

12 February 2002

The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir

**Investa Property Group
Half-Year Report 31 December 2001**

Investa Property Group is pleased to announce its results for the half-year ended 31 December 2001.

The results reflect the increasing contribution of the company in conjunction with a solid performance by the Trust. Compared to the forecasts contained in the Explanatory Memorandum (30 November 2000) the distribution was 1.1% higher, and against after tax earnings (before amortisation and revaluations) 5.3% higher.

	Actual Growth Results			Change on previous corresponding period
	Trust	Company	Group	
Revenue (\$m)	58.1	12.2	67.2	(1) +26.5%
Earnings (\$m) (2)	37.6	1.4	39.0	+34.0%
Distribution per security (cents)	7.15	0.15	7.30	+9.5%
Earnings per security (cents) (2)	6.91	0.25	7.16	+14.2%
NTA per security			\$1.65	+4.4%

(1) Group Result reflects eliminations on consolidation

(2) Earnings before amortisation, revaluations and after tax

These results are described in the attached

- Appendix 4B,
- Summary Distribution Statement,
- Commentary on Financial Reports.
- Full Financial Reports of:
 - Investa Property Group
 - Investa Property Trust
 - Investa Properties Limited

Having achieved this result, we remain confident of delivering the full year distribution forecast of 14.75 cents per security.

The key achievements for the six months include establishment of the wholesale funds management business, the re-organisation of the Group's debt arrangements, and the purchase of development company, Silverton Limited.

The reorganisation of debt through the issue of \$250 million in AAA rated Commercial Mortgage Backed Securities has been an important step for the Group in reducing its overall cost of capital. Coupled with two separate bank facilities, this provides much greater flexibility in supporting the diverse range of business activities undertaken by the Group.

The company contributed 2.7% of after tax earnings reflecting the contribution of its key business areas;

- Funds Management (Investment Services)
- Asset Management
- Corporate Property Services, and
- Development

Investa Property Trust

On a like for like basis, the net rental of the Group's investment portfolio is up 10.9% on the previous corresponding period, reflecting positive rental review outcomes, lower operating costs and maintaining low vacancies across the portfolio.

Approximately 20,000m² of space has been leased in the portfolio during the last six months. The present occupancy levels stands at 98.1% with leases in respect to only 2.2% of area of the portfolio expiring in the next six months and 6.7% in the year beyond. The portfolio is very well positioned to continue making a strong contribution to the Group.

Investment Services

Total funds under management now exceed \$1.8 billion, driven mainly from increases in external funds which now represent 24% of total funds under management.

Two wholesale funds were established with a combined value of \$337 million. The Martin Place Wholesale Syndicate was established (\$88m) and \$8 million was paid to Suncorp for the purchase of management rights for the Investa Commercial Property Fund (\$248m). Work on introducing new investors into these funds will continue over the next twelve months with approximately \$200 million available for investment.

While no additional retail syndicates were established during the period, the ground work of the first half has now translated to securing assets for three new syndicates to be established in the second half. The first of these, the Investa First Industrial Trust, will shortly close for subscription, having been very well received by investors during its marketing.

Asset Management

The property management business has continued to perform ahead of expectations earning revenue of \$1.3 million. As this was largely for services performed on the assets of IPT, on consolidation this is reflected as lower property expenses in the Group result. The broadening of activities to include Queensland operations will reinforce this contribution for the second half.

Corporate Property Services

Our emphasis during the half year was upon the provision of services and advice to Westpac Banking Corporation for its portfolio, space planning, facilities management and tenancy requirements.

We are continuing in our discussions with a number of parties concerning the provision of these services.

Developments

The purchase of Silverton Ltd during the half has now been completed. While much of the activity of this business has centred on implementation, at an operational level, the business has continued to perform well. In the period since the purchase was announced over 200 residential lots have been contracted for sale.

We are pleased with the achievements of the first half and we are well positioned for a solid full year result.

If you have further questions regarding this announcement please contact Chris O'Donnell, the Managing Director, on 02 8226 9301 or Andrew Junor, General Manager Investment Services, on 02 8226 9305.

Yours faithfully

Brian McGarry**Company Secretary**

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