



## THE GPT GROUP ANNOUNCES

### Establishment of the German Retail Property Fund with €136.5 million Equity Raise

21 December 2007

The GPT Group is pleased to announce the establishment of GPT Halverton's first retail property fund, the German Retail Property Fund (GRP), following the successful completion of the equity raise for the Fund. A total of €136.5 million of equity was raised for the Fund, which attracted a number of institutional European and international investors. Consistent with its policy to maintain a co-investment of up to 10%, the GPT Group will invest approximately 7% of the equity, through a €10 million co-investment.

The Fund is the fifth fund to be established by GPT Halverton since its inception in 2004 and brings total assets under management to €1.7 billion (excluding assets held to seed future funds). Combined with the growth of GPT's Australian wholesale funds, the Group has rapidly increased assets under management and its relationship with institutional capital in Australia and internationally and now manages \$7.7 billion in assets on behalf of investors in its funds.

The establishment of GRP is consistent with the Group's stated strategy to continue to grow the European funds management business, focussing on markets where GPT Halverton has established local offices and networks, and assets which have the ability to benefit from the asset management capability offered by the business.

Nic Lyons, Chief Executive of GPT said the success of the Fund in attracting highly regarded investors was a strong endorsement of the quality of the people and the strength of the platform GPT had established in Europe.

"We are particularly pleased to have established the Fund ahead of our Q1 2008 target in what has been a challenging environment globally.

"The success of GRP positions GPT Halverton well to launch additional funds in the next six months focussed on the industrial and office sectors," Mr Lyons said.

The Fund, which has a target total portfolio size of up to €300 million, will own an initial portfolio of 30 assets totalling approximately €80 million. Reflecting the strength of the pipeline, due diligence is underway on a further 15 assets (totalling €50 million) and the

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business continues to see opportunities for portfolio growth in line with the Fund's investment objectives.

The Fund is a closed-ended unlisted fund and has an initial life of six years with two one year extensions subject to investor approval. Debt has been secured with Deutsche Bank with an LTV of 60% and interest rate hedging is in place for the life of the Fund.

The strategy for GRP is to aggregate a significant portfolio of predominantly food-anchored retail properties across Germany that have short term value enhancement potential through active management, with a view to providing investors with a combination of income and capital growth.

The initial portfolio consists of 30 properties with a collective area of 68,400 sqm and an occupancy rate exceeding 99%. The vast majority of income is derived from a selection of Germany's largest retailers including Rewe, Edeka, Aldi, Plus, Penny, Netto, Norma and DM.

GRP will be managed by a dedicated fund team of nine specialists led by Matthew Walker, Fund Director, who has 17 years property investment experience.

**Ends**

**For further information contact:**

**Michael O'Brien**

**Donna Byrne**

Chief Operating Officer

Head of IR & Corporate Affairs

02 8239 3544

02 8239 3515

0417 691 028

0401 711 542

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