



ASX/MEDIA ANNOUNCEMENT

CHARTER HALL SELLS 50% STAKE OF 275 GEORGE STREET, BRISBANE FOR \$166 MILLION

Monday, 1 February 2010

Charter Hall Group (CHC) announces the sale of a 50% stake in 275 George Street in Brisbane which was co-developed by Charter Hall Opportunity Fund No. 4 (CHOF4) and Charter Hall Core Plus Office Fund (CPOF), to K-REIT Asia (Australia) Trust, a wholly owned subsidiary of K-REIT Asia, a real estate investment trust based in Singapore, for \$166 million. CPOF will retain the remaining 50% stake in the office development.

The acquisition represents the first Australian investment for K-REIT Asia and signifies the growing demand by overseas buyers for Australian investment opportunities.

Completed in April 2009, 275 George Street represents a new era in contemporary designed office and retail space and delivers new standards in quality, efficiency and innovation. Located in the heart of Brisbane's CBD, the property comprises 40,317m² of A-grade commercial office space over 30 levels with 1,431m² of quality retail space and 244 basement car park bays. The ecologically-designed 275 George Street has achieved a 5 Star Green Star – Office Design v2 rating and Charter Hall is targeting a 5 star As Built rating for the project, as well as a 4.5 Star NABERS Energy rating. 275 George Street's office tower is 100% leased to blue chip tenants Telstra Corporation and QGC, with lease terms of 10 years.

David Southon, Charter Hall's Joint Managing Director said: "275 George Street represents the successful delivery of a high quality, substantial CBD commercial office building by Charter Hall, demonstrating the strong in-house development and delivery capability of the Group. The sale of Charter Hall's largest project demonstrates the growing appetite for strong investment opportunities in the resource driven states of Queensland and Western Australia and signifies renewed confidence within a recovering Australian property market".

Charter Hall's Joint Managing Director, David Harrison said: "The transaction is beneficial for CHOF4 investors and the Charter Hall managed CPOF, which retains its 50% interest alongside K-REIT Asia. Charter Hall will continue to undertake the management of the property. This transaction demonstrates the Group's ability to deliver on its investment strategy across its various funds". Adding further: "We are delighted with the sale and look forward to a long-term partnership with K-REIT Asia".



The 50% sale of 275 George Street was negotiated off market by Richard Butler, Neil Brooks and Bruce Baker of CB Richard Ellis.

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About the Charter Hall Group:

Charter Hall Group is a property funds management and development company, based in Sydney with offices in Melbourne, Brisbane, Perth, Adelaide and Auckland. Established in 1991 and listed on the ASX in 2005 as a stapled security under the code CHC, Charter Hall Group combines Charter Hall Limited with Charter Hall Property Trust. The Group currently has funds under management of \$3.24 billion. The Charter Hall Group has achieved a solid track record across its activities demonstrating a 17 year history of managing wholesale capital, making it one of Australia's leading property fund managers. Charter Hall's success has been underpinned by a highly skilled and motivated management team with diverse expertise across property sectors and risk-return profiles. The Group has also recently been included in the S&P/ASX 200 A-REIT index.