AUSTRALAND PROPERTY GROUP

ASX ANNOUNCEMENT

29 April 2004

AUSTRALAND TO ACQUIRE $220M PROPERTY PORTFOLIO AND RAISE $189M OF CAPITAL

Australand Property Group today announced its intention to make an offer to the non Australand unitholders in Australand Wholesale Property Trust No.3 ("AWPT3") to acquire their units for $1.12 per unit, at a total cost of approximately $98 million. The trust consists of 8 quality office and industrial properties developed by Australand over the past 2 years, with a value of approximately $220 million.

The acquisition is to be approved by the AWPT3 unitholders at a meeting scheduled for Wednesday 26 May 2004 with the acquisition to be completed by 31 May 2004. Following the acquisition, the proportion of Australand's recurrent income on an annualised basis will increase from 31% to 35%.

In conjunction with the acquisition, Australand will raise approximately $189 million of additional capital by way of a non-renounceable 1 for 7 entitlement offer of approximately 100.3 million new stapled securities and an institutional placement of approximately 15.4 million new stapled securities, each at $1.63 per new stapled security.

Qualifying securityholders who are registered securityholders as at 7.00pm (Sydney time) on Tuesday 4 May 2004 and who have registered addresses in Australia, Singapore or New Zealand will receive an Entitlement Offer.

Commenting on the acquisition and capital raising Mr. Brendan Crotty, Australand Property Group Managing Director, said:

"This previously foreshadowed acquisition of AWPT 3 is the next step in Australand's strategy to reduce the Group's dependence on development earnings and to increase the level of recurrent property investment income through the progressive acquisition of additional quality income producing properties. The acquisition will bring Australand's recurrent income property portfolio to approximately $600 million and the Group is on track to achieve its stated medium term objective of having recurrent income equivalent to development profits by 2007."

Australand Property Group's major securityholder, CapitaLand Limited, has confirmed that it will take up its full entitlement of approximately $95 million under the entitlement offer. The remaining amount of the entitlement offer and the entire institutional placement will be fully underwritten by Goldman Sachs JBWere Pty Ltd and UBS AG, Australia Branch.

It is intended that the proceeds of the capital raising will be used to fund the AWPT3 acquisition and to reduce the level of Australand Property Group's gearing.

The new stapled securities issued under the capital raising will be entitled to the full distribution for the quarter ending 30 June 2004, forecast to be 4 cents per stapled security and expected to be paid on 3 August 2004. The revised forecast distribution for Australand Property Group for the year ending 31 December 2004 is 16.5 cents per stapled security. This represents an annualised yield of 10.1% based on an issue price of $1.63 per New Stapled Security.

Australand Property Group has sought a trading halt for its stapled securities as from commencement of trading this morning on the Australian and Singapore stock exchanges whilst the institutional component of the Entitlement Offer and the Institutional Placement are conducted.

The Product Disclosure Statement and Prospectus for the Capital Raising has been lodged with the Australian Securities & Investments Commission today and it is anticipated that it will be sent to securityholders on or around Thursday 6 May 2004. The retail component of the entitlement offer will remain open until Tuesday 25 May 2004.

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