

18 December 2006

## ASX Announcement

### GALILEO JAPAN TRUST – COMMENCEMENT OF TRADING ON ASX

Galileo Japan Funds Management Limited ("GJFML") as responsible entity for Galileo Japan Trust (ASX code: "GJT") is pleased to announce GJT has been admitted to the official list and will begin trading on the Australian Stock Exchange at 12.00pm (noon) AEST on a deferred settlement basis today.

The listing follows the successful Initial Public Offer ("IPO") which raised approximately \$284 million with strong demand from both institutional and retail investors.

Neil Werrett, Managing Director of GJFML said, "We are delighted with the level of both domestic and international investor support for GJT. The Japanese real estate market continues to demonstrate improving underlying fundamentals with recovery in office land prices and vacancy and rental levels both trending positively. This, combined with an attractive yield spread over the cost of debt makes Japan an attractive investment opportunity"

Chief Operating Officer, Peter Murphy said, "A key strength of the portfolio is the diversification across a number of real estate sectors including office, retail/leisure, mixed use, residential, industrial and hotels. With a bias toward the improving office markets and in particular Tokyo, the portfolio is well positioned to capture growth."

The Trust completed the acquisition of the initial portfolio comprising 21 assets on 15 December 2006 for ¥56.96 billion<sup>1</sup> (approximately A\$620 million).

Key highlights of GJT include;

- 59% of the portfolio (by value) in Central Tokyo
- 98.4% occupancy
- Portfolio acquired at 5.5% discount to independent valuation
- Forecast annualised FY'07 cash yield of 7.20%
- Attractive net property income yield of 4.85%<sup>2</sup>
- Excellent diversification by both sector and geography

Total debt of JPY 33.293 billion was drawn at closing to fund the acquisition of the initial portfolio. An interest rate swap agreement has been entered into to fix JPY 27.085 billion of the debt for five years at an all in rate of 1.9275%, with the remaining portion floating. The initial fixed portion equates to 81% of the total debt drawn which is consistent with the policy outlined in the Product Disclosure Statement.

For further information about Galileo Japan Trust please contact:  
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<sup>1</sup> Includes Asakusa Vista Hotel which will be acquired in September 2007

<sup>2</sup> Based on purchase price