



Galileo Japan Funds Management Limited
(ACN 121 567 244) (AFSL 305 429)
as Responsible Entity for Galileo Japan Trust
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ASX / Media Release

**GALILEO JAPAN TRUST
MARCH QUARTER 2008 UPDATE**

Please find attached a Galileo Japan Trust (ASX code: GJT) update for the three months ended 31 March 2008.

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About Galileo Japan Trust

The Trust is listed on the Australian Securities Exchange with an indirect interest in a portfolio of 26 Japanese Real Estate investments valued at approximately ¥95.1 billion (approximately A\$956.6 million)¹. The combined portfolio is diversified by both sector and geography, however, retains a bias to Tokyo.

Further information on Galileo Japan Trust is available at www.galileofunds.com.au

¹ Translated at ¥99.4, the rate as at 16 May 2008

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**GALILEO JAPAN TRUST
MARCH QUARTER 2008 UPDATE**

Galileo Japan Funds Management Limited ("GJFML") as responsible entity for Galileo Japan Trust (ASX code: "GJT") is pleased to provide the following update relating to the portfolio for the three months ended 31 March 2008.

Key Highlights:

- Portfolio occupancy increases from 98.1% (as at 31 December 2007) to 98.8%
- Tsukasacho an office building in Tokyo now 100% leased (62.1% as at 31 December 2007)

GJT Portfolio Activity (Office and Retail only)

Office and Retail represents approximately 75% of the total GJT rent roll. In the period from 1 January 2008 to 31 March 2008, a total of 6 new or renewed leases were negotiated, representing approximately 2.5% of the total office and retail rent roll.

Leasing activity during the period can be summarised as follows:

	# of Leases	Area Tsubo*	New Rent ¥m pa	Old Rent ¥m pa	Change %
Rent Increase	6	500	134.1	108.1	24.0

* One tsubo equates to approximately 3.3 square metres

New Leases

Total of four new standard leases were negotiated during the period to 31 March 2008. Three new leases (370 tsubo) were negotiated in the Tsukasacho building resulting in an average increase over previous passing rents of 28.8%. The Tsukasacho building is now 100% leased compared to 62.1% as reported in 31 December 2007.

Property	Area Tsubo	Comm. Date	New Rent ¥m pa	Old Rent ¥m pa	Change %
Tsukasacho	150	1 May 2008	45.8	33.0	38.8
Tsukasacho	140	1 May 2008	38.9	30.4	27.9
Tsukasacho	80	1 May 2008	19.0	17.1	11.1
Seishin	30	1 Mar 2008	8.5	7.8	8.9
Total	400		112.2	88.3	27.1

Forward Renewals

A total of two tenants representing 100 tsubo (approx. 330 square metres) have indicated their intention to renew leases which expire post 31 March 2008.

Property	Area Tsubo	Comm. Date	New Rent ¥m pa	Old Rent ¥m pa	Change %
Seishin	30	1 August 2008	7.5	6.5	15.4
Tsukasacho	70	1 June 2008	14.4	13.3	8.3
Total	100		21.9	19.8	10.6

Chief Operating Officer Peter Murphy said "These results reflect positively on both the Tokyo office market and the ability of our asset management team in Japan to deliver strong property performance for our unitholders".

According to Miki Shoji, March 2008 report, vacancy in Tokyo's five central wards was 2.89% as at 31 March 2008, 0.12% higher than the preceding month and the same level as at December 2006. Within the five wards Minato-ku had the highest vacancy with 4.28% whilst Chiyoda-ku exhibited the lowest level of vacancy at only 1.43%.

Miki Shoji also reported that the average office rents in Tokyo's five central wards increased 2.6% in the March 2008 quarter to ¥22,574 per tsubo per month.

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