CHARTER HALL GROUP (CHC)




FULL YEAR RESULTS FY07

21 AUGUST 2007

Sydney Brisbane Perth Auckland

CHARTER HALL

Contents

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Highlights

- FY07 DPS at 10.44cps – 47% increase on FY06 DPS
- 118% TSR to CHC security holders – 30 June 06 to 30 June 07
- 2 new wholesale funds – CHOF 5 and CPIF, raised $650m of equity
- Unlisted equity commitments increased by $800m in FY07
- 26 investment assets acquired
- Crystallised profits for 3 development projects
- Funds continue to perform strongly
- Management is comfortable with consensus FY08 DPS forecast

1. After fair-value adjustment

Exceeding Forecasts

	FY07 results	FY06	*Variance*
DPS	**10.44cps**	7.10cps	*+47%*
NPAT	**$31.7m**	$17.4m	*+82%*
Tax Deferred	**51%**	28%	*+21%*
Underlying EPS[1]	**9.51cps**	6.50cps	*+46%*
AUM[2]	**$2.81bn**	$1.35bn	*+108%*
Gearing	**24.4%**	27.7%	*-3.3%*

1. Underlying EPS is after adding back AIFRS non cash expenses (mainly the share based remuneration expense and tax expense on the unrealised gain in the investment in Axiom Properties Limited).
2. Measured on a completed basis

Key Events

	PROPERTY ACQUISITIONS / COMPLETED PROJECTS / LEASING DEALS			STRATEGIC INITIATIVES
JUL 07	**CPOF** 34 Hunter Street, Sydney acquired for $41m.	**CPIF** 772 Boundary Road, Richlands, Brisbane. Project initial outlay $6.9m (completion value $20m)	**CPOF** Northbank Plaza, Brisbane CBD. 50% acquired from CHOF 4. Taking interest to 100% of $180m completed value	
JUN 07	**CPRF** Foodtown, Auckland CBD acquired for $NZ28.0m	**DPF** 615-619 Maroondah Highway, Mitcham, Melbourne. Retail acquisition for $5.1m	**CPRF** Australia-wide Bunnings Portfolio and Bluewater Plaza, Redcliffe, Brisbane acquired for a total $197m	
	CPOF Macquarie House, Sydney acquired for $90.7m.			**CIP ACQ. & PLACEMENT** 50% investment in CIP for $40m. Funded from proceeds of $133m capital raising.
MAY 07		**DPF** Glover Street, Cremorne, Sydney acquired for $10.3m.		**CHOF 5 CLOSE** Close of Charter Hall Opportunity Fund. Total committed equity of $300m.
APR 07	**CHOF 4** 275 George Street, Brisbane. Announce commencement of $550m office devpmnt.	**DPF** Industrial Portfolio in Melbourne Airport Business Park. 3 Buildings acquired for $10.65m		**CPIF LAUNCH** First close of Core Plus Industrial Fund. $350m of equity commitments received.
MAR 07				**CPOF RE-UP** CPOF raises a further $125m for future acquisitions
FEB 07	**CPRF** Harvey Norman, Dunedin, New Zealand. CHC's first New Zealand acquisition			**CHUF** CHC enters partnership to create Charter Hall Umbrella Fund
JAN 07	**CPRF** Bunnings property Bendigo acquired for $8.7m	**CPRF** Bunnings property Kalgoorlie acquired for $6.2m		

Key Events

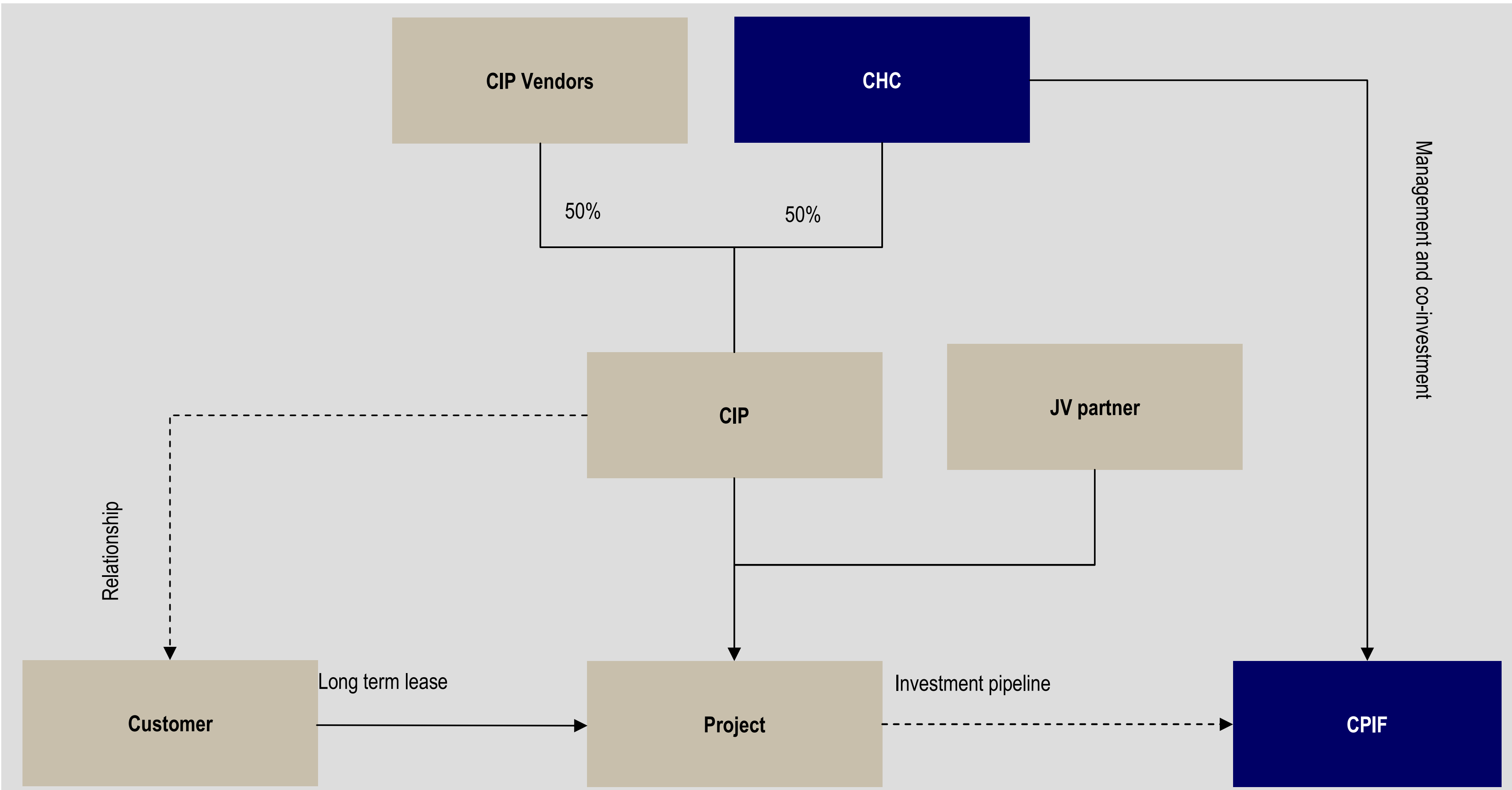
	PROPERTY ACQUISITIONS / COMPLETED PROJECTS / LEASING DEALS			STRATEGIC INITIATIVES
DEC 06	**CPOF** 275 George St, Brisbane CBD, 50% acquired. $370m project end value	**CPIF** Pinkenba Brisbane, acquired for $10.4m	**CPOF / CHOF 4** 275 George St / Northbank Plaza, Brisbane CBD. 10-year, 50,000sqm lease to Telstra	
	CPOF Northbank Plaza, Brisbane CBD, 50% acquired. $180m project end value	**CPOF** 331 George St, Sydney CBD acquired for $7.5m	**CPOF / CHOF 4** Northbank Plaza, Brisbane CBD. 8-year, 5,800sqm lease to Parsons Brinckerhoff	
	CPIF Wesfarmers Geebung Brisbane, acquired for $7.5m	**CPIF** Toll, Brisbane Airport, acquired for $9.5m		
NOV 06	**CHOF 4** Home HQ North Shore Sydney, Bulky goods centre, $135m project end value	**PDP 3** 151 Pirie St, Adelaide CBD sold for $61m realising 48% equity IRR	**PDP 3** Home HQ Nunawading, commenced trading	**CHL INVESTMENT** $5m investment in Axiom Properties Ltd
SEP 06	**CPOF** 225 St Georges Tce, Perth CBD. 50% of office tower acquired for $61.5m	**CPIF & DPF** Coles Myer Dist. Centre, Perth Airport acquired for $155m (CPIF 75% / DPF 25%)	**CPOF** St George Bank HQ, Kogarah Sydney. Office building acquired for $126m	
AUG 06	**CHPT** Key tenants secured for Nunawading: JB HiFi, Howard's Storage	**CPOF** Hatch, Perth CBD fringe. Office building acquired for $36.5m	**CPOF** 333 George St, Sydney CBD. Office tower acquired for $69m	**CPOF 2ND CLOSE** $500m of equity commitments raised
JUL 06	**CHOF 4** 275 George St, Brisbane CBD. DA lodged for $370m office tower	**CHOF 4** Mounts Bay Rd, Perth CBD. Office tower, $144m project end value (JV)	**CHPT** Key tenant secured for Nunawading: The Good Guys	
	PDP 3 Sites 6&7 Sydney Olympic Park site sold for $8m+		**CHOF 4** 420 George St, Brisbane on-sold for $17.4m realising 97% equity IRR	

CIP Acquisition

- In June 07 CHC acquired 50% of Commercial & Industrial Property (CIP), a national private industrial development group based on a multiple of 4.76 x PBT over FY07-09
- CIP FY07 PBT exceeded expectations
- FY08 WIP and profit expectations are "on track"
- CIP has continued expansion with new resources and further projects
- Richlands acquisition and JV between CIP and Core Plus Industrial Fund (CPIF) increases AUM originated for CHC managed funds by CIP to $250m over last 2 years*
- Demonstrates the new investment opportunities expected to arise from the CIP investment
- CHC has an option to acquire the remaining 50% after 3 years at a price equivalent to 4.76 x annual PBT weighted 20% FY08, 40% FY09 & 40% FY10

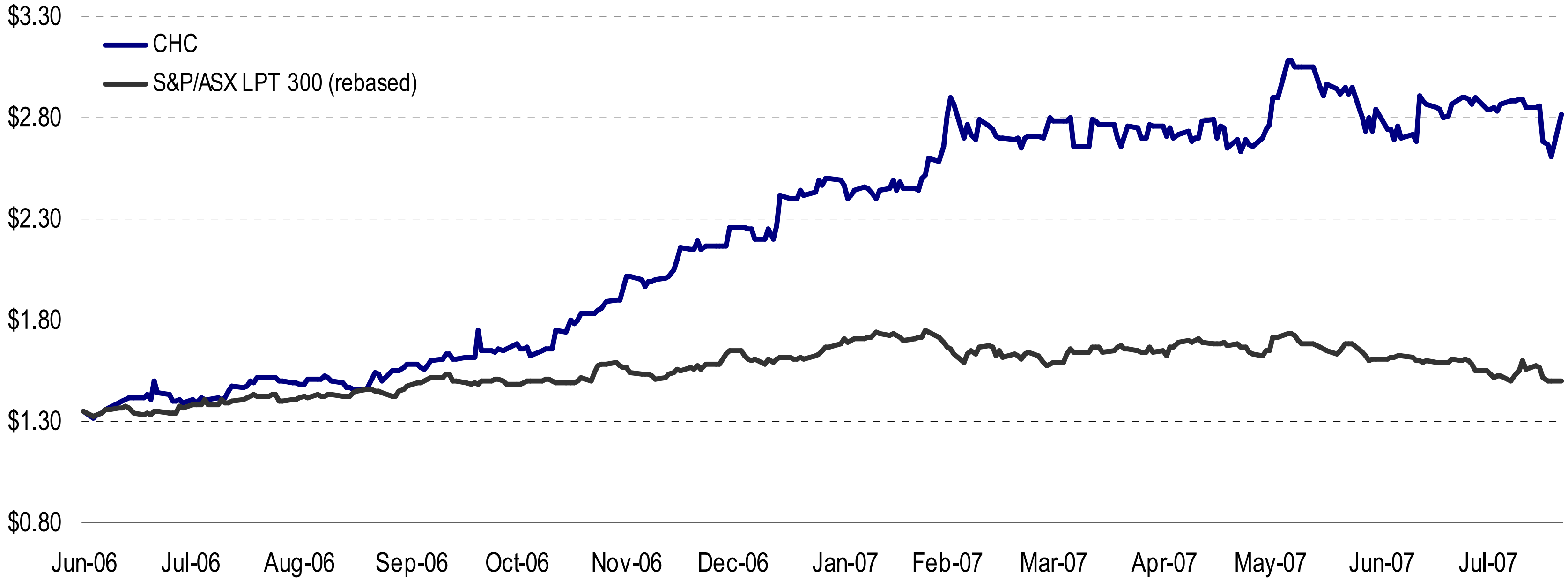
* On a completed basis

CIP Structure



CHC Security Price

- 98% out-performance of ASX/S&P Property Trusts 300 on a total return basis

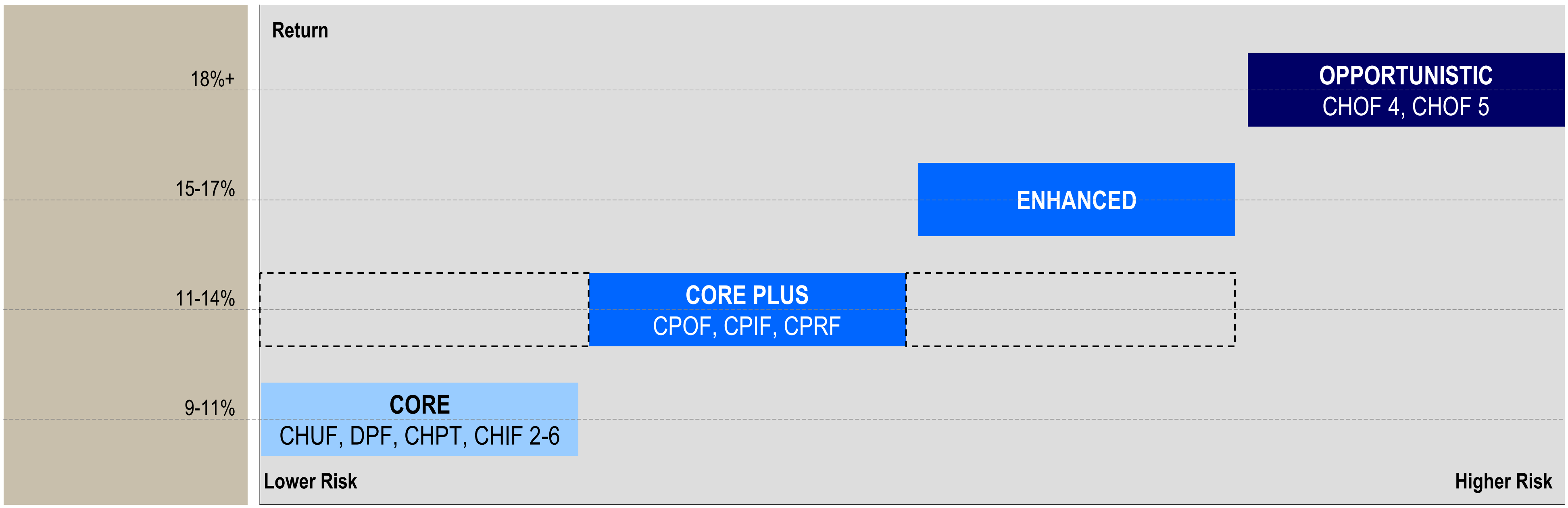


Closing Price 20 August 07	$2.82
Closing Price 30 June 06	$1.35

Total Return since 30 June 06	116.3%
Market Cap 20 August 07	$1,231.5m

Product Spectrum

- A range of products covering entire risk/return spectrum targeting all investor market segments



CRITERIA	Core investments	70% core, 30% enhanced	Development opportunities
INVESTORS	Institutional, HNW, Retail	Wholesale	Wholesale

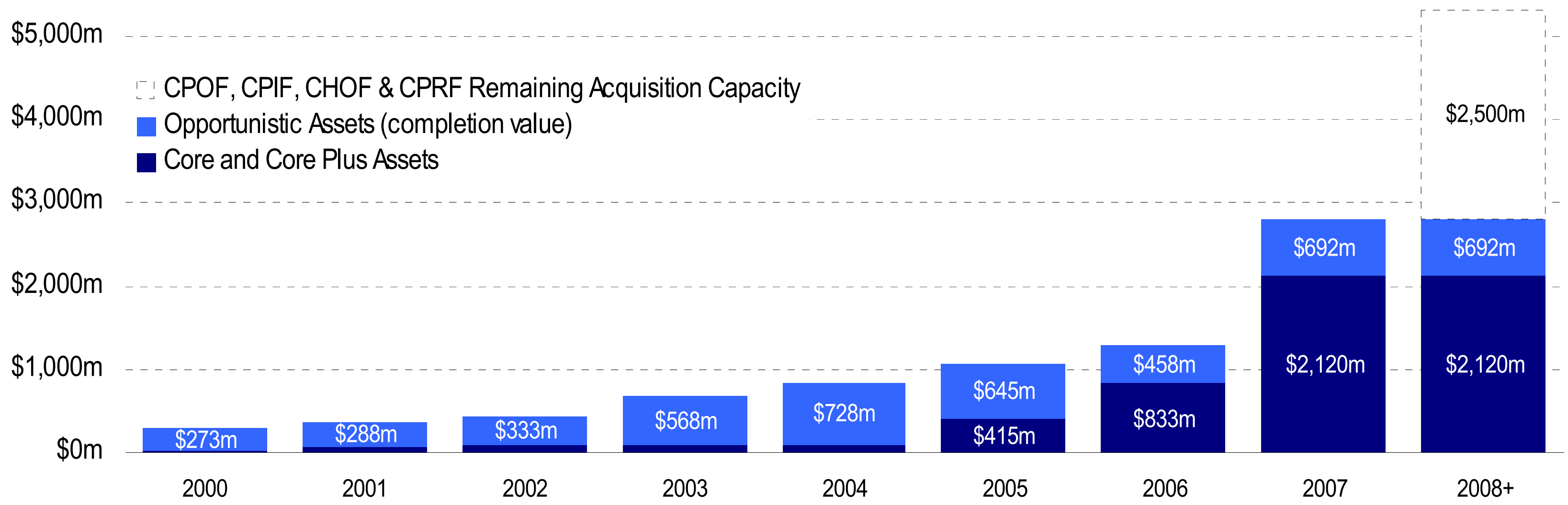
Established Track Record

FUND	Target CHC %	# Assets	Asset Capacity	Equity Committed	Allocated	Year Est.	Status
CHARTER HALL OPPORTUNITY FUND 5 (CHOF 5)	17%	0	**$1,000m**	$300m	0%	07	Closed Ended
CHARTER HALL OPPORTUNITY FUND 4 (CHOF 4)	3%	5	**$500m**	$165m	82%	05	Closed Ended
CORE PLUS OFFICE FUND (CPOF)	23%	12	**$1,250m**	$625m	62%	06	Open Ended
CORE PLUS INDUSTRIAL FUND (CPIF)	20%	7	**$700m**	$350m	40%	07	Open Ended
CORE PLUS RETAIL FUND (CPRF)*	20%	14	**$700m**	$350m*	50%	08	Open Ended
CHARTER HALL UMBRELLA FUND (CHUF)*	0-20%	Multiple	**$100m**	$100m*	TBA	07	Open Ended
DIVERSIFIED PROPERTY FUND (DPF)	0-20%	11	**$150m**	$53m	100%	05	Open Ended
CHARTER HALL INVESTMENT FUNDS 2-6 (CHIF 2-6)	0%	10	**$124m**	$70m	100%	96-05	Closed Ended
CHARTER HALL PROPERTY TRUST (CHPT)*	100%	3	**$750m**	$460m**	100%	05	
TOTAL post current raisings		**62**	**$5,274m**	**$2,453m**			

* Subject to successful capital raising for CHUF and CPRF

** Accounts for $380m of assets being sold down into CPRF

Assets Under Management



- $2.8 billion current AUM
- 53 property acquisitions deals totalling $2.6 billion completed in FY05-07 period (80% off-market) across all property sectors nationally and New Zealand
- Deep property market penetration provides access to transaction flow

Co-Investment Model

CHARTER HALL GROUP (CHC)

CHOF 5	CHOF 4	CPOF	CPIF	CPRF	CHPT	DPF	CHUF
17%	3%	20%	20%	20%	100%	20%	20%
$ 1bn	$500m	$925m → $1,250m	$270m → $700m	$480m → $700m	$590m → $120m	$125m	$100m
	Mounts Bay Road Perth WA, (50%)	Nortbank Plaza, Brisbane QLD, (100%)	Coles Myer Distribution Perth Airport WA, (75%)	Home HQ, Nunawading VIC	Home HQ, Nunawading VIC	Coles Myer Distribution Perth Airport WA, (25%)	CPOF
	Home HQ North Shore Sydney NSW	275 George Street Brisbane QLD, (50%)	MABP Cat, Tullamarine VIC	27-29/61 Nepean Hwy, Mentone VIC (50%)	27-29/61 Nepean Hwy, Mentone VIC (50%)	400 Kent St, Sydney NSW, (25%)	CPIF
	420 George Street Brisbane QLD	AMEX Atrium, Pyrmont Sydney NSW	Wesfarmers, Geebung QLD	25 Nepean Hwy, Mentone VIC	25 Nepean Hwy, Mentone VIC	385 St Pauls Tce, Brisbane QLD	CPRF
		333 & 331 George St, Sydney NSW	140-150 Robinson Rd Geebung QLD	Menai Central, Menai NSW	Menai Central, Menai NSW	181 St Georges Tce, Perth WA	CHOF 5
		Hatch, Stirling St, Perth WA	Pinkenba Brisbane QLD	Bunnings Bendigo VIC	Bunnings Bendigo VIC	420 Princess Hwy, Corio (Geelong) VIC	DPF
		225 St Georges Tce, Perth WA, (50%)	Myer, Kewdale WA	Bunnings Kalgoorlie WA	Bunnings Kalgoorlie WA	Compark Circuit, Mulgrave VIC	REIT / LPT
		St George Bank, Kogarah NSW	Toll Brisbane Airport QLD	Bunnings Australia Portfolio (6 assets)	Bunnings Australia Portfolio (6 assets)	MABP Bax, Tullamarine VIC	
		Bank SA, Adelaide SA	Richlands Brisbane	Foodtown Auckland NZ	Foodtown Auckland NZ	EMI Cremorne	
		34 Hunter Street Sydney		Harvey Norman Dunedin NZ	Harvey Norman Dunedin NZ	Maroondah Hwy Mitcham	
		167 Macquarie Street Sydney			570 Bourke St Melbourne 400 Kent Street Sydney Volvo Chullora		

- Assets sourced from CH funds and CIP, off-market
- Assets sourced off-market
- Assets sourced on-market
- Seed assets for upcoming funds currently held on balance sheet

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PROPERTY TRUST UPDATE




FULL YEAR FY07

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Charter Hall Property Trust (CHPT) Update

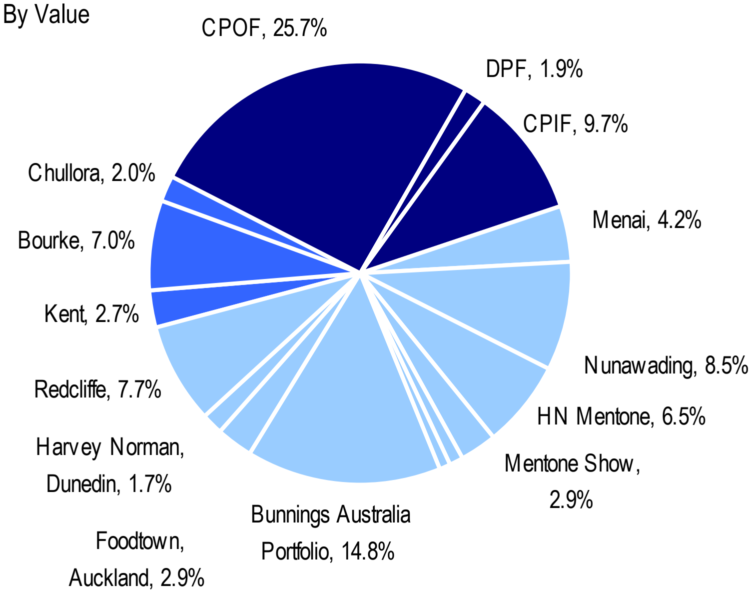
- In line with its strategy, CHC (via CHPT's balance sheet) continues to seed new funds with assets and takes approx 20% co-investment stake in those managed funds
- Acquired 6 industrial assets, which subsequently seeded the March 07 launch of CPIF
- 12 retail assets acquired over the year with a total value of $300m, bringing total retail assets to $480m
- Core Plus Retail Fund (CPRF) assets expected to be sold down from CHPT balance sheet during FY08

Charter Hall Property Trust (CHPT) Update

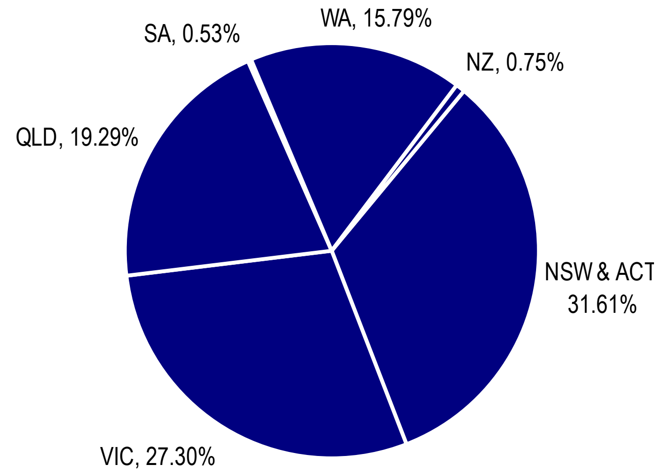
- CHPT's investments in Core Plus funds now comprise majority of CHPT investment assets
- Remaining $130m of direct CHPT investment assets provide further inventory for managed funds
- Mentone Harvey Norman Centre construction expected to commence in FY08
- CHPT WALE of 9.0 years (post sell-down of CPRF assets), excellent geographic and sector diversification provide high quality, low risk property portfolio, with spread of fixed and market rent reviews

CHPT Portfolio: Pre Sell-down into CPRF

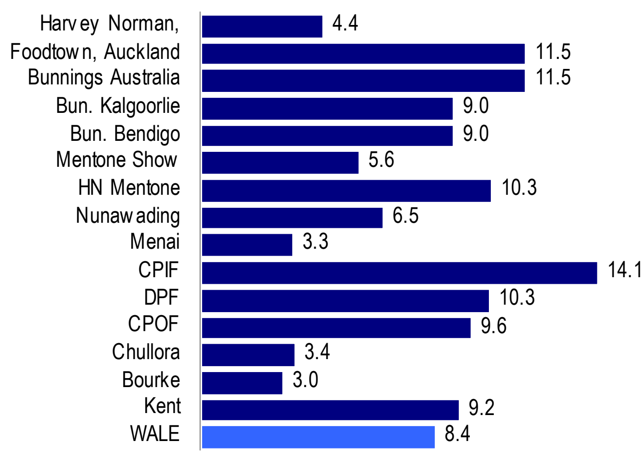
ASSET DIVERSIFICATION
By Value



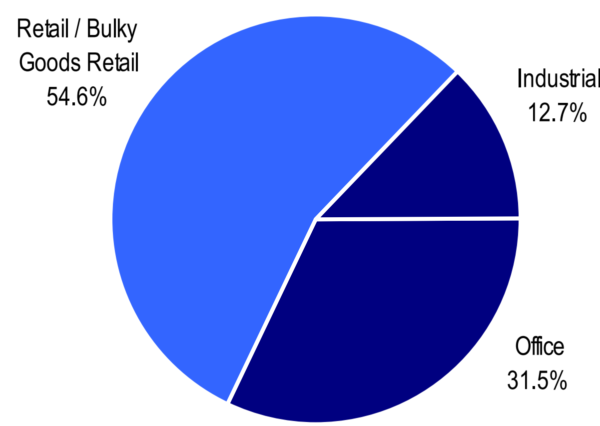
GEOGRAPHIC DIVERSIFICATION
By Value



WEIGHTED AVERAGE LEASE EXPIRIES
By Income

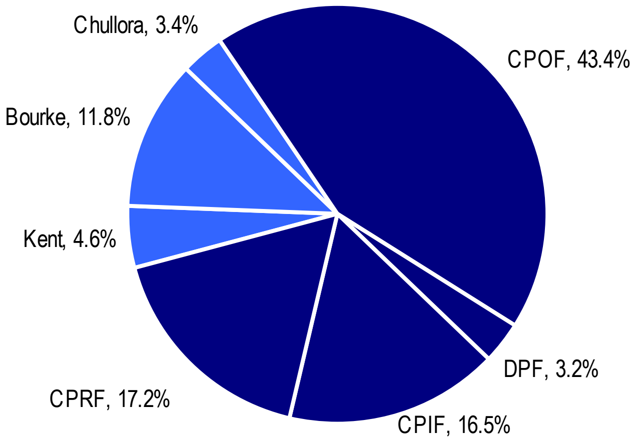


SECTOR DIVERSIFICATION
By Income



CHPT Portfolio: Post Sell-down into CPRF

ASSET DIVERSIFICATION
By Value



GEOGRAPHIC DIVERSIFICATION
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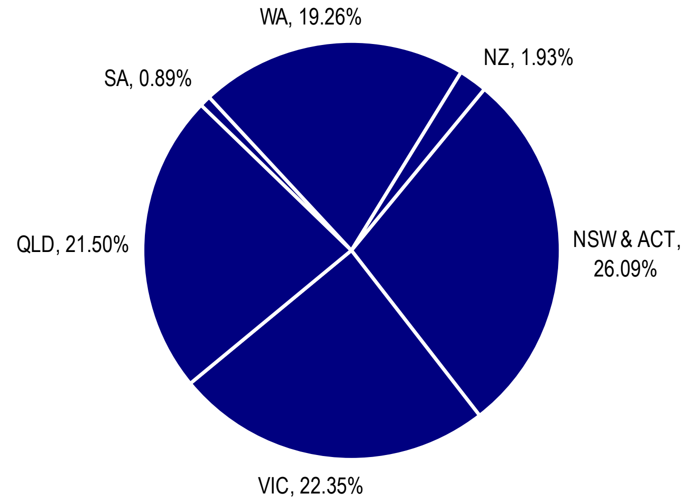

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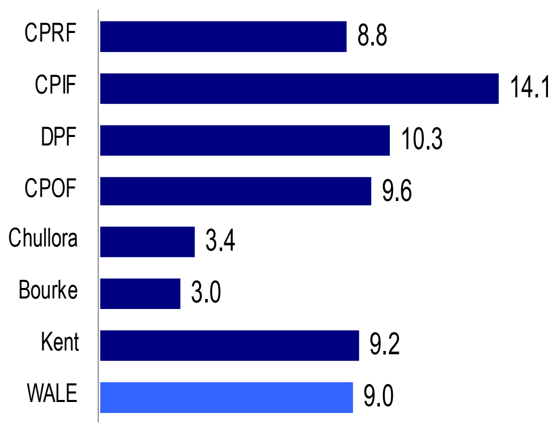
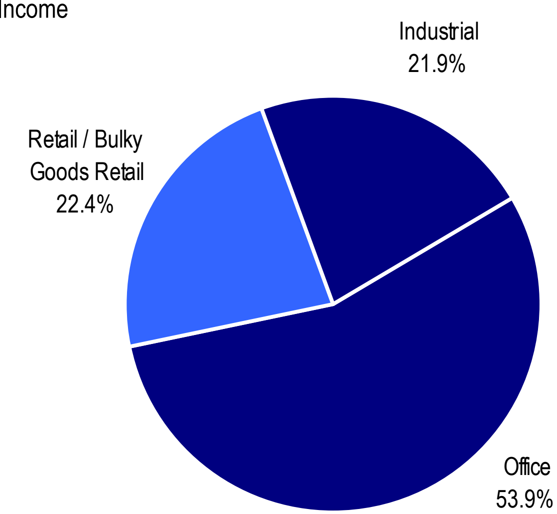


SECTOR DIVERSIFICATION
By Income



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FUNDS UPDATE




FULL YEAR FY07

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Wholesale Overview

- **Largest Core Plus fund manager in Australia** - $975 million total equity raised to date
- Provider of sector choice for wholesale investors - Office, Industrial, Retail
- Skill and track record to deliver development margins essential to equity value growth for investors
- Substantial Equity commitments provide opportunity to exploit opportunities that emerge from global credit volatility
- Upcoming launch of a Core Plus Retail Fund (CPRF) to complement the Core-Plus series
  - $500m initial portfolio of quality Australian and NZ retail and bulky goods properties
  - Looking to raise up to $350m equity in an initial offer

Wholesale Overview

- **Largest Opportunistic fund manager in Australia -** $734m equity raised to date
- 5th fund in the successful series of Charter Hall's Opportunity Funds
  - Total committed equity of $300m, with capacity for $1 billion of project value
  - Heavily over-subscribed
  - 74% of funds committed from repeat investors
- New Clients and Repeat business
  - Multitude of new clients added to Charter Hall stable of wholesale funds including many market leading Australian superannuation funds, Government funds, foundations, investment institutions and offshore investors
  - Repeat Business: Strong positive reaction to CHOF 5 and CPIF initial raisings, in addition to CPOF Re-Up, from Charter Hall's existing wholesale client base

Retail Overview

- **Charter Hall to further penetrate the retail funds management market**

- Diversified Property Fund rapidly expanding
  - Increasing equity in-flows from major and boutique financial planning groups
  - 156% increase in AUM for FY07

- FY08 Launch of Charter Hall Umbrella Fund (CHUF)
  - To be established with $100m+ of equity
  - Enables retail investors a diversified unlisted property exposure across Charter Hall's suite of property funds, with daily unit pricing and liquidity
  - Positive feedback from major financial planning groups and research houses
  - Will provide scale and efficient access to fast growing retail and self managed super fund investor market

Core Plus Office Fund (CPOF) Update

- Achieved strong inaugural financial year gross equity IRR of 19.1%
- Increased number of assets in portfolio from 3 to 12 during FY 07
- Continued high proportion of off-versus-on market acquisitions
- Equity commitments from Wholesale Investors increased from $500m to $625m

Core Plus Office Fund (CPOF) Update

- Gross asset capacity increased from $1,000m to $1,250m
- 62% of total equity commitments drawn from Investors
- High quality, geographically diversified portfolio across WA, QLD, NSW and SA
- WALE of over 9.5 years
- Tenants include Telstra, American Express, St George Bank, Coles, BHP Billiton, Hatch
- Strategy on track to outperform target equity IRR of 12.0%pa net

Core Plus Office Fund (CPOF) Property Portfolio

Atrium (AMEX)
Sydney
$142.2m
(100% Ownership)

Stirling St
Perth (Hatch)
$36.5m
(100% Ownership)

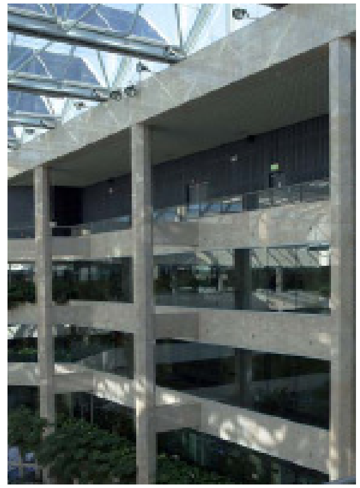
333 & 331
George St
Sydney
$82.5m
(100% Ownership)

Northbank Plaza
(Telstra)
Brisbane
$183.0m
(100% Ownership)

275 George St
(Telstra)
Brisbane
$200.0m
(50% Ownership)

Core Plus Office Fund (CPOF) Property Portfolio

225 St Georges Tce
(BHP)
Perth WA
$76m
(50% Ownership)



St George Bank HQ
Sydney
$133.0m
(100% Ownership)

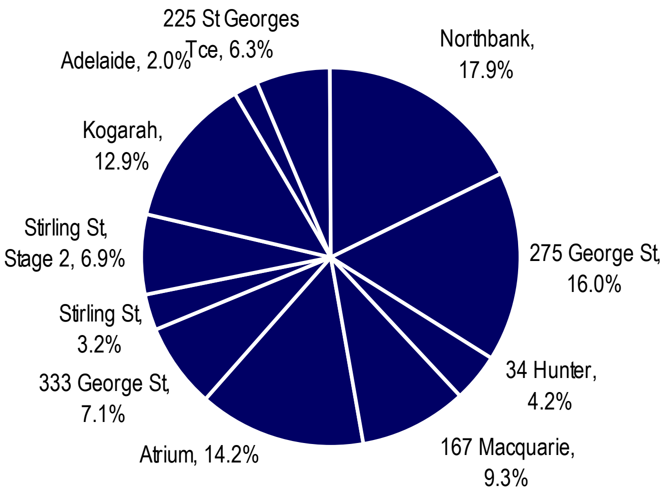
34 Hunter St
Sydney NSW
$41m
(100% Ownership)

Bank SA
Adelaide
$20.0m
(100% Ownership)

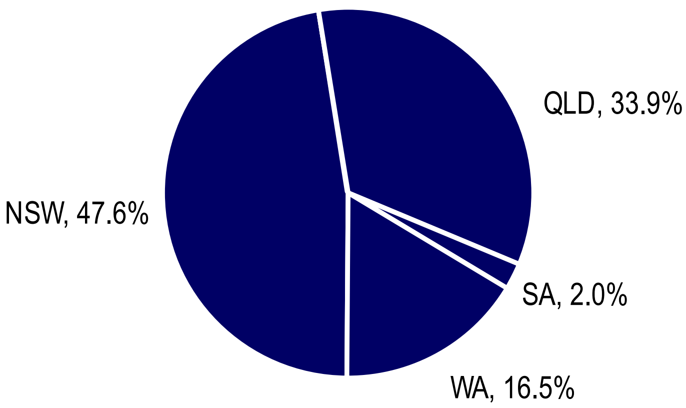
167 Macquarie St
Sydney
$90.7m
(100% Ownership)

Core Plus Office Fund (CPOF) Portfolio

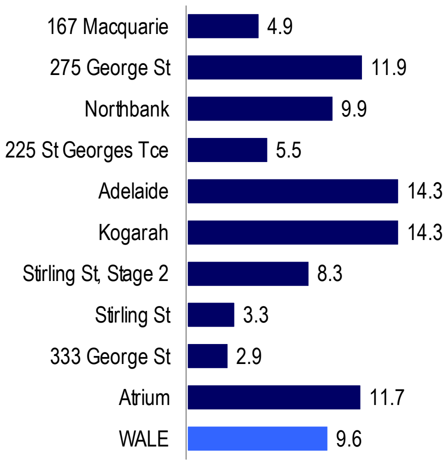
ASSET DIVERSIFICATION
By Value



GEOGRAPHIC DIVERSIFICATION
By Value



WEIGHTED AVERAGE LEASE EXPIRIES
By Income



Core Plus Industrial Fund (CPIF) Update

- Fund established at 31 March 2007 with $350m in wholesale equity commitments
- Gross asset capacity of $700m within current equity raising. Scope to increase capacity at future equity raisings
- Unit Price Up-Lift at 30 June 2007 plus income yield provides 3.3% 1st quarter return
- Portfolio owns 7 quality warehouse / distribution facilities with a total value of $268m

Coles Regional Distribution Centre (85,000m^2) – CIP Development

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Core Plus Industrial Fund (CPIF) Update

- Portfolio diversified across WA, QLD and VIC with a WALE of 14 years
- Tenants include Coles Myer, Toll, Wesfarmers, Caterpillar, Kathmandu
- Future acquisition pipeline significantly enhanced via deal-flow from CIP group
- CPIF seed portfolio well positioned to achieve target equity IRR of 11%+
- Attracted both domestic and international investors

Coles Regional Distribution Centre (85,000m^2) – CIP Development

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Core Plus Industrial Fund (CPIF) Property Portfolio

Coles Myer Distribution Centre
Perth WA
End Value $133m
(75% Ownership)

Toll, Viola Place
Brisbane QLD
$9.5m
(100% Ownership)

123 Kewdale Road
Kewdale, Perth WA
$32m
(100% Ownership)

Pinkenba,
Brisbane QLD
End value $24m
(100% Ownership)

Wesfarmers, Geebung
Brisbane QLD
$7.75m
(100% Ownership)

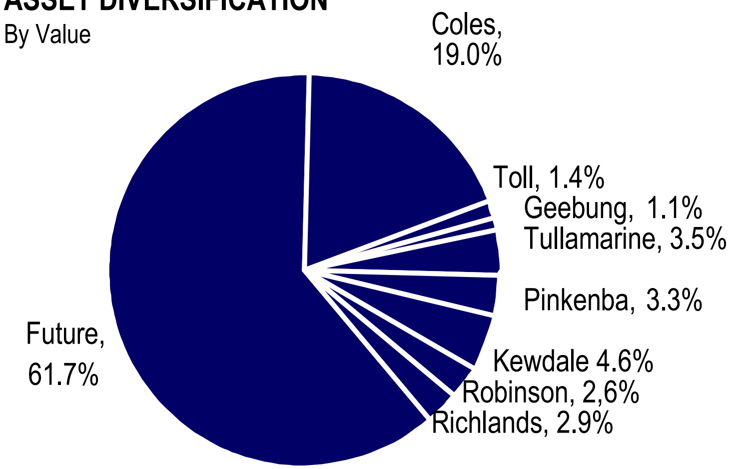
772 Boundary Road
Richlands, Brisbane
End value $20m
(100% Ownership)

Tullamarine,
Melbourne VIC
$24m
(100% Ownership)

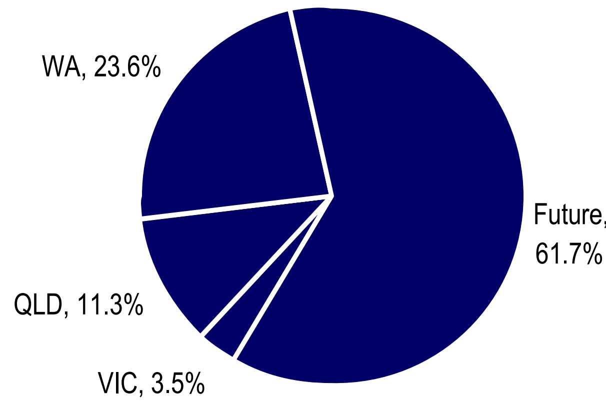
140-150 Robinson Rd,
Geebung
Brisbane QLD
$18m
(100% Ownership)

Core Plus Industrial Fund (CPIF) Portfolio

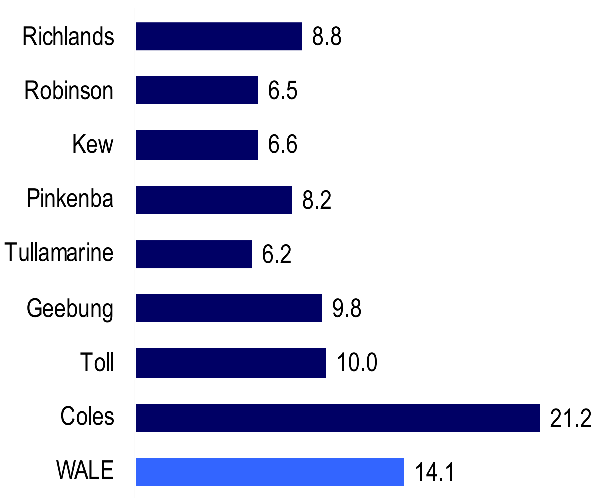
ASSET DIVERSIFICATION
By Value



GEOGRAPHIC DIVERSIFICATION
By Value



WEIGHTED AVERAGE LEASE EXPIRIES
By Income



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Core Plus Retail Fund (CPRF) Update

- Fund to be established in FY 08 with target $350m in wholesale equity commitments
- Scope to increase gross asset capacity at future equity raisings
- Same structure and fee profile as successful CPIF capital raising
- Seed portfolio of 14 retail assets with a focus on bulky goods outlets, showrooms and neighbourhood retail

Bunnings Belconnen, part of the $130m Bunnings portfolio acquired in June 2006

Core Plus Retail Fund (CPRF) Update

- WALE of 9 years with asset diversity across Vic, NSW, QLD, WA and NZ
- Major tenant covenants include Bunnings, Harvey Norman, Woolworths, Bev Marks, JB Hi-Fi, Nick Scali, Good Guys and Subaru etc
- Strong management with Charter Hall bulky retail expertise

Foodtown Retail Asset, New Zealand CPRF Acquisition

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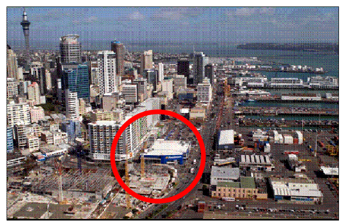
Core Plus Retail Fund (CPRF) Property Portfolio

Harvey Norman Mentone, Melbourne Vic
$50m end value
(50% Interest)

Menai Central
Menai,
Sydney NSW
$36.5m
(100% Interest)

Harvey Norman
Dunedin,
New Zealand
$18m
(100% Interest)

Mentone Showrooms
Melbourne, Vic
$22m
(100% Interest)



Foodtown
Auckland CBD,
New Zealand
$28m
(100% Interest)

Bunnings
Penrith,
Sydney NSW
(100% Interest)

Home HQ Nunawading,
Melbourne Vic
$68m
(100% Interest)

Blue Point Plaza
Redcliffe,
Brisbane QLD
$67m
(100% Interest)

Bunnings
Nerang,
Gold Coast QLD
(100% Interest)

Core Plus Retail Fund (CPRF) Property Portfolio

Bunnings
Box Hill,
Melbourne Vic
(100% Interest)

Bunnings
Kalgoorlie,
Western Australia
(100% Interest)

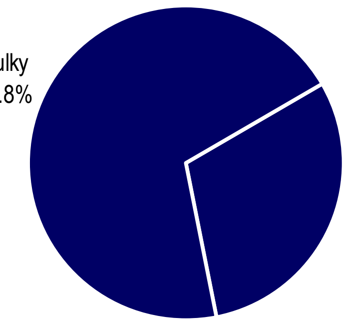
Bunnings
Stafford,
Brisbane QLD
(100% Interest)

Bunnings
Bendigo,
Victoria
(100% Interest)

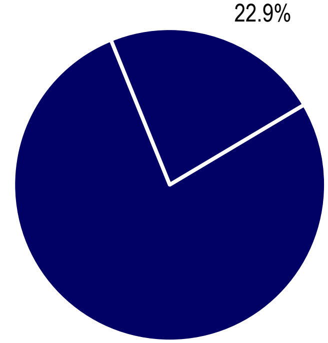
Bunnings
Belconnen,
Canberra ACT
(100% Interest)

Bunnings
Nowra,
South Coast NSW
(100% Interest)

SECTOR DIVERSIFICATION
By Value



TENANT SPLIT
By Value



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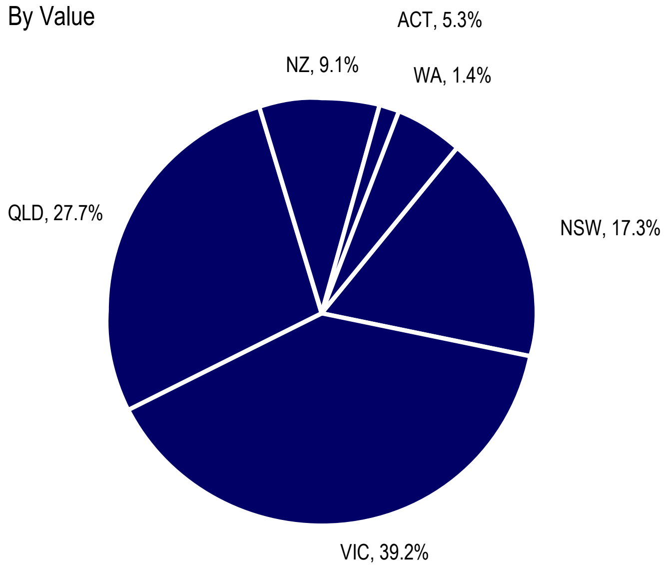
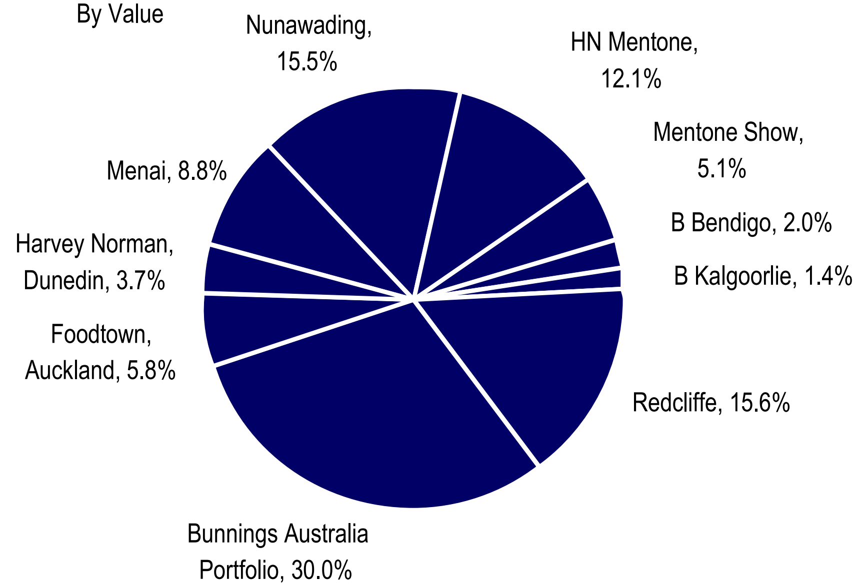
Core Plus Retail Fund (CPRF) Property Portfolio

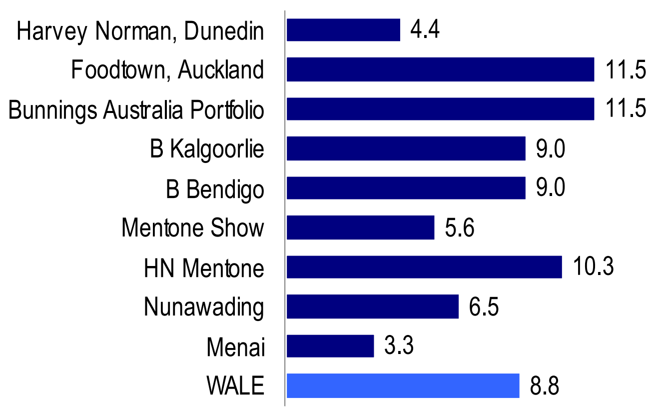
ASSET DIVERSIFICATION
By Value



GEOGRAPHIC DIVERSIFICATION
By Value



WEIGHTED AVERAGE LEASE EXPIRIES
By Income



CHARTER HALL

Diversified Property Fund (DPF) Update

- 156% increase in AUM to $123m over FY07
- Significant enhancement in diversification as portfolio grows from 5 to 11 assets
- Significant positive feedback from major and boutique financial planning groups
- Average equity flows growing on a quarterly basis

St. George's Terrace, Perth

CHARTER HALL

Diversified Property Fund (DPF) Update

- Quality portfolio of ASX listed, national and government tenant exposure
- Portfolio has one of the longest WALE in the industry at 10.4yrs
- Strong 8% cash distribution yield
- On track to deliver on long term objective to outperform a 10 year equity IRR of 10%

Mulgrave, Victoria

CHARTER HALL

Diversified Property Fund (DPF) Property Portfolio

Coles Myer Distribution Centre
Perth WA
$44.1m
(25% Ownership, 75% CPIF)

Corio Retail Centre
Geelong VIC
$11.1m
(100% Ownership)

South Centre Road & Jets Court, Tullamarine VIC
$10.7m
(100% Ownership)

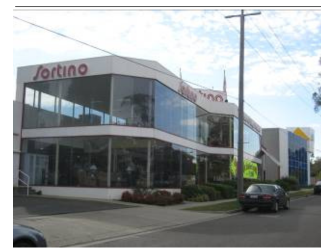
400 Kent St
Sydney NSW
$13.2m
(25% Ownership, 50% CHPT, 25% CHIF 6)

Mulgrave VIC
$5.7m
(100% Ownership)

98-100 Glover St
Cremorne, NSW
$10.3m
(100% Ownership)

181 St Georges Tce
Perth WA
$16.1m
(100% Ownership)

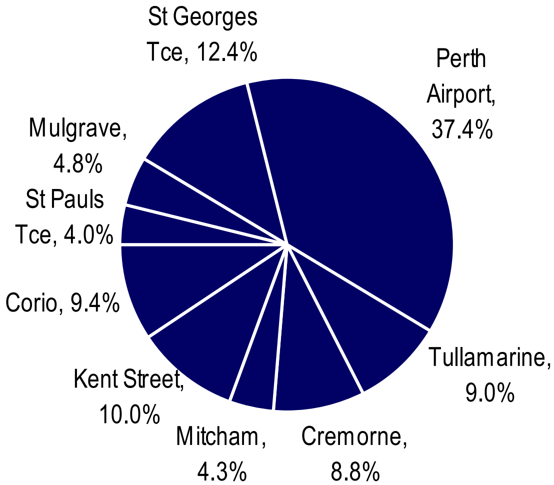
285 St Pauls Tce
Brisbane QLD
$5.5m
(100% Ownership)



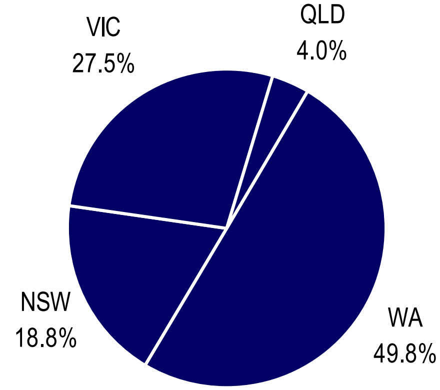
615-619 Maroondah Hwy
Mitcham VIC
$5.1m
(100% Ownership)

Diversified Property Fund (DPF) Property Portfolio

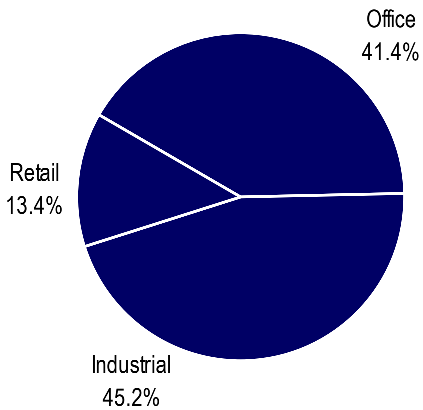
ASSET DIVERSIFICATION
By Acquisition Price



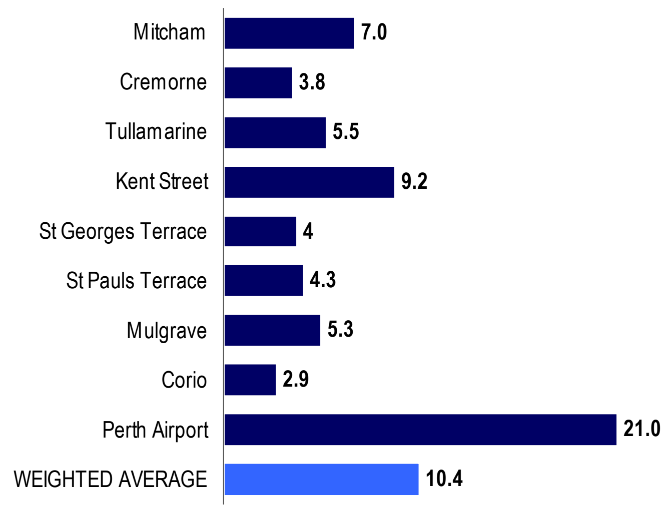
GEOGRAPHICAL DIVERSIFICATION
By Acquisition Price



SECTORAL DIVERSIFICATION
By Net Income



WEIGHTED AVERAGE LEASE EXPIRIES



CHARTER HALL

Charter Hall Opportunity Fund (CHOF) Update

- FY 07 Deals Executed/Crystallised
  - 151 Pirie Street, gross equity IRR >50%
  - Northbank Plaza Brisbane, gross equity IRR >75%

- CHOF 4 ($165m equity, $500m GAV capacity) Performance Update
  - On track to significantly outperform 20.0%pa gross equity IRR objective
  - 81% of committed equity allocated with capacity for one more project

- CHOF 5 Fund Launch ($300m equity, $1000m GAV capacity)
  - Closed over-subscribed at a self imposed cap of $300m in committed equity
  - Charter Hall and Charter Hall managed funds co-invested $50m

- Strong support from a wide variety of Australian superannuation funds, Government funds and institutions

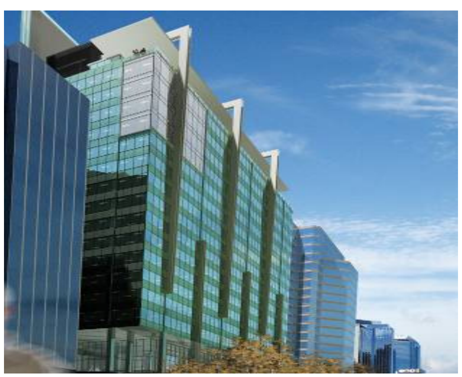
Current Charter Hall Opportunity Fund (CHOF) Projects

275 George Street, Brisbane

New 40,000sqm A-grade, 30-level office tower, 1,500sqm retail space and 240 car spaces. 80% pre-leased to Telstra on a 10 year lease. Targeting 5 star Green Star rating and 4.5 star ABGR. Floor plate 1,280sqm. Completion value $400m, 50% JV with Charter Hall's Core Plus Office Fund.

Northbank Plaza, Brisbane

Refurbished 26,300sqm A-grade, 22-level office tower, 400sqm retail space and 160 car spaces. 95% pre-leased to Telstra and Parsons Brinckerhoff on 10 and 8-year leases respectively. Targeting 4.5 star ABGR. Floor plate 1,200sqm. Completion value $181m, 50% JV with Charter Hall's Core Plus Office Fund.



Mounts Bay Road, Perth

New 21,000sqm A-grade, 20-level office tower and 96 car spaces. Floor plate 1,450sqm. DA obtained. Completion value $200m, 50% JV with Cape Bouvard Investments.

Home HQ, North Shore, Sydney

Proposed 23,500sqm bulky goods retail development over 3 levels and 550 car spaces. Completion value $135m.

Sydney Wharf, Pyrmont, Sydney (PDP3)

104 luxury apartments, 55 marina berths and 220 car spaces. Completion value $320m, 50% JV with Babcock & Brown.

FINANCIALS

FULL YEAR FY2007

CHARTER HALL

Income Statement: FY07 vs FY06

$ 000's	1	FY07	FY06	Variance %
Direct property net income	2	19,825	17,069	
Investment income	3	6,466	161	
Corporate income	4	24,975	13,406	
Total income		**51,266**	**30,636**	**67%**
Operating expenses	5	(14,146)	(9,129)	
EBIT		**37,120**	**21,507**	**73%**
Interest income	6	2,737	1,533	
Interest expense		(6,496)	(5,896)	
NPBT		**33,361**	**17,144**	**95%**
Tax (pre Axiom fair value)		(834)	277	
NPAT before fair value adjustments (pre Axiom tax)		**32,527**	**17,421**	**87%**
Tax expense on Axiom fair value gain	7	(852)	-	
NPAT before fair value adjustments		**31,675**	**17,421**	**82%**
Fair value adjustments	8	11,493	170	
NPAT after fair value adjustments		**43,168**	**17,591**	**145%**
Distribution		**38,072**	**19,050**	**100%**

1. FY06 is a 12 month period to show like for like results. However the comparative period per the statutory accounts includes 25 days in June 2005
2. Net rental income from CHPT directly owned properties. Increase mainly due to additional properties acquired and rental growth in existing portfolio
3. Represents distribution income from co-investments. Increase is due to launch of CPOF/CPIF/CPRF/CHUF. FY06 represents DPF distributions only
4. Increase due to higher fund management, performance and development management fees
5. Corporate overheads increase due mainly to higher salaries expense due to higher staff numbers (38 to 53 – or 40% increase, most have been senior executive appointments)
6. Increase mainly due to cash temporarily held as a result of two equity raisings
7. Non cash tax expense on the unrealised gain on CHL's investment in Axiom Properties Limited
8. Relates to revaluations of the following:
   - direct properties
   - investments in unlisted funds
   - Axiom revaluation
   - Mark to market hedge

Reconciliation of Underlying EPS to DPS

FY07		Cps
Underlying EPS	1	**9.51**
Wyllie distribution	2	0.17
DPF valuation gain	3	0.04
Procurement fee (on IPO assets)	4	0.29
20% of CPOF/CPIF valuation gain	5	0.43
DPS		**10.44**

1. AIFRS EPS adjusted for AIFRS non cash expenses being mainly the share based remuneration expense and the tax expense on the unrealised gain in the investment in Axiom Properties Limited
2. 18m securities were issued to Wyllie Group on 11 December 2006. Wyllie received a distribution for the full 6 month period to 31 December 2006. Wyllie repaid (in February 2007) the proportion of the distribution relating to the period pre issue of the securities. This has been distributed in the 2H.
3. Represents the increase in value of CHPT's investment in DPF.
4. As disclosed in the PDS forecasts the procurement fee on IPO assets has been spread over 2 years from June 2005 and distributed in FY06 and FY07. The fee has been fully recognised to 30 June 2007.
5. Represents 20% of the increase in value of CHPT's investment in CPOF/CPIF. As new equity is issued in unlisted funds at a unit price that varies daily based on changes to asset values, CHC is distributing no more than 20% of the annual change in the value of these investments. As new equity is invested in such funds at the daily unit price, the potential to transfer such investments at the daily unit price exists. This strategy rewards CHC investors with a small portion of annual movement in value of investments held in CHC managed funds.

Balance Sheet: 30 June 2007 vs 31 December 2006

$ 000's		30/6/07	31/12/06	Variance
Current assets	1	53,930	21,693	31,596
Non current assets	2	596,448	404,502	192,587
Total assets		**650,378**	**426,195**	**224,183**
Current liabilities		28,192	21,203	6,989
Non current liabilities	3	161,175	78,207	82,968
Total liabilities		**189,367**	**99,410**	**89,957**
Net assets	4	**461,011**	**326,785**	**134,226**

KEY BALANCE SHEET ITEMS		30/6/07	31/12/06	Variance
Direct property ($m)	5	430.7	323.4	107.3
Investments ($m)	6	149.9	75.4	74.5
Borrowings ($m)		158.6	77.4	81.2
Gearing		24.4%	18.2%	6.2%
Securities on issue excluding LTI's (m)	7	409.1	364.7	44.4
NTA per security ($)	8	1.12	0.90	0.22

1. Increase mainly due to cash on hand as a result of placement proceeds (since utilised)
2. Increase due to direct property assets and investments (refer below for break-up)
3. Increase due to higher debt which increased $81m
4. Increase mainly due to the June 2007 placement – raised $133m (note 30 June 2007 distribution is a provision and hence decreases net assets)
5. Increase due additional CHPT assets -> eg. Bunnings portfolio and Dunedin less Tullamarine transferred to CPIF
6. Consists of investments in CPOF/CPIF/DPF/CHUF and Axiom
7. Increase due to issue of placement securities in June 2007
8. NTA calculated on securities less ELSP as per AASB2 ELSP as equity not recognised for accounting purposes

CHARTER HALL

WRAP-UP

FULL YEAR FY07

CHARTER HALL

FY 2007

- Strong ROE focus of CHC management rewarded with out performance of funds and significant new equity raisings
- Access to different sources of equity evidenced by c. 40% new investors in wholesale funds
- Increased focus on retail funds will further diversify sources of equity
- Additional investment from off shore institutions creates relationships overseas
- Equity commitments provide potential for CHC to exploit distressed selling of assets by under capitalised owners of real estate
- Positive outlook for new product creation and manufacture of investment grade assets