ASX ANNOUNCEMENT

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CHARTER HALL SUCCESSFULLY COMPLETES INSTITUTIONAL EQUITY RAISING

Thursday, 28 May 2009

Charter Hall Group (CHC) is pleased to announce the successful completion of the institutional component of its $49 million 2 for 7 non-renounceable entitlement offer and Placement ("Offer") at $0.33 per security. The institutional component of the Offer raised approximately $29 million.

The Institutional Entitlement Offer was heavily oversubscribed with demand from existing and new investors.

The proceeds of the equity raising will:

- Reduce CHC's pro forma balance sheet to zero;
- Provide positive cash reserves;
- Reduce look-through pro forma gearing and 34%.

Mr Kerry Roxburgh, Chairman of Charter Hall Group said: "We are delighted with the support our existing institutional securityholders have shown alongside the strategic investment made by the Gandel Group. The proceeds from the equity raising will strengthen our balance sheet and provide CHC with financial flexibility".

Settlement of the New Securities issued under the Placement and Institutional Entitlement Offer is scheduled to occur on 11 June 2009, with trading expected to commence on 12 June 2009.

The Entitlement Offer has been fully underwritten by Macquarie Capital Advisers, Goldman Sachs JBWere and the Gandel Group.

Retail entitlement offer

The retail component of the entitlement offer ("Retail Entitlement Offer") opens on Wednesday, 3 June 2009 and is expected to close at 5.00pm (Sydney time) on Wednesday, 18 June 2009. Eligible retail securityholders will have the opportunity to participate at the same price and offer ratio as under the Institutional Entitlement Offer.

The Retail Entitlement Offer will proceed according to the timetable set out in the announcement released to ASX on 27 May 2009. A booklet in relation to the Retail Entitlement Offer will be mailed to securityholders on 3 June 2009. Eligible retail securityholders wishing to participate in the Retail Entitlement Offer will need to complete the Entitlement and Acceptance Form which will accompany the booklet.

All New Securities will rank equally with existing securities from allotment and will be entitled to the 2H FY09 distribution. Charter Hall reconfirms 2H FY09 distribution guidance of 1.0 cents per security.

Securityholder enquiries

For further information regarding the Retail Entitlement Offer, please call the Charter Hall Entitlement Offer Securityholder Information Line on 1300 664 498 (for callers within Australia) or +61 2 8280 7787 (for callers outside Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period or visit Charter Hall's website at www.charterhall.com.au.

For further enquiries or to arrange a media interview, please contact:

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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 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 Charter Hall Group has achieved a solid track record across its activities demonstrating a 13 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.