ASX ANNOUNCEMENT

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Equity raising and Macquarie Real Estate Management Platform acquisition update

Monday, 1 March 2010

CHARTER HALL GROUP OFFER – INITIAL ALLOTMENT

Charter Hall Group ("Charter Hall") is pleased to announce the commencement of normal trading on ASX of 384, 811,160 new Charter Hall stapled securities ("New Securities") issued today pursuant to an equity raising announced on 12 February 2010 ("Offer"). The New Securities issued today consist of:

- 224,248,137 New Securities issued to institutional investors under the institutional component of the accelerated non-renounceable entitlement offer ("Entitlement Offer");
- 3,665,687 New Securities issued to retail securityholders under the early portion of the retail component of the Entitlement Offer;
- 35,624,778 New Securities issued to institutional investors under an institutional placement; and
- 121,272,558 New Securities issued to Macquarie Group Limited ("Macquarie") under a Placement Agreement with Charter Hall.

Following allotment of the New Securities today, the total number of Charter Hall stapled securities on issue, and quoted on ASX, is 1,140,400,630 [1]. Allotment of the New Securities under the final portion of the retail component of the Entitlement Offer is expected to occur on 16 March 2010.

CHARTER HALL GROUP ACQUISITION

The proceeds received will be used to partly fund the acquisition by Charter Hall of the majority of Macquarie's core real estate management platform ("the Acquisition") as described in the investor presentation lodged with ASX dated 12 February 2010. Charter Hall is pleased to announce the following developments in relation to the Acquisition:

- the completion of the sale to Charter Hall by Macquarie of all of the shares in Macquarie Asset Services Limited and Macquarie Real Estate Europe Limited under the Share Sale Agreement dated 12 February 2010; and

1 – includes 50,343,595 securities issued under the Executive Loan Security Plan (ELSP) which are not recognised for accounting purposes in accordance with AASB2 *Share Based Payments*. Therefore in calculating EPS, DPS and NTA the relevant number of securities is 1,090,057,035.

- the completion of the sale to Charter Hall by Macquarie of approximately 6.5% of the units in each of Macquarie CountryWide Trust ("MCW") and Macquarie Office Trust ("MOF") which it has agreed to acquire under the Unit Transfer Agreement dated 12 February 2010.

The sale to Charter Hall by Macquarie of the remaining portion of the units in MOF and MCW, and the units in Macquarie Direct Property Fund, that Charter Hall has agreed to acquire under the Unit Transfer Agreement is expected to occur on 16 March 2010. The sale to Charter Hall by Macquarie of all shares in Macquarie Office Management Limited, Macquarie Countrywide Management Limited and Macquarie Direct Property Management Limited is expected to complete in due course and details of the relevant transitional arrangements are outlined in the offer booklet lodged with the ASX on 12 February 2010.

Effective today, the names of the following responsible entities and funds will change as follows:

- Macquarie Office Management Limited will be re-named Charter Hall Office Management Limited
- Macquarie Office Trust will be re-named Charter Hall Office REIT
- Macquarie CountryWide Management Limited will be re-named Charter Hall Retail Management Limited
- Macquarie CountryWide Trust will be re-named Charter Hall Retail REIT

For further information please refer to the announcements to be made today to ASX by each of Charter Hall Office REIT and Charter Hall Retail REIT.

Securityholder enquiries

For further information regarding the Retail Entitlement Offer, please call the Charter Hall Entitlement Offer Information Line on 1300 664 498 (from within Australia) or +61 2 8280 7787 (from outside Australia) between 8.00am and 7.30pm (AEDT) Monday to Friday during the Retail Entitlement Offer period or visit our website at www.charterhall.com.au.

ENDS

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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, which will now own and/or manage over $10 billion in real estate assets. The Charter Hall Group has achieved a solid track record across its activities demonstrating a 19 year history of managing wholesale and retail 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.

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IMPORTANT INFORMATION

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "Securities Act")) ("US Person"). This document may not be distributed to, or relied upon by, persons in the United States or who are, or are acting for the account or benefit of, US Persons. Securities may not be offered or sold in the United States or to, or for the account or benefit of, US Persons, absent registration under the Securities Act or an exemption from registration. Neither the entitlements nor the new securities offered under the Offer have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. In addition, none of Charter Hall Limited, CHFML, Charter Hall Property Trust or Charter Hall Group has been, or will be, registered under the US Investment Company Act of 1940 (the "Investment Company Act") in reliance on an exception provided by Section 3(c)(7) thereof. Accordingly, the new securities to be offered and sold in the Offer may only be offered or sold in the United States or to, or for the account or benefit of, US Persons in transactions exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws and exempt from the registration requirements of the Investment Company Act.

This announcement may contain certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Statements regarding certain plans, strategies and objectives of management and indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Charter Hall Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Recipients are cautioned not to place undue reliance on forward-looking statements. Charter Hall Group assumes no obligation to update such information.