MEDIA/ASX ANNOUNCEMENT

CHARTER HALL ACQUIRES 9 CASTLEREAGH STREET, SYDNEY

Tuesday, 12 February 2013

Charter Hall Group (ASX:CHC) (the 'Group') today announced its $1.7 billion wholesale Core Plus Office Fund (CPOF) has contracted to acquire the Harry Seidler designed Sydney CBD office tower 9 Castlereagh Street for $172.5 million, which is expected to generate a rental income of $15.1 million on a fully leased basis. The purchase price includes $4 million in income support and the payment of all outstanding incentives.

Located in the heart of Sydney's financial district, 9 Castlereagh Street is a 35 level, A-Grade office building comprising 21,000 square metres of net lettable area. The building is multi-tenanted with tenants including Tokio Marine Management, Van Eyk Research, PTW Architects and Talent 2, and has a weighted average lease expiry of 3.0 years.

The acquisition increases CPOF's Sydney exposure from 19% to 27% and improves the Fund's prime asset weighting to 90% by value. The acquisition will be funded using existing debt capacity with settlement scheduled for the end of February 2013.

David Harrison, Charter Hall's Joint Managing Director, said: "We believe the medium term prospects for the Sydney office market remain positive and as such CPOF was attracted to this investment given the $8,241 per square metre is below replacement cost and represents good value when compared to new building asset sales."

CPOF Fund Manager, Chris Forbes said: "The acquisition of 9 Castlereagh Street is in line with CPOF's investment mandate to own well located, institutional quality assets where we believe we can add further value. We will look to enhance the value of this property through active asset management and promoting the appeal of this iconic building to whole floor tenants."

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About the Charter Hall Group:

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over 21 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has circa $9.6 billion of funds under management across the office, retail, industrial and residential sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide and Perth.

The Group's success is underpinned by a highly skilled and motivated team with diverse expertise across property sectors and risk-return profiles. Sustainability is a key element of its business approach and by ensuring its actions are commercially sound and make a difference to its people, customers and the environment, Charter Hall can make a positive impact for its investors, the community and the Group.