



GENERAL PROPERTY TRUST

**General Property Trust
ASX Announcement**

GPT MARCH QUARTERLY UPDATE

4 May 2004

GPT Management Limited provides a quarterly update for the March and September quarters to supplement the Mid-year and Annual Results disclosures. The following information provides investors with an update on the activities of the Trust for the March 2004 quarter.

SUMMARY

GPT remains on track to deliver on the Trust's targeted growth for 2004. Each of the property portfolios is well positioned to ensure growth is maximised over the longer term.

A distribution of 5.4 cents per unit for the March 2004 quarter was announced on 29 April.

Highlights during the quarter included:

- The acquisition of the third stage of the Darling Park Complex in Sydney.
- Completion of a successful placement of 67 million new GPT ordinary units which raised \$203 million at a price of \$3.03.
- The acquisitions of 8 Herb Elliot Drive at Homebush Bay and the next stage of the Homemaker City centre at Fortitude Valley in Queensland.
- In the Office Portfolio, significant progress on leasing across a range of assets, with leases signed or terms agreed for close to 70,000 sqm.
- Approval of the Masterplan Development Application (DA) for the \$1 billion Rouse Hill Regional Centre.
- Further progress on a range of developments across the Retail, Industrial, Office and Masterplanned Urban Communities Portfolios.

In the Retail Portfolio, productivity remains high, with specialty sales for the 12 months to 31 March of \$8,461 per square metre across the Portfolio (and \$8,885 per square metre for regionals). Reasonable specialty occupancy costs, at 14.4%, provide a platform for continued rental growth. Leasing on the major redevelopment of Melbourne Central continues to progress well and work continues on finalising plans for Macarthur Square, Penrith Plaza and the Town Centre of the Rouse Hill Regional Centre.

As a result of strong leasing results over the first quarter, the Office Portfolio has reduced expiry risk in the short to medium term and has extended the average lease term across the Portfolio. Construction on Darling Park 3, which was acquired in April 2004, is now underway and will contribute to income from mid 2006.

At Australia Square, the refurbishment of the public areas will be complete in May 2004 and almost 7,000 sqm of the ex-Lend Lease space has now been leased. At Victoria Harbour in Melbourne the first National building of 34,700 sqm is now occupied and the second building is on track for completion in mid 2004.

The outlook for the Hotel & Tourism Portfolio is improving, with progressive recovery in inbound visitation. Four Points has continued to trade strongly, following solid results last year. Trading at Ayers Rock Resort remains steady and is expected to improve as the year progresses. The rebuilding of Longitude 131° is progressing well and the luxury tented facility is due to be re-opened in July 2004. Both replacement costs and loss of profits are covered under GPT's insurance arrangements.

The Industrial & Business Park Portfolio retains its strong fundamentals, with an average lease term of 5.8 years and limited vacancy (5.5%) across the Portfolio. The expansion of GPT's presence in the Homebush Bay precinct with the purchase of 8 Herb Elliot Drive in January, has increased the Portfolio's value to \$300 million.

In the Masterplanned Urban Communities Portfolio the masterplan DA for the \$1 billion Rouse Hill Regional Centre has been approved by Baulkham Hills Shire Council and at Twin Waters in Queensland an application for the first stage of the development has been submitted to Council for approval.

Following a successful capital raising on 1 April 2004, GPT's gearing at 31 March 2004 (and adjusted for the repayment of debt following the placement) was 26.3% of gross assets, below the sector average of close to 36% and within the Trust's 20-30% policy guideline. The Trust's average duration of borrowings is 3.8 years and the average cost of debt is 6.01%.

Retail Portfolio

Sales Performance Update

The Retail Portfolio's sales performance continues to be positive, with total centre sales up 3.9% and specialty sales up 4.1% in the year to March 2004. Across GPT's shopping centres, occupancy costs remain reasonable and, importantly, vacancies and arrears are very low.

Total centre sales growth per square metre for the 12 months to 31 March 2004 was up 2.5% (up 1.7% for the 12 months to December 2003).

Total specialty sales growth per square metre for the 12 months to 31 March 2004 was up 2.2% (up 1.3% for the 12 months to December 2003).

The specialty occupancy cost for the Retail Portfolio was 14.4% at 31 March 2004. This compares favourably with the JHD regional retail average (2002/2003) of 15.3%.

Note: The above sales figures are exclusive of Floreat Forum, Forestway, Erina Fair and Melbourne Central, which are currently impacted by development.

Within the major retailers, the Department Stores are showing the strongest performance, with MAT per square metre up 3.9%. Discount Department Stores have also shown growth over the last 12 months, up 2.3%.

The strongest performing specialty commodity groups include entertainment, newsagency/books, household equipment and jewellery. The weaker commodity groups include pharmacy/cosmetics, mini-majors, discount variety and shoes/bags/accessories.

Retail Portfolio Moving Annual Turnover per square metre as at 31 March 2004 (GST Inclusive)

	Moving Annual Turnover				Occupancy Costs (%)	
CENTRE NAME	Centre (\$) ^ PSM	Total Centre Growth (%)	Specialty (\$) PSM	Specialty Growth (%)	Centre (%)	Specialty (%)
Carlingford Court	5,302	(0.9)	7,558	0.9	8.9	14.7
Casuarina Square *	6,166	2.1	7,900	5.7	9.4	13.9
Charlestown Square *	6,329	3.8	9,769	1.9	9.4	15.0
Chirnside Park	6,748	3.5	7,879	3.3	6.0	12.9
Dandenong Plaza	3,865	(1.2)	5,996	(0.3)	10.3	16.0
Macarthur Square	5,886	3.1	9,024	2.6	8.7	14.1
Parkmore	5,435	2.2	5,751	2.5	6.8	14.2
Penrith Plaza *	6,914	4.1	11,031	2.1	9.4	14.5
Sunshine Plaza *	6,823	3.4	9,026	2.6	8.9	14.7
Woden Plaza	6,687	(0.1)	8,593	0.3	8.3	14.2
Wollongong Central	5,363	3.4	7,966	(1.2)	9.7	13.9
Total Portfolio	6,004	2.5	8,461	2.2%	8.8	14.4

Centres Under Development#						
Forestway	9,575	1.7	7,854	1.0	7.2	12.3
Floreat Forum	6,070	(6.6)	4,947	(17.0)	8.2	15.1
Melbourne Central Retail	5,385	15.0	5,503	(23.1)	18.2	19.0
Erina Fair	6,138	(1.0)	7,880	(22.5)	8.7	16.7

* Casuarina does not include Monterey House; Charlestown does not include Charlestown Convenience Centre or Pacific Highway; Sunshine includes Plaza Parade but does not include Maroochydore Superstore or Horton Parade; Penrith does not include Red Cow Land, Riley Square, Borec House or High Street.

^ Total Centre Sales include Commercial Sales that largely comprise Travel and Mobile Phones and does not include Entertainment.

Centres under development are shown for information only. Until centres have traded for a full 12 month period post development these figures do not accurately reflect underlying performance.

Retail Development Update

Melbourne Central – The \$245 million refurbishment and repositioning of Melbourne Central is progressing well with 90% of leasing (by base rent) now committed. With Stages 1 and 2 having opened late 2003, the remaining stages will open progressively throughout 2004.

Macarthur Square – A DA for the \$80 million (GPT 50% share) expansion of Macarthur Square was approved by Campbelltown City Council in December 2003. The project is expected to commence in mid 2004 and is programmed for completion late 2005.

Penrith Plaza – A DA was lodged in October 2003 for the \$130 million expansion of Penrith Plaza. Construction is expected to commence in late 2004 and the project is programmed for completion mid 2006.

Rouse Hill – In March 2004, the masterplan DA for the \$1 billion Rouse Hill Regional Centre in Sydney's north-west was approved by Baulkham Hills Shire Council. The Town Centre, which forms part of the development is one of the last major greenfield regional retail opportunities within the Sydney metropolitan area. Construction is expected to commence in early 2005 and is programmed for completion late 2006.

Homemaker Portfolio

GPT's Homemaker City Portfolio has continued to perform well, with high occupancy and continued rental growth. Occupancy across the 200,000 sqm portfolio remains high (at 99%) and rents have continued to show strong growth, with an average increase of 7.1% at review opportunity during the first quarter of 2004.

In March 2004, GPT announced the acquisition of a land parcel on which Stage 2 of the highly successful Homemaker City centre in Fortitude Valley, Brisbane will be developed. The development of the second stage of the Centre will increase the size of the Centre's homemaker offer to approximately 29,000 sqm, further enhancing the strong offer represented at the existing centre. The 16,000 sqm Stage 2 is scheduled for completion in late 2004 and is currently 35% committed. The completed centre is being acquired for approximately \$49 million, including land, based on a year 1 yield of 8.0% (7.8% post acquisition costs). Upon completion of the project, GPT's Homemaker Portfolio will be valued at over \$460 million.

Office Portfolio

GPT's Office Portfolio continues to perform well, with over 40,000 sqm leased and terms agreed over a further 29,000 sqm across the Portfolio in the three months to 31 March 2004. This strong leasing result represents approximately 10% of the Portfolio's total area and is a positive sign of improving conditions in an office market which has remained subdued over the last three years.

The east coast office market fundamentals remain sound, despite slight increases in market vacancies, with moderate new supply (except in Melbourne) and forecast white collar employment growth that is expected to flow through to strengthening demand for office space in 2004.

Leasing Update

Leasing results in the first quarter have further improved the Portfolio's position, substantially reducing 2004 expiry from 11.5% of the Portfolio at the beginning of 2004 to only 3.6% of the Portfolio over the remainder of 2004. Notwithstanding this success, leasing continues to be a major focus.

Tenant enquiry at Australia Square has been pleasing. Following a major lease with Origin Energy (over 4,100 sqm) last year, a 10 year lease to NineMSN over 2,060 sqm of the low rise was finalised after the end of the quarter and terms have been agreed over a further 1,000 sqm of space.

At Melbourne Central, Accenture has leased a further 700 sqm and DesignInc has signed a lease over 1,100 sqm for a period of 8 years. Terms have been agreed over a further 10,500 sqm at this asset, removing the majority of vacancy and securing a strong forward expiry profile.

At the Transit Centre in Brisbane, Telstra's 29,600 sqm lease has been extended by five years, following exercise of their option. This secures 100% office occupancy at this asset to September 2009. Also in Brisbane, significant leasing has been undertaken at the Riverside Centre. Binding terms have been agreed with Blake Dawson Waldron (over 5,300 sqm) and Deloitte Services (over 3,500 sqm). In addition, ABN Amro has renewed and extended over 2,700 sqm. All these leases are for a minimum of 10 years.

In Sydney, Orotan has leased 2,400 sqm at 179 Elizabeth Street, for a period of 10 years, reducing vacancy at this asset to 5,200 sqm. Singleton Ogilvy Mather has leased a further 2,000 sqm at Darling Park, also for a period of 10 years.

At 1 Farrer Place, also in Sydney, over 1,200 sqm has been leased to Alliance Capital (895 sqm) and Posco Steel (330 sqm).

Acquisitions

On 1 April GPT announced the acquisition of 100% of the third stage of the Darling Park Complex in Sydney.

Under the terms of the agreement GPT will acquire the development for a total of \$225 million (including land, vacancy allowance and acquisition costs). The purchase of the land, at a cost of \$30 million, has now been completed and works have commenced on the site. The 29,000 sqm tower is the final stage of the Darling Park Complex and will be built to the same premium standard as Towers 1 and 2, in which GPT has a 50% interest.

The acquisition is anticipated to deliver a first year yield of approximately 7.2% after costs.

Construction will be completed in mid 2006. Marsh and Mercer Human Resource Consulting, part of Marsh and McLennan Companies (MMC), have committed to a lease over the low rise space (representing 14,300 sqm) from completion for a term of 10 years. Lease commitments for the remaining space will be sought over the period of the development.

Other Activities

At Australia Square, the \$6 million (GPT 50% share) upgrade of the Plaza Building and public areas is due to be complete in May 2004. These works have contributed to significant tenant interest and support the leasing effort underway at this asset.

The \$5.5 million refurbishment of the Melbourne Central Office Tower lobby is also soon to be completed, ensuring this asset retains its status as one of Melbourne's prime office towers. The works extend and enhance the foyer and create a stronger link with the retail centre.

Stage 2 of the National Building at Victoria Harbour, Melbourne, is on target to achieve practical completion in mid 2004. Stage 1 was completed on schedule last year and is now fully occupied by National Australia Bank.

Industrial & Business Park Portfolio

GPT's Industrial & Business Park Portfolio continues to maintain strong fundamentals, with occupancy of 94.5% and an average lease term of 5.8 years across the Portfolio.

During the period 16,760 square metres was leased and renewed in the Portfolio. Leasing included a new 3-year lease with Supply Chain Management over 6,880 sqm at the Citiwest Industrial Estate in Altona, and at 15 Berry Street, Linfox have extended their lease over 9,890 sqm to 1 March 2005.

Progress is also being made with several tenants for space across the Portfolio.

Industrial development activity continues to remain strong across the east coast markets, however supply in Melbourne in 2004 is likely to be below levels seen in the recent past. Construction remains dependent to a large degree upon securing pre-commitments. There has also been an ongoing improvement in enquiry levels and the subsequent take up of existing stock and pre-lease activity.

Investment demand for quality industrial stock continues to exceed supply, maintaining firm yields for well-let industrial premises.

Acquisitions

During the quarter the portfolio was expanded with the acquisition in January of 8 Herb Elliot Avenue, Homebush Bay. The asset was acquired for \$8 million (excluding acquisition costs) and will provide GPT with a yield of 7.5% after acquisition costs.

The site comprises 9,000 sqm of commercial land with a modern and well-presented 2 level office and high clearance warehouse facility of approximately 3,300 sqm and is fully leased until 2010 to Peregrine Semiconductor Australia Pty Ltd, a manufacturer of circuit boards and computer chips. The acquisition provides potential for future development of the site and expansion of GPT's presence in the Homebush Bay precinct.

Development Update

Construction continues to progress on schedule on the \$16.4 million development of the Quad 3 office building, at Sydney Olympic Park. The building is on program to be completed in June 2004.

Hotel & Tourism Portfolio

Domestic demand (corporate and leisure) has been positive due to stable economic conditions. International tourism, whilst still displaying some fluctuation, has experienced growth in visitor numbers in each of the seven months to March 2004. We believe these are signs of a return to more normal travel patterns and that improvements will continue to occur through the remainder of 2004.

Ayers Rock Resort

Ayers Rock Resort continues to trade steadily. During the first quarter, room nights sold were marginally down (2.8%) on the previous year. We expect demand at the resort will progressively strengthen through 2004. Positively, Qantas has announced it will begin four flights per week from Melbourne direct to Ayers Rock Resort. This service, which provides more convenient access to the Resort from one of Australia's largest cities, will assist in capturing demand from this major market. The service will commence in June.

The key performance indicators to March 2004 are shown below.

Ayers Rock Resort	YTD Mar 2003	YTD Mar 2004	Variance
Rooms Available	83,790	84,720	1.1%
Rooms Sold	47,560	46,240	-2.8%
Occupancy	57%	55%	-3.8%
Room Rate	\$200	\$202	0.6%
Total Revenue (000)	\$24,690	\$23,800	-3.6%

Rebuilding of Longitude 131°, the premium wilderness resort adjacent to Ayers Rock Resort, is continuing and is due to be complete in July 2004. Both replacement costs and the loss of profit (and therefore income to GPT) are covered under GPT's insurance arrangements.

Four Points by Sheraton Hotel, Sydney

Four Points has again improved its performance following strong growth in both occupancy and income in 2003. In particular, room rate growth has increased in line with our strategy for this asset.

Forward bookings indicate a continuation of strong occupancy at the Hotel in 2004 and maintenance of current room rate gains.

The key performance indicators to March 2004 are shown below.

Four Points Sydney	YTD Mar 2003	YTD Mar 2004	Variance
Rooms Available*	57,870	57,390	-0.8%
Rooms Sold	48,190	50,040	3.8%
Occupancy	83%	87%	4.7%
Room Rate	\$140	\$160	14.3%
Total Revenue (000)	\$9,430	\$11,120	17.9%

*The reduction in rooms available is due to the conversion of some level 1 guestrooms into the Hotel's new business centre.

Holiday Inn Brisbane

The Brisbane market remains strong with no new supply and steady demand growth. As a result, the Holiday Inn continues to demonstrate growth across its key performance indicators, as shown below.

Holiday Inn Brisbane	YTD Mar 2003	YTD Mar 2004	Variance
Rooms Available	17,190	17,470	1.6%
Rooms Sold	13,200	14,760	11.8%
Occupancy	77%	85%	10.7%
Room Rate	\$102	\$109	6.9%
Total Revenue (000)	\$2,290	\$2,670	16.6%

Masterplanned Urban Communities Portfolio

Since entering the masterplanned urban communities sector in 2003, GPT has secured two major projects in conjunction with Lend Lease, giving the Trust close to 2,000 lots to be developed over the next 10 years.

The masterplan DA for the Rouse Hill Regional Centre was approved by Baulkham Hills Shire Council in March 2004. Planning for the town centre that will underpin the development is now being finalised.

The development of the Twin Waters Resort in Queensland is also well progressed with an application having been submitted to council for the first stage of development. It is anticipated that approval will be received for this application mid year allowing construction to commence in early 2005. Good progress has also been made in relation to the preparation of the masterplan, which is expected to be lodged with council in late 2004. The Resort will be redeveloped over a period of 7 years into a resort and residential community of approximately 370 dwellings.

GPT continues to review a pipeline of opportunities to further grow this portfolio.

GPT's Capital Management

GPT undertook a private placement of 67 million new GPT ordinary units on 1 April. The placement raised \$203 million and units were issued at a price of \$3.03, representing a 1.5% discount to the volume weighted average price (VWAP) of \$3.077 per unit for the three days ending 1 April 2004.

The proceeds of the issue, which was oversubscribed, were used to fund GPT's acquisition of the land for Darling Park 3 (\$30 million) and to repay existing debt.

Following this repayment of debt, GPT's average cost of debt is 6.01% and the average term is 3.8 years.

GPT continues to have the strongest credit ratings (long term A+, short term A-1) of any entity in the listed property trust sector.

A detailed Debt Schedule is attached.

For further information please call:

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GPT Portfolio Swap & Debt Issuance Schedule **As at 31 March 2004***

Overview

- Credit Rating A+
- Preferred gearing range 20% to 30% funded debt to total tangible assets
- On 1 April 2004, 67 million units were issued for \$203 million, reducing gearing to 26.3%
- Weighted average cost of debt including fees and margins is 6.01%
- Weighted average length of debt is 3.8 yrs.

GPT Debt

\$m

Short Term Notes, due (or rolled) within 3 months	\$495
Medium Term Notes	
Floating Rate due in 1 year	\$80
Fixed Rate, due in 1 year	\$100
Floating rate, due in 2 years	\$225
Fixed Rate, due in 2 years (1)	\$100
Floating rate, due in 3 years	\$80
Fixed Rate, due in 3 years	\$260
Fixed Rate, due in 4 years (2)	\$250
Floating rate, due in 5 years	\$100
Floating rate, due in 10 years	\$12
Fixed Rate, due in 10 years (1)	\$200
CPI Bonds, due in 2029	\$125

Total Debt **\$2,027**

GPT Interest Rate Management

Floating	(1)(2)	(\$163)
Current Swaps		\$1,605
Fixed		\$460
CPI		\$125

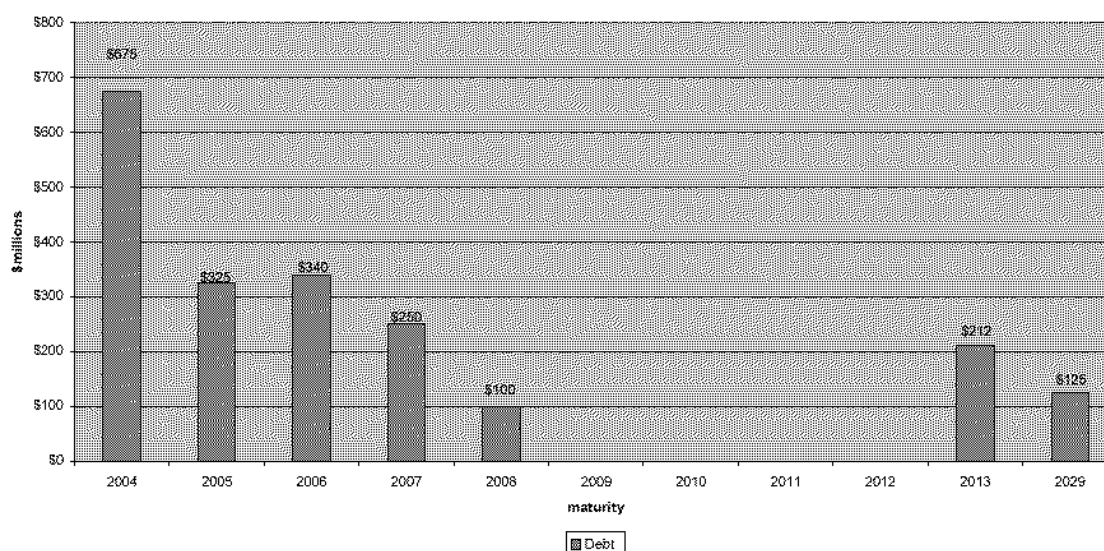
Total **\$2,027**

- (1) Debt has been swapped to floating
 (2) \$150m has been swapped to floating

Current effective interest rate after fees & margins is 6.01% on
\$2,027m of debt outstanding.

*** Adjusted for \$203 million raised on 1 April 2004 through a private placement of 67 million new GPT ordinary units, which was utilised to reduce short term borrowings**

Debt Maturity Profile (as at 31 March 2004)



Current Interest Rate Hedging

Hedging Position As at	Average Rate Incl Margins & Fees	Total Principal Amount \$ millions	Principal amount of derivative financial instruments \$ millions	Principal amount of fixed rate borrowings \$ millions
31 March 2004	6.01%	2,190	1,605	585
31 December 2004	6.09%	1,788	1,303	485
31 December 2005	6.01%	1,860	1,375	485
31 December 2006	5.96%	1,410	1,185	225
31 December 2007	5.92%	1,121	956	166
31 December 2008	5.91%	849	724	125
31 December 2009	5.91%	655	530	125
31 December 2010	6.02%	455	330	125

Fixed Exposures & Weighted Average Cost (including Margin & Fees)

