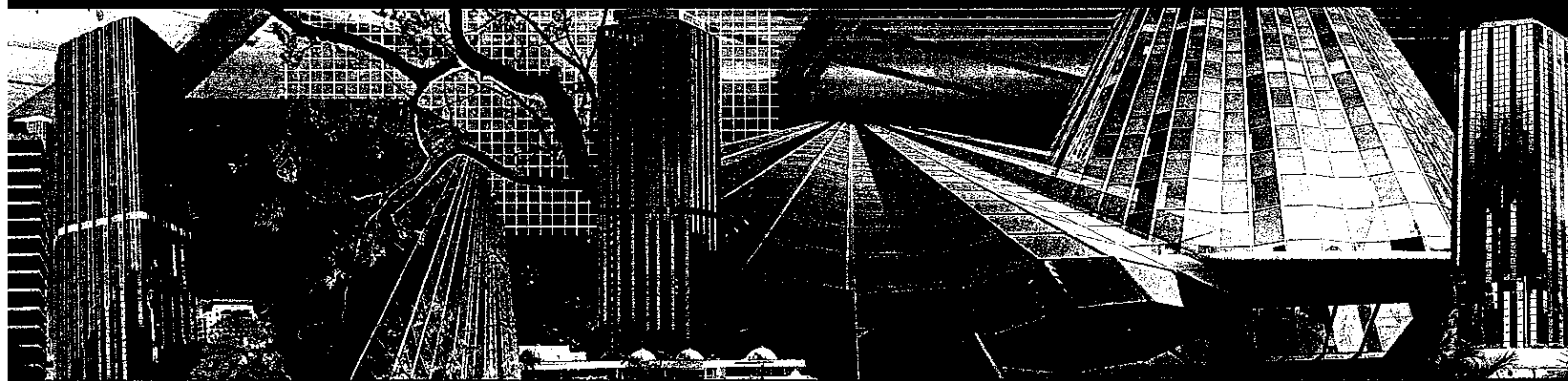


Investors' Report

Blue Tower Trust

Quarter ending
30 June 2005



Contents



	Page Number
1. Overview	2
2. Leasing	2
3. Financial Results	2
4. Building Refurbishment	3

Appendices

1. Draft Balance Sheet as at 30 June 2005
2. Draft Profit and Loss Statement to 30 June 2005



ABN 50 090 257 480

Leyshon Corporation Limited
GPO Box 3119 Brisbane QLD 4001
T: 07 3004 1222 F: 07 3003 0122
Australian Financial Services Licence No: 229287

1. Overview

This Blue Tower Trust Investors' Report is for the quarter ending 30 June 2005.

The project continues to operate extremely well.

2. Leasing

Leasing activity for the June 2005 quarter is summarised as follows:-

New Leases

AGL	Level 6 240 square metres	A new five (5) year lease negotiated
Mindpearl	Level 20 1,088 square metres	A renewal of the lease for five (5) years negotiated

3. Financial Results

Attached at Appendices 1 and 2 is the draft Balance Sheet as at 30 June 2005 and draft Profit and Loss Statement to 30 June 2005.

The property is recorded in the attached draft accounts at cost. The property is currently being valued. The final 30 June 2005 Balance Sheet will record the property at valuation.

The project's draft profit before tax for the period ending 30 June 2005 is \$1,406,151. The project is operating in accordance with expectations.

The draft profit and loss statement is presented in the format of actual current year figures compared to prior year figures which is standard practice for a listed property trust. The prior year figures are from the date of acquisition (28 November 2003) to 30 June 2004.

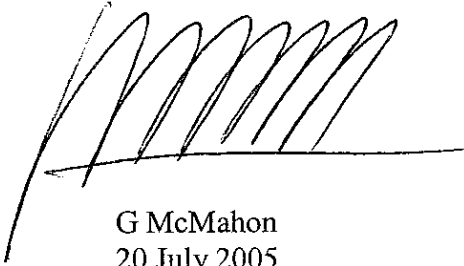
Ernst & Young will audit the statutory accounts of Blue Tower Trust for the year ended 30 June 2005 during August 2005. A copy of the final audited statutory accounts will be distributed to all unitholders on completion.

The "6% coupon payments" for the June 2005 quarter were paid to the project's investors on 20 July 2005. For tax purposes these payments are non-taxable as they represent a partial repayment of capital invested.

4. Building Refurbishment

All of the building services are operating well.

There is unlikely to be any major capital expenditure works during the remainder of 2005.



G McMahon
20 July 2005



M O'Reilly
20 July 2005

Appendix 1

Draft Balance Sheet as at 30 June 2005

Balance Sheet

DRAFT

Blue Tower Trust

As At 30 June 2005

	\$
<u>UNITHOLDERS' FUNDS</u>	
UNITS ISSUED AND PAID UP	27,017,904
RETAINED EARNINGS	531,923
PROFIT CURRENT YEAR	1,406,151
TOTAL UNITHOLDERS' FUNDS	<u>28,955,978</u>
<u>ASSETS</u>	
CURRENT ASSETS	
CASH	
Cash at Bank	27
Monies held in Trust - Property Manager	10,236
Monies held in Trust - Public Trustee	917,655
TOTAL CASH	<u>927,918</u>
RECEIVABLES	
Trade Debtors	263,865
Income Receivable	459,439
TOTAL RECEIVABLES	<u>723,304</u>
OTHER CURRENT ASSETS	
Prepayments	1,013,184
TOTAL OTHER CURRENT ASSETS	<u>1,013,184</u>
TOTAL CURRENT ASSETS	<u>2,664,406</u>
NON CURRENT ASSETS	
PROPERTY PLANT AND EQUIPMENT	
Property Investments held directly	121,460,372
TOTAL PROPERTY PLANT AND EQUIPMENT	<u>121,460,372</u>
OTHER NON CURRENT ASSETS	
Formation Expenses	295,117
Accumulated Amortisation - Formation Expenses	(93,419)
Borrowing Expenses	1,775,396
Accumulated Amortisation - Borrowing Expenses	(558,043)
TOTAL OTHER NON CURRENT ASSETS	<u>1,419,051</u>
TOTAL NON CURRENT ASSETS	<u>122,879,423</u>
TOTAL ASSETS	<u>125,543,829</u>

DRAFT

Balance Sheet

Blue Tower Trust

As At 30 June 2005

\$

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE

Trade Creditors

12,436

Accrued Expenses

1,714,040

Prepaid Income

561,375

TOTAL ACCOUNTS PAYABLE

2,287,851

LOANS

Other Loans

600,000

TOTAL LOANS

600,000

TOTAL CURRENT LIABILITIES

2,887,851

NON CURRENT LIABILITIES

LOANS

Bank Loan

93,700,000

TOTAL LOANS

93,700,000

TOTAL NON CURRENT LIABILITIES

93,700,000

TOTAL LIABILITIES

96,587,851

NET ASSETS

28,955,978

Appendix 2

Draft Profit and Loss Statement to 30 June 2005

Profit & Loss Statement

Blue Tower Trust

For the Period Ending 30 June 2005

	<u>JUNE 2005</u>	<u>JUN 2004 *</u>	<u>VARIANCE</u>
INCOME			
INTEREST REVENUE	61,653	91,818	(30,165)
RENTAL REVENUE	12,409,131	6,717,496	5,691,635
TOTAL INCOME	<u>12,470,783</u>	<u>6,809,314</u>	<u>5,661,469</u>
EXPENSES			
OPERATING EXPENSES	11,064,632	6,277,391	(4,787,241)
TOTAL EXPENSES	<u>11,064,632</u>	<u>6,277,391</u>	<u>(4,787,241)</u>
NET PROFIT	<u>1,406,151</u>	<u>531,923</u>	<u>874,228</u>

* The prior year figures are from the date of acquisition (28 November 2003) to 30 June 2004.

Income Analysis

Blue Tower Trust

For the Period Ending 30 June 2005

	<u>JUNE 2005</u>	<u>JUNE 2004*</u>	<u>VARIANCE</u>
OTHER INCOME			
Interest Received - Bank	61,641	91,818	(30,177)
Interest Received - Other	12	-	12
Rent Received	12,060,202	6,395,494	5,664,708
Outgoings Recovered	348,929	322,002	26,927
TOTAL OTHER INCOME	<u>12,470,783</u>	<u>6,809,314</u>	<u>5,661,469</u>
TOTAL OTHER INCOME	<u>12,470,783</u>	<u>6,809,314</u>	<u>5,661,469</u>

* The prior year figures are from the date of acquisition (28 November 2003) to 30 June 2004.

Expense Analysis

Blue Tower Trust

For the Period Ending 30 June 2005

	<u>JUNE 2005</u>	<u>JUNE 2004*</u>	<u>VARIANCE</u>
EXPENSES			
OPERATING EXPENSES			
Accounting Fees	1,820	650	(1,170)
Airconditioning Expenses	358,484	221,438	(137,046)
Amortisation of Formation Expenses	54,757	38,662	(16,095)
Amortisation of Borrowing Costs	355,994	202,049	(153,945)
Asset Management Fees	600,000	354,932	(245,068)
Audit Fees	40,200	9,500	(30,700)
Bank Charges	203	598	395
Cleaning	34,629	44,451	9,822
Consultancy Fees	88,436	30,762	(57,674)
Custodian Fees	26,743	0	(26,743)
Electricity	101,905	40,665	(61,240)
Fees & Licences	1,081	0	(1,081)
Finance Charges - Loans	91,500	55,000	(36,500)
Fire Protection	78,393	18,511	(59,882)
Gardening	4,253	1,983	(2,270)
Guarantee Fees	100,000	58,333	(41,667)
Insurance	162,410	130,524	(31,886)
Interest Paid - Bank	7,068,391	4,037,343	(3,031,048)
Interest Paid - Other	14,378	0	(14,378)
Land Tax	224,678	127,749	(96,929)
Leasing Expenses	43,795	73,730	29,935
Legal Costs	32,590	1,635	(30,955)
Lift Expenses	295,011	168,021	(126,990)
Miscellaneous Expenses	8,768	2,892	(5,876)
Pest Control	7,203	1,270	(5,933)
Printing & Stationery	7,082	2,275	(4,807)
Property Management Fees	153,911	61,557	(92,354)
Public Relations	933	0	(933)
Rates	623,342	356,500	(266,842)
Repairs and Maintenance	352,508	152,774	(199,734)
Security	123,352	83,587	(39,765)
Telephone & Fax	7,882	0	(7,882)
TOTAL OPERATING EXPENSES	<u>11,064,632</u>	<u>6,277,391</u>	<u>(4,787,241)</u>

* The prior year figures are from the date of acquisition (28 November 2003) to 30 June 2004.