

23 August 2005



BSX Announcements
Facsimile No. 03 5444-0033
(2 pages)

PFA DIVERSIFIED PROPERTY TRUST - BSX CODE: PFD
15% NTA INCREASE FROM REVALUATIONS

Property Funds Australia Limited ("PFA"), as responsible entity for The PFA Diversified Property Trust ("Trust") today announced a \$22.85 million increase in the value of the Trust's property portfolio following the independent revaluation of 4 out of 14 of the Trust's properties. The remaining 10 properties have reasonably up to date valuations having either been independently revalued or purchased since March, 2004. These revaluations represent an increase of approximately 9.5% over the last 12 month period in the independent valuations of that part of the portfolio held as at 30 June, 2004. Following these positive revaluations and the acquisition of 3 properties during the financial year, the Trust's total property portfolio now has a book value of \$330.4M, up from \$242.5M as at 30 June, 2004.

As a result of these revaluations, the Trust's (proforma) NTA per unit has increased approximately 15 cents per unit over the last financial year. The Trust's (proforma) NTA at 30 June, 2005 is around \$1.11 per unit.

A summary of the revaluations is as follows:-

Property	Previous Valuation Date	Previous Value (\$M)	New Valuation 30 June 2005 (\$M)	Increase (\$M)	Increase %
Anzac Square	Oct 2003	\$18.2	\$24.0	\$5.8	31.87%
Garden Square	June 2003	\$23.5	\$31.3	\$7.8	33.19%
PO Square	June 2004	\$55.0	\$61.5	\$6.5	11.82%
388 Queen Street	Oct 2003	\$16.25	\$19.0	\$2.75	16.92%
Total				\$22.85	

PFA's managing director, Mr Chris Morton, said "We are pleased with the increase in valuations that have occurred. The revaluations are the result of the focussed leasing programs carried out by PFA and

the overall strong performance of the Brisbane commercial office and the retail property market. PFA over the 12 month period, has also been able to maintain the portfolio's vacancy levels at a low 3.5% vacancy rate and to increase the lease expiry profile to a strong 6.6 year weighted average lease expiry (up from 5.5 years)."

"It is also important that investors be aware that the Post Office Square revaluation does not reflect the probable sale price of approximately \$69.0M and is carried at \$61.5M. The expected sale of Post Office Square in the next few months (at a price well above the current valuation) will result in a further increase in the NTA per unit. However, the proposed special distribution of 6.76 cents per unit to unitholders on the register as at 30 June, 2005 (as announced on 30 June) will see an adjustment of the NTA per unit which after the special distribution should result in the NTA per unit being in vicinity of \$1.08 per unit.

A further positive result for unitholders is that the tax deferred percentage for the 2004/05 year has come in above forecast at 68.9% instead of the previously forecast 63%."

A new product disclosure statement for the Trust is due to be released in early September.

For further information, please contact Chris Morton (Managing Director of PFA) on (07) 3221-7170 or 0419 302 600.