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29 November 2006

MIRVAC GROUP'S \$1.1 BILLION REAL ESTATE ACQUISITION FROM WALKER CORPORATION

Mirvac Group (**Mirvac**) [ASX:MGR] has agreed terms to acquire a portfolio of properties and businesses from Walker Corporation Pty Limited (**Walker**) for a total consideration of \$1.124 billion.

Mirvac is contributing \$739.4 million for the bulk of the assets with JF Meridian Trust (**JFM**), an ASX listed trust managed by Mirvac, acquiring one asset for \$70.7 million and Perron Investments Pty Limited (**Perron**) jointly acquiring interests with Mirvac in two retail assets for consideration of \$314.0 million.

Key details of the assets to be acquired by Mirvac include:

- \$362.5 million of investment assets including a 50% interest in two leading retail centres in Sydney – Broadway and Rhodes, and a large format retail centre under construction at Lake Haven on the NSW Central Coast.
- \$530 million of non-residential development projects with an acquisition value of \$118.5 million, comprising two sub-regional shopping centre sites in southeast Queensland, an office site in Rhodes, and an industrial / large format retail project at Greenacre, NSW.
- Approximately 1,400 medium density and land subdivision residential lots with an acquisition price of \$111.6 million and total project value of \$950 million, comprising approximately 840 apartment lots at Rhodes Waterside, NSW, approximately 300 housing and medium density lots in Kew, Victoria (stage two onwards, subject to government approval), and some 260 villas at Hope Island, Queensland.
- \$146.8 million of property related businesses, land with the potential for a future industrial park and leisure assets.

Managing Director of Mirvac, Greg Paramor, said: "The acquisition of a portfolio of prime Walker assets represents a landmark transaction and provides a unique opportunity to integrate a range of high quality investment and development assets into Mirvac's current business streams, which will positively impact the total Mirvac platform.

"The portfolio has strong alignment to Mirvac's existing assets and projects, as well as providing greater geographical and sector diversity across the Investment and Development Divisions. The acquisition will also enhance Mirvac's development pipeline in the eastern states adding to sustainable earnings growth in FY08 and beyond.

"Importantly, this transaction further highlights the value of our Funds Management Division, as we now have a strengthened pipeline of new and existing assets well suited to the creation of funds over the coming twelve months."

The acquisition is expected to be earnings neutral in FY07, and earnings accretive from FY08 onwards.

Mirvac re-affirms its earnings per stapled security FY07 guidance of 31.9 cents.

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Key benefits

- Enhances the quality and diversity of asset types across geographic and market sectors for Mirvac's Investment and Development Divisions.
- Re-positions the Investment portfolio with an increase in the retail assets' weighting moving to 36% (from 28% at 30 June 2006) providing a good balance to the Mirvac Property Trust (**MPT**) with commercial assets now comprising 47% of the portfolio.
- Adds circa \$950 million of gross revenue and approximately 1,400 lots to the residential pipeline, and increases the non-residential development pipeline by approximately \$530 million consistent with Mirvac's strategy of increasing its non-residential component of development to 50% over the long term.
- Enables the creation of scaleable funds with both investment and development assets for the growth of the Funds Management Division again in line with Mirvac's stated strategy.

Assets to be acquired

Assets to be purchased by Mirvac:

- Broadway Shopping Centre – 50%	\$215.0m
- Rhodes Shopping Centre – 50%	\$99.0m
- Lake Haven Homemaker Centre	\$48.5m
- Retail, Commercial and Industrial Development	\$118.5m
- Residential Development	\$111.6m
- Other	<u>\$146.8m</u>
Sub-total	\$739.4m

Assets purchased by third parties:

- Broadway Shopping Centre ¹ – 50% Perron	\$215.0m
- Rhodes Shopping Centre ¹ – 50% Perron	\$99.0m
- Rhodes Office Tower ² – 3 Rider Blvd – 100% JFM	<u>\$70.7m</u>
Sub-total	\$384.7m

Total Transaction Value **\$1,124.1m**

1. Mirvac will provide asset and property management services.
2. Mirvac will provide property management services. Asset management services provided by JFM.

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Investment portfolio

As Tenants in Common, MPT and Perron will each acquire a 50% interest in two premium retail assets in Sydney - Broadway and Rhodes Shopping Centres.

Mirvac Real Estate Pty Limited has been appointed by the joint owners to manage operations of the two shopping centres.

Broadway, a 49,300 square metre shopping centre in the heart of Sydney's university precinct and densely populated Pyrmont peninsula, will be acquired for \$430 million, reflecting an initial yield of 5.60% (before transaction costs).

Rhodes Shopping Centre, adjacent to Sydney's largest Ikea store and located in the heart of a rapidly developing prime residential precinct, comprising 37,580 square metres, will be acquired for \$198 million, reflecting an initial yield of 5.75% (before transaction costs).

MPT will also acquire Lake Haven for \$48.5 million, a 27,870 square metre large format retail centre under construction, with Stage 1 comprising 21,310 square metres due to be completed in March 2007. Harvey Norman and Bunnings are anchor tenants.

Executive Director of Mirvac, Nicholas Collishaw said: "The acquisition of our interest in these centres continues the Trust's strategy of increasing exposure to high-quality assets within the retail sector with strong growth potential, whilst adding to the Trust's income streams.

"Our internal management team currently manages 31 retail centres and the integration of Broadway, Rhodes and Lake Haven is expected to fit seamlessly into this business."

JF Meridian Trust will acquire a 16,825 square metre A-grade office tower at 3 Rider Boulevard, Rhodes, in Sydney for \$70.7 million, representing an initial yield of 7.25% (before transaction costs).

Development (non-residential)

The non residential development pipeline to be acquired from Walker is consistent with Mirvac's stated objective of significantly increasing its non-residential development pipeline.

The two retail sites to be acquired in south-east Queensland at Nambour and Ormeau, together represent an end investment value of approximately \$340 million. Both projects are expected to commence construction in late 2007 and generate more than 60,000 square metres of prime retail space.

Both developments will be delivered and managed by Mirvac's Queensland retail construction and development teams who recently completed Hinkler Central in Bundaberg and, in March next year, will complete the first stage of Orion Springfield, expected to be Australia's first 6 green star rated town centre.

Mirvac NSW will develop 5 Rider Boulevard at Rhodes, constructing up to 26,000 square metres of commercial space over the existing carpark (built concurrently with 3 Rider Boulevard, which is being purchased by JFM), with work expected to commence in late 2007.

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The Greenacre project, currently approved for an industrial based development, also has potential for a large format retail area with investment value of approximately \$75 million. This project will be evaluated over the next three months with either development scenario expected to commence by end 2007.

The Nepean Industrial Estate with over 75 hectares of development land will complement Mirvac's current industrial land holdings at Bankstown and Hoxton Park Airports, and Eastern Creek. The first lots (subject to local authority approval) are expected to be available for sale and development in 2010. Mirvac has agreed to purchase the property as an inglobo parcel of industrial land for the sum of \$45 million. Mirvac will pay a 5% deposit, with settlement conditional upon successful rezoning approval within two years.

Development (residential)

The acquisition of approximately 1,400 residential lots provides a diverse pipeline of projects in NSW, Queensland and Victoria. Post acquisition, Mirvac will have over 24,000 lots under control, of which 18,900 are house/land, with the balance being apartments.

Rhodes Waterside development is a landmark waterfront community based development located adjacent to the Millennium Parklands and Sydney Olympic Park. Upon completion it will comprise 1,384 apartments of which approximately 840 are still to be constructed.

Kew residential project is located seven kilometres east of Melbourne's CBD, in a recognised upmarket residential suburb. Mirvac will take project control from Stage 2 (subject to government approval) which is expected to generate approximately 300 housing and medium density lots.

Hope Island Resort is a master planned integrated resort and residential community on 360 hectares of land approximately 35 minutes from Brisbane. A series of development sites around the Golf Course and a harbour side site will provide the opportunity for Mirvac to develop approximately 260 products.

Funds Management

As part of its growing funds management platform Mirvac expects to offer a range of the Walker assets and existing Mirvac assets to its established investment clients via the creation of new funds in both the development and investment areas within the next 12 months.

Funding

The transaction will be funded partially through proceeds from Mirvac's recent \$375 million equity raising and the utilisation of existing unsecured debt facilities.

The transaction is expected to increase Mirvac's short-term gearing to approximately 42 per cent, up from 38 per cent as of 30 June 2006.

The assets, excluding those purchased by third parties, will initially be purchased by Mirvac entities with the ability to transfer new and existing Mirvac assets into a series of funds over the next 12 months.



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Mirvac has executed a binding contract with Walker and has paid a deposit of \$10 million and JFM will pay a deposit of \$3.5 million. Mirvac is committed to executing the transaction subject to any material findings that may arise from a confirmatory due diligence period ending on 11 December 2006.

Completion of the acquisition is expected on 5 January 2007.

Market briefing

A market briefing via teleconference is scheduled at 9:30am AEST on Wednesday, 29 November 2006 followed by a press briefing at 10:30am AEST. Dial-in details have been distributed via email.

For more information, please contact:

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Portfolio Summary

Investment Assets	Location	Type	NLA (sqm)	Price (\$m)
Broadway Shopping Centre ¹	NSW	Retail	49,300	430.0
Rhodes Shopping Centre ¹	NSW	Retail	37,580	198.0
Lake Haven Homemaker Centre ²	NSW	Bulky goods	27,870	48.5
Rhodes Office Tower – 3 Rider Blvd ³	NSW	Commercial	16,825	70.7
Total			131,575	747.2

Retail, Commercial and Industrial Development	Location	Type	Area (sqm)	Price (\$m)
Ormeau Shopping Centre	QLD	Retail	24,260	
Nambour Shopping Centre	QLD	Retail	37,380	
Rhodes Office Tower – 5 Rider Blvd	NSW	Commercial	26,000	
Greenacre	NSW	Industrial	25,982	
Total			113,622	118.5

Residential Development	Location	Type	Lots (approx)	Price (\$m)
Rhodes Waterside	NSW	Residential	840	
Kew ⁴	VIC	Residential	300	
Hope Island	QLD	Residential	260	
Total			1,400	111.6

Other	Price (\$m)
Nepean Industrial and other businesses ⁵	146.8
Total	146.8

Total **\$1,124.1m**

1. Mirvac acquiring 50% only of Broadway and Rhodes Shopping Centres
2. Purchased by Mirvac Property Trust - development to be completed in March 2007
3. Purchased by JF Meridian Trust
4. Stage 2 onwards, subject to government approval
5. Includes Hope Island: Tennis Centre, Golf Club, Tavern, Marina, Commercial (Lot 9), hotel rights and property management plus Broadway Shopping Centre Management, Rhodes Shopping Centre Management, management services and other businesses



Mirvac Group's \$1.1 billion Real Estate Acquisition from Walker Corporation

Key highlights

- > Strategic acquisition - \$1.1bn
- > Mirvac's integrated business model facilitated acquisition & captures ongoing value
- > Funded by Mirvac (\$739m), JF Meridian Trust (\$71m) and 3rd party capital (\$314m)
- > Consistent with MGR's strategy of leveraging integrated platform
 - Delivers high quality, investment assets that enhance recurring earnings
 - Expands the residential and non-residential development pipeline along eastern seaboard
 - Creates opportunities to increase velocity of capital through funds management

Key highlights (cont)

- > Mirvac's portion of the acquisition - \$739.4m
 - \$362.5m: 3 dominant retail assets
 - \$118.5m: 4 non-residential development projects
 - \$111.6m: approximately 1,400 residential lots
 - \$146.8m: property related businesses, land with the potential for a future industrial park and leisure assets
- > Binding contract executed with Walker
- > Settlement on 5 January 2007
- > Funded through proceeds of recent equity raising and existing unsecured debt facilities
- > FY07 earnings neutral, FY08 and onwards earnings accretive

Key benefits

- > Enhances the quality and diversity of assets across key geographic and market sectors for Investment and Development Divisions
- > Enhances the Investment portfolio:
 - exposure to high quality retail assets
 - increases scale from \$3.5bn to \$3.8bn
 - strengthens and secures recurring income stream – rental income, management fees
 - retail weighting increases to 36%
- > Significantly increases non-residential development pipeline by approx. \$530m to approx. \$2.2bn
- > Adds \$950m of value and approx. 1,400 lots to residential pipeline in 3 key locations
- > Enhances opportunity to create scaleable funds with investment and both residential and non-residential development assets for our institutional and retail investors

Assets to be acquired

> Assets to be purchased by Mirvac:	
Broadway Shopping Centre – 50%	\$215.0m
Rhodes Shopping Centre – 50%	\$99.0m
Lake Haven Homemaker Centre	\$48.5m
Retail, Commercial and Industrial Development	\$118.5m
Residential Development	\$111.6m
Other	<u>\$146.8m</u>
Sub-total	\$739.4m
> Assets purchased by third parties:	
Broadway Shopping Centre ¹ – 50% Perron	\$215.0m
Rhodes Shopping Centre ¹ – 50% Perron	\$99.0m
Rhodes Office Tower ² – 3 Rider Blvd – 100% JFM	<u>\$70.7m</u>
Sub-total	\$384.7m
Total Transaction Value	\$1,124.1m

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2. Mirvac will provide property management services. Asset management services provided by JFM.

Investment

MPT investment assets

Property	Location	Type	NLA (sqm)	Price
Broadway Shopping Centre ¹	NSW	Retail	49,300	\$215.0m
Rhodes Shopping Centre ¹	NSW	Retail	37,580	\$99.0m
Lake Haven Homemaker Centre ²	NSW	Large format retail	27,870	\$48.5m
Total			114,750	\$362.5m

1. Mirvac's 50% share, remaining 50% to be acquired by Perron Investments

2. Purchased by MPT, development to be completed in March 2007

Broadway Shopping Centre



- Regional shopping centre on SW fringe of Sydney CBD
- Opened in 1998
- 3 levels of trading, incl. 12 cinema complex
- Current GLA of 43,350 sqm, major tenants:
 - K-mart 7,394 sqm
 - Hoyts 5,312 sqm
 - Coles 3,974 sqm
 - Bi-Lo 2,816 sqm
 - Rebel 1,658 sqm
 - Parking 1,842 cars
- Guaranteed NOI: \$24.0 million
- WALE: 5.3 years (by area, at 28/11/06)
- 4th level due to be completed Apr 2007 to accommodate Target and 30 specialty stores
- Purchase price: \$430m, yield of 5.60% (pre transaction costs)
- Purchaser: Mirvac Property Trust 50%
Perron Investments 50%

Rhodes Shopping Centre



- Western side Homebush Bay Drive, 16km west of Sydney CBD
- Opened December 2004
- 32,000 sqm of GLA, major tenants:
 - Coles 3,497 sqm
 - Bi-Lo 2,648 sqm
 - Reading Cinemas 2,513 sqm
 - Bing Lee 2,005 sqm
- 5,580 sqm commercial office space
- Plans to expand centre to reconfigure existing Coles and Bi-Lo to accommodate Target
- NOI: \$11.4 million
- WALE: 6.5 years (by area, at 28/11/06)
- Purchase price: \$198m, yield of 5.75% (pre transaction costs)
- Purchaser: Mirvac Property Trust 50%
Perron Investments 50%

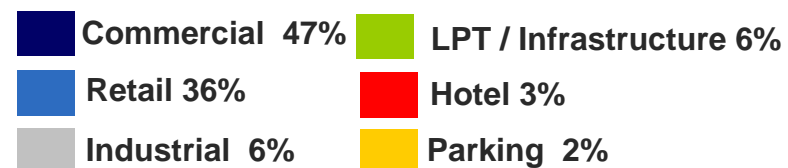
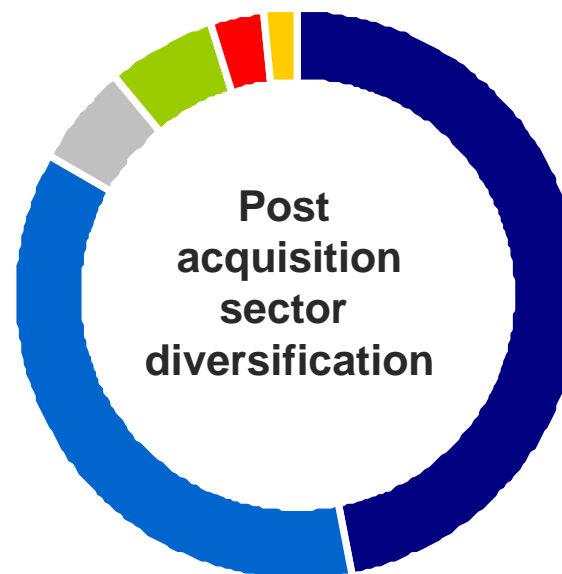
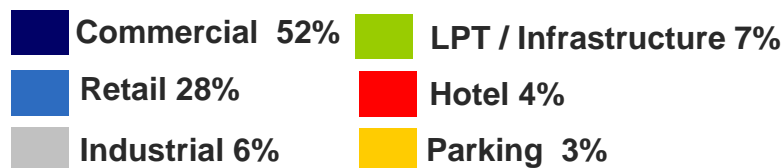
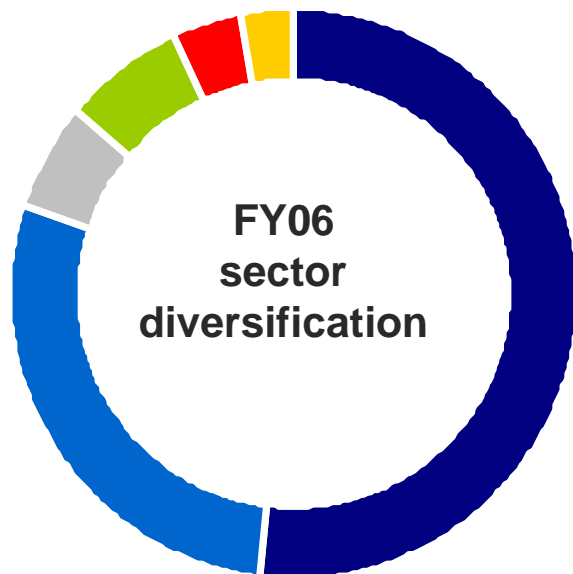
Lake Haven Home Maker Centre



- Large format retail
- Located Lake Haven, Central Coast, NSW
- Stg 1 under construction (completion due Mar 2007)
 - 21,310 sqm of GLA comprising of:

Bunning's	8,340 sqm
Harvey Norman	6,055 sqm
Speciality retail	6,915 sqm
- Stg 2 (construction to commence Apr 2007)
 - 6,560sqm GLA - speciality retail
- Projected NOI: \$3.2 million (Stg 1)
\$1.0 million (Stg 2)
- Purchase price: \$48.5m
- Estimated value on completion: \$57.9m, yield of 7.25%
- Purchaser: Mirvac Property Trust 100%

MPT diversification by asset value¹



1. Excludes development

Development

Non-residential development



Property	Location	Type	NLA (sqm)	Price
Ormeau Shopping Centre (All Stages)	QLD	Retail	24,260	
Nambour Shopping Centre (All Stages)	QLD	Retail	37,380	
Rhodes Office Tower - 5 Rider Ave	NSW	Commercial	26,000	
Greenacre	NSW	Industrial	25,982	
Total			113,622	

Ormeau Shopping Centre



- Located in the growth corridor between Brisbane & Gold Coast
Adjoins M1 freeway and Ormeau railway station
- Dominant DDS based centre
- 8.3 hectare site to be developed in 3 stages, GLA of 24,260 sqm
- Stg 1
 - Supermarket 3,600 sqm
 - Other 4,060 sqm
- Stg 2
 - DDS 4,600 sqm
 - Specialty retail 7,040 sqm
- Stg 3
 - Commercial 1,130 sqm
 - Specialty retail 3,830 sqm
- Completed centre projected NOI: \$9.4 million
- Purchaser: Mirvac Queensland 100%

Nambour Shopping Centre



- Located in Nambour, northwest of Brisbane
- Adjacent to rail/bus interchange
- 7.7 hectare site to be developed into 37,380 sqm GLA
- Construction:
 - Supermarket 3,700 sqm
 - DDS 7,500 sqm
 - Speciality retail 15,880sqm
 - Mini majors 6,000 sqm
 - Large format retail 4,000 sqm
 - Cinemas 3,100 sqm
 - Commercial 1,200 sqm
- Completed centre projected NOI: \$12.4m
- Purchaser: Mirvac Queensland 100%

Rhodes Office Tower – 5 Rider Blvd



- Located 5 Rider Boulevard, Rhodes in western Sydney
- 26,000 sqm of NLA comprising:
 - 10 levels – office
 - 4 level parking – 617 parking spaces (completed)
- 4.5 star SEDA / ABGR energy rating
- Projected NOI: \$8.2 million
- Under construction (completion due June 2007)
- Purchaser: Mirvac NSW 100%

Greenacre



- Located on Roberts Road, Greenacre – a major arterial connection between M5 and M4 freeways
- Existing industrial complex - opportunity to be further developed or transitioned to a large format retail centre
- 6.2 hectare site
- Construction due to commence July 2007 for 12 mths
- 25,982 sqm of GLA comprising:
 - Speciality stores 14,530 sqm
 - Warehouse / showroom 6,159 sqm
 - Trade stores 4,322 sqm
 - Other 971 sqm
 - Parking 800 cars
- Projected NOI: \$5.5 million
- Purchaser: Mirvac NSW 100%

Residential development

Property	Location	Type	Lots (approx)	Price
Rhodes Waterside	NSW	Apartments	840	
Kew ¹	VIC	House / land	300	
Hope Island	QLD	House / land & apartments	260	
Total			1,400	\$111.6m

1. Stage 2 onwards, subject to government approval

Rhodes Waterside



- Located adjacent to the \$12 million upgraded Rhodes railway station, Millennium Parklands & Sydney Olympic Park
- Integrated waterfront community
- Total of 1,384 apartments on completion
- Approximately 840 apartments to be constructed by Mirvac
- Purchaser: Mirvac NSW 100%

Kew



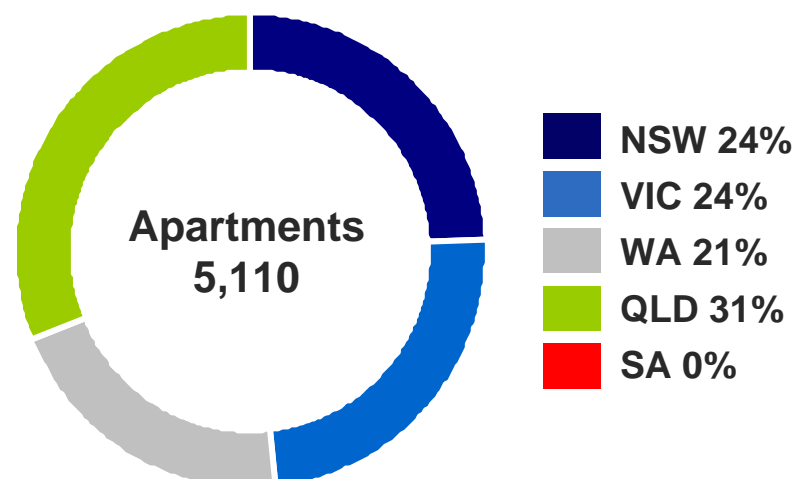
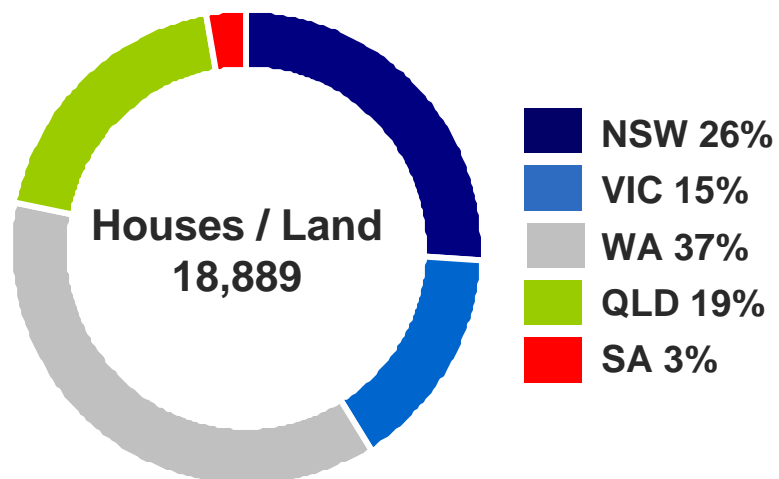
- Located 7 kilometres from Melbourne CBD
- Kew provides a mix of community & commercial facilities:
 - Recreation & well-being centre
 - Approx 300 private residences
 - Public space, parks & trails
- Developed pursuant to development agreement with VicUrban
- Mirvac will take project control from Stage 2 (subject to government approval)
- Purchaser: Mirvac Victoria 100%

Hope Island

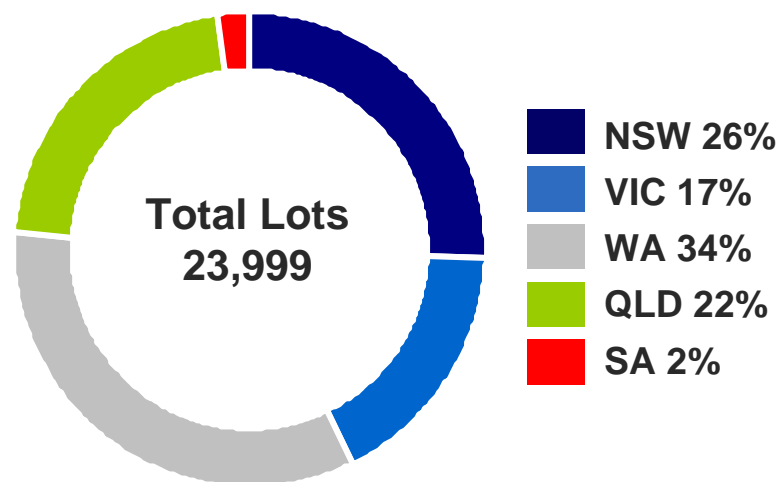


- Located on 360 hectares on the Gold Coast
- A master planned integrated resort & residential community:
 - 18 hole golf course & club house
 - retail village including supermarket & speciality shops,
 - commercial offices, tavern & restaurants
 - 207 berth marina
 - tennis centre
- Approximately 260 lots to be developed by Mirvac
- Purchaser: Mirvac Queensland 100%

Post acquisition residential pipeline by product split



Post acquisition residential pipeline by geographic diversification



Other businesses / assets

Property	Price
Nepean industrial land	
Broadway & Rhodes Shopping Centre Management	
Hope Island: tennis centre, golf course & club house, marina, commercial, tavern, property management	
Other businesses	
Total	\$146.8m

Funding

Overview of funding

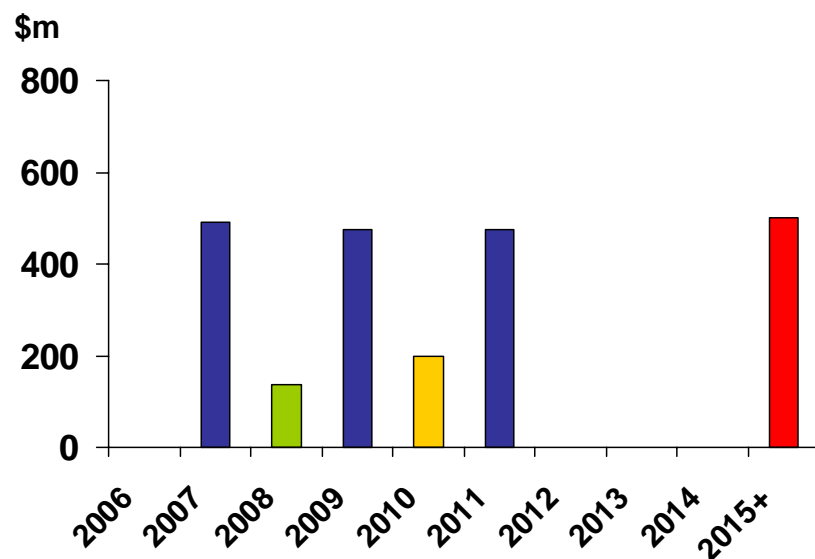
- > Acquisition funded partially through:
 - recent \$375m equity raising
 - utilisation of existing unsecured debt facilities

- > Post acquisition short-term gearing increases to 42% (38% at 30 June 2006)

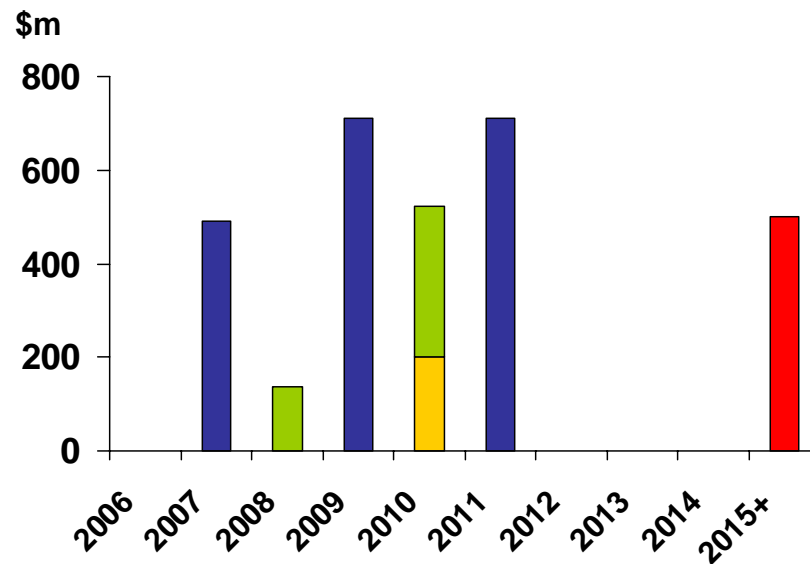
- > Ability to increase velocity of capital by transferring new and existing assets into a series of funds in next 12 months

Debt maturity profile

Current



Post acquisition



Summary

Summary

- > Opportunity to acquire quality assets across Mirvac's integrated platform
- > Provides strong geographical and sector diversity in Investment and Developments
- > Strengthens Mirvac's recurring income
 - expanded investment portfolio
 - funds management fees
 - asset and property management fees
- > Significantly increases non-residential development pipeline
 - utilises existing construction and development expertise
- > Expands residential pipeline – strong focus on eastern states
- > Enhances Funds Management Division's opportunities to recycle capital with both new and existing assets

Q&A