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Dear Unitholder,

Further explanation relating to the Annual Taxation Statement for the income year ended 30 June 2012

We refer to the Annual Taxation Statement for the income year ended 30 June 2012 (the "2012 Income Year") relating to your investment in the Investa Office Fund ("IOF"). We provide the following additional explanation to assist you in understanding the tax components relating to the distribution for the 2012 Income Year.

We anticipate that there may be some confusion because the sum of the tax components attributable to your distribution exceeds the gross distribution paid to you. We appreciate that you would be expecting the sum of the tax components to equal the gross distribution amount, which is the more common situation.

An explanation for these issues is set out below.

Your investment in IOF constitutes an investment in two unit trusts which are stapled together, being the Prime Credit Property Trust ("PCP") and the Armstrong Jones Office Fund ("AJO"). Whilst you may view your investment in IOF as a single security, for Australian tax purposes, tax law treats your investment as a separate unitholding in both of these trusts.

Under Australian tax law, the beneficiaries (i.e. the unitholders) of a trust are taxed on their share of the taxable income of each trust based on their proportionate share of the trust's distributable income (i.e. the gross distribution amount) to which they either receive or are presently entitled. In some cases, the taxable income of a trust may exceed the distributable income of the trust. This was the case in relation to PCP for the 2012 Income Year. The tax adjustments that could lead to this outcome include, inter-alia, the grossing up of the net foreign income for foreign tax paid by PCP.

Unitholders may be entitled to a foreign income tax offset of an amount up to the amount of foreign tax paid. The foreign income tax offset may reduce the Australian tax otherwise payable by unitholders. Further information can be found in the most recent version of the "Guide to foreign income tax offset rules" published by the ATO.

The tax deferred component advised in your distribution statement relates wholly to AJO. As PCP and AJO are legally two separate trusts, the tax deferred component for AJO cannot be applied as a reduction to (or net off against) the excess of taxable income over distributable income in relation to PCP.

The outcome above is also summarised and depicted in the accompanying table below.

Disclaimer

The above discussion is generic in nature and cannot be relied upon as tax advice. We recommend that you seek independent tax advice on to your tax position.

IOF TAX COMPONENTS
YEAR ENDED 30-6-2012

	% of IOF Distribution	
Australian taxable income		
- Interest	15.8332%	
- Rental	35.6844%	
- Total Australian taxable income	51.5176%	
Foreign taxable income	32.4248%	Amounts shown as foreign taxable income on the Annual Taxation Statement are already grossed up for any applicable foreign tax paid
Tax deferred amount	32.7846%	
Total of Annual Taxation Statement Components	116.7270%	
Gross Distribution Amount	100.0000%	
Excess of Annual Taxation Statement Components over Gross Distribution Amount	16.7270%	The excess is attributable wholly to PCP
Foreign tax paid	32.1469%	

Reconciliation of Annual Taxation Statement Components to Gross Distribution Amount

Total of Annual Taxation Statement Components	116.7270%	
Less partial reduction in Distribution Amount due to Foreign tax paid by IOF	-16.7270%	Depending on your circumstances, you may be entitled to claim a foreign income tax offset of an amount up to your share of the Foreign tax paid
Gross Distribution Amount	100.0000%	