



MEDIA RELEASE

For immediate publication

Colonial First State Global Asset Management and CRI Australia join forces to create new property development funds

6 June 2007 – Colonial First State Global Asset Management and CRI Australia today announced the establishment of a joint venture which proposes to launch a series of unlisted closed-end diversified property development funds targeting investment opportunities throughout Australia.

Colonial First State Global Asset Management and CRI Australia are planning to establish co-branded funds that are specifically designed to meet the increasing demand of institutional investors seeking enhanced returns from the Australian property market.

The joint venture will bring together the investment philosophy, skills and experience of Colonial First State Global Asset Management, Australia's largest asset manager of Australian-sourced funds, and CRI Australia, one of Australia's leading property development and services companies which has successfully developed billions of dollars worth of property over the past 26 years.

Colonial First State Global Asset Management will bring its extensive funds management capabilities and resources to design and manage a series of innovative and investor aligned funds and to help drive investment performance through the life of those funds.

CRI Australia will provide the benefit of its demonstrable track record in sourcing and managing attractive property development opportunities. It also has an extensive pipeline of current development opportunities which would be made available to the new funds.

Peter Wills, Executive Chairman of CRI Australia, said this joint venture marked the beginning of a powerful alliance which will provide exceptional funds management experience, together with an experienced management team with access to a strong development pipeline for investors.

"This joint venture aims to meet the ongoing demand of institutional equity to fund landmark property developments across Australia. With an outstanding long-term track record in the property industry, we will use our expertise to identify, manage and package quality property development opportunities Australia-wide.

Mr Wills continued: “We believe Colonial First State Global Asset Management will make an excellent partner for CRI, not simply because of its position as one of Australia’s leading fund managers, but also because of its strong understanding of the property sector and its investors.”

Tim Stringer, the Head of Unlisted Property at Colonial First State Global Asset Management said that “Colonial First State Global Asset Management and CRI Australia are highly complementary to each other given the mix of relevant skills and experience, the mutual focus on delivering quality client oriented outcomes and managing risk effectively, and the overarching similarity of their value-based cultures.”

Mr Stringer added that “as investors seek greater returns out of their property portfolios, there has been increased demand for development-style exposures”. However, Mr Stringer noted that “with greater potential return comes greater risk and volatility. CRI Australia’s depth of experience and commitment to thorough risk management practices positions the Colonial First State Global Asset Management - CRI Australia joint venture ideally to offer investors an opportunity to invest in property development opportunities, backed by a team with over two decades of experience and results.”

“Colonial First State Global Asset Management’s property business has an integrated business model designed to provide the in-house skills and specialist expertise critical to properly manage risk and generate superior investment performance over time. Today’s announcement of our joint venture with CRI Australia is another step towards bringing significant depth and specialist expertise into our business and product offerings.”

“We look forward to furthering our investment offering through this strategic joint venture with CRI by tailoring investment products to meet the needs of our investors”, Mr Stringer remarked.

The Colonial First State Global Asset Management – CRI Australia joint venture will launch its first development fund shortly. It is anticipated that equity of between \$50 million and \$100 million will be raised for this fund, and will target Australia’s major institutional investors.

Ends

Editor’s note:

ABOUT COLONIAL FIRST STATE GLOBAL ASSET MANAGEMENT

Colonial First State Global Asset Management is the consolidated asset management division of Commonwealth Bank of Australia, one of the largest financial institutions in Australia and a leading banking group of the world.

Colonial First State Global Asset Management is Australia’s largest asset manager of Australian-sourced funds, employing more than 190 investment professionals located in Sydney, London, Auckland, Edinburgh, New York, Singapore, Hong Kong and Jakarta. Colonial First State Global Asset Management is also represented in Beijing and Shenzhen through the First State Cinda joint venture.

Colonial First State Global Asset Management manages more than A\$130 billion across a diverse range of asset classes including Australian and global shares, cash, fixed interest and credit; property securities, hedge funds, direct property, private equity, global resources and infrastructure.

The Property and Alternative Investments division, which houses the Unlisted Property business, constitutes one of the largest and most innovative teams of property and fund management professionals in Australasia. With more than \$17 billion in funds under management, the division offers an integrated investment solution for property, infrastructure and private equity investment. This integrated structure brings together a range of skills across alternative assets which combine to ensure property fund teams maximise investment performance.

ABOUT CRI AUSTRALIA

CRI Australia is one of Australia's leading property development and services groups. Founded in 1981, CRI specialises in Property Development, Project Management, Corporate Advisory and Funds Management. In August 2006, CRI launched its first unlisted property trust, CRI Development Fund No.1, which is fully subscribed.

CRI has successfully developed many landmark properties including the Park Hyatt, Sydney; ANA Hotel Sydney (now Shangri-La); Sydney Airport Centre; and more recently, commercial offices and serviced apartments in the Macquarie Corridor, North Ryde, and the Chatswood Transport Interchange redevelopment.

CRI's success is based on its uncompromising commitment to adding value and to developing high-quality property and infrastructure projects, together with business solutions that satisfy not only the needs of clients and the people who use them, but also the expectations of the communities of which they are a part. www.cri.com.au.

MEDIA ENQUIRIES

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