

18 July 2006

The Manager
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

DB RREEF Funds Management Limited
ABN 24 060 920 783
Australian Financial Services Licence Holder
Level 9 343 George Street
Sydney NSW 2000
PO Box R1822
Royal Exchange NSW 1225
Telephone 61 2 9017 1100
Direct 61 2 9017 1136
Facsimile 61 2 9017 1132

Email: tony.dixon@dbreef.com

Dear Sir/Madam

DB RREEF Trust (ASX: DRT)
Leasing Update

DB RREEF Funds Management Limited, as responsible entity for DB RREEF Trust (DRT), wishes to provide the following Leasing Update.

For further information, please contact

- DRT Fund Manager: Tony Dixon (02) 9017 1136
- Investor Relations: Karol O'Reilly (03) 8611 2930

Yours sincerely



Tanya Cox
Company Secretary

18 July 2006

DB RREEF Trust (ASX:DRT) Leasing Update

DB RREEF Funds Management Limited ("DRFM"), as responsible entity of DB RREEF Trust ("DRT"), provides the following leasing update in respect of its portfolio.

The overall occupancy level of DRT has increased to 96.2 per cent up from 95.1 per cent in December 2005. The improvement has primarily arisen from recent positive net absorption across all CBD office markets in Australia driven by tenant expansion, and the continued leasing of vacant space in the US industrial portfolio.

The portfolio's weighted average lease term to expiry by income has increased to 5.5 years, from 5.3 years in December 2005.

Details of leasing activity finalised in the half year to 30 June are summarised below:

Commercial Portfolio

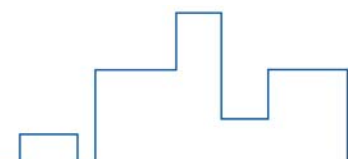
- Occupancy has increased to 98.2 percent by area including heads of agreement (97.5 percent as at December 2005).
- Weighted average lease term to expiry is 6.8 years by income (6.6 years as at December 2005).

Major leases signed since January 2006:

| Property | Tenant | Area (sqm) | Term (yrs) | Commences |
|------------------------------------|-----------------------------------|------------|------------|-----------|
| Governor Phillip Tower, Sydney NSW | A T Kearney Australia | 665 | 6 | Apr-06 |
| | Allied Irish Bank | 517 | 5 | Jul-06 |
| | CMC Group Asia Pacific | 1,550 | 6 | Jun-06 |
| 44 Market St, Sydney NSW | Servcorp | 1,050 | 8 | Sep-06 |
| 321 Kent Street, Sydney NSW | Sydney IVF | 4,433 | 15 | Sep-06 |
| | Bluestone Administrative Services | 2,962 | 7 | Jul-06 |
| | Urbis JHD | 1,481 | 6 | Oct-06 |
| 130 George Street, Parramatta NSW | Child Support Agency | 5,066 | 10 | Dec-05 |
| | Medicare Australia | 6,801 | 10 | Dec-05 |

Industrial Portfolio

- Occupancy has increased to 99.2 percent by area (98.5 percent as at 31 December 2005)
- Weighted average lease term to expiry is 4.8 years by income (4.9 years as at December 2005).



| Property | Tenant | Area (sqm) | Term (yrs) | Commences |
|-----------------------------------|-------------------------|------------|------------|-----------|
| 145-151 Arthur Street, Flemington | Acer Computer Australia | 5,250 sqm | 6 | Mar-06 |
| | AWA | 3,964 sqm | 5 | Apr-06 |
| 19 Chifley Street, Smithfield | BOC | 7,193 sqm | 3.3 | Apr-06 |

US Portfolio

- Occupancy has increased to 92.5 percent by area (91.2 percent as at 31 December 2005).
- Weighted average lease term to expiry is 3.3 years by income.

Major new leases signed include:

| Property | Tenant | Area (sqft) | Term (yrs) | Commences |
|--|-------------------------------------|-------------|------------|-----------|
| 201 Cumberland Parkway, Harrisburg, PA | Square D Company | 340,000 | 8 | Oct-05 |
| 3601 East Plano Parkway, Dallas, TX | Tekelec | 137,380 | 8 | Jan-06 |
| 8259 Exchange Drive, Orlando, FL | Universal City Development Partners | 156,660 | 6 | Jan-06 |
| 10397 W Van Buren, Phoenix, AZ | States Logistics Services | 278,142 | 5 | Jan-07 |
| 21902 64th Ave-South, Seattle, WA | Graebal Companies | 157,135 | 7 | May-06 |
| 850 North Lake Drive, Dallas, TX | Michaels Stores | 230,400 | 10 | Jun-06 |
| 1901-1919 Dividend Drive, Columbus, OH | Sygma Network of Ohio | 144,850 | 6 | Jun-08 |

Victor Hoog Antink, CEO of DRFM, said "These successes across all portfolios have been driven by continuing strong fundamentals. I am particularly pleased with the momentum we've been able to generate across the office portfolio and believe the portfolio is well positioned to take advantage of the significant rental growth that is expected as a result of the low supply and strong demand."

DB RREEF is one of Australia's largest property fund managers, with total funds under management as at 31 December 2005 in excess of \$11.3 billion. The listed property portfolio comprises approximately \$7.5 billion of direct property assets, in Australia, New Zealand and the United States, and the unlisted property portfolio comprises approximately \$3.8 billion of domestic assets.

