



30 September 2003

The Manager
Company Announcements Office
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Deutsche Asset Management
(Australia) Limited
ABN 11 076 098 596
Licensed Dealer in Securities
Level 21 83 Clarence Street
Sydney NSW 2000
PO Box N127
Grosvenor Place NSW 1220
Telephone 61 2 9249 9000
Direct 61 2 9249 9003
Facsimile 61 2 9249 9982
Email ben.lehmann@db.com

Dear Sir/Madam

Deutsche Industrial Trust

Deutsche Asset Management (Australia) Limited as responsible entity of Deutsche Industrial Trust ("RE") is pleased to announce revised parameters to be applied when calculating the remuneration of the RE, effective 1 October 2003.

The new fee arrangements include a reduction in the Base Fee, the introduction of a Performance Fee payable when returns are generated in excess of the ASX / S&P 200 Property Accumulation Index, and a total remuneration cap set at existing Constitution levels.

The RE believes that the introduction of this new method of calculating its remuneration represents a further commitment to align its interests with those of unitholders. The RE considers that the new method for calculating fees delivers a benefit to unitholders. As the new method of calculation cannot result in a higher total fee payable to the RE than under the Constitution, a meeting of unitholders is not required to approve the new method of calculation.

The basis of calculation of the new fee arrangements payable to the RE of Deutsche Industrial Trust are detailed below.

BASE MANAGEMENT FEE

Base Fee	0.50% of gross assets
Basis	Annualised average gross assets calculated on a month-end basis, in accordance with the Constitution
Calculated	Monthly
Payment Frequency	Monthly


PERFORMANCE FEE

Benchmark Index	ASX / S&P 200 Property Accumulation Index
Tier 1	5% on out-performance (or under-performance as applicable) up to 2% over (or under) the Benchmark
Tier 2	15% on out-performance (or under-performance as applicable) greater than 2% over (or under) the Benchmark Out-performance (or under-performance as applicable) will be carried forward and off-set against future Performance Fee entitlements
Calculation Frequency	Half Yearly
Payment Frequency	Half Yearly
Performance Time Period	Rolling 12 months
Basis of Performance Fee	Market capitalisation based on the 10 day VWAP ending on the final day of the previous performance period
Initial Period	Market capitalisation based on the 10 day VWAP commencing 1 October 2003
Performance Fee Ceiling	The maximum fee payable to the RE in any 12 month period will not exceed that allowed under the Constitution of the Trust being: 0.75% of gross assets up to \$400 million, and 0.60% of gross assets over \$400 million
Cumulative Performance Carried Over	Fixed \$ amount of above and below benchmark performance will be carried forward (to reflect the longer term alignment of unitholder and RE interests)
Payment of Performance Fee	DBRE to elect cash or scrip (subject to the provisions of the Constitution the price per unit will be based on the 10 day VWAP ending on the final day of the previous performance period)

Should you have any queries in relation to the foregoing contact Ben Lehmann, General Manager, Deutsche Industrial Trust on (02) 9249-9003.

Yours Sincerely,

Ian Thompson
Company Secretary


**DEUTSCHE INDUSTRIAL TRUST
 EXAMPLE PERFORMANCE FEE CALCULATION**
OUT-PERFORMANCE

			Fee Calculation	
Gross Assets		\$833,000,000	Base @ bp 50	\$4,165,000
Market Capitalisation		\$452,400,000		
Benchmark		11.00%		
Trust Performance		15.00%		
Out-Performance		4.00%		
Tier 1 @	First 2.00%	5.00%		\$452,400
Tier 2 @	Next 2.00%	15.00%		\$1,357,200
Total Fee				\$5,974,600

MAXIMUM FEE UNDER CONSTITUTION

Gross Assets		\$833,000,000		
Up to	\$400,000,000	0.75%		\$3,000,000
Over	\$433,000,000	0.60%		\$2,598,000

Constitution Cap **\$5,598,000**

Over-Performance Carried Forward **\$376,600**

UNDER-PERFORMANCE

Market Capitalisation		\$452,400,000		
Benchmark		11.00%		
Trust Performance		7.00%		
Under-Performance		4.00%		
Tier 1 @	First 2.00%	5.00%		(\$452,400)
Tier 2 @	Next 2.00%	15.00%		(\$1,357,200)

Under-Performance Carried Forward **(\$1,809,600)**