



26 August 2004

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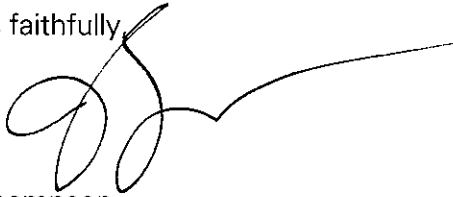
Email: deam-australia.ddf@db.com

Dear Sir/Madam

**Deutsche Diversified Trust – Letter to investors**

DB Real Estate Limited as Responsible Entity of Deutsche Diversified Trust wishes to advise that the following letter will be issued to all investors in the Deutsche Diversified Trust.

Yours faithfully



Ian Thompson  
Company Secretary

Att



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13 August 2004

**RE: DEUTSCHE LISTED PROPERTY TRUSTS TO REPOSITION AND EXPAND**  
**Major new property group to be created**

Dear Investor,

On 4 August 2004, the Directors of Deutsche Asset Management (Australia) Limited (DeAM), as the responsible entity for Deutsche Industrial Trust (ASX: DIT) and Deutsche Office Trust (ASX: DOT), and the Directors of DB Real Estate Australia Limited (DBRE), as responsible entity for Deutsche Diversified Trust (ASX: DDF) announced a proposal to reposition and expand our listed property trusts. The proposal is directed at enhancing investor returns and expanding growth opportunities.

In brief, the proposal involves 4 key elements:

1. the stapling of the listed property trusts;
2. the partial internalisation of the management platform;
3. the delivery of a platform to access global real estate opportunities, expertise and partners; and
4. acquisition of approximately A\$1.2 billion of industrial property assets in the United States. This acquisition follows other retail and commercial property transactions announced on behalf of Deutsche Diversified Trust and Deutsche Office Trust.

Further details of the proposal, including audio and video coverage of the investor presentation, are available at [www.dbrealestate.com/australia/proposal](http://www.dbrealestate.com/australia/proposal) for your reference.

Under the proposal a major new property group would be created, trading as DB RREEF Trust. DB RREEF Trust will be Australia's fourth largest listed property group, with a market capitalisation in excess of A\$3.5 billion (as at 31 July 2004) and expected distributions in excess of A\$280 million in the first 12 months to 30 June 2005.

The proposal, which is unanimously supported by the directors of the responsible entities, aims to deliver an immediate earnings uplift as well as long term earnings growth to investors through access to acquisition opportunities, new revenue streams, enhanced scale and market presence. It will also better align the manager's interests with your own.

**What happens now?**

An Explanatory Memorandum with specific details on how the proposal impacts you, including an Independent Expert's Report and Independent Accountant's Report will be sent to you in early September. Meetings of the members of each Trust will be convened shortly to consider the proposal.

Details on the meeting and how you can vote on this proposal will also be included within this information package.

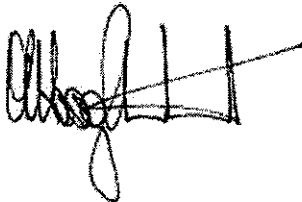
**Further information**

You can have your questions answered by calling 1300 733 838, within Australia, or +61 2 9240 7453 from offshore. You can also choose to email any queries to [dbre.proposal@db.com](mailto:dbre.proposal@db.com)

Careful consideration has been given to creating an enhanced organisational structure that emphasises long term, solid growth through an entrepreneurial approach that can take advantage of investment opportunities around the world. I firmly believe this proposal is the best long-term strategy for all investors.

I value your ongoing support as we continue to look for innovative ways to deliver long-term value to you and your fellow investors.

Sincerely,



Victor P Hoog Antink  
Head of DB Real Estate Australia