



DB Real Estate Australia Limited
ABN 47 006 036 442
Deutsche Asset Management
(Australia) Limited
ABN 11 076 098 596
Australian Financial Services
Licence Holders
Level 21 83 Clarence Street
Sydney NSW 2000
PO Box N127
Grosvenor Place NSW 1220
Telephone 61 2 9249 9000
Facsimile 61 2 9249 9898

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**INDEPENDENT EXPERT FINDS THE PROPOSAL TO BE
IN THE BEST INTERESTS OF UNITHOLDERS**

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) today announced the Independent Expert's conclusion in relation to the proposal announced on 4 August 2004 to reposition and expand the listed property trusts.

The overriding rationale for the proposal is to provide enhanced value for unitholders through the establishment of a major diversified property group with access to an integrated global real estate business. The proposal will encompass ownership, development, funds and asset management and leasing activities across a diversified portfolio of property in Australia, New Zealand and the US. The proposal will create an operating and financial structure capable of taking advantage of global growth opportunities in the future.

The Independent Expert's Report by Grant Samuel concludes, amongst other things, that:

- the proposal is in the best interests of the unitholders as a whole in DDF, DIT and DOT in the absence of a superior proposal; and
- the stapling ratios represent a fair balance between the three trusts taking into account the value contributions across the various measures and the other benefits and disadvantages to each group of unitholders.

The Independent Expert's Report, which includes their full opinion and evaluations of the interdependent elements of the proposal and of its advantages and disadvantages, will be despatched to unitholders early next week with the Explanatory Memorandum.

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Contact and further information:

Investor information:

Within Australia: 1300 733 838

Outside Australia: 61 2 9240 7453

Email: dbre.proposal@db.com

Victor Hoog Antink, Head of DB Real Estate Australia:

02 9249 9474

Media:

Kristin Silva: 02 9249 9568

Ainsley Gee: 02 9249 9904

Web:

www.dbrealestate.com/australia/proposal