

Deutsche Asset Management
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The Manager
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Deutsche Industrial Trust- Portfolio Update

Deutsche Asset Management (Australia) Limited, as Responsible Entity for the Deutsche Industrial Trust ("the Trust"), wishes to provide the following update on the Trust's operations.

Valuations

As part of the Trust's regular independent valuation program eight (8) assets were revalued as 30 June 2003.

The revaluations have resulted in the Trust's net tangible assets 'NTA' increasing from \$1.52 to \$1.58 or approximately 4%. The book value of those assets subject to this review was \$315.80 million and has increased by \$21.85 million or 6.92%

Details of the revaluations are as follows:-

	DB Industrial Estate, Rydalmere 10-16 South Street	DB Industrial Estate, Kensington 352 Macaulay Road
Current valuation	\$39.00m	\$7.30m
Previous valuation	\$36.70m	\$6.50m
Book value	\$36.96m	\$6.55m
Increment/ (decrement) on book value	\$2.04m	\$0.75m
Capitalisation rate	9.50%	8.75%
Terminal yield	10.00%	9.25%
Discount rate	10.50%	10.00%
	DB Business Park, Belrose 1 Garigal Road	DB Industrial Estate, Smithfield 19 Chifley Street
Current valuation	\$24.35m	\$13.40m
Previous valuation	\$22.20m	\$11.60m
Book value	\$22.34m	\$12.87m
Increment/ (decrement) on book value	\$2.01m	\$0.53m
Capitalisation rate	8.50%	9.75%
Terminal yield	9.00%	10.00%
Discount rate	10.25%	11.00%

	DB Office Park, South Brisbane 25 Donkin Street	DB Business Park, Rosebery Rosebery Avenue
Current valuation	\$17.20m	\$96.50m
Previous valuation	\$17.70m	\$68.50m
Book value	\$18.16m	\$80.08m
Increment / (decrement) on book value	(\$0.96m)	\$16.42m
Capitalisation rate	9.50%	8.50-8.75%
Terminal yield	10.00%	8.50-8.75%
Discount rate	10.00%	10.25%

	DB Office Park, North Ryde 33 Waterloo Road	DB Office Park, North Ryde 11 Talavera Road
Current valuation	\$9.90m	\$130.00m
Previous valuation	\$11.00m	\$93.20m
Book value	\$11.04m	\$127.79m
Increment/ (decrement) on book value	(\$1.14m)	\$2.21m
Capitalisation rate	8.50%	8.25%
Terminal yield	8.75%	8.50%
Discount rate	10.00%	10.25%

General Manager of Deutsche Industrial Trust, Mr Ben Lehmann said, "a combination of factors had contributed to the increases including, improved lease covenants having been secured by management, completion of development works, and improved investment fundamentals. The industrial market remains relatively strong, the level of accommodation available within the Trust's portfolio had reduced significantly in recent months on the back of some strong leasing."

For further information, please contact Ben Lehmann, General Manager, Deutsche Industrial Trust on (02) 9249 9003, or Warren Boothman, Marketing Manager (03) 9270 4418.

Yours faithfully



Ian Thompson
Company Secretary