A GUIDE TO YOUR GPT GROUP ANNUAL TAX STATEMENT

FOR THE YEAR ENDED 30 JUNE 2006

May 2006

Dear Securityholder

This Guide has been prepared to assist you and your tax adviser to complete your income tax return for the year ended 30 June 2006 from your GPT Group Annual Tax Statement.

Your investment in the GPT Group consists of shares in GPT Management Holdings Limited and units in General Property Trust (referred to as Stapled Securities). Please note that for tax purposes, the dividends and franking credits from your shares in GPT Management Holdings Limited and the trust distributions in relation to your units in General Property Trust need to be separately disclosed in your income tax return. The GPT Group Annual Tax Statement provides a detailed analysis of the dividends and trust distributions to be included in the preparation of your income tax return for the year ended 30 June 2006.

This Guide has been prepared for general information only and should be read in conjunction with the Australian Taxation Office's (ATO) instructions and publications. For your convenience, a list of the relevant ATO publications is set out at the end of the Guide. This Guide does not constitute the giving of tax or financial product advice. Each investor's particular circumstances will be different and accordingly, you may wish to seek independent taxation advice.

For any further information in respect of your investment in the GPT Group, please contact your adviser or call the Securityholder Service Centre on freecall 1800 025 095 (within Australia) or +61 2 8280 7176, between 8.30am and 5.30pm Sydney time.

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The GPT Group

1. THIS GUIDE APPLIES TO YOU IF:

- You are a **resident individual investor** in the GPT Group.
- You are using 2006 Tax Return for Individuals ("2006 TaxPack") and 2006 Tax Return for Individuals (Supplementary Section) ("2006 TaxPack Supplement") to complete your income tax return.
- You are NOT a company, trust or superannuation fund.
- You hold your stapled securities for the purpose of investment, rather than for resale at a profit, and the capital gains tax ("CGT") provisions apply to you.
- In calculating your capital gains or losses, you have used the FIFO ("First In First Out") method. That is, the first parcel of shares and units disposed of is the first parcel you acquired.

2. GPT GROUP ANNUAL TAX STATEMENT ("Annual Tax Statement")

The amounts on the Annual Tax Statement represent dividends paid to you by GPT Management Holdings Limited and trust distributions paid to you by General Property Trust during the year ended 30 June 2006.

An outline of the components of the payments received by you from your GPT Group investment is provided below.

GPT MANAGEMENT HOLDINGS LIMITED DIVIDENDS

Unfranked Amount – is your unfranked dividend income from the Company and this is included in your assessable income.

Franked Amount – is your franked dividend income from the Company and this is included in your assessable income.

Broadly, for a resident individual investor, dividends (both franked and unfranked) are treated as assessable income upon receipt. The amounts shown on the Annual Tax Statement comprise dividends paid by the Company during the year ended 30 June 2006.

Franking Credit – these are tax credits attached to franked dividend payments from the Company. These credits are included in your assessable income, and may be available as a tax offset to you. Broadly, to be eligible for the franking credit and tax offset, you must have held the shares at risk for at least 45 days. This rule will not apply to you if you are an individual whose total tax offset entitlement does not exceed $5,000 for the income year. The rate of tax imputed to investors in respect of these franked dividends is 30%, which is equivalent to the current company tax rate.

TFN Amounts Withheld – if you have not provided your Tax File Number ("TFN") or claimed a relevant exemption, income tax has been withheld from all unfranked dividends (if any) paid to you by the Company at 48.5%. The tax withheld should be claimed as a credit in your return. No tax will be withheld where you have provided your TFN or claimed the relevant exemption.

GENERAL PROPERTY TRUST DISTRIBUTIONS

Income Component – (Non Primary Production Income Distribution from Trust) – distributions by the Trust are included in your assessable income and consist of interest and other income.

Share of Franking Credit from Franked Dividends – these are tax credits attached to your share of franked dividend income paid to you via the Trust, and may be available as a tax offset to you. The franked dividend income to which these tax credits attach is included in the Non Primary Production Income Distribution from Trust component of income on the Annual Tax Statement.

Capital Gains Components – comprise your share of the Trust's realised capital gains which relate to investments sold by the Trust and were paid to you as distributions. It may consist of the following:

- **Discounted Capital Gains** – your share of the Trust's realised net capital gains as determined under the capital gains tax ("CGT") 50% discount method. Such gains have arisen from investments that have been held by the Trust for more than 12 months and are assessable.
- **Other Capital Gains** – the total amount of these gains will be assessable. No CGT 50% discount is available in respect of these capital gains. These gains have arisen from the sale of investments, which have been held by the Trust for 12 months or less.
- **Indexed Capital Gains** – your share of the Trust's realised capital gains from investments acquired prior to 21 September 1999 and calculated by reference to the CGT indexation method. The total amount of these gains will be assessable.
- **CGT Concession Amounts** – this represents the "non-assessable" amounts of the realised gains determined under the CGT 50% discount method. This amount does not reduce the CGT cost base of your unitholding. If any CGT Concession Amount is paid to you by the Trust, it will be shown on the Annual Tax Statement.

Tax Deferred Income – where the Gross Distribution from the Trust exceeds the sum of the Tax Assessable Income and Capital Gains components, the excess will not be immediately taxable but will (unless it relates to the distribution of a discount capital gain) reduce the CGT cost base of the units held by you. This excess is called "tax deferred" income and generally arises when depreciation and capital allowances have been allowed as tax deductions in the Trust. Once the tax deferred distributions reduce your CGT cost base to nil any additional tax deferred distributions will give rise to an immediate capital gain. However, this gain may be reduced on account of the CGT 50% discount.

TFN Amounts Withheld – if you have not provided your TFN or claimed a relevant exemption, income tax has been withheld from the taxable components of income distributed to you by the Trust at 48.5%. The tax withheld should be claimed as a credit in your return. No tax will be withheld where you have provided your TFN or claimed the relevant exemption.

3. DISPOSAL OF YOUR STAPLED SECURITIES

This summary will assist you to determine whether you have any liability to CGT on account of the sale of your stapled securities. However, you should obtain independent taxation advice. For tax purposes, the sale of a stapled security is treated as a disposal of a share in the Company and a unit in the Trust. Upon disposal of a stapled security, you will realise a capital gain if the portion of the consideration reasonably attributable to the share exceeds the CGT cost base of the share and the portion of the consideration reasonably attributable to the unit exceeds the CGT cost base of the unit.

Cost base of shares and units

Generally, the cost base of your shares and units is the amount you paid for them including the incidental costs of acquisition and disposal. In the case of your units, the cost base will be reduced by any tax deferred distributions. Details of tax deferred distributions are available from the GPT Group website at www.gpt.com.au in the "Investor Relations/Payments/Payments Archive" section. If you acquired your units in the Trust prior to 20 Setpember 1985 (ie. pre-CGT), you should obtain independent tax advice.

Consideration from sale

You will have to apportion the sale proceeds received from the sale of your stapled securities across the shares and units sold. One way of doing this is to use the information (based on the net tangible assets of the relevant share and unit) which is available from the GPT Group website at www.gpt.com.au in the "Investor Relations/Payments/Tax Information" section.

Calculation of capital gain/loss

Your capital gains or capital losses from the disposal of your stapled securities may be ascertained as follows:

- **Discounted Capital Gains (>12 months)** – if the stapled securities have been held for more than 12 months, you may choose to reduce your taxable capital gain by the CGT discount of 50% for individuals.
- **Other Capital Gains (<12 months)** – if the stapled securities have been held for 12 months or less, no discount is available and accordingly such gains are assessable in full.
- **Capital Losses** – the capital loss comprises the difference between the sale proceeds and the reduced cost base of your stapled securities. You can offset capital losses against capital gains. It is usually more efficient to offset capital losses in the following order:

(1) against any Other Capital Gains which are not entitled to CGT discounts,

(2) capital gains calculated under the indexation method, and

(3) then CGT discounted capital gains.

If you choose to apply the capital losses against any discounted capital gains, you must apply the capital losses against the grossed up capital gain amount (that is, your 50% discount capital gain x 2) before applying the discount percentage.

Please refer to the ATO Publication Personal Investor Guide to Capital Gains Tax for further details.

4. ATO PUBLICATIONS

Various publications are issued by the Australian Taxation Office ("ATO") to assist individual taxpayers to prepare their tax returns including:

- 2006 TaxPack and 2006 TaxPack Supplement;
- Personal Investors Guide to Capital Gains Tax or Guide to Capital Gains Tax (where a capital gain or loss has been derived from shares or managed funds);
- You and Your Shares (where you have received franked dividends but the investment has not been held for at least 45 days);
- If you are not required to lodge a 2006 tax return and have received franked dividends from investments, you may be entitled to claim a refund of franking credits attached to such dividends. Contact the ATO on 132861 (Personal Tax Info Line) to obtain the application form and instruction booklet for Refund of Franking Credits.

You can obtain any of the publications detailed above by:

- Calling the ATO's Publications Distribution Service on 1300 720 092, visiting an ATO office (refer 2006 TaxPack for details) or downloading them at www.ato.gov.au and then selecting "Booklets and publications" from the left hand menu.

HOW TO PREPARE YOUR INCOME TAX RETURN USING THE ANNUAL TAX STATEMENT

2006 Tax Return Question 11 – Dividends from Company

Procedure

1. Add the **Unfranked Dividends** on your Annual Tax Statement to any unfranked dividends received from other companies and include the total amount at **11S** of your 2006 tax return.
2. Add the **Franked Dividends** on your Annual Tax Statement to any franked dividends received from other companies and include the total amount at **11T** of your 2006 tax return.
3. Add the **Franking Credits** on your Annual Tax Statement attaching to the Company dividend to any franking credits received from other companies

and include the total amount at **11U** of your 2006 tax return. Franking credits will reduce the tax payable on your income or may be refunded to you.

4. Add the amount of **TFN Amounts Withheld** on your Annual Tax Statement in respect of your shares in the Company to any tax deducted from other companies and include at **11V** of your 2006 tax return.

2006 Tax Return (Supplementary Section) - Question 12 – Non Primary Production Income Distribution from Trust

Procedure

1. Add the amount of **Non Primary Production Income Distribution from Trust** shown in the "Tax Return Components" column on your Annual Tax Statement to any other Non Primary Production income distribution received from other trusts and show the total amount at **12U** of your 2006 tax return (supplementary section). This item includes any franking credit attaching to your trust distribution.

2. Insert any deductions you can claim in respect of your trust distribution income that you recorded at **12U** and include the total deduction at **12Y** of your 2006 tax return (supplementary section).

   The types of deductions you can claim include interest on loans used to finance your investment, and debits tax and bank charges.

3. Add the amount at **12U** and subtract the amount at **12Y** and include the net amount in the "Net non primary production distribution" box beneath and to the right of **12Y** of your 2006 tax return (supplementary section). If this amount is a loss, write 'L' in the small box to the right of this figure.

4. Add the amount of **TFN Amounts Withheld** shown on your Annual Tax Statement in respect of your units in the Trust to any TFN amounts deducted from other trust distributions and include at **12R** of your 2006 tax return (supplementary section).

5. Add the amount of **Share of Franking Credit from Franked Dividends** shown in the "Tax Return Components" column on your Annual Tax Statement in respect of your distribution from the Trust to any other franking credit entitlement from other trust investments and include the total amount at **12Q** of your 2006 tax return (supplementary section). Franking credits from direct share investments in companies should not be included at **12Q**.

2006 Tax Return (Supplementary Section)– Question 17 – Capital Gains

If your Annual Tax Statement includes an amount for Net Capital Gains in the "Tax Return Components" column of the Trust distribution, this Guide outlines the disclosures required in the tax return of an individual investor in respect of capital gains from the Trust.

You should obtain advice from your accountant or taxation adviser and refer to relevant ATO publications if you have sold any stapled securities.

Procedure

1. As the Trust derived capital gains during the year, you are required to separately disclose your share of these capital gains on your income tax return. You will need to complete Question 17 of your 2006 tax return (supplementary section).

2. As you are entitled to a share of the capital gain derived by the Trust, print X in the 'YES' box at **17G** of your 2006 tax return (supplementary section).

3. If you only have a capital gain from the Trust, and no other capital gains or losses, include the **Total Current Year Capital Gains** shown in the "Tax Return Components" column at Item **17H** of your 2006 tax return (supplementary section). Then include the **Net Capital Gains** shown in the "Tax Return Components" column at Item **17A** of your 2006 tax return (supplementary section).

4. If you have capital gains and losses from other shares, units in a unit trust or managed investment fund or other assets, you will need to calculate your total current year capital gains (after taking into account capital losses) to complete Items **17H** & **17A** of your 2006 tax return (supplementary section).

5. If total current year capital gains are more than the total current year and net prior year capital losses, use the ATO Publications listed at Section 4 of this Guide to help you calculate your net capital gain to include at **17A** of your 2006 tax return (supplementary section).

6. If total current year capital gains are less than the total current year and net prior year capital losses, you have made a net capital loss. Write this amount at **17V** of your 2006 tax return (supplementary section).

Disclaimer

While every effort is made to provide accurate and complete information, the GPT Group does not warrant or represent that the information in this Guide is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law and which cannot be excluded, the GPT Group accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in information. Please note that all figures are in Australian dollars unless otherwise indicated.

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