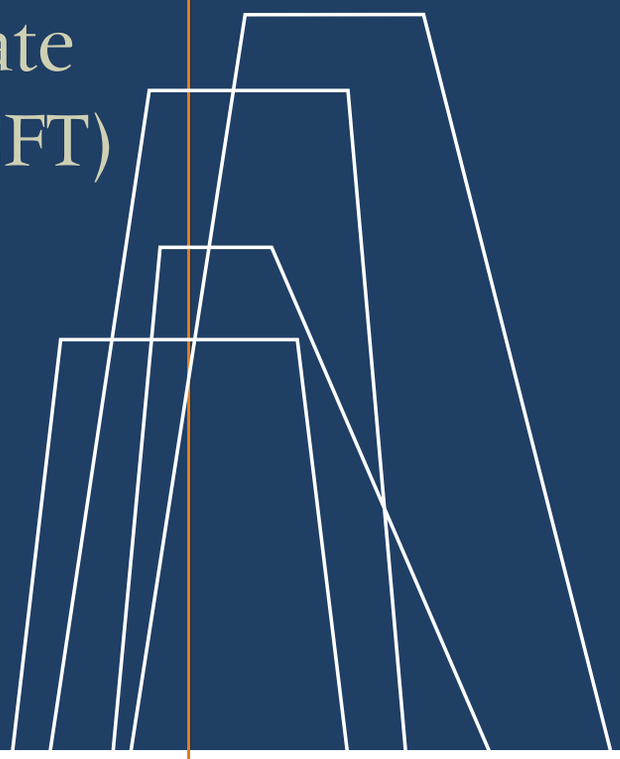
A guide to the taxation consequences arising from your investment in the former Colonial First State Property Trust Group (CFT)



You should use this guide if you were a unitholder in CFT at the record date, 2 October 2002

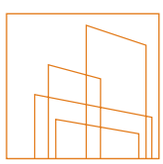
24 February 2003

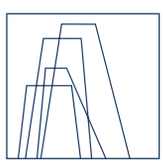
This guide contains important information to assist you in understanding the taxation implications of your former investment in Colonial First State Property Trust Group (CFT)

Give your accountant this guide

Colonial First State Property

contents





These examples are not advice and should not be relied upon as such. They only apply to former CFT Unitholders who are individuals who held CFT units on 2 October 2002, are resident in Australia for income tax purposes and who held their CFT units on capital account.

These examples are based upon the law and practice in effect at the date of the CFT Notice of Meeting and assume that the ATO issues a positive ruling in respect of the availability of CGT rollover relief.

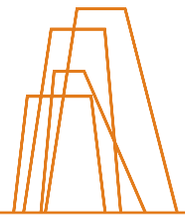
These examples are not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every CFT Unitholder.

CFT Unitholders are advised to consult their own professional adviser in relation to their tax position.

Investments in CFT were offered by CFSMPL. Neither CFSMPL nor any related party accepts any liability for any loss howsoever caused through reliance on these examples by any person, though all care has been taken in the preparation of these examples.

For the purposes of this guide, the following expressions have the following meanings:

- **ATO – Australian Taxation Office;**
- **Bookbuild – a sale mechanism conducted by UBSW for the purposes of selling CPA and GAN Units to which CFT Unitholders who made a cash election or who have an address outside Australia would otherwise be entitled;**
- **CFSMPL – CFS Managed Property Limited ABN 13 006 464 428;**
- **CFT unit – an interest in the Colonial First State Property Trust Group, being a stapled security comprising a unit in each of the Retail trust, the Commercial trust, the Industrial trust and the Development trust;**
- **CFT Unitholder or Unitholder – a former holder of a CFT unit who held CFT units on 2 October 2002, is resident in Australia for income tax purposes and who holds their units on capital account;**
- **CGT – Capital Gains Tax;**
- **Commercial Stapled Unit – is a reference to a unit in the Commercial trust being one of the four trusts comprised in a CFT unit;**
- **Commercial trust – is a reference to the Colonial First State Commercial Property Trust;**
- **CPA – Commonwealth Property Office Fund;**



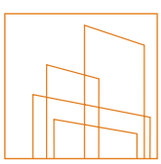
- **CPA Units – Units in CPA;**
- **Development Stapled Unit – is a reference to a unit in the Development trust being one of the four trusts comprised in a CFT unit;**
- **Development trust – is a reference to the Colonial First State Development Trust;**
- **Examples – means the examples set out in this document including the Methodology statement;**
- **GAN – CFS Gandel Retail Trust;**
- **GAN Units – Units in GAN;**
- **Industrial Stapled Unit – is a reference to a unit in the Industrial trust being one of the four trusts comprised in a CFT unit;**
- **Industrial trust – is a reference to the Colonial First State Industrial Property Trust;**
- **NTA – Net Tangible Assets;**
- **Other Stapled Units – is a reference to the underlying Commercial, Industrial and Development unit component of a CFT unit;**
- **Other 3 trusts – is a reference to the Commercial trust, the Industrial trust and the Development trust;**
- **Proposal – the Proposal described in Section 1 of the Notice of Meeting and Explanatory Memorandum dated 30 July 2002;**
- **Retail Stapled Unit – is a reference to a unit in the Retail trust being one of the four trusts comprised in a CFT unit;**
- **Retail trust – is a reference to the Colonial First State Retail Property Trust;**
- **UBSW – UBS Warburg Australia Limited.**

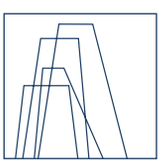
The unit prices on acquisition and the unit prices on subsequent sales of GAN and/or CPA Units used in these examples are indicative only and do not represent actual or projected unit prices.

Unitholders should refer to their own records for details of tax deferred distributions received. This information is not available from Colonial First State Property.

In particular, where the examples deal with a future disposal of either CPA or GAN units, no adjustment has been made in respect of tax deferred components of distributions which will be received in periods prior to the disposal date.

For the purposes of these examples, it has been assumed that Unitholders did not participate in the dividend reinvestment plan.





EXAMPLE 1

This example applies to CFT Unitholders who:

- **held CFT units which were acquired after the stapling of CFT (in December 1999);**
- **did not elect for the cash alternative available under the Proposal; and**
- **elect for CGT rollover relief to apply in relation to their participation in the Proposal.**

The effect for these CFT Unitholders is that any capital gain that would otherwise arise as a result of the exchange of CFT units for new units in GAN and CPA under the Proposal will be disregarded and deferred until the new units in GAN and CPA are disposed of.

An immediate capital gain may arise in respect of the cash component received.

This is illustrated below.

Assumed facts:

- Unitholder A acquired 1,000 CFT units on 22 September 2001 for $2.06 per unit.
- Under the Proposal, Unitholder A received 1.19 CPA Units, 0.65 GAN Units and 28.5 cents cash for every CFT unit.
- Therefore, on 8 October 2002 Unitholder A received 1,190 CPA Units, 650 GAN Units and cash of $285 in consideration for the 1,000 CFT units.
- The CPA and GAN Units were issued on 8 October 2002, the market price of the units on this date were:

  CPA Units $1.17
  GAN Units $1.28

- Unitholder A disposes of the CPA Units on 1 August 2005 for $1.35 each, and the GAN Units on 23 August 2004 for $1.50 each.

Step 1 – Calculate value of total consideration received

Unitholder A received the following consideration for the disposal of their CFT units:

1,190 CPA Units	x $1.17	$1,392.30
650 GAN Units	x $1.28	$832.00
Cash		$ 285.00
TOTAL		**$2,509.30**

Step 2 – Allocate consideration between underlying units

This consideration must be allocated between the underlying units comprising the CFT units on a reasonable basis. For the purposes of this example, it has been assumed that it is appropriate to allocate the cash consideration by reference to the relative NTA of each of the four trusts making up a CFT unit as at 2 October 2002.

Step 2A – Cash

The cash consideration received is to be allocated on the basis of relevant values (NTA) of the underlying trusts as at 2 October 2002. The applicable NTA proportions are as follows:

	Percentage
Other 3 trusts	67.575%
Retail trust	32.425%

On this basis, the cash is allocated to the underlying units as follows:

Other Stapled Units	67.575%	x $285	$192.59
Retail Stapled Units	32.425%	x $285	$92.41

Step 2B – CPA and GAN Units

Under the Proposal:

- GAN Units were issued to CFT Unitholders in consideration for their Retail Stapled Units; and
- CPA Units were issued to CFT Unitholders in consideration for their Other Stapled Units.

As a consequence:

- the market value of the GAN Units will form part of the consideration for the disposal of the Retail Stapled Units; and
- the market value of the CPA Units will form part of the consideration for the disposal of the Other Stapled Units.

Stapled units	**CPA and GAN Unit proceeds**
Other Stapled Units	$1,392.30
Retail Stapled Units	$832.00
TOTAL	**$2,224.30**

EXAMPLE 1 continued

Step 2C – Total allocation

Therefore, the consideration that is referable to the underlying units is as follows:

Stapled units	CPA and GAN Unit proceeds (Step 2B)	Allocation of cash (Step 2A)	Total proceeds units + cash
Other Stapled Units	$1,392.30	$192.59	$1,584.89
Retail Stapled Units	$832.00	$92.41	$924.41
TOTAL	**$2,224.30**	**$285.00**	**$2,509.30**

Step 2D – Percentage of cash to total proceeds

The percentage of cash consideration over the total proceeds (PCTP) received for the relevant units is therefore:

Stapled units	Allocation of cash (Step 2A)	Total proceeds (Step 2C)	Percentage of cash to total proceeds (PCTP)
Other Stapled Units	$192.59	$1,584.89	12.15%
Retail Stapled Units	$92.41	$924.41	10.00%
TOTAL	**$285.00**	**$2,509.30**	

Step 3 – Allocation of original cost base across underlying units

The price paid by Unitholder A on 22 September 2001 to acquire its CFT units will need to be allocated between the underlying units comprising the CFT units based on the relative values of the underlying trusts as at the time of purchase.

The relevant proportions are set out in Appendix 1 (referable to the date of acquisition of the CFT units).

Step 3A – Calculate aggregate cost base for each parcel of units

A parcel of units represents units bought on the same day for the same consideration.

As Unitholder A acquired a parcel of CFT units for $2.06 each, that is, a total of $2,060, the total cost base of the CFT units will be $2,060.

Step 3B – Relevant proportions

As Unitholder A acquired the units on 22 September 2001, the relevant NTA proportions will be those for September 2001 (refer Appendix 1):

	Percentage
Other 3 trusts	68.982%
Retail trust	31.018%

Step 3C – Apply relevant proportions to underlying units

The relevant proportions are allocated over the underlying units comprising the CFT units as follows:

Stapled units	NTA	Cost base $2,060 x NTA
Other Stapled Units	68.982%	$1,421.03
Retail Stapled Units	31.018%	$638.97
TOTAL	**100%**	**$2,060.00**

Step 3D – Apply any tax deferred distributions

The cost base will be reduced by any tax deferred distributions since the date of acquisition. As Unitholder A acquired the units on 22 September 2001, the tax deferred distributions received per unit were:

	Retail Stapled Units (per unit)	Other Stapled Units (per unit)
September 2001	0.6134	1.2820
December 2001	0.6526	1.1679
March 2002	0.6488	1.1604
June 2002	0.6661	1.1947
TOTAL	**2.5809c**	**4.805c**

The total tax deferred distributions for the 1,000 CFT units is therefore:

Retail Stapled Units	2.5809c x 1,000	$25.81
Other Stapled Units	4.805c x 1,000	$48.05

The cost base of the underlying units comprising the CFT units are therefore as follows:

Stapled units	Allocated cost base (Step 3C)	Tax deferred distributions (Step 3D)	Cost base
Other Stapled Units	$1,421.03	$48.05	$1,372.98
Retail Stapled Units	$638.97	$25.81	$613.16

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the units attributable to the cash component is calculated by multiplying the cost base (Step 3D) by the PCTP (Step 2D).

On this basis, the cost base of the portion of each underlying unit that is disposed of for cash is:

Stapled units	Allocated cost base (Step 3D)	PCTP (Step 2D)	Portion of cost base allocated to cash
Other Stapled Units	$1,372.98	12.15%	$166.82
Retail Stapled Units	$613.16	10.00%	$61.32
TOTAL	**$1,986.14**		**$228.14**

Step 5 – Calculate capital gain or capital loss referable to cash

Step 5A – Calculate capital gain or capital loss

Unitholder A will make an initial capital gain where the cash proceeds exceed the cost base of the portion of the units that is referable to the cash.

	Retail Stapled Units	Other Stapled Units	Total
Cash proceeds received (Step 2A)	$92.41	$192.59	$285.00
Less:			
Cost base (referable to cash proceeds) (Step 4)	$61.32	$166.82	$228.14
CAPITAL GAIN	**$31.09**	**$25.77**	**$56.86**

Step 5B – Apply capital losses

On the assumption that Unitholder A has no capital losses to offset the capital gain, Unitholder A's initial capital gain as a result of the cash received will be as calculated in Step 5A above.

Step 5C – Apply 50% discount (if relevant)

Unitholder A is able to qualify for the 50% CGT discount as Unitholder A held the CFT units since 22 September 2001, that is, more than 12 months before disposal. Therefore the total capital gain is reduced by 50% as follows:

Total capital gain (Step 5A)	$56.86
Less:	
50% discount	$28.43
NET CAPITAL GAIN	**$28.43**

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units affected by the Proposal must be allocated across Unitholder A's new units in CPA and GAN.

Step 6A – GAN Units

The cost base of the GAN Units will be the cost base of the Retail Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).

Stapled units	Allocated cost base (Step 3D)	Portion allocated to cash (Step 4)	Cost base of GAN Units Cost base – portion allocated to cash
Retail Stapled Units	$613.16	$61.32	$551.84

Unitholder A's cost base in the GAN Units will be a total of $551.84.

Each GAN Unit will therefore have a cost base of $0.85 ($551.84/650 units).

Step 6B – CPA Units

The cost base of the CPA Units will be the cost base of the Other Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).

Stapled Units	Allocated cost base (Step 3D)	Portion allocated to cash (Step 4)	Cost base of CPA Units Cost base – portion allocated to cash
Other Stapled Units	$1,372.98	$166.82	$1,206.16

Unitholder A's cost base in the CPA Units will be a total of $1,206.16.

Each CPA Unit will therefore have a cost base of $1.01 ($1,206.16/1,190 units).

EXAMPLE 1 continued

Step 7 – Subsequent disposal of CPA Units

Step 7A – Calculate capital gain or capital loss

Unitholder A will realise a capital gain on the subsequent disposal of the CPA Units if the consideration received on the sale of the CPA Units exceeds the cost base of those units (as calculated above).

As noted above, for the purpose of this example, it is assumed that Unitholder A sold the CPA Units for $1.35 per unit on 1 August 2005.

Proceeds received	$1.35 x 1,190 units	$1,606.50
Less:		
Cost base of CPA Units (Step 6B)		$1,206.16
CAPITAL GAIN		**$400.34**

Step 7B – Apply capital losses

On the assumption that Unitholder A has no capital losses to offset the capital gain, Unitholder A's capital gain will be as calculated in Step 7A above.

Step 7C – Apply 50% discount (if relevant)

Unitholder A will qualify for the 50% CGT discount even though Unitholder A has only held the CPA Units since 8 October 2002 and sold them within 12 months. The date of acquisition of the CPA Units is taken to be the date that the CFT units were acquired, that is 22 September 2001, and not when the CFT units were exchanged for GAN Units and CPA Units.

Total capital gain (Step 7A)	$400.34
Less:	
50% of capital gain	$200.17
NET CAPITAL GAIN	**$200.17**

Step 8 – Subsequent disposal of GAN Units

Step 8A – Calculate capital gain or capital loss

Unitholder A will realise a capital gain on the subsequent disposal of the GAN Units if the consideration received on the sale of the GAN Units exceeds the cost base of those units (as calculated above).

As noted above, for the purpose of this example, it is assumed that Unitholder A sold the GAN Units for $1.50 per unit on 23 August 2004.

Proceeds received	$1.50 x 650 units =	$975.00
Less:		
Cost base of GAN Units (Step 6A)		$551.84
CAPITAL GAIN		**$423.16**

Step 8B – Apply capital losses

On the assumption that Unitholder A has no capital losses to offset the capital gain, Unitholder A's capital gain will be as calculated in Step 8A above.

Step 8C – Apply 50% discount (if relevant)

Unitholder A will qualify for the 50% CGT discount as it disposes of the GAN units on 23 August 2004, that is more than 12 months after acquisition.

Total capital gain (Step 8A)	$423.16
Less:	
50% of capital gain	$211.58
NET CAPITAL GAIN	**$211.58**

EXAMPLE 2

This example applies to those CFT Unitholders who:

- **held CFT units which were acquired after the stapling of CFT; and**
- **elect for the cash alternative available under the Proposal.**

The effect to these CFT Unitholders is that CGT rollover relief will not be available. Such CFT Unitholders may realise a capital gain or loss in respect of the sale of their CFT units under the Proposal.

This is illustrated below.

Assumed facts:

- Unitholder B acquired 8,560 CFT units on 28 February 2002 for $2.14 each.
- Under the transactions, Unitholder B elected to receive a share of the proceeds arising from the Bookbuild arrangement.
- The total units held by CFT Unitholders that elected (or were required) to receive cash was 13,186,582.
- The gross proceeds received from the Bookbuild were $28,930,709.40. The aggregate brokerage fees were $144,653.44.

Step 1 – Calculate cash component

On 8 October 2002, Unitholder B received $2,439.60 cash, being 8,560 CFT units multiplied by 28.5 cents.

Step 2 – Calculation of Bookbuild proceeds

Step 2A – Calculate Bookbuild participation percentage

The total number of CFT units that were subject to the Bookbuild was 13,186,582.

Therefore, as Unitholder B held 8,560 CFT units, Unitholder B is entitled to the following share in the net proceeds:

$$\frac{8,560}{13,186,582} = 0.0649\%$$

Step 2B – Calculation of proportion of Bookbuild proceeds

As stated above, the gross proceeds received from the Bookbuild were $28,930,709.40.

Unitholder B's share of the gross proceeds is therefore:

0.0649% x $28,930,709.40 = $18,776.03

Step 3 – Total consideration

Unitholder B's total proceeds are:

Cash component (Step 1)	$2,439.60
Bookbuild proceeds (Step 2B)	$18,776.03
TOTAL	**$21,215.63**

Step 4 – Cost base of CFT units

Step 4A – Calculate aggregate purchase price of CFT units

As Unitholder B acquired 8,560 CFT units for $2.14 each, the aggregate purchase price paid was:

$2.14 x 8,560 = $18,318.40

Step 4B – Calculate percentage of brokerage costs on disposal via Bookbuild

Unitholder B's cost base in its CFT units will be increased by Unitholder B's share of the brokerage expenses incurred under the Bookbuild.

As stated above, the total brokerage expenses incurred under the Bookbuild were $144,653.44.

Unitholder B will share in these brokerage expenses to the extent of its participation percentage calculated in Step 2A. That is:

0.0649% x $144,653.44 = $93.88

Step 4C – Calculate any other items that form part of the cost base (eg brokerage on acquisition etc)

Where Unitholder B incurred any other costs which form part of the cost base, these will be included at this step.

Step 4D – Aggregate cost base

The aggregate cost base is the sum of Steps 4A to 4C:

Aggregate purchase price of CFT units (Step 4A)	$18,318.40
Brokerage costs on disposal (Step 4B)	$93.88
Any other items (Step 4C)	$0
TOTAL	**$18,412.28**

EXAMPLE 2 continued

Step 4E – Apply any tax deferred distributions

As Unitholder B acquired the units on 28 February 2002, the tax deferred distributions received per unit were:

	Retail Stapled Units (per unit)	Other Stapled Units (per unit)
March 2002	0.6488	1.1604
June 2002	0.6661	1.1947
TOTAL	**1.3149c**	**2.3551c**

The total tax deferred distributions for the 8,560 CFT units are therefore:

Other Stapled Units	2.3551c x 8,560	$201.60
Retail Stapled Units	1.3149c x 8,560	$112.56
TOTAL		**$314.16**

The cost base of the underlying units comprising the CFT Units are therefore as follows:

Units	Allocated cost base (Step 4D)	Tax deferred distributions (Step 4E)	Cost base
CFT	$18,412.28	$314.16	$18,098.12

Step 5 – Calculate capital gains tax liability

Step 5A – Calculate capital gain or capital loss

Unitholder B will realise a capital gain on the disposal of the CFT units where the consideration received from the Bookbuild and the cash component exceeds the cost base of the CFT units.

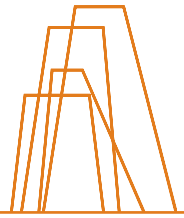
Proceeds received (Step 3)	$21,215.63
Less:	
Cost base (Step 4E)	$18,098.12
CAPITAL GAIN	**$3,117.51**

Step 5B – Apply capital losses

On the assumption that Unitholder B has no capital losses to offset the capital gain, Unitholder B's capital gain will be calculated as per Step 5A.

Step 5C – Apply 50% discount (if relevant)

Unitholder B is unable to qualify for the 50% CGT discount. This is because, in order for the CGT discount to apply, among other things Unitholder B must have held the CFT units for more than 12 months. In this instance the CFT units were acquired on 28 February 2002 and disposed of on 8 October 2002.



EXAMPLE 3

Based on the facts outlined in Example 2 above, if Unitholder B had instead acquired the CFT units on 28 February 2001, such that Unitholder B had held the CFT units for more than 12 months, the CGT discount provisions would apply. In this instance, Steps 1 – 5B would be calculated as per Example 2 (although any additional tax deferred distributions in the period 28 February 2001 – 28 February 2002 would have to be taken into account under Step 4E), however, Step 5C would be calculated as follows:

Total capital gain (Step 5A, Example 2)	$3,117.51
Less:	
50% discount	$1,588.75
NET CAPITAL GAIN	**$1,588.76**

EXAMPLE 4

This example applies to those CFT Unitholders who:

- **acquired units in the Retail trust prior to the stapling of CFT;**
- **held CFT units which were post-CGT assets (ie the units in the Retail trust were acquired after 28 September 1985); and**
- **elect for CGT rollover relief to apply.**

The effect for these CFT Unitholders is that any capital gain that would otherwise arise as a result of the exchange of CFT units for new units in GAN and CPA under the Proposal will be disregarded and deferred until the new units in GAN and CPA are disposed of. An immediate capital gain may arise in respect of the cash component received.

This is illustrated below.

Assumed facts:

- Unitholder C held 1,000 units in the Retail trust which were acquired on 10 October 1999 for $1.18 each.
- As a result of stapling, Unitholder C's units in the Retail trust were stapled at the ratio of 0.585 Retail Stapled Units per unit in the Retail trust, such that Unitholder C held 585 Retail Stapled Units.
- Unitholder C received a capital distribution of $17.55 from the Retail trust which was used to purchase 585 stapled units in each of the Other 3 trusts at a price of $0.01 per unit.
- Under the Proposal, Unitholder C received 1.19 CPA Units, 0.65 GAN Units and 28.5 cents cash for every CFT unit. Therefore, Unitholder C received 696 CPA Units, 380 GAN Units and cash of $166.73 in consideration for the 585 CFT units.
- The CPA and GAN Units were issued on 8 October 2002, at a market price of:

  CPA Units $1.17
  GAN Units $1.28

- Unitholder C disposes of the GAN and CPA Units on 1 July 2003 for $1.35 per unit and $1.37 per unit respectively.

Step 1 – Calculate value of total consideration received

Unitholder C received the following consideration for the disposal of its CFT units:

696 CPA Units	x $1.17	$814.32
380 GAN Units	x $1.28	$486.40
Cash		$166.73
TOTAL		**$1,467.45**

Step 2 – Allocate consideration between underlying units

This consideration must be allocated between the underlying units comprising the CFT units on a reasonable basis. For the purposes of this example, it has been assumed that it is appropriate to allocate the cash consideration by reference to the relative NTA of each of the four trusts making up a CFT unit as at 2 October 2002.

Step 2A – Cash allocation based on NTA

The cash consideration received is allocated on the basis of relevant values (NTA) of the underlying trusts as at 2 October 2002. The applicable NTA proportions are as follows:

	Percentage
Other 3 trusts	67.575%
Retail trust	34.425%

On this basis the cash is allocated to the underlying units as follows:

Other Stapled Units	67.575% x $166.73	$112.67
Retail Stapled Units	32.425% x $166.73	$54.06

Step 2B – Allocation of CPA and GAN Units

As part of the Proposal:

- GAN Units were issued to CFT Unitholders in consideration for their Retail Stapled Units; and
- CPA Units were issued to CFT Unitholders in consideration for the Other Stapled Units.

As a consequence:

- the market value of the GAN Units will form part of the consideration for the disposal of the Retail Stapled Units; and
- the market value of the CPA Units will form part of the consideration for the disposal of the Other Stapled Units.

Stapled units	**CPA and GAN Unit proceeds**
Other Stapled Units	$814.32
Retail Stapled Units	$486.40
TOTAL	**$1,300.72**

Step 2C – Total allocation

Therefore, the consideration that is referable to the underlying units is as follows:

Stapled units	**CPA and GAN Unit proceeds** (Step 2B)	**Allocation of cash** (Step 2A)	**Total proceeds** units + cash
Other Stapled Units	$814.32	$112.67	$926.99
Retail Stapled Units	$486.40	$54.06	$540.46
TOTAL	**$1,300.72**	**$166.73**	**$1,467.45**

Step 2D – Percentage of cash to total proceeds

The percentage of cash consideration over the total proceeds received for the relevant units is therefore:

Stapled Units	**Allocation of cash** (Step 2A)	**Total proceeds** (Step 2C)	**PCTP**
Other Stapled Units	$112.67	$926.99	12.15%
Retail Stapled Units	$54.06	$540.46	10.00%
TOTAL	**$166.73**	**$1,467.45**	

Step 3 – Calculation of cost base of underlying units

Step 3A – Cost base of Retail Stapled Units

(1) – Aggregate purchase price

Unitholder C originally acquired 1,000 units in the Retail trust for $1.18 per unit, that is $1,180.

(2) – Cost base before stapling after reduction for tax deferred distributions

Unitholder C's cost base is reduced by any tax deferred distributions received.

As Unitholder C acquired the units in the Retail trust on 10 October 1999, the tax deferred distributions received before stapling per unit were:

	Retail (per unit)
December 1999	0.7912c

The total tax deferred distributions for the 1,000 units in the Retail trust is therefore:

0.7912c x 1,000	$7.91

The cost base of the units in the Retail trust immediately before stapling is therefore as follows:

Aggregate cost base (Step 3A(1))	**Pre-stapling tax deferred distributions**	**Cost base**
$1,180	$7.91	$1,172.09

(3) – Reallocation at time of stapling

As a result of stapling, the cost base of each Retail Stapled Unit is:

Total cost base (Step 3A(2))	$1,172.09
Divided by:	
No. of Retail Stapled Units	585
	$2.00

(4) – Cost base after reduction for special distribution at time of stapling

The cost base of each Retail Stapled Unit must be reduced by the 3 cent special distribution received on stapling. Therefore, the cost base of each Retail Stapled Unit following stapling is:

Cost base of each Retail Stapled Unit (Step 3A(3))	$2.00
Less:	
3 cent special distribution	$0.03
Cost base of each Retail Stapled Unit	$1.97
Aggregate cost base of Retail Stapled Units ($1.97 x 585)	$1,152.45

EXAMPLE 4 continued

(5) – Reduction for tax deferred distributions since stapling

The cost base calculated at Step 3A(4) will need to be reduced for any tax deferred distributions received since stapling (refer Appendix 2). The total tax deferred distributions received in respect of the Retail Stapled Units since stapling are:

Stapled units	Tax deferred distributions (per unit)
Retail Stapled Units	4.7949

The total tax deferred distributions for the 585 Retail Stapled Units for stapling is therefore:

Retail Stapled Units	4.7949c x 585	$28.05

The cost base of the Retail Stapled Units after stapling is therefore as follows:

Stapled units	Cost base after reduction for for special distribution (Step 3A(4))	Post-stapling tax deferred distributions	Cost base
Retail Stapled Units	$1,152.45	$28.05	$1,124.40

Step 3B – Cost base of Other Stapled Units

(1) – Initial acquisition price on stapling

Unitholder C's cost base in the Other Stapled Units will be $0.01 per unit. The aggregate cost base is therefore:

$0.01 x 585 x 3 = $17.55

(2) – Cost base after reduction for tax deferred distributions since stapling

The cost base calculated at Step 3B(2) will need to be reduced for any tax deferred distributions received (refer Appendix 2).

The total tax deferred distributions received since stapling are:

Stapled units	Tax deferred distributions (per each CFT unit)
Other Stapled Units	9.0345

The total tax deferred distributions for the 585 Other Stapled Units since stapling is therefore:

Other Stapled Units	9.0345c x 585	$52.85

The cost base of the Other Stapled Units is therefore as follows:

Stapled units	Cost base on acquisition (Step 3B(1))	Tax deferred distributions (Step 3B(2))	Cost base
Other Stapled Units	$17.55	$52.85	$0

Please note that the tax deferred distributions can only reduce the cost base of the units to zero, the excess distributions of $35.30 ($52.85 – $17.55) represented assessable capital gains in the hands of the Unitholders at the time of payment of the distributions.

Step 3C – Allocation of rounding difference

(1) – Calculate total cost base

The total cost base of Unitholder C's CFT units is therefore:

Aggregate cost base of Retail Stapled Units (Step 3A(5))	$1,124.40
Plus: Cost base of units in Other Stapled Units (Step 3B(2))	$0
TOTAL	**$1,124.40**

The difference between the total cost base $1,124.40 and the original cost of the units in the Retail trust of $1,180 (as calculated at Step 3A(1)) is $55.60. This difference is due to:

Retail Stapled Units: Tax deferred distributions pre-stapling	$7.91
Retail Stapled Units: Special distribution on stapling	$17.55
Other Stapled Units: ADD cost base on acquisition	($17.55)
Retail Stapled Units: Tax deferred distributions post-stapling	$28.05
Other Stapled Units: Tax deferred distributions post-stapling (reducing cost base only)	$17.55
Rounding difference (to be added to cost base)	$2.09
TOTAL	**$55.60**

(2) – Allocate difference over all underlying stapled units

The $2.09 rounding difference will need to be allocated over the Retail Stapled Units and Other Stapled Units. As the Other Stapled Units have nil cost base, the $2.09 rounding difference will be referable to the Retail Stapled Units such that the allocated cost base of these units is $1,126.49 ($1,124.40 + $2.09).

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the units attributable to the cash component is calculated by multiplying the allocated cost base (Step 3C(2)) to PCTP (Step 2D).

On this basis, the cost base of the portion of each underlying unit that is disposed of for cash is:

Stapled units	Allocated cost base (Step 3C(2))	PCTP (Step 2D)	Portion allocated to cash
Other Stapled Units	$0	12.15%	$0
Retail Stapled Units	$1,126.49	10.00%	$112.65
TOTAL	**$1,126.49**		**$112.65**

Step 5 – Calculate capital gain or capital loss referable to cash

Step 5A – Calculate capital gain or capital loss

Unitholder C will make an initial capital gain where the cash component of $166.73 received exceeds the cost base in the portion of the units that is referable to the cash.

	Retail Stapled Units	Other Stapled Units
Cash proceeds received (Step 2A)	$54.06	$112.67
Less:		
Cost base (referable to cash proceeds) (Step 4)	$112.65	$0
CAPITAL GAIN/LOSS	**($58.59)**	**$112.67**

Step 5B – Apply capital losses

As Unitholder C made a capital loss on the disposal of the portion of the Retail Stapled Units referable to cash, this will reduce the capital gain made on the Other Stapled Units such that the net capital gain is $54.08 ($112.67 – $58.59).

On the assumption that Unitholder C has no further capital losses to offset the capital gain, Unitholder C's initial capital gain as a result of the cash received will be $54.08.

Step 5C – Apply 50% discount (if relevant)

Unitholder C is able to qualify for the 50% CGT discount as Unitholder C held the Other Stapled Units since stapling (December 1999), such that these units were held for more than 12 months before disposal.

Therefore, the capital gain referable to the cash component attributable to the Other Stapled Units is reduced by 50% as follows:

Total capital gain (Step 5B)	$54.08
Less:	
50% of capital gain	$27.04
NET CAPITAL GAIN	**$27.04**

Step 5D – Apply revenue losses

Where Unitholder C has revenue losses, these can be applied at this step.

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units exchanged must be allocated across Unitholder C's new units in CPA and GAN.

Step 6A – GAN Units

The cost base of the GAN Units will be the allocated cost base of the Retail Stapled Units (Step 3(C)(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

Stapled units	Allocated cost base (Step 3C(2))	Portion allocated to cash (Step 4)	Cost base of GAN Units Cost base – portion allocated to cash
Retail Stapled Units	$1,126.49	$112.65	$1,013.84

Unitholder C's cost base in the GAN Units will be a total of $1,013.84. Each GAN Unit will therefore have a cost base of $2.67 ($1,013.84/380 units).

Step 6B – CPA Units

The cost base of the CPA Units will be the cost base of the Other Stapled Units (Step 3(C)(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

Each CPA Unit will have a cost base of $0.

EXAMPLE 4 continued

Step 7 – Subsequent disposal of CPA and/or GAN Units

Step 7A – Calculate capital gain or capital loss

Unitholder C will realise a capital gain on the subsequent disposal of the CPA and GAN Units if the consideration received on the sale of the CPA and GAN Units exceeds the cost base of those units (as calculated above).

As noted above, it is assumed that Unitholder C sold on 1 July 2003 the GAN Units for $1.35 each and the CPA Units for $1.37 each.

(1) – GAN Units		
Proceeds received	$1.35 x 380 units	$513.00
Less:		
Cost base of GAN Units (Step 6A)		$1,013.84
CAPITAL LOSS		**($500.84)**

(2) – CPA Units		
Proceeds received	$1.37 x 696 units	$953.52
Less:		
Cost base of CPA Units (Step 6B)		$0
CAPITAL GAIN		**$953.52**

Step 7B – Apply capital losses

On the assumption that Unitholder C has no further capital losses, Unitholder C's net capital gain is:

Capital gain on disposal of CPA Units	$953.52
Less:	
Capital loss on disposal of GAN Units	($500.84)
CAPITAL GAIN	**$452.68**

Step 7C – Apply 50% discount (if relevant)

Unitholder C is able to qualify for the 50% CGT discount on the capital gain realised on the sale of the CPA Units even though Unitholder C has only held the CPA Units since 8 October 2002 and sold them within 12 months.

The date of acquisition of the CPA Units is taken to be the date that the units in the Other Stapled Trusts were acquired, that is in December 1999 as a result of stapling. Therefore as the CPA Units were treated as being acquired 12 months before disposal, the CGT discount will apply.

The 50% CGT discount will not apply to the capital loss made on the sale of the GAN Units. Therefore, the date of acquisition of the GAN Units is not relevant in these circumstances.

Total capital gain (Step 7B)	$452.68
Less:	
50% of capital gain	$226.34
NET CAPITAL GAIN	**$226.34**

EXAMPLE 5

This example applies to those CFT Unitholders who:

- **acquired a parcel of underlying units comprising the Other Stapled Units prior to the stapling of CFT;**
- **held CFT units which were post-CGT assets (ie the parcel referred to above was acquired after 20 September 1985); and**
- **elect for CGT rollover relief to apply.**

The effect for these CFT Unitholders is that any capital gain that would otherwise arise as a result of the exchange of CFT units for new units in GAN and CPA under the Proposal will be disregarded and deferred until the new units in GAN and CPA are disposed of. An immediate capital gain may arise in respect of the cash component received.

This is illustrated below.

Assumed facts:

- Unitholder D held 1,000 units in the Commercial trust which were acquired on 23 February 1999 for $1.85 per unit.
- As a result of stapling, Unitholder D's units in the Commercial trust were stapled at the ratio of 0.965 Commercial Stapled Units per unit in the Commercial trust, such that Unitholder D held 965 Commercial Stapled Units.
- Unitholder D received a capital distribution of $28.95 from the Commercial trust which was used to purchase 965 stapled units in each of the Retail, Development and Industrial trusts at a price of $0.01 per unit.
- Under the Proposal, Unitholder D received 1.19 CPA Units, 0.65 GAN Units and 28.5 cents cash for every CFT unit. Therefore Unitholder D received 1,148 CPA Units, 627 GAN Units and cash of $275.03.
- The CPA and GAN Units were issued on 8 October 2002, at a market price of:

  CPA Units $1.17
  GAN Units $1.28

- Unitholder D disposes of all the GAN Units on 1 July 2003 for $1.37 each and all of the CPA Units on 2 May 2004 for $1.36 each.

Step 1 – Calculate value of total consideration received

Unitholder D received the following consideration for the disposal of its CFT units:

1,148 CPA Units	x $1.17	$1,343.16
627 GAN Units	x $1.28	$802.56
Cash		$275.03
TOTAL		**$2,420.75**

Step 2 – Allocate consideration between underlying units

This consideration must be allocated between the underlying units comprising the CFT units on a reasonable basis. For the purposes of this example, it has been assumed that it is appropriate to allocate the cash consideration by reference to the relative NTA of each of the four trusts making up a CFT unit as at 2 October 2002.

Step 2A – Cash allocation based on NTA

The cash consideration received is to be allocated on the basis of relevant values (NTA) of the underlying trusts as at 2 October 2002. The applicable NTA proportions are as follows:

	Percentage
Other 3 trusts	67.575%
Retail trust	32.425%

On this basis, the cash is allocated to the underlying units as follows:

Other Stapled Units	67.575% x $275.03	$185.85
Retail Stapled Units	32.425% x $275.03	$89.18

EXAMPLE 5 continued

Step 2B – Allocation of CPA and GAN Units

As part of the Proposal:

- GAN Units were issued to CFT Unitholders in consideration for their Retail Stapled Units; and
- CPA Units were issued to CFT Unitholders in consideration for the Other Stapled Units.

As a consequence:

- the market value of the GAN Units will form part of the consideration for the disposal of the Retail Stapled Units; and
- the market value of the CPA Units will form part of the consideration for the disposal of the Other Stapled Units.

Stapled units	**CPA and GAN Unit proceeds**
Other Stapled Units	$1,343.16
Retail Stapled Units	$802.56
TOTAL	**$2,145.72**

Step 2C – Total allocation

Therefore, the consideration that is referable to the underlying units is as follows:

Stapled units	**CPA and GAN Unit proceeds** (Step 2B)	**Allocation of cash** (Step 2A)	**Total proceeds** units + cash
Other Stapled Units	$1,343.16	$185.85	$1,529.01
Retail Stapled Units	$802.56	$89.18	$891.74
TOTAL	**$2,145.72**	**$275.03**	**$2,420.75**

Step 2D – Percentage of cash to total proceeds

The percentage of cash consideration over the total proceeds received for the relevant units is therefore:

Stapled units	**Allocation of cash** (Step 2A)	**Total proceeds** (Step 2C)	**PCTP**
Other Stapled Units	$185.85	$1,529.01	12.15%
Retail Stapled Units	$89.18	$891.74	10.00%
TOTAL	**$275.03**	**$2,420.75**	

Step 3 – Calculation of cost base of underlying units

Step 3A – Cost base of Commercial Stapled Units

(1) – Aggregate purchase price

Unitholder D originally acquired 1,000 units in the Commercial trust for $1.85 per unit, that is $1,850.

(2) – Cost base before stapling after reduction for tax deferred distributions

Unitholder D's cost base is reduced by any tax deferred distributions received.

As Unitholder D acquired the units in the Commercial trust on 23 February 1999, the tax deferred distributions received before stapling per unit were:

	Commercial Stapled Units (per unit)
March 1999	0.9513
June 1999	0.9513
September 1999	0.7500
December 1999	0.7500
TOTAL	**3.4026**

The total tax deferred distributions for the 1,000 units in the Commercial trust are therefore:

3.4026c x 1,000 $34.03

The cost base of the units in the Commercial trust immediately before stapling is therefore as follows:

Aggregate cost base (Step 3A(1))	**Pre-stapling tax deferred distributions**	**Cost base**
$1,850	$34.03	$1,815.97

(3) – Reallocation at time of stapling

As a result of stapling, the cost base of each Commercial Stapled Unit is:

Total cost base (Step 3A(2))	$1,815.97
Divided by:	
No. of Commercial Stapled Units	965
	$1.88

(4) – Cost base after reduction for special distribution at time of stapling

The cost base of each Commercial Stapled Unit must be reduced by the 3 cent special distribution received on stapling. Therefore the cost base of each Commercial Stapled Unit following stapling is:

Cost base of each Commercial Stapled Unit (Step 3A(3))	$1.88
Less:	
3 cents special distribution	$0.03
Cost base of each Commercial Stapled Unit	$1.85
Aggregate cost base of Commercial Stapled Units ($1.85 x 965)	$1,785.25

(5) – Reduction for tax deferred distributions since stapling

The cost base calculated at Step 3A(4) will need to be reduced for any tax deferred distributions received since stapling (refer Appendix 2). The total tax deferred distributions received in respect of the Commercial Stapled Units since stapling are:

Stapled units	Tax deferred distributions (per unit)
Commercial Stapled Units	3.5571

The total tax deferred distributions for the 965 Commercial Stapled Units is therefore:

Commercial Stapled Units	3.5571c x 965	$34.33

The cost base of the Commercial Stapled Units after stapling is therefore as follows:

Stapled units	Cost base after reduction for for special distribution (Step 3A(4))	Post-stapling tax deferred distributions	Cost base
Commercial Stapled Units	$1,785.25	$34.33	$1,750.92

Step 3B – Cost base of Industrial and Development Stapled Units

(1) – Initial acquisition price on stapling

Unitholder D acquired its Industrial and Development Stapled Units for $0.01 per unit.

The total cost base is therefore:

$0.01 x 965 x 2 = $19.30

(2) – Reduction for tax deferred distributions since stapling

The cost base calculated at Step 3B(1) will need to be reduced for any tax deferred distributions received since stapling (refer Appendix 2). The total tax deferred distributions in respect of the Industrial and Development Stapled Units received since stapling are:

Stapled units	Tax deferred distributions (per each CFT unit)
Industrial Stapled Units	3.2347
Development Stapled Units	2.2427
TOTAL	**5.4774**

The total tax deferred distributions for the 965 Industrial and Development Stapled Units after stapling is therefore:

5.4774c x 965	$52.86

The cost base of the Industrial and Development Stapled Units is therefore as follows:

Stapled units	Cost base on acquisition (Step 3B(1))	Tax deferred distributions (Step 3B(2))	Cost base
Industrial and Development Stapled Units	$19.30	$52.86	$0

Please note that the tax deferred distributions can only reduce the cost base of the units to zero, the excess distributions of $33.56 ($52.86 – $19.30) represented assessable capital gains in the hands of the unitholders at the time of payment of the distributions.

Step 3C – Total cost base of Other Stapled Units

The total cost base in the Other Stapled Units is therefore the sum of:

Cost base of the Commercial Stapled Units (Step 3A(5))	$1,750.92
Cost base of the Industrial and Development Stapled Units (Step 3B(2))	$0
TOTAL	**$1,750.92**

EXAMPLE 5 continued

Step 3D – Cost base of Retail Stapled Units

(1) – Initial acquisition price on stapling

Unitholder D's cost base in the Retail Stapled Units will be $0.01 per unit. The total cost base of the units in the Retail Stapled Units is $0.01 x 965 = $9.65.

(2) – Cost base after reduction for tax deferred distributions since stapling

The cost base calculated at Step 3D(1) will need to be reduced for any tax deferred distributions received.

The total tax deferred distributions received in respect of the Retail Stapled Units since stapling are:

Stapled units	**Tax deferred distributions (per unit)**
Retail Stapled Units	4.7949

The total tax deferred distributions for the 965 Retail Stapled Units after stapling is therefore:

4.7949c x 965	$46.27

The cost base of the Retail Stapled Units is therefore as follows:

Cost base on acquisition (Step 3D(1))	**Post-stapling tax deferred distributions** (Step 3D(2))	**Cost base**
$9.65	$46.27	$0

Please note, that the tax deferred distributions can only reduce the cost base of the units to zero, the excess distributions of $36.62 ($46.27 – $9.65) represented assessable capital gains in the hands of the unitholders at the time of payment of the distributions.

Step 3E – Allocation of rounding difference

(1) – Calculate total cost base

The total cost base of Unitholder D's CFT units is therefore:

Cost base of Retail Stapled Units (Step 3D(2))	$0
Plus:	
Aggregate cost base of Other Stapled Units (Step 3C)	$1,750.92
TOTAL	**$1,750.92**

The difference between the total cost base $1,750.92 and the original cost of the Commercial units of $1,850 (as calculated at Step 3A(1)) is $99.08. This difference is due to:

Commercial Stapled Units: Tax deferred distributions pre-stapling	$34.03
Commercial Stapled Units: Tax deferred distributions after stapling	$34.33
Commercial Stapled Units: Special distribution on stapling	$28.95
Industrial and Development Stapled Units: ADD cost base on acquisition	($19.30)
Industrial and Development: Tax deferred distributions after stapling (reducing cost base only)	$19.30
Retail Stapled Units: ADD cost base on stapling	($9.65)
Retail Stapled Units: Tax deferred distributions after stapling (reducing cost base only)	$9.65
Rounding difference (to be added to cost base)	$1.77
TOTAL	**$99.08**

(2) – Allocate difference over all underlying stapled units

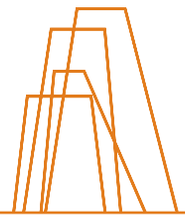
The $1.77 rounding difference will need to be allocated between Retail Stapled Units and Other Stapled Units as follows. As the Retail Stapled Units have nil cost base, the $1.77 rounding difference will be referable to the Other Stapled Units such that the allocated cost base of these units is $1,752.69 ($1,750.92 + $1.77).

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the units attributable to the cash component is calculated by multiplying the allocated cost base (Step 3E(2)) to PCTP (Step 2D).

On this basis, the cost base of the portion of each underlying unit that is disposed of for cash is:

Stapled units	**Allocated cost base** (Step 3E(2))	**PCTP** (Step 2D)	**Portion allocated to cash** Cost base x PCTP
Other Stapled Units	$1,752.69	12.15%	$212.95
Retail Stapled Units	$0	10.00%	$0
TOTAL	**$1,752.69**		**$212.95**



Step 5 – Calculate capital gain or capital loss referable to cash

Step 5A – Calculate capital gain or capital loss

Unitholder D will make an initial capital gain where the cash component of $275.03 received exceeds the cost base of the portion of the units that is referable to the cash.

	Retail Stapled Units	Other Stapled Units
Cash proceeds received (Step 2A)	$89.18	$185.85
Less:		
Cost base (referable to cash proceeds) (Step 4)	$0	$212.95
CAPITAL GAIN/LOSS	**$89.18**	**($27.10)**

Step 5B – Apply capital losses

As Unitholder D made a capital loss on the disposal of the portion of the Other Stapled Units referable to cash, this will reduce the capital gain made on the Retail Stapled Units such that the net capital gain is $62.08 ($89.18 – $27.10).

On the assumption that Unitholder D has no further capital losses to offset the capital gain, Unitholder D's initial CGT liability as a result of the cash received will be $62.08.

Step 5C – Apply 50% discount (if relevant)

Unitholder D is able to qualify for the 50% CGT discount as Unitholder D held the units in the Retail Stapled Units since stapling (December 1999), that is for more than 12 months before disposal.

Therefore the capital gain referrable to the cash component attributable to the Retail Stapled Units is reduced by 50% as follows:

Total capital gain (Step 5B)	$62.08
Less:	
50% of capital gain	$31.04
NET CAPITAL GAIN	**$31.04**

Step 5D – Apply revenue losses

Where Unitholder D has revenue losses, these may be applied at this step.

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units exchanged under the Proposal must be allocated across Unitholder D's new units in CPA and GAN.

Step 6A – GAN Units

The cost base of the GAN Units will be the allocated cost base of the Retail Stapled Units (Step 3(D)(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

Unitholder D's cost base in the GAN Units will be $0.

Step 6B – CPA Units

The cost base of the CPA Units will be the allocated cost base of the Other Stapled Units (Step 3(E)(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

Stapled units	Allocated cost base (Step 3E(2))	Portion allocated to cash (Step 4)	Cost base of CPA Units Cost base – portion allocated to cash
Other Stapled units	$1,752.69	$212.95	$1,539.74

Unitholder D's cost base in the CPA Units will be a total of $1,539.74. Each CPA Unit will therefore have a cost base of $1.34 ($1,539.74/1,148 units).

Step 7 – Subsequent disposal of GAN Units

Step 7A – Calculate capital gain or loss of GAN Units

Unitholder D will realise a capital gain on the subsequent disposal of the GAN Units if the consideration received on the sale of the GAN Units exceeds the cost base of those units (as calculated above).

As noted above, it is assumed that Unitholder D sold the GAN Units for $1.37 each on 1 July 2003.

Proceeds received	$1.37 x 627 units	$858.99
Less:		
Cost base of GAN Units (Step 6A)		$0
CAPITAL GAIN		**$858.99**

EXAMPLE 5 continued

Step 7B – Apply capital losses

If Unitholder D had any capital losses, these would be applied at this step.

Step 7C – Apply 50% discount (if relevant)

Unitholder D is able to qualify for the 50% CGT discount even though Unitholder D has only held the GAN Units since 8 October 2002 and sold them within 12 months. The date of acquisition of these units is taken to be the date that the Retail Stapled Units were acquired, that is in December 1999 as a result of stapling.

Therefore as the GAN Units were treated as being acquired 12 months before disposal, the CGT discount will apply.

Therefore the capital gain is reduced by 50% as follows:

Capital gain (Step 7A)	$858.99
Less:	
50% CGT discount	$429.50
NET CAPITAL GAIN	**$429.49**

Step 8 – Subsequent disposal of CPA Units

Step 8A – Calculate capital gain or loss on CPA Units

Unitholder D will realise a capital gain on the subsequent disposal of the CPA Units if the consideration received on the sale of the CPA Units exceeds the cost base of those units (as calculated above). As noted above, it is assumed that Unitholder D sold the CPA Units for $1.36 each on 2 May 2004.

Proceeds received $1.36 x 1,148 units	$1,561.28
Less:	
Cost base	$1,539.74
CAPITAL GAIN	**$21.54**

Step 8B – Apply capital losses

If Unitholder D had any capital losses, these would be applied at this step.

Step 8C – Apply 50% discount (if relevant)

Unitholder D is able to qualify for the 50% CGT discount as Unitholder D has held the CPA Units for more than 12 months since acquisition.

Therefore the capital gain made on the sale of the CPA Units is reduced by 50% as follows:

Capital gain (Step 8A)	$21.54
Less:	
50% CGT discount	$10.77
NET CAPITAL GAIN	**$10.77**

Methodology statement

The following methodology statements were used for the preparation of the examples of the taxation implications for CFT Unitholders as a consequence of the Proposal.

A separate calculation must be undertaken for every separate 'parcel' of units held by the CFT Unitholder.

A reference to a parcel of units is a reference to a group of units acquired on the same day for the same price.

This Methodology statement forms part of the examples and accordingly the statements (including disclaimers, assumptions and capitalised terms) at the beginning of the examples apply equally to this Methodology statement.

The examples cover the following four scenarios:

1. Example 1

- CFT units were acquired after the stapling of CFT;
- CFT Unitholder elected to receive CPA and GAN Units and did not elect for the cash alternative; and
- CFT Unitholder elects for CGT rollover to apply.

2. Examples 2 and 3

- CFT units were acquired after the stapling of CFT; and
- CFT Unitholder elects to receive cash.

3. Example 4

- units in the Retail trust were acquired before the stapling of CFT and the Other Stapled Units were acquired as a consequence of stapling;
- Units in the Retail trust were acquired after 20 September 1985;
- CFT Unitholder elected to receive CPA and GAN Units and did not elect for the cash alternative; and
- CFT Unitholder elects for CGT rollover to apply.

4. Example 5

- Units in one of the Other 3 trusts were acquired before the stapling of underlying CFT but after 20 September 1985 and the Other Stapled and Retail Stapled Units were acquired as a consequence of stapling;
- CFT Unitholder elected to receive CPA and GAN Units and did not elect for the cash alternative; and
- CFT Unitholder elects for CGT rollover to apply.

Assumptions

For the purposes of illustrating the various scenarios it has been assumed that:

- CFT Unitholders are resident individuals;
- where an election is made for CGT rollover relief it is made in respect of all CFT units held by the CFT Unitholder;
- the ATO issues a positive class ruling in relation to the availability of CGT rollover relief;
- it is appropriate to use the NTA of the four trusts as at 2 October 2002 for the purposes of allocating the cash consideration;
- the ratios at which underlying units held prior to stapling were converted on stapling are:

  1 unit in the Retail trust = 0.585 Retail Stapled Unit
  1 unit in the Commercial trust = 0.965 Commercial Stapled Unit
  1 unit in the Industrial trust = 0.950 Industrial Stapled Unit
  1 unit in the Development trust = 1.025 Development Stapled Unit;

- the market value of the CPA and GAN Units is the opening price of the units on 8 October 2002. The values at this time were:

  CPA $1.17
  GAN $1.28

1. Example 1

Step 1 – Calculate value of total consideration received

The proceeds received for the CFT units must be determined. This will involve, firstly, working out the number of CPA and GAN Units received under the Proposal as follows:

No. of CFT units x 1.19	= CPA Units
CPA Units x $1.17	= value of CPA Units received
No. of CFT units x 0.65	= GAN Units
GAN Units x $1.28	= value of GAN Units received

The cash component will be calculated as:

No. of CFT units x 28.5 cents	= cash component

The total proceeds for the disposal of the CFT units is therefore the value of the CPA and GAN Units plus the cash component.

As stated above, the market value of the CPA and GAN Units is assumed to be the opening price of the CPA and GAN Units on 8 October 2002.

Step 2 – Allocate consideration between underlying units

(A) – Cash allocation based on NTA

The cash component is to be allocated on the basis of NTA proportions as at the date of disposal. The relevant percentages are:

Other 3 trusts	= 67.575%
Retail trust	= 32.425%

The cash component is therefore allocated as follows:

Cash x 67.575%	= Cash allocated to Other Stapled Units
Cash x 32.425%	= Cash allocated to Retail Stapled Units

(B) – Allocation of CPA and GAN Units

As GAN is acquiring the Retail Stapled Units, the market value of the GAN Units will form part of the consideration for the disposal of the Retail Stapled Units. Consequently, the market value of the CPA Units will form part of the consideration for the Other Stapled Units.

(C) – Total allocation

The total proceeds for the disposal of the Other Stapled Units is therefore the market value of the CPA Units plus the cash allocated.

The total proceeds for the disposal of the Retail Stapled Units is therefore the market value of the GAN Units plus the cash allocated.

(D) – Percentage of cash to total proceeds (PCTP)

The CGT scrip rollover measures prescribe that part of the cost base of the underlying security (in this case the CFT units) is to be allocated to any ineligible proceeds (basically, the cash component of the consideration). This allocation has to be done on a reasonable basis. Guidance as to how this allocation should be undertaken can be gleaned from other class rulings which dealt with CGT scrip for scrip rollover relief, particularly in relation to cash consideration (see CR 2001/39 and CR 2001/51). Applying the Commissioner's view (as expressed in these rulings) means that the portion of the cost base of the underlying units attributable to the cash component is determined by reference to the percentage of cash to total proceeds.

In other words, the Commissioner has stated that, where cash and scrip consideration has been received, a reasonable method of allocation is to work out what percentage of the total capital proceeds (that is the market value of the new scrip on the date it was acquired plus the cash consideration) is represented by cash. That percentage is applied to the cost base of the old scrip to determine the part of that cost base which is reasonable attributable to the ineligible proceeds (the cash).

Therefore the relevant percentages are:

$$\text{Other \%} = \frac{\text{Cash allocated to the Other Stapled Units (see Step 2)}}{\text{Cash allocated to the Other Stapled Units plus the market value of CPA Units at 8 October 2002}}$$

$$\text{Retail \%} = \frac{\text{Cash allocated to the Retail Stapled Units (see Step 2)}}{\text{Cash allocated to the Retail Stapled Units plus the market value of GAN Units at 8 October 2002}}$$

Step 3 – Allocate cost base of CFT units across underlying units

(A) – Calculate aggregate cost base for each 'parcel'

The aggregate cost base for each parcel of CFT units is calculated as:

No. of CFT units acquired x price per CFT unit

(B) – Relevant proportions

Where the Unitholder acquires the CFT units post-stapling, the cost of acquiring the CFT units will need to be allocated over the underlying units using the NTA proportion at the date of acquisition (refer Appendix 1).

(C) – Apply relevant proportions to underlying units

The relevant proportions are determined by multiplying the total cost of the CFT units by the relevant NTA proportion. As CPA acquires the Other Stapled Units the cost base does not need to be allocated over the three underlying units, but can be determined on an aggregate basis.

(D) – Apply any tax deferred distributions

The allocated cost base should then be reduced by any applicable tax deferred distributions (refer Appendix 2).

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the underlying units attributable to the cash component is calculated by multiplying the allocated cost base (Step 3D) by the PCTP (calculated separately for the Other Stapled Units and the Retail Stapled Units) (Step 2D).

Step 5 – Calculate capital gain or capital loss referable to cash

(A) – Calculate capital gain or loss

CFT Unitholders will generally make an initial capital gain where the cash component (allocated between the Other Stapled Units and the Retail Stapled Units) exceeds the cost base of the portion of the units that is referable to cash (calculated separately for the Other Stapled Units and the Retail Stapled Units).

(B) – Apply capital losses

Any capital gain referrable to cash is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the CFT units were held for 12 months before disposal, the 50% CGT discount may be applied.

(D) – Apply revenue losses

Any revenue losses may then be applied.

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units affected by the Proposal must be allocated across the CFT Unitholder's new units in CPA and GAN.

The cost base of the GAN Units will be the cost base of the Retail Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).

The cost base of the CPA Units will be the cost base of the Other Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).

Step 7 – Subsequent disposal of CPA Units

A capital gain may arise on the subsequent disposal of the CPA Units depending on the CFT Unitholder's circumstances.

(A) – Calculate capital gain or capital loss

CFT Unitholders will generally make a capital gain where the proceeds from the disposal of CPA Units exceeds the cost base of the CPA Units (Step 6).

(B) – Apply capital losses

The capital gain calculated at Step 7A is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the CPA Units were held for 12 months before disposal, the 50% CGT discount may be applied.

For these purposes, the holding period commences from the date on which the CFT Unitholder acquired the CFT units which were exchanged under the Proposal to acquire the CPA Units.

(D) – Apply revenue losses

Any revenue losses may then be applied.

Step 8 – Subsequent disposal of GAN Units

A capital gain may arise on the subsequent disposal of the GAN Units depending on the CFT Unitholder's circumstances.

(A) – Calculate capital gain or capital loss

CFT Unitholders will generally make a capital gain where the proceeds from the disposal of GAN Units exceed the cost base of the GAN Units (Step 6).

(B) – Apply capital losses

The capital gain calculated at Step 8A is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the GAN Units were held for 12 months before disposal, the 50% CGT discount may be applied.

For these purposes, the holding period commences from the date on which the CFT Unitholder acquired the CFT units which were exchanged under the Proposal to acquire the GAN Units.

(D) – Apply revenue losses

Any revenue losses may then be applied.

2. Examples 2 and 3

Step 1 – Calculate cash component
The cash component is calculated as:

No. of CFT units held x 28.5 cents

Step 2 – Calculation of Bookbuild proceeds
(A) – Calculate Bookbuild participation percentage
The total number of CFT units that were subject to the Bookbuild was 13,186,582.

Therefore, each Unitholder participating in the Bookbuild will need to calculate the extent of their share of the gross proceeds. This is calculated as:

$$\frac{\text{No. of CFT units}}{13{,}186{,}582} = \text{Participation percentage}$$

(B) – Calculate proportion of Bookbuild proceeds
The gross proceeds received from the Bookbuild were $28,930,709.40.

Each Unitholder's share of the net proceeds is calculated as:

Participation percentage x $28,930,704.40

Step 3 – Total consideration
The Unitholder's total proceeds for the CFT units is therefore:

Cash component (Step 1)
Plus:
Bookbuild proceeds (Step 2B)

Step 4 – Cost base of CFT units
(A) – Calculate aggregate purchase price of CFT units
The aggregate cost base for each parcel of CFT units is calculated as:

No. of CFT units acquired x price per CFT unit

(B) – Calculate share of brokerage costs on disposal via Bookbuild
The aggregate cost base of the CFT units will be increased by the Unitholder's share of the brokerage expenses incurred under the Bookbuild.

The total brokerage expenses incurred under the Bookbuild were $144,653.44.

The Unitholder's share of the brokerage expenses is calculated as:

Participation percentage (Step 2A) x $144,653.44

(C) – Calculate any other items that form part of the cost base
Any other costs which form part of the cost base to be calculated.

(D) – Aggregate cost base
The aggregate cost base of the CFT units is the sum of Steps 4A to 4C.

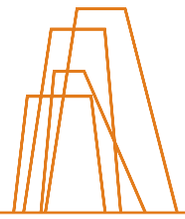
(E) – Apply any tax deferred distributions
The aggregate cost base of the CFT units should then be reduced by any tax deferred distributions.

Step 5 – Calculate capital gain or capital loss
(A) – Calculate capital gain or loss
CFT Unitholders will generally make a capital gain where the total proceeds (Step 3) exceed the cost base of the CFT units (Step 4).

(B) – Apply capital losses
The capital gain calculated at Step 5A is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)
Where the CFT units were held for 12 months before disposal the 50% discount may be applied.

(D) – Apply revenue losses
Any revenue losses may then be applied.



3. Example 4

Step 1 – Calculate value of total consideration received

The proceeds received for the CFT units must be determined. This will involve, firstly, working out the number of CPA and GAN Units received as follows:

No. of CFT units x 1.19	= CPA Units
No. of CFT units x 0.65	= GAN Units

The cash component will be calculated as:

No. of CFT units x 28.5 cents	= cash component

The total proceeds for the disposal of the CFT units is therefore the market value of the CPA and GAN Units plus the cash component. As stated above, the market value of the CPA and GAN Units is assumed to be the price of the CPA and GAN Units on 8 October 2002.

Step 2 – Allocate consideration between underlying units

(A) – Cash allocation based on NTA

The cash component is to be allocated on the basis of NTA proportions at the date of disposal. The relevant percentages are:

Other 3 trusts	= 67.575%
Retail trust	= 32.425%

The cash component is therefore allocated as follows:

Cash x 67.575%	= cash allocated to Other Stapled Units
Cash x 32.425%	= cash allocated to Retail Stapled Units

(B) – Allocation of CPA and GAN Units

As GAN is acquiring the Retail Stapled Units, the market value of the GAN Units will be consideration for the disposal of the Retail Stapled Units. Consequently, the market value of the CPA Units will be consideration for the Other Stapled Units.

(C) – Total allocation

The total proceeds for the disposal of the Other Stapled Units is therefore:

the market value of the CPA Units plus the cash allocated

The total proceeds for the disposal of the Retail Stapled Units is therefore:

the market value of the GAN Units plus the cash allocated

(D) – Percentage of cash to total proceeds (PCTP)

The CGT scrip rollover measures prescribe that part of the cost base of the underlying security (in this case the CFT units) is to be allocated to any ineligible proceeds (basically, the cash component of the consideration). This allocation has to be done on a reasonable basis. Guidance as to how this allocation should be undertaken can be gleaned from other class rulings which dealt with CGT scrip for scrip rollover relief, particularly in relation to cash consideration (see CR 2001/39 and CR 2001/51). Applying the Commissioner's view (as expressed in these rulings) means that the portion of the cost base of the underlying units attributable to the cash component is determined by reference to the percentage of cash to total proceeds.

In other words, the Commissioner has stated that, where cash and scrip consideration has been received, a reasonable method of allocation is to work out what percentage of the total capital proceeds (that is the market value of the new scrip on the date it was acquired plus the cash consideration) is represented by cash. That percentage is applied to the cost base of the old scrip to determine the part of that cost base which is reasonable attributable to the ineligible proceeds (the cash).

Therefore the relevant percentages are:

$$\text{Other \%} = \frac{\text{Cash allocated to the Other Stapled Units (see Step 2)}}{\text{Cash allocated to the Other Stapled Units plus the market value of CPA Units at 8 October 2002}}$$

$$\text{Retail \%} = \frac{\text{Cash allocated to the Retail Stapled Units (see Step 2)}}{\text{Cash allocated to the Retail Stapled Units plus the market value of GAN Units at 8 October 2002}}$$

Step 3 – Calculation of cost base of underlying units

(A) – Cost base of Retail Stapled Units

(1) – Calculate purchase price

The aggregate cost base for each parcel of Retail units is calculated as:

No. of Retail units acquired x price per unit

(2) – Cost base before stapling after reduction for tax deferred distributions pre-stapling

Step 3(A)(1) is reduced by any tax deferred distributions received pre-stapling.

3. Example 4 continued

(3) – Reallocation at time of stapling
Each Retail unit held at the time of stapling was stapled at the rate of:

One unit in the Retail trust = 0.585 Retail Stapled Unit.

Therefore, the cost base of each Retail Stapled Unit on stapling is:

$$\frac{\text{Total cost base (Step 3(A)(2))}}{\text{No. of Retail Stapled Units}}$$

(4) – Cost base after reduction for special distribution at time of stapling
The cost base of each Retail Stapled Unit is reduced by the special distribution of 3 cents per Retail Stapled Unit.

The aggregate cost base is therefore the cost base (reduced by 3 cents) multiplied by the number of Retail Stapled Units.

(5) – Reduction for tax deferred distributions since stapling
The cost base calculated at Step 3A(4) is then reduced by any tax deferred distributions received since stapling (refer Appendix 2).

(B) – Cost base of Other Stapled Units

(1) – Calculate initial acquisition price on stapling
The cost base of the Other Stapled Units will be $0.01 per unit (as a result of the special distribution). The aggregate cost base of the Other Stapled Units is therefore:

$0.01 x No. of CFT units x 3

(2) – Cost base after reduction for tax deferred distributions since stapling
The cost base calculated at Step 3B(2) will need to be reduced for any tax deferred distributions received since stapling (refer Appendix 2). This will mean that, practically, the cost base of these units will have reduced to zero. Please note that the tax deferred distributions can only reduce the cost base of the units to zero, any excess distribution represents an assessable capital gain to the relevant Unitholder at the time of payment of the distributions.

(C) – Allocation of rounding difference

(1) – Calculate total cost base
The total cost base of the Unitholder's CFT units is therefore:

Aggregate cost base of Retail Stapled Units (Step 3A(5))
Plus:
Cost base of units in Other Stapled Units (Step 3B(2))

Where this calculation results in a difference from the amount calculated at Step 3A(1), the difference must be allocated between the units.

(2) – Allocate difference over all underlying stapled units
The rounding difference must be allocated over all the underlying units by firstly determining the cost base (calculated separately for the Other Stapled Units and the Retail Stapled Units) to the total cost base. Once the percentage is determined it is multiplied by the amount of the rounding difference. This amount is then subtracted or added to the relevant cost base (as need be).

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the underlying units attributable to the cash component is calculated by multiplying the allocated cost base (Step 3D) to PCTP (calculated separately for the Other Stapled Units and the Retail Stapled Units) (Step 2D).

Step 5 – Calculate capital gain or capital loss referable to cash

(A) – Calculate capital gain or loss

CFT Unitholders will generally make an initial capital gain where the cash component (allocated between the Other Stapled Units and the Retail Stapled Units) exceeds the cost base of the portion of the units that are referable to cash (calculated separately for the Other Stapled Units and the Retail Stapled Units).

(B) – Apply capital losses

Any capital gain referrable to cash is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the CFT units were held for 12 months before disposal and the CFT Unitholder is a resident individual, the 50% discount may be applied.

(D) – Apply revenue losses

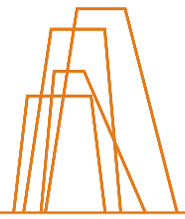
Any revenue losses may then be applied.

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units exchanged must be allocated across the CFT Unitholder's new units in CPA and GAN.

The cost base of the GAN Units will be the cost base of the Retail Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).

The cost base of the CPA Units will be the cost base of the Other Stapled Units (Step 3D) less the portion of the cost base that was referable to the cash consideration (Step 4).



Step 7 – Subsequent disposal of CPA and/or GAN Units

A capital gain may arise on the subsequent disposal of the CPA and GAN Units depending on the CFT Unitholder's circumstances.

(A) – Calculate capital gain or capital loss

CFT Unitholders will generally make a capital gain where the proceeds from the disposal of CPA and/or GAN Units exceed the cost base of the CPA and/or GAN Units (Step 6).

(B) – Apply capital losses

The capital gain calculated at Step 7A is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the CPA and/or GAN Units were held for 12 months before disposal, the 50% discount may be applied.

For these purposes, the holding period commences from the date on which the CFT Unitholder acquired the relevant underlying units, being the date of acquisition of the Retail units in respect of the GAN Units and the date of acquisition (stapling) of the Other Stapled Units in respect of the CPA Units.

(D) – Apply revenue losses

Any revenue losses may then be applied.

4. Example 5

It should be noted that, for the purposes of Example 5, it was assumed that the units held pre-stapling were units in the Commercial trust. However, the same methodology should apply if the units held were units in the Industrial trust or the Development trust. If the units held pre-stapling were units in the Retail trust, then Example 4 is the relevant example to use.

Step 1 – Calculate value of total consideration received

The proceeds received for the CFT units must be determined. This will involve, firstly, working out the number of CPA and GAN Units received as follows:

No. of CFT units x 1.19 = CPA Units
No. of CFT units x 0.65 = GAN Units

The cash component will be calculated as:

No. of CFT units x 28.5 cents = cash component

The total proceeds for the disposal of the CFT units is therefore the market value of the CPA and GAN Units plus the cash component. As stated above, the market value of the CPA and GAN Units is assumed to be the price of the CPA and GAN Units on 8 October 2002.

Step 2 – Allocate consideration between underlying units

(A) – Cash allocation based on NTA

The cash component is to be allocated on the basis of NTA proportions at the date of disposal. The relevant percentages are:

Other 3 trusts = 67.575%
Retail trust = 32.425%

The cash component is therefore allocated as follows:

Cash x 67.575% = cash allocated to Other Stapled Units
Cash x 32.425% = cash allocated to Retail Stapled Units

(B) – Allocation of CPA and GAN Units

As GAN is acquiring the Retail Stapled Units, the market value of the GAN Units will be consideration for the disposal of the units in the Retail trust. Consequently, the market value of the CPA Units will be consideration for the Other Stapled Units.

(C) – Total allocation

The total proceeds for the disposal of the Other Stapled Units is therefore:

the market value of the CPA Units plus the cash allocated

The total proceeds for the disposal of the Retail Stapled Units is therefore:

the market value of the GAN Units plus the cash allocated

(D) – Percentage of cash to total proceeds (PCTP)

The legislation containing the CGT scrip rollover measures prescribe that part of the cost base of the underlying security (in this case the CFT units) is to be allocated to any ineligible proceeds. This allocation has to be done on a reasonable basis. Some guidance can be gleaned from other class rulings which dealt with CGT scrip for scrip rollover relief, particularly cash consideration (reference is made to CR 2001/39 and CR 2001/51). Applying the Commissioner's view (as expressed in these rulings) means that the portion of the cost base of the underlying units attributable to the cash component is determined by reference to the percentage of cash to total proceeds.

In other words, the Commissioner has stated that, where cash scrip consideration has been received, a reasonable method of allocation is done by working out what percentage of the total capital proceeds received from the original scrip (that is the market value of the new scrip on the date it was acquired plus the cash consideration) was represented by cash. That percentage was applied to the cost base of the old scrip to determine the part of that cost base which is reasonable attributable to the ineligible proceeds (the cash).

Therefore the relevant percentages are:

$$\text{Other \%} = \frac{\text{cash allocated to the Other Stapled Units (see Step 2)}}{\text{cash allocated to the Other Stapled Units plus the market value of CPA Units at 8 October 2002}}$$

$$\text{Retail \%} = \frac{\text{cash allocated to the Retail Stapled Units (see Step 2)}}{\text{cash allocated to the Retail Stapled Units plus the market value of GAN Units at 8 October 2002}}$$

Step 3 – Calculation of cost base of underlying units

(A) – Cost base of Commercial Stapled Units

(1) – Calculate purchase price

The aggregate cost base for each parcel of Commercial units is calculated as:

No. of Commercial units acquired x price per unit

(2) – Cost base before stapling after reduction for tax deferred distributions pre-stapling

Step 3(A)(1) is reduced by any tax deferred distributions received pre-stapling.

(3) – Reallocation at time of stapling

Each Commercial unit held at the time of stapling was stapled at the rate of:

1 unit in the Commercial trust = 0.965 Commercial Stapled Units

Therefore, the cost base of each Commercial Stapled Unit on stapling is:

$$\frac{\text{Total cost base (Step 3(A)(2))}}{\text{No. of Commercial Stapled Units}}$$

(4) – Cost base after reduction for special distribution at time of stapling

The cost base of each Commercial Stapled Unit is reduced by the special distribution of 3 cents per Commercial Stapled Unit.

The aggregate cost base is therefore the cost base (reduced by 3 cents) multiplied by the number of Commercial Stapled Units.

(5) – Reduction for tax deferred distributions since stapling

The cost base calculated at Step 3A(4) is then reduced by any tax deferred distributions received since stapling (refer Appendix 2).

(B) – Cost base of units in Industrial and Development trusts

(1) – Calculate initial acquisition price on stapling

As a result of stapling, the Industrial and Development Stapled Units were acquired for $0.01 each.

The total cost base is:

$0.01 x No. of CFT units x 2

(2) – Reduction for tax deferred distributions

The cost base of the Industrial and Development Stapled Units calculated at Step 3B(1) is then reduced by any tax deferred distributions received since stapling (refer Appendix 2).

This will mean that, practically, the cost base of these units will have reduced to zero. Please note that the tax deferred distributions can only reduce the cost base of the units to zero, any excess distributions will be assessable at the time of payment of the distributions.

(C) – Total cost base of Other Stapled Units

The total cost base of the Other Stapled Units is the sum of:

Cost base of the Commercial Stapled Units (Step 3A(5))
Plus:
Cost base of the Industrial and Development Stapled Units (Step 3A(2))

(D) – Cost base of Retail Stapled Units

(1) – Calculate initial acquisition price on stapling

The cost base of the Retail Stapled Units will be $0.01 per unit (as a result of the special distribution). The aggregate cost base of the Retail Stapled Units is therefore:

$0.01 x No. of Retail Stapled Units

(2) – Cost base after reduction for tax deferred distributions since stapling

The cost base calculated at Step 3D(1) will need to be reduced for any tax deferred distributions received since stapling (refer Appendix 2). This will mean that, practically, the cost base of these units will have reduced to zero. Please note that the tax deferred distributions can only reduce the cost base of the units to zero, any excess distributions will be assessable at the time of payment of the distributions.

(E) – Allocation of rounding difference

(1) – Calculate total cost base

The total cost base of the Unitholder's CFT units is therefore:

Aggregate cost base of the Other Stapled Units (Step 3C)
Plus:
Cost base of Retail Stapled Units (Step 3D(2))

Where this calculation results in a difference from the amount calculated at Step 3A(1), the difference must be allocated between the units.

(2) – Allocate difference over all underlying stapled units

The rounding difference must be allocated over all the underlying units by firstly determining the cost base (calculated separately for the Other Stapled Units and the Retail Stapled Units) to the total cost base. Once the percentage is determined it is multiplied by the amount of the rounding difference. This amount is then subtracted or added to the relevant cost base (as need be).

4. Example 5 continued

Step 4 – Calculate portion of units disposed of for cash (allocation of cost base)

The cost base of the portion of the underlying units attributable to the cash component is calculated by multiplying the allocated cost base (Step 3(E)(2)) to PCTP (calculated separately for the Other Stapled Units and the Retail Stapled Units) (Step 2D).

Step 5 – Calculate capital gain or capital loss referable to cash

(A) – Calculate capital gain or loss

CFT Unitholders will generally make an initial capital gain where the cash component (allocated between the Other Stapled Units and the Retail Stapled Units) exceeds the cost base of the portion of the units that are referable to cash (calculated separately for the Other Stapled Units and the Retail Stapled Units).

(B) – Apply capital losses

Any capital gain referrable to cash is reduced by any capital losses.

(C) – Apply 50% discount (if relevant)

Where the CFT units were held for 12 months before disposal, the 50% discount may be applied.

(D) – Apply revenue losses

Any revenue losses will then be applied.

Step 6 – Calculate cost base of CPA and GAN Units acquired

The cost base of the CFT units exchanged must be allocated across the CFT Unitholder's new units in CPA and GAN.

The cost base of the GAN Units will be the cost base of the Retail Stapled Units (Step 3E(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

The cost base of the CPA Units will be the cost base of the Other Stapled Units (Step 3E(2)) less the portion of the cost base that was referable to the cash consideration (Step 4).

Step 7 – Subsequent disposal of CPA and/or GAN Units

A capital gain may arise on the subsequent disposal of the CPA and GAN Units depending on the CFT Unitholder's circumstances.

(A) – Calculate capital gain or capital loss

CFT Unitholders will generally make a capital gain where the proceeds from the disposal of CPA and/or GAN Units exceed the cost base of the CPA and/or GAN Units (Step 6).

(B) – Apply capital losses

The capital gain calculated at Step 7A is reduced by any capital losses.

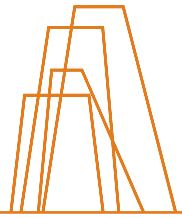
(C) – Apply 50% discount (if relevant)

Where the CPA and/or GAN Units were held for 12 months before disposal and the CFT Unitholder is a resident individual, the 50% discount may be applied.

For these purposes, the holding period commences from the date on which the CFT Unitholder acquired the relevant underlying units, being the date of acquisition of the Retail units in respect of the GAN Units and the date of acquisition of the units in the Industrial, Development and Commercial trusts in respect of the CPA Units.

(D) – Apply revenue losses

Any revenue losses will then be applied.



Appendix 1

NTA PROPORTIONS

Month of acquisition of CFT units	Retail	Other
December 1999	32.500%	67.500%
January 2000	32.520%	67.480%
February 2000	32.520%	67.480%
March 2000	32.520%	67.480%
April 2000	32.520%	67.480%
May 2000	32.370%	67.630%
June 2000	31.783%	68.217%
July 2000	31.764%	68.236%
August 2000	31.884%	68.116%
September 2000	31.654%	68.346%
October 2000	31.509%	68.491%
November 2000	31.361%	68.639%
December 2000	31.294%	68.706%
January 2001	31.294%	68.706%
February 2001	31.314%	68.686%
March 2001	31.236%	68.764%
April 2001	31.219%	68.781%
May 2001	31.210%	68.790%
June 2001	31.067%	68.933%
July 2001	31.092%	68.908%
August 2001	31.001%	68.999%
September 2001	31.018%	68.982%
October 2001	30.893%	69.107%
November 2001	30.905%	69.095%
December 2001	31.148%	68.852%
January 2002	31.148%	68.852%
February 2002	31.148%	68.852%
March 2002	31.145%	68.855%
April 2002	31.485%	68.515%
May 2002	31.485%	68.515%
June 2002	32.500%	67.500%
July 2002	32.477%	67.523%
August 2002	32.423%	67.577%
September 2002	32.425%	67.575%
2 October 2002	32.425%	67.575%

Appendix 2

CFT distribution history

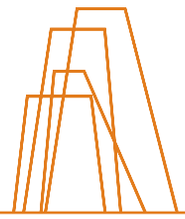
YEAR ENDED 30 JUNE 2000

	Distribution CPU	Tax free CPU	Tax free %	Tax deferred CPU	Tax deferred %
March 2000 qtr					
Commercial	1.3485	0.1768	13.11%	0.2332	17.29%
Development	0.0505	0.0394	77.95%	0.0111	22.05%
Industrial	1.4805	0.2286	15.44%	0.3735	25.23%
Retail	1.6205	0.2299	14.19%	0.4931	30.43%
Total	**4.5000**	**0.6747**	**14.99%**	**1.1109**	**24.69%**
June 2000 qtr					
Commercial	1.3342	0.1749	13.11%	0.2307	17.29%
Development	0.1153	0.0899	77.95%	0.0254	22.05%
Industrial	1.4665	0.2264	15.44%	0.3700	25.23%
Retail	1.5840	0.2248	14.19%	0.4820	30.43%
Total	**4.5000**	**0.7160**	**15.91%**	**1.1081**	**24.62%**
Year 2000 Total*					
Commercial	2.6827	0.3517	13.11%	0.4638	17.29%
Development	0.1658	0.1292	77.95%	0.0366	22.05%
Industrial	2.9470	0.4550	15.44%	0.7435	25.23%
Retail	3.2045	0.4547	14.19%	0.9751	30.43%
Total	**9.0000**	**1.3907**	**15.45%**	**2.2191**	**24.66%**

* Note that this information relates only to distributions made by CFT. Other distributions made by the underlying trusts may have been made during this financial year.

YEAR ENDED 30 JUNE 2001

	Distribution CPU	Tax free CPU	Tax free %	Tax deferred CPU	Tax deferred %
September 2000 qtr					
Commercial	1.1968	0.1329	11.11%	0.2970	24.82%
Development	0.3143	0.0540	17.18%	0.2603	82.82%
Industrial	1.4480	0.1371	9.47%	0.1589	10.98%
Retail	1.5659	0.1230	7.86%	0.3299	21.07%
Total	**4.5250**	**0.4470**	**9.88%**	**1.0461**	**23.12%**
December 2000 qtr					
Commercial	1.2475	0.1386	11.11%	0.3096	24.82%
Development	0.2637	0.0453	17.18%	0.2184	82.82%
Industrial	1.5014	0.1422	9.47%	0.1648	10.98%
Retail	1.5124	0.1188	7.86%	0.3186	21.07%
Total	**4.5250**	**0.4448**	**9.83%**	**1.0114**	**22.35%**
March 2001 qtr					
Commercial	1.2438	0.1382	11.11%	0.3087	24.82%
Development	0.3878	0.0666	17.18%	0.3212	82.82%
Industrial	1.4436	0.1367	9.47%	0.1584	10.98%
Retail	1.4498	0.1139	7.86%	0.3054	21.07%
Total	**4.5250**	**0.4553**	**10.06%**	**1.0937**	**24.17%**
June 2001 qtr					
Commercial	1.3602	0.1511	11.11%	0.3375	24.82%
Development	0.3506	0.0602	17.18%	0.2904	82.82%
Industrial	1.4615	0.1384	9.47%	0.1604	10.98%
Retail	1.3528	0.1063	7.86%	0.2850	21.07%
Total	**4.5250**	**0.4559**	**10.08%**	**1.0733**	**23.72%**
Year 2001 Total					
Commercial	5.0483	0.5608	11.11%	1.2527	24.82%
Development	1.3163	0.2261	17.18%	1.0903	82.82%
Industrial	5.8544	0.5543	9.47%	0.6426	10.98%
Retail	5.8809	0.4620	7.86%	1.2389	21.07%
Total	**18.1000**	**1.8031**	**9.96%**	**4.2245**	**23.34%**



YEAR ENDED 30 JUNE 2002

	Distribution CPU	Tax Free CPU	Tax Free %	Tax Deferred CPU	Tax Deferred %
September 2001 qtr					
Commercial	1.2759	–	–	0.4634	36.32%
Development	0.3609	–	–	0.3609	100.00%
Industrial	1.3964	–	–	0.4577	32.77%
Retail	1.4917	–	–	0.6134	41.12%
Total	**4.5249**	**–**	**–**	**1.8954**	**41.89%**
December 2001 qtr					
Commercial	1.2544	–	–	0.4556	36.32%
Development	0.2387	–	–	0.2387	100.00%
Industrial	1.4450	–	–	0.4736	32.77%
Retail	1.5869	–	–	0.6526	41.12%
Total	**4.5250**	**–**	**–**	**1.8204**	**40.23%**
March 2002 qtr					
Commercial	1.2751	–	–	0.4631	36.32%
Development	0.2220	–	–	0.2220	100.00%
Industrial	1.4503	–	–	0.4753	32.77%
Retail	1.5776	–	–	0.6488	41.12%
Total	**4.5250**	**–**	**–**	**1.8092**	**41.77%**
June 2002 qtr					
Commercial	1.2619	–	–	0.4583	36.32%
Development	0.2943	–	–	0.2943	100.00%
Industrial	1.3489	–	–	0.4421	32.77%
Retail	1.6199	–	–	0.6661	41.12%
Total	**4.5250**	**–**	**–**	**1.8608**	**41.12%**
Year 2002 Total					
Commercial	5.0673	–	–	1.8404	36.32%
Development	1.1158	–	–	1.1158	100.00%
Industrial	5.6407	–	–	1.8487	32.77%
Retail	6.2761	–	–	2.5809	41.12%
Total	**18.1000**	**–**	**–**	**7.3859**	**40.81%**

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