

MARKET RELEASE

Auckland, 1 October 2008

ING Property Trust announces results of valuation review

ING Property Trust (NZX: ING) announced today the results of an independent review of its property portfolio. The review of the valuations by independent valuation company DTZ New Zealand did not include full inspections or new reports but examined the likely affect on value of the softer investment environment as a result of the weaker domestic economy and the global financial markets.

The review showed a slight decline in value of the portfolio by 1.3% or \$14.2 million and a resulting increase in the yield on market rentals from 8.3% to 8.6%. Rental growth since the 31 March 2008 balance date has mitigated the value decline. The yield on contract income increased from 7.8% to 8.2% leaving the portfolio under-rented by 4.2%, down from the 6.7% at balance date.

The reduction in value reduces the undiluted net tangible asset backing per unit by 3 cents to \$1.34, allowing for an adjustment for deferred tax, but does not affect the income returns. The directors continue to forecast a dividend of 8.7 cents per unit for the current year.

The Trust's well diversified portfolio showed decreases in value for the industrial assets of -3.4% and -1.1% for the retail assets. Conversely, the commercial office assets increased in value by +0.6%.

"The result highlights the resilience of the Trust's high quality property portfolio. The assets held by the Trust are generally smaller value assets for which there is greater liquidity and there are more buyers in the current market. While there has been some softening in values, it is clear that the current market favours smaller and more affordable assets. This is the reverse of the trend of previous years where a premium was attached to larger assets that appealed to the international investors now largely not in the market" said Michael Smith, Chairman of ING Property Trust Management Limited, the manager of ING Property Trust.

In the current changeable environment, the Board considered it prudent to review 31 March 2008 valuations to provide investors with an accurate picture of the Trust's position. The Trust will complete a full revaluation as usual at its 31 March 2009 balance date.

"The modest decrease reflects the strong defensive characteristics of the property portfolio as well as the value added to the portfolio through the active management of the tenants and buildings including increasing rentals and committed lease terms since balance date. In the current environment it is pleasing to see that arrears remain in control, with debtors 60 days and over, less than 0.7% of rental income" said Peter Mence, General Manager of ING Property Trust Management Limited.

The Trust's portfolio is diversified by sector, location and by tenant mix with 80 properties and 373 tenants. The Trust's largest tenant by rental income accounts for only 3.8% of the total income from the portfolio. At the current unit price, ING units are providing a cash return of 12.3% per annum, and an effective return to 39.0% taxpayers under the Portfolio Investment Entity regime of 20.0% per annum.

ENDS

For further information, contact:

Peter Mence

General Manager, ING Property Trust Management Limited

Tel: 09 357 1811 or 021 748 839

Email: pmence@ingnz.com