

ASX ANNOUNCEMENT
ING INDUSTRIAL FUND (IIF)
 12 August 2009

IIF independent valuations as at 30 June 2009

ING Industrial Fund today announced the results of independent valuations completed at 30 June 2009 for 29 Australian assets, 6 European assets and the investment properties within its Canadian industrial portfolio. The valuations comprise 51% of the Fund's Australian portfolio and 32% of IIF's assets in Europe.

The independent valuations represent an overall decrease of \$522 million or an average of 16% on the book value of the properties re-valued. The properties which have not been independently valued will be adjusted to reflect fair value at 30 June 2009.

Decompression of market capitalisation rates and discount rates was prevalent across all regions. The values of the European and Canadian properties were also impacted by more conservative assumptions adopted for market rentals, growth rates and leasing up allowances.

The independent valuations result in a weighted average capitalisation rate (WACR) of 8.5% in Australia, 8.4% in Europe and 7.8% in Canada. The overall capitalisation rate slippage for independent valuations from 31 December 2008 is 1.0% for Australia, 0.7% for Europe and 0.7% for Canada.

Commenting on the valuations, Paul Toussaint, Chief Executive Officer of ING Industrial Fund, said "In the absence of substantial prime industrial sales, market consensus and sentiment is suggesting cap rate compression of at least 150 basis points from their peak in late 2007. Whilst the underlying fundamentals for Australian property have held up relative to the present economic uncertainty, we have seen a greater deterioration of market fundamentals across Europe and Canada. This has resulted in larger declines in value, based on underlying fundamentals, rather than capitalisation rate softening alone."

"The capitalisation rates adopted by the independent valuers for the Australian properties are reflective of current buyer demand, and consequently, we anticipate increased liquidity levels for industrial assets over the next six to 12 months."

A summary of the Fund's independent valuations is tabled overleaf:

Details of the independent valuations completed for Australia and Europe at 30 June 2009 are tabled below:

Australia and Europe Property	Market	Country	Valuation 30 Jun 09	Cap Rate
Stabilised				
Rosehill Industrial Estate	NSW	Australia	\$129.0m	7.75%
Unisys Campus	NSW	Australia	\$53.5m	8.25%
Parkwest Industrial Estate	VIC	Australia	\$174.1m	8.50%
Forest Lake Distribution Centre	QLD	Australia	\$46.0m	9.50%
Huntley Business Park	NSW	Australia	\$18.5m	8.75%
Great Western Business Park	NSW	Australia	\$14.1m	8.75%
Translink Logistics Park	NSW	Australia	\$36.0m	8.60%
Portair Industrial Estate	NSW	Australia	\$150.0m	8.25%
Ingleburn Industrial Estate	NSW	Australia	\$18.7m	9.38%
Millenium Court Industrial Estate	NSW	Australia	\$88.5m	8.50%
Keylink Industrial Estate	NSW	Australia	\$53.7m	8.48%
Microsoft Campus	NSW	Australia	\$51.5m	8.50%
Catalyst Business Park	NSW	Australia	\$48.6m	8.50%
Riverwood Business Park	NSW	Australia	\$50.5m	8.50%
Green Central	NSW	Australia	\$43.5m	8.25%
Laverton Distribution Centre	VIC	Australia	\$76.5m	8.25%
Cityviews Business Park	NSW	Australia	\$40.9m	8.80%
Blacktown Distribution Centre	NSW	Australia	\$37.7m	9.29%
Airlink Business Park	NSW	Australia	\$18.5m	9.25%
Airlink Business Park Stage 2&3	NSW	Australia	\$21.7m	10.0%
Knoxfield Distribution Centre	VIC	Australia	\$39.7m	9.25%
Chullora Industrial Estate	NSW	Australia	\$20.3m	9.25%
Braeside Distribution Centre	VIC	Australia	\$27.2m	9.00%
Northpoint Business Park	NSW	Australia	\$16.6m	9.25%
Development				
Interchange Park	NSW	Australia	\$85.0m	-
Keylink Industrial Estate	NSW	Australia	\$19.5m	-
Westpark Industrial Estate	NSW	Australia	\$10.0m	-
Global Business Park	NSW	Australia	\$15.5m	-
Moorebank Business Park	NSW	Australia	\$14.6m	-
Europe				
Brieselang Distribution Centre	Berlin	Germany	€34.9m	9.00%
Port Bremen East Distribution Centre	Bremen	Germany	€22.6m	7.75%
Lahr Distribution Centre	Central Germany	Germany	€24.5m	7.50%
Huchting Distribution Centre	Bremen	Germany	€4.3m	9.00%
Erfurt PDLZ Distribution Centre	Central Germany	Germany	€13.8m	9.25%
Bautzner Distribution Centre	Leipzig	Germany	€2.6m	8.50%

A summary of the Canadian valuations by province is tabled below:

Canada Region	Cap rate
Ontario	8.0%
Alberta	7.2%
Quebec	8.3%
Other	8.5%
Total	7.8%

Valuation Summary

	Adopted Value (A\$m) ¹	Loss on Book Value (A\$m) ¹	Weighted Average Cap rate (WACR)	% Movement of Book Value	Movement since 31 Dec 2008 ¹
Australia	\$1,420	\$255	8.5%	(17%)	1.0%
Europe	\$179	\$51	8.4%	(22%)	0.7%
Canada	\$1,201	\$216	7.8% ²	(15%)	0.7%
Total	\$2,800	\$522	8.2%	(16%)	0.9%

1. Independent valuations only. Does not include internal assessments
2. Canadian practice of reporting stabilised NOI over adopted value equates to an overall portfolio yield of 8.2%

About ING Industrial Fund

ING Industrial Fund (IIF) is a publicly listed industrial property trust in Australia and invests in prime industrial properties and business parks in key global markets and its operations include property investment, property development and property services. The Fund owns a highly diversified industrial property portfolio of over 500 properties located throughout Australia, Canada and Europe.

About ING Real Estate Investment Management

IIF is one of seven property trusts managed by ING Real Estate Investment Management Australia (INGREIMA) on behalf of 60,000 investors. INGREIMA meets the needs of both institutional and retail investors through listed and unlisted Funds. The Funds operate in key real estate sectors including office, industrial, retail, seniors housing, entertainment and healthcare property. INGREIMA's investment philosophy holds that real estate is an integral component of a well-diversified portfolio, encompassing a broad range of opportunities, each with unique risk and reward characteristics.

INGREIMA is part of the global ING Real Estate Investment Management platform. With over 80 Funds, offices in 22 countries and more than 1500 employees across the globe, ING Real Estate Investment Management is one of the world's leading property investment managers.

For further information, please contact:

Paul Toussaint
Chief Executive Officer - ING Industrial Fund
ING Real Estate Investment Management
T: +61 2 9033 1000