



ING MANAGEMENT LIMITED
AFSL LICENCE NO. 23753



11 April 2011

Dear Unitholder,

I would like to provide you with an update in relation to ING Office Fund ("IOF").

On 28 March 2011 ING Management Limited ("IML") as the responsible entity ("RE") of IOF announced:

- ING REIM ("ING") had agreed terms to transfer management of IOF to Investa Property Group ("Investa"); and
- Investa is also acquiring the 2.5% stake in IOF currently owned by ING Group, (together the "Transaction").

The Transaction involves a transitional management arrangement where IML will remain as the RE of IOF and Investa will replace ING Real Estate Investment Management Australia ("REIMA") as the manager of the Fund. During this period, Scott MacDonald, Chairman and CEO of Investa, will join the IML Board.

It is intended Investa, at a future point, will seek IOF unitholder consent to replace IML as RE of IOF with an Investa entity or purchase IML. Further explanation of the transaction is included in the attached Appendix.

As part of the transaction, "ING Office Fund" will be renamed "Investa Office Fund", the current ASX ticker code of "IOF" will remain the same.

I would like to reassure IOF unitholders that Investa is committed to deliver on IOF's existing strategy, which is to:

- conduct a phased withdrawal from offshore markets over time;
- re-focus the portfolio on Australian A-grade assets in core CBD markets;
- drive performance at the asset level; and
- apply an active approach to capital management, which may include a unit buy back and a refinance of IOF's Australian syndicated debt facility on market competitive terms.

REIMA will provide full support to IOF and Investa to ensure the transition phase of the Transaction is as seamless as possible for unitholders.

In addition, several key REIMA employees, led by Tino Tanfara, IOF Fund Manager, will join Investa which will ensure a smooth transition and ongoing efficient management of the Fund.

Information relating to the Fund can be found on www.investa.com.au/IOF. Going forward, the Fund's Share Registry Manager, Link Market Services may be contacted on 1300 851 394. Alternatively, queries regarding IOF may be directed to Investa on 1300 130 231 or email investorrelations@investa.com.au

Yours sincerely,

Kevin McCann
Independent Chairman
ING Management Limited

Appendix

Transaction background

The Transaction with Investa represents the conclusion of a thorough strategic review which involved an extensive assessment of a range of options and included discussions with a number of parties. For the past 12 months IML, in conjunction with ING, has reviewed numerous ownership and management options for the five ASX-listed REIMA funds, including IOF. The objective of this process has been on maximising value for unitholders.

The IML Board and ING, together with their separate advisers, conducted a detailed analysis of the merits of each option available to IOF. The IML Board concluded that the transaction with Investa provided the most attractive proposition for IOF unitholders.

Investa are highly capable and well-resourced office managers with a strong track record in the marketplace. I am confident Investa will lead IOF through its next phase of growth.

Below is an overview of the transaction structure and the package of initiatives which we believe could create future value for IOF unitholders.

Transitional management arrangements

IML and Investa have agreed the terms on which Investa will be appointed as manager of IOF for a transitional management period. While IML will delegate certain authorities to Investa, Investa will remain subject to the general oversight and supervision of the IML Board.

Until all relevant consents or waivers have been obtained, ING will continue to be the legal owner of IML and IML will remain as RE of IOF.

Transaction overview

IML and Investa have agreed to a package of initiatives that are designed to create future value for IOF unitholders, namely:

1) Restructure of the RE fees

Subject to unitholder approval, the RE fee will be restructured from a percentage of assets under management (AUM) to a percentage of market capitalisation with effect from 1 July 2012. It is expected that this fee structure will better align the interests of the manager and IOF unitholders.

Investa has agreed to an RE fee of 0.55% per annum of IOF's market capitalisation, calculated on a quarterly basis. To reduce significant change in RE fees between each quarter due to any volatility in IOF's market capitalisation, a maximum variance of + / - 2.5% of the fee from the prior quarter will apply. The existing management fee arrangements in respect of IOF's offshore assets will remain unchanged.

The fees payable to Investa will be fixed at \$8.6 million per annum until 30 June 2012, which is approximately equal to 0.55% of IOF's current market capitalisation. Any amount in excess of these fees (under the current calculation basis) will be deferred until unitholders vote on the

proposed fee change. Provided IOF unitholders approve the restructured RE fee, Investa will waive their entitlement to receive any excess fees. If the restructure of the RE fee is not approved, Investa will be entitled to receive any deferred amount.

As IOF's offshore assets are sold and reinvested domestically, this revised RE fee is expected to result in a reduction in fees going forward.

It is anticipated a meeting will be convened for unitholders in the near future to consider and vote on the proposed fee restructure. You will be contacted with meeting details when details are finalised.

2) Unitholder input into Board Composition

On the termination of the transitional management arrangements, following IOF unitholder approval for Investa to replace IML as the RE or acquisition by Investa of IML, Investa intends that the RE of IOF will have a separate Board, responsible solely for IOF.

The governance structure will involve the majority of the Board, including the Chairman, being independent of Investa with independent directors being subject to ratification by IOF unitholders and having a three year rotating term (unless otherwise approved by IOF unitholders).

3) Call option over 50% of 242 Exhibition Street, Melbourne

IOF has been granted an option to acquire Investa's 50% stake in an A-grade Melbourne CBD asset, valued at approximately \$425 million (100% share). The option may be exercised at any time prior to 30 September 2011 and is subject to certain conditions including IOF unitholder approval and the pre-emptive rights held by the co-owner not being exercised.

4) Pathway to future internalisation

IML and Investa have entered into a non-binding memorandum of understanding ("MOU") which contemplates granting IOF a call option over 50% of the Investa Office Management platform ("IOM"), which currently has approximately \$5.7 billion in assets under management.

The MOU contemplates that the option may be exercised within 12 months of the date on which IOF's total Australian assets are valued at \$3.5 billion. The exercise price will be equal to fair market value, as supported by an independent valuation.

Investa and IML have agreed to use their best endeavours to enter into a binding agreement to give effect to the MOU as soon as practical.

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