GPT Management Holdings Limited
ABN: 67 113 510 188

Interim Financial Report
30 June 2010

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to read in conjunction with the annual financial report for the year ended 31 December 2009 and any public announcements made by GPT Management Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Through our internet site, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All press releases, financial reports and other information are available on our website: www.gpt.com.au.

GPT MANAGEMENT HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CONTENTS

DIRECTORS' REPORT
For the half year ended 30 June 2010

The Directors of GPT Management Holdings Limited (the Company) present their report on the consolidated entity consisting of GPT Management Holdings Limited and its controlled entities for the half year ended 30 June 2010. The consolidated entity forms part of the stapled entity, the GPT Group (GPT or the Group).

Directors
The Directors of GPT Management Holdings Limited at any time during or since the end of the half year are:

(i) Chairman - Non-Executive Director

Ken Moss (retired 10 May 2010)
Rob Ferguson (an existing Director, appointed Chairman 10 May 2010)

(ii) Non-Executive Directors

Brendan Crotty
Eileen Doyle (appointed 1 March 2010)
Eric Goodwin
Lim Swe Guan
Anne McDonald
Ian Martin (retired 10 May 2010)
Gene Tilbrook (appointed 11 May 2010)

(iii) Executive Director

Michael Cameron

Principal Activities
GPT Management Holdings Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business is MLC Centre, Level 52, 19 Martin Place, Sydney NSW 2000.

The principal activities of GPT Management Holdings Limited remain unchanged from 31 December 2009 and are:

- investment in income producing retail, office, industrial and business park assets;
- development of office properties;
- management and administration of the General Property Trust; and
- property management.

The Company operates predominantly in Australia but also in the United States of America through an investment in a Senior Housing Portfolio.

The GPT Group

The shares of GPT Management Holdings Limited are quoted on the Australian Stock Exchange under the stapled entity code 'GPT' and comprise one unit in General Property Trust (Trust) and one share in GPT Management Holdings Limited. The unit and share are stapled together and cannot be traded separately. The Trust and the Company are entities that form the GPT Group (Group). Each entity forming part of the Group continues as a separate legal entity in its own right under the *Corporations Act 2001* and is therefore required to comply with the reporting and disclosure requirements under the *Corporations Act 2001* , Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Interpretations.

Review of Operations
The net loss of the Company for the half year ended 30 June 2010 should be read in conjunction with the interim financial statements of the GPT Group.

	30 Jun 10 $'000	30 Jun 09 $'000
Loss from continued operations before income tax expense	**(18,866)**	(29,263)
Income tax expense	**(622)**	(2,932)
Loss from discontinued operations	**(22,079)**	(171,133)
Net loss for the half year	**(41,567)**	(203,328)

DIRECTORS' REPORT
For the half year ended 30 June 2010

Dividends

The Directors have not declared any dividends for the half year ended 30 June 2010 (June 2009: nil).

Significant Changes in State of Affairs

In the opinion of the Directors, other than the items noted below, there were no significant changes in the state of affairs of the Company that occurred during the half year under review:

- **Consolidation of stapled securities of The GPT Group**
  At the AGM held on 10 May 2010, the GPT securityholders approved the consolidation of every 5 stapled securities into 1 stapled security. Where the consolidation resulted in a fraction of a security being held by a securityholder, the fraction was rounded up to the nearest whole stapled security. The consolidation took effect and was complete on 19 May 2010. Upon completion, GPT Group had 1,855,529,431 stapled securities on issue (31 December 2009: 9,277,584,743).

- **Changes in the Board of Directors**
  During the half year, two additional non-executive directors have been appointed. Ms Eileen Doyle and Mr Gene Tilbrook were appointed on 1 March 2010 and 11 May 2010 respectively.

  Mr Rob Ferguson was appointed Chairman on 10 May 2010.

- **Credit rating**
  Standard & Poor's upgraded GPT's long term issuer and senior unsecured credit rating to A- (stable) from BBB+ (positive) in May 2010. The short-term rating remains unchanged at A-2.

Environmental Regulation

The Company has policies and procedures in place that are designed to ensure that where operations are subject to any particular and significant environmental regulation under a law of Australia (for example property development and property management), those obligations are identified and appropriately addressed. This includes obtaining and complying with conditions of relevant authority consents and approvals and obtaining necessary licences. The Company is not aware of any breaches of any environmental regulations under the laws of the Commonwealth of Australia or of a State or Territory of Australia and has not incurred any significant liabilities under any such environmental legislation.

The Company is also subject to the reporting requirements of both the *Energy Efficiency Opportunities Act 2006* and the *National Greenhouse and Energy Reporting Act 2007*. The *Energy Efficiency Opportunities Act 2006* requires the Company to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the Company intends to take as a result. As required under this Act, the Company has registered with the Department of Resources, Energy and Tourism as a participant entity and reported the results from its initial assessments and is currently collating energy data for the 30 June 2010 period, to ensure the Energy Efficiency Opportunities data is available for the Public Report by 31 December 2010.

The *National Greenhouse and Energy Reporting Act 2007* requires the Company to report its annual greenhouse gas emissions and energy use. The second measurement period for this Act is from 1 July 2009 to 30 June 2010. The Company has implemented systems and processes for the collection and calculation of the data required and submitted its report to the Greenhouse and Energy data Officer within the legislative deadline of 31 October 2010.

More information about the GPT Group's participation in the Energy Efficiency Opportunities program is available at www.gpt.com.au.

Events subsequent to the end of the half year

The Directors are not aware of any matter or circumstance occurring since 30 June 2010 not otherwise dealt with in the half year financial report that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Proceedings on behalf of the Company

Slater and Gordon announced an intention to bring a class action against GPT (including the Company. This is said to be on behalf of certain persons who purchased GPT securities from 27 February 2008 and held securities on 7 July 2008. The allegations surround the adequacy and timing of disclosures to the market in this period. No proceedings have yet been issued. GPT has been invited to enter into discussions, on a without prejudice basis, with Slater and Gordon. Failing an agreed resolution of the matter, Slater and Gordon have confirmed they intend to commence proceedings.

GPT rejects the allegations and intends to defend the claim if proceedings are commenced. GPT does not expect that any payment it could be required to make would have a material adverse effect on the Group's operational or strategic objectives, or its financial strength.

DIRECTORS' REPORT
For the half year ended 30 June 2010

Going Concern

The Directors believe it is appropriate to present the interim financial statements on a going concern basis as they have received an undertaking from General Property Trust (Trust) that the Trust will provide sufficient financial assistance to the Company as and when it is needed.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts shown in the Directors' Report have been rounded to the nearest thousand dollars in accordance with the Class Order, unless stated otherwise.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the Directors.

Rob Ferguson
Chairman

Michael Cameron
Managing Director

Sydney
23 August 2010

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Auditor's Independence Declaration

As lead auditor for the review of GPT Management Holdings Limited for the half-year ended 30 June 2010, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of GPT Management Holdings Limited and the entities it controlled during the period.

DH Armstrong
Partner
PricewaterhouseCoopers

Sydney
23 August 2010

GPT MANAGEMENT HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the half year ended 30 June 2010

	Note	30 Jun 10 $'000	30 Jun 09 $'000
Revenue			
Fund management fees		**29,449**	28,200
Property management fees		**13,242**	11,287
Development management fees		**8,787**	10,113
		51,478	49,600
Other income			
Share of after tax losses of associates and joint ventures		**(2,355)**	(16,481)
Management costs recharged		**3,335**	3,517
Interest revenue		**555**	557
Net foreign exchange gain		**711**	89
		2,246	(12,318)
Total revenue and other income		**53,724**	37,282
Expenses			
Remuneration expenses		**39,047**	32,528
Property rent and outgoings		**2,920**	2,842
Repairs and maintenance		**1,372**	531
Professional fees		**4,614**	5,026
Depreciation and amortisation expense		**3,551**	3,230
Net loss on disposal of assets		**410**	-
Impairment expense		**8,573**	16,077
Finance costs		**8,948**	5,165
Other expenses		**3,155**	1,146
Total expenses		**72,590**	66,545
Net loss from continuing operations before income tax expense		**(18,866)**	(29,263)
Income tax expense		**(622)**	(2,932)
Loss after income tax expense		**(19,488)**	(32,195)
Net loss from discontinued operations	5(c)	**(22,079)**	(171,133)
Net loss for the half year		**(41,567)**	(203,328)
Other comprehensive income			
Net foreign exchange translation adjustments, net of tax		**722**	32,721
Total comprehensive loss for the half year		**(40,845)**	(170,607)
Net loss attributable to:			
- Members of the Company		**(37,758)**	(190,601)
- External non-controlling interest		**(3,809)**	(12,727)
Total comprehensive loss attributable to:			
- Members of the Company		**(37,036)**	(157,880)
- External non-controlling interest		**(3,809)**	(12,727)
Earnings per share per ordinary equityholders of the Company			
Basic loss per share (cents per share) from continuing operations	4	**(0.21)**	(1.80)
Basic loss per share (cents per share)	4	**(0.50)**	(17.61)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

GPT MANAGEMENT HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2010

	Note	30 Jun 10 $'000	31 Dec 09 $'000
ASSETS			
Current Assets			
Cash and cash equivalents		**16,030**	16,430
Loans and receivables		**22,790**	20,261
Tax receivable		**-**	3,229
Prepayments		**719**	2,305
		39,539	42,225
Assets classified as held for sale	5(b)	**66,802**	87,370
Total Current Assets		**106,341**	129,595
Non-Current Assets			
Investments in associates and joint ventures	6	**441**	2,944
Loans and receivables		**7,413**	15,241
Property, plant & equipment	7	**4,504**	5,036
Intangible assets	8	**41,323**	32,480
Deferred tax assets		**22,230**	24,509
Other assets		**4,385**	4,281
Total Non-Current Assets		**80,296**	84,491
Total Assets		**186,637**	214,086
LIABILITIES			
Current Liabilities			
Payables		**57,171**	62,738
Provisions		**9,436**	6,706
Current tax liabilities		**255**	-
Borrowings	9	**214,592**	160,971
		281,454	230,415
Liabilities directly associated with assets classified as held for sale	5(b)	**12,388**	18,380
Total Current Liabilities		**293,842**	248,795
Non-Current Liabilities			
Provisions		**4,176**	3,847
Deferred tax liabilities		**594**	1,017
Borrowings	9	**416,514**	449,166
Total Non-Current Liabilities		**421,284**	454,030
Total Liabilities		**715,126**	702,825
Net Assets		**(528,489)**	(488,739)
EQUITY			
Contributed equity	10	**324,771**	324,771
Reserves		**16,448**	14,631
Accumulated losses		**(874,111)**	(836,353)
Total equity attributable to Company members		**(532,892)**	(496,951)
Non controlling interests		**4,403**	8,212
Total Equity		**(528,489)**	(488,739)

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

GPT MANAGEMENT HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half year ended 30 June 2010

	Attributable to Company members				Attributable to non-controlling interests - external				
	Contributed Equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Contributed Equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Total equity $'000
Balance at 1 January 2009	324,755	(17,305)	(717,215)	(409,765)	22,060	12	642	22,714	(387,051)
Movement in foreign currency translation reserve	-	32,721	-	32,721	-	-	-	-	32,721
Net income recognised directly in equity	-	32,721	-	32,721	-	-	-	-	32,721
Net loss for the half year	-	-	(190,601)	(190,601)			(12,727)	(12,727)	(203,328)
Total recognised income and expenses for the half year	-	32,721	(190,601)	(157,880)	-	-	(12,727)	(12,727)	(170,607)
Transactions with equity holders in their capacity as equity holders:									
Issue of share capital	-	-	-	-	-	-	-	-	-
Closing balance at 30 June 2009	324,755	15,416	(907,816)	(567,645)	22,060	12	(12,085)	9,987	(557,658)
Balance at 1 January 2010	**324,771**	**14,631**	**(836,353)**	**(496,951)**	**22,060**	**-**	**(13,848)**	**8,212**	**(488,739)**
Movement in foreign currency translation reserve	**-**	**722**	**-**	**722**	**-**	**-**	**-**	**-**	**722**
Net income recognised directly in equity	**-**	**722**	**-**	**722**	**-**	**-**	**-**	**-**	**722**
Loss for the half year	**-**	**-**	**(37,758)**	**(37,758)**		**-**	**(3,809)**	**(3,809)**	**(41,567)**
Total recognised income for the half year	**-**	**722**	**(37,758)**	**(37,036)**	**-**	**-**	**(3,809)**	**(3,809)**	**(40,845)**
Transactions with equity holders in their capacity as equity holders:									
Issue of share capital	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Movement in employee incentive share scheme reserve	**-**	**1,095**	**-**	**1,095**	**-**	**-**	**-**	**-**	**1,095**
Closing balance at 30 June 2010	**324,771**	**16,448**	**(874,111)**	**(532,892)**	**22,060**	**-**	**(17,657)**	**4,403**	**(528,489)**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

GPT MANAGEMENT HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOW
for the half year ended 30 June 2010

	Note	**30 Jun 10** **$'000**	30 Jun 09 $'000
Cash flows from operating activities			
Cash receipts in the course of operations (inclusive of GST)		**119,077**	185,434
Cash payments in the course of operations (inclusive of GST)		**(133,808)**	(219,463)
Income tax paid		**3,138**	(21,609)
Interest received		**688**	993
Dividends received		**2,202**	-
		(8,703)	(54,645)
Finance costs		**(1,947)**	5,417
Net cash outflows from operating activities	11(a)	**(10,650)**	(49,228)
Cash flows from investing activities			
Payments for property, plant and equipment		**(945)**	(418)
Payments for intangibles		**(9,471)**	(3,941)
Payments for warehoused property investments		**-**	(637)
Cash at bank of the disposed entities		**-**	(11,934)
Investment in joint ventures and associates		**(861)**	-
Repayment of joint venture and associate loans		**1,091**	-
Net cash outflows from investing activities		**(10,186)**	(16,930)
Cash flows from financing activities			
Repayment of employee incentive scheme loans, net of distributions		**330**	350
Proceeds from related party borrowings		**15,197**	42,271
Repayment of net banking facilities		**-**	(1,020)
Net cash inflows from financing activities		**15,527**	41,601
Net decrease in cash and cash equivalents		**(5,309)**	(24,557)
Cash and cash equivalents at the beginning of the year		**27,102**	60,060
		21,793	35,503
Less: Cash balance classified as assets held for sale		**(5,763)**	(10,848)
Cash and cash equivalents at the end of the half year	11(b)	**16,030**	24,655

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

1. Summary of significant accounting policies

(a) Basis of preparation

This general purpose financial report for the interim half year reporting period ended 30 June 2010 has been prepared in accordance with the GPT Management Holdings Limited's Constitution, Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 31 December 2009 and any public announcements made by GPT Management Holdings Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The financial statements were approved by the Board of Directors on 23 August 2010.

Going Concern

As at 30 June 2010, the Company reported a net loss of $41,567,000 (June 2009: $203,328,000) and a deficiency of net assets of $528,489,000 (December 2009: $488,739,000). The Company has reported operating cash outflows during the period of $10,650,000 (June 2009: $49,228,000).

An intercompany loan amount of $631,106,000 (December 2009: $610,137,000) is owing to the General Property Trust (Trust). The Directors of the Trust have given an undertaking that repayment of this loan amount will be subordinated in favour of all other creditors and have also accepted the responsibility of providing and undertake to provide sufficient financial assistance to the Company as and when it is needed to enable the Company to continue its operations and fulfil all its financial obligations now and in the future. The undertaking has been provided for a minimum period of 14 months from 23 August 2010.

Accordingly, the financial report has been prepared on a going concern basis in the belief that the Company will realise its assets and settle its liabilities and commitments in the normal course of business and for at least the amounts stated in this financial report.

(b) Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. No significant changes are expected to the Company's financial performance, financial position or accounting principles as a result of the application of the new and amended standards, mandatory for annual reporting periods beginning on or after 1 January 2010.

Comparatives

Where applicable, certain comparative figures are restated in order to comply with the current year presentation of the financial statements.

Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(c) New accounting standards and interpretations

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)

AASB 9 *Financial Instruments* addresses the classification and measurement of financial assets and is likely to affect the Company's accounting for its financial assets. This standard is not mandatory for the Company until 1 January 2013 and as a result the Company is yet to fully assess its impact. However, initial indications are that it may affect the Company's current recognition of available-for-sale financial assets, given AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. As a result, the Company will be required to recognise fair value gains and losses on available-for-sale debt investments directly in profit or loss.

Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 *Related Party Disclosures*, which amongst other things, simplifies the definition of a related party. This standard is mandatory for the Company from 1 January 2011 at which time the Company will be required to include additional disclosure by disclosing all transactions between its subsidiaries and associates.

1. Summary of significant accounting policies (continued)

(c) New accounting standards and interpretations (continued)

AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)

AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in the profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. The Company will apply the interpretation from 1 July 2010 however it is not expected to result in any impact on the Company's financial statements since the Company has not entered into any debt for equity swaps since 1 July 2009.

(d) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management bases its judgments and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the result of which form the basis of the carrying values of assets and liabilities. The resulting accounting estimates may differ from the actual results under different assumptions and conditions.

The key estimates and assumptions that have a significant risk of causing a material adjustment within the next financial period to the carrying amounts of assets and liabilities recognised in these financial statements are:

(i) Impairment of loans and receivables

Assets are assessed for impairment each reporting date by evaluating whether any impairment triggers exist. Where impairment triggers exist, management review the allocation of cash flows to those assets and estimate a fair value for the assets. Critical judgements are made by the Company in setting appropriate impairment triggers for its assets and the assumptions used when determining fair values for assets where triggers exist.

(ii) Share based payment transactions

The Company measures the cost of equity settled securities allocated to employees by reference to the fair value of the equity instruments at the date at which they are granted. For the GPT Group Stapled Security Rights Plan, the fair value of the performance share rights is determined using Monte-Carlo simulation and Binomial tree pricing models. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next reporting period but may impact the share based payment expense and equity.

(e) Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the “rounding off” of amounts in the financial report. Amounts shown in the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

2. Segment reporting

(a) Financial Performance by Segment
The segment information provided to the CEO for the reportable segments (discussed at note 2(e)) for the half year ended 30 June 2010 is below:

30 June 2010

	Core operations				Non-core operations				
	Funds Management Australia	Property Management	Corporate	Total Core Segments	US Senior Housing	Discontinued operation - Funds Management Europe	Discontinued operation - Joint Venture	Discontinued operation - Hotel/ Tourism	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue									
Revenue from hotel operations	-	-	-	-	-	-	-	48,130	48,130
Fund management fees	11,201	-	18,248	29,449	-	-	-	-	29,449
Property management fees	-	13,242	-	13,242	-	-	-	-	13,242
Development management fees	-	5,871	2,916	8,787	-	-	-	-	8,787
Total segment revenue	11,201	19,113	21,164	51,478	-	-	-	48,130	99,608
Other income									
Share of after tax (losses) / profits of associates and joint ventures	-	-	1	1	(3,951)	1,854	-	-	(2,096)
Management costs recharged	-	2,321	1,014	3,335	-	-	-	-	3,335
Interest revenue	99	-	428	527	28	-	-	133	688
Dividend income	-	-	-	-	-	-	-	300	300
	99	2,321	1,443	3,863	(3,923)	1,854	-	433	2,227
Total segment revenue and other income	11,300	21,434	22,607	55,341	(3,923)	1,854	-	48,563	101,835
Expenses									
Remuneration expenses	(2,056)	(17,434)	(18,847)	(38,337)	(710)	-	-	(21,245)	(60,292)
Rental expense attributable to hotel operations	-	-	-	-	-	-	-	(17,045)	(17,045)
Cost of sales attributable to hotel operations	-	-	-	-	-	-	-	(9,642)	(9,642)
Property rent and outgoings	(92)	(1,461)	(1,370)	(2,923)	3	(968)	-	(8,428)	(12,316)
Repairs and maintenance	(111)	(1,713)	462	(1,362)	(10)	-	-	(2,469)	(3,841)
Professional fees	(6)	(350)	(4,094)	(4,450)	(114)	(128)	-	(508)	(5,200)
Advertising and promotion	-	-	-	-	-	-	-	(283)	(283)
Depreciation and amortisation expense	-	-	(1,475)	(1,475)	-	-	-	-	(1,475)
Finance costs	-	-	(8,948)	(8,948)	-	(4,450)	-	(1,927)	(15,325)
Other expenses - internal recharges	(2,998)	537	2,461	-	-	-	-	-	-
Other expenses	(56)	(498)	(2,561)	(3,115)	(40)	(973)	-	(567)	(4,695)
Income tax (expense) / benefit	(1,903)	(187)	3,283	1,193	(53)	(708)	-	3,433	3,865
Segment result for the half year *	4,078	328	(8,482)	(4,076)	(4,847)	(5,373)	-	(10,118)	(24,414)
Fair value and other adjustments to investments in joint ventures and associates	-	-	-	-	1,595	(6,084)	-	-	(4,489)
Net foreign exchange gain / (loss)	-	-	643	643	68	(178)	-	-	533
Net loss on disposal of assets - non operating	-	-	(410)	(410)	-	3,807	(125)	(507)	2,765
Costs of sale attributable to assets held for sale	-	-	-	-	-	(2,141)	-	-	(2,141)
Impairment expenses	-	-	(8,573)	(8,573)	-	4,644	-	(62)	(3,991)
Finance costs	-	-	-	-	-	-	-	(1,345)	(1,345)
Depreciation and amortisation expense	-	(2,076)	-	(2,076)	-	-	-	(292)	(2,368)
Tax impact on reconciling items from segment result to net loss for the year	(1)	(203)	(1,558)	(1,762)	-	-	-	(4,305)	(6,067)
Other - non-operating	-	-	(50)	(50)	-	-	-	-	(50)
Net (loss) / profit for the half year	4,077	(1,951)	(18,430)	(16,304)	(3,184)	(5,325)	(125)	(16,629)	(41,567)

* The segment result is based on Realised Operating Income (ROI). The adjustments that reconcile the Segment Result to the net loss for the half year may change from time to time, depending on changes in accounting standards and/or the Directors' assessment of items that are non-recurring or capital in nature. A description of the material adjustments are included in note 2(c).

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 30 June 2010

2. Segment reporting (continued)

(a) Financial Performance by Segment (continued)

The segment information provided to the CEO for the reportable segments (discussed at note 2(e)) for the half year ended 30 June 2009 is below:

30 June 2009

	Core operations				Non-core operations				
	Funds Management Australia	Property Management	Corporate	Total Core Segments	US Senior Housing	Discontinued operation - Funds Management Europe**	Discontinued operation - Joint Venture**	Discontinued operation - Hotel/ Tourism	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue									
Revenue from hotel operations	-	-	-	-	-	-	-	88,115	88,115
Revenue from property investments	-	-	-	-	-	18,485	-	-	18,485
Fund management fees	11,965	-	15,654	27,619	-	2,941	-	-	30,560
Property management fees	-	11,287	-	11,287	-	14,696	-	-	25,983
Development management fees	-	7,676	2,437	10,113	-	-	-	-	10,113
	11,965	18,963	18,091	49,019	-	36,122	-	88,115	173,256
Other income									
Share of after tax (losses) / profits of equity accounted investments	-	-	-	-	(3,793)	2,742	-	(76)	(1,127)
Management costs recharged	-	2,475	1,042	3,517	-	-	-	-	3,517
Interest income	163	6	388	557	-	261	-	175	993
	163	2,481	1,430	4,074	(3,793)	3,003	-	99	3,383
Total segment revenue and other income	12,128	21,444	19,521	53,093	(3,793)	39,125	-	88,214	176,639
Expenses									
Remuneration expenses	(1,724)	(16,835)	(13,953)	(32,512)	-	(15,458)	(838)	(38,302)	(87,110)
Rental expense attributable to hotel operations	-	-	-	-	-	-	-	(26,055)	(26,055)
Cost of sales attributable to hotel operations	-	-	-	-	-	-	-	(18,108)	(18,108)
Property rent and outgoings	(76)	(1,459)	(1,307)	(2,842)	-	(5,040)	(17)	(16,594)	(24,493)
Repairs and maintenance	(68)	(1,083)	620	(531)	-	-	(19)	(3,407)	(3,957)
Professional fees	(51)	(238)	(4,737)	(5,026)	-	(6,145)	(477)	(1,664)	(13,312)
Advertising and promotion	-	-	15	15	-	(215)	-	(1,629)	(1,829)
Depreciation and amortisation expense	-	-	(1,154)	(1,154)	-	(530)	-	-	(1,684)
Finance costs	-	-	(5,166)	(5,166)	-	(20,173)	-	(1,980)	(27,319)
Other expenses - internal recharges	(3,075)	-	4,433	1,358	(1,358)	(1,485)	-	-	(1,485)
Other expenses	(72)	(523)	(566)	(1,161)	-	(8,018)	(69)	(639)	(9,887)
Income tax (expense) / benefit	(1,932)	(956)	1,282	(1,606)	27	(800)	-	6,061	3,682
Segment result for the half year*	5,130	350	(1,012)	4,468	(5,124)	(18,739)	(1,420)	(14,103)	(34,918)
Fair value and other adjustments to equity accounted investments	-	-	(12,155)	(12,155)	-	(14,443)	-	-	(26,598)
Net loss on fair value of derivatives	-	-	-	-	-	(6,972)	-	-	(6,972)
Net foreign exchange gain / (loss)	-	-	89	89	-	568	-	(1)	656
Net loss on disposal of assets	-	-	-	-	-	(18,241)	-	-	(18,241)
Costs of sale attributable to assets held for sale	-	-	-	-	-	(3,086)	-	-	(3,086)
Impairment expenses	-	-	(16,076)	(16,076)	-	(65,052)	(32,041)	(311)	(113,480)
Depreciation and amortisation expense	-	(2,076)	-	(2,076)	-	(190)	-	(494)	(2,760)
Tax impact on reconciling items from segment result to net loss for the year	-	-	(1,353)	(1,353)	-	16,243	(422)	242	14,710
Share based payment expense	-	-	(16)	(16)	-	-	-	-	(16)
DAF Indemnity	-	-	-	-	-	(8,519)	-	-	(8,519)
Surplus lease provision	-	-	-	-	-	(3,286)	-	-	(3,286)
Other - non-operating	-	-	-	-	48	-	(734)	(132)	(818)
Net (loss) / profit for the half year	5,130	(1,726)	(30,523)	(27,119)	(5,076)	(121,717)	(34,617)	(14,799)	(203,328)

* The segment result is based on Realised Operating Income (ROI). The adjustments that reconcile the Segment Result to the net loss for the half year may change from time to time, depending on changes in accounting standards and/or the Directors' assessment of items that are non-recurring or capital in nature. A description of the material adjustments are included in note 2(c).

**These segments were classified as discontinued operations in the annual financial report for the year ended 31 December 2009 but not in the interim financial report for half year ended 30 June 2009. As a result, the comparatives for 30 June 2009 have been restated for consistency.

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

2. Segment reporting (continued)

(b) Reconciliation of Segment Revenue and Result to the Statement of Comprehensive Income – Continuing Operations

This reconciliation relates only to revenue and expense items from continuing operations and excludes any amounts comprising the net loss from discontinued operations.

30 June 2010

		Reportable segment		Corporate	Total continuing operations	ROI Adjustments	Total Statement of Comprehensive Income
		Core operations	Non-core operation				
	Note	$'000	$'000	$'000	$'000	$'000	$'000
Revenue							
Fund management fees		11,201	-	18,248	29,449	-	29,449
Property management fees		13,242	-	-	13,242	-	13,242
Development management fees		5,871	-	2,916	8,787	-	8,787
Total segment revenue		30,314	-	21,164	51,478	-	51,478
Other income							
Share of after tax profits of investments in associates and joint ventures		-	(3,951)	1	(3,950)	-	(3,950)
Less: Fair value adjustments to investments in associates and joint ventures	2(c)(i)	-	-	-	-	1,595	1,595
Management costs recharged		2,321	-	1,014	3,335	-	3,335
Interest revenue		99	28	428	555	-	555
Add: Net foreign exchange gain		-	-	-	-	711	711
Total other income		2,420	(3,923)	1,443	(60)	2,306	2,246
Total segment revenue and other income		32,734	(3,923)	22,607	51,418	2,306	53,724
Expenses							
Remuneration expenses		(19,490)	(710)	(18,847)	(39,047)	-	(39,047)
Property rent and outgoings		(1,553)	3	(1,370)	(2,920)	-	(2,920)
Repairs and maintenance		(1,824)	(10)	462	(1,372)	-	(1,372)
Professional fees		(356)	(114)	(4,094)	(4,564)	-	(4,564)
Add: Other		-	-	-	-	(50)	(50)
Depreciation and amortisation expense		-	-	(1,475)	(1,475)	-	(1,475)
Add: Amortisation expense - intangibles	2(c)(iv)	-	-	-	-	(2,076)	(2,076)
Add: Net loss on disposal of assets		-	-	-	-	(410)	(410)
Finance costs		-	-	(8,948)	(8,948)	-	(8,948)
Other expenses - internal recharges		(2,461)	-	2,461	-	-	-
Other expenses		(554)	(40)	(2,561)	(3,155)	-	(3,155)
Income tax (expense) / benefit		(2,090)	(53)	3,283	1,140	-	1,140
Add: Tax impact on reconciling items from Segment results to Net profit / (loss) for half year		-	-	-	-	(1,762)	(1,762)
Segment result for the half year		4,406	(4,847)	(8,482)	(8,923)	(1,992)	(10,915)
Impairment expense		-	-	-	-	(8,573)	(8,573)
Net profit/(loss) for the half year		4,406	(4,847)	(8,482)	(8,923)	(10,565)	(19,488)

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

2. Segment reporting (continued)

(b) Reconciliation of Segment Revenue and Result to the Statement of Comprehensive Income – Continuing Operations (continued)

30 June 2009

	Note	Reportable segment Core operations	Non-core operation	Corporate	Total continuing operations	ROI Adjustments	Total Statement of Comprehensive Income
		$'000	$'000	$'000	$'000	$'000	$'000
Revenue							
Fund management fees		11,965	-	15,654	27,619	-	27,619
Add: Acquisition Fees		-	-	-	-	581	581
Property management fees		11,287	-	-	11,287	-	11,287
Development management fees		7,676	-	2,437	10,113	-	10,113
Total segment revenue		30,928	-	18,091	49,019	581	49,600
Other income							
Share of after tax profits of investments in associates and joint ventures		-	(3,793)	-	(3,793)	-	(3,793)
Less: Fair value adjustments to investments in associates and joint ventures	2(c)(i)	-	-	-	-	(12,155)	(12,155)
Less: Other	2(c)(i)	-	-	-	-	(533)	(533)
Management costs recharged		2,475	-	1,042	3,517	-	3,517
Interest revenue		169	-	388	557	-	557
Add: Net foreign exchange gain		-	-	-	-	89	89
Total other income		2,644	(3,793)	1,430	281	(12,599)	(12,318)
Total segment revenue and other income		33,572	(3,793)	19,521	49,300	(12,018)	37,282
Expenses							
Remuneration expenses		(18,559)	-	(13,953)	(32,512)	-	(32,512)
Add: Share based payments expense	2(c)(ii)	-	-	-	-	(16)	(16)
Property rent and outgoings		(1,535)	-	(1,307)	(2,842)	-	(2,842)
Repairs and maintenance		(1,151)	-	620	(531)	-	(531)
Professional fees		(289)	-	(4,737)	(5,026)	-	(5,026)
Advertising and promotion		-	-	15	15	-	15
Depreciation and amortisation expense		-	-	(1,154)	(1,154)	-	(1,154)
Add: Amortisation expense - intangibles	2(c)(iv)	-	-	-	-	(2,076)	(2,076)
Finance costs		-	-	(5,166)	(5,166)	-	(5,166)
Other expenses - internal recharges		(3,075)	(1,358)	4,433	-	-	-
Other expenses		(595)	-	(566)	(1,161)	-	(1,161)
Income tax (expense) / benefit		(2,888)	27	1,282	(1,579)	-	(1,579)
Add: Tax impact on reconciling items from Segment results to Net profit / (loss) for year		-	-	-	-	(1,353)	(1,353)
Result for the half year		5,480	(5,124)	(1,012)	(656)	(15,463)	(16,119)
Impairment expense		-	-	-	-	(16,076)	(16,076)
Net profit / (loss) for the half year		5,480	(5,124)	(1,012)	(656)	(31,539)	(32,195)

(c) Description of adjustments from the Segment Result ("ROI") to Net Loss for the half year

The CEO assesses the performance of the operating segments on a ROI basis. The material adjustments to the Segment Result to arrive at Net Loss shown in the financial statements are set out below:

(i) **Fair value and other adjustments to investments in associates and joint ventures** comprise the movements in the value of the Company's investments in joint ventures and associates as required by IFRS but do not reflect the cash distributions received from these investments. As such, the Company has excluded these amounts from the ROI to better reflect a cash basis in ROI.

(ii) **Share based payment expense** comprises of a notional cost arising from the GPT Employee Incentive Scheme. In October 2009, the General Scheme was terminated. As this is a notional cost required by IFRS, the Company has excluded this amount from ROI.

(iii) **Redundancy costs** comprise the redundancy payments for senior executives. For the 2009 financial year, these costs relate to Kieran Pryke and Neil Tobin who departed GPT as a result of the simplification of the business. As these costs are one-off and non-recurring in nature, GPT has excluded this amount from ROI.

(iv) **Amortisation expense** is required for IFRS and is a non-cash transaction. The Company has therefore excluded this amount from ROI to better reflect a cash basis in ROI.

2. Segment reporting (continued)

(d) Reconciliation of Segment Assets and Liabilities to the Statement of Financial Position

The amounts provided to the CEO in respect of total assets are measured in a manner consistent with that of the financial statements and allocated based on the operations of the segment and physical location of the assets. Given some of the assets and liabilities relate mainly to Corporate activities and have not been allocated to a reportable segment, reconciliations of the reportable segments' assets and liabilities to total assets for the half year ended 30 June 2010 and year ended 31 December 2009 are set out below:

30 June 2010

		Core operations				Non-core operations				
		Funds Management Australia	Property Management	Corporate	Total Core Segments	US Senior Housing	Discontinued operation - Funds Management Europe	Discontinued operation - Joint Venture	Discontinued operation - Hotel/ Tourism	Total
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
30 June 2010										
Current Assets										
Other current assets		**11,111**	**6,723**	**21,083**	**38,917**	**622**	**-**	**-**	**-**	**39,539**
Assets classified as held for sale	5(b)	**-**	**-**	**-**	**-**	**-**	**44,753**	**-**	**22,049**	**66,802**
Total Current Assets		**11,111**	**6,723**	**21,083**	**38,917**	**622**	**44,753**	**-**	**22,049**	**106,341**
Non-Current Assets										
Investments in associates and joint venture		**-**	**-**	**76**	**76**	**365**	**-**	**-**	**-**	**441**
Property, plant and equipment		**-**	**-**	**4,504**	**4,504**	**-**	**-**	**-**	**-**	**4,504**
Loans and receivables		**-**	**-**	**6,676**	**6,676**	**737**	**-**	**-**	**-**	**7,413**
Intangible assets		**-**	**14,167**	**27,156**	**41,323**	**-**	**-**	**-**	**-**	**41,323**
Other non-current assets		**228**	**1,388**	**24,999**	**26,615**	**-**	**-**	**-**	**-**	**26,615**
Total Non-Current Assets		**228**	**15,555**	**63,411**	**79,194**	**1,102**	**-**	**-**	**-**	**80,296**
Total Assets		**11,339**	**22,278**	**84,494**	**118,111**	**1,724**	**44,753**	**-**	**22,049**	**186,637**
Liabilities										
Other current and non-current liabilities		**5,922**	**33,918**	**662,898**	**702,738**	**-**	**-**	**-**	**-**	**702,738**
Liabilities directly associated with assets classified as held for sale	5(b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,388**	**12,388**
Total Liabilities		**5,922**	**33,918**	**662,898**	**702,738**	**-**	**-**	**-**	**12,388**	**715,126**
Net Assets		**5,417**	**(11,640)**	**(578,404)**	**(584,627)**	**1,724**	**44,753**	**-**	**9,661**	**(528,489)**

31 December 2009

		Core operations				Non-core operations				
		Funds Management Australia	Property Management	Corporate	Total Core Segments	US Senior Housing	Discontinued operation - Funds Management Europe	Discontinued operation - Joint Venture	Discontinued operation - Hotel/ Tourism	Total
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
31 December 2009										
Current Assets										
Other current assets		11,151	4,886	26,187	**42,224**	1	-	-	-	**42,225**
Assets classified as held for sale	5(b)	-	-	-	**-**	-	49,499	-	37,871	**87,370**
Total Current Assets		**11,151**	**4,886**	**26,187**	**42,224**	**1**	**49,499**	**-**	**37,871**	**129,595**
Non-Current Assets										
Investments in associates and joint venture		-	-	75	**75**	2,869	-	-	-	**2,944**
Property, plant and equipment		-	-	5,036	**5,036**	-	-	-	-	**5,036**
Loans and receivables		-	-	14,550	**14,550**	691	-	-	-	**15,241**
Intangible assets		-	16,244	16,236	**32,480**	-	-	-	-	**32,480**
Other non-current assets		375	1,868	26,547	**28,790**	-	-	-	-	**28,790**
Total Non-Current Assets		**375**	**18,112**	**62,444**	**80,931**	**3,560**	**-**	**-**	**-**	**84,491**
Total Assets		**11,526**	**22,998**	**88,631**	**123,155**	**3,561**	**49,499**	**-**	**37,871**	**214,086**
Liabilities										
Other current and non-current liabilities		10,886	37,667	635,892	**684,445**	-	-	-	-	**684,445**
Liabilities directly associated with assets classified as held for sale	5(b)	-	-	-	**-**	-	-	-	18,380	**18,380**
Total Liabilities		**10,886**	**37,667**	**635,892**	**684,445**	**-**	**-**	**-**	**18,380**	**702,825**
Net Assets		**640**	**(14,669)**	**(547,261)**	**(561,290)**	**3,561**	**49,499**	-	**19,491**	**(488,739)**

2. Segment reporting (continued)

(e) Identification of Reportable Segments

The Company's operating segments are based on internal reports reviewed by the Chief Executive Officer are:

Segment	Types of products and services which generate segment revenues
Funds Management Australia	Asset and funds management of Australian wholesale fund vehicles, GPT Wholesale Shopping Centre Fund and GPT Wholesale Office Fund.
Property Management	Property management of Australian retail assets including the retail assets in the GPT Wholesale Shopping Centre Fund.
US Senior Housing	Investments in a portfolio of established seniors housing assets in the United States of America as well as an interest in the manager of the assets.
Corporate	Costs associated with the funds management of the General Property Trust, foreign exchange gains and losses, finance costs and Company operating costs.
Discontinued operation - Funds Management Europe	Asset and funds management in Europe through a number of small funds and also GPT Halverton and Hamburg Trust up until their sale in 2009.
Discontinued operation - Joint Venture	Investments in the Babcock & Brown Joint Venture in Europe, the United States of America, New Zealand and Australia. GPT has divested its interest in the Joint Venture.
Discontinued operation – Hotel/ Tourism	Investments in nature-based resorts and hotel assets. GPT has divested all resorts with the exception of Ayers Rock Resort as at 30 June 2010.

3. Dividends paid and payable

No dividends have been paid or declared for the half year (June 2009: nil).

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

4. Earnings/(loss) per share

	Note	30 Jun 10 Cents	30 Jun 09* Cents
(a) Basic loss per share			
Basic and diluted earnings per share - loss from continuing operations		**(0.21)**	(1.80)
Basic and diluted earnings per share - loss from discontinued operations		**(0.29)**	(15.81)
Total Basic and diluted earnings / (loss) per share		**(0.50)**	(17.61)

	Note	Number of shares 30 Jun 10 000's	Number of shares 30 Jun 09* 000's
(b) Weighted average number of shares			
Weighted average number of shares used as the denominator in calculating basic and diluted earnings / (loss) per share		**7,514,334**	1,082,352
Adjustments for calculations of diluted earnings per share:			
Performance rights (weighted average basis)	(d)	**64**	-
Weighted average number of shares and potential ordinary shares used as the denominator in calculating diluted earnings / (loss) per share		**7,514,398**	1,082,352

	30 Jun 10 $'000	30 Jun 09 $'000
(c) Reconciliation of earnings used in calculating earnings:		
Net loss from continuing operations	**(15,679)**	(19,468)
Net loss from discontinued operations	**(22,079)**	(171,133)
Net loss attributed to external non-controlling interest	**(3,809)**	(12,727)
Basic and diluted earnings	**(41,567)**	(203,328)

* The June 2009 weighted average number of securities and EPSs have been adjusted for the share/stapled security consolidation effective of 19 May 2010. Refer to note 10(c) for further details on the share/stapled security consolidation.

(d) Information concerning the classification of securities

Performance Rights

3,818,257 Performance Rights (at the basis of post 5 to 1 consolidation of the stapled securities) (Dec 09: 4,556,777 at the basis of post 5 to 1 consolidation of stapled securities) were granted to certain Senior Executives under the Stapled Security Rights Plan during 2010. Only 64,314 Performance Rights have met the vesting conditions and are considered dilutive. As such, only 64,314 Performance Rights have been included in the determination of diluted earnings per security. The remaining 8,310,720 Performance Rights have not been included in the calculation of diluted earnings per security because their vesting conditions are not satisfied for the half year ended 30 June 2010. These Performance Rights could potentially dilute basic earnings per share in the future. No Performance Rights have been included in the determination of basic earnings per share.

5. Assets and liabilities classified as held for sale and discontinued operations

(a) Details of discontinued operations

At 30 June 2010, there are three discontinued operations: Hotel / Tourism Portfolio, Joint Venture and Funds Management – Europe portfolios. With the exception of the Hotel / Tourism Portfolio, these operations were not classified as discontinued operations in the 2009 interim financial report. As a result, the 30 June 2009 comparatives have been restated to be consistent with the presentation in this report.

As part of GPT's refined strategic direction to focus on Australian assets, management has continued with its plans further disposals have occurred in the six months to 30 June 2010. These disposals and the remaining investments for each discontinued operation at 30 June 2010, along with their impact on the Statement of Comprehensive Income and Statement of Financial Position, are discussed in detail below.

(i) Hotel / Tourism

The Voyages hotel management business (Voyages) remains unsold at the date of this report. Voyages continue to provide hotel management services to Ayers Rock Resort, which is the only hotel asset that remains at 30 June 2010. At 30 June 2010, Voyages is included as a non-current asset classified as held for sale in the Statement of Financial Position, which remains the same as 31 December 2009.

5. Assets and liabilities classified as held for sale and discontinued operations (continued)

(ii) Funds Management Europe

Dutch Active Fund Propco BV (DAF)

The following developments have occurred since 31 December 2009 in relation to the legal sale of GPT Europe 2 Sarl's 38.04% shareholding in DAF:

- regulatory consent of the sale transaction has been provided by the Dutch Tax Authority with effect from 8 August 2009, resulting in REIT status for DAF; and
- regulatory consent of the sale transaction by HM Revenue and Customs (Charity Commission), was received on 6 July 2010, with the consent confirming that the purchasers' investment in DAF is a qualifying investment under Schedule 20 ICTA 1988 and income arising from the transaction will be exempt for UK income tax purposes. As this regulatory consent was not received until 6 July 2010, this was an event subsequent to balance date.

The consents above result in an unconditional legal sale of the DAF investment effective 6 July 2010. However, until the 38.04% shareholding in DAF is on-sold to a third party by the new owners or GPT, the risks of owning this investment still remain with GPT and does not qualify as a sale under Australian Accounting Standards. As a result, at 30 June 2010, GPT Europe 2 Sarl, continues to recognise the 38.04% investment in DAF for $23.1 million.

Funds Management Europe investments included as assets classified as held for sale in the Statement of Financial Position at 30 June 2010 have not changed since 31 December 2009.

(iii) Joint Venture

(a) BGA Real Estate Finance Trust

BGA Real Estate Finance Trust provided mezzanine loan financing over an Australian and New Zealand property portfolio and formed part of the Joint Venture.

On 15 June 2010, GPT International Pty Limited (GPTI) sold 100% of its ordinary units for a cash consideration of $10. Prior to the sale, the ordinary units were disclosed as a joint venture investment in BGA Real Estate Finance Trust (BGA).

The sales resulted in a nominal net gain, as the BGA joint venture investment had a carrying value of nil prior to sale.

(b) Babcock & Brown GPT REIT Inc

The following developments have occurred since 31 December 2009, when GPT disposed of its US retail property assets held in the Joint Venture via the Babcock & Brown GPT REIT Inc:

Marelda Assets

In February 2010, discussions commenced with lenders of each of the eight properties held in the Marelda Retail Holdings LLC structure (referred to as Marelda Assets). Since then, the required documentation has been submitted to the loan providers. At the date of this report, no lender consents have been granted however current indications are that the lender consent approvals are likely to be received in the near term, with the exception of one consent, which is more likely to be received around December 2010. As the sale is conditional on receipt of the lender consents, ownership of the Marelda Assets remain in the 50% joint venture, Babcock & Brown GPT REIT Inc.

At 30 June 2010, the Company's investment in the Babcock & Brown GPT REIT Inc continues to be held at nil and classified as 'assets held for sale'. The Joint Venture investments included as 'assets classified as held for sale' at 30 June 2010 have not changed since 31 December 2009.

(c) Babcock & Brown Residential Operating Partnership LP Loan

During the half year ended 30 June 2010, the Company entered into a sale agreement to sell its Series D Preferred units (classified Loans and receivables) in Babcock & Brown Residential Operating Partnership LP (the Partnership) for cash consideration of USD$20m less selling costs. The investment is currently recorded as an asset in the Statement of Financial Position of GPT USA 3 GmbH & Co. KG, an entity that is ultimately owned by GPT Management Holdings Limited.

The sale is conditional on obtaining a withholding certificate from the Internal Revenue Service (IRS) in the United States of America. If the certificate is not received or the withholding tax exceeds USD$20 million, the sale agreement may be terminated.

At 30 June 2010, the Company continues to recognise the loan owing from the Babcock & Brown Residential Operating Partnership LP as an 'assets classified as held for sale' at $21.7 million as the sale transaction does not qualify as a sale under Australian Accounting Standards.

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

5. Assets and liabilities classified as held for sale and discontinued operations (continued)

(iv) US Senior Housing does not qualify as Discontinued Operations

The US Senior Housing Portfolio is not classified as a discontinued operation at 30 June 2010 as it not actively marketed and therefore does not qualify as a discontinued operation. This remains the same as the classification in the 31 December 2009 financial statements.

(b) Details of Assets and Liabilities of Discontinued Operations and Assets Classified as Held for Sale

The table below sets out the assets and liabilities that continue to be owned by the Company at 30 June 2010 (discussed in note 5(a)). These assets and liabilities are presented as an aggregate amount on the lines 'assets and liabilities held for sale' in the Statement of Financial Position.

	Note	Funds Management Europe 30 Jun 10 $'000	Hotel/ Tourism 30 Jun 10 $'000	Joint Venture 30 Jun 10 $'000	Total 30 Jun 10 $'000	Total 31 Dec 09 $'000
Assets classified as held for sale						
Cash at bank and at call		**-**	**5,763**	**-**	**5,763**	10,672
Loans and receivables		**21,649**	**7,838**	**-**	**29,487**	35,913
Inventories		**-**	**3,432**	**-**	**3,432**	4,405
Investments in associates and joint ventures		**23,104**	**526**	**-**	**23,630**	31,141
Property, plant and equipment		**-**	**4,466**	**-**	**4,466**	5,200
Other assets		**-**	**24**	**-**	**24**	39
Total assets classified as held for sale	2(d)	**44,753**	**22,049**	**-**	**66,802**	87,370
Liabilities directly associated with assets classified as held for sale						
Trade payables and accruals		**-**	**10,490**	**-**	**10,490**	15,972
Provision for employee benefits		**-**	**1,898**	**-**	**1,898**	2,408
Total liabilities directly associated with assets classified as held for sale	2(d)	**-**	**12,388**	**-**	**12,388**	18,380

(i) Investments in associates and joint ventures comprise:

- the 38.04% investment in DAF held at $23m, which was reclassified as an 'asset classified as held for sale' from investments in associates and joint ventures in December 2009. Refer to note 5(a)(ii) for further details.

- the 50% investment in Babcock & Brown GPT REIT Inc was reclassified as an 'asset classified as held for sale' from investments in associates and joint ventures in December 2009. This investment continues to be held at nil at 30 June 2010. Refer to note 5(a)(iii) for further details.

(c) Details of Financial Performance and Cashflow information relating to Discontinued Operations

The table below sets out the financial performance and cashflow information up to the date of disposal for assets divested along with the financial performance and cashflow information up to 30 June 2010 for the three discontinued operations that continue to be owned by the Company at reporting date. These results are shown at note 2(a) within the Discontinued Operations segments. Prior year comparatives have been restated and are also included.

	Note	30 Jun 10 $'000	30 Jun 09 $'000
Revenue		**50,417**	127,339
Expenses		**(70,916)**	(319,796)
Loss before income tax		**(20,499)**	(192,457)
Income tax (expense) / benefit		**(1,580)**	21,324
Net loss after income tax of discontinued operations	2(a)	**(22,079)**	(171,133)
Net cash outflow from operating activities		**(5,833)**	(6,463)
Net cash outflow from investing activities		**-**	(2,455)
Net cash outflow from financing activities		**-**	(1,024)
Net decrease in cash generated by discontinued operations		**(5,833)**	(9,942)

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

5. Assets and liabilities classified as held for sale and discontinued operations (continued)

(d) The net profit/(loss) on sale of disposals in the discontinued operations and in the general course of business during the six months to 30 June 2010 were:

	30 Jun 10 $000	30 Jun 09 $000
Details of disposals during the half year:		
Cash consideration (net of transaction costs)	**463**	-
Carrying amount of net assets sold	**(939)**	(18,241)
Foreign exchange gain realised on disposal	**3,241**	-
Profit/(loss) on sale before income tax	**2,765**	(18,241)
Income tax expense	**-**	-
Profit/(loss) on sale after income tax	**2,765**	(18,241)

The carrying amount of assets and liabilities as at the date of disposal were:

	30 Jun 10 $000	30 Jun 09 $000
Cash at bank and at call	**-**	11,934
Trade receivables	**-**	2,573
Inventories	**-**	265,811
Property plant and equipment	**939**	-
Other assets	**-**	7
Total assets	**939**	280,325
Trade payables and accruals	**-**	17,699
Derivative liabilities	**-**	22,059
Borrowings	**-**	222,326
Total liabilities	**-**	262,084
Net assets	**939**	18,241

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

6. Investments in associates and joint ventures

	Note	30 Jun 10 $'000	31 Dec 09 $'000
Investments in joint ventures	(a)(i)	**76**	2,659
Investments in associates	(a)(ii)	**365**	285
Total investments in associates and joint ventures		**441**	2,944

(a) Details of equity accounted investments

Name	Principal Activity	Ownership Interest Jun 10 %	Ownership Interest Dec 09 %	30 Jun 10 $'000	31 Dec 09 $'000
(i) Joint ventures					
Entity incorporated in Australia					
DPT Operator Pty Limited [1]	Managing property	**50.00**	50.00	**76**	75
Entities incorporated in the United States					
B-VII Operations Holding Co LLC [2]	Property investment	**95.00**	95.00	**-**	2,584
Total investments in joint ventures				**76**	2,659
(ii) Associates					
Entity incorporated in Australia					
Lend Lease GPT (Rouse Hill) Pty Limited [3]	Investment property	**26.00**	26.00	**-**	-
Entity incorporated in the United States					
Benchmark Assisted Living LLC [2]	Property management	**20.00**	20.00	**365**	285
Total investment in associates				**365**	285

1. The entity has a 30 June balance date.
2. The Company has a 95% economic interest in B-VII Operations Holding Co LLC and a 20% interest in the manager of the portfolio, Benchmark Assisted Living LLC. The Company has equal representation and voting rights on the Board of B-VII Operations Holding Co LLC with all major decisions regarding the joint venture requiring unanimous approval from both parties, resulting in joint control with BE Capital LLC. Accordingly, B-VII Operations Holding Co LLC has been accounted for as a joint venture.
3. The Company has consolidated 50% Lend Lease GPT (Rouse Hill) Pty Limited as it owns a 52% controlling interest in GPT Residential (Rouse Hill) Trust. Economically it owns 26% of the entity after taking into account non-controlling interest.

(b) Share of joint ventures and associates' commitments

The Company's share of its associates and joint ventures' capital expenditure commitments for the purchase, plant and equipment which have been approved but not provided for at 30 June 2010, operating lease and other commitments are set out below:

Capital expenditure commitments	**457**	302
Operating lease commitments	**123**	73,808
Total joint ventures and associates' commitments	**580**	74,110

7. Property, plant and equipment

	Note	30 Jun 10 $'000	31 Dec 09 $'000
Computers			
At cost		**5,008**	6,465
less: accumulated depreciation and impairment		**(2,733)**	(3,900)
Total computers		**2,275**	2,565
Office, fixtures and fittings			
At cost		**3,384**	2,983
less: accumulated depreciation and impairment		**(1,155)**	(512)
Total office, fixtures and fittings		**2,229**	2,471
Total property, plant and equipment		**4,504**	5,036

8. Intangibles

Management rights		
At cost	**54,200**	54,200
less: accumulated amortisation and impairment	**(40,033)**	(37,956)
Total management rights	**14,167**	16,244
Software		
At cost	**28,170**	17,383
less: accumulated amortisation and impairment	**(1,014)**	(1,147)
Total software	**27,156**	16,236
Total intangibles	**41,323**	32,480

The management rights include property and development management rights of retail shopping centres. The useful life of the rights range between 7.5 to 10 years. The rights are amortised over the useful life.

9. Borrowings

Current - unsecured			
Related party borrowings	(i)	**214,592**	160,971
Total current borrowings - unsecured		**214,592**	160,971
Non-Current - unsecured			
Related party borrowings	(ii)	**416,514**	449,166
Total non-current borrowings		**416,514**	449,166
Total borrowings		**631,106**	610,137

The maturity profile of the above current and non-current borrowings is:		
Due within one year	**214,592**	160,971
Due between one and five years	**-**	-
Due after five years	**416,514**	449,166
	631,106	610,137

Financing Facilities
A summary of the Company's finance facilities is below:

		30 Jun 2010		
	Note	Total facility $'000	Used facility $'000	Unused facility $'000
Related party	(i)&(ii)	**1,021,684**	**631,106**	**390,578**
Total financing resources available at end of the half year		**1,021,684**	**631,106**	**390,578**

9. Borrowings (continued)

Maturity profile of financing facilities

	30 Jun 10 $'000	31 Dec 09 $'000
Due within one year	**231,684**	161,484
Due between one and five years	**-**	-
Due after five years	**790,000**	866,197
Total financing facilities	**1,021,684**	1,027,681

Unsecured

(i) Related party borrowings - current

The following current unsecured borrowings were drawn at 30 June 2010 from the Trust and its subsidiaries;

- a EUR: €60,811,653 AUD $88,491,928 (Dec 2009: €60,811,653 (AUD $97,112,189)) loan to GPT Europe 2 S.a.r.l. is at call with no fixed maturity. At 30 June 2010 this facility was fully drawn.
- a SEK 37,650,417 AUD $5,743,771 (Dec 2009: SEK 37,650,417 (AUD $5,862,725)) loan to GPT Europe 2 S.a.r.l. is at call with no fixed maturity. At 30 June 2010 this facility was fully drawn.
- a USD $52,500,000 AUD $62,447,960 (Dec 2009: USD $52,500,000 (AUD $58,508,860)) loan to GPT USA 3 GmbH & Co.KG expires on 31 December 2011. At 30 June 2010, this facility was drawn to USD $52,040,000 AUD $61,900,797 (Dec 2009: USD $52,040,000 (AUD $57,996,211).
- a loan facility of AUD $75,000,000 to Voyages Hotels & Resorts was drawn to $58,455,657 (Dec 2009: $69,346,703) at 30 June 2010. This facility expires on 30 June 2011.

(ii) Related party borrowings – non current

The following non current unsecured borrowings were provided by GPT Trust and its subsidiaries and drawn as at 30 June 2010;

- a loan facility to the Company of AUD $550,000,000 was drawn to $250,556,400 (Dec 2009: $221,143,432). This facility expires on 31 December 2015 and assists the Company to pay its debts as and when they fall due.
- an AUD $50,000,000 loan facility provided to GPT Property Management Ltd was drawn to $27,856,123 (Dec 2009: $27,856,123) at 30 June 2010. This facility expires on 31 December 2015.
- a loan facility of AUD $120,000,000 to GPT International Pty Limited was drawn to $89,121,927 (Dec 2009: $88,271,487) at 30 June 2010. This facility expires on 12 June 2017.
- a loan facility of AUD $70,000,000 to Voyages Hotels & Resorts was drawn to $48,979,163 (Dec 2009: $41,350,120) at 30 June 2010. This facility expires on 24 December 2019.
- a EUR €750,000 loan was repaid. This facility is no longer available.

10. Contributed equity

		Note	Shares Number	Company $'000	Total $'000
1 January 2009	Opening shares on issue		4,467,363,800	324,755	324,755
27 May 2009	Issue of shares/stapled securities	(a)	4,091,926,477	-	-
16 Jun 2009	Issue of shares/stapled securities	(a)	718,294,466	-	-
12 August 2009	In specie dividend	(b)	-	16	16
31 December 2009	Closing shares on issue		9,277,584,743	324,771	324,771
1 January 2010	Opening shares on issue		**9,277,584,743**	**324,771**	**324,771**
19 May 2010	5 to 1 consolidation of stapled securities	(c)	**(7,422,055,312)**	**-**	**-**
30 June 2010	**Closing shares on issue**		**1,855,529,431**	**324,771**	**324,771**

(a) Equity raising

On 7 May 2009, GPT undertook a capital raising at an offer price of 35 cents per stapled security. The capital raising comprised a $120 million institutional placement and a non-renounceable 1 for 1 pro-rata entitlement offer to eligible securityholders which had an institutional component of $1,270.8 million and a retail component of $292.8 million. A total of $1.7 billion was raised with total transaction costs of $53.9 million. Total proceeds were split between General Property Trust and the Company on a net asset basis. Due to the Company having negative net assets, no proceeds were allocated to the Company relating to this issue.

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

10. Contributed equity (continued)

(b) In specie dividend

An in specie dividend of ordinary shares at a value of €10,000 (AUD $16,000) in BGP Holdings Limited (formerly MaltaCo 1 Ltd) to GPT Securityholders was made on 12 August 2009, which was equal to the value of the ordinary equity in BGP Holdings Limited. This dividend was paid out of the 2009 profits of GPT Management Holdings Limited and the value of shares issued to shareholders in specie represented 94.7% of the total capital, voting and dividend rights of BGP Holdings Limited. The dividend provided GPT securityholders from 12 August 2009 with a beneficial interest in BGP Holdings Limited on a 1 to 1 basis. The beneficial interest is held through a bare trustee, Trust Company Ltd. BGP Holdings Limited is an unlisted, public limited company incorporated in Malta, which owns GPT's interest in the European Joint Venture. The dividend provided the Company with the opportunity to exit the European component of its Joint Venture with Babcock & Brown.

(c) Consolidation of ordinary stapled securities

On 10 May 2010, the GPT securityholders approved the consolidation of every 5 stapled securities into 1 stapled security. Where the consolidation resulted in a fraction of a security being held by a securityholder, the fraction was rounded up to the nearest whole stapled security. The consolidation took effect and was complete on 19 May 2010. The effect of the consolidation was to reduce the number of stapled securities on issue by 7,422,055,312 on 19 May 2010 to 1,855,529,431.

11. Notes to the Consolidated Statement of Cash Flow

(a) Reconciliation of net loss after income tax expense to net cash outflows from operating activities

	30 Jun 10 $'000	30 Jun 09 $'000
Net loss for the half year	**(41,567)**	(203,328)
Share of after tax losses of associates and joint ventures	**8,487**	28,229
Net foreign currency exchange gains	**(446)**	(657)
Net loss on disposal of assets	**(2,765)**	18,241
Net loss on fair value of derivatives	**-**	6,972
Employee incentive security scheme expense	**3,160**	1,736
Depreciation and amortisation expense	**3,843**	4,444
Impairment expense	**3,976**	113,480
Interest on related party loan	**14,723**	26,041
Costs to sell for assets classified as held for sale	**2,141**	3,086
Changes in operating assets and liabilities:		
Decrease in receivables	**12,247**	14,882
Decrease in payables	**(16,305)**	(40,869)
(Increase)/decrease in deferred tax asset	**1,856**	(21,485)
Net cash outflows from operating activities	**(10,650)**	(49,228)

(b) Reconciliation of cash

Cash at bank and on hand	**16,030**	24,655
Total cash and cash equivalents at end of the half year	**16,030**	24,655

12. Contingent assets and liabilities

Slater and Gordon announced an intention to bring a class action against GPT (including the Company). This is said to be on behalf of certain persons who purchased GPT securities from 27 February 2008 and held securities on 7 July 2008. The allegations surround the adequacy and timing of disclosures to the market in this period. No proceedings have yet been issued. GPT has been invited to enter into discussions, on a without prejudice basis, with Slater and Gordon. Failing an agreed resolution of the matter, Slater and Gordon have confirmed they intend to commence proceedings.

GPT rejects the allegations and intends to defend the claim if proceedings are commenced. GPT does not expect that any payment it could be required to make would have a material adverse effect on the Group's operational or strategic objectives, or its financial strength.

Apart from the matter referred to above, there are no other material contingent assets or liabilities at reporting date.

13. Commitments

(a) Capital expenditure commitments

At 30 June 2010, the Company has commitments principally relating to the purchase of property, plant and equipment and other investment which have been approved but not recognised as liabilities in the Statement of Financial Position, as set out below:

	30 Jun 10 $'000	31 Dec 09 $'000
Due within 1 year	**2,306**	2,330
Due between 1 and 5 years	**4,026**	4,419
Over 5 years	**-**	-
Total capital expenditure commitments*	**6,332**	6,749

* Include the Company's share of commitments relating to associate and joint venture investments. Refer to note 6(b) for further details on the share of associates and joint venture entities' commitments.

(b) Operating leases commitments

At 30 June 2010, future minimum rentals payable under non-cancellable operating leases are as follows:

Due within 1 year	**28,974**	66,680
Due between 1 and 5 years	**116,552**	154,060
Due between 5 years and expiry date of leases	**49,166**	65,793
Total operating lease commitments*	**194,692**	286,533

* Include the Company's share of commitments relating to associate and joint venture investments. Refer to note 6(b) for further details on the share of associates and joint venture entities' commitments.

The Company has entered into commercial leases on motor vehicles, office equipment and office premises.

(c) Other commitments

Aggregate amounts of other commitments agreed or contracted but not recognised as liabilities in the Statement of Financial Position are as follows:

Due within 1 year	**-**	451
Due between 1 and 5 years	**-**	1,148
Over 5 years	**-**	-
Total other commitments	**-**	1,599

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2010

14. Net tangible asset backing

	Consolidated entity	
	30 Jun 10	31 Dec 09*
	$	$
Net tangible asset backing per stapled security/unit	(0.31)	(0.28)

Net tangible asset backing per share is calculated by dividing the sum of net assets less intangible assets by the total number of potential shares.

* Prior period comparative has been restated at the basis of post 5 to 1 consolidation of the stapled securities.

15. Events subsequent to the reporting date

The following events have occurred subsequent to 30 June 2010:

- On 6 July 2010, the legal sale of the DAF shareholding by GPT was finalised as the regulatory consent from the Charity Commission was received on this date. For further details refer to note 5(a)(ii).

DIRECTORS' DECLARATION

In the Directors of the GPT Management Holdings Limited's opinion:

(a) the financial statements and notes set out on pages 7 to 28 are in accordance with the *Corporations Act 2001*, including:
- complying with the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- giving a true and fair view of the Company's and Consolidated entity's financial position as at 30 June 2010 and of their performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with the resolution of the Directors.

Rob Ferguson
Chairman

Michael Cameron
Managing Director

GPT Management Holdings Limited
Sydney
23 August 2010

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Independent auditor's review report to the members of GPT Management Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of GPT Management Holdings Limited (the Company), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for GPT Management Holdings Limited (the consolidated entity). The consolidated entity comprises both the Company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of a half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of GPT Management Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

PRICEWATERHOUSECOOPERS

Independent auditor's review report to the members of GPT Management Holdings Limited (continued)

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of GPT Management Holdings Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

PricewaterhouseCoopers

PricewaterhouseCoopers

DH Armstrong
Partner

Sydney
23 August 2010

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Independent auditor's review report to the members of GPT Management Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of GPT Management Holdings Limited (the Company), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for GPT Management Holdings Limited (the consolidated entity). The consolidated entity comprises both the Company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of a half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of GPT Management Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

PRICEWATERHOUSECOOPERS

Independent auditor's review report to the members of GPT Management Holdings Limited (continued)

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Company for the half-year ended 30 June 2010 included on The GPT Group's web site. The Company's directors are responsible for the integrity of The GPT Group's web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of GPT Management Holdings Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

PricewaterhouseCoopers

DH Armstrong
Partner

Sydney
23 August 2010