



ASX ANNOUNCEMENT

**TRINITY DELIVERS STRONG FULL YEAR RESULT
WITH 43% PROFIT INCREASE**

Thursday 28 August 2008

Financial Highlights

- **NPAT:** Net profit after tax of \$34.5 million – a 43% increase from FY07
- **EPS:** Underlying earnings per security of 12 cps
- **DPS:** Full year distribution of 11.7 cps – an increase of 6% from FY07
- **AUM:** AUM grew to \$1.38 billion – an increase of 39% from FY07

	FY08	FY07	Change
NPAT	\$34.5m	\$24.1m	43%
Underlying NPAT	\$27.3m	\$21.9m	25%
Basic EPS	15.2 cents	13.1 cents	15%
Underlying EPS	12.0 cents	11.9 cents	1%
DPS	11.7 cents	11.0 cents	6%
AUM	\$1.38bn	\$994m	39%
NTA	\$1.15	\$0.99	16%

Diversified property group Trinity (ASX: TCQ) is pleased to report another year of solid growth, delivering a net profit after tax of \$34.5 million for the 2008 financial year, representing an increase of 43% from the previous year's profit.

Underlying NPAT (excluding revaluations) for the year increased by 25% to \$27.3 million. The distribution for the six months to 30 June 2008 was 6.2 cents per stapled security (cps), bringing the total distribution for the full year to 11.7 cps and in line with the Group's previous DPS growth guidance.

Trinity chief executive Ben McCarthy said the company was pleased with the result and attributes the earnings to a focus on recurrent income, co-investment and the continued performance of Trinity's managed funds and delivery in the development workbook.

"Solid performance across the Group has contributed to the growth in earnings and we remain confident in our business model and ability to deliver long-term value for security holders," Mr McCarthy said.

"We recognise that the changed market conditions presents a degree of uncertainty however Trinity's established status and core property expertise sees us well positioned to capture opportunities that are anticipated to emerge," he said.

Capital Management

Gearing	37% (FY07 28%)
Core Facility Loan Expiry	October 2011
Unused Credit Facilities	\$36 million

In a time of great focus on capital management, Trinity's core debt facilities remain conservative and well within our operational policy limit of 40%. The Group's managed funds have separate debt facilities with no cross-collateralisation between funds.

Direct Investment & Co-Investment

The current book value of the Group's direct portfolio, the Trinity Stapled Trust (TST) is \$227.8 million with performance underpinned by a long weighted average lease expiry (WALE) of 9.07 years and quality lease covenants presenting opportunity for income growth.

Net asset backing increased strongly to \$1.15, despite the impact of the reversion of property market capitalisation rates. Net profit from co-investment in the Group's managed funds was \$15.4 million, demonstrating continued strong performance from the suite of funds.

The completion of the redevelopment of the heritage bank building at 308 Queen Street, Brisbane and the development of an adjoining seven level commercial office building is near complete and brings the value of the property to in excess of \$50 million. Final completion is anticipated to herald further uplift.

Construction is complete on the Yamaha Riverfront Distribution and Marine Research Centre in Murarrie, with an on-completion value of \$27.7 million and secured by a 15-year lease. An industrial complex in the Brisbane suburb of Richlands was acquired by TST in the second half for \$32.5 million, on a sale and 10-year leaseback agreement with John Holland Pty Ltd.

Funds Management

The Group's managed funds have continued to perform strongly. All funds over-performed their target returns for FY08 and all funds received good support from their investors, with minimal (<0.1%) redemptions.

The Group's foundation investment vehicle, the Trinity Property Trust (TPT) continued its 10-year track record in achieving its benchmark total return of in excess of 12%. Industry super fund, Sunsuper recently committed to increasing its long standing investment in TPT by an additional \$100 million in recognition of the fund's continued returns.

Construction and progress on the Trinity Enhanced Return Fund's (TERF) \$180 million Albert Street, Brisbane commercial tower continues with pre-commitments currently secured for in excess of 65% of the building. The robust pipeline and high quality deal-flow have underpinned further growth in both the Consolidated Development Trust (CDT) and the Trinity Opportunistic Property Fund No. 1 (TOP).

The capitalisation of the initial tranche of the new residential land fund, Consolidated Land Trust (CLT) was completed as long-term investors recognise the opportunity for the heightened activity anticipated in the residential market in the medium term. CLT is seeded with a well-diversified portfolio of six land subdivision assets, ranging in demographic target market, forecast size, end value and development period.

Mr McCarthy said, "We will continue to strengthen our long-term and loyal relationships with Australian industry super funds on the back of our 10-year track record of performance in funds management and proven ability to actively manage and secure premium opportunities for the benefit of investors."

Property Development

Activity from the Group's development subsidiary, Consolidated Properties remains on track within its diversified workbook of projects, at varied stages of development and completion.

Recognised property executive Wayne Rex has been appointed to the management team in line with the gradual transition of current Managing Director Don O'Rorke to Executive Chairman of Consolidated Properties over the course of FY09.

Mr Rex will focus on establishing a foundation for growth in the land delivery business and will take up the role of Managing Director. With over two decades' of experience in establishing blue-chip development pipelines and strategic landbanks throughout a variety of market cycles, Mr Rex will oversee ongoing growth and delivery of the development pipeline.

Consolidated Properties further expanded its project partner network nationally with the appointment of four new project partners, establishment of operations in Melbourne and North Queensland and the completion of the fit-out for a Sydney office.

Outlook

"Although the uncertain economic conditions has resulted in a slow-down of activity across the market, Trinity is well placed to withstand the turmoil," Mr McCarthy said. "Our fundamentals are strong, our team is intact and growing and opportunities will emerge in FY09 and beyond.

"The Group has long-maintained the core business settings of conservative gearing, high weighting of recurrent income streams and robust risk-management measures – settings that are now becoming recognised as industry best practice.

"Our experienced team, core property skills and agile approach to transactions will see us taking advantage of counter-cyclical opportunities to deliver long-term growth," he said.

The Group will not issue financial guidance until the uncertainty in the markets abates but notes that all areas of the business are currently forecast to deliver consistent results in FY09.

ENDS

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