

**BABCOCK & BROWN
JAPAN PROPERTY TRUST**

Babcock & Brown Japan Property Management Limited · ABN 94 111 874 563
as responsible entity of the Babcock & Brown Japan Property Trust · ARSN 112 799 854
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Babcock & Brown Japan Property Management Limited (JPML) as Responsible Entity of Babcock & Brown Japan Property Trust (BJT), confirms that BJT is a managed investment trust for purposes of section 12-395 of Schedule 1 to the Taxation Administration Act 1953 in relation to the income year ending 30 June 2008, and gives the following notice to you pursuant to section 12-415 of that Act.

The components of the distributions made by BJT follows to enable the determination of non-resident withholding tax for the nominated distribution:

| Distribution dates | December 2007 | June 2008 |
|---------------------------|----------------------|------------------|
| Ex Date: | 21 December 2007 | 24 June 2008 |
| Record Date: | 31 December 2007 | 30 June 2008 |
| Payable Date: | 29 February 2008 | 3 September 2008 |
| | | |
| | Cents | Cents |
| Distribution per unit | 6.33000 | 6.72000 |

Amounts subject to non resident withholding tax are

| | Cents | Cents |
|--------------|--------------|--------------|
| Fund Payment | 1.84090 | 2.00033 |
| Interest | 0.11761 | 0.20309 |

Reconciliation of Fund Payment

| | Cents | Cents |
|---|----------------|----------------|
| Cash distribution | 6.33000 | 6.72000 |
| Less: | | |
| Tax deferred/capital gains component arising from disposal of non taxable Australian property | (2.13542) | (2.81512) |
| Foreign sourced income | (2.23607) | (1.70146) |
| Interest income | (0.11761) | (0.20309) |
| Fund Payment | 1.84090 | 2.00033 |

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Reconciliation of cash distribution

| | Cents | Cents |
|---|----------------|----------------|
| Tax deferred/capital gains component arising from disposal of non taxable Australian property | 2.13542 | 2.81512 |
| Foreign sourced income | 2.23607 | 1.70146 |
| Interest income | 0.11761 | 0.20309 |
| Other Australian income | 1.84090 | 2.00033 |
| | | |
| Cash Distribution | 6.33000 | 6.72000 |

This information is not relevant for Australian resident holders for the purposes of completing their income tax returns.