

Mariner announces successful close of first property trust

11 May 2004

\$15 million raised from retail market to fund Melbourne's Powercor Building

Retail investors have shown overwhelming support for financial services newcomer Mariner Financial Limited [ASX Code: MFI], raising \$15 million to invest in Mariner's first property syndicate, the Mariner Property Trust No.1.

The result comes at a time of intense competition in the unlisted trust arena, with a number of large providers struggling to close their offerings.

According to Mariner Head of Property, Andrew Saunders, the successful raising reinforces the market's willingness to accept new entrants that offer investors real alternatives in terms of product structure and distribution strategy.

"We are delighted to have closed the raising successfully and on time," Mr Saunders said. "The result reflects real market support for Mariner's strategy to acquire well-leased assets which provide investors with a stable cash flow which is highly tax efficient."

The Mariner Property Trust No.1 has invested in a single property, the Powercor Building at 40 Market Street, just off Collins Street in Melbourne's central business district.

The Trust is the first in a series of uniquely structured property trusts designed to give investors a regular, significantly tax-deferred income stream.

Mr Saunders said investors were attracted to a number of key features of the Trust, such as:

- The building is leased to Powercor Australia, an investment grade company rated A- by Standard and Poor's.
- Powercor is one of Victoria's main wholesale electricity suppliers and holds a 15-year lease with fixed rental increases.
- The Trust is forecasting an average annual distribution return of 8.5 per cent per annum to 30 June 2008, based on a \$1.00 unit price. The interest rate on the debt raised has been fixed until 30 June 2008 – the expected term of the Trust.

- All cash distributions from the Trust will be treated as 100% tax-deferred income.

Mariner's experienced business development team marketed the Trust through financial planners and advisers across Australia.

Note to the editors

Established in 2003, Mariner Financial Limited is an Australian-owned financial services company listed on the Australian Stock Exchange [ASX: MFI]. Mariner's primary focus is servicing Australia's growing superannuation market by providing uniquely structured investment and retirement income solutions. It also provides strong branding and marketing, education and technical support, and a dedicated distribution capability to its subsidiary company, Mariner Retirement Solutions [ASX: MRT].

For further information, please visit the Mariner website at <www.marinerfunds.com.au>.

Or contact:

Shed Enterprises

Sheridan Lee/Simrita Virk

02 9247 8533 / 0411 101 492 (SL) / 0405 441 373(SV)

shed@ozemail.com.au; svirk@shed-ent.com.au