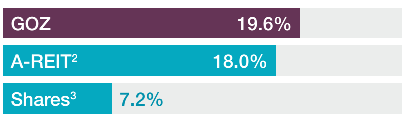
Introduction from the Chairman & Managing Director

Total Securityholder return comparison

per annum, over 5 years to 30 June 2016[1]



1. Source: UBS Investment Research.
2. S&P/ASX 300 Prop Index.
3. S&P/ASX Acc. Index.
4. Distributions plus security price appreciation. Source: UBS Investment Research.
5. Includes indications to accept via an institutional acceptance facility which are conditional on Growthpoint's offer being unconditional.
6. Pro forma at 1 July 2016 and excluding other possible impacts.

In FY16, Growthpoint:

1. provided Securityholders with a 7.4%[4] total return;
2. exceeded distributable income guidance and met distribution guidance;
3. closed at a record high 30 June security price of $3.15 and continued to increase since;
4. recorded a 7.7% increase in net tangible assets per security to $2.67;
5. made a $321 million takeover offer for the GPT Metro Office Fund (**GMF**);
6. acquired $328.0 million of assets in five separate transactions;
7. completed over 59,000 sqm of leasing with a further 39,432 sqm completed since 30 June 2016;
8. maintained its investment grade credit rating from Moody's of *Baa2*;
9. continued to diversify the sources of its debt capital; and
10. established and resourced a *sustainability* program.

Market guidance exceeded

Distributable income of 21.9 cps was achieved; significantly above guidance of at least 21.3 cps provided at the start of FY16 and 3.3% higher than FY15. Distributions totalling 20.5 cps will be paid to Securityholders for FY16 in line with guidance and 4.1% above FY15.

Growthpoint has provided distributable income guidance of at least 22.2 cps for FY17 (4.2% higher than guidance for FY16) and distribution guidance of 21.3 cps (3.9% higher than FY16). Guidance may be impacted by the takeover (refer below) as well as capital management initiatives (refer to pages 13-14 for more details).

13

GMF takeover expected to complete in FY17

Following an extensive due diligence process and engagement with the existing manager, Growthpoint formally launched a $321 million takeover offer of GMF on 1 July 2016.

As at the date of this report, Growthpoint had received acceptances totalling 46.97%[5] of GMF units and expects to gain control of the fund during FY17. The key outstanding condition of Growthpoint's current offer is minimum acceptances of not less than 50.1% of GMF's unitholders. 90% acceptances are required before Growthpoint can compulsorily acquire the remainder of outstanding GMF units. Should Growthpoint acquire 50.1% but less than 90% of GMF units by the end of the offer period, Growthpoint currently intends to replace the current responsible entity with the Company and continue to run the fund as a separately listed entity.

Growthpoint expects that obtaining 100% of GMF will be 4.9% accretive to its FY17 distributable income guidance[6]. Acquiring 50.1% is expected to be 4.1% accretive

Geoff Tomlinson
Independent Chairman

Timothy Collyer
Managing Director

to its FY17 distributable income guidance[6] with the accretion increasing incrementally between 50.1% and 100%.

Among other benefits such as greater market capitalisation, scale and diversity, GMF will increase Growthpoint's NSW exposure from 20.0% to 24.7% and increase Growthpoint's office exposure from 56.0% to 59.5%; both of which are stated objectives for Growthpoint.

10 Refer to pages 10-11 for more details on GMF.

$328.0 million of accretive acquisitions

In FY16, Growthpoint acquired three office assets in Victoria and Canberra for $286.9 million and two industrial assets in New South Wales and South Australia for $41.1 million. The assets are distributable income enhancing and continue Growthpoint's diversification of assets and tenants.

25 33 Refer to pages 25 and 33 for more details.

Significant leasing helped maintain an excellent property portfolio

Over 59,000 sqm of leasing was completed in FY16 taking portfolio occupancy to 99% from 97% at 30 June 2015. Notably, the occupancy at 333 Ann Street Brisbane increased from 41% to 77% over FY16.

23 30 Refer to pages 23 and 30 for more details.

Since 30 June 2016, a further 39,432 sqm has been leased including 23,156 sqm to Country Road and David Jones for their new corporate head office in Richmond, Victoria for a weighted average lease term of 14.5 years from commencement. After including this leasing, the pro forma *WALE* at 30 June 2016 was 6.9 years compared with 6.7 years at 30 June 2015 despite one year passing. Potential lease expiries in FY18 have been reduced from 9% at 30 June 2015 to 4% as at the date of this report and from 6% to 2% for FY19.

Thank you for your support for Growthpoint Properties Australia.

Geoff Tomlinson **Independent Chairman & Director**	Timothy Collyer **Managing Director**

Growthpoint Properties Australia Limited

Assets, profit and Securityholder returns continue to grow

Total Securityholder return
per annum[7]

FY16	7.4%
FY15	36.4%
FY14	10.8%
FY13	23.6%
FY12	21.6%

Property portfolio value
as at 30 June

FY16	$2.8B
FY15	$2.4B
FY14	$2.1B
FY13	$1.7B
FY12	$1.6B

Over the five years to 30 June 2016 Growthpoint has acquired $1,321.4m of assets and recorded $212.4m in net property valuation gains. 21

Distributions
per stapled security

		Growth
FY17*	21.3¢	+3.9%
FY16	20.5¢	+4.1%
FY15	19.7¢	+3.7%
FY14	19.0¢	+3.8%
FY13	18.3¢	+4.0%
FY12	17.6¢	+2.9%

* Distribution guidance only excluding any change which the Directors may determine as a result of a successful GMF takeover.

Distributable income
per stapled security

		Growth
FY17*	at least 22.2¢	+1.4%
FY16	21.9¢	+3.3%
FY15	21.2¢	+6.0%
FY14	20.0¢	+3.6%
FY13	19.3¢	+9.0%
FY12	17.7¢	-2.2%

* Distribution guidance only, excluding any change which the Directors may determine as a result of a successful GMF takeover and any capital management initiatives.

Distributable income for FY16 was $126.0m (FY15: $118.9m). 17

Other key statistics
(as at 30 June 2016)

- **$1.8 billion** market capitalisation
- **118th largest entity** on ASX by market capitalisation
- **$224.3 million** FY16 statutory profit
- **$2.67** NTA per stapled security
- **15.9%** FY16 return on equity
- **42.6%** balance sheet gearing
- **99%** occupancy
- **6.9 years** WALE[8]

FY16 was primarily focused on $328.0 million of asset acquisitions, the potential $321.0 million takeover of GMF, and leasing with over 59,000 sqm leased in FY16 and a further 39,432 sqm leased since 30 June 2016.

7. Source: UBS Investment Research.
8. Pro forma, including leasing announced post 30 June 2016.

Transparent business model

1 Raise Capital:

Raise equity capital from Securityholders in Australia and elsewhere and debt capital (currently from all four major Australian banks and four offshore lenders).

14
FY16: $40.1m new equity capital & $250m new debt capital (FY15: $73.7m and $200m).

2 Quality Assets:

Acquire well built, well located Australian commercial property.

25 33
FY16: Three office and two industrial properties purchased for a total of $328.0m (FY15: three industrial and one office property $119.5m).

3 Income from Leases:

Lease vacant space and collect rent from tenants.

23 30
FY16: Over 59,000sqm of new and extended leases (FY15: 69,000sqm); 99% occupancy (FY15: 97%); $181.2m net property income (FY15: $171.8m).

4 Asset Management:

Maintain and improve assets through capital expenditure, repairs and maintenance.
Sell assets that no longer meet investment criteria.

16 34
FY16: $7m of capital works undertaken (FY15: $6m). One industrial property sold for $10.1m (FY15: two industrial properties sold for $26.7m).

5 Pay Costs:

Pay interest costs on debt capital and operating and management costs.

17
FY16: Operating costs (excl. debt costs) of $10.4m or 0.4% of average gross assets (FY15: $9.1m, 0.4%).

6 Distributions:

Return as much of the remaining property income to Securityholders as deemed prudent.

16
FY16: Distributions of $118.1m paid to Securityholders, 20.5cps (FY15: $110.7m, 19.7cps). Payout ratio of 93.7% (FY15: 93.1%).

FY16 leasing success (office)

Growthpoint achieved significant leasing success in FY16 to high calibre tenants such as MasterCard, Jacobs Group, Fuji Xerox and Fluor Australia.

Educational institutions University of the Sunshine Coast and Federation University have also taken over 4,500 sqm of office space in Brisbane.

6.4 years WALE
at 30 June 2016
(30 June 2015: 1.9 years)

A4, 52 Merivale Street, South Brisbane, QLD

L7: Topcon Positioning Systems
NLA: 1,235sqm | Term: 10.0 years

L6: Fluor Australia
NLA: 567sqm | Term: 5.0 years

L5: Fuji Xerox Australia
NLA: 1,239sqm | Term: 7.0 years

L1, L2, Mezzanine & Ground: University of the Sunshine Coast
NLA: 2,004sqm | Term: 10.0 years

Mezzanine: Fuji Xerox Australia
NLA: 186sqm | Term: 7.0 years

5.4 years WALE
at 30 June 2016
(30 June 2015: 2.3 years)

333 Ann Street, Brisbane, QLD

L23: QER
NLA: 679sqm | Term: 5.4 years

L22: Prosperity Services
NLA: 410sqm | Term: 5.2 years

L17: Superloop
NLA: 867sqm | Term: 4.1 years

L15: MedHealth
NLA: 867sqm | Term: 7.1 years

L13 & L14: MasterCard
NLA: 1,318sqm | Term: 5.6 years

L5, L6 & L7: Federation University
NLA: 2,556sqm | Term: 7.7 years

Ground & L1: Rail Control Systems
NLA: 291sqm | Term: 3.1 years

A1, 32 Cordelia Street, South Brisbane, QLD

Ground, L3, L4, L5, L6 & L7: Jacobs Group
NLA: 6,896sqm | Term: 11.4 years

L2: Jacobs Group
NLA: 1,311sqm
Term: 1.4 years

L1: Jacobs Group
NLA: 1,315sqm
Term: 1.5 years

Ground: Club Vitality
NLA: 235sqm
Term: 8.0 years

7.3 years WALE
at 30 June 2016
(30 June 2015: 3.3 years)

Takeover offer for GPT Metro Office Fund (GMF)[9]

On 1 July 2016, Growthpoint announced a $321 million off-market takeover offer for ASX listed GMF. GMF owns six assets valued at $440.3 million, key details of which are shown on this page and the next.

As at the date of this report, Growthpoint had received acceptances totalling 46.97%[10] of GMF units and expects to complete the takeover during FY17.

As well as adding six well-leased A-grade office properties to the Growthpoint portfolio, the GMF takeover is expected to increase Growthpoint's FY17 distributable income guidance by 4.9% to 23.4 cps[11], Growthpoint's market capitalisation to over $2.1 billion and the liquidity of Growthpoint's securities.

Growthpoint expects to increase FY17 net property income by $28.2 million per annum[11] and reduce GMF's operating costs through synergies.

Aaron Hockly
Chief Operating Officer

9. Information on this page is taken from GMF's ASX releases and are as at 30 June 2016.
10. Includes indications to accept via an institutional acceptance facility which are conditional on Growthpoint's offer being unconditional.
11. Pro forma, assumes 100% ownership on 1 July 2016 and excluding other potential impacts.

15 Green Square Close, Fortitude Valley, QLD

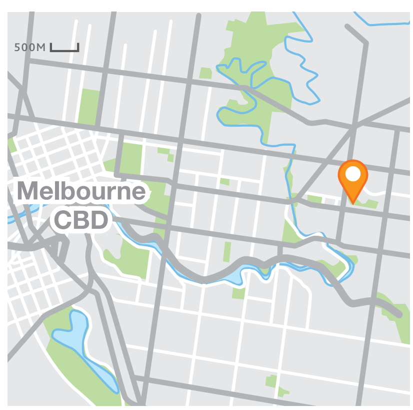
The Optus Centre is located within the growing Fortitude Valley precinct, two kilometres from the Brisbane CBD and benefits from being at the northern gateway of the Brisbane CBD. It is a modern 5 star *Green Star* (by design) building with large 1,500 sqm floor plates.

Book value: **$127.1m**	Lettable area: **16,587 sqm**
Cap rate: **6.75%**	Site area: **2,519 sqm**
WALE: **5.7 years**	Major tenant: **Queensland Urban Utilities**

109 Burwood Road, Hawthorn, VIC

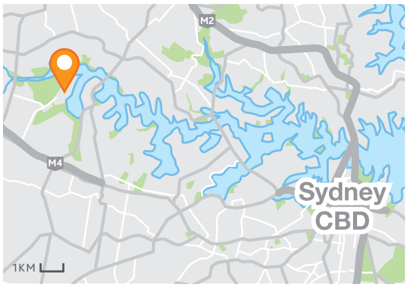
Vantage is located in Hawthorn, six kilometres east of the Melbourne CBD. The A-Grade office building has five office floors and a car park for 455 vehicles. The property benefits from its prominent corner location, is close to a range of amenities and is easily accessible via car, tram or train.

Book value: **$72.9m**	Lettable area: **12,477 sqm**
Cap rate: **7.0%**	Site area: **3,529 sqm**
WALE: **4.7 years**	Major tenant: **Orora**



Sydney Olympic Park, NSW

Located 16 kilometres west of Sydney's CBD, Sydney Olympic Park was redeveloped for the 2000 Sydney Olympics and is home to many of New South Wales' key cultural and sporting facilities including ANZ Stadium as well as several corporate head offices.



3 Murray Rose Avenue

3 Murray Rose Avenue is a campus style business park A-Grade office building. The five level suburban office building was completed in March 2015 and was developed as the national headquarters for Samsung. The property incorporates modern urban design and has achieved a 5 star Green Star Design Rating. The asset has a 5 star Green Star (as built) rating and 5 star *NABERS* Energy and Water Ratings.

Book value:
$91.5m

Lettable area:
13,423 sqm

Cap rate:
6.50%

Site area:
3,980 sqm

WALE:
5.7 years

Major tenant:
Samsung

5 Murray Rose Avenue

5 Murray Rose Avenue has five levels and a 6 star *Green Star* (as built) rating. The asset is award-winning, being recognised by the Property Council of Australia for Best Sustainable Development in 2014 and the Urban Development Institute of Australia NSW for Excellence in Sustainable Development in 2013.

Book value:
$90.5m

Lettable area:
12,386 sqm

Cap rate:
6.25%

Site area:
3,826 sqm

WALE:
7.8 years

Major tenant:
Lion

Quad 3, 8 Parkview Drive

Quad 3 is part of the Quad Business Park which is characterised by low rise buildings set in a parkland environment, with large floorplates, good natural light and a high car parking ratio. The building comprises three levels and is located close to significant infrastructure, public recreational and retail amenities.

Book value:
$29.3m

Lettable area:
5,244 sqm

Cap rate:
7.25%

Site area:
6,635 sqm

WALE:
2.9 years

Major tenant:
Alstom Australia

GMF key statistics

(as at 30 June 2016)

- **$440.3 million** total property value
- **6.70%** average capitalisation rate
- **15.5%** of Growthpoint's property portfolio
- **94.9%** occupancy
- **5.5 year** WALE
- **100%** A-grade office

Quad 2, 8 Parkview Drive

Quad 2 is also part of the Quad Business Park. The building comprises four levels and is located close to significant infrastructure, public recreational and retail amenities.

Book value:
$29.0m

Lettable area:
5,145 sqm

Cap rate:
7.25%

Site area:
7,788 sqm

WALE:
3.1 years

Major tenant:
Universities Admissions Centre

Objectives and goals for sustainable growth

As shown below, Growthpoint achieved most of its stated objectives and goals for FY16 and will seek to build on these in FY17.

Increase distributions to Securityholders 1

FY16 Goals

- Distributions growing each distribution period.
- Certainty of growth obtained through an increasing *WARR*.
- Undertake income accretive acquisitions.

FY16 Achievements

- 4.1% increase in distributions from FY15 to FY16 and 1% increase from first to second half distributions. 15
- WARR increased from 3.0% at 30 June 2015 to 3.1% at 30 June 2016 due to leasing and acquisitions. 21
- $328.0 million of acquisitions undertaken at an average yield of 6.8% and a WARR of 3.7%. 25 33

FY17 Goals

No change from FY16.

Carefully expand and diversify property portfolio 2

FY16 Goals

- Only acquire assets which enhance the quality or returns of the portfolio over the *long-term*.
- Assets diversified by sector, location, size and tenant.
- Assets acquired at or below the Group's belief of fair value supported by *independent valuations* and which are expected to increase in value over time.

FY16 Achievements

- The assets acquired by Growthpoint in FY16 are of a similar or higher quality to the existing portfolio and have a *WALE* of 7.2 years. 25 33
- Growthpoint owns 58 assets in strategic locations in every Australian State and the Australian Capital Territory. Assets are 56%/44% split between office and industrial. Asset values range from $1.2 million to $280.0 million. Out of its 116 tenants, only Woolworths, which leases six grocery distribution centres from Growthpoint, contributes more than 10% of the Group's income. 20

FY17 Goals

As per FY16 plus:

- Consider asset divestments. 34
- Complete takeover of GPT Metro Office Fund. 10

Existing property assets enhanced 3

FY16 Goals

- Leasing of vacant space and leasing or renewal of potential lease expiries.
- Retaining tenants where possible through regular contact with representatives and timely responses to requests.
- Capital works undertaken to maintain or improve the value of assets and/or retain or attract tenants.

FY16 Achievements

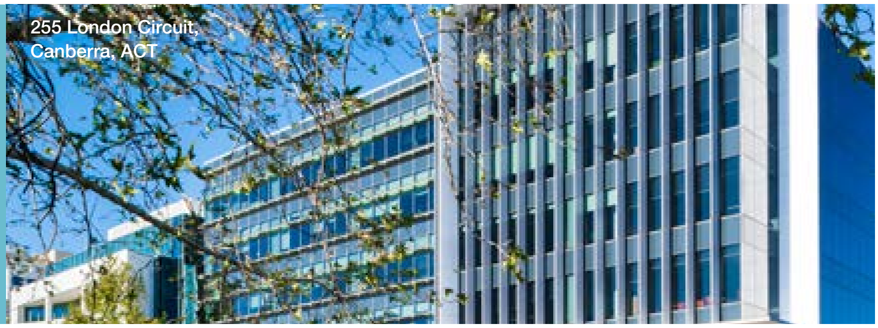
- Over 59,000sqm of new and extended leasing undertaken. The occupancy rate at 30 June 2016 was 99%. 20
- Meetings held with all tenants with leases potentially expiring over the next two years. Tenant retention rate of 78.5% for the five years to 30 June 2016.
- $7 million of capital works undertaken plus $14.8 million tenant requested expansions, services upgrades and façade improvements.

FY17 Goals

As per FY16 plus:

- Significant development and/or change of use to be considered for some assets.

Sustainable growth means ensuring Growthpoint's business assets, revenue and expenses are able to be continued. It includes enhancing people and limiting our impact on the environment.



Increase liquidity and value of Growthpoint securities 4

FY16 Goals

- Inclusion in major indexes.
- Increase equity capital where appropriate.
- Engage with research analysts to increase and improve coverage.
- Increase liquidity of Growthpoint's securities.

FY16 Achievements

- ✓ Remained in S&P/ASX200 (plus other indices).
- ✓ $40.1 million of new equity was raised via the distribution reinvestment plan with the proceeds being used to fund acquisitions and capital works. 76
- ✗ Research coverage reduced from seven to six analysts.
- ✗ Liquidity of Growthpoint's securities was flat from FY15 to FY16, with 121,359,340 securities traded in FY16 compared to 132,622,827 in FY15.

FY17 Goals

No change from FY16.

Borrow prudently 5

FY16 Goals

- Maintain *gearing* within 35%-45% range.
- Extend average debt maturity.
- Diversify sources and tenor of debt.
- Additional capital markets issuance to be considered.

FY16 Achievements

- ✓ Balance sheet gearing at 30 June 2016 was 42.6%. 14
- ✗ The weighted average debt maturity was 4.2 years at 30 June 2016; down from 4.7 years at 30 June 2015.
- ✓ Growthpoint entered into $250m of new debt capital market facilities for 7 years in December 2015, with proceeds used to repay domestic bank debt. In addition Growthpoint terminated three interest rate swaps with face values of $265 million (at cost of $10.5 million) and entered into four new interest rate swaps with a face value of $150 million and a weighted average maturity of 5 years.

FY17 Goals

As per FY16 plus:

- Ensure fixed debt is within the target range of 75% to 100% after current transactions are completed.

Operate sustainably 6

FY16 Goals

- Refine *sustainability* objectives.
- Focus on *long-term* value rather than *short-term* profits.
- Improve gender diversity of directors and employees.

FY16 Achievements

- ✓ Sustainability objectives have been refined (refer pages 7-9 of Sustainability Report for more details). 7
- ✓ The property portfolio, capital management strategy and established sustainability targets have been built with long-term value creation in mind.
- ✗ 35% of the Group's employees (six out of 17) are female, down from 40% as at 30 June 2015 (six out of 15).

FY17 Goals

- Monitor compliance with sustainability objectives and improve integration of sustainability practices within business operations.
- Continue to focus on long-term value rather than short-term profits.
- Seek additional female director (target date 2020).

2016 Sustainability Report (available online only)

More details about sustainability can be found in Growthpoint's 2016 Sustainability Report.

WWW *investors.growthpoint.com.au/SustainabilityReport/2016*