

## GROWTHPOINT PROPERTIES AUSTRALIA

Growthpoint Properties Australia Trust ARSN 120 121 002  
Growthpoint Properties Australia Limited ACN 124 093 901 AFSL 316409

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IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

# RIGHTS OFFER BOOKLET

DETAILS OF A 1 FOR 9.37 RENOUNCEABLE PRO-RATA RIGHTS OFFER OF GROWTHPOINT  
PROPERTIES AUSTRALIA ORDINARY STAPLED SECURITIES AT AN OFFER PRICE OF \$2.40 PER  
NEW STAPLED SECURITY

**THIS RIGHTS OFFER CLOSSES AT 5.00 PM (MELBOURNE TIME) ON MONDAY, 23 JUNE 2014**

*This is an important document which requires your immediate attention.  
It is accompanied by an Entitlement and Acceptance Form to assist you to subscribe  
for new ordinary stapled securities in Growthpoint Properties Australia.*

**THIS BOOKLET IS DATED TUESDAY, 3 JUNE 2014**



**GROWTHPOINT**  
PROPERTIES



# CONTENTS

01:	CHAIRMAN'S LETTER	3
02:	KEY DATES	6
03:	ASX ANNOUNCEMENT	7
04:	HOW TO APPLY	11
05:	IMPORTANT INFORMATION	17
06:	INVESTOR PRESENTATION	21
07:	GLOSSARY	36
	CORPORATE DIRECTORY	38

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*No public offering of securities is being made in the United States.*



## SECTION 1:

# CHAIRMAN'S LETTER

Dear Securityholder

On behalf of the Board of Growthpoint Properties Australia ("**Growthpoint**"), I am pleased to invite you to participate in a renounceable rights offer of new Growthpoint stapled securities ("**Rights Offer**").

As you may have read recently, Growthpoint announced to the market on Tuesday, 3 June 2014 that it was conducting a \$125 million equity raising to partly fund the acquisition of the NSW Police Headquarters office building located in Parramatta, in Sydney's west.

New stapled securities are being offered at a price of \$2.40. This represents a 3.9% discount to Growthpoint's distribution adjusted last closing price on 2 June 2014 and a 1.2% discount to the 5-day volume weighted average distribution adjusted price to 2 June 2014.

Growthpoint has provided distribution guidance for the 2015 financial year of 19.7 cents per stapled security. Based on the offer price, the new stapled securities issued as part of the Rights Offer are expected to receive a 2015 financial year distribution yield of 8.2%.



*Lyn Shaddock / Independent Chairman*

### USE OF PROCEEDS

The proceeds of the Rights Offer will be used to partly fund the acquisition of the NSW Police Headquarters office building which Growthpoint has agreed to acquire for a purchase price of \$241.1 million. The balance of the acquisition will be funded via an expansion of Growthpoint's existing syndicated debt facility and by using undrawn debt capacity.

The property is a high quality A-grade office building which is 100% leased to the NSW State Government with a significant remaining lease term of 10 years, plus a further 5 year option. The acquisition is a continuation of Growthpoint's strategy to acquire high quality, modern assets, located in prime markets with long lease terms and fixed rental increases which will underpin the future growth of Growthpoint's distributable income. Following the acquisition of \$208 million of industrial properties in 2013 and 2014, this acquisition will further diversify Growthpoint's high quality portfolio and has again demonstrated the Group's ability to source and execute quality transactions for the benefit of securityholders.

Further details of the acquisition and the impact on Growthpoint's portfolio can be found in the investor presentation and ASX announcement which are included in this booklet.

### OVERVIEW OF THE RIGHTS OFFER

Existing Securityholders will receive 1 renounceable right ("**Rights**") for every 9.37 stapled securities held on the record date for the Rights Offer. Securityholders who are eligible to participate in the Rights Offer may choose to apply for all or some of their Rights, sell some or all of their Rights or do nothing. The Rights will trade on the Australian Securities Exchange during the Rights trading period under the ASX code "GOZRA".

Securityholders who take up their entitlement in full may also apply for additional stapled securities in excess of their entitlement. However, there is no guarantee that they will be allocated any additional stapled securities.<sup>1</sup>

New stapled securities issued under the Rights Offer are expected to be issued on 30 June 2014 and will therefore not be entitled to receive the distribution for the half year ending 30 June 2014 (as they will be issued after the ex-date for that distribution), but will rank equally with existing Growthpoint stapled securities in all other respects.

The Rights Offer is not underwritten. Growthpoint's major securityholder, Growthpoint Properties of South Africa ("**Growthpoint SA**") has committed to taking up its full entitlement under the Rights Offer (approximately \$80 million worth of new stapled securities).

### PARTICIPATING IN THE RIGHTS OFFER

This booklet contains important information on the Rights Offer to assist you in deciding whether to participate in the Rights Offer. You will find in this booklet the following important information:

- › Timetable of key dates of the Rights Offer
- › Instruction on "How to apply", detailing how to accept all or part of your Rights, or to apply for new stapled securities in excess of your entitlement, if you choose to do so
- › ASX announcements in relation to the Rights Offer and the property acquisition
- › A personalised Entitlement and Acceptance Form.

1. The Sole Lead Manager, in consultation with Growthpoint, reserves the right to determine the allocation of stapled securities that form part of any shortfall

You should read this booklet carefully and in its entirety before deciding whether to accept the Rights Offer, including in particular the 'Key Risks' section of the investor presentation. You should obtain financial advice before deciding whether or not to participate in the Rights Offer.

To participate in the Rights Offer, you will need to either complete the Entitlement and Acceptance Form and send this to Growthpoint's share registry together with your payment application monies or pay through BPAY®<sup>2</sup>. You must apply for new stapled securities before 5.00pm on Monday, 23 June 2014, otherwise your Rights will lapse and may be sold on your behalf. You will not receive any value for your Rights if they lapse.

On behalf of the Growthpoint Board and management team, I encourage you to consider this investment opportunity and thank you for your continued support.

Yours sincerely



**Lyn Shaddock**  
Independent Chairman  
Growthpoint Properties Australia

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2. ® registered to BPAY Pty Limited ABN 69 079 137 518







## SECTION 2:

# KEY DATES FOR THE RIGHTS OFFER

EVENT	DATE
Rights Offer announced	<i>Tuesday, 3 June 2014</i>
Stapled Securities quoted on an 'ex' Rights basis	<i>Thursday, 5 June 2014</i>
Rights trading commences	
Record Date	<i>7.00pm on Tuesday, 10 June 2014</i>
Rights Offer opens	<i>Thursday, 12 June 2014</i>
Mailing of Offer Booklet and Entitlement and Acceptance Forms to Eligible Securityholders	<i>Thursday, 12 June 2014</i>
Last day of Rights trading on ASX	<i>Monday, 16 June 2014</i>
Trading of New Stapled Securities on ASX expected to commence on a deferred settlement basis	<i>Tuesday, 17 June 2014</i>
Closing Date and last day for acceptance and payment	<i>5.00pm on Monday, 23 June 2014</i>
Shortfall Bookbuild (if any)	<i>Thursday, 26 June 2014</i>
Issue of New Stapled Securities*	<i>Monday, 30 June 2014</i>
Despatch of holding statements*	<i>Tuesday, 1 July 2014</i>
Trading of New Stapled Securities on ASX expected to commence on a normal T+3 basis*	<i>Tuesday, 1 July 2014</i>
Issue of New Stapled Securities issued under Shortfall Bookbuild (if any)	<i>Wednesday, 2 July 2014</i>

Note: Dates and times are indicative only and subject to change. All times and dates refer to Melbourne, Australia time.

\*Excluding any New Stapled Securities issued under the Shortfall Bookbuild.

Applicants are encouraged to submit their applications and Application Money as soon as possible after the Rights Offer opens. Growthpoint Properties Australia reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws or regulations, to vary any of the above dates of the Rights Offer, including extending the Rights Offer or accepting late applications, either generally or in particular cases, without notice. Any extension of the closing date will have a consequential effect on the issue date of the New Stapled Securities.

## SECTION 3:

# ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA TRUST ARSN 120 121 002  
GROWTHPOINT PROPERTIES AUSTRALIA LIMITED ABN 33 124 093 901 AFSL 316409

**GROWTHPOINT**  
PROPERTIES

### ASX ANNOUNCEMENT GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

3 June 2014

#### SIGNIFICANT PROPERTY ACQUISITION AND \$125 MILLION EQUITY RAISING

Growthpoint Properties Australia ("Growthpoint") today announces that it has exchanged contracts for the acquisition of the New South Wales Police Headquarters in Parramatta ("Acquisition")<sup>1</sup>. The Acquisition will be funded by an equity raising of \$80 to \$125 million and, depending on equity take-up, \$131 to \$176 million from expanded existing debt facilities.

Growthpoint also confirms its full year FY14 distributable earnings and distribution guidance and provides guidance for FY15.

#### Highlights

- Acquisition of the NSW Police Headquarters in Parramatta for \$241.1 million<sup>2</sup>
- Rights issue to raise up to \$125 million at an offer price of \$2.40
- Existing debt facility limit increased by \$100 million<sup>3</sup>
- Full year FY14 distribution guidance remains at 19.0 cents per stapled security
- Distributable income guidance for FY15 of 20.3 to 20.6 cents per stapled security
- Distribution guidance for FY15 of 19.7 cents per stapled security
- At the offer price, new stapled securities are expected to provide a FY15 DPS yield of 8.2%<sup>4</sup>

#### Acquisition of NSW Police Headquarters

##### Summary of key metrics for the Acquisition:

- Purchase price: \$241.1 million<sup>1</sup>
- FY15 yield: 7.6%
- Weighted average lease expiry ("WALE"): 10 years<sup>5</sup> with a further 5 year option
- Rent increases: Fixed 3.5% increases per annum, with adjustments made quarterly
- Independent valuation: Colliers have valued the property at \$241.1 million as at 30 June 2014

Growthpoint has exchanged contracts with AustralianSuper to acquire the NSW Police Headquarters, an A-grade office building for a purchase price of \$241.1 million, providing a FY15 yield of 7.6%<sup>1</sup>. It is expected that the sale will be completed by 30 June 2014. The property is fully leased to the 'AAA' rated NSW State Government with a significant remaining lease duration of 10 years and a further 5 year option period.

The property is strategically located at 1 Charles Street in the heart of the Parramatta CBD and benefits from excellent transport links and local amenities. The property enjoys close proximity to the Parramatta Transport Interchange (rail and bus) as well as super-regional Westfield Parramatta and Church Street Mall. 1 Charles Street is also positioned close to the \$1.6 billion Parramatta Square redevelopment precinct, which will comprise a six stage development of residential apartments, commercial buildings and community facilities. Parramatta is the primary office CBD of Western Sydney with around 700,000 square metres of office space. The vacancy rate for "A grade" office in Parramatta is currently 0.5%<sup>6</sup>, which compares favourably to other major Australian office markets. The location is expected to benefit significantly from the redevelopment of Parramatta Square and extensive government infrastructure spending in Western Sydney over the next decade including development of Sydney's second international and domestic airport at Badger's Creek.

Completed in 2003, the building offers 31,954.1m<sup>2</sup> of lettable area across two towers both with large, efficient floor plates. The award winning building features a number of innovative design features including environmental initiatives to minimise heat gain, reduce glare and harvest rainwater and boasts a 4.5 star

<sup>1</sup> The contract is subject to a number of conditions including entering into deeds with the tenant and third parties. These are expected to be satisfied prior to 30 June 2014.

<sup>2</sup> Excluding acquisition costs. Under the lease, Growthpoint also assumes responsibility for a \$6 million contribution to works at the property which the tenant can call on from June 2019.

<sup>3</sup> The increased debt facility remains subject to execution of a number of ancillary documents.

<sup>4</sup> Based on guidance of 19.7 cents per stapled security.

<sup>5</sup> As at 31 May 2014.

<sup>6</sup> Jones Lang LaSalle Research (Q4, 2013 data)

## GROWTHPOINT PROPERTIES

NABERS Energy rating. The property also features a high car parking allocation of 444 underground car spaces.

Growthpoint Managing Director, Timothy Collyer, said,

"The Acquisition is a continuation of our strategy to acquire high quality, modern assets located in prime markets with long WALE and fixed rental increases which will underpin the future growth of Growthpoint's distributable income. The Acquisition also increases Growthpoint's weighting to NSW from 12% to 22% in accordance with a deliberate strategy to increase exposure to this State.

This transaction and the \$208 million of industrial properties purchased in 2013 and 2014 have further diversified Growthpoint's high quality portfolio and has again demonstrated the group's ability to source and execute quality transactions across sectors for the benefit of securityholders. We will continue to seek investment opportunities in both office and industrial property markets."

### Equity raising

Growthpoint is undertaking a 1 for 9.37 renounceable rights issue to raise up to \$125 million in new equity at an offer price of \$2.40 per new Growthpoint stapled security ("**Rights Offer**"). The offer price represents a 3.9% discount to Growthpoint's distribution adjusted last closing price on 2 June 2014 and a 1.2% discount to the distribution adjusted 5-day volume weighted average price to 2 June 2014. At the offer price, new stapled securities are expected to provide a FY15 DPS yield of 8.2%<sup>7</sup>.

Growthpoint's major securityholder, Growthpoint Properties Limited of South Africa ("**Growthpoint SA**") has committed to take up its full entitlement under the Rights Offer (approximately \$80 million worth of new stapled securities). The Rights Offer is not underwritten.

Existing Growthpoint securityholders will receive 1 renounceable right ("**Rights**") for every 9.37 stapled securities held on the record date of the Rights Offer. Securityholders who are eligible to participate in the Rights Offer (being those securityholders with a registered address in Australia, New Zealand or South Africa or who are otherwise eligible to participate) may choose to apply for all or some of their Rights, sell some or all of their Rights or do nothing. The Rights will trade on the Australian Securities Exchange during the rights trading period under the ASX code "GOZRA".

Eligible securityholders who take up their entitlements in full may also apply for additional stapled securities at the offer price of \$2.40. Additional stapled securities will only be available where there is a shortfall between applications received from eligible securityholders (or persons to whom Rights have been transferred or sold) and the number of new stapled securities proposed to be issued under the Rights Offer. Securityholders who apply for additional stapled securities may be allocated a lesser number of additional stapled securities than applied for, or may be allocated no additional stapled securities at all. Growthpoint may scale back applications for additional stapled securities. After the Rights Offer closes, if a sufficient shortfall remains following the allocation of additional stapled securities (if any), Growthpoint may offer to sell new stapled securities to existing and new institutional investors via a bookbuild at the offer price of \$2.40 for any remaining stapled securities relating to any Rights not taken up. In this event, securityholders whose Rights are sold through the bookbuild will receive no value for those Rights.

New stapled securities issued under the Rights Offer will not be entitled to the distribution for the half year ending 30 June 2014. All new stapled securities will rank equally with existing stapled securities for future distributions and in all other respects. Further detail in relation to the Rights Offer will be provided to eligible Growthpoint securityholders in the Rights Offer booklet.

<sup>7</sup> Based on guidance of 19.7 cents per stapled security





### Expanded debt facility

In order to partly fund the Acquisition, Growthpoint has secured a \$100 million expansion of its existing Syndicated Debt Facility. This \$100 million tranche is for an initial term of one year with Growthpoint having the option to convert this into a further two or four year tranche at agreed margins under the Syndicated Debt Facility.

Growthpoint will also draw on remaining undrawn capacity within the Syndicated Debt Facility up to a maximum of \$75.9 million to partly fund the Acquisition, with the final amount drawn dependent on the take up under the Rights Offer. The weighted average cost of debt across all facilities (including the expanded facility) is expected to be 5.79% per annum (including margin).

Pro forma balance sheet gearing is expected to be 43.4% to 45.6%, depending on the take-up of the Rights Offer.

### FY14 distributable earnings and distribution confirmation and FY15 guidance

Growthpoint confirms its FY14 distributable income guidance of 19.6 to 20.0 cents per stapled security and full year distribution of 19.0 cents per stapled security remains unchanged. Securities issued in the Rights Offer will not be eligible to any share in the FY14 distribution.

Growthpoint expects FY15 distributable income of 20.3 to 20.6 cents per stapled security and a distribution of 19.7 cents per stapled security, representing an expected 3.7% growth in distribution from FY14<sup>8</sup>.

A distribution reinvestment plan is expected to be in operation for the August 2014 distribution allowing investors to reinvest their distribution at, currently, a 2% discount to the value weighted average price for the 10 trading days from 2 July 2014<sup>9</sup>.

Growthpoint's Managing Director, Timothy Collyer, said, "the equity raising, in conjunction with the expansion of our existing debt facility, supports the Acquisition of a large, high quality office asset in New South Wales and further strengthens Growthpoint's portfolio. Growthpoint's distributable income growth is supported by the addition of another high quality tenant, an increase in average fixed rental reviews and a lengthened WALE."

### Indicative Equity Raising timetable

Event	Indicative date
Announcement of Rights Offer via ASX	Tuesday, 3 June 2014
Ex-date for Rights and commencement of Rights trading	Thursday, 5 June 2014
Rights Offer record date	Tuesday, 10 June 2014
Rights Offer opens	Thursday, 12 June 2014
Despatch of Rights Offer booklet	Thursday, 12 June 2014
Rights trading period ends	Monday, 16 June 2014
Rights Offer closes	Monday, 23 June 2014
Bookbuild for Rights Offer shortfall securities (if any)	Thursday, 26 June 2014
Allotment of new stapled securities issued under the Rights Offer <sup>10</sup>	Monday, 30 June 2014

Times refer to Melbourne, Australia time. Growthpoint reserves the right to vary the timetable subject to the requirements of the ASX Listing Rules, Corporations Act and other applicable laws.

### Timothy Collyer, Managing Director

**Media and investor enquiries should be directed to:**  
Aaron Hockly, Company Secretary

<sup>8</sup> This distributable income guidance of Growthpoint, and distributable income in future years, assumes, among other things, that Growthpoint is able to re-let vacant space within the timeframes and on the terms anticipated by Growthpoint. Refer to the "Important notice and disclaimer" at the end of this announcement for more details about assumptions and limitations of guidance.

<sup>9</sup> Growthpoint's board reserves the right to alter or cancel the distribution reinvestment plan at any time.

<sup>10</sup> Excluding securities issued under the shortfall bookbuild (if any) with such securities to be issued on 2 July 2014.



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### **Growthpoint Properties Australia**

Growthpoint Properties Australia is a publicly traded ASX listed A-REIT (ASX Code: GOZ) that specialises in the ownership and management of quality investment property. Including the Acquisition, GOZ owns interests in a diversified portfolio of 51 office and industrial properties throughout Australia valued at over \$2 billion and has an investment mandate to invest in office, industrial and retail property sectors.

GOZ aims to grow its portfolio over time and diversify its property investment by asset class, geography and tenant exposure through individual property acquisitions, portfolio transactions and corporate activity (M&A transactions) as opportunities arise.

### **Important notice and disclaimer**

The Rights Offer does not constitute an offer, and stapled securities will not be issued or sold under the Rights Offer, in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, issue or sale. No action has been taken to register or qualify the stapled securities or to otherwise permit a public offering of stapled securities outside Australia, New Zealand and South Africa. The stapled securities may be offered, issued or sold in any other jurisdiction under the Rights Offer where such an offer, issue or sale is permitted under applicable law.

This announcement is for information purposes only and is not financial product or investment advice or a recommendation to acquire stapled securities. The information provided in this announcement is not advice to investors or potential investors and has been prepared without taking into account the investment objectives, financial circumstances, taxation position or particular needs of investors. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate legal, financial and taxation advice. Growthpoint is not licensed to provide financial product advice. Cooling-off rights do not apply to an investment in stapled securities.

This announcement contains summary information about Growthpoint and is dated 3 June 2014. The information in this announcement is of general background and does not purport to be complete or comprehensive, nor does it purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with Growthpoint's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange ("ASX"), which are available at [www.asx.com.au](http://www.asx.com.au).

This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "predict", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, opinions and estimates are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Growthpoint that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements and neither Growthpoint, nor any of its directors, employees, advisers or agents assume any obligation to update such information. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the industries in which Growthpoint operates. Please refer to the "Key Risks" section of the investor presentation released to the ASX on the date of this announcement for further information regarding these risk factors.



## SECTION 4:

# HOW TO APPLY

### THE RIGHTS OFFER

Growthpoint Properties Australia is making a Rights Offer of New Stapled Securities to Securityholders who have a registered address in Australia, New Zealand, South Africa or, for Institutional Securityholders, certain jurisdictions as determined by Growthpoint Properties Australia, (and who are not otherwise ineligible within the definition of 'Excluded Securityholders' in the Glossary).

Eligible Securityholders who are on Growthpoint Properties Australia's security register at 7.00 pm (Melbourne time) on Tuesday, 10 June 2014 (**Record Date**) will be entitled to apply for 1 New Stapled Security for every 9.37 Stapled Securities held on that date, at an issue price of \$2.40 per New Stapled Security (**Offer Price**). The Offer Price is payable in full on application.

The number of New Stapled Securities to which you are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. In determining Entitlements, any fractional entitlements have been rounded up to the nearest whole number of Stapled Securities.

The New Stapled Securities will be fully paid.

### DISTRIBUTION ENTITLEMENT OF THE NEW STAPLED SECURITIES

New Stapled Securities issued under the Rights Offer will **not** be entitled to any distributions for the full year ending 30 June 2014. This is because the New Stapled Securities will be issued after the ex-date for that distribution on an 'ex-distribution' basis.

New Stapled Securities issued under the Rights Offer will be entitled to the full amount of any distributions for the half year ending 31 December 2014 and will rank equally with existing securities in all other respects.

### AMOUNT TO BE RAISED

Up to approximately 52.1 million New Stapled Securities will be issued and Growthpoint Properties Australia will raise up to approximately \$125 million under the Rights Offer.

### UNDERWRITING AND PARTICIPATION OF MAJOR SECURITYHOLDER

Growthpoint SA, which holds approximately 64% of the issued capital of Growthpoint Properties Australia, has committed to subscribe for its full Entitlement under the Rights Offer.

The Offer will be managed by Merrill Lynch Equities (Australia) Limited (**Merrill Lynch or Sole Lead Manager**). The Offer will not be underwritten.

The degree to which Growthpoint SA's interest in Growthpoint will increase (if at all) will depend on the rate of take-up by other Eligible Securityholders and the extent to which any Stapled Securities not taken up by Eligible Securityholders are sold in the Shortfall Bookbuild.

If no other Eligible Securityholders take up their Entitlements, and no Stapled Securities that represent Shortfall are sold through the Shortfall Bookbuild, Growthpoint SA's holding would increase to around 66.3% post the Rights Offer.

Growthpoint SA does not currently intend to make any material changes to the business of Growthpoint Properties Australia despite any increase in its securityholding.

### RIGHTS TRADING

The Rights Offer is renounceable. This means that Eligible Securityholders who do not wish to take up all or some of their Entitlement may sell or transfer the rights to their Entitlement (**Rights**). Information on how Rights may be sold or transferred is set out below. The Rights will be quoted on ASX. If you decide not to exercise all or part of your Rights, you should consider whether to renounce your Rights.

Excluded Securityholders will not be able to sell or transfer their Rights on ASX or otherwise.

### ADDITIONAL STAPLED SECURITIES

Eligible Securityholders may, in addition to taking up their Entitlement in full, apply for Additional Stapled Securities in excess of their Entitlements. Additional Stapled Securities will only be available where there is a shortfall (**Shortfall**) between applications received from Eligible Securityholders (or from persons to whom Rights have been transferred or sold) and the number of New Stapled Securities proposed to be issued under the Rights Offer (excluding the Rights of Excluded Securityholders). Additional Stapled Securities will be issued at the Offer Price of \$2.40 per New Stapled Security. The allocation of Additional Stapled Securities, and any scaleback, will be determined by Growthpoint Properties Australia in consultation with the Sole Lead Manager.

### ALLOCATION POLICY

All Eligible Securityholders who apply for New Stapled Securities will, at a minimum, have their applications satisfied up to their Entitlement, unless all or part of the Rights Offer is withdrawn. If applications for Additional Stapled Securities exceed the Shortfall, Growthpoint Properties Australia may scale back applications for Additional Stapled Securities based on factors including the pro rata entitlement of Applicants that apply for Additional Stapled Securities and the expansion of Growthpoint Properties Australia's securityholder base.

Allocation of Stapled Securities forming part of any Shortfall will be determined by the Sole Lead Manager in consultation with Growthpoint Properties Australia. Eligible Securityholders who apply for Additional Stapled Securities may be allocated a lesser number of Additional Stapled Securities than applied for, or may be allocated no Additional Stapled Securities at all, in which case excess Application Money will be refunded without interest.

### SHORTFALL BOOKBUILD

Growthpoint Properties Australia may offer to sell the New Stapled Securities representing the Shortfall post any allocation of Additional Stapled Securities through a bookbuild to existing and new institutional investors (**Shortfall Bookbuild**), which would take place after the Rights Offer closes.

New Stapled Securities issued under the Shortfall Bookbuild (if any) will be sold at the Offer Price of \$2.40. Consequently, Rights holders will receive no value for their Rights not taken up.

Growthpoint Properties Australia retains the absolute discretion to not conduct a Shortfall Bookbuild if, in its opinion, there are insufficient New Stapled Securities available to properly conduct a bookbuild.

### ALTERNATIVES AVAILABLE

If you are an Eligible Securityholder, you may take any of the following actions:

1. Take up your Entitlement in full\*.
2. Take up your Entitlement in full and apply for Additional Stapled Securities\*.
3. Sell your Rights in full on ASX\*.
4. Take up part of your Entitlement and sell the remaining Rights on ASX\*.
5. Take up part of your Entitlement\*.

6. Transfer all or part of your Rights to another person other than via ASX, with or without taking up the balance of your Entitlement\*.
7. Do nothing and allow all of the New Stapled Securities representing your Entitlement to be offered to other Eligible Securityholders who apply for Additional Stapled Securities or sold through the Shortfall Bookbuild, if one is conducted (in which case you will receive no value for your Rights) (refer to page 11 'Shortfall Bookbuild').

**\*Note: refer below for details of 'What You Need to Do'**

As a result of this Rights Offer, Securityholders who do not take up all of their Entitlement will have their percentage securityholding in Growthpoint Properties Australia diluted.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Stapled Securities. The sale by

Applicants of New Stapled Securities prior to the receipt of a holding statement is at the Applicant's own risk.

### ENQUIRIES

If you are in doubt as to the course you should follow you should consult your stockbroker, accountant, solicitor or other independent professional adviser.

If you have:

- › questions about how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- › lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Growthpoint Properties Australia Securityholder Information line on 1300 665 792 (local call cost within Australia) or on +61 3 9415 4366 (from outside Australia) between 8.30am and 5:00pm (Melbourne time) Monday to Friday from Tuesday, 10 June 2014 to Monday, 23 June 2014.

### WHAT YOU NEED TO DO

<b>1. TAKING UP ALL OF YOUR ENTITLEMENT</b>	<p>If you wish to take up all of your Entitlement, either:</p> <ul style="list-style-type: none"> <li>› complete and return the personalised Entitlement and Acceptance Form together with a cheque, bank draft or money order for the applicable amount of the Application Money; or</li> <li>› make payment of the applicable amount of the Application Money using BPAY<sup>®3</sup> (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form),</li> </ul> <p>in each case in accordance with the instructions on the Entitlement and Acceptance Form.</p>
<b>2. TAKE UP ALL OF YOUR ENTITLEMENT AND APPLY FOR ADDITIONAL STAPLED SECURITIES</b>	<p>If you wish to take up all of your Entitlement and apply for Additional Stapled Securities either:</p> <ul style="list-style-type: none"> <li>› complete and return the personalised Entitlement and Acceptance Form together with a cheque, bank draft or money order for the applicable amount of the Application Money (for your Entitlement plus the amount you wish to subscribe for Additional Stapled Securities); or</li> <li>› make payment of the applicable amount of the Application Money (for your Entitlement plus the amount you wish to subscribe for Additional Stapled Securities) using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form),</li> </ul> <p>in each case in accordance with the instructions on the Entitlement and Acceptance Form.</p> <p>Allocations of Additional Stapled Securities may be scaled back by Growthpoint Properties Australia in consultation with the Sole Lead Manager. There is no assurance you will be allocated any Additional Stapled Securities.</p>
<b>3. SELLING ALL OF YOUR RIGHTS ON ASX</b>	<p>If you wish to sell all your Rights on ASX, you should instruct your stockbroker personally and provide details set out on the Entitlement and Acceptance Form.</p> <p>Rights trading on ASX is expected to commence on Thursday, 5 June 2014, with the sale of your Rights to be completed by Monday, 16 June 2014 when Rights trading ceases.</p> <p>Please note that you may incur brokerage if you choose to sell your Entitlement on ASX. Eligible Securityholders who sell their Rights before receiving confirmation of their Entitlement in their personalised Entitlement and Acceptance Form do so at their own risk.</p>

3. <sup>®</sup> registered to BPAY Pty Limited ABN 69 079 137 518



## WHAT YOU NEED TO DO

<b>4. TAKING UP PART OF YOUR ENTITLEMENT AND SELLING THE REMAINING RIGHTS ON ASX</b>	<p>If you wish to take up part of your Entitlement and sell the remaining Rights on ASX:</p> <ul style="list-style-type: none"> <li>› <b>in respect of the Rights to be sold</b>, instruct your stockbroker personally and provide details set out on the Entitlement and Acceptance Form; and</li> <li>› <b>in respect of the part of your Entitlement you are taking up</b>, either: <ul style="list-style-type: none"> <li>– complete and return the slip attached to the Entitlement and Acceptance Form together with a cheque, bank draft or money order for the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up); or</li> <li>– make payment of the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up) using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form),</li> </ul> </li> </ul> <p>in each case in accordance with the instructions on the Entitlement and Acceptance Form.</p>
<b>5. TAKING UP PART OF YOUR ENTITLEMENT</b>	<p>If you wish to take up only part of your Entitlement under the Rights Offer, either:</p> <ul style="list-style-type: none"> <li>› complete and return the slip attached to the Entitlement and Acceptance Form together with a cheque, bank draft or money order for the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up); or</li> <li>› make payment of the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up) using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form),</li> </ul> <p>in each case in accordance with the instructions on the Entitlement and Acceptance Form.</p>
<b>6. TRANSFER ALL OR PART OF YOUR RIGHTS OTHER THAN ON ASX</b>	<p>You may elect to transfer all or part of your Rights to another person other than on ASX, provided that the purchaser is not an Excluded Securityholder (or would not be an Excluded Securityholder if the purchaser was the registered holder of Stapled Securities).</p> <p>To do this you must:</p> <ul style="list-style-type: none"> <li>› <b>in respect of the Rights to be sold</b>, if you are a CHESS sponsored holder, please contact your stockbroker, otherwise, complete and return a Standard Renunciation and Acceptance Form (available from your stockbroker or by calling the Growthpoint Properties Australia Securityholder Information Line) to the Registry in accordance with the instructions on the Standard Renunciation and Acceptance Form; and</li> <li>› <b>in respect of any part of your Entitlement you are taking up</b>, either: <ul style="list-style-type: none"> <li>– complete and return the slip attached to the Entitlement and Acceptance Form together with a cheque, bank draft or money order for the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up); or</li> <li>– make payment of the applicable amount of the Application Money (for the number of New Stapled Securities you wish to take up) using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form),</li> </ul> </li> </ul> <p>in each case in accordance with the instructions on the Entitlement and Acceptance Form.</p>
<b>7. DO NOTHING</b>	<p>If you do nothing, you will be taken to have authorised the sale of those securities that represent Entitlements by allocation as Additional Stapled Securities or in a Shortfall Bookbuild. Although you will continue to own the same number of Stapled Securities, your securityholding in Growthpoint Properties Australia will be diluted.</p> <p>As the price for which your Entitlement will be sold in the Shortfall Bookbuild is the Offer Price, you will not receive any value for your Entitlement not taken up.</p> <p>The tax consequences from selling your Entitlement or from doing nothing may be different. Before selling your Entitlement or choosing to do nothing in respect of your Entitlement, you should seek your own tax advice.</p>

## PAYMENT

You can pay in the following ways:

- › BPAY (in which case you do not need to return the Entitlement and Acceptance Form); or
- › cheque, bank draft or money order.

## GENERAL

Cash payments will not be accepted. Receipts for payment will not be issued.

Any Application Money received for more than your final allocation of New Stapled Securities (including any Additional Stapled Securities applied for) will be refunded as soon as practicable. If you subscribe for less than your full Entitlement or do not pay for your full Entitlement, you are taken to have taken up your Entitlement in respect of the whole number of New Stapled Securities that is covered in full by your Application Money. Any Application Money received for more than your final allocation of New Stapled Securities and Additional Stapled Securities that is below a sum of \$2.40 will not be refunded. No interest will be paid to Applicants on any Application Money received or refunded.

## PAYMENT BY BPAY

For payment by BPAY please follow the instructions on the personalised Entitlement and Acceptance Form however please note that you do not need to return the Entitlement and Acceptance Form if you take up your Rights via this method. You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

Please note that should you choose to pay by BPAY:

- › **you do not need to return the slip attached to the personalised Entitlement and Acceptance Form** but are taken to make the declarations and other statements on the Entitlement and Acceptance Form (and in this Offer Booklet) as if you had returned the slip;

- › if you do not pay for your full Entitlement, you will be regarded as having taken up your Entitlement in respect of such whole number of New Stapled Securities which is covered in full by your Application Money; and
- › if you apply for Additional Stapled Securities and do not pay for the full number of Additional Stapled Securities applied for, you will be regarded as having applied for such whole number of Additional Stapled Securities which is covered in full by your Application Money.

It is your responsibility to ensure that your BPAY payment is received by no later than 5.00pm (Melbourne time) Monday, 23 June 2014. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

## PAYMENT BY CHEQUE, BANK DRAFT OR MONEY ORDER

For payment by cheque, bank draft or money order, you should complete your Entitlement and Acceptance Form in accordance with the instructions on that form and return the slip accompanied by a cheque, bank draft or money order for the amount of the Application Money, payable to 'Growthpoint Properties Australia Limited' and crossed 'Not Negotiable'.

Your cheque, bank draft or money order must be:

- › for an amount equal to \$2.40 multiplied by the number of New Stapled Securities (including any Additional Stapled Securities) that you are applying for; and
- › in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Money as your cheques will be processed on the day of receipt. If the amount of your cheque for Application Money (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Stapled Securities you have applied for, including any Additional Stapled Securities, you will be taken to have applied for such lower number of whole New Stapled Securities

as your cleared Application Money will pay for (and to have specified that number of New Stapled Securities on your Entitlement and Acceptance Form). Alternatively, your application may not be accepted in Growthpoint Properties Australia's absolute discretion.

## MAILING ADDRESS

To participate, the slip attached to the Entitlement and Acceptance Form and your payment (or, if you are paying by BPAY, your payment only) must be received no later than the close of the Rights Offer, at 5.00pm (Melbourne time) on Monday, 23 June 2014. The address for completed slips and cheques/ bank drafts/money orders is:

Growthpoint Properties Australia  
c/- Computershare Investor Services  
Pty Limited  
GPO Box 505  
Melbourne VIC 3001  
AUSTRALIA

A reply paid or self-addressed envelope is provided with this Offer Booklet for Securityholders in Australia. New Zealand and South African holders will need to affix the appropriate postage.

## EFFECT OF PARTICIPATING

### GENERAL

By completing and returning the slip attached to your personalised Entitlement and Acceptance Form (directly or via your stockbroker) with the requisite Application Money, or making a payment by BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form), or by otherwise applying to participate, you do each of the following:

- (a) You authorise Growthpoint Properties Australia to register you as the holder(s) of the New Stapled Securities allotted to you, and authorise Growthpoint Properties Australia and its officers or agents to do anything on your behalf necessary for the New Stapled Securities to be issued to you, including to act on instructions of Growthpoint Properties Australia's registry upon using the contact details set out in the Entitlement and Acceptance Form.



- (b) You agree to apply for, and be issued with up to, the number of New Stapled Securities that you apply for at the offer price of \$2.40, and agree to be bound by the terms of this Offer Booklet and the provisions of the Growthpoint Properties Australia Limited constitution and the Growthpoint Properties Australia Trust constitution.
- (c) You declare that:
- all details and statements made in the Entitlement and Acceptance Form are complete and accurate;
  - if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Rights Offer; and
  - you are the current registered holder(s) of the Stapled Securities in your name at the Record Date.
- (d) You acknowledge that:
- once Growthpoint Properties Australia receives your application slip or your payment by BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form), you may not withdraw it except as allowed by law; and
  - the information contained in this Offer Booklet is not investment advice or a recommendation that New Stapled Securities are suitable for you, given your investment objectives, financial situation or particular needs.
- (e) You represent and warrant that:
- you are an Eligible Securityholder; and
  - the law of any place does not prohibit you from being given this Offer Booklet or making an application for New Stapled Securities.

#### JURISDICTIONAL REPRESENTATIONS AND ACKNOWLEDGMENTS

By completing and returning the slip attached to your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement

and Acceptance Form), or by otherwise applying to participate, you will also be deemed to have represented on behalf of each person on whose account you are acting that:

- (a) you are not in the United States and are not a U.S. Person, and are not acting for the account or benefit of, a U.S. Person;
- (b) you acknowledge that the New Stapled Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia, New Zealand or South Africa and accordingly, the New Stapled Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- (c) you have not and will not send any materials relating to the Rights Offer to any person in the United States or that is, or is acting for the account or benefit of a U.S. Person;
- (d) if you (or any person for whom you are acquiring the New Stapled Securities) are in Hong Kong, you (and any such person) are a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- (e) If you (or any person for whom you are acquiring the New Stapled Securities) are in Singapore, you (and any such person):
  1. are an "institutional investor" (as such term is defined in the Securities and Futures Act of Singapore (SFA));
  2. will acquire the New Stapled Securities in accordance with applicable provisions of the SFA; and
  3. acknowledge that the offer of the New Stapled Securities is subject to the restrictions (including selling restrictions) set out in the SFA;

#### ROLE OF YOUR STOCKBROKER

Where you elect to sell Rights, your stockbroker will act on your behalf. Growthpoint Properties Australia accepts no responsibility for any failure by your stockbroker to carry out your instructions. Persons buying Rights will need to pay the Application Money to take them up and should follow the directions of their stockbroker.

#### ENTITLEMENTS OF EXCLUDED SECURITYHOLDERS

In compliance with Listing Rule 7.7.1 and sections 708AA and 1012DAA (including section 9A) of the Corporations Act, Growthpoint Properties Australia will arrange for the sale on ASX of the Rights that would have been granted to Excluded Securityholders. Growthpoint Properties Australia will direct the net proceeds (if any) to Excluded Securityholders.

The Sole Lead Manager will have the absolute and sole discretion to determine the timing and the price at which the Rights may be sold and the manner in which any sale is made. Any interest earned or the proceeds of the sale of these Rights will be applied against the expenses of such sale, including brokerage, and any balance will accrue to Growthpoint Properties Australia.

The net proceeds of sale (if any) will be paid in Australian dollars to the Excluded Securityholders for whose benefit the Rights have been sold in proportion to their securityholdings (after deducting expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by Growthpoint Properties Australia for distributing those proceeds, such proceeds may be retained by Growthpoint Properties Australia.

Notwithstanding that Growthpoint Properties Australia may sell Rights, Excluded Securityholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Growthpoint Properties Australia will not be liable for a failure to sell Rights or to sell Rights at any particular price. If, in the reasonable opinion of Growthpoint

Properties Australia, there is no market for the Rights of Excluded Securityholders, or a surplus over the sale-related expenses is unlikely to be obtained for the Rights that would have been offered to the Excluded Securityholders, then the New Stapled Securities that represent these Rights may be offered for sale through the Shortfall Bookbuild, if one is conducted.

## CONSENT

None of the parties referred to in the Corporate Directory of this Offer Booklet (other than Growthpoint Properties Australia), has made or authorised the making of any statement that is included in this Offer Booklet or any statement on which a statement in this Offer Booklet is based.

To the maximum extent permitted by law each of these parties expressly disclaims and takes no responsibility for any statements in or omissions from this Offer Booklet other than references to its name or a statement or report included in this Offer Booklet with the consent of that party as specified above.

Neither Herbert Smith Freehills nor the Sole Lead Manager has provided any income taxation advice in or in relation to this Offer Booklet and has not caused or authorised the issue of this Offer Booklet.





## SECTION 5:

# IMPORTANT INFORMATION

### GENERAL

You should read the information in this Offer Booklet carefully and in its entirety before deciding whether to invest in New Stapled Securities. **In particular, you should consider the risk factors outlined in the Investor Presentation contained in this Offer Booklet at page 21-35, which was separately released to the ASX on Tuesday, 3 June 2014 that could affect the operating and financial performance of Growthpoint Properties Australia or the value of an investment in Growthpoint Properties Australia.**

Growthpoint Properties Australia has applied for the grant by ASX of official quotation of the New Stapled Securities. If the ASX does not grant quotation for the New Stapled Securities, Growthpoint Properties Australia will not allot any New Stapled Securities and all Application Money will be refunded without interest.

It is expected that normal trading will commence in relation to New Stapled Securities issued under the Rights Offer on Tuesday, 1 July 2014 (excluding any issued under any Shortfall Bookbuild). Growthpoint Properties Australia disclaims all liability (to the maximum extent permitted by law) to persons who trade New Stapled Securities before the New Stapled Securities are quoted on ASX or receiving their confirmation of issue, whether on the basis of confirmation of the allocation provided by Growthpoint Properties Australia or the Registry.

### EXCLUDED SECURITYHOLDERS

Growthpoint Properties Australia is only making an offer under the Rights Offer to Eligible Securityholders. An Eligible Securityholder is a holder of Stapled Securities who is registered as a holder of Stapled Securities as at 7.00pm (Melbourne time) on the Record Date and who is not an Excluded Securityholder.

A person will be an **Excluded Securityholder** if that person:

- › has a registered address which is not in Australia, New Zealand or South Africa (or, for Institutional Securityholders, any other jurisdiction as Growthpoint Properties Australia determines);
- › is in the United States or is a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933) or acting for the account or benefit of a U.S. Person; or
- › is ineligible under any applicable securities laws to receive an offer under the Rights Offer.

Growthpoint Properties Australia has decided that it is unreasonable to extend the Rights Offer to Excluded Securityholders having regard to:

- › the number of Securityholders outside Australia, New Zealand and South Africa;
- › the number and value of New Stapled Securities that would be offered to Securityholders outside of Australia, New Zealand and South Africa; and
- › the cost of complying with the legal requirements, and requirements of regulatory authorities, in the overseas jurisdictions.

### NOT INVESTMENT ADVICE

The information in this Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It does not contain all the information that would be required to be included in a prospectus. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Growthpoint Properties Australia is not licensed to provide financial product advice in respect of the New Stapled Securities.

The information in this Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Stapled Securities.

Before deciding whether to apply for New Stapled Securities (including any Additional Stapled Securities), you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks

involved. If, after reading the information in this Offer Booklet, you have any questions about the Rights Offer, you should contact your stockbroker, accountant or other independent professional adviser.

### NO COOLING OFF RIGHTS

Cooling off rights do not apply to an investment in New Stapled Securities. You cannot withdraw your application once it has been accepted.

### RISKS

The 'Key Risks' section of the Investor Presentation details important factors and risks that could affect the financial and operating performance of Growthpoint Properties Australia. You should consider these risk factors carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Rights Offer.

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspects of the Rights Offer.

### TAXATION

Set out below is a summary of the Australian tax implications of the Rights Offer for Eligible Securityholders who are residents of Australia for tax purposes and who hold their Stapled Securities as capital assets.

The summary below does not apply to Eligible Securityholders who hold their Stapled Securities as assets used in carrying on a business or who may carry on the business of security trading, banking or investment.

The summary below does not apply to Eligible Securityholders whose Stapled Securities are held through an employee security plan or whose Stapled Securities are held as revenue assets or trading stock.

The summary below also does not take account of any individual circumstances of any particular Eligible Securityholder. Eligible Securityholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

The summary below is based on the law in effect as at the date of this Offer Booklet.

## ISSUE OF RIGHTS

Subject to the qualifications noted above, the issue of the Rights will not itself result in any amount being included in the assessable income of an Eligible Securityholder.

## EXERCISE OF RIGHTS

Eligible Securityholders who exercise their Rights and are allocated New Stapled Securities (including any Additional Stapled Securities applied for and allocated) will have a cost base for capital gains tax (CGT) purposes of their new units and shares in, respectively, Growthpoint Properties Australia Trust (the **Trust**) and Growthpoint Properties Australia Limited equal to a reasonable apportionment of the offer price payable by them for those stapled securities plus a reasonable apportionment of any non-deductible incidental costs they incur in acquiring them.

Eligible Securityholders will not make any capital gain or loss, or assessable income, from exercising Rights or subscribing for the New Stapled Securities.

## SALE OR TRANSFER OF RIGHTS

The sale or transfer of Rights will give rise to a CGT event for a Securityholder on the date of sale or transfer. On the basis that Securityholders will have little or no cost base in their Rights, a Securityholder that:

- (a) sells their Rights on ASX will make a capital gain broadly equal to the sale proceeds received; or
- (b) transfers their Rights other than by sale on ASX will make a capital gain broadly equal to the sale proceeds received or the market value of those Rights at the time of transfer (if the sale proceeds are more or less than the market value of those Rights).

On the basis that Rights are to be issued to existing Securityholders, the Rights will be treated for the purposes of the CGT rules as having been acquired when the Securityholder's securities were acquired. In order to benefit from the CGT discount that

may be available to individuals, trust and complying superannuation funds in respect of a sale or transfer of Rights, the Securities to which the Rights relate must have been held for at least 12 months before the sale or transfer of the Rights.

## NEW STAPLED SECURITIES

Eligible Securityholders who exercise their Rights will acquire New Stapled Securities (including any Additional Stapled Securities applied for and allocated). Any future dividends or other distributions made in respect of those New Stapled Securities will be subject to the same taxation treatment as dividends or other distributions made on Stapled Securities held in the same circumstances.

If Eligible Securityholders receive a 'tax deferred' distribution, it will generally not be included in an Eligible Securityholder's assessable income. However the tax deferred component will reduce the cost base of the units in the Trust (as described above) and a capital gain will arise to the extent a tax deferred distribution exceeds the cost base of the units.

On any future disposal of New Stapled Securities, Eligible Securityholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Stapled Securities.

New Stapled Securities will be treated for the purposes of the CGT discount as having been acquired when the Eligible Securityholder exercised the Right to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those stapled securities, they must have been held for at least 12 months after that date before the disposal occurs.

## OTHER AUSTRALIAN TAXES

No Australian Goods and Services Tax (GST) or stamp duty is payable in respect of the grant or exercise of Rights or the acquisition of New Stapled Securities<sup>4</sup>.

Securityholders should seek their own professional advice.

## INFORMATION AVAILABILITY

Eligible Securityholders in Australia, New Zealand and South Africa can obtain a copy of the information in this Offer Booklet during the period of the Rights Offer via the Growthpoint Properties Australia website at [www.growthpoint.com.au](http://www.growthpoint.com.au) or by calling the Growthpoint Properties Australia Securityholder Information Line.

Persons who access an electronic version of this Offer Booklet should ensure that they download and read the entire Offer Booklet. A replacement Entitlement and Acceptance Form can be downloaded from Registry's secure website [www.investorcentre.com](http://www.investorcentre.com) or requested by calling the Growthpoint Properties Australia Securityholder Information Line on 1300 665 792 (from within Australia) or +61 3 9415 4366 (from outside Australia) between 8.30 am to 5.00 pm (Melbourne time) Monday to Friday from Tuesday, 10 June 2014 to Monday, 23 June 2014.

No party other than Growthpoint Properties Australia has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in the information in this Offer Booklet.

## FUTURE PERFORMANCE AND FORWARD LOOKING STATEMENTS

Neither Growthpoint Properties Australia nor any other person warrants or guarantees the future performance of the New Stapled Securities or any return on any investment made pursuant to the Rights Offer. Forward looking statements, opinions and estimates provided in the information in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. They are subject to known

4. This assumes that the increase (if any) in Growthpoint SA's percentage interest in Growthpoint Properties Australia as a result of the grant or exercise of Rights or the acquisition of New Stapled Securities does not result in Growthpoint SA holding (on an associated persons and associated transactions basis) an interest of 90% or more in Growthpoint Properties Australia.

and unknown risks, uncertainties and assumptions, many of which are outside the control of Growthpoint Properties Australia and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward looking statements in this Offer Booklet.

## PAST PERFORMANCE

Investors should note that the past security performance of Stapled Securities provides no guidance as to future price performance.

## GOVERNING LAW

This Offer Booklet, the Rights Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each Applicant for New Stapled Securities submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

## FOREIGN JURISDICTIONS

The information in this Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

The New Stapled Securities being offered under the information in this Offer Booklet are also being offered to Eligible Securityholders with registered addresses in New Zealand in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand). The information in this Offer Booklet is not an investment statement or prospectus under New Zealand law, and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The information in this Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Rights Offer, the Entitlements or the New Stapled Securities, or otherwise permit the public offering of the New Stapled Securities, in any jurisdiction other than Australia, New Zealand and South Africa.

The distribution of the information in this Offer Booklet (including an electronic copy)

outside Australia, New Zealand and South Africa is restricted by law. If you come into possession of the information in this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

The New Stapled Securities have not been, and will not be, registered under the U.S. Securities Act or the securities law of any state or other jurisdiction of the United States. The New Stapled Securities to be issued under the Rights Offer may be offered and sold solely outside the United States to persons that are not U.S. Persons and are not acting for the account or the benefit of U.S. Persons in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act. No Party has offered or sold and no party will offer or sell, directly or indirectly, any New Stapled Security in the United States or to, or for account or benefit of, U.S. Persons, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities law.

## SOUTH AFRICA

The offer of New Stapled Securities under the Rights Offer described in this Offer Booklet does not constitute an offer to the public in South Africa in terms of the Companies Act, 2008 (**Companies Act**) and, accordingly, this document has not been registered as a prospectus with the South African Companies and Intellectual Property Commission.

The issuer is not authorised and the New Stapled Securities are not allowed to be offered to the public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Stapled Securities may not be circulated or distributed, nor may the New Stapled Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in South Africa except to "institutional investors" (as set out in section 96(1)(a) of the Companies Act), or to shareholders pursuant to a rights offer (including this Rights Offer), or otherwise pursuant to, and in accordance with the

conditions of, any other applicable provisions of the Companies Act.

In addition, the Rights Offer does not constitute soliciting investments from members of the public in South Africa in terms of the Collective Investment Schemes Control Act, 2002 (**CISCA**) and, accordingly, Growthpoint Properties Australia has not registered as a foreign collective investment scheme in South Africa under CISCA.

## HONG KONG

**WARNING:** This document has not been, and will not be, authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise this document or to permit the distribution of this document or any documents issued in connection with it.

No advertisement, invitation or document relating to the New Stapled Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Stapled Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the New Stapled Securities are



not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Stapled Securities may not be circulated or distributed, nor may the New Stapled Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Stapled Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## DECLARATIONS

If you make an application for New Stapled Securities under the Growthpoint Properties Australia Rights Offer, you will be taken to make the declarations to Growthpoint Properties Australia that you:

- › agree to be bound by the terms of the Rights Offer;
- › authorise Growthpoint Properties Australia to register you as the holder of the New Stapled Securities allotted to you;
- › declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- › declare that, if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- › acknowledge that once Growthpoint Properties Australia receives the Entitlement and Acceptance Form or any payment of Application Monies including via BPAY, you may not withdraw it;

- › agree to apply for the number of New Stapled Securities specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies including via BPAY, at the issue price of \$2.40 per New Stapled Security;
- › agree to comply with the terms of the Growthpoint Properties Australia Limited and Growthpoint Properties Australia Trust constitution;
- › agree to be allotted the number of New Stapled Securities that you apply for;
- › authorise Growthpoint Properties Australia and the Registry and their respective officers or agents, to do anything on your behalf necessary for New Stapled Securities to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- › declare that you are the current registered holder of Stapled Securities and, unless you are an Institutional Securityholder located in a selected jurisdiction outside of Australia, New Zealand and South Africa as notified by Growthpoint Properties Australia, you are an Australian, New Zealand or South African resident with a registered address in Australia, New Zealand or South Africa and are otherwise not an Excluded Securityholder;
- › acknowledge that the information contained in this Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Stapled Securities are suitable for you given your investment objectives, financial situation or particular needs, and is not a product disclosure statement, does not contain all of the information that you may require in order to assess an investment in Growthpoint Properties Australia and is given in the context of Growthpoint Properties Australia past and ongoing continuous disclosure announcements to ASX;
- › represent and warrant that the law of any other place does not prohibit you from being given this Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Stapled Securities;
- › acknowledge the statement of risks in the 'Key Risks' section of the Investor

Presentation, and that investments in Growthpoint Properties Australia are subject to investment risk;

- › acknowledge that neither Growthpoint Properties Australia nor any of the directors, officers, employees, agents, consultants or advisors of Growthpoint Properties Australia Limited (either as responsible entity of Growthpoint Properties Australia Trust or in its own capacity) guarantees the performance of Growthpoint Properties Australia nor do they guarantee the repayment of capital from Growthpoint Properties Australia;
- › represent and warrant (for the benefit of Growthpoint Properties Australia and its affiliates) that you are not in the United States and that you are not, and you are not acting for the account or benefit of, a U.S. person;
- › acknowledge that Entitlements and New Stapled Securities have not, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia, New Zealand or South Africa and accordingly, Entitlements may not be taken up, and New Stapled Securities may not be offered, sold or otherwise transferred, in the United States or to, or for the account or benefit of, any U.S. Person except in accordance with an available exemption form, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities law;
- › agree not to send this Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Rights Offer to any person in the United States or that is, or is acting for the account or benefit of, a U.S. Person; and
- › agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Rights Offer and/or of your holding of Stapled Securities on the Record Date.

# SECTION 6: INVESTOR PRESENTATION

GROWTHPOINT PROPERTIES AUSTRALIA (ASX CODE: GOZ)

## PROPERTY ACQUISITION & EQUITY RAISING

3 June 2014

Growthpoint Properties Australia Trust  
ARSN 120 121 002  
Growthpoint Properties Australia Limited  
ABN 33 124 093 901 AFSL 316409

**GROWTHPOINT**  
PROPERTIES

## IMPORTANT INFORMATION

### DISCLAIMER

This presentation and its appendices ("Presentation") is dated 3 June 2014 and has been prepared by Growthpoint Properties Australia Limited ACN 124 093 901 (both in its capacity as responsible entity of Growthpoint Properties Australia Trust ARSN 120 121 002 and in its own capacity). Units in Growthpoint Properties Australia Trust are stapled to shares in Growthpoint Properties Australia Limited and, together form Growthpoint Properties Australia ("Growthpoint"). By receiving this Presentation, you are agreeing to the following restrictions and limitations.

### SUMMARY INFORMATION

This Presentation contains summary information about Growthpoint and is dated 3 June 2014. The information is subject to change without notice and does not purport to be complete or comprehensive. It does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with Growthpoint's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

The information in this Presentation has been obtained from or based on sources believed by Growthpoint to be reliable. To the maximum extent permitted by law, Growthpoint, the lead manager, their affiliates, officers, employees, agents and advisors do not make any warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Presentation and disclaim all responsibility and liability for the information (including, without limitation, liability for negligence).

None of the lead manager, nor any of its affiliates, related bodies corporate, directors, officers, employees, agents or advisers have authorised, caused or permitted the issue, submission or dispatch of this Presentation and, nor do they make any recommendation as to whether any potential investor should participate in the offer of securities referred to in this Presentation. None of them makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by them. Further, none of them accept any fiduciary obligation to or relationship with any investor in connection with the offer of securities or otherwise.

Growthpoint reserves the right to withdraw the Rights Offer or vary the timetable included in this Presentation.

### NOT FINANCIAL PRODUCT ADVICE

This Presentation is not financial product advice or a recommendation to acquire Growthpoint stapled securities ("Securities"). It has been prepared without taking into account any investor's objectives, financial position, situation or needs. Therefore, before making an investment decision, investors should consider the appropriateness of the information in this Presentation and have regard to their own objectives, financial situation and needs. Investors should seek such financial, legal or tax advice as they deem necessary or consider appropriate for their particular jurisdiction. Growthpoint is not licensed to provide financial product advice. Cooling off rights do not apply to the acquisition of the Securities.

### FINANCIAL INFORMATION

All information is in Australian dollars and all statistics are as at 31 December 2013 unless otherwise stated. Investors should note that this Presentation contains pro forma historical financial information. The pro forma historical financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should also be aware that certain financial data included in this Presentation are "non-IFRS financial information" under ASIC Regulatory Guide 230. Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission ("ASIC") and "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. These measures include distributions per Security, Gearing, net tangible assets, net tangible assets per Security, EPS yield, DPS yield, capitalisation rates and distribution yield. The disclosure of such non-GAAP financial measures in the manner included in this Presentation would not be permissible in a registration statement under the U.S. Securities Act of 1933, as amended ("Securities Act"). Growthpoint believes these non-IFRS financial information and non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of Growthpoint. The non-IFRS financial information and these non-GAAP financial measures do not have

a standardised meaning prescribed by Australian Accounting Standards and, therefore, are not measures of financial performance, liquidity or value under the IFRS or U.S. GAAP and may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or non-GAAP financial measures and ratios included in this Presentation.

In addition, this Presentation contains pro forma financial information, including a pro forma balance sheet. The pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the Rules of the U.S. Securities and Exchange Commission.

### FUTURE PERFORMANCE

This Presentation contains "forward-looking" statements. Forward-looking statements can generally be identified by the use of forward-looking words such as "anticipated", "expected", "projections", "guidance", "forecast", "estimates", "could", "may", "target", "consider", and "will" and other similar expressions and include, but are not limited to, earnings and distributions guidance, change in NTA, expected gearing, the outcome and effects of the Acquisitions and Rights Offer and the use of proceeds. Forward looking statements, opinions and estimates are based on assumptions and contingencies which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including projections, indications or guidance on future earnings or financial position and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Should one or more of the risks or uncertainties materialize, or should underlying assumptions prove incorrect, there can be no assurance that actual outcomes will not differ materially from these statements. To the fullest extent permitted by law, Growthpoint and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or

undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

An investment in the Securities and the outcome of the matters referred to in forward-looking statements are subject to investment and other known and unknown risks, some of which are beyond the control of Growthpoint, including possible delays in repayments and loss of income and principal invested. Please see the key risks section of this Presentation for further details. Growthpoint does not guarantee any particular rate of return or the performance of Growthpoint nor do they guarantee the repayment of capital from Growthpoint or any particular tax treatment. Persons should have regard to the risks outlined in this Presentation.

### PAST PERFORMANCE

Past performance information given in this Presentation is given for illustration purposes only and should not be relied upon as (and is not) an indication of future performance. Actual results could differ materially from those referred to in this Presentation.

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**GROWTHPOINT**  
PROPERTIES

GROWTHPOINT PROPERTIES AUSTRALIA  
INVESTOR PRESENTATION – PROPERTY ACQUISITION & EQUITY RAISING | JUNE 2014

2

## CONTENTS

- 4 Overview
- 6 Acquisition
- 10 Transaction impact
- 14 Acquisition funding
- 20 Appendix 1 – Control implications
- 22 Appendix 2 – Key risks
- 27 Appendix 3 – Foreign jurisdictions
- 29 Glossary

### EXECUTIVE MANAGEMENT TEAM



**TIMOTHY COLLYER**  
Managing Director



**AARON HOCKLY**  
Company Secretary  
& General Counsel



**DION ANDREWS**  
Chief Financial Officer



**MICHAEL GREEN**  
Portfolio Manager

**GROWTH-POINT**  
PROPERTIES

## OVERVIEW



## TRANSACTION OVERVIEW

### ACQUISITION

- › Acquisition of the NSW Police Headquarters, an A-grade office building located in Parramatta, New South Wales (Acquisition)<sup>1</sup>
  - Purchase price of \$241.1 million<sup>2</sup>, representing a FY15 yield of 7.6%
  - Fully leased to the NSW State Government ('AAA' rated), with WALE of 10 years<sup>3</sup>
  - 3.5% per annum fixed increases in rent, adjusted quarterly

### ACQUISITION FUNDING

- › Equity raising of up to \$125 million via a renounceable rights offer (Rights Offer)
  - Offer price of \$2.40 per new Security
  - Growthpoint SA has committed to taking up its full entitlement under the Rights Offer (approximately \$80.0 million worth of new Securities)
  - The Rights Offer is not underwritten
- › Debt facilities
  - \$100 million expansion to existing Syndicated Debt Facility
  - Growthpoint will utilise undrawn debt capacity to fund the balance of the Acquisition (\$31 million - \$76 million)

### TRANSACTION IMPACT

- › FY14 distribution guidance of 19.0 cps maintained
- › FY15 guidance provided
  - Distributable income of 20.3 to 20.6 cps, representing a yield of 8.5% - 8.6% on the offer price
  - Distribution guidance of 19.7cps, representing a yield of 8.2% on the offer price
- › Transaction is earnings accretive for FY15
- › Pro forma balance sheet gearing of 43.4% - 45.6%<sup>4</sup>

<sup>1</sup> Contract is subject to a number of conditions including deeds with tenants and third parties. Completion expected to occur by 30 June 2014

<sup>2</sup> Excludes transaction costs

<sup>3</sup> As at 31 May 2014

<sup>4</sup> As at 31 December 2013, pro forma for balance date adjustments, completion of the Acquisition and the Rights Offer. Range depends on Securityholders other than Growthpoint SA who take up entitlements. See page 13 for full pro forma balance sheet

## ACQUISITION



## TRANSACTION MEETS GROWTHPOINT'S OBJECTIVES

### TRANSACTION IMPACTS

- › Accretive to FY15 distributable income
- › Quality A-grade office building (4.5 star NABERS), specified and constructed to high office standard
- › Enhances Growthpoint's portfolio metrics – WALE, occupancy, average fixed rent increase and tenant quality
- › Increases Growthpoint's NSW property exposure to 22% from 12%, further diversifying the portfolio
- › Investment into the growth market of Greater Western Sydney which is supported by strong projected population growth and significant government committed infrastructure projects



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7

## PROPERTY ACQUISITION NSW POLICE HEADQUARTERS, 1 CHARLES STREET, PARRAMATTA, NSW

- › Strategically located in the heart of the Parramatta CBD, benefitting from excellent transport links and local amenities
- › Fully leased to the 'AAA' rated NSW State Government with a significant remaining lease term of 10 years plus a further 5 year option period
- › Completed in 2003, the A-grade office building offers 31,954m<sup>2</sup> of lettable area across two towers both with large, efficient floor plates
- › Generous car parking allocation of 444 underground spaces, representing a ratio well in excess of comparable properties which will help secure the incumbent tenant, given its requirement for extensive car parking
- › As part of the Acquisition, Growthpoint will have access to a \$2.2 million account available for refurbishment and capital expenditures. In June 2019 Growthpoint will need to make available \$6.0 million for the tenant to spend on capital expenditure or refurbishment



### KEY FACTS

PROPERTY TYPE	A-grade office
BUILT	2003
INTEREST	100% freehold
NET LETTABLE AREA	31,954.1 m <sup>2</sup>
AVERAGE FLOOR PLATE	1,243 to 2,483 m <sup>2</sup>
LAND AREA	6,460 m <sup>2</sup>
CAR PARKING	444 spaces
NABERS ENERGY RATING	4.5-star
PURCHASE PRICE	\$241.1 million <sup>1</sup>
FY2015 YIELD	7.6%
OCCUPANCY	100%
TENANT	100% occupied by NSW Government (NSW Police)
LEASE TERM	20 years to May 2024 (with a 5 year option)
WALE	10 years <sup>2</sup>
RENT REVIEWS	Fixed 3.5% per annum, adjusted quarterly
INDEPENDENT VALUATION	Colliers International have valued this property at \$241.1 million, supporting the Acquisition price

1. Excluding Acquisition costs  
2. As at 31 May 2014

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INVESTOR PRESENTATION – PROPERTY ACQUISITION & EQUITY RAISING | JUNE 2014

8

## PROPERTY ACQUISITION LOCATION



### COMMERCIAL

1. 1 Charles Street
2. Eclipse - 60 Station St.
3. Sydney Water Head Office - 1 Smith St.
4. The Jessie Street Centre - 2-12 Macquarie St.
5. The Justice Precinct
6. CBA - 101 George St.
7. Colonial Tower - 150 George St.
8. 130 George St.
9. The Octagon - 110 George St.
10. Parramatta Square

### RETAIL

11. Westfield Parramatta
12. Church Street Mall

### PUBLIC TRANSPORT

13. Parramatta Transport Interchange
14. Parramatta Ferry Terminal

- › Parramatta is located 24km from the Sydney CBD, directly connected via modern road and rail infrastructure
- › The property benefits from proximity to public transport, Parramatta CBD amenities and major arterial roads
  - Close to Parramatta's rail and bus interchange and Parramatta Ferry Wharf
  - Nearby to shops, restaurants and amenities at the super-regional Westfield Parramatta and Church Street Mall
  - Convenient access to both the M4 Western Motorway and the M2 Motorway
- › Prominent position near the \$1.6 billion Parramatta Square redevelopment which will comprise a six stage development of residential apartments, commercial buildings and community facilities
- › Economic conditions within the 700,000 sqm Parramatta office market remain positive with A-grade vacancy rate at 0.5%<sup>1</sup>
- › Greater Western Sydney region targeted by government for significant infrastructure spending, including Sydney's newly announced second international airport and the West Connex road project

1. Source: PCA Office Market Report January 2014

## TRANSACTION IMPACT





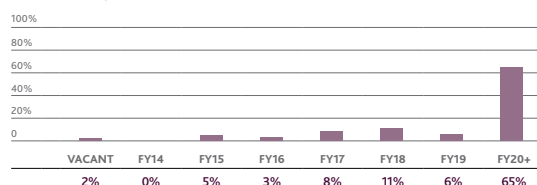
## PORTFOLIO OVERVIEW

### POST ACQUISITION

- › The Acquisition continues Growthpoint's portfolio and income enhancement strategy
  - Defensive portfolio with high occupancy, long WALE and strong lease covenants
  - 6.9 year portfolio WALE and 98% occupancy as at 30 April 2014
  - Rising rental income through average annual fixed rental increases of 3.2%
  - Modern, well located assets with low capex requirements and features that are able to attract and retain tenants
  - Strong lease covenants with 93% of income secured by Woolworths ('A-' rated) and government, investment grade or national tenants
  - Increases NSW property exposure, further diversifying the portfolio

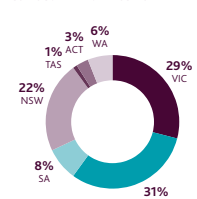
#### PRO FORMA LEASE EXPIRY PROFILE

PER FINANCIAL YEAR, BY RENTAL INCOME



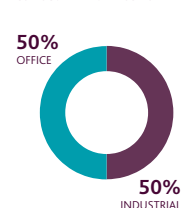
#### GEOGRAPHIC DIVERSITY<sup>1</sup>

BY PROPERTY VALUE  
USING 30 APRIL 2014 FIGURES



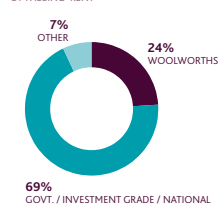
#### SECTOR DIVERSITY<sup>1</sup>

BY PROPERTY VALUE  
USING 30 APRIL 2014 FIGURES



#### TENANT QUALITY<sup>1</sup>

BY PASSING RENT



1. As at 30 April 2014, pro forma for completion of the Acquisition

## PORTFOLIO OVERVIEW

### PROPERTY PORTFOLIO KEY METRICS

METRIC	AS AT 31 DEC 13	PRO FORMA <sup>1</sup>
NUMBER OF ASSETS	49	51
TOTAL / AVERAGE VALUE	\$1,800.8m / \$36.8m	\$2,064.9m / \$40.5m
TOTAL / AVERAGE LETTABLE AREA	995,964 m <sup>2</sup> / 20,356 m <sup>2</sup>	1,036,844 m <sup>2</sup> / 20,330 m <sup>2</sup>
AVERAGE PROPERTY AGE	7.0 years	7.6 years
AVERAGE VALUATION CAP RATE	8.2%	8.0%
OVER (UNDER) RENTING	0.8%	2.7%
WALE	6.6 years	6.9 years
WARR	3.1%	3.2%

1. Pro forma using 30 April 2014 figures for the acquisition of the NSW Police Headquarters, the acquisition of 99-103 William Angliss Drive, Laverton North and completion of the properties at 19 and 20 Southern Court, Keysborough. WALE and WARR are also pro forma for the recent leasing deals completed.

## PRO FORMA BALANCE SHEET<sup>1</sup>

\$m	31 DEC 2013 REPORTED	POST BALANCE DATE ADJUSTMENTS <sup>3</sup>	DEC 2013 PRO FORMA (Pre-Transaction)	TRANSACTION ADJUSTMENTS <sup>4</sup>	DEC 2013 PRO FORMA (Post Transaction, assumes \$125m equity raised)	DEC 2013 PRO FORMA (Post Transaction, assumes \$80m equity raised)
CASH AND CASH EQUIVALENTS	9.4		9.4		9.4	9.4
INVESTMENT PROPERTIES	1,791.9	31.9	1,823.8	241.1	2,064.9	2,064.9
OTHER RECEIVABLES	-		-		-	-
OTHER ASSETS	7.7		7.7	0.2	7.9	7.9
<b>TOTAL ASSETS</b>	<b>1,809.0</b>		<b>1,840.9</b>		<b>2,082.2</b>	<b>2,082.2</b>
BORROWINGS	731.9	41.3	773.2	130.9	904.1	949.0
DISTRIBUTIONS PAYABLE	39.9	(39.9)	-	-	-	-
DERIVATIVE FINANCIAL INSTRUMENTS	15.2		15.2		15.2	15.2
OTHER LIABILITIES	18.9		18.9		18.9	18.9
<b>TOTAL LIABILITIES</b>	<b>805.9</b>		<b>807.3</b>		<b>938.2</b>	<b>983.1</b>
<b>NET ASSETS</b>	<b>1,003.1</b>	<b>30.5</b>	<b>1,033.6</b>	<b>110.4</b>	<b>1,144.0</b>	<b>1,099.1</b>
SECURITIES ON ISSUE (m)	475.7	12.3	488.0	52.1	540.1	521.4
NTA PER SECURITY (\$)	2.11		2.12		2.12	2.11
BALANCE SHEET GEARING <sup>2</sup>	40.5%		42.0%		43.4%	45.6%

1. All figures quoted exclude movements in value since 31 December 2013 except for acquisitions after this date (including the Acquisition) and therefore do not take into account movements in property values or derivatives in particular and exclude any impact from the distribution reinvestment plan for the August 2014 distribution

2. Borrowings divided by total assets

3. Includes payment of 1H14 distribution including issue of Securities under Distribution Reinvestment Plan, acquisition of 99-103 William Angliss Drive, Laverton North, completion of the properties at 19 and 20 Southern Court and revaluation of 9-11 Drake Boulevard, Altona, including adjustment to the purchase price due to vendor securing a 10 year lease over one of the units

4. Includes the Acquisition, Rights Offer and drawdown of new and existing debt facilities and assumes \$125 million is raised in the Rights Offer

## ACQUISITION FUNDING



## SOURCES AND APPLICATIONS OF FUNDS

- › The Acquisition and associated costs will be funded using a combination of debt and equity
  - Rights Offer to raise up to \$125 million of new equity
  - New \$100 million tranche to expand existing Syndicated Debt Facility
  - Undrawn debt capacity in the Syndicated Debt Facility to fund the balance, with the final amount based on take-up under the Rights Offer

SOURCES <sup>1</sup>	(\$m)	APPLICATIONS	(\$m)
RIGHTS OFFER	125.0	ACQUISITION PURCHASE PRICE	241.1
NEW SYNDICATED DEBT FACILITY TRANCHE	100.0	ACQUISITION COSTS <sup>2</sup>	14.8
CURRENT UNDRAWN DEBT CAPACITY	30.9 <sup>1</sup>		
<b>TOTAL SOURCES</b>	<b>255.9</b>	<b>TOTAL APPLICATIONS</b>	<b>255.9</b>

1. Assumes \$125 million of equity raised under the Rights Offer. If Growthpoint SA takes up its full entitlement but no other securityholders take up entitlements under the Rights Offer, Growthpoint will utilise approximately \$75.9 million of currently undrawn capacity under existing debt facilities to make up the difference

2. Includes stamp duty on the Acquisition and other costs associated with the Acquisition and Rights Offer

## EQUITY RAISING STRUCTURE

- › 1 for 9.37 renounceable rights offer to raise up to \$125 million
- › Offer price of \$2.40
  - Represents a 3.9% discount to Growthpoint's distribution adjusted price on 2 June 2014 and a 1.2% discount to Growthpoint's distribution adjusted 5 day volume weighted average price<sup>1</sup>
  - Provides a 8.2% distribution yield based on Growthpoint FY15 guidance
- › Growthpoint's major securityholder, Growthpoint Properties Limited of South Africa (Growthpoint SA), has committed to taking up its full entitlement under the Rights Offer (approximately \$80 million worth of new Securities)
- › The Rights Offer is not underwritten. To the extent there is any shortfall which is not taken up by existing eligible securityholders, Growthpoint may offer the shortfall Securities to existing or new investors at the offer price of \$2.40

### RIGHTS OFFER

- › Existing securityholders will be entitled to 1 new Security for every 9.37 Securities held on the record date
- › Rights will be tradeable on the ASX during the rights trading period
- › Eligible securityholders may choose to take up all or part of their entitlement, apply for additional Securities in excess of their entitlement<sup>2</sup>, trade some or all of their rights during the rights trading period or do nothing (in which case, their entitlements may be offered for sale as part of a shortfall bookbuild)
- › If a sufficient shortfall remains following the allocation of additional Securities (if any)<sup>2</sup>, Growthpoint may conduct a bookbuild at the offer price of \$2.40 for any remaining Securities relating to rights that were not taken up

### DISTRIBUTION ENTITLEMENT

- › New Securities issued under the Rights Offer will not be entitled to the distribution for the half year ended 30 June 2014 but will rank equally with existing Securities in all other respects

1. VWAP over the period 27 May to 2 June 2014

2. Growthpoint reserves the right to scale back allocations for additional Securities. Therefore, securityholders who apply for additional Securities may be allocated a lesser number of additional Securities than applied for, or may be allocated no additional Securities at all



## EQUITY RAISING TIMETABLE

ANNOUNCEMENT OF RIGHTS OFFER VIA ASX	Tuesday, 3 June 2014
EX-DATE FOR RIGHTS OFFER AND RIGHTS TRADING COMMENCES	Thursday, 5 June 2014
RIGHTS OFFER RECORD DATE	7.00pm, Tuesday, 10 June 2014
RIGHTS OFFER OPENS	9.00am, Thursday, 12 June 2014
DESPATCH OF RIGHTS OFFER BOOKLET	Thursday, 12 June 2014
RIGHTS TRADING PERIOD ENDS	Monday, 16 June 2014
RIGHTS OFFER CLOSES	5.00pm, Monday, 23 June 2014
BOOKBUILD FOR RIGHTS OFFER SHORTFALL SECURITIES (IF ANY)	Thursday, 26 June 2014
ALLOTMENT OF NEW SECURITIES ISSUED UNDER THE RIGHTS OFFER*	Monday, 30 June 2014
NORMAL TRADING IN NEW SECURITIES ISSUED UNDER THE RIGHTS OFFER*	Tuesday, 1 July 2014

Times refer to Melbourne, Australia time. Growthpoint reserves the right to vary the timetable (subject to ASX Listing Rules, the Corporations Act and other applicable laws)  
 \* Excludes securities issued under the Shortfall Bookbuild (if any). Any such securities will be allotted on Wednesday, 2 July 2014

## DEBT FUNDING DEBT FACILITIES

- › Growthpoint has expanded its existing Syndicated Debt Facility with a new \$100 million tranche (Acquisition Tranche)<sup>1</sup>
- › The Acquisition Tranche will be fully drawn at completion of the Acquisition and will have a 12 month initial term at the end of which Growthpoint is able to convert the tranche to a 2 or 4 year tranche under the Syndicated Debt Facility
- › Growthpoint has approximately \$139.9 million<sup>2</sup> of undrawn debt capacity currently available under the Syndicated Debt Facility
- › Growthpoint will drawdown approximately \$30.9 million<sup>3</sup> to help fund the transaction
- › Following completion of the transaction:<sup>4</sup>
  - Weighted average cost of debt across all facilities (including the Acquisition Tranche) of 5.79% p.a.
  - Weighted average debt maturity of 3.4 years<sup>2</sup>
  - Approximately 82% of drawn debt hedged under all facilities, for an average duration of approximately 3.0 years
  - Pro forma balance sheet gearing of 43.4% - 45.6%<sup>3</sup>
  - Pricing on the Syndicated Debt Facility will increase by 0.10% if the LVR under the agreement increases and remains at or above 45%

### SUMMARY OF DEBT FACILITIES

METRIC	SYNDICATED DEBT FACILITY	BILATERAL
SIZE	\$925 million	\$70 million
MATURITY	Acquisition Tranche (\$100m): 30-Jun-15 <sup>5</sup> Tranche 1 (\$315m): 31-Dec-16 Tranche 2 (\$255m): 31-Dec-17 Tranche 3 (\$255m): 31-Dec-18	30 April 2019

### PRO FORMA BALANCE SHEET GEARING<sup>3</sup>

EQUITY RAISING SIZE	\$125m	\$110m	\$95m	\$80m
IMPLIED TAKE-UP OF NON GRT ENTITLEMENTS	100%	67%	33%	0%
BALANCE SHEET GEARING	43.4%	44.1%	44.9%	45.6%

<sup>1</sup> Subject to finalisation of ancillary documentation and satisfaction of customary conditions precedent to draw down of funds

<sup>2</sup> As at 31 May 2014

<sup>3</sup> Assumes \$80 million - \$125 million of equity raised under the Rights Offer. If no securityholders other than Growthpoint SA take up entitlements under the Rights Offer, Growthpoint would utilise approximately \$75.9 million of currently undrawn capacity under existing debt facilities to make up the difference. Excludes the impact of any movement in asset or liability values (including property revaluations and derivatives) and the distribution reinvestment plan for the August 2014 distribution

<sup>4</sup> Assumes new \$50 million interest rate swap for four years at 3.22%

<sup>5</sup> Growthpoint has the option at maturity to extend by either 2 or 4 years at agreed margins under the existing Syndicated Debt Facility

## OUTLOOK AND STRATEGY

### THE FOCUS FOR GROWTHPOINT IN THE SHORT TO MEDIUM TERM REMAINS:

- › Continuing to provide secure and growing distributions to Securityholders
- › Continued growth and diversification of the property portfolio via M&A transactions, direct property acquisitions and fund through developments
- › Maintenance of a gearing ratio of 40%-45% and further diversification of debt funding sources to the capital markets
- › Tenant retention strategies and the leasing of current vacant space
- › Evaluation of tenant requested expansions and redevelopment opportunities within the portfolio
- › Continuing to expand and diversify the Securityholder base and trading liquidity to achieve S&P/ASX index inclusion



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19

## APPENDIX 1: CONTROL IMPLICATIONS



20

## CONTROL IMPLICATIONS

- › The Rights Offer is structured as a pro rata offer to all eligible Growthpoint Securityholders
- › Growthpoint SA currently owns approximately 64.0% of the Securities on issue and has provided a commitment to take up its full entitlement under the Rights Offer (approximately \$80 million worth of new Securities)
- › The degree to which Growthpoint SA's interest in Growthpoint may increase will depend on the rate of take-up by other eligible Growthpoint Securityholders
- › The table below outlines the potential interest Growthpoint SA will hold in Growthpoint following the Rights Offer at differing levels of Securityholder participation
- › Any increase in Growthpoint SA's interest in Growthpoint as a result of the Rights Offer proceeds under Item 9 of Section 611 of the Corporations Act
- › Growthpoint SA has advised Growthpoint that it intends to participate in any distribution reinvestment plan for the August 2014 distribution. This could further increase Growthpoint SA's holding in Growthpoint by up to approximately 0.5%

	CURRENT	POST RIGHTS OFFER		
		100% TAKE-UP OF NON GRT ENTITLEMENTS	50% TAKE-UP OF NON GRT ENTITLEMENTS	0% TAKE-UP OF NON GRT ENTITLEMENTS
GROWTHPOINT SA	64.0%	64.0%	65.2%	66.3%
OTHER SECURITYHOLDERS	36.0%	36.0%	34.8%	33.7%

## APPENDIX 2: KEY RISKS





## KEY RISKS SUMMARY

- › Property Acquisitions
- › Counterparty / Credit Risk
- › Tenant Risk
- › Market Perception Risk
- › Rights Offer
- › Trust Taxation Status
- › Capital Expenditure
- › Environmental
- › Competition
- › Funding and Refinancing Risk
- › Security Market Prices
- › Interest Rates
- › Insurance
- › Property Market Risks
- › Debt Covenants
- › Litigation and Disputes
- › Regulatory Issues and Changes in Law
- › Property Valuation Risk
- › Buildings Condition and Defects
- › Property Illiquidity Risks
- › Employees and Directors
- › General Economic Conditions
- › Changes in Accounting Policy
- › Forward Looking Statements and Financial Forecasts
- › Fixed Nature of Costs
- › Land Values
- › Foreign exchange/currency risk



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23

## KEY RISKS

### PROPERTY ACQUISITIONS

A key element of the Group's future strategy will involve the acquisition of properties to add to its property portfolio. Whilst it is the Group's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions.

Growthpoint may acquire assets to add to its portfolio. There are inherent risks in such acquisitions. These risks could include unexpected problems or other latent liabilities such as the existence of asbestos or other hazardous materials or environmental liabilities. There are also risks associated with integration of businesses, including financial and operational issues as well as employee related issues. There is also a risk the expected benefits, synergies and other advantages in relation to the acquired assets will not be realised. Growthpoint's value, earnings and distributable income may be adversely affected by the occurrence of any of these risks.

### COUNTERPARTY / CREDIT RISK

A-REITs are exposed to the risk that third parties, such as tenants, developers, service providers and financial counterparties to derivatives (including foreign exchange and interest rate hedging instruments) and other contracts may not be willing or able to perform their obligations.

### TENANT RISK

There is a risk that tenants may default on their rental or other obligations under leases with the Group, leading to a reduction in future income which may impact on the value of properties owned by the Group. Furthermore, there is a risk that the Group will be unable to negotiate suitable lease extensions from existing tenants or replace current leases with new tenants on similarly commercial terms which may impact the value of properties owned by the Group.

The Group relies on certain key tenants for the majority of its revenue. Any financial difficulty or insolvency affecting a key tenant, or a breach of lease by a key tenant, could have a material adverse effect on the Group's financial performance or position.

### MARKET PERCEPTION RISK

The extent to which the Rights Offer enhances value for Securityholders depends on the Rights Offer being viewed as a positive initiative by the market. There is a risk that this will not be the case. For example, the market may not value the (enlarged) Group as highly as anticipated, because of concerns relating to factors such as the potential for other acquisitions which reduce headroom in debt facility covenants and the continued level of control held by Growthpoint SA. This may adversely impact on the market price of the Securities. The market value of the Securities may also differ from the underlying NTA.

### RIGHTS OFFER

The Rights Offer is not underwritten. There is a risk that Growthpoint will raise less proceeds than outlined in the presentation, depending on the level of take-up by securityholders. If less than the full proceeds are raised, Growthpoint will draw on additional debt under its existing facilities. Pricing on the Syndicated Debt Facility will increase by 0.10% where the LVR under the Syndicated Debt Facility agreement increases and remains above 45%. If no other Securityholders take up entitlements other than Growthpoint SA and no Securities are issued under any shortfall bookbuild, Growthpoint's pro forma 31 December 2013 gearing would be 45.6%.

Growthpoint SA has committed to take up its full entitlement under the Rights Offer (approximately \$80 million worth of new Securities).

### TRUST TAXATION STATUS

Currently, the Growthpoint Properties Australia Trust will not incur tax on income provided that income is distributed. However, the trust would lose this tax transparency if there is a legislative change which removed the tax transparency of property trusts or Growthpoint Properties Australia Trust engages in business activities which lead to it being subject to tax at the corporate tax rate. It is the intention of the Directors that the Growthpoint Properties Australia Trust will be managed so that the trust is not taxed at the corporate rate under the existing law.

Depending on investors' individual circumstances, a loss of the Growthpoint Properties Australia Trust's tax transparency may adversely affect post tax investment returns. In addition, the taxation treatment of Securityholders is dependent upon the tax law as currently enacted in Australia and other relevant jurisdictions. Changes in tax law or changes in the way tax law is expected to be interpreted in Australia or such other jurisdictions may adversely impact the tax outcomes for Securityholders.

Changes to the unit holder composition could impact Growthpoint Properties Australia Trust and its subsidiary entities' ability to utilise prior and current year tax losses. While GOZ does not anticipate the Rights Offer will trigger a change of control for tax purposes, any movements in the register will be factored into future change of control monitoring.

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24

## KEY RISKS CONTINUED

### CAPITAL EXPENDITURE

There is a risk that unforeseen capital expenditure may be required under the terms of the current property leases. This may in turn impact the cash available to service debt and the value of the Group.

### ENVIRONMENTAL

The Group's properties may, from time to time, be exposed to a range of environmental risks, including asbestos, which may require remedial work and potentially expose the Group to third party liability. This could potentially impact earnings, distributions and property values.

### COMPETITION

The value of property held by the Group may be negatively affected by oversupply or overdevelopment in surrounding areas. Alternatively, prices for properties the Group is considering for acquisition may be inflated via competing bids by other prospective purchasers.

### FUNDING AND REFINANCING RISK

Market volatility has had a significant impact on the real estate sector and its ability to access capital from investors. The real estate investment industry tends to be highly capital intensive. The ability of the Group to raise funds on favourable terms for future refinancing (first requirement 30 June 2015) and acquisitions depends on a number of factors including general economic, political, and capital and credit market conditions. The inability of the Group to raise funds on favourable terms for future acquisitions and refinancing could adversely affect its ability to acquire new properties or refinance its debt.

### SECURITY MARKET PRICES

The market price of the Securities will depend on a variety of factors. The price at which these Securities trade on the ASX could deviate materially from their offer price. Factors including general movements in interest rates, domestic and international capital markets, macro-economic conditions, global geo-political events and hostilities, investor perceptions and other factors could all impact the market price performance.

### INTEREST RATES

To the extent that interest rate exposure has not been hedged, fluctuations in interest rates could impact the Group's funding costs adversely, resulting in a decrease in distributable income. Furthermore, fluctuations in interest rates may impact the Group's earnings before interest due to the impact this may have on the property market in which the Group operates.

### INSURANCE

The Group purchases insurance as is customary for property owners and managers. This insurance provides a degree of protection for the Group's assets, liabilities and people. There is a risk that insurance may not be available or sufficient. Furthermore, there are some risks that are uninsurable or risks where the insurance coverage is reduced.

### PROPERTY MARKET RISKS

The Group will be subject to the prevailing property market conditions in the sectors in which it operates. Adverse changes in market sentiment or market conditions may impact the Group's ability to acquire, manage or develop assets, as well as the value of the Group's properties and other assets. These impacts could lead to a reduction in earnings and the carrying value of assets.

### DEBT COVENANTS

The Group's debt facilities are subject to a variety of covenants including interest coverage ratios and loan to value ratios. In the event of unforeseen fluctuations in rental income or a fall in asset values, the Group may be in breach of its loan covenants and be required to repay amounts outstanding under the debt facilities immediately and sell properties at unacceptable prices. Furthermore, there is a risk that unforeseen capital expenditure may be required under the terms of the current leases. This may in turn impact the cash available to service debt.

### LITIGATION AND DISPUTES

Legal and other disputes (including industrial disputes) may arise from time to time in the ordinary course of operations. Any such dispute may impact on earnings or affect the value of the Group's assets.

### REGULATORY ISSUES AND CHANGES IN LAW

Changes in laws or regulatory regimes may have a materially adverse impact on the financial performance of the Group by reducing income or increasing costs such as changes to environmental laws which may impact forecast capital expenditure.

## KEY RISKS CONTINUED

### PROPERTY VALUATION RISK

The value of properties held by the Group may fluctuate from time to time due to market and other conditions. Factors relevant to determining value include rental, occupancy levels and property yield, and these may change significantly over time for a variety of reasons. External and Directors' valuations represent only the analysis and opinion of such persons at a certain date and they are not guarantees of present or future values. The values of properties may impact on the value of an investment in the Group.

### BUILDINGS CONDITION AND DEFECTS

The Group's properties are professionally managed by experienced property managers. Nevertheless, there is a risk that latent defects in the properties may prevent the properties being available for their intended use or may require additional capital expenditure. This may adversely affect returns available to Securityholders.

### PROPERTY ILLIQUIDITY RISKS

Property assets are by their nature illiquid investments. Therefore, it may not be possible for the Group to dispose of assets in a timely manner should it need to do so. In addition, to the extent that there may be only a limited number of potential buyers for the properties, the realisable value of those assets may be less than book value of those assets.

### EMPLOYEES AND DIRECTORS

The Group is reliant on retaining its key directors, senior executives and other employees. The loss of any director, senior executive or key employee could negatively impact the Group's operations.

### GENERAL ECONOMIC CONDITIONS

The Group's operating and financial performance is influenced by a variety of general economic and business conditions, including the level of inflation, interest rates, ability to access funding, oversupply and demand conditions and government fiscal, monetary and regulatory policies. Prolonged deterioration in these conditions, including an increase in interest rates and an increase in the cost of capital could have a material adverse impact on the Group's operating and financial performance.

### CHANGES IN ACCOUNTING POLICY

The Group must report and prepare financial statements in accordance with prevailing accounting standards and policies. There may be changes in these accounting standards and policies in the future which may have an adverse impact on the Group.

### FORWARD LOOKING STATEMENTS AND FINANCIAL FORECASTS

There can be no guarantee that the assumptions and contingencies contained within forward looking statements, opinions or estimates (including projections, guidance on future earnings and estimates) will ultimately prove to be valid or accurate. The forward looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Group.

No assurances can be given in relation to the payment of future distributions. Future determinations as to the payment of distributions by the Group will be at the discretion of the Directors and will depend upon the availability of profits, the operating results and financial condition of the Group, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by the Directors. No

assurance can be given in relation to the level of franking or tax deferral of future distributions. Franking or tax deferred capacity will depend upon the amount of tax paid in the future, the existing balance of franking credits and other factors.

### FIXED NATURE OF COSTS

Many costs associated with the ownership and management of property assets are fixed in nature. The value of properties (and the value attributed to Growthpoint) may be adversely affected if the income from the asset declines and these fixed costs remain unchanged.

### LAND VALUES

Events may occur from time to time that affect the value of land which may then impact the financial returns generated from particular property related investment businesses or projects. For example, unanticipated environmental issues may impact on the future earnings of Growthpoint. Such events may materially affect Growthpoint's earnings and value.

### FOREIGN EXCHANGE/CURRENCY RISK

All information in this Presentation is provided in Australian dollars. Securityholders who are based outside of Australia, or who rely on funding denominated in currency(s) other than the Australian dollar, should be aware of the impact that fluctuations in exchange rates may have on the value of their investments in, and returns from, the Group.

## APPENDIX 3: FOREIGN JURISDICTIONS

27

## FOREIGN JURISDICTIONS

### SOUTH AFRICA

The offer of new Securities under the Rights Offer described in this Presentation does not constitute an offer to the public in South Africa in terms of the Companies Act, 2008 (Companies Act) and, accordingly, this document has not been registered as a prospectus with the South African Companies and Intellectual Property Commission.

The issuer is not authorised and the new Securities are not allowed to be offered to the public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the new Securities may not be circulated or distributed, nor may the new Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in South Africa except to "institutional investors" (as set out in section 96(1)(a) of the Companies Act), or to shareholders pursuant to a rights offer (including the Rights Offer), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the Companies Act.

In addition, the Rights Offer does not constitute soliciting investments from members of the public in South Africa in terms of the Collective Investment Schemes Control Act, 2002 (CISCA) and, accordingly, Growthpoint has not registered as a foreign collective investment scheme in South Africa under CISCA.

### HONG KONG

**WARNING:** This document has not been, and will not be, authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise this document or to permit the distribution of this document or any documents issued in connection with it.

No advertisement, invitation or document relating to the new Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the new Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

This document is confidential to the person to whom it is addressed and must not be distributed, published, reproduced or disclosed (in whole or in part) by the recipient to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with the Rights Offer.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Rights Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the new Securities are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the new Securities may not be circulated or distributed, nor may the new Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the new Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## GLOSSARY

<b>A-REIT</b>	Australian real estate investment trust
<b>ACQUISITION</b>	the acquisition of the NSW Police Headquarters, 1 Charles Street, Parramatta, New South Wales
<b>BALANCE SHEET GEARING</b>	borrowings divided by total assets
<b>BILATERAL</b>	means the loan facility agreement with National Australia Bank dated 17 February 2012 (as amended)
<b>CPS</b>	cents per Security
<b>DIRECTORS</b>	the directors of Growthpoint
<b>DISTRIBUTABLE INCOME</b>	net profit excluding any adjustments for International Financial Reporting Standards (IFRS) or other accounting standards/requirements
<b>DPS</b>	distributions per Security
<b>RIGHTS OFFER</b>	the 1 for 9.37 renounceable rights offer to raise up to \$125 million
<b>FY14</b>	the year ending 30 June 2014
<b>FY15</b>	the year ending 30 June 2015
<b>GROWTHPOINT / GOZ / GROUP</b>	Growthpoint Properties Australia comprising Growthpoint Properties Australia Limited in its own capacity and as responsible entity for Growthpoint Properties Australia Trust, and their controlled entities
<b>GROWTHPOINT SA / GRT</b>	Growthpoint Properties Limited of South Africa (which currently holds 64.0 % of Growthpoint)
<b>LVR</b>	"loan to value ratio" as that term is defined in the Syndicated Debt Facility
<b>NTA</b>	net tangible assets
<b>SECURITIES</b>	ordinary fully paid Growthpoint stapled securities
<b>SECURITYHOLDER</b>	the holder of Securities
<b>SYNDICATED DEBT FACILITY</b>	means the syndicated loan facility agreement between Growthpoint, National Australia Bank Limited, Westpac Banking Corporation and Australia and New Zealand Banking Group Limited dated 5 August 2009 (as amended)
<b>WARR</b>	weighted average rent review
<b>WALE</b>	weighted average lease expiry (by rental income)

## THANK YOU

For more information contact us at:  
Email: [info@growthpoint.com.au](mailto:info@growthpoint.com.au)  
Investor services line: 1800 260 453  
[www.growthpoint.com.au](http://www.growthpoint.com.au)  
Growthpoint Properties Australia  
Level 22, 357 Collins Street  
Melbourne VIC 3000





## SECTION 7:

# GLOSSARY

TERM	MEANING
\$	Australian dollars; unless otherwise specified
ADDITIONAL STAPLED SECURITIES	New Stapled Securities applied for by an Eligible Securityholder that are in excess of that Eligible Securityholder's Entitlement
APPLICANT	a person who has applied to subscribe for New Stapled Securities under the Rights Offer
APPLICATION MONEY	the aggregate money payable for New Stapled Securities (including any Additional Stapled Securities) applied for by an Applicant
ASIC	the Australian Securities and Investments Commission
ASX	ASX Limited ACN 008 624 691 trading as Australian Securities Exchange
CLOSING DATE	the last day for payment and return of Entitlement and Acceptance Forms, being 5.00pm (Melbourne time) on Monday, 23 June 2014
CORPORATIONS ACT	the <i>Corporations Act 2001</i> (Cth)
DIRECTORS	the directors of Growthpoint Properties Australia Limited (both in its capacity as responsible entity of Growthpoint Properties Australia Trust and in its own capacity)
ELIGIBLE SECURITYHOLDER	a Stapled Securityholder at the Record Date who is not an Excluded Securityholder
ENTITLEMENT	the number of New Stapled Securities that a Securityholder is entitled to apply for under the Rights Offer (on the basis of 1 New Stapled Security for every 9.37 Stapled Securities held on the Record Date, subject to rounding)
ENTITLEMENT AND ACCEPTANCE FORM	the Entitlement and Acceptance Form accompanying this Offer Booklet
EXCLUDED SECURITYHOLDER	a Securityholder at the Record Date who: <ul style="list-style-type: none"> <li>has a registered address which is not in Australia, New Zealand or South Africa (or, for Institutional Securityholders, any other jurisdiction as Growthpoint Properties Australia determines); or</li> <li>is in the United States or is a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933) or acting for the account or benefit of a U.S. Person; or</li> <li>is ineligible under any applicable securities laws to receive an offer under the Rights Offer</li> </ul>
GROWTHPOINT PROPERTIES AUSTRALIA	Growthpoint Properties Australia Trust (ARSN 120 121 002) and Growthpoint Properties Australia Limited (ACN 124 093 901)
GROWTHPOINT SA	Growthpoint Properties Limited of South Africa (Registration number 1987/004988/06)
INSTITUTIONAL SECURITYHOLDER	a Securityholder: <ul style="list-style-type: none"> <li>in Australia, to whom an offer of securities in an entity may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined in ASIC Class Order 08/35; or</li> <li>in selected jurisdictions outside Australia, to whom an offer of New Stapled Securities may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which Growthpoint Properties Australia is willing to comply with such requirements)</li> </ul>
INVESTOR PRESENTATION	the 'Property Acquisition and Equity Raising' presentation dated Tuesday, 3 June 2014 and contained in this Offer Booklet at pages 21-35
LISTING RULES	the official listing rules of ASX

TERM	MEANING
NEW STAPLED SECURITY	a new Stapled Security to be issued under the Rights Offer including any Additional Stapled Securities
OFFER BOOKLET	this offer booklet in relation to the Rights Offer
OFFICIAL QUOTATION	'quotation' (as that term is used in the Listing Rules) of all of the New Stapled Securities on ASX when allotted which if conditional may only be conditional on customary pre-quotation conditions
RECORD DATE	7.00pm on Tuesday, 10 June 2014 or such other date as may be determined by the Directors
REGISTRY	Computershare Investor Services Pty Limited ABN 48 078 279 277
RIGHT	the right to subscribe for 1 New Stapled Security for every 9.37 Stapled Securities held on the Record Date
RIGHTS OFFER	the 1 for 9.37 renounceable pro-rata entitlement offer of New Stapled Securities at an offer price of \$2.40 per New Stapled Security
SECURITYHOLDER	a holder of Stapled Securities
SHORTFALL	a shortfall arising from Eligible Securityholders not applying for all their Entitlement to New Stapled Securities and persons to whom Rights have been transferred or sold not taking up the New Stapled Securities to which the Rights relate and excludes the Entitlements of Excluded Securityholders.
SHORTFALL BOOKBUILD	the fixed price bookbuild which may be conducted to sell New Stapled Securities representing the Shortfall, after any allocation of Additional Stapled Securities (if any). New Stapled Securities offered for sale under the Shortfall Bookbuild will be sold at the Offer Price.
STANDARD RENUNCIATION AND ACCEPTANCE FORM	the standard renunciation and acceptance form available from your stockbroker or by calling the Growthpoint Properties Australia Securityholder Information Line
STAPLED SECURITY	a fully paid ordinary stapled security in the capital of Growthpoint Properties Australia

# CORPORATE DIRECTORY

## GROWTHPOINT PROPERTIES AUSTRALIA

Comprising:

**Growthpoint Properties Australia Limited**  
ABN 33 124 093 901; AFSL No. 316409

**Growthpoint Properties Australia Trust**  
ARSN 120 121 002

Level 22, 357 Collins Street  
Melbourne VIC 3000  
Australia

Phone: (03) 8681 2900  
Fax: (03) 8681 2910

## ASX LISTING

Growthpoint Properties Australia Stapled Securities are listed on the Australian Securities Exchange (code: GOZ).

## WEBSITE

To view annual reports, securityholder and company information, news, announcements, background information on Growthpoint Properties Australia's businesses and historical information, visit Growthpoint Properties Australia's website at [www.growthpoint.com.au](http://www.growthpoint.com.au)

## GROWTHPOINT PROPERTIES AUSTRALIA SECURITYHOLDER INFORMATION LINE

Phone:  
1300 665 792 (Australia)  
+61 3 9415 4366 (outside Australia)

Open 8.30am to 5.00pm (Melbourne time)  
Monday to Friday from Tuesday, 10 June 2014 to Monday, 23 June 2014.

## REGISTRY

### COMPUTERSHARE INVESTOR SERVICES PTY LIMITED

Yarra Falls, 452 Johnston Street  
Abbotsford VIC 3067

Phone:  
1300 665 792 (Australia)  
+61 3 9415 4366 (outside Australia)

[www.computershare.com](http://www.computershare.com)

## AUDITOR

### KPMG

147 Collins Street  
Melbourne VIC 3000  
Australia

## SOLE LEAD MANAGER

### MERRILL LYNCH EQUITIES (AUSTRALIA) LIMITED

Level 38, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000  
Australia

## LEGAL ADVISER TO GROWTHPOINT PROPERTIES AUSTRALIA

### HERBERT SMITH FREEHILLS

101 Collins Street,  
Melbourne VIC 3000  
Australia









**GROWTHPOINT**  
PROPERTIES

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[www.growthpoint.com.au](http://www.growthpoint.com.au)