



From Aaron Hockly, Chief Operating Officer

Growthpoint Properties Australia ("Growthpoint") has now substantially completed its takeover of what was formerly known as the GPT Metro Office Fund ("GMF"). Approximately 95.5% of GMF unitholders accepted Growthpoint's offer with compulsory acquisition of the balance due to complete by early November 2016.

GMF comprises six A-grade offices valued at approximately \$440.3 million with a weighted average lease expiry of over five years. The takeover of GMF helps with several of Growthpoint's previously stated objectives particularly increasing Growthpoint's:

1. market capitalisation from \$1.8 billion to over \$2.1 billion, making Growthpoint the 114th largest entity and the 10th largest A-REIT, on the ASX by market capitalisation;
2. property portfolio from \$2.8 billion to \$3.3 billion making Growthpoint the 10th largest A-REIT on the ASX by gross assets;
3. New South Wales exposure from 20.0% to 24.6%; and
4. office exposure from 56.4% to 62.4% (the balance of portfolio is industrial, primarily logistics warehousing).

GMF key statistics⁴ (as at 30 June 2016)

- **\$440.3 million** total property value
- **6.7%** weighted average capitalisation rate
- **15.5%** of Growthpoint's property portfolio
- **94.9%** occupancy
- **5.5 years** WALE
- **100%** A-grade office

Our key metrics

as at 1 October 2016¹

| | |
|---|------------------|
| Total property portfolio value | \$3.3 B |
| Distribution guidance FY17 ² | 21.3 cps |
| Number of properties | 63 |
| Office / industrial | 62% / 38% |
| Average property age | 8.9 yrs |
| Occupancy | 98.6% |
| Weighted average lease expiry (WALE) | 6.5 yrs |
| Weighted average rent review ³ | 3.2% |
| Weighted average capitalisation rate | 6.9% |
| Gearing | 42.5% |
| Average debt term | 3.9 yrs |
| Average duration of hedges | 3.4 yrs |

1. Includes Building C, 211 Wellington Rd, Mulgrave, Victoria at it's 'on completion' valuation. 2. Excludes any impact from the takeover of GMF. 3. Assumes Consumer Price Index change of 1.0% per annum as per Australian Bureau of Statistics release for year to 30 June 2016.

GMF property portfolio statistics⁴

| As at 30 June 2016 | | Book value (\$m) | Cap rate (%) | WALE (yrs) | Lettable area (sqm) | Site area (sqm) | Major tenant |
|--|-----|------------------|--------------|------------|---------------------|-----------------|--------------------------------|
| 15 Green Square Cl, Fortitude Valley | QLD | 127.1 | 6.75 | 5.7 | 16,587 | 2,519 | Queensland Urban Utilities |
| 3 Murray Rose Ave, Sydney Olympic Park | NSW | 91.5 | 6.50 | 5.7 | 13,423 | 3,980 | Samsung |
| 5 Murray Rose Ave, Sydney Olympic Park | NSW | 90.5 | 6.25 | 7.8 | 12,386 | 3,826 | Lion |
| 109 Burwood Rd, Hawthorn | VIC | 72.9 | 7.00 | 4.7 | 12,477 | 3,529 | Orora |
| Quad 3, 8 Parkview Dr, Sydney Olympic Park | NSW | 29.3 | 7.25 | 2.9 | 5,244 | 6,635 | Alstom Australia |
| Quad 2, 8 Parkview Dr, Sydney Olympic Park | NSW | 29.0 | 7.25 | 3.1 | 5,145 | 7,788 | Universities Admissions Centre |
| Total / Average | | 440.3 | 6.70 | 5.5 | 65,262 | 28,277 | |

Separately, Growthpoint's sale of its industrial property at 670 Macarthur Avenue, Pinkenba, Queensland for \$10.1 million (above its previous book value of \$9.75 million) completed on 8 September 2016.

4. Information is taken from GMF's ASX releases and are as at 30 June 2016.

At a glance: Growthpoint Properties Australia

Growthpoint Properties Australia is an ASX listed real estate investment trust or A-REIT (ASX Code: GOZ), with a mandate to invest in Australian property in the industrial, office and retail sectors.

GOZ's objective is to provide investors with a tradeable security producing consistently growing income returns and long-term capital appreciation.

Distributions

per stapled security

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

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

GOZ security Price

over five years to 30 September 2016



Source: Petra Capital

Leases completed since 30 June 2016

| Address | Sector | Tenant | Start date | Term (yrs) | Annual rent increases (%) | NLA (sqm) | Car Parks |
|---|------------|-----------------------|------------|-------------|---------------------------|---------------|------------|
| 333 Ann St, Brisbane, QLD | Office | St Hilliers Property | Q2, FY17 | 5.0 | Fixed 3.75% | 480 | - |
| Bldg 1, 572-576 Swan St, Richmond, VIC | Office | Country Road Group | Q1, FY18 | 15.0 | Fixed 3.00% ⁵ | 8,554 | 191 |
| Bldg 2, 572-576 Swan St, Richmond, VIC | Office | Country Road Group | Q4, FY18 | 14.3 | Fixed 3.00% ⁵ | 14,602 | 488 |
| 60 Annandale Rd, Melbourne Airport, VIC | Industrial | Willow Ware Australia | Q4, FY18 | 10.0 | Fixed 3.25% | 16,276 | 104 |
| Total / Weighted Average | | | | 13.7 | 3.0%⁵ | 39,912 | 783 |

5. The annual rent reviews for Country Road (David Jones) increase to 3.25% per annum from the fifth anniversary of the commencement date of the lease.

Value of hypothetical \$10,000 investment in Growthpoint

An investor purchasing \$10,000 worth of GOZ securities on 1 September 2015 would have had securities worth \$11,174.30 one year later on 31 August 2016 (assuming distributions were reinvested). \$10,000 invested on 1 March 2016 would have been worth \$11,043.66 on 31 August 2016.

Total operating costs attributable to a hypothetical investment over these periods was approximately \$42.35 for the full year or \$21.04 for six months; approximately 0.4% of the value⁶.

6. Operating costs being all costs other than interest.

7. Assumes reinvestment of distributions.



Portfolio update

as at 1 October 2016

| | | Office ⁸ | Industrial | Total ⁸ |
|-------------------------------------|-------|---------------------|------------------|--------------------|
| Number of properties | no. | 26 | 37 | 63 |
| Total / average value | \$m | 2,035.5 / 78.3 | 1,226.4 / 33.1 | 3,261.9 / 51.8 |
| Occupancy | % | 97.7 | 100 | 98.6 |
| Total / average lettable area | sqm | 300,529 / 11,559 | 868,578 / 23,475 | 1,169,107 / 18,557 |
| Weighted average property age | years | 8.1 | 10.1 | 8.9 |
| Weighted average valuation cap rate | % | 6.8 | 7.1 | 6.9 |
| WALE | years | 7.0 | 5.6 | 6.5 |
| WARR ⁹ | % | 3.5 | 2.7 | 3.2 |
| Average value (per sqm) | \$ | 6,773 | 1,412 | 2,790 |
| Average rent (per sqm, per annum) | \$ | 531 | 109 | 216 |
| Number of tenants | no. | 106 | 38 | 143 ¹⁰ |

8. Includes the GMF properties and Building C, 211 Wellington Rd, Mulgrave, Victoria at it's 'on completion' valuation.

9. Assumes Consumer Price Index change of 1.0% per annum as per Australian Bureau of Statistics release for year to 30 June 2016.

10. Fuji Xerox is both an office and industrial tenant.

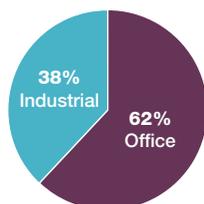
Portfolio lease expiry profile

per financial year, by income



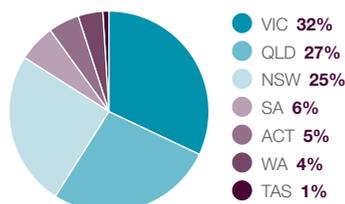
Sector diversity

by property value



Geographic diversity

by property value



Top ten tenants

by passing rent

| | % | WALE (yrs) |
|--|------------|------------|
| Woolworths Limited | 18 | 5.9 |
| NSW Police | 8 | 7.7 |
| Commonwealth of Australia | 5 | 9.5 |
| GE Capital Finance Australasia ¹¹ | 5 | 14.5 |
| Linfox | 4 | 6.7 |
| Samsung | 3 | 5.5 |
| Jacobs Group | 2 | 7.2 |
| Lion | 2 | 7.6 |
| Energyx | 2 | 11.1 |
| ANZ Banking Group | 2 | 3.4 |
| Total / Weighted Average | 51 | 7.6 |
| Balance of portfolio | 49 | 5.2 |
| Total portfolio | 100 | 6.5 |

11. Leases to Country Road / David Jones, with a weighted average lease term from commencement of 14.5 years, will replace the existing lease to GE Capital Finance Australasia upon the lease expiry.

Distribution Reinvestment Plan (DRP)

Primarily as a result of the recent takeover of GMF, the board is currently reviewing whether the DRP will be operative for the February 2017 distribution. An announcement will be made by mid December 2016. Investors should note that their DRP elections remain in place until amended. Please contact Computershare to check your DRP election.

FY17 Guidance¹²

Distributable income for the year ending 30 June 2017 is expected to be at least 22.2 cents per stapled security. The takeover of GMF is expected to be 4.9% accretive to FY17 distributable income on a pro-forma, stand-alone basis assuming the takeover occurred on 1 July 2016. However, as balance sheet gearing is expected to be above Growthpoint's target range of 35-45% once the final payments for GMF have been made, Growthpoint is considering how best to bring balance sheet gearing to within the target range. Options include the DRP (as noted above), asset sales and other capital raisings. Once a decision has been made, Growthpoint will provide updated guidance to the market although it is expected to be at or above current guidance¹².

Distribution guidance for the financial year ending 30 June 2017 is expected to be 21.3 cents per stapled security; a 3.9% increase on the year ended 30 June 2016¹². Although this may be positively impacted by any change to distributable income (refer above)¹². The current distribution is expected to be paid through the distribution of 10.6 cents per stapled security on 28 February 2017 and the distribution of 10.7 cents per stapled security on 31 August 2017.

The tax deferred status of each distribution payable in respect of the year ending 30 June 2017 will be confirmed with the full year financial results to be released on or around 21 August 2017. Growthpoint currently offers an attractive FY17 distribution yield of approximately 6.2%¹³; above the A-REIT sector estimated distribution yield of 5.3%.¹⁴

12. This document 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, servants, 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 release contains such statements that are subject to risk factors associated with the industries in which Growthpoint operates.

13. Using a security price of \$3.43, the closing price on 30 September 2016.

14. Source: Petra Capital. S&P/ASX200 Property Index.

Contacting Computershare

For direct holders of Growthpoint securities, most matters can be dealt with on-line at:

 www-au.computershare.com/investor/

Note that you will require your holder identification number.

If you cannot resolve matters on-line, contact details for Computershare are:

Address: Computershare Investor Services Pty Limited
Yarra Falls,
452 Johnston St,
Abbotsford,
VIC 3067 Australia

Telephone: 1300 850 505
(within Australia) or
+ 61(0)3 9415 4000
(from outside of Australia)

Facsimile: +61(0)3 9473 2500

Email: webqueries@computershare.com.au

For indirect holders, i.e. holders that hold via a fund, custodian or other third party, you should contact that party. Computershare will only be able to assist those with holdings directly on Growthpoint's securityholder register.

2016 Securityholder Calendar*

22 August

- Results for the year ended 30 June 2016 announced to ASX

31 August

- Distribution paid for the half year ended 30 June 2016
- Annual Tax Statement for year ended 30 June 2016 mailed
- FY16 Annual Report sent to Securityholders

24 November

- Annual General Meeting (webcast available for Securityholders unable to attend)

* Dates indicative and subject to change by the Board.

Growthpoint Properties Australia Trust
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For more information please visit our website at www.growthpoint.com.au

Company directory

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