

Growthpoint Properties Australia (ASX Code: GOZ)

Growthpoint Properties Australia Trust ARSN 120 121 002

Growthpoint Properties Australia Limited ABN 33 124 093 901 AFSL 316409

www.growthpoint.com.au

Non-deal roadshow

- Singapore
- Hong Kong
- Tokyo

9-12 May 2017

GROWTHPOINT
PROPERTIES



SPACE TO THRIVE



3 Murray Rose Avenue, Sydney Olympic Park, NSW

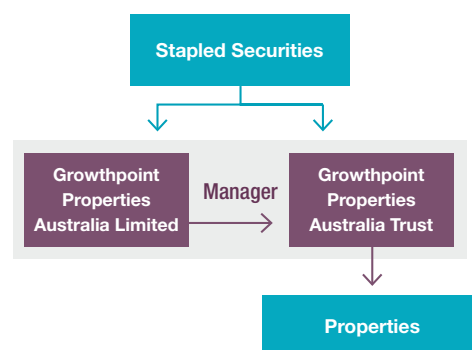
Growthpoint Properties Australia: Overview

Who are we?

Growthpoint (GOZ) is an ASX-listed landlord with a mandate to invest in Australian office, industrial and retail real property with a portfolio currently valued at A\$3.1 billion.

GOZ is included in the S&P/ASX 200 Index (among other indices).

GOZ is both the owner and the manager of the real properties (Growthpoint Properties Australia Trust). All properties are 100% owned by GOZ.



Our history

GOZ commenced in its current form in 2009 with A\$650 million of industrial property. It has grown and diversified to now own A\$2.0 billion of office property and A\$1.1 billion of industrial property in every Australian State and in the Australian Capital Territory. GOZ has a credit rating of Baa2 (stable) on senior secured debt from Moody's.

What we do

GOZ seeks to provide investors with a continually growing income stream with 100% of income derived from rent of properties owned and managed.

How we do it

GOZ acquires modern, well-located properties leased to high quality tenants and holds these assets for the medium to long term.

The four pillars of our investment offering are:

1 100% investment in Australia

All of the Group's properties are located in Australia where our management understands the key markets. We have increased the diversification of the portfolio to cover every State in Australia and the Australian Capital Territory.

2 Not a developer

The Group does not operate a property development business. It will likely continue to purchase properties to be developed, fund construction of developments, undertake capital improvements at its properties, or enter a joint venture where the Group becomes the owner of the property on completion.

3 No funds management

The Group does not have a funds management business nor does it intend to become a fund manager. The Group intends only to manage a portfolio of properties that it owns, and accordingly the Group's income is, and will continue to be, derived solely from rental income.

4 Internalised management

The Group has internalised management via a stapled entity structure. Securityholders own both the property trust and the manager/responsible entity. There are no fees payable to external managers for operating the business and no conflicts of interest between Securityholders and the manager/responsible entity.

Portfolio overview: Key metrics¹

Top ten tenants

by passing rent as at 31 March 2017

	%	WALE (yrs)
Woolworths Limited	17	5.6
NSW Police	9	7.2
Commonwealth of Australia	5	9.1
GE Capital Finance Australasia ²	5	14.0
Linfox	4	6.2
Samsung	3	5.0
Lion	3	7.1
ANZ Banking Group	2	3.0
Jacobs Group	2	8.0
Central SEQ Dist Retail	2	6.2
Total / Weighted Average	52	7.1
Balance of portfolio	48	4.7
Total portfolio	100	6.2

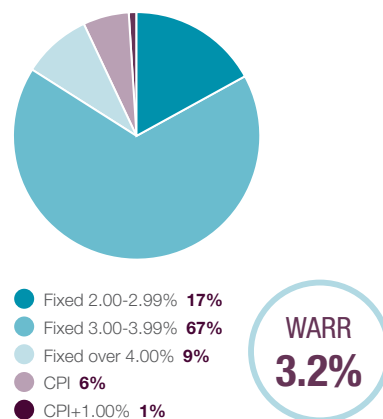
Like-for-like NPI growth:

	Office	Industrial	Total
	%	%	%
HY16 to HY17	4.9	1.2	3.1
2H16 to HY17	0.3	2.0	1.2
CY15 to CY16	0.1	2.2	1.1

- Includes the sale of assets as per ASX announcement dated 5 April 2017 and leasing updates as per announcements dated 10 April 2017 and 19 April 2017.
- Leases to Country Road / David Jones, with a weighted average lease term from commencement of 14.5 years over two of the three buildings, will replace the existing lease to GE Capital Finance Australasia upon the lease expiry. The WALE listed reflects this.

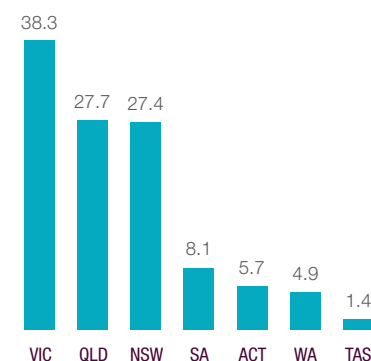
Annual rent review type (%)^{*}

as at 31 March 2017



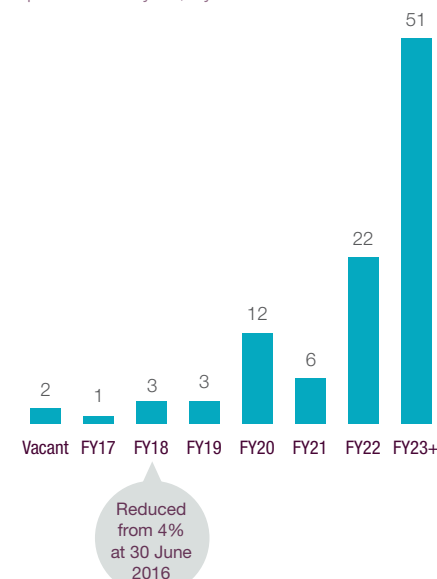
^{*} Leases that have a minimum lease increase, typically 3%, or CPI are shown as the minimum fixed rate for the above.

Net property income per State / Territory for HY17 (\$m)



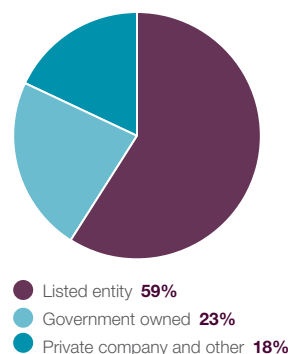
Portfolio lease expiry profile (%)

per financial year, by income



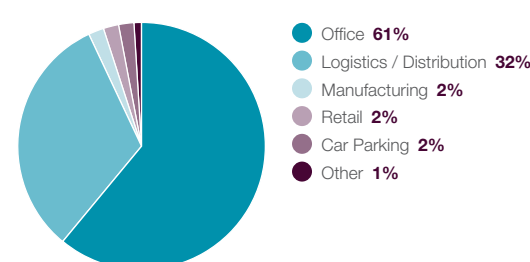
Tenant type (%)

by income as at 31 March 2017



Tenants use (%)

by income as at 31 March 2017



New tenants for this financial year include Lion, Samsung Electronics, Country Road / David Jones and the Workwear Group

Development and capital expenditure

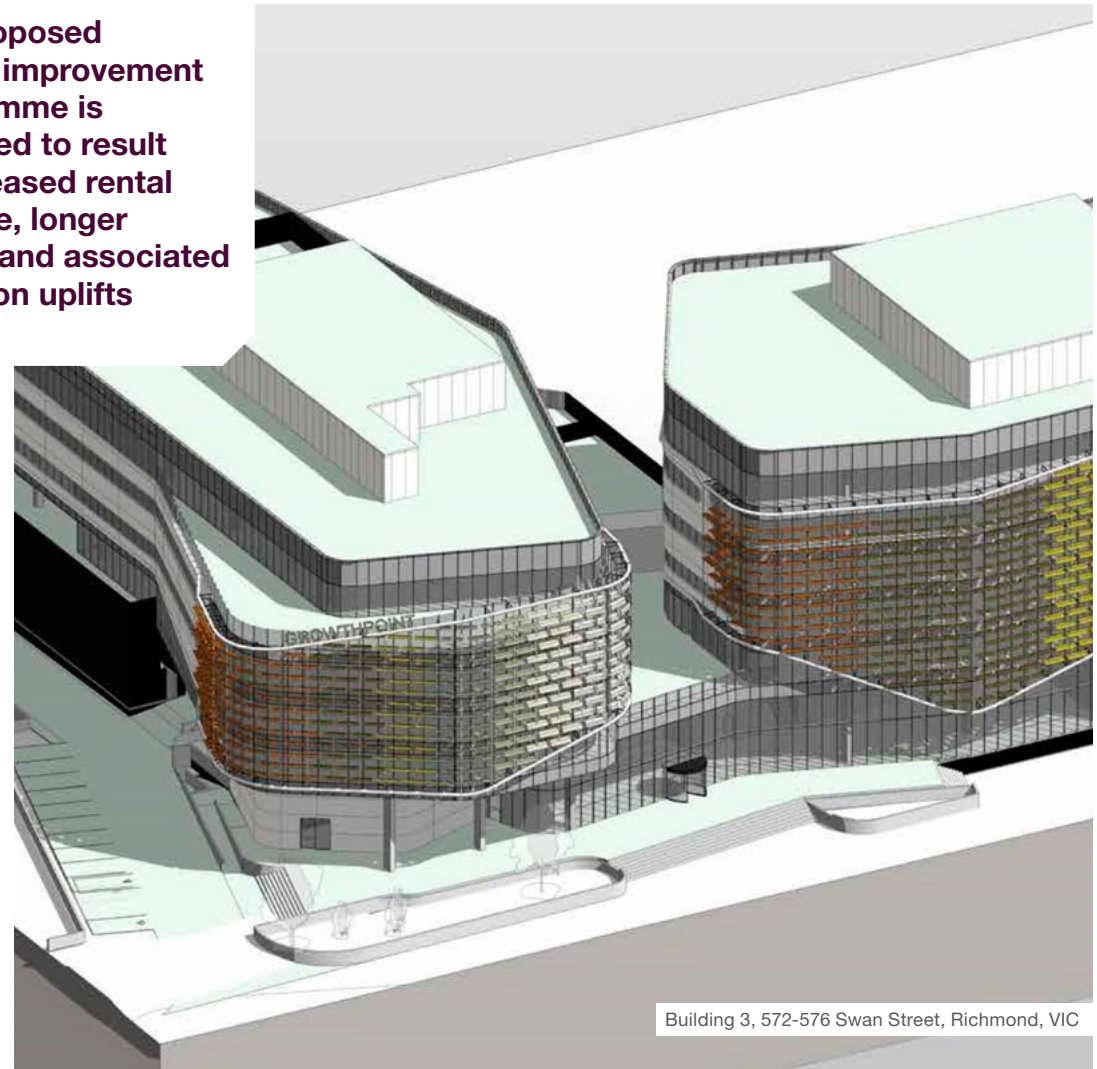
Growthpoint has an in-house capital projects and development team to enhance its existing investments.

Growthpoint has a potential pipeline of approximately \$200 million of major capital improvement projects over the next five years, subject to tenant pre-commitment.

Potential projects include:

- Building 3, 572-576 Swan Street, Richmond, Victoria – **new office development**
- Building 5, 572-576 Swan Street, Richmond, Victoria – **new retail development**
- 5/7a Viola Place, Brisbane Airport, Queensland – **industrial expansion**
- 34 Reddalls Road, Kembla Grange, New South Wales – **industrial expansion**
- 60 Annandale Road, Melbourne Airport, Victoria – **industrial expansion**
- 599 Main North Road, Gepps Cross, South Australia – **industrial expansion**

The proposed capital improvement programme is expected to result in increased rental revenue, longer leases and associated valuation uplifts



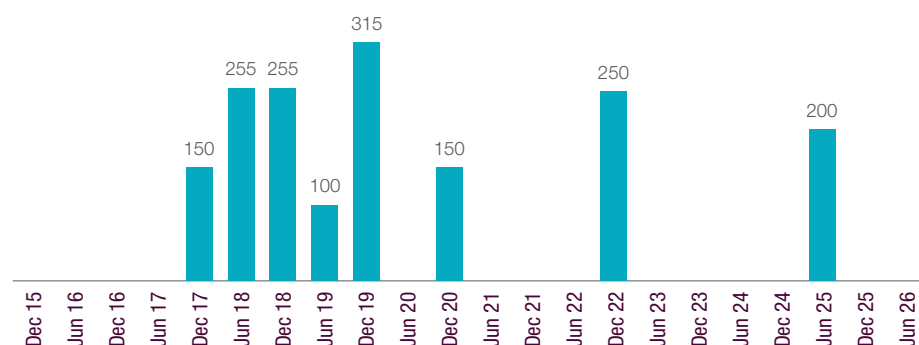
Building 3, 572-576 Swan Street, Richmond, VIC

Debt Management: Gearing

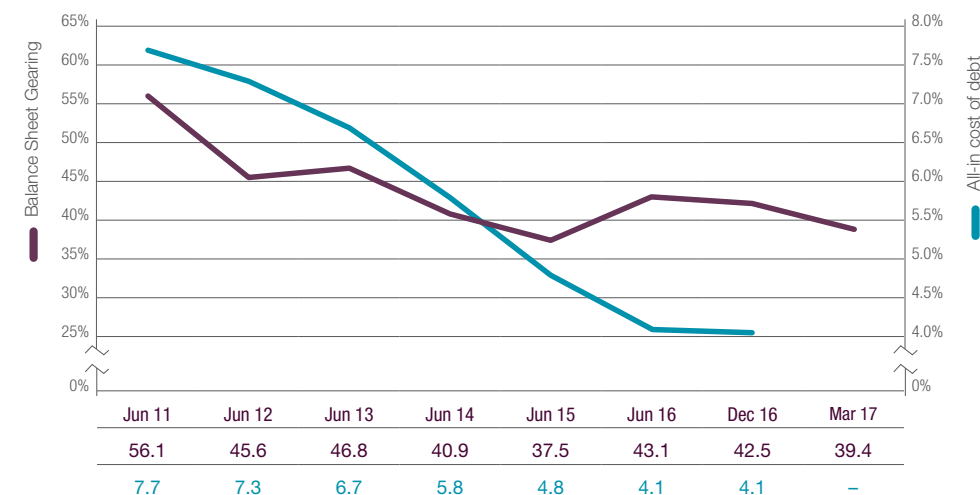
- Gearing and cost of debt reduced, debt maturity profile extended
- Current gearing of 39.4%² below midpoint of target range
- Targeting fixed/hedged debt between 75% and 100% of total drawn debt. Currently 81%¹
- Weighted average debt term 5.3 years¹

Growthpoint debt maturity profile (A\$m)

as at 31 March 2017



Change in gearing and cost of debt (%)



Balance sheet
gearing
target range
35%-45%

Weighted average
debt term of

5.3yrs¹

Balance sheet gearing of

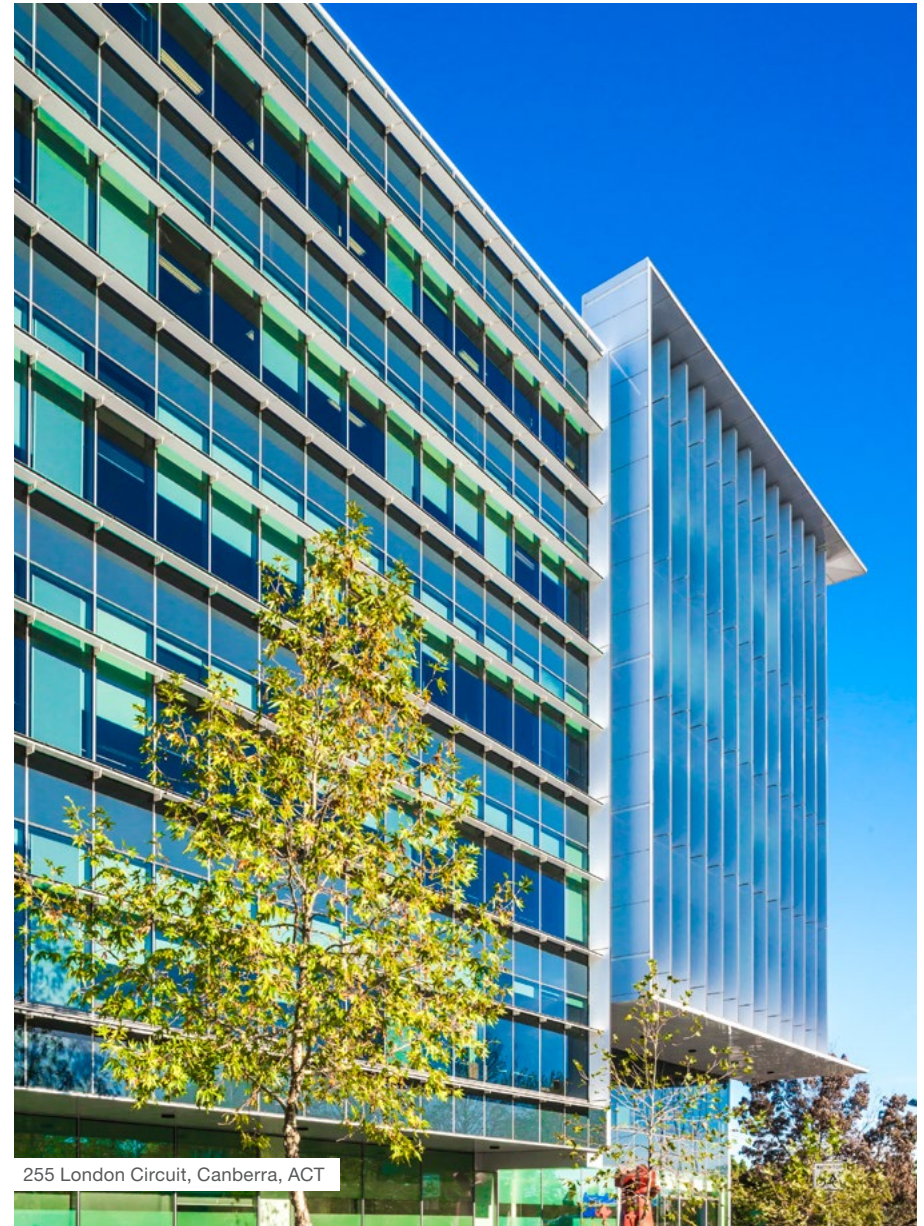
39.4%²

1. Following successful USPP transaction due to settle in June 2017. See ASX announcement dated 17 March 2017 for further information.

2. Includes asset sales as per ASX announcement dated 5 April 2017.

Summary

- ✓ Stable and predictable income
- ✓ Asset diversity
- ✓ High quality tenants and robust occupancy
- ✓ Prudent and diligent approach to acquisitions
- ✓ Conservative financial policy
- ✓ Strong Securityholder support
- ✓ Strong Investment Grade Rating and stable outlook
- ✓ Experienced management



255 London Circuit, Canberra, ACT



1 Charles Street, Parramatta, NSW

Appendices

Appendix 1: Presenter profiles



Aaron Hockly

Chief Operating Officer

Aaron is responsible for the investor relations, transaction structuring and execution, sustainability, HR, company secretarial, legal and compliance functions. Aaron has over 15 years' experience in corporate governance, financial services, corporate and commercial law, property finance and M&A and has worked in Australia, London and New Zealand. Aaron has a Masters in Applied Finance, a Bachelor of Laws and a Bachelor of Arts and graduate diplomas in Legal Practice, Applied Corporate Governance and Applied Finance. He is a Fellow of the Governance Institute of Australia, a Fellow of the Institute of Chartered Secretaries and Administrators, a member of the Australian Institute of Company Directors and a Senior Associate of the Financial Services Institute of Australasia. He has been a director and chairman of a number of not-for-profit organisations.



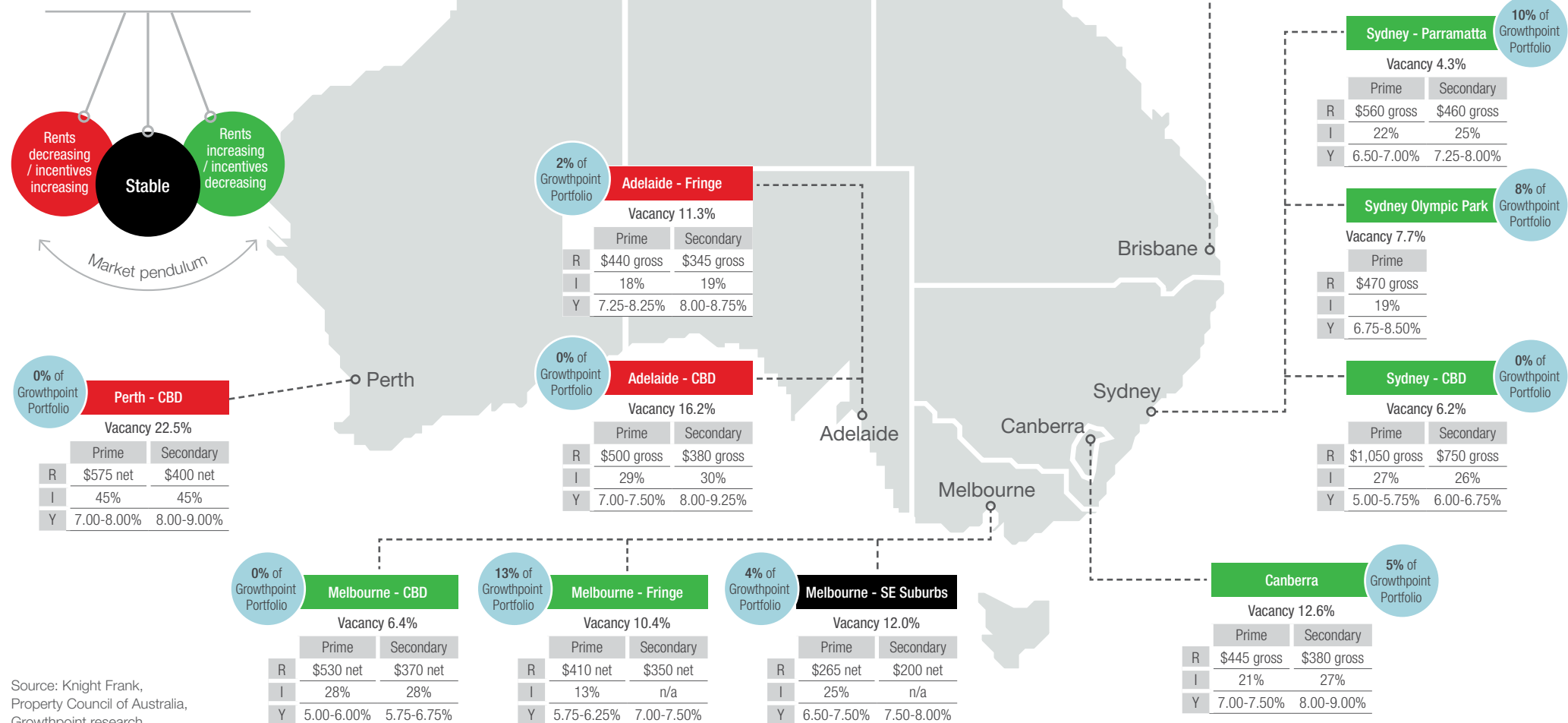
Michael Green

Head of Property

As Head of Property, Michael oversees the asset selection, asset management, property management, facilities management, environmental sustainability and property analysis functions of the Group. Michael has over 14 years' experience in listed and unlisted property fund management, property investment and development, both in Australia and Europe. Michael was previously based in London and worked as a transaction manager for Cordea Savills. Michael was responsible for acquisitions and asset management in the BENELUX region for Cordea Savills Pan European Funds. Prior to moving to Europe, he spent four years as a property analyst for Australand's listed and unlisted property trusts. Michael holds a Bachelor of Business (Property).

Appendix 2: State of key office markets

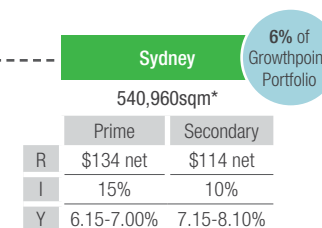
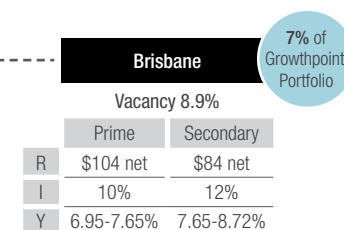
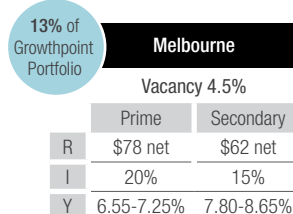
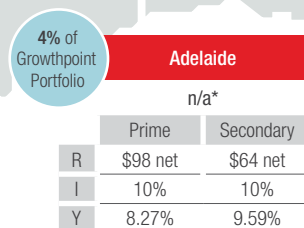
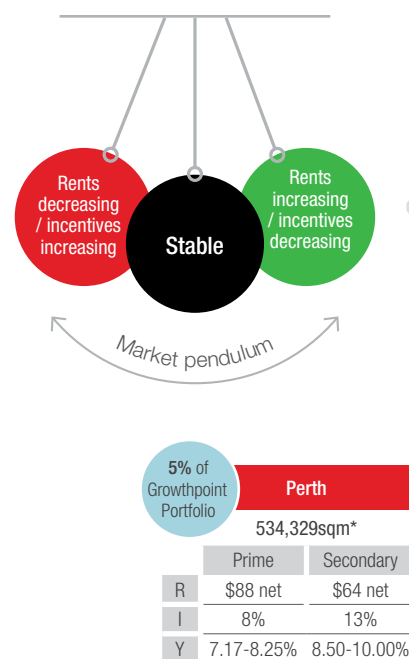
R Average rent per sqm per annum
I Indicative incentives
Y Average core market yield



Source: Knight Frank,
Property Council of Australia,
Growthpoint research

Appendix 3: State of key industrial markets

R Average rent per sqm per annum
I Indicative incentives
Y Average core market yield



Source: Knight Frank, Property Council of Australia, Growthpoint research

*Vacancy rates (%) unavailable

Contact details:

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