

GROWTHPOINT PROPERTIES AUSTRALIA (ASX CODE: GOZ)

# ANNUAL RESULTS PRESENTATION

## YEAR ENDED 30 JUNE 2013

19 August 2013

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

**GROWTHPOINT**  
PROPERTIES

# Important information

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# Contents

- 4 Overview
- 5 Financial Results
- 6 Movements in Net Tangible Assets per Security
- 7 Debt & Capital Management
- 8 Comparative Returns
- 9 Growth in Distributions, Market Capitalisation Free Float & Security Price
- 10 Growth in Distributions, Market Capitalisation Free Float & Security Price (continued)
- 11 Growthpoint Properties Australia Portfolio
- 12 Office Portfolio
- 13 Office Portfolio (continued)
- 14 Industrial Portfolio
- 15 Industrial Portfolio (continued)
- 16 Significant Acquisition for FY2013
- 17 Industrial Portfolio Acquisition July 2013
- 18 Growthpoint Properties Limited (GRT) - South Africa
- 19 Outlook & Strategy
- 20 Appendix 1 - Distributable Income
- 21 Appendix 1 - Distributable Income (continued)
- 22 Appendix 2 - Financial Position
- 23 Glossary

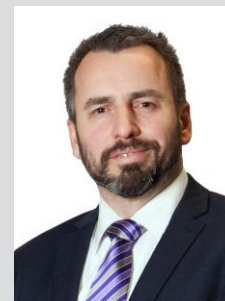
## *Executive Management Team*



*Timothy Collyer  
Managing Director*



*Aaron Hockly  
Company Secretary  
& General Counsel*



*Dion Andrews  
Chief Financial  
Officer*



*Michael Green  
Portfolio Manager*

# Overview

<b>Growing income</b>	<ul style="list-style-type: none"> <li>• \$94.0 million statutory profit; up 90% from FY2012</li> <li>• \$76.0 million distributable profit; up 32.0% from FY2012</li> <li>• Distributable income per security 19.3 cps; up 8.6% from FY2012</li> <li>• 18.3 cps distribution; up 4% from FY2012</li> </ul>
<b>Growing portfolio</b>	<ul style="list-style-type: none"> <li>• \$160.7 million of property acquisitions during FY2013</li> <li>• \$60.2 million of property acquisitions announced to date in FY2014</li> </ul>
<b>Excellent property fundamentals</b>	<ul style="list-style-type: none"> <li>• \$1.8 billion portfolio in every Australian state and Canberra</li> <li>• WALE: 6.8 years at 30 June 2013</li> <li>• WARR: 3.1% at 30 June 2013</li> <li>• 53% industrial &amp; 47% office</li> </ul>
<b>Prudent capital management</b>	<ul style="list-style-type: none"> <li>• Weighted average debt maturity of 4.3 years at 30 June 2013</li> <li>• Balance sheet gearing of 46.8% at 30 June 2013</li> <li>• 93% debt hedged at 30 June 2013 with an average maturity of 3.4 years</li> </ul>
<b>Low risk income</b>	<ul style="list-style-type: none"> <li>• Long WALE, all leases on fixed annual increases, high level of hedging, quality tenants and medium term debt</li> </ul>
<b>Low management expenses</b>	<ul style="list-style-type: none"> <li>• 0.4% MER (all costs except interest divided by average gross assets)</li> </ul>
<b>Strong support</b>	<ul style="list-style-type: none"> <li>• Investors (particularly GRT) continue to support growth including via DRP</li> </ul>
<b>High total return</b>	<ul style="list-style-type: none"> <li>• 23.6% total securityholder return for year to 30 June 2013<sup>1</sup></li> <li>• 20.2% total securityholder return for 3 years to 30 June 2013<sup>1</sup></li> <li>• 13.1% return on equity for year ended 30 June 2013</li> <li>• 19.0 cps distribution guidance for FY2014, 7.9% distribution yield on \$2.41 (closing price on 15 August 2013)</li> </ul>

<sup>1</sup> Source: UBS Investment Research

# Financial Results

	FY 2013	FY 2012	CHANGE	CHANGE %
STATUTORY ACCOUNTING PROFIT (\$'000)	93,956	49,487	44,469	89.9%
DISTRIBUTABLE EARNINGS (\$'000)	76,423	57,713	18,710	32.4%
DISTRIBUTIONS PAID / PAYABLE (\$'000)	72,590	57,383	15,207	26.5%
DISTRIBUTIONS PER SECURITY (CENTS)	18.3	17.6	0.7	4.0%
PAYOUT RATIO	95%	99%	N/A	-4.0%
ANNUAL ICR (TIMES)	2.6	2.4	0.2	8.3%
ANNUAL MER	0.39%	0.41%	N/A	-4.9%

	As at June 2013	As at June 2012	Change	
NET ASSETS (\$'000)	804,139	733,242	70,897	9.7%
SECURITIES ON ISSUE ('000)	402,830	379,476	23,354	6.2%
NTA PER STAPLED SECURITY (\$)	2.00	1.93	0.07	3.6%
BALANCE SHEET GEARING <sup>1</sup>	46.8%	45.6%	N/A	2.6%

1. Interest bearing liabilities divided by total assets

# Movements in Net Tangible Assets per Security

- A net movement of 0.8% in property valuations resulted in an increase to NTA of 3 cents per security
- A reduction in the interest rate swap liability led to an increase in their fair value of \$5.6 million over FY2013 adding 2 cents to NTA per security
- Raising capital via the DRP at prices well above NTA, coupled with a reduction in the payout ratio to 95%, also added 2 cents to NTA per security
- NTA has increased by 7.0 cents; a 3.6% increase

## MOVEMENTS IN NTA

PER STAPLED SECURITY

\$2.02

\$2.00

\$1.98

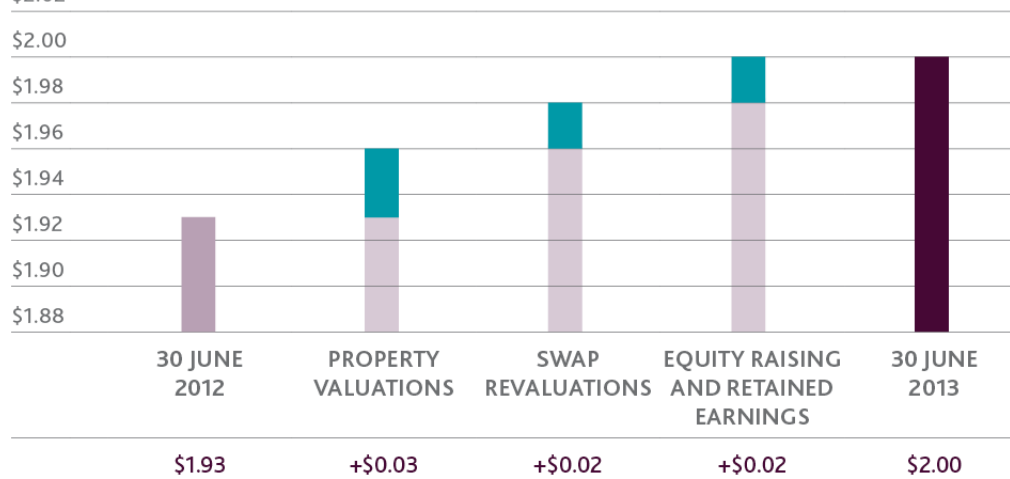
\$1.96

\$1.94

\$1.92

\$1.90

\$1.88



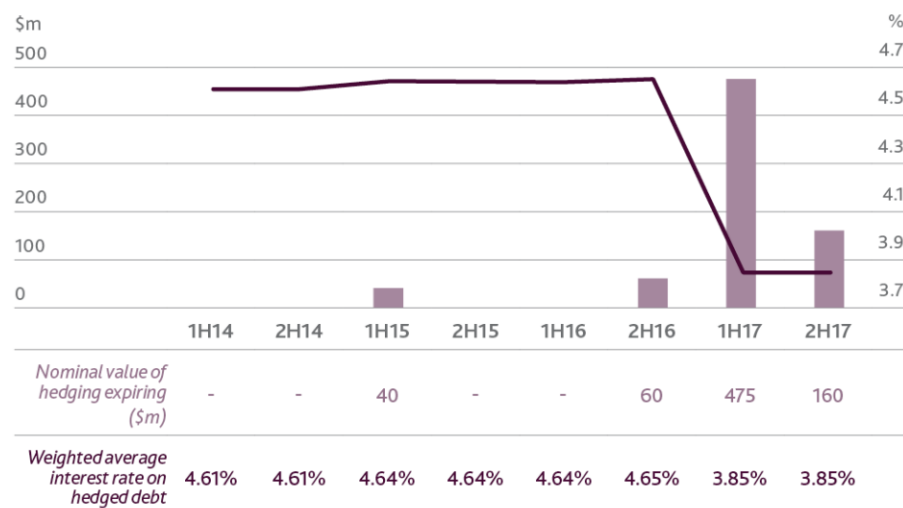
# Debt & Capital Management

- The Syndicated Facility Agreement (SFA) was re-priced and extended in June 2013. Combined with the \$70 million bilateral facility maturing in April 2016, the weighted average maturity of debt increased to 4.3 years and the cost fell to 6.71% per annum
- Interest rate hedges fix 93% of debt at the weighted average cost of 4.61% per annum (before bank margins) and have a maturity of 3.4 years
- Any incremental 5 year fixed debt would cost approximately 5.4% per annum

## SFA EXTENSION

PRIOR MATURITY DATE	NEW MATURITY DATE	DEBT AMOUNT
31 DEC 2016	31 DEC 2016	\$315m
31 DEC 2014	31 DEC 2017	\$255m
31 DEC 2015	31 DEC 2018	\$255m
<b>Total</b>		<b>\$825m</b>

## HEDGING MATURITY PROFILE



# Comparative Returns

**23.6%**

TOTAL SECURITYHOLDER  
RETURN FOR FY2013\*

**20.2%p.a.**

TOTAL SECURITYHOLDER  
RETURN FOR THREE YEARS\*  
to 30 June 2013

**7.9%**

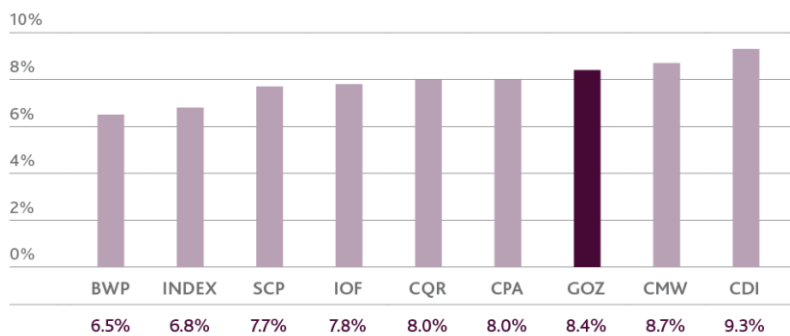
FY2014 DISTRIBUTION YIELD  
based on 30 June 2013 closing price

- GOZ remains focused on providing a growing income stream for investors
- GOZ has a high total return compared to peers despite less risky income due to being a “pure landlord”

\*Source: UBS Investment Research

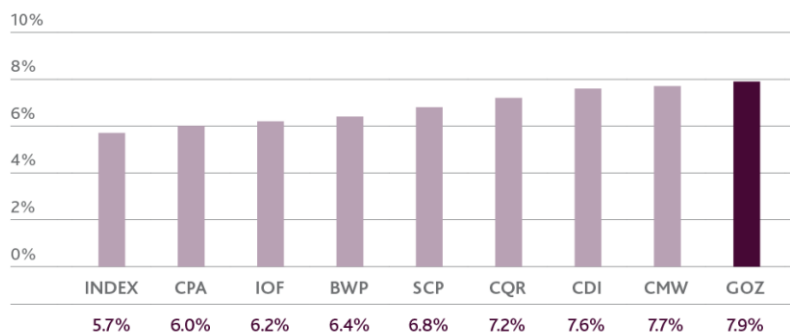
## FY14 EPS YIELD COMPARABLES<sup>1</sup>

PEER AVERAGE: 7.00%



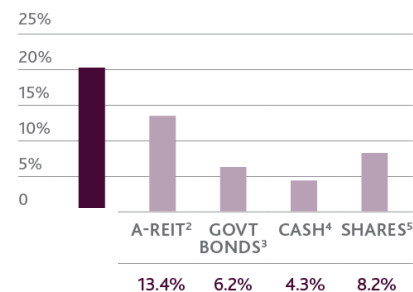
## FY14 DPS YIELD COMPARABLES<sup>1</sup>

PEER AVERAGE: 6.00%



## TOTAL RETURN COMPARISON

OVER 3 YEARS TO 30 JUNE 2013<sup>1</sup>



Investment Research.  
<sup>2</sup>0 Prop Acc. Index.  
<sup>3</sup>ond Index - all maturities.  
<sup>4</sup>ill Index.  
<sup>5</sup>0 Acc. Index.

1. Source: UBS Investment Research; ASX filings as at 30 June 2013.

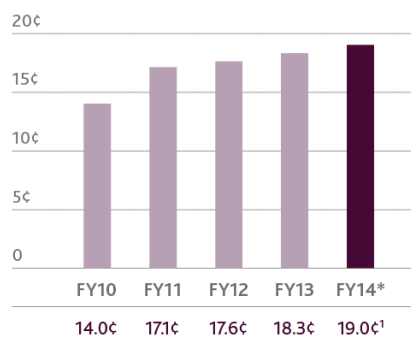
Abbreviations: BWP: BWP Trust, CDI: Challenger Diversified Property Group, CMW: Cromwell Property Group, CPA: Commonwealth Property Office Fund, CQR: Charter Hall Retail Fund, IOF: Investa Office Fund, SCP: Shopping Centres Australasia Property Group.

Index: S&P/ASX 300 Property Accumulation Index.

# Growth in Distributions, Market Capitalisation Free Float & Security Price

## DISTRIBUTIONS

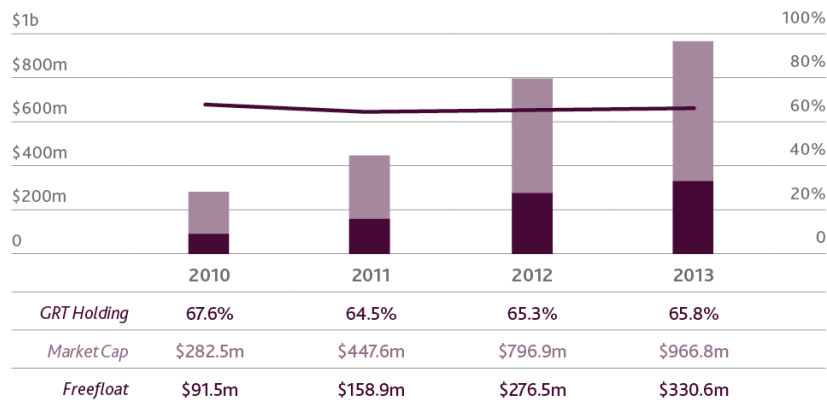
PER STAPLED SECURITY



\*Forecast.

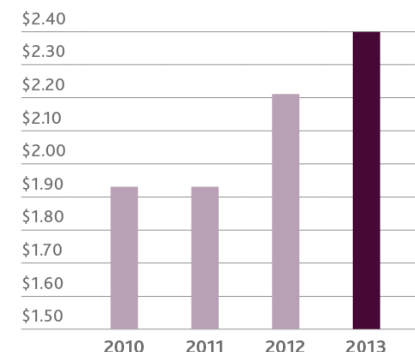
1. Distribution guidance only.

## MARKET CAPITALISATION AND FREE FLOAT



## SECURITY PRICE

AS AT 30 JUNE



- Small increase in freefloat should take GOZ into S&P/ASX300
- GRT will seek to reduce its holding in GOZ over time but would like to increase total quantum investment. Dilution expected through future transactions, not a sell down

# Growth in Distributions, Market Capitalisation & Free Float (cont.)

- Raised nearly \$700 million in new equity since September 2009
- New equity has been used to fund acquisitions and expand free float to \$330 million
- Movements in significant securityholders highlights underlying liquidity

## DISTRIBUTION REINVESTMENT PLAN

DISTRIBUTION PERIOD	Price	Discount	Amount raised	Securities issued	Participation
	\$	%	\$m	million	%
JUNE 2012	2.02	3	21.6	10.7	66.4
DECEMBER 2012	2.18	3	27.3	12.5	80.8
JUNE 2013	2.35	2	26.8	11.4	74.6
<b>Total/Average</b>	<b>2.18</b>	<b>2.7</b>	<b>75.7</b>	<b>34.6</b>	<b>74.0</b>

## EQUITY RAISINGS 2009-2013

DATE <sup>1</sup>	METHOD	AMOUNT RAISED
		\$m
AUGUST 2009	Placement	55.6
SEPTEMBER 2009	Rights offer	144.4
AUGUST 2010	Rights offer	101.0
APRIL 2011	Takeover - scrip issue	48.8
JUNE 2011	Rights offer	102.6
DECEMBER 2011	Rights offer	166.4
JUNE 2012	Distribution reinvestment plan	21.6
DECEMBER 2012	Distribution reinvestment plan	27.3
JUNE 2013	Distribution reinvestment plan	26.8
<b>Total</b>		<b>\$694.4</b>

1. Date of transaction announcement.

## SIGNIFICANT HOLDERS OF GOZ

SECURITYHOLDER	%
Growthpoint Properties Limited of South Africa	65.8
Coronation Fund Managers	7.0
Emira Property Fund	6.2
Rabinov Holdings and Associated entities	1.8
Oasis Asset Management	1.2

# Growthpoint Properties Australia Portfolio

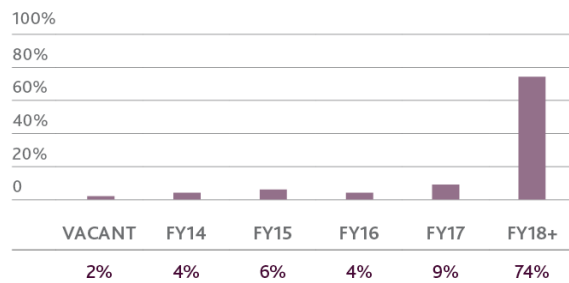
## TOP TEN TENANTS

BY PASSING RENT

TENANT	%
WOOLWORTHS	28%
GE CAPITAL FINANCE AUSTRALASIA	7%
LINFOX AUSTRALIA	6%
COMMONWEALTH OF AUSTRALIA	5%
SINCLAIR KNIGHT MERZ	4%
ENERGEX	3%
FOX SPORTS	3%
STAR TRACK EXPRESS	2%
RUNGE PINCOCK MINARCO	2%
MACMAHON CORPORATION	2%
<b>TOTAL</b>	<b>62%</b>

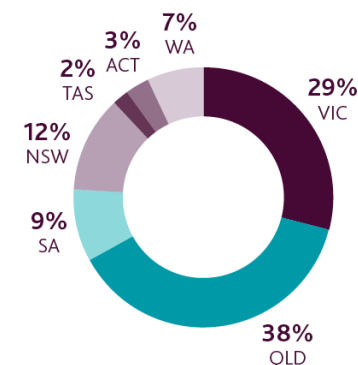
## PORTFOLIO RENT EXPIRING

PER FINANCIAL YEAR



## GEOGRAPHIC DIVERSITY

BY MARKET VALUE AS AT 30 JUNE 2013



## SECTOR DIVERSITY (%)



# Office Portfolio

The Office Portfolio is exemplified by:

- Long WALE (5.7 years)
- Modern assets (average age of asset's 4.7 years)
- Quality tenant base
- Well located assets within CBDs or major fringe markets
- High levels of tenant retention
- Minimal rental arrears

In FY2014 management will be focussing on the following:

- Extend leases prior to expiry
- Expand properties where applicable to maximise returns from assets

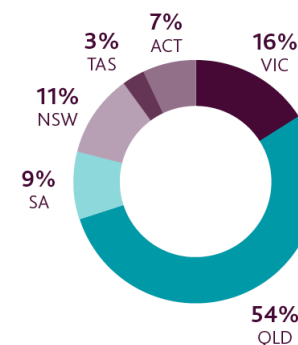
## TOP TENANTS

BY PASSING RENT

MAJOR TENANT	% of Office Rent	% of Portfolio Rent
GE CAPITAL FINANCE AUSTRALASIA	14%	7%
COMMONWEALTH OF AUSTRALIA	9%	5%
SINCLAIR KNIGHT MERZ	7%	4%
ENERGEX	7%	3%
FOX SPORTS	5%	3%
RUNGE PINOCK MINARCO	4%	2%
MACMAHON CORPORATION	4%	2%
DOWNER MINING	4%	2%
COFFEY INTERNATIONAL	4%	2%
HYDRO TASMANIA CONSULTING	3%	2%

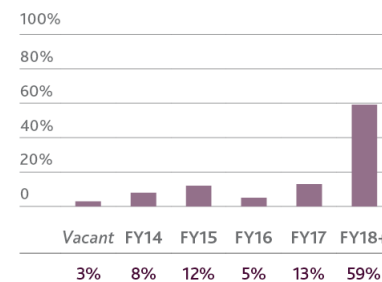
## GEOGRAPHIC DIVERSITY

BY MARKET VALUE AS AT 30 JUNE 2013



## OFFICE PORTFOLIO LEASE EXPIRY PROFILE

AS AT 30 JUNE



## FY2013 LEASING TRANSACTIONS

TENANT	Peabody Energy Australia	Westpac Banking Corporation
PREMISES	42 Merivale Street, South Brisbane	7 Laffer Drive, Bedford Park
NET LETTABLE AREA	5,762 m <sup>2</sup>	6,639 m <sup>2</sup>
APPROXIMATE ANNUAL RENTAL	\$3.2 million	\$2.0 million
LEASE START	1 July 2014	23 July 2013
TERM	10 years	5 years
ANNUAL FIXED REVIEWS	3.75%	CPI (collar 3-5%)

# Office Portfolio<sup>1</sup>

TOP 10 OFFICE ASSETS HAVE AN AVERAGE VALUE OF \$70.8M, WALE OF 5.4YRS AND REPRESENT 89% OF THE OFFICE PORTFOLIO

ASSET	STATE	BOOK VALUE	CAP RATE	OCCUPANCY	WALE (YRS)	MAJOR TENANT	REVIEW STRUCTURE
333 Ann Street, Brisbane	QLD	\$110.0m	8.3%	93%	2.7	Runge Pincock Minarco	4.3%
219-247 Pacific Highway, Artarmon	NSW	\$87.0m	8.0%	100% <sup>2</sup>	7.4 <sup>2</sup>	Fox Sports	3.5%
1231-1241 Sandgate Road, Nundah	QLD	\$82.0m	8.0%	100% <sup>2</sup>	13.0 <sup>2</sup>	Energex	3.5%
GE 2, 572 Swan Street, Richmond	VIC	\$75.0m	8.3%	100%	4.7	GE Capital Finance	3.1%
22 Cordelia Street, South Brisbane	QLD	\$65.0m	8.5%	75%	1.4	Downer Mining	3.8%
32 Cordelia Street, South Brisbane	QLD	\$64.0m	8.3%	100%	5.1	Sinclair Knight Merz	3.8%
52 Merivale Street, South Brisbane	QLD	\$62.0m	8.5%	100% <sup>2</sup>	2.5	Macmahon Corporation	3.9%
10-12 Mort Street, Canberra	ACT	\$57.2m	9.8%	100%	3.7	Commonwealth Govt.	3.8%
33-39 Richmond Road, Keswick	SA	\$54.4m	8.3%	100%	10.0	Coffey International	3.5%
GE 1&3, 572 Swan Street, Richmond	VIC	\$51.1m	8.3%	100%	4.7	GE Capital Finance	3.1%
<b>TOP 10 ASSETS</b>		<b>\$707.7m</b>	<b>8.4%</b>	<b>96%</b>	<b>5.4</b>		<b>3.6%</b>
<b>BALANCE OF OFFICE PORTFOLIO</b>		<b>\$89.6m</b>	<b>8.9%</b>	<b>97%</b>	<b>8.0</b>		<b>3.0%</b>
<b>TOTAL</b>		<b>\$797.3m</b>	<b>8.4%</b>	<b>97%</b>	<b>5.7</b>		<b>3.5%</b>

<sup>1</sup> As at 30 June 2013. Figures may not sum due to rounding.

<sup>2</sup> Includes rent guarantee from developer

# Industrial Portfolio

The Industrial Portfolio is exemplified by:

- 100% occupancy
- One of the longest WALES in the sector (7.9 years)
- Modern assets (average age of asset's 8.3 years)
- Quality tenant base
- Well located assets within major transport and logistics precincts throughout the country
- High levels of tenant retention

In FY2014 management will be focussing on the following:

- Extend leases prior to expiry
- The low site coverage of a number of the assets offers expansion potential where returns can be maximised
- Smooth integration of development fund through projects currently underway
- Continue search for attractive acquisition opportunities

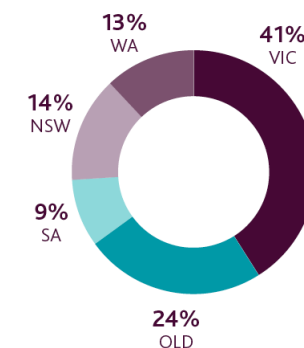
## TOP TENANTS

BY PASSING RENT

MAJOR TENANT	% of Industrial Rent	% of Portfolio Rent
WOOLWORTHS LIMITED	56%	28%
LINFOX	11%	6%
STAR TRACK EXPRESS	5%	2%
FLETCHER BUILDING (LAMINEX)	3%	1%
WILLOW WARE AUSTRALIA	3%	1%
PAPER AUSTRALIA	2%	1%
THE REJECT SHOP	2%	1%
ARB CORPORATION	2%	1%
REWARD SUPPLY CO.	2%	1%
EXEGO	2%	1%

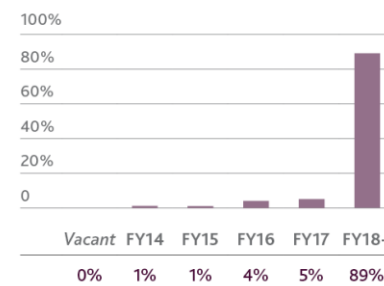
## GEOGRAPHIC DIVERSITY

BY MARKET VALUE AS AT 30 JUNE 2013



## INDUSTRIAL PORTFOLIO LEASE EXPIRY PROFILE

AS AT 30 JUNE



# Industrial Portfolio<sup>2</sup>

TOP 10 INDUSTRIAL ASSETS HAVE AN AVERAGE VALUE OF \$67.6M, WALE OF 9.0YRS AND REPRESENT 75% OF THE INDUSTRIAL PORTFOLIO

ASSET	STATE	BOOK VALUE	CAP RATE	OCCUPANCY	WALE (YRS)	MAJOR TENANT	REVIEW STRUCTURE
70 Distribution St, Larapinta	QLD	\$165.0m	7.9%	100%	8.7	Woolworths	2.5%
2 Horrie Miller Drive, Perth Airport	WA	\$115.0m	8.3%	100%	12.3	Woolworths	2.5%
27-49 Lenore Drive, Erskine Park <sup>1</sup>	NSW	\$109.7m	7.8%	100%	9.8	Linfox	CPI
51-65 Lenore Drive, Erskine Park							
6-7 John Morphett Place, Erskine Park							
28 Bilston Drive, Wodonga	VIC	\$72.5m	8.3%	100%	8.1	Woolworths	2.5%
120 Northcorp Boulevard, Broadmeadows	VIC	\$66.2m	8.0%	100%	8.1	Woolworths	2.5%
599 Main North Road, Gepps Cross	SA	\$59.3m	8.3%	100%	8.1	Woolworths	2.5%
522-550 Wellington Road, Mulgrave	VIC	\$51.3m	8.0%	100%	8.1	Woolworths	2.5%
40 Annandale Road, Tullamarine	VIC	\$36.8m	9.0%	100%	6.0	Star Track Express	3.8%
<b>TOP 10 ASSETS</b>		<b>\$675.7m</b>	<b>8.1%</b>	<b>100%</b>	<b>9.0</b>		<b>2.6%</b>
<b>BALANCE OF INDUSTRIAL PORTFOLIO</b>		<b>\$221.5m</b>	<b>9.0%</b>	<b>100%</b>	<b>4.8</b>		<b>3.1%</b>
<b>TOTAL</b>		<b>\$897.2m</b>	<b>8.3%</b>	<b>100%</b>	<b>7.9</b>		<b>2.7%</b>

<sup>1</sup> On completion valuation

<sup>2</sup> At 30 June 2013. Figures may not sum due to rounding.

# Significant Acquisitions FY2013



10-12 MORT ST,  
CANBERRA, ACT

The property comprises two modern "A grade" eight storey office buildings with a combined net lettable area of approximately 15,398 square meters plus 158 car parks on land of 3,064 square meters.

**INTEREST** 100% Crown Leasehold

**BOOK VALUE**

**AS AT 30 JUNE 2013** \$57.2m

**VALUER** Jones Lang LaSalle

**CAPITALISATION RATE** 9.75%

**DISCOUNT RATE** 10.25%

**MAJOR TENANT** Commonwealth of Australia

**WALE** 3.7 years

**LETTABLE AREA** 15,398m<sup>2</sup>

**SITE AREA** 3,064m<sup>2</sup>



6-7 JOHN MORPHETT PL,  
ERSKINE PARK, NSW

A modern warehouse facility, leased to Linfox.

**INTEREST** Freehold

**BOOK VALUE**

**AS AT 30 JUNE 2013** \$38.2m

**VALUER** Directors' valuation

**CAPITALISATION RATE** 8.00%

**DISCOUNT RATE** 9.50%

**MAJOR TENANT** Linfox

**WALE** 6.6 years

**LETTABLE AREA** 24,881m<sup>2</sup>

**SITE AREA** 82,280m<sup>2</sup>



27-49 LENORE DR,  
ERSKINE PARK, NSW

A purpose built pharmaceutical warehouse facility.

**INTEREST** Freehold

**BOOK VALUE**

**AS AT 30 JUNE 2013** \$47.6m

**VALUER** Directors' valuation

**CAPITALISATION RATE** 8.00%

**DISCOUNT RATE** 9.50%

**MAJOR TENANT** Linfox

**WALE** 10.0 years

**LETTABLE AREA** 29,055m<sup>2</sup>

**SITE AREA** 71,410m<sup>2</sup>



51-65 LENORE DR,  
ERSKINE PARK, NSW

A truck wash and maintenance facility with extensive hardstand.

**INTEREST** Freehold

**BOOK VALUE**

**AS AT 30 JUNE 2013** \$23.9m

**VALUER** Directors' valuation

**CAPITALISATION RATE** 8.00%

**DISCOUNT RATE** 9.50%

**MAJOR TENANT** Linfox

**WALE** 14.7 years

**LETTABLE AREA** 3,720m<sup>2</sup>

**SITE AREA** 41,790m<sup>2</sup>

Growthpoint once again proved its ability to source and execute large transactions to the benefit of securityholders.

Throughout FY13 these acquisitions have been smoothly transitioned into the GOZ portfolio.

The assets are providing accretive income returns and location and tenant diversification for the portfolio.

# Industrial Portfolio Acquisition July 2013



Three adjoining distribution warehouses each with separate street access, mezzanine office, Early Suppression Fast Response sprinklers and environmentally sustainable design features.

**INTEREST** Freehold

**PURCHASE PRICE** \$24.1m

**VALUER** URBIS

**CAPITALISATION RATE** 8.25%

**DISCOUNT RATE** 9.25%

**MAJOR TENANT** Australand Rent Guarantee

**WALE** 5.0 years

**LETTABLE AREA** 25,728m<sup>2</sup>

**SITE AREA** 41,730m<sup>2</sup>



Two stand alone distribution warehouses to be constructed on adjoining lots. The properties will provide separate street access, mezzanine office and high spec warehousing with environmentally sustainable design features.

**INTEREST** Freehold

**PURCHASE PRICE** \$18.8m

**VALUER** URBIS

**CAPITALISATION RATE** 8.25%

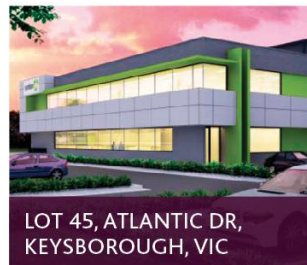
**DISCOUNT RATE** 9.25%

**MAJOR TENANT** Australand Rent Guarantee

**WALE** 5.0 years

**LETTABLE AREA** 17,834m<sup>2</sup>

**SITE AREA** 30,668m<sup>2</sup>



A high spec distribution warehouse/ office facility, comprising ambient and temperature controlled high bay warehousing.

**INTEREST** Freehold

**PURCHASE PRICE** \$17.3m

**VALUER** URBIS

**CAPITALISATION RATE** 7.50%

**DISCOUNT RATE** 9.25%

**MAJOR TENANT** Symbion

**WALE** 15.0 years

**LETTABLE AREA** 12,800m<sup>2</sup>

**SITE AREA** 26,181m<sup>2</sup>

Acquisition of three industrial properties under development located in prime industrial markets in Melbourne, Victoria

- Total acquisition cost of \$60.2 million<sup>1</sup>, representing an initial portfolio yield of 8.0%
- Upfront funding of land and deposits of \$12.6 million, with the balance payable by progress payments (for two properties) or on practical completion (for one property)
- Properties are being developed by, and acquired from, ASX listed Australand Property Group
- The assets enhance Growthpoint's current portfolio metrics and are consistent with strategy:
  - Increase weighting to industrial assets
  - Increase portfolio WALE
  - Increase occupancy
  - Annual fixed rent reviews

<sup>1</sup>Excludes transaction costs

# Growthpoint Properties Limited (GRT) - South Africa<sup>1</sup>

- GRT owns 65.8% of the securities of GOZ (at 19 August 2013) and is its major securityholder
- GRT first invested in GOZ in August 2009 and has a holding valued at approximately \$650 million by market capitalisation (after the June 2013 DRP). GRT has no other offshore investments
- GRT's investment in GOZ is driven by:
  - Opportunities available for investment
  - Relative income (yield) return and potential for capital growth
  - Benefits of diversification
  - Business synergies and comparable strategies
  - Attractiveness of investment in AUS (stability, economic performance, regulatory environment)
- GOZ represents:
  - 18.0% of GRT's gross assets
  - 25.9% of GRT's net property income
  - 14.4% of GRT's total distributable income

## KEY FACTS<sup>1</sup>

LISTING	GRT is listed on the Johannesburg Stock Exchange (JSE)			
RANKING ON JSE	34th <sup>2</sup>			
EXCHANGE RATE USED	AUD:ZAR = 9.02			
MARKET CAPITALISATION (CURRENTLY)	R 45.0b / AUD 5.5b			
GROSS ASSETS	R 64.3b / AUD 7.1b			
NET ASSETS	R 36.8b / AUD 4.1b			
GEARING (SA ONLY)	23.8%			
PROPERTIES	Diversified property portfolio in office, industrial and retail property sectors			
NO. OF EMPLOYEES	463			
NO. OF PROPERTIES	393 properties in SA including a 50% co-ownership of the V&A Waterfront			
TOTAL RETURN	1 YEAR	3 YEARS	5 YEARS	10 YEARS
<i>Dividends reinvested - nominal</i>	18.0%	103%	238%	833%
<i>Annual compounded return</i>	Not released <sup>3</sup>	26.6%	27.6%	25.0%

<sup>1</sup> All information supplied by GRT

<sup>2</sup> At the 2012 Q2 Quarterly Review

<sup>3</sup> GRT releases its results at the end of August 2013

# Outlook & Strategy

Attractive risk adjusted returns	<ul style="list-style-type: none"> <li>• Provide defensive and sustainable income returns</li> <li>• Sustainable growth in earnings and distributions</li> </ul>
Income security	<ul style="list-style-type: none"> <li>• High occupancy (98%) and long WALE (6.8 years)</li> <li>• High proportion of leases to government, investment grade and national tenants</li> </ul>
Income growth	<ul style="list-style-type: none"> <li>• Organic growth through fixed rental growth (3.1% at 30 June 2013)</li> <li>• Opportunity to outperform through strategic acquisitions, active portfolio management and improved cost of capital</li> </ul>
Simple, low risk business model	<ul style="list-style-type: none"> <li>• 100% domestic, wholly owned portfolio</li> <li>• Pure landlord, with no funds management or development business</li> <li>• Internally managed with low corporate overheads (MER of 0.40%)</li> </ul>
Portfolio weighting	<ul style="list-style-type: none"> <li>• Seeking to increase weighting to industrial assets over the short to medium term</li> <li>• Will opportunistically consider office acquisitions where beneficial to portfolio and strategy</li> </ul>
Active portfolio management	<ul style="list-style-type: none"> <li>• Active management of portfolio to optimise returns and manage risk</li> <li>• Demonstrated track record of successful asset and corporate acquisitions</li> </ul>
Capital management	<ul style="list-style-type: none"> <li>• Gearing target of 40-45% over the medium term</li> <li>• Weighted average debt expiry of 4.3 years, following recently announced debt refinance</li> </ul>
Major securityholder	<ul style="list-style-type: none"> <li>• Growthpoint Properties Limited (South Africa) is supportive of the continued growth of the business and increasing liquidity and freefloat</li> </ul>

# Appendix 1 - Distributable Income

## RECONCILIATION FROM STATUTORY PROFIT TO DISTRIBUTABLE INCOME

	FY 2013	FY 2012	CHANGE	CHANGE
	\$'000	\$'000	\$'000	%
PROFIT AFTER TAX	93,956	49,487	44,469	89.9%
LESS NON-DISTRIBUTABLE ITEMS:				
- Straight line adjustment to property revenue	(5,769)	(2,957)	(2,812)	95.1%
- Net changes in fair value of investments	(5,990)	(30,117)	24,127	-80.1%
- Profit / (loss) on sale of investment properties	(279)	88	(367)	N/A
- Net (gain) / loss on derivatives	(5,596)	41,169	(46,765)	N/A
- Deferred tax expense	101	43	58	134.9%
DISTRIBUTABLE INCOME	76,423	57,713	18,710	32.4%

# Appendix 1 - Distributable Income (cont)

## Components of distributable income

	FY 2013	FY 2012	CHANGE	CHANGE
	\$'000	\$'000	\$'000	%
Property income	153,870	124,005	29,865	24%
Property expenses	(20,474)	(15,063)	(5,411)	36%
<b>NET PROPERTY INCOME</b>	<b>133,396</b>	<b>108,942</b>	<b>24,454</b>	<b>22%</b>
Interest income <sup>1</sup>	5,759	4,677	1,082	23%
<b>TOTAL OPERATING INCOME</b>	<b>139,155</b>	<b>113,619</b>	<b>25,536</b>	<b>22%</b>
Borrowing costs	(56,272)	(50,138)	(6,134)	12%
Operational and trust expenses	(6,431)	(5,551)	(880)	16%
<b>OPERATING AND TRUST EXPENSES</b>	<b>(62,703)</b>	<b>(55,689)</b>	<b>(7,014)</b>	<b>13%</b>
Current tax expense	(29)	(219)	190	-87%
<b>DISTRIBUTABLE INCOME</b>	<b>76,423</b>	<b>57,711</b>	<b>18,712</b>	<b>32%</b>
<b>DISTRIBUTIONS PAID</b>	<b>72,590</b>	<b>57,383</b>	<b>15,207</b>	<b>27%</b>
Tax components	70% tax deferred	88% tax deferred		
	7% tax free	12% tax free		

1. Includes coupon interest received on the developments of Energex, Nundah, Fox Sports, Gore Hill and Linfox, Esrkin Park

## Appendix 2 - Financial Position

	JUNE 2013	JUNE 2012
	\$'000	\$'000
<b>ASSETS</b>		
Cash and cash equivalents	9,405	35,289
Investment properties	1,646,915	1,469,646
Other receivables	20,951	100,790
Other assets	3,127	1,357
<b>TOTAL ASSETS</b>	<b>1,680,398</b>	<b>1,607,082</b>
<b>LIABILITIES</b>		
Borrowings	(786,893)	(732,456)
Distributions payable	(37,463)	(32,635)
Payments to settle investment properties	-	(53,960)
Derivative financial instruments	(34,341)	(39,937)
Other liabilities	(17,562)	(14,852)
<b>TOTAL LIABILITIES</b>	<b>(876,259)</b>	<b>(873,840)</b>
<b>NET ASSETS</b>	<b>804,139</b>	<b>733,242</b>
Securities on issue	402,830	379,476
NTA per security	\$2.00	\$1.93

# Glossary

<b>A-REIT</b>	Australian Real Estate Investment Trust
<b>cps</b>	cents per stapled security
<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 stapled security
<b>Growthpoint / GOZ</b>	Growthpoint Properties Australia comprising Growthpoint Properties Australia Limited, Growthpoint Properties Australia Trust and their controlled entities
<b>GRT</b>	Growthpoint Properties Limited of South Africa (which currently holds 65.8% of Growthpoint)
<b>ICR</b>	“interest cover ratio” as that term is defined in the SFA and the BILAT (respectively)
<b>LVR</b>	“loan to value ratio” as that term is defined in the SFA
<b>MER</b>	“management expense ratio” calculated by dividing all operating expenses by the average gross assets (calculated monthly) for the period where operating expenses equals “other expenses from ordinary activities” as shown on the Statement of profit or loss and other Comprehensive Income
<b>SFA</b>	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>WACR</b>	weighted average capitalisation rate (by value)
<b>WALE</b>	weighted average lease expiry (by rental income)
<b>WARR</b>	weighted average rent review (by rental income)

## Abbreviations for entities used in this presentation:

**Index or XPK:** S&P/ASX A-REIT 300 Index  
**ALZ:** Australand Property Group  
**BWP:** BWP Trust  
**CDI:** Challenger Diversified Property Group  
**CMW:** Cromwell Property Group  
**CPA:** Commonwealth Property Office Fund  
**CQR:** Charter Hall Retail Fund  
**IOF:** Investa Office Fund  
**SCP:** Shopping Centres Australasia Property Group

# Thank you

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