



Announcement to Singapore Exchange

11 February 2016

**GBP250,000,000 9.75 PER CENT NOTES DUE JULY 2018 (THE “NOTES”) ISSUED  
PURSUANT TO THE USD 5 BILLION EURO MEDIUM TERM NOTE PROGRAMME (THE  
‘PROGRAMME’)**

**ANNOUNCEMENT OF GOODMAN GROUP RESULTS FOR THE HALF YEAR ENDED 31  
DECEMBER 2015 – PART 3**

We attach the Goodman Group Results Investor Presentation – Appendices.

Yours sincerely,

For Goodman Australia Finance Pty Limited

Carl Bicego  
Company Secretary

# APPENDIX 1 – RESULTS ANALYSIS

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# Profit and loss



Total income by business segment for the half year ended 31 December 2015

| Category                                                          | Total          | Investment   | Management   | Development  | Unallocated   | Non-operating items |
|-------------------------------------------------------------------|----------------|--------------|--------------|--------------|---------------|---------------------|
|                                                                   | \$M            | \$M          | \$M          | \$M          | \$M           | \$M                 |
| Gross property income                                             | 108.7          | 100.4        | -            | -            | -             | 8.3                 |
| Management income                                                 | 147.0          | -            | 147.0        | -            | -             | -                   |
| Development income                                                | 627.0          | -            | -            | 627.0        | -             | -                   |
| Net gain from fair value adjustments on investment properties     | 253.6          | -            | -            | -            | -             | 253.6               |
| Net gain on disposal of investment properties                     | 0.1            | -            | -            | 0.1          | -             | -                   |
| Share of net results of equity accounted investments <sup>1</sup> | 600.5          | 136.3        | 0.2          | 75.0         | -             | 389.0               |
| Net gain on disposal of equity investments                        | 10.2           | -            | -            | 10.2         | -             | -                   |
| <b>Total income</b>                                               | <b>1,747.1</b> | <b>236.7</b> | <b>147.2</b> | <b>712.3</b> | <b>-</b>      | <b>650.9</b>        |
| Property and development expenses                                 | (525.1)        | (30.8)       | -            | (494.3)      | -             | -                   |
| Operating expenses                                                | (152.1)        | -            | (47.9)       | (40.8)       | (30.1)        | (33.3)              |
| Impairment losses                                                 | (12.6)         | -            | -            | -            | -             | (12.6)              |
| <b>EBIT</b>                                                       | <b>1,057.3</b> | <b>205.9</b> | <b>99.3</b>  | <b>177.2</b> | <b>(30.1)</b> | <b>605.0</b>        |
| Look through NPI adjustment <sup>2</sup>                          |                | 55.0         | -            | -            |               |                     |
| <b>Look through operating EBIT</b>                                |                | <b>260.9</b> | <b>99.3</b>  | <b>177.2</b> |               |                     |

1. Includes share of associate and JVE property valuation gains of \$393.1 million, share of associate and JVE unrealised derivative losses of (\$2.5) million and deferred tax adjustments in associates of (\$1.6) million
2. GMG proportionate share of managed Partnerships interest and tax

# Profit and loss (cont)



| Category                                                                                                              | Total          | Investment   | Management  | Development  | Unallocated   | Non-operating items |
|-----------------------------------------------------------------------------------------------------------------------|----------------|--------------|-------------|--------------|---------------|---------------------|
|                                                                                                                       | \$M            | \$M          | \$M         | \$M          | \$M           | \$M                 |
| <b>EBIT – per statutory accounts</b>                                                                                  | <b>1,057.3</b> | <b>205.9</b> | <b>99.3</b> | <b>177.2</b> | <b>(30.1)</b> | <b>605.0</b>        |
| Net gain from fair value adjustments on investment properties                                                         | (253.6)        | -            | -           | -            | -             | (253.6)             |
| Share of net gain from fair value adjustments on investment properties and interest rate swaps in associates and JVEs | (389.0)        | -            | -           | -            | -             | (389.0)             |
| Impairment losses                                                                                                     | 12.6           | -            | -           | -            | -             | 12.6                |
| Straight-lining of rental income                                                                                      | (8.3)          | -            | -           | -            | -             | (8.3)               |
| Share based payment expense                                                                                           | 33.3           | -            | -           | -            | -             | 33.3                |
| <b>Operating EBIT</b>                                                                                                 | <b>452.3</b>   | <b>205.9</b> | <b>99.3</b> | <b>117.2</b> | <b>(30.1)</b> | <b>-</b>            |
| Net finance expense (statutory)                                                                                       | (78.6)         |              |             |              |               |                     |
| Less: fair value adjustments on derivative financial instruments                                                      | (27.6)         |              |             |              |               |                     |
| Add: foreign exchange loss                                                                                            | 58.4           |              |             |              |               |                     |
| <b>Net finance expense (operating)</b>                                                                                | <b>(47.8)</b>  |              |             |              |               |                     |
| Net tax expense (statutory)                                                                                           | (49.4)         |              |             |              |               |                     |
| Add: deferred tax expense on fair valuation adjustments on investments                                                | 11.5           |              |             |              |               |                     |
| <b>Income tax expense</b>                                                                                             | <b>(37.9)</b>  |              |             |              |               |                     |
| Minorities                                                                                                            | (10.0)         |              |             |              |               |                     |
| <b>Operating profit available for distribution</b>                                                                    | <b>356.6</b>   |              |             |              |               |                     |
| <b>Net cash provided by operating activities<sup>1</sup></b>                                                          | <b>444.8</b>   |              |             |              |               |                     |

1. Difference between operating profit pre-minorities and cash provided by operating activities of \$78.2 million relates to:
  - \$(80.6) million of prepaid and capitalised interest
  - \$13.9 million cash share of equity accounted income
  - \$144.9 million of development cash flow and other working capital movements

# Reconciliation of non-operating items



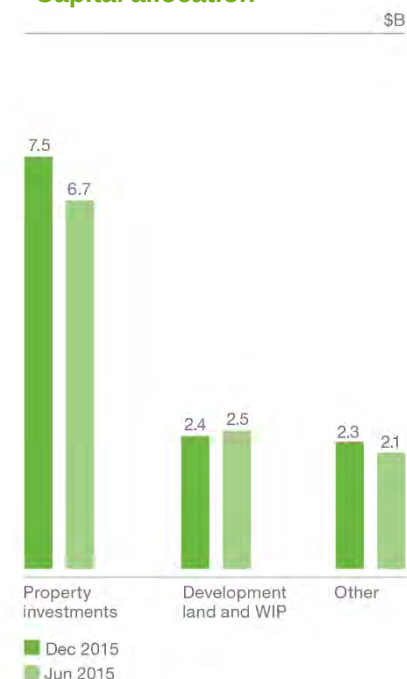
| Non-operating items in statutory profit & loss                                                          |        | Half Year ended<br>31 Dec 2015 |
|---------------------------------------------------------------------------------------------------------|--------|--------------------------------|
|                                                                                                         | \$M    | \$M                            |
| <b>Property valuations</b>                                                                              |        |                                |
| Net gain from fair value adjustments on investment properties                                           | 253.6  |                                |
| Share of net gain from fair value adjustments on investment properties in associates and joint ventures | 393.1  |                                |
| Deferred tax on fair value adjustments on investment properties                                         | (11.5) |                                |
| <b>Subtotal</b>                                                                                         |        | <b>635.2</b>                   |
| <b>Impairment losses</b>                                                                                |        |                                |
| Impairment – inventories                                                                                | (10.5) |                                |
| Impairment – receivables                                                                                | (2.1)  |                                |
| <b>Subtotal</b>                                                                                         |        | <b>(12.6)</b>                  |
| <b>Derivative and foreign currency mark to market</b>                                                   |        |                                |
| Fair value adjustments on derivative instruments – GMG                                                  | 27.6   |                                |
| Unrealised foreign exchange loss                                                                        | (58.4) |                                |
| Fair value adjustments on derivative instruments – associates and joint ventures                        | (2.5)  |                                |
| <b>Subtotal</b>                                                                                         |        | <b>(33.3)</b>                  |
| <b>Other non-cash or non-recurring items</b>                                                            |        |                                |
| Share based payment expense                                                                             | (33.3) |                                |
| Deferred tax adjustments - associates                                                                   | (1.6)  |                                |
| Straight-lining of rental income                                                                        | 8.3    |                                |
| <b>Subtotal</b>                                                                                         |        | <b>(26.6)</b>                  |
| <b>TOTAL</b>                                                                                            |        | <b>562.7</b>                   |

# Financial position



| As at 31 December 2015                        | Direct Assets<br>\$M | Investments<br>\$M | Developments<br>\$M | Other<br>\$M   | Total<br>\$M    |
|-----------------------------------------------|----------------------|--------------------|---------------------|----------------|-----------------|
| Cash                                          | -                    | -                  |                     | 844.7          | 844.7           |
| Receivables                                   | -                    | -                  | 283.4               | 179.9          | 463.3           |
| Inventories                                   | -                    | -                  | 1,235.9             | -              | 1,235.9         |
| Investment properties                         | 3,030.7              | -                  | 177.6               | -              | 3,208.3         |
| Investments accounted for using equity method | -                    | 4,518.2            | 652.7               | -              | 5,170.9         |
| Other financial assets                        | -                    | 0.3                | -                   | 279.9          | 280.2           |
| Intangibles                                   | -                    | -                  | -                   | 996.3          | 996.3           |
| Other assets                                  | -                    | -                  | 20.3                | 42.3           | 62.6            |
| <b>Total assets</b>                           | <b>3,030.7</b>       | <b>4,518.5</b>     | <b>2,369.9</b>      | <b>2,343.1</b> | <b>12,262.2</b> |
| Interest bearing liabilities                  |                      |                    |                     | 2,848.8        | 2,848.8         |
| Other liabilities                             |                      |                    |                     | 1,196.7        | 1,196.7         |
| <b>Total liabilities</b>                      |                      |                    |                     | <b>4,045.5</b> | <b>4,045.5</b>  |
| <b>Net assets</b>                             |                      |                    |                     |                | <b>8,216.7</b>  |
| <b>Gearing<sup>1</sup></b>                    |                      |                    |                     |                | <b>15.9</b>     |
| <b>NTA (per security)<sup>2</sup></b>         |                      |                    |                     |                | <b>3.90</b>     |
| Australia / NZ                                | 2,964.8              | 2,251.7            | 537.2               | 106.5          | 5,860.2         |
| Asia                                          | -                    | 1,338.4            | 278.3               | 221.3          | 1,838.0         |
| CE                                            | 31.3                 | 579.1              | 341.3               | 669.9          | 1,621.6         |
| UK                                            | 34.6                 | 349.3              | 740.1               | 348.3          | 1,472.3         |
| Americas                                      | -                    | -                  | 473.0               | 26.2           | 499.2           |
| Other                                         | -                    | -                  | -                   | 970.9          | 970.9           |
| <b>Total assets</b>                           | <b>3,030.7</b>       | <b>4,518.5</b>     | <b>2,369.9</b>      | <b>2,343.1</b> | <b>12,262.2</b> |

## Capital allocation

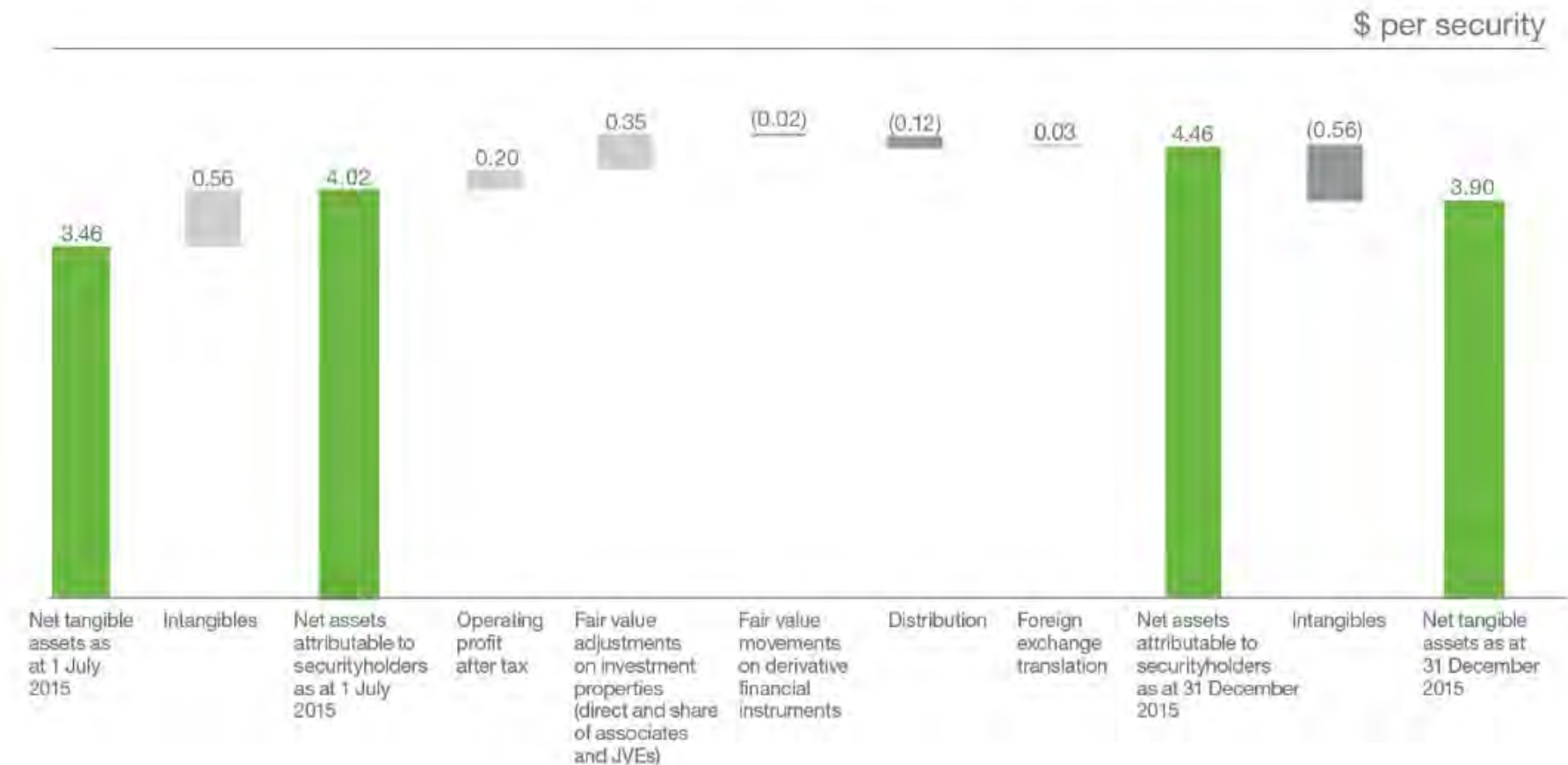


1. Calculated as total interest bearing liabilities over total assets, both net of cash and fair values of cross currency swaps used to hedge foreign liabilities denominated in currencies other than those to which the proceeds are applied equating to \$217.8 million – refer to Note 9 of the Financial Statements
2. Calculated based on 1,770.1 million securities on issue

# Net tangible asset bridge



+ For period ended 31 December 2015<sup>1</sup>



1. Calculated on 1,770.1 million securities being closing securities on issue and excludes minority interest

# Property valuations



- + The six months to December 2015 has seen the industrial market continue to strengthen, with transactions across all regions setting new benchmark yields
- + The weighted average cap rate for the Group compressed by 40 bps over the period to 6.6%
- + Strong gains have been driven by the revaluation of the Group's urban renewal sites to reflect the highest and best use change from industrial to residential, in addition to strong yield compression in Australia, Hong Kong and China

## 31 December 2015 property valuations (look through)

|                        | Book value<br>(GMG exposure)<br>\$M | Valuation<br>movement since<br>June 2015<br>\$M | WACR<br>%        | WACR movement since<br>June 2015<br>% |
|------------------------|-------------------------------------|-------------------------------------------------|------------------|---------------------------------------|
| Australia              | 6,025.9                             | 451.2                                           | 6.9 <sup>1</sup> | -0.4                                  |
| New Zealand            | 525.0                               | -                                               | 7.5              | -                                     |
| Hong Kong              | 863.2                               | 94.3                                            | 5.6              | -0.4                                  |
| China                  | 659.7                               | 18.3                                            | 8.1              | -0.4                                  |
| Japan                  | 377.6                               | 4.9                                             | 5.0              | -0.1                                  |
| UK                     | 1,276.1                             | 23.5                                            | 6.7              | -0.2                                  |
| Continental Europe     | 1,349.0                             | 9.1                                             | 6.6              | -0.2                                  |
| America's              | 333.1                               | 21.3                                            | 4.3              | -                                     |
| <b>Total / Average</b> | <b>11,409.6</b>                     | <b>622.6</b>                                    | <b>6.6</b>       | <b>-0.4</b>                           |

1. Excludes urban renewal sites which are valued on a rate per residential unit site basis

# APPENDIX 2 – INVESTMENT

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Goodman Logistics Center Rancho Cucamonga, US

# Leasing



Across the Group and managed Partnerships platform:

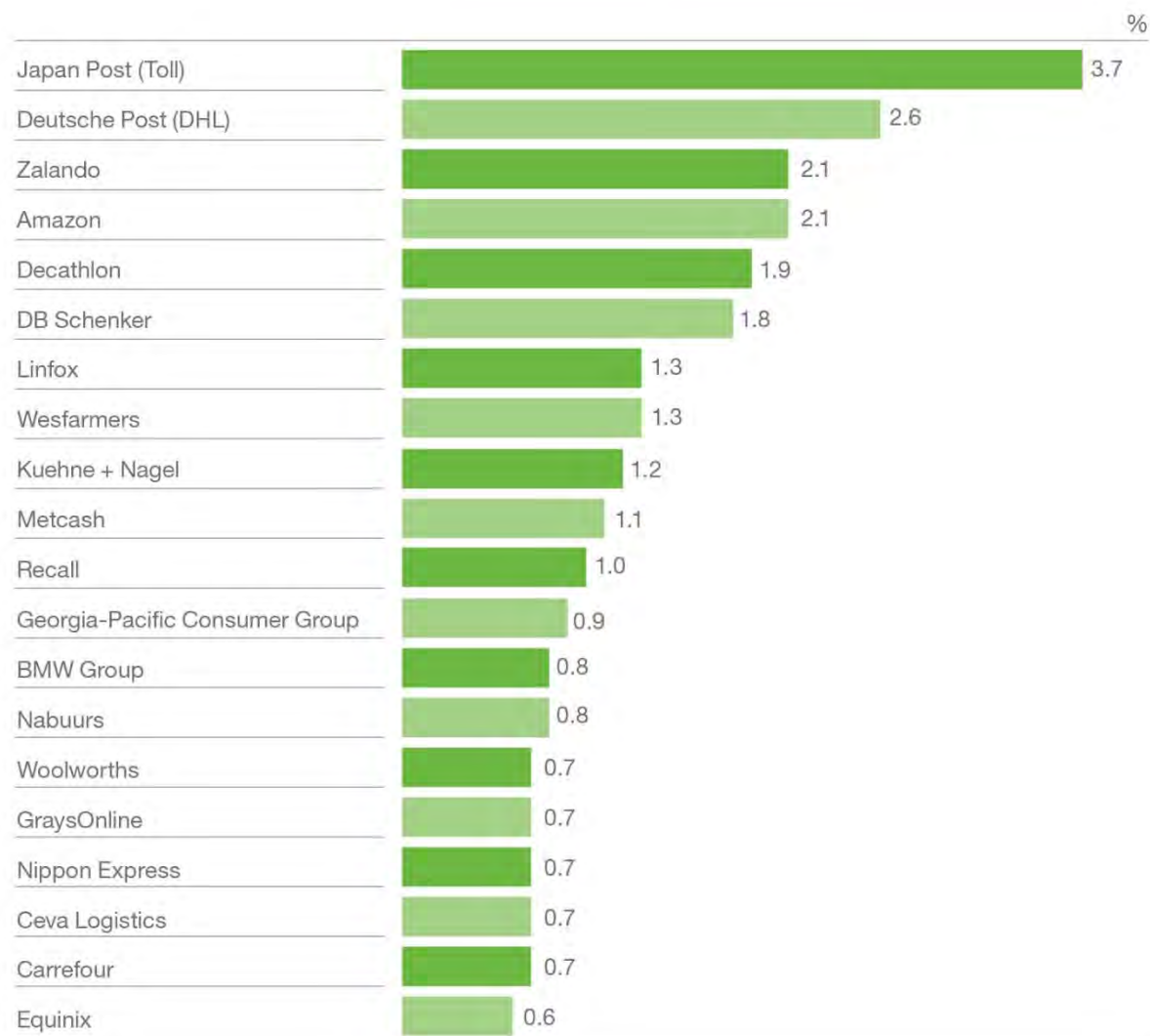
- + 1.5 million sqm leased during the half year
- + Positive lease reversions of 5.2% annually on new leasing deals, with like for like NPI growing at 1.7%
- + Occupancy maintained at 96%

| Region        | Leasing area (sqm) | Net annual rent (A\$M) | Average lease term (years) |
|---------------|--------------------|------------------------|----------------------------|
| Australia     | 274,577            | 40.6                   | 3.7                        |
| New Zealand   | 64,705             | 7.4                    | 4.3                        |
| Greater China | 504,789            | 64.5                   | 3.4                        |
| Japan         | 12,086             | 2.0                    | 5.0                        |
| UK            | 10,011             | 6.1                    | 7.7                        |
| Europe        | 587,289            | 35.9                   | 2.9                        |
| <b>Total</b>  | <b>1,453,457</b>   | <b>156.5</b>           | <b>4.0</b>                 |

# Customers



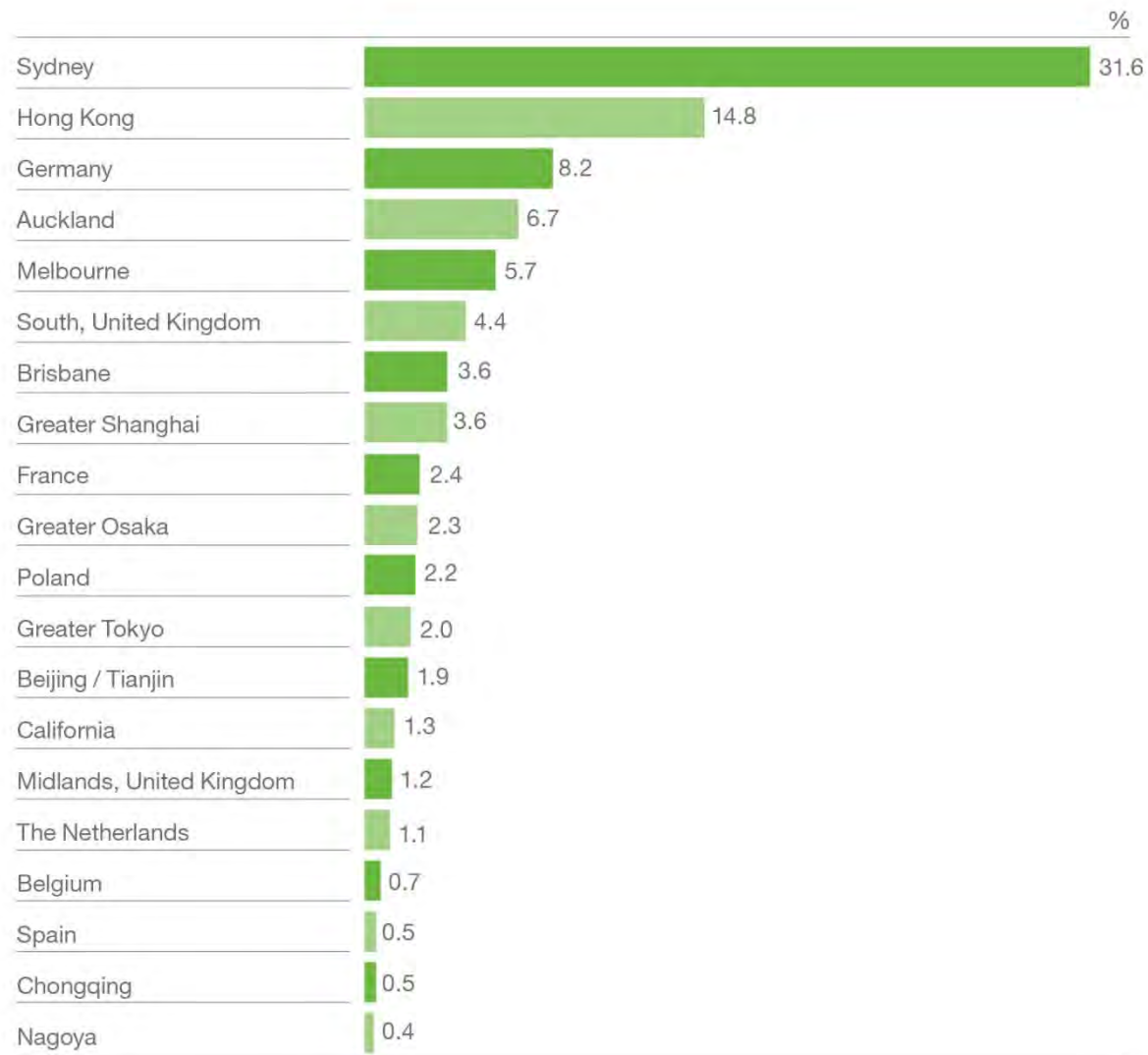
Top 20 global customers (by net income – look through basis)



# Geographic exposure



Top 20 sub-regions (by AUM)



# Direct portfolio detail



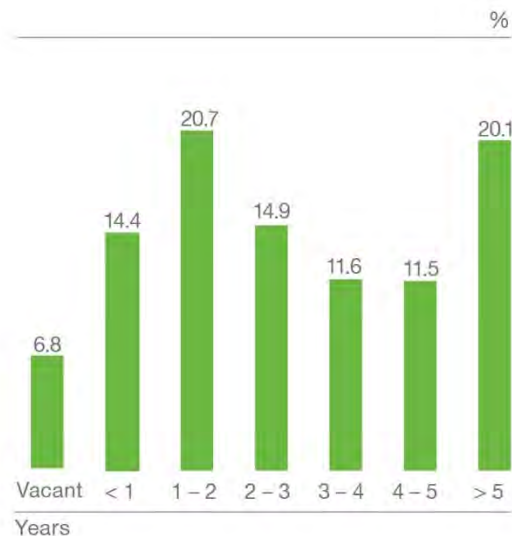
## Portfolio snapshot

- + 33 properties with a total value of \$3.0 billion located across key Australian and UK markets
- + Leasing deals remain strong across the portfolio:
  - 71,858 sqm (\$9.4 million net annual rental) of existing space leased
  - customer retention of 74%
- + 93% occupancy and a weighted average lease expiry of 4.9 years
- + Average portfolio valuation cap rate of 6.9%

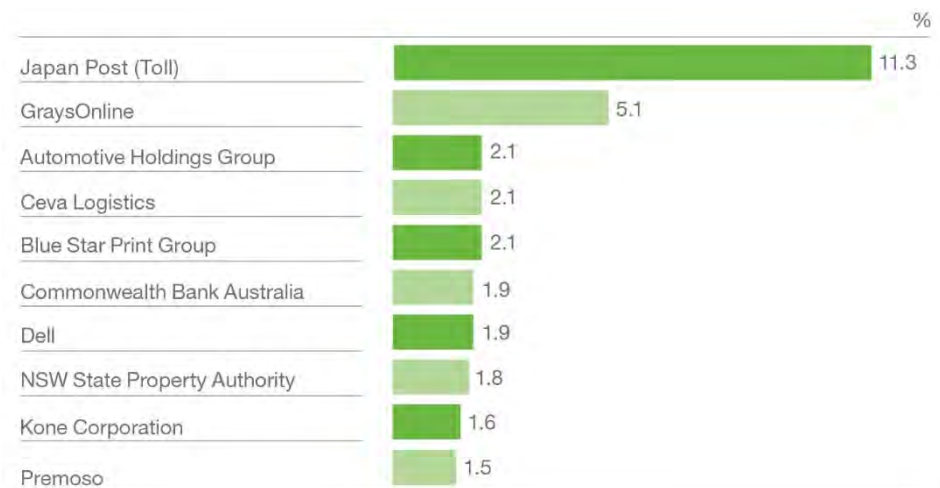
## Key metrics

|                           |          |
|---------------------------|----------|
| Total assets              | \$3.0 bn |
| Customers                 | 245      |
| Number of properties      | 33       |
| Occupancy                 | 93       |
| Weighted average cap rate | 6.9%     |

## WALE of 4.9 years (by net income)



## Top 10 customers make up 31.4% of portfolio income



# APPENDIX 3 – DEVELOPMENT

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# Developments



| 1HFY16 Developments                               | Completions | Commencements | Work in progress |
|---------------------------------------------------|-------------|---------------|------------------|
| Value (\$M)                                       | 1,154       | 1,407         | 3,420            |
| Area (m sqm)                                      | 1.1         | 1.3           | 2.4              |
| Yield (%)                                         | 9.2         | 8.0           | 8.3              |
| Pre-committed (%)                                 | 85          | 71            | 70               |
| Weighted Average Lease Term (years)               | 9.0         | 8.7           | 10.1             |
| Development for Third Parties or Partnerships (%) | 87          | 65            | 72               |
| Australia / New Zealand (%)                       | 24          | 20            | 27               |
| Asia (%)                                          | 18          | 20            | 28               |
| Americas (%)                                      | 27          | 18            | 7                |
| Europe (%)                                        | 32          | 42            | 38               |

| Work in progress by region | On balance sheet end value \$M | Third party / Partnerships end value \$M | Total end value \$M | Third party / Partnerships % of total | Pre committed % of total |
|----------------------------|--------------------------------|------------------------------------------|---------------------|---------------------------------------|--------------------------|
| Australia / New Zealand    | 137                            | 803                                      | 940                 | 85                                    | 87                       |
| Asia                       | 173                            | 777                                      | 950                 | 82                                    | 58                       |
| Americas                   | -                              | 246                                      | 246                 | 100                                   | 5                        |
| Europe                     | 643                            | 641                                      | 1,284               | 50                                    | 80                       |
| <b>Total</b>               | <b>953</b>                     | <b>2,467</b>                             | <b>3,420</b>        | <b>72</b>                             | <b>70</b>                |

# Developments (cont)



- + Development pipeline from controlled land sites maintained at \$10 billion
- + Development holdings reducing as developments transition in Partnerships
- + The Group's development future cash commitments

| Cash commitments as at 31 December 2015     | \$M   |
|---------------------------------------------|-------|
| Gross GMG cost to complete                  | 996   |
| Less pre-sold <sup>1</sup> cost to complete | (383) |
| Net GMG cost to complete                    | 613   |
| Net GMG managed funds cost to complete      | 778   |

1. Pre-sold projects are reimbursed by instalments throughout the project or at practical completion of the project

## Developments volume



## Work in progress as at 31 December 2015

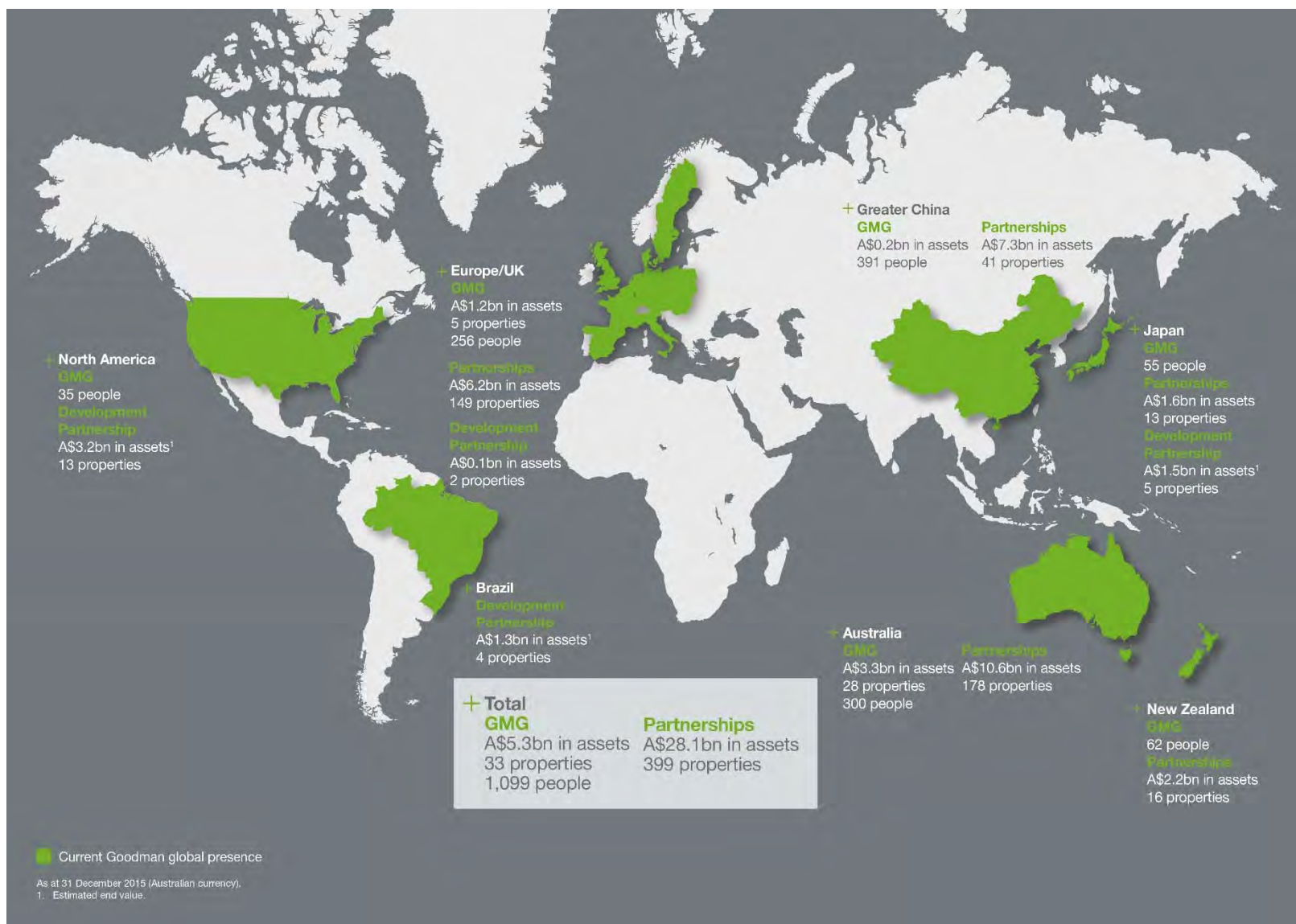


# APPENDIX 4 – MANAGEMENT

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# Global platform



# Goodman Australia Industrial Partnership



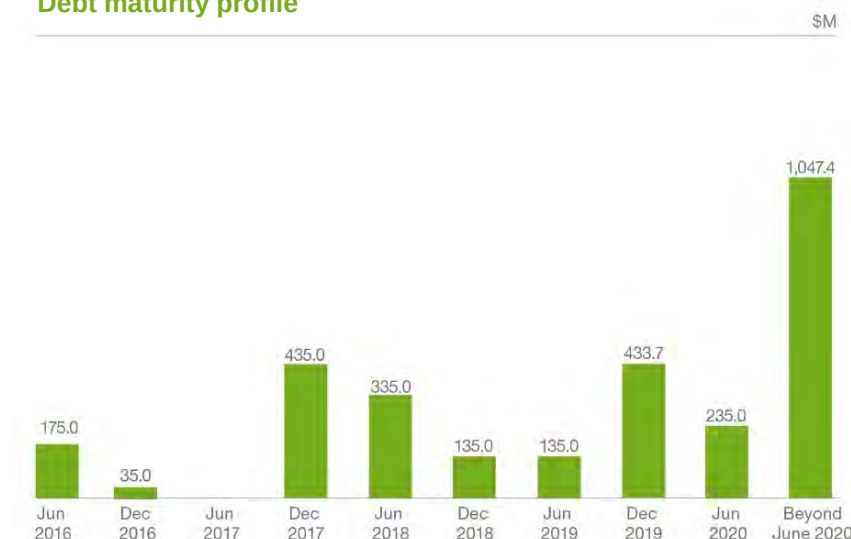
## Key events

- + Execution of asset rotation strategy disposing \$425 million of investment properties in the period
- + Completed 144,567 sqm of developments with an end value of \$281 million
- + Work in progress of 154,051 sqm with end value of \$284 million as at 31 December 2015
- + \$532 million of upward revaluations during the period
- + \$250 million CMBS repaid in September 2015. \$300 million stand-by debt facility secured to maintain liquidity
- + \$175 million MTN and \$35 million of senior unsecured debt due to mature in May 2016 and December 2016 respectively. Banks and debt capital markets to be considered for refinancing options
- + Delivered a total return of 17% for the six months ended 31 December 2015

## Key metrics<sup>1</sup>

|                               |               |
|-------------------------------|---------------|
| Total assets                  | \$6.6 billion |
| Interest bearing liabilities  | \$2.3 billion |
| Gearing <sup>2</sup>          | 34.5%         |
| Customers                     | 582           |
| Number of properties          | 116           |
| Occupancy                     | 96%           |
| Weighted average lease expiry | 5.0 years     |
| Weighted average cap rate     | 6.9%          |
| GMG co-investment             | 27.5%         |
| GMG co-investment             | \$1.2 billion |

## Debt maturity profile



1. As at 31 December 2015  
 2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash

# Goodman Hong Kong Logistics Partnership



## Key events

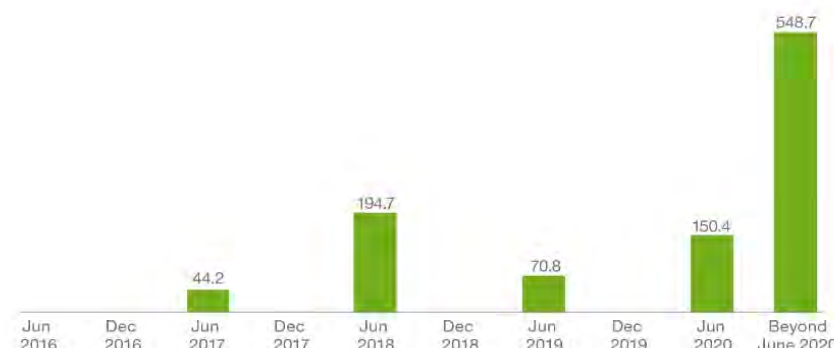
- + Leased 265,531 sqm in the six months to December 2015, representing HK\$213.7 million of annualised rental income
- + 99.9% occupancy with a weighted average lease expiry of 2.3 years
- + HK\$2.7 billion of upward revaluations in the past six months driven by strong market rental growth and a tightening in the market capitalisation rate
- + Cargo Consolidation Complex (“CCC”) was successfully divested in December 2015 at a price of HK\$1,368 million, reflecting a passing yield of 4.1%<sup>3</sup>
- + \$700 million term loan was repaid in December 2015 with GHKLP still holding HK\$2.1 billion in liquidity
- + Delivered a YTD total return of 24% for the nine months to 31 December 2015

## Key metrics<sup>1</sup>

|                               |               |
|-------------------------------|---------------|
| Total assets                  | \$4.6 billion |
| Interest bearing liabilities  | \$0.8 billion |
| Gearing <sup>2</sup>          | 13.2%         |
| Customers                     | 289           |
| Number of properties          | 13            |
| Occupancy                     | 99%           |
| Weighted average lease expiry | 2.3 years     |
| Weighted average cap rate     | 5.6%          |
| GMG co-investment             | 20.0%         |
| GMG co-investment             | \$0.7 billion |

## Debt maturity profile

\$M



1. As at 31 December 2015
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash
3. Assumes on a fully let basis.

# Goodman European Partnership



## Key events

- + Securing over 350,000 sqm of new and renewed leases (excluding developments) in the 1H 2016. These new leases represent c. €15.2 million of annual rent
- + Over the six months to December 2015, €299 million of new acquisitions (425,428 sqm GLA) and €20 million of new developments (incl. land banks) were committed
- + In December 2015, a conditional sale of a second portfolio of 12 assets (six in Germany, three in Spain, two in the Netherlands and one in Belgium) was contracted. The sale is consistent with the Group's asset rotation program
- + A revaluation uplift of €23 million was recorded over 1H 2016 on the Partnerships' investment properties (including joint ventures and developments)
- + The Partnership called €35 million of equity and as at 31 December 2015 the Partnership has €296.2 million of undrawn equity available
- + GEP was upgraded by credit rating agency Moody's from Baa2 to Baa1

1. As at 31 December 2015
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash and not including uncalled equity
3. WALE of leased portfolio to next break

## Key metrics<sup>1</sup>

|                                            |               |
|--------------------------------------------|---------------|
| Total assets                               | \$3.9 billion |
| Interest bearing liabilities               | \$1.5 billion |
| Gearing <sup>2</sup>                       | 36.9%         |
| Customers                                  | 123           |
| Number of properties                       | 108           |
| Occupancy                                  | 98%           |
| Weighted average lease expiry <sup>3</sup> | 4.8 Years     |
| Weighted average cap rate                  | 6.6%          |
| GMG co-investment                          | 20.4%         |
| GMG co-investment                          | \$0.4 billion |

## Debt maturity profile



# Goodman Australia Partnership



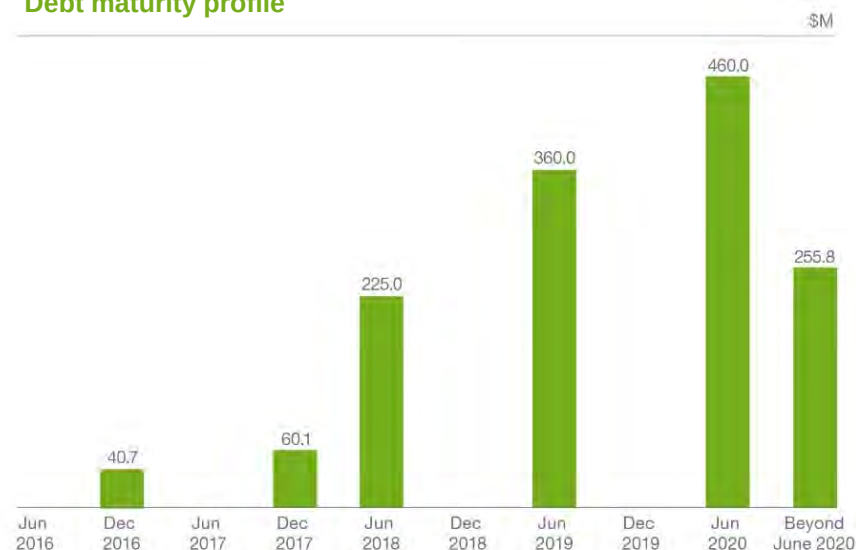
## Key events

- + Execution of asset rotation strategy disposing \$215 million of investment properties in the period
- + Completed 197,291 sqm of developments with an end value of \$168 million
- + Work in progress of 90,352 sqm with end value of \$127 million as at 31 December 2015
- + \$319 million of upward revaluations during the period
- + Partnership completed its inaugural USPP during the December quarter, issuing \$258 million across 10,12 and 15 year tranches
- + Delivered a total return of 20% for the six months to 31 December 2015

## Key metrics<sup>1</sup>

|                               |               |
|-------------------------------|---------------|
| Total assets                  | \$3.7 billion |
| Interest bearing liabilities  | \$0.9 billion |
| Gearing <sup>2</sup>          | 23.9%         |
| Customers                     | 278           |
| Number of properties          | 58            |
| Occupancy                     | 96%           |
| Weighted average lease expiry | 4.3 years     |
| Weighted average cap rate     | 6.9%          |
| GMG co-investment             | 19.9%         |
| GMG co-investment             | \$0.5 billion |

## Debt maturity profile



1. As at 31 December 2015  
 2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash

# Goodman China Logistics Partnership



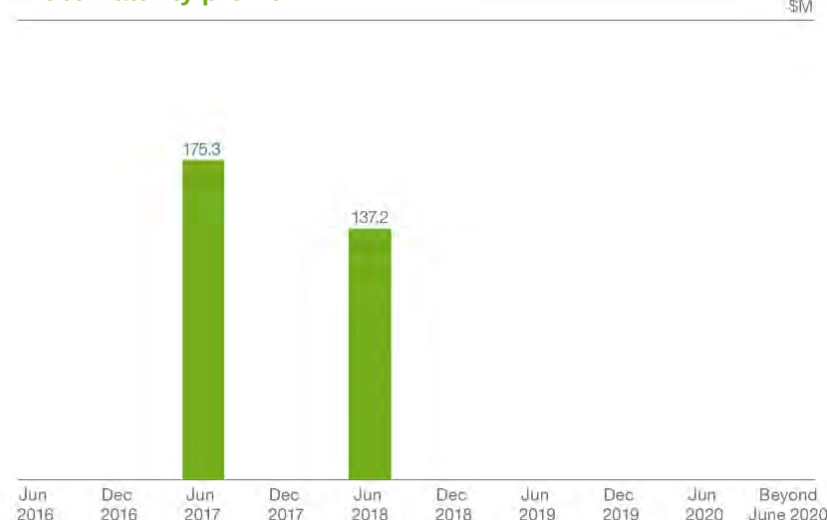
## Key events

- + GCLP portfolio continues to expand with 28 stabilised properties and 22 development properties, providing 4.2 million sqm on a fully developed basis
- + Strategic alignment across the China platform with Canada Plan Investment Board (CPPIB) completed, including US\$1,250 million (A\$1,709 million) equity upsizing from CPPIB and GMG, increasing total equity commitments to US\$3.25 billion (A\$4.44 billion)
- + In December acquired nine logistics estates from GMG with a total developable GLA of 1.2 million sqm and estimated end value in excess of US\$650 million
- + Executed contracts to divest two stabilised properties for US\$100 million

## Key metrics<sup>1</sup>

|                                            |               |
|--------------------------------------------|---------------|
| Total assets                               | \$2.6 billion |
| Interest bearing liabilities               | \$0.3 billion |
| Gearing <sup>2</sup>                       | 6.9%          |
| Customers                                  | 80            |
| Number of stabilised properties            | 28            |
| Occupancy                                  | 95%           |
| Weighted average lease expiry <sup>3</sup> | 3.7 years     |
| Weighted average cap rate                  | 8.1%          |
| GMG co-investment                          | 20.0%         |
| GMG co-investment                          | \$0.4 billion |

## Debt maturity profile



1. As at 31 December 2015
2. Gearing calculated as total interest bearing liabilities over total assets (net of cash)
3. WALE of leased portfolio to next break as at 31 December 2015 including vacancy.

# Goodman Property Trust



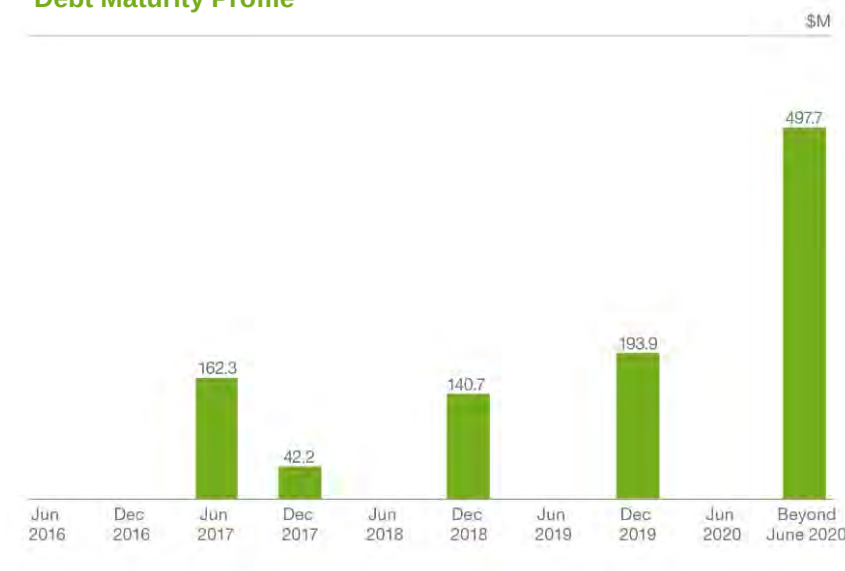
## Key events

- + Distributable earnings<sup>1</sup> of NZ4.64 cents per unit on a weighted average issued unit basis, compared to NZ4.53 cents per unit in the previous period
- + Completion of new treasury initiatives significantly improving the diversity and tenor of the Trust's debt facilities
- + Commencement of new development projects totalling NZ\$72.6 million
- + An active sales programme with NZ\$72.1 million<sup>2</sup> of assets contracted for sale following the Trust's interim balance date
- + Net tangible assets<sup>1</sup> of NZ109.1 cents per unit compared to NZ108.4 cents per unit at 31 March 2015

## Key metrics<sup>1</sup>

|                                |               |
|--------------------------------|---------------|
| Total assets                   | \$2.1 billion |
| Interest bearing liabilities   | \$0.8 billion |
| Gearing <sup>3</sup>           | 36.1%         |
| Customers                      | 251           |
| Number of properties           | 16            |
| Occupancy                      | 96%           |
| Weighted average lease expiry  | 5.2 years     |
| Weighted average cap rate      | 7.5%          |
| GMG co-investment <sup>2</sup> | 20.6%         |
| GMG co-investment <sup>2</sup> | \$0.3 billion |

## Debt Maturity Profile<sup>2</sup>



1. As at 30 September 2015 (as disclosed to the NZX in November 2015)  
 2. As at 31 December 2015  
 3. On a proportionated consolidated basis including the Trust's interest in the Viaduct joint venture

# Goodman Japan Core Partnership



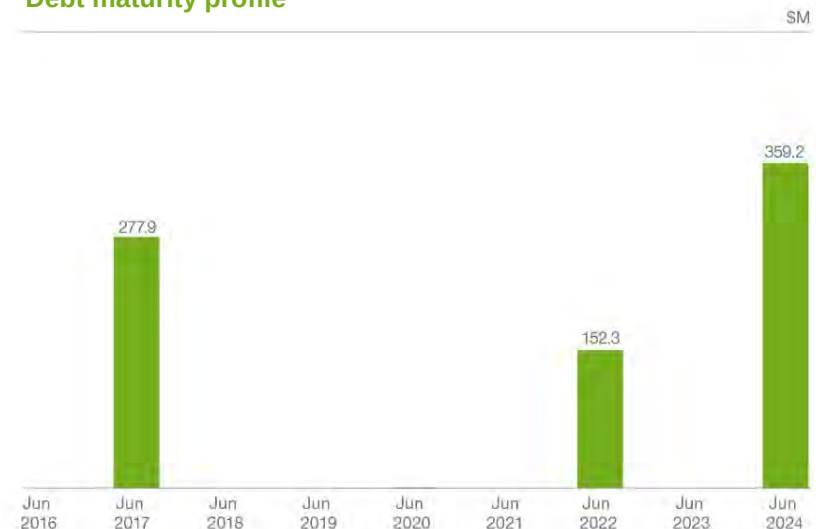
## Key Events

- + Acquired a new industrial asset from the Goodman Japan Development Partnership in July 2015 to further improve the quality of the portfolio
- + 100% occupancy on portfolio with an average lease expiry of 4.3 years as at November 2015
- + Management launched a new equity raise for the next phase of growth for GJCP

## Key metrics<sup>1</sup>

|                                 |               |
|---------------------------------|---------------|
| Total assets                    | \$1.6 billion |
| Interest bearing liabilities    | \$0.8 billion |
| Gearing <sup>2</sup>            | 41.8%         |
| Customers                       | 27            |
| Number of stabilised properties | 13            |
| Occupancy                       | 100%          |
| Weighted average lease expiry   | 4.3 years     |
| Weighted average cap rate       | 5.0%          |
| GMG co-investment <sup>3</sup>  | 20.0%         |
| GMG co-investment <sup>3</sup>  | \$0.2 billion |

## Debt maturity profile <sup>1</sup>



1. As at 30 November 2015
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash
3. As at 31 December 2015

# Arlington Business Parks Partnership



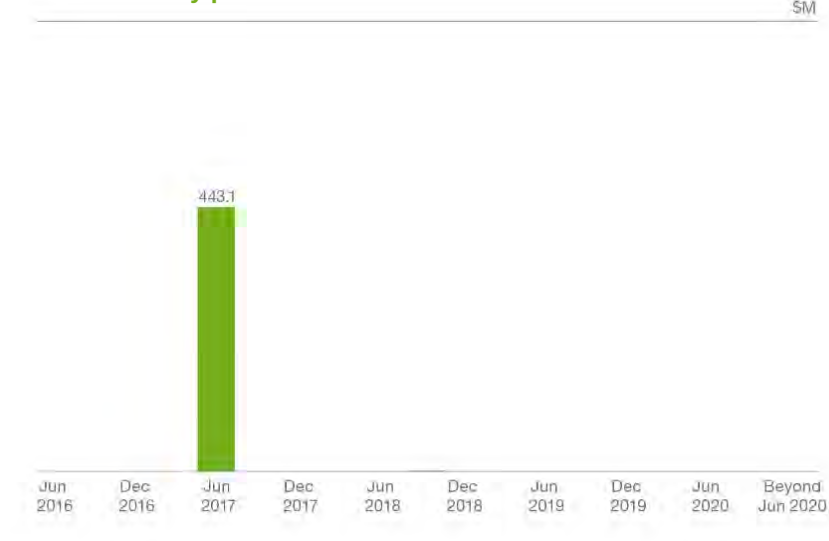
## Key Events

- + Arlington Business Parks Partnership (ABPP) is a core plus unlisted fund which opportunistically invests, develops and manages business parks located in key UK regional and urban fringe office markets
- + Horizon Gloucester and Nissan Filton were sold on completion around the turn of the year at a 64% premium to total development costs. Gross proceeds for both assets were £17.4 million
- + Committed development book of £58 million
- + Gearing reduced to ~30% through prudent capital management while maintaining capacity to undertake future development projects

## Key metrics<sup>1</sup>

|                                            |               |
|--------------------------------------------|---------------|
| Total assets                               | \$1.2 billion |
| Interest bearing liabilities               | \$0.4 billion |
| Gearing <sup>2</sup>                       | 30.9%         |
| Customers                                  | 71            |
| Number of stabilised properties            | 7             |
| Occupancy                                  | 93%           |
| Weighted average lease expiry <sup>3</sup> | 6.4 years     |
| Weighted average cap rate                  | 6.6%          |
| GMG co-investment                          | 43.1%         |
| GMG co-investment                          | \$0.3 billion |

## Debt maturity profile



1. As at 31 December 2015
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash
3. WALE of leased portfolio to next break as at 31 December 2015

# APPENDIX 5 – CAPITAL MANAGEMENT

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# Group financial covenants



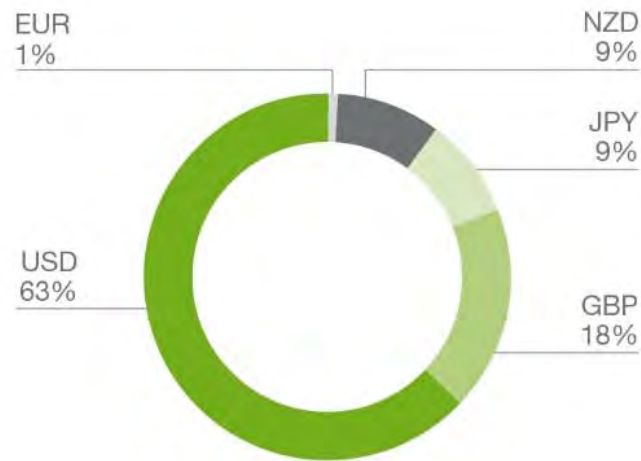
| Covenants                                | Test                                                                                                                                                                                                                                     | Covenant     | Result       | Headroom     |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|
| <b>Gearing ratio</b>                     | Net liabilities <sup>1</sup> as a percentage of net tangible assets is not more than 55.0%                                                                                                                                               | <b>55.0%</b> | <b>24.1%</b> | <b>30.9%</b> |
| <b>Interest cover ratio</b>              | EBITDA to interest expense at least 2.0x                                                                                                                                                                                                 | <b>2.0x</b>  | <b>5.3x</b>  | <b>3.3x</b>  |
| <b>Priority debt</b>                     | Secured debt as a percentage of total tangible assets is not more than 12.5%                                                                                                                                                             | <b>12.5%</b> | <b>0%</b>    | <b>12.5%</b> |
| <b>Unencumbered real property assets</b> | Net unsecured debt (total unsecured debt less unrestricted cash) to be not more than 100% of the amount of unencumbered real property assets (all unencumbered direct assets including stabilised assets, development WIP and land bank) | <b>100%</b>  | <b>50.9%</b> | <b>49.1%</b> |
| <b>Unencumbered assets</b>               | Unsecured debt as a percentage of unencumbered assets is not more than 66.7%                                                                                                                                                             | <b>66.7%</b> | <b>27.4%</b> | <b>39.3%</b> |

1. Net liabilities = total liabilities less cash and excludes trade payables, mark to market derivatives, deferred tax liabilities and provisions for Securityholder distributions

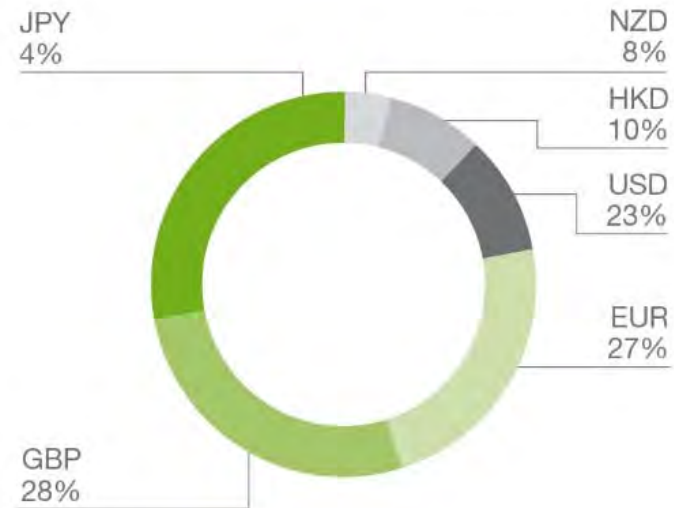
# Currency mix



Currency mix – outstanding debt



Currency mix – including the impact of Capital Hedging FX Swaps



# Financial risk management

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Financial risk management in line with Group Board policy

+ Interest risk management:

- Policy to ensure between 60% and 100% of current year interest rates are fixed
- 87% hedged over next 12 months
- Weighted average hedge maturity of 5.4 years
- Weighted average hedge rate of 4.43%<sup>1</sup>

+ Foreign currency risk management:

- Policy to hedge between 70% and 95% of foreign currency denominated assets
- 74% hedged as at 31 December 2015, of which 73% is debt and liabilities and 27% is derivatives
- Weighted average maturity of derivatives 3.7 years

1. Includes the 10 year EMTN £250 million at 9.75% fixed rate

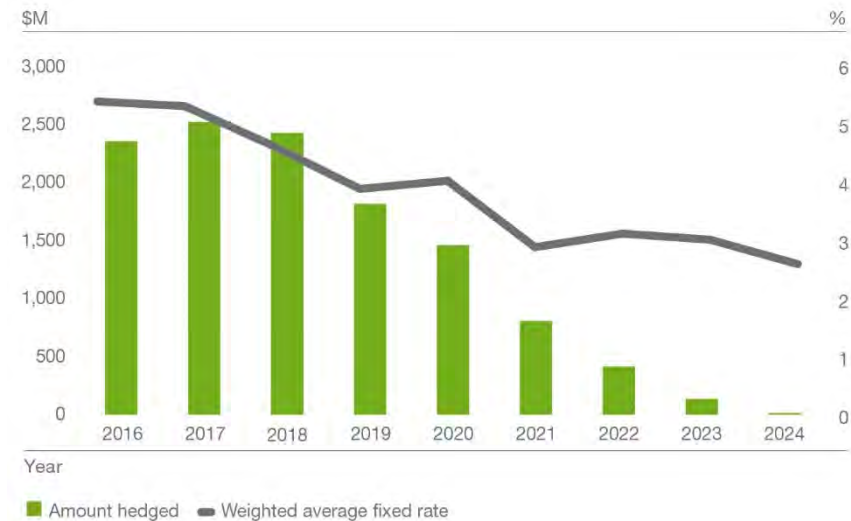
# Financial risk management (cont)



## Interest rate

- + Interest rates are hedged to 87% over next 12 months
- + Weighted average hedge rate of 4.43%<sup>1</sup>
  - NZD – hedge rate 4.42%
  - JPY – hedge rate 1.38%
  - HKD – hedge rate 2.06%
  - GBP – hedge rate 5.28%<sup>2</sup>
  - Euro – hedge rate 1.84%
  - USD – hedge rate 6.37%
- + Weighted average maturity of 5.4 years

## Interest rate hedge profile



1. Includes the strike rate on interest rate cap hedges  
2. Includes the 10 year EMTN £250 million at 9.75% fixed rate

# Financial risk management (cont)



## Interest rate hedging profile<sup>1</sup>

| As at Dec | Euro payable |              | GBP payable |                           | HKD payable |              | NZD payable |              | JPY payable |              | USD payable |              | AUD receivable |              |
|-----------|--------------|--------------|-------------|---------------------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|----------------|--------------|
|           | €M           | Fixed rate % | £M          | Fixed <sup>2</sup> rate % | HK\$M       | Fixed rate % | NZ\$M       | Fixed rate % | ¥M          | Fixed rate % | US\$M       | Fixed rate % | A\$M           | Fixed Rate % |
| 2016      | (598.0)      | 2.23         | (490.0)     | 6.75                      | (1,803.3)   | 1.45         | (293.3)     | 4.27         | (11,200.0)  | 1.33         | (380.0)     | 6.39         | 680.0          | 3.43         |
| 2017      | (649.6)      | 2.15         | (490.0)     | 6.75                      | (2,213.4)   | 2.03         | (317.3)     | 4.57         | (11,200.0)  | 1.33         | (380.0)     | 6.39         | 680.0          | 3.43         |
| 2018      | (547.3)      | 2.01         | (404.6)     | 5.32                      | (1,979.5)   | 2.21         | (298.0)     | 4.53         | (10,224.7)  | 1.31         | (380.0)     | 6.39         | 382.3          | 3.47         |
| 2019      | (350.0)      | 1.17         | (158.1)     | 3.03                      | (1,466.6)   | 2.41         | (192.7)     | 4.24         | (7,200.0)   | 1.23         | (380.0)     | 6.39         | -              | -            |
| 2020      | (302.0)      | 1.31         | (150.0)     | 3.00                      | (691.8)     | 2.17         | (83.3)      | 4.46         | (6,249.2)   | 1.27         | (357.2)     | 6.39         | -              | -            |
| 2021      | (232.6)      | 1.37         | (150.0)     | 3.00                      | (400.0)     | 2.29         | (2.7)       | 4.50         | (2,715.1)   | 1.72         | (60.4)      | 6.24         | -              | -            |
| 2022      | (28.8)       | 1.50         | (150.0)     | 3.00                      | (400.0)     | 2.29         | -           | -            | (1,200.0)   | 3.32         | -           | -            | -              | -            |
| 2023      | -            | -            | (33.3)      | 3.00                      | (400.0)     | 2.29         | -           | -            | (305.8)     | 3.32         | -           | -            | -              | -            |
| 2024      | -            | -            | -           | -                         | (86.3)      | 2.29         | -           | -            | -           | -            | -           | -            | -              | -            |

1. Includes the strike rate on interest rate cap hedges
2. Includes the 10 year EMTN £250 million at 9.75% fixed rate

# Financial risk management (cont)



## Foreign currency denominated balance sheet hedging maturity profile

| Currency | Maturity                  | Weighted average exchange rate | Amount receivable <sup>1</sup> | Amount payable <sup>1</sup> |
|----------|---------------------------|--------------------------------|--------------------------------|-----------------------------|
| NZ\$     | 2017 / 2018               | 1.2252                         | A\$65.4m                       | NZ\$100.0m                  |
| HK\$     | 2016 / 2018 / 2020        | 6.8537                         | A\$332.5m                      | HK\$2,590.0m                |
| ¥        | 2017 / 2019               | 86.0500                        | A\$128.0m                      | ¥11,000.0m                  |
| €        | 2016 / 2017 / 2018 / 2020 | 0.8242                         | A\$610.5m                      | €470.0m                     |
| £        | 2017 / 2018               | 0.6035                         | A\$282.2m                      | £170.0m                     |
| £        | 2023                      | 131.5400                       | ¥11,300.0m                     | £85.9m                      |
| US\$     | 2020 / 2022               | 0.6286                         | US\$210.0m                     | £132.0m                     |
| US\$     | 2020/2021/2022            | 0.7195                         | US\$455.0m                     | €327.4m                     |

1. Floating rates apply for the payable and receivable legs for the cross currency swaps except for the USDGBP, USDEUR and GBPJPY cross currency where the receivable for US\$445 million is fixed at 6.375%, US\$220 million is fixed at 6.0% and ¥11,300 million is fixed at 3.32% .

# Exchange rates



## + Statement of Financial Position – exchange rates as at 31 December 2015

|                    |                              |
|--------------------|------------------------------|
| – AUDGBP – 0.4949  | (31 December 2014 : 0.5240)  |
| – AUDEUR – 0.6710  | (31 December 2014 : 0.6748)  |
| – AUDHKD – 5.6502  | (31 December 2014 : 6.3309)  |
| – AUDBRL – 2.8884  | (31 December 2014 : 2.1700)  |
| – AUDNZD – 1.0658  | (31 December 2014 : 1.0475)  |
| – AUDUSD – 0.7290  | (31 December 2014 : 0.8165)  |
| – AUDJPY – 87.6300 | (31 December 2014 : 97.8390) |
| – AUDCNY – 4.7307  | (31 December 2014 : 5.0718)  |

## + Statement of Financial Performance – average exchange rates for the 6 months to 31 December 2015

|                    |                              |
|--------------------|------------------------------|
| – AUDGBP – 0.4717  | (31 December 2014 : 0.5471)  |
| – AUDEUR – 0.6554  | (31 December 2014 : 0.6912)  |
| – AUDHKD – 5.6038  | (31 December 2014 : 6.8999)  |
| – AUDBRL – 2.6686  | (31 December 2014 : 2.1402)  |
| – AUDNZD – 1.0971  | (31 December 2014 : 1.0956)  |
| – AUDUSD – 0.7230  | (31 December 2014 : 0.8899)  |
| – AUDJPY – 88.0569 | (31 December 2014 : 96.9768) |
| – AUDCNY – 4.5887  | (31 December 2014 : 5.4788)  |

# THANK YOU

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