GOODMAN GUIDES TO GROWTH IN DEVELOPMENTS

Q3 FY19 OPERATIONAL UPDATE

Goodman Group (Goodman or Group) has delivered a strong operating performance for the quarter as customers continue to demand proximity to consumers in urban locations.

This has driven the growing development workbook and consistently strong property fundamentals across the Group's global portfolio.

"The structural trends of urbanisation, rising consumerism and the ever-increasing need for convenience, continue unabated - driving demand for industrial property in key urban centres.

Customer demand is outstripping supply for urban logistics globally as our customers continue to invest in improving the efficiency of their supply chains. This is leading to consistently high occupancy, steady growth in rents and an increase in development work in progress.

The scale of these projects is growing over time, given the high-value nature of urban sites, and we are continuing to expand our landbank to secure quality locations for our customers for the long-term."

– Greg Goodman, Group CEO

KEY HIGHLIGHTS

for the nine months to 31 March 2019

+ $44.1 billion total assets under management[1]
+ 3.3% like for like NPI growth in our managed Partnerships[2]
+ 98% occupancy across the Group and Partnerships
+ $3.7 billion of development work in progress
+ $2.4 billion of development commencements with 83% undertaken in Partnerships
+ Reaffirm forecast FY19 operating earnings per security of 51.1 cents, up 9.5% on FY18.

$44.1bn TOTAL ASSETS UNDER MANAGEMENT

$3.7bn DEVELOPMENT WORK IN PROGRESS

98% OCCUPANCY

1. As at 31 March 2019
2. 3.1% including directly held assets

OWN

The location of our portfolio remains a critical factor. It supports our customers' evolving supply chains as they continue to invest in technology to improve their customer service and provide convenience for the end consumer.

This remains the primary driver for space and is being reflected in the strong underlying real estate fundamentals across our portfolio, with consistently high occupancy and steady growth in rents.

+ Leased 2,643,085 sqm across the platform over the period equating to $359 million of rent p.a
+ Like-for-like NPI growth of 3.3%[1]
+ Occupancy at 98%
+ WALE of 4.7 years
+ Quality of the portfolio and the focus on infill markets is being reflected in rental growth and total returns in most markets.

98% OCCUPANCY

2.6m SQUARE METRES LEASED

4.7 years WALE

LEASING[2]

Region	Leasing area (sqm)	Net annual rent ($M)	Average lease term (years)
Australia / New Zealand	964,946	131.8	4.5
Asia	987,013	176.7	3.3
UK / Continental Europe	691,126	50.1	2.9
Total	**2,643,085**	**358.6**	**3.7**

Beijing Airport Logistics Centre, Beijing, China

Goodman Hamburg III Logistics Centre, Hamburg, Germany

1. 3.1% including directly held assets
2. YTD Leasing of stabilised portfolio. Excludes development and acquired leases.

DEVELOP

Our strategic focus on infill markets where demand is strongest, has seen WIP increase to $3.7 billion at 31 March. With several high-value projects in the pipeline soon to commence, we expect WIP to grow to over $4 billion by June 2019.

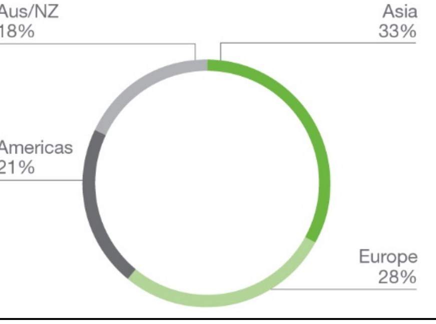
We continue to expand our land bank globally in key urban locations. These sites will provide high-quality opportunities for our customers in the future and extend the scale of developments and the pipeline in the medium to long-term.

High demand combined with lack of supply in most of our markets is giving us confidence to commence more projects on a speculative basis, with occupancy on completion remaining consistently strong.

+ Development WIP of $3.7 billion across 69 projects with a forecast yield on cost of 7.1% at 31 March 2019
+ Continued capital partnering of development projects with 80% of WIP undertaken within Partnerships or for third parties
+ Development commencements of $2.4 billion with 50% pre-committed and 83% developed for Partnerships or third parties[1]
+ Development completions of $2.5 billion with 81% leased and 83% developed for Partnerships or third parties.[1]

Development WIP

Work in progress as at 31 March 2019



Q3 FY19 Developments	Completions	Commencements	Work in progress
Value ($b)	2.5	2.4	3.7
Area (m sqm)	1.4	1.2	2.0
Yield (%)	7.3	6.8	7.1
Pre-committed (%)	81	50	52
Weighted Average Lease Term (years)	8.8	10.6	8.8
Development for Third Parties or Partnerships (%)	83	83	80
Australia / New Zealand (%) of WIP	27	26	18
Asia (%) of WIP	8	18	33
Americas (%) of WIP	25	28	21
Europe (%) of WIP	40	28	28

Work in progress by region	On balance sheet end value $m	Partnerships end value $m	Total end value $m	Partnerships % of total	Pre committed % of total
Australia / New Zealand	121	548	669	82	50
Asia	39	1,171	1,210	97	47
Americas	-	783	783	100	37
Europe	566	486	1,052	46	69
Total	**726**	**2,988**	**3,714**	**80**	**52**

1. For the nine months to 31 March 2019

MANAGE

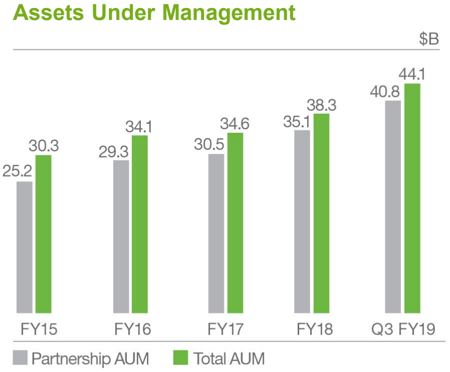
Strong property fundamentals in our markets and solid investment demand are continuing to create a positive environment for Partnership returns.

Given the strong outlook for development completions and portfolio returns, we expect AUM to exceed $45 billion at June 2019 with robust growth over the next few years. Combined with underlying Partnership performance, this should support solid growth in revenue.

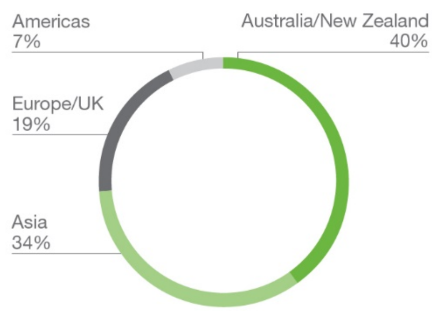
+ AUM in Partnerships of $40.8 billion. Growth due to:
  – revaluation gains
  – development completions and net acquisitions
  – exchange rates

+ AUM growth supported by strong development activity and revaluations, generating underlying base management fee revenue
+ Locational factors of the portfolio are contributing to outperformance and will support revenues

Assets Under Management



Total AUM by geography



	GAIP	GHKLP	GEP	GCLP	GAP	GNAP	GJCP	GMT[2]	GUKP
Total assets	$8.1bn	$7.1bn	$5.8bn	$4.2bn	$4.1bn	$2.9bn	$2.9bn	$2.5bn	$0.6bn
GMG co-investment	27.9%	20.0%	20.4%	20.0%	19.9%	55.0%	16.5%	21.2%	33.3%
GMG co-investment	$1.5bn	$1.0bn	$0.7bn	$0.6bn	$0.7bn	$1.6bn	$0.3bn	$0.4bn	$0.2bn
Number of properties	100	11	118	33	33	11	13	12	4
Occupancy[1]	97%	100%	98%	98%	98%	93%	100%	98%	100%
Weighted average lease expiry[1]	4.8 years	2.9 years	4.8 years	3.5 years	4.2 years	8.3 years	3.3 years	5.5 years	9.2 years

$40.8bn
EXTERNAL ASSETS UNDER MANAGEMENT

80%
DEVELOPMENT IN PARTNERSHIPS OR FOR THIRD PARTIES

358
PROPERTIES IN PARTNERSHIPS

1. Occupancy and WALE of stabilised portfolio
2. As at 30 September 2018. WALE includes leased developments

OUTLOOK

Given the quality and location of our portfolio we are seeing consistently high occupancy and steady rental growth.

Development activity is currently strong and growing. Given the high-quality locations of our landbank and increasing scale of development projects, we expect WIP to approach $5 billion in FY20.

Combined with ongoing investment demand, we anticipate strong Partnership returns and growth in AUM beyond $45 billion by June 2019.

The Group is focused on incrementally expanding our land bank through strategic acquisitions in the high barrier to entry markets where our portfolio is concentrated. This type of site procurement takes patient capital and provides us with diversified opportunities for the future.

The Group expects that the portfolio will continue to perform strongly and it reaffirms forecast FY19 operating earnings per security of 51.1 cents, up 9.5% on FY18, and distribution per security of 30 cents, up 7% on FY18.

ABOUT GOODMAN

Goodman Group is an integrated property group with operations throughout Australia, New Zealand, Asia, Europe, the United Kingdom, North America and Brazil. Goodman Group, comprised of the stapled entities Goodman Limited, Goodman Industrial Trust and Goodman Logistics (HK) Limited, is the largest industrial property group listed on the Australian Securities Exchange and one of the largest listed specialist investment managers of industrial property and business space globally.
Goodman's global property expertise, integrated own+develop+manage customer service offering and significant investment management platform ensures it creates innovative property solutions that meet the individual requirements of its customers, while seeking to deliver long-term returns for investors.

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