GOODMAN GROUP FY23 RESULTS

Goodman

Strong performance positions the business well into FY24

17 August 2023

Goodman Joso, Joso City, Japan

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- This Presentation uses operating profit and operating earnings per security (EPS) to present a clear view of the underlying profit from operations. Operating profit comprises profit attributable to Securityholders adjusted for net property valuations gains, non-property impairment losses, net gains/losses from the fair value movements on derivative financial instruments and unrealised fair value and foreign exchange movements on interest bearing liabilities and other non-cash adjustments or non-recurring items e.g. the share based payments expense associated with Goodman's Long Term Incentive Plan (LTIP). A reconciliation to statutory profit is provided in summary on page 10 of this Presentation and in detail on page 10 of the Directors' Report as announced on the ASX and available from the investor Centre at www.goodman.com
- The calculation of fair value requires estimates and assumptions which are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable in the circumstances
- This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast"," estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance as well as expectations, objectives and assumptions in our climate change and sustainability related statements are also forward- looking statements. Due care and attention has been used in the preparation of forecast information
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HIGHLIGHTS

HIGHLIGHTS

Strong operational performance positions the Group well for FY24

$1.8bn
OPERATING PROFIT

$1.6bn
STATUTORY PROFIT

+ The Group has continued to perform strongly in FY23 with the quality and location of our sites underpinning rental growth, property values and development activity. Despite the macro uncertainty, structural drivers remain sound driven by the digital economy, the need for more productive and sustainable assets, and limited supply
+ Key financial metrics for the period include:
  - Operating profit[1] of $1,783 million, up 17% on FY22 driven by strong development activity
  - Statutory profit of $1,560 million
  - Revaluation gains of $0.8 billion across the Group and Partnerships
  - Group NTA up 9% to $9.12, primarily driven by the Group's share of revaluations and retained earnings
  - Operating earnings per security (EPS)[2] of 94.3 cents, up 16.0% on FY22
  - Gearing at 8.3%[3] (8.5% at FY22) and 20.8% on a look-through basis.

+ Our strategic locations are driving higher intensity of use for industrial and other asset classes. Significant growth in data storage and AI in particular is driving data centre demand
+ We continue to deliver planning and development outcomes in these complex environments. Combined with increasing change of use requirements, we expect this to provide a range of opportunities, supporting underlying fundamentals and future development earnings
  - Development work in progress (WIP) at $13.0 billion with an average 13 year WALE
  - Approximately 30% of WIP relates to data centre projects
  - Average annual production rate maintained at ~$7 billion
  - WIP yield on cost (YOC) maintained at 6.6%
  - Development completions 99% leased.

+ Growth in assets under management (AUM) across the Partnership platform has continued, driven by development completions, acquisitions and rental growth, mitigating 51bps of cap rate expansion through the year
  - Total AUM is up 11% to $81.0 billion and external AUM up 11% to $76.3. billion from FY22
  - Acquisitions of $4.2 billion across the Group and Partnerships
  - Average total returns across the Partnerships of 7.3% for the year
  - Expanded the investment management platform with the establishment of four new Partnerships and $1.0 billion in new capital commitments.

1. Operating profit comprises profit attributable to Securityholders adjusted for property valuations, derivative and foreign currency mark to market and other non-cash or non-recurring items
2. Operating EPS is calculated using operating profit and weighted average diluted securities of 1,890.7 million which includes 12.1 million LTIP securities which have achieved the required performance hurdles and will vest in September 2023 and September 2024
3. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).

HIGHLIGHTS

+ By concentrating our investment portfolio in supply constrained markets we have maintained high occupancy and positive rental growth
- Like-for-like net property income (NPI) growth of 4.7%
- Portfolio occupancy of 99%[1]
- Portfolio WALE of 5.5 years[1]
- Reversion of current passing rents to those achievable in the market are expected to continue to support growth in cash flow and valuations in future years. Potential reversion to market for the regions are:
  - North America +66%
  - Australia and New Zealand +37%
  - Continental Europe and UK +17%
  - Asia +1%
- Market rents continue to grow at a normalised pace

+ Strong progress on ESG targets and outcomes
- Goodman's global operations are on track to remain carbon neutral for FY23 continuing our certification as a Carbon Neutral Organisation by Climate Active
- Continued transition to renewable energy across Goodman's operations, including 100% GreenPower for our Australian operations electricity usage
- We have increased our solar PV installations or commitments across the global portfolio by 103MW to reach 306MW in FY23
- The Goodman Foundation contributed $10 million in cash, plus another $0.8 million in staff fundraising and in-kind contributions, during the year. This takes our total investment to $42.4 million since 2019.

+ Capital management discipline helping to facilitate long term sustainability of earnings and financial flexibility
- Low gearing maintained at 8.3%[2]
- Group has $3.1 billion of cash and undrawn lines
- ICR 48.3x
- Hedging: 80% of interest payment exposure hedged over the next 12 months and 69% for the next three years
- Significant available liquidity[3] in the Partnerships of $17.6 billion (includes cash and undrawn debt of $7.0 billion)
- Group and Partnerships completed debt refinancing transactions totalling $6.4 billion

+ The Group sets financial performance targets annually and reviews them regularly. The challenges and volatility in the market are expected to continue into FY24. However, the availability and new supply of property is low in our markets, we have a diversified range of development activities, a strategic portfolio, financial resources and significant expertise supporting the outlook

+ Overall, the Group expects to achieve FY24 operating EPS of 102.9 cents (up 9% on FY23)
- Forecast distribution for FY24 remains at 30.0 cents per security given the Group's activity levels and the current desire to remain in the lower half of our financial risk management policy range for gearing

+ Forecasts are subject to there being no material adverse change in market conditions or the occurrence of other unforeseen events.

$81.0bn

TOTAL AUM

$0.8bn

REVALUATION GAINS

1. Partnership industrial and warehouse assets (excludes office properties which have been earmarked for redevelopment) and represents 95% of Partnership assets
2. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).
3. Partnership investments are subject to Investment Committee approval

GROUP AND PARTNERSHIP HIGHLIGHTS

OWN

99%
OCCUPANCY
High occupancy maintained at 99%[1] and WALE of 5.5 years[1]

4.7%
NPI GROWTH
Like for like NPI growth of 4.7% [1]

2.5m
SQUARE METRES LEASED
Across the global portfolio equating to $352 million of annual rental property income [1]

8.3%
GROUP GEARING
With look through gearing of 20.8%

DEVELOP

$13.0bn
WORK IN PROGRESS
in 12 countries across 81 projects with a forecast yield on cost of 6.6%

81%
IN PARTNERSHIPS
81% of current WIP is being undertaken within Partnerships or for third parties

$6.0bn
DEVELOPMENT COMMENCEMENTS
with 57% pre-committed

$6.9bn
DEVELOPMENTS COMPLETIONS
with 99% committed

MANAGE

$81.0bn
TOTAL AUM
with external AUM increasing to $76.3 billion, up 11% on FY22

$0.8bn
VALUATION GROWTH
Across the Group and Partnerships. Global WACR expanded 51 bps 4.5%

$17.6bn
AVAILABLE LIQUIDITY
across the Partnership platform, comprising equity commitments, cash and undrawn debt

19.5%
AVERAGE PARTNERSHIP GEARING

ESG

SBTi
GHG EMISSIONS TARGETS
The Group has committed to 2030 greenhouse gas (GHG) emissions reduction targets in line with 1.5°C Paris Agreement

306MW
SOLAR PV
Global solar installations or commitments in place, marking the three quarter point to our 400MW FY25 target

AA
RATING
Achieved a MSCI ESG rating of 'AA', and a Sustainalytics score of 9.7 and an ESG risk rating of 'Negligible'

$10.8m
GOODMAN FOUNDATION
Contributed $10 million, plus $0.8 million from staff and in-kind to community and philanthropic causes

1. Partnership industrial and warehouse assets (excludes office properties which have been earmarked for redevelopment) and represents 95% of Partnership assets

Rochedale Motorway Estate, Brisbane, Australia

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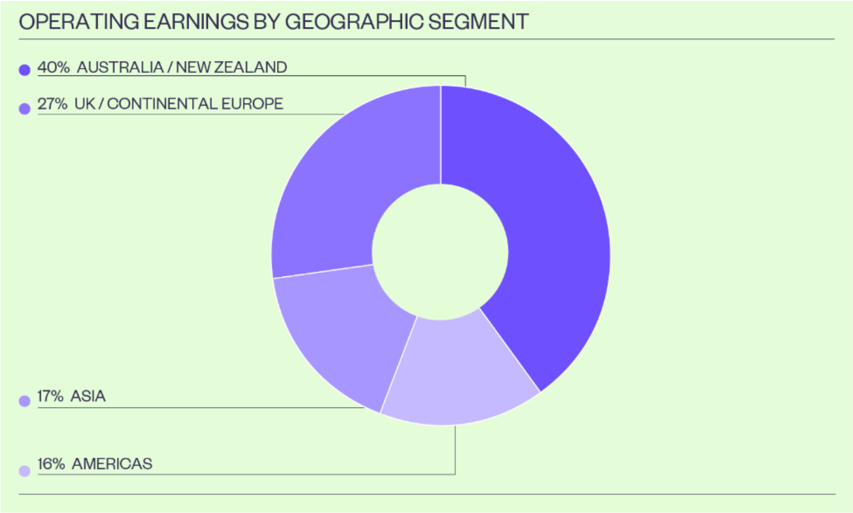
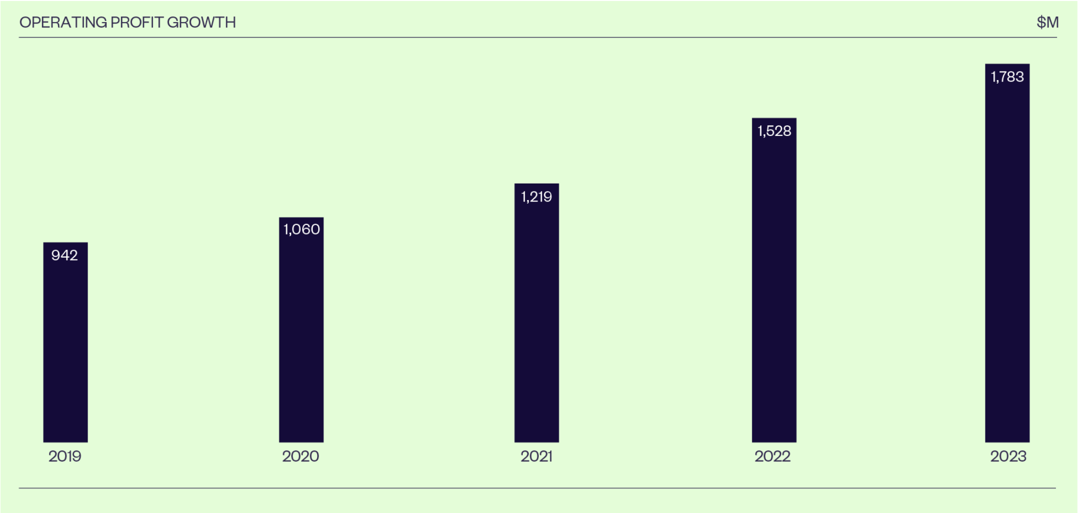
RESULTS OVERVIEW

RESULTS OVERVIEW

+ Statutory accounting profit of $1,560 million
  - Includes property valuation gains, derivative and foreign currency mark-to-market movements and other non-cash items
  - Average capitalisation rates increased 51bps to 4.5%
+ Cash aligned operating profit[1] of $1,783 million up 17% on FY22
+ Operating EPS[1] of 94.3 cents per security, up 16% on FY22
+ DPS of 30.0 cents per security
+ Net tangible assets increased 9% to $9.12 per security.

	FY22	FY23
Operating profit ($M)	1,528.0	1,783.2
Statutory accounting profit ($M)	3,414.0	1,559.9
Operating EPS (cents)[1]	81.3	94.3
Distribution per security (cents)	30.0	30.0
	AS AT 30 JUNE 2022	AS AT 30 JUNE 2023
NTA per security ($)	8.37	9.12
Gearing (balance sheet) (%)[2]	8.5	8.3
Available liquidity ($B)	2.8	3.1
WACR (look through) (%)	4.0	4.5





1. Operating profit and operating EPS comprises profit attributable to Securityholders adjusted for unrealised property revaluation gains, derivative and foreign currency mark-to-market and other non-cash or non-recurring items and calculated based on weighted average securities of 1,890.7 million which includes 12.1 million LTIP securities which have achieved the required performance hurdles and will vest in September 2023 and September 2024.
2. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).

PROFIT AND LOSS

+ **Full year statutory accounting profit of $1,560 million includes property valuations, derivative mark-to-markets, share based payments and other non-cash items**

- Revaluation gains were lower in FY23 than FY22 due to the increase in cap rates. The gains across the Group and Partnerships were $0.8 billion. Revaluations were mixed across the regions, with strong performances in Australia and the US, driven by rental growth and development completions offsetting results from other parts of the world
  - The Group's proportionate share was $0.8 billion reflecting its higher ownership share in the US and Australia. After taking into account the reversal of $512 million of prior period revaluation gains on the properties that were conditionally contracted for sale at the beginning of the period and have now become realised, the net gain was $264 million. At the end of the period, the Group held properties subject to conditional contracts for sale which contain $273 million of revaluation gains since their commencement
- Unrealised FX losses relate to currency hedging that offsets the balance sheet translation benefit recognised in the foreign currency translation reserve (FCTR)

+ **Full year operating profit of $1,783 million**

- Property investment income of $531 million, up 7% on FY22, due to growth in stabilised AUM from acquisitions, development completions and rental growth, offsetting reductions resulting from assets which have transferred into development or sold
- Management earnings of $481 million, down on FY22 due to timing of performance related income that is to be assessed in FY24
- Development earnings of $1,301 million, up 35% on FY22. Growth driven by strong execution
- Operating expense increase (+6.6%) reflective of business growth and associated administration costs
- Decrease in net borrowing costs driven by higher interest income and higher capitalised interest
- Growth in tax expense commensurate with overall growth in the business and composition of earnings.

Income statement

	FY22 $M	FY23 $M
Property investment	494.6	531.4
Management[1]	588.4	480.6
Development[1]	960.7	1,301.2
Operating expenses	(349.3)	(372.5)
Operating EBIT[2]	**1,694.4**	**1,940.7**
Net borrowing costs	(39.3)	(13.5)
Tax expense	(127.1)	(144.0)
Operating profit	**1,528.0**	**1,783.2**
Weighted average securities (million)[3]	1,879.0	1,890.7
Operating EPS (cps)	81.3	94.3
Non operating items[4]		
Property valuation related movements	2,326.3	264.1
Fair value movements on derivatives	(191.4)	(225.8)
Other non-cash adjustments or non-recurring items	(248.9)	(261.6)
Statutory profit	**3,414.0**	**1,559.9**

1. Fee revenues from single contractual arrangements involving a combination of inextricable Investment Management and Development Management services and recognised over the life of the underlying developments projects are classified as development income for statutory reporting purposes. During the year $41.7 million (FY22: $77.0 million) was recognised.
2. Look through Operating EBIT is $2,115.1 million and reflects $174.4 million adjustment to GMG proportionate share of Partnership's interest and tax (FY22: $1,820.4 million)
3. Includes 12.1 million securities which have achieved the required performance hurdles and will vest in September 2023 and September 2024 (FY22: 15.3 million)
4. Refer slide 24.

BALANCE SHEET

+ Group balance sheet remains well positioned with low financial leverage
  - Gearing 8.3%[4] (8.5% in FY22) and 20.8%[5] on a look-through basis
+ Reduction in stabilised portfolio reflects the impact of asset sales
+ Partnership stabilised capital increased by $2.4 billion during FY23 driven by net investments of $0.9 billion, development completions and valuation gains on the existing assets
+ Overall development holdings relatively stable but the composition has moved to more directly owned assets
+ NTA increased 9% to $9.12 per security since June 2022.

$16.4bn

STABILISED INVESTMENTS

9%

INCREASE IN NTA

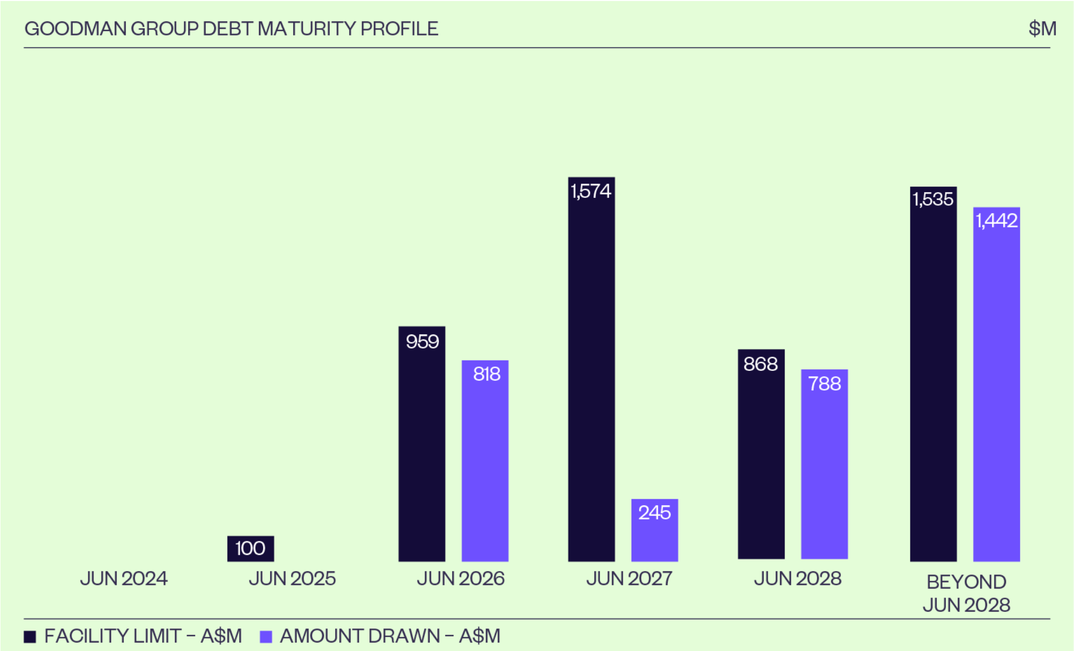
Balance sheet

	AS AT 30 JUNE 2022 $M	AS AT 30 JUNE 2023 $M
Stabilised investment properties	2,387	2,086
Partnership investments[1]	11,904	14,329
Development holdings[2]	4,455	4,565
Intangibles	795	850
Cash	1,056	1,360
Other assets	835	837
Total assets	**21,432**	**24,027**
Interest bearing liabilities	(2,832)	(3,293)
Other liabilities	(2,176)	(2,710)
Total liabilities	**(5,008)**	**(6,002)**
Net assets	**16,424**	**18,025**
Net asset value ($)[3]	**8.79**	**9.57**
Net tangible assets ($)[3]	**8.37**	**9.12**
Balance sheet gearing (%)[4]	8.5	8.3

1. Includes Goodman's investments in its Partnerships and other investments
2. Includes inventories, investment properties under development and the Group's proportionate interest in development assets within the Partnerships
3. Based on 1,883.8 million securities on issue (FY22: 1,868.2 million securities on issue)
4. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).
5. Look through gearing includes the proportionate consolidation of gross assets and liabilities of the Partnerships.

GROUP LIQUIDITY POSITION

+ Cash and available lines of credit (excluding Partnership debt and equity) of $3.1 billion as at 30 June 2023
  – $1.4 billion in cash, $1.7 billion of available lines
  – Weighted average debt maturity profile of 5.5 years
+ Gearing at 8.3%[1] (20.8%[2] look-through). Consistent with previous guidance, the Group's current desire is for gearing to remain in the lower half of the 0-25% Financial Risk Management policy range given our development activity and the consequential impact on long term capital needs
  – Provides substantial headroom to financial covenants, Interest Cover Ratio (ICR) 48.3x (look-through 13.6x)
+ Stable and sustainable investment grade credit ratings
  – BBB+ / Baa1 from S&P and Moody's respectively
+ The Group and Partnerships have low leverage and appropriate interest rate hedging and fixed rate debt in place. On a look-through basis, 79% is fixed or hedged for one year and on average 70% over three years with average hedge duration of 4.1 years
+ The opportunities to continue to pursue our development led strategy are increasing and are expected to remain attractive. Other value add opportunities could also potentially emerge. The Group is well positioned to fund its growth.



$3.1bn
LIQUIDITY

8.3%[1]
GEARING

1. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).
2. Based on $5.7 billion net debt on $27.4 billion net assets of Group and proportionate share of Partnerships
3. Interest cover is operating profit before net finance expense (operating) and income tax (operating) divided by net finance expense (operating). The calculation is in accordance with the financial covenants associated with the Group's unsecured bank loans and includes certain adjustments to the numerator and denominator, including reversing the impacts of the new lease accounting standard.

Rotterdam Logistics Centre, Alblasserdam, Netherlands

03 OPERATIONAL PERFORMANCE

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

+ Guided by our 2030 Sustainability Strategy, Goodman continues to integrate ESG into its business targets

SUSTAINABLE PROPERTIES AND PLACES

+ Goodman's global operations are on track to remain carbon neutral for FY23 continuing our certification as a Carbon Neutral Organisation by Climate Active
+ Our science-based carbon emissions targets for Goodman's global operations, have been validated by the SBTi as being ambitious and aligned with the Paris Agreement's 1.5°C pathway
+ We have increased our solar PV installations or commitments across the global portfolio by 103MW to reach 306MW in FY23
+ Procurement of 100% certified *GreenPower* electricity for Goodman's Australian operations, and using renewable energy certificates to increase our global renewable electricity usage to above 80%
+ Measuring the embodied carbon of our new developments is helping us to track and reduce emissions across the lifecycle of our properties.

PEOPLE, CULTURE AND COMMUNITY

+ Continued with our Return to Zero program for our contractors to increase operational monitoring of safety standards, achieving zero contractor fatalities in FY23
+ A gender ratio of 45% female and 55% male with 30% senior female executives globally
+ Goodman Australia's Reconciliation Action Plan (RAP) received official endorsement. We have implemented, cultural and community initiatives, and contributed $1.7 million to First Nations focused community programs this year
+ The Goodman Foundation contributed $10.8 million in cash, staff fundraising and in-kind contributions, during the year. This takes our total investment to $42.4million since 2019

CORPORATE GOVENANCE AND PERFORMANCE

+ Maintained investment grade credit ratings of BBB+ (S&P) and Baa1 (Moody's).
+ Achieved a MSCI ESG rating of 'AA', the 2nd highest category. Also received an ESG score of '9.7' from Sustainalytics and assessed to be at 'Negligible' risk of experiencing material financial impacts from ESG factors
+ Adopted Task Force on Climate-related Financial Disclosures (TCFD) guidelines in 2020 and updated in 2023.

PROPERTY INVESTMENT

+ **Underlying property fundamentals remain strong in our markets as we continue to experience high occupancy and positive rental reversions to market in most locations**
  - Occupancy of 99%[2]
  - Like-for-like net property income growth of 4.7%[2]
  - WALE of 5.5 years[2]
  - Reversion of current passing rents to those achievable in the market are expected to continue to support growth in cash flow and valuations in future years. Potential reversion to market for the regions include: North America +66%, Australia and New Zealand +37%, Continental Europe and UK +17% and Asia +1%
+ **Increase in property income driven by underlying growth in rents, development completions and increased Partnership investments which is offsetting sales and assets withdrawn for redevelopment**
  - Overall property investment earnings up 7% net of sales and assets withdrawn for development
  - Growth in Partnership investment earnings up 14%, half of which was driven by rental growth and the remainder capital investment
  - $0.9 billion net equity contributions in the past 12 months, $2.0 billion in the last 2 years. This will support continued investment earnings growth in FY24
+ **Net revaluations were positive for FY23 overall, with strong results in North America and Australia offsetting United Kingdom, Europe, New Zealand and Hong Kong**
  - 51 bps increase in in the WACR in FY23 to 4.5%
  - Valuations across the Group and Partnerships of $0.8 billion, (before realisation of prior year valuation)
+ **While investors remain cautious, property transactions are recommencing in most markets and are broadly supportive of rebased pricing metrics.**

4.5%
WACR

99%
OCCUPANCY

Property investments

	FY22	FY23
Direct ($M)	103.7	87.4
Partnership investments ($M)	390.9	444.0
Property investment earnings	494.6	531.4

Key metrics

	FY22	FY23
WACR (%)[1]	4.0	4.5
WALE (years)	5.2	5.5[2]
Occupancy (%)	99	99[2]

1. Goodman and Partnership properties
2. Partnership industrial and warehouse assets (excludes office properties which have been earmarked for redevelopment) and represents 95% of Partnership assets

Goodman Kunchi East China New Retail Hub, Changshu, Eastern China

DEVELOPMENT

+ Activity associated with supply chain optimisation, productivity and growth in the digital economy are continuing drivers of customer demand for industrial space in our locations, notwithstanding moderating demand overall. Our execution has been strong and we have continued to be able to manage the rising cost environment
  - Development earnings increased to $1,301 million, up 35% on FY22, with strong contributions from Australia, Continental Europe and North America
  - WIP at $13.0 billion with future demand remaining positive and broad based
  - Annual production rate maintained at ~$7 billion and is expected to average around this level through FY24
+ Development returns remain attractive in our selected locations
  - The Group and Partnerships have a significant prospective pipeline of data centre sites with secured and potential power allocation of >3GW. This power is becoming increasingly difficult to obtain. Data centre projects currently represent approximately 30% of WIP, and are likely to remain significant. Competition from data centres is reducing the availability of land for warehouse and other industrial uses in in-fill locations
  - Pre commitment levels on WIP at 59% with strong leasing on development completions of 99%
  - YOC on WIP maintained at 6.6%, inclusive of sustainability initiatives
+ Over time we have consistently seen demand for land in our markets that represents a higher and better use than single-storey industrial buildings. This has created an opportunity for the Group in the past and we expect that it will continue to be significant in the future
+ Given the current direct ownership of sites with potential for redevelopment, a greater portion of the development activity could be originated on the Group's balance sheet in the future. This would mean that a greater portion of the return generated can be in operating profit instead of valuation gains.

Developments

	FY22	FY23
Development earnings ($M)	960.7	1,301.2

Key metrics

	FY22	FY23
Work in progress ($B)	13.6	13.0
Work in progress (million sqm)	3.8	3.4
Number of developments	85	81
Development for third parties or Partnerships (%)	85	81
Committed (%)	62	59
Yield on cost (%)	6.6	6.6

Work in progress (end value)

	$B
Opening (June 2022)	**13.6**
Completions	(6.9)
Commencements	6.0
FX and other	0.3
Closing (June 2023)	**13.0**

MANAGEMENT

+ External AUM of $76.3 billion, up 11% on FY22
  - AUM increase primarily driven by development completions and acquisitions with valuations net positive for the year. External stabilised assets are up 14% since FY22
  - We expect development activity to continue to be the key driver of AUM growth in FY24
+ Management earnings of $480.6 million
  - Increase in base management fees and property services fees due to higher stabilised AUM
  - No performance fees recognised in 2H FY23. Given the current market conditions, no fees recognised ahead of their actual calculation date in FY24
  - Management income of ~80bps as a percentage of average external stabilised AUM of $64.5 billion ($52.6 billion FY22) due to lower performance fees. Management income is expected to average ~90bps+ of average external stabilised AUM in the longer term
  - Partnership average total return of 7.3% for FY23, supported by underlying portfolio performance despite rising cap rate environment
+ The Partnerships remain well funded and continue to pursue selective opportunities
  - Capital partners are more cautious and targeted in their acquisitions. There are a range of opportunities across development and core, provided they are contemporarily priced. As an asset class, logistics globally remains an investment preference for investors and after recent repricing, core returns are starting to look attractive. Over FY23 we established four new Partnerships to facilitate investor demand
+ $17.6 billion of equity commitments[1], cash and undrawn debt available across the Partnership platform
  - $7.0 billion in undrawn debt facilities and cash
  - $10.6[1] billion in undrawn equity.

$860m
AVERAGE PARTNER COMMITMENT

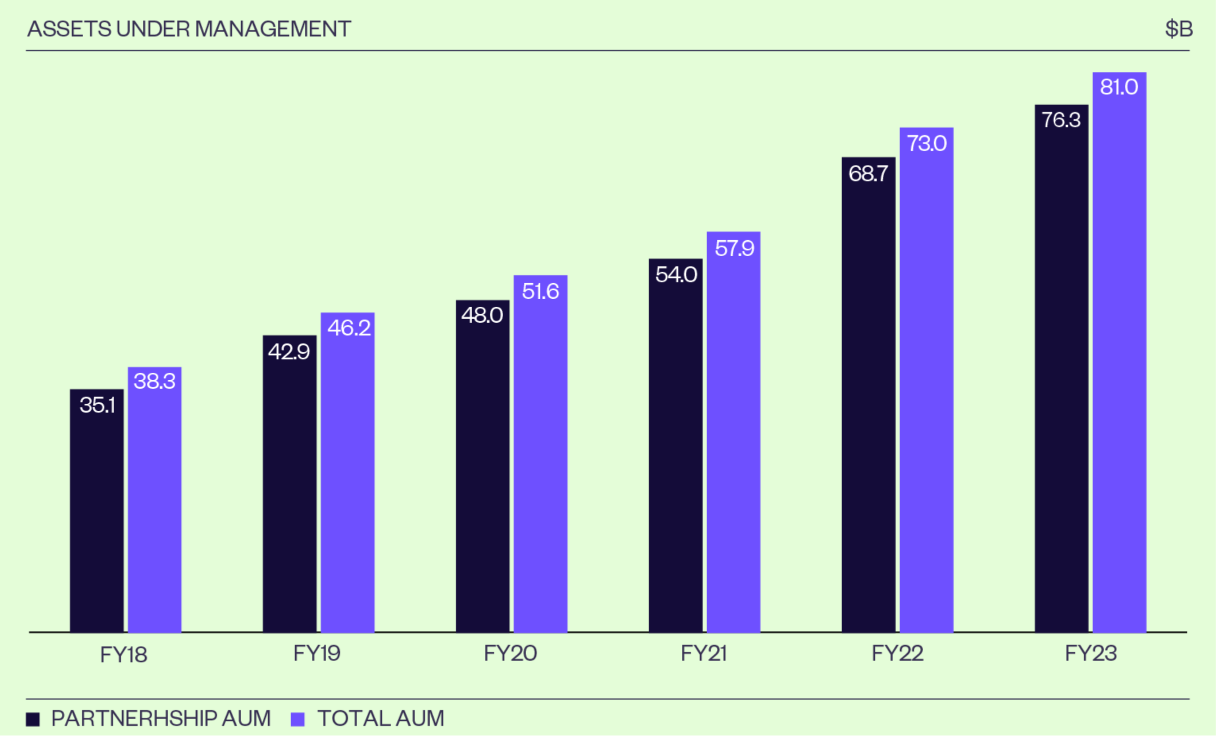
$76.3bn
EXTERNAL AUM

Management

	FY22	FY23
Management earnings ($M)	588.4	480.6

Key metrics

	FY22	FY23
Number of Partnerships	16	20
External AUM ($B)	68.7	76.3



1. Partnership investments are subject to Investment Committee approval

MANAGEMENT PLATFORM

	AUSTRALIA	HONG KONG SAR	USA	CONTINENTAL EUROPE	CHINA	JAPAN	NEW ZEALAND	UNITED KINGDOM	BRAZIL
Partnership AUM ($B)	27.4	12.6	10.3	7.8	6.7	4.6	4.4	2.3	0.2
Number of Partnerships	7	1	1	2	1	3	1	3	1
GMG co-investment (%)	26.4	20.4	55.0	19.8	20.0	18.2	25.2	35.0	15.0
GMG co-investment ($B)	5.6	1.7	4.8	1.0	0.9	0.6	0.8	0.6	0.0
Number of properties	176	18	28	121	39	21	13	14	2
Occupancy[1] (%)	99	99	100	100	96	100	99	98	84
Weighted average lease expiry[1] (years)	5.4	5.0	8.2	5.4	3.8	3.6	6.4	8.0	4.0
WACR (%)	4.3	4.1	4.6	4.5	5.3	3.9	5.2	4.9	8.3
Gearing[2] (%)	17.2	21.1	13.1	25.6	15.1	29.3	25.9	23.9	-
Weighted average debt expiry (years)	3.5	3.9	5.8	3.5	3.1	4.7	3.6	2.4	-

1. WALE and occupancy of stabilised portfolio as at 30 June 2023
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash
3. GMT: Results are as at 31 March 2023 as reported to the New Zealand Stock Exchange

Artist's impression. Data Centre Project, Hong Kong, SAR China

04

OUTLOOK

OUTLOOK

Goodman is positioned well for FY24. Our focus on the digital economy, and our concentration in supply constrained markets, is supporting the positive outlook for occupancy, rents, continued development activity and the performance of our Partnerships.

+ **Structural trends in our sector and particularly our locations remain strong.**
  - Consumers still require faster and more flexible delivery, and as a result, our customers continue to improve their supply chains to increase productivity
+ **Competition for land from a broad range of alternative uses is further impacting supply in our markets but in turn broadening the customer base and opportunity set for development**
+ **Supply continues to be challenged, with planning generally more onerous and taking longer. Replacement costs have increased and development capital allocation across markets globally has declined**
  - Medium-term we expect structural demand to continue to exceed supply in our markets which should support the annual production rate, WIP and leasing outcomes.
+ **The Partnerships have strong balance sheets and appropriate liquidity and this should support cash flow resilience and performance**
  - After recent cap rate expansion, transactions are slowly emerging in most of our markets at pricing supporting new valuations. Capital Partners remain cautious but supportive of high quality logistics opportunities in our locations
+ **We expect AUM growth to be driven by:**
  - Under renting and ongoing high occupancy
  - Continued development activity
  - The value added to our properties through intensification of use and;
  - Investor appetite for well located, high quality logistics real estate as a preferred asset class.

OUTLOOK

+ We remain focused on the development-led growth strategy. Given our established expertise globally, and financial capacity, we believe there will be attractive opportunities emerging in the coming periods
+ The potential for the regeneration of existing assets and intensification of use is providing further optionality to development outcomes including:
  - Intensification to create multi-level industrial
  - Responding to the significant data centre opportunity with secured and potential power allocation of >3GW
  - Potential for another cycle of urban renewal to emerge within the Australian portfolio
+ The Group will continue to maintain a strong balance sheet, which combined with retained income, provides significant liquidity, stability and financial resources to manage risk and opportunity. Our Capital Partners are prudent but continue to support investment into the Partnership platform.
+ We are positioned well heading into FY24, with a significant development workbook underway, underlying structural demand from customers and a robust capital position across the Group and Partnerships. We believe the Group can to continue to deliver growth despite the risks associated with current market volatility and expect FY24 operating EPS growth to be 9%
  - Forecast distribution for FY24 remains at 30.0 cents per security given the attractive opportunity to deploy retained earnings into investments and development inventory and is in keeping with the Group's financial risk management policy goals
  - The Group sets targets annually and reviews forecasts regularly
  - Forecasts are subject to there being no material adverse change in the market conditions or the occurrence of other unforeseen events.

Goodman Business Park, Greater Tokyo, Japan

30.0¢

FY24 DPS

9%

FORECAST FY24 OPERATING EPS GROWTH

01

APPENDIX

RESULTS ANALYSIS

PROFIT AND LOSS

Category	Total $M	Property investment $M	Management $M	Development $M	Operating expenses $M	Non-operating items $M
Gross property income	122.8	119.1	–	–	–	3.7
Management income	438.9	–	438.9	–	–	–
Development income[1]	1,407.2	–	41.7	1,365.5	–	–
Net gain from fair value adjustments on investment properties	278.9	–	–	163.0	–	115.9
Net gain on disposal of investment properties	3.6	–	–	3.6	–	–
Share of net results of equity accounted investments	1,022.4	444.0	–	375.8	–	202.6[2]
Total income[1]	**3,273.8**	**563.1**	**480.6**	**1,907.9**	**–**	**322.2**
Property and development expenses	(638.4)	(31.7)	–	(606.7)	–	–
Employee, administrative and other expenses	(658.5)	–	–	–	(372.5)	(286.0)
EBIT / Segment operating earnings	**1,976.9**	**531.4[3]**	**480.6[3]**	**1,301.2[3]**	**(372.5)**	**36.2**
Net gain from fair value adjustments on investment properties	(278.9)	–	–	–	–	(278.9)
Share of net gain from fair value adjustments on investment properties, unrealised derivative gains and non-recurring items within associates and JVs	(551.4)	–	–	–	–	(551.4)
Realisation of prior years' property valuation gains, net of deferred tax	511.8	–	–	–	–	511.8
Straight lining of rental income	(3.7)	–	–	–	–	(3.7)
Share based payments expense	286.0	–	–	–	–	286.0
Operating EBIT[4] / Segment operating earnings	**1,940.7**	**531.4**	**480.6**	**1,301.2**	**(372.5)**	**–**
Net finance expense (statutory)	(234.8)	–	–	–	(234.8)	–
Add: fair value adjustments on derivative financial instruments	*221.3*	–	–	–	*221.3*	–
Net finance expense (operating)	**(13.5)**	**–**	**–**	**–**	**(13.5)**	**–**
Income tax expense (statutory)	(182.2)	–	–	–	(182.2)	–
Add: deferred tax on fair value adjustments on investment properties	*47.7*	–	–	–	*47.7*	–
Add: deferred tax on other non-operating items	*(9.5)*	–	–	–	*(9.5)*	–
Income tax expense (operating)	**(144.0)**	**–**	**–**	**–**	**(144.0)**	**–**
Operating profit available for distribution	**1,783.2**	**531.4**	**480.6**	**1,301.2**	**(530.0)**	**–**
Net cash provided by operating activities[5]	**1,284.2**					

1. Fee revenues from single contractual arrangements involving a combination of inextricable Investment Management and Development Management services and recognised over the life of the underlying developments projects are classified as development income for statutory reporting purposes. During the period $41.7 million (FY22: $77.0 million) of such income was recognised.
2. Includes share of associate and joint venture property valuation gains of $544.7 million, share of realisation of prior years' property valuation gains (net of deferred tax) of $(348.8) million, share of fair value adjustments of derivative financial instruments in Partnerships of $(4.5) million and other non-cash, non-recurring items within associates of $11.2 million
3. Segment operating earnings is total income less property and development expenses (excludes employee, administrative and other expenses)
4. Look through Operating EBIT is $2,115.1 million and reflects $174.4 million adjustment to GMG proportionate share of Partnerships interest and tax (FY22: $1,820.4 million)
5. Difference between operating profit and cash provided by operating activities of $(499.0) million (FY22 $(687.0) million) relates to:
   - $74.3 million development activities including capitalised and prepaid interest
   - $(467.2) million of development cashflows recognised in investment activities
   - $12.1 million cash share of equity accounted income
   - $(118.2) million of other working capital movements.

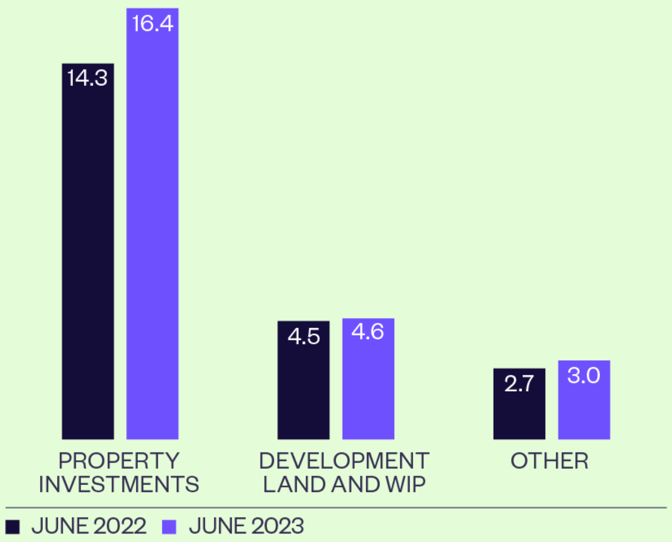
RECONCILIATION NON-OPERATING ITEMS

Non-operating items in statutory income statement	Total $M	Year ended 30 June 2023 $M
Property valuation related movements		
Net gain from fair value adjustments attributable to investment properties	278.9	
Share of net gain from fair value adjustments attributable to investment properties in associates and joint ventures after tax	544.7	
Deferred tax on fair value adjustments on investment properties	(47.7)	
Realisation of prior years' property valuation gains, net of deferred tax	(511.8)	
Subtotal		264.1
Fair value adjustments and unrealised foreign currency exchange movements related to capital management		
Fair value adjustments on derivative financial instruments – GMG	(221.3)	
Share of fair value adjustments on derivative financial instruments in associates and joint ventures	(4.5)	
Subtotal		(225.8)
Other non-cash adjustments or non-recurring items		
Share based payments expense	(286.0)	
Straight lining of rental income and tax deferred adjustments	24.4	
Subtotal		(261.6)
TOTAL		(223.3)

FINANCIAL POSITION

As at 30 June 2023	Direct Assets $M	Property investment $M	Development $M	Other $M	Total $M
Cash	–	–	–	1,360.1	1,360.1
Receivables	–	–	301.2	245.8	547.0
Inventories	451.3	–	1,794.2	–	2,245.5
Investment properties	1,125.3	–	519.5	–	1,644.8
Investments accounted for using equity method	–	14,324.4	1,949.7	11.1	16,285.2
Intangibles	–	–	–	850.1	850.1
Other assets	509.6	4.3	0.8	579.8	1,094.5
Total assets	**2,086.2**	**14,328.7**	**4,565.4**	**3,046.9**	**24,027.2**
Interest bearing liabilities				(3,292.9)	(3,292.9)
Other liabilities				(2,709.5)	(2,709.5)
Total liabilities				**(6,002.4)**	**(6,002.4)**
Net assets/(liabilities)				**(2,955.5)**	**18,024.8**
Gearing[1] %					**8.3**
NTA (per security)[2] $					**9.12**
Australia / New Zealand	1,281.4	5,959.4	1,456.4	373.6	9,070.8
Asia	617.2	2,705.2	828.9	440.7	4,592.0
CE	121.5	902.4	1,055.3	555.2	2,634.4
UK	–	386.1	443.8	219.6	1,049.5
Americas	66.1	4,375.6	781.0	127.6	5,350.3
Other	–	–	–	1,330.2	1,330.2
Total assets	**2,086.2**	**14,328.7**	**4,565.4**	**3,046.9**	**24,027.2**

CAPITAL ALLOCATION $B

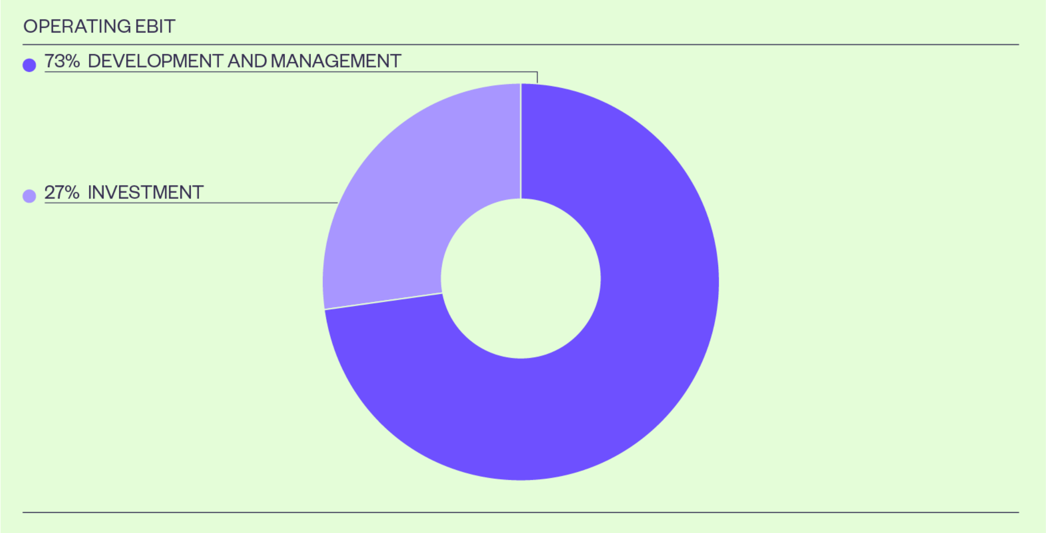


1. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $81.7 million (30 June 2022: $133.3 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $34.2 million (30 June 2022: $79.6 million).
2. Calculated based on 1,883.8 million securities on issue.

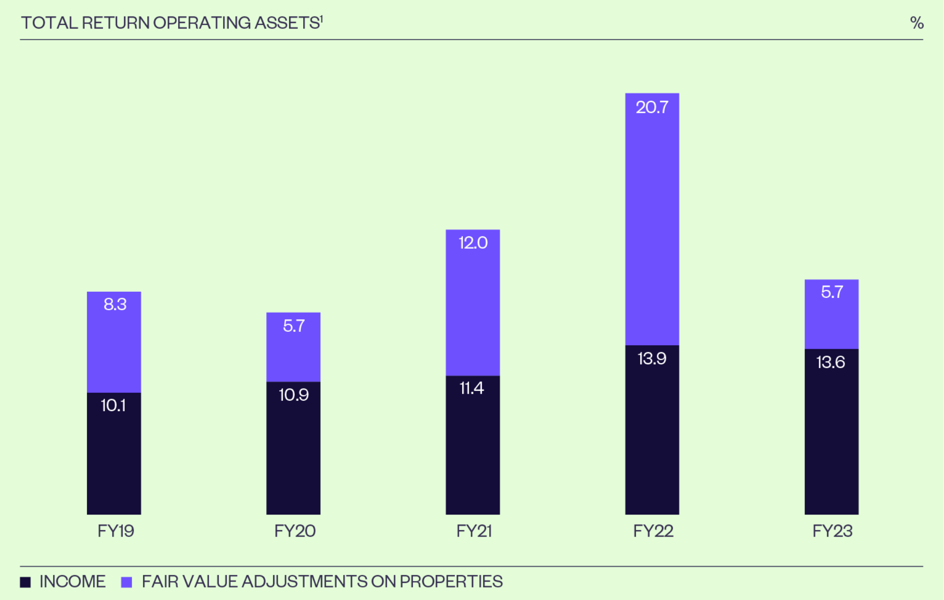
BUSINESS PERFORMANCE ANALYSIS

+ Operating margins have steadily increased
  - Longer term benefits of focused strategy, capital management and funding
  - Income growth has exceeded expense growth in the active business
  - Management and development contribute a combined 73% of EBIT in FY23 (71% in FY22).

Management and developments	FY19	FY20	FY21	FY22	FY23
Management and development income ($M)	979	1,087	1,177	1,549	1,782
Operating expenses ($M)	(268)	(292)	(294)	(349)	(373)
EBIT ($M)	711	795	883	1,200	1,409
Management and development margin (%)	73	73	75	77	79

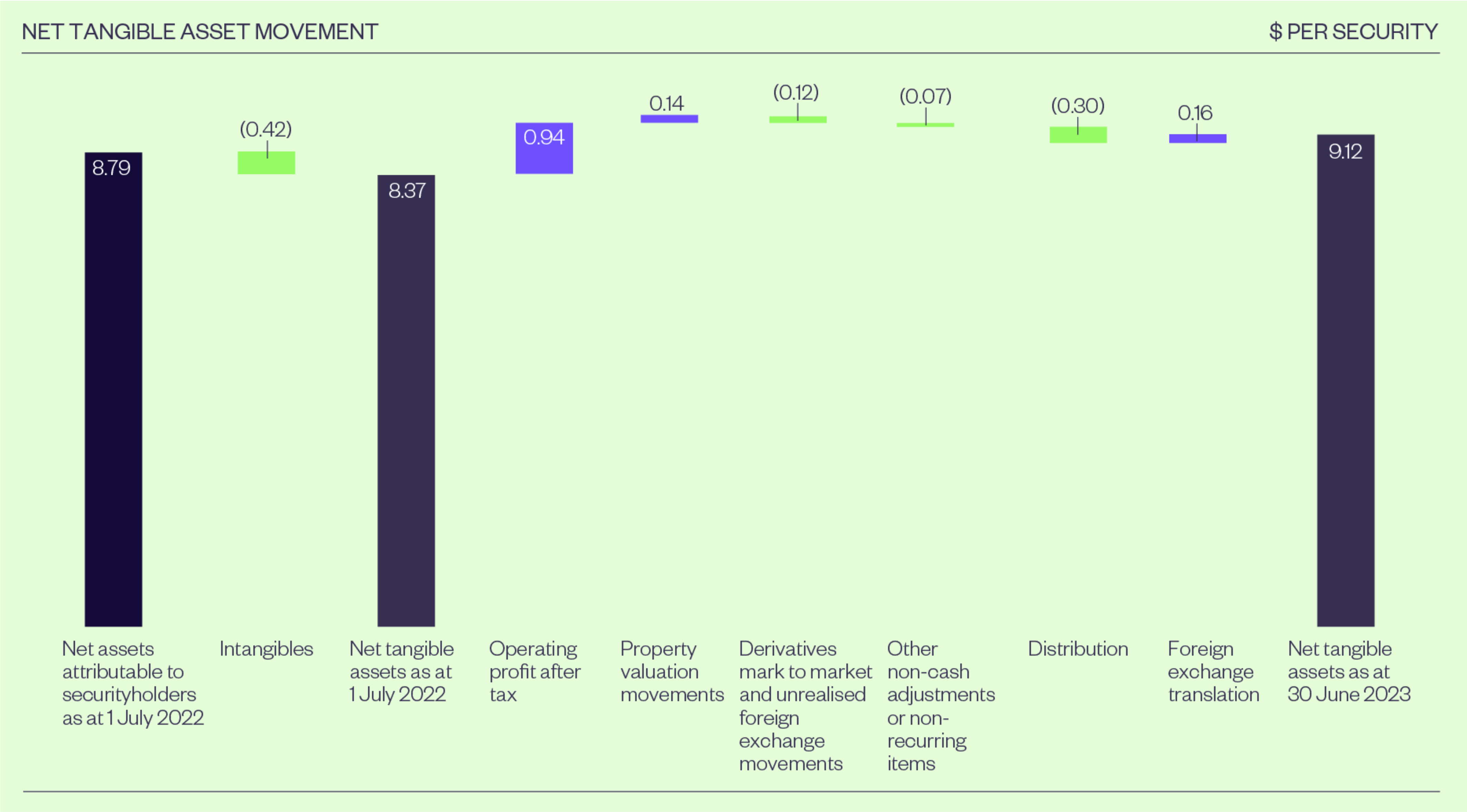


+ ROA reflects
  - Positive performance from investment property on a like-for-like basis
  - More assets are in Partnerships
  - Higher margins in active business
  - Elevated cash balances mask underlying growth.



1. Operating assets = Total Assets – Intangibles – Historical Property Valuations and Impairments.

NET TANGIBLE ASSET MOVEMENT



1. Calculated based on 1,883.8 million securities being closing securities on issue.

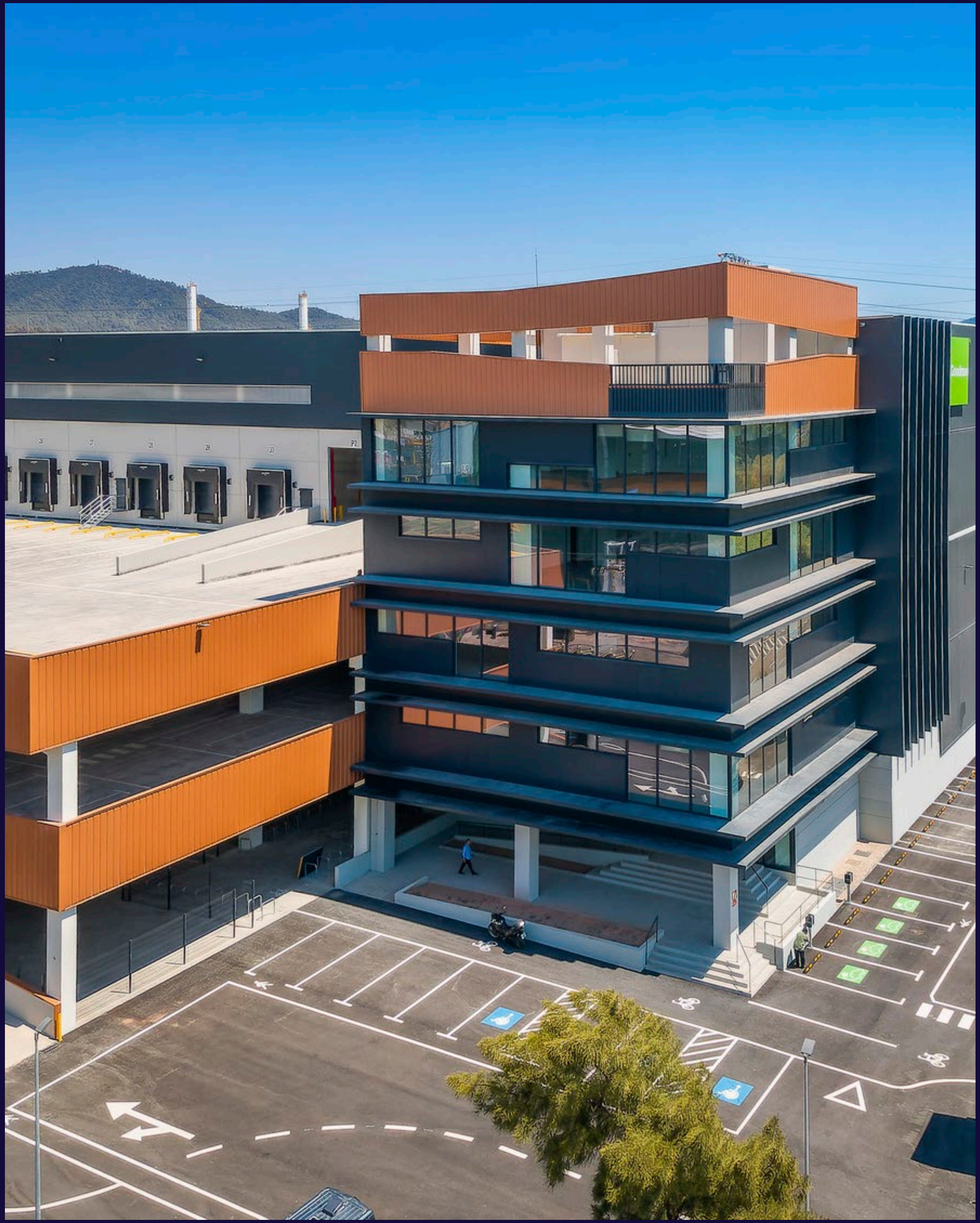
PROPERTY VALUATIONS

- Revaluation gains across the global portfolio for the full year totalled $0.8 billion, with the Group's share $0.8[1] billion
- Over the full year the market rent, cashflow assumptions and development completions have more than offset the loss due to cap rate movements
- The global portfolio cap rate has expanded to 4.5% over FY23 and expanded by 0.5% over the financial year.

30 June 2023 property valuations (look through)

As at 30 June 2023	Book value (GMG exposure) $M	Valuation movement since June 2022 $M	WACR %	WACR movement since June 2022 %
Australia / New Zealand	10,322.1	562.0	4.4	0.5
Asia	5,398.1	-31.0	4.4	0.1
UK / Continental Europe	3,666.0	-341.6	4.6	1.1
Americas	6,083.1	597.6	4.7	0.6
Total / Average	**25,469.3**	**787.1**	**4.5**	**0.5**

1. Excludes deferred taxes and other transfers of $11.2 million. Net revaluation for Goodman share of $775.9 million.



Castellbisbal Logistics Centre, Barcelona, Spain

02

APPENDIX

PROPERTY INVESTMENT

LEASING

2.5m
SPACE LEASED

99%
OCCUPANCY

Across the Partnerships:

+ 2.5 million sqm leased over the 12 months, equating to $352 million of annual property income[1]
+ High occupancy at 99%[1].

Region	Leasing area (sqm '000)	Net annual rent $M	Average lease Term (years)
Australia / New Zealand	916	146.9	4.1
Asia	1,007	145.3	2.4
UK / Continental Europe	533	54.1	4.4
Americas	14	5.4	3.1
TOTAL	**2,470**	**351.7**	**3.4**

1. Partnership industrial and warehouse assets (excludes office properties which have been earmarked for redevelopment) and represents 95% of Partnership assets

Goodman Logistics Center Fullerton, Los Angeles, USA.

CUSTOMERS

Goodman Business Park, Greater Tokyo, Japan

TOP 20 GLOBAL CUSTOMERS (BY NET INCOME – LOOK THROUGH BASIS)

CUSTOMER	RENT %
AMAZON	10.0
SAMSUNG ELECTRONICS AMERICA	2.4
DEUTSCHE POST (DHL)	1.5
A.P. MOLLER – MAERSK	1.5
RELATIVITY SPACE	1.4
VDC POWERBASE	1.3
COLES GROUP	1.3
EQUINIX	1.3
IRON MOUNTAIN	1.1
BRICKWORKS	1.1
KUNCHI	1.0
KOCH	0.9
BMW GROUP	0.8
DB SCHENKER	0.8
DSV	0.8
GLOBAL EXPRESS	0.8
MAINFREIGHT	0.8
JD.COM	0.7
SF EXPRESS	0.7
TESLA	0.7

DIRECT PORTFOLIO DETAIL

AXIS Alexandria, Sydney, Australia

- Long term strategic portfolio with potential for higher and better use, re-zoning and redevelopment
- 19 properties with a total value of $2.1[1] billion located primarily in the Sydney market
  - Represents a significant part of the urban renewal portfolio
- 95% occupancy and a weighted average lease expiry of 7.1 years
- Average portfolio valuation cap rate of 4.5%[1].

Key metrics[1]

	FY23
Total assets ($B)	2.1
Customers	212
Number of properties	19
Occupancy (%)	95
Weighted average cap rate (%)	4.5%[1]

1. Stabilised properties

03

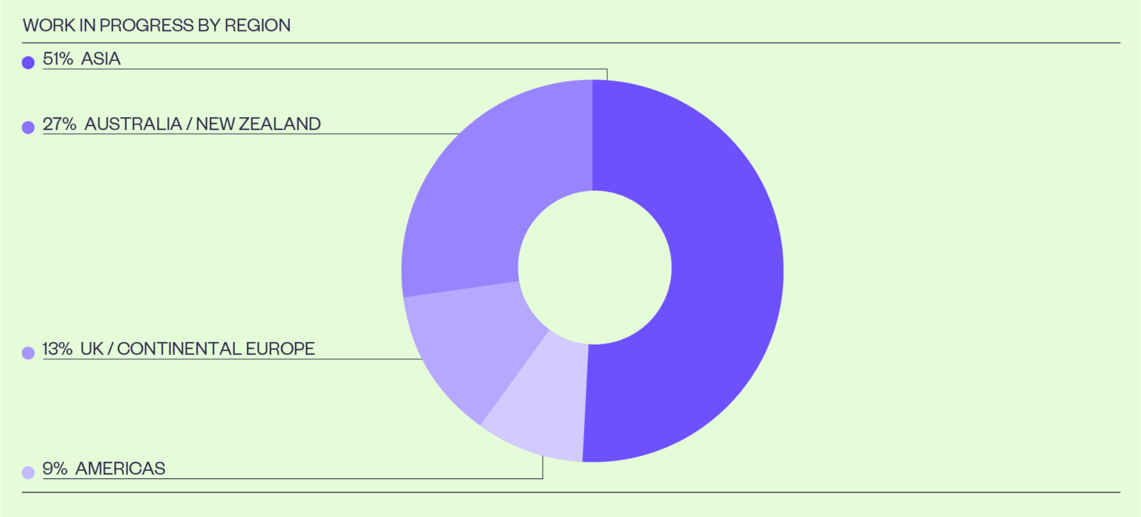
APPENDIX

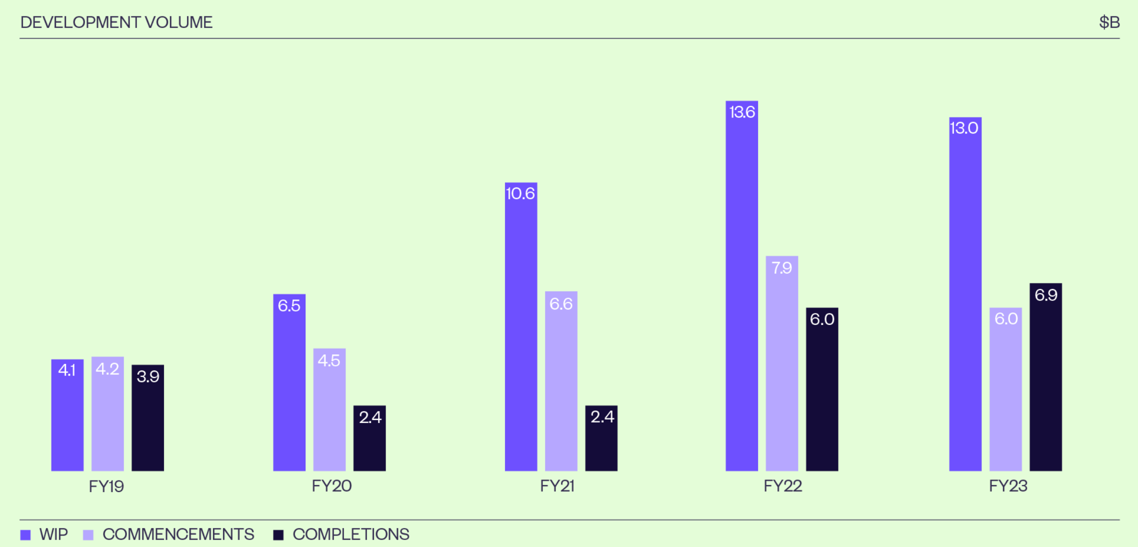
DEVELOPMENT

DEVELOPMENTS

FY23 Developments

As at 30 June 2023	Completions	Commencements	Work in progress
Value ($B)	6.9	6.0	13.0
Area (m sqm)	1.5	1.1	3.4
Yield (%)	7.4	6.5	6.6
Committed (%)	99	57	59
Weighted average lease term (years)	13.0	15.0	12.7
Development for third parties or Partnerships (%)	87	74	81
Australia / New Zealand (%)	24	43	27
Asia (%)	25	24	51
Americas (%)	36	19	9
UK / Continental Europe (%)	15	14	13



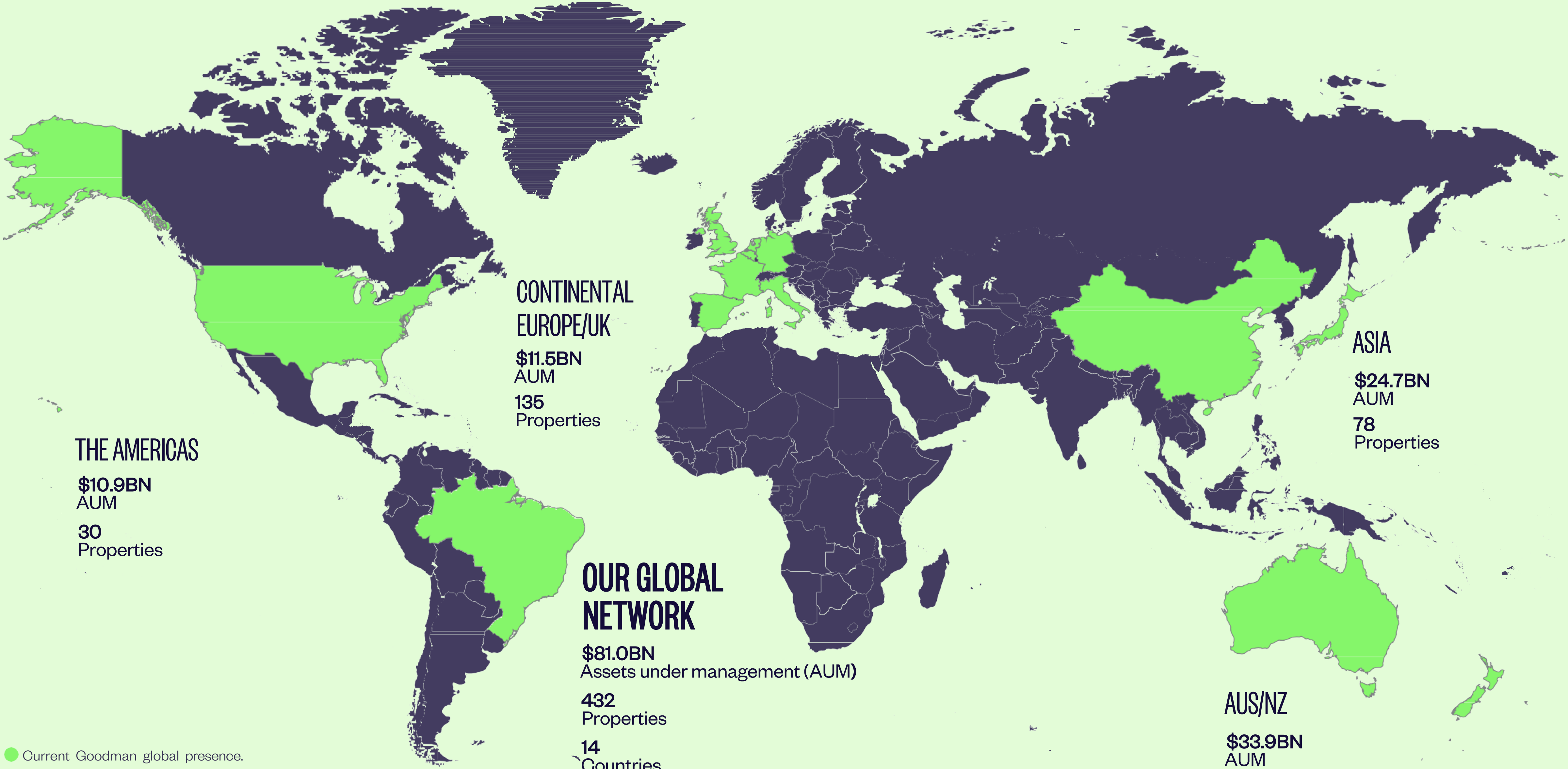


04

APPENDIX

MANAGEMENT

GLOBAL PLATFORM



CONTINENTAL EUROPE/UK

$11.5BN
AUM

135
Properties

THE AMERICAS

$10.9BN
AUM

30
Properties

ASIA

$24.7BN
AUM

78
Properties

OUR GLOBAL NETWORK

$81.0BN
Assets under management (AUM)

432
Properties

14
Countries

AUS/NZ

$33.9BN
AUM

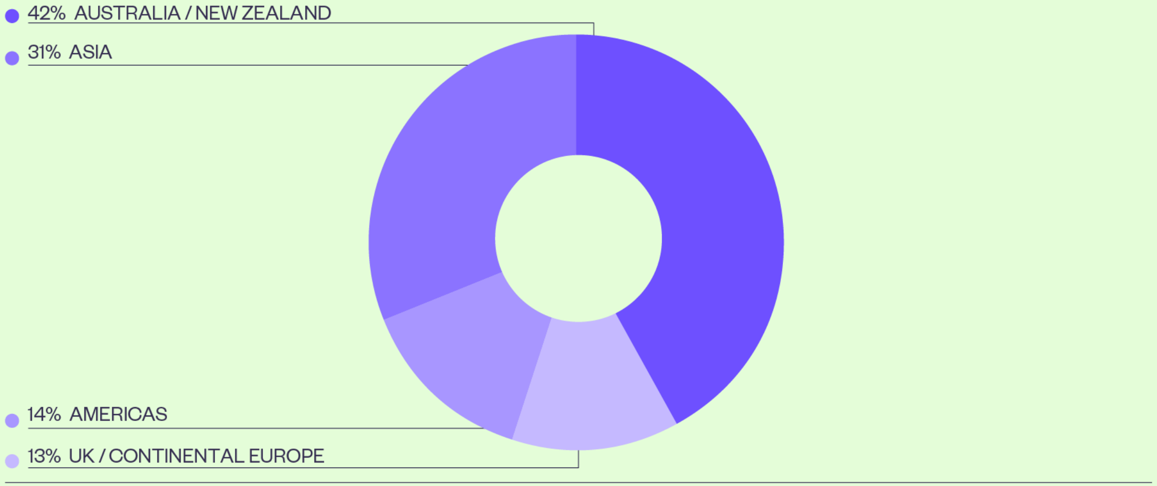
189
Properties

Current Goodman global presence.
As at 30 June 2023 (Australian currency)

MANAGEMENT – AUM

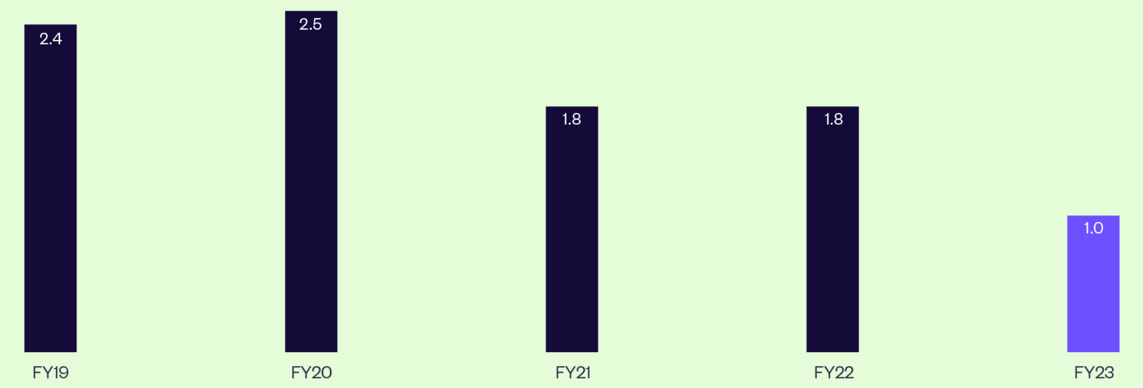
+ **The majority of Goodman's assets reside in Partnerships**
- The Group manages 20 Partnerships with 51 investors who are represented on the Boards and Investment Committees independent of Goodman
- Goodman maintains a 29% average equity cornerstone position in the Partnerships to support alignment and exposure to a high quality globally diversified portfolio
- Partnership average gearing is 19.5%
- The average drawn and committed equity per partner is $738 million (excluding GMT)
- Average Partnership return for FY23 was 7.3%[1]

THIRD PARTY AUM BY REGION



THIRD PARTY AUM BRIDGE $B

THIRD PARTY EQUITY RAISED WITHIN PARTNERSHIPS $B



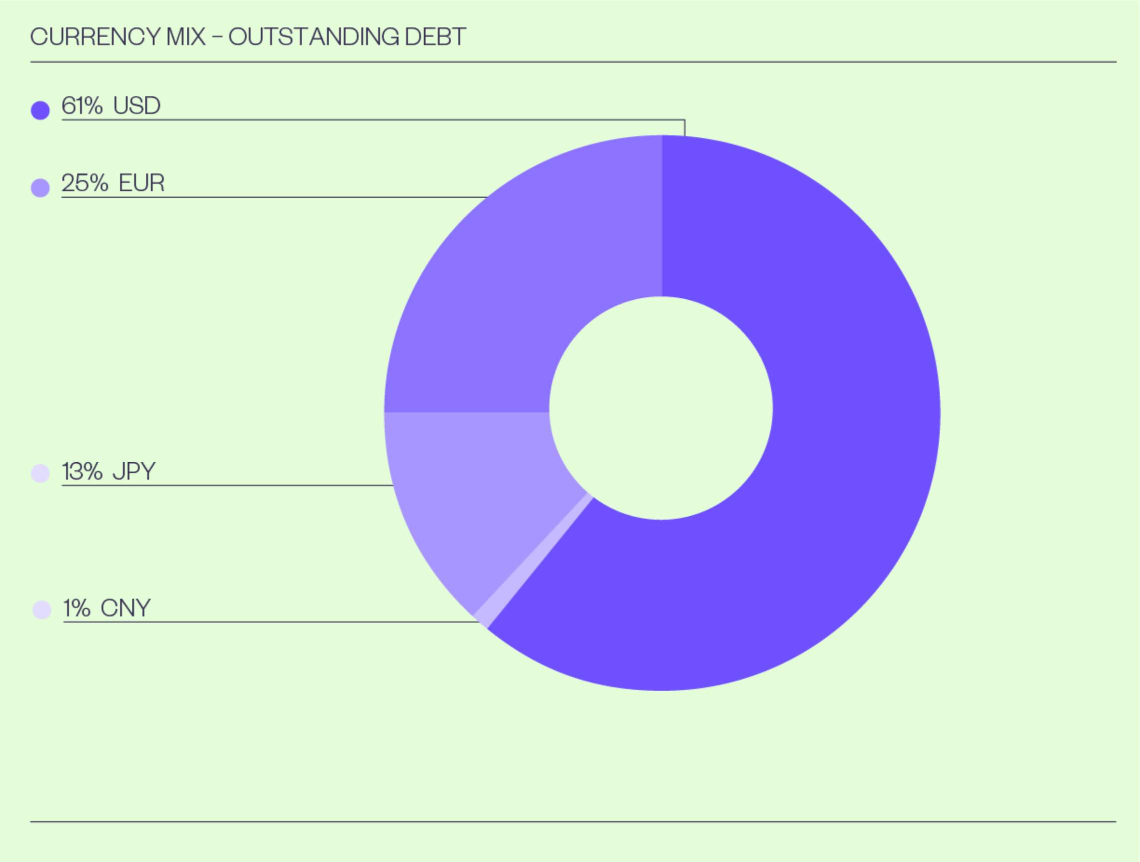
Artist's impression of Data Centre, Amsterdam, The Netherlands

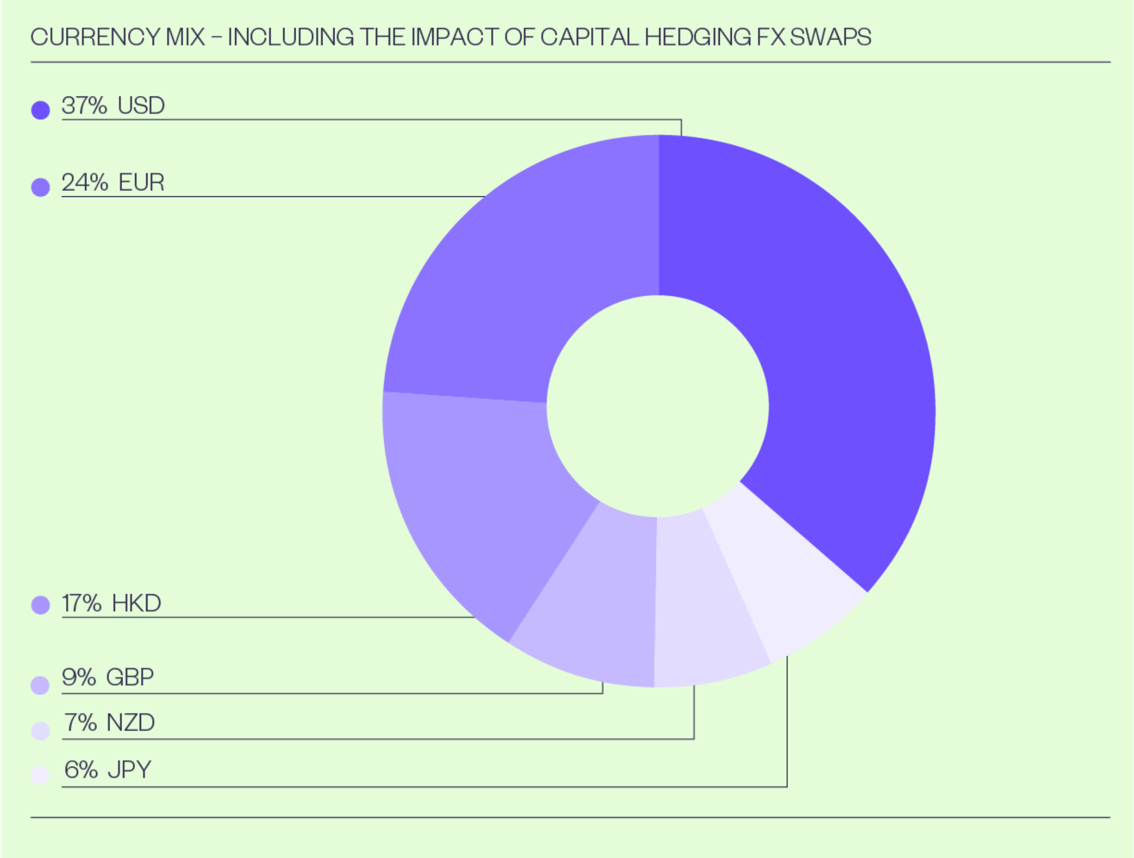
05

APPENDIX

CAPITAL

CURRENCY MIX





FINANCIAL RISK MANAGEMENT

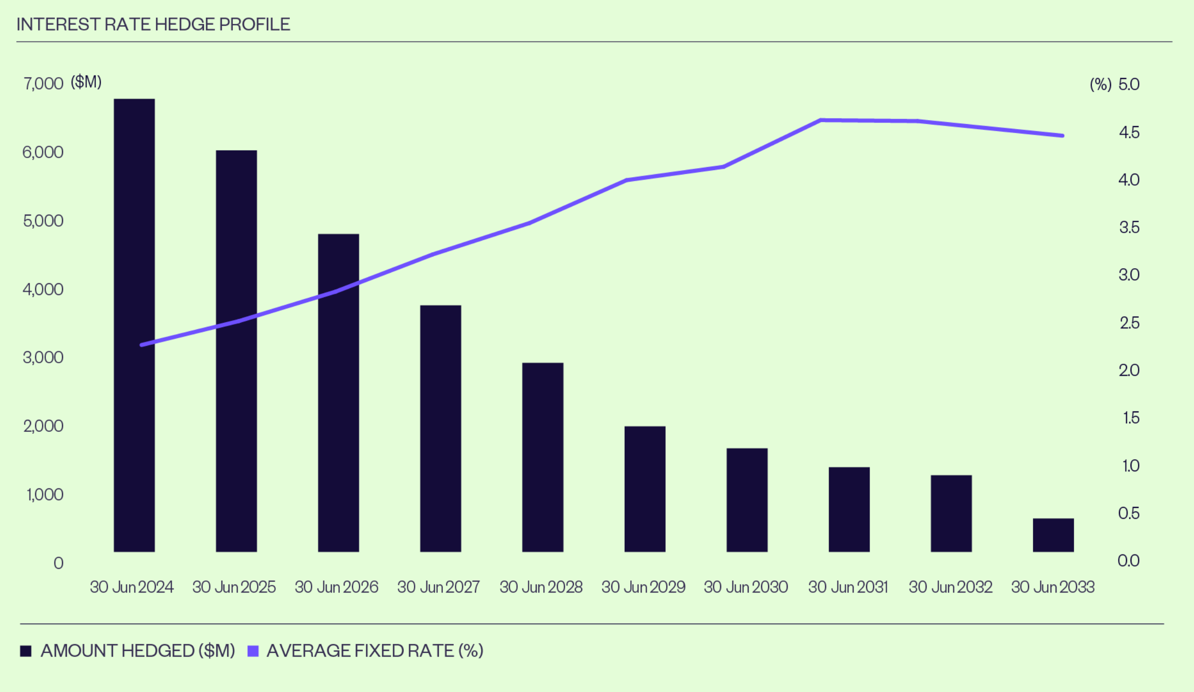
+ The Group has a robust capital management framework, under its Financial Risk Management (FRM) policy. This provides:
  - Stronger balance sheet which has been reflected in our credit ratings from S&P and Moody's BBB+ / Baa1 respectively
  - Covenants that are appropriate for our operations
  - Diversified sources of funding
  - Long-term debt sources to stabilise the funding base
+ The Group has maintained gearing in the lower half of the FRM policy band:
  - Group target gearing range 0%–25%
  - Gearing level will be determined with reference to mix of earnings and ratios consistent with credit rating but expected to remain low
+ Interest risk management:
  - Policy to ensure between 60% and 100% of current year interest rates are fixed
  - 80% hedged over next 12 months, average 69% hedged over the next three years
  - Weighted average hedge maturity of 4.7 years
  - Weighted average hedge rate of 2.64%[1,2,3]
+ Foreign currency risk management:
  - Policy to hedge between 65% and 90% of foreign currency denominated net assets
  - 74% hedged as at 30 June 2023, of which 39% is debt and liabilities and 61% is derivatives
  - Weighted average maturity of derivatives 4.1 years.

Crossways Commercial Park, United Kingdom

1. Includes the strike rate on interest rate cap hedges
2. Includes the €500 million bond at 1.375% fixed rate
3. Includes the US$1,350 million bonds at 4.24% average fixed rate

FINANCIAL RISK MANAGEMENT (CONT)

+ Interest rate payments are hedged to 80% over the next 12 months
  - Weighted average hedge rate of 2.64%[1,2,3]
  - NZD – hedge rate 2.45%
  - JPY – hedge rate 0.24%
  - HKD – hedge rate 1.58%
  - GBP – hedge rate 1.63%
  - Euro – hedge rate 1.69%[2]
  - USD – hedge rate 4.19%
+ Weighted average hedge maturity of 4.7 years.



1. Includes the strike rate on interest rate cap hedges
2. Includes the €500 million bond at 1.375% fixed rate
3. Includes the US$1,350 million bond at 4.24% average fixed rate

FINANCIAL RISK MANAGEMENT (CONT)

Foreign currency denominated balance sheet hedging maturity profile

	Weighted average maturity	Weighted average exchange rate	Amount receivable[1]	Amount payable[1]
NZ$	2.7 years	1.0775	A$696.4m	NZ$750.0m
HK$	3.4 years	5.5324	A$1,598.2m	HK$8,840.0m
US$	2.7 years	0.7221	A$1,455.5m	US$1,050.0m
¥	3.6 years	78.1791	A$177.7m	¥14,000.0bn
€	3.9 years	0.6341	A$1,460.8m	€925.0m
£	3.7 years	0.5468	A$796.3m	£435.0m
CNY[2]	3.1 years	7.3612	US$642.2m	CNY4,727.6m

1. Floating rates apply for the payable and receivable legs for the cross currency swaps
2. Forward exchange contract, net settled in USD.

EXCHANGE RATES

Statement of financial position – exchange rates as at 30 June 2023

Currency	Exchange rate
AUDGBP – 0.5249	(30 June 2022: 0.5676)
AUDEUR – 0.6109	(30 June 2022: 0.6594)
AUDHKD – 5.2235	(30 June 2022: 5.4241)
AUDBRL – 3.1911	(30 June 2022: 3.5905)
AUDNZD – 1.0871	(30 June 2022: 1.1057)
AUDUSD – 0.6664	(30 June 2022: 0.6912)
AUDJPY – 96.1530	(30 June 2022: 93.777)
AUDCNY – 4.8339	(30 June 2022: 4.6154)

Statement of financial performance – average exchange rates for the 6 months to 30 June 2023

Currency	Exchange rate
+ AUDGBP – 0.5592	(30 June 2022: 0.5456)
+ AUDEUR – 0.6433	(30 June 2022: 0.6442)
+ AUDHKD – 5.2751	(30 June 2022: 5.6626)
+ AUDBRL – 3.4743	(30 June 2022: 3.8037)
+ AUDNZD – 1.0927	(30 June 2022: 1.0667)
+ AUDUSD – 0.6731	(30 June 2022: 0.7255)
+ AUDJPY – 92.3936	(30 June 2022:85.1512)
+ AUDCNY – 4.6804	(30 June 2022: 4.6840)

THANK YOU

Goodman

For more information visit

goodman.com