GPT | METRO OFFICE FUND

2016 INTERIM RESULT

2016 Interim Result Highlights

Successful delivery, ahead of PDS

Exceeded revised earnings guidance
Six months to 31 Dec 15

7.97c
Earnings per unit

7.65c
Distribution per unit

Solid capital management

$2.15
NTA per unit

28.3%
Net gearing

Quality portfolio of 100% A-Grade office assets

$412.9m
Asset portfolio
representing a $9.4m
asset revaluation uplift

94.1%
Office occupancy[1]

Growth outlook – FY16 Guidance

16.1c - 16.3c
Earnings per unit

15.35c
Distribution per unit
within 90% - 100% payout ratio

1. Includes rental guarantees.

2016 Interim Result Summary

Financial summary

6 months to 31 December 2015 ($m)	Actual	PDS	Change (%)
Net Profit After Tax (NPAT)	18.3	10.9	▲ 68.1
Less: Valuation increases	(9.4)	0.0	
Add: Treasury items marked to market	1.2	0.0	
Less: Other items[1]	0.1	(0.3)	
Distributable Earnings / Funds From Operations (FFO)	**10.2**	**10.5**	▼ **2.5**
Divided by: Number of weighted average units on issue (million)	128.5	127.6	
Distributable Earnings / Funds From Operations per unit (cents)[2]	**7.97**	**8.23**	

IPO Allotment to 31 December 2015 (PDS)	Actual	PDS	Change (%)
Distributable Earnings / Funds From Operations per unit (cents)	**19.25**	**18.56**	▲ 3.7

1. Other includes amortisation expense, profit/(loss) on sale and the tax impact.
2. Revised guidance of 7.84 cents per unit was provided at the 2015 Annual Result.

2016 Interim Result Summary

Financial summary

6 months to 31 December 2015 ($m)	Actual	PDS	Change ($m)	
Portfolio net income	14.0	14.1	▼ 0.1	Prior period surrenders
Net financing costs	(2.7)	(2.8)	▼ 0.1	20 bps lower average cost of debt
Responsible Entity fee	(1.3)	(1.1)	▲ 0.2	30 bps of GAV per half
Management and administrative expenses	(0.5)	(0.5)	-	
Other items[1]	0.7	0.9	▼ 0.2	
Funds From Operations (FFO)	**10.2**	**10.5**	▼ **0.3**	
Retained earnings	(0.4)	(0.7)	▲ 0.3	
Distribution	**9.8**	**9.8**	**-**	96% payout ratio
Distribution per unit (cents)	7.65	7.65	-	

IPO Allotment to 31 December 2015 (PDS)	Actual	PDS	Change (%)
Distribution per unit (cents)	**17.80**	**17.46**	▲ 1.9

1. Other includes amortisation expense, profit/(loss) on sale and the tax impact.

Capital Management

Strong balance sheet with conservative gearing

Active capital management

- Both loans refinanced
- 12 month extension
- 5 basis points lower margin and fees

	31 Dec 15	30 Jun 15	Change
Net tangible assets per unit	$2.15	$2.09	▲ 3.1%
Total borrowings	$119.4m	$119.5m	▼ 0.1%
Net gearing	28.3%	28.9%	▼ 60 bps
Weighted average cost of debt	4.6%	4.8%	▼ 20 bps
Weighted average term to maturity	4.1 years	3.6 years	▲ 0.5 years
Interest cover ratio	4.6 times	6.7 times[1]	▼ 2.1 times
Weighted average term of interest rate hedging	4.8 years	5.3 years	▼ 0.5 years
Average interest rate hedging over hedge term	69%	71%	▼ 200 bps

1. Excluding capitalised interest related to the 3 Murray Rose Avenue development, the interest cover ratio was 4.7 times.

Fund Update

Maintaining strong portfolio metrics

Moving to Quarterly Distribution Payments

- Increased frequency – more regular income returns
- Commencing March 2016

Revaluations

3 Murray Rose Avenue, Sydney Olympic Park

- 3.9% increase to $86.0m

5 Murray Rose Avenue, Sydney Olympic Park

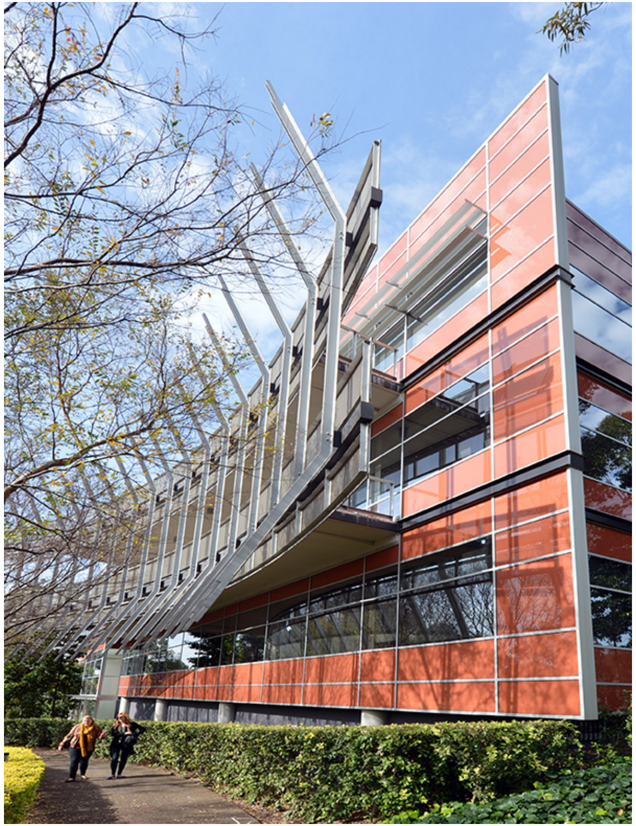
- 7.7% increase to $86.7m

Portfolio Metrics

- Six assets across Sydney, Melbourne and Brisbane
- **100% A-grade** totalling 64,500 sqm
- Asset valuations up $9.4m to **$412.9m**
- **7.09%** weighted average cap rate
- Long WALE of **5.9 years**

Portfolio/Asset Updates

A focus on leasing



Asset Updates

Quads 2 and 3, Sydney Olympic Park

- 2 tenancies re-leased
- Total of 7 tenancies (2,430 sqm) now leased since Allotment, ahead of forecast

Vantage, Hawthorn

- Level 1 full refurbishment complete, including new reception area and change facilities
- Lobby upgrade and End of Trip facilities to commence
- Café operator renewed for 5 years

Optus Centre, Fortitude Valley

- Oil Search to surrender small suite (350 sqm) in April 2016

Sustainability

- Portfolio NABERS **Energy** Rating 5.2 stars
- Portfolio NABERS **Water** Rating 5.2 stars

Australian Metro Office Markets

Favourable demand and supply fundamentals continue to support rental growth

Demand tracking economic growth

- Metro office demand at 1.5% per annum

Balanced fundamentals remain

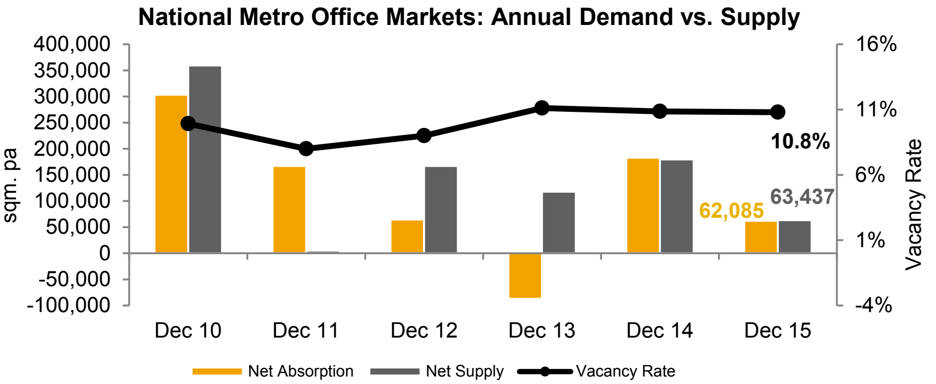
- Second year of positive net absorption, matched by constrained supply, has resulted in a steady vacancy rate

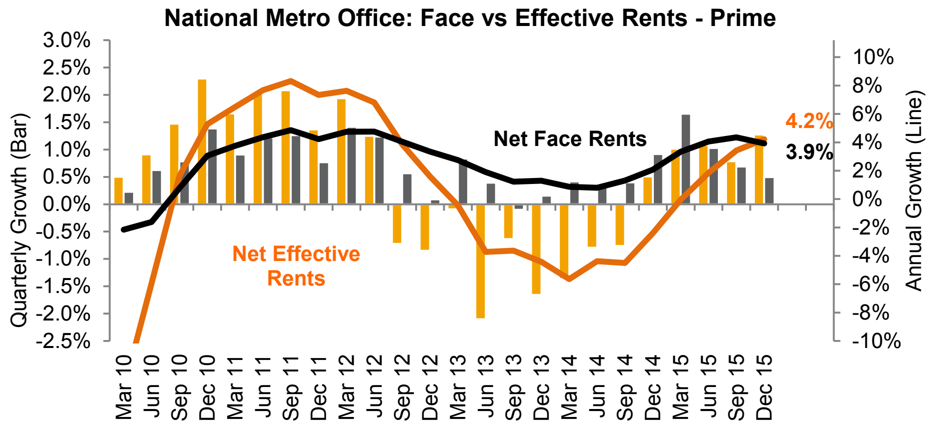
Continued growth in rents

- Face and effective rents continue to recover from 2013/14 trough

Liquidity in metro markets

- Increase in asset transactions from 1H 2015, totalling $4.5bn for 2015





Source: Deloitte Access Economics, JLL and GPT Research.

Sydney Metro Office Markets

Strong fundamentals with falling vacancy rates

NSW modest economic growth

- Growth of 1.9% per annum

Positive growth in office demand

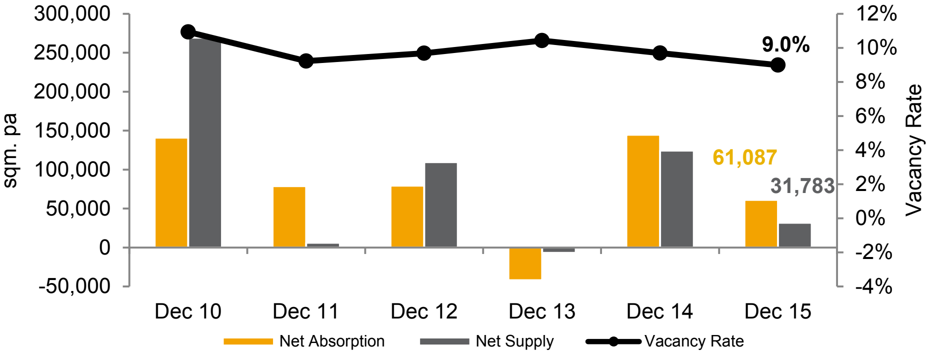
- 2.0% per annum growth in office demand has led to positive net absorption, exceeding net supply

- Vacancy has fallen 70 basis points over the past 12 months and has trended down since 2013

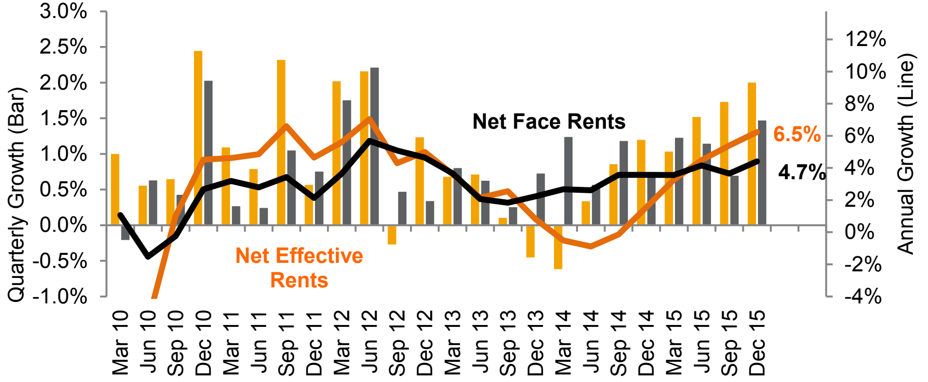
Stable incentives

- Positive growth in face rents and consistent incentive levels have led to solid net effective rental growth

Sydney Metro Office Market: Annual Demand vs. Supply



Sydney Metro Office: Face vs Effective Rents - Prime



Source: Deloitte Access Economics, JLL and GPT Research.

Melbourne Metro Office Markets

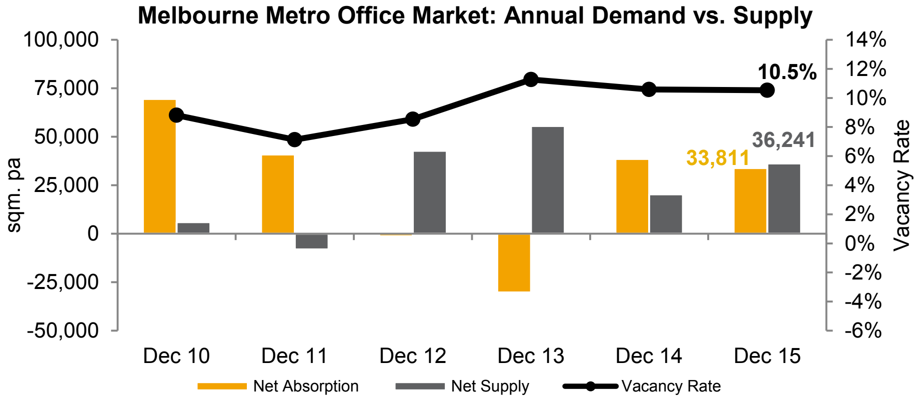
Solid economic and office employment helping to support rental growth

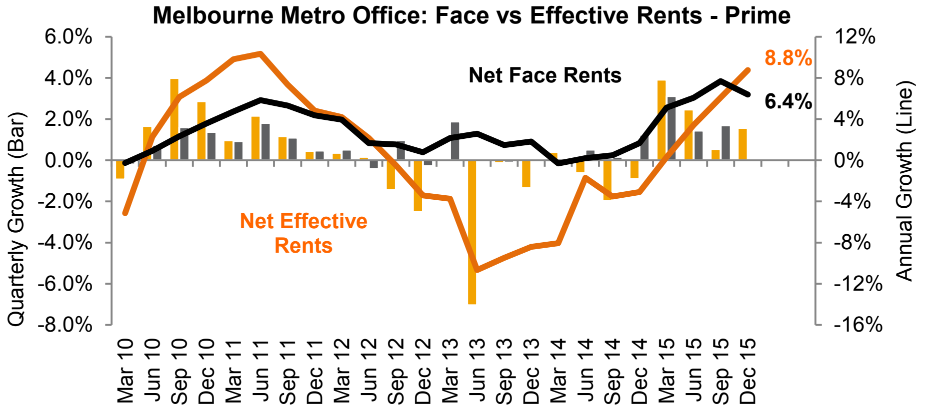
VIC economy the fastest in Australia
- 2.6% growth per annum

Fundamentals pushing up rents
- Office demand growing more strongly than other states at 2.3% per annum, leading to positive net absorption

- Net supply has increased from last year and in line with net absorption

Strong growth in rents
- Growing face rents with steady incentive levels have led to the strongest growth in net effective rents at a state level





Source: Deloitte Access Economics, JLL and GPT Research.

Brisbane Metro Office Markets

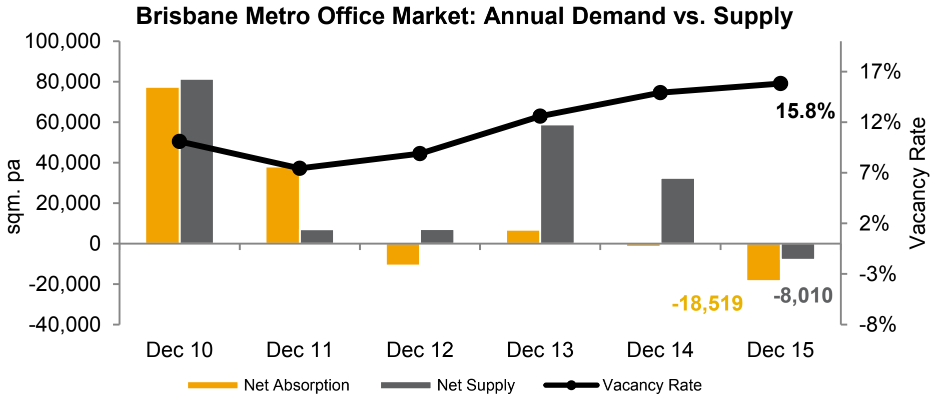
Soft fundamentals continue, however weakness is abating

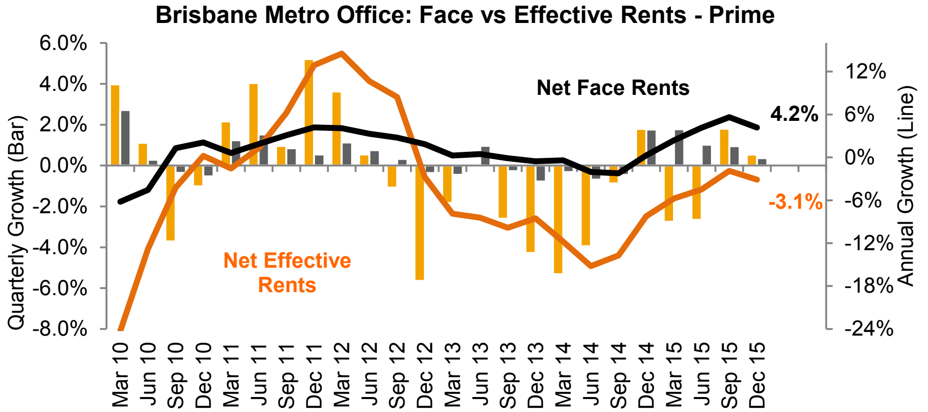
QLD economy still facing headwinds

- 1.4% contraction but the rate of decline has slowed
- Growth in office demand weak but positive at 0.7% per annum

Soft fundamentals for office

- Demand conditions have led to negative net absorption and while offset in part by stock withdrawals, vacancy rates have softened
- Growth in face rents has remained positive, however elevated incentives have led to a decline in effective rents





Source: Deloitte Access Economics, JLL and GPT Research.

Metro Office Markets and Infrastructure

Over $50 billion in infrastructure projects support metro growth

Brisbane

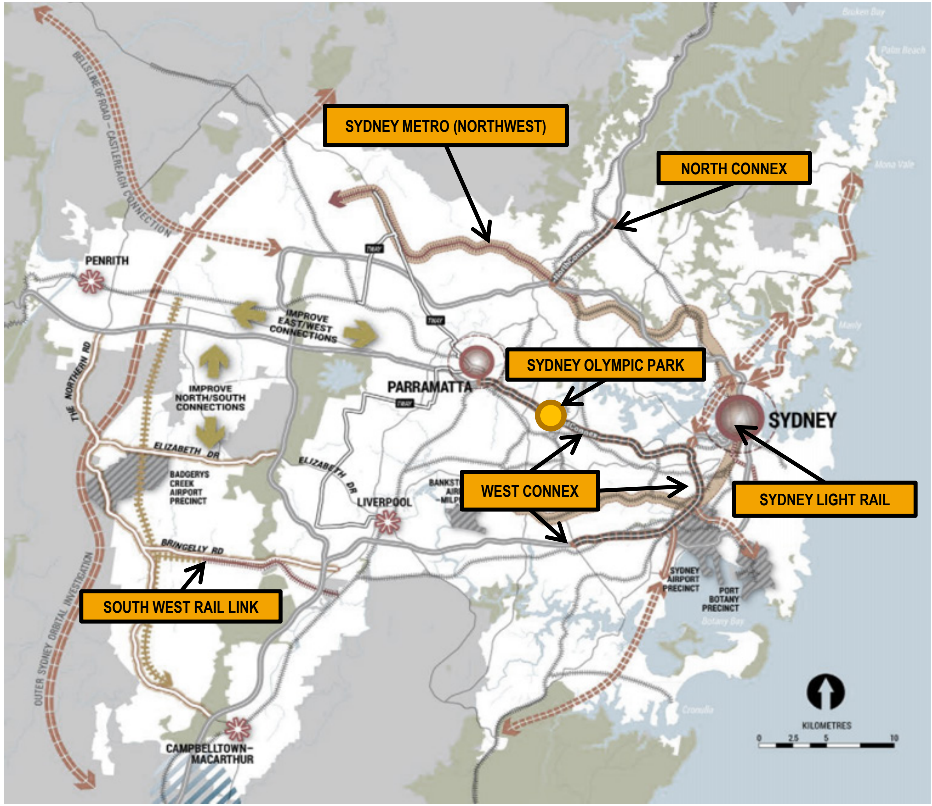
- Brisbane Metro: $1.5bn (announced Jan 2016)[1]
- Legacy Way: $1.5bn (opened 2015)
- AirportLink: $4.8bn (opened 2012)
- Go Between Bridge: $0.4m (opened 2010)

Melbourne

- Metro Rail Project: $11bn (2015 to 2023)
- Western Distributor: $5.5bn (2016 to 2022)
- CityLink upgrade: $1.3bn (2015 to 2017)
- East Link Tunnels: $2.5bn (opened 2008)

Sydney

- Parramatta Light Rail: $1bn (announced Dec 2015)[1]
- West Connex: $14.9bn (2016 to 2023)
- North Connex: $3bn (2015 to 2019)
- Sydney Metro (NW): $8.3bn (2013 to 2019)
- Sydney Light Rail: $2.2bn (2012 to 2019)
- South West Rail Link: $2bn (opened 2015)



1. Proposed and subject to approval processes.

Source: NSW Department of Planning and Environment

GPT Metro Office Fund

- Delivering sustainable returns to investors
- A focus on quality assets
- Maintaining a conservative capital structure
- Delivered an annualised distribution yield of 7.4%
- Guidance: Earnings per unit of 16.1 to 16.3 cents

Disclaimer

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Information is stated as at 31 December 2015 unless otherwise indicated.

All values are expressed in Australian currency unless otherwise indicated.

FFO is reported in the Directors' Report which is included in the Interim Financial Report of GMF for the period 1 July 2015 to 31 December 2015.

To provide information that reflects the Directors' assessment of the net profit attributable to unitholders calculated in accordance with Australian Accounting Standards, certain significant items that are relevant to an understanding of GMF's result have been identified.

FFO is a financial measure that represents GMF's underlying and recurring earnings from its operations. This is determined by adjusting statutory net profit after tax under Australian Accounting Standards for certain items which are non-cash, unrealised or capital in nature. FFO has been determined based on guidelines established by the Property Council of Australia and is intended as a measure reflecting the underlying performance of the Fund.