

asx release+

Goodman operational and strategy update

Date	16 June 2016
Release	Immediate

Goodman Group (Goodman or Group) will host a strategy and operational update for investors and analysts today, which will provide updates from each of the Group's operating regions. The attached presentation forms an integral part of the briefing. It highlights how Goodman is benefitting from the ongoing investor and customer demand for quality industrial property, by focusing on long-term, through-the-cycle planning; asset rotation to enhance portfolio and income quality; and securing land and infill sites in prime logistics locations.

Key points from the presentation include:

- + Global expertise and a long-term strategic focus has positioned Goodman as a leader in its sector.
- + Early recognition and understanding of the structural changes transforming the industrial property sector globally, including capitalising on the significant opportunities provided by the rapid growth in ecommerce.
- + Targeted site selection in and around key gateway cities globally is driving the long-term value of the Group's assets. This is demonstrated by the higher and better use opportunities emerging through its urban renewal activities and being realised through growth in net tangible assets.
- + Targeted asset rotation remains a focus in the short term, taking advantage of ongoing strong capital pricing and providing funding for Goodman's development business.
- + Development is providing the best risk adjusted returns at this point in the cycle with a focus on maintaining consistent volumes and more development being undertaken in the Partnerships.
- + Assets under management will grow organically over the medium term, predominantly through development completions, with \$10 billion of undrawn debt and equity available for potential counter cyclical investment opportunities.
- + Gearing reducing toward 10%, reflecting the Group's lower capital requirements as a result of proceeds from urban renewal transactions and asset sales in the Partnerships.
- + Development and management activities remain key drivers of sustainable growth, balanced by maintaining a sound financial position and gearing levels.

Goodman reaffirms its upwardly revised FY2016 full year operating earning per security of 40.0 cents, up 7.5% on FY2015. Its operating platform and strategy have ensured that the Group is in a competitively and financially strong position for the future, with the ability to deliver sustainable earnings per security growth.

Goodman Group

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 Goodman Funds Management Limited | ABN 48 067 796 641 | AFSL Number 223621
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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 and Goodman Industrial Trust, 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 sustainable long-term returns for its Partners.

For more information: www.goodman.com



OPERATIONAL AND STRATEGY UPDATE

16 June 2016



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SECTION 1 — GROUP OVERVIEW

Nick Vrontas, Group CFO



Derby Commercial Park, United Kingdom

Group overview

Consistent themes and messaging

- + “Lower for Longer” - Low inflation and low growth environment across the majority of global platform
- + Significant liquidity in capital markets driven by government stimulus packages and low interest rate environment, albeit increasing credit margins
- + Demand for “yield assets” is continuing to drive capital values in the short term
- + Development and management activities remain key drivers of growth

Development provides the best “risk-adjusted” returns

- + At this point in the cycle, development provides the best risk adjusted returns
- + Development focused on core markets in “gateway cities” with targeted land replenishment in those markets
- + Consistent development volumes with more developments in Partnerships freeing up capital and producing a higher ROA
- + Current 57% active (development / management) versus 43% passive (investment) earnings mix to widen

AUM growth

- + AUM to grow organically, driven by development completions and partly revaluations
- + Currently A\$10bn in undrawn debt and equity
- + Significant investment capacity if counter cyclical markets emerge – material increase in AUM which will re-balance earnings toward investment and management

Capital investment focused on North America

- + Further capital rotation across the global platform
- + Most geographies to remain capital neutral
- + Largest inflow assumed from the UK and Australia with investment into North America
- + Capital limits progressively being placed on the level of Partnership co-investment by GMG in our larger established Partnerships in Australia, Europe and Japan

Asset rotation

- + Capital pricing to remain strong in the short term
- + Asset rotation across the management platform to enhance quality of all portfolios
- + Occurring primarily in next 12 months as nearing the end of targeted sales
- + Reduction in direct development holdings in exchange for co-investment in Partnerships

Group overview



A\$2.1bn of urban renewal transacted

- + Urban renewal sales ahead of original targets and cash realisation has accelerated
- + Anticipated to transact further sites in the short term
- + Potential pipeline of 35,000 units across the Australian portfolio maintained
- + Key focus on planning and rezoning of future precincts

Capital management

- + Urban renewal proceeds and asset sales in the Partnerships reduce GMG capital needs
- + Suspend the DRP from June 2016
- + Headline gearing trending to 10% given operational leverage
- + Capital management initiatives remain available to derive medium to longer-term growth targets

Sustainable eps growth

- + Reaffirming upwardly revised forecast FY2016 full year operating earnings per security of 40.0 cents, up 7.5% on FY2015
- + Group's resources and capital plan are calibrated to continue to target 6% growth

Capital Partners

- + Support Goodman as development pipeline provides access to "off market" projects rather than acquiring from market
- + Competitive base management fees providing access to a dedicated full time management team
- + Lead the sector in contemporary governance structures "majority investor board representation"
- + Active management at all levels: property, debt and equity
- + Structural decisions based on optimising alignment of interests

SECTION 2 — REGIONAL UPDATES



Australia — Jason Little, General Manager

Economic backdrop

- + Forecast GDP growth of 2.6% p.a. on average between 2017-2020
- + Low interest rate and inflation environment expected to continue in the medium term
- + Key driver of industrial demand is consumption expenditure - consumption goods imports are expected to underpin total import levels

Market fundamentals

- + The leasing market is reflecting positive supply / demand fundamentals, with new supply in CY15 25% below the long term average
- + A slight uptick in demand expected to be balanced by a modest increase in supply for FY17
- + Leasing decisions continue to be around driving cost and operational efficiencies
- + E-commerce continues to be a key driver of demand, primarily through 3PLs

Source: RBA, ABS, Deloitte Access Economics, JLL



Snapshot ¹	
Assets under management	A\$13.9bn
Stabilised properties	205
Investment GLA (sqm)	6.9m
Occupancy	96%
Development WIP	A\$719m
Pre-committed development	79%
Managed Partnerships	4
People	299

1. As at 31 March 2016

Key operating statistics

	FY13	FY14	FY15	Q3 FY16
Development WIP (m sqm)	0.4	0.3	0.3	0.5
Leasing (m sqm)	1.1	1.2	1.4	0.5
WALE (years)	5.0	5.1	5.0	4.7
Occupancy (%)	97	96	96	96
Number of properties	197	202	204	205

Top ten customers (by NPI)

	%
Japan Post (Toll)	4.8
Deutsche Post (DHL)	3.9
Wesfarmers	3.6
Linfox	3.3
Metcash	3.1
Recall	2.4
Woolworths	2.2
Coca-Cola Amatil	1.5
Fuji Xerox	1.5
Silk Contract Logistics	1.1

Australian industrial supply



Australia — Jason Little, General Manager

Development



Port Botany Industrial Estate, Banksmeadow

Customer	Toll and Jewel Fine Foods
Lettable area	37,630 sqm (plus 4,835 sqm hard stand area)
Site area	66,211 sqm
Contracted owner	GAIP
Description	<ul style="list-style-type: none"> + BTS facility leased to Toll for 15 years to satisfy their Priority parcel delivery business + Facility leased to Jewel Fine Foods for 12 years + Practical completion expected in July 2016

Leasing



Southgate Industrial Estate, Banksmeadow

Customer	Linfox
Lettable area	44,479 sqm
Site area	95,900 sqm
Contracted owner	GAP
Description	<ul style="list-style-type: none"> + Linfox provide third party logistics for Kellogg's from this property + The property accommodates the warehousing for Kellogg's manufacturing plant that is located opposite + Due to the location and 24hr road connectivity, it gives Kellogg's flexibility with distribution of their products + An extension of the logistics contract was entered into and resulted in the lease term being extended for a further ten years

Urban renewal



Carter Street Precinct, Homebush

Current zoning	IN2 Industrial
Proposed zoning	R4 high density residential + B2 town centre (retail and commercial) 6,500 lots, FSR of 2:1
Site area	27.0 ha
Ownership	GMG
Description	<ul style="list-style-type: none"> + Three staged estate forms part of Goodman's holding within the Carter Street precinct + In December 2012, the NSW Department of Planning endorsed Carter Street as a future Urban Activation Precinct. This is due to the site's proximity to Sydney Olympic Park and its associated amenity + The three estates were conditionally contracted for sale for a total consideration of A\$1.1bn. Of this, A\$0.3bn has settled

New Zealand - John Dakin, CEO

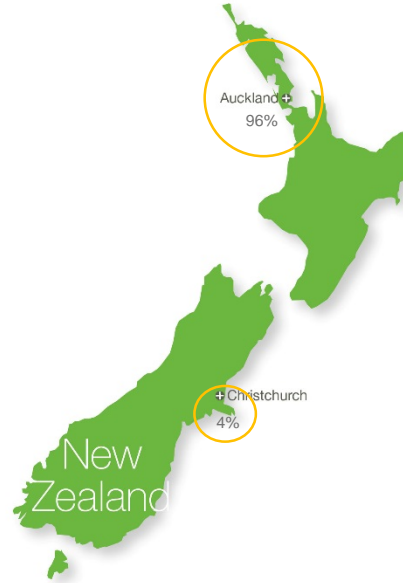
Economic backdrop

- + The domestic economy is adjusting to the continued decline in export dairy prices, which has been partly offset by a fall in the exchange rate
- + Other export sectors remain strong and tourism is booming, with immigration also at record highs
- + Economic growth of around 2-3% p.a. annum is now anticipated over the short to medium term
- + The reserve bank cut the official cash rate 25bps to 2.25% in March 2016
- + Resulting low interest rates are fuelling investment demand with record prices being paid for commercial property assets

Market fundamentals

- + Steady economic growth over the last 12 months has continued to drive the Auckland industrial market with overall vacancy falling 20bps to just 2.7%
- + Strong occupier demand is also supporting new development activity with 150,000 sqm of net absorption in the Auckland industrial market in FY16
- + Auckland's suburban office market contrasts with the industrial market. New supply has not been absorbed and rising vacancy is putting downward pressure on market rentals

Source: Stats NZ



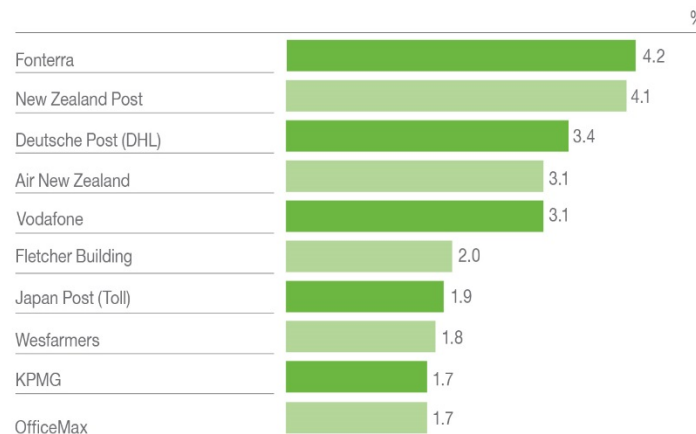
Snapshot ¹	
Assets under management	A\$2.4bn
Stabilised properties	16
Investment GLA (sqm)	1.1m
Occupancy	96%
Development WIP	A\$265m
Pre-committed development	67%
Managed Partnerships	2
People	64

1. As at 31 March 2016

Key operating statistics

	FY13	FY14	FY15	Q3 FY16
Development WIP (m sqm)	0.1	0.1	0.1	0.1
Leasing (m sqm)	0.14	0.16	0.09	0.07
WALE (years)	5.2	5.5	5.3	5.6
Occupancy (%)	94	98	96	96
Number of properties	22	19	16	16

Top ten customers (by NPI)

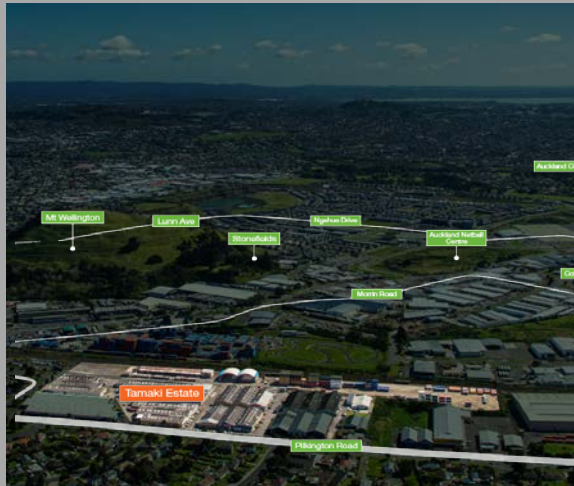


New Zealand industrial supply



New Zealand - John Dakin, CEO

Value Add



Tamaki Estate, Panmure, Auckland

Asset type	Auckland Industrial
Lettable area	20,400 sqm
Site area	5.8 hectares
Ownership	GMT
Description	<ul style="list-style-type: none"> + Acquired for NZ\$30.3 million, 6% yield after leasing initiatives + Secondary quality industrial facilities + Strategically located in Auckland's South East, adjoining rail and new road infrastructure + Zoned for high density mixed use under proposed Auckland Unitary Plan + Further master planning is expected to unlock significant value for GMT

Development



Highbrook Business Park, Auckland

Asset type	Auckland Industrial
Lettable area	10,415 sqm
Site area	107 hectares (entire estate)
Ownership	GMT
Description	<ul style="list-style-type: none"> + Two adjoining warehouse developments at Highbrook Business Park + Undertaken on an uncommitted basis, the two developments were leased to customers, Synnex and GWA CAROMA prior to completion in March 2016 + Valued at NZ\$23.5 million, the developments achieved a fair value gain of 18.7% on a blended cap rate of 5.66%

Leasing



Viaduct Precinct, Auckland

Asset type	VXV20 - Auckland Office
Lettable area	14,085 sqm
Site Area	4,218 sqm
Ownership	Wynyard Precinct Holdings Joint Venture
Description	<ul style="list-style-type: none"> + Heads of agreement signed with Auckland Transport following expiry of Vodafone tenancy in 2017 + Deal remains subject to finalisation and certain approvals but is expected to be for a 9 year term + Auckland Transport is responsible for the regions transport services (excl. state highways). From roads and footpaths, to cycling, parking and public transport

Japan - Paul McGarry, CEO

Economic backdrop

- + Forecast GDP growth of 0.4% p.a. from 2016-2020
- + Negative interest environment is expected to continue for the near-to medium term
- + Key drivers for industrial demand will continue to be structural modernisation to improve efficiency and increasing e-commerce activities

Market fundamentals

- + Continuing severe shortages of labor
- + Land prices and construction costs continuing to rise, whilst rents remain flat, placing pressure on development margins
- + Strong investment demand for high quality stabilised logistics properties mainly from domestic institutional buyers seeking yield in a negative interest rate environment

Source: IMF as of April 2016



Snapshot ¹	
Assets under management	A\$1.7bn
Stabilised properties	18
Investment GLA (sqm)	0.6m
Occupancy	100%
Development WIP	A\$381m
Pre-committed development	56%
Managed Partnerships	2
People	54

1. As at 31 March 2016

Key operating statistics

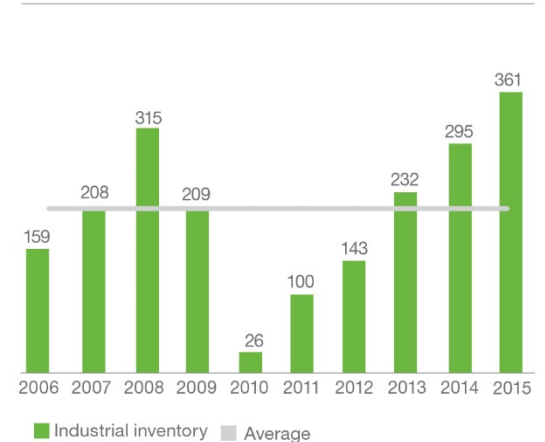
	FY13	FY14	FY15	Q3 FY16
Development WIP (m sqm)	0.2	0.2	0.1	0.2
Leasing (m sqm)	0.06	0.07	0.06	0.01
WALE (years)	2.5	3.5	4.3	4.1
Occupancy (%)	99	100	100	100
Number of properties	13	17	17	18

Top ten customers (by NPI)

	%
Kokuyo	13.5
Nippon Express	12.4
Nitori Holdings	10.9
Mitsui-Soko Holdings	6.5
Keihin Corporation	4.8
Lixus Corporation	4.4
Konoike Transport	4.0
AEON	3.5
Suzuyo	2.9
Nakano Shokai	2.9

Greater Tokyo and Osaka industrial supply

Tsubo '000



Source: CBRE

Japan - Paul McGarry, CEO

Stabilised



Goodman Business Park, Stage 1, Chiba

Asset type	Multi-tenant industrial
Lettable area	116,000 sqm
Site area	59,000 sqm
Contracted owner	Goodman Japan Development Partnership
Description	<ul style="list-style-type: none"> + New master planned logistics and business park in Chiba + Phase 1 of a multi stage development + Excellent connectivity to greater Tokyo and major roads + 4-storey multi-customer logistics facility + 5-7 year lease terms + 100% leased

Development



Goodman Business Park, Stage 2, Chiba

Asset type	Multi-tenant industrial
Lettable area	125,000 sqm
Site area	64,000 sqm
Contracted owner	Goodman Japan Development Partnership
Description	<ul style="list-style-type: none"> + Planned completion in early 2018 + 125,000 sqm of modern, multi-customer logistics space + 4-stories with truck berths on all floors accessed by separate up and down ramps + Exceptional high level of finish and employee amenity + Super high voltage electricity available

Development



Goodman Akamatsudai, Kobe

Asset type	Built to suit
Lettable area	51,000 sqm
Site area	59,000 sqm
Contracted owner	Goodman Japan Development Partnership
Description	<ul style="list-style-type: none"> + Planned completion in mid-2017 + 100% pre leased to Japanese third party logistics provider + 4-stories, steel frame + Location provides good access to Osaka and Kobe + Located within the Kobe Research Park Akamatsudai with 24/7 operation flexibility

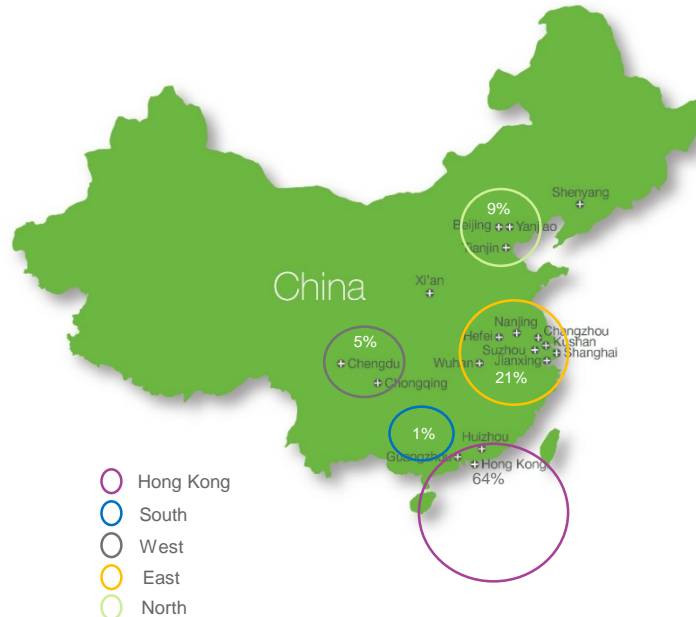
Greater China - Phil Pearce, Managing Director

Hong Kong economic backdrop

- + Hong Kong GDP is forecast to grow between 1-2% p.a. in 2016, down from 2.4% p.a. in 2015
- + Declining tourist arrivals continue to negatively impact retail sales, especially sales of luxury goods
- + Stimulus package of HK\$38.8 billion in short-term relief measures, together with other initiatives announced by the government is expected to support the economy
- + Continued high employment rate continues to provide support to local consumption

Market fundamentals

- + Reduction in industrial stock and limited supply of warehouse space continue to provide favourable supply fundamentals
- + Hong Kong remains an important regional logistics hub given its strategic location and mature logistics industry
- + The macro-economic headwinds will likely lead to a softening in demand



China economic backdrop

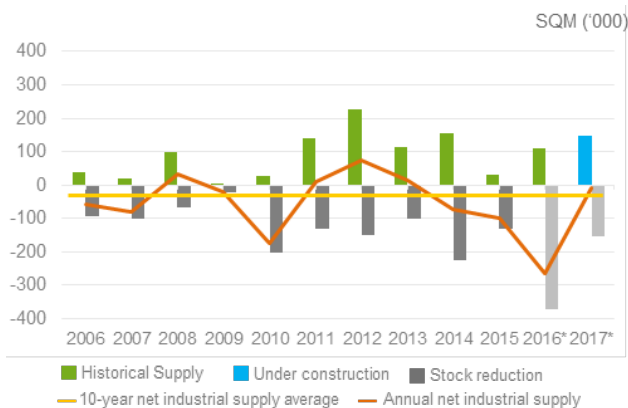
- + The Chinese government has set the target GDP growth rate in 2016 to a range of 6.5-7.0% p.a., in line with market consensus
- + Accelerated pace of fiscal and monetary policy easing being implemented to promote stable growth
- + Domestic consumption continues to expand as the major growth driver in China

Market fundamentals

- + Favourable demand fundamentals, including urbanisation, domestic consumption, and e-commerce growth underpin growth of the logistics sector
- + Increasing supply in certain sub-markets is placing some pressure on rental growth potential
- + Global and local investors continue to invest into the sector, driving down yields

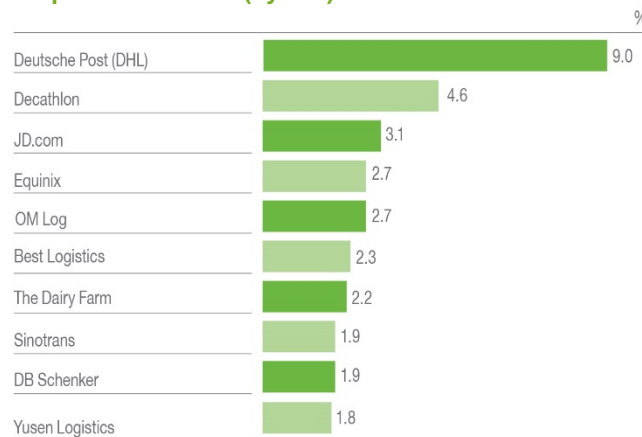
Source: WSJ, National Peoples Congress, HK TDC Research

Hong Kong industrial supply



Source: Savills; HK Rating and Valuations Department

Top ten customers (by NPI)



Snapshot ¹	
Assets under management	A\$7.3bn
Stabilised properties	43
Investment GLA (sqm)	3.8m
Occupancy	96%
Development WIP	A\$461m
Pre-committed development	50%
Managed Partnerships	3
People	381

1. As at 31 March 2016

Greater China - Phil Pearce, Managing Director

Development



Huiyang Industrial Park P1 and 2, Guangdong

Customer	JD.com
Lettable area	106,900 sqm
Site area	263,330 sqm
Contracted owner	GCLP
Description	<ul style="list-style-type: none"> + A 5 year pre-lease commitment secured with JD.com over 106,900 sqm GLA of the estate + Practical completion in 2 phases - October 2016 and February 2017 + Once fully developed the park will provide a total GFA of 232,062 sqm with an expected end value of circa US\$160 million

Development



Chongqing Airport Logistics Park P5, Chongqing

Customer	YTO Express and Best Logistics
Lettable area	YTO Express: 23,759 sqm Best Logistics: 18,885 sqm
Site area	88,050 sqm
Contracted owner	GCLP
Description	<ul style="list-style-type: none"> + Pre-leases for YTO Express and Best Logistics for 5 and 8 years respectively + Strong leasing success achieved at the estate driven by robust demand and lack of supply of quality logistics space in Chongqing + Once fully completed the Park will provide 282,551 sqm of prime logistics space, with an expected end value of US\$200 million + Goodman's flagship development in Chongqing

Divestment



Portfolio in Tianjin and Nanjing

Properties	Wuqing E-Commerce Park, Tianjin Nanjing Airport Logistics Centre, Nanjing Lishui Distribution Centre, Nanjing
Lettable area	Total portfolio: 244,576 sqm
Site area	Total portfolio: 476,646 sqm
Contracted owner	GCLP and GMG
Description	<ul style="list-style-type: none"> + The properties are considered to be value maximised opportunities and are in locations where assets could be replaced via new development activities + Portfolio divested at an initial passing yield of 6.1% + Divested to a leading global real estate private equity firm + Capital to be recycled into development

Europe - Philippe Van der Beken, Managing Director

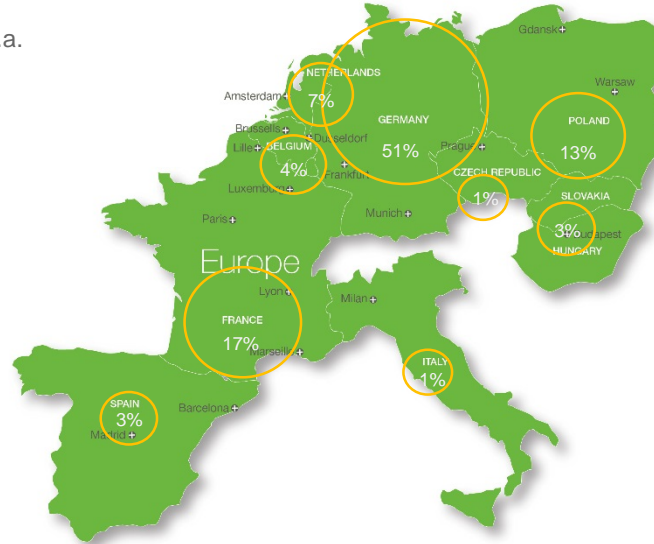
Economic backdrop

- + Eurozone forecast annual GDP growth of 1.6% p.a. for 2016 and 1.8% p.a. for 2017
- + Low interest rate and inflation environment expected to continue in the medium term

Market fundamentals

- + Key drivers of industrial demand are increasing consumer spending, occupiers reorganising distribution channels and a growing e-commerce sector
- + Steadily increasing demand over the last 4 years has substantially resorbed vacancy levels in the market and is driving increased supply. Limited speculative activity
- + Rents remain stable in real terms
- + Current investment volumes are historically high, on the back of attractive yield spreads with 10yr government bonds (500-600bps)

Source: European Commission, European Economic Forecast Spring 2016



Snapshot ¹	
Assets under management	A\$5.2bn
Stabilised properties	133
Investment GLA (sqm)	5.2m
Occupancy	98%
Development WIP	A\$645m
Pre-committed development	89%
Managed Partnerships	3
People	179

1. As at 31 March 2016

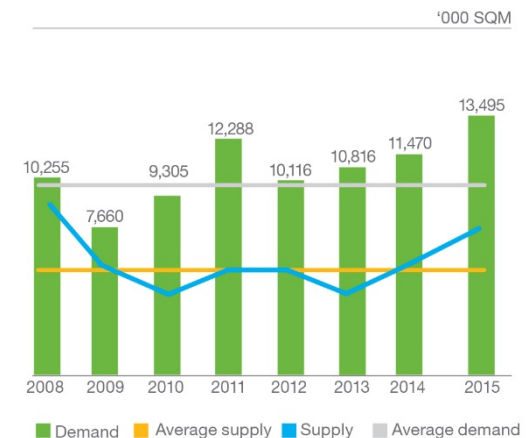
Key operating statistics

	FY13	FY14	FY15	Q3 FY16
Development WIP (m sqm)	0.6	0.6	0.5	0.6
Leasing (m sqm)	1.0	0.8	0.9	1.0
WALE (years)	4.5	5.0	4.9	5.3
Occupancy (%)	95	95	96	98
Number of properties	123	137	129	133

Top ten customers (by NPI)

	%
Amazon	14.4
Zalando	7.1
Schenker	6.8
Kuehne + Nagel	6.1
Fiege Group	3.4
DSV	3.4
Deutsche Post (DHL)	2.6
Nabuurs	1.8
BMW Group	1.8
Casino Group	1.7

European industrial supply



Source: JLL

Europe - Philippe Van der Beken, Managing Director

Development



France, Brie and Le Mans - Carrefour

Asset type	FY16: 2 warehouses (dry and chilled storage)
Lettable area	FY16: 103,000 sqm FY15: 124,000 sqm FY13: 32,000 sqm
Contracted owner	GEP/Carrefour
Description	<ul style="list-style-type: none"> + Carrefour is the world's second largest retailer and the number 1 in Europe + First project signed with Carrefour in Marseille in 2012 + The developments are part of a redesign of the supply chain (project "Caravelle") + So far 259,000 sqm have been signed, another 208,000 sqm are currently in discussion

Development



Germany, Hamburg – Interlink

Lettable area	38,489 sqm
Customers	Airbus, Diehl and Stute
Contracted owner	GEP
Description	<ul style="list-style-type: none"> + In 2013 Goodman secured a plot in the heart of the port of Hamburg, the second largest container port in Europe + The three phases of the speculative development have all been leased and the complete build out will have taken less than 3.5 years + In terms of rental levels, WALE and vacancy of the project exceeded the assumptions at underwriting + Altenwerbe – DSV (GEP owned) is located in the neighborhood and still offers 12,000 sqm development potential

Leasing



Amazon - Leipzig, Saran and Montélimar

Asset type	3 logistics warehouses
Lettable area	184,762 sqm (3 properties)
Rent pa	€7.1m (A\$ 10.7m) (3 properties)
Contracted owner	GEP
Description	<ul style="list-style-type: none"> + During the last 4 yers Amazon EU witnessed fast growth, by 2017 they require an additional 700k sqm + Saran (69,000 sqm), Montélimar (36,000 sqm) and Leipzig (79,000 sqm) were Amazon's first FC's in France and Germany + The leases had a break or termination option coming up in 2017 + Amazon signed a 10 year lease renewal at passing rent across all 3 sites

United Kingdom -

Jim Johnston, MD Business Parks
Charles Crossland, MD Logistics



Economic backdrop

- + Brexit vote 23 June
- + 2016 Forecast GDP of 2%
- + Inflation of 0.3%
- + Unemployment of 5.1%
- + Consumer expenditure largest driver of GDP growth

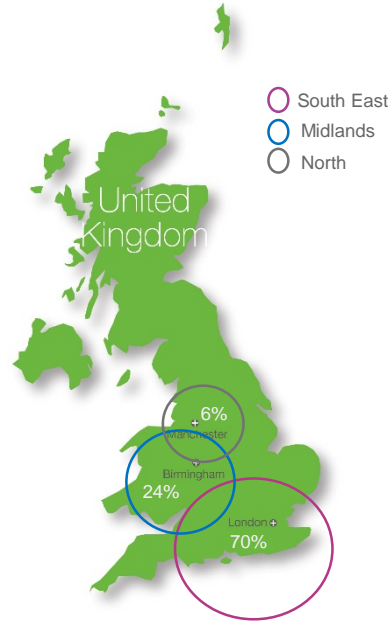
Market fundamentals; Industrial

- + Supply at 55% of 10 year average
- + Rental growth in prime locations
- + E-Commerce key driver – retailers, direct and 3PLs

Market fundamentals; Business Parks

- + SE office supply at 5%-30% below 10 year average
- + Constrained Grade A availability in Birmingham and Bristol markets
- + Rents in most SE and regional cities above 2008 peak
- + Limited development pipeline

Source: UK Office for National Statistics



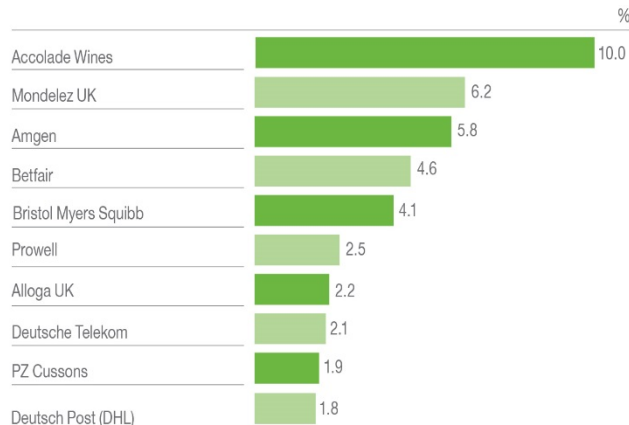
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Assets under management	A\$1.9bn
Stabilised properties	18
Investment GLA (sqm)	0.3m
Occupancy	90%
Development WIP	A\$338m
Pre-committed development	57%
Managed Partnerships	3
People	73

1. As at 31 March 2016

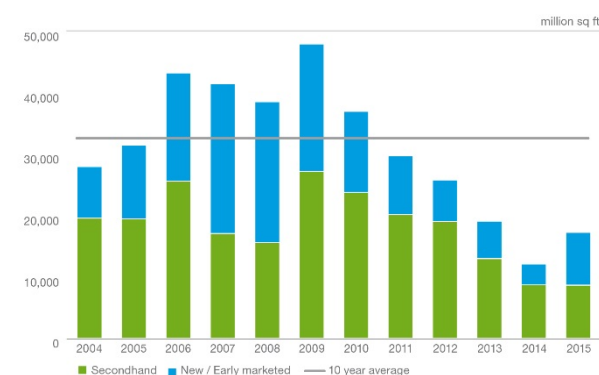
Key operating statistics

	FY13	FY14	FY15	Q3 FY16
Development WIP (m sqm)	0.02	0.05	0.20	0.12
Leasing (m sqm)	0.06	0.07	0.15	0.03
WALE (years)	4.5	4.5	5.1	5.4
Occupancy (%)	90	89	95	90
Number of properties	37	32	13	18

Top ten customers (by NPI)



United Kingdom industrial supply



United Kingdom -

Jim Johnston, MD Business Parks
Charles Crossland, MD Logistics



Leasing



Northampton Commercial Park, Northampton

Customer	Clipper Logistics Ltd
Lettable area	28,318 sqm
Site area	21.2 acres
Contracted owner	GUKP
Description	<ul style="list-style-type: none"> + Speculative development of 2 units totalling 43,198 sqm + Practical completion reached in March 2016 + Unit A (28,318 sqm) let to Clipper Logistics on a 10 year lease on PC + Good enquiry on Unit B

Development



Centrum Logistics Park, Burton on Trent

Customer	Palletforce
Lettable area	24,000 sqm
Site area	14.48 acres
Contracted owner	GMG
Description	<ul style="list-style-type: none"> + Build to suit facility for Palletforce on a 15 year lease + Sectional completion in early April 2017, practical completion set for June 2017 + Strategy to sell during construction

Development



Eastside Locks, Birmingham

Asset type	Mixed use development
Lettable area	83,600 sqm
Site area	7.7 acres
Contracted owner	GMG
Description	<ul style="list-style-type: none"> + Land drawdown agreement with Birmingham City + Phase 1 office development prelet to Birmingham City University + Capital receipts from student housing land sale recycled to complete 70% infrastructure + Phase 2 office development expected to commence in 2H 2016

North America - Brandon Birtcher, CEO



Economic backdrop

- + Key industrial demand drivers of industrial production, trade, retail sales, and consumer product inventories have staged a strong recovery
- + US economy continues steady growth with 2.4% p.a. recorded in 2015
- + Consumption represents nearly 70% of GDP
- + E-commerce continues to be a key structural driver, with sales growing at over 14%
- + Seaports account for 99% of US international trade by weight and 64% by value

Market fundamentals

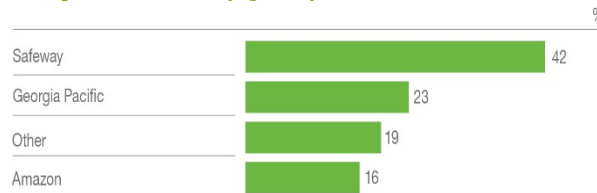
- + Inland Empire West: 12 month rent growth totalled 10.4%; vacancy equalled 2.8%; 12 month net absorption was 14.5m sqft
- + Los Angeles: 12 months rent growth totalled 12.9%; vacancy equalled 1.8%; 12 month net absorption was 12.2m sqft
- + New Jersey Exit 10-15: 12 months rent growth totalled 7.5%; vacancy equalled 7.0%; 12 month net absorption was 3.4m sqft
- + Central Pennsylvania / Lehigh Valley: 12 months rent growth totalled 5.7%; vacancy equalled 6.3%; 12 month net absorption was 7.6m sqft



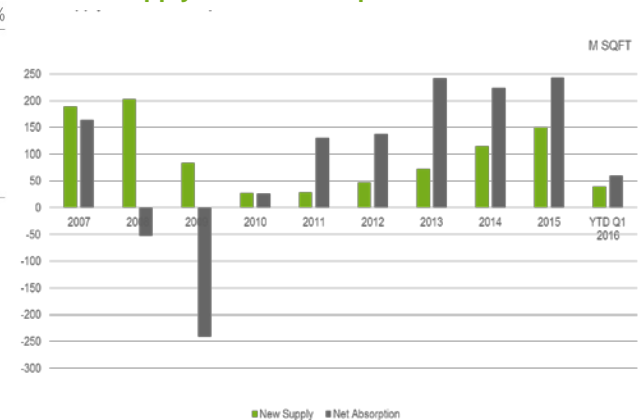
Source: US Bureau of Economic Analysis

Snapshot ¹	
Assets under management ²	A\$0.8bn
Properties ²	12
Investment GLA (sqm) ²	0.4m
Occupancy ²	96%
Development WIP	A\$378m
Pre-committed development	3%
Managed Partnerships	1
People	38

Major customers (by NPI)



New supply and net absorption



Source: CBRE

1. As at 31 March 2016
2. As at 31 May 2016

North America - Brandon Birtcher, CEO

Leasing



Goodman Commerce Center Eastvale

Location	Eastvale, CA – Inland Empire West
Customer	Amazon
Lettable area	Bldg B – 1,033,192 sqft
Site area	43.3 acres
Description	<ul style="list-style-type: none"> + Amazon executed a ten-year lease for 100% of the building commencing July 2016 + Vertical construction on adjacent 1m sqft industrial building to commence shortly + Estate consists of 205.4 acres including other uses such as retail, business park, and hospital / medical office + Leasing interest and activity has been strong for all product types

Value add



Goodman Logistics Center SFS II

Location	Santa Fe Springs, CA – Los Angeles
Customer	Safeway Inc.
Lettable area	6 buildings - 989,809 sqft
Site area	78.2 acres
Description	<ul style="list-style-type: none"> + Seller leased back property for 24 months post settlement + Provides a rare opportunity to acquire a substantial, strategic value add portfolio located in the prime infill Los Angeles industrial market + The site currently provides flexibility for ambient, climate-controlled, and freezer space totalling 1m sqft plus 18 acres of trailer parking area + Offers long term development upside via rezoning

Redevelopment



Goodman Logistics Center El Monte

Lettable area	El Monte, CA – Los Angeles
Customer	Safeway Inc.
Lettable area	2 Buildings – 1,215,340 sqft
Site area	55.9 acres
Description	<ul style="list-style-type: none"> + Seller leased back property for 24 months post settlement + Provides a rare opportunity to acquire a substantial, strategic redevelopment site located in the prime infill Los Angeles industrial market + Upon leaseback expiry, redevelopment will commence to deliver two Class A distribution facilities; 653,100 sqft and 562,240 sqft by 2019

Brazil – Cesar Nasser, CEO

Economic backdrop

- + GDP forecast growth of 1.9% p.a. on average
- + Interest rates (Selic Index) are expected to decrease from 13.7% p.a. in 2017 to 9.4% p.a.
- + Inflation rates (IPCA Index) should stabilise at 4.5% p.a. after reaching 7% p.a. at the end of 2016

Market fundamentals

- + Gross absorption is expected to decrease by the end of 2016, reaching 834,000 sqm
- + Greater part of recent demand is due to the relocation of companies to newer and more efficient facilities, which offer similar lease prices compared with the old facilities (“flight to quality”)
- + Over the past two years supply has been higher than demand, leading to a decrease on the average asking lease price and higher vacancy rates

Source: Itau BBA Bank, Colliers



Snapshot ¹	
Assets under management	A\$0.2bn
Stabilised properties	3
Investment GLA (sqm)	0.3m
Occupancy	93%
Development WIP	A\$52m
Pre-committed development	100%
Managed Partnerships	n/a
People	28

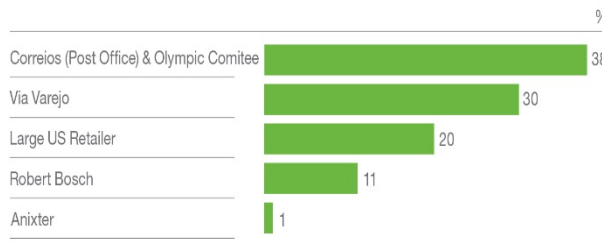
1. As at 31 March 2016

Key operating statistics

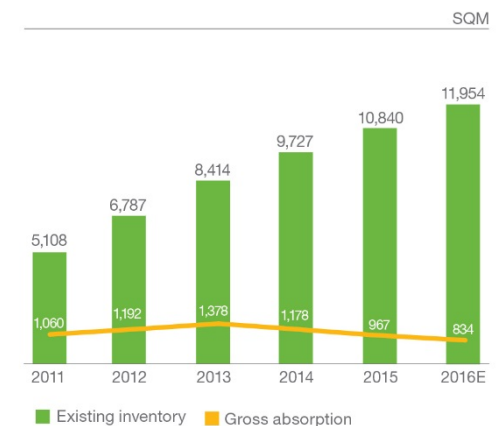
	FY14	FY15	Q3 FY16
Development WIP	0.06	0.28	0.06
Leasing (m sqm)	n/a	n/a	0.3 ¹
WALE (years)	n/a	n/a	9.1
Occupancy (%)	n/a	n/a	93%
Number of properties	3	4	4

1. Includes development leasing

Major customers (by NPI)



Brazilian Class A inventory and gross absorption



Source: Colliers

Brazil - Cesar Nasser, CEO

Development



Goodman Betim – Minas Gerais

Customer	Large US retailer
Lettable area	62,597 sqm
Site area	129,288 sqm
Contracted owner	GMG
Description	<ul style="list-style-type: none"> + Built to suit cross dock and sort facility currently under construction to Walmart Brazil, with a 12 year lease term + The facility will support the Walmart e-commerce division + Practical completion expected in January 2017

Leasing



Goodman Caxias – Rio de Janeiro

Customer	Brazilian Post Office / Rio Olympic Committee
Lettable area	63,000 sqm
Site area	111,000 sqm
Contracted owner	GMG
Description	<ul style="list-style-type: none"> + Pre-lease to Rio de Janeiro Olympic Committee, with a 2 year lease term + After the Olympic games in Rio, the Brazilian post office intends to operate part of the facility until the end of the lease term + Delivered in December 2015

Stabilised



Goodman Campo Grande – Rio de Janeiro

Customer	Via Varejo
Lettable area	145,000 sqm
Site area	291,000 sqm
Contracted owner	GMG
Description	<ul style="list-style-type: none"> + Built to suit facility delivered to Via Varejo, with a 15 year lease term + Via Varejo represents Casas Bahia and Ponto Frio, two of the biggest retailers in Brazil and is part of the Casino Group + Cross dock and sort facility + Delivered in December 2015

SECTION 3 — INVESTMENT MANAGEMENT

Nick Kurtis, Group Head of Equities



Key trends

+ Asset and investment strategy

- Focus on increasing exposure to ‘gateway cities’
- Reduce exposure to low barrier entry markets
- Core assets currently expensive in most markets
- Development and asset repositioning remains the main method to undertake investment
 - Monetise existing land banks
 - Greenfield land development sites are preferred
 - Selective Brownfield value add opportunities

+ Capital management

- Look to maintain/not increase current debt volumes across the platform
- Finance new opportunities through sale of non-core assets
- Match long term assets with long term debt capital market (“DCM”) liabilities
- Target 50/50 mix between DCM and bank sources where appropriate
- Allow asset valuation growth to naturally decrease leverage at this point in the cycle



SECTION 4 — CUSTOMER SERVICE MODEL



Richard Harry, General Manager, Business Development



Customer service model

- + Key Question: ***What are we learning from our customers that we then apply to our own operational strategy?***
- + Two geared customer service model:
 - Underpins the importance of executing at operational level in the short term
 - Mid to long term strategic direction
- + Allows active engagement with our senior customers on two fronts to ascertain the key structural influences/changes affecting their core operations and knock on requirements for real estate
- + Offset this operational information against GMG real estate strategy to ensure relevancy of our overall direction, e.g. gateway cities strategy
- + Key areas of consideration:
 - Location drivers
 - Key market industries being pursued
 - Base building facility design
 - Commercial requirements

Customer Service Model



Graben Logistics Centre - Germany

Customer	Amazon
Lettable area	936,764 sqm
Geographical Exposure	2 regions, 5 countries
Comments	<ul style="list-style-type: none"> + Most dynamic global customer in terms of supply chain and fulfillment + Advancing requirements up and down delivery chain + Time critical value proposition (Prime), move to facilities located closer to their customers



Xindu North Industrial Park – Chengdu, China

Customer	Walmart
Lettable area	26,810 sqm
Geographical Exposure	1 region, 1 country
Comments	<ul style="list-style-type: none"> + Worlds largest retailer going through massive transformation + Exposure via transactions allowed us access to supply chain and real estate management + Collaborative opportunity to be involved in their fulfilment transition process



Interlink – Hong Kong

Customer	DHL - Deutsche Post
Lettable area	712,014 sqm
Geographical Exposure	5 regions, 9 countries
Comments	<ul style="list-style-type: none"> + Worlds biggest 3PL, their challenge is staying No.1 + Strategic focus on PEP to drive corporate revenue, within this e-commerce is a key component + Emerging markets growth opportunities, APAC centric

SECTION 5 — AIRGATE BUSINESS PARK

Jason Little, General Manager, Australia



Airgate Business Park

Location	283 Coward St, Mascot
GLA	40,983 sqm
Site area	7.7 ha
Ownership	GMG
Number of customers	6
Occupancy	100%
Customers	<ul style="list-style-type: none">+ Toll (17,702 sqm)+ Woolworths (9,752 sqm)+ Nippon Express (4,612 sqm)+ Hellman Worldwide Logistics (4,142 sqm)+ UTI Australia (4,675 sqm)+ Si My Chenh (100 sqm)

- + Airgate Business Park is located approximately 8 kilometres south of the Sydney CBD in Mascot. Southern Cross Drive is approximately 2 kilometres away and provides direct access to the Eastern Distributor and the M5 Motorway. The asset is adjacent to the airport and provides exposure for customers on Airport Drive for their brand.
- + The total site area is 7.7 hectares and consists of six freestanding modern high quality industrial office/warehouse distribution centres with a total GLA of 40,983 sqm (26% office) and parking for 592 cars. The IN1 General Industrial zoning allows for a broad range of industrial uses.
- + The estate was built over three stages commencing in 2000 with major customers including Toll Transport, Woolworths, Hellman Worldwide Logistics and Nippon Express.



THANK YOU

