nzx release+

GMT Annual Meeting of Unitholders

Date	27 July 2016
Release	Immediate

WELCOME

Good afternoon ladies and gentlemen and welcome to the Pullman Hotel. I'm Keith Smith, Independent Director and Chairman of Goodman (NZ) Limited, the Manager of Goodman Property Trust.

The Board and Management Team are delighted to be here today and we look forward to reviewing the recent performance of GMT with you this afternoon. The meeting will also consider two ordinary resolutions relating to the re-appointment of Independent Directors.

I'd encourage you to participate in today's proceedings and take the opportunity to communicate directly with those responsible for managing your investment.

Directors and staff will also be in attendance at the afternoon tea that follows the meeting to answer any further questions you may have.

Before we proceed any further I would also like to point out that the bathrooms are located outside in the foyer of this meeting room. The emergency exit for the building is also located through the rear doors of this meeting room and out through the main lobby entrance.

In the unlikely event of an emergency you will be required to evacuate and assemble outside in a designated area. Should this occur please follow the directions of the Pullman Hotel staff.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

To simplify proceedings today, I will refer to Goodman Property Trust throughout the meeting as the “Trust” or “GMT”, and Goodman (NZ) Limited – the manager of that Trust – as the “Manager”.

ATTENDENCE AND APOLOGIES

I would now like to introduce the other members of the Board, together with the executives of the Manager, who are present today.

From my far right – Phil Pryke, Non-executive Director; Leonie Freeman, Independent Director; Peter Simmonds, Independent Director; Greg Goodman, Non-executive Director; Susan Paterson, Independent Director; Andy Eakin, Chief Financial Officer; and John Dakin, Chief Executive Officer and Executive Director.

The composition of the Board is unchanged since we met last year and a majority of Independent Directors is maintained.

REPRESENTATIVE OF TRUSTEE; EXECUTIVES AND ADVISORS PRESENT

In addition to the Board, there are executives of the Manager, representatives of our Trustee, Covenant Trustee Services Limited and representatives from the Trust’s advisors also present today. These advisors include –

+ our auditors, PricewaterhouseCoopers;
+ our solicitors, Russell McVeagh; and
+ our tax advisors, KPMG.

I’d now like to work through some of the more formal aspects of the meeting before we begin the presentations.

MEETING FORMALITIES

+ I’d like it noted that in accordance with the Trust Deed, I have been nominated by the Trustee to act as chairman of this meeting and I have now tabled this nomination.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

+ I also confirm that the meeting has been properly convened and notice has been properly given to Unitholders.

GMT's Trust Deed requires at least five persons holding, or representing by proxy, or as representative or attorney, at least ten per cent of the number of Units on issue at the date of the meeting carrying the right to vote at the meeting for a quorum to be achieved.

I confirm that these requirements have been met; and that a quorum is present.

DIRECTOR VOTING

Unitholders have the right to nominate and vote on the Independent Directors of the Manager with elections held annually.

Both Peter Simmonds and I are retiring by rotation this year, and being eligible, have offered ourselves for re-election.

You will be asked to cast your vote at the conclusion of the presentations. The scrutineers will be the Trust's auditors, PricewaterhouseCoopers.

Now the formalities are dealt with we can proceed.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

BUSINESS STRATEGY

A more active operational approach has been pursued in recent years to take advantage of the positive economic environment and strong property market conditions that exist. It's proving to be a successful strategy with 2016 being the third consecutive year of record profits for GMT.

While a $250 million pre-tax profit is an impressive achievement, one of the most pleasing aspects of the recent result has been the progress made in the Trusts development programme.

It's a value adding activity that is rapidly transforming GMT's land holdings into high quality income producing assets.

With around $150 million of new development projects announced over the last financial year it's the greatest volume of building activity undertaken by the Trust since 2008. Funded through asset sales, it is a sustainable business activity that is growing revenue and improving the alignment between the cash earnings of the Trust and the distributions that it pays.

While there is increased volatility in global markets at present our expectations are that the present operating conditions, characterised by steady economic growth, low interest rates and limited inflation pressures, will remain over the short to medium term.

For GMT this means the existing strategy, with its focus on maximising the performance of the investment portfolio and development led growth, remains appropriate. It's a prudent approach and we expect that the Trust will deliver a consistent operating performance in 2017 under these conditions.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

GOVERNANCE

I've previously noted that Goodman Group is a supportive manager with a substantial cornerstone holding in GMT. This investment has increased to 20.7% with the issue of Units for fees and the allotment of 37.3 million new units in December last year, being deferred consideration of the Highbrook Acquisition undertaken in 2012.

It is a positive outcome that further strengthens the already strong alignment between Goodman Group and other GMT investors.

The Group has demonstrated that it is a progressive partner, working with the Independent Directors to ensure the governance framework of the Trust remains contemporary and closely aligned with that of a listed company.

It's an ongoing process with further amendments being made to GMT's governing Trust Deed over the last 12 months.

The changes allow the Trust to take advantage of streamlined financial reporting while also permitting more extensive use of electronic communication.

As a result GMT's financial statements have been simplified with this year's annual report offering greater clarity for investors.

The increased flexibility in how we communicate means that Unitholders can receive correspondence and registry documentation electronically. This change has also allowed the use of online voting, which has been offered for the first time with the election of Independent Directors this year.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

The live video webcast of today's proceedings is another new initiative that is expected to improve investor participation in the business of the Trust.

NEW APPOINTMENT

The Board and Management Team work closely and constructively overseeing the governance and business operations of the Trust.

With a more active investment strategy being pursued a new senior management role, reporting to the Chief Executive Officer has been created. The Director Investment Management is a new function that will be responsible for overseeing the investment decisions of GMT.

James Spence has been appointed to the position, effective from 12 September. James is a highly capable executive who has spent the last five years managing Goodman wholesale funds and leading its capital transaction programme across Europe. Prior to this he worked within the Goodman business here in New Zealand so he has a detailed understanding of GMT's assets and the markets in which it invests.

I'd now like to pass over to Andy Eakin and John Dakin, who will give a more detailed overview of the Trust's recent financial performance and operational objectives.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

ANDY EAKIN'S ADDRESS

Thank you Keith and good afternoon ladies and gentlemen, I'm extremely pleased to be presenting to you this afternoon.

It's been a standout year for GMT with operational success across all aspects of the business. Development activity has accelerated, positive leasing results are being achieved and an active asset sales programme is supporting the organic growth of the Trust.

While all these elements are contributing to this year's record financial result it is the portfolio revaluation that is having the greatest impact, contributing more than half of the $247.9 million pre-tax profit.

With low interest rates fuelling investor demand the $145.8 million, or 6.7%, increase in asset values reflects a strengthening investment market, here in New Zealand and offshore too.

While these fair value gains are not distributable they contribute to GMT's net tangible asset backing which has increased 11% this year, to around $1.20 per unit at 31 March.

The growth in NTA has also been reflected in an improving stock price, with the value of GMT units increasing 10.5% over the same period.

The combination of stock price appreciation and quarterly distributions has resulted in a total return of 16.7% over the last financial year. While it reflects the attraction of yield investments in a low interest rate environment it's pleasing that GMT has outperformed the sector benchmark return of 14.9%.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

CAPITAL MANAGEMENT

The buoyant investment market that is reflected in the Trust's strong valuation result is also facilitating new development and investment initiatives.

We've taken advantage of investor demand and continued to sell assets, maintaining the Trust's strong balance sheet position without the requirement for new equity funding. It's a sustainable approach to growth that has recycled more than $300 million of capital over the last three years.

At 31 March 2016 GMT's loan to value ratio was just 33.9%, a reduction from last year and significantly below the 50% threshold permitted under its debt and Trust Deed covenants.

Further disposals this year, including the recently announced conditional sale of the Millennium office assets in Greenlane for $206 million, are expected to keep the Trust's loan to value ratio at historically low levels.

With significant balance sheet capacity and only partly drawn debt facilities, the Trust has the necessary liquidity to fund its medium-term development objectives. This liquidity also provides a substantial buffer, ensuring GMT has sufficient headroom to absorb significant changes in asset values should markets soften.

TREASURY INITIATIVES

While the main focus has been on asset recycling and organic growth, new treasury initiatives over the last 12 months have continued to enhance the capital structure of the Trust.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

A new retail bond and a US Private Placement, undertaken early in the financial year have improved the diversity and extended the term of GMT's debt facilities, important business objectives.

With a combination of bank borrowings, wholesale bonds, retail bonds and USPP issuance, GMT has a very diverse and long dated debt book, with these facilities having a weighted average term to expiry of more than 5 years.

A diverse funding base with multiple sources of capital, has enabled the Trust to reduce its reliance on bank lending to less than 50% of drawn debt. It's a prudent approach that recognises credit markets can become volatile and borrowing less accessible.

One of the key features that has underpinned the success of these recent treasury initiatives is the quality of GMT's property portfolio. The excellent security it provides is reflected in the Trust's investment grade rating from Standard & Poor's.

The rating agency recently re-affirmed the triple B rating for the Trust, an assessment that has remained stable since it was first assigned in 2009.

EARNINGS & DISTRIBUTIONS

The Management Team are extremely pleased with the performance of the property portfolio over the last 12 months and the earnings result that has been achieved.

Operating earnings were 9.41 cents per unit before tax, which was consistent with earlier guidance and around 2.7% higher than the previous year.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

With increased revenue from new developments and acquisitions largely offset by the impact of asset sales, it was lower interest costs that were the main driver of the year on year increase.

There was similar growth in the level of cash distributions paid to investors, which increased 3.1% to 6.65 cents per unit. This is a tax-paid distribution which reflects a yield of 5.0% on the current price of around $1.33 per unit.

The success of the asset sales programme means that the Trust is deleveraging in the short term, creating capacity for selective acquisitions and development led growth in the future. The timing impact of these asset disposals means that earnings for the 2017 financial year are expected to be materially consistent with the prior year at around 9.5 cents per unit.

Distribution guidance is also consistent, with cash distributions of at least 6.65 cents per unit expected to be paid in 2017. The first quarter payment of 1.6625 cents per unit, relating to the three months ended 30 June 2016, is to be made on 22 September 2016.

Improving the alignment between the cash earnings of the Trust and the distributions that it pays has been an area of real focus. I'm pleased to note that the total distributions this year are expected to approximate the Trust's underlying cash earnings, an improving trend that demonstrates Management's commitment to building a high quality and sustainable business.

Thank you ladies and gentleman I'll now pass you over to John who will continue with the operational review.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

JOHN DAKIN'S ADDRESS

Thanks Andy and good afternoon ladies and gentlemen, it's great to be presenting to you today.

As you've already learnt GMT is continuing to deliver record financial results.

While it's an encouraging trend, and one that we are justifiably proud of, it is the future performance of the Trust that influences our investment strategy. It's a focus that is refining the portfolio and positioning the Trust for sustained growth.

In my review this afternoon I'd like to discuss these longer term objectives and the significant progress being made toward achieving them.

INVESTMENT STRATEGY

GMT invests in modern, well located industrial and suburban office property in Auckland and Christchurch. Strategic land holdings and a proven development capability extends the range of options we're able to offer customers.

With more than 70% of its assets constructed in the last 10 years it is a successful strategy that has underpinned the growth of GMT, transforming the Trust into a substantial NZX entity with a market capitalisation of $1.7 billion.

With a $2.3 billion property portfolio that generates around $143 million of annual rental revenue, GMT is one of New Zealand's leading real estate investors.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

A more active operational strategy, in recent years, has supported an accelerated development programme and maximised the performance of the Trust's investment assets.

With more than $350 million of new development activity since 2013, it's a strategy that is rapidly converting the Trust's land holdings into high quality, income producing assets.

The bar chart on the current slide shows the value of new development projects initiated over the last 5 years.

It's a value adding activity for the Trust with new development projects recording strong valuation gains. For the seven projects that completed during the year, almost $14 million of fair value gains were recorded, an increase of 14.2% on the total development cost.

The current slide has some examples of these recently completed projects.

The Trust has a good volume of work in progress with nine industrial and commercial projects, totalling $121.5 million, underway. It's a level of activity we are targeting again in the new financial year.

This development success will continue to reduce GMT's land weighting toward a long term target of around 5% of total property assets.

CAPITAL ALLOCATION

These asset diversity charts highlight the changing composition of the portfolio over time.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

With property sales funding the Trust's development programme we're refining and renewing the portfolio with greater investment in the Auckland industrial sector.
The re-balancing is a deliberate capital allocation decision that reflects the positive investment characteristics of industrial property and the stronger economic drivers in New Zealand's largest city.

Around 68% of the portfolio is now invested in industrial and business park property and we expect this weighting to increase further over time.

It's a proven sector that we believe offers the best risk adjusted returns. This simply means that industrial property provides the most consistent and least volatile total returns of all the property types.

There are other characteristics that make it our favoured investment category:

+ It is relatively quick to build and is less capital intensive to maintain;
+ Individual assets are smaller and more liquid than office or retail property;
+ The depth of the market means it doesn't have major supply imbalances;
+ Demand for industrial space is the most responsive to economic growth; and,
+ Growth in underlying land value allows for future changes of use.

Better design, improved functionality, and greater amenity for customers has improved the quality of industrial property adding to its attractiveness as an asset class.

The following images of Highbrook Business Park illustrate what world class industrial property looks like. It's a quantum improvement on the traditional concept of heavy manufacturing facilities that is often associated with industrial assets.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

AUCKLAND FOCUS

Being the largest city in the country Auckland has the scale and depth that the other regional centres don't have. It also has the largest customer base with the majority of national businesses locating their head offices here.

As an investment market it has demonstrated consistent outperformance. It is also performing strongly in a global context with this slide comparing the total returns of various cities around the world in 2015.

With steady financial markets and continuing low interest rates forecast the outlook remains strong.

Demographic growth is expected to exceed the national average over the next 30 years, with annual population increases of 1.3% per annum underpinning economic and property market growth.

These forecasts are sourced from Statistics New Zealand and represent its base case scenario which includes an annual migration assumption of 12,000 people per annum.

The projections also indicate that the number of households in Auckland will increase from 500,000 to around 750,000 by 2043. There is a similar trend in the size of the labour force.

This underlying growth is expected to generate an increase in demand for jobs, housing, transport, and goods and services at a greater rate than the rest of the country.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

It’s a continuing trend that is creating positive demand for high quality industrial and commercial property, a key assumption in our future growth strategy for GMT.

Hopefully everyone recognises this satellite photo as an aerial image of Auckland. The density of the city and its geographic constraints are quite evident.

Overlaid on the map are the GMT owned estates, with the legend on the right identifying the various suburbs where they are situated. The point I want to emphasis here is the location of the Trust’s assets by major infrastructure.

We have office parks in the CBD and the Greenlane corridor and own industrial estates in Penrose, Tamaki, Otahuhu, Mangere and Wiri. The range of locations mean we have the scale and variety of properties to meet most customer requirements.

The relative size of Highbrook Business Park can be also be seen in the next aerial image. With a value approaching $1 billion this is the Trusts largest estate and the main driver of its financial performance.

Realising the value in the remaining land at this estate continues to be a key strategic objective. We’ve made significant progress since 2013 with $200 million of new projects announced and the estate now two thirds of the way through its planned development.

Active projects, utilising 8 hectares of development land are highlighted in orange. These developments are expected to deliver a yield of around 7.2% on a cost of $84.1 million once completed.

INVESTMENT ACTIVITY

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

During the year we made a strategic investment, purchasing the Tamaki Estate in Glen Innes for $30.3 million, and also settled on the acquisition of the Fonterra Centre in the VXV Precinct of Auckland's Viaduct area.

The Tamaki Estate is a secondary industrial property located adjacent to the eastern railway line in an area designated by Auckland Council for high density development. The 5.8 hectare site, shown in this aerial image, is positioned to benefit from the new AMETI transport initiative and offers longer term regeneration potential as Auckland grows.

The recently completed 16,000 sqm Fonterra Centre is a contrasting acquisition.

Purchased through GMT's joint venture with GIC (the sovereign wealth fund of Singapore) it's a landmark building that represents the very latest in office design. With a five Green Star rating for its base build and a six Green Star ratings for its internal fitout, the campus style building is already winning industry awards.

The purchase complements our existing Viaduct properties and is consistent with an investment strategy that is focused on creating a high quality investment portfolio. Located in a mixed-use area of the city that is being rapidly transformed with new development activity it's exactly the type of office asset we want to own.

We have also had leasing success in our other VXV Precinct assets with Auckland Transport committing to a new 9 year lease over the 14,085 sqm VXV 20 Building.

The conditional lease agreement, secured shortly after Vodafone's decision not to renew its existing lease in 2017, reinforces the areas attraction with customers.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

SUMMARY

Before we move to the formal business of the meeting I'd like to reiterate the key messages in my address this afternoon.

GMT is increasing its investment in high quality industrial property in Auckland as we believe this sector will deliver the strongest long term returns.

A rising property market is facilitating a more active investment strategy with new development and acquisition initiatives being funded through asset sales. It is also improving the alignment between the Trust's distributions and its underlying cash earnings.

It's a disciplined strategy that is focused on building a premium property business that features a high quality portfolio underpinned by a strong balance sheet and robust capital structure.

It's a sustainable approach to growth that is realising the value in the Trust's land holdings while helping grow operating earnings.

Thank you ladies and gentleman.

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

GENERAL BUSINESS

KEITH SMITH

Thanks John, you've really reinforced the benefits of the development led growth strategy that we are pursuing for GMT. It's refining an already high quality portfolio while positioning the Trust for future growth.

With stable property market fundamentals and low interest rates stimulating business growth, the outlook continues to be positive.

I would now like to open the floor for questions.

PROCEDURE FOR QUESTIONS FROM UNITHOLDERS

If you'd like to ask a question of the Board or its advisors please signal your intention to do so by raising your hand and a member of staff will bring you a microphone. For the record, I would also ask that you identify yourself before you speak; and, if you are a proxy or representative for a Unitholder, please let us know that as well.

Ladies and gentlemen, as there are no further questions I will invite Susan Paterson to chair the formal business of the meeting

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

SUSAN PATERSON

Thank you Keith

The formal business of today's meeting relates to the election of two Independent Directors.

Keith and Peter are retiring by rotation and being eligible, have offered themselves for re-election. Both are highly effective members of the Board, and the other Directors and I unanimously recommend that Unitholders vote in favour of their re-appointment.

Before we conduct the poll I will invite each to address the meeting.

[Keith and Peter speak briefly]

Thank you Keith and thank you Peter

The two Resolutions are set out in the Notice of Meeting and on the voting form you will have received. As they has been notified, there is no formal requirement for a seconder.

A majority of not less than half of persons entitled to vote and voting is required to carry each resolution.

Are there any questions on the two resolutions?

As there are no further questions we will proceed to a poll and formally conclude this meeting.

VOTING AND CLOSURE

If you have not already voted you should complete your voting and proxy form and place it in the boxes on the registration table [outside this meeting room]. There are

Level 28, 151 Queen Street, Auckland | PO Box 90940, Victoria Street West, Auckland 1142
Tel +64 9 375 6060 | Fax +64 9 375 6061 | www.goodman.com/nz

pens available and Computershare staff will be on hand should you have any questions or require replacement forms.

Refreshments are also being served and you are welcome to stay and enjoy the hospitality while the poll is being conducted.

The result will be announced to the NZX in due course and a copy of the announcement will also be available on our website.

Ladies and gentlemen, thank you very much for your attendance and participation this afternoon, I now declare this meeting closed.

For further information please contact:

Keith Smith
Chairman
Goodman (NZ) Limited
(021) 920 659

John Dakin
Chief Executive Officer
Goodman (NZ) Limited
(09) 375 6063
(021) 321 541

Andy Eakin
Chief Financial Officer
Goodman (NZ) Limited
(09) 375 6077
(021) 305 316

About Goodman Property Trust:
GMT is an externally managed unit trust, listed on the NZX with a market capitalisation of around $1.7 billion. The Manager of the Trust is a subsidiary of the ASX listed Goodman Group, Goodman Group are also the Trust's largest investor with a cornerstone unitholding of 20.7%.

GMT is New Zealand's leading industrial and business space provider. It has a substantial property portfolio, with a value in excess of $2.3 billion, that accommodates more than 280 customers. The Trust holds an investment grade credit rating of BBB from Standard & Poor's.