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## asx release+

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### Goodman forms partnership with China Investment Corporation

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Date: 16 June 2009  
Release: Immediate

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**Goodman Group (Goodman) today announced that China Investment Corporation (CIC) has entered into the recently announced Finance Facility (Facility) alongside Macquarie Bank Ltd (Macquarie).**

#### CIC participation in Finance Facility

CIC has committed to the Facility on the same terms as those announced to the market on 19 May 2009. To facilitate CIC's participation, Macquarie Bank and its associates have sold down A\$15m of their exposure which combined with CIC's commitment of A\$200m takes the final Facility size to A\$485m. The Facility will not be increased in size beyond A\$485m.

Goodman and CIC have agreed to work in good faith towards a broader relationship between the two groups.

Greg Goodman, Group CEO of Goodman said: "We are very pleased with the support shown to the Group by CIC and are excited about the opportunity to partner with an institution of this calibre as we seek to grow our business globally. We view a relationship with CIC as highly strategic and believe that together we can capitalise on the significant opportunities created by current market conditions."

The key terms of the A\$485 million Facility are as follows:

- + 9 month term expiring in February 2010, extendable for a further 15 months; and
- + Secured facility with covenants comparable to those in Goodman's existing common terms deed poll.

In conjunction with the Facility, additional Options will be granted over 255.3 million Goodman stapled securities with a two year term (Options). These additional Options are to be issued with a strike price of \$0.40 and the lenders will share the two tranches of Options on a pro rata basis.

Approval from Australia's Foreign Investment Review Board will be sought in respect of CIC's participation in the transaction. The issue of options (apart from the first 120 million Options which were issued within placement capacity) will also be subject to security holder approval. In the event that the Options are not approved by security holders, the lenders under the Facility will be entitled to a cash amount from Goodman equivalent to the value of the Options as if they had been granted and were exercised. Further details of this grant will be distributed as part of a notice of extraordinary general meeting.

## **Capital management**

The upsized Facility provides additional liquidity headroom to Goodman and all CY09 commitments can be repaid in full from available facilities.

Following the completion of the Facility, the Goodman Board and management team will be in discussions with all relevant stakeholders to determine Goodman's optimal long term capital structure. The goal of these initiatives will be to have the Group more conservatively leveraged and to achieve a debt structure both within Goodman and across its managed funds that is sustainable and resolves expiries over the next 2 years.

Goodman is continuing to pursue asset sales where appropriate and the Board will continue to monitor the Group's distribution policy in light of the de-leveraging goals of the Group. This capital management strategy may result in additional capital being injected into the group and any equity injection in the Group would include a rights issue providing the ability for Goodman security holders to participate.

For further information, please contact the Group:

Gregory Goodman  
Group Chief Executive Officer  
Tel +61 2 9230 7400

## **About Goodman**

Goodman Group is an integrated property group with operations throughout Australia, New Zealand, Asia, Europe and the United Kingdom. Goodman Group, comprised of the stapled entities Goodman International Limited and Goodman Industrial Trust, is the largest industrial property group listed on the Australian Securities Exchange and one of the largest listed specialist fund managers of industrial property and business space globally.

Goodman's global property expertise, integrated own+develop+manage customer service offering and significant fund management platform ensures it creates innovative property solutions that meet the individual requirements of its customers, while seeking to deliver long-term returns for investors.

## **About CIC**

China Investment Corporation is an investment institution established under the Chinese Company Law on September 2007. It seeks stable and long term risk-adjusted financial return and it is operated strictly on a commercial basis.

For more information, please visit CIC's website: [www.china-inv.cn](http://www.china-inv.cn) .