



24 September 2010

The Manager  
Company Notices Section  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**GOODMAN GROUP (GOODMAN) – PRESENTATION ON MELBOURNE PROPERTY TOUR**

We attach a presentation to be provided to analysts on our Melbourne property tour.

Yours sincerely

A handwritten signature in black ink that reads "Carl Bicego".

Carl Bicego  
**Company Secretary**

# Melbourne update and property tour

Friday 24th September 2010

Find yourself in a better space+



# agenda+

## Presentation+

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## Property tour+

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All facts and figures as at 30 June 2010 unless specified

presentation+

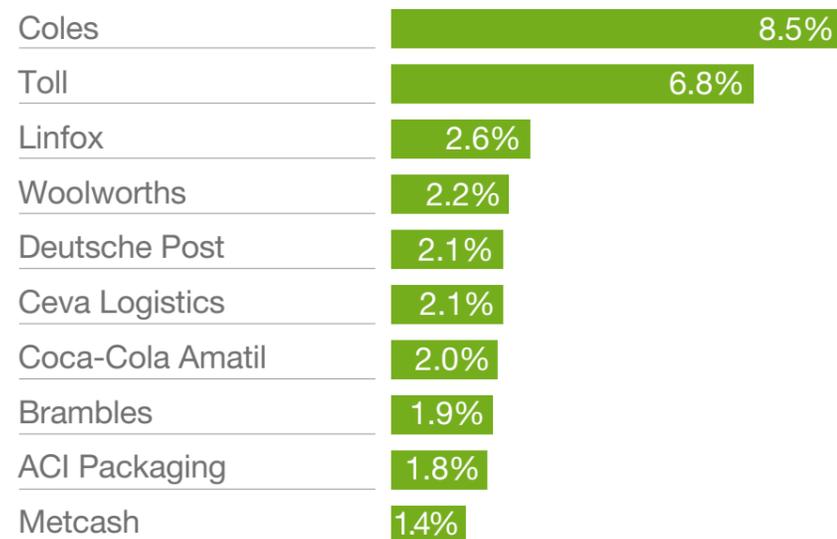
# 01: Australian property update

# Australian investment property overview

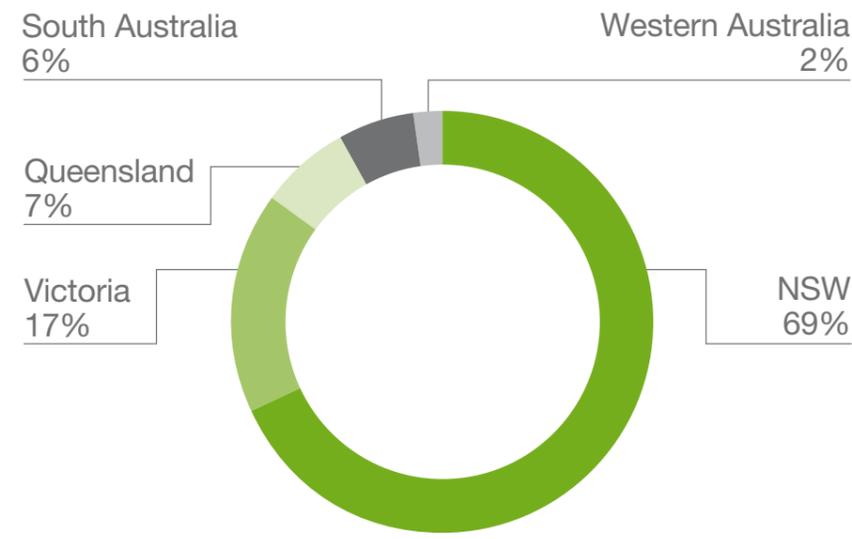
## Investment

Properties	138
Tenants	548
Area (million sqm)	4.4
Value (\$b)	5.9
WACR	8.2%
Occupancy	96%
WALE	5.7
Retention	73%
Staff	187

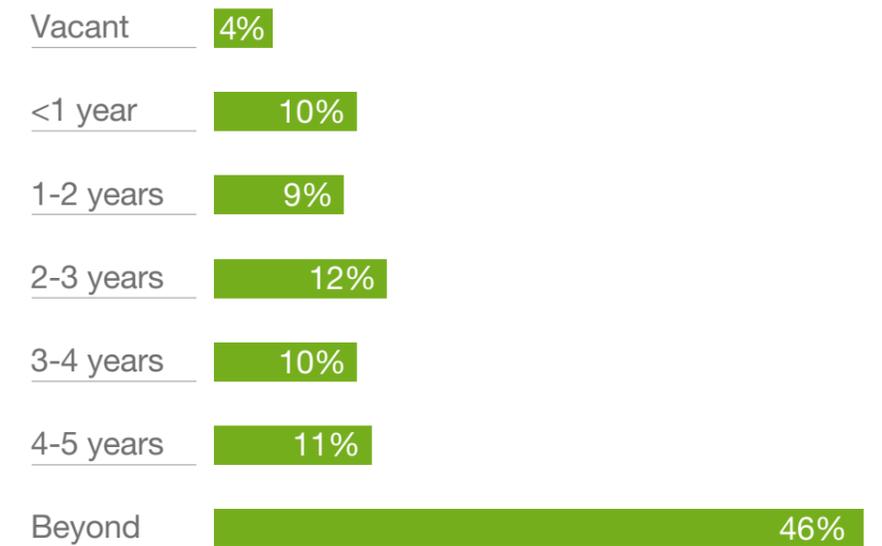
### Major customer



### Geographic diversification



### Lease expiry



# 01: Australian property update

## Australian development property overview

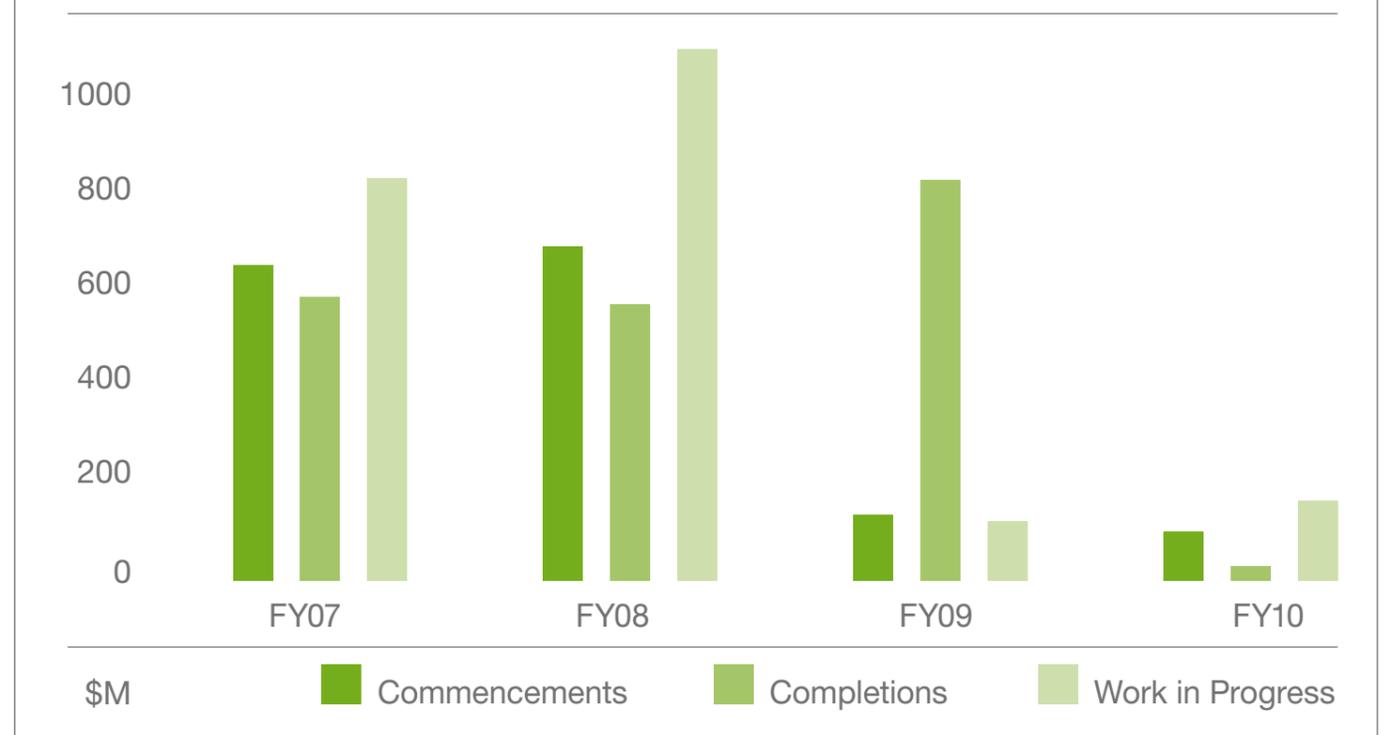
### Land inventory

Area (million sqm)	2.0
Built out end value (\$b)	2.8
Funds and third party	53%
GMG	47%

### Current enquiry

NSW	103,825 sqm
Qld	68,895 sqm
Vic	72,000 sqm
SA	15,700 sqm
WA	41,000 sqm

### Australian developments



# 02: Melbourne property strategy and update

## Melbourne investment property overview

### Investment

Number of properties	27
Number of customers	95
Area (million sqm)	1.2
Book value (\$b)	1.0
WACR	8.5%
Occupancy	98%
WALE (years)	5.8
Retention	80%
Staff number	18

### Major customer

Toll	9.5%
Woolworths Ltd	5.9%
SCA Hygiene Australia	4.4%
ACI	4.2%
Wesfarmers	3.8%
Reece	3.5%
Smorgon Steel	3.4%
Vehicle Storage and Engineering	2.7%
Coca-Cola	2.6%
Wallenius Wilhelmsen Logistics Australia	2.1%

### Lease expiry Victoria

Vacant	2%
< 1 year	11%
1-2 years	8%
2-3 years	11%
3-4 years	9%
4-5 years	10%
>5 years	49%

# 02: Melbourne property strategy and update

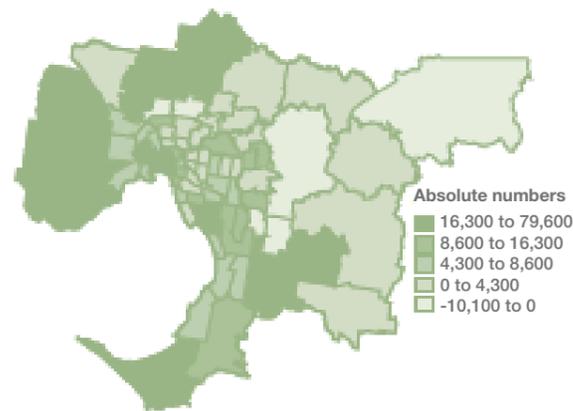
# Melbourne population

## Melbourne's population in 2031

Melbourne's population is projected to increase by approximately 900,000 between 2001 and 2031. Sixty per cent of Melbourne's population will live in the eastern half of the city at this time compared to 75% now. Statistical Local Areas (SLA's) in Whittlesea, Melton and Casey are projected to have the highest amounts of Melbourne's total population growth.

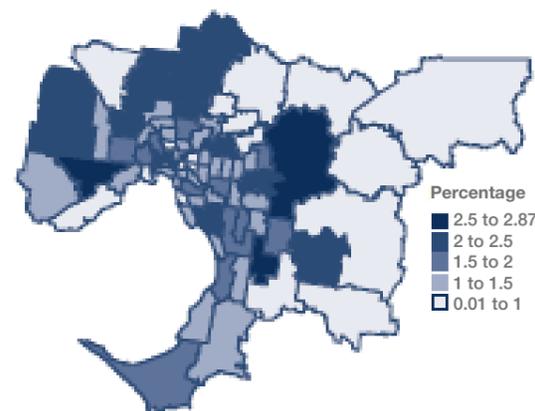
### Projected population increases to 2031

Statistical local areas, 2005 – 2031



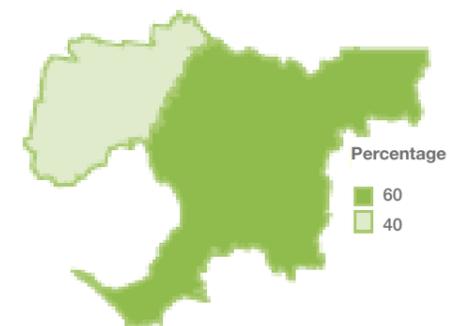
### Distribution of Melbourne's projected population in 2031 as proportion of Melbourne total

Statistical local areas



### East-west distribution of Melbourne's projected population 2031 as proportion of Melbourne total

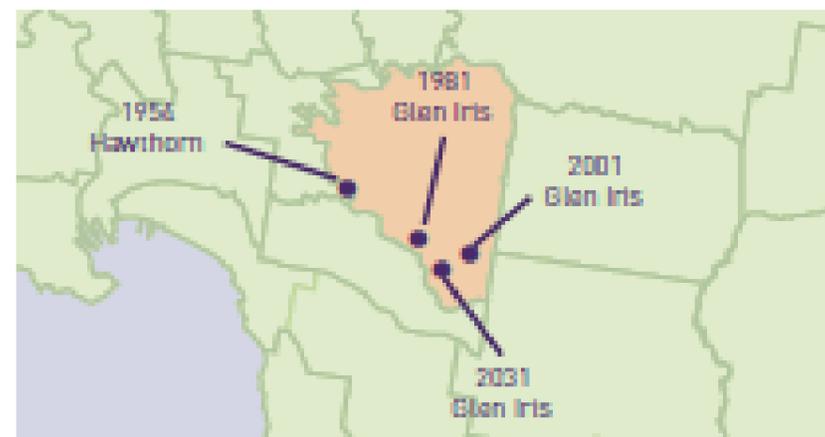
Statistical local areas, 2031



## Melbourne's population centre

The population centroid of Melbourne has been in what is now the City of Boroondara since 1954. It is currently in Glen Iris and is projected to move slightly inwards (ie to the west) by 2031. The population centroid is the centre of gravity of Melbourne's population and is determined by a combination of the density and spatial distribution of the population.

### Population centre of Melbourne 1954 to 2031



# 02: Melbourne market strategy and update

## Melbourne industrial markets



# 02: Melbourne market strategy and update

## Target development regions

### Region

West

City Fringe

South East (inner)

### Development properties

IIE Site 1  
 IIE Site 2  
 Banfield Distribution Centre  
 Connectwest Industrial Estate  
 Westside Industrial Estate  
 Boundary Distribution Centre

toyotagreen

Ferntree Business Park  
 Clayton Business Park  
 Moorabbin Airport and business park

### Strategy

Large industrial precommitments and  
 Land sales

Multi unit developments

Reposition and precommit commercial buildings

Maximise value by rezoning

Fully integrated business park



# + 02: Melbourne market strategy and update

## Western market summary

- + Preferred location for larger industrial users (>20,000 sqm)
- + Distribution and port related business (Woolworths, Coles, Kmart etc.)
- + Institutional competition
- + Market driven historically by mix of speculative and preleased development
- + Prelease transactions have been limited in the last 18 months
- + Currently low vacancy levels in large existing stock
- + Land sales are continuing for the smaller developers and owner occupiers
- + Builds on successful development activity
- + Leakes Road precinct has momentum and is viewed favourably by the broader market





02: Melbourne market strategy and update

# Leakes Road development precinct



# + 02: Melbourne market strategy and update toyotagreen

- + Immediately adjacent to the CBD
- + Historical location for larger users
- + Trending towards unit industrial estates
- + Limited land supply
- + Redevelopment opportunity with income
- + Builds on previous successful development activity
- + Opportunity to create a masterplanned precinct
- + Ericsson, Sharp, Specsavers etc.
- + Lease expiries support staged development over the next 5+ years



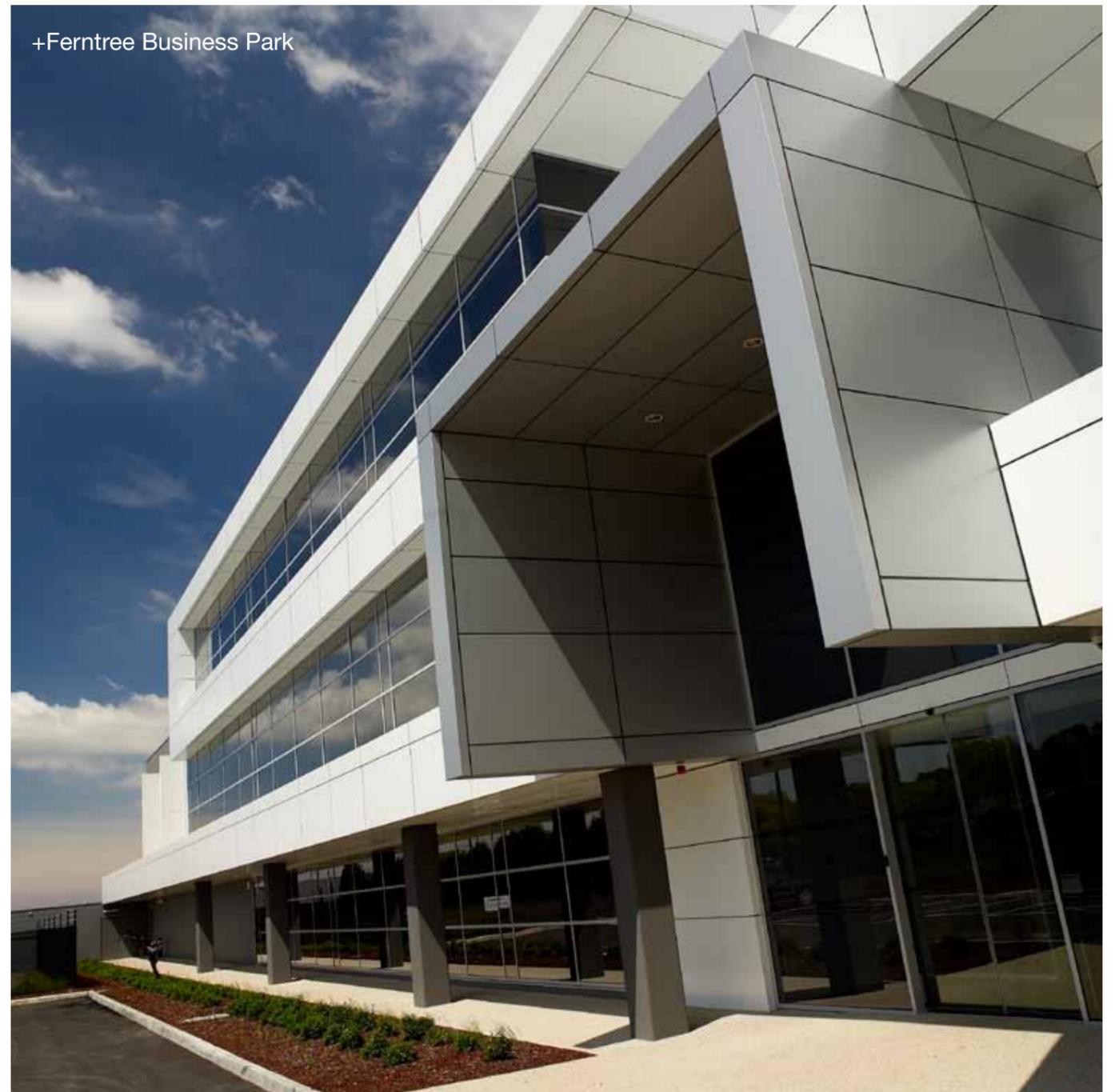
# 02: Melbourne market strategy and update

## toyotagreen



# + 02: Melbourne market strategy and update Ferntree Business Park

- + Established suburban commercial precinct
- + Limited land supply
- + Ferntree Business Park is well located on Ferntree Gully Road
- + Redevelopment opportunity with income
- + Opportunity to reposition current assets, rationalise holding and create a masterplanned estate
- + Lease expiries support staged development over the next 5+ years



# 02: Melbourne market strategy and update + Ferntree Business Park



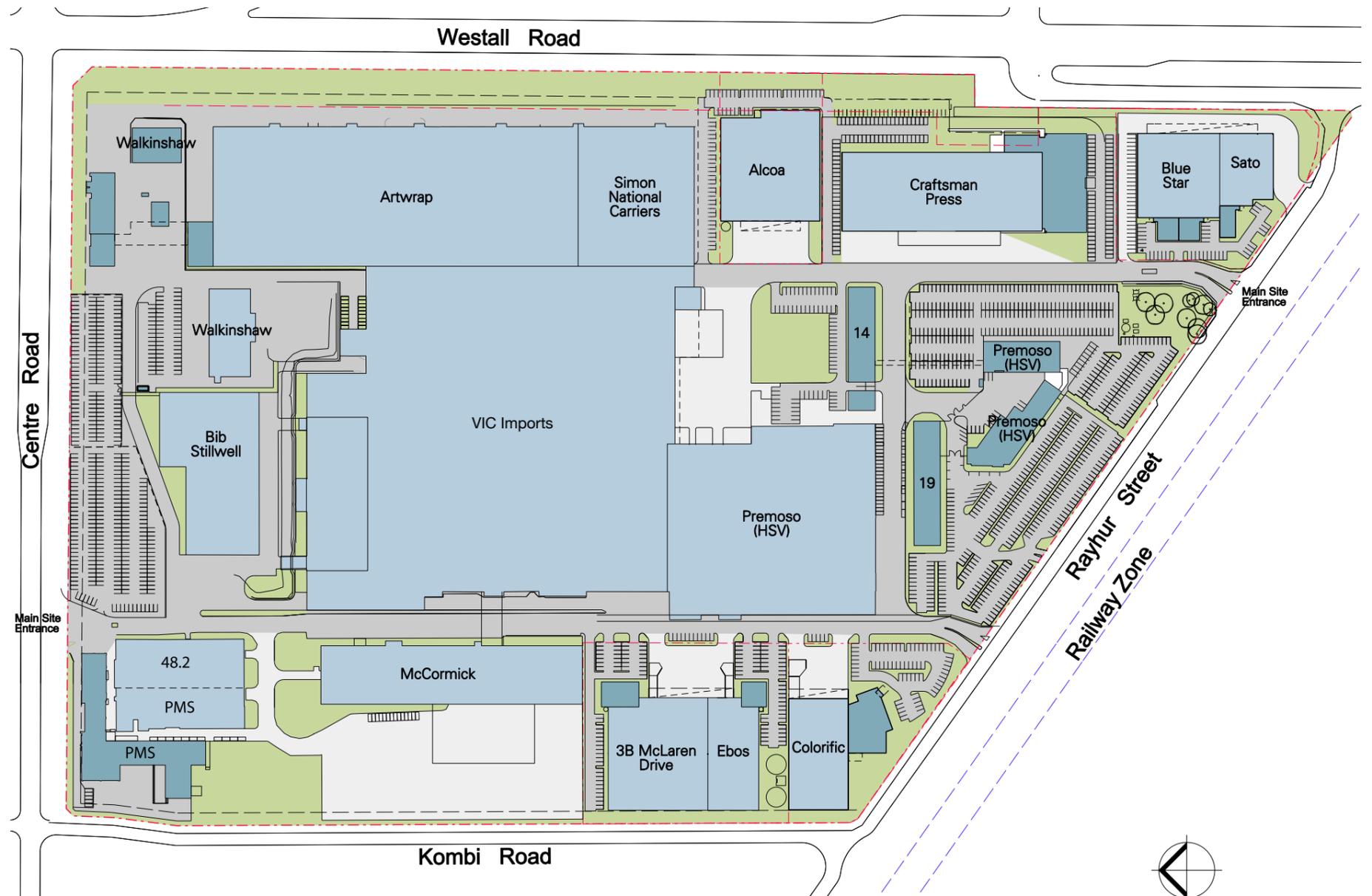
CBRE+

property  
tour+

# 04: Clayton site visit

## Clayton Business Park

- + Historical industrial location
- + Older style industrial estate satisfying current demand for affordable accommodation
- + Rents currently vary from \$40 to \$100 per sqm net
- + Increasing annual capital expenditure
- + Adjacent to residential
- + Adjacent to public transport (currently \$153 million upgrade being undertaken to Westall Station)
- + Natural opportunity to rezone and maximise value
- + Initial support from local council
- + Consistent with State Government objectives for housing supply
- + Feasibility work commenced
- + Staged development over the next 10+ years
- + Development proposed to include a mix of medium density housing, multi level apartment buildings and complementary retail



# 04: Clayton site visit Clayton Business Park



# + 05: Moorabbin site visit

## Moorabbin airport and business park

- + Located 21 kilometres from the Melbourne CBD
- + Substantial 294 hectare business park and airport in Melbourne's inner south-east
- + 123 hectares of prime business park space plus the Moorabbin Airport
- + 50 hectares of industrial and retail land has been developed over the past 10 years
- + 73 hectares of land is available for future development opportunities in accordance with the masterplan
- + Terms agreed for a pre-committed development with a blue chip customer over 5 hectares of land
- + Chifley Business Park, owned by GAIF, has been developed over the last 10 years on 37 hectares with a current total investment value of \$106 million



**+ June 1998**  
Lease interest in site acquired by Goodman Holdings

**+ November 1999**  
Goodman Group signs development agreement

**+ October 2000**  
Completion of new CASA facility

**+ October 2000**  
Coca Cola commences occupation

**+ 2003**  
DFO completes extension

**+ September 2003**  
Visy commences occupation

**+ May 2004**  
Kingston Central Plaza opens

**+ April 2005**  
Remington commences occupation

**+ August 2005**  
Simplot commences occupation

**+ 2007**  
DFO completes further extension

**+ July 2008**  
Latest stage at Chifley Business Park completes

**+ July 2010**  
New five year Masterplan approved

# 05: Moorabbin site visit

## Moorabbin Airport masterplan

- + 99 year<sup>1</sup> leasehold interest (87 years remaining) from Commonwealth Government
- + Latest masterplan approved in July 2010 for the next five years
- + Commitment to work closely with all levels of Government and the local community to ensure that all of the activities contribute to job creation and economic activity in the area
- + Goodman Holdings retained as Operator of the airport for continuity and experience
- + Air Services Australia and the Civil Aviation Safety Authority perform air traffic management and safety roles
- + Approved masterplan sets out clear planning guidelines to the owner, presenting a range of flexible development opportunities



<sup>1</sup> Initial term of 50 years (38 years remaining) with an extension for a further 49 years at the option of the leasee

■ Investments ■ Development ■ Aviation activities

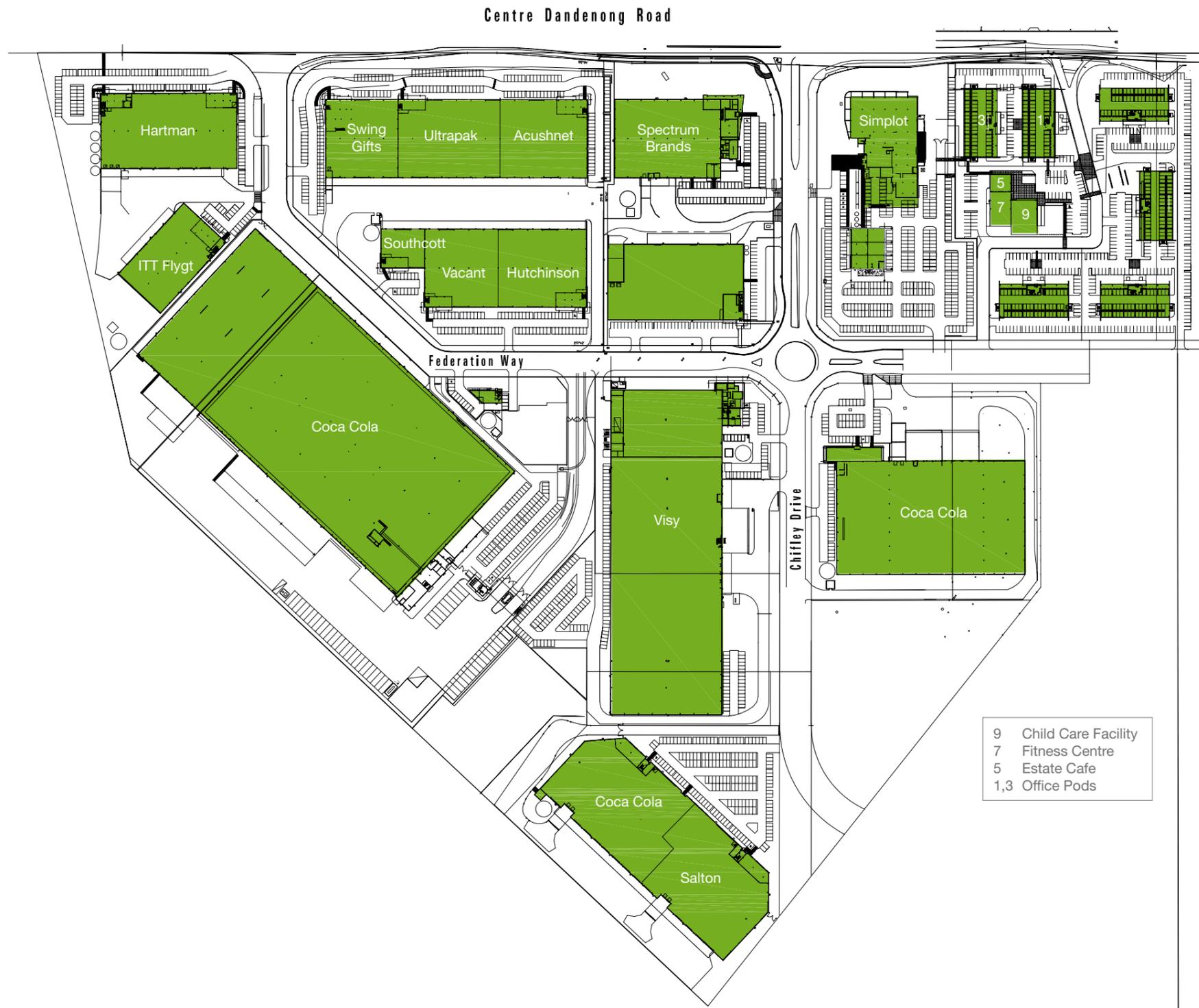
# + 05: Moorabbin site visit Moorabbin Airport development strategy

- + Precinct to the south of Chifley Business Park represents a natural extension to the existing industrial development
- + Precinct along Boundary Road will suit alternative development uses including retail
- + Precinct on Lower Dandenong Road will suit industrial development or alternate uses
- + Precincts along the western boundary provides opportunities for alternate buffer uses separating the airport operations from existing residential eg. recreational activities, self storage and passive industrial
- + The proposed single leasehold structure:
  - Ensures quality of estate is maintained
  - Provides for full control of masterplan process
  - Offers flexibility in the event of variations to existing airport arrangements
  - Proven through the development of Chifley Business Park and other non aviation developments



# 05: Moorabbin site visit

## Chifley Business Park



# 06: Western Melbourne corridor

## Western overview

- + Located along Leakes Road, Truganina approximately 18 km west of Melbourne's CBD and 15 km to the Port of Melbourne
- + 157.8 hectares of land within the precinct over five (5) estates
- + Developments recently completed for Woolworths, Bevchain, Wallenius Wilhelmsen and Sabco
- + 76,735 sqm under construction for Kmart
- + 21.6 hectares of surplus land to be sold by subdivision
- + 72.5 hectares of land remaining for future development
- + Development land is well located with direct access to the Princes Freeway diamond entry ramp
- + Leakes Road has been identified to be widened to accommodate six (6) lanes and is a possible major connecting road to the Outer Metropolitan Ring Road
- + Signalisation intersections are constructed or planned for each estate



# 06: Western Melbourne corridor Leakes Road development precinct



# thank+you

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