



20 December 2010

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

Dear Sir

**GMP: GOODMAN GROUP (GOODMAN) ANNOUNCEMENT – GOODMAN GROUP
EMPLOYEE EQUITY OFFERS**

We attach an announcement made today by Goodman Group.

Please contact the undersigned should you have any queries.

Yours faithfully

Carl Bicego
Company Secretary



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

Dear Sir

GOODMAN GROUP EMPLOYEE EQUITY OFFERS

We wish to advise of employee equity offers, pursuant to Listing Rule 3.10.3, that comprise of an offer of Performance Rights under the Group's Long Term Incentive Plan (**LTIP**) and restricted securities under the Goodman Tax Exempt Plan (**GTEP**).

Offer of Performance Rights under the LTIP

1. Class of Securities

Performance Rights in respect of Goodman Group stapled securities (**Stapled Securities**) pursuant to offers to Eligible Employees (as defined in the LTIP rules) under the LTIP approved by Securityholders at the Annual General Meeting held on 30 November 2009. Each Performance Right is a right to be issued a Stapled Security without payment.

2. Number of Securities

The offer is in respect of 42,783,731 Performance Rights and their issue (expected to be on or around Tuesday 1 February 2011) is subject to acceptance.

3. Principal terms of the Performance Rights Offer

The following is a summary of the principal terms of the Performance Rights Offer.

On each of three vesting dates (see below), each participant will be issued Stapled Securities equal to 1/3 of the total number of Performance Rights granted to that participant subject to the following conditions:

- The participant remaining an Employee of Goodman Group on the relevant vesting date, or having ceased as an Employee of Goodman Group before one or any of the relevant vesting dates in "Special Circumstances" (as defined in the LTIP rules) (unless the Board determines otherwise).
- Goodman Group meeting the performance hurdles set out below.

Under the LTIP, 75% of each grant will be tested against an Earnings per Security (**EPS**) hurdle and 25% of each grant will be tested against a relative Total Securityholder Return (**TSR**) hurdle. The performance hurdles in respect of each grant will be tested in respect of the period 1 July 2010 to 30 June 2013 (the **Performance Testing Period**).

EPS is defined as average annual operating profit (as determined by the Board) divided by the number of securities on issue on a diluted basis.

In respect of the 75% portion of each Tranche tested against EPS, nil will vest unless the cumulative EPS achieved by Goodman over the 3 year testing period of 1 July 2010 to 30 June 2013 exceeds the EPS Targets established for each year by the Board. If the cumulative Target is met or exceeded 100% of this portion will vest.

The Board determined that the Target EPS for FY11 is \$0.055 per security. The Target EPS for FY12 and FY13 will be advised around the commencement of each of those financial years.

TSR is based upon security price movements on ASX plus distributions paid in respect of those securities, as determined by the Board. Vesting of 25% of each Tranche of a participant's Performance Rights will be based upon the TSR achieved by Goodman over the three year period 1 July 2010 to 30 June 2013 as compared to the TSR achieved by companies in the S&P/ASX 200 for that same period in accordance with the following formula:

TSR Performance in Performance Testing Period Compared to ASX 200	Proportion of Performance Rights subject to TSR hurdle vesting
Less than the 51st Percentile	0%
At 51st Percentile	50%
Greater than 51 st Percentile but less than 76 th Percentile	50% plus additional 2% for every 1% increase in percentile rank
At 76th Percentile or above	100%

The three vesting dates applicable to the grant of Performance Rights are:

- 3 September 2013 for Tranche 1;
- 2 September 2014 for Tranche 2; and
- 1 September 2015 for Tranche 3.

Subject to satisfaction of the vesting conditions and the LTIP rules, the Board has determined that a Performance Right does not require exercise. Upon vesting, participants will automatically become entitled to be issued Stapled Securities on the applicable vesting date.

4. Issue Price

Nil on issue of the Performance Rights or delivery of Stapled Securities on vesting.

5. Purpose of the Issue

Remuneration of staff.

6. Securityholder Approval

Securityholder approval for the issue of Performance Rights was obtained at the Annual General Meeting held on 30 November 2009. Securityholder approval was also obtained



at that meeting for the 3,653,846 Performance Rights being issued to Greg Goodman as the Group Chief Executive Officer.

Offer of Securities under the GTEP

1. Class of Securities

Stapled Securities to Eligible Employees (as defined in the GTEP rules).

2. Number of Securities

Goodman Group will award 143 participants, subject to acceptance, \$1,000 worth of Stapled Securities determined by dividing \$1,000 by the volume weighted average price at which Stapled Securities are traded on the ASX during the 5 day period ending on the business day immediately before the date the Stapled Securities are issued or transferred to participants (expected to be on or around Tuesday 1 February 2011) under the GTEP, as determined by the Board, rounded down to the nearest whole number of Stapled Securities.

3. Principal terms of the GTEP Offer

Participants are required not to sell the Stapled Securities they acquire under the GTEP until:

- 3 years from the date on which participants receive the Stapled Securities; or
- the date on which participants cease to be an Employee with the Goodman Group in "Special Circumstances" (as defined in the GTEP rules) (unless the Board determines otherwise).

4. Issue Price

Nil on issue of the Stapled Securities.

5. Purpose of the Issue

Remuneration of staff.

6. Securityholder Approval

Securityholder approval for the issue of Stapled Securities under the GTEP is not required.

Please do not hesitate to contact the undersigned if you have any queries.

Yours faithfully

Carl Bicego

Company Secretary