

GMT New Equity Initiatives To Raise \$165 million

Date 18 September 2019

Release Immediate

Goodman (NZ) Limited, the Manager of Goodman Property Trust (“GMT”) is pleased to advise that it intends to raise \$165 million of new equity through an underwritten placement (“Placement”) and retail unit offer (“Retail Offer”).

The new equity will provide additional balance sheet capacity that will be used to fund current commitments and future investment and development opportunities in the supply constrained Auckland industrial market.

The \$150 million underwritten Placement is being undertaken today. A trading halt has been granted by NZX to facilitate the equity raising.

The price of the Placement units is fixed at \$2.10 per unit. The new units will be allotted on 24 September 2019 and will rank equally with existing units.

Goodman Group, GMT’s largest unitholder (21.59%) is fully supportive of the equity raising and has committed to participate in the Placement for its pro-rata equivalent.

The Placement (excluding Goodman Group’s committed amount) is fully underwritten by Jarden Partners Limited and UBS New Zealand Limited.

A copy of the investor presentation accompanies this NZX announcement.

The Manager also intends to undertake a Retail Offer allowing New Zealand resident Unitholders to subscribe for up to \$50,000 of new units in GMT. The offer is targeting \$15 million of additional equity, with the ability to accept oversubscriptions of up to \$10 million at the Manager’s discretion.

The equity raising is structured to be fair to all existing Unitholders, with the issue price of \$2.10 per Retail Offer unit being the same as the Placement. All Unitholders (unless restricted due to legal constraints) will be able to participate through the Placement or Retail Offer.

Details of the Retail Offer will be sent to all eligible Unitholders on or around 26 September 2019. The closing date for applications is 18 October 2019. The new units are expected to be allotted on or around 24 October 2019.

Keith Smith, Chairman and Independent Director of Goodman (NZ) Limited said, “The \$150 million of new equity being sought through the Placement will reduce GMT’s committed gearing to just 21.2%¹. It’s a prudent level that provides the balance sheet capacity to fund GMT’s future development pipeline, and any strategic acquisitions, while remaining within the Board’s preferred gearing range of 25% to 35%”

With around \$215 million of projects under construction, a continuation of the current development-led growth strategy remains the priority.

¹ Excludes the impact of any proceeds raised from the Retail Offer, which at \$15 million would further reduce committed gearing to 20.7%

John Dakin, Chief Executive Officer of Goodman (NZ) Limited said, “Completing the build-out of GMT’s greenfield land and activating the value-add opportunities within the portfolio, remain the primary investment objectives. It’s a disciplined approach that we expect to underpin the growth of the business.”

The Board has reaffirmed its earnings guidance for the current financial year and cash distributions totaling 6.65 cents per unit are expected to be paid.

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About Goodman Property Trust:

GMT is an externally managed unit trust, listed on the NZX. It has a market capitalisation of around \$2.8 billion, ranking it in the top 20 of all listed investment vehicles. The Manager of the Trust is a subsidiary of the ASX listed Goodman Group, Goodman Group is also the Trust’s largest investor with a cornerstone unitholding of 22%.

GMT is New Zealand’s leading industrial space provider. It has a substantial property portfolio, with a current value of \$2.8 billion. The Trust holds an investment grade credit rating of BBB from Standard & Poor’s.

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