



11 December 2019

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

Dear Sir / Madam,

GOODMAN GROUP (GOODMAN) – Dispatch of investor newsletter to Securityholders

Attached is the Goodman investor newsletter dispatched to Securityholders today and available on the Goodman website at www.goodman.com.

Please contact the undersigned in relation to any queries.

Yours sincerely

Carl Bicego
Company Secretary

GRP01-7-2020\0.1 Goodman Group

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Goodman Funds Management Limited | ABN 48 067 796 641 | AFSL Number 223621
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DECEMBER 2019

INVESTOR INSIGHT

At our recent quarterly operational update and Annual General Meeting, Goodman Group demonstrated the continued success of our strategy, to position the business to leverage the structural changes of:

- + urbanisation
- + e-commerce growth
- + the increased need for consumer convenience.



Thought starters +

A thought leadership series about the key trends shaping business

Season's greetings

from everyone at Goodman



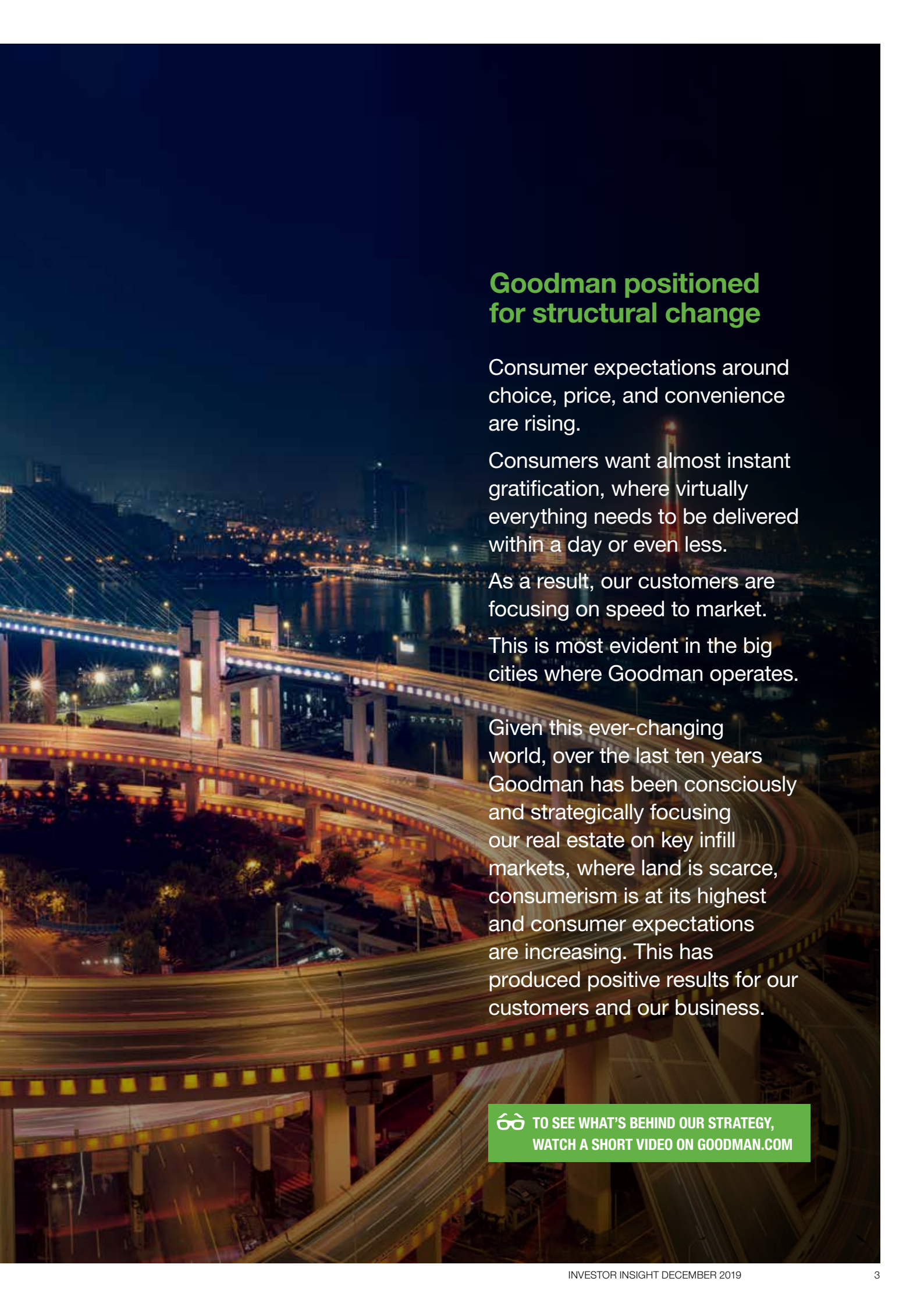
BIG PICTURE



“Structural changes continue to positively impact the industrial property sector. As consumers’ demands increase, our customers are responding by consistently seeking to create more efficient logistics networks.

Locations close to consumers, coupled with technology advancements, are helping to increase productivity and efficiency in the supply chain, helping our customers meet consumer expectations.”

**GREG GOODMAN
CEO, GOODMAN GROUP**



Goodman positioned for structural change

Consumer expectations around choice, price, and convenience are rising.

Consumers want almost instant gratification, where virtually everything needs to be delivered within a day or even less.

As a result, our customers are focusing on speed to market.

This is most evident in the big cities where Goodman operates.

Given this ever-changing world, over the last ten years Goodman has been consciously and strategically focusing our real estate on key infill markets, where land is scarce, consumerism is at its highest and consumer expectations are increasing. This has produced positive results for our customers and our business.

👁️ TO SEE WHAT'S BEHIND OUR STRATEGY,
WATCH A SHORT VIDEO ON [GOODMAN.COM](https://www.goodman.com)

THOUGHT STARTERS

At Goldman, we make space for our stakeholders' greatest ambitions. We understand the world is constantly changing and that's why we've spoken to global thought leaders whose ideas are aligned to Goldman's strategy, uncovering insights into the key trends shaping our business and that of our customers – today, tomorrow and beyond.

 TO WATCH THE FULL VIDEO SERIES, GO TO [GOLDMAN.COM/THOUGHTSTARTERS](https://www.goldman.com/thoughtstarters)



TIM WILLIAMS

The future of cities

Tim Williams, a pre-eminent thought leader and Head of Cities for Arup Australasia, shares insights on how cities are changing and what they could look like in the future.



MATTHIAS WINKENBACH

Mastering urban last mile logistics

Matthias Winkenbach, Director of the MIT Megacity Logistics Lab and the MIT CAVE Lab looks at how businesses can use data and design to solve the challenges of urban distribution.



BEN CAVENDER

The consumer market in China

Ben Cavender, expert on the Chinese consumer market, sets the record straight on how this market works and what trends may impact the rest of the world.



ASHLEY STAHL

Gen Z – Innovation, connection and disruption

Ashley Stahl, Forbes blogger, TEDx speaker, author and, Gen Z and millennial expert, shares how you should be communicating, marketing and working with this next generation.

INTIME 2019 FASHION SHOW

“There’s a lot of innovation and excitement that takes place around these sales events. From collaborating on product creation to being able to purchase the clothing models are wearing in the many fashion shows.”

Ben Cavender
Managing Director,
China Market Research Group

Intime 2019 Fashion Show at Alibaba's 11:11 Singles Day event

Singles Day (Double Eleven) – an e-commerce phenomenon

China’s biggest sales events such as Singles Day (Double Eleven) held on the 11th of November, or 6.18, held on the 18th of June, are an e-commerce phenomenon, generating billions of dollars of sales in a matter of hours. In 2019, the two biggest e-commerce companies generated more than US\$61 billion in sales over the Singles Day event in November. This is more than three times what is spent online in Australia in one year – and they did most of that in one day.

What is it that makes these events so successful? Is it being able to buy fashion directly from the catwalk, the cross-collaborations to create bespoke product, or the logistics networks to deliver quickly to consumers?

Ben Cavender, Managing Director, China Market Research Group

“In China there are basically two big sales weeks. You have 11.11 and you have 6.18. These are “made-up” holidays that have turned into absolutely massive online sales extravaganzas. They’ve really been built as, this is your day as a consumer, to buy something for yourself that makes you happy.”

Kim Leitzes, CEO, PARKLU

“Some brands are taking it to the next level. There are different levels of how you can engage with consumers, from gifting product all the way to the other extreme where you’re actually collaborating with brands to create products.”

Ben Cavender: “They have a lot of parties related to what the brands are doing. They do a lot of cross-collaborations during the sales weeks. They have fashion shows where they have a catwalk, and you can actually buy the clothing that the models are wearing on the catwalk.

Some retailers and brands use the sales day to introduce new technology. So, if you look at Alibaba and Jingdong and some of the other players, they have invested very, very heavily in improving logistics and infrastructure here – China has some of the first automated warehouses. So the demand is absolutely there for very fast delivery.

I think the thing with sales days and why they’re so successful here is, culturally, consumers like a good deal. They want to feel that the brands are thinking about them, treating them well.”

Kim Leitzes: “This is particularly powerful in a market like China, because there’s so much data. A new app could have tens of millions, or hundreds of millions of users, so the ability to recommend really relevant content is much easier than it was.”

Ben Cavender: “There is a little bit of that same frenzy that you get with Christmas shopping. But the biggest shopping days, 11.11, 6.18, it’s really about you and what you want.”

KEY FACTS

All figures are in AUD and are for the three months to or as at 30 September 2019.

\$48.2^{bn}

TOTAL ASSETS
UNDER MANAGEMENT

Total assets under management (AUM) have grown to \$48.2 billion due to strong property revaluations and development completions.

98%



OCCUPANCY

Demand continues to outstrip supply in the markets where Goodman operates resulting in continued high occupancy of 98%.

0.7^m



SQUARE METRES
LEASED

New leasing across the global platform for the first quarter reflects \$93.5 million of property income per annum with rolling 12 month like-for-like rental growth of 3.3%.

\$4.2^{bn}



DEVELOPMENT
WORK IN PROGRESS

Work in progress has grown to \$4.2 billion with a strong development pipeline.

\$0.9^{bn}

DEVELOPMENT
COMMENCEMENTS

Development commencements were undertaken with a long average lease term of 15.5 years.

\$0.8^{bn}

DEVELOPMENT
COMPLETIONS

We completed \$0.8 billion of developments around the world of which 85% were pre-committed.

\$44.9^{bn}

EXTERNAL ASSETS
UNDER MANAGEMENT

AUM is increasing through our demand-driven development workbook, strong underlying rental growth, continued high occupancy and tightening cap rates in most markets.

81%



DEVELOPMENT WITHIN
PARTNERSHIPS

Our capital Partners increased their development activity with 81% now being undertaken in Partnerships or for third parties.

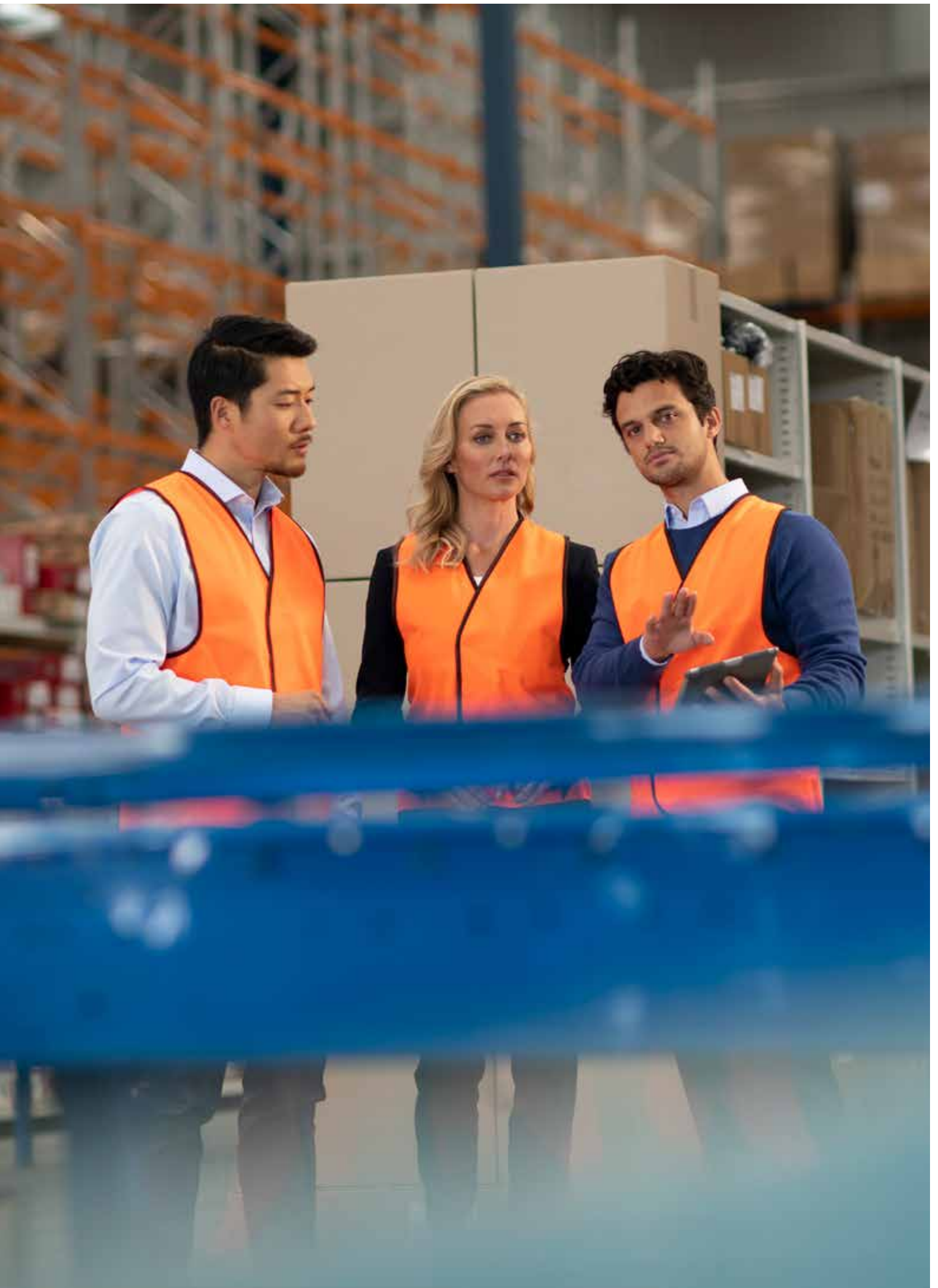
363



PROPERTIES
IN PARTNERSHIPS

The positive performance of the Partnerships has continued.

OWN
DEVELOP
MANAGE



PROPERTY HIGHLIGHTS

At Goodman, we are concentrating our portfolio in the major cities of the world. We have continued to expand our development activity, growing work in progress to \$4.2 billion as demand continues to exceed supply in our markets.

The development pipeline remains strong supported by our land acquisition strategy and redevelopment of existing stabilised assets.

► Highbrook Business Park

Auckland, New Zealand

With close to 40,000 sqm across nine buildings, development activity at Highbrook is focused on supporting the growth of a number of existing customers. In addition, new buildings are being built to satisfy the growing demand for industrial property in a market that is almost 100% leased.

► CAN RABELLA

Barcelona, Spain

At 28,760 sqm, Can Rabella is one of the largest logistics developments in the first and second ring of Barcelona. The facility is located in an industrial and logistics area close to the city with a population of 4.9 million*. The property was built on a speculative basis and was leased to a large e-commerce provider on completion.

*Source: Oxford Economics 2019



Artist's impression of Can Rabella, Barcelona, Spain

► NUNEATON 230

Nuneaton, United Kingdom

230,000 sq. ft. logistics facility well positioned for last-mile delivery. Located in Bermuda Park, a well-established distribution and logistics area, Nuneaton 230 has been designed to support the latest technology and automation.



Artist's impression of Nuneaton 230, Nuneaton, United Kingdom

SUSTAINABILITY

CORPORATE RESPONSIBILITY AND SUSTAINABILITY

The Group completed a comprehensive review of its sustainability practice, taking into account its continued growth and strong financial performance. The resulting 2030 Sustainability Strategy is structured around three strategic pillars. Each pillar is backed by short and long-term environmental, social and governance (ESG) targets. These represent key ESG priorities most relevant to Goodman, its stakeholders and the world more broadly.



Property

To make space for greatness, Goodman focuses on securing key sites for properties that will stand the test of time. We know that well-located, designed and managed properties are better prepared for the challenges of tomorrow. They are more flexible to meet customer needs, support their ongoing health and well-being, and are more resilient to climate impacts and generally experience higher occupancy rates. This maximises their asset value and is a sign that the properties are being used efficiently.

While our target is to use 100% renewable energy by 2025, this will be influenced by regional policies and energy markets. Our increasing proportion of rooftop solar, lighting upgrades and a raft of other energy efficiency measures will all contribute to our projected carbon neutral status.



People and culture

To achieve success, any organisation needs great people. That's why we base our recruitment around merit, local knowledge and cultural fit. We're always on the look-out for smart people who are aligned with our values and long-term thinking. Once on board, we incentivise our team to think strategically, work collaboratively and undertake programmes to improve their well-being.

We also think beyond the needs of just our internal team and actively support our customers and suppliers, too. We have aligned commitments to their workforces and have a plan to expand our business ethics programme to look at the human rights and social equity aspects of our global supply chains.

Importantly, we have a safety target of zero workforce fatalities. We believe the best way to achieve this is through strict workplace safety standards and making safety a responsibility for everyone.



Corporate performance

While we remain clear about our purpose – to make space for greatness – our approach to achieving this goal in a changing world is adaptable.

We finance ourselves with sustainable capital and maintain low debt levels to allow us to stay active during different market cycles. We value the trust of our stakeholders and the chance to make a difference in the communities we operate in.

To remain accountable and focus on continuous improvement, for the past eight years Goodman has participated in GRESB, the leading ESG survey for the real estate sector. Our ESG performance is analysed and scored, providing detailed insights for investors.





Sustainability highlight

Smart Irrigation System

With Australia in the grips of drought and dam levels continuing to decline, water conservation has become critical and is receiving a renewed focus across the broader community. We continue to investigate methods to help reduce water waste (and waste more generally) and have developed a new water-saving initiative.

A pilot programme in Sydney's outer west has recently commenced which has delivered a 35% (or 160,000 litres) reduction in overall water usage over a three-month period, and as a result will see this initiative being implemented across the wider Australian portfolio.

What is a Smart Irrigation System?

Wireless based adjustment control system

- + Allows remote access to water programmes via a smart device anywhere nationally
- + Allows water programme adjustments at an individual property or a group of properties to be made remotely
- + Predictive watering adjustments based on local weather / soil moisture levels.

Automatic fault detection

- + Leak detection using pulse water metre
- + Flow sensing alerts based on set tolerances reducing water loss and equipment damage
- + Real-time email alarm warnings for breakages or faults.

Real time water usage data

- + Live dashboards providing real-time water usage data
- + Comprehensive reporting system to meet both internal and external requirements.

What is the impact of Smart Irrigation System?

- + Reduced water usage – more efficient than traditional manual time-based systems
- + Reduced operating expenses – removes human intervention and audits, saving potentially 1,900 hours nationally
- + Reduced capital costs – removes circa \$100,000 in capital cost per annum associated with plant replacement due to irrigation issues
- + Healthier landscaping and improved presentation – plants and lawns are being watered as and when required.

By June 2020, we are targeting to have the irrigation system installed across 41 sites with a further rollout of sites planned during FY21.

DOING GOOD



Goodman's Alexandria Industrial Estate – OzHarvest headquarters.

“The Goodman Foundation is a cherished part of the OzHarvest family. Thanks to its unwavering support, OzHarvest continues to grow each year, delivering on our strategic outcomes and ensuring good food gets to those who need it most.”

Ronni Kahn

CEO & Founder,
OzHarvest



Jo Cameron, CEO of the Goodman Foundation and Ronni Khan, CEO of OzHarvest

15 YEAR PARTNERSHIP

OzHarvest

Did you know that one third of the world's food gets wasted every year?

In Australia alone, over seven million tonnes of food ends up in landfill, costing the country an estimated \$20 billion.

OzHarvest is Australia's leading food rescue organisation, collecting quality excess food from commercial outlets and delivering it, directly and free of charge, to more than 1,300 charities supporting people in need.

The organisation recently celebrated its 15th birthday with the Goodman Foundation, a founding partner.

Over the past 15 years, OzHarvest has redistributed over 43,000 tonnes of food which would otherwise be discarded, and delivered over 130 million meals to more than 1300 charities supporting the vulnerable in Australian capital cities and regional areas.

Having supported OzHarvest since inception, the Goodman Foundation has provided both office and warehouse space and refrigerated vans in several states. In 2014, Goodman and its supply partners built a fit-for-purpose facility to house OzHarvest's head office and commercial kitchens in Goodman's Alexandria Industrial Estate, South Sydney.

Other initiatives include the provision of a community vegetable garden, mentoring of team members and various other volunteering contributions under the Foundation's 'Do Good' programme.



Participants at the Sleep Under the Stars event



The Goodman team raised over \$43,000

This year, the Goodman Sleep Under the Stars participants raised over \$43,000, contributing to a total amount raised of \$500,000 which will fund accommodation and care for 21 at-risk youth for an entire year, giving them a greater chance to succeed in life.

SYDNEY

Stepping Stone House

38% of all Australian's experiencing homelessness are under the age of 25. Without support and a safe place to call home, many of these young people disengage with education, employment and are exposed to factors which are detrimental to their health.

Stepping Stone House is an award-winning organisation providing accommodation and personal development to help homeless and at-risk youth be the very best they can be.

Established in 1989, this profit-for-purpose charity develops the self-esteem, emotional resilience, self-confidence and health of young people aged 12 to 24 years old. This is achieved through a combination of outdoor adventure education, counselling, careers and employment coaching, education and life skills. A specific focus is placed on giving the youth a fun living environment and has them leaving with wonderful childhood memories and improved well-being.

Goodman has supported Stepping Stone House since 2014 with funding, vehicle and furniture donations and volunteering.

Sleep Under the Stars is Stepping Stone House's major annual fundraising event renowned for its community spirit and impact in addressing youth homelessness by bringing people together building cardboard shelters to sleep in for the night.

NORTH AMERICA

Friends & Helpers Foundation

Friends & Helpers is a not-for-profit charity organisation providing support to victims of domestic violence throughout the Los Angeles and Orange County area. The organisation runs two community outreach programmes: Back to School and Adopt a Family.

Goodman has supported Friends & Helpers for the past three years in the Adopt a Family holiday programme, where the team "adopted" a family and purchased gifts, toys and food for them.

Over the past two years, Goodman has also supported the Back to School programme. This aims to help children living at shelters stay engaged with their education and excited about returning to school after the holidays through providing them with essential items such as backpacks, supplies and snacks.

The Back to School programme event was hosted by Goodman in July this year, where the Goodman team and over 250 additional volunteers came together to help fill backpacks with school supplies and pack snack bags. A total of 2,319 backpacks and 1,815 snack bags were packed, while a raffle held at the event raised over \$3,000, which was converted to grocery store gift cards for the families.



Recipients of gifts from Friends & Helpers, Los Angeles, USA

SECURITYHOLDER INFORMATION



“2019 was an extremely good year for Goodman, by any measure.”

Ian Ferrier, AM
Chairman, Goodman Group

Annual General Meetings

The Goodman Board and executives had the opportunity to meet with investors face-to-face at the Goodman Annual General Meetings on Wednesday 20 November in Sydney. Our Chairman Ian Ferrier, reiterated the positive long-term performance of the Group, updated investors on changes to the remuneration structure and discussed our sustainability progress.

The financial highlights presented included:

- + Operating profit of \$942 million, up 11.4% on FY18
- + Statutory profit of \$1,628 million, up 48% on FY18
- + Operating earnings per security of 51.6 cents, up 10.5% on FY18
- + Distribution per security of 30.0 cents, up 7% on FY18.

The Group CEO, Greg Goodman discussed the structural trends driving our business including consumerism, urbanisation and the demand for logistics coming from e-commerce. He noted that while the overall consumer market is subdued, online sales continue to grow and now account for 14.1% of total sales globally. Goodman is positioned to help customers manage this growth by organically adding to our portfolio in locations that are close to the major cities of the world, where land is scarce and barriers to entry are high. This helps our customers be closer to their customers.

The full Chairman and CEO presentation as well as a webcast replay of the event is available in the investor centre www.goodman.com/investor-centre

All resolutions were passed, and the results of the voting are overleaf.

AGM VOTING RESULTS

Resolution	Number of votes	Total %
1. Appoint Auditors of Goodman Logistics (HK) Limited (GLHK)		
Votes cast 'FOR' the resolution	1,496,570,257	97.88
Votes cast 'AGAINST' the resolution	32,409,972	2.12
2. Re-elect Mr Phillip Pryke as a Director of Goodman Limited		
Votes cast 'FOR' the resolution	1,132,070,272	73.91
Votes cast 'AGAINST' the resolution	399,638,709	26.09
3. Re-elect Mr Anthony Rozic as a Director of Goodman Limited		
Votes cast 'FOR' the resolution	1,411,130,496	92.14
Votes cast 'AGAINST' the resolution	120,409,605	7.86
4. Elect Mr Chris Green as a Director of Goodman Limited		
Votes cast 'FOR' the resolution	1,530,800,610	99.94
Votes cast 'AGAINST' the resolution	898,739	0.06
5. Adoption of the Remuneration Report		
Votes cast 'FOR' the resolution	1,245,518,050	83.82
Votes cast 'AGAINST' the resolution	240,428,634	16.18
6. Issue of Performance rights to Gregory Goodman*		
Votes cast 'FOR' the resolution	1,265,640,476	84.86
Votes cast 'AGAINST' the resolution	225,726,652	15.14
7. Issue of Performance rights to Danny Peeters*		
Votes cast 'FOR' the resolution	1,271,425,188	88.74
Votes cast 'AGAINST' the resolution	161,348,925	11.26
8. Issue of Performance rights to Anthony Rozic*		
Votes cast 'FOR' the resolution	1,271,376,190	88.73
Votes cast 'AGAINST' the resolution	161,404,420	11.27

* Vote in relation to Goodman Limited.

For the full voting results, see our ASX announcement dated 20 November on www.goodman.com

UPCOMING KEY DATES

23 December 2019	Announcement of estimated half year distribution
30 December 2019	Ex distribution date
31 December 2019	Record date for the half year
13 February 2020	Announcement of half year results
25 February 2020	Estimated distribution payment date

Note: Future dates may be subject to change. For our upcoming event calendar, go to www.goodman.com/investor-centre

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GOODMAN GROUP

Goodman Limited

ABN 69 000 123 071

Goodman Industrial Trust

ARSN 091 213 839

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AFSL Number 223621

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Securityholders can update the following information with Computershare online at www.investorcentre.com:

- change of address details
- request to receive communication online
- request to have payments made directly to a bank account
- provision of tax file numbers or
- general queries about your securityholding.

If you would like to provide any feedback on the Investor Insight newsletter, please email us at info-au@goodman.com.

The information in this document has been prepared by Goodman Group (Goodman Limited (ABN 69 000 123 071), Goodman Funds Management Limited (ABN 48 067 796 641; AFSL Number 223621) as the Responsible Entity for Goodman Industrial Trust (ARSN 091 213 839) and Goodman Logistics (HK) Limited (Company Number 1700359; ARBN 155911149 – A Hong Kong company with limited liability). This document is a summary of general background information about the Group's activities current at the date of the document. It is information in a summary form and does not purport to be complete. It is to be read in conjunction with the Goodman Group Financial Report for the year ended 30 June 2019 and Goodman Group's other announcements released to ASX (available at www.asx.com.au). This document contains certain forward-looking statements, expectations, estimates and projections ("forward-looking statements") which involve known and unknown risks, uncertainties and other factors that may cause actual results and outcomes to differ materially from those expressed or implied in such statements. Due care and attention has been used in the preparation of, or sourcing from third parties, such forward-looking statements. Neither the Group, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking-statements in this document will actually occur and there can be no assurance that actual outcomes will not differ materially from these forward-looking statements. This document does not constitute an offer, invitation, solicitation, recommendation, advice or recommendation with respect to the issue, purchase, or sale of any stapled securities or other financial products in the Group. This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any "US person" (as defined in Regulation S under the US Securities Act of 1933, as amended. This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate. December 2019.