GOODMAN GROUP

RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

14 February 2018

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+ This Presentation uses operating profit and operating EPS to present a clear view of the underlying profit from operations. Operating profit comprises profit attributable to Securityholders, adjusted for property valuations resulting from fair value adjustments, non-property impairment losses, derivative and foreign currency mark to market and other non-cash or non-recurring items. It is used consistently and without bias year on year for comparability. A reconciliation to statutory profit is provided in summary on page 10 of this Presentation and in detail on page 5 of the Directors' Report as announced on ASX and available from the Investor Centre at www.goodman.com.

+ The calculation of fair value requires estimates and assumptions which are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable in the circumstances

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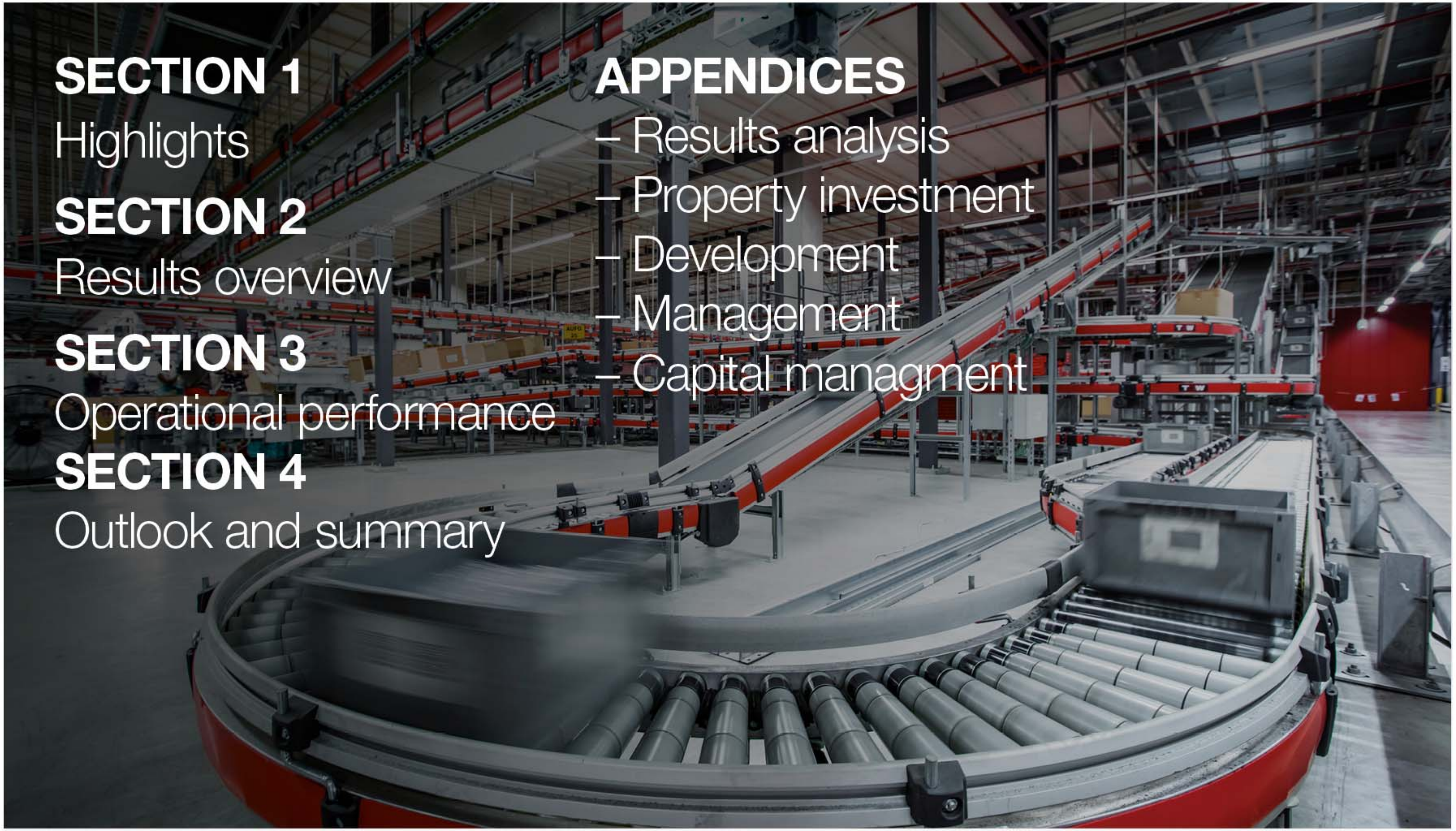


SECTION 1 – HIGHLIGHTS

Oakdale Industrial Estate, NSW

HIGHLIGHTS

- **Significant repositioning of the Group over the last five years has set a strong platform for the future**
- **Financial metrics for the 1H FY18 support operational highlights**
  - Operating profit[1] of $421.3 million, up 8.5% on 1H FY17
  - Operating EPS[2] of 23.3 cents, up 7.9% on 1H FY17
  - Gearing stable at 6.4%[3] (5.9% at FY17)
  - Distribution per security of 13.75 cents, up 8.3% on 1H FY17
  - Statutory accounting profit of $542.7 million, includes $341.1 million valuation gains, contributing to 4% growth in net tangible assets to $4.38 per security
- **Transacted over $3 billion of asset sales ($2.2 billion settled) in 1H FY18 completing an $11 billion sales programme which has been undertaken over five years**
  - Repositioned portfolio now focused in major urban centres around the world, which will benefit from sustained rental growth. Like for like NPI growth of 3% and occupancy 98% as at 31 December 2017
  - Group now moving to net positive investment predominantly through development pipeline (~$2.5bn per annum) to generate NPI growth in future years
  - Intensification of use and competition for scarce sites from residential, e-commerce and data centres in infill / urban centres is driving rents and land prices. Multi-storey redevelopment is increasing in gateway cities
- **Global operations and concentration in major cities provides economies of scale**
  - Consolidation into fewer markets globally has increased scalability of group operations
  - Group can selectively deploy capital to appropriate geographies based on risk and return parameters

1. Operating profit comprises profit attributable to Securityholders adjusted for property valuations, derivative and foreign currency mark to market and other non-cash or non-recurring items
2. Operating EPS is calculated using Operating Profit and weighted average diluted securities of 1,809.2 million which includes 12.3 million LTIP securities which have achieved the required performance hurdles and will vest in September 2018 and September 2019
3. Gearing calculated as total interest bearing liabilities over total assets, both net of cash and fair values of USD/EUR and USD/GBP cross currency swaps that hedge net investments in Continental Europe and the United Kingdom equating to $120.7 million - refer to Note 9 of the Interim Financial Statements

HIGHLIGHTS

+ **Development activity of $3.5 billion now 80% undertaken within the Partnerships**
  – Increased fee for service income provides significantly reduced volatility of development earnings
  – Reduction in development capital and strong underlying activity has supported continued increases in development ROA
  – Improving margins continue to offset transition to off balance sheet development in the Partnerships
+ **Strong performance from Partnerships, including $1.1 billion in revaluations, supports management earnings**
  – External assets under management increased to $31.1 billion despite asset sales
  – Stronger rental growth and tighter cap rates post portfolio repositioning, driving underlying base management revenue
  – Continued portfolio performance sustained by repositioning will see increased performance fees in FY18 and future years
+ **Completion of extensive liability management programme doubled weighted average debt expiry to 7.6 years**
  – Reduction in weighted cost of debt to 2.4%, positively impacted 1H FY18 result, and offset the impact of significant sales on investment income, management fees and development migration into Partnerships
  – Gearing remaining low at 6.4%[1] with $3.3 billion of liquidity available, predominantly cash
+ **Given the strong first half performance and sustained momentum into the second half, forecast FY18 operating EPS has been upgraded to 46.5 cents (up 8% on FY17)**
  – Forecast full year distribution of 28.0 cents per security (up 8% on FY17)

1. Gearing calculated as total interest bearing liabilities over total assets, both net of cash and fair values of USD/EUR and USD/GBP cross currency swaps that hedge net investments in Continental Europe and the United Kingdom equating to $120.7 million - refer to Note 9 of the Interim Financial Statements

HIGHLIGHTS

Own	+ High occupancy maintained at 98% and WALE of 4.8 years + Like for like NPI growth at 3% + Leased 1.9 million sqm across the global platform equating to $217 million of annual rental property income across the Group and Partnerships
Develop	+ WIP at $3.5 billion across 78 projects in 14 countries with a forecast yield on cost of 7.7%. 80% of current WIP is being undertaken by the Partnerships + Development commencements of $1.4 billion with 57% pre-committed + Development completions of $1.4 billion with 88% pre-committed + Customer led enquiry remains strong with overall pre-commitment increasing significantly following January leasing activity
Manage	+ Total assets under management of $34.6 billion, external assets under management increased to $31.1 billion + Transacted over $3.0 billion of asset sales ($2.2 billion settled) + Strength in asset pricing driving $1.1 billion in valuation uplift across Partnerships resulting in global weighted average cap rate (WACR) of 5.7% + $9.5[1] billion in undrawn debt, equity and cash providing opportunities for Partnerships to participate in growth opportunities from the Group and broader market

1. Partnership investments are subject to Investment Committee approval

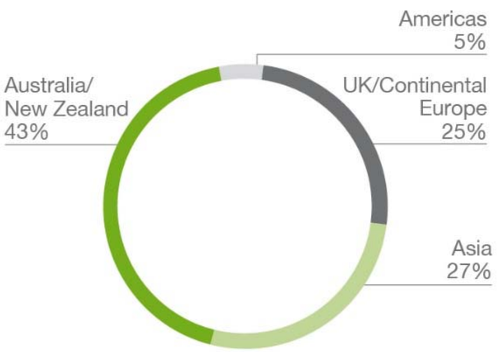
SECTION 2 – RESULTS OVERVIEW

Poznan II Logistics Centre, Poland

RESULTS OVERVIEW

- Operating EPS[1] of 23.3 cents per security, up 7.9% on 1H FY17
- DPS of 13.75 cents per security, up 8.3% on 1H FY17
- Successful acceleration of asset sale programme has been dilutive to top line growth but accommodated by the anticipated reduction in borrowing costs to align with contemporary market rates of interest
- Operating performance reflects improving underlying businesses positioned for future growth
- Benefiting from a global operating platform with offshore earnings contributing 60% of earnings
- FX translation of EBIT negligible for 1H FY18

Operating earnings by geographic segment



	1H FY18
Operating profit ($m)[1]	421.3
Statutory accounting profit ($m)	542.7
Operating EPS (cents)[1]	23.3
Distribution per security (cents)	13.75

	As at 31 December 2017
NTA per security ($)	4.38
Gearing (balance sheet) (%)[2]	6.4
Available liquidity ($b)	3.3
WACR (look through) (%)	5.7

1. Operating profit and operating EPS comprises profit attributable to Securityholders adjusted for property valuations, derivative and foreign currency mark to market and other non-cash or non-recurring items and calculated based on weighted average securities of 1,809.2 million which includes 12.3 million LTIP securities which have achieved the required performance hurdles and will vest in September 2018 and September 2019
2. Gearing calculated as total interest bearing liabilities over total assets, both net of cash and fair values of USD/EUR and USD/GBP cross currency swaps that hedge net investments in Continental Europe and the United Kingdom equating to $120.7 million - refer to Note 9 of the Interim Financial Statements

PROFIT AND LOSS

- Half year statutory profit of $543 million, includes property valuations, derivative mark-to-markets and other non-cash or non-recurring items
  - Global property revaluation gains for the 6 months were $1.2 billion driven by rent growth, cap rate compression and development completions in Partnerships
  - Cost of liability management exercise absorbed in the result
- Half year operating profit of $421 million
  - Investment income growth softened by asset sales. With the rotation programme essentially complete in FY18, dilutionary effect of sales to reduce in future years.
  - The benefit of maturing high cost swaps and refinance of higher cost debt is starting to flow through
  - Management earnings up 5%, supported by strong property fundamentals and performance fees; anticipating further growth in this segment
  - Development margins strong but GMG share of realised revenue down marginally on 1H FY17 reflecting transition of projects into the Partnerships. Developments expected to show modest growth on a full year basis
  - Overheads down on 1H FY17, reflecting timing differences of accruals and cost savings. Going forward, UKBP business closure to offset moderate salary inflation. Overheads forecast to be flat on a full year basis relative to FY17
  - Borrowing costs down, predominantly due to lower WACD post liability management programme. Lower capitalised interest reflects increased developments within Partnerships. Cash balance has increased so cash interest income has increased accordingly

Income statement

	1H FY17 $M	1H FY18 $M
Property investment	196.1	193.1
Management	156.5	164.7
Development	257.2	243.4
Operating expenses	(131.9)	(125.1)
Operating EBITDA	**477.9**	**476.1**
Operating EBIT	**474.4**	**472.8**
Net borrowing costs	(38.9)	(21.4)
Tax expense	(37.8)	(25.5)
Operating profit (pre minorities)	**397.7**	**425.9**
Minorities[1]	(9.5)	(4.6)
Operating profit (post minorities)	**388.2**	**421.3**
Weighted average securities (million)[2]	1,796.7	1,809.2
Operating EPS (cps)	21.6	23.3
Non operating items[3]		
Property valuation related movements	277.2	341.1
Fair value adjustments and unrealised foreign currency exchange movements related to capital management	(60.1)	(75.4)
Other non-cash adjustments or non-recurring items	(48.5)	(144.3)
Statutory profit	**556.8**	**542.7**

1. Goodman PLUS Trust hybrid securities. Repurchased on 2 October 2017
2. Includes 12.3 million securities which have achieved the required performance hurdles and will vest in September 2018 and September 2019
3. Refer Appendix 1 slide 24

BALANCE SHEET

+ Strong balance sheet maintained
  – 3% gearing impact of PLUS Hybrids repurchase and liability management programme cost absorbed
+ Stabilised investment properties decreased as a result of urban renewal settlements offset partially by higher valuations
+ Partnership cornerstones growth through equity drawdown and valuation increases more than offsetting the impact of asset sales
+ Development holdings reducing as developments transition into Partnerships
+ Total property revaluations across the Group and Partnerships of $1.2 billion with Goodman's share amounting to $341.1 million
  – NTA increased 4% to $4.38 since June 2017
+ Further increase in liquidity to $3.3 billion
  – Gearing of 6.4%[4] (equates to 17.0%[5] look through)
  – Maturities covered to June 2028

Balance sheet

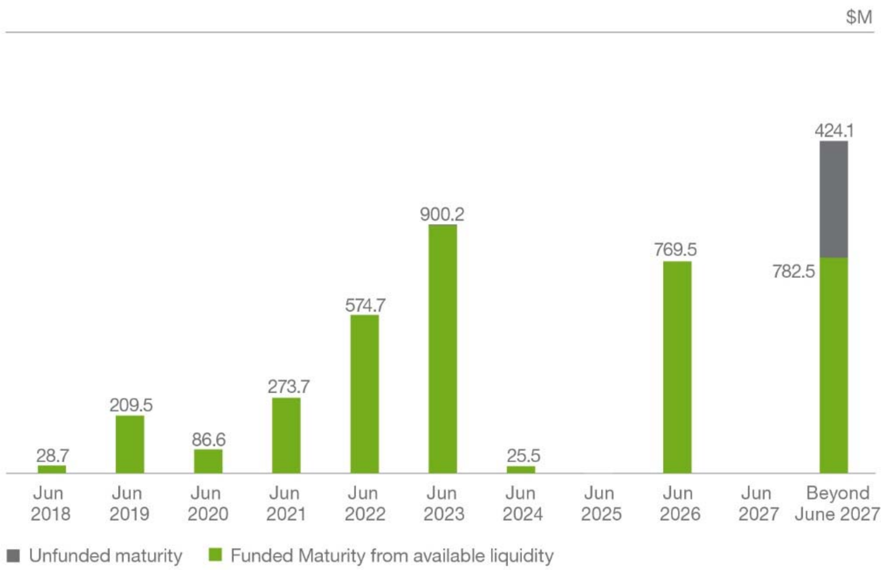
	30 June 2017 $M	31 December 2017 $M
Stabilised investment properties	1,834	1,752
Partnership cornerstones[1]	4,967	5,326
Development holdings[2]	2,576	2,217
Intangibles	772	793
Cash	2,095	2,344
Other assets	467	440
Total assets	**12,711**	**12,872**
Interest bearing liabilities	(2,878)	(3,131)
Other liabilities	(1,211)	(1,069)
Total liabilities	**(4,089)**	**(4,200)**
Minorities	(326)	-
Net assets (post minorities)	**8,296**	**8,672**
Net asset value ($)[3]	**4.64**	**4.82**
Net tangible assets ($)[3]	**4.21**	**4.38**
Balance sheet gearing (%)[4]	5.9	6.4

1. Includes Goodman's investments in its Partnerships and other investments
2. Includes inventories, investment properties under development and investments in Partnerships which have a principle focus on development
3. Based on 1,800.8 million securities on issue
4. Gearing calculated as total interest bearing liabilities over total assets, both net of cash and fair values of cross currency swaps used to hedge foreign liabilities denominated in currencies other than those to which the proceeds are applied equating to $120.7 million (30 June 2017: $169.8 million) - refer to Note 9 of the Financial Statements
5. Based on $2.1 billion net debt on $12.1 billion net assets of Group and proportionate share of Partnerships

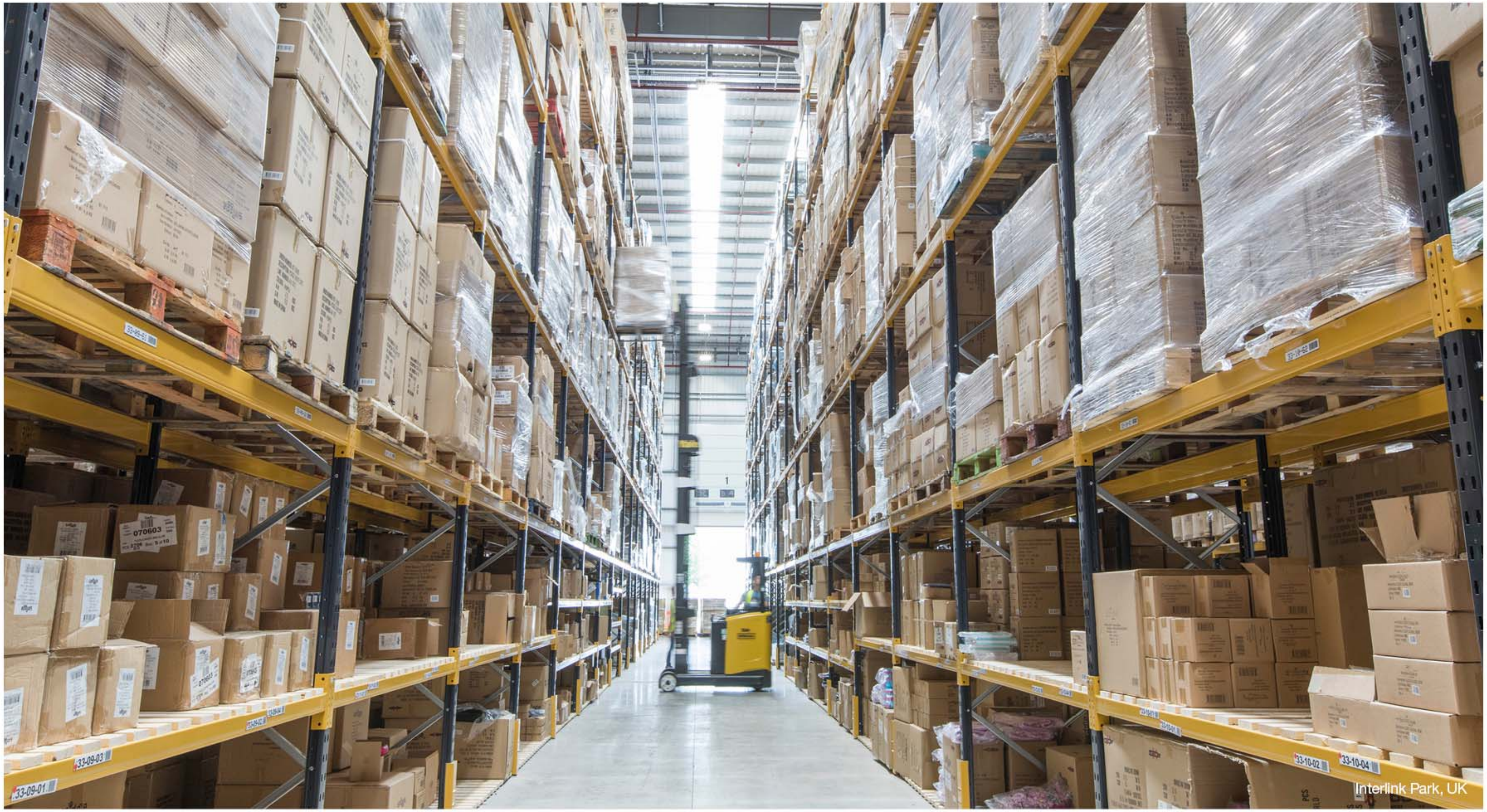
GROUP LIABILITY MANAGEMENT

+ Group strategy to rely on bond markets, less reliance on bank debt
+ Extended debt maturity profile materially to ensure the Group can continue to operate efficiently and invest through the cycle mitigating volatility in capital markets
  - Repurchased $1.7bn of bonds and hybrids
  - Issued new Bonds in USD and EUR in the 144A / Reg S market worth $1.9bn, with a weighted average debt expiry of new bonds of 11.3 years
  - Cost of debt now in line with contemporary environment with a net WACD of 2.4%
+ Significant liquidity and balance sheet capacity maintained given current strategy
  – Cash and available lines of credit of $3.3 billion
  – Average debt maturity profile of 7.6 years (increased from 3.7 years)
  – Maturities covered to June 2028
+ ICR at 14.3 times (8.7 times look through)
+ Gearing expected to remain low at this point in the cycle

Goodman Group debt maturity profile



SECTION 3 – OPERATIONAL PERFORMANCE



PROPERTY INVESTMENT

- Property fundamentals remain strong, reflecting the quality of the portfolio after the clear and structured asset sale programme
  - High occupancy at 98%
  - Like for like NPI growth of 3%
- Capital allocation to investments continued to be impacted by asset sales
  - Settled $2.2 billion of asset sales across the Group and Partnerships
  - Temporarily lowering income growth but providing funding for development activities driving higher total returns
  - Cornerstone income increased in line with allocation of capital over past 18 months, mitigating ABPP sale
- Impact from asset sales partly offset by rental growth
  - Quality of the portfolio focused on infill markets is expected to be reflected in rental growth and real estate returns
- Improvement in the quality of the global portfolio is reflected in the WACR tightening 30bps to 5.7% for the period
  - Revaluation gains of $1.2 billion
- Scarcity of land in urban centres where Goodman is focused and competition for sites is seeing increased intensity of use
  - Residential conversion continues with our focus on taking sites through planning for change of use
  - Proximity to consumers vital for ecommerce and traditional retail fulfilment driving increased demand for finite space
  - Technology driven occupiers such as data centres significantly increasing demand for sites close to customers

Investment ($m)	1H FY17	1H FY18
Direct	69.9	60.3
Cornerstones	126.2	132.8
Property investment earnings	**196.1**	**193.1**

Key metrics[1]	1H FY17	1H FY18
WACR (%)	6.0	5.7
WALE (yrs)	4.8	4.8
Occupancy (%)	96	98

1. Key metrics shown in the above table relate to Goodman and managed Partnership properties

DEVELOPMENT

- Development activity globally remains strong with WIP of $3.5 billion
  - Selective choice of developments increasing development quality and value; speculative development to proven logistics locations
  - Scarcity of sites in infill areas and competition is driving intensification of existing properties to multi-storey or change of use and therefore development activity long term
  - Goodman is one of the world leaders in multi-storey logistics and has scale and operational capacity to deliver
- Improving quality and risk profile across development book
  - 88% leased and 78% pre-sold on completion
  - Increased diversification with WIP now evenly spread globally
  - Investment partnering with 80% now undertaken in Partnerships
  - Adopting low financial leverage and rotating assets
- Pre-committed WIP stable at 63%
- 1H FY18 development earnings impacted by continued transition to third party development, however impact impaired by
  - Increase in risk adjusted returns, materially improved development ROA and reduced capital allocation
  - Strong development returns supporting development performance fees
- Development yield on cost driven by geographic mix of developments and rental growth
  - High embedded margin given current weighted average cap rates

Development ($M)	1H FY17	1H FY18
Development income	623.7	597.2
Development expenses	(366.5)	(353.8)
Development earnings	**257.2**	**243.4**

Key metrics	1H FY17	1H FY18
Work in progress ($b)	3.5	3.5
Work in progress (million sqm)	2.7	2.3
Number of developments	81	78
Development for third parties or Partnerships (%)	69	80
Pre-commitment (%)	62	63
Yield (%)	7.6	7.7

Work in progress (end value)	$B
Opening (June 2017)	**3.5**
Completions	(1.4)
Commencements	1.4
Closing (December 2017)	**3.5**

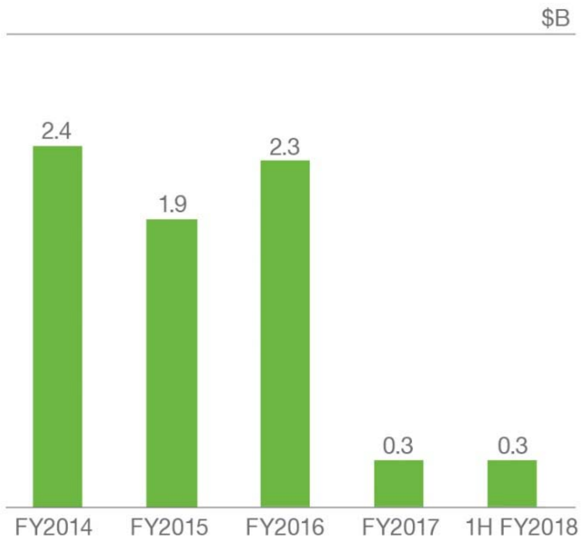
MANAGEMENT

- Management earnings up 5% on 1H FY17
  - AUM increase due to further revaluation gains and development completions across the platform, offsetting sales
  - Performance fees from strong cumulative Partnership returns and transactional activity
- AUM expected to grow strongly over next few years generating underlying base management fee revenue
  - Net investment from development pipeline to contribute ~$2.5bn per annum
  - Stronger rental growth and tighter cap rates post portfolio repositioning supporting further valuation growth driving underlying base management revenue
  - Continued performance of Partnerships sustained by portfolio repositioning will see increased performance fees in future years likely to contribute ~30-40% of management revenue
- External asset AUM of $31.1 billion up 3% despite third party asset sales of $1.7 billion
- Partnerships have been self funded through asset rotation
- Significant equity commitments and liquidity available of $9.5 billion (down from FY17 given cancellation of excess debt facilities and drawdown of some equity)
  - $3.7 billion in undrawn debt facilities and cash
  - $5.8[1] billion in undrawn equity

Management ($M)	1H FY17	1H FY18
Management earnings[2]	156.5	164.7

Key metrics	1H FY17	1H FY18
Number of managed Partnerships	16	15
External AUM (end of period) ($B)	30.1	31.1

Third party equity raised within Partnerships

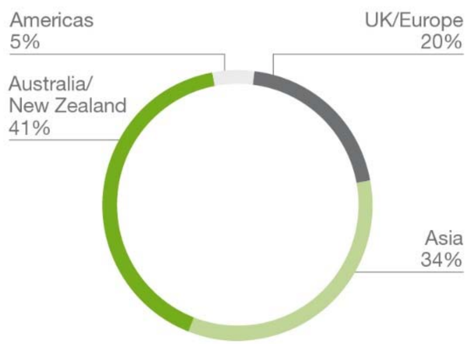


1. Partnership investments are subject to Investment Committee approval
2. Includes gross up of property outgoings of $3.0 million (1H FY2017: $5.5 million)

MANAGEMENT - AUM

- Major achievements completed during the half year include
  - GAIP completed a restructuring of bank debt facilities, reducing the banking facility limits and increasing the Partnership debt maturity to 5.9 years
  - GEP conditionally sold a portfolio of assets, consisting of six properties in Poland, nine properties in Germany and eight properties in France
  - GUKP acquired 43,377sqm Amazon facility on a 15 year lease term
  - GMT commenced new development projects totalling NZ$149 million
  - GCLP complete the sale of a portfolio of non core assets for A$209 million

Third party AUM by region



Third party assets under management

Third party AUM by type

MANAGEMENT - PLATFORM

Goodman+

	GAIP	GEP	GHKLP	GAP	GCLP	GMT	GJCP	GNAP	GUKP
Total assets	$7.1bn	$5.0bn	$4.7bn	$3.7bn	$3.2bn	$2.4bn[3]	$2.1bn	$1.5bn	$0.3bn
GMG co-investment	27.9%	20.4%	20.0%	19.9%	20.0%	21.2%	17.3%	55.0%	33.3%
GMG co-investment	$1.3bn	$0.6bn	$0.8bn	$0.7bn	$0.5bn	$0.3bn	$0.2bn	$0.8bn	$0.1bn
Number of properties	93	120	11	35	30	13	12	7	3
Occupancy	97%	97%	98%	97%	98%	97%[3]	100%	100%	100%
Weighted average lease expiry[1]	5.0 years	5.2 years	2.9 years	4.5 years	3.3 years	5.8 years[3]	3.1 years[4]	5.3 years	10.8 years
WACR	6.0%	5.8%	5.1%	5.9%	6.1%	6.5%[3]	4.6%	4.2%	4.7%
Gearing[2]	22.5%	32.9%	10.0%	1.9%	7.6%	32.4%[3]	37.2%	n/a	n/a
Weighted average debt expiry	5.9 years	5.4 years	5.6 years	6.8 years	1.9 years	4.3 years[3]	6.0 years	n/a	n/a

1. WALE of stabilised portfolio 31 Dec 2017
2. Gearing calculated as total interest bearing liabilities over total assets both net of cash
3. As at 30 September 2017
4. WALE of stabilised portfolio 30 November 2017

SECTION 4 – OUTLOOK AND SUMMARY

Amiens Logistics Centre, France

OUTLOOK AND SUMMARY

+ **Macro trends and technology changes remain supportive of logistics real estate**
  – E-commerce and technological solutions driving change in all forms of consumer service fulfillment and will continue to change supply chain and space requirements
  – Strong customer demand and supporting development volumes
  – Further room for cap rate compression across the portfolio throughout the year in line with more recent transactions and global real asset pricing
+ **Scarcity of land in urban centres and growing competition from multiple users is influencing intensification of use globally**
  – Logistics sites are increasingly being rezoned to multi storey projects in the US, China, UK, Japan
  – Urbanisation continues to drive change of use to residential and demand for e-commerce in close proximity to consumers
  – Widespread technology changes should allow facilitation of a symbiotic existence of industrial in infill / urban areas
  – This is supportive of significant redevelopment and increased intensity of use on Goodman's existing infill sites
+ **The deliberate repositioning of the Group operations and balance sheet over the past five years has established a platform to capitalise on a variety of global financial and economic outcomes**
  – Utilised strong operating environment to sell $11 billion of real estate and concentrate the portfolio in high quality, tightly held, infill markets globally, benefiting from scarcity of land and intense competition for space
  – Reduced gearing from 19.5% to 6.4%, secured long term debt (weighted average debt expiry to 7.6 years) and significant liquidity
  – Reduction in development on balance sheet, to reduce earnings volatility and increase return on capital employed
  – Despite these activities produced 7.6% EPS growth over this time
  – This programme has reset the business to continue to deliver strong, sustainable growth in future years
+ **Given the strong first half performance and sustained momentum into the second half, forecast FY18 Operating EPS has been upgraded to 46.5 cents (up 8% on FY17)**
  – Forecast full year distribution of 28.0 cents per security (up 8% on FY17)

APPENDIX 1 – RESULTS ANALYSIS

PROFIT AND LOSS

Total income by business segment for the half year ended 31 December 2017

Category	Total $M	Property Investment $M	Management $M	Development $M	Operating Expenses $M	Non-operating items $M
Gross property income	78.9	78.5				0.4
Management income	164.7		164.7			
Development income	522.6			522.6		
Net gain from fair value adjustments on investment properties	60.0					60.0
Net gain on disposal of investment properties	38.6			38.6		
Net gain on disposal of controlled entities	0.3			0.3		
Share of net results of equity accounted investments[1]	451.2	132.8		35.7		282.7
Total income	**1,316.3**	**211.3**	**164.7**	**597.2**	**-**	**343.1**
Property and development expenses	(372.0)	(18.2)		(353.8)		
Operating expenses	(188.8)				(128.4)[3]	(60.4)
Reversals of previous impairments	0.2					0.2
EBIT / Segment operating earnings	**755.7**	**193.1**[2]	**164.7**[2]	**243.4**[2]	**(128.4)**	**282.9**

1. Includes share of associate and JVE property valuation gains of $296.0 million, share of fair value adjustments of derivative financial instruments in associates and joint ventures of $(11.1) million and other non-cash, non-recurring items within associates of $(2.2) million
2. Segment operating earnings is total income less property and development expenses (excludes employee, administrative and other expenses)
3. Includes gross up of property outgoings of $3.0 million (1H FY2017: $5.5 million)

PROFIT AND LOSS (CONT)

Category	Total	Property investment	Management	Development	Operating expenses	Non-operating items
	$M	$M	$M	$M	$M	$M
EBIT / Segment operating earnings	**755.7**	**193.1**	**164.7**	**243.4**	**(128.4)**	**282.9**
Net gain from fair value adjustments on investment properties	(60.0)					(60.0)
Share of net gain from fair value adjustments on investment properties, unrealised derivative gains and non-recurring items within associates and JVEs	(282.7)					(282.7)
Reversals of previous impairments	(0.2)					(0.2)
Straight-lining of rental income	(0.4)					(0.4)
Share based payments expense	60.4					60.4
Operating EBIT[1] / Segment operating earnings	**472.8**	**193.1**	**164.7**	**243.4**	**(128.4)**	**-**
Net finance expense (statutory)	(167.8)					
Add: fair value adjustments on derivative financial instruments	*80.0*					
Add: debt restructure expense	*82.1*					
Less: foreign exchange gains	*(15.7)*					
Net finance expense (operating)	(21.4)					
Income tax expense (statutory)	(40.6)					
Add: deferred tax expense on fair value adjustments on investments	*15.1*					
Income tax expense (operating)	(25.5)					
Minorities	(4.6)					
Operating profit available for distribution	**421.3**					
Net cash provided by operating activities[2]	**644.6**					

1. Look through operating EBIT is $515.5 million and reflects $42.7 million adjustment to GMG proportionate share of Partnerships interest and tax (1H FY2017: $532.1 million)
2. Difference between operating profit pre-minorities and cash provided by operating activities of $218.7 million relates to:
   - $213.0 million development activities including capitalised and prepaid interest
   - $91.7 million cash share of equity accounted income
   - ($86.0) million of other working capital movements

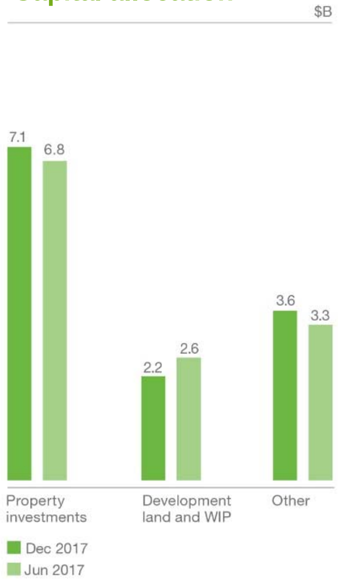
RECONCILIATION NON-OPERATING ITEMS

Non-operating items in statutory income statement	$M	Half year ended 31 December 2017 $M
Property valuation related movements		
Net gain from fair value adjustments attributable to investment properties	60.0	
Share of net gain from fair value adjustments attributable to investment properties in associates and joint ventures after tax	296.0	
Reversals of previous impairments	0.2	
Deferred tax on fair value adjustments on investment properties	(15.1)	
Subtotal		**341.1**
Fair value adjustments and unrealised foreign currency exchange movements related to capital management		
Fair value adjustments on derivative financial instruments – GMG	(80.0)	
Share of fair value adjustments on derivative financial instruments in associates and joint ventures	(11.1)	
Unrealised foreign exchange gain	15.7	
Subtotal		**(75.4)**
Other non-cash adjustments or non-recurring items		
Straight-lining rental income	0.4	
Share based payments expense	(60.4)	
Debt restructure costs	(82.1)	
Net capital losses not distributed and deferred tax adjustments in associates and joint ventures	(2.2)	
Subtotal		**(144.3)**
TOTAL		**121.4**

FINANCIAL POSITION

As at 31 December 2017	Direct Assets $M	Property investments $M	Developments $M	Other $M	Total $M
Cash	-	-	-	2,343.8	2,343.8
Receivables	-	-	359.0	235.2	594.2
Inventories	-	-	1,064.8	-	1,064.8
Investment properties	1,752.1	-	165.6	-	1,917.7
Investments accounted for using equity method	-	5,324.8	624.2	-	5,949.0
Intangibles	-	-	-	793.1	793.1
Other assets	-	0.8	3.2	205.7	209.7
Total assets	**1,752.1**	**5,325.6**	**2,216.8**	**3,577.8**	**12,872.3**
Interest bearing liabilities	-	-	-	(3,130.6)	(3,130.6)
Other liabilities	-	-	-	(1,069.4)	(1,069.4)
Total liabilities				**(4,200.0)**	**(4,200.0)**
Net assets/(liabilities)					**8,672.3**
Gearing[1] %					**6.4**
NTA (per security)[2] $					**4.38**
Australia / New Zealand	1,722.5	2,548.8	466.6	225.8	4,963.7
Asia	-	1,475.0	210.2	261.3	1,946.5
CE	-	708.2	423.8	691.9	1,823.9
UK	29.6	96.9	478.5	143.5	748.5
Americas	-	496.7	637.7	47.2	1,181.6
Other	-	-	-	2,208.1	2,208.1
Total assets	**1,752.1**	**5,325.6**	**2,216.8**	**3,577.8**	**12,872.3**

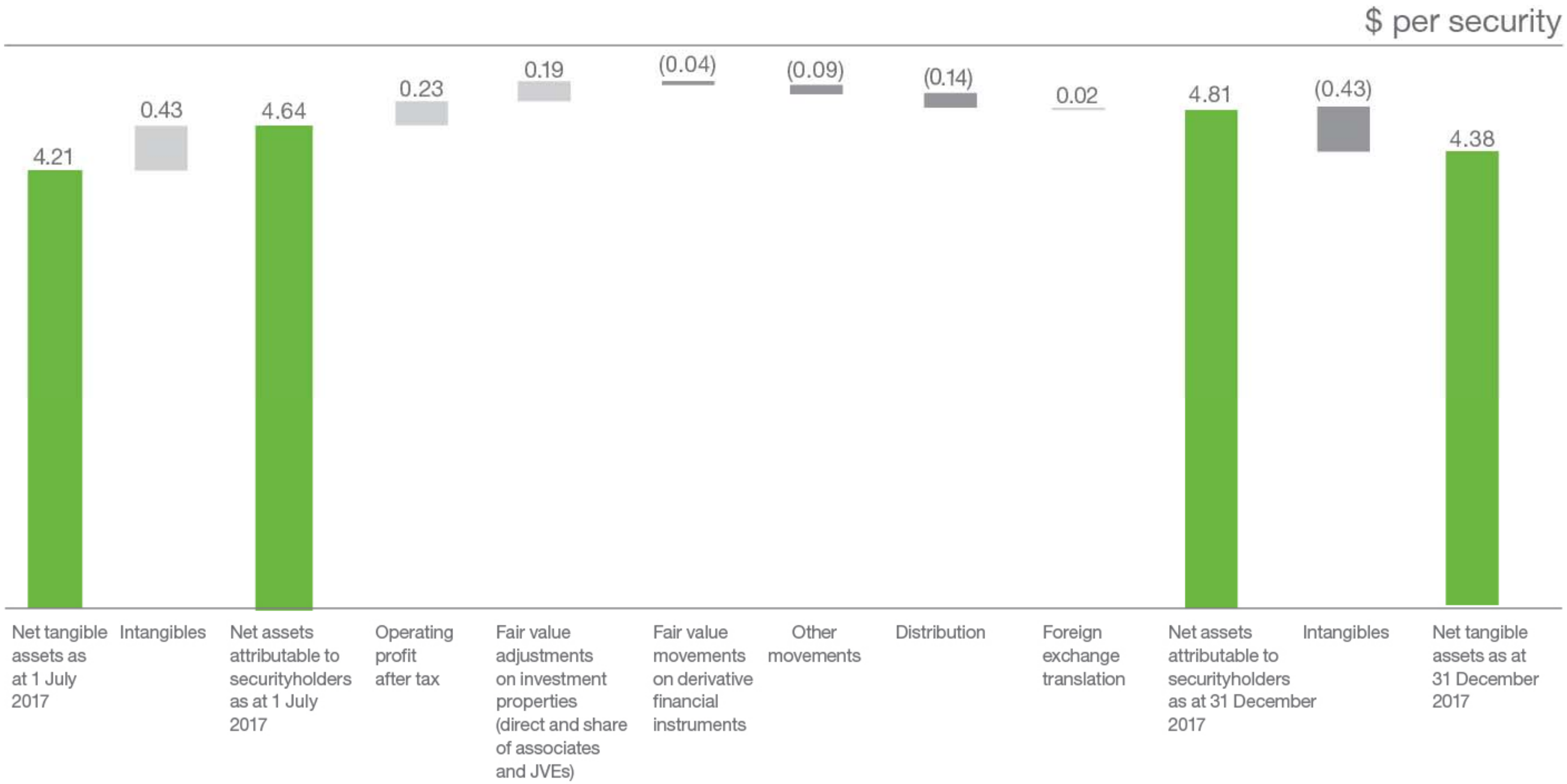
Capital allocation



1. Calculated as total interest bearing liabilities over total assets, both net of cash and fair values of cross currency swaps used to hedge foreign liabilities denominated in currencies other than those to which the proceeds are applied equating to $120.7 million (30 June 2017: $169.8 million) – refer to Note 9 of the Financial Statements
2. Calculated based on 1,800.8 million securities on issue

NET TANGIBLE ASSET MOVEMENT

+ For half year ended 31 December 2017[1]



1. Calculated on 1,800.8 million securities being closing securities on issue

VALUATIONS

+ Valuation movement continues to be driven by cap rate compression and rental growth in addition to development completions within the Partnerships
+ The Group WACR reflected further tightening from 5.9% to 5.7% over the half
+ Revaluation gains across the entire portfolio totalled $1.2 billion over the half

31 December 2017 property valuations (look through)

	Book value (GMG exposure) $M	Valuation movement since June 2017 $M	WACR %	WACR movement since June 2017 %
Australia[1] / New Zealand	5,405.3	154.4	5.9	(0.3)
Asia	2,011.6	71.0	5.3	(0.1)
UK / Continental Europe	1,965.0	40.6	5.7	(0.5)
Americas	1,134.3	75.1	4.2	(0.1)
Total / Average	**10,516.2**	**341.1**	**5.7**	**(0.2)**

1. Australia excludes urban renewal sites which are valued on a rate per residential unit site basis

APPENDIX 2 – PROPERTY INVESTMENT

Goodman Ichikawa, Japan

LEASING[1]

Across the Group and Partnerships:

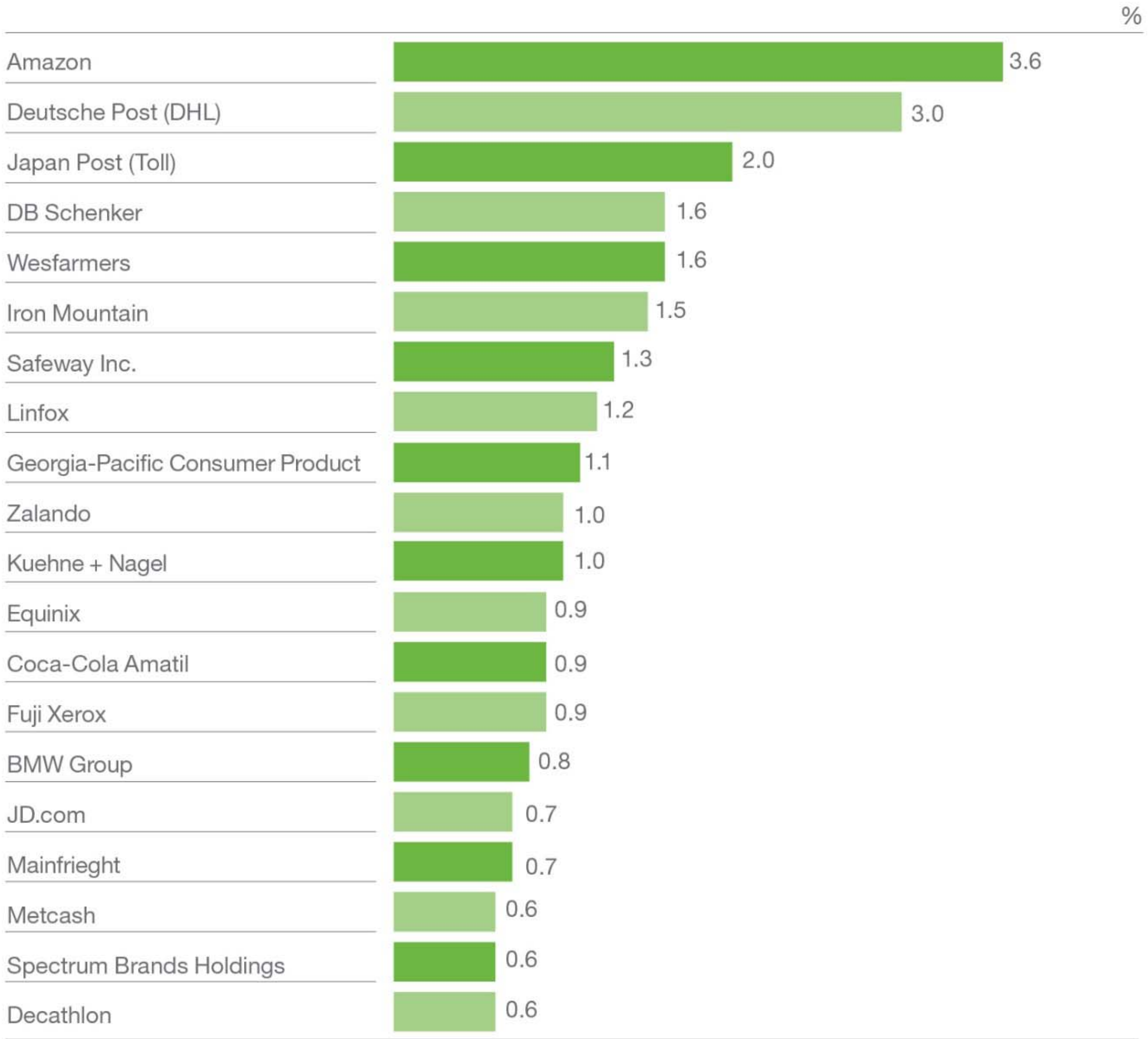
- 1.9 million sqm leased during the period
- High Occupancy at 98%
- Like for like NPI growth at 3%

Region	Leasing area (sqm)	Net annual rent ($M)	Average lease term (years)
Australia / New Zealand	576,432	83.5	4.8
Asia	665,978	86.4	3.2
Europe / UK	616,010	46.9	4.8
Total	**1,858,420**	**216.8**	**4.2**

1. Leasing for investment properties only and excludes developments

CUSTOMERS

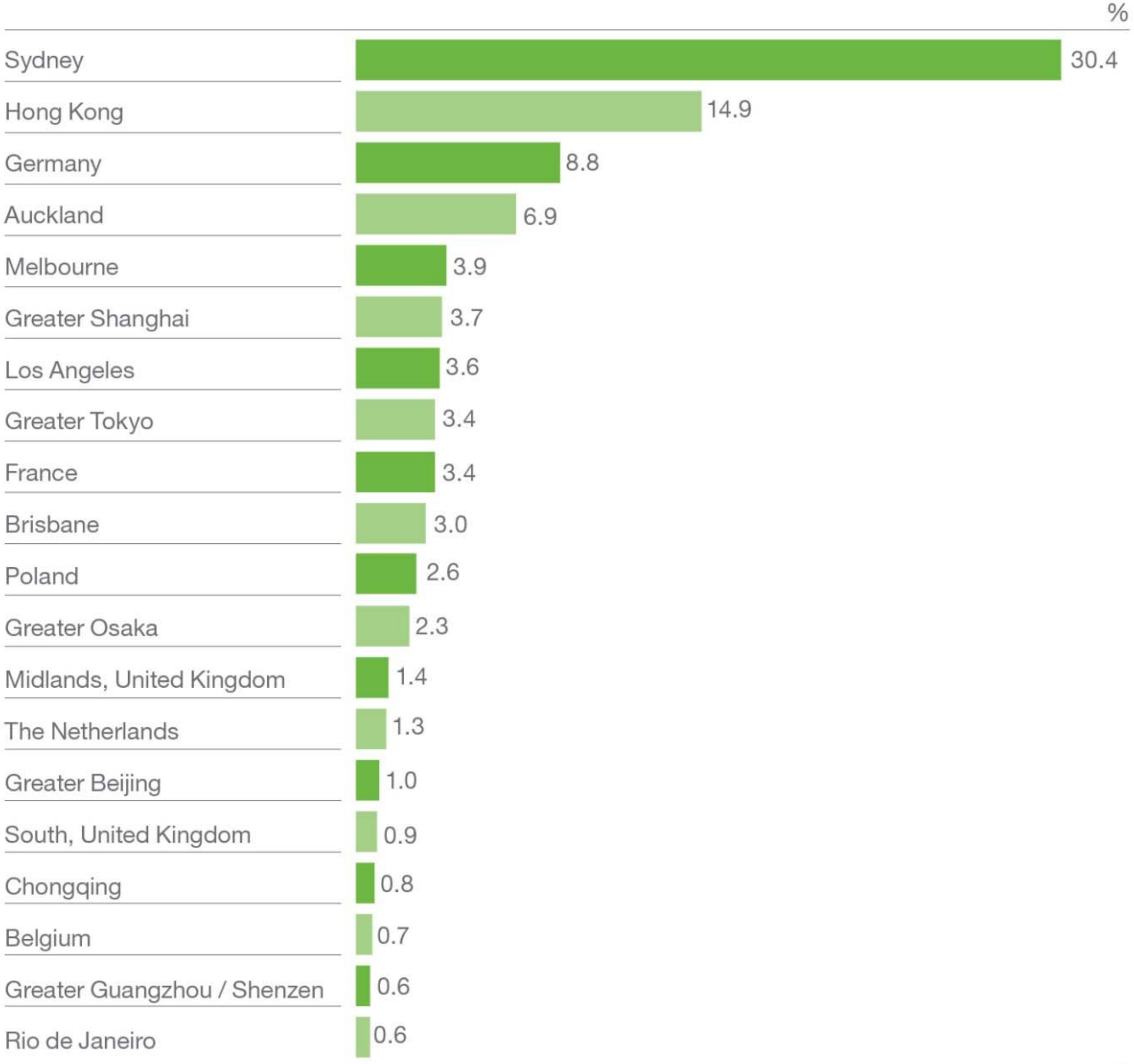
Top 20 global customers (by net income – look through basis)



GEOGRAPHIC EXPOSURE

Goodman

Top 20 sub-regions (by AUM)



DIRECT PORTFOLIO DETAIL

Portfolio snapshot

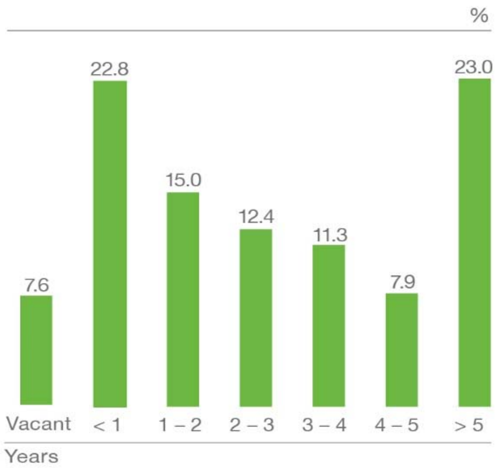
- 22 properties with a total value of $1.7 billion located primarily in the Sydney market
- Leasing deals remain strong across the portfolio
  - 76,426 sqm ($7.2 million net annual rental) of existing space leased
- 92% occupancy and a weighted average lease expiry of 5.1 years
- Average portfolio valuation cap rate of 5.9%[1]

Key metrics[2]

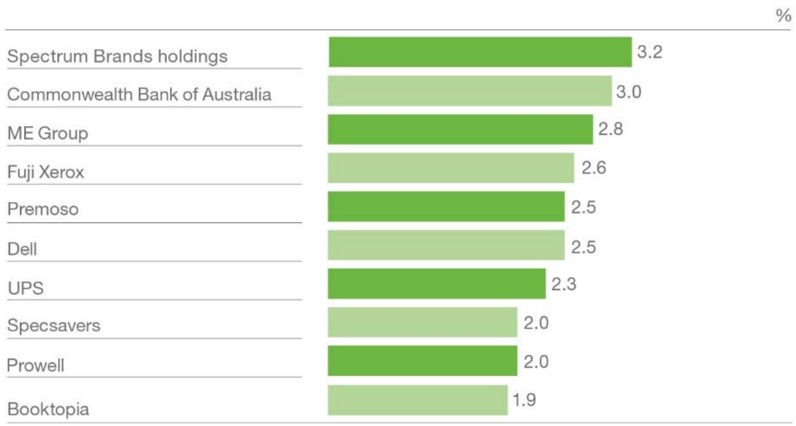
Total assets	A$1.7 billion
Customers	267
Number of properties	22
Occupancy	92%
Weighted average cap rate	5.9%

1. Excludes urban renewal sites as valued on a rate per residential unit site basis and development land
2. Stabilised properties

WALE of 5.1 years (by net income)



Top 10 customers make up 24.8% of portfolio income



APPENDIX 3 – DEVELOPMENT

DEVELOPMENTS

1H FY18 Developments	Completions	Commencements	Work in progress
Value ($M)	1.4	1.4	3.5
Area (m sqm)	1.1	1.0	2.3
Yield (%)	7.4	7.4	7.7
Pre-committed (%)	88	57	63
Weighted average lease term (years)	10.6	8.4	7.9
Development for third parties or Partnerships (%)	78	81	80
Australia / New Zealand (%)	22	24	24
Asia (%)	12	6	24
Americas (%)	8	21	23
Europe (%)	58	49	29

Work in progress by region	On balance sheet end value $M	Third party funds end value $M	Total end value $M	Third party funds % of total	Pre committed % of total
Australia / New Zealand	76	741	817	91	63
Asia	120	763	883	86	41
Americas	-	810	810	100	74
Europe	490	515	1,005	51	72
Total	**686**	**2,829**	**3,515**	**80**	**63**

DEVELOPMENTS (CONT)

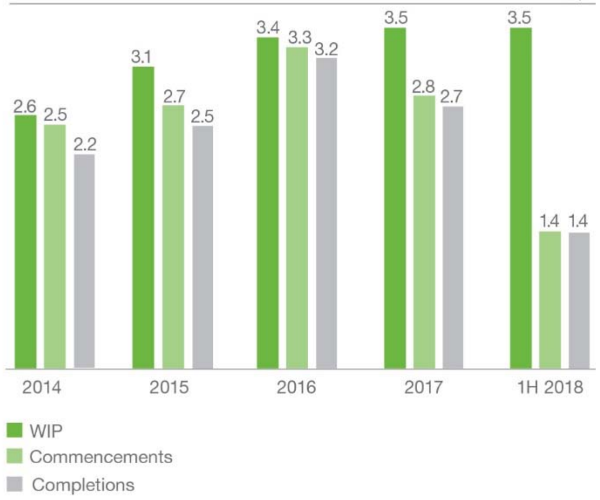
+ Maintained development pipeline of $10 billion
  – Forecast GLA of 7 million sqm
  – Development pipeline allocated as Asia Pacific 53%, Europe 34% and Americas 13%

+ The Group's development future cash commitments

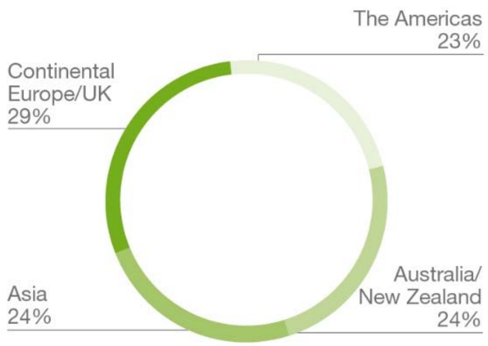
Commitments as at 31 December 2017	$M
Gross GMG cost to complete	541
Less pre-sold[1] cost to complete	(149)
Net GMG cost to complete	392
Net GMG managed Partnerships cost to complete	1,101

1. Pre-sold projects are reimbursed by instalments throughout the project or at practical completion of the project

Development volume



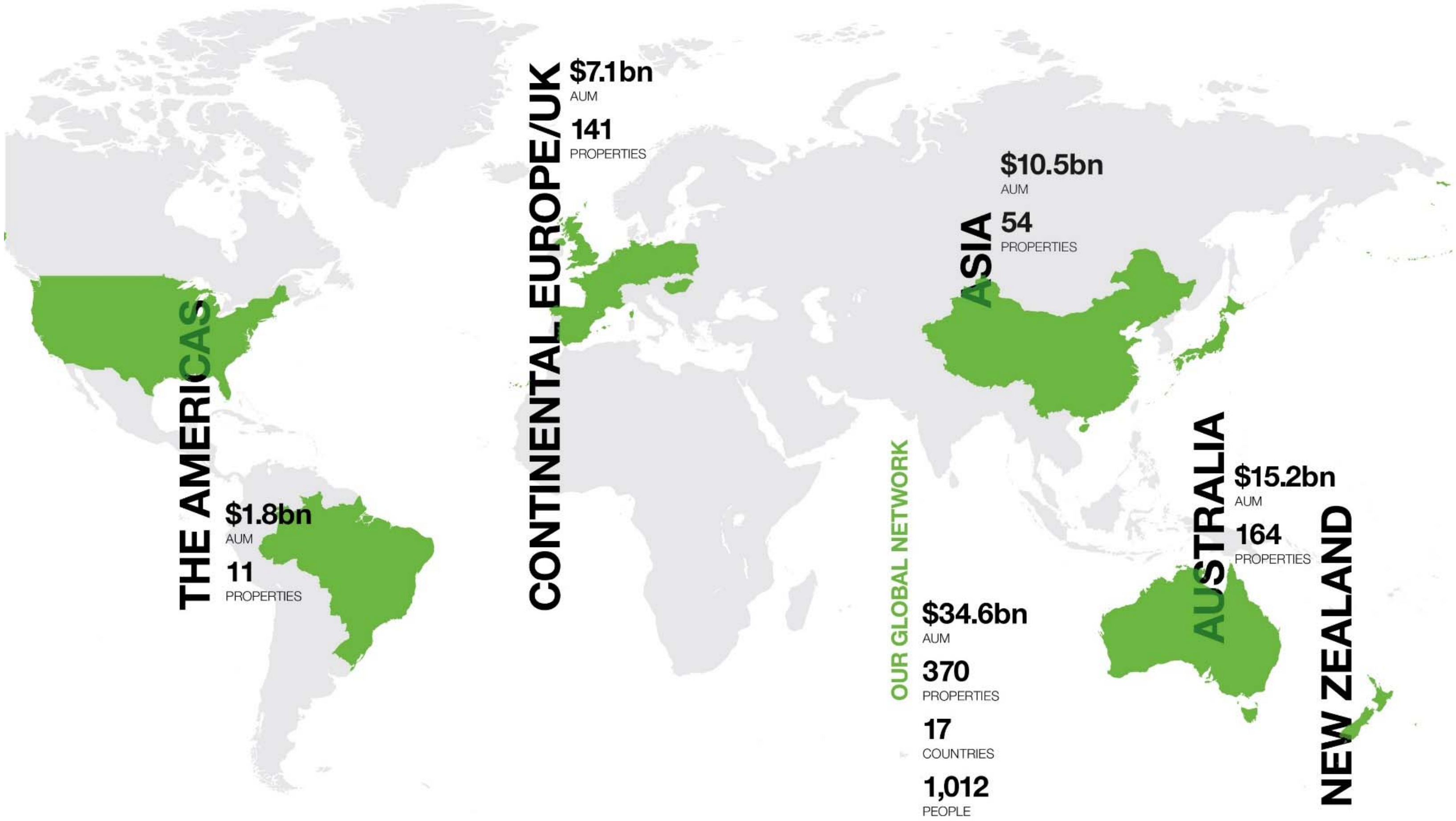
Work in progress as at 31 December 2017



APPENDIX 4 – MANAGEMENT

Goodman Pudong International Airport Logistics Park, China

GLOBAL PLATFORM



● Current Goodman global presence.
As at 31 December 2017 (Australian currency)

APPENDIX 5 – CAPITAL MANAGEMENT

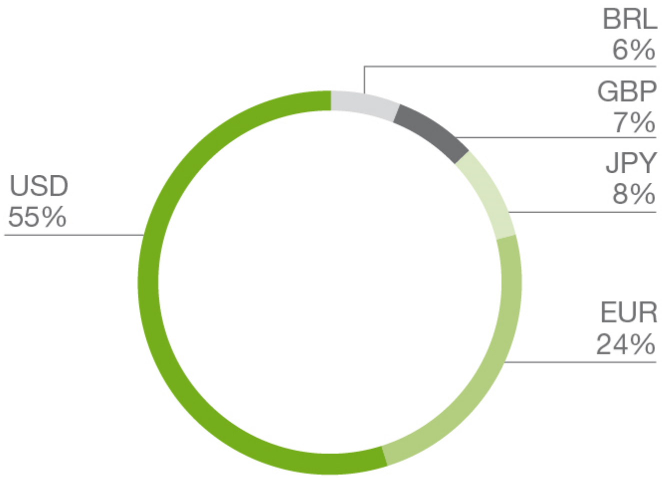
GROUP FINANCIAL COVENANTS

Covenants	Test	Covenant	Result	Headroom
Gearing ratio	Net liabilities[1] as a percentage of net tangible assets is not more than 45.0%	**45.0%**	**13.9%**	**31.1%**
Interest cover ratio	EBITDA to interest expense at least 2.0x	**2.0x**	**14.3x**	**12.3x**
Priority debt	Secured debt as a percentage of total tangible assets is not more than 15.0%	**15.0%**	**1.5%**	**13.5%**
Unencumbered assets	Unsecured debt as a percentage of unencumbered assets is not more than 66.7%	**66.7%**	**27.9%**	**38.8%**

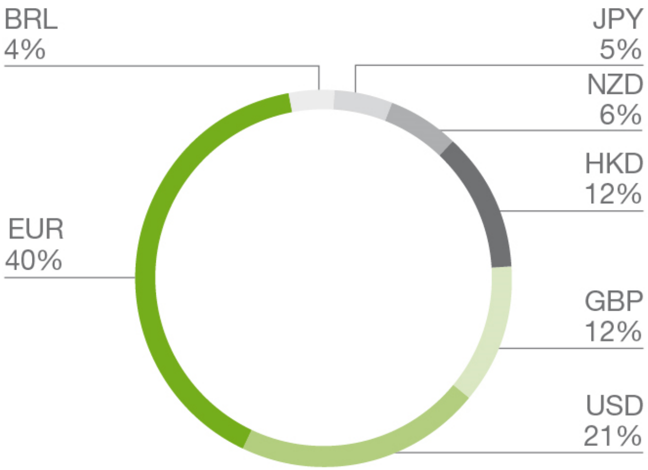
1. Net liabilities = total liabilities less cash and excludes trade payables, mark to market derivatives, deferred tax liabilities and provisions for Securityholder distributions

CURRENCY MIX

Currency mix – outstanding debt



Currency mix – including the impact of Capital Hedging FX Swaps



FINANCIAL RISK MANAGEMENT

- The Group has been implementing a robust capital management framework, which includes a revised Financial Risk Management (FRM) policy. This provides;
  - Stronger balance sheet which has been reflected in higher credit ratings upgrade from S&P and Moody's BBB+ / Baa1 respectively
  - Enhanced flexibility through amended covenants
  - Diversified sources of funding that increases available options through the cycle
  - Long term debt sources to stabilise the funding base
- The Group has been actively reducing financial leverage in the business given its desire to run low gearing at this point in the property cycle
  - Group target gearing range reduced to 0% - 25% (from 25% - 35%) and reflective of existing practice
  - Gearing level will be determined with reference to mix of earnings and ratios consistent with credit rating
- Interest risk management:
  - Policy to ensure between 60% and 100% of current year interest rates are fixed
  - 88% hedged over next 12 months
  - Weighted average hedge maturity of 6.9 years
  - Weighted average hedge rate of 2.71%[1,2,3]
- Foreign currency risk management:
  - Policy to hedge between 65% and 90% of foreign currency denominated net assets
  - 77% hedged as at 31 December 2017, of which 66% is debt and liabilities and 34% is derivatives
  - Weighted average maturity of derivatives 4.1 years

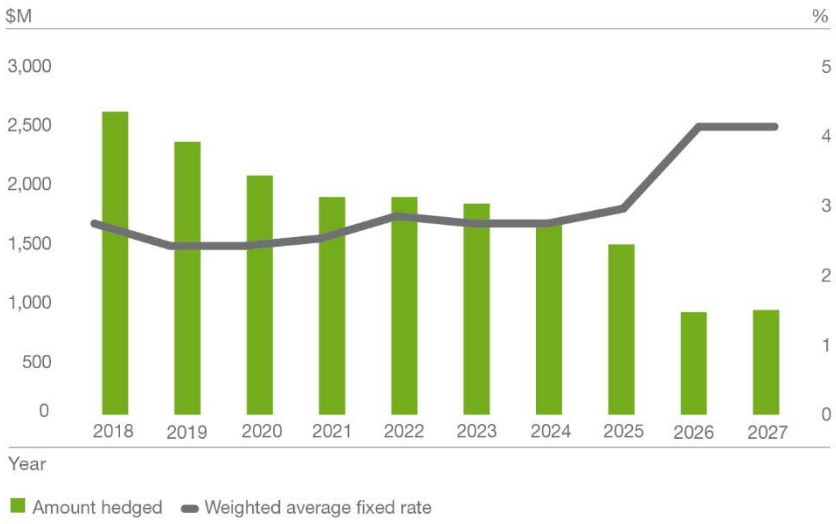
1. Includes the strike rate on interest rate cap hedges
2. Includes the 10 year EMTN £121.0 million at 9.75% fixed rate
3. Incudes the 8 year Reg S €500 million at 1.375% fixed rate

FINANCIAL RISK MANAGEMENT (CONT)

Interest rate

+ Interest rates are hedged to 88% over next 12 months
+ Weighted average hedge rate of 2.71%[1]
  - NZD – hedge rate 3.92%
  - JPY – hedge rate 2.93%
  - HKD – hedge rate 2.18%
  - GBP – hedge rate 3.47%[2]
  - Euro – hedge rate 1.42%[3]
  - USD – hedge rate 4.11%
+ Weighted average maturity of 6.9 years

Interest rate hedge profile



1. Includes the strike rate on interest rate cap hedges
2. Includes the 10 year EMTN £121.0 million at 9.75% fixed rate
3. Incudes the 8 year Reg S €500 million at 1.375% fixed rate

FINANCIAL RISK MANAGEMENT (CONT)

Interest rate hedging profile[1]

As at Dec	Euro payable		GBP payable		HKD payable		NZD payable		JPY payable		USD payable		AUD receivable	
	€M	Fixed[3] rate %	£M	Fixed[2] rate %	HK$M	Fixed rate %	NZ$M	Fixed rate %	¥M	Fixed rate %	US$M	Fixed rate %	A$M	Fixed Rate %
2018	(997.3)	1.72	(271.6)	4.55	(2,494.0)	2.17	(232.7)	4.43	(19,524.7)	2.56	(443.8)	4.11	857.3	2.79
2019	(800.0)	1.28	(150.0)	3.00	(2,066.6)	2.29	(214.4)	4.06	(16,500.0)	2.76	(443.8)	4.11	475.0	2.25
2020	(752.0)	1.34	(150.0)	3.00	(1,291.8)	2.09	(133.3)	3.70	(15,549.2)	2.87	(443.8)	4.11	475.0	2.25
2021	(693.2)	1.37	(150.0)	3.00	(944.1)	2.12	(52.7)	2.54	(12,500.0)	3.32	(501.1)	4.28	475.0	2.25
2022	(528.8)	1.38	(150.0)	3.00	(800.0)	2.14	(28.2)	2.43	(12,500.0)	3.32	(657.1)	4.14	375.2	2.26
2023	(500.0)	1.38	(33.3)	3.00	(486.6)	2.24	-	-	(3,184.9)	3.32	(695.0)	4.07	50.0	2.64
2024	(500.0)	1.38	-	-	(86.3)	2.29	-	-	-	-	(695.0)	4.07	32.3	2.71
2025	(372.6)	1.38	-	-	-	-	-	-	-	-	(695.0)	4.07	25.0	2.78
2026	-	-	-	-	-	-	-	-	-	-	(695.0)	4.07	25.0	2.78
2027	-	-	-	-	-	-	-	-	-	-	(695.0)	4.07	7.3	2.78

1. Includes the strike rate on interest rate cap hedges
2. Includes the 10 year EMTN £121.0 million at 9.75% fixed rate
3. Incudes the 8 year Reg S €500 million at 1.375% fixed rate

FINANCIAL RISK MANAGEMENT (CONT)

Foreign currency denominated balance sheet hedging maturity profile

Currency	Maturity Range	Weighted average exchange rate	Amount receivable[1]	Amount payable[1]
NZ$	2018 - 2023	1.1210	A$260.5m	NZ$300.0m
HK$	2018 - 2024	6.5396	A$529.4m	HK$3,390.0m
€	2018 - 2022	0.6851	A$615.4m	€420.0m
£	2018 - 2022	0.5869	A$136.3m	£80.0m
US$	2022 - 2028	0.7033	US$160.0m	£112.5m
US$	2021 - 2028	0.7421	US$420.0m	€311.7m
US$	2021 - 2022	0.7871	€244.1m	US$310.0m
CNY[2]	2018 - 2020	7.1759	US$225.0m	CNY1,614.6m

1. Floating rates apply for the payable and receivable legs for the cross currency swaps except for the USDEUR and USDGBP cross currency where the receivable for US$255 million is fixed at 6.375%, US$170 million is fixed at 6.0% and US$155 million is fixed at 3.7%
2. Forward exchange contract, net settled in USD

EXCHANGE RATES

+ Statement of Financial Position – exchange rates as at 31 December 2017
  - AUDGBP – 0.5773 (31 December 2016: 0.5847)
  - AUDEUR – 0.6498 (31 December 2016: 0.6846)
  - AUDHKD – 6.1024 (31 December 2016: 5.5958)
  - AUDBRL – 2.5873 (31 December 2016: 2.3487)
  - AUDNZD – 1.1010 (31 December 2016: 1.0397)
  - AUDUSD – 0.7802 (31 December 2016: 0.7217)
  - AUDJPY – 87.9480 (31 December 2016: 84.1770)
  - AUDCNY – 5.0761 (31 December 2016: 5.0059)
+ Statement of Financial Performance – average exchange rates for the 6 months to 31 December 2017
  - AUDGBP – 0.5913 (31 December 2016: 0.5903)
  - AUDEUR – 0.6623 (31 December 2016: 0.6871)
  - AUDHKD – 6.0856 (31 December 2016: 5.8467)
  - AUDBRL – 2.4966 (31 December 2016: 2.4640)
  - AUDNZD – 1.0924 (31 December 2016: 1.0516)
  - AUDUSD – 0.7790 (31 December 2016: 0.7537)
  - AUDJPY – 87.1836 (31 December 2016: 79.7959)
  - AUDCNY – 5.1697 (31 December 2016: 5.0864)

RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2017