

ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

21 June 2011

\$102.6 MILLION UNDERWRITTEN RENOUNCEABLE RIGHTS OFFER

- **Successful takeover – approximately 99% relevant interest in Rabinov units achieved under Growthpoint Properties Australia takeover offer**
- **Launching underwritten 1 for 4.4 renounceable rights offer to raise approximately \$102.6 million at an offer price of \$1.90 per Growthpoint security**
- **Rights offer to pay down debt to reduce gearing post the Rabinov takeover and partially fund the acquisition of a site for the construction of the Energex, Nundah, QLD project, a “new generation” 12,910 m² office building pre-committed to quality tenants**

Following the successful close of the Rabinov takeover offer, Growthpoint Properties Australia Limited (“Growthpoint”) is pleased to announce a fully underwritten 1 for 4.4 renounceable rights offer to raise approximately \$102.6 million at an offer price of \$1.90 per Growthpoint security (“Rights Offer”). The Rights Offer has been increased to \$102.6 million to partially fund a new office investment opportunity, the Energex Building at Nundah, with the remaining funds used to pay down debt to reduce gearing.

The Rights Offer of \$102.6 million is fully committed, with Growthpoint Properties Limited of South Africa (Growthpoint SA”), Growthpoint’s major securityholder, to take up its full entitlement under the Rights Offer, being approximately \$62.17m, and to underwrite the balance of the Rights Offer.

Based upon Growthpoint’s pro forma forecast distribution for FY12, the Rights Offer will provide Growthpoint securityholders (including Rabinov unitholders that accepted the takeover offer before the end of the takeover offer period) with an attractive pro forma forecast distribution yield of 9.2%¹.

Energex Nundah Project

Growthpoint has secured an opportunity to acquire a new Brisbane office asset (“Energex Nundah”) at 1231-1241 Sandgate Road, Nundah, Queensland. Growthpoint will acquire the land and enter into a Delivery Agreement with Property Solutions Group for development of the building on a fund through basis.

The total cost is approximately \$77.9 million (excluding transaction costs), which will return an 8.25% income yield at completion. Growthpoint will receive a coupon return of 8.75% per annum on its outlays until practical completion of the project, expected in November 2012.

Energex Nundah will be fully leased at practical completion, with 80% of rental income coming from QLD State Government tenants Energex and Powerlink. Each lease has certain rental growth with annual fixed rent increases of 3.5% per annum. The weighted average lease expiry (WALE) is 13.7 years. It comprises a “new generation” green rated building comprising world leading environmental sustainability initiatives targeting a 4.5 NABERS and 5 Star Green Star rating. Energex Nundah offers 12,910 m² of A-Grade office accommodation over 8 levels with impressive ground floor retail and basement car parking.

The asset is located in Nundah, a mixed use business and residential precinct underpinned by significant state and federal government funded infrastructure. The property is 12 kilometres north-east of the Brisbane CBD and

¹ Based on FY2012 pro forma distribution of 17.5 cents per Growthpoint security and Growthpoint security price of \$1.90 per Growthpoint security.

will benefit from the Brisbane City Council's TransApex transport and infrastructure program, the biggest urban road project in Australia.

Energex Nundah will form part of a campus of distinct buildings, designed to respond to the multiple street frontages and topography of the Nundah Village site. It benefits from close proximity to all major amenities and transport and is viewed as one of the most central and practical corporate locations on Brisbane's north side.

Completion of the acquisition of the Nundah development site is subject to finalising outstanding contractual arrangements with the builder and the developer and obtaining various consents including the consent of tenants, Energex and Powerlink. The Energex Nundah transaction will not proceed if these conditions are not met.

Overview of the Rights Offer

The Rights Offer of \$102.6 million is fully committed, with Growthpoint SA, Growthpoint's major securityholder, to take up its rights and underwrite the balance of the Rights Offer. The issue price of \$1.90 represents:

- a discount of 1.6% to the Growthpoint closing price prior to announcement of the Rabinov takeover offer of \$1.93; and
- a discount of 5.0% to the Growthpoint pro-forma net tangible asset value per security as at 31 December 2010 of \$2.00².

Existing securityholders will receive 1 renounceable right ("Right") for every 4.4 Growthpoint securities held on the record date for the Rights Offer. Securityholders who are eligible to participate in the Rights Offer (being those securityholders with a registered address in Australia or New Zealand or who are otherwise eligible to participate) may choose to apply for all or some of their Rights, apply for more than their Rights, sell some or all of their Rights or do nothing. The Rights will trade on the Australian Securities Exchange during the Rights Trading Period under the code GOZR.

New Growthpoint securities issued under the Rights Offer will be entitled to a pro-rata distribution for the half year ending 31 December 2011 for the period from the date of issue to 31 December 2011. New Growthpoint securities will initially trade under the code GOZN until commencement of trading on 22 December 2011 when existing Growthpoint securities trade 'ex' the distribution. From 22 December 2011, new Growthpoint securities will rank equally with existing Growthpoint securities for distributions and in all other respects. The distributions for the half year ending 31 December 2011 are expected to be paid in February 2012.

Indicative Timetable

Event	Indicative date
Rights Offer announced via ASX	Tuesday, 21 June 2011
Lodge Rights Offer booklet, cleansing statement and Appendix 3B with ASX	Tuesday, 21 June 2011
Ex-date for Rights Offer and commencement of Rights trading	Thursday, 23 June 2011
Rights Offer Record Date	7.00pm Wednesday, 29 June 2011
Offer opens	Thursday, 30 June 2011
Despatch of Rights Offer booklet	Monday, 4 July 2011
Rights trading on ASX ends	Monday, 11 July 2011
Commencement of trading in new stapled securities on a deferred settlement basis	Tuesday, 12 July 2011
Offer closes	5.00pm Monday, 18 July 2011
Allotment of new stapled securities and despatch holding statements	Monday, 25 July 2011
Deferred settlement trading ends	Tuesday, 26 July 2011
Normal trading commences for new stapled securities	Wednesday, 27 July 2011

² Pro forma net tangible asset value per security as at 31 December 2010 post completion of the Rabinov transaction, the Rights Offer and the Energex Nundah transaction.

The dates above are indicative and subject to change. All dates and times refer to Australian Eastern Standard Time.

Further details in relation to the Rights Offer will be provided to Growthpoint securityholders in the Rights Offer booklet.

ENDS

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Important notice and disclaimer

The information in this announcement is of general background and does not purport to be complete or comprehensive, nor does it purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with Growthpoint's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.asx.com.au.

The Rights Offer does not constitute an offer, and Growthpoint securities will not be issued or sold under the Rights Offer, in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, issue or sale. No action has been or will be taken to register or qualify the Growthpoint securities or to otherwise permit a public offering of Growthpoint securities outside Australia. The Growthpoint securities may be offered, issued or sold in any other jurisdiction under the Rights Offer where such an offer, issue or sale is permitted under applicable law.

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This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "predict", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, opinions and estimates are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Growthpoint that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements and neither Growthpoint, nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the industries in which Growthpoint operates. Please refer to the Key Risks section in Growthpoint's Investor Presentation for further information regarding these risk factors.