

ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

23 December 2011

Capital management - interest rate swaps

Further to the ASX announcement of 20 December 2011 titled "\$289.5 million property portfolio acquisition and associated equity raising", Growthpoint Properties Australia ("Growthpoint") advises it has made changes to its debt hedging profile with the restructure of part of its interest rate swap book (swaps) and the addition of new interest rate swaps.

The following swaps, with counterparty National Australia Bank, have been combined and extended into a single new swap:

Old swaps

- \$87.3 million swap expiring 21 May 2012 at 5.75% per annum
- \$95.4 million swap expiring 20 May 2013 at 5.75% per annum
- \$87.3 million swap expiring 19 May 2014 at 5.75% per annum
- \$87.3 million forward start swap from 21 May 2012 for 3 years at 5.75% per annum

New swap

- \$270 million swap expiring 21 December 2016 at 5.235% per annum

Similarly, swaps with counterparty Westpac Banking Corporation ("Westpac") have been combined and extended into a new single swap:

Old swaps

- \$30.0 million swap expiring 2 December 2013 at 5.40% per annum
- \$75.0 million swap expiring 21 July 2014 at 5.47% per annum

New swap

- \$105.0 million swap expiring 16 December 2016 at 5.185% per annum

All other existing swaps of Growthpoint (as released previously) are unchanged.

Additionally, the following two new swaps have been entered into:

- \$50.0 million forward start swap from 1 February 2012 for 5 years at 4.15% per annum with Westpac
- \$50.0 million forward start swap from 1 February 2012 for 5 years at 4.12% per annum with Australia and New Zealand Banking Group Limited

The new swaps have been taken out as part Group's debt strategy, which includes:

- extending the term of Group's debt maturity profile, with tranching debt providing for multiple maturities;
- extending interest rate hedging for a longer duration at a time of relatively low interest rates; and
- lowering the overall interest cost of the Group's debt.

Growthpoint forecasts that at 1 February 2012, by which time the property acquisitions announced on 20 December 2011 are scheduled to have settled, it will have drawn debt of approximately \$695 million of which 99% will be hedged at an average fixed interest rate of 5.1% per annum for an average term of 4.5 years.

Ends

Timothy Collyer,
Managing Director

Dion Andrews,
Chief Financial Officer

Growthpoint Properties Australia

Growthpoint Properties Australia is a publicly traded ASX listed A-REIT (ASX Code: GOZ), that specialises in the ownership and management of quality investment property. Following completion of the property acquisitions announced in December 2011, it will own a diversified portfolio of 40 office and industrial investment properties throughout Australia valued at approximately \$1.54 billion. GOZ has an investment mandate to invest in office, industrial and retail property sectors. GOZ aims to grow its portfolio over time and diversify its property investment by asset class, geography and tenant exposure through individual property acquisitions, portfolio transactions and corporate activity (M&A transactions) as opportunities arise.

www.growthpoint.com.au