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31 October 2013

Dear Securityholder

Equity Raising to raise up to approximately \$150 million

On Wednesday, 30 October 2013, Growthpoint Properties Australia (ASX code: GOZ) (**Growthpoint**) announced an equity raising of up to approximately \$150 million by way of an institutional placement to raise approximately \$50 million (**Placement**) and a 1 for 10.15 renounceable rights offer of approximately 40.8 million fully paid new ordinary stapled securities at an offer price of \$2.45 per stapled security to raise approximately \$100 million (**Rights Offer**). The Placement and the Rights Offer will be used to:

1. fund the acquisition of a modern industrial property located in Melbourne Victoria;
2. fund progress and completion payments on a portfolio of three industrial properties under development in Melbourne, Victoria (acquisition announced to the market on 24 July 2013); and
3. reduce debt.

The Placement is extended to institutional investors and is independent of the Rights Offer. New investors in the Placement are not eligible to participate in the Rights Offer.

The record date for the Rights Offer is 7.00pm (Melbourne time) on Friday, 8 November 2013. The Rights Offer is open to securityholders at the record date whose registered address is in Australia, New Zealand or South Africa (and who are otherwise eligible to participate).

Details of the Rights Offer are set out in an offer booklet (the **Offer Booklet**) announced on the Australian Securities Exchange (**ASX**) at the time of announcement of the capital raising. A copy of the Offer Booklet is available to securityholders with registered addresses in Australia, New Zealand or South Africa on ASX's website at www.asx.com.au. Eligible securityholders will be mailed an Offer Booklet together with a personalised Entitlement and Acceptance Form no later than Tuesday, 12 November 2013.

Key information regarding the Rights Offer is as follows:

The offer price of \$2.45 per new stapled security represents a discount of 4.2% to the GOZ distribution adjusted closing price prior to the announcement of the Rights Offer.

Fractional entitlement to new stapled securities will be rounded up to the nearest whole number of securities. For this purpose, holdings in the same name will not be aggregated for the calculation of entitlements.

New stapled securities issued under the Rights Offer will **not** be entitled to the full amount of any distributions for the full year ending 30 June 2014. Instead, new stapled securities will be entitled to a pro-rata share of those distributions based on the period those securities are on issue during the half year for which the distribution is paid. Accordingly, the new stapled securities will initially trade under the code GOZN until commencement of trading on Monday, 23 December 2013 when existing stapled securities trade 'ex' the distribution. From Monday, 23 December 2013, new stapled securities will trade under the code GOZ and will rank equally with existing stapled securities for distributions and in all other respects. The distributions for the half year ending 31 December 2013 are expected to be paid in February 2014.

Rights trading will start on Friday, 1 November 2013 and end on Friday, 22 November 2013.

Growthpoint Properties Limited of South Africa (**Growthpoint SA**), Growthpoint's major securityholder, has committed to take up its full entitlement under the Rights Offer (being approximately 66.4% of the new stapled securities) and sub-underwrite the remaining approximately 33.6% of the new stapled securities (the **Balance**). Merrill Lynch (the **Underwriter**) will underwrite the Placement and the Rights Offer.

Growthpoint SA will not participate in the Placement.

Following the completion of the Placement and the Rights Offer Growthpoint will have issued an additional 61.2 million stapled securities and will have approximately 475.6 million stapled securities in total on issue at that time.

Actions required by securityholders

The rights to subscribe for the new stapled securities may have value and it is important that securityholders determine whether they take up or sell their rights.

Securityholders who have a registered address that is outside Australia, New Zealand or South Africa (or who are otherwise ineligible to participate under the terms of the Rights Offer) will not be eligible to participate in the Rights Offer and Growthpoint will arrange for the on market sale of the rights that would otherwise have been granted to ineligible securityholders and will direct the net proceeds (if any) of the sale of rights to those ineligible securityholders.¹

If you are an eligible securityholder and wish to take up all of your rights you will either need to complete and return the slip attached to your personalised Entitlement and Acceptance Form accompanying the Offer Booklet, together with your payment for the new stapled securities you wish to subscribe for, or make payment using BPAY® (if you use BPAY you do not need to return the slip attached to the personalised Entitlement and Acceptance Form), in each case in accordance with the instructions on the Entitlement and Acceptance Form. A reply paid envelope will be enclosed for your convenience.

There are a number of ways in which eligible securityholders can sell some or all of their rights:

- 1 If you wish to sell all of your rights on ASX, you should instruct your stockbroker personally and provide details as set out on the personalised Entitlement and Acceptance Form accompanying the Offer Booklet.
- 2 If you wish to sell part of your rights on ASX and take up the balance, you will need to:
 - in respect of the rights you wish to sell, instruct your stockbroker personally and provide details as requested on the Entitlement and Acceptance Form accompanying the Offer Booklet; and
 - in respect of the rights you are taking up, forward the slip attached to the Entitlement and Acceptance Form to Growthpoint's registry together with your cheque, bank draft or money order for the securities applied for, or make payment using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form), in each case in accordance with the instructions on the Entitlement and Acceptance Form.
- 3 If you wish to sell some or all of your rights other than on ASX, you will need to complete a Standard Renunciation and Acceptance Form (which can be obtained from your stockbroker or by calling the Growthpoint Properties Australia Securityholder Information Line (see details below)). For any

¹ Please refer to the Offer Booklet for further details

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securities which you apply for, you will need to forward the slip attached to the Entitlement and Acceptance Form to Growthpoint's registry together with your cheque, bank draft or money order for the stapled securities applied for, or make payment using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form), in each case in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible securityholders who take up their entitlements in full can also apply for additional stapled securities at the offer price of \$2.45. Additional stapled securities will only be available where there is a shortfall between applications received from eligible securityholders (or persons to whom rights have been transferred or sold) and the number of new stapled securities proposed to be issued under the Rights Offer. Eligible Securityholders who apply for additional stapled securities may be allocated a lesser number of additional stapled securities than applied for, or may be allocated no additional stapled securities at all. Growthpoint, in consultation with the Underwriter, may scale back applications for additional stapled securities in their discretion. If a shortfall remains following the allocation of additional stapled securities (if any), the Underwriter will conduct a bookbuild of the remaining stapled securities relating to Rights not taken up by eligible securityholders (if any).

Key dates for securityholders

GOZ stapled securities quoted on an 'ex' basis and rights trading commences	Friday, 1 November 2013
Record date for determining rights entitlements	Friday, 8 November 2013
Allotment of Placement stapled securities	Monday, 11 November 2013
Rights Offer opens	Monday, 11 November 2013
Despatch of Offer Booklet and Entitlement and Acceptance Forms	Tuesday, 12 November 2013
Rights trading on ASX ends	Friday, 22 November 2013
New stapled securities quoted on a deferred settlement basis and trading expected to commence for new securities	Monday, 25 November 2013
Rights Offer closes. Last day for acceptance of application money	Friday 29 November 2013
Allotment and issue of new stapled securities	Wednesday, 11 December 2013
Trading expected to commence for new stapled securities on a normal T+3 basis	Thursday, 12 December, 2013

Applications for new stapled securities under the Rights Offer may only be made by signing and returning the Entitlement and Acceptance Form together with payment or by making payment using BPAY (if you use BPAY you do not need to return the slip attached to the Entitlement and Acceptance Form). Securityholders who are eligible to participate in the Rights Offer should read the Offer Booklet carefully. For further information on the Rights Offer you should contact your professional advisor or call the Growthpoint Properties Australia Securityholder Information Line on 1300 665 792 (local call cost from within Australia) or +61 3 9415 4366 outside Australia.

On behalf of the Board and management team of Growthpoint, I encourage you to consider this investment opportunity and thank you for your continued support of Growthpoint Properties Australia.



Lyn Shaddock
Independent Chairman
Growthpoint Properties Australia