

**ASX ANNOUNCEMENT
GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)**

27 November 2013

**ANNUAL GENERAL MEETING OF GROWTHPOINT PROPERTIES AUSTRALIA LIMITED
MEETING OF THE UNIT HOLDERS OF GROWTHPOINT PROPERTIES AUSTRALIA TRUST****CHAIRMAN'S ADDRESS**

Welcome to the combined annual general meeting of Growthpoint Properties Australia Limited and the general meeting of Growthpoint Properties Australia Trust. I am your Chairman, Lyn Shaddock.

As we have a quorum for these meetings, I am pleased to declare the meetings officially open.

The notice of meetings was sent to all security holders on 25 October 2013 and I propose to take it as read.

In addition to those security holders who are present, I would like to welcome a representative from our auditors, Darren Scammell of KPMG, and our senior management team. I am also delighted that all directors are able to attend this year, including those based in South Africa.

The agenda for today is as follows:

1. A presentation on the business and its strategy by Managing Director Tim Collyer;
2. Presentation of the combined annual report for the company and the trust. I will call for questions and comments following the presentation of these accounts. The company's auditors, KPMG, are in attendance to answer any questions security holders may have for them in relation to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted and the independence of the auditor. Please address questions to me in the first instance and I will direct them as appropriate.
3. I will then explain the voting procedures and address each of the remaining items of business set out in the notice of meetings. Security holders will have the opportunity to ask questions or make comments in relation to each item.

After the meeting, directors, management and KPMG will be available for discussions with individual security holders.

Your company is entering its fifth year with the same team of property professionals led by our Managing director, Timothy Collyer delivering the same strategy focused on return for security holders and long term growth. Under Tim's leadership, we have again achieved asset growth, distribution growth and an increase in security price whilst enhancing and diversifying the underlying asset base.

The property assets of the Group are now in the vicinity of \$1.8 billion following the recent purchase of four well located industrial warehouses located in Altona, Keysborough and Ravenhall and the completion of three of these warehouses is expected around end of December 2013 and end of February 2014, respectively.

Ladies and Gentlemen, we are proud of the results achieved over the last financial year with a distribution of 18.3 cents per GOZ security, 4.0% above the previous financial year above guidance. This represents three consecutive years of earnings and distribution growth for security holders demonstrating the consistency and predictability of an investment in Growthpoint Properties Australia since it was restructured and recapitalised in late 2009.

We expect distributions to continue to grow and are forecasting a distribution of 19.0 cents per stapled security for the current financial year.

Our predictable and growing income stream is primarily the result of owning well located commercial buildings in Australia with long leases to strong tenants. We continue to see this as a sound business plan and have been encouraged by increasing demand for securities in Growthpoint Properties Australia, both from domestic and offshore investors resulting in GOZ trading in excess of its net tangible assets for most of this calendar year.

Our portfolio is reviewed and assessed regularly every six months on a rotation basis either internally by the board or externally by independent qualified property valuers.

In early September 2013, we welcomed a new director, Geoffrey Tomlinson. Geoff was also appointed as a member of the Audit, Risk and Compliance Committee. I am confident that his experience in banking and financial services and significant experience in ASX listed companies will be useful as Growthpoint continues to expand and diversify its assets, debt and equity bases.

Your Board is confident that despite strong competition for quality investment assets, it will continue to grow in a measured and sensible way.

With the cost of borrowing decreasing, the demand for property investments increasing and our opportunities for growth continuing, we continue to look forward with optimism. I am confident that, through the expertise of our board and management and leveraging off our quality asset base, we are well placed for the future.

Finally, I note that our rights offer closes this Friday, 29 November 2013 so if you would like to participate, please ensure you submit the payment by then.

I will now hand over to the Managing Director, Tim Collyer.

MANAGING DIRECTOR'S ADDRESS

Thank you Lyn. Security holders, ladies and gentlemen, I welcome you to the Growthpoint Properties Australia Annual General Meeting today.

In my presentation, I will provide an overview of our achievements for 2013, the property portfolio, the recent \$150 million equity raising and conclude with comments on the focus of the Group and the outlook.

Growthpoint Properties Australia enjoyed a successful FY2013 with growth in the property assets of the Group, distributions to security holders and strong financial returns.

Statutory profit, including property and interest rate swap book valuation gains, was \$94.0 million, up 90% on FY 2012.

Distributable income of \$76.0 million was 32.0% greater than FY2012 and up 8.6% on a per security basis to 19.3 cents. Security holders were paid a distribution of 18.3 cents per security, in-line with guidance, and approximately 4% above FY2012.

Significantly, the Group's assets have increased to approximately \$1.8 billion, with the acquisition of 7 industrial assets for \$188 million since December 2012. In expanding the portfolio, Growthpoint's directors and management seek to provide security holders with a sustainable, growing distribution profile from rental income. To this end, our portfolio metrics remain solid with a weighted average lease expiry profile of 7.0 years; 98.0% occupancy; a weighted average rent review of 3.1% per annum and a weighted average capitalisation rate of 8.3%.

Our strategy over the last 4 years has been to grow the property portfolio to benefit from diversification and better our cost of capital. Growthpoint has purchased approximately \$1.1 billion of quality investment grade real estate since December 2009. In doing this, around \$850 million of new equity has been issued or raised. The Group's cost of capital has been lowered from around 9.0% as at June 2010 to just over 7.0% today. The cost of equity has fallen as its security price has risen and distribution yield firmed, with the cost of debt reducing as a result of falling interest rates and better lending margins being negotiated. We will look to expand the property portfolio further in FY2014 and beyond.

Growthpoint has outperformed the wider A-REIT market for the 12 months to 31 October 2013 with a 32.5% total security holder return versus 13.40%. The total security holder return for the Group for the last 3 years has been 20.7% per annum versus the A-REIT sector return of 13.4% per annum.

The FY 2014 distribution yield for Growthpoint is 7.3%, attractive versus the A-REIT sector average of 5.6% and yields on cash and fixed interest investments generally in the range 2.5% to 4.0%.

The outlook for the Group is positive, with quality assets and a long term stable income. Distributable income and DPS guidance previously provided to the market of 19.6 – 20.0 cents per security and 19.0 cents per security respectively is reconfirmed.

Growthpoint maintains a portfolio with high quality tenants comprising major tenant Woolworths and the balance largely being government, investment grade or large private tenants. When purchasing an asset or releasing vacant space to a new tenant, the quality of the tenant and their ability to pay rent is of paramount consideration.

The portfolio is well diversified by geography, with our largest weightings being to Queensland and Victoria. Growthpoint would like a greater weighting of assets in New South Wales and will concentrate on this market in coming years.

Growthpoint's portfolio is located in the industrial and office property sectors, 55% and 45% respectively. The Board believes that the best returns will come from industrial property investment in the medium term and has increased its weighting to this sector over the last 12 months.

Office markets present difficult leasing conditions with the national vacancy rate standing at 10.3%. Future investment needs to have regard to this cycle and appropriate allowances for vacancies and incentives for lease expiries in the short term.

We have seen no hurry to enter the retail property market in the last few years, with retail sales growth low, consumer confidence poor, occupancy costs for retailers rising coupled with poor profitability. As economic conditions in Australia improve, when rental levels in retail properties have adjusted, the timing of any entry into the retail property market will be enhanced.

Growthpoint has a vacancy rate of approximately 2%. Management concentration has been on leasing existing vacancies and renewing leases with expiries in FY 2014 and FY 2015. We have had considerable success in retaining tenants, averaging 82% for the last 3 years. In June 2013, Growthpoint was pleased to announce that Peabody Energy Australia committed to a new 10 year lease, covering almost 6,000 m², at the SW1, South Brisbane complex.

Finally, the portfolio at \$1.8 billion is becoming larger and of meaningful scale. It totals 48 properties with an average value of \$37.0 million. It maintains an attractive 7 year WALE and the assets are modern, of an average age of 6.5 years.

The \$150 million equity raising Growthpoint has undertaken completes with the closing date for acceptance and payment under the Rights Offer this Friday. The Rights Offer follows a successful \$50 million institutional placement in October 2013 that was heavily oversubscribed. The price for each issuance is \$2.45 per security, providing the opportunity for new security holders to invest in Growthpoint at the same price as existing security holders, both large and small.

Equity raising proceeds will be used to purchase industrial property investments, repay debt and restructure some interest rate swaps to provide a lower cost of debt going forward.

Four industrial assets in Victoria have been purchased for a combined price of \$83.4 million, with a weighted average yield of 8.16%, a weighted average lease term of 8.8 years and weighted average fixed rent review of 3.4% per annum. Three of these assets were acquired from Australand and are under development with two expected to be completed in December and the third by March 2014. All are progressing well, with only two tenancy areas, out of an initial five, remaining for lease.

The other property is located in Ravenhall, was constructed in 2010, is modern, well built and enjoys a great tenant in Fuji Xerox with a lease extending to July 2025. The location is part of the prime western Melbourne industrial market in proximity to the Western Ring Road.

We are pleased to have undertaken the equity raising and transactions as the assets acquired enhance the Group's portfolio metrics (WALE, occupancy, asset age, rental growth profile, etc.) and its exposure to the prime industrial market is enhanced. NTA per security is increased by 3%, we have reduced balance sheet gearing, expanded the register of securityholders and the market capitalisation of the Group has increased.

Growthpoint Properties Australia has a robust and clear strategy that is understood well by the market: ownership of quality commercial real estate in Australia for rental income and capital appreciation.

The portfolio is in good shape, exemplifying solid property fundamentals, with a long term rising income from quality tenants.

In order to maximise returns, we will grow the Group through strategic acquisitions, whilst concentrating on maximising income and capital returns from the \$1.8 billion property portfolio.

Management and directors have a clear focus and incentive to drive the Group forward.

Asset management will concentrate on the completion of development of industrial properties under development and the smooth integration of new tenants into the portfolio. We are gaining some momentum with leasing vacancies and renewing tenants with lease expiries out to FY2016 and this concentration will continue. Several tenant expansion and redevelopment projects are being worked upon and it is hoped these will come to fruition over the next 12 months.

We will continue to focus on growing the free float and market capitalisation, whilst maintaining gearing in the target range of 40 to 45% over the medium term. During the second half of FY2014, we will investigate obtaining a credit rating for the Group so debt capital markets can be used in the future. The Group will continue to review property and M&A acquisition opportunities.

Market conditions. The A-REIT market provides attractive risk adjusted yields with growth and has been performing well. Strong demand for equity has lead to M&A activity, IPO's and new raisings.

Demand for Australian commercial real estate is strong and broad based, with strong bidding for assets from A-REIT's, superannuation funds, off-shore investors as well as smaller private investors. It is being driven by attractive income yields (globally) and the low cost of capital of the buyers. The weak spot is office leasing where demand for office accommodation has slowed, which has resulted in larger tenant leasing incentives in a competitive market. That being said, Growthpoint's portfolio is well leased and it is confident that its assets are well placed in the market to meet with good demand relative to the market.

Interest rates are forecast to remain low and the RBA has hinted in its November 2013 meeting minutes that it is prepared to lower the official cash rate to stimulate growth if required. Lower interest rates will assist the A-REIT sector which offers attractive distribution yields versus cash, costs for borrowings will be lower and economic growth will be stimulated leading to greater demand from occupiers.

Lastly to re-iterate guidance for FY 2014. Growthpoint's earnings guidance is based upon a secure rental income stream and substantially hedge debt which provides clarity to the distribution forecast. We are

forecasting distributable income within the range of 19.6 to 20.0 cents per security and the distribution payable to security holders of 19.0 cents per security.

In concluding, I would like to thank the Chairman, Board and management for their hard work, expertise and support throughout the year. I would also like to thank our security holders, old and new, for their continued support of the Group.

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Media and investor enquiries should be directed to:

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Growthpoint Properties Australia

Growthpoint Properties Australia is an ASX listed A-REIT (ASX Code: GOZ), that specialises in the ownership and management of quality investment property. GOZ owns a diversified portfolio of 48 office and industrial investment properties throughout Australia valued at approximately \$1.8 billion (including recently announced acquisitions at their value on completion). GOZ has an investment mandate to invest in office, industrial and retail property sectors.

GOZ aims to grow its portfolio over time and to continue to 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.