ASX ANNOUNCEMENT
GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

23 January 2014

Property portfolio update

Growthpoint Properties Australia (**"Growthpoint"**) is pleased to provide the following update in respect of the property portfolio.

Growthpoint's Managing Director, Timothy Collyer, made the following comments in relation to recent leasing:

> "Growthpoint maintains a well leased, quality property portfolio. The weighted average lease expiry as at 31 December 2013 is 6.5 years with an occupancy rate of 98%. We are pleased with recent office leasing transactions and anticipate, subject to current conditions remaining, that 2014 will be a better year for office market leasing activity than 2013. The new Altona and Keysborough industrial properties are constructed to the latest specifications for warehousing and logistic tenants and are well located in prime industrial nodes, close to major road networks."

Further Brisbane office leasing success

Growthpoint previously announced significant leases for its SW1, South Brisbane complex to Peabody Energy Australia (5,762m² for 10 years term commencing 1 July 2014) and Toyota Tsusho (1,000 m² for 10 years, commenced 1 December 2013.

Building on this recent leasing momentum, additional leases have been negotiated with existing and new tenants of Growthpoint's Brisbane office properties as follows:

Property	Lettable Area (m2)	Tenant	Term (years)	Comment
333 Ann Street, Brisbane	1,734	Queensland Local Government Superannuation Board	10	Existing tenant doubling their space and extending their lease to 2024
SW1 - CB1, 22 Cordelia Street, South Brisbane	1,379	Quanta Services	10	New tenant for vacant Level 2 office space
333 Ann Street, Brisbane	472	Harris Black	5.25	Existing tenant extending their lease to 2020
SW1 - A4, 52 Merivale Street, South Brisbane	187	Fuji Xerox	3	Existing tenant extending their lease to 2016
SW1 - A4, 52 Merivale Street, South Brisbane	142	Belle Property	3	Existing tenant extending their lease to 2017
SW1 - CB1, South Brisbane	122	SW1 Kitchen and Garden Bar	9.25	New café tenant
1231 Sandgate Road, Nundah	90	Q-Invest	7	New tenant for retail space previously under rent guarantee

Michael Green, Portfolio Manager commented –

> "Whist the Brisbane office leasing market slowed considerably in 2013, Growthpoint enjoyed leasing success by implementing property specific strategies and leasing campaigns that have attracted quality commercial office tenants to our well located and modern office buildings.
>
> At present, we have only 3,583m² vacant in the Brisbane market."

Fox Sports Building, Artarmon, NSW

The Media Store, Australia's largest independent media agency, has leased 1,100 m² on part of level five of the Fox Sports Building for a term of seven years from 1 September 2013.

Industrial Portfolio Acquisition Update

In July 2013, Growthpoint announced the acquisition of a portfolio of three industrial properties to be developed by Australand. The development and leasing of the properties has progressed well. A summary of each property is provided below:

<u>120-132 Atlantic Drive, Keysborough</u>

The property achieved practical completion on 20 December 2013 and a 15 year lease to Symbion Pty Ltd (subsidiary of NZSE listed EBOS Group) for the 12,864m² office and warehouse commenced on 21 December 2013. The final price was $17.3 million providing an initial income yield of 7.5%.

<u>19 & 20 Southern Court, Keysborough</u>

Practical completion of the property is scheduled for March 2014.

A lease of 19 Southern Court, which comprises a 6,434m² office and warehouse facility, is expected to be finalised shortly but until the lease has been fully executed, is backed by an Australand five year rental guarantee from practical completion.

20 Southern Court 11,400m² is available for lease, however, the space is backed by an Australand five year rental guarantee from practical completion.

<u>9-11 Drake Boulevard, Altona</u>

Practical completion of the property was achieved on 4 December 2013.

Unit A of 13,625m² is being marketed for lease, however, is backed by an Australand five year rent guarantee from practical completion.

Unit B of 5,481m² has been leased to Atlas Specialty Metals, the largest supplier of stainless steel and specialty steel products in Australia and New Zealand, for a term of five years.

Unit C of 6,637m² has been leased to Prolife Foods, a privately owned NZ food company that predominantly operates in the New Zealand and Australia, for a five year term. The final price was $24.1 million, providing an initial income yield of 8.25%.

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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. GOZ owns interests in a diversified portfolio of 48 office and industrial properties throughout Australia valued at over $1.8 billion (including recently announced acquisitions at their value on completion) and 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.