GROWTHPOINT PROPERTIES

ASX ANNOUNCEMENT
GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

25 September 2014

Restructure of bank debt facilities

Growthpoint Properties Australia (**"Growthpoint"**) has restructured, repriced and extended its $925 million syndicated bank debt facilities by:

1. Reducing average margin and line fee by 0.55% per annum taking the current average annual cost of drawn debt from 5.61% to 5.06% (includes the bilateral debt facility referred to below).
2. Extending the weighted average debt maturity from 3.0 years to 4.4 years (as at the date of this release and including the bilateral debt facility referred to below).
3. Adding Commonwealth Bank of Australia to the syndicate (the other syndicate banks are National Australia Bank Limited, Australia and New Zealand Banking Group Limited and Westpac Banking Corporation).
4. Amending existing facility documents and related securities to enable capital market issuances in the future.

Growthpoint also has a $70 million bilateral debt facility with National Australia Bank Limited which it will consider replacing with a debt capital markets issuance (subject to current conditions persisting) to further extend Growthpoint's weighted average debt maturity and achieve Growthpoint's stated goal of diversifying debt sources beyond bank debt. In August 2014, Growthpoint announced that Moody's had issued it with an investment grade credit rating; this will support a capital markets issuance.

A total of $875.8 million is currently drawn under the syndicated and bilateral debt facilities.

Leasing update

Growthpoint's tenant at 12-16 Butler Boulevard, Adelaide Airport, South Australia has extended its lease for 5 years from November 2015. This 16,800m² industrial warehouse on a 30,621m² site provides an initial annual rent of $1.62 million[1] from lease renewal, a 19% increase on the current rent, increasing by 3.25% per annum during the term of the extended lease. The lease was negotiated by Growthpoint directly without any downtime or leasing fees and with a small incentive.

Over the next two financial years, Growthpoint only has 10% of its leases by income up for renewal (including 2% currently vacant). Growthpoint has a number of other lease negotiations underway. Further leasing updates will be made in due course.

Guidance

Managing Director, Timothy Collyer, said:

> "This announcement highlights Growthpoint's focus on growing distributable income by renewing leases well in advance of their expiry and continually seeking to reduce costs, in this case significantly.
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> These achievements, coupled with Growthpoint's recent admission into the S&P/ASX 300 index and the issue of an investment grade credit rating by Moody's, provide an excellent base for the 2015 financial year and beyond.
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> The restructure of the bank debt facilities referred to above should help Growthpoint achieve the upper end of its distributable income guidance range of 20.3-20.6 cents per stapled security for the current financial year. The lease extension will not impact guidance for the 2015 financial year but will positively impact distributable income for the 2016 financial year. Distribution guidance for the current financial year remains unchanged at 19.7 cents per stapled security".

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[1] This is before payment of ground rent to Adelaide Airport.

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. Growthpoint owns interests in a diversified portfolio of 51 office and industrial properties throughout Australia valued at approximately $2.1 billion and has an investment mandate to invest in office, industrial and retail property sectors.

In August 2014, Growthpoint announced that Moody's had issued it with an investment grade rating of Baa2 for senior secured debt.

On 19 September 2014, GOZ was added to the S&P/ASX 300 index.

Growthpoint 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.