

Growthpoint Properties Australia (ASX Code: GOZ)

Growthpoint Properties Australia Trust ARSN 120 121 002

Growthpoint Properties Australia Limited ABN 33 124 093 901 AFSL 316409

www.growthpoint.com.au

Half Year Results Presentation

For the six months ended 31 December 2015

22 February 2016

GROWTHPOINT
PROPERTIES



SPACE TO THRIVE



45-55 South Centre Road, Melbourne Airport, VIC

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Executive Management Team



Timothy Collyer
Managing Director



Michael Green
Head of Property



Dion Andrews
Chief Financial Officer



Aaron Hockly
Chief Operating Officer



1-3 Pope Court, Beverley, SA

Overview

- **Quality property portfolio providing growing income stream**
- **Pure landlord**
- **Same executive management team since 2009**
- **20.5 cps FY16 distribution guidance**
- **At least 21.3 cps FY16 distributable income guidance**

Timothy Collyer

Managing Director



Highlights of HY16

Property

- Significant leasing success with over 38,325 square metres of new and renewed leases undertaken in HY16 and a further 1,300 square metres of new leasing since 31 December 2015
- \$162.0 million of real estate acquisitions across four transactions at an average yield of 7.0%
- 3.25% uplift in like-for-like property values
- 85.1% tenant retention (by income)

Financial

- 4.8% increase in NTA per stapled security
- \$250 million debt capital markets

issuance for seven years at all-in cost of 4.46% p.a.

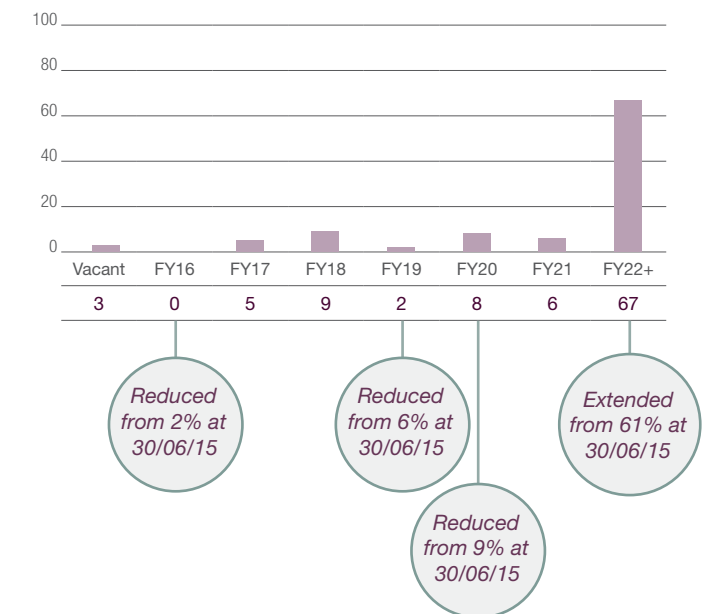
- 20.7% return on equity for CY15¹
- Moody's confirmed Baa2 rating with a stable outlook on senior secured debt

Strategy & Performance

- 16.7% total Securityholder return for CY15²
- HY16 distribution guidance of 10.2 cps achieved, 20.5 cps forecast for FY16
- FY16 distributable income expected to be at least 21.3 cps
- Establishment of sustainability framework

Portfolio lease expiry profile (%)

per financial year



1. Percentage change in NTA over 2015 plus distributions

2. Source: UBS Investment Research



Building C, 211 Wellington Road, Mulgrave, VIC

Property Portfolio

- **\$2.6 billion property portfolio**
10.1% increase from 30 June 2015
- **6.6 year WALE**
- **7.1% weighted average cap rate**
- **\$173.9 million annual rental income**
- **7.6% increase in net property income**

Michael Green

Head of Property



Property Portfolio: Key Metrics

As at 31 December 2015

		Industrial	Office ¹	Total
Number of properties	no.	38	19	57
Total value	\$m	1,222.5	1,389.0	2,611.5
% of portfolio value	%	47	53	100
Occupancy	%	100	95	97
Like-for-like value change HY16	\$m / % of asset value	15.5 / 1.3	61.5 / 5.1	77.0 / 3.2
Total lettable area	sqm	873,472	211,569	1,085,041
Average property age	years	9.4	7.6	8.4
Average valuation cap rate	%	7.3	6.8	7.1
Over / (under) renting	%	4.2	7.5	5.9
WALE	years	6.2	7.0	6.6
WARR ²	%	2.8	3.3	3.1
Capital expenditure HY16	\$m / % of asset value	2.0 / 0.16	1.5 / 0.11	3.5 / 0.13
HY16 net property income	\$m	46.3	41.1	87.4
Number of tenants ³	no.	39	70	108
Major tenants		Woolworths, Linfox, Star Track	NSW Police, GE Capital Finance, Commonwealth of Australia	

1. Includes Building C, 211 Wellington Road, Mulgrave, Victoria at its 'on completion' valuation.

2. Assumes Consumer Price Index change of 1.7% per annum as per Australian Bureau of Statistics release for CY15.

3. Fuji Xerox is both an office and an industrial tenant.

Property Portfolio: Revaluations

- Property portfolio valued at \$2.6 billion following \$162.0 million of acquisitions and net valuation increase
- Value increase attributable to revaluations, on a like-for-like basis (excluding FY16 acquisitions), was \$77.0 million in HY16; a 3.25% increase
- Valuation increase primarily the result of leasing success and falling capitalisation rates (24 basis points lower)
- Leasing successes resulted in a significant valuation increase at A4, 52 Merivale St, South Brisbane
- Weighted average capitalisation rate decreased to 7.1% at 31 December 2015 from 7.6% at 31 December 2014 and 7.3% at 30 June 2015
- Growth of the total portfolio for HY16 was 10.1% (including FY16 acquisitions)



120-132 Atlantic Drive, Keysborough, VIC

Property Portfolio: Leasing

Leases completed in HY16

Address		Sector	Tenant		Start date	Term (yrs)	NLA (sqm)	Car Parks	Annual rent increases (%)
A1, 32 Cordelia Street	South Brisbane	QLD	Office	Jacobs Group (Australia)	Q4, FY15	11.4 ¹	6,896	50	Fixed 3.75%
A1, 32 Cordelia Street	South Brisbane	QLD	Office	Jacobs Group (Australia)	Q4, FY15	1.4 ¹	1,311	11	Fixed 3.75%
333 Ann Street	Brisbane	QLD	Office	QER Pty Ltd	Q1, FY16	5.4	679	5	Fixed 4.00%
333 Ann Street	Brisbane	QLD	Office	Prosperity Services	Q1, FY16	5.2	410	–	Fixed 3.75%
A4, 52 Merivale Street	South Brisbane	QLD	Office	Thai Budda	Q1, FY16	5.0	108	–	Fixed 4.00%
333 Ann Street	Brisbane	QLD	Office	Rail Control Systems Australia	Q1, FY16	3.1	291	–	Fixed 3.75%
A1, 32 Cordelia Street	South Brisbane	QLD	Office	Jacobs Group (Australia)	Q1, FY16	1.0	1,315	13	Fixed 3.75%
20 Southern Court	Keysborough	VIC	Industrial	Sales Force National	Q2, FY16	7.2	11,430	53	Fixed 3.00%
333 Ann Street	Brisbane	QLD	Office	MedHealth	Q2, FY16	7.1	867	5	Fixed 4.00%
A4, 52 Merivale Street	South Brisbane	QLD	Office	University of the Sunshine Coast	Q3, FY16	10.0	2,004	10	Fixed 3.75%
Bldg B, 211 Wellington Road	Mulgrave	VIC	Office	BSN Medical (Aust.)	Q3, FY16	5.0	1,842	65	Fixed 3.25%
670 Macarthur Avenue	Pinkenba	QLD	Industrial	Coventry Group	Q3, FY16	3.0	2,250	–	Fixed 3.00%
A1, 32 Cordelia Street	South Brisbane	QLD	Office	Club Vitality	Q3, FY16	8.0	235	–	Fixed 4.00%
3 Millennium Court	Knoxfield	VIC	Industrial	Orora	Q3, FY16	5.0	8,040	75	Fixed 3.50%
CB2, 42 Merivale Street	South Brisbane	QLD	Office	Rouge Hair	Q1, FY17	5.0	80	–	Fixed 4.00%
A4, 52 Merivale Street	South Brisbane	QLD	Office	Fluor Australia	Q2, FY17	5.0	567	7	Fixed 3.75%
Total / Weighted Average						7.5	38,325	294	3.6%

1. The lease was executed in Q1, FY16 but the start date was backdated to Q4, FY15

Leases undertaken since 31 December 2015									
333 Ann Street	Brisbane	QLD	Office	MasterCard	Q3, FY16	5.6	1,300	5	Fixed 3.50%

Office Acquisitions - HY16

Building C, 211 Wellington Rd, Mulgrave VIC

- Fund-through development expected to complete late 2016
- Developers are Frasers Property Limited and Commercial & Industrial Property Pty Ltd
- 47% leased to BMW Australia Finance for five years from completion; balance on five year rental guarantee from the developer
- Targeting 5 Star NABERS and 5 Star Green Star ratings
- Adjacent to Building B acquired by Growthpoint in 2014 and completed December 2015



Key statistics

(as at 31 December 2015)

- **\$50.9 million** total value
- **7.25%** capitalisation rate
- **5.0 year** weighted average lease expiry
- Major tenant **BMW Australia Finance**

255 London Circuit, Canberra ACT

- 100% leased to the Commonwealth of Australia represented by the Department of Foreign Affairs and Trade (DFAT)
- 8,972 square metre net lettable area plus 134 car parks on 2,945 square metres of land
- Purpose built for DFAT in 2007
- Located in Civic (Canberra's CBD), which has an A-grade vacancy of 5.7%¹; lower than most Australian cities
- 5 star Green Star (by design); 4.5 Star NABERS energy rating



Key statistics

(as at 31 December 2015)

- **\$70.0 million** total value
- **6.00%** capitalisation rate
- **11.6 year** weighted average lease expiry
- Major tenant **Commonwealth of Australia**

1. Property Council of Australia, January 2016

Industrial Acquisitions - HY16

1-3 Pope Court, Beverly SA

- Newly Constructed 14,459 square metre warehouse on 25,660 square metres of land
- The warehouse is divided into three tenancies
- Located in an established industrial precinct, six kilometres from Adelaide's CBD



Key statistics (as at 31 December 2015)

- **\$20.8 million** book value
- **7.75%** capitalisation rate
- **4.9 year** weighted average lease expiry
- Major tenant
Aluminium Specialties Group

34 Reddalls Rd, Kembla Grange NSW

- 14.1 hectare property primarily comprised of an asphalt car park with extensive hail mesh
- Constructed in 2012
- The lease has fixed 4.0% increases each year
- Proximate to Port Kembla
- Used for car imports



Key statistics (as at 31 December 2015)

- **\$20.3 million** book value
- **7.00%** capitalisation rate
- **14.8 year** weighted average lease expiry
- Major tenant
Patrick Autocare
(subsidiary of Asciano)

Case study:

1 Charles Street, Parramatta, NSW

Growthpoint acquired 1 Charles Street in June 2014 in the expectation that the property value would rise (yields lower) due to:

- growing demand for quality office space in Parramatta
- infrastructure being developed
- growing population and economy of both Parramatta and New South Wales

1 Charles Street, Parramatta, NSW

A prominent A-grade, 5.0 star NABERS rated, office building including 444 car spaces consisting of two interconnecting towers completed in 2003.

Book value: **\$277.5m** Lettable area: **32,314m²**

Cap rate: **6.25%** Site area: **6,460m²**

WALE: **8.4 years** Major tenant: **NSW Police**



1 Charles Street, Parramatta, NSW

	June 2014	Dec 2015	change
Purchase price / valuation	\$241.1m	\$277.5m	\$36.4m
WALE	9.9 yrs	8.4 yrs	-1.5 yrs
Acquisition yield / running yield	7.52%	8.07%	0.55%
Market yield	7.00%	6.25%	-0.75%

Shows Growthpoint receiving 0.55% higher yield on original purchase price (before acquisition costs) and 15.1% capital gain over 18 months

Property Portfolio: Summary

- Significant leasing success with 38,325 square metres of new and renewed leases undertaken in HY16
- A further 1,300 square metres of leasing undertaken since 31 December 2015 at 333 Ann Street, Brisbane
- \$162.0 million of new property acquisitions across four transactions at an average yield of 7.0%
- 3.25% uplift in like-for-like property values
- Over 85% tenant retention¹ for HY16
- 1.4% decline in like-for-like net property income from HY15 due to a small increase in vacancy and increased tenant incentives
- Property portfolio expected to have lower vacancy at end of FY16

1. By income.



Financial Management

- **NTA per security of \$2.60 at 31 December 2015**
up 4.8% since 30 June 2015
- **Gearing at 37.6%**
- **\$1.38 billion debt facilities**
- **Operating costs 0.4% of gross assets**

Dion Andrews

Chief Financial Officer



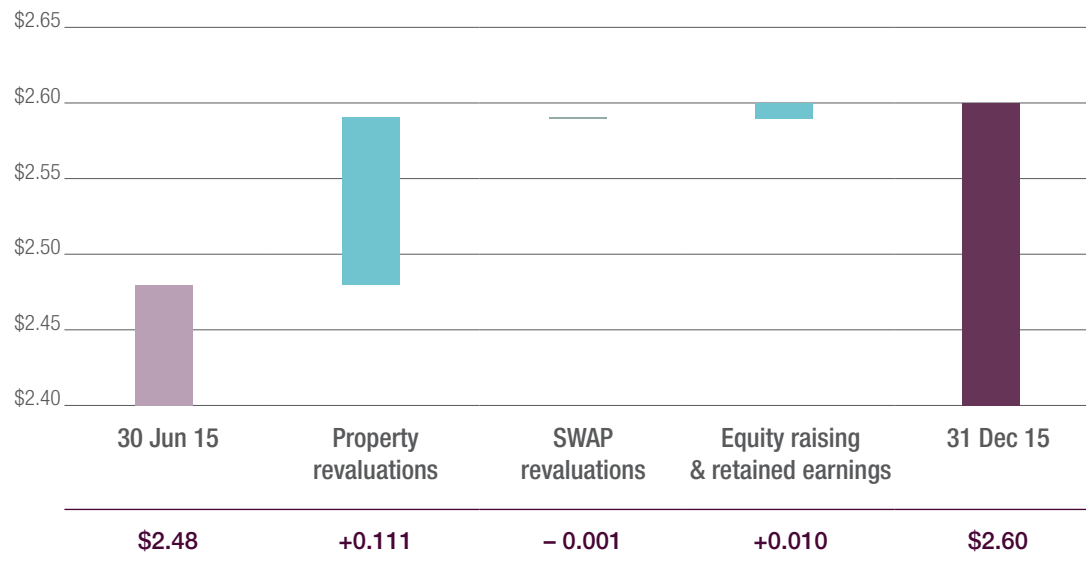
Financial results

		HY16	HY15	Change	% Change
Statutory accounting profit	\$'000	125,818	141,824	(16,006)	(11.3)
Statutory accounting profit per stapled security	¢	22.1	25.6	(3.5)	(13.7)
Distributable income	\$'000	61,024	56,739	4,285	7.6
Distributable income per stapled security	¢	10.7	10.2	0.5	4.9
Distributions per stapled security	¢	10.2	9.8	0.4	4.1
Payout ratio	%	95.2	95.8	N/A	(0.6)
Calendar year ICR	times	4.3	3.5	0.8	22.5
Calendar year MER	%	0.4	0.4	N/A	0.0
		As at 31 Dec 2015	As at 30 Jun 2015	Change	% Change
NTA per stapled security	\$	2.60	2.48	0.12	4.8
Balance sheet Gearing	%	37.6	37.0	N/A	0.6

Movements in net tangible assets

Movements in net tangible assets

per stapled security



- 4.8% increase in NTA per stapled security over HY16

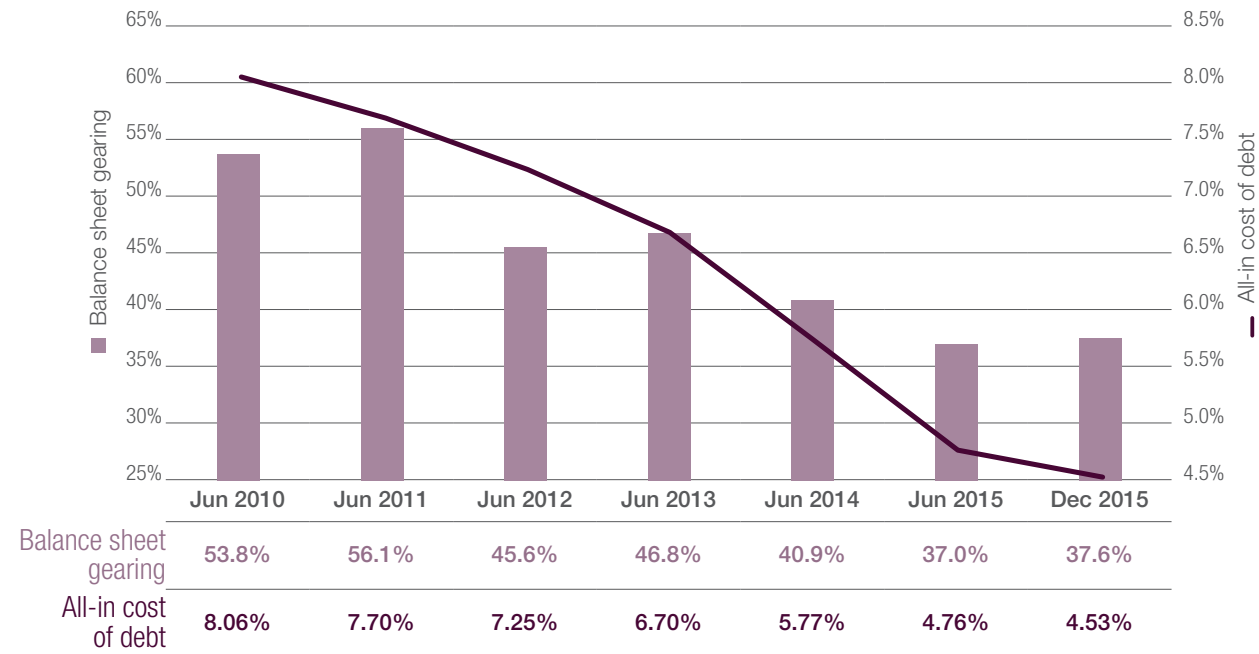


75 Annandale Road, Melbourne Airport, VIC

Debt Management: Gearing

Reduction in Gearing and cost of debt

as at month end

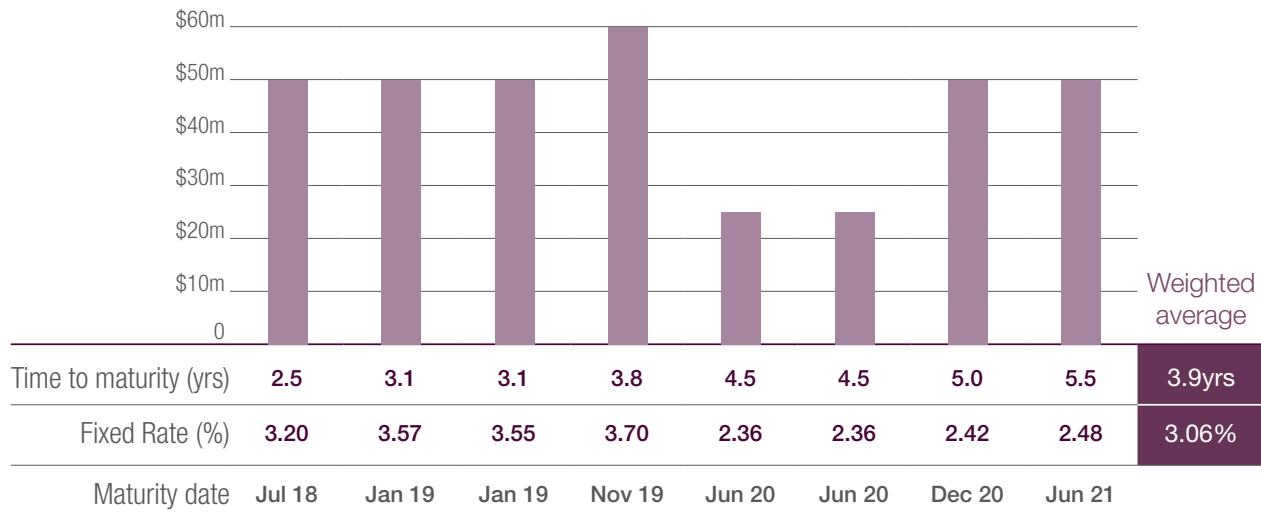


- During HY16, the Group issued \$250 million of fixed interest rate debt to three offshore financiers, fixed for seven years at an all-in cost of 4.46% p.a.
- Gearing within target range of 35% to 45%
- The Group now has funding from eight separate lenders across nine debt tranches



Debt Management: Interest rate hedging

Interest Rate Hedging



- The weighted average hedging maturity of interest rate swaps at 31 December 2015 was 3.9 years
- Including \$450 million of fixed rate debt, total fixed rate debt maturity increases to 6.2 years while the weighted average maturity of debt was 4.7 years
- The Group will maintain fixed debt at or above 75% of total debt in line with its policies. As at 31 December 2015 it was 81%.



70 Distribution Street, Larapinta, QLD

Operating and capital expenses

Operating expenses

		CY15	CY14	Change	%Change
Total operating expenses	\$'000	9,672	8,677	995	11.5
Average gross asset value	\$'000	2,385,140	2,011,095	374,045	18.6
Operating expenses to average gross assets	%	0.41	0.43	N/A	(0.02)

Capital expenditure

		CY15	CY14	Change	% Change
Total portfolio capital expenditure	\$'000	9,543	5,878	3,575	60.8
Average property portfolio value	\$'000	2,322,721	1,984,904	337,817	17.0
Capital expenditure to average property portfolio value	%	0.41	0.30	N/A	0.11

- Based on its current portfolio, Growthpoint will seek to maintain operating expenses as a percentage of average gross assets at approximately 0.4% p.a.
- Growthpoint's capital expenditure is relatively low due to its modern office portfolio and high percentage of industrial property.

Financial results: Summary

- 4.8% increase in NTA per stapled security
- \$250 million debt capital markets issuance for seven years at all-in cost of 4.46% p.a.
- 20.7% return on equity for CY15
- Moody's confirmed Baa2 rating with a stable outlook on senior secured debt



WorldPark, 33-39 Richmond Road, Keswick, SA

Strategy & performance

- **18.1% p.a. total Securityholder return over five years**
- **16.7% total return for CY15**
- **Market capitalisation of \$1.8 billion**
- **Distributions increased by average of 3.9% p.a. over five years**



Aaron Hockly
Chief Operating Officer

FY16 Goals

1. Increase distributions to Securityholders

- Distributions growing each distribution period
- Certainty of growth obtained through an increasing WARR
- Undertake income accretive acquisitions

2. Carefully expand and diversify property portfolio

- Only acquire assets which enhance the quality or returns of the portfolio over the long-term
- Assets diversified by sector, location, size and tenant
- Assets acquired at or below the Group's belief of fair value supported by independent valuations and which are expected to increase in value over time

3. Existing property assets enhanced

- Leasing of vacant space and leasing or renewal of potential lease expiries
- Retaining tenants where possible through regular contact with representatives and timely responses to requests
- Capital works undertaken to maintain or improve the value of assets and/or retain or attract tenants
- Consider divestment of properties that no longer meet Growthpoint's investment criteria
- Significant development and/or change of use to be considered for some assets

4. Increase liquidity and value of Growthpoint's securities

- Increase equity capital where appropriate
- Engage with research analysts to increase and improve coverage

5. Borrow prudently

- Maintain gearing within 35%-45% range
- Extend average debt maturity
- Diversify sources and tenor of debt
- Additional capital markets issuance to be considered

6. Operate sustainably

- Refine sustainability objectives
- Focus on long-term value rather than short-term profits
- Improve gender diversity of directors and employees

Equity capital

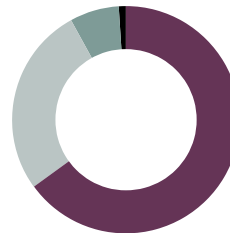
Key achievements

- Market capitalisation increased over 12 months to 31 December 2015 from \$1.5 billion to \$1.8 billion
- Will raise \$40,132,194.12¹ from February 2016 distribution at an issue price of \$2.91 with a 73.6% participation rate
- Investor base continues to broaden

1. After deduction of withholding tax and rounding.

Growthpoint Securityholders*

As at 31 December 2015



- GRT **65.0%**
- Institutional **27.3%**
- Retail **7.0%**
- Directors and employees **0.7%**

Location of Growthpoint Securityholders*

As at 31 December 2015



- South Africa **75.0%**
- Australia **15.5%**
- Rest of World **9.5%**

*Figures are approximate only



27-49 Lenore Drive, Erskine Park, NSW

Total Securityholder returns

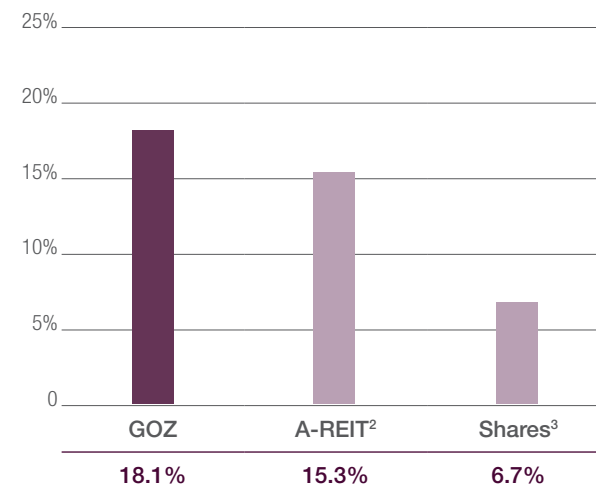
Total Securityholder return comparison

year to 31 December 2015¹



Total Securityholder return comparison

per annum, over five years to 31 December 2015¹



1. Source: UBS Investment Research.

2. S&P/ASX 300 Prop Acc. Index.

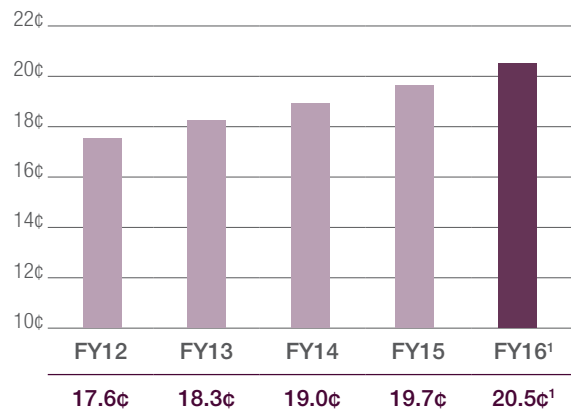
3. S&P/ASX 300 Acc. Index.



6-7 John Morphet Place, Erskine Park, NSW

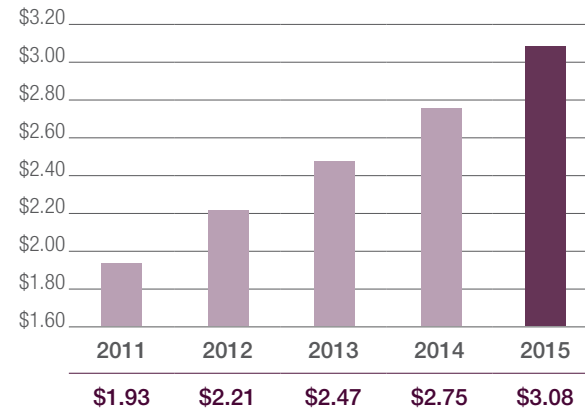
Distributions and security price

Distributions
per stapled security



1. Distribution guidance only.

Security Price
as at 31 December



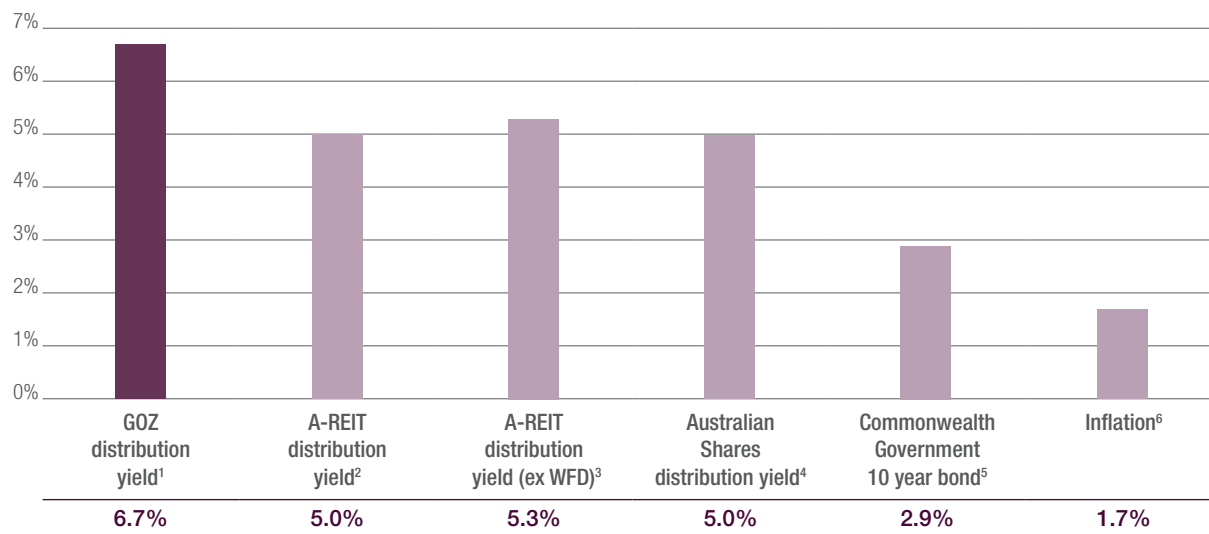
- Distribution growth average of 3.9% per annum FY12 to FY16
- 59.6% increase in security price since 31 December 2011



Building C, Gore Hill Technology Park, 219-247 Pacific Hwy, Artarmon, NSW

Relative forecast income yields

to 30 June 2016



1. FY16 distribution guidance of 20.5 cents divided by 31 December 2015 closing price of \$3.08.
2. S&P/ASX 300 Property Index (Source: UBS Investment Research).
3. S&P/ASX 300 Property Index excluding Westfield Corporation (Source: UBS Investment Research).
4. FY16 estimated dividend yield for S&P/ASX 300 (Source: Bloomberg).
5. As at 31 December 2015. Source: Reserve Bank of Australia.
6. CPI All Groups (weighted average of eight capital cities) movement for the year ended 31 December 2015 as released by the Australian Bureau of Statistics on 27 January 2016.



Strategy and performance: summary

- 16.7% total Securityholder return for CY15
- HY16 distribution guidance of 10.2 cps achieved, 20.5 cps forecast for FY16
- FY16 distributable income expected to be at least 21.3 cps
- Establishment of sustainability framework underway, key areas of focus being:
 - diversity of employees and directors
 - improvement of NABERS ratings across office portfolio
 - participation in GRESB survey
 - reduction of carbon emissions
 - reporting inline with GRI guidelines
- Investor base continues to expand and broaden
- Maintenance of pure landlord model





A4, 52 Merivale St, South Brisbane, QLD

Conclusion

Focus for the year ahead

Property portfolio

- Leasing existing vacancies and potential expiries over next two years
- Potential divestments of non-core assets
- Consideration of acquisition opportunities

Financial management

- Maintenance of operating costs at or below 0.4% of gross assets
- Achievement of at least 21.3 cps distributable income for FY16
- Achievement of FY16 guidance of 20.5 cps

Strategy & performance

- Consideration of M&A opportunities
- Engagement with more institutional investors primarily through more non-deal roadshows
- Further development of sustainability framework



Appendices

Appendix 1: Growthpoint Properties Limited (GRT) - South Africa¹

Growthpoint Properties Limited of South Africa ("GRT") owns 65% of the securities of Growthpoint (at 31 December 2015) and is Growthpoint's major Securityholder.

Other information about GRT

- The largest listed South African REIT
- Included in the JSE Top 40 Index
- Top ten constituent of FTSE EPRA / NAREIT Emerging Index
- Included in the JSE Socially Responsible Investment (SRI) Index
- Underpinned by high-quality, physical property assets, diversified across sectors (Retail, Office and Industrial)
- Consistent record of growth and creating value for investors with 7.4% compound average annual growth in distributions over the past 5 years

- Sustainable quality of earnings that can be projected with a high degree of accuracy
- Well capitalised and conservatively geared
- Good corporate governance with transparent reporting
- Proven management track record
- Recipient of multiple sustainability, governance and reporting awards
- Baa2 global scale rating from Moody's

Growthpoint Represents:

- 21.9% of GRT's gross property assets
- 25.0% of GRT's net property income
- 15.5% of GRT's total distributable income

Key Facts

Listing	GRT is listed on the Johannesburg Stock Exchange (JSE)
Ranking on the JSE	32nd by market capitalisation as of 31 December 2015
Exchange rate used	AUD:ZAR=9.4
Market capitalisation	R71.7B / AUD7.6B
Gross assets	R106.4B / AUD11.3B
Net assets	R68.1B / AUD7.3B
Gearing (SA only)	32.1%
Distributable Income	R4,2B / AUD446.8M
ICR (SA only)	3.4 times
No. of employees (SA only)	700
Properties	472 properties in South Africa, including 50% ownership of the prestigious V&A Waterfront

1. All information supplied by GRT (figures as at 30 June 2015).

Appendix 2: 2016 Securityholder calendar*

22 February

- Results for the half year ended 31 December 2015 announced to ASX

29 February

- Distribution paid for the half year ended 31 December 2015

1 March

- Half year report sent to Securityholders

22 August

- Results for the year ended 30 June 2016 announced to ASX

31 August

- Distribution paid for the half year ended 30 June 2016
- Annual Tax Statement for year ended 30 June 2016 mailed
- FY16 Annual Report sent to Securityholders

24 November

- Annual General Meeting (webcast available for Securityholders unable to attend)

* Dates indicative and subject to change by the Board

Appendix 3: Distributable income

Reconciliation from statutory profit to distributable income

	HY16	HY15	Change	Change
	\$'000	\$'000	\$'000	%
Profit after tax	125,818	141,824	(16,006)	(11.3)
Less non-distributable items:				
- Straight line adjustment to property revenue	(2,140)	(3,614)	1,474	
- Net changes in fair value of investments	(63,207)	(91,573)	28,366	
- Profit on sale of investment property	–	(250)	250	
- Net loss on derivatives	487	10,282	(9,795)	
- Depreciation	66	70	(4)	
Distributable income	61,024	56,739	4,285	7.6

Appendix 3: Distributable income (cont.)

Components of distributable income

	HY16	HY15	Change	Change
	\$'000	\$'000	\$'000	%
Property income	100,422	98,077	2,345	2.4
Property expenses	(13,029)	(12,723)	(306)	2.4
Net property income	87,393	85,354	2,039	2.4
Interest income	315	425	(110)	(25.9)
Total operating income	87,708	85,779	1,929	2.2
Borrowing costs	(21,527)	(24,473)	2,946	(12.0)
Operational and trust expenses (less depreciation)	(4,938)	(4,385)	(553)	12.6
Operating and trust expenses	(26,465)	(28,858)	2,393	(8.3)
Tax expense	(219)	(182)	(37)	20.3
Distributable income	61,024	56,739	4,285	7.6
Distributions paid	58,072	54,351	3,721	6.8
Tax components	56.4% tax deferred (forecast)	45.4% tax deferred 1.7% tax free		

Appendix 4: Financial position

	as at 31 Dec 2015	as at 30 Jun 2015
	\$'000	\$'000
Assets		
Cash and cash equivalents	40,127	26,858
Investment properties	2,567,658	2,343,840
Other assets	42,677	36,449
Total assets	2,650,462	2,407,147
Liabilities		
Borrowings	995,308	890,445
Distributions payable	58,072	56,335
Derivative financial instruments	10,016	19,616
Other liabilities	107,228	29,235
Total liabilities	1,170,624	995,631
Net assets	1,479,838	1,411,516
Securities on issue ('000)	569,335	569,028
NTA per security (\$)	2.60	2.48
Balance sheet Gearing (%)	37.6%	37.0%

Appendix 5: Property portfolio - diversity of income and assets

Sector diversity (%)

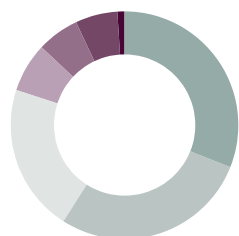
by property value
as at 31 December 2015



● Office **53%**
● Industrial **47%**

Geographic diversity (%)

by property value
as at 31 December 2015



● VIC **31%**
● QLD **28%**
● NSW **21%**
● SA **7%**
● WA **6%**
● ACT **6%**
● TAS **1%**

Top ten Tenants

by passing rent as at 31 December 2015

	%	WALE (yrs)
Woolworths	22	6.7
NSW Police	10	8.4
Commonwealth of Australia	6	10.2
GE Capital Finance Australasia	6	2.2
Linfox	4	7.4
Jacobs Engineering	3	7.9
Energex	3	11.9
Fox Sports	2	7.0
Star Track Express	2	3.5
Downer EDI Mining	2	6.5
TOTAL / Weighted Average	60	7.2
Balance of portfolio	40	5.9
Total portfolio	100	6.6

Key Metrics

As at 31 December 2015

	Industrial	Office ¹	Total
Total / average value (\$m)	1,222.5 / 32.2	1,389.0 / 73.1	2,611.5 / 45.8
Total / average lettable area (sqm)	873,472 / 22,986	211,569 / 11,135	1,085,041 / 19,036
Average value (per sqm)	1,400	6,565	2,407
Average rent (per sqm, per annum)	108	533	188

1. Includes Building C, 211 Wellington Road, Mulgrave, Victoria at its 'on completion' valuation

Net property income per State

for HY16



Appendix 6: Top five office properties/property groupings by value

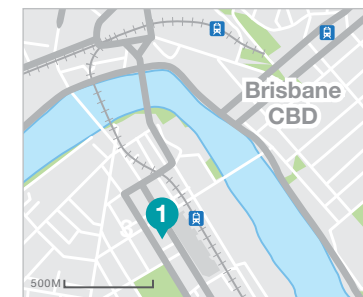
1

SW1 Office Complex, South Brisbane, QLD

The four SW1 Office buildings, together with the underground car park, occupy a prime corner site in Brisbane's premier fringe office location. SW1 offers some of the best office accommodation in the Brisbane fringe, with immediate access to the city, an easy journey to Brisbane Airport, combined with many cafés and restaurants that South Bank and the cultural precinct has to offer.

Combined property statistics

Book Value: **\$297.5m**
WALE: **6.5 yrs**
Cap Rate: **6.62%**



CB1, 22 Cordelia Street, South Brisbane, QLD

4.0 star NABERS rated, nine-level, A-grade office building including two levels of basement parking.

Book value: **\$88.8m**
Lettable area: **11,529m²**

Cap rate: **6.75%**
Site Area: **5,772m²**

WALE: **6.4 years**
Major tenant: **Downer EDI Mining**



A1, 32 Cordelia Street, South Brisbane, QLD

5.0 star NABERS rated, eight-level, A-grade office building.

Book value: **\$71.0m**
Lettable area: **10,052m²**

Cap rate: **6.50%**
Site Area: **2,667m²**

WALE: **7.8 years**
Major tenant: **Jacobs Engineering**



A4, 52 Merivale Street, South Brisbane, QLD

5.0 star NABERS rated, eight-level, A-grade office building.

Book value: **\$67.5m**
Lettable area: **9,405m²**

Cap rate: **6.75%**
Site area: **2,331m²**

WALE: **4.5 years**
Major tenant: **University of the Sunshine Coast**



CB2, 42 Merivale Street, South Brisbane, QLD

3.5 star NABERS rated, six-level, A-grade office building including two levels of basement parking.

Book value: **\$52.3m**
Lettable area: **6,598m²**

Cap rate: **6.50%**
Site area: **3,158m²**

WALE: **8.9 years**
Major tenant: **Peabody Energy**



Car Park, 32 Cordelia Street & 52 Merivale Street, South Brisbane, QLD

Two-level underground car park facility.

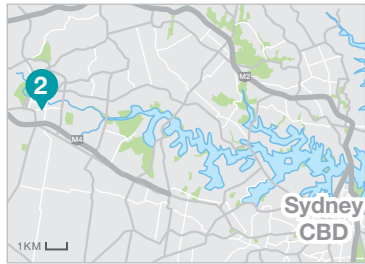
Book value: **\$18.0m**
Lettable area: **215 spaces**

Cap rate: **6.25%**
Site area: **9,319m²**

WALE: **3.9 years**
Major tenant: **Secure Parking**

Appendix 6: Top five office properties/property groupings by value (cont)

2



1 Charles Street, Parramatta, NSW

A prominent A-grade, 5.0 star NABERS rated, office building including 444 car spaces consisting of two interconnecting towers completed in 2003.

Book value: **\$277.5m** Lettable area: **32,314m²**

Cap rate: **6.25%** Site area: **6,460m²**

WALE: **8.4 years** Major tenant: **NSW Police**

1 Charles St, Parramatta: this property is strategically located in the heart of the Parramatta CBD and benefits from excellent transport links and local amenities. The property enjoys close proximity to the Parramatta Transport Interchange (rail and bus) as well as super-regional Westfield Parramatta and Church Street Mall.

3

GE Buildings, Richmond, VIC

Growthpoint's three office buildings in Richmond, Victoria offer significant development upside should the existing tenants vacate. The buildings could be developed into new offices or converted into residential use subject to council approval.

Combined property statistics

Book Value: **\$135.8m**

Cap Rate: **7.29%**

WALE: **2.2 yrs**



Bldg 2, 572-576 Swan Street, Richmond, VIC

Modern four-level office building with three levels of basement parking.

Book value: **\$79.2m** Lettable area: **14,660m²**

Cap rate: **7.25%** Site Area: **7,201m²**

WALE: **2.2 years** Major tenant: **GE Capital Finance Australasia**



Bldgs 1&3, 572-576 Swan Street, Richmond, VIC

A modern two-level office with courtyard adjoining a further single level office building.

Book value: **\$55.4m** Lettable area: **10,250m²**

Cap rate: **7.25%** Site area: **16,819m²**

WALE: **2.2 years** Major tenant: **GE Capital Finance Australasia**



Car Park, 572-576 Swan Street, Richmond, VIC

Leasehold car park in the Botanicca Corporate Park.

Book value: **\$1.2m** Lettable area: **92 spaces**

Cap rate: **12.00%** Site area: **3,756m²**

WALE: **2.2 years** Major tenant: **GE Capital Finance Australasia**

Appendix 6: Top five office properties/property groupings by value (cont)

4



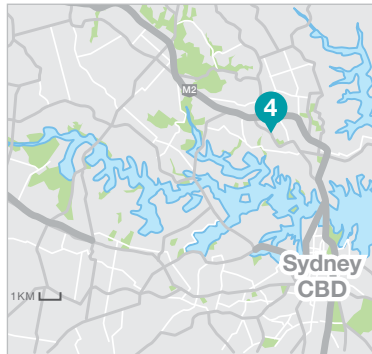
**Bldg C, Gore Hill Tech Park,
219-247 Pacific Highway,
Artarmon, NSW**

A modern, 5 star Green Star, A-grade office building, comprising two ground and five upper office levels.

Book value: **\$108.5m** Lettable area: **14,496m²**

Cap rate: **6.75%** Site area: **4,212m²**

WALE: **6.2 years** Major tenant: **Fox Sports**



Bldg C, Gore Hill: The office building forms part of the Gore Hill Technology Park and benefits from frontage to the Pacific Highway. Gore Hill is a commercial mixed use location with good transport links, a TAFE, hospital and future planned sports and recreation centre and is 7 kilometres north-west of the Sydney CBD.

5



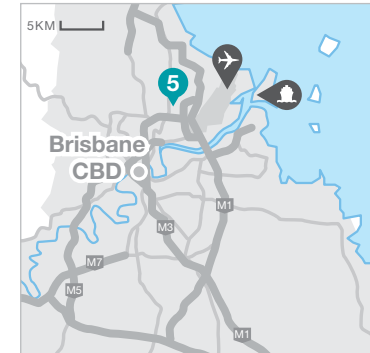
**1231-1241 Sandgate Road,
Nundah, QLD**

Eight-level office building with a ground floor retail precinct and two levels of basement car parking, constructed in November 2012.

Book value: **\$99.0m** Lettable area: **12,980m²**

Cap rate: **6.50%** Site area: **4,451m²**

WALE: **10.8 years** Major tenant: **Energex**



1231-1241 Sandgate Rd, Nundah: Primarily occupied by Energex and QSuper, this building is close to train stations and the major arterial linking Brisbane Airport with the CBD.

Appendix 7: Top five industrial properties / property groups by value

1



70 Distribution Street, Larapinta, QLD

Distribution Centre comprising temperature-controlled / part-ambient warehousing, two-level office, hardstand & loading facilities.

Book value: **\$198.5m** Lettable area: **75,425m²**

Cap rate: **7.10%** Site Area: **250,900m²**

WALE: **6.2 years** Major tenant: **Woolworths**



70 Distribution St, Larapinta: 25km south of Brisbane's CBD with excellent links to the Logan Motorway which forms part of Brisbane's extensive motorway network. The distribution centre services the whole of South East Queensland, perennially among Australia's fastest growing regions, and northern New South Wales.

2



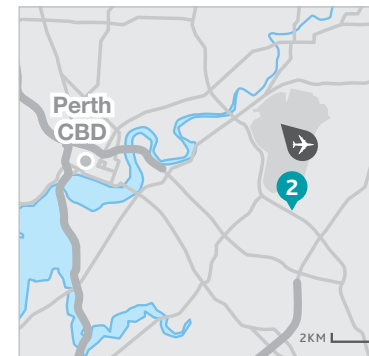
20 Colquhoun Road, Perth Airport, WA

This property is a Woolworths Regional Distribution Centre, constructed circa 2007 and expanded in 2009.

Book value: **\$141.0m** Lettable area: **80,374m²**

Cap rate: **6.75%** Site Area: **193,936m²**

WALE: **9.8 years** Major tenant: **Woolworths**



20 Colquhoun Rd, Perth Airport: Situated within the boundaries of Perth Airport 10km east of Perth's CBD. The regional distribution centre adjoins major arterial roadways and services all of Western Australia.

Appendix 7: Top five industrial properties / property groups by value (cont)

3

Linfox Properties, Erskine Park, NSW

Three separate properties comprising a modern warehouse, a truck wash and maintenance facility with extensive hardstand, and a purpose built pharmaceutical warehouse facility.

Combined property statistics

Book Value: **\$134.0m**
Cap Rate: **6.33%**
WALE: **7.4 yrs**



27-49 Lenore Drive, Erskine Park, NSW

A purpose built pharmaceutical warehouse facility.

Book value: **\$60.0m** Lettable area: **29,476m²**

Cap rate: **6.25%** Site area: **76,490m²**

WALE: **7.7 years** Major tenant: **Linfox**



6-7 John Morphett Place, Erskine Park, NSW

A modern warehouse facility, leased to Linfox.

Book value: **\$44.5m** Lettable area: **24,881m²**

Cap rate: **6.50%** Site area: **82,280m²**

WALE: **4.3 years** Major tenant: **Linfox**



51-65 Lenore Drive, Erskine Park, NSW

A truck wash and maintenance facility with extensive hardstand.

Book value: **\$29.5m** Lettable area: **3,720m²**

Cap rate: **6.25%** Site area: **36,720m²**

WALE: **12.2 years** Major tenant: **Linfox**

4



120 Northcorp Boulevard, Broadmeadows, VIC

A distribution facility including two interconnected ambient warehouses and a high bay, automated picking warehouse.

Book value: **\$75.2m** Lettable area: **58,320m²**

Cap rate: **7.25%** Site area: **250,000m²**

WALE: **5.6 years** Major tenant: **Woolworths**



120 Northcorp Blvd, Broadmeadows: Broadmeadows is close to Melbourne Airport, the Metropolitan Ring Road and the Hume Freeway, the main roadway to Sydney.

Appendix 7: Top five industrial properties / property groups by value (cont)

5



28 Bilston Drive, Wodonga, VIC

A distribution facility comprising two level office, temperature controlled / part ambient warehouse plus vacant land with potential for future expansion.

Book value: **\$72.5m** Lettable area: **57,440m²**

Cap rate: **8.75%** Site area: **250,000m²**

WALE: **5.6 years** Major tenant: **Woolworths**



28 Bilston Drive, Wodonga: Wodonga is the fastest growing regional city in Victoria and together with Albury forms a twin-town on the border between Australia's two most populous states. The regional distribution centre is a key part of Woolworths' supply chain network and services the Australian Capital Territory, northern Victoria, the New South Wales Riverina and hinterland.

Glossary

A-REIT	Australian Real Estate Investment Trust
ASX	Australian Securities Exchange
B	billion
Baa2	a debt rating issued by Moody's equivalent to BBB issued by S&P. The Moody's system runs from highest to lowest Aaa Aa A Baa Ba B Caa Ca C with the numbers 1-3 denominating modifiers of this rating i.e. Baa2 is higher than Baa3 or Ba1.
Board	the board of directors of the Company
Cap rate	in full, "capitalisation rate". Refers to the market income produced by an asset divided by its value or cost
Company	Growthpoint Properties Australia Limited
cps	cents per security
CY14, CY15	the calendar year ended 31 December in the year listed i.e. "CY15" means the calendar year ended 31 December 2015
dps	distribution per security
FY11, FY12, FY13, FY14 and FY15	the 12 months ended on 30 June in the year listed i.e. "FY15" means the 12 months ended 30 June 2015
FY16, FY17, FY18, FY19 and FY20	the 12 months ending on 30 June in the year listed i.e. "FY16" means the 12 months ending 30 June 2016
freefloat	securities considered available for trading on the ASX. For Growthpoint, this is the market capitalisation less securities held by GRT in accordance with S&P's released guidelines
fund through	a mechanism under which an entity (in this report typically Growthpoint) funds development as completion of works occur
Gearing	interest bearing liabilities divided by total assets
GOZ	the ASX trading code that Growthpoint trades under
Growthpoint or the Group	Growthpoint Properties Australia comprising the Company, the Trust and their controlled entities

Growthpoint SA or GRT	Growthpoint Properties Limited of South Africa (Growthpoint's majority Securityholder) which trades on the JSE under the code "GRT"
HY11, HY12, HY13, HY14, HY15 and HY16	the six months ended on 31 December in the prior calendar year listed i.e. "HY16" means the six months ended 31 December 2015
HY17, HY18, HY19 and HY20	the six months ending on 31 December in the prior calendar year listed i.e. "HY17" means the six months ending 31 December 2016
ICR	Interest coverage ratio
JSE	Johannesburg Stock Exchange
NABERS	National Australian Built Environment Rating System (a national system for measuring environmental performance of buildings)
NLA	net lettable area
NTA	net tangible assets
m	million
MER	management expense ratio comprising all the Group's costs other than interest divided by the average gross assets for the year
REIT	real estate investment trust
Securityholder	an owner of Growthpoint securities
S&P	Standard & Poor's
sqm	square metres
Trust	Growthpoint Properties Australia Trust
WARR	weighted average rent review
WALE	weighted average lease expiry



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Thank you