



19 April 2017

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

Further leasing success

Growthpoint Properties Australia (“**Growthpoint**”) is pleased to announce an 8 year lease extension to Orora Limited at 109 Burwood Road, Hawthorn, Victoria and a 7 year lease extension to PFD Food Services Pty Ltd at 1500 Ferntree Gully Road, Knoxfield, Victoria.

Growthpoint has now completed 35,666 square metres (sqm) of additional leasing since 31 December 2016. Full details are included in the table overleaf.

Lease to Orora Limited

The current lease to Orora of 4,898 sqm was due to expire in June 2018. A replacement 8 year lease of 4,358 sqm commencing from 14 June 2017 has been entered into. The lease provides for fixed rent increases of 3.25% per annum.

Since the time of announcing the takeover of the GPT Metro Office Fund (GMF) on 1 July 2016, the weighted average lease expiry at 109 Burwood Road, Hawthorn, has increased from 4.7 years to 6.4 years, and occupancy has increased to 85%.

Lease to PFD Food Services Pty Ltd

The previous lease to PFD of 2,985 sqm was due to expire in August 2019. A 7 lease term extension commencing on 1 September 2019 has been entered into, and now expires in August 2026. The lease is for office space on the site and provides for fixed rent increases of 3.25% per annum.

Growthpoint’s Key Metrics at 31 March 2017¹

| | |
|-----------------------------------------------------------------------------------------------------|----------------------|
| Total property portfolio value | \$3.1 billion |
| Distribution guidance FY17 | 21.5 cents |
| Number of properties | 57 |
| Office / industrial | 65% / 35% |
| Average property age | 9.5 years |
| Occupancy | 98% |
| Weighted average lease expiry | 6.2 years |
| Weighted average rent review (assumes CPI of 1.5%) | 3.2% |
| Weighted average capitalisation rate | 6.7% |
| NTA per stapled security (as at 31 December 2016) | \$2.72 |
| Balance sheet gearing (pro forma after asset sales referred to in ASX announcement of 5 April 2017) | 39.4% |
| Percentage debt fixed (post settlement of USPP in June 2017) | >75% |
| Average debt maturity post settlement of USPP (pro forma 31 December 2016) | 5.3 years |
| Average NABERS rating (energy) | 4.4 stars |

Growthpoint’s Managing Director, Timothy Collyer, said:

“We are very pleased to announce lease extensions to two high quality tenants, Orora and PFD Food Services.

Leasing completed since 31 December 2016 has extended the weighted average lease expiry of Growthpoint’s property portfolio to 6.2 years, and further reduced the potential near term expiries (24 months) to 6% of the portfolio. This is a terrific outcome for the Group.

This further leasing success again demonstrates the attractiveness of Growthpoint’s property portfolio and the Group’s strategy to negotiate lease extensions with major tenants ahead of expiry, to maintain a long-term, secure, rental cash flow from the property portfolio. Over 98% of the portfolio is leased to government, listed, or large private companies.”

¹ Includes the sale of assets as per ASX announcement dated 5 April 2017, and leasing update as per ASX announcement dated 10 April 2017



Leasing undertaken since 31 December 2016

| Property | Sector | Tenant | Start date | Term | Annual rent increases | Net lettable area (sqm) | Car parks |
|-------------------------------------------------|-----------------------|-------------------------------------------|------------|------------|-----------------------|-------------------------|------------|
| A4, 52 Merivale Street, South Brisbane, Qld | Office | Subway Realty | Q3, FY17 | 7.0 | 4.00% | 81 | - |
| 333 Ann Street, Brisbane, Qld | Office | Frontier Software | Q3, FY17 | 6.2 | 4.00% | 333 | 4 |
| 102 Bennelong Parkway, Sydney Olympic Park, NSW | Office | Charles Sturt University | Q4, FY17 | 1.0 | Not applicable | 470 | 11 |
| Building C, 211 Wellington Road, Mulgrave, Vic | Office | Guardian Community Early Learning Centres | Q4, FY17 | 10.0 | 3.25% | 922 | 57 |
| 109 Burwood Road, Hawthorn, Vic | Office | Orora Limited | Q4, FY17 | 8.0 | 3.25% | 4,358 | 190 |
| 120 Link Road, Melbourne Airport, Vic | Industrial | The Workwear Group | Q1, FY18 | 10.0 | Greater of CPI & 3.5% | 26,517 | 135 |
| 1500 Ferntree Gully Road, Knoxfield, Vic | Office/ Industrial | PFD Food Services | Q1, FY20 | 7.0 | 3.25% | 2,985 | - |
| Total / Weighted Average | - | - | - | 8.4 | 3.4% | 35,666 | 397 |

Media and investor enquiries should be directed to:

Aaron Hockly, Chief Operating Officer, Growthpoint Properties Australia

Telephone: +61 8681 2900, info@growthpoint.com.au

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. After allowing for recently announced transactions, Growthpoint owns interests in a diversified portfolio of 57 office and industrial properties throughout Australia valued at approximately \$3.1 billion and has an investment mandate to invest in office, industrial and retail property sectors.

Growthpoint is included in the S&P/ASX 200 Index and has been issued with an investment grade rating of Baa2 for senior secured debt by Moody's.

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.