



4 January 2019

ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

Expansion of Woolworths Distribution Centre

Growthpoint Properties Australia (“**Growthpoint**”) is pleased announce that it has entered into contracts with Woolworths Limited (“Woolworths”) to fund the expansion of its South Australian head office and primary Distribution Centre servicing South Australia and the Northern Territory at 599 Main North Road, Gepps Cross, SA, for approximately \$57 million.

The expansion, which is expected to achieve practical completion by mid-CY20, will include an extension of the existing temperature controlled and ambient warehouses, construction of a new recycling facility and other ancillary improvements. Growthpoint is funding the development and will receive a coupon for the project costs as they are incurred at a yield of 6.75%. On completion, the total project cost will be rentalised via a new 15-year lease over the property, which will comprise ~90,000 square metres of lettable area. Woolworths’ development arm, FABCOT Pty Ltd, will act as development manager throughout the project.

As part of the overall transaction, Growthpoint has also agreed with Woolworths to an early surrender of its lease at 120 Northcorp Boulevard, Broadmeadows, Victoria. It is expected the early surrender period will amount to approximately 1.5 years, however the exact timing of Woolworths departure² is yet to be confirmed.

Growthpoint’s **Managing Director, Timothy Collyer**, said -

“We are excited to be partnering again with Woolworths to facilitate the expansion of one of its key Distribution Centres in Australia. As part of its overall supply chain strategy, Woolworths considered a range of options to support its growth and we are pleased they have chosen to expand at 599 Main North Road, Gepps Cross due to the its significant locational benefits from a logistics and supply chain management perspective.

The early surrender of the lease at Broadmeadows provides Growthpoint the opportunity to explore development options for the 25 hectares of industrial site. Site coverage is currently less than 25% and tenant demand for high quality logistics space in Melbourne’s north is strong. We will also canvass the market for large occupiers who can lease the existing facility, with significant land for future expansion.

Our relationship with Woolworths across multiple sites was a factor in achieving what is an excellent result for both parties and we look forward to working with Woolworths on the Gepps Cross expansion and supporting their future plans for growth.”

| Growthpoint’s Key Metrics at 30 September 2018¹ | |
|---|----------------------|
| Total property portfolio value | \$3.7 billion |
| Distribution guidance FY19 | 23.0 cents |
| Number of properties | 59 |
| Office / industrial | 69% / 31% |
| Average property age | 10.3 years |
| Occupancy | 98% |
| Weighted average lease expiry | 5.3 years |
| Weighted average rent review (assumes CPI of 2.1%) | 3.3% |
| Weighted average capitalisation rate | 6.2% |
| NTA per stapled security (as at 30 June 2018) | \$3.19 |
| Balance sheet gearing | 37.6% |
| Percentage debt fixed | 68% |
| Weighted average debt maturity | 4.9 years |
| Average NABERS rating (energy) | 4.5 stars |

¹ Key metrics are as at 30 September 2018 including recently settled acquisitions, being 836 Wellington Street, West Perth, WA and 100 Skyring Terrace, Newstead, QLD.

² Surrender at 120 Northcorp Blvd, Broadmeadows expected to be between 1 October 2019 and 1 March 2020. The current lease expiry date is 29 July 2021



For further information, please contact:

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Growthpoint Properties Australia¹

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 59 office and industrial properties throughout Australia valued at approximately \$3.7 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.

¹ Key metrics are as at 30 September 2018 including recently settled acquisitions, being 836 Wellington Street, West Perth, WA and 100 Skyring Terrace, Newstead, QLD.