

ASX ANNOUNCEMENT GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

13 July 2015

Acquisition of multi-tenanted industrial property in South Australia

Growthpoint Properties Australia (“**Growthpoint**”) has exchanged contracts with developer Australand to acquire a newly constructed industrial property in South Australia for \$20.8 million¹ providing an initial passing yield of 7.75%. The property has three leases in place with a weighted average lease expiry (“**WALE**”) of 5.3 years, a weighted average rent review (“**WARR**”) of 3.2%, gross lettable area of 14,459m² and total land area of 25,660m². The property is located in Beverley, an established industrial precinct approximately six kilometres from Adelaide’s central business district (“**CBD**”).

The purchase price is supported by an independent valuation from m3property.

The acquisition will be fully funded from debt available from the existing undrawn facilities taking Growthpoint’s gearing to 40.9%; in the middle of the target gearing range of 35%-45%. After this acquisition, Growthpoint will have \$206.2 million available in undrawn debt for future acquisitions.

Settlement of the acquisition is expected to occur in seven business days.

Property details

Property	1-3 Pope Court, Beverley, South Australia
Purchase price	\$20.8 million
Property description	Newly constructed warehouse currently split into three separate tenancies but able to be reconfigured to meet future tenant demand
Building completed	2015
Land area	25,660m ²
Lettable area	14,459m ²
Tenants (area; term; options to renew)	Aluminium Specialities Group Pty Ltd (5,576m ² ; 7 years; 2 x 5 years) Pro-Pac Packaging (Aust) Pty Ltd (3,571m ² ; 3 years; 1 x 3 years) K. W. Doggett & Co. Pty Ltd (5,312m ² ; 5 years; 2 x 5 years)
WALE	5.3 years
Passing yield / market yield	7.75% / 7.75%
WARR	3.2%

About Beverley

Beverley is an established industrial precinct approximately six kilometres north west of Adelaide’s CBD. A number of properties in the precinct have been, or are in the process of being, redeveloped including the new Electrolux headquarters and warehousing facilities for Drake Foodland, Toro Australia and Dulux Paints.

The property is 500 metres south of Port Road providing direct and convenient access to both the Adelaide CBD and Port Adelaide.

Growthpoint’s Managing Director, Timothy Collyer, commented:

“Growthpoint has continued to expand its high quality industrial property portfolio, which now totals 37 properties with an aggregate value of \$1.15 billion, with the acquisition of this modern warehouse property, leased to quality tenants, being well located in the established industrial of Beverley, South Australia.

¹ Excludes transaction costs.

Growthpoint continues to look for acquisitions like this which enhance distributions and the property portfolio.”

Maturity of bridging facility

Growthpoint had a \$100 million bridging facility which matured on 22 June 2015. This facility was not drawn and is no longer required having been replaced by the \$200 million loan note issuance that Growthpoint undertook in March 2015. Despite the maturity of this facility and as noted above, Growthpoint has \$206.2 million available in undrawn debt for future acquisitions.

Aaron Hockly, Company Secretary

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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 54 office and industrial properties throughout Australia valued at approximately \$2.3 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.

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.