



25 November 2015

The Manager  
Company Notices Section  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Sir

**GOODMAN GROUP (GOODMAN) ANNUAL GENERAL MEETINGS –  
CHAIRMAN'S AND CEO'S PRESENTATIONS**

Please find attached the Chairman's presentation and Group Chief Executive Officer's presentation and written address for Goodman's Annual General Meetings being held today.

A live webcast of the Annual General Meetings will also be available on the Goodman website ([www.goodman.com](http://www.goodman.com))

Yours faithfully

A handwritten signature in black ink that reads "Carl Bicego".

Carl Bicego  
**Company Secretary**

**Goodman Group**

Goodman Limited | ABN 69 000 123 071

Goodman Funds Management Limited | ABN 48 067 796 641 | AFSL Number 223621  
as responsible entity of Goodman Industrial Trust | ARSN 091213 839

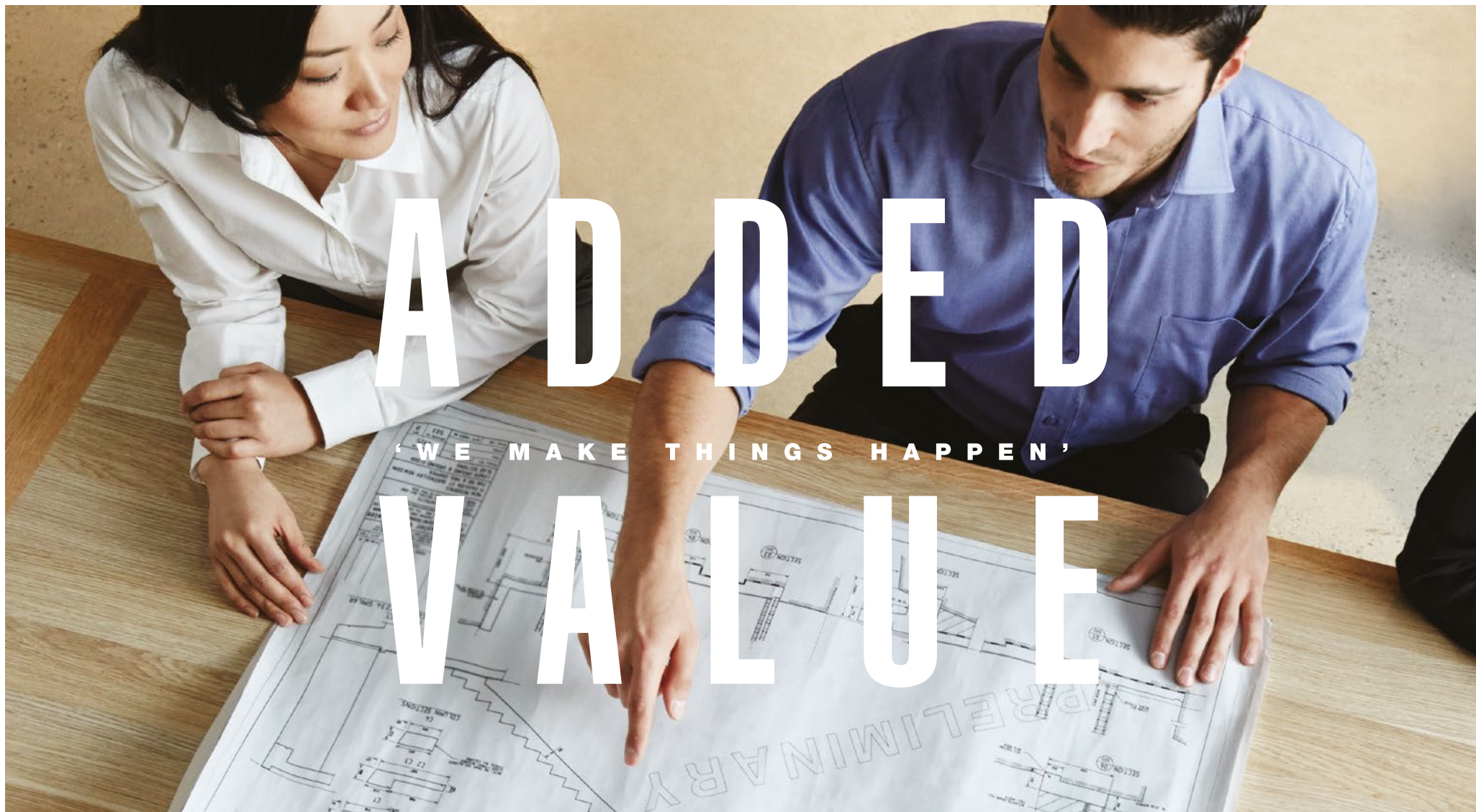
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Tel +61 2 9230 7400 | Fax +61 2 9230 7444

Goodman Logistics (HK) Limited | Company No. 1700359 | ARBN 155 911 149 | a Hong Kong company with limited liability  
Suite 2008, Three Pacific Place, 1 Queen's Road East, Hong Kong | Tel +852 2249 3100 | Fax +852 2525 2070

info-au@goodman.com | www.goodman.com

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# GOODMAN GROUP ANNUAL GENERAL MEETINGS—2015



ADDED

WE MAKE THINGS HAPPEN

VALUE

PRELIMINARY

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# DIRECTORS AND EXECUTIVES

**MR IAN FERRIER**

INDEPENDENT CHAIRMAN

**MR GREGORY GOODMAN**

GROUP CHIEF EXECUTIVE OFFICER

**MS ANNE KEATING**

INDEPENDENT DIRECTOR

**MR PHILIP FAN**

INDEPENDENT DIRECTOR

**MR JOHN HARKNESS**

INDEPENDENT DIRECTOR

**MS REBECCA MCGRATH**

INDEPENDENT DIRECTOR

**MR PHILIP PEARCE**

EXECUTIVE DIRECTOR

**MR DANNY PEETERS**

EXECUTIVE DIRECTOR

**MR PHILLIP PRYKE**

INDEPENDENT DIRECTOR

**MR ANTHONY ROZIC**

EXECUTIVE DIRECTOR

**MR JIM SLOMAN**

INDEPENDENT DIRECTOR

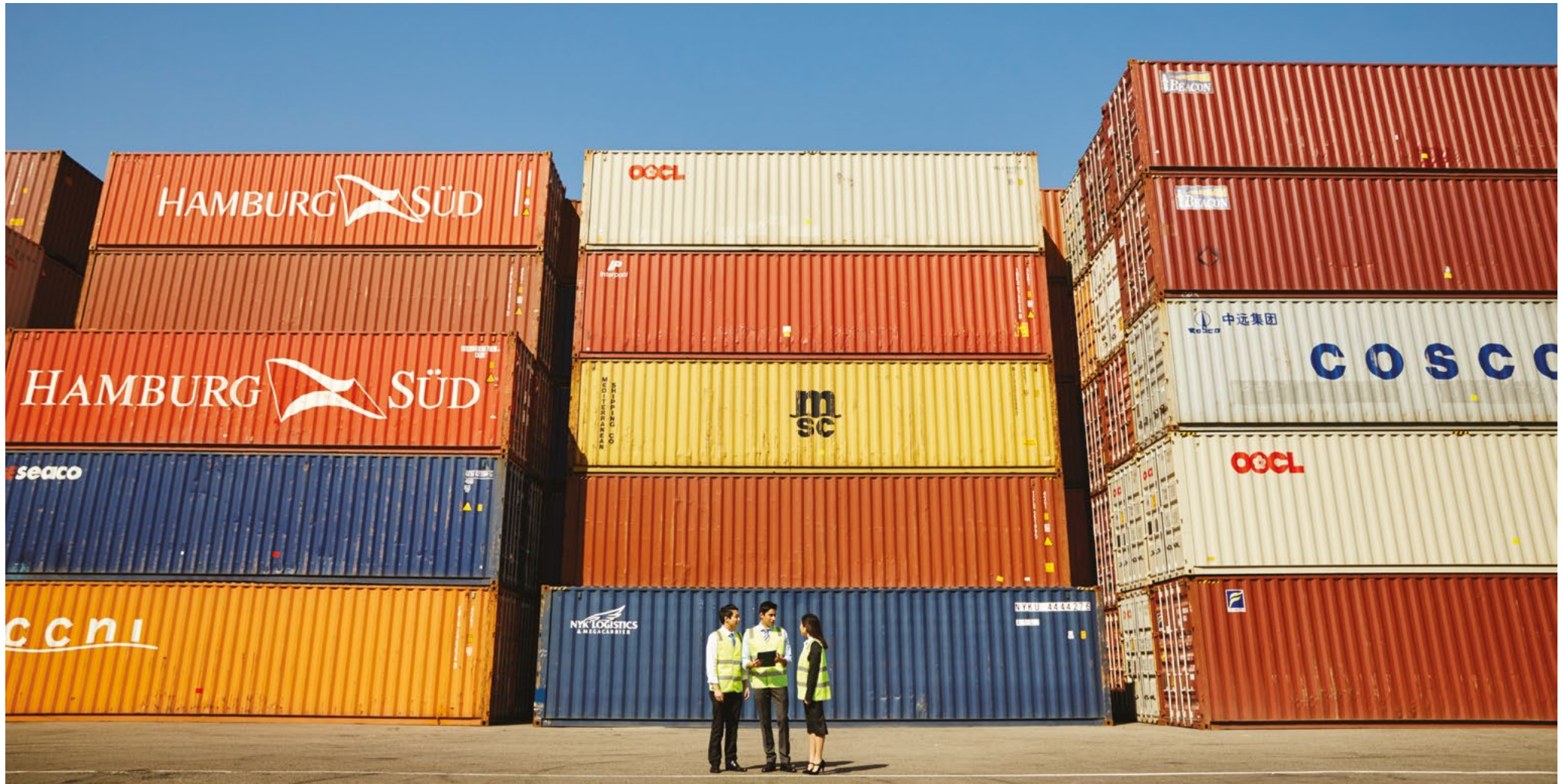
**MR CARL BICEGO**

COMPANY SECRETARY





# HIGHLIGHTS VIDEO



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# AGENDA

**CHAIRMAN'S  
ADDRESS**

**GROUP CEO'S  
ADDRESS**

**FORMAL BUSINESS**





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# CHAIRMAN'S ADDRESS



# FINANCIAL OVERVIEW



ATL Logistics Centre, Hong Kong

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# FINANCIAL OVERVIEW

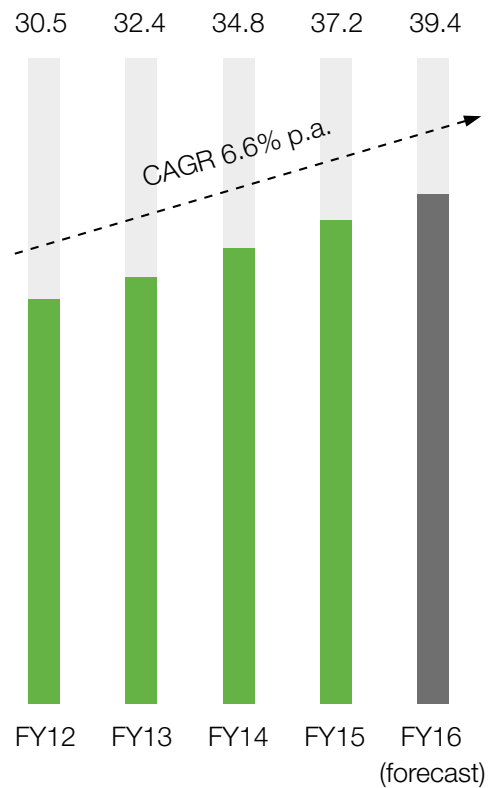
## SUSTAINABILITY

- + Operating profit of \$653 million, a 9% increase on FY2014
- + Statutory profit of \$1,208 million, including \$710 million in revaluations that also contributed to a 20% increase in net tangible assets
- + Operating earnings per security of 37.2 cents, a 7.1% increase on FY2014
- + Distribution per security of 22.2 cents, up 7% on FY14
- + Total GMG Securityholder return of 30% for FY15, with average TSR of 20% over the last five years
- + Strong financial position maintained with balance sheet gearing of 17.3%, interest cover ratio of 6.0
- + Group liquidity at \$1.8 billion, covering maturities to December 2019
- + Well positioned to deliver FY16 operating EPS of 39.4 cents, up 6% on FY15

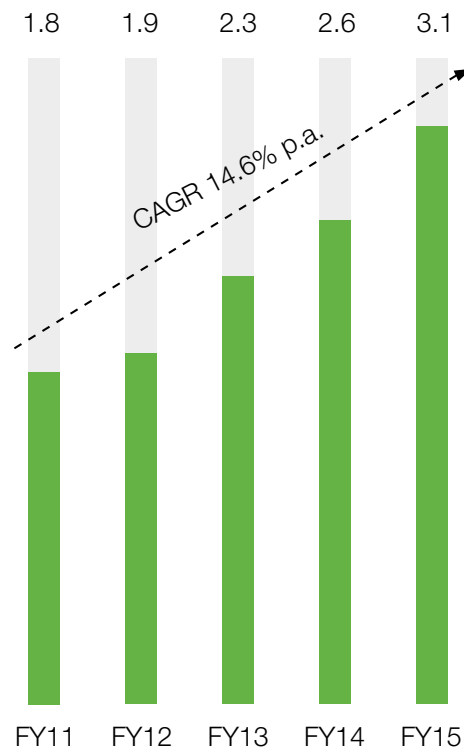


# SUSTAINABLE GROWTH

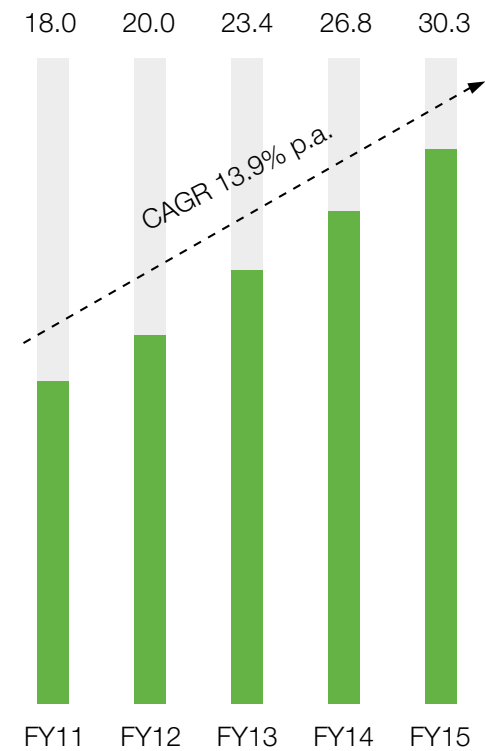
Operating EPS (¢)



Development work in progress (\$B)



Total assets under management (\$B)



# EXPANSION

- + Expansion and strengthening of business across all markets
- + Growth in development workbook
- + Asset recycling to fund development of higher grade, modern assets



Oakdale Industrial Estate, Australia

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# EXPANSION

## URBAN RENEWAL

- + Realisations are emerging with sites to the value of \$1.1 billion conditionally contracted as at 30 June 2015. Now \$1.8bn to date
- + Identified urban renewal sites of more than 35,000 apartments
- + Significant source of capital to fund future expansion and growth of the Group over the long-term

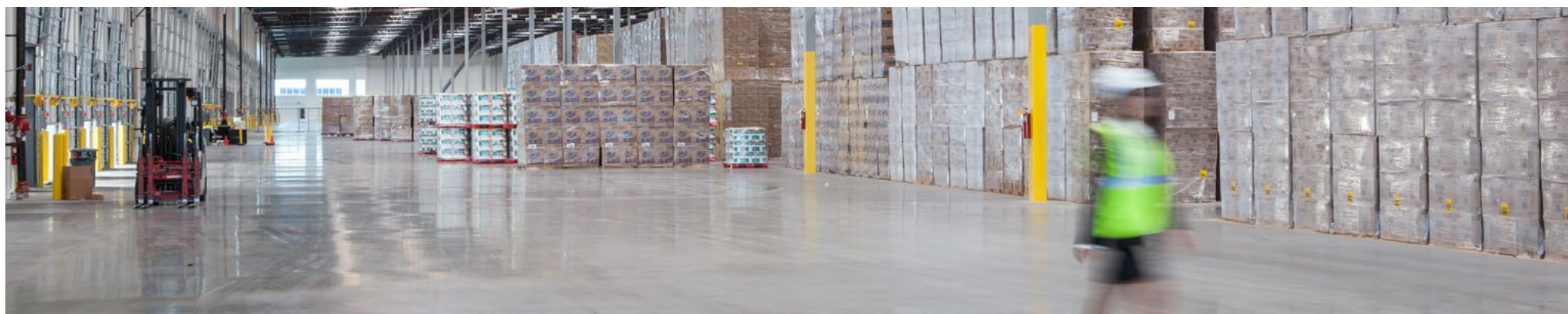




# EXPANSION — THE AMERICAS

## NORTH AMERICA

- + Team of 32 people
- + Development pipeline of A\$2 billion across 12 sites
- + During the year, CPPIB increased equity commitment to Goodman North America Partnership by US\$500 million to a total of \$US1 billion



# EXPANSION — THE AMERICAS

## BRAZIL

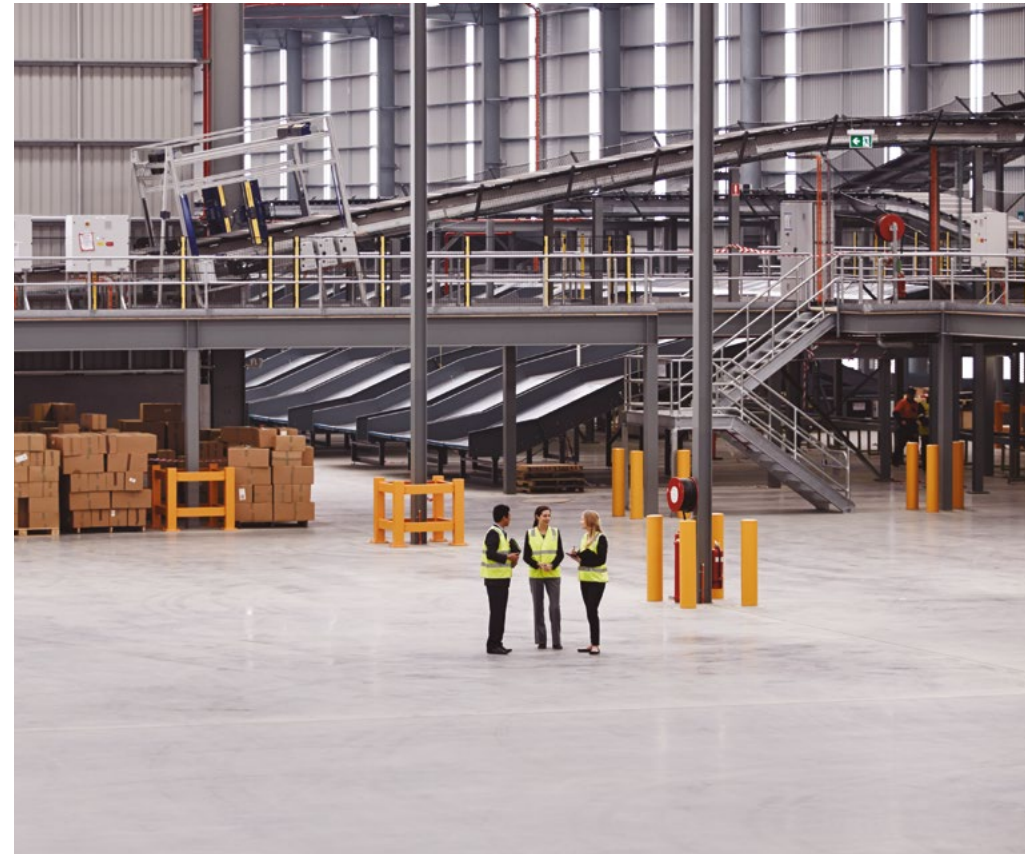
- + Prudent, low risk approach
- + Team of 25 people
- + Development pipeline of \$1.3 billion across four sites, with Goodman's capital commitment limited to \$160 million





# A SUSTAINABLE AND PRUDENT COMPANY

- + Despite the Group's growth and expansion, Goodman remains a prudently managed company, seeking to provide competitive and sustainable returns for all stakeholders
- + Efficient allocation of world class human and financial resources to deliver a quality product and service for the long term
- + Strong financial resources
- + Capital partners who want to invest with Goodman
- + Strong balance sheet with low gearing





# A SUSTAINABLE AND PRUDENT COMPANY

- + One of our major global investors, BlackRock, wrote to us highlighting the risks of a “short-termist phenomenon” that sees companies “underinvesting in innovation, skilled workforces or essential capital necessary to sustain long-term growth”
- + They urged us to join them to “invest in the future to lay the foundation for stronger, more sustainable and more stable economic growth”



Goodman Interlink, Hong Kong

# A SUSTAINABLE AND PRUDENT COMPANY

- + Sustainability is a core theme for Goodman's strategy, starting with setting competitive but realistic and sustainable long-term return aspirations when communicating to investors and staff
- + Goodman has various strategies it uses to ensure sound financial governance, including a low risk approach to development by deploying strategies and policies to help manage processes and with the execution made possible by the close relationships built with customers and capital partners
- + The uplift from the Group's statutory profit to \$1,208 million will be re-invested to fund the Group's future growth and expansion while allowing gearing to remain low



# A SUSTAINABLE AND PRUDENT COMPANY

- + For FY2015, the Group had operating earnings of \$653 million and made a cash distribution of 22.2 cents per distribution, which totalled \$388.3 million, in the form of a trust distribution
- + A trust is not subject to tax in Australia as long as it distributes all of its taxable income to investors. That income is then taxable in investors' hands
- + The components of the Trust's distribution reflect the sources of the Group's operating earnings being primarily, Australian income with other components reflecting the offshore activities of the Group





# REMUNERATION POLICY

- + Goodman is a global business operating in 16 countries with offshore earnings contributing 55% of operating EBIT
- + The remuneration policy is focused on ensuring that it attracts, motivates and retains the best quality staff necessary to operate a global business
- + The Board believes that given the Group's global presence, scale and integrated business model, the remuneration levels for select senior executive roles should be referenced alongside other international competitors, rather than more locally focused businesses
- + The remuneration policies have been designed to encourage and reward superior performance that is aligned with the business strategy and to provide compelling incentives for high performing executives to remain with Goodman



# REMUNERATION

- + The Board also considers that a significant component of total remuneration should be delivered through equity plans. This encourages long term decision making and promotes strong alignment between the interests of Securityholders and employees
- + Every Goodman staff member around the world has some form of ownership in the business through participation in the Group's Long Term Incentive Plan
- + This contributes to the significant result that the Group has continued to deliver, along with the investment made in developing quality staff to be truly realised



# BOARD RE-ELECTION

- + Directors standing for re-election to Goodman Limited:
  - Ms Rebecca McGrath
  - Mr Jim Sloman
  - Mr Philip Pearce



**MS REBECCA MCGRATH**  
INDEPENDENT DIRECTOR,  
APPOINTED 3 APRIL 2012



**MR JIM SLOMAN, OAM**  
INDEPENDENT DIRECTOR,  
APPOINTED 1 FEBRUARY 2006



**MR PHILIP PEARCE**  
MANAGING DIRECTOR, GREATER CHINA,  
APPOINTED 1 JANUARY 2013



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# THE BEST PERFORMING CEOs IN THE WORLD

## HARVARD BUSINESS REVIEW

- + “The knock on most business leaders is that they don’t take the long view – that they’re fixated on achieving short term goals to lift their pay”
- + HBR undertook a study to determine “which global CEOs actually delivered solid results over the long run”
- + Greg Goodman ranked
  - 113 overall
  - 7th on total shareholder return performance
- + First time the study included CEOs who had been in their position for more than 20 years



# THE BEST PERFORMING CEOs IN THE WORLD

## HARVARD BUSINESS REVIEW

TSR RANK	CEO COMPANY	OVERALL RANK	START YEAR	TSR OVER TENURE (%)
1	<b>Leslie Wexner</b> L Brands	11	1963	549,253
2	<b>Warren Buffett</b> Berkshire Hathaway	101	1970	318,407
3	<b>Rodney Sacks</b> Monster Beverage	121	1990	89,645
4	<b>Martin Sorrell</b> WPP	5	1986	65,565
5	<b>Tai-Ming "Terry" Gou</b> Hon Hai Precision Industry	33	1974	25,914
6	<b>Jeffrey Bezos</b> Amazon	87	1996	21,483
7	<b>Gregory Goodman</b> Goodman	113	1995	21,204
8	<b>Neal Patterson</b> Cerner	79	1980	20,213
9	<b>Huateng "Pony" Ma</b> Tencent	45	1998	20,166
10	<b>W. Galen Weston</b> George Weston	89	1978	19,296

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**It makes sense:  
 To earn the right to  
 be CEO for more  
 than 20 years, your  
 performance should  
 be top notch**

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# GROUP CEO'S ADDRESS

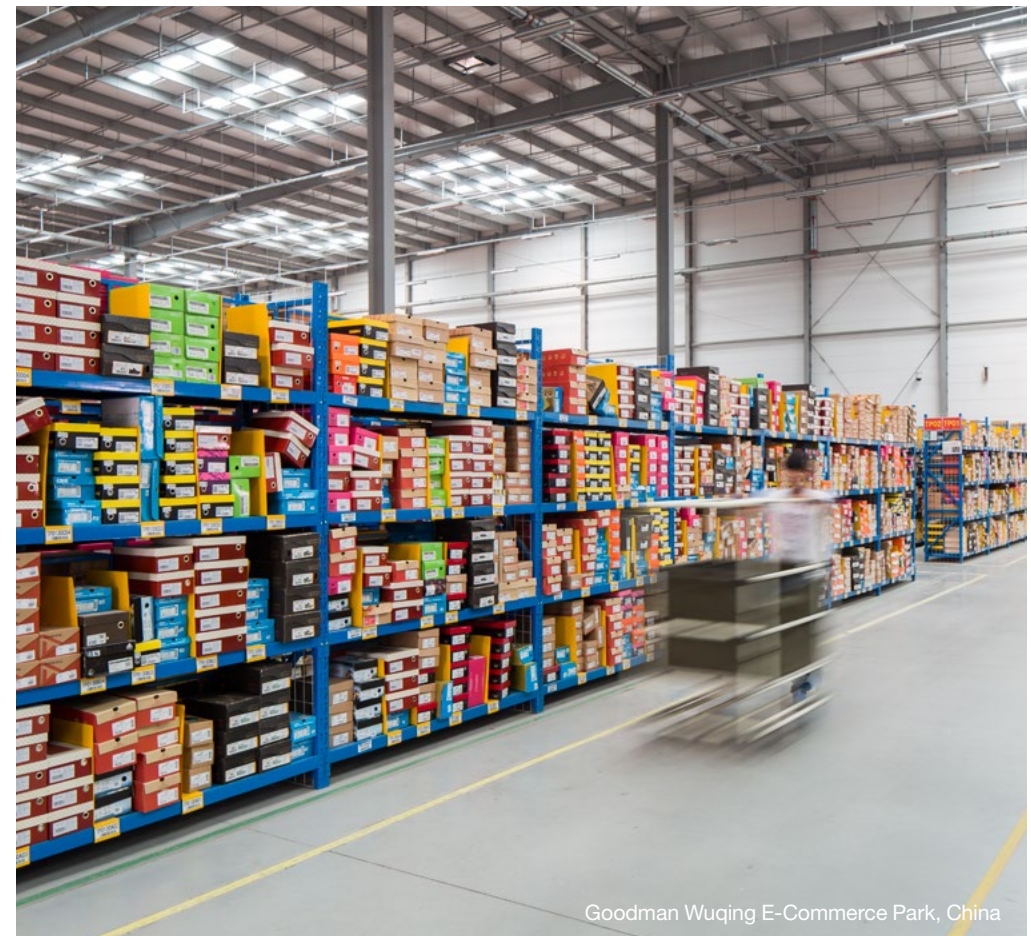




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# A BUSINESS FOR THE FUTURE

- + Evolution of warehousing being driven by:
  - Globalisation of e-commerce
  - More speed and efficiency in global consumer markets
- + Presenting an exciting opportunity for Goodman



Goodman Wuqing E-Commerce Park, China

# OPERATING RESULTS

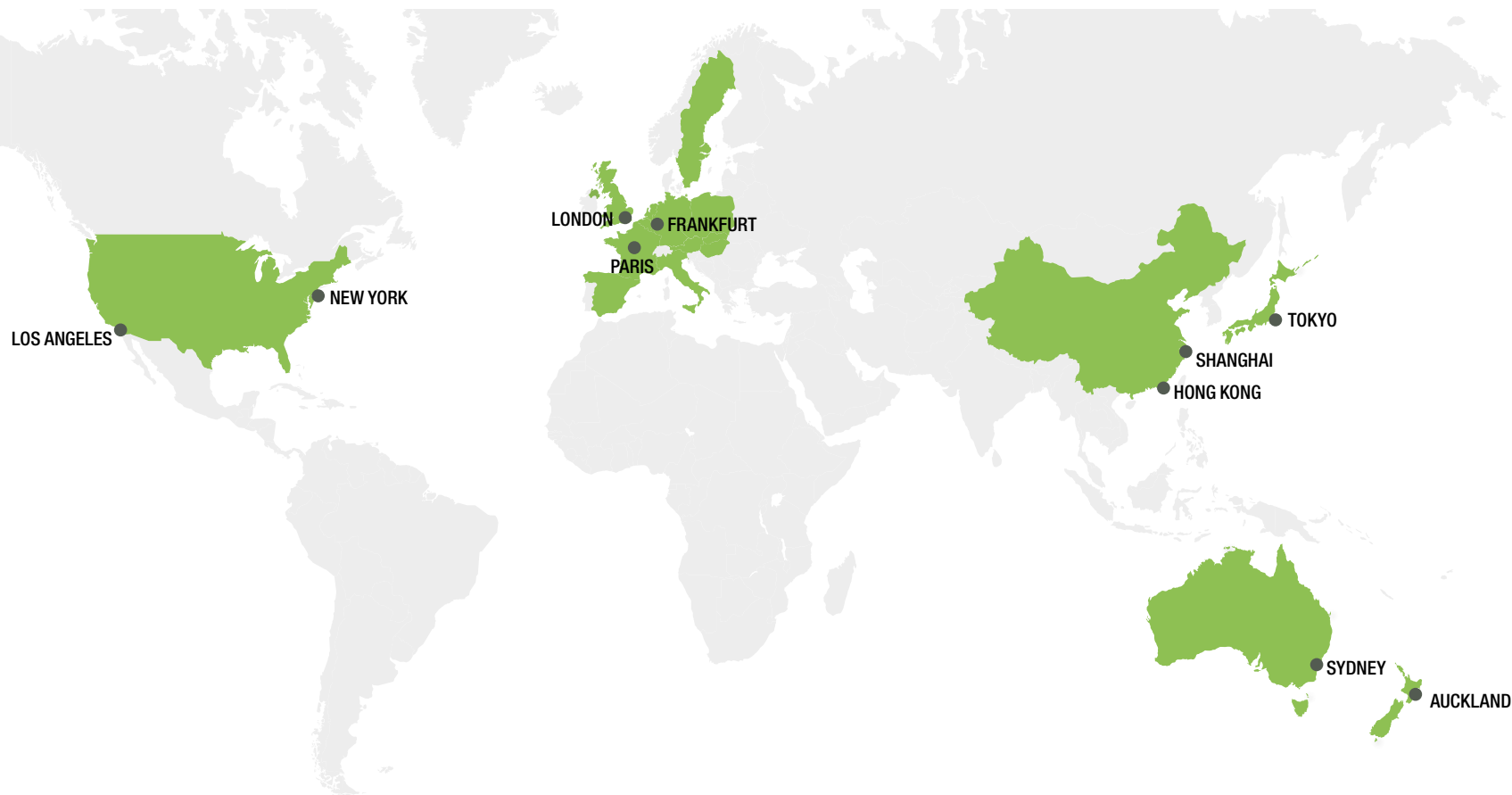
As at 30 September 2015:

- + Over \$32 billion of assets under management
- + 96% occupancy
- + \$3.4 billion of development work in progress
- + \$2.5 billion of asset sales completed (exc. urban renewal sites ) since start of FY15 – financing Goodman’s development activities
- + Focus on being the best, not the biggest in all operating markets



# GLOBAL BUSINESS

+ Goodman services major gateway cities around the world





# LONG-TERM VALUE FROM URBAN RENEWAL

- + Industrial sites bought 20 years ago are creating significant future value
- + Industrial property is one of the most attractive institutional grade investments today
- + \$1.8 billion of urban renewal sites completed and contracted to date
- + Future pipeline of 35,000 apartments
- + Major source of future capital



# LEADING PROVIDER OF WAREHOUSE SPACE

- + Goodman ranked #1 developer in Europe for 4th consecutive year
- + A leader in its other operating markets around the world
- + Strong foundations being laid in the US
  - Current development and investment pipeline primarily in Los Angeles and New Jersey
  - This pipeline to grow to \$4 billion over the short to medium term



Poznan II Logistics Centre, Poland

# LONG-TERM RELATIONSHIPS AND A SKILLED TEAM

- + Goodman has:
  - Partners not investors
  - Customers not tenants
- + Reflects the value of the long-term relationships that have been built
- + Thank you to Goodman's team for their efforts in the ongoing execution of the long-term plan





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## OUTLOOK AND SUMMARY

- + Focused on the future, the further evolution of Goodman's global business and evolution of the warehouse sector
- + Operating activities are performing strongly
- + Key drivers being Goodman's diversification and asset quality
- + Today's investment decisions are building a stable and sustainable long-term business that is well planned, governed and managed
- + FY16 full year earnings guidance reaffirmed
  - Operating earnings per security of 39.4 cents, up 6% on FY15
  - Full year distribution of 23.8 cents per security, up 7% on FY15

# GOODMAN GROUP ANNUAL GENERAL MEETINGS—2015



## **CEO's ADDRESS**

### **GOODMAN GROUP – ANNUAL GENERAL MEETING**

**25 NOVEMBER 2015 AT 10:00AM**

**THE WESTIN SYDNEY**

Thank you Ian and good morning ladies and gentlemen.

Goodman is truly a business for the future.

The increasing globalisation of online shopping and the need for greater speed and efficiency in global consumer markets is driving the evolution of warehousing. This is an exciting opportunity for Goodman and we have a steely resolve and determination to be the best at what we do.

Importantly, the results we are achieving are profound.

Our assets under management stand at over \$32 billion, with strong occupancy at 96% and \$3.4 billion of development activity.

We have been taking the opportunity globally to improve the quality of our assets and sustainability of income for the long term.

Since the start of FY15, we've sold \$2.5 billion of assets, excluding



urban renewal sites, which in turn is financing our growing development activities. Our focus is not on being the biggest, but the best at what we do around the world, by striving to own the best assets in the best locations.

Goodman is a truly global business, servicing the major gateway cities of the world from Sydney, Auckland, Tokyo, Hong Kong and Shanghai, to London, Paris, Frankfurt, Los Angeles and New York. The changes shaping the industrial landscape are reflected in the investment decisions we are making now and will create value into the future.

Goodman is focused on the long term and our approach today is the same as it was 20 years ago. The industrial sites we bought in the 1990s are creating tremendous value for the future, and in particular our urban renewal activities.

While industrial property was considered the ugly duckling 20 years ago, today we are benefitting significantly from value increases. We now have one of the most attractive institutional grade investments and probably the most sought after asset class.

Goodman has completed and contracted \$1.8 billion of urban renewal sales to date, over sites for approximately 10,000 apartments. Significantly, we retain a pipeline of 35,000 apartments, which will provide tremendous value spanning the next decade. This provides a significant long-term source of capital for Goodman.

Goodman is a leading provider of warehouse space globally. We have been ranked the number one developer in Europe for the last four years and we are a leader in our other markets around the world.

We're also laying strong foundations in the US, where we currently have a large development and investment pipeline primarily in Los Angeles and New Jersey. With customer demand driving increased development activity, we see our US development and investment pipeline growing toward \$4 billion over the short to medium term.

We take a long-term investment view and avoid short-term expediency. This focus and our contemporary nature resonate strongly with capital partners.

At Goodman we refer to our investors as partners and our tenants as customers, reflecting the value of the long-term nature of the relationships that we build together over many years.

The ongoing execution of Goodman's long-term plan is underpinned by our skilled and dedicated team of people across 16 countries. At this time, I would like to thank them for their efforts and the ongoing value they are creating for our stakeholders.

I'd like to finish by restating that Goodman is looking to the long term. Our focus is on the future and the further development of Goodman into a truly global business, and one that is also at the forefront in the evolution of the warehouse sector.

Our operating activities around the world are performing strongly, with key drivers of growth being our diversification and quality of assets. Goodman's unwavering focus is on building a great business for the long term. The investment decisions we are making today will build a business that is growing and sustainable over the long-term, and one that is well planned, governed and managed.



On that note, we are pleased to reaffirm our operating earnings per security guidance for FY16 of 39.4 cents, up 6% on last year.

Importantly for investors, our forecast full year distribution is 23.8 cents per security, up 7% on last year.

In closing, we look forward to the future with excitement and to the value that we can create together.

Thank you.