

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

2 September 2016

### Documentation relating to final extension of offer period

Growthpoint Properties Australia Limited as responsible entity for Growthpoint Properties Australia Trust (**Growthpoint**) refers to its earlier announcement that it has extended its offer period under its recommended off market takeover bid for all ordinary units in GPT Metro Office Fund (**GMF**).

The offer period will now close at 7:00pm (Melbourne time) on 23 September 2016. A copy of a letter that is being sent to GMF unitholders relating to the extension, together with the formal notice of variation, is attached to this announcement.

Aaron Hockly, Chief Operating Officer www.growthpoint.com.au

Media enquiries should be directed to:

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### Investor enquiries should be directed to:

Aaron Hockly, Chief Operating Officer, Growthpoint Properties Australia Telephone: +61 (0)3 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. GOZ owns interests in a diversified portfolio of 58 office and industrial properties throughout Australia valued at approximately \$2.8 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.

LEVEL 22, 357 COLLINS STREET, MELBOURNE, VICTORIA, 3000, AUSTRALIA TEL: +61 3 8681 2900 FAX: +61 3 8681 2910



2 September 2016

GMFTKO MR SAM SAMPLE UNIT 123 SAMPLE STREET SAMPLETOWN NSW 2001

Dear GMF unitholder

## Recommended unconditional takeover bid for GPT Metro Office Fund

### 1. Update on takeover bid

On 24 August 2016, Growthpoint Properties Australia Limited as responsible entity for Growthpoint Properties Australia Trust (**Growthpoint**) announced that it had declared its recommended takeover bid for all the ordinary units in GPT Metro Office Fund (**GMF**) (the **Growthpoint Offer**) wholly unconditional. On 1 September 2016, Growthpoint announced that its voting power in GMF was 68.36%.

Growthpoint has today extended the offer period under its takeover bid. The offer period is now scheduled to close at 7:00pm (Melbourne time) on 23 September 2016. A formal notice of variation is enclosed.

<u>The offer period will not be extended further and the offer consideration will not be increased</u> <u>– both are now final</u>. GMF unitholders who wish to accept the Growthpoint Offer must do so by 7:00pm (Melbourne time) on 23 September 2016. Acceptances can be made by using the enclosed acceptance form.

As Growthpoint's obligations to provide consideration to GMF unitholders (refer below) arises from the date an acceptance is received, the sooner a GMF unitholder accepts, the sooner it will receive cash and/or Growthpoint scrip.

## 2. IBC has recommended the Growthpoint Offer and independent expert has found it fair and reasonable to GMF unitholders

The board of Growthpoint Properties Australia Limited is pleased to report that:

- the independent board committee of GPT Platform Limited as responsible entity for the GPT Metro Office Fund (the **IBC**) has **recommended GMF unitholders ACCEPT the Growthpoint Offer**, in the absence of a superior proposal;
- each member of the IBC has advised that they have accepted the Growthpoint Offer for the GMF units they own or have an interest in; and
- the independent expert appointed by the IBC, Grant Samuel, has opined that the **Growthpoint Offer is fair and reasonable**, in the absence of a superior proposal.

### 3. No competing proposal

The Growthpoint Offer is the only takeover offer available to GMF unitholders for acceptance.

page 1

### 4. The consideration being offered under Growthpoint's takeover bid

As explained in more detail in Growthpoint's bidder's statement dated 1 July 2016 (**Bidder's Statement**), subject to the terms of the Growthpoint Offer:

- GMF unitholders who accept the Growthpoint Offer will be entitled to receive \$1.25 cash and 0.3968 Growthpoint securities for each GMF unit they hold (the **Mixed Consideration**) based on the closing price of a Growthpoint security on 31 August 2016 (of \$3.21), the implied value of the Mixed Consideration was approximately \$2.52 for each GMF unit; or
- alternatively, instead of receiving the Mixed Consideration, GMF unitholders may elect to receive 100% cash consideration for all of their GMF units, by electing to participate in the Cash Alternative Facility described in section 6 of the Bidder's Statement. Under the Cash Alternative Facility, Growthpoint SA is offering to acquire all the Growthpoint securities that would otherwise be issued to GMF unitholders under the Growthpoint Offer at a price of \$3.15 per Growthpoint security. This means that any GMF unitholder who participates in the Cash Alternative Facility will receive approximately \$2.50 cash for each of their GMF units.<sup>1</sup>

## 5. How to accept the Growthpoint Offer

## (a) Acceptance form and detailed instructions

To accept the Growthpoint Offer, GMF unitholders should follow the instructions on the enclosed acceptance form. Section 13.3 of the Bidder's Statement also includes detailed instructions on how to accept the Growthpoint Offer.

If you have already accepted the Growthpoint Offer, you can disregard the enclosed acceptance form.

## (b) Issuer sponsored unitholders

If your GMF units are held on GMF's issuer sponsored subregister (such holdings will be evidenced by an 'l' appearing next to your holder number on the enclosed acceptance form), to accept the Growthpoint Offer, you must complete and sign the acceptance form and return it together with all other documents required by the instructions on the acceptance form, to the address indicated on the form so that it is received before the end of the offer period.

### (c) CHESS sponsored unitholders

If your GMF units are in a CHESS Holding (such holdings will be evidenced by an 'X' appearing next to your holder number on the enclosed acceptance form), you may accept the Growthpoint Offer by either:

- completing and signing the acceptance form and returning it together with all other documents required by the instructions on the acceptance form, to the address indicated on the form so that it is received before the end of the offer period; or
- instructing your controlling participant (usually your stockbroker) in sufficient time for them to accept the Growthpoint Offer on your behalf before the end of the offer period.

## (d) Cautionary note if you are returning your acceptance form by post

If your acceptance form is returned by post, for your acceptance to be valid you must ensure that it is posted in sufficient time for it to be received at the address shown on the acceptance form before the end of the offer period. According to the standard delivery timetable for deliveries in Australia published on Australia Post's website, it can take up to 6 days to receive your acceptance form if it is returned by post. You should take this timing into account when returning your acceptance form by post.

### 6. Growthpoint's 2016 annual report summary

Enclosed is a copy of Growthpoint's 2016 annual report summary. A copy of this summary has previously been sent to Growthpoint's securityholders. A copy of Growthpoint's 2016 annual report was released to the ASX on 22 August 2016 and can be obtained from the ASX website www.asx.com.au.

<sup>1</sup> Ineligible Foreign Unitholders and Unmarketable Parcel Unitholders (each as defined in the Bidder's Statement) who accept the Growthpoint Offer will not be entitled to receive Growthpoint securities – see sections 12.7 and 13.7 of the Bidder's Statement for further information.

## 7. Further queries

If you have any queries relating to the Growthpoint Offer, please contact Growthpoint's offer information line on 1300 665 792 (for callers in Australia) or +61 3 9415 4366 (for callers outside Australia), Monday to Friday from 9:00am to 5:00pm (Melbourne time).

Yours faithfully

Geoff Tomlinson Independent Chairman



A copy of this notice was lodged with ASIC on 2 September 2016. ASIC takes no responsibility for the contents of this notice.

Growthpoint Properties Australia Limited as responsible entity for Growthpoint Properties Australia Trust

## Takeover bid for GPT Metro Office Fund

## Notice of variation - Extension of offer period

To: Australian Securities and Investments Commission (ASIC)

ASX Limited

GPT Platform Limited as responsible entity for GPT Metro Office Fund (GPT)

Each GPT Metro Office Fund unitholder referred to in s650D(1)(c) and s650D(2) of the Corporations Act 2001 (Cth) (as modified by ASIC Class Order [CO 13/521]).

Growthpoint Properties Australia Limited (ABN 33 124 093 901) as responsible entity for Growthpoint Properties Australia Trust (ARSN 120 121 002) (**Growthpoint**) gives notice for the purposes of s650D of the Corporations Act 2001 (Cth), that its takeover offers for all of the ordinary units in GPT Metro Office Fund (**GMF**) contained in its bidder's statement dated 1 July 2016 (**Bidder's Statement**) (as varied and supplemented by the Supplementary Bidder's Statement dated 1 August 2016) are varied by extending the period during which the offer will remain open so that the offer will now close at 7:00pm (Melbourne time) on 23 September 2016.

Growthpoint's takeover offers are wholly unconditional.

DATED: 2 September 2016

Signed for and on behalf of

Growthpoint Properties Australia Limited as responsible entity for Growthpoint Properties Australia Trust by

T.J. Collyer

Timothy Collyer **Director** 



#### Navigating this report: Key to symbols



This symbol indicates where to find related information within the 2016 Annual Report.



This symbol indicates that further information can be found online at growthpoint.com.au

## 2016 Annual Summary

For the year ended 30 June 2016



22 August 2016

## (as at 30 June 2016)

- market capitalisation
- → \$224.3 million FY16 statutory profit
- → \$2.67 NTA per stapled
- equity
- → 42.6% balance sheet gearing
- → 99% occupancy
- → 6.9 year WALE<sup>5</sup>

## Introduction from the Chairman & **Managing Director**

FY16 was primarily focused on \$328.0 million of asset acquisitions, the potential \$321.0 million takeover of GMF, and leasing with over 59,000 sqm leased in FY16 and a further 39,432 sqm leased since 30 June 2016.

### In FY16, Growthpoint:

- provided Securityholders with a 7.4%<sup>1</sup> total return;
- exceeded distributable income guidance and met distribution guidance;
- closed at a record high 30 June security price of \$3,15 and continued to increase since;
- recorded a 7.7% increase in net tangible assets per security to \$2.67;
- made a \$321 million takeover offer for the GPT Metro Office Fund (GMF):

distribution guidance of 21.3 cps (3.9% higher than FY16). Guidance may be impacted by the takeover of GMF (refer page 4) as well as capital management initiatives.

#### Significant leasing helped maintain an excellent property portfolio

Over 59,000 sqm of leasing was completed in FY16 taking portfolio occupancy to 99% from 97%. Notably, the occupancy at 333 Ann Street Brisbane increased from 41% to 77%.

Since 30 June 2016, a further



Geoff Tomlinson Independent Chairman



## Assets, profit and Securityholder returns continue to grow

### **Distributions**

per stapled security

	,	Growt
FY17*	21.3¢	+3.99
FY16	20.5¢	+4.19
FY15	19.7¢	+3.79
FY14	19.0¢	+3.89
FY13	18.3¢	+4.09
FY12	17.6¢	+2.99

\* Distribution guidance only excluding any change which the Directors may determine as a result of a successful GMF takeover.

## Distributable income

## **Other key statistics**

→ \$1.8 billion

## → 118<sup>th</sup> largest entity on ASX by market capitalisation

- - security
    - → 15.9% FY16 return on

- acquired \$328.0 million of assets in five separate transactions;
- completed over 59,000 sam of leasing with a further 39,432 sqm completed since 30 June 2016;
- maintained its investment grade credit rating from Moody's of Baa2;
- · continued to diversify the sources of its debt capital; and
- established and resourced a sustainability program.

#### Market guidance exceeded

Distributable income of 21.9 cps was achieved; significantly above FY16 guidance of at least 21.3 cps and 3.3% higher than FY15. Distributions totalling 20.5 cps will be paid to Securityholders for FY16 in line with guidance and 4.1% above FY15. Growthpoint has provided distributable income guidance of at least 22.2 cps for FY17 (4.2% higher than guidance for FY16) and

39,432 sqm has been leased including 23,156 sqm to Country Road and David Jones for their new corporate head office in Richmond, Victoria for 14.5 years taking the pro forma WALE at 30 June 2016 to 6.9 years. Potential lease expiries in FY18 have been reduced from 9% at 30 June 2015 to 4% as at the date of this report and from 6% to 2% for FY19. Thank you for your support for



Geoff Tomlinson, Independent Chairman & Director

Growthpoint Properties Australia Limited

1. Distributions plus security price appreciation. Source: UBS Investment Research.

**Timothy Collyer** Managing Director

		Growth
FY17*	at least 22.2¢	+1.4%
FY16	21.9¢	+3.3%
FY15	21.2¢	+6.0%
FY14	20.0¢	+3.6%
FY13	19.3¢	+9.0%
FY12	17.7¢	-2.2%

\* Distribution guidance only, excluding any change which the Directors may determine as a result of a successful GMF takeover and any capital management initiatives.

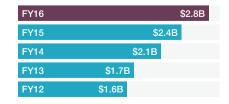
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Distributable income for FY16 was \$126.0m (FY15: \$118.9m).

**Total Securityholder return** comparison per annum, over 5 years to 30 June 2016<sup>2</sup>

GOZ		19.6%
A-REIT <sup>3</sup>		18.0%
Shares <sup>4</sup>	7.2%	

Property portfolio value as at 30 June



Over the five years to 30 June 2016 Growthpoint has acquired \$1,321.4m of assets and recorded \$212.4m in net property valuation gains.

21

- 2. Source: UBS Investment Research
- 3. S&P/ASX 300 Prop Index.
- 4. S&P/ASX Acc. Index.
- Pro forma, including leasing announced post 30 June 2016. 5.

J. Colme Timothy Collyer, Managing Director

## **Property Portfolio Overview**

The property portfolio was enhanced with \$328.0 million of property acquired and over 59,000sqm of new and extended leasing during FY16. The property portfolio has 99% occupancy, weighted average annual rent reviews of 3.1% and a weighted average lease expiry of 6.9 years<sup>6</sup>. The property portfolio is valued at over \$2.83 billion and it continues to maintain a quality tenant base which includes Commonwealth and State government tenants, Woolworths, Linfox, ANZ Banking Group and GE Capital.

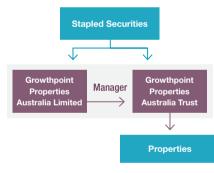
The key metrics highlight a successful year of acquisitions and leasing. The portfolio continues to deliver a steady income stream with a long WALE of 6.9 years<sup>6</sup> and a reduction in the portfolio lease expiries over the next three financial years.

## What is Growthpoint?

Growthpoint is an ASX-listed landlord with a mandate to invest in Australian office, industrial and retail real property with a portfolio currently worth \$2.8 billion

Growthpoint is included in the S&P/ASX 200 Index (among other indices).

Owners of Growthpoint's securities own both the real properties and the manager of those properties. All properties are 100% owned by Growthpoint on its balance sheet so Growthpoint's owners have an interest in all of the properties Growthpoint owns.



### Growthpoint's history

Growthpoint commenced in its current form in 2009 with \$650 million of industrial property. It has grown and diversified to now own \$1.6 billion of office property and \$1.2 billion of industrial property in every Australian State and in the Australian Capital Territory.

#### What we do

#### Top ten tenants by passing rent as at 30 June 2016

Geographic diversity

by property value as at 30 June 2016

Portfolio lease expiry profile<sup>6</sup>

per financial vear. by income

1%

2%

6%

VIC 35%

QLD 27%

NSW 20%

SA 7%

ACT 5% • WA 5% TAS 1%

	%	WALE (yrs)
Woolworths	21	6.1
NSW Police	9	7.9
Commonwealth of Australia	6	9.7
GE Capital Finance Australasia <sup>7</sup>	5	1.77
Linfox	4	6.9
Jacobs Group	3	7.5
Energex	3	11.4
ANZ Banking Group	2	3.7
Fox Sports	2	6.5
Star Track Express	2	3.0
Total / Weighted Average	57	<b>6.6</b> <sup>6</sup>
Balance of portfolio	43	5.7
Total portfolio	100	<b>6.9</b> <sup>6</sup>

### Five year performance summary

As at 30 June		<b>FY16</b> <sup>9</sup>	FY15 <sup>10</sup>	FY14	FY13	FY12
Number of properties	no.	58	53	51	44	42
Total value	\$m	2,832.6	2,372.5	2,093.7	1,694.5	1,634.8
Occupancy	%	99	97	98	98	99
Like-for-like value change	\$m / % of asset value	130.2 / 5.5	186.0 / 9.0	52.1 / 3.0	30.6 / 2.0	37.0 / 3.2
Total lettable area	sqm	1,109,545	1,050,611	1,036,740	917,989	900,676
Weighted average property age	years	9.2	8.3	7.9	6.6	6.0
Weighted average valuation cap rate	%	6.9	7.3	7.9	8.4	8.3
WALE	years	<b>6.9</b> <sup>6</sup>	6.7	6.9	6.8	7.2
WARR <sup>®</sup>	%	3.1	3.0	3.2	3.1	3.2
Average value (per sqm)	\$	2,553	2,258	2,019	1,846	1,815
Average rent (per sqm, per annum)	\$	198	183	171	162	161
FY net property income	\$m	181.2	171.8	148.7	133.4	108.9
Number of tenants	по.	116	97	90	90	87

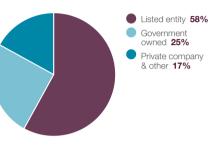
## Tenant type

Vaca

FY21

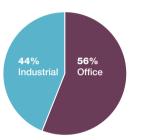
FY22+

by gross income as at 30 June 2016



## Sector diversity

by property value as at 30 June 2016



### Annual rent review type\* as at 30 June 2016

/acant	21.6%	Fixed 2.00-2.99%
FY17		63.0% Fixed 3.00-3.99%
FY18	7.2%	Fixed over 4.00%
FY19	6.9%	CPI
FY20	1.3%	CPI +1.00%

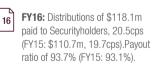
\* Leases that have a minimum lease increase, typically 3%, or CPI are shown as the minimum fixed rate for the above.

## Net property income per State / Territory

for the year ended 30 June 2016

		\$59.4m	VIC
	\$46.9m		QLD
	\$38.1m		NSW
\$15.9m			SA
\$9.6m			WA
\$8.6m			ACT
\$2.7m			TAS

## **Transparent business model**



6 **Distributions:** Return as much of the remaining property income to



Securityholders in Australia and

elsewhere and debt capital

(currently from all four major Australian banks and four

offshore lenders).

capital & \$250m new debt capital (FY15: \$73.7m and \$200m)

2

14

FY16: \$40.1m new equity

## **Quality Assets:**

Acquire well built, well located Australian commercial property. FY16: Three office and two industrial properties purchased for a total of \$328.0m (FY15: three industrial and one office property

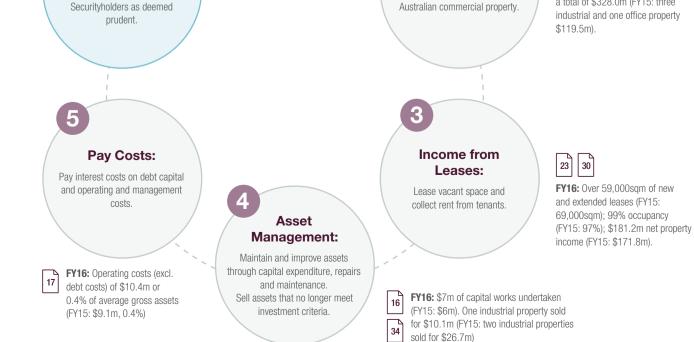
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Growthpoint seeks to provide investors with a continually growing income stream with 100% of income derived from rent of properties Growthpoint owns and manages.

#### How we do it

Growthpoint acquires modern, well-located properties leased to quality tenants and holds these assets for the medium to long term.

- 6. Pro forma, including leasing announced post 30 June 2016.
- 7. The leases to Country Road / David Jones announced after 30 June 2016, with a weighted average lease term from commencement of 14.5 years, will replace the existing lease to GE Capital Finance Australasia upon the lease expiry.
- Assumes Consumer Price Index change of 1.0% per annum as per Australian Bureau of Statistics release for FY16.
- 9. Includes Building C, 211 Wellington Road, Mulgrave, Victoria at its 'on completion' valuation.
- 10. Includes Building B, 211 Wellington Road, Mulgrave, Victoria at its 'on completion' valuation



## **Financial Statements**

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2016	Notes	2016	Restated 2015
		\$'000	\$'000
Revenue			
Property revenue	2.1	208,626	197,240
Straight line adjustment to property revenue		7,426	6,569
Net changes in fair value of investment properties	2.2	96,583	168,579
Profit on sale of investment properties		-	363
Unrealised profit on assets held for sale		163	-
Net change in fair value of derivatives		4,647	1,542
Loss on settlement of derivatives		(10,471)	(12,822)
Net investment income		306,974	361,471
Expenses			
Property expenses		(27,457)	(25,441)
Other expenses from ordinary activities		(10,407)	(9,123)
Total expenses		(37,864)	(34,564)
Profit from operating activities		269,110	326,907
Interest income		559	761
Borrowing costs	3.2	(44,982)	(44,292)
Net finance costs		(44,423)	(43,531)
Profit before income tax		224,687	283,376
Income tax expense	4.3	(418)	(372)
Profit for the period		224,269	283,004
Profit attributable to:			
Owners of the Trust		224,444	283,175
Owners of the Company		(175)	(171)
<ul> <li>The second se Second second secon</li></ul>		224,269	283,004
Distribution to Securityholders	3.6	(118,134)	(110,685)
Change in net assets attributable to Securityholders / Total Comprehensive Income		106,135	172,319
Basic and diluted earnings per stapled security (cents)	3.7	38.9	50.4

Refer to section 2.1 for further information on the restatement for the year to 30 June 2015.

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

### **Consolidated Statement of Financial Position**

Notes	2016	Restated 2015
	\$'000	\$'000
	70,661	26,858
2.4	39,636	35,638
2.3	151,688	-
	261,985	62,496
2.4	58,556	51,129
	195	312
2.2	2,592,589	2,292,711
	709	499
	2,652,049	2,344,651
	2,914,034	2,407,147
	2.4 2.3 2.4 2.4	2.4 58,556 2.2 2,592,589 70,661 2.4 39,636 2.3 151,688 261,985 2.2 2,592,589 709 2,652,049

#### Current liabilities

## **Consolidated Statement of Changes in Equity**

		Share-	Deferred tax			
	Contributed	based payments	expenses charged	Profits	Accumulated	
For the year ended 30 June 2016	equity	reserve	to equity	reserve	profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2015	1,376,011	3,369	471	7	31,659	1,411,517
Total comprehensive income for the year						
Profit after tax for the year	-	-	-	-	224,269	224,269
Total other comprehensive income		-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	224,269	224,269
Transactions with Securityholders in their capacity as Securityholders:						
Contributions of equity, net of transaction costs	38,001	-	-	-	-	38,001
Distributions provided or paid	-	-	-	-	(118,134)	(118,134)
Share-based payment transactions	-	1,137	-	-	-	1,137
Deferred tax expense charged to equity	-	-	51	-	-	51
Total transactions with Securityholders	38,001	1,137	51	-	(118,134)	(78,945)
Balance at 30 June 2016	1,414,012	4,506	522	7	137,794	1,556,841
Total recognised income and expense for the year is attributable to:						
- Trust						224,444
- Company						(175)
Growthpoint Properties Australia						224,269

For the year ended 30 June 2015	Contributed equity	Share- based payments reserve	Deferred tax expenses charged to equity	Profits reserve	Accumulated profits / (losses)	Total
	. ,				. ,	¢2000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2014	1,303,009	2,257	461	7	(140,660)	1,165,074
Total comprehensive income for the year						
Profit after tax for the year	-	-	-	-	283,004	283,004
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	283,004	283,004
Transactions with Securityholders in their capacity as Securityholders: Contributions of equity, net of transaction						
costs	73,002	-	-	-	-	73,002
Distributions provided or paid	-	-	-	-	(110,685)	(110,685)
Share-based payment transactions	-	1,112	-	-	-	1,112
Deferred tax expense charged to equity	-	-	10	-	-	10
Total transactions with Securityholders	73,002	1,112	10	-	(110,685)	(36,561)
Balance at 30 June 2015	1,376,011	3,369	471	7	31,659	1,411,517
Total recognised income and expense for the year is attributable to:						
- Trust						283,175
- Company						(171)
Growthpoint Properties Australia						283,004

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

### **Consolidated Cash Flow Statement**

For the year ended 30 June 2016	Notes	2016	2015
		\$'000	\$'000
Cash flows from operating activities			
Cash receipts from customers		221,286	204,407
Cash payments to suppliers		(42,252)	(66,405)
Cash generated from operating activities		179,034	138,002
Interest paid		(44,647)	(45,263)
Taxes paid		(565)	(352)
Net cash inflow from operating activities	2.6 (b)	133,822	92,387
Cash flows from investing activities			
Interest received		559	761
Net proceeds from sale of investment properties		-	26,700
Payments for investment properties		(355,138)	(93,477)
Payments for plant & equipment		(11)	(15)
Net cash outflow from investing activities		(354,590)	(66,031)
Cash flows from financing activities			
Proceeds from external borrowings		719,584	378,044
Repayment of external borrowings		(368,138)	(357,842)
Proceeds from equity raising		40,132	73,746
Equity raising costs		(2,131)	(744)
Payment for settlement of derivatives		(10,471)	(12,822)
Distributions paid to Securityholders		(114,405)	(101,201)
Net cash (outflow)/inflow from financing activities		264,571	(20,819)
Net inflow in cash and cash equivalents		43,803	5,537
Cash and cash equivalents at the beginning of the period		26,858	21,321
Cash and cash equivalents at the end of the period	2.6 (a)	70,661	26,858

Trade and other liabilities	2.5	38,978	28,291
Distribution to Securityholders	3.6	60,062	56,334
Current tax payable		574	560
Total current liabilities		99,614	85,185
Non-current liabilities			
Interest bearing liabilities	3.1	1,242,226	890,445
Derivative financial instruments	3.3	15,353	20,000
Total non-current liabilities		1,257,579	910,445
Total liabilities		1,357,193	995,630
Net assets		1,556,841	1,411,517
Securityholders' funds			
Contributed equity	3.5	1,414,012	1,376,011
Reserves		5,036	3,847
Accumulated profits		137,793	31,659
Total Securityholders' funds		1,556,841	1,411,517

Refer to section 2.1 for further information on the restatement as at 30 June 2015.

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

## 2016 Securityholder Calendar\*

### 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.

## **Company directory**

### **Growthpoint Properties Australia**

### Growthpoint Properties Australia Limited

ABN 33 124 093 901; AFSL No 316409

#### **Growthpoint Properties Australia Trust**

ARSN 120 121 002 Level 22, 357 Collins Street, Melbourne VIC 3000 Australia Phone: (03) 8681 2900 Fax: (03) 8681 2910

#### www.growthpoint.com.au

Investor Services Line: 1800 260 453

### info@growthpoint.com.au

### Share registry

### **Computershare Investor Services**

Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia

Phone (within Australia): **1300 850 505** Phone (outside Australia): +61 3 9415 4000 Fax: +61 3 9473 2500

www.computershare.com

### Auditor

### KPMG

147 Collins Street, Melbourne VIC 3000 Australia

## Contacting Computershare

For direct holders for Growthpoint securities, most matters can be dealt with on-line at:

www www-au.computershare.com/investor/

Note that you will require your holder identification number.

## If you cannot resolve matters on-line, contact details for Computershare are:

### Address:

Computershare Investor Services Pty Limited

## Our mission

The Group seeks to provide investors with a tradeable security producing consistently growing income returns and long-term capital appreciation.

## Our investment philosophy

To be a pure landlord, with 100% of income derived from rent under leases to quality tenants for commercial real estate.

## Our investment offering

Growthpoint is an ASX listed real estate investment trust or A-REIT (ASX Code: GOZ), with a mandate to invest in Australian property in the industrial, office and retail sectors.

## The four pillars of our investment offering are:

### 1. 100% investment in Australia

All of the Group's properties are located in Australia where our management understands the key markets. We have increased the diversification of the portfolio to cover every State in Australia and the Australian Capital Territory.

## 2. Not a developer

The Group does not operate a property development business and does not intend to take on any significant development risk. It will likely continue to purchase properties to be developed, fund construction of developments, or enter a joint venture where the Group becomes the owner of the property on completion but only where material leases are in place.

### 3. No funds management

The Group does not have a funds management business nor does it intend to become a fund manager. The Group intends only to manage a portfolio of properties that it owns, and accordingly the Group's income is, and will continue to be, derived solely from rental income.

#### 4. Internalised management

The Group has internalised management via a stapled entity structure. Securityholders own both the property trust and the manager/responsible entity. There are no fees payable to external managers for operating the business and no conflicts of interest between Securityholders and the manager/responsible entity.

## GROWTHPOINT PROPERTIES

www.growthpoint.com.au



# GMF takeover expected to complete in FY17

Growthpoint formally launched a \$321 million takeover offer for the GPT Metro Office Fund (GMF) on 1 July 2016.

As at the date of this report, Growthpoint had received acceptances totalling 46.97%<sup>11</sup> of GMF units and expects to gain control of the fund during FY17. The key outstanding condition of Growthpoint's current offer is minimum acceptances of not less than 50.1% of GMF's unitholders. 90% acceptances are required before Growthpoint can compulsorily acquire the remainder of outstanding GMF units. Should Growthpoint acquire 50.1% but less than 90% of GMF units by the end of the offer period, Growthpoint currently intends to replace the current responsible entity with the Company and continue to run the fund as a separately listed entity.

Growthpoint expects that obtaining 100% of GMF will be 4.9% accretive to its FY17 distributable income<sup>12</sup> guidance. Acquiring 50.1% is expected to be 4.1% accretive to its FY17 distributable income<sup>12</sup> guidance with the accretion increasing incrementally between 50.1% and 100%

### GMF property portfolio statistics

		Book value	Cap rate	WALE	Lettable area	Site area	Major tenant
_		\$m	%	years	sqm	sqm	
1	15 Green Square Close, Fortitude Valley, QLD	127.1	6.75	5.7	16,587	2,519	Queensland Urban Utilities
2	3 Murray Rose Avenue, Sydney Olympic Park, NSW	91.5	6.50	5.7	13,423	3,980	Samsung
3	5 Murray Rose Avenue, Sydney Olympic Park, NSW	90.5	6.25	7.8	12,386	3,826	Lion
4	109 Burwood Rd, Hawthorn, VIC	72.9	7.00	4.7	12,477	3,529	Orora
5	Quad 3, 8 Parkview Dr, Sydney Olympic Park, NSW	29.3	7.25	2.9	5,244	6,635	Alstom Australia
6	Quad 2, 8 Parkview Dr, Sydney Olympic Park, NSW	29.0	7.25	3.1	5,145	7,788	Universities Admissions Centre
	Total / Average	440.3	6.70	5.5			







Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067, Australia

#### Telephone

**1300 850 505** (within Australia) or + 61(0)3 9415 4000 (from outside of Australia)

### Facsimile

+61(0)3 9473 2500

### Email

#### webqueries@computershare.com.au

For indirect holders, i.e. holders that hold via a fund, custodian or other third party, you should contact that party. Computershare will only be able to assist those with holdings directly on Growthpoint's Securityholder register.

Growthpoint Properties Australia Trust ARSN 120 121 002 Growthpoint Properties Australia Limited ABN 33 124 093 901 AFSL 316409

This document includes some highlights from the 2016 Annual Report for Growthpoint Properties Australia but is not a fulsome annual report and does not include all of the information required to understand all of the information provided. Users should refer to the full 2016 Annual Report which is available at www.growthpoint.com.au. 00.170 414 10070.

Among other benefits such as greater market capitalisation, scale and diversity, GMF will increase Growthpoint's NSW exposure from 20.0% to 24.7% and increase Growthpoint's office exposure from 56.0% to 59.5%; both of which are stated objectives for Growthpoint.

**GMF key statistics** (as at 30 June 2016)

- \$440.3 million total property value
- 6.70% average capitalisation rate
- 15.5% of Growthpoint's property portfolio
- 94.9% occupancy
- 5.5 years WALE
- 100% A-grade office



Includes indications to accept via an institutional acceptance facility which are conditional on Growthpoint's offer being unconditional.
 Pro forma at 1 July 2016 and excluding other possible impacts.