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Goodman Australia Industrial Fund (“the Fund or GAIF”) capital raising and Goodman Group (“Goodman” or “GMG”) asset sales

Date 30 July 2007

Release Immediate

Goodman announces the successful close of Goodman Australia Industrial Fund’s \$500 million equity raising and the completion of a series of asset disposals from the Group to the Fund of approximately \$480m

The Fund

The capital raising for Goodman Australia Industrial Fund (formerly known as Macquarie Goodman Wholesale Fund) was proposed in Goodman’s operational update in April 2007.

We are now pleased to announce that the Fund successfully raised \$500 million of equity with 24 of the Fund’s 34 global institutional investors participating including Goodman which contributed its pro-rata share of 30%, maintaining its significant cornerstone stake. Following the raising process, the Fund also attracted two new institutional investors to its register taking the total number of investors to 36.

The equity raising was split into two equal tranches and will provide the Fund with approximately \$0.9 billion of additional funding capacity to undertake further investments in both stabilised property and development projects.

Mr David van Aanholt, Chief Executive Officer Goodman Asia Pacific, said “The Group is delighted with the level of participation and support of the equity raising by the Fund’s investors. This was the largest secondary raising by a wholesale property fund in Australia in recent times, demonstrating Goodman’s ability to source capital from our partners in the unlisted market and marry that equity with excellent property and development opportunities.”

“The strength of investor commitment reflects the continued strong performance of the Fund which has grown by over 80% since inception and delivered a total return of 12.3% for the 2007 financial year. This demonstrates the success of our proven customer service model which has been the key to growing the Fund’s net assets to approximately \$1.9 billion post the capital raising.” Mr van Aanholt said.

Property Disposals to the Fund

Since June 2007, Goodman has disposed of approximately \$480 million of Australian industrial assets to the Fund at an average yield of 7.4%.

Mr Gregory Goodman, Group Chief Executive Officer said “Although the Fund had access to the Group’s disposals via its first right of refusal, this mechanism is only being utilised where the metrics and potential of an asset meet the Fund’s criteria. In addition to the disposals to GAIF, the Group had disposed of approximately \$280 million of Australian assets to the broader market over the past 12 months, including the St Leonards Corporate Centre. This capital has been reinvested in the expansion of the global business platform”.

Following the disposals, the Fund is forecast to hold gross assets of approximately \$2.8 billion as at December 2007 with an anticipated gearing position of 37%.

Mr Goodman said, “The capital raising and asset disposals are a practical illustration of the Group’s strategy for its funds. As a cornerstone investor, the disposals provide the Group with on-going investment exposure and management of a portfolio of quality industrial assets. Importantly, this frees up the Group’s capital in a cost efficient manner allowing us to deploy capital across a range of different markets to participate in development opportunities, direct investments, and cornerstone holdings as the most suitable opportunities arise.”

In closing, Mr Goodman noted that “the Group is continuing to experience buoyant demand for real estate globally and is optimistic about the outlook for the next 12 months”.

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