

15 November 2018

Charter Hall Group Annual General Meeting 2018

2 Market Street, Sydney NSW

2018 Annual General Meeting

Agenda

1. Chair's Address	David Clarke
2. Managing Director's Address	David Harrison
3. Formal Business	

1. Chair's Address

2018 Annual General Meeting

Board of Directors



David Clarke
Chair



David Ross
Non-Executive Director



Anne Brennan
Non-Executive Director



Karen Moses
Non-Executive Director



Philip Garling
Non-Executive Director

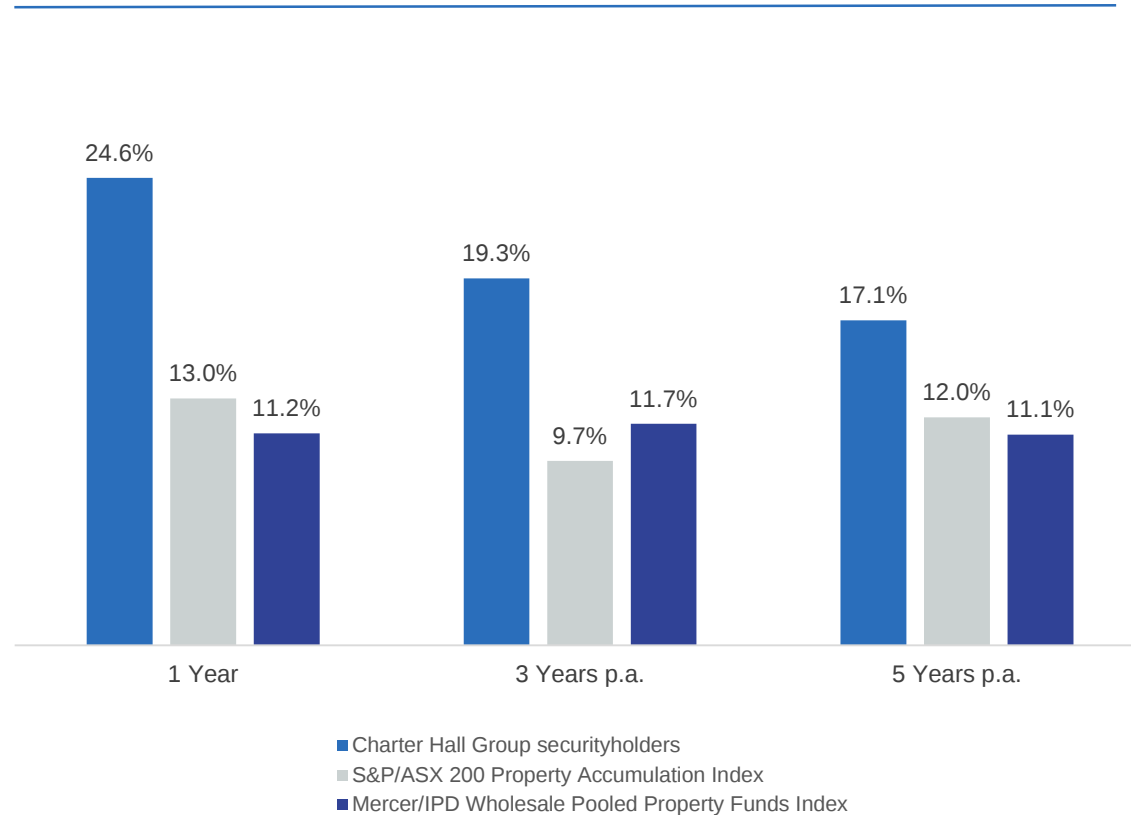


David Harrison
Managing Director & Group
CEO

2018 Annual General Meeting

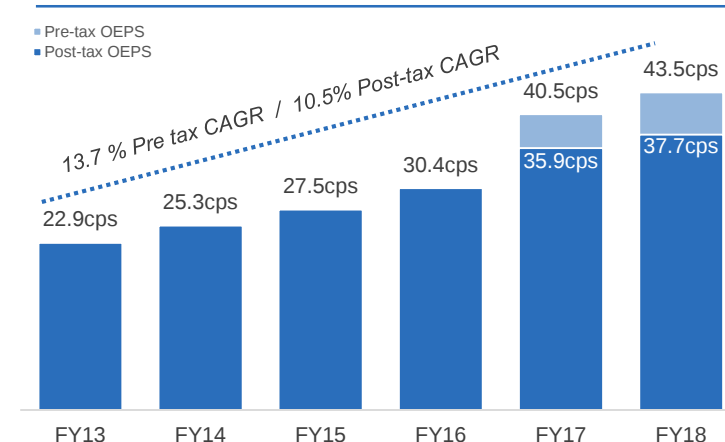
Sustained Growth

TOTAL PERFORMANCE OVER 1, 3, 5 YEARS (%P.A.)¹

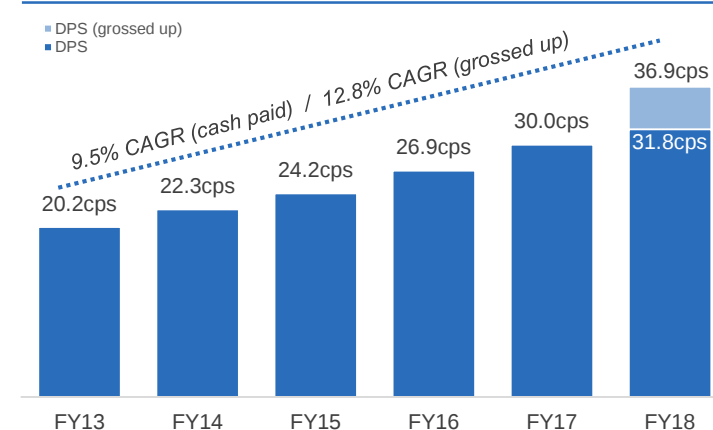


- Source: MSCI/IPD, UBS and S&P/ASX. Returns are shown to 30 September 2018
- Operating earnings per security prior to FY14 restated to include security-based benefits expense

OPERATING EARNINGS PER SECURITY GROWTH²



DISTRIBUTIONS PER SECURITY GROWTH



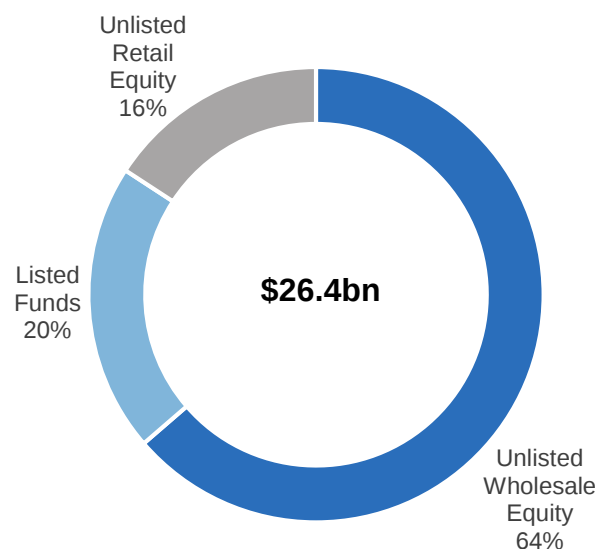
2. Managing Director's Address

Property Funds Management

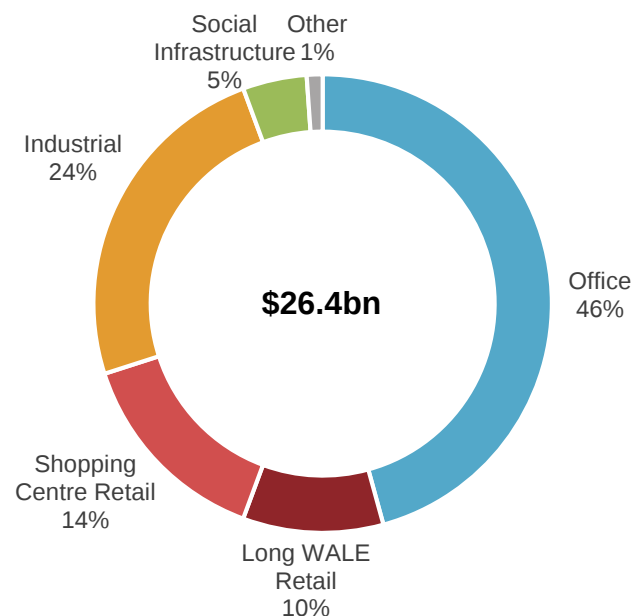
Group Funds Management Portfolio¹

	Portfolio Value (\$bn)	No. of Properties	Gross Income (\$m)	WALE (years)	Occupancy (%)	WACR (%)
Nov 18	26.4	779	1,759	7.7	97.9	5.76
Jun 18	23.2	330	1,634	7.7	98.1	5.74
Jun 17	19.8	329	1,454	7.7	98.0	6.07

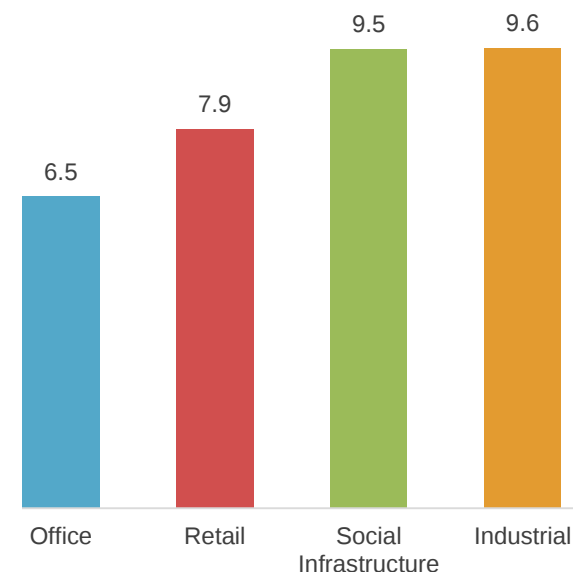
Diversification by equity source



Asset type diversification



WALE by sector



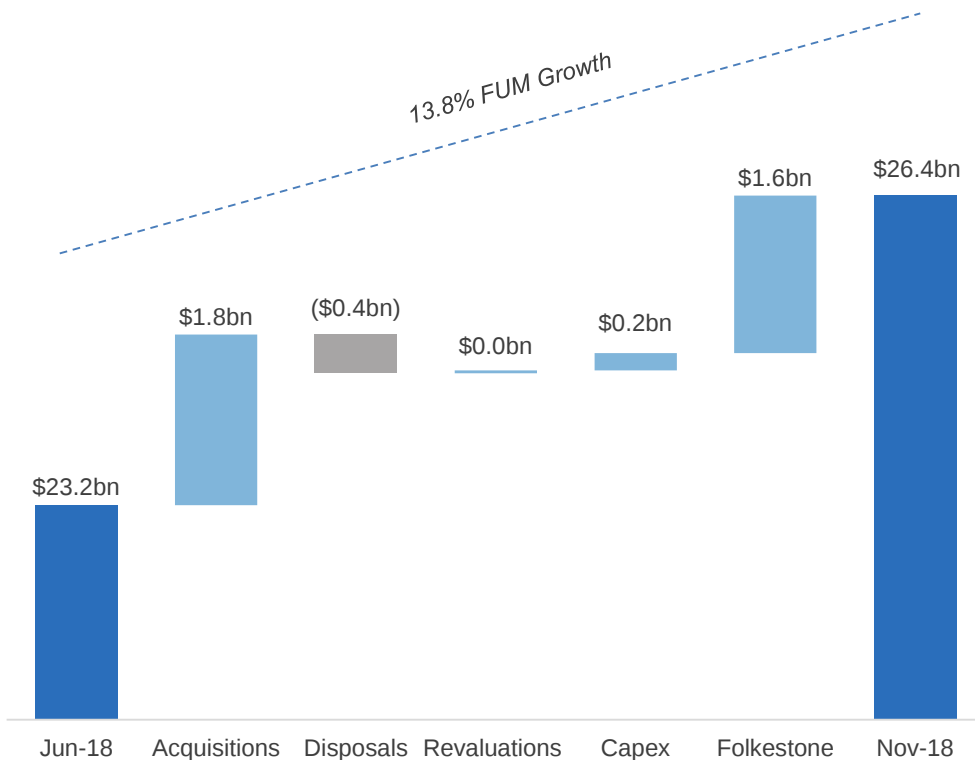
1. Portfolio value and number of properties as at 7 November. All other values as at 30 September.

Property Funds Management

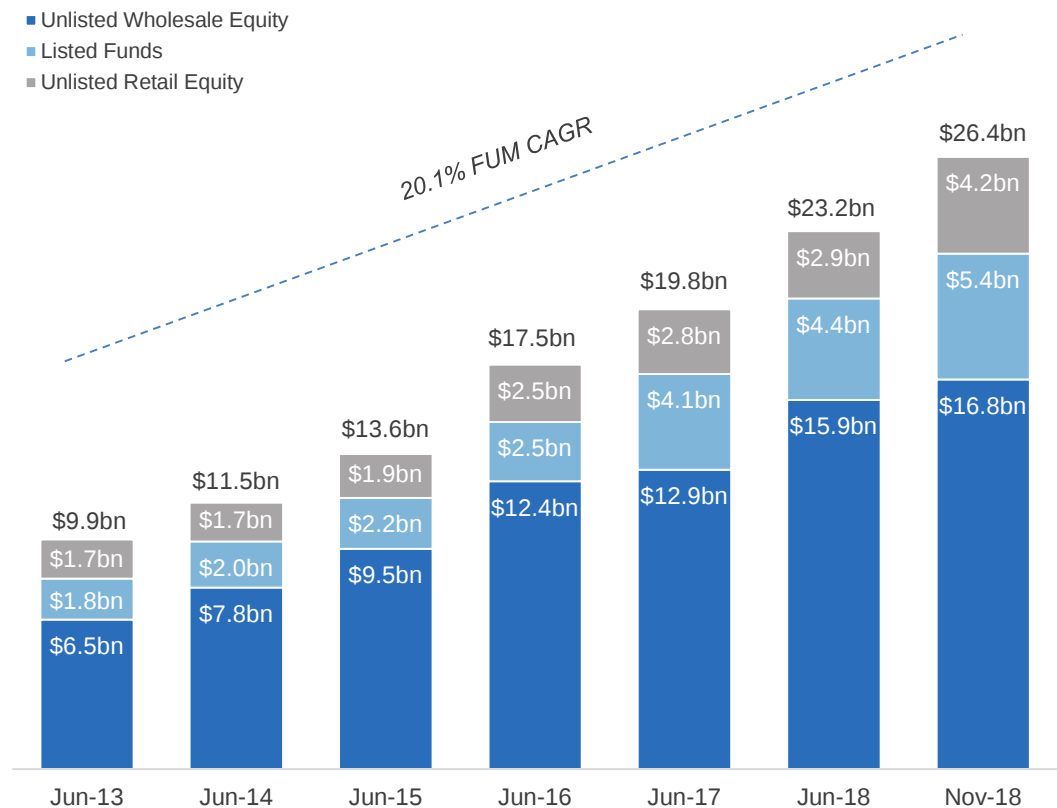
Funds Under Management Growth

Continued strong FUM growth – up 13.8% YTD

Funds under management movement (\$bn)



Funds under management by equity source (\$bn)



Property Funds Management

Transactional Activity

Very strong transactional activity with gross transactions YTD of \$2,164m

- All equity sources continue contributing to transaction volumes
- Gross transactions YTD does not include Folkestone acquisition

YTD FY19

	Office	Industrial	Long WALE Retail	Shopping Centre Retail	Total
Acquisitions	1,052m	335m	293m	83m	1,764m
Divestments	(195m)	(84m)	(38m)	(83m)	(400m)
Net transactions	857m	251m	255m	-	1,363m
Gross transactions	1,247m	419m	331m	166m	2,164m

FY18

	Office	Industrial	Long WALE Retail	Shopping Centre Retail	Total
Acquisitions	1,528m	371m	293m	333m	2,525m
Divestments	(623m)	(22m)	(38m)	(337m)	(1,020m)
Net transactions	905m	349m	255m	(4m)	1,505m
Gross transactions	2,151m	393m	331m	670m	3,545m

Property Funds Management

Equity Flows¹

Continued strong momentum in equity flows with \$918m gross equity raised year to date

- Wholesale equity – CPIF and CPOF closed capital raisings with strong support from existing and new investors
- Larger groups looking for co-invest and Partnership opportunities
- Direct Funds have continued to maintain their market leading status with a further \$217m raised year to date across the four open ended funds
- CLW successfully completed a \$60m institutional placement in October

(\$m)	FY16	FY17	FY18	YTD FY19
Wholesale Pooled Funds	606	776	649	564
Wholesale Partnerships	467	217	322	77
Listed Funds	76	988	77	60
Direct Funds	318	355	653	217
Gross equity raised	1,467	2,336	1,701	918
Net equity raised	1,099	1,689	1,487	874

1. Equity flows includes equity received or returned only and excludes undrawn equity commitments

Property Investment

Sustainability



ECO-INNOVATION

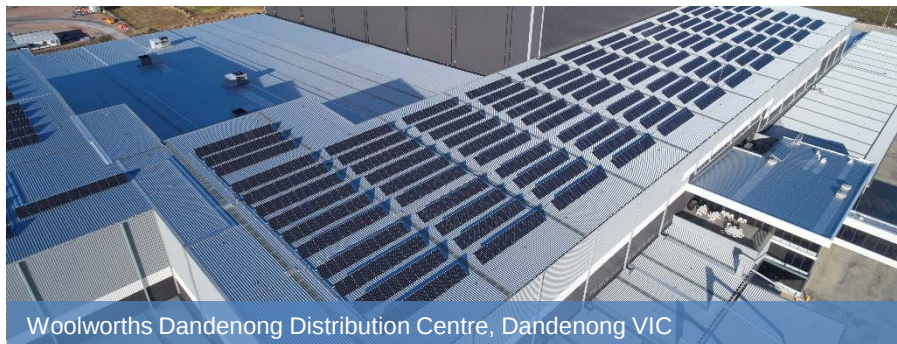
Delivering smart solutions that make a difference for our customers and the planet by:



Increasing our Office portfolio NABERS Energy ratings to a 4.71 Star weighted average and maintaining our 3.5 Star NABERS Energy average weighted rating in Retail assets

Maintaining Australia's largest Green Star footprint with 178 Green Star Performance ratings across operating assets, and 18 Green Star Design and As Built ratings in our developments

Increasing our renewable footprint with increased renewable installations across our office, industrial and retail sectors to 2,456kW of solar PV generating over 3,670MWh of electricity per annum.



Woolworths Dandenong Distribution Centre, Dandenong VIC



PLACE CREATION

PLEDGE
1%

Charter Hall is part of the international Philanthropy movement Pledge 1%. Our Pledge is through:

Our People: Our Places: Our Partnerships



Gave 330 days of our People's time with 81% of employees volunteering in the community



Contributed **\$1.3 Million or 46,054qm** in space



\$600,000 for community programs and services



INNOVATION

Included in Top 20 most innovative companies in the ASX200 as rated by innovation consultants, Collective Campus

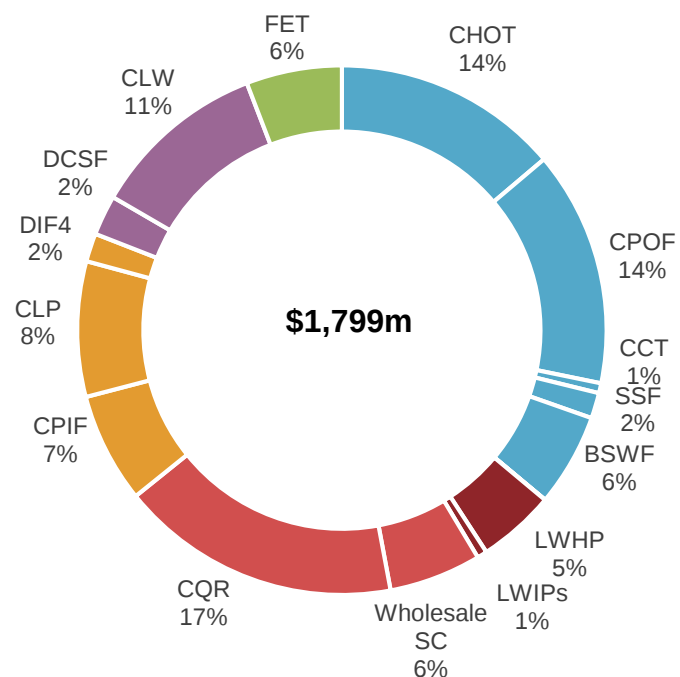
One of the first in the sector to embrace start-ups, launching Australia's first PropTech accelerator program late last year

Property Investment

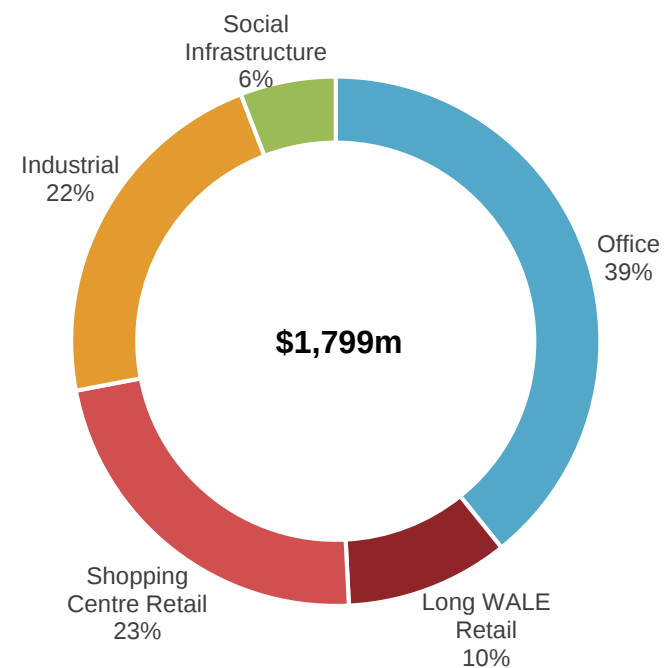
Property Investment Portfolio

	Portfolio Value (\$m)	No. of Properties	WALE (years)	Occupancy (%)	WARR (%)	WACR (%)
Nov 18	1,799	727	7.2	97.4	3.6	5.81
Jun 18	1,706	298	7.2	97.9	3.6	5.80
Jun 17	1,527	292	7.4	97.7	3.6	6.09

Diversification by Property Investment



Diversification by sector



3. Formal Business

Formal Business

Formal Business

- If there are any Securityholders who are eligible to vote who have not received their yellow card, please see a representative from Link Market Services desk
- Those Securityholders holding a red card are not eligible to vote but can speak at the meeting
- Visitors holding a blue card are not eligible to vote or speak at the meeting
- Copies of the Notice of Meeting, Explanatory Memorandum and Annual Report are available from the registration desk

Formal Business

Item 1 – Annual Report

To receive and consider the Annual Report, consisting of the Financial Report and Director's Report, and Auditor's Report for the year ended 30 June 2018.

Note: There is no requirement for Securityholders to approve these reports.

Formal Business

Item 2 – Re-election of Directors of CHL

To consider and, if thought fit, pass the following ordinary resolutions of CHL:

- 2.1 “That Ms. Anne Brennan, a Director of CHL retiring in accordance with the CHL Constitution, is re-elected as a Director of CHL.”***
- 2.2 “That Mr. Philip Garling, a Director of CHL retiring in accordance with the CHL Constitution, is re-elected as a Director of CHL***

Formal Business

Item 2.1 – Proxies – Re-election of Anne Brennan

FOR:	356,634,321 (95.5%)
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OPEN:	375,747 (0.1%)
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AGAINST:	16,283,160 (4.4%)
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ABSTAIN:	16,088
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Formal Business

Item 2.2 – Proxies – Re-election of Philip Garling

FOR:	364,166,860 (97.6%)
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OPEN:	367,268 (0.1%)
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AGAINST:	8,737,645 (2.3%)
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ABSTAIN:	37,543
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Formal Business

Item 3 – Adoption of Remuneration Report

To consider and, if thought fit, pass the following ordinary resolutions of CHL:

“That the Remuneration Report included in the Annual Report for the year ended 30 June 2018 to be adopted.”

Note: The vote on this resolution is advisory only and does not bind Charter Hall Group or the Directors of CHL.

Formal Business

Item 3 – Proxies

FOR:	366,633,886 (98.2%)
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OPEN:	354,616 (0.1%)
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AGAINST:	6,163,225 (1.7%)
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ABSTAIN:	157,589
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Formal Business

Item 4 – Issue of service rights to David Harrison – Performance Rights and Options Plan (Deferred portion of Short Term Incentive (STI) for FY18)

To consider and, if thought fit, pass the following ordinary resolutions of CHL:

“That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 98,241 service rights to Mr. David Harrison as described in the Explanatory Memorandum.”

Formal Business

Item 4 – Proxies

FOR:	369,488,317 (99.2%)
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OPEN:	348,945 (0.1%)
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AGAINST:	2,805,487 (0.7%)
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ABSTAIN:	666,567
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Formal Business

Item 5 – Issue of performance rights to Mr. David Harrison – Performance Rights and Options Plan (Long Term Incentive (LTI))

To consider and, if thought fit, pass the following ordinary resolutions of CHL and CHPT:

“That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 304,238 performance rights to Mr. David Harrison as described in the Explanatory Memorandum.”

Formal Business

Item 5 – Proxies

FOR:	333,345,512 (89.5%)
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OPEN:	385,626 (0.1%)
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AGAINST:	38,914,386 (10.4%)
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ABSTAIN:	659,983
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Questions

Meeting closed

Additional information

Contact information



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Additional information

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All information contained herein is current as at 7 November 2018 unless otherwise stated. All references to dollars (\$) are to Australian dollars, unless otherwise stated.

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