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Goodman announces new Finance Facility

Date	19 May 2009
Release	Immediate

Goodman Group (Goodman) today announces that it has signed a new A$300 million Finance Facility (Facility) underpinned by Macquarie Bank Limited (Macquarie), which provides Goodman sufficient liquidity to repay all 2009 debt expiries.

Greg Goodman, Group CEO of Goodman, said: "We are pleased with the support provided to the Group by Macquarie, who know our business very well. The new facility addresses the Group's immediate debt refinancing and enables Goodman and its advisers to execute on a range of further capital management initiatives to ensure the Group is well capitalised for the long term. Our key focus remains the de leveraging of the business."

The key terms of the A$300 million Facility are as follows:

+ 9 month term expiring on 20 February 2010, extendable for a further 15 months;
+ Secured facility with covenants comparable to those in Goodman's existing common terms deed poll;

In conjunction with the Facility, the Lenders will receive Options granted over 414 million Goodman stapled securities at an exercise price of A$0.30 with a two year term (Options).

The proceeds from the Facility and surplus liquidity will be used by the Group to repay Tranche A of the syndicated facility. The Facility also provides Goodman with sufficient liquidity to repay all facilities scheduled to expire during 2009.

Goodman is in advanced discussions with its existing lenders to refinance and extend the term of approximately A$225 million of debt due to expire in September and December 2009. Successful refinance of these facilities will provide incremental liquidity to Goodman.

Goodman is currently in discussions with additional strategic investors regarding potential investments in the Group and its underlying funds. These discussions may result in an upsizing of the Facility and it is contemplated that additional investors would participate on the same terms as Macquarie.

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Apart from the first 120 million Options which can be issued within placement capacity, the issue of Options will be subject to a securityholder vote. To the extent that the Facility is increased in size, additional Options will be issued, subject to securityholder approval, in the same proportion (i.e. 69 million Options for every $50 million).

It is intended that the exercise of the Options will be used to partially repay the Facility or, if exercised after the Facility has been repaid, for the repayment of other debt or working capital. In the event that the Options are not approved by securityholders, the Lenders will be entitled to a cash amount from Goodman equivalent to the value of the Options as if they had been granted and were exercised during the term of those Options. Further details of this grant will be distributed as part of a notice of Extraordinary General Meeting.

For further information, please contact the Group:

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