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Goodman announces Exchange Offer to amend US Bonds

Date	9 May 2017 (10.00pm Sydney time)
Release	IMMEDIATE

Goodman Group (Goodman or Group) has launched a “par for par” exchange offer for US\$1 billion of its US 144a Bonds that expire in 2021 and 2022.

Key terms of the par for par exchange offer include:

- Coupon, maturity, payment terms and guarantee unchanged
- Tighten leverage covenant from 60% to 55%
- Unencumbered real property assets covenant removed

The transaction is subject to majority acceptance and an upgrade to the Group's credit rating. The Group has already received commitments for exchange and consent from holders representing approximately 33% of the 2021 Bonds and approximately 32% of the 2022 Bonds. The Group has also received similar consent from its banks to amend the covenants with respect to all of its debt facilities.

If majority acceptance is achieved, the Group intends to formalise the reduction of its target gearing range to 0%-25% from 25-35% in its Financial Risk Management Policy. The level of gearing will be determined with reference to the mix of earnings and credit ratios consistent with the rating of the Group. This is in line with the capital management strategy which has been operating in recent years and will result in no changes to the Forecast FY2017 Operating Earnings of the Group. As at 31 December, gearing was 8.7%.

- Ends -

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Goodman Group

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About Goodman

Goodman Group is an integrated property group with operations throughout Australia, New Zealand, Asia, Europe, the United Kingdom, North America and Brazil. Goodman Group, comprised of the stapled entities Goodman Limited, Goodman Industrial Trust and Goodman Logistics (HK) Limited, is the largest industrial property group listed on the Australian Securities Exchange and one of the largest listed specialist investment managers of industrial property and business space globally.

Goodman's global property expertise, integrated own+develop+manage customer service offering and significant investment management platform ensures it creates innovative property solutions that meet the individual requirements of its customers, while seeking to deliver sustainable long-term returns for its Partners.



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