



9 October 2017

ASX ANNOUNCEMENT**GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)****Completion of acquisition and upgrades to FY18 guidance****Acquisition of Perth Airport industrial properties now complete**

Further to the announcement dated 13 July 2017, Growthpoint Properties Australia ("Growthpoint") confirms that settlement of the acquisition of four adjoining, modern industrial warehouses at Lot 11 and Lot 1, Part Lot 9, Tarlton Crescent and Lot 6 and Lot 7, Hugh Edwards Drive, Perth Airport, WA for \$46 million has occurred. The properties provide an initial passing yield of 8.13%.

Upgrades to FY18 guidance

As a result of the settlement noted above, the recent acquisition of an 18.2% interest in Industria REIT (ASX:IDR) and favourable leasing outcomes over the first quarter of the 2018 financial year, Growthpoint is pleased to announce the following upgrades to FY18 funds from operations (FFO) and distribution guidance:

	Previous guidance FY18	Revised guidance FY18	Change
FY18 funds from operations (cps)	At least 23.6	At least 24.3	+3.0%
Distributions (cps)	22.0	22.2	+0.9%
Payout ratio	93.2%	91.4%	-1.8%

Growthpoint's Key Metrics at 30 September 2017

Total property portfolio value	\$3.2 billion
Distribution guidance FY18	22.2 cents
Number of properties	57
Office / industrial	64% / 36%
Average property age	9.9 years
Occupancy	98%
Weighted average lease expiry	5.8 years
Weighted average rent review (assumes CPI of 1.9%)	3.3%
Weighted average capitalisation rate	6.5%
Average NABERS rating (energy) (as at 30 June 2017)	4.5 stars

Key dates for Securityholders

AGM	22 Nov 2017
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Growthpoint's **Managing Director, Timothy Collyer**, commented:

"We have had an excellent start to FY18, with two accretive transactions now settled (total investment of \$114.1 million before acquisition costs) and a number of lease renewals being progressed, enabling us to upgrade both FFO and distribution guidance. Our upgraded FY18 distribution guidance is 3.3% above FY17, within our medium-term target range of 3-4% growth per annum.

"FY18 appears to have started well for many Australian businesses, with business confidence and conditions continuing to track above trend¹ and favourable employment data showing the domestic economy is in good health. These favourable conditions are having a positive impact on many of our tenants in both the office and industrial sectors."

¹ NAB Monthly Business Survey: August 2017



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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. After allowing for recently announced transactions, Growthpoint owns interests in a diversified portfolio of 57 office and industrial properties throughout Australia valued at approximately \$3.2 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.

Growthpoint 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.

www.growthpoint.com.au

Important note

This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "predict", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, opinions and estimates are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Growthpoint that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements and neither Growthpoint, nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the industries in which Growthpoint operates.