

29 April 2019

## March Quarter Operational Update

The GPT Group (“GPT” or “Group”) today announced its operational update for the March 2019 quarter.

### Key Operational Highlights

- The Group undertook a US\$400 million (A\$559 million) US Private Placement (USPP) debt issuance for an average term of 12.9 years at a margin of 170 basis points over 3 month BBSW. Settlement is expected to occur on 25 July 2019
- Office leases of 47,000 square metres (sqm) signed during the quarter, and maintained office portfolio occupancy of 97.1 per cent
- Completed the sale of the Group’s 50 per cent interest in MLC Centre for \$800 million, representing a 3 per cent premium to 31 December 2018 book value
- Successfully opened the \$432 million Sunshine Plaza retail expansion (GPT ownership: 50 per cent)
- Total Centre comparable MAT growth of 1.3 per cent (2.4 per cent at 31 December 2018)
- Total Retail Specialty comparable MAT growth of 1.9 per cent (3.6 per cent at 31 December 2018)
- Retail specialty sales of \$11,480 per square metre (psqm) (\$11,460 psqm at 31 December 2018)
- Logistics leases of 33,000 sqm signed during the quarter, and occupancy of 94.4 per cent (97.2 per cent at 31 December 2018)

Commenting on the successful debt capital markets issuance by the Group, GPT’s Chief Financial Officer, Anastasia Clarke, said the Group was very pleased with the support received from US investors, who recognised the quality of GPT’s diversified portfolio.

“This is a strong endorsement of the Group’s credit strength and confirmation of our continuing ability to access global debt markets at competitive pricing,” said Ms Clarke.

GPT’s Chief Executive Officer, Bob Johnston, said the Group has made a solid start to 2019.

“While there is evidence that retail conditions remain subdued, the Group’s retail portfolio continues to maintain high occupancy. We are achieving strong leasing outcomes in the Office portfolio and we are continuing to execute on our growth plans in Logistics, with a number of acquisitions completed and new developments underway,” said Mr Johnston.

The Group remains on track to meet its 2019 guidance of 4 per cent growth for both Funds From Operations per security and Distributions per security for the full year.

-ENDS-

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# Quarterly Market Update

31 March 2019

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**GPT**  
The GPT Group

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March Quarter  
Update

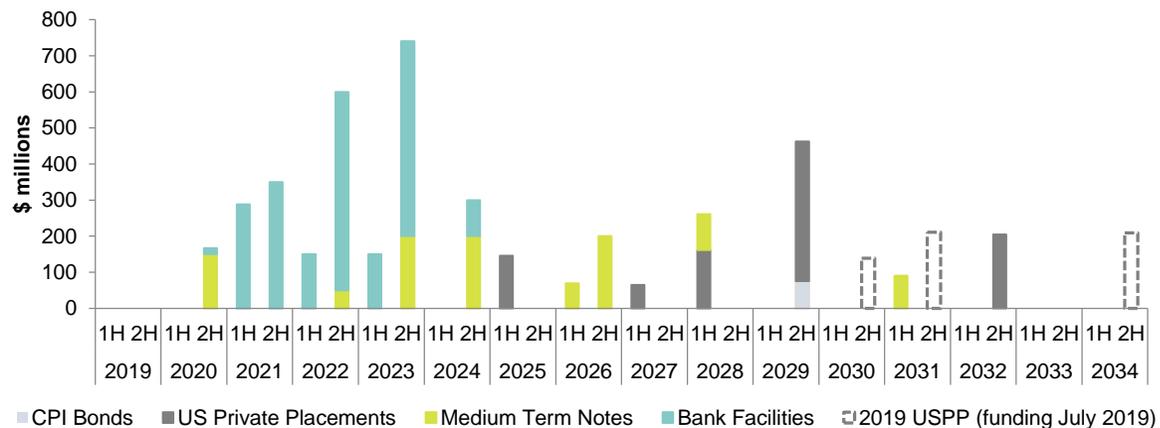


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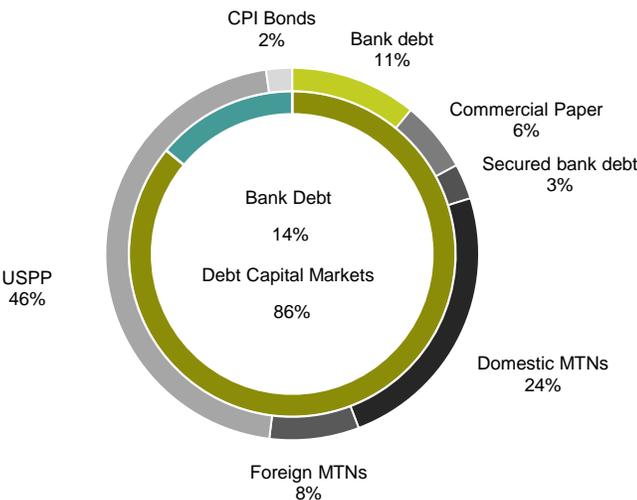
# Capital Management

- + GPT undertook a new US\$400 million (A\$559 million) US Private Placement (USPP)
- + Issuance comprised the following tranches: US\$100 million (11 years); US\$105 million (12 years); A\$65 million (12 years); US\$150 million (15 years)
- + Transaction was priced at an average margin (including charges) of 170 basis points over 3 month BBSW once swapped back to Australian dollars
- + Settlement is expected to occur on 25 July 2019
- + Strong investor demand with the initial US\$150 million offering upsized to US\$400 million

**Debt Maturity Profile**  
As at 31 March 2019<sup>1</sup>



**Sources of Drawn Debt**  
As at 31 March 2019<sup>2</sup>



1. Proforma for 2019 USPP issue and bank facility cancellations made in early April 2019.  
2. Proforma for MLC sale proceeds received in April 2019 and 2019 USPP issue.

# Comparable Annual Retail Sales Growth by Category

1.3%

Total Centre MAT Growth

1.9%

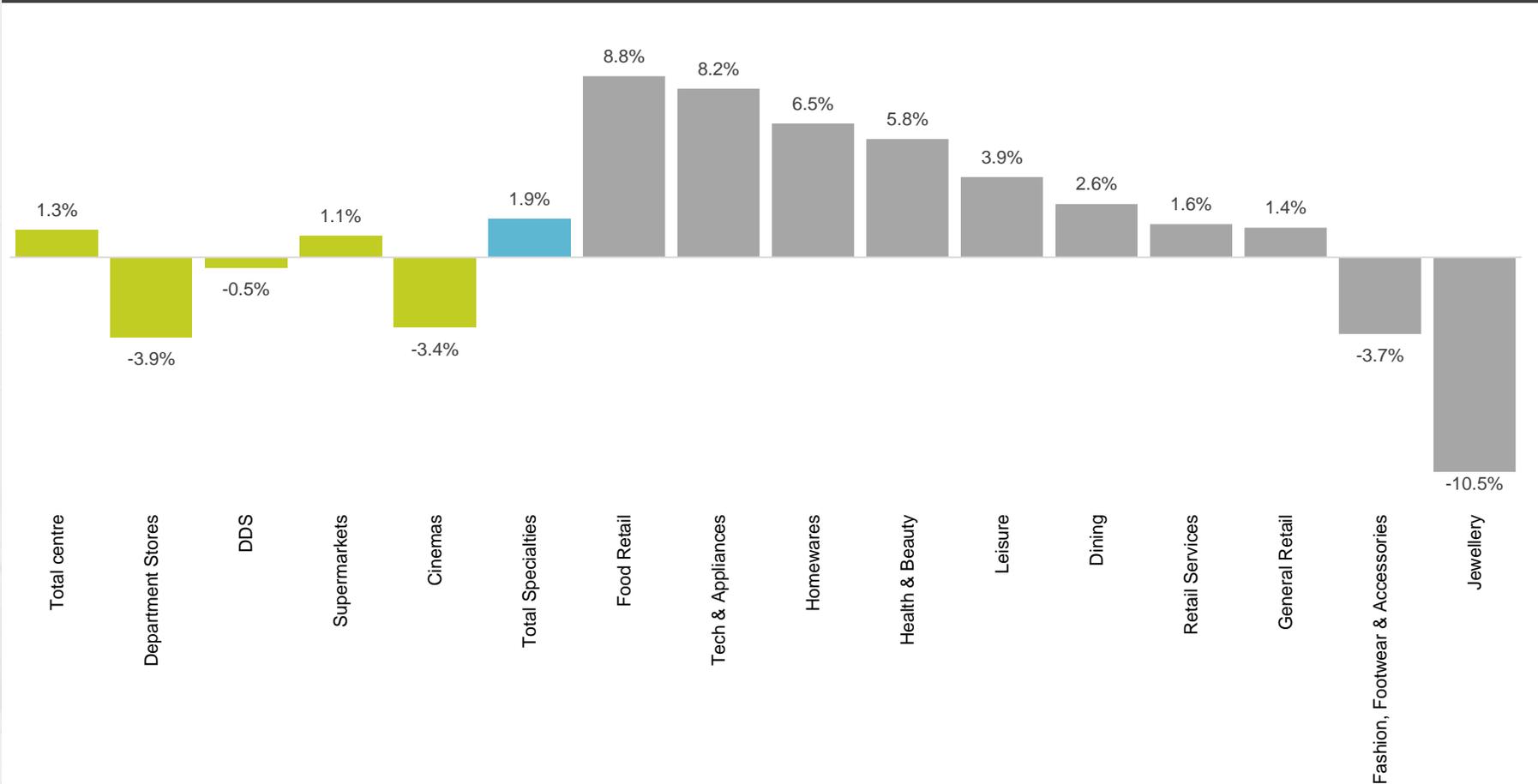
Total Specialty MAT Growth

\$11,480

Specialty Sales  
psqm<sup>1</sup>  
(up 1.6%)

1. Specialties <400sqm

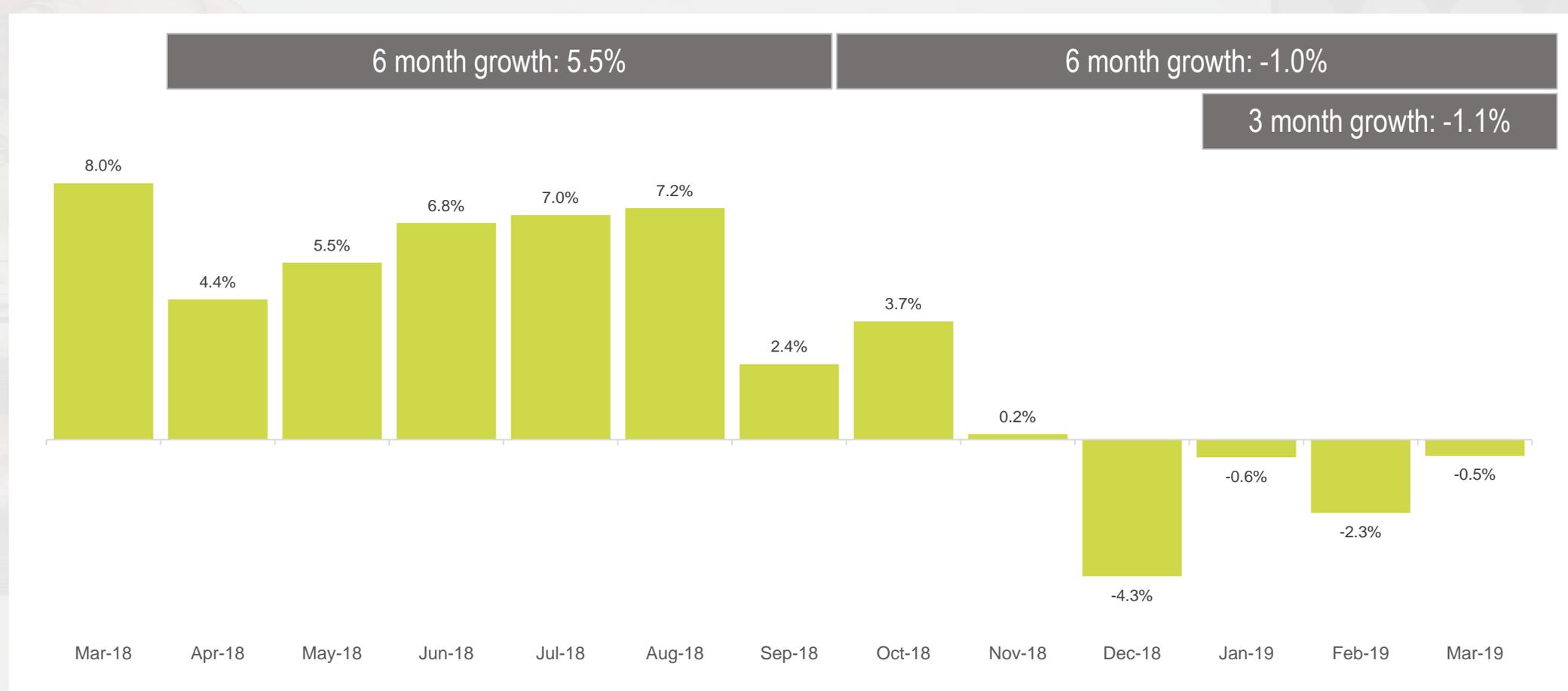
Portfolio MAT Growth by Category



Excludes development impacted centres (Sunshine Plaza, Macarthur Square and Wollongong Central)

# Monthly Retail Sales Growth

## Total Specialty Sales



Excludes development impacted centres (Sunshine Plaza, Macarthur Square and Wollongong Central)

# Retail Portfolio Sales Performance by Centre

	Ownership	Centre MAT (\$m)	Comparable Centre MAT Growth	Comparable Specialty MAT Growth	Comparable Combined MAT Growth <sup>1</sup>	Specialty MAT (\$psm)	Specialty Occupancy Cost
<b>GPT PORTFOLIO</b>							
Casuarina Square	50%	\$361.7	-6.0%	-5.5%	-6.3%	\$9,878	18.0%
Charlestown Square	100%	\$577.4	-1.3%	-2.1%	-2.6%	\$12,040	15.1%
Highpoint Shopping Centre	16.7%	\$1,022.5	1.4%	0.4%	2.0%	\$11,380	18.9%
Melbourne Central Retail	100%	\$570.6	4.8%	2.8%	6.1%	\$13,508	18.2%
Rouse Hill Town Centre	100%	\$456.2	4.0%	8.5%	5.8%	\$9,593	14.1%
Westfield Penrith	50%	\$655.9	1.4%	0.4%	1.3%	\$11,989	18.6%
<b>GWSCF PORTFOLIO</b>							
Casuarina Square	50%	\$361.7	-6.0%	-5.5%	-6.3%	\$9,878	18.0%
Chirnside Park	100%	\$301.3	2.1%	3.9%	3.6%	\$12,503	15.1%
Highpoint Shopping Centre	83.3%	\$1,022.5	1.4%	0.4%	2.0%	\$11,380	18.9%
Northland Shopping Centre	50%	\$540.3	-1.0%	-4.5%	-0.7%	\$8,969	18.2%
Norton Plaza	100%	\$123.8	4.5%	-3.6%	9.7%	\$11,599	14.8%
Parkmore Shopping Centre	100%	\$271.8	4.6%	2.6%	2.4%	\$9,883	14.5%
<b>GPT Weighted Total</b>		<b>\$2,853.8</b>	<b>1.3%</b>	<b>1.1%</b>	<b>1.9%</b>	<b>\$11,480</b>	<b>17.0%</b>

Note: All data excludes development impacted centres - Sunshine Plaza, Macarthur Square and Wollongong Central  
 1. Includes Specialty and Mini-Major tenants

# Office & Logistics Leasing

## Office Portfolio

- 47,000 sqm of new leases and renewals, including Heads of Agreement (HoA) agreed in the quarter
- MLC Centre divested for \$800 million, representing a 3 per cent premium to December 2018 book value

## Logistics Portfolio

- 33,000 sqm of leases signed in the March quarter, with 32,000 sqm at terms agreed\*
- Practical completion reached at 50 Old Wallgrove Road in January, asset is fully leased until 2027
- Construction works underway for the first stage of the Truganina estate in Melbourne, and planning works underway for further projects in Sydney and Brisbane

97.1%  
Office Occupancy

94.4%  
Logistics Occupancy

Q1 Leasing Summary	Tenant	Status	Area	Term
<b>OFFICE</b>				
Riverside Centre, Brisbane	Morgans	Signed	3,063sqm	9 years
2 Southbank Boulevard, Melbourne	Heinz	Signed	1,873sqm	10 years
580 George Street, Sydney	Space&Co	Signed	1,224sqm	8 years
2 Park Street, Sydney	Confidential	Signed	1,855sqm	4.5 years
Melbourne Central Tower, Melbourne	Energy and Water Ombudsman (Victoria)	Signed	1,453sqm	8 years
530 Collins Street, Melbourne	Confidential	HoA	3,483sqm	7 years
8 Exhibition Street, Melbourne	Confidential	HoA	1,627sqm	5 years
Australia Square, Sydney	Confidential	HoA	1,063sqm	3 years
All other leasing		Various	31,631sqm	4.8 years

\* Including development leasing

# Logistics Acquisitions

- + Acquired a 15 hectare development site in Truganina, Melbourne, adjacent to an 8 hectare site acquired in 2018
  - Acquired on deferred settlement terms, with settlement expected in H1 2020
- + The combined site will deliver approximately 140,000 sqm of logistics space with an expected end value of approximately \$200 million
- + Works have commenced on a new 26,000 sqm facility, with practical completion expected in December 2019



# Funds Management

## GPT Wholesale Office Fund (GWOFF)

- + GWOFF achieved a total return of 11.7 per cent for the 12 months to 31 March 2019
  - GWOFF continued to outperform its office fund peers in the MSCI/Mercer Australia Unlisted Wholesale PFI - Office Sector over five, seven and ten years
- + The Fund exercised its pre-emptive right to acquire a 50 per cent interest in 2 Southbank Boulevard, Melbourne, for \$326.2 million
- + Valuation uplift of \$81.0 million during the quarter
  - The Fund's Gross Asset Value is now at \$8.3 billion

## GPT Wholesale Shopping Centre Fund (GWSCF)

- + GWSCF delivered a total return of 3.4 per cent for the 12 months to 31 March 2019
  - The Fund has delivered a market-leading total return of 8.6 per cent per annum over the past three years
- + At Highpoint, a new 20-year lease was signed with Hoyts
  - The cinema will undergo an upgrade of its offer to the latest Hoyts format, with works to take place during 2019
- + Northland's international mini-major strategy continued to be progressed, with the opening of Sephora in February, with Uniqlo set to open in mid-2019

# Summary & Outlook

## Economic Outlook

- + Economic outlook has softened but expected to remain healthy
- + Sydney & Melbourne beneficiaries of public & private investment, low unemployment and population growth
- + Fiscal and monetary policy remains accommodative

## Sector Outlook

- + Retail assets in strong catchments with a compelling proposition will grow productivity
- + Sydney and Melbourne office market fundamentals remain robust
- + Logistics assets will continue to benefit from strong investor demand

## Group Outlook

- + Office and logistics sectors will continue to outperform
- + Strategic investment will ensure our retail assets remain preferred destinations
- + Developments on-track and provide growth opportunities
- + Disciplined capital allocation and strong capital position

## 2019 Guidance

FFO per security growth of 4%

DPS growth of 4%

# Disclaimer

The information provided in this presentation has been prepared by The GPT Group comprising GPT RE Limited (ACN 107 426 504) AFSL (286511), as responsible entity of the General Property Trust, and GPT Management Holdings Limited (ACN 113 510 188).

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Information is stated as at 31 March 2019 unless otherwise indicated.

All values are expressed in Australian currency unless otherwise indicated.

Funds from Operations (FFO) is a financial measure that represents The GPT Group's underlying and recurring earnings from its operations. This is determined by adjusting statutory net profit after tax under Australian Accounting Standards for certain items which are non-cash, unrealised or capital in nature. FFO has been determined based on guidelines established by the Property Council of Australia. Key statistics for the Retail and Office divisions include GPT Group's weighted interest in the GPT Wholesale Shopping Centre Fund (GWSCF) and the GPT Wholesale Office Fund (GWOF) respectively.