

It's the detail that counts+



The acquisition of the remaining interests in Highbrook Business Park enhances GMT's already high quality portfolio and positions the Trust for future growth¹.

It's the detail that counts+



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Goodman Property Trust Interim Report 2012

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GMT Bond Issuer Limited Interim Report 2012

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This document includes the interim reports of Goodman Property Trust and GMT Bond Issuer Limited for the six months ended 30 September 2012.

+ The Units in Goodman Property Trust are listed on the NZX with the code of GMT.

+ Bonds issued by GMT Bond Issuer Limited, a wholly-owned subsidiary of Goodman Property Trust, are listed on the NZDX with the code of GMB010.

The debt obligations of GMT Bond Issuer Limited are guaranteed by Goodman Property Trust and its success is dependent on the financial performance of Goodman Property Trust.

¹The acquisition was announced on 13 November 2012 and completed on 14 December 2012.

Results overview+

	30 September 2012	30 September 2011
Distributable earnings before interest and tax (\$ million)	53.0	51.3
Distributable earnings before tax (\$ million)	41.0	40.2
Tax payable (\$ million)	(3.4)	(3.3)
Distributable earnings after tax (\$ million)	37.6	36.9
Non-cash items (\$ million)	(6.0)	(7.8)
Profit after tax (\$ million)	31.6	29.1
Distributable earnings before tax (cents per unit)	4.07	4.25
Distributable earnings after tax (cents per unit)	3.73	3.91
Total property assets (\$ million) ¹	1,641.6	1,604.2
Net debt (\$ million) ²	581.0	575.6
NTA (cents per unit)	93.1	94.6
Net debt as a percentage of total property assets ^{1,2}	35.4	35.9

1 Includes GMT's proportionate share of jointly controlled entities.

2 Total borrowings net of cash.

3 The Institutional Placement of \$60.0 million undertaken on 13 November 2012 was fully subscribed at \$1.015625 per unit.

4 From 14 December 2012.

Highlights+

Weighted average lease term

5.4 years

Portfolio occupancy

96%

Net debt as a percentage of total property assets^{1,2}

35.4%

Leasing across the investment portfolio of over

88,000 sqm

Private placement raising

\$60.0 million³

Highbrook Business Park

100% GMT Owned⁴

Chairman's and Chief Executive Officer's report+



Keith Smith, Chairman and Independent Director, and John Dakin, Chief Executive Officer and Executive Director.

The Board and Management Team are pleased to present the interim report for the six months ended 30 September 2012.

It has been an extremely active period with the quality of the Trust's investment portfolio supporting another strong operating result.

Following the interim balance date the Trust has also completed an important new investment initiative acquiring the balance of Highbrook Business Park from its joint venture partners. The strategic purchase is expected to provide immediate and longer term benefits to the Trust as it's full development potential is realised.

Results overview

GMT has delivered a strong financial performance over the period with improved profitability and a distributable earnings result consistent with earlier expectations.

Net property income has increased 4.0% to \$57.6 million while distributable earnings before tax increased by 2.0% to \$41.0 million, or 4.07 cents on a weighted average unit basis. The increase from the prior period is mainly attributable to the contribution from recent development completions and modest rental growth, partly offset by the impact of asset disposals.

Improving investor sentiment, as demonstrated by the positive sales results and the stable portfolio valuation that were recorded, have also contributed to GMT's strong performance over the preceding six months.

Adjustments for these and other items including deferred tax, changes in the cashflow hedge reserve and fair value changes in interest rate derivatives

provide the reconciliation between distributable earnings and the after tax profit of \$31.6 million.

While the distributable earnings result is consistent with earlier expectations, the improved profitability reflects a pleasing \$2.5 million or 8.6% increase from the previous corresponding period.

Net tangible asset backing of 93.1 cents per unit is consistent with the 92.9 cents per unit recorded at 31 March 2012.

Portfolio performance

Active management and a customer service focus ensure GMT's investment and development assets continue to attract and retain high quality customers. The contracted income streams they provide underpin the Trust's financial performance and ensure consistent operational results are achieved.

Leasing has been particularly strong with over 88,000 sqm of space secured on new or revised terms across the investment portfolio since March. This equates to around 9% of the total portfolio and has helped maintain an average occupancy rate of 96% and a weighted average lease term of 5.4 years at 30 September 2012.

GMT's development estates, in Auckland and Christchurch, have also continued to attract new business with the commencement of 35,900 sqm of new development projects.

These projects include commitments from Frucor Beverages at M20 Business Park in Wiri, Mainstream at Savill Link in Otahuhu and PlaceMakers at Glassworks Industry Park in Hornby, Christchurch.



Artist's impression of 7 Central Park at Central Park Corporate Centre, Greenlane, Auckland.

In addition to these three industrial developments, GMT has also been active in the suburban office market with the commencement of 7 Central Park, a new 5,340 sqm low-rise building that will incorporate sustainable design elements and feature 1,400 sqm floorplates, at Central Park Corporate Centre in Greenlane.

With construction still six months away from being completed, this premium office development has been leased to leading corporate customers Genesis Energy and Restaurant Brands Limited who are both relocating from within the Trust's existing portfolio.

These four developments have a forecast total project cost of \$61.2 million and they are expected to provide a blended yield on cost of 8.8% once completed and fully income producing.

This value-adding development activity is expected to be an increasing driver of GMT's business growth as economic conditions and property market forecasts improve.



The Crossing under development at Highbrook Business Park, East Tamaki, Auckland.

Capital management

Active capital management and strengthening investor sentiment has allowed GMT to recycle almost \$35.0 million of capital through recent asset sales. The three disposals include 120 Pavilion Drive in Mangere and the Vector Centre in Newmarket, with the sale of the Downer EDI facility in Christchurch occurring after the Trust's interim balance date.

This divestment activity and the refinancing of GMT's main debt facility with a new five year, \$100.0 million tranche have helped maintain the Trust's strong balance sheet position. At 30 September 2012, net debt represented 35.4% of total property assets, while its debt facilities had a weighted average remaining term of 3.2 years.

With the Trust's loan to value ratio and interest cover ratios being well within the respective banking covenants, GMT has significant funding capacity for its investment and development programmes.



Aerial view of Highbrook Business Park, East Tamaki, Auckland.

Highbrook Business Park acquisition

The announcement following the interim balance date that GMT was to acquire the remainder of the award winning Highbrook Business Park is an important initiative that will have considerable influence on the future performance of the Trust.

The acquisition which included the purchase of the remaining interests in Highbrook from investment partners Goodman Group and interests associated with the estate of the late Sir Woolf Fisher, for a total investment of \$186.6 million, is expected to provide immediate and longer term benefits to the Trust as its full development potential is realised.

The strategic rationale and the quality of the assets were endorsed by Unitholders who voted overwhelmingly to support the initiative at the extraordinary meeting held in Auckland on 7 December 2012.

Over 99% of the 306.7 million units that voted were in favour of the purchase. The strong level of support

reflected the very desirable nature of one of New Zealand's most substantial real estate developments and a beneficial consideration structure that included the payment of both cash and GMT Units.

Equity initiatives

The Trust has undertaken two equity initiatives to facilitate the acquisitions and provide funding capacity for future development activity, including:

1. A \$60 million private placement to institutional investors on 13 November 2012.
2. A Unit Purchase Plan targeting \$20 million of equity.

Strong support from both local and offshore investors ensured the private placement was fully subscribed at the fixed issue price of \$1.015625 per unit.

The Unit Purchase Plan which is currently being offered to eligible, New Zealand resident Unitholders, allows existing investors to purchase parcels of units up to a maximum value of \$15,000. The offer, which

is capped at \$30 million closes on 31 December 2012 and could be scaled depending on demand.

Earnings and outlook

The structure of the Highbrook acquisition (with an element of deferred consideration) and the consistent performance of the Trust's property portfolio mean the distributable earnings result for the full year is expected to be maintained at around 8.2 cents per unit, on a weighted average issued unit basis.

This expectation is consistent with earlier assumptions and is likely to result in a full year tax paid distribution of 6.25 cents per unit.

It has been an extremely busy period since March and important progress has been made in GMT's development and capital management programmes. However, the most notable initiative has been the purchase of the remaining interests in Highbrook Business Park.

The scale and quality of Highbrook Business Park means that it is already a significant contributor to the Trust's financial performance. One hundred percent ownership and the realisation of its development potential will ensure it becomes one of the principal drivers of GMT's investment returns into the future.

On behalf of the Board and Management Team



Keith Smith
Chairman and Independent Director



John Dakin
Chief Executive Officer and Executive Director

Goodman Property Trust

Financial statements+

for the six months ended 30 September 2012

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Financial statements of Goodman Property Trust

consolidated statement of comprehensive income

For the six months ended 30 September 2012

\$ million	Note	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Revenue and other income				
Rental income	2	62.7	121.3	60.7
Service charge income	3	12.1	23.8	11.5
Total revenue		74.8	145.1	72.2
Service charge expenses	3	(12.1)	(23.8)	(11.5)
Property operating expenses	3	(5.1)	(10.0)	(5.3)
Net rental and related income		57.6	111.3	55.4
Gain on disposal of investment property	4	0.1	–	–
Net change in value of property investments	4	–	(19.5)	–
Change in fair value of interest rate derivatives		(1.3)	(2.9)	(2.8)
Other administrative expenses	4	(4.6)	(8.5)	(4.1)
Finance (costs)/income				
Finance income	4	0.1	0.2	0.1
Finance costs	4	(12.5)	(23.3)	(11.8)
Net finance costs before changes in cash flow hedge reserve		(12.4)	(23.1)	(11.7)
Changes in cash flow hedge reserve	4	(1.8)	(3.8)	(1.9)
Net finance costs		(14.2)	(26.9)	(13.6)
Profit before income tax		37.6	53.5	34.9
Taxation	5	(6.0)	(13.0)	(5.8)
Profit for the period attributable to the unitholders		31.6	40.5	29.1
Other comprehensive income				
Change in cash flow hedges transferred to profit or loss		1.8	3.8	1.9
Income tax relating to components of other comprehensive income		(0.5)	(1.1)	(0.5)
Total other comprehensive income for the period, net of tax		1.3	2.7	1.4
Total comprehensive income for the period attributable to unitholders		32.9	43.2	30.5

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Cents	Note	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Basic and diluted earnings per unit	6	3.14	4.21	3.08
Distributable earnings before tax per unit	6	4.07	8.41	4.25
Distributable earnings after tax per unit	6	3.73	7.78	3.91

consolidated statement of financial position

As at 30 September 2012

\$ million	Note	Audited 30 Sep 12	Audited 31 Mar 12	Unaudited 30 Sep 11
Current assets				
Cash		2.0	3.6	4.6
Trade and other receivables	8	7.7	8.6	6.9
Total current assets		9.7	12.2	11.5
Non-current assets				
Investment property	9	1,445.0	1,453.1	1,408.7
Development property	9	196.6	176.4	195.5
Derivative financial instruments		11.6	9.6	11.6
Intangible assets		6.9	6.9	6.9
Deferred tax assets		10.0	16.1	10.8
Total non-current assets		1,670.1	1,662.1	1,633.5
Total assets		1,679.8	1,674.3	1,645.0
Current liabilities				
Trade and other payables	12	28.6	27.3	24.5
Current tax payable	5	1.5	1.4	1.5
Derivative financial instruments		0.5	–	–
Total current liabilities		30.6	28.7	26.0
Non-current liabilities				
Trade and other payables	12	–	10.7	10.3
Interest bearing liabilities	13	583.0	584.8	580.2
Derivative financial instruments		47.1	44.3	46.2
Deferred tax liabilities		67.1	70.7	59.8
Total non-current liabilities		697.2	710.5	696.5
Total liabilities		727.8	739.2	722.5
Net assets		952.0	935.1	922.5
Unitholders' funds				
Units	14	1,135.1	1,119.6	1,089.0
Reserves		(98.2)	(99.5)	(81.3)
Accumulated losses		(84.9)	(85.0)	(85.2)
Total unitholders' funds		952.0	935.1	922.5

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

The Board of Goodman (NZ) Limited, the Manager of Goodman Property Trust, authorised these interim financial statements for issue on 12 November 2012.

For and on behalf of the Board:


Keith Smith
Chairman


Peter Simmonds
Chairman, Audit Committee

Financial statements of Goodman Property Trust

consolidated statement of changes in unitholders' funds

For the six months ended 30 September 2012

\$ million	Units	Accumulated losses	Property revaluation reserve	Cash flow hedge reserve	Total
Audited 6 months to 30 September 2012					
Total unitholders' funds at 1 April 2012	1,119.6	(85.0)	(94.3)	(5.2)	935.1
Comprehensive income for the period	–	31.6	–	1.3	32.9
Distributions paid to unitholders	–	(31.5)	–	–	(31.5)
Issue of units	15.5	–	–	–	15.5
Transfer from retained earnings: gross valuation movement	–	–	–	–	–
Total unitholders' funds at 30 September 2012	1,135.1	(84.9)	(94.3)	(3.9)	952.0

\$ million	Units	Accumulated losses	Property revaluation reserve	Cash flow hedge reserve	Total
Audited 12 months to 31 March 2012					
Total unitholders' funds at 1 April 2011	1,056.2	(81.4)	(74.8)	(7.9)	892.1
Comprehensive income for the year	–	40.5	–	2.7	43.2
Distributions paid to unitholders	–	(63.6)	–	–	(63.6)
Issue of units	63.4	–	–	–	63.4
Transfer from retained earnings: gross valuation movement	–	19.5	(19.5)	–	–
Total unitholders' funds at 31 March 2012	1,119.6	(85.0)	(94.3)	(5.2)	935.1

\$ million	Units	Accumulated losses	Property revaluation reserve	Cash flow hedge reserve	Total
Unaudited 6 months to 30 September 2011					
Total unitholders' funds at 1 April 2011	1,056.2	(81.4)	(74.8)	(7.9)	892.1
Comprehensive income for the period	–	29.1	–	1.4	30.5
Distributions paid to unitholders	–	(32.9)	–	–	(32.9)
Issue of units	32.8	–	–	–	32.8
Total unitholders' funds at 30 September 2011	1,089.0	(85.2)	(74.8)	(6.5)	922.5

The consolidated statement of changes in unitholders' funds should be read in conjunction with the accompanying notes.

consolidated statement of cash flows

For the six months ended 30 September 2012

\$ million	Note	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Cash flows from operating activities				
Net property income received		59.2	109.8	53.6
Net GST collected		–	–	0.5
Other operating expenses paid		(4.5)	(8.8)	(4.1)
Finance income received		0.1	0.2	0.1
Finance costs paid		(11.9)	(20.8)	(10.8)
Income taxes paid		(4.1)	(3.2)	(0.7)
Net cash provided by operating activities	7	38.8	77.2	38.6
Cash flows from investing activities				
Proceeds from sale of investment properties		28.4	–	–
Payments for investment properties		(6.1)	(13.9)	(10.6)
Payments for development properties		(25.4)	(41.6)	(13.1)
Holding costs capitalised to properties		(11.4)	(23.4)	(11.5)
Payment of deferred settlement		(8.0)	–	–
Net cash used in by investing activities		(22.5)	(78.9)	(35.2)
Cash flows from financing activities				
Proceeds from issue of units		9.3	36.9	19.5
Proceeds from borrowings		7.3	17.0	6.9
Repayment of borrowings		(9.4)	(15.7)	(9.7)
Distributions paid to unitholders net of reinvestments		(25.1)	(37.1)	(19.7)
Net cash (provided by)/used in financing activities		(17.9)	1.1	(3.0)
Net (decrease)/increase in cash and cash equivalents held		(1.6)	(0.6)	0.4
Cash and cash equivalents at the beginning of the period		3.6	4.2	4.2
Cash and cash equivalents at the end of the period		2.0	3.6	4.6

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Financial statements of Goodman Property Trust

notes to the financial statements

For the six months ended 30 September 2012

1. Accounting policies

General information

The reporting entity is Goodman Property Trust ("GMT" or "Trust") which is a unit trust established on 23 April 1999 under the Unit Trusts Act 1960, domiciled in New Zealand. The Manager of the Trust is Goodman (NZ) Limited and the address of its registered office is Level 28, 151 Queen Street, Auckland. The consolidated interim financial statements of GMT for the six months ended 30 September 2012 comprise GMT, its subsidiaries and its jointly controlled entities (together referred to as the "Group"). GMT is an issuer for the purposes of the Financial Reporting Act 1993 and is listed on the New Zealand Stock Exchange ("NZX"). The principal activity of the Group is to invest in real estate in New Zealand.

The consolidated interim financial statements have been approved for issue by the Manager of the Trust on 12 November 2012. The Manager does not have the power to amend these financial statements once issued.

Summary of significant accounting policies

These interim financial statements for the six month reporting period ended 30 September 2012 have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") as applicable for profit-oriented entities. They comply with International Accounting Standard 34 Interim Financial Reporting and New Zealand equivalent to International Accounting Standard 34 Interim Financial Reporting.

The accounting policies that materially affect the measurement of the consolidated statement of comprehensive income, consolidated statement of financial position and the consolidated statement of cash flows have been applied on a basis consistent with those used in the audited financial statements for the year ended 31 March 2012.

The interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly these consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2012, prepared in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and International Financial Reporting Standards.

The consolidated interim financial statements for the six months ended 30 September 2012 are audited. The consolidated interim financial statements for the six months ended 30 September 2011 are unaudited. The consolidated interim financial statements are presented in New Zealand Dollars (\$), which is the Trust's functional currency. All financial information has been presented in millions, unless stated otherwise.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the interim financial statements.

Changes in accounting policies

There have been no changes in accounting policies in the current financial period.

Restated balances

In the second half of the year ended 31 March 2012, the cash flows relating to deferred leasing incentives were reclassified from investing to operating activities. As a result, the following comparative amounts for the six months ended 30 September 2011 have been restated in the consolidated statement of cash flows: net property income received \$53.4 million (previously \$53.6 million); and payments for investment properties \$10.4 million (previously \$10.6 million). The Group has reclassified these amounts as it considers cash flows derived from lease incentives as operating activities since they relate to the main revenue producing activity of the Group. This change has no impact on the statement of comprehensive income or the statement of financial position.

2. Rental income

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Gross lease receipts	64.8	126.8	63.8
Amortisation of capitalised lease incentives	(2.4)	(5.7)	(3.2)
Fixed rental income adjustment	0.3	0.2	0.1
Rental income	62.7	121.3	60.7

No customer individually contributes more than 10% of total rental revenue.

Rental income is earned as a lessor of investment property held on the statement of financial position.

Rental income includes \$4.8 million for the six months ended 30 September 2012 in relation to Highbrook Business Park Limited which is a jointly controlled asset (year ended 31 March 2012: \$9.0 million; six months 30 September 2011: \$4.5 million).

3. Net service charge and property operating expenses

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Service charge income	12.1	23.8	11.5
Service charge expense	(12.1)	(23.8)	(11.5)
Property operating expenses	(5.1)	(10.0)	(5.3)
Net service charge and property operating expenses	(5.1)	(10.0)	(5.3)

There are no material expenses from vacant property.

Property operating expenses include \$0.7 million for the six months ended 30 September 2012 in relation to Highbrook Business Park Limited (year ended 31 March 2012: \$1.3 million; six months ended 30 September 2011: \$0.6 million) which is a jointly controlled asset.

Property operating expenses also include non-recoverable ground rental costs of \$1.3 million for the six months ended 30 September 2012 (year ended 31 March 2012: \$2.7 million; six months ended 30 September 2012: \$1.3 million).

The Group's ground lease profile up to the next perpetual lease renewal date is as follows:

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Less than one year	4.6	4.2	4.0
One to two years	4.6	4.3	4.2
Two to five years	14.3	13.5	13.5
More than five years	55.1	55.4	71.9
	78.6	77.4	93.6

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

4. Profit before income tax

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Profit before income tax has been arrived at after (charging)/crediting the following items:			
Finance (costs)/income			
Interest income	0.1	0.2	0.1
Finance income	0.1	0.2	0.1
Interest expense on bank loans, interest rate derivatives, senior secured bonds, overdraft and intercompany interest	(22.9)	(44.1)	(22.0)
Amortisation of borrowing costs	(0.6)	(1.4)	(0.7)
Interest on deferred vendor settlements	(0.4)	(1.2)	(0.6)
Borrowing costs capitalised (refer to note 9)	11.4	23.4	11.5
Finance costs before changes in cash flow hedge reserve	(12.5)	(23.3)	(11.8)
Amortisation of cash flow hedge reserve	(1.8)	(3.8)	(1.9)
Net finance costs	(14.2)	(26.9)	(13.6)

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Gain on disposal of investment property			
Net proceeds from sale of investment property	28.4	–	–
Carrying value of investment property sold	(28.3)	–	–
Gain on disposal of investment property	0.1	–	–

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Net change in value of property investments			
Fair value movement on investment property	13.1	3.7	–
Fair value movement on development property	(13.1)	(23.2)	–
Net change in value of property investments	–	(19.5)	–

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Other administrative expenses			
Auditors' fees	(0.1)	(0.2)	(0.2)
Trustee fees and disbursements	(0.1)	(0.3)	(0.2)
Manager's base fee	(3.2)	(6.0)	(2.8)
Other	(1.2)	(2.0)	(0.9)
Other administrative expenses	(4.6)	(8.5)	(4.1)

Other fees paid to the Group's auditors totalled \$17,900 for other assurance and advisory services (year ended 31 March 2012: \$42,300; six months ended 30 September 2011: \$11,000). These amounts are expressed in whole dollars, rounded to the nearest hundred.

5. Taxation

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Income tax (expense)/benefit (note (a))			
Current tax (expense)/benefit			
Current year	(5.1)	(7.7)	(4.0)
Adjustment for prior periods	–	0.1	–
Total current tax expense	(5.1)	(7.6)	(4.0)
Deferred tax (expense)/benefit recognised in the statement of comprehensive income			
Movements in deferred tax	(0.9)	(5.1)	(1.8)
Adjustment for prior periods	–	(0.3)	–
Total deferred tax expense	(0.9)	(5.4)	(1.8)
Total	(6.0)	(13.0)	(5.8)

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
(a) Income tax (expense)/benefit			
Profit before tax	37.6	53.5	34.9
Prima facie income tax expense calculated at 28% on the profit before tax	(10.5)	(15.0)	(9.8)
Increase/(decrease) in income tax due to:			
- change in value of property investments	–	(5.4)	–
- holding costs capitalised	3.3	6.7	3.4
- depreciation recovered on sale of properties	(0.7)	–	–
- deductible capital expenditure	0.7	1.2	0.7
- change in fair value of interest rate derivatives	(0.4)	(0.8)	(0.8)
- amortisation of cash flow hedge reserve	(0.5)	(1.1)	(0.5)
- other	–	(0.4)	0.1
- depreciation	2.8	6.1	3.0
- deferred leasing costs and incentives	0.3	1.0	0.1
- interest on deferred property settlements	(0.1)	–	(0.2)
Current tax expense	(5.1)	(7.7)	(4.0)
- depreciation	(1.9)	(6.1)	(3.0)
- deferred leasing costs and incentives	(0.1)	(1.0)	(0.1)
- change in fair value of interest rate derivatives	0.4	0.8	0.8
- amortisation of cash flow hedge reserve	0.5	1.1	0.5
- other	0.2	0.1	–
Deferred tax expense	(0.9)	(5.1)	(1.8)
Income tax expense before prior period adjustments	(6.0)	(12.8)	(5.8)
Current tax over provision in prior period	–	0.1	–
Deferred tax under provision prior period	–	(0.3)	–
Income tax expense attributable to profit from ordinary activities	(6.0)	(13.0)	(5.8)

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2011

5. Taxation (continued)

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
(b) Deferred tax recognised directly in equity			
Relating to interest rate swaps	(0.5)	(1.1)	(0.5)
Deferred tax recognised directly in equity	(0.5)	(1.1)	(0.5)
(c) Reconciliation of current tax expense to tax deducted from distributable earnings			
Current tax expense	(5.1)	(7.7)	(4.1)
Less: Tax losses generated outside main GMT tax group	–	–	0.1
Add: Current tax expense funded through brought forward tax losses	1.0	1.4	0.6
Add: Over provision in respect of prior period	–	0.1	–
Tax deducted from distributable earnings	(4.1)	(6.2)	(3.4)
(d) Current tax (payable)/receivable			
Balance at the beginning of the period	(1.4)	1.5	1.5
Movements during the period:			
- income tax paid (net of refunds)	4.0	3.2	0.7
- income tax expense on current period's profit	(5.1)	(7.7)	(4.1)
- over provision in prior period	–	0.1	–
- transfer from deferred tax asset	1.0	1.5	0.4
Balance at the end of the period	(1.5)	(1.4)	(1.5)

6. Earnings per unit

Cents	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Attributable to unitholders of Goodman Property Trust			
Basic and diluted earnings per unit	3.14	4.21	3.08
Distributable earnings before tax per unit ⁽¹⁾	4.07	8.41	4.25
Distributable earnings after tax per unit ⁽²⁾	3.73	7.78	3.91
000s	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Weighted average number of units used in calculating basic and diluted earnings per unit and distributable earnings per unit	1,007,890	961,088	944,598
\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Profit used in calculating distributable earnings per unit			
Profit after tax used in calculating basic and diluted earnings per unit	31.6	40.5	29.1
Net change in fair value of property investments	–	19.5	–
Gain on disposal of investment property	(0.1)	–	–
Change in fair value of interest rate derivatives	1.3	2.9	2.8
Change in cash flow hedge reserve	1.8	3.8	1.9
Interest on deferred settlements	0.4	1.2	0.6
Income tax expense	6.0	13.0	5.8
⁽¹⁾ Profit used in calculating distributable earnings before tax per unit	41.0	80.9	40.2
Current tax expense	(5.1)	(7.7)	(4.0)
Adjustment to prior year's current tax expense	–	0.1	–
Tax losses generated outside of main GMT Tax Group	–	–	0.1
Depreciation recovered on disposal of investment property	0.7	–	–
Current tax expense funded through brought forward tax losses	1.0	1.4	0.6
⁽²⁾ Profit used in calculating distributable earnings after tax per unit	37.6	74.7	36.9

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

7. Reconciliation of profit after income tax to net cash flows from operating activities

\$ million	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Profit for the period	31.6	40.5	29.1
Non-cash items:			
Net change in value of property investments	–	19.5	–
Fair value loss on interest rate derivatives	1.3	2.9	2.8
Changes in cash flow hedge reserve	1.8	3.8	1.9
Deferred lease incentives	(1.0)	(3.5)	–
Deferred tax	2.0	6.9	2.0
Amortisation of bond issue costs	0.4	0.8	0.4
Interest on deferred settlements	0.4	1.2	0.6
Net cash provided by operating activities before change in assets and liabilities	36.5	72.1	36.8
Movements in working capital arising from:			
Trade receivables	2.0	(2.1)	0.2
Current tax assets	–	2.9	3.0
Other assets	(1.0)	2.1	0.2
Trade payables	(1.3)	0.4	(1.8)
Other payables	2.7	1.8	0.2
Items classified as investing activities:			
Gain on sale of property	(0.1)	–	–
Net cash provided by operating activities	38.8	77.2	38.6

Included in the statement of cash flows are net cash flows for property income received and GST collected/(paid). These have been disclosed on a net basis as they are settled on a net basis.

8. Trade and other receivables

\$ million	Audited 30 Sep 12	Audited 31 Mar 12	Unaudited 30 Sep 11
Current			
Trade receivables	0.6	2.5	0.1
Prepayments	2.2	0.5	1.8
Other assets	4.9	5.6	5.0
Total trade and other receivables	7.7	8.6	6.9

As at 30 September 2012 \$0.2 million of receivables were impaired (31 March 2012: \$nil; 30 September 2011: \$0.1 million).

No provision for impairment of receivables was written off (31 March 2012: \$nil; 30 September 2011: \$nil).

An amount of \$152,339 has been provided for during the six months to 30 September 2012, (31 March 2012: \$nil; 30 September 2011: \$nil).

During the six months \$nil of unrecoverable receivables were written off (year ended 31 March 2012: \$20,186; six months ended 30 September 2011: \$nil)

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

9. Investment property and development property

The Group's interests in investment property and development property is as disclosed below.

\$ million	Audited 30 Sep 12			Audited 31 Mar 12			Unaudited 30 Sep 11		
	Investment property	Development property	Total portfolio	Investment property	Development property	Total portfolio	Investment property	Development property	Total portfolio
Carrying amount at the beginning of the period	1,453.1	176.4	1,629.5	1,393.7	182.3	1,576.0	1,393.7	182.3	1,576.0
Costs capitalised	–	20.9	20.9	–	35.1	35.1	–	11.6	11.6
Holding costs capitalised	0.4	11.0	11.4	0.3	23.1	23.4	–	11.5	11.5
Capitalised lease incentives and costs	1.0	–	1.0	3.5	–	3.5	0.2	–	0.2
Subsequent expenditure	7.1	–	7.1	11.0	–	11.0	4.9	–	4.9
Transfers in/(out)	3.2	(3.2)	–	40.9	(40.9)	–	9.9	(9.9)	–
Transfer of land ⁽¹⁾	(4.6)	4.6	–	–	–	–	–	–	–
Disposals - carrying value of properties sold	(28.3)	–	(28.3)	–	–	–	–	–	–
Net change in fair value of property investments	13.1	(13.1)	–	3.7	(23.2)	(19.5)	–	–	–
Carrying amount at the end of the period	1,445.0	196.6	1,641.6	1,453.1	176.4	1,629.5	1,408.7	195.5	1,604.2

(1) The Cables Building at Glassworks Industry Park in Christchurch is an obsolete building occupied by bulk storage users on short term leases. The independent valuation at 30 September 2012 has identified the highest and best use of the facility is as a development site.

All investment property was valued by independent valuers as at 30 September 2012 and 31 March 2012. At 30 September 2011, all investment property was subject to a valuation review to ensure that it continued to be held at fair value. The valuation review comprised of a review of recent comparable transactional evidence of market sales and leasing activity undertaken in the period. The fair value of investment property was determined by the Manager using market data provided by independent valuers based on independent valuation advice.

As at 30 September 2012 and 31 March 2012 the carrying amount of investment and development property is the fair value of the property as determined by a registered independent valuer having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The fair values are based on market values, which are estimated using the capitalisation and discounted cash flow methods described in note 1 of the financial statements for the year ended 31 March 2012. The key assumptions used in the valuations are derived from recent comparable transactions to the greatest extent possible.

Valuations reflect, where appropriate: the quality of customers in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the customer; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

Key assumptions applied in the independent valuations at 30 September 2012 and 31 March 2012 are disclosed in the following tables.

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

9. Investment property and development property (continued)

Asset class	GMT ownership %	Lettable area ⁽¹⁾ sqm	Independent valuer	\$ million			Market cap rate %		Occupancy %		WALE ⁽²⁾ years		
				30 Sep 12	31 Mar 12	30 Sep 11	30 Sep 12	31 Mar 12	30 Sep 12	31 Mar 12	30 Sep 12	31 Mar 12	
Highbrook Business Park, East Tamaki	Business park	50	161,516	Colliers International	154.9	146.4	134.8	7.00 - 8.50	7.00 - 8.50	100	100	7.3	7.8
The Gate Industry Park, Penrose	Industrial estate	100	79,760	Jones Lang LaSalle	130.0	127.0	126.6	7.75	8.0	94	95	6.4	6.9
Highbrook Business Park, East Tamaki	Business park	75	83,256	CB Richard Ellis	117.9	114.8	110.4	7.25 - 8.50	7.50 - 8.63	99	98	7.0	7.1
M20 Business Park, Manukau	Business park	100	82,957	Colliers International	112.6	110.7	109.6	7.25 - 8.88	7.75 - 8.75	99	92	5.4	5.8
Central Park Corporate Centre, Greenlane	Office park	100	33,301	Jones Lang LaSalle	112.5	112.2	111.9	9.25	9.3	92	91	3.4	3.7
Savill Link, Otahuhu	Industrial estate	100	76,826	Colliers International	101.9	98.0	71.3	7.75 - 8.25	7.75 - 8.75	100	100	5.4	4.5
Westney Industry Park, Mangere	Industrial estate	100	102,540	Colliers International	98.2	105.4	106.1	8.00 - 9.13	9.00 - 9.25	95	100	5.2	4.2
Show Place Office Park, Christchurch	Office park	100	22,395	Jones Lang LaSalle	88.4	85.3	85.7	8.50	8.5	100	100	4.2	4.6
Viaduct Corporate Centre, Auckland	Office park	50	31,198	CB Richard Ellis	75.0	75.5	74.5	8.38 - 8.63	8.38 - 8.63	100	98	4.6	5.0
Millennium Centre, Phase Two, Greenlane	Office park	100	19,816	CB Richard Ellis	67.0	66.5	67.5	8.75	8.8	99	97	2.9	3.0
Air New Zealand House, Auckland	Office park	100	15,587	Jones Lang LaSalle	61.3	61.2	61.0	8.75	8.8	100	100	6.8	7.3
Millennium Centre, Greenlane	Office park	100	15,465	CB Richard Ellis	55.8	55.6	55.9	8.88	9.0	100	100	4.7	4.6
Connect Business Estate, Penrose	Business park	100	31,204	Jones Lang LaSalle	49.0	47.5	46.0	9.00	9.3	95	94	2.9	3.1
Enterprise Park, Manukau	Industrial estate	100	64,675	Colliers International	46.8	47.0	50.2	9.25	9.3	81	77	4.4	4.1
Penrose Industrial Estate, Penrose	Industrial estate	100	30,979	CB Richard Ellis	39.1	37.0	37.4	8.75	8.8	100	87	5.0	4.2
Yellow HQ, Greenlane	Office park	100	8,181	CB Richard Ellis	32.9	32.2	31.6	8.00	8.3	94	94	7.0	7.5
Gateside Industry Park, Penrose	Industrial estate	100	17,861	Jones Lang LaSalle	27.5	26.0	25.0	8.00	8.3	100	100	5.2	4.5
Southpark Industrial Estate, Christchurch	Industrial estate	100	21,991	Jones Lang LaSalle	21.6	21.0	19.7	9.75	9.8	100	100	3.4	2.4
Glassworks Industry Park, Christchurch	Industrial estate	100	30,729	Jones Lang LaSalle	21.0	25.2	25.5	8.50	8.8	98	99	7.2	5.9
SMEC House (formerly known as OnGas House), Newmarket	Office park	100	4,774	CB Richard Ellis	19.3	18.9	19.1	8.50	8.5	88	80	4.6	3.8
Carter Holt Harvey, Christchurch	Industrial estate	100	20,381	Jones Lang LaSalle	12.3	12.2	12.2	11.25	10.8	100	100	3.9	4.4
Vector Centre, Newmarket	Office park	100	4,821	Sold	-	19.7	19.1	-	8.1	-	100	-	8.6
120 Pavilion Drive, Airport Oaks	Industrial estate	100	6,762	Sold	-	7.8	7.6	-	9.0	-	93	-	0.2
Total fair value of investment property					1,445.0	1,453.1	1,408.7						

(1) Net of canopies and yard

(2) Weighted average lease expiry

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

9. Investment property and development property (continued)

Asset class	GMT ownership %	Lettable area sqm	30 Sep 12 Independent valuer	\$ million		Expected date of practical completion		Adopted market rate %		Lease term years		Occupancy %			
				30 Sep 12	31 Mar 12	30 Sep 11	30 Sep 12	31 Mar 12	30 Sep 12	31 Mar 12	30 Sep 12	31 Mar 12	30 Sep 12	31 Mar 12	
Commenced developments															
M20 Business Park, Manukau	Business park	100	17,150	Colliers International	12.1	–	–	Mar 13	–	7.50	–	10	–	100	–
Highbrook Business Park, East Tamaki	Business park	50	17,300	Colliers International	11.3	13.9	7.0	Feb 13 – Jun 13	Feb 13 – Jun 13	7.25 – 7.75	7.25 – 8.50	6 – 15	6 – 10	64	62
Central Park Corporate Centre, Greenlane	Business park	100	5,340	Jones Lang LaSalle	4.1	–	–	Jul 13	–	8.38	–	–	–	–	–
Glassworks Industry Park, Christchurch	Industrial estate	100	3,830	Colliers International	3.1	–	–	Dec 12 – Apr 13	–	7.25 – 8.00	–	9 – 15	–	100	–
Savill Link, Otahuhu	Industrial estate	100	10,620	Colliers International	2.8	–	10.1	May 13	–	7.25	–	12	–	100	–
Total commenced developments					33.4	13.9	17.1								
Development land															
Highbrook Business Park, East Tamaki		50		Colliers International	80.6	74.0	87.4								
Savill Link, Otahuhu		100		Colliers International	15.6	17.6	19.1								
M20 Business Park, Manukau		100		Colliers International	13.3	20.1	21.2								
Central Park Corporate Centre, Greenlane		100		Jones Lang LaSalle	20.0	19.5	20.5								
Glassworks Industry Park, Christchurch		100		Jones Lang LaSalle	14.4	12.2	12.4								
Gateside Industry Park, Penrose		100		Jones Lang LaSalle	6.3	6.3	6.3								
Show Place Business Park, Christchurch		100		Jones Lang LaSalle	8.7	8.7	7.2								
The Gate Industry Park, Penrose		100		Jones Lang LaSalle	2.1	2.1	2.3								
Connect Business Estate, Penrose		100		Jones Lang LaSalle	1.0	1.0	1.1								
Westney Industrial Park, Mangere		50		n/a	1.2	1.0	0.9								
Total development land					163.2	162.5	178.4								
Total fair value of development properties					196.6	176.4	195.5								

Interest costs of \$11.4 million were capitalised to properties during the six months ended 30 September 2012 (year ended 31 March 2012: \$23.4 million, six months ended 30 September 2011: \$11.5 million), using a weighted average capitalised interest rate of 7.03% (31 March 2012: 7.75%). Of the interest costs capitalised, \$10.4 million relates to development land (31 March 2012: \$18.9 million, 30 September 2011: \$8.7 million). Interest costs are capitalised based on the historic borrowings attributable to the development land, which may differ from the fair value of the land.

Development land is valued based on recent comparable transactions with land values ranging between \$170 per square metre ("psm") and \$370 psm for industrial development land (31 March 2012: between \$160 psm and \$380 psm) and between \$500 psm and \$1,400 psm for office development land (31 March 2012: between \$680 psm and \$1,050 psm).

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

10. Investments in jointly controlled companies

Jointly controlled companies	Principal activity	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Viaduct Corporate Centre Limited	Property investment	50%	50%	50%
Highbrook Development Limited	Property investment	50%	50%	50%

Jointly controlled companies are incorporated in New Zealand and have balance dates of 31 March.

11. Related party disclosures

Identity of related parties

The Group has related party relationships with the following parties:

Entity	Nature of relationship
Goodman Industrial Trust	Unitholder in GMT and property co-owner with GMT
Goodman Limited	Parent entity of the related parties below
Goodman (NZ) Limited ("GNZ")	Manager of the Trust
Goodman Property Services (NZ) Limited ("GPSNZ")	Provider of property management and related services

(a) Entities with significant influence over GMT

Fees paid by the Group to GNZ and GPSNZ are summarised below:

\$ million	Paid to	Audited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Fee paid to manager – base fee component	GNZ	3.5	6.9	3.3
Fee paid to manager – performance fee component	GNZ	–	–	–
Total fees paid to manager		3.5	6.9	3.3
Property management fees ⁽¹⁾	GPSNZ	1.6	2.7	1.7
Development management fees ⁽²⁾	GPSNZ	1.8	1.5	0.8
Other fees ⁽³⁾	GPSNZ	1.0	2.2	0.6
Total property management, development management and other fees ⁽⁴⁾		4.4	6.4	3.1

- Of the property management fees charged by GPSNZ, \$1.5 million was paid by customers and was not a cost borne by GMT (year ended 31 March 2012: \$2.6 million, six months ended 30 September 2011: \$1.1 million).
- Of the development management fees charged by GPSNZ, \$1.8 million was capitalised to properties (year ended 31 March 2012: \$1.5 million; six months ended 30 September 2011: \$0.8 million).
- Other fees include leasing fees, acquisition and disposal fees, and minor project fees.
- Included within property management fees and development management fees paid is \$0.1 million paid pursuant to the property management and development management agreements between Highbrook Business Park Limited and GPSNZ, being 75% of the total fees payable under these agreements for the year (such disclosure required by paragraph 46(c) of the NZX waiver dated 1 March 2006) and \$0.2 million paid pursuant to the property management and development management agreements between Highbrook Development Limited and GPSNZ, being 50% of the total fees payable under these agreements for the year (such disclosure required by paragraph 60(c) of the NZX waiver dated 7 November 2007).

11. Related party disclosures (continued)

GMT paid management fees to GNZ during the year. No performance fee was payable, and a deficit of \$12.5 million (year ended 31 March 2012: \$5.3 million; six months ended 30 September 2011: \$7.2 million) was carried forward to include in the calculation to determine whether a performance fee is payable in subsequent periods. The Manager uses any performance fee proceeds to subscribe for GMT units in accordance with the terms of the Trust Deed. Further information on the operation of the performance fee is described in note 24(d) of the financial statements for the year ended 31 March 2012. No reimbursements of expenses were made to GNZ (year ended 31 March 2012: nil; six months ended 30 September 2011: nil).

GMT paid fees to GPSNZ for property management and development management services. Reimbursement of expenses was made to GPSNZ totalling \$0.4 million for the six months ended 30 September 2012 (year ended 31 March 2012: \$0.8 million; six months ended 30 September 2011: \$2.6 million).

All fees paid were in accordance with the Trust Deed.

At 30 September 2012 \$0.6 million was owed to GNZ (31 March 2012: \$0.6 million; 30 September 2011: \$1.1 million) and no performance fee was accrued (31 March 2012: \$nil; 30 September 2011: \$nil). As at 30 September 2012 \$0.6 million was owed to GPSNZ (31 March 2012: \$1.5 million, 30 September 2011: \$0.8 million).

At 30 September 2012 an amount of \$4.7 million was owed to Goodman Industrial Trust in respect of land at Central Park.

In the current six months no properties were acquired pursuant to the Co-ownership Agreement between GMT and Goodman Industrial Trust (year ended 31 March 2012: none; six months ended 30 September 2011: none). The Co-ownership Agreement was approved by unitholders at a general meeting held on 23 March 2004.

(b) Compensation to key management personnel:

Key management personnel are those people with the responsibility and authority for planning, directing and controlling the activities of an entity. As the Trust does not have any employees or Directors, key management personnel are considered to be the Manager, Goodman (NZ) Limited and the key management personnel of the Manager.

Directors of GNZ and their immediate relatives hold either directly or indirectly 0.14% (31 March 2012: 0.14%; 30 September 2011: 0.13%) of the units of the Trust.

12. Trade and other payables

\$ million	Audited 30 Sep 12	Audited 31 Mar 12	Unaudited 30 Sep 11
Current			
Trade payables	0.9	2.2	–
Other payables	13.5	10.8	9.2
Amounts owing in respect of deferred settlements	11.0	8.0	7.7
Accrued capital expenditure	3.2	6.3	7.6
Total current trade and other payables	28.6	27.3	24.5
Non-current			
Amounts owing in respect of deferred settlements	–	10.7	10.3
Total non-current trade and other payables	–	10.7	10.3

Financial statements of Goodman Property Trust

notes to the financial statements (continued)

For the six months ended 30 September 2012

13. Interest bearing liabilities

\$ million	Audited 30 Sep 12	Audited 31 Mar 12	Unaudited 30 Sep 11
Non-current			
Secured interest bearing liabilities:			
Commonwealth Bank of Australia (trading as ASB Institutional) ("ASB")	53.4	55.2	55.0
Westpac Banking Corporation	53.4	55.2	55.0
Bank of New Zealand	53.3	55.2	55.0
ANZ National Bank Limited	53.3	55.2	55.0
Kiwibank Limited ("Kiwibank")	30.0	30.0	30.0
Goodman Property Trust facility	243.4	250.8	250.0
Viaduct Corporate Centre Limited facility	26.0	26.0	26.0
Henshaw Holdings Limited facility	27.5	29.5	29.5
Highbrook Development Limited facility	93.9	86.5	83.5
Senior secured bonds	150.0	150.0	150.0
Wholesale senior secured bonds	45.0	45.0	45.0
Unamortised capitalised costs on senior secured bonds	(2.8)	(3.0)	(3.8)
Total non-current interest bearing liabilities	583.0	584.8	580.2
Total interest bearing liabilities	583.0	584.8	580.2

Goodman Property Trust facility

Revolving credit facility totalling \$330.0 million (31 March 2012: \$330.0 million, 30 September 2011: \$330.0 million) has been provided as follows:

\$ million	Audited 30 Sep 12	Audited 31 Mar 12	Unaudited 30 Sep 11
ASB	75.0	75.0	75.0
Westpac Banking Corporation	75.0	75.0	75.0
Bank of New Zealand	75.0	75.0	75.0
ANZ National Bank Limited	75.0	75.0	75.0
Kiwibank	30.0	30.0	30.0

The facilities are provided in four tranches; Tranche A: \$80.0 million expiring in October 2016 (31 March 2012: expiring October 2016; 30 September 2011: expiring October 2016); Tranche B: \$100.0 million expiring in December 2015 (31 March 2012: expiring December 2015; 30 September 2011: expiring December 2015); Tranche C: \$50.0 million expiring in April 2013, nil drawn at 30 September 2012 (31 March 2012: \$150.0 million expiring April 2013; 30 September 2011: \$150.0 million expiring April 2013), Tranche D: \$100.0 million expiring October 2017. All banks participate equally in each Tranche except for Kiwibank which participates only in Tranche B for \$30.0 million. The facilities are secured over the assets and undertakings of Goodman Property Aggregated Limited.

13. Interest bearing liabilities (continued)

The Group has given a negative pledge which provides that it will not create or permit any security interest over its assets. The principal financial ratios which must be met are with respect to the ratio of earnings before interest and tax to interest expense, and the ratio of financial indebtedness to the value of the property portfolio. Further negative and positive undertakings have been given as to the nature and conduct of the Group's business.

Other facilities

All other facilities are as disclosed in the Group's audited financial statements for the year ended 31 March 2012.

14. Issued units

Reconciliation of movements in Goodman Property Trust units	Audited 6 months 30 Sep 12		Audited 12 months 31 Mar 12		Unaudited 6 months 30 Sep 11	
	No. of units 000s	Value \$ million	No. of units 000s	Value \$ million	No. of units 000s	Value \$ million
Balance at the beginning of the period	999,048	1,119.6	933,382	1,056.2	933,382	1,056.2
Movements during the period						
Issue of units pursuant to distribution reinvestment scheme	16,022	15.5	65,666	63.4	34,549	32.8
Balance at the end of the period	1,015,070	1,135.1	999,048	1,119.6	967,931	1,089.0

Units have no par value. All units are fully paid.

	Audited 30 Sep 12 \$ million	Audited 31 Mar 12 \$ million	Unaudited 30 Sep 12 \$ million
Net tangible assets			
Net tangible assets	945.1	928.2	915.6
	Audited 30 Sep 12 cents	Audited 31 Mar 12 cents	Unaudited 30 Sep 11 cents
Net tangible assets per unit	93.1	92.9	94.6

15. Segment reporting

The chief operating decision-maker has been identified as the Board of Directors of Goodman (NZ) Limited. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The key reports used by the Board for considering and monitoring the business consider all of the properties together. As such there is only one reportable segment.

16. Events subsequent to balance date

On 12 November 2012 the Board of GNZ approved the issue of \$60.0 million of new units in GMT by way of institutional placement to be undertaken on 13 November 2012 and jointly underwritten by Macquarie Securities (NZ) Limited and Craigs Investment Partners Limited. At the same time the Board approved the launch of a Unit Purchase Plan to eligible investors to raise up to \$30.0 million of new units, opening on 30 November 2012.

On 12 November 2012 the Board of GNZ approved GMT's acquisition of the 50% of Highbrook Development Limited it does not currently own as well as the remaining 25% interest in Highbrook Business Park Limited ("HBPL") and the remaining 25% interest in the properties held by HBPL for a mixture of new units issued to the vendors and cash funded from the proceeds of the institutional placement. These acquisitions are subject to approval by unitholders at a meeting on 7 December 2012. Further details will be available in the draft Notice of Meeting and Explanatory Memorandum to be released on 13 November 2012, which will be finalised following the completion of the institutional placement and mailed to unitholders on or around 19 November 2012.

On 12 November 2012, a cash distribution of 1.5625 cents per unit with imputation credits of 0.169 cents per unit attached was declared, payable to unitholders who are on GMT's register on 28 November 2012. This distribution has not been recognised in the financial statements.

On 31 October 2012 the sale of the Downer Building at Glassworks Industry Park, Christchurch became unconditional for a total consideration of \$6.6 million. This sale settled on 12 November 2012.

On 7 November 2012, Corporate Trust Limited was appointed Trustee of GMT.

17. Commitments and contingencies

As at 30 September 2012, the Group had \$30.5 million of material capital commitments relating to development properties (31 March 2012: \$17.8 million; 30 September 2011: \$12.9 million). Included in the Group's capital commitments are \$11.1 million being GMT's share of capital commitments of Highbrook Development Limited (31 March 2012: \$15.0 million; 30 September 2011: \$2.1 million). GMT has no capital commitments in relation to its interests in the Highbrook joint venture assets. At 31 March 2012 GMT was liable to an additional amount payable of \$5.2 million in respect of land acquired at Central Park in the event of re-zoning of that property (30 September 2011: \$5.2 million). This amount is now payable and has been recognised in the financial statements.

GMT has incurred no material contingent liabilities in relation to its interests in jointly controlled entities.

Other than as disclosed in notes 2 and 3, the Group does not have any material non-cancellable operating lease commitments.

Report on the Interim Financial Statements

We have audited the interim condensed financial statements ("the interim financial statements") of Goodman Property Trust and its controlled entities ("the Group") on pages 10 to 32, which comprise the statement of financial position as at 30 September 2012, the statement of comprehensive income, statement of changes in unitholders funds and statement of cash flows for the six month period then ended, and the notes to the interim financial statements that include a summary of significant accounting policies and other explanatory information.

Manager's Responsibility for the interim financial statements

The Directors of Goodman (NZ) Limited ("the Manager") are responsible for the preparation of the interim financial statements in accordance with generally accepted accounting practice in New Zealand and that present fairly the matters to which they relate and for such internal controls as the Manager determines are necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the interim financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the interim financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the Group's preparation of the interim financial statements that present fairly the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the interim financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We have no relationship with, or interests in, the Group other than in our capacities as auditors and providers of other assurance and advisory services. These services have not impaired our independence as auditors of the Group.

Opinion

In our opinion, the interim financial statements on pages 10 to 32:

- (i) comply with New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting;
- (ii) comply with International Accounting Standard 34: Interim Financial Reporting; and
- (iii) present fairly, in all material respects, the financial position of the Group as at 30 September 2012, and its financial performance and cash flows for the six month period then ended in accordance with generally accepted accounting practice in New Zealand.

Restriction on Distribution or Use

This report is made solely to the unitholders of Goodman Property Trust ("the unitholders"), as a body. Our audit work has been undertaken so that we might state to the unitholders those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the unitholders, as a body, for our audit work, for this report or for the opinion we have formed.



Chartered Accountants
12 November 2012

Auckland

regulatory disclosures

Details of GMT's distributions and Distribution Reinvestment Plan are set out on page 46.

GMT Bond Issuer Limited

Financial statements+

for the six months ended 30 September 2012

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Financial statements of GMT Bond Issuer Limited

statement of comprehensive income

For the six months ended 30 September 2012

\$ million	Note	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Investment revenue				
Interest income	2	5.8	11.6	5.8
Total investment income		5.8	11.6	5.8
Operating expenses				
Operating expenses	3	–	–	–
Total operating expenses		–	–	–
Finance costs				
Interest expense		5.8	11.6	5.8
Total finance costs		5.8	11.6	5.8
Profit before income tax		–	–	–
Taxation	4	–	–	–
Profit after tax attributable to shareholder		–	–	–
Other comprehensive income		–	–	–
Total comprehensive income for the period attributable to shareholder		–	–	–

The statement of comprehensive income should be read in conjunction with the accompanying notes.

statement of financial position

As at 30 September 2012

\$ million	Note	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Assets				
Current tax receivable	4	–	–	–
Related party receivable	5	3.2	3.2	3.2
Related party advance	5	150.0	150.0	150.0
Total assets		153.2	153.2	153.2
Liabilities				
Other payables	6	3.2	3.2	3.2
Senior secured bonds	7	150.0	150.0	150.0
Total liabilities		153.2	153.2	153.2
Net assets		–	–	–
Equity				
Contributed equity	8	–	–	–
Retained earnings		–	–	–
Total equity		–	–	–

The statement of financial position should be read in conjunction with the accompanying notes.

The Board of GMT Bond Issuer Limited authorised these financial statements for issue on 12 November 2012.

For and on behalf of the Board:



Keith Smith
Chairman



Peter Simmonds
Chairman, Audit Committee

Financial statements of GMT Bond Issuer Limited

statement of changes in equity

For the six months ended 30 September 2012

\$ million	Contributed equity	Retained earnings	Total
Unaudited 6 months to 30 September 2012			
Total equity at 1 April 2012	-	-	-
Total comprehensive income for the period	-	-	-
Total equity at 30 September 2012	-	-	-

\$ million	Contributed Equity	Retained Earnings	Total
Audited 12 months to 31 March 2012			
Total equity at 1 April 2011	-	-	-
Total comprehensive income for the period	-	-	-
Total equity at 31 March 2012	-	-	-

\$ million	Contributed Equity	Retained Earnings	Total
Unaudited 6 months to 30 September 2011			
Total equity at 1 April 2011	-	-	-
Total comprehensive income for the period	-	-	-
Total equity at 30 September 2011	-	-	-

The statement of changes in equity should be read in conjunction with the accompanying notes.

statement of cash flows

For the six months ended 30 September 2012

\$ million	Note	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Cash flows from operating activities				
Interest received		5.8	11.6	5.8
Interest paid		(5.8)	(11.6)	(5.8)
Net cash flows from operating activities	12	-	-	-
Net movement in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period		-	-	-
Cash and cash equivalents at the end of the period		-	-	-

The statement of cash flows should be read in conjunction with the accompanying notes.

Financial statements of GMT Bond Issuer Limited

notes to the financial statements

For the six months ended 30 September 2012

1. Accounting policies

General information

GMT Bond Issuer Limited ("the Company") was incorporated on 5 November 2009. The address of its registered office is Level 28, 151 Queen Street, Auckland. GMT Bond Issuer Limited is a registered company under the Companies Act 1993. GMT Bond Issuer Limited is a profit-oriented company incorporated and domiciled in New Zealand. The Company was incorporated to undertake an issue of debt securities with the purpose of on lending the proceeds to Goodman Property Trust ("GMT") by way of interest bearing advances.

The interim financial statements have been approved for issue by the Board on 12 November 2012. The Board does not have the power to amend these financial statements once issued.

Basis of preparation

These interim financial statements for the six months ended 30 September 2012 have been prepared in accordance with generally accepted accounting practice in New Zealand, International Accounting Standard 34 Interim Financial Reporting and New Zealand equivalent to International Accounting Standard 34 Interim Financial Reporting.

The accounting policies that materially affect the measurement of the statement of comprehensive income, statement of financial position and the statement of cash flows have been applied on a basis consistent with those used in the audited financial statements for the year ended 31 March 2012 and unaudited interim financial statements for the six months ended 30 September 2011.

The interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly these interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2012, prepared in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and International Financial Reporting Standards.

The interim financial statements for the six months ended 30 September 2012 are unaudited. The interim financial statements are presented in New Zealand Dollars (\$), which is the Company's functional currency. All financial information has been presented in millions, unless stated otherwise.

Changes in accounting policies

There have been no changes in accounting policies during the current financial period.

2. Investment income

\$ million	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Interest income	5.8	11.6	5.8
Total investment income	5.8	11.6	5.8

3. Operating expenses

Goodman Property Trust, the Company's parent, paid all fees for audit services provided to the Company (30 September 2012: \$1,200; 31 March 2012: \$5,200; 30 September 2011: \$nil).

4. Taxation

\$ million	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Analysis of taxation expense			
Resident withholding tax	–	–	–
Profit before taxation	–	–	–
Prima facie income tax (expense)/benefit calculated at 28% on the profit before tax	–	–	–
Current taxation	–	–	–
Deferred tax			
There is no deferred tax balance as at reporting date. (31 March 2011: nil)			
Taxation receivable is analysed as:			
Current	–	–	–
Non-current	–	–	–
Total taxation receivable	–	–	–

Financial statements of GMT Bond Issuer Limited

notes to the financial statements (continued)

For the six months ended 30 September 2012

5. Related party transactions

GMT Bond Issuer Limited is a wholly-owned subsidiary of Goodman Property Trust. All members of the Goodman Property Trust Group are considered to be related parties of the Company.

Related party receivable and payable balances of GMT Bond Issuer Limited at the reporting date were as follows:

Related party	Unaudited 6 months 30 Sep 12 \$ million	Audited 12 months 31 Mar 12 \$ million	Unaudited 6 months 30 Sep 11 \$ million	Nature of Relationship	Type of Transaction
Goodman Property Trust	150.0	150.0	150.0	Parent	Advance
Goodman Property Trust	3.2	3.2	3.2	Parent	Accrued interest

The Company issued a loan to Goodman Property Trust for \$150 million on 15 December 2009 bearing a fixed rate of 7.75% per annum, which matures on 19 June 2015. As at 30 September 2012, accrued interest on the loan amounted to \$3.2 million; (31 March 2012: \$3.2 million; 30 September 2011; \$3.2 million).

Related party transactions with GMT Bond Issuer Limited during the year were as follows:

Related party	Unaudited 6 months 30 Sep 12 \$ million	Audited 12 months 31 Mar 12 \$ million	Unaudited 6 months 30 Sep 11 \$ million	Nature of Relationship	Type of Transaction
Goodman Property Trust	5.8	11.6	5.8	Parent	Interest on Loan

Guarantee

Corporate Trust Limited (as Trustee for Goodman Property Trust) has entered into a guarantee under which Goodman Property Trust unconditionally and irrevocably guarantees all of the obligations of GMT Bond Issuer Limited under the Bond Trust Documents.

6. Other payables

\$ million	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Accrued interest on senior secured bonds	3.2	3.2	3.2
Analysed as:			
Current	3.2	3.2	3.2

7. Senior secured bonds

\$ million	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Fixed rate senior secured bonds	150.0	150.0	150.0
Analysed as:			
Non-current	150.0	150.0	150.0

Fixed rate senior secured bonds

On 16 December 2009, the Company issued \$150 million of fixed rate senior secured bonds, bearing a fixed interest rate of 7.75% per annum. The bonds mature on 19 June 2015.

The fair value of fixed rate senior secured bonds as at 30 September 2012 is \$160.4 million (31 March 2012: \$159.9 million; 30 September 2011: \$155.2 million). The fair value has been estimated using the method outlined in Note 11 (d) of the financial statements for 31 March 2012.

8. Contributed equity

Issued share capital

As at 30 September 2012, 100 Ordinary shares had been issued for nil consideration on incorporation. All shares rank equally with one vote attached to each share (31 March 2012: 100 ordinary shares; 30 September 2011: 100 ordinary shares).

Net tangible assets

The net tangible assets per bond at 30 September 2012 were \$1.02 (31 March 2012: \$1.02; 30 September 2011: \$1.02).

9. Reconciliation of profit for the period to net cash flows from operating activities

\$ million	Unaudited 6 months 30 Sep 12	Audited 12 months 31 Mar 12	Unaudited 6 months 30 Sep 11
Profit for the period attributable to shareholder	-	-	-
Movements in working capital			
Decrease in related party receivables	-	-	-
Increase in other payables	-	-	-
Net cash inflow from operating activities	-	-	-

10. Contingent liabilities

There were no material contingent liabilities as at 30 September 2012 (31 March 2012: none; 30 September 2011: none).

11. Capital commitments

There were no material capital commitments as at 30 September 2012 (31 March 2012: none; 30 September 2011: none).

12. Subsequent events

There have been no material events subsequent to 30 September 2012 (31 March 2012: none; 30 September 2011: none).

independent accountants' report

To the shareholder of GMT Bond Issuer Limited



Goodman Property Trust GMT Bond Issuer Limited

Other information+

Report on the Interim Financial Statements

We have reviewed the interim condensed financial statements ("the interim financial statements") of GMT Bond Issuer Limited ("the Company") on pages 36 to 43, which comprise the statement of financial position as at 30 September 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the six month period then ended, and the notes to the interim financial statements that include a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Interim Financial Statements

The Company's Directors are responsible for the preparation and presentation of the interim financial statements that present fairly the financial position of the Company as at 30 September 2012, and its financial performance and cash flows for the six month period ended on that date.

Accountants' Responsibility

We are responsible for reviewing the interim financial statements presented by the Directors in order to report to you whether, in our opinion and on the basis of the procedures performed by us, anything has come to our attention that would indicate that the interim financial statements do not present fairly the matters to which they relate.

A review is limited primarily to enquiries of company personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit on the interim financial statements and, accordingly, we do not express an audit opinion.

We have reviewed the interim financial statements of the Company for the six month period ended 30 September 2012 in accordance with the Review Engagement Standards issued in New Zealand.

Other than in our capacity as accountants conducting this review we have no relationship with, or interests in, GMT Bond Issuer Limited.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements which have been prepared in accordance with International Accounting Standard 34 and New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting do not present fairly the financial position of the Company as at 30 September 2012 and its financial performance and cash flows for the six month period ended on that date.

Restriction on Distribution or Use

This report is made solely to the Company's shareholder, as a body. Our review work has been undertaken so that we might state to the Company's shareholder those matters which we are required to state to them in an accountants' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, as a body, for our review procedures, for this report or for the opinions we have formed.

Chartered Accountants
12 November 2012

Auckland

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investor relations

Annual Meeting

GMT's Trust Deed requires at least one general meeting of Unitholders each financial year. The last Annual Meeting was held on 7 August 2012. The address and presentation are available on GMT's website.

Publications

Annual and Interim Reports are typically mailed to Unitholders and Bondholders around June and December of each year respectively. Portfolio Update brochures detailing the performance of the Trust over the intervening periods are mailed to Unitholders in September and March.

Investor centre

The Trust's website, www.goodman.com/nz, enables Unitholders and Bondholders to view information about their investment, download investor forms, check current prices and view publications and announcements.

Helpline

The Manager has a dedicated toll free number, 0800 000 656 (+64 9 375 6073 outside New Zealand), which will connect Unitholders and Bondholders directly with the investor relations team who will assist with any queries.

Unitholder distribution

The Trust typically pays its distributions quarterly in the third month that follows each quarter. For example the distribution for the September 2012 quarter was paid in December 2012. The table below shows the composition and timing of distributions per unit that have been paid since the beginning of this financial period.

Distribution for quarter ended	Cash distribution	Imputation credits	Total distribution	Payment date
31 March 2012	\$0.015625	\$0.001852	\$0.017477	21 June 2012
30 June 2012	\$0.015625	\$0.001885	\$0.01751	27 September 2012
30 September 2012	\$0.015625	\$0.001693	\$0.017318	20 December 2012

Distribution Reinvestment Plan

GMT's Distribution Reinvestment Plan is currently suspended but may be reinstated in the future.

When offered, the DRP is available to Unitholders that have registered addresses in New Zealand and a limited number of Australian "wholesale clients", as that term is defined in section 761G of the Australian Corporations Act 2001.

If Unitholders elect to participate in the DRP, and the DRP is operating, they will receive additional units in GMT in exchange for quarterly cash distributions. If no election is made, Unitholders will receive distributions in the form of cash only. The last day for delivery of an election notice under the DRP is the record date for the relevant distribution, which is disclosed to NZX at the same time as the details of the distribution payment.

Bondholder interest payments

Interest is paid semi-annually in June and December, each year, until redemption. No dividends or distributions have been paid by GMT Bond Issuer Limited.

Registrar

Computershare Investor Services Limited is the registrar with responsibility for administering and maintaining the Trust's Unit and Bond Registers.

If you have a question about the administration of your investment, Computershare can be contacted directly:

- + by phone, on their toll free number 0800 359 999 (+64 9 488 8777 outside New Zealand);
- + by email, to enquiry@computershare.co.nz; or
- + by mail, to Computershare Investor Services Limited, Private Bag 92119, Auckland 1142.

corporate directory

Manager of Goodman Property Trust

Goodman (NZ) Limited
Level 28, 151 Queen Street
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Victoria Street West
Auckland 1142

Toll free: 0800 000 656 (within New Zealand)
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Email: info-nz@goodman.com
Website: www.goodman.com/nz

Issuer of Goodman+Bonds

GMT Bond Issuer Limited
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Auckland 1142

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Facsimile: +64 9 375 6061
Email: info-nz@goodman.com
Website: www.goodman.com/nz

Directors of Goodman (NZ) Limited and GMT Bond Issuer Limited

Chairman and Independent Director

Keith Smith

Independent Directors

Leonie Freeman
Susan Paterson
Peter Simmonds

Non-executive Directors

Gregory Goodman
Phil Pryke

Executive Director

John Dakin

Auditors

PricewaterhouseCoopers
PricewaterhouseCoopers Tower
188 Quay Street
Auckland

Private Bag 92162
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Registrar

Computershare Investor Services Limited
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Trustee for Goodman Property Trust

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PO Box 3376
Shortland Street
Auckland 1140

Bond Trustee

Public Trust
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48 Shortland Street
Auckland

PO Box 1598
Shortland Street
Auckland 1140

Legal advisors

Russell McVeagh
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48 Shortland Street
Auckland

PO Box 8
Auckland 1140

glossary

\$ and cents	New Zealand currency.
Associated Persons	has the meaning given to that term in the Listing Rules.
ASX	ASX Limited or any market operated by it, as the context requires.
Balance Date	30 September 2012.
Board	the board of directors of the Manager and GMB.
Bondholder	a person whose name is recorded in the register as a holder of a Goodman+Bond.
CEO	the Chief Executive Officer of the Manager.
Chairman	the Chairman of the Board.
Co-ownership Agreement	the agreement of that name between the Manager, Goodman Property Aggregated Limited, the Trustee, Goodman Funds Management Limited as responsible entity of GIT, Tallina Pty Limited as trustee of Penrose Trust, and Trust Company Limited as custodian of Tallina Pty Limited, dated 1 April 2004 as amended by the Restructuring Agreement between the same parties dated 7 March 2005, relating to the buying, selling and holding of property by the Trust and Goodman Group in 50/50 shares.
Director	a director of the Manager and GMT Bond Issuer Limited.
DRP	the distribution reinvestment plan for the Trust in operation from time to time.
GMB	GMT Bond Issuer Limited, a wholly owned subsidiary of Goodman Property Trust.
Goodman Group or GMG	means Goodman Limited (ABN 69 000 123 071), Goodman Industrial Trust (ARSN 091 213 839) and Goodman Logistics (HK) Limited (company number 1700359; ARBN 155 911 149) and their controlled entities.
Goodman+Bond	a bond issued by GMB.
GPSNZ	Goodman Property Services (NZ) Limited.
Independent Directors	has the meaning given to that term in the Listing Rules which, for the Manager are those persons listed on page 47.
Listing Rules	the Listing Rules of NZX from time to time and 'LR' is a reference to any of those rules.
Management	the senior executives of the Manager.
Manager or GNZ	the manager of the Trust, Goodman (NZ) Limited.
NTA	net tangible assets.
NZ IFRS	New Zealand Equivalents to International Financial Reporting Standards.
NZDX	the New Zealand debt market operated by NZX.
NZX	NZX Limited.
Registrar	the unit registrar for GMT and Goodman+Bond registrar for GMB which, at the date of this Report, is Computershare Investor Services Limited.
sqm	square metres.
Trust Deed	the GMT trust deed dated 23 April 1999, as amended from time to time.
Trust or GMT	Goodman Property Trust and its controlled entities, including GMB, as the context requires.
Trustee	the trustee of the Trust, Corporate Trust Limited.
Unitholder or unitholder	any holder of a Unit whose name is recorded in the register.
Unit or unit	a unit in GMT.

These Interim Reports for the six months ended 30 September 2012 have been prepared by Goodman (NZ) Limited as the Manager of Goodman Property Trust. The information in these Interim Reports is general information only. It is not intended as investment or financial advice and must not be relied upon as such. You should obtain independent professional advice prior to making any decision relating to your investment or financial needs. These Interim Reports are not an offer or invitation for subscription or purchase of securities or other financial products. Past performance is no indication of future performance. All values are expressed in New Zealand currency unless otherwise stated. December 2012.



Interim Report Addendum

NZX waivers and rulings

NZX has granted the following waivers and rulings to GMT in connection with the acquisition by GMT of the balance of the interests in Highbrook Business Park:

- (a) a waiver from Listing Rule 4.2.3 to the extent that it requires that an agreement be entered into with a person who is not a related party, such that the date for the issue of Deferred Issue Units (as that term is defined in the Notice of Meeting and Explanatory Memorandum provided to NZX on 13 November 2012 ("**Notice of Meeting**") to Goodman Group (as described below), which is a related party of GMT, may be brought forward in the circumstances described below; and
- (b) a waiver from the requirement in Listing Rule 7.3.2(b) that an issue approved under Listing Rule 7.3.1 must be completed within 12 months after the passing of the resolution, so that the deferred issue of the Deferred Issue Units to Goodman Group may take place at a later date as described below.

A complete copy of the waivers provided by NZX can be found at www.goodman.com/nz or at www.nzx.com under the GMT ticker code.

Terms of the Deferred Issue to Goodman Group and the grounds for Acceleration of the payment of the Purchase price

As described in the Notice of Meeting and Explanatory Memorandum provided to Unitholders and the NZX on 13 November 2012, the balance of the purchase price payable by GMT to Goodman Group for its interests in Highbrook Development Limited will be paid on the third anniversary of the completion date ("**Second Payment Date**"), or a date within 5 Business Days after the Second Payment Date, as determined by GMT, subject to adjustment as more particularly described in the Notice of Meeting.

Subject to the matters below, GMT will pay the purchase price by procuring the issue of fully paid ordinary Units (at an issue price of \$1.00 (subject to adjustment as more particularly described in the Notice of Meeting)), so that the number of Units to be issued to Goodman Group on a date will be equal to the amount due to Goodman Group on that date divided by that issue price (rounded down to the nearest unit). The Units will rank equally with all other Units, but will not participate in any distribution declared prior to the Meeting. The Units to be issued on the Second Payment Date will, if Goodman Group so elects, be issued at an earlier date if the manager of GMT is not the Goodman Group, or an associated person of the Goodman Group (or if a Court application is made, or notice is given of a proposal or intention, or a meeting of Unitholders is called, to remove the manager of GMT, or the manager gives notice of an intention to retire, where the removal or retirement will mean that none of such persons is manager of GMT) or if a person (not being the Goodman Group, or an associated person of the Goodman Group) gives notice of an offer for at least 50% of the Units of GMT on issue.