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GMT Annual Meeting of Unitholders

Date 2 August 2011

Release Immediate

WELCOME

Good afternoon ladies and gentlemen, I'm Keith Smith, Independent Director and Chairman of Goodman (NZ) Limited, the manager of Goodman Property Trust.

Welcome to this Annual Meeting of Unitholders.

The purpose of today's meeting is to review the strategy and performance of the Trust, and consider and vote on one ordinary resolution.

I'd encourage you all to participate in today's forum and take the opportunity to communicate directly with those responsible for managing your investment. I also invite you to stay for the refreshments that follow the meeting and take advantage of the further opportunity it provides to interact with members of the Board and Management Team.

I would now like to introduce the other directors and executives of the Manager who are present today.

ATTENDANCE AND APOLOGIES

From my far right – Andy Eakin, Chief Financial Officer; James Hodgkinson, Non-executive Director; Peter Simmonds, Independent Director; Phil Pryke, Non-executive Director; and John Dakin, Chief Executive Officer.

I'm particularly pleased to be welcoming Andy Eakin to his first Annual Meeting following his appointment to the CFO role in March, and welcoming back Peter Simmonds in his new capacity as an Independent Director.

Both individuals are highly capable and bring extensive knowledge and expertise to their respective roles. Unitholders benefit from this collective experience and I'm also pleased to acknowledge a further strengthening in the senior management team this year with the return of Murray Barclay. After almost three years in Europe with the wider Goodman Group, Murray has returned to New Zealand as General Manager Property, and is here in the audience today.

The Board has received apologies for today's meeting from Susan Paterson, Independent Director and Greg Goodman, Non-executive Director. Both these Directors have conflicting engagements offshore and are unable to attend today.

I would also like to advise that the Board expects to appoint an additional Independent Director in the near future. This appointment will return the Board to a majority of Independent Directors.

REPRESENTATIVE OF TRUSTEE; EXECUTIVES AND ADVISORS PRESENT

In addition to the Board, there are executives of the Manager, representatives of our Trustee, Perpetual Trust Limited and representatives from the Trust's advisors also present today.

These advisors include –

- + our auditors, PricewaterhouseCoopers;
- + our solicitors, Russell McVeagh; and
- + our tax advisers, KPMG.

I'd now like to proceed through some of the more formal aspects of the meeting before we begin the presentation.

MEETING FORMALITIES

- + I'd like it noted that in accordance with the Trust Deed, I have been nominated by the Trustee, Perpetual Trust Limited, to act as chairman of this meeting and I have now tabled this nomination.
- + I also confirm that the meeting has been properly convened and notice has been properly given to Unitholders.

GMT's Trust Deed requires at least five persons holding, or representing by proxy, or as representative or attorney, at least ten per cent of the number of Units on issue at the date of the meeting carrying the right to vote at the meeting for a quorum to be achieved.

I confirm that these requirements have been met; and that a quorum is present.

To simplify proceedings, I will refer to Goodman Property Trust throughout the meeting as the “Trust” or “GMT”, and Goodman (NZ) Limited – the manager of that Trust – as the “Manager”.

As a final point I would draw your attention to the location of the emergency exits which can be accessed through the rear doors of this room.

Now the formalities are dealt with we can proceed.

INTRODUCTION

GMT is a resilient property business that has delivered over \$350.0 million of distributable earnings since 2007. The consistency of the recent operating results reflects the quality of the underlying property portfolio and a strategy that has adapted to meet the challenges of a global credit crisis, a prolonged recession and a cyclical downturn across investment markets.

I'm pleased to report that the Trust delivered another sound operating result in the 12 months to 31 March 2011, achieving an earnings result consistent with expectations. It was a busy year with significant leasing activity complemented by new investment and capital management initiatives.

The contributions from strategic acquisitions and completed development projects has contributed to a 2.4% increase in net property income to \$108.7 million while distributable earnings before interest and tax increased by 1.7% to \$101.1 million.

The stability of this revenue result is particularly pleasing given the sluggish economy and competitive leasing environment that has persisted. It emphasises the importance of investing in a high quality property portfolio that is able to attract and retain customers across a range of market conditions.

While the portfolio has been closely managed to ensure it performs optimally, equal emphasis and focus has been applied to the financial management of the Trust.

CAPITAL MANAGEMENT

Global financial markets have remained volatile in recent times and GMT has been managed in a prudent way that has maintained its strong balance sheet position throughout this uncertain period.

The combination of debt and equity initiatives undertaken in response to these challenges has differentiated GMT from other property investment vehicles. It has been a comprehensive programme that has strengthened the Trust creating a more robust and sustainable business.

It is an ongoing strategy and further progress has been made over the last year extending and diversifying the Trust's sources of capital funding. The Trust successfully

refinanced more than \$480.0 million of existing debt facilities during the year and also undertook a successful \$45 million wholesale bond issue.

These new facilities provide a more staggered debt expiry profile which reduces the risk around future refinancing. At 31 March 2011 the Trust's debt facilities had a weighted average term of 3.4 years, an increase of more than a year from the position 12 months earlier.

This profile has been further improved with the renewal and extension of the Trust's \$80 million short term bank facility in July 2011. This syndicated facility, which was due to expire in October 2011, has been extended out to 2016. The new terms that have been secured demonstrate that longer dated bank funding is now accessible and competitively priced for high quality businesses like GMT.

GMT is unique in the listed property sector in that it has obtained a credit rating and issued debt securities. The new 7 year wholesale bond issue undertaken this year complements the 5 year retail bond completed in 2009 and further reduces the Trust's reliance on bank funding.

More than a third of GMT's debt funding is now provided through its triple B plus rated bonds. An investment grade credit rating from Standard & Poor's reflects the security of the bonds and the strength and stability of the wider business.

While the benefit of a comprehensive capital management programme is a strong balance sheet with secure and diverse sources of funding there is a corresponding cost, with higher interest expenses now being incurred.

EARNINGS & DISTRIBUTIONS

Distributable earnings before tax were 8.74 cents per unit for the year, down 6% on the previous period as a result of these higher interest costs and equity issuance through the Distribution Reinvestment Plan. After retaining earnings Unitholders received a cash distribution of 7.74 cents per unit, which equates to a tax paid yield of 7.9% at the current trading price of around 98 cents per unit.

Higher bank margins and interest costs are a feature of the current economic environment that will continue to impact on earnings and distributions in the short term.

Distributable earnings before tax for the 2012 financial year are forecast to range between 8.4 cents per unit and 8.6 cents per unit. The small reduction from the 8.74 cents per unit achieved in 2011 reflects the current economic environment as well as the cost of the recent refinancing and equity initiatives.

Cash distributions paid to Unitholders are expected to range between 6.2 and 6.3 cents per unit, reflecting a higher effective tax charge and a greater level of retained earnings. The higher tax charges relates to the removal of building depreciation deductions from 1 April 2011 while the level of earnings retained has been increased from 10% to 20%.

The Board's decision to retain additional earnings will result in extra funds being reinvested back into the business to help meet the financing requirements of the Trust's investment and development programmes.

This decision recognises the potential of GMT's landholdings to drive future earnings growth through value adding development activity.

NEXT DISTRIBUTION

Payment of the first quarter distribution for the 2012 financial year is to be made on 22 September 2011. The payment will include a cash component of 1.5625 cents per unit (with imputation credits of .043251 cents per unit).

Eligible Unitholders are reminded that the Distribution Reinvestment Plan continues to operate with a 2% discount and any amendments to their participation is required by 5:00 pm on the record date of 8 September 2011. Changes should be advised directly to Computershare Investor Services.

LOOKING FORWARD

Achieving consistent operating results over recent years, while maintaining a strong balance sheet position, has demonstrated that GMT is a robust business with a strategy appropriate for today's changeable market conditions.

While immediate growth prospects are limited, rising business confidence and a positive economic forecast make the Board more optimistic about the longer term outlook.

Increasing levels of business activity are expected to lift occupier demand over the next few years with a corresponding lift in market rental levels likely to flow through into steady revenue growth as rents and leases are renegotiated.

Improving occupier demand is also likely to lead to greater development activity with an increase in the number of design-build commitments being secured. To capitalise on the expected uplift in customer demand a limited amount of partially committed or uncommitted development may also be contemplated.

While today's outlook is more positive, Unitholders can be certain that the Board and Management will continue to act prudently to ensure that GMT remains a robust business that delivers strong operating results.

Unitholders should also have confidence in the Trust's proven strategy and the ability of the management team to respond to any new challenges that may arise. Led by John Dakin, it is a capable and experienced executive that is supported by the considerable resources and expertise of the wider Goodman Group.

MANAGEMENT STRUCTURE

Goodman Group is the ultimate owner of GMT's Manager and also the largest investor in the Trust with a cornerstone Unitholding of almost 17%.

The close alignment of interests between the Manager and Unitholders gives me confidence, both as an Independent Director and investor; that we all benefit from the external management structure that exists, the global perspective that it brings and the broader commercial relationships that it creates.

Unitholders will be aware of the current media debate around alternative management structures as some other Property Trust's resolve their ownership and governance issues. As Independent Directors we welcome this wider debate as it focuses attention on what is best for investors.

It is the Independent Directors assessment that the current structure, with a strongly aligned and supportive Manager, in Goodman Group, is of real benefit to the Trust.

While the Board is open minded about initiatives that enhance long term Unitholder returns, any change would need to be carefully considered. There are costs and benefits associated with either an internal or external management structure.

While there is no compelling reason to change this structure at present, the Board will continue to assess alternative options that are in the best interests of Unitholders.

It's now my pleasure to invite our Chief Executive Officer, John Dakin, to address the meeting and add further detail around the operational performance of the Trust.

JOHN DAKIN'S SPEECH

Thank you Mr Chairman and good afternoon ladies and gentlemen.

Before I begin my address this afternoon I think it's worth sharing some feedback from a series of investor presentations that were undertaken during May and June.

In recent years senior management, and where appropriate Independent Directors, have undertaken a nationwide tour to meet and interact with GMT's wider investor base. It is a valuable exercise that provides important feedback to us as Managers, on how we are performing and what issues are currently top of mind for our investors.

These Unitholders had a good understanding of the Trust's operations and they provided a unique perspective on the challenging economic conditions that have persisted in recent years.

The simple message that was conveyed back to us was to stay focused and maximise the value of their investment.

In my address this afternoon I'd like to emphasis just how important it is to stay focused, particularly while markets remain challenging.

PROPERTY PORTFOLIO

From a management perspective, this means concentrating on our high quality investment portfolio to ensure occupancy levels are maintained and revenue streams are maximised.

Our property services team is responsible for delivering the leasing results that underpin the Trust's financial performance. Led by Murray Barclay, this team includes dedicated portfolio managers, asset managers and building supervisors backed up by well resourced support staff.

We are different from other businesses in that we don't outsource these functions, responsibility for our customer relationships is too important to hand over to a service provider that doesn't necessarily share the same commitment as our own people.

This commitment helped facilitate this year's strong leasing performance with more than 135,000 sqm of space, or around 15% of the portfolio, leased on new or revised terms. This is a notable achievement given the competitive leasing market and sluggish economic environment that has existed.

Consistent leasing results like this have helped maintain portfolio occupancy in a narrow band over the last eight years, averaging an impressive 97%.

It has also ensured that GMT has maintained one of the longest weighted average lease terms in the listed sector, at 5.6 years.

The benefit of the extended average lease term is that it secures rental cashflows well into the future which helps insulate the portfolio from short term shocks and fluctuations in occupier demand.

COMMITTED TO CHRISTCHURCH

One shock that couldn't be foreseen this year, was the devastating impact of the Canterbury earthquakes.

With 24 customers, over 1,700 investors and more than 10% of our portfolio located in Christchurch the Trust has a real commitment to Canterbury and a vested interest in the long term prosperity of the region.

We have been fortunate that the location and design of our properties meant they sustained only superficial damage in the series of earthquakes and aftershocks that have struck since September 2010.

Having a dedicated local staff with access to the engineering and technical support of the wider business meant we were able to respond quickly to the crisis.

I am proud and appreciative of the efforts of our team, who worked in difficult conditions immediately after the February quake, to ensure the safety of our customers and the continuity of their business operations.

The map on the current slide shows the location of our estates relative to the CBD and the eastern side of the city where damage has been greatest. It is estimated that around 50% of the CBD office stock is unable to be occupied and is likely to require complete rebuilding.

Displaced corporate office users like AMI and Westpac have taken advantage of the limited amount of vacancy at Show Place Office Park in Addington to relocate to the low rise campus style accommodation provided at this estate.

The next few slides show images of Show Place Office Park which is now fully occupied, its key customers also include Holcim, IAG NZ, Solid Energy and Transpower.

While Christchurch faces numerous challenges as it recovers, GMT takes a long term view that looks through the immediate impact of events like this natural disaster.

Our portfolio has performed relatively well, but we have been fortunate. It's impossible to avoid every risk but we try to minimise these where possible. We undertake detailed due diligence on new opportunities, we design our buildings to the latest standards and we comprehensively insure our portfolio.

VALUATION IMPACTS

While the Trust's investment strategy has been to invest in modern, well located and high quality properties, it isn't immune from wider market movements.

The Canterbury earthquakes and a sluggish economic environment have impacted on the broader investment market, putting downward pressure on property values over the last 12 months.

GMT recorded a \$24.8 million or 1.5% devaluation last year, which in the context of a \$1.6 billion portfolio is a relatively small decline.

It is pleasing that recent sales evidence and a general lift in investment sentiment since March means the valuation outlook for prime industrial property is increasingly positive.

DEVELOPMENT PROGRESS

We are also optimistic about the prospects for our development programme.

A significant development capability is an important component of the overall strategy for GMT and a feature of the business that will drive future growth. It is something we do well, and we have received a number of important industry awards to support this assertion.

In fact Highbrook Business Park recently won the coveted Supreme Award at the annual Property Council Awards together with an Excellence Award in the urban land development category.

More than 500,000 sqm of new space has been added to the portfolio since 2004, broadening our customer base and enhancing the overall quality and value of the portfolio.

The following slides show some of the recently completed development projects.

These include Bridgestone, Ingram Micro and Kmart at M20 Business Park in Wiri, Downer at Glassworks Industry Park in Christchurch and IBM at Highbrook Business Park in East Tamaki.

This development activity realised almost \$6 million of investment gains last year, adding around half a cent to NTA.

The development programme is expected to be an increasing driver of Unitholder returns as improving business confidence motivates companies to seek new property solutions that better suit their operational requirements.

The Trust's development estates and proven development capability are key attractions for these businesses and one of the reasons why we have the dominant share in Auckland's design-built industrial market.

We have achieved further success since our March balance date, with two new customer commitments being secured.

These included automotive parts and equipment retailer, Super Cheap Auto (New Zealand) Limited at Savill Link in Otahuhu and Scalzo Food Industries Limited at Highbrook Business Park in East Tamaki.

Super Cheap is the most significant of these transactions being the largest industrial development undertaken by Goodman, in Auckland, since 2006. The \$24 million office and warehouse facility will become the national distribution centre for this specialist retailer once completed.

In addition to these new commitments the next stage in the development of Highbrook Business Park has also begun with the commencement of The Crossing.

The Crossing is a retail and commercial hub designed to create a focal point in the heart of this business park. The 24,700 sqm mixed use development will incorporate serviced apartment accommodation with commercial office space and retail & hospitality type amenity.

It is an important element in the estate master plan and its realisation is expected to provide a catalyst for subsequent development stages at this world class business park.

While it is shown up on the screen here today, I would also encourage Unitholders to join us at the open day planned for early next year to get a closer perspective on what is being developed at Highbrook.

CLOSING REMARKS

A regular open day like this also allows us to demonstrate how actively we manage your investment and the variety of resources that are applied to it.

We are not a static property business, we work hard as a team to ensure that GMT's portfolio is positioned for growth and that its strong rental streams are maintained.

We foster lasting relationships with our customers and pursue a development programme that is building some of the best investment real estate in the country.

It is a simple strategy, but in a highly competitive leasing market it requires significant application and focus.

Thank you all

FORMAL BUSINESS

Thank you, John. I'm sure Unitholders appreciated your presentation and are reassured by the Trust's operating performance and the commitment of your team.

Before detailing the resolution set out in the Notice of Meeting sent to Unitholders last month, I'll outline the voting procedure.

VOTING FORMS AND POLLS

I will, in the first instance call for a vote on the resolution by a show of hands. If the result is inconclusive I will call for a poll.

A poll may also be called for by Unitholders entitled to vote on the resolution, provided that these Unitholders are at least five in number or hold at least 5 percent of the Units entitled to vote on the resolution.

You should have brought a voting and proxy form with you to the meeting or obtained one on arrival. Your voting form should be used if a poll is requested.

Any poll will be held at the conclusion of the meeting; and, if a poll is called, the scrutineers will be the Trust's auditors, PricewaterhouseCoopers.

PROXIES

The Chairman and other Directors present have been appointed as proxy by 496 Unitholders representing 182,077,743 units.

Proxies appointing others have been received from 29 Unitholders representing 686,454 units.

If required, these proxies will be voted by the proxy holders.

I now turn to the notified resolution which is detailed in full in the Notice of Meeting that you have already received.

RESOLUTION – APPROVAL TO ISSUE UNITS TO THE MANAGER PURSUANT TO THE MANAGEMENT FEE PROVISIONS OF THE TRUST DEED

Under the Trust Deed, the Manager receives a fee for the management of the Trust. The fee is comprised of two components; a base fee and a performance fee.

Unitholders approved the fee structure in 2005 and amendments to the performance fee calculation in 2007.

The Trust Deed requires that any performance fee earned by the Manager should be used to subscribe for new Units in the Trust. The issue of new Units under these provisions requires waivers from NZX Listing Rules 6.2.1(a) and 7.3.2.

Unitholders approved the issue of Units under these provisions in 2007 and the relevant waivers were obtained. These and other related waivers have now expired and a perpetual approval is now being sought.

Unitholders should be aware that this resolution simply relates to how a performance fee would be paid to the Manager in the event that a fee was due.

There is no performance fee currently due to the Manager, but if today's Resolution is not passed, future performance fee payments (if any) would be paid in cash rather than Units.

The other Independent Directors and I, consider that the Resolution is in the best interests of the Trust and its Unitholders and have therefore unanimously recommended that Unitholders vote in favour.

NZX Regulation has ruled that the only persons not permitted to vote on the Resolution are Goodman Group and its associated persons, other than where a person is acting as proxy or representative for a person who is not disqualified from voting, and is voting in accordance with the express instructions of that other person.

I now move the Resolution in relation to the approval of issue units to the manager pursuant to the management fee provisions of the Trust Deed.

The Resolution is set out in the Notice of Meeting and for your convenience is also displayed on the screen.

Is there a seconder?

[Pause – wait for a seconder to second motion]

Is there any formal discussion, or are there any questions, on the motion?

I ask that in speaking to the resolution or asking any questions, you please use one of the microphones and identify yourself by name.

If you are a proxy for a Unitholder, could you please name the Unitholder on whose behalf you hold that that proxy; and, if you represent a corporate or similar Unitholder, please do likewise.

I now put the motion: All those in favour please raise a hand. All those against please raise a hand.

I declare the Resolution carried/lost.

GENERAL BUSINESS

I now move on to general business, and open the floor for questions or comments from Unitholders or their appointed representatives.

Again, I ask that in addressing the Chair with questions, you please use one of the microphones and identify yourself by name; and that, if you are a proxy for a Unitholder, that you please name the Unitholder on whose behalf you hold that that proxy; and, if you represent a corporate or similar Unitholder, please do likewise.

CLOSURE

Ladies and gentlemen, that concludes the formal business of the meeting. I thank you for your attendance and participation.

I formally declare the meeting closed, and invite you to join us outside for refreshments.

- Ends -

For further information please contact:

Keith Smith
Chairman
Goodman (NZ) Limited
(021) 920 659

John Dakin
Chief Executive Officer
Goodman (NZ) Limited
(09) 375 6063
(021) 321 541