



2016
ANNUAL REVIEW

About this report

GPT's Annual Review includes financial summaries derived from the 2016 Annual Financial Report and 2016 Annual Result announcement, which was released on Tuesday, 14 February 2017. The GPT 2016 Annual Financial Report is available on GPT's website, www.gpt.com.au or on request from the GPT Securityholder Centre on 1800 025 095 (freecall within Australia).

The Annual Review provides an integrated view of GPT's business and is guided by The International Integrated Reporting Framework.

GPT has engaged Ernst & Young to undertake limited assurance procedures over a number of non-financial key performance indicators that the company deems material to its operations. Ernst & Young's assurance statement is available on GPT's website at www.gpt.com.au.

AGM information

GPT's Annual General Meeting (AGM) will be held at the Swissôtel, 68 Market Street in Sydney, New South Wales on Thursday, 11 May 2017, commencing at 2:00pm (Sydney time).

GPT encourages securityholders to attend the AGM. The AGM will also be webcast live via GPT's website (www.gpt.com.au) for those securityholders who are unable to attend in person. Additionally, the Chairman's address will be immediately announced to the ASX on the day.

Investor calendar

28 February 2017	December 2016 Half Year Distribution Payment
11 May 2017	Annual General Meeting
23 June 2017	June 2017 Half Year Distribution Announcement
July 2017	Annual Tax Statement
August 2017	2017 Interim Result Announcement June 2017 Half Year Distribution Payment

An investor calendar is also available on GPT's website at www.gpt.com.au/events.



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Note: All information included in this report includes GPT owned assets and GPT's interest in the Wholesale Funds (GWOFF and GWSCF) unless otherwise stated.

Cover: One One One Eagle Street, Brisbane
Inside cover: Highpoint Shopping Centre, VIC

The GPT Group

GPT is an owner and manager of an \$11.1 billion diversified portfolio of high quality Australian retail, office and logistics property assets and together with GPT's funds management platform the Group has \$19.2 billion of property assets under management.

GPT's portfolio comprises some of Australia's most significant real estate assets, including the MLC Centre and Australia Square in Sydney, Melbourne Central and Highpoint Shopping Centre in Melbourne and One One One Eagle Street in Brisbane.

Listed on the Australian Securities Exchange (ASX) since 1971, GPT is today one of Australia's largest diversified listed property groups. As at 31 December 2016, GPT had a market capitalisation of approximately \$9.0 billion, and was one of the top 50 stocks on the ASX by market capitalisation.

GPT's strategy is focused on leveraging its extensive real estate experience to deliver strong returns through disciplined investment, asset management and development. The Group has a focus on creating value for securityholders through the enhancement of the core investment portfolio and in the creation of new investment assets.



Retail Portfolio

- 13 shopping centres
- 930,000 sqm GLA
- 3,200+ tenants
- \$5.3b portfolio
- \$8.2b assets under management



Office Portfolio

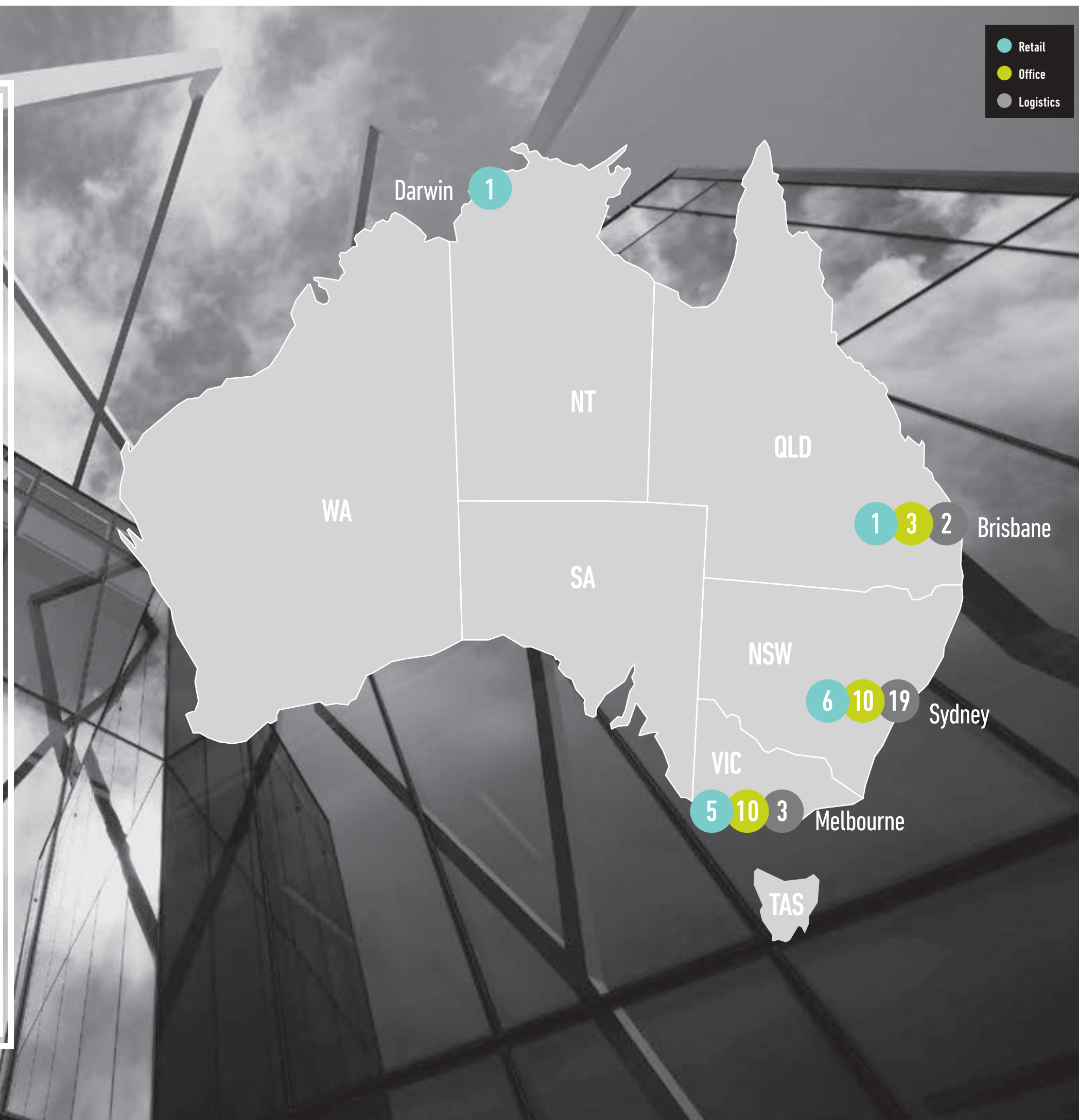
- 23 assets
- 1,120,000 sqm NLA
- 460+ tenants
- \$4.3b portfolio
- \$9.6b assets under management

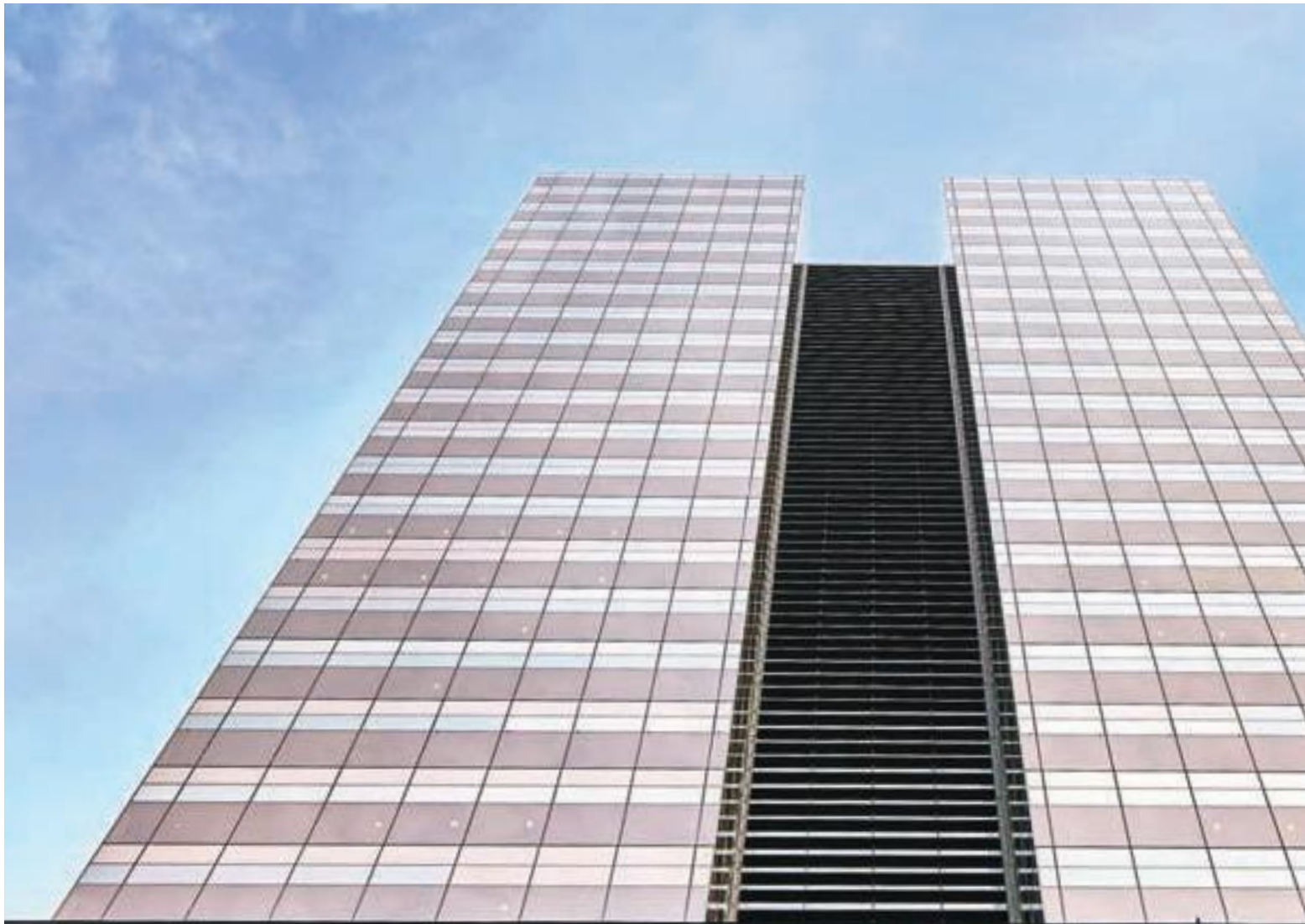


Logistics Portfolio

- 24 assets
- 710,000 sqm GLA
- 60+ tenants
- \$1.4b portfolio
- \$1.4b assets under management

- Retail
- Office
- Logistics







Our Strategy

GPT's strategy is focused on enhancing the strong position the Group has in the three core real estate sectors of retail, office and logistics.

As a diversified Real Estate Investment Trust (REIT), GPT can be a leader across all three sectors. The Group is focused on four key pillars of the business to drive performance:

1

Investment Portfolio

Build on strong market position and high quality portfolio

2

Development

Maximise value of development pipeline opportunities

3

Funds Management

Consolidate our position as a leading fund manager

4

Strong Balance Sheet and Efficient Structure

Maintain strong capital position and efficient operating model



Rob Ferguson
CHAIRMAN

Chairman's Report

I am pleased to report that the Group achieved another strong result for the year. Funds from Operations (FFO) increased 5.6 per cent for the 12 months to 31 December to 29.88 cents per security.

The Group's property investment portfolio increased in value by approximately \$612 million, contributing to a statutory Net Profit After Tax of \$1.153 billion in 2016, an increase of 32.8 per cent on the previous year.

Distributions paid to investors grew 4.0 per cent over the year to 23.4 cents per security, which included a distribution of 11.9 cents for the second half of 2016. The Group's payout ratio, as a percentage of Adjusted FFO, for the year to 31 December was 99.8 per cent.

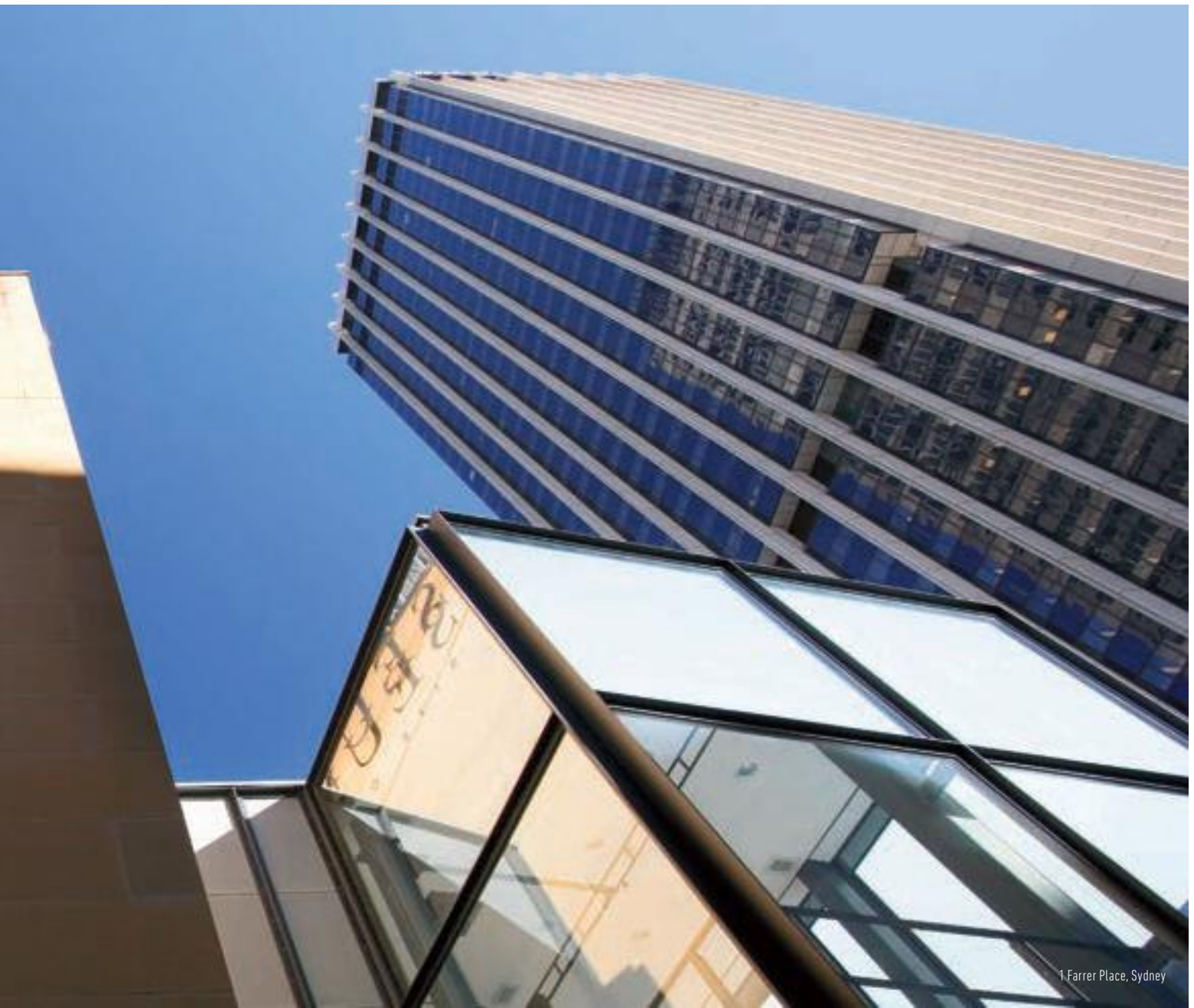
The Group's Net Tangible Assets (NTA) rose 42 cents to \$4.59 per security, an increase of 9.9 per cent during the year.

The healthy results generated by the Group in 2016 reflect the ongoing focus and commitment across all levels of the business to the implementation of the Group's strategy, and the quality and strength of the investment portfolio.

Corporate governance and executive remuneration clearly remain topics of interest to our stakeholders. The GPT Board is committed to transparency in communicating remuneration outcomes, ensuring that the Group's remuneration is competitive and fair to all stakeholders and has performance measures aligned to the achievement of GPT's strategic objectives. The GPT Board's approach aims to ensure that remuneration levels remain appropriate, whilst enabling GPT to continue to attract and retain high calibre talent.

The Board believes GPT's remuneration framework supports these outcomes. Importantly, the Group's remuneration framework is designed to ensure that rewards are aligned with Group and individual performance. The framework puts a significant component of total remuneration at risk by delivering components of any incentive awards in deferred or restricted equity. In addition, the GPT Board and Leadership Team have minimum holding requirements, providing alignment with securityholders.

I encourage you to read the Remuneration Report contained in the 2016 Annual Financial Report for additional information on the Group's remuneration arrangements.



1 Farrer Place, Sydney

After ten years of service to the Group, Anne McDonald retired from the GPT Group Board in May 2016. I would like to take this opportunity to thank Anne for her strong contribution to the Board during her tenure and for chairing the Audit and Risk Management Committee up until the date of her retirement as a director of GPT.

In October, the Group marked the first anniversary of the launch of its Reconciliation Action Plan (RAP), which sets out a list of commitments and targets which are aimed at closing the disadvantage gap faced by many First Nations Australians. In the first year of the RAP we have made some good progress toward achieving some of our key targets. To help us achieve our goals, we launched cultural awareness training for our employees and established an external First Nations People Advisory Group. There is further work to do and we are committed to advancing our achievements in this important area.

GPT was ranked second in the global Dow Jones Sustainability Index (DJSI) during the year. The DJSI tracks the performance of the world's leading companies in terms of economic, environmental and social criteria. GPT has

been the DJSI's Global Real Estate Industry Sustainability Leader for four of the past eight years. The Group remains focused on managing the environmental footprint of its operations, while continuing to provide a high level of service to our customers and the communities we operate in.

On behalf of the GPT Board, I would like to thank all securityholders for their support in 2016. The GPT Board and Leadership Team remain focused on ensuring the Group delivers long-term value for shareholders. The Board and I believe that the business is in good shape, with a strong and capable executive team that is ready to take full advantage of the opportunities that the business has in 2017.

Rob Ferguson
Chairman



Bob Johnston

**CEO AND MANAGING
DIRECTOR**

CEO Report

I am pleased to report that GPT delivered strong results for 2016 and is well positioned to deliver further growth in 2017.

The Group delivered a Total Return for the year, as measured by the change in Net Tangible Assets (NTA) plus distributions paid, of 15.5 per cent. This was well ahead of our medium term target of 8.5 per cent. Asset valuation gains were a key contributor to this outperformance, delivering approximately half of the Total Return.

The Group's balance sheet remains in a very healthy position with net gearing of 23.7 per cent at the end of the year, and a weighted average cost of debt of 4.25 per cent.

Our Retail portfolio continues to deliver excellent results, with like-for-like growth up 3.8 per cent for the year. This growth was underpinned by a combination of fixed rental increases in our retail leases and prudent cost management.

This was a very good result in the face of some of the headwinds that the retail sector has experienced. Melbourne Central, Rouse Hill and Highpoint continue to outperform, delivering strong growth and ongoing tenant demand.

The Retail portfolio recorded a total valuation gain of \$230.8 million for 12 months to 31 December. Key contributors to this gain were the valuation increases at Melbourne Central which increased 11.4 per cent, Highpoint which increased 10.3 per cent and the Group's investment in the GPT Wholesale Shopping Centre Fund (GWSCF) which rose 6.8 per cent.

Our Retail team continues to remix the portfolio to attract best in class retailers and ensure our shopping centre experiences attract customers. This included retailers such as international fashion brand H&M which opened its first

stores in the Hunter and Illawarra regions at Charlestown Square and Wollongong Central, and a new format David Jones department store at Wollongong Central for which construction has commenced.

During the period, work commenced on the \$400 million expansion of Sunshine Plaza, in which the Group has 50 per cent interest. Plans for a \$250 million retail expansion of Rouse Hill Town Centre are progressing, with a Development Application lodged and discussions underway with potential anchor tenants.

The Office portfolio delivered very strong results, recording a 6.3 per cent like-for-like income growth and a valuation uplift of \$336.5 million during the year.

Demand for quality office space in Sydney and Melbourne, coupled with tight vacancy, has seen effective rents grow strongly over the period.

In December, the Group announced plans to develop a 15,700 square metre A-Grade office building at 4 Murray Rose Avenue, Sydney Olympic Park after securing a 60 per cent pre-commitment from the State Government to accommodate the NSW Rural Fire Service.

Our office development pipeline was enhanced by the purchase of a 2,400 square metre site in Parramatta, with the potential to accommodate a 26,000 square metre premium office tower.

Our Office portfolio is well positioned. Approximately 90 per cent of our office income has fixed rental increases



TNT Erskine Park, Sydney

of 3.9 per cent for 2017, and we expect conditions in our key markets of Sydney and Melbourne to remain positive in the year ahead.

The Logistics portfolio delivered like-for-like income growth of 1.4 per cent for 2016, with occupancy increasing to 95.3 per cent. The portfolio recorded a net revaluation gain of \$38.9 million, due largely to valuation increases at GPT's facilities at Erskine Park in Sydney and Somerton in Melbourne.

The Logistics development pipeline was enhanced during the year through the acquisition of four sites in Western Sydney. Construction commenced on new logistics facilities in Eastern Creek and Seven Hills in Sydney. These assets combined with a facility acquired at Huntingwood in Sydney, will deliver 64,400 square metres of new logistics facilities for GPT when completed in 2017.

Funds under management (FUM) increased by 4.0 per cent to \$10.4 billion over the period. The GPT Wholesale Office Fund (GWOFF) delivered a strong Total Return of 14.5 per cent for the year, while the GPT Wholesale Shopping Centre Fund (GWSCF) delivered an 11.5 per cent Total Return making it the best performing shopping centre fund in the retail category of the Mercer/IPD Australia Wholesale Fund index.

During the year, GPT took the opportunity to increase its investment in GWOFF and GWSCF with the purchase of additional units in both Funds for a total of \$366 million. We saw both of these investments, which incurred no transaction costs, as compelling compared to other opportunities available in the broader market.

As a member of the Property Council of Australia's Male Champions of Change, a group established in 2015 to drive greater gender equality in the property industry, I am committed to ensuring GPT delivers on its diversity strategy. During the year the Group sponsored the Property Council's 100 Women in Property, a program which promotes gender equality in the industry by pairing established leaders with emerging female talent.

GPT is in a strong position for 2017. Our portfolio is primarily located in the stronger markets of NSW and Victoria where underlying fundamentals remain healthy. Our strategy to focus on maximising returns from our existing portfolio, along with unlocking our development pipeline, provides the opportunity for the Group to continue to deliver strong Total Returns for investors and we remain optimistic about the prospects for the business in the year ahead.

I would like to take this opportunity to thank securityholders for their support over the past year, and I look forward to updating you further on our business activities over the next 12 months.

Bob Johnston
CEO and Managing Director

Financial Performance

NET PROFIT AFTER TAX OF

\$1.153 billion

INCLUDING \$612 MILLION
IN ASSET REVALUATION UPLIFT

EARNINGS GROWTH

5.6%

FUNDS FROM OPERATIONS
PER SECURITY

CASH DISTRIBUTIONS UP

4.0%

TO 23.4 CENTS PER SECURITY

Year ended 31 December	2016	2015	Change
Net Profit after Tax	\$1,152.7m	\$868.1m	▲ 32.8 %
Valuation increases	(\$611.6m)	(\$432.1m)	
Less: Distribution on exchangeable securities	–	(\$1.7m)	
Treasury items marked to market	\$23.0m	\$74.0m	
Other	(\$27.1m)	(\$6.6m)	
Funds From Operations (FFO)	\$537.0m	\$501.7m	▲ 7.0%
Earnings per security ¹	29.88 cents	28.28 cents	▲ 5.6%
Distribution per security	23.4 cents	22.5 cents	▲ 4.0%

As at 31 December	2016	2015	Change
Total assets	\$11,817.9m	\$11,006.5m	▲ 7.4%
Total borrowings	\$2,996.6m	\$2,948.0m	▲ 1.6%
Net tangible assets per security	\$4.59	\$4.17	▲ 9.9%
Net gearing ²	23.7%	24.8%	▼ 110bps

1. Defined as Funds from Operations (FFO) growth per security.

2. 'Net gearing' for 2015 has been restated due to a change in methodology. Net gearing is calculated net of cash and excludes any fair value adjustment on foreign bonds and their associated cross currency derivative asset positions.

15.5%

TOTAL RETURN

23.7%

GEARING

4.25%

WEIGHTED AVERAGE
COST OF DEBT

For the 2016 financial year, Statutory Net Profit After Tax was \$1.153 billion, up 32.8 per cent on the prior year. Funds from Operations (FFO) was \$537 million, representing a 7.0 per cent increase on the prior corresponding period. On a per security basis, FFO was 29.88 cents, an increase of 5.6 per cent on the prior year. This result was generated predominantly from strong like-for-like income growth across the portfolios, the performance fees earned from the GPT Wholesale Office Fund and reduced interest costs resulting from the lower cost of debt.

The Group announced a full year distribution payment of 23.4 cents per security, an increase of 4.0 per cent on distributions paid in 2015. The Group's payout ratio in 2016 was 99.8 per cent.

Net Tangible Assets (NTA) increased 9.9 per cent to \$4.59 per security over the 12 months to 31 December. This was driven in part by property revaluations of \$611.6 million.

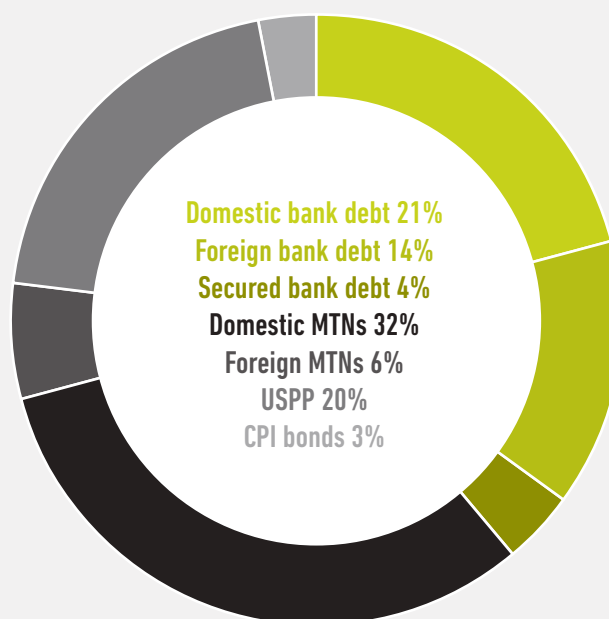
In line with our focus on maintaining an efficient operating business model, corporate overheads were reduced by \$3.3 million during the year, following completion of the restructure of the business along sector lines. The restructure resulted in an overall reduction in staff numbers of 9.0 per cent.

The Group's weighted average cost of debt was reduced by 35 basis points to 4.25 per cent, with GPT benefitting from lower floating interest rates. The Group further diversified its funding sources and lengthened its weighted average debt term with the issue of \$600 million of long dated domestic and foreign bonds.

GPT's balance sheet is in a strong position, with gearing of 23.7 per cent as at 31 December. Acknowledging the Group's disciplined financial approach and strong capital position, Standard & Poor's raised the Group's long-term credit rating to A and short-term credit rating to A-1 during the year.

Well-Diversified Sources of Debt

AS AT 31 DECEMBER 2016



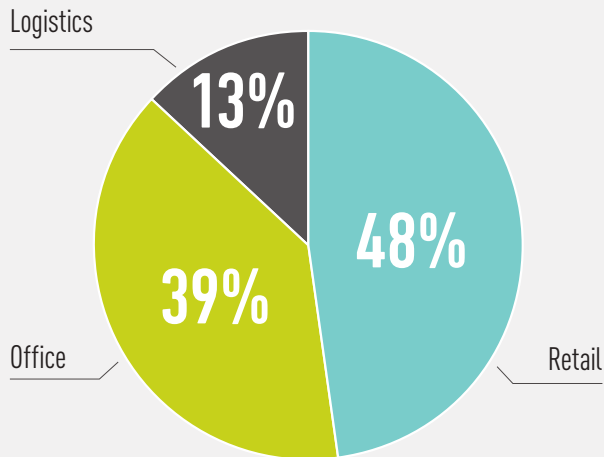
GPT has an A (positive) credit rating from Standard & Poors and an A3 (stable) credit rating from Moody's.

“ Standard & Poor's raised the Group's long-term credit rating to A and short-term credit rating to A-1 during the year. ”

Operational Performance

GPT Portfolio Diversity

AS AT 31 DECEMBER 2016



The GPT Group has a total property assets under management of \$19.2 billion.



COMPARABLE INCOME
GROWTH OF

4.5%

FROM OUR PORTFOLIO
OF QUALITY ASSETS

ASSET PORTFOLIO

97.1%

OCCUPIED

WEIGHTED AVERAGE LEASE EXPIRY

5.1 years

FOR THE PORTFOLIO

DJSI INDUSTRY LEADER

#2

ON THE GLOBAL
SUSTAINABILITY INDEX

	Portfolio Size ¹	Comparable Income Growth ²	Weighted Average Lease Expiry	Occupancy ³	Weighted Average Capitalisation Rate
Retail	\$5.32b	3.8%	4.0 years	99.6%	5.39%
Office	\$4.34b	6.3%	5.5 years	97.0%	5.55%
Logistics	\$1.40b	1.4%	7.9 years	95.3%	6.54%
Total	\$11.07b	4.5%	5.1 years	97.1%	5.58%

1. Assets as at 31 December 2016.

2. Income for the 12 months to 31 December 2016 compared to the previous corresponding period.

3. Includes signed leases.



Retail Portfolio

GPT is a leading owner, manager and developer of Australian retail property.



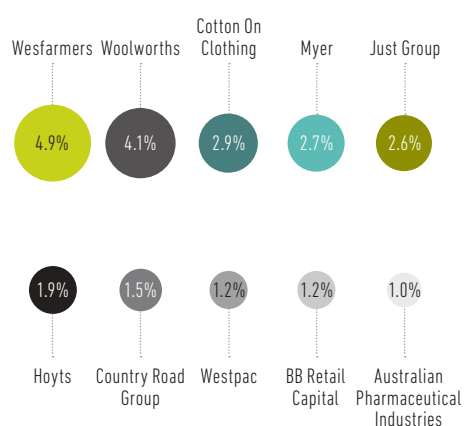
The Group's retail investments of \$5.3 billion include a portfolio of high quality assets held on the Group's balance sheet and an investment in the GPT Wholesale Shopping Centre Fund (GWSCF).

With a focus on assets that dominate their catchment areas, GPT has total retail assets under management of \$8.2 billion including Melbourne Central, Rouse Hill Town Centre and Highpoint Shopping Centre.

Year Ended 31 December	2016	2015
Number of Shopping Centres ¹	13	14
Portfolio value	\$5.3 billion	\$5.0 billion
Comparable income growth	3.8%	3.0%
Comparable total centre sales growth ²	3.2%	4.1%
Comparable specialty sales growth ²	2.6%	6.5%
Specialty sales ²	\$11,036 per sqm	\$10,460 per sqm
Occupancy	99.6% ⁴	99.2%
Weighted average capitalisation rate	5.39%	5.58%

Top Ten Tenants³

AS AT 31 DECEMBER 2016



Geographic Weighting

AS AT 31 DECEMBER 2016



1. GPT and GWSCF owned assets.

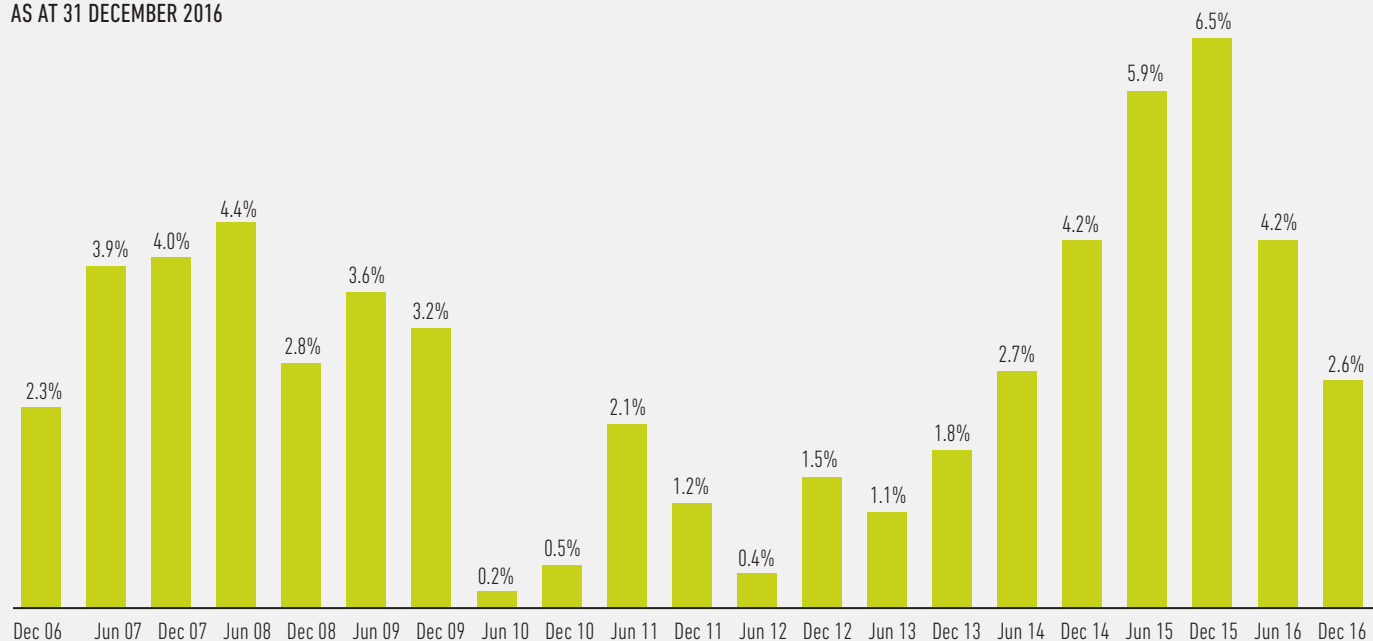
2. Excludes assets under development. Growth is for the 12 months compared to the prior 12 months.

3. Based on gross rent (including turnover rent).

4. Excludes development impacted centre (Macarthur Square).

Specialty MAT Growth

AS AT 31 DECEMBER 2016



Note: From December 2014, based on GPT weighted interest. Excludes development impacted centres (Wollongong Central and Macarthur Square).

GPT's Retail portfolio delivered strong results for 2016, with like-for-like income growth of 3.8 per cent for the period, driven by a combination of fixed rental increases, improved leasing spreads and a continued focus on expense management.

Property Net Income for the year was down slightly to \$246.7 million as a result of the sale of Dandenong Plaza in Melbourne in early 2016.

Following two years of strong growth, retail specialty sales growth moderated to 2.6 per cent for the year. Underlying specialty retailer productivity has continued to improve to now be above \$11,000 per square metre, which is the result of pro-active investment management, the divestment of less profitable and productive malls and ongoing active asset management focused on tenant remixing towards more productive retailers.

A key focus remains to increase our exposure to more productive categories, introducing next generation retail offerings, and working with our existing retailers to drive productivity.

The Retail portfolio is now valued at \$5.3 billion and recorded strong valuation gains of \$230.8 million, or 4.8 per cent, during the year, driven mainly by Melbourne Central, Westfield Penrith and Highpoint Shopping Centre.

GPT continues to invest in its assets to enhance their competitive position and shopper experience. The Group opened a new \$34 million dining and entertainment precinct at Casuarina Square, which comprises seven 'first to Darwin' retailers. The Group also completed a retailer remixing at Charlestown Square, which introduced international fashion retailers H&M and Cotton On Mega.

Construction commenced in September on the \$400 million expansion of the 50 per cent GPT-owned Sunshine Plaza in Maroochydore on Queensland's Sunshine Coast. The 35,000 square metre expansion will include the region's first David Jones department store, a refurbished Myer, an international mini-major offering and more than 100 specialty stores.

Planning is being progressed for a proposed \$250 million expansion of Rouse Hill Town Centre, in north-west Sydney. Since the end of the reporting period, a Development Application has been lodged for this project.

In September, GPT increased its investment in GWSCF, acquiring \$157 million of securities in the Fund, lifting the Group's interest to 25.3 per cent. This investment in GWSCF delivered a 12 per cent Total Return to GPT in 2016.

Office Portfolio

GPT's Office portfolio comprises ownership in 23 high quality assets across the three major capital cities on the eastern seaboard of Australia.

135,100sqm

LEASES SIGNED
IN 2016

\$336.5m

INCREASE IN THE VALUE
OF OUR OFFICE BUILDINGS

97.0%

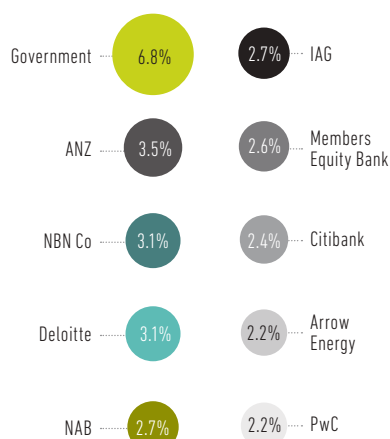
OFFICE SPACE OCCUPIED

The Group's office investments of \$4.3 billion includes assets held on the Group's balance sheet and an investment in the GPT Wholesale Office Fund (GWOFF). Making their mark on the Sydney, Melbourne and Brisbane skylines, GPT has total office assets under management of \$9.6 billion including the MLC Centre, Melbourne Central Tower and One One One Eagle Street.

Year Ended 31 December	2016	2015
Number of Assets ¹	23	24
Portfolio Value	\$4.3 billion	\$3.7 billion
Comparable Income Growth	6.3%	6.3%
Occupancy ²	97.0%	96.0%
Weighted Average Lease Expiry	5.5 years	5.8 years
Weighted Average Capitalisation Rate	5.55%	5.94%

Top Ten Tenants³

AS AT 31 DECEMBER 2016



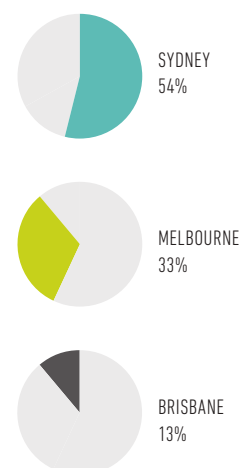
Tenant Mix

AS AT 31 DECEMBER 2016



Geographic Weighting

AS AT 31 DECEMBER 2016



1. GPT and GWOFF owned assets.

2. Includes signed leases.

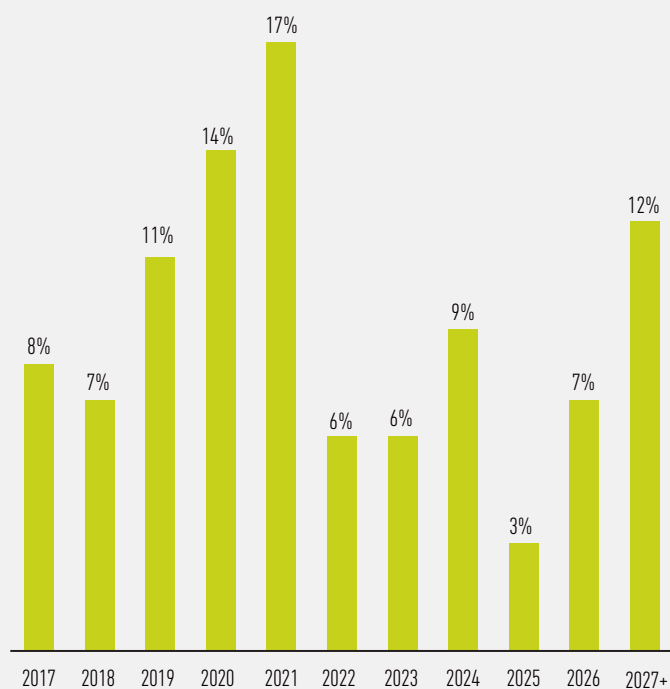
3. Based on gross rent.



150 Collins Street, Melbourne

Lease Expiry Profile

AS AT 31 DECEMBER 2016



Note: By income. Includes signed leases.

The GPT Office portfolio achieved strong results for 2016, with Property Net Income increasing 9.1 per cent due to higher portfolio occupancy and increased rents.

The Office portfolio recorded a strong Total Return of 15.3 per cent for the year and a valuation gain of \$336.5 million to \$4.3 billion, which was driven by a high level of leasing activity and improved valuation metrics.

The portfolio's weighted average capitalisation rate firmed 39 basis points to 5.55 per cent at year end.

The Office team continued its strong track record of leasing during 2016, negotiating 169,900 square metres of new leasing deals over the year, resulting in a high occupancy rate of 97 per cent and a weighted average lease expiry (WALE) of 5.5 years at year end.

Development provides the opportunity for the Group to deliver enhanced returns to investors. In December, GPT announced its plans to develop an office building at 4 Murray Rose, Sydney Olympic Park, after securing the NSW Rural Fire Service as the building's major tenant. This development will comprise 15,700 square metres of A-Grade office space. It is expected to achieve a yield on cost of over 7 per cent, with an estimated end value of over \$100 million upon completion in 2018.

In December, GPT acquired a 2,400 square metre site on the corner of Smith and Phillip Streets in the heart of Parramatta's CBD for \$31.2 million. The site, which is GPT's first investment in the Parramatta office market, has the development potential for an office tower of approximately 26,000 square metres. Commencement of this development will be subject to achieving a tenant pre-commitment.

GPT is a significant investor within the Sydney Olympic Park precinct. During the year, the Group welcomed the NSW Government's release of the draft 2030 Sydney Olympic Park Master Plan, which recognises the importance of this precinct to the future of Sydney. Among the Group's investments in Sydney Olympic Park is a five hectare site which will accommodate a significant mixed-used scheme over time.

In August, the Group increased its investment in the GPT Wholesale Office Fund (GWOF) by \$209 million, lifting its interest in the Fund to 24.5 per cent. The investment provides exposure to 18 high quality CBD assets, located in the core eastern seaboard markets of Sydney, Melbourne and Brisbane.

The Office portfolio is well positioned to capitalise on the strong market conditions in Sydney and Melbourne which are expected to continue into 2017.

Logistics Portfolio

GPT's Logistics portfolio comprises 24 logistics and business park assets along the Eastern Seaboard.

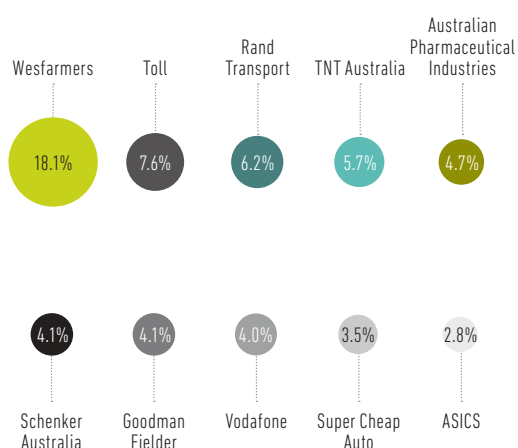


The Group's Logistics portfolio of \$1.4 billion includes assets located in Australia's major industrial areas of Sydney, Melbourne and Brisbane.

Year Ended December	2016	2015
Number of Assets ¹	24	31
Portfolio Value ²	\$1.4 billion	\$1.3 billion ³
Comparable Income Growth	1.4%	0.7%
Occupancy ⁴	95.3%	92.3%
Weighted Average Lease Expiry	7.9 years	8.2 years
Weighted Average Capitalisation Rate	6.54%	7.03%

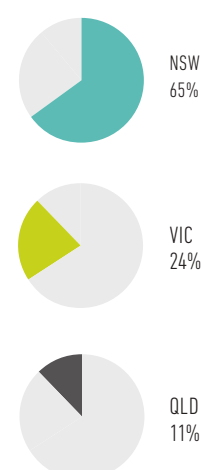
Top Ten Tenants⁵

AS AT 31 DECEMBER 2016



Geographic Weighting

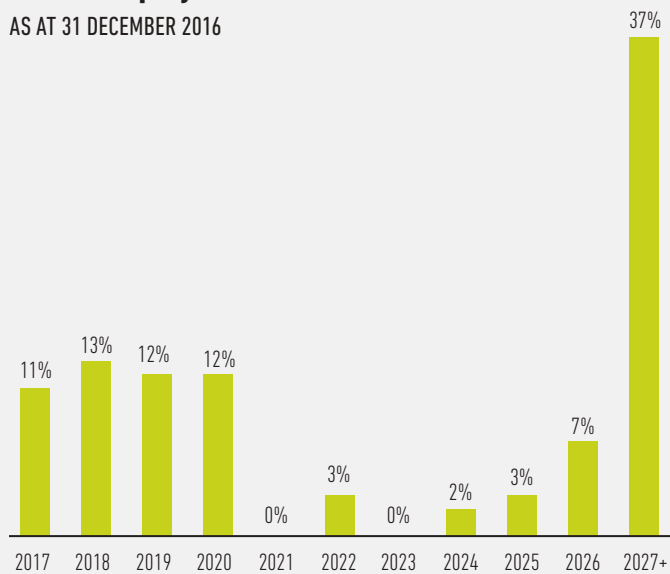
AS AT 31 DECEMBER 2016



1. Consolidated properties are counted individually.
2. Excludes land and development held in GPTMH.
3. Includes equity interest in GMF which was divested on 1 July 2016.
4. Includes signed leases.
5. Based on gross rent.

Lease Expiry Profile

AS AT 31 DECEMBER 2016



Note: By income. Includes signed leases.

The Logistics portfolio delivered like-for-like income growth of 1.4 per cent for the year. Occupancy increased to 95.3 per cent and the portfolio WALE was 7.9 years at 31 December.

There was a valuation uplift for the portfolio of \$38.9 million, with the largest contributors to this increase coming from our assets at Erskine Park in Sydney and Somerton in Melbourne. The Logistics team executed 78,800 square

metres of signed leases in 2016 and agreed to terms for a further 49,000 square metres.

The Group continues to enhance the quality of the portfolio through the divestment of assets and development activity. During the period, an asset at Kings Park in Sydney was divested for \$50 million, representing an 8.0 per cent premium to book value.

GPT supplemented its development land bank during the year with the purchase of land in Eastern Creek and Erskine Park in western Sydney. In addition, GPT purchased an existing warehouse in Huntingwood with an adjoining two hectare parcel of land that will be the site of a future development.

The Group also commenced construction of new Sydney logistics facilities during the year at Eastern Creek and Abbott Road, Seven Hills. These projects, combined with the recently acquired asset at Huntingwood in Sydney, will deliver 64,400 square metres of new logistics assets to GPT when completed.

GPT remains focused on converting the existing land bank, along with further strategic acquisitions to complement the portfolio.

Sydney is the most attractive industrial investment market nationally, supported by Federal and State Government infrastructure investment, good tenant demand and tighter land supply. Tenant demand is strongest along the key transport routes and in particular in the western Sydney growth corridor. We continue to focus on creating value from the Logistics portfolio through driving leasing outcomes and delivering on the current development pipeline.



Funds Management

The GPT Funds Management platform comprises two wholesale funds in the retail and office sectors with a combined \$10.4 billion of funds under management.

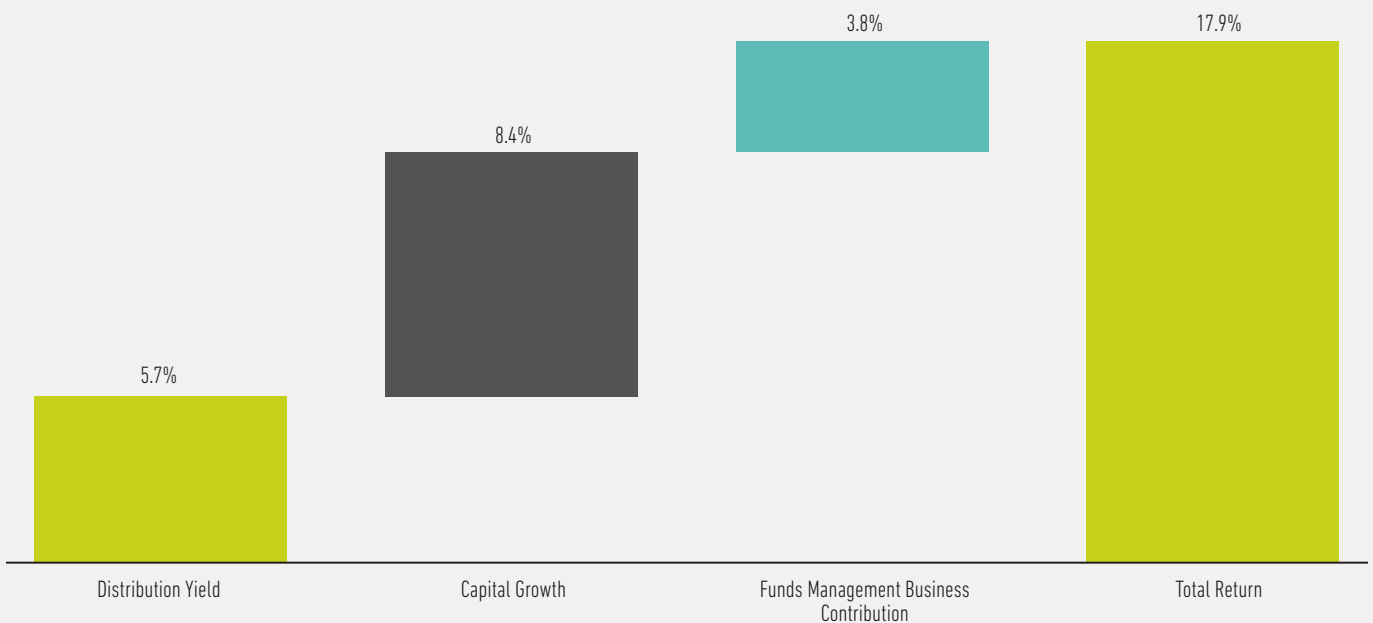
GPT has \$2.1 billion co-invested across the two funds, which provides it with a stable income stream from high quality assets and aligns its interest with those of the Funds' unitholders.

The income stream from Funds Management comes primarily from the distributions GPT receives as a unitholder and is enhanced by the fees generated from management of the Funds, which provides a compelling return to GPT. For the year to 31 December 2016, the Funds Management business delivered a 17.9 per cent Total Return to GPT, consisting of income from distributions, capital growth and fees.



GPT Total Return from Funds Management

12 MONTHS TO 31 DECEMBER 2016



The GPT Wholesale Office Fund (GWOF)

GWOF delivered a Total Return of 14.5 per cent for the 12 months to 31 December and reported continued strong portfolio fundamentals, with occupancy of 96.6 per cent and a WALE of 5.8 years.

In June, GWOF investors approved new terms for the Fund. The new Fund terms included a base management fee increase of five basis points to 50 basis points on the first \$6 billion of Gross Asset Value, the removal of the performance fee structure and the sharing of acquisition rights. The 10 year liquidity review period for GWOF closed during the year and resulted in a low level of liquidity requests representing less than 2.5 per cent of the issued capital.

GWOF divested three assets during the period including its 50 per cent interest in The Zenith Chatswood for \$139.5 million, its 50 per cent interest in Twenty8 Freshwater Place Melbourne for \$143 million and its 50 per cent interest in the Brisbane Transit Centre for \$62.6 million.

During the year GWOF made two acquisitions. In December, the Fund purchased a 100 per cent interest in the 35 level and 39,000 square metre former ANZ headquarters at 100 Queen Street Melbourne for \$274.5 million. The same month, GWOF purchased a 33.33 per cent interest in the 54 floor and 63,800 square metre GPT-managed One One One Eagle Street Brisbane for \$284.2 million, increasing its interest in the asset to 66.67 per cent.

In December, GWOF and its co-owners in the Darling Park precinct in Sydney lodged a Development Application for a proposed office and retail development at Cockle Bay Wharf. The project will comprise approximately 80,000 square metres of net lettable area (NLA) and will provide an important link between the Sydney CBD and the Darling Harbour precinct.

The GPT Wholesale Shopping Centre Fund (GWSCF)

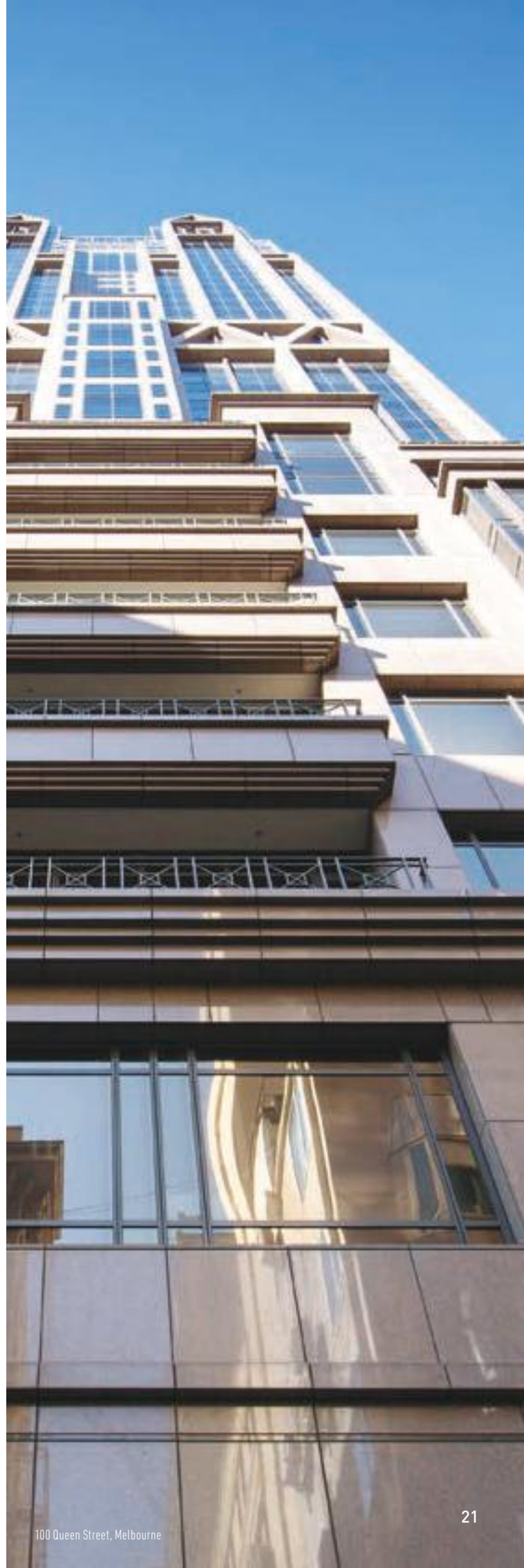
GWSCF achieved a Total Return of 11.5 per cent for the 12 months to 31 December, making it the best performing shopping centre fund in the retail category of the Mercer/IPD Australia Wholesale Fund index.

In December, GWSCF sold its 50 per cent interest in Westfield Woden for \$335 million, an 11.7 per cent premium to its 30 September 2016 book value.

Wollongong Central welcomed several new retail brands during the year, including the Illawarra region's first H&M store and commencement of construction of a new format David Jones department store.

Following the end of the period, the \$240 million expansion of Macarthur Square, which is 50 per cent owned by GWSCF, opened. The 16,000 square metre expansion includes a new format David Jones and more than 40 specialty shops.

In early 2017, as part of the 10 year review of the Fund, GWSCF investors approved new terms for the Fund, with the liquidity review process due to be completed at the end of March 2017.





Sustainability

GPT is committed to operating a sustainable business.

Sustainability is integrated into GPT's strategy. We recognise the importance of underpinning our operations with an aligned organisational culture, effective stakeholder engagement, good governance and business processes that embed sustainable practices into our day-to-day operations.

We know that the value the Group delivers to investors and customers is deeply connected to our capacity to manage the risks and opportunities in environmental performance, the prosperity of our stakeholder communities and the abilities of our people. Effective management of these aspects supports GPT in its aim to be the most respected property company in Australia in the eyes of our Investors, People, Customers and Communities.

Our success in managing these material issues is evidenced by the continued recognition that GPT has received during the year, including being ranked second globally in the Real Estate sector on the Dow Jones Sustainability Index, the eighth consecutive year that GPT has ranked in the top two.

We have a mature and proven approach to sustainability highlighted by the record of achievement in this report. Our focus in the coming year will continue to emphasise how we:

- best engage with our customers;
- most effectively and efficiently manage our impact on the environment;
- maintain our strong safety record;
- empower and support our people to perform at the highest level; and
- mature our shared value approach to community engagement and development.

Further information:

GPT's reporting is fully integrated across all communications including comprehensive sustainability case studies and information provided throughout GPT's website. For expanded commentary on GPT's performance and priorities as well as the Group's comprehensive suite of policies covering its commitment to sustainability, visit GPT's website at www.gpt.com.au.

Ranked
#2
in the global Dow Jones
Sustainability Index (DJSI)

58%
emissions intensity reduction
since 2005



43%
water intensity reduction
since 2005

Over **25%**
of GPT staff participated in
First Nations cultural awareness
training in 2016

41%
recycling rate
in 2016

Member of
FTSE4Good
Global Index

295
GPT staff participated in
2016 Community Day

5.0
★ ★ ★ ★ ★
Portfolio NABERS Energy Rating
for GPT's office portfolio

Awards and Achievements



The Global Real Estate Sustainability Benchmark (GRESB) is an industry-driven organisation committed to assessing the sustainability performance of real estate portfolios around the globe. GPT maintains a Green Star (top quartile) status, a position held since the inception of the benchmark.

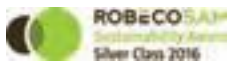


GPT is the national sponsor of the Property Council of Australia 100 Women in Property initiative. 100 Women in Property is an initiative of the Property Council's Diversity Committees throughout Australia. It involves a personal commitment from Property Council members to champion women in their organisation or business sphere, who they believe would benefit from further networking and professional development opportunities.



Cutting greenhouse emissions by 58 per cent against the 2005 baseline through:

- energy efficiency
- on site renewable energy
- purchasing renewable energy, and
- 2.3 GWh of solar energy generated on site, enough to power 336 family homes.



GPT achieved **silver status** and was ranked **second globally** in the Dow Jones Sustainability Index in 2016. This is the eighth consecutive year that GPT has been ranked gold or silver.

Our Environment

GPT is committed to reducing its environmental impact, aspiring to be an overall positive contributor to environmental sustainability.



Climate Change and Energy

GPT is committed to carbon neutrality in areas within its control. The Group is also committed to supporting and encouraging its stakeholders to reduce greenhouse gas emissions and energy use in areas within its influence.

KEY ACHIEVEMENTS INCLUDE:

- 40% reduction in energy intensity since 2005
- 58% reduction in emissions intensity since 2005
- \$18 million of electricity and \$1 million of gas related avoided costs in 2016 compared to 2005 baseline
- 164,490 tonnes CO₂e greenhouse gas emissions avoided in 2016 compared to 2005 baseline
- 1.7 MW of solar power systems installed to date
- 30% government certified GreenPower included in GPT's 2016 electricity supply agreement.



Water

GPT aims to use, source, re-use and discharge water efficiently. It recognises water is a constrained but essential resource to the sustainability of its business and more broadly to society and the environment, especially within Australia.

KEY ACHIEVEMENTS INCLUDE:

- 43% reduction in water intensity since 2005
- \$5.5 million of avoided costs in 2016 compared to 2005 baseline
- 1.4 million kilolitres of water saved in 2016.



Waste and Resource Management

GPT is committed to a 'closed loop' approach to resource use and minimising waste to landfill in all areas within the control of the Group, and supporting and encouraging improvements in areas within GPT's influence.

KEY ACHIEVEMENTS INCLUDE:

- recycling rates improved from 29% to 41% since 2005
- all waste services contracts are now reporting on an outcomes basis identifying closed loop material streams.

Sustainability in GPT's Portfolio

	Retail Portfolio	Office Portfolio
Emissions intensity	51% reduction since 2005	63% reduction since 2005
Energy intensity	36% reduction since 2005	44% reduction since 2005
Water intensity	31% reduction since 2005	53% reduction since 2005
Recycling rate	38%	49%

Our Community

Community engagement and development

GPT aims to be a highly respected business, creating and managing assets that reflect the communities in which they are located, and returning value to these communities as well as investors. We know that creating social and economic value in the communities that we operate is critical for the success of our business.

We are maturing our shared value approach to community engagement, delivering social value while also driving commercial value for customers and investors. Our focus is on three key areas where we believe we can have most impact:

- social inclusion,
- health and wellbeing; and
- employability and skilling.

We continue to identify and deliver programs through our assets, and at a corporate level, that support each of these areas of focus. We are also working to understand the unique social challenges in the communities within which our assets are located, and how we can best work with the community to address these issues in a commercial, value-added manner.

Measuring Social and Business Value

GPT strives to improve the way we measure social and business outcomes so we can better assess the impact of our work and maximise the social and business value of our activities. This understanding guides how and where we invest in our communities.

Highlights for the year include:

- over \$7 million invested in business initiatives that also deliver a community benefit,
- 71% of GPT employees volunteered at community organisations,
- signatory and contributing member of the UN Global Compact; and

- ongoing support for the Property Industry Foundation (PIF), with GPT's Chief Executive Officer, Bob Johnston as the National Chairman of the Property Industry Foundation and GPT's Head of Office and Logistics, Matthew Faddy as a member of PIF's NSW Board of Advisors.

Reconciliation Action Plan


In 2016, we began executing on the objectives of our first Innovate Level Reconciliation Action Plan (RAP). Our RAP operates across all areas of the business and contains objectives that reflect the opportunities the Group has to make sustainable change for First Nations Australians.

2016 saw the Group deliver on the following targets, as outlined in the Reconciliation Action Plan:

- formed an external First Nation's only advisory committee,
- celebrated National Reconciliation Week across the Group,
- Acknowledgment of Country performed at major meetings/presentations, such as; The AGM and Results presentations,
- employed 11 First Nation's university students through the CareerTrackers Indigenous Internship Program,
- developed 'Cultural Leave' for First Nations and culturally diverse GPT employees,
- began Cultural Awareness training across the Group,
- executed a commercial relationship with two First Nations owned and operated organisations,
- developed a Cultural Awareness Guide for GPT employees;
- celebrated NAIDOC across the business; and
- installed Acknowledgment of Country signs/artwork at Highpoint Shopping Centre, Rouse Hill Town Centre, 530 Collins Street and Melbourne Central Tower.

In 2017, we will continue our efforts to deliver on the remaining targets in our Reconciliation Action Plan.





Our Suppliers

GPT aims to build long-term collaborative partnerships with suppliers who share its commitment to sustainability and are able to demonstrate how they fulfil this commitment, consistent with GPT's policies and Supplier Code of Conduct.

In 2016, GPT took steps to diversify the Group's supply chain. GPT updated the corporate Supplier Code of Conduct to reflect the Group's commitment to partnering with suppliers that reflect the our community focus. GPT now requires suppliers to disclose how many First Nation's people they employ and if their organisation has a Reconciliation Action Plan. This change was made to fulfil GPT's obligation to First Nations people and the Groups Reconciliation Action Plan.

This shift in supplier diversity has enabled GPT to create three commercial partnerships with First Nations owned and operated businesses.

Our Customers

GPT is committed to maintaining the highest standard of customer engagement and has partnered with the ACRS (Australian Centre for Retail Studies) to undertake an annual survey, to identify tenants' level of satisfaction with the Group and opportunities to improve current relationships.

Our People

GPT is focused on creating the conditions in which people can realise their potential and consistently deliver high performance. The Group does this through the unique combination of a diverse workforce and inclusive culture, a dynamic and flexible work environment, advanced systems, mobile technology, and a lean management structure to minimise costs and drive productivity.

GPT's shared sense of purpose – we create value by delivering superior returns to Investors, and by providing environments that enable our People to excel and Customers and Communities to prosper – is underpinned by a culture which emphasises the following characteristics:



2016 HIGHLIGHTS

The following table sets out a brief summary of progress against the Group's key people related objectives for this year. These include:

Area	Outcome
DIVERSITY & INCLUSION	<ul style="list-style-type: none"> Broadened the scope of GPT's Diversity Working Group to also focus on LGBTI and Ageing Workforce inclusion. Continued implementation of GPT's Reconciliation Action Plan (RAP), including implementation of cultural leave. Increased representation of First Nations employees to exceed 1% of the permanent workforce for the first time. Led the Mainstreaming Flexibility workstream for the Property Male Champions of Change. Maintained representation of females in senior leadership roles at 37%. Became the national sponsor for the Property Council of Australia's (PCA) 100 Women in Property program. Participated in the third year of the PCA Women in Property mentoring program.
BUSINESS & CULTURE CHANGE	<ul style="list-style-type: none"> Supported organisation and structural change in Retail, Office & Logistics, Funds Management, Finance and other support functions during 2016. Rolled out a new vision, purpose and values at mid year results in August 2016. Undertook an Employee Engagement Survey, achieving a sustainable engagement score of 79%.
LEARNING & TALENT DEVELOPMENT	<ul style="list-style-type: none"> Delivered Elevate talent development program with 100% participant satisfaction. Continued the Talent Action Planning (TAP) program and retained 89.7% of identified top talent. Extended Working Mothers program to become a Working Parents program, with positive feedback from employees. Averaged 30 training hours per employee.
REMUNERATION & BENEFITS	<ul style="list-style-type: none"> Achieved 98.6% investor approval of the 2015 Remuneration Report. Completed the annual review of employee base pay effective 1 January 2016, with an average increase of 2.2%. Implemented Earnings per Security (EPS) growth as the primary measure of Group financial performance.

Board of Directors

The Boards of GPT RE Limited and GPT Management Holdings Limited have the same members comprising six Non-Executive Directors and one Executive Director.

Members of the Board have significant experience in various fields, including funds management, property investment and development, financial markets, taxation, accounting and law.



Rob Ferguson

CHAIRMAN

Mr Ferguson joined the Board on 25 May 2009. Mr Ferguson brings to the Board a wealth of knowledge and experience in finance, investment management and property as well as corporate governance.

Mr Ferguson is currently the Non-Executive Chairman of Primary Health Care Limited and Non-Executive Director of Tyro Payments Limited, Watermark Market Neutral Fund Limited, and Smartward Limited.

Mr Ferguson was Managing Director and Chief Executive of Bankers Trust for 15 years, an independent Non-Executive Director of Westfield for 10 years and Non-Executive Chairman of IMF Bentham Limited for 10 years.

Mr Ferguson is a member of the Nomination and Remuneration Committee.



Bob Johnston

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Bob Johnston joined The GPT Group as CEO and Managing Director in September 2015.

Bob is an experienced property executive and business leader, with a career spanning 28 years. He has been involved in most facets of the property sector including investment, development, project management and construction in Australia, Asia, the US and UK. He has a wealth of experience in funds management, asset management, development and across most asset classes including office, retail and industrial. For the eight years prior to joining GPT, Mr Johnston was Managing Director of the ASX-listed Australand Property Group, which became Frasers Australand in September 2014.

Prior to that Mr Johnston held a number of senior management positions with Lend Lease both in Australia and abroad, including that of Global CEO of Bovis Lend Lease, COO of Lend Lease Real Estate Investments in the USA and CEO of Bovis Lend Lease Asia Pacific. Mr Johnston is also a director of the Property Industry Foundation and is a member of the Property Council of Australia's Property Male Champions of Change.



Brendan Crotty

NON-EXECUTIVE DIRECTOR

Mr Crotty was appointed to the Board on 22 December 2009.

Mr Crotty brings extensive property industry expertise to the Board, including 17 years as Managing Director of Australand until his retirement in 2007. Mr Crotty is currently a director of Brickworks Limited and a privately owned major Victorian land development and housing company, as well as being Chairman of the Western Sydney Parklands Trust and CloudFX Group Pte Limited (incorporated in Singapore).

Mr Crotty is a member of the Audit and Risk Management Committee and a member of the Sustainability Committee.



Dr Eileen Doyle

NON-EXECUTIVE DIRECTOR

Dr Doyle was appointed to the Board on 1 March 2010.

Dr Doyle has over two decades of diverse business experience. She has held senior executive roles and Non-Executive Director roles in a wide range of industries, including research, financial services, building and construction, steel, mining, logistics and export. Currently, Dr Doyle's directorships include Hunter Valley Research Foundation (Chairman), CSIRO (Deputy Chairman), Boral Limited and Oil Search Limited. She is also a 2016 Fellow of the Australian Academy of Technology and Engineering.

Dr Doyle is Chair of the Sustainability Committee and a member of the Nomination and Remuneration Committee.



Gene Tilbrook

NON-EXECUTIVE DIRECTOR

Mr Tilbrook was appointed to the Board on 11 May 2010. Mr Tilbrook brings extensive experience in finance, corporate strategy, investments and capital management.

Mr Tilbrook is a Non-Executive Director of Orica Limited and Woodside Petroleum Limited.

Mr Tilbrook is a councillor of the Australian Institute of Company Directors (WA Division) and Curtin University; and a member of the board of the Bell Shakespeare Company.

Mr Tilbrook is Chair of the Nomination and Remuneration Committee.



Lim Swe Guan

NON-EXECUTIVE DIRECTOR

Mr Lim Swe Guan was appointed to the Board on 23 March 2015. Mr Lim holds an honours degree in Estate Management, a Chartered Financial Analyst certification and an MBA from the Colgate Darden Graduate School of Business.

Mr Lim brings extensive property experience to the Board, having spent most of his executive career as a Managing Director in the Government Investment Corporation of Singapore (GIC). In that role he was Regional Head of Property Investment for Australia, Japan and South East Asia and the Global Head of the Corporate Investment Group. Mr Lim was previously a Portfolio Manager at Suncorp Investments and securities analyst for Kim Eng Securities and Alfa-Pacific Securities.

Mr Lim currently sits on the boards of Sunway Berhad in Malaysia and Global Logistic Properties in Singapore. He is also Chairman of the Asia Pacific Real Estate Association.

Mr Lim is a member of the Audit and Risk Management Committee and a member of the Sustainability Committee.



Michelle Somerville

NON-EXECUTIVE DIRECTOR

Ms Michelle Somerville was appointed to the Board on 1 December 2015. Ms Somerville holds a Master of Applied Finance from University of Melbourne, is a Fellow of the Institute of Chartered Accountants in Australia and a graduate of the Australian Institute of Company Directors.

Ms Somerville worked for KPMG for 26 years, with 14 of those as an audit partner of the firm. She has deep business, finance, risk and governance experience gained in Australia and overseas, working with top tier financial services and industrial clients.

Ms Somerville currently sits on the boards of Bank Australia and Challenger Retirement and Investment Services Ltd, she is an independent adviser to the Audit, Risk and Compliance Committee of Uni super Ltd, as well as a board member of the not for profit organisations Save the Children (Australia) and Down Syndrome Australia.

Ms Somerville is a member of the Audit and Risk Management Committee.

Leadership Team

The Leadership Team is responsible for all aspects of the management of the Group, its properties and services.

This includes determining the strategic direction, managing assets, acquiring and selling properties, accessing funding and providing appropriate services to investors. The team has extensive experience in the A-REIT industry along with a diverse skill base and proven track record in delivering results.



Bob Johnston

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Bob Johnston joined The GPT Group as CEO and Managing Director in September 2015.

Bob is an experienced property executive and business leader, with a career spanning 28 years. He has been involved in most facets of the property sector including investment, development, project management and construction in Australia, Asia, the US and UK. He has a wealth of experience in funds management, asset management, development and across most asset classes including office, retail and industrial. For the eight years prior to joining GPT, Mr Johnston was Managing Director of the ASX-listed Australand Property Group, which became Frasers Australand in September 2014.

Prior to that Mr Johnston held a number of senior management positions with Lend Lease both in Australia and abroad, including that of Global CEO of Bovis Lend Lease, COO of Lend Lease Real Estate Investments in the USA and CEO of Bovis Lend Lease Asia Pacific. Mr Johnston is also a director of the Property Industry Foundation and is a member of the Property Council of Australia's Property Male Champions of Change.



Mark Fookes

CHIEF OPERATING OFFICER

In his role as Chief Operating Officer Mark oversees the operations of the business and has responsibility for the Property Services, Retail and Mixed-Use Development, People and Performance, Risk, Capital Transactions, and Corporate Affairs functions.

Mark has more than 25 years of experience in the property industry. He most recently held the position of Chief Financial Officer for three years and before that was Head of Investment Management. Prior to working at GPT, Mark was Head of Retail (Asia Pacific) at Lend Lease and before that was General Manager of Retail Property Management and Leasing.



Anastasia Clarke

CHIEF FINANCIAL OFFICER

Anastasia is responsible for the Group's capital management, financial reporting, accounting, tax and IT. She has over 20 years of experience in accounting, finance and treasury roles in the real estate industry.

Anastasia joined The GPT Group in September 2009 as Group Treasurer. Her past roles include two years as Chief Financial Officer of New City Australia and Singapore, Treasurer and Head of Finance at Dexus Property Group and corporate treasury and project finance roles at Lend Lease. Anastasia is a Fellow of the Australian Society of Certified Practising Accountants and holds a Bachelor of Accounting from the University of Technology, Sydney.



James Coyne

GENERAL COUNSEL AND COMPANY SECRETARY

James is responsible for the legal, compliance and company secretarial activities of GPT. James was appointed the General Counsel/Company Secretary of GPT in 2004. His previous experience includes company secretarial and legal roles in construction, infrastructure and the real estate funds management industry, both listed and wholesale.



Nicholas Harris

HEAD OF FUNDS MANAGEMENT, GROUP STRATEGY AND RESEARCH

Nicholas is responsible for GPT's funds management activities, including the development of the Group's funds management platform and the creation of new products. He plays a key role in the development of Group Strategy and is also responsible for the Group's Research function.

Nicholas has been involved in property and funds management for more than 25 years, including roles with BT Funds Management and Lend Lease prior to joining GPT in 2006.



Vanessa Orth

HEAD OF RETAIL

Vanessa has more than 15 years' experience in the property industry. As Head of Retail, Vanessa is responsible for setting and delivering the strategic direction for the GPT Retail portfolio. She also has accountability for the investment performance and operational management of the Group's shopping centre assets.

Most recently, Vanessa held the role of Head of Asset Management, Retail. In this role, Vanessa was responsible for the asset management of shopping centres across both The GPT Group and GPT Wholesale Shopping Centre Fund. Prior to GPT, Vanessa held roles with Lend Lease and Jones Lang LaSalle.



Matthew Faddy

HEAD OF OFFICE & LOGISTICS

Matthew has over 20 years' professional experience in leading successful teams in property, including finance management, funds management, asset management and portfolio management. As Head of Office & Logistics, Matthew is responsible for the investment, asset management, and development of the Group's portfolio of office and logistics assets.

Upon joining GPT in 2006, Matthew was responsible for the launch of the \$1.9 billion GPT Wholesale Shopping Centre Fund. Prior to his role as Fund Manager, Matthew was the Head of Retail for Lend Lease's Retail Group, responsible for the asset management of a portfolio of over assets for both GPT and the Australian Prime Property Fund.

Prior to his move into property, Matthew spent five years in the audit group of chartered accounting firm PwC.



Anthony McNulty

HEAD OF DEVELOPMENT – RETAIL AND MIXED USE

Anthony is responsible for the conversion and delivery of GPT's development pipeline for Retail and Mixed Use. Anthony has 30 years of experience in the property industry in both Australia and overseas. His past experience includes the major redevelopments of Penrith Plaza and Melbourne Central, Bluewater in the UK, Rouse Hill Town Centre and the expansion of Highpoint.



Phil Taylor

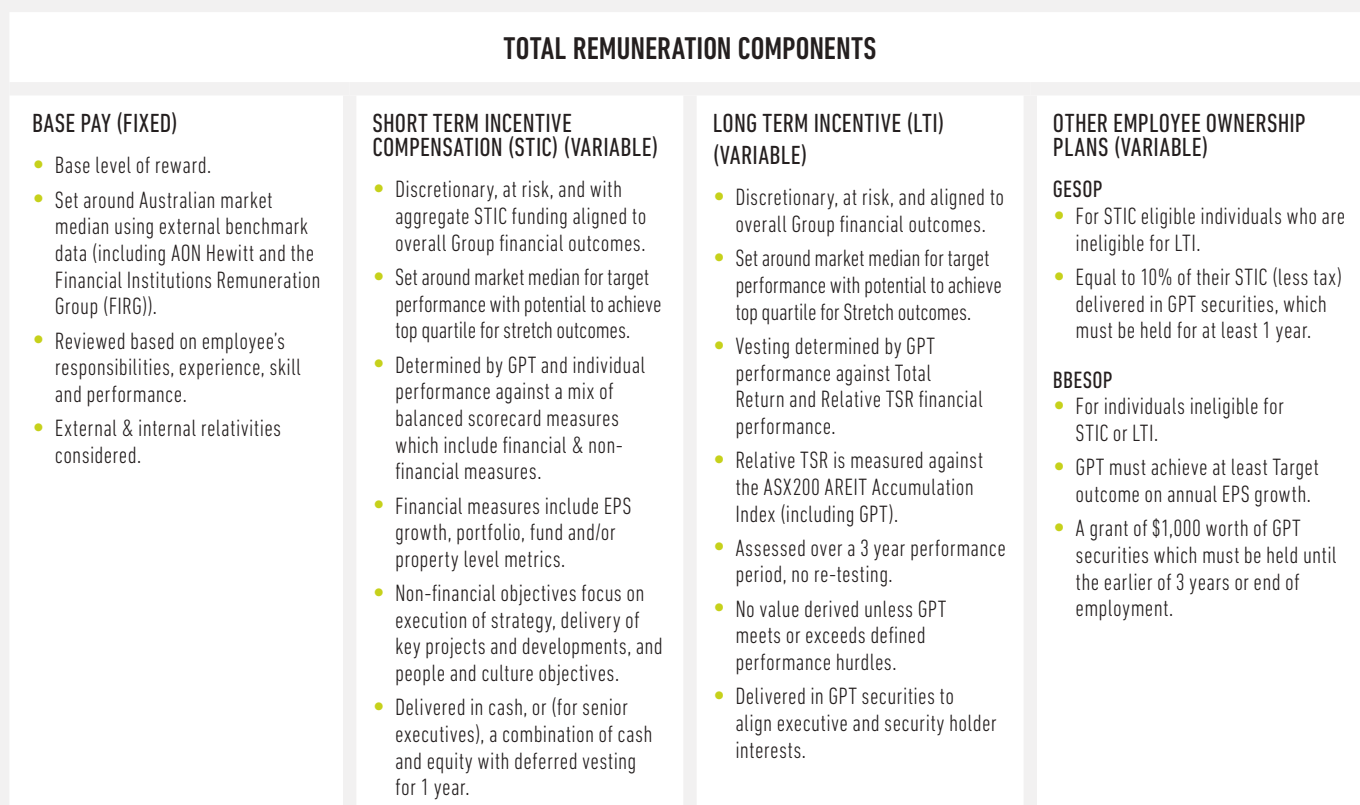
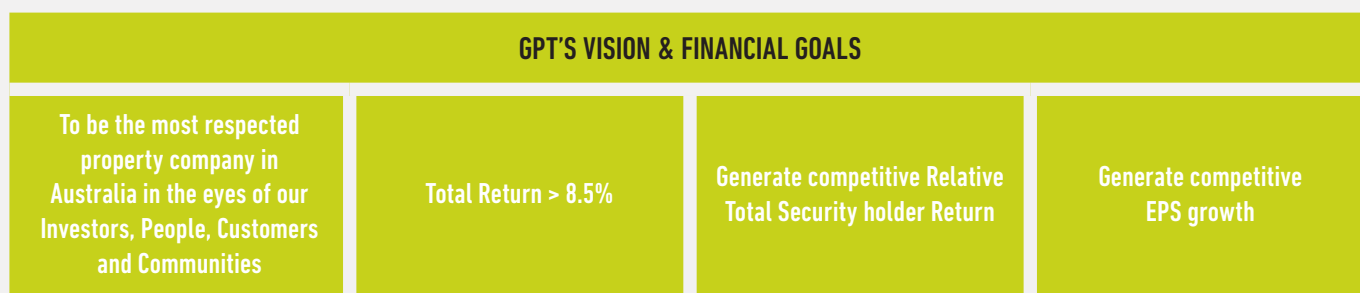
HEAD OF PEOPLE AND PERFORMANCE

Phil is responsible for GPT's people management policies, processes and systems, as well as strategic support across all aspects of human resources activities and organisational development. Phil has 24 years experience in human resources within the banking and finance sector, including 17 years within the real estate funds management industry.

Remuneration Report

The GPT Board is conscious of the need to have a remuneration strategy that supports and encourages achievement of the strategic objectives of the business. By establishing a remuneration structure that attracts, retains, motivates and rewards executives for achieving challenging targets linked to GPT's strategy and business objectives, the Board focuses GPT employees on delivering sustainable, superior shareholder returns. The following diagram shows the key objectives of GPT's remuneration policy and how these are implemented through our remuneration structures.

GPT's vision and financial goals linked to remuneration structures



ATTRACT, RETAIN, MOTIVATE AND REWARD HIGH CALIBRE EXECUTIVES TO DELIVER SUPERIOR PERFORMANCE BY PROVIDING:

- Competitive rewards.
- Opportunity to achieve incentives beyond base pay based on high performance.

ALIGN EXECUTIVE REWARDS TO GPT'S PERFORMANCE AND SECURITY HOLDER INTERESTS BY:

- Assessing incentives against financial and non-financial business measures that are aligned with GPT strategy.
- Delivering a meaningful component of executive remuneration in the form of equity subject to performance hurdles being achieved.

Reported Remuneration for Executives of the Group at 31 December 2016

Executive KMP		Fixed Pay		Variable or "At Risk"				Total
		Base pay	Superannuation	Other	STIC (cash plus accrual)	LTI award accrual	Grant or vesting of non STI or LTI performance rights	
Bob Johnston Chief Executive Officer and Managing Director	2016	\$1,390,757	\$19,462	\$5,677	\$936,837	\$694,626	\$64,319	\$3,111,678
	2015	\$458,781	\$4,827	\$634	\$176,500	\$128,116	\$552,086	\$1,320,944
Anastasia Clarke Chief Financial Officer	2016	\$633,714	\$19,462	\$2,334	\$495,523	\$290,933	–	\$1,441,966
	2015	\$594,237	\$19,046	\$2,314	\$348,719	\$233,384	–	\$1,197,700
Mark Fookes Chief Operating Officer	2016	\$784,411	\$19,462	\$6,999	\$720,099	\$481,598	–	\$2,012,569
	2015	\$780,626	\$19,046	\$9,599	\$679,759	\$465,467	–	\$1,954,497

Reported Remuneration for Non-Executive Directors

Non-Executive Director – Current		Fixed Pay			Total
		Salary & fees	Superannuation	Other	
Rob Ferguson Chairman	2016	\$362,500	\$19,462	–	\$381,962
	2015	\$362,500	\$19,046	–	\$381,546
Brendan Crotty	2016	\$181,333	\$17,227	–	\$198,560
	2015	\$198,000	\$18,797	–	\$216,797
Eileen Doyle	2016	\$190,000	\$18,050	–	\$208,050
	2015	\$190,000	\$18,050	–	\$208,050
Swe Guan Lim	2016	\$178,000	\$16,910	\$615	\$195,525
	2015	\$129,154	\$12,270	\$551	\$141,975
Michelle Somerville	2016	\$174,723	\$16,599	–	\$191,322
	2015	\$13,583	\$1,291	–	\$14,874
Gene Tilbrook	2016	\$175,000	\$16,625	\$767	\$192,392
	2015	\$175,000	\$16,625	\$1,446	\$193,071

This is an extract from the Remuneration Report contained in the 2016 Annual Financial Report which is available online at www.gpt.com.au.

Financial Summary

For the year ended 31 December 2016	2016 \$m	2015 \$m
SEGMENT PERFORMANCE		
Retail	294.1	295.5
Operations net income	288.3	294.7
Development net income	5.8	0.8
Office	225.0	210.5
Operations net income	223.9	209.5
Development net income	1.1	1.0
Logistics	95.4	94.6
Operations net income	92.7	92.4
Development net income	2.7	2.2
Funds Management	61.0	44.6
Net financing costs	(100.0)	(115.9)
Corporate management expenses	(29.8)	(33.1)
Tax expenses	(14.0)	(4.9)
Non-core	5.3	12.1
Less: distribution to exchangeable securities	0.0	(1.7)
FUNDS FROM OPERATIONS (FFO)	537.0	501.7
Valuation increase	611.6	432.1
Financial instruments mark to market movements and net foreign exchange movements	(23.0)	(74.0)
Other items	27.1	6.6
Exclude distributions on exchangeable securities in Funds From Operations	0.0	1.7
Net Profit After Tax (NPAT)	1,152.7	868.1
For the year ended 31 December 2016		
Funds From Operations (\$m)	537.0	501.7
Net profit after tax (\$m)	1,152.7	868.1
FFO per ordinary security (cents)	29.88	28.28
FFO yield (based on period end price)	5.9%	5.9%
Distribution per ordinary security (cents)	23.4	22.5
Distribution yield (based on period end price)	4.7%	4.7%
Net interest expense (\$m)	(100.0)	(115.9) ¹
Interest capitalised (\$m)	8.5	5.7
Weighted average cost of debt	4.25%	4.60%
Interest cover	6.4 times	5.3 times

1. Excludes distribution on exchangeable securities.

The weighted average number of ordinary stapled securities was 1,797.4 million for 2016 and 1,773.9 million for 2015. The period end price was \$5.03 at 31 December 2016 and \$4.78 at 31 December 2015.

	As at 31 Dec 16	As at 31 Dec 15
Total assets (\$m)	11,817.9	11,006.5
Total borrowings (\$m)	2,996.6	2,948.0
NTA per security (\$)	4.59	4.17
Net gearing ¹	23.7%	24.8
Net look through gearing ¹	25.7%	26.3
Weighted average term to maturity of debt	6.5 years	5.1 years
Credit ratings (S&P / Moody's)	A stable/A3 stable	A- Positive/A3 stable
Weighted average term of interest rate hedging	4.4 years	5.6 years

1. 'Net gearing' and 'net look through gearing' for 2015 have been restated due to a change in methodology. Net gearing is calculated net of cash and excludes any fair value adjustment on foreign bonds and their associated cross currency derivative asset positions.

Five Year Financial Performance Summary

	2012	2013	2014	2015	2016
Earnings	\$456.4m	\$471.8m	\$452.1m	\$501.7m	\$537.0m
Total Securityholder Return (TSR)	26.9%	4.1%	34.5%	15.4%	10.1%
Distribution per security	19.3 cents	20.4 cents	21.2 cents	22.5 cents	23.4 cents
Total Return	9.5%	8.5%	9.6%	11.5%	15.5%
NTA per security	\$3.73	\$3.79	\$3.94	\$4.17	\$4.59
Security price at end of calendar year	\$3.68	\$3.40	\$4.35	\$4.78	\$5.03

This is an extract from the Financial Results contained in the 2016 Annual Financial Report. The 2016 Annual Financial Report is available upon request or online at www.gpt.com.au.



Securityholder Information

For full details of GPT's recent announcements, activities and Annual Result information, visit the GPT website, www.gpt.com.au. To access information about your holding in GPT online, visit GPT's Registry website <https://investorcentre.linkmarketservices.com.au>.

Access Your Investment Online

You can access your investment online at www.linkmarketservices.com.au, signing in using your SRN/HIN, Surname and Postcode. Functions available include updating your address details and downloading a PDF of your Annual Tax Statement.

Also online at www.linkmarketservices.com.au are regularly requested forms relating to payment instructions, name corrections and changes and deceased estate packs.

For assistance with altering any of your investment details, please phone the GPT Registry on 1800 025 095 (free call within Australia) or +61 1800 025 095 (outside Australia).

Receive Securityholder Updates Electronically

Sustainability is core to GPT's vision and values. As part of our sustainability initiatives we would like to offer you the opportunity to receive notification of GPT's investor communications electronically, including the 2016 Annual Financial Report and this Annual Review.

We encourage securityholders to visit www.gpt.com.au to view the online versions of these reports.

As an investor opting to receive your securityholder updates electronically, you will benefit by receiving prompt information and have the convenience and security associated with electronic delivery. There are also significant cost savings associated with this method of communication and above all this is a responsible and environmentally friendly option.

To receive your investor communications electronically, please go to www.linkmarketservices.com.au and register for online services.

Distribution Payments

GPT makes distribution payments to securityholders two times a year, for the six months ended 30 June and the six months ended 31 December. GPT declares and pays its distribution in Australian dollars.

2016 Annual Financial Report

A copy of GPT's 2016 Annual Financial Report is available to all securityholders upon request. The report can also be viewed online at www.gpt.com.au.

Stock Exchange Listings

GPT is listed on Australian Securities Exchange (ASX) in Australia under listing code GPT.

For more information:

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Corporate Directory

The GPT Group

Comprising:

GPT MANAGEMENT HOLDINGS LIMITED
ACN 113 510 188 and

GPT RE LIMITED
ACN 107 426 504 AFSL 286511
As Responsible Entity for:

GENERAL PROPERTY TRUST
ARSN 090 110 357

Registered Office

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Rob Ferguson (Chairman)

Bob Johnston

Brendan Crotty

Dr Eileen Doyle

Gene Tilbrook

Lim Swe Guan

Michelle Somerville

Company Secretaries

James Coyne

Lisa Bau

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Audit and Risk Management Committee

Michelle Somerville

Brendan Crotty

Lim Swe Guan

Nomination and Remuneration Committee

Gene Tilbrook

Dr Eileen Doyle

Rob Ferguson

Sustainability Committee

Dr Eileen Doyle

Brendan Crotty

Lim Swe Guan

Auditors

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Stock Exchange Quotation

GPT is listed on Australian Securities Exchange
under ASX Listing Code GPT.

