2019 Interim Result

Market Briefing

12 August 2019

The GPT Group

Agenda

Interim Result 2019

GPT
The GPT Group

Our Strategic Focus

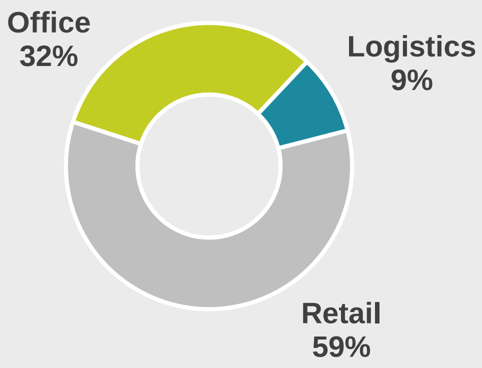
- Growing our Office & Logistics portfolio
- Retaining high weighting to NSW and VIC markets
- Increased the development pipeline to an expected end value of over $1.6 billion
- Total Assets Under Management of $24.8 billion

Delivering attractive returns

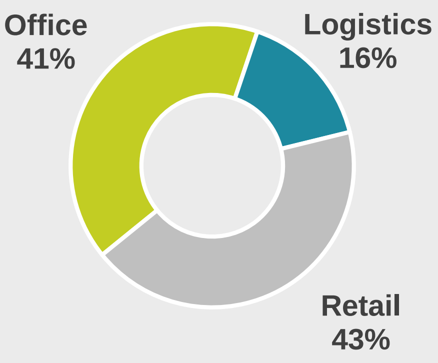
5yr avg. NTAps growth	8.2%
5yr avg. FFOps growth	4.3%
5yr avg. DPS growth	4.6%

Shifting our strategic asset allocation

2010

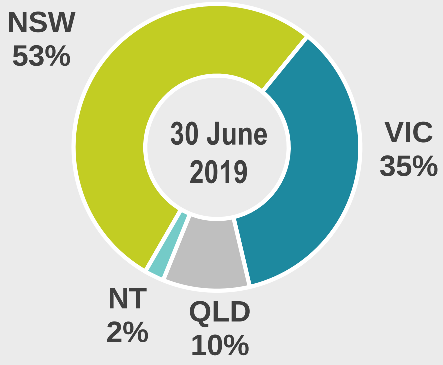


2019[1]

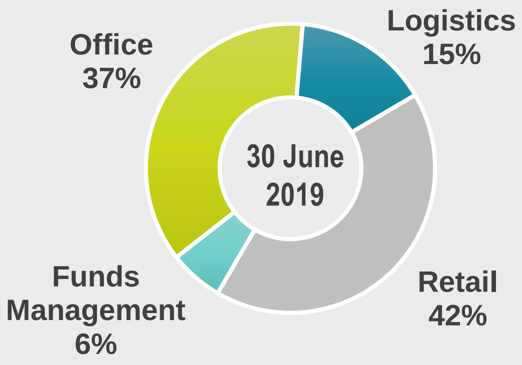


FOCUS

SYDNEY & MELBOURNE



GROUP EARNINGS COMPOSITION



1. Portfolio metrics includes acquisitions concluded post balance date

Executing on growth strategy

Office and Retail Developments

Expected end value of $800 million

Current

+ **32 Smith Street, Parramatta, office development**
  - *Expected yield on cost of approximately 6.75% and an end value >$300 million*

Proposed

+ **300 Lonsdale office development**
  - *Expected yield on cost of >6.5% and an end value of $200 million*
  - *Subject to securing a pre-commitment*
+ **Melbourne Central retail expansion**
  - *$70 million expansion and an expected yield on cost of >6.5%*
+ **Rouse Hill Town Centre, Sydney, retail expansion**
  - *$200 million expenditure with an expected yield on cost of >6.0%*

Darling Park Acquisition & Development Opportunity

Expected end value, including Cockle Bay Park development, of >$1 billion[1]

+ **Darling Park 1&2 and Cockle Bay Wharf**
  - *25% interest in the premium Sydney CBD $2.1 billion office and retail complex with an initial yield of 5.3% and average fixed rental growth profile of 4.0% per annum*
+ **Cockle Bay Park Development**
  - *25% interest in a $2 billion landmark Sydney CBD office development opportunity that will provide future growth with an expected IRR of >12%. Development cost of approximately $400 million (GPT's share)*

Growing GPT's Investment in Logistics

Expected end value of >$800 million

+ **Western Sydney logistics acquisitions**
  - *Acquisition of 5 assets for $212 million with an initial yield of 5.4%*
+ **Truganina, Melbourne logistics development**
  - *Stage 1: 26,400sqm uncommitted development targeting a yield on cost of >6%, with 5 future stages planned*
+ **Wembley Business Park, Brisbane logistics development**
  - *Commencing construction of three new facilities, two of which are pre-committed to an international logistics company, with an expected yield on cost of >6%*
+ **Western Sydney Logistics Opportunity**
  - *Secured 50,000sqm fund-through opportunity*
+ **Future acquisitions**
  - *Target an average of $200 million per annum of investment assets and replenish land bank*

1. GPT direct interest

2019 Interim Result

FINANCIAL HIGHLIGHTS

Consistently delivering strong returns

2.0%	**4.0%**	**$5.66**	**9.6%**
FFO GROWTH PER SECURITY	DISTRIBUTION GROWTH PER SECURITY	NTA PER SECURITY UP 1.4 PER CENT	TOTAL RETURN

Investment Portfolio

Portfolio occupancy[1]	**95.7%**	Revaluation gains	**$131M**
Like for like income growth	**3.5%**	Weighted Average Capitalisation Rate[1]	**4.99%**

161 Castlereagh Street, Sydney

1. Portfolio metrics includes acquisitions concluded post balance date

Finance & Treasury

Interim Result 2019

Artists impression – 550 Bourke Street and 181 Williams Street, Melbourne

Financial Summary

6 Months to 30 June ($ million)	2019	2018	Change
Funds From Operations (FFO)	**295.9**	**289.4**	2.2%
Valuation increases	130.8	456.7	
Treasury instruments marked to market	(82.3)	(8.9)	
Other items	8.2	(8.7)	
Net Profit After Tax (NPAT)	**352.6**	**728.5**	(51.6%)
Funds From Operations (cents per stapled security)	**16.36**	**16.04**	2.0%
Funds From Operations (FFO)	**295.9**	**289.4**	2.2%
Maintenance capex	(30.8)	(26.7)	
Lease incentives	(23.0)	(29.8)	
Adjusted Funds From Operations (AFFO)	**242.1**	**232.9**	4.0%
Distribution (cents per stapled security)	**13.11**	**12.61**	4.0%

$352.6M

STATUTORY NET PROFIT AFTER TAX

2.0%

FFO PER SECURITY GROWTH

4.0%

DISTRIBUTION PER SECURITY GROWTH

Segment Result

6 Months to 30 June ($ million)	2019	2018	Change	Comments
Retail	157.3	157.8	▼(0.3%)	Operations net income up 0.8% due to fixed rent increases offset by lower turnover rent, downtime and a lower development contribution.
Office	138.7	133.5	▲ 3.9%	Strong comparable income growth of 6.5% driven by leasing success and fixed rental reviews, offset by lost income from the sale of MLC Centre.
Logistics	57.1	57.8	▼(1.2%)	Operations net income up 9.8% driven by acquisitions and development completions, offset by a lower development contribution.
Funds Management	22.7	21.1	▲ 7.6%	Strong growth due to an increase in assets under management.
Net Income	**375.8**	**370.2**		
Net interest expense	(59.5)	(58.8)	▲ 1.2%	Higher average debt levels offset by lower average cost of debt.
Corporate overheads	(14.4)	(14.0)		
Tax expense	(6.0)	(8.0)		
Corporate	**(79.9)**	**(80.8)**		
Funds From Operations	**295.9**	**289.4**		

Capital Management

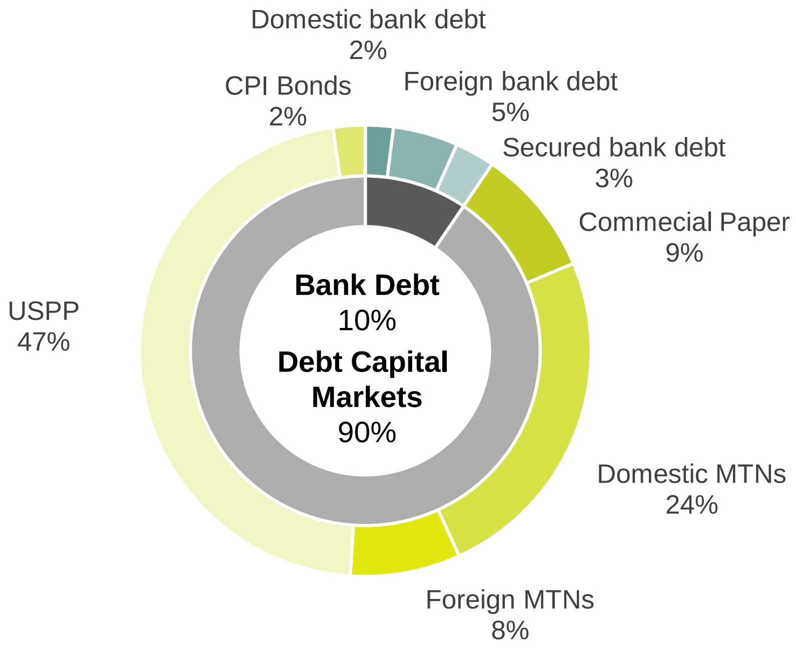
- Conservative gearing policy of 25-35% with preference to be below 30%
- Successfully completed $867 million equity raising to fund acquisition and growth opportunities
- Hedging reduced following the sale of MLC Centre
- Increased liquidity to $1.4 billion
- Issued US$400 million US Private Placement for an average term of 12.9 years and margin of 170 basis points
- S&P A and Moody's A2 credit ratings

Key Statistics	Jun 2019	Dec 2018
Net tangible assets per security	$5.66	$5.58
Net gearing[1]	22.0%	26.3%
Weighted average cost of debt	3.8%	4.2%
Weighted average term to maturity[1]	8.2 years	6.3 years
Interest cover ratio	6.0x	5.7x
Credit ratings (S&P / Moody's)	A / A2	A / A2
Drawn debt hedging[1]	75%	83%

1. Proforma for transactions post 30 June

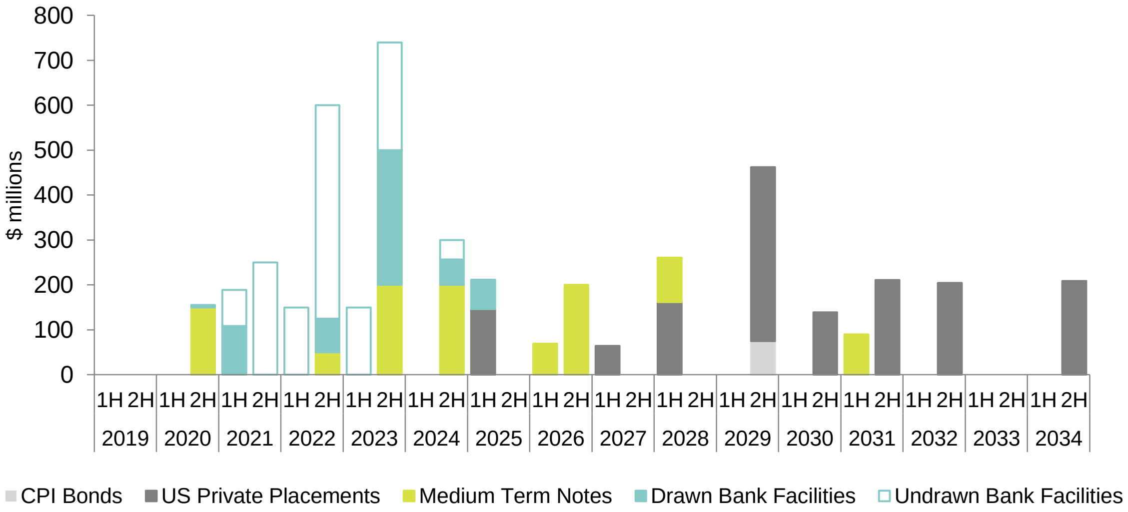
Sources of Drawn Debt

As at 30 June 2019[1]



Debt Maturity Profile

As at 30 June 2019[1]



Office & Logistics

Interim Result 2019

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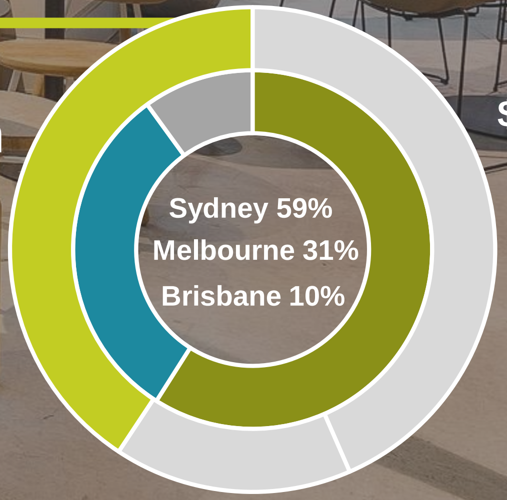
Office Highlights

6.5%	10.9%	$114.8M
PORTFOLIO LIKE FOR LIKE INCOME GROWTH	TOTAL PORTFOLIO RETURN (12 MONTHS)	VALUATION UPLIFT

Portfolio Size & Geographic Exposure[1]



Key Highlights

- Office valuation gains driven by Melbourne and Sydney assets, WACR of 4.94%[1]
- Portfolio occupancy of 97.1%[1] and WALE of 5.0 years[1]
- Operations Net Income up 3.6% to $137.7 million as result of strong like for like portfolio growth and including the effect of acquisitions and divestments
- Divested MLC Centre for $800 million and acquired stake in Darling Park 1 & 2 for $531.3 million
- Leases signed totalling 37,900sqm and terms agreed for a further 78,900sqm
- Low vacancy in key markets of Sydney and Melbourne

Space&Co., 530 Collins Street, Melbourne

1. Portfolio metrics includes acquisitions concluded post balance date

Office Valuations & Market Fundamentals

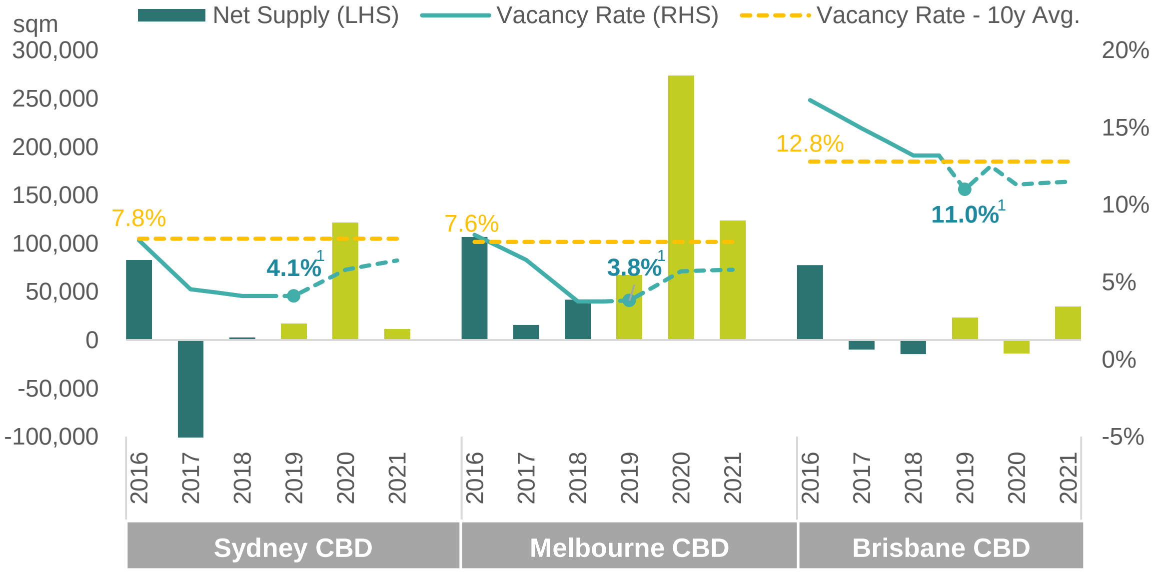
Office Portfolio

$114.8M

VALUATION UPLIFT

+ Market rental growth has driven over 70% of valuation uplift
+ Gains led by Melbourne Central Tower, 181 William/550 Bourke Streets and Australia Square
+ Sydney and Melbourne experiencing low vacancy, with the Brisbane market improving, supporting effective rental growth in the 12 months to June 2019
+ An increase in supply is expected, however, vacancy rates are forecast to remain below long term averages

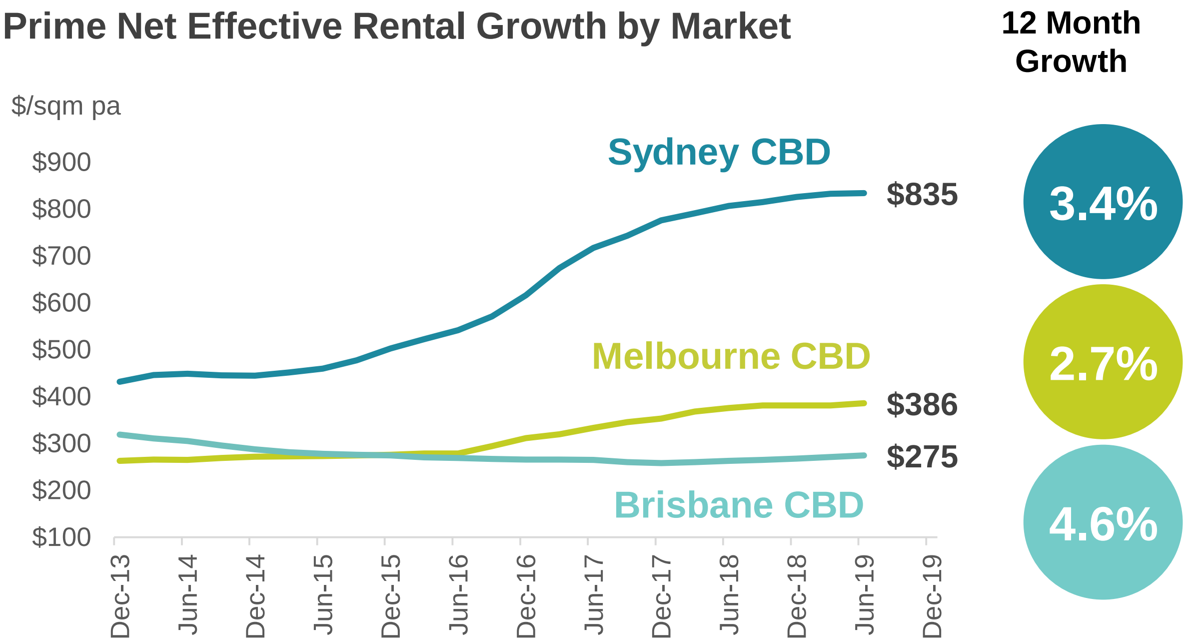
Net Supply vs Vacancy Rate by Market



Source: Data includes all grades; JLL Research, GPT Research.

1. Vacancy rate as at 2Q19

Prime Net Effective Rental Growth by Market



Office Leasing

97.1%
PORTFOLIO OCCUPANCY[1]

5.0year
WALE BY INCOME[1]

116,800sqm
TOTAL LEASING VOLUME
Including 78,900sqm of terms agreed

- Renewals secured with Nine, William Buck, Sunsuper, Morgans Financial
- New Leases and expansions agreed with Momentum Energy, Heinz, Adobe and Amazon Web Services

Melbourne

Signed Leases	Terms Agreed
14,100sqm	39,200sqm

Sydney

Signed Leases	Terms Agreed
16,600sqm	23,000sqm

Brisbane

Signed Leases	Terms Agreed
7,200sqm	16,700sqm

1. Portfolio metrics includes acquisitions concluded post balance date

Darling Park Acquisition

- Acquisition of a 25% interest in Darling Park 1 & 2 and Cockle Bay Wharf has been completed
- Two premium grade assets in central Sydney together with the attractive Cockle Bay Park development opportunity
- In close proximity to transport hubs and bordering Darling Harbour waterfront

$531.3M
PURCHASE PRICE

5.3%
INITIAL YIELD

99.7%
OCCUPANCY[1]

5.6year
WALE[1]

Blue-chip occupiers CBA, IAG and Adobe

101,900SQM
OFFICE

9,800SQM
RETAIL

1. Metrics reflective of Office component, excludes Cockle Bay Wharf

Office Development Pipeline

Cockle Bay Park, Sydney

- The Stage 1 Development Application for Cockle Bay Park has been approved by the Independent Planning Commission
- Next stage will involve an international design competition
- Targeting commencement in 2022
- Project will deliver approximately 63,000sqm of office space together with a 10,000sqm retail and entertainment precinct
- Expected end value of ~$2 billion with a development IRR >12%

300 Lonsdale Street, Melbourne Central

- Seeking pre-commit for 20,000sqm complex above retail centre to be delivered in 2022
- Further enhance Melbourne Central as a dominant mixed use precinct. Office building connects with proposed rooftop entertainment and dining precinct
- Expected yield on cost for office component >6.50% and end value in excess of $200 million

32 Smith Street, Parramatta

- Construction underway, due for completion in late 2020
- QBE pre-commitment across 13,600sqm, representing 51% of NLA
- Expected yield on cost of ~6.75% and an end value in excess of $300 million
- Parramatta office market experiencing record low vacancy rates, limited uncommitted supply

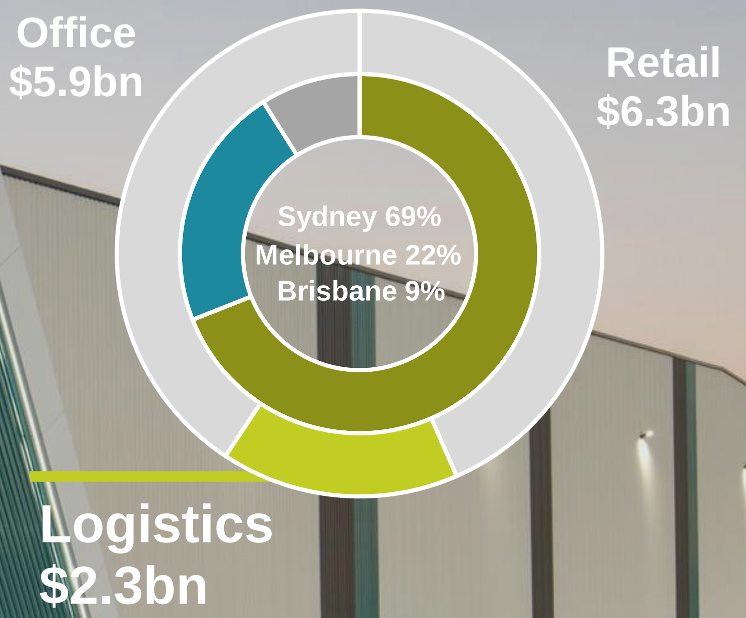
Logistics Highlights

2.2%
PORTFOLIO LIKE FOR LIKE INCOME GROWTH

16.9%
TOTAL PORTFOLIO RETURN (12 MONTHS)

121,300SQM
LEASES SIGNED

Portfolio Size & Geographic Exposure[1]



Key Outcomes

+ Acquisition of five investment assets in Western Sydney for $212 million and development land for $51.5 million
+ $70 million development completed and $200 million of projects underway
+ Operations Net Income up 9.8% to $56.9 million as a result of underlying portfolio growth, acquisitions and developments
+ Portfolio occupancy of 93.4%[1] and long WALE of 7.4 years[1]
+ Valuation uplift of $51.4 million and WACR of 5.54%[1]

50 Old Wallgrove Road, Eastern Creek, Sydney

1. Portfolio metrics includes acquisitions concluded post balance date

Logistics Portfolio Performance

$51.4M
VALUATION UPLIFT

>70%
TENANTS ASX LISTED / GLOBAL ENTITIES

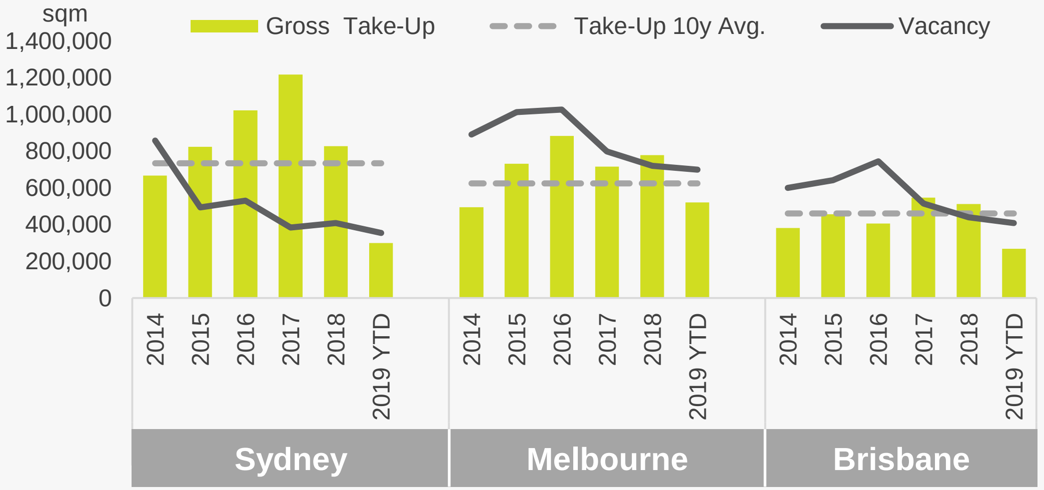
34
ASSETS

148,300SQM
TOTAL LEASING VOLUME
Including 27,000sqm of terms agreed

+ Eastern seaboard industrial markets continue to experience above average take-up levels and contractions in vacancy which is providing ongoing growth in rentals
+ Demand has been underpinned by healthy state economies, infrastructure spending and ongoing demand shifts driving the requirement for supply-chain improvements

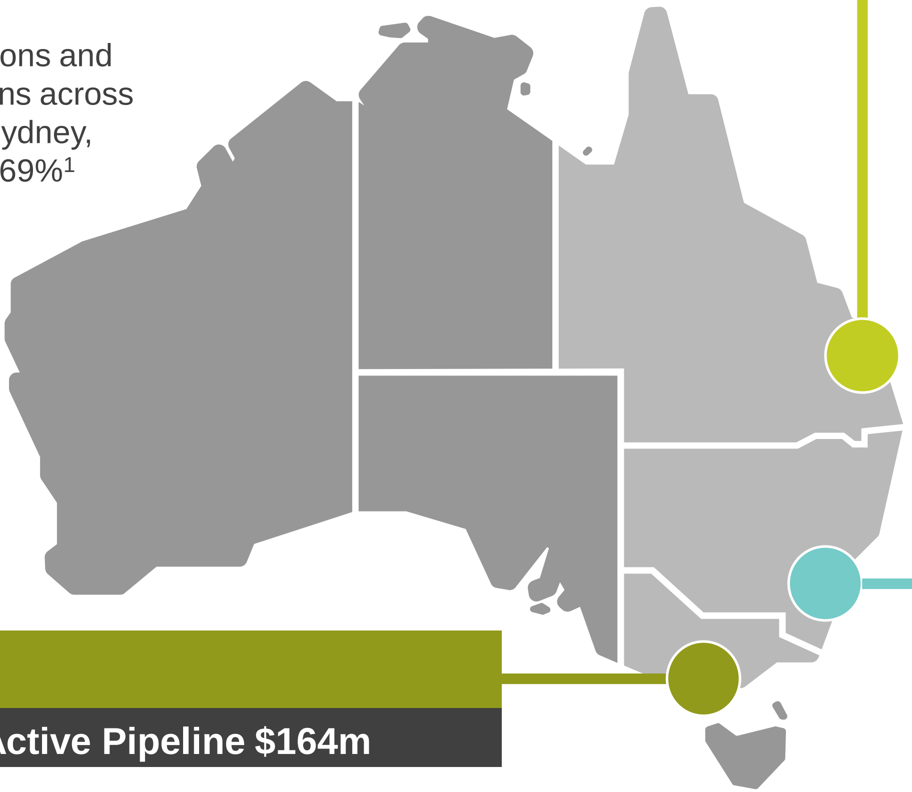
50 Old Wallgrove Road, Eastern Creek

Eastern Seaboard Industrial: Gross Take-Up and Vacancy



Logistics Portfolio Growth

+ $282 million of acquisitions and development completions across six assets in Western Sydney, increasing exposure to 69%[1]
+ $200 million of developments currently underway
+ Landbank replenished with strong pipeline with ability to deliver projects with an end value of ~$240 million



Melbourne, VIC

Underway $36m | Active Pipeline $164m

Truganina
+ Acquired 15ha site on deferred settlement terms adjacent to the site acquired in 2018
+ Combined 23ha site has the capacity to deliver ~140,000sqm of prime space
+ Commenced 26,400sqm speculative development, due for completion in 2H 2019

1. Portfolio metrics includes acquisitions concluded post balance date

Brisbane, QLD

Underway $75m | Active Pipeline $75m

Berrinba
+ Pre-commitment with international logistics company across 20,500sqm, due for completion 1H 2020
+ Speculative development of 14,400sqm on adjoining lot
+ Remaining land has the ability to deliver ~39,000sqm of logistics space

Sydney, NSW

Acquisitions & Development Completions $282m

Western Sydney
+ Three assets with strong lease covenants, WALE of 6.8 years

Erskine Park
+ Two assets adjacent to existing estate, WALE of 10.4 years
+ Settled post period in July 2019

Eastern Creek
+ Practical completion of 50 Old Wallgrove Road reached in January 2019, fully leased to 2027

Underway $89m

Western Sydney
+ Fund-through of a new 50,000sqm development on a 10 year lease

Yennora
+ Pre-leased 4,800sqm development, activating surplus land at 38 Pine Road, to be completed in 1H 2020

Retail

Interim Result 2019

The GPT Group

Sunshine Plaza, Queensland

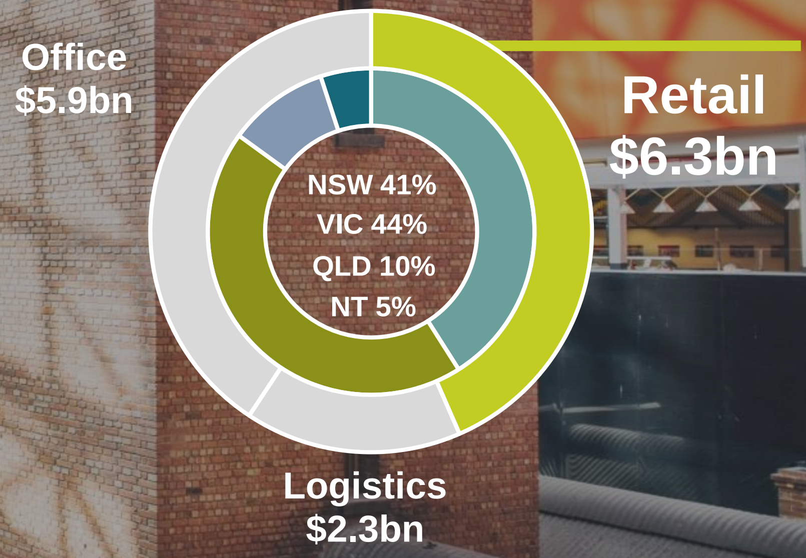
Retail Highlights

1.4%	**99.5%**	**$11,512**
PORTFOLIO LIKE FOR LIKE INCOME GROWTH	PORTFOLIO OCCUPANCY	SPECIALTY SALES PRODUCTIVITY PER SQUARE METRE

Key Outcomes

- Retail segment FFO contribution of $157.3 million, for 6 months to June, in line with 2018
- Total portfolio return for 12 months to June 2019 of 6.5%
- Portfolio valuation declined by $35 million for 6 months to June 2019, WACR[1] of 4.86%
- Comparable income growth impacted by the underperformance of Casuarina given the challenging economic conditions in Darwin
- Melbourne Central ranked most productive shopping centre in Australia
- Sunshine Plaza development successfully completed with the opening in March 2019

Portfolio Size & Geographic Exposure



Melbourne Central, Melbourne

1. Weighted Average Capitalisation Rate

Retail Sales

0.7%
TOTAL SPECIALTY MAT GROWTH

SPECIALTY SALES PRODUCTIVITY (<400sqm)

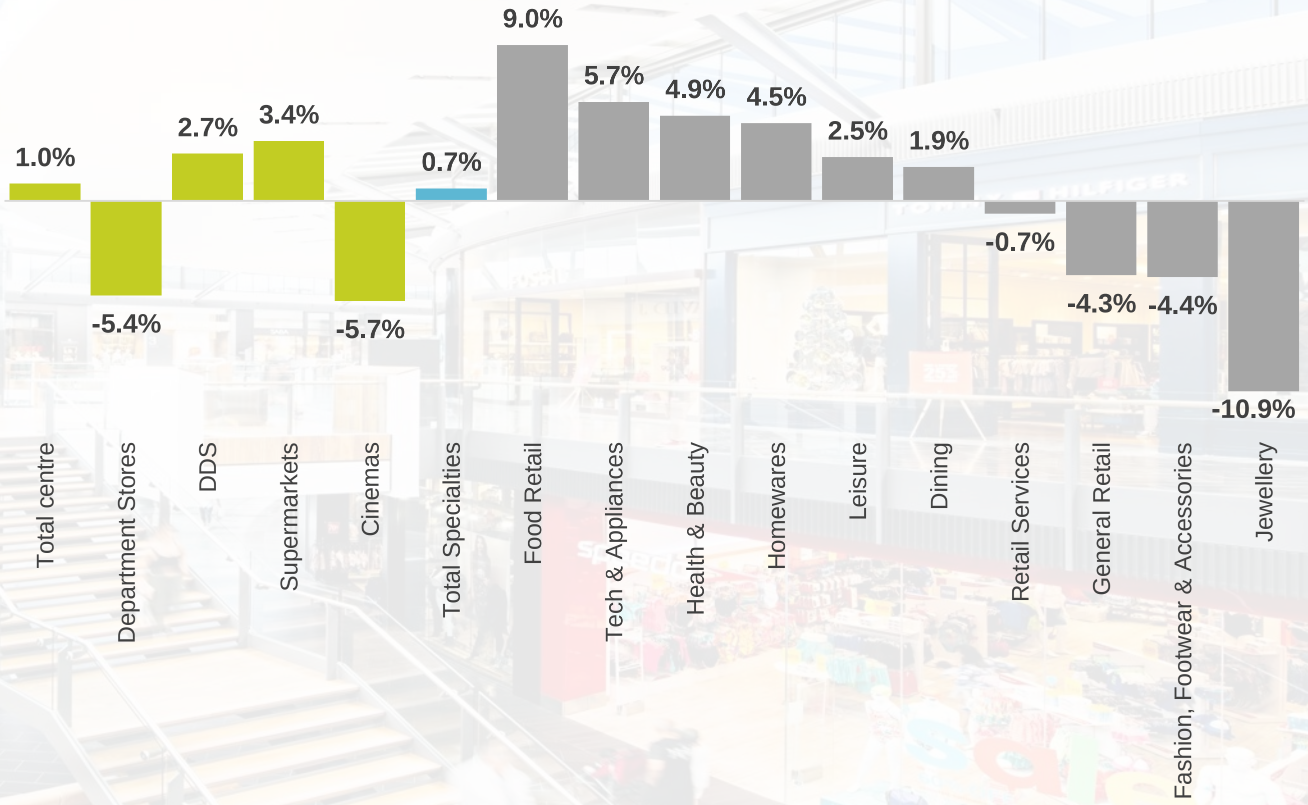
$11,512
Specialty Sales per sqm

1.0%
Specialty Sales per sqm growth

SPECIALTY MAT GROWTH

SPECIALTIES >400sqm	SPECIALTIES <400sqm
3.2%	(0.1)%

Portfolio MAT Growth by Category



Statistics exclude development impacted centres (Sunshine Plaza, Macarthur Square, Wollongong)

Retail Leasing

Strong portfolio occupancy

247

LEASING DEALS completed 1H 2019

Quality portfolio with new retailer demand

58

NEW RETAILERS introduced

Unique retailer offers responding to customer trends

New F&B precincts at both Melbourne Central and Charlestown which are due for completion in second half of 2019

Portfolio Leasing Statistics

	JUN 2019	DEC 2018
Portfolio Occupancy	99.5%	99.6%
Retention Rate	70.8%	71.3%
Avg. Annual Fixed Increase[1,2]	4.8%	4.7%
Avg. Lease Term[1,2]	4.8 years	4.7 years
Leasing Spread[2]	(0.7%)	0.2%
% Debt of Annual Billings	0.6%	0.4%
Specialty Occupancy Cost[2]	17.1%	16.9%

Growing network of existing retailers

New retailers opening stores

Non retail usages | online to physical

1. New leases
2. Specialties <400sqm

Statistics exclude development impacted centres (Sunshine Plaza, Macarthur Square, Wollongong) & holdovers

Retail Development

Melbourne Central

Melbourne Central expansion - artists impression

Continued progression on the proposed $70 million rooftop retail expansion including approximately 7,000sqm of retail over two levels

+ Expansion of leisure and entertainment precinct including dining, education, wellness and retail markets
+ Pre-leasing well progressed with 30% of income secured
+ Planning Approval expected end 2019
+ Forecast Return | ~ 6.5% stabilised yield
+ Target Commencement | early 2020

Rouse Hill Town Centre

Rouse Hill Town Centre expansion and TOD - artists impression

Approximately $200 million expansion, including additional retail and commercial space totalling ~20,000sqm

+ Pre-leasing progressing well with key catalyst retailers
+ Development Applications lodged and being assessed by authorities
+ Forecast Return | >6.0% stabilised yield
+ Target Commencement | 1H 2020
+ Metro North West Rail opened May 2019
+ Residential to be integrated within retail scheme and adjacent to existing asset

Funds Management

Interim Result 2019

The GPT Group

Darling Park, Sydney

Funds Management Highlights

$13.3B
ASSETS UNDER MANAGEMENT
(7.2% annual increase)

8.2%
TOTAL RETURN

7.6%
FFO GROWTH

Funds Management Financial Summary ($M)

	1H 2019	1H 2018	CHANGE
Segment Result	22.7	21.1	7.6%

Key Outcomes

- GWOF exercised pre-emptive right to acquire a 50% interest in 2 Southbank Boulevard, Melbourne, for $326 million
- GWOF raised $320 million of new equity from a mix of existing and new investors following commencement of the raising in Q4 2018
- GWOF also completed a $200 million medium term note issue. The notes were issued for an average term of 6.5 years with a fixed coupon of 2.525%
- GWSCF continues its asset recycling strategy with the sale of Norton Plaza

FUND	TOTAL ASSETS	FUND RETURN		GPT INVESTMENT
		1 year	3 years	
GWOF	$8.5b	9.7%	12.4%	$1.6b
GWSCF	$4.8b	1.3%	7.7%	$1.0b
Total	**$13.3b**			**$2.6b**

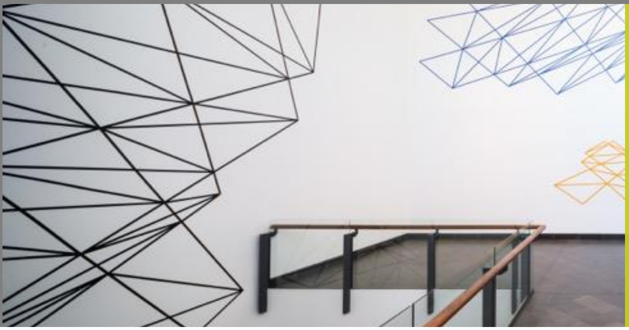
Summary & Outlook

Market Outlook

+ House price stabilisation, coupled with lower interest rates and tax cuts, should provide support for improved economic conditions and consumer sentiment
+ Monetary policy expected to remain accommodative
+ Ongoing investment in infrastructure in Sydney and Melbourne will provide support for GPT's core markets and sectors

Group Outlook

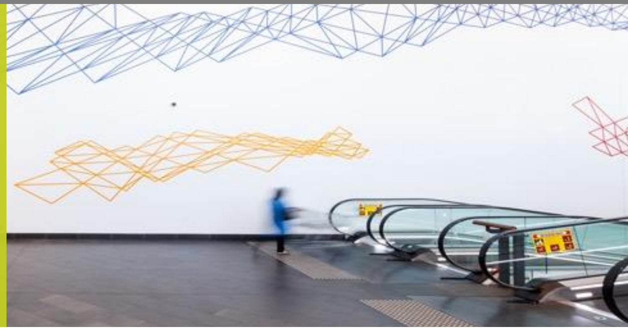
+ The Office portfolio continues to benefit from high occupancy and fixed rental increases
+ The Logistics portfolio is expected to deliver strong growth in 2H as a result of acquisitions and development completions
+ In Retail, we expect the 2H segment contribution to increase on 1H, driven by a 6 month contribution from the Sunshine Plaza expansion and reduced downtime



2019 Guidance

FFO per security growth of 2.5%

DPS growth of 4%



Disclaimer

Information is stated as at 30 June 2019 unless otherwise indicated.

All values are expressed in Australian currency unless otherwise indicated.

Funds from Operations (FFO) is reported in the Segment Note disclosures which are included in the financial report of The GPT Group for the 6 months ended 30 June 2019. FFO is a financial measure that represents The GPT Group's underlying and recurring earnings from its operations. This is determined by adjusting statutory net profit after tax under Australian Accounting Standards for certain items which are non-cash, unrealised or capital in nature. FFO has been determined based on guidelines established by the Property Council of Australia. A reconciliation of FFO to Statutory Profit is included in this presentation. Key statistics for the Retail and Office divisions include GPT Group's weighted interest in the GPT Wholesale Shopping Centre Fund (GWSCF) and the GPT Wholesale Office Fund (GWOF) respectively.