



ASX Announcement

3 November 2023

September 2023 quarter operational update

The GPT Group ('GPT' or 'Group') released its operational update for the quarter ended 30 September 2023.

GPT's Chief Executive Officer, Bob Johnston, said: "GPT remains on track to achieve its full year guidance for Funds From Operations and distributions. Despite slowing market conditions, occupancy of 97.7% has been maintained for the Group's diversified investment portfolio, and our balance sheet remains in a strong position.

"Our Retail portfolio continues to perform strongly, with positive leasing spreads and occupancy at 99.6%. Total Centre sales for the quarter were up 4.0%, with Specialty productivity remaining high at \$12,730 per square metre.

"The Office leasing environment remains challenging, with elevated market vacancy and relatively subdued demand. Across our portfolio, 36,700 square metres of leasing was achieved during the quarter, and occupancy including heads of agreement was 90.4% at the end of the quarter.

"Our Logistics portfolio has maintained high occupancy of 99.3% and continues to achieve positive leasing outcomes. During the quarter, we received development approval for the first two facilities at the Group's Yiribana Estate at Kemps Creek in Western Sydney.

"During the quarter, GPT was delighted to be selected by QuadReal as the investment manager for their 5,000 bed Student Accommodation portfolio. This is consistent with the Group's strategy to grow its Funds Management platform with high quality aligned capital partners, and strengthens our existing partnership with QuadReal. Over the last 18 months, GPT has secured additional funds under management of approximately \$6.6 billion."

CEO Succession

In September, the GPT Board announced the appointment of Russell Proutt as Chief Executive Officer (CEO), replacing outgoing CEO Bob Johnston. Russell is anticipated to commence with GPT no later than 25 March 2024 and Bob will continue as CEO until Russell's commencement. Dean McGuire has also been appointed as Interim Chief Financial Officer (CFO) following the resignation of Anastasia Clarke, until a search process for a CFO is completed.

Retail

Retail leasing activity remains strong with 191 deals completed during the quarter and portfolio occupancy at 30 September 2023 was 99.6% (June 2023: 99.5%). For deals completed during the quarter, leasing spreads averaged +5.0%, up from +3.4% at June 2023. Annual rental increases averaged 4.8% and lease terms averaged 5.1 years.

Total Centre Moving Annual Turnover (MAT) was up 13.2% and Specialty MAT was up 13.3% for the 12 months to 30 September 2023. Specialty sales productivity for the portfolio was \$12,730 per square metre (sqm) at 30 September 2023 (June 2023: \$12,716 per sqm). In the September quarter, retail sales growth moderated, with Total Centre sales up 4.0% and Total Specialty sales up 2.4%.

Melbourne Central sales continued to grow strongly, with Total Centre MAT up 29.7% and Specialty MAT up 34.2% at 30 September. Customer visitation was strong, with 47 million visits to the centre in the 12 months to 30 September 2023 and occupancy has increased to 99.9% (June 2023: 99.7%).

The GPT Wholesale Shopping Centre Fund revalued 100% of its portfolio during the quarter, resulting in a valuation decline of 1.0% since June 2023. The Fund's weighted average capitalisation rate softened 8 basis points to 5.26% and the weighted average discount rate was unchanged at 6.61%.

Office

Portfolio occupancy including heads of agreement (HoA) increased to 90.4% at September 2023 (June 2023: 88.5%) with actual occupancy of 86.4% (June 2023: 86.2%). While a further 1.4% of leases expire during 4Q 2023, the Group expects occupancy (including HoA) to be approximately 90% at year end. The portfolio has a weighted average lease expiry (WALE) of 4.8 years (June 2023: 4.8 years).

Leasing of 36,700sqm¹ was achieved in the quarter, bringing total leasing to 95,500sqm for the 9 months to 30 September 2023. The Group's premium fitted-out space product, 'GPT DesignSuites', continues to support the leasing strategy with 21,800sqm leased during the year.

¹ Based on GPT and GPT Wholesale Office Fund Net Lettable Area, and includes heads of agreement.

The GPT Wholesale Office Fund revalued 100% of its portfolio during the quarter, resulting in a valuation decline of 2.4% since June 2023. The Fund's weighted average capitalisation rate softened 13 basis points to 5.30% and the weighted average discount rate softened 10 basis points to 6.32%.

Logistics

Portfolio occupancy (including HoA) was 99.3% at 30 September 2023 (June 2023: 99.8%), with a WALE of 5.6 years. During the quarter, 32,500sqm of leasing was achieved. For the 9 months to 30 September 2023, total leasing (including HoA) was 141,600sqm (June 2023: 109,100sqm) and leasing spreads averaged +38%.

GPT QuadReal Logistics Trust's 11,700sqm development project at Apex Business Park reached practical completion during the quarter, with the facility currently being marketed for lease. At Truganina, GPT's 31,600sqm development is on track to complete in 4Q 2023.

Development approval has been achieved for the first two facilities at GPT's Yiribana Logistics Estate–East at Kemps Creek in Western Sydney and infrastructure works are expected to commence in 1H 2024. The estate will be delivered across multiple stages and will ultimately comprise approximately 182,000sqm of logistics space across six facilities.

2023 Guidance

GPT remains on track to deliver Funds From Operations (FFO) of approximately 31.3 cents per security and a distribution of 25.0 cents per security for 2023, in line with previous guidance.

-ENDS-

Authorised for release by The GPT Group Board.

For more information, please contact:

INVESTORS & MEDIA

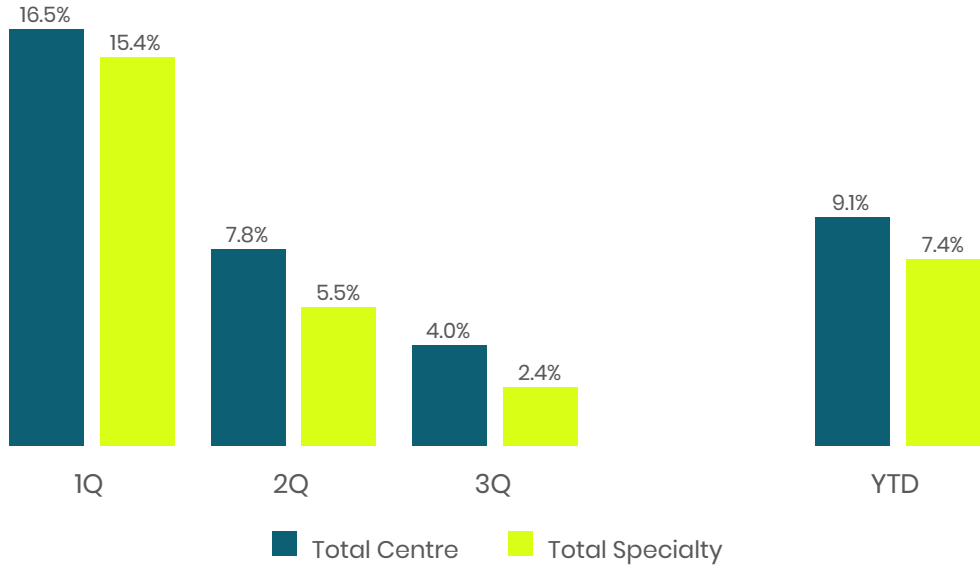
Penny Berger

Head of Investor Relations & Corporate Affairs

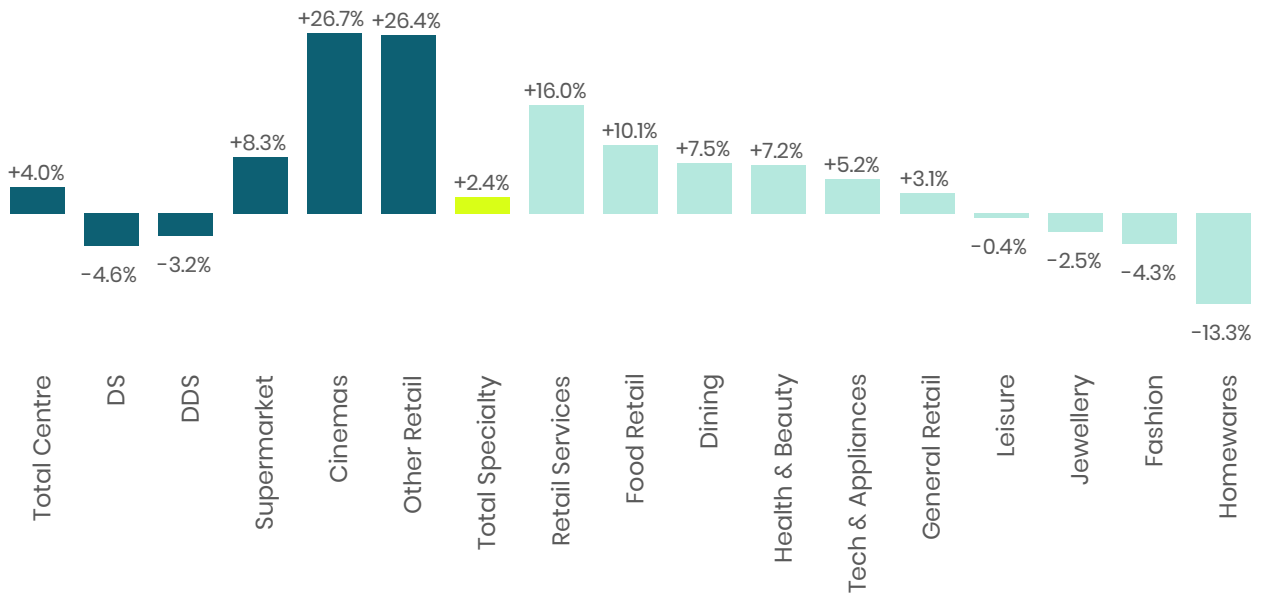
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APPENDIX 1 – RETAIL PORTFOLIO SALES

Total Centre Sales Growth – September 2023 vs September 2022 (Quarter, YTD)



Total Centre Sales Growth – September 2023 Quarter vs September 2022 Quarter (By Category)



APPENDIX 1 – RETAIL PORTFOLIO SALES (CONTINUED)

Sales Performance By Centre – 12 months to 30 September 2023

Asset	Ownership (%)	Centre MAT (\$m)	Comparable MAT growth (%)		Specialty ¹	
			Centre	Specialty ¹	MAT (\$psm)	Occupancy cost (%)
GPT Portfolio						
Charlestown Square	100.0	576.6	6.1	9.0	12,550	14.7
Highpoint Shopping Centre	16.7	1,255.3	17.4	8.9	12,572	16.9
Melbourne Central Retail	100.0	597.0	29.7	34.2	14,397	18.6
Rouse Hill Town Centre	100.0	618.0	7.6	7.8	12,808	12.9
Sunshine Plaza	50.0	803.3	8.5	5.4	11,220	15.8
Westfield Penrith	50.0	717.0	13.2	9.2	13,167	17.2
GWSCF Portfolio						
Chirnside Park	100.0	350.6	9.2	5.8	12,982	15.5
Highpoint Shopping Centre	83.3	1,255.3	17.4	8.9	12,572	16.9
Macarthur Square	50.0	719.6	7.0	7.6	9,972	14.6
Northland Shopping Centre	50.0	653.0	12.5	9.2	10,693	14.8
Parkmore Shopping Centre	100.0	309.4	17.9	28.3	12,570	13.0
GPT Weighted Total		3,442.3	13.2	13.3	12,730	15.9

1. Represents Specialty tenancies less than 400sqm.