



NEWS RELEASE FROM GROWTHPOINT PROPERTIES

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Growthpoint's GOZ outperforms Australian REITs and shares

Total returns from Growthpoint Properties Australian investment, Growthpoint Properties Australia (GOZ), have significantly outpaced the major Australian REIT and share market indexes.

Recent total return data to 30 June 2018 published by UBS shows that GOZ's total return to its investors has significantly outstripped major performance benchmarks over six months as well as over one, three and five years.

Over six months, GOZ achieved a total return of 9.2%, more than double the achievement of the S&P/ASX A-REIT 300 Index at 3.0% and the S&P/ASX 300 at 4.3%.

For total return over one year, GOZ delivered 22.3% in contrast to the A-REIT 300 and the ASX 300, which both showed total return of 13.2%.

When it comes to performance over three years, GOZ notched up a total return of 11.8% per annum compared to the A-REIT 300 at 10.0% per annum and the ASX 300 at 9.1% per annum.

And for five-year performance, GOZ's total return achieved a leading 16.2% per annum against the A-REIT 300 at 12.2% per annum and the ASX 300 at 10.0% per annum.

Norbert Sasse, Group CEO of Growthpoint, says: "GOZ continues to deliver excellent performance and has once again extended its track record of superior shareholder returns."

Part of GOZ's positive performance is driven by the Australian domestic economy, which remains favourable for commercial property. Unemployment is low and expected to decrease further, while population growth has been strong, particularly along the Eastern Seaboard of the country where GOZ's portfolio is concentrated.

GOZ's outperformance, however, comes down to its management and strategy. The A-REIT continues its accretive recycling of capital. A number of opportunities remain for GOZ to continue to grow earnings and distributions to its securityholders, including direct property transactions, internal development projects and expansion opportunities. The listed sector also continues to present merger and acquisition opportunities for GOZ to grow. GOZ holds an 18.2% stake in the ASX-listed Industria REIT, acquired for AUD68.0 million in July 2017.

With its gearing now below 36%, GOZ is also well positioned with good balance sheet flexibility to take advantage of future opportunities that present themselves.

Sasse confirms that growing its offshore business is the key driver for Growthpoint. "We continue to support GOZ and our investments in Globalworth Real Estate Investments (GWI) and Globalworth Poland Real Estate (GPRE) on their growth courses while also seeking new opportunities."



Growthpoint led the SA REIT sector's internationalisation by investing in GOZ in 2009 and currently hold 65.5%. At 31 December 2017, Growthpoint owned 57 properties in Australia valued at R31.2bn through its investment in GOZ.

Growthpoint provides space to thrive with innovative and sustainable property solutions. It is an international property company with assets on three continents and the largest South African primary REIT listed on the JSE. It owns and manages a diversified portfolio of 559 property assets, locally and internationally, with a value of R128 billion at 31 December 2017. Growthpoint is a Top 10 constituent of the FTSE EPRA/NAREIT Emerging Index, a constituent of the FTSE/JSE Top 40 Index and the FTSE4Good Emerging Index. It has been included in the FTSE/JSE Responsible Investment Index for eight years running.

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