1H FY21 RESULTS

Long-term trends in the digital economy driving growth

19 February 2021

Goodman Westlink, Hong Kong ,SAR, China

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- This Presentation uses operating profit and operating earnings per security (EPS) to present a clear view of the underlying profit from operations. Operating profit comprises profit attributable to Securityholders adjusted for profit on disposal of investment properties, net property valuations gains, non-property impairment losses, net gains/losses from the fair value movements on derivative financial instruments and unrealised fair value and foreign exchange movements on interest bearing liabilities and other non-cash adjustments or non-recurring items e.g. the share based payments expense associated with Goodman's Long Term Incentive Plan (LTIP). A reconciliation to statutory profit is provided in summary on page 10 of this Presentation and in detail on page 5 of the Directors' Report as announced on ASX and available from the Investor Centre at www.goodman.com.

- The calculation of fair value requires estimates and assumptions which are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable in the circumstances.

- This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast","estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Neither the Group, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking-statements in this document will actually occur.

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Section 1

HIGHLIGHTS


Goodman Westlink, Hong Kong, SAR, China

HIGHLIGHTS

Strong demand from the digital economy continues to drive enduring change, sustaining activity and property fundamentals for our business

$614.9m
OPERATING PROFIT

$8.4bn
WORK IN PROGRESS

- **Market conditions remain favourable for our operations and we have responded with increased levels of development activity in the half**
- **Given our customer requirements and ongoing structural change driven by the digital economy, we believe this level of activity is appropriate**
- **This will continue to drive future organic growth in our investment and management businesses.**

Key financial metrics for the period include:

- Operating profit[1] of $614.9 million, up 16% on 1H FY20
- Statutory profit of $1,041.5 million
- Operating earnings per security (EPS)[2] of 33.1 cents, up 15% on 1H FY20
- Gearing at 4.8%[3] (7.5% at FY20) and 16.6% on a look-through basis
- Strength in asset pricing driving $1.5 billion in revaluation gains across the Group and Partnerships resulting in our global weighted average cap rate (WACR) tightening to 4.7%.

- **Strong contribution from development business this half, reflecting quality, execution and scale of the development operations**
- **Development work in progress (WIP) increased to $8.4 billion**
  - High-quality workbook with 69% committed and an average 14.0 year WALE
  - WIP yield on cost of 6.6% with strong demand
  - Repositioning and redevelopment of existing stabilised assets is part of our ongoing future strategic planning process, increasingly contributing to the future development activity and generating value from the existing portfolio.

1. Operating profit comprises profit attributable to Securityholders adjusted for property valuations, derivative and foreign currency mark to market and other non-cash or non-recurring items
2. Operating EPS is calculated using operating profit and weighted average diluted securities of 1,857.7 million which includes 16.6 million LTIP securities which have achieved the required performance hurdles and will vest in September 2021 and September 2022
3. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $172.7 million (30 June 2020: $292.5 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $77.0 million (30 June 2020: $194.0 million).

HIGHLIGHTS

+ **The Partnerships continued to perform strongly through the period**
– External AUM up 6% to $48.5 billion, with total AUM up 5% on 1H FY20 to $51.8 billion
– $1.5 billion in re-valuation gains across the Partnerships
– Net acquisitions and expenditures of $1.1 billion (including developments), offset by a negative $2.1 billion currency movement
+ **Real estate fundamentals in our selected markets are delivering sustainable and competitive growth through high occupancy and sustained rental growth**
– Continued high occupancy at 97.9%
– Like for like net property income (NPI) growth of 3.0%.
+ **Continued progress on ESG initiatives, with increased commitment to renewable energy and carbon neutrality. We're also improving the work spaces for our people, enabling flexibility, the communities we're in and our properties - particularly how our buildings respond to a changing climate.**

+ **Strong capital position and a further reduction in gearing to 4.8%**
+ **Net debt declined to $0.8bn with $2.3 billion of available liquidity, including $1.3 billion in cash** (Excludes available equity commitments[1], cash and undrawn debt of $19 billion in Partnerships).
+ **The business is performing strongly. The permanent shift in utilisation and requirements from our customers, driven by the long term trends in the digital economy is supporting demand for our properties.**
– Consequently we have upgraded forecast FY21 operating profit to $1.2bn (representing EPS growth of 12% on FY20)
– Forecast distribution for FY21 will remain at 30.0 cents per security in keeping with the Group's financial risk management policy.

$51.8bn
TOTAL AUM

$48.5bn
EXTERNAL AUM

1. Partnership investments are subject to Investment Committee approval

GROUP AND PARTNERSHIP HIGHLIGHTS

OWN

97.9%

OCCUPANCY

High occupancy maintained at 98% and WALE of 4.4 years

3.0%

NPI GROWTH

Like for like NPI growth at 3.0%

1.9m

SQUARE METRES LEASED

Leased 1.9 million sqm across the global platform equating to $269 million of annual rental property income across the Group and Partnerships

4.8%

GEARING

Headline gearing of 4.8%, with look through gearing of 16.6%

DEVELOP

$8.4bn

WORK IN PROGRESS

With space in 12 countries across 56 projects with a forecast yield on cost of 6.6%

80%

IN PARTNERSHIPS

80% of current WIP is being undertaken within Partnerships or for third parties

$3.5bn

DEVELOPMENT COMMENCEMENTS

with 49% pre-committed

$1.5bn

DEVELOPMENT COMPLETIONS

with 95% committed

MANAGE

$1.5bn

VALUATION GROWTH

Valuation growth of $1.5 billion across the Group and Partnerships. Global WACR tightened 17bps to 4.7%

$51.8bn

TOTAL AUM

with external AUM increasing to $48.5 billion, up 6% on 1H FY20

$19.0bn

AVAILABLE LIQUIDITY

across the Partnership platform, comprising equity commitments, cash and undrawn debt

18.4%

GEARING

Average Partnership gearing of 18.4%

Section 2

RESULTS OVERVIEW

The Rambler, Goodman Interlink, Hong Kong, SAR, China

RESULTS OVERVIEW

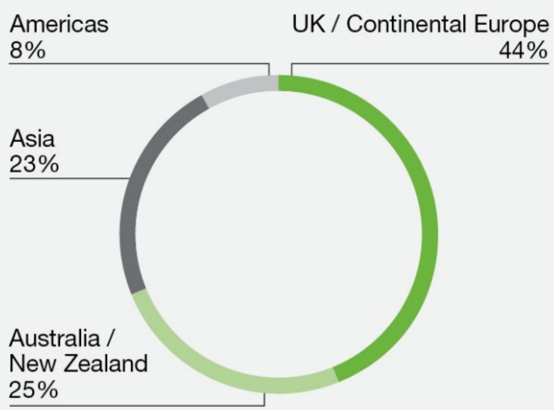
- + **Operating profit of $614.9 million up 16% on 1H FY20**
- + **Statutory accounting profit of $1,041.5 million**
  - – Includes property valuations, derivative and foreign currency mark-to-market movements and other non-cash, non-recurring items
- + **Operating EPS[1] of 33.1 cents[1] per security, up 15% on 1H FY20**
- + **DPS of 15.0 cents per security**
- + **Net tangible assets increased to $6.03 per security**
  - – Continued strong contribution from development.

	1H20	1H21
Operating profit ($M)	530.4	614.9
Statutory accounting profit ($M)	810.6	1,041.5
Operating EPS (cents)[1]	28.8	33.1
Distribution per security (cents)	15.0	15.0
	As at 30 June 2020	**As at 31 December 2020**
NTA per security ($)	5.84	6.03
Gearing (balance sheet) (%)[2]	7.5	4.8
Available liquidity ($B)	2.8	2.3
WACR (look through) (%)	4.9	4.7

1 Operating profit and operating EPS comprises profit attributable to Securityholders adjusted for property and valuations, derivative and foreign currency mark-to-market and other non-cash or non-recurring items and calculated based on weighted average securities of 1,857.7 million which includes 16.6 million LTIP securities which have achieved the required performance hurdles and will vest in September 2021 and September 2022.

2 Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $172.7 million (30 June 2020: $292.5 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $77.0 million (30 June 2020: $194.0 million).

Operating earnings by geographic segment



PROFIT AND LOSS

- + **Half year statutory accounting profit of $1,041.5 million, includes property valuations, derivative mark-to-markets and other non-cash or non-recurring movements**
  - – Global property revaluation gains for 1H FY21 were $1.5 billion, driven by rent growth, cap rate compression and development completions. The Group's share totalled $346.2 million
  - – Average A$ exchange rates were steady compared to prior corresponding period
- + **Strong half year operating profit of $614.9 million**
  - – Property investment income was down due to repositioning of assets for development and asset sales in FY20 and 1H FY21
- + **Management earnings in line with 1H FY20. Average Partnership total returns for the full year are expected to be in the mid teens**
- + **Growth in development earnings supported by the increase in the annualised production rate of the WIP**
- + **Operating expenses stable as the business continues to concentrate on its selected markets and utilising performance based compensation**
- + **Further reduction in borrowing costs are expected in 2H FY21 due to repayment of bonds, refinancing and the impacts of recent movements in market rates of interest and FX**
- + **Decrease in tax rate expected in FY21 due to location and composition of earnings.**

INCOME STATEMENT

	1H20 $M	1H21 $M
Property investment	213.3	196.1
Management[1]	219.0	219.2
Development[1]	300.1	397.2
Operating expenses	(139.7)	(138.9)
Operating EBIT[2]	**592.7**	**673.6**
Net borrowing costs	(29.9)	(28.4)
Tax expense	(32.4)	(30.3)
Operating profit	**530.4**	**614.9**
Weighted average securities (million)[3]	1,841.6	1,857.7
Operating EPS (cps)	28.8	33.1
Non operating items[4]		
Property valuation related movements	363.7	346.2
Fair value adjustments and unrealised foreign currency exchange movements related to capital management	15.2	196.4
Other non-cash adjustments or non-recurring items	(98.7)	(116.0)
Statutory profit	**810.6**	**1,041.5**

1 Fee revenues from single contractual arrangements involving a combination of inextricable Investment Management and Development Management services and recognised over the life of the underlying developments projects are classified as development income for statutory reporting purposes. During the period $39.2 million (1H FY20: $nil) of such income was recognised.

2 Look through Operating EBIT is $730.8 million and reflects $57.2 million adjustment to GMG proportionate share of Partnerships interest and tax (1H FY20: $647.5 million)

3 Includes 16.6 million securities which have achieved the required performance hurdles and will vest in September 2021 and September 2022 (1H FY20: $17.9 million)

4 Refer slide 25

BALANCE SHEET

- **Strong balance sheet maintained**
  - Gearing decreased to 4.8%[4] (from 7.5% FY20) and 16.6%[5] on a look-through basis
  - Cash utilised to repay $0.8 billion of bonds
  - Period end FX strength reduces A$ translated value of foreign denominated assets and liabilities
- **Movement in Partnership investments reflects asset sales and capital returns**
- **Total property revaluations across the Group and Partnerships of $1.5 billion with Goodman's share $346.2 million**
  - NTA increased 3.3% to $6.03 per security since June 2020
  - Net $0.2 billion or -2% FX impact on NTA.

$1.5bn

REVALUATION GAINS

3.3%

INCREASE IN NTA

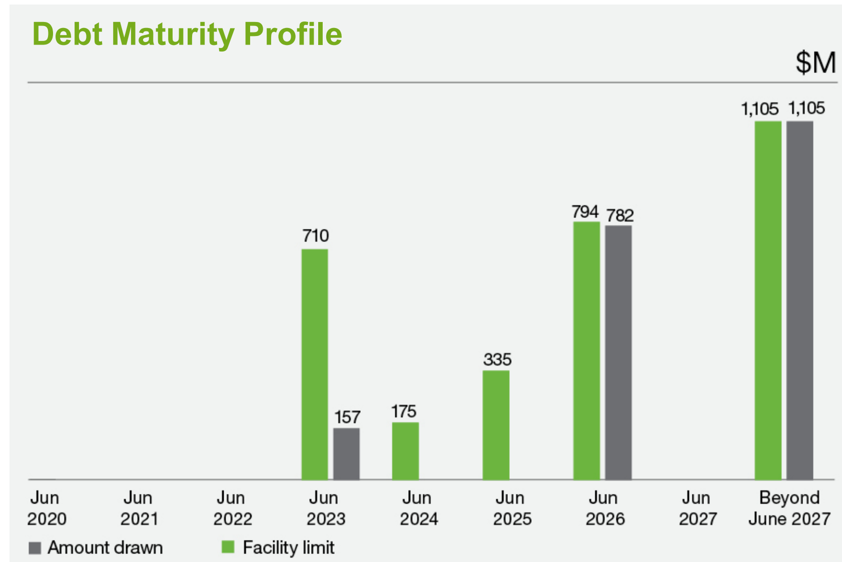
BALANCE SHEET

	As at 30 June 2020 $M	As at 31 December 2020 $M
Stabilised investment properties	1,798	1,813
Partnership investments[1]	7,807	7,659
Development holdings[2]	3,140	3,093
Intangibles	846	821
Cash	1,782	1,275
Other assets	765	797
Total assets	**16,138**	**15,458**
Interest bearing liabilities	(2,939)	(2,044)
Other liabilities	(1,679)	(1,446)
Total liabilities	**(4,618)**	**(3,490)**
Net assets	**11,520**	**11,968**
Net asset value ($)[3]	**6.30**	**6.48**
Net tangible assets ($)[3]	**5.84**	**6.03**
Balance sheet gearing (%)[4]	7.5	4.8

1. Includes Goodman's investments in its Partnerships and other investments
2. Includes inventories, investment properties under development and the Group's proportionate interest in development assets within the Partnerships
3. Based on 1,847.4 million securities on issue (FY20: 1,828.4 securities on issue)
4. Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $172.7 million (30 June 2020: $292.5 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $77.0 million (30 June 2020: $194.0 million).
5. Look through gearing includes the proportionate consolidation of gross assets and liabilities of equity accounted investments.

GROUP LIQUIDITY POSITION

- **Cash and available lines of credit (excluding Partnership debt and equity) of $2.3 billion as at 31 December 2020**
  - $1.3 billion in cash
  - $1.0 billion of available lines
- **Weighted average debt maturity profile of 6.1 years**
- **Gearing at 4.8%[1] (16.6%[2] look-through) and expected to remain at the lower end of the 0-25% policy range in the near-term**
- **Substantial headroom to financial covenants**
  - Average interest coverage ratio (ICR) at 16.8 times (look-through 9.6 times)
- **The Group expects to undertake an increased volume of development activity over the next few years. As a result, more capital will be allocated to development and Partnership investments on a consistent basis**
- **Stable and sustainable investment grade credit ratings across the Group**
  - BBB+ / Baa1 from S&P and Moody's respectively
- **Consistent with previous announcements, the Group will continue to maintain financial leverage in accordance with its Financial Risk Management policy. A payout ratio between 40-50% range is targeted at this point and will be reviewed regularly**
  - The payout ratio will enable the Group to fund its share of ongoing development activity while maintaining a disciplined approach to financial leverage and further strengthening the Group's balance sheet over the longer term.



$2.3bn
LIQUIDITY

4.8%
GEARING

1 Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $172.7 million (30 June 2020: $292.5 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $77.0 million (30 June 2020: $194.0 million).

2 Based on $2.8 billion net debt on $16.8 billion net assets of Group and proportionate share of Partnerships

3 Interest cover is operating profit before net finance expense (operating) and income tax (operating) divided by net finance expense (operating). The calculation is in accordance with the financial covenants associated with the Group's unsecured bank loans and includes certain adjustments to the numerator and denominator, including reversing the impacts of the new lease accounting standard.

Section 3

OPERATIONAL PERFORMANCE

Avion Logistics Centre, France

RESILIENCE THROUGH COVID

+ **Our business has adapted to the new operating environment. We have implemented fully flexible operating environment to provide safety and support wellbeing of employees while delivering high levels of productivity**
– Despite the challenges of the past 12 months (CY2020), the Group through its global operational team, has achieved significant levels of activity responding to opportunities and positioning for future growth
– Our approach to COVID 19 challenges globally, our employees commitment and sense of ownership, and the evolution of flexible working in our operations has established a strong platform to respond to the environment in 2021.

Key achievements in CY2020

Portfolio activity

+ 597 leasing transactions
+ $415m of net annual income
+ Minimal loss of rent and occupancy maintained at 97.9%

Significant development activity

+ WIP increased from $4.3bn to $8.4bn
+ Commenced 47 development projects totalling 1.6m sqm of new space valued at $6.3bn
+ Completed 45 development projects

Capital Markets

+ DCM and banking transactions across the Group and Partnerships totalling $4.6bn
+ Equity transactions of $2.7bn

Transactional Activity

+ Over 140 acquisition and disposal transactions across the Group and Partnerships globally
+ Total transaction value of $7bn


Redbank Motorway Estate, Brisbane, Australia

PROPERTY INVESTMENT

97.9% OCCUPANCY

4.7% WACR

- **Property fundamentals remain strong**
  - Occupancy of 98%
  - WALE of 4.4 years
  - Like-for-like net property income growth of 3.0%
- **Completed $2.2 billion of asset sales across the Partnerships in the period**
  - Temporarily impacting income growth but providing funding for development activities driving higher total returns and higher allocation to remaining stronger markets
- The Group's weighting to various markets through Partnership investments should support continued like-for-like NPI growth
- **Continued revaluation gains of $1.5 billion across the Group and Partnerships**
  - 17bps tightening in WACR to 4.7% over the period
  - **The Group continues to target key planning outcomes including higher and better use re-zoning opportunities, or increased floor space ratio opportunities through multi-level warehousing facilities**
  - These initiatives will provide future long-term value-enhancing development opportunities in supply constrained markets where developable land is scarce. This is expected to produce additional returns over time.

Port Industry Park, Brisbane, Australia

PROPERTY INVESTMENTS

	1H20	1H21
Direct ($M)	44.6	32.8
Partnership investments ($M)	168.7	163.3
Property investment earnings	**213.3**	**196.1**

KEY METRICS

	1H20	1H21
WACR (%)[1]	4.9	4.7
WALE (yrs)[1]	4.7	4.4
Occupancy (%)	98	98

1 Key metrics relate to Goodman and managed Partnership properties

DEVELOPMENT

- **Development activity remains strong globally with WIP at $8.4 billion.**
  - Customer led demand continues to support our conviction in increasing the workbook
  - Increased scale and higher value projects
- **Development metrics reflect quality of workbook and market fundamentals**
  - Commitment on WIP at 69% and averaging 95% commitment on completed projects reflects the desirability of sites and customer demand
  - Continued investment partnering with 80% of developments undertaken in the Partnerships
  - Development yield on cost at 6.6%
- **Asset creation capability providing strong risk adjusted returns and access to high quality real estate**
- **Scarcity of land is driving increased intensity of use including multi-storey logistics, data centres, and other commercial uses, providing potential value add opportunities.**

DEVELOPMENTS

	1H20	1H21
Development income ($M)	577.9	1,105.3
Development expenses ($M)	(277.8)	(708.1)
Development earnings ($M)	**300.1**	**397.2**

KEY METRICS

	1H20	1H21
Work in progress ($B)	4.3	8.4
Work in progress (million sqm)	1.9	2.5
Number of developments	55	56
Development for third parties or Partnerships (%)	77	80
Committed (%)	61	69
Yield on cost (%)	6.5	6.6

WORK IN PROGRESS (END VALUE)

	$B
Opening (June 2020)	**6.5**
Completions	(1.5)
Commencements	3.5
FX and other	(0.1)
Closing (December 2020)	**8.4**

MANAGEMENT

- **External AUM of $48.5 billion, up 6% on 1H FY20**
  - Growth in AUM impacted by asset sales, offset by development completions
- **AUM growth over the next few years to be supported organically by increased development activity and revaluations**
- **Management performance and outlook remain strong**
- **$1.8 billion of third party equity raised in the period. Partnerships remain well funded to take advantage of growth opportunities**
- **$19.0 billion of equity commitments[1], cash and undrawn debt available across the Partnership platform**
  - $6.4 billion in undrawn debt facilities and cash
  - $12.6[1] billion in undrawn equity.

MANAGEMENT

	1H20	1H21
Management earnings ($M)	219.0	219.2

KEY METRICS

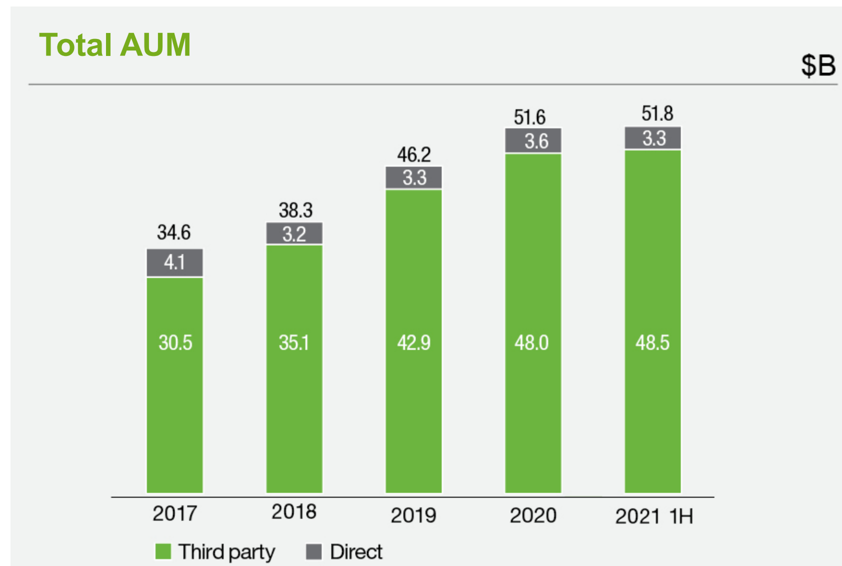
	1H20	1H21
Number of Partnerships	15	15
External AUM ($B)	45.7	48.5

$48.5bn

EXTERNAL AUM

$660m

AVERAGE PARTNER COMMITTMENT



1. Partnership investments are subject to Investment Committee approval

MANAGEMENT PLATFORM

	GAIP Australia	GHKLP Hong Kong	GEP Europe	GCLP China	GAP Australia	GNAP USA	GJCP Japan	GMT[3] New Zealand	GUKP[4] UK
Total assets ($B)	9.5	8.3	5.8	5.3	4.6	4.3	4.1	3.2	1.1
GMG co-investment (%)	29.1	20.3	20.4	20.0	19.9	55.0	14.7	21.4	33.3
GMG co-investment ($B)	2.0	1.4	0.7	0.8	0.7	2.0	0.4	0.5	0.3
Number of properties	100	11	92	36	34	16	18	11	7
Occupancy[1] (%)	95	98	99	98	97	100	100	100	100
Weighted average lease expiry[1] (years)	4.3	3.3	4.8	3.0	4.0	7.0	3.5	5.4	8.8
WACR (%)	5.0	4.2	4.4	5.6	5.0	4.1	4.3	5.2	4.2
Gearing[2] (%)	17.3	15.2	19.7	8.0	21.8	13.5	29.8	21.5	23.1
Weighted average debt expiry (years)	4.3	4.8	5.9	3.8	5.0	5.3	5.6	5.1	4.8

1 WALE and occupancy of stabilised portfolio as at 31 December 2020
2 Gearing calculated as total interest bearing liabilities over total assets, both net of cash
3 GMT: Results are as at 30 September 2020 as reported to the New Zealand Stock Exchange
4 Consists of GUKP1 and GUKP2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

GRESB
REAL ESTATE
Sector Leader 2020

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Goodman's sustainability strategy increases our commitments and accelerates our progress with clearly defined targets to hold ourselves accountable, under three pillars.

PROPERTY

Our sustainably designed, energy-efficient and professionally managed properties are strategically located to meet the business, health and wellbeing needs of our customers, as well as to remain resilient to tomorrow's global challenges

HIGHLIGHTS

+ Entrenched and increased design initiatives in our global development specifications such as solar PV, electric vehicle charging points, LED lighting and drought tolerant landscaping
+ Increased targeted solar PV installation globally from 100MW to 400MW by 2025.Currently approx. 50MW of solar PV installed
+ Introduced 100% renewable energy use target within our operations by 2025.

PEOPLE & CULTURE

Our workplaces promote the health, safety and wellbeing of our people and our customers. Our people are recruited and rewarded based on their commitment to our values, their local expertise and their long-term strategic and ethical thinking.

HIGHLIGHTS

+ Refreshed our safety framework across Goodman's operations, including safety training and contractor management procedures
+ Commenced a modern slavery evaluation process in Australia and drafted Goodman's modern slavery statement
+ 98% of Goodman employees were assessed as 'demonstrating' or 'exceeding' Goodman's values.

CORPORATE PERFORMANCE

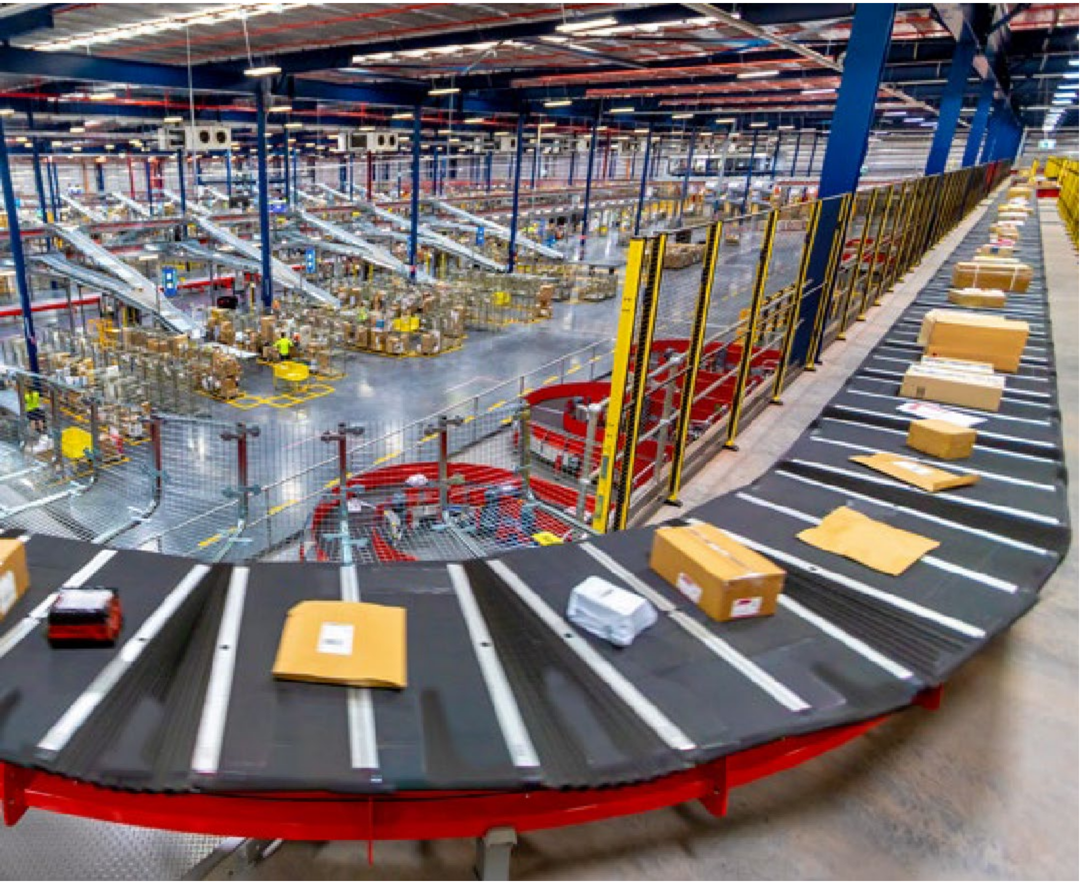
Our capital structure is sustainable and we have a positive impact in our global communities through the Goodman Foundation. We promote strong leadership and governance, engage regularly with our stakeholders and measure and disclose our financial and community impact.

HIGHLIGHTS

+ Awarded Global Sector Leader and Regional Sector Leader in the 2020 GRESB study for three Goodman Group Partnerships
+ Completed the global climate risk assessment in accordance with recommendations by the TCFD
+ Significant progress in our targeted $50m social investment by the Goodman Foundation by 2030.

Section 4

OUTLOOK



Oakdale South Industrial Estate, Sydney, Australia

OUTLOOK

ATL Logistics Centre, Hong Kong, SAR, China

Strong demand driven by the digital economy continues to sustain activity and property fundamentals for our business

+ **We expect that the challenges brought about by COVID-19 are likely to continue in the medium term despite implementation of vaccinations**
  – Our business has adapted to the new operating environment seamlessly and is positioned to ensure the safety and wellbeing of our people while delivering high levels of productivity.

+ **The logistics and warehousing sector continues to play a significant role globally in providing essential infrastructure, enabling reliable distribution of products**

+ **Global supply chains are under pressure to meet increasing consumer requirements and higher utilisation**
  – Growth in the digital economy has seen a enduring shift towards higher penetration of retail sales online and increased digital activity
  – These long term trends in changing consumer behaviour have increased requirements of supply chains.

+ **Our development activity is reflecting these enduring changes and we have again increased the levels of development work in progress. We have the capacity to increase WIP further in FY21**
  – We expect this shift to increased levels of activity to be prolonged, driving higher profitability and potentially working capital requirements in the next few years

+ **Scarcity of land and increasing environmental considerations of greenfield development, is driving increased intensity of use from existing sites. This is providing value add opportunities through multi-storey logistics, data centres, and other commercial uses.**

OUTLOOK

+ **Partnership performance and outlook remains strong**
– Underlying real estate fundamentals continue to support positive valuation outlook and long-term growth
– Customer demand and supply constraints are supporting rents and occupancy
– Continued investment demand for the sector
– Strong industrial real estate pricing and implied land values are increasingly seeing value add opportunities across our existing stabilised assets

+ **We continue to progress and have increased our commitment to renewable energy and carbon neutrality. We're also improving the work spaces for our people to provide flexibility. We are contributing to the communities we're in and adapting our properties, particularly how they respond to a changing climate.**
– GRESB results announced in the half showed consistent improvement across our global portfolio, with three Partnerships awarded Regional Sector Leader and Global Sector Leader
– Increased our environmental sustainability targets to install 400MW of solar capacity by 2025 primarily through solar investments at our properties at an estimated cost of $400 million
– Targeting carbon neutral operations for Goodman Group by 2025.

+ **Maintaining a strong balance sheet and retaining income, provides significant liquidity, stability and financial resources for growth and to optimise returns**
– The Group has significant expertise and a strategic real estate portfolio, to generate opportunities in changing operating conditions.

+ **The business is performing strongly. The enduring shift in utilisation and requirement driven by the long term trends in the digital economy is supporting demand from our customers**

+ **Consequently we have upgraded forecast FY21 operating profit to $1.2 billion (representing EPS growth of 12% on FY20)**
– Forecast distribution for FY21 will remain at 30.0 cents per security in line with our financial risk management policy
– The Board sets targets annually and reviews forecasts regularly. Forecasts are subject to there being no material adverse change in the market conditions or the occurrence of other unforeseen events.

30.0¢
FY21 DPS

$1.2bn
FY21 OPERATING PROFIT

12%
OPERATING EPS GROWTH

Appendix 1

RESULTS ANALYSIS

Goodman Logistics Center El Monte, Los Angeles, USA

PROFIT AND LOSS

CATEGORY	Total $M	Property investment $M	Management $M	Development $M	Operating expenses $M	Non-operating items $M
Gross property income	48.6	48.6	–	–	–	–
Management income	180.0	–	180.0	–	–	–
Development income[1]	1,082.9	–	39.2	1,043.7	–	–
Distributions from investments	–	–	–	–	–	–
Net gain from fair value adjustments on investment properties	12.1	–	–	–	–	12.1
Net gain on disposal of investment properties	–	–	–	–	–	–
Share of net results of equity accounted investments	562.1	163.3	–	61.6	–	337.2[2]
Net gain on disposal of equity investments	–	–	–	–	–	–
Total income[1]	**1,885.7**	**211.9**	**219.2**	**1,105.3**	**–**	**349.3**
Property and development expenses	(723.9)	(15.8)	–	(708.1)	–	–
Employee, administrative and other expenses	(250.7)	–	–	–	(138.9)	(111.8)
EBIT / Segment operating earnings	**911.7**	**196.1[3]**	**219.2[3]**	**397.2[3]**	**(138.9)**	**237.5**
Net gain from fair value adjustments on investment properties	(12.1)	–	–	–	–	(12.1)
Share of net gain from fair value adjustments on investment properties, unrealised derivative gains and non-recurring items within associates and JVs	(337.2)	–	–	–	–	(337.2)
Share based payments expense	111.8	–	–	–	–	111.8
Operating EBIT[4] / Segment operating earnings	**673.6**	**196.1**	**219.2**	**397.2**	**(138.9)**	**–**
Net finance expense (statutory)	186.5					
Less: fair value adjustments on derivative financial instruments	*(214.9)*					
Net finance expense (operating)	(28.4)					
Income tax expense (statutory)	(56.1)					
Add: deferred tax on fair value adjustments on investment properties	*23.8*					
Add: deferred tax on other non-operating items	*2.0*					
Income tax expense (operating)	(30.3)					
Operating profit available for distribution	**614.9**					
Net cash provided by operating activities[5]	**878.5**					

1. Fee revenues from single contractual arrangements involving a combination of inextricable Investment Management and Development Management services and recognised over the life of the underlying developments projects are classified as development income for statutory reporting purposes. During the period $39.2 million (HY20: $nil) of such income was recognised.
2. Includes share of associate and joint venture property valuation gains of $357.9 million, share of fair value adjustments of derivative financial instruments in associates and joint ventures of $(18.5) million and other non-cash, non-recurring items within associates of $(2.2) million
3. Segment operating earnings is total income less property and development expenses (excludes employee, administrative and other expenses)
4. Look through Operating EBIT is $730.8 million and reflects $57.2 million adjustment to GMG proportionate share of Partnerships interest and tax (1H FY20: $647.5 million)
5. Difference between operating profit and cash provided by operating activities of $263.6 million relates to:
   - $250.5 million development activities including capitalised and prepaid interest
   - $72.5 million cash share of equity accounted income
   - $(59.4) million of other working capital movements

RECONCILIATION NON-OPERATING ITEMS

Non-operating items in statutory income statement	Total $M	Half year ended 31 December 2020 $M
Property valuation related movements		
Net gain from fair value adjustments attributable to investment properties	12.1	
Share of net gain from fair value adjustments attributable to investment properties in associates and joint ventures after tax	357.9	
Deferred tax on fair value adjustments on investment properties	(23.8)	
Subtotal		**346.2**
Fair value adjustments and unrealised foreign currency exchange movements related to capital management		
Fair value adjustments on derivative financial instruments – GMG	214.9	
Share of fair value adjustments on derivative financial instruments in associates and joint ventures	(18.5)	
Unrealised foreign exchange loss	–	
Subtotal		**196.4**
Other non-cash adjustments or non-recurring items		
Share based payments expense	(111.8)	
Straight lining of rental income and tax deferred adjustments	(4.2)	
Subtotal		**(116.0)**
TOTAL		**426.6**

FINANCIAL POSITION

As at 31 December 2020	Direct Assets $M	Property investment $M	Development $M	Other $M	Total $M
Cash	–	–	–	1,275.2	1,275.2
Receivables	–	–	258.1	272.3	530.4
Inventories	–	–	1,141.1	–	1,141.1
Investment properties	1,813.0	–	12.4	–	1,825.4
Investments accounted for using equity method	–	7,655.7	1,676.2	–	9,331.9
Intangibles	–	–	–	821.1	821.1
Other assets	–	2.9	4.9	525.3	533.1
Total assets	**1,813.0**	**7,658.6**	**3,092.7**	**2,893.9**	**15,458.2**
Interest bearing liabilities				(2,043.8)	(2,043.8)
Other liabilities				(1,446.1)	(1,446.1)
Total liabilities				**(3,489.9)**	**(3,489.9)**
Net assets/(liabilities)				**(596.0)**	**11,968.3**
Gearing[1] %					**4.8**
NTA (per security)[2] $					**6.03**
Australia / New Zealand	1,805.8	3,294.6	759.0	144.2	6,003.6
Asia	–	2,158.3	654.3	443.7	3,256.3
CE	–	808.8	517.4	811.2	2,137.4
UK	7.2	132.2	401.8	264.7	805.9
Americas	–	1,264.7	760.2	65.1	2,090.0
Other	–	–	–	1,165.0	1,165.0
Total assets	**1,813.0**	**7,658.6**	**3,092.7**	**2,893.9**	**15,458.2**

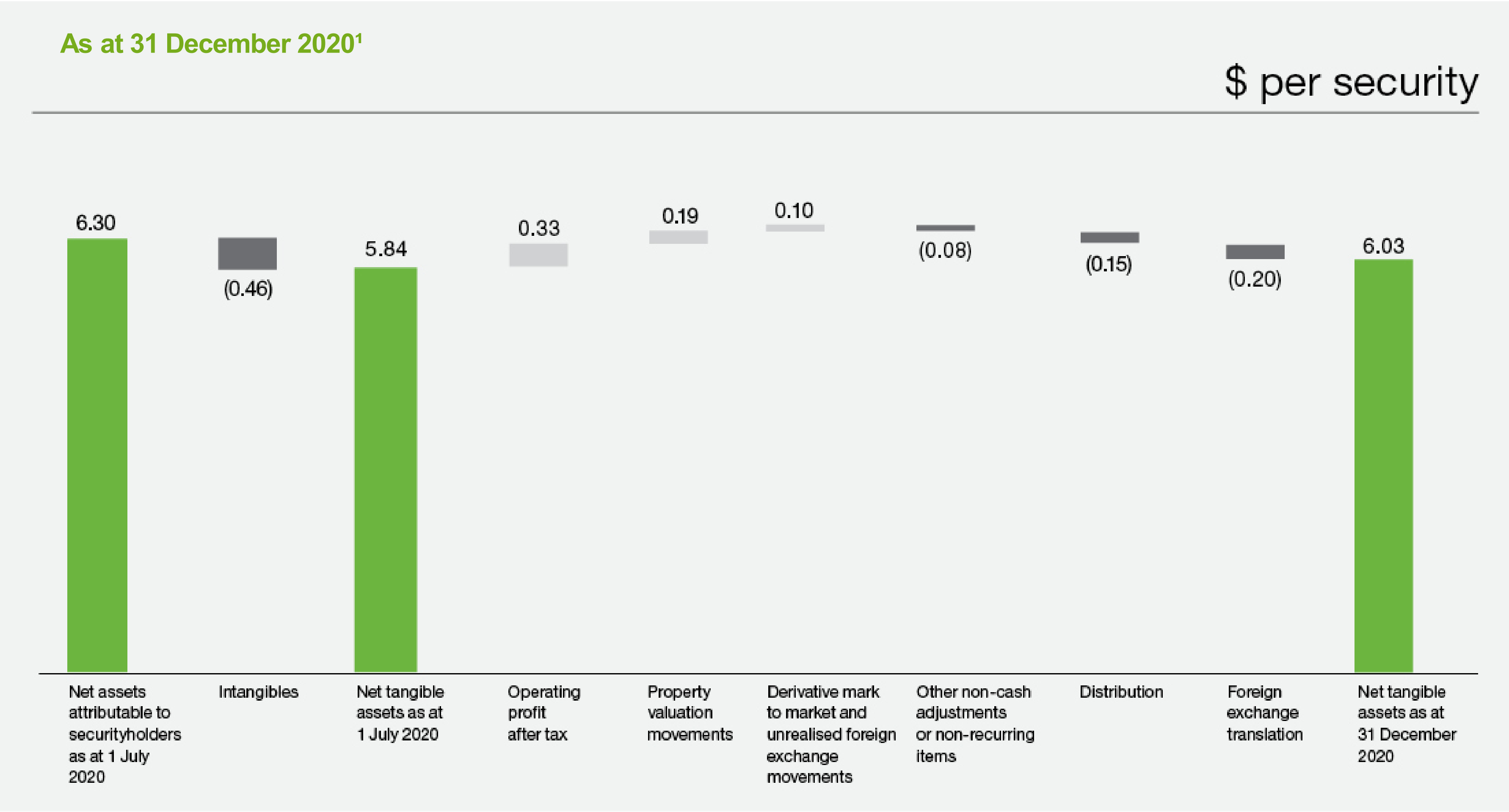
Capital Allocation

$B

1 Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of $172.7 million (30 June 2020: $292.5 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of $77.0 million (30 June 2020: $194.0 million).

2 Calculated based on 1,847.4 million securities on issue

NET TANGIBLE ASSET MOVEMENT



1. Calculated on 1,847.4 million securities being closing securities on issue

PROPERTY VALUATIONS

- As the impacts of Covid-19 have become further understood in recent months and the scale of consumer spending shifts are realised, industrial and logistics assets have proven to be an asset class that is in demand and continued to generate positive revaluations overall
- Market rental growth, cap rate compression, development completions within the Partnerships and FX have been drivers of the valuation increase.
- The global portfolio cap rate has compressed by 17bps to 4.7% over 1H FY21
- Continental European average cap rate impacted by the sale of assets with higher average yield than the prior portfolio average
- Revaluation gains across the global portfolio for the half year totalled $1,490 million, with the Group's share $378.7[1] million.

31 DECEMBER 2020 PROPERTY VALUATIONS (LOOK THROUGH)

	Book value (GMG exposure) $M	Valuation movement since June 2020 $M[1]	WACR %	WACR movement since June 2020 %
Australia[2] / New Zealand	6,839.8	121.4	5.0	-0.1
Asia	3,414.1	64.5	4.6	0.0
UK / Continental Europe	2,419.9	56.9	4.3	-0.5
Americas	2,398.5	135.9	4.1	-0.3
Total / Average	15,072.3	378.7	4.7	-0.2

1 Excludes deferred taxes and other transfers of $32.5 million. Net revaluation for Goodman share of $346.2 million

2 Australia excludes urban renewal sites which are valued on a rate per residential unit site basis

Appendix 2

PROPERTY INVESTMENT

Highbrook Business Park, Auckland, Nsw Zealand

LEASING

1.9m
SPACE LEASED

97.9%
OCCUPANCY

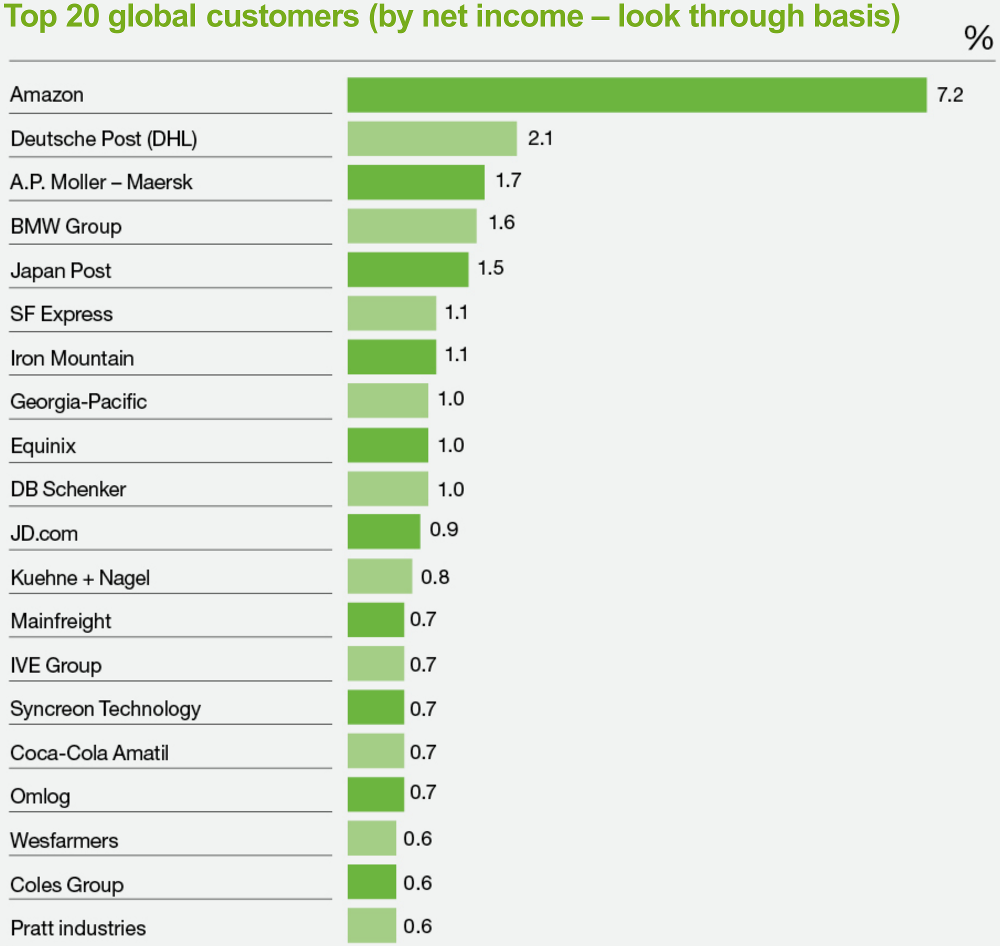
Across the Group and Partnerships:

+ 1.9 million sqm leased during the year, equating to $268.7 million of annual rental property income
+ High occupancy at 97.9%.

Region	Leasing area SQM	Net annual rent $M	Average lease term YEARS
Australia / New Zealand	772,135	112.0	4.9
Asia	930,092	135.7	3.3
UK / Continental Europe	242,444	21.0	6.4
Total	**1,944,671**	**268.7**	**4.2**

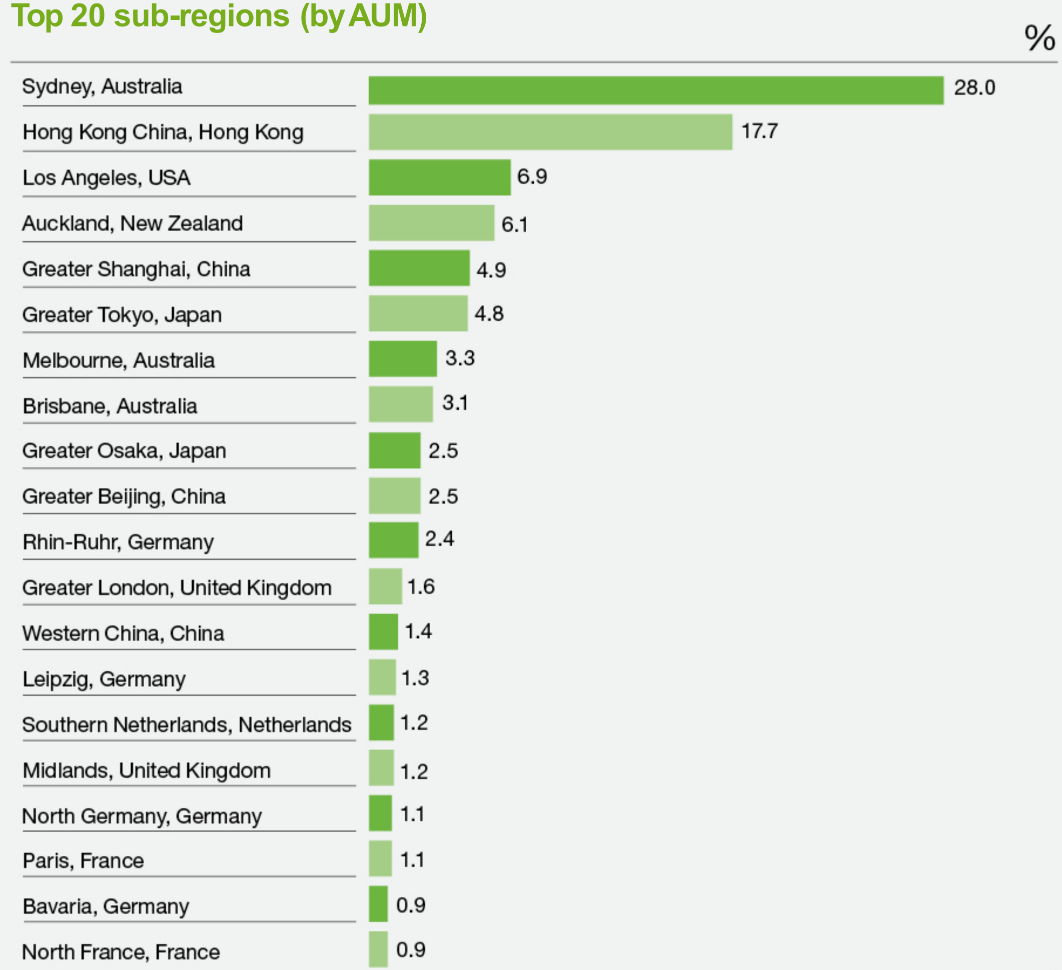
CUSTOMERS

Top 20 global customers (by net income – look through basis)



GEOGRAPHIC EXPOSURE

Top 20 sub-regions (by AUM)



DIRECT PORTFOLIO DETAIL

- Long term strategic portfolio with potential for higher and better use, re-zoning and redevelopment
- 22 properties with a total value of $1.8[1] billion located primarily in the Sydney market
  – Represents a significant part of the urban renewal portfolio
- Leasing transactions remain strong across the portfolio
  – 119,475 sqm ($16 million net annual rental) of existing space leased
- 91% occupancy and a weighted average lease expiry of 4.4 years reflects assets held vacant pending redevelopment
- Average portfolio valuation cap rate of 5.2%[1].

KEY METRICS[1]

	1H 21
Total assets ($B)	1.8
Customers	292
Number of properties	22
Occupancy (%)	91
Weighted average cap rate (%)	5.2[1]

1 Stabilised properties


Aerial view from South Sydney, Australia


Alexandria Industrial Estate, Sydney, Australia

Appendix 3

DEVELOPMENT

Amazon facility at Oakdale West Industrial Estate, Sydney, Australia.

DEVELOPMENTS

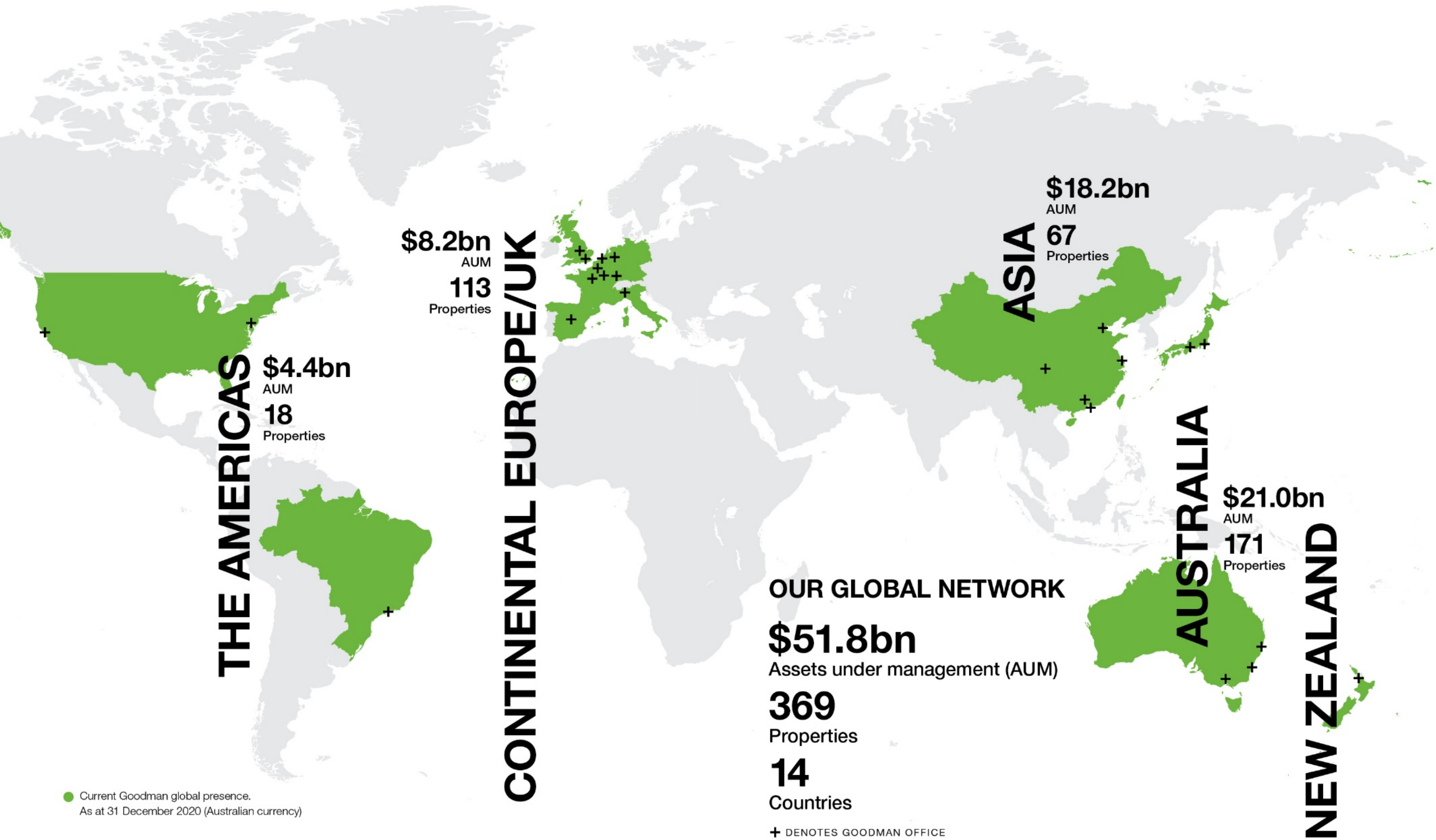
1H 21 DEVELOPMENTS

	Completions	Commencements	Work in progress
Value ($B)	1.5	3.5	8.4
Area (m sqm)	0.6	1.0	2.5
Yield (%)	6.2	6.3	6.6
Committed (%)	95	49	69
Weighted average lease term (years)	15.2	13.6	14.0
Development for third parties or Partnerships (%)	84	77	80
Australia / New Zealand (%)	15	7	21
Asia (%)	33	54	54
Americas (%)	15	7	9
UK / Continental Europe (%)	37	32	16

Appendix 4

MANAGEMENT

GLOBAL PLATFORM

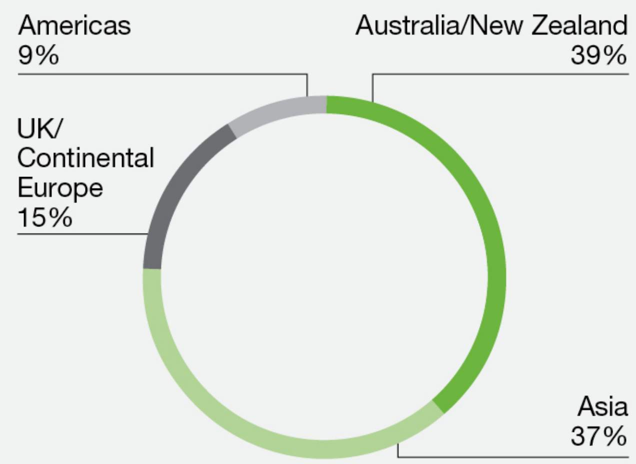


● Current Goodman global presence.
As at 31 December 2020 (Australian currency)

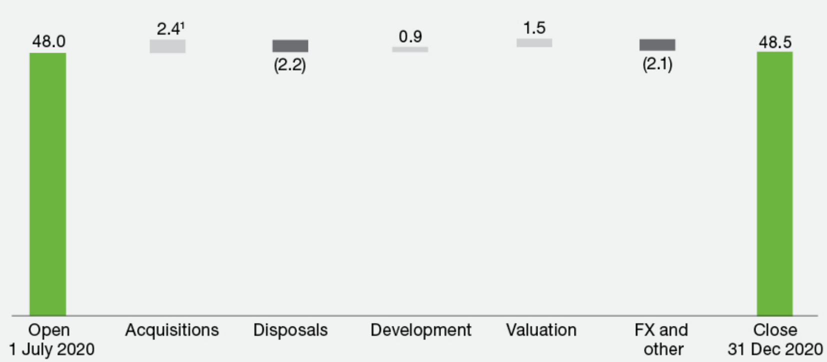
MANAGEMENT – AUM

- **The majority of Goodman's assets reside in Partnerships**
  - The Group manages 15 Partnerships with 49 investors who are represented on the Boards and Investment Committees independent of Goodman
  - Goodman maintains a 26% average equity cornerstone position in the Partnerships to ensure alignment and exposure to a high quality globally diversified portfolio
  - Partnership average gearing is 18.4%
  - The average drawn and committed equity per partner is $660 million (excluding GMT)

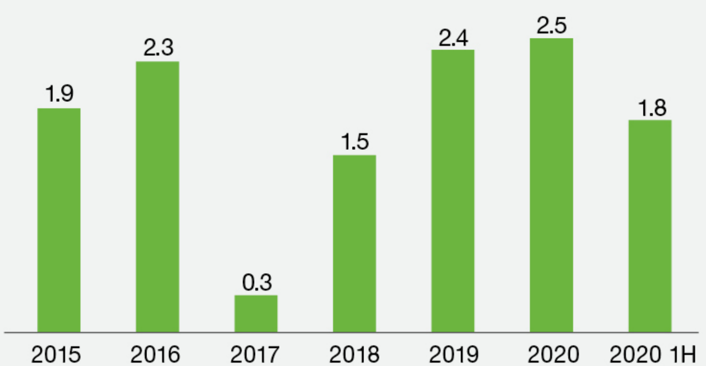
Third party AUM by region



Third party AUM



Third party equity raised within Partnerships

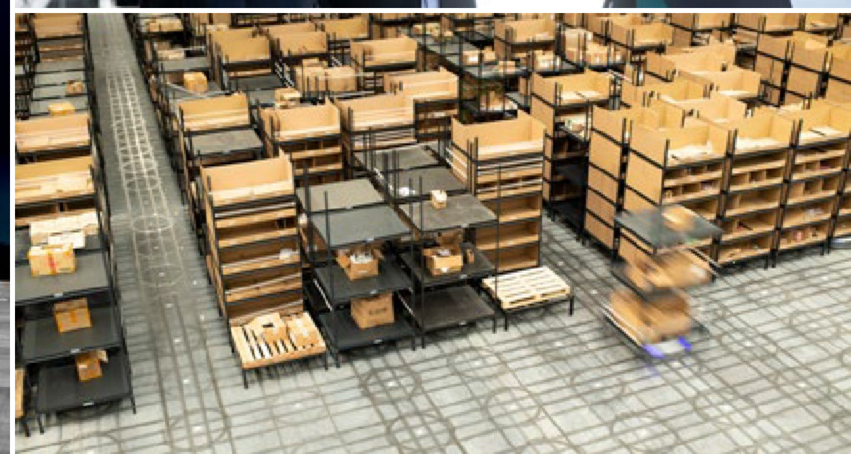


1. Acquisitions total includes consolidation of 3rd party share of Australian joint ventures and purchase of assets from GMG balance sheet and GMG JV's

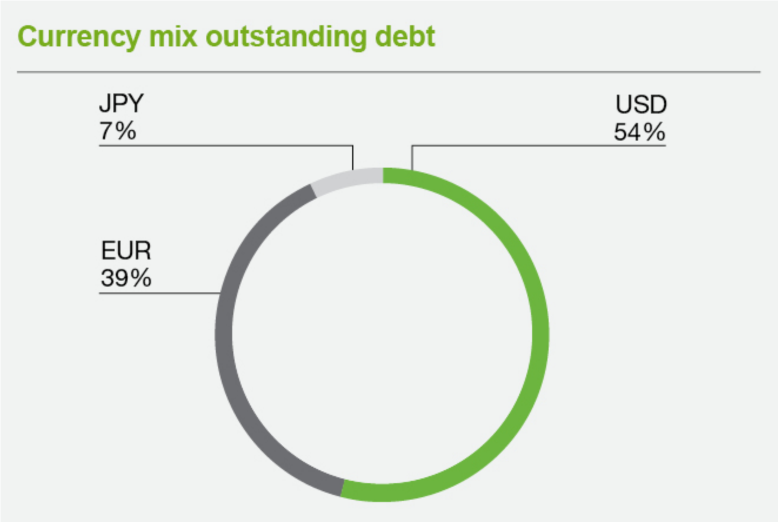
Appendix 4

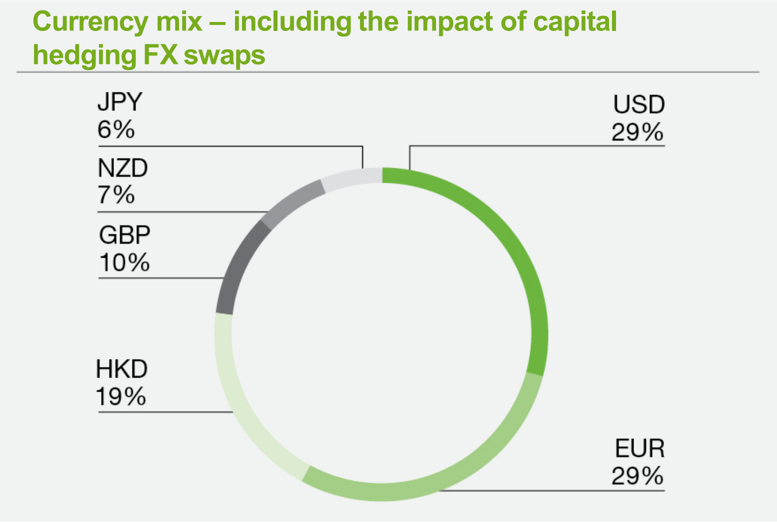
CAPITAL

Bedford Commercial Park, Bedford, United Kingdom



CURRENCY MIX





FINANCIAL RISK MANAGEMENT

The Group has a robust capital management framework

+ **The Group has a robust capital management framework, under its Financial Risk Management (FRM) policy. This provides:**

– Stronger balance sheet which has been reflected in our credit ratings from S&P and Moody's BBB+ / Baa1 respectively

– Covenants that are appropriate for our operations

– Diversified sources of funding

– Long-term debt sources to stabilise the funding base

+ **The Group has been actively reducing financial leverage in the business:**

– Group target gearing range 0%–25%

– Gearing level will be determined with reference to mix of earnings and capital needs.

+ **Interest risk management:**

– Policy to ensure between 60% and 100% of current year interest rates are fixed

– 62% hedged over next 12 months

– Weighted average hedge maturity of 8.3 years

– Weighted average hedge rate of 1.48%[1]

+ **Foreign currency risk management:**

– Policy to hedge between 65% and 90% of foreign currency denominated net assets

– 74% hedged as at 31 December 2020, of which 38% is debt and liabilities and 62% is derivatives

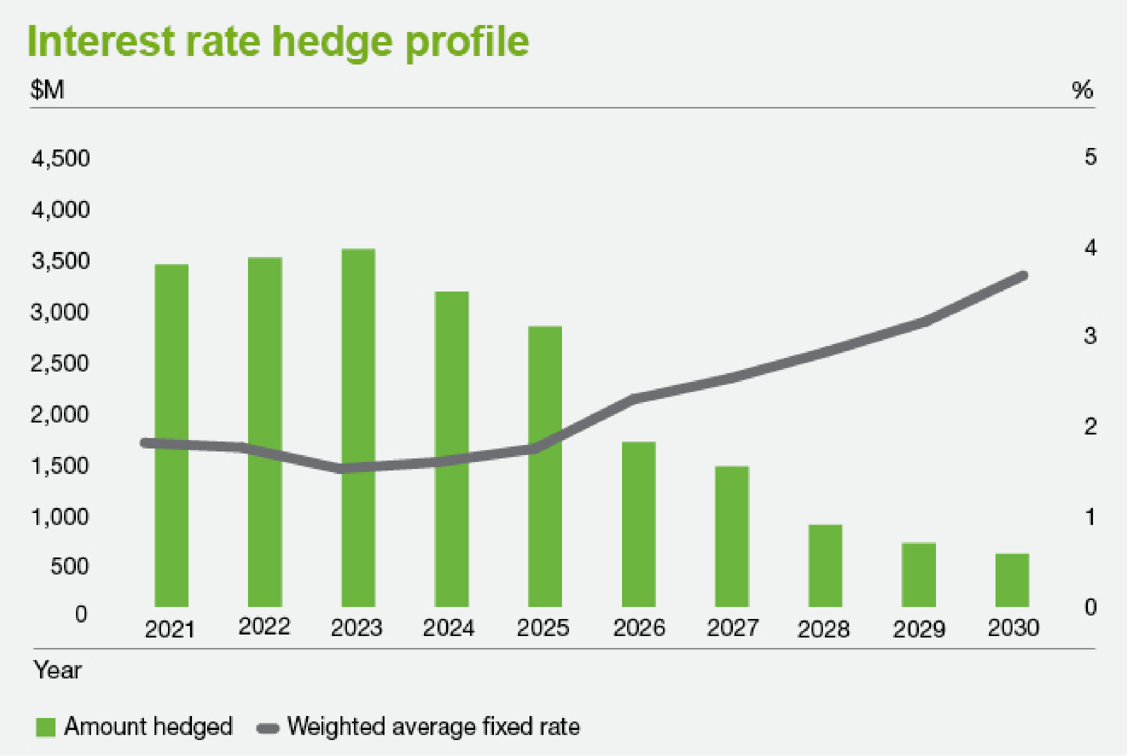
– Weighted average maturity of derivatives

– 3.9 years.

1 Includes the strike rate on interest rate cap hedges

FINANCIAL RISK MANAGEMENT (CONT)

+ **Interest rates are hedged to 62% over next 12 months**
  – Weighted average hedge rate of 1.48%[1]
  – NZD – hedge rate 1.29%
  – JPY – hedge rate 1.87%
  – HKD – hedge rate 1.49%
  – GBP – hedge rate 1.65%
  – Euro – hedge rate 0.72%
  – USD – hedge rate 4.07%
+ **Weighted average hedge maturity of 8.3 years**



1 Includes the strike rate on interest rate cap hedges

FINANCIAL RISK MANAGEMENT (CONT)

FOREIGN CURRENCY DENOMINATED BALANCE SHEET HEDGING MATURITY PROFILE

	Weighted average maturity	Weighted average exchange rate	Amount receivable[1]	Amount payable[1]
NZ$	2.4 years	1.0864	A$368.3m	NZ$400.0m
HK$	3.9 years	5.7047	A$1,140.0m	HK$6,490.0m
US$	3.2 years	0.7141	A$634.6m	US$450.0m
¥	4.7 years	75.4506	A$225.3m	¥17,000.0bn
€	4.9 years	0.6168	A$932.3m	€575.0m
£	4.0 years	0.5635	A$587.6m	£330.0m
CNY[2]	3.2 years	7.6477	US$500.0m	CNY3,823.9m

1 Floating rates apply for the payable and receivable legs for the cross currency swaps

2 Forward exchange contract, net settled in USD

EXCHANGE RATES

STATEMENT OF FINANCIAL POSITION – EXCHANGE RATES AS AT 31 December 2020

+ **AUDGBP – 0.5637**	(30 June 2020: 0.5566)
+ **AUDEUR – 0.6295**	(30 June 2020 0.6128)
+ **AUDHKD – 5.9703**	(30 June 2020: 5.3402)
+ **AUDBRL – 3.9981**	(30 June 2020: 3.7602)
+ **AUDNZD – 1.0706**	(30 June 2020: 1.0694)
+ **AUDUSD – 0.7694**	(30 June 2020: 0.6890)
+ **AUDJPY – 79.4790**	(30 June 2020: 74.2910)
+ **AUDCNY – 5.0215**	(30 June 2020: 4.8688)

STATEMENT OF FINANCIAL PERFORMANCE – AVERAGE EXCHANGE RATES FOR THE 6 MONTHS TO 31 December 2020

+ **AUDGBP – 0.5537**	(30 June 2020: 0.5329)
+ **AUDEUR – 0.6126**	(30 June 2020: 0.6071)
+ **AUDHKD – 5.6086**	(30 June 2020: 5.2340)
+ **AUDBRL – 3.8957**	(30 June 2020: 2.9963)
+ **AUDNZD – 1.0730**	(30 June 2020: 1.0544)
+ **AUDUSD – 0.7236**	(30 June 2020: 0.6714)
+ **AUDJPY – 76.1775**	(30 June 2020: 72.6051)
+ **AUDCNY – 4.8965**	(30 June 2020: 4.7200)

THANK YOU