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Goodman European Logistics Fund launches €400 million underwritten rights issue and announces €800 million debt package

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Release Immediate

Goodman Group (Goodman or Group) today announces that Goodman European Logistics Fund (GELF or Fund) has launched a €400 million underwritten equity raising (Rights Issue) and agreed credit approved terms for a new €800 million debt package (the Refinance).

Goodman Group CEO and Chairman of the GELF Investment Committee, Greg Goodman said, "These are significant capital management initiatives for the Fund which will further strengthen GELF's balance sheet and ensure gearing is maintained below 40% in line with the Fund's long term gearing target. The initiatives will also provide approximately €500 million of investment capability giving the Fund capacity to increase gross assets to €2 billion and improving financial flexibility."

The key details of the initiatives are as follows:

Rights Issue

- + €400 million to be undertaken by way of a pro-rata rights issue
- + €345 million fully underwritten by APG (€150 million), PGGM (€50 million) and Goodman (€145 million)
- + Pricing at current unit value
- + The allocation structure under the offer will see Goodman scaled back, subject to demand from existing and new investors.

Refinance

- + €400 million of secured facilities
- + €400 million unsecured facility
- + The unsecured facility has been structured to allow GELF to transition to debt capital markets over the next few years to diversify its long term funding sources.

GELF is Continental Europe's largest unlisted logistics fund with €1.6 billion of high quality logistics assets under management. The Fund has a weighted average lease term of approximately five years and customers include blue chip companies such as Kuehne & Nagel, Amazon, DHL and DSV.

The Rights Issue secures funding for GELF's development pipeline, and provides the investment capacity for the Fund to participate in development opportunities from the Group through its first right of refusal and opportunities from the broader market.

Goodman Group Continental European CEO, Danny Peeters said, "The Group has a market leading position in European logistics and the operational platform continues to provide a strong pipeline of high quality core logistics product with strong ongoing demand from the investment market. The Rights Issue allows GELF to enhance its portfolio and consider other strategic opportunities over the short term."

APG's Head of European Non-Listed Property Investments, Robert-Jan Foortse said, "By continuing to support the platform we aim to enhance our exposure to a portfolio that contains high quality assets in the logistics sector which are well diversified over Continental Europe's main economies. The improved balance sheet strength post these initiatives positions GELF very well to take advantage of opportunities across Europe."

PGGM's Senior Investment Manager, Private Real Estate Europe, Mathieu Elshout said, "We have been satisfied with GELF's performance since making our initial investment last year, and with this equity raising we believe the Fund will be well positioned to benefit from opportunities currently available in the market."

Mr Goodman concluded, "The GELF initiatives demonstrate the ongoing support of both equity and debt capital partners for our managed fund platform, which is a critical element in the execution of the Group's strategy. Together with our venture with CBRE Realty Trust, Goodman has significant capability and resources to participate in the Continental European logistics market where it is a leading player."

- ENDS -

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About Goodman:

For more information please visit: www.goodman.com

About GELF:

For more information please visit: www.goodman.com/fund-management/gelf

About APG:

For more information please visit: www.apg.nl