

Goodman+Bonds

Goodman Property Trust

7 year fixed rate bonds+

maturity June 2022



senior
secured

BBB+
issue credit rating



\$75m
plus up to
\$25 million of
oversubscriptions





8 June 2015

This terms sheet (**Terms Sheet**) sets out the key terms of the offer by GMT Bond Issuer Limited (**Issuer**) of \$75,000,000 (with the ability to accept up to \$25,000,000 in oversubscriptions) of fixed rate secured bonds maturing on 23 June 2022 (**Goodman+Bonds**) under its bond master trust deed dated 6 November 2009 (as amended from time to time) as modified and supplemented by the bond supplemental trust deed dated 8 June 2015 entered into between the Issuer and Public Trust (**Bond Trustee**) (together, **Bond Trust Documents**).

Important notice

The offer of debt securities by the Issuer is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**).

The offer contained in this Terms Sheet is an offer of bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as the Issuer's \$100,000,000 fixed rate secured bonds maturing on 16 December 2020 which are currently quoted on the NZX Debt Market under the ticker code GMB020 (**GMB020 Bonds**). The Goodman+Bonds are of the same class as the GMB020 Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014 (**FMC Regulations**).

The Issuer is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (**NZX**) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/GMB.

The GMB020 Bonds (which have a fixed interest rate of 6.20% and a redemption date of 16 December 2020) are the only debt securities of the Issuer that are in the same class as the Goodman+Bonds and are currently quoted.

Investors should look to the market price of the GMB020 Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.

Issuer	GMT Bond Issuer Limited, a wholly owned subsidiary of Goodman Property Trust (GMT)
Description	The bonds are fixed rate, senior secured bonds of the Issuer, and are guaranteed by GMT (Goodman+Bonds).
Purpose	General corporate purposes and to repay bank debt. The Issuer will on-lend the proceeds of the Offer to GMT by way of an interest bearing loan. GMT will use the funds, after paying the costs of the issue, for general corporate purposes and to repay borrowings under GMT's bank facility. GMT will pay interest to the Issuer to enable the Issuer to pay interest on the Goodman+Bonds to Bondholders.
Amount	\$75,000,000 with the ability to accept oversubscriptions up to \$25,000,000 at the discretion of the Issuer
Opening Date	Monday 8 June 2015
Closing Date	Tuesday 16 June 2015
Rate Set Date	Tuesday 16 June 2015
Issue Date	Tuesday 23 June 2015
Maturity Date	Thursday 23 June 2022
Security	Each GMT Group Company (as described below), including the Issuer, has granted security in favour of NZGT (GMT) Security Trustee Limited (Security Trustee), including mortgages over real property, held by these companies. The benefit of that security is held by the Security Trustee for all Beneficiaries (including the banking syndicate, existing bondholders and the US private placement note holders) on an equal ranking basis. The GMT Group Companies are the wholly-owned subsidiaries of GMT being Goodman Property Aggregated Limited, Goodman Nominee (NZ) Limited, Goodman (Highbrook) Limited, Highbrook Development Limited, Highbrook Business Park Limited, Henshaw Goodman Limited, Henshaw Holdings Limited, the Issuer and GMT Wholesale Bond Issuer Limited. Wynyard Precinct Holdings Limited (GMT's joint venture company with GIC, Singapore's sovereign wealth fund) and its subsidiaries do not provide security in favour of the Security Trustee and the shares that Goodman Nominee (NZ) Limited holds in Wynyard Precinct Holdings Limited are excluded from the security granted in support of the Goodman+Bonds.

Guarantee	The Goodman+Bonds are guaranteed by GMT. GMT's obligations are in turn guaranteed by each GMT Group Company.	
LVR Covenant	<p>The Bond Trust Documents include a loan-to-value ratio covenant (LVR Covenant) that requires the Issuer to ensure that, while any Goodman+Bonds are outstanding, the ratio (LVR) of:</p> <ul style="list-style-type: none"> (a) consolidated Finance Debt of the Group (which includes the Hedged Value of any Hedged Foreign Currency Borrowings); to (b) the value of the properties comprising the Security Pool, <p>is at all times less than 50% (as those terms are defined in the Bond Trust Documents). A breach of the LVR Covenant would be an Event of Review under the Bond Trust Documents.</p>	
Further Indebtedness	GMT, the Issuer and other members of the Group may incur Finance Debt (including bank debt or debt in respect of new bonds or new US private placement notes), without your consent, while the Goodman+Bonds are outstanding.	
Credit Ratings	GMT Credit Rating	Issue Credit Rating
	Standard & Poor's (S&P)	BBB (stable) BBB+
	S&P has issued a BBB (stable) credit rating for GMT and has issued a BBB+ credit rating for the Goodman+Bonds. A rating is not a recommendation by any rating organisation to buy, sell or hold Goodman+Bonds. The above GMT ratings are current as at the date of this Terms Sheet and may be subject to suspension, revision or withdrawal at any time by S&P.	
Early Repayment	You have no rights to require the Issuer to redeem the Goodman+Bonds early except through the Bond Trustee in the case of an Event of Default (as set out in the Bond Trust Documents). The Issuer does not have the right to redeem the Goodman+Bonds early.	
Interest Rate	<p>The Interest Rate will be the sum of the Base Rate plus the Issue Margin. The Interest Rate will be announced by the Issuer via NZX on the Rate Set Date.</p>	
Indicative Issue Margin	1.25 – 1.40 percent per annum	
Issue Margin	The Issue Margin will be determined by the Issuer in consultation with the Joint Lead Managers following a book-build process	
Base Rate	The semi-annual mid-market rate for an interest rate swap of a term matching the period from the Issue Date to the Maturity Date as calculated by the Joint Lead Managers in consultation with the Issuer, according to market convention, with reference to Reuters page 'ICAPAUKIWISWAP' on the Rate Set Date (rounded to 2 decimal places, if necessary, with 0.005 being rounded up).	
Issue Price	\$1.00 per Goodman+Bond	
Interest Payments	Semi-annually in arrear in equal payments	
Interest Payment Dates	23 December and 23 June each year up to and including the Maturity Date. If any Interest Payment Date falls on a day that is not a Business Day, the due date for the payment to be made on that date will be the following Business Day.	
Record Date	5.00pm on the tenth calendar day before the Interest Payment Date. Should the Record Date fall on a day that is not a Business Day, the relevant interest payment will be made on the next Business Day.	
Business Days	A day (other than a Saturday or Sunday) on which registered banks are generally open for business in Auckland and Wellington	
Minimum Application Amount and Minimum Holding	Minimum application of \$5,000 with multiples of \$1,000 thereafter	
ISIN	NZGMBDT003C6	
Registrar and Paying Agent	<p>Computershare Investor Services Limited The Goodman+Bonds will be accepted for settlement within the NZClear system.</p>	

NZX Debt Market Quotation	Application has been made to NZX for permission to quote the Goodman+Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Terms Sheet. NZX is a licensed market operator, and the NZX Debt Market is a licensed market under the FMCA.
NZX Debt Market Ticker Code	GMB030
Expected Date of Initial Quotation and Trading on NZX Debt Market	Wednesday 24 June 2015
Bond Trustee	Public Trust
Security Trustee	NZGT (GMT) Security Trustee Limited
Governing Law	New Zealand
NZX Waivers	<p>NZX has granted approval under NZX Listing Rule 11.1.5 to enable the Issuer to include transfer restrictions in the Bond Trust Documents permitting the Issuer to refuse a transfer of the Goodman+Bonds if the transfer is not in multiples of \$1,000 and/or results in the transferor holding an aggregate principal amount of less than the minimum holding of \$5,000 (other than zero).</p> <p>NZX has granted the Issuer a waiver from NZX Listing Rule 5.2.3 to enable the Issuer to apply for quotation on the NZX Debt Market even though the Goodman+Bonds may not initially be held by at least 500 members of the public holding at least 25% of the Goodman+Bonds issued. The waiver has been granted for a period of one year from the quotation date of the Goodman+Bonds. The effect of the waiver from NZX Listing Rule 5.2.3 is that initially the Goodman+Bonds may not be widely held and there may be reduced liquidity in the Goodman+Bonds. To the extent that the Goodman+Bonds meet the spread requirements of NZX Listing Rule 5.2.3, the Issuer will notify NZX accordingly. The Issuer has agreed to notify NZX as soon as practicable if there is a material reduction to the total number of members of the public holding Goodman+Bonds, and/or the percentage of Goodman+Bonds held by members of the public holding at least a Minimum Holding. The Issuer has also agreed to clearly and prominently disclose this waiver, its conditions and their implications in each offer document relating to the Goodman+Bonds and in its half-year report and its annual report for the year the waiver is relied on.</p>
Who May Apply & How to Apply	<p>All of the Goodman+Bonds including oversubscriptions will be reserved for clients of the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild.</p> <p>There will be no public pool for the Goodman+Bonds.</p> <p>Retail investors should contact any Joint Lead Manager, their financial adviser or any Primary Market Participant for details on how they may acquire Goodman+Bonds. You can find a Primary Market Participant by visiting www.nzx.com/investing/find_a_participant</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Goodman+Bonds including obtaining a common shareholder number (CSN), an authorisation code (FIN) and opening an account with a primary market participant as well as the costs and timeframes for putting such arrangements in place.</p>
Arranger & Organising Participant	ANZ Bank New Zealand Limited (ANZ)
Joint Lead Managers	ANZ, Deutsche Craigs Limited, Forsyth Barr Limited
Selling Restrictions	The Goodman+Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Goodman+Bonds may be offered for sale or sold in any other country or jurisdiction except with the prior consent of the Issuer and in conformity with all applicable laws and regulations of that country or jurisdiction. This Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions contained in this Terms Sheet.



The dates set out in this Terms Sheet are indicative only and the Issuer, in conjunction with the Arranger, may change the dates set out in this Terms Sheet. The Issuer has the right in its absolute discretion and without notice to close the offer early, to extend the Closing Date, or to choose not to proceed with the offer. If the Closing Date is changed, other dates (such as the Issue Date, the Maturity Date and the Interest Payment Dates) may be changed accordingly.

Any internet site addresses provided in this Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

Copies of the Bond Trust Documents will be made available by the Issuer for inspection during usual business hours by any bondholder at the Issuer's registered office listed below (or such office as the Issuer may notify the bondholders from time to time).

Investors should seek qualified, independent financial and taxation advice before deciding to invest. Investors will be personally responsible for all tax return filing obligations in respect of their investment in the Goodman+Bonds, compliance with the financial arrangements rules (if applicable) and payment of provisional or terminal tax (if required) on interest derived.

For further information regarding the Issuer, visit www.nzx.com/companies/GMB.

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ADDRESS DETAILS

Issuer

GMT Bond Issuer Limited

Level 28, SAP Tower
151 Queen Street
Auckland 1010

Arranger & Organising Participant

ANZ Bank New Zealand Limited

Level 26, ANZ Centre
23-29 Albert Street
Auckland 1010

Manager

Goodman (NZ) Limited (as Manager of Goodman Property Trust)

Level 28, SAP Tower
151 Queen Street
Auckland 1010

Joint Lead Managers

ANZ Bank New Zealand Limited

Level 7
1 Victoria Street
Wellington 6011
Telephone - 0800 269 476

Bond Trustee

Public Trust

Level 9
34 Shortland Street
Auckland 1010

Deutsche Craigs Limited

Level 36, Vero Centre
48 Shortland Street
Auckland 1010
Telephone – 0800 226 263

Security Trustee

NZGT (GMT) Security Trustee Limited

Level 15
191 Queen Street
Auckland 1010

Forsyth Barr Limited

Level 9, Forsyth Barr House
The Octagon
Dunedin
Telephone – 0800 367 227

Registrar

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road
Takapuna
Auckland

Toll Free 0800 35 9 999

Telephone: 09 488 8777

Email: enquiry@computershare.co.nz

