



Goodman PLUS Trust Annual Report 2012

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Letter from the Chairman

25 September 2012

Dear PLUS Holder

On behalf of the Directors of Goodman Funds Management Limited in its capacity as responsible entity of the Goodman PLUS Trust (“**Trust**”), I am pleased to provide the Annual Report for the Trust. The Responsible Entity is the issuer of the Goodman PLUS which are perpetual, preferred units in the Trust. The Trust is a sub-trust of Goodman Funds Management Limited in its capacity as responsible entity of the Goodman Industrial Trust (“**GIT RE**”), which together with Goodman Limited (“**GL**”) and, since 22 August 2012, Goodman logistics (HK) Limited (GLHK) comprises Goodman Group (“**Goodman**” or “**Group**”).

In response to current market conditions, the Group is seeking to make the PLUS a more attractive investment opportunity for both existing PLUS Holders and potential future investors. On 14 August 2012, the Responsible Entity announced a proposal (the “**Proposal**”) to amend the terms of the PLUS so that they will be referred to as PLUS II. This Proposal was set out in a Notice of Meetings and Explanatory Memorandum announced on 3 September 2012 to be considered on 26 September 2012, following the release of this Annual Report.

Under the current PLUS Terms, the Issuer may Remarket, Repurchase or Exchange the PLUS on 21 March 2013. However, in accordance with its powers under the PLUS Terms, GIT RE has determined not to Remarket, Repurchase or Exchange the PLUS at that time. This means that, absent the Proposal, the PLUS would remain on issue on their current terms except that the Margin would increase by the Step-Up Margin (from currently 1.90% to 2.90% per annum) after 21 March 2013.

The Directors consider the Proposal as described to be in the best interests of PLUS Holders having considered conclusions of the Independent Board Committee and the Independent Expert. An Independent Board Committee was established to consider the Proposal, and was advised by King & Wood Mallesons (legal adviser). The Independent Board Committee considered the Proposal to be in the best interests of PLUS Holders having considered the implications if the Proposal is not implemented.

The Independent Expert, KPMG Corporate Finance, concluded that the Proposal is in the best interests of PLUS Holders and the financial benefits given by the Goodman PLUS Trust to Goodman under the Proposal are on arm’s length terms. In reaching this conclusion, the Independent Expert had regard to the advantages, disadvantages and other considerations of the Proposal, as well as the implications if the Proposal is not implemented.

If approved, key amendments under the Proposal include:

- + a higher rate of return for PLUS Holders:
 - the PLUS II will offer quarterly, floating rate interest payments with a Margin of 3.90% per annum over the three month Bank Bill Swap Rate, which represents an increase from the current Margin of 1.90% per annum over the Bank Bill Swap Rate offered under the PLUS and the Step-Up Margin of 2.90% per annum that would otherwise apply to PLUS from 21 March 2013;
 - an Initial Step-Up Margin of 0.25% per annum will apply if the PLUS II are not Repurchased, Exchanged or Successfully Remarketed on or before 30 September 2022; and
 - a Final Step-Up Margin of 0.75% per annum will apply if the PLUS II are not Repurchased or Exchanged on or before 31 December 2038;
- + PLUS II Holders will have the right to require the Issuer to elect to Repurchase or Exchange PLUS II on 31 December 2073. Holders will have the ability to require a Repurchase or Exchange of each PLUS II;
- + the Optional Distribution Payment payable in certain circumstances will be changed from the immediately prior 12 months’ unpaid Distribution Amounts to all unpaid scheduled Distribution Amounts since 21 September 2012 plus cumulative compounding interest on these unpaid amounts;
- + the Distribution Restriction will be amended to allow GIT RE to pay the minimum amount necessary to ensure it is not subject to tax and to permit distributions within the Group;
- + GL and GIT RE (the “**Goodman Entities**”) will not be released from the Distribution Restriction by the Issuer making a payment in kind distribution (such as ordinary equity or another hybrid security) in place of paying a cash distribution to each PLUS II Holder; and
- + amending the terms of the Guarantee so that certain obligations of the Responsible Entity are not only guaranteed by GIT RE and GL but also by GLHK.

GLHK will also be subject to the Distribution Restriction.

Letter from the Chairman (cont)

If the Proposal is approved, the terms on which PLUS Holders hold their PLUS will change on the Effective Date, being Thursday, 27 September 2012. The PLUS will be referred to as "PLUS II" from the Effective Date. The PLUS II will continue to trade as 'GMPPA' on ASX.

If the Proposal is not approved, GIT RE has determined not to exercise its right under the PLUS Terms to require the Issuer to undertake a Remarketing Process on or before the first Remarketing Date under the PLUS Terms on 21 March 2013. This means that the PLUS Margin will remain at 1.90% per annum until 21 March 2013. From that date the Margin will step-up by 1.00% to 2.90% per annum.

The Directors thank you for your continued support.

Yours faithfully



Ian Ferrier, AM
Independent Chairman

Corporate governance

Corporate governance is the framework of rules, systems and processes by which authority is exercised within an organisation and accountability placed. It influences how the objectives of an organisation are set and achieved, how risk is monitored and assessed and how performance is optimised.

Goodman Group (Goodman or Group) recognises that an effective corporate governance culture is critical to success. At all times, Goodman strives to achieve governance outcomes which balance the objectives or requirements of Goodman, its stakeholders, regulators and the market. In doing so, Goodman is seeking to build and maintain a business that is sustainable into the future.

Goodman is a stapled group comprising Goodman Limited (GL), Goodman Industrial Trust (GIT) and, since 22 August 2012, Goodman Logistics (HK) Limited (GLHK). Goodman is listed on the Australian Securities Exchange (ASX) under the ticker code "GMG" and further information about Goodman and its corporate governance is available in its 2012 Annual Report and on its website at www.goodman.com.

Goodman PLUS Trust (Trust) is a special purpose sub-trust of Goodman and the issuer of the Goodman PLUS. The Trust's main asset is the loan it has provided to a sub-trust of Goodman. The Trust does not have any employees.

The responsible entity of the Trust is Goodman Funds Management Limited (GFM or Responsible Entity), a subsidiary of Goodman. The Trust is governed by its constitution, applicable laws (including the Corporations Act 2001), the ASX Listing Rules and the compliance plan lodged with the Australian Securities & Investments Commission.

The corporate governance statement below outlines the ways in which the Trust, or where relevant, Goodman, has met the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd Edition) during the 2012 financial year (2012). Any departures to implementation of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations are described in the corporate governance statement below.

The Board

The term "Board" is a reference to the Board of GFM as Responsible Entity of the Trust, or the Board of Goodman as the context requires. GFM is also the responsible entity of GIT and the boards of GFM and GL meet jointly as the Board of Goodman, responsible for its operations and governance.

GFM as Responsible Entity of the Trust (a registered managed investment scheme) must perform its duties in accordance with the constitution of the Trust and the laws applicable to responsible entities of managed investment schemes, as prescribed by the Corporations Act 2001. These duties require GFM to:

- + act honestly;
- + exercise the degree of care and diligence that a reasonable person would exercise if they were in the responsible entity's position;
- + act in the best interests of members; and
- + treat members of the same class equally.

The Board is comprised of eight Directors, the majority of whom are independent, and is chaired by Mr Ian Ferrier, AM. The Directors bring a wide range of skills and experience to their respective roles and are committed to achieving a high standard of corporate governance. The diversity of each Director's background strengthens the Board and enables it to bring critical judgement and independent assessment to the oversight of the Trust's business. The Board is responsible for all aspects of the management of the Trust and has ultimate responsibility for its corporate governance practices.

The Board, through its delegation to the Remuneration and Nomination Committee, actively considers the appropriate size, composition and experience of the Board to respond to changing circumstances in its membership, the business and its strategy, and the markets in which it operates. It seeks to ensure that it has the broad base of skills and experience necessary to set the strategic direction of Goodman, oversee management's implementation of strategy and enhance corporate performance.

Two new members were added to the Board in 2012. Having identified attributes and experience that the Board would benefit from, international search consultants were engaged to assist in the recruitment process resulting in the appointment of Mr Philip Fan and Ms Rebecca McGrath. In accordance with the Board's policy their appointment adds diversity and new skills and experience to the Board. Philip brought knowledge of the Chinese business culture and processes along with property expertise. Rebecca brought skills and experience from senior roles in finance, operations, corporate planning, project management and marketing in Australasia, the UK and Europe.

As advised in the 2011 Annual Report, Mr James Hodgkinson retired from the Board with effect from 30 September 2011.

The Board has adopted a charter that sets out the functions of the Board. The charter clearly establishes the role of the Board in setting the Trust's objectives and its responsibilities in the implementation of such objectives. A copy of the charter is published on Goodman's website at www.goodman.com.

To assist the Directors in exercising their responsibilities with critical judgement and independent thinking, comprehensive Board papers are issued in advance of meetings to enable full and informed participation.

Corporate governance (cont)

The Board's functions include:

- + appointing the Group Chief Executive Officer (CEO);
- + setting strategic direction;
- + reviewing progress on strategy;
- + developing key policies which impact on Goodman and the Trust;
- + approving strategic alliances;
- + monitoring organisational performance against set targets;
- + ensuring compliance with statutory, financial and social responsibilities; and
- + ensuring business risks are appropriately identified and managed.

The Board has developed a statement of delegated authority to management. This delegated authority stipulates those matters to be dealt with by the Board and those matters which are delegated to management. The general statement of delegated authority governs areas such as finance, corporate matters and property transactions.

The composition of the Board as at 30 June 2012 is shown below. Please refer to page 18 in the Directors' report for details of each Director's attendance at Board and committee meetings during the year.

Name	Description
Mr Ian Ferrier, AM	Independent Chairman
Mr Gregory Goodman	Group Chief Executive Officer (Executive Director)
Mr Philip Fan	Independent Director
Mr John Harkness	Independent Director
Ms Anne Keating	Independent Director
Ms Rebecca McGrath	Independent Director
Mr Phillip Pryke	Independent Director
Mr James Sloman, OAM	Independent Director

Mr James Hodgkinson, a Non-Executive Director, retired as a Director on 30 September 2011. Mr Hodgkinson was not considered to be Independent.

Directors' obligations and rights

Goodman uses formal letters of appointment for Directors in order to ensure that the Directors clearly understand the expectations of them. Each letter outlines the terms of the Director's appointment and includes matters such as their powers and duties, attendance at meetings, remuneration, appointment on committees, induction and continuing education, and disclosure of interests. Please refer to pages 19 and 20 in the Directors' report for the skills and experience of each Director.

In respect of tenure, all Directors other than the Group CEO are subject to re-election by rotation at least every three years and new Directors appointed to the Board are required to seek election at the first Annual General Meeting (AGM) of Goodman's Securityholders following their appointment. However, Goodman PLUS holders do not have the right to vote in respect of their holding in the Trust at the AGM of Goodman. All new Directors undertake an induction process which includes meeting key executives and the provision of an information pack regarding the operations of Goodman, including key company policies and guidelines, constitutions and compliance plans.

Goodman stipulates the standards of ethical behaviour expected of Directors, key executives and employees in its Code of Conduct and requires the observance of those standards. The Code of Conduct and accompanying core policies on conflicts of interest, continuous disclosure, dealing with public officials, gifts, employee reporting and protection, related party dealings, securities trading and sustainability are available on Goodman's website at www.goodman.com.

Goodman requires Directors to accumulate and hold Goodman securities with a value equivalent to twice their annual base fees and applies 25% of Directors' net base fees to the acquisition of Goodman securities until that value of securities is held. For the purpose of this policy, the value of each parcel acquired is the higher of the purchase price or market value at the end of the financial year.

Goodman has a formal policy allowing Directors to take independent professional advice at Goodman's expense should they believe it necessary for the performance of their duties.

The Company Secretary and senior executives are always available to the Directors to provide them with information or clarification as required. These senior executives also present information at Board meetings in order to provide the Directors with unfettered access to all relevant information and the ability to candidly question senior management in relation to any matter they deem necessary.

Directors are provided with tours of Goodman's properties, both within Australia and overseas.

Directors and senior executives are also encouraged to participate in further education relevant to their roles. Goodman reimburses the costs of further education relevant to a Director's or executive's role.

Independent decision-making

The Board recognises the importance of independent decision-making by Directors and has established policies which require the independence of Directors to be assessed annually and that the Directors inform the Chairman prior to accepting any other board appointments offered to them. Each Director provides confirmations on their ability to adequately perform their role on an annual basis. The Directors bring independent thinking, high standards of corporate governance and good judgement to the Board.

The Independent Directors may elect to consider matters without the presence of executives where they believe this is appropriate or would bring additional transparency to the conduct of Goodman's affairs.

Criteria for assessing independence

The Board has assessed individual Directors for independence using the definition of independence provided in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. Independence is assessed annually and was last confirmed in June 2012.

The Board considers that a material professional adviser or material consultant is one that derives more than 5% of their revenue from Goodman. The Board also considers that a substantial Securityholder, for the purpose of assessing independence, holds more than 10% of Goodman's securities but also has regard to other relationships that the Securityholder may have with Goodman. The table on page 4 sets out the Directors and their status.

The Directors consider Mr Ian Ferrier, Mr Philip Fan, Mr John Harkness, Ms Anne Keating, Ms Rebecca McGrath, Mr Phillip Pryke and Mr Jim Sloman to be independent.

Mr Gregory Goodman is an Executive Director of Goodman.

Performance review

The Board reviews its performance and that of its committees approximately every two years. The Board considers this is an appropriate timeframe having regard to the time taken in the review process, the frequency of Board meetings and the level of change in the Board over time. An assessment of the performance of the Board, committees and individual Directors was conducted at the end of 2012. The process for conducting this review consists of each Director completing a self-assessment questionnaire, which also elicits comments and key issues the Director wishes to raise at that time. Following the collation of the questionnaire results, the Chairman meets with each Director individually to discuss their Board participation. In relation to the 2012 performance review, the questionnaires completed by the Directors covered the following matters:

- + Board contribution to developing strategy and policy;
- + interaction between the Board and management;
- + Board processes to monitor business performance and compliance, control risk and evaluate management;
- + Board composition and structure; and
- + operation of the Board including the conduct of Board and committee meetings.

The Board also undertakes ongoing assessment of Goodman's various committees. Following the end of 2012, the Board made changes to the composition of committees and terminated the Investment Committee (as described further below).

The performance of senior executives is reviewed annually through a structured process of self-assessment and review against previously established goals and objectives by the Group CEO. This process was co-ordinated by Goodman's Human Resources department and applied globally throughout Goodman.

Chairman

Mr Ian Ferrier was appointed as Acting Chairman on 28 November 2008 and Chairman on 28 July 2009.

Ian is an Independent Director with 47 years of experience in corporate recovery and turnaround practice.

In his role as Chairman, Ian is responsible for ensuring that the Board functions as an effective and cohesive group, working with the Group CEO to determine the strategic direction for Goodman, establishing high standards of corporate governance and oversight of strategic development and leadership. The role also includes formulation of Board meeting agendas and papers and management of Board meetings to ensure the best performance of each participant. The Chairman acts as a representative of, and spokesperson for, the Board.

Group Chief Executive Officer

The Group CEO is Mr Gregory Goodman. The terms, conditions and responsibilities of his role are established in an agreement between Gregory and Goodman. His role as Group CEO is to support and encourage his management team to deliver the strategy developed by the Board and management. His role involves an intimate knowledge of all aspects of the business and communication of the strategy and operational results to the Board, management team and other stakeholders.

Corporate governance (cont)

Company Secretary

The Company Secretary is Mr Carl Bicego. Carl is responsible for advising Directors on corporate governance matters, liaising with regulators, supervising market disclosures and investor interactions, maintaining Goodman's register and apprising the Board on legal and governance issues. His biographical details appear on page 20 in the Directors' report.

Remuneration

Goodman follows the principles of remuneration that are set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. These include a policy of rewarding employees with a mixture of fixed, performance-linked and equity based remuneration. Further information in relation to the remuneration policies is set out in the remuneration report in the Directors' report in Goodman's 2012 Annual Report.

The salary and/or fees of each Director and other key management personnel are disclosed in the Directors' report in Goodman's 2012 Annual Report.

Committees and oversight

Effective oversight and risk management are a fundamental part of the Trust's business strategy and are central to protecting Unitholders' interests. The Board has the ultimate responsibility for risk management and compliance of the Trust. The Trust operates within overall guidelines and specific parameters set by the Board.

The Board has established a number of committees to assist in the exercise of its functions and the discharge of its duties, such as ensuring that financial reports are true and fair and comply with applicable accounting standards. Each committee can sub-delegate its powers and discretions, including to executives of Goodman, with or without the power to delegate further. A summary of the roles of the various committees is set out below.

Audit Committee

The Board has established an Audit Committee, which meets at least four times a year, to assist in fulfilling the Board's legal and regulatory requirements in relation to Goodman's financial statements. The Audit Committee operates under a formal charter and its responsibilities include:

- + overseeing financial reporting principles and policies, controls and procedures;
- + ensuring the integrity of Goodman's (including the Trust's) financial statements, independent external audit and the Group's compliance with legal and regulatory requirements relating to financial statements; and
- + establishing procedures for selecting, appointing, and if necessary, removing Goodman's (including the Trust's) external auditor.

The Committee has the power delegated by the Board to undertake all things necessary to perform its duties and fulfil its purpose including:

- + approving principles, policies, strategies, processes and control frameworks for the management of audit matters; and
- + sub-delegating its powers and discretions to senior executives with or without the power to delegate further.

The Committee has access to the senior executives, internal auditor and the external auditor. In particular:

- + senior members of management are invited to attend Committee meetings and to present to the Committee on key issues;
- + Committee members regularly meet with management, independently of Committee meetings, to further discuss issues relevant to the work of the Committee; and
- + the Committee meets with the external auditor, without management being present.

The Committee reports to the Board on the outcome of its reviews, discussions with the external auditor and its findings on matters which have or are likely to have a material impact on the operating results or financial position of Goodman and the Trust.

The Trust has engaged KPMG to act as its external auditor. As part of the terms of engagement, KPMG is required to review or audit as relevant, the half yearly and annual financial report prior to approval by the Board, and discuss its findings with the Committee, including the adequacy of financial and accounting controls.

Each reporting period, the external auditor provides an independence declaration in relation to the review or audit. The Committee is also responsible for assessing whether non-audit services provided by the external auditor are consistent with the external auditor's independence and compatible with the general standard of independence of auditors imposed by the Corporations Act 2001.

The Audit Committee is comprised solely of the Independent Directors, Mr John Harkness (Chairman), Mr Ian Ferrier, Mr Phillip Pryke (from 1 October 2011) and Mr Philip Fan (from 10 August 2012). The Non-Executive Director Mr James Hodgkinson was a member until 30 September 2011.

John is a Chartered Accountant and was a former partner of KPMG before retiring in June 2000. He was a partner of KPMG while it was engaged to conduct the audit of Goodman's entities; however, he was not involved in those audits. Ian is also a Chartered Accountant with significant financial expertise and was previously the Chairman of the Audit Committee. The other members bring extensive business experience to the Committee.

Please refer to page 18 in the Directors' report for details of the Committee members' attendance at meetings during the year. Goodman's Audit Committee Charter is available on its website at www.goodman.com.

Executive confirmations

In addition to the work of the Audit Committee, the Group CEO and the Group Chief Financial Officer provided confirmation to the Board in writing that the Trust's financial reports present a true and fair view, in all material respects, of its financial condition and operational results and are in accordance with relevant accounting standards.

The Group CEO and the Group Chief Financial Officer also provided written confirmation that, to the best of their knowledge and belief:

- + the statement given to the Board on the integrity of Goodman's and the Trust's financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- + Goodman's and the Trust's risk management and internal compliance and control systems are operating efficiently and effectively in all material aspects.

These statements are based on a Group-wide and broad ranging series of half and full year confirmations from senior executives and department heads in relation to the financial integrity, risk management and internal compliance and control system within each department.

Risk and Compliance Committee

The Board has required that management design and implement a risk management and internal control system to manage Goodman's (including the Trust's) material business risks. The Board has established a Risk and Compliance Committee to provide oversight and direction to Goodman's (including the Trust's) system of risk oversight, management and internal controls.

The Committee is comprised solely of the Independent Directors, Mr John Harkness (Chairman), Ms Anne Keating, Mr Jim Sloman, Mr Philip Fan (from 10 August 2012) and Ms Rebecca McGrath (from 10 August 2012), and meets at least four times a year.

The Committee operates under a formal charter (available on Goodman's website at www.goodman.com) and reports to the Board regarding the effectiveness of its risk management framework in relation to:

- + internal risk management systems;
- + internal audit framework;
- + internal compliance systems and external compliance audit functions (including the Committee acting as the Compliance Committee for each registered managed investment scheme of which GFM is the responsible entity);
- + sustainability programme;
- + Work Health and Safety Committee; and
- + insurance requirements.

The internal audit function involves a rolling programme of reviews and control testing of Goodman's business processes. The internal audit programme is closely aligned to the risk management framework. The internal audit function is wholly independent of the external audit function. The findings of internal audit are reported to the Risk and Compliance Committee and where relevant, the Audit Committee, and management responds to the recommendations.

Goodman's risk management system has been developed in accordance with international and Australian/New Zealand standards on risk management and has been underpinned by a Risk Management Policy that sets out the oversight and management of risk for Goodman. Goodman's Risk Management Policy is available on its website at www.goodman.com.

The Committee also oversees the work of several internal management committees which have risk responsibilities. These committees facilitate the sharing of information and seek to ensure that a consistent approach to risk management is applied across the Trust.

Consistent with Goodman's approach of transparent reporting to the Board, members of the Committee have unfettered access to management to discuss risk matters. Senior members of management are invited to attend Committee meetings and present on key issues. External experts and third party service providers are also invited to attend Committee meetings to provide the Committee with further information and understanding of the way in which Goodman manages its risk and compliance obligations.

The Group Head of Risk is responsible for the implementation of the Risk Management Policy globally. He reviews critical business units and profiles their key risks on an annual basis. Action plans for mitigating key risks are reported to the Committee at each meeting.

The Compliance Manager is responsible for reviewing and monitoring the efficiency of the compliance systems on an ongoing basis and for reporting on the results of these activities to the Committee.

Management has reported to the Board and the Board has formed the view that Goodman manages its risks effectively.

Remuneration and Nomination Committee

The Board has established a Remuneration and Nomination Committee to consider remuneration and nomination issues more effectively and fully and to provide recommendations to the Board for approval. The purpose of the Committee is to:

- + identify and recommend individuals to the Board for nomination as members of the Board and its committees;
- + ensure performance of members of the Board is reviewed;
- + develop and recommend to the Board relevant corporate governance principles;
- + ensure an appropriate Board and committee structure is in place so that the Board can perform a proper review function;

Corporate governance (cont)

- + review and make recommendations to the Board in respect of the administration of Goodman's remuneration programmes (including the engagement of any remuneration advisers);
- + review and make recommendations to the Board in respect of the approval and remuneration of senior executives and Non-Executive Directors;
- + prepare for approval by the Board the remuneration report; and
- + report regularly to the Board on each of the above matters.

The Committee is responsible for engaging remuneration consultants for the provision of remuneration recommendations for key management personnel.

The Remuneration and Nomination Committee operates under a formal charter, a copy of which is published on Goodman's website at www.goodman.com.

The Committee is comprised solely of the Independent Directors, Mr Phillip Pryke (Chairman), Mr Ian Ferrier, Ms Anne Keating, Mr Jim Sloman (from 10 August 2012) and Ms Rebecca McGrath (from 10 August 2012). Further information regarding the attendance of Committee members can be found on page 19 in the Directors' report.

The Trust does not have its own employees and is not responsible for the remuneration of any employees of Goodman.

Investment Committee

During 2012, the Investment Committee had authority to:

- + review, consider and, if appropriate, approve any transactions falling within its mandate;
- + make recommendations to the Board regarding transactions; and
- + perform other functions as may be delegated by the Board from time to time.

The Committee was comprised of Mr Jim Sloman (Chairman), Mr Ian Ferrier and Mr Gregory Goodman. In reviewing the function of the Committee, following the end of 2012, the Board concluded that it was no longer required and its delegated authority was returned to the Board.

A list of attendees at the meetings of the Board, Audit Committee, Risk and Compliance Committee, Remuneration and Nomination Committee and Investment Committee can be found on page 18 in the Directors' report.

GLHK governance

A description of GLHK's governance was set out in the Notice of Meetings and Information Memorandum dated 22 February 2012 to consider the stapling of GLHK securities to the Group's stapled securities. Set out below is a short summary of GLHK's current governance arrangements.

GLHK is a separate legal entity and is managed by a separate board of directors, which will partially overlap with the Board.

As it is intended that GLHK be a Hong Kong tax resident, the GLHK Board must be comprised of at least 50% Hong Kong residents. To be eligible for appointment as a GLHK director, a person must be a member of the Board (or nominated for election to the board of GL) or an officer or employee of Goodman Group.

The GLHK Board is comprised of three directors who are currently on the Board (Mr Ian Ferrier, Mr Gregory Goodman and Mr Philip Fan) and one director who is part of Goodman's executive management team (Mr Philip Pearce). Mr Philip Fan and Mr Philip Pearce are residents of Hong Kong.

In accordance with ASX Listing Rule 14.4, the GLHK directors will stand for re-election every three years (other than Mr Gregory Goodman who is the managing director of the Group and therefore exempt from the rotation requirement). The fees paid to non-executive directors of GLHK will be paid out of the same aggregate director fees last approved by Goodman Group in general meeting.

The Board and the GLHK Board must exercise their respective functions diligently and, to the extent permitted by law, in the best interests of Securityholders as a whole. The GLHK Board will be governed by Hong Kong law (including the Companies Ordinance – see Annexure B of the Information Memorandum for a summary of the Hong Kong regulatory environment and rights and liabilities attached to GLHK shares). GLHK will also be subject to the ASX Listing Rules and the Australian Corporations Act 2001 requirements for registered foreign companies.

The Board and its committees will continue to have oversight of the Group's business, operations and compliance. The GLHK Board will be responsible for the preparation of GLHK stand-alone accounts, the determination of dividends out of GLHK and any other non-delegable acts. Goodman's 2013 Annual Report will be the first period reporting on the Group's governance on the basis of the new stapled structure.

Engagement with Stakeholders

Timely and balanced disclosure

Goodman is committed to providing timely, balanced and readily available disclosure of material information to PLUS holders, Goodman Securityholders, the investment community generally, other stakeholders and regulators. It believes that ethical and responsible decision-making is critical to the success of its business. Goodman also believes that the transparency of these processes promotes market and Securityholder confidence in its integrity and sustainability.

Goodman's Continuous Disclosure Policy outlines the procedures followed internally to ensure timely and full disclosure of material through the ASX. Under this Policy, Investor Relations is responsible for the co-ordination of all ASX announcements by Goodman and the Trust; however, it relies on the input and sign-off of key staff in each division to which the ASX announcement relates. The Group CEO and the Company Secretary (Communications Officer) review all filings prior to lodgement with ASIC or the ASX and are responsible for ensuring timely lodgement of all documentation.

The Board's policy is to review announcements on key transactions. In addition, the Board will approve periodic or other mandatory disclosures of announcements concerning:

- + half yearly and full year financial statements and results;
- + annual reports;
- + investor or market updates (especially when including new price sensitive information);
- + Extraordinary or Annual General Meetings;
- + disclosure documents concerning the issue of securities;
- + transactions that will require Securityholder approval (such as related party transactions, and matters requiring Board recommendations); and
- + corporate transactions such as takeovers or schemes.

All announcements are reported to the Board and a record is made of where the announcement has been reviewed by the Board as part of Board papers or otherwise. The Communications Officer has responsibility for all communications with the ASX. The Communications Officer authorises all market communications and is kept informed of issues discussed during meetings with investors/analysts. The Communications Officer reviews other market communications such as press releases and other corporate publications to ensure a consistent approach is adopted in relation to disclosure. Following receipt of confirmation of lodgement and the release of announcements, relevant information is then published on Goodman's website at www.goodman.com.

Goodman's senior executives, including the Communications Officer, regularly meet to consider operational matters and regulatory compliance including the consideration of identified potential transactions that may require disclosure. In particular, this includes significant corporate or property transactions, and refinancing at the Group level or within Goodman's managed funds.

The Continuous Disclosure Policy also sets out when trading halts are to be used, how to respond to market speculation and guidelines regarding how communications are to be made through differing forms of media.

Information on continuous disclosure is made available to all employees on commencement of employment. Goodman's Continuous Disclosure Policy is available on its website at www.goodman.com.

Communication with PLUS holders

Goodman has implemented a number of processes in order to facilitate the effective and efficient exercise of the rights of all PLUS holders and Goodman Securityholders. Goodman communicates information to PLUS holders and Goodman Securityholders through a range of media, including annual reports, half year results, quarterly updates, general communications and ASX announcements. Goodman's results presentations are webcast and available for downloading on the website. Key financial information and stock performance are also available on Goodman's website. PLUS holders can raise questions by contacting Goodman by telephone, facsimile, email or post. Contact details are provided on the website and at the back of this Annual Report. Goodman's policy and procedures in relation to investor communications are incorporated into its Continuous Disclosure Policy.

Complaints handling

Goodman has both internal and external complaints handling procedures. Investor Relations responds to Securityholder enquiries and complaints and provides a thorough and transparent communications service to Securityholders. GFM is also a member of the Financial Ombudsman Service, an external industry complaints handling service.

Policies and codes

Responsible and ethical decision-making

In addition to the responsibilities which apply specifically to Directors, the Board has endorsed a Code of Conduct which applies to Directors and employees of Goodman. The Trust does not have its own employees.

The Code of Conduct requires Directors and employees to, among other things:

- + keep abreast of Goodman's policies and procedures, and where necessary sign acknowledgements that they have read these policies;
- + co-operate fully with any investigations relating to Goodman's policies;
- + notify the Group General Counsel in writing if they are required by any regulatory body to provide information, answer charges or face proceedings in respect of any matter arising during their tenure with Goodman;

Corporate governance (cont)

- + keep any and all Goodman information confidential except as necessary for marketing Goodman products and services;
- + notify the Group Head of Risk, Group General Counsel and/or Group General Manager, Human Resources if they have reason to suspect fraud, corrupt, criminal or unethical conduct by any Director or employee of Goodman; and
- + be prohibited from making or accepting payment or any other benefit in money or kind as an inducement or reward for any act or in connection with any matter or business transaction undertaken by or on behalf of Goodman.

The aim of the Code of Conduct is to establish a high standard of conduct and to communicate this to the Directors and employees. Expectations regarding fairness, honesty and the treatment of confidential information are made explicit. The Code of Conduct also charges all employees with responsibility for reporting unethical or corrupt conduct.

The Code of Conduct is provided to Directors upon appointment and all employees upon commencement. The Code of Conduct is supported by a framework of policies that set out Goodman's approach to meeting its legal obligations and the expectations of stakeholders for responsible and ethical decision-making. Key policies forming part of the framework are set out below.

Securities trading

The Securities Trading Policy, which is made available to Directors on their appointment and employees on their commencement, prohibits Directors and employees from trading in Goodman securities (including Goodman PLUS) when in possession of inside information. It also prohibits the communication of that inside information to any other person who is likely to purchase or sell Goodman securities or who is likely to procure a third party to purchase or sell those securities.

Under the Securities Trading Policy, the only appropriate time for a Director or employee to acquire or sell Goodman securities is when he or she is not in possession of price sensitive information that is not generally available to the market. To avoid any adverse inference being drawn of unfair dealing, Directors and employees are not to deal in Goodman securities during the two week period before the end of a financial period through to the release of Goodman's half yearly or yearly results. A trading blackout is notified to Directors and employees during those times and may also be notified by the Company Secretary or Group CEO at other times when considered appropriate.

Approval is not given during a trading blackout unless the Group CEO or Chairman is satisfied of circumstances amounting to hardship and that the person is not in possession of price sensitive information which is not generally available to the market.

Directors and employees are not allowed to engage in short-term trading of Goodman securities under the Securities Trading Policy nor are Directors or senior executives allowed to enter into derivative contracts that hedge their exposure to movements in the price of Goodman securities that have not vested.

The Securities Trading Policy applies to decisions to sell Goodman securities by a mortgagee, chargee or margin lender under a margin loan or other financing arrangements. Directors or employees may apply, on the basis of hardship, for consent to trade from the Chairman or Group CEO notwithstanding that a trading blackout might otherwise apply.

Any trade in breach of the Securities Trading Policy must be immediately disclosed to the Company Secretary for reporting to, and consideration by, the Board.

Conflicts of interest

Goodman has a Conflicts of Interest Policy to demonstrate its commitment to conducting its business ethically and with integrity. Directors, employees and consultants are required to comply with the Conflicts of Interest Policy. The purpose of this Policy is to outline the procedures in place to control and avoid conflicts of interest by identifying, assessing, managing and reporting on the types of conflicts of interest which Goodman anticipates will affect or arise from its business. The Policy covers the mechanisms to:

- + identify conflicts of interest;
- + manage conflicts of interest by assessing and evaluating actual or potential conflicts, and decide upon and implement an appropriate response to those matters; and
- + maintain written records that demonstrate how Goodman manages conflicts which occur.

Related parties

Goodman has implemented a Related Parties Policy for the disclosure and resolution of any matter that may give rise to actual, potential or perceived conflicts of interest between the interests of a Director and Goodman. The Policy ensures that all transactions involving related parties of Goodman conform to the requirements of the Corporations Act 2001 and ASX Listing Rules.

Gifts

Goodman has a Gifts Policy to demonstrate its commitment to reasonable and proportionate gift giving and receiving by Directors and employees. Management recognises that the giving and receiving of business related gifts and corporate entertainment are an important part of building business relationships with potential and existing customers. However, Directors and employees must exercise caution to ensure only bona fide gifts are given and received which will not influence, or appear to influence, Goodman's or third party judgements.

The Gifts Policy outlines the general prohibitions and guiding principles that Directors and employees should consider when giving and receiving gifts, and also details the mechanisms for approving, recording and reporting of gifts.

Dealing with public officials

Goodman has a Dealing with Public Officials Policy to demonstrate its commitment to conducting its business in accordance with applicable laws and regulations and in a way which will maintain and enhance its reputation in the market. One aspect of this commitment is that Goodman always behaves in a professional, honest and responsible manner and avoids any conduct which may be considered to be corrupt or contrary to good corporate ethics. Goodman strictly prohibits any activity that seeks to bribe, corrupt or otherwise improperly influence a public official or third party in any country or to act (or omit to act) in a way that differs from that official's proper duties, obligations and standards of conduct.

The Dealing with Public Officials Policy outlines the general prohibitions against bribery and corruption of public officials (both in Australia and overseas), the procedures around dealing with public officials, and the detection and reporting of bribery and corruption.

Employee reporting and protection

Goodman is committed to conducting business in a culture of integrity, compliance and ethical behaviour. Goodman also considers that it has a responsibility to its employees,

Securityholders and customers to safeguard against any attempts of fraud, bribery and corruption. In light of this, and its belief in the importance of having a mechanism for the reporting of wrongdoing and protecting those who report wrongdoing, Goodman has an Employee Reporting and Protection Policy. This Policy encourages employees, management and contractors to report instances of improper behaviour by outlining the way Goodman will protect those who raise concerns about unacceptable behaviour.

Group Employee Handbook

The Handbook is a guide for employees about their obligations and entitlements as employees of Goodman. The rules and policies in the Handbook apply to all employees globally. The Handbook covers matters such as diversity, remuneration, insurance, presentation, leave, performance management, grievance handling, substance abuse, internet/email usage and disciplinary proceedings. The Handbook is regularly reviewed and updated by the Group General Manager, Human Resources.

Work Health and Safety (WH&S) Manual

Goodman recognises its obligations under the WH&S legislation and is committed to the implementation and proper management of appropriate risk management procedures to protect the safety of its employees, contractors, customers and visitors. Goodman's commitment to WH&S extends to all facets of its business with the overall responsibility for WH&S resting at the highest level of management and the Board. However, every employee is also required to comply with the WH&S Manual and to perform all duties in a safe and responsible manner.

Goodman has developed and implemented a WH&S management programme and an online Contractor Induction system.

Diversity

In 2011, Goodman established a Diversity Policy and several key initiatives have occurred in support of the Policy and wider diversity objectives which are outlined below.

Goodman's Diversity Policy aims to provide a work environment that values diversity and inclusion in all locations around the world. This is consistent with two of Goodman's Corporate Values (Goodman Values) which are Open+Fair and Team+Respect.

The Policy provides that Goodman will:

- + ensure all workplaces are free of harassment and unlawful discrimination;
- + recruit, appoint and promote on the basis of merit;
- + provide equal access for all employees for personal development, management skills development and career path opportunities;
- + recognise cultural differences that exist around the world;
- + be aware of and accommodate the needs of individuals with family and carer responsibilities, through flexible and contemporary work practices;
- + be aware of customers' diversity and their expectations;
- + create an inclusive work environment, where ideas and opinions are shared for the overall benefit of the Group;
- + contribute to the community through a range of philanthropic channels;
- + create and implement programmes that aim to increase career advancement opportunities for female employees across the business globally; and
- + support and achieve the above objectives by inclusion of these within key performance indicators for senior management and ensure Board review of progress.

The main objective of the Group's gender diversity strategy is to increase the representation of female employees to 10% at CEO-1 level, 30% at CEO-2 level and up to 35% at CEO-3 level over a three year timeframe from 2012 to 2014 inclusive at senior levels through reducing barriers to career progression. For the purpose of the objective, senior roles are considered to be those at the Group CEO, CEO-1, CEO-2 and CEO-3 levels. Future analysis may involve a shift in comparator base to one reflecting job size and scope as defined by Hay Points (as an example) as the inconsistencies that exist from using a relative positioning comparator base are recognised.

Corporate governance (cont)

Diversity objectives are tracked and referenced to the organisational structure and the relative positioning of a particular role to the Group CEO role. This method has been selected as Goodman remains a relatively small organisation in terms of overall employee numbers. Typically, the organisational structure follows a single line of management control and therefore does not reflect a combination of geographical and functional management. An outcome of this structure is that even at CEO-3 levels, significant scope and accountabilities are assigned to roles in the various geographic regions.

As with 2011, senior female employees are not represented at the Group CEO level or at the senior management level immediately below the Group CEO (CEO-1) level. At this level of the organisation, the roles are geographic business head roles or certain specialised corporate function roles such as the Group Chief Financial Officer or Deputy CEO. The female participation rate has remained unchanged at these levels in 2012 as no turnover has occurred which may have otherwise created an opportunity for a female candidate.

At the CEO-2 level, the roles are senior geographic business roles and corporate function roles (global or regional geographies or sub-specialisation). Female representation at this level in 2011 was 18% (9 of 50 employees) and this has increased to 26% (12 females within 46). This increase can be explained by the creation of specific project roles for female employees along with changes in management structures. Consistent with 2011, the Group considers this level of employees and the females within it to be crucial as this group is a pool from which Goodman's senior management would be selected in the absence of external appointments.

At the CEO-3 level, the female representation changed from 23% in 2011 (13 of 57 employees) to 20% in 2012 (10 from 50 employees). Analysis of this indicates that a change in the management reporting lines within Continental Europe caused the decrease; however, the positive effect of this is a high potential female employee moved into a role with significant greater staff management and revenue generation requirements. This move into a new role creates significant development opportunity for the individual. As with 2011, the challenge for the Group is to ensure that career advancement occurs for high potential female employees and the barriers to this are eliminated where possible.

On an overall basis, the gender representation of Goodman (as at 30 June 2012) remained unchanged at 54% male and 46% female. Specifically in respect of the geographies, the respective female representations were Greater China at 50% (previously 60%), remaining at 40% in Australia (including Group employees), remaining at 46% in Continental Europe, increasing to 46% (from 40%) in New Zealand and remaining constant at 51% across the United Kingdom businesses. Within these numbers is a strong female representation at more junior levels; however, a tapering of this representation is evident as the level of role increases.

The Board is aware of the requirement to ensure diversity across several important attributes relating to its ability to carry out its functions effectively. In respect of skills and experience, the appointments of Mr Philip Fan and Ms Rebecca McGrath to the Board that were made in 2012 reflect an increased diversity of geographical experience, cultural awareness and industry skill. With regards to gender diversity, of the seven non-executive directors appointed to the Board, two are women, representing an increase over 2011.

Each of the documents referred to above, other than the Group Employee Handbook and WH&S Manual, is available to Securityholders on Goodman's website at www.goodman.com. The Employee Handbook and WH&S Manual are available to all employees through Goodman's intranet.

Summary of terms of redemption and exchange of Goodman PLUS

This summary is based on, and subject to, the Terms of the Goodman PLUS as at the date of publication of this report. If the Proposal is approved the Terms will be amended as described in the Explanatory Memorandum.

The Remarketing Process is a process initiated by the Responsible Entity to adjust the Margin to the Remarketing Margin and amend certain other terms of the Goodman PLUS on and from each Remarketing Date. Unitholders may participate in this process by responding to a Remarketing Process Invitation.

The First Remarketing Date is 21 March 2013. Subsequent Remarketing Dates may be set as part of a Remarketing Process but will be at least 12 months apart. If a subsequent Remarketing Date is not set through a Remarketing Process, the subsequent Remarketing Date will be the date that is five years after the previous Remarketing Date.

Remarketing is a process that may result in the Responsible Entity establishing a new Margin, a new Market Rate and adjusting certain other terms of the Goodman PLUS.

If Remarketing is not undertaken, the Responsible Entity may either:

- + choose to Repurchase or Exchange the Goodman PLUS; or
- + begin paying Distribution Amounts at the Margin applying prior to the Remarketing Date plus the Step-up Margin of 1.00%.

Unitholders may respond to a Remarketing Process Invitation by submitting one of the following notices:

- + a "Step-up Notice" – Unitholders send this notice if they do not wish to continue holding their Goodman PLUS unless the Market Rate does not change and the Remarketing Margin is equal to or more than the current Margin plus a step-up of 1.00%;
- + a "Bid Notice" – Unitholders send this notice if they do not wish to continue holding their Goodman PLUS unless the Remarketing Margin is equal to or more than the margin which they bid, which margin must be within the range proposed by the Responsible Entity; or
- + a "Hold Notice" – Unitholders send this notice if they wish to continue holding their Goodman PLUS at whatever Margin applies with effect from the Remarketing Date.

A Unitholder who does not respond within the time required is deemed to have given a Hold Notice. A Unitholder who gives a Bid Notice that is conditional but that condition is not satisfied is taken to provide a Deemed Step-up Notice. A conditional Bid Notice is a Bid Notice conditional on a Unitholder not holding more than a specific number of Goodman PLUS following a Successful Remarketing Process.

Once undertaken, a Remarketing Process will either be "successful" or "unsuccessful". Irrespective of the outcome of a Remarketing Process, the Responsible Entity may elect to Repurchase or Exchange Goodman PLUS on the relevant Remarketing Date.

If there is a Successful Remarketing Process, the Responsible Entity may elect to either:

- + set the Remarketing Margin; or
- + Repurchase or Exchange some or all Goodman PLUS.

If the Responsible Entity elects to set the Remarketing Margin, the other terms of the Goodman PLUS are adjusted in accordance with the Remarketing Process Invitation and the Responsible Entity must Repurchase or Exchange the Goodman PLUS of the Unitholders who provided a Step-up Notice (including any Deemed Step-up Notices) or a Bid Notice with a margin higher than the Remarketing Margin. If the Responsible Entity does not set a Remarketing Margin after delivering a Remarketing Process Invitation, it may Repurchase or Exchange the Goodman PLUS. If the Responsible Entity does not elect to Repurchase or Exchange the Goodman PLUS, it must apply a Step-up Margin of 1.00% in the calculation of the Distribution Amounts.

If the Remarketing Process is an Unsuccessful Remarketing Process, the Responsible Entity may Repurchase or Exchange the Goodman PLUS. If the Responsible Entity does not Repurchase or Exchange the Goodman PLUS, it must apply a Step-up Margin of 1.00% in the calculation of the Distribution Amounts.

If there is no Remarketing Process, the Responsible Entity may Repurchase or Exchange some or all of the Goodman PLUS on an equal basis, treating Unitholders equally. A Step-up Margin of 1.00% will apply to any Goodman PLUS which are not Repurchased or Exchanged by the Responsible Entity. The Step-up Margin of 1.00% only applies once.

Exchange and Repurchase Rights of the Goodman PLUS

Repurchase and Exchange by the Unitholder

A Unitholder has the right to request the Repurchase of its Goodman PLUS for cash if:

- + a Winding-up Event occurs in relation to the Goodman Entities or the Goodman PLUS Trust (other than a winding-up of the Goodman PLUS Trust initiated by the Unitholders);
- + a De-Stapling Event occurs with the Goodman Entities approval or consent;
- + an unauthorised amendment to the Goodman PLUS Terms, the Guarantee or the Implementation Deed is made; or
- + the Responsible Entity fails to Repurchase or Exchange the Goodman PLUS of Exiting Unitholders following a Successful Remarketing Process.

Summary of terms of redemption and exchange of Goodman PLUS (cont)

A Unitholder has the right to request the Exchange of their Goodman PLUS into Stapled Securities in certain circumstances, including if:

- + any of the circumstances listed above occur;
- + the Goodman Entities breach the Distribution Restriction;
- + a Change of Control Event is recommended by a majority of the Directors of each Goodman Entity; or
- + the Unitholders do not receive payment of the net proceeds from the sale of PIK Securities (or, at the election of the Unitholder, the Unitholders do not receive PIK Securities), or a combination of both, equal in value to the Optional Distribution Payment.

In all cases, the Responsible Entity may subsequently determine whether to Repurchase or Exchange the Goodman PLUS of that Unitholder.

Repurchase and Exchange by the Responsible Entity

The Responsible Entity may, at its discretion, initiate the Repurchase or Exchange of the Goodman PLUS in any of the following circumstances:

- + between six months and 50 Business Days prior to any Remarketing Date (including the First Remarketing Date of 21 March 2013); or
- + no later than 25 Business Days before a Remarketing Date if a Remarketing Process has been conducted; or
- + within 20 Business Days after the occurrence of a Change of Control Event; or
- + within 20 Business Days after a De-Stapling Event occurs in respect of the Goodman Entities or a Winding-Up Event occurs in respect of the Goodman Entities or, for so long as the Goodman PLUS Trust is part of the Group, the Goodman PLUS Trust; or
- + at any time after the Responsible Entity ceases to be part of the Group without the consent of Goodman RE; or
- + at any time within three months of the Board of Directors of Goodman passing a resolution which constitutes a Regulatory Event; or
- + at any time while the aggregate Face Value of all Goodman PLUS on issue is less than \$100 million; or
- + at any time upon the receipt of a valid notice from a Unitholder that the Unitholder wishes to Repurchase or Exchange; or
- + following a Successful Remarketing Process (in respect of all Goodman PLUS held by Exiting Unitholders).

The Responsible Entity exercises its right to elect for Repurchase or Exchange of Goodman PLUS by issuing an Issuer Realisation Notice (or, if the Responsible Entity has already received a Holder Realisation Notice, a Holder Realisation Date Notice). The Issuer Realisation Notice must specify:

- + the relevant Realisation Date;
- + the number of Goodman PLUS of the Unitholder to be Repurchased or Exchanged;
- + the basis for the Repurchase or Exchange; and
- + whether the Unitholder's Goodman PLUS will be Repurchased or Exchanged or a combination of those methods will be applied.

Amount paid to Unitholders following a Repurchase

On Repurchase, Unitholders receive an amount equal to the Realisation Amount for each Goodman PLUS.

The Realisation Amount is calculated as follows:

$$\text{Realisation Amount} = \text{FV} + \text{UD} + \text{P}$$

where:

FV is the Face Value of the relevant Goodman PLUS;

UD is the amount (if any) of unpaid scheduled Distribution Amounts for the 12 months preceding the Realisation Date; and

P is an amount of \$5.00 but only where the Realisation Amount is calculated following a Change of Control Event.

Number of Stapled Securities to be issued on Exchange of a Goodman PLUS

The number of Stapled Securities to be received by a Unitholder of each Goodman PLUS on Exchange is calculated as:

$$\frac{\text{Realisation Amount per Goodman PLUS}}{\text{VWAP} \times 99\%}$$

where:

VWAP is the average daily volume weighted average sale price per Stapled Security sold on the ASX (VWAP) during the 20 Business Days immediately before the Realisation Date.

On Repurchase or Exchange, the Realisation Amount includes an amount for any Unpaid Distribution Amounts equal to the Optional Distribution Payment as at the Realisation Date.

Any unpaid amount above the Optional Distribution Payment will not be paid.

How a Repurchase takes place

If a Repurchase is to take place, then:

- + on the Realisation Date, the relevant Goodman PLUS are automatically transferred to the Transferee; and
- + the Transferee must pay to the Unitholders on the relevant Record Date, in respect of each Goodman PLUS transferred, the Realisation Amount (less certain deductions) on the applicable Realisation Date.

How an Exchange takes place

If Goodman PLUS are Exchanged, on the Realisation Date:

- + the Responsible Entity will have an obligation to pay an amount to redeem the Goodman PLUS;
- + the obligation will be discharged by the Responsible Entity applying that amount to the subscription of a number of Stapled Securities; and
- + the Goodman Entities must allot to the Unitholder this number of Stapled Securities, except that if a Unitholder has an address outside Australia, the Responsible Entity will appoint a nominee to sell the Stapled Securities that would otherwise be issued to the Unitholder and the proceeds will be paid to the Unitholder.

Restrictions on Repurchase and Exchange

Under the terms of the Replacement Capital Deeds, the Goodman Entities have given covenants to certain senior creditors (not the Unitholders) that may restrict the manner in which it may fund a Repurchase or influence its willingness to Exchange.

Financial report

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Directors' report

The directors (Directors) of Goodman Funds Management Limited (GFM), the responsible entity for Goodman PLUS Trust (Trust), present their Directors' report together with the financial report of the Trust for the year ended 30 June 2012 and the independent audit report thereon.

Directors

The Directors at any time during or since the end of the year were:

Director	Appointment date¹
Mr Ian Ferrier, AM (Independent Chairman)	23 February 2005
Mr Gregory Goodman (Group Chief Executive Officer)	17 January 1995
Mr Philip Fan (Independent Director)	1 December 2011
Mr John Harkness (Independent Director)	1 September 2004
Ms Anne Keating (Independent Director)	6 February 2004
Ms Rebecca McGrath (Independent Director)	3 April 2012
Mr Phillip Pryke (Independent Director)	13 October 2010
Mr Jim Sloman, OAM (Independent Director)	1 February 2006
Mr James Hodgkinson (Non-Executive Director)	21 February 2003 (resigned on 30 September 2011)

1. Represents the dates Directors were appointed to the board of directors (Board) of GFM.

Details of the Directors' qualifications and experience are set out on pages 19 and 20.

At the date of his resignation, James Hodgkinson held 2,660 (30 June 2011: 2,660) of the perpetual, preferred units (Goodman PLUS) in the Trust. None of the other Directors has, or has had, any interests in either the ordinary unit or the Goodman PLUS in the Trust.

Company Secretary

The Company Secretary at any time during or since the end of the year was:

Company Secretary	Appointment date
Mr Carl Bicego	24 October 2006

Details of the Company Secretary's qualifications and experience are set out on page 20.

Directors' report (cont)

Directors' meetings

The number of Directors' meetings held (including meetings of committees of Directors) and the number of meetings attended by each of the Directors during the year were:

Director	Board meetings		Audit Committee meetings		Remuneration and Nomination Committee meetings		Risk and Compliance Committee meetings		Investment Committee meetings		Moorabbin Sub-Committee meetings ²	
	Held ¹	Attended	Held ¹	Attended	Held ¹	Attended	Held ¹	Attended	Held ¹	Attended	Held ¹	Attended
Mr Ian Ferrier	8	8	7	7	4	4	–	–	1	1	1	1
Mr Gregory Goodman	8	8	–	–	–	–	–	–	1	1	1	1
Mr Philip Fan ²	6	6	–	–	–	–	–	–	–	–	–	–
Mr John Harkness	8	8	7	7	–	–	4	4	–	–	1	1
Ms Anne Keating	8	8	–	–	4	4	4	4	–	–	3	3
Ms Rebecca McGrath ²	3	2	–	–	–	–	–	–	–	–	–	–
Mr Phillip Pryke	8	8	5	5	4	4	–	–	–	–	4	4
Mr Jim Sloman	8	8	–	–	–	–	4	4	1	1	3	3
Mr James Hodgkinson ³	1	1	2	2	–	–	–	–	–	–	–	–

1. Reflects the number of meetings individuals were entitled to attend.

2. Mr Philip Fan and Ms Rebecca McGrath were appointed as Directors during the year.

3. Mr James Hodgkinson resigned as a Director on 30 September 2011.

Directors absented themselves from meetings where they had a personal interest in the matters being discussed.

Principal activities

The principal activities of the Trust during the year were to invest in and lend to Goodman Limited and Goodman Industrial Trust (GIT) and the entities they control (Goodman Group). There were no significant changes in the nature of the activities during the year.

Review of operations

The performance of the Trust as represented by the results from its operations during the year was as follows:

	2012 \$000	2011 \$000
Revenue	21,334	22,308
Profit	21,334	22,308

State of affairs

The Trust was created on 31 October 2007 and registered as a managed investment scheme on 14 November 2007. On 21 December 2007, the Trust issued 3,269,665 Goodman PLUS with an issue price of \$100 each and lent the proceeds to a fellow sub-trust of GIT, the parent entity of the Trust. The borrowed funds were used for Goodman Group's general business purposes and to repay debt. This is consistent with the objects of the Trust at the time of admission of the Goodman PLUS on the Australian Securities Exchange.

There have been no changes in the state of affairs of the Trust during the year.

Distributions

The total distribution declared to the sole Ordinary Unitholder was \$3,000 (2011: \$4,000). The distribution declared to Goodman PLUS holders during the year totalled 657.8 cents per unit (2011: 680.1 cents). Further details of distributions paid or declared in the year are set out in note 4 to the financial statements.

Strategy and outlook

The Trust will continue to loan the proceeds from the issue of the Goodman PLUS to a fellow sub-trust of GIT, receive interest from the sub-trust and pay distributions to Goodman PLUS holders on the due dates.

Interests of the responsible entity

GFM, as responsible entity for GIT, holds one Ordinary Unit.

Fees payable to the responsible entity

The management fee payable by the Trust to GFM has been waived.

Indemnification and insurance of officers and auditors

GFM has insured current and former Directors and officers in respect of directors' and officers' liability and legal expenses. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of those contracts. The auditors of the Trust are not indemnified in any way by this insurance cover.

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 23 and forms part of the Directors' report for the year.

Qualifications, experience and special responsibilities of Directors and Company Secretary

Board of GFM as responsible entity for the Trust

The Trust was created on 31 October 2007 and registered as a managed investment scheme on 14 November 2007. GFM is the responsible entity for the Trust and the Directors' dates of appointment referred to below relate to their appointment as a director of GFM and may be prior to the creation of the Trust.

Mr Ian Ferrier, AM – Independent Chairman

Appointed 23 February 2005

Ian was appointed Chairman on 28 July 2009 (having been Acting Chairman from 28 November 2008). Ian is a Fellow of The Institute of Chartered Accountants in Australia and has 47 years of experience in company corporate recovery and turnaround practice. Ian is also a director of a number of private and public companies. He is currently Chairman of InvoCare Limited (since March 2001) and Australian Vintage Ltd (a director since November 1991) and a director of EnergyOne Limited (since January 2007) and Reckon Limited (since August 2004). His experience is essentially concerned with understanding the financial and other issues confronting companies which require turnaround management, analysing those issues and implementing policies and strategies which lead to a successful rehabilitation. Ian has significant experience in property and development, tourism, manufacturing, retail, hospitality and hotels, infrastructure and aviation and service industries.

Mr Gregory Goodman – Group Chief Executive Officer

Appointed 17 January 1995

Gregory is responsible for Goodman Group's overall operations and the implementation of its strategic plan. He has 30 years of experience in the property industry with significant expertise in the industrial property arena. Gregory was a co-founder of Goodman Group, playing an integral role in establishing its specialist global position in the property market through various corporate transactions, including takeovers, mergers and acquisitions. He is a director of Goodman (NZ) Limited (the manager of the New Zealand Exchange listed Goodman Property Trust), the Tokyo Stock Exchange listed Goodman Japan Limited, and the management companies of Goodman Group's unlisted funds and many of its subsidiaries.

Mr Philip Fan – Independent Director

Appointed 1 December 2011

Philip was formerly an executive director and is now a non-executive director of Hong Kong Stock Exchange listed China Everbright International Ltd, a company which focuses on the business of environmental protection and develops and manages numerous waste-to-energy and waste water treatments plants in China. Earlier in his career, he was an executive director of CITIC Pacific Ltd in charge of industrial projects in China. Included among his other directorships, he is an independent director of the Hong Kong Stock Exchange listed Hysan Development Co Ltd and HKC Holdings Limited, and the Shenzhen listed Zhuhai Zhongfu Enterprise Co., Ltd. He is also a member of the Asian Advisory Committee of AustralianSuper.

Philip holds a Bachelors Degree in Industrial Engineering and a Masters Degree in Operations Research from Stanford University, as well as a Masters Degree in Management Science from Massachusetts Institute of Technology.

Directors' report (cont)

Mr John Harkness – Independent Director

Appointed 1 September 2004

John is a Fellow of The Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors. He was a partner of KPMG for 24 years and National Executive Chairman for five years. Since leaving KPMG in June 2000, John has held a number of non-executive director roles. He is currently the Chairman of Charter Hall Retail Management Limited (director since August 2003), the management company of Charter Hall Retail REIT. He is also Chairman of the Reliance Rail group (since 2011) and a director of Sinclair Knight Merz Management Pty Limited (since 2010). He was formerly a director of Crane Group Limited (from September 2000 to December 2010). John is Vice President of Northern Suburbs Rugby Football Club Limited, a member of the Territorial Headquarters and Sydney Advisory Board of the Salvation Army and the Chairman of the Sydney Foundation for Medical Research.

Ms Anne Keating – Independent Director

Appointed 6 February 2004

Anne is a non-executive director with board positions in a range of industries. She is a director of the management companies of the Ardent Leisure Group (since March 1998), REVA Medical, Inc. (since October 2010), ClearView Wealth Limited (since November 2010) and GI Dynamics, Inc. (since June 2011). Anne was formerly a director of STW Communications Group Limited (from May 1995 to February 2011) as well as Spencer Street Station Redevelopment Holdings Limited and Insurance Australia Group Limited.

Anne is also a director of the Garvan Institute of Medical Research, a member of the Advisory Council of RBS Group (Australia) Pty Ltd and a Governor of the Cerebral Palsy Alliance Research Foundation and was until May 2012 a trustee for the Centennial Park and Moore Park Trust. Her last executive position was as General Manager, Australia for United Airlines for nine years until 2001.

Ms Rebecca McGrath – Independent Director

Appointed 3 April 2012

Rebecca is currently a non-executive director of CSR Limited (since February 2012), Incitec Pivot Limited (September 2011) and OZ Minerals Limited (since November 2010). Her most recent executive experience was as Chief Financial Officer of BP Australasia from which she resigned this year. As an executive at BP plc, she held numerous senior roles in finance, operations, corporate planning, project management and marketing in Australasia, the UK and Europe.

Rebecca holds a Bachelors Degree of Town Planning and a Masters of Applied Science (Project Management) and is a graduate of the Cambridge University Business and Environment Program. She is a Graduate of the Australian Institute of Company Directors.

Mr Phillip Pryke – Independent Director

Appointed 13 October 2010

Phillip is a director of Co-Investor Group and Tru-Test Corporation Limited and the Deputy Chairman and Lead Independent Director of New Zealand Exchange listed Contact Energy Limited and Chairman of ASX listed Digital Performance Group Ltd (since January 2009). He is also a director of Goodman (NZ) Limited, the manager of the New Zealand Exchange listed Goodman Property Trust.

Phillip has wide experience in the fishing, energy, financial services, and health and technology industries and holds a Bachelor of Economics Degree.

Mr Jim Sloman, OAM – Independent Director

Appointed 1 February 2006

Jim has over 40 years of experience in the building and construction industries in Australia and overseas, including experience with Sir Robert McAlpine & Sons in London and Lend Lease Corporation in Australia and as Deputy Chief Executive and Chief Operating Officer of the Sydney Organising Committee for the Olympic Games (SOCOG) from 1997 to 2001. He is a Principal of MI Associates Pty Limited, a company established by him and comprising some of the leading members of the former SOCOG senior management team, that is working as an adviser to both the London 2012 and the Rio de Janeiro 2016 Olympic Games. In addition, Jim is Chairman of Laing O'Rourke Australia Pty Limited and of several of its associated companies and a director of ISIS Holdings Pty Limited and of several of its associated companies. Jim was a director of Prime Infrastructure Holdings Limited (from February 2010 to December 2010) and Prime Infrastructure RE Limited (from February 2010 to December 2010) (the management company of Prime Infrastructure Trust). With his range of experience, Jim brings significant property, construction and major projects expertise to Goodman Group.

Company Secretary

Mr Carl Bicego – Company Secretary

Appointed 24 October 2006

Carl is the Company Secretary of the Company and its Australian subsidiaries, as well as Legal Counsel – Head of Corporate in Australia. He has over 14 years of legal experience in corporate law and joined Goodman Group from law firm Allens Arthur Robinson in 2006. Carl holds a Masters of Laws and Bachelor of Economics/Bachelor of Laws (Hons).

Environmental regulations

The Trust has policies and procedures in place that are designed to ensure that significant environmental regulations under Australian law are identified and appropriately addressed. The Directors have determined that there has not been any material breach of those obligations during the year.

Declaration by Group Chief Executive Officer and Group Chief Financial Officer

The Group Chief Executive Officer and Group Chief Financial Officer declared in writing to the Board that, in their opinion, the financial records of the Trust for the year have been properly maintained and the financial report of the Trust for the year ended 30 June 2012 complies with accounting standards and presents a true and fair view of the Trust's financial condition and operational results.

Events subsequent to balance date

As at the date of this Directors' report, the Directors have resolved to convene a meeting of the Goodman PLUS holders to consider a proposed restructure of the terms of the Goodman PLUS. The proposed amendments include increasing the margin on the distribution to 3.90% from (but not including) 21 September 2012, with the next remarketing date on 30 September 2017.

In the opinion of the Directors, there were no other events subsequent to balance date and up to the date of signature of this report which would require adjustment or disclosure in the financial report.

Rounding

The Trust is of the kind of entity referred to in Australian Securities & Investments Commission Class Order 98/100 dated 10 July 1998 (as amended) and in accordance with that Class Order, amounts in the Directors' report and financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The Directors' report is made in accordance with a resolution of the Directors.



Ian Ferrier, AM
Independent Chairman

Sydney, 14 August 2012



Gregory Goodman
Group Chief Executive Officer

Lead auditor's independence declaration



Lead auditor's independence declaration under section 307C of the Corporations Act 2001

To: The directors of Goodman Funds Management Limited as responsible entity for Goodman PLUS Trust

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2012 there has been:

- + no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- + no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to be 'Stuart Marshall'.

Stuart Marshall
Partner

Sydney, 14 August 2012

Balance sheet

as at 30 June 2012

	Note	2012 \$000	2011 \$000
Current assets			
Cash		36	33
Loan to related entity	5	327,368	327,550
Total current assets		327,404	327,583
Total assets		327,404	327,583
Current liabilities			
Other payables		-	-
Total current liabilities		-	-
Total liabilities		-	-
Net assets		327,404	327,583
Equity			
Issued capital	6	326,967	326,967
Retained earnings		437	616
Total equity		327,404	327,583

The balance sheet is to be read in conjunction with the accompanying notes.

Statement of comprehensive income

for the year ended 30 June 2012

	Note	2012 \$000	2011 \$000
Interest income	2	21,334	22,308
Profit for the year		21,334	22,308
Total comprehensive income for the year		21,334	22,308
Attributable to:			
Ordinary Unitholder		3	4
Goodman PLUS holders		21,331	22,304
		21,334	22,308
		cpu	cpu
Earnings per ordinary unit	3		
Basic		278,069.0	360,556.0
Diluted		278,069.0	360,556.0
Earnings per Goodman PLUS	3		
Basic		652.4	682.2
Diluted		652.4	682.2

The statement of comprehensive income is to be read in conjunction with the accompanying notes.

Statement of changes in equity

for the year ended 30 June 2012

	Note	Issued equity \$000	Retained earnings \$000	Total equity \$000
Balance at 1 July 2010		326,967	548	327,515
Total comprehensive income				
Profit for the year		–	22,308	22,308
Total comprehensive income for the year		–	22,308	22,308
Contributions by and distributions to owners				
Distributions declared on ordinary unit	4	–	(4)	(4)
Distributions declared on Goodman PLUS	4	–	(22,236)	(22,236)
Total contributions by and distributions to owners		–	(22,240)	(22,240)
Balance at 30 June 2011		326,967	616	327,583
Balance at 1 July 2011		326,967	616	327,583
Total comprehensive income				
Profit for the year		–	21,334	21,334
Total comprehensive income for the year		–	21,334	21,334
Contributions by and distributions to owners				
Distributions declared on ordinary unit	4	–	(3)	(3)
Distributions declared on Goodman PLUS	4	–	(21,510)	(21,510)
Total contributions by and distributions to owners		–	(21,513)	(21,513)
Balance at 30 June 2012		326,967	437	327,404

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Cash flow statement

for the year ended 30 June 2012

	Note	2012 \$000	2011 \$000
Cash flows from operating activities			
Interest income received		21,513	22,240
Net cash provided by operating activities	9(b)	21,513	22,240
Cash flows from investing activities			
Repayment of loan to related entity		3	3
Net cash provided by investing activities		3	3
Cash flows from financing activities			
Distributions paid	4	(21,513)	(22,240)
Net cash used in financing activities		(21,513)	(22,240)
Net increase in cash		3	3
Cash at the beginning of the year		33	30
Cash at the end of the year		36	33

The cash flow statement is to be read in conjunction with the accompanying notes.

Notes to the financial statements

for the year ended 30 June 2012

1. Statement of significant accounting policies

Goodman PLUS Trust (Trust) was established in Australia. The parent entity of the Trust is Goodman Industrial Trust (GIT). The responsible entity of the Trust, Goodman Funds Management Limited (GFM), has its registered office at Level 17, 60 Castlereagh Street, Sydney NSW 2000. The Trust is a for-profit entity whose principal activity is to invest in and lend to Goodman Limited and GIT and the entities they control (Goodman Group).

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. International Financial Reporting Standards (IFRS) form the basis of accounting standards adopted by the AASB. The financial report also complies with IFRS.

The financial report is presented in Australian dollars and was authorised for issue by the directors (Directors) of GFM, on 14 August 2012.

The significant accounting policies which have been adopted in the preparation of the financial report are set out below.

(a) Basis of preparation of the financial report

The financial report is prepared on the historical cost basis.

(b) Segment reporting

An operating segment is a component of the Trust that engages in business activities from which it may earn revenues and incur expenses. All operating segments' operating results are regularly reviewed by the Group Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Trust operates in a single business segment, investing (through the provision of an interest bearing loan) in Goodman Limited and GIT and the entities they control (Goodman Group), and operates wholly in Australia.

(c) Financial assets

The Trust classifies its financial assets as loans and receivables. Management determines the classification of its investments at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- + those that the Trust intends to sell immediately or in the short term, which are classified as held for trading, and those that the Trust upon initial recognition designates as at fair value through the statement of comprehensive income;
- + those that the Trust upon initial recognition designates as available for sale; or
- + those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(e) Interest income and expense

Interest income and expense for all interest bearing financial instruments are recognised within interest income and interest expense in the statement of comprehensive income using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Trust estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(f) Impairment of financial assets

Assets carried at amortised cost

The Trust assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Notes to the financial statements (cont)

for the year ended 30 June 2012

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Trust may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, with the amount of the reversal recognised in the statement of comprehensive income.

(g) Issued capital

Ordinary Unit and Goodman PLUS

Both the ordinary unit and perpetual, preferred units (Goodman PLUS) are classified as equity.

Distributions

Distributions on both the ordinary unit and Goodman PLUS are recognised as a reduction in equity in the period in which they are declared.

(h) Income tax

Under current Australian income tax legislation, the Trust is not liable for income tax provided that each year the taxable income is fully distributed to Unitholders.

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

(j) Australian accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2011, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Trust, except for AASB 9 Financial Instruments, which becomes mandatory for the Trust's 2016 financial statements and could change the classification and measurement of financial assets. The Trust does not plan to adopt this standard early and the extent of the impact has not been determined.

(k) Rounding

In accordance with Australian Securities & Investments Commission Class Order 98/100 (as amended), the amounts shown in the financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

2. Interest income

	2012 \$000	2011 \$000
Interest income from:		
Cash at bank	3	4
Loan to related entity	21,331	22,304
	21,334	22,308

3. Earnings per unit

	2012 cpu	2011 cpu
Attributable to Ordinary Unitholder		
Basic and diluted earnings per unit	278,069.0	360,556.0
Attributable to Goodman PLUS holders		
Basic and diluted earnings per unit	652.4	682.2
(a) Profit for the year used in calculating earnings per unit		
	2012 \$000	2011 \$000
Profit for the year used in calculating earnings per unit		
Attributable to Ordinary Unitholder	3	4
Attributable to Goodman PLUS holders	21,331	22,304
(b) Weighted average number of units used in calculating earnings per unit		
	2012 Number of units	2011 Number of units
Weighted average number of units used in calculating basic and diluted earnings per unit		
Ordinary Unit	1	1
Goodman PLUS	3,269,665	3,269,665

4. Distributions

The distributions paid/payable to the Ordinary Unitholder during the year were \$3,000 (2011: \$4,000). Distributions paid to Goodman PLUS holders are set out below:

	Distribution cpu	Total amount \$000	Date of payment
Distributions for the quarter ended:			
21 September 2011	173.4	5,671	21 Sep 11
21 December 2011	165.8	5,421	21 Dec 11
21 March 2012	158.8	5,193	21 Mar 12
21 June 2012	159.8	5,225	21 Jun 12
	657.8	21,510	
Distributions for the quarter ended:			
	Distribution cpu	Total amount \$000	Date of payment
21 September 2010	171.4	5,604	21 Sep 10
21 December 2010	167.8	5,486	21 Dec 10
21 March 2011	170.2	5,565	21 Mar 11
21 June 2011	170.7	5,581	21 Jun 11
	680.1	22,236	

Notes to the financial statements (cont)

for the year ended 30 June 2012

5. Loan to related entity

	2012 \$000	2011 \$000
Loan to related entity ¹	327,368	327,550

1. Includes accrued interest of \$437,374 (2011: \$616,462).

The loan to a related entity is made to Goodman Finance Australia Trust (GFAT), a fellow sub-trust of GIT, and is receivable on demand. Interest accrues on the loan at the annual distribution rate on Goodman PLUS (refer to note 6) and is payable quarterly on 21 March, 21 June, 21 September and 21 December. On satisfying certain conditions, the related entity is able to elect for a financial year not to pay the interest quarterly. In these circumstances, the interest is added to the principal loan and accrues interest at the distribution rate referred to above. This capitalised interest portion and any interest calculated on this capitalised interest portion are payable at the option of the related entity in the period of 10 years from when the capitalised interest portion was originally due.

6. Issued capital

	2012 \$000	2011 \$000
1 Ordinary Unit on issue	–	–
3,269,665 Goodman PLUS on issue	326,967	326,967
	326,967	326,967

Terms and conditions

Ordinary Unit

The holder of the ordinary unit is entitled to receive distributions as declared from time to time and is entitled to one vote per unit at Unitholders' meetings. In the event of the winding up of the Trust, the Ordinary Unitholder ranks after all other Unitholders and creditors and is fully entitled to any proceeds of liquidation.

Goodman PLUS

Goodman PLUS are preferred, perpetual units with a face value of \$100 per unit which are quoted on the Australian Securities Exchange. Goodman PLUS may be exchanged or repurchased in certain circumstances.

Distributions are payable quarterly on 21 March, 21 June, 21 September and 21 December, but at the discretion of GFM.

The distribution rate during the current and prior year was the three month bank bill rate plus a margin of 1.90%.

The Trust may initiate a remarketing process to adjust the distribution rate and certain other terms of the Goodman PLUS subject to approval by holders of Goodman PLUS. The first remarketing date is 21 March 2013 and thereafter every five years.

If remarketing is not undertaken, the Trust may choose to repurchase or exchange the Goodman PLUS or increase the margin on the Goodman PLUS by 1.00%. If a remarketing process is undertaken and is successful, the Trust may elect to set a new margin. Holders of Goodman PLUS who do not agree with the new margin will have their Goodman PLUS repurchased or exchanged. If a remarketing process is not successful, the margin on the Goodman PLUS will be increased by 1.00%.

In the event of the winding up of the Trust, GFM is to first distribute assets to the holders of Goodman PLUS, up to an amount equal to the face value and an amount equal to the unpaid amount of the scheduled distributions for the period of three months immediately preceding the date on which the Trust commenced to be wound up. GFM will then distribute the remaining assets to the Ordinary Unitholder.

7. Related party disclosures

Key management personnel disclosures

The Trust does not employ personnel in its own right; however, it is required to have an incorporated responsible entity to manage its activities. GFM as responsible entity is considered to be the key management personnel of the Trust.

Fees payable to GFM

The management fee payable by the Trust to GFM has been waived.

Interests of GFM in the Trust

GFM, as responsible entity of GIT, owns the ordinary unit issued by the Trust. GFM does not own any Goodman PLUS.

Transactions with Goodman Group

The Trust has made a loan to GFAT, a fellow controlled entity of GIT, registered in Australia. Further details are set out in note 5.

The audit fee for the year of \$27,600 (2011: \$26,750) has been paid by GIT.

8. Financial risk management

The Trust's capital management policy, interest rate risk and liquidity risk are monitored by Goodman Group's treasury function.

The Trust's activities involve ensuring that the Trust has sufficient funds to meet any distributions payable in respect of the ordinary unit or Goodman PLUS. This is achieved by matching the interest rates and payment dates on any loans to Goodman Group with the distribution rates on the units.

If interest rates during the year on the loan to GFAT had been 100 basis points per annum (2011: 100 basis points per annum) higher/lower, post-tax profit for the year would have been \$3,270,000 (2011: \$3,270,000) lower/higher.

The Trust has a significant concentration of credit risk in Goodman Group. Goodman Group has a Baa2 (stable outlook) credit rating with Moody's and therefore the Directors are confident it can control and sustain minimal exposure to credit risk. The only asset of the Trust is a loan to GFAT. This loan is not overdue and there is no impairment at 30 June 2012 (2011: \$nil). The Trust does not have any collateral in respect of this loan.

The Trust has no foreign exchange or other price risk and did not use derivative financial instruments during the year.

The fair values of all the Trust's financial assets and liabilities are their carrying amounts.

9. Notes to the cash flow statement

(a) Reconciliation of cash

For the purpose of the cash flow statement, cash includes any cash on hand and at bank and short-term deposits net of outstanding bank overdrafts.

(b) Reconciliation of profit for the year to net cash provided by operating activities

	2012 \$000	2011 \$000
Profit for the year	21,334	22,308
Changes in assets and liabilities during the financial year:		
Decrease/(increase) in loan to related entity	179	(68)
Net cash flows provided by operating activities	21,513	22,240

10. Events subsequent to balance date

As at the date of this financial report, the Directors have resolved to convene a meeting of the Goodman PLUS holders to consider a proposed restructure of the terms of the Goodman PLUS. The proposed amendments include increasing the margin on the distribution to 3.90% from (but not including) 21 September 2012, with the next remarketing date on 30 September 2017.

In the opinion of the Directors, there were no other events subsequent to balance date and up to the date of signature of this report which would require adjustment or disclosure in the financial report.

Directors' declaration

In the opinion of the directors of Goodman Funds Management Limited, the responsible entity for Goodman PLUS Trust:

(a) the financial statements and notes set out on pages 23 to 31 are in accordance with the Corporations Act 2001, including:


- + giving a true and fair view of the financial position of the Trust as at 30 June 2012 and of its performance for the year ended on that date; and
- + complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1; and

(c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

The directors of the responsible entity have been given the declarations required by section 295A of the Corporations Act 2001 from the Group Chief Executive Officer and Group Chief Financial Officer for the year ended 30 June 2012.

Signed in accordance with a resolution of the Directors.



Ian Ferrier, AM
Independent Chairman
Sydney, 14 August 2012



Gregory Goodman
Group Chief Executive Officer

Independent auditor's report

to the Unitholders of Goodman PLUS Trust



Report on the financial report

We have audited the accompanying financial report of Goodman PLUS Trust (the Trust), which comprises the balance sheet as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, notes 1 to 10 comprising a summary of significant accounting policies and other explanatory information and the Directors' declaration.

Directors' responsibility for the financial report

The directors of Goodman Funds Management Limited (the Responsible Entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Trust's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Goodman PLUS Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1.

KPMG

Stuart Marshall
Partner

Sydney, 14 August 2012

Securities information

Top 20 Unitholders as at 31 August 2012		
	Number of Goodman PLUS	Percentage of total issued Goodman PLUS
1. J P Morgan Nominees Australia Limited <Cash Income A/C>	607,715	18.59
2. Questor Financial Services Limited <TPS RF A/C>	202,161	6.18
3. Calyon Australia Limited	200,000	6.12
4. National Nominees Limited	117,325	3.59
5. HSBC Custody Nominees (Australia) Limited	90,846	2.78
6. RBC Investor Service Australia Nominees Pty Limited <GSENIP A/C>	70,050	2.14
7. Bow Lane Nominees Pty Ltd	69,060	2.11
8. Navigator Australia Ltd <MLC Investment Sett A/C>	64,926	1.99
9. M F Custodians Ltd	58,654	1.79
10. BNP Paribas Noms Pty Ltd <DRP>	50,792	1.55
11. Aust Executor Trustees Sa Ltd <Tea Custodians Limited>	49,450	1.51
12. BNP Paribas Noms Pty Ltd <Master Cust Drp>	48,749	1.49
13. EASN Pty Ltd <Penance A/C>	40,000	1.22
14. Buttonwood Nominees Pty Ltd	35,928	1.10
15. J P Morgan Nominees Australia Limited	29,862	0.91
16. Nulis Nominees (Australia) Limited <Navigator Mast Plan Sett A/C>	29,432	0.90
17. Questor Financial Services Limited <TPS PIP A/C>	24,041	0.74
18. Maniciti Pte Ltd	23,800	0.73
19. Brispot Nominees Pty Ltd <House Head Nominee No 1 A/C>	16,762	0.51
20. RBC Investor Services Australia Nominees Pty Limited <NMSMT A/C>	16,526	0.51
Goodman PLUS held by top 20 Unitholders	1,846,079	56.46
Balance of Goodman PLUS held	1,423,586	43.54
Total issued Goodman PLUS	3,269,665	100.00

Range of Goodman PLUS	Number of Unitholders	Number of Goodman PLUS	Percentage of total issued Goodman PLUS
1 – 1,000	2,526	746,131	22.82
1,001 – 5,000	216	439,226	13.43
5,001 – 10,000	19	132,619	4.06
10,001 – 100,000	24	824,488	25.22
100,001 – over	4	1,127,201	34.47
Total	2,789	3,269,665	100.00

There were two Unitholders with less than a marketable parcel in relation to five units as at 31 August 2012.

There were no substantial Unitholders as at 31 August 2012.

On a show of hands, every person present who is a Unitholder shall have one vote and on a poll, every person present who is an eligible Unitholder shall have one vote for each dollar value of Goodman PLUS Trust units that the eligible Unitholder holds or represents (as the case may be).

On a show of hands, every person present who is an Ordinary Unitholder shall have one vote and on a poll, every person present who is an eligible Ordinary Unitholder shall have one vote for each Ordinary Unit and one vote for each dollar value of Goodman PLUS Trust units that the eligible Ordinary Unitholder holds or represents (as the case may be).

Definitions

AASB means Australian Accounting Standards Board.

AIFRS means Australian equivalents to International Financial Reporting Standards.

ASIC means Australian Securities & Investments Commission.

ASX means Australian Securities Exchange, or ASX Limited (ABN 98 008 624 691) or the financial market which it operates as the case requires.

ASX Listing Rules means the listing rules of the ASX with any modification or waiver in their application to the Goodman PLUS Trust, GIT or GL which the ASX has granted or may grant from time to time.

Australian Accounting Standards means:

- + the accounting standards as defined in section 9 of the Corporations Act;
- + the requirements of the Corporations Act for the preparation and content of accounts; and
- + generally accepted accounting principles and practices consistently applied in Australia, including any domestically accepted international accounting standards, except principles and practices that are inconsistent with those referred to in the first two paragraphs of this definition.

Bid Notice has the meaning as described at clause 4.5 (“Holder response to Remarketing Process”) of the Terms.

Bill Rate means the rate (expressed as a percentage per annum), equal to the average mid-rate for bills for a term of 90 days as displayed on the Reuters BBSW page (or any page which replaces that page) on the first Business Day of the relevant Distribution Period or if there is a manifest error in the calculation of that average rate or that average rate is not displayed by 10.30am (Sydney time) on that date, the rate calculated by the Issuer having regard to the extent possible to:

- + the rates otherwise bid and offered for bills of (or of approximately) 90 days or for funds of that tenor displayed on the Reuters BBSW page (or any page which replaces that page) at that time on that date; and
- + if bid and offer rates for bills of (or of approximately) 90 days are not otherwise available, the rates otherwise bid and offered for funds of (or of approximately) that tenor at or around that time on that date. Business Day has the meaning given in the ASX Listing Rules.

Bookbuild Margin means the initial margin determined in accordance with the bookbuild process as described in the product disclosure statement (PDS) for the offer of Goodman PLUS issued by the Responsible Entity on 16 November 2007 (and replacement PDS on 26 November 2007), being 1.90%.

CDI means a CHESS Depository Interest referencing an ordinary share in GLHK.

Change of Control Event means:

- + a takeover bid under Chapter 6 of the Corporations Act to acquire all or some of the Stapled Securities and the offer under such takeover bid is, or becomes, unconditional and the bidder has acquired at any time during the offer period a relevant interest in more than 50% of the Stapled Securities on issue; or
- + a meeting of the members of a Goodman Stapled Entity is called to consider a formal or informal scheme of arrangement which, if approved and implemented, will result in a person having a relevant interest in more than 50% of the Stapled Securities that will be on issue after the scheme is implemented, and either:
 - the relevant Goodman Entity releases to the market an opinion from an independent expert that the proposed scheme is fair and reasonable; or
 - the scheme is approved by Stapled Security holders and all other classes of members or creditors where approval is required for the scheme to take effect, but does not include a New Trust Scheme.

Notwithstanding the foregoing, if after a Change of Control Event relating to a scheme occurs, the scheme is not approved by Stapled Security holders and all such other classes of members or creditors, the Change of Control Event shall be deemed never to have occurred and in order to ensure that action is not taken prematurely in relation to clause 5.5(b) (“Realisation Dates for Repurchase or Exchange following Issuer Realisation Notice or Holder Realisation Notice”) of the Terms, the time period of 25 Business Days referred to in clause 5.5(b) (“Realisation Date for Repurchase or Exchange following Issuer Realisation Notice or Holder Realisation Notice”) of the Terms shall be extended if necessary so that it expires on the date of such approval and any notices given as a result of such event will be revoked.

Constitution means the deed entitled “Trust Deed of the Goodman PLUS Trust” dated on or about 31 October 2007 as amended from time to time.

Corporations Act means the Corporations Act 2001 (Cth).

CPU means cents per unit.

Deemed Hold Notice has the meaning given to that term in clause 4.5(b) (“Holder Response to Remarketing Process”) of the Terms.

Deemed Step-Up Notice has the meaning given to that term in clause 4.5(d) (“Holder Response to Remarketing Process”) of the Terms.

Distribution Restriction means the restriction on the Goodman Entities paying dividends set out in clause 2 of the Goodman PLUS Terms.

Exchange means Goodman PLUS are exchanged for Stapled Securities as described in clause 6 (“Exchange”) of the Terms and “Exchangeable” and “Exchanged” have corresponding meanings.

Exiting Unitholder means, for a Remarketing Date, a Unitholder as at the Remarketing Cut-Off Date who has given either:

- + a Step-Up Notice (including a Deemed Step-Up Notice); or
- + a Bid Notice which specifies a margin which is higher than the Remarketing Margin which applies from (and including) the Remarketing Date.

Explanatory Memorandum means Explanatory Memorandum and notice of meetings issued by the Responsible Entity on 3 September 2012.

Face Value has the meaning given to it in clause 1.2(c) (“General”) of the Terms.

First Remarketing Date means 21 March 2013.

GFM means Goodman Funds Management Limited (ABN 48 067 796 641; AFSL Number 223621).

GL means Goodman Limited (ABN 69 000 123 071) and its controlled entities, where the context requires.

GIT means Goodman Industrial Trust (ARSN 091 213 839) and its controlled entities or GFM as responsible entity for GIT, where the context requires.

Goodman Entities means GL and Goodman RE.

Goodman Stapled Entities means GL and GIT.

Goodman Group, Group or Goodman means, in respect of the Terms, GIT and GL and any entity (including without limitation a trust) which GIT or GL must consolidate in their accounts in accordance with Australian Accounting Standards. In other contexts, since 22 August 2012 it also includes GLHK and each entity it is required to consolidate.

GLHK means Goodman Logistics (HK) Limited (Company No. 1700359; ARBN 155 911 149) and its controlled entities, where the context requires.

Goodman PLUS has the meaning as described at clause 1.1 (“Terms”) of the Terms.

Goodman PLUS Trust or Trust means the trust named “Goodman PLUS Trust” as established under the Constitution or the Responsible Entity, as the context requires.

Goodman RE means the responsible entity for GIT from time to time, the current responsible entity being GFM (ABN 48 067 796 641; AFSL Number 223621) in its capacity as responsible entity for GIT and not any other trust.

Guarantee means the subordinated guarantee provided by each of the Goodman Entities (on a joint and several basis) to Unitholders contained in the Guarantee Deed.

Guarantee Deed means the deed of that name entered into by the Goodman Entities for the benefit of the Unitholders dated 19 December 2007.

Hold Notice has the meaning as described at clause 4.5 (“Holder Response to Remarketing Process”) of the Terms.

Margin (expressed as a percentage) means for each Distribution Period:

- + from (and including) the Issue Date to (and including) the first Remarketing Date, the Bookbuild Margin;
- + from (but excluding) the first Remarketing Date if a Successful Remarketing Process has not occurred until (and including) the next Remarketing Date, the Bookbuild Margin plus the Step-Up Margin;
- + if there was a Successful Remarketing Process at the most recent Remarketing Date, then from (but excluding) that Remarketing Date to (and including) the next Remarketing Date, the Remarketing Margin; and
- + if there was not a Successful Remarketing Process at the most recent Remarketing Date, the Remarketing Margin applying immediately after the most recent Remarketing Date where a Successful Remarketing Process has occurred plus the Step-up Margin.

Market Rate means:

- + for a Distribution Period commencing prior to the first Remarketing Date, the Bill Rate; and
- + for a Distribution Period commencing on or after a Remarketing Date:
 - where there has been a Successful Remarketing Process, the Remarketing Market Rate; or
 - otherwise, the Bill Rate.

Definitions (cont)

New Trust Scheme means a scheme for reorganising the affairs of the relevant Goodman Entities under which (among other things approved by the boards of directors of the Goodman Entities):

- + the holders of Stapled Securities:
 - stop being the owner of those Stapled Securities and acquire interests in a new unit trust (“interposed trust”) and nothing else (“new trust case”); or
 - retain their interests in the Units (also “interposed trust”), stop being the owner of the Shares and receive nothing other than units in the interposed trust, or an increase in value of their Units in the interposed trust, or both (“existing trust case”); and
- + under the scheme, the interposed trust becomes the holder of:
 - for a new trust case, all of the Stapled Securities; or
 - for an existing trust case, all of the Shares.

Register means the register of Unitholders maintained by or on behalf of the Responsible Entity in accordance with the Constitution.

Optional Distribution Payment has the meaning given in clause 2.8 (“Optional Distribution Payment”) of the Terms.

Ordinary Unit means an Ordinary Unit in the Goodman PLUS Trust.

Ordinary Unitholder means a person registered as the holder of an Ordinary Unit.

PIK Securities means in the discretion of the Responsible Entity (having obtained all relevant consents or approvals enabling the issue and sale of the securities) the issue of:

- + Goodman PLUS;
- + Stapled Securities; or
- + any other security:
 - issued by a person other than the Responsible Entity; and
 - approved in writing to the Responsible Entity by Standard & Poor’s (Australia) Pty Limited and Moody’s Investor Services Pty Limited as a PIK Security, which if issued or transferred to Unitholders in Australia may be sold on the ASX by those Unitholders without any restriction imposed by sections 707 or 1012C of the Corporations Act.

Proposal means the proposal to restructure the PLUS as set out in the Explanatory Memorandum.

Realisation Amount for each Goodman PLUS, means the amount calculated in accordance with the following formula: $F + UD + P$

where:

F is the Face Value for the Goodman PLUS;

UD is the Unpaid Distribution Amount for the Goodman PLUS;

and

P is an amount of \$5.00, but only where the Realisation Amount is calculated on account of a Change of Control Event.

Remarketing Margin means the margin determined by the Responsible Entity through the Successful Remarketing Process.

Remarketing Market Rate means the Market Rate set after and as a result of a Successful Remarketing Process.

Remarketing Cut-Off Date means the date by which Unitholders are entitled to respond to a Remarketing Process Invitation in accordance with clause 4.5 (“Holder Response to Remarketing Process”) of the Terms.

Remarketing Date means:

- + in the case of the first Remarketing Date, 21 March 2013; and
- + for each subsequent Remarketing Date:
 - a date which is:
 - + at least 12 months after the previous Remarketing Date; and
 - + set through a Remarketing Process; or
 - if a date is not set through a Remarketing Process, the date that is five years after the previous Remarketing Date.

Remarketing Process means the remarketing process that may be undertaken by the Responsible Entity prior to the Remarketing Date to determine the Remarketing Margin, the Remarketing Market Rate and certain other terms and conditions relating to the Goodman PLUS.

Remarketing Process Invitation means a notice in writing from the Responsible Entity which satisfies the requirements of clause 4.3 (“Content of Remarketing Process Invitation”) of the Terms.

Repurchase means the Responsible Entity procuring the purchase of the Goodman PLUS by a Transferee and the payment by the Transferee of the Realisation Amount in accordance with the Repurchase Process. Repurchased has the corresponding meaning.

Responsible Entity means Goodman Funds Management Limited (ABN 48 067 796 641; AFSL Number 223621) in its capacity as responsible entity for the Goodman PLUS Trust.

Share means a fully paid share in GL.

Stapled Securities means the stapled securities comprising a GIT Unit, unit or units stapled to a GL Share, share or shares and since 22 August 2012, a GLHK CDI, so that they may not be transferred separately.

Successful Remarketing Process means a Remarketing Process in relation to which the Responsible Entity receives from Unitholders on the Register on the Remarketing Cut-Off Date:

- + Hold Notices (excluding any Deemed Hold Notices); or
- + Bid Notices (excluding any Deemed Step-Up Notices) specifying a margin equal to or less than the margin specified by the Unitholder within the range of margins set out in the Remarketing Process Invitation, and cumulatively those notices were given in respect of at least 25% of Goodman PLUS on issue at the time that the Remarketing Process Invitation was issued.

Terms means the terms of issue of the Goodman PLUS set out in schedule 2 of the Constitution.

Transferee means the person (who need not be a member of Goodman Group) nominated by Goodman RE to be the transferee for the purposes of clause 5.9 ("Repurchase Process") or clause 6 ("Exchange") of the Terms.

Unit means a fully paid Ordinary Unit in GIT.

Unitholder or **Goodman PLUS Unitholder** means a holder of Goodman PLUS on the Register.

Corporate directory

Goodman PLUS Trust

ARSN 128 290 808

Responsible Entity

Goodman Funds Management Limited
ABN 48 067 796 641; AFSL Number 223621

Offices

Registered office

Level 17
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Facsimile +61 2 9230 7444
Email info@goodman.com
Website www.goodman.com

Directors

Mr Ian Ferrier, AM (Independent Chairman)
Mr Gregory Goodman (Group Chief Executive Officer)
Mr Philip Fan (Independent Director)
Mr John Harkness (Independent Director)
Ms Anne Keating (Independent Director)
Ms Rebecca McGrath (Independent Director)
Mr Phillip Pryke (Independent Director)
Mr James Sloman, OAM (Independent Director)

Company Secretary

Mr Carl Bicego

Security Registrar

Computershare Investor Services Pty Limited

Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

GPO Box 2975
Melbourne VIC 2975

Telephone 1300 723 040 (within Australia)
+61 3 9415 4043 (outside Australia)

Facsimile +61 8 8236 2305
Email www.investorcentre.com/contact
Website www.computershare.com

Custodian

The Trust Company Limited

20 Bond Street
Sydney NSW 2000

Auditor

KPMG

10 Shelley Street
Sydney NSW 2000

ASX code

GMP

This Annual Report has been prepared by Goodman Funds Management Limited (ABN 48 067 796 641; AFSL Number 223621) as the responsible entity for Goodman PLUS Trust (ARSN 128 290 808). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate. This Annual Report is not an offer or invitation for subscription or purchase of securities or other financial products. It does not constitute an offer of securities in the United States. Securities may not be offered or sold in the United States unless they are registered under the US Securities Act of 1933 or an exemption from registration is available. Past performance is no indication of future performance. All values are expressed in Australian currency unless otherwise stated. September 2012.

