



## media release+

### **Goodman and CPPIB increase equity commitment for China joint venture, and sign new debt facility**

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Release Immediate

**Goodman Group (Goodman or Group) is pleased to announce that Canada Pension Plan Investment Board (CPPIB) and Goodman have increased their equity commitment in the 80/20 joint venture, Goodman China Logistics Holding (GCLH). The additional capital increases the combined equity commitment to the GCLH joint venture to a total of US\$500 million, of which 80% is represented by CPPIB, who has committed an additional US\$250 million.**

The joint venture was initially formed by Goodman and CPPIB in August 2009 to own and develop logistics assets in Mainland China.

In addition, the joint venture has signed a US\$100 million five-year facility with Credit Agricole Corporate and Investment Bank and ING Bank N.V. Both the increased equity commitment and bank facility will be used by GCLH to drive new opportunities in mainland China.

Goodman Group CEO, Greg Goodman, said, "The initiatives we are announcing today provide our GCLH joint venture with significant capacity to take advantage of new opportunities in line with the execution of our China growth strategy. Significantly, the initiatives also demonstrate the ongoing support of both equity and debt capital partners for our managed fund platform.

He added, "We are delighted to be building on our relationship with CPPIB, and their ongoing commitment to Goodman, while the bank facility highlights that despite the challenging global economic environment, banks continue to lend to well managed property groups with good operating businesses and high quality assets."

CPPIB Senior Vice-President, Real Estate Investments, Graeme Eadie said, "CPPIB's additional equity investment reflects the strength of our relationship with Goodman and the significant opportunities arising from the strong demand for modern, efficient logistics space in China. It ensures that GCLH will continue to perform well over the long term through its participation in the rapid growth of this market."

The additional capital will help to facilitate Goodman's strategy of growing its investments in Greater China over the next five years to RMB19 billion (US\$3 billion), from RMB1.9 billion (US\$0.3 billion) today. The Group currently has 20 completed properties in Greater China offering 1.5 million sqm of gross lettable area. It has a number of projects underway in Shanghai and Beijing, with development projects in the pipeline in Chengdu, Langfang, Tianjin and Suzhou.

Mr Philip Pearce, Managing Director of Goodman Greater China, said, "We are confident that China will become one of the largest logistics markets in the world, with increasing demand for international grade, high efficiency warehousing space. As a specialist provider of high quality logistics space, we are well positioned to take advantage of opportunities, having secured a

number of well located land sites. This has grown our land bank to in excess of 2 million sqm, and is consistent with our strategy to continue increasing our commitment and resources in China, both directly and through our joint venture partners.”

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**About Goodman**

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**About CPP Investment Board**

For more information, please visit [www.cppib.ca](http://www.cppib.ca).