

GRANITE REIT

Investor Presentation

November 2018



PRESENTATION OF CERTAIN INFORMATION

Unless otherwise indicated in this presentation, all information is presented as of September 30, 2018 and all financial information that is identified as refers to the period ending September 30, 2018. For definitions of certain non-IFRS measures used in this presentation including funds from operations (“FFO”), adjusted funds from operations (“AFFO”), FFO payout ratio, AFFO payout ratio, net operating income calculated on a cash basis (“NOI-cash basis”), net leverage ratio, earnings before interest, income taxes, depreciation and amortization (“EBITDA”), unencumbered asset coverage ratio, indebtedness ratio, interest coverage ratio, please refer to Granite’s Management Discussion and Analysis (“MD&A”) for the third quarter of 2018.

This presentation may contain statements that, to the extent they are not recitations of historical fact, constitute “forward-looking statements " or “forward-looking information” within the meaning of applicable securities legislation, including the United States Securities Act of 1933 as amended, the United States Securities Exchange Act of 1934 as amended, and applicable Canadian securities legislation. Forward-looking statements and forward-looking information may include, among others, statements regarding Granite’s future plans, goals, strategies, intentions, beliefs, estimates, costs, objectives, economic performance or expectations, or the assumptions underlying any of the foregoing. Words such as "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate”, “seek” and similar expressions are used to identify forward-looking statements and forward-looking information.

Forward-looking statements and forward-looking information should not be read as guarantees of future events, performance or results and will not necessarily be accurate indications of whether or the times at or by which such future performance will be achieved. Undue reliance should not be placed on such statements.

Forward-looking statements and forward-looking information are based on information available at the time and/or management's good faith assumptions and analyses made in light of our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, and are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond Granite's control, that could cause actual events or results to differ materially from such forward looking statements and forward-looking information.

Important factors that could cause such differences include, but are not limited to: the risk of changes to tax or other laws and treaties that may adversely affect Granite REIT’s mutual fund trust status under the Income Tax Act (Canada) (the “Tax Act”) or the effective tax rate in other jurisdictions in which Granite operates; economic, market and competitive conditions and other risks that may adversely affect Granite’s ability to achieve desired developments in its relationships with its tenants, expand and diversify its real estate portfolio and increase its leverage; and the risks set forth in the annual information form of Granite REIT and Granite REIT Inc. dated March 1, 2018 (the Annual Information Form). The “Risk Factors” section of the Annual Information Form also contains information about the material factors or assumptions underlying such forward-looking statements and forward-looking information, and is incorporated herein by reference. This presentation is qualified in its entirety by the information in such risk factors, which readers are strongly advised to review.

Forward-looking statements and forward-looking information speak only as of the date the statements and information were made and unless otherwise required by applicable securities laws, Granite expressly disclaims any intention and undertakes no obligation to update or revise any forward-looking statements or forward-looking information contained in this presentation to reflect subsequent information, events or circumstances or otherwise.

LEADERSHIP TEAM

Kevan Gorrie

- President and Chief Executive Officer
- Over 20 years of real estate experience in Canada, the United States and Germany.
- Mr. Gorrie most recently served as the President and Chief Executive Officer of PIRET, where he led the business until its strategic sale to Blackstone Property Partners and Ivanhoé Cambridge in May, 2018.

Ilias Konstantopoulos

- Chief Financial Officer
- Over 25 years experience in corporate finance, M&A, and capital markets.
- Previously Managing Partner at Brookfield Financial and Managing Director at BMO Capital Markets with extensive real estate industry and transaction experience.

Lorne Kumer

- Executive Vice President, Head of Global Real Estate
- Over 25 years of experience in the real estate industry working for both public and private development companies
- Experience includes acquisitions, due diligence, leasing, land use and development approvals, sales and construction

Michael Ramparas

- Vice President of Global Real Estate
- Over 15 years of broad work experience with a focus on real estate, equity investments, and corporate underwriting.
- Responsible for underwriting, the development of asset and portfolio strategies.
- Previously held senior positions at Fortress Investment Group and Hexagon Capital Partners

GRANITE OVERVIEW

Description

- Owner and manager of industrial, warehouse and logistics properties
- Operate in nine countries in North America and Europe
- Creditworthy and diversified tenant base
- Magna and its operating subsidiaries are the largest tenant (ratings of A- / A (low) / A3 with stable outlook)

Properties

- 85 income-producing properties + 3 development properties
- 32.5 M square feet
- $3.2 B in property value
- 5.9 years of weighted average lease term
- 6.8% overall capitalization rate

Financial Information

- $209.4 M in annualized rental revenue
- $170 M FFO for the last 12 months
- 80% FFO payout ratio
- 16% net leverage ratio

Public Listing

- GRT.UN on TSX and GRP.U on NYSE
- Market capitalization of ~$2.5 B and enterprise value of $3.0 B
- Investment grade ratings with stable outlook (BBB / Baa2)

Global industrial real estate platform

Magna International Inc. ratings are as per S&P/DBRS/Moody's and are based on Magna's public filings.
Annualized revenue is calculated as rental revenue excluding tenant recoveries, recognized in accordance with IFRS in the third quarter of 2018.
Granite investment grade ratings are as per DBRS/Moody's.
Market capitalization and enterprise value are as at September 30, 2018.

INVESTMENT HIGHLIGHTS

Global industrial property portfolio

- Strategically located in Canada, US and Europe
- Large scale and mostly single-tenanted properties
- 97.3% occupied

Diverse and creditworthy tenant base

- 47 tenants across broad spectrum of industries
- Magna, rated A- / A (low) / A3, represents 57% of annualized rental revenue and 48% by gross leasable area
- Other major tenants include Kuehne & Nagel, LGI, Mars, Restoration Hardware, and Samsung

Potential for further diversification and optimization of portfolio

- Approximately $1.4B in strategic acquisitions and dispositions of non-core assets in past 13 months
- Significant growth opportunities through development, acquisitions and in support of Magna
- Continued divestment of non-core assets

Experienced management team

Strong track record of profitability and stable cash flow generation

- Consistent growth in annual cash flow since January 2012
- Conservative AFFO payout ratio target of 80%

Favourable lease terms

- Predominantly net lease structure with tenant responsible for operating costs
- Contractual rent escalators typical both during term and upon renewal
- Portfolio WALT of 5.9 years overall and 7.2 years for special purpose properties

Industry leading balance sheet provides financial flexibility

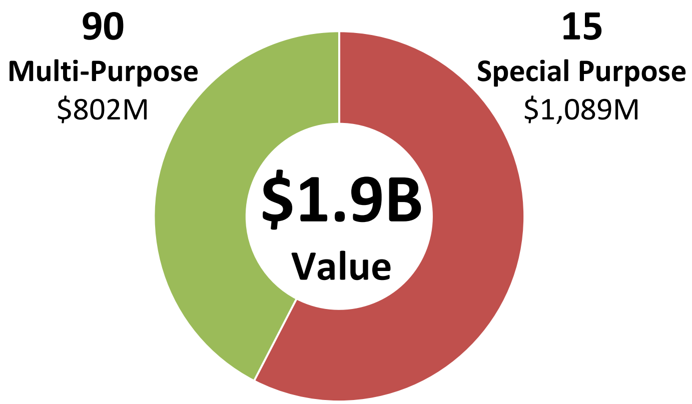
- Unencumbered assets, low leverage and investment grade ratings (BBB / Baa2) with stable outlook
- Incremental debt capacity ~$1.3B at 40% net leverage ratio target

Global industrial platform with stable cash flow and industry leading balance sheet

GRANITE'S EVOLUTION

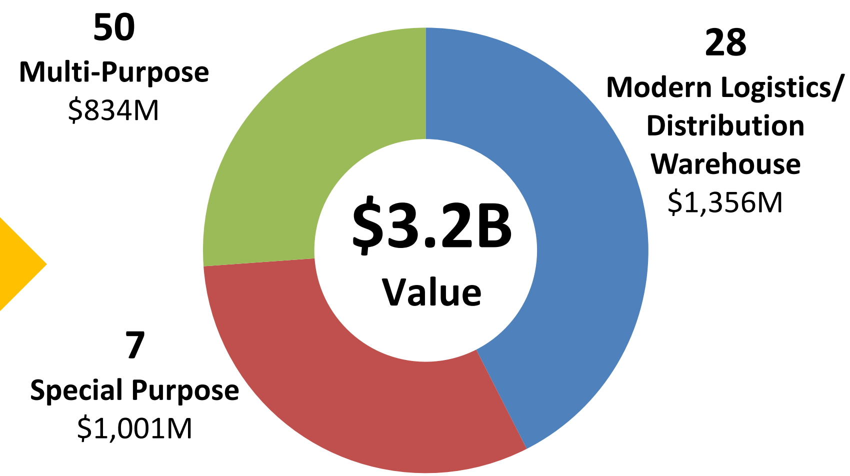
Income-Producing Properties Summary

Then – December 31, 2011



105	94%	11%	$1.5B	**$917M**
# of Income Producing Properties	Magna % of GLA	Net Leverage Ratio	Market Cap	Incremental Debt Capacity @ 40%

Now – September 30, 2018



85	48%	16%	$2.5B	**$1.3B**
# of Income Producing Properties	Magna % of GLA	Net Leverage Ratio	Market Cap	Incremental Debt Capacity @ 40%

De-risking and transforming the portfolio while creating value and maintaining financial flexibility

STRATEGIC PRIORITIES

Build an industry leading real estate business

Growth & Diversification

- Leverage Granite's geographic footprint to seek investment opportunities that:
  - Meet Granite's investment criteria and disciplined approach
  - Enhance the quality of the portfolio and cash flow on a long term basis
  - Are accretive to both FFO and AFFO
- Explore and pursue:
  - Property, portfolio and company acquisitions and development opportunities
  - Joint venture and similar arrangements with local partners
- Reduce Magna concentration over the long term

Optimize Value of Core Business

- Actively manage Granite's core portfolio for value creation opportunities:
  - Manage and optimize operating efficiencies of core business
  - Recycle non-core properties (primarily Magna-tenanted)
  - Exploit development opportunities from existing portfolio

Capital Structure

- Preserve investment grade ratings and strong liquidity
- Target long term net leverage ratio of no greater than 40%
- Use global footprint to access lowest cost and most flexible sources of capital
- Reduce overall cost of capital

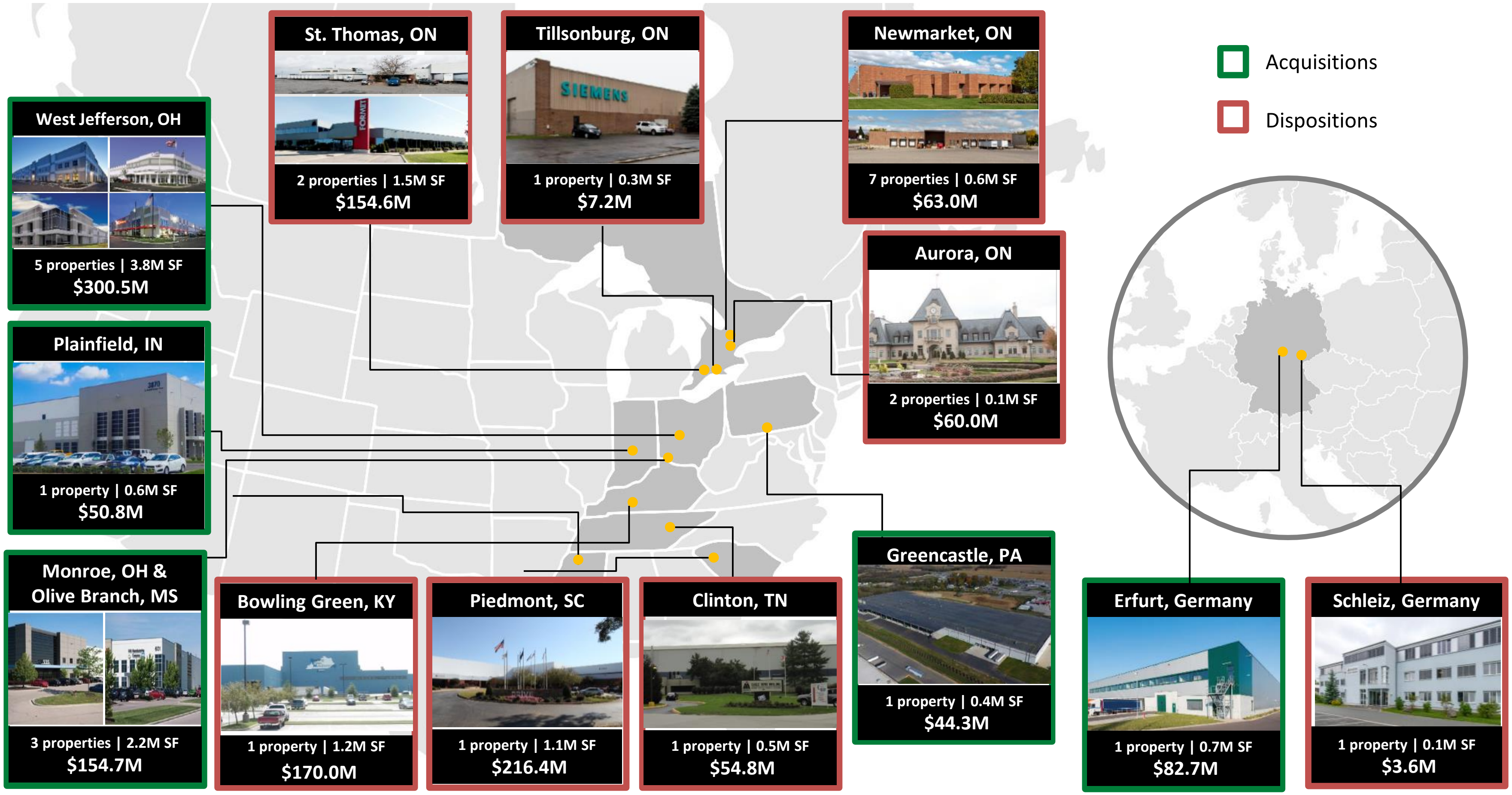
Return of Capital

- Seek to consistently grow distributions over the long term while retaining financial flexibility and prudent FFO/AFFO payout ratios
- Consider purchase of units via normal course issuer bid (NCIB) at appropriate prices

Strategic priorities to be guided by value creation potential on a risk-adjusted basis

RECENT TRANSACTION HIGHLIGHTS

During the last 12 months, $633M in acquisitions and $730M in dispositions



Significant capital turnover as part of portfolio transformation

Above excludes in excess of $300M of commitments related to construction and development projects and the purchase of an e-commerce distribution facility in Texas.

PORTFOLIO TRANSFORMATION STRATEGY

Target markets with superior economic conditions and market fundamentals

- Proximity to major MSAs
- Available labour
- Strategic location
- Population Growth
- Liquidity
- Major infrastructure

Focus on modern facilities that meet the demands of e-Commerce and traditional distribution users

- Modern characteristics
- Lower capex requirements
- Potential for expansion or redevelopment
- Strategic location within market
- Captive tenancy

Invest selectively in evolving industrial asset classes benefiting from technological advancement/e-commerce

- Cold Storage (Food & Pharma)
- Multi-Level
- Transport facilities

Focusing on characteristics that meet current and evolving user demand

DEVELOPMENT AS PART OF GRANITE'S STRATEGY

Leverage our in-house expertise to pursue and execute on development and redevelopment opportunities

Target ~$300M in capital over the next five years on development

Develop properties having state-of-the-art design characteristics meeting evolving trends in tenant requirements

Target higher yield & IRR in core markets and enhanced growth prospects

Partner with experienced developers in select target markets to manage risk and generate higher number of opportunities for scale

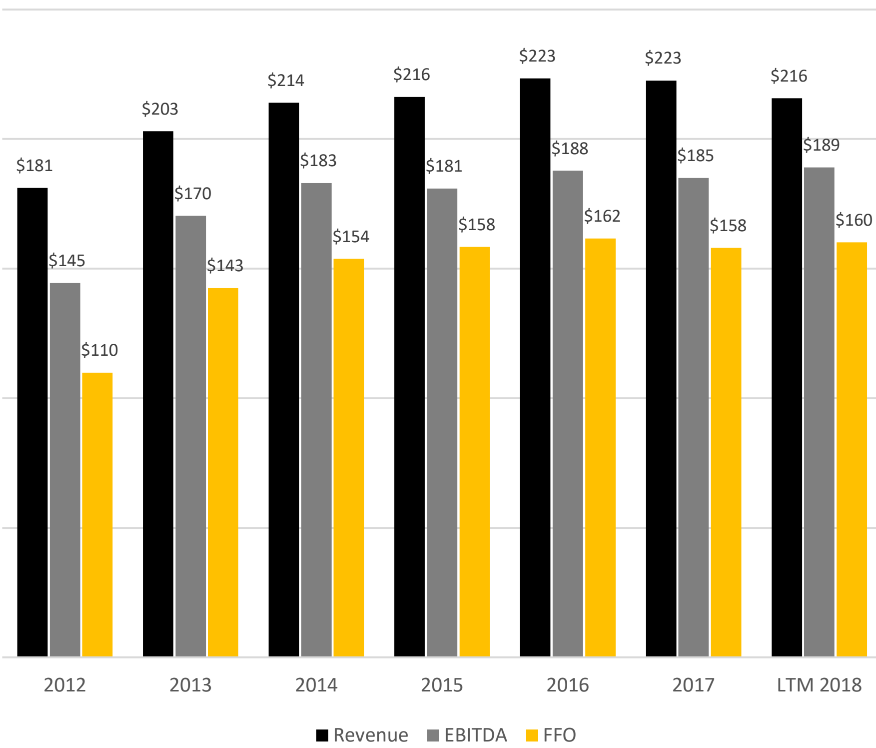
Target IPP acquisition opportunities with redevelopment potential

Incorporate sustainable practices throughout the development program

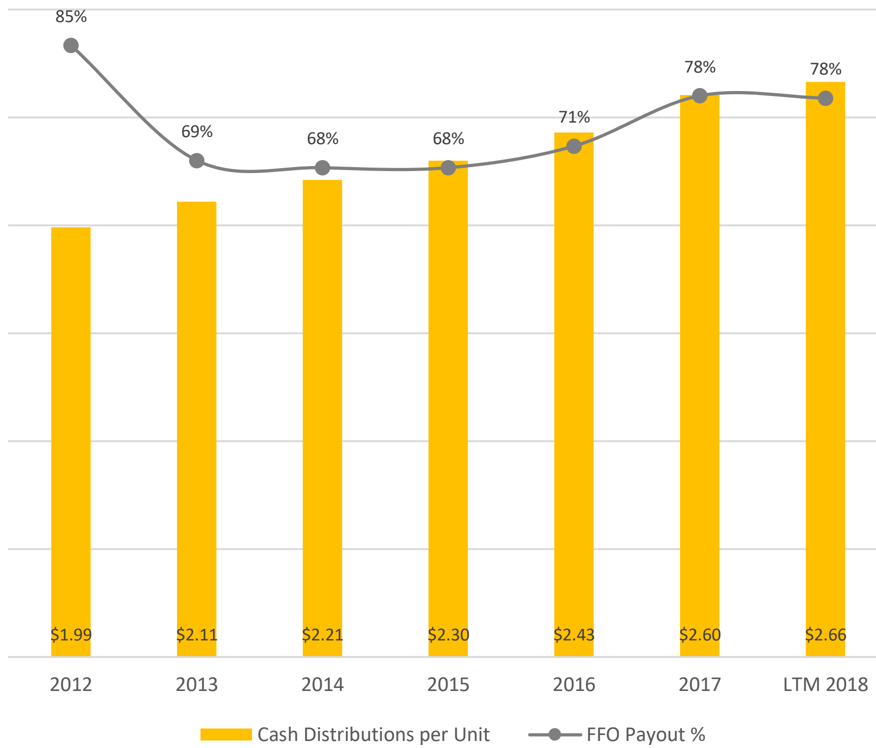
Incorporate development into our growth plans to enhance IRR & platform value

GRANITE HISTORICAL PERFORMANCE

Historical Operating Performance ($M)



Cash Distributions and Comparable FFO Payout %

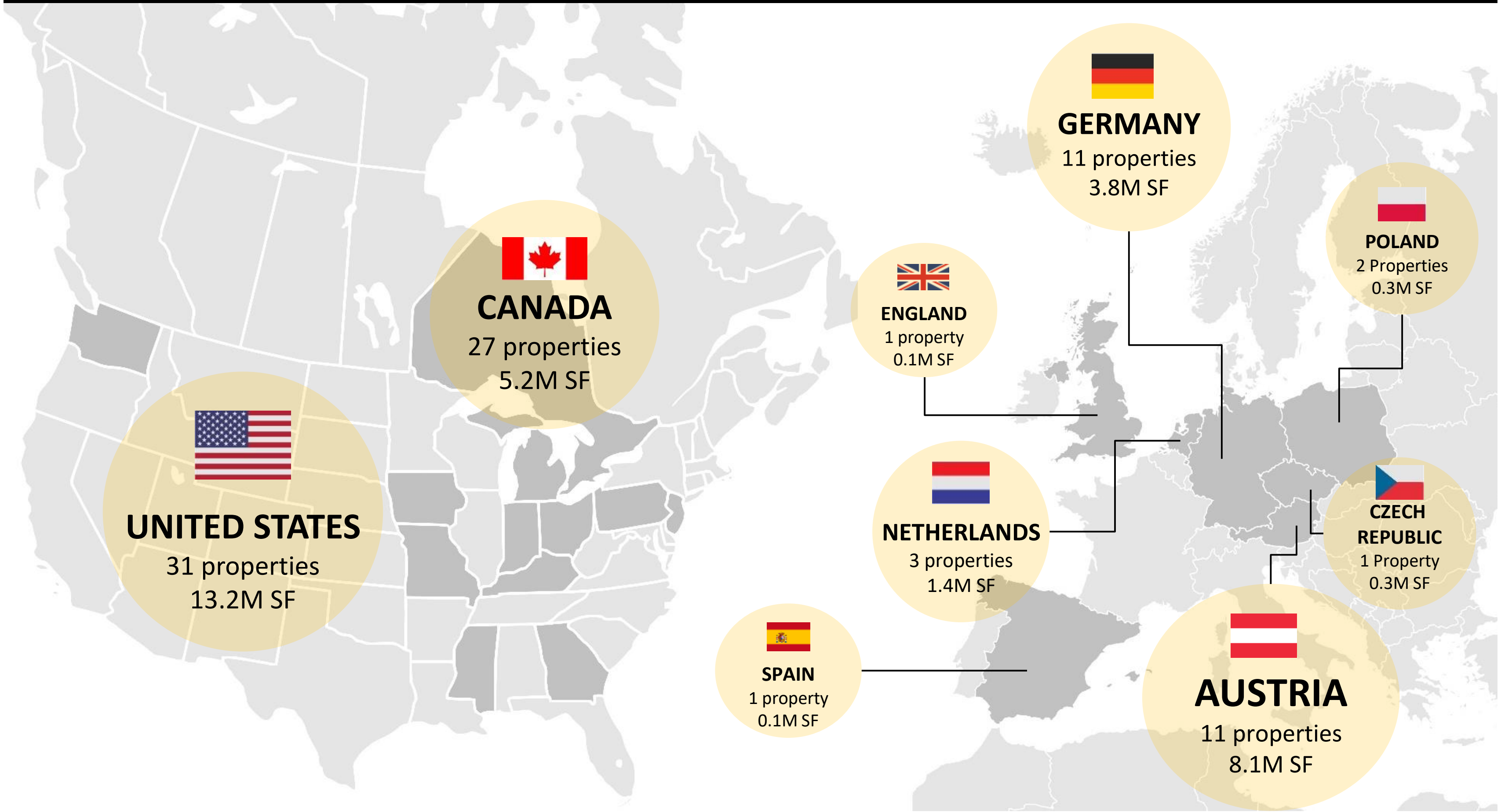


Track record of growth and stable cash flows with conservative payout

[1] On November 6, 2018, Granite increased its targeted annualized distribution by 2.9% to $2.80 per unit for 2019 from $2.72 per unit in 2018.
[2] FFO payout ratio excludes any unusual or non-recurring items. See Granite's MD&A for the third quarter of 2018.

GLOBALLY DIVERSIFIED PORTFOLIO

Nine countries / 88 properties / 32.5 million square feet

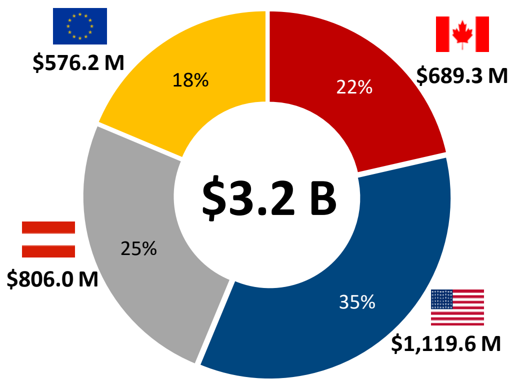


Global footprint with large scale and mostly single-tenanted properties

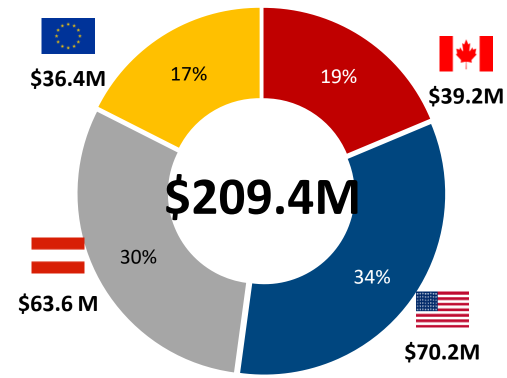
Includes one property comprised of approximately 13 acres of development land purchased subsequent to September 30, 2018

PORTFOLIO SEGMENTATION BY GEOGRAPHY

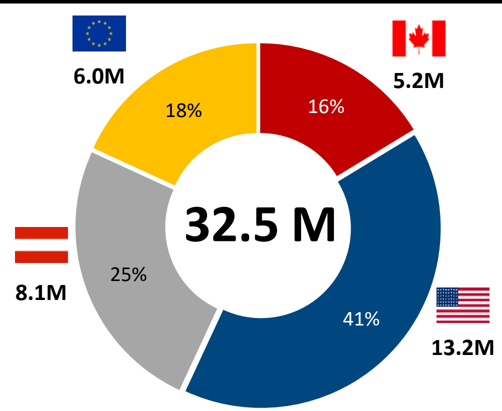
By Income-Producing Property Fair Value



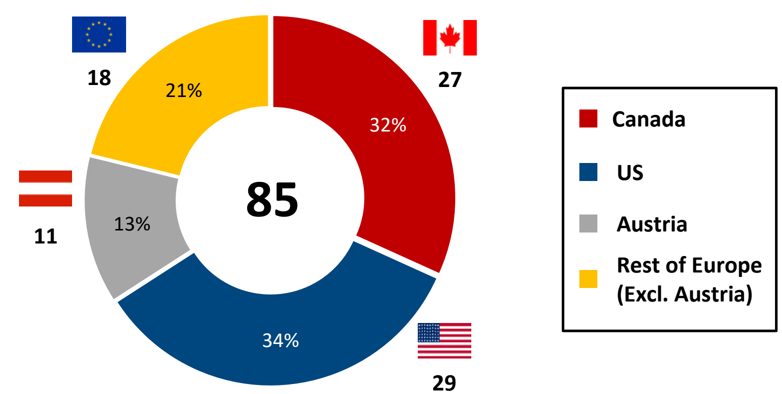
By Annualized Revenue



By Square Feet



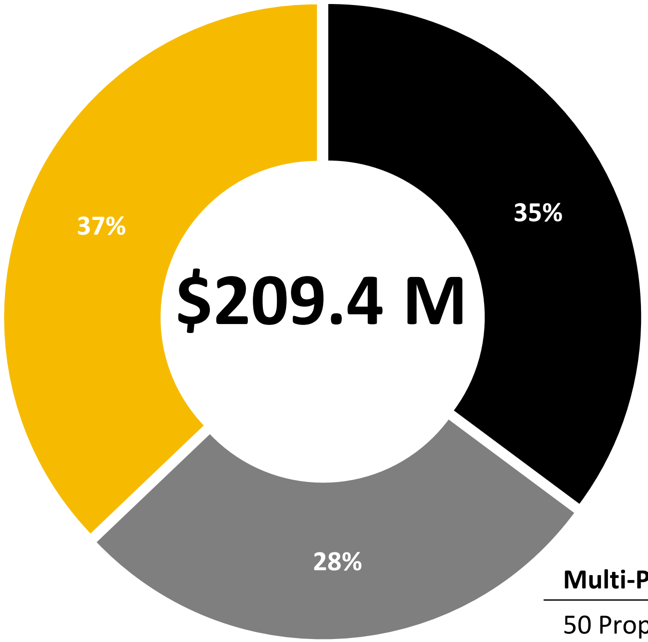
By Number of Income-Producing Properties



Geographically diversified asset base

PORTFOLIO SEGMENTATION BY CATEGORY

Income-Producing Properties by Annualized Rental Revenue Segmented by Category



Modern Logistics Properties

28 Properties

14.6 M sqft

$1.4 B Fair Value

WALT: 6.2 years

$77.7 M Annualized Rental Revenue

Magna Concentration: 0%

Special Purpose Properties

7 Properties

8.9 M sqft

$1.0 B Fair Value

WALT: 7.2 years

$73.7 M Annualized Rental Revenue

Magna Concentration: 100%

Multi-Purpose Properties

50 Properties

9.0 M sqft

$0.8 B Fair Value

WALT: 4.2 years

$58.0 M Annualized Rental Revenue

Magna Concentration: 77%

Total Annualized Rental Revenue of $209.4M with an overall WALT of 5.9 years

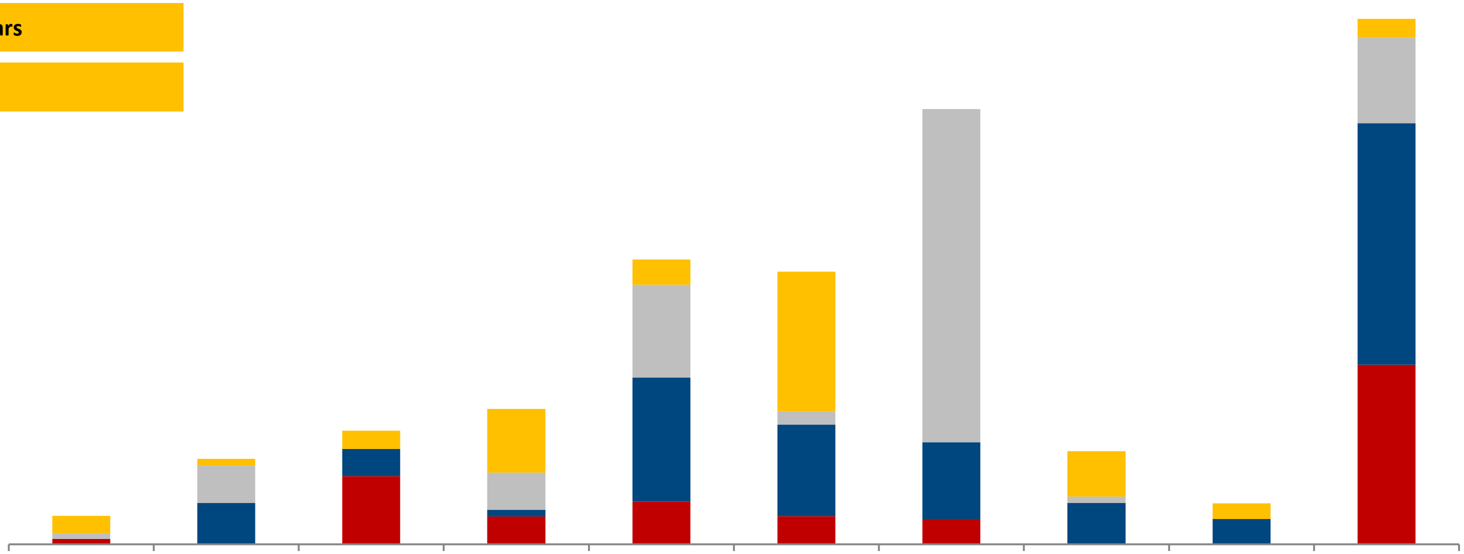
LEASE EXPIRATION PROFILE

Lease Expiration By Annualized Rental Revenue

Annualized Rental Revenue= $209.4 M

Overall WALT = 5.9 years

Occupancy = 97.3%



	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 & Beyond
% of Annualized Rental Revenue	1.4%	4.3%	5.6%	6.7%	14.1%	13.6%	21.6%	4.6%	2.1%	26.0%
# of Leases	3	7	15	11	14	17	7	4	4	16
% of GLA	1.3%	4.1%	5.5%	6.4%	14.4%	14.7%	20.9%	4.9%	2.8%	22.3%

Canada · US · Austria · Rest of Europe (Excluding Austria)

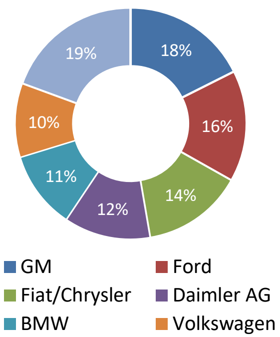
Staggered and geographically diversified lease maturity profile

PRINCIPAL TENANT – MAGNA

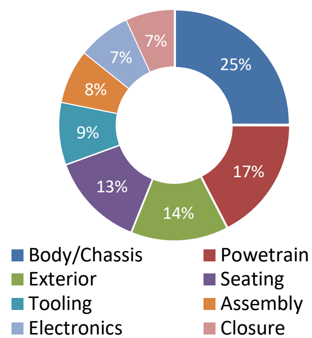
Overview

- Third largest global automotive supplier with operations in 28 countries and ~168 K employees
- US$40B revenues; US$3B Adjusted EBIT (7.9% Margin)
- Enterprise value of US$20 B and market cap of US$18 B

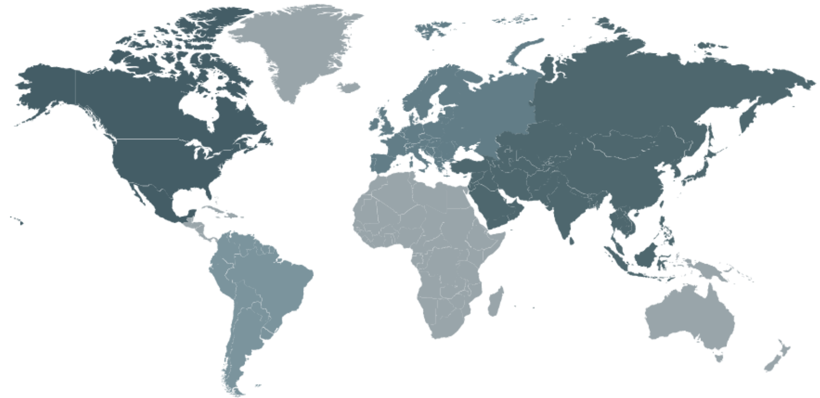
Customer Mix



Product Mix



Magna Property Summary



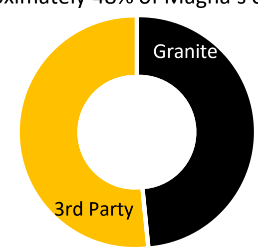
- Magna has 335 facilities in North America, Europe, South America, and Asia.
- Magna has US$316 M in 2018 operating lease commitments which represent
  - Less than 1% of total COGS (US$35 B)
- Magna has historically renewed 100% of Granite held special purpose properties.

Credit Attributes

- Magna is a high credit quality tenant (A- \ A (low) \ A3)
- "Mission Critical" assets
- "Sticky" tenant – burdensome to move equipment to new facilities
- Heavily invested in facilities
  - Equipment US$178 / sqft (US$12.3 B)
  - Significant expansion
- History of:
  - Timely and complete payments
  - Renewals and extensions
  - Expansion and investment

Magna as a Proportion of Rental Revenue ($ M)

- Rental income from Magna represent 57% of Granite's annual rental revenue but < 1% of Magna's COGS
- Granite comprises approximately 48% of Magna's overall lease obligations.



Magna is a creditworthy and "sticky" principal tenant with low financial leverage

Note: All information is based on Magna's public filings except for Granite's rental revenues from Magna.

SAMPLE TENANTS

Select Current Tenants

Top Tenants

Tenant	GLA %[1]	WALT	Credit Rating[2]
Magna	46%	6.0	A (low)
Texas - e-Commerce User	7%	20.0	A (low)
Mars Petcare	4%	3.6	NR
Restoration Hardware	4%	9.6	NR
Ingram Micro	3%	6.3	BBB (low)
Grupo Antolin	2%	2.2	BB (low)
Ace Hardware	2%	11.3	NR
Samsung	2%	3.5	AA (low)
Torrid	2%	6.9	NR
LGI	2%	4.1	NR
Total Top 10	**74%**	**7.3**	

Creditworthy non-Magna tenants with each individually comprising less than 10% of Rental Revenue and GLA

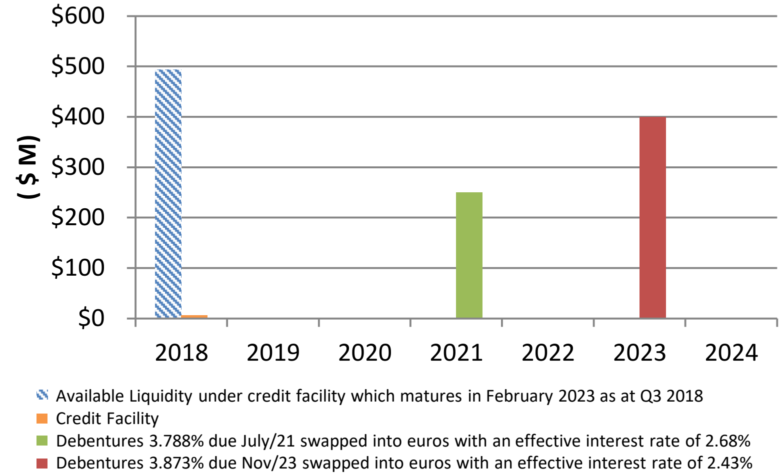
[1]GLA is proforma annualized contractual commitments related to construction and development projects and the purchase of a e-commerce distribution property in Texas.
[2]Credit rating is quoted on the DBRS equivalent rating scale.

BALANCE SHEET STRENGTH

Capitalization ($ M)

Unit Price (09/28/2018)	**$55.47**
Units Outstanding (f/d)	45.7
Market Capitalization	**$2,537**
Credit Facility	$6
Debentures 3.788% due Jul/21	$250
Debentures 3.873% due Nov/23	$400
Cross Currency Interest Rate Swaps	$62
Total Unsecured Debt	**$718**
Less: Cash and Cash Equivalents	$193
Less: Proceeds from Assets Held For Sale	$17
Add: Non-controlling Interests	$1
Enterprise Value	**$3,046**

Debt Maturity Profile ($ M)



Available Liquidity ($M)

Cash and Cash Equivalents	$193
Proceeds from Assets Held For Sale	$17
Credit Facility Available	$494
Total Available Liquidity	**$703**

Select Debt Metrics

LTM EBITDA/Interest	9.2x
Total Debt/LTM EBITDA	3.8x
Total Debt/Fair Value of Properties	22%
Net Debt/Fair Value of Properties	16%
Unencumbered Assets/Unsecured Debt	4.5x
Incremental Debt Capacity (40% Net Leverage Ratio)	$1,288M

Industry leading balance sheet with significant liquidity and fully unencumbered assets

CREDIT METRICS SUMMARY

- The following table was sourced from DBRS' Canadian Real Estate Peer Comparison dated October 29, 2018.

DBRS Canadian Real Estate Peer Comparison[1]:

	Granite	**Peer Group Average**	**Granite Rank Among Peer Group**
Total Debt to Capital	24.1%	48.6%	#1
Total Debt to EBITDA	4.80x	9.22x	#1
Cash Flow to Total Debt[2]	0.26x	0.09x	#1
Debt Service Coverage[2]	9.74x	2.62x	#1
EBITDA Interest Coverage	9.74x	3.47x	#1
Distributions to FFO[2,3]	70.1%	75.6%	#4

Granite's balance sheet offers a competitive advantage

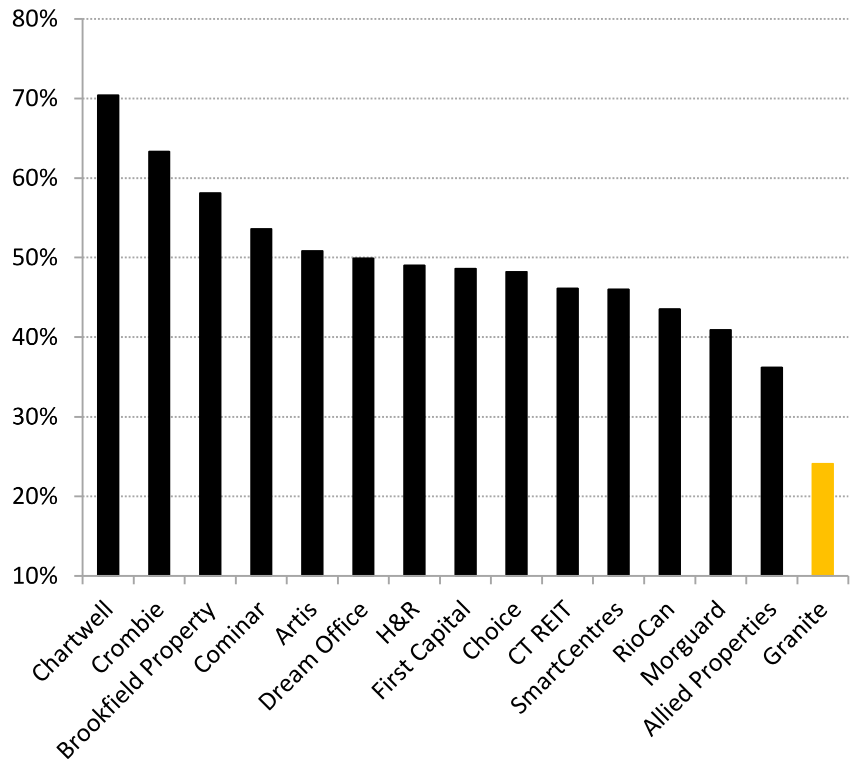
[1] Source: DBRS Canadian Real Estate Peer Comparison October 29, 2018. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2017 for Granite). Certain terms used, such as EBITDA and FFO, do not have standardized meanings under IFRS and as such may not be comparable between the Canadian Real Estate Peer issuers used in the study.

[2] Peer Group Average excludes Choice Properties (metric is N/A per DBRS)

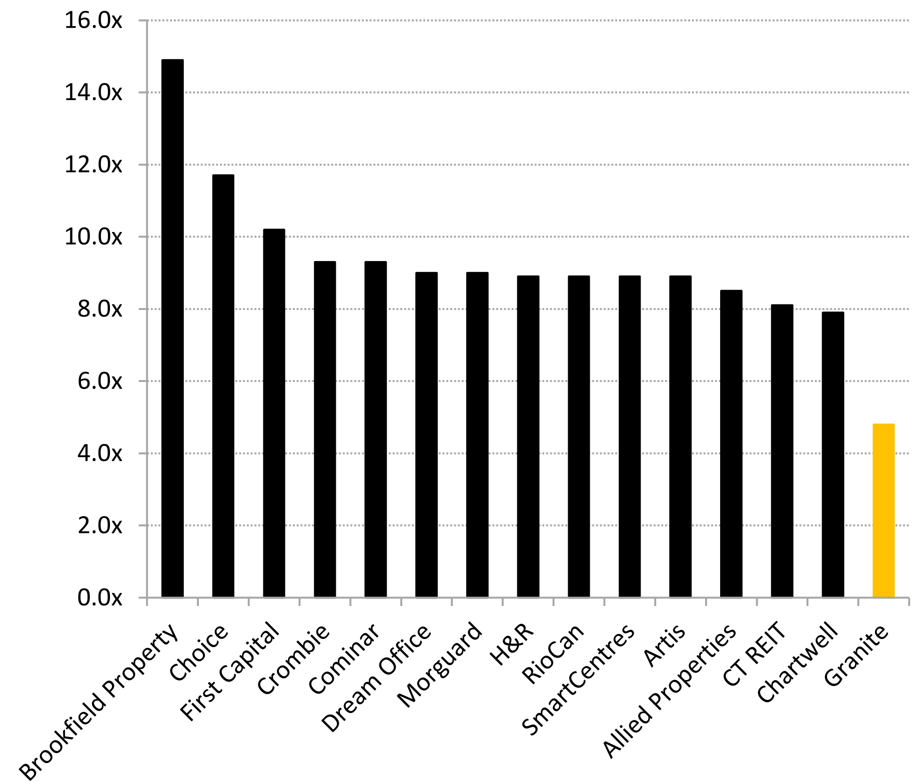
[3] Peer Group Average excludes Morguard Corporation

CANADIAN REAL ESTATE DEBT PEER COMPARISON[1]

Total Debt-to-Capital



Total Debt-to-EBITDA

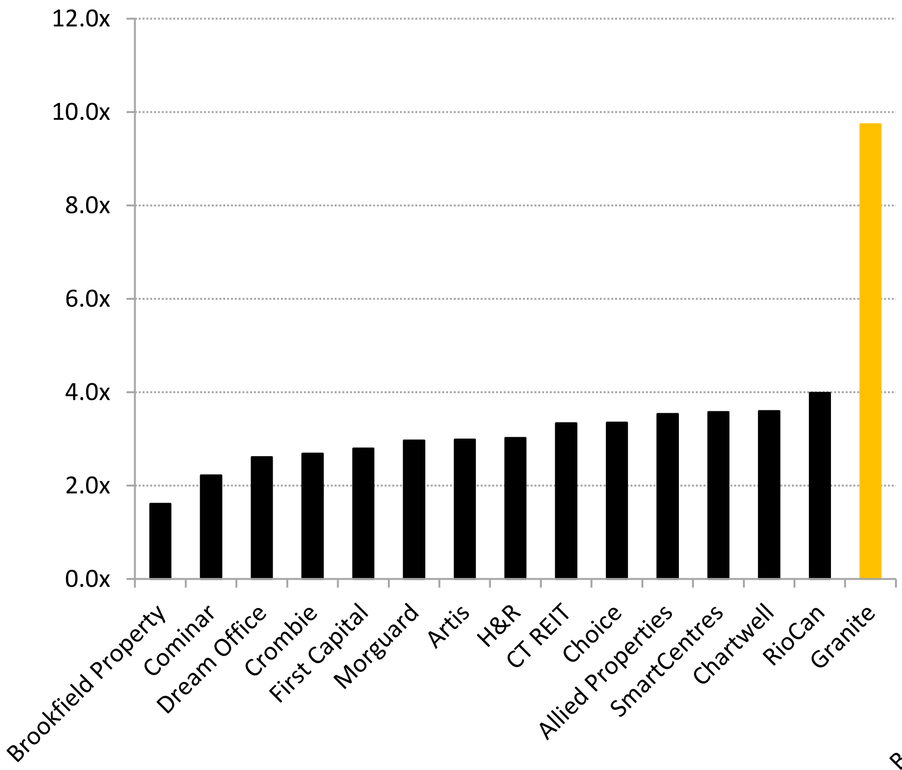


Granite has the lowest leverage within DBRS[(1)] universe of Canadian Real Estate entities

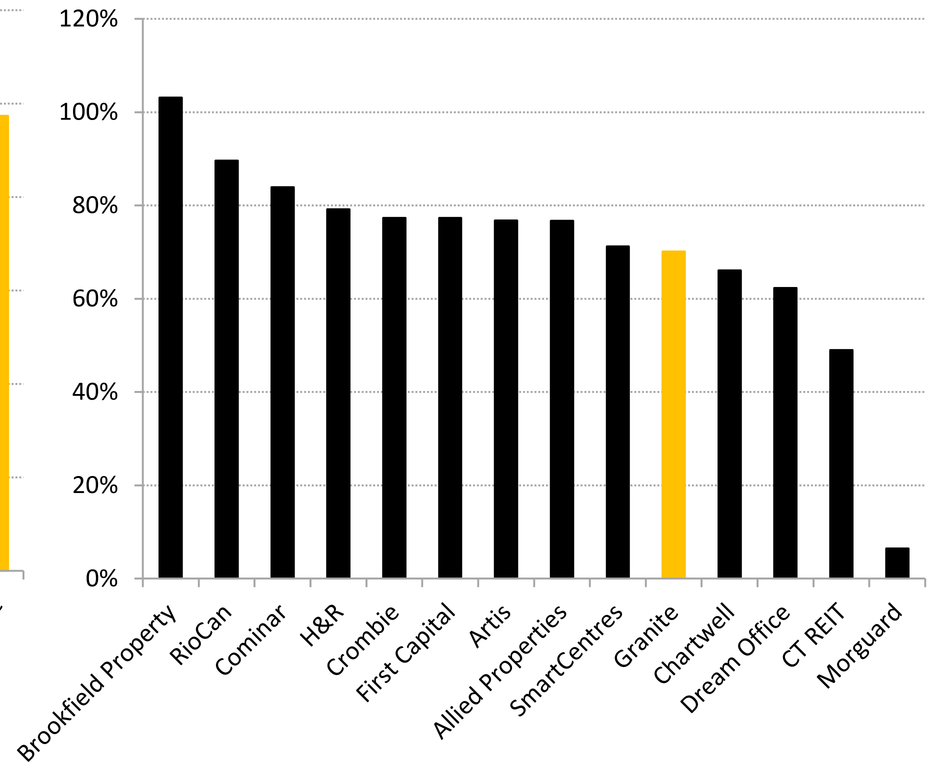
[1] Source: DBRS Canadian Real Estate Peer Comparison October 29, 2018. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2017 for Granite). Certain terms used, such as EBITDA and FFO, do not have standardized meanings under IFRS and as such may not be comparable between the Canadian Real Estate Peer issuers used in the study.

CANADIAN REAL ESTATE DEBT PEER COMPARISON[1]

EBITDA Interest Coverage



Distributions/Cash Flow from Operations[2]



Granite has leading cash flow coverage metrics among DBRS[1] universe of Canadian Real Estate entities

[1] Source: DBRS Canadian Real Estate Peer Comparison October 29, 2018. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2017 for Granite). Certain terms used, such as EBITDA and FFO, do not have standardized meanings under IFRS and as such may not be comparable between the Canadian Real Estate Peer issuers used in the study.

[2] Choice Properties excluded as metric is N/A per DBRS Canadian Real Estate Peer Comparison

FINANCIAL FLEXIBILITY & TARGET LONG-TERM LEVERAGE RATIO

- Strong balance sheet provides pathway for measured growth with potential for further diversification and optimization of the portfolio
- Target long term net leverage ratio of approximately 35-40% while maintaining patient and opportunistic approach to acquisitions and development
- Long term leverage target fully reflected in current credit ratings from Moody's and DBRS

Incremental Net Debt Capacity

Net Debt / Fair Value of Investment Properties	Incremental Debt Capital ($ M)
16% (current)	N/A
30%	$647
35%	$943
40%	$1288

Rating Agency Commentary

Moody's 04/09/2018: Baa2 (Stable)

"The rating reflects the REIT's conservative balance sheet and strong credit metrics, including low leverage and high fixed charge coverage. Granite has a high quality pool of assets which are 100% unencumbered. Granite's unencumbered NOI coverage on unsecured interest expense was 4.7x as of year-end 2017, a key credit plus. A ratings upgrade would be contingent upon greater tenant diversification with Magna comprising less than 40% of Granite's total revenues, while maintaining net debt/EBITDA closer to 5.5x, fixed charge coverage above 4.0x and secured debt % gross assets at or below 10%."

DBRS 3/15/2018: BBB (Stable)

"The Stable rating outlook reflects DBRS's view that, in the near to medium term, Granite will lever the balance sheet and deploy several hundred million dollars to acquire accretive assets, primarily in the United States, potentially resulting in improving the diversification of the portfolio by reducing property/tenant/ geographic concentration risks while increasing leverage."

Significant financial flexibility enhances potential for diversification and optimization of the portfolio

KEY DIFFERENCES BETWEEN GRANITE AND OTHER REITS

- Global footprint including Canada, US, and Europe
- Unencumbered assets and low leverage
- Significant liquidity and incremental debt capacity
- Historically low maintenance capex / tenant improvements / leasing commissions
- Favourable operating leverage results in significant pass-through of cash flow
- Conservative payout ratio
- Disciplined and opportunistic approach to acquisitions, dispositions, and development

Benefits of a REIT with the financial flexibility of a corporation

APPENDIX

GRANITE HISTORY

Chronology of Key Events

Over last 6 years, 28 properties acquired or developed valued at ~$1,200M, 47 non-core properties sold totaling ~$964 M

2011

June 2011
New independent board

2012

January 2012
New executive team in place

June 2012
Name change to Granite

2013

January 2013
REIT conversion

February 2013
US property acquisitions (US$40 M, 2 properties)

May / August 2013
US property acquisitions (US$42 M, 2 properties)

October / November 2013
Europe portfolio acquisition (€129 M, 7 properties)

November 2013
German property acquisition (€7 M, 1 property)

2014

Jan / Mar 2014
Graz leases extended

June 2014
Sale of Mexican portfolio to Magna (US$105 M, 8 properties, 2.4 M sqft)

December 2014
Acquisition of US portfolio (US$69 M, 2 properties)

2015

June 2015
Strategic review announced

2016

March 2016
Strategic review concluded

June 2016
Speculative US development properties fully leased (2 properties, 1.4 M sqft)

Sept 2016
Ilias Konstantopoulos appointed as CFO

October 2016
Early renewed or extended 15 leases (7 SPP), 7 M sqft

Nov 2016
Don Clow appointed as Trustee & Director

2017

January 2017
Two building expansions acquired from Magna (~$71M)

June 2017
Five new board members elected.

October 2017
US property acquisitions (US$123M, 3 properties)

2018

January 2018
Granite Unlocks Value with sale of 10 properties incl. 3 Special Purpose Assets for $388M

Feb 2018
$500M 5-Yr Credit Facility signed.

March/April 2018
Granite acquired 2 properties in the US; ~1M SF for US$74.1million.

May 2018
Granite acquired a 4 asset portfolio US; ~3.8M SF for US$232.5 million.

July 2018
Granite acquired a property in Germany; ~0.7M SF for EUR 56 million. Granite disposed of an asset in Tilsonburg, ON for $7.2M

August 2018
Kevan Gorrie appointed as President and CEO

September 2018
Granite disposed of 2 office properties in Aurora, ON for $60M and 2 SPP in the US for US$208million

Now

Granite continues its significant transformation since the reorganization in 2011

E-COMMERCE TRENDS - GENERAL

Global e-commerce sales expected to more than double by 2021[1]

Estimated 30% of net absorption related to E-Commerce

US e-commerce sales expected to grow by ~50% by 2021[2]

+$170B of additional annual retail sales in the US by 2022 requires over +200M SF of additional modern warehouse which requires ~800K additional workers

Every $1 per hour of additional labour cost increases expenses +$1M with a 500 employee operation ; whereas total annual rent is ~$1.8M - $2.5M

$1B E-Commerce sales requires ~1.25M SF of distribution space

E-Commerce sales require ~3x more space to fulfill sales

2012 – 2018 Average US Industrial land price per acre increased from under $50K to ~$150K for plots 50-500 acres

$2 Trillion – Food is the largest single retail category [1]

20% of each paycheck goes towards food[1] and currently only 3% (US$24B) of grocery sales originate online

15% E-commerce penetration in grocery = $100B in sales

	Sales US$, B	Facilities SF, M	Productivity US$ / SF	Efficiency SF / $1B	
Online	$214B	302	$710	1,409 KSF	+/- 3x
Brick & Mortar	$1,061B	493	$2,152	465 KSF	

Growth in E-Commerce is driving unprecedented demand for distribution space

[1] Source: CBRE June 2018 Industrial Overview Report
[2] Source: Statistica.com

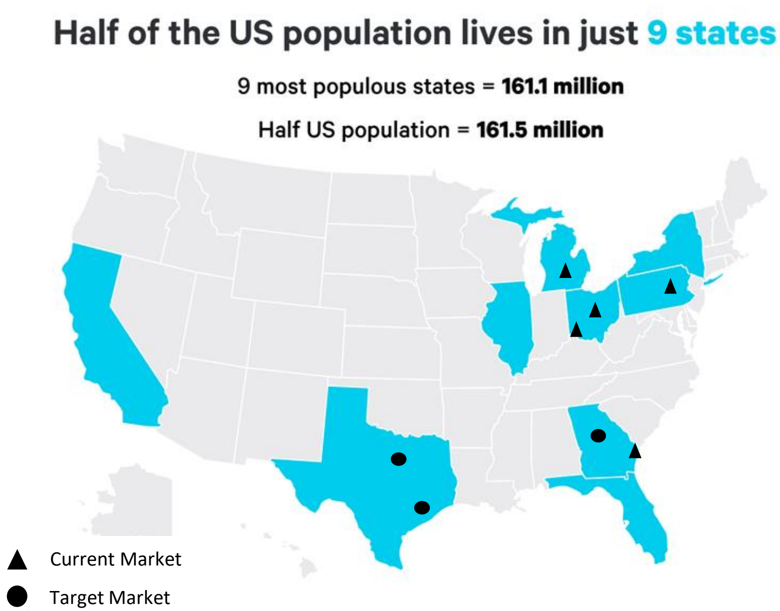
LABOUR AS AN INCREASING MARKET FACTOR

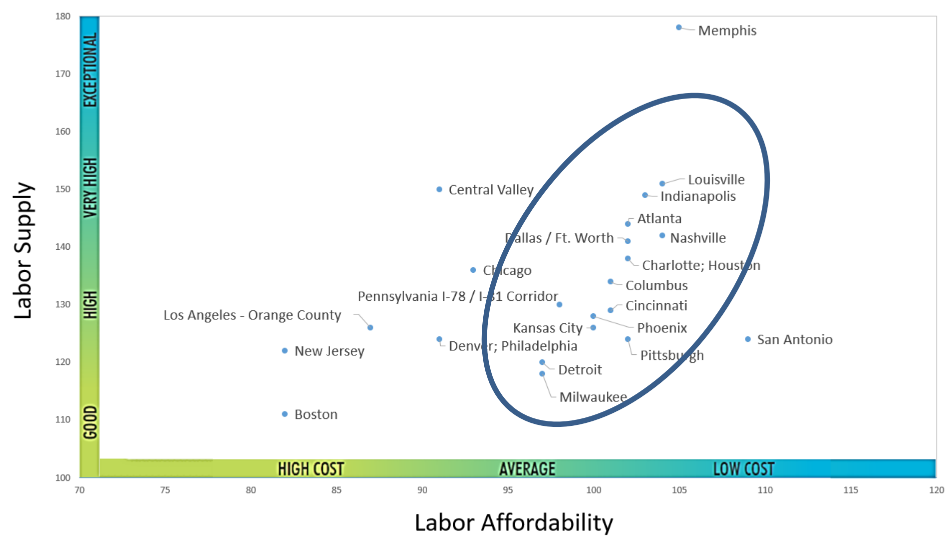
Markets with a deep labour pool and relatively low labour cost stand to benefit most from e-commerce & logistics growth.

Markets with these attributes can expect higher rent growth, positive absorption and increased development

Labour access and cost hold a tremendous financial weight in user's location decisions

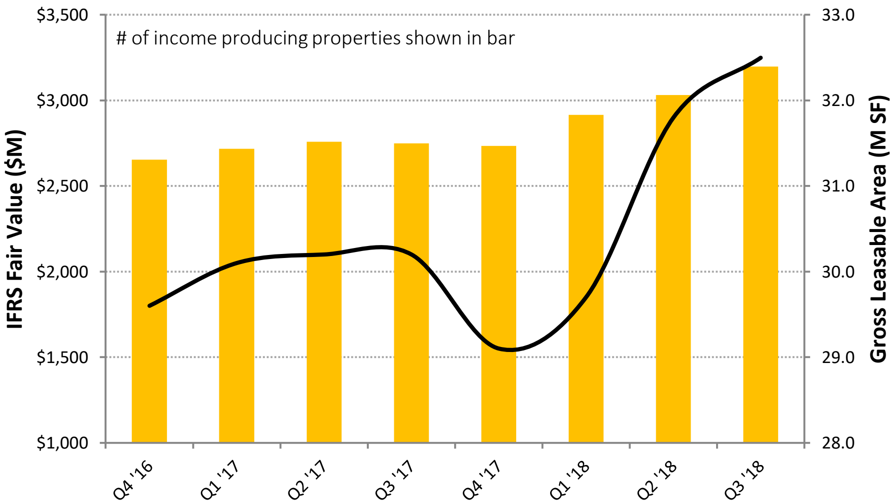
Granite strategically targets these markets to capture increased relative yields coupled with strong potential rent growth

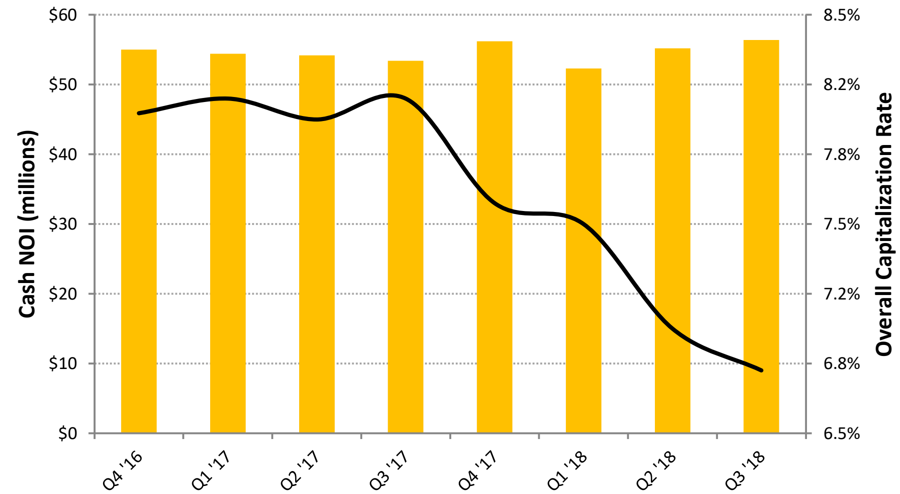


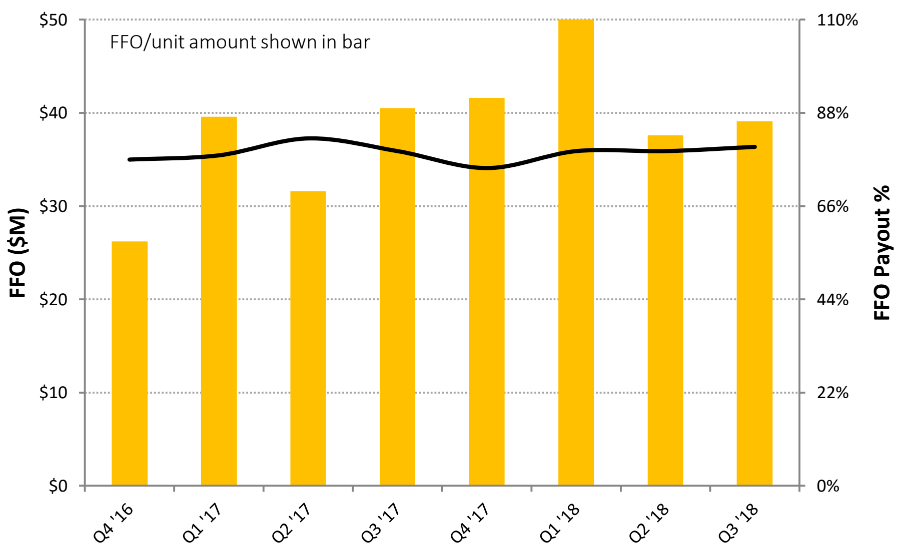


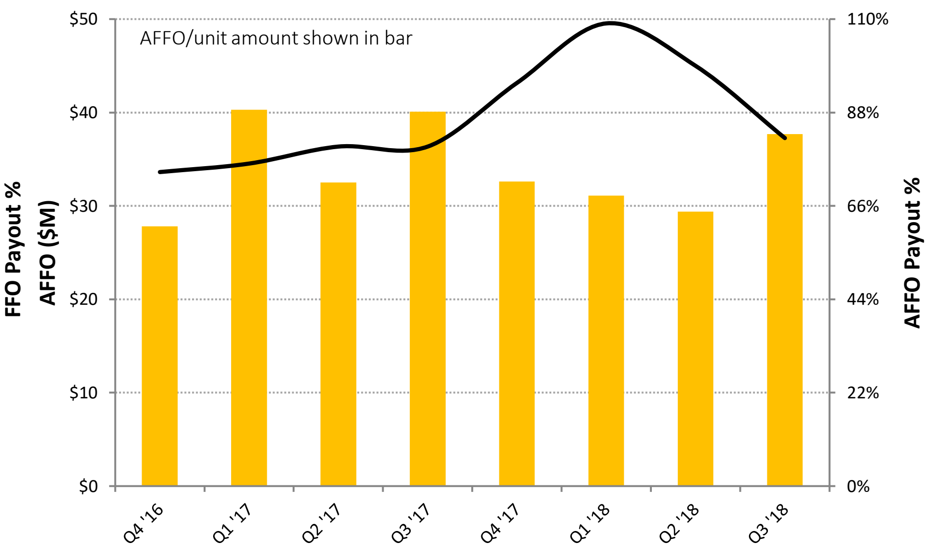
Labour costs & availability are key decision factors

QUARTERLY FINANCIAL AND OPERATING METRICS





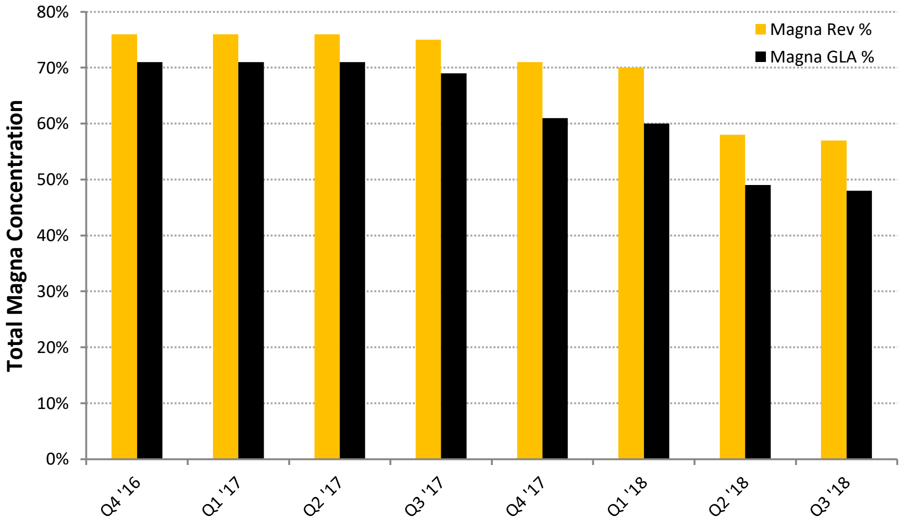


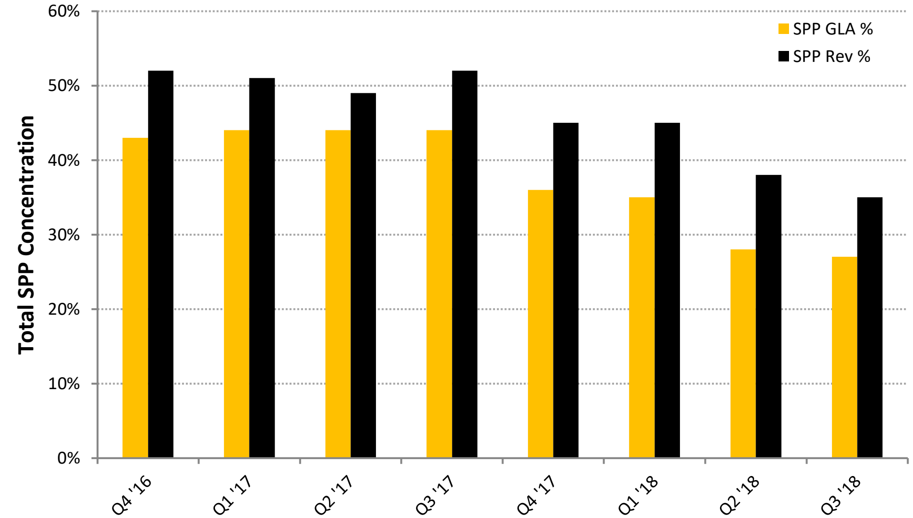


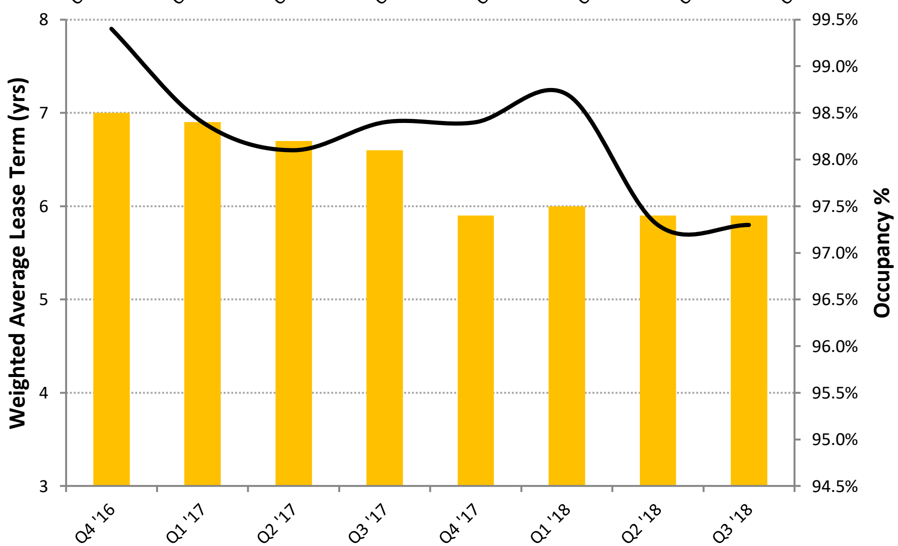
Stable financial and operating metrics

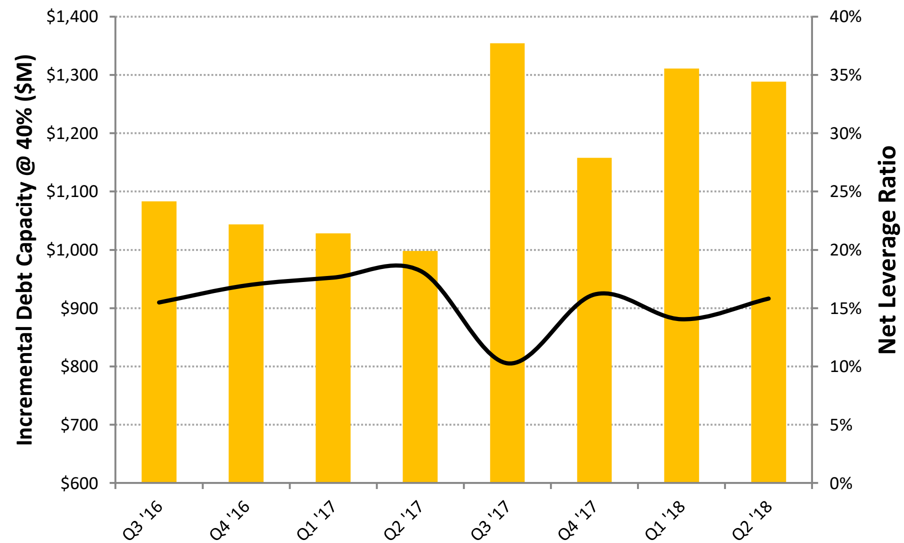
FFO payout ratio excludes any unusual or non-recurring items. See Granite's MD&A for the third quarter of 2018.

QUARTERLY FINANCIAL AND OPERATING METRICS









Declining Magna and SPP concentration with significant incremental debt capacity