GRANITE REIT

INVESTOR PRESENTATION

March 2021

PRESENTATION OF CERTAIN INFORMATION

- Unless otherwise indicated in this presentation, all information is presented as of December 31, 2020 and all financial information that is identified as current refers to the period ending December 31, 2020. 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, and interest coverage ratio, please refer to Granite’s Management Discussion and Analysis (“MD&A”) in the Annual Report 2020 (available on Granite’s website https://granitereit.com/investors/financial-reports-and-filings/).
- 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, capital structure, cost of capital, tenant base, tax consequences, economic performance or expectations, or the assumptions underlying any of the foregoing. Words such as “outlook”, “may”, “would”, “could”, “should”, “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. There can also be no assurance that: Granite’s expectations regarding the impact of the COVID-19 pandemic and government measures to contain it, including with respect to Granite’s ability to weather the impact of COVID-19, the effectiveness of measures intended to mitigate such impact, and Granite’s ability to deliver cash flow stability and growth and create long-term value for unitholders; the expansion and diversification of Granite’s real estate portfolio and the reduction in Granite’s exposure to Magna and the special purpose properties; the ability of Granite to accelerate growth and to grow its net asset value and FFO and AFFO per unit; the ability of Granite to find and integrate satisfactory acquisition, joint venture and development opportunities and to strategically deploy the proceeds from recently sold properties and financing initiatives; Granite’s intended use of the net proceeds of its equity and debenture offerings to fund potential acquisitions and for the other purposes described previously; the potential for expansion and rental growth at the properties in Mississauga, Ontario and Ajax, Ontario and the expected enhancement to the yields of such properties from such potential expansion and rental growth; the expected construction on and development yield of the acquired greenfield site in Houston, Texas; the expected development and construction of an e-commerce and logistics warehouse on recently acquired land in Fort Worth, Texas; the expected construction of the distribution/light industrial facility on the 13-acre site in Altbach, Germany; the completion of construction at the property in Dallas, Texas; the commencement of vertical construction at Granite’s development project in Houston, Texas; the timing of payment of associated unpaid construction costs and holdbacks; Granite’s ability to dispose of any non-core assets on satisfactory terms; Granite’s ability to meet its target occupancy goals; Granite’s ability to secure sustainability or other certifications for any of its properties; the expected impact of the refinancing of the term loans on Granite’s returns and cash flow; and the expected amount of any distributions and distribution increase, can be achieved in a timely manner, with the expected impact or at all.
- 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 Granite’s perception of historical trends, current conditions and expected future developments, as well as other factors Granite believes are appropriate in the circumstances. Given the impact of the COVID-19 pandemic and government measures to contain it, there is inherently more uncertainty associated with our assumptions as compared to prior periods. Forward-looking statements and forward-looking information 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 impact of the COVID-19 pandemic and government measures to contain it, and the resulting economic downturn, on Granite’s business, operations and financial condition; the risk that the pandemic or such measures intensify; the duration of the pandemic and related impacts; 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) 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 expand and diversify its real estate portfolio and dispose of any non-core assets on satisfactory terms; and the risks set forth in the “Risk Factors” section in Granite’s AIF for 2020 dated March 3, 2021, filed on SEDAR at www.sedar.com and attached as Exhibit 1 to the Trust’s Annual Report on Form 40-F for the year ended December 31, 2020 filed with the SEC and available online on EDGAR at www.sec.gov, all of which investors are strongly advised to review. The “Risk Factors” section also contains information about the material factors or assumptions underlying such forward-looking statements and forward-looking information.
- 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.

GRANITE HIGHLIGHTS

ORGANIZATIONAL PRINCIPLES

- Long-term total return focused
- Conservative and flexible capital structure
- Platform strength and active asset management
- Institutional quality real estate portfolio
- Alignment with unitholders

PORTFOLIO OVERVIEW

- 107 income-producing properties + 7 development properties/land
- 49.4M square feet
- $5.8B in property value
- High quality and creditworthy tenant base
- 6.3 years of weighted average lease term

FINANCIAL PERFORMANCE

- 77% AFFO POR
- 25% net leverage ratio
- GRT.UN on TSX and GRP.U on NYSE
- Market Cap. of ~$4.5B and EV of ~$5.9B
- Investment grade ratings with stable outlook (BBB / Baa2)
- 9 consecutive annual distribution increases

Global Industrial Real Estate Platform

- Market capitalization and enterprise value are as at Mar 1, 2021.
- Granite investment grade ratings are as per DBRS/Moody's.
- Reflects the disposition of the property in the United Kingdom, the redemption of the 2021 Debentures and the termination of the 2021 Cross Currency Interest Rate Swap subsequent to December 31, 2020.

GRANITE HIGHLIGHTS - ESG

ENVIRONMENTAL

- Promote energy efficiency and sustainable practices at our properties
- Reduce use of resources and promote waste diversion
- Exceed required standards where feasible in our developments
- Encourage the use of local and recycled materials
- Promote use of public transit through financial support
- Implement various sustainability projects

SOCIAL

- Promote employee well-being
- Promote volunteerism and community support
- Contribute financially towards gym memberships & public transit
- Publish a Statement of Organizational Principles
- Provide a 24/7 support and counselling resource

GOVERNANCE

- 100% independent Board excluding CEO
- Experienced and diverse board
- Internally managed
- Robust governance policies with CGN Committee oversight
- Whistle-blower hotline and reporting process

2020 ESG Overview issued June 2020 and available on Granite's website

ESG - $500M GREEN BOND USE OF NET PROCEEDS

Property	Eligible Green Certification	Date	Allocation
3501 North Lancaster Hutchins Rd, Lancaster, TX, USA	LEED Silver Green Building	Mar 1/19	$106.1
Oude Graaf 15, Weert, NED	BREEAM "Excellent" Green Building	May 1/20	31.9
1201 Allpoints Court, Plainfield, Indiana, USA	Two Green Globes Green Building	Jun 15/20	31.6
Francis Baconstraat 4, Ede, NED	BREEAM "Very Good" Green Building	Jul 1/20	21.4
De Kroonstraat 1 & De Poosthoornstraat 2, Tilburg, NED	BREEAM "Excellent" Green Building	Jul 1/20[1]	84.1
Aquamarijnweg 2, Bleiswijk, NED	BREEAM "Very Good" Green Building	Sep 1/20[2]	66.2
Other LED lighting projects	> 15% improvement in energy efficiency	Various	1.3
Total Net Proceeds Allocated			$342.6
% of Net Proceeds Allocated			69%

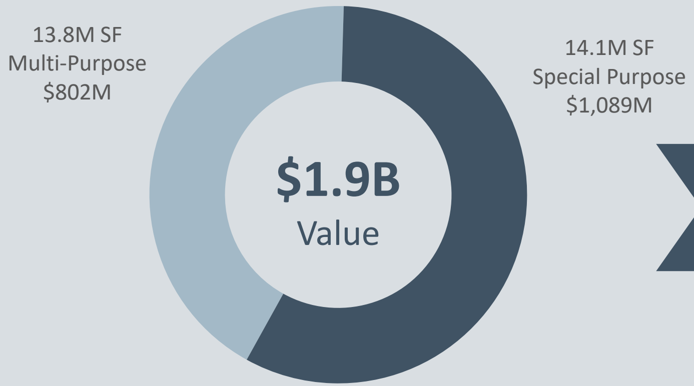
Granite has allocated $342.6M (69%) of Green Bond net proceeds to Eligible Green Investments

[1]Expansion completed on December 18, 2020
[2]Initial acquisition made on March 13, 2020 and development completed on September 1, 2020

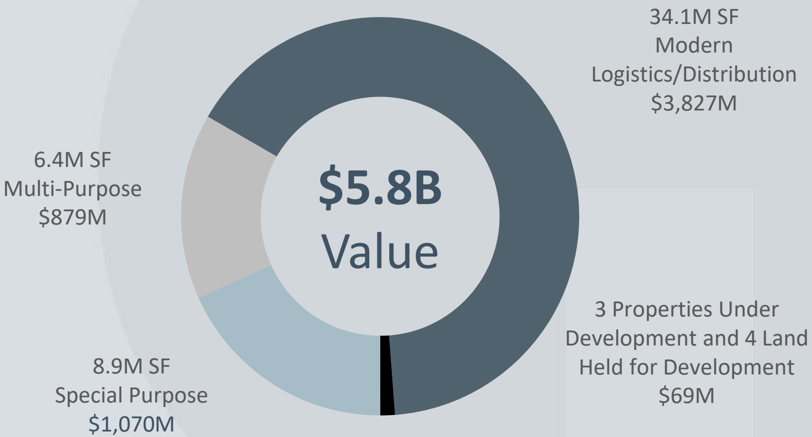
GRANITE’S EVOLUTION

Investment Property Summary

Then - December 31, 2011



Now - December 31, 2020



27.9	94%	11%	$1.5B	$2.14	~$700M
GLA (MSF)	Magna % of GLA	Net Leverage Ratio	Market Cap	FFOPU	Incremental Debt Capacity @ 35%

49.4	27%	25%	$4.5B	$3.98	~$901M
GLA (MSF)	Magna % of GLA	Net Leverage Ratio	Market Cap	FFOPU	Incremental Debt Capacity @ 35%

Transforming the portfolio while creating value and maintaining financial flexibility

- Market capitalization and enterprise value are as at Mar 1, 2021.
- Reflects the disposition of the property in the United Kingdom, the redemption of the 2021 Debentures and the termination of the 2021 Cross Currency Interest Rate Swap subsequent to December 31, 2020.

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

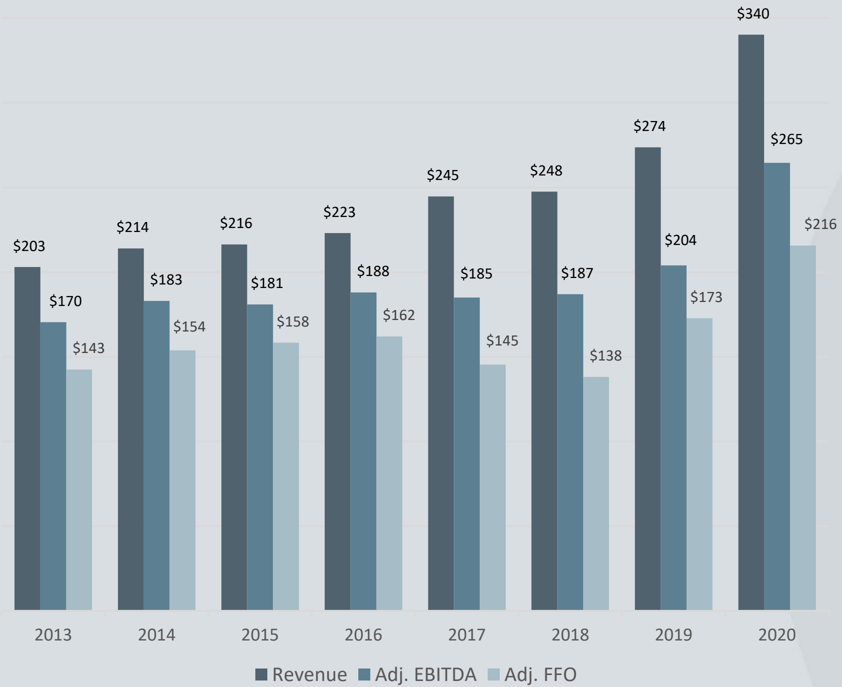
Invest selectively/opportunistically in evolving property types and markets benefiting from technological advancement & E-Commerce trends

- Cold Storage (Food & Pharma)
- Multi-level fulfillment
- Transport facilities

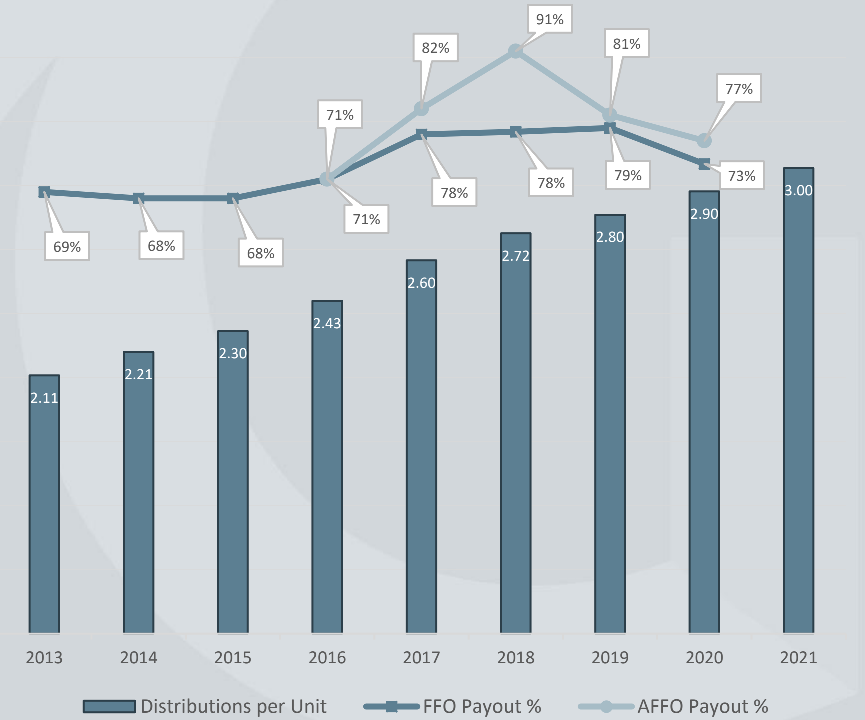
Focusing on characteristics that meet current and evolving user demand

FINANCIAL PERFORMANCE

Historical Operating Performance ($M)



Distributions and Payout Ratios

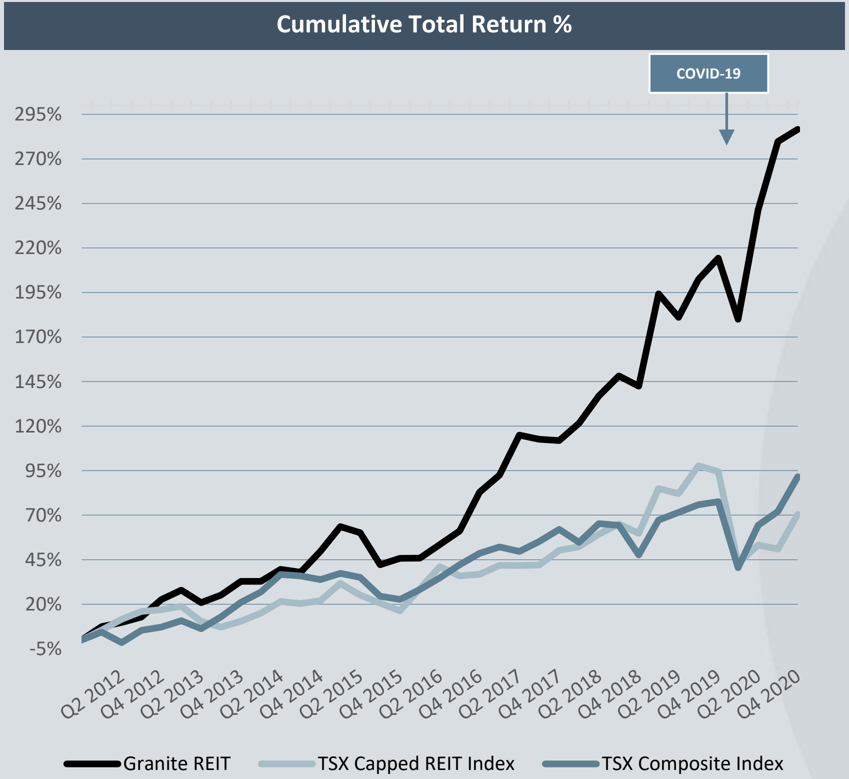


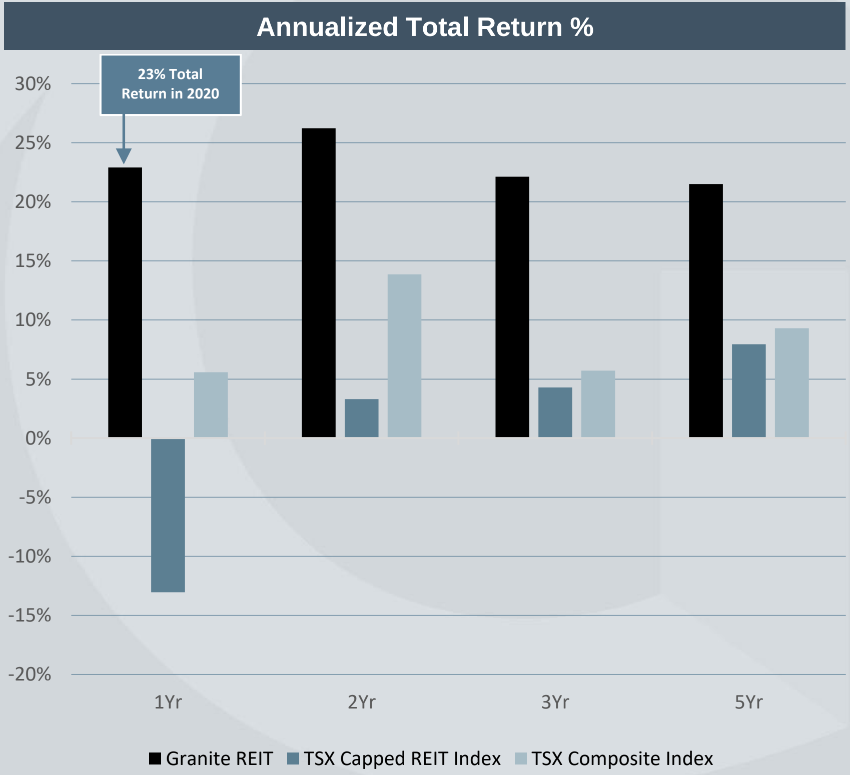
Consistent annual revenue and FFO growth. Distribution increase of 3.4% made for 2021.

- Adjusted FFO and FFO payout ratio may exclude items that can be a source of variance between periods. See Granite's MD&A in the 2020 Annual Report.
- Material increase in revenue from 2016 to 2017 is largely due to the adoption of IFRS 15 in 2017.
- 2019 Distributions excludes the special distribution paid in January 2019 of $1.20 per unit.

GRT HISTORICAL PERFORMANCE

Total Return vs TSX Composite & TSX Capped REIT Indices



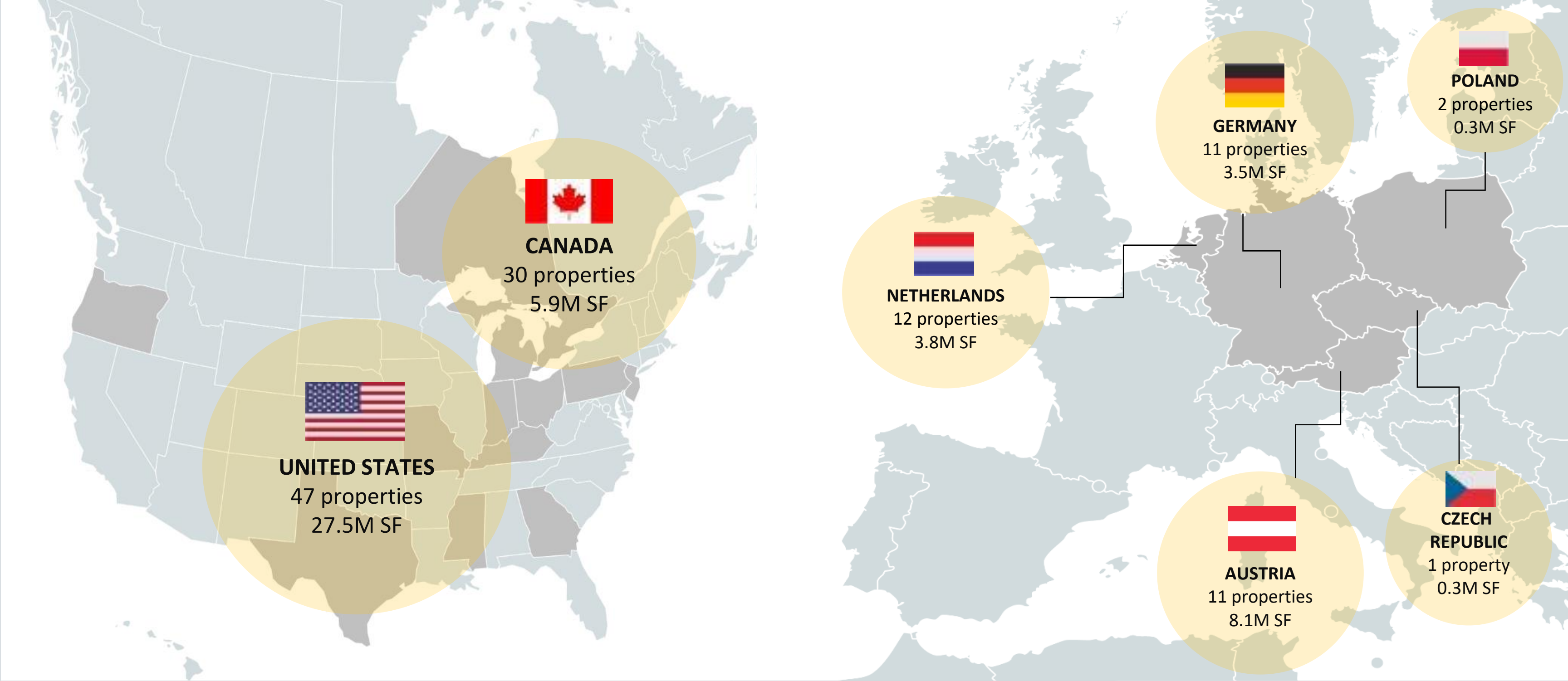


Granite has consistently outperformed the TSX and Capped REIT Total Return indices

- Total return data sourced from Bloomberg and is as at December 31, 2020.

GLOBALLY DIVERSIFIED PORTFOLIO

7 countries – 114 properties – 49.4 million square feet

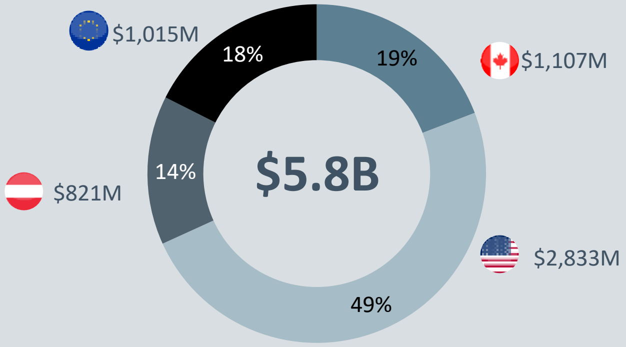


Global footprint with large scale in low-risk countries

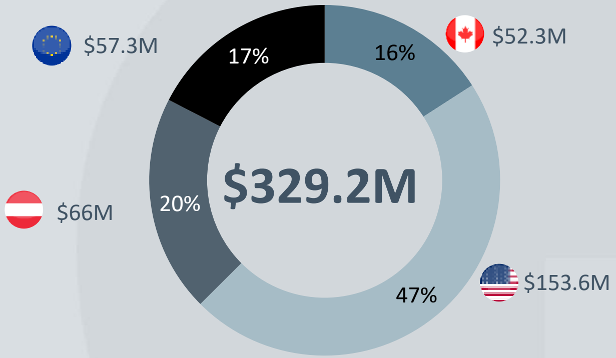
- Reflects the disposition of the property in the United Kingdom subsequent to December 31, 2020.

PORTFOLIO SEGMENTATION BY GEOGRAPHY

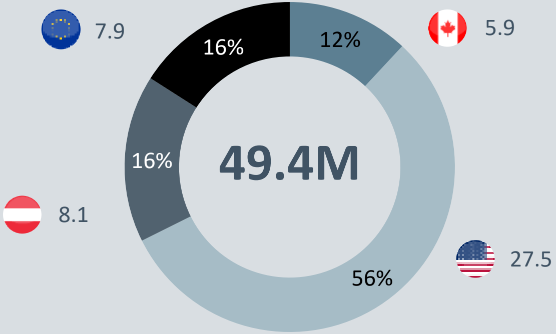
By Income Producing Property Fair Value



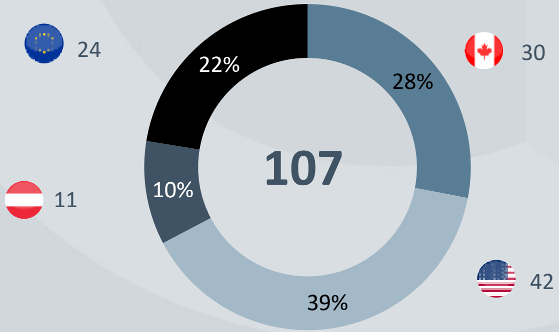
By Annualized Revenue



By Square Feet



By Number of Income-Producing Properties



Geographically diversified asset base

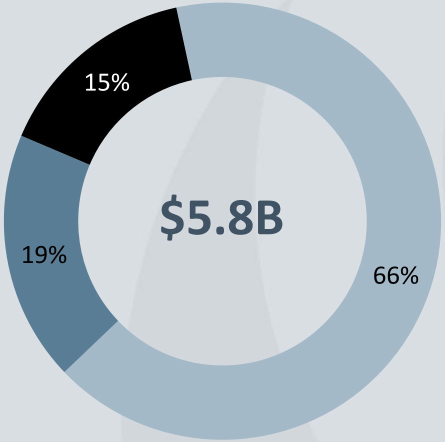
- Reflects the disposition of the property in the United Kingdom subsequent to December 31, 2020.

PORTFOLIO SEGMENTATION BY CATEGORY

Income-Producing Properties by Value Segmented by Category

Multi-Purpose Properties
33 Properties
6.4 M SF (~194K SF/property)
$0.9 B Fair Value (~$138/SF)
WALT: 4.9 years
$52M Annualized Revenue (~$8.14/SF): 16%
Magna Concentration: 74%
Concentration in the GTA: 48%
Clear Height: 29'
Average Age: 26Yrs
Overall Cap Rate: 5.84%

Special Purpose Properties
7 Properties
8.9 M SF (~1,268M SF/property)
$1.1 B Fair Value(~$121/SF)
WALT: 4.9 years
$78M Annualized Revenue(~$8.79/SF): 24%
Magna Concentration: 100%
Concentration in the GTA: 20%
Clear Height: 34'
Average Age: 36Yrs
Overall Cap Rate: 7.71%



Modern Logistics Properties
67 Properties
34.1 M SF (~509K SF/property)
$3.8 B Fair Value (~$112/SF)
WALT: 6.9 years
$199.3 M Annualized Revenue(~$5.84/SF): 61%
Magna Concentration: 0%
Concentration in the GTA: 6%
Clear Height: 34'
Average Age: 9 Yrs
Overall Cap Rate: 4.96%

Total Fair Value of $5.8B with an overall WALT of 6.3 years

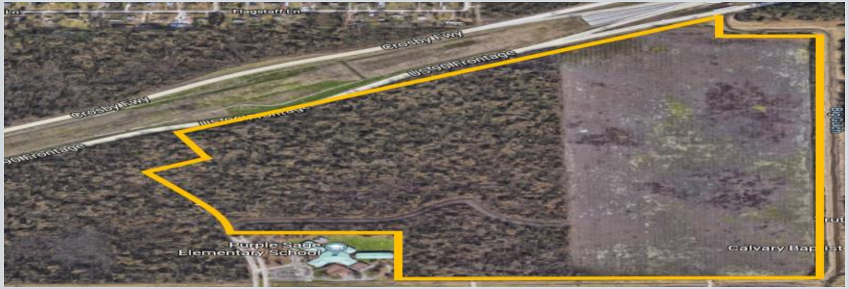
- Reflects the disposition of the property in the United Kingdom subsequent to December 31, 2020.

DEVELOPMENT AND EXPANSION PIPELINE

Altbach, Germany

Fort Worth, Texas

Mississauga, Ontario (expansion)



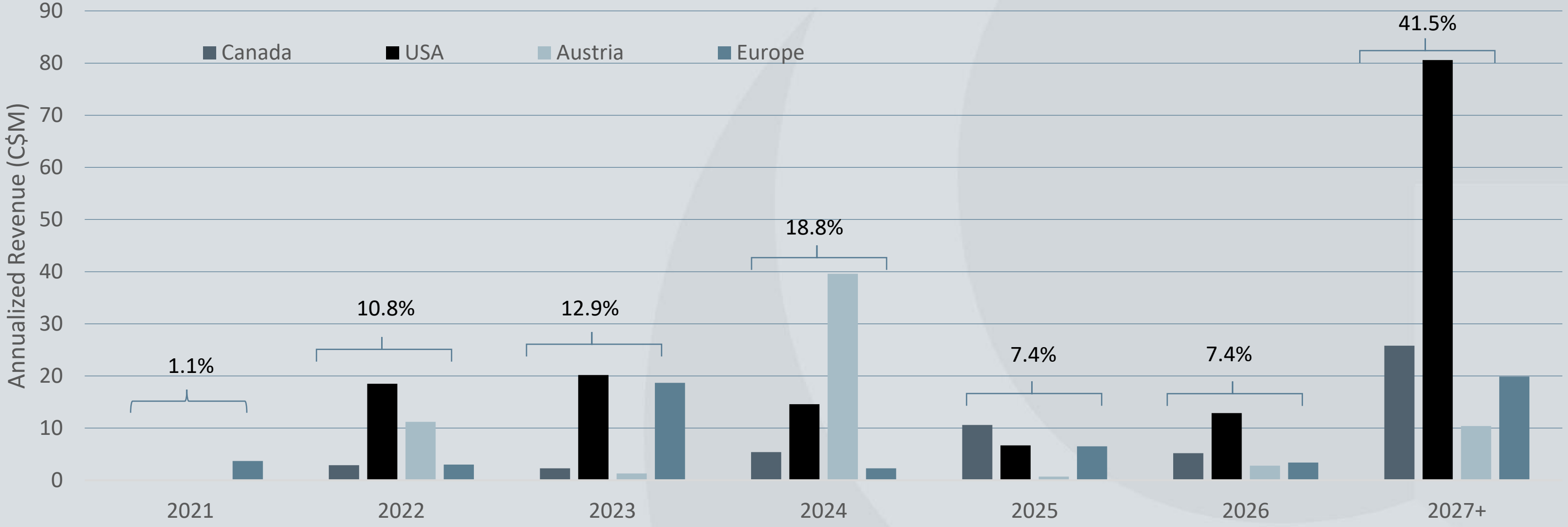
Houston, Texas

Incorporate development into our growth plans to enhance total return & platform value

LEASE EXPIRATION PROFILE

Outstanding Lease Expiries by Annualized Revenue

Annualized Revenue	$329.2M	Overall WALT	6.3 Years	Occupancy	99.6%



	2021	2022	2023	2024	2025	2026	2027+
% of Annualized Rev.	1.1%	10.8%	12.9%	18.8%	7.4%	7.4%	41.5%
% of GLA	0.9%	10.9%	14.9%	18.5%	7.5%	8.1%	38.8%
# of Leases	2	15	22	15	13	17	44

Staggered and geographically diversified lease maturity profile

- Reflects the disposition of the property in the United Kingdom subsequent to December 31, 2020.

HIGH QUALITY & CREDITWORTHY TENANT BASE

Top 10 Tenants	Annualized Revenue %	GLA %	WALT	Credit Rating
Magna	36%	27%	4.6	A (low)
Amazon	6%	5%	18.2	AA (low)
ADESA	2%	—%	8.6	NR
Restoration Hardware	2%	2%	7.3	NR
Hanon Systems	2%	1%	8.7	BBB
Spreetail FTP	2%	2%	5.8	NR
Ingram Micro	2%	2%	4.0	BB (high)
Cornerstone Brands	2%	2%	3.8	B (high)
Mars Petcare	2%	3%	1.3	NR
Wayfair	2%	2%	4.8	NR
Top 10 Tenants	**56%**	**46%**	**6.3**	

Other Tenants

ACE Hardware
Walmart
TORRID
LGI Logistics Group International
Milwaukee
SAMSUNG
vanUden
KUEHNE+NAGEL
CardinalHealth
Mercedes-Benz
GEODIS
RICOH

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

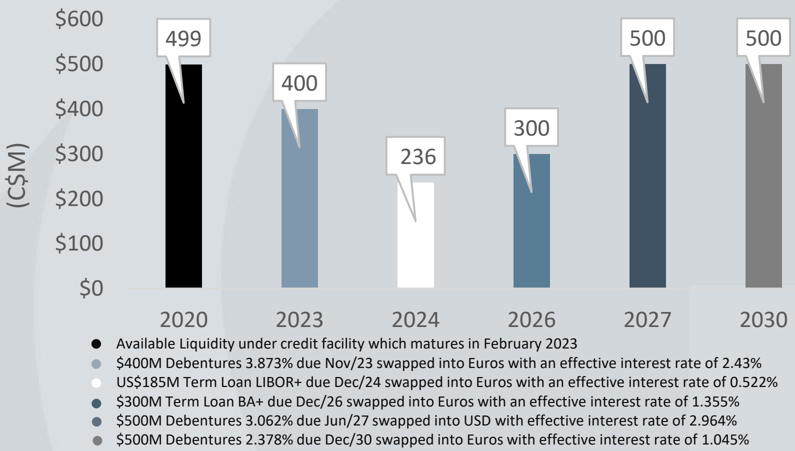
- Credit rating is quoted on the DBRS or equivalent rating scale where publicly available. NR refers to Not Rated.
- The credit rating indicated may, in some instances, apply to an affiliated company of Granite's tenant which may not be the guarantor of the lease.

BALANCE SHEET STRENGTH

Capitalization

Unit Price (03/01/2021)	$73.24
Units Outstanding	61.7
Market Capitalization	**$4,518**
Credit Facility	$0
Debentures 3.873% due Nov/23	$400
Debentures 3.062% due Jun/27	$500
Term Loan 0.522% due Dec/24	$236
Term Loan 1.355% due Dec/26	$300
Debentures 2.378% due Dec/30	$500
Total Unsecured Debt	**$1,936**
Less: Cash and Cash Equivalents	$560
Add: Non-controlling Interests	$2
Enterprise Value	**$5,896**

Debt Maturity Profile



Available Liquidity

Cash and Cash Equivalents	$560
Credit Facility Available	$499
Total Available Liquidity	**$1,059**

Available Liquidity

LTM Adj. EBITDA / LTM Interest	7.9x
Net Debt / LTM Adj. EBITDA	5.5x
LTM FFO / Net Debt	15%
Net Debt / Fair Value of Investment Properties	25%
Net Debt / Enterprise Value	25%
Unencumbered Assets / Unsecured Net Debt	4.0x
Secured Debt / Fair Value of Investment Properties	0%
Incremental Net Debt Capacity at 35% Net Leverage Ratio	$901M

Sector leading balance sheet with significant liquidity and fully unencumbered assets

- Market capitalization and enterprise value are as at March 1, 2021.
- Total Unsecured Debt excludes swap mark-to-market liabilities and lease obligations.
- Reflects the disposition of the property in the United Kingdom, the redemption of the 2021 Debentures and the termination of the 2021 Cross Currency Interest Rate Swap subsequent to December 31, 2020.

CREDIT METRICS SUMMARY

- The following table was sourced from DBRS' Canadian Real Estate Peer Comparison dated January 2021.

DBRS Canadian Real Estate Peer Comparison[1]:

	Granite	Peer Group Average	Granite Rank Among Peer Group
Total Debt to Capital Total	27.4%	48.5%	#1
Debt to EBITDA Cash	5.6x	9.3x	#2
Flow to Total Debt Debt	0.2x	0.1x	#1
Service Coverage EBITDA	7.5x	2.6x	#1
Interest Coverage	7.6x	3.2x	#1
Distributions to FFO[2]	72.7%	77.2%	#7

Granite's balance sheet & access to Euro-denominated debt offers a competitive advantage

[1] Source: DBRS Canadian Real Estate Peer Comparison for 17 issuers as of January 2021. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2019 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 Morguard Corporation.

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 ~30 - 35% 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 Leverage Ratio	Incremental Debt Capital ($ M)
25% (current)	N/A
30%	$419
35%	$901
40%	$1,463

Rating Agency Commentary

Moody's 03/13/2020: Baa2 (Stable)
"The rating reflects the REIT's commitment to maintaining a conservative capital structure, with moderate long-term target leverage of debt/total assets under 35% and fully unencumbered asset base, as the REIT executes its strategic growth plan and portfolio transformation. The ratings are further supported by Granite's good liquidity and long-term net-lease contracts with minimal rollover that result in stable earnings year over year. A ratings upgrade would be contingent upon achieving greater tenant diversification with Magna comprising less than 40% of Granite's total revenues, net debt/EBITDA closer to 5.5x, fixed charge coverage above 4.0x and secured debt % gross assets at or below 10%."

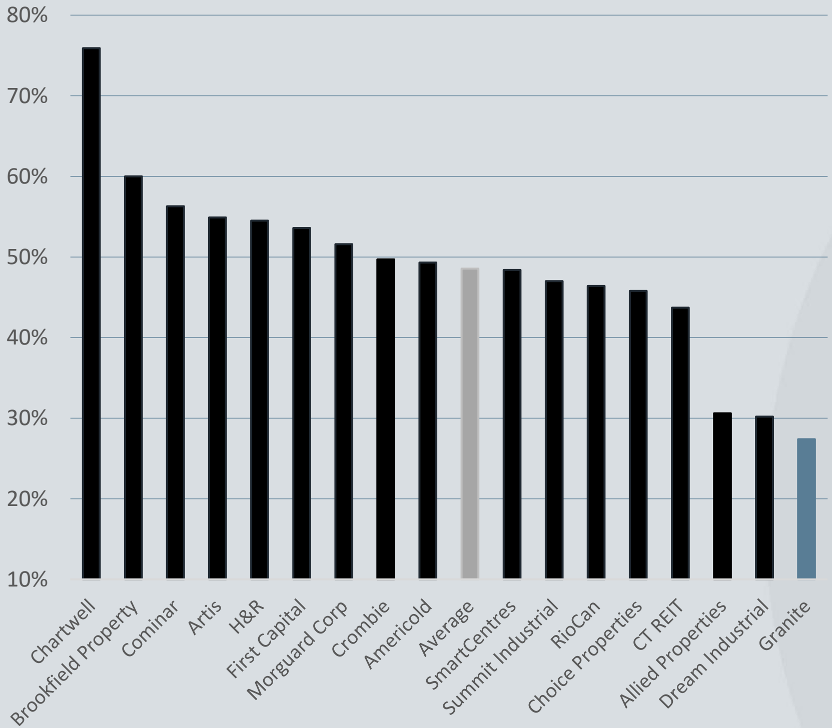
DBRS Morningstar 03/25/2020: BBB (Stable)
"The Stable rating outlook takes into consideration Granite's continued strong progress toward executing its strategic initiatives in 2019, including investing $960.4 million into acquisitions of modern assets in key e-commerce and distribution markets, with further contractual commitments of $129.5 million to close in 2020 and 2021 and two equity-bought deal offerings to partially fund aforementioned growth capital expenditures ($525 million combined gross proceeds); improving tenant and property diversification as Magna exposure is reduced to 42% of annualized rental revenue through a combination of growth and dispositions resulting in reduced tenant and property concentration; and DBRS Morningstar's expectation that total debt-to-EBITDA will be in the 6 times (x) range through 2021"

Commitment to maintaining a sustainable investment grade rating and conservative capital structure

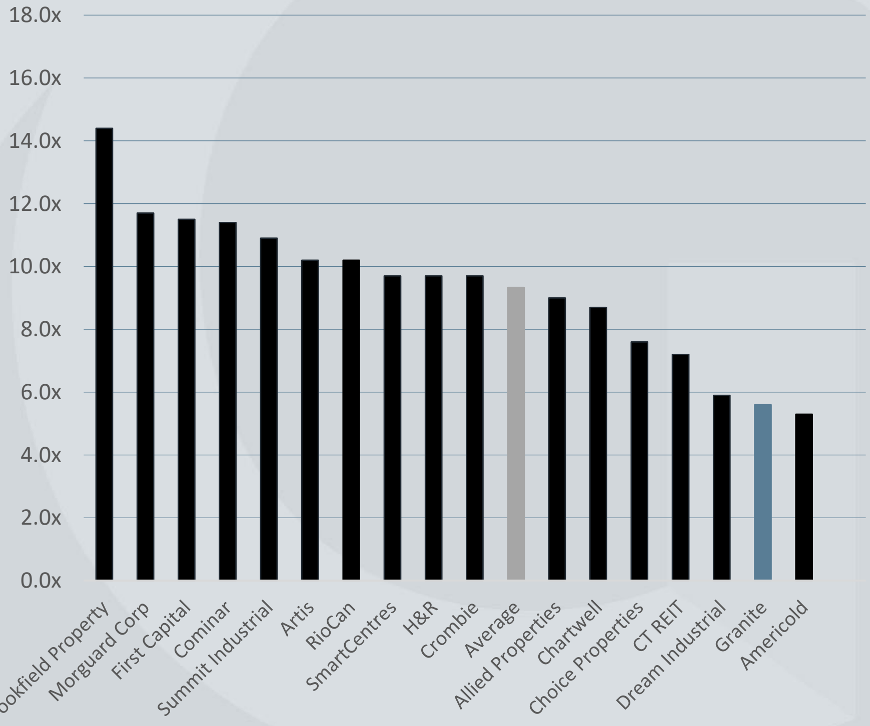
- Reflects the disposition of the property in the United Kingdom, the redemption of the 2021 Debentures and the termination of the 2021 Cross Currency Interest Rate Swap subsequent to December 31, 2020.

CANADIAN REAL ESTATE DEBT COMPARISON[1]

Total Debt-to-Capital



Total Debt-to-EBITDA

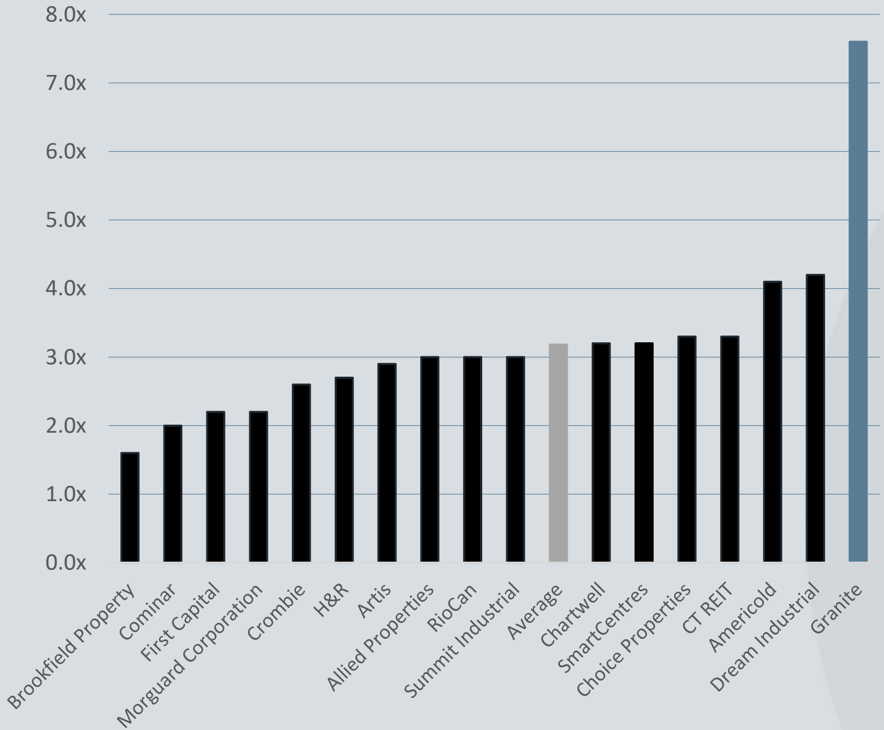


Granite has the lowest leverage within DBRS[1] universe of Canadian Real Estate entities

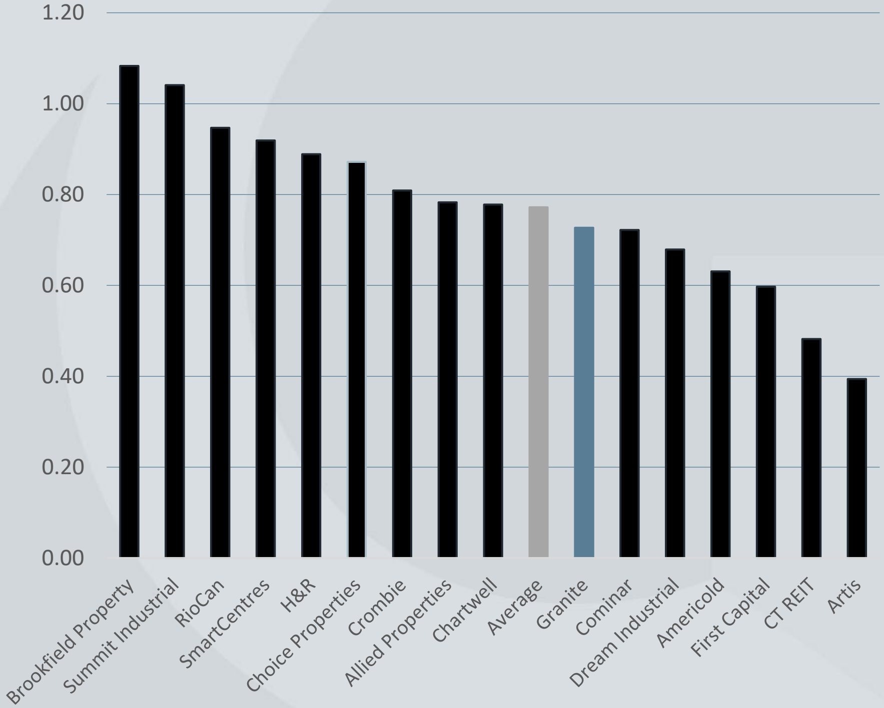
[1] Source: DBRS Canadian Real Estate Peer Comparison January 2021. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2019 for Granite). Certain terms used, such as EBITDA and FFO, do not have standardized meanings under IFRS and as such may not be comparable between the Canadian Real Estate Peer issuers used in the study.

CANADIAN REAL ESTATE DEBT 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 January 2021. Credit metrics for each issuer are as of the dates indicated in the report (December 31, 2019 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 Morguard Corporation.

LEADERSHIP TEAM

Kevan Gorrie

- President and Chief Executive Officer
- Over 20 years of real estate experience in Canada, the United States and Germany.
- Previously 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.

Teresa Neto

- Chief Financial Officer
- Over 30 years of varied business experience, including ~10 years as a CFO for publicly-traded real estate investment trusts in Canada.
- Previously served as the CFO of Pure Industrial Real Estate Trust and prior to that at Northwest Healthcare Properties REIT.

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

- Executive Vice President, Global Real Estate and Head of Investments
- Over 18 years of broad work experience with a focus on real estate, equity investments, and corporate underwriting.
- Previously held senior positions at Fortress Investment Group and Hexagon Capital Partners

Witsard Schaper

- Senior Vice President, Head of Europe based in Amsterdam
- Over 20 years of extensive real estate investment experience in international private and public real estate transactions across Europe
- Prior to joining Granite, Mr. Schaper was a Director at CPPIB in London responsible for the investment program in Europe

Jon Sorg

- Senior Vice President, Head of U.S. based in Dallas
- 20 years of investment, operations, underwriting and valuations experience in a variety of markets across the central US
- Prior to joining Granite, Mr. Sorg spent 12 years at Prologis, where most recently he served as Senior Vice President, Capital Deployment