GRANITE REIT

Joint Annual General and Special Meetings of Granite Real Estate Investment Trust and Granite REIT Inc. | June 9, 2022

PRESENTATION OF CERTAIN INFORMATION

- Unless otherwise indicated in this presentation, all information is presented as of December 31, 2021 and all financial information that is identified as current refers to the period ending December 31, 2021. For definitions of certain non-IFRS performance measures and non-IFRS ratios 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"), available liquidity, total debt and net debt, unencumbered asset coverage ratio, indebtedness ratio, and interest coverage ratio, please refer to Appendix A and B on pages 13 and 14. For reconciliation of these non-IFRS performance measures and non-IFRS ratios, please refer to Granite's Management Discussion and Analysis ("MD&A") in the Annual Report 2021 (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 various matters, including the following, will be realized in a timely manner, with the expected impact or at all: Granite's ability to deliver cash flow stability and growth and create long-term value for unitholders; Granite's ability to implement its ESG+R program and related targets and goals; the expansion and diversification of Granite's real estate portfolio and the reduction in Granite's exposure to Magna and the special purpose properties; Granite's ability to accelerate growth and to grow its net asset value and FFO and AFFO per unit; Granite's ability 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 sale from time to time of stapled units under its ATM Program; 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 and Ajax, Ontario and Whitestown, Indiana and the enhancement to the yields of such properties from such potential expansion and rental growth; the construction of and development yield of the site in Houston, Texas; the expected development and construction of an e-commerce and logistics warehouse on the acquired land in Fort Worth, Texas; the construction of the distribution/light industrial facility on the 13-acre site in Altbach, Germany; the construction of a modern distribution facility on the 50.8 acre site in Murfreesboro, Tennessee; the development of three modern distribution facilities in Lebanon, Tennessee, and the yield from the development; the development of a multi-phased business park on the 92.2 acre site in Brantford, Ontario, and the potential yield from the project; the timing of payment of associated unpaid construction costs and holdbacks; Granite's ability to dispose of any non-core assets and the potential yield of the facility 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 impact of the refinancing of the term loans on Granite's returns and cash flow; and the amount of any distributions and distribution increase.
- 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 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 2021 dated March 9, 2022, 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, 2021 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 (as at December 31, 2021)[2]

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

- 122 income-producing properties + 12 development properties/land
- 55.9M square feet with 99.7% occupancy
- $8.1B in property value
- High quality and creditworthy tenant base
- 5.8 years of weighted average lease term

FINANCIAL PERFORMANCE

- 80% LTM AFFO POR[3]
- GRT.UN 40% Total Return in 2021
- GRT.UN on TSX + GRP.U on NYSE
- Market Cap. of ~$6.2B & EV of ~$8.3B
- Investment grade ratings with stable outlook (BBB (high) / Baa2)
- 10 consecutive annual distribution increases

Global Industrial Real Estate Platform

[1] Market capitalization and enterprise value are as of March 4, 2022.
[2] Excludes assets held for sale and reflects adjustments for subsequent events. Refer to the “Subsequent Events” section in Appendix C on page 15.
[3] For definitions of Granite’s non-IFRS performance measures and non-IFRS ratios, refer to Appendix A and B on pages 13 and 14.
[4] Granite investment grade ratings are as per DBRS/Moody’s.

2021 CORPORATE OBJECTIVES RECAP[1]

Increase scale in target markets

7.7M SF acquired for **$1.1B** with a weighted average age of 12 years

✓

Pursue development and expansion opportunities

$463M/4.6M SF under development

$59M/0.4M SF under redevelopment / expansion

✓

Drive NAV, FFO[2] & AFFO[2] growth

26% NAV growth
+10% FFO[2] growth
+8% AFFO[2] growth

✓

Preserve conservative capital structure

Net leverage ratio[2] of **26%** and Net Debt[2]-to-EBITDA of **7.0x** .

FFO POR[2] & AFFO POR[2] of **75%** % **80%** respectively.

✓

Enhanced ESG program

Published inaugural annual **Corporate Responsibility** report.

GRESB score 65/100 (+76%). Ranked 1st in public disclosure in N.A. Industrial group.

✓

Safe return-to-work protocol & expanded global platform

3-day in-office workweek established in October 2021.

5 FTEs added to standalone teams and offices in Amsterdam, Dallas and Toronto.

✓

100 Ronson Drive, Toronto, ON

Breda, Netherlands

8740 South Crossroads Dr., Olive Branch, MS

All of Granite's 2021 corporate objectives were met or exceeded

[1] Excludes assets held for sale and reflects adjustments for subsequent events. Refer to the "Subsequent Events" section in Appendix C on page 15.
[2] For definitions of Granite's non-IFRS performance measures and non-IFRS ratios, refer to Appendix A and B on pages 13 and 14.

2021 MAJOR MILESTONES[1]

Strategic Allocation of Capital

- $1.1B of acquisitions across core markets in Canada, USA and Netherlands at a 4.2% weighted average stabilized yield
- $73M generated from sale of 3 non-core assets in UK, Austria and Poland
- $303M in net proceeds from an equity offering, plus an at-the-market equity distribution program established
- $500M in unsecured debt from second Green Bond offering and upsize and extension of credit facility to $1B for 5 years
- Net leverage ratio[2] of 26% providing approximately $1.1B in debt capacity and $1.3B in available liquidity[2]
- $390M of development commitments (5M SF) in Canada, USA and Germany at 5.5% weighted average stabilized yield

Financial & Operating Performance

- **100**% revenue collections during pandemic, with occupancy rate at year end of 99.7%
- Constant-currency same property NOI[2] yoy growth of 3.6% in 2021
- FFO[2] growth of 10% and AFFO[2] growth of 8%
- 68% of 2022 lease maturities renewed, only 2.6M SF (4.7% of portfolio) outstanding at year end 2021

Portfolio Enhancement / Diversification

- Reduced Magna concentration from 27% to 22% of GLA and from 36% to 29% of annualized revenue
- Acquired 24 properties totaling 7.7M SF in key distribution markets in GTA, the US, the Netherlands and Germany

Environmental, Social & Governance

- 100% of First Green Bond net proceeds allocated to Green Eligible Projects. 58% of net proceeds of Green Bonds have been allocated.
- Released inaugural Corporate Responsibility Report. 76% improvement in GRESB score.

2021 total return of 40% and 3.3% distribution increase

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[2] For definitions of Granite's non-IFRS performance measures and non-IFRS ratios, refer to Appendix A and B on pages 13 and 14.

ESG COMMITMENT

ENVIRONMENTAL

10%+ of maintenance capex allocated to eligible green projects

33.7M SF with **LED lighting**

32.4M SF with **low- absorption membrane roofing**

13 Green certified buildings + 2 over 2020

8.5MW peak rooftop solar generation potential

Paper reduction of 43% or 515,000 pages in 2021

SOCIAL

Over **$100K & 316 volunteer** hours contributed to charities

Emotional and Family Support: **Employee and Family Assistance Program incl. Mental Health**

Transit & Fitness Allowance; **Hybrid** work model; above-market **Leave** policies

Cultural Diversity[1]: **29% BIPOC** representation

Female Representation:
50% of total employees[2]
20% of executive team[3]
22% of Senior Management[3]

GOVERNANCE

100% **independent** Board excluding CEO

Robust governance policies underpinned by **Code of Conduct** and **Ethics** policy

Diverse Board:
40% of Trustees/Directors are **Female** and **30%** identify as **BIPOC**

"**Say-On-Pay**" and Trustee/Director **Term Limit** policies implemented in 2020

Top-ranked REIT in 2021 Globe & Mail Board Games

1 Based on 85% of employees that self-identified on a voluntary basis
2 Based on 89% of employees that self-identified on a voluntary basis.
3 Based on 100% of employees that self-identified on a voluntary basis.

COMMITMENT TO GREEN INVESTMENTS

Development in progress of a Green Building in Altbach Germany

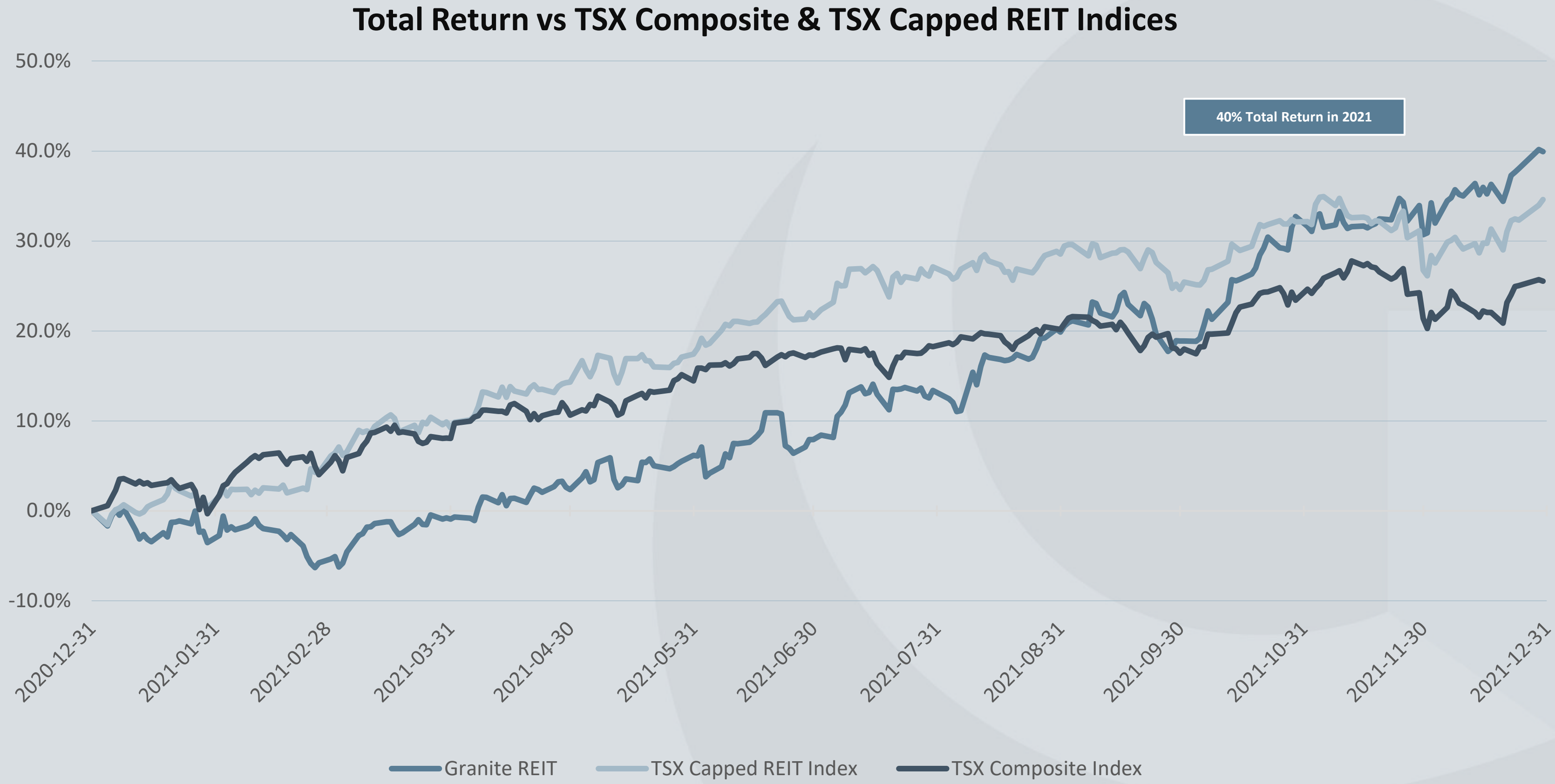
Acquisition of LEED Silver certified Green Building in Antioch, Illinois, USA

Development in progress of two Green Buildings in Houston, Texas, USA

Expansion in progress of a Green Building in Mississauga, Ontario, Canada

Development in progress of a Green Building in Murfreesboro, Tennessee, USA

GRT 2021 PERFORMANCE



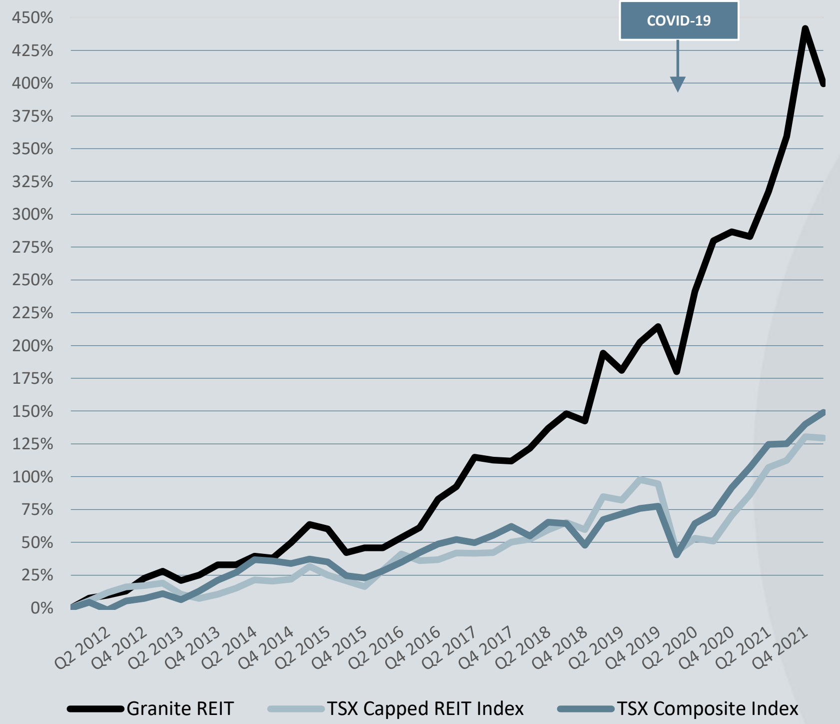
Granite's total return exceeded the Index returns once again in 2021

- Total return data is as at December 31, 2021.

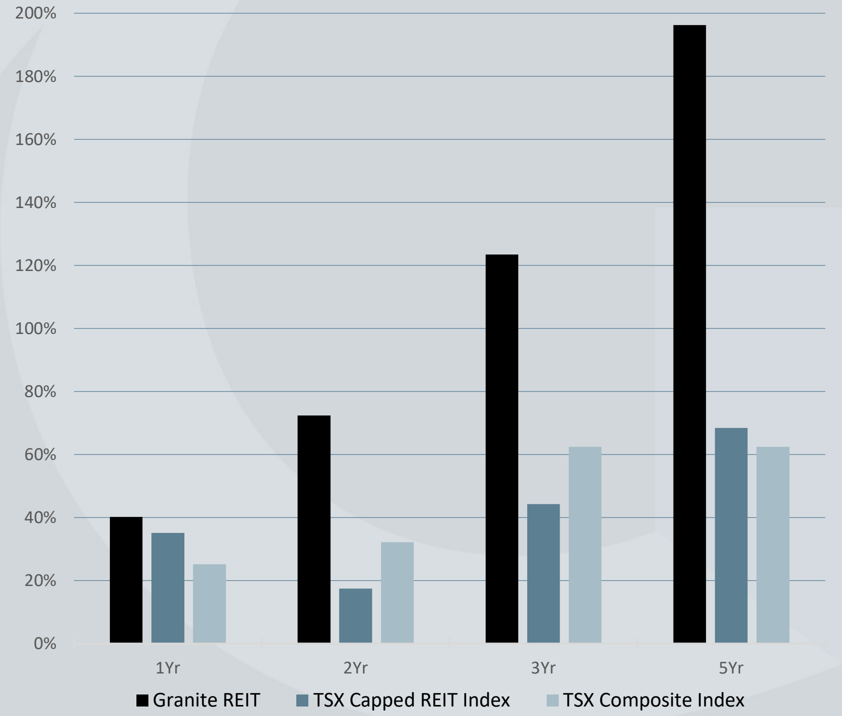
GRT HISTORICAL PERFORMANCE

Total Return vs TSX Composite & TSX Capped REIT Indices

Cumulative Total Return %



Annualized Total Return %



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

- Total return data is as at December 31, 2021.

2022 CORPORATE OBJECTIVES & Q1 UPDATE[1]

Acquisitions

$334M in announced acquisitions YTD

Development & Expansion

$640M in construction commitments across 10 projects, adding 5.5M SF

Capital Recycling

$34.5M Poland asset sale + AHFS in Czech Republic + ~$US120M in additional planned dispositions

ESG + R

2021 **Annual Report** to be published in Q3

Clayton, Indiana, USA


Korbach, Germany

Organic Growth

Q1 2022 Constant currency **SPNOI**[2] y-o-y growth of **4.6%**

Preserve Conservative Capital Structure

Q1 2022
Net Debt[2] to EBITDA **7.4x**

Our People

Hybrid work model supporting work-life balance.

Internalization of N.A. property accounting to build out solid **platform for growth**.

Leveraging the platform to generate long-term unitholder value

[1] Excludes assets held for sale and reflects adjustments for subsequent events. Refer to the “Subsequent Events” section in Appendix D on page 16.
[2] For definitions of Granite’s non-IFRS performance measures and non-IFRS ratios, refer to Appendix A and B on pages 13 and 14.

LEADERSHIP TEAM

Kevan Gorrie

President and Chief Executive Officer

Teresa Neto

Chief Financial Officer

Lorne Kumer

Executive Vice President,
Head of Global Real Estate

Michael Ramparas

Executive Vice President, Global
Real Estate & Head of Investments

Witsard Schaper

Senior Vice President,
Head of Europe based in Amsterdam

Lawrence Clarfield

Executive Vice President,
General Counsel and Corporate Secretary

Jon Sorg

Senior Vice President,
Head of U.S. based in Dallas

THANK YOU

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APPENDIX

- The following non-IFRS performance measures and non-IFRS ratios are important measures used by management in evaluating the Trust's underlying operating performance and debt management. These non-IFRS performance measures and non-IFRS ratios are not defined by IFRS and do not have standard meanings. The Trust's method of calculating non-IFRS performance measures may differ from other issuers' methods and, accordingly, may not be comparable with similar measures presented by other issuers. All non-IFRS performance measures as well as non-IFRS ratios shown within this presentation have been adjusted for subsequent events. Please refer to section C of this Appendix for details on the Trust's subsequent events.

A) NON-IFRS PERFORMANCE MEASURES

Funds from operations

FFO is a non-IFRS performance measure that is widely used by the real estate industry in evaluating the operating performance of real estate entities. Granite calculates FFO as net income attributable to stapled unitholders excluding fair value gains (losses) on investment properties and financial instruments, gains (losses) on sale of investment properties including the associated current income tax, deferred income taxes and certain other items, net of non-controlling interests in such items. The Trust's determination of FFO follows the definition prescribed by the Real Estate Property Association of Canada ("REALPAC") guidelines on Funds From Operations & Adjusted Funds From Operations for IFRS dated January 2022 ("REALPAC Guidelines"). Granite considers FFO to be a meaningful supplemental measure that can be used to determine the Trust's ability to service debt, fund capital expenditures and provide distributions to stapled unitholders. FFO is reconciled to net income, which is the most directly comparable IFRS measure. FFO should not be construed as an alternative to net income or cash flow generated from operating activities determined in accordance with IFRS.

Adjusted funds from operations

AFFO is a non-IFRS performance measure that is widely used by the real estate industry in evaluating the recurring economic earnings performance of real estate entities after considering certain costs associated with sustaining such earnings. Granite calculates AFFO as net income attributable to stapled unitholders including all adjustments used to calculate FFO and further adjusts for actual maintenance capital expenditures that are required to sustain Granite's productive capacity, leasing costs such as leasing commissions and tenant allowances incurred and non-cash straight-line rent and tenant incentive amortization, net of non-controlling interests in such items. The Trust's determination of AFFO follows the definition prescribed by REALPAC's Guidelines. Granite considers AFFO to be a meaningful supplemental measure that can be used to determine the Trust's ability to service debt, fund expansion capital expenditures, fund property development and provide distributions to stapled unitholders after considering costs associated with sustaining operating earnings. AFFO is also reconciled to net income, which is the most directly comparable IFRS measure. AFFO should not be construed as an alternative to net income or cash flow generated from operating activities determined in accordance with IFRS.

Net operating income - cash basis

Granite uses NOI on a cash basis, which adjusts NOI to exclude lease termination and close-out fees, and the non-cash impact from straight-line rent and tenant incentive amortization recognized during the period. NOI - cash basis is a commonly used measure by the real estate industry and Granite believes it is a useful supplementary measure of the income generated by and operating performance of income-producing properties in addition to the most comparable IFRS measure, which Granite believes is NOI. NOI - cash basis is also a key input in Granite's determination of the fair value of its investment property portfolio.

Same property net operating income - cash basis

Same property NOI - cash basis refers to the NOI - cash basis for those properties owned by Granite throughout the entire current and prior year periods under comparison. Same property NOI - cash basis excludes properties that were acquired, disposed of, classified as properties under or held for development or assets held for sale during the periods under comparison. Granite believes that same property NOI - cash basis is a useful supplementary measure in understanding period-over-period organic changes in NOI - cash basis from the same stock of properties owned.

Constant currency same property NOI

Constant currency same property NOI is a non-GAAP measure used by management in evaluating the performance of properties owned by Granite throughout the entire current and prior year periods on a constant currency basis. It is calculated by taking same property NOI as defined above and excluding the impact of foreign currency translation by converting the same property NOI denominated in foreign currency in the respective periods at the current period average exchange rates.

Adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA")

Adjusted EBITDA is calculated as net income before lease termination and close-out fees, interest expense, interest income, income tax expense, depreciation and amortization expense, fair value gains (losses) on investment properties and financial instruments, other expense relating to real estate transfer tax and loss on the sale of investment properties. Adjusted EBITDA, calculated on a 12-month trailing basis ("trailing 12-month adjusted EBITDA"), represents an operating cash flow measure that Granite uses in calculating the interest coverage ratio and indebtedness ratio noted below. Adjusted EBITDA is also defined in Granite's debt agreements and used in calculating the Trust's debt covenants.

Available Liquidity

Available liquidity is a non-IFRS performance measure defined as the sum of cash and cash equivalents and the unused portion of the credit facility. Granite believes that available liquidity is a useful measure to investors in determining the Trust's resources available as at period-end to meet its ongoing obligations and future commitments.

Total Debt and Net Debt

Total debt is a non-IFRS performance measure calculated as the sum of all current and non-current debt, the net mark to market fair value of cross-currency interest rate swaps and lease obligations as per the consolidated financial statements. Net debt subtracts cash and cash equivalents from total debt. Granite believes that it is useful to include the cross-currency interest rate swaps and lease obligations for the purposes of monitoring the Trust's debt levels.

B) NON-IFRS RATIOS

FFO and AFFO payout ratios

The FFO and AFFO payout ratios are calculated as monthly distributions, which exclude special distributions, declared to unitholders divided by FFO and AFFO (non-IFRS performance measures) , respectively, in a period. FFO payout ratio and AFFO payout ratio may exclude revenue or expenses incurred during a period that can be a source of variance between periods. The FFO payout ratio and AFFO payout ratio are supplemental measures widely used by analysts and investors in evaluating the sustainability of the Trust's monthly distributions to stapled unitholders.

Interest coverage ratio

The interest coverage ratio is calculated on a 12-month trailing basis using Adjusted EBITDA (a non-IFRS performance measure) divided by net interest expense. Granite believes the interest coverage ratio is useful in evaluating the Trust's ability to meet its interest expense.

Indebtedness ratio

The indebtedness ratio is calculated as total debt (a non-IFRS performance measure) divided by Adjusted EBITDA (a non-IFRS performance measure) and Granite believes it is useful in evaluating the Trust's ability to repay outstanding debt using its operating cash flows.

Leverage and net leverage ratios

The leverage ratio is calculated as the carrying value of total debt (a non-IFRS performance measure) divided by the fair value of investment properties (excluding assets held for sale) while the net leverage ratio subtracts cash and cash equivalents from total debt. The leverage ratio and net leverage ratio are supplemental measures that Granite believes are useful in evaluating the Trust's degree of financial leverage, borrowing capacity and the relative strength of its balance sheet.

Unencumbered asset coverage ratio

The unencumbered asset coverage ratio is calculated as the carrying value of investment properties (excluding assets held for sale) that are not encumbered by secured debt divided by the carrying value of total unsecured debt and is a supplemental measure that Granite believes is useful in evaluating the Trust's degree of asset coverage provided by its unencumbered investment properties to total unsecured debt.

C) SUBSEQUENT EVENTS APPLICABLE TO DEC 31, 2021

- On February 3, 2022, Granite acquired three modern distribution facilities in Germany comprising 0.8 million square feet for $140.0 million (€96.6 million).
- On February 3, 2022, Granite terminated $350.0 million of a total $500.0 million principal of the 2028 Cross Currency Interest Rate Swap, which exchanged Canadian dollar denominated principal and interest payments of Granite's 2028 Debentures for US dollar denominated payments at a fixed interest rate of 2.096%. Simultaneously, Granite entered into a new $350.0 million cross-currency interest rate swap maturing August 30, 2028 to exchange the Canadian dollar denominated principal and interest payments of the 2028 Debentures for Euro denominated payments at a fixed interest rate of 0.536%.
- On February 18, 2022, Granite completed the disposition of an income producing property and piece of land held for development located in Poland that were classified as held for sale as at December 31, 2021, for gross proceeds of $36.2 million (€25.1 million).

D) SUBSEQUENT EVENTS APPLICABLE TO MARCH 31, 2022

- On April 14, 2022, Granite acquired two newly constructed modern distribution facilities, comprising of approximately 1.4 million square feet in the southwest submarket of Indianapolis, Indiana for $179.1 million (US$141.8 million). The properties are 100% leased to two investment grade tenants with a weighted average lease term of 10 years and were acquired at an in-going yield of 4.2%. One of the properties offers excess density which has potential for expansion of either building or parking requirements. Fronting on the I-70, the facilities are well located within the submarket with connectivity to five major interstate highways and are 15 miles south of the FedEx World Hub.

- On May 5, 2022, Granite acquired a property under development for $14.5 million (US$11.3 million) comprising of a 0.2 million square foot built-to-suit modern distribution facility to be constructed on 13.6 acres in Bolingbrook, Illinois. Construction has commenced and the property is expected to be completed in the first quarter of 2023 at a total fixed cost of $50.1 million (US$39.0 million). A globally-recognized furniture provider will tenant the building upon completion for an initial term of 12.3 years. The Class A facility will have modern features including cross-dock configuration, 32’ clear heights, expandable parking and trailer stalls, upgraded dock equipment and sustainability features. The property is well located with visibility from the I-55 which offers connectivity between Chicago and New Orleans. The property is expected to achieve a stabilized development yield of 3.9%.

- Subsequent to March 31, 2022, Granite has issued 120,300 stapled units under the ATM Program at an average stapled unit price of $98.84 for gross proceeds of $11.9 million excluding issuance costs.