

2 February 2018

Gateway Lifestyle divests two non-core assets

Gateway Lifestyle Group (ASX: GTY) announces that the Group has entered into unconditional contracts for the divestment of two non-core assets for \$18.4 million (in line with book value):

- Gateway Lifestyle Bass Hill NSW for a sale price of \$10.4 million, expected settlement in July 2018; and
- Gateway Lifestyle Rainbow Waters for a sale price of \$8 million, expected settlement in early February 2018.

These divestments are consistent with the Group's asset recycling strategy, allowing redeployment of capital and will continue to improve the quality of the Group's portfolio.

"We remain focused on growing the portfolio of long-term occupied sites. The divestment of non-core assets is a key part of our strategy, as we look to improve the quality of assets in the Group's portfolio and ongoing investment in higher returning communities driven by development potential and operating margins." Mr Ottawa said.

The transactions above are not expected to have an impact on the Group's FY18 market guidance.

Gateway Lifestyle Group will report its financial results for the half year ending 31 December 2017 on 23 February 2018.

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