

\$127 million acquisition of 80 Flinders Street, Adelaide

Monday, 22 July 2019

Centuria Capital Group (ASX: **CNI** or **Centuria**) is pleased to announce:

- **Unconditional exchange to acquire 100% interest in 80 Flinders Street, Adelaide, generates new unlisted fund**
- **Strong commencement to FY20 with \$127 million acquisition – expands upon \$0.9 billion of Group acquisitions in FY19**
- **Fully leased prime building, 95% of gross income underpinned by multinational and ASX listed companies**
- **Adelaide well positioned to benefit from approximately \$130 billion of infrastructure and defence projects**

Centuria subsidiary, Centuria Property Funds Limited, has exchanged unconditional contracts to acquire Adelaide's 80 Flinders Street office building for \$127 million, generating a new fund for Centuria's unlisted division. The fund is expected to launch in August 2019, delivering FY20 and FY21 distribution yields of 6.50%^{1,2} and 6.60%².

Constructed in 2006 and refurbished in 2019, 80 Flinders Street is an A-Grade building located in Adelaide's core CBD precinct. The asset has a WALE³ of over 4.0 years and is 100% occupied³ with 95% of gross income underpinned by multinational and ASX listed companies.

Jason Huljich, Joint CEO, said "The group's latest acquisition represents another example of our team's ability to selectively identify quality real estate opportunities in a highly competitive environment. As a market, Adelaide is continuing to transform through a strong pipeline of approximately \$130 billion of infrastructure and defence projects, as well as offering attractive fundamentals relative to other core CBD markets."

"We are pleased to be commencing FY20 with a compelling acquisition that builds on \$0.9 billion of acquisitions achieved across the Group in FY19 and offering another asset to our deep unlisted distribution network. In the prevailing low interest rate environment, we continue to expect direct real estate assets to generate strong demand from investors looking for quality investment opportunities while displaying attractive relative yield."

"Centuria's property team expects to build on FY19 momentum with a greater range of attractive real estate acquisitions in FY20 across its stable of listed, unlisted and healthcare funds."

– Ends –

For more information or to arrange an interview, please contact:

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Centuria Capital Group (CNI) ASX Announcement

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About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$6.2 billion⁴ of assets under management. We offer a range of investment opportunities including listed and unlisted property funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

www.centuria.com.au

Disclaimer

Centuria Property Funds Limited ABN 11 086 553 639 AFSL 231149 (Centuria) intends to register the Centuria 80 Flinders Street Fund (Fund) with the Australian Securities and Investments Commission as a registered managed investment scheme. Centuria expects to issue a Product Disclosure Statement (PDS) for the Fund on or about 14, August 2019. All investments in unlisted property funds carry risk. As the Fund invests in commercial property it carries the market and property risks associated with investing in property. As a geared investment, the Fund also carries associated financial and leverage risks. Risks can impact on distribution and capital returns over the term of the Fund. It is important that you read the PDS and understand the risks of investing. This information is general information only and does not take into account the objectives, financial situation or particular needs of any person. You should consider whether this information is appropriate for you and consult your financial or other professional advisor before investing. You should obtain and read a copy of the PDS relating to the Fund before making a decision to invest. Centuria and its associates will receive fees in relation to an investment in the Fund as disclosed in the PDS. Investment in the Fund is subject to risk including possible delays in payment or loss of income and principal invested. Centuria does not guarantee the performance of the Fund.

1. Annualised forecast yield for the period 1 October 2019 to 30 June 2020

2. Forecast returns are predictive in nature and are calculated in accordance with a number of underlying assumptions set out in the Product Disclosure Statement. As such, returns may be affected by incorrect assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved. Returns are not guaranteed

3. Weighted average lease expiry (by income) as at 1 October 2019. The WALE excluding the 694 bay car park leased to Wilson Parking is 4.57 years. Occupancy by income

4. As at 31 December 2018 with pro forma adjustments to reflect Centuria Heathley transaction