

Strong performance fees generated from CNI's established unlisted division

Tuesday, 3 December 2019

Centuria Capital Group (ASX: CNI or Centuria) announces:

- **Sale of 2-10 Wentworth Street, Parramatta NSW for \$105.3m**
- **Settlement of a half share in Centuria 8 Central Avenue, Australian Technology Park, NSW for \$191m**
- **CNI performance fees of \$24.7m¹ expected to be generated from two unlisted funds**

CNI subsidiary, Centuria Property Funds Limited has exchanged contracts to divest 2-10 Wentworth Street, Parramatta NSW for \$105.3m following the completion of the closed-ended fund's five-year term. Acquired in December 2014 for \$45.1 million, the sale reflects Centuria's proactive asset management capabilities and the current strength across the commercial transaction markets. Centuria refurbished the common areas in the building and re-set 90% of the building leases during the hold period. Rental levels were also significantly increased with an average uplift of 34%. Settlement is expected to occur in Q1 CY2020.

CNI also notes the settlement of a half share in 8 Central Avenue, Australian Technology Park for \$191m. Centuria Metropolitan REIT purchased the asset from one of Centuria's expiring unlisted funds. Details were previously announced on 18 September 2019.

Proceeds from the sale of 2-10 Wentworth Street and 8 Central Avenue will be distributed to investors within these funds following the finalisation of each sale. CNI expects to generate combined performance fees of \$24.7m¹ from the two unlisted funds.

Jason Huljich, Joint CEO, commented "Centuria's unlisted division remains extremely well positioned to deliver attractive returns to our investors across this core and long-standing division within CNI's platform. Both 2-10 Wentworth Street and 8 Central Avenue have delivered strong IRR's of 25%² and 20%³, respectively, while the recently completed Centuria Zenith Fund also delivered an attractive IRR of 23%⁴."

"We are focused on continuing to enhance our established unlisted division. Centuria has a good history of through-cycle performance with at least five of our funds⁵ being included in the top ten funds in an MSCI/IPD index each quarter for the last eleven quarters.

"Both 2-10 Wentworth Street and 8 Central Avenue have both delivered very positive outcomes for fund investors while the ability for the group to generate recurring performance fees supports CNI's strong earnings momentum."

– Ends –

Centuria Capital Group (CNI) ASX Announcement

Centuria

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

Jason Huljich
Joint CEO

Centuria Capital Limited

Phone: 02 8923 8923

Email: Jason.huljich@centuria.com.au

Tim Mitchell

Group Head of Investor Relations

Centuria Capital Limited

Phone: 02 8923 8923

Email: tim.mitchell@centuria.com.au

Gigi Shaw

Associate Director

BlueChip Communication

Phone: 02 9018 8633

Email: gigi@bluechipcommunication.com.au

About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$6.7 billion 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

Issued by Centuria Property Funds Limited ABN 11 086 553 639, AFSL 231 149 (Centuria) as Responsible Entity for the Centuria 2 Wentworth Street Fund (ARSN 603 048 424). This information is general information only and does not take into account the financial circumstances, needs or objectives of any person. Centuria is the responsible entity of a number of listed and unlisted property funds, each of which are issued under a product disclosure statement (PDS) that is available on Centuria's website centuria.com.au for all funds open for investment. An investment in any of Centuria's property funds carries risks associated with an investment in direct property including the loss of income and capital invested. The risks relating to an investment are detailed in each Fund's PDS and Centuria strongly recommends that the PDS be downloaded and read before any investment decision is made. Centuria receives fees from investments in its property funds. Past performance is not a reliable indicator of future performance.

1 Accrued performance fees at 30 June 2019 included \$7.8m for Centuria 8 Central Avenue, Australian Technology Park, NSW (8CAF1) and \$2.9m for 2-10 Wentworth Street, Parramatta NSW

2 IRR calculated on a levered basis from December 2014 to March 2020

3 IRR calculated on a levered basis from December 2013 to November 2019

4 IRR calculated on levered basis from July 2016 to August 2019

5 Five funds in the Top 10 in The Property Council of Australia/MSCI Australia Unlisted Retail Quarterly Property Fund Index (Unfrozen) to 30 September 2019 and six for each previous quarter for the last ten quarters (overall investment for the twelve months to the end of each quarter)

Centuria Capital Group

Consisting of:

Centuria Capital Limited ABN 22 095 454 336

Centuria Capital Fund ARSN 613 856 358

Level 41, Chifley Tower

2 Chifley Square, Sydney NSW 2000

T: 02 8923 8923

F: 02 9460 2960

E: sydney@centuria.com.au

www.centuria.com.au