

Centuria Capital FY20 Financial Results

- *FY20 operating earnings per stapled security¹ of 12.0cps, ahead of 11.5cps guidance*
- *Strong AUM growth to \$9.4bn² (+52% on FY19)*
- *FY20 Distribution of 9.70cps meets guidance*
- *Record FY20 direct real estate acquisitions of \$1.2bn*
- *Full takeover of A\$1.8 billion Augusta Capital platform*
- *Strong start to FY21 with \$0.6bn of direct real estate acquisitions*
- *FY21 guidance: Operating Earnings per security 10.5c – 11.5c
Distribution per security 8.5c*

SYDNEY (Wednesday 12 August 2020) – Centuria Capital Group (ASX: CNI or “Centuria”) has announced its FY20 results for the period ended 30 June 2020 and reported its FY21 initial activity.

FY20 FINANCIAL RESULTS

Earnings		FY20	FY 19
Operating NPAT ³	\$m	53.3	45.7
Operating EPS ¹	cps	12.0	12.7
Statutory NPAT ⁴	\$m	21.1	50.8
Statutory EPS ⁴	cps	4.7	14.2
Distribution per stapled security	cps	9.70	9.25

Statutory profit⁴ of \$21.1m was recorded for FY20. Operating NPAT³ of \$53.3m generated an operating EPS¹ of 12.0 cents, ahead of 11.5cps FY20 guidance. Distributions of 9.70cps were delivered on guidance, reflecting a 4.9% increase on FY19.

Recurring revenues accounted for 86% of total Group revenues in FY20, underpinned by increased property funds management fees and co-investment income. Centuria retains a strong balance sheet with cash on hand of \$149.5m as at 30 June 2020, a proportion of which has been utilised for the cash and scrip takeover bid for Augusta Capital Limited (“AUG or Augusta”).

John McBain, Centuria Joint CEO, said “Centuria achieved strong performance throughout FY20, especially in light of the COVID-19 pandemic during the second half. Centuria’s funds have continued to provide reliable distributions to investors, which is a strong endorsement for both our listed and unlisted funds.

“Our business model has been extremely resilient to pandemic conditions and our dual strategy of direct asset acquisitions, in combination with corporate expansion, has resulted in FY20 and FY21 to date being a transformational period. The 52% increase in AUM was largely driven by major direct property acquisitions together with the successful takeover of New Zealand funds manager Augusta Capital.”

CNI’s 12-month total securityholder return⁵ of +6.1% outperformed the S&P/ASX 300 index (-7.6%) and the S&P/ASX300 A-REIT Accumulation Index (-20.7%).

Centuria issues FY21 distribution per security guidance of 8.5cps and FY21 operating EPS guidance of 10.5cps - 11.5cps.

Augusta Capital Limited Takeover

Centuria has secured over 96% of the total ordinary shares in Augusta and has initiated a compulsory acquisition process for the remaining shares. Centuria intends to delist Augusta and operate and grow the business as a Centuria subsidiary, this should be completed in September 2020.

Augusta is the manager of NZX-listed REIT, Asset Plus Ltd, the NZ\$345 million Augusta Industrial Fund, and a number of core open-ended single asset unlisted property funds.

Augusta's A\$1.8bn real estate platform expands Centuria's AUM to \$9.4 billion². The Augusta platform broadens Centuria's real estate profile, weighted 81% to Australia, 19% to New Zealand and resulting in group-wide equal weighting across listed and unlisted fund types.

The Augusta Property Fund's acquisition of a NZ\$55 million medical centre in Hamilton, N.Z., closed within nine days and was heavily oversubscribed.

Real Estate Overview

Since FY19, real estate AUM expanded 42% to \$8.8bn with real estate AUM including record FY20 year acquisitions of \$1.2 billion and more than 15 direct real estate acquisitions across the platform.

Throughout FY20, Centuria broadened its suite of investment options. The open-ended Centuria Diversified Property Fund will be joined by a soon-to-be launched open-ended circa \$130 million healthcare fund, Centuria Healthcare Property Fund.

FY21 has commenced extremely strongly with \$0.6bn of acquisitions to date, including Centuria Industrial REIT's (ASX: CIP) purchase of the \$417m Telstra Data Centre in Victoria, secured on a sale and leaseback term with a 30-year triple-net lease to Telstra. CIP now has a WALE exceeding 10 years.

Jason Huljich, Centuria Joint CEO, said, "Centuria has continued to demonstrate its capability as a leading Australian real estate funds manager with a strong ability to leverage our team's deep real estate expertise in funds management, transactions and active asset management. Throughout FY20, we generated diversified recurring revenues underpinned by our platform's resilient income streams, strong occupancy rates and expanding WALEs.

"We have also been focused on integrating and repositioning the Centuria Healthcare division, along with servicing a \$500m institutional mandate with AXA IM and Grosvenor, which expands the capital sources being serviced across our platform.

"Despite increased market volatility and economic impacts caused by COVID-19, Centuria's platform demonstrated its resilience with 91% of rent collected⁶ from April to June 2020. Rent revenue is underpinned by high-quality tenants and has benefitted from strong, resilient cashflows. Our resilient income streams include a mix of high-quality tenants across Federal and State Government and ASX listed or multinational tenants such as Telstra, Arnott's, Healius, Woolworths and Bendigo & Adelaide Bank."

STRATEGY & OUTLOOK

The Joint CEO's concluded, "Throughout FY21, Centuria will continue to expand its footprint across the Australian and New Zealand real estate markets, focusing the industrial, healthcare and select office sectors and positioning itself as a leading Trans-Tasman funds manager.

We believe the Augusta business, when properly supported, will generate meaningful Group revenues and build on its leading position in the New Zealand marketplace. Finally, we will continue to build a high-quality, leading externally managed listed real estate funds platform and strive to attain a top three Australian ranking."

-ENDS-

Centuria Capital Group (CNI) ASX Announcement

Centuria

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Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$9.4 billion² of assets under management. We offer a range of investment opportunities including listed and unlisted real estate 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

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¹ Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities

² Centuria AUM as at 30 June 2020, Augusta AUM as at 31 March 2020. Includes CIP acquisitions announced 5 August 2020

³ Operating NPAT of the Group comprises of the results of all operating segments and excludes non-operating items such as transaction costs, mark to market movements on property and derivative financial instruments, the results of Benefit Funds, Controlled Property Funds and share of equity accounted net profit in excess of distributions received

⁴ Attributable to securityholders

⁵ Source: Moelis Australia. Based on movement in security price from ASX closing on 1 July 2019 to ASX closing on 30 June 2020 plus distributions per security paid during the respective period(s) assuming re-investment of all distributions. Past performance is not a reliable indicator of future performance

⁶ Excludes Augusta Capital Limited assets. As COVID-19 impacts and the National Code of Conduct on Commercial Leases remain active, it is possible that further rent relief claims could be received