

CIP External Revaluations Deliver \$84m Gain

SYDNEY (Monday, 21 December 2020) - Centuria Property Funds No. 2 Limited (**CPF2L**), as Responsible Entity of Centuria Industrial REIT (**ASX: CIP**), has completed external valuations on 29 of its 59 investment properties as at 31 December 2020. Approximately 58% of the portfolio¹ was valued independently. Key highlights include:

- External independent valuations provided an increase of \$83.7 million or 6.3% from prior book values^{2,3}
- Total portfolio weighted average capitalisation rate firmed by 24 basis points from 5.66%⁴ to 5.42% at 31 December 2020
- Total portfolio value increased to \$2.4bn⁵, reaffirming CIP as Australia's largest domestic pure-play industrial REIT

The valuation uplift was generated through a combination of leasing success and capitalisation rate compression. The Arnott's assets including 46 Robinson Road East, Virginia QLD and 23-41 Galway Avenue, Marleston SA increased in value by a combined \$39.5m due to a 56 basis point tightening of the capitalisation rate. 37-51 Scrivener Street, Warwick Farm NSW increased by \$7.25m with 125bp of capitalisation rate compression following the renewal of the sole tenant on a new long term lease.

Jesse Curtis, CIP Fund Manager, commented, "Australian industrial real estate continues to be a desirable asset class being driven by investment demand from both domestic and international capital. Transaction evidence continues to demonstrate the strength of the sector underpinned by growth in online retailing, a defensive tenant base and scarcity in the availability of quality investment grade assets.

"The portfolio valuations are reflective of the active management and major leasing outcomes achieved across CIP's high quality portfolio together with the sector tailwinds and investor demand driving tighter industrial capitalisation rates. With a high quality portfolio and robust tenant base, the CIP portfolio is well positioned to benefit from the continued buoyancy of the Australian industrial market."

Further details on property valuations will be available in CIP's half year 2021 results to be released on Tuesday 2 February 2021.

– Ends –

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

Jesse Curtis

Fund Manager - CIP
Centuria Industrial REIT
Phone: 02 8923 8923
Email: jesse.curtis@centuria.com.au

Tim Mitchell

Group Head of Investor Relations
Centuria Capital Limited
Phone: 02 8923 8923
Email: tim.mitchell@centuria.com.au

Alexandra Koolman

Senior Manager Corporate Communications
Centuria Capital Limited
Phone: 02 8923 8923
Email: alexandra.koolman@centuria.com.au

Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Industrial REIT

CIP is Australia's largest domestic pure play industrial REIT and is included in the S&P/ASX 200 Index. CIP's portfolio of high-quality industrial assets is situated in key metropolitan locations throughout Australia and is underpinned by a quality and diverse tenant base. CIP is overseen by a hands on, active manager and provides investors with income and an opportunity for capital growth from a pure play portfolio of high quality Australian industrial assets.

Centuria Property Funds No. 2 Limited (CPF2L), is the Responsible Entity for the ASX-listed Centuria Industrial REIT (CIP). CPF2L, is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with \$10.1 billion in total assets under management and strong offerings across listed real estate investment trusts, unlisted real estate funds and investment bonds.

www.centuria.com.au

Centuria Industrial REIT (CIP)

ASX Announcement

Centuria

¹ By value

² Reflects gross increase. Does not include capital expenditure incurred. Subject to audit and finalisation statutory accounts to be released on 2 February 2021

³ Includes 136 Zillmere Road, Boondall, QLD which is contracted for sale, as announced on 7 December 2020.

⁴ Pro forma WACR as at 30 June 2020, including \$694m of acquisitions in 1H21

⁵ Following revaluations and the acquisitions of \$694m in 1H21