

Q3 FY21 FUND UPDATE AND GUIDANCE

- *Leasing terms agreed¹ for c.16,597 sqm (5.8% of portfolio NLA) across 12 separate deals*
- *Portfolio occupancy² increased to 92.3%, from 91.5% as at 31 December 2020*
- *35 Robina Town Centre Drive, Robina QLD occupancy increased to 90.2%², largely addressing a major portfolio vacancy*
- *Rent collections³ for the July 2020 – March 2021 period averaged 97.1%*
- *FY21 FFO guidance⁴ range of 19.4-19.9 cents per unit (cpu) tightened to the range's upper end (19.7-19.9 cpu)*
- *FY21 distribution guidance of 16.5cpu reiterated, representing a current yield⁵ of 7.9%*

SYDNEY (Wednesday, 21 April 2021) - Centuria Office REIT (**ASX: COF**) is pleased to provide COF's operating update for Q3 FY21.

PROPERTY AND PORTFOLIO LEASING

Throughout Q3 FY21, terms were agreed¹ or leases completed for c.16,597 sqm across 12 separate deals, comprising 10,563 sqm of new leases (3.7% of portfolio NLA) and 6,035 sqm of renewals (2.1% of portfolio NLA). Total leasing completed during FY21 now totals 44,903 sqm (15% of portfolio NLA).

Notable leasing transactions completed during Q3 FY21 include:

- **35 Robina Town Centre Drive, Robina QLD (4,937 sqm):** A call centre operator has leased three full floors until 31 December 2021, with an option to extend for a further three-year term. This lease increased the property's occupancy to 90.2%¹ and largely addresses a major portfolio vacancy.

The leasing success is particularly pleasing as Foxtel surrendered its whole-building lease in July 2020. Under Foxtel's agreement, COF received a surrender payment equivalent to the rent payable for the remainder of Foxtel's lease term, discounted to June 2020.

- **131-139 Grenfell Street, Adelaide, SA (2,814 sqm):** Following a SA Government department vacating 2,860sqm in January 2021, a separate SA Government department has leased the entire vacated space for a three-year term from 1 April 2021. This lease addressed COF's largest remaining FY21 lease expiry, maintaining 100% occupancy within the building.
- **100 Brookes Street, Fortitude Valley, QLD (1,819 sqm):** Three separate tenants have leased the remaining vacant space at 100 Brookes Street on lease terms ranging from five to seven years. Coupled with the 3,491 sqm of leasing completed at 100 Brookes Street during HY21, the building's occupancy² and WALE² improved to 100% and 5.0 years, compared to 80.9% and 3.7 years as at 30 June 2020.

COF Fund Manager, Grant Nichols, commented, "COF has achieved positive leasing outcomes in a number of assets located in various markets throughout Australia. This demonstrates Centuria's strong leasing capability as well as the resilience of Australian office markets, particularly the metropolitan and near city markets where COF is predominantly invested. The quality, highly connected and affordable office space that COF provides is clearly resonating with tenants."

"COF is also continuing the repositioning works at 818 Bourke Street, Docklands, VIC, which includes additional tenant amenities, and building facilities. Works are progressing in line with expectations and we anticipate that the building repositioning will be completed by mid-2021."

¹ Including Heads of Agreement (HoA)

² By income

³ Included within the outstanding rent is agreed and pending rent relief claims related to the National Code of Conduct on Commercial Leases

⁴ Guidance remains subject to unforeseen circumstances and material changes to operating conditions

⁵ Based on COF closing price of \$2.09 on 20 April 2021.

Centuria Office REIT (COF)

ASX Announcement

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COVID-19 UPDATE

Rent collections for Q3 FY21 remained strong, averaging 97.1% across the portfolio. Included within the outstanding rent is agreed and pending rent relief claims related to the National Code of Conduct on Commercial Leases. Provided rent relief, both waivers and deferrals, totalled c.\$0.3 million for Q3 FY21, a reduction of 75% from the rent relief provided in relation to HY21.

Grant Nichols said, "Across the COF portfolio, occupancy levels continue to increase as more organisations return to the office. It is becoming increasingly apparent that many organisations recognise productivity that results from in-person collaboration cannot be replicated virtually, and employee isolation has a detrimental impact on an organisation's culture and staff wellbeing."

FY21 GUIDANCE AND SUMMARY

Due to the positive leasing outcomes achieved during Q3 FY21, COF's FFO guidance⁴ range of 19.4-19.9 cpu has been tightened to the range's upper end and is now 19.7-19.9 cpu.

COF reiterates its FY21 distribution guidance⁴ of 16.5cpu, which represents a current distribution yield of 7.9%.

Grant Nichols concluded, "COF has remained focused on generating strong income streams and ongoing distributions for unitholders and resilient operating performance has enabled COF to provide and tighten its FY21 FFO guidance range. COF is generating solid levels of leasing enquiry across its portfolio and has achieved positive leasing outcomes throughout FY21 to date. With Australia experiencing a strong economic recovery, labour markets could continue to surprise on the upside, which would continue to improve tenant demand for office space throughout the nation."

– Ends –

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Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Office REIT

COF is Australia's largest ASX listed pure play office REIT and is included in the S&P/ASX300 Index. COF owns a portfolio of high quality office assets situated in core submarkets throughout Australia. COF is overseen by a hands-on, active manager and provides investors with income and the opportunity for capital growth from a pure play portfolio of high-quality Australian office assets.

Centuria Property Funds Limited (CPFL) is the Responsible Entity for the ASX listed Centuria Office REIT (COF). CPFL, is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with more than \$10 billion in total assets under management and offers a range of investment opportunities including listed and unlisted property funds as well as tax-effective investment bonds.

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