

### CIP Transactions Drive Growth

- *\$34.5m Eastern Creek NSW divestment; 37% premium to 31 December 2021 book value<sup>1</sup>*
- *Acquisition of two infill development opportunities*
  - *2.5ha site in Canning Vale WA; \$31m estimated end value, 5.25% forecast yield on cost*
  - *1.25ha site in Direk SA adjoining CIP's existing asset; \$16m estimated end value, 6% forecast yield on cost*
- *\$12m Derrimut VIC acquisition; grows Derrimut sub-portfolio to \$241m, 9 assets over 25.3 hectares*

**SYDNEY** (Thursday, 2 June 2022) - Centuria Industrial REIT (ASX: CIP) today announced the acquisition of two industrial development sites and one strategic investment property with a combined estimated end value of \$59 million<sup>2</sup>. CIP is also divesting an asset for \$34.5 million<sup>1</sup>, providing a 37% premium to the 31 December 2021 book value of \$25.2 million.

The divestment of this asset provides the opportunity to immediately deploy the proceeds into compelling and accretive value-add initiatives to deliver potential growth for CIP unitholders.

Jesse Curtis, CIP Fund Manager and Centuria Head of Industrial, said, "Divesting of a non-descript asset presents an opportunity to recycle capital into higher yielding strategic acquisitions and developments. The strong premium to book value reinforces CIP's Net Tangible Asset (NTA) backing and is demonstrative of CIP's ability to deliver value to unitholders.

"The acquisitions build on CIP's high quality industrial portfolio within urban infill, land constrained markets with access to densely populated catchments. We continue to position the portfolio towards capturing rising tenant demand while benefitting from rental growth in highly sought industrial markets."

#### **204-208 Bannister Road, Canning Vale WA (development)**

The 2.5 hectare brownfield development is within the land constrained south Perth industrial market and provides an opportunity to extend CIP's development exposure within the Western Australia portfolio. The development will deliver approximately 12,300 square metres of modern sustainable industrial product with a 5 Star Green Star target rating. Completion is expected to be in Q4 of FY23. The land is being acquired for \$10.1 million and the development has an estimated value on completion of \$31.1 million, delivering a forecast 5.25% yield on cost.

#### **Lot 16 Caribou Drive, Direk SA (development)**

The 1.25 hectare development is located directly adjoining the CIP owned 9-13 Caribou Drive in Adelaide's north, consolidating a 3.0 hectare site. The acquisition offers flexibility to construct approximately 6,900 square metres of modern industrial product as a stand-alone tenancy or extend CIP's adjoining warehouse. The land is being acquired for \$2.3 million and the development has an estimated value on completion of \$16 million with a forecast 6% yield on cost.

#### **95 Fulton Drive, Derrimut VIC (acquisition)**

The 5,331 square metre asset extends CIP's Derrimut site consolidation strategy to nine assets across 25.3 hectares of land worth a collective \$241 million. This builds on CIP's strategy to create scale within land-constrained infill markets. The property is 100% occupied, provides a short WALE of 0.7 years and value-add upside through positive near-term rental reversion. The asset is being acquired for \$12.0 million, reflecting a 4.25% capitalisation rate.

#### **30 Clay Place, Eastern Creek NSW (divestment)<sup>1</sup>**

The 6,020 square metre asset comprises 48% office content and a site coverage of 55%. The divestment for \$34.5 million represents 37% premium to the 31 December 2021 book value of \$25.2 million.

– Ends –

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**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 urban infill 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) (ARSN 099 680 252). CPF2L is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with more than \$20 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](http://www.centuria.com.au)

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This announcement may include forward-looking statements. These forward-looking statements are based on CIP's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of CIP, which could cause actual results to differ materially from such statements. CIP makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

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<sup>1</sup> Divestment is subject to Foreign Investment Review Board (FIRB) approval from the purchaser

<sup>2</sup> Includes 204-208 Bannister Road, Canning Vale WA and Lot 16 Caribou Drive, Direk SA estimated development value on completion