

ASX Announcement

15 February 2016

Propertylink to divest Rydalmere site at 25 per cent premium to book value

Propertylink Group (ASX:PLG) has exchanged contracts for the sale of two manufacturing warehouses in Rydalmere for \$27.5m, after a private group targeted the industrial site to purchase for its specialised use. The sale price represents a 25 per cent premium to book value.

The property at 10-12 Pike Street, Rydalmere, NSW, is approximately 21km west of the Sydney CBD and 4km east of the Parramatta CBD. It comprises a net lettable area of 20,022sqm that is currently 100 per cent leased to scaffolding and framework provider, Waco Kwikform Ltd, with an expiry date of June 2018.

The asset is held on the Propertylink Group balance sheet and was valued at \$21.9m in June 2016. With just over a year to run on the lease, its sale will support the uptick of the weighted average lease expiry of Propertylink's total portfolio to 4.4 years.

Stuart Dawes CEO of Propertylink said: "We are pleased to agree the sale of the Rydalmere asset to a strategic buyer. The team has done an outstanding job of capitalising on the opportunity to achieve a significant premium at the right time and we will be seeking to redeploy the funds into other identified investment opportunities."

Peter McDonald Executive Director and Head of Property added: "The Sydney industrial market is very strong with very little vacancy and accordingly we are seeing examples of frustrated occupiers paying big premiums to book value."

"Whilst Propertylink has been one of the most acquisitive groups within the Australian property sector over the past three years, with the primary aim of building a portfolio to generate attractive rental returns with income growth, we have also divested assets above book value where the opportunity has arisen."

Further Enquiries

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About Propertylink

Propertylink is an A-REIT, listed on the Australian Stock Exchange under the code “PLG”. Propertylink is an internally managed real estate group that owns and manages a diversified portfolio of logistics, business park and office properties and is a leading investment and asset management business with over A\$1.7 billion of assets under management. Propertylink’s integrated, in-house approach to active asset management is aimed at maximising the performance and value of assets under management for our global investors from North America, Europe, the Middle East, Asia and Australia.