

ASX Announcement – Australian Unity Office Fund

22 October 2020

Q1 FY21 Market Update – Increasing occupancy and rent collections

Australian Unity Investment Real Estate Limited (AUIREL), as Responsible Entity of Australian Unity Office Fund (ASX: AOF) is pleased to provide a market update for the first quarter of FY21.

Key highlights for Q1 FY21 include:

- Distribution guidance of 15.0 cpu for FY21 is reconfirmed¹, representing a yield of 7.2%².
- Leasing of approximately 11,200 sqm³ in the quarter (representing over 10% of portfolio NLA), increasing occupancy at 30 September 2020 to 95.0%⁴ (93.7% at 30 June 2020) and reducing remaining FY21 expiries to 3.2% (4.3% at 30 June 2020).
- \$4 million valuation increase at 5 Eden Park Drive, Macquarie Park driven by the CPSA lease restructure. This represents a 6.1% increase in value compared to the 30 June 2020 valuation.⁵
- Rental collection, including payment of arrears, of 97% of the full rent roll in the quarter. Excluding payment of arrears, rent collections were 93% during the quarter (92% for the quarter to 30 June 2020).
- Distribution Reinvestment Plan active for the September quarterly distribution with approximately 22% of unitholders by value participating, raising approximately \$1.3 million, strengthening AOF's capital base.

James Freeman, AOF's Fund Manager said:

"The AOF portfolio continues to demonstrate resilience and perform well in a challenging environment due to COVID-19. Leasing transactions executed in the first quarter of FY21 have driven an increase in occupancy to 95.0% by NLA and further reduced FY21 expiries to 3.2%.

We continue to believe that our portfolio construction and weighting to metro markets and smaller CBDs will position our assets to outperform as businesses reassess their cost bases and employees seek to work closer to home.

We are pleased to reconfirm our FY21 distribution guidance of 15.0 cents per unit".

¹ For 12 months to 30 June 2021 and subject to no material change in market conditions, no material change to the portfolio and no unforeseen events

² Based on AOF closing price of \$2.09 on 30 September 2020

³ Includes Heads of Agreement

⁴ By Net Lettable Area

⁵ 5 Eden Park Drive, Macquarie Park was independently valued at \$66.0 million at 30 June 2020 and \$70.0 million at 31 August 2020.

Issuer:

Australian Unity Investment Real Estate Limited
271 Spring Street
Melbourne VIC 3000
ABN 86 606 414 368
AFSL: 477434

Registry Enquiries:

Australian Unity Office Fund Investor Services
1300 737 760 or
+61 2 9290 9600
(outside Australia)

ASX Announcement – Australian Unity Office Fund

Authorised by:

AUIREL Disclosure Committee

Contact information

James Freeman
Fund Manager – AOF
Phone: +61 458 286 250

About AOF

AOF is an ASX-listed REIT that wholly owns a diversified portfolio of nine office properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

This announcement is issued by Australian Unity Investment Real Estate Limited ABN 86 606 414 368 AFSL 477434 (AUIREL). AUIREL is owned equally by subsidiaries of Australian Unity Limited ABN 23 087 648 888 and Keppel Capital Holdings Pte Ltd CRN 201302079N, the asset management arm of Singapore-based Keppel Capital Limited CRN 196800351N.

Issuer:

Australian Unity Investment Real Estate Limited
271 Spring Street
Melbourne VIC 3000
ABN 86 606 414 368
AFSL: 477434

Registry Enquiries:

Australian Unity Office Fund Investor Services
1300 737 760 or
+61 2 9290 9600
(outside Australia)