

Centuria Industrial REIT (CIP)

ASX Announcement

Centuria

ASX CEO CONNECT PRESENTATION

Tuesday, 5 May 2020

Centuria Property Funds No.2 Limited (**CPF2L**) as Responsible Entity of Centuria Industrial REIT (**ASX: CIP**) today provides the attached presentation to be used as part of the ASX CEO Connect Conference.

– 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 300 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 \$7.2 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



ASX CEO Connect

● ASX:CIP

5 May 2020

Centuria Industrial REIT

Centuria

A leading ASX-listed funds manager

\$7.3bn

Group AUM¹ASX:CNI – Market capitalisation of \$0.7bn²

\$6.4bn

Real Estate AUM

Listed Real Estate AUM

\$3.7bn

Unlisted Real Estate AUM

\$2.7bn

\$0.9bn

Investment Bonds AUM

Centuria
LifeCenturia Investment Bonds
Guardian Friendly SocietyCenturia
Office
REIT
ASX:COF

\$2.1bn

Centuria
Industrial
REIT
ASX:CIP

\$1.6bn

Centuria
Fixed Term
Funds

\$1.8bn

Centuria
Diversified
Property Fund
(CDPF)

\$0.2bn

Centuria
Heathley
Healthcare
Real Estate

\$0.7bn

\$0.5bn

CNI Co-Investments
on balance sheetCenturia Office
REIT ASX:COF

\$195m³

 19.9%
Centuria Industrial
REIT ASX:CIP

\$180m⁴

 17.4%
Unlisted Property
and Debt Funds

\$95m

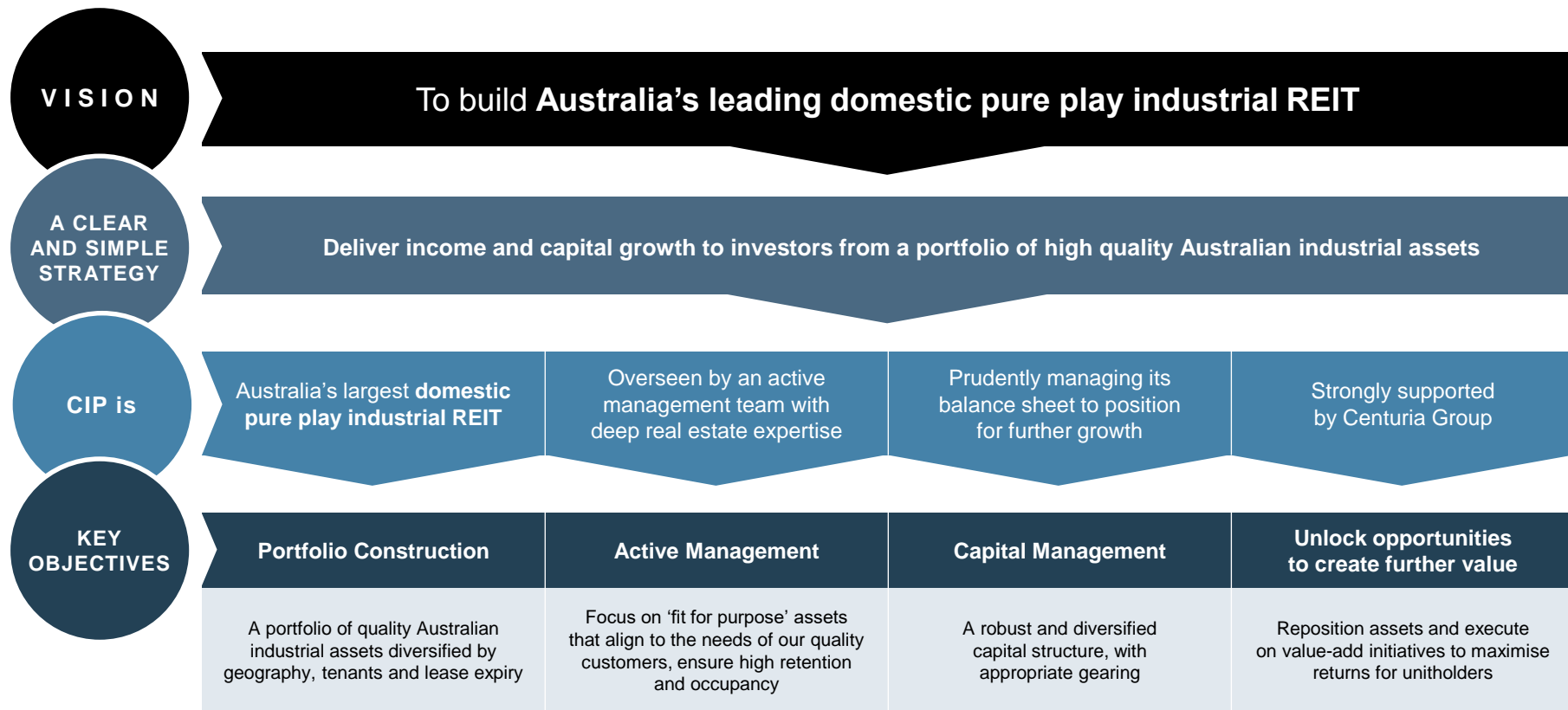
1. Group AUM as announced for HY20 results on 12 February 2020

2. Based on CNI's closing price of \$1.53 on 1 May 2020

3. Based on COF closing price of \$1.90 on 1 May 2020. Includes ownership by associates of Centuria Capital Group

4. Based on CIP closing price of \$2.60 on 1 May 2020. Includes ownership by associates of Centuria Capital Group

Strategic vision and objectives



Key metrics

PORTFOLIO



49

High quality assets



\$1.6bn

Portfolio value¹

96.4%

Portfolio occupancy²

6.9yrs

Portfolio WALE²

FINANCIAL



\$1.0bn

Market capitalisation³

27.7%

Pro Forma Gearing^{4,6}

\$2.78

Pro forma NTA^{5,6}

7.2%

FY20 distribution yield⁷

1. As at 31 December 2019

2. As at 31 March 2020

3. Based on CIP's closing price of \$2.60 on 1 May 2020

4. 31 December 2019 pro forma gearing post Placement, adjusted for post-balance date movements. Gearing is total borrowings less cash divided by total assets less cash and goodwill

5. 31 December 2019 pro forma NTA post Placement, adjusted for post-balance date movements. NTA per unit is calculated as net assets less goodwill divided by closing units on issue

6. Excludes potential proceeds from the non-underwritten UPP

7. Based on FY20 distribution guidance of 18.7 cents per unit and closing price of \$2.60 on 1 May 2020

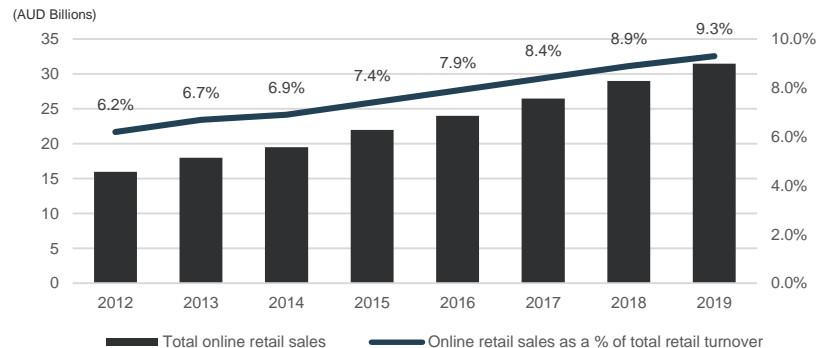
Factors transforming industrial markets

The transformation of
E-Commerce

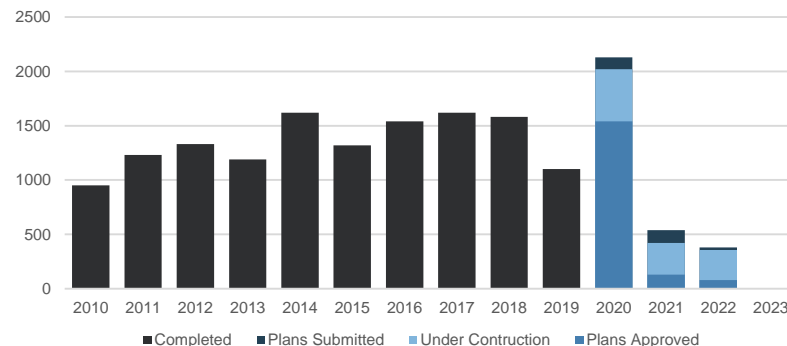
Food logistics

Pharmaceuticals

ONLINE RETAIL AND ECOMMERCE¹



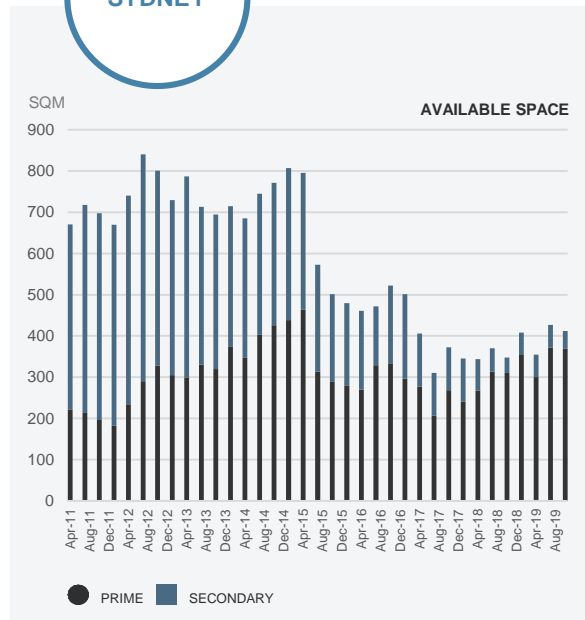
NATIONAL CONSTRUCTION ACTIVITY¹



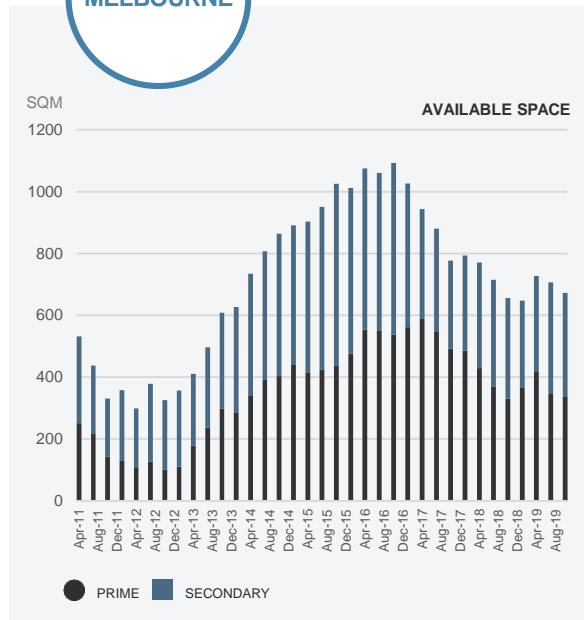
1. Source: Jones Lang LaSalle Research

Availability reducing across all key markets

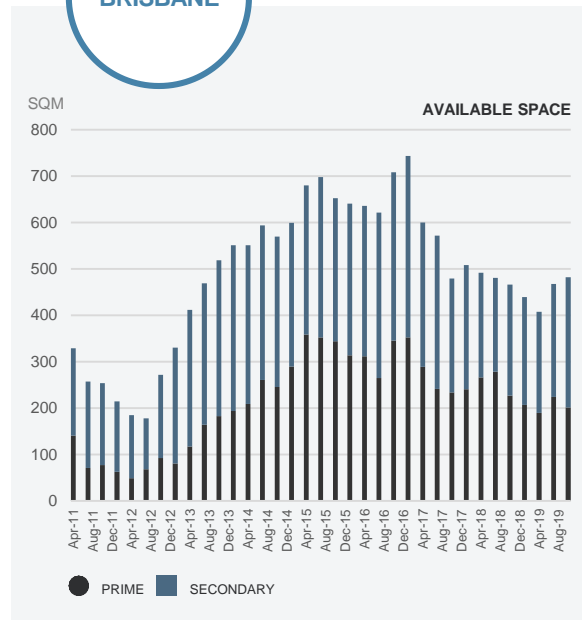
SYDNEY



MELBOURNE



BRISBANE

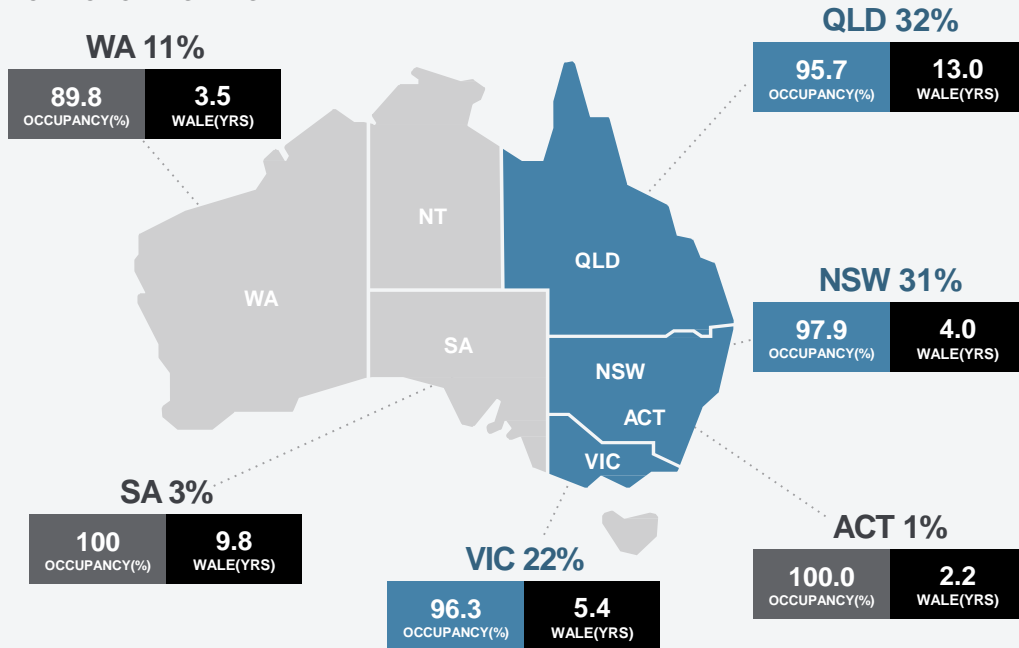


Australia's largest domestic pure play industrial REIT

PORTFOLIO SNAPSHOT		HY20 ¹	FY19 ²
Number of assets	#	49	43
Book value	\$m	1,560.3	1,221.3
WACR	%	6.19	6.46
GLA	sqm	941,553	821,823
Average asset size	sqm	19,215	19,112
Average tenancy size ³	sqm	9,156	8,837
Occupancy by income ⁴	%	96.4	95.9
WALE by income ⁴	yrs	6.9	4.3

- A **\$1.6 billion** portfolio of assets located in infill locations and close to key infrastructure
- **Average tenancy size of <10,000sqm**, aligned to strong national leasing velocity
- Increased occupancy driven by **leasing success**, strong WALE of 6.9 years
- **85% of portfolio weighted to eastern seaboard markets**, benefiting from positive economic outlook

PORTFOLIO WEIGHTING



1. Includes 24 West Link Place, Richlands which was exchanged, but not settled by 31 December 2019

2. Excludes 75-95 & 105 Corio Quay Road, North Geelong and 680 Boundary Road, Richlands which were exchanged, but not settled by 30 June 2019

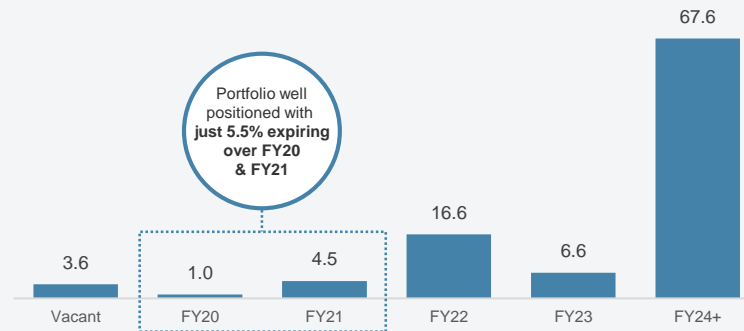
3. Excludes Cargo Park, 1 International Drive, Westmeadows VIC which has an average tenancy size of 438 sqm

4. As at 31 March 2020

Portfolio tenants weighted to defensive and resilient sectors

- **Diverse income streams from customers in defensive sectors** across a portfolio of 49 high quality industrial and logistics assets
- **54% of portfolio income** derived from tenant customers directly linked to the production, packaging and distribution of consumer staples and pharmaceuticals
- Major tenants include Arnott's (12%), Woolworths (6%), Visy (6%) and Green's General Foods (5%)
- **Strong portfolio WALE of 6.9 years**, with remaining FY20 expiry negligible at 1.0%¹. **Focus on managing FY21 & FY22 expiries**

WEIGHTED AVERAGE LEASE EXPIRY (% BY INCOME)



KEY TENANTS

Occupies **68,378sqm** over 2 properties and contributes to **12.1%** of trust income



Occupies **58,922sqm** over 2 properties and contributes to **6.2%** of trust income



Occupies **83,781sqm** over 2 properties and contributes to **6.1%** of trust income



Occupies **55,771sqm** over 3 properties and contributes to **5.5%** of trust income



Occupies **39,911sqm** over 2 properties and contributes to **5.1%** of trust income



FISHER & PAYKEL



1. By income, as at 31 March 2020

Australia's largest domestic pure play industrial REIT

1

Australia's largest domestic pure play industrial REIT

- Geographically diversified portfolio of 49 high quality industrial assets situated in key metropolitan markets throughout Australia
- \$1.6bn of AUM

2

Quality industrial portfolio with high occupancy and long WALE

- CIP's portfolio is 96.4% occupied¹ with portfolio WALE¹ of 6.9 years
- Over 67% of portfolio leases expire at or beyond FY24
 - Limited near term expiry with only 5.5% of the portfolio expiring over remainder of FY20 and FY21

3

Resilient and defensive tenant composition

- 54% of portfolio income derived from tenant customers directly linked to the production, packaging and distribution of consumer staples and pharmaceuticals
- Major tenants include Arnott's (12%), Woolworths (6%), Visy (6%) and Green's General Foods (5%)

4

FY20 guidance

- FFO⁴ guidance 18.9 – 19.3 cents per unit
- FY20 distribution guidance 18.7 cents per unit
- FY20 distribution per unit yield of 7.2%⁵

1. By income, as at 31 March 2020

2. Gearing is defined as total borrowings less cash divided by total assets less cash and goodwill

3. Excludes potential proceeds from the non-underwritten UPP

4. FFO is the Trust's underlying and recurring earnings from its operations. This is calculated as the statutory net profit adjusted for certain non-cash and other items

5. Based on CIP closing price of \$2.60 on 1 May 2020



1 INTERNATIONAL DRIVE, WEST MEADOWS, VIC

Questions

ASX:CIP

Centuria

Disclaimer

This presentation has been prepared by Centuria Property Funds No. 2 Limited (ABN 38 133 363 185, AFSL 340 304) ('CPF2L') as responsible entity of the Centuria Industrial REIT (ARSN 099 680 252 ('CIP' or the 'Trust')).

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Funds From Operations ("FFO") is a financial measure which is not prescribed by Australian Accounting Standards ("AAS") and represents the profit under AAS adjusted for specific non-cash and significant items. The Directors consider that funds from operations reflect the core earnings of the Trust.

All dollar values are in Australian dollars (\$) or A\$) unless stated otherwise.



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