

## **Q3 FY25 Operating Update**

- *c.102,000sqm of lease terms agreed<sup>1</sup> YTD; +41% positive re-leasing spreads YTD<sup>2</sup>*
- *c.\$60m<sup>3</sup> developments progressed in Direk, SA; development in Derrimut, VIC to commence Q4 FY25*
- *Continued execution of land consolidation strategy with Canning Vale, WA acquisition*
- *Reaffirmed FY25 FFO<sup>4</sup> guidance of 17.5cpu and distribution guidance of 16.3cpu<sup>5</sup>*

**SYDNEY** (Wednesday, 14 May 2025) – Centuria Industrial REIT (**ASX: CIP**) is pleased to provide its Q3 FY25 operating update.

Grant Nichols, CIP Fund Manager said, “During Q3 FY25, strong leasing activity highlighted the strength of CIP’s portfolio construction, which has a high concentration of urban infill assets with an average tenancy size of c.7,800sqm. These metrics align with the deepest pool of industrial tenant demand<sup>6</sup>. Infill industrial sub-markets continue to show limited vacancy, limited forward supply, and strong annual rental growth compared to the wider domestic industrial market. Again, these compelling fundamentals bode well for CIP’s portfolio and our unitholders<sup>6</sup>.”

### **PROPERTY PORTFOLIO AND LEASING**

During Q3 FY25, over 23,000 sqm of lease terms<sup>1</sup> were agreed across six deals, increasing CIP’s total leasing activity to c.102,000 sqm (c.8% portfolio GLA) in FY25 year to date (YTD). CIP’s occupancy and WALE continues to track inline with management’s expectations. Positive re-leasing spreads averaged +41% YTD<sup>2</sup>, reflecting the robust rental growth across Australia’s urban infill industrial markets and the significant under-renting that exists within CIP’s portfolio. Notable leasing executed over the quarter included:

- 45-54 Kewdale Road, Welshpool WA – new lease to Genus Infrastructure on a five-year term across 6,441sqm
- 102-128 Bridge Road, Keysborough VIC – new lease to Nova Concepts on a five-year term across 4,606sqm
- 16 Mulgool Road, Malaga WA – renewal to Fujitsu on a five-year term across 6,561sqm

### **DEVELOPMENT AND REPOSITIONING PROJECTS**

CIP continued to progress its development pipeline. Caribou Drive and Mirage Road, both in Direk SA and collectively worth c.\$60million<sup>3</sup>, are anticipated to achieve Practical Completion (PC) in Q1 FY26 and Q3 FY26, respectively. 346 Boundary Road, Derrimut, VIC is anticipated to commence in Q4 FY25.

Management is in various stages of leasing negotiations for all three projects and remains optimistic that terms across the majority of space will be agreed prior to PC. Adelaide leasing conditions remain tight, with limited prime space leasing options.

### **TRANSACTIONS**

During the period, CIP acquired a 30% interest in a \$38.6million industrial facility at 7-11 & 25-27 Gauge Circuit, Canning Vale WA for \$11.6million with the balance acquired by a Centuria-managed unlisted fund<sup>7</sup>. Canning Vale is one of Perth’s most desirable urban infill industrial markets, housing blue-chip occupiers and has no future land supply.

The acquired facility provides two, high-quality freestanding warehouses totalling c.17,900 sqm, 100% occupancy and a 2.5-year WALE<sup>8</sup>. The asset directly adjoins the CIP-owned 16-18 Baile Road, Canning Vale WA, providing a significant, consolidated corner landholding and is demonstrative of CIP executing on its land consolidation strategy. The acquisition settled in April 2025.

### **FY25 GUIDANCE AND SUMMARY**

Mr Nichols concluded, “CIP’s portfolio, with a heavy weighting to infill markets, is well-positioned to capitalise on various macroeconomic tailwinds and supply-demand imbalances. Throughout the start of 2025, there has been increased investment demand for Australian industrial real estate, particularly in Sydney, where CIP has a 30% portfolio weighting. Demand has been strongest for urban infill industrial properties as investors recognise the potential income and capital growth potential of markets with limited land supply.”

CIP reaffirms its FY25 FFO guidance<sup>4</sup> of 17.5 cents per unit (cpu). Distribution guidance<sup>5</sup> is also reaffirmed at 16.3cpu, which is expected to be paid in quarterly instalments.

# Centuria Industrial REIT (CIP)

## ASX Announcement

# Centuria

– 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 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) (ARSN 099 680 252). CPF2L is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with \$20.5 billion in total assets under management (as at 31 December 2024) 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)

### Summary Information

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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.

<sup>1</sup> Includes heads of agreement (HOA)

<sup>2</sup> On a net rent basis compared to prior passing rents

<sup>3</sup> Estimated end value on completion. Includes land, development cost and estimated development upside

<sup>4</sup> Funds From Operations (FFO) is CIP's underlying and recurring earnings from its operations. This is calculated as the statutory net profit adjusted for certain non-cash and other items

<sup>5</sup> Guidance remains subject to unforeseen circumstances and material changes in operating conditions

<sup>6</sup> Source: Cushman & Wakefield Research: Australian Market Overview – Logistics and Industrial

<sup>7</sup> Under a co-ownership agreement, CIP maintains equal voting rights on the management of the asset and has a pre-emptive right to purchase the remaining interest in the asset

<sup>8</sup> Weighted Average Lease Expiry (WALE) (by income) as at April 2025