

### COF Q3 FY22 UPDATE AND GUIDANCE

- 131 Grenfell Street, Adelaide to be divested for \$20.9m, c.10% above book value
- Leasing terms agreed<sup>1</sup> YTD for c.22,970 sqm (7.6% of portfolio NLA) across 30 separate deals
- Portfolio occupancy<sup>2</sup> increased to 94.1% as at 31 March 2022, WALE<sup>2</sup> 4.1 years.
- FY22 FFO guidance<sup>3</sup> of 18.3 cents per unit (cpu) reiterated
- FY22 distribution guidance<sup>3</sup> of 16.6cpu reiterated, representing a current yield<sup>4</sup> of 7.5%

**SYDNEY** (Monday, 2 May 2022) - Centuria Office REIT (**ASX: COF**) is pleased to provide COF's operating update for Q3 FY22.

#### ASSET ACQUISITIONS AND DISPOSALS

COF has exchanged contracts to sell 131 Grenfell Street, Adelaide SA for \$20.9million, a c.10% premium to book value, with settlement expected to occur in May 2022. The office building had been successfully repositioned over the past 18 months following a significant tenant departure in late 2020, with current occupancy at 100%. The disposal demonstrates Centuria's strong leasing and transaction capability, achieving a sale result that reinforces COF's underlying NTA.

COF also settled the acquisition of the remaining 50% share of 203 Pacific Highway, St Leonards NSW, which was previously announced on 6 September 2021.

Pro-forma gearing as at 31 March 2022 is 33.2%.

#### PROPERTY AND PORTFOLIO LEASING

Throughout FY22 (YTD), terms were agreed<sup>1</sup> or leases completed for c.22,970 sqm across 30 separate deals, comprising 6,820 sqm of new leases (2.3% of portfolio NLA) and 16,150 sqm of renewals (5.3% of portfolio NLA).

Portfolio occupancy increased to 94.1% and WALE is 4.1 years. Most notably, COF has agreed six leases over 1,000 sqm during FY22 (YTD), accounting for over half the leased area.

#### ENVIRONMENTAL, SOCIAL, GOVERNANCE

During the quarter COF achieved an increased NABERS Sustainable Portfolio Index (SPI) energy rating of 4.8 Stars and NABERS water rating of 3.7 Stars. The NABERS SPI showcases property portfolios across Australia and is becoming an industry benchmark for the environmental performance of Australian real estate portfolios.

818 Bourke Street, Docklands VIC was awarded a Gold WiredScore, the first WiredScore across the COF portfolio, confirming it is among the best buildings for broadband and telecommunications infrastructure in Australia. WiredScore assesses, certifies and improves digital connectivity and smart technology in homes and offices on a global scale.

As announced on 1 March 2022, Centuria Property Funds Limited (CPFL), the Responsible Entity of COF, appointed Elizabeth McDonald as an Independent Non-Executive Director (NED) and Member of the CPFL Audit, Risk and Compliance Committee (ARCC).

Belinda Cheung has replaced Liam Schofield as COF's Assistant Fund Manager. Ms Cheung was previously COF's Finance Manager. We would like to thank Mr Schofield for his contributions over the past four years and wish him all the best in his future endeavours.

#### FY22 GUIDANCE AND SUMMARY

COF reiterates its FY22 FFO guidance<sup>3</sup> of 18.3 cpu and distribution guidance<sup>3</sup> of 16.6 cpu, representing a FY22 distribution yield of 7.5% based off the current trading price<sup>4</sup>.

Grant Nichols concluded, "COF is well positioned with a healthy balance sheet, limited near term debt expiry risk and a quality portfolio comprised of young, modern office buildings leased on strong tenant covenants. As we see more tenants gravitating towards higher quality tenancies, it is becoming increasingly important for office portfolios to provide efficient, sustainable, accommodation solutions in buildings that offer desirable internal and surrounding amenity. Given the quality of the COF portfolio, we believe it is well placed to meet changing tenant demands."

– Ends –

**For more information or to arrange an interview, please contact:**

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*Authorised for release by Anna Kovarik, Company Secretary.*

**About Centuria Office REIT**

COF is Australia's largest ASX listed pure play office REIT and is included in the S&P/ASX300 Index. COF owns a portfolio of high quality office assets situated in core submarkets throughout Australia. COF is overseen by a hands-on, active manager and provides investors with income and the opportunity for capital growth from a pure play portfolio of high-quality Australian office assets.

Centuria Property Funds Limited (CPFL) is the Responsible Entity for the ASX listed Centuria Office REIT (COF) (ARSN 124 364 718). CPFL is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with more than \$20billion in total assets under management and offers a range of investment opportunities including listed and unlisted property funds as well as tax-effective investment bonds.

[www.centuria.com.au](http://www.centuria.com.au)

**Summary Information**

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**Forward Looking Statements**

This announcement may include forward-looking statements. These forward-looking statements are based on COF'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 COF, which could cause actual results to differ materially from such statements. COF 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> Including Heads of Agreement (HoA)

<sup>2</sup> By income

<sup>3</sup> Guidance remains subject to unforeseen circumstances and material changes in operating conditions

<sup>4</sup> Based off a unit price of \$2.20 as at 29 April 2022