

HY25 Financial Results

SYDNEY (Tuesday, 25 February 2025) – Centuria Industrial REIT (**ASX: CIP**), Australia's largest domestic pure-play industrial REIT, has announced its Half Year financial results for the period ended 31 December 2024.

Financial Highlights

- \$56.6m Funds From Operations (FFO)¹, FFO per unit of 8.9 cents per unit (cpu)
- 8.15 cents distribution per unit (DPU)
- 6.4% like-for-like Net Operating Income (NOI) growth
- Strong balance sheet: 33.5% gearing², 85% hedged debt as at 31 December 2024³
- Strong liquidity: \$233m cash and undrawn debt, \$200m forward debt refinanced
- \$3.89 per unit Net Tangible Assets (NTA)⁴
- Reaffirmed FY25 FFO guidance of 17.5 cpu⁵, FY25 distribution guidance of 16.3cpu⁵

Portfolio Highlights

- 50% positive re-leasing spreads⁶ across 13 lease deals
- c.79,000sqm lease terms agreed⁷ (7% of portfolio GLA)
- c.37% of portfolio leases expire by FY28 providing opportunities to capture solid rent reversion
- Assessing potential power bank across CIP's existing infill portfolio
- \$456m existing data centre portfolio, 12% portfolio weighting
- \$60m of divestments, 5% average premium to book value, delivered strong IRRs
- \$47m portfolio valuation gains⁸; 5.83% weighted average capitalisation rate
- Commenced \$60m of development projects, progressed planning on \$1.1billion future development pipeline⁹

Grant Nichols, CIP Fund Manager and Head of Listed Funds, said, "During HY25, CIP continued to harness persistent industry tailwinds driven by demand for urban infill industrial facilities against a backdrop of limited supply. To this end, CIP achieved strong re-leasing spreads (+50%⁶) and a strong like-for-like increase in net operating income of 6.4%. These strong results were driven by CIP's portfolio construction, which provides a 90% exposure to east coast Australia, a c.90% weighting to urban infill markets and an average unit size of c.7,800sqm, enabling CIP to capture comparatively deep levels of tenant demand and leasing velocity.

"Furthermore, non-core divestments totalling \$60million were achieved at an average premium to book value of 5%. CIP has consistently sold assets at or above book value for the past eighteen months, both underpinning NTA and providing strong valuation evidence. In HY25, the portfolio delivered a \$47 million like-for-like valuation gain⁸, which is the second consecutive period of valuation gains.

Jesse Curtis, Centuria Head of Funds Management, said, "Opportune macroeconomic factors including continued population growth, increasing ecommerce adoption, and onshoring of supply chains are driving demand for urban infill industrial facilities. CIP's portfolio is well positioned to capitalise on these trends while demonstrating strong fundamentals including a healthy WALE, high occupancy, considerable scale and reach across Australia. The current trading price also provides compelling value in light of CIP's current NTA against a backdrop of persistent sector tailwinds."

Financial Results

Earnings		HY25	HY24
Statutory profit / (loss)	\$ million	62.6	12.2
FFO	\$ million	56.6	54.1
FFO per unit	cpu	8.9	8.5
Distribution per unit	cpu	8.1	8.0
Balance Sheet		HY25	FY24
Total Assets	\$ million	3,845	3,883
NTA per unit ⁴	\$	3.89	3.87
Gearing ²	%	33.5	34.0

ASX Announcement

During HY25, CIP delivered FFO of \$56.6million or 8.9cpu and declared Distributions of 8.1cpu.

CIP externally valued 41 investment properties, representing c.56% of portfolio value as at 31 December 2024. The valuations delivered a like-for-like valuation gain of \$47 million⁸ and a weighted average capitalisation rate of 5.83%. CIP's portfolio is valued at \$3.8billion as at 31 December 2024¹⁰ and Net Tangible Assets (NTA) were \$3.89 per unit⁴.

Gearing was largely unchanged at 33.5%² (covenant 50%) as was CIP's interest coverage ratio (ICR) of 2.8 times (covenant of 2.0 times), both providing substantial headroom to covenants. CIP refinanced \$200 million of debt facilities during the half, maintaining a staggered and diverse debt profile with a weighted average debt maturity of 3.1 years and \$233 million in liquidity through cash and undrawn facilities. CIP's hedging profile remained at 85%³ with \$200 million of interest rate hedging executed in HY25 at attractive pricing. All in cost of debt is forecast to be c.4.6% for FY25.

Property Portfolio

Portfolio Snapshot		HY25	FY24
Number of assets		87	88
Book value ¹⁰	\$ million	3,803	3,834
WACR	%	5.83	5.81
Occupancy by income ¹¹	%	96.6	97.1
WALE by income	years	7.3	7.6

CIP continued to deliver strong leasing outcomes during HY25, totalling 79,038sqm across 13 transactions, representing 7% of portfolio GLA. Notable HY25 leasing included:

- 92-98 Cosgrove Road, Enfield NSW: Renewed 11,232sqm industrial facility and 13,840sqm of hardstand, contributing to a 21% valuation increase
- 69 Studley Court, Derrimut Vic: Renewed 14,365sqm, contributing to a 23% valuation increase

More than 87% of CIP's portfolio is weighted to Australia's urban infill industrial markets that service densely populated areas where tenant demand remains highest. Approximately 37% of portfolio leases expire by FY28, providing further opportunities to capture positive rental reversion from leasing activities. CIP continued to attract high-calibre tenant customers with 93% of rental income derived from listed, national and multinational entities.

CIP maintained a portfolio of 87 high-quality assets with a strong portfolio WALE of 7.3 years complemented by a high 96.6% portfolio occupancy¹¹. CIP benefits from a 12% portfolio weighting to data centres, valued at \$456million. These assets are leased to blue-chip tenants Telstra and Fujitsu. CIP is currently assessing its potential power bank across its existing infill industrial portfolio, which may provide an opportunity for future data centre use, capitalising on rising demand for data infrastructure and AI capabilities.

Development

CIP progressed its identified \$1.1 billion development pipeline⁹, which focuses on delivering high quality, new generation logistics assets in some of Australia's most tightly held industrial submarkets. During HY25, CIP commenced \$60million of development projects including:

- 15-19 Caribou Drive, Direk SA: c.6,720sqm facility adjoining CIP's 9-13 Caribou Drive. PC is anticipated in Q1 FY26.
- 50-64 Mirage Road, Direk SA: c.21,000sqm facility that can be split into three units ranging from 4,000sqm to 10,000sqm. PC is anticipated in Q3 FY26.

Several projects progressed through planning and approvals providing opportunity for commencements in FY26. These projects include:

- 74 Newton Road, Wetherill Park NSW: SSDA received on brownfield redevelopment opportunity to create a 59,500sqm multi-level industrial facility.
- 31 Hallam South Road, Hallam VIC: DA received for c.8,300sqm brownfield, core infill development.
- 346 Boundary Road, Derrimut VIC: DA lodged for c.12,400sqm brownfield development with a c.5,500sqm container-rated hardstand.

Value-add repositioning projects commenced in HY25 and anticipated to complete in Q4 FY25 include:

- 102-128 Bridge Road, Keysborough Vic: c.8,360sqm cold storage facility. Secured a 10-year lease from completion.
- 30 Fulton Drive, Derrimut Vic: c.2,700sqm expansion to the existing facility.

Capital Transactions

CIP divested two assets at Corio Quay Road, Geelong VIC and 616 Boundary Rd, Richlands Qld for a combined value of \$60 million at an average 5% premium to 30 June 2024 book values, delivering a c.19% and c.16% IRR, respectively. Proceeds were used to reduce debt and strengthen CIP's balance sheet.

During HY25, CIP acquired a strategic industrial facility at 876 Lorimer Street, Port Melbourne Vic for \$8 million, which adjoins the CIP-owned 870 Lorimer Street and provides a 0.5ha consolidated site. The location of the combined site provides higher and better use opportunities in the medium to long term with potential to develop over 160 apartments.

Sustainability

CIP is managed by Centuria Capital Group (Centuria) and aligns itself to Centuria's sustainability framework. Centuria Property Funds No. 2 Limited (CPF2L) is the responsible entity for CIP and a wholly owned subsidiary of Centuria Capital Group. By the REIT's nature, CIP has no staff and is solely a portfolio of assets.

ESG targets and metrics specific to CIP included:

- Zero scope 2 emissions by 2028¹²
- c.1,420 kW of solar is installed across CIP assets¹³
- M80 Connect development¹⁴ achieved a 5 star Green Star Design & As Built v1.3 rating.
- 50% female representation across CPF2L's Board
- Registered for portfolio-wide Green Star performance v2.0 rating.

Throughout HY25, Centuria completed various ESG initiatives, which have a positive impact on CIP, including:

- Publishing Centuria's 2024 Sustainability Report (including TCFD) and voluntary climate-related disclosures in October 2024
- Launching the revised Centuria Sustainability Framework in October 2024
- Raising \$185,000 at the annual Centuria Trivia fundraising evening for St Lucy's School

Summary & Outlook

Grant Nichols, concluded, "Australian industrial markets continue to exhibit the lowest industrial vacancy rates among comparable established international markets in the USA, Europe and Asia. This reflects the strong Australian macroeconomic tailwinds and the significant supply constraints within Australia compared to global markets. Furthermore, Australia's urban infill markets continue to outperform fringe markets with vacancy rates of 1.8% compared to 3.3%, respectively¹⁵. Adding to this, the outperformance has generated bifurcation in rental growth with infill assets providing an 8.9% year-on-year growth while non-infill asset delivered 4.0% growth¹⁵. This indicates greater capacity for continued rental growth within urban infill markets, which CIP is largely exposed to."

CIP reaffirms its FY25 FFO guidance to 17.5cpu⁵ and reaffirms its distribution guidance of 16.3cpu⁵, expected to be paid in quarterly instalments.

HY25 Results Presentation

CIP is providing a market briefing, which will be made available via Centuria Industrial REIT's [website](#).

– Ends –

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

Grant Nichols

Fund Manager – CIP

Centuria Industrial REIT

Phone: 02 8923 8923

Email: grant.nichols@centuria.com.au

Tim Mitchell

Group Head of Investor Relations

Centuria Capital Limited

Phone: 02 8923 8923

Email: tim.mitchell@centuria.com.au

Alexandra Koolman

General Manager – Communications

Centuria Capital Limited

Phone: 02 8923 8923

Email: alexandra.koolman@centuria.com.au

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

Summary Information

The following disclaimer applies to this announcement and any information contained in it (the Information). The Information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with CIP's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au. You are advised to read this disclaimer carefully before reading or making any other use of this announcement or any Information contained in this announcement. In accepting this announcement, you agree to be bound by the following terms and conditions including any modifications to them.

Forward Looking Statements

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.

¹ 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

² Gearing is defined as total interest bearing liabilities divided by total assets

³ Includes the \$100m of forward dated interest rate swaps commencing March 2025

⁴ NTA per unit is calculated as net assets divided by number of units on issue

⁵ Guidance remains subject to unforeseen circumstances and material changes in operating conditions

⁶ On a net rent basis compared to prior passing rents

⁷ Includes heads of agreement (HOA)

⁸ On a like-for-like basis. Reflects gross increase. Excludes capital expenditure incurred

⁹ Estimated value on completion. Includes land, development cost and estimated development upside

¹⁰ At CIP ownership share of joint venture assets.

¹¹ Excludes assets that have been withdrawn and currently undergoing significant repositioning works, being 30 Fulton Drive, Derrimut Vic and an 8,364sqm cold storage tenancy at 102-128 Bridge Road, Keysborough Vic.

¹² CIP will account for zero Scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption

¹³ Approximately 1,420 kW of solar installed to date across CIP assets, excluding solar installations by our tenants. Excluding solar installations by our tenants

¹⁴ M80 Connect, 90-118 Bolinda Road, Campbellfield Vic

¹⁵ Source: Cushman & Wakefield Research: Australian Market Overview – Logistics and Industrial