



Australian Securities Exchange - Company Announcements Platform

Centuria Capital Limited – Market Update

- **Macquarie Park sale success further reinforces Centuria’s value-add strategy**
- **Update on underlying earnings**

Sydney 18 December 2015: Centuria Capital Limited “Centuria” subsidiary, Centuria Property Funds Limited (CPFL) today announced the conditional sale of its 80 Waterloo Road and 16 Byfield Street properties in Sydney’s Macquarie Park for \$101 million. The properties are owned by the unlisted Centuria Opportunity Fund No 2 and the sale is conditional on the fund investors approving the transaction in a meeting to be held in January 2016.

Centuria purchased the properties in 2000 for \$24 million after identifying the Macquarie Park area as one that would benefit from planned infrastructure developments such as the Chatswood to Epping Rail Link and the expansion of the Macquarie Centre which are now complete. For investors, the sale represents a five-fold return on investment and an IRR of 30%.

Group CEO John McBain said, “We saw a real medium-term opportunity to redevelop this important site for commercial or residential use. In the interim, we kept it as fully-leased office buildings providing a strong income return for investors.

“This is another excellent working example of the Centuria active property management philosophy of identifying opportunities and implementing value-add strategies that produce great returns for investors.

“Centuria has a 18 year history of making consistent capital gains triggering repeat performance fees and this transaction is simply the latest in a long string of projects where the group earns management and performance fees a trend Centuria expects to continue “

The transaction follows the highly successful repositioning and sale of 175 Castlereagh Street announced yesterday where investors were rewarded with substantial returns over a two year period. In addition to this, in November Centuria announced the successful \$104 million acquisition of the hotly-contested Australian Technology Park



existing buildings which are earmarked for improvement and repositioning. These properties will form the basis of the Centuria ATP Fund for which equity-raising has begun and which is proving to be popular with Centuria clients.

The announcement of the Macquarie Park sale, although conditional on fund investor vote, will see significant performance fees accruing to the group. Centuria also announces that whilst its half year FY16 underlying NPAT is expected to be approximately \$4.5 million, the full year underlying NPAT is likely to lie within the range of \$9.0 million to \$10.5 million (full year FY15 underlying NPAT \$6.3 million). Further to this, Centuria is, at this time, not in a position to comment on the FY16 full year statutory profit expectation which may be different to the underlying profit and is unlikely to represent a similar increase to FY15.

- Ends -

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About Us

Centuria Capital "CNI" is an ASX-listed specialist investment manager with \$1.7 billion in funds under management. We offer a diverse range of investment opportunities – from tax-effective investment bonds to unlisted property funds. Our drive, allied with our inside knowledge of the sector and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.