

ASX Release

Charter Hall upgrades FY19 OEPS guidance to 24% growth

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Charter Hall Group (ASX: CHC) today announces that, subject to fully finalised and audited accounts, it expects post-tax operating earnings per security growth of approximately 24% over FY18. The Group's previous FY19 guidance was for post-tax operating earnings per security growth of 14-17% over FY18.

When the impact of the CHOT performance fee is removed from FY18 and FY19 earnings, today's guidance implies post tax operating earnings growth of approximately 15%.

Revaluations:

The group also announces that net revaluations for the six months to 30 June 2019 are expected to be approximately \$450 million across the funds management platform (\$1.1 billion for FY19) or 1.6% growth in FUM over the \$28.4 billion as at 31 December 2018. This FUM increase is over and above the impact of on-going development expenditure and net acquisitions. The estimated FUM at 30 June 2019 is \$30.2 billion, an increase of 6.3% or \$1.8 billion for 6 months representing an increase of 30% or \$7.0 billion for FY19.

CHOT Performance fee update:

- The group's previous FY19 post-tax earnings guidance of 14-17% growth had assumed \$40 million of CHOT performance fee would be recognised in FY19 earnings
- Today's guidance assumes \$50 million of CHOT performance fee will be recognised in FY19 earnings. The increased accrual aligns with the expected increase in the total performance fee payable in April 2020

Charter Hall's Managing Director and Group CEO, David Harrison said: "FY19 has seen strong growth across all aspects of the Charter Hall business. The sector-leading performance of our funds has seen us continue to attract record equity inflows from wholesale, listed and private investors. Today's guidance upgrade reflects this growth in funds under management, strong transactional activity and the performance of our funds."

The group will present its full year FY19 results on Tuesday, 20 August 2019.