



## ASX Announcement

20 February 2020

### Viva Energy REIT (ASX: VVR) FY19 Results

#### FY19 Key Highlights

- Statutory net profit was \$197.6 million, with distributable earnings of \$111.7 million
- Distributable earnings per security of 14.54 cents for FY19 is at the top end of the FY19 guidance range of 3.00-3.75% growth from FY18
- Baa1 (stable outlook)<sup>1</sup> credit rating assigned by Moody's, which should provide VVR with optionality in bank and non-bank markets, both domestically and offshore
- 15 properties were acquired or funded for a total outlay of \$88.5 million on a weighted average capitalisation rate of 6.8%
- Valuation uplift of \$99.9 million following independent and director valuations of VVR's properties as at 31 December 2019
- Gearing was 30.4% at 31 December 2019 and remains at the low end of the 30-45% target range<sup>2</sup>

Hadyn Stephens, Chief Executive Officer of VER Manager, said, "Viva Energy REIT delivered another strong result in FY19, with distributable earnings per security growth at the top end of the guidance range, driven primarily by revenue growth (contracted annual rental increases, acquisitions and development fund-throughs) and lower net funding costs.

Gearing remains at the low end of the 30-45% target range, with the Moody's Baa1 (stable outlook) credit rating highlighting the strong fundamentals of the real estate portfolio, and providing Viva Energy REIT with new options in bank and non-bank markets both domestically and offshore."

#### Distribution

VER Limited as the responsible entity of the Viva Energy REIT Trust confirms that the final distribution for the six months ending 31 December 2019 is 7.19 cents per security (cps).

#### Outlook

Viva Energy REIT expects growth in distributable earnings of 3.00-3.75% in FY20 from FY19, provided there are no material changes in market conditions and no other factors adversely affecting financial performance.

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<sup>1</sup> Credit rating must not be used, and VVR does not intend or authorise its use, in the support of, or in relation to, the marketing of its securities to retail investors in Australia or overseas.

<sup>2</sup> Net debt to total assets (excluding cash).

Mr. Stephens said, “FY20 will see Viva Energy REIT continue to evaluate opportunities across its portfolio and pursue acquisitions and development opportunities consistent with its strategy and investment criteria. We are actively considering initiatives to diversify funding sources and extend the tenor of our debt and swap books, and will also explore opportunities to optimise our bank debt arrangements as a result of our newly-assigned investment grade credit rating.”

## **ENDS**

Authorised by

**Viva Energy REIT Limited Board of Directors**

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## **About Viva Energy REIT**

Viva Energy REIT is Australia’s largest listed REIT owning solely service station properties with a high quality portfolio of service stations across all Australian States and mainland Territories. Viva Energy REIT’s objective is to maximise the long-term income and capital returns from its ownership of the portfolio for the benefit of all security holders.

Viva Energy REIT is a stapled entity in which one share in Viva Energy REIT Limited (ABN 35 612 986 517) is stapled to one unit in the Viva Energy REIT Trust (ARSN 613 146 464). This ASX announcement is prepared for information purposes only and is correct at the time of release to the ASX. Factual circumstances may change following the release of this announcement.

Please refer to Viva Energy REIT website for further information [www.vivaenergyreit.com.au](http://www.vivaenergyreit.com.au)