



FY21 RESULTS PRESENTATION

18 AUGUST 2021

www.apngroup.com.au

ASX Code: ADI

APN | Industria REIT
dexus

Agenda

01 Highlights and Outcomes

02 Investment Proposition

03 Portfolio Performance and Market Dynamics

04 Outlook

Appendices

HIGHLIGHTS AND OUTCOMES



Net zero portfolio delivering record FFO and valuation growth



\$41.2m

FFO up 12.0% on pcp;
99.9% gross rent collected



\$85m

Valuation growth (+10%),
\$182m of acquisitions,
31.6% gearing



~42,100

Square metres of leasing
completed, active across
business park and
industrial sectors



Accountable

First A-REIT to be certified
carbon neutral for FY21



Delivered on
upgraded guidance



Capacity to grow within
30 – 40% gearing band



Leveraging portfolio
positioning & capability



Certified across
portfolio & operations

Strong statutory profit and operating result

- Statutory net profit \$119.2 million:
 - Valuation gains of \$85.2 million (pcp \$24.4 million)
 - Net Property Income up 10.9% to \$49.9 million – like for like growth 2.1%¹
- FFO \$41.2 million, up \$4.4 million (12.0%) – high quality result underpinned by 99.9% gross rent collections:
 - 8.7% like for like growth at Brisbane Technology Park
 - 99.9% gross contracted rent collected, and minimal COVID-19 rent relief (\$33k) – last provided in September 2020
- Gearing 31.6% - the lower end of the 30 – 40% target band, and NTA up 13.5% to \$3.20, driven by:
 - Valuation gains and contracted sale of 10 Brandl St at 22% premium to book value
 - \$55.4 million of new equity
 - Transaction costs (largely stamp duty) equating to ~3 cents per security
 - July 2021 acquisitions (\$37.6m) and sale of 10 Brandl (\$12.55m) result in pro-forma gearing of ~34%
- Development capex \$6.0 million (generating 7.1% yield on cost) and maintenance capex ~\$700k

Income Statement	FY21	FY20		Change
Statutory net profit (\$m)	\$119.2	\$54.8	▲	117.5%
FFO (\$m) ¹	\$41.2	\$36.8	▲	12.0%
FFO (cents per security) ¹	19.9	19.3	▲	3.1%
Distribution declared (\$m)	\$36.4	\$33.4	▲	9.0%
Distributions (cents per security)	17.3	17.3	▲	0.0%
FFO payout ratio (%)	86.9%	89.3%	▼	2.4%
Tax deferred component of distribution / non assessable income	36.6%	35.9%	▲	0.7%

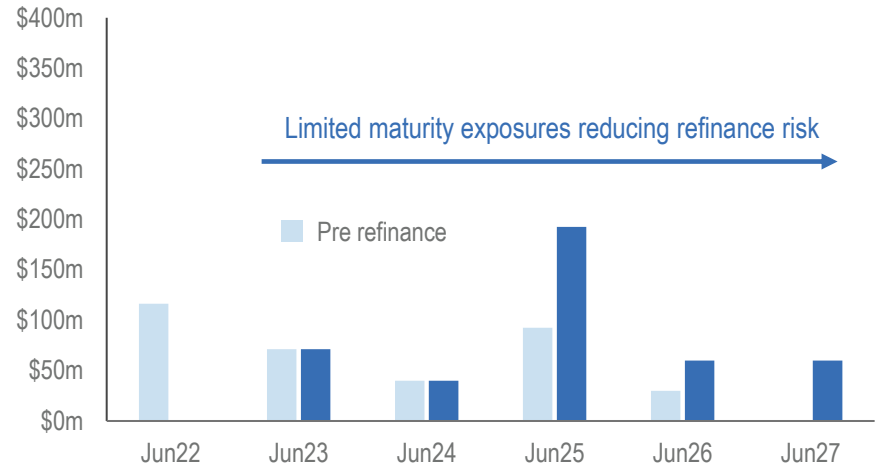
Balance Sheet	Jun 2021	Jun 2020		Change
Gearing	31.6%	28.1%	▲	3.5%
Net Tangible Assets per security	\$3.20	\$2.82	▲	13.5%

1. Rental guarantees and the impact of AASB16 (ground lease rent) have been removed to reflect the underlying performance of the portfolio, consistent with prior periods

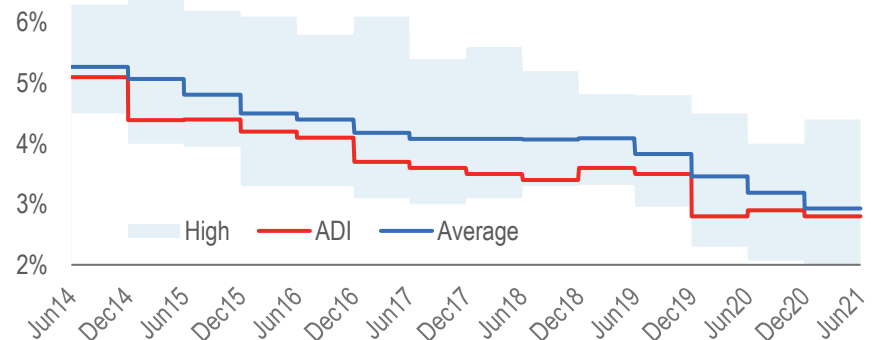
Active period of capital management

- Negotiated ~\$300 million of new debt facilities with average maturity of 3.9 years, adding \$134 million of new lines of credit
- Maintaining a staggered debt maturity profile, reducing concentration risk over any given period:
 - Weighted average debt maturity 2.9 years
 - Three financiers across banking syndicate, and demand from additional lenders
- Weighted average interest rate 2.65% and 7.2x interest cover
- 77% of debt hedged at average rate of 0.93% for FY22
- Balance sheet continues to provide considerable
 - Value declines in excess of 35% could be sustained before the gearing covenant would be breached (55%)
 - Revenue could fall by more than 70% without triggering a breach of the ICR covenant (2.0x)

Debt maturity profile – limited refinance risk



APN Industria REIT cost of debt compared to A-REIT sector¹



1. Source: Company information and IRESS

Net zero emissions in FY21

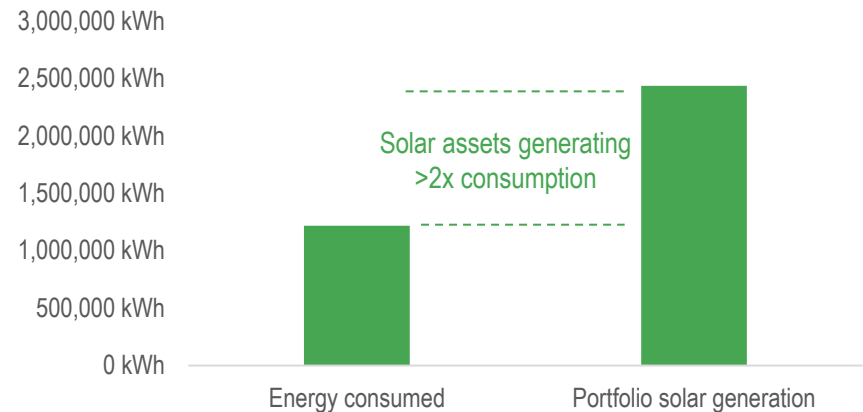
- ADI is the first A-REIT to be certified carbon neutral where our emissions boundary was assessed based on both our property portfolio and associated corporate operations, in accordance with the Climate Active Standard:
 - ADI’s activities have no net negative emissions impact on the climate
 - Based off an assessment of 2020 emissions
- Continue to assess existing portfolio and all growth initiatives for ESG risks to preserve and enhance value
- Solar PV production exceeded 2.4m kWh, more than double the organisation’s electricity footprint as defined by our carbon neutral certification:
 - 2.5 Megawatts installed across portfolio
 - Seeking to install a further 1.35 Megawatts in FY22
 - 49% self-sufficiency of buildings at Brisbane Technology Park during daylight hours
- Member of Griffith University Net Zero Emissions Advisory Board, providing thought leadership and collaborating on best practice and innovation

Voluntarily reducing emissions and taking accountability



Climate Active is the Australian Government's carbon neutral certification and is awarded to businesses and organisations that have credibly reached a state of achieving net zero emissions (carbon neutrality). This means that the activities associated with running a business or producing a particular product have no net negative impact on the climate¹

Energy consumption and generation²



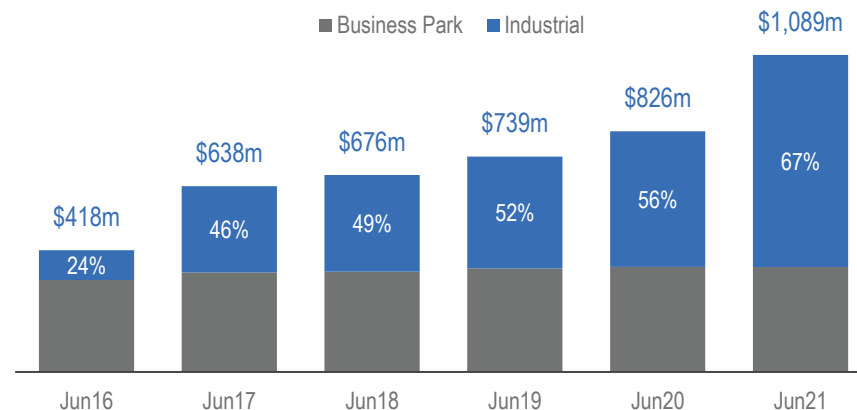
1. <https://www.climateactive.org.au/what-climate-active/how-it-worksupdate>

2. Energy consumed as certified by Climate Active; Portfolio solar generation attributable to ADI's direct investments in rooftop PV solar, and excludes tenant installations

Creating value through portfolio positioning and asset management

- Increased portfolio weighting to industrial sector from 24% to 67% through actively acquiring assets with the most attractive risk / return profiles
- 18 assets revalued as at 30 June 2021:
 - \$64.0 million (11.7%) increase on book values
 - \$85.2 million of valuation uplifts reported for FY21
- Weighted average industrial cap rate 5.5% – reduction of 52 basis points¹; weighted average lease expiry 7.6 years
- June 2021 valuation growth driven by a combination of cap rate compression and active asset management outcomes:
 - ~\$15 million attributable to leasing outcomes – rents above valuation benchmarks and higher levels of cash flow security
 - Cap rate compression drove ~\$49 million of uplift

Repositioning portfolio to industrial & improving return profile



30 June 2021 - Independent valuation outcomes

Property	Book Value (\$m)	Reval Gain (\$m)	Cap Rate (%)	Cap rate Mvmt (%)
1-3 Westrac Dr, Tomago	252.0	25.6	5.25	(0.50)
80-96 South Park Dr, Dandenong	35.5	9.6	4.75	(1.25)
16-18 Quarry Rd, Stapylton	65.5	6.5	5.50	(0.25)
13 Ricky & 10 Jersey Dr, Epping	23.0	4.5	4.75	(1.00)
147-153 Canterbury Rd, Kilsyth	13.4	3.2	5.75	(0.75)
Remainder (10 assets)	220.4	14.5	5.46	(0.43)
Total	609.8	64.0	5.32	(0.52)

1. Like for like portfolio

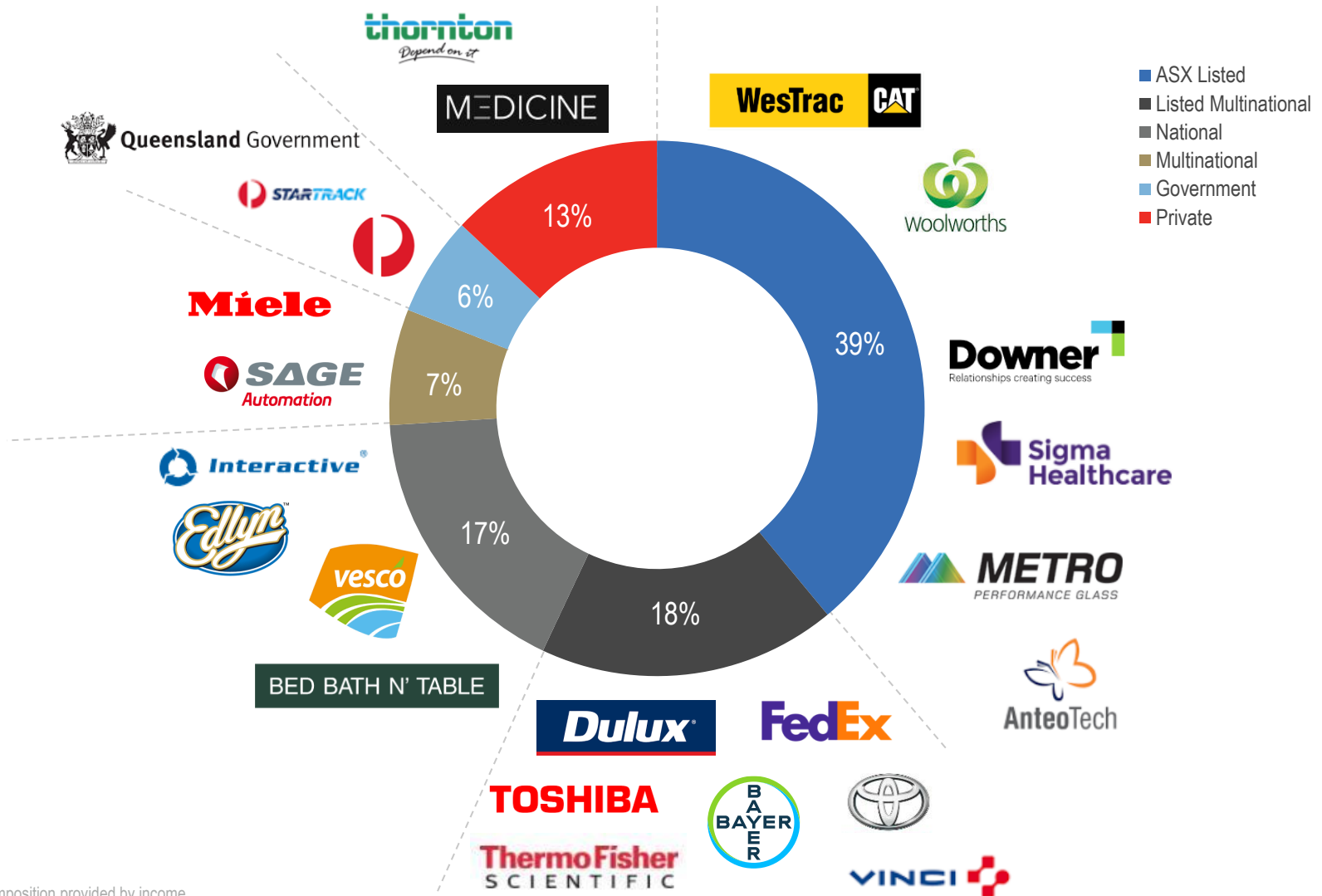
Track record of disciplined growth and delivering securityholder value



5 years to 30 June 2021: \$462 million of acquisitions | average WALE 11.25 years | average cap rate 6.6% | TSR¹: 14.2% p.a.

1. For the period from 30 June 2016 to 30 June 2021, excludes June 2016 quarter distribution. Based on security price performance plus distributions paid, not accounting for any reinvestment

Resilient income profile from high quality tenants



Note: Composition provided by income

INVESTMENT PROPOSITION

02

The APN Industria REIT opportunity

The Strategy

To grow through investing in industrial and business park assets

- Providing businesses with attractively priced and well located workspaces
- Proactively approaching innovation to deliver improved tenant satisfaction and retention
- Producing sustainable income returns and prospects for capital growth

The opportunity

- Low-risk portfolio benefiting from a growing rent profile – average rent reviews of ~3%, no potential volatility from “active earnings”
- Leveraging Dexus’s market knowledge and experience to enhance the product offering and drive occupancy
- Maximising synergies and minimising downtime by engaging with clients to execute initiatives including building efficiency works that reduce operational costs – such as solar power
- Benefit from supply constraints and significant infrastructure upgrades in close proximity to existing and future investments
- Utilise balance sheet strength and capital market support to grow through portfolio recycling initiatives and acquisitions

At a glance

\$1.1bn

PORTFOLIO

~\$725m

MARKET
CAPITALISATION

**S&P/
ASX 300**

INDEX MEMBER

5.2%

CASH
DISTRIBUTION YIELD

31.6%

GEARING

5.4

YEAR
WALE
(by income)

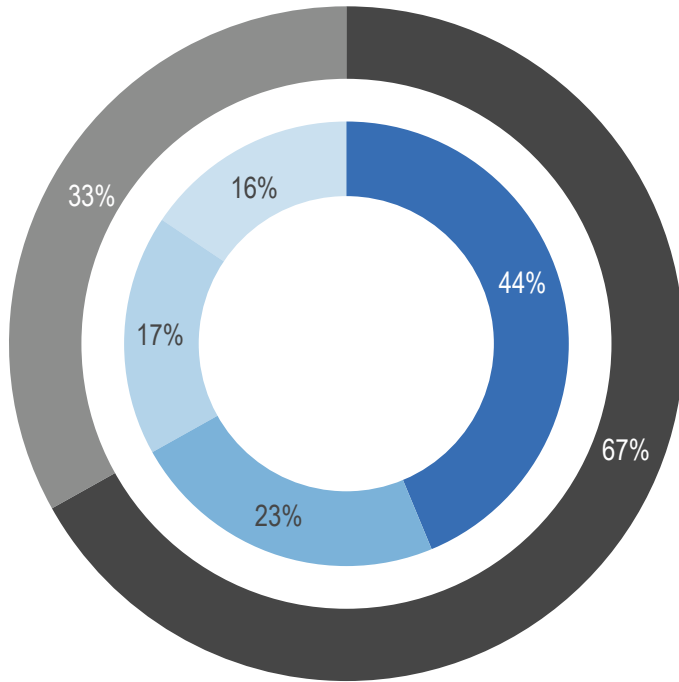
3%

AVG RENT
REVIEWS

High quality industrial and business park assets delivering a strong income profile combined with a conservative balance sheet providing capacity to grow

Note: Market capitalisation as at market close on 16 August 2021; yield based on FY22 distribution guidance of 17.3 cents per security

Diversified portfolio generating consistent and growing income



Asset types

- Industrial
- Business Parks

Locations

- Industrial (ex-Westrac)
- Industrial (Westrac)
- Rhodes Corporate Park
- Brisbane Technology Park

67% INDUSTRIAL AND LOGISTICS



Industrial Melbourne, Adelaide and Brisbane

Key industrial precincts
~\$476 million valuation
24 buildings; 5.2 year WALE



WesTrac Newcastle

Located adjacent to M1 motorway
~\$252 million valuation
13.2 year WALE

33% BUSINESS PARKS



Brisbane Technology Park

15 minutes south of CBD
~\$170 million valuation
12 buildings; 2.5 year WALE



Rhodes Corporate Park

Inner west Sydney,
~\$191 million valuation
2 buildings; 1.3 year WALE

Dexus acquisition of APN Property Group

- The Dexus acquisition of APN Property Group was implemented on 13 August 2021. As a result, Dexus is now the manager of APN Industria REIT (ADI)
 - Access to a deeper pool of acquisition opportunities across all markets
- Dexus maintains a 15.3% stake in ADI, demonstrating continued alignment, and the management team has been retained
- ADI's securityholders will benefit from a like-minded investment philosophy, as well as an integrated real estate management platform:
 - Established expertise in industrial and office investment and development, with an extensive track record of value creation
 - Existing governance arrangements will remain, including the independent Responsible Entity Board
 - As a result of the Dexus acquisition:
 - APN Industria REIT will rebrand to Dexus Industria REIT (ticker code DXI), anticipated for October 2021
 - Rebranding simplifies the Fund's market positioning for existing and potential tenants and investors



Dexus – Leading manager with a focus on real estate fundamentals



Strong investor alignment

Dexus is strongly aligned to delivering investor returns – owning a co-investment stake in ADI

Dexus provides capital capacity to make significant co-investments as a Top 50 entity on the ASX



Specialist leading manager of Australian real estate

\$42.5 billion total funds under management

Full-service platform with a track record of delivering out-performance

Vision to be recognised as Australia's leading real estate company



Leading ESG credentials

Delivering long-term value by focusing on issues that matter to stakeholders

Best practice corporate governance trusted by leading global investors

Recognised global leader in sustainability



Leveraging platform scale

Broad Australian real estate expertise spanning office, industrial, retail and healthcare sectors

Platform scale providing unparalleled access to leasing and acquisition deal-flow and market intelligence

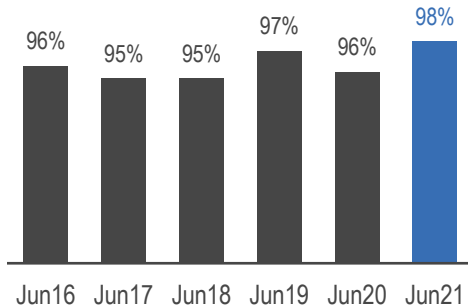
Unique customer propositions driving tenant attraction and retention translating to investment performance

PORTFOLIO PERFORMANCE AND MARKET DYNAMICS

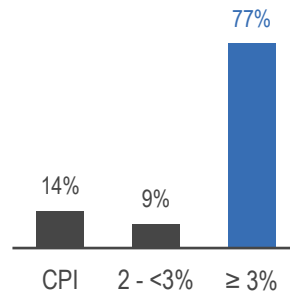
03

Actively managing Industria's real estate

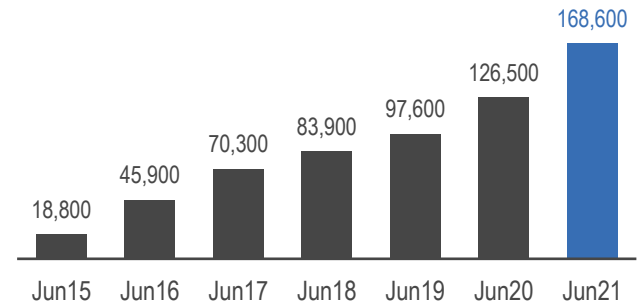
Consistent high occupancy



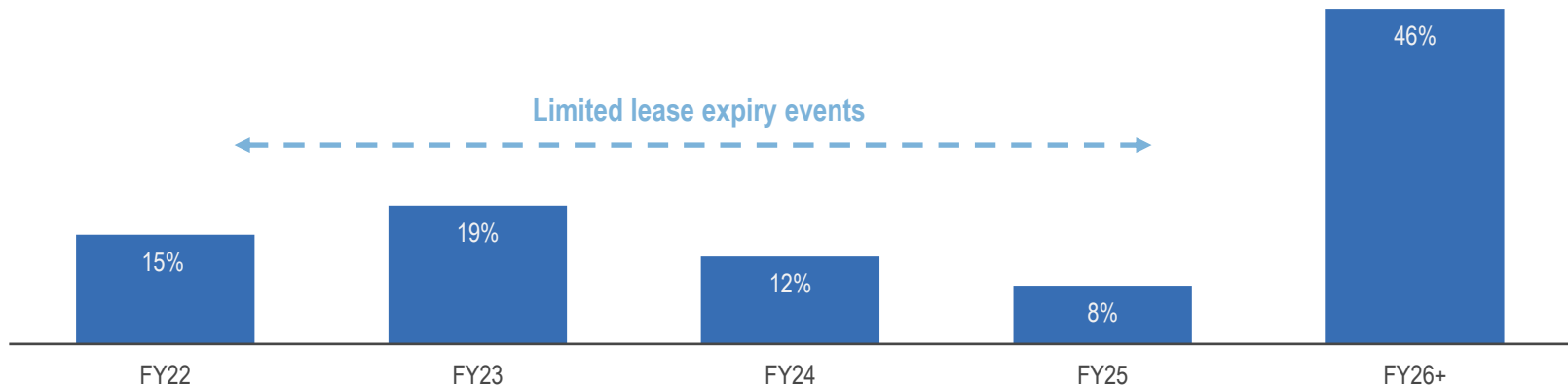
Generating organic growth



Cumulative leasing outcomes (sqm)



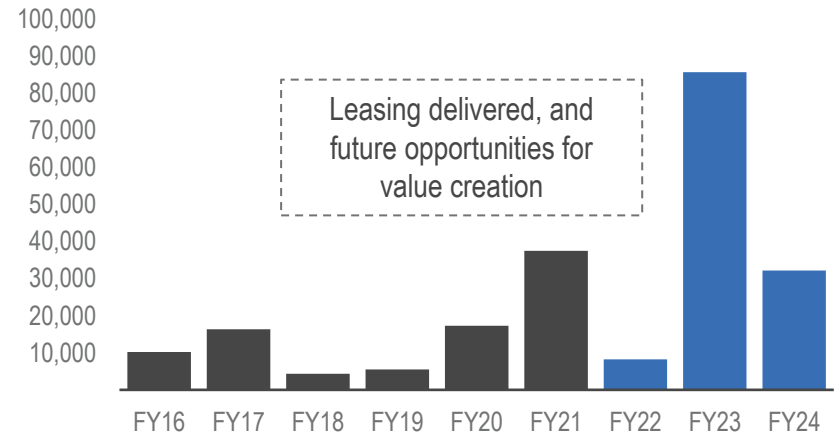
Strong income visibility – expiry profile (by income)



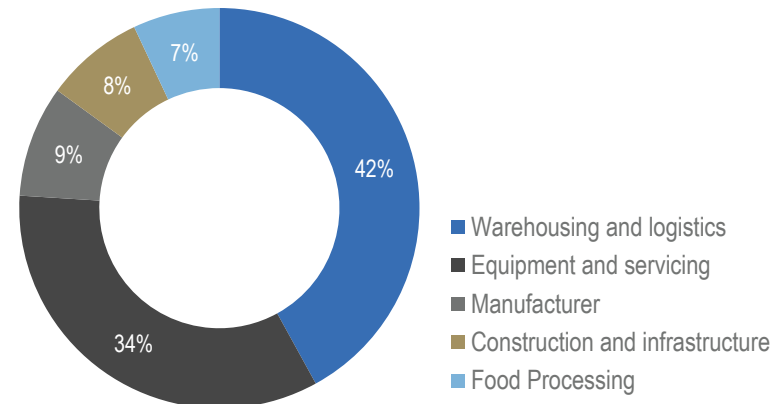
Asset management continues to add value across industrial portfolio

- \$728 million valuation, 100% leased, 7.6 year WALE
- Average cap rate 5.50%
- Asset management capability and de-risking cash flow through leasing continues to be a key driver of valuation growth:
 - 37,500 square metres leased – all ahead of prior valuation assumptions, ~3% rental spreads
 - Continue to deliver on business plan initiatives from FY20 and FY21 acquisitions, creating additional value
 - Occupancy up from 95% to 100%
- Executing on key leasing opportunities that also reduce FY22 income risks:
 - ~11,900 square metres to B & D Doors at Canterbury Rd, Kilsyth (December 2021 expiry)
 - ~3,000 square metres to Australia Post at Butler Bv, Adelaide Airport (September 2021 expiry). ~8,300 square metres of expiry remaining in this supply constrained market throughout FY22
- FY23 expiries are concentrated in the strong markets of Melbourne’s west – providing additional value add opportunities

Leasing completed and forthcoming expiries (by area)

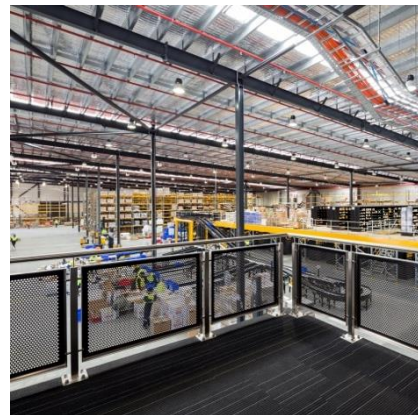


Tenant composition by industry – industrial assets



Expanding best-in-class real estate – Westrac Newcastle

- Completed \$5.5 million expansion July 2021 – generating 6.75% yield on cost
- Valuation increased \$25.6 million to \$252.0 million, reflecting a 5.25% cap rate
- Leased to Westrac until 2034, with the higher of CPI or 3% annual rent reviews
- Property completed in 2012 – and is regarded as best-in-class by Caterpillar dealers globally:
 - Very high quality facility focused on parts supply, component rebuilds, parts exchange and autonomous mining
 - Major competitive advantage is capability to entirely rebuild machines – potentially saving clients >50% on new products
 - Distributes over 1 million parts annually from 24 hour distribution centre
- Strong underlying business with maintenance revenue providing counter-cyclical cash flow
- Long term partner of Caterpillar dating back to 1929



Parts and Distribution Warehouse

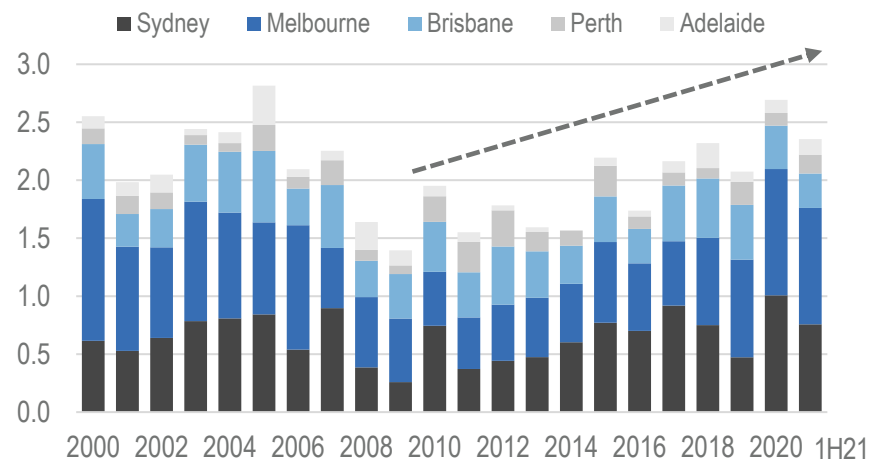


Component Rebuild Centre

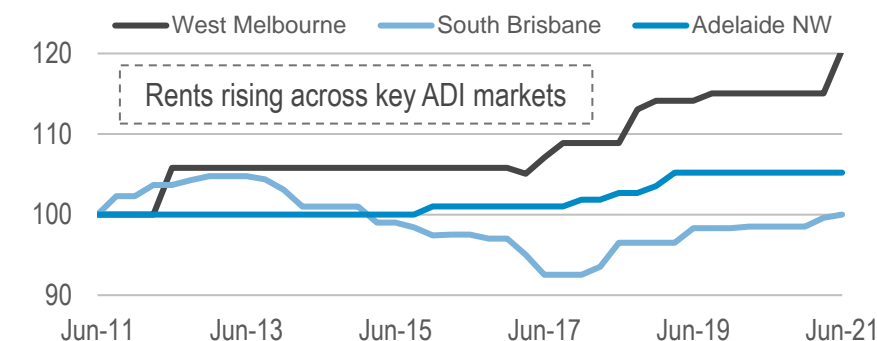
Industrial take up and rents are strong – especially in markets relevant for ADI

- Take-up increased to record levels over the past two quarters and ecommerce continues to drive total demand
- National take-up rate YTD is 75% higher than the average rate during 2020, and more than double the 5 year average
- Rents are rising in markets ADI has key FY22/23 exposures, driven by:
 - Low vacancy rates
 - Rising input costs – including land values, which are up 25 – 41% in 12 months, and materials such as steel and concrete

Take-up by city (millions sqm)



Rent growth by city²



Vacancy and land value growth		
Market	Land value growth (% per annum)	Vacancy ¹ %
West Melbourne	34%	1.9%
Brisbane M1 Corridor	25%	1.0%
Adelaide North West	41%	2.2%

1. Source: CBRE H1 2021 Vacancy Report

2. Source: JLL Research, Land = Wingfield Adelaide, Laverton North Melbourne and Yatala Brisbane

Brisbane Technology Park

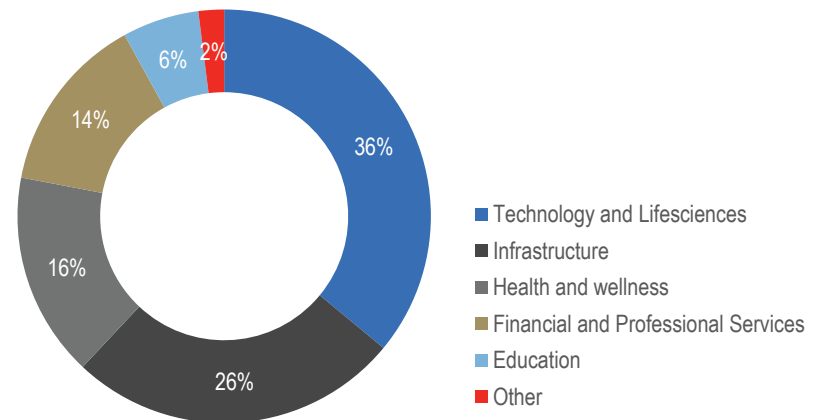
- 47 leases across ~3,300 sqm; ~5% rental spreads; 13% average incentive; 71% retention
- 80% occupancy¹; generating ~6% yield at current occupancy, with meaningful scope for upside
- Limited COVID-19 impact: ~\$33k of abatement provided, no concessions provided since September 2020
- 8.7% like for like Net Property Income growth, driven by the strategy targeting sub-200 sqm:
 - Higher rents with lower incentives – supporting attractive cash yields
 - New serviced office concept created over ~1,400 square metres – 52% leased within 4 months of opening
 - Leveraging on-the-ground platform and extending competitive advantage – which is flexibility across ADI's 12 properties
- Technology and life sciences contribute 36% of income – both resilient and growing sectors
- Held at conservative valuations – average cap rate 7.0% and average WALE 2.5 years

1. Excludes 10 Brandl Street – contracted for sale

Brisbane Technology Park | APN Industria REIT ownership



Presence of Tech and MedTech occupiers remains high



Brisbane Technology Park

- Precinct continues to attract technology and life science occupiers – including AnteoTech – manufacturers of COVID-19 Rapid Antigen Diagnostic Testing kits used globally
- APN's on-site management platform is providing unique opportunities to:
 - Grow and diversify the income base – number of tenants has increased from 44 in 2017 to 108 in 2021
 - Build relationships with universities and education providers to unlock research partnerships with occupiers at BTP
 - Griffith University continues to extend its presence at BTP through collaborations with APN
- BTP is the home to >1,100 businesses drawn to:
 - Rents ~50% lower than CBD
 - Highly accessible with an abundance of car parking
 - 15 minutes from CBD; 20 minutes from airport; 8 minute walk from public transport
 - Variety of food and beverage, and amenity including Anytime Fitness gym, end of trip facilities, and childcare



Rhodes Corporate Park

■ Building C

FY21 leasing opportunities have been limited to small suites – ~1,300 square metres leased, with ~6% rental spreads to prior passing rents

■ Building A

Good progress on de-risking September 2021

13,900 square metre lease expiry:

- Negotiations well progressed for ~5,000 square metres across multiple deals
- 4 floors remaining – ~2,250 square meter floor plates with quality fit-out and central core
- Anticipate leasing outcomes to generate rents ahead of passing
- Drive by corporates and government to decentralise, in low-density precincts

- Each floor of vacancy represents ~\$1.2 million (0.6 cps) of FFO per annum

Rhodes Corporate Park and amenity



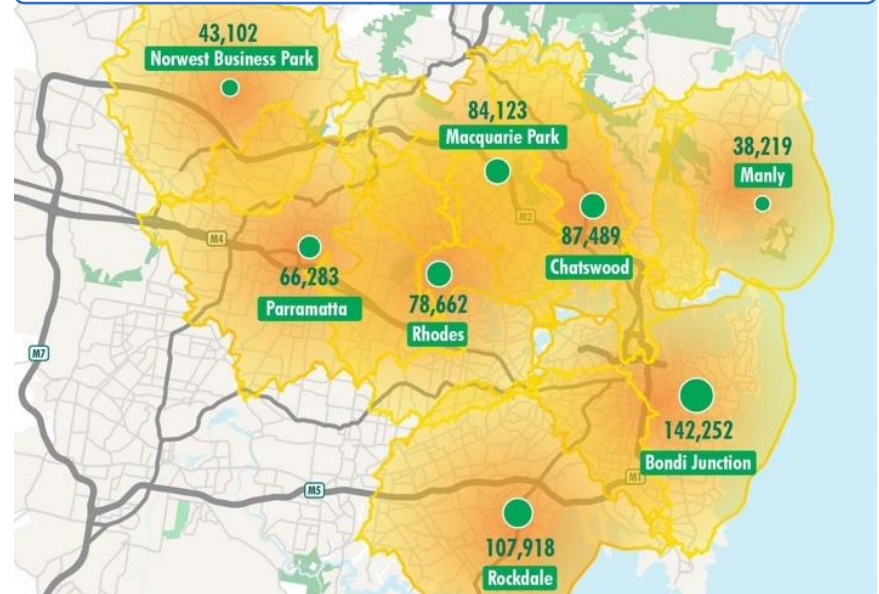
Occupiers at Rhodes



Rhodes and surrounding markets

- Rhodes is highly accessible to a deep base of employees:
 - ~30mins to Sydney CBD using existing road and rail infrastructure
 - 78,662 people live within a 20 minute drive – a denser population than Parramatta
- Attractive rent spreads compared to CBD and competing markets¹:
 - Rhodes: \$450 - \$470psm
 - Macquarie Park: \$430 - \$450psm
 - Parramatta: \$560 - \$600psm
 - Sydney CBD: \$950 - \$1,900 psm
- 300,000 new jobs forecast in the Rhodes corridor to 2036²
- Despite uncertainty regarding office occupancy stemming from the pandemic, investors continue to be attracted to assets located close to population centres with affordable rent profiles – with cap rates consistently below 5.5%
- ADI's assets at Rhodes – representing 17.5% of the portfolio – are carried at 5.75% - 5.875% cap rates

Population within 20 minutes drive of metro office locations³



Metro office transactions⁴

Address	Date	Sale price	Cap Rate	Rate per sqm
11 Murray Rose Ave, Sydney Olympic Park	May 21	\$53.5m	5.4%	\$9,412
68 Waterloo Rd, Macquarie Park	Apr 21	\$106.5m	4.9%	\$7,897
37 Epping Rd, Macquarie Park	May 21	\$55.0m	5.45%	\$6,817
Rhodes Building A			5.875%	\$7,100
Rhodes Building C			5.75%	\$8,400

1. Colliers International Net Face rents
 2. www.sydneymetro.info/west/project-overview
 3. CBRE Research
 4. Colliers International Valuations & Advisory

Asset management delivery



Thornton – 45-65 O'Briens Rd, Corio



New Childcare Facility – Brisbane Technology Park



WesTrac expansion



Radio Frequency Systems warehouse, 32 - 40 Garden St, Kilsyth

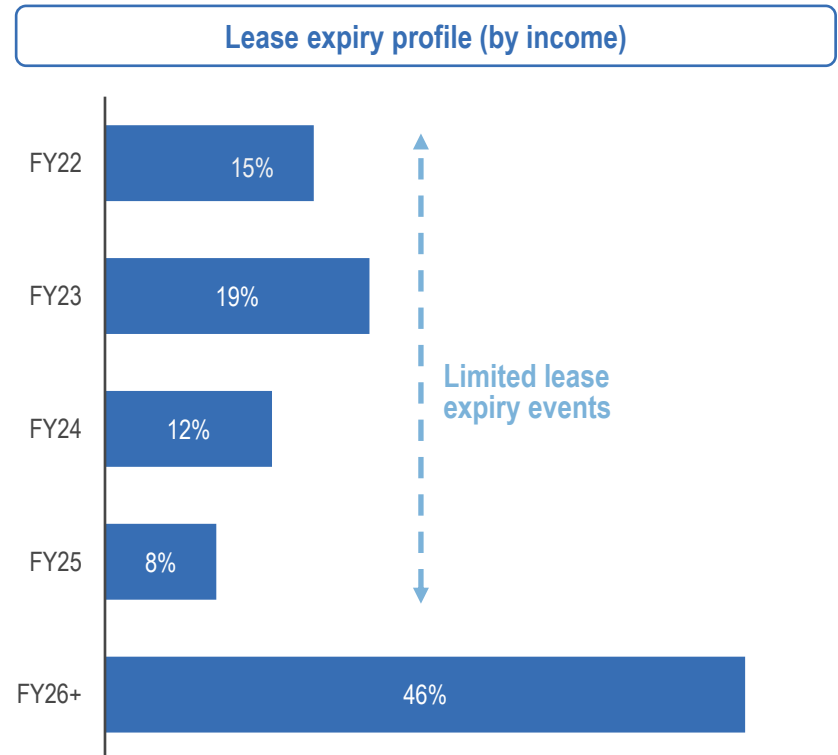
OUTLOOK

04

Outlook

Sustainable returns underpinned by quality and affordable workspaces

- Industria is well positioned:
 - High quality carbon neutral portfolio with ~3% annual fixed growth from contracted rent reviews
 - Transition to Dexu with continuing management team provides access to a deep pool of expertise and opportunities to create value and drive growth
 - Conservatively positioned balance sheet
 - Material valuation upside potential with continuing industrial sector re-rating
 - ASX 300 member, potential for inclusion to FTSE EPRA/NAREIT Global Real Estate index
- FY22 FFO and distribution per security guidance:
 - FFO 19.3 cents (-3% on FY21)
 - Distribution 17.3 cents (consistent with FY21)
 - Potential for upside from leasing at Rhodes Corporate Park, with no income assumed beyond 30 September 2021 expiry over 13,900sqm (~5,000sqm under offer)
 - Subject to a continuation of current market conditions and no unforeseen circumstances



APPENDICES



Appendix A

Property portfolio

Independent Valuations

Asset	Book Value (\$m)	Cap Rate (%)	1H Change in Cap Rate (%)	2H Change in Cap Rate (%)	1H2021 Gain / (Loss) (\$m)	2H2021 Gain / (Loss) (\$m)	FY2021 Gain / (Loss) (\$m)
1 West Park Drive	13.8	5.25%	(1.00%)	(0.25%)	1.8	0.7	2.5
1-3 Westrac Drive	252.0	5.25%	n/a	(0.50%)	-	25.6	25.6
13 Ricky Way & 10 Jersey Drive	23.0	4.75%	n/a	(1.00%)	-	4.5	4.5
140 Sharps Road	13.3	7.50%	(0.25%)	(0.25%)	(0.3)	(0.1)	(0.4)
147-153 Canterbury Road	13.4	5.75%	(0.75%)	(0.75%)	0.7	3.2	3.9
16-18 Quarry Road	65.5	5.50%	n/a	(0.25%)	-	6.5	6.5
3 & 4 Forbes Close	21.6	5.25%	(0.25%)	(0.25%)	0.8	1.4	2.2
32 Garden Street	25.0	5.00%	(0.75%)	(0.50%)	3.7	2.0	5.7
34 Australis Drive	35.5	5.00%	(0.75%)	(0.50%)	0.9	2.8	3.7
350-356 Cooper Street	32.5	5.50%	(0.25%)	(0.25%)	1.4	2.0	3.4
5 Butler Boulevard	15.2	8.06%	(0.19%)	n/a	0.4	-	0.4
60 Grindle Road	25.3	6.50%	(0.75%)	(0.50%)	5.3	1.7	7.0
78 Henderson Road	18.0	5.00%	n/a	(0.75%)	-	1.8	1.8
80-96 South Park Drive	35.5	4.75%	n/a	(1.25%)	-	9.6	9.6
81 Rushdale Street	11.4	5.50%	(0.50%)	(0.50%)	1.2	0.3	1.4
89 West Park Drive	24.0	5.00%	(0.50%)	(0.50%)	-	2.0	2.0
Total Industrials	624.9	5.38%	(0.52%)	(0.52%)	15.8	64.0	79.8
10 Brandl Street	12.6	7.50%	(0.75%)	n/a	(0.1)	2.3	2.1
18 Brandl Street	13.7	7.25%	(0.75%)	n/a	0.3	-	0.3
37 Brandl Street	15.8	7.00%	(0.50%)	n/a	(0.1)	-	(0.1)
7 Clunies Ross Court	55.5	6.50%	(0.75%)	n/a	5.2	-	5.2
8 Clunies Ross Court	24.1	7.50%	0.00%	n/a	(2.4)	-	(2.4)
88 Brandl Street	16.6	7.25%	(0.50%)	n/a	1.0	-	1.0
BTP Central Improved	44.1	7.11%	(0.39%)	n/a	(0.5)	-	(0.5)
Total BTP	182.3	7.01%	(0.53%)	n/a	3.4	2.3	5.7
Rhodes C	87.4	5.75%	(0.25%)	n/a	(0.2)	-	(0.2)
Total Rhodes	87.4	5.75%	(0.25%)	n/a	(0.2)	-	(0.2)
Total External Valuations	894.6	5.75%	(0.47%)	(0.52%)	19.0	66.2	85.2

APN Industria REIT portfolio as at 30 June 2021

Property	State	Ownership	Sector	Book Value (\$m)	Cap Rate (%)	NLA (sqm)	Occupancy (by area)	WALE (by income)
APN Industria REIT Portfolio								
Industrial Portfolio				728.1	5.50	337,914	100%	7.6
Business Park Portfolio				360.5	6.36	58,037	86%	1.9
				1,088.6	5.78	395,951	98%	5.4
Industrial Portfolio								
1-3 WesTrac Drive, Newcastle	NSW	100%	Industrial	252.0	5.25	45,474	100%	13.2
140 Sharps Road, Tullamarine	VIC	100%	Industrial	13.3	7.50	10,508	100%	1.3
32-40 Garden Street, Kilsyth	VIC	100%	Industrial	25.0	5.00	10,647	100%	9.0
34 Australis Drive, Derrimut	VIC	100%	Industrial	35.5	5.00	25,243	100%	1.4
80-96 South Park Drive, Dandenong South	VIC	100%	Industrial	35.5	4.75	20,245	100%	4.6
1 West Park Drive, Derrimut	VIC	100%	Industrial	13.8	5.25	10,078	100%	1.8
89 West Park Drive, Derrimut	VIC	100%	Industrial	24.0	5.00	17,024	100%	1.2
13 Ricky Way & 10 Jersey Drive, Epping	VIC	100%	Industrial	23.0	4.75	11,211	100%	7.2
350-356 Cooper Street, Epping	VIC	100%	Industrial	32.5	5.50	8,088	100%	6.1
147-153 Canterbury Road, Kilsyth	VIC	100%	Industrial	13.4	5.75	11,882	100%	3.5
81 Rushdale Street, Knoxfield	VIC	100%	Industrial	11.4	5.50	6,106	100%	3.8
3 Forbes Close and 4 Forbes Close, Knoxfield	VIC	100%	Industrial	21.6	5.25	12,674	100%	4.5
78 Henderson Road, Rowville	VIC	100%	Industrial	18.0	5.00	10,230	100%	2.4
45-55 O'Briens Road, Corio	VIC	100%	Industrial	36.0	5.50	25,197	100%	19.8

APN Industria REIT portfolio as at 30 June 2021

Property	State	Ownership	Sector	Book Value (\$m)	Cap Rate (%)	NLA (sqm)	Occupancy (by area)	WALE (by income)
Industrial Portfolio (cont)								
57-67 Mark Anthony Drive, Dandenong	VIC	100%	Industrial	13.5	5.00	7,830	100%	10.0
137-147 Fitzgerald Road, Laverton North	VIC	100%	Industrial	24.1	5.00	16,375	100%	10.0
60 Grindle Road, Wacol	QLD	100%	Industrial	25.3	6.50	8,971	100%	7.5
16-28 Quarry Road, Stapylton	QLD	100%	Industrial	65.5	5.50	41,384	100%	2.6
5 Butler Boulevard, Adelaide Airport	SA	100%	Industrial	15.2	8.06	12,334	100%	2.8
5b Butler Boulevard, Adelaide Airport	SA	100%	Industrial	9.2	8.55	8,224	100%	5.1
18-20 Butler Boulevard, Adelaide Airport	SA	100%	Industrial	7.9	8.55	6,991	100%	2.7
20-22 Butler Boulevard, Adelaide Airport	SA	100%	Industrial	12.5	8.55	11,197	100%	1.8
Industrial Portfolio				728.1	5.50	337,914	100%	7.6

APN Industria REIT portfolio as at 30 June 2021

Property	State	Ownership	Sector	Book Value (\$m)	Cap Rate (%)	NLA (sqm)	Occupancy (by area)	WALE (by income)
Business Park Portfolio								
Building A, 1 Homebush Bay Drive, Rhodes	NSW	100%	Business Park	103.4	5.88	14,642	100%	0.4
Building C, 1 Homebush Bay Drive, Rhodes	NSW	100%	Business Park	87.4	5.75	10,406	87%	2.5
18 Brandl Street, BTP	QLD	100%	Business Park	13.7	7.25	4,180	85%	1.2
37 Brandl Street, BTP	QLD	100%	Business Park	15.8	7.00	3,291	85%	1.8
7 Clunies Ross Court and 17-19 McKechnie Drive, BTP	QLD	100%	Business Park	55.5	6.50	8,421	99%	3.9
8 Clunies Ross Court and 9 McKechnie Drive, BTP	QLD	100%	Business Park	24.1	7.50	5,788	40%	0.7
88 Brandl Street, BTP	QLD	100%	Business Park	16.6	7.25	2,891	82%	1.2
BTP Central, BTP	QLD	100%	Business Park	44.1	7.11	8,418	84%	3.3
Business Park Portfolio				360.5	6.36	58,037	86%	1.9

Tenancy mix

Tenant	% portfolio income
WesTrac	19%
Link Market Services	10%
Woolworths Group	3%
AAE Retail	3%
Thornton Engineering Australia	3%
Frasers Property	3%
Mitre 10	3%
Interactive	3%
Vesco	2%
Autopact Victoria	2%
Top 10 Tenants	51%
Other	49%
Total	100%

Appendix B

Financial information

Consolidated Statement of Financial Position

As at	2021	2020
	\$'000	\$'000
Assets		
Cash and cash equivalents	7,053	4,928
Trade and other receivables	764	377
Investment property held for sale	12,550	-
Other assets	2,799	733
Total current assets	23,166	6,038
Investment properties	1,051,008	826,481
Investment properties - right-of-use ("ROU") assets	39,380	20,159
Other assets	5	-
Total non-current assets	1,090,393	846,640
Total assets	1,113,559	852,678
Liabilities		
Trade and other payables	(11,211)	(7,735)
Distributions payable	(9,440)	(8,199)
Derivative financial instruments	(2,087)	(2,671)
Lease liabilities	(280)	(101)
Borrowings	(105,921)	-
Total current liabilities	(128,939)	(18,706)
Payables	(978)	(1,003)
Derivative financial instruments	(2,865)	(5,719)
Borrowings	(237,082)	(242,014)
Lease liabilities	(38,175)	(19,144)
Deferred tax liability	(10099)	(8,150)
Total non-current liabilities	(289,199)	(276,030)
Total liabilities	(418,138)	(294,736)
Net assets	695,421	557,942
Number of Securities (millions)	217,001.0	197,526.0
NTA per Security (\$)	3.20	2.82

1. Borrowings are net of capitalised debt establishment costs of \$934k (Jun-20: \$930k)

Consolidated Statement of Profit or Loss and other comprehensive income

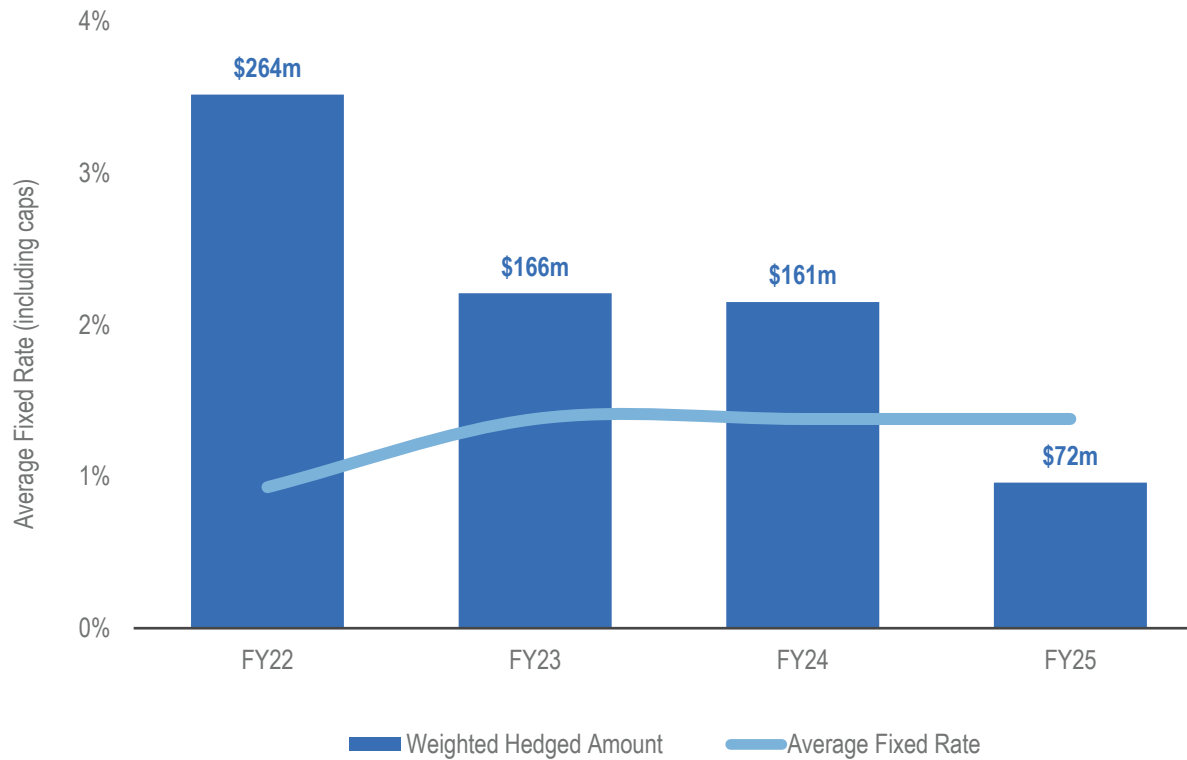
Financial period ended	2021	2020
	\$'000	\$'000
Income		
Net rental income	64,514	59,554
Straight line rental income recognition	2,880	2,323
Total revenue	67,394	61,877
Expenses		
Property costs	(13,021)	(12,921)
Trust management fees	(4,897)	(4,387)
Other expenses	(1,163)	(890)
Total expenses	(19,081)	(18,198)
Net operating income (EBIT)	48,313	43,679
Net fair value gain (loss) on investment properties	78,340	20,650
Net fair value gain on investment properties - ROU	(123)	709
Fair value gain (loss) on derivatives	3,438	(2,184)
Net interest expense	(8,786)	(7,994)
Net income before tax	121,182	54,860
Income tax expense	(1,985)	(24)
Net profit after tax	119,197	54,836

Reconciliation to FFO

Financial period ended	2021	2020
	\$'000	\$'000
Statutory net profit after tax for the period	119,197	54,836
Adjusted for:		
Reversal of straight-line lease revenue recognition	(2,880)	(2,323)
Reversal of fair value (gain) on investment properties	(78,340)	(20,650)
Reversal of fair value loss / (gain) on investment properties - ROU assets	123	(709)
Reversal of fair value (gain) on derivatives	(3,438)	2,184
Reversal of movement in lease liabilities	(135)	(205)
Add back amortised leasing costs and rent-free adjustments	5,392	4,648
Add back income tax expense	1,985	24
Other one-off items	(679)	(960)
FFO	41,225	36,845
Distribution declared	36,386	33,408
Weighted securities on issue (millions)	207,127	190,465
Payout ratio (Distribution / FFO)	86.9%	89.3%
Distribution per Security (cents per Security)	17.3	17.3
FFO (cents per Security)	19.9	19.3

- Value of one-off rental guarantee was \$679k (\$960k pcg)
- Increase in income tax expense attributable to deferred income tax expense arising from valuation gains in Industria Company No.1 Ltd, primarily related to childcare development and leasing

Interest rate hedging profile



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