

26 February 2021

Waypoint REIT (ASX:WPR) FY20 Results

FY20 Key Highlights

- Statutory net profit of \$279.9 million, compared with \$197.6 million in FY19 (+41.6%), largely driven by 17bp of capitalisation rate compression recorded in the second half of the year across the portfolio
- Distributable Earnings of \$118.5 million, a 6.1% increase over FY19 (\$111.7 million)
- Distributable Earnings per security (**Distributable EPS**)¹ of 15.15 cents, a 4.25%² increase over FY19 (14.54 cents)
- Net tangible assets per security at 31 December 2020 was \$2.49, a 8.7% increase over 31 December 2019 (\$2.29)
- 56% of the portfolio (by number) was independently valued during the year with director valuations performed on the balance, resulting in a gross valuation uplift of \$176.7 million and the portfolio weighted average capitalisation rate (**WACR**) tightening to 5.62% at 31 December 2020
- \$32.5 million invested across five acquisitions at a WACR of 6.25% and \$18.8 million spent across twelve development projects (weighted average yield of 6.70%) with six completed during the year and six targeting completion in the first half of FY21
- Target gearing range revised from 30-45% to 30-40% to better reflect the Board's view on a sustainable gearing range for the vehicle moving forward (gearing was 29.4% at 31 December 2020)
- Available liquidity of \$127.3 million to fund acquisition, development fund-through and portfolio re-investment opportunities meeting Waypoint REIT's investment criteria
- \$325 million of debt refinanced and a US\$178m (c. A\$250m) US Private Placement issuance completed, extending Waypoint REIT's weighted average debt maturity from 2.9 years at December 2019 to 4.3 years at December 2020
- \$196.5 million of interest rate swaps extended to August 2025, reducing the hedge rate from 2.10% to 1.88%
- 89% of debt hedged at 31 December 2020 with a weighted average hedge maturity of 2.4 years
- 99.9% of rent collected, with the majority of Waypoint REIT's tenant base not qualifying for government mandated rental relief
- Internalisation of management completed on 30 September 2020
- Management expense ratio of 30bp remains one of the lowest in the S&P/ASX 200 REIT Index

Distribution

VER Limited as the responsible entity of the Waypoint REIT Trust confirms the final distribution for the six-month period ended 31 December 2020 of 7.73 cents per security.

¹ Based on weighted average number of securities on issue during the year, shown to 2 decimal places.

² Growth calculated on exact figures.

Outlook

Waypoint REIT expects Distributable EPS¹ of 15.72 cents per security in FY21, representing 3.75%² growth on FY20, provided there are no material changes in market conditions and no other factors adversely affecting financial performance.

Mr. Stephens said, “Waypoint REIT’s strong FY21 growth outlook is underpinned primarily by 3% fixed rent reviews across the majority of the portfolio, in addition to a full year’s contribution from assets acquired or completed in FY20. Our guidance includes the impact of selling \$20-30 million of non-core assets during the year but does not assume any acquisitions. Waypoint REIT remains a buyer of high-quality assets and also expects to see opportunities for reinvestment in our core portfolio throughout the course of FY21. With available liquidity of more than \$120 million and gearing below the bottom end of our target range, we are well-placed to fund investments as and when they arise and will also consider potential capital management initiatives as a way of enhancing returns for securityholders.”

Waypoint REIT will hold a conference call to discuss the FY20 results today at 10am. Please see below for registration details.

Conference Call

Date: Friday, 26 February 2021

Time: 10:00am (AEDT)

Webcast: [WPR FY2020 Results Call](#)

Registration: To participate in the call, please register using the Pre-Registration Link below. Once you have registered you will receive a calendar invite and a unique code which is to be quoted when dialing into the call.

[Click here to register](#)

A copy of the FY20 results presentation is available on our website at waypointreit.com.au

Authorised by:

The Board - Waypoint REIT Limited

For further information, please contact:

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About Waypoint REIT

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

Waypoint REIT is a stapled entity in which one share in Waypoint REIT Limited (ABN 35 612 986 517) is stapled to one unit in the Waypoint 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 the Waypoint REIT website for further information waypointreit.com.au