

ASX Announcement
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AUSTRALAND SECURES 10 YEAR LEASE RENEWAL WITH NESTLÉ

Australand today announced it has successfully renewed a lease with global food and beverage company Nestlé for a further ten year term at Rhodes Corporate Park, an office park owned, developed, and managed by the Australand Property Group.

The lease renewal covers the 17,000 square metre office building which will continue to operate as Nestlé's Oceania Regional Headquarters. Nestlé's commitment reflects the strength of Australand's office product offering and the close proximity to retail, transport and recreational amenity available at Rhodes Corporate Park.

Commencing in 2013, the renewed lease includes minimum rental increases of 3.5% per annum and contributes to strong portfolio metrics, improving the Australand portfolio's weighted average lease expiry to 5.3 years.

Australand Managing Director Bob Johnston said, "We are pleased to be able to satisfy Nestlé's ongoing operational requirements and look forward to maintaining this long relationship.

Quality tenant covenants and long term leases continue to underpin the performance of Australand's investment property portfolio and the Group's financial performance" he added.

Commenting on the suburban office market Mr Johnston said "Given the strengthening CBD markets, we anticipate activity improving in the suburban office markets. This early renewal not only reflects Australand's proactive management of lease expiry but also tenant desire to secure office space as conditions improve."

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