



9 October 2014

MIRVAC ACQUIRES BIRKENHEAD POINT, SYDNEY

Mirvac Group ("Mirvac") [ASX: MGR] is pleased to announce it has entered into an agreement to acquire Birkenhead Point Shopping Centre, Drummoyne ("Birkenhead Point"), Sydney, including an adjoining car parking facility and marina¹, for a total consideration of \$310.0 million.

The transaction represents fully let passing yield of 6.6 per cent² and offers attractive returns in line with Mirvac's stated targets. The completion of the acquisition is subject to the satisfaction of certain conditions precedent (including regulatory approvals), with completion expected in the last quarter of this calendar year.

Located just five kilometres from Sydney's CBD, Birkenhead Point is a prime waterfront site on approximately 3.7 hectares, with a total gross lettable area of over 33,100 square metres and car parking for 1,395 vehicles. The centre has a strong representation of well-performing national tenants and delivered a total moving annual turnover ("MAT") of \$228.5 million³ and MAT of \$8,082 per square metre³. This represents 13.8 per cent growth in specialty MAT³ and specialty occupancy costs of 11.1 per cent³.

Mirvac's Group Executive, Retail, Susan MacDonald, said, "Birkenhead Point is situated within Sydney's second largest trade area and within a demographic that enjoys an average per capita income 25.0 per cent above that of greater Sydney.

"This presents a unique opportunity for Mirvac to utilise its retail asset management expertise to continue to remix existing tenancies, with an emphasis on designer and luxury brands. We will also use the opportunity to convert the recently expired David Jones tenancy into more productive specialty space, endorsing Birkenhead Point as Sydney's premium outlet centre.

"Mirvac plans to further leverage the centre's fantastic water frontage, including bolstering the food catering offer.

"This purchase demonstrates our continued ability to secure strategically located urban retail assets, and reinforces Mirvac's dominant position in this key catchment area, alongside Broadway Shopping Centre, Harbourside and Rhodes Waterside.

"Our exposure to Australia's best performing retail market is also increased following this purchase, with 65.5 per cent of the portfolio now situated in metropolitan Sydney.

"Since announcing our revised strategy in May 2013, we have substantially improved the quality of our \$2.0 billion retail portfolio by acquiring over \$562.0 million of strategically located urban assets, divesting \$324.1 of non-core assets and unlocking 35.0 per cent of our \$800.0 million retail development pipeline," said Ms MacDonald.

¹ The marina is a leasehold interest with NSW Maritime.

² As at 1 November 2014; pre-acquisition costs.

³ For the 12 months to 31 August 2014.



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Additional Information on Birkenhead Point:

Boasting Sydney's largest retail outlet centre, the complex is complemented by a localised convenience offer and is anchored by Coles and Aldi. The centre introduces quality brand tenants to the Mirvac portfolio including Country Road, Kathmandu, Calvin Klein, Hugo Boss and Polo Ralph Lauren. The site also comprises one of Sydney's largest marinas with 201 berths¹ as well as associated facilities including a fuel wharf, adding diversity to the income profile.

Further information:

Media enquiries:
Marie Festa
Group Executive, External Affairs
+61 2 9080 8956

Investor enquiries:
Narelle Checchin
Group General Manager External
Communications and Investor Relations
+61 2 9080 8458

¹ On completion. There are currently 14 berths under construction, due for completion in November 2014.