



## Centurion Corporation Limited

(Company Registration No. 198401088W)

### PRESS RELEASE

*For Immediate Release*

## **CENTURION CORP EYES MAIDEN FORAY INTO THE UNITED STATES WITH PROPOSED ACQUISITION OF FIVE STUDENT ACCOMMODATION ASSETS**

- *Portfolio of five student accommodation assets totalling 1,936 beds across four U.S. states will be rebranded to **dwel Student Living** and co-managed with an established U.S. student housing manager*
- *Centurion is expected to hold up to 30% interest in the proposed acquisition and will partner potential investors to take up the balance*

**Singapore, 24 July 2017 – Centurion Corporation Limited (胜捷企业有限公司)** (“Centurion” or the “Group”) today announced plans to enter and expand into the United States (“U.S.”) with its proposed acquisition of a portfolio of 1,936 beds in five student accommodation assets (“Portfolio Assets”) across four U.S. states for an aggregate purchase consideration of approximately US\$136 million (S\$187 million)<sup>1</sup> (“Proposed Acquisition”).

The Group intends to have an interest of up to 30% of the Portfolio Assets and is in discussion with various third party investors, which will own the remaining interest. The Proposed Acquisition is subject to a number of conditions and satisfactory due diligence.

The Portfolio Assets, which are located in four U.S. states, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas are quality student accommodation assets, supporting U.S. universities with good national rankings and sizable student populations.

In Tallahassee, Florida, the 624-bed asset, **Tenn Street**, is located in close proximity to three major institutions of higher learning, including Florida State University, Florida A&M University and Tallahassee Community College, with over 40,800, 9,000 and 12,500 students, respectively.

Located in Auburn, Alabama, the 639-bed student accommodation asset, **Logan Square**, is just a short walk from Auburn University which has an enrolment of over 28,000 students.

Within the portfolio, there are two student accommodation assets located in Madison, Wisconsin. **The Towers on State**, a 231-bed asset, and **The Statesider**, a 226-bed student asset, and a stone’s throw away from the University of Wisconsin-Madison, which has a yearly enrolment exceeding 43,300 students.

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<sup>1</sup> Based on exchange rate of US\$1.00 : S\$1.3762

In College Station, Texas, **Stadium View** is a 216-bed student accommodation asset within walking distance to Texas A&M University, which is the second largest university in the U.S. with an enrolment of 60,435 students as of Fall 2017. In the last four years, the university added an average of over 2,500 new students every year.

The proposed acquisition of the Portfolio Assets is expected to be completed on or about end September and the five fully operational assets will be earnings accretive to the Group's earnings from the fourth quarter of 2017.

As part of the Group's plans to expand its capabilities in managing student accommodation assets, Centurion will enter a joint venture with a U.S. student accommodation manager to co-manage the assets under Centurion's student accommodation brand - **dwell**. Centurion's co-manager presently manages 24 student accommodation assets totalling approximately 14,000 beds. Centurion will also establish an investment management platform to manage the Portfolio Assets on behalf of third party investors.

With the anticipated addition of 1,936 beds from the Portfolio Assets, Centurion will have a total of 5,424 beds under management across 16 student accommodation assets in four geographical locations, namely the U.S., the United Kingdom ("UK"), Australia and Singapore.

Commenting on the Group's proposed entry and expansion into the U.S., Mr Kong Chee Min (江志明), CEO of Centurion Corporation Limited, said, "The U.S. is one of the key and established educational hubs in the world, and the proposed acquisition of five fully operational student accommodation assets across four U.S. states will immediately expand our business geographically and increase the earnings contribution from this resilient sector. It will also open a new business opportunity for Centurion, as we extend into the investment management of investments from likeminded investors."

The U.S. remains one of the key tertiary education hubs in the world, with many of the most notable universities located in the U.S. In the latest *2016/2017 Savills Spotlight - World Student Housing*, the report noted that there are approximately 2.4 million purpose-built student accommodation beds in the U.S., catering to an estimated 12% of all tertiary education students. The report also highlighted that demand for such accommodation remains high due to U.S. cities being the most expensive in the world in which to study and live.

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**NOTE: This Press Release is to be read in conjunction with the SGXNET Announcement released by Centurion Corporation Limited on the same date.**

## **ABOUT CENTURION CORPORATION LIMITED**

Centurion Corporation Limited owns and operates workers and student accommodation assets, as well as a storage disc manufacturing business. Its workers accommodation assets are managed under the **Westlite** brand and its student accommodation assets are managed under the **dwell** brand.

In Singapore, the Group had a capacity of c.34,700 beds across five workers accommodation assets in Toh Guan, Tuas, Mandai, Woodlands, and Jalan Papan as at 31 March 2017.

In Malaysia, the Group had a capacity of c.23,700 beds across six workers accommodation assets in Johor as at 31 March 2017. Westlite Bukit Minyak, with c.6,600 beds (under construction), and Westlite Juru, with c.6,100 beds (under planning) are both expected to be completed in 2018.

As at 31 March 2017, the Group owns RMIT Village, a student accommodation asset with 456 beds in Melbourne, Australia. dwell Adelaide, a 280-bed student accommodation is under development and expected to be completed in the fourth quarter of 2018. In addition, the Group owns a portfolio of eight student accommodation assets with a total of 2,420 beds in the United Kingdom and a 332-bed student accommodation asset in Singapore within the Selegie educational hub. Except for RMIT Village, all the other student accommodation assets are managed under the **dwell** brand.

The Group expects to increase its overall portfolio of workers and student accommodation assets from c.61,608 beds as at 31 March 2017 to c.76,524 beds by the end of 2018.

For more information, please visit <http://www.centurioncorp.com.sg>.

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