

## LEASING AND DEVELOPMENT UPDATE, FY26 DIVIDEND GUIDANCE UPDATE

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Property for Industry Limited (the Company, PFI) today advises the early surrender of the lease at the Company's Harris Road property in East Tamaki and provides an update on plans for the site. PFI is also announcing an update to FY26 dividend guidance, with dividends now expected to total at least 8.90 cents per share (cps).

### GrainCorp Early Surrender

PFI today advises the early surrender of GrainCorp Foods NZ Limited's (GrainCorp) lease at 92-98 Harris Road, East Tamaki (the Property). GrainCorp's lease at 92-98 Harris Road was due to expire on 3 November 2028, with one further 5-year right of renewal available to the tenant. The effective date of the lease termination is now 11 August 2025, soon after which PFI will undertake demolition of all existing buildings and ancillary infrastructure on the site.

Under the terms of the surrender, a surrender fee payable to PFI has been agreed totalling approximately \$5 million plus GST, calculated using a discount rate applied to the remaining contract rent, plus an allowance for operating expenses and the removal and demolition of GrainCorp's plant and equipment. The arrangement is expected to result in an after-tax benefit to FY26 Adjusted Funds From Operations (AFFO)<sup>1</sup> of approximately \$3.5 million, or ~0.70 cps.

### 92-98 Harris Road Development Opportunity

The Company has long considered the Property to be a future development site post GrainCorp's tenancy. The site currently comprises a gross building area of approximately 7,200 sqm, equating to a low site coverage of ~27% across the 2.63 ha landholding (see Appendix 1).

PFI is therefore actively progressing planning for the future redevelopment of the Property. Preliminary designs allow for a large-format industrial facility of approximately 14,500 square metres, with associated office, canopy, yard, and parking areas (see Appendix 2). The project remains subject to feasibility, tenant engagement and consents, and could involve an investment of approximately \$45 million (excluding land). Consistent with PFI's sustainability commitments, any future development would target a 5 Green Star rating. Further updates will be provided as plans are refined.

### FY26 Dividend Guidance Update

On 9 May 2025, PFI guided to FY26 cash dividends of between 8.80 and 8.90 cents per share (cps), representing an increase of between 2.3% to 3.5% on FY25 dividends.

GrainCorp's early lease surrender, along with the inclusion of the New Zealand Government's Investment Boost tax changes<sup>2</sup>, has resulted in a significant uplift in forecast FY26 AFFO earnings since the Company issued FY26 dividend guidance on 9 May 2025, with both items being treated as AFFO earnings.

The PFI Board now expects to pay FY26 cash dividends of at least 8.90 cps, being the top end of the initial guidance range, resulting in an increase of at least 3.5% on FY25 dividend guidance of 8.60 cps.

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<sup>1</sup> Adjusted Funds From Operations (AFFO) is a non-GAAP financial information and is a common property investor metric, which has been calculated in accordance with the guidelines issued by the Property Council of Australia.

<sup>2</sup> Investment Boost legislation allows businesses to deduct upfront 20% of the cost of new assets or improvements to existing assets for tax.

PFI expects FY26 cash dividends of at least 8.90 cps to result in a dividend pay-out ratio below the lower bound of PFI's [dividend policy](#) range, and around 85% of AFFO on a one-year basis.

Any decision to pay FY26 cash dividends above 8.90 cps will likely include consideration of several key factors that remain subject to ongoing assessment. These include the successful leasing of the speculative component of Stage 2 of the redevelopment at 78 Springs Road, confirmation of development plans and timings for 92-98 Harris Road, and satisfactory progress in addressing material FY27 lease expiries during FY26. The PFI Board will continue to monitor these conditions as part of its ongoing assessment of FY26 dividend settings.

### Closing

PFI Chief Executive Officer, Simon Woodhams, said: "The early lease surrender at Harris Road marks a significant milestone for PFI, unlocking a prime redevelopment opportunity in East Tamaki. Together with the Investment Boost tax changes, these initiatives have strengthened our FY26 earnings outlook and support the Board's decision to update FY26 dividend guidance to the top end of the initial guidance range."

The guidance in this announcement is predicated on the assumption there are no unforeseeable events throughout the remainder of FY26.

PFI will release its FY25 annual results on 25 August 2025.

**ENDS**

## ABOUT PFI & CONTACT

PFI is an NZX listed property vehicle specialising in industrial property. PFI's nationwide portfolio of 91 properties is leased to around 126 tenants.

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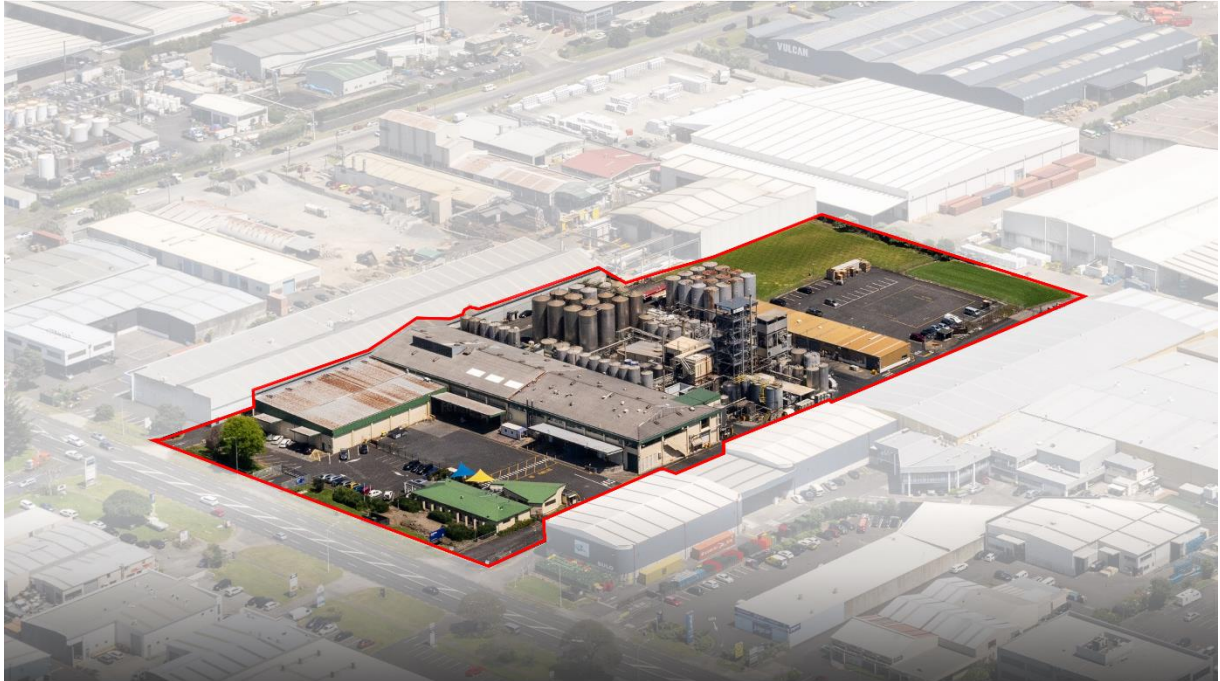
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**Appendix 1: Current site:**



**Appendix 2: Preliminary design:**

