SCA Property Group

Investor update

Merimbula (Tura Beach), NSW

28 February 2013

Delivering on objectives set out in PDS

- ✓ Successful formation of SCA Property Group:
  - New units transferred to Woolworths shareholders via in-specie distribution (248.2m units)
  - $472m new equity raised with introduction of new investors to register (337.3m units)
  - $1.4bn retail portfolio acquired[1]
- ✓ Inclusion in S&P/ASX 200 and S&P/ASX 200 A-REIT indices
- ✓ Governance regime established with Board committee charters and policies in-place
- ✓ Organisation structure finalised, management team in-place and CEO search well advanced
- ✓ Third-party property managers appointed
- ✓ Implementation of reporting systems and processes
- ✓ New SCA Property Group website - www.scaproperty.com.au

1 Includes $333m assets under development

Good progress made to date

- ✓ Further progress made in leasing specialty tenancies:
  - Occupancy of completed assets improved from 95% to 96%[1]
  - Rents for new leasing deals on average in line with PDS assumptions
  - All specialty vacancy as at 11 December 2012 covered by rental guarantee from Woolworths[2]
- ✓ Integrating newly-developed shopping centres into portfolio:
  - Completion and opening of 4 newly-developed centres with 98% occupancy
  - Further 6 new centres due to be completed by Jun-13
- ✓ Implementation of small unitholding sale facility:
  - Brokerage free for small unitholdings
  - On-going registry cost savings from small unitholding sale facility expected in FY14+
- ✓ Debt facilities of $550m established with $360m drawn
- ✓ Interest rate (forward start) swap agreements entered into on $350m of debt fixed at rates 25bps on average lower than PDS assumption

1 For completed assets as at 31 January 2013, including newly developed properties Fairfield Heights, NSW and Newtown, NZ (excluding St James, NZ which is currently awaiting sub-division of land)
2 For two years for vacancies as at 11 December 2012 for completed properties, and 2 years from the date of completion of newly-developed properties

Strong unit trading performance

Performance

- Offer price of $1.40
- Outperformed the S&P/ ASX 200 index and S&P/ ASX 200 A-REIT index since listing
- Awarded Best IPO of 2012 by FinanceAsia

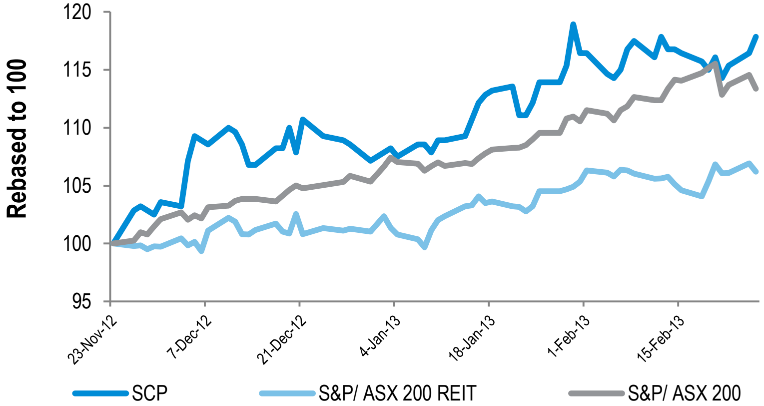
Net asset backing

- Number of issued units – 585.455m
- Unaudited NTA of $1.58 as at 11 December 2012

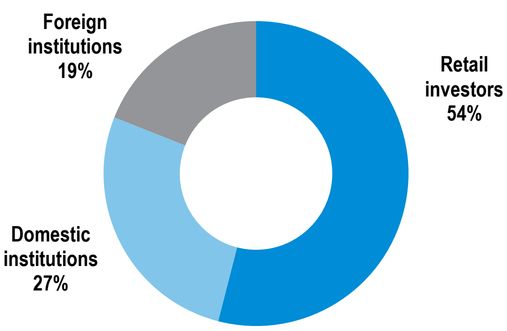
Register

- Well supported by top investors and introduction of new investors post-listing

SCP Relative Performance[1]



Register Composition



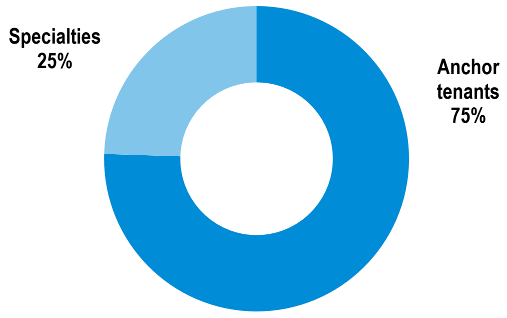
1 Based on $1.40 offer price

Convenience retail sector

Non-discretionary segment remains strong

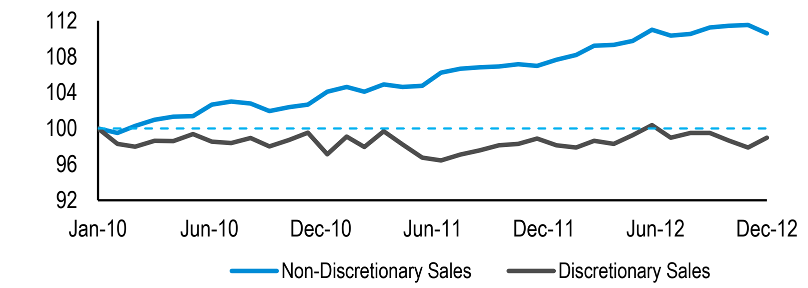
- Non-discretionary sales have outperformed discretionary sales in recent years
- Consistent growth in Australian historical food sales
- Convenience-based assets are weighted to food sales through grocery-based anchors

Tenant mix (based on GLA)

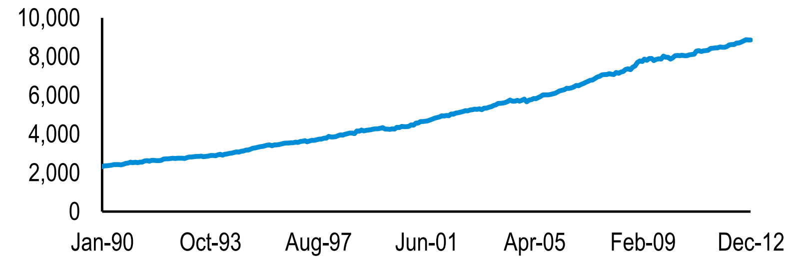


Predominantly non-discretionary tenant mix

Australian non-discretionary sales outperformance[1]



Australian historical food sales (A$m)[2]

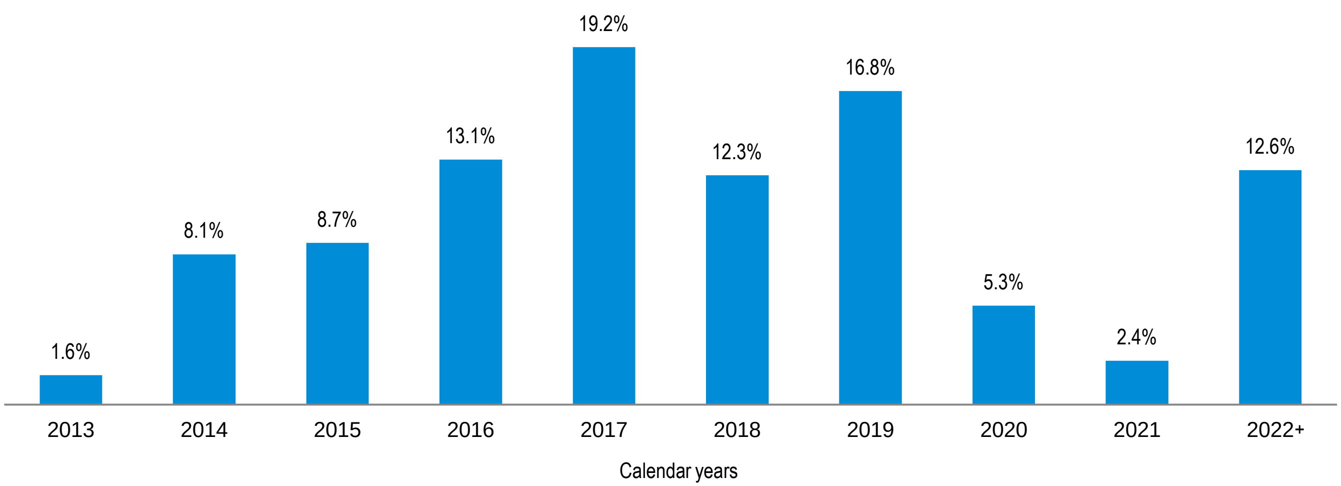


1 Non-discretionary sales include food, cafes and takeaway outlets and other retailing; discretionary sales include apparel, household goods and department store sales. Rebased to 100 as at January 2010. Source: ABS
2 Source: ABS

Specialty leases

- Structured annual growth with >80% of specialty leases subject to fixed annual increases (mostly 4-5%) and ~15% CPI-linked or CPI+
- Relatively small proportion of lease renewals in the short-term

Specialty lease expiry (% of base rent)[1]



1 Includes mini-majors; excludes income attributable to tenancies not leased and subject to rental guarantee, based on gross income forecast in the PDS as at 11-Dec-12

Development update

- 4 new centres opened to date with 98% occupancy

	Centre type	Completion date	Anchor GLA (sqm)	Specialty GLA (sqm)	Total GLA (sqm)	Total GLA commited[1]	Payment to date ($m)	Total purchase price ($m)	Cap rate
Completed centres									
Fairfield Heights, NSW	Freestanding	Dec-12	3,460	342	3,802	100%	16.0	16.0	7.50%
Newtown, NZ	Neighbourhood	Dec-12	4,480	390	4,870	93%	16.5	16.5	7.50%
Brookwater Village, Qld	Neighbourhood	Feb-13	4,300	2,707	7,007	100%	25.2	25.2	8.50%
Stoddard Road, NZ	Freestanding	Feb-13	4,200	-	4,200	100%	15.3	15.3	7.75%
FY13 completions									
Tawa, NZ	Freestanding	Mar-13	4,200	-	4,200	100%	-	11.7	7.75%
Walkerville, SA	Neighbourhood	Apr-13	4,200	1,147	5,347	97%	11.1	19.5	7.75%
Bridge Street, NZ	Freestanding	Apr-13	4,293	-	4,293	100%	-	11.7	7.75%
Highett, Vic	Neighbourhood	May-13	4,336	1,472	5,808	96%	20.5	24.0	7.75%
Cabarita, NSW	Neighbourhood	May-13	2,652	775	3,427	88%	8.5	14.9	9.00%
Margaret River, WA	Neighbourhood	May-13	3,824	1,924	5,748	78%	16.2	20.7	8.25%
FY14 completions									
Lilydale Marketplace, Vic	Sub-regional	Aug-13	12,829	9,269	22,098	82%	62.3	80.5	7.75%
Katoomba Marketplace, NSW	Freestanding	Dec-13	9,387	-	9,387	100%	22.2	38.5	7.50%
Greystanes, NSW	Neighbourhood	Jun-14	3,000	2,698	5,698	100%[2]	21.8	38.2	8.00%
Total							**235.6**	**332.7**	

Total $73m

Total $260m

1 Commercial terms agreed as at 28 February 2013
2 Centre is currently fully-leased, new lease deals to be executed for redevelopment scheme

Examples of newly completed centres

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	Brookwater Village, Qld	Stoddard Road, NZ
		
Centre type	Neighbourhood	Freestanding
Total GLA	7,007 sqm	4,200 sqm
Date opened	Feb-13	Feb-13
Independent valuation	$25.2m	$15.3m
Cap rate	8.50%	7.75%
No of speciality tenants	12	-
Occupancy (% GLA)	100%	100%
	• Located south-west of Brisbane in the Greater Springfield, 25km south-west of Brisbane in key growth corridor close to a number of new residential estates • Woolworths-anchored shopping facility with large medical centre and both on-grade and basement carparks allowing convenient access to centre • Opened in Feb-13 fully committed	• Located in outer suburb of Mt Roskill, 7.5km south of Auckland CBD • Well established residential area • Freestanding Countdown supermarket on intersection of Stoddard Road and Sandringham Road, just off the South-Western Motorway connecting Mt Roskill and surrounding suburbs with Manukau City

Priorities & outlook

- Specialty leasing remains key priority:
  - Ensuring the right tenant is in the right location
  - Resulting in long-term sustainable tenancies
- Integrating newly-developed shopping centres into portfolio:
  - Further 9 properties worth ~$260m to be completed over the next 16 months
  - Continued focus on specialty leasing for development assets
- Active portfolio management:
  - Monitoring the market for potential acquisition opportunities
  - Acquisitions need to align with Group’s investment criteria
  - Asset-by-asset review of existing portfolio to maximise value
  - Working with property managers to optimise performance of centres

SCA Property Group
Level 8, 50 Pitt Street
Sydney NSW 2000
Tel: (02) 8243 4900
Fax: (02) 8243 4999

www.scaproperty.com.au

SCA Property Group