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23 October 2013

The Manager
ASX Market Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

ASX ANNOUNCEMENT
Investor Presentation: SCA Property Group (ASX: SCP)

SCA Property Group (ASX: SCP) releases the following presentation that will be used at the BAML Australian REIT conference tomorrow.

SCA Property Group

Encl.

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About SCA Property Group

SCA Property Group (SCP) is an internally managed real estate investment trust owning a portfolio of quality sub-regional and neighbourhood shopping centres and freestanding retail assets located across Australia and New Zealand. The Group invests in shopping centres predominantly anchored by non-discretionary retailers, with long term leases to tenants such as Woolworths Limited and Wesfarmers Limited. The Group is a stapled entity comprising Shopping Centres Australasia Property Management Trust (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (ARSN 160 612 788).

Unitholders should contact SCA Property Group Information Line on 1300 318 976 (or +61 3 9415 4881 from outside Australia) with any queries.

SCA Property Group

Investor Presentation

Murray Bridge, South Australia

October 2013

Agenda

- Overview of SCA
- Market Considerations
- Investment Considerations
- Outlook
- Appendices

SCA at a Glance

SCA Property Group

High Quality Assets	A high quality young portfolio of supermarket anchored convenient shopping centres
Supportive Macroeconomic Environment	Supported by ongoing resilient performance for non-discretionary retail
Secure Income	With secure rental income generated from high quality tenants and long leases
Growth Potential	Growth potential, both organic and via acquisitions

Overview of SCA

Overview of SCA Property Group

- SCA Property Group ("SCA") is an ASX listed Real Estate Investment Trust ("AREIT") which owns a $1.5 billion portfolio of quality sub-regional / neighbourhood shopping centres and freestanding retail assets throughout Australia and New Zealand

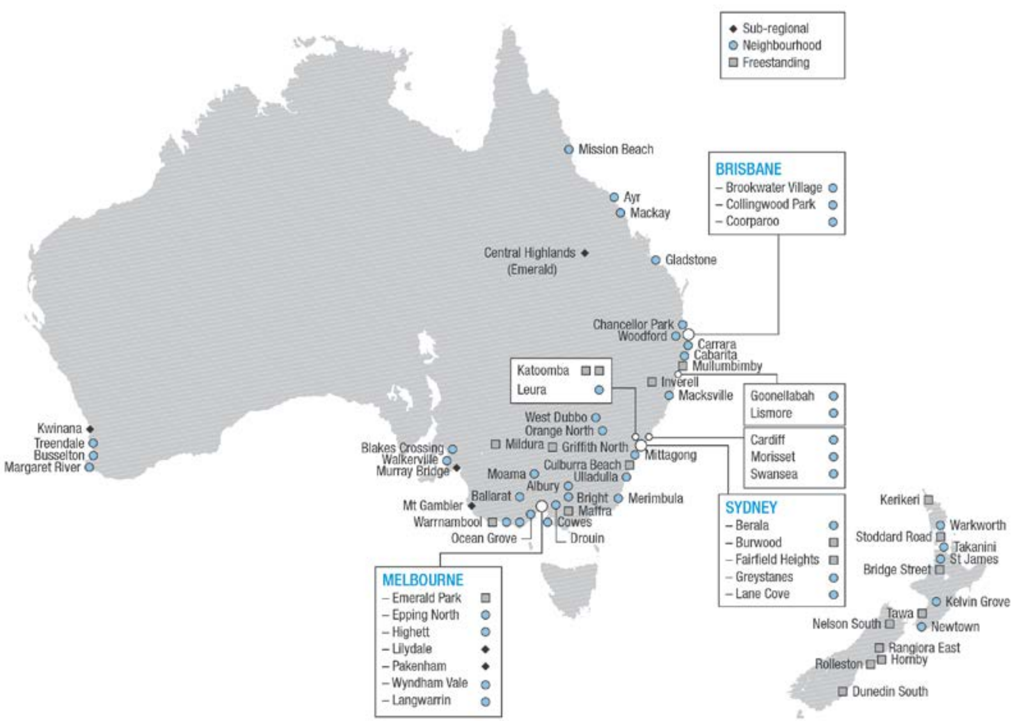
- SCA's focus on convenience based retail centres provides investors with defensive exposure to a non-discretionary retail portfolio
  - Supermarket anchored centres complemented by a high proportion of non-discretionary specialty tenants
  - Long term leases to high credit rated tenants (principally Woolworths) represents over two thirds of SCA's gross rent
  - Modern portfolio of assets with over half of the assets situated in high population growth corridors

- SCA's internally managed structure provides alignment of interest with investors and the opportunity to take advantage of cost synergies as SCA grows

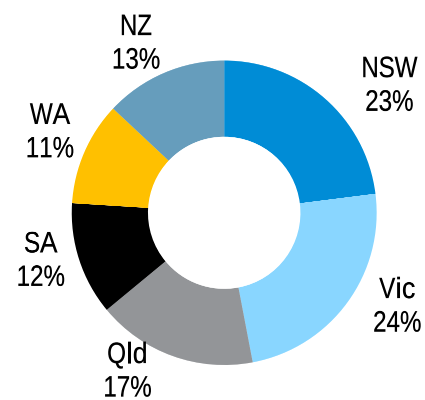
- Conservative and disciplined approach to capital management

Portfolio Overview
Geographically diversified portfolio

Assets As at 30 June 2013	Number of centres	Number of specialties	GLA (sqm)	Occupancy (% GLA)	Value (A$m)	Weighted average cap rate (%)
Freestanding	20	6	72,444	99.8%	224.0	7.88
Neighbourhood	47	469	235,624	96.1%	820.7	8.14
Sub-regional	5	235	109,825	95.8%	340.0	7.95
Total Completed Assets	72	710	417,894	96.6%	1,384.7	8.05
Development	3	37	19,429		86.9	7.76
All Assets	75	747	437,323		1,471.6	8.03



GEOGRAPHIC DIVERSIFICATION (BY VALUE)



Group Highlights

Investor Returns	Capital Management	Active Portfolio Management
16.1% Total unitholder return since listing[1]	**28.9%** Gearing[2]	**96.6%** Portfolio occupancy[2] and 13,240 sqm leased[3]
3.1% Outperformance compared to the ASX200 A-REIT Acc. Index[1]	**$1.57** NTA per unit[2]	**$135.8m** Of new acquisitions[3]
1.1% Increase in distributable earnings from the PDS guidance	**86%** Payout ratio[3]	**8.1%** Weighted average cap rate[2]

1 From listing to Oct-2013.
2 As at 30-Jun-2013.
3 For the 7 month period to 30-Jun-2013.
Source: company data, IRESS

Market Considerations

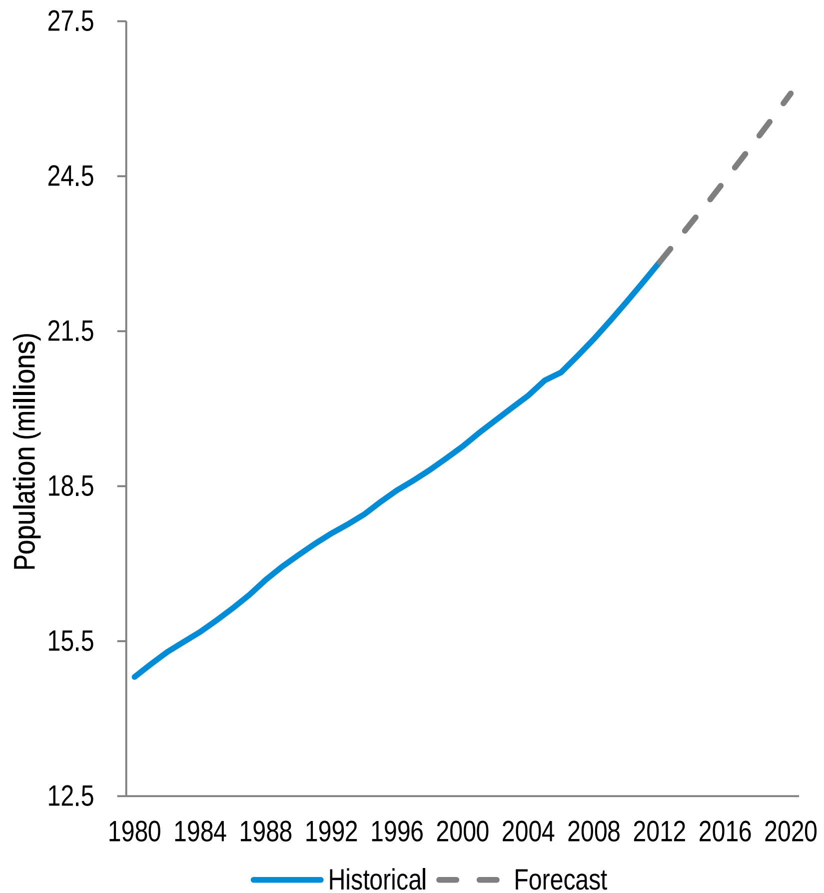
SCA Property Group

Australian Population Growth is Driving Sales Growth and Centre Supply

KEY THEMES

- Australia's population is forecast to continue to grow at 300,000 to 400,000 per annum over the medium term
- Population growth expected to drive both:
  - Retail sales growth in existing centres – over 50% of SCA assets situated in high population growth corridors; and
  - Drive supply of new stores going forward
- This level of population growth would support approximately 40-50 new full-line supermarkets per annum
  - The majority of these supermarkets will anchor convenient neighbourhood centres developed by Retailers and Private Developers in the designated Growth Corridors of the Eastern Seaboard and Perth

AUSTRALIAN POPULATION GROWTH



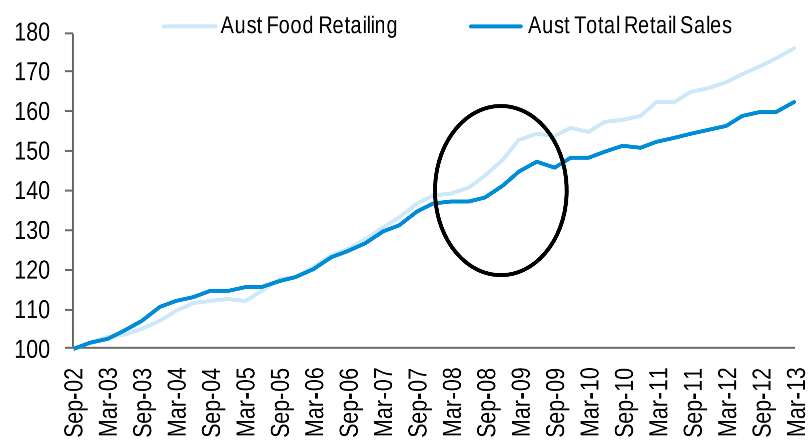
Source: ABS historical and forecasted population

Retail Sales
Non-discretionary the outperformer

KEY THEMES

- Non-discretionary sales in Australia have outperformed total retail and discretionary sales
- At the onset of the GFC, Food Retail sales levels diverged from Total Retail Sales, which were negatively impacted by the softening in discretionary categories
- In recent history, supermarkets, food retailers and other non-discretionary specialties have outperformed. Note the superior comparable sales growth achieved by supermarkets in the less discretionary focussed portfolios of CQR & SGP
- Greater than 70% of SCA's rent is generated from the top 5 retail growth categories

FOOD RETAILING VS. TOTAL RETAIL SALES

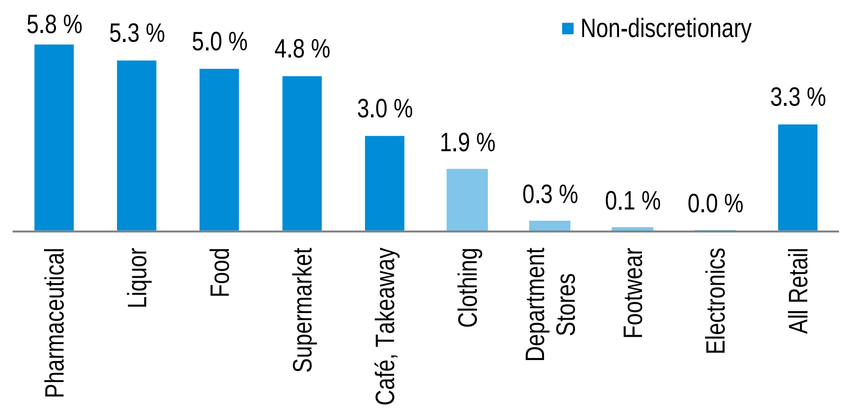


AUSTRALIAN COMP RETAIL SALES GROWTH WITHIN MALLS

		Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11	Jun-12	Jun-13
WRT	Supermarkets	4.8%	2.9%	1.2%	0.8%	2.1%	2.0%	0.4%	6.8%
	Total Retail Sales	2.9%	2.1%	1.0%	0.2%	0.2%	-0.2%	0.2%	1.5%
CFX	Supermarkets	1.0%	1.8%	3.2%	4.3%	4.5%	2.1%	0.8%	5.4%
	Total Retail Sales	2.0%	1.0%	0.3%	0.2%	1.5%	1.1%	0.6%	2.3%
GPT	Supermarkets		4.7%	3.7%	2.4%	3.3%	1.2%	-0.2%	3.8%
	Total Retail Sales	3.1%	2.9%	1.4%	0.7%	1.2%	0.3%	0.4%	1.0%
SGP	Supermarkets	1.4%	2.5%	2.3%	3.8%	5.5%	4.5%	3.2%	5.3%
	Total Retail Sales	2.4%	1.6%	1.5%	1.8%	2.8%	3.5%	2.9%	1.3%
CQR	Supermarkets	5.5%	5.3%	3.0%	5.1%	4.7%	4.6%	4.3%	3.7%

Source: Company filings, ABS Retail Trade (8501.0)
Note: CFX Total Comp Sales exclude DFO sales

THREE YEAR RETAIL GROWTH CATEGORIES

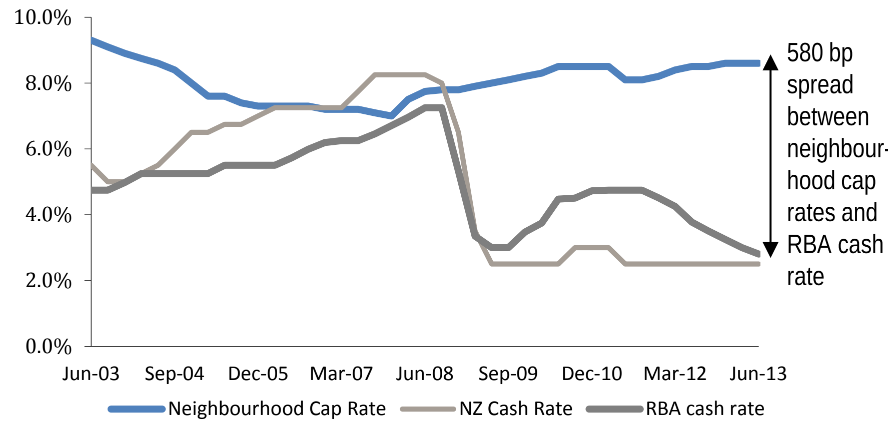


Strong Case for Yield Compression

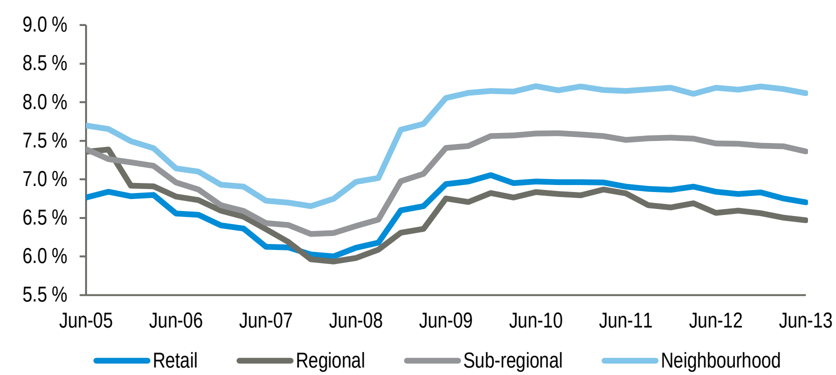
KEY THEMES

- Post-GFC cap rate compression has been relatively subdued
- Australian real estate trailing recovery seen in other global markets
- Interest rates in both AUS and NZ have fallen significantly since 2008
- The current low cost of debt and stable property valuations have driven the spread between bonds and retail cap rates to historic highs
- Lagging price recovery not reflective of robust Australian economy and market fundaments
- Low interest rate environment has increased demand for yield stocks such as listed REITs, and also may be driving cap rate compression in the direct market

RETAIL CAP RATE SPREAD TO CASH RATE



RETAIL SECTOR CAP RATE MOVEMENT



Source: Bloomberg, IPD

Investment Considerations

SCA Property Group

A High Quality and Low Risk Core Business…

Property Group

Highly secure underlying rental income

1. Long term leases supported by high quality tenants
   - 18.2 year anchor WALE and 15.0 year portfolio WALE including specialty tenants
   - Around two thirds of gross rent is generated by A- rated tenants (or better)
   - Woolworths rental guarantee over vacant tenancies in the Completed Portfolio to December 2014 and for 2 years from completion for assets in the Development Portfolio

   Non-discretionary retail focus
   - Over 80% of SCA's rental income is generated from non-discretionary anchor and specialty tenants
   - Non-discretionary retail sales in Australia remain resilient, have consistently outperformed discretionary sales and have been less volatile

2. Solid progress on specialty leasing
   - Detailed asset-by-asset leasing strategy being implemented
   - On track to achieve stabilised occupancy levels prior to the end of the Woolworths rental guarantee period

High quality modern and geographically diverse portfolio

3. SCA's portfolio is comprised of modern retail assets with an average age of 3.1 years

   Minimal capex and strong retail sales expected given asset age and their proximity to high population growth corridors

   Strong geographic diversification throughout Australia and New Zealand

…Well Positioned for Growth

SCA Property Group

Positioned for rental growth

4 Strong anchor sales growth has been experienced and turnover rent thresholds are starting to be achieved

- All supermarket leases contain a provision for turnover rent
- Around half of anchor leases have a minimum 5% increase in base rent after 5 years

5 High proportion of specialty leases contain contracted rental growth / market reviews

- Weighted average specialty rental growth of c.4% p.a.
- 86% fixed rental growth, with balance largely CPI / CPI linked

Specialty rental reversion expected, driven by anchor sales / foot traffic growth

- Specialty rental reversion to market rates expected as portfolio matures and existing specialty leases begin to expire over the next 2 years
- Average SCA specialty rental of $547 per sqm vs. Charter Hall Retail REIT average of $737 per sqm

Casual rental opportunities provide additional growth potential from existing asset base

- Casual leasing over common areas provides ancillary income opportunity and earnings upside (c.$1 million in FY15)

Potential for valuation uplift

Historically low interest rates are generally expected to exert downward pressure on cap rates

Sector consolidation / acquisition opportunities

6 Fragmented ownership in convenience-based retail market provides sector consolidation opportunity

Strong pipeline of new centre openings linked to population growth

Capital Management

7 Low cost of debt at 5.5% - management seeking to reduce

Potential to review payout ratio as support from Woolworth's rental guarantee is reduced

① Long Term Leases to Woolworths and Wesfarmers

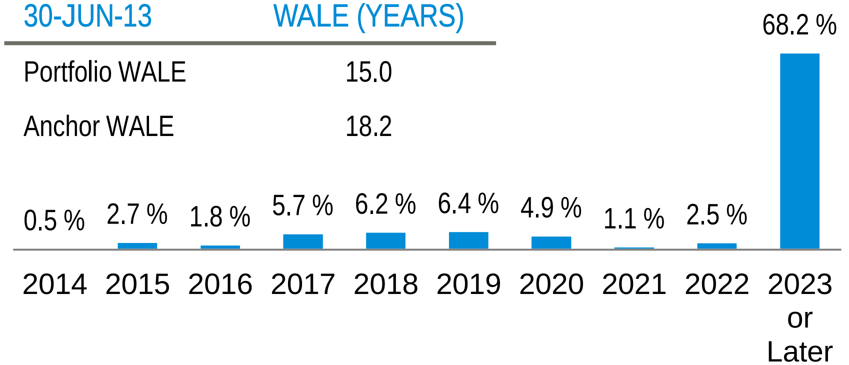
SCA Property Group

KEY THEMES

- 62% of gross rent generated by Woolworths, Wesfarmers and their subsidiaries (on a fully leased basis)
- 15 year portfolio WALE combined with investment grade tenants provides a high degree of income certainty
- Woolworths have provided a rental guarantee comprising
  - Rent for vacant tenancies on the Completed Portfolio until they are first let until December 2014
  - Total rent for all specialty tenancies for properties in the Development Portfolio for a period of two years from completion of development

PORTFOLIO LEASE EXPIRY PROFILE

30-JUN-13	WALE (YEARS)
Portfolio WALE	15.0
Anchor WALE	18.2



Source: Company data

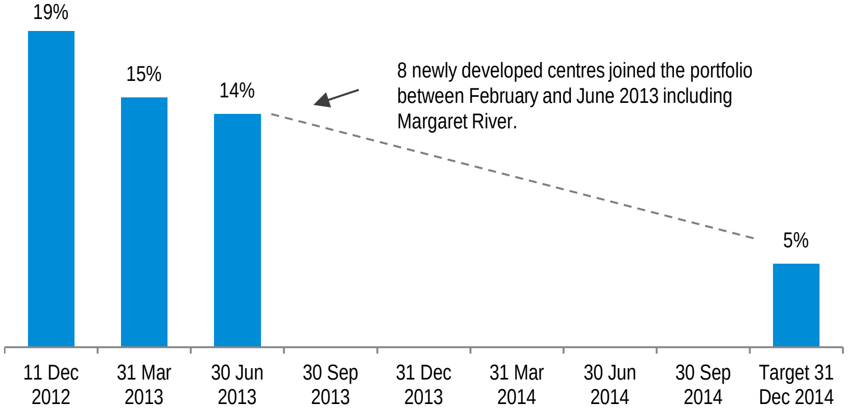
2a Solid Progress is Being Made on Specialty Leasing

On track to achieve stabilised occupancy levels prior to the end of the rental guarantee period

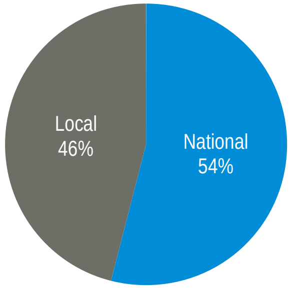
KEY THEMES

- SCA's strategy is to reduce specialty vacancies from 14% to 3-5%
  - Market sentiment has been positive since 1 July
  - Increased focus on National Retailers with exposure to Non-discretionary spend (i.e. Fresh Food, Take Away, Services etc.)
  - Move from 26 external Leasing Agents to 4 Leasing Executives nationally
  - Large number of vacant shops have intentions to lease ("ITL") being negotiated
  - Proactive marketing campaigns in conjunction with the Major Franchise Groups (Retail Food Group, Bakers Delight, Foodco etc.) to assist in leasing vacancy
- Woolworths rental guarantee provides greater flexibility in securing the right tenant / tenant composition in each asset

SPECIALTY VACANCY TASK (% OF SPECIALTY GLA)

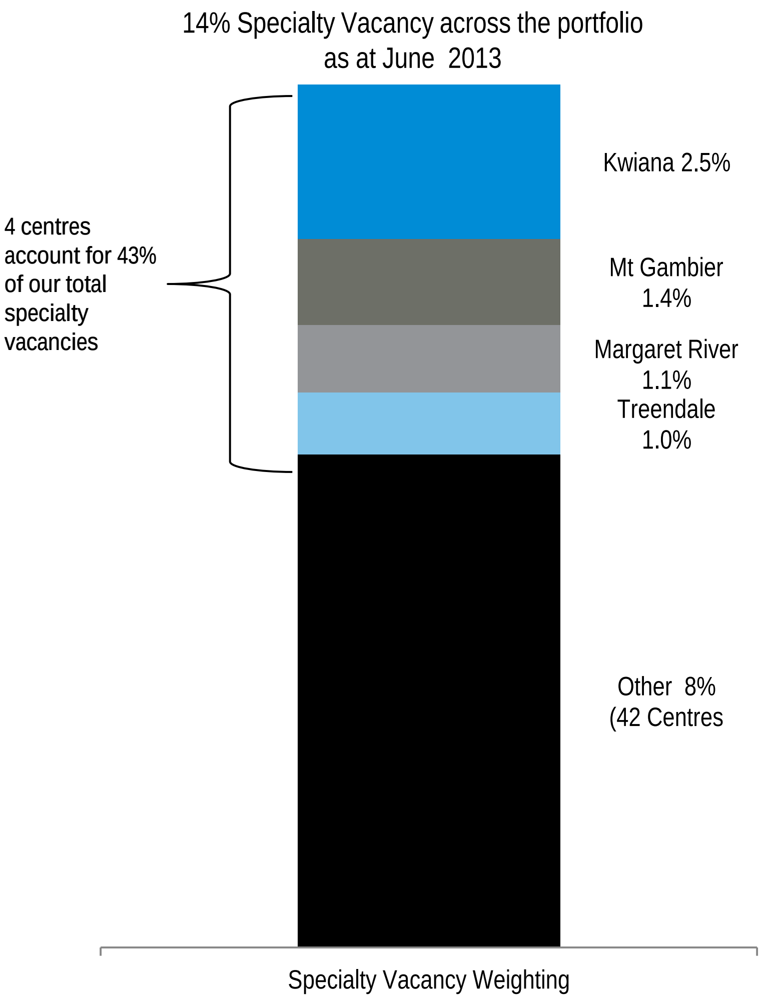


SPECIALTY LEASING DEAL COMPOSITION



Source: SCA management estimates

2b Specialty Leasing Strategy



STRATEGY BY CENTRE

Kwinana (29 shops remain vacant)
- Leasing/Retail Communications strategy has been implemented
- Dedicated Leasing Executives have commenced
- 16 ITL's are being negotiated
- Several portfolio deals are being leveraged

Mt Gambier (11 shops remain vacant)
- Leasing/Retail Communications strategy has been implemented
- Dedicated Leasing Executives have commenced
- 5 ITL's are being negotiated
- Several portfolio deals are being leveraged

Margaret River (11 shops remain vacant)
- Leasing/Retail Communications strategy has been implemented
- Dedicated Leasing Executives have commenced
- 5 ITL's are being negotiated
- 2 Deals concluded – awaiting franchisee execution

Treendale (7 shops remain vacant)
- Leasing/Retail Communications strategy has been implemented
- Dedicated Leasing Executives have commenced
- 5 ITL's are being negotiated
- Large Format Fruit & Veg Operator commenced negotiations (283.3sqm)

- Very strong anchor sales growth in all centres, excluding Margaret River, which is under 12 months old

3 Portfolio Quality and Geographic Diversification

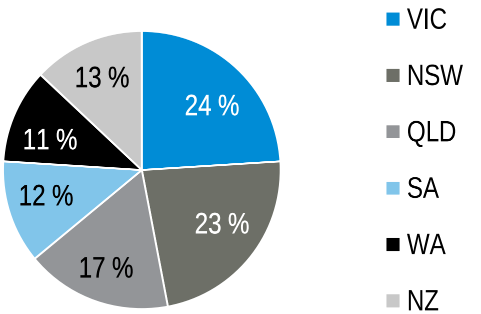
SCA Property Group

SCA has a geographically diverse portfolio of new properties

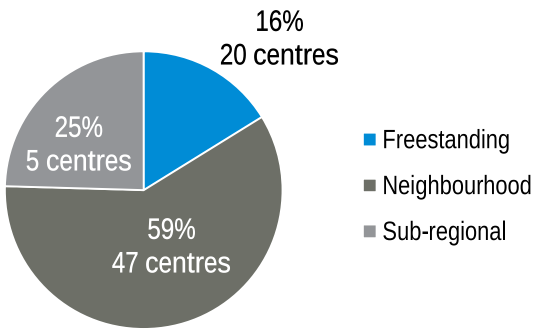
KEY THEMES

- Pure play retail AREIT with solid geographic diversification throughout Australasia
- Modern retail assets with average age of portfolio of 3.1 years[1]
- Minimal capex and strong retail sales growth expected given young age of the portfolio

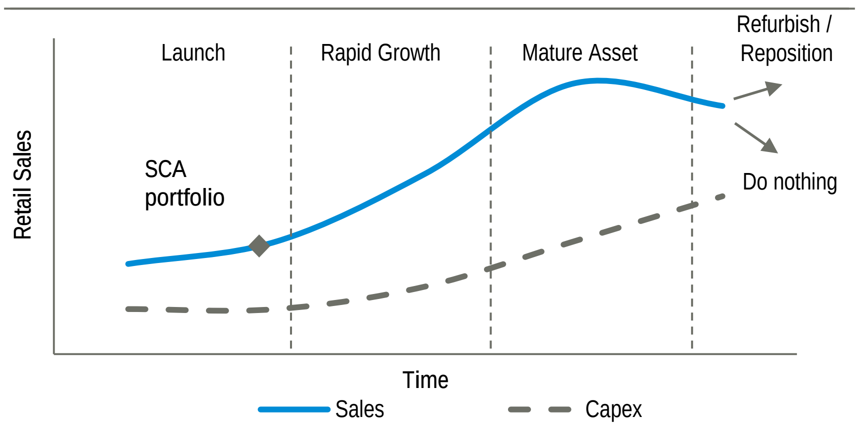
GEOGRAPHICALLY DIVERSE PORTFOLIO (BY VALUE)



CENTRE TYPE (BY VALUE)



SHOPPING CENTRE LIFECYCLE



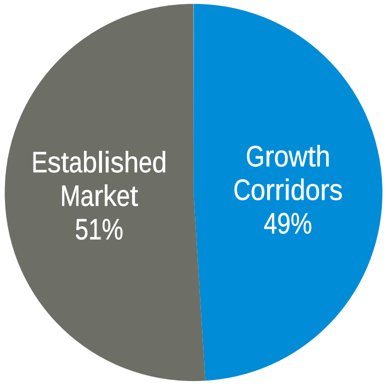
1 By property value.
Source: Company data.

4a Strong Anchor Sales Growth in the Existing SCA Portfolio

KEY THEMES

- High proportion of SCA centres are located in new growth corridors with
  - Population growth expected to drive higher retail sales leading to turnover rent sales thresholds being achieved and higher specialty rental rates
- Anchor tenants have achieved strong MAT growth of 8.1% for centres open for greater than 24 months
  - Woolworths and Coles comparable 12 month sales growth between 2 – 4%

HIGH PROPORTION OF CENTRES IN GROWTH CORRIDORS

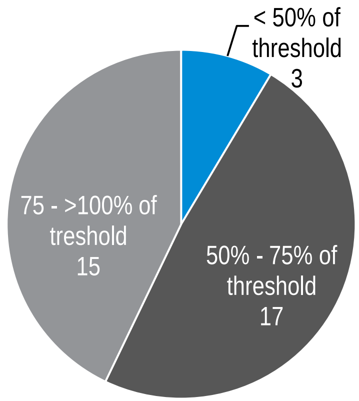


4b Turnover Rent Sales Thresholds Being Achieved

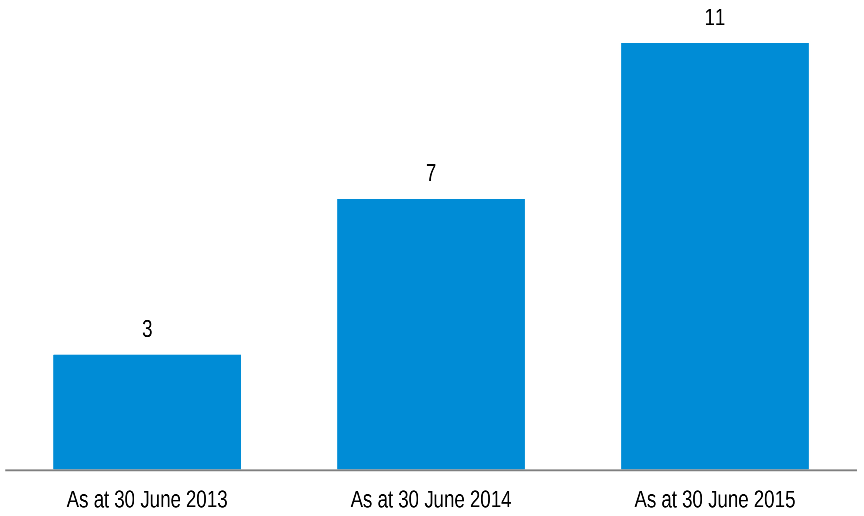
KEY THEMES

- Trading performance of SCA anchor tenants has been very strong
- Introduction of centre based local area marketing plans including strong community engagement / communication plans will further assist this rate of growth
- Strong anchor growth will assist with specialty leasing
- Anchor stores achieving turnover rental thresholds earlier than previously expected
- All supermarket leases contain provision for turnover rent
- Around half of anchor leases have a minimum 5% increase in base rent after 5 years

ANCHOR SALES VS TURNOVER THRESHOLD AT 30 JUNE 2013 (12 MONTH MAT)[1]



FORECAST CUMMULATIVE SCA ANCHOR TENANTS ACHIEVING TURNOVER RENT[2]



1 These 35 anchors are those which have been trading for greater than 24 months..
2 Total number of anchor tenants in the portfolio is 80.
Source: SCA management estimates

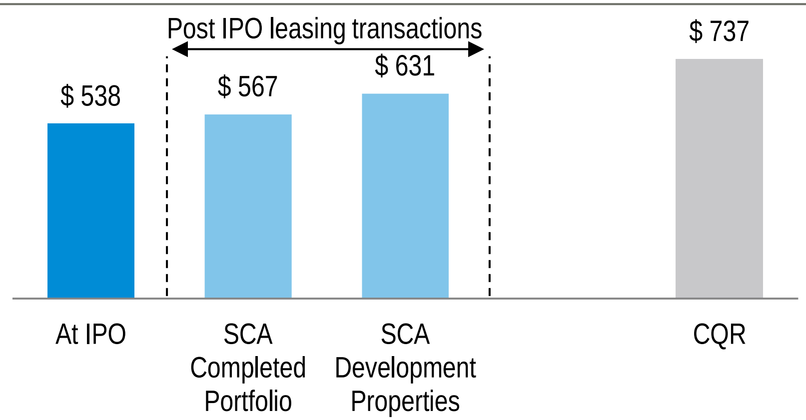
5 Growth Potential from Specialty Sales

SCA Property Group

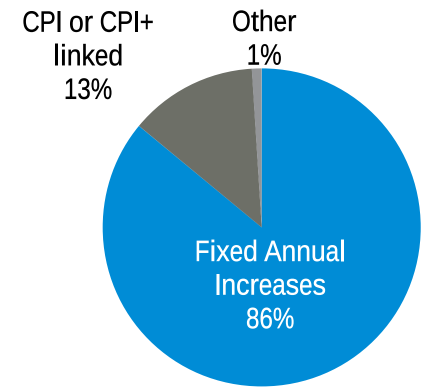
KEY THEMES

- SCA currently has low specialty rental rates relative to its listed peers providing growth potential via reversion to higher rental rates as the portfolio matures, sales rates increase and existing specialty leases expire
  - Average SCA specialty rental of $547/sqm versus Charter Hall Retail ("CQR") specialty rental of $737/sqm demonstrates the quantum of reversion upside
- Average ~4% structural rental increases per annum in specialty leases
- Casual leasing over common areas to provide ancillary income allowing SCA to maximize rent / growth from existing centres
  - Arrangements entered into with Jones Lang LaSalle to facilitate casual leasing opportunities

AVERAGE SPECIALTY GROSS RENT PER SQM



RENT REVIEW STRUCTURE



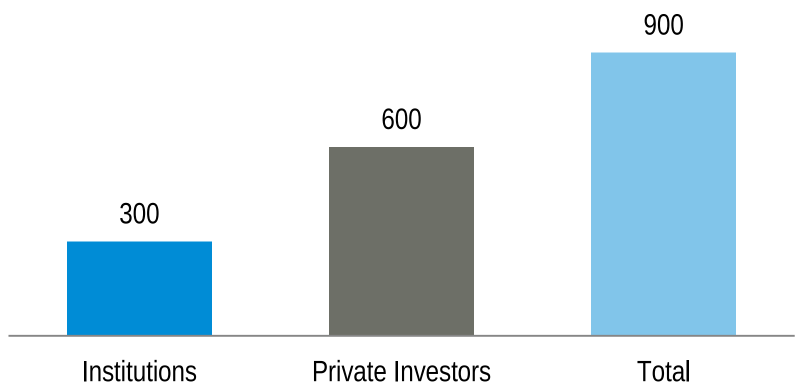
Source: Company estimates, CQR FY13 results presentation

6a Fragmented Ownership Presents Sector Consolidation Opportunities

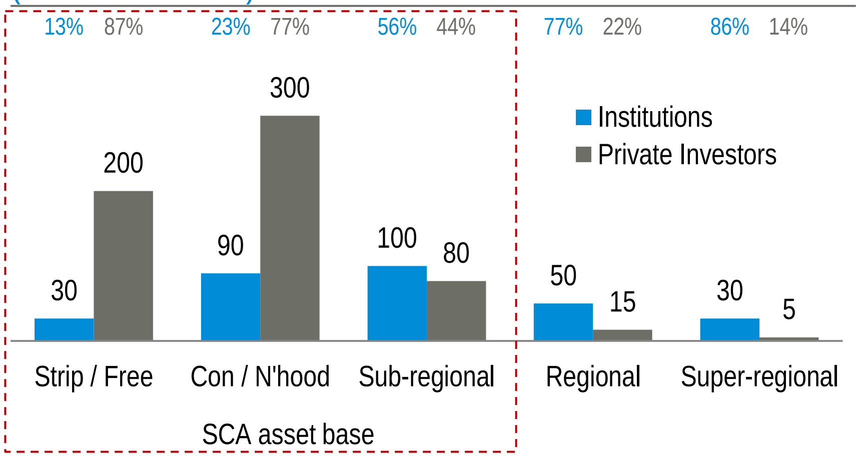
KEY THEMES

- There is a large and growing number of neighbourhood / convenience centres but ownership is fragmented
- Analysis of Woolworths store ownership composition highlights the substantial consolidation opportunity in the neighbourhood space
- Private investors own the majority of Woolworths stores, and private ownership is skewed considerably towards freestanding and neighbourhood / convenience centres
- Analysis for Coles store ownership presents a similar consolidation thematic (700 Coles stores)

WOOLWORTHS STORE OWNERSHIP BY INVESTOR (APPROXIMATELY)



WOOLWORTHS STORES OWNERSHIP BY TYPE (APPROXIMATELY)



Source: SCA management estimates

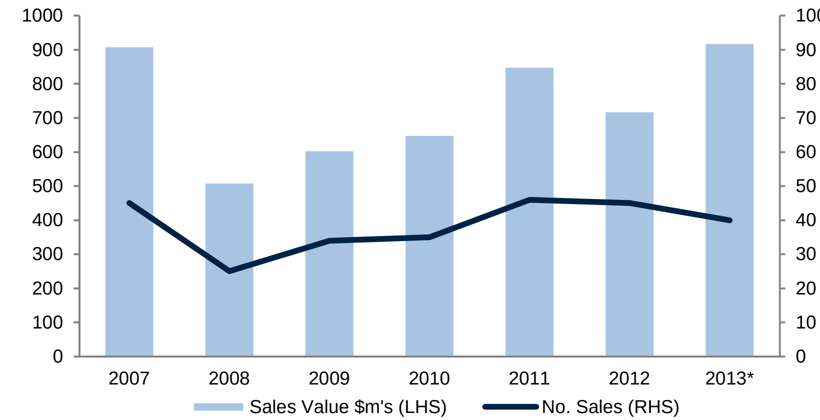
(6b) Asset Liquidity and Potential Pipeline

SCA Property Group

KEY THEMES

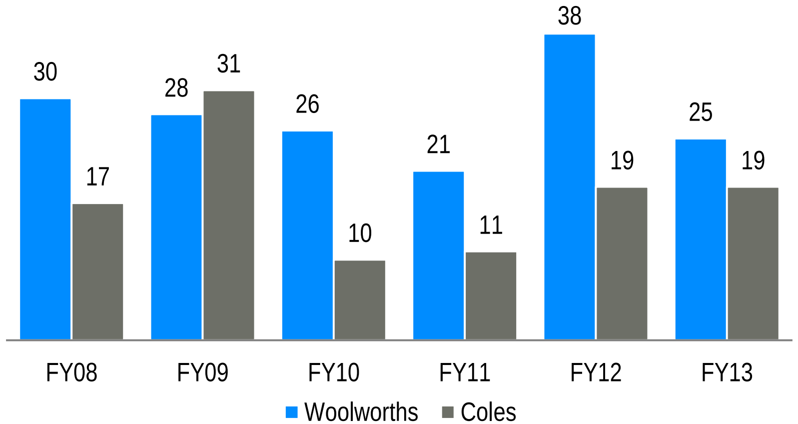
- Even through the GFC there has been significant liquidity in the neighbourhood shopping centre segment
- On average, 39 centres have sold per annum at an annual price of $19.3m for total annual transaction volume of $743m
- Woolworths and Coles have consistently added new supermarkets to their networks
- Most potential acquisitions will be accretive and consistent with SCA's stringent investment criteria

NEIGHBOURHOOD SHOPPING CENTRE SALES NATIONALLY



Avg centre sales price	$20.0m	$20.8m	$17.8m	$18.6m	$18.2m	$16.3m	$23.7m

WOOLWORTHS & COLES STORE ROLLOUTS



Source: Savills Research

6c Case Study of SCA's Recent Acquisition

SCA Property Group

TRANSACTION RATIONALE

- Acquisition consistent with SCA's investment criteria
  - Introduced a number of more mature assets to portfolio
  - Accretive to SCA's portfolio income growth profile and forecast distributable earnings and distributions
  - Increased portfolio occupancy
  - Diversified portfolio tenant composition, including the introduction of Wesfarmers as a tenant
  - Increased exposure to Victoria and Queensland
  - Reduced SCA MER, demonstrating the benefits of SCA's internally managed platform
- Acquisition funded via $90 million placement and $57 million draw down of existing debt facilities

PORTFOLIO METRICS

Portfolio Metrics	SCP Pre[1]	Acquisition	SCP Post
Properties	69	7	76
Value ($Am)	1,406	136	1,542
Portfolio Cap Rate	8.1%	7.8%	8.0%
WALE (Years)	15.9	10.3	15.4
Average property age (years)	2.0	11.2	2.8
GLA (square metres)	416,943	44,169	461,112
Major leases as % of GLA	75.4%	71.8%	75.0%
Current Occupancy (by GLA)	96.5%	97.9%	96.6%

KEY FINANCIAL IMPACTS

Impact	Change	
FY14 EPU / DPU	⇧	c.1.0% accretion due to the acquisition
Total Assets	⇧	~10% increase in portfolio value to $1.54bn[2]
NTA	⬄	Minimal impact on NTA (ex stamp duty and fees)
Gearing	⬄	Minimal impact on gearing (increase of 70bps)[3]
MER	⇩	~7bp reduction in MER

1 As outlined in the PDS dated 5 October 2012, other than current occupancy with is as at 7 June 2013.
2 Based on independent valuations of SCA's portfolio on a completed basis as outlined in the PDS dated 5 October 2012.
3 Based on the pro forma balance sheet at allotment on a fully invested basis as outlined in the PDS dated 5 October 2012, excluding the impact of any equity raised through the UPP.

7 Capital Management Opportunities

SCA Property Group

Cost of Debt	• SCA currently has a relatively low cost of debt of ~5.5% • Management are exploring initiatives to further improve the cost of debt and increase tenor
Payout Ratio	• Distribution policy to pay out 85 – 95% of distributable earnings • Payout ratio of 86% for the 7 months to 30 June 2013, forecast payout ratio for FY14 of 88% • As progress is made with regard to specialty leasing and the rental guarantee falls away, the potential exists to review SCA's payout ratio

Outlook

Strategy

Defensive, resilient cashflows to support secure distributions

Focus on convenience-based retail centres

Weighted to non-discretionary retail segment

Long leases to quality anchor tenants

Appropriate capital structure

Growth opportunities

Themes / Outlook

Specialty Leasing Remains Key Priority	• Ensuring the right tenant is in the right location • Resulting in long-term sustainable tenancies
Integration of Newly Completed and Development Properties	• Continued focus on specialty leasing for completed development assets • Integration of a further 2 new centres currently under construction into portfolio – Fixed price construction and Site Access Fee received on invested capital equal to independent cap rate
Active Portfolio Management	• Increase net operating income through: – Internalising the leasing function – Developing and executing individual leasing strategies for each centre • Monitoring the market for potential acquisition opportunities that align with the Group's investment criteria – Fragmented ownership in convenience-based retail market – Convenience-based centres linked to population growth – Internally managed – leverage existing cost structure and further reduce MER as the asset base grows
FY14 Guidance	• FY14 Distributable Earnings guidance remains unchanged at 12.2 cents per unit • FY14 Distribution guidance remains unchanged at 10.8 cents per unit

Appendices

Property Group

SCA Property – Management Team

Anthony Mellowes, Chief Executive Officer

- Mr Mellowes is an experienced property executive. Prior to joining SCA Property Group, Mr Mellowes was employed by Woolworths since 2002 and held a number of senior property related roles including Head of Asset Management and Group Property Operations Manager. Prior to Woolworths, Mr Mellowes worked for Lend Lease Group and Westfield Limited
- Mr Mellowes was appointed Chief Executive Officer on 16 May 2013 after previously acting as interim CEO since the group's listing on 26 November 2012. Mr Mellowes was a key member of the Woolworths Limited team which created SCA Property Group

Mark Fleming, Chief Financial Officer

- Mr Fleming was Chief Financial Officer of Treasury Wine Estates from 2011 to 2013 and previously served as General Manager Supermarket Finance, and General Manager, Business Planning and Corporate Finance at Woolworths. Prior to Woolworths, Mr Fleming worked in investment banking in UBS, Goldman Sachs and Bankers Trust
- Mr Fleming was appointed Chief Financial Officer on 20 August 2013

Mark Lamb, General Counsel and Company Secretary

- Mr Lamb is an experienced transactional lawyer with over 20 years' experience in the private sector as a partner of Corrs Chambers Westgarth and subsequently Herbert Geer and in the listed sector as General Counsel of ING Real Estate
- Mr Lamb has extensive experience in retail shopping centre developments, acquisitions, sales and major leasing transactions having acted for various REITs and public companies during his career

Campbell Aitken

- Mr Aitken has over 10 years experience working in the Property Funds Management industry in a number of senior positions within the Australian Retail REIT sector, with Charter Hall Group , Macquarie Bank and Westfield. Mr Aitken is an active member of the Property Council of Australia, currently Chairman of the Retail Property Committee and is a committee member of the Property Investment and Finance Committee.
- Mr Aitken has vast experience in managing acquisitions, leasing, property management, and developments. Mr Aitken is a key leader in the direction and development of Corporate strategy.

FY13 Financial Performance
Distributable earnings

COMMENTARY

- Distributable earnings of $38.6m, $0.4m higher than PDS forecast
- Rental income down $3.9m compared to PDS predominantly due to delay in property settlements and lower than forecast rent from specialty tenants
- Offset by:
  - Higher rental reimbursements[(1)] - $2.7m
  - Higher Site Access Fee payments - $0.4m
- Higher property operating expenses due to directly recoverable specialty costs of $0.8m and provision for doubtful debts of $0.3m (not in PDS forecast)
- Net interest savings from lower cost of debt of $0.8m and from property settlement delays of $0.7m compared to PDS forecast

A$m	11 Dec 12 to 30 Jun 13	PDS	Change
Rental income	59.3	63.2	▼ 3.9
Directly recoverable specialty costs	1.0[(2)]	-	▲ 1.0
Gross property income	60.3	63.2	▼ 2.9
Rental reimbursements[(1)]	8.2	5.5	▲ 2.7
Site Access Fee receipts	6.8	6.4	▲ 0.4
Rental income / receipts	75.3	75.1	▲ 0.2
Property operating expenses	(17.5)[(2)]	(16.4)[(3)]	▼ 1.1
Net property income/ receipts	57.8	58.7	▼ 0.9
Corporate costs	(5.9)	(5.7)[(3)]	▼ 0.2
Operating EBITDA	51.9	53.0	▼ 1.1
Net interest expense	(11.3)	(12.8)	▲ 1.5
Tax expense	(1.3)	(1.3)	-
Net operating profit	39.3	38.9	▲ 0.4
Structural vacancy allowance	(0.7)	(0.7)	-
Distributable earnings[(4)]	38.6	38.2	▲ 0.4
Distributable earnings per unit (cents)	6.6c	6.5c	▲ 0.1c

1 Cash receipts from rental guarantee ($1.6m higher than PDS) and reimbursement of rent-free on existing tenants ($1.1m, not forecast in PDS)
2 Directly recoverable specialty costs incurred and recovered from specialty tenants; not forecast in PDS
3 Directly attributable property management costs of $0.9m have been re-allocated to property operating expenses in line with industry practice
4 Refer to slide 21 for reconciliation to statutory net loss after tax

FY13 Financial Performance

Secure and stable distributions

SCA Property Group

COMMENTARY

- Payout ratio in line with PDS forecast on a like-for-like basis:
  - Units issued in Jun-13 equity raise ranked pari-passu for distribution
- Distribution policy of 85 - 95% of distributable earnings, takes into account:
  - Structural vacancy allowance during the period of the rental guarantee
  - Ongoing capex requirements
- Minimal capex expenditure during first reporting period given age of portfolio
- MER expected to reduce further with registry cost savings from FY14+ and with the impact of the portfolio acquisition in June 2013

A$m	11 Dec 12 to 30 Jun 13	PDS
Distribution – excluding Jun-13 placement	32.8	32.8
Distribution – including Jun-13 placement	36.0	-
Distribution per unit (cents)	5.6	5.6
Payout ratio – excluding Jun-13 placement	86%	86%
Payout ratio – including Jun-13 placement	93%	-
Tax deferred ratio	47%	46%
MER	0.71%	0.77%(1)

1 Adjusted for re-allocation of directly attributable property management costs in line with industry practice; excludes impact of portfolio acquisition in June 2013

FY13 Financial Performance
Prudent capital management

COMMENTARY

- Gearing of 28.9% within policy of 25% - 40%
- FY13 weighted average cost of debt (including establishment fees) of 5.5%(2)
- $50m increase in debt facility in Jul-13 to $600m
- $90m institutional placement in Jun-13:
  - 57.0m new units issued
  - 642.4m total units

	30 Jun 13
Net debt drawn (net of cash)	$437m
Facility limit (as at June 2013)	$550m
Gearing(1)	28.9%
Net debt to equity ratio	43.3%
Net tangible assets ($/ per unit)	$1.57
% debt fixed or hedged	78%
Average debt maturity	3.6 years
Average fixed/ hedged debt maturity	3.4 years
Interest cover ratio	4.3x

1 Net debt to total tangible assets less cash
2 Including undrawn line fees and based on average debt drawn

Summary Financials

Statutory earnings reconciliation

A$m	PDS	Actual to 30 June 2013							PDS
	Statutory Income Statement	Statutory Income Statement	Straight-lining of rental income	Unwind of discount on rental guarantee	Fair value adj	Transaction costs	Rental reimburse-ments[1]	Distributable earnings	Distributable earnings
Revenue									
Rental income	67.0	64.5	(4.2)				8.2	68.5	68.7
Other property income	6.5	7.0		(0.2)				6.8	6.4
	73.5	71.5						75.3	75.1
Expenses									
Property expenses	(16.4)[2]	(17.5)						(17.5)	(16.4)[2]
Corporate costs	(5.7)[2]	(5.9)						(5.9)	(5.7)[2]
	(22.1)	(23.4)						(23.4)	(22.1)
Net loss on change in fair value of investment properties[3]	-	(3.6)[3]			3.6			-	-
Net gain on change in fair value of financial assets (rental guarantee)	-	0.9			(0.9)			-	-
Responsible Entity fees	-	-						-	-
Transaction costs – establishment costs	(37.3)	(37.2)				37.2		-	-
Earnings before interest and tax (EBIT)	14.1	8.2						51.9	53.0
Interest income	-	0.2						0.2	-
Finance costs	(12.8)	(11.5)						(11.5)	(12.8)
Net profit/ (loss) before tax for the period	1.3	(3.1)						40.6	40.2
Tax	(1.3)	(1.3)						(1.3)	(1.3)
Net loss after tax for the period	-	(4.4)	(4.2)	(0.2)	2.7	37.2	8.2	39.3	38.9
Structural vacancy allowance								(0.7)	(0.7)
Distributable earnings								38.6	38.2

Property expenses:

Per PDS	(16.4)
Plus directly recoverable specialty costs	(0.8)
Plus doubtful debt provision	<u>(0.3)</u>
	(17.5)

Net interest costs:

Per PDS	(12.8)
Interest rate savings	0.8
Delay in property settlements	<u>0.7</u>
	(11.3)

1 Cash receipts from rental guarantee and reimbursement of rent-free
2 Property management costs of $0.9m have been re-allocated to property operating expenses in line with industry practice
3 Includes movement in rental guarantee and property revaluation increase net of straight-lining adjustments and property acquisition and transaction costs associated with the portfolio acquisition in June 2013

Summary Financials

Summary Balance Sheet as at 30 June 2013

A$m	Australia	NZ	TOTAL
Investment properties (including rental guarantee)[1]	1330.2	174.2[2]	1,504.4
Derivative financial instruments - asset			2.3
Derivative financial instruments - liability			(2.0)
Other assets			9.1
Net debt (net of $2.3m establishment fees)			(434.9)
Other liabilities			(33.9)
Accrued distribution			(36.0)
Net tangible assets			1,009.0
Number of stapled units			642.4
NTA per unit ($)			$1.57

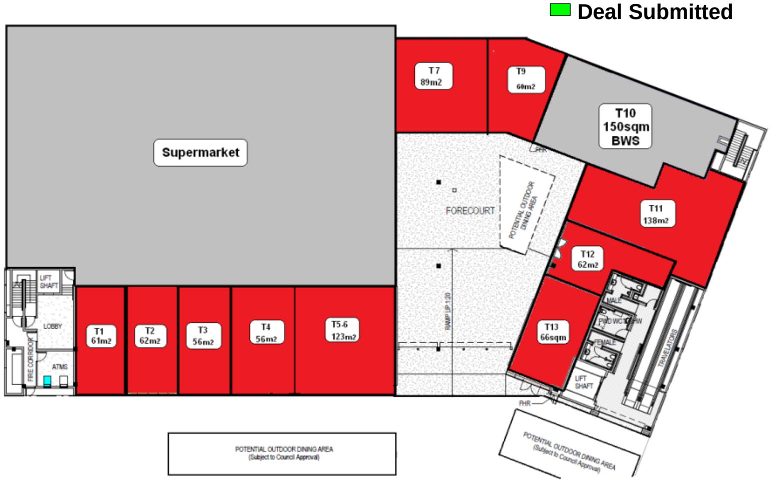
1 Includes $1,062m of completed assets acquired at listing, $176m newly completed properties acquired during period, $119m of properties under construction (including $13.5m gross up accrual for properties under construction on a percentage-completion basis), independent valuation increment of $1.2m, portfolio acquisition in June 2013 of $135.8m and foreign exchange movement of $9m
2 Based on AUD: NZD 0.85 exchange rate

Case Study: Cabarita

MAY 2013

Leasing Status Plan - Cabarita

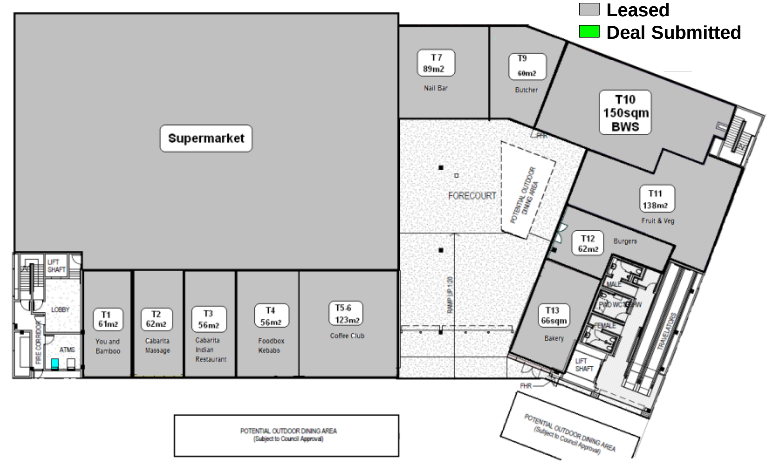
- Vacant
- Subject to Franchisee
- LAS Signed
- Leased
- Deal Submitted



OCTOBER 2013

Leasing Status Plan - Cabarita

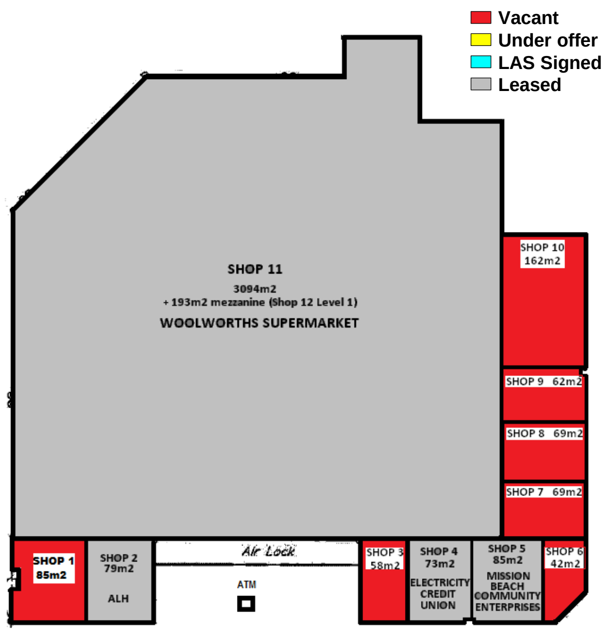
- Vacant
- Subject to Franchisee
- LAS Signed
- Leased
- Deal Submitted



Case Study: Mission Beach

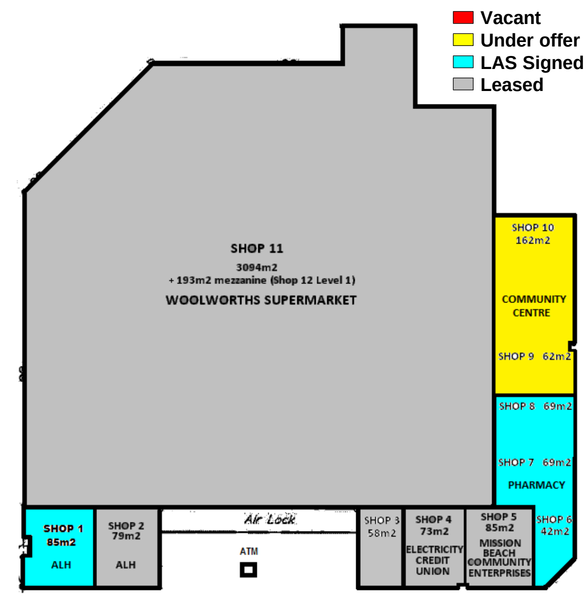
30 JUNE 2013

Leasing Status Plan – Mission Beach



OCTOBER 2013

Leasing Status Plan – Mission Beach



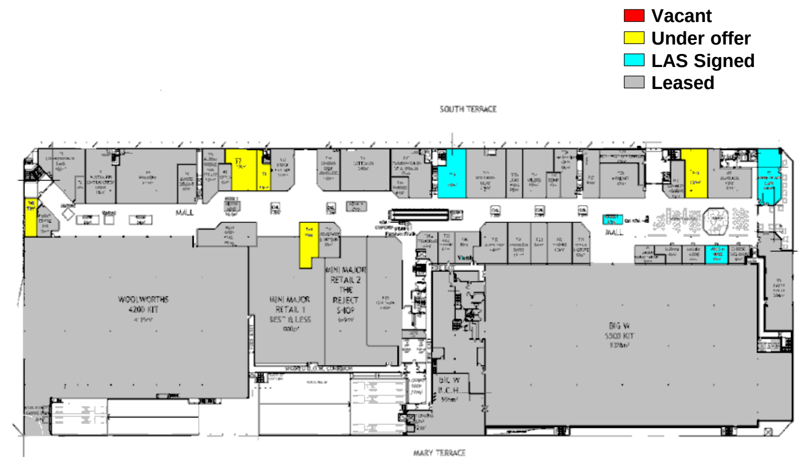
Example: Murray Bridge

30 JUNE 2013

Leasing Status Plan – Murray Bridge

OCTOBER 2013

Leasing Status Plan – Murray Bridge



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