ASX Announcement

FEDERATION CENTRES

23 January 2014

31 DECEMBER 2013 PRELIMINARY PROPERTY VALUATIONS

Federation Centres (FDC) announces that as a result of preliminary property valuations conducted as at 31 December 2013, its directly owned portfolio increased in value by approximately 2.1%[1] or $84.3 million[1] compared with values as at 30 June 2013.

As at 31 December 2013, 30 of FDC's 57 directly-owned properties (63% by value) had independent valuations undertaken, with the remaining properties subject to directors' valuations. Final valuation results will be confirmed as part of the 2014 half-year financial results.

Managing Director and CEO, Mr Steven Sewell said improved Net Operating Income (NOI) performance, particularly for the neighbourhood and sub regional assets, reflected the sustainable rental levels and occupancy costs for Federation Centres' portfolio. The reduction in capitalisation rates was also supported by several recent comparable asset sales.

"Federation Centres' portfolio has benefited from the compounding effects of sustained positive NOI growth and the first material signs of cap rate compression," he said.

The table below provides detail on Federation Centres' directly-owned portfolio preliminary valuations for the six months to 31 December 2013.

External Valuations Number of properties externally valued % of total assets by book value	 30 63%
Internal Valuations Number of properties internally valued % of total assets by book value	 27 37%
Total Valuations December 2013 valuation ($m)[2] December 2013 weighted average capitalisation rate [2] Comparable increase in value ($m)[1] Comparable % increase over prior book value[1]	 $4,284.6 7.43% $84.3 2.1%
Comparable Capitalisation Rate Movement FDC Portfolio Comparable December 2013 weighted average capitalisation rate[1] Prior comparable weighted average capitalisation rate[1]	 7.44% 7.55%
Regional Category Comparative December 2013 weighted average capitalisation rate[1] Prior comparable weighted average capitalisation rate[1]	 6.48% 6.48%
Sub Regional Category December 2013 weighted average capitalisation rate[1] Prior comparable weighted average capitalisation rate[1]	 7.70% 7.89%
Neighbourhood Category December 2013 weighted average capitalisation rate[1] Prior comparable weighted average capitalisation rate[1]	 8.48% 8.59%

1. Unaudited comparative analysis excludes Carlingford Court which was acquired in December 2013 and Warnbro and Cranbourne which are currently under development. This analysis includes all other assets owned by FDC as at 31 December 2013.
2. Unaudited figures represent FDC share on ownership basis.

About Federation Centres (ASX: FDC)

Federation Centres (FDC) is a fully vertically integrated Australian real estate investment trust (A-REIT) specialising in the ownership and management of Australian shopping centres. With $6.7 billion of shopping centres under management, FDC employs over 500 people with offices in Melbourne, Sydney, Brisbane and Perth. For more information, please visit the FDC website at www.federationcentres.com.au.

Contact:

Media

Brandon Phillips
+61 3 9236 6321
brandon.phillips@federationcentres.com.au

Investors

Grant Mackenzie
+61 3 9236 6328
grant.mackenzie@federationcentres.com.au