

1 November 2017

ASX ANNOUNCEMENT

SCA PROPERTY GROUP (ASX: SCP) FY18 LTI PERFORMANCE CONDITIONS

In response to questions raised by stakeholders as to the FY18 Long Term Incentive Performance hurdles, SCP announces that the performance conditions for the FY18 LTI are as follows:

Relative TSR performance condition - weighting 33.33% (relative TSR Tranche)

The Relative TSR Performance Condition measures SCA Property Group's total security holder return performance over the Tranche 1 LTI Performance Period (being from 1 October 2017 to 30 September 2020) relative to the change in the ASX 200 A-REIT Accumulation Index over that same period.

Total security holder return is the growth in the unit price plus distributions, assuming distributions are reinvested. SCA Property Group's TSR will be calculated using SCA Property Group's closing security price on the ASX on:

- 30 September 2017 (the trading day prior to the LTI Performance Period); and
- 30 September 2020 (the last trading day of the LTI Performance Period).

Subject to the Relative TSR Performance Condition will vest on the following basis:

	Position of SCA Property Group relative to ASX 200 A-REIT Accumulation Index	% of Tranche 1 LTI Rights that vest	% of total LTI Rights that vest
At or below Threshold	Less than or equal to Index return	0%	0%
Between Threshold and Maximum	Between Index return and Index return plus 4.0% per annum compound	Vest on a straight line basis between 0% at Threshold and 100% at Maximum	Vest on a straight line basis between 0% vesting at Threshold and 33.33% at Maximum
Maximum	At or above Index return plus 4.0% per annum compound	100%	33.33%

FFOPU performance condition - weighting 33.33% (FFOPU Tranche)

The FFO Performance Condition requires the growth in SCA Property Group's funds from operations per unit (**FFOPU**) over the Tranche 2 LTI Performance Period (being from 1 July 2017 to 30 June 2020) to exceed a certain level.

The FY18 "base point" for measuring the rate of FFOPU growth is 14.70 cents per unit. The Board may at its absolute discretion adjust the FFOPU achieved (for the purpose of measurement) to remove abnormal items or items not affected by management.

Subject to the FFO Performance Condition will vest on the following basis:

	Growth in FFOPU over LTI Performance Period above Base Point	% of Tranche 2 LTI Rights that vest	% of total LTI Rights that vest
At or below Threshold	Less than or equal to 3.0% p.a.	0%	0%
Between Threshold and Maximum	Between 3.0% and 5.0% p.a.	Vest on a straight line basis between 0% at Threshold and 100% at Maximum	Vest on a straight line basis between 0% at Threshold and 33.33% at Maximum
Maximum	At or above 5.0% p.a.	100%	33.33%



Property Group

Level 5, 50 Pitt Street
Sydney NSW 2000
Tel: (02) 8243 4900
Fax: (02) 8243 4999
www.scaproperty.com.au

1 November 2017

ASX ANNOUNCEMENT

ROE Performance Condition - weighting 33.33% (ROE Tranche)

The Return on Equity ("ROE") Performance Condition requires SCA Property Group's total return on equity (defined below) over the Tranche 3 LTI Performance Period (being from 1 July 2017 to 30 June 2020) to exceed a certain level.

Return on Equity will be calculated as the internal rate of return (expressed as a percentage per annum) for the cashflow comprising an initial investment being the NTA per Unit at 30 June 2017, all distributions paid (on a per Unit basis) over the performance period (excluding the June 2017 distribution payable in August 2017) and an assumed realisation being the NTA per unit on 30 June 2020 plus the June 2020 half year distribution (if declared).

The Board may, in its absolute discretion, adjust the ROE achieved (for the purpose of measurement) to remove abnormal items or items not affected by management.

Subject to the ROE Performance Condition will vest on the following basis:

	ROE over LTI Performance Period	% of Tranche 3 LTI Rights that vest	% of total LTI Rights that vest
At or below Threshold	Less than 9.0% p.a.	0%	0%
Between Threshold and Maximum	Between 9.0% p.a. and 11.5% p.a.	Vest on a straight line basis between 0% at Threshold and 100% at Maximum	Vest on a straight line basis between 0% at Threshold and 33.33% at Maximum
Maximum	At or above 11.5% p.a.	100%	33.33%

To the extent that the applicable performance conditions are satisfied at the end of the LTI Performance Period specified for each tranche, LTIP Rights will vest on or after 1 July 2021.

ENDS

Media, Institutional investor and analyst, contact:

Mark Fleming
Chief Financial Officer
SCA Property Group
(02) 8243 4900

Unitholders should contact SCP Information Line on 1300 318 976 (or +61 1300 318 976 from outside Australia) with any queries.