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22 November 2017

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

Dear Sir/Madam

2017 Annual General Meeting | SCA Property Group (ASX: SCP)

Attached are the following presentations which will be presented on Wednesday, 22 November 2017 at the 2017 Annual General Meeting:

- Chairman's address and presentation to the meeting; and
- CEO's address and presentation to the meeting.

SCA Property Group

Encl.

ENDS

Media, institutional investors and analysts, contact:

Mark Fleming
CFO
SCA Property Group
(02) 8243 4900

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

Annual General Meeting

Wednesday 22 November 2017

Chairman's Address

WELCOME (Slide 1)

Good afternoon ladies and gentlemen, and welcome to SCA Property Group's 2017 Annual General Meeting.

I would like to remind all AGM participants to turn off their mobile phones and will now take the opportunity to point out the Emergency Exits, which are located outside directly behind and in both far corners to my left (or your right).

My name is Philip Marcus Clark and I am the Chairman of the Group. I have been appointed as Chair of this meeting and I now table my letter of appointment.

This afternoon we are simultaneously holding the meetings of:

- Shopping Centres Australasia Property Management Trust; and
- Shopping Centres Australasia Property Retail Trust,

and for the rest of this meeting I will refer to the business of each Trust conducted as one meeting.

It is now just past 2.00pm, the nominated time for the meeting. I have been informed by our Company Secretary that a quorum is present and I am pleased to declare the meeting open.

Agenda (Slide 2)

There are four components to today's meeting.

First, I will give a brief address. Our CEO Anthony Mellowes will then give a detailed overview of the Group's performance for the 2017 financial year.

Then we will progress to the formal business of the meeting, where the resolutions provided in the Notice of Meeting will be put to the members.

We will allow time for questions and answers relating to each resolution before proceeding to vote on that resolution.

Lastly, I will open the floor to general questions. If you have a question or comment that hasn't been covered somewhere else in the meeting, you may ask it then.

Only unitholders and their duly appointed Proxies are able to participate in questions and discussion. Visitors are not able to ask questions or participate in discussion.

Following the conclusion of the meeting, I invite you to join the Directors and Management for afternoon tea in the guest lounge area towards the back of this room, or out on the balcony to my right.

INTRODUCTIONS

I would like to start by introducing you to the Independent Directors and Senior Management who are here today.

My fellow Independent Directors are:

1. Dr Ian Pollard: Chair of the Audit Risk Management & Compliance Committee (ARMCC) and member of Nomination Committee;
2. Belinda Robson: member of the ARMCC, Remuneration Committee and Investment Committee;
3. James Hodgkinson OAM: Chair of the Nomination Committee and member of ARMCC, Remuneration Committee and Investment Committee;
4. Dr Kirstin Ferguson, Chair of the REM Committee; and
5. Philip Redmond, Chair of the Investment Committee and member of ARMCC and Remuneration Committee:

Our executive Directors are:

- Anthony Mellowes, our Chief Executive Officer; and
- Mark Fleming, our Chief Financial Officer.

Joining us on stage today is our General Counsel/Company Secretary, Mark Lamb.

Also present in the audience are:

- Sid Sharma, Chief Operating Officer;
- Campbell Aitken, our Chief Investment Officer;
- Melissa Kingham, Fund Manager for SURF Funds; and
- Greg Inkson, General Manager Finance.

We also have present, from the Group's auditors Deloitte, Alex Collinson as well as representatives of the Group's Registry, Link Market Services.

Chairman's Introduction (Slide 3)

I am pleased to report that 2017 was another successful year for SCA Property Group (SCP).

Our CEO, Anthony Mellowes will report to you on the Group's 2017 performance and provide an update on our results.

Today is the fifth AGM since we listed in December 2012. To mark the occasion, I will present some highlights of our achievements since the Group listed.

I will also present the core strategy which has driven that performance and give some examples of how we go about implementing strategy.

Finally, I will touch on the external Board Review which we commissioned earlier this year.

Five Year Performance (Slide 4)

This section of my presentation will cover some of the key outcomes we have delivered for unit holders and principal drivers of those outcomes.

1. Market Capitalisation (Slide 5)

   SCP market capitalisation on listing was $820 million.

   Our market capitalisation has more than doubled to $1.75 billion.

2. Net Tangible Assets – NTA per unit (Slide 6)

   Underlying NTA per unit has increased by nearly 40% since we listed.

   You can see from this slide that growth in NTA per unit has been quite consistent. It has increased every year. In part this reflects the strong property market we have enjoyed since we listed.

3. Corporate expenses – Management Expense Ratio (Slide 7)

The Group's MER has reduced every year. That is a function of two things:

- first a significant increase in the value of the portfolio we manage;
- second, tight expense control. We run a lean organisation and spend your money very carefully.

4. Interest Cost (Slide 8)

Our debt costs have been actively managed and rank among the lowest in the sector. I will say more about our capital management later.

5. Occupancy (Slide 9)

You will recall, one of the big challenges we faced when SCP first listed, was successfully leasing considerable specialty vacancies in our portfolio, before the expiry of the Woolworth's rental guarantee.

Many analysts were sceptical about our chances, but management got it done and you will see from this slide, that portfolio occupancy has now normalised at a satisfactory level.

6. Specialty Leasing – rent per square metre (Slide 10)

The portfolio specialty rent per square meter has increased consistently over the last five years.

We are still enjoying rental growth on specialty tenancy renewals which is consistently higher than growth levels in competitors' shopping centres.

However, rental growth on renewals is just starting to taper off, as retailers face more uncertainty.

7. Earnings per Unit (EPU) and Distributions per Unit (DPU) (Slide 11)

That all sounds reasonably positive. But what does it mean for unitholders?

Our core objective for the business is defined in the following terms:

> "Deliver defensive, resilient cash flows to support secure distribution growth for our investors".

You will see from this slide that we have delivered against that objective.

Earnings per unit have increased consistently each year, at a compound annual growth rate of around 6% per annum.

That has enabled us to increase distributions to unitholders by approximately the same rate, a compound annual growth rate of 6% per annum.

I need to emphasise these are historical results and it is becoming difficult to sustain growth at this level. I will say more about that later.

8. Total Unitholder return (TSR) (Slide 12)

As you know, TSR is made up of two components, the distributions you receive and the increase (or decrease) in the market value of your investment.

SCP has delivered a TSR of 17.2% per annum compound growth since listing.

The total return to unitholders since listing is 119%.

We have outperformed our peers in the property sector and we outperformed the ASX 200 A-REIT Accumulation Index by a comfortable margin, 119% total return for SCP investors against 81% total return for the Index.

Core Strategy (Slide 13)

In my opinion, a business's Corporate Culture is best defined by its core strategy and how it goes about implementing that strategy.

We keep our strategy under constant review. We also conduct a detailed review at our annual strategy offsite, in May each year.

For example, we have considered investing in a wide range of adjacent asset classes including petrol stations, pubs, bulky goods, etc. We decided to stick to convenience-based shopping centres.

Another example, we have considered overseas opportunities. We decided to stick to Australia and indeed we sold our New Zealand portfolio when a very attractive opportunity presented.

Both Board members and senior management also meet regularly with investors to ensure that our strategy is consistent with their expectations.

I see several people here today who are regular attendees at our AGMs. Welcome back and thanks for your continuing support. You will have seen this slide before, or one very similar to it.

Our strategy has evolved in response to market developments, but the core strategy has remained quite consistent.

I believe the five-year results, which I highlighted earlier, demonstrate that this core strategy has served the Group and our investors well.

I will now touch on a few examples of how we go about implementing the key components of our strategy, which you see in the boxes on this slide.

1. Portfolio Management

   We stick to what we know and what we do best.

   So we maintain a strong focus on convenience-based retail centres with a strong weighting to non-discretionary retail segments.

   That may not be as superficially attractive as some other sectors, but it has served us well.

   I believe it will also serve us well as a first line of defence against the potential threat which online shopping presents to retailers and their landlords.

   Our preference is to invest in key growth corridors. Very detailed demographic analysis is an important part of every acquisition due diligence.

   We actively manage our portfolio to increase returns to unitholders. Since listing we have carefully reshaped our portfolio. We have divested $465.6 million of portfolio assets and acquired $900 million of accretive, higher growth or otherwise superior assets.

   That has had a significant positive impact on our returns to unitholders.

   Some recent examples of divestments include:

   - the sale of our New Zealand portfolio, at a very good price and exchange rate, in July 2016;
   - the sales of quality, non-core, low growth assets to our SURF 1 and SURF 2 funds management business, where we also get the benefit of management fees.

   Anthony will report on some recent acquisitions.

2. Anchor Tenants

   Approximately half our revenue comes from long term leases to quality anchor tenants.

   Those rental streams are relatively slow growth but they are very secure.

   We have further reduced risk by diversifying our mix of anchor tenants.

3. Appropriate Capital Structure

Prudent and effective capital management is a very important part of what we do.

Our management team and my Board colleagues on our Investment Committee have done an outstanding job on capital management.

- Our effective cost of debt has consistently been amongst the lowest of the Australian REITs.
- The average term of our debt is 5 years and we are well hedged.
- We have maintained sufficient funds available to take advantage of acquisition opportunities, without carrying a lazy balance sheet.
- Despite considerable pressure in the market, we have not compromised our acquisition hurdle rate. Instead of just competing on price as cap rates compressed, we have been able to capitalise on the strong relationships our senior management team have with retail property developers and on our reputation for living up to our word.

Given recent developments in capital markets and the potential threats to retailers, our current risk appetite is low.

So, for example, our preference is to maintain gearing at the lower end of our target range at this point in the cycle. We also maintain reasonably high current liquidity reserves.

4. Growth opportunities

The reality is that the short-term growth potential from our core portfolio of anchor tenants is relatively low, between 1% and 3 % per annum. We rely on our specialty tenant leases for much of our rental income growth.

We have been able to achieve satisfactory growth, by successfully implementing strategies I mentioned earlier, particularly active portfolio management.

But it is becoming more and more difficult to acquire accretive, low-risk assets at reasonable prices.

We will continue to strive to grow earnings. But, at the end of the day, our investors have made it abundantly clear that they expect us to exercise caution in a potentially tricky economic environment.

So, above all, we will maintain our commitment to a relatively defensive positioning, with plenty of capacity to absorb disruptions which may occur.

5. Our Core Values

Our values are an important part of how we conduct our business. To give you a feel for how we operate, those core values include:

- We respect all our stakeholders, shoppers, tenants, staff and above all investors.
- The safety of all our stakeholders is a responsibility we take very seriously and we are proud to be leaders in our sector.
- We also take our environmental responsibilities seriously. We will give you an example in the general questions segment.
- We contribute to the local communities where our centres are located.
- We think diversity in our staff and on our Board, is good business.
- We run a no frills operation.
- Our Board members and senior management are expected to have skin in the game to align their interests with unitholders' interests.
- We live up to our promises and have a reputation in the market for under-promising and over-delivering.

Board Review (Slide 14)

Every year we conduct a detailed Board review. We decided this year we should have an independent expert review the Board and its performance.

I am glad we did. As we continue to work through it, our Board Review is proving to be a timely and very worthwhile exercise.

The external Board Review confirmed that the Board is working well, has done a good job and provides a very solid platform from which to go forward.

The Review suggested we should consider:

1. Optimising the Board's capacity to contribute to strategy by identifying ways to stay at the forefront of emerging strategic issues and trends.

2. Ensuring that the Board's experience, skills and attributes match changing requirements and expectations; clarifying succession processes; and initiating planning for Board renewal.

3. Continuing to make improvements to governance processes whilst safeguarding the many positive elements of SCP's culture and values.

The Board is well into our post–review discussions and we will continue those discussions in the months ahead.

I am confident we will emerge from those discussions with an even stronger governance framework to meet the challenges ahead.

Conclusion (Slide 15)

First, a word of caution.

The Board and management remain focussed on and very committed to delivering on our core objective, secure distribution growth for unitholders.

But the achievements I highlighted, of which we are proud, are historical.

Future results will be influenced, to a significant degree, by macro-economic conditions such as interest rates, inflation, employment levels, wages growth and by trading conditions in the retail sector.

In closing, I would like to thank you for your continuing support and thank you again for taking the time to join us here today.

I will now hand over to Anthony.

Annual General Meeting

Wednesday 22 November 2017

CEO's Address

CEO's Introduction (Slide 17)

Good afternoon Ladies and Gentlemen, my name is Anthony Mellowes and I am the Chief Executive Officer of the SCA Property Group (SCP).

I am very pleased to be presenting to you at the fifth Annual General Meeting of SCP.

It has again been an active year for the entire management team at SCP and myself, and I am very proud of what has been accomplished in our fifth year of reporting.

Phil Clark has outlined the Group's achievements over the past five years, this afternoon I will run through some of our key achievements for FY17 and update our outlook for FY18.

High Quality Portfolio (Slide 18)

But first of all, for those of you not familiar with the SCP portfolio, it currently consists of:

- 76 operating Shopping Centres across Australia, plus 7 managed properties in SCP's unlisted Funds Management business;
- The average age of the Australian assets is relatively young at nine years;
- Approximately 52% of our income is derived from Wesfarmers and Woolworths with average lease tenure of 12.8 years; and
- As at 30 June 2017 the Australian portfolio was valued at approximately $2.4 billion, and we now have in excess of 1,300 Specialty Tenants, with a total occupancy across the portfolio of 98.4%.

FY17 Highlights (Slide 19)

I will now take you through some of the key highlights for the financial year ended 30 June 2017 and the outlook for SCP:

- We delivered Funds from Operations of $108.4m, an increase of 8.3% on the prior financial year.
- This enabled us to pay distributions to unitholders of 13.1 cpu, which was up 7.4% on the prior year, this represented a payout ratio of around 89%.
- Our gearing as at 30 June 2017 was 31.8%, which is well within our stated policy range of 30-40% and we have chosen this relatively conservative setting for reasons I will discuss later.
- Our NTA at 30 June 2017 increased to $2.20 per unit, up from $1.92 per unit at the same time in the prior year, due primarily to the valuation cap rate on our properties compressing from 7.13% to 6.47%.
- Our portfolio occupancy has stabilized at 98.4% which represents a specialty vacancy rate of 4.8% at 30 June 2017.
- SCP continued to recycle its assets during the year. SCP acquired 8 neighbourhood centres for $274.9m which is in line with our strategy to continue to consolidate a fragmented market. We also completed the sale of our entire New Zealand portfolio for $255m, making SCP an entirely Australian fund.
- Since 30 June 2017 we have also acquired Sugarworld in Cairns for $24.8 million.
- During the year we also launched SURF2, our second retail fund. The Fund comprises non-core SCP assets which were sold to the Fund for $55.1m in accordance with independent valuations.

Key Achievements (Slide 20)

Our key achievements in FY17 have been due to the continued delivery of our strategy, or as I like to say, “doing what we say we’re going to do”.

1. We continued to optimise our core business, our specialty tenants performed strongly during the year with sales growth of 3.8% pa, this assisted us in generating 7% average rental increases across 81 renewals, our specialty occupancy cost ratio is now down at 9.7% which is at the lower end of our range. While our specialty tenants’ sales growth has been strong, our anchor tenants’ sales growth

has also started showing improving trends, particularly Woolworths. Despite some of the headwinds being experienced in the retail sector SCP was still able to generate 3.0% comparable Net Operating Income growth for FY17.

2. SCP has three growth initiatives being, Acquisitions, Developments and Funds Management

   Acquisitions: We continue to consolidate the fragmented market of Neighbourhood Centres, during the year we acquired 8 centres for $274.9m, a 4.9% stake in CQR for $83.4m to complete the redeployment of our NZ proceeds of $255m and since 1 July 2017 we acquired Sugarworld in Cairns.
   Developments: The redevelopment of our largest asset, Kwinana with the introduction of a new Coles supermarket and associated specialty stores has now been completed, along with the replacement of Masters at Mt Gambier with Bunnings. Our development at Bushland Beach a new Coles centre is progressing to plan and will open in the first quarter of 2018.
   Funds Management: We completed SURF 2 in June 2017 and we will be launching SURF3 in the second half of FY18.
3. Our balance sheet is in a strong position with gearing at 31.8% which is comfortably within our range of 30-40%. Our weighted average cost of debt has remained relatively stable at 3.8% and our weighted average term to maturity of our debt is 5 years with 86% of drawn debt either fixed or hedged. Further, during the year our Distribution Reinvestment Plan raised $18.8m of new equity.

4. Finally for FY17, we grew our Funds from Operations per unit strongly by 6.9% and distributions per unit by 7.4% over FY16.

Core Strategy Unchanged (Slide 21)

As Phil Clark, our Chairman, commented, our core strategy remains unchanged. SCP will continue to seek out defensive, resilient cashflows to support secure distributions for our unitholders. We will continue to focus on convenience-based retail centres that are weighted to the non-discretionary retail sectors that have long leases to quality anchor tenants such as Woolworths and Wesfarmers. We will continue to have an appropriate capital structure that allows us to continue to focus on growth opportunities in our sector.

Potential Earnings Growth Trends (Slide 22)

We believe that that there is continued solid earnings growth to be expected over time from SCP, assuming the current economic fundamentals remain unchanged.

We believe that 1-3% pa growth is achievable from our core business. Approximately 30% of our anchor tenants have a fixed 5% rental increase during FY18. As the trading performance of our anchor tenants continues to improve, there is potential earnings upside for SCP through additional turnover rent.

Our specialty tenants now account for 48% of our gross income and these leases generally have 3-4% fixed rental increases every year, together with the strong rental reversions of 7% currently being achieved (as tenants renew their leases) we believe that overall, our specialty rental growth is between 4-5% pa. The culmination of these factors should generate Comparable Net Operating Income growth of 1-3% from our core business for the medium to longer term, assuming a stable economic environment and favourable trading conditions for our specialty tenants.

As I mentioned, on top of the core business growth, we have identified we are focused on three growth Initiatives being: Acquisitions, Developments and Funds Management, which I will go into further detail in the following slides. We believe that these three growth initiatives combined can contribute a further 1% pa of earnings growth delivering a total of 2-4%+ pa earnings growth for the medium to long term, again assuming the current low interest rate, low inflation environment.

Acquisitions (Slide 23)

Fragmented ownership of neighborhood centres in Australia provides consolidation opportunities for SCP. There are over 850 Coles and Woolworths anchored neighbourhood centres in Australia and SCP is the largest owner by number in this sector. SCP has an opportunity to continue to consolidate this fragmented segment by utilising its funding capability, management capability and industry knowledge to source and execute acquisition opportunities. Since listing in December 2012 SCP has acquired 36 neighborhood centres for over $900m in aggregate.

This sector is also fairly liquid. During the 12 months to June 2017 there were 61 Coles and Woolworths anchored neighborhood centres that transacted for approximately $1.8bn. SCP was the largest individual buyer of neighbourhood centres in this period.

Of course, SCP remains a disciplined acquirer of centres which must meet our strict economic hurdles and feasibility analysis.

Development Pipeline (Slide 24)

In addition to our acquisitions and disposals we have started to execute on the development opportunities within the portfolio. We have identified over $130m of potential development opportunities at 22 of our centres over the next 5 years.

These developments are all Brownfield opportunities that are relatively low risk and should be incremental to the earnings of SCP. All development opportunities are subject to rigorous feasibility analysis which is reviewed by our Investment Committee and Board.

The redevelopment of our largest asset, Kwinana with the introduction of a new Coles supermarket and associated specialty stores has now been completed, along with the replacement of Masters at Mt Gambier with Bunnings. Our development at Bushland Beach a new Coles centre is progressing to plan.

Funds Management (Slide 25)

In June 2017, SCP successfully launched its second unlisted retail fund called “SURF2”. This new funds management business has the potential to deliver additional earnings growth in the future for SCP. SCP intends to launch “SURF 3” in the second half of FY18. This new funds management business will allow SCP to utilise its expertise and platform to earn capital light management fees in the future.

Sustainability (Slide 26)

Sustainability has become a particular focus in the Australian commercial real estate sector. Throughout 2017, SCP has developed and launched a new sustainability policy and strategy, tailored to our particular asset type and business. Our strategy has three core objectives:

Firstly, Strong Communities strengthen the relationships between our shopping centres and their local communities and also help improve the wellbeing of those communities.

Secondly, Environmentally Efficient Assets will reduce the environmental footprint of our shopping centres, particularly greenhouse gas emissions through energy consumption. We have already piloted both LED lighting and Solar Panel Electricity generation that is used in the centres for both Centre and tenant electricity usage, both of these pilots have performed to expectations and we will continue to roll out these initiatives in our centres.

Finally, Responsible Investment will see us manage the environmental, social and governance (ESG) risks that are material to investment values and communicate our performance on this.

SCP is pleased with our progress to date and will continue to invest in and be a socially responsible entity.

Key Priorities and Outlook (Slide 27)

SCP will continue to deliver on its stated strategy in FY18 which assumes a continuation of the current economic environment of low inflation, low interest rates and low unemployment. We will continue to focus on optimising our core business by:

- increasing specialty rent per sqm by optimising the tenancy mix and achieving rental uplifts on renewals; and

- Managing our expenses (both at a centre and corporate level) to grow at a level that is no greater in percentage terms than our income growth

We will also focus on our three growth initiatives by:

- seeking accretive acquisition opportunities consistent with SCP's strategy and investment criteria;

- continuing to progress the identified development pipeline; and

- following on from the successful retail funds SURF1 and SURF2, SCP will be launching SURF3 in the second half of FY18.

We will continue to actively manage our balance sheet to maintain diversified funding sources with long weighted average debt expiry and a low cost of capital consistent with our risk profile.

Of course, if there is any material change to the current macro-economic conditions our strategy will need to adapt to these changes but at this stage of the property cycle I believe that maintaining our gearing at the lower level of our preferred range is the appropriate setting.

Finally, I am pleased to re-affirm the SCP guidance:

- Our guidance for FY18 Funds from Operations of FFO per unit of 15.1 cpu representing a 2.7% increase on FY17; and

- Our guidance for FY18 Distribution of 13.7 cpu representing a 4.6% increase on FY17.

Thank you for your time this afternoon.


SCA PROPERTY GROUP ANNUAL GENERAL MEETING
SCA Property Group
coles
22 November 2017
The Barnet Long Room
Level 1, Customs House
31 Alfred Street, Sydney NSW 2000

AGENDA

SCA Property Group

Chairman’s Address

CEO’s Address

Formal Business

General Questions

CHAIRMAN'S ADDRESS

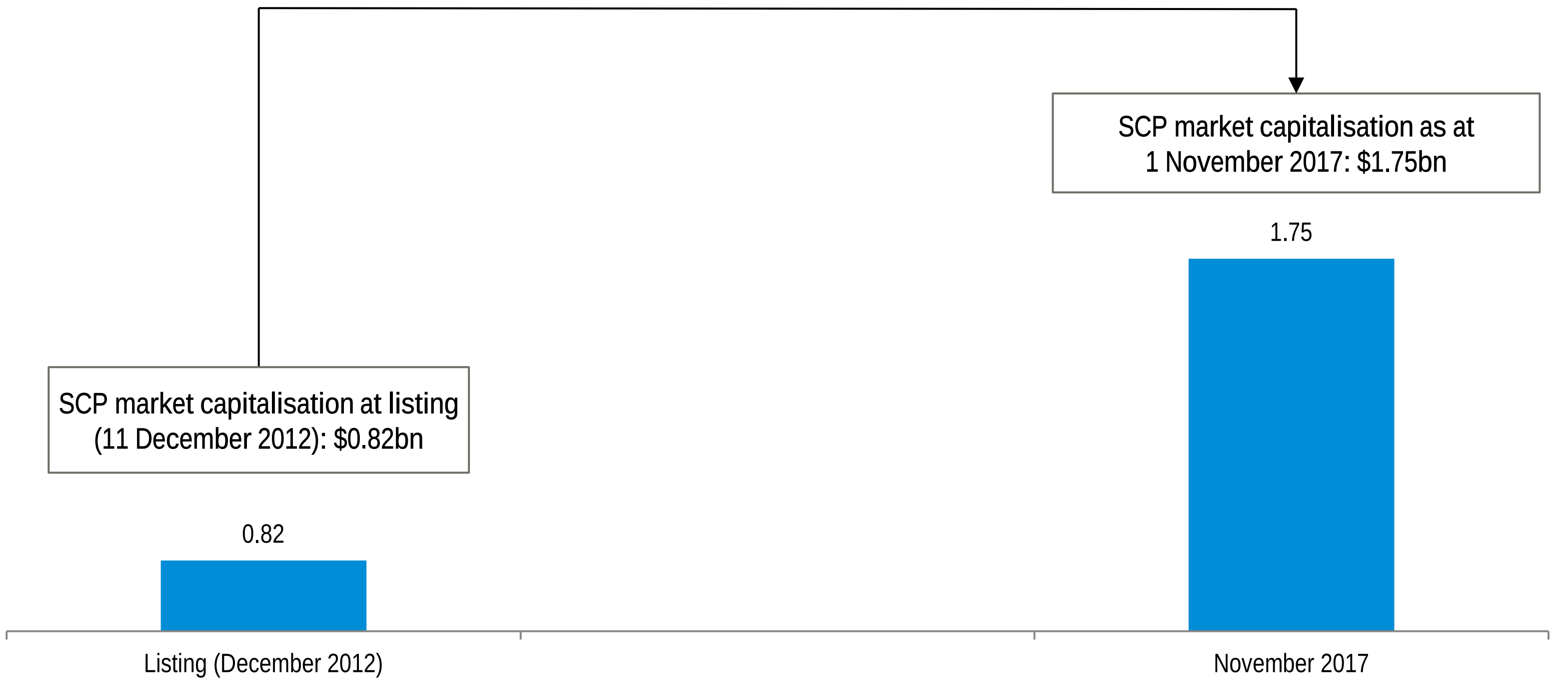
Philip Marcus Clark AM

FIVE-YEAR PERFORMANCE

FIVE-YEAR PERFORMANCE

Market capitalisation has increased by 214% since listing

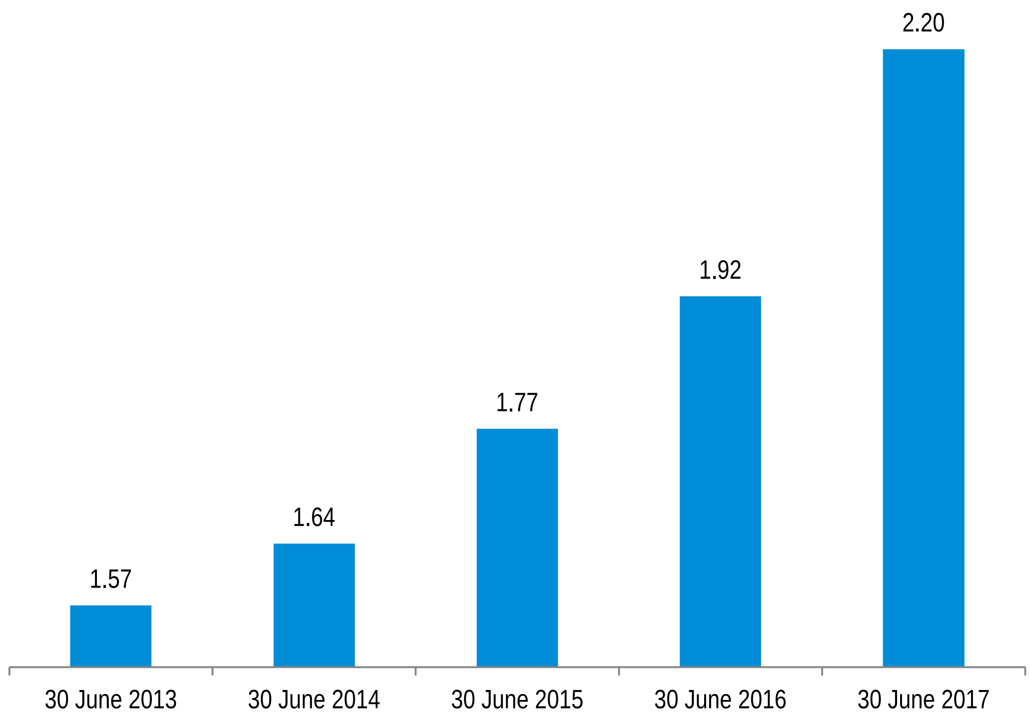
Market capitalisation ($bn)



FIVE-YEAR PERFORMANCE (CONT'D)

Net Tangible Assets per unit has consistently increased

NTA per unit ($/unit)

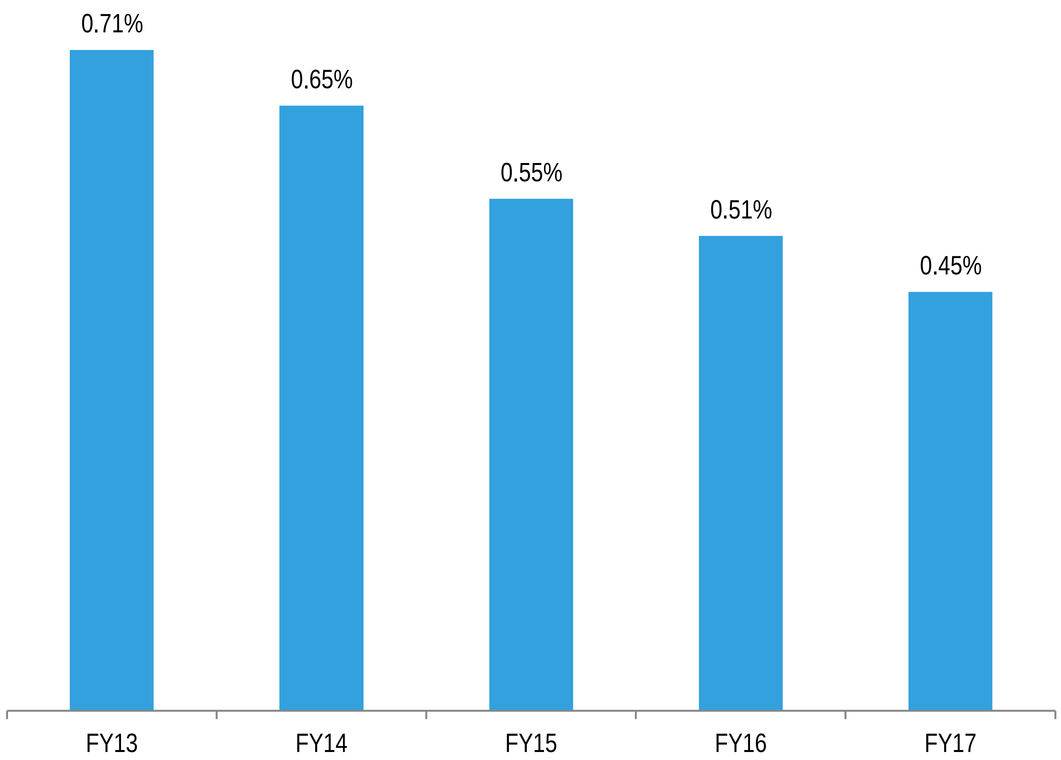


The underlying net tangible asset value per unit has increased by 39% since listing

FIVE-YEAR PERFORMANCE *(CONT'D)*

Corporate costs have been controlled

Management expense ratio (%)



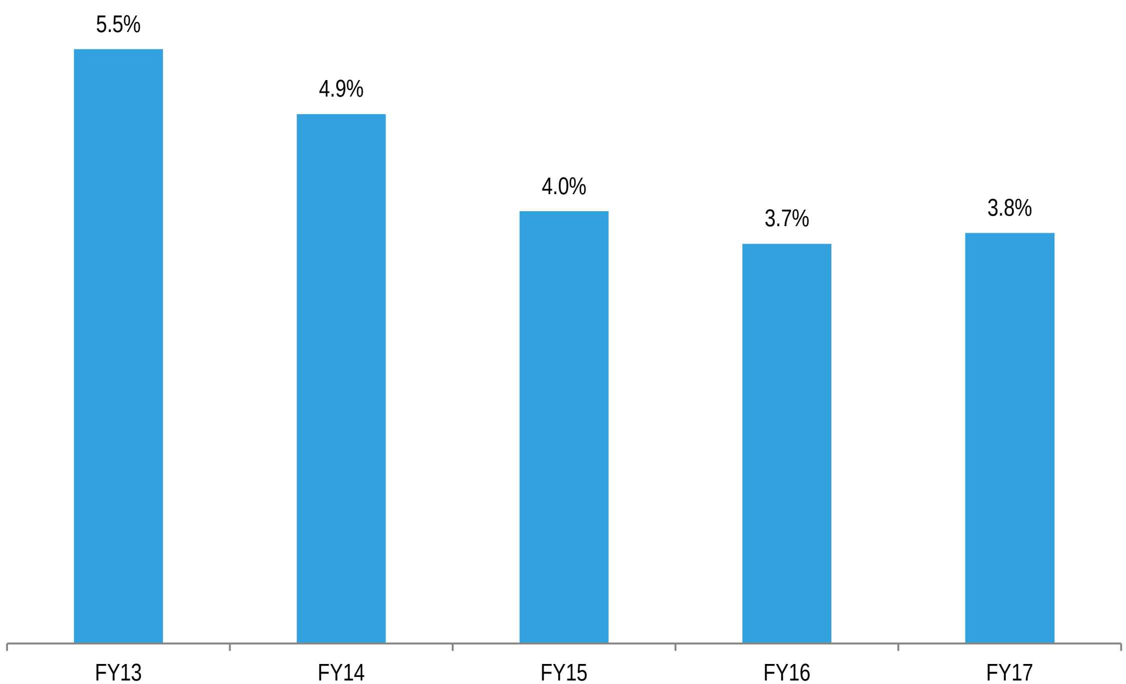
The Group's management expense ratio (MER), which measures corporate costs as a percentage of total assets, has consistently reduced due to a significant increase in the value of the portfolio and tight control of corporate overheads

FIVE-YEAR PERFORMANCE (CONT'D)

Debt costs have been actively managed

SCA Property Group

Weighted average cost of debt (%)

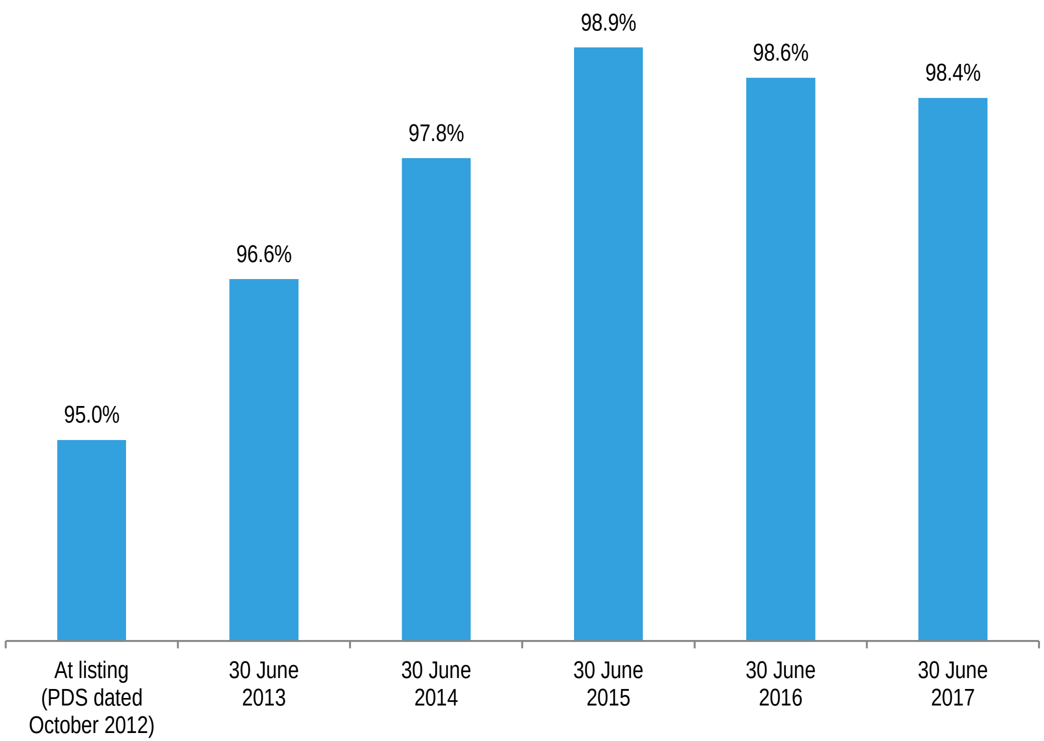


Debt costs have been actively managed and now rank amongst the lowest in the sector

FIVE-YEAR PERFORMANCE (CONT'D)

Portfolio occupancy has now normalised

Portfolio occupancy (%)

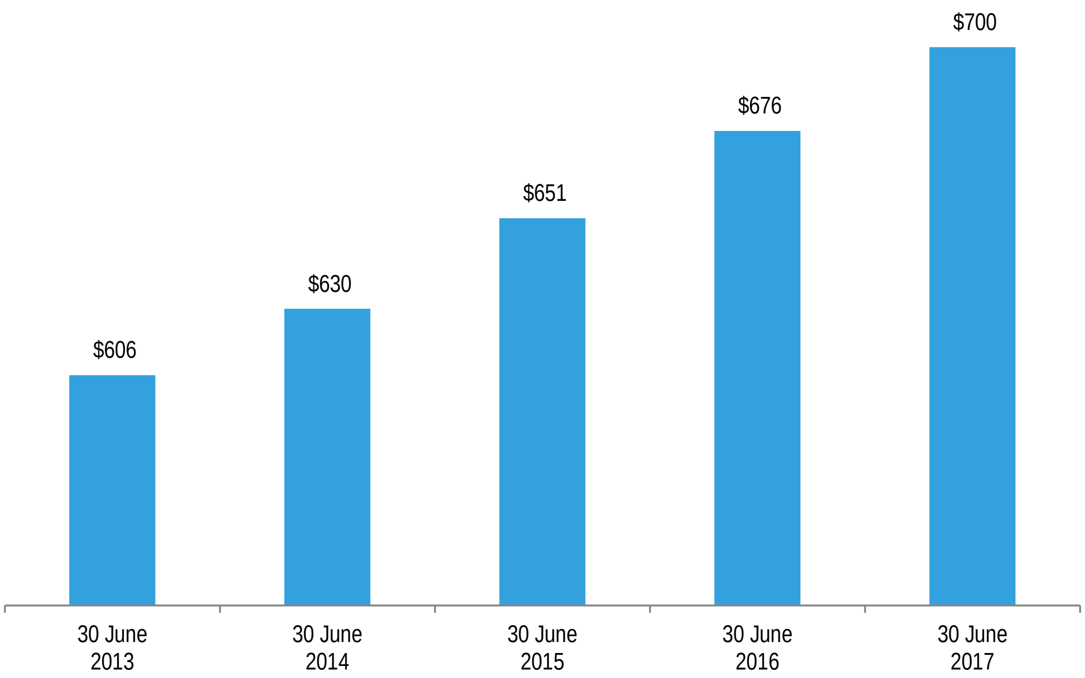


SCP successfully leased considerable specialty vacancies in our portfolio before the expiry of the Woolworths rent guarantee

FIVE-YEAR PERFORMANCE (CONT'D)

Average specialty rents have been increased

Average specialty rent/sqm ($/sqm)



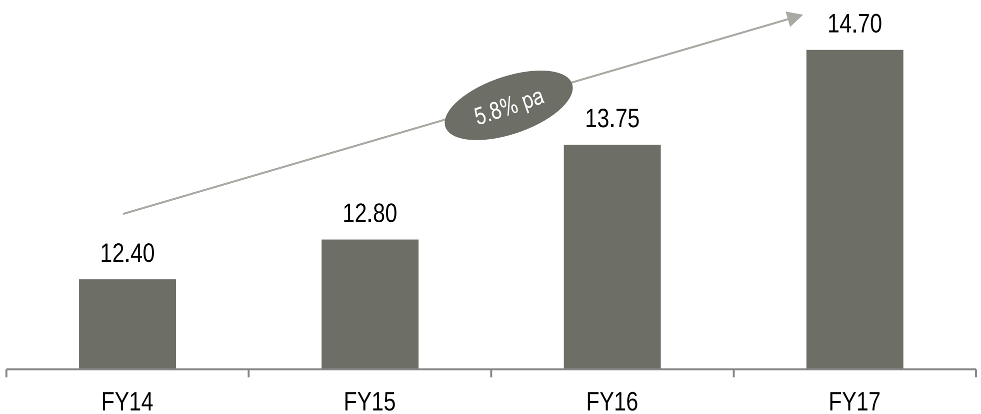
The portfolio specialty rent per square metre has increased consistently over the last five years

FIVE-YEAR PERFORMANCE (CONT'D)

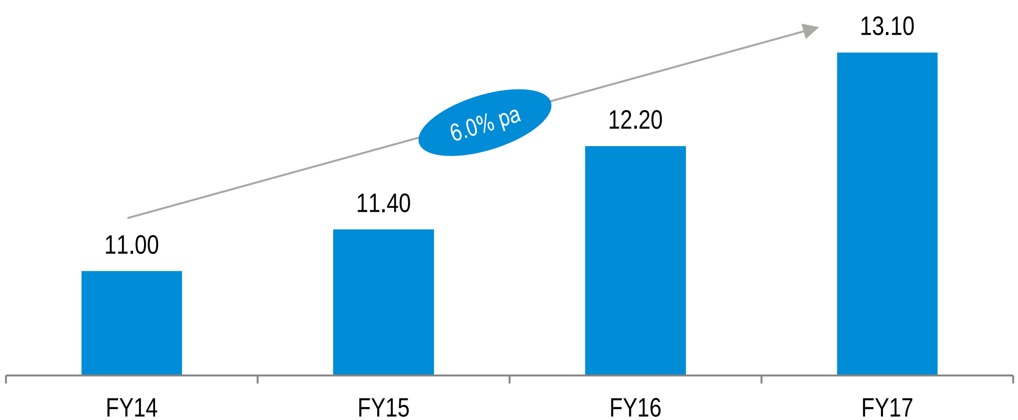
Earnings and Distributions to unitholders have consistently increased

Property Group

<u>Consistent EPU growth (cents per unit)</u>



<u>Consistent DPU growth (cents per unit)</u>

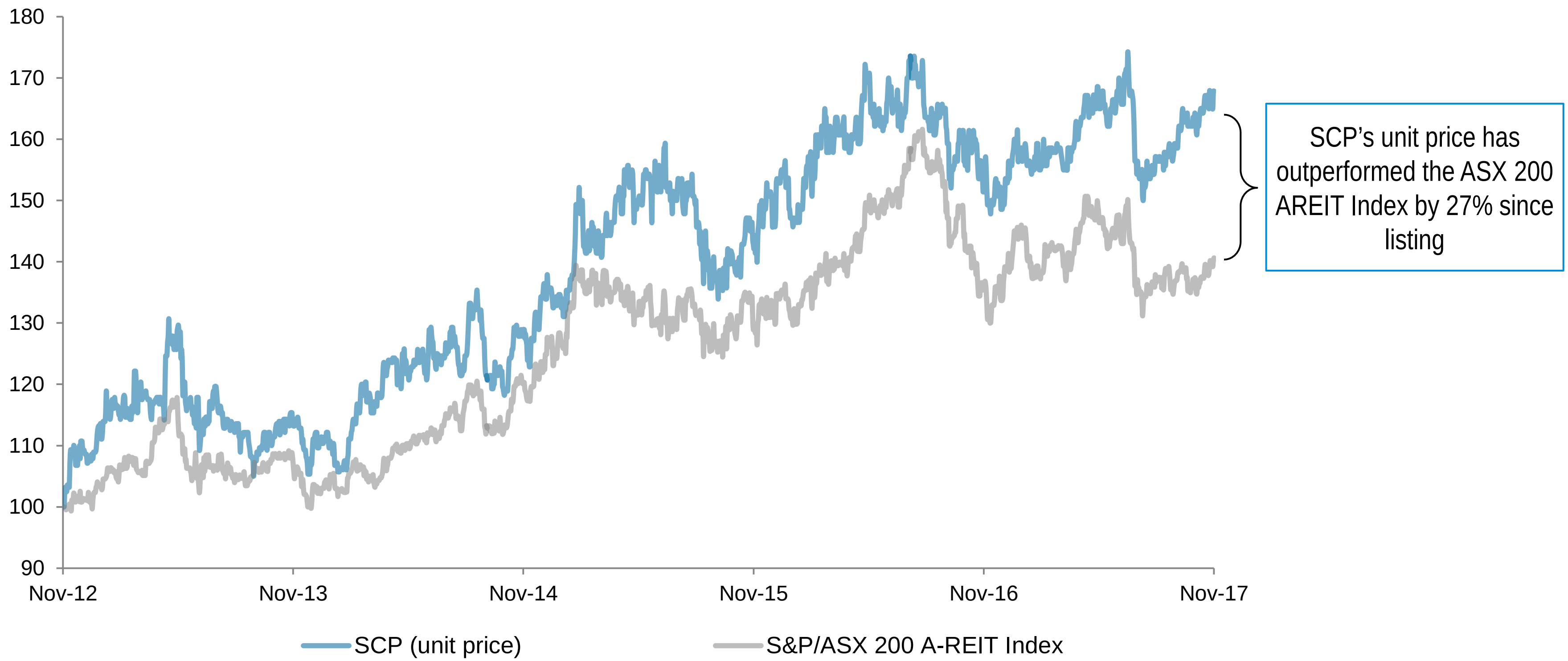


SCP has delivered consistent and growing earnings and distributions, with a compound annual growth rate of around 6% pa

FIVE-YEAR PERFORMANCE (CONT'D)

SCP has delivered an average Total Unitholder Return ("TSR") of 17.2% p.a.

	SCA Property Group (TSR)	S&P/ASX 200 A-REIT Accumulation Index
Return since listing (annualised)	**17.2% p.a.**	**12.8% p.a.**
Return since listing (total)	**119%**	**81%**



Source: Bloomberg (01 November 2017)

CORE STRATEGY UNCHANGED

Defensive, resilient cashflows to support secure distribution growth

SCA Property Group

Focus on convenience-based retail centres

Weighted to non-discretionary retail segments

Long leases to quality anchor tenants

Appropriate capital structure

Growth opportunities

CHAIRMAN'S ADDRESS

BOARD REVIEW

SCA Property Group

CONCLUSION


coles
LIQUORLAND
ENTRY BY
PERMIT ONLY
Sugarworld, QLD

CEO'S ADDRESS

Anthony Mellowes

RESTRUCTURED PORTFOLIO
High quality assets, geographically diverse

As at 1 November 2017:

76 Operating Properties

$2,389.3m Investment Properties Total Value

9.5 yrs Weighted Average Lease Expiry

1,317 Specialty Tenants

9 yrs Average Age of Portfolio

98.4% Portfolio Occupancy

535,450m^2 Gross Lettable Area

FY17 HIGHLIGHTS

SCA Property Group

Financial Performance	Capital Management	Active Portfolio Management
$108.4m, up by 8.3% Funds from operations ("FFO")[1]	31.8% Gearing[3], lower end of 30 – 40% target range	98.4% Portfolio occupancy[6] 4.8% Specialty vacancy[6]
14.7 cpu, up by 6.9% FFO per unit [1]	$2.20, up by 14.6% NTA per unit[4]	6.47% Portfolio weighted average cap rate[5]
13.1 cpu, up by 7.4% Distribution per unit [1,2]	3.8% Weighted average cost of debt[5] 5.0 yrs Weighted Average debt maturity[5]	$274.9m Acquisitions[7] $311.0m Divestments[7]

1 *FY17 vs FY16*
2 *Final distribution of 6.7 cpu in respect of the six months ended 30 June 2017 is expected to be paid on 31 August 2017. "cpu" stands for Cents Per Unit*
3 *As at 30 June 2017. Gearing is calculated as Finance debt, net of cash (with USD denominated debt recorded as the hedged AUD amount) divided by total tangible assets (net of cash and derivatives)*
4 *Compared to 30 June 2016*
5 *As at 30 June 2017*
6 *As at 30 June 2017, includes acquisitions during 12 months ended 30 June 2017. Excluding acquisitions in the period, portfolio occupancy would be at 98.5% and specialty vacancy would be at 4.4%*
7 *During the 12 month period we acquired 8 neighbourhood shopping centres for $274.9m (excluding transaction costs of $16.0m). We also sold our 14 New Zealand properties for NZ$267.4m which translated to A$255.9m using the exchange rate as at 30 June 2016 of 1.045 and 2 assets to the "SURF 2" fund for $55.1m*

KEY ACHIEVEMENTS – DELIVERING ON STRATEGY

SCA Property Group

Optimising the Core Business	• Supermarket sales showing improving trends, particularly Woolworths – Moving annual turnover growth of 2.2% with volumes continuing to grow faster than sales • Specialty tenants continue to perform strongly – Sales growth of 3.8% and occupancy cost of 9.7% – 7.0% average rental increase across 81 renewals completed during the period • Comparable NOI growth of 3.0%
Growth Opportunities	• Acquisitions of $274.9m funded by divestments of $311.0m – Continued consolidation in fragmented market, with 8 neighbourhood centres acquired – Divestment of non-core and freestanding centres above book value • Acquired a 4.9% interest in Charter Hall Retail ("CQR") for $83.4m • Developments progressing to plan, with construction commenced on Kwinana (Coles third anchor), Bushland Beach (new Coles centre) and Bunnings to replace Masters at Mount Gambier • Completed SURF 2 launch with $55.1m of assets (Katoomba $44.7m and Mittagong $10.4m)
Capital Management	• Balance sheet in a strong position – Gearing of 31.8% at the lower end of our 30% to 40% target range – Weighted average cost of debt increased to 3.8%, weighted average term to maturity of debt is 5.0 years, with 86% of drawn debt either fixed or hedged and no currency exposure – Cash and undrawn facilities of $264.6m • Distribution Reinvestment Plan raised $18.8m of new equity during FY17
Earnings Growth Delivered	• FY17 FFO per unit of 14.7 cpu represents growth of 6.9% on the same period last year • FY17 Distribution of 13.1 cpu represents growth of 7.4% on the same period last year

CORE STRATEGY UNCHANGED

Defensive, resilient cashflows to support secure distributions

SCA Property Group

Focus on convenience-based retail centres

Weighted to non-discretionary retail segments

Long leases to quality anchor tenants

Appropriate capital structure

Growth opportunities

POTENTIAL EARNINGS GROWTH TRENDS

Continued solid earnings growth expected over time

SCA Property Group

		Description and Assumptions	Indicative Contribution to FFO Growth Rate (% pa) (medium to longer term)
Core Business	Anchor Rental Growth	• Anchor rental income represents about 52% of overall gross property income • Once turnover thresholds are met, rent will grow in proportion to Anchors' sales growth • Around 30% of Anchor tenancy leases have a minimum 5% increase in base rent in FY18/FY19	0 - 1%
	Specialty and Other Rental Growth	• Specialty rental income represents about 48% of overall gross property income • Specialty leases generally have contracted growth of 3-4% pa • Positive specialty rent reversions expected on expiry due to relatively low rent / sqm at present	1 - 2%
	Expenses	• Property Expenses and Corporate Costs expected to grow at same rate as rental income • Interest expense is continuing to be actively managed	0%
		Indicative Comparable NOI Growth (%)	1 – 3%
Growth Initiatives	Property Development	• Selective extensions and refurbishments of our existing centres • We have identified around $130m of development opportunities over the next 5 years	1% +
	Acquisitions	• Selective acquisitions will continue to be made in the fragmented neighbourhood shopping centre segment	
	Other Opportunities	• Funds management business continues to grow, with "SURF 3" to be launched in FY18	
		Indicative FFO Growth (%)	2 - 4% +

NEIGHBOURHOOD CENTRES IN AUSTRALIA

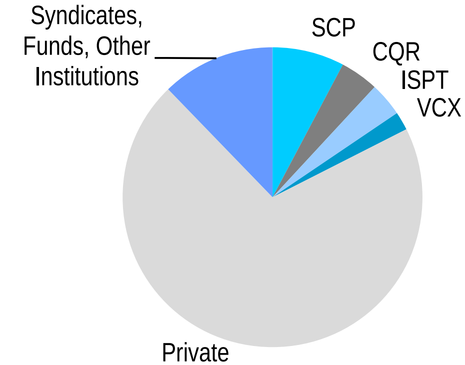
Fragmented ownership provides acquisition opportunities

Neighbourhood Centre Landscape in Australia

- There are over 850 Coles and Woolworths anchored neighbourhood centres in Australia
- SCP is the largest owner (by number) of neighbourhood centres in Australia. SCP has an opportunity to continue to consolidate this fragmented segment by utilising its funding capability, management capability and industry knowledge to source and execute acquisition opportunities from private and corporate owners. Since listing SCP has completed the acquisition of 36 neighbourhood centres for over $900 million in aggregate

Ownership of Neighbourhood Centres in Australia (Number of centres)

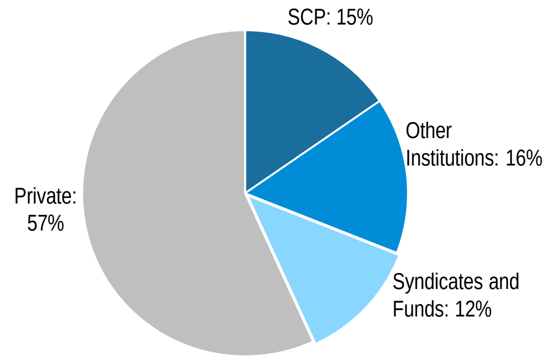
Indicative



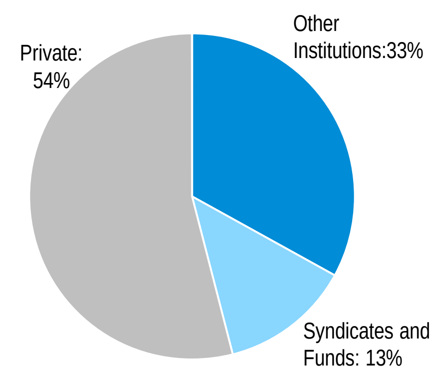
Recent Transactions

- During the twelve months ended 30 June 2017, 61 neighbourhood centres changed hands for aggregate consideration of $1,779 million
- SCP was the largest individual buyer of neighbourhood centres during that period
- In October 2017, SCP purchased Sugarworld a neighbourhood shopping centre in Cairns

FY17 Buyers (by value)



FY17 Sellers (by value)



Source: Management estimates

INDICATIVE DEVELOPMENT PIPELINE

We have identified over $130m of development opportunities at 22 of our centres over the next 5 years[1]

SCA Property Group

Development Type	Centre(s)	FY17 Actual	Estimated Capital Investment (A$m) FY18	FY19	FY20	FY21	FY22
Centre Improvement	Burnie, Clemton Park, Murray Bridge, The Markets	0.3	0.9	4.0	6.0	-	-
Stage 3 (third anchor)	Kwinana (completed October 2017)	14.3	5.9	-	-	-	-
Supermarket expansions	Northgate, Riverside, Treendale, West Dubbo	-	-	-	0.7	4.6	4.5
Supermarket and centre expansions	Collingwood Park, Gladstone, Mackay, New Town Plaza, North Orange, Wyndham Vale	0.3	2.0	3.5	0.4	21.8	22.0
Major centre expansions	Bushland Beach, Central Highlands, Epping North, Greenbank, Mt Gambier, Ocean Grove	6.4	13.3	11.2	21.0	3.6	3.5
Car Park	Whitsunday	1.5	1.0	-	-	-	-
Preliminary and defensive	Various	-	0.3	0.3	0.3	0.3	0.3
	Total	22.8	23.4	19.0	28.4	30.3	30.3

- Construction is ongoing on two major projects, being
  - Kwinana near Perth, WA: adding Coles as a third anchor for total expected project cost of $20.2m of which $14.3m was spent in FY17 and remaining $5.9m is expected to be spent during FY18. Expected completion date is late October 2017
  - Bushland Beach near Townsville, QLD: building a new Coles-anchored centre for total expected project cost of $19.6m of which the remaining $12.4m is expected to be spent during FY18. Expected completion date is April 2018

1 The exact timing of future developments is subject to prevailing market conditions and regulatory approvals

FUNDS MANAGEMENT BUSINESS

Potential to deliver additional earnings growth in the future

SCA Property Group

- First fund "SURF 1" progressing well
  - Investment property valuation increased from $60.9m in October 2015 to $67.3m as at 30 June 2017 with NTA per unit increasing from $0.95 to $1.13
  - Distribution yield on initial equity investment increased from 8.0% pa to 8.2% pa
  - Equity IRR in excess of 10%

- Second fund "SURF 2" launched in June 2017
  - Initial investment property valuation of $55.1m, comprising Katoomba Woolworths / Big W for $44.7m and Mittagong Dan Murphy's for $10.4m
  - Distribution yield expected to be in excess of 7% pa

- Fee structure for both funds is the same
  - Establishment Fee: 1.5% of total asset value
  - Management Fees: 0.7% of total asset value per annum
  - Disposal Fee: 1.0% of assets disposed
  - Performance Fee: if the equity IRR exceeds 10%, SCP will receive 20% of the outperformance

- SCP will continue to launch additional retail funds
  - SURF 3 expected to launch in FY18, similar size and containing non-core assets acquired from SCP

- The funds management business will continue to allow SCP to recycle non-core assets, and utilise its expertise and platform to earn capital-light management fees in the future

Woolworths & Big W, Katoomba

Dan Murphy's, Mittagong

SUSTAINABILITY

We continue to focus on long-term sustainable performance

SCP has established a sustainability strategy (environment, social and governance) that aims to reduce risks, improve operations and enhance stakeholder relationships for the long-term. SCP has:

- Its first solar project due to commence in Q1 FY18
- Launched a Sustainability Strategy and a Sustainability Policy
- Piloted a “Stronger Communities” approach to engage and support the communities local to our centres
- Developed an energy improvement plan for all sub-regional and neighbourhood centres and benchmarked the environmental performance of our centres
- Piloted LED lighting to reduce greenhouse gas emissions and operating costs
- Participated in the *Global Real Estate Sustainability Benchmark (GRESB),* an international sustainability risk management survey and standard for real estate investment managers run by leading investors
- Achieved 5.5 stars *NABERS Energy* rating (out of six) for SCP’s office

Our Sustainability Objectives

1	STRONGER COMMUNITIES	Strengthen the relationships between our shopping centres and their local communities and help improve the wellbeing and prosperity of those communities
2	ENVIRONMENTALLY EFFICIENT CENTRES	Reduce the environmental footprint of our shopping centres, particularly greenhouse gas emissions through reducing energy consumption
3	RESPONSIBLE INVESTMENT	Manage environmental, social and governance (ESG) risks that are material to investment value and communicate our performance on this

KEY PRIORITIES AND OUTLOOK

Continue to deliver on strategy in FY18

SCA Property Group

Optimising the Core Business	• Increase specialty rent per sqm by optimising tenancy mix and achieving rental uplifts on renewals • Focus on managing expenses both at centres and corporate while maintaining appropriate standards
Growth Opportunities	• Continue to explore value-accretive acquisition opportunities consistent with our strategy and investment criteria • Progress our identified development pipeline – Kwinana (expected completion October 2017) and Bushland Beach (April 2018) • Launch our third retail fund ("SURF 3") in FY18
Capital Management	• Continue to actively manage our balance sheet to maintain diversified funding sources with long weighted average debt expiry and a low cost of capital consistent with our risk profile • Target gearing range of 30% to 40% but preference to remain below 35% at this point in the cycle
Earnings Guidance	• FY18 FFO per unit ("EPU") guidance of 15.1 cpu and DPU guidance of 13.7 cpu


Kwinana Marketplace
coles
Noodler's