



# FY19 interim results

15 February 2019





FY19 interim results  
overview and strategy  
update

**Grant Kelley**  
CEO AND MANAGING DIRECTOR

Financials and  
FY19 guidance

**Michael O'Brien**  
CHIEF FINANCIAL OFFICER

**Kah Wong**  
ACTING CHIEF FINANCIAL OFFICER

Portfolio

**Stuart Macrae**  
EGM LEASING

Retail and mixed-use  
development

**Carolyn Viney**  
EGM DEVELOPMENT

Strategic growth initiatives

**Justin Mills**  
EGM SHOPPING CENTRE  
MANAGEMENT

Questions

**Grant Kelley**  
CEO AND MANAGING DIRECTOR





# FY19 interim results overview and strategy update

Grant Kelley  
CEO AND MANAGING DIRECTOR

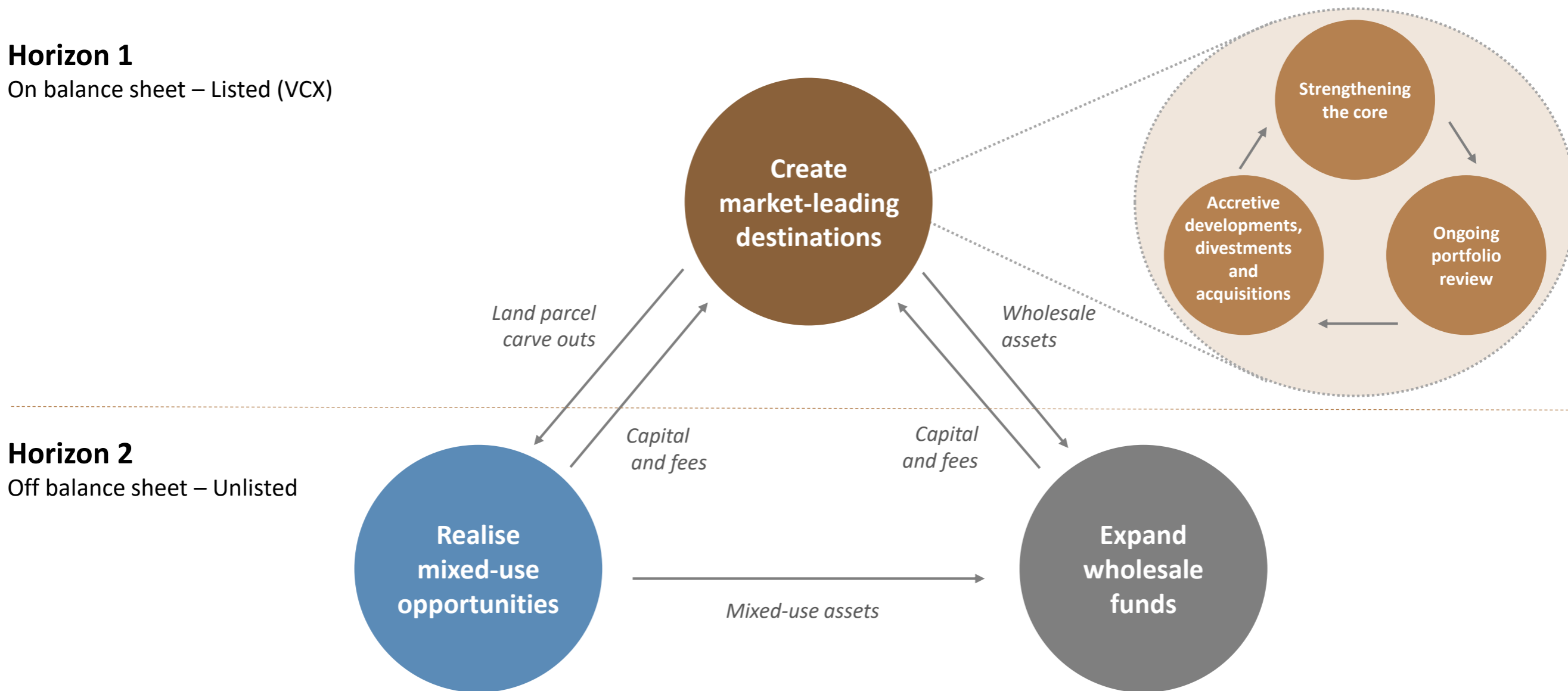
# Vicinity's strategy

Unlocking Vicinity's potential



## Horizon 1

On balance sheet – Listed (VCX)



## Horizon 2

Off balance sheet – Unlisted

# FY19 interim results overview

## Strategy delivering results



### Financial results

Statutory net profit of \$235.3m

Funds from operations (FFO) of 9.06 cps, reflecting 2.0% comparable growth<sup>1</sup>

Gearing reduced to 25.1%

### Strengthening the core

Performance enhanced due to divestment of non-core assets

Specialty MAT<sup>2</sup>/sqm up 6.0% to \$10,746<sup>3</sup> from Jun-18

Specialty and mini majors MAT growth<sup>3</sup> of 4.2%

Leasing spreads<sup>4</sup> of 4.4%

Portfolio occupancy of 99.7%

### Accretive developments

Perth DFO opened fully leased and recorded 40% valuation gain

The Glen Stage 3 opened fully leased and on budget

Chadstone Victoria's Secret flagship and atrium dining opened, and progressed hotel construction

### Strategic initiatives

Sold \$631m of up to \$1b of non-core assets targeted for divestment

Discussions with potential wholesale fund investors ongoing

Progressing on a select number of large, strategic, high-value mixed-use opportunities

Acquired 40m securities for \$106m at 11.1% discount to Dec-18 NTA<sup>5</sup>



UNIQLO opening at The Glen, VIC

1. Adjusted for the impact of divestments. Unadjusted FFO per security is down 0.9%. Refer to slide 50 for full reconciliation of FFO to statutory net profit. 2. Moving Annual Turnover. 3. Excludes divestments and development-impacted centres in accordance with Shopping Centre Council of Australia (SCCA) guidelines (refer to slide 46 for details). 4. Leasing spreads include all store types other than majors, offices, ATMs and storage. For leases greater than 18 months duration and excludes project-impacted leasing and divestments. 5. Net tangible assets per security.

# Market-leading destinations

## Portfolio repositioning well progressed



### Progress on divestment of up to \$1.0b of non-core assets

Divested 11 assets for \$631m in October 2018<sup>1</sup>

Progressing divestment of the four remaining assets, however no further divestments expected for FY19

### Proposed ~\$1.0b wholesale fund discussions with potential investors ongoing

Establishment of wholesale fund assumed post FY19

### Strong reinvestment opportunities

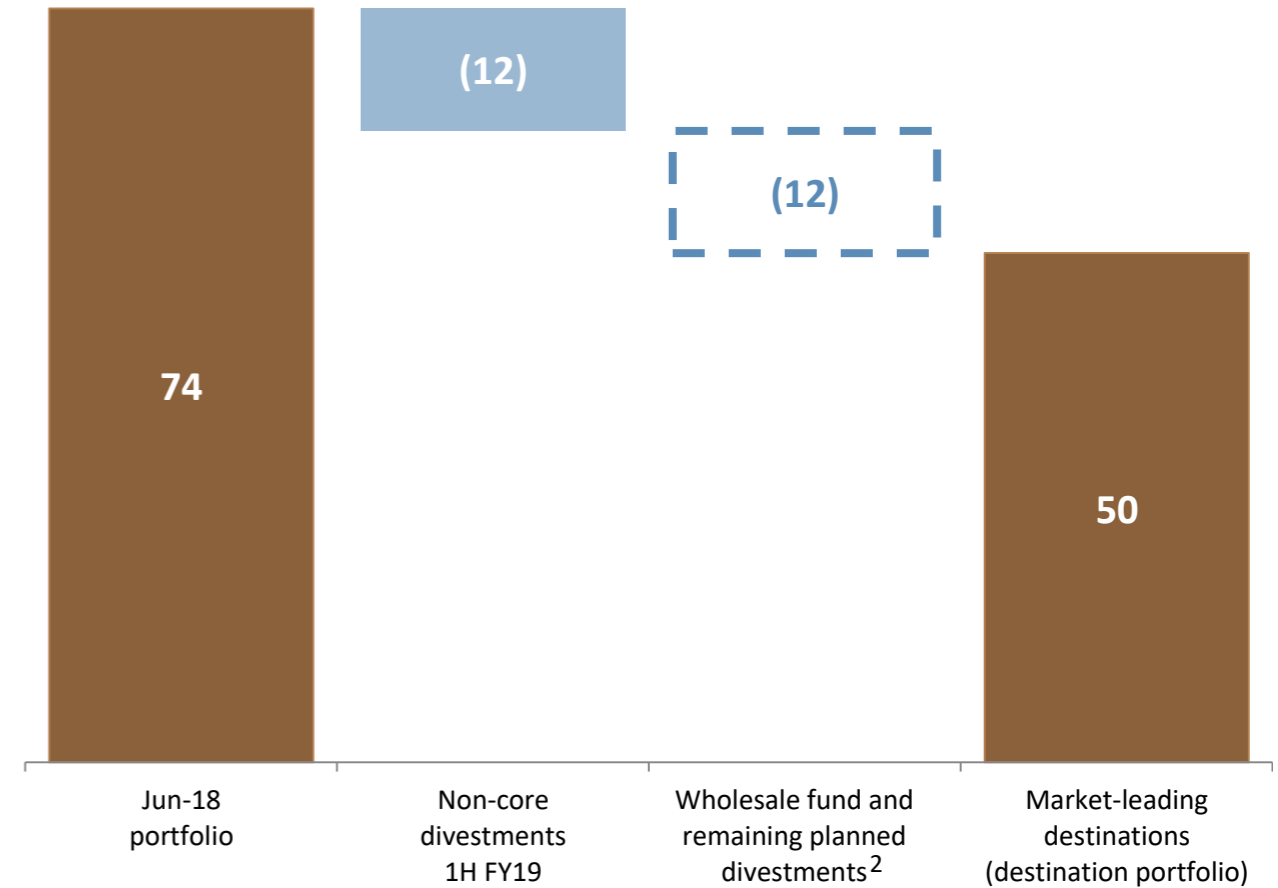
Gearing reduced to 25.1%, at the low end of target range

Acquired 40m securities for \$106m at 11.1% discount to Dec-18 NTA

Portfolio enhancement through significant retail development pipeline

### Progress to market-leading destination portfolio

Number of assets



1. Excludes the sale of Flinders Square, WA for \$39.5m, which settled in August 2018.

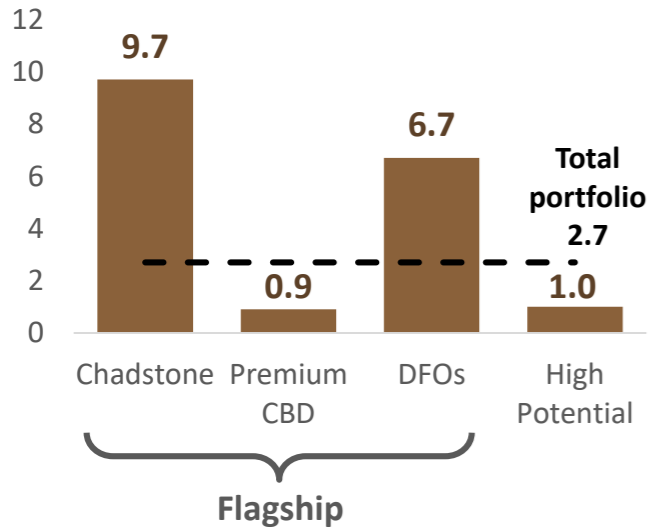
2. Includes the remaining non-core assets planned to be sold of the up to \$1.0b divestment program, and the proposed establishment of a wholesale fund to be seeded with ~\$1.0b of assets from Vicinity's balance sheet.

# Market-leading destinations

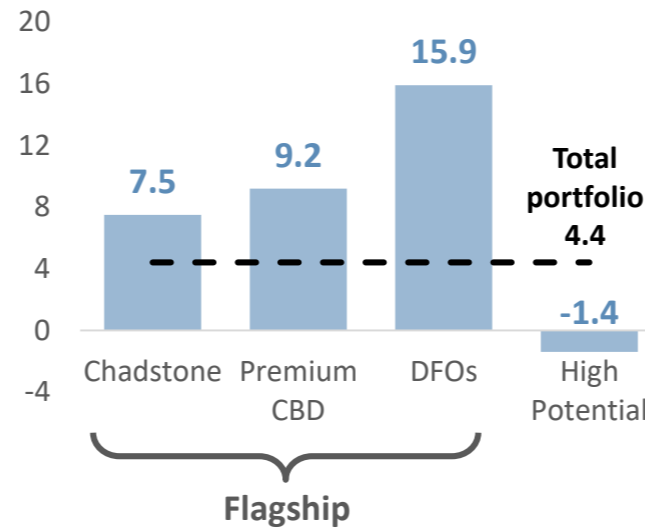
Outstanding performance from Flagship assets, with plans to strengthen High Potential portfolio



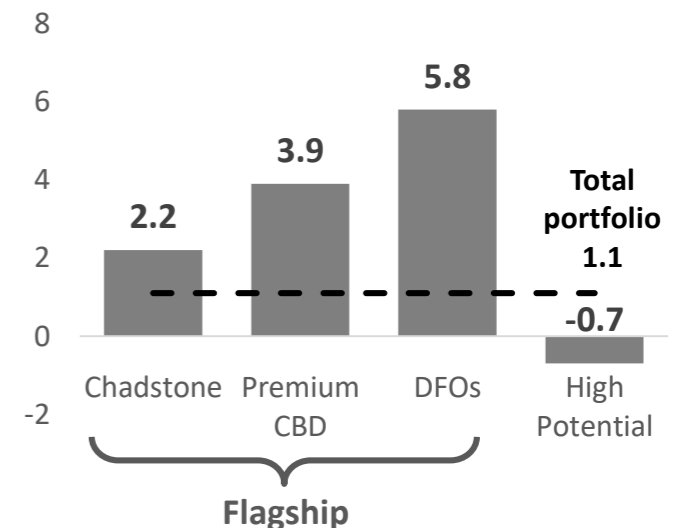
## Total MAT growth<sup>1</sup> (%)



## Leasing spreads<sup>2</sup> (%)



## Comparable NPI growth<sup>3</sup> (%)



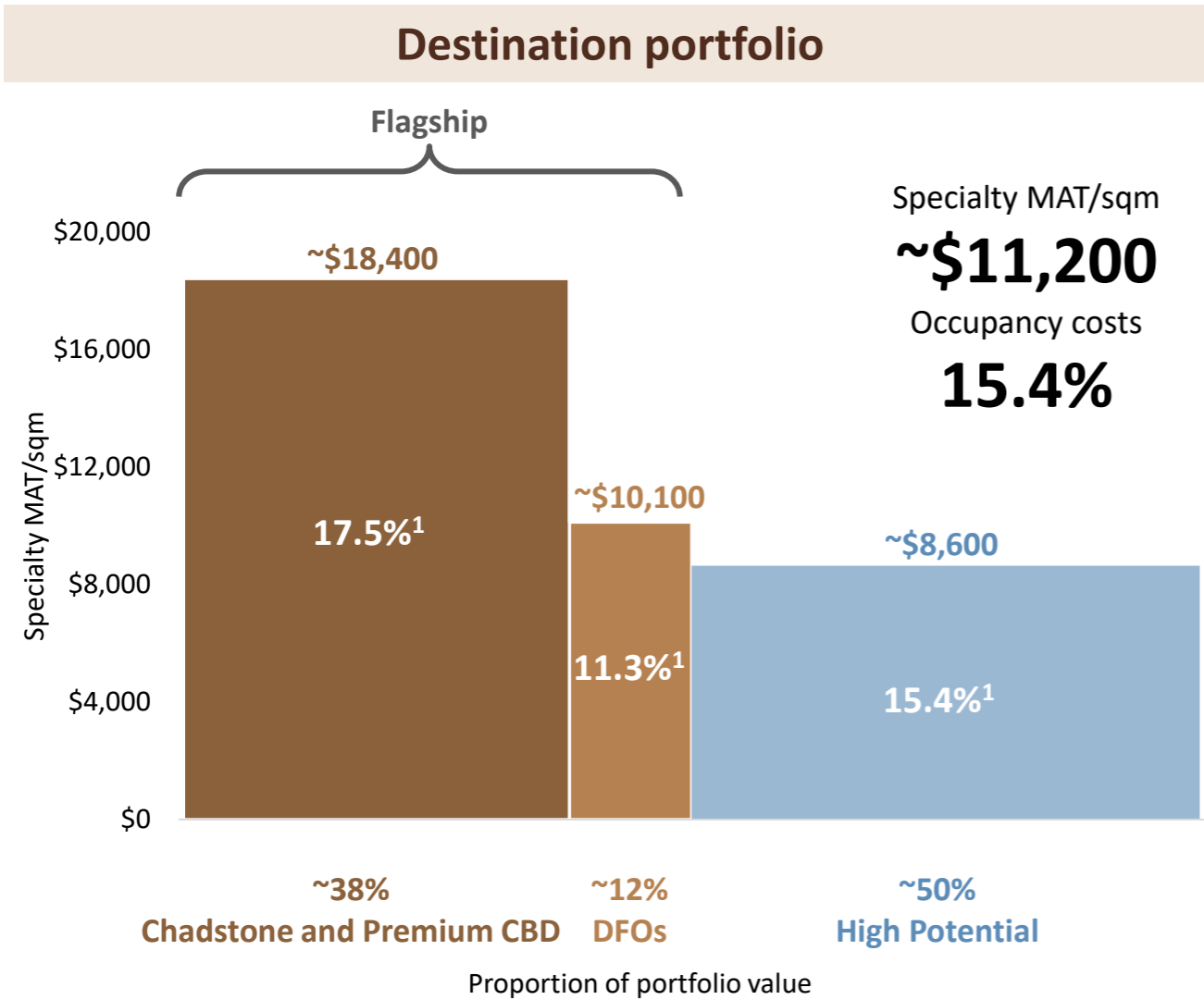
1. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).

2. Leasing spreads include all store types other than majors, offices, ATMs and storage. For leases with greater than 18 months duration and excludes project-impacted leasing and divestments.

3. Excludes acquisitions, divestments and development-impacted centres and is calculated on a like-for-like basis versus the prior corresponding period.

# Market-leading destinations

~40% of destination portfolio value comprised of highly productive Chadstone and Premium CBD assets



1. Percentages on charts reflect average occupancy costs.



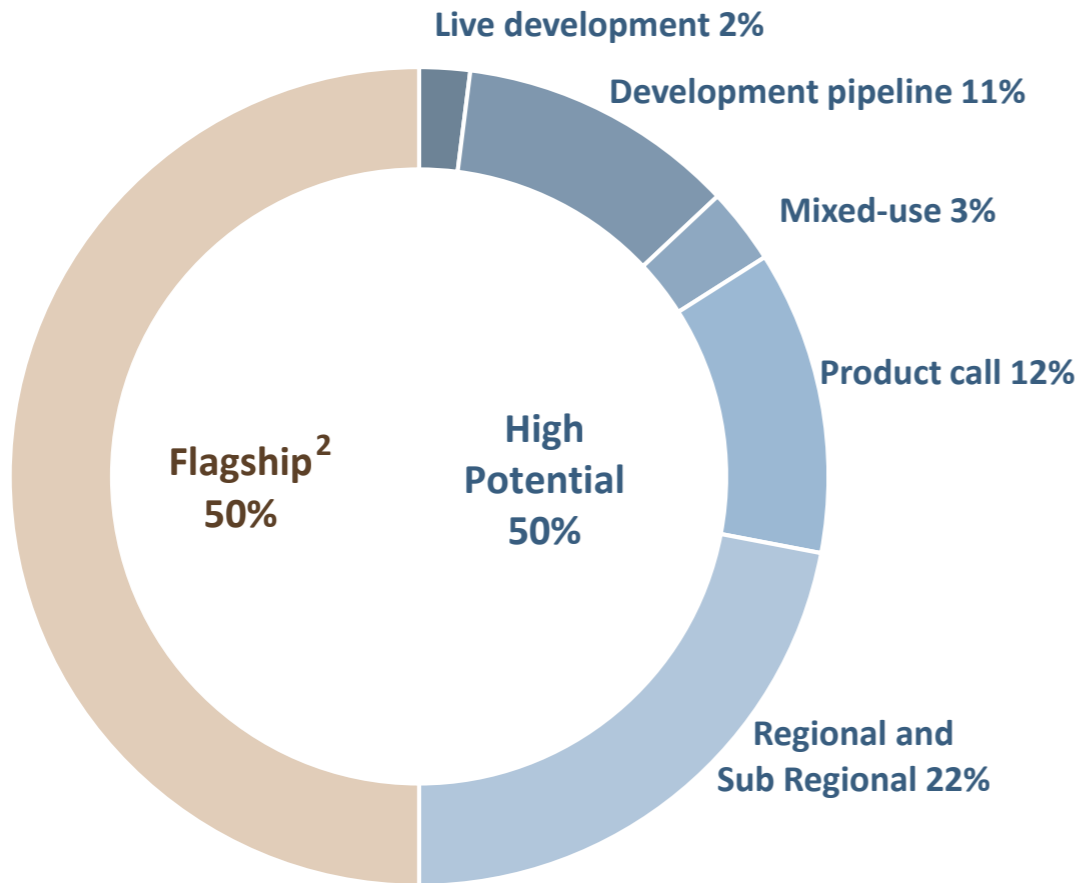
# Market-leading destinations

High Potential assets present opportunities to strengthen performance



## Destination portfolio<sup>1</sup>

High Potential assets category detail



### Live development

The Glen, VIC

### Development pipeline

Bankstown Central, NSW

Box Hill Central, VIC

Chatswood Chase Sydney, NSW – future Flagship

Ellenbrook Central, WA

### Mixed-use

Victoria Gardens Shopping Centre, VIC

### Product call<sup>3</sup>

Altona Gate, VIC, Grand Plaza, QLD and Northland, VIC

### Regional and Sub Regional

Carlingford Court, NSW, Castle Plaza, SA, Nepean Village, NSW, Runaway Bay Centre, QLD and Warriewood Square, NSW

Note: The list of assets on this slide is not exhaustive.

1. By December 2018 portfolio value for the 50 assets in the destination portfolio.

2. Flagship = Chadstone, Premium CBDs and DFOs.

3. Remixing opportunities which substantially enhance the centre's retailer offering to the market.

# Vicinity response to macro environment

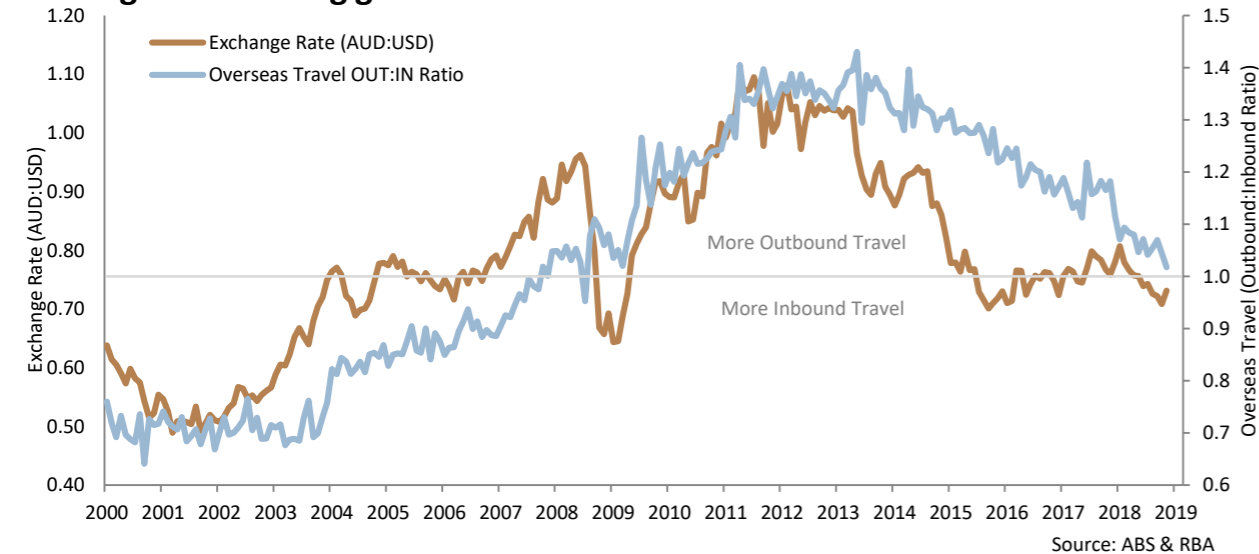
## Unique portfolio and strategic direction yielding benefits



### Wages growth is now out-pacing living costs growth



### Exchange rate leading growth in inbound tourism to Australia



### Vicinity strategically well positioned

#### Focus on market-leading destinations

- Continue to divest non-core assets and reinvest prudently
- Enhance unrivalled Flagship assets
- Develop select High Potential assets
- Drive ancillary income
- Digital platform to drive income, efficiencies and experience

#### Realising mixed use opportunities

- Focus on a select number of large, high value projects

#### Expand wholesale funds platform

# Vicinity is uniquely positioned now and into the future

Attractive portfolio a first port of call for Australian and international retailers



## CHADSTONE

Australia's #1 retail asset



## DFOs

Australia's #1 Outlet Centre portfolio



## PREMIUM CBD LOCATIONS

Unrivalled Australian east coast retail offer



## LEADING LUXURY OFFER

Australia's #1 landlord to this growing segment



# Financials and FY19 guidance

Michael O'Brien  
CHIEF FINANCIAL OFFICER

Kah Wong  
ACTING CHIEF FINANCIAL OFFICER

Chadstone, VIC

# FY19 guidance re-affirmed<sup>1</sup>

Forecast comparable FY19 FFO per security growth of 2.3% to 3.4%<sup>1</sup>



## FY19 FFO per security guidance of 18.0 to 18.2 cents reiterated

Represents 2.3% to 3.4% FFO per security comparable growth, after adjusting for the impact of portfolio changes<sup>2</sup>

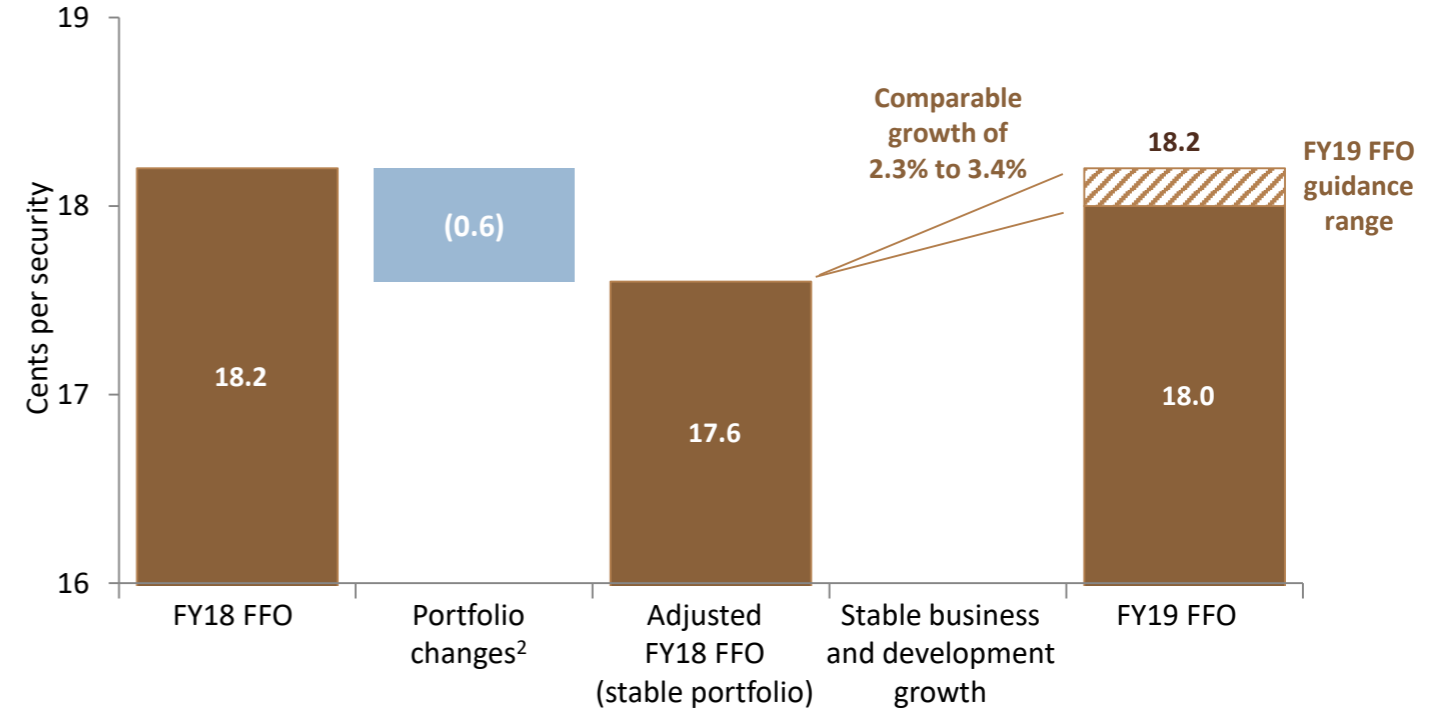
Assumes impact of \$106m securities bought back and \$670m of divestments completed to date in FY19

No further divestments, nor establishment of wholesale fund, assumed in FY19

**Distribution payout ratio is expected to be at the upper end of 95% to 100% of adjusted FFO (AFFO), or 85% to 90% of FFO<sup>1</sup>**

FY19 maintenance capex and incentives forecast of ~\$80m to \$90m

## FY19 FFO guidance



1. Assuming no material deterioration to existing economic conditions.

2. Adjusting for all balance sheet divestments from 1 July 2017 to 30 June 2019.

# Financial results

Statutory net profit of \$235.3m, with comparable FFO per security growth of 2.0%<sup>1,2</sup>



Funds from operations<sup>2</sup>

**\$349.5 million**

Underpinned by comparable NPI growth of 1.1%

FFO per security

**9.06 cents**

Reflects the sale of non-core assets

Comparable FFO per security<sup>1</sup>

**2.0% growth**

Development completions, NPI growth and securities buy-back benefit

Distribution per security

**7.95 cents**

Reflects FFO payout ratio of 87.2% and adjusted FFO (AFFO) payout ratio of 95.2%



NOTE: Refer to slide 49 for segment income statement.  
1. Adjusting for the impact of divestments. Unadjusted FFO per security is down 0.9%.  
2. Refer to slide 50 for full reconciliation of FFO to statutory net profit.

# Financial position

## Balance sheet strengthened



### Divested 12 non-core assets

Proceeds of \$670m received

### Asset sale proceeds reinvested into value-accretive opportunities

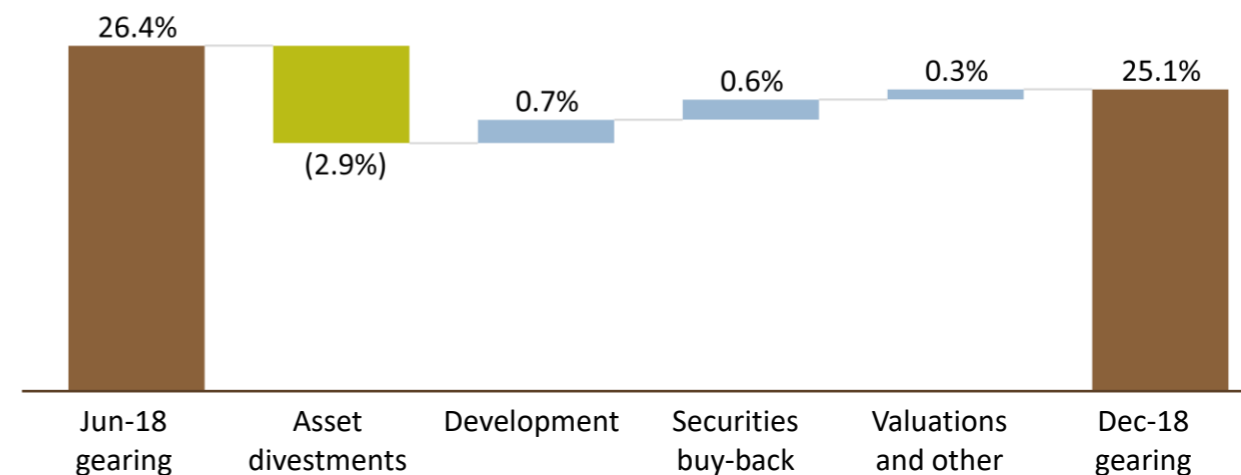
Acquired 40m securities for \$106m at 11.1% discount to Dec-18 NTA

\$154m invested into developments including Chadstone, DFO Perth and The Glen

Reduced gearing<sup>1</sup> 130 bps to 25.1%, creating scope to borrow and reinvest prudently

### Strength of balance sheet and A/A2 ratings provides funding flexibility on favourable terms

### Gearing movements during period



### Debt metrics

As at	Dec-18	Jun-18
Gearing <sup>1</sup>	25.1%	26.4%
Interest cover ratio (ICR)	4.6x	4.8x
Debt to EBITDA ratio	4.6x	5.1x
Credit ratings/outlook		
- Moody's	A2/stable	A2/stable
- S&P Global Ratings	A/stable	A/stable

NOTE: Refer to slide 51 for summarised balance sheet.

1. Calculated as: Drawn debt net of cash/Total tangible assets excluding cash, derivative financial assets and finance lease assets.

# Valuations

Modest decline in portfolio net valuation, however Flagship portfolio continues to report solid growth



Destination portfolio

**0.4% increase<sup>1</sup>**

Supported by average 2.4% net gain in Flagship assets

Weighted average capitalisation rate DFO portfolio

**5.31%**

Flagship asset capitalisation rate firmed 4 bps to 4.53%

DFO portfolio

**7.2% increase<sup>1</sup>**

Underpinned by growth in DFO Perth (up 40.4%) following strong trading performance since opening in Oct-18

Sydney CBD assets

**1.7% increase<sup>1</sup>**

Reflects strong sales performance and smaller development projects continuing to enhance the consumer experience



The Galleries, NSW

	Valuation Dec-18 (\$m) <sup>2</sup>	Net gain/(loss) over six months (%)
Chadstone	3,150	1.4
Premium CBD	2,450	0.5
DFOs <sup>3</sup>	1,694	7.2
<b>Flagship assets</b>	<b>7,294</b>	<b>2.4</b>
High Potential	7,345	(1.5)
<b>Destination portfolio</b>	<b>14,639</b>	<b>0.4</b>
<b>Total portfolio</b>	<b>15,836</b>	<b>(0.2)</b>

1. Net valuation movement excludes statutory accounting adjustments and assets divested during the period.
2. Vicinity ownership interest.
3. Includes DFO Perth, completed during the period.



# Capital management

Well diversified funding sources, A/A2 credit ratings



New or renegotiated debt

**\$1.5 billion**

Significantly reducing FY19 and FY20 debt expiry profile

Liquidity

**\$1.3 billion**

Sufficient capacity for planned investment and development expenditure, repayment of near-term expiries and securities buy-back

Weighted average cost of debt

**4.5%**

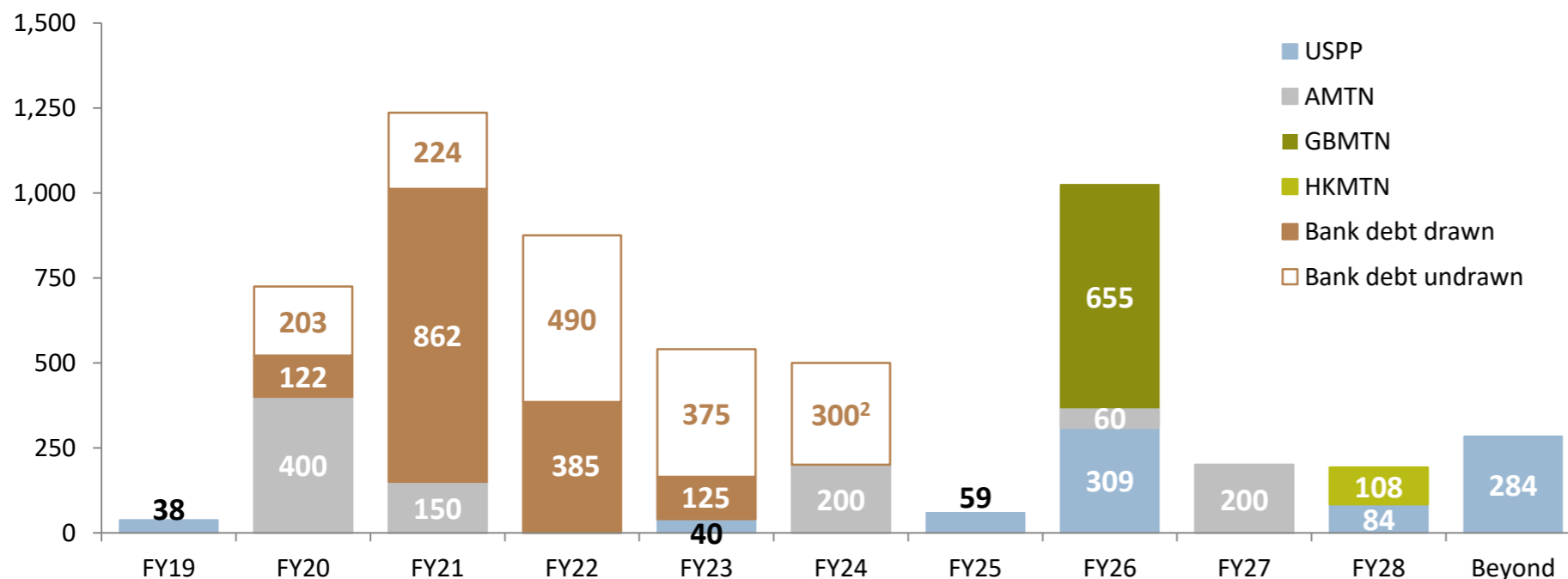
Up 20 bps since Jun-18, with a focus on maintaining funding flexibility

Weighted average debt duration

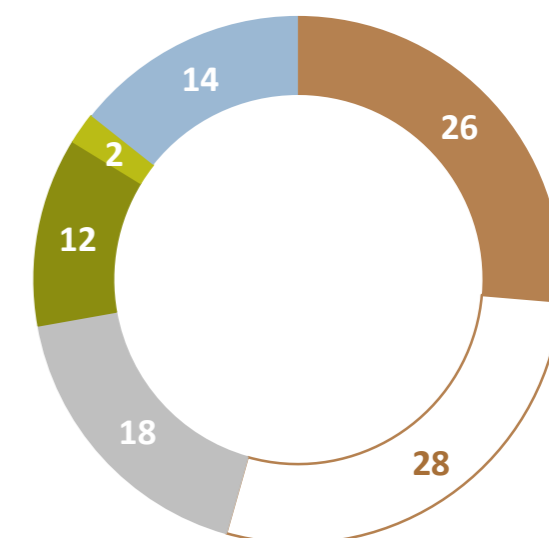
**4.3 years**

Reduced marginally over the period

## Debt maturity profile (\$m)<sup>1</sup>



## Debt sources (%)<sup>1,2</sup>



1. Based on facility limits. 2. Includes \$300m undrawn bank debt facility which commences in June 2019 subject to finalisation of conditions precedent.



# Portfolio

Stuart Macrae  
EGM LEASING

# Portfolio highlights

## Portfolio metrics remain strong



Occupancy  
rate

**99.7%**

In line with 99.7% at Jun-18

Comparable  
NPI growth<sup>1</sup>

**+1.1%**

Up from 1.0% over FY18

Leasing  
spread<sup>2</sup>

**+4.4%**

Comprising +5.5% for renewals  
and +3.0% for replacements

Specialty  
occupancy cost<sup>3</sup>

**15.2%**

Up from 14.7% at Jun-18



Chadstone, VIC

1. Excludes acquisitions, divestments and development-impacted centres and is calculated on a like-for-like basis versus the prior corresponding period.
2. Leasing spreads include all store types other than majors, offices, ATMs and storage. For leases greater than 18 months duration and excludes project-impacted leasing and divestments.
3. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).

# Sales summary

Benefitting from ongoing active management



Specialty MAT  
productivity<sup>1</sup>

**\$10,746**

Up from \$10,133/sqm  
at Jun-18

Specialty MAT/sqm  
six-month growth<sup>1</sup>

**+6.0%**

Reflecting portfolio repositioning  
and active tenant remixing

Specialty and mini major  
MAT growth<sup>1</sup>

**+4.2%**

Uplift due to positive remixing  
and expansion of strongly  
performing retailers

Total  
MAT growth<sup>1</sup>

**+2.7%**

Strong mini major and specialty  
performances at Chadstone and DFOs  
driving growth



Queen Victoria Building, NSW

1. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).

# Sales performance

Services, food catering and leisure continue to show strong growth



Jewellery<sup>1,2</sup>

**+12.7%**

Strong growth from Chadstone and DFOs

Leisure<sup>1,2</sup>

**+5.6%**

Sporting goods +10.1% and books +3.8%

Retail services<sup>1,2</sup>

**+5.2%**

Hairdressing and beauty +6.2% and optometrists +4.1%

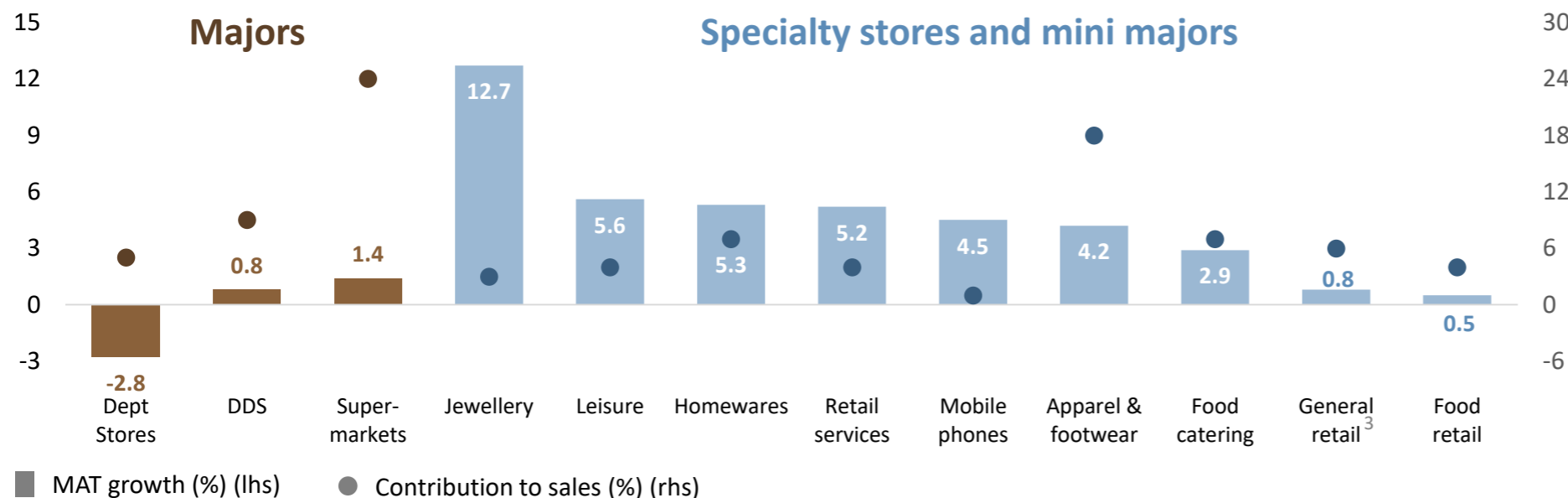
Apparel and footwear<sup>1,2</sup>

**+4.2%**

Proactively expanding strong retailers driving growth. Fashion accessories +13.7%, men's apparel +6.0% and jeaneries and unisex +4.6%

## MAT growth (%)<sup>2</sup>

For the 12 months to 31 December 2018



NOTE: Refer to slide 45 for additional sales data.

1. Specialty stores and mini majors.
2. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).
3. General retail includes giftware, pharmacy and cosmetics, pets, discount variety, tobacconists, florists and toys.

# Chadstone is Australia's #1 retail centre with \$2.1b of MAT

International retailers, expanded luxury, quality dining and entertainment driving increased visitation



**#1** MAT across Australia for 17th consecutive year<sup>1</sup>  
>60% higher than next peer

**#1** Luxury precinct in Australia  
New: Hermès, Van Cleef & Arpels, Kennedy, Piaget, Chaumet, Bottega Veneta, Mulberry  
Expanded: Louis Vuitton, Chanel, Gucci

**5.5%** Annual growth in visitation to more than 23m

**9.7%** Total MAT growth

**\$18,695** Specialty MAT/sqm<sup>2</sup>

**12.4%** Specialty and mini major MAT growth

**7.5%** Leasing spread

**1st** Australian flagship store  
Victoria's Secret



Chadstone, VIC

1. Big Guns Survey 2018. 2. Impacted by strong luxury tenant change to mini major since Jun-18.



# Retail and mixed-use development

Carolyn Viney  
EGM DEVELOPMENT



DFO Perth, WA

# Retail developments – A key driver for portfolio enhancement

## Pipeline to focus on high-returning opportunities



### Retail development pipeline a key driver of value

Captures additional market share from growing trade areas

Assets keep pace with changing consumer preferences

Builds on success of existing strongly performing assets

### Pipeline prioritises investment in Flagship and strategic High Potential assets

Significant projects planned at Chadstone, DFOs, Emporium Melbourne, Chatswood Chase Sydney, Box Hill Central and Bankstown Central

Major redevelopment of Galleria deferred

### Strong progress on pipeline over past six months

DFO Perth completed fully leased with improved project yield

Stage three of The Glen opened fully leased

Five retail projects at Chadstone successfully completed in late 2018

Redevelopment plans for Chatswood Chase Sydney significantly advanced



The Glen, VIC



# Expanding the DFO outlet portfolio

DFO Perth, WA, success supports expansion of Australia's premier retail outlet offer



## DFO Perth opened fully leased in October 2018

Has significantly exceeded expectations

All 113 retailers were open and trading on Day 1

High quality tenant mix with many first-to-market retailers and popular luxury and premium retailers

Continuing to perform above expectations

Development yield<sup>1</sup> improved to >12% and IRR of >17%

## Reinforces Vicinity's leadership in Outlet Centres and unique attributes of this market segment

### Investigating opportunities to expand DFO format

Expansion plans for Essendon (within existing land footprint)

Large reconfiguration planned for Homebush

Re-mixing underway at South Wharf, Moorabbin and Brisbane

Investigating select new DFO outlet locations



DFO Perth, WA



DFO Perth, WA

1. Represents stabilised yield.

# The Glen, VIC

Development on time, on budget and opened stages performing well



## Stage three opened fully leased in October 2018 and trading strongly

Includes UNIQLO, H&M, MECCA, homewares, lifestyle and apparel

## Stage one (fresh food precinct) and stage two (casual dining precinct) trading strongly since opening in October 2017 and March 2018 respectively

## Stage four to open late 2019

New-format 8,000 sqm David Jones, 60 specialty stores and alfresco dining

## Remains on program to complete in stages through to 2020

Forecast development yield<sup>1</sup> of >7% and IRR of >13%

## Over 500 apartments to be built by 2021

Third party developer to pay \$60m for residential air rights

Introduces over 500 new households on-site



1. Represents stabilised yield.

# Chadstone, VIC – Retail projects completed successfully in 2018

Further enhancing Chadstone's premium offering



Expanded luxury precinct introducing Hermès and new Gucci flagship

Victoria's Secret flagship – Australia's first full-line store

Lower Ground dining atrium brings eight new casual dining options

New youth and leisure precinct

First stage of destination dining offer opened with Calia and Yu Kitchen in December 2018, including outdoor dining terrace



Visitor's lounge



Gucci flagship



Victoria's Secret flagship and atrium dining

# Chadstone, VIC – Significant investment proposed as part of long term masterplanning

Multiple retail expansion projects and next commercial office building to leverage existing success of centre



**Chadstone is transforming into the key hub location for Melbourne’s South Eastern suburbs**

## Several new projects identified

A focus on retail redevelopment and expansions to capture market demand in fresh food, entertainment and dining, services, health and wellbeing, mini major categories and premium restaurants

Potential for further non-retail uses including events and exhibitions

New commercial office tower to take advantage of strong demand for office space

Improved public transport connections and car parking efficiency

## Capitalises on success of existing retail centre and mixed use projects

### Further investment in customer experience, facilities and services

Visitor lounge delivered late 2018, catering for the growing domestic and international tourism market

5 Star MGallery by Sofitel hotel and conference facility opening late 2019, along with a link between the hotel, commercial office tower and retail centre to enhance site amenity and fully integrate to leverage footfall from these mixed-use assets

Valet parking and concierge services to be introduced in 2019



Chadstone Link – Artist's impression

# Chatswood Chase Sydney, NSW

Major redevelopment planned to expand retail offer to include premium categories



## Project seeks to create Sydney's premium shopping, dining and leisure destination in one of Australia's wealthiest trade areas

Project leverages strong fundamentals and trading performance of existing centre

Located in Australia's most affluent trade area, with household incomes 30% higher than Sydney average

Location is attractive to the growing tourism market

Retailers actively seeking representation in this premium Sydney location

## Key project features

Significantly enhanced premium retailer mix

Enhanced food and dining experience

A consumer experience and environment to match repositioning of the centre as Sydney's premium shopping and lifestyle destination

## Town planning

Application for planning approval submitted in 2018



Artist's impression

# Ellenbrook Central, WA

Addition of Kmart to reinforce Ellenbrook Central as the dominant centre in strong growth corridor



## New \$63m development

Reinforces Ellenbrook Central as the dominant centre in strong growth corridor in Perth's north eastern suburbs

10-year forecast population growth of 3.5% p.a.<sup>1</sup>

Board approved in December 2018

## Expanded retail offer

Introduces new Kmart, 3 mini majors, 15 specialty retailers, 2 pad sites and additional car parking

## Targeted commencement in 1H FY20



1. Urbis 2018 (market share weighted).

# Other prioritised retail development opportunities

Significant repositioning of assets with strong fundamentals

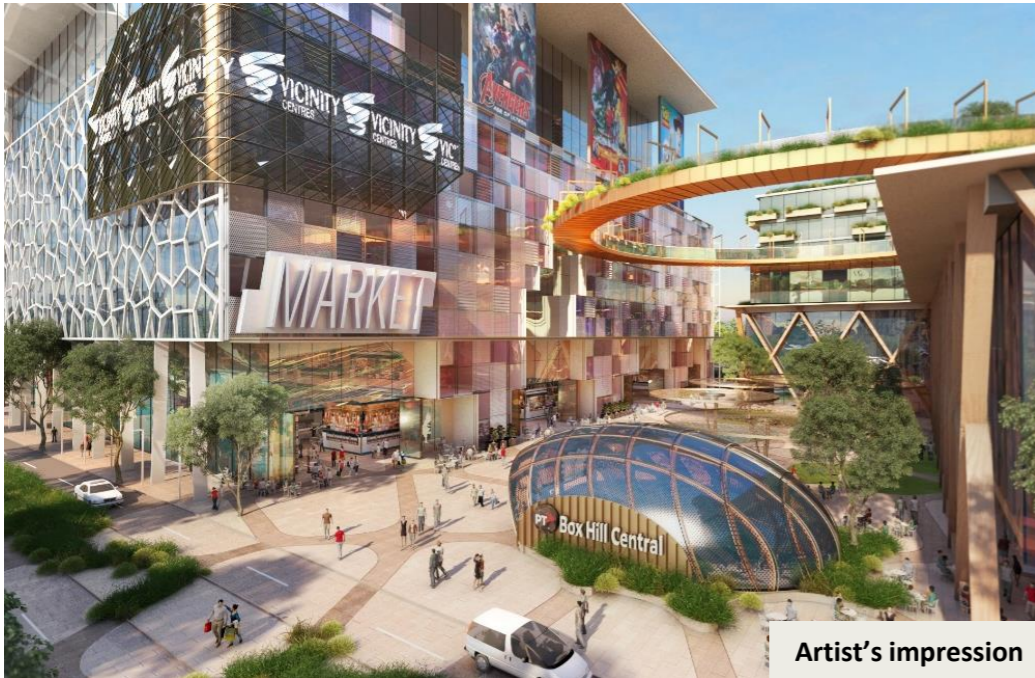


## Box Hill Central, VIC

Two existing retail sites reconfigured to create a modern retail destination

Site sits in designated activity hub, integrated with public transport network and opportunities exist for significant mixed use development

Targeted commencement in FY21



## Bankstown Central, NSW

Plan to fully integrate retail with Bankstown CBD and metro rail infrastructure

Take advantage of growth corridor, Bankstown considered a 'Collaboration Area' by the Greater Sydney Commission

Prepare for and plan future mixed-use opportunities

Targeted commencement in FY21



# Mixed-use pipeline reviewed and prioritised

Resources to be focused on select large, strategic, high-value projects



Vicinity's footprint includes multiple valuable sites suitable for non-retail uses in combination with existing retail centres

Vicinity is focusing resources on select large, strategic, high-value mixed-use opportunities

## Opportunities prioritised

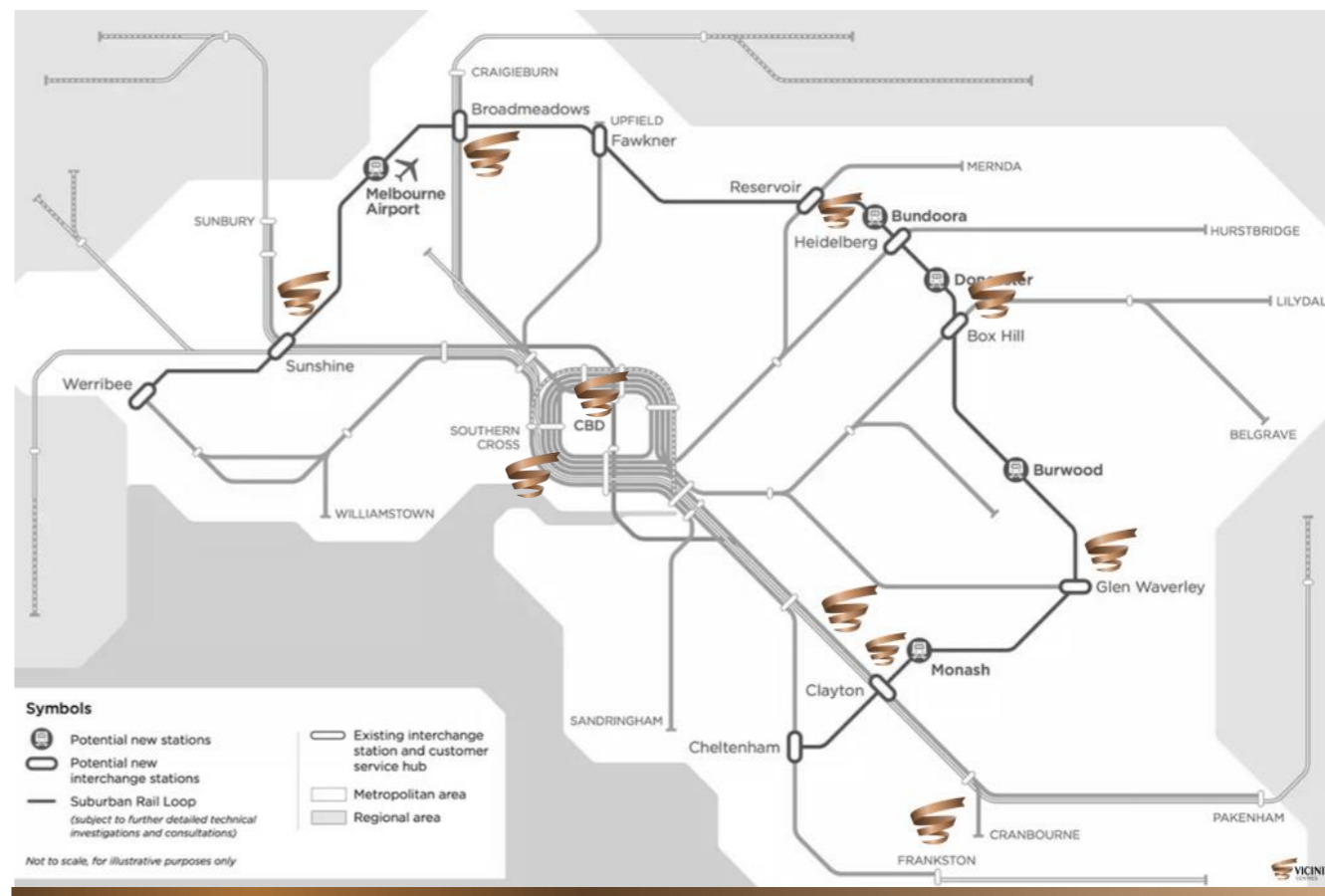
Box Hill Central, VIC, Chadstone, VIC, QueensPlaza, QLD and Victoria Gardens Shopping Centre, VIC

## Realise capital on smaller non-strategic sites

Gain mixed-use entitlement for sites providing opportunity to sell development rights

## Potential to divest select mixed-use assets into wholesale funds

## Melbourne suburban loop rail - proposed







# Strategic growth initiatives

Justin Mills  
EGM SHOPPING CENTRE  
MANAGEMENT



# Ancillary income

Strong existing income streams with a pipeline for growth



**12.0%** Ancillary income contribution to NPI

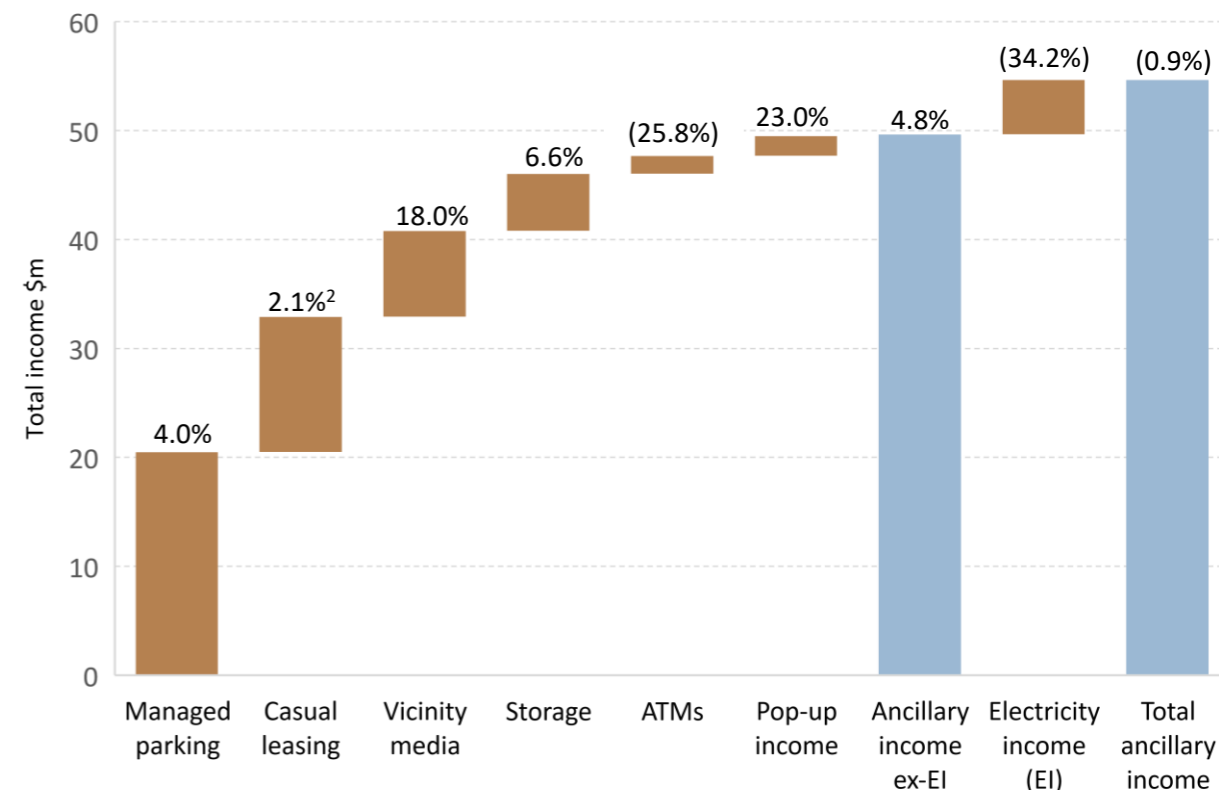
**4.8%** **Ancillary income (excluding electricity income)<sup>1</sup>**  
 Pipeline well positioned for stronger growth in 2H FY19  
 Total ancillary income down 0.9% due to new energy contract rates impacting electricity income margins

**18.0%** **Vicinity media<sup>1</sup>**  
 On track to deliver 30 new internal digital screens and 6 new external digital billboards in FY19  
 Continued growth into 2H FY19 and FY20 boosted by the development of new products

**6.6%** **Storage<sup>1</sup>**  
 Driven by the creation of additional sites

**4.0%** **Managed parking<sup>1</sup>**  
 \$20.5m in total income across 14 centres  
 On track for an additional 3 new sites during FY19

## Ancillary income drivers and growth for 1H FY19



Note: Percentages on chart relate to comparable growth.

1. Comparable income growth.

2. Casual leasing income growth on a site for site basis is 4.1%.

# Opportunities created from physical and digital asset scale

Leveraging our assets to strengthen the business, diversify our income sources and create new strategic partnerships



## *Scale and scope*



## *Digital enablement*



## *Integrated approach*

### Physical assets

#### Market-leading destinations

500m annual visits

\$17b MAT

7,000 retailers

8,000 suppliers

### Digital assets

#### Portfolio-wide digital network

12m unique devices

60m website page views

1.2m social followers

Connected centres

13 data experts

### Opportunity

#### Data and technology driven enhancements

##### Shoppers

- Targeted products and services

##### Retailers

- Stronger relationships and sales growth

##### Vicinity

- Expanded income and efficiencies

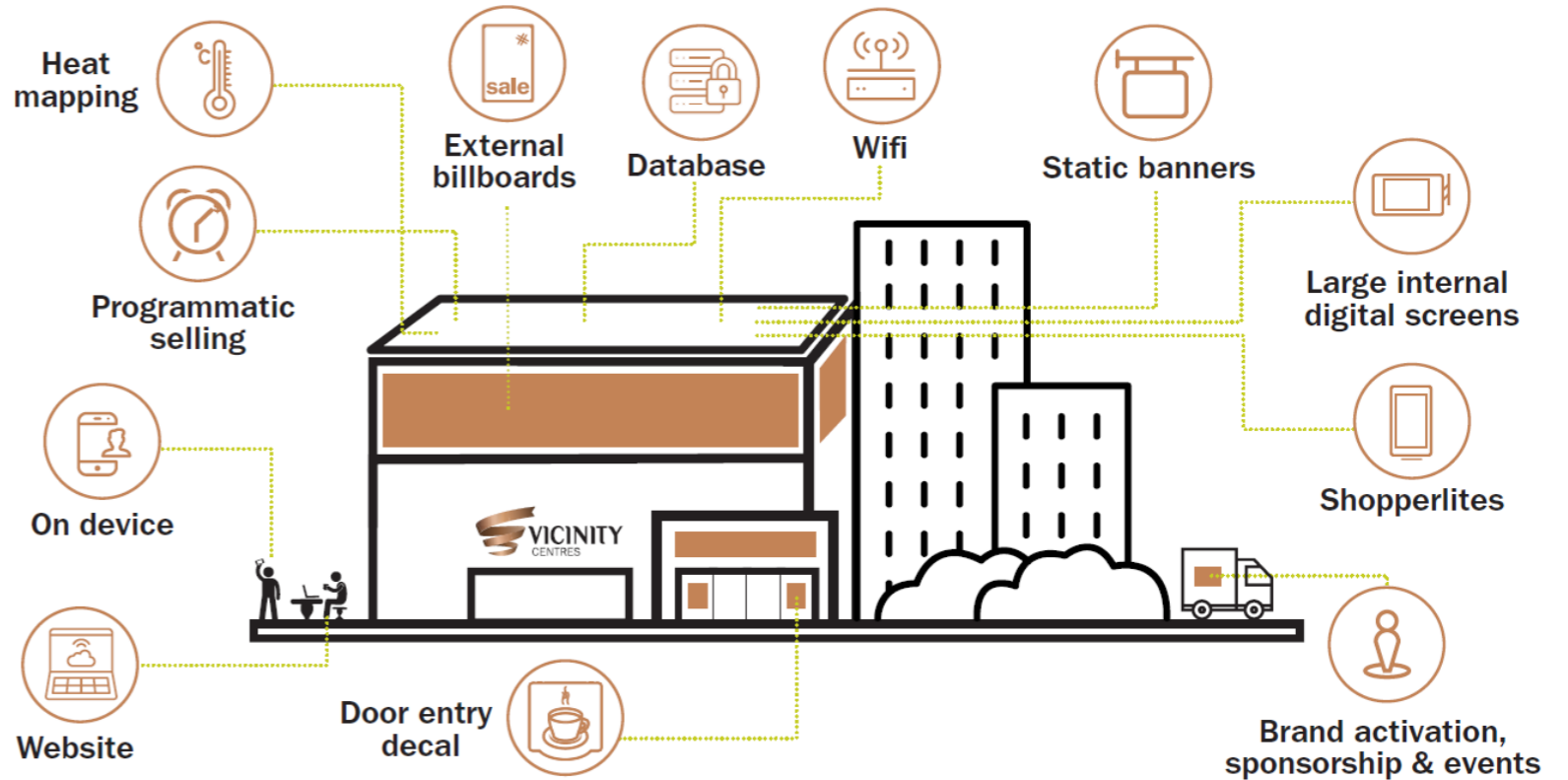
# Integrated media opportunity

Connecting brands and retailers with customers at point of purchase to drive sales



<b>500m</b>	Annual centre visits
<b>60m</b>	Web-page views
<b>12m</b>	Unique devices connected
<b>1.2m</b>	Social media followers
<b>58%</b>	Australia's population in our catchments
<b>18%</b>	Growth in Vicinity media income
<b>5 products</b>	Existing media products
<b>5 products</b>	Media products being developed

## Integrated media platform



# Integrated energy strategy generating significant benefits

Reducing grid reliance and exposure to volatile energy prices whilst providing strong investment returns



Solar investment program

**\$73 million**

Average solar project returns

**12% IRR**

Solar projects built

**8 projects**

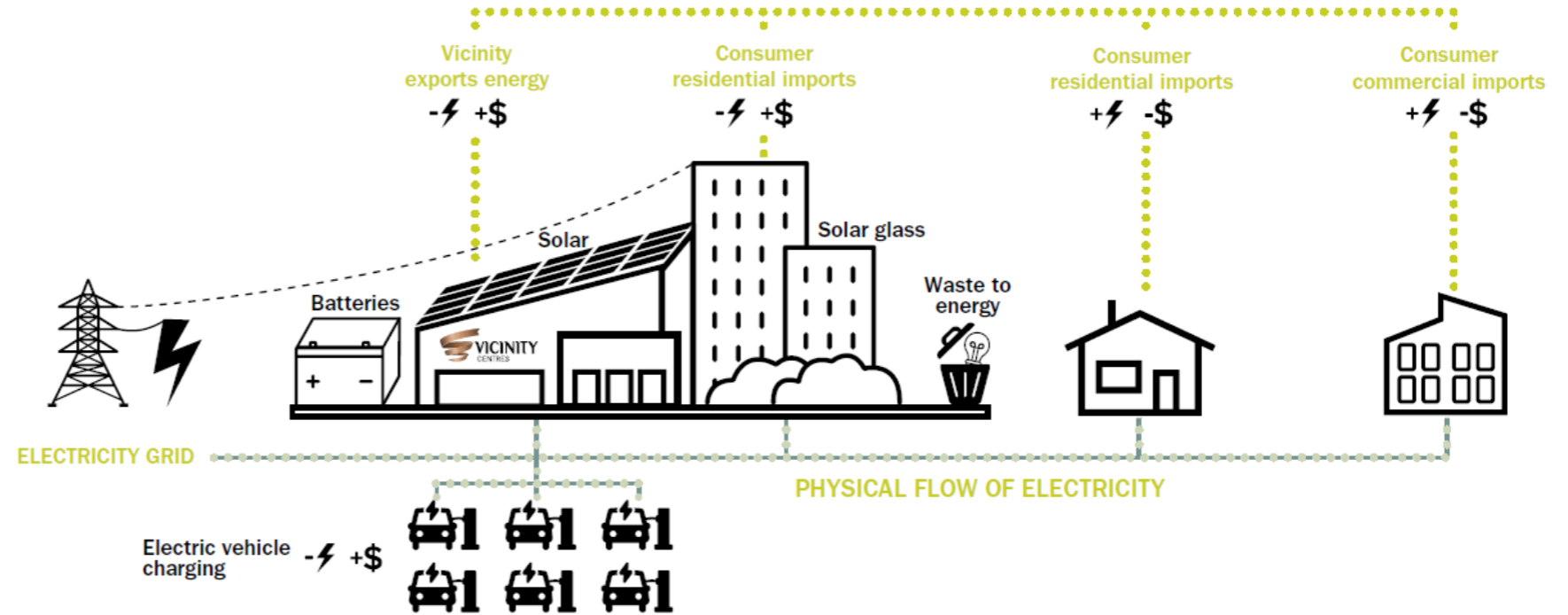
Solar projects under construction

**14 projects**

Australian first innovation trials

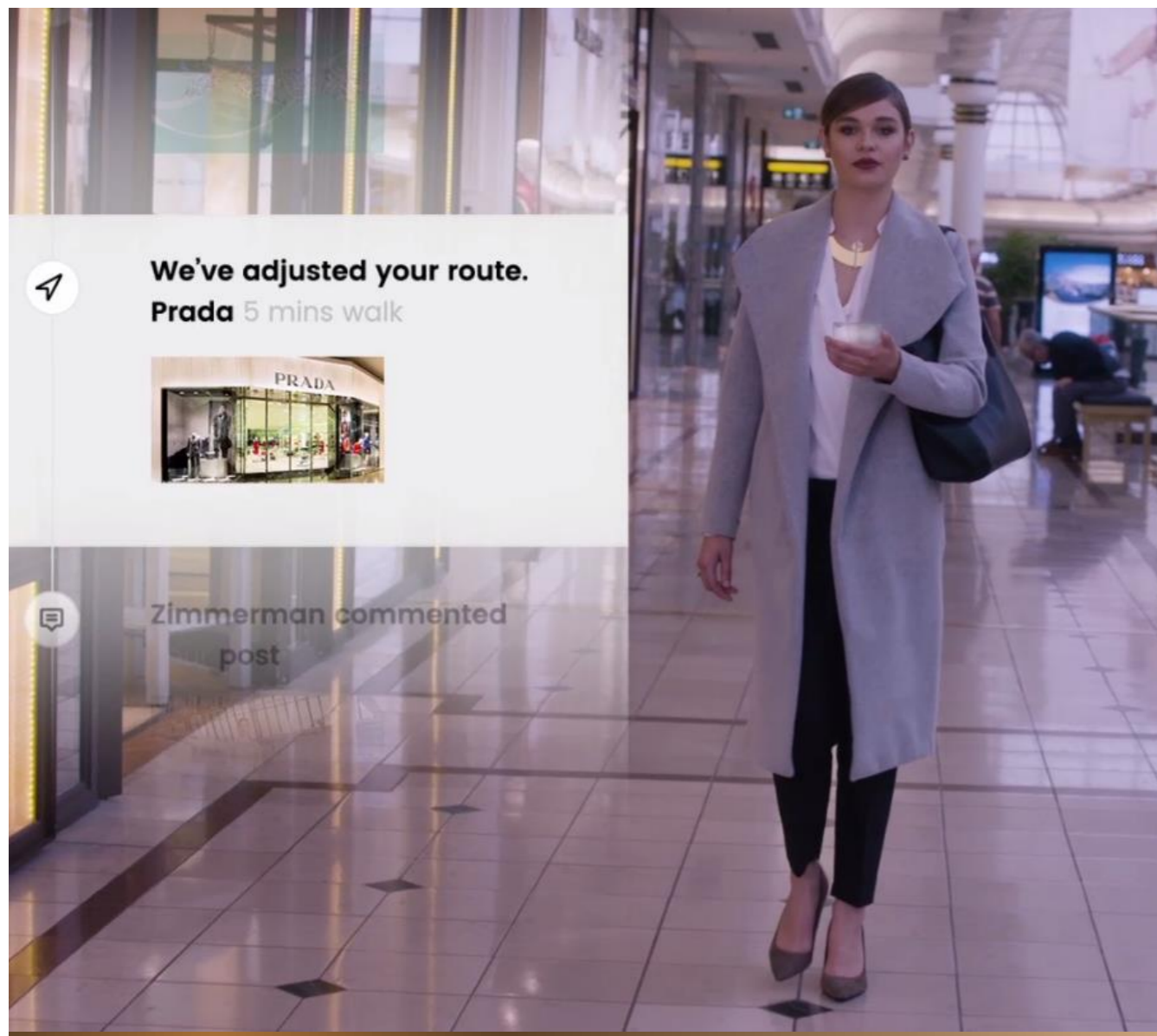
**4 projects**

## Vicinity's energy community



# Our intelligence platform provides Vicinity with a competitive advantage

Data and technology powering the future of retail



## **In-house advanced analytics capability**

13 data scientists and engineers

Data lake and governance framework

WiFi converged network

## **Shopper centricity**

Right/strong tenant mix

Increase net promoter score through enhanced customer service and delivery

Bespoke customised product

## **Retailer performance**

Optimise leasing mix through analytics

Drive retailer sales through unique insights and strategic partnering

Attract online retailers into physical space

## **Vicinity value creation**

Strategic third party partnerships and alliances

Alternative income opportunities enhanced

Cost efficiencies realised through predictive analytics and automation



# Questions

Grant Kelley  
CEO AND MANAGING DIRECTOR

# Appendices

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49	Financial results		





# Leading approach to sustainability

Delivering sustainable long-term value for our communities and securityholders



## No.1 in Australia

Forbes rated Vicinity No.1 in Australia and 19th globally in 2018 'World's Best Employers' survey of 2,000 companies

## No.3 REIT globally

RobecoSAM rated Vicinity third most sustainable real estate company globally in 2018 DJSI<sup>1</sup> survey  
Up from eighth in 2017

## 5 Star rating

Chadstone office achieved 5 Star Green Star Interiors rating, recognising strong sustainability credentials for fit-outs and usage



MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM 

Note: Latest performance reporting, metrics and achievements can be found on our website [sustainability.vicinity.com.au](https://sustainability.vicinity.com.au)

1. Dow Jones Sustainability Indices.

# Destination portfolio

## Indicative portfolio statistics



Key metrics	Destination portfolio <sup>1</sup>	Total portfolio
Retail assets	50	62
Average asset value (\$m)	516	416
Average centre size (GLA, sqm)	48,919	39,451
Average capitalisation rate (%)	5.20	5.31
Specialty MAT/sqm (\$)	11,186	10,746
Specialty occupancy costs (%)	15.4	15.2

Destination portfolio <sup>1</sup>	Portfolio value <sup>2</sup> (%)	Specialty MAT/sqm (\$) (\$)	Specialty Occ Cost (%)
Chadstone	22	18,695	17.1
Premium CBD	17	18,088	18.0
DFO portfolio	12	10,113	11.3
High Potential <sup>1</sup>	50	8,635	15.4
<b>Total</b>	<b>100</b>	<b>11,186</b>	<b>15.4</b>

Note: Totals may not sum due to rounding.

1. Total portfolio adjusted for the remaining non-core assets planned to be sold of the up to \$1.0b divestment program, and the proposed establishment of a wholesale fund to be seeded with ~\$1.0b of assets from Vicinity's balance sheet.
2. Vicinity share of Dec-18 valuation.



Chadstone Sydney, NSW

# Destination portfolio

## Key statistics by centre type



	Destination portfolio <sup>1</sup>	Chadstone	Premium CBD	DFOs <sup>2</sup>	High Potential
Number of retail assets	50	1	7	6	36
Gross lettable area (000's)(sqm)	2,100	215	223	212	1,450
Total value (\$m)	14,639	3,150	2,450	1,694	7,345
Portfolio weighting by value (%)	100	22	17	12	50
Capitalisation rate (weighted average) (%)	5.20	3.75	4.65	5.81	5.86
Comparable NPI growth <sup>3</sup> (%)	1.3	2.2	3.9	5.8	(0.7)
Occupancy rate (%)	99.7	99.8	99.9	100	99.7
Total MAT growth <sup>4</sup> (%)	3.2	9.7	0.9	6.7	1.0
Specialty and mini major MAT growth <sup>4</sup> (%)	4.8	12.4	1.4	6.7	1.2
Specialty sales per sqm <sup>4</sup> (\$)	11,186	18,695	18,088	10,113	8,635
Specialty occupancy cost <sup>4</sup> (%)	15.4	17.1	18.0	11.3	15.4

Note: Totals may not sum due to rounding.

1. Total portfolio adjusted for the remaining non-core assets planned to be sold of the up to \$1.0b divestment program, and the proposed establishment of a wholesale fund to be seeded with ~\$1.0b of assets from Vicinity's balance sheet.

2. Includes DFO Brisbane business.

3. Excludes acquisitions, divestments and development-impacted centres and is calculated on a like-for-like basis versus the prior corresponding period.

4. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).

# Assets under management

~7,700 tenants across 66 assets under management<sup>1</sup>



	Direct portfolio <sup>1</sup>			Managed Third party/ co-owned	Total AUM <sup>1</sup>
	Wholly-owned	Co-owned	Total		
Number of retail assets	33	29	62	4/29	66
Gross lettable area (000's)(sqm)	970	1,476	2,446	132	2,578
Number of tenants	3,031	4,308	7,339	405	7,744
Annual retail sales (\$m)	6,265	9,692	15,957	851	16,808
Total value (\$m) <sup>2</sup>	6,566	9,270	15,836	953/9,975	26,764

Note: Totals may not sum due to rounding.

1. Includes DFO Brisbane business.

2. Reflects ownership share in investment properties and equity-accounted investments.

# Direct portfolio

## Additional sales information



	MAT Dec-18 (\$m)	Actual		Comparable <sup>1</sup> growth	
		Proportion of portfolio (%)		Dec-18 (%)	Jun-18 <sup>2</sup> (%)
		By sales	By rent		
Specialty stores	6,520	41	57	1.2	0.9
Mini majors	2,230	14	12	14.2	4.1
<b>Specialties and mini majors</b>	<b>8,750</b>	<b>55</b>	<b>69</b>	<b>4.2</b>	<b>1.6</b>
Supermarkets	3,844	24	7	1.4	1.3
Discount department stores	1,465	9	6	0.8	1.8
Other retail <sup>3</sup>	1,105	7	14	0.7	(0.5)
Department stores	794	5	4	(2.8)	(2.0)
<b>Total portfolio</b>	<b>15,957</b>	<b>100</b>	<b>100</b>	<b>2.7</b>	<b>1.2</b>

Comparable MAT growth (%) <sup>1</sup>	Dec-18		Jun-18 <sup>2</sup>	
	MM and SS <sup>4</sup>	SS <sup>4</sup>	MM and SS <sup>4</sup>	SS <sup>4</sup>
Apparel	4.2	2.5	(0.4)	(1.1)
Food catering	2.9	3.1	2.6	2.9
Homewares	5.3	(34.1)	5.1	1.2
General retail	0.8	1.9	1.8	2.4
Leisure	5.6	2.4	5.2	3.6
Food retail	0.5	(2.4)	(1.1)	(1.4)
Retail services	5.2	5.3	6.1	6.1
Jewellery	12.7	12.7	(1.2)	(1.2)
Mobile phones	4.5	4.5	(1.3)	(1.3)
<b>Total</b>	<b>4.2</b>	<b>1.2</b>	<b>1.6</b>	<b>0.9</b>

Note: Totals may not sum due to rounding.

1. Excludes divestments and development-impacted centres in accordance with SCCA guidelines (refer to slide 46 for details).

2. Includes Chadstone same-store sales.

3. Other retail includes cinemas, travel agents, auto accessories, lotteries and other entertainment.

4. MM: Mini majors; SS: Specialty stores.

# Direct portfolio

## Non-comparable centres for sales reporting



Centre	Non-comparable status	
	Dec-18	Jun-18
DFO Perth, WA	✓ Post-development	✓ Under development
Mandurah Forum, WA	✓ Post-development	✓ Post-development
QueensPlaza, QLD	✓ Under development	✓ Pre-development
Roselands, NSW	✓ Under development	✓ Under development
The Glen, VIC	✓ Under development	✓ Under development
Bankstown Central, NSW	✓ Pre-development	-1
Chatswood Chase Sydney, NSW	✓ Pre-development	-1
Galleria, WA	✓ Pre-development	-1
The Myer Centre Brisbane, QLD	✓ Pre-development	✓ Pre-development
Broadmeadows Central, VIC	-1	✓ Major tenant changeover
Chadstone, VIC	-1	✓ Same-store sales included
Warriewood Square, NSW	-1	✓ Post-development









Note: All divestments during the period are excluded.


1. Considered stable under SCCA guidelines.

# Direct portfolio

## Key portfolio tenants



Top 10 tenants				
Rank	Retailer	Retailer type	Number of stores	% of income
1	 coles	Supermarket	39	3.5
2	 Woolworths	Supermarket	37	3.0
3	 Kmart	Discount department store	25	2.6
4	<b>MYER</b>	Department store	9	2.2
5	DAVID JONES	Department store	5	2.1
6	 Target	Discount department store	20	1.7
7	 BIGW	Discount department store	17	1.4
8	 priceline pharmacy	Specialty/Mini major	28	0.7
9	 secure P	Car parking	1	0.7
10	 HOYTS	Cinema	5	0.7
<b>Top 10 total</b>			<b>186</b>	<b>18.5</b>

Top 10 tenant groups				
Rank	Retailer	Number of leases	% of income	Brands
1	WOOLWORTHS LIMITED	83	4.8	Big W, BWS, Dan Murphy's, Food For Less, Woolworths, Woolworths Liquor, Woolworths Petrol
2	 Wesfarmers	46	4.4	Kmart, Target
3	colesgroup	58	3.9	Coles, First Choice Liquor, Liquorland, Vintage Cellars
4	WHL	38	3.1	Country Road, David Jones, Mimco, Politix, Trenery, Witchery
5	<b>MYER</b>	16	2.3	Marc's, Myer, sass & bide
6	THE JUST GROUP	123	1.5	Dotti, Jacqui E, Jay Jays, Just Jeans, Peter Alexander, Portmans, Smiggle
7	COTTON:ON	91	1.3	Cotton On, Cotton On Body, Cotton On Kids, Cotton On Mega, Factorie, Rubi Shoes, Supre, Typo
8	NONI B	159	1.1	Autograph, BeMe, Crossroads, Katies, Millers Fashion Club, Noni B, Rivers, Rockmans, W.Lane
9	 RAG RETAIL APPAREL GROUP PTY LTD	71	0.9	Connor, Johnny Bigg, Rockwear, Tarocash, YD
10	 JB HI-FI	24	0.9	JB Hi-Fi, JB Hi-Fi Home, Good Guys Discount Warehouse
<b>Top 10 total</b>		<b>709</b>	<b>24.2</b>	

# Direct portfolio

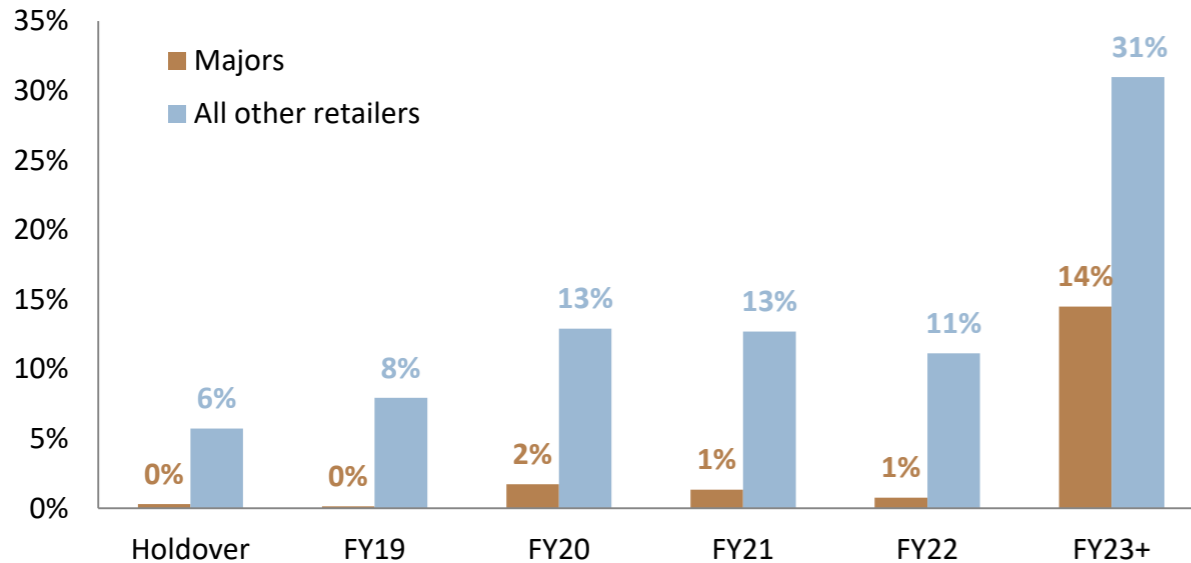
## Leasing



### Leasing spread<sup>1</sup> (%)

	Six months to Dec-18	12 months to Jun-18
Leasing spread – renewals	5.5%	0.6%
Leasing spread – replacements	3.0%	0.9%
<b>Leasing spread - total</b>	<b>4.4%</b>	<b>0.7%</b>

### Lease expiry profile by income



### 512 lease transactions completed<sup>1</sup>

**Leasing spread of 4.4% a strong result given fixed 5% annual rental increases**

**Recent tenant administrations provide opportunity to bring forward remixing opportunities**

**More than half of those sites handed back have already been re-leased**

Continued proactive re-weighting to categories with stronger demand

**Tenant replacements reduced to 39%**

**Weighted average lease expiry of 4.8 years by gross lettable area**

1. Leasing spreads include all store types other than majors, offices, ATMs and storage. For leases greater than 18 months duration and excludes project-impacted leasing and divestments.



# Financial results

FFO per security growth of 2.0% on a comparable basis<sup>1</sup>



For the six months to	Dec-18 (\$m)	Dec-17 (\$m)	Change (\$m)	Change (%)
Net property income (NPI)	450.0	447.9	2.1	0.5
Partnerships and other income	35.3	35.5	(0.2)	(0.6)
<b>Total income</b>	<b>485.3</b>	<b>483.4</b>	<b>1.9</b>	<b>0.4</b>
Net corporate overheads	37.8	36.0	1.8	5.0
Net interest expense	98.0	89.7	8.3	9.3
<b>Funds from operations (FFO)</b>	<b>349.5</b>	<b>357.7</b>	<b>(8.2)</b>	<b>(2.3)</b>
Maintenance capex and lease incentives	29.4	24.0	5.4	22.5
<b>Adjusted FFO (AFFO)</b>	<b>320.1</b>	<b>333.7</b>	<b>(13.6)</b>	<b>(4.1)</b>
<b>Statutory net profit<sup>2</sup></b>	<b>235.3</b>	<b>755.9</b>		
DPS (cents)	7.95	8.10	(0.15)	(1.9)
FFO per security (cents) <sup>3</sup>	9.06	9.14	(0.08)	(0.9)
AFFO per security (cents) <sup>3</sup>	8.29	8.53	(0.24)	(2.7)
Payout ratio – FFO (%) <sup>4</sup>	87.2	87.7	(0.5)	n.a.
Payout ratio – AFFO (%) <sup>4</sup>	95.2	94.0	1.2	n.a.

Note: Totals may not sum due to rounding.

1. Adjusting for the impact of divestments.

2. Refer to slide 50 for full reconciliation of FFO to statutory net profit.

3. The calculation of FFO and AFFO per security for each period uses the weighted average number of securities on issue.

4. Calculated as: Total distributions/total FFO and AFFO.

# Financial results

## FFO reconciliation to statutory net profit after tax



For the six months to	Dec-18 (\$m)	Dec-17 (\$m)
<b>Statutory net profit after tax</b>	<b>235.3</b>	<b>755.9</b>
Property revaluation decrement/(increment) for directly owned properties	71.6	(417.0)
Non-distributable loss/(gain) relating to equity accounted investments	1.3	(1.0)
Amortisation of static lease incentives	8.5	6.9
Amortisation of other project items	12.1	9.7
Straight-lining of rent adjustment	(5.6)	(11.6)
Net mark-to-market movement on derivatives	(37.6)	12.3
Net foreign exchange movement on interest bearing liabilities	54.5	(0.5)
Amortisation of intangible assets	1.9	2.2
Other non-distributable items	7.5	0.8
<b>Funds from operations (FFO)</b>	<b>349.5</b>	<b>357.7</b>

# Financial results

## Strong balance sheet maintained



As at	Dec-18 (\$m)	Jun-18 (\$m)	Change (\$m)
Cash and cash equivalents	57.9	42.1	15.8
Investment properties <sup>1</sup>	15,355.8	15,892.7	(536.9)
Equity accounted investments	694.3	681.1	13.2
Intangible assets	593.0	594.9	(1.9)
Other assets	294.6	270.8	23.8
<b>Total assets</b>	<b>16,995.6</b>	<b>17,481.6</b>	<b>(486.0)</b>
Borrowings	4,153.5	4,437.6	(284.1)
Other liabilities	911.2	936.5	(25.3)
<b>Total liabilities</b>	<b>5,064.7</b>	<b>5,374.1</b>	<b>(309.4)</b>
<b>Net assets</b>	<b>11,930.9</b>	<b>12,107.5</b>	<b>(176.6)</b>
Securities on issue (m)	3,831.3	3,871.6	(40.3)
Net tangible assets per security (\$)	2.96	2.97	(0.3%)
Net asset value per security (\$)	3.11	3.13	(0.6%)

Note: Totals may not sum due to rounding.

1. Vicinity's ownership interest.

# Capital management

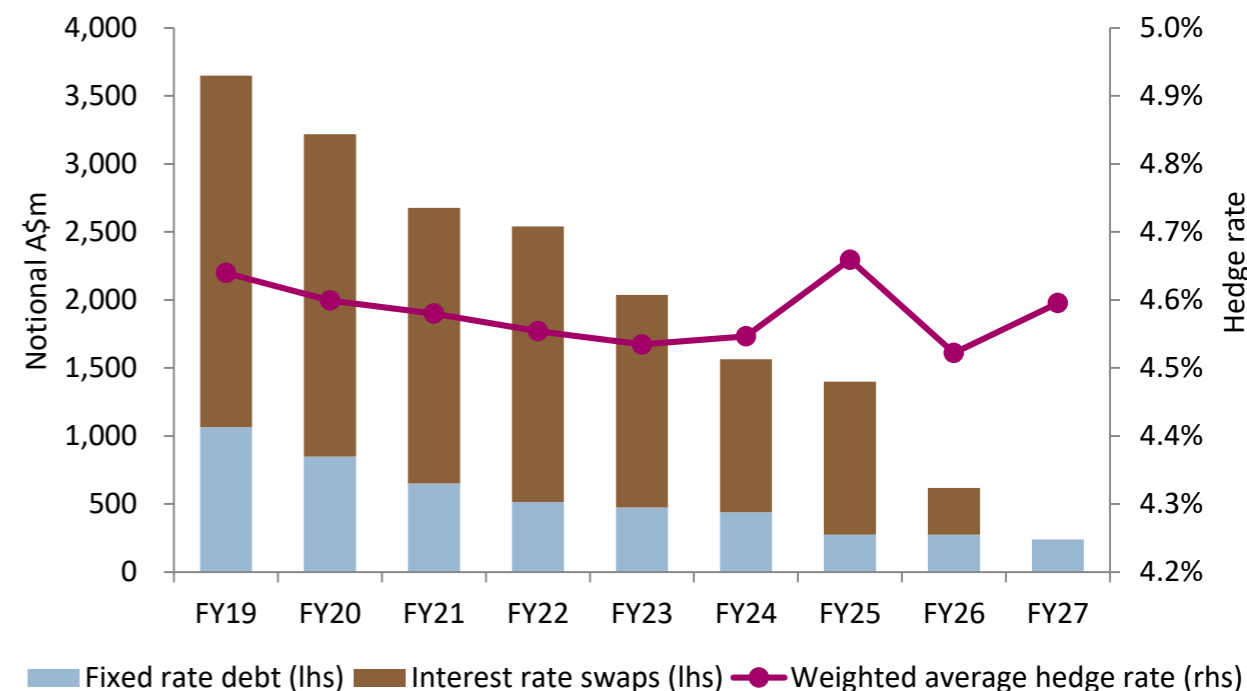
## Strong balance sheet maintained



### Debt statistics summary

As at	Dec-18	Jun-18
Total debt facilities	\$5.4b	\$5.5b
Drawn debt <sup>1</sup>	\$4.1b	\$4.4b
Undrawn debt	\$1.3b	\$1.1b
Weighted average interest rate <sup>2</sup>	4.5%	4.3%
Gearing <sup>3</sup>	25.1%	26.4%
Debt duration <sup>4</sup>	4.3 years	4.4 years
Weighted average hedge rate <sup>5</sup>	4.6%	4.6%
Proportion of debt hedged	89%	86%
Interest cover ratio (ICR)	4.6x	4.8x
Credit ratings/outlook		
- Moody's	A2/stable	A2/stable
- S&P Global Ratings	A/stable	A/stable

### Hedging profile<sup>5,6</sup>



1. Calculated using the hedged rate on foreign denominated borrowings and excludes fair value adjustments and deferred borrowing costs.
2. The average over the reporting period and inclusive of margin, drawn line fees and establishment fees.
3. Calculated as: Drawn debt net of cash/Total tangible assets excluding cash, derivative financial assets and finance lease assets.
4. Based on facility limits.
5. The weighted average hedge rate includes margin and establishment fees on fixed rate debt and margin, line and establishment fees on floating debt that has been hedged with interest rate swaps.
6. Hedge rate is the average for the financial years.

# Asset summaries

## Centre statistics



	Centre type	Ownership interest (%)	GLA (sqm)	Occupancy rate (%)	Moving annual turnover (MAT) (\$m)	Centre MAT (\$/sqm)	Specialty MAT (\$/sqm)	Specialty occupancy costs <sup>1</sup> (%)
<b>New South Wales</b>								
Chatswood Chase Sydney <sup>2</sup>	Major Regional	51	63,623	100.0	n.a.	n.a.	n.a.	n.a.
Bankstown Central <sup>2</sup>	Major Regional	50	85,899	99.8	n.a.	n.a.	n.a.	n.a.
Roselands <sup>2</sup>	Major Regional	50	55,026	100.0	n.a.	n.a.	n.a.	n.a.
Queen Victoria Building	City Centre	50	13,771	99.9	278.7	23,365	26,912	19.6
The Galleries	City Centre	50	14,984	100.0	197.8	13,322	20,508	14.1
The Strand Arcade	City Centre	50	5,989	100.0	132.7	28,986	27,295	13.5
Lake Haven Centre	Sub Regional	100	43,103	99.5	304.0	8,943	9,976	13.6
Nepean Village	Sub Regional	100	23,056	99.3	242.6	11,221	12,741	12.7
Warriewood Square	Sub Regional	50	30,180	100.0	235.4	8,599	9,376	17.3
Carlingford Court	Sub Regional	50	33,313	100.0	187.9	7,117	10,258	16.2
Armidale Central	Sub Regional	100	14,742	99.4	92.2	6,362	6,491	10.9
Lennox Village	Neighbourhood	50	10,145	99.2	119.1	12,527	6,277	19.2
DFO Homebush	Outlet Centre	100	28,326	100.0	321.2	11,649	14,888	10.5
<b>Tasmania</b>								
Eastlands	Regional	100	33,321	100.0	258.3	8,120	8,606	12.4
Northgate	Sub Regional	100	19,464	99.8	142.8	8,109	9,883	12.1

1. Inclusive of marketing levy and based on GST inclusive sales.

2. Non-comparable sales. Refer to slide 46 for details.

# Asset summaries

## Centre statistics (continued)



	Centre type	Ownership interest (%)	GLA (sqm)	Occupancy rate (%)	Moving annual turnover (MAT) (\$m)	Centre MAT (\$/sqm)	Specialty MAT (\$/sqm)	Specialty occupancy costs <sup>1</sup> (%)
<b>Queensland</b>								
QueensPlaza <sup>2</sup>	City Centre	100	39,153	100.0	n.a.	n.a.	n.a.	n.a.
The Myer Centre Brisbane <sup>2</sup>	City Centre	25	63,668	100.0	n.a.	n.a.	n.a.	n.a.
Grand Plaza	Regional	50	53,368	99.9	363.3	7,108	10,210	15.7
Runaway Bay Centre	Regional	50	42,983	99.8	290.1	7,910	9,327	13.3
Mt Ommaney Centre	Regional	25	56,562	99.2	315.0	6,675	7,866	15.1
Taigum Square	Sub Regional	100	22,852	99.6	109.1	6,177	6,534	12.8
Gympie Central	Sub Regional	100	14,166	99.2	130.1	9,850	12,685	8.9
Whitsunday Plaza	Sub Regional	100	22,383	100.0	123.7	7,152	13,487	6.6
Buranda Village	Sub Regional	100	11,663	98.9	67.4	6,844	9,612	12.8
Milton Village	Neighbourhood	100	2,879	100.0	27.1	18,344	16,093	10.1
DFO Brisbane	Outlet Centre	100	26,318	100.0	230.5	9,094	9,243	10.9
<b>South Australia</b>								
Elizabeth City Centre	Regional	100	80,199	99.9	355.5	5,793	7,596	16.2
Colonnades	Regional	50	84,225	99.4	316.0	5,941	6,738	14.8
Castle Plaza	Sub Regional	100	22,842	99.3	146.8	6,882	8,935	14.6
Kurralta Central	Sub Regional	100	10,676	100.0	88.4	8,526	10,530	11.8

1. Inclusive of marketing levy and based on GST inclusive sales.

2. Non-comparable sales. Refer to slide 46 for details.

# Asset summaries

## Centre statistics (continued)



	Centre type	Ownership interest (%)	GLA (sqm)	Occupancy rate (%)	Moving annual turnover (MAT) (\$m)	Centre MAT (\$/sqm)	Specialty MAT (\$/sqm)	Specialty occupancy costs <sup>1</sup> (%)
<b>Victoria</b>								
Chadstone	Super Regional	50	215,056	99.8	2,134.9	12,489	18,695	17.1
Bayside	Major Regional	100	89,005	99.6	421.1	5,442	8,687	15.4
Northland	Major Regional	50	98,575	99.6	542.2	6,117	8,990	18.8
The Glen <sup>2</sup>	Major Regional	50	55,727	100.0	n.a.	n.a.	n.a.	n.a.
Emporium Melbourne	City Centre	50	45,203	99.7	447.3	10,151	13,025	19.5
Myer Bourke Street	City Centre	33	39,924	100.0	n.a.	n.a.	n.a.	n.a.
Broadmeadows Central	Regional	100	61,527	99.7	290.6	5,492	6,800	17.2
Cranbourne Park	Regional	50	46,917	99.9	252.4	6,243	7,753	16.3
Box Hill Central (South Precinct)	Sub Regional	100	23,829	100.0	194.0	9,028	11,135	15.5
Victoria Gardens Shopping Centre	Sub Regional	50	35,195	100.0	208.9	7,084	10,497	13.7
Box Hill Central (North Precinct)	Sub Regional	100	14,599	99.1	74.8	6,583	7,215	16.6
Roxburgh Village	Sub Regional	100	24,743	99.5	155.9	7,072	6,568	14.1
Corio Central	Sub Regional	100	31,491	97.8	158.7	6,616	5,653	14.7
Altona Gate	Sub Regional	100	26,235	99.7	151.0	6,390	7,577	14.5
Sunshine Marketplace	Sub Regional	50	34,131	99.8	153.8	5,006	6,987	15.0
Mornington Central	Sub Regional	50	11,781	100.0	99.0	8,411	9,056	15.2
Oakleigh Central	Neighbourhood	100	13,939	99.5	128.8	9,787	5,654	15.1
DFO South Wharf <sup>3</sup>	Outlet Centre	100	56,371	100.0	427.4	10,767	10,316	11.2
DFO Essendon <sup>3</sup>	Outlet Centre	100	52,483	100.0	262.2	10,441	9,808	12.4
DFO Moorabbin	Outlet Centre	100	24,688	100.0	163.8	6,846	7,300	12.1

1. Inclusive of marketing levy and based on GST inclusive sales.

2. Non-comparable sales. Refer to slide 46 for details.

3. Sales and occupancy data exclude Homemaker retailers.

# Asset summaries

## Centre statistics (continued)



	Centre type	Ownership interest (%)	GLA (sqm)	Occupancy rate (%)	Moving annual turnover (MAT) (\$m)	Centre MAT (\$/sqm)	Specialty MAT (\$/sqm)	Specialty occupancy costs <sup>1</sup> (%)
<b>Western Australia</b>								
Galleria <sup>2</sup>	Major Regional	50	81,499	100.0	n.a.	n.a.	n.a.	n.a.
Mandurah Forum <sup>2</sup>	Major Regional	50	69,352	100.0	n.a.	n.a.	n.a.	n.a.
Rockingham	Regional	50	62,349	97.9	393.0	7,028	7,944	18.6
Ellenbrook Central	Sub Regional	100	36,666	99.7	237.7	7,902	8,767	11.5
Warwick Grove	Sub Regional	100	32,295	99.0	207.7	8,280	7,765	14.9
Maddington Central	Sub Regional	100	27,956	99.6	188.3	7,465	7,231	14.7
Livingston Marketplace	Sub Regional	100	15,600	100.0	118.2	8,330	9,238	11.8
Halls Head Central	Sub Regional	50	19,377	98.6	125.9	6,845	6,980	13.0
Karratha City	Sub Regional	50	23,977	99.0	209.1	9,239	10,358	9.5
Dianella Plaza	Neighbourhood	100	17,166	99.4	107.0	7,340	5,867	16.1
Victoria Park Central	Neighbourhood	100	5,781	100.0	50.9	9,696	5,648	15.2
DFO Perth <sup>2</sup>	Outlet Centre	50	23,649	100.0	n.a.	n.a.	n.a.	n.a.

1. Inclusive of marketing levy and based on GST inclusive sales.

2. Non-comparable sales. Refer to slide 46 for details.



# Asset summaries

## Valuations



	Centre type	Ownership interest (%)	Net revaluation movement <sup>1,2</sup> (\$m)	Value As at 31-Dec-18 <sup>1</sup> (\$m)	Capitalisation rate		Movement	Discount rate As at 31-Dec-18 (%)
					As at 31-Dec-18 (%)	As at 30-Jun-18 (%)		
<b>New South Wales</b>								
Chatswood Chase Sydney	Major Regional	51	(2.9)	586.4	4.75	4.75	-	6.50
Bankstown Central	Major Regional	50	(0.9)	355.0	5.75	5.75	-	7.00
Roselands	Major Regional	50	(10.0)	165.1	6.00	6.25	(0.25)	7.00
Queen Victoria Building	City Centre	50	2.9	327.5	4.75	4.75	-	6.50
The Galleries	City Centre	50	3.8	167.5	4.75	4.75	-	6.50
The Strand Arcade	City Centre	50	3.9	124.0	4.50	4.50	-	6.50
Lake Haven Centre	Sub Regional	100	(1.3)	320.0	6.25	6.25	-	7.25
Nepean Village	Sub Regional	100	10.8	204.0	5.50	5.75	(0.25)	7.00
Warriewood Square	Sub Regional	50	1.3	150.0	5.75	5.75	-	7.50
Carlingford Court	Sub Regional	50	0.3	122.0	6.00	5.75	0.25	7.00
Armidale Central	Sub Regional	100	(0.1)	46.0	7.00	7.00	-	7.50
Lennox Village	Neighbourhood	50	(4.6)	35.0	6.25	5.75	0.50	7.25
DFO Homebush	Outlet Centres	100	34.3	515.0	5.25	5.50	(0.25)	7.00
<b>Tasmania</b>								
Eastlands	Regional	100	0.2	170.8	6.50	6.50	-	7.25
Northgate	Sub Regional	100	(8.0)	102.5	7.00	6.75	0.25	8.00

1. Based on ownership interest.

2. Net revaluation movement excludes non-cash adjustments for the amortisation of lease incentives and straight lining of rent.

# Asset summaries

## Valuations (continued)



	Centre type	Ownership interest (%)	Net revaluation movement <sup>1,2</sup> (\$m)	Value As at 31-Dec-18 <sup>1</sup> (\$m)	Capitalisation rate		Movement	Discount rate As at 31-Dec-18 (%)
					As at 31-Dec-18 (%)	As at 30-Jun-18 (%)		
<b>Queensland</b>								
QueensPlaza	City Centre	100	(1.0)	787.0	4.75	4.75	-	7.00
The Myer Centre Brisbane	City Centre	25	(9.4)	186.3	5.50	5.50	-	7.00
Grand Plaza	Regional	50	(2.9)	217.5	5.50	5.50	-	7.00
Runaway Bay Centre	Regional	50	(2.8)	155.0	5.75	5.75	-	7.50
Mt Ommaney Centre	Regional	25	(10.0)	96.3	6.00	5.75	0.25	7.00
Taigum Square	Sub Regional	100	(4.4)	97.0	6.25	6.25	-	7.25
Gympie Central	Sub Regional	100	0.2	82.0	6.50	6.50	-	7.75
Whitsunday Plaza	Sub Regional	100	(3.0)	66.6	6.75	6.50	0.25	7.50
Buranda Village	Sub Regional	100	1.2	44.0	6.00	6.25	(0.25)	6.75
Milton Village	Neighbourhood	100	(0.2)	30.4	6.25	6.25	-	7.50
DFO Brisbane	Outlet Centres	100	0.9	63.0	7.50	7.50	-	8.00
<b>South Australia</b>								
Elizabeth City Centre	Regional	100	(11.9)	372.1	7.00	6.75	0.25	7.75
Colonnades	Regional	50	(18.6)	131.5	7.00	6.75	0.25	7.75
Castle Plaza	Sub Regional	100	(5.8)	173.1	6.75	6.75	-	7.75
Kurralt Central	Sub Regional	100	1.0	44.5	6.00	6.00	-	6.75

1. Based on ownership interest.

2. Net revaluation movement excludes non-cash adjustments for the amortisation of lease incentives and straight lining of rent.

# Asset summaries

## Valuations (continued)



	Centre type	Ownership interest (%)	Net revaluation movement <sup>1,2</sup> (\$m)	Value As at 31-Dec-18 <sup>1</sup> (\$m)	Capitalisation rate			Discount rate As at 31-Dec-18 (%)
					As at 31-Dec-18 (%)	As at 30-Jun-18 (%)	Movement	
<b>Victoria</b>								
Chadstone	Super Regional	50	42.4	3,150.0	3.75	3.75	-	6.25
Bayside	Major Regional	100	(32.3)	600.0	6.00	5.75	0.25	7.00
Northland	Major Regional	50	(1.1)	492.5	5.50	5.50	-	7.25
The Glen	Major Regional	50	11.6	362.0	5.50	5.75	(0.25)	7.25
Emporium Melbourne	City Centre	50	9.7	695.0	4.25	4.25	-	7.00
Myer Bourke Street	City Centre	33	3.0	163.0	4.75	4.75	-	6.75
Broadmeadows Central	Regional	100	(5.0)	328.0	6.50	6.50	-	7.25
Cranbourne Park	Regional	50	(6.6)	155.0	5.75	5.50	0.25	7.50
Box Hill Central (South Precinct)	Sub Regional	100	8.1	225.5	6.00	6.00	-	7.25
Victoria Gardens Shopping Centre	Sub Regional	50	1.6	142.5	5.75	5.75	-	7.25
Box Hill Central (North Precinct)	Sub Regional	100	3.4	123.0	6.00	6.00	-	7.00
Roxburgh Village	Sub Regional	100	(2.4)	120.0	6.25	6.25	-	7.25
Corio Central	Sub Regional	100	(15.9)	115.0	7.50	7.25	0.25	7.50
Altona Gate	Sub Regional	100	(0.9)	106.5	6.25	6.25	-	7.00
Sunshine Marketplace	Sub Regional	50	0.9	62.0	6.25	6.25	-	7.00
Mornington Central	Sub Regional	50	(1.6)	36.0	6.00	6.00	-	7.00
Oakleigh Central	Neighbourhood	100	(0.9)	76.0	6.00	6.00	-	7.00
DFO South Wharf	Outlet Centre	100	48.4	705.0	5.50	5.75	(0.25)	7.25
DFO Essendon	Outlet Centre	100	(0.6)	178.0	6.75	6.75	-	8.25
DFO Moorabbin	Outlet Centre	100	(0.5)	126.0	7.50	7.50	-	8.75

1. Based on ownership interest.

2. Net revaluation movement excludes non-cash adjustments for the amortisation of lease incentives and straight lining of rent.

# Asset summaries

## Valuations (continued)



	Centre type	Ownership interest (%)	Net revaluation movement <sup>1,2</sup> (\$m)	Value As at 31-Dec-18 <sup>1</sup> (\$m)	Capitalisation rate			Discount rate As at 31-Dec-18 (%)
					As at 31-Dec-18 (%)	As at 30-Jun-18 (%)	Movement	
<b>Western Australia</b>								
Galleria	Major Regional	50	(20.5)	365.0	5.50	5.50	-	7.00
Mandurah Forum	Major Regional	50	(20.8)	322.0	5.50	5.25	0.25	7.00
Rockingham Centre	Regional	50	(6.3)	300.0	5.50	5.50	-	7.25
Ellenbrook Central	Sub Regional	100	(1.1)	244.0	5.50	5.50	-	7.00
Warwick Grove	Sub Regional	100	(18.1)	185.0	7.00	6.50	0.50	8.25
Maddington Central	Sub Regional	100	(6.0)	115.0	7.25	7.00	0.25	8.00
Livingston Marketplace	Sub Regional	100	0.5	90.0	6.00	6.00	-	7.25
Halls Head Central	Sub Regional	50	(7.3)	50.0	6.50	6.00	0.50	7.50
Karratha City	Sub Regional	50	(2.6)	49.0	7.00	7.00	-	7.50
Dianella Plaza	Neighbourhood	100	(7.8)	82.6	6.75	6.50	0.25	7.50
Victoria Park Central	Neighbourhood	100	(2.0)	28.5	6.25	6.25	-	7.50
DFO Perth	Outlet Centres	50	30.7	106.8	6.00	n.a.	n.a.	7.50

1. Based on ownership interest.

2. Net revaluation movement excludes non-cash adjustments for the amortisation of lease incentives and straight lining of rent.

# Key dates

## Investor calendar



### Key dates

FY19 interim results	15 February 2019
December 2018 distribution payment	4 March 2019
Ex-distribution date for June 2019 distribution	27 June 2019
Record date for June 2019 distribution	28 June 2019
FY19 annual results	14 August 2019
June 2019 distribution payment and 2019 Annual Tax Statements despatched	28 August 2019
2019 Annual General Meeting	14 November 2019
Ex-distribution date for December 2019 distribution	30 December 2019
Record date for December 2019 distribution	31 December 2019

Note: These dates are indicative only and may be subject to change.

# Contact details and disclaimer



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