

SCA Property Group Offer of Stapled Units Product Disclosure Statement



5 October 2012

Financial Adviser and Co-Lead Manager

MOELIS & COMPANY

Sole Lead Manager and Sole Bookrunner



Co-Managers

CBA Equities Limited
Morgan Stanley Wealth Management
National Australia Bank Limited

Important notices



This information is important and requires your attention

It is important that you read this document carefully and in its entirety prior to making your investment decision with respect to the Offer. In particular you should pay careful consideration to the risk factors outlined in Section 11 and the tax implications in Section 10 of this document as they relate to your personal investment objectives, financial circumstances and needs. The potential tax effects of the Offer will vary between investors. Other risk factors may exist in addition to those identified in this document which should also be considered in light of your personal circumstances. If you have any queries or uncertainties relating to aspects of this document or the Offer please consult your stockbroker, accountant or other independent financial adviser before deciding whether to invest.

The issuer

This document is a product disclosure statement (the **PDS**) for the purposes of Part 7.9 of the Corporations Act and has been issued by Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851) (AFSL 426603) (**SCPRE**) as responsible entity of SCA Property Management Trust (ARSN 160 612 626) and responsible entity of SCA Property Retail Trust (ARSN 160 612 788) in respect of the Offer of Stapled Units under the Woolworths Retail Shareholder Offer, the Broker Firm Offer, the General Public Offer and the Institutional Offer (collectively the Offer).

Lodgement and listing

This PDS was prepared in accordance with section 1013A of the Corporations Act. This PDS is dated 5 October 2012 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. SCPRE has applied for the admission of SCA Property Group to the official list of ASX and the quotation of the Stapled Units on ASX. Neither ASIC nor ASX takes any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates.

ASX reserves the right (but without limiting its absolute discretion) to remove one or more entities with stapled securities from the ASX official list if any of their securities cease to be 'stapled' together, or any equity securities are issued by one entity which are not stapled to equivalent securities in the other entity or entities.

Not investment advice

The information contained in this PDS should not be taken as financial product advice and has been prepared as general information only without consideration for your particular investment objectives, financial circumstances or particular needs.

In particular you should pay careful consideration to the risk factors outlined in Section 11 in light of your personal circumstances, recognising that other risk factors may exist in addition to those identified and should also be considered before deciding whether to invest.

If you have any queries or uncertainties relating to aspects of this PDS or the Offer please consult your stockbroker, accountant or other independent financial adviser before deciding whether to invest.

Similarly the tax implications of your investment will vary depending on your personal financial circumstances and investment objectives. You should consider the tax implications outlined in Section 10 of this PDS and obtain your own professional taxation advice prior to deciding whether to invest in this Offer.

No cooling-off rights

Cooling-off rights do not apply to an investment in the Stapled Units pursuant to the Offer. This means that, in most circumstances, you will be unable to withdraw your Application once it has been accepted.

Rights and liabilities attached to the Stapled Units

From the date the Stapled Units under the Offer are issued, all Stapled Units, including those transferred under the Distribution, will rank equally in all respects to the Stapled Units issued under the Offer.

Details of the rights and liabilities attached to each Stapled Unit are set out in Section 14.1 and in the Constitutions of the Stapled Trusts, copies of which will be made available for inspection at the registered office of SCPRE within normal trading hours.

Electronic PDS

An electronic copy of this PDS may be viewed online by Australian and New Zealand investors at www.scapropertyoffer.com.au during the Retail Offer Period. If you access the PDS electronically please ensure that you download and read the PDS in its entirety. The Offer to which this PDS relates is available to persons receiving this PDS (electronically or otherwise) in Australia and New Zealand only. It is not available to persons in New Zealand other than under the Institutional Offer until after the expiry of the period of seven days (or that period as extended under section 1016B(2) of the Corporations Act) from the date this PDS is lodged with ASIC.

A paper form of this PDS can be obtained, free of charge, during the Retail Offer Period by contacting the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday.

Applications for Stapled Units in SCA Property Group will only be considered if applied for on an Application Form attached to or accompanied by a copy of this PDS (refer to Section 4 for further information).

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is accompanied by this PDS in its paper form or the complete and unaltered electronic form.

Overseas investors

This PDS has been prepared to comply with the requirements of Australian law and is only being made to Australian and New Zealand resident Retail Investors and Institutional Investors in Australia, New Zealand and select other eligible jurisdictions.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

Distribution of this PDS outside of Australia and New Zealand (whether electronically or otherwise) may be restricted by law. Persons who receive this PDS outside of Australia and New Zealand are required to observe any such restrictions. Failure to comply with such restrictions may find you in violation of applicable securities laws.

Unless otherwise agreed with SCPRE, any person subscribing for Stapled Units in the Offer shall by virtue of such subscription be deemed to represent that they are not in a jurisdiction which does not permit the making of an offer or invitation as detailed in this PDS, and are not acting for the account or benefit of a person within such jurisdiction.

None of SCPRE, the Lead Manager, nor any of their respective directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.

See Section 14.13 for further details.

Important information related to US securities law restrictions

This PDS may not be distributed to, or relied upon by persons in the United States unless accompanied by the International Offering Circular under which the Offer will be made, which, together with this PDS, constitutes the International Offering Circular except that the International Offering Circular will not include the Investigating Accountant's Report with respect to the forecast financial information included at Section 7 of this PDS. This PDS does not constitute an offer of securities in the United States or to any person in the United States.

The Stapled Units have not been, and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. Offers to any persons in the United States are only being made pursuant to, and in accordance with the terms described in, the International Offering Circular.

This PDS may not be distributed in the United States or to any person in the United States or elsewhere outside Australia or New Zealand unless it is attached to, or constitutes part of, the International Offering Circular that describes selling restrictions applicable in the United States and other jurisdictions outside Australia or New Zealand, and may only be distributed to persons to whom the Offer may be lawfully made in accordance with the laws of any applicable jurisdiction. The Offer is not an offer or invitation in any jurisdictions where, or to any person to whom, such an offer or invitation would be unlawful.

Each Applicant in the Woolworths Retail Shareholder Offer, the Broker Firm Offer the General Public Offer and the non-US portion of the Institutional Offer will be taken to have represented, warranted and agreed on behalf of itself and each person for whom it is applying for Stapled Units as follows:

- It understands that the Stapled Units have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;
- It is not in the United States at the time of such Application;
- It has not and will not send the PDS or any other material relating to the Offer to any person in the United States; and
- It will not offer or sell the Stapled Units in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with applicable laws in the jurisdiction in which Stapled Units are offered and sold.

Important information for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made.

There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the securities are able to be traded on a securities market and you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

Updated information

Information regarding the Offer may need to be updated from time to time. Any updated information about the Offer that is considered not materially adverse to investors will be made available on the SCA Property Group website at www.scapropertyoffer.com.au and SCPRE will provide a copy of the updated information free of charge to any eligible investor who requests a copy by contacting the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday during the Retail Offer Period.

In accordance with its obligations under the Corporations Act, SCPRE may issue a supplementary PDS to supplement any relevant information not disclosed in this PDS. You should read any supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

Financial information

Unless otherwise specified, all financial and operational information contained in this PDS is believed to be current as at the date of this PDS.

All currency amounts are in Australian dollars unless otherwise specified.

This PDS includes forecast financial information based on the best estimate assumptions of the Directors of SCPRE. The financial information presented in this PDS is unaudited. See "Forward-looking Statements" below.

Independent valuations

This PDS contains information regarding the independent valuations of the Properties by independent valuers Cushman & Wakefield, Savills Australia and Colliers International New Zealand Limited, in each case for the Completed Portfolio as of 1 December 2012 and for the Development Portfolio as of the date of expected completion. Valuations are a prediction of price, not a guarantee of current or future market value. By necessity, valuations require the valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

Independent valuations are subject to a number of assumptions and conditions, including but not limited to:

- that all properties are held with good and marketable title, free and clear of any or all liens, encumbrances, restrictions or other impediments of an onerous nature and that utilisation of the land is within the boundaries of the property lines with no trespass or encroachment;
- responsible ownership and competent property management;
- absence of any defects in engineering or presence of any hazardous waste and/or toxic material;
- compliance with all applicable federal, state and local environmental regulations and laws and all applicable zoning and use regulations and restrictions; and
- absence of any latent or unhidden conditions or defects on the property, subsoil or structures.

Property values can change substantially, even over short periods of time, and an independent valuer's opinion of value could differ significantly if the date of valuation were to change. A high degree in volatility in the market may lead to fluctuations in values over a short period of time.

Forward-looking statements

Certain "forward-looking statements" have been provided in this PDS. These statements can be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Preparation of these forward-looking statements was undertaken with due care and attention; however, forward-looking statements remain subject to known and unknown risks, uncertainties and other factors, many of which are beyond the control of SCPRE and its officers, employees, agents and advisers. Consequently, such factors may impact the performance of SCA Property Group such that actual performance differs materially to any performance indicated in the forward-looking statements. Some of the risk factors that impact on forward-looking statements in this PDS are set out in Section 11. No assurance can be provided that actual performance will mirror the guidance provided.

Other than as required by law, none of SCPRE, its respective directors, officers, employees or advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this PDS will actually occur. You are cautioned not to place undue reliance on those statements.

The forward-looking statements in this PDS reflect the views held only immediately before the date of this PDS, unless otherwise stated. Subject to the Corporations Act and any other applicable law, each of SCPRE, its respective directors, officers, employees and advisers disclaims any duty to disseminate after the date of this PDS any updates or revisions to any such statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Offer Management Agreement

Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) has been appointed by SCPRE and Woolworths as Sole Lead Manager and Sole Bookrunner to the Offer, subject to certain terms and conditions stipulated within the Offer Management Agreement.

The Offer Management Agreement sets out a number of circumstances where the Lead Manager may terminate the agreement and its obligations. For further information on the terms and conditions of the Offer Management Agreement you should refer to Section 13.14 of this PDS.

Photographs, diagrams and artist's renderings

Photographs, diagrams and artist's renderings contained in this PDS that do not have accompanying descriptions are intended for illustrative purposes only. They should not be interpreted to mean an endorsement of this PDS or its contents by any person shown in these images. Furthermore, assets not accompanied by a description should not be interpreted as being owned by SCA Property Group.

Diagrams used in this PDS are also intended for illustrative purposes only and may not be drawn to scale.

Definitions, abbreviations and other information

Explanations of defined terms and abbreviations used throughout this PDS can be found in the Glossary (Section 15).

Unless otherwise stated or implied, references to times in this PDS are AEST. Similarly, references to dates or years in this PDS are financial years unless otherwise stated or implied.

Rounding of the figures provided in this PDS may result in some discrepancies between the sum of components and the totals outlined within the tables and percentage calculations.

Disclaimer

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this PDS.

Any information or representation that is not in this PDS may not be relied on as having been authorised by SCPRE in connection with the Offer. Except as required by law, and only to the extent so required, neither SCPRE, nor any other person, warrants or guarantees the future performance of SCA Property Group, the repayment of capital, or any return on any investment made pursuant to this information.

The Lead Manager has not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this PDS and does not make or purport to make any statement in this PDS and there is no statement in this PDS which is based on any statement by the Lead Manager. The Lead Manager and its affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this PDS and make no representation or warranty as to the currency, accuracy, reliability or completeness of this PDS.

Further questions

If you have any queries relating to aspects of this PDS please call the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday (excluding public holidays during the Retail Offer Period).

Important Note for Woolworths Shareholders

Woolworths Shareholders on the Woolworths Register on the Distribution Record Date will receive one Stapled Unit in SCA Property Group for every five Woolworths Shares that they own via an in-specie distribution. These new Stapled Units will be distributed to Woolworths Shareholders if the Distribution is approved at the Woolworths Annual General Meeting, and Woolworths Shareholders do not need to take any action for this distribution to occur.

Woolworths Shareholders are also invited to apply to top up their holding in SCA Property Group by participating in the Woolworths Retail Shareholder Offer, although there is no compulsion to do so.

Information for Woolworths Shareholders wishing to participate in the Woolworths Retail Shareholder Offer is available in this Product Disclosure Statement.

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Chairman's letter

1.



Philip Marcus Clark AM
Chairman
SCA Property Group

Opportunity to invest in SCA Property Group, a newly established real estate investment trust owning a portfolio of quality Australian and New Zealand shopping centres focused on convenience retailing.

On behalf of the Board, I am pleased to offer you this opportunity to invest in SCA Property Group.

SCA Property Group will invest in shopping centres predominantly anchored by non-discretionary retailers, with long term leases to tenants such as Woolworths Group.

SCA Property Group will offer Unitholders¹:

- A geographically diverse portfolio of sub-regional and neighbourhood and freestanding retail assets in Australia and New Zealand;
- A tenancy mix with a bias toward tenants that trade in the more defensive non-discretionary segment of the retail market;
- Long term leases to quality retail tenants providing a secure income stream to support expected regular distributions to investors;
- Modern retail centres with an average age of 2.1² years, which is expected to minimise SCA Property Group's near term capital expenditure obligations; and
- An attractive distribution yield.

The establishment of SCA Property Group is part of a proposal that is being put to Woolworths Shareholders at a meeting on 22 November 2012. If approved, Woolworths Shareholders will receive one unit in SCA Property Group for every five shares held in Woolworths. The Distribution will result in transfer of approximately 247 million SCA Property Group Stapled Units to Woolworths Shareholders. Information regarding the Distribution is contained in an Explanatory Memorandum that has been distributed to Woolworths Shareholders.

In addition to the Distribution by Woolworths, SCA Property Group is undertaking an Offer of approximately 337 million Stapled Units to raise between \$425 million and \$506 million, at an Offer Price Range of between \$1.26 to \$1.50 per Stapled Unit (inclusive). This Product Disclosure Statement only contains information regarding the Offer.

The Offer comprises:

- A Woolworths Retail Shareholder Offer;
- A Broker Firm Offer;
- A General Public Offer; and
- An Institutional Offer.

The proceeds from the Offer will be used together with borrowings under the Debt Facility, and the issue of Stapled Units to Woolworths (which will be transferred to Woolworths Shareholders under the Distribution), to fund the acquisition of the Portfolio, pay transaction costs and provide working capital.

The Gearing ratio of SCA Property Group, calculated as net debt divided by total tangible assets, is targeted to be 27% at the Implementation Date and is expected to be approximately 34% following completion payments for 13 properties in the Portfolio that are currently under development.

The 13 properties that are currently under development will be completed by the Woolworths Group. SCA Property Group will acquire these properties based on independent valuations on a completed basis as at 1 December 2012. SCA Property Group therefore will not be exposed to development risk in relation to these properties.

SCA Property Group's Distributable Earnings for its first full financial year of operation to 30 June 2014 are forecast to be 11.8 cents per Stapled Unit, representing a forecast Distributable Earnings yield of between 7.9% and 9.4% depending on the Final Price achieved under the Offer.

Given the nature of SCA Property Group's income stream with a weighted average lease term to expiry of 15.8 years (by GLA) and Woolworths contributing in excess of 60% of the rental income in the Forecast Period, it is intended to have a distribution payout ratio of approximately 85% to 95% of Distributable Earnings. The distribution for the first full financial year to 30 June 2014 is forecast to be 10.4 cents per Stapled Unit, representing a forecast distribution yield of between 6.9% and 8.3% depending on the Final Price achieved under the Offer. Approximately 35% to 40% of the distribution for the first full financial year ending 30 June 2014 is expected to be tax deferred. It is intended that distributions will be paid on a six monthly basis with the first distribution expected to be paid in August 2013.

¹ Refer to Section 5.2 for further details.

² Relates to the Completed Portfolio, based on completion date or re-development date where assets have had a major re-development undertaken.

On completion of the Distribution, SCA Property Group will be managed independently of Woolworths and all decisions regarding the Portfolio and policies of the SCA Property Group will be made solely by the SCA Property Group Board and its management team.

An application has been made for SCA Property Group to be listed, and to have the Stapled Units quoted, on ASX.

This PDS contains important information in relation to SCA Property Group, the Offer, and the risks associated with an investment in SCA Property Group. You should read this PDS carefully and in its entirety, and seek relevant professional advice before making a decision to invest. The risks associated with an investment in SCA Property Group are outlined in Section 11.

Should eligible investors have any questions about how to apply for Stapled Units, please contact the SCA Property Group Offer information line on 1300 318 976 (within Australia) or +61 39415 4881 (outside Australia) or online at www.scapropertyoffer.com.au. The Retail Offer Period is expected to close at 5:00pm Sydney time on Tuesday, 20 November 2012.

On behalf of the SCA Property Group Board, I encourage you to consider this investment opportunity.

Yours sincerely,



Philip Marcus Clark AM
Chairman
SCA Property Group

Investment overview

2.



Overview of SCA Property Group

What is SCA Property Group?

SCA Property Group will be an independent and internally managed real estate investment trust (a **REIT**) owning a portfolio of 69 quality sub-regional and neighbourhood shopping centres and freestanding retail assets located across Australia and New Zealand, valued as of 1 December 2012 (assuming completion of the Development Portfolio) at \$1,406 million based on independent valuations.¹

Section 5.2

SCA Property Group's Portfolio will benefit from long term leases to the Woolworths Group as anchor tenant at each Property.

SCA Property Group should provide investors a relatively defensive exposure to a non-discretionary retail portfolio offering:

- A geographically diverse portfolio of sub-regional, neighbourhood and freestanding retail assets in Australia and New Zealand;
- A tenancy mix with a bias toward tenants that trade in the more defensive non-discretionary segment of the retail market;
- Long term leases to quality retail tenants providing a secure income stream to support regular distributions to investors;
- Modern retail assets with an average age of 2.1² years is expected to minimise SCA Property Group's near term capital expenditure obligations; and
- An attractive distribution yield.

An application has been made for SCA Property Group to be admitted to the official list of ASX and for the Stapled Units to be granted official quotation.

What will be the investment objectives of SCA Property Group?

The objectives of SCA Property Group are to provide investors with:

Section 5.3

- A secure income stream that supports regular income distributions to investors;
- A diversified shopping centre portfolio with a significant bias toward tenants that trade in the more defensive non-discretionary segment of the retail market;
- A portfolio of shopping centres anchored by quality tenants with long term leases;
- A capital structure, distribution policy and hedging policy that is expected to be appropriate to the characteristics of the underlying real estate portfolio;
- Liquidity in the Stapled Units through their listing on ASX.

SCA Property Group intends to acquire additional shopping centres in the future that satisfy its intended objectives which would provide further diversification and enhance the performance of the portfolio for investors.

As SCA Property Group will operate independently of Woolworths on completion of the transaction, it will not be restricted by Woolworths from investing in non-Woolworths anchored shopping centres that satisfy its investment objectives and this may provide a further level of diversification for the portfolio over time.

SCA Property Group also has the ability to sell any asset in its portfolio should the Board and management decide it appropriate.

SCA Property Group will also have the ability to undertake development opportunities where appropriate which it intends to do in an incremental and measured way.

Woolworths Group has pre-emptive rights to acquire some assets if SCA Property Group subsequently decides to sell those assets (refer to Section 13.6 and 13.8). Former owners of two properties also have pre-emptive rights to acquire some assets if SCA Property Group subsequently sells those assets.

¹ Represents the Australian dollar value of properties in the Portfolio as at 1 December 2012 assuming the 13 properties under construction at the date of this PDS are complete, based on independent valuations. The risks associated with delay in completion of the Development Portfolio are discussed in Section 11.2.4.

² Relates to Completed Portfolio, based on completion date or re-development date where assets have had a major re-development undertaken.

Overview of SCA Property Group

What assets will comprise the SCA Property Group property portfolio (the Portfolio)?

The Portfolio will comprise in total 69 neighbourhood and sub-regional shopping centres and freestanding retail assets located across Australia (55 properties) and New Zealand (14 properties).

Section 6

The Portfolio has been independently valued at \$1,406 million as of 1 December 2012 (assuming completion of the Development Portfolio).

The Portfolio consists of 56 completed and operating properties (the Completed Portfolio) and 13 properties under construction or re-development to be completed by the Woolworths Group (the Development Portfolio).

All of the properties in the Portfolio with the exception of Lismore have been developed or re-developed by the Woolworths Group, and the Portfolio benefits from:

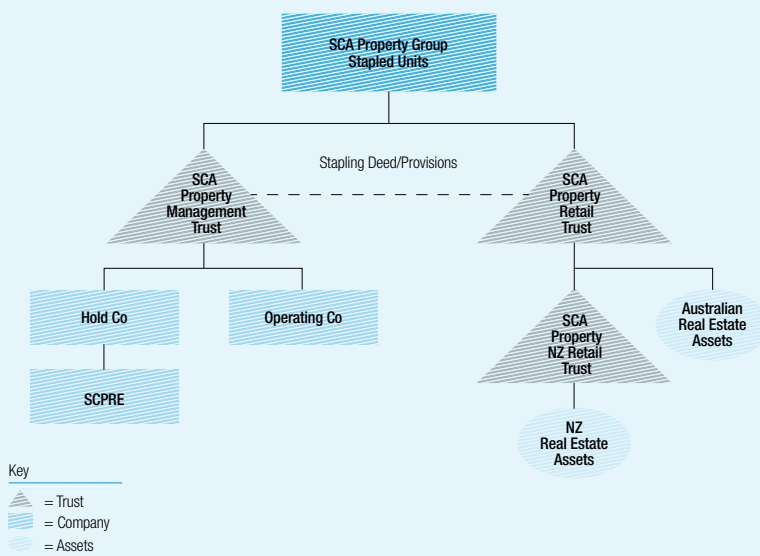
- Long term leases (19.8 year weighted average lease term to expiry) to the Woolworths Group as the anchor tenant for all properties in the Portfolio;
- A tenancy mix with a bias towards retailers targeting non-discretionary retail spending, with income from Woolworths Group Supermarket and Countdown Supermarket leases representing 51% of Portfolio Fully Leased Gross Income during the Forecast Period; and
- A long weighted average lease term to expiry of 15.8 years (by GLA) on the Completed Portfolio.

What is a Stapled Unit?

One unit in SCA Property Management Trust and one unit in SCA Property Retail Trust, trading together as one Stapled Unit.

Section 4.4

What is the intended structure of SCA Property Group at the Implementation Date?



Overview of the Offer

What is the Offer?	<p>An Offer of approximately 337 million Stapled Units to raise between \$425 million and \$506 million comprising:</p> <ul style="list-style-type: none"> – a Woolworths Retail Shareholder Offer; – a Broker Firm Offer; – a General Public Offer; and – an Institutional Offer. <p>This offer is in addition to the Distribution of Stapled Units to Woolworths Shareholders.</p>	Section 4.1
What is the Offer Price?	<p>Applicants under the Woolworths Retail Shareholder Offer, the Broker Firm Offer, and the General Public Offer will be required to apply for an Australian dollar value of Stapled Units and will pay the Final Price per Stapled Unit.</p> <p>The Final Price will be determined at the conclusion of the Institutional Offer and will be within the Offer Price Range of \$1.26 to \$1.50 per Stapled Unit (inclusive).</p> <p>Some of the factors that will impact the Final Price are described in Section 4.12.3.</p>	Section 4.5
How will the proceeds of the Offer be used?	<p>The proceeds of the Offer will be used, together with borrowings under the Debt Facility and the issue of Stapled Units to Woolworths (which will be transferred to Woolworths Shareholders under the Distribution), to acquire the Portfolio and partially fund acquisition costs and working capital, and for general corporate purposes.</p> <p>The amount of debt drawn under the Debt Facility is not impacted by the amount of equity raised under the Offer. See section 13.13 for further information.</p>	Sections 4.7 and 4.8
Will Woolworths participate in the Offer?	<p>No. Woolworths will not acquire Stapled Units under the Offer. Woolworths will have no beneficial interest in SCA Property Group following completion of the Distribution and the Offer.</p>	Section 5.5
Can the Offer be withdrawn?	<p>Yes, the Offer can be withdrawn at any time prior to the Allotment of Stapled Units to Applicants.</p>	Section 4.22
Where do I find an Application Form, and what should I do with it?	<p>An Application Form accompanies this PDS, or alternatively can be obtained by investors located in Australia and New Zealand online from www.scapropertyoffer.com.au. It is not available to persons in New Zealand other than under the Institutional Offer until after the expiry of the period of seven days (or that period as extended under section 1016B(2) of the Corporations Act) from the date this PDS is lodged with ASIC.</p> <p>If you wish to participate in the Offer, you should complete and return the appropriate Application Form in accordance with the instructions on that form, accompanied by the Application Monies.</p>	Sections 4.9, 4.10 and 4.11
Is there a cooling-off period?	<p>No. Cooling-off rights do not apply to an investment in Stapled Units pursuant to the Offer.</p>	Section 14.11
Who can participate in the Offer?	<p>The Woolworths Retail Shareholder Offer is open to all Woolworths Retail shareholders who:</p> <ul style="list-style-type: none"> – have a registered holding in Woolworths Shares on the Offer Record Date; – have a registered address in Australia or New Zealand; – are not in the United States; and – are not otherwise deemed to be an Institutional Investor by the Lead Manager, in consultation with SCPRE and Woolworths (Eligible Woolworths Retail Shareholder). <p>The Woolworths Retail Shareholder Offer is in addition to the Stapled Units being distributed to Woolworths Shareholders under the distribution.</p> <p>The Broker Firm Offer is open to all Retail Investors who have received a firm allocation from their Broker.</p> <p>The General Public Offer is open to all Retail Investors.</p> <p>Certain Institutional Investors in Australia, New Zealand and other jurisdictions will be invited by the Lead Manager to participate in the Institutional Offer.</p>	Sections 4.9, 4.10 and 4.11

Overview of the Offer

What is the minimum and maximum Application amount under the Offer?

For Applicants applying under the Woolworths Retail Shareholder Offer, Broker Firm Offer and the General Public Offer, the minimum Application amount is at least \$5,000 and in at least \$500 increments thereafter.

Applicants under the Institutional Offer will be provided additional information regarding the Institutional Offer (including any minimum Application amounts) by the Lead Manager.

There is no maximum Application amount.

Section 4.13

What is the allocation policy?

The allocation of Stapled Units between the Woolworths Retail Shareholder Offer, the Broker Firm Offer, the General Public Offer and the Institutional Offer will be determined by Woolworths, in consultation with the Lead Manager and SCPRE, having regard to the allocation policy outlined in Sections 4.9, 4.10 and 4.11.

The value of Stapled Units issued pursuant to the Institutional Offer can not be less than \$100 million without the prior written consent of the Lead Manager.

Woolworths and SCPRE, in consultation with the Lead Manager, will determine the allocation of Stapled Units under the Woolworths Retail Shareholder Offer and the General Public Offer and may reject any Application, or allocate fewer Stapled Units than applied for, in their absolute discretion.

For Broker Firm Applicants, Brokers will decide as to how they allocate Stapled Units among their retail clients.

Section 4.12

How to apply
How can I apply under the Offer?

To apply under the Woolworths Retail Shareholder Offer, complete and return the Application Form enclosed with this PDS (also available at online by following the link www.scapropertyoffer.com.au).

To apply under the General Public Offer, complete and return the Application Form enclosed with this PDS (also available online to Retail Investors by following the link www.scapropertyoffer.com.au).

Application Forms should be accompanied by the requisite Application Monies.

If you are a Broker Firm Applicant, you should apply in accordance with the instructions received from your Broker.

Sections 4.9, 4.10 and 4.11

When do I apply?

The key dates for the Offer are set out in Section 3.

Applications under the Woolworths Retail Shareholder Offer, Broker Firm Offer and the General Public Offer will only be accepted during the Retail Offer Period which is open from 9:00am (Sydney time) Monday, 15 October 2012 to 5:00pm (Sydney time), Tuesday, 20 November 2012.

All times and dates referred to in this PDS are subject to change and as such if you wish to participate in the Offer you are encouraged to submit your Application Form as soon as possible after the Retail Offer Opening Date.

Section 3

Benefits and risks

What are the main benefits associated with an investment in SCA Property Group?

A geographically diverse portfolio of sub-regional and neighbourhood shopping centres and freestanding retail assets

- Assets located in all five mainland states of Australia;
- Assets located in New Zealand; and
- Diverse weighting among sub-regional and neighbourhood shopping centres and freestanding retail assets.

Tenancy mix with bias toward tenants that trade in the more defensive non-discretionary segment of the retail market

- Large weighting to non-discretionary retail spending with income from Woolworths Group supermarket leases representing 51% of Portfolio gross income during the Forecast Period; and
- A non-discretionary based anchor tenant is likely to attract other non-discretionary based specialty stores that look to gain access to the foot traffic generated by the anchor tenant.
- Food retail and food catering account for 27% of gross specialty rental income derived over the first 12 month period (excluding any income under the Rental Guarantee).

Long term leases to quality retail tenants providing a secure income stream to support distributions to investors

- Woolworths is currently Australia's largest food and grocery retailer and the second largest food and grocery retailer in New Zealand by sales revenue and number of stores;
- Woolworths Group will account for 75% of the Portfolio's total GLA at listing and over 60% of Portfolio Fully Leased Gross Income during the Forecast Period;
- Leases to all Woolworths Supermarket, BIG W and Countdown Supermarket leases are based on an initial 15 – 23 year lease term plus options. For additional information on the Woolworths Supermarket, BIG W and Countdown Supermarket lease see Sections 13.6 and 13.8; and
- Woolworths will also provide a Rental Guarantee for a period of two years from and including the Implementation Date over specialty tenancies vacant as at the Implementation Date until they are first let for properties in the Completed Portfolio, and for a period of two years from completion of development over all specialty tenancies for the properties in the Development Portfolio.

Modern retail assets with an average age of 2.1¹ years

- The majority of assets comprising the Portfolio are either new, recently built or recently redeveloped, or in the development phase and to be completed by the Woolworths Group, which is expected to minimise SCA Property Group's near term capital expenditure obligations.

An attractive distribution yield

- Forecast distributable earnings yield of between 7.9% and 9.4% and a forecast distribution yield of between 6.9% and 8.3% for the first full financial year to 30 June 2014, depending on the Final Price.

Approximately 45% to 50% of the proposed distribution for the financial year ending 30 June 2013 and approximately 35% to 40% of the proposed distribution for the financial year ending 30 June 2014 is expected to be tax deferred.

Section 5.2

¹ Relates to Completed Portfolio, based on completion date or re-development date where assets have had a major re-development undertaken.

Benefits and risks
What are the main risks associated with an investment in SCA Property Group?

New standalone entity with no previous trading history

- SCA Property Group will be a new standalone entity with no previous trading history.

Concentration risk

- Woolworths Group leases will account for 75% of the Portfolio's total GLA at listing and over 60% of Portfolio Fully Leased Gross Income over the Forecast Period. Any material deterioration in the Woolworths Group's retailing operations may result in Woolworths not meeting its lease obligations which could reduce SCA Property Group's income. Additionally, as the anchor tenant to the Portfolio, a deterioration in the Woolworths Group's financial performance or credit standing, or a change in corporate strategy or structure, could have an impact on the value of the Portfolio.

Exposure to specialty tenants

- Specialty tenants, representing approximately 39% of SCA Property Group's Gross Income, may be considered less secure than Woolworths due to their smaller size, greater exposure to the discretionary retail market and less diverse operations. Their lease terms are also shorter.
- As a new portfolio, some specialty tenants may not have an established track record of sales within the individual shopping centres or catchment area.
- SCA Property Group is responsible for leasing of specialty tenancies. There is no guarantee that existing specialty tenants will renew their leases or, where they do not, that other specialty tenants will be found.

Rental Guarantee

- The Woolworths Group will provide a Rental Guarantee to SCA Property Group to cover:
 - rent for vacant tenancies as at the Implementation Date until they are first let for a period of two years from and including the Implementation Date for all properties in the Completed Portfolio; and
 - total rent for all specialty tenancies for properties in the Development Portfolio for a period of two years from completion of development of each such Property.

Once the Rental Guarantee expires, rental income may decrease if SCA Property Group is unable to lease specialty tenancies that were subject to the Rental Guarantee.

Completion of Development Portfolio

SCA Property Group is entirely dependent on the Woolworths Group to complete development of the properties in the Development Portfolio. If the properties in the Development Portfolio are not completed by the Woolworths Group within the expected timeframe, SCA Property Group's earnings may be impacted due to a delay or because under certain circumstances the properties could be transferred back to the Woolworths Group for an amount equal to the sum of the purchase price paid by SCA Property Retail Trust for the property and all other costs incurred by SCA Property Retail Trust in relation to its acquisition of the property.

Section 11

Benefits and risks

What are the main risks associated with an investment in SCA Property Group? (continued)

Withdrawal of properties from the Portfolio if the transfer of title to such properties is not registered in time

Failure to register the transfer of title of the Australian Properties by the Implementation Date may result in a breach of Division 6B of the Tax Act. SCPRE has obtained a private binding ruling in respect of the application of Division 6B of the Tax Act to the Distribution and is seeking further confirmation from the ATO in relation to the need to register title prior to the Implementation Date.

If the advice from the ATO is that registration is required prior to the Implementation Date or the ATO advice is not received prior to the Implementation Date, unregistered properties will be withdrawn from the Portfolio acquired by SCA Property Group. In this case the amount payable to Woolworths in relation to purchasing the Portfolio reduces by an equivalent amount. This reduction would result in SCA Property Group's borrowings being reduced by the total value of the withdrawn properties. In those circumstances this PDS may become defective (within the meaning of section 1021B of the Corporations Act) and if it did SCA Property Group would then be required to issue a supplementary product disclosure statement and provide investors who had already submitted Applications a month to decide whether to withdraw their Applications and be repaid their Application Monies. If the collective value of the withdrawn Australian properties is in excess of \$350 million the Proposed Transaction may be cancelled.

If OIO approval is not received prior to the Implementation Date and if the withdrawn Australian Properties is in excess of \$240 million the Proposed Transaction may be cancelled.

New Zealand Overseas Investment Office approval

Settlement of the New Zealand properties in the Portfolio are subject to the consent of the New Zealand Overseas Investment Office (OIO) and completion of the transfer and registration of the New Zealand Properties will not occur until OIO consent is obtained. In the event there is a delay in obtaining the consent of the OIO, SCA Property Group may receive lower rental income than forecast.

In the event that the OIO declines its consent to the transaction in New Zealand, the acquisition of all or some of the New Zealand properties would not proceed.

Stamp Duty

SCA Property Group has sought a stamp duty exemption on the transfer of all Properties in the Completed Portfolio, and on the transfer of the land and WIP of the Properties in the Development Portfolio, located in New South Wales, Victoria and Western Australia. Exemptions in relation to the transfer of those Properties in the Completed Portfolio in Western Australia and Victoria have been received. To the extent that an exemption is not obtained in New South Wales, or a condition of an exemption is not satisfied, then SCA Property Group may incur significant unexpected costs. These are estimated to be in the order of up to \$24 million for New South Wales, up to \$17 million for Victoria and up to \$8 million for properties located in Western Australia.

Property Valuations

Valuations ascribed to each property will be influenced by a number of ongoing factors including:

- supply and demand for retail properties;
- general property market conditions; and
- the ability to attract and implement economically viable rental arrangements.

In addition, the independent valuations included in this PDS are the best estimates of the independent valuers and may not reflect the actual sale value of the Properties. The independent valuations are subject to a number of assumptions which may not prove to be accurate.

Property Liquidity

SCA Property Group may be required to dispose of some of its property assets in response to adverse business conditions. Given the relatively illiquid nature of property investments and the higher degree of volatility in the non-residential property market since the onset of the global financial crisis, SCA Property Group may not be able to achieve the disposal of the property assets in a timely manner or at an optimal sale price. This may affect the SCA Property Group's net asset value or trading price per Stapled Unit.

For further detail regarding the risks associated with an investment in SCA Property Group see Section 11. Please read this section carefully.

Financial information

What is the forecast net tangible assets (NTA) per Stapled Unit after the Offer?	\$1.58	Section 7.3
What is SCA Property Group's expected distributable earnings per Stapled Unit?	<p>Forecast Distributable Earnings per Stapled Unit of:</p> <ul style="list-style-type: none"> – 6.5 cents for the shortened financial year ending 30 June 2013; and – 11.8 cents for the first full financial year ending 30 June 2014. <p>The forecast Distributable Earnings represent a forecast annualised Distributable earnings yield, depending on the Final Price achieved under the Offer Price Range of:</p> <ul style="list-style-type: none"> – between 7.9% p.a. and 9.4% p.a. for the shortened financial year ending 30 June 2013; and – between 7.9% and 9.4% for the first full financial year ending 30 June 2014. <p>The Distributable Earnings set out above are reconciled to the net profit after tax to Unitholders set out in the Financial Information, which are based on assumptions and accounting policies set out in Section 7 and subject to the risks set out in Section 11. There is no guarantee that the distribution forecasts set out above will be achieved.</p>	Section 7.3
What will be the Gearing level of SCA Property Group?	SCA Property Group's Gearing at the Implementation Date is expected to be 27%. Following completion of all properties in the Development Portfolio, Gearing is expected to be 34%.	Section 7.3
Distributions		
Will SCA Property Group make distributions?	<p>SCA Property Group intends to distribute approximately 85–95% of Distributable Earnings each year.</p> <p>SCA Property Group forecasts a distribution of:</p> <ul style="list-style-type: none"> – 5.6 cents per Stapled Unit for the shortened financial year ending 30 June 2013; and – 10.4 per Stapled Unit for the first full financial year ending 30 June 2014. <p>These distributions represent a forecast annualised distribution yield depending on the Final Price achieved under the Offer of:</p> <ul style="list-style-type: none"> – between 6.8% p.a. and 8.1% p.a. for the shortened financial year ending 30 June 2013; and – between 6.9% and 8.3% for the first full financial year ending 30 June 2014. 	Sections 5.12 and 7.3
How often and when will distributions be paid?	<p>Distributions will be paid on a six monthly basis at the end of February and at the end of August.</p> <p>The first distribution for the period from Allotment Date to June 2013 is expected to be paid in August 2013.</p>	Section 5.12
What portion of the distributions will be tax deferred for Australian tax purposes?	Approximately 45% to 50% of the proposed distribution for the financial year ending 30 June 2013 and approximately 35% to 40% of the proposed distribution for the financial year ending 30 June 2014 is expected to be tax deferred. This may vary in the future depending on the age and composition of the Portfolio.	Section 5.12

Directors and key executives

What will be the composition of the SCA Property Group Board?

SCPRES is the responsible entity of SCA Property Management Trust and SCA Property Retail Trust. At the time of listing on ASX, the SCPRES Board will comprise seven directors, including five independent directors.

Section 5.14

Who are directors of the board of SCA Property Group?

The non-executive directors of the SCPRES Board are:

Section 5.14

Philip Marcus Clark AM, Independent Chairman

- Mr Clark was formerly Managing Partner of the law firm Minter Ellison from 1995 to 2005. Prior to joining Minter Ellison, Mr Clark was a Director and Head of Corporate with ABN Amro Australia, and prior to that he was the Managing Partner of the law firm Mallesons Stephen Jaques for 16 years.
- Mr Clark has significant prior board experience in the listed REIT sector, having been a Director and Chair of the Audit Committee of ING Management Limited, the Responsible Entity of a number of listed REITs managed by ING Real Estate.
- Mr Clark is a member of the J.P. Morgan Advisory Council, a Director of Ingenia Communities Group and chairs a number of government and private company boards.
- Mr Clark was made a Member of the Order of Australia in June 2007 for service to the legal profession and business.

James Hodgkinson, Independent Non-executive Director

- Mr Hodgkinson is a Senior Investment Banker with real estate specialisation, most recently as an Executive Director of Macquarie Group.
- Mr Hodgkinson has extensive experience as Principal in the establishment, strategy and growth of a number of both listed and unlisted investment vehicles and operating businesses in Australia, Asia and North America.
- Mr Hodgkinson was also Chief Executive Officer of Macquarie Industrial Trust for six years prior to that trust's merger with Goodman Industrial Trust. He is a Director of Goodman Japan Limited, and from February 2003 until September 2011 was a Director of the Goodman Group and was a member of its Audit Committee.

Dr Ian Pollard, Independent Non-executive Director

- Dr Pollard has been a company director for over 30 years. He is currently Chairman of RGA Australia and a director of Milton Corporation and the Wentworth Group of Concerned Scientists.
- Dr Pollard's previous listed company directorships include retailers, Just Group (Chairman) and OPSM Group, as well as Corporate Express Australia (Chairman), GIO Australia and DCA Group.
- An actuary and Rhodes Scholar, Dr Pollard is the author of a number of books, including three on Corporate Finance.

Philip Redmond, Independent Non-executive Director

- Mr Redmond has over 30 years of experience in the real estate industry including over five years with AMP's real estate team and over 12 years with the investment bank UBS from 1993 to 2005.
- Mr Redmond has prior Board experience in the listed REIT sector, having been a director on a number of listed REITs managed by ING Management Limited and Galileo Funds Management Limited.

Belinda Robson, Independent Non-executive Director

- Mrs Robson is an experienced real estate executive, having worked with Lend Lease for over 20 years in a range of roles including most recently as the Fund Manager of the Australian Prime Property Fund Retail.
- Mrs Robson's previous roles with Lend Lease included Head of Operations, Australian Prime Fund Series, and Portfolio Manager, Australian Prime Property Fund Retail.

The executive directors of the SCPRES Board are:

Anthony Mellowes, Chief Executive Officer (Interim) (see details below).

Kerry Shambly, Chief Financial Officer (see details below).

Directors and key executives

Who are the senior executives of SCA Property Group?

The role of Chief Executive Officer of SCA Property Group will be filled in an interim capacity by an experienced Woolworths executive under transitional services arrangements for a period of up to 12 months. Post Allotment, the Board of SCPRE will undertake an extensive executive search to fill the role of Chief Executive Officer. Anthony Mellowes will be acting as the Chief Executive Officer in an interim capacity and will be able to participate in this process at his own election.

Section 5.14

The key executives of the SCA Property Group are:

Anthony Mellowes, Chief Executive Officer (Interim)

- Mr Mellowes is an experienced property executive currently acting as Head of Asset Management and Group Property Operations for Woolworths. Mr Mellowes has been employed by Woolworths since 2002 and has held a number of senior property related roles within Woolworths. Prior to Woolworths, Mr Mellowes worked for Lend Lease Group and Westfield Limited.

Kerry Shambly, Chief Financial Officer

- Ms Shambly is an experienced finance executive who is currently employed as Manager – Capital Transactions Group at Woolworths. Ms Shambly has been employed by Woolworths since 2002 and has also held the role of General Manager Finance – Property. Prior to Woolworths, Ms Shambly worked for Lend Lease Group and Hoyts Cinema Group.

Mark Lamb, General Counsel and Company Secretary

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

Fees, costs and underwriting

Is the Offer underwritten?

Settlement of the Institutional Offer is underwritten.

Section 13.14

The Woolworths Retail Shareholder Offer, Broker Firm Offer and the General Public Offer are not underwritten.

Woolworths, SCPRE and the Lead Manager have entered into an Offer Management Agreement in respect of the management of the Offer. Under certain circumstances, the Lead Manager may terminate the Offer Management Agreement.

What are the fees and costs associated with the Offer?

The fees and costs associated with the Offer are expected to total approximately \$14.8 million inclusive of GST.

Section 12

Is there any broker commission or stamp duty payable by Applicants?

No broker commission is payable by Applicants. Woolworths will bear any duty in respect of the acquisition of Stapled Units under the Offer or Distribution.

Section 4.17

Implementation of the Proposed Transaction

How will the Proposed Transaction be implemented?

Transfer of the Portfolio:

SCA Property Retail Trust (in the case of the Australian Properties) will acquire the Properties in the Completed Portfolio, and the land and WIP of the Australian Properties in the Development Portfolio, and SCA Property NZ Retail Trust (in the case of the New Zealand Properties) will acquire the land and completed buildings of the New Zealand Properties in the Development Portfolio, from the Woolworths Group based on independently assessed market value and, in the case of the Australian Properties in the Development Portfolio, taking into account the cost to complete the development or re-development;

SCA Property Retail Trust (in the case of the Australian Properties) and SCA Property NZ Retail Trust (in the case of the New Zealand Properties) and members of the Woolworths Group will enter into Development Management Agreements (DMAs) in relation to the properties in the Development Portfolio; and

Woolworths Group members will enter into the Leases in respect of the properties in the Completed Portfolio and Agreements for Lease in respect of the properties in the Development Portfolio.

Distribution:

Woolworths will distribute approximately 247 million Stapled Units (being all of the Stapled Units on issue) to Woolworths Shareholders through a capital reduction under Part 2J.1 of the Corporations Act after which Woolworths will no longer have any ownership interest in SCA Property Group.

Offer:

Prior to the Distribution, SCPRE, as responsible entity of SCA Property Management Trust and SCA Property Retail Trust, is making the Offer of Stapled Units in SCA Property Group. The issue of the Stapled Units under the Offer is conditional on the Distribution being made simultaneously with Allotment following approval of the Capital Reduction Resolution at the Woolworths Annual General Meeting on 22 November 2012. The Offer is subject to that approval. Woolworths has the discretion to terminate the Proposed Transaction prior to approval of the Capital Reduction Resolution (see Section 13.17).

Sections 5.1 and 5.7

Why is Woolworths undertaking the Proposed Transaction?

Woolworths believes that the Portfolio of 69 properties represents a high quality portfolio of real estate assets and would like to provide Woolworths Shareholders with the benefit of being able to retain an investment in these assets, through SCA Property Group.

Given Woolworths' core business is retailing, long term real estate ownership is not considered part of the long term strategy and therefore the Proposed Transaction would reduce the amount of property held by Woolworths.

Arrangements with Woolworths

Who is Woolworths?

Woolworths Limited is one of Australia's 10 largest public companies, and is Australia's largest food and grocery retailer and the second largest food and grocery retailer in New Zealand by sales revenue and number of stores with 872 supermarkets in Australia and 161 supermarkets in New Zealand, 599 petrol stations, 172 BIG W stores, 1,313 retail liquor outlets, 294 hotels, 15 Masters Home Improvement stores and 21 Danks retail hardware stores at the end of the 2012 financial year.

Section 5.4

In addition, Woolworths provides wholesale services to 518 home improvement store in Australia and 54 supermarkets in New Zealand.

What leases will the Woolworths Group enter into with SCA Property Group?

In Australia, the Woolworths Group will enter into Leases in respect of the properties in the Completed Portfolio and Agreements for Lease in respect of the properties in the Development Portfolio. In New Zealand, a member of the Woolworths Group will enter into Leases with SCA Property NZ Retail Trust.

Sections 13.6 and 13.8

The Woolworths Group will pay a base rent monthly in advance.

Under the supermarket and Dan Murphy's leases, turnover rent is payable annually in arrears where the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services charges for that year. Under the BIG W leases, turnover rent is payable annually in arrears where the sum of the initial base rent and the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services for that year.

In respect of the supermarket, BIG W and Dan Murphy's lease, the base rent is reviewed every five years from the lease commencement date. If turnover rent has been paid in any of the three years preceding a review, the base rent will increase by an amount equal to the average of the turnover rent paid in each of those three years.

Under 37 of the supermarket and BIG W leases, the base rent is to increase by a minimum of 5% of the commencing rent or the previous minimum rent (as the case maybe) on each of the first three five-yearly reviews, including where the review coincides with the start of an option term.

The Woolworths Group can only assign its interest in the leases with the landlord's consent.

The Woolworths Group is responsible for maintaining the interior of the premises, including any landlord's property. The landlord is responsible for replacing capital items, such as air conditioning plants, when necessary, regardless of the original ownership of the items. In relation to six properties of the Australian Properties and all 14 of the New Zealand properties, the member of the Woolworths Group who is the tenant has the right to buy the property if the landlord intends to sell. The property must be first offered to the relevant member of the Woolworths Group, which will have a period of between 45 and 60 business days to make a decision whether or not to buy.

The total rental payment from the Woolworths Group to SCA Property Group under the leases is estimated to be approximately \$129.6 million during the Forecast Period.

Arrangements with Woolworths

How will the Development Portfolio be managed?

A member of the Woolworths Group will act as the developer for all of the properties under construction in the Development Portfolio. The development of each property will be governed by a DMA between SCA Property Retail Trust or SCA Property NZ Retail Trust and a member of the Woolworths Group (guaranteed by Woolworths).

Sections 13.9 and 13.10

Payment due to the Woolworths Group in relation to the Australian properties in the Development Portfolio will comprise two components:

Initial Payment: On acquisition of the portfolio an amount equal to the lesser of:

- The estimated value of the land and the WIP at the Implementation Date; and
- The projected future value of the property on a completed basis as determined by the independent valuation as at 1 December 2012 less the cost to complete the development or re-development of the property.

Final Payment: The independent valuation as at 1 December 2012 of the property on a completed basis less the Initial Payment.

The total amount payable to the Woolworths Group for an Australian property in the Development Portfolio will not exceed the independent valuation as at 1 December 2012 of the Property on a completed basis.

Woolworths Group will provide SCA Property Group with a Site Access Fee from and including the Implementation Date to the Final Payment. The annual Site Access Fee is equal to the independent valuer's determined capitalisation rate multiplied by the Initial Payment and paid on a monthly basis.

Payments due to the Woolworths Group at completion of each of the New Zealand Properties in the Development Portfolio will be fixed based on the valuation of the property on a completed basis.

The development price under each DMA will be fixed, so that SCA Property Group does not bear any risk if the costs actually incurred by Woolworths Group to complete the development or re-development exceed the development price.

The total payment due to the Woolworths Group in consideration of the Properties in the Development Portfolio is approximately \$332 million, comprising \$198 million payable under the Initial Payment for the Australian Properties in the Development Portfolio and \$134 million payable on completion of the Australian and New Zealand Properties in the Development Portfolio.

The development price under each Australian DMA will be secured by a real property mortgage over the corresponding property and a general security deed over SCA Property Retail Trust assets. In New Zealand, each property will not be transferred until after construction is complete.

What is the Transitional Services Agreement?

The Woolworths Group will provide a number of management and administrative services to SCA Property Group (including the services of the interim CEO) for a period of 12 months from the Implementation Date which is expected to provide SCA Property Group sufficient time to establish the relevant internal functions to allow it to perform these tasks efficiently.

Sections 13.11 and 13.12

The total payments due to the Woolworths Group under the TSAs is estimated to be approximately \$3.7 million.

Arrangements with Woolworths

What is the Rental Guarantee?

- A Rental Guarantee has been provided by Woolworths to cover:
- vacant tenancies as at the Implementation Date until they are first let for a period of two years from the Implementation Date for all properties in the Completed Portfolio; and
 - total rent for specialty tenancies for properties in the Development Portfolio for a period of two years from completion of development of each centre.

Section 5.5

The estimated total payments from Woolworths to SCA Property Group under the Rental Guarantee during the Forecast Period is \$15.6 million, inclusive of rental, incentive and leasing commission payments.

How were the arrangements determined?

SCA Property Group and Woolworths have obtained independent valuations of the Properties from Savills Australia, Cushman & Wakefield and Colliers International. The consideration under the Sale Contracts and the final payment under each of the DMAs is based on these independent valuations. The valuers have also confirmed that the rents under the leases are within normal market range. The Sale Contracts and leases are on commercially reasonable terms consistent with market practice for arm's length transactions, and the leases are generally comparable to Woolworths leases with other third parties. SCA Property Group and Woolworths are therefore satisfied that the acquisition of the Portfolio by SCA Property Group will be on an arm's length basis.

Taxation implications

What are the Australian tax implications of the acquisition of Stapled Units under the Offer?

The acquisition of Stapled Units under the Offer may have Australian taxation implications for investors participating in the Offer. These implications will differ depending on the individual circumstances of each investor who participates in the Offer.

Section 10

Other information

Quotation

SCPRE has applied for SCA Property Group to be admitted to the official list of ASX and for the Stapled Units to be granted official quotation.

Section 4.20

If ASX listing approval is granted, trading of the Stapled Units is expected to commence on a conditional and deferred basis on Monday, 26 November 2012 and on a normal basis on Wednesday, 19 December 2012.

Further information

If you have further enquires regarding the Offer, please contact the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Offer Period.

Section 4.25

Important dates and key Offer statistics

3.



Event	Date
Record date for the Woolworths Retail Shareholder Offer	7:00pm (Sydney time), Wednesday, 10 October 2012
Woolworths Retail Shareholder Offer, Broker Firm Offer and General Public Offer open	9:00am (Sydney time), Monday, 15 October 2012
Woolworths Retail Shareholder Offer, Broker Firm Offer and General Public Offer close	5:00pm (Sydney time), Tuesday, 20 November 2012
Meeting of Woolworths Shareholders	Thursday, 22 November 2012
Institutional Offer opens	Thursday, 22 November 2012
Institutional Offer closes	Friday, 23 November 2012
SCA Property Group commences trading on ASX on a conditional and deferred settlement basis	Monday, 26 November 2012
Settlement of Offer	Monday, 10 December 2012
Allotment of Stapled Units	Tuesday, 11 December 2012
Implementation Date	Tuesday, 11 December 2012
Deferred settlement trading of Stapled Units on ASX	Wednesday, 12 December 2012
Dispatch of confirmation statements	By Tuesday, 18 December 2012
Normal trading of Stapled Units on ASX	Wednesday, 19 December 2012

Woolworths reserves the right, with the consent of Lead Manager, subject to the Corporations Act, ASX Listing Rules and other applicable laws to vary the dates of the Offer, including closing the Offer early, extending the Offer or accepting late applications, either generally or in particular cases, without notice. Accordingly, you are encouraged to submit your Application Forms as soon as possible after the Offer opens. No cooling-off rights apply to the Offer.

Key Offer statistics

Net Tangible Assets per Stapled Unit	\$1.58
Offer Price Range per Stapled Unit	\$1.26 to \$1.50 (inclusive)
Number of Stapled Units available under Offer (million)	337.3
Gross proceeds from Offer	\$425m to \$506m
Number of Stapled Units on issue following the Offer and Distribution (million)	584.2
FY14 Distributable Earnings yield per Stapled Unit ¹	9.4% to 7.9%
FY14 Distribution yield per Stapled Unit ²	8.3% to 6.9%
Offer price discount to NTA Stapled Unit	20% to 5%

¹ Forecast Distributable Earnings per Stapled Unit for the financial year ending 30 June 2014 divided by the Final Price.

² Forecast Distribution per Stapled Unit for the financial year ending 30 June 2014 divided by the Final Price.

Details of the Offer

4.



4.1. Overview of the Offer

The Offer comprises:

- a Woolworths Retail Shareholder Offer;
- a Broker Firm Offer;
- a General Public Offer; and
- an Institutional Offer.

A total of 337 million Stapled Units are available under the Offer to raise between \$425 million to \$506 million, at an Offer Price Range of between \$1.26 to \$1.50 per Stapled Unit (inclusive).

All Stapled Units under the Offer will be issued at the Final Price. Under the terms of the Offer Management Agreement, the Final Price will be determined by Woolworths after the close of the Institutional Offer, in consultation with the Lead Manager and SCPRE.

For additional information on the determination of the Final Price, refer to Section 4.12.3.

The Stapled Units will be issued by SCPRE as responsible entity of SCA Property Group.

Settlement of the Institutional Offer is underwritten. Woolworths, SCPRE and the Lead Manager have entered into an Offer Management Agreement in respect of the management of the Offer. Under certain circumstances, the Lead Manager may terminate the Offer Management Agreement. These circumstances are set out in Section 13.14.

The allocation of Stapled Units between the Woolworths Retail Shareholder Offer, the Broker Firm Offer, the General Public Offer and the Institutional Offer will be determined by Woolworths, in consultation with SCPRE and the Lead Manager, having regard to the allocation policy outlined in Sections 4.9.3, 4.10.3 and 4.11.4.

The value of Stapled Units issued pursuant to the Institutional Offer can not be less than \$100 million without the consent of the Lead Manager.

The Woolworths Retail Shareholder Offer, the Broker Firm Offer, General Public Offer and the Institutional Offer are conditional on each other. If one does not proceed, the others will not proceed. The issue of Stapled Units under the Offer is conditional on the Distribution being made simultaneously with Allotment.

4.2. Read this PDS carefully and seek advice

This PDS contains important information in relation to the Offer. You should read it carefully and in its entirety, including Section 11 which contains a summary of the major risks associated with an investment in SCA Property Group and Section 10 which contains a summary of the tax implications associated with the Offer.

You should read any additional information that may be provided by SCPRE or Woolworths during the Retail Offer Period. All the relevant information should be considered when making your decision to invest in the Offer.

Before you decide to apply for the Stapled Units under the Offer, you should consider whether an investment in the Stapled Units is appropriate for you in light of your particular investment objectives. If you have any queries or uncertainties relating to aspects of this Offer please consult your stockbroker, accountant or other independent financial adviser before making an investment decision.

4.3. Distribution

In addition to the Offer, subject to the Capital Reduction Resolution being passed at the Annual General Meeting, the Distribution will be made to Woolworths Shareholders on the Woolworths Register on the Distribution Record Date.

A total of approximately 247 million Stapled Units will be transferred to Woolworths Shareholders through the Distribution on the basis of one Stapled Unit for each five Woolworths Shares on issue.

The issue of Stapled Units under the Offer is conditional on the Distribution being made simultaneously with Allotment. The Distribution is conditional on satisfaction of a number of conditions including approval of the Capital Reduction Resolution, listing of SCA Property Group on ASX and transfer of the Australian Properties to SCA Property Group. The Distribution is not conditional on the Offer.

4.4. Stapled Units

Each Stapled Unit is a stapled security comprising one unit in SCA Property Management Trust and one unit in SCA Property Retail Trust. The Stapled Units will trade on ASX as a stapled security (if quotation is accepted).

A security is said to be “stapled” when the terms of the relevant trust deed or constitution require that the security can only be traded together with other attached securities and the rights and obligations belonging to the security and the attached securities are linked together. This will mean that Unitholders cannot separately deal with the units in each of SCA Property Management Trust and SCA Property Retail Trust. The units in each SCA Property Management Trust and SCA Property Retail Trust will trade together as a single stapled security on ASX and with the intent that SCA Property Group will conduct itself as far as possible as a single economic entity.

Woolworths has the discretion to terminate the Proposed Transaction prior to approval of the Capital Reduction Resolution (see Section 13.17).

4.5. Offer price

Applicants under the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer will be required to apply for an Australian dollar value of Stapled Units and will pay the Final Price per Stapled Unit.

The Final Price will be determined at the conclusion of the Institutional Offer. It will be within the Offer Price Range of \$1.26 to \$1.50 per Stapled Unit (inclusive). Refer to Section 4.12.3.

4.6. Issuer

This PDS is issued by Shopping Centres Australasia Property Group RE Limited as responsible entity of SCA Property Management Trust and responsible entity of SCA Property Retail Trust in respect of the Offer of Stapled Units.

4.7. Purpose of the Offer

The proceeds from the Offer will be used together with the debt facility and the issue of Stapled Units to Woolworths (which will be transferred to Woolworths Shareholders under the Distribution) to fund the acquisition of the Portfolio and transaction costs and provide working capital.

4.8. Sources and uses

The Offer Proceeds and the amount of the Distribution will vary depending on the Final Price. The amount borrowed under the Debt Facility (and the Gearing ratio) will be the same irrespective of the Final Price.

The sources and uses of funds assuming the Offer is priced at the bottom end of the Offer Price Range are as follows:

Sources and uses

Source		Use	
Contributed Equity ¹	\$557m	Completed Portfolio	\$1,074m
Partial drawdown of Debt Facility ²	\$358m	Land and WIP of Development Portfolio	\$198m
Offer proceeds ³	\$425m	Estimated transaction costs (including stamp duty and excluding Offer management costs)	\$48m
		Offer management costs	\$15m
		Working capital	\$5m
Total	\$1,340m	Total	\$1,340m

The sources and uses of funds assuming the Offer is priced at the top end of the Offer Price Range are as follows:

Source		Use	
Contributed Equity ¹	\$476m	Completed Portfolio	\$1,074m
Partial drawdown of Debt Facility ²	\$358m	Land and WIP of Development Portfolio	\$198m
Offer proceeds ³	\$506m	Estimated transaction costs (including stamp duty and excluding Offer Management costs)	\$48m
		Offer management costs	\$15m
		Working capital	\$5m
Total	\$1,340m	Total	\$1,340m

4.9. The Woolworths Retail Shareholder Offer

4.9.1. Who may apply?

The Woolworths Retail Shareholder Offer is open to all Woolworths Retail shareholders who:

- have a registered holding in Woolworths Shares on the Offer Record Date;
- have a registered address in Australia or New Zealand;
- are not in the United States; and
- are not otherwise deemed to be an Institutional Investor by the Lead Manager, in consultation with SCPRE and Woolworths (Eligible Woolworths Retail Shareholder).

¹ Relates to the non-cash portion of the properties acquired from Woolworths Group.

² SCA Property Retail Trust will later draw additional debt from the Debt Facility to enable SCA Property Group to fund remaining payments under the DMAs as properties in the Development Portfolio are completed. The payments under the DMAs are expected to be approximately \$134 million.

³ If the Offer Proceeds are different than that reflected in the table, the cash paid to Woolworths as consideration for the purchase of the Properties and the value of the units issued to it will be adjusted to reflect the differences in cash proceeds raised in the Offer. The borrowing under the Debt Facility (and the Gearing ratio) will remain unchanged.

The Woolworths Retail Shareholder Offer is open from 9:00am (Sydney time) Monday, 15 October 2012 to 5:00pm (Sydney time) Tuesday, 20 November 2012.

4.9.2. How to apply

Application and payment using the paper application form

To apply under the Woolworths Retail Shareholder Offer using the paper Application Form, you should:

- complete your personalised Application Form enclosed with this PDS in accordance with the instructions set out on that form;
- attach payment by cheque, bank draft or money order for your Application Monies being equal to the Australian dollar value of Stapled Units you wish to apply for; and
- return the completed personalised Application Form along with the Application Monies to the Registry by no later than 5:00pm on the Retail Offer Closing Date (Tuesday 20 November 2012).

If you make payment via cheque, bank draft or money order you should mail your completed personalised Application Form together with Application Monies to:

SCA Property Group Retail Offer
Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

Within Australia only, you can use the reply-paid envelope which is enclosed with your Application Form. If mailed outside Australia, correct postage must be affixed.

Application and payment using the online Application Form

To apply online under the Woolworths Retail Shareholder Offer, you should:

- complete and lodge the online Application Form at <http://www.scapropertyoffer.com.au> in accordance with the instructions set out on the form. You will then be provided your BPAY[®] Biller Code and unique Customer Reference Number;
- pay your Application Monies by BPAY[®] in full, the amount of the Application Monies being equal to the Australian dollar value of Stapled Units you wish to apply for; and
- ensure that your Application Form and payment of your Application Monies are received by no later than 5:00pm (Sydney time) on the Retail Offer Closing Date (expected to be Tuesday, 20 November 2012).

You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

Payment methods

Please note that cash will not be accepted and receipts for payment will not be issued.

Payment using cheque, bank draft or money order

If you are paying by cheque, bank draft or money order your payment must be:

- denominated in Australian currency drawn on an Australian branch of a financial institution;
- for the amount of the Application Monies for all Stapled Units that you are applying for;
- made payable to “SCA Property Group Offer”; and
- crossed as “Not Negotiable”.

For cheques and bank drafts you should ensure that adequate funds are available in your account(s) to cover the specified Application Monies. Where the funds available for Application Monies are insufficient to pay for the value of Stapled Units you have applied for in your Application Form, you may be taken to have applied for such lower number of Stapled Units as your cleared Application Monies will pay for (and to have specified that value of Stapled Units on your Application Form) or alternatively, your Application may be rejected in its entirety.

Payment using BPAY[®]

If you are applying using the online Application Form, you must complete your application by making a BPAY[®] payment. Once you have completed your online Application Form, you will be given a BPAY[®] biller code and unique Customer Reference Number for that application. Follow the instructions provided once you have completed your online Application Form to make your BPAY[®] payment. If you do not make a BPAY[®] payment, your application will be incomplete and will not be accepted. It is your responsibility to ensure that your BPAY[®] payment is received by no later than 5:00pm (Sydney time) on the Retail Offer Closing Date to enable its receipt before the Retail Offer Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

4.9.3. Allocation policy

Woolworths, in consultation with SCPRE and the Lead Manager, will determine the allocation of Stapled Units under the Woolworths Retail Shareholder Offer and may reject any Application, or allocate fewer Stapled Units than applied for, in its absolute discretion. This discretion includes:

- the right to aggregate any Applications which it believes to be multiple Applications from the same person; and
- the right to treat any Application which is for more than A\$250,000, or which is from a person whom it believes may be an Institutional Investor, as an Application by the Institutional Investor under the Institutional Offer or to reject the Application.

Should the dollar amount of your final allocation of Stapled Units be less than the Application Monies received, the surplus Application Monies received will be refunded to you in accordance with Section 4.24.

4.10. The Broker Firm Offer

4.10.1. Who may apply?

Retail Investors who receive a firm allocation from their Broker may apply under the Broker Firm Offer.

The Broker Firm Offer is open between 9:00am (Sydney time) Monday, 15 October 2012 and 5:00pm (Sydney time) Tuesday, 20 November 2012. Your Broker may impose an earlier closing date. Applicants are therefore encouraged to submit their Application as early as possible. Please contact your Broker for instructions.

4.10.2. How to apply?

If you are a Broker Firm Applicant, you should contact your Broker for information about how to submit your Application Form and for payment instructions.

Broker Firm Offer Applicants must lodge their Application Monies with the relevant Broker in accordance with the relevant Broker's directions in order to receive their firm allocation.

By making an Application, you declare that you have been given access to this PDS, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this PDS.

The Lead Manager, in consultation with SCPRE and Woolworths, may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, in their discretion in compliance with applicable laws.

4.10.3. Allocation policy

Firm stock allocated to Brokers for allocation to their Retail Investors will be issued or transferred to the Applicants nominated by those Brokers. It will be a matter for the Brokers how they allocate firm stock among their retail clients, and they (and not SCPRE, Woolworths and the Lead Manager) will be responsible for ensuring that retail clients who receive a firm allocation from them receive the relevant Stapled Units.

The Lead Manager, in consultation with SCPRE and Woolworths, has:

- the right to aggregate any Applications which it believes to be multiple Applications from the same person; and
- the right to treat any Application which is for more than A\$250,000, or which is from a person whom it believes may be an Institutional Investor, as an Application by the Institutional Investor under the Institutional Offer or to reject the Application.

4.11. The General Public Offer

4.11.1. Who may apply?

The General Public Offer is open to all Retail Investors between 9:00am (Sydney time) Monday, 15 October 2012 and 5:00pm (Sydney time) Tuesday 20 November 2012.

4.11.2. How to apply?

Application and Payment Using the Paper Application Form

To apply under the General Public Offer using the paper Application Form, you should:

- complete the Application Form enclosed with this PDS in accordance with the instructions set out on that form;
- attach payment by cheque, bank draft or money order for your Application Monies being equal to the Australian dollar value of Stapled Units you wish to apply for; and
- return the completed Application Form along with the Application Monies to the Registry by no later than 5:00pm (Sydney time) on the Retail Offer Closing Date (Tuesday 20 November 2012).

If you make payment via cheque, bank draft or money order you should mail your completed Application Form together with Application Monies to:

SCA Property Group Retail Offer
Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

Within Australia only, you can use the reply-paid envelope which is enclosed with your Application Form. If mailed outside Australia, correct postage must be affixed.

Application and Payment Using the Online Application Form

To apply online under the General Public Offer, you should:

- complete and lodge the on-line Application Form at www.scapropertyoffer.com.au in accordance with the instructions set out on the form. You will then be provided your BPAY[®] Biller Code and unique Customer Reference Number;
- pay your Application Monies by BPAY[®] in full; the amount of the Application Monies being equal to the Australian dollar value of Stapled Units you wish to apply for; and
- ensure that your Application Form and payment of your Application Monies are received by no later than 5:00pm (Sydney time) on the Retail Offer Closing Date (expected to be Tuesday, 20 November 2012).

You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

Payment Methods

Please note that cash will not be accepted and receipts for payment will not be issued.

Payment using Cheque, Bank Draft or Money Order

If you are paying by cheque, bank draft or money order your payment must be:

- denominated in Australian currency drawn on an Australian branch of a financial institution;
- for the amount of the Application Monies for all Stapled Units that you are applying for;
- made payable to “SCA Property Group Offer”; and
- crossed as “Not Negotiable”.

For cheques and bank drafts you should ensure that adequate funds are available in your account(s) to cover the specified Application Monies. Where the funds available for Application Monies are insufficient to pay for the value of Stapled Units you have applied for in your Application Form, you may be taken to have applied for such lower number of Stapled Units as your cleared Application Monies will pay for (and to have specified that value of Stapled Units on your Application Form) or alternatively, your Application may be rejected in its entirety.

Payment using BPAY[®]

If you are applying using the online Application Form, you must complete your application by making a BPAY[®] payment. Once you have completed your online Application Form, you will be given a BPAY[®] biller code and unique Customer Reference Number for that application. Follow the instructions provided once you have completed your online Application Form to make your BPAY[®] payment. If you do not make a BPAY[®] payment, your application will be incomplete and will not be accepted. It is your responsibility to ensure that your BPAY[®] payment is received by no later than 5:00pm (Sydney time) on the Retail Offer Closing Date to enable its receipt before the Retail Offer Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

4.11.3. Allocation policy

Woolworths, in consultation with SCPRE and the Lead Manager, will determine the allocation of Stapled Units under the General Public Offer and may reject any Application, or allocate fewer Stapled Units than applied for, in its absolute discretion. This discretion includes:

- the right to aggregate any Applications which it believes to be multiple Applications from the same person; and
- the right to treat any Application which is for more than \$250,000, or which is from a person whom it believes may be an Institutional Investor, as an Application by the Institutional Investor under the Institutional Offer or to reject the Application.

Should the dollar amount of your final allocation of Stapled Units be less than the Application Monies received, the surplus Application Monies received will be refunded to you in accordance with Section 4.24.

4.12. The Institutional Offer

4.12.1. Invitations to bid

The Lead Manager is inviting certain Institutional Investors to bid for Stapled Units in the Institutional Offer. The Institutional Offer is structured in three parts:

- an invitation to Australian and New Zealand Institutional Investors to bid for Stapled Units, made under this PDS as applicable;
- an invitation to Institutional Investors reasonably believed to be QIBs in the United States to bid for Stapled Units in transactions that are exempt from the registration requirements of the U.S. Securities Act in reliance upon Rule 144A, and applicable United States state securities laws, made under the International Offering Circular; and
- an invitation to Institutional Investors in certain jurisdictions outside Australia, New Zealand and the United States to bid for Stapled Units in transactions that are exempt from the registration requirements of the U.S. Securities Act in reliance upon Regulation S and in compliance with applicable laws in the jurisdictions in which such Stapled Units are offered and sold, made under this PDS.

4.12.2. Institutional Offer process and indicative price range

The Institutional Offer will be conducted using a bookbuild process managed by the Lead Manager, who will act as bookrunner. Full details of how to participate, including bidding instructions, will be provided to participants by the Lead Manager.

Participants can only bid into the bookbuild for Stapled Units through the Lead Manager. Bids may only be made for Stapled Units at specific prices. Final Price bids will not be accepted. Participants must bid within the Offer Price Range of between \$1.26 to \$1.50 per Stapled Unit (inclusive). Under the terms of the Offer Management Agreement, the Final Price will be determined by the Woolworths, in consultation with the Lead Manager and SCPRE, after the close of the Institutional Offer as described in Section 4.12.3.

The bookbuild will be conducted between Thursday, 22 November 2012 (Sydney time) and Friday, 23 November 2012 (Sydney time). Woolworths, with the consent of the Lead Manager, reserves the right to vary the dates and/or times of the Institutional Offer without notice.

Bids in the Institutional Offer may be amended or withdrawn at any time up to the close of the Institutional Offer. Any bid not withdrawn at the close of the Institutional Offer is an irrevocable offer by the relevant bidder to subscribe or procure subscribers for the Stapled Units bid for (or such lesser number as may be allocated) at the price per Stapled Unit bid or at the Final Price, where this is below the price per Stapled Unit bid, on the terms and conditions set out in this PDS or the International Offering Circular (as applicable), including any supplementary or replacement document, and in accordance with any bidding instructions provided by the Lead Manager. Bids can be accepted or rejected by the Lead Manager, without further notice to the bidder. Acceptance of a bid will give rise to a binding contract.

Details of the arrangements for notification and settlement of allocations applying to participants in the Institutional Offer will be provided to participants prior to or at the opening of the bookbuild process. In some cases, Stapled Units allocated may be delivered by the Lead Manager, or its international affiliates, pursuant to settlement support arrangements under which the relevant Stapled Units may be sold or issued to them and on-sold by them to satisfy the relevant allocations under the Institutional Offer.

4.12.3. The Final Price

A bookbuild process will be used to determine the Final Price. Under the terms of the Offer Management Agreement, the Final Price will be determined by Woolworths, in consultation with SCPRE and the Lead Manager, after the close of the Institutional Offer. It is expected that the Final Price will be announced to ASX on or about Monday, 3 December 2012. In determining the Final Price, consideration will be given to, but will not be limited to, the following factors:

- the level of demand for Stapled Units under the Institutional Offer at various prices;
- the level of demand for Stapled Units under the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer;
- the objective of maximising the proceeds of the Offer; and
- the desire for an orderly secondary market in the Stapled Units.

The Final Price will not necessarily be the highest price at which Stapled Units could have been sold, but will be set within the Offer Price Range. All successful bidders in the Institutional Offer will pay the Final Price.

4.12.4. Allocation policy under the Institutional Offer

Allocation of Stapled Units under the Institutional Offer will be determined by the Lead Manager, in consultation with SCPRE and Woolworths.

Participants in the Institutional Offer will be advised of their allocation of Stapled Units, if any, by the Lead Manager. The allocation policy will be influenced by the following factors:

- the number of Stapled Units bid for by particular Applicants;
- the timeliness of the bid by particular Applicants;
- the desire for an informed and active trading market following listing of the Stapled Units;
- the desire to establish a wide spread of institutional Unitholders;
- the size and type of funds under management of particular Applicants;
- the likelihood that particular Applicants will be long term Unitholders; and
- any other factors that Woolworths, SCPRE and the Lead Manager consider appropriate.

4.13. Minimum Application amount

For Applicants applying under the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer the minimum Application amount is at least \$5,000 and in at least \$500 increments thereafter. There is no maximum Application amount.

Applicants applying under the Institutional Offer will be provided additional information regarding the Offer (including any minimum Application amounts) by the Lead Manager.

4.14. Right of Offer discretion

Woolworths reserves the right to:

- close the Offer or any part of it early;
- extend the Offer or any part of it;
- accept late Applications either generally or in particular cases;
- reject any Application; and
- allocate any Applicant fewer Stapled Units than applied for.

Any amendment to the Offer timetable will be announced to the market through the ASX and will be made with the prior written consent of the Lead Manager.

4.15. Nominees, trustees or custodians

SCPRE is not required to determine if a registered Woolworths Shareholder is acting as a nominee, trustee or custodian for any beneficial owners of Woolworths Shares. Any nominee, trustee or custodian that is acting on behalf of a foreign person will need to assess whether indirect participation in this Offer will adhere to the applicable foreign laws. Any Woolworths Shareholder acting as a nominee, trustee or custodian returning a completed Application Form represents that there has been no breach of any applicable regulations. Woolworths Shareholders that are nominees, trustees or custodians are advised to seek independent advice prior to proceeding.

4.16. Underwriting and Offer management

Woolworths, SCPRE and the Lead Manager have entered into an Offer Management Agreement in respect of the management of the Offer.

Settlement of the Institutional Offer is underwritten by the Lead Manager. The Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer are not underwritten.

Set out within the Offer Management Agreement are the circumstances under which the Lead Manager may terminate the agreement. A summary of these terms has been provided in the "Summary of important documents" (Section 13.14).

4.17. Brokerage, commission and stamp duty

No brokerage or commission is payable by Applicants upon acquisition of the Stapled Units under the Offer. Various fees are payable in relation to the Offer by SCPRE to the Lead Manager. Details are set out in Section 12. Woolworths will bear any duty in respect of the acquisition of Stapled Units under the Offer or Distribution.

4.18. Ranking of Stapled Units

All Stapled Units will rank equally with all other Stapled Units including those transferred to Woolworths Shareholders on the Woolworths Register on the Distribution Record Date under the Distribution.

A summary of the key rights and liabilities attached to the Stapled Units is included in Section 14.1 of this PDS.

4.19. Restrictions on Distribution of this PDS

No action has been taken to register or qualify this PDS, the Stapled Units or the Offer or otherwise to permit a public offering of the Stapled Units in any jurisdiction outside Australia or New Zealand.

This PDS does not constitute an offer or invitation to subscribe for Stapled Units in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this PDS.

This PDS may not be released or distributed in the United States or elsewhere outside Australia or New Zealand.

The Stapled Units have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

Each Applicant in the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer will be taken to have represented, warranted and agreed as follows:

- it understands that the Stapled Units have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the U.S. Securities Act and any other applicable securities laws;
- it is not in the United States at the time of such application;
- it has not and will not send the PDS or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Stapled Units in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the U.S. Securities Act and in compliance with applicable laws in the jurisdiction in which Stapled Units are offered and sold.

Each Applicant under the Institutional Offer will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

4.20. ASX listing and quotation

4.20.1. Application to ASX for listing and quotation

SCPRE has applied for SCA Property Group to be admitted to the official list of ASX and for Stapled Units to be granted official quotation under the ASX code SCP. Subject to listing approval being granted by ASX, trading of the Stapled Units is anticipated to commence on a conditional and deferred basis on Monday, 26 November 2012. In accordance with Rule 3330 of the ASX Operating Rules, all contracts formed on acceptance of Applications under the Offer will be conditional on each of:

- ASX agreeing to quote the Stapled Units on ASX;
- implementation of the Distribution on the Implementation Date; and
- allotment of the Stapled Units on the Allotment Date.

Trades occurring on ASX before satisfaction or completion of all of these criteria will be conditional on such satisfaction or completion occurring.

Conditional trading will continue until SCA Property Group has advised ASX that allotment of the Stapled Units on the Allotment Date has occurred – this is expected to occur on or about Tuesday, 11 December 2012. Trading from Wednesday, 12 December 2012 will then be on an unconditional but deferred settlement basis until SCA Property Group has advised ASX that initial holding statements have been dispatched to Unitholders setting out the number of Stapled Units allocated to them under the Offer.

Holding statements are expected to be issued by standard post on Tuesday, 18 December 2012. For Applicants selling Stapled Units before they are in receipt of their holding statements it is the responsibility of the Applicant to confirm their holding before trading in Stapled Units as described above and Applicants do so at their own risk. SCPRE, the Registry and the Lead Manager disclaim all liability, whether negligence or as discussed above, otherwise (to the maximum extent permitted by law), if you sell Stapled Units before receiving your holding statement, even if you confirmed your firm allocation through a Broker.

Stapled Units are expected to commence trading on the ASX on a normal settlement basis on or about Wednesday, 19 December 2012.

SCPRE will notify ASX immediately of the fulfilment or non-fulfilment of each condition. It is the responsibility of Applicants for Stapled Units under the Offer to verify their holding before trading during the period of conditional trading. You can verify your holding in Stapled Units during the period of conditional and/or deferred trading by contacting the SCA Property Group Offer Information Line on 1800 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday.

4.20.2. CHESS and issuer sponsored holdings

SCA Property Group will apply to participate in ASX's Clearing House Electronic Subregister System ("CHESS") and will comply with the ASX Listing Rules and ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities on the ASX under which transfers are effected in an electronic form.

When the Stapled Units become approved financial products (as defined by ASX Settlement Operating Rules), holdings will be registered in one of two sub registers, being an electronic CHESS sub register or an issuer sponsored sub register. For all successful Applicants, the Stapled Units of a Unitholder who is a participant in CHESS or a Unitholder sponsored by a participant in CHESS will be registered on the CHESS subregister. All other Stapled Units will be registered on the issuer sponsored subregister.

Unitholders will receive a holding statement following completion of the Offer outlining the number of Stapled Units that they have been allocated. The holding statement will also detail the Unitholder's unique Holder Identification Number for CHESS holders or, where applicable the Securityholder Reference Number of issuer sponsored holders. Unitholders will subsequently receive statements showing any changes to their securityholding. Certificates will not be issued.

Unitholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Unitholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Registry in the case of a holding on the issuer sponsored subregister. SCPRE and the Registry may charge a fee for these additional issuer sponsored statements.

4.21. Offer costs

The total costs associated with the Offer are estimated to be approximately \$14.8 million (inclusive of GST). This estimate includes the legal fees, printing and mailing, advertising and other expenses associated with the Offer, as well as the fees payable to the Lead Manager as outlined in Section 12.

4.22. Withdrawal of the Offer

Woolworths reserves the right to not proceed with the Offer or any part of it and to withdraw the Offer at any time before Allotment of Stapled Units to Applicants.

The Offer may be withdrawn by SCPRE at any time prior to the Allotment of Stapled Units to Applicants.

The Offer will not proceed, and all Applications and Application Monies will be returned to Applicants (without interest), unless a minimum subscription amount of \$425 million is raised under the Offer.

In the event that the Offer is withdrawn (either partially or completely), all Application Monies or relevant Application Monies will be refunded. Applicants will not receive interest on the Application Monies received.

4.23. Rounding

If you receive an allocation of Stapled Units under the Woolworths Retail Shareholder Offer, Broker Firm Offer or the General Public Offer, the number of Stapled Units you are allocated will be equivalent to your Application Monies divided by the Final Price. If the result is not a whole number of Stapled Units, your allocation will be rounded down to the nearest whole number of Stapled Units and any residual Application Monies will be refunded to you subject to Section 4.24.

4.24. Return of Application Monies

Application Monies for the Stapled Units may be held for up to 58 days starting on the day on which the money was received, before the Stapled Units are issued or the Application Monies are returned.

Application Monies will be refunded (in full or in part) in Australian dollars where an Application is rejected, an Application is subject to scale-back or the Offer is withdrawn (either partially or completely) or cancelled.

No interest will be paid on any refunded amounts. SCPRE will retain any interest earned on Application Monies. Refund cheques will be sent following completion of the Offer or as otherwise applicable in the circumstances outlined above.

No refund will be made in the event the refund amount is less than or equal to five Australian dollars. In this event, the Application Monies will be applied to a charitable organisation nominated by SCPRE in its absolute discretion.

4.25. Further enquiries

If you have any queries relating to aspects of this PDS please call the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Offer Period.

If you have queries or uncertainties relating to any matter you should also consult your stockbroker, accountant or other financial adviser before deciding whether to invest.

Overview of SCA Property Group

5.



5.1. Establishment of SCA Property Group

SCA Property Group is proposing to acquire from the Woolworths Group a portfolio of 69 Australian and New Zealand shopping centres independently valued as at 1 December 2012 at approximately \$1,406 million.¹

SCPRES, will be a wholly-owned subsidiary of SCA Property Group, will be the responsible entity of SCA Property Group. SCA Property Group will comprise two registered managed investment schemes, SCA Property Management Trust and SCA Property Retail Trust, with the units in each being stapled to form the stapled listed vehicle, SCA Property Group.

To implement the Proposed Transaction, Woolworths has established the relevant trusts and will establish the relevant companies to form the SCA Property Group. Woolworths will transfer its interest in the Portfolio to SCA Property Group and then distribute approximately 247 million Stapled Units to Woolworths Shareholders on the Woolworths Register on the Distribution Record Date through a capital reduction under Part 2J.1 of the Corporations Act.

At the same time as Woolworths is proceeding with the Distribution, SCPRES is making this Offer of Stapled Units in SCA Property Group. The Offer seeks to raise up to \$506 million, the proceeds of which will be used together with the debt facility to partially fund the acquisition of the Portfolio from Woolworths and provide SCPRES with necessary working capital.

See Section 5.7 for more information about the Proposed Transaction.

5.2. Overview of SCA Property Group

SCA Property Group will own a portfolio of 69 shopping centres located throughout Australia (55) and New Zealand (14) with an independent valuation as at 1 December 2012 of \$1,406 million.¹

The Portfolio consists of 56 completed and operating properties (the Completed Portfolio) and 13 properties under construction or re-development to be completed by Woolworths (the Development Portfolio).

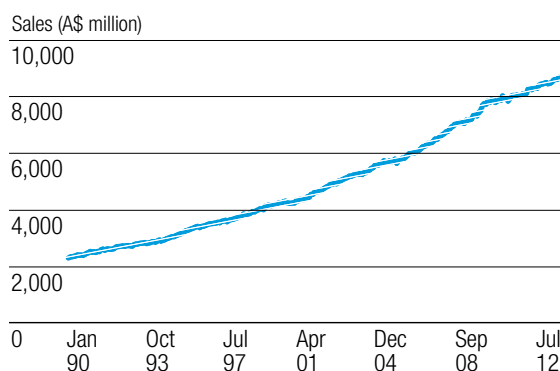
SCA Property Group is internally managed. This structure is designed to enable a clear alignment of management interests to those of SCA Property Group investors, and avoid fee payments to a third party fund manager.

SCA Property Group will predominantly be focused on convenience retailing through its ownership and management of a quality portfolio of neighbourhood and sub-regional shopping centres and freestanding retail assets. Over time this asset class has proven to be resilient due to its exposure principally to non-discretionary retail tenants.

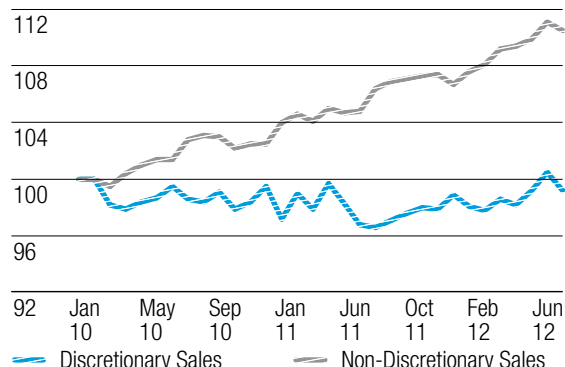
Convenience-based assets have a strong weighting to food sales through grocery-based anchors such as supermarkets. The long term leases in many neighbourhood and sub-regional shopping centres have supported the relative stability of the underlying cashflows of the properties.

The charts below show the consistent growth in Australian historical food sales and the outperformance of non-discretionary sales over discretionary sales during the last two and half year period to June 2012.

Australian Historical food sales (A\$m)²



Australian Non-discretionary sales outperformance^{2,3}



¹ Represents the value of properties in the Portfolio assuming the 13 properties in the Development Portfolio are completed.

² Source: Australian Bureau of Statistics.

³ Non-discretionary sales include food, cafes and takeaway outlets and other retailing; discretionary sales include apparel, household goods and department store sales (based on ABS categorisation). Rebased to 100 as at January 2010.

SCA Property Group's strategy will be to provide investors with exposure to the underlying characteristics of the asset class by investing in shopping centres predominantly anchored by non-discretionary retailers with long term leases to tenants such as Woolworths.

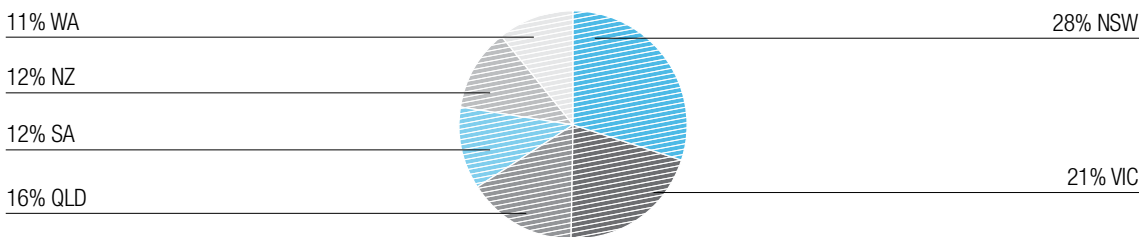
SCA Property Group will offer Unitholders:

- A geographically diverse portfolio of sub-regional and neighbourhood shopping centres and freestanding retail assets;
- A tenancy mix with a significant bias toward tenants that trade in the more defensive non-discretionary segment of the retail market;
- Long term leases to quality retail tenants providing a secure income stream to support expected regular distributions to investors;
- Modern retail assets with an average age of 2.1¹ years which is expected to minimise SCA Property Group's near term capital expenditure obligations; and
- An attractive distribution yield.

5.2.1. A geographically diverse portfolio of sub-regional and neighbourhood shopping centre and freestanding retail assets

The Portfolio will be geographically diversified across the five Australian mainland states and New Zealand. The largest states by population, New South Wales, Victoria and Queensland, will account for approximately 65% of the Portfolio.

Geographic diversification by value²

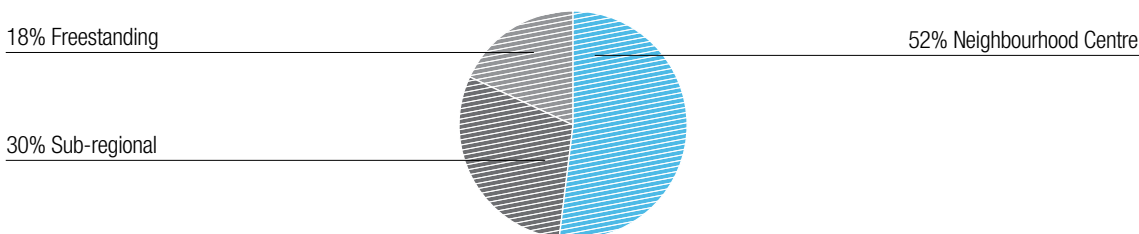


Neighbourhood properties (comprising 52% of the total Portfolio value) focused on convenience retailing, in general, are smaller shopping centres that include a Woolworths Group anchor supermarket and a relatively small number of specialties.

Sub-regional centres (comprising 30% of the total Portfolio value) are larger properties that offer a broader retailing experience, typically with a supermarket, discount department store and a larger number of specialties.

Freestanding retail assets (comprising 18% of the total Portfolio value) are either a standalone Woolworths Supermarket, Countdown Supermarket, BIG W, Masters Home Improvement or a Dan Murphy's. These assets are smaller assets that consist of a long term lease backed solely by the Woolworths Group.

Portfolio split by asset class³



Further details on the SCA Property Group Portfolio are provided in Section 6 of this PDS.

1 Relates to the Completed Portfolio, based on completion date or re-development date where assets have had a major re-development undertaken.
 2 Based on total portfolio value on a fully completed basis.
 3 Based on total portfolio value on a fully completed basis.

5.2.2. A tenancy mix with a significant bias toward tenants that trade in the more defensive non-discretionary segment of the retail market

The Portfolio has a large weighting to non-discretionary retail spending with income from Woolworths supermarket leases representing 51% of Portfolio Fully Leased Gross Income during the Forecast Period.

A non-discretionary based anchor tenant is likely to attract other non-discretionary based specialty stores that look to gain access to the foot traffic generated by the anchor tenant.

Food retail and food catering account for 27% of gross specialty rental income derived over the first 12 month period (excluding income under the Rental Guarantee).

5.2.3. Long term leases to quality retail tenants providing a secure income stream to support regular distributions to investors

SCA Property Group's earnings are underpinned by long term leases backed by the strength of the Woolworths Group stores as anchor tenant at each property in the Portfolio.

All Woolworths Supermarket, BIG W and Countdown Supermarket leases are based on an initial 15 to 23 year lease term plus options, with a WALE for the Woolworths leases of 19.8 years.

The scale, market position and credit quality of Woolworths as major anchor tenant provides SCA Property Group with financial stability and certainty of income. See Section 5.4 for more information about the Woolworths business and its stores.

5.2.4. Modern retail assets with an average age of 2.1¹ years is expected to minimise SCA Property Group's near term capital expenditure obligation

The Completed Portfolio has an average age of 2.1¹ years. A benefit of the assets being relatively recently completed is that the near term capital expenditure obligation is expected to be less than for older assets.

The Development Portfolio is expected to be completed by the end of June 2014.

5.2.5. An attractive distribution yield

SCA Property Group offers investors a forecast distribution yield for the 12 months ending 30 June 2014 of between 6.9% to 8.3%, depending on the Final Price.

The distribution yield offered by SCA Property Group is considered to be defensive, given:

- Woolworths, which is an investment grade anchor tenant with a track record of sales growth;
- A large weighting to non-discretionary retail spending, with income from Woolworths Group Supermarket Leases representing 51% of projected Portfolio Fully Leased Gross Income during the Forecast Period; and
- A long weighted average lease expiry of 15.8 years weighted by GLA as of 1 December 2012.

5.3. Investment objectives

The objectives of SCA Property Group are to provide investors with:

- A secure income stream that supports regular income distributions to investors;
- A diversified shopping centre portfolio with a bias toward tenants that trade in the more defensive non-discretionary segment of the retail market;
- A portfolio of shopping centres anchored by quality tenants with long term leases; and
- A capital structure, distribution policy and hedging policy that is expected to be appropriate to the characteristics of the underlying real estate portfolio.

SCA Property Group intends to acquire additional shopping centres in the future that satisfy its intended objectives which would provide further diversification and enhance the performance of the portfolio for investors.

SCA Property Group also has the ability to sell any asset in its portfolio should the Board and management decide it appropriate.

As SCA Property Group also will operate independently of Woolworths on completion of the Proposed Transaction it has the ability to invest in non-Woolworths anchored centres that satisfy its investment objectives. This may provide a further level of diversification for the portfolio over time.

SCA Property Group will also have the ability to undertake development opportunities where appropriate, which it intends to do in an incremental and measured way.

Woolworths Group has pre-emptive rights to acquire some assets if SCA Property Group subsequently sells those assets (refer to Section 13.6 and 13.8).

¹ Relates to the Completed Portfolio, based on completion date or re-development date where an asset has had a major renovation undertaken.

5.4. Description of tenants

Woolworths

Woolworths' businesses will occupy approximately 75% of the total Portfolio GLA and contribute over 60% of the total Portfolio Fully Leased Gross Income during the Forecast Period.

Woolworths is one of Australia's largest retailers measured by sales revenue and number of stores. Total sales revenue in the 2012 financial year was \$57 billion, with over 3,300 total retail locations in Australia and New Zealand as at 24 June 2012. Woolworths is also Australia's largest food and grocery retailer and the second largest food and grocery retailer in New Zealand by sales and number of stores, with 872 supermarkets in Australia and 161 supermarkets in New Zealand. Woolworths is a major liquor retailer, operating 1,313 retail liquor outlets and 294 hotels, and also a large discount department store, home improvement and petrol retailer with 172 BIG W stores, 15 Masters Home Improvement stores, 21 Danks retail hardware stores and 599 Petrol outlets as at 24 June 2012. Woolworths also provides wholesale services to 518 home improvement stores in Australia and 54 supermarkets in New Zealand.

Woolworths Australian Supermarkets, primarily trading as Woolworths, operated 872 stores at 24 June 2012 and is Australia's largest food and grocery retailer by sales and number of stores. The stores are generally large supermarkets offering a wide range of products including frozen food, dairy, delicatessen, fresh fruit and vegetables, meat, groceries, bakery, health and beauty and some general merchandise. These core supermarkets generally range from 2,000 to 4,000 square metres in trading area size and are generally located in shopping centres or in standalone locations.

The Woolworths Group operated 1,313 retail liquor outlets under three distinct brands as at 24 June 2012, each servicing a different segment of the liquor market. Dan Murphy's outlets are large format liquor outlets that have a supermarket-like layout and are based on providing a large range of liquor at low prices, supported by personalised fine wine advice and expertise. The Woolworths Liquor stores are attached to Woolworths supermarkets and stock a broad range of beers, wines and spirits. The Beer Wine and Spirits, or "BWS", branded stores operate as convenience outlets with a similar range to Woolworths Liquor stores.

For the 2012 financial year, Woolworths' Australian food and liquor sales were A\$37.5 billion.

Woolworths New Zealand Supermarkets, trading as Countdown, operated 161 stores at 24 June 2012 and is the second largest food and grocery retailer in New Zealand, with sales of NZ\$5.5 billion for the 2012 financial year. The stores are generally large supermarkets offering a wide range of products including frozen food, dairy, delicatessen, fresh fruit and vegetables, meat, groceries, bakery, health and beauty and some general merchandise. These supermarkets are generally located in shopping centres or in standalone locations. Woolworths also serviced 54 franchise supermarkets at 24 June 2012 through the wholesale division of New Zealand Supermarkets.

BIG W, Woolworths' discount department store business, is the largest discount department store chain by sales in Australia, operating 172 stores across Australia as at 24 June 2012. BIG W offers a variety of clothing, health and beauty, small appliance and other home and family items in store and through its website. BIG W had sales of A\$4.2 billion for the 2012 financial year.

Woolworths entered the Australian home improvement market in a Joint Venture with the US based Lowe's Companies, Inc. ("Lowe's"), with its purchase of the Danks business in 2009. The 2012 financial year saw the commencement of trade for the "Masters" branded big-box home improvements stores, with 15 stores open at the end of the year and a forecast of at least 30 stores to be open by the end of the 2013 financial year.

Summary of Woolworths Leases

In Australia, the Woolworths Group will enter into Leases in respect of the properties in the Completed Portfolio and Agreements for Lease in respect of the properties in the Development Portfolio. In New Zealand, a member of the Woolworths Group will enter into Leases with SCA Property NZ Group Retail Trust.

The Woolworths Group will pay a base rent monthly in advance.

Under the supermarket and Dan Murphy's leases, turnover rent is payable annually in arrears where the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services charges for that year. Under the BIG W leases, turnover rent is payable annually in arrears where the sum of the initial base rent and the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services for that year.

In respect of the supermarket, BIG W and Dan Murphy's leases, the base rent is reviewed every five years from the lease commencement date. If turnover rent has been paid in any of the three years preceding a review, the base rent will increase by an amount equal to the average of the turnover rent paid in each of those three years.

Under 37 of the supermarket and BIG W leases, the base rent is to increase by a minimum of 5% of the commencing rent or the previous minimum rent (as the case may be) on each of the first three five-yearly reviews, including where the review coincides with the start of an option term.

The Woolworths Group can only assign its interest in the leases with the landlord's consent.

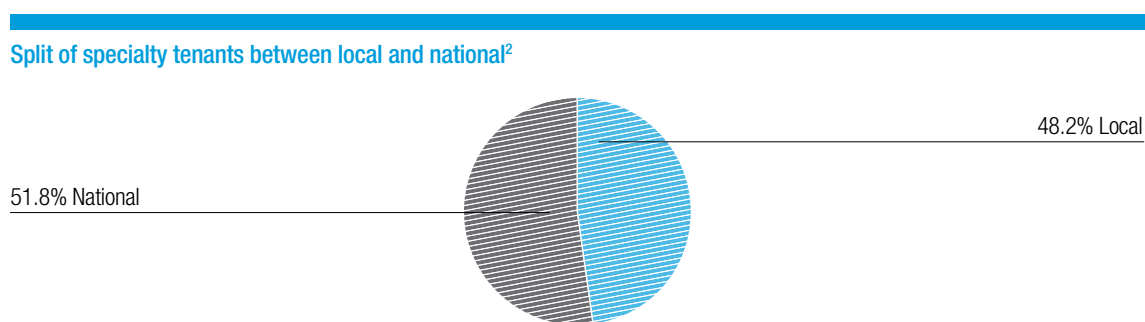
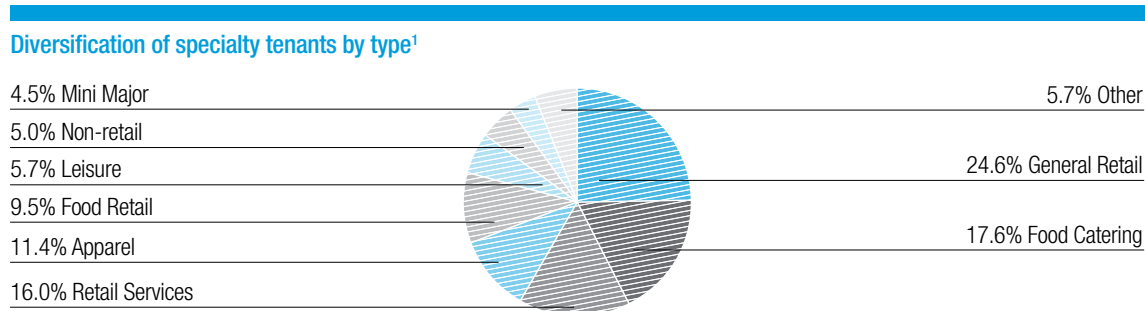
The Woolworths Group is responsible for maintaining the interior of the premises, including any landlord’s property. The landlord is responsible for replacing capital items, such as air conditioning plant, when necessary, regardless of the original ownership of the items. In relation to six of the Australian Properties and all 14 of the New Zealand Properties, the member of the Woolworths Group who is the tenant has the right to buy the property if the landlord intends to sell. The property must be first offered to the relevant member of the Woolworths Group, which will have a period of between 45 and 60 business days to make a decision whether or not to buy. Two of the Australian Properties are subject to rights of refusal in favour of third parties. For further information see Sections 13.6 and 13.8.

Specialty tenants

The specialty tenants in the Portfolio generally comprise smaller retail stores offering a range of products and services including food, pharmacy, apparel, leisure and homewares. Specialty tenants in the portfolio include companies such as Reject Shop, Best & Less, Priceline, McDonald’s, Subway, Terry White Chemists and Bakers Delight.

The majority of specialty tenancies are occupied under a common form of lease, with typical lease terms ranging from three to five years. The leases generally provide for the payment of base rental and include provisions for annual reviews, which typically comprise either CPI based increases, fixed percentage increases or market reviews.

The graphs below illustrate the specialty tenant diversification by type, and the split between local and national specialty tenants, estimated as at 1 December 2012 for the Completed Portfolio assets:



1 Estimated by Woolworths in accordance with generally accepted industry classification, based on Fully Leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.
 2 Split between local and national tenants as defined and estimated by Woolworths, based on Fully Leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.

5.5. Relationship with Woolworths

Woolworths and SCA Property Group will maintain an ongoing relationship with regard to:

- **Leases:** The Woolworths Group is the major anchor tenant in all the properties in the Portfolio. In total, Woolworths businesses represent approximately 75% of the Portfolio GLA and are expected to contribute over 60% of the Group Portfolio gross income. The Leases are generally comparable to other Woolworths Group leases executed in the current market with other landlords throughout Australia and New Zealand.
- **Development management:** A member of the Woolworths Group, with Woolworths as guarantor, will act as the developer for all of the properties under construction in the Development Portfolio. The development of each property is governed by a DMA between SCA Property Group and a member of the Woolworths Group. Payments due to the Woolworths Group at completion of each of the properties in the Development Portfolio have been calculated based on the independent valuation of the properties on a completed basis. SCA Property Group is therefore not exposed to any development pricing risk.
For the Australian Properties in the Development Portfolio, the Woolworths Group will provide SCA Property Group with a Site Access Fee on the land and WIP (Initial Payment) from and including the Implementation Date to the date that the Final Payment is made under the DMA. The annual Site Access Fee is equal to the valuer's determined capitalisation rate multiplied by the Initial Payment and paid on a monthly basis.
- **Transitional services:** The Woolworths Group will provide technical management and other administrative services to SCA Property Group for a period of 12 months from the Implementation Date under TSAs. The TSAs seek to allow SCA Property Group time to establish the relevant internal functions to allow it to perform these tasks efficiently on a standalone basis.
- **Rental guarantee:** The Woolworths Group will provide rental guarantees to cover vacant tenancies as at the Implementation Date for a period of two years from and including the Implementation Date until they are first let for all properties in the Completed Portfolio and the total rent for all specialty tenancies for properties in the Development Portfolio for a period of two years from completion of each property in the Development Portfolio. These arrangements are included in the terms of the DMAs and property sale contracts.

Further information with regard to these agreements has been provided in Section 13 of this PDS.

Following implementation of the Distribution, Woolworths will not be a Unitholder in SCA Property Group and will have no ongoing involvement apart from that described above.

5.6. Structure of SCA Property Group

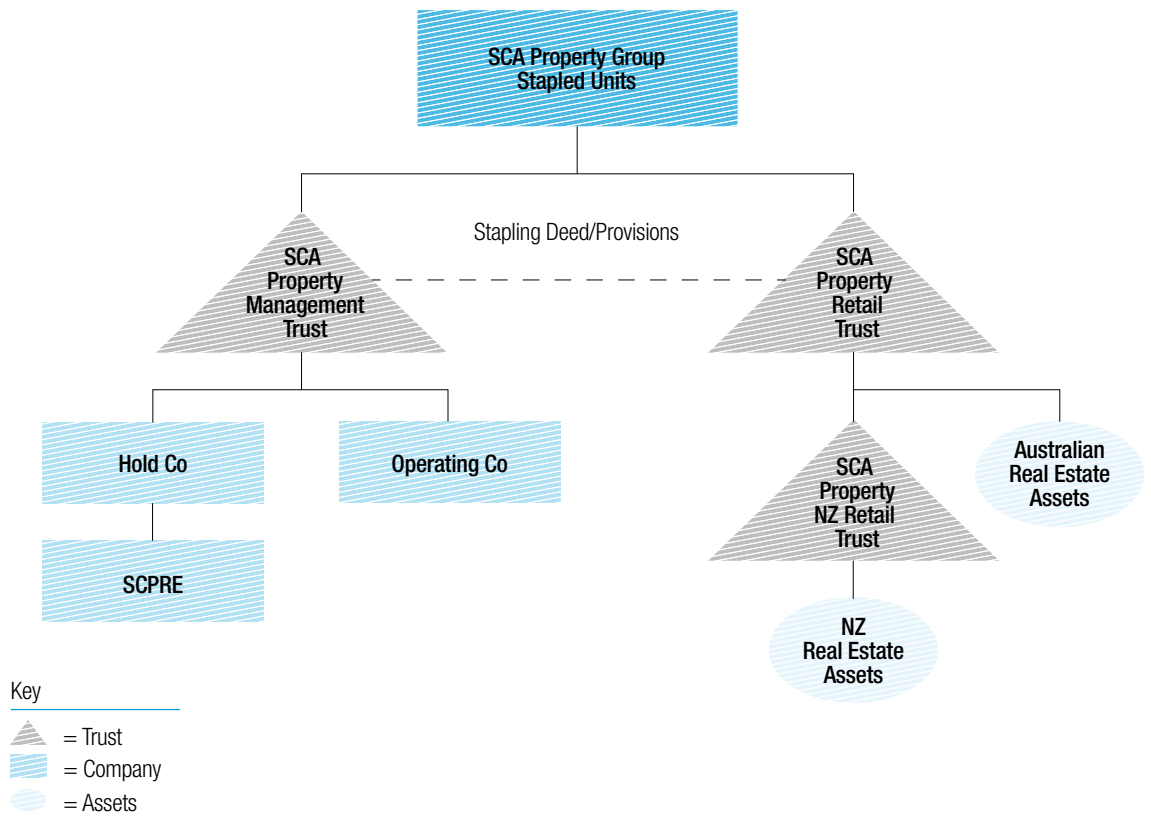
SCA Property Group comprises SCA Property Management Trust and SCA Property Retail Trust and their controlled entities. The units of SCA Property Management Trust and SCA Property Retail Trust are stapled and are proposed to be traded on ASX.

SCPRES is the responsible entity of SCA Property Group. SCPRES holds an Australian financial services licence in accordance with the Corporations Act.

SCA Property Retail Trust will operate as the property owning trust of SCA Property Group, holding the Portfolio interests. SCA Property Retail Trust is intended to be treated as a trust for Australian tax purposes. SCA Property Management Trust will earn non-rental income and conduct activities that are not compatible with being treated as a trust for Australian tax purposes. SCA Property Management Trust is intended to be treated like a company for Australian tax purposes.

The simplified ownership structure and property interests of SCA Property Group following implementation of the Proposed Transaction are shown below:

Simplified ownership structure and property interests



5.7. Implementation of the Proposed Transaction

In order to implement the Proposed Transaction, the following steps will be undertaken:

Establishment of SCA Property Group and acquisition of portfolios

- Woolworths has established the relevant trusts and will establish the relevant companies involved in the Proposed Transaction to form the SCA Property Group;
- the Debt Facility will be established; and
- SCA Property Group and the Woolworths Group will enter into the following agreements prior to the Annual General Meeting, with completion of such agreements conditional on the Capital Reduction Resolution being approved (although that condition may be waived) and any other relevant condition being satisfied or (if applicable) waived.

In Australia:

- the current owner of each property will enter into the Leases in respect of the properties in the Completed Portfolio, and Agreements for Lease in respect of the properties in the Development Portfolio, with Woolworths or a Woolworths Group member as anchor tenant. At Lane Cove and Mittagong, the Leases will only be entered into after the property is transferred to SCA Property Group, and Woolworths and SCA Property Group will be the parties;
- SCA Property Group will enter into sale and purchase contracts with the relevant Woolworths Group member in respect of the Completed Portfolio and the Development Portfolio to purchase the properties in the Completed Portfolio for \$955 million and the land and WIP of properties in the Development Portfolio for \$198 million; the purchase price of the properties in the Completed Portfolio is based on the independent valuation as of 1 December 2012,¹ and the purchase price for the land and WIP of each Development Portfolio property has been calculated based on the independent valuation upon completion of the property and the payments under the DMAs;
- SCA Property Group will enter into DMAs with a member of the Woolworths Group, with Woolworths as guarantor, for completion of each of the properties in the Development Portfolio; and
- SCA Property Group will enter into a TSA with Woolworths under which Woolworths will provide services to assist SCA Property Group establish itself.
- Around the time of the Annual General Meeting:
 - SCA Property Retail Trust will acquire the Completed Portfolio from the relevant Woolworths subsidiary; and
 - SCA Property Retail Trust will acquire the land and construction WIP of the properties in the Development Portfolio from the relevant Woolworths subsidiary.

In New Zealand:

- SCA Property NZ Retail Trust will enter into sale contracts with a member of the Woolworths Group in respect of the New Zealand properties in the Completed Portfolio, with provision for SCA Property NZ Retail Trust and a member of the Woolworths Group to enter into a Lease as the anchor tenant of each of the New Zealand properties in the Completed Portfolio, for NZ\$149 million;
- a member of the Woolworths Group will enter into a DMA for construction of the supermarket or centre, sale and lease back of each of the New Zealand properties in the Development Portfolio, for NZ\$69 million;
- the purchase price of the New Zealand Properties in the Completed Portfolio and the Development Portfolio is based on the independent valuation on a completed basis as of 1 December 2012¹;
- SCA Property NZ Retail Trust and a member of the Woolworths Group will enter into the lease for each of the New Zealand Completed Portfolio and Development Portfolio properties simultaneously on SCA Property NZ Retail Trust's acquisition of each New Zealand property; and
- SCA Property NZ Retail Trust will enter into a TSA with a member of the Woolworths Group under which the Woolworths Group will provide services to assist SCA Property Group to establish itself in New Zealand.

Woolworths Shareholder approval

- The Capital Reduction Resolution will be considered at the Woolworths Annual General Meeting to be held on 22 November 2012. Woolworths Shareholders should refer to the Explanatory Memorandum dated on or about the date of this PDS for further details;
- if the Capital Reduction Resolution is not approved by the requisite majority of Woolworths Shareholders, the Proposed Transaction and the Offer will not proceed; and
- Woolworths has the discretion to terminate the Proposed Transaction prior to approval of the Capital Reduction Resolution (see Section 13.17).

¹ Independent valuations are subject to a number of assumptions, and may not be an accurate representation of the purchase price a buyer would pay. Independent valuations are set at a point in time, and are subject to change materially. See "Independent valuations" in the important notices.

Distribution

- If the Capital Reduction Resolution is approved and the conditions described in Section 4.3 are satisfied, Woolworths will distribute Stapled Units in the SCA Property Group to Woolworths Shareholders through a capital reduction under Part 2J.1 of the Corporations Act.

The Offer

- The Offer described in this PDS will be made and Stapled Units subsequently issued to successful Applicants under the Offer on the Allotment Date.

Development Portfolio completion

- Upon completion of each of the properties in the Development Portfolio, SCA Property Retail Trust (or SCA Property NZ Retail Trust in the case of New Zealand) will make a payment to the Woolworths Group under the DMA for the property.
 - For the Australian properties in the Development Portfolio, the development price payable by SCA Property Retail Trust for the property to the Woolworths Group under each DMA will be an amount equal to the greater of the projected end value of the completed property less the value of land and estimated Work In Progress at the Implementation Date and the estimated cost to complete the development as at the Implementation Date. The total payable in respect of each property in the Development Portfolio will not exceed the end value of the completed property based on the independent valuations disclosed in this PDS.
 - For the New Zealand properties in the Development Portfolio, the development price payable by SCA Property NZ Retail Trust to the Woolworths Group under each DMA will be an amount equal to the end value of the completed property based on the independent valuations disclosed in this PDS.
- See Sections 13.9 Development Management Agreements – Australia and 13.10 Development Management Agreements – New Zealand for additional information. SCA Property Retail Trust will use cash on hand and borrowings under the Debt Facility to fund its obligations under each of the DMAs upon completion.

5.8. Financing arrangements

Woolworths on behalf of SCA Property Retail Trust has obtained commitment letters from three major Australian commercial banks. There is a separate commitment letter from each Bank. Under those commitment letters there are offers for finance to SCA Property Retail Trust for unsecured revolving debt facilities of \$550 million in total, which will be provided by each of the Banks under separate bilateral loan agreements. The Debt Facility will be guaranteed by SCA Property Management Trust and other members of SCA Property Group, if required. SCA Property Retail Trust can draw down selectively on the facilities provided by one or more Banks and SCA Property Retail Trust is able to repay each borrowing selectively, until maturity. This provides SCA Property Retail Trust the flexibility of having three separate facilities for a total combined funding of \$550 million which it can use selectively and independently to manage its financing requirements.

The Debt Facility may be drawn by SCA Property Retail Trust:

- to fund the acquisition of the Properties and payment of associated transaction costs;
- to fund amounts payable under the DMAs and payment of associated transaction costs; and
- for general corporate and working capital purposes, including payment of property operating expenses and holding costs.

Subject to its terms the Debt Facility is able to be drawn on at any time during its availability period and may be drawn upon multiple times.

Once conditions precedent are satisfied, the Debt Facility is able to be drawn to refinance part of the acquisition of the Properties and payment of associated transaction costs of the Proposed Transaction. After the first drawing, the undrawn Debt Facility is available to be drawn down for the other purposes mentioned above.

The weighted average tenure of the Debt Facility is expected to be over four years.

See Section 13.13 for a summary of the Debt Facility.

5.9. Capital management policy

SCA Property Group intends to adopt the following approach to capital management:

- Maintain a target Gearing range of between 25% and 40% over the medium term;
- Maintain sufficient head room relative to key loan covenants (including gearing ratios and interest coverage);
- Consider spreading the loan refinancing risk by seeking different loan maturity dates and different loan counterparties; and
- Monitor and implement an appropriate hedging strategy to manage SCA Property Group's interest rate and foreign exchange rate risks.

This policy will continue to be reviewed in the context of any future indebtedness and the prevailing market conditions. The Directors will continue to monitor the appropriateness of this policy to ensure that it meets the ongoing objectives of SCA Property Group and is in the best interests of investors.

The Directors expect that SCA Property Group will have sufficient working capital from its operations and facilities to meet its operational requirements and business needs during the Forecast Period.

The forecasts reflect the commitment letters from the three banks with facility tenures of between three to five years and a weighted average tenure of over four years. On drawing of the loan the Gearing of SCA Property Group is forecast to be 27% increasing to 34% on a pro forma basis on Allotment, assuming completion of the acquisition of the Development Properties.

5.10. Hedging policy

Interest Rate Exposure

SCA Property Group intends to implement an interest rate hedging policy to reduce the volatility of future Distributable Earnings due to movements in interest rates. It will manage this exposure by:

- Targeting a range for fixed interest rate exposure of between 50% and 100% of drawn borrowings;
- The use of derivative contracts and/or other agreements to fix interest payment obligations;
- Considering reducing the reset risk by seeking different maturity dates for the fixed rate agreements.

This policy will continue to be reviewed in the context of any future indebtedness and the prevailing market conditions. The Directors will continue to monitor the appropriateness of this policy to ensure that it meets the ongoing objectives of SCA Property Group and is in the best interests of investors.

The forecasts assume that interest rate swap agreements will be entered into on the following basis:

- To fix for three years the interest rate on 90% of the initial amount drawn for three years;
- To fix for five years the interest rate on 90% of the initial amount drawn for five years;
- On completion of the acquisition of the Development Portfolio approximately 50% of debt drawn to fund the DMA payments will be fixed for three years.
- The "all in" fixed rate is 5.3% for three years and 6.1% for five years.

This would imply interest rates are fixed for approximately 82% of the drawn facilities.

The remainder of the Group's borrowings are assumed to be floating rate facilities reflecting the forecast assumption of interest rates.

Foreign Currency Exposure

Approximately 12% of the portfolio by value will be located in New Zealand (value of the New Zealand Properties is A\$174 million or NZ\$218 million) on completion of the Development Portfolio. As a consequence, SCA Property Group will be exposed to movements in the AUD/NZD exchange rate in relation to the settlement of the New Zealand Properties and SCA Property Group's income account and capital accounts.

Settlement Foreign Exchange Exposure

Settlement of the NZ property portfolio is subject to approval of the Distribution by Woolworths Shareholder and consent of OIO. The New Zealand Properties in the Completed Portfolio (NZ\$149 million) will settle 5 working days after the Implementation Date or the date on which the consent of OIO is issued, whichever is the later. The New Zealand Properties in the Development Portfolio (NZ\$69 million) will be settled as they are completed which is expected to occur progressively up to 30 June 2013 (subject to obtaining OIO consent).

The forecasts assume the acquisition of the New Zealand Properties in the Completed Portfolio will occur on the Implementation Date and the settlement of the New Zealand Properties in the Development Portfolio will occur on various dates during the first half of calendar year 2013. An AUD/NZD exchange rate of A\$1.00 = NZ\$1.25 has been assumed throughout the entire Forecast Period to 30 June 2014.

The forecast assumes the acquisition of each New Zealand Property for the agreed New Zealand Dollar amount and partly funded with New Zealand Dollar debt drawn to 60% of the property's value at the time of its settlement. The SCA Property Group will therefore be exposed to movements in the AUD/NZD FX rates up to the date of settlement and post settlement up to 40% on the un-matched portion, therefore any change in the exchange rate from the rate assumed may impact SCA Property Group's forecast Gearing and NTA post settlement.

Income and Capital Hedging

SCA Property Group will develop and implement an appropriate Hedging Policy to mitigate some of the Group's exposure to foreign exchange movements on its income and capital accounts however this policy is unlikely to fully eliminate exposure to this risk.

Capital Foreign Exchange Exposure

From completion of the purchase of the New Zealand Properties any change in the exchange rate will impact the NTA of the Stapled Units and SCA Property Group's Gearing level.

SCA Property Group intends to manage the exposure of NTA and Gearing to movements in foreign currency exchange rates by implementing a strategy to hedge a portion of this exposure by:

- Seeking to match a portion of the foreign currency denominated asset with a liability (a loan) denominated in the same currency to create a natural hedge; and/or
- The use of derivative contracts or other agreements where considered appropriate.

The extent to which the foreign asset will be hedged may vary over time subject to:

- The aggregate asset exposure of SCA Property Group to a foreign currency;
- The portion of SCA Property Group's NTA exposed to the foreign currency;
- The cost (including taxation) or benefit of implementing the foreign currency hedge; and
- General strategic considerations with regard to the portfolio.

The forecast assumes that SCA Property Group will manage its AUD/NZD asset exposure by borrowing in New Zealand Dollars the equivalent of 60% of the value of the New Zealand Property Portfolio (creating a natural hedge by matching a portion of the NZD exposure with a NZD denominated liability). The interest on the NZD borrowing will be deducted from the New Zealand Properties operating income (in NZD).

Income Foreign Exchange Exposure

Income from the New Zealand Properties will be denominated in New Zealand Dollars and any change in the AUD/NZD exchange rate will affect the contribution of the New Zealand portfolio to the Distributable Earnings of SCA Property Group.

SCA Property Group intends to enter into arrangements to reduce its foreign income exposure to movements in foreign currency exchange rates by implementing the following strategy:

- Seeking to match a portion of the foreign currency denominated income with expenses (including interest expenses) denominated in the same currency to create a natural hedge; and/or
- Use of derivative contracts or other agreements where considered appropriate.

The extent to which foreign income will be hedged may vary over time subject to:

- The net income exposure of SCA Property Group to a foreign currency;
- The cost (including taxation) or benefit of implementing the foreign currency hedge; and
- General strategic considerations with regard to the portfolio.

The Directors will continue to monitor the appropriateness of this policy to ensure that it meets the ongoing objectives of SCA Property Group and is in the best interests of investors.

The forecasts assume that post the purchase of the New Zealand Properties SCA Property Group will manage its AUD/NZD income exposure by off-setting the interest on the NZD borrowings (to the extent of the NZD borrowings) against the New Zealand Property Portfolio's operating income (in NZD).

Further discussion of this risk and SCA Property Group's sensitivity to movements in foreign exchange rates are set out in Section 7.5.

5.11. Valuation policy

The fair value of the Properties will be reviewed by the Directors at each reporting date. The Directors' assessment of fair value will be periodically confirmed by engaging an independent expert valuer to assess the fair value of individual properties:

- At least every three years on a rotating basis in accordance with relevant industry standards; and
- If there is reason to believe that the fair value of a property has materially changed from its book value (e.g. as a result of changes in market conditions, leasing activity in relation to the property or capital expenditure).

The Properties may therefore be independently valued more frequently in volatile markets.

The valuer's assessment for each investment property will include:

- The fair market value of the investment property, assuming knowledgeable, willing parties in an arm's length transaction; and
- The use of an appropriate valuation methodology, such as the capitalisation of adjusted net market income or a discounted future cash flow approach and include an assessment of market conditions and property values generally.

5.12. Distribution policy

SCA Property Group's distribution policy will be formulated with regard to a range of factors including:

- General business and financial conditions;
- The certainty of the Properties cash flow having regard to vacancy rates in the portfolio, the average lease duration and the timing of significant lease expiries;
- Medium term capital expenditure requirements of the Portfolio;
- Taxation considerations;
- Working capital requirements; and
- Other factors that the Directors considers relevant.

SCA Property Group intends to pay a distribution to investors every six months (subject to the availability of sufficient Distributable Earnings) with an interim distribution to be paid at the end of February each year and a final distribution to be paid at the end of August in each year.

The current intention is to adopt a policy to payout between 85% and 95% of Distributable Earnings each year to investors.

The Directors will continue to monitor the appropriateness of this policy to ensure that it meets the ongoing objectives of SCA Property Group and is in the best interests of investors.

The first distribution payment relating to the shortened financial year ending 30 June 2013 is expected to be paid in August 2013.

The forecast distribution payment is:

- 5.6 cents per Stapled Unit for the shortened financial year ending 30 June 2013; and
- 10.4 cents per Stapled Unit for the first full financial year ending 30 June 2014.

The forecast payout ratio is:

- 86% of Distributable Earnings for the shortened financial year ending 30 June 2013; and
- 88% of Distributable Earnings for the first full financial year ending 30 June 2014.

The forecast tax deferred component of the distributions:

- for the shortened financial year ending 30 June 2013 is expected to be approximately 45% to 50% of the distribution; and
- for the first full financial year ending 30 June 2014 is expected to be approximately 35% to 40% of the distribution.

5.13. Reporting

SCA Property Group will operate on a June financial year end basis for accounting and financial reporting purposes.

Formal financial reporting will be provided to Unitholders at 31 December (interim) and 30 June (full-year) each year commencing 30 June 2013. These reports will detail (among other things) the following:

- An income statement, balance sheet and statement of cash flows for the period;
- The net asset position of SCA Property Group as at the end of the period;
- The amount and tax treatment of distributions for the period;
- Significant activities undertaken over the period; and
- Portfolio updates (including valuations of the properties).

In addition to the investor reports an annual report will be provided by SCA Property Group in accordance with the Corporations Act. The financial statements contained in the annual report will be audited and the financial statements in the half year accounts subject to review by the auditors.

SCA Property Group has applied for relief from ASIC to have its first financial report relate to the period from the Implementation Date to 30 June 2013.

5.14. Board and management

The Board and Management of SCPRE will comprise the following members who together possess a broad range of relevant skill and experience. The Chairman and Non-executive Directors have no prior connection to the Woolworths Group.

The role of Chief Executive Officer of SCA Property Group will be filled in an interim capacity by an experienced Woolworths executive under transitional services arrangements for a period of up to 12 months. Post Allotment, the Board of SCPRE will undertake an extensive executive search to fill the role of Chief Executive Officer. Anthony Mellows will be acting as the Chief Executive Officer in an interim capacity and will be able to participate in this process at his own election.



Philip Marcus Clark AM
Chairman

Mr Clark was formerly Managing Partner of law firm Minter Ellison from 1995 to 2005. Prior to joining Minter Ellison, Mr Clark was a Director and Head of Corporate with ABN Amro Australia, and prior to that he was Managing Partner of law firm Mallesons Stephen Jaques for 16 years.

Mr Clark is a member of the J.P. Morgan Advisory Council and serves on a number of government and private company boards. These include his position as Director of Ingenia Communities Group, Chairman of M & K Lawyers Holdings Limited, Chairman of Advent-Balance Lawyers Pty Ltd, Chair of Aurora Projects Pty Ltd, Chair of the Education Investment Fund Advisory Board and Chair of Tasmanian Infrastructure Advisory Council.

Mr Clark is also a Director of St James Ethics Centre, serves on the Advisory Council of Europe Australia Business Council and is a Director of several not-for-profit foundations.

Mr Clark has significant prior board experience in the listed REIT sector, having been a Director and Chair of the Audit Committee of ING Management Limited, the responsible entity of several Australian listed REITs managed by ING Real Estate.

Mr Clark was made a Member of the Order of Australia in June 2007 for service to the legal profession and business.



James Hodgkinson
Non-executive Director

Mr Hodgkinson is a Senior Investment Banker with real estate specialisation, most recently, as an Executive Director of Macquarie Group.

Mr Hodgkinson has extensive experience as Principal in the establishment, strategy and growth of a number of both listed and unlisted investment vehicles and operating businesses in Australia, Asia and North America. Mr Hodgkinson was also Chief Executive Officer of Macquarie Industrial Trust for six years prior to that trust's merger with Goodman Industrial Trust. He is a Director of Goodman Japan Limited and from February 2003 until September 2011 was a Director of the Goodman Group and was a member of its Audit Committee.

Mr Hodgkinson is an alumni member of the Advisory Committee of the Macquarie Foundation and is active in the 'not for profit' sector. He has initiated and assisted in the fund raising initiatives and strategic support of a number of community based organisations, including as a Founding Governor of the Cerebral Palsy Foundation and as Founder and Chairman of the Cerebral Palsy Alliance of NSW's 20/Twenty Challenge.

Mr Hodgkinson has a Bachelor of Economics Degree, is a Certified Practising Accountant and is a Fellow of the Australian Property Institute.



Ian Pollard
Non-executive Director

Dr Pollard has been a company director for over 30 years. He is currently Chairman of RGA Australia and a director of Milton Corporation and the Wentworth Group of Concerned Scientists.

Dr Pollard's previous listed company directorships include retailers Just Group (Chairman) and OPSM Group, as well as Corporate Express Australia (Chairman), GIO Australia and DCA Group.

Dr Pollard was previously Managing Director of Development Capital of Australia (later DCA Group, which he founded in 1984) and Managing Director of investment bank Development Finance Corporation Limited.

An actuary and Rhodes Scholar, Dr Pollard is the author of a number of books, including three on Corporate Finance.



Philip Redmond
Non-executive Director

Mr Redmond has over 30 years of experience in the real estate industry including over five years with AMP's real estate team and over 12 years with the investment bank UBS from 1993 to 2005.

At UBS, Mr Redmond held the position of Managing Director, Head of Real Estate Australasia and played a significant role in establishing the bank's real estate business in Australasia and the development of the listed property trust sector in Australia.

Between 2006 and 2010, Mr Redmond was a non-executive director of the responsible entity of several Australian listed REITs managed by ING Management Limited and he continues to hold a non-executive directorship with Galileo Funds Management Limited, the responsible entity for Galileo Japan Trust.

Mr Redmond holds a Bachelor of Applied Science (Valuation), a Master of Business Administration from the Australian Graduate School of Management, and is a Member of the Australian Institute of Company Directors.



Belinda Robson
Non-executive Director

Mrs Robson is an experienced real estate executive, having worked with Lend Lease for over 20 years in a range of roles including most recently as the Fund Manager of the Australian Prime Property Fund Retail.

At Australian Prime Property Fund Retail, Mrs Robson was responsible for portfolio management and the development and implementation of the fund strategy, as well as reporting to the Fund Board and its Investor Advisory Board.

Mrs Robson's previous roles with Lend Lease included Head of Operations, Australian Prime Fund Series, and Portfolio Manager, Australian Prime Property Fund Retail.

Mrs Robson holds a Bachelor of Commerce (Honours) from the University of New South Wales.



Anthony Mellowes
Chief Executive Officer
(Interim)

Mr Mellowes is an experienced property executive currently acting as Head of Asset Management and Group Property Operations for Woolworths. Mr Mellowes has been employed by Woolworths since 2002 and has held a number of senior property related roles within Woolworths.

Prior to joining Woolworths, Mr Mellowes was Asset Development Manager for Lend Lease Real Estate Investments and Development Finance Manager for Lend Lease Developments. Prior to Lend Lease, Mr Mellowes worked in portfolio management for Westfield Limited, and commenced his career at Ferrier Hodgson & Co.

Mr Mellowes holds a Bachelor of Financial Administration and has completed the Macquarie Graduate School of Management's Strategic Management Program.



Kerry Shambly
Chief Financial Officer

Ms Shambly is an experienced finance executive who is currently employed as Manager – Capital Transactions Group at Woolworths and will be employed by SCA Property Group from the Implementation Date. Ms Shambly has been employed by Woolworths since 2002 and has also held the role of General Manager Finance – Property.

Prior to joining Woolworths, Ms Shambly held a number of senior roles at Lend Lease, including Investment Manager – Private Equity and Infrastructure, Chief Financial Officer – Private Equity and Infrastructure, and Group Taxation Manager. Ms Shambly also previously worked in Corporate Finance and Treasury roles at Hoyts Cinema Group. Ms Shambly commenced her career as an accountant at Ernst & Young.

Ms Shambly is a Chartered Accountant and holds a Bachelor of Commerce, and has completed the Macquarie Graduate School of Management's Strategic Management Program and the Chief Executive Woman's (CEW) Leader's Program.



Mark Lamb
General Counsel and
Company Secretary

Mr Lamb is an experienced transactional lawyer with over 20 years experience in the private sector as a partner of Corrs Chambers Westgarth (and subsequently Herbert Geer) and in the listed sector as General Counsel of ING Real Estate.

Mr Lamb has extensive experience in retail shopping centre developments, acquisitions, sales and major leasing transactions, having acted for various REITs and public companies during his career.

5.15. Corporate governance

SCA Property Group is committed to upholding the highest standards in corporate governance. SCA Property Group's corporate governance framework is underpinned by the appointment of high quality board members with the pre-requisite experience in overseeing listed entities. Specifically, the SCPRE Board will be actively involved in developing appropriate governance arrangements and implementing a regime to monitor these arrangements continually.

The SCPRE Board's corporate governance framework incorporates the ASX Corporate Governance Principles and Recommendations. The SCPRE Board will adopt policies recommended by the ASX Guidelines, including policies that ensure that SCA Property Group meets all applicable disclosure standards in accordance with the Listing Rules. Details of the corporate governance framework will be included on SCA Property Group's website and a corporate governance statement will be included in its annual report.

SCA Property Group has appointed seven Board members; an independent chairman, four independent Non-executive Directors, a Chief Executive Officer and a Chief Financial Officer.

The SCPRE Board will conduct an annual meeting for Unitholders. Unitholders will be entitled to nominate and elect members of the SCPRE Board having regard to the Board composition and membership criteria adopted by the Board.

The key elements of SCA Property Group's governance framework are set out below.

5.15.1. Board roles and responsibilities

The SCPRE Board has a statutory responsibility to Unitholders regarding the business objectives, affairs and activities of SCA Property Group. Under its charter, all directors on the SCPRE Board will act in the best interests of unitholders at all times, seek to maintain and increase Unitholder value, whilst ensuring that SCA Property Group's overall activities are properly managed in accordance with best practice and applicable laws. The key roles and responsibilities of the Board will include:

- developing, reviewing and monitoring SCA Property Group's strategic direction, strategies, policies and financial objectives;
- overseeing the effective management and control of SCA Property Group, including the composition, performance and remuneration of the Board and executive team;
- overseeing the effectiveness of risk management and compliance within the organisation;
- ensuring adequate processes and controls are adopted to ensure the integrity of financial accounting, financial records and reporting;
- considering the social, ethical and environmental impacts of SCA Property Group's activities and operations, and monitoring compliance with social responsibilities and practices;
- approving all material transactions and capital expenditure, and monitoring capital management; and
- ensuring compliance with SCA Property Group's licensing requirements, corporate governance policies and other regulatory requirements.

5.15.2. Duties of the Board

All directors of the SCPRE Board are required to act in the best interests of Unitholders.

5.15.3. Constitutions and compliance plans

The Constitutions of SCA Property Retail Trust and SCA Property Management Trust set out the respective rights and obligations of SCPRE and the Unitholders. In order to ensure compliance with the Constitutions and the Corporations Act, SCPRE has adopted compliance plans in respect of each of the SCA Property Retail Trust and SCA Property Management Trust that identify measures that SCPRE will apply in operating the SCA Property Group.

5.15.4. Continuous disclosure and unitholder communication policies

The SCPRE Board has adopted a Continuous Disclosure Policy pursuant to which it undertakes to provide Unitholders with relevant information about SCA Property Group and to comply with the Listing Rules and SCA Property Group's continuous disclosure obligations to the market generally. The SCPRE Board has formed a Disclosure Committee which is responsible for:

- deciding what information should be disclosed to the market;
- approving proposed announcements; and
- monitoring effectiveness of the Continuous Disclosure Policy.

The SCPRE Board has also adopted a Unitholder Communication Policy, which acknowledges that information about SCA Property Group should be provided to Unitholders and other interested stakeholders in a timely and efficient manner, using a range of forums and publications.

5.15.5. Diversity

The SCPRE Board acknowledges that diversity is essential to its continued growth and success and is committed to fostering and sustaining an inclusive workplace.

5.15.6. Board committees

The Board has established three formally constituted committees responsible for reviewing and authorising policies and strategies within each committee's respective terms of reference. The committees will examine proposals and provide advice to the full SCPRE Board with regard to the effectiveness of their respective programs, but will not act on behalf of the SCPRE Board without a specific mandate to do so. The key roles and responsibilities of the committees will include:

- **Audit, Risk Management and Compliance Committee.** The Audit, Risk Management and Compliance Committee (ARMCC) will provide advice and assistance to the SCPRE Board in fulfilling its corporate governance responsibilities. Key duties and responsibilities include:
 - overseeing the effectiveness of the appointment, performance and independence of the external audit;
 - overseeing the internal controls and audit process in relation to the preparation of financial reports and regulatory compliance;
 - overseeing the risk management process including the identification and management of risks that may have a material impact on SCA Property Group's performance;
 - reviewing the accuracy and reliability of management and financial reports and reporting to the Board on interim and annual reports and financial statements; and
 - overseeing the adequacy and effectiveness of SCA Property Group's accounting and financial policies and risk management systems, and ensuring compliance with regulatory and statutory requirements.
- The ARMCC will ensure that the external auditor has regular direct access to the Committee and will meet with external auditors at least once a year (and more regularly if appropriate) to discuss and review external audit arrangements without management being present.
- The ARMCC will comprise only non-executive directors with a majority being independent directors. The chairperson of the ARMCC will be appointed by the SCPRE Board and will not also be the chairperson of the SCPRE Board. The chairperson will report to the SCPRE Board on key issues considered by the ARMCC after each meeting.
- The Board may decide to establish an Independent Compliance Committee with one executive and two external members who are independent of the Board.
- **People Policy Committee.** The People Policy Committee will assist the SCPRE Board in reviewing the effectiveness, integrity and legal compliance of SCA Property Group's human resources and remuneration programs. Key duties and responsibilities will include:
 - protecting employee health and safety;
 - undertaking appropriate performance management, development activities and succession planning;
 - evaluating the performance of the Board, its committees, and its directors;
 - reviewing SCA Property Group's remuneration and human resources structure, policies and strategies;
 - providing effective remuneration policies (including short term and long term incentive plans) having regard to the creation of value for Unitholders and the external remuneration market;
 - complying with legal and regulatory requirements and principles of good governance in relation to human resources and remuneration matters; and
 - reviewing the remuneration reporting in all financial statements of SCA Property Group.
- The People Policy Committee will comprise at least three independent non-executive directors. The chairperson of the People Policy Committee will be appointed by the SCPRE Board and will be an independent non-executive director. The chairperson will report committee outcomes to the SCPRE Board after each meeting.
- **Nominations committee.** The Nominations committee will assist the SCPRE Board in recommending board composition and evaluating board performance. Key duties and responsibilities will include:
 - assessing competencies, experience and attributes of board candidates and making recommendations for appointment and re-election of directors;
 - assisting the SCPRE Board in evaluating the performance of the board, its committees and individual directors;
 - assisting the SCPRE Board in developing plans for enhancing director competencies; and
 - undertake an extensive search to fill the role of Chief Executive Officer.
- The Nominations Committee will comprise at least three non-executive directors with a majority being independent non-executive directors. The chairperson of the Nominations Committee will be appointed by the SCPRE Board and will be an independent non-executive director. The chairperson will report on key issues considered at committee meetings to the SCPRE Board after each meeting.

5.15.7. Code of Conduct

The SCPRE Board will establish a code of conduct which will apply to all employees and sets out the standards in accordance with which they are expected to act. The policy will be aimed at the maintenance of standards of honesty, integrity and fair dealing by all employees in the performance of their duties and responsibilities.

5.16. Auditor

The Auditor of SCA Property Group will be Deloitte Touche Tohmatsu.

5.17. Register

The unit register will be maintained in New South Wales by the Registry.

5.18. Custodian

The Trust Company (Australia) Limited has been appointed by SCPRE as custodian to hold any assets of the SCA Property Group from time to time for the account of SCPRE as responsible entity of SCA Property Group. A New Zealand subsidiary of The Trust Company (Australia) Limited will be appointed as custodian to hold the New Zealand assets of SCA Property Group for the account of SCPRE as responsible entity of SCA Property Group, and for the New Zealand Trustee.

Property portfolio

6.



6.1. Portfolio overview

The Portfolio comprises in total 69 neighbourhood, sub-regional and freestanding retail shopping centre assets situated across Australia (55) and New Zealand (14). The Portfolio consists predominantly of operating properties (56) in addition to 13 properties currently under construction by the Woolworths Group:

- Completed Portfolio – 56 operating properties independently valued at \$1,074 million as of 1 December 2012:
 - 46 Australian properties valued at \$955 million; and
 - 10 New Zealand properties valued at \$119 million;
- Development Portfolio – 13 properties under construction independently valued on completion at \$332 million:
 - 9 Australian properties valued on completion at \$277 million; and
 - 4 New Zealand assets valued on completion at \$55 million.

The SCA Property Group Property Book including further details is incorporated by reference into this PDS and can be accessed at www.scapropertyoffer.com.au or will be mailed to you by SCPRE at your request for no charge. To obtain a copy of the Property Book please call the SCA Property Group Offer Information Line on 1300 318 976 (toll free within Australia) or +61 3 9415 4881 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Offer Period.

6.1.1. Key Portfolio statistics

	Completed Portfolio	Development Portfolio	Total
Centres	56	13	69
GLA (square metres) ¹	331,577	85,366	416,943
Woolworths Group leases as % of GLA	75%	76%	75%
Gross income (fully leased) (A\$m) ²	114	32	146
Woolworths leases as % of Fully Leased Gross Income	61%	65%	61%
Portfolio Occupancy at Opening (By GLA) ³	95%	–	95%
Value (A\$m) ⁴	1,074	332	1,406
Portfolio Capitalisation Rate ⁵	8.1%	7.9%	8.1%
WALE (Years) ⁶	15.8	–	15.8

1 Gross Lettable Area. See "Glossary" for a definition of GLA.

2 Fully leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.

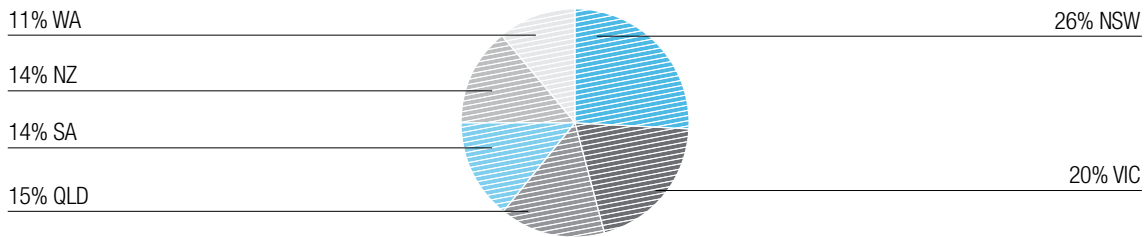
3 Expected occupancy as at 1 December 2012 for Completed Portfolio.

4 Based on independent valuations. See "Summary of Valuations" section for a description of the independent valuations.

5 See "Glossary" for a definition of Capitalisation Rate.

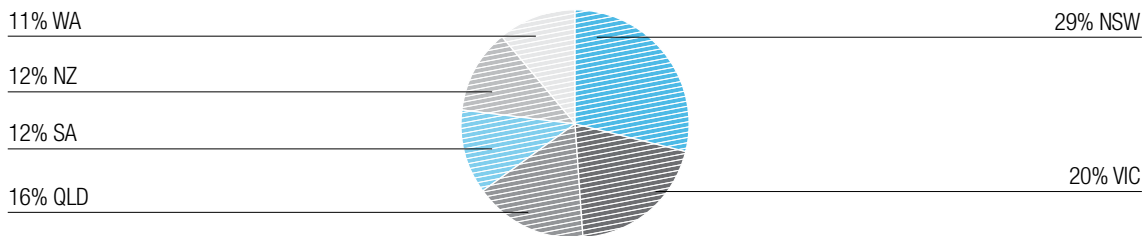
6 Weighted Average Lease Expiry as of 1 December 2012, weighted by GLA. See "Glossary" for a definition of WALE.

Geographic exposure by GLA



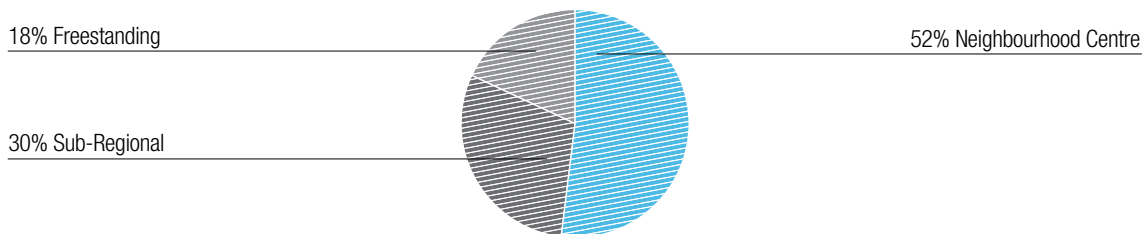
Total GLA: 416,943 sqm

Geographic exposure by NOI



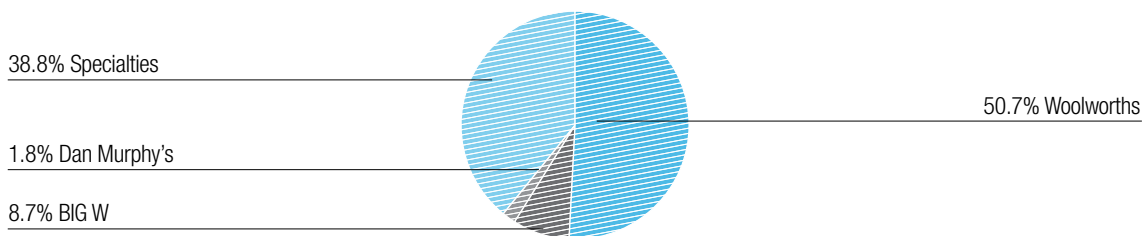
NOI¹: A\$113.3m

Portfolio split by asset class²



Total Value³: A\$1,406m

Tenant diversification⁴



Gross Income⁵: A\$146.4m

- 1 Fully leased Net Operating Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.
- 2 See "5.2.1" for a description of the types of asset classes.
- 3 Value on a fully completed basis based on independent valuations. See "Independent valuations" for a description of the independent valuations.
- 4 See "5.4" for a description of tenant types.
- 5 Fully leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.

6.1.2. Location of Portfolio Properties



Total number of properties: 69¹

¹ Represents 56 properties in the Completed Portfolio and 13 properties in the Development Portfolio. The properties in the Development Portfolio are currently in development, see “6.1.3. Portfolio summary statistics” for expected completion dates.

6.1.3. Portfolio summary statistics

The following table outlines the key portfolio statistics:

	State	Property Type ¹	Completion date ²	Total GLA ³ (sqm)	Woolworths as % of Total GLA	Occupancy (% by GLA) ⁴	Woolworths % of Gross Income Over Forecast Period ⁵	Number of Specialty Stores ⁶	WALE (years, by GLA) ⁷
Completed Portfolio									
Berala	NSW	Neighbourhood Centre	Aug-12	4,340	85%	100%	75%	5	18.4
Burwood DM	NSW	Freestanding	Nov-09	1,400	100%	100%	100%	0	15.0
Cardiff	NSW	Neighbourhood Centre	May-10	5,853	76%	89%	60%	13	17.7
Culburra Beach	NSW	Freestanding	Apr-11	1,698	97%	97%	97%	1	21.0
Goonellabah	NSW	Neighbourhood Centre	Aug-12	5,511	71%	95%	59%	9	16.1
Griffith North	NSW	Freestanding	Apr-11	2,672	100%	100%	100%	0	14.9
Inverell Big W	NSW	Freestanding	Jun-10	7,690	98%	98%	97%	1	14.9
Katoomba DM	NSW	Freestanding	Dec-11	1,420	100%	100%	100%	0	14.9
Lane Cove	NSW	Neighbourhood Centre	Nov-09	6,721	51%	100%	42%	16	16.2
Leura	NSW	Neighbourhood Centre	Apr-11	2,547	80%	100%	68%	5	17.4
Lismore	NSW	Neighbourhood Centre	Dec-85	6,923	59%	85%	50%	19	14.0
Macksville	NSW	Neighbourhood Centre	Mar-10	3,623	88%	95%	83%	5	19.6
Merimbula	NSW	Neighbourhood Centre	Oct-10	5,133	65%	90%	69%	10	15.8
Mittagong Village	NSW	Neighbourhood Centre	Dec-07	2,235	71%	97%	73%	6	14.9
Moama Marketplace	NSW	Neighbourhood Centre	Aug-07	4,519	80%	97%	79%	4	18.8
Morisset	NSW	Neighbourhood Centre	Nov-10	4,141	79%	93%	73%	9	12.5
Mullumbimby	NSW	Freestanding	Jun-11	2,373	100%	100%	100%	0	15.3
North Orange	NSW	Neighbourhood Centre	Dec-11	4,974	73%	99%	61%	13	18.3
Swansea	NSW	Neighbourhood Centre	Oct-09	3,750	93%	96%	88%	4	20.7
Ulladulla	NSW	Neighbourhood Centre	May-12	5,321	78%	99%	63%	10	18.9
West Dubbo	NSW	Neighbourhood Centre	Dec-10	4,208	71%	90%	58%	12	15.3
Dunedin South	NZ	Freestanding	Jun-12	4,071	100%	100%	100%	0	15.0
Hornby	NZ	Freestanding	Nov-10	4,317	100%	100%	100%	0	15.0
Kelvin Grove	NZ	Neighbourhood Centre	Jun-12	3,611	89%	98%	85%	5	18.3
Kerikeri	NZ	Freestanding	Dec-11	3,887	100%	100%	100%	0	20.0
Nelson South	NZ	Freestanding	Jun-08	2,659	100%	100%	100%	0	20.0
Rangiora East	NZ	Freestanding	Jan-12	3,786	100%	100%	100%	0	20.0
Rolleston	NZ	Freestanding	Nov-11	4,251	100%	100%	100%	0	20.0
St James	NZ	Neighbourhood Centre	Jun-06	4,505	78%	99%	74%	6	16.4
Takanini	NZ	Neighbourhood Centre	Dec-10	7,585	55%	94%	54%	11	12.9
Warkworth	NZ	Neighbourhood Centre	Sep-12	3,831	89%	89%	91%	5	17.9
Carrara	QLD	Neighbourhood Centre	Sep-11	3,718	91%	100%	80%	5	14.5
Central Highlands	QLD	Sub-Regional	Mar-12	18,855	66%	100%	46%	23	16.1
Chancellor Park Marketplace	QLD	Neighbourhood Centre	Oct-01	5,203	67%	96%	60%	15	16.4
Collingwood Park	QLD	Neighbourhood Centre	Nov-09	4,761	79%	100%	59%	9	17.9
Coorparoo	QLD	Neighbourhood Centre	May-12	4,645	82%	92%	65%	9	17.8
Gladstone	QLD	Neighbourhood Centre	Apr-12	4,794	72%	100%	61%	9	16.1
Mackay	QLD	Neighbourhood Centre	Jun-12	4,013	83%	98%	67%	6	17.5
Mission Beach	QLD	Neighbourhood Centre	Jun-08	4,099	80%	89%	69%	10	12.3
Woodford	QLD	Neighbourhood Centre	Apr-10	3,671	78%	88%	64%	9	12.2
Blakes Crossing	SA	Neighbourhood Centre	Jul-11	5,557	77%	92%	60%	14	12.8
Mt Gambier	SA	Sub-Regional	Aug-12	27,093	84%	97%	61%	31	19.5

Woolworths Limited Fully Leased Gross Income (\$m) ⁸	Specialty Fully Leased Gross Income (\$m) ⁸	Fully Leased Gross Income (\$m) ⁸	Fully Leased Net Income (\$m) ⁹	Independent Valuers Cap Rate ¹⁰	Independent Valuation (\$m)	Major lease tenure		
						Woolworths	BIG W	Dan Murphy's
1.35	0.45	1.80	1.52	8.00%	18.7	21yrs+ 4x10yrs	–	–
0.70	0.00	0.70	0.55	7.25%	7.3	–	–	15yrs+ 4x10yrs
1.15	0.75	1.90	1.37	8.25%	16.0	23yrs+ 4x10yrs	–	–
0.50	0.01	0.51	0.48	8.75%	5.3	22yrs+ 4x10yrs	–	–
1.04	0.72	1.75	1.37	8.50%	16.0	20yrs+ 4x10yrs	–	–
0.70	0.00	0.70	0.62	7.50%	7.8	15yrs+ 4x10yrs	–	–
1.60	0.05	1.65	1.58	10.00%	15.5	–	15yrs+ 4x10yrs	–
0.50	0.00	0.50	0.46	7.50%	5.8	–	–	15yrs+ 4x10yrs
1.70	2.36	4.06	2.83	7.25%	38.3	23yrs+ 4x10yrs	–	–
0.87	0.40	1.28	1.05	8.25%	12.5	22yrs+ 4x10yrs	–	–
1.50	1.48	2.98	2.04	8.75%	23.6	23yrs+ 4x10yrs	–	–
0.80	0.17	0.97	0.80	8.50%	9.2	22yrs+ 4x10yrs	–	–
1.06	0.48	1.54	1.19	8.75%	13.5	22yrs+ 4x10yrs	–	–
0.60	0.22	0.82	0.64	8.00%	7.8	–	–	20yrs+ 4x10yrs
1.06	0.28	1.34	0.93	8.50%	11.0	22yrs+ 4x10yrs	–	–
1.31	0.48	1.80	1.27	8.75%	14.0	15yrs+ 4x10yrs	–	–
0.80	0.00	0.80	0.70	7.50%	9.0	15yrs+ 4x10yrs	–	–
1.50	0.93	2.43	1.87	8.00%	24.3	23yrs+ 4x10yrs	–	–
1.00	0.14	1.14	0.96	8.50%	10.7	22yrs+ 4x10yrs	–	–
1.10	0.65	1.75	1.30	8.50%	14.8	23yrs+ 4x10yrs	–	–
0.90	0.66	1.56	1.10	8.75%	12.0	20yrs+ 4x10yrs	–	–
1.07	0.00	1.07	0.99	8.25%	12.0	20yrs+ 8x5yrs	–	–
1.10	0.00	1.10	0.99	8.25%	12.0	20yrs+ 8x5yrs	–	–
0.67	0.12	0.79	0.67	8.00%	8.6	20yrs+2x5yrs + 1x4yrs & 364 days	–	–
1.03	0.00	1.03	0.96	8.125%	11.5	20yrs+ 8x5yrs	–	–
0.69	0.00	0.69	0.63	8.00%	7.7	20yrs+ 8x5yrs	–	–
0.86	0.00	0.86	0.78	8.125%	9.7	20yrs+ 8x5yrs	–	–
0.95	0.00	0.95	0.87	8.25%	10.4	20yrs+ 8x5yrs	–	–
0.66	0.24	0.90	0.74	7.87%	9.6	20yrs+2x5yrs + 1x4yrs & 364 days	–	–
1.23	1.03	2.26	1.94	8.00%	24.4	20yrs+2x5yrs + 1x4yrs & 364 days	–	–
1.12	0.12	1.24	1.04	8.00%	13.3	20yrs+2x5yrs + 1x4yrs & 364 days	–	–
1.19	0.30	1.49	1.21	8.25%	14.7	16yrs+ 4x10yrs	–	–
2.77	3.28	6.04	4.64	7.75%	58.5	21yrs+ 4x10yrs	21yrs+ 4x10yrs	–
1.67	1.12	2.79	2.24	8.50%	25.6	23yrs+ 4x10yrs	–	–
0.88	0.61	1.49	1.03	9.00%	11.5	22yrs+ 4x10yrs	–	–
1.34	0.72	2.06	1.66	7.75%	21.2	21yrs+ 4x10yrs	–	–
1.34	0.87	2.20	1.96	8.00%	24.0	20yrs+ 4x10yrs	–	–
1.26	0.62	1.87	1.56	8.00%	20.5	20yrs+ 4x10yrs	–	–
0.80	0.36	1.16	0.86	9.50%	9.2	15yrs+ 4x10yrs	–	–
0.70	0.38	1.08	0.82	9.50%	8.6	15yrs+ 4x10yrs	–	–
1.28	0.85	2.12	1.68	8.50%	19.9	16yrs+ 4x10yrs	–	–
4.37	2.85	7.22	5.26	7.94%	67.5	23yrs+ 4x10yrs	23yrs+ 4x10yrs	–

	State	Property Type ¹	Completion date ²	Total GLA ³ (sqm)	Woolworths as % of Total GLA	Occupancy (% by GLA) ⁴	Woolworths % of Gross Income Over Forecast Period ⁵	Number of Specialty Stores ⁶	WALE (years, by GLA) ⁷
Completed Portfolio									
Murray Bridge	SA	Sub-Regional	Nov-11	18,306	58%	98%	38%	45	11.8
Albury	VIC	Neighbourhood Centre	Dec-11	4,965	69%	99%	57%	10	17.0
Bright	VIC	Neighbourhood Centre	Apr-10	3,257	89%	89%	86%	4	19.4
Cowes	VIC	Neighbourhood Centre	Nov-11	5,030	74%	90%	66%	10	17.7
DM Warrnambool	VIC	Freestanding	Dec-10	1,440	100%	100%	100%	0	15.7
Emerald Park (Vic)	VIC	Freestanding	Oct-11	2,915	100%	100%	100%	0	22.0
Epping North	VIC	Neighbourhood Centre	Sep-11	5,376	66%	91%	54%	14	16.0
Maffra	VIC	Freestanding	Dec-10	2,323	100%	100%	100%	0	15.1
Mildura	VIC	Freestanding	May-12	9,160	99%	100%	97%	1	19.8
Pakenham	VIC	Sub-Regional	Dec-11	17,668	69%	100%	44%	35	12.3
Warrnambool	VIC	Neighbourhood Centre	Sep-11	4,534	83%	95%	75%	5	13.6
Busseton	WA	Neighbourhood Centre	Sep-12	5,223	88%	96%	82%	6	19.1
Kwinana Marketplace	WA	Sub-Regional	Dec-12	28,139	47%	83%	29%	82	11.9
Treendale	WA	Neighbourhood Centre	Feb-12	7,280	48%	73%	39%	17	9.2
Sub Total Completed Portfolio				331,577	75%	95%	61%	537	15.8
Development Portfolio									
Cabarita	NSW	Neighbourhood Centre	May-13	3,421	78%		68%	12	
Fairfield Heights	NSW	Freestanding	Dec-12	3,802	91%		86%	2	
Greystanes	NSW	Neighbourhood Centre	Jun-14	5,559	54%		–	27	
Katoomba Marketplace	NSW	Freestanding	Dec-13	9,387	100%		100%	0	
Bridge Street	NZ	Freestanding	Apr-13	4,293	100%		100%	0	
Newtown	NZ	Neighbourhood Centre	Dec-12	4,868	92%		86%	6	
Stoddard Road	NZ	Freestanding	Feb-13	4,200	100%		100%	0	
Tawa	NZ	Freestanding	Feb-13	4,200	100%		100%	0	
Brookwater Village	QLD	Neighbourhood Centre	Feb-13	6,713	64%		48%	12	
Walkerville	SA	Neighbourhood Centre	Apr-13	5,344	79%		65%	12	
Highett	VIC	Neighbourhood Centre	May-13	5,808	75%		59%	13	
Lilydale Marketplace	VIC	Sub-Regional	Aug-13	21,997	58%		39%	60	
Margaret River	WA	Neighbourhood Centre	Apr-13	5,774	66%		59%	14	
Sub Total Development Portfolio				85,366	76%		65%	158	
Total				416,943	75%		61%	695	15.8

1 See Section 5.2.1 for a description of SCA Property Group's property types.

2 Date of completion or re-development of properties in the Completed Portfolio and date of expected completion for properties in the Development Portfolio. There can be no guarantee that completion will occur on the contemplated timetable for properties in the Development Portfolio.

3 GLA for operational properties in the Completed Portfolio and expected GLA for properties in the Development Portfolio. See "Glossary" for a definition of GLA.

4 Represents expected occupancy rates for the Completed Portfolio as at 1 December 2012.

5 Represents Woolworths Group contribution to Fully Leased Gross Income from implementation date to 30 June 2014

Woolworths Limited Fully Leased Gross Income (\$m) ⁸	Specialty Fully Leased Gross Income (\$m) ⁸	Fully Leased Gross Income (\$m) ⁸	Fully Leased Net Income (\$m) ⁹	Independent Valuers Cap Rate ¹⁰	Independent Valuation (\$m)	Major lease tenure		
						Woolworths	BIG W	Dan Murphy's
2.80	4.44	7.24	4.79	8.25%	58.0	16yrs+ 4x10yrs	16yrs+ 4x10yrs	–
1.18	0.87	2.04	1.53	8.25%	18.5	22yrs+ 4x10yrs	–	–
0.70	0.11	0.81	0.66	7.50%	9.0	22yrs+ 4x10yrs	–	–
1.20	0.61	1.81	1.39	8.25%	16.8	23yrs+ 4x10yrs	–	–
0.43	0.00	0.43	0.38	6.75%	5.7	–	–	16yrs+ 4x10yrs
0.85	0.00	0.85	0.77	6.75%	11.5	22yrs+ 4x10yrs	–	–
1.17	1.01	2.18	1.59	7.75%	20.5	22yrs+ 4x10yrs	–	–
0.70	0.00	0.70	0.66	7.00%	9.3	15yrs+ 4x10yrs	–	–
2.03	0.06	2.09	1.83	8.00%	23.0	–	20yrs+ 4x10yrs	20yrs+ 4x10yrs
3.05	3.74	6.79	4.98	7.50%	68.0	15yrs+ 4x10yrs	15yrs+ 4x10yrs	–
0.93	0.31	1.23	0.92	8.25%	11.1	16yrs+ 4x10yrs	–	–
1.60	0.35	1.95	1.50	8.50%	18.2	21yrs+ 4x10yrs	–	–
3.10	7.64	10.74	7.08	8.25%	87.0	21yrs+ 4x10yrs	21yrs+ 4x10yrs	–
1.13	1.76	2.89	1.98	8.25%	24.4	15yrs+ 4x10yrs	–	–
69.6	44.6	114.2	87.2	8.1%	1,074			
1.12	0.53	1.66	1.30	9.00%	14.9	20yrs+ 4x10yrs	–	–
1.15	0.19	1.34	1.28	7.50%	16.0	21yrs+ 4x10yrs	–	–
1.43	2.27	3.69	3.04	8.00%	38.2	21rs+ 4x10yrs	–	–
3.10	0.00	3.10	2.89	7.50%	38.5	21yrs+ 4x10yrs	21yrs+ 4x10yrs	–
1.07	0.00	1.07	0.90	7.75%	11.7	20yrs+ 8x5yrs	–	–
1.36	0.22	1.58	1.17	7.50%	16.5	20yrs+2x5yrs + 1x4yrs & 364 days	–	–
1.27	0.00	1.27	1.18	7.75%	15.3	15yrs+ 8x5yrs	–	–
1.00	0.00	1.00	0.94	7.75%	11.7	20yrs+ 8x5yrs	–	–
1.15	1.22	2.37	1.93	8.50%	24.8	20yrs+ 4x10yrs	–	–
1.35	0.73	2.08	1.47	7.75%	19.5	21yrs+ 4x10yrs	–	–
1.50	1.03	2.53	1.82	7.75%	24.0	21yrs+ 4x10yrs	–	–
3.21	5.04	8.25	6.45	7.75%	80.5	23yrs+ 4x10yrs	23yrs+ 4x10yrs	–
1.35	0.93	2.28	1.76	8.25%	20.7	21yrs+ 4x10yrs	–	–
20	12	32	26	7.9%	332			
89.6	56.8	146.4	113.3	8.1%	1,406			

6 Excludes ATMs and Kiosks. Kiosks relate to short term temporary tenancies.

7 Weighted Average Lease Expiry as of 1 December 2012. See "Glossary" for a definition of WALE.

8 Represents projected Fully Leased Gross Income on a first full year basis from Implementation Date for the Completed Portfolio and from the expected completion date for each of the properties in the Development Portfolio.

9 Represents projected Fully Leased Net Operating Income on a first full year basis from Implementation Date for the Completed Portfolio and from the expected completion date for each of the properties in the Development Portfolio.

10 Capitalisation Rate. See "Glossary" for a definition of Capitalisation Rate.

6.1.4. Portfolio diversification by property type and tenant

The Portfolio consists of 42 neighbourhood, 6 sub-regional and 21 freestanding properties. Neighbourhood properties contribute the largest share of the Portfolio's properties Gross Income and GLA respectively.

All properties within the Portfolio are anchored by long term leases to Woolworths Group businesses including Woolworths Supermarkets, Countdown Supermarkets, BIG W and Dan Murphy's with several sites having additional Woolworths retail stores such as BWS and Petrol. In total, Woolworths businesses will occupy approximately 75% of the total Portfolio GLA and contribute over 60% of the total Portfolio Gross Income on a fully leased basis during the Forecast Period.

The following table provides an overview of the Portfolio diversification by property type and tenant. For a description of property types, see Section 5.2.3. See Section 5.4.1 for a description of Woolworths' businesses and stores, including Woolworths Supermarkets, Countdown, Dan Murphy's and BIG W.

Portfolio diversification

Name	Number of stores	GLA (sqm)	% of GLA	Fully Leased Gross Income (\$m) ¹	% of Gross Income
Neighbourhood Centre					
Woolworths/Countdown	41	147,493	35%	47.6	32.5%
BIG W	–	–	–	–	–
Dan Murphy's	1	1,588	0%	0.6	0.4%
Specialty	415	53,860	13%	29.5	20.1%
Sub Total	457	202,941	49%	77.7	53.1%
Sub-regional					
Woolworths/Countdown ²	7	36,768	9%	9.8	6.7%
BIG W	6	47,002	11%	9.5	6.5%
Dan Murphy's	–	–	–	–	–
Specialty	247	48,288	12%	27.0	18.4%
Sub Total	260	132,058	32%	46.3	31.6%
Freestanding					
Woolworths/Countdown	16	54,532	13%	16.8	11.5%
BIG W	3	21,147	5%	3.2	2.2%
Dan Murphy's	4	5,656	1%	2.1	1.4%
Specialty	4	609	0%	0.3	0.2%
Sub Total	27	81,944	20%	22.4	15.3%
Total Portfolio					
Woolworths/Countdown	64	238,793	57%	74.3	50.7%
BIG W	9	68,149	16%	12.7	8.7%
Dan Murphy's	5	7,244	2%	2.7	1.8%
Specialty	666	102,757	25%	56.8	38.8%
Total	744	416,943	100%	146.4	100.0%

¹ Fully Leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from the completion date for each of the properties in the Development Portfolio. There can be no guarantee that completion will occur on the contemplated timetable for properties in the Development Portfolio.

² Includes Masters Home Improvement centre co-located with Mt Gambier Woolworths.

The 10 largest properties within the Portfolio by Fully Leased NOI for the first full year and their respective contributions to the Portfolio's GLA and Forecast NOI (based on first full year) are as follows:

Top 10 largest properties¹

Property	State	Property type	GLA (sqm)	% of Portfolio GLA	Forecast fully leased NOI (A\$m) ₂	% of Portfolio NOI
Kwinana Marketplace	WA	Sub-regional	28,139	6.7%	7.08	6.2%
Lilydale Marketplace	VIC	Sub-regional	21,997	5.3%	6.45	5.7%
Mt Gambier	SA	Sub-regional	27,093	6.5%	5.26	4.6%
Pakenham	VIC	Sub-regional	17,668	4.2%	4.98	4.4%
Murray Bridge	SA	Sub-regional	18,306	4.4%	4.79	4.2%
Central Highlands	QLD	Sub-regional	18,855	4.5%	4.64	4.1%
Greystanes	NSW	Neighbourhood Centre	5,559	1.3%	3.04	2.7%
Katoomba Marketplace	NSW	Freestanding	9,387	2.3%	2.89	2.5%
Lane Cove	NSW	Neighbourhood Centre	6,721	1.6%	2.83	2.5%
Chancellor Park Marketplace	QLD	Neighbourhood Centre	5,203	1.2%	2.24	2.0%
Total			158,928	38.0%	44.2	39.0%

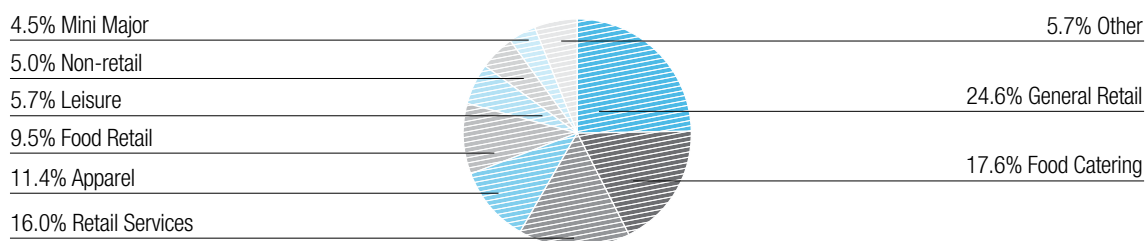
6.1.5. Specialty stores

The specialty tenants in the Portfolio comprise smaller retail stores offering a range of products and services including food, pharmacy, apparel, leisure and homewares. Specialty tenants in the portfolio include companies such as Reject Shop, Best & Less, Priceline, McDonald's, Subway, Terry White Chemists and Bakers Delight.

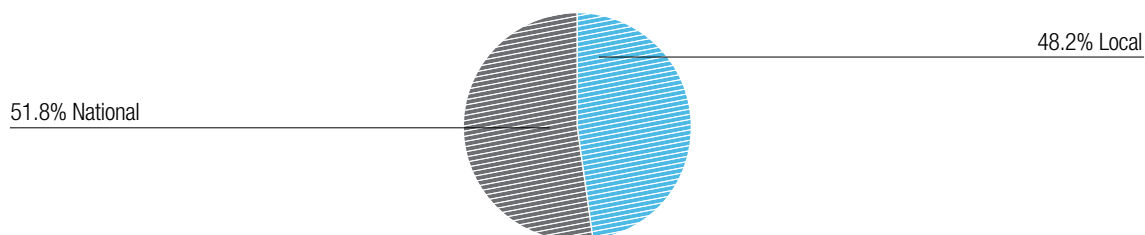
The majority of specialty tenancies are occupied under a common form of lease, with typical lease terms ranging from 3 to 5 years. All leases provide for the payment of base rental and include provisions for annual reviews, which typically comprise either CPI based increases, fixed percentage increases (typically between 4% to 5%) or market reviews.

The graphs below illustrate the specialty tenant diversification by type, and the split between local specialty tenants (local small businesses) and national specialty tenants (businesses with a national presence), estimated as at 1 December 2012 for the Completed Portfolio assets:

Diversification of specialty tenants by type³



Split of specialty tenants between local and national⁴



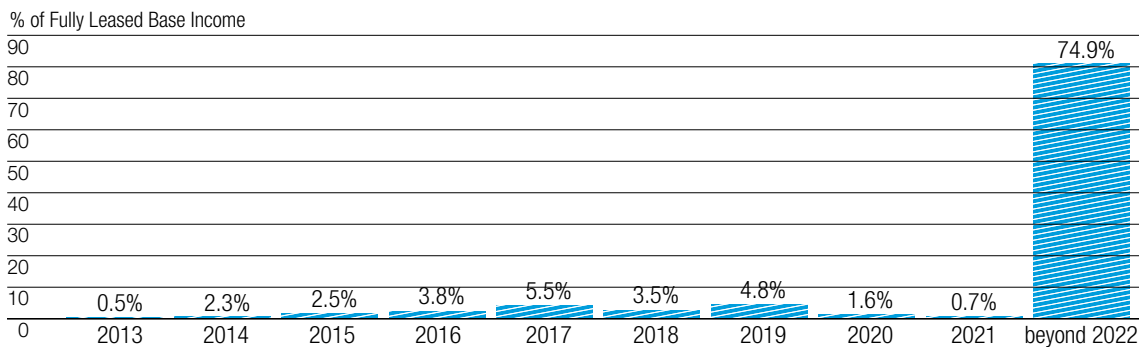
- 1 Data calculated as at 1 December 2012 for assets within the Completed Portfolio and as at estimated completion date for assets under construction within the Development Portfolio.
- 2 Fully leased Net Operating Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.
- 3 Estimated by Woolworths in accordance with generally accepted industry classification, based on Fully Leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.
- 4 Split between local and national tenants as defined and estimated by Woolworths, based on Fully Leased Gross Income for the first full year from Implementation Date for the Completed Portfolio and from completion date for each of the properties in the Development Portfolio.

6.1.6. Lease expiry profile

The Completed Portfolio's weighted average lease expiry (WALE) as at 1 December 2012 is expected to be 15.8 years (excluding vacant tenancies). See "Glossary" for an explanation of how WALE is calculated.

The following graph summarises the lease expiry profile of the Portfolio.

Lease expiry by calendar year as a % of Fully Leased Gross Income¹



6.1.7. Title to properties

SCA Property Group will hold a freehold interest in each of its properties (with the exception of Lane Cove, and parts of Berala, Katoomba Marketplace and Bridge Street Hamilton which will be held by SCA Property Group as lessee under ground leases, subject to existing and potential leases and Rental Guarantees.

6.1.8. Management of the Properties

SCA Property Group will appoint an experienced third party property management company to manage each of the Properties on arm's length market based terms.

¹ Fully Leased Gross Income excluding income attributable to tenancies that are currently not leased and are subject to the Rental Guarantee as described in Section 5.5.

6.2. Development properties

The following table provides a summary of the properties included under the DMA.

Development properties

Property	Country	Property Type	Completion Date	WOW GLA (sqm)	Specialty GLA (sqm)	Total GLA (sqm)	Specialty GLA Committed ¹	Initial Payment (\$m)	Final Payment (\$m) ²	Independent Valuation (\$m)
Brookwater Village	Aus	Neighbourhood Centre	Feb-13	4,300	2,413	6,713	92%	19.4	5.4	24.8
Cabarita	Aus	Neighbourhood Centre	May-13	2,652	769	3,421	0%	8.5	6.4	14.9
Fairfield Heights	Aus	Freestanding	Dec-12	3,460	342	3,802	100%	15.8	0.2	16.0
Greystanes	Aus	Neighbourhood Centre	Jun-14	3,000	2,559	5,559	100%	21.8	16.4	38.2
Highett	Aus	Neighbourhood Centre	May-13	4,336	1,472	5,808	65%	20.5	3.5	24.0
Katoomba Marketplace	Aus	Freestanding	Dec-13	9,387	–	9,387	–	22.2	16.3	38.5
Lilydale Marketplace	Aus	Sub-Regional	Aug-13	12,829	9,167	21,997	31%	62.3	18.2	80.5
Margaret River	Aus	Neighbourhood Centre	Apr-13	3,824	1,950	5,774	0%	16.2	4.5	20.7
Walkerville	Aus	Neighbourhood Centre	Apr-13	4,200	1,144	5,344	0%	11.1	8.4	19.5
Bridge Street	NZ	Freestanding	Apr-13	4,293	–	4,293	–	na	11.7	11.7
Newtown	NZ	Neighbourhood Centre	Dec-12	4,480	388	4,868	34%	na	16.5	16.5
Stoddard Road	NZ	Freestanding	Feb-13	4,200	–	4,200	–	na	15.3	15.3
Tawa	NZ	Freestanding	Feb-13	4,200	–	4,200	–	na	11.7	11.7
Total	Total			65,161	20,205	85,366		197.8	134.5	332.3

Woolworths Group will provide SCA Property Group with a Site Access Fee on the Australian Development properties based on the purchase price of the land and WIP (Initial Payment). The annual Site Access Fee is equal to the valuer's determined capitalisation rate multiplied by the Initial Payment and paid on a monthly basis.

The Final Payment will be equal to the independent valuer's assessment of the completion value (as at 1 December 2012) of each property less the Initial Payment.

The total amount payable to the Woolworths Group for a property in the Development Portfolio will not exceed the valuation of the Property on a completed basis.

Woolworths Group will provide a Rental Guarantee to SCA Property Group to cover total rent, tenant incentives and leasing commissions for all specialty tenancies of Development Properties for a period of two years from completion of development of each Property. After this period the underlying occupancy of the asset will directly impact the earnings of SCA Property Group.

6.3. Capital expenditure program

SCA Property Group expects to undertake maintenance capital expenditures on its existing properties from time to time. SCA Property Group's properties are relatively new, with the average age of properties in the Completed Portfolio being 2.1³ years (weighted by value) as at 1 December 2012. SCA Property Group expects that capital expenditures will be \$0.6 million for the six months to 30 June 2013 and \$1.2 million for the financial year ended 30 June 2014.

¹ Indicates executed leases as at 30 September 2012, and assumes leases will remain in place until development completion.

² New Zealand Development Property Sale Contracts are denominated in NZD. The Final Payment amounts included in this table have been converted at 1.25 AUD/NZD.

³ Based on completion date or re-development date where assets have had a major re-development undertaken.

Financial Information

7.



7.1. Overview

The financial information contained in this Section has been prepared by the SCPRE Directors and includes pro forma balance sheets and forecast financial information for SCA Property Group comprising:

- forecast statutory consolidated income statements for the financial period ending 30 June 2013 and the financial year ending 30 June 2014;
- forecast consolidated distribution statements for the financial period ending 30 June 2013 and the financial year ending 30 June 2014;
- forecast pro forma consolidated income statement and consolidated distribution statement for the six months ending 30 June 2013; and
- pro forma consolidated balance sheets as at the Allotment Date and on a fully invested basis which assumes the Australian Development Portfolio properties were complete and paid for by SCA Property Group under the DMAs and the acquisition of the New Zealand Development portfolio properties has been completed (**the Pro Forma Balance Sheets**).

collectively the **Financial Information**.

The Financial Information has been prepared to reflect the implementation of the Proposed Transaction, including the transfer of the Portfolios under the sale contracts, entry into the DMAs, execution of leases between the Woolworths Group and SCA Property Group, the Distribution and the Offer as described in this PDS. The Financial Information is for SCA Property Group, comprising SCA Property Management Trust and SCA Property Retail Trust and their respective controlled entities. SCA Property Group will operate on a financial year ending 30 June, and all figures within this Section are for periods ending 30 June unless otherwise noted. Rounding of the figures provided in the Financial Information may result in some discrepancies between the sum of components and the totals outlined within the tables and percentage calculations.

Information provided in this Section should be read in conjunction with the sensitivities outlined in Section 7.5, the risk factors outlined in Section 11 and the other information provided in this PDS.

The Financial Information has been reviewed by Deloitte. Deloitte's Investigating Accountant's Report is provided in Section 8 of this PDS.

Prospective Investors should note the scope and limitations of the Investigating Accountant's Report. Prospective Investors should be aware that the Financial Forecasts have not been prepared in accordance with Regulation S-X of the US Securities and Exchange Commission or generally accepted accounting principles in the United States of America. In addition, the rules and regulations related to the preparation of financial information in other jurisdictions may also vary significantly from the requirements applicable in Australia.

7.2. Basis of preparation and presentation of the Financial Information

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards and other mandatory professional reporting requirements in Australia.

Certain significant accounting policies relevant to the Financial Information are disclosed in Section 7.8. The Financial Information is presented in an abbreviated form and does not contain all of the disclosure provided in an annual report prepared in accordance with the Corporations Act.

7.2.1. Preparation of Financial Information

The Financial Information is based on the base case assumptions set out in Section 7.4. The SCPRE Directors believe that the Financial Information has been prepared with due care and attention, and consider the base case assumptions in Section 7.4 to be reasonable at the time of preparing this PDS.

Financial Information has been prepared on the basis that the Proposed Transaction is completed on 11 December 2012.

Prospective investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Financial Information, and that any deviation in the assumptions on which the Financial Information is based may have a material positive or negative effect on SCA Property Group's actual financial performance or position. Investors are advised to review the base case assumptions set out in Section 7.4, in conjunction with the sensitivity analysis set out in Section 7.5, the risk factors set out in Section 11 and other information set out in this PDS.

7.2.2. Preparation of Pro Forma Balance Sheets

The Pro Forma Balance Sheet at the Allotment Date has been prepared to reflect the Proposed Transaction, assuming:

- the acquisition of all properties in the Completed Portfolio for \$1,074 million in total;
- the acquisition of the land and WIP in the Australian Properties in the Development Portfolio for \$198 million in total;
- the acquisition of the Properties is settled by the payment of cash of \$755 million (based on the mid point of the Offer) to Woolworths and the issue of 247 million Stapled Units to Woolworths;
- the drawdown of \$358 million in debt, less establishment fees of \$2 million;
- the payment of transaction costs of \$37 million;

- the raising of \$465 million under the Offer through the issue of approximately 337 million Stapled Units at a Final Price of \$1.38 per Stapled Unit being the approximate mid point of the Offer price range, less equity raising costs of approximately \$21 million;
- working capital retained by SCA Property Group of \$5 million; and
- entry into the DMAs.

The Pro Forma Balance Sheet on a fully invested basis has been prepared to reflect the Proposed Transaction as at the Allotment Date, based on the above assumptions, assuming the items noted above and to demonstrate the impact on the Pro Forma Balance Sheet at Allotment as if the Australian Development Portfolio properties were complete and paid for by the SCA Property Group under the DMAs and the acquisition of the New Zealand Development Portfolio properties had been completed.

The value of the investment properties is based on the independent valuations described in Section 9. Other adjustments were made to reflect the proposed structure and agreements being entered into.

Some of the adjustments made in preparing the Pro Forma Balance Sheets are based on assumptions relating to matters that are not known at the date of this PDS. The Pro Forma Balance Sheets are provided for illustrative purposes only and are not represented as being necessarily indicative of SCA Property Group's future financial position.

7.3. Forecast Financial Information and Pro Forma Balance Sheets

7.3.1. Forecast consolidated income statements

The table below details the forecast statutory consolidated income statement from the Allotment Date to 30 June 2013 and for the full year ending 30 June 2014 and the forecast pro forma consolidated income statement for the six months ending 30 June 2013. A reconciliation between the forecast statutory and pro forma income statements for the period ending 30 June 2013 is provided in Section 7.7.

Income statement

(\$m)	Statutory Allotment to 30 Jun 13	Pro Forma 6 months to 30 Jun 13	Statutory 12 months to 30 Jun 14
Woolworths gross revenue	42.9	38.8	86.7
Specialty gross revenue	20.3	18.4	45.4
Site Access Fee ¹	6.4	5.5	2.7
Straight-lining of rental income	3.8	3.5	10.8
Rental Income	73.4	66.2	145.6
Other ²	0.1	0.1	0.9
Total Revenue	73.5	66.3	146.5
Property operating expenses	(15.5)	(14.0)	(32.6)
Corporate costs	(6.6)	(6.0)	(12.8)
Amortisation of leasing commissions	–	–	(0.2)
Transaction costs ³	(37.3)	–	–
Earnings before interest and tax (EBIT)	14.1	46.3	100.9
Net interest expense	(12.8)	(11.5)	(25.3)
Net income before tax	1.3	34.8	75.6
Tax	(1.3)	(1.2)	(2.3)
Net income after tax⁴	(0.0)	33.6	73.3
Weighted average number of Units (millions)		584.2	584.2
Earnings per Stapled Unit (cents)		5.8	12.5

Notes:

- 1 The Site Access Fee represents the amount forecast to be received from the Woolworths Group pursuant to the DMAs.
- 2 Other income represents the net profit and loss impact of the receipt of cash under the Rental Guarantee and the unwind of the financial asset recorded in the balance sheet in respect of the Rental Guarantee on the Allotment Date.
- 3 Transaction costs in the income statement reflect stamp duty and advisers' fees totalling \$37 million in respect of the transaction.
- 4 The forecast consolidated income statements assume there will be no underlying movement in the fair value of the Investment Properties, any derivative financial instruments or other financial assets during the forecast period.

7.3.2. Forecast consolidated distribution statements

Distributable Earnings represents the Directors' view of cash available for distribution in the forecast period, being the net profit after tax adjusted for;

- non cash items (including straight lining of rental income; unwinding of the rental guarantee, property revaluations and mark to market adjustments for derivative financial instruments and financial assets);
- transaction costs; and
- an allowance for leasing commissions and incentive payments received under the rental guarantee and a structural vacancy assumption.

The table below provides a reconciliation from the forecast net income after tax to operating cash and distributable earnings. SCA Property Group will aim to distribute 85-95% of Distributable Earnings each year. As outlined in the table below, SCA Property Group forecasts a distribution of 5.6 cents per Stapled Unit for the period from Allotment to 30 June 2013 and a distribution of 10.4 cents per Stapled Unit for the financial year ending 30 June 2014.

\$m	Operating Cash			Distributable Earnings		
	Allotment Date to 30 Jun 13	6 months to 30 Jun 13	12 months to 30 Jun 14	Allotment to 30 Jun 13	6 months to 30 Jun 13	12 months to 30 Jun 14
Net income after tax (statutory)	–	33.6	73.3	–	33.6	73.3
Transaction costs ¹	37.3	–	–	37.3	–	–
Cash received from Rental Guarantee						
– vacancy	4.8	4.3	4.1	4.8	4.3	4.1
– rent free incentives	0.7	0.7	5.2	0.7	0.7	5.2
– leasing commissions	–	–	0.6			
Cash payments for leasing commissions net of amortisation	(0.4)	(0.4)	(0.9)			
Straight-lining of rental income	(3.8)	(3.5)	(10.8)	(3.8)	(3.5)	(10.8)
Other non cash items ²	0.2	0.1	(0.4)	(0.1)	(0.1)	(0.9)
Structural vacancy allowance				(0.7)	(0.6)	(1.5)
Amortisation of rent free incentive provided under rental guarantee				–	–	(0.6)
Operating Cash/ Distributable Earnings	38.8	34.8	71.1	38.2	34.4	68.8
Distribution	(32.8)	(29.8)	(60.8)	(32.8)	(29.8)	(60.8)
Capital Expenditure	(0.6)	(0.6)	(1.2)			
Distributable Earnings per unit (cents)				6.5	5.9	11.8
Distribution per unit (cents)				5.6	5.1	10.4
% of Distributable Earnings				86%	87%	88%
Tax deferred component ³				46%	46%	39%
Weighted average number of units (millions)				584.2	584.2	584.2

7.3.3. Sensitivity to Final Price

The table below details the sensitivity of forecast Distributable Earnings yield and forecast Distribution yield to the Final Price under the Offer.

The Final Price will be determined at the conclusion of the Institutional Offer. It will be within the Offer Price range of \$1.26 to \$1.50 per Stapled Unit (inclusive). The Financial Information assumes an issue price of \$1.38, being the mid point of the Offer Price range.

- 1 Transaction costs will be paid out of the proceeds raised from the Debt Facility and not operating cash flow.
- 2 Operating cash adjusts for accounting treatment of the rental guarantee and reversal of the amortisation of debt established costs whilst Distributable Earnings adjusts for accounting treatment of the rental guarantee only.
- 3 Percentage of forecast distribution estimated to be tax deferred.

Sensitivity to Final Price

Final Price (\$)	1.26	1.34	1.42	1.50
Discount to NTA ¹	20%	15%	10%	5%
NTA ¹ per Stapled Unit (\$)	1.58	1.58	1.58	1.58
FY14 Distributable Earnings per Stapled Unit (cents)	11.8	11.8	11.8	11.8
FY14 Distributable Earnings Yield per Stapled Unit²	9.4%	8.8%	8.3%	7.9%
FY14 Distribution per Stapled Unit (cents)	10.4	10.4	10.4	10.4
FY14 Distribution Yield per Stapled Unit³	8.3%	7.8%	7.3%	6.9%
NTA (\$m)	923.6	923.6	923.6	923.6

Notes:

- 1 NTA based on Allotment Date.
- 2 Forecast Distributable Earnings per Stapled Unit for the financial year ending 30 June 2014 divided by the Final Price.
- 3 Forecast Distribution per Stapled Unit for the financial year ending 30 June 2014 divided by the Final Price.

7.3.4. Pro Forma Balance Sheets

The table below details the pro forma consolidated balance sheet as at the Allotment Date and the pro forma consolidated balance sheet on a fully invested basis assuming all properties in the Development Portfolio were completed or acquired as at the Allotment Date.

Pro Forma Balance Sheet

(\$m)	At Allotment Date	At Allotment Date on a fully invested basis
Assets		
Current Assets		
Cash	5.0	5.0
GST receivable	2.0	2.0
Rental Guarantee ¹	9.3	9.3
Current Assets	16.3	16.3
Non Current Assets		
Investment property – completed ²	1,056.3	1,388.6
Investment property under construction	197.8	–
Rental Guarantee	8.5	8.5
Non Current Assets	1,262.6	1,397.1
Total assets	1,278.9	1,413.4
Liabilities		
Current liabilities	–	–
Non current liabilities		
Long-term debt ³	355.3	489.8
Non current liabilities	355.3	489.8
Total liabilities	355.3	489.8
Net assets	923.6	923.6
Equity		
Equity	960.9	960.9
Accumulated losses ⁴	(37.3)	(37.3)
Total equity	923.6	923.6
Number of Stapled Units (millions)	584.2	584.2
NTA per Stapled Unit (\$)	1.58	1.58
Gearing (Net Debt / Tangible Assets inc Rental Guarantee)	27%	34%

Notes:

- 1 The Rental Guarantee represents the net present value of the expected cash flows to be received under the rental and incentive guarantees provided by Woolworths Group, and have been subtracted from the Independent Valuations of the properties.
- 2 Investment properties have been accounted for at fair value after excluding the value of the Rental Guarantee. A reconciliation of the independent valuations of the Properties to the amounts recorded as the value of the Properties in the pro forma balance sheet is provided on page 73.
- 3 The debt balance assumes a drawn amount of \$357.5 million of debt less establishment costs of \$2.3 million. The balance increases on a fully invested basis reflecting the additional payments that would have been made if the development properties had been completed and acquired at allotment (see table in Section 7.6).
- 4 Accumulated losses reflect transaction costs expensed as a result of the Proposed Transaction.

Independent Valuations

(\$m)	At Allotment Date	At Allotment Date on a fully invested basis
Independent valuations – Completed Portfolio	1,074.1	1,074.1
Value of the Development Portfolio at allotment/independent valuation on completion	197.8	332.3
Total value	1,271.9	1,406.4
Less net present value of rental guarantee separately recognised	(17.8)	(17.8)
Value of Properties per pro forma balance sheet	1,254.1	1,388.6

The net increase in investment properties and debt on completion / acquisition of the Development Portfolio reflects the development price of \$79 million payable on completion of the Australian properties in the Development Portfolio and the payment of \$55 million (NZ\$69 million) to acquire the New Zealand properties in the Development Portfolio on completion. Further detail of the commitments under the DMAs is provided in Section 13.9.

7.4. Base case assumptions

Key assumptions relating to the Forecast Financial Information are below.

7.4.1. General assumptions

Key general assumptions include:

- the Proposed Transaction is implemented on 11 December 2012;
- foreign currency exchange rate of A\$1.00 = NZ\$1.25 during the forecast period;
- CPI of 2.5% p.a.;
- no material business acquisitions or disposals during the forecast period, other than those set out in this PDS;
- no material contract disputes or litigation during the forecast period; and
- no material change in the competitive operating environment during the forecast period;
- no significant change to the legislative regime and regulatory environment in the jurisdictions that SCA Property Group operates during the forecast period;
- all existing leases are enforceable and are performed in accordance with their terms;
- no material changes to accounting standards, other mandatory professional reporting requirements, the Corporations Act or any other relevant foreign equivalent of the Corporations Act during the forecast period;
- no material changes to Australian and New Zealand income tax legislation;
- there will be no underlying movement in the fair value of the investment properties or other financial assets including any mark to market movements in relation to the interest rate swaps taken in respect of the debt, as management do not believe such movements can be reliably estimated.

7.4.2. Specific assumptions

Rental income

- For the Completed Portfolio properties, rental income has been forecast on a property by property basis based on existing leases and assumptions for future occupancy rates, tenant retention and market rentals. Such market rental is consistent with that adopted in the independent valuation reports. Property income comprises gross rental including casual mall leasing and expense recoveries.
- For the Development Portfolio properties, rental income has been forecast based on leases signed to date and management's estimates of future market rental in respect of assumed tenancies. Such market rental is in line with those adopted in the independent valuation reports. Property income comprises gross rental including casual mall leasing and recoverable expenses. Property rental is assumed to commence from the date that the relevant property in the Development Portfolio is completed based on the forecast dates as displayed in the property summary table provided in Section 6.1.3 of this PDS.
- Rental income has been recognised on a straight-line basis in accordance with Australian accounting standards.

Reletting and vacancy

- Letting up periods have been forecast on a property by property basis and primarily range between two and 12 months based on the independent valuer's assessment and management of the property and the individual tenancy.
- Retention rates for existing tenants have been forecast on a property by property basis and range between 50% and 90% for specialty tenants based on the independent valuer's assessment and on management's assessment of the property and the individual tenancy.
- Lease incentives have been assumed on a property by property basis and primarily range between nine to 12 months. In some instances, no lease incentive has been assumed, the independent valuer has made this assessment and management has agreed with this assessment.

- Leasing commissions have been assumed on the let up of each individual lease. Commissions have been forecast to range from 12% to 15% of first year rental income depending on the location of each property. Leasing costs are capitalised as incurred and amortised over the life of the lease.
- For specialty tenants the majority of leases assume a fixed rental increase of 4.0%, in line with existing lease arrangements. In some cases, specialty leases are assumed to increase annually by CPI or CPI plus a fixed percentage of typically 1.5%.

Outgoings and expenses

- Outgoings have been forecast by management on a property by property basis having regard to current outgoings for completed properties that are not recoverable from tenants under lease terms or applicable and best estimate assumptions in relation to the development properties. Outgoings are consistent with the independent valuation reports and are forecast to increase in line with known increases to statutory rates and taxes, as agreed in existing service contracts or by CPI.
- Outgoings include maintenance expenditure which has been forecast having regard to independent assessments for each property.
- The forecast operating expenses of SCA Property Group include estimates of directors fees, management and other salaries, audit fees, legal fees, valuation fees, share registry fees, insurance and other costs which management expect to incur. The forecast costs represent management's best estimates of the likely costs to be incurred based on a combination of external quotes and external benchmarks.
- Transaction costs include stamp duty, listing fees, underwriting fees and advisers' fees in respect of property due diligence and the issue of the PDS. Costs associated with raising equity of \$21 million have been debited to equity with all other costs, estimated to be \$37 million, being expensed through the income statement.

Rental guarantee and Site Access Fee

- The forecasts assume income will be received and rental incentives payable for tenancies that are vacant at the Allotment Date for the Completed Portfolio and at completion of properties in the Development Portfolio in accordance with the Rental Guarantee provided by Woolworths and described in Section 5.5. The level of Rental Guarantee assumed to be received reflects the assumptions adopted in respect of tenant retention rates, let ups and lease incentives. The net present value of the cash flows expected to be received under the Rental Guarantee have been capitalised on SCA Property Group's balance sheet as at the Allotment Date and are offset against the gross income over the period in which they are forecast to be.
- The forecast assumes that income will be received from the Woolworths Group in relation to the DMAs described in Sections 13.9 and 13.10. The amount of income to be received assumes that the properties in the Development Portfolio are completed based on the forecast dates as displayed in the property summary table provided in Section 6.1 of this PDS.

Net interest expense

- SCA Property Group's borrowings under the debt facility will incur an average interest rate of 5.7% (inclusive of margin and hedging arrangements). It has been assumed that 90% of the initial debt drawn under the Debt Facility will be hedged at a blended fixed interest rate of 3.5%.
- The costs of establishment of the finance facilities of \$2 million have been capitalised against the debt balance at Allotment and are amortised over the term of the debt.

Taxation

- SCA Property Group comprises taxable and non-taxable entities. A liability for current and deferred taxation is only recognised in respect of taxable entities subject to income and capital gains tax. Certain incidental non-rental retail earnings of SCA Property Group derived in Australia are subject to Australian income tax.
- SCA Property Group's New Zealand entities are subject to New Zealand tax on their earnings. Distributions paid by SCA Property NZ Retail Trust to SCA Property Group will not be subject to New Zealand withholding tax (or any withholding tax that applies will be relieved by way of a supplementary dividend) to the extent that distributions are paid out of earnings that have been subject to New Zealand tax (and imputation credits arising from New Zealand tax paid are attached). Deferred tax on New Zealand assets and liabilities is measured at the tax rates that are expected to apply if the asset is realised through continued use or the liability settled, based on tax rates (and tax laws) applicable at balance date.
- Both Australia and New Zealand have goods and services tax regimes. The forecasts reflect expected recoveries in respect of transaction costs and ongoing operations which are appropriate to the activities of the entities.

Stamp Duty

- SCA Property Group has sought a stamp duty exemption on the transfer of all Properties in the Development Portfolio, located in New South Wales, Victoria and Western Australia. An exemption in relation to the transfer of those properties in the Completed Portfolio in Western Australia and Victoria has been received. To the extent that an exemption is not obtained in New South Wales, or a condition of an exemption is not satisfied, then SCA Property Group may incur significant unexpected costs. These are estimated to be in the order of up to \$24 million for New South Wales, up to \$17 million for Victoria and up to \$8 million for properties located in Western Australia.
- The Financial Information assumes that exemptions are received and all conditions in respect of such exemptions have been met. An increase in stamp duty above that included in the Financial Information would increase the debt in the Trust and corresponding interest expense.

Distribution Reinvestment Plan

- The Financial Information has been prepared on the basis that the DRP will not operate.

7.5. Sensitivity analysis

The forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of SCA Property Group, its directors and management. These estimates and assumptions are subject to change.

Set out below is a summary of the sensitivity of forecast Distributable Earnings to certain changes in a number of key variables. The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced.

Sensitivity analysis

	12 months to FY 2014	
	\$m	CPU
Distributable Earnings	68.8	11.8
Incremental impact of change from assumption		
Change in average annual interest rate ¹	+/- 0.46	+/- 0.08
Change in average NZ\$ exchange rate ²	+/- 0.30	+/- 0.05
Change in corporate costs ³	+/- 0.67	+/- 0.12
Delay in construction of projects scheduled to complete in FY14 ⁴	- 0.16	- 0.03
Change in CPI ⁵	+/- 0.06	+/- 0.01
Change in outgoings ⁶	+/- 1.30	+/- 0.22

Notes:

1 Assumes a 10 basis point decrease/(increase) to fixed and variable interest rates during FY14.

2 Assumes a two cent increase/(decrease) in the A\$/NZ\$ exchange rate during FY14.

3 Assumes a five percent decrease/(increase) in corporate costs during FY14.

4 Assumes a one month delay in the construction of Lilydale Marketplace and Katoomba Marketplace, which are scheduled to complete in 2014. As a result of the assumed delay, SCA Property Group would receive additional Site Access Fees, delay drawdown of DMA funding and receive no rental income for the period.

5 Assumes a 25 basis point decrease/(increase) to CPI during FY14.

6 Assumes a five percent decrease/(increase) to total property operating expenses during FY14.

The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables, to illustrate the likely impact on the financial forecasts. In practice, changes in variables may offset each other or may be cumulative.

7.6. Expected commitments and debt draw downs

If the Proposed Transaction proceeds, SCA Property Group is expected to have a Debt Facility of \$550 million, of which \$358 million is expected to be drawn on the Allotment Date. Details of the expected key terms and conditions of the Debt Facility are provided in Sections 5.8 and 13.13. The amount of the Debt Facility to be drawn on the Allotment Date is not affected by the Final Price.

Future payments required to be made to the Woolworths Group in relation to properties in the Development Portfolio under the DMAs are expected to be funded through borrowings from the Debt Facility.

The table that follows illustrates the expected payments under the DMAs for each of the properties in the Development Portfolio, along with the expected month that the payment will be made.

Acquisition funding of Properties

Property	Location	Date	DMA payment (\$m)
Opening pro forma debt on Allotment Date (net of establishment costs)			355.3
Newtown	NZ	Dec-12	16.5
Fairfield Heights	NSW	Dec-12	0.2
Tawa	NZ	Feb-13	11.7
Stoddard Road	NZ	Feb-13	15.3
Brookwater Village	QLD	Feb-13	5.4
Bridge Street	NZ	Apr-13	11.7
Margaret River	WA	Apr-13	4.5
Walkerville	SA	Apr-13	8.4
Cabarita	NSW	May-13	6.4
Highett	VIC	May-13	3.5
Lilydale Marketplace	VIC	Aug-13	18.2
Katoomba Marketplace	NSW	Dec-13	16.3
Greystanes	NSW	Jun-14	16.4
Pro forma debt on fully invested basis (net of establishment costs)			489.8

7.7. Reconciliation of statutory and prospective financial information

The difference between the forecast statutory consolidated income statement and the forecast pro forma consolidated income statement for the period to 30 June 2013 represents the net loss forecast of \$(33.6) million to be incurred from Allotment Date to 31 December 2012 as shown below:

Reconciliation of statutory accounts

(\$m)	
Statutory forecast net loss after tax	(0.0)
Add back – transaction costs	37.3
Less – Net profit after tax from Allotment Date to 31 December 2012 ¹	(3.7)
Pro forma profit after tax	33.6

Notes:

1. Prior to transaction costs

7.8. Significant accounting policies

The preparation of the Financial Information requires estimates, judgements and assumptions that affect the reported amounts of gross revenues, gross expenses, assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Revisions to estimates are recognised in the period in which the estimate is revised and in any future period affected.

The significant accounting policies below apply estimates, judgements and assumptions which could materially affect the financial results or financial position reported in future periods.

(A) Property rental revenue

Rental income from a Property leased out under an operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income on a straight-line basis. Contingent rents are recorded as income in the periods in which they are earned.

(B) Investment property

An investment property is a property that is held to earn long term rental yields and/or for capital appreciation. An investment property acquired is initially recorded at its cost at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. Investment properties are not depreciated.

The carrying amount of investment properties includes components relating to lease incentives, leasing costs and receivables on rental income that have been recorded on a straight-line basis. Rental and incentive guarantees provided by the Woolworths Group are not included in the measurement of the fair value of the investment property, rather are recorded as separate assets (refer to note (F) that follows).

An investment property is subsequently measured at fair value each reporting period, based on the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value of investment properties will be determined by the Directors, in accordance with AASB 140 "Investment Property". The SCA Property Group Directors' assessment of the fair value of each property will be periodically confirmed by independent valuations on a rolling basis. In determining fair value both the capitalisation of net income and the discounted cash flow method are used.

Any gains or losses arising from a change in the fair value of investment property are recognised in the income statement in the period in which they arise.

(C) Investment properties under construction

Australian Properties

SCA Property Group will acquire the Australian Properties in the Development Portfolio at fair value at Completion, as determined by an independent valuer on 1 December 2012, less the Development Price ("initial value"). The Development Price represents a fixed payment for the completion of the remaining construction relating to the Development Portfolio at the Implementation Date.

New Zealand Properties

SCA Property Group will acquire the New Zealand Properties in the Development Portfolio on completion for a fixed price based on the fair value, as determined by an independent valuer's current assessment of the fair value of the completed property on completion at 1 December 2012.

At each reporting date the investment property under construction will be carried at fair value based on the same criteria noted in note (B) on the preceding page.

(D) Leasing fees

Leasing fees in relation to the initial leasing of the property after a re-development are capitalised and amortised over the period to which the lease relates. Costs that are directly associated with negotiating and executing the ongoing renewal of tenant lease agreements (including commissions, legal fees and costs of preparing and processing documentation for new leases) are also capitalised and amortised over the lease term in proportion to the rental revenue recognised in each financial year.

(E) Borrowings

Borrowings are recognised initially at fair value less any attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate basis. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability to at least 12 months after the balance sheet date.

Borrowing costs are recognised as expenses using the effective interest rate method, unless they relate to a qualifying asset. A qualifying asset is an asset which generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the borrowing costs are capitalised to the cost of the asset. Where funds are borrowed by the Trust for the acquisition or construction of a qualifying asset, the borrowing costs are capitalised.

(F) Rental Guarantee

The Rental Guarantee is measured as the present value of expected future cash flows under the guarantee arrangements with Woolworths Group.

The guarantee payments are recorded in the income statement net of the unwinding of the financial asset over the period of the guarantee.

(G) Site Access Fee

The Site Access Fee is recorded as other income in the income statement in the periods in which it is earned on an accruals basis.

(H) Derivatives

SCA Property Group may enter into derivative financial instruments to hedge its exposure to interest rate risk and currency risk from operational, financing and investment activities.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The effective portion of changes in the fair value of cash flow hedges will be recognised directly in equity. The gain or loss relating to any ineffective portion will be recognised immediately in the income statement. Amounts accumulated in equity will be transferred in the income statement in the period when the hedged item will affect profit or loss.

(I) Income taxes

SCA Property Group comprises taxable and non-taxable entities. A liability for current and deferred taxation is only recognised in respect of taxable entities that are subject to income and potential capital gains tax as described below:

SCA Property Retail Trust is the property owning trust and is treated as a trust for Australian tax purposes. Under current Australian income tax legislation, SCA Property Group is not liable for Australian income tax, including capital gains tax, provided that Unitholders are presently entitled to the income of SCA Property Group as determined in accordance with SCA Property Group's constitution. SCA Property NZ Retail Trust is subject to New Zealand tax on its earnings. Distributions paid by SCA Property NZ Retail Trust to SCA Property Group will not be subject to New Zealand withholding tax (or any withholding tax that applies will be relieved by way of a supplementary dividend) to the extent the distributions are paid out of earnings that have been subject to New Zealand tax (and imputation credits arising from New Zealand tax paid are attached). SCA Property Management Trust is treated as a company for Australian tax purposes.

Deferred tax is provided on all temporary differences at balance date on the difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realised through the continued use or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date.

Investigating Accountant's Report

8.





Deloitte Corporate Finance Pty Limited
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The Board of Directors
Shopping Centres Australasia Property Group RE Limited as Responsible Entity for
Shopping Centres Australasia Property Group
1 Woolworths Way
Bella Vista NSW 2153

5 October 2012

Dear Directors

REPORT ON FINANCIAL FORECASTS AND THE PRO FORMA BALANCE SHEETS AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Shopping Centres Australasia Property Group RE Limited as Responsible Entity for Shopping Centres Australasia Property Group, a new stapled listed vehicle comprising Shopping Centres Australasia Property Retail Trust and Shopping Centres Australasia Property Management Trust (the Trust) for inclusion in a Product Disclosure Statement (PDS) to be issued by the Responsible Entity for the Trust in respect of the offer of stapled units in the Trust (the Offer).

Deloitte Corporate Finance Pty Limited has been engaged by the directors of the Responsible Entity for the Trust (the Directors) to conduct a limited assurance engagement in relation to:

- the forecast statutory consolidated income statement of the Trust for the period from the date of allotment of the stapled units up to 30 June 2013 and for the year ending 30 June 2014 and the forecast pro forma consolidated income statement for the six months ending 30 June 2013, as set out in Section 7.3.1 of the PDS;
 - the forecast consolidated statement of distributions of the Trust for the period from the date of allotment of the stapled units up to 30 June 2013 and for the year ending 30 June 2014 and the forecast pro forma consolidated statement of distributions for the six months ending 30 June 2013, as set out in Section 7.3.2 of the PDS;
 - the forecast sources and uses of funds of the Trust at the date of allotment, as set out in Section 4.8 of the PDS;
- (collectively the Financial Forecasts) and
- the pro forma balance sheet of the Trust at the date of allotment of the stapled units being 11 December 2012 (the Allotment Date) and on a fully invested basis as set out in Section 7.3.4 of the PDS (the Pro forma Balance Sheets) (together the Financial Information).

Deloitte Corporate Finance Pty Limited is wholly owned by Deloitte Touche Tohmatsu and holds the appropriate Australian Financial Services licence for the issue of this report.

References to the Responsible Entity, Trust and other terminology used in this report have the same meaning as defined in the Glossary.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Member of Deloitte Touche Tohmatsu Limited

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Directors' Responsibility for the Financial Information

The Directors are solely responsible for the preparation and presentation of the Financial Information and the information contained within the PDS, including the assumptions on which they are based.

Pro forma Balance Sheets

The Pro forma Balance Sheets comprise the Pro forma Balance Sheet of the Trust as at the Allotment Date (assumed to occur on 11 December 2012) and on a fully invested basis.

The Pro forma Balance Sheets have been prepared by the Directors in accordance with the statement of significant accounting policies set out in Section 7.8 of the PDS and on the assumption that the transactions contemplated in the PDS as occurring on or around the Allotment Date and on or around the date the Trust is fully invested are completed as contemplated.

Financial Forecasts

The Financial Forecasts have been prepared by the Directors in order to provide prospective investors with a guide to the potential financial performance of the Trust for the period from the Allotment Date to 30 June 2013 and for the year ending 30 June 2014. There is a considerable degree of subjective judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties and contingencies which are often outside the control of the Trust. The Financial Forecasts have been prepared using assumptions summarised in the PDS which are based on best estimate assumptions relating to future events that management expect to occur and actions that management expect to take.

As disclosed in Section 7.4.1, the Financial Forecasts assume that there are no revaluations of the investment property and other related financial assets during the forecast period, and no corresponding mark to market adjustments required to be included in the Financial Forecasts, as the Directors do not believe that such revaluations can be reliably estimated.

As disclosed in Section 7.4.1, the Financial Forecasts assume that there are no movements in the market values of derivatives and no corresponding mark to market adjustments required to be included in the Financial Forecasts as the Directors do not believe that they can be reliably estimated.

The sensitivity analysis set out in Section 7.5 of the PDS demonstrates the impacts on the forecast financial performance of changes in key assumptions. The Financial Forecasts are therefore only indicative of the financial performance which may be achievable. Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Trust, which are detailed in the PDS, and the inherent uncertainty relating to the prospective financial information.

Accordingly prospective investors should have regard to the investment risks and sensitivities set out in Section 11 of the PDS.

Our Responsibility

Our responsibility is to express a conclusion on the Financial Information based on our procedures. The form of that conclusion on the Financial Information and procedures that we conducted are set out below.

Pro forma Balance Sheets

We conducted our work in accordance with Australian Auditing and Assurance Standards so that we can state whether anything has come to our attention which causes us to believe that the Pro forma Balance Sheets as set out in the PDS do not present fairly the Pro forma Balance Sheets of the Trust at the Allotment Date and on a fully invested basis, on the basis of the pro forma transactions and/or adjustments described in the PDS and in accordance with the recognition and measurement principles required by Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Responsible Entity for the Trust.

**Financial Forecasts**

We conducted our engagement in accordance with Australian Standard on Assurance Engagement (ASAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ASAE 3000), in order to state whether, based on the procedures performed, anything has come to our attention that causes us to believe that, in all material respects:

- a) the Directors' best estimate assumptions set out in Section 7.4 of the PDS do not provide reasonable grounds for the preparation of the Financial Forecasts
- b) the Financial Forecasts are not properly prepared on the basis of the Directors' best estimate assumptions, or presented fairly in accordance with the accounting policies adopted and used by the Responsible Entity for the Trust and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards
- c) the Financial Forecasts themselves are unreasonable.

Our engagement provides limited assurance as defined in ASAE 3000. Our procedures consisted primarily of enquiry, comparison, and analytical review procedures we considered necessary including discussions with management and directors of the Responsible Entity for the Trust of the factors considered in determining their assumptions. Our procedures included examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Financial Forecasts and the evaluation of accounting policies used in the Financial Forecasts.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ASAE 3000 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we will not express an opinion providing reasonable assurance.

Limitations of Use

We disclaim any responsibility for any reliance on this report or on the Financial Information to which it relates for any other purpose than that for which it was prepared.

Inherent Limitations

Prospective financial information, such as the Financial Information, relate to events and actions that have not yet occurred and may not occur. While evidence may be available to support the assumptions on which the Financial Information is based, those assumptions are generally future orientated and therefore speculative in nature. Accordingly, actual financial performance may vary from the prospective financial information presented in the PDS and such variations may be material. We express no opinion as to whether the Financial Forecasts will be achieved.

Independence

Deloitte Corporate Finance Pty Limited does not have any interest in the outcome of this issue other than the preparation of this report included in Section 8 and participation in the due diligence procedures for which normal professional fees will be received.

Deloitte Touche Tohmatsu is the auditor of Woolworths Limited and of Shopping Centres Australasia Property Group.

DeloittePage 4
5 October 2012**Conclusion****Pro forma Balance Sheets**

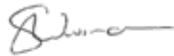
Based on our limited assurance engagement nothing has come to our attention that causes us to believe that the PDS does not present fairly the Pro forma Balance Sheets on the basis of the pro forma transactions and/or adjustments described in the PDS and in accordance with the recognition and measurement principles required by Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Responsible Entity for the Trust.

Financial Forecasts

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that, in all material respects:

- i) the Directors' best estimate assumptions, as set out in Section 7.4 of the PDS, do not provide reasonable grounds for the preparation of the Financial Forecasts
- ii) the Financial Forecasts are not properly prepared on the basis of the Directors' best estimate assumptions, or presented fairly in accordance with the accounting policies adopted and used by the Responsible Entity for the Trust and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards
- iii) the Financial Forecasts themselves are unreasonable.

Yours faithfully

Deloitte Corporate Finance Pty Limited**Steve Woosnam**
Director

Deloitte.

Financial Services Guide

What is a Financial Services Guide?

This Financial Services Guide (FSG) provides important information to assist you in deciding whether to use our services. This FSG includes details of how we are remunerated and deal with complaints.

Where you have engaged us, we act on your behalf when providing financial services. Where you have not engaged us, we act on behalf of our client when providing these financial services, and are required to give you an FSG because you have received a report or other financial services from us.

What financial services are we licensed to provide?

We are authorised to provide general financial product advice and to arrange for another person to deal in financial products in relation to securities, interests in managed investment schemes and government debentures, stocks or bonds to retail and wholesale clients.

Our general financial product advice

Where we have issued a report, our report contains only general advice. This advice does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is provided to you in connection with the acquisition of a financial product you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we and all employees remunerated?

Our fees are usually determined on a fixed fee or time cost basis and may include reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us. Clients may request particulars of our remuneration within a reasonable time after being given this FSG.

Other than our fees, we, our directors and officers, any related bodies corporate, affiliates or associates and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary and while eligible for annual salary increases and bonuses based on overall performance they do not receive any commissions or

other benefits as a result of the services provided to you. The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

We are ultimately controlled by the Deloitte member firm in Australia (Deloitte Touche Tohmatsu). Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We and other entities related to Deloitte Touche Tohmatsu:

- do not have any formal associations or relationships with any entities that are issuers of financial products
- may provide professional services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

If you have any concerns regarding our report or service, please contact us. Our complaint handling process is designed to respond to your concerns promptly and equitably. All complaints must be in writing to the address below.

If you are not satisfied with how we respond to your complaint, you may contact the Financial Ombudsman Service (FOS). FOS provides free advice and assistance to consumers to help them resolve complaints relating to the financial services industry. FOS' contact details are also set out below.

The Complaints Officer PO Box N250 Grosvenor Place Sydney NSW 1220 complaints@deloitte.com.au Fax: +61 2 9255 8434	Financial Ombudsman Service GPO Box 3 Melbourne VIC 3001 info@fos.org.au www.fos.org.au Tel: 1300 780 808 Fax: +61 3 9613 6399
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What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services provided by us. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

31 July 2012

Deloitte Corporate Finance Pty Limited, ABN 19 003 883 127, AFSL 241457 of Level 1 Grosvenor Place, 225 George Street, Sydney NSW 2000

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Summary of valuations

9.





4 October 2012

Savills Valuations Pty Ltd
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DL: (03) 8686 8029

Shopping Centres Australasia Property RE Limited
1 Woolworths Way
Bella Vista NSW 2153

Level 25, 140 William Street
Melbourne VIC 3000
T: (03) 8686 8000
F: (03) 8686 8088
savills.com.au

Ref: 11600 – PDS Letter

Re: Valuation of Woolworths Limited Portfolio

Instructions

We refer to instructions received from Woolworths Limited for Savills Valuations Pty Ltd to prepare valuations on 32 retail properties located in Victoria, Queensland, South Australia, New South Wales and Western Australia. We have prepared a comprehensive valuation report of each property dated 1 December 2012. The valuations were undertaken on the basis of Freehold title, subject to existing tenancies, rental guarantees (to be provided for a two year period by Woolworths Limited) and assuming a Lease is executed and duly binding to the Woolworth Limited business/es at each property. The following is a summary of the valuation reports prepared.

Valuation Date

1 December 2012

Our assessment of Market Value has been conducted at the instructed valuation date of 1 December 2012 on the critical assumption that the market conditions at 1 December 2012 remain identical to those that exist at our date of inspection.

In accordance with our instructions from Woolworths Limited, for those properties where construction had not yet commenced and/or where the property was not forecast to open until after 1 December 2012, we have undertaken an 'As If Complete' valuation as at the anticipated completion date. It is a critical assumption of these 'As If Complete' valuations that the market conditions that exist at the Date of Valuation remain unchanged at the anticipated completion date.

General Assumptions

- The proposed Leases to the Woolworths Limited business/es at each property will be executed and become legally binding document/s;
- A two year rental guarantee and additional incentive allowance will be provided by Woolworths Limited for each vacancy that exists as at our instructed valuation date of 1 December 2012;
- For those properties whereby we have assessed an 'As if Complete' value, we have assumed five year lease terms for all existing tenancies not yet subject to lease and have adopted our assessed gross market rents with annual rental reviews throughout the assumed lease term; and



Liability limited by a scheme approved
under Professional Standards Legislation



- We have relied upon documents within the online Data Room as provided and managed by Allens, Lawyers. We have undertaken our valuations on the basis that the information supplied to us is fulsome, current and accurate.

Valuation Methodology and Rationale

Our primary method of valuation has been the capitalisation approach, with consideration also having been given to the Discounted Cash Flow and Direct Comparison approaches to value. A summary of these adopted valuation approaches as provided below.

Capitalisation Approach

The capitalisation approach to value involves the assessment of the current annual market rental value of the property. Our assessment of current annual market rental value has been based on an analysis of comparable rental evidence. The current market rental has then been capitalised at a rate derived from establishing a relationship between rental returns and the sale prices of comparable investment properties.

Where a property has existing vacancies, Woolworths Limited will provide a two year rental guarantee at the assessed gross market rent as well as providing for the payment of the required lease incentive.

Discounted Cash Flow Analysis

The discounted cash flow analysis takes into account the ability of the property to generate income over a 10 year period based on certain assumptions. Provision is made for leasing up periods upon the expiry of the various leases throughout the 10 year time horizon. Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. its terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present Market Value of the property.

Direct Comparison Approach

Under the direct comparison approach we have compared the subject property to the analysis of the identified comparable sales evidence on a \$/m² of gross lettable area basis.

Summary of Values

A summary of our adopted valuation parameters and assessed Market Values for each property is provided in the table below.

Property	State	Category	Classification	Adopted Cap Rate	Target IRR	Terminal Yield	\$/m ² of GLA	Assessed Market Value
Woolworths Cabarita	NSW	3	Neighbourhood Centre	9.00%	9.75%	9.25%	\$4,365 /m ²	\$14,900,000
Woolworths Carrara	QLD	1	Neighbourhood Centre	8.25%	9.00%	8.50%	\$3,955 /m ²	\$14,700,000
Chancellor Park Marketplace	QLD	1	Neighbourhood Centre	8.50%	9.25%	8.75%	\$4,926 /m ²	\$25,600,000
Woolworths Collingwood Park	QLD	1	Neighbourhood Centre	9.00%	9.75%	9.25%	\$2,415 /m ²	\$11,500,000
Woolworths Kirkwood	QLD	1	Neighbourhood Centre	8.00%	9.25%	8.25%	\$5,906 /m ²	\$24,000,000
Mission Beach Marketplace	QLD	1	Neighbourhood Centre	9.50%	10.00%	9.75%	\$2,244 /m ²	\$9,200,000
Woolworths Brookwater Village	QLD	3	Neighbourhood Centre	8.50%	9.75%	8.75%	\$3,586 /m ²	\$24,600,000
Woolworths Coorparoo	QLD	1	Neighbourhood Centre	7.75%	9.00%	8.00%	\$4,580 /m ²	\$21,200,000
Woolworths Coorales	QLD	1	Neighbourhood Centre	8.00%	9.25%	8.25%	\$5,108 /m ²	\$20,500,000
Woolworths Woodford	QLD	1	Neighbourhood Centre	9.50%	10.00%	9.75%	\$2,343 /m ²	\$8,600,000
Central Highlands Marketplace	QLD	1	Sub-Regional	7.75%	9.25%	8.00%	\$3,102 /m ²	\$58,600,000
Woolworths Blakes Crossing	SA	1	Neighbourhood Centre	8.50%	9.50%	8.75%	\$3,594 /m ²	\$19,900,000
Woolworths Walkerville	SA	3	Neighbourhood Centre	7.75%	9.00%	8.00%	\$3,849 /m ²	\$19,500,000
Mt Gambier Marketplace	SA	2	Sub-Regional	8.00%	9.25%	8.25%	\$2,993 /m ²	\$50,000,000
Masters Mt Gambier	SA	2	Home Improvement	7.75%	9.25%	8.00%	\$1,711 /m ²	\$17,500,000



Property	State	Category	Classification	Adopted Cap Rate	Target IRR	Terminal Yield	\$/m ² of GLA	Assessed Market Value
Woolworths Treendale	WA	1	Neighbourhood Centre	8.25%	9.25%	8.50%	\$3,344 /m ²	\$24,350,000
Woolworths Busseton	WA	2	Neighbourhood Centre	8.50%	9.00%	8.75%	\$3,485 /m ²	\$18,200,000
Woolworths Margaret River	WA	3	Neighbourhood Centre	8.25%	9.25%	8.50%	\$3,567 /m ²	\$20,700,000
Kwinana Marketplace	WA	4	Sub-Regional	8.25%	9.75%	8.50%	\$3,451 /m ²	\$87,000,000
Mildura	VIC	1	Freestanding	8.00%	8.75%	8.25%	\$2,511 /m ²	\$23,000,000
Moama Marketplace	NSW	1	Neighbourhood Centre	8.50%	9.00%	8.75%	\$2,434 /m ²	\$11,000,000
Woolworths Emerald (VIC)	VIC	1	Freestanding	6.75%	n.a.	n.a.	\$3,928 /m ²	\$11,450,000
Woolworths Maffra	VIC	1	Freestanding	7.00%	n.a.	n.a.	\$4,003 /m ²	\$9,300,000
Woolworths Bright	VIC	1	Neighbourhood Centre	7.50%	n.a.	n.a.	\$2,763 /m ²	\$9,000,000
Woolworths Cowes	VIC	1	Neighbourhood Centre	8.25%	9.25%	8.50%	\$3,340 /m ²	\$16,800,000
Woolworths Epping North	VIC	1	Neighbourhood Centre	7.75%	9.25%	8.00%	\$3,813 /m ²	\$20,500,000
Woolworths Warrambool	VIC	1	Neighbourhood Centre	8.25%	9.00%	8.50%	\$2,449 /m ²	\$11,100,000
Dah Murphy's Warrambool	VIC	1	Freestanding	6.75%	n.a.	n.a.	\$3,968 /m ²	\$5,700,000
Woolworths White Box Rise	VIC	1	Neighbourhood Centre	8.25%	9.25%	8.50%	\$3,739 /m ²	\$18,500,000
Woolworths Highbett	VIC	3	Neighbourhood Centre	7.75%	9.25%	8.00%	\$4,139 /m ²	\$24,000,000
Paikham Central Marketplace	VIC	1	Sub-Regional	7.50%	9.25%	7.75%	\$3,849 /m ²	\$68,000,000
Lilydale Marketplace	VIC	4	Sub-Regional	7.75%	9.25%	8.00%	\$3,763 /m ²	\$80,500,000

The valuation methodology and calculations is contained in the full valuation reports prepared on each property.

Liability Disclaimer and Consent

Savills Valuations Pty Ltd has prepared this letter based upon information made available to us at the date of valuation. We consider that this information is accurate and complete, however we have not independently verified all such information. Further liability disclaimers regarding the preparation and reliance of this summary letter and the naming of Savills Valuations Pty Ltd in the Product Disclosure Statement ("PDS") are outlined in the PDS. Savills Valuations Pty Ltd provides consent for the inclusion of this summary letter in the PDS.

Savills Valuations Pty Ltd has prepared this summary for inclusion in the PDS and has only been involved in the preparation of this summary and the valuations referred to therein. Savills Valuations Pty Ltd specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in this Product Disclosure Statement, other than in respect of the Valuations and this summary.

We confirm that Savills Valuations Pty Ltd do not have any pecuniary interest that would conflict with the proper valuation of the subject properties and the valuations being made independently of Woolworths Limited. Savills Valuations Pty Ltd are not licensed to provide financial services and the information detailed herein (and the full valuation report) is not intended to provide advice on your investment decision.

Yours sincerely

Stuart Fox
Divisional Director
Savills Valuations Pty Ltd



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5 October 2012

Shopping Centres Australasia Property RE Limited
c/- Woolworths Limited
1 Woolworths Way
BELLA VISTA NSW 2153

Dear Madam/Sir,

RE: SUMMARY OF VALUATIONS UNDERTAKEN BY CUSHMAN AND WAKEFIELD FOR WOOLWORTHS LIMITED

Instructions

At the request of Woolworths Limited, Cushman and Wakefield (NSW) Pty Ltd hereby provide to you a summary of the assessments of the current market values of a defined portfolio of properties owned by Fabcot Pty Ltd (a subsidiary of Woolworths Limited) and Woolworths Limited undertaken for financial reporting and asset transfer purposes.

Our instructions were to determine the estimated market sale price of each asset for the potential transfer from Fabcot Pty Ltd and Woolworths Limited, or other related entities of Woolworths Limited, into a Listed Real Estate Investment Trust (REIT).

Where assets are yet to be completed we were instructed to provide a valuation of the land assuming it is vacant as at the valuation date, and a value assuming "As if Complete".

As per our instructions the properties have been valued at an effective date of 1 December 2012, whilst our inspections of the various properties occurred throughout the months of June, July and August 2012.

According to the Australia and New Zealand Valuation and Property Standards (Version 6) 2008 for property valued at a future date for financial reporting the following applies:

"When a valuation is required for financial reporting purposes at a future date, the valuation shall be recorded as at the date of inspection and the Valuer may make comment on the use of that valuation as at that future date subject to the relevant factors influencing the value and the property being unchanged as at that future date."

**Summary of Valuations undertaken for Woolworths Limited**

October 2012

Given our site inspections occurred prior to the effective valuation date, we have of necessity assumed that the land, improvements and real estate market conditions remain unchanged between the relevant Dates of Inspection and the Effective Date of Valuation.

As the properties are owner occupied we have adopted the International Valuation Standard Council (IVSC) and Australian Property Institute (API) Valuation Standards that require us to adopt a notional lease which reflects market terms and conditions for the purposes of valuing owner occupied land and/or buildings.

We confirm that our report complies with the parameters of the instructions received subject to the "Critical Assumptions" detailed within this report.

Critical Assumptions & Reliance on Information Provided

The properties valued fall into four (4) different categories;

1. Open and trading premises;
2. Premises under construction that are forecast to be open prior to 1 December 2012;
3. Premises under construction and forecast to be open subsequent to 1 December 2012;
4. Premises that are open but are undergoing or are planned to undergo significant redevelopment.

In broad terms we have been instructed to assume that Woolworths Limited would provide rental guarantees to cover vacant tenancies in completed buildings, and would underwrite the forecast gross market rent for buildings that are yet to be completed, or where major works are being undertaken. In addition, Woolworths Limited would also contribute to fund tenant incentives up to a maximum of 6 months gross rent plus GST.

Where applicable the "As if Complete" valuations assume that the proposed improvements were finished as at the date of valuation to an acceptable standard as detailed and reflect the market conditions as of that time.

The Value As if Complete assessed in these reports reflects the Market Value of the proposed improvements as detailed in the reports on the assumption that all construction had been satisfactorily completed in all respects at the date of the respective reports. The valuation reflects the valuer's view of the market conditions existing at the date of the report and does not purport to predict the market conditions and the value at the actual completion of the improvements because of time lag. Accordingly, the "As if Complete" valuation should be confirmed by a subsequent inspection by the valuer, initiated and instructed by the instructing party on completion of improvements. We reserve the right to review and if necessary, vary the valuation in the respective reports if there are any changes in relation to the project itself or in property market conditions and prices.

We have relied on third party reports for our assessments provided by consultants active in the fields of environmental, geo-technical, quantity surveying, surveying, demographic, rental arrears, management reporting, inter alia, which are deemed to be true and accurate.

**Summary of Valuations undertaken for Woolworths Limited**

October 2012

Our assessment has addressed the market value of the properties based on existing and proposed leases and other occupational arrangements. Where agreements are yet to be entered into we have assumed that the final versions of such will be consistent with the draft proposals that we have been furnished.

Our valuation calculations include rental growth assumptions throughout a defined cash flow period. These assumptions have been based on prevailing economic conditions and are supported by independent economic commentary and forecasts as at the time of valuation.

Reliance on this Letter

We have prepared this letter to be included in a Product Disclosure Statement ("PDS"). The PDS will provide a summary of our Reports that will outline the key factors that have been considered in arriving at our opinion of value. Please note that this letter does not contain all the necessary data and supporting information that is included in our Reports.

Valuation Rationale

In arriving at our opinion of value we have considered relevant general and economic factors, and in particular have investigated recent sales and leasing transactions of comparable properties that have occurred in the current market climate. We have also made a number of critical assumptions, which collectively are considered to have a material impact upon the valuations.

Investment Approach

In undertaking our valuation we have utilised the investment approach whereby we have taken the estimated gross passing income, and adjusted this where required to market levels. From this we have made allowances for anticipated operating costs, the potential future income from existing vacancies and on-going vacancy allowances, and bad debts provisions to produce an estimated net market income on a fully leased basis. The adopted fully leased net incomes are then capitalised in perpetuity effective from the valuation date at an appropriate investment yield, as detailed in the respective reports.

The adopted yield reflects the nature, location and tenancy profile of the properties together aligned current market investment criteria and sentiment, as evidenced within the sales evidence detailed. Thereafter, various capital adjustments are made to conclude a core capital value.



Summary of Valuations undertaken for Woolworths LimitedOctober 2012

Discount Cash Flow Method

This analysis allows an investor or owner to make an assessment of the long term return that is likely to be derived from a property through the combination of both rental and capital growth over an assumed investment horizon. In undertaking this analysis a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, end sale price of the property at the conclusion of the investment horizon, the inclusion of hypothetical costs associated with the initial purchase of the property, and the estimated disposal costs at the end of the ten year investment period.

Having regard to these factors we have carried out a discounted cash flow analysis over a 10 year investment horizon in which we have assumed that the property is sold at the commencement of the eleventh year of the cash flow.

The analysis proceeds on a before tax basis, and while we have not qualified any potential taxation benefits associated with the property, we are of the view that these are an issue which a prospective purchaser would reflect in its consideration. Any prospective purchaser/investor should make his/her own enquiries in this regard, as we are not taxation experts.

The analysis is predicted on the assumption of a cash purchase. No allowance for interest and other funding costs have been made.

We have discounted the income at each year of the cash flow on a midpoint basis which assumes an income of six months in arrears and six months in advance.

We have investigated the current market requirements for an investment return over a 10 year period from retail property. We hold regular discussions with investors active in the market, both as purchasers and owners of shopping centres.

Summary of Values

The values assessed for the individual properties as concluded by Cushman & Wakefield are summarised in the table below.

For full details pertaining to the individual valuations, we refer the parties concerned to consult the calculations of our opinion of value in the respective reports that have been prepared separately for each property analysed.



Summary of Valuations undertaken for Woolworths Limited

October 2012

Property	State	Cap Rate	Discount Rate	Value	Value psm
Dan Murphy's Burwood	NW	7.25%	7.50%	\$7,300,000	\$5,214
Big W Inverell	NW	10.00%	10.00%	\$15,500,000	\$2,016
Woolworths Mullumbimby	NW	7.50%	7.75%	\$9,000,000	\$3,792
Woolworths Cardiff	NW	8.25%	9.00%	\$16,000,000	\$2,734
Woolworths Macksville	NW	8.50%	9.00%	\$9,200,000	\$2,540
Woolworths Morisset	NW	8.75%	9.00%	\$14,000,000	\$3,381
Woolworths Swansea	NW	8.50%	8.75%	\$10,700,000	\$2,853
Woolworths Goonellabah	NW	8.50%	10.00%	\$16,000,000	\$3,151
Murray Bridge Marketplace	SA	8.25%	9.50%	\$58,000,000	\$3,228
Woolworths Griffith North	NW	7.50%	9.00%	\$7,750,000	\$2,900
Dan Murphy's Katoomba	NW	7.50%	8.00%	\$5,750,000	\$4,107
Woolworths Culburra Beach	NW	8.75%	9.25%	\$5,300,000	\$3,121
Woolworths Fairfield Heights	NW	7.50%	8.75%	\$16,000,000	\$4,208
Katoomba Marketplace	NW	7.50%	8.00%	\$38,500,000	\$4,101
Lane Cove Marketsquare	NW	7.25%	9.50%	\$38,300,000	\$5,699
Woolworths Laura	NW	8.25%	9.00%	\$12,500,000	\$4,908
Lismore Central	NW	8.75%	9.50%	\$23,600,000	\$3,408
Mittagong Shopping Village	NW	8.00%	9.00%	\$7,800,000	\$3,495
Woolworths North Orange	NW	8.00%	9.00%	\$24,250,000	\$4,878
Woolworths Tara Beach	NW	8.75%	9.00%	\$13,500,000	\$2,722
Woolworths Delroy Park (West Dubbo)	NW	8.75%	10.00%	\$12,000,000	\$2,852
Woolworths Beralia	NW	8.00%	9.00%	\$18,700,000	\$4,309
Woolworths Ulladulla	NW	8.50%	9.50%	\$14,750,000	\$2,772
Woolworths Greystanes	NW	8.00%	9.50%	\$38,200,000	\$6,872



Summary of Valuations undertaken for Woolworths LimitedOctober 2012

Consent

Cushman & Wakefield (NSW) Pty Ltd provides its consent for the inclusion of this summary letter within the Product Disclosure Statement ("PDS") for the newly created Listed Real Estate Investment Trust (REIT).

Liability Disclaimers:

- a) Cushman & Wakefield is not operating under an Australian Financial Services Licence when providing the formal valuation or this letter, and those departments do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisors before making any decision to invest in any newly created REIT.
- b) Cushman & Wakefield disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the PDS, other than in respect to this letter and the formal valuations provided.
- c) The formal valuations and this letter are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in the PDS. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.
- d) Neither this letter nor the full valuation reports may be reproduced in whole or in part without prior written approval of Cushman & Wakefield.
- e) Cushman & Wakefield has prepared this letter on the basis of, and is limited to, the financial and other information provided (including market information and third party information) is accurate, reliable and complete, and confirm that we have not tested the information in that respect.
- f) This summary letter is to be read in conjunction with the formal individual valuation reports and is subject to the assumptions, limitations and disclaimers contained therein.
- g) We confirm that the valuers do not have a pecuniary interest that would conflict with a proper valuation of the property.



Summary of Valuations undertaken for Woolworths Limited

October 2012

Signed for and on behalf of Cushman & Wakefield.



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16033/MG

5 October 2012

Shopping Centres Australasia Property RE Limited
1 Woolworths Way
Bella Vista
NSW 2153
AUSTRALIA

DUE DILIGENCE COMMITTEE REPORT

We have been requested to provide the following information in relation to the processes and other aspects of the SCA Property Group portfolio valuation.

1. GENERAL

The valuations have been completed in accordance with the Australia and New Zealand Valuation and Property Standards for the purpose of assessing the market value of the properties as part of a planned transfer and Initial Public Offer. In particular Valuation Guidance Note NZVGN 1 – Valuations for Use in New Zealand Financial Reports and IVS 300 – Valuations for Financial Reporting.

We confirm that these valuations have been prepared to establish market value under International Financial Reporting Standards NZ IAS40 - Investment Property which relates to non-operational assets held for future development, investment or surplus to the operations of the entity.

We have adopted the International Financial Reporting Standards definition of "Fair Value" as follows:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between relevant participants at the measurement date."

Fair value is generally synonymous with the term market value. Market Value is defined in the International Valuation Standards as:

"The estimated amount for which an asset should exchange, on the date of valuation, between a willing buyer and a willing seller, in an arm's-length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently, and without compulsion."





2. COMPLIANCE

We confirm that we have acted independently in making our assessments and at no time did we feel coerced or pressured to increase, decrease or alter our adopted values.

3. CRITICAL ASSUMPTIONS

A summary of the critical assumptions adopted in our valuations are as follows;

- We assume that the supermarket is fully compliant and consent conditions (if any) imposed should be considered low risk and have a minimal impact given the input in the design and consent process from specialist experts including Traffic Management, Acoustic and Environmental Engineers.
- We have relied on engineering, legal, environmental and due diligence reports provided.
- Actual operating expenses are in line with budgets provided.
- We have been provided with capital expenditure budgets and have assumed that any short term capital requirements are resolved prior to the valuation date, accordingly no specific capital expenditure deductions have been made for these items.
- The supermarkets and retail premises are subject to lease terms and conditions, and where applicable rental guarantees, as outlined in the body of the reports.

4. RELIANCE ON THIS LETTER

We have prepared this letter to be included in the Product Disclosure Statement which summarises our reports and outlines key factors that have been considered in arriving at our adopted values. This letter does not contain all of the necessary data and support which are included in our reports.

Colliers International provides consent for the inclusion of this summary letter in the Product Disclosure Statement.

5. PROCESS

The primary method of valuation considered was that of direct capitalisation of passing income. This is considered to be a well proven method of determining value for an investment property where income is receivable for a reasonable term from secure tenants. The properties are subject to 15 or 20 year lease term across the supermarket premises with no market resets during this term, and potentially for as long as 55 years with renewal options. Given this length of secure income from an extremely strong covenant we have placed most reliance on the contract income approach in assessing market value. There have been several sales of supermarkets by Progressive Enterprises Limited (a subsidiary of Woolworths Limited) in recent times which have been used to substantiate this methodology and provide yield evidence.



We have made property specific variations to the adopted capitalisation rates for factors such as:

- Urban, suburban or provincial location;
- Potential for other uses;
- Value quantum of property;
- Competition;
- MacroPlan Dimasi Forecast turnover and potential for rental growth;
- Earthquake, insurance and contamination risk.

6. VALUATION SUMMARY

We provide a summary of values and valuation key metrics as follows:

Property Name	Standalone / Shopping Centre	Property Location	Asset Value	Initial Yield	IRR on Adopted Value
54 Kerikeri Road, Kerikeri	Standalone	Kerikeri	\$14,400,000	8.25%	8.78%
112 Stoddard Road, Mt Roskill	Standalone	Auckland	\$19,200,000	7.72%	9.44%
225 Great South Road, Takapuna	Shopping Centre	Auckland	\$30,600,000	8.14%	9.08%
20 - 23 Neville Street, Warkworth	Shopping Centre	Auckland	\$16,700,000	8.07%	9.26%
Bridge Street, Bridge Mall, Hamilton	Standalone	Hamilton	\$14,600,000	7.75%	9.31%
St James Shopping Centre, Rotorua	Shopping Centre	Hamilton	\$12,000,000	7.86%	9.84%
Corner Putaitai Street & Main Road, Stoke	Standalone	Nelson	\$9,600,000	8.23%	9.60%
Corner Roberts Line & Fernies Avenue, Kehin Grove	Shopping Centre	Palmerston North	\$10,700,000	7.81%	9.79%
3 Main Road, Tawa	Standalone	Wellington	\$14,700,000	7.79%	9.05%
3 John Street, Newtown	Shopping Centre	Wellington	\$20,600,000	7.52%	9.06%
17 Chappie Place, Hornby	Standalone	Christchurch	\$15,000,000	8.27%	9.57%
40-54 Ivory Street, Rangiora East	Standalone	Christchurch	\$12,100,000	8.08%	9.64%
Corner McCauley Street & Rolleston Drive, Rolleston	Standalone	Christchurch	\$13,000,000	8.35%	9.43%
323 Andersons Bay Road, Dunedin South	Standalone	Dunedin	\$15,000,000	8.27%	9.37%
			\$218,100,000		

Please do not hesitate to contact the writers to discuss any aspect of this report

Yours faithfully

COLLIERS INTERNATIONAL NEW ZEALAND LIMITED

M E GRANBERG BCOM, BPROP ANZIV
Registered Valuer
Director | Valuation & Advisory Services

KANE SWEETMAN BA, BPROP, MPINZ, FRICS
Registered Valuer
National Director | Valuation & Advisory Services

Taxation implications

10.



Greenwoods & Freehills

The Directors
Shopping Centres Australasia Property
Group RE Limited as responsible entity of
Shopping Centres Australasia Property
Retail Trust
1 Woolworths Way
Bella Vista NSW 2153

5 October 2012

The Directors
Shopping Centres Australasia Property
Group RE Limited as responsible entity of
Shopping Centres Australasia Property
Management Trust
1 Woolworths Way
Bella Vista NSW 2153

Dear Directors

SCA Property Group Product Disclosure Statement – Australian Taxation Implications

We have been instructed by the Responsible Entity to prepare a taxation summary to be included in the PDS dated on or about 5 October 2012.

Capitalised terms not otherwise defined in this letter have the meaning given in the Product Disclosure Statement.

1 Scope

The tax summary in this letter is a general summary of the Australian income tax and goods and services tax (GST) implications of acquiring a Stapled Unit under the Offer. In addition, the summary outlines the implications arising from holding and disposing of a Stapled Unit.

The Australian income tax implications of acquiring (and holding and disposing) of a Stapled Unit under the Distribution are described in the Explanatory Memorandum that has been provided to all Woolworths Shareholders eligible to receive a Stapled Unit pursuant to the Distribution.

The information in this summary is general in nature and based on the law in force in Australia and practice of the ATO at the time of issue of this PDS. The summary does not address the consequences that arise if you hold your Stapled Units on revenue account, as trading stock, or if the Taxation of Financial Arrangement provisions apply in respect of your Stapled Units.

The tax consequences of participating in the Offer will vary depending on your circumstances and the jurisdiction in which you are located. This summary does not address the tax consequences of participating in the Offer for non-residents of Australia under the laws of other jurisdictions. It is important that you consult with your professional tax advisor regarding your particular circumstances.

Greenwoods & Freehills

2 Distribution

The taxation consequences of the Distribution are described in the Explanatory Memorandum. We recommend that those Woolworths Shareholders acquiring Stapled Units as part of the Distribution refer to the implications outlined in the Explanatory Memorandum.

3 Income Tax – Australian Resident Stapled Unitholders

3.1 Acquisition of Stapled Units under the Offer

Each SCA Property Retail Trust unit and SCA Property Management Trust unit comprising a Stapled Unit cannot be traded separately. However, for Capital Gains Tax (CGT) purposes each of the individual units is considered to be a separate CGT asset. Accordingly, upon acquisition, you will be taken, for CGT purposes, to have acquired a unit in SCA Property Retail Trust and a unit in SCA Property Management Trust.

Your cost base in each of the individual securities comprising the Stapled Unit will include so much of the total price you paid to acquire the Stapled Units (plus certain non-deductible incidental costs you incur to acquire them) that is reasonably attributable to that security. You will need to allocate the cost base of the individual securities comprising each Stapled Unit on a reasonable basis. In accordance with the ATO's general practice, one possible method of apportionment is on the basis of relative net tangible asset values of SCA Property Retail Trust and SCA Property Group Management Trust.

Relevant information regarding the net tangible asset values of SCA Property Group Retail Trust and SCA Property Management Trust will be made available to you on the SCA Property Group's website: www.scapropertyoffer.com.au.

If you acquired Stapled Units under the Distribution, your cost base for those securities will be as described in the Explanatory Memorandum.

3.2 Distributions from SCA Property Management Trust

For income tax purposes, SCA Property Management Trust will, subject to elections the responsible entity may make, be taxed either as a company or like a company under Division 6C of the ITAA 1936 and its distributions (other than certain capital distributions) to Stapled Unitholders will be taxed as dividends and may be franked.

Your assessable income will include the amount of the distributions by SCA Property Management Trust, as well as the amount of franking credits, if any, attached to the distributions. You will generally be entitled to a tax offset (rebate) corresponding to the amount of the franking credits.

Generally, to be eligible for the franking credit and tax offset, you must have held your SCA Property Management Trust units "at risk" for at least 45 days (not including the date of acquisition or the date of disposal). This rule should not apply to you if you are an individual whose tax offset entitlement (on all shares (and certain units) and interests in shares (and certain units) held) does not exceed \$5,000 for the income year in which the franked dividend is paid. If you enter into put or call options (or other derivatives) in relation to Stapled Units, this may affect whether the Stapled Units are sufficiently held "at risk" for the purposes of the franking rules, and specific advice should be sought.

Where you are an individual, a complying superannuation entity or a registered charity (in certain circumstances), you will generally be entitled to a tax refund to the extent that the franking credits attached to your distributions from SCA Property Management Trust for an income year exceed your tax liability for the income year.

Where you are a company, any franked distributions that you receive from SCA Property Management Trust will generally give rise to a franking credit in your franking account. Certain companies may also be able to convert excess franking credits into carried forward tax losses.

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3.3 Distributions from SCA Property Retail Trust

In respect of each income tax year, you will be required to include your share of the net income of SCA Property Retail Trust (as advised by SCPRE) in your assessable income for tax purposes. SCA Property will provide Stapled Unitholders with annual taxation statements. The taxation statements will be mailed to you in August, along with a tax guide to assist in the completion of your tax return.

Distributions from SCA Property Retail Trust may include various components, the tax treatment of which may differ.

To the extent that a distribution from SCA Property Retail Trust includes foreign income, you may be entitled to receive a foreign tax offset equal to the lesser of the Australian tax otherwise payable by you on foreign income or the quantum of foreign tax imposed. The foreign tax offset component of a distribution is required to be included in assessable income. However, if Australian tax is payable by you on the foreign income component of your taxable income or other foreign income not related to the SCA Property Retail Trust units, the foreign tax offset may be applied against that Australian tax liability. Offsets that are not utilised in the income year in which they are derived will not be carried forward into future income years.

If a net capital gain is included in the taxable income of SCA Property Retail Trust (for example, on disposal of a property), you will be regarded as having derived a capital gain equal to your proportionate share of that net capital gain. However, where discount capital gains treatment has been applied in calculating the net capital gain at the SCA Property Retail Trust level, you will be required to gross-up the amount of the capital gain included in your assessable income. You can then apply any capital losses from other sources to offset the capital gain and then apply your CGT discount factor, if applicable.

Due to the nature of the assets of SCA Property Retail Trust, it is likely that any gains from future disposal of some of the properties held by SCA Property Retail Trust that were acquired from Woolworths prior to the Distribution should be, in part, ordinary income rather than capital gains. For eligible resident Stapled Unitholders, this means that the benefit of the CGT discount will not apply in respect of the distribution of these gains. Conversely, a loss in respect of these assets should be, in part, deductible rather than solely a capital loss.

These provisions will not impact the ability of Stapled Unitholders to access the CGT discount in respect of the disposal of their Stapled Units discussed below.

To the extent that SCA Property Retail Trust makes any non-assessable distributions to you, such distributions will give rise to CGT event E4. In these circumstances, to the extent that the non-assessable distribution exceeds your cost base in SCA Property Retail Trust unit, a capital gain will arise. Where this happens, the cost base and reduced cost base of the unit are reduced to nil.

Where the sum of the non-assessable payments is not more than the cost base of the unit, the cost base and reduced cost base of the unit would be reduced by the amount of the non-assessable payment.

3.4 Disposal Of Stapled Units

As outlined above, each individual security comprising a Stapled Unit is a separate CGT asset. As such, the disposal of a Stapled Unit will constitute a disposal for CGT purposes in respect of each individual security comprising that Stapled Unit. Accordingly, the capital proceeds referable to the disposal of each individual security will need to be determined by apportioning the total capital proceeds received in respect of the disposal of the Stapled Unit on a reasonable basis.

You will, upon disposal of a Stapled Unit make a capital gain in relation to a particular security if the portion of the capital proceeds reasonably attributed to the SCA Property Management Trust unit or SCA Property Retail Trust unit (as applicable) exceeds the cost base of the relevant unit. Alternatively, you will make a capital loss upon disposal of a Stapled Unit if the portion of the capital proceeds reasonably attributed to the SCA

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Property Management Trust unit or SCA Property Retail Trust unit (as applicable) is less than the reduced cost base of the relevant unit.

Generally, a capital loss arising in respect of one security can offset a capital gain arising in respect of another, subject to specific loss rules for Stapled Unitholders who are companies or trusts.

Stapled Unitholders who are individuals, trustees or complying superannuation entities and who have held a Stapled Unit for 12 months or more at the time of sale should be entitled to apply the applicable CGT discount factor to reduce any capital gain (after offsetting capital losses) made on the sale of the Stapled Unit. If you are an individual or trustee applying the CGT discount, your taxable capital gain (after offsetting any current year capital losses or carry forward net capital losses from previous years) will be reduced by one-half (or one-third if you are a complying superannuation entity).

4 Income Tax – Non-Resident Stapled Unitholders

The information in this summary dealing with shareholders who are non-residents of Australia for income tax purposes, does not apply to non-residents who:

- hold their Stapled Units through a permanent establishment in Australia; or
- hold their Stapled Units via an interposed Australian entity(s).

4.1 Distributions From SCA Property Management Trust

Franked distributions from SCA Property Management Trust will be exempt from withholding tax. Unfranked distributions will be subject to dividend withholding tax. The withholding tax rate is generally 30%. However, for dividends paid to residents of countries with which Australia has entered into a tax treaty, the rate of withholding is generally reduced to 15%.

4.2 Distributions From SCA Property Retail Trust

It is expected that SCA Property Retail Trust will be a managed investment trust for tax purposes. SCPRE, the responsible entity for SCA Property Retail Trust, will be liable to deduct withholding tax on your behalf in respect of the fund payment component of a distribution payable to you. This withholding tax does not always represent the final tax liability in respect of such distributions and in some circumstances you may have additional tax filing and tax payment obligations.

In respect of SCA Property Retail Trust, the fund payment component of a distribution is likely to include amounts representing:

- Australian source income, such as rental income from Australian properties; and
- capital gains in respect of taxable Australian property, grossed up for any CGT discount that has been applied at the SCA Property Retail Trust level (i.e. withholding tax is imposed on the gross capital gain).¹ Taxable Australian property includes real property situated in Australia.
- The fund payment component will not include amounts attributable to trust income comprising:
 - interest, royalties or dividends (however, distributions attributable to such trust income may be subject to withholding tax as set out below);
 - capital gains in respect of CGT assets that are not taxable Australian property; and
 - tax deferred distributions.

¹ The Australian Government has announced that effective from 8 May 2012, non-residents will no longer be entitled to the CGT discount for capital gains accrued after that date. Despite legislation not yet being enacted, it is expected that non-resident Stapled Unitholders will not be eligible to apply the CGT discount to any capital gains distributed by SCA Property Retail Trust.

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The withholding rate depends on whether you are a resident of a country with which Australia has determined to be an "exchange of information country". If you are not a resident of such a country, the withholding rate will be 30%. If you are a resident of such a country the rate of withholding will be 15% in respect of any distribution received.

The rules noted above in respect of the disposal of assets by SCA Property Retail Trust will not adversely impact the tax position of non-resident Stapled Unitholders.

In respect of the interest, dividend and royalty components of distributions, SCPRE will also be required to deduct withholding tax from any amounts distributed to you.

For distributions from SCA Property Retail Trust attributable to:

- interest income of SCA Property Retail Trust, the withholding tax rate is 10%;
- unfranked dividends received by SCA Property Retail Trust, the withholding tax rate is generally 30%. However, for residents of countries with which Australia has entered into a tax treaty, the rate of withholding on such distributions is generally reduced to 15%;
- franked distributions received by SCA Property Retail Trust, no withholding tax will apply; and
- royalty income of SCA Property Retail Trust, the withholding tax rate is generally 30%. However, for residents of countries with which Australia has entered into a tax treaty, the rate of withholding on such distributions is generally reduced to 10% (or in some cases 5%).

The interest, dividend and royalty withholding taxes represent a final tax liability for non-resident Stapled Unitholders for these amounts (i.e. there is no further tax on an assessment basis in respect of these amounts in Australia).

For Australian tax purposes, non-residents are only taxed on their Australian sourced income and accordingly will not be liable for withholding tax on any foreign source income, including New Zealand sourced income, distributed from SCA Property Retail Trust.

4.3 Disposal Of Stapled Units

Upon disposal of your Stapled Units:

- (A) no CGT liability will arise in relation to the disposal of the SCA Property Retail Trust component of your Stapled Unit unless either:
- at the time of the disposal you (and your associates), hold 10% or more of the issued capital in SCA Property Retail Trust; or
 - you are a former Australian resident that made an election to treat the Stapled Units as taxable Australian property when you ceased to be an Australian resident; or
 - prior to the time of disposal you (and your associates), held 10% or more of the issued capital in SCA Property Retail Trust throughout a 12 month period that began no earlier than 24 months before the time of the disposal and ended no later than the disposal time; and
- (B) no CGT liability will arise in relation to the disposal of the SCA Property Management Trust component of your Stapled Unit if, as expected, the underlying value of SCA Property Management Trust is not principally derived from Australian real property either at the time of disposal or throughout a 12 month period that began no earlier than 24 months before the time of the disposal and ended no later than that time. If the underlying value of SCA Property Management Trust is principally derived from Australian real property, your tax treatment in respect of SCA Property Management Trust units will be the same as that for SCA Property Retail Trust outlined in (A) above.

Greenwoods & Freehills

5 Other Matters

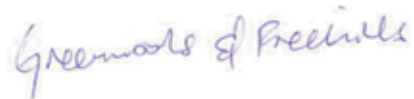
5.1 Australian Tax File Numbers (TFN) and Australian Business Numbers (ABN)

An Investor need not quote a TFN, however if a TFN is not quoted, or an appropriate TFN exemption is not provided, tax may be required to be deducted by the Responsible Entity from any distributions at the highest marginal tax rate (currently 46.5%) unless the Stapled Unitholder holds the Stapled Units in course of furtherance of an enterprise, in which case an ABN can be quoted instead.

5.2 GST

There is no GST payable in respect of the acquisition or disposal of the Stapled Units.

Yours sincerely



Greenwoods & Freehills Pty Limited

Risks

11.



SCA Property Group's business activities are subject to risks, specific both to its investment in property and its operations, as well as of a general nature. Individually, or in combination, these risks may affect the future operating performance of the SCA Property Group and the value of an investment in the SCA Property Group.

Prospective investors should note that this Section identifies the Directors' current views on the key risks of an investment in SCA Property Group and is not intended to be exhaustive. Prospective investors should carefully consider the risk factors identified, in addition to the other information in this PDS, before deciding to invest in Stapled Units. Prospective investors should ensure they have sufficient awareness of the risks and have regard to their own investment objectives, financial circumstances and taxation position before deciding to invest.

If you do not understand any part of this PDS, or are in doubt as to whether to invest in Stapled Units or not, it is recommended that you seek professional guidance from your broker, solicitor, accountant or other qualified professional adviser before deciding whether to invest.

11.1. Risks specific to your investment in property

These risks relate to an investment in real estate:

11.1.1. Property valuations

Valuations ascribed to each property will be influenced by a number of ongoing factors including:

- supply and demand for retail properties;
- general property market conditions; and
- the ability to attract and implement economically viable rental arrangements.

Property values may fall, and they may fall quickly, if the underlying assumptions on which the property valuations outlined in this PDS are based differ in the future. As changes in valuations of investment properties are recorded in the income statement, any decreases in value will have a negative impact on the income statement.

In addition, the independent valuations included in this PDS are the best estimates of the independent valuers and may not reflect the actual price a property would realise if sold. The independent valuations are subject to a number of assumptions which may not be accurate. See "Independent valuations" at the beginning of this PDS for more information.

11.1.2. Rental income

Distributions made by SCA Property Group are largely dependent upon the rents received from its property portfolio and the expenses incurred during operations. Rental income may be adversely affected by a number of factors, including:

- overall macroeconomic conditions;
- local real estate conditions;
- competition from other shopping centres;
- the perceived attractiveness of the shopping centre for prospective tenants and shoppers;
- the financial condition of tenants and their turnover, which affects the rental income received from specialty tenants;
- increases in rental arrears and vacancy periods;
- extensions of incentives offered to attract prospective tenants;
- additional expenses associated with re-leasing the tenancy or enforcement action;
- potential impact of internet sales on turnover or profitability of tenants;
- changes in retail tenancy laws; and
- external factors including terrorist attacks, significant security incidents, acts of God or a major world event.

11.1.3. Property liquidity

SCA Property Group may be required to dispose of some of its property assets in response to adverse business conditions. Given the relatively illiquid nature of property investments and the high degree of volatility in the non-residential property market since the onset of the global financial crisis, SCA Property Group may not be able to achieve the disposal of the property asset(s) in a timely manner or at an optimal sale price. This may affect the SCA Property Group's net asset value or trading price per Stapled Unit.

A number of properties are subject to a right of refusal to purchase in favour of Woolworths or previous owners which could restrict a sale of the property.

11.1.4. Capital Expenditure

The forecast Capital Expenditure represents the Directors' current best estimate of the associated costs in maintaining the existing property portfolio. Capital Expenditure may exceed the current forecasts which could lead to increased funding costs and potentially lower distributions.

11.1.5. Competition

SCA Property Group will face competition from other property groups active in Australia and New Zealand. Such competition could lead to the following adverse outcomes:

- loss of specialty retail tenants to competitors;
- a reduction in turnover rents;
- an inability to secure new tenants resulting from oversupply of retail space; and
- an inability to secure maximum rents due to increased competition.

11.2. Risks specific to your investment in SCA Property Group

These risks relate specifically to your investment in SCA Property Group.

11.2.1. Concentration Risk

The Woolworths Group is SCA Property Group's largest tenant constituting over 60% of SCA Property Group's projected Gross Income per annum and approximately 75% of SCA Property Group's available GLA as of 11 December 2012. The performance of the SCA Property Group is materially dependent on the leasing arrangements in place with the Woolworths Group. Any material deterioration in the Woolworths Group's retailing operations may result in the Woolworths Group not meeting its lease obligations which could reduce the SCA Property Group's income. Additionally, as the anchor tenant to the Portfolio, a deterioration in the Woolworths Group's financial performance or credit standing, or a change in corporate strategy or structure, could have an impact on the value of the Portfolio.

11.2.2. Exposure to specialty tenants

Specialty tenants, representing 39% of SCA Property Group's income, are less secure than Woolworths due to their smaller size and less diverse operations. Their lease terms are also shorter. As a new portfolio, some specialty tenants may not have an established track record of sales within the individual shopping centres or catchment area. SCA Property Group's rental income could be adversely impacted should a significant number of specialty tenants be unable to meet their lease obligations. In addition, competition from Woolworths could negatively impact the sales of specialty tenants. This competition could impact on the income of SCA Property Group and impact on the ability of specialty tenants to continue operations. In addition, there is no guarantee that specialty tenants will renew their leases or, where they do not, that other specialty tenants will be found.

The potential impact will be partially managed through the Rental Guarantee provided by Woolworths for only a short period of time. Under these arrangements, Woolworths will guarantee the rent for vacant specialty tenancies as at the Implementation Date for a period of two years from and including the Implementation Date for all properties in the Completed Portfolio, and the total rent for all specialty tenancies for properties in the Development Portfolio for a period of two years from completion of development of each centre. The Rental Guarantee for the Completed Portfolio will not apply to tenancies that become vacant after the Implementation Date. Further details on these arrangements can be found in Sections 5.5 and 6.3 of this PDS.

Once the Rental Guarantee expires, rental income may decrease if SCA Property Group has been unable to lease vacant specialty tenancies that were subject to the Rental Guarantee.

11.2.3. Financial information and Forecasts

Since SCA Property Group will be a new standalone entity there are no historical financial statements or other historical financial information for the SCA Property Group presented in this PDS. The forward-looking statements, opinions and estimates provided in this PDS, including the financial forecasts provided, rely on various factors, many of which are outside the control of the SCA Property Group Board or management team, and several assumptions, any of which could be inaccurate or result in material deviations in actual performance from expected results. There can be no guarantee that SCA Property Group will achieve its stated objectives or that any forward looking statements or forecasts will eventuate.

In addition, the financial forecasts reflect income from the Woolworths Group's Rental Guarantee that means that the cash received by SCA Property Group during the Forecast Period reflects a fully leased portfolio. Upon the expiry of the Rental Guarantee, SCA Property Group's income will only be derived from leased space.

SCA Property Group's financial forecasts may also be negatively impacted by any unexpected increases in non-recoverable property operating expenses.

11.2.4. Development Management Agreements

SCA Property Group is entering into Development Management Agreements with the Woolworths Group to develop the properties in the Development Portfolio. SCA Property Group is entirely dependent on the Woolworths Group to develop these properties. If the Woolworths Group defaulted on its obligations under the DMAs, SCA Property Group may not be able to replace the Woolworths Group with another developer with similar experience and/or on terms as advantageous to it and in the case of the New Zealand properties in the Development Portfolio, the transfer of property would not necessarily proceed. Other developers may not have the same level of expertise in the supermarket retail development sector.

Completion of a development may be delayed for a number of reasons, including industrial disputes, inclement weather, permitted variations to the works, changes to legislative requirements, delays in authority inspections or approvals or a builder experiencing financial difficulties. As the development price is fixed, the Woolworths Group bears the risk of increased costs arising from delays. In the case of the Australian Development Portfolio, the Woolworths Group is also obliged to continue to pay the Site Access Fee until the development is completed. However a delay in the completion of development properties would negatively impact the forecast earnings of SCA Property Group.

11.2.5. Development Asset Performance

As the Development Portfolio is under construction there is less certainty around the performance of the centre than for a completed asset. In this regard, the forecast returns from the Development Portfolio are subject to a number of assumptions around leasing, market rents, tenant incentives and leasing commissions. The accuracy of these assumptions may prove to be inaccurate which would impact earnings. Some examples include:

- Level of tenant commitment may vary from forecast;
- The level of rentals achieved may vary from forecast; and
- Actual valuation on completion may vary from forecast.

The level of rental income achieved may not equal or exceed the level of income supported by the Rental Guarantee and therefore rental income could fall below this level after the guarantee period.

11.2.6. New standalone entity with no previous trading history

SCA Property Group will be a new standalone entity with no previous trading history for Stapled Units.

Woolworths Group will provide management and other administrative services to SCA Property Group for a period of 12 months from the Implementation Date under the TSAs. Following expiry of the TSAs, SCA Property Group will need to perform services previously provided under the TSAs on a standalone basis. There is a risk that SCA Property Group may not have established the relevant internal functions to allow it to perform these tasks efficiently prior to expiry of the TSAs.

As SCA Property Group is a new stand alone entity with no previous trading history, corporate costs could be higher than forecast.

SCA Property Group's financial forecasts may also be negatively impacted by any unexpected increases in non-recoverable property operating expenses.

11.2.7. Withdrawal of properties from the Portfolio if the transfer of title to such properties is not registered in time

Failure to register the transfer of title by the Implementation Date may result in a breach of Division 6B of the Tax Act. SCPRE has obtained a private binding ruling in respect of the application of Division 6B of the Tax Act to the Distribution and is seeking further confirmation from the ATO in relation to the need to register title prior to the Implementation Date. If the advice from the ATO is that registration is required prior to the Implementation Date or the ATO advice is not received prior to the Implementation Date, unregistered properties will be withdrawn from the Portfolio acquired by SCA Property Group. In this case the amount payable to Woolworths in relation to purchasing the Portfolio reduces by an equivalent amount. This reduction would result in SCA Property Group's borrowings being reduced by the total value of the withdrawn properties.

In those circumstances this PDS may become defective (within the meaning in s1021B of the Corporations Act) and if it does, SCA Property Group would then be required to issue a supplementary product disclosure statement and provide investors who had already submitted Applications with a month to decide whether to withdraw their Applications and be repaid their Application Monies. If the collective value of the withdrawn Australian Properties is in excess of \$350 million the Proposed Transaction may be cancelled.

If OIO approval is not received prior to the Implementation Date, then if the collective value of the withdrawn Australian Properties is in excess of \$240 million the Proposed Transaction may be cancelled.

The Lane Cove property in the Completed Portfolio is held under 2 head leases from Lane Cove Council. The head leases prohibit assignment by Woolworths except where certain conditions are satisfied, including satisfying Council as to the substance of the assignee. If the head leases were assigned without Council approving SCA Property Group as assignee, there would be a breach of the head leases which could result, after notice and lapse of time, in forfeiture of the head leases.

If title to the Lane Cove property is not registered in the name of SCA Property Group by 11 December 2012, the property would not be transferred to SCA Property Group. This would have the following financial impact on SCA Property Group:

- Total Assets would be approximately \$38 million lower;
- The Debt Facility balance would approximately \$38 million lower; and
- Distributable Earnings for the Forecast Period would be approximately 1% lower.

The New Zealand Properties will not be registered until after the Implementation Date and only once the consent of the OIO has been obtained.

11.2.8. Stamp Duty on Asset Transfer

SCA Property Group has sought a stamp duty exemption on the transfer of all Properties in the Completed Portfolio, and on the transfer of the land and WIP of the Properties in the Development Portfolio, located in New South Wales, Victoria and Western Australia. The exemptions in relation to the Property located in Western Australia and Victoria have been received. To the extent that an exemption is not obtained in New South Wales, or a condition of an exemption is not satisfied, then SCA Property Group may incur significant unexpected costs. These are estimated to be in the order of up to \$24 million relating to the transfer of properties located in New South Wales, and up to \$17 million for properties located in Victoria and up to \$8 million for properties located in Western Australia. An increase in stamp duty above that included in the Financial Information would increase the debt in the Trust and corresponding interest expense.

11.2.9. Exchange rates

SCA Property Group will derive NZ\$ denominated earnings as a result of its interest in SCA Property NZ Retail Trust which will hold the New Zealand Properties. Fluctuations in exchange rates could have an adverse impact on SCA Property Group's earnings and financial position.

The New Zealand sale contract purchase prices are denominated in New Zealand dollars. If the settlement of the New Zealand Properties in the Completed Portfolio was delayed until after the Implementation Date, the acquisition of these properties would be 100% debt funded. The financial forecasts assume that New Zealand Dollar debt is drawn to fund the acquisition of the New Zealand Properties for up to 60% of the property's value. SCA Property Group will therefore be exposed to movements in the AUD/NZD foreign exchange rates up to the up to 40% on the un-matched portion. As the financial forecasts assumes a static AUD/NZD exchange rate throughout the Forecast Period, any fluctuation in exchange rate would impact SCA Property Group's forecast Gearing by approximately 1% for every 10% movement in the AUD/NZD exchange rate.

11.2.10. Funding

SCA Property Group's ability to raise funds from either debt or equity markets on favourable terms for future corporate activity is dependent on a number of factors including:

- the general economic and political climate;
- the state of debt and equity capital markets; and
- the performance, reputation and financial strength of SCA Property Group.

Changes to any one of these underlying factors could lead to an increased cost of funding, limited access to capital, increased refinancing risk for SCA Property Group and/or an inability to expand operations or purchase assets in a manner that may benefit SCA Property Group and its unitholders.

If SCA Property Group's existing debt facilities are not refinanced and need to be repaid, or SCA Property Group is unable to obtain new debt funding to the same Gearing levels, it is possible that SCA Property Group will need to dispose of assets for less than fair value, impacting on SCA Property Group's net asset value.

11.2.11. Gearing

SCA Property Group's expected Gearing is provided in Section 7.3.4 of this PDS.

The level of Gearing will magnify the effect on SCA Property Group of any changes in interest rates or changes in value or performance measures. Higher Gearing will increase the effect. If the level of Gearing increases over the term of the Debt Facility this is a factor that may create refinancing risk on SCA Property Group's debt facilities as they approach expiration.

11.2.12. Interest rates and financial covenants

There is a risk when SCA Property Group seeks the extension, refinancing or establishment of debt financing and interest rate hedges that it may be unable to do so on current terms. It is possible that interest rates and the cost of interest rate hedges will increase in the future, or new lenders may require more stringent financial covenants than those contained in the Debt Facility, each of which could have a material negative impact on the SCA Property Group's financial performance and available distributions.

Until the date that interest rate hedges are entered into by SCA Property Group, it will be exposed to interest rate movements on the Debt Facility. To the extent, after the Implementation Date, the Debt Facility is not hedged, the SCA Property Group is exposed to movements in variable rates of interest on the amounts unhedged.

11.2.13. Breach of Debt Facility

Banks may seek repayment of the Debt Facility prior to expected facility expiry if an event of default occurs which is not remedied. The Debt Facility contains undertakings to maintain certain gearing and interest coverage ratios, and an event of default would occur if SCA Property Group fails to maintain these financial levels. SCA Property Management Trust and SCA Property Retail Trust may need to dispose of assets for less than their face value, raise additional equity, or reduce or suspend distributions in order to repay the Debt Facility.

The financial ratios that are expected to be included in the Debt Facility include the following:

- The ratio of total finance debt of SCA Property Group (net of cash and cash equivalents) to total tangible assets of SCA Property Group, in each case excluding the mark-to-market value of derivatives, must not exceed 50%.
- Interest cover ratio must be more than 2.00 times. Interest cover ratio is the ratio of EBIT (after adjusting for amortisation and non-cash items) to net interest expense.
- Priority Debt must not exceed 10% of total tangible assets of SCA Property Group. Priority Debt is financed debt of members of SCA Property Group which do not guarantee the Debt Facility.
- Secured finance debt raised by SCA Property Group (other than certain permitted security) must not exceed 10% of total tangible assets of SCA Property Group.
- The total tangible assets of SCA Property Group and guarantors of the Debt Facility (on a non consolidated basis) must be at least 90% of total tangible assets of SCA Property Group

11.2.14. Environmental issues and contaminations

Environmental reviews were undertaken by SCA Property Group on all properties within the Portfolio during due diligence and no material environmental issues were identified. Further investigation was recommended for some of the Properties within the Portfolio which may have been exposed during prior ownership to environmental contamination, including asbestos, hazardous and toxic materials, which cannot be identified without intrusive investigation. Under certain environmental laws current owners of the property may be liable for costs and damages resulting from the contamination of soil or water and any required remediation. Some properties also have ongoing monitoring and reporting obligations to the relevant authorities. In addition, restrictions may be placed on the sale of such properties and their ability to be used as collateral.

SCA Property Group has purchased the Properties as is and there is no indemnity for environmental liabilities from the Woolworths Group under the Sales Contracts.

Exposure to hazardous substances at a property within the Portfolio could result in personal injury claims. Such a claim could prove greater than the value of the contaminated property.

An environmental incident may also interrupt the operations of a property within the Portfolio, including requiring closure of the property. Any lost income caused by such an interruption to operations may not be able to be recovered.

11.2.15. Tax

SCA Property Retail Trust is not subject to Australian income tax, including capital gains tax, under current Australian income tax legislation. This status remains valid so long as SCA Property Retail Trust's Unitholders are entitled to all the income of SCA Property Retail Trust as they are under the Constitutions. Consequently, distributions made by SCA Property Retail Trust will be on a "pre-tax" basis with any Australian income tax in respect to SCA Property Retail Trust's income being payable by, or on behalf of, Unitholders rather than SCPRE as responsible entity. Changes in SCA Property Retail Trust's business activities or Australian tax legislation could result in SCA Property Retail Trust incurring tax on its income in the future. In this event, subsequent distributions would be paid on a "post-tax" basis.

Further details of the material tax consequences for Australian investors are provided in Section 10 of this PDS.

11.2.16. Insolvency

In the event of any liquidation or winding up of SCA Property Group the claims of SCA Property Group's creditors will rank ahead of those of its Unitholders. Under such circumstances SCA Property Group will first repay or discharge all claims of its creditors. Any surplus assets will then be distributed to SCA Property Group's Unitholders. All Unitholders will rank equally in their claim and will be entitled to an equal share per Stapled Unit.

11.2.17. New Zealand Overseas Investment Office approval

In New Zealand, settlement of the New Zealand properties in the Portfolio are subject to the consent of the New Zealand Overseas Investment Office (OIO). In the event there is a delay in obtaining the consent of the OIO, SCA Property NZ Retail Trust may receive lower rental income than forecast.

In the event that the OIO declines its consent to the transaction in New Zealand, the acquisition of all or some of the New Zealand properties would not proceed which would lower rental income and result in a greater concentration risk.

The forecast contribution of the New Zealand assets to the Distributable Earnings of SCA Property Group are forecast to be approximately \$2.0 million in the period ended 30 June 2013 and approximately \$2.9 million in the year ending 30 June 2014.

11.3. General risks

These risks are typically common of most investments.

11.3.1. Price of Stapled Units

The price of the Stapled Units in SCA Property Group quoted on the ASX may fluctuate resulting in the Stapled Units trading at prices below or above the Final Price. These fluctuations may be due to a number of factors including:

- changes to general economic conditions in Australia and abroad including inflation, interest rates and exchange rates;
- shifts in retail consumer sentiment;
- demand for property securities both domestically and internationally;
- changes in Government policy, legislation and regulations;
- inclusion or removal from major market indices; and
- general and operational business risks.

Consequently the trading price of SCA Property Group may be influenced by factors non-specific to SCA Property Group and out of SCA Property Group's ability to control. These fluctuations could have materially adverse effects on the trading performance of the Stapled Units.

No assurances can be made that the performance of the Stapled Units will not be adversely affected by such market fluctuations or factors. None of SCA Property Group, its Directors or any other person guarantees the performance of the Stapled Units.

11.3.2. Trading of Stapled Units

SCA Property Group has no trading history on public markets prior to the Offer. Consequently, following listing on the ASX there is no guarantee that an active trading market will develop for the Stapled Units. Liquidity of the Stapled Units will be dependent on the volume of relative buyers and sellers in the secondary market at any given time. Additionally, large Unitholders choosing to trade out of their positions at discounts to prevailing market prices may also affect the market.

Increased trading price volatility may occur as a result of any of these factors with the outcome being that Unitholders selling their Stapled Units into the public markets may receive a sale price that is less than the Final Price they paid.

11.3.3. Insurance

SCA Property Group will carry a range of insurance products which the SCPRE Board and management view as customary for similar properties. However, there are certain events for which SCA Property Group will not maintain insurance cover. These events may include, but are not limited to:

- acts of war or political instability;
- acts of terrorism; or
- catastrophic events such as floods or earthquakes.

If any of SCA Property Group's properties are damaged or destroyed by an event for which SCA Property Group does not have coverage, SCA Property Group could incur a capital loss and lost income which could reduce Unitholders returns.

Dependent on the type of coverage, SCA Property Group may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount. SCA Property Group may also incur increases to its insurance premium applicable to other areas of cover as a result of the event.

SCA Property Group may not be able to recover under its insurance if the company or companies providing the insurance (or any reinsurance) are under financial distress or fail.

11.3.4. Accounting standards

The Australian Accounting Standards to which SCA Property Group adheres are set by the Australian Accounting Standards Board (AASB) and are consequently out of the control of SCA Property Group and its Directors. Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in SCA Property Group's financial statements.

Fees and other costs

12.



The Corporations Act requires SCPRE as the responsible entity to include the following standard consumer advisory warning. The information in the consumer advisory warning is standard across product disclosure statements and is not specific to information on fees and costs in SCA Property Group.

Consumer advisory warning

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your Fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

12.1. Fees and other costs

The following table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of SCA Property Group as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Trust		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Termination fee</i> The fee to close your investment	Nil	Not applicable
Management costs		
The fees and costs for managing your investment	SCA Property Group will not incur any external management fees for the administration of SCA Property Group, as the SCA Property Group RE (SCPRE) will be wholly owned by SCA Property Group. The RE's operating expenses incurred in connection with the SCA Property Group will be payable out of SCA Property Group funds. ¹	To be paid or reimbursed from the assets of the SCA Property Group as the costs are incurred by the RE.
Offer costs	Estimated at \$13.5 million ² , i.e. \$724 for every \$50,000 invested in Stapled Units. ³	Payable from the proceeds of the Debt Facility to the external service providers including the Lead Manager at or about the time of Allotment. Additional information is provided below.
Service fees		
Switching fees The fee for changing investment options	Nil	Not applicable

1 The RE's operating expenses will include amounts paid under the Transitional Services Agreement, directors' fees, employee salaries, rent of office premises and technology licence and service fees.

2 Aggregate amount of costs associated with the Offer, excluding GST.

3 This assumes that the average net asset value of SCA Property Group over FY13/FY14 financial years is \$935 million.

12.1.1. Example of annual fees and costs

The following table gives an example of how the fees and costs in SCA Property Group can affect your investment over a one year period.

You should use this table to compare this product with other managed investment products. All amounts are exclusive of GST.

Table: First year after the issue of Stapled Units

Example – SCA Property Group

Type of fee or cost		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	Nil
PLUS Management costs		For every \$50,000 you have in the Trust, you will be charged the following amounts in the first year:
Management fees	Nil	Nil
Operating expenses of SCA Property Group	1.3% p.a. ¹	\$700
Offer costs	1.4% of net asset value ²	\$760
EQUALS Cost of SCA Property Group		If you had an investment of \$50,000 at the beginning of the year, you would be charged fees of \$1,460.

12.2. Fees and costs associated with the transaction

The following table sets out the fees and costs incurred by SCA Property Group in association with the Proposed Transaction and the Offer. These costs are one-off in nature and have not been included in the forecast management costs of SCA Property Group in subsequent years. Transaction and offer costs are payable on allotment from proceeds raised from the Debt Facility.

Type of fee or cost	Amount (A\$m)
Stamp Duty costs	\$23.1m
Offer costs (including GST)	\$14.8m
Advisers' and consultants' fees (including GST)	\$22.0m
Debt establishment costs	\$2.3m
ASX listing costs	\$0.5m
Total fees and costs	\$62.5m

12.3. Additional explanation of fees and costs

As an internally managed trust, SCA Property Group is not subject any third party fund management costs or fees.

The RE will pay Woolworths the development prices determined under the DMAs, and will also pay property management fees to a third party property manager. These amounts are not included as "management costs" of SCA Property Group, as they are costs related to specific assets that investors would incur if they invested directly in the assets themselves.

¹ Estimated at 1.3% of the average net asset value of SCA Property Group over FY13/FY14 financial years.

² Estimated at 1.4% of the average net asset value of SCA Property Group over FY13/FY14 financial years.

Summary of important documents

13.



13.1. Stapling deed

The Stapling Deed entered into on 4 October 2012 sets out the terms of the relationship between the SCA Property Management Trust and SCA Property Retail Trust in respect of the Stapled Units. Key aspects of the relationship with which it deals include the following:

- **Dealings in securities:** Units in a Stapled Trust may only be issued, transferred or otherwise dealt with as a part of the Stapled Units, until they are unstapled in accordance with the Constitutions or otherwise for so long as the Stapled Units remain on issue, all units in a Stapled Trust will remain stapled to the units in the other Stapled Trust.
- **Co-operation and consultation:** The Stapled Trusts agree to co-operate in respect of all matters relating to the Stapled Units, including by consulting with each other prior to engaging in any act or omission which may materially affect the value of the Stapled Units. Matters specifically identified in the Stapling Deed include the making of distributions, preparation of accounts, adoption of policies, acquisitions and disposals, financing arrangements and implementation of an investment policy.
- **Allocation of price:** The Stapled Trusts must agree from time to time what proportion of the amount payable for the issue, redemption or buy-back of a Stapled Unit is to represent the price of the issue, redemption or buy-back of the unit in each Stapled Trust. An auditor will determine the allocation of the price if the Stapled Trusts cannot reach agreement.
- **Duties of RE:** While stapling applies, but subject to the Corporations Act, each Trust may have regard to the interests of Unitholders as a whole and not only to the interests of holders of units of a particular Stapled Trust.
- **Duties of custodians:** Subject to the terms of the relevant custody agreement, the Stapled Trusts must ensure that the custodians comply with the Stapling Deed, and each custodian agrees to comply with any instructions given to it by the RE.
- **Registers:** The Stapled Trusts must maintain a register of holders of Stapled Units. This register must be consistent with the separate registers kept in respect of the Unitholders of each Stapled Trust.
- **Dispute resolution:** Each Stapled Trust must use its best endeavours to resolve any dispute without first commencing court proceedings.

13.2. Sale Contracts – Australian properties in the Completed Portfolio

Each Australian Completed Portfolio property will be acquired by SCA Property Retail Trust under a separate sale contract.

Each contract will be conditional upon the Capital Reduction Resolution being passed at the Annual General Meeting and, subject to that condition being fulfilled, will be completed on 23 November 2012.

The vendor or vendors under each sale contract are members of the Woolworths Group and are the current registered owner or lessee of the relevant property.

Prior to completion of each contract (other than Lane Cove and Mittagong), the vendor will enter into a lease with Woolworths in respect of any premises at the property from which a Woolworths business is conducted and the vendor, as landlord, is required to use best endeavors to procure registration of those leases before completion of the contract (except for the Victorian properties where the leases will not be registered). In the case of Lane Cove and Mittagong, which are currently held by Woolworths Limited, SCA Property Group will enter into the leases with Woolworths after completion of contracts.

SCA Property Retail Trust will take title to each property subject to, and with the benefit of, any leases, agreements for lease or other occupancy rights granted to third parties.

Any business name, trademark or domain name associated with the property will either be transferred, or licensed, to SCA Property Retail Trust from completion.

The vendor will guarantee rental at specified levels for each specialty tenancy which is vacant as at the Implementation Date for the period of two years from and including the Implementation Date or until the relevant tenancy is occupied by a tenant who has started to pay rent (whichever occurs first). Where the vendor is not Woolworths, the vendor's rental guarantee obligations will be guaranteed by Woolworths.

The vendor is responsible for all incentives granted to tenants of the property and which have not been paid or allowed for in full as at the Implementation Date.

In respect of those properties which have been constructed by the Woolworths Group, where the defects liability period under the relevant building contract has not expired as at the Implementation Date, the vendor will undertake to cause the builder under the building contract to rectify defects in accordance with the building contract. SCA Property Retail Trust will be invited to attend an inspection of the property prior to the expiry of the defects liability period for the purpose of identifying defects which require rectification. The vendor agrees not to release any security held from the builder without first giving notice to SCA Property Retail Trust of its intention to do so.

Regardless of whether the defects liability period has expired, the vendor will agree to enforce its rights under the relevant building contract for the benefit of SCA Property Retail Trust.

The vendor gives SCA Property Retail Trust warranties as to the accuracy of the identified tenancy documents, that those documents comprise the whole agreement with each tenant, that there are no incentives except as identified in the respective documents, that there are no security interests which will not be discharged on completion, that there are no substantial arrears of rent except as identified, that the vendor is not aware of and has not knowingly withheld information about any material structural defects in the building and that the vendor is not aware of and has not knowingly withheld from the purchaser any material information in relation to the property which could reasonably have caused a prudent purchaser to seek a material reduction in purchase price.

All service agreements for each property will be novated to SCA Property Group on completion of the sale contract.

Woolworths has obtained environmental reports on each property and those reports are addressed to both Woolworths and SCA Property Group. The vendor warrants to SCA Property Retail Trust that it is not aware of any breach of any environmental law not disclosed in the environmental reports or of any notice or order under environmental laws in respect of any contamination or hazardous substances relating to the property. SCA Property Retail Trust agrees to take the property in its condition at completion and, subject to the vendor's warranties, releases the vendor from any liability in respect of environmental matters and indemnifies the vendor from any environmental liabilities.

If any items of plant or equipment break down before completion, the vendor is obliged at its own expense to use best endeavours to repair or replace the item before completion of the Sale Contract, failing which the vendor is to allow an adjustment for the estimated cost of repair or replacement of the item.

If the property is substantially damaged before completion, SCA Property Retail Trust may rescind the contract, unless the damage was caused by SCA Property Retail Trust. A property is taken to be "substantially damaged" if the cost of repair and rectification exceeds 5% of the purchase price.

The contracts for some properties include disclosure by the relevant vendor of outstanding issues relating to the property; for example, where an interim occupancy certificate has been issued but no final occupancy certificate has yet been issued. In those cases, the vendor will agree to do all things required to address the outstanding issue.

13.3. Sale Contracts – Australian properties in the Development Portfolio

SCA Property Retail Trust will acquire each Australian Development Portfolio property under a separate sale contract and will also enter into a DMA in respect of each Development Portfolio property under which a member of the Woolworths Group will agree to complete the development or re-development of the property.

Each contract will be conditional upon the Capital Reduction Resolution being passed at the Annual General Meeting and, subject to that condition being fulfilled, will be completed on 23 November 2012.

The vendor under each Australian sale contract will be the current registered owner or lessee of the relevant property. In most cases, the vendor will be a subsidiary of Woolworths, but some properties are held by Woolworths, and others are held either alone, or jointly, by other subsidiaries of Woolworths.

The price payable under each sale contract will be the difference between the end value of the completed property based on the independent valuations as at 1 December 2012 and the development price payable under the DMA (as determined on the Implementation Date) for the property.

Prior to completion of each contract, the vendor will enter into an agreement for lease with Woolworths in respect of any premises at the property from which a Woolworths business is to be conducted.

SCA Property Retail Trust will take title to each property subject to, and with the benefit of, any leases, agreements for lease or other occupancy rights granted to third parties, including the agreements for lease with Woolworths.

Further leasing of tenancies will be governed by the relevant DMA.

Any business name, trademark or domain name associated with the property will either be transferred, or licensed, to SCA Property Retail Trust from completion.

The vendor gives SCA Property Group warranties as to the accuracy of the identified tenancy documents, that those documents comprise the whole agreement with each tenant, that there are no incentives except as identified in the respective documents, that there are no security interests which will not be discharged on completion, that the vendor is not aware of and has not knowingly withheld information about any material structural defects in the building and that the vendor is not aware of and has not knowingly withheld from the purchaser any material information in relation to the property which could reasonably have caused a prudent purchaser to seek a material reduction in purchase price.

Woolworths has obtained environmental reports on each property and those reports are addressed to both Woolworths and SCA Property Group. The vendor warrants to SCA Property Retail Trust that it is not aware of any breach of any environmental law not disclosed in the environmental reports or of any notice or order under environmental laws in respect of any contamination or hazardous substances relating to the property. SCA Property Retail Trust agrees to take the property in its condition at completion and, subject to the vendor's warranties, releases the vendor from any liability in respect of environmental matters and indemnifies the vendor from any environmental liabilities.

The contracts for some properties include disclosure by the relevant vendor of outstanding issues relating to the property; for example, where easements are required to be given or taken as a condition of development approval. In those cases, the vendor will agree to do after completion all things required to be done to address the outstanding issue. SCA Property Retail Trust agrees to take title to the property subject to any easements or agreements required to be entered into under development approvals.

SCA Property Retail Trust acknowledges that between the date of contract and completion the vendor will continue to carry out works on the property and cannot object to that provided the works are carried out in accordance with existing tenancy agreements and the DMA.

13.4. Sale Contracts – New Zealand properties in the Completed Portfolio

All New Zealand properties in the Completed Portfolio will be acquired by SCA Property NZ Retail Trust under one sale contract.

The sale contract will be conditional upon:

- the Capital Reduction Resolution being passed at the Annual General Meeting;
- consent of the New Zealand OIO to the transaction; and
- the Distribution occurring,

and will be settled on the date which is two working days after the Distribution occurs or the date on which the consent of the OIO is issued, whichever is the later.

Three of the New Zealand properties have individual conditions precedent and in addition to the conditions above, will not be transferred until those conditions have been satisfied.

The vendor under each New Zealand sale contract will be a member of the Woolworths Group.

The sale contract will require the vendor and SCA Property NZ Retail Trust to simultaneously enter into a Lease with a member of the Woolworths Group in respect of the premises at the property from which Countdown Supermarket is operated on settlement of SCA Property NZ Retail Trust's acquisition of each property. The New Zealand Leases will not be registered.

SCA Property NZ Retail Trust will take title to each property subject to, and with the benefit of, any Leases, Agreements to Lease or other occupancy rights granted to third parties.

There are no business names, trademarks or domain names associated with the New Zealand properties.

The vendor will give a guaranteed rental at specified levels for any specialty tenancies which are vacant as at settlement for a period of two years or until the relevant tenancy is occupied by a tenant who has started to pay rent (whichever occurs first). Woolworths will guarantee the vendor's rental guarantee obligations.

The vendor is responsible for all incentives granted to the tenants of the property and which have not been paid or allowed in full as at settlement.

In respect of the properties which have been constructed by the vendor, where the defects liability period under the relevant building contract has not expired as at settlement, the vendor will undertake to procure the builder under the building contract to rectify defects in accordance with the building contract. SCA Property NZ Retail Trust will be invited to attend an inspection of the property prior to the expiry of the defects liability period for the purpose of identifying defects which require rectification. The vendor agrees not to release any security held from the builder without first giving notice to SCA Property NZ Retail Trust of its intention to do so.

Regardless of whether the defects liability period has expired, the vendor will agree to enforce its rights under the relevant building contract for the benefit of SCA Property NZ Retail Trust.

The vendor gives SCA Property NZ Retail Trust warranties as to the accuracy of the identified tenancy documents, that those documents comprise the whole agreement with each tenant, that there are no incentives except as identified in the respective documents, that there are no security interests which will not be discharged on settlement, that there are no substantial arrears of rent except as identified, that the vendor is not aware of and has not knowingly withheld information about any material structural defects in the building and that the vendor is not aware of and has not knowingly withheld from the purchaser any material information in relation to the property which could have reasonably caused a prudent purchaser to seek a material reduction in the purchase price.

Relevant service agreements for each property will be novated to SCA Property NZ Retail Trust on settlement of the sale contract.

Woolworths has obtained environmental reports on each property and those reports are addressed to Woolworths and SCA Property Group. The vendor warrants to SCA Property NZ Retail Trust that it is not aware of any breach of environmental law not disclosed in the environmental reports or of any notice or other environmental laws in respect of any contamination or hazardous substances relating to the property. SCA Property NZ Retail Trust agrees to take the property in its condition at settlement and, subject to the vendor's warranties, releases the vendor from any liability in respect of environmental matters and indemnifies the vendor from any environmental liability.

If any items of plant or equipment break down prior to settlement, the vendor is obliged to promptly repair or replace the items at its own expense prior to settlement of the sale contract.

If the property is substantially damaged before a settlement, SCA Property NZ Retail Trust may rescind the contract, unless the damage was caused by SCA Property NZ Retail Trust. A property is taken to be substantially damaged if the cost of repair and rectification exceeds 5% of the purchase price.

The contract for sale includes disclosure by the relevant vendor of outstanding issues relating to the property.

The sale contract is conditional on obtaining the approval of the OIO. Some sale contracts are conditional on obtaining consents of third parties, for example where the consent to assign a ground lease is required.

13.5. New Zealand Sale Contracts – properties in the Development Portfolio

SCA Property NZ Retail Trust will acquire each New Zealand Development Portfolio property under a separate sale contract which will be annexed to the DMA.

Each sale contract will be conditional upon the Capital Reduction Resolution being passed at the Annual General Meeting, the Distribution occurring, and consent of the OIO to the transaction, and will be settled after the Distribution occurs and once the property or supermarket is capable of lawful occupation, and the consent of the OIO is obtained, whichever is the latest.

One property in the New Zealand Development Portfolio will contain an additional condition precedent to obtain the landlords consent to assign the ground lease to SCA Property Group and the transfer of the property will not occur until that condition is satisfied.

One property in the New Zealand Development Portfolio will contain an additional condition precedent to obtain the landlords consent to assign the ground lease to SCA Property Group and the transfer of the property will not occur until that condition is satisfied.

Leasing of the tenancies will be governed by the provisions of the relevant DMA.

In all other material respects the Sale Contracts for the purchase of the New Zealand properties in the Development Portfolio are the same as the New Zealand properties in the Completed Portfolio.

13.6. Australian Leases

With the exception of the Lane Cove and Mittagong properties, the current owners of each Completed Portfolio property will grant leases to Woolworths for existing Woolworths businesses at all properties in the Completed Portfolio before Sale Contracts are signed. For Lane Cove (where Woolworths is the lessee under a head lease) and Mittagong (where Woolworths owns the freehold) leases cannot be granted to Woolworths until ownership passes to SCA Property Retail Trust and for those properties SCA Property Retail Trust will grant leases immediately after it becomes the owner of the properties.

For properties in the Development Portfolio, the current owners will enter into an agreement for lease with Woolworths in respect of each premises which will be used for a Woolworths business. The agreements for lease will annex the form of lease to be entered into upon completion of development or re-development of the relevant property.

The Leases of both the properties in the Completed Portfolio and the properties in the Development Portfolio are on similar terms and are based on the standard documents used by the relevant Woolworths businesses.

Woolworths will be the tenant of all premises except for the Masters store at Mt Gambier where the tenant will be Masters Home Improvements Pty Ltd and Woolworths will act as guarantor.

Commencement and term

The leases of the properties in the Completed Portfolio will commence on 1 November 2012. The leases of the properties in the Development Portfolio will generally commence from the date when Woolworths commences trading in the relevant premises.

The initial terms of the leases vary as follows:

- for supermarkets – from 15 years to 23 years 3 months;
- for BIG W stores – from 15 years to 23 years 3 months;
- for Dan Murphy's stores – from 15 years to 21 years 7 months;
- for petrol stations – from 10 years 7 months to 15 years 4 months;
- for liquor stores – from 5 years 3 months to 7 years 2 months; and
- for Masters Home Improvement stores – 22 years 7 months.

Options

All leases include options for further terms exercisable by the tenant. For supermarkets, BIG W and Dan Murphy's stores there are four options of 10 years each; for petrol stations and Masters Home Improvement stores there are eight options of five years each; and for liquor stores, there are either 10 or 11 options of five years each.

Rent

For supermarkets, BIG W and Dan Murphy's stores, the rental formula comprises a base rent and a turnover rent. All other leases have a base rent only.

Base rent is payable monthly in advance.

Under the supermarket and Dan Murphy's leases, turnover rent is payable annually in arrears where the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services charges for that year. Under the BIG W leases, turnover rent is payable annually in arrears where the sum of the initial base rent and the turnover rent percentage amount for a year exceeds the sum of the base rent, tenant's contribution to increase in outgoings and tenant's contribution to minimum services charges for that year.

Of the leases that include turnover rent provisions, none of the tenants have achieved the required sales turnover threshold in order to be required to pay turnover rent.

Rent reviews

For supermarkets, BIG W and Dan Murphy's stores, base rent is reviewed every five years from the commencing date of the initial term, at which point the base rent is increased by the average of the turnover rent payable in the three preceding years.

Under 37 of the supermarket and BIG W leases, the base rent is to increase by a minimum of 5% of the commencing rent or the previous minimum rent (as the case may be) on each of the first three reviews, including where the review coincides with the start of an option term.

Under petrol station leases, the base rent is reviewed annually to the lesser of CPI and 4%.

Under the Masters Home Improvement stores lease at Mt Gambier, the base rent is reviewed annually to the lesser of CPI and 3% and is reviewed to market (subject to a 10% cap and collar) at the start of the first option period and every 10 years after that.

There is no review of base rent under the liquor store leases.

Outgoings

The supermarket, BIG W and Dan Murphy's stores leases are semi-gross leases so that Woolworths will contribute to any increase in rates, land tax and insurance premiums over the amounts payable for the first full financial year of the initial lease term, according to the proportion which the lettable area of the Woolworths premises bears to the total lettable area of the property. Woolworths' contribution to outgoings is taken into account in calculating turnover rent.

The Masters Home Improvement stores lease is a net lease so that Masters Home Improvement will pay rates, land tax and insurance on the property.

The other leases are gross leases and Woolworths will not contribute to property outgoings.

Minimum services

Each lease requires the landlord to provide services to enable Woolworths to trade outside normal trading hours for the property. Woolworths is not required to pay for these services unless it trades between the hours of midnight and 6:00am. Any payment by Woolworths for these services is taken into account in calculating turnover rent.

Repairs and maintenance

Woolworths is obliged to keep its premises clean and tidy and in good repair and condition having regard to the condition of the premises on the commencing date, fair wear and tear and damage by insured risks and inherent defects excepted.

The landlord is responsible for carrying out any work of a structural or capital nature and for replacement of plant and equipment, including major component parts, regardless of the original ownership of the plant and equipment.

The leases contain a table setting out particular maintenance, repair and replacement obligations of the parties.

Under the Woolworths petrol stations lease, Woolworths is responsible for carrying out work of a structural nature except to the extent that the work is required because of negligence of the landlord and Woolworths is responsible for complying with environmental laws and for remediating the premises at the end of the lease to a standard to allow the continued use of the premises as a service station.

Right of refusal

In respect of the 6 properties listed below, if the landlord intends to sell the property, the landlord is required to first offer the property to the Woolworths Group. The Woolworths Group has 45 business days within which to exercise its right to purchase the property on the terms and conditions proposed by SCA Property Group. If the Woolworths Group does not exercise its right to purchase, SCA Property Group must again offer the property to the Woolworths Group if SCA Property Group proposes to sell the property to another person for a lower price, or on more favourable terms and conditions, than originally offered to the Woolworths Group. The Woolworths Group has a period of 10 business days in which to accept a subsequent offer.

- North Orange
- Katoomba Marketplace
- Mt Gambier Marketplace
- Woodford
- Griffith North
- Chancellor Park Marketplace

Assignment

Woolworths may not assign a lease without the consent of the landlord.

The landlord may only withhold consent if Woolworths is in substantial breach under the lease or if the proposed tenant fails to prove to the reasonable satisfaction of the landlord that it is a respectable, responsible and solvent person capable of adequately carrying on the permitted use of the premises with the financial capacity to meet ongoing operational and associated costs of the business and with the potential to achieve similar turnover to the tenant.

From the date of an assignment, Woolworths is released from all claims which the landlord might have arising after the date of assignment.

Damage and destruction

Where the property is damaged or destroyed, the landlord is obliged to reinstate the property except where the damage occurs during the last five years of the term and Woolworths does not agree to exercise the next option for a further term.

Amenities

The leases place restrictions on the landlord taking actions which affect the amenity enjoyed by Woolworths as tenant.

Woolworths has a right to terminate a lease in circumstances where the ratio of car parking spaces to lettable area is reduced below a specified ratio, where the number of car parking spaces is reduced below a specified number or where access is lost.

Additional premises

Before granting or agreeing to grant a lease to a third party of certain available premises at the property, the landlord must first offer those premises, to Woolworths.

In relation to premises proposed to be leased for the purpose of a supermarket, if Woolworths accepts an offer to lease those premises, it must surrender its lease of its existing supermarket premises.

13.7. Specialty tenant leases

The majority of specialty tenancies are occupied under a common form of lease, with typical lease terms ranging from three to five years. Specialty leases do not typically incorporate further renewal option periods. Leases typically provide for the payment of base rental and include provisions for annual reviews, which typically comprise either CPI based increases, fixed percentage increases or market reviews. Specialty leases also incorporate provisions for reporting of sales turnover and payment of percentage rental if applicable.

The majority of tenants are in occupation under net lease arrangements with individual tenants required to contribute to a proportionate share of all recoverable outgoing expenses for the complex.

13.8. Leases – New Zealand

For all New Zealand Properties the contracts for sale will require that SCA Property NZ Retail Trust and the vendor enter into the Leases simultaneously with settlement of SCA Property NZ Retail Trust acquisition of each of the properties. For properties in the Development Portfolio, the DMA will contain an agreement for lease whereby SCA Property NZ Retail Trust and the vendor will be obliged to enter into the lease as soon as completion of the store and settlement of the sale of the freehold occurs.

The forms of lease to be entered into upon settlement will be attached to the contract for sale or DMA as appropriate.

A member of the Woolworths Group will be the tenant of all supermarket premises in New Zealand.

Commencement and term

The leases of the New Zealand properties in the Completed Portfolio will commence on the settlement date for the relevant property. The Leases of the New Zealand properties in the Development Portfolio will generally commence from the date when a member of the Woolworths Group commences trading in the relevant premises and settlement of transfer of the relevant property occurs. The initial terms of the Leases for the Countdown supermarkets are 15 to 20 years.

Rights of renewal

All Countdown supermarket Leases include options for further terms exercisable by the tenant. The options ranging from three rights of renewal for terms of five years each to eight rights of renewal for terms of five years each.

Rent

For the Countdown supermarkets rent comprises a base rent and a turnover rent. Base rent is payable monthly in advance. Turnover is payable annually in arrears provided that turnover in the preceding year exceeds specified thresholds.

Rent review

The base rent is reviewed every five years from the commencement date of the initial term to an amount equal to the sum of the base rent previously payable in the average turnover rent payable in the preceding three years.

Under a number of the Leases, the base rent is to increase by a minimum of 5% on the first review, or in some cases, on each five year review during the term.

Outgoings

The Countdown supermarket leases are semi-gross leases so that the lessee will contribute towards any increase in local government rates and insurance premiums over the amounts payable for the first full financial year of the initial lease term, according to the proportion which the rentable value of the lessee premises bears to the total rentable value of the property.

Minimum services

Each lease requires the landlord to provide services to enable the Woolworths Group to trade outside normal trading hours for the property. The Woolworths Group is not required to pay for these services unless it trades between the hours of midnight and 6:00am. Any payment by the Woolworths Group for these services is taken into account in calculating turnover rent.

Repairs and maintenance

The Woolworths Group is obliged to keep its premises clean and tidy and the interior in good repair and condition having regard for the condition of the premises on the commencement date, fair wear and tear, and damage by insured risks and inherent defects excepted.

The landlord is responsible for carrying out any work of a structural or capital nature and for replacement of plant and equipment including major component parts, regardless of original ownership of the plant and equipment.

The Leases contain a table setting out the particular maintenance, repair and replacement obligations of the parties.

Right of refusal

If SCA Property Group wishes to sell any of the New Zealand properties it must first offer the property to the Woolworths Group. The Woolworths Group has 45 business days within which to exercise its right to purchase the property on the terms and conditions proposed by SCA Property Group. If Woolworths does not exercise its right to purchase, SCA Property Group must again offer the property to the Woolworths Group if SCA Property Group proposes to sell the property to another person for a lower price, or on more favourable terms and conditions, than originally offered to the Woolworths Group. The Woolworths Group has a period of 10 business days in which to accept a subsequent offer.

Assignment

The Woolworths Group is not permitted to assign a lease without the consent of the landlord. The landlord may only withhold its consent to the assignment if the Woolworths Group is in substantial breach of the lease, or, if the proposed tenant fails to prove to the reasonable satisfaction of the landlord that it is respectable and has the financial resources to meet the lessee's commitments under the lease. From the date of assignment, the Woolworths Group is released from all claims which the landlord might have arising after the date of assignment.

Damage and destruction

Where the property is damaged or destroyed, the landlord is obliged to reinstate the property except where the damage occurs during the last five years of the term and the Woolworths Group does not agree to exercise the next option for a further term.

Amenities

The Lease places restrictions on the landlord taking actions which affect the amenity enjoyed by the Woolworths Group as a tenant. The Woolworths Group has a right to terminate the Lease in circumstances where the ratio of car parking spaces to lettable area is reduced below a specified ratio, where the number of car parking spaces is reduced a specified number or where access is lost.

Additional premises

Before granting or agreeing to grant a lease to a third party of certain available premises at the property, the landlord must first offer those premises to the Woolworths Group.

13.9. Development Management Agreements – Australia

At the same time as a sale contract is entered into for each Development Portfolio property, SCA Property Retail Trust will enter into a DMA for the property with the Woolworths Group under which the Woolworths Group will agree to procure completion of the development or re-development of the property in accordance with existing approvals.

Payment due to Woolworths Group in relation to the Australian properties in the Development Portfolio will comprise two components:

Initial Payment: On acquisition of the portfolio an amount equal to the lesser of:

- The estimated value of the land and the WIP at the Implementation Date; and
- The projected future value of the property on a completed basis as determined by the independent valuation as at 1 December 2012 less the cost to complete the Development or re-development of the property;

Final Payment: The independent value as at 1 December 2012 of the property on a completed basis less the Initial Payment.

The total amount payable to the Woolworths Group for a property in the Development Portfolio will not exceed the independent valuation disclosed in this PDS of the Property on a completed basis.

The development price is payable in one lump sum on the payment date which is 14 days after the later of:

- the date on which the property can be lawfully occupied for retail purposes; and
- the date on which the last of all of the leases of all Woolworths business premises at the property commences.

Payment of the development price is to be secured by a real property mortgage and a charge on the assets of SCA Property Group which are to rank behind any securities granted to senior lenders to SCA Property Group.

The development price will be fixed, so that the Woolworths Group bears all risk of the costs actually incurred to complete the development or re-development exceeding the development price.

From and including the Implementation Date until the development price is paid, the Woolworths Group is required to pay to SCA Property Retail Trust a Site Access Fee. The Site Access Fee is to be determined by applying the capitalisation rate used in determining the value of the completed property to the initial amount paid by SCA Property Group as the price under the sale contract.

During that period, the Woolworths Group is responsible for payment of all property outgoings and is entitled to receive all income from the property.

Until payment of the development price, the Woolworths Group is required to use reasonable endeavours to lease the specialty tenancies at the property in accordance with agreed leasing criteria. After the development price is paid, SCA Property Retail Trust will assume responsibility for leasing any vacant tenancies. The Woolworths Group guarantees the total amount of gross rent, consistent with the gross rents assumed by the independent valuations for each development asset, from specialty tenancies for a period of two years after payment of the development price.

The Woolworths Group is responsible for incentives payable in respect of specialty tenancies. If any specialty tenancy remains unlet at the end of the guarantee period, the Woolworths Group must pay to SCA Property Group an amount equal to six months' rent for each unlet tenancy to compensate SCA Property Group for incentives which it may subsequently have to provide to procure a tenant of the vacant premises.

The Woolworths Group is responsible for ensuring that the builder rectifies any defects in the works during the defects liability period under the building contract between the Woolworths Group and the builder. The Woolworths Group must not release any security held from the builder without first giving notice to SCA Property Group.

After the Woolworths Group has complied with its obligations with respect to having defects rectified, the Woolworths Group must enforce for SCA Property Group's benefit any warranties or guarantees relating to the property and its rights under the building contract. If the Woolworths Group fails to comply with these obligations, SCA Property Retail Trust may enforce the warranties or guarantees, and the building contract, in the name of the Woolworths Group, but must pay all costs of doing so and must indemnify the Woolworths Group from any claims made against the Woolworths Group as a result of the actions of SCA Property Group.

If the Woolworths Group fails to comply with its obligations under the agreement, SCA Property Retail Trust may terminate the agreement and complete the development or re-development of the property. If the costs incurred by SCA Property Group in doing so are less than the development price, then SCA Property Retail Trust must pay the difference to the Woolworths Group. If the costs incurred by SCA Property Retail Trust in doing so are more than the development price, then SCA Property Retail Trust is entitled to recover the excess from the Woolworths Group on demand.

If SCA Property Retail Trust does not comply with its obligations under the agreement, the Woolworths Group may terminate the agreement and may exercise an option to purchase the property from SCA Property Retail Trust for an amount equal to the purchase price under the sale contract for the property.

If the development or re-development of the property has not been completed by the date two years after the date for practical completion nominated in the agreement, or if Woolworths earlier validly terminates an agreement to lease any Woolworths business premises at the property, either party may require the property to be transferred from SCA Property Retail Trust to the Woolworths Group for an amount equal to the sum of the purchase price paid by SCA Property Retail Trust for the property and all other costs incurred by SCA Property Retail Trust in relation to its acquisition of the property.

Woolworths guarantees the performance of the Woolworths Group under the DMA.

At Kwinana there are two further stages of development currently proposed but they are not expected to be completed within the Forecast Period. A DMA will be entered into for these stages. The development of each stage will be subject to achievement of tenancy precommitment. Because Kwinana is part of the Completed Portfolio, this DMA will not include payment of a Site Access Fee and will not allow for either party to call for the property to be transferred back to the Woolworths Group.

13.10. Development Management Agreements – New Zealand

At the same time as the sale contract is entered into for the properties in the Completed Portfolio, SCA Property NZ Retail Trust and the Woolworths Group will enter into a DMA for each Development Portfolio property under which the Woolworths Group will agree to procure completion of the development of the supermarket or property in accordance with existing approvals in the building contract between the Woolworths Group and its builder.

Each DMA will be conditional upon the Capital Reduction Resolution being passed at the Annual General Meeting, the Distribution occurring, and consent of the OIO to the transaction.

The DMA will require that on the later of practical completion of the supermarket; the date it is capable of lawful occupation and the Distribution occurring, settlement of the sale of the property to SCA Property NZ Retail Trust on the terms of the sale contract will take place and the lease will be entered into simultaneously on settlement.

The price payable by SCA Property NZ Retail Trust to the Woolworths Group under each DMA for the purchase of the property will be the end value of the completed property based on the independent valuations disclosed in this PDS. The price is payable in one lump sum on the payment date which will be five days after the date on which the property can lawfully be occupied for retail purposes.

The price is fixed at the Implementation Date so that the Woolworths Group bears all risk of the cost actually incurred to complete the development exceeding the price.

Until settlement and payment of the price, the Woolworths Group is required to use best endeavours to lease the specialty tenancies at the property in accordance with the agreed leasing criteria. After the price is paid, SCA Property NZ Retail Trust will assume responsibility for leasing any vacant tenancies.

The Woolworths Group guarantees the total amount of gross rent from specialty tenancies for a period of two years after payment of the price.

The Woolworths Group is responsible for incentives payable in respect of specialty tenancies and must notify SCA Property NZ Retail Trust of its intention to do so.

After the Woolworths Group has complied with its obligations with respect to having defects rectified, the Woolworths Group must enforce for SCA Property NZ Retail Trust's benefit any warranties or guarantees relating to the property and its rights under the building contract. If the Woolworths Group fails to comply with these obligations, SCA Property NZ Retail Trust may enforce the warranties or guarantees and the building contract, in the name of the Woolworths Group, but it must pay all costs of doing so and must indemnify the Woolworths Group from any claims made against the Woolworths Group as a result of the actions of SCA Property NZ Retail Trust.

If SCA Property NZ Retail Trust does not comply with its obligations under the DMA, the Woolworths Group may terminate the agreement. If the Woolworths Group fails to comply with its obligations under the DMA, SCA Property NZ Retail Trust will have the ability to terminate the DMA. If the DMA was terminated, the transfer of the property to SCA Property NZ Retail Trust would not proceed.

Woolworths guarantees the performance of the relevant member of the Woolworths Group under the DMA.

13.11. Transitional Services Agreement – Australia

Woolworths will provide management and other administrative services to SCA Property Group for a period of 12 months from the Implementation Date under a TSA. The TSA seeks to allow SCA Property Group time to establish the relevant internal functions to allow it to perform these tasks efficiently on a standalone basis. Key terms of the TSA include the services to be provided by or on behalf of Woolworths, which include advice in connection with employment and training, assistance with preparation of various tax returns and statements, and assistance with the transfer and conversion of historical information and data from Woolworths' systems; in each case, to the extent that Woolworths is reasonably able to provide such services.

Any secondees provided by Woolworths to SCPRE will be on the basis of the rate agreed between the parties prior to the secondment.

The services will be provided at cost, including the portion of Woolworths' overheads attributable to provision of the services. The TSA allows Woolworths to terminate the TSA on the occurrence of an insolvency event in respect of SCA Property Group. Woolworths will have no liability for services provided or failure to perform under the TSA, whether negligently or otherwise.

13.12. Transitional Services Agreement – New Zealand

The Woolworths Group will provide management and other administrative services to SCA Property NZ Retail Trust for a period of 12 months from the Implementation Date under a TSA. The TSA seeks to allow SCA Property NZ Retail Trust time to establish the relevant internal functions to allow it to perform these tasks efficiently on a standalone basis. Key terms of the TSA include the services to be performed by or on behalf of the Woolworths Group which include general assistance and advice in connection with employment training, preparation of tax returns and statements, transfer of historical information and data relating to the properties in each case to the extent that the Woolworths Group is reasonably able to provide such services.

The services will be provided at cost including the portion of the Woolworths Group overheads attributable to the provision of the services.

The Woolworths Group can terminate the TSA on the occurrence of an insolvency event in respect of SCA Property NZ Retail Trust.

The Woolworths Group will have no liability for services provided or failure to perform services under the TSA whether negligently or otherwise.

13.13. Debt Facility

The Debt Facility may be used by SCA Property Retail Trust:

- to fund the acquisition of the Properties and payment of associated transaction costs;
- to fund amounts payable under the DMAs and payment of associated transaction costs; and
- for general corporate and working capital purposes, including payment of property operating expenses and holding costs.

Particulars of Debt Facility

The Banks have agreed (subject to the terms of their respective commitment letter) to provide funding to SCA Property Retail Trust which can be used by way of cash loans (in AUD and NZD) and bank guarantees or similar instruments (in AUD and NZD). The total commitment for the Debt Facility will be spread across the three Banks and maturities of three and five years.

The Debt Facility is a revolving facility

Each Bank's commitment will be documented under a separate loan agreement and accordingly each Bank is not liable for the funding obligations of any other Bank.

The Debt Facility is provided on an unsecured basis.

Availability period

Subject to the terms of their respective commitment letter, the separate commitments forming part of the Debt Facility will be available for a range of tenures of between three and five years. The Debt Facility can be used by way of one or more drawdowns.

Conditions to commitment

The commitment to provide the Debt Facility is subject to satisfactory documentation being entered into and satisfaction of typical conditions precedent detailed in the term sheet attached to the commitment letters. The commitments expire over a range of dates if those conditions precedent are not fulfilled by a certain time. The first date of expiry of a commitment is 6 December 2012 should those conditions precedent not be fulfilled.

Summary of conditions precedent

The availability of funds will be subject to a number of conditions precedent which SCA Property Retail Trust considers customary and usual for a financing of this nature.

The material conditions precedent to the drawdown under the Debt Facility to fund the acquisition of the Properties (other than those which are considered by SCA Property Retail Trust to be mechanical or wholly within its control) which remain to be satisfied as at the date of this PDS are summarised below:

- providing the Banks legal due diligence reports, demographic reports and physical reports;
- providing the Banks valuations of the assets in the Portfolio;
- issuing legal opinions to the Banks;
- releasing any security which is not permitted by the terms of Debt Facility; and
- obtaining insurance required by the Banks.

Undertakings

The Debt Facility will contain a number of standard undertakings from SCA Property Management Trust and SCA Property Retail Trust. SCA Property Retail Trust considers the undertakings are customary and usual for a financing of this nature.

In addition, the Debt Facility will contain financial ratios including:

- The ratio of total finance debt of SCA Property Group (net of cash and cash equivalents) to total tangible assets of SCA Property Group, in each case excluding the mark-to-market value of derivatives must not exceed 50%.
- Interest coverage ratio must be more than 2.00 times. Interest coverage ratio is the ratio of EBIT (after adjusting for amortisation and non-cash items) to net interest expense.
- Priority Debt must not exceed 10% of total tangible assets of SCA Property Group. Priority Debt is any finance debt of members of SCA Property Group which do not guarantee the Debt Facility.
- The total tangible assets of SCA Property Retail Trust and SCA Property Management Trust (on a non consolidated basis) must be at least 90% of total tangible assets of SCA Property Group.

Events of default

The Debt Facility will be subject to certain events of default which SCA Property Retail Trust considers are customary and usual for a financing of this nature. Such events include failure to pay amounts due under a loan document, a representation or warranty is materially incorrect, a material breach of an undertaking, cross acceleration or an insolvency event occurs.

Transfer of commitments

The Banks are not permitted to transfer any of their commitment to any other person without the consent of SCA Property Retail Trust (subject to customary exceptions).

13.14. Offer Management Agreement

Woolworths, SCPRE and the Lead Manager have entered into an Offer Management Agreement dated on or about the date of this PDS in respect of the Offer. Under the Offer Management Agreement, the Lead Manager has agreed to manage the Offer, and has agreed to subscribe for, or procure that another party subscribes for, any Stapled Units allocated under the Institutional Offer which have not been settled by the settlement date under the Institutional Offer. Key terms include:

Fees and expenses

SCPRE will pay the Lead Manager:

- a management fee equal to \$6 million;
- an incentive fee of up to 1% of the total amount raised under the Offer, payable by SCPRE at the sole discretion of Woolworths;
- 1.25% of the amount allocated to any Co-Managers under the Broker Firm Offer; and
- if the Offer does not proceed for any reason other than termination of the OMA by the Lead Manager, a work fee equal to \$600,000.

SCPRE will pay the incidental reasonable costs of the Offer incurred by the Lead Manager, including its reasonable legal fees.

The Lead Manager will be responsible for the payment of all fees payable to the Co-Managers.

Representations and warranties

Customary representations and warranties are given by SCPRE and Woolworths in relation to matters such as the power to enter into the Offer Management Agreement, corporate authority and approvals, the subsistence of SCA Property Group and the status of SCPRE. SCPRE and Woolworths also give a number of further representations and warranties, including that this PDS and the Explanatory Memorandum comply with the Corporations Act and the Listing Rules, and will not contain any misleading or deceptive statements or omissions. Representations and warranties are also given in relation to the assets, liabilities, financial position and business conduct of the SCA Property Group. There are further representations and warranties specific to the Institutional Offer to persons in the United States.

Termination events

The Lead Manager may terminate the Offer Management Agreement by notice to SCPRE and Woolworths on the occurrence of certain termination events (subject to, in the case of some termination events only, satisfaction of specified materiality thresholds). These termination events include:

- Woolworths Shareholders fail to pass the Capital Reduction Resolution at the Annual General Meeting;
- a statement in this PDS, the Explanatory Memorandum or certain other documents issued in connection with the Offer is or becomes false, misleading or deceptive, or a matter is omitted from such documents, or a statement in such documents is likely to deceive, mislead or confuse with regard to any particular matter that is material to the offer of securities for the purposes of the New Zealand Securities Act 1978;
- an untrue statement is included in, or a material fact is omitted from, certain information (including as to pricing) sent to Institutional Investors in relation to the Institutional Offer;
- for at least five consecutive Business Days before close of the Institutional Offer, the S&P/ASX 200 A-REIT Index closes at a level that is 15% or more below its level on either the Business Day prior to the date of this PDS or the date on which the Institutional Offer closes (Starting Level);
- on the Business Day before the date on which the Institutional Offer closes, the S&P/ASX 200 A-REIT Index closes at a level that is 15% or more below the Starting Level;
- SCPRE withdraws this PDS or the Offer, or Woolworths withdraws the Explanatory Memorandum, after lodgement of this PDS with ASIC;
- SCPRE is prevented from allotting and issuing the Stapled Units within the time required by, amongst other things, the timetable in the Offer Management Agreement or the Listing Rules;
- certain ASIC orders are issued or applied for, or certain investigations commenced under the Corporations Act or by other government agencies in relation to this PDS, the Explanatory Memorandum or certain other documents issued in connection with the Offer;
- approval is not given for the listing of SCA Property Group or quotation of the Stapled Units;
- Woolworths or SCPRE changes its capital structure or constitution, or SCPRE changes its board or certain management, without consent of the Lead Manager;
- SCPRE is replaced as responsible entity of SCA Property Group;
- a material adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the SCA Property Group; the Woolworths Group or any entity within those Groups from that disclosed publicly by them;
- a director of SCPRE is charged with an offence relating to any financial or corporate matter or is disqualified from managing a corporation under the Corporations Act;
- a public action by a government agency against SCPRE or its directors is commenced, or intention to take such action is announced;
- a representation or warranty made, or deemed to have been made or given, by Woolworths or SCPRE under the Offer Management Agreement becomes untrue or incorrect;
- there is a default by Woolworths or SCPRE in the performance of its obligations under the Offer Management Agreement;
- any ASIC modification or ASX waiver obtained in connection with the Offer is withdrawn, revoked or amended;
- certain forecasts, opinions or beliefs contained in this PDS, the Explanatory Memorandum or certain other documents issued in connection with the Offer are or become incapable or unlikely to be met within a certain time;
- Woolworths or SCPRE become required to lodge a supplementary PDS or Explanatory Memorandum under the Corporations Act, or a new circumstance arises that would have been required to be included in the PDS or Explanatory Memorandum if it had arisen prior to lodgement or distribution;
- a transaction agreement entered into in connection with the Proposed Transaction (as disclosed in this PDS) is, amongst other things, void or voidable, breached in a material respect, terminated or amended without the consent of the Lead Manager;
- any part of SCPRE's financing commitments in relation to the Proposed Transaction is terminated and not replaced; and
- SCPRE's Australian Financial Services Licence is cancelled or revoked or there is an amendment to the terms and conditions.

The Offer Management Agreement also contains a number of other customary termination events (e.g. insolvency of SCPRE or Woolworths, certain changes in or contraventions of Law, or specified disruptions in financial markets and hostilities).

Indemnity

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct or negligence by the Lead Manager, SCPRE indemnifies the Lead Manager and certain affiliated parties against all losses suffered or incurred directly or indirectly, or claims made against the Lead Manager or certain affiliated parties, as a result of or in connection with the Offer, this PDS, or the appointment of the Lead Manager pursuant to the Offer Management Agreement.

Guarantee

Woolworths guarantees the obligations of SCPRE under the Offer Management Agreement.

13.15. Co-Lead Manager Agreement

SCPRE and the Co-Lead Manager have entered into a Co-Lead Manager Agreement dated on or about the date of this PDS in connection with the Institutional Offer. Under the Co-Lead Manager Agreement, the Co-Lead Manager will assist SCPRE in marketing the Institutional Offer to Institutional Investors, provide feedback from investors and the market generally, and solicit bids from Institutional Investors into the bookbuild.

The Co-Lead Manager Agreement may be terminated upon written notice by either party at any time prior to the settlement date under the Institutional Offer.

13.16. Trust deed for the SCA Property NZ Retail Trust

SCP NZL will execute a trust deed to constitute and govern the SCA Property NZ Retail Trust, which will hold the New Zealand Properties. The unitholders in SCA Property NZ Retail Trust will be SCA Property Retail Trust and SCA Property Management Trust. Key terms include:

Issue of units

The trustee of SCA Property NZ Retail Trust (currently SCP NZL) (**New Zealand Trustee**) may issue units in SCA Property NZ Retail Trust to any person upon and subject to the terms and conditions of the trust deed and otherwise in such manner as the New Zealand Trustee from time to time determines. However, the New Zealand Trustee is not permitted to issue to the public, offer to the public for subscription or purchase, or invite the public to subscribe for or purchase, any units in SCA Property NZ Retail Trust.

Redemptions

The New Zealand Trustee may at any time, by agreement with any Unitholder, redeem any unit held by that Unitholder. Upon redemption of any unit, the New Zealand Trustee shall pay to its holder an amount calculated by the New Zealand Trustee to be equal to the value of the net assets of SCA Property NZ Retail Trust (calculated in accordance with Australian accounting standards) as at the redemption date divided by the total number of units on issue.

Investments

The New Zealand Trustee has discretion as to the investment of the cash, investments, assets, rights, and other property held upon the trusts set out in the trust deed entered into by the New Zealand Trustee (New Zealand Trust Fund), and as to the purchase, sale, transfer, exchange or alteration of any asset of SCA Property NZ Retail Trust at any time.

Distributions

The New Zealand Trustee may at any time distribute to Unitholders income or capital out of SCA Property NZ Retail Trust. Each Unitholder's entitlement to a distribution will be proportional to the Unitholder's percentage holding in SCA Property NZ Retail Trust.

Transfers

A Unitholder may, with the prior written consent of the New Zealand Trustee (which the New Zealand Trustee may grant or withhold at its discretion), transfer all or any of the units held by the Unitholder to any person.

Removal and retirement of New Zealand Trustee

The New Zealand Trustee may be removed from office as trustee by a resolution passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the trust deed and carried by a majority of not less than 75% of the persons voting.

No such resolution shall have effect unless it also appoints a new New Zealand Trustee. In addition, the removal is not effective until SCA Property NZ Retail Trust's assets have been transferred to the new New Zealand Trustee, and the new New Zealand Trustee has assumed all obligations under the trust deed in relation to SCA Property NZ Retail Trust and the New Zealand Trust Fund.

The New Zealand Trustee may retire at any time upon giving 30 days' written notice to the Unitholders. However, it may do so only if a new New Zealand Trustee has been duly appointed, the transfer of SCA Property NZ Retail Trust's assets to the new New Zealand Trustee has been effected, and the new New Zealand Trustee has assumed all obligations under the trust deed in relation to SCA Property NZ Retail Trust and the New Zealand Trust Fund.

Meetings of Unitholders

The New Zealand Trustee must convene a meeting of Unitholders upon the request in writing of any Unitholder. In addition, the New Zealand Trustee may, of its own volition, convene a meeting at any time.

Amendments to the trust deed

The New Zealand Trustee may at any time make any alteration or addition to the provisions of the trust deed if, in its reasonable opinion, it considers that the alteration or amendment is not, and is not likely to become, prejudicial to the interests of any Unitholder and is intended to correct a manifest error of a formal or technical nature. In addition, the New Zealand Trustee may at any time make any alteration or addition to the provisions of the trust deed if the alteration or addition is approved in writing by all Unitholders. However, in no case can an amendment or alteration be made if it would breach the rule against perpetuities.

New Zealand Trustee's powers

The New Zealand Trustee shall have in the administration, management and investment of the New Zealand Trust Fund all the rights, powers and privileges of a natural person and, subject to the trusts imposed by the trust deed, may deal with the New Zealand Trust Fund as though it were the absolute owner of and beneficially entitled to the New Zealand Trust Fund.

In addition, the New Zealand Trustee has the express power to borrow for the purposes of SCA Property NZ Retail Trust, the power to guarantee the obligations of any person, the power to indemnify any person in respect of the obligations of any other person, and the power to mortgage, charge, pledge, grant a lien over or otherwise encumber the New Zealand Trust Fund as security for any debt, liability or obligation of the New Zealand Trustee or of any third party on such terms as the New Zealand Trustee deems appropriate.

New Zealand Trustee's liability and indemnity

Unless otherwise agreed, the New Zealand Trustee will not be liable in its own capacity, nor shall resort be had to the New Zealand Trustee's own property, for the satisfaction of any debt, liability or obligation arising out of or in connection with any contract or other obligation of the New Zealand Trust Fund.

If for any reason the New Zealand Trustee is held liable in its own capacity for any debt, liability or obligation incurred by or on behalf of the New Zealand Trust Fund or any action taken or omitted in connection with the New Zealand Trust Fund, then (unless the New Zealand Trustee has accepted liability) it shall be entitled to be indemnified and reimbursed out of the New Zealand Trust Fund to the full extent of its liability and the costs of any litigation or other proceedings in which the relevant debt, liability or obligation was determined, including without limitation, legal fees and disbursements.

However, the New Zealand Trustee will be liable to the New Zealand Trust Fund and the Unitholders for any loss arising out of any default, fraud or breach of trust by the New Zealand Trustee.

New Zealand Trustee's reimbursement for expenses

The New Zealand Trustee will be entitled to be reimbursed out of the New Zealand Trust Fund for all reasonable expenses incurred as trustee under the trust deed.

Termination

SCA Property NZ Retail Trust shall be wound up upon the expiration of the period of 79 years from the date on which the trust deed is executed. The New Zealand Trustee shall, as soon as practicable after the expiration of that period, pay out, discharge, or otherwise make proper provision for the liabilities of the New Zealand Trust Fund and any contingent liabilities of the New Zealand Trustee payable from the New Zealand Trust Fund. In addition, the New Zealand Trustee shall distribute the New Zealand Trust Fund (less costs and expenses incurred by the New Zealand Trustee in respect of the winding up) amongst Unitholders in terms of the trust deed.

Liability of Unitholders

No Unitholder shall be personally liable in respect of any debt or liability of the New Zealand Trust Fund. In addition, no Unitholder shall be liable to indemnify the New Zealand Trustee in respect of any debt or liability of the New Zealand Trust Fund.

13.17. Implementation Deed

The Implementation Deed was entered on or about the date of the PDS between Woolworths and SCPRE. In addition to setting out the procedures to be followed to implement the Distribution, the Implementation Deed deals with certain matters of relevance to the Offer and the subsequent conduct of the business of SCA Property Group, and some of these matters are discussed in this Section.

Offer assistance

Woolworths and SCPRE have agreed to do all things contemplated by, or necessary and desirable to lawfully give effect to the Offer and the Distribution.

Conditions precedent

The implementation of the Distribution is subject to the satisfaction (or, in some cases, waiver) of the conditions precedent including approval of the Capital Reduction Resolutions, listing of SCA Property Group and quotation of the Stapled Units on ASX and transfer of the Australian Properties to SCA Property Group.

As the Offer is conditional on the Distribution being made, the Offer will not proceed if the conditions precedent are not satisfied or, where applicable, waived.

Conduct of business

During the Forecast Period SCA Property Group RE Limited must use its best endeavours:

- to procure that the business of SCA Property Group and the Stapled Trusts is managed and conducted in a manner which it considers appropriate in light of the forecasts set out in this PDS;
- not to act inconsistently with the intentions and statements of future conduct set out in this PDS, including in relating to distributions; and
- to ensure that the Stapled Trusts continue to be registered as managed investment schemes under the Corporations Act.

Limitation of liability

The liability of SCPRE in respect of any obligations and liabilities under or in connection with the Implementation Deed is limited to the extent to which SCPRE can be satisfied out of SCA Property Group's assets of the relevant Stapled Trust out of which SCPRE is actually indemnified in respect of such obligations and liabilities. Woolworths may not sue SCPRE in any capacity under the Implementation Deed other than as responsible entity of the relevant Stapled Trust.

The liability of SCPRE is not limited in the above manner where there is a reduction in the extent of its indemnification out of the assets of the relevant Stapled Trust as a result of its fraud, negligence or breach of trust.

Offer Management Agreement indemnity

In consideration for Woolworths entering into the Offer Management Agreement, SCPRE has agreed to indemnify Woolworths against any claim, loss, damage, liability, cost and expense that may be incurred or sustained by Woolworths under any of the guarantees and indemnities provided by Woolworths under the Offer Management Agreement.

A summary of the Offer Management Agreement is included at Section 13.14 of this PDS.

Termination

Woolworths may terminate the Implementation Deed by written notice to SCPRE at any time before the Capital Reduction Resolution is approved by the requisite majority of Woolworths Shareholders at the Annual General Meeting.

13.18. Distribution Reinvestment Plan

SCPRE as responsible entity of SCA Property Group has established rules for participation by Unitholders in a Distribution Reinvestment Plan (DRP), pursuant to which eligible Unitholders may elect to reinvest distributions from SCA Property Group in further Stapled Units. The operation, suspension and termination of the DRP is at the discretion of SCPRE and SCPRE has not yet determined if the DRP will be offered, and if it is to be offered, for which distributions the DRP will be available. Under the rules of the DRP, participation by Unitholders in the DRP is optional and not transferable and is limited to Unitholders (or, where Stapled Units are held non-beneficially, the beneficial owner) whose registered address is in Australia and New Zealand unless SCPRE is satisfied that it is lawful and practicable for other Unitholders to participate in the Plan.

If SCPRE determines to operate the DRP, full details of the DRP will be available on the SCA Property Group website at www.scapropertyoffer.com.au, including details of the distributions (if any) for which the DRP is available.

The key terms and conditions of the DRP are as follows:

- Unitholders seeking to participate in the DRP must lodge an election form with the Registry, specifying whether the Unitholder seeks full participation in respect of that Unitholder's entire holding, or part participation in respect of a nominated number of Stapled Units. If the election form does not indicate the degree of participation, it shall be deemed to be an application for full participation;
- SCPRE may specify a minimum limit for participation in the DRP, which if not met, will result in the participant's distribution being paid rather than reinvested. SCPRE may also specify a maximum limit, which if exceeded, may result in a pro-rata scale back with the amount of any distribution not reinvested under the DRP being paid to the participant;
- SCPRE may satisfy its obligations under the DRP by issuing new Stapled Units or causing existing Stapled Units to be acquired on market and transferred to participants (or a combination of both options);
- SCPRE will issue or transfer additional Stapled Units to the participant based on the average daily volume weighted average price of all Stapled Units sold during a certain period (or otherwise determined by an independent expert to provide a fair reflection of the market price of the Stapled Units during the relevant period) in accordance with the DRP rules;
- Any residual positive balance in participants' DRP accounts will be donated to charity by SCPRE in accordance with the DRP rules; and
- No brokerage, commissions, stamp duty or other transaction costs will be payable by participants in respect of the DRP, however participants will be liable for any taxes, stamp duty or other imposts assessed against or imposed on the participant.

Statutory information

14.



14.1. Rights and liabilities attaching to Stapled Units

SCA Property Group comprises two unit trusts, SCA Property Management Trust and SCA Property Retail Trust, which have been registered as managed investment schemes in accordance with Chapter 5C of the Corporations Act. The Stapled Trusts have been established under substantially similar Constitutions, which are summarised below.

The respective rights and obligations of the RE and the Unitholders of each Stapled Trust are determined by the relevant Constitution, the Corporations Act (together with any exemptions and declarations issued by ASIC), the Listing Rules, this PDS, and the general law relating to trusts.

14.1.1. Summary of the Constitutions

The Constitutions are lengthy and complex documents and the following summary is not intended to be exhaustive.

Stapling

While the stapling provisions apply, the number of units in SCA Property Management Trust must equal the number of units in SCA Property Retail Trust, and be treated as one security (a Stapled Unit). In addition, the RE is subject to the terms of the Stapling Deed (described in Section 13.1 above).

Terms of units

Each Constitution is expressed to bind the RE, each Unitholder, any other person with an interest in the relevant Stapled Trust and any person claiming through any of them.

The beneficial interest in each Stapled Trust is divided into units, which carry all rights, and are subject to all obligations, of Unitholders under the relevant Constitution. Each fully paid ordinary unit in a Stapled Trust confers an equal interest in SCA Property Group property. A unit in a Stapled Trust confers an interest in that Stapled Trust's property as a whole; it does not confer an interest in any particular asset of the Stapled Trust.

Issue of units, options and financial instruments

The RE can issue units, including partly-paid units, in accordance with the relevant Constitution (but subject to the stapling provisions). The RE also has the power to issue options in respect of units and other financial instruments.

Where the RE wishes to reallocate capital between the Stapled Trusts, it may, as the responsible entity of one Stapled Trust, issue capital reallocation units for the purpose of rebalancing the capital between the two Stapled Trusts. In such circumstances, the RE must immediately consolidate the capital reallocation units such that the total number of units in each Stapled Trust remains the same.

The RE proposes to amend each Constitution in accordance with the Corporations Act to specify the Final Price for the issue of Stapled Units under the Offer once the Final Price has been determined.

Transfers

Units in the Stapled Trusts may be transferred in any manner permitted by an applicable uncertificated trading system. All such transfers must be effected in accordance with the Listing Rules. Restricted securities (as defined in the Listing Rules), however, may not be transferred.

While the stapling provisions apply, units in a Stapled Trust must not be transferred unless the same number of units in the other Stapled Trust are transferred at the same time.

Small holdings

The RE may from time to time sell or redeem any units held by a Unitholder in a Stapled Trust which comprise less than a marketable parcel (as defined in the Listing Rules), provided that the relevant Unitholder has not advised SCPRE within the specified timeframe that it wishes to retain the units. The RE may only exercise this power on one occasion in any 12 month period.

While the stapling provisions apply, the RE must not redeem or sell any units in a Stapled Trust unless at the same time there is a corresponding redemption or sale of units in the other Stapled Trust.

No withdrawal

A Unitholder is not entitled to withdraw units in the Stapled Trusts while the Stapled Trusts are listed, except in accordance with an on market buy-back conducted by the RE or in accordance with a withdrawal offer made by the RE in accordance with the Corporations Act.

While the stapling provisions apply, the RE must not redeem any units in a Stapled Trust unless at the same time there is a corresponding redemption of units in the other Stapled Trust.

Income

In respect of SCA Property Retail Trust, the Unitholders are entitled to Distributions (as defined in the Constitution) for the relevant financial year unless otherwise determined by the RE and subject to the Constitution. SCA Property Group's distribution policy is to pay out between 85% to 95% of its Distributable Earnings in each year, subject to the availability of adequate Distributable Earnings. It is currently contemplated that an interim distribution will be paid at the end of February in each year and a final distribution will be paid at the end of August in each year. The first distribution for the shortened financial year ending June 2013 should be paid in August 2013.

As noted in Section 10 above, it is expected that SCA Property Management Trust will be taxed as if it were a company. Accordingly, the amount of any distributions will be determined by the RE as if SCA Property Management Trust were a company.

The RE may distribute capital. A capital distribution may be in cash or assets or, subject to the stapling provisions, by way of bonus units in the Stapled Trusts.

Each Constitution provides that, if the RE approves, a Unitholder may choose to reinvest some or all of a distribution by acquiring additional units in the Stapled Trusts. Subject to the Listing Rules, the Corporations Act and any applicable ASIC exemption, the RE may decide to require Unitholders to reinvest some or all of any distribution.

Liability of Unitholders

The Constitutions state that, except as expressly provided for in the Constitution (for example, in relation to certain tax amounts), each Unitholder's liability to the RE or the relevant Stapled Trust is limited to the amount, if any, which remains unpaid in relation to the Unitholder's subscription for units in that Stapled Trust. In addition, the Constitutions make it clear that, subject to the Constitution, no Unitholder will be personally liable for any obligation of, or liability incurred by, the RE. Unitholders should note that these provisions are expressed to operate to the extent permitted by law.

RE's powers and duties

The RE holds each Stapled Trust's assets on trust, and may manage these assets as if it were the absolute owner of them.

In the exercise of its powers, the RE may, without limitation, acquire or dispose of any real or personal property, borrow or raise money, encumber any asset, give any indemnity, provide any guarantee, enter into derivative and currency swap arrangements, or fetter any future discretions.

The RE may appoint delegates or agents (including custodians) to perform any act or exercise any of its powers, as well as advisers to assist it with its duties and functions.

The Constitutions may be amended by the RE by deed, subject to obtaining approval of the Unitholders if required by the Corporations Act.

Interested dealings

Subject to the Corporations Act, the RE (in its personal capacity or in any capacity other than as responsible entity of the relevant Stapled Trust) or any of its associates may:

- deal with the RE (as responsible entity of the relevant Stapled Trust) or any Unitholder;
- be interested in any contract, transaction or matter with the RE (as responsible entity of the relevant Stapled Trust) or any Unitholder;
- act as trustee or responsible entity of any other trust or managed investment scheme;
- deal with any entity in which the RE holds an investment on behalf of a Stapled Trust; and
- undertake any other business activity (including activities relating to land of the same kind the Stapled Trusts may have an interest in),

and in each case the RE (or an associate) may retain for its own benefit all profits or benefits derived from that activity.

Remuneration and reimbursement of expenses

The RE is entitled to receive a management fee of \$500,000 per annum out of the property of each Stapled Trust for Managing the Stapled Trust.

The RE is entitled to be reimbursed from the assets of the relevant Stapled Trust all costs and expenses reasonably and properly incurred by it in connection with that Stapled Trust or in performing its obligations under the relevant Constitution. SCPRE may waive or postpone reimbursement of all or any of these costs and expenses.

RE's limitation of liability

Where the RE acts in good faith without fraud or dishonesty, the RE is not liable for any loss or damage to any person (including any Unitholder) arising out of any matter relating to, or connected with, a Stapled Trust. In any case, the liability of the RE in relation to a Stapled Trust is limited to the assets of the Stapled Trust from which the RE is entitled to be, and is in fact, indemnified.

The limitation of liability is subject to the Corporations Act.

RE's indemnities

The RE has a right of indemnity out of the property of the relevant Stapled Trust on a full indemnity basis in respect of any liability incurred by the RE in properly performing or exercising any of its powers or duties in relation to that Stapled Trust. This indemnity continues after the RE retires or is removed as responsible entity of a Stapled Trust and is subject to the Corporations Act.

Meetings

As the Stapled Trusts are registered managed investment schemes, the convening and holding of Unitholder meetings must be in accordance with the Corporations Act.

While the stapling provisions apply, meetings of Unitholders of SCA Property Management Trust may be held in conjunction with meetings of Unitholders of SCA Property Retail Trust.

Winding up

Each Constitution provides that a Stapled Trust will terminate when the RE decides that the Stapled Trust should be wound up and the assets realised in accordance with the relevant Constitution, or where RE is required by the Corporations Act to wind up the Stapled Trust or is otherwise required by law to realise the assets and distribute the proceeds.

On winding up, each Unitholder is entitled to receive a share of the net proceeds of realisation of the assets of each Stapled Trust.

14.1.2. Exercise of discretions

Copies of policies for the exercise of discretions relating to issue and redemption prices for units in SCA Property Management Trust and SCA Property Retail Trust will be available on request at no charge by contacting the SCA Property Group Offer Information Line on 1300 318 976 (within Australia) or +61 3 9415 4881 (outside Australia) at any time from 8:30am to 5:00pm (AEST) Monday to Friday.

14.1.3. Ethical and other considerations

The RE as the responsible entity of SCA Property Group does not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or authorising investments for SCA Property Group. Environmental factors are addressed as part of normal property due diligence.

14.1.4. Compliance plans and complaints

(a) Compliance plans

The compliance plans for the Stapled Trusts set out measures that the RE will apply in operating the Stapled Trusts to ensure compliance with the Corporations Act and the Constitutions of each of the Stapled Trusts.

(b) Complaints

If you have a complaint about the Stapled Trusts or the RE in connection with your investment in SCA Property Group you can write to the Compliance Officer at:

Compliance Officer
Shopping Centres Australasia Property Group RE Limited
1 Woolworth Way
Bella Vista NSW 2153

– For investment advice, please see your financial adviser.

The Compliance Officer will acknowledge your complaint immediately, investigate it and report back to you within 45 days.

If you are dissatisfied with the response or the complaint is not resolved within 45 days, you may raise the matter directly with the Financial Ombudsman Service Limited (FOS). The FOS's contact details are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Telephone: 1300 78 08 08

14.2. ASX waivers and confirmations

In order to conduct the Offer, SCA Property Group has sought, and been granted, certain in principle waivers to the Listing Rules by ASX.

ASX has granted to SCA Property Group in principle:

- confirmation that the structure of SCA Property Group is appropriate for a listed entity for the purposes of Listing Rule 1.1 (condition 1);
- confirmation that SCA Property Group is not required to provide accounts for the last three financial years under Listing Rule 1.3.5(a);
- confirmation that the reviewed financial statements provided in this PDS are sufficient for the purposes of Listing Rule 1.3.5(a);
- confirmation that for the purposes of the asset test requirement in Listing Rule 1.3, SCA Property Group will be treated as “having certain” assets at the time of admission;
- confirmation that disclosure by one entity on behalf of SCA Property Group satisfies the obligation for each entity on a matter for the purposes of Listing Rule 3.1;
- confirmation under Listing Rule 2.1 (condition 1) that the terms of the Stapled Units are acceptable;
- confirmation under Listing Rule 7.40 that the proposed timetable is acceptable to ASX;
- customary stapling relief in relation to Listing Rules 1.1 (condition 7 and condition 8), 2.1 (condition 2), 6.24, 8.10 and 10.1 to ensure that SCA Property Group satisfies the requisite value thresholds even though the component parcels of each of SCA Property Management Trust and SCA Property Retail Trust may not individually do so; and
- waiver from the requirement under Listing Rule 4.2A.1 to submit to ASX information required by section 320 of the Corporations Act and an Appendix 4B (half yearly report) for SCA Property Group’s first half year.

14.3. ASIC relief

SCPRE has sought, and been granted, the following relief and modifications from ASIC.

- Modification of section 1017E to permit SCPRE to retain the Application Monies received under the Offer until Allotment of Stapled Units (which may be more than one month since receipt of Application Monies).
- SCA Property Group has obtained customary stapling relief modifying Parts 5C.2, 5C.7 and section 601GAA(9) of the Corporations Act to allow the Stapled Trusts to be treated as a single stapled economic entity.

SCPRE has also sought the following relief and modifications from ASIC:

- Modification to subsection 1012D(3) of the Corporations Act to allow SCPRE to make offers or issues of, or recommendations to acquire interests in the SCA Property Group under a distribution reinvestment plan without the need to give an additional PDS.
- Exemption from section 302 and section 306 to exempt SCA Property Group from the obligation to prepare half-yearly financial reports and directors’ reports in its first year of operation.
- Modification to the Corporations Act in substantially the same form as ASIC Class Order CO 08/10 to enable SCPRE to operate a small holding sale facility for Stapled Units in SCA Property Group.

14.4. Interests of SCPRE directors

Except as set out in this PDS, no director or proposed director of SCPRE holds, or held at any time during the last two years any interest in:

- the formation or promotion of the Stapled Trusts; or
- property acquired or proposed to be acquired by the Stapled Trusts in connection with either of their formation or promotion with the Offer;
- and no person had paid or agreed to pay, or given or agreed to give, any benefit to a director or proposed director of SCPRE:
 - to induce them to become, or to qualify as, a director of SCPRE; or
 - for services provided by a director or proposed director of SCPRE in connection with either the formation or promotion of the Stapled Trust or with the Offer.

At the date of this PDS the directors of SCPRE have an interest in the following Woolworths Shares. SCPRE Directors will receive Stapled Units under the Distribution in relation to any Woolworths Shares held by Directors on the Distribution Record Date.

Name	Number of Woolworths Shares	Number of options over Woolworths Shares
Mr Philip Redmond	5,500	
Mr Anthony Mellowes	15,195	
Ms Kerry Shambly ¹	388	12,083 ¹

¹ Options exercisable before the Distribution Record Date on a one-for-one basis.

Remuneration of Directors

Each non-executive director of SCPRE is entitled to receive \$120,000 per annum plus statutory superannuation contributions for acting as a Director. The Chairman is entitled to receive \$300,000 per annum plus statutory superannuation contributions.

Other interests of Directors

A company of which Philip Clark is a director and shareholder has been paid \$50,000 (plus GST) for services rendered to Woolworths in relation to the establishment of SCA Property Group. Each of Philip Redmond, Dr Ian Pollard, James Hodgkinson and Belinda Robson are entitled to receive \$15,000 (exclusive of GST) for services rendered to Woolworths in relation to the establishment of SCA Property Group.

14.5. Interests of experts and advisers

Other than as set out in this PDS, no person named in this PDS as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this PDS and no promoter of SCA Property Group or Lead Manager of the Offer or financial services licensee named in this PDS as a financial services licensee involved in the Offer, holds at the date of this PDS, or has held in the two years prior to that date, an interest in the formation or promotion of SCA Property Group, any property acquired or proposed to be acquired by SCA Property Group in connection with its formation or promotion of the Offer, nor has anyone paid or agreed to pay any amount, or given or agreed to give any benefit, to such persons for services provided in connection with the formation or promotion of SCA Property Group or the Proposed Transaction.

Allens is entitled to be paid approximately \$4.9 million (plus GST and disbursements) in fees and charges for legal services rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer. Further amounts may be paid in accordance with its normal time based charges.

Russell McVeagh is entitled to be paid approximately NZ\$1.9 million (plus GST and disbursements) in fees and charges for legal services rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer. Further amounts may be paid in accordance with its normal time based charges.

Greenwoods & Freehills is entitled to be paid approximately \$0.4 million (plus GST and disbursements) in fees and charges for tax advice rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer. Further amounts may be paid in accordance with its normal time based charges.

Deloitte Corporate Finance Pty Limited is entitled to be paid approximately \$0.3 million (plus GST and disbursements) in fees and charges for preparation of the Investigating Accountant's Report and for accounting advice provided to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer. Further amounts may be paid in accordance with its normal time based charges.

Savills Australia is entitled to be paid approximately \$0.3 million (plus GST and disbursements) in fees and charges for valuation services rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer.

Cushman & Wakefield is entitled to be paid approximately \$0.3 million (plus GST and disbursements) in fees and charges for valuation services rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer.

Colliers International New Zealand Limited is entitled to be paid approximately \$0.1 million (plus GST and disbursements) in fees and charges for valuation services rendered to SCA Property Group and Woolworths up to the date of this PDS in connection with the Offer.

Moelis Australia Advisory Pty Ltd has acted as financial adviser to Woolworths and SCA Property Group in connection with the Offer and is entitled to be paid approximately \$10.8 million (plus GST and disbursements) for financial advisory services rendered to SCA Property Group and Woolworths in connection with the Offer. Moelis Australia Advisory Pty Ltd has acted as Co-Lead Manager in connection with the Institutional Offer and is entitled to be paid approximately \$1 million (plus GST and disbursements) for Co-Lead Manager Services rendered to SCA Property Group.

Citigroup Global Markets Australia Pty Limited has acted as Lead Manager and Bookrunner in connection with the Offer and is entitled to the fees and commissions described in Section 13.14.

Each of CBA Equities Limited, National Australia Bank Limited and Morgan Stanley Wealth Management Australia Pty Ltd will act as Co-Managers and will receive from the Lead Manager 1.25% of the amount allocated to each of them under the Broker Firm Offer.

14.6. Consents to be named and lodgement of PDS

14.6.1. Consents to be named and to inclusion of statements in PDS

The persons listed in the table below have given and have not, before the lodgement of this PDS with ASIC, withdrawn their written consent to:

- (a) be named in this PDS in the form and context in which they are named;
- (b) the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this PDS; and

- (c) the inclusion of other statements in this PDS which are based on or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those persons in the form and context in which they are included:

Name of person	Named as	Reports or statements
Deloitte Corporate Finance Pty Limited	Investigating Accountant	Investigating Accountant's Report set out in Section 8
Moelis Australia Advisory Pty Limited	Financial Adviser and Co-Lead Manager	–
Citigroup Global Markets Australia Pty Limited	Lead Manager	–
CBA Equities Limited	Co-Manager	–
National Australia Bank Limited	Co-Manager	–
Morgan Stanley Wealth Management Australia Pty Ltd	Co-Manager	–
Greenwoods & Freehills Pty Limited	Taxation Adviser	Taxation Implication set out in Section 10
Computershare Investor Services Pty Ltd	Registry Manager	–
Deloitte Touche Tohmatsu	Auditor	–
Allens	Australian Legal Adviser	–
Russell McVeagh	New Zealand Legal Adviser	–
Woolworths Limited		Statements included in Sections 2,3,4 and 5
Trust Company (Australia) Limited	Custodian	–
Cushman and Wakefield		Valuation Summary in Section 9
Savills Australia		Valuation Summary in Section 9
Colliers International New Zealand Limited		Valuation Summary in Section 9

Each Director, being Mr Philip Clark, Mr Philip Redmond, Dr Ian Pollard, Ms Belinda Robson, Mr James Hodgkinson, Mr Anthony Mellowes and Ms Kerry Shambly has given and has not, before lodgement of this PDS with ASIC, withdrawn his or her consent to be named in this PDS as a director in the form and context in which they are named and for the statements made by and on behalf of him or her to be included in this PDS.

None of the persons referred to above has made any statement that is included in this PDS or any statement on which this PDS is based, other than any statement or report included in this PDS with the consent of that person as specified above.

Each of the persons referred to above:

- has not authorised or caused the issue of this PDS, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in this PDS; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this PDS other than references to its name or a statement or report included in this PDS with the consent of that person as specified above.

14.6.2. Director's consent to lodgement

Each director of SCPRE as at the date of this PDS has consented to the lodgement of this PDS with ASIC.

14.7. Expenses

The total expenses of the Proposed Transaction payable by Woolworths and SCA Property Group are estimated at approximately \$63.9 million (pre-GST) of which approximately \$23.1 million relates to stamp duty. They also include equity capital raising costs, advisory, legal, accounting, listing and other administrative fees, as well as printing, advertising and other expenses. If the Proposed Transaction is implemented, SCA Property Group will pay for approximately \$59.4 million of this amount and Woolworths will pay for approximately \$4.5 million.

14.8. Litigation

SCA Property Group is not a party to any current litigation material to the financial standing of SCA Property Group and the SCA Property Group Directors have no such knowledge of any such potential litigation.

14.9. Privacy and personal information

The Application Form requires you to provide information that may be personal information for the purposes of the Privacy Act 1988 (Cth) (as amended) (Privacy Act). SCPRE as the responsible entity of SCA Property Group (and the Registry on its behalf) collects, holds and uses that personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and to administer the Stapled Trusts. The Corporations Act requires certain particulars of security holders to be collected and maintained in a public register.

Access to information may also be provided to other SCA Property Group entities and to SCPRE's agents and service providers on the basis that they deal with such information as required by law. If you do not provide the information requested of you in the Application Form, the Registry may not be able to process your Application for Stapled Units appropriately.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) SCPRE. You can request access to your personal information by telephoning or writing to the Registry.

14.10. Application Form

Returning a completed Application Form will be taken to constitute a representation by the Applicant that they:

- have received a printed or electronic copy of the PDS (and any supplementary or replacement document) accompanying the Application Form and have read them all in full;
- agree that their Application is completed and lodged in accordance with this PDS and subject to the declarations and statements on the Application Form;
- declare that all details and statements in the Application Form are complete and accurate;
- acknowledge that once the Application Form is returned it may not be withdrawn;
- agree to being issued the number of Stapled Units referable to the value they apply for (or a lower number issued in accordance with this PDS);
- if natural persons, are at least 18 years old and do not suffer from any legal disability preventing them from applying for Stapled Units; and
- authorise SCA Property Group and the Lead Manager and their officers or agents, to do anything on their behalf necessary for Stapled Units to be issued to them, including to act on instructions received by the Registry using the contact details in the Application Form.

14.11. Cooling-off period

Cooling-off rights do not apply to an investment in Stapled Units pursuant to this Offer. This means that, in most circumstances, Applicants cannot withdraw their Application once it has been accepted.

14.12. Access to information

SCPRE will provide regular communication to Unitholders, including publication of:

- the SCA Property Group's half yearly reports which provide an update on the investments held, operation of the Stapled Trusts and performance for the period;
- the SCA Property Group's annual report including audited financial statements for each financial year ending 30 June;
- half yearly distribution statements;
- annual taxation statements; and
- any continuous disclosure notices given by the Stapled Trusts.

SCA Property Group will also have a website that will provide up to date information on the Stapled Trusts including current Stapled Unit prices, access to half year and annual reports and distribution information.

SCPRE, as a disclosing entity, will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Stapled Trusts may be obtained from, or inspected at, an ASIC office.

You also have the right to obtain a copy of each annual report, half yearly report and any continuous disclosure notice from the Stapled Trusts free of charge.

As at the date of this PDS, the Stapled Trusts have not lodged with ASIC any annual report or half year report and have not given any continuous disclosure notices to ASX.

14.13. Foreign jurisdictions

As at the date of this PDS, no action has been taken to register or qualify the Stapled Units or the Offer or to otherwise permit a public offering of the Stapled Units outside Australia or New Zealand.

The distribution of this PDS (including an electronic copy) outside Australia or New Zealand may be restricted by law. If you come into possession of this PDS outside Australia or New Zealand, then you should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may violate securities laws. This PDS does not constitute an Offer or invitation in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer or invitation.

The Stapled Units may be offered in a jurisdiction outside Australia or New Zealand where such offer is made in accordance with the laws of that jurisdiction.

Each person submitting an Application Form will be deemed to have acknowledged that it is aware of the restrictions referred to in this Section 14.13 and to have represented and warranted that it is able to apply for and acquire the Stapled Units in compliance with those restrictions.

14.13.1. New Zealand – Institutional Offer

If an Institutional Investor is in New Zealand, the Institutional Investor represents that it:

- (a) is a person whose principal business is the investment of money or who, in the course of and for the purposes of its business, habitually invests money within the meaning of section 3(2)(a)(ii) of the Securities Act 1978 (NZ);
 - (b) is paying a minimum of NZ\$500,000 for the Stapled Units prior to the allotment of those Stapled Units; or
 - (c) has paid a minimum of NZ\$500,000 for the Stapled Units in a single transaction with SCPRE within the past 18 months,
- and, accordingly, the Institutional Investor acknowledges that the provisions of the Securities Act 1978 (NZ) shall not apply in respect of the offer of Stapled Units to the Institutional Investor.

The Institutional Investor represents that any Stapled Units allotted to it are not being allotted with a view to them being offered for sale to the public in New Zealand and further undertakes to SCPRE that if in the future the Institutional Investor elects to directly or indirectly sell or offer any of the Stapled Units allotted to it, the Institutional Investor will not to do so in a manner which will, or is likely to, result in a contravention of the Securities Act 1978 (NZ) or may result in SCPRE or its directors incurring any liability.

14.13.2. United Kingdom

This PDS is not available for general distribution in, from or into the United Kingdom because SCA Property Group is an unregulated collective investment scheme whose promotion is restricted by Section 21 of the Financial Services and Markets Act 2000. When distributed in, from or into the United Kingdom, this PDS is only intended for investment professionals, high net worth companies, partnerships, associations or trusts and investment personnel of any of the foregoing (each within the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005), persons outside the United Kingdom receiving it non-electronically and any other persons to whom it may be communicated lawfully. No other person should act or rely on it. Persons distributing this PDS in, from or into the United Kingdom must satisfy themselves that it is lawful to do so.

14.13.3. Hong Kong

The contents of this PDS have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this PDS, you should obtain independent professional advice.

This PDS does not constitute an offer or sale in Hong Kong of any Stapled Units and no person may offer or sell in Hong Kong, by means of this PDS, any Stapled Units other than:

- (a) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or
- (b) in other circumstances which do not result in this PDS being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

No person may issue or have in his possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Stapled Units, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Stapled Units which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

14.13.4. Singapore

This PDS has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this PDS and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Stapled Units may not be circulated or distributed, nor may Stapled Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"); (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Stapled Units are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Stapled Units pursuant to an offer made under Section 275, except:

- (a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA.

The offer of Stapled Units does not relate to a collective investment scheme which is authorised under Section 286 of the SFA or recognised under Section 287 of the SFA.

14.13.5. Belgium

SCA Property Group has not been and will not be registered with the Belgian Financial Services and Markets Authority ("*Autoriteit voor Financiële Diensten en Markten*" / "*Autorité des services et marchés financiers*") as a foreign collective investment institution under Article 127 of the Belgian Law of 20 July 2004 on certain forms of collective management of investment portfolios (the **Belgian Law on Collective Management**). The Offer in Belgium has not been and will not be notified to the Belgian Financial Services and Markets Authority, nor has this PDS or any other materials relating to the Offer been nor will they be approved by the Belgian Financial Services and Markets Authority. Accordingly, the Offer may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (the **Belgian Public Offer Law**) or as defined in Article 3, 1° of the Belgian Law on Collective Management, each as amended or replaced from time to time. The Offer may not be advertised and the Stapled Units shall, whether directly or indirectly, only be offered, sold, transferred or delivered in Belgium to persons who are both:

- (a) institutional or professional investors in the sense of Article 5§3 of the Belgian Law on Collective Management; and
- (b) qualified investors in the sense of Article 10 of the Belgian Public Offer Law (each as amended from time to time),

in each case, acting for their own account.

Accordingly, this document may not be used for any other purpose nor disclosed to any other person in Belgium.

14.13.6. Denmark

The Stapled Units (or any interest therein) are not and may not, directly or indirectly, be offered or sold in Denmark, and neither this PDS nor any other document in relation to any offering of the Stapled Units (or any interest therein) may be distributed or circulated or caused to be distributed or circulated in Denmark, other than to qualified investors as defined in the EU Prospectus Directive (EC/2003/71), as amended, provided that these parties acquire the Stapled Units for their own account or that of another qualified investor.

14.13.7. Luxembourg

The Stapled Units are not offered to the public in or from Luxembourg and each Institutional Investor has represented and agreed that it will not offer the Stapled Units or cause the offering of the Stapled Units or contribute to the offering of the Stapled Units to the public in or from Luxembourg, unless all the relevant legal and regulatory requirements concerning a public offer in or from Luxembourg have been complied with. In particular, this Offer has not been and may not be announced to the public and offering material may not be made available to the public.

14.13.8. Germany

The Stapled Units are neither registered for public distribution with the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)) according to the German Investment Act (Investmentgesetz) nor listed on a German exchange. No sales prospectus pursuant to the German Securities Prospectus Act (Wertpapierprospektgesetz) has been filed with the BaFin. Consequently, the Stapled Units may not be distributed within Germany by way of a public offer, public advertisement or in any similar manner, and this PDS and any other document relating to the Stapled Units, as well as information or statements contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of the Stapled Units to the public in Germany or any other means of public marketing. Any resale of the Stapled Units in Germany may only be made in accordance with the provisions of the German Investment Act and the German Securities Prospectus Act, and any other applicable laws in Germany governing the sale and offering of securities. No view on taxation is expressed. Prospective investors in Germany are urged to consult their own tax advisers as to the tax consequences that may arise from an investment in the Stapled Units.

14.13.9. Netherlands

The Stapled Units (or any interest therein) are not and may not, directly or indirectly, be offered or sold in the Netherlands, and neither this PDS nor any other document in relation to any offering of the Stapled Units (or any interest therein) may be distributed or circulated in the Netherlands, other than to qualified investors as defined in the EU Prospectus Directive (EC/2003/71), as amended, provided that these parties acquire the Stapled Units for their own account or that of another qualified investor.

14.13.10. Norway

The Stapled Units (or any interest therein) are not and may not, directly or indirectly, be offered or sold in Norway, and neither this PDS nor any other document in relation to any offering of the Stapled Units (or any interest therein) may be distributed or circulated or caused to be distributed or circulated in Norway, other than to qualified investors as defined in the EU Prospectus Directive (EC/2003/71), as amended, provided that these parties acquire the Stapled Units for their own account or that of another qualified investor.

14.13.11. Switzerland

This PDS does not constitute a prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and SCA Property Group has not registered, and will not register its Stapled Units for public distribution in and from Switzerland with the Swiss Financial Market Supervisory Authority FINMA (FINMA). SCA Property Group will not be listed on the SIX Swiss Exchange and, therefore, this PDS does not comply with the disclosure standards of the listing rules of the SIX Swiss Exchange. Accordingly, SCA Property Group and the Stapled Units cannot be offered to the public in or from Switzerland, but only to qualified investors in accordance with the Federal Act on Collective Investment Schemes (CISA), its implementing ordinances and the guidelines issued on the subject by the FINMA. Investors do not benefit from protection under the CISA or supervision by the FINMA. This PDS is personal to each offeree and does not constitute an offer to any other person. This PDS may only be used by those persons to whom it has been handed out in connection with the Offer and may neither be copied, nor distributed or made available to other persons, directly or indirectly, without the express consent of SCA Property Group.

14.13.12. Canada

The offer and sale of the Stapled Units in Canada will only be made in the Provinces of Ontario and Québec (further to the Canadian Offering Memorandum) and not in any other Province or Territory of Canada. Such offers and sales will be made under exemptions from the requirement to file a prospectus with the Ontario Securities Commission and the Autorité des marchés financiers (Québec) and will only be made by dealer representatives that are properly registered under the laws of the Provinces of Ontario and Québec, as the case may be, or, alternatively, that are validly relying on the "international dealer exemption" from the dealer registration requirements in the Provinces of Ontario and Québec, as the case may be.

14.14. Anti-Money Laundering/Counter-Terrorism Financing Act 2006

SCPRES may be required to collect certain customer identification information and verify that information in compliance with the *Anti-Money Laundering/Counter-Terrorism Financing Act 2006* (Cth) (the **AML/CTF Act**) and AML/CTF Rules before it can issue Stapled Units in SCA Property Group to Applicants.

Customer identification information may include detailed know your customer (**KYC**) information in relation to the Applicant such as, for an individual Applicant, name, address, and date of birth and for an Applicant that is a business entity, details of directors and beneficial owners, and where the Applicant is a trustee, details of SCA Property Group and beneficiaries. SCPRES may require further KYC information such as information concerning business activities, structure and source of funds of Applicants and from time to time may require an Applicant to provide updated or additional information.

SCPRES may refuse to accept an application or decline to issue Stapled Units to an Applicant until it has satisfactorily concluded a customer identification procedure in relation to the Applicant.

SCPRES may delay or refuse any request or transaction, including by suspending the issue or redemption of Stapled Units in SCA Property Group if SCPRES is concerned that the request or transaction may cause SCPRES to contravene the AML/CTF Act. SCPRES will incur no liability to the Applicant if it does so.

Glossary

15.



Term	Definition
AASB	Australian Accounting Standards Board.
Agreements for Lease	the agreements for lease entered into by Woolworths in relation to premises at each of the Australian properties in the Development Portfolio.
Allotment	the allotment of Stapled Units following acceptance of an Application.
Allotment Date	expected to be Tuesday, 11 December 2012.
Annual General Meeting	the annual general meeting of Woolworths to be held on 22 November 2012.
Applicant	a person who submits a valid Application Form pursuant to this PDS.
Application	an application for Stapled Units under the Offer described in this PDS.
Application Form	each of the paper and electronic application forms attached to, or accompanying this PDS upon which an Application may be made.
Application Monies	monies received from Applicants in respect of their Application(s).
ARMCC	the Audit, Risk Management and Compliance Committee of SCPRE.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited, the Australian Securities Exchange, or the market operated by it, as the context requires.
ASX Guidelines	the ASX Corporate Governance Principles and Recommendations as amended.
ATO	Australian Taxation Office.
A\$, AUD, \$	Australian dollars.
Australian Properties	each of the Australian Properties that are currently wholly owned or leased by the Woolworths Group and listed in Section 6.
Bank	an Australian authorised deposit taking institution which has offered to provide SCA Property Group Retail Trust finance as part of the Debt Facility.
Board	the board of directors of SCPRE.
Broker	a broker appointed by the Lead Manager to act as a participating broker to the Offer.
Broker Firm Applicant	a person who submits a valid Application under the Broker Firm Offer.
Broker Firm Offer	the offer under this PDS open to all Retail Investors who have received a firm allocation from their Broker.
Business Day	a day which ASX is open for trading in securities and banks are open for general business in Sydney, NSW.
Capitalisation Rate	capitalisation rate, which represents a widely used measurement for comparing real estate investment opportunities, but should not be the sole factor in any real estate investment decision. The capitalisation rate for a real property or portfolio of properties is calculated by dividing the projected NOI of the property or portfolio by the assessed valuation of the property, excluding costs of acquisition and fees.
Capital Reduction Resolution	the ordinary resolution to approve an equal capital reduction in Woolworths under section 256C(1) of the Corporations Act on the terms and conditions set out in the Explanatory Memorandum.
CHESS	ASX's Clearing House Electronic Subregister System.
Co-Lead Manager	Moelis Australia Advisory Pty Limited (72 142 008 446).
Co-Lead Manager Agreement	the agreement between SCPRE and the Co-Lead Manager dated on or about the date of this PDS as described in Section 13.15 of this PDS.

Term	Definition
Completed Portfolio	all Properties that are completed and operational at the Implementation Date, as listed in Section 6.
Constitution	the Constitution of SCA Property Management Trust dated 6 June 2012 (as amended from time to time) or the Constitution of SCA Property Retail Trust dated 6 June 2012 (as amended from time to time), as the context requires.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
CPI	Consumer Price Index.
CPU	Cents Per Unit
Debt Facility	the borrowing of money by, and other financial accommodation provided to, SCA Property Retail Trust from the Banks and the guarantee of that financial accommodation by certain members of SCA Property Group, summarised in Section 13.13
Deloitte	Deloitte Corporate Finance Pty Limited (ABN 19 003 883 127).
Development Portfolio	all Properties that are incomplete at the Implementation Date and are to be completed by Woolworths Group under the terms of the relevant DMA, as listed in Section 6.
Directors	the directors of the SCPRE.
Distributable Earnings	Represents the Directors' view of the cash available for distribution in the forecast period, being the net profit after tax adjusted for: <ul style="list-style-type: none"> – non cash items (including straight lining of rental income, unwinding of rental guarantee, property revaluations and mark to market adjustments for derivative financial instruments and financial assets); – transaction costs; and – an allowance for leasing commissions and incentive payments received under the rental guarantee and a structural vacancy assumption.
Distribution	the distribution in specie to holders of Woolworths Shares on the Distribution Record Date of the Stapled Units pursuant to the Capital Reduction Resolution on the terms described in the Explanatory Memorandum.
Distribution Record Date	7:00pm, Friday, 30 November 2012.
DMA	each of the Development Management Agreements proposed to be entered into by SCA Property Group and a member of the Woolworths Group, with Woolworths as guarantor, in respect of each Development Portfolio property as described in Sections 13.9 and 13.10.
DRP	distribution reinvestment plan.
Eligible Woolworths Retail shareholders	a Woolworths Retail Shareholder who: <ul style="list-style-type: none"> – has a registered holding in Woolworths Shares on the Offer Record Date; – has a registered address in Australia or New Zealand; – is not in the United States; and is not otherwise deemed to be an Institutional Investor by the Lead Manager, in consultation with SCPRE and Woolworths as described in Section 4.9 of this PDS.
Explanatory Memorandum	the Explanatory Memorandum issued by Woolworths on 5 October 2012 and which relates to the Capital Reduction Resolution.
Final Payment	the final payment under the terms of each DMA.
Final Price	the final price for the Offer that will be determined at the conclusion of the Institutional Offer which will be within the Offer Price Range.

Term	Definition
Financial Information	the financial information as described in Section 7.1 of this PDS.
Forecast Period	The period from Implementation Date until 30 June 2014.
Fully Leased Net Operating Income	with respect to a Property, the projected NOI on a fully leased basis for the first full year after either the Implementation Date for the Completed Portfolio, or the completion date for each of the properties in the Development Portfolio.
Fully Leased Gross Income	with respect to a Property, the projected Gross Income on a fully leased basis for the first full year after either the Implementation Date for the Completed Portfolio, or the completion date for each of the properties in the Development Portfolio.
FY13	the financial period ending 30 June 2013.
FY14	the financial year ending 30 June 2014.
Gearing	the ratio of net debt to total tangible assets.
General Public Offer	the offer under this PDS to Retail Investors.
GLA or Gross Lettable Area	total lettable floor area in square metres.
Gross Income	income before any adjustment for operating expenses or non-recoverable outgoings.
Implementation Date	the date on which the Distribution is expected to be made to Woolworths Shareholders, being 11 December 2012.
Institutional Investor	a person to whom offers and issues of Stapled Units may lawfully be made without the need for disclosure under Part 7.9 of the Corporations Act or without any other lodgement, registration or approval with or by a government agency (other than one with which SCA Property Group, in its absolute discretion, is willing to comply), provided that if such person is in the United States it must be a QIB.
Institutional Offer	the offer under this PDS and the International Offering Circular to certain Institutional Investors to apply for Stapled Units.
International Offering Circular	the offer document, which will include this PDS, to be used for the purpose of any offer of Stapled Units to any persons in the United States.
Investigating Accountant's Report	the Investigating Accountant's Report prepared by Deloitte as set out in Section 8 of this PDS.
Lead Manager	Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832).
Leases	the leases entered into by Woolworths in relation to premises at each of the Properties.
Listing Rules	the official listing rules of the ASX from time to time as modified by any express written confirmation, waiver or exemption given by ASX.
New Zealand Properties	each of the New Zealand Properties that are currently wholly owned or leased by the Woolworths Group and listed in Section 6.
New Zealand Trustee	the trustee of SCA Property NZ Retail Trust (currently SCPNZL).
New Zealand Trust Fund	the cash, investments, assets, rights, and other property held upon the trusts set out in the trust deed entered into by the NZ Trustee.
NOI	net operating income, which is Gross Income less non-recoverable outgoings and maintenance capital expenditure.
NTA	net tangible assets.
NZ\$ or NZD	New Zealand dollars.

Term	Definition
Offer	the offer under this PDS and the International Offer Circular to raise up to \$506 million via the Woolworths Retail Shareholder Offer, the Broker Firm Offer, the General Public Offer and the Institutional Offer.
Offer Management Agreement	the agreement between Woolworths, SCPRE and the Lead Manager dated 5 October 2012 as described in Section 13.14 of this PDS.
Offer Price Range	\$1.26 to \$1.50 per Stapled Unit under the Institutional Offer (inclusive).
Offer Record Date	7:00pm (Sydney time), Wednesday, 10 October 2012.
OIO	the New Zealand Overseas Investment Office.
PDS	this document, the Product Disclosure Statement, dated 5 October 2012 in respect of the Offer.
Portfolio	the SCA Property Group property portfolio comprising the Completed Portfolio and the Developed Portfolio, as described in Section 6 of this PDS.
Portfolio GLA	the aggregate of the GLA of the Completed Portfolio as at the date of this PDS and the expected GLA of the properties in the Development Portfolio on completion.
Pro Forma Balance Sheet	has the meaning given in Section 7.1.
Properties	the properties held by SCA Property Group following implementation of the Distribution comprising the Australian Properties and the New Zealand Properties as described in Section 6 of this PDS.
Proposed Transaction	the establishment and listing of the SCA Property Group through the Distribution and Offer as described in this PDS.
QIB	a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act.
RE	the responsible entity of each of SCA Property Management Trust and SCA Property Retail Trust.
Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277), the share registrar for SCA Property Group.
REIT	real estate investment trust.
Rental Guarantee	the rental guarantee under the terms of the Sale Contracts and DMAs.
Retail Investor	a person who is a resident of Australia or New Zealand and who is not in the United States, and is not otherwise treated as an Institutional Investor.
Retail Offer Period	the period commencing on the Retail Offer Opening Date and ending on the Retail Offer Closing Date.
Retail Offer Closing Date	the closing date for the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer being Tuesday, 20 November 2012.
Retail Offer Opening Date	the opening date for the Woolworths Retail Shareholder Offer, the Broker Firm Offer and the General Public Offer being Monday, 15 October 2012.
Sale Contracts	the contracts for sale between the Woolworths Group and SCA Property Group (in respect of the Australian Properties) and SCA Property NZ Retail Trust in respect of the New Zealand Properties.
SCA Property Group	Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust and their controlled entities or SCPRE (as applicable).
SCA Property Management Trust	Shopping Centres Australasia Property Management Trust ARSN 160 612 626.

Term	Definition
SCA Property NZ Retail Trust	Shopping Centres Australasia Property NZ Retail Trust, the units in which are held by SCA Property Management Trust and SCA Property Retail Trust.
SCA Property Retail Trust	Shopping Centres Australasia Property Retail Trust ARSN 160 612 788.
SCP NZL	Shopping Centres Australasia Property Group Trustee NZ Limited, the trustee of SCA Property NZ Retail Trust.
SCP RE	Shopping Centres Australasia Property RE Limited (ABN 47 158 809 851) (AFS License 426603) the responsible entity of SCA Property Management Trust and SCA Property Retail Trust.
SCP RE Board	the board of directors of SCP RE.
Site Access Fee	The Site Access Fee is payable in accordance with the DMAs for the Australian Properties in the Development Portfolio, as described in Section 13.9.
Stapled Trust	each of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust.
Stapled Unit	A stapled security in SCA Property Group comprising one unit in SCA Property Management Trust and one unit in SCA Property Retail Trust, stapled together as described in Section 4.4 of the PDS
Stapling Deed	the stapling deed entered into between SCA Property Management Trust and SCA Property Retail Trust and dated 4 October 2012.
TSA	each of the Transitional Services Agreements between the Woolworths Group and SCA Property Group.
TTA	total tangible assets
United States	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.
Unitholder	a registered holder of a Stapled Unit, or as applicable a registered holder of a unit in a Stapled Trust.
U.S. Securities Act	U.S. Securities Act of 1933.
WALE	weighted average lease term to expiry, weighted by GLA.
WIP or work in progress	the cost of incomplete development works of the properties in the Development Portfolio.
Woolworths	Woolworths Limited (ABN 88 000 014 675).
Woolworths Group	Woolworths and/or one or more of its subsidiaries (where the context requires).
Woolworths Register	the register of Woolworths Shareholders.
Woolworths Retail Shareholder	a Woolworths Shareholder who is a resident of Australia or New Zealand and who is not in the United States or is otherwise treated as an Institutional Investor.
Woolworths Retail Shareholder Offer	the Offer under this PDS that is open to all Woolworths Retail Shareholders who have a registered holding in Woolworths Shares on the Offer Record Date and an address in Australia or New Zealand.
Woolworths Share	an ordinary share in Woolworths.
Woolworths Shareholder	a registered holder of Woolworths Shares.

Directory

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Woolworths Limited

ABN 88 000 014 675
1 Woolworths Way
Bella Vista NSW 2153

SCA Property Group**Shopping Centres Australasia Property Group RE Limited**

ABN 47 158 809 851
1 Woolworths Way
Bella Vista NSW 2153

Shopping Centres Australasia Property Management Trust

ARSN 160 612 626
1 Woolworths Way
Bella Vista NSW 2153

Shopping Centres Australasia Property Retail Trust

ARSN 160 612 788
1 Woolworths Way
Bella Vista NSW 2153

Financial Adviser**Moelis Australia Advisory Pty Ltd**

Level 27, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

Australian Legal Adviser**Allens**

Sydney Office
Level 28, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000

Melbourne Office

Level 37, 101 Collins Street
Melbourne VIC 3000

New Zealand Legal Adviser**Russell McVeagh**

Level 30, Vero Centre
48 Shortland Street
Auckland 1010
New Zealand

Taxation Adviser**Greenwoods & Freehills Pty Limited**

Level 38, MLC Centre
19 Martin Place
Sydney NSW 2000

Auditor**Deloitte Touche Tohmatsu**

Level 9, Grosvenor Place
225 George Street
Sydney NSW 2000

Registry**Computershare Investor Services Pty Limited**

Level 4
60 Carrington Street
Sydney NSW 2000

Lead Manager**Citigroup Global Markets Australia Pty Limited**

Citigroup Centre
2 Park Street
Sydney NSW 2000

Investigating Accountant**Deloitte Corporate Finance Pty Limited**

Level 9, Grosvenor Place
225 George Street
Sydney NSW 2000

Co-Managers

CBA Equities Limited
Morgan Stanley Wealth Management
National Australia Bank Limited

Application Form

17.



Woolworths

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