

SCENTRE GROUP

ASX Announcement

Scentre Group (ASX: SCG)

26 April 2018

SCENTRE GROUP LIMITED

1st QUARTER UPDATE

Attached is the Group's 1st Quarter Update.

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Owner and Operator of  in Australia and New Zealand

SCENTRE GROUP LIMITED ABN 66 001 671 496

SCENTRE MANAGEMENT LIMITED ABN 41 001 670 579 AFS Licence No: 230329 as responsible entity of Scentre Group Trust 1 ABN 55 191 750 378 ARSN 090 849 746

RE1 LIMITED ABN 80 145 743 862 AFS Licence No: 380202 as responsible entity of Scentre Group Trust 2 ABN 66 744 282 872 ARSN 146 934 536

RE2 LIMITED ABN 41 145 744 065 AFS Licence No: 380203 as responsible entity of Scentre Group Trust 3 ABN 11 517 229 138 ARSN 146 934 652

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1st QUARTER 2018 UPDATE

SCENTRE GROUP



OPERATING PERFORMANCE & OUTLOOK

31 MARCH 2018

Portfolio Leased	> 99.5%
Lease Deals Completed Number	551
Lease Deals Completed Area	91,168 sqm
Total Lettable Area	> 3.6 million sqm, increase of 10,300 sqm
Customer Visits Per Annum	> 530 million

OUTLOOK

The Group confirms its guidance for full year growth in funds from operations (FFO) of approximately 4%. The distribution guidance of 22.16 cents per security is also confirmed.

RETAILER IN-STORE SALES

COMPARABLE IN-STORE SALES GROWTH PSM¹

In-store sales across the portfolio:

- Total specialty in-store sales were up 2.0% for the quarter and 1.4% for the year
- Specialties > 400 sqm in-store sales were up 2.8% for the quarter and 3.1% for the year
- Specialties < 400 sqm in-store sales were up 1.6% for the quarter and 0.9% for the year
- Majors in-store sales were up 0.8% for the quarter and 0.3% for the year
- Total stable portfolio sales were up 1.1% for the quarter and 1.1% for the year

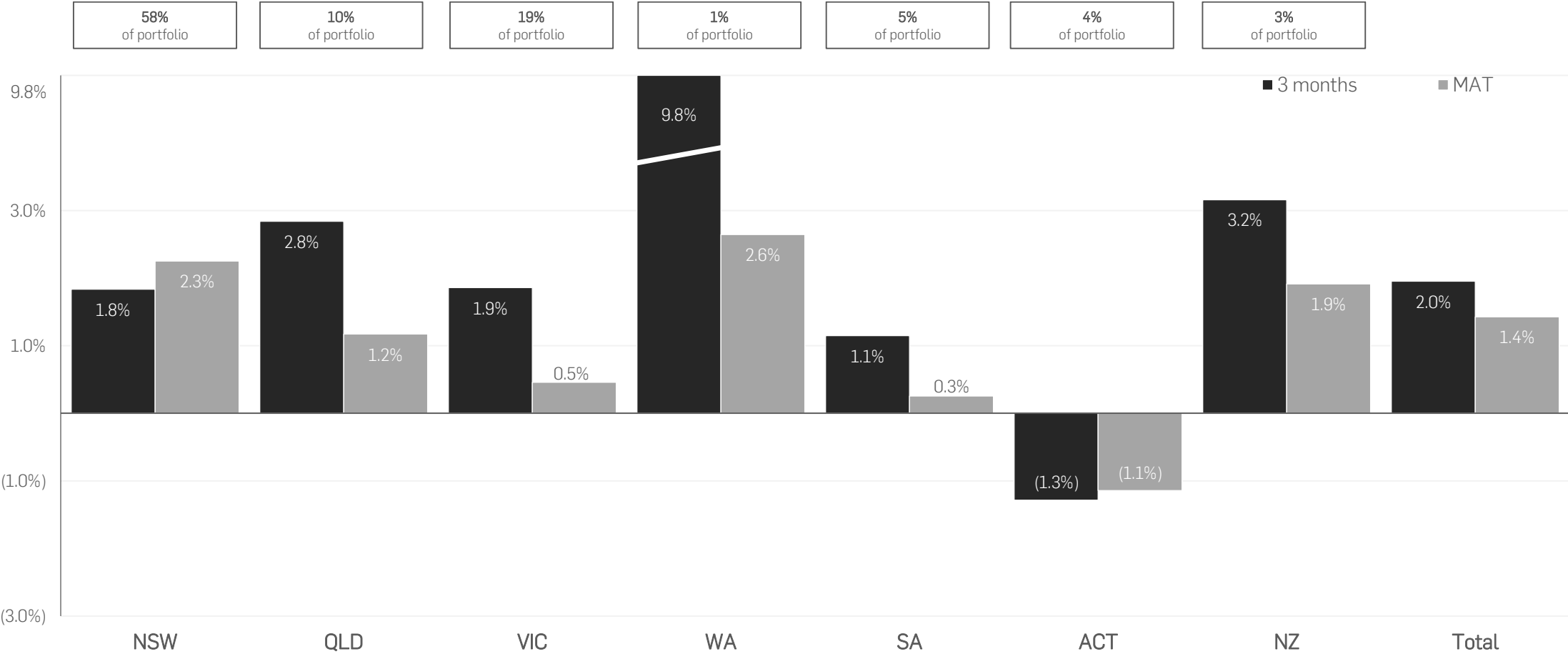
1. Total stable portfolio

2. General Retail category includes Discount Variety, Giftware, Florists etc

	3 MONTHS TO 31 MAR 2018	12 MONTHS TO 31 MAR 2018
Fashion	3.8%	1.4%
Footwear	1.1%	1.4%
Jewellery	0.8%	(0.2%)
Leisure	1.1%	0.4%
General Retail ²	8.4%	4.8%
Homewares	(1.8%)	(0.2%)
Technology & Appliances	(1.5%)	(0.2%)
Retail Services	2.2%	4.0%
Health & Beauty	1.9%	0.9%
Food Retail	2.0%	2.8%
Food Dining	0.8%	1.1%
Supermarkets	0.9%	1.3%
Department Stores	(1.8%)	(3.6%)
Discount Department Stores	2.9%	1.7%
Cinemas	(7.8%)	(5.6%)

RETAILER IN-STORE SALES

COMPARABLE SPECIALTY IN-STORE SALES GROWTH BY REGION¹



1. Total stable portfolio

CREATING EXTRAORDINARY PLACES

Key Highlights:

- Commenced the NZ\$790 million (SCG share: NZ\$400m) redevelopment of Westfield Newmarket in 2018
- Successfully opened the \$80 million (SCG share: \$40m) redevelopment of Westfield Plenty Valley in March 2018, 100% leased
- All active developments are progressing well
- Development target returns of >7% yield and >15% IRR

ACTIVE DEVELOPMENTS

	TOTAL PROJECT COST \$'M	SCG SHARE \$'M	ANTICIPATED COMPLETION
Carousel	350	350	Q3 2018
Coomera	470	235	Q4 2018
Kotara	160	160	Q4 2018
Tea Tree Plaza	50	25	Q4 2018
Newmarket	NZD 790	NZD 400	Q4 2019
TOTAL ACTIVE DEVELOPMENTS (AUD)	1,750	1,135	
DEVELOPMENT YIELD TARGETS		>7%	

LEASING & RETAIL SOLUTIONS

31 MARCH 2018

Portfolio Leased	> 99.5%
Average Specialty Store Rent (psm)	\$1,625
Specialty Occupancy Cost	17.9%
Lease Deals Completed Number	551
Lease Deals Completed Area (sqm)	91,168

IMPORTANT NOTICE

All amounts in Australian dollars unless otherwise specified. The financial information included in this document is based on the Scentre Group's IFRS financial statements. Non IFRS financial information included in this document has not been audited or reviewed. This document contains forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to us as of the date of this document. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this document. You should not place undue reliance on these forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

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