

ASX Announcement

25 July 2017

June 2017 valuations

Vicinity Centres (Vicinity, ASX:VCX) announces that as at 30 June 2017, 34 of its 74 directly-owned retail properties (52% by value) have been independently valued and the remaining properties have been subject to internal valuations resulting in a net valuation gain for the overall portfolio of \$345 million, a 2.3% increase for the six month period. Combined with valuation growth reported for the first half of FY17, total net valuation growth of \$853 million, or 6.0%, has been achieved for Vicinity's directly-owned portfolio for the 12 months to 30 June 2017. The June valuations are subject to final audit and will be confirmed in Vicinity's FY17 annual results to be announced on 16 August 2017.

Mr Angus McNaughton, CEO and Managing Director, said: "It is pleasing to see continued valuation growth across our entire portfolio, driven by solid income growth and strong demand for quality shopping centres, like those owned by Vicinity. Significant increases in value have been achieved over the June half for Major Regional centres such as Chatswood Chase Sydney (up \$91.8 million or 8.9%) and Bayside (up \$41.6 million or 7.2%). Strong income growth continues to drive the value of our DFO portfolio. In particular, DFO South Wharf (up \$22.5 million or 3.9%) is well positioned for future growth with completion of the new multi-deck car park and Vicinity's acquisition of the remaining 25% interest in the asset during the half."

The table below provides a summary of the valuations of Vicinity's directly-owned portfolio at 30 June 2017 compared to 31 December 2016¹.

Centre type	Number of centres	Valuation ²			Weighted average capitalisation rate		
		30-Jun-17 (\$m)	Net valuation gain (\$m)	(%)	New (%)	Prior (%)	Movement (bps)
Super Regional	1	2,675	32	1.2	4.25	4.25	Nil
Regional ³	21	7,325	170	2.4	5.54	5.75	(21)
Sub Regional	32	3,446	76	2.3	6.35	6.49	(14)
Neighbourhood	15	729	16	2.3	6.51	6.60	(9)
Outlet (DFO)	5	1,374	51	3.8	6.29	6.35	(6)
TOTAL	74	15,549	345	2.3	5.61	5.74	(13)

¹ All data excludes Wodonga Plaza which was sold during the period.

² By ownership interest.

³ Includes Major Regional, City Centre and Regional centres.

Vicinity Centres

National Office
Level 4, Chadstone Tower One
1341 Dandenong Road
PO Box 104
Chadstone VIC 3148

T +61 3 7001 4000
F +61 3 7001 4001
vicinity.com.au

Vicinity Limited ABN 90 114 757 783
and Vicinity Centres RE Ltd
ABN 88 149 781 322
As responsible entity for:
Vicinity Centres Trust ARSN 104 931 928



Mr McNaughton added: "Chadstone continues to trade strongly following completion of the \$666 million (Vicinity share: \$333 million) major development last month. The asset recorded a 1.2% increase in its internal valuation of Vicinity's share, with the capitalisation rate remaining unchanged at 4.25%. Chadstone is scheduled to be independently valued next at 31 December 2017."

At 30 June 2017, net tangible assets per security (NTA) is estimated to be \$2.82 which is up nine cents, or 3.3%, compared to \$2.73 reported at 31 December 2016.

Gearing is estimated to be 24.7% as at 30 June 2017, up from 24.0% at 31 December 2016. This increase during the half is due to development capital expenditure incurred and the acquisition of the remaining 25% interest in DFO South Wharf, partly offset by valuation gains and paying down debt following settlement of the sale of Wodonga Plaza. Estimated NTA and gearing figures are subject to final audit.

Further details on the June 2017 valuations will be included in Vicinity's FY17 annual results announcement to be released to the ASX on 16 August 2017. Management will host a briefing on the results which will be webcast live from 10.30am (AEST) on the day and can be accessed via Vicinity's website at www.vicinity.com.au.

ENDS

For further information please contact:

Penny Berger

Head of Investor Relations

T +61 2 8229 7760

E penny.berger@vicinity.com.au



About Vicinity Centres

Vicinity Centres (Vicinity or the Group) is one of Australia's leading retail property groups with a fully integrated asset management platform, and over \$24 billion in retail assets under management across 83 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 74 shopping centres (including the DFO Brisbane business) and manages 35 assets on behalf of Strategic Partners, 26 of which are co-owned by the Group. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has approximately 24,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit the Group's website vicinity.com.au, or use your smartphone to scan this QR code.