

APPENDIX 4E

Preliminary Final Report
For the period ended 30 June 2013

Name of Entity: Shopping Centres Australasia Property Group

Shopping Centres Australasia Property Group comprises Shopping Centres Australasia Property Management Trust ARSN 160 612 626 and Shopping Centres Australasia Property Retail Trust ARSN 160 612 788

Results for announcement to the market

	For the period from 3 October 2012 to 30 June 2013 \$m
Revenue from ordinary activities	71.5
Loss from ordinary activities after tax attributable to members	(4.4)
Loss for the year attributable to members	(4.4)
Distributable earnings	38.6
Cents per unit	
Basic earnings per unit	(0.7)
Distributable earnings per unit	6.6

Distributions

For the period from 3 October 2012 to 30 June 2013	Cents per unit	Tax deferred amount per unit
Final distribution	5.6	47.3%
Record date for determining entitlements to the distribution	28 June 2013	

Net Tangible Assets

30 June 2013	Cents per unit
Net tangible asset backing per unit	1.57

Other significant information and commentary on results

See attached ASX announcement.

For all other information required by Appendix 4E, please refer to the following attached documents:

- Directors' report
- Audited Financial Report
- Results presentation
- Property Book

A handwritten signature in black ink, appearing to read 'Mark Lamb', with a long vertical stroke extending downwards from the end of the signature.

Mark Lamb
Company Secretary
28 August 2013



Shopping Centres Australasia Property Group

Financial Report

for the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Shopping Centres Australasia Property Group comprises
Shopping Centres Australasia Property Management Trust ARSN 160 612 626 and
Shopping Centres Australasia Property Retail Trust ARSN 160 612 788

Shopping Centres Australasia Property Group Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Shopping Centres Australasia Property Group has been formed by the stapling of the units in two Australian managed investment schemes, Shopping Centres Australasia Property Management Trust (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (ARSN 160 612 788). Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851; AFSL 426603) is the Responsible Entity of both schemes and is incorporated and domiciled in Australia. The registered office of Shopping Centres Australasia Property Group RE Limited is Level 8, 50 Pitt Street, Sydney, New South Wales.

Shopping Centres Australasia Property Group Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Directors Report

Shopping Centres Australasia Property Group ("SCA Property Group" or the "Group") has been formed by the stapling of the units in two Trusts, Shopping Centres Australasia Property Management Trust ("Management Trust") and Shopping Centres Australasia Property Retail Trust ("Retail Trust") (collectively the "Trusts").

The Responsible Entity for both Trusts is Shopping Centres Australasia Property Group RE Limited, which now presents its report together with the Trusts' Financial Reports for the period from 3 October 2012 to 30 June 2013 (the "period") and the auditor's report thereon.

The Group obtained relief from ASIC on 19 November 2012 from preparing half year financial statements for the period to 31 December 2012.

In accordance with Accounting Standard AASB 3 *Business Combinations*, the stapling arrangement discussed above is regarded as a business combination and the Management Trust has been identified as the Parent for preparing Consolidated Financial Reports.

The Directors' report is a combined Directors' report that covers both Trusts. The financial information for the Group is taken from the Consolidated Financial Reports and notes.

Directors

The Directors of the Responsible Entity at any time during or since the end of the period are:

Philip Marcus Clark AM

Non-Executive Director and Chairman since 19 September 2012.

Independent: Yes.

Listed Directorships: Non-Executive Director of Ingenia Communities Group (June 2012 to date) and Non-Executive Director of Hunter Hall Global Value Limited (July 2013 to date). Formally Non-Executive Director and chairman of the Audit Committee of ING Management Limited until 2012. ING Management Limited was the Responsible Entity of a number of listed real estate funds.

Other positions held: Member of the JP Morgan Australia Advisory Council. Chair of a number of Government Advisory Boards. Chair of several private companies. Director of two charitable foundations.

Other Experience: 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.

Qualifications: BA, LLB, and MBA (Columbia University).

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

James Hodgkinson

Non-Executive Director since 26 September 2012.

Independent: Yes.

Listed Directorships: Former Non-Executive Director of Goodman Group from February 2003 to September 2011.

Other positions held: Director of Goodman Japan Limited (listed on the Tokyo Stock Exchange until 2012), a member of the Advisory Committee of the Macquarie Foundation, and a Governor of the Cerebral Palsy Foundation Alliance and Chairman of CPA's NSW's 20/Twenty Challenge.

Other experience: Formally an Executive Director of the Macquarie Group and a division head within Macquarie's Real Estate Group. He has initiated and assisted in the fund raising initiatives and strategic support of a number of community based organisations.

Qualifications: BEcon, CPA, and FAPI.

Ian Pollard

Non Executive Director since 26 September 2012.

Independent: Yes.

Listed Directorships: Non-Executive Director and Chairman of Billabong International Limited (appointed October 2012). Formally a director and chairman of a number of listed companies including: Corporate Express Australia (Chairman) (listed until 2010), and Just Group (Chairman) (listed until 2008).

Other positions held: Chairman of RGA Reinsurance Company of Australia Limited, director of Milton Corporation and director of the Wentworth Group of Concerned Scientists.

Other experience: Dr Pollard has been a company director for over 30 years and an author of a number of books, including three on Corporate Finance.

Qualifications: Actuary and Rhodes Scholar, BA, MA (First Class Honours)(Oxon), DPhil.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Phil Redmond

Non-Executive Director since 26 September 2012.

Independent: Yes.

Listed Directorships: Non-Executive Director Galileo Funds Management Limited the Responsible Entity for Galileo Japan Trust. Formally Non-Executive Director of ING Management Limited (from 2006 and until 2010). ING Management Limited was the Responsible Entity of a number of listed real estate funds.

Other experience: 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.

Qualifications: BAppSc (Valuation), MBA (AGSM) and MAICD.

Belinda Robson

Non Executive Director since 27 September 2012.

Independent: Yes.

Listed Directorships: None.

Other experience: 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. Ms Robson is a Non-Executive Director of several Lend Lease Asian Retail Investment Fund's.

Qualifications: BComm (Honours).

Anthony Mellowes

Director 2 October 2012 and as Interim CEO on 23 November 2012 and as CEO from 1 July 2013.

Independent: No.

Listed Directorships: None.

Other experience: Mr Mellowes is an experienced property executive, having worked with Woolworths for over 10 years and holding a number of senior property related positions including Head of Asset

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Management and Group Property Operations within Woolworths. Prior to joining Woolworths, Mr Mellowes was with the Lend Lease Group.

Qualifications: Bachelor of Financial Administration and completion of Macquarie Graduate School of Management's Strategic Management Program.

Kerry Shambly

Director 2 October 2012 (resigned 19 August 2013) and as CFO on 23 November 2012.

Independent: No.

Listed Directorships: None.

Other experience: Ms Shambly is an experienced senior finance executive with over 20 years experience in the property and retail sectors, with the past 10 years at Woolworths as Manager of Capital Transactions and General Manager Finance.

Prior to joining Woolworths, Ms Shambly held a number of senior finance and commercial roles at Lend Lease and the Hoyts Cinema Group.

Qualifications: Chartered Accountant, Bachelor of Commerce, and completion of the Macquarie Graduate School of Management's Strategic Management Program and the Chief Executive Woman's (CEW) Leader's Program.

Company Secretary

Mark Lamb

General Counsel and Company Secretary from 26 September 2012.

Experience Mr Lamb is an experienced transaction 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.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Directors' relevant interests

The relevant interest of each Director in ordinary stapled units in the Group as at the date of signing this report are shown below.

Director	Number of stapled units
P Clark AM	10,000
J Hodgkinson	274,285
I Pollard	53,571
P Redmond	62,500
B Robson	7,142
A Mellowes	3,039
K Shambly	2,416

Directors' attendance at meetings

The number of Directors' meetings, including meetings of committees of the Board of Directors, held during the period and the number of those meetings attended by each of the Directors are shown below.

Number of meetings held

Board of Directors	19
Audit, Risk Management and Compliance Committee ("ARMCC")	4
People Policy Committee	2
Nomination Committee	3

Director	Board		ARMCC		People		Nomination	
	A	B	A	B	A	B	A	B
P Clark AM	19	19	-	-	-	-	3	3
J Hodgkinson	19	15	4	4	2	2	3	3
I Pollard	19	16	4	4	-	-	-	-
P Redmond	19	16	4	4	2	2	-	-
B Robson	19	16	-	-	2	2	3	2
A Mellowes	19	17	-	-	-	-	-	-
K Shambly	19	17	-	-	-	-	-	-

Key: A = Number of meetings Directors are eligible to attend
B = Number of meetings attended

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Principal activities

The principal activity of the Group during the period was investment in shopping centres in Australia and New Zealand. There were no significant changes in the nature of those activities during the period.

Operating and Financial Review

A summary of the Group and Retail Trust's results for period is set out below:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Net loss after tax	(4.4)	(2.7)
Distributable earnings	38.6	40.3
Distributions payable to unitholders	36.0	36.0
Basic and diluted earnings per unit for net loss after tax	(0.7)	(0.5)
Distributable earnings (cents per unit)	6.6	6.9
Distributions (cents per unit)	5.6	5.6
Net tangible assets (\$ per unit)	1.57	1.57

The table below provides a reconciliation from the net loss after tax to Distributable Earnings.

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Net loss after tax (statutory)	(4.4)	(2.7)
<i>Adjustments for items included in statutory loss</i>		
Transaction and establishment costs	37.2	37.2
Straight-lining of rental income	(4.2)	(4.2)
Fair value adjustments on investment properties	3.6	3.6
Fair value adjustments on financial assets	(0.9)	(0.9)
Other non-cash items	(0.2)	(0.2)
<i>Other adjustments</i>		
Cash received/receivable from rental guarantee		
- Vacancy	7.1	7.1
- Rent free incentives	1.1	1.1
Structural vacancy allowance	(0.7)	(0.7)
Distributable Earnings	38.6	40.3

Shopping Centres Australasia Property Group Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

1. Measurement of results

Statutory profit or loss measures profit or loss in accordance with Australian Accounting Standards (AASBs) and complies with the International Financial Reporting Standards (IFRS).

Distributable earnings is the basis upon which distributions are determined by the Directors having regard to the guidance in ASIC's RG 230 'Disclosing non IFRS information' ("RG 230"). A reconciliation between the statutory loss and distributable earnings is provided above and presented in the same manner as in the Product Disclosure Statement (PDS), dated 5 October 2012 issued by the Group. Distributable earnings represents the Directors view of underlying earnings from ongoing operating activities for the period, being statutory net profit/loss after tax adjusted for:

- Items that occur infrequently or are outside the course of ongoing business activities (such as formation transaction costs)
- Non-cash items (such as unrealised fair value gains/(losses), unrealised provision gains/(losses), property revaluations and fair value adjustments to financial assets (such as straight lining of rental income and unwinding of a rental guarantee))
- Cash items (such as amounts received under a rental guarantee, leasing commissions and incentive payments received)
- An allowance to normalise property revenue (such as a structural vacancy assumption)

2. Business overview and performance

The Group (ASX code SCP) listed on the Australian Stock Exchange in December 2012 following an in-specie distribution to Woolworths Ltd shareholders of units in the Group, an equity raising via the PDS and the borrowing of bank debt in order to acquire 69 shopping centres from Woolworths Ltd. At listing, 55 of those centres were completed shopping centres. Over the period from listing to June 30 2013 a further 10 centres were completed and 4 remain under construction or unsettled. In addition, a further 7 shopping centres were acquired from an independent party in June 2013. The portfolio now consists of 75 shopping centres (plus one property yet to be settled). At 30 June 2013, the portfolio is valued at \$1,504.4 million.

SCP's investment objective is to provide investors with a stable income stream to support regular distributions by investing in a geographically-diverse portfolio of convenience-based retail centres, with a strong weighting toward the non-discretionary retail segment and anchored by long term leases to quality tenants.

The portfolio is geographically diverse and spread across 5 states in Australia and New Zealand. It consists of sub-regional, neighbourhood and freestanding retail assets, with nearly half the portfolio located in new growth corridors and regions. The strong weighting toward the non-discretionary retail segment means that the portfolio is not materially exposed to the discretionary retail spending decline currently being experienced in the Australian and New Zealand economies.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

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The weighted average lease expiry is 15 years, which provides a long term stable income profile. This is largely underpinned by anchor tenants on long term leases. In this regard, 62% of the gross rental income is derived from long-term leases to high quality tenants principally Woolworths Ltd which has an A- credit rating (S&P) providing security in the income stream.

In regards to growth in rent, the lease structure with the anchor tenant of a centre typically provides for growth in the rent paid as the underlying sales of the tenant reach certain turnover thresholds. As the portfolio matures we expect the contribution from turnover rent to increase. In addition, annual growth in the rent paid by specialty tenants is typically increased by CPI plus/or a fixed percentage with the average fixed increase of approximately 4% per annum for specialty tenant leases currently in place.

SCP has entered into leasing transactions on 13,240 sqm of specialty store space since listing late last year. Portfolio occupancy increased from 95% to 96.4% on a same-store basis for the completed portfolio. In addition, the integration of 10 newly-completed properties and the portfolio acquisition in June 2013 have resulted in portfolio occupancy of 96.6% as at 30 June 2013.

The portfolio comprises modern retail assets with an average age of 3.1 years and therefore capital expenditure on the portfolio is expected to be minimal over the medium term. A rental guarantee for two years has been provided on specialty shops which were vacant at the time of acquisition (or for the properties still under development at the date of completion) by the vendors of those properties. Portfolio details are as follows:

Australian portfolio

The Australian portfolio is geographically diverse and is located across 5 states. It comprises 62 neighbourhood and sub-regional shopping centres and freestanding properties, including three assets under construction as at 30 June 2013.

The Australian portfolio delivered net operating income of \$47.4 million in FY13, with the majority generated by convenience-based neighbourhood shopping centres. The total value of Australian investment properties as at 30 June 2013 was \$1,330.2 million, including \$119.7 million in properties under construction.

New Zealand portfolio

The New Zealand portfolio comprises 13 freestanding properties and neighbourhood shopping centres located throughout New Zealand. The portfolio delivered net operating income of \$6.4 million in FY13, with the majority generated by freestanding shopping centres.

The total value of New Zealand investment properties as at 30 June 2013 was \$174.2 million. This excludes the settlement of the neighbourhood shopping centre at St James which was delayed at the time of the Group's listing and is expected to settle in October 2013.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

3. Financial Performance

The Group recorded a statutory loss after tax of \$4.4 million after non-recurring formation transaction costs, fair value and other adjustments.

Distributable earnings after tax was \$38.6 million, \$0.4 million higher than the forecast set out in the PDS. A distribution of 5.6 cents per unit has been declared, in line with the PDS forecast and paid on 28 August 2013.

Rental income for the period was \$59.3 million which is \$3.9 million lower than the PDS forecast of \$63.2 million due to delays in property settlements and lower than forecast rent from specialty tenants. This difference is offset by rental reimbursements and site access fees (\$0.4m). Of the \$2.7m rental reimbursement received, \$1.1m related to rent-free periods provided to tenants prior to the Group's establishment that were not included in the rental guarantee contribution in the PDS forecasts. The lower rental income from specialty tenants was largely due to a longer than anticipated time taken for specialty stores to commence trading after agreeing lease deals. The Group is focused on reducing the time taken to open specialty stores to be in line with industry averages and will be implementing initiatives such as bringing the leasing function in-house.

Net interest expense for the period was \$1.5m lower than the PDS forecast as a result of delays in property settlements (\$0.7 million) and a lower cost of debt due to entering into interest rate swap agreements on more favourable rates than forecast (\$0.8 million).

Despite a small net increase in property revaluations in FY13, the write-off of property acquisition costs and transaction costs associated with the portfolio acquisition in June 2013 resulted in a decline in the Group's net tangible assets ("NTA") to \$1.57 per unit from \$1.58 at listing.

Financial Management

The Group maintains a prudent approach to managing the balance sheet with gearing of 28.9% as at 30 June 2013, comfortably within the policy target range of 25%-40%. At 30 June 2013, the Group had cash and undrawn facilities of \$107.8m. The Group's unsecured bank facilities were extended in July 2013 from \$550m to \$600m, a \$50m increase to position the Group to complete the remaining development property purchases in the coming year. The weighted average debt maturity of the bank facilities is 3.6 years. As at 30 June 2013, 78% of the Group's debt was fixed or hedged.

Resilient cash flows to support secure, regular distributions

Operating cash flows were \$41.7m before the payment of non-recurring formation transaction costs, which was sufficient to fund the \$36.0m distribution paid.

Net cash outflows from investing activities were \$972.5m which funded the acquisition of investment properties (net of the Woolworths Ltd in specie distribution). These outflows were financed by long term bank debt and the raising of equity.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

4. Significant transactions

In June 2013 the Group acquired a portfolio of seven mature neighbourhood shopping centres in an off-market transaction with a private investment group for \$135.8 million. The acquisition was funded by a \$90 million institutional placement and drawing on existing bank debt facilities. The acquisition demonstrates the Group's ability to originate accretive off-market transactions that complement the existing portfolio and take advantage of its internally managed platform.

5. Outlook/Strategy

The key priority for the Group remains driving growth in underlying net operating income through the leasing of specialty vacancies in the existing portfolio. Based on progress to date and the pipeline of leasing deals, management believe they are currently on track to achieve the forecast stabilised occupancy levels by the end of the rental guarantee periods provided by the vendors.

While growth opportunities through accretive acquisitions will be evaluated where possible, the Group is also focused on generating incremental growth by optimising the performance of the existing portfolio. Initiatives include:

- the internalisation of the leasing function,
- implementing opportunities for more cost-effective asset management through leveraging economies of scale,
- identifying incremental income opportunities and process improvements.

6. Major Business Risk Profile

Risk	Risk	Mitigation Strategy
Interest Rates	Interest rates increase over time causing earnings to decline	Hedging Policy and Strategy adopted. 78% of interest rate exposure hedged.
Specialty Lease Up	Vacant specialty stores do not lease up	Rental Guarantee from vendor for 2 years from acquisition. Internalisation of the specialty leasing function.
Property Valuations	Property valuations decrease causing earnings to decline	Monitor market sales activity and increase net income to maintain values.
Foreign Exchange	Value of foreign net assets decrease as foreign exchange rates move	Natural hedge to 60% of asset value by drawing bank debt in the foreign currency. Cash on hand un-hedged.
General Economic - Retail Spending	Retail spending decline causing tenants to default on lease payments and growth in underlying lease rentals does not materialise	Non-discretionary retail spend is generally considered more defensive in nature and therefore less exposed to a general decline in retail spend

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

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Value of assets

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Value of assets	1,531.2	1,524.6

The value of the Trusts' assets is derived using the basis set out in Note 2 of the Consolidated Financial Report.

The total value of Australian investment properties (including rental guarantees) as at 30 June 2013 was \$1,330.2 million, including \$119.7 million in properties under construction.

The total value of New Zealand investment properties as at 30 June 2013 was \$174.2 million.

Interests in the Trusts

The movement in gross contributed equity during the period is set out below:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Balance at the beginning of the period	-	-
Equity issued through Woolworths in-specie distribution	509.7	506.6
Equity raised through initial public offering of stapled units	472.2	469.4
Equity raised through institutional placement in June 2013	90.0	89.5
Contributed equity at the end of the period	1,071.9	1,065.5

Significant changes in the state of affairs

The significant changes in the Group's financial affairs during the period were as follows.

On 5 October 2012, Woolworths Limited announced a proposal to create Shopping Centres Australasia Property Group via an in-specie distribution to Woolworths shareholders and related offer to investors. It was a condition precedent for the creation of the Shopping Centres Australasia Property Group that it be approved by Woolworths Limited shareholders. This was approved by Woolworths Limited shareholders on 22 November 2012. Shopping Centres Australasia Property Group was listed on the Australian Securities Exchange on 26 November 2012 and commenced trading on 11 December 2012.

Shopping Centres Australasia Property Group Directors' Report

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Shopping Centres Australasia Property Group acquired 64 neighbourhood, sub-regional and freestanding centres from Woolworths Limited in December 2012. Of these, 55 were completed properties, six were partially-completed development properties throughout Australia which have been completed during the period and a further three properties are still under construction in Australia. In addition, a further four newly-completed properties in New Zealand were acquired from Woolworths Limited during the period.

The purchase of these properties was funded through debt and equity issues. A total revolving debt facility of \$550m was raised through three banks with a combination of three and five year terms. \$509.7m equity was issued through the Woolworths in-specie distribution whereby one unit in Shopping Centres Australasia was issued for every five shares held in Woolworths. A further \$472.2m of equity was raised through the initial public offering.

In June 2013 Shopping Centres Australasia acquired seven neighbourhood shopping centres for a total purchase price of \$135.8m. This acquisition was funded by a \$90m institutional equity placement and drawing on the existing debt facility.

Likely developments, key strategies and expected results of operations

The consolidated Financial Reports have been prepared on the basis of current known market conditions. The extent to which a potential deterioration in either the capital or physical property markets may have an impact on the results of the Group are unknown. Such developments could influence market valuations, the ability of borrowers, including the Group, to raise or refinance debt and the cost of such debt, or the ability to raise equity.

At the date of this report, and to the best of the Directors of the Responsible Entity's knowledge and belief, there are no anticipated changes in the operations of the Group which would have a material impact on the future results of the Group. Property valuation changes, movements in the fair value of derivative financial instruments and movements in foreign exchange and interest rates may have a material impact on the Group's results in future years, however, these cannot be reliably measured at the date of this report.

Environmental regulations

The Directors of the Responsible Entity are satisfied that adequate systems are in place for the management of the Group's environmental responsibility and compliance with various license requirements and regulations. Further, the Directors of the Responsible Entity are not aware of any material breaches to these requirements and, to the best of their knowledge, all activities have been undertaken in compliance with environmental requirements.

Shopping Centres Australasia Property Group

Directors' Report

For the period from 3 October 2012 to 30 June 2013

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Indemnification and insurance of Directors, Officers and Auditor

The Trusts have paid premiums for Directors' and Officers' liability insurance in respect of all directors, secretaries and officers. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details relating to the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premiums paid under the policy.

The Trusts' constitutions provide that in addition to any indemnity under any law, but subject to the Corporations Act 2001, the Responsible Entity has a right of indemnity out of the assets of the Trusts on a full indemnity basis, in respect of any liability incurred by the Responsible Entity in properly performing any of its powers or duties in relation to the Trusts.

The auditor of the Group is not indemnified out of the assets of the Group.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 16.

Audit and non-audit fees

Details of the amounts paid or payable to the auditor (Deloitte Touche Tohmatsu) for audit and non-audit services provided are detailed in Note 24 of the Financial Reports.

The Directors are satisfied that the provision of non-audit services, during the period, by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services disclosed in Note 24 of the Financial Report do not compromise the external auditor's independence, based on the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants' issued by the Accounting Professional & Ethics Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing risks and rewards.

Shopping Centres Australasia Property Group Directors' Report

For the period from 3 October 2012 to 30 June 2013

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Subsequent events

On the 25 July 2013 a debt facility for \$250 million expiring in December 2017 was increased to \$300 million all with a July 2018 expiry. The overall debt facilities of the group are now \$600 million.

Kerry Shambly resigned as a Director on 19 August 2013. Mark Fleming commenced as CFO on 20 August 2013.

Besides the changes noted above, the Directors of the Responsible Entity are not aware of any other matter since the end of the period that has significantly or may significantly affect the operations of the Group, the result of those operations, or the state of the Group's affairs in future financial periods.

Rounding of amounts

The Trusts are of a kind of entity referred to in Class Order 98/100 (as amended) issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the Directors' report and consolidated financial statements. Amounts in the Directors' report and consolidated financial statements have been rounded off in accordance with that Class Order to the nearest hundred thousand dollars.

This report is made in accordance with a resolution of the Directors.



Philip Marcus Clark AM
Chairman
Sydney
28 August 2013

The Board of Directors
Shopping Centres Australasia Property Group RE Limited as Responsible Entity for
Shopping Centres Australasia Property Management Trust and
Shopping Centres Australasia Property Retail Trust
Level 8, 50 Pitt Street
Sydney NSW 2000

28 August 2013

Dear Board Members

**Shopping Centres Australasia Property Management Trust and Shopping Centres
Australasia Property Retail Trust**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Shopping Centres Australasia Property Group RE Limited in its capacity as Responsible Entity for Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust.

As lead audit partner for the audit of the financial statements of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust for the financial period ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



AG Collinson
Partner
Chartered Accountants

Shopping Centres Australasia Property Group

Consolidated Statements of Profit or Loss

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

		SCA Property Group	Retail Trust
	Notes	30 June 2013	30 June 2013
		\$m	\$m
Revenue			
Rental income		64.5	64.5
Other property income		7.0	7.0
		<u>71.5</u>	<u>71.5</u>
Expenses			
Property expenses		(17.5)	(17.5)
Corporate costs		(5.9)	(4.0)
		<u>(23.4)</u>	<u>(21.5)</u>
Net unrealised loss on change in fair value of investment properties		(3.6)	(3.6)
Net unrealised gain on change in fair value of financial assets		0.9	0.9
Responsible Entity fees		-	(0.2)
Transaction costs	5	(37.2)	(37.2)
Earnings before interest and tax (EBIT)		8.2	9.9
Interest income		0.2	0.2
Finance costs		(11.5)	(11.5)
Net loss before tax for the period		(3.1)	(1.4)
Tax	6	(1.3)	(1.3)
Net loss after tax for the period		(4.4)	(2.7)
Net loss after tax for the period attributable to unitholders of:			
SCA Property Management Trust		(1.7)	
SCA Property Retail Trust (non-controlling interest)		(2.7)	
		<u>(4.4)</u>	
		Cents	Cents
Distributions per stapled unit			
Distributions per unit	3	5.6	5.6
Basic and diluted earnings per stapled unit	4	(0.7)	(0.5)
Basic and diluted earnings per unit of each Trust			
SCA Property Management Trust	4	(0.2)	
SCA Property Retail Trust	4	(0.5)	

The above Consolidated Statements of Profit or Loss should be read in conjunction with the accompanying notes

Shopping Centres Australasia Property Group

Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

	Notes	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Net loss after tax for the period		(4.4)	(2.7)
Other comprehensive income			
<i>Items that may be classified subsequently to profit or loss</i>			
Movement in foreign currency translation reserves:			
Net exchange differences on translation of foreign operations	13	3.6	3.6
Effective portion of changes in fair value of cash flow hedges	13	0.4	0.4
Total comprehensive (loss) / income for the period		(0.4)	1.3
Total comprehensive loss for the period attributable to unitholders of:			
SCA Property Management Trust		(1.7)	
SCA Property Retail Trust (non-controlling interest)		1.3	
Total comprehensive loss for the period		(0.4)	

The above Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Shopping Centres Australasia Property Group

Consolidated Balance Sheets

As at 30 June 2013

		SCA Property Group	Retail Trust
	Notes	30 June 2013	30 June 2013
		\$m	\$m
Current assets			
Cash and cash equivalents		15.4	6.5
Receivables	7	8.3	10.7
Rental guarantee	7	12.1	12.1
Other assets		0.6	0.6
Total current assets		36.4	29.9
Non-current assets			
Investment properties	9	1,371.8	1,371.8
Investment properties under construction	9	116.1	116.1
Rental guarantee	7	4.4	4.4
Derivative financial instruments	8	2.3	2.3
Property, plant and equipment		0.2	-
Receivables		-	0.1
Total non-current assets		1,494.8	1,494.7
Total assets		1,531.2	1,524.6
Current liabilities			
Payables	10	32.9	30.6
Distribution payable	3	36.0	36.0
Derivative financial instruments	8	2.0	2.0
Provisions		0.6	-
Total current liabilities		71.5	68.6
Non-current liabilities			
Payables	10	-	1.3
Interest bearing liabilities	11	450.3	450.3
Provisions		0.4	-
Total non-current liabilities		450.7	451.6
Total liabilities		522.2	520.2
Net assets		1,009.0	1,004.4

Shopping Centres Australasia Property Group

Consolidated Balance Sheets

As at 30 June 2013

		SCA Property Group	Retail Trust
	Notes	30 June 2013	30 June 2013
		\$m	\$m
Equity			
<i>Equity Holders of Management Trust</i>			
Contributed equity	12	6.3	-
Reserves	13	-	-
Accumulated loss	14	(1.7)	-
Parent entity interest		4.6	-
<i>Equity Holders of Retail Trust</i>			
Contributed equity	12	1,039.1	1,039.1
Reserves	13	4.0	4.0
Accumulated loss	14	(38.7)	(38.7)
<i>Non-controlling interest</i>		1,004.4	1,004.4
Total equity		1,009.0	1,004.4

The above Consolidated Balance Sheets should be read in conjunction with the accompanying notes.

Shopping Centres Australasia Property Group

Consolidated Statements of Changes in Equity

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

		SCA Property Group						Total
		Contributed equity ¹	Cash flow hedge	Reserves Foreign currency translation	Accumulated profit/(loss)	Attributable to owners of parent	Non-controlling interests	
Notes		\$m	\$m	\$m	\$m	\$m	\$m	\$m
Opening balance		-	-	-	-	-	-	-
Net loss after tax for the period		-	-	-	(1.7)	(1.7)	(2.7)	(4.4)
Other comprehensive income for the period, net of tax		-	-	-	-	-	4.0	4.0
Total comprehensive income/(loss) for the period		-	-	-	(1.7)	(1.7)	1.3	(0.4)
Transactions with unitholders in their capacity as equity holders:								
Equity issued through Woolworths in-specie distribution	12	3.1	-	-	-	3.1	506.6	509.7
Equity raised through initial public offering of stapled units	12	2.8	-	-	-	2.8	469.4	472.2
Equity raised through institutional placement in June 2013	12	0.5	-	-	-	0.5	89.5	90.0
Costs associated with equity raising	12	(0.1)	-	-	-	(0.1)	(26.4)	(26.5)
Distributions payable	3	-	-	-	-	-	(36.0)	(36.0)
		6.3	-	-	-	6.3	1,003.1	1,009.4
Balance at 30 June 2013		6.3	-	-	(1.7)	4.6	1,004.4	1,009.0

Shopping Centres Australasia Property Group

Consolidated Statements of Changes in Equity

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

			Retail Trust			
		Contributed equity ¹	Reserves		Accumulated profit/(loss)	Total
			Cash flow hedge	Foreign currency translation		
	Notes	\$m	\$m	\$m	\$m	\$m
Opening balance		-	-	-	-	-
Net loss after tax for the period		-	-	-	(2.7)	(2.7)
Other comprehensive income for the period, net of tax		-	0.4	3.6	-	4.0
Total comprehensive income/(loss) for the period		-	0.4	3.6	(2.7)	1.3
Transactions with unitholders in their capacity as equity holders:						
Equity issued through Woolworths in-specie distribution	12	506.6	-	-	-	506.6
Equity raised through initial public offering of stapled units	12	469.4	-	-	-	469.4
Equity raised through institutional placement in June 2013	12	89.5	-	-	-	89.5
Costs associated with the initial public offering of stapled units	12	(26.4)	-	-	-	(26.4)
Distributions payable	3	-	-	-	(36.0)	(36.0)
		1,039.1	-	-	(36.0)	1,003.1
Balance at 30 June 2013		1,039.1	0.4	3.6	(38.7)	1,004.4

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes

¹ Contributed equity is net of equity raising costs

Shopping Centres Australasia Property Group

Consolidated Statements of Cash Flows

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

	Notes	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Cash flows from operating activities			
Property and other income received (inclusive of GST)		68.4	68.3
Property expenses paid (inclusive of GST)		(18.5)	(18.7)
Corporate costs paid (inclusive of GST)		(2.6)	(3.6)
Rental guarantee income received		5.1	5.1
Interest received		0.2	0.2
Finance costs paid		(10.2)	(10.2)
Transaction costs paid		(34.0)	(34.0)
Responsible Entity fees paid		-	(0.2)
Taxes paid		(0.7)	(0.7)
Net cash flow from operating activities	15	7.7	6.2
Cash flows from investing activities			
Payments for investment properties purchased		(949.5)	(952.6)
Payments for plant and equipment		(0.2)	-
Rental guarantee on investment properties purchased		(22.8)	(22.8)
Loans made to stapled entity		-	(1.3)
Net cash flow from investing activities		(972.5)	(976.7)
Cash flow from financing activities			
Proceeds from equity raisings		562.2	558.9
Costs associated with equity raisings		(26.5)	(26.4)
Net proceeds from borrowings		444.5	444.5
Net cash flow from financing activities		980.2	977.0
Net increase in cash and cash equivalents held		15.4	6.5
Cash and cash equivalents at the beginning of the year		-	-
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		15.4	6.5

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes.

Shopping Centres Australasia Property Group

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Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

1. Corporate information

Shopping Centres Australasia Property Group (the “Group”) was formed on 3 October 2012 by the stapling of the units in two Australian managed investment schemes, Shopping Centres Australasia Property Management Trust (“Management Trust”) (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (“Retail Trust”) (ARSN 160 612 788) (collectively the “Trusts”). Both Trusts and their Trustee and other entities in the Group were established during 2012 prior to the registration of the Trusts with the Australian Securities & Investments Commission as a managed investment scheme. The Trusts were registered with the Australian Securities & Investments Commission as a managed investment scheme on 3 October 2012 and the Group commenced trading on 11 December 2012. At the time that the stapled group was formed, there were no assets or liabilities in the Group, therefore no further disclosures under AASB3 Business Combinations are required.

The Responsible Entity of both Trusts is Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851; AFSL 426603) (“Responsible Entity”).

The Financial Statements of the Group for the period from 3 October 2012 to 30 June 2013 comprise the consolidated Financial Statements of the Management Trust and its controlled entities including the Retail Trust and its controlled entities.

The Financial Statements of the Retail Trust for the period from 3 October 2012 to 30 June 2013 comprise the consolidated Financial Statements of the Retail Trust and its controlled entities.

The Group obtained relief from ASIC on 19 November 2012 from preparing half year financial statements for the period to 31 December 2012.

The Directors of the Responsible Entity have authorised the Financial Report for issue on 28 August 2013.

2. Significant accounting policies

(a) Basis of preparation

In accordance with AASB 3 Business Combinations, the stapling arrangement discussed above is regarded as a business combination and Shopping Centres Australasia Management Trust has been identified as the Parent for preparing consolidated Financial Statements.

As permitted by Class Order 05/642, issued by the Australian Securities and Investments Commission, these Financial Statements are combined financial statements and accompanying notes of both Shopping Centres Australasia Property Group and the Shopping Centres Australasia Property Retail Trust Group.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

The Financial Statements have been presented in Australian dollars unless otherwise stated.

Historical cost convention

The Financial Statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at fair value.

Going concern

These consolidated financial statements are prepared on the going concern basis. In preparing these consolidated financial statements the Directors note that the Group and Retail Trust are in a net current asset deficiency position due to the provision for distribution and minimal cash and cash equivalents, as it is the policy of the Group and Retail Trust to use surplus cash to repay debt. The Group and Retail Trust have the ability to drawdown funds to pay the distribution on 28 August 2013, having available headroom on the Group's facilities of \$107.8 million.

Rounding

In accordance with ASIC Class Order 98/100, the amounts shown in the Financial Statements have been rounded to the nearest hundred thousand dollars, unless otherwise stated.

i. Statement of compliance

The Financial statements are general purpose financial reports, which have been prepared in accordance with Australian Accounting Standards (AASBs) and other pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group (UIG) Interpretations and the Corporations Act 2001. The Financial Statements comply with the International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

ii. New and amended accounting standards and interpretations

The Group has applied amendments to AASB 101 Presentation of Financial Statements as detailed in AASB 201-9 Amendments to Australia Accounting Standards – Presentation of Items of Other Comprehensive Income (effective for annual reporting periods beginning on or after 1 July 2012). This amendment only impacted disclosure and also introduced new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss or other comprehensive income in either a single statement or in two separate but consecutive statements.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of comprehensive income either before tax or net of tax. The amendments have been applied from the start of the period, and hence the presentation of items of other comprehensive income reflects the application of the amendments to AASB 101. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Additionally the Group has applied the amendments to AASB 112 *Income Taxes as detailed in AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets* (effective for annual reporting periods beginning on or after 1 January 2012 from the start of the period. Under these amendments, investment properties that are measured using the fair value model in accordance with AASB 140 'Investment Property' are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes unless the presumption is rebutted. Under Australian income tax legislation the Retail Trust is treated as the owner of the Group's investment properties. Additionally under current Australian income tax legislation, the Retail Trust is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with the Trust's constitution. Therefore while the Group has applied the amendments to AASB 112, the application of these amendments has not resulted in recognition of any deferred taxes on changes in fair value of the investment properties as the Group is not expected to be subject to any income taxes on disposal of its investment properties.

There are also certain new accounting standards and interpretations have been published that are not mandatory for reporting periods ended 30 June 2013. The Responsible Entity's assessment of the impact of these new standards and interpretations is set out below.

AASB 9 Financial Instruments

AASB 9 deals with the classification and measurement of financial assets and liabilities.

It applies to annual reporting periods beginning on or after 1 January 2015 with earlier application permitted.

AASB 9 key requirements are described as follows:

- AASB 9 requires all recognised financial assets that are within the scope of AASB 139 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

accounting periods. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under AASB 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, AASB 9 requires that the amount of change in fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under AASB 139, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The Group intends to adopt AASB 9 from and including the annual reporting period ended 30 June 2014. The Group anticipates that the application of AASB 9 in the future may have an impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of AASB 9 as it will require completion of a detailed review.

AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, AASB 127 Separate Financial Statements (2011), AASB 2011-7 Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards, AASB 128 Investments in Associates and Joint Ventures (2011)

AASB 10 replaces the guidance on control and consolidation in AASB 127: *Consolidated and Separate Financial Statements*, and Interpretation 112 *Consolidation – Special Purpose Entities*.

It applies to annual reporting periods beginning on or after 1 January 2013 with earlier application permitted.

Under AASB 10, the core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns before control is present. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. There is also new guidance on participating and protective rights and on agent/principal relationships.

The Group intends to adopt AASB 10 from and including the reporting period ended 30 June 2014. The Group does not expect there to be any material impact upon adoption of AASB 10.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

The other standards (AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities*, AASB 127 *Separate Financial Statements (2011)*, AASB 2011-7 *Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards*, AASB 128 *Investments in Associates and Joint Ventures (2011)*) also apply to annual reporting periods ended on or after 1 January 2013 with earlier adoption permitted. The Group intends to adopt the other standards from and including the reporting period ended 30 June 2014. The Group does not expect there to be any material impact upon adoption of the other standards.

AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 12*

AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements.

It applies to annual reporting periods beginning on or after 1 January 2013 with earlier application permitted.

AASB 13 defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of AASB 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other Australian Accounting Standards require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in AASB 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under AASB 7 '*Financial Instruments: Disclosures*' will be extended by AASB 13 to cover all assets and liabilities within its scope.

The Group intends to adopt AASB 13 from and including the reporting period ended 30 June 2014. The Group expects that the application of the new Standard will result in more extensive disclosures in the financial statements and may affect the amounts reported in the financial statements. However, it is not practicable to provide a reasonable estimate of the effect of AASB 13 as it will be dependent on a number of matters at the time of adoption including market discount rates at the time and / or credit risk at that time.

Other standards and interpretations issued and not yet adopted

There are a number of other new and amended Accounting Standards and interpretations that are not mandatory for the current reporting period. These Accounting Standards and interpretations are below:

AASB 119 *Employee Benefits (2011)* and AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119 (2011)* (effective for annual reporting periods beginning on or after 1 January 2013)

The amendments to AASB 119 change the accounting for defined benefit plans and termination benefits. The reported results and position of the group are not expected to change on adoption of these pronouncements as they do not result in any changes to the group's existing

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

accounting policies. Adoption may, however, result in changes to information currently disclosed in the financial statements.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (effective for annual reporting periods beginning on or after 1 July 2013)

The amendments from AASB 2011-4 remove the individual key management personnel disclosure requirements from AASB 124 Related Party Disclosures, to achieve consistency with the international equivalent standard and remove a duplication of the requirements with the Corporations Act 2001. The Group intends to adopt the amendments from AASB 2011-4 for the annual reporting period ending 30 June 2014. The reported results and position of the group are not expected to change on adoption of these pronouncements as they do not result in any changes to the group's existing accounting policies. Adoption may, however, result in changes to information currently disclosed in the financial statements.

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 7) (effective for annual reporting periods beginning on or after 1 January 2013) and **AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)** (effective for annual reporting periods beginning on or after 1 January 2014)

AASB 2012-2 and AASB 2012-3 do not change the current offsetting rules in AASB 132, but they increase the required disclosure and specify other details such as the time at which the right of set-off must be available and must not be contingent on a future event and must be legally enforceable in the normal course of business as well as in the event of default, insolvency or bankruptcy. The Group intends to adopt the amendments from AASB 2012-2 and AASB 2012-3 for the annual reporting periods ending 30 June 2014 and 30 June 2015 respectively. The potential impact of these Standards has not yet been fully determined.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (effective for annual reporting periods beginning on or after 1 January 2013)

AASB 2012-5 amends a number of pronouncements as a result of the 2009-2011 annual improvements cycle. The Group intends to adopt the amendments from AASB 2012-2 for the annual reporting period ending 30 June 2014. The potential impact of these Standards has not yet been fully determined.

AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and other Amendments (effective for annual reporting periods beginning on or after 1 January 2013)

AASB 2012-10 provides an exemption from the requirement to disclose the impact of the change in accounting policy on the current period. The Group intends to adopt the amendments from AASB 2012-2 for the annual reporting period ending 30 June 2014. The potential impact of these Standards has not yet been fully determined.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

(b) Basis of consolidation

The consolidated Financial Statements of Shopping Centres Australasia Property Group incorporate the assets and liabilities of Shopping Centres Australasia Property Management Trust (the Parent) and all of its subsidiaries, including Shopping Centres Australasia Property Retail Trust and its subsidiaries, as at 30 June 2013. Shopping Centres Australasia Property Management Trust has been identified as the parent entity in relation to the stapling. The results and equity of Shopping Centres Australasia Property Retail Trust (which is not directly owned by Shopping Centres Australasia Property Management Trust) have been treated and disclosed as a non-controlling interest. Whilst the results and equity of the Shopping Centres Australasia Property Retail Trust are disclosed as a non-controlling interest, the stapled security holders of Shopping Centres Australasia Management Trust are the same as the stapled security holders of Shopping Centres Australasia Property Retail Trust.

These Financial Statements also include a separate column representing the Financial Statements of Shopping Centres Australasia Property Retail Trust, incorporating the assets and liabilities of Shopping Centres Australasia Property Retail Trust (the Parent) and all of its subsidiaries, as at 30 June 2013.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies.

Where an entity began or ceased to be a controlled entity during the reporting periods, the results are included only from the date control commenced or up to the date control ceased.

In preparing the consolidated Financial Statements, all intra-group transactions and balances, including unrealised profits arising thereon, have been eliminated in full.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected in the balance sheet as receivable and carried at its recoverable value. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Certain tenant allowances that are classified as lease incentives are recorded as part of investment properties and amortised over the term of the lease. The amortisation is recorded against property income.

Where revenue is obtained from the sale of properties, it is recognised when the significant risks and rewards have transferred to the buyer. This will normally take place on unconditional exchange of contracts except where payment on completion is expected to occur significantly after exchange. For conditional exchanges, sales are recognised when the conditions are satisfied.

All other revenues are recognised on an accruals basis.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

(d) Expenses

Expenses are brought to account on an accruals basis.

(e) Finance costs

Finance costs include interest payable on bank overdrafts and short-term and long-term borrowings, payments on derivatives and amortisation of ancillary costs incurred in connection with arrangement or borrowings.

Finance costs are expensed as incurred except to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to reach the stage of their intended use or sale.

In these circumstances, borrowing costs are capitalised to the cost of the assets until the assets are ready for their intended use or sale. Total interest capitalised within the Group must not exceed the net interest expense of the Group in any period, and project values, including all capitalised interest attributable to projects, must continue to be recoverable. In the event that development is suspended for an extended period of time, the capitalisation of borrowing costs is also suspended.

(f) Taxation

The 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 detailed below:

Retail Trust is the property owning trust and is treated as a trust for Australian tax purposes. Under current Australian income tax legislation, Retail Trust is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with the Trust's constitution. The Retail Trust's New Zealand entities are subject to New Zealand tax on their earnings. Distributions paid by the New Zealand entity to the Retail Trust will not be subject to New Zealand withholding tax (or if there is any reduction in Australian receipts because of any withholding tax it will be remedied by way of a supplementary dividend) to the extent the distributions are paid out of earnings that have been subject to New Zealand tax.

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, with the exception of those related to investment properties, are measured at the tax rates that are expected to apply when the asset is realised through 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. For investment properties, deferred tax

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assets and liabilities will be presumed to be recovered entirely through sale rather than through continued use.

(g) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (or equivalent tax in overseas locations) except where the GST incurred on purchases of goods and services is not recoverable from the tax authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amounts of GST included. The net amount of GST receivable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(h) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

i. Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Ground rent obligations for leasehold property that meets the definition of an investment property are accounted for as a finance lease.

ii. Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments under lease and are disclosed as an asset or investment property.

Capitalised lease assets, with the exception of investment property, are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability.

(i) Foreign currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each

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group entity are expressed in Australian dollars, presentation currency for the consolidated financial statements.

Foreign currency transactions are converted to Australian dollars at exchange rates ruling at the date of those transactions. Amounts payable and receivable in foreign currency at balance date are translated to Australian dollars at exchange rates ruling at that date. Exchange differences arising from amounts receivable and payable are recognised in profit and loss in the period in which they arise, except as noted below.

The balance sheets of foreign subsidiaries are translated at exchange rates ruling at balance date and the income statement of foreign subsidiaries are translated at average exchange rates for the period. Exchange differences arising on translation of the interest in foreign operations are taken directly to the foreign currency translation reserve. On consolidation, exchange differences and the related tax effect on foreign currency loans denominated in foreign currency, which hedge net investments in foreign operations and equity accounted entities, are taken directly to the foreign currency translation reserve.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with an original maturity of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Trade and other receivables

Trade and other receivables are carried at original invoice amount, less provision for doubtful debts, and are usually due within 30 days. Collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectable are written off when identified. An impairment provision for doubtful debts is recognised when there is evidence that the Group will not be able to collect the receivables.

(l) Rental guarantee

The rental guarantee is measured at the present value of expected future cash flows predominantly under the guarantee arrangements with Woolworths Group. The net unwinding of the financial asset over the period of the guarantee is recorded in the statement of profit or loss.

(m) Investment properties

Investment properties comprise investment interest in land and buildings (including integral plant and equipment) held for the purpose of letting to produce rental income, including properties that are under construction for future use as investment properties.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the investment properties are stated at fair value. Fair value of investment properties is the price at which the property could be exchanged between knowledgeable,

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willing parties in an arm's length transaction. A "willing seller" is neither a forced seller nor one prepared to sell at a price not considered reasonable in the current market. The best evidence of fair value is given by current prices in an active market suitable for similar property in the same location and condition. Gains and losses arising from changes in the fair values of investment properties are recognised in profit and loss in the period in which they arise.

At each reporting date, the carrying values of the investment properties are assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each investment property takes into account latest independent valuations, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable properties. In determining the fair value, the capitalisation of net income method and / or the discounting of future net cash flows to their present value have been used, which are based upon assumptions and judgements in relation to future rental income, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties.

Investment properties under development are classified as investment property and stated at fair value at each reporting date. Fair value is assessed with reference to reliable estimates of future cash flows, status of the development and the associated risk profile.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution in value of the building content due to the passing of time. Accordingly, the buildings and all components thereof, including integral plant and equipment for the building, are not depreciated.

Incentives such as cash, rent-free periods, lessee or lessor owned fit outs may be provided to lessees to enter into an operating lease. Leasing fees may also be paid for the negotiation of leases. These incentives and lease fees are capitalised to the investment property and are amortised on a straight-line basis over the lesser of the term of the lease and the useful life of the fitout, as a reduction of rental income. The carrying amounts of the lease incentives and leasing fees are reflected in the fair value of investment properties.

(n) Recoverable amount of assets

At each reporting date, an assessment is made as to whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the recoverable amount is estimated and if the carrying amount of that asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(o) Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted.

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Distribution

Distributions payable are recognised in the reporting period in which they are declared, determined or publicly recommended by the Directors on or before the end of the reporting period, but not distributed at reporting date.

All distributions will be paid out of retained earnings / accumulated losses, whether they are capital or income in nature from a tax perspective.

(p) Provisions

A provision is recognised when a present legal or constructive obligation exists as a result of a past event and it is probable that a future sacrifice of economic benefit will be required to settle the obligation, the timing or amount of which is uncertain.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

(q) Employee benefits

The liability for employee benefits for wages, salaries, bonuses and annual leave is accrued to reporting date based on the Group's present obligation to pay resulting from the employees' services provided. The liability for employee benefits for long service leave is provided to reporting date based on the present values of the estimated future cash flows to be paid by the Group resulting from the employees' services provided.

(r) Interest bearing liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are deferred and expensed over the term of the respective agreement.

(s) Derivative and other financial instruments

The Group holds derivative financial instruments to hedge foreign currency and interest rate risk exposures arising from operational, financing and investing activities. Derivative financial instruments are recognised initially at fair value and remeasured at fair value at each reporting date.

The Group has set defined policies and has implemented a comprehensive hedging program to manage interest and exchange rate risk. Derivative financial instruments are transacted to

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achieve the economic outcomes in line with the Group's treasury policy. Derivative instruments are not transacted for speculative purposes.

The Group designates interest rate swaps as cash flow hedges. At the inception of the hedge relationship, the relationship between the hedging instrument and the hedged item is documented, along with the risk management objectives and the strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

Where applicable, the fair value of forward exchange contracts, currency and interest rate options and cross currency swaps are calculated by reference to relevant market rates for contracts with similar maturity profiles. The fair value of interest rate swaps are determined by reference to applicable market yield curves.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated income statement as the recognised hedged item.

Gains or losses arising from the movement in the fair value of instruments which hedge net investment in foreign operations are recognised in the foreign currency translation reserve. Where an instrument, or portion thereof, is deemed an ineffective hedge for accounting purposes, gains or losses thereon are recognised in profit and loss. On disposal of a net investment in foreign operations, the cumulative gains or losses recognised previously in the foreign currency translation reserve are transferred to profit and loss.

(t) Contributed equity

Issued and paid up capital is recognised in the fair value of the consideration received. Any transaction costs arising on the issue of ordinary units are recognised in equity as a reduction of the proceeds received.

(u) Earnings per unit

Basic earnings per unit is calculated as profit after tax attributable to unitholders divided by the weighted average number of ordinary units issued.

Diluted earnings per unit is calculated as profit after tax attributable to unitholders adjusted for any profit recognised in the period in relation to dilutive potential ordinary units divided by the weighted average number of ordinary units and dilutive potential ordinary units.

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(v) Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes. The segments are reported in a manner that is consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors of the Responsible Entity.

(w) Comparatives

These are no comparatives as this is the first financial reporting period of the Group.

(x) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Key judgement

In determining the parent entity of the Shopping Centre Australasia Property Group, the directors have considered various factors including asset ownership, debt ownership, management and day to day responsibilities. The directors concluded that management activities were more relevant in determining the parent. Shopping Centres Australasia Property Management Trust has been determined as the parent of the Shopping Centres Australasia Property Group.

Refer to note 2(m) for disclosures of key assumptions and estimates relating to investment property.

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3. Distributions paid and payable

	Distribution	Total amount	Tax deferred	CGT concession amount	Taxable
	cents per unit	\$m	%	%	%
SCA Property Group					
Distribution in respect of the period	5.6	36.0	47.3	-	52.7
Retail Trust					
Distribution in respect of the period	5.6	36.0	47.3	-	52.7

The distribution for the period was declared prior to 30 June 2013 and will be paid on 28 August 2013.

4. Earnings per unit

	SCA Property Group 30 June 2013	Retail Trust 30 June 2013
Per stapled unit		
Net loss after tax for the period (\$ million)	(4.4)	(2.7)
Weighted average number of units (millions)	588.6	588.6
Basic and diluted earnings per unit for net loss after tax (cents)	(0.7)	(0.5)
Per unit of each Trust		
	Management Trust	Retail Trust
Net loss after tax for the period (\$ million)	(1.7)	(2.7)
Weighted average number of units (millions)	588.6	588.6
Basic and diluted earnings per unit for net loss after tax (cents)	(0.2)	(0.5)

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5. Transaction and establishment costs

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Stamp duty and registration costs	23.2	23.2
Advisers' and consultants' fees	13.8	13.8
ASX listing costs	0.2	0.2
	37.2	37.2

These costs relate to the establishment of Shopping Centres Australasia Property Group in December 2012.

6. Taxation

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Current tax	(1.3)	(1.3)
The prima facie tax on profit before tax is reconciled to the income tax expense provided in the financial statements as follows:		
Net loss before tax for the period	(3.1)	(1.4)
Prima facie tax benefit at 30%	0.9	0.4
Effect of expenses that are not deductible in determining taxable profit	(1.9)	(1.4)
Withholding tax paid on interest from New Zealand	(0.3)	(0.3)
	(1.3)	(1.3)

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7. Receivables

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Current		
Rental receivable	3.9	3.9
Provision for doubtful debts	(0.3)	(0.3)
	3.6	3.6
Rental guarantee invoiced and receivable	2.3	2.3
Site access fee receivable	0.8	0.8
Other receivables	1.6	1.5
Receivables due from related parties	-	2.5
Total receivables	8.3	10.7
 Rental guarantee	 12.1	 12.1
Non-current		
Rental guarantee	4.4	4.4
Refer note 2(l) for accounting policy on rental guarantee receivable.		
 Ageing of rental receivable¹	 SCA Property Group 30 June 2013 \$m	 Retail Trust 30 June 2013 \$m
Current	2.7	2.7
30 days	0.4	0.4
60 days	0.2	0.2
90 days	0.3	0.3
120 days	0.3	0.3
Rental receivable	3.9	3.9

¹ Rental and other amounts due are receivable within 30 days.

There is no interest charged on any receivables. All receivables are current other than rental receivables included in ageing above.

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8. Derivative financial instruments

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Non-Current assets		
Interest rate swap contracts	2.3	2.3
Current liabilities		
Interest rate swap contracts	2.0	2.0

All of the interest rates swaps disclosed above have been designated as cash flow hedges.

9. Investment properties

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Investment properties	1,371.8	1,371.8
Investment properties under construction	116.1	116.1
Total investment property value	1,487.9	1,487.9

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Movement in total investment properties		
Balance at the beginning of the period	-	-
Acquisitions	1,434.9	1,434.9
Expenditure on properties under construction completed	29.3	29.3
Accrual for works on properties under construction	13.5	13.5
Additions including tenant incentives, leasing fees and straight lining net of amortisation	4.4	4.4
Unrealised loss on property valuations	(3.6)	(3.6)
Effect of foreign currency exchange differences	9.4	9.4
Balance at the end of the period	1,487.9	1,487.9

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Description	Acquisition	Cost including all additions ¹	Independent valuation	Independent valuer	Independent cap rate ²	Independent valuation amount	Book value 30 June 2013
	Date	\$m	Date		%	\$m	\$m
Completed portfolio							
Australian assets							
Berala, NSW	Dec 2012	18.8	Jun 2013	Cushman	8.00	18.5	18.5
Burwood DM, NSW	Dec 2012	7.3	Dec 2012	Cushman	7.25	7.3	7.3
Cabarita, NSW	Dec 2012	14.9	Jun 2013	Savills	9.00	14.9	14.9
Cardiff, NSW	Dec 2012	16.0	Jun 2013	Cushman	8.25	16.2	16.2
Culburra Beach, NSW	Dec 2012	5.3	Dec 2012	Cushman	8.75	5.3	5.3
Fairfield, NSW	Dec 2012	16.0	Jun 2013	Cushman	7.50	16.2	16.2
Goonellabah, NSW	Dec 2012	15.9	Dec 2012	Cushman	8.50	16.0	16.0
Griffith North, NSW	Dec 2012	7.8	Dec 2012	Cushman	7.50	7.8	7.8
Inverell Big W, NSW	Dec 2012	15.5	Dec 2012	Cushman	10.00	15.5	15.5
Katoomba DM, NSW	Dec 2012	5.8	Dec 2012	Cushman	7.50	5.8	5.8
Lane Cove, NSW	Dec 2012	38.0	Dec 2012	Cushman	7.25	38.3	38.3
Leura, NSW	Dec 2012	12.5	Dec 2012	Cushman	8.25	12.5	12.5
Lismore, NSW	Dec 2012	23.4	Dec 2012	Cushman	8.75	23.6	23.6
Macksville, NSW	Dec 2012	9.2	Dec 2012	Cushman	8.50	9.2	9.2
Merimbula, NSW	Dec 2012	13.4	Dec 2012	Cushman	8.75	13.5	13.5
Mittagong Village, NSW	Dec 2012	7.8	Jun 2013	Cushman	8.00	7.8	7.8
Moama Marketplace, NSW	Dec 2012	11.0	Dec 2012	Savills	8.50	11.0	11.0
Morisset, NSW	Dec 2012	14.0	Dec 2012	Cushman	8.75	14.0	14.0
Mullumbimby, NSW	Dec 2012	9.0	Dec 2012	Cushman	7.50	9.0	9.0
North Orange, NSW	Dec 2012	24.2	Jun 2013	Cushman	8.00	24.5	24.5

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Description	Acquisition	Cost including all additions ¹	Independent valuation	Independent valuer	Independent cap rate ²	Independent valuation amount	Book value 30 June 2013
	Date	\$m	Date		%	\$m	\$m
Swansea, NSW	Dec 2012	10.7	Dec 2012	Cushman	8.50	10.7	10.7
Ulladulla, NSW	Dec 2012	14.7	Dec 2012	Cushman	8.50	14.7	14.7
West Dubbo, NSW	Dec 2012	11.9	Dec 2012	Cushman	8.75	12.0	12.0
Ayr, QLD	Jun 2013	19.9	Jun 2013	M3	8.00	18.7	18.7
Brookwater, QLD	Dec 2012	25.3	Jun 2013	Savills	8.50	25.2	25.2
Carrara, QLD	Dec 2012	14.7	Dec 2012	Savills	8.25	14.7	14.7
Central Highlands, QLD	Dec 2012	58.6	Dec 2012	Savills	7.75	58.5	58.5
Chancellor Park Marketplace, QLD	Dec 2012	25.6	Dec 2012	Savills	8.50	25.6	25.6
Collingwood Park, QLD	Dec 2012	11.5	Dec 2012	Savills	9.00	11.5	11.5
Coorparoo, QLD	Dec 2012	21.1	Dec 2012	Savills	7.75	21.2	21.2
Gladstone, QLD	Dec 2012	24.0	Dec 2012	Savills	8.00	24.0	24.0
Mackay, QLD	Dec 2012	20.5	Jun 2013	Savills	8.00	20.0	20.0
Mission Beach, QLD	Dec 2012	9.1	Dec 2012	Savills	9.50	9.2	9.2
Woodford, QLD	Dec 2012	8.5	Dec 2012	Savills	9.50	8.6	8.6
Blakes Crossing, SA	Dec 2012	19.8	Dec 2012	Savills	8.50	19.9	19.9
Mt Gambier, SA	Dec 2012	67.1	Jun 2013	Savills	7.94	67.5	67.5
Murray Bridge, SA	Dec 2012	57.9	Dec 2012	Cushman	8.25	58.0	58.0
Walkerville, SA	Dec 2012	19.5	Jun 2013	Savills	7.75	19.5	19.5
Albury, VIC	Dec 2012	17.5	Dec 2012	Savills	8.25	17.7	17.7
Ballarat, VIC	Jun 2013	21.4	Jun 2013	Savills	7.50	20.0	20.0
Bright, VIC	Dec 2012	8.9	Dec 2012	Savills	7.50	9.0	9.0
Cowes, VIC	Dec 2012	16.7	Dec 2012	Savills	8.25	16.8	16.8

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Description	Acquisition	Cost including all additions ¹	Independent valuation	Independent valuer	Independent cap rate ²	Independent valuation amount	Book value 30 June 2013
	Date	\$m	Date		%	\$m	\$m
Drouin, VIC	Jun 2013	13.1	Jun 2013	Savills	8.00	12.3	12.3
Emerald Park, VIC	Dec 2012	11.4	June 2013	Savills	6.75	11.3	11.3
Epping North, VIC	Dec 2012	20.4	Dec 2012	Savills	7.75	20.5	20.5
Highbury, VIC	Dec 2012	24.0	Jun 2013	Savills	7.75	23.7	23.7
Langwarrin, VIC	Jun 2013	18.3	Jun 2013	Savills	7.75	17.2	17.2
Maffra, VIC	Dec 2012	9.3	Dec 2012	Savills	7.00	9.3	9.3
Mildura, VIC	Dec 2012	23.1	Dec 2012	Savills	8.00	23.0	23.0
Ocean Grove, VIC	Jun 2013	31.8	Jun 2013	Savills	7.50	29.9	29.9
Pakenham, VIC	Dec 2012	68.2	Dec 2012	Savills	7.50	68.0	68.0
Warrnambool, VIC	Dec 2012	11.0	Jun 2013	Savills	8.25	11.1	11.1
Warrnambool DM, VIC	Dec 2012	5.7	Jun 2013	Savills	6.75	5.7	5.7
Warrnambool Target, VIC	Jun 2013	20.7	Jun 2013	Savills	8.00	19.5	19.5
Wyndham Vale, VIC	Jun 2013	19.4	Jun 2013	Savills	8.00	18.2	18.2
Busselton, WA	Dec 2012	18.2	Dec 2012	Savills	8.50	18.2	18.2
Kwinana Marketplace, WA	Dec 2012	85.5	Jun 2013	Savills	8.25	88.0	88.0
Margaret River, WA	Dec 2012	20.7	Jun 2013	Savills	8.25	20.7	20.7
Treendale, WA	Dec 2012	22.4	Jun 2013	Savills	8.25	24.0	24.0
Total Australian assets		1,213.9				1,210.5	1,210.5

¹ This amount includes transaction costs.

² Capitalisation rate is calculated by dividing the projected Net Operating Income of the property by the independent valuation amount of the property, excluding costs of acquisition and fees.

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Description	Acquisition	Cost including all additions ¹	Independent valuation	Independent valuer	Independent cap rate ²	Independent valuation amount	Book value 30 June 2013
	Date	\$m	Date		%	\$m	\$m
<i>New Zealand assets</i>							
Bridge Street, NZ	May 2013	12.4	Jun 2013	Colliers	7.63	12.5	12.5
Dunedin South, NZ	Dec 2012	12.7	Dec 2012	Colliers	8.25	12.7	12.7
Hornby, NZ	Dec 2012	12.7	Dec 2012	Colliers	8.25	12.7	12.7
Kelvin Grove, NZ	Dec 2012	9.1	Dec 2012	Colliers	8.00	9.1	9.1
Kerikeri, NZ	Dec 2012	12.2	Dec 2012	Colliers	8.13	12.2	12.2
Nelson South, NZ	Dec 2012	8.1	Dec 2012	Colliers	8.23	8.1	8.1
Newtown, NZ	Dec 2012	17.4	Jun 2013	Colliers	7.25	17.5	17.5
Rangiori East, NZ	Dec 2012	10.3	Dec 2012	Colliers	8.13	10.3	10.3
Rolleston, NZ	Dec 2012	11.0	Dec 2012	Colliers	8.25	11.0	11.0
Stoddard Rd, NZ	Feb 2013	16.3	Jun 2013	Colliers	7.50	16.4	16.4
Takanini, NZ	Dec 2012	25.6	Dec 2012	Colliers	8.00	25.6	25.6
Tawa, NZ	Mar 2013	12.5	Jun 2013	Colliers	7.50	12.0	12.0
Warkworth, NZ	Dec 2012	14.1	Dec 2012	Colliers	8.00	14.1	14.1
Total New Zealand assets		<u>174.4</u>				<u>174.2</u>	<u>174.2</u>
Total completed portfolio		<u>1,388.3</u>				<u>1,384.7</u>	<u>1,384.7</u>
Less amounts classified as rental guarantee ³							<u>(12.9)</u>
Investment properties							<u>1,371.8</u>

¹ This amount includes transaction costs.

² Capitalisation rate is calculated by dividing the projected Net Operating Income of the property by the independent valuation amount of the property, excluding costs of acquisition and fees.

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Description	Acquisition Date	Cost including all additions \$m	Independent valuation Date	Independent valuer	Independent cap rate %	Independent valuation amount \$m	Book value 30 June 2013 \$m
Development portfolio							
<i>Australian assets</i>							
Greystanes, NSW	Dec 2012	21.9	Dec 2012	Cushman	8.00	38.2	21.8
Katoomba Marketplace, NSW	Dec 2012	23.0	Dec 2012	Cushman	7.50	38.5	23.0
Lilydale Marketplace, VIC	Dec 2012	75.0	Dec 2012	Savills	7.75	80.5	74.9
Total development portfolio		<u>119.9</u>				<u>157.2</u>	<u>119.7</u>
Less amounts classified as rental guarantee ³							<u>(3.6)</u>
Investment properties under constructions							<u>116.1</u>

³ Woolworths Limited has provided a rental guarantee to the Group to cover rent for vacant tenancies as at 11 December 2012 until they are first let for a period of two years from and including 11 December 2012 for all properties in the Completed Portfolio and total rent for all speciality tenancies for properties in the Development portfolio for a period of two years from completion of development of each such property. The net present value of this receivable from Woolworths Limited has been taken up as Rental guarantee on the Balance sheet, refer Note 7.

At 30 June 2013, the key weighted average assumptions used in determining property values are in the table below:

	Freestanding	Neighbourhood Centre	Sub-regional
Capitalisation rate	7.88%	8.13%	7.95%
Occupancy	99.8%	96.1%	95.8%
WALE	17.2 years	14.7 years	14.2 years

Shopping Centres Australasia Property Group

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The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

10. Trade and other payables

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Current		
Payables and other creditors	18.8	16.5
Accrual for works on properties under construction	13.5	13.5
Income tax payable	0.6	0.6
	<u>32.9</u>	<u>30.6</u>
Non-Current		
Payables to related parties	-	1.3

11. Interest bearing liabilities

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Bank loans		
- A\$ denominated	349.5	349.5
- NZ\$ denominated	103.1	103.1
- Establishment fees	(2.3)	(2.3)
	<u>450.3</u>	<u>450.3</u>

The bank loans are multi-use facilities which may be used partially for bank guarantees. Bank loans are carried at amortised costs. The maturity profile in respect of interest bearing liabilities is set out below:

	Weighted average interest rate ¹ %	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Due between one and three years (all due December 2015)	5.3	194.0	194.0
Due between three and five years (all due December 2017)	5.1	258.6	258.6
		<u>452.6</u>	<u>452.6</u>

¹ Includes interest ,margin, and line fees only. The total interest rate including establishment costs and interest rate swaps is 5.5% in total.

Shopping Centres Australasia Property Group

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The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Financing facilities and financing resources		
Committed financing facilities available		
Total financing facilities at the end of the period	550.0	550.0
Less: amounts drawn down	(452.6)	(452.6)
Less: amounts utilised for bank guarantee	(5.0)	(5.0)
	92.4	92.4
Cash and cash equivalents	15.4	6.5
Financing resources available at the end of the period	107.8	98.9
Maturity profile of committed financing facilities		
Due between one and three years (December 2015)	200.0	200.0
Due between three and five years (December 2017)	350.0	350.0
	550.0	550.0

The sources of funding are spread over various counterparties to reduce liquidity risk and the terms are negotiated to achieve a balance between capital availability and the cost of debt.

The Group is required to comply with certain financial covenants in respect of the bank loans. The major financial covenants are summarised as follows:

- (a) Interest cover ratio (EBITDA to net interest expense) is more than 2.00 times
- (b) Gearing ratio (finance debt net of cash to total tangible assets net of cash) does not exceed 50%
- (c) Priority indebtedness ratio does not exceed 10% of total tangible assets
- (d) Aggregate of the total tangible assets held by the Obligors represents not less than 90% of the total tangible assets of the Group.

As at and for the period to 30 June 2013, the Group was in compliance with all of the above financial covenants.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

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The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

12. Contributed equity

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Equity	1,071.9	1,065.5
Issue costs	(26.5)	(26.4)
	<u>1,045.4</u>	<u>1,039.1</u>
Equity of Management Trust		
Balance at the beginning of the period	-	
Equity issued through Woolworths in-specie distribution	3.1	
Equity raised through initial public offering of stapled units	2.8	
Equity raised through institutional placement in June 2013	0.5	
Issue costs	(0.1)	
Balance at the end of the period	<u>6.3</u>	
Equity of Retail Trust		
Balance at the beginning of the period	-	-
Equity issued through Woolworths in-specie distribution	506.6	506.6
Equity raised through initial public offering of stapled units	469.4	469.4
Equity raised through institutional placement in June 2013	89.5	89.5
Issue costs	(26.4)	(26.4)
Balance at the end of the period	<u>1,039.1</u>	<u>1,039.1</u>
Balance at the end of the period is attributable to unit holders of:		
Shopping Centres Australasia Property Management Trust	6.3	-
Shopping Centres Australasia Property Retail Trust	1,039.1	1,039.1
	<u>1,045.4</u>	<u>1,039.1</u>
Number of units on issue		
	millions	millions
Balance at the beginning of the period	-	-
Equity issued through Woolworths in-specie distribution	248.2	248.2
Equity raised through initial public offering of stapled units	337.3	337.3
Equity raised through institutional placement in June 2013	56.9	56.9
Balance at the end of the period	<u>642.4</u>	<u>642.4</u>

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As long as Shopping Centres Australasia Property Group remains jointly quoted, the number of units in each of the Trusts shall be equal and the unitholders identical. Holders of stapled units are entitled to receive distributions as declared from time to time and are entitled to one vote per stapled unit at unitholder meetings.

13. Reserves (net of income tax)

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Cash flow hedge reserve	0.4	0.4
Foreign currency translation reserve	3.6	3.6
Balance at the end of the period	4.0	4.0
Movements in reserves		
<i>Cash flow hedge reserve</i>		
Balance at the beginning of the period	-	-
Effective portion of changes in the fair value of cash flow hedges during the period	0.4	0.4
Balance at the end of the period	0.4	0.4
<i>Foreign currency translation reserve</i>		
Balance at the beginning of the period	-	-
Translation differences arising during the period	3.6	3.6
Balance at the end of the period	3.6	3.6

Cash flow hedge reserve

The cash flow hedge reserve is used to record the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

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The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

14. Accumulated loss

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Balance at the beginning of the period	-	-
Net loss for the period	(4.4)	(2.7)
Distributions payable	(36.0)	(36.0)
Balance at the end of the period	(40.4)	(38.7)
Balance at the end of the period is attributable to unit holders of:		
Shopping Centres Australasia Property Management Trust	(1.7)	
Shopping Centres Australasia Property Retail Trust	(38.7)	
	(40.4)	

15. Notes to statements of cash flows

Reconciliation of profit to net cash flow from operating activities is as follows:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Net loss after tax	(4.4)	(2.7)
Net unrealised loss on change in fair value of investment properties	3.6	3.6
Net unrealised gain on change in fair value of financial assets	(0.9)	(0.9)
Amortisation of borrowing costs	0.3	0.3
Straight line lease revenue	(4.2)	(4.2)
Rental guarantee income received	5.1	5.1
Finance costs payable	0.9	0.9
Tax payable	0.6	0.6
Increase in payables	12.4	10.1
Other non-cash items	(0.1)	(0.1)
Increase in receivables	(6.9)	(6.8)
Provisions	1.3	0.3
Net cash flow from operating activities	7.7	6.2

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Notes to the Consolidated Financial Statements

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16. Lease commitments

Future minimum rental revenues under non cancellable operating leases:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Within one year	126.1	126.1
Between one and five years	482.2	482.2
After five years	1,326.1	1,326.1
	<u>1,934.4</u>	<u>1,934.4</u>

17. Capital commitments

Estimated capital expenditure committed at balance date but not provided for:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Within one year	21.2	21.2
Between one and five years	16.3	16.3
	<u>37.5</u>	<u>37.5</u>

The balances above relate to forecasted payments to be made to Woolworths Limited following the completion of the three properties under construction, Lilydale was completed in July 2013. Katoomba Marketplace and Greystanes which are expected to be completed in March 2014 and October 2014 respectively.

18. Segment reporting

The Group and Retail Trust invests in shopping centres located in Australia and New Zealand and have three asset classes, subregional properties, neighbourhood centres and freestanding properties. The chief decision makers of the Group base their decisions on these segments.

The Management Trust operates only within one segment, Australia.

No segmental reporting is shown for Shopping Centres Australasia Property Retail Trust as this is not required under AASB 8.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

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The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Income and expenses

		Australia		New Zealand		Unallocated	Total
	Subregional	Neighbourhood	Freestanding	Neighbourhood	Freestanding		
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue							
Rental income	19.8	31.7	5.9	2.9	4.2	-	64.5
Other property income	2.7	3.2	0.9	-	-	0.2	7.0
	22.5	34.9	6.8	2.9	4.2	0.2	71.5
Expenses							
Property expenses	(7.5)	(8.6)	(0.7)	(0.4)	(0.3)	-	(17.5)
Corporate costs	-	-	-	-	-	(5.9)	(5.9)
	(7.5)	(8.6)	(0.7)	(0.4)	(0.3)	(5.9)	(23.4)
Segment result	15.0	26.3	6.1	2.5	3.9	(5.7)	48.1
Fair value adjustments on investment properties	-	-	-	-	-	(3.6)	(3.6)
Fair value adjustments on financial assets	-	-	-	-	-	0.9	0.9
Transaction costs	-	-	-	-	-	(37.2)	(37.2)
Interest income	-	-	-	-	-	0.2	0.2
Financing costs	-	-	-	-	-	(11.5)	(11.5)
Tax	-	-	-	-	-	(1.3)	(1.3)
Net loss after tax for the period attributable to unitholders	15.0	26.3	6.1	2.5	3.9	(58.2)	(4.4)

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Assets and liabilities

		Australia		New Zealand		Unallocated	Total
	Subregional	Neighbourhood	Freestanding	Neighbourhood	Freestanding		
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Segment assets	418.5	779.8	139.6	66.6	107.9	18.8	1,531.2
Segment liabilities	15.2	8.3	1.4	0.1	0.1	497.1	522.2
Additions to investment properties	14.8	31.1	1.3	-	-	-	47.2

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19. Key management personnel compensation

Details of Key Management Personnel

The following were Key Management Personnel ("KMP") of the Group at any time during the period. It is noted that while the Group commenced trading on the 11 December 2012, entities within the Group were formed prior to 11 December 2012. As disclosed in the notes to the Compensation Table below, in certain cases, the compensation was initially made by Woolworths Limited and then reimbursed by the Group to Woolworths Limited after the 11 December 2012.

Non-Executive Directors

Philip Marcus Clark AM	Chairman	Appointed 19 September 2012
James Hodgkinson		Appointed 26 September 2012
Dr Ian Pollard		Appointed 26 September 2012
Philip Redmond		Appointed 26 September 2012
Belinda Robson		Appointed 27 September 2012

Executive Directors

Anthony Mellows	Chief Executive Officer	Appointed as Director 2 October 2012 and as Chief Executive Officer 23 November 2012
Kerry Shambly	Chief Financial Officer	Appointed as Director 2 October 2012 and as Chief Financial Officer 23 November 2012 (resigned 19 August 2013)

Senior Executive

Mark Lamb	General Counsel and Company Secretary	Appointed 26 September 2012
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Mark Fleming commenced as CFO on 20 August 2013 and no payments were made to Mr Fleming during the period. The Retail Trust does not have any employees.

Key Management Personnel Compensation

The aggregate compensation made to KMP of the Group is set out below:

	30 June 2013
	\$
Short term benefits	2,490,922
Post-employment benefits	153,238
	<u>2,644,160</u>

The remuneration of Directors and key executives is the responsibility of the Chairman of the Board in direct consultation with the People Policy Committee and full Board. The compensation of each of the KMP of the Group is set on following page.

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	Short-term employee benefits			Post-employment benefits	Other long-term employee benefits	Share-based payment		Total	
	Salary & fees	Bonus ⁹	Non-monetary			Equity-settled			Cash-settled
						Units	Options & rights		
	\$	\$	\$	\$	\$	\$	\$	\$	
Non-Executive Directors									
Philip Marcus Clark AM ¹	286,539	-	-	12,986	-	-	-	299,525	
James Hodgkinson ²	106,846	-	-	8,560	-	-	-	115,406	
Dr Ian Pollard ³	106,846	-	-	8,266	-	-	-	115,112	
Philip Redmond ⁴	106,846	-	-	8,266	-	-	-	115,112	
Belinda Robson ⁵	106,385	-	-	8,225	-	-	-	114,610	
Executive Directors									
Anthony Mellowes ⁶	470,974	364,400	-	46,667	-	-	-	882,041	
Kerry Shambly ⁷	320,103	211,838	-	28,883	-	-	-	560,824	
Senior Executive									
Mark Lamb ⁸	313,845	96,300	-	31,385	-	-	-	441,530	
Total	1,818,384	672,538	-	153,238	-	-	-	2,644,160	

Shopping Centres Australasia Property Group

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Notes to KMP

- 1 Appointed 19 September 2012. Salary & fees includes other compensation of \$50,000 in recognition of the additional work required in preparing the Group for listing.
- 2 Appointed 26 September 2012. Salary & fees includes other compensation of \$15,000 in recognition of the additional work required in preparing the Group for listing.
- 3 Appointed 26 September 2012. Salary & fees includes other compensation of \$15,000 in recognition of the additional work required in preparing the Group for listing.
- 4 Appointed 26 September 2012. Salary & fees includes other compensation of \$15,000 in recognition of the additional work required in preparing the Group for listing.
- 5 Appointed 27 September 2012. Salary & fees includes other compensation of \$15,000 in recognition of the additional work required in preparing the Group for listing.
- 6 Mr Mellowes commenced employment with the Group on 23 November 2012 as Interim Chief Executive Officer (CEO). Effective 1 July 2013 Mr Mellowes was appointed as CEO. Up until, and including 30 June 2013, Mr Mellowes was employed by Woolworths. From 23 November 2012 up until 30 June 2013, the Group reimbursed Woolworths for amounts paid to Mr Mellowes. Amounts in the table above are in respect of the amounts reimbursed for the period 23 November 2012 to 30 June 2013.
- 7 Ms Shambly commenced employment with the Group on 23 November 2012 as Chief Financial Officer. From 23 November 2012 to 11 December 2012 Ms Shambly was paid by Woolworths. Amounts in the table above are in respect of the amounts reimbursed for the period 23 November 2012 to 30 June 2013.
- 8 Commenced as Company Secretary 26 September 2012.
- 9 The amount disclosed for Executives under 'Short-term employee benefits Bonus' are amounts which have been provided and have not been paid. Additionally for Mr Mellowes and Ms Shambly it also includes amounts that may be substituted with an issue of stapled units in the Group in 2015. This will be subject to security holder approval at the 2013 Annual General Meeting. If approval is not given for the issue of stapled units in the Group, the Board has discretion to approve a cash award in lieu of equity. As the 2013 AGM has not occurred, the amounts provided for reflect the estimate of the cash award.

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Equity holdings and transactions

The movement during the period in the number of stapled units held, directly, indirectly or beneficially, by KMP, including parties related to them, is as follows:

	Total units held at 11/12/12	Purchased	Sold	Total units held at 30/6/13
Non-Executive Directors				
Philip Marcus Clark AM	-	10,000	-	10,000
James Hodgkinson	274,285	-	-	274,285
Dr Ian Pollard	53,571	-	-	53,571
Philip Redmond	30,700	31,800	-	62,500
Belinda Robson	7,142	-	-	7,142
Executive Directors				
Anthony Mellowes	3,039	-	-	3,039
Kerry Shambly	2,508	-	(92)	2,416
Senior Executives				
Mark Lamb	-	-	-	-

20. Other related party disclosures

Retail Trust has a short term receivable of \$2,356,631 and \$193,013 from Shopping Centres Australasia Property Operations and Shopping Centres Australasia Property Group RE Ltd respectively. Both are wholly owned subsidiaries of Management Trust.

Retail Trust has a non-current receivable of \$65,497 from Management Trust.

Retail Trust also has a non-current payable of \$1,253,236 to Management Trust.

These are all non-interest bearing.

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21. Parent entity

	Management Trust¹ 30 June 2013 \$m	Retail Trust¹ 30 June 2013 \$m
Current assets	-	28.3
Non-current assets	6.4	1,489.3
Total assets	6.4	1,517.6
Current liabilities	-	67.5
Non-current liabilities	0.1	451.6
Total liabilities	0.1	519.1
Contributed equity	6.3	1,039.1
Reserves	-	0.4
Accumulated loss	-	(41.0)
Total equity	6.3	998.5
Net loss after tax for the period	-	(5.0)
Other comprehensive income for the period	-	0.4
Total comprehensive income for the period	-	(4.6)
Commitments for the acquisition of property by the parent	-	37.5

¹ Head Trusts only.

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22. Subsidiaries

Name of subsidiaries	Place of incorporation and operation	Ownership interest 30 June 2013
Subsidiaries of Shopping Centres Australasia Property Management Trust		
Shopping Centres Australasia Property Operations Pty Ltd	Australia	100%
Shopping Centres Australasia Property Holdings Pty Ltd	Australia	100%
Shopping Centres Australasia Property Group RE Ltd	Australia	100%
Shopping Centres Australasia Property Group Trustee NZ Ltd	New Zealand	100%
Shopping Centres Australasia Property Retail Trust	Australia	0% ¹
Subsidiaries of Shopping Centres Australasia Property Retail Trust		
Shopping Centres Australasia Property NZ Retail Trust	New Zealand	99.9% ²

¹ Under AASB3, Shopping Centres Australasia Property Retail Trust is considered a subsidiary of Shopping Centres Australasia Property Management Trust due to stapling even though there is no direct shareholding.

² The remaining 0.1% is held by Shopping Centres Australasia Property Management Trust.

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23. Financial instruments

(a) Capital management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern, whilst providing returns for unitholders and benefits for other stakeholders and maintain a capital structure that will support a competitive overall cost of capital for the Group.

The capital structure of the Group consists of cash, interest bearing liabilities and contributed equity of the Group (comprising contributed equity, reserves and accumulated profit/loss).

The Group assesses the adequacy of its capital requirements, cost of capital and gearing (ie debt/equity mix) as part of its broader strategic plan. The Group continuously reviews its capital structure to ensure:

- Sufficient funds and financing facilities, on a cost effective basis, are available to assist the Group's property investment and management business;
- Sufficient liquid buffer is maintained; and
- Distributions to unitholders are in line with the stated distribution policy.

The Group can alter its capital structure by issuing new stapled units, adjusting the amount of distributions paid to unitholders, returning capital to unitholders, selling assets to reduce debt, adjusting the timing of capital expenditure and through the operation of a Distribution Reinvestment Plan.

The Group's financial covenants are detailed in note 11.

Management monitor the capital structure through the gearing ratio. The gearing ratio is calculated as finance debt net of cash divided by total tangible assets net of cash. The Group's target gearing range is between 25 and 40%. The gearing ratio at 30 June 2013 was 28.9%.

(b) Financial risk management

The Group's activities expose it to a variety of financial risk, including:

- (i) credit risk
- (ii) liquidity risk
- (iii) market risk

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies as approved by the Board.

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(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will default on their contractual obligations resulting in a financial loss to the Group.

67% of the Group's revenue is from Woolworths Limited which has an A- Standard and Poor's credit rating. The Group does not have any other significant concentration of credit risk to any single counterparty and reviews the aggregate exposure of tenancies across its portfolio.

Derivative counterparties and cash deposits are currently limited to financial institutions with an appropriate credit rating.

The Group and Retail Trust's exposure to credit risk consists of the following:

	SCA Property Group 30 June 2013 \$m	Retail Trust 30 June 2013 \$m
Cash and cash equivalents	15.4	6.5
Receivables	8.3	10.7
Derivative financial instruments	2.3	2.3
Rental guarantee	16.5	16.5
	42.5	36.0

At 30 June 2013 there were no significant financial assets that were past due.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group aims at having flexibility in funding by keeping sufficient cash and/or committed credit lines available whilst maintaining a low cost of holding these facilities. Management prepare and monitor rolling forecasts of liquidity requirements on the basis of expected cash flow.

The group manages liquidity risk through monitoring the maturity of its debt portfolio. The Group also manages liquidity risk by maintaining a liquidity buffer of cash and undrawn credit facilities. The weighted average debt maturity at 30 June 2013 is 3.6 years.

The following table reflects all contractual maturities of financial liabilities including principal and estimated interest cash flows based on conditions existing at balance date. The amounts presented represent the future undiscounted cash flows.

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Non-derivative financial instruments

SCA Property Group				
	1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	Total \$m
30 June 2013				
Payables	32.9	-	-	32.9
Distribution payable	36.0	-	-	36.0
Interest bearing liabilities	16.5	223.2	272.2	511.9
	85.4	223.2	272.2	580.8

Retail Trust				
	1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	Total \$m
30 June 2013				
Payables	30.6	-	-	30.6
Distribution payable	36.0	-	-	36.0
Interest bearing liabilities	16.5	223.2	272.2	511.9
	83.1	223.2	272.2	578.5

The following tables show the undiscounted cash flows required to discharge the Group's derivative financial instruments.

Financial instruments

SCA Property Group				
	1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	Total \$m
30 June 2013				
Interest rate swaps – net settled	(2.0)	0.7	2.2	0.9

Retail Trust				
	1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	Total \$m
30 June 2013				
Interest rate swaps – net settled	(2.0)	0.7	2.2	0.9

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(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's financial performance or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk within acceptable parameters, while optimising the return.

Foreign exchange risk

Foreign exchange risk arises when anticipated transactions or recognised assets and liabilities are denominated in a currency that is not the Group's functional currency, being Australian dollars. The Group has currency exposure to the New Zealand dollar.

The Group reduces its exposure to the foreign exchange risk inherent in the carrying value of its New Zealand investments by wholly or partly funding their acquisition using borrowings denominated in New Zealand dollars.

The Group's exposure to the impact of exchange rate movements on its earnings from its New Zealand investments is partially mitigated by the New Zealand dollar interest expense of its New Zealand dollar borrowings.

Distributions from New Zealand to Australia are not hedged.

The table below reflects balances denominated in NZD at 30 June 2013.

	SCA Property Group	Retail Trust
	30 June 2013	30 June 2013
	NZD	NZD
	\$m	\$m
Cash and cash equivalents	1.5	1.5
Receivables	0.2	0.2
Derivative financial instruments	1.2	1.2
Rental guarantee	0.5	0.5
Investment properties	205.1	205.1
Other assets	0.1	0.1
Total assets	208.6	208.6
Payables	1.4	1.4
Interest bearing liabilities	121.7	121.7
Total liabilities	123.1	123.1
Net exposure	85.5	85.5

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Sensitivity analysis – foreign exchange risk

The following sensitivity analysis shows the effect on profit/loss after tax and on equity of a 10% increase/decrease in exchange rates at balance date with all other variables held constant.

	SCA Property Group			
	Profit/loss after tax		Equity	
	Increase	Decrease	Increase	Decrease
	\$m	\$m	\$m	\$m
30 June 2013				
Foreign exchange rates denominated in NZD	(0.2)	0.3	(7.8)	6.4

	Retail Trust			
	Profit/loss after tax		Equity	
	Increase	Decrease	Increase	Decrease
	\$m	\$m	\$m	\$m
30 June 2013				
Foreign exchange rates denominated in NZD	(0.2)	0.3	(7.8)	6.4

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of financial instruments will fluctuate due to changes in market interest rates.

The Group's interest rate risk arises from borrowings and cash holdings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group manages this risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. These derivatives have been recorded on the Balance Sheet at their fair value in accordance with AASB 139. These derivatives have been designated as cash flow hedges for accounting purposes. As a result movements in the fair value of these instruments are recognised in equity.

The tables below provide a summary of the Group's interest rate risk exposure on interest-bearing liabilities after the effect of the interest rate derivatives.

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Notes to the Consolidated Financial Statements

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on 11 December 2012

All figures are in AUDm	Weighted average interest rate (%p.a.)	Floating interest rate \$m	SCA Property Group			Total \$m
			Fixed interest rate			
			1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	
30 June 2013						
Financial assets						
Cash and cash equivalents	3.2	15.4	-	-	-	15.4
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD	3.9	(349.5)	-	-	-	(349.5)
Denominated in NZD	3.5	(103.1)	-	-	-	(103.1)
Total financial liabilities		(452.6)	-	-	-	(452.6)
Total net financial liabilities		(437.2)	-	-	-	(437.2)
Fixed interest rate derivatives						
Denominated in AUD	3.3	-	-	140.0	140.0	280.0
Denominated in NZD	3.1	-	-	37.1	37.1	74.2
Net exposure		(437.2)	-	177.1	177.1	(83.0)

	Weighted average interest rate (%p.a.)	Floating interest rate \$m	Retail Trust			Total \$m
			Fixed interest rate			
			1 year or less \$m	1 – 3 years \$m	3 – 5 years \$m	
30 June 2013						
Financial assets						
Cash and cash equivalents	3.2	6.5	-	-	-	6.5
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD	3.9	(349.5)	-	-	-	(349.5)
Denominated in NZD	3.5	(103.1)	-	-	-	(103.1)
Total financial liabilities		(452.6)	-	-	-	(452.6)
Total net financial liabilities		(446.1)				(446.1)
Fixed interest rate derivatives						
Denominated in AUD	3.3	-	-	140.0	140.0	280.0
Denominated in NZD	3.1	-	-	37.1	37.1	74.2
Net exposure		(446.1)	-	177.1	177.1	(91.9)

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

Sensitivity analysis – interest rate risk

The following sensitivity analysis shows the effect on profit/loss after tax and equity if market interest rates at balance date had been 100 basis points higher/lower with all other variables held constant.

	SCA Property Group			
	Profit/loss after tax		Equity	
	100bp higher \$m	100bp lower \$m	100bp higher \$m	100bp lower \$m
30 June 2013				
Effect of market interest rate movement	(1.0)	1.0	10.4	(10.6)

	Retail Trust			
	Profit/loss after tax		Equity	
	100bp higher \$m	100bp Lower \$m	100bp higher \$m	100bp lower \$m
30 June 2013				
Effect of market interest rate movement	(1.0)	1.0	10.4	(10.6)

(c) Accounting classifications and fair values

The fair value of interest rate derivatives is determined using a generally accepted pricing model based on discounted cash flow analysis using assumptions supported by observing market rates.

Except as disclosed below, the directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values.

The following table represents financial assets and liabilities that were measured and recognised at fair value at 30 June 2013.

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Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

	SCA Property Group	Retail Trust
	30 June 2013	30 June 2013
	\$m	\$m
Assets		
Derivatives that qualify as effective under hedge accounting rules:		
Cash flow hedges	2.3	2.3
Liabilities		
Derivatives that qualify as effective under hedge accounting rules:		
Cash flow hedges	2.0	2.0

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between levels during the period.

	SCA Property Group			
	Level 1	Level 2	Level 3	Total
	\$m	\$m	\$m	\$m
30 June 2013				
Financial assets carried at fair value				
Interest rate derivatives	-	2.3	-	2.3
Financial liabilities carried at fair value				
Interest rate derivatives	-	2.0	-	2.0

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading
on 11 December 2012

	Retail Trust			
	Level 1	Level 2	Level 3	Total
	\$m	\$m	\$m	\$m
30 June 2013				
Financial assets carried at fair value				
Interest rate derivatives	-	2.3	-	2.3
Financial liabilities carried at fair value				
Interest rate derivatives	-	2.0	-	2.0

For financial instruments not quoted in active markets, the Group uses valuation techniques such as present value, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

Interest rate derivatives are financial instruments that use valuation techniques with only observable market inputs and are included in Level 2 above. Fair value of all derivative contracts have been confirmed with counterparties.

The Group does not have any Level 3 financial instruments.

24. Auditors remuneration

	SCA Property Group 30 June 2013 \$'000	Retail Trust 30 June 2013 \$'000
Audit and review of the financial statements	145.0	145.0
Assurance and compliance services	35.0	35.0
Other	6.0	6.0
Investigative accountants report and review of forecasts for Initial Public Offering	177.3	177.3
	363.3	363.3

The auditor of the Group and all of its subsidiaries is Deloitte Touche Tohmatsu.

Shopping Centres Australasia Property Group

Notes to the Consolidated Financial Statements

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

25. Establishment of Shopping Centres Australasia Property Group

On 5 October 2012, Woolworths Limited announced a proposal to create Shopping Centres Australasia Property Group via an in-specie distribution to Woolworths shareholders and related offer to investors. It was a condition precedent for the creation of the Shopping Centres Australasia Property Group that it be approved by Woolworths Limited shareholders. This was approved by Woolworths Limited shareholders on 22 November 2012. Shopping Centres Australasia Property Group was listed on the Australian Securities Exchange on 26 November 2012 and commenced trading on 11 December 2012.

Shopping Centres Australasia Property Group acquired 65 neighbourhood, sub-regional and freestanding centres from Woolworths Limited in December 2012. Of these, 56 were completed properties, six were partially-completed development properties throughout Australia which have been completed during the period and a further three properties are still under construction in Australia. In addition, a further three newly-completed properties in New Zealand were acquired from Woolworths Limited during the period.

Refer Note 9 for value of investment properties acquired and Note 12 for equity raised in relation to this transaction.

26. Subsequent events

On the 25 July 2013 the debt facility for \$250 million expiring in December 2017 was increased to \$300 million with a July 2018 expiry. The overall debt facilities of the group are now \$600 million.

Kerry Shambly resigned as a Director on 19 August 2013. Mark Fleming commenced as CFO on 20 August 2013.

Besides the changes noted above, the Directors of the Responsible Entity are not aware of any other matter since the end of the period that has significantly or may significantly affect the operations of the Group, the result of those operations, or state of the Group's affairs in future financial periods.

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Shopping Centres Australasia Property Group Directors' Declaration

For the period from 3 October 2012 to 30 June 2013

The Trusts were registered as managed investment schemes on 3 October 2012 and commenced trading on 11 December 2012

In the opinion of the Directors of Shopping Centres Australasia Property Group RE Limited, the Responsible Entity of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust (the "Retail Trust"):

- (a) The Financial Statements and Notes, of Shopping Centres Australasia Property Management Trust and its controlled entities, including Shopping Centres Australasia Property Retail Trust and its controlled entities, (the "Group"), set out on pages 17 to 71 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's and the Retail Trust's financial position as at 30 June 2013 and of their performance, for the period from 3 October 2012 to 30 June 2013; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that both the Group and the Retail Trust will be able to pay their debts as and when they become due and payable.

Note 2 confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the period ended 30 June 2013.

Signed in accordance with a resolution of the Directors:



Philip Marcus Clark AM
Chairman
Sydney
28 August 2013

Independent Auditor's Report to the Stapled Security Holders of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust

We have audited the accompanying financial report of Shopping Centres Australasia Property Management Trust ("SCA Property Management Trust"), and the accompanying financial report of Shopping Centres Australasia Property Retail Trust ("SCA Property Retail Trust") which comprise the consolidated statements of financial position as at 30 June 2013, the consolidated statements of profit or loss, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of cash flows and the consolidated statements of changes in equity for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entities Shopping Centres Australasia Property Group ("the consolidated stapled entity") and SCA Property Retail Trust as set out on pages 17 to 72. The consolidated stapled entity, as described in note 1 to the financial report, comprises SCA Property Management Trust and the entities it controlled at the period's end or from time to time during the period, including SCA Property Retail Trust and its controlled entities. SCA Property Retail Trust, as described in note 1 to the financial report, comprises SCA Property Retail Trust and the entities it controlled at the period's end or from time to time during the period.

Directors' Responsibility for the Financial Report

The directors of the Responsible Entity of SCA Property Management Trust and SCA Property Retail Trust ("the directors") are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the

assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

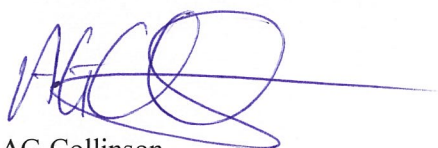
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity of SCA Property Management Trust and SCA Property Retail Trust, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial reports of SCA Property Management Trust and SCA Property Retail Trust are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entities' financial position as at 30 June 2013 and of their performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

DELOITTE TOUCHE TOHMATSU
DELOITTE TOUCHE TOHMATSU



AG Collinson
Partner
Chartered Accountants
Sydney, 28 August 2013