APPENDIX 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Half Year Report
For the period ended 31 December 2018

Name of Entity: Shopping Centres Australasia Property Group (**SCA Property Group**).

The SCA Property Group comprises Shopping Centres Australasia Property Management Trust ARSN 160 612 626 and Shopping Centres Australasia Property Retail Trust ARSN 160 612 788. The Responsible Entity of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust is Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851; AFSL 426603).

	6 months to 31 Dec 2018 $m	**6 months to 31 Dec 2017 $m**	**Variance**
Revenue from ordinary activities	125.1	107.4	16.5%
Net profit from ordinary activities after tax attributable to members	39.3	69.6	(43.5%)
Net profit for the period attributable to members	39.3	69.6	(43.5%)
Funds from Operations (FFO)[1]	65.9	56.1	17.5%

	6 months to 31 Dec 2018	**6 months to 31 Dec 2017**	**Variance**
Earnings and Distribution per security	**Cents per security**	**Cents per security**	
Basic earnings per security	4.83	9.30	(48.1%)
Weighted average FFO per security[1]	8.10	7.52	7.7%
Interim distribution (cents per security)	7.25	6.80	6.6%
Record Date for determining entitlement to distribution	31 Dec 2018	29 Dec 2017	NA
Date on which distribution was paid	29 Jan 2019	29 Jan 2018	NA
Amount per security of interim distribution franked (cents per security)	-	-	No change

Notes:

1. The Group reports net profit attributable to members in accordance with International Financial Reporting Standards (IFRS). Funds from Operations (FFO) is a non-IFRS measure that represents the Directors' view of underlying earnings for the period, being statutory net profit/loss after tax adjusted to exclude certain items including unrealised gains and losses and non-recurring items.

Net Tangible Assets

	31 Dec 2018 $	31 Dec 2017 $	Variance
Net tangible asset per security	2.27	2.23	1.8%

Details of entities over which control has been gained or lost during the period:
None.

Details of any associates and Joint Venture entities required to be disclosed:
SCA Property Group has a 24.4% interest in SCA Unlisted Retail Fund 1, 28.6% interest in SCA Unlisted Retail Fund 2 and a 26.2% interest in SCA Unlisted Retail Fund 3. Refer to Interim Financial Report, note 10.

Accounting standards used by foreign entities
International Financial Reporting Standards.

Audit
The accounts have been subject to a review report with an unqualified review report conclusion. Refer attached Interim Financial Report.

Distribution Reinvestment Plan (DRP)
The Group has a Distribution Reinvestment Plan (DRP) under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash. The DRP was activated for the distribution in respect of the half year ended 31 December 2018. The cut-off for electing to participate or change an existing election to participate in the DRP was 5.00pm on 2 January 2019.

In accordance with the DRP Rules, the issue price is calculated as the arithmetic average of the daily volume weighted average price of all sales of Stapled Units sold through a Normal Trade recorded on ASX for the first 10 ASX Trading Days following the business day after the record date, less 1.0% (1.0% being the Board approved DRP discount for this distribution) and rounded to the nearest whole cent. On this basis the issue price of the DRP applying to the distribution in respect of the half year ended 31 December 2018 was $2.51.

Other significant information and commentary on results
See attached ASX announcement and materials referred to below.

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

- Directors' report
- Interim Financial Report
- Results presentation

Mark Lamb
Company Secretary
4 February 2019

Shopping Centres Australasia Property Group

Interim Financial Report
for the half year ended 31 December 2018

Shopping Centres Australasia Property Group comprises the stapled units in two real estate investment trusts being Shopping Centres Australasia Property Management Trust (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (ARSN 160 612 788). The Responsible Entity of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust is Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851; AFSL 426603) (Responsible Entity). The Responsible Entity is incorporated and domiciled in Australia. The registered office of the Responsible Entity is Level 5, 50 Pitt Street, Sydney, New South Wales.

Directors' Report

Shopping Centres Australasia Property Group (SCA Property Group (SCP or SCA) or the Group) comprises the stapled securities in two Trusts, Shopping Centres Australasia Property Management Trust (Management Trust) and Shopping Centres Australasia Property Retail Trust (Retail Trust) (collectively the Trusts) and their controlled entities.

The Responsible Entity for the Trusts is Shopping Centres Australasia Property Group RE Limited, which presents its report together with the Trusts' Interim Financial Reports for the half year ended 31 December 2018 (the half year or period) and the auditor's report thereon.

The Trusts' Interim Financial Report for the half year ended 31 December 2018 includes, where required, comparatives to the prior period.

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 Interim Consolidated Financial Reports.

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

1. Directors

The Directors of the Responsible Entity at any time during the half year and up to the date of this report are:

Mr Philip Marcus Clark AO	Non-Executive Director and Chairman
Mr Steven Crane	Non-Executive Director (appointed 13 December 2018)
Dr Kirstin Ferguson	Non-Executive Director
Mr James Hodgkinson OAM	Non-Executive Director (resigned 31 December 2018)
Ms Beth Laughton	Non-Executive Director (appointed 13 December 2018)
Mr Philip Redmond	Non-Executive Director
Ms Belinda Robson	Non-Executive Director
Mr Anthony Mellowes	Executive Director and CEO
Mr Mark Fleming	Executive Director and CFO

The Company Secretary at any time during the half year and up to the date of this report is Mr Mark Lamb.

2. Principal activities

The principal activity of the Group during the half year was investment in, and management of, shopping centres.

3. Property portfolio

The investment portfolio as at 31 December 2018 consisted of 85 shopping centres (30 June 2018: 77 shopping centres including 4 shopping centres classified as held for sale) valued at $3,153.1 million (30 June 2018: $2,453.8 million). The investment portfolio consists of convenience based sub-regional and neighbourhood retail shopping centres, with a strong weighting toward non-discretionary retail segments.

As at 31 December 2018, the Group also manages 11 properties valued at $185.8 million for three unlisted retail funds (30 June 2018: 7 properties valued at $126.1 million for two unlisted retail funds).

Acquisitions

During the half year the Group completed 12 property acquisitions for $677.9 million (excluding transactions costs). This included a portfolio acquisition contracted in October 2018 to purchase from Vicinity (ASX: VCX) (the Vicinity Portfolio) ten convenience based shopping centres across Australia for a combined purchase price of $573.0 million.

Details of these property acquisitions are included below:

Property	Type	State	Settlement Date	Cost[1] $m	Value as at 31 December 2018 $m
Sturt Mall	Sub-Regional	NSW	Aug-18	73.0	73.0
Lavington Square	Sub-Regional	NSW	Oct-18	52.0	52.0
West End Plaza	Sub-Regional	NSW	Oct-18	66.0	66.0
Warnbro Centre	Sub-Regional	WA	Oct-18	92.9	92.9
Bentons Square	Neighbourhood	VIC	Oct-18	77.0	77.0
The Gateway	Neighbourhood	VIC	Oct-18	50.0	50.0
North Shore Village	Neighbourhood	QLD	Oct-18	26.1	26.1
Oxenford Village	Neighbourhood	QLD	Oct-18	32.5	32.5
Kalamunda Central	Neighbourhood	WA	Oct-18	41.5	41.5
Stirlings Central	Neighbourhood	WA	Oct-18	44.0	44.0
Miami One	Neighbourhood	QLD	Oct-18	31.9	31.9
Currambine Central	Neighbourhood	WA	Nov-18	91.0	91.0
				677.9	677.9

1. Cost excludes transaction costs.

Developments

In June 2016 the Group acquired a neighbourhood centre known as Bushland Beach Plaza (QLD) and entered into a development management agreement to develop an expanded neighbourhood shopping centre anchored by a Coles supermarket. This development was completed in July 2018.

The development property known as Shell Cove Town Centre (NSW), which was acquired in December 2017 and its development was completed in October 2018.

Revaluations

During the half year ended 31 December 2018 independent valuations were obtained for 27 investment properties (this includes 12 properties acquired after 30 June 2018) in addition to all of the investment properties being internally valued. The weighted average capitalisation rate of the portfolio as at 31 December 2018 was 6.43% (30 June 2018: 6.33%).

The total value of investment properties as at 31 December 2018 was $3,153.1 million (30 June 2018: $2,453.8 million). The change in value during the year of the investment properties was due principally to the acquisition of the properties discussed above (refer to **Acquisitions**).

Disposals

In July 2018 the Group sold four properties being Moama Marketplace (NSW), Swansea Woolworths (NSW), Warrnambool Target (VIC) and Woodford Woolworths (QLD) for $57.9 million to SCA Unlisted Retail Fund 3 (SURF 3). The Group signed conditional contracts to sell these four retail properties to SCA Unlisted Retail Fund 3 (SURF 3) prior to June 2018 therefore these properties were classified as held for sale for financial reporting purposes for the year ended 30 June 2018.

Further, in November 2018 the Group disposed an adjacent lot at Highett Shopping Centre for $2.4 million.

2. Funds Management

As at 31 December 2018, the Group also manages 11 properties valued at $185.8 million for three unlisted retail funds (30 June 2018: 7 properties valued at $126.1 million for two unlisted retail funds). The third unlisted retail fund commenced operations on 10 July 2018 with the acquisition of the properties listed above (refer ***Disposals***) and the Group has a 26.2% interest in this fund.

3. Financial review

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

		SCA Property Group		Retail Trust	
		31 Dec 2018	31 Dec 2017	**31 Dec 2018**	31 Dec 2017
Net profit after tax	($m)	**39.3**	69.6	**38.4**	69.3
Basic earnings per security (weighted for securities on issue during the period)	(cents per security)	**4.83**	9.30	**4.72**	9.30
Diluted earnings per security (weighted for securities on issue during the period)	(cents per security)	**4.82**	9.30	**4.71**	9.30
Funds from operations	($m)	**65.9**	56.1	**65.0**	55.8
Funds from operations per security (weighted for securities on issue during the period)	(cents per security)	**8.10**	7.52	**7.99**	7.49
Distributions paid and payable to security holders	($m)	**66.3**	50.7	**66.3**	50.7
Distributions	(cents per security)	**7.25**	6.80	**7.25**	6.80
Net tangible assets	($ per security)	**2.27**	2.23	**2.26**	2.22

Funds from Operations and Adjusted Funds from Operations

The Group reports net profit after tax (statutory) attributable to security holders in accordance with International Financial Reporting Standards (IFRS). The Responsible Entity considers the non-IFRS measure, Funds from Operations (FFO) an important indicator of the underlying cash earnings of the Group. Regard is also given to Adjusted Funds from Operations (AFFO).

	SCA Property Group		Retail Trust	
	31 Dec 2018 $m	31 Dec 2017 $m	**31 Dec 2018 $m**	31 Dec 2017 $m
Net profit after tax (statutory)	**39.3**	69.6	**38.4**	69.3
Adjustments for non cash items included in statutory profit				
Reverse: Straight lining of rental income and amortisation of incentives	**4.2**	1.6	**4.2**	1.6
Reverse: Fair value or unrealised adjustments				
- Investment properties	**28.0**	(16.7)	**28.0**	(16.7)
- Derivatives	**(33.9)**	4.9	**(33.9)**	4.9
- Foreign exchange	**25.8**	(3.2)	**25.8**	(3.2)
Other Adjustments				
Whitsunday Insurance - loss of income	**-**	0.3	**-**	0.3
Reverse: Net unrealised profit from associates	**0.3**	(0.4)	**0.3**	(0.4)
Reverse: Acquisition Fees	**2.2**	-	**2.2**	-
Funds from Operations	**65.9**	56.1	**65.0**	55.8
Less: Maintenance capital expenditure	**(2.2)**	(1.5)	**(2.2)**	(1.5)
Less: Capital leasing incentives and leasing costs	**(3.1)**	(3.0)	**(3.1)**	(3.0)
Adjusted Funds from Operations	**60.6**	51.6	**59.7**	51.3

4. Contributed equity

Equity Placement

To assist with the funding of the Vicinity Portfolio acquisition, the Group undertook an institutional placement of 113.1 million securities on 10 October 2018 at $2.32 a security and a unit holder purchase plan (which was available to all eligible security holders) on 23 November 2018 under which 47.9 million units were issued at $2.32 per security.

Distribution reinvestment plan (DRP)

The Group has a DRP under which unitholders may elect to have their distribution entitlements satisfied by the issue of new securities at the time of the distribution payment rather than being paid in cash. The DRP was in place for the distribution declared in June 2018 (paid in August 2018) and the distribution declared in December 2018 (paid in January 2019).

The distribution declared in June 2018 resulted in $9.2 million being raised by the DRP through the issue of 3.7 million securities at $2.46 in August 2018. The distribution declared in December 2018 resulted in $26.6 million being raised by the DRP through the issue of 10.6 million securities at $2.51 in January 2019. The 10.6 million units included 5.9 million units issued pursuant to an underwriting agreement.

5. Significant changes and developments during the year

Investment properties - acquisitions and disposals

During the period the Group completed 12 property acquisitions for $677.9 million (excluding transaction costs). This included a portfolio acquisition from Vicinity (ASX: VCX) to purchase ten convenience based shopping centres across Australia for combined purchase price of $573.0 million.

In June 2016 the Group acquired a neighbourhood centre known as Bushland Beach Plaza (Queensland) and entered into a development management agreement to develop an expanded neighbourhood shopping centre anchored by a Coles supermarket. This development was completed in July 2018.

The development property known as Shell Cove Town Centre (NSW), which was acquired in December 2017 was completed in October 2018. The Group signed conditional contracts to sell four retail properties to SCA Unlisted Retail Fund 3 (SURF 3) prior to 30 June 2018. SURF 3 commenced operations on 10 July 2018.

Further, in November 2018 the Group disposed an adjacent lot at Highett Shopping Centre for $2.4 million.

Additional details of these are above under the **Property Portfolio**.

Capital management - debt

In September 2018 the Group issued unsecured notes with aggregate face value of US$150.0 million to US private investors. These notes are rated Baa1 by Moody's Investor Services (Moody's). The maturity of these notes is US$30.0 million expiring 2028 (10 years), US$70.0 million expiring 2031 (13 years) and US$50.0 million expiring 2033 (15 years). The principal and coupon obligations have been swapped back to Australian dollars (floating interest rates) such that the Group has no exposure to any currency risk and the amount available under these notes is equivalent to A$197.3 million. These US notes were used to repay bilateral revolving debt.

During the half year the Group agreed to the refinancing and extension of several of its bilateral debt facilities in place at June 2018 and put in place an acquisition debt facility to assist with the purchase of the Vicinity Portfolio.

The bilateral debt facilities of $230.0 million with expiries in December 2019 were replaced with $125.0 million of bilateral facilities expiring between March 2023 and December 2023. The total bilateral facilities available at December 2018 was $250.0 million.

The acquisition debt facility is unsecured and expires in October 2020. It is not revolving and must be paid down in circumstances such as the event of equity raising or if the Group issues new debt. The acquisition debt facility limit was initially $365.0 million and at 31 December 2018 the facility limit was partially repaid using the proceeds from the unit holder purchase plan in November 2018. The acquisition debt facility limit at 31 December 2018 is $250.0 million (and is drawn to $246.0 million). The unused acquisition facility limit has been excluded from the Group's financing capacity as it is only available to be used in limited circumstances.

As at 31 December 2018 the Group had undrawn debt facilities and cash of $158.9 million (30 June 2018: $130.7 million).

The Group maintains a prudent approach to managing the balance sheet with gearing of 34.2% as at 31 December 2018 (30 June 2018: 31.2%). The Group's target gearing range is 30% to 40%, however the Group has a preference for gearing to remain below 35% at this point in the cycle. The Group expects to remain below 35% in the period to 30 June 2019 as a result of underwriting of the distribution paid in January 2019 and other activities including the sale of the Group's remaining interest in Charter Hall Retail REIT (ASX: CQR). The Group's interest in CQR at 30 June 2018 was 19.9 million units valued at $83.4 million and during the half year the Group sold down the interest the Group holds in CQR to 15.5 million units valued at $69.3 million at 31 December 2018.

The average debt facility maturity of the Group at 31 December 2018 was 5.7 years (30 June 2018: 4.9 years) including the 2 year acquisition debt facility. As at 31 December 2018 68.4% of the Group's debt was fixed or hedged (30 June 2018: 81.6%). Since 31 December 2018 the Group has also replaced two $50.0 million swaps with a new 5 year swap of $150.0 million. The pro forma net effect of this new swap would be to increase the Group's fixed or hedged debt from 68.4% to 72.8%.

The next debt expiry is the acquisition debt facility of $246.0 million in October 2020 and the MTN $225.0 million in April 2021. Under the terms of this MTN it can be repaid (with appropriate notice) from November 2020 with no make whole obligation.

The increase in borrowings from $867.5 million (30 June 2018) to $1,200.5 million (31 December 2018) is primarily related to the property acquisitions during the period.

6. Subsequent events

Since the end of the period, the Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in this report or the Interim Consolidated Financial Statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in the financial periods subsequent to 31 December 2018.

7. Rounding of amounts

In accordance with Legislative Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the rounding off of amounts in the financial statements, amounts in the financial statements have been rounded to the nearest hundred thousand dollars in accordance with that Legislative Instrument, unless otherwise indicated.

8. 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 the following page.

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

Chair
Sydney
4 February 2019

Deloitte Touche Tohmatsu
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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 5, 50 Pitt Street
Sydney NSW 2000

4 February 2019

Dear Directors

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 review of the financial statements of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust for the half-year ended 31 December 2018, 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 review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A. Coleman.

Andrew J Coleman
Partner
Chartered Accountant

Shopping Centres Australasia Property Group
Consolidated Statements of Profit or Loss

For the half year ended 31 December 2018

	Notes	SCA Property Group		Retail Trust	
		31 Dec 2018 $m	31 Dec 2017 $m	**31 Dec 2018 $m**	31 Dec 2017 $m
Revenue					
Rental income		**121.6**	104.2	**121.6**	104.2
Fund management revenue		**1.3**	0.4	**-**	-
Distribution income		**2.2**	2.8	**2.2**	2.8
		125.1	107.4	**123.8**	107.0
Expenses					
Property expenses		**(38.4)**	(32.4)	**(38.4)**	(32.4)
Corporate costs		**(6.5)**	(6.1)	**(6.5)**	(6.1)
		80.2	68.9	**78.9**	68.5
Unrealised gain/(loss) including change in fair value through profit or loss					
- Investment properties		**(28.0)**	16.7	**(28.0)**	16.7
- Derivatives		**33.9**	(4.9)	**33.9**	(4.9)
- Foreign exchange		**(25.8)**	3.2	**(25.8)**	3.2
- Share of net profit from associates		**0.6**	1.0	**0.6**	1.0
Acquisition fees		**(2.2)**	-	**(2.2)**	-
Earnings before interest and tax (EBIT)		**58.7**	84.9	**57.4**	84.5
Interest income		**0.3**	0.1	**0.3**	0.1
Finance costs		**(19.3)**	(15.3)	**(19.3)**	(15.3)
Net profit before tax		**39.7**	69.7	**38.4**	69.3
Tax		**(0.4)**	(0.1)	**-**	-
Net profit after tax		**39.3**	69.6	**38.4**	69.3
Net profit after tax attributable to security holders of:					
SCA Property Management Trust		**0.9**	0.3		
SCA Property Retail Trust (non-controlling interest)		**38.4**	69.3		
		39.3	69.6		
Distributions per stapled security (cents)	3	**7.25**	6.80	**7.25**	6.80
Basic earnings per stapled security (cents)		**4.83**	9.30	**4.72**	9.30
Diluted earnings per stapled security (cents)		**4.82**	9.30	**4.71**	9.30
Basic earnings per security (cents)					
SCA Property Management Trust		**0.11**	-		
SCA Property Retail Trust		**4.72**	9.30		
Diluted earnings per unit of (cents)					
SCA Property Management Trust		**0.11**	-		
SCA Property Retail Trust		**4.71**	9.30		

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

Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2018

	Notes	SCA Property Group		Retail Trust	
		31 Dec 2018	31 Dec 2017	**31 Dec 2018**	31 Dec 2017
		$m	$m	**$m**	$m
Net profit after tax for the year		**39.3**	69.6	**38.4**	69.3
Other comprehensive income					
Items that may not be classified subsequently to profit or loss					
Movement on revaluation of Investment - fair value through other comprehensive income	11	**4.5**	1.8	**4.5**	1.8
Gain on Sale of Investment - fair value through other comprehensive income	11	**0.5**	-	**0.5**	-
Total comprehensive income		**44.3**	71.4	**43.4**	71.1
Total comprehensive income for the period attributable to security holders of:					
SCA Property Management Trust		**0.9**	0.3		
SCA Property Retail Trust (non-controlling interest)		**43.4**	71.1		
Total comprehensive income		**44.3**	71.4		

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 31 December 2018

	Notes	SCA Property Group		Retail Trust	
		31 Dec 2018 $m	30 Jun 2018 $m	**31 Dec 2018 $m**	30 Jun 2018 $m
Current assets					
Cash and cash equivalents		**1.9**	3.7	**1.6**	2.5
Receivables		**44.2**	23.6	**44.0**	23.1
Derivative financial instruments	9	**0.9**	0.3	**0.9**	0.3
Investment in CQR	11	**69.3**	-	**69.3**	-
Other assets		**9.0**	1.3	**9.0**	1.3
		125.3	28.9	**124.8**	27.2
Assets classified as held for sale		**-**	57.9	**-**	57.9
Total current assets		**125.3**	86.8	**124.8**	85.1
Non-current assets					
Investment properties	5	**3,153.1**	2,453.8	**3,153.1**	2,453.8
Derivative financial instruments	9	**91.5**	62.0	**91.5**	62.0
Investment in associates	10	**26.9**	18.0	**26.9**	18.0
Investment in CQR		**-**	83.4	**-**	83.4
Other assets		**6.4**	-	**3.8**	-
Total non-current assets		**3,277.9**	2,617.2	**3,275.3**	2,617.2
Total assets		**3,403.2**	2,704.0	**3,400.1**	2,702.3
Current liabilities					
Payables		**48.3**	53.3	**59.1**	60.8
Distribution payable	3	**66.3**	53.2	**66.3**	53.2
Derivative financial instruments	9	**1.2**	6.4	**1.2**	6.4
Provisions		**3.0**	2.1	**-**	-
Total current liabilities		**118.8**	115.0	**126.6**	120.4
Non-current liabilities					
Interest bearing liabilities	6	**1,200.5**	867.5	**1,200.5**	867.5
Derivative financial instruments	9	**1.4**	-	**1.4**	-
Provisions		**0.1**	0.5	**-**	-
Other liabilities		**5.7**	-	**3.8**	-
Total non-current liabilities		**1,207.7**	868.0	**1,205.7**	867.5
Total liabilities		**1,326.5**	983.0	**1,332.3**	987.9
Net assets		**2,076.7**	1,721.0	**2,067.8**	1,714.4
Equity					
Contributed Equity	7	**8.9**	7.5	**1,623.1**	1,248.0
Reserves		**-**	-	**9.7**	3.5
Accumulated profit/(loss)		**-**	(0.9)	**435.0**	462.9
Non-controlling interest		**2,067.8**	1,714.4	**-**	-
Total Equity		**2,076.7**	1,721.0	**2,067.8**	1,714.4

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

		SCA Property Group				
		Contributed equity[1]	Accumulated profit/(loss)	Attributable to owners of parent	Non-controlling interests	Total
	Notes	$m	$m	$m	$m	$m
Balance at 1 July 2018		**7.5**	**(0.9)**	**6.6**	**1,714.4**	**1,721.0**
Net profit/ (loss) after tax for the period		**-**	**0.9**	**0.9**	**38.4**	**39.3**
Other comprehensive income for the period, net of tax		**-**	**-**	**-**	**5.0**	**5.0**
Total comprehensive income/ (loss) for the period		**-**	**0.9**	**0.9**	**43.4**	**44.3**
Transactions with unitholders in their capacity as equity holders:						
Employee share based payments		**-**	**-**	**-**	**1.2**	**1.2**
Equity issued		**1.4**	**-**	**1.4**	**375.1**	**376.5**
Distributions paid and payable	3	**-**	**-**	**-**	**(66.3)**	**(66.3)**
		1.4	**-**	**1.4**	**310.0**	**311.4**
Balance at 31 December 2018		**8.9**	**-**	**8.9**	**2,067.8**	**2,076.7**
Balance at 1 July 2017		7.5	(1.0)	6.5	1,627.2	1,633.7
Net profit/ (loss) after tax for the period		-	0.3	0.3	69.3	69.6
Other comprehensive income for the period, net of tax		-	-	-	1.8	1.8
Total comprehensive income/ (loss) for the period		-	0.3	0.3	71.1	71.4
Transactions with unitholders in their capacity as equity holders:						
Employee share based payments		-	-	-	0.9	0.9
Equity issued		-	-	-	6.2	6.2
Distributions payable	3	-	-	-	(50.7)	(50.7)
		-	-	-	(43.6)	(43.6)
Balance at 31 December 2017		7.5	(0.7)	6.8	1,654.7	1,661.5

		Retail Trust				
			Reserves			
		Contributed equity[1]	Investment in CQR	Share based payments	Accumulated profit/(loss)	Total
	Notes	$m	$m	$m	$m	$m
Balance at 1 July 2018		**1,248.0**	**(0.4)**	**3.9**	**462.9**	**1,714.4**
Net profit/ (loss) after tax for the period		**-**	**-**	**-**	**38.4**	**38.4**
Other comprehensive income for the period, net of tax		**-**	**5.0**	**-**	**-**	**5.0**
Total comprehensive income/ (loss) for the period		**-**	**5.0**	**-**	**38.4**	**43.4**
Transactions with security holders in their capacity as equity holders:						
Employee share based payments		**-**	**-**	**1.2**	**-**	**1.2**
Equity issued		**375.1**	**-**	**-**	**-**	**375.1**
Distributions paid and payable	3	-	-	-	**(66.3)**	**(66.3)**
		375.1	**-**	**1.2**	**(66.3)**	**310.0**
Balance at 31 December 2018		**1,623.1**	**4.6**	**5.1**	**435.0**	**2,067.8**
Balance at 1 July 2017		1,235.3	(2.8)	3.0	391.7	1,627.2
Net profit/ (loss) after tax for the period		-	-	-	69.3	69.3
Other comprehensive income for the period, net of tax		-	1.8	-	-	1.8
Total comprehensive income/ (loss) for the period		-	1.8	-	69.3	71.1
Transactions with security holders in their capacity as equity holders:						
Employee share based payments		-	-	0.9	-	0.9
Equity issued		6.2	-	-	-	6.2
Distributions payable	3	-	-	-	(50.7)	(50.7)
		6.2	-	0.9	(50.7)	(43.6)
Balance at 31 December 2017		1,241.5	(1.0)	3.9	410.3	1,654.7

[1] Contributed equity is net of equity raising costs

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

	SCA Property Group		Retail Trust	
	31 Dec 2018 $m	31 Dec 2017 $m	**31 Dec 2018 $m**	31 Dec 2017 $m
Cash flows from operating activities				
Property and other income received (inclusive of GST)	**118.0**	116.6	**117.5**	116.4
Property expenses paid (inclusive of GST)	**(44.8)**	(36.0)	**(44.8)**	(36.0)
Distribution received from associate[1]	**0.8**	0.5	**0.8**	0.5
Distribution received from Investment in CQR[1]	**2.8**	-	**2.8**	-
Corporate costs paid (inclusive of GST)	**(9.1)**	(7.7)	**(8.5)**	(7.1)
Interest received	**0.3**	0.1	**0.3**	0.1
Finance costs paid	**(17.9)**	(14.9)	**(17.9)**	(14.9)
Acquisition fees paid	**(2.2)**	-	**(2.2)**	-
Taxes paid including GST	**(7.4)**	(5.2)	**(7.0)**	(4.8)
Net cash flow from operating activities	**40.5**	53.4	**41.0**	54.2
Cash flows from investing activities				
Payments for investment properties purchased and capital expenditure	**(743.4)**	(64.4)	**(743.4)**	(64.4)
Net proceeds from investment properties sold	**60.3**	-	**60.3**	-
Proceeds from the disposal of investment in CQR	**19.1**	-	**19.1**	-
Investments in associates	**(9.2)**	-	**(9.2)**	-
Net cash flow from investing activities	**(673.2)**	(64.4)	**(673.2)**	(64.4)
Cash flow from financing activities				
Proceeds from equity raising	**376.5**	6.2	**376.5**	6.2
Net proceeds from borrowings	**708.3**	157.0	**708.3**	157.0
Repayment of borrowings	**(400.0)**	(103.0)	**(400.0)**	(103.0)
Distributions paid	**(53.2)**	(49.8)	**(53.2)**	(49.8)
Net cash flow from financing activities	**631.6**	10.4	**631.6**	10.4
Net change in cash and cash equivalents held	(1.1)	(0.6)	(0.6)	0.2
Cash and cash equivalents at the beginning of the year	**3.0**	3.6	**2.2**	2.0
Cash and cash equivalents at the end of the year	**1.9**	3.0	**1.6**	2.2

The Distribution received from associate and Distribution received from Investment in CQR have been reclassified to operating cash flows for the period to 31 December 2018. The comparatives have also been reclassified which resulted in the Group and Retail Trusts operating cash flows increasing from $52.9 million to $53.4 million and $53.7 million to $54.2 million respectively

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

1. Corporate information

Shopping Centres Australasia Property Group (the Group) comprises the stapling of the securities 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). The Group's ASX code is SCP.

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

The Interim Financial Statements of the Group comprise the consolidated Interim Financial Statements of the Management Trust and its controlled entities including the Retail Trust and its controlled entities. The Interim Financial Statements of the Retail Trust comprise the consolidated Interim Financial Statements of the Retail Trust and its controlled entities.

The Directors of the Responsible Entity approved the Interim Financial Report on 4 February 2019.

2. Significant accounting policies

(a) Statement of compliance

The Interim Financial Report has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

(b) Basis of preparation

This Interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Going concern

The Interim Financial Report is prepared on a going concern basis. The Group and the Retail Trust have sufficient funds available from cash and undrawn debt facilities to meet the current liabilities (and additional funds are also expected to become available from the regular collection of property income). Additional information on the unused financing resources available to the Group are at note 6.

Rounding

In accordance with Legislative Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the rounding off of amounts in the financial statements amounts in the financial statements have been rounded to the nearest hundred thousand dollars in accordance with that Legislative Instrument, unless otherwise indicated.

New and amended accounting standards and interpretations

The Group and the Retail Trust have adopted AASB 15 Revenue from Contracts with Customers (AASB 15), AASB 9 Financial Instruments (AASB 9) along with a number of other new standards effective from the period beginning on or after 1 January 2018. AASB 16 Leases (AASB 16) has been early adopted to coincide with the signing of a lease during the period by the Group over its premises in Sydney. The adoption of these accounting standards did not have a material effect on the Interim Financial Report.

Application of new and revised Accounting Standards

The accounting policies adopted by the Group and the Retail Trust are consistent with those of the previous financial year and corresponding interim reporting period with the exception of the adoption of AASB 9, AASB 15, the early adoption of AASB 16, and other new and amended standards and interpretations commencing 1 January 2018 which have been adopted where applicable.

In preparing the Interim Financial Report to reflect the transition to the new standards, the Group and Retail Trust have applied the following approach:

- Comparative financial information has not been restated to reflect differences that may give rise to adjustments to equity on transition to AASB 9;
- AASB 15 has been adopted using the modified retrospective approach whereby comparative financial information is not restated for open revenue contracts at the date of transition; and
- The Group and Retail Trust's transition to AASB 16 has been applied using the modified retrospective approach, using certain practical expedients.

The Group and the Retail Trust do not expect that the adoption of any Australian Accounting Standards that is issued but not yet effective or adopted will have a material impact on the financial statements of the Group or the Retail Trust in future periods.

AASB 9 Financial Instruments

This standard replaces AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculation of impairment on financial assets, and new general hedge accounting requirements. It also carries forward guidance on recognition and derecognition of financial instruments from AASB 139.

Classification

On adoption, the Group and Retail Trust classified financial assets as either:
- Those measured at fair value, with adjustments to Fair Value through Other Comprehensive Income (FVOCI) or through Profit or Loss (FVTPL); and
- Those measured at amortised cost.

The Group and Retail Trusts's available-for-sale investments will be recognised as investments at FVOCI from the date of transition to AASB 9, with no subsequent reclassification of fair value gains and losses to profit or loss on derecognition of the investment, as was previously the practice.

Dividends from these investments will continue to be recognised in profit or loss when the Group's right to receive payments is established.

These changes to the recognition and classification of financial instruments under AASB 9 have not resulted in an adjustment to opening retained earnings at the date of transition to AASB 9.

Refer to note 11 for further information on the Group's investment at FVOCI and the impact of the new standard.

Impairment of financial assets

The Group and Retail Trusts's receivable balances are subject to AASB 9's new expected credit loss (ECL) model for recognising and measuring impairment of financial assets.

The Group and Retail Trust have adopted the simplified approach for all trade and other receivables that do not have a significant financing component. For these receivables, the Group and Retail Trust analyses the age of outstanding balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime ECL

For all other financial assets within the scope of the new impairment requirements of AASB 9, the Group follows the general approach to determine ECL, which includes an evaluation of the increase in the credit risk of the debtor or debtors.

The loss allowance to be recognised against outstanding receivables is not material and has not resulted in an adjustment to opening accumulated profit on transition.

Hedge accounting

The new general hedge accounting model in AASB 9 has no impact on the Group or Retail Trust's derivatives and hedge accounting as the Group has not historically applied hedge accounting.

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces the existing guidance for revenue and contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. .

Leases where the Group and Retail Trust are Lessor

Under AASB 115 revenue is recognised over time if:
- The customer simultaneously receives and consumes the benefits;
- The customer controls the assets as the entity creates or enhances it; or
- The sellers performance does not create an asset for which the seller has an alternative use and there is a right to payment for performance to date.

Where the above criteria is not met, revenue is recognised at a point in time.

AASB 15 applies to all contracts with customers except leases, financial instruments and insurance contracts. It requires reporting entities to provide users of financial statements with more information and relevant disclosures. The rental revenue generated by the Group and Retail Trust's portfolio of leases with tenants of the Group and Retail Trust's investment properties will not change as this is accounted for under AASB 16.

Therefore lease income continues to be recognised on a straight line basis over the lease term.

From our assessment of when performance obligations are satisfied, there is no significant change in the timing of revenue recognition when comparing the previous accounting policies to those under AASB15. The table below summarises in more detail the changes including to terminology and timing of revenue recognition required by AASB 15 in relation to the Group and Retail Trust.

Type of revenue	Description	Previous revenue recognition policy	Revenue recognition policy under AASB 15
Recoveries revenue	The Group and Retail Trust recovers the costs associated with general building and tenancy operation from lessees in accordance with specific clauses within lease agreements. These are invoiced periodically (typically monthly) based on an annual estimate. The consideration is due shortly after invoice date (typically 30 days). Should any adjustment be required based on actual costs incurred this is recognised in the statement of profit and loss within that reporting period and billed annually.	Accruals basis	Over time
Recharge revenue	The Group and Retail Trust recoveries costs for any additional specific services requested by the lessee under the lease agreement. These costs are recovered in accordance with specific clauses within the lease agreements. Revenue from recharges is recognised as the services are provided. The lessee is typically invoiced on a monthly basis as the services are provided. The lessee is invoiced periodically or upon completion where applicable. Consideration is due shortly after the invoice date.	Revenue is recognised when the costs are incurred	Point in time
Funds management revenue – asset management fees	The Group provides funds management services to SCA Unlisted Retail Fund 1, 2 and 3 in accordance with their Constitutions and Investment Management Agreement. These services are utilised on an ongoing basis and revenue is calculated and billed periodically.	Accruals basis	Over time
Funds management revenue – performance fees	The Group provides funds management services to SCA Unlisted Fund 1, 2 and 3. In accordance with the Investment Management Agreement a performance fee may be payable in certain circumstances.	Revenue is recognised when can be reliably estimated and probability of amount being paid is highly probable	Point in time subject to the constraints within AASB 15 for variable revenue

AASB 16 Leases

AASB 16 requires lessees to recognise Right-of-Use assets and liabilities by applying an 'on-balance sheet' accounting method, while leaving the accounting for lessors largely unchanged from previous standards. This has created a right of use asset and lease liability.

On the transition date of 1 July 2018, the Group and Retail Trust have identified one lease of an area of land in Lane Cove, Sydney underlying one of the Group's investment properties. The lease exists to 2059, with an option for another 49 years to which the Group has assessed as being reasonably likely to be exercised. The Group has accounted for this lease as follows:

- Recognise and separately disclose a right of use asset and a lease liability at 1 July 2018 of $3.8 million;
- Measure the lease liability as the present value of the lease payments that are not paid at the date of transition, discounted using an appropriate discount rate; and
- Present the right of use asset within the Consolidated and Retail Trust Balance Sheet within Other assets and the lease liability within Other liabilities (including Provisions) respectively.

The Group applies the definition of a lease and related guidance set out in AASB 16 to all other lease contracts entered into during the period. The Group is the lessee under its lease of office space over its premises in Sydney. This lease was entered into during the period.

The Group has accounted for this lease as follows:

- Recognise and separately disclose a right of use asset and a lease liability of $2.6 million;
- Measure the lease liability as the present value of the lease payments that are not paid at the date the lease was entered into during the period, discounted using an appropriate discount rate; and
- Present the right of use asset within the Consolidated Balance Sheet within Other assets and the lease liability within Other liabilities (including Provisions) respectively.

The Group applied the modified retrospective approach on transition to AASB 16, therefore comparative information has not been restated and continues to be reported under the Group's former leases accounting policy.

The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease.

After transition, the right of use asset is amortised over the remaining lease term (including the period covered by the extension option), and the lease liability is measured on an effective interest basis.

(c) Significant accounting estimates, judgements and assumptions

The preparation of interim financial reports 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. The significant judgements and estimates used in the preparation of these financial statements are outlined below:

Judgement - Selection of parent entity

In determining the parent entity of the SCA Property Group, the Directors considered various factors including management and day to day responsibilities, asset ownership and debt obligation. 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 SCA Property Group.

Judgement – Classification and carrying value of investments in associate

The SCA Property Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Critical judgements are made in assessing whether an investee entity is controlled or subject to significant influence or joint control. These judgements include an assessment of the nature, extent and financial effects of the Group's interest in joint arrangements and associates, including the nature and effects of its contractual relationship with the entity or with other investors. Associates are entities over which the Group has significant influence but not control.

Judgement – Investment in CQR – fair value through other comprehensive income

This investment is classified as current as it is the intention of the Group and the Retail Trust to sell the remaining interest within the next twelve months.

Estimate - Valuation of investment properties

Critical judgements are made by the Directors in respect of the fair value of investment properties including properties under construction and those that are classified as assets held for sale. The fair value of these investments are reviewed regularly by management with reference to independent property valuations, recent open market transactions and market conditions existing at the reporting date, using generally accepted market practices. The major critical assumptions underlying estimates of fair values are those relating to the capitalisation rate and the discount rate adopted for each property.

Other assumptions include retail trading environment, gross market rent, net market rent, average market rental growth, operating expenses, capital expenditure and terminal yield.

If there is any change in the assumptions used or economic conditions, a change in the fair value of the investment properties may occur.

Estimate - Valuation of derivative financial instruments

The fair value of derivative assets and liabilities are based on assumptions of future events and involve significant estimates.
The value of derivatives may differ in future reporting periods due to the passing of time and / or changes in market rates including interest rates, foreign exchange rates and market volatility.

3. Distributions paid and payable

	Cents per security	Total amount $m	Date of payment or expected date of payment
6 months to 31 December 2018			
SCA Property Group & Retail Trust			
Interim distribution[1]	**7.25**	**66.3**	29 January 2019
6 months to 31 December 2017			
SCA Property Group & Retail Trust			
Interim distribution	6.80	50.7	29 January 2018

[1] The interim distribution of 7.25 cents per security was declared on 13 December 2018 and was paid on 29 January 2019.

The Management Trust has not declared or paid any distributions. The Group has a Distribution Reinvestment Plan (DRP) in place. The DRP was in place for the distribution declared in December 2018 (paid in January 2019). The distribution declared in December 2018 resulted in $26.6 million being raised by the DRP through the issue of 10.6 million securities at $2.51 in January 2019. The 10.6 million units included 5.9 million units issued pursuant to an underwriting agreement.

4. Assets classified as held for sale

	SCA Property Group & Retail Trust	
	31 Dec 2018 $m	30 Jun 2018 $m
Assets classified as held for sale	**-**	57.9

The Group signed conditional contracts to sell Moama Marketplace (NSW), Swansea Woolworths (NSW), Warrnambool Target (VIC) and Woodford Woolworths (QLD) to SURF 3 prior to June 2018 and therefore they were classified as held for sale as at 30 June 2018. SURF 3 commenced operations on 10 July 2018, and settlement of the sale of these properties occurred on this date.

5. Investment properties

	SCA Property Group & Retail Trust	
	31 Dec 2018 $m	30 Jun 2018 $m
Opening balance	**2,453.8**	2,364.6
Assets classified as held for sale	**-**	(57.9)
Acquisitions (including transaction costs)	**714.8**	69.7
Disposals	**(2.4)**	-
Development expenditure	**12.0**	
Additions capital and straight-lining of rental income net of amortisation	**2.9**	3.3
Unrealised movement recognised in Profit or Loss on property valuations	**(28.0)**	74.1
Closing balance	**3,153.1**	2,453.8

Investment properties						
Property	**State**	**Property Type**	**Book value cap rate[1] 31 Dec 2018**	**Book value discount rate 31 Dec 2018**	**Book value 31 Dec 2018 $m**	**Book value 30 June 2018 $m**
Sub-Regional						
Lavington Square[2]	NSW	Sub Regional	7.75%	8.50%	**52.0**	N/A
Sturt Mall[2]	NSW	Sub Regional	6.50%	7.50%	**73.0**	N/A
West End Plaza[2]	NSW	Sub Regional	6.75%	7.50%	**66.0**	N/A
Lilydale	VIC	Sub-Regional	6.00%	7.25%	**114.7**	114.0
Pakenham	VIC	Sub-Regional	6.00%	7.00%	**91.5**	91.5
Central Highlands	QLD	Sub-Regional	7.25%	7.50%	**64.8**	65.3
Mt Gambier	SA	Sub-Regional	6.45%	7.68%	**70.8**	74.5
Murray Bridge	SA	Sub-Regional	7.25%	7.25%	**66.0**	66.0
Kwinana Marketplace	WA	Sub-Regional	6.50%	7.50%	**144.8**	150.1
Warnbro[2]	WA	Sub Regional	7.00%	7.50%	**92.9**	N/A
Total Sub-Regional					**836.5**	561.4
Neighbourhood						
Belmont	NSW	Neighbourhood	7.02%	8.01%	**32.5**	32.5
Berala	NSW	Neighbourhood	5.50%	6.50%	**27.8**	27.3
Cabarita	NSW	Neighbourhood	6.25%	7.25%	**22.4**	22.0
Cardiff	NSW	Neighbourhood	6.00%	6.75%	**26.7**	26.0
Clemton Park	NSW	Neighbourhood	6.00%	7.00%	**51.2**	52.0
Goonellabah	NSW	Neighbourhood	6.75%	7.50%	**21.2**	21.0
Greystanes	NSW	Neighbourhood	5.75%	7.00%	**59.3**	59.3
Griffin Plaza	NSW	Neighbourhood	6.75%	7.25%	**26.6**	26.1
Lane Cove [5]	NSW	Neighbourhood	5.75%	7.25%	**59.5**	59.5
Leura	NSW	Neighbourhood	5.75%	7.00%	**18.8**	19.9
Lismore	NSW	Neighbourhood	6.75%	7.25%	**34.0**	34.0
Macksville	NSW	Neighbourhood	5.75%	6.75%	**14.5**	14.0
Merimbula	NSW	Neighbourhood	6.25%	7.00%	**20.6**	20.3
Morisset	NSW	Neighbourhood	7.00%	7.25%	**18.3**	18.9
Muswellbrook	NSW	Neighbourhood	6.50%	7.25%	**32.5**	32.5
North Orange	NSW	Neighbourhood	6.25%	7.25%	**32.6**	32.6
Northgate	NSW	Neighbourhood	6.50%	7.25%	**16.4**	16.2
Shell Cove[3]	NSW	Neighbourhood	6.25%	6.50%	**23.1**	15.3
Ulladulla	NSW	Neighbourhood	6.00%	7.00%	**24.8**	23.8
West Dubbo	NSW	Neighbourhood	6.25%	7.00%	**19.2**	18.5
Albury	VIC	Neighbourhood	6.50%	6.75%	**23.2**	23.2
Ballarat	VIC	Neighbourhood	7.00%	6.50%	**18.1**	18.0
Bentons Square[2]	VIC	Neighbourhood	6.25%	7.50%	**77.0**	N/A
Cowes	VIC	Neighbourhood	6.75%	7.00%	**19.2**	19.0
Drouin	VIC	Neighbourhood	5.75%	6.00%	**16.7**	16.4
Epping North	VIC	Neighbourhood	5.50%	6.00%	**32.1**	31.7
Highett[4]	VIC	Neighbourhood	5.50%	6.00%	**31.3**	33.1
Langwarrin	VIC	Neighbourhood	5.50%	6.50%	**25.9**	25.0
Ocean Grove	VIC	Neighbourhood	6.25%	7.00%	**38.5**	38.5
The Gateway[2]	VIC	Neighbourhood	6.25%	7.50%	**50.0**	N/A
Warrnambool East	VIC	Neighbourhood	6.00%	6.50%	**17.1**	16.9
Wonthaggi	VIC	Neighbourhood	6.75%	7.25%	**45.5**	44.6
Wyndham Vale	VIC	Neighbourhood	5.75%	6.25%	**23.6**	24.0
Annandale	QLD	Neighbourhood	7.25%	7.50%	**30.5**	30.2
Ayr	QLD	Neighbourhood	6.75%	7.75%	**19.8**	19.5
Brookwater Village	QLD	Neighbourhood	6.25%	7.00%	**36.8**	36.3
Bushland Beach[3]	QLD	Neighbourhood	6.75%	7.50%	**23.6**	21.4
Carrara	QLD	Neighbourhood	6.50%	6.75%	**17.8**	18.4
Chancellor Park Marketplace	QLD	Neighbourhood	6.00%	6.25%	**46.3**	46.9
Collingwood Park	QLD	Neighbourhood	6.50%	7.00%	**11.8**	11.4
Coorparoo	QLD	Neighbourhood	5.75%	6.50%	**38.2**	37.0
Gladstone	QLD	Neighbourhood	7.00%	7.25%	**25.1**	24.8
Greenbank	QLD	Neighbourhood	6.25%	7.00%	**23.4**	22.1
Jimboomba	QLD	Neighbourhood	6.25%	7.25%	**29.4**	29.0
Lillybrook	QLD	Neighbourhood	6.00%	7.25%	**30.4**	30.3
Mackay	QLD	Neighbourhood	6.50%	6.50%	**26.3**	26.2
Marian Town Centre	QLD	Neighbourhood	7.00%	7.50%	**32.2**	32.4

Property	State	Property Type	Book value cap rate[1] 31 Dec 2018	Book value discount rate 31 Dec 2018	Book value 31 Dec 2018 $m	Book value 30 June 2018 $m
Investment properties (continued)						
Neighbourhood						
Miami One[2]	QLD	Neighbourhood	6.50%	7.50%	**31.9**	N/A
Mission Beach	QLD	Neighbourhood	6.50%	7.00%	**12.4**	12.0
Mt Warren Park	QLD	Neighbourhood	6.25%	7.00%	**16.9**	16.4
Mudgeeraba	QLD	Neighbourhood	6.00%	7.25%	**37.0**	36.2
North Shore Village[2]	QLD	Neighbourhood	6.00%	7.25%	**26.1**	N/A
Oxenford[2]	QLD	Neighbourhood	6.00%	7.00%	**32.5**	N/A
Sugarworld Shopping Centre	QLD	Neighbourhood	6.75%	7.50%	**24.8**	24.8
The Markets	QLD	Neighbourhood	6.75%	6.75%	**31.5**	31.5
Whitsunday	QLD	Neighbourhood	7.25%	7.50%	**37.0**	36.0
Worongary	QLD	Neighbourhood	6.00%	7.00%	**47.8**	47.4
Blakes Crossing	SA	Neighbourhood	6.50%	6.50%	**23.5**	22.7
Walkerville	SA	Neighbourhood	6.00%	7.25%	**25.6**	25.5
Busselton	WA	Neighbourhood	6.00%	6.50%	**27.1**	27.1
Currambine[2, 5]	WA	Neighbourhood	6.75%	7.75%	**91.0**	N/A
Stirlings Central[2]	WA	Neighbourhood	7.00%	7.50%	**44.0**	N/A
Treendale	WA	Neighbourhood	6.50%	7.50%	**33.8**	34.4
Kalamunda[2]	WA	Neighbourhood	6.00%	7.25%	**41.5**	N/A
Burnie	TAS	Neighbourhood	7.50%	8.00%	**21.8**	21.8
Claremont Plaza	TAS	Neighbourhood	6.50%	7.53%	**37.6**	36.6
Glenorchy Central	TAS	Neighbourhood	6.75%	7.25%	**26.8**	25.9
Greenpoint	TAS	Neighbourhood	7.25%	7.50%	**16.1**	15.6
Kingston	TAS	Neighbourhood	6.29%	7.02%	**29.0**	27.1
Meadow Mews	TAS	Neighbourhood	6.50%	7.50%	**60.7**	58.0
New Town Plaza	TAS	Neighbourhood	6.50%	7.25%	**42.5**	42.0
Prospect Vale	TAS	Neighbourhood	6.75%	7.75%	**29.0**	29.0
Riverside	TAS	Neighbourhood	7.25%	7.00%	**8.5**	8.8
Shoreline	TAS	Neighbourhood	6.25%	6.75%	**38.6**	37.3
Sorell	TAS	Neighbourhood	6.25%	7.25%	**29.8**	28.3
Total Neighbourhood					**2,316.6**	1,892.4
Total investment properties					**3,153.1**	2,453.8

[1] Capitalisation rate (or cap rate) is an approximation of the ratio between the net operating income produced by a property and its fair value.

[2] Properties acquired during the half year ended 31 December 2018.

[3] Shell Cove was acquired as a development in December 2017 was completed during the period. As at 30 June 2018, the value of $15.3 million represented the acquisition cost of the land and estimated percentage completion of development costs. Bushland Beach a neighbourhood shopping centre anchored by a Coles supermarket was acquired as a development in June 2016 and was completed in July 2018.

[4] In November 2018 the Group disposed an adjacent lot at Highett Shopping Centre for $2.4 million.

[5] The titles to Lane Cove and Currambine are leasehold. The expiries of the respective leaseholds are in 2059 (with a 49 year option) and in 2094.

6. Interest bearing liabilities

	SCA Property Group & Retail Trust	
	31 Dec 2018 $m	30 Jun 2018 $m
Unsecured Bank Bilateral Facilities		
- A$ denominated	**82.0**	217.0
Acquisition Facility		
- A$ denominated	**246.0**	-
Unsecured A$ Medium term note		
- A$ denominated	**400.0**	400.0
Unsecured US Notes		
- A$ denominated	**50.0**	50.0
- US$ denominated (converted to A$)	**425.7**	202.6
Total unsecured debt outstanding	**1,203.7**	869.6
- Less: unamortised establishment fees and unamoritsed MTN discount and premium	**(3.2)**	(2.1)
Interest bearing liabilities	**1,200.5**	867.5

Financing facilities and financing resources

The debt facilities are made up of Bank bilateral facilities, A$ medium term notes and US notes. The financing capacity available to the Group is under the Bank bilateral facilities as the A$ medium term notes and US notes are fully drawn. Debt facilities are carried at amortised cost. Additional details of these debt facilities are below.

Bank bilateral facilities

To reduce liquidity risk, the Group has in place unsecured bilateral facilities with multiple banks. The bilateral terms have been negotiated to achieve a balance between capital availability and the cost of debt including unused debt. The bilateral facilities are unsecured, revolving, multi-use, and can be used interchangeably.

One of the bilateral facilities can also be used for bank guarantees. As at 31 December 2018, in addition to the bilateral facilities drawn above, $11.0 million of a bilateral facility available was used to support bank guarantees totalling $11.0 million (30 June 2018: $11.0 million). The bank guarantees assists with the Group's obligations under its Australian Financial Services Licences.

During the half year the Group agreed to refinancing and extension of several of its bilateral debt facilities in place at June 2018 and put in place an acquisition debt facility to assist with the purchase of the Vicinity Portfolio.

The bilateral debt facilities of $355.0 million in June 2018 included $230.0 million with expiries in December 2019. During the period the $230.0 million with expiries in December 2019 were replaced with $125.0 million of bilateral facilities expiring between March 2023 and December 2023. Therefore the bilateral facilities at December 2018 were $250.0 million. The financing capacity available to the Group under the bilateral facilities, including cash, is in the following table:

	SCA Property Group & Retail Trust	
	31 Dec 2018 $m	30 Jun 2018 $m
Financing facilities and financing resources		
Bilateral bank facilities		
Committed Bilateral financing facilities available	**250.0**	355.0
Less: amounts drawn down	**(82.0)**	(217.0)
Less: amounts utilised for bank guarantee	**(11.0)**	(11.0)
Net Bilateral facilities available	**157.0**	127.0
Add: cash and cash equivalents	**1.9**	3.7
Financing resources available	**158.9**	130.7

As at 31 December 2018 the Group had undrawn debt facilities and cash of $158.9 million (30 June 2018: $130.7 million).

Acquisition debt facility

The acquisition debt facility was put in place as part of the purchase of the Vicinity Portfolio. It is not revolving and must be paid down in circumstances such as the event of equity raising or the Group issues new debt. The acquisition debt facility limit was initially $365.0 million and at 31 December 2018 the facility limit was partially repaid and the limit reduced following the receipt during the half year of the unit holder purchase plan proceeds. The acquisition debt facility limit at 31 December 2018 is $250.0 million (and is drawn to $246.0 million). The unused acquisition facility limit has been excluded from the Group's financing capacity as it is only available to be used in limited circumstances.

A$ medium term notes (A$ MTN)

The Group has issued A$ MTN with a face value of $400.0 million. Details of these notes are below:

A$ MTN	Tranche	Issue date	Maturity	Tenor at issue (yrs)	Coupon	Face value $m	Issue consideration $m	Discount / (premium) on issue $m
Series 1	Tranche 1	Apr-15	Apr-21	6.0	3.75%	**175.0**	174.8	**0.2**
	Tranche 2	Jul-16	Apr-21	4.8	3.75%	**50.0**	50.6	**(0.6)**
Series 2	Tranche 1	Jun-17	Jun-24	7.0	3.90%	**175.0**	174.5	**0.5**
						400.0		**0.1**

The discount or premium with respect to each Tranche is amortised from the issue date to the maturity.

US Notes

In September 2018 the Group issued unsecured US notes with aggregate face value of US$150.0 million to US private investors. The maturity of these notes is US$30.0 million expiring 2028 (10 years), US$70.0 million expiring 2031 (13 years) and US$50.0 million expiring 2033 (15 years). The principal and coupon obligations of the US$150.0 million notes have been fully swapped back to Australian dollars (floating interest rates) such that the Group has no exposure to any currency risk and the amount available under these notes is equivalent to A$197.3 million.

In August 2014 the Group issued unsecured US notes with aggregate face value of US$150.0 million and A$50.0 million (equivalent at the date of issue in total to A$209.8 million) to US private investors. The maturity profile of the notes is US$100.0 million expiring August 2027, and US$50.0 million and A$50.0 million expiring August 2029. The principal and coupon obligations of the US$150.0 notes have been fully economically swapped back to Australian dollars (floating interest rates) such that the Group has no exposure to any currency risk and the amount available under these notes is equivalent to A$159.8 million.

Thus the total US notes on issue at 31 December 2018 comprise:

(a) US$ denominated notes with an aggregate face value of US$300.0 million (30 June 2018: US$150.0 million) which have an economically hedged value of A$357.1 million (30 June 2018: A$159.8 million); and
(b) A$ denominated notes with an aggregate face value of A$50.0 million (30 June 2018 A$50.0 million).

Debt covenants

The Group is required to comply with certain financial covenants or obligations in respect of the interest bearing liabilities. The major financial covenants or obligations which are common across all types of interest bearing liabilities 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 and cross currency swaps divided by total tangible assets net of cash and derivatives) does not exceed 50%;
(c) Priority indebtedness ratio (priority debt to total tangible assets) does not exceed 10%; and
(d) Aggregate of the total tangible assets held by the Obligors represents not less than 90% of the total tangible assets of the Group.

The Group was in compliance with all of the financial covenants and obligations for the period ended and as at 31 December 2018.

Capital Management – management gearing

The Group manages its capital, including its debt, by having regard to a number of factors including the gearing of the Group. The Group's definition of gearing for management purposes is:

- Net finance debt, where the US notes US$ denominated debt is recorded as the A$ amount received and economically hedged in A$, net of cash; divided by
- Net total assets, being total assets net of cash and derivatives.

As the US notes USD denominated debt has been fully economically hedged, for the purpose of the management determination of gearing US$ denominated debt of US$300.0 million is recorded at its economically hedged value of A$357.1 million. This also results in management gearing being based on a constant currency basis.

The Group's gearing was 34.2% as at 31 December 2018 (30 June 2018: 31.2%). The Group's target gearing range is 30% to 40%, however the Group has a preference for gearing to remain below 35% at this point in the cycle.

The Group's gearing calculation is below:

Gearing (management)	**31 Dec 2018** **$m**	30 Jun 2018 $m
Bilateral, Acquisition facility and A$ notes		
Unsecured bilateral facilities drawn	**82.0**	217.0
Acquisition facility	**246.0**	-
Unsecured A$ medium term notes	**400.0**	400.0
	728.0	617.0
US Notes		
US$ denominated notes - USD face value	**300.0**	150.0
Economically hedged exchange rate	**0.8401**	0.9387
US$ denominated notes - AUD equivalent	**357.1**	159.8
A$ denominated notes	**50.0**	50.0
Total US Notes	**407.1**	209.8
Total debt used and drawn AU$ equivalent	**1,135.1**	826.8
Less: cash and cash equivalents	**(1.9)**	(3.7)
Net finance debt for gearing	**1,133.2**	823.1
Total assets	**3,403.2**	2,704.0
Less: cash and cash equivalents	**(1.9)**	(3.7)
Less: derivative value included in total assets	**(92.4)**	(62.3)
Net total assets for gearing	**3,308.9**	2,638.0
Gearing (management)	**34.2%**	31.2%

7.

	SCA Property Group		Retail Trust	
	31 Dec 2018	30 Jun 2018	**31 Dec 2018**	30 Jun 2018
	$m	$m	**$m**	$m
Equity	**1,666.6**	1,283.9	**1,657.6**	1,276.3
Issue costs	**(34.5)**	(28.4)	**(34.5)**	(28.3)
	1,632.1	1,255.5	**1,623.1**	1,248.0

	Management Trust		Retail Trust	
Opening balance	**7.5**	7.5	**1,248.0**	1,235.3
Equity raised through Distribution Reinvestment Plan - August 2017	**-**	-	**-**	6.2
Equity raised through Distribution Reinvestment Plan - January 2018	**-**	-	**-**	6.5
Equity raised through Distribution Reinvestment Plan - August 2018	**-**	-	**9.2**	-
Equity raised through Institutional Placement - October 2018	**1.0**	-	**261.4**	-
Equity raised through Unit Purchase Plan - November 2018	**0.4**	-	**110.7**	-
Equity raising costs	**-**	-	**(6.2)**	-
Closing balance	**8.9**	7.5	**1,623.1**	1,248.0

Balance at the end of the period is attributable to security holders of:		
Shopping Centres Australasia Property Management Trust	**8.9**	7.5
Shopping Centres Australasia Property Retail Trust	**1,623.1**	1,248.0
	1,632.0	1,255.5

Securities on Issue

	SCA Property Group & Retail Trust	
	31 Dec 2018	30 Jun 2018
	No. of securities	No. of securities
Opening balance	**749,154,435**	742,752,189
Equity issued for executive security based compensation arrangements - 3 July 2017	**-**	471,157
Equity issued for executive security based compensation arrangements - 10 August 2017	**-**	133,696
Equity raised through Distribution Reinvestment Plan - 31 August 2017	**-**	2,920,576
Equity issued for staff security based compensation arrangements - 20 December 2017	**-**	11,070
Equity raised through Distribution Reinvestment Plan - 29 January 2018	**-**	2,865,747
Equity issued for executive security based compensation arrangements - 9 August 2018	**1,116,553**	-
Equity raised through Distribution Reinvestment Plan - 30 August 2018	**3,723,512**	-
Equity raised through institutional placement - 10 October 2018	**113,086,444**	-
Equity issued through security purchase plan - 23 November 2018	**47,907,805**	-
Equity issued for staff security based compensation arrangements - 20 December 2018	**10,444**	-
Closing balance	**914,999,193**	749,154,435

There were 1,126,997 securities issued during the period ended 31 December 2018 in respect of executive compensation plans and staff incentive plans for nil consideration. 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.

8. Segment reporting

The Group and Retail Trust invest in shopping centres located in Australia and operates only in one segment. The chief decision makers of the Group base their decisions on this segment. The Management Trust also operates only within one segment, and in Australia. For the purposes of segment reporting $41.1 million in rental income (31 December 2017: $39.9 million) was from Woolworths Limited. Further, $17.1 million in rental income (31 December 2017: $13.4 million) was from Wesfarmers Limited. This includes rental income from Coles Group Limited. On 28 November 2018 Wesfarmers announced that the Coles Group Limited demerger from Wesfarmers was implemented.

9. Derivative financial instruments

The fair values of interest rate and cross currency derivatives are determined using a generally accepted pricing model based on discounted cash flow analysis using assumptions supported by observable market rates. The following table represents financial assets and liabilities that were measured and recognised at fair value:

	SCA Property Group & Retail Trust	
	31 Dec 2018	30 Jun 2018
	$m	$m
Current assets		
Interest rate swap contracts	**0.4**	0.3
Cross currency interest rate swap contracts	**0.5**	-
	0.9	0.3
Non-current assets		
Interest rate swap contracts	**8.8**	9.0
Cross currency interest rate swap contracts	**82.7**	53.0
	91.5	62.0
Current liabilities		
Interest rate swap contracts	**0.7**	-
Cross currency interest rate swap contracts	**0.5**	6.4
	1.2	6.4
Non-current liabilities		
Interest rate swap contracts	**1.4**	-
Cross currency interest rate swap contracts	**-**	-
	1.4	**-**

Interest Rate Swaps and Cross Currency Interest Rate Swaps

The cross currency interest rate swaps are taken out to economically hedge the foreign currency exposure US dollar denominated Notes issued by the Group. Refer **note 6**. The cross currency interest rate swaps are fair valued separately to the US Notes.

The interest rate swaps are to hedge Australian dollar denominated financing facilities.

Movements in the market value of the interest rate and cross currency interest rate swaps are included in the Group's profit and loss through changes in fair value.

The Directors consider that the carrying amounts of other financial assets and financial liabilities, which are recognised at amortised value in the Interim Financial Report, approximates their fair values apart from the US notes and the A$ medium term notes.

The amortised value of the US Notes, converted to AUD for the USD denominated Notes at the prevailing foreign exchange rate at 31 December 2018 (which was AUD 1.00 = USD 0.70472) (30 June 2018: AUD 1.00 = USD 0.7403), is $425.7 million (30 June 2018: $252.6 million) (refer **note 6**). The amortised value of the US Notes includes the US Notes of US$150.0 million issued during the half year. The amortised value of the A$ medium term notes is $400.0 million (30 June 2018: $400.0 million). The fair value of the US Notes and A$ medium term notes can be different to their carrying value. The fair value takes into account movements in the underlying base interest rates and credit spreads for similar instruments including extrapolated yield curves over the tenor of the notes. On this basis the estimated fair value of the US Notes and the A$ medium term notes is $462.8 million and $400.7 million respectively (30 June 2018: $257.4 million and $400.3 million respectively).

The foreign currency principal and interest amounts payable on the USD denominated US Notes have been fully hedged economically to floating Australian interest rates by the use of cross currency interest rate swaps.

Fair value hierarchy

The table below analyses the cross currency interest rate and interest rate swaps 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 from the asset or liability that are not based on observable market data (unobservable inputs).

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 classified as Level 2 instruments.

The Group's Investment in CQR is a level 1 fair value measurement financial asset being derived from inputs based on quoted prices that are observable. Refer also **note 11**.

The Group's only Level 3 financial instruments is a nominal amount ($10.00) paid in respect of a call option associated with the acquisition of the Greenbank neighbourhood shopping centre, acquired by the Group in January 2016. Under the call option the Group can acquire ten hectares of adjacent land to the Greenbank neighbourhood centre for $10.0 million exercisable at any time until late December 2020; and the vendor has a put option on the same terms which is exercisable in late December 2020 if the call option is not exercised by that time. The fair value of this option has been assessed at its carrying value of $10.00. There were no transfers between levels during the half year.

10. Investment in associates

The Group and Retail Trust's Investment in associates comprises of:

- SURF 1: 7,959,000 units in SCA Unlisted Retail Fund 1 (SURF 1) at $1.00 each acquired on 1 October 2015. The total units on issue of SURF 1 are 32,600,000;
- SURF 2: 8,447,000 units in the SCA Unlisted Retail Fund 2 (SURF 2) at $1.00 each acquired on 2 June 2017. The total units on issue of SURF 2 are 29,500,000; and
- SURF 3: 9,161,000 units in the SCA Unlisted Retail Fund 3 (SURF 3) at $1.00 each acquired on 10 July 2018. The total units on issue of SURF 3 are 35,000,000.

SURF 1, 2 and 3 are unlisted closed end property funds. The Group recognises its 24.4% interest in SURF 1, its 28.6% in SURF 2 and its 26.2% interest in SURF 3 as Investment in associates using the equity method of accounting.

	SCA Property Group & Retail Trust	
	31 Dec 2018 $m	30 Jun 2018 $m
Movement in investment in associates		
Opening balance	**18.0**	17.2
Additions to equity accounted investment	**9.2**	-
Share of profits after income tax	**0.6**	2.1
Distributions received or receivable	**(0.9)**	(1.3)
Closing balance	**26.9**	18.0

The Group is not a guarantor to the debt facilities or other liabilities of SURF 1, SURF 2 or SURF 3.

11. Investment in CQR

Investment in CQR (30 June 2018: previously classified as Investment available for sale) relates to the Group and the Retail Trust's 3.8% interest in Charter Hall Retail Trust (ASX: CQR) (30 June 2018: 4.9%). This interest is made up of 15.5 million units (30 June 19.9 million units).

The adoption of AASB 9 Financial Instruments (AASB 9) has led to the investment in CQR being reclassified from an investment available for sale (AFS) to an investment fair valued through other comprehensive income. The impact of the change to other comprehensive income in the current period is that the gain on sale of any units in CQR remains in other comprehensive income. Under AASB 139 this would have been reclassified to profit and loss.

As at 31 December 2018 this interest is valued at $69.3 million (based on the ASX closing share price of CQR on the last trading day in December 2018 of $4.48) (30 June 2018: $83.4 million and $4.19 respectively). The average cost of these units was $4.21 (including transaction costs).

The reduction in units during the period was to assist with the funding of the acquisition of properties made during the period. The average sale price of the units excluding transaction costs was $4.30.

The difference between the valuation of the remaining units at 30 June 2018 and 31 December 2018 ($4.5 million revaluation) and the gain on sale ($0.5 million) is recorded in Other Comprehensive Income.

The Investment – fair value through other comprehensive income is classified as a level 1 fair value measurement financial asset being derived from inputs based on quoted prices that are observable. Refer also to the fair value hierarchy at **note 9**.

This investment is classified as current as it is the intention of the Group and the Retail Trust to sell the remaining interest within the next twelve months.

Additionally the Group is entitled to a distribution on its investment of 14.28 cents per unit or $2.2 million (30 June 2018: 14.20 cents per unit and $2.8 million respectively). This distribution was declared by the Responsible Entity of CQR on 12 December 2018 and is included in the Group's and Retail Trust's Consolidated Statements of Profit and Loss as Distribution income.

12. Subsequent events

Since the end of the period, the Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in this report or the Interim Consolidated Financial Statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in the financial periods subsequent to 31 December 2018.

* * *

Directors' Declaration

For the half year ended 31 December 2018

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 8 to 26 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 31 December 2018 and of their performance, for the half year ended 31 December 2018; 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.

The Directors have been given the declaration in a form similar to that required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the period ended 31 December 2018.

Signed in accordance with a resolution of the Directors.

Chair
Sydney
4 February 2019

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

We have reviewed the accompanying interim financial report of:

- Shopping Centres Australasia Property Management Trust ("SCA Property Management Trust") and its controlled entities ("SCA Property Group") which comprises the consolidated balance sheet as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year then ended, selected explanatory notes and the directors' declaration; and

- Shopping Centres Australasia Property Retail Trust and its controlled entities ("SCA Property Retail Trust") which comprises the consolidated balance sheet as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year then ended, selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of SCA Property Group RE Limited, the Responsible Entity of SCA Property Management Trust and SCA Property Retail Trust ("the directors"), are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of SCA Property Group and SCA Property Retail Trust's financial position as at 31 December 2018 and their performance for the half-year then ended; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of SCA Property Group and SCA Property Retail Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Deloitte.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, 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, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of SCA Property Group and SCA Property Retail Trust is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the SCA Property Group and SCA Property Retail Trust's financial positions as at 31 December 2018 and of their performance for the half-year then ended; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU.

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew J Coleman
Partner
Chartered Accountants
Sydney, 4 February 2019