

# SCENTRE GROUP

## ASX Announcement

24 August 2021

### STRONG OPERATING PERFORMANCE DRIVES 28% GROWTH IN HALF YEAR OPERATING PROFIT

Scentre Group (ASX: SCG) today released its results for the six months to 30 June 2021 with Operating Profit of \$460.1 million (8.88 cents per security) and Funds From Operations (FFO) of \$463.4 million (8.94 cents per security).

The distribution for the six-month period will be \$362.9 million (7.00 cents per security) and will be paid to Securityholders on 31 August 2021.

During the six-month period, the Group achieved gross cash inflow of \$1,383.9 million and a net operating cash surplus (after interest, overheads and tax) of \$487.7 million. Statutory Profit for the six-month period was \$400.4 million.

Scentre Group CEO Peter Allen said: "Today's results are pleasing and demonstrate the resilience of our platform and ability to generate cashflow with Operating Profit up 28%.

"We have delivered strong operating performance even with a number of government restrictions in place. In those locations impacted less by lockdowns, we have seen trading conditions better than those experienced in the first half of 2019.

"We collected \$1.2 billion of gross rent during the first half of 2021, representing an increase of 37% or \$325 million compared to the first half of 2020.

"Visitation rapidly rebounded when restrictions were eased. Customers want to return to our Westfield Living Centres as what we offer is integral to their lives.

"Annual sales through our platform were \$23.4 billion. During the first half of 2021, total sales excluding cinemas and travel exceeded total sales in the first half of 2019, even though there were a number of government lockdowns during the period.

"We are focused on long term growth, leveraging the strength of our core business by becoming essential to people, communities and the businesses that interact with them. We want to be the first choice for where people spend their time outside of home and work.

"All Westfield Living Centres have remained open during the period, operating with COVID Safe protocols and in line with the latest health and government advice. We are facilitating community access to COVID-19 vaccinations across all of our Westfield centres.

"We are focused on our customer strategy and continue to make significant progress on our customer experience initiatives. This includes our membership program Westfield Plus which has more than 1.9 million members, increasing by 1.4 million since June last year.

"Last year we successfully piloted an aggregated 'click and collect' service to facilitate our business partners connecting with customers during periods of government restrictions. The learnings from this formed the basis of an aggregated 'click and collect' platform due for launch in the second half of this year. This will extend the Westfield in-centre experience and enable customers to have greater accessibility to our business partners, wherever they are, across multi-channels."

Demand for space in our Westfield Living Centres remains strong. We completed 1,515 lease deals during the half, including 619 new merchants. Occupancy remains strong with the portfolio 98.5% leased at 30 June 2021.

#### Scentre Group Limited

ABN 66 001 671 496

#### Scentre Management Limited

ABN 41 001 670 579

AFS Licence No: 230329 as responsible entity of Scentre Group Trust 1

ABN 55 191 750 378 ARSN 090 849 746

#### RE1 Limited

ABN 80 145 743 862

AFS Licence No: 380202 as responsible entity of Scentre Group Trust 2

ABN 66 744 282 872 ARSN 146 934 536

#### RE2 Limited

ABN 41 145 744 065

AFS Licence No: 380203 as responsible entity of Scentre Group Trust 3

ABN 11 517 229 138 ARSN 146 934 652

## SCENTRE GROUP

Deal activity has been strong with a number of first to market and first to portfolio brands. In New Zealand, first to market brands for Westfield Newmarket include Moncler, Saint Laurent, Balenciaga, Alexander McQueen, Burberry and Jimmy Choo. First to portfolio brands include the Miele Experience Centre at Westfield Doncaster and StyleRunner, Rebecca Vallance and Allkinds at Westfield Miranda.

During the period we continued to support SME retailers to mitigate the short term cashflow impact on their business during the pandemic through appropriate rent deferral.

Our leading platform, expertise and focus on curating an offering that our customers want has delivered long-term growth. Since 2010, our portfolio has seen rent per square metre (total area) grow by 23% to \$822 per square metre at 30 June 2021. Over the same period, the portfolio's total area has grown by 15% to 3.9 million square metres.

Work continues on behalf of Cbus for the construction of the residential and office tower at 101 Castlereagh St Sydney. Completion is expected in 2023.

The \$55 million entertainment, leisure and dining precinct development at Westfield Mt Druitt is progressing well and expected to open in Q1 2022.

The Group has available liquidity of \$5.7 billion, sufficient to cover all debt maturities to early 2024.

Interest cover for the period was 3.3 times and balance sheet gearing at 30 June 2021 was 27.9%.

Scentre Group maintains "A" grade credit ratings by S&P, Fitch and Moody's.

We continue to implement initiatives that support our strategy to operate as a responsible, sustainable business. During the half, we released our 2020 Responsible Business Report and outlined the progress we are making on the four pillars of our Sustainable Business Framework.

The Group has committed to achieving net zero Scope 1 and 2 emissions by 2030 across our wholly-owned portfolio. The Group has developed a pathway and transition plan to achieve at least 50% of this target by 2025. Our New Zealand portfolio will be powered by 100% renewable electricity from January 2022.

Mr Allen said: "The first six months has highlighted the fundamental strength of our business and its ability to rebound when restrictions ease. Whilst we are currently operating through a period of government restrictions in key markets, we are confident in the ability of our business to perform. We are well-positioned to come through this period strongly, supporting our customers and continuing to deliver long-term growth for our securityholders.

"The Group continues to target a distribution of 14 cents per security for the year to 31 December 2021. This is based on the assumption that the current government restrictions substantially ease by the end of October 2021."

Authorised by the Board.

## SCENTRE GROUP

Further information:

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**Investor Relations**

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**Corporate Affairs/Media**

Alexis Lindsay  
+61 2 9358 7739

Scentre Group (ASX: SCG) owns and operates 42 Westfield Living Centres across Australia and New Zealand encompassing more than 12,000 outlets. Our Purpose is creating extraordinary places, connecting and enriching communities. Our Plan is to create the places more people choose to come, more often, for longer. Our Ambition is to grow the business by becoming essential to people, their communities and the businesses that interact with them.

The financial information included in this release is based on Scentre Group's IFRS financial statements. Non IFRS financial information has not been audited or reviewed.

This release contains forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to us as of the date of this presentation. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.



**SCENTRE GROUP**  
**Half Year Results**  
2021

# Half Year Results

30 June 2021

<b>\$million</b>	<b>6 months to 30 Jun 2021</b>	<b>6 months to 30 Jun 2020</b>	<b>Growth %</b>
Operating Profit <i>Cents per security</i>	\$460.1 8.88c	\$360.8 6.94c	28.0%
Funds From Operations (FFO) <i>Cents per security</i>	\$463.4 8.94c	\$361.9 6.96c	28.4%
Receipts in the course of operations	\$1,383.9	\$1,059.4	30.6%
Net Operating Cashflow Surplus <i>Cents per security</i>	\$487.7 9.41c	\$228.7 4.40c	113.2%
Distribution per security	7.00 cents	-	

# Half Year Overview

Our **Westfield** Living Centre platform is essential to people, communities and businesses

During the 6 months to June 2021 we experienced a strong operating performance even though there were a number of government lockdowns:

- Total sales through our platform were \$11.2 billion
- Total sales excluding cinemas and travel exceeded the first half of 2019

**Demand for space in our Westfield Living Centres is strong**

- We completed 1,515 new leasing deals including 619 new merchant deals, with **occupancy of 98.5%**
- We welcomed 139 new brands to the portfolio

**We have made significant progress on our strategic initiatives**

- Our Westfield Plus membership program now has more than 1.9 million members, increasing by 1.4 million since June last year
- We are on track to launch our aggregated 'click and collect' platform in the second half of 2021, building on a successful pilot last year

**Capital Management**

The Group currently has available liquidity of \$5.7 billion, sufficient to cover all debt maturities to early 2024.

- The Group repaid \$1.2 billion of debt
- S&P, Fitch and Moody's upgraded the Group's outlook to Stable

**Projects**

Notwithstanding the recent government restrictions:

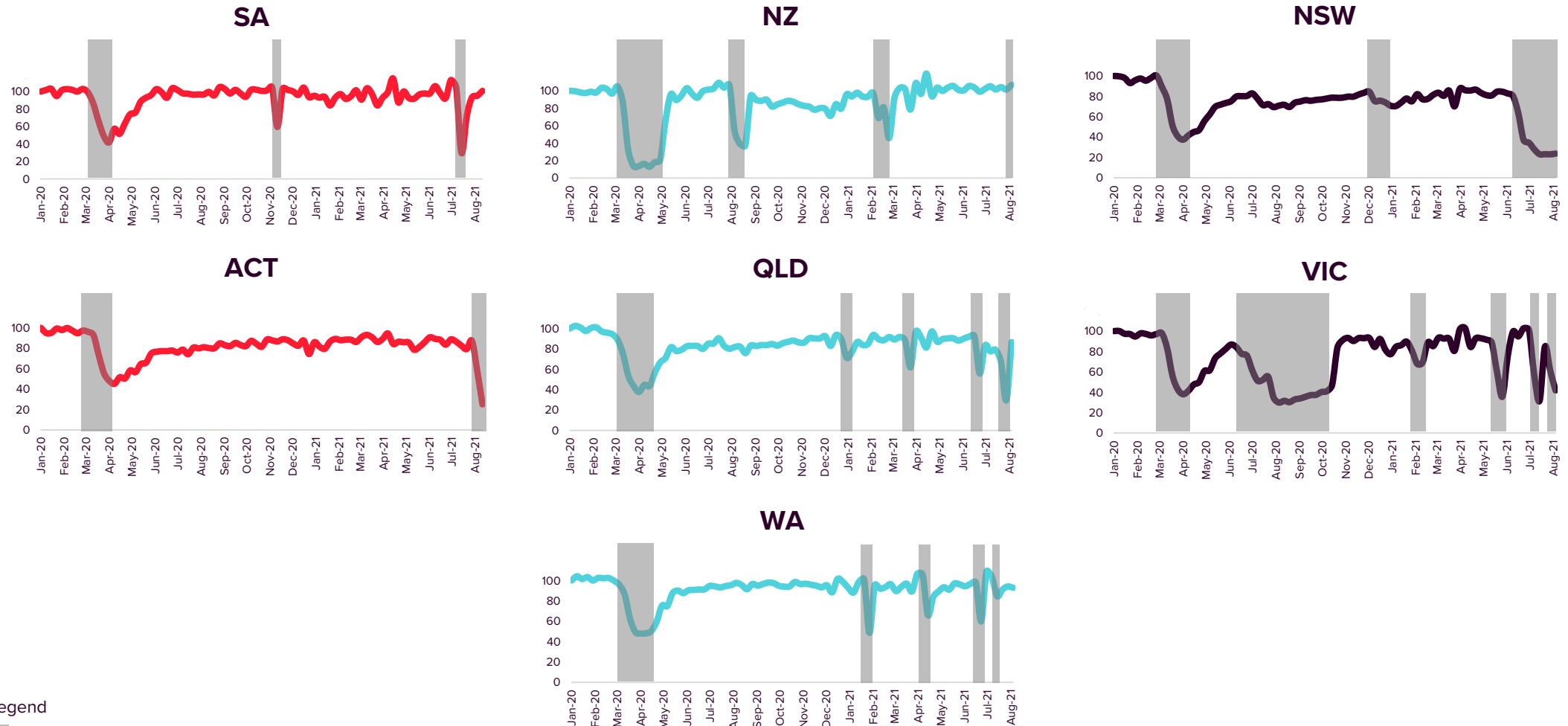
- The \$55 million entertainment, leisure and dining precinct development at Mt Druitt is progressing and is expected to open in the first quarter of 2022
- Works on behalf of Cbus Property to design and construct the residential and commercial tower in Sydney's CBD are also progressing, with completion expected in 2023

**We are a responsible, sustainable business**

- We released our 2020 Responsible Business Report
- We have completed our pathway to achieve net zero emissions by 2030. This includes a plan to reduce our emissions by more than 50% by 2025.
- Our New Zealand portfolio will be powered by 100% renewable electricity from January 2022

# Customer Visits by Region<sup>1</sup>

We have experienced a strong rebound in visitation as soon as government restrictions were eased



## Legend

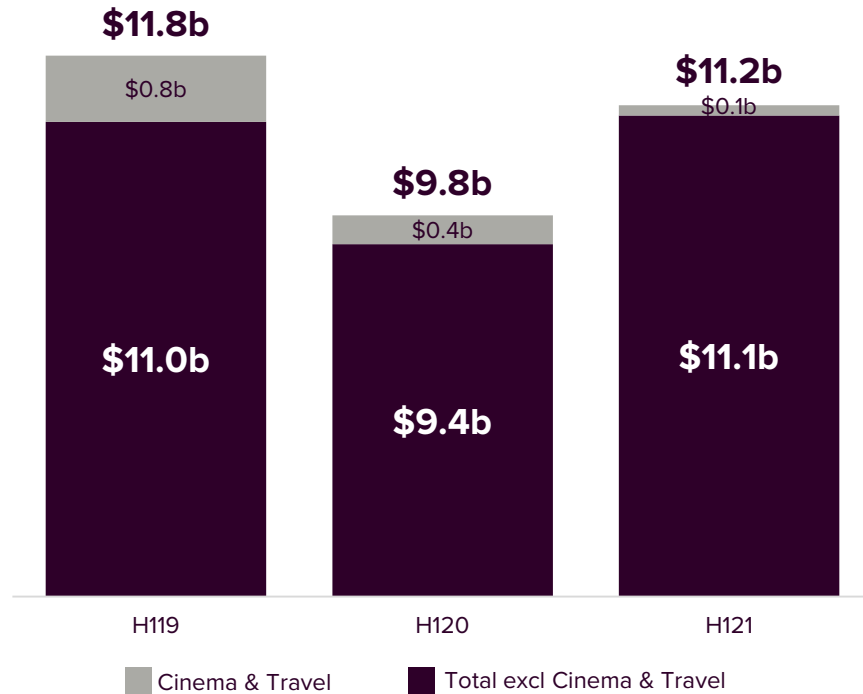
■ Denotes lockdown period

1. Weekly customer visits versus 2019, indexed to 100

# Total Sales<sup>1</sup>

Our business partners experienced a strong rebound in sales as soon as government restrictions were eased

## Retailer In-Store Sales



When restrictions are removed, customers want to return to our centres to purchase and consume goods, services and experiences

During the first half of 2021, total sales excluding cinemas and travel exceeded the first half of 2019

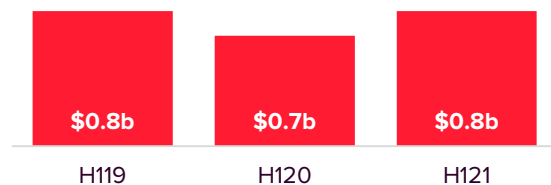
1. Inclusive of all stores, majors, mini-majors and specialties



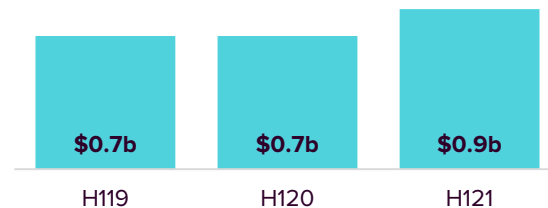
# Total Sales by Region<sup>1</sup>

Our business partners experienced a strong rebound in sales as soon as government restrictions were eased

SA - No Lockdown Days<sup>2</sup>



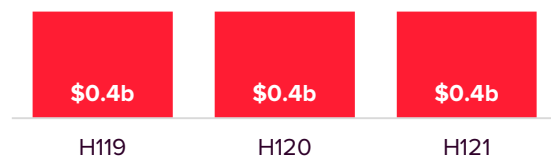
NZ - 7 Days<sup>2</sup>



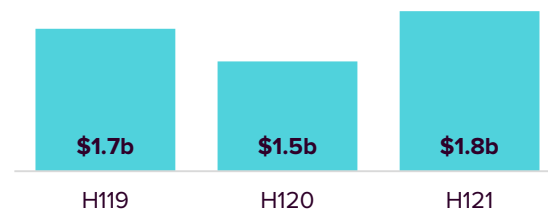
NSW - 15 Days<sup>2</sup>



ACT - No Lockdown Days<sup>2</sup>



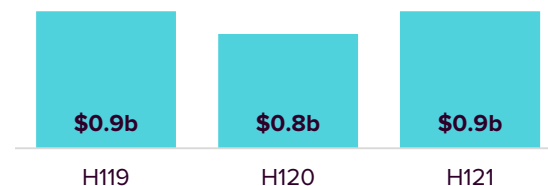
QLD - 8 Days<sup>2</sup>



VIC - 19 Days<sup>2</sup>



WA - 10 Days<sup>2</sup>

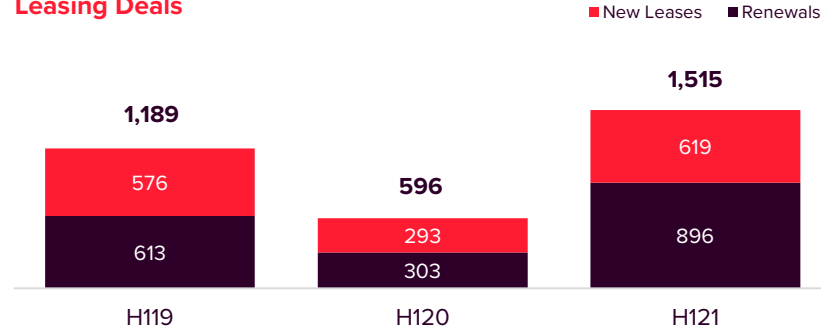


1. Total Sales excluding Cinemas and Travel  
2. Number of days of government lockdown restrictions in the first six months of 2021

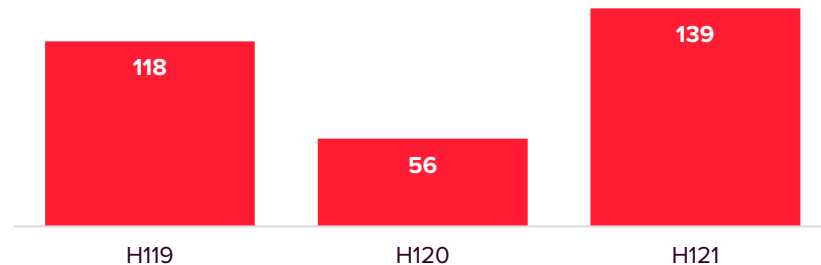
# Leasing Activity

We have experienced strong demand for space

## Leasing Deals



## New Brands Welcomed



## Demand for space in our Living Centres is strong

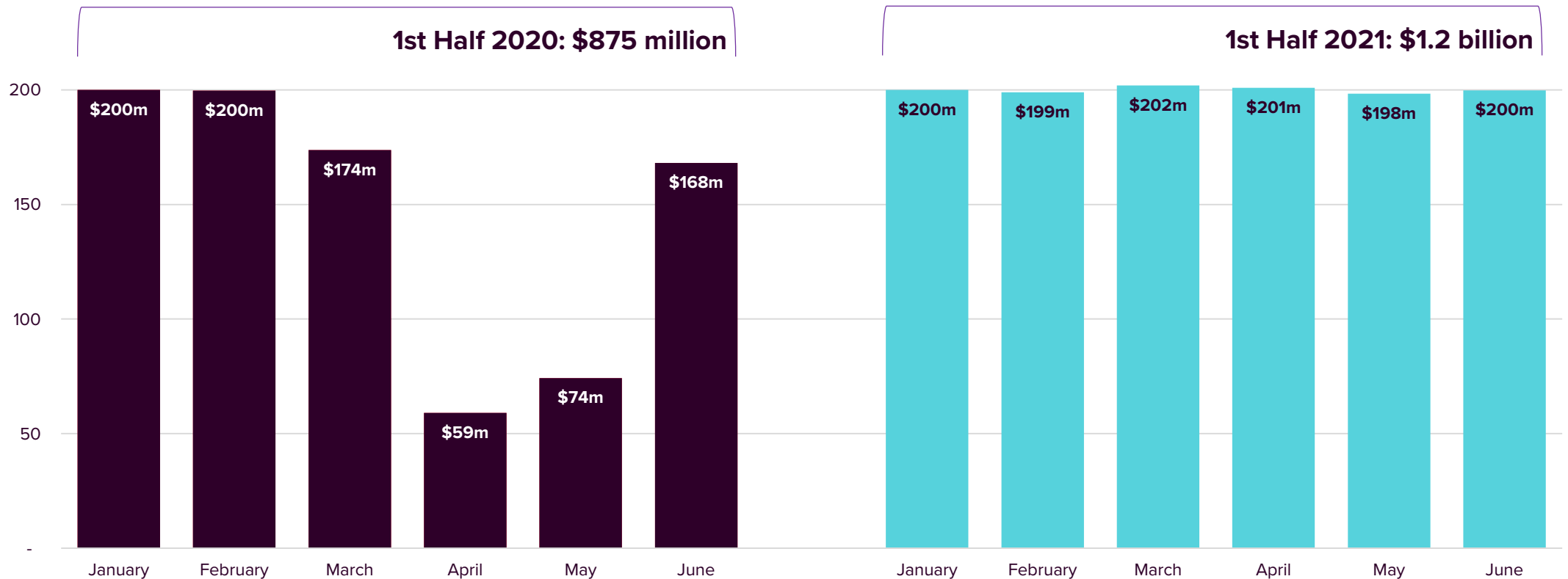
During the first half, we have completed 1,515 leasing deals, including 619 new merchant deals

We have welcomed 139 new brands to the portfolio including a number of first to market brands

- First to portfolio brands include the Miele Experience Centre at Westfield Doncaster and StyleRunner, Rebecca Vallance and Allkinds at Westfield Miranda
- At Westfield Newmarket in New Zealand, first to market brands include Moncler, Saint Laurent, Balenciaga, Alexander McQueen, Burberry and Jimmy Choo

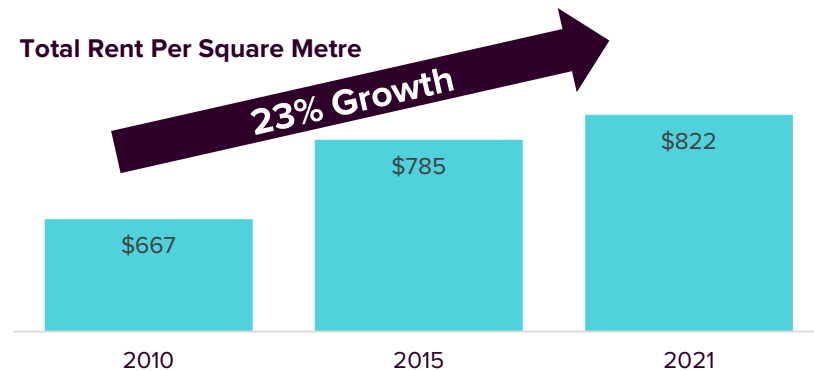
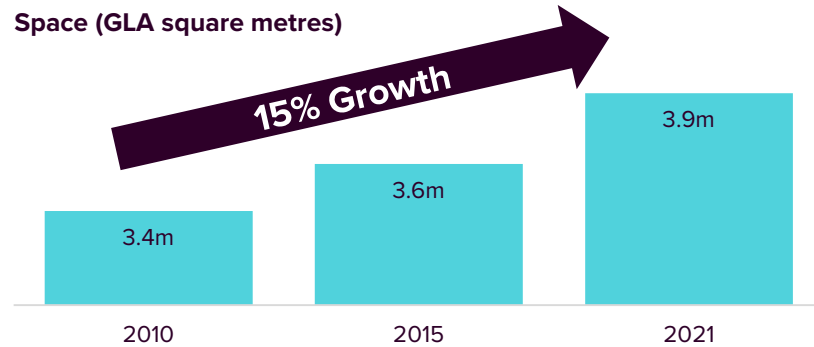
# Gross Rent Cash Collections

The Group collected \$1.2 billion of gross rent during the first half of 2021



# Long-Term Growth in Total Rental Income

Total Portfolio<sup>1</sup>



**Our leading platform, expertise and focus on curating an offer that our customers want has delivered long-term growth**

Since 2010, we have consistently grown rental income. This has been achieved through both the:

- Addition of space, and
- Growth in total rent per square metre

We have added space through more than 25 redevelopments across the portfolio and the strategic acquisition of two high quality shopping centres

Our lease structure has remained constant with contractual rental escalations. The growth in rent per square metre includes the completion of more than 25,000 leasing deals since 2010

1. This is inclusive of all stores, majors, mini-majors and specialities

# Scentre Group Overview

## Our Purpose

Creating extraordinary places, connecting and enriching communities

## Our Plan

We will create the places more people choose to come, more often, for longer

## Our Ambition

Is to grow the business by becoming essential to people, their communities and businesses that interact with them

We are a responsible sustainable business



Community



People



Environment



Economic  
Performance

Extraordinary platform of 42 **Westfield** Living Centres, ownership of 7 of the top 10 centres in Australia and 4 of the top 5 in New Zealand

Essential social infrastructure, strategically located in close proximity to where 20 million people live

Well positioned to extend our leadership position, build on our core strengths and grow from being important to essential for people, communities and the businesses that interact with them

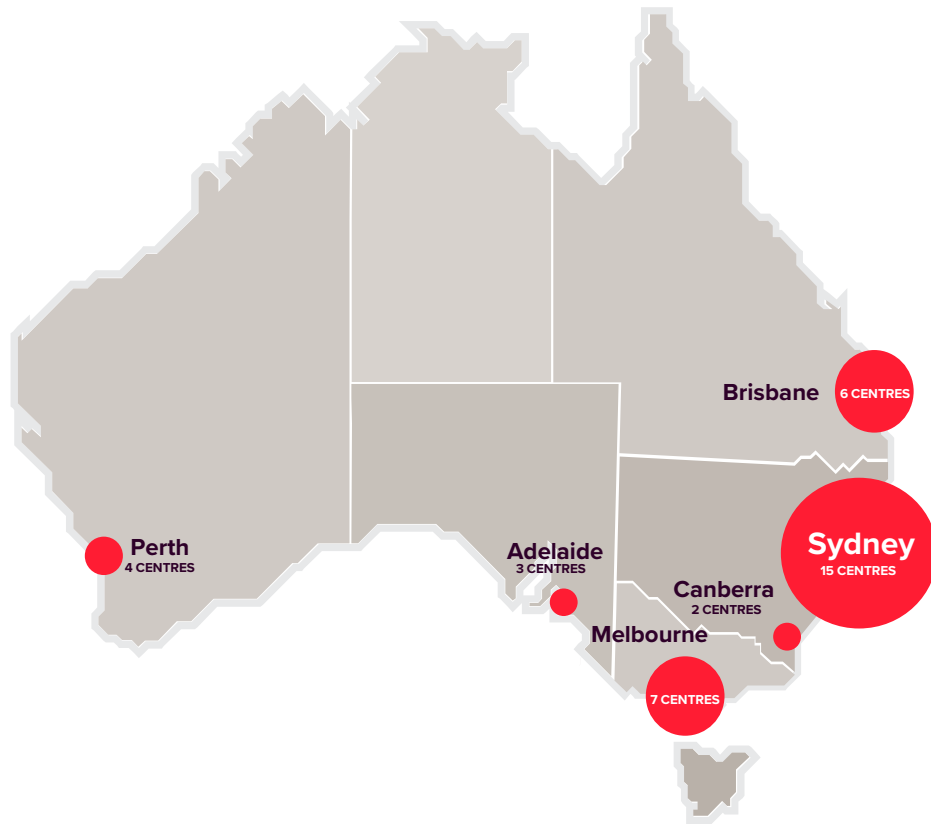
Customer focussed strategy, focused on delivering what customers want

Delivering the first choice platform for business partners to connect and interact with customers

# Strategic Locations

The strategic locations of our portfolio enables businesses to efficiently connect with more customers

With a total population of 30 million, there is further opportunity for the business and platform to reach more people



**20 million**  
people live within close proximity to a Westfield Living Centre

## Australia & New Zealand Portfolio

**42**  
Westfield Living Centres

**468m**  
Customer visits

12 months to June 2021

# Customer Initiatives

## Enhancing Customer Engagement

We continue to give customers more reasons to engage, more often and for longer

We're expanding the Westfield ecosystem – creating more opportunities for interaction between Scentre Group, our customers and business partners



# Westfield Plus

Scan to Join



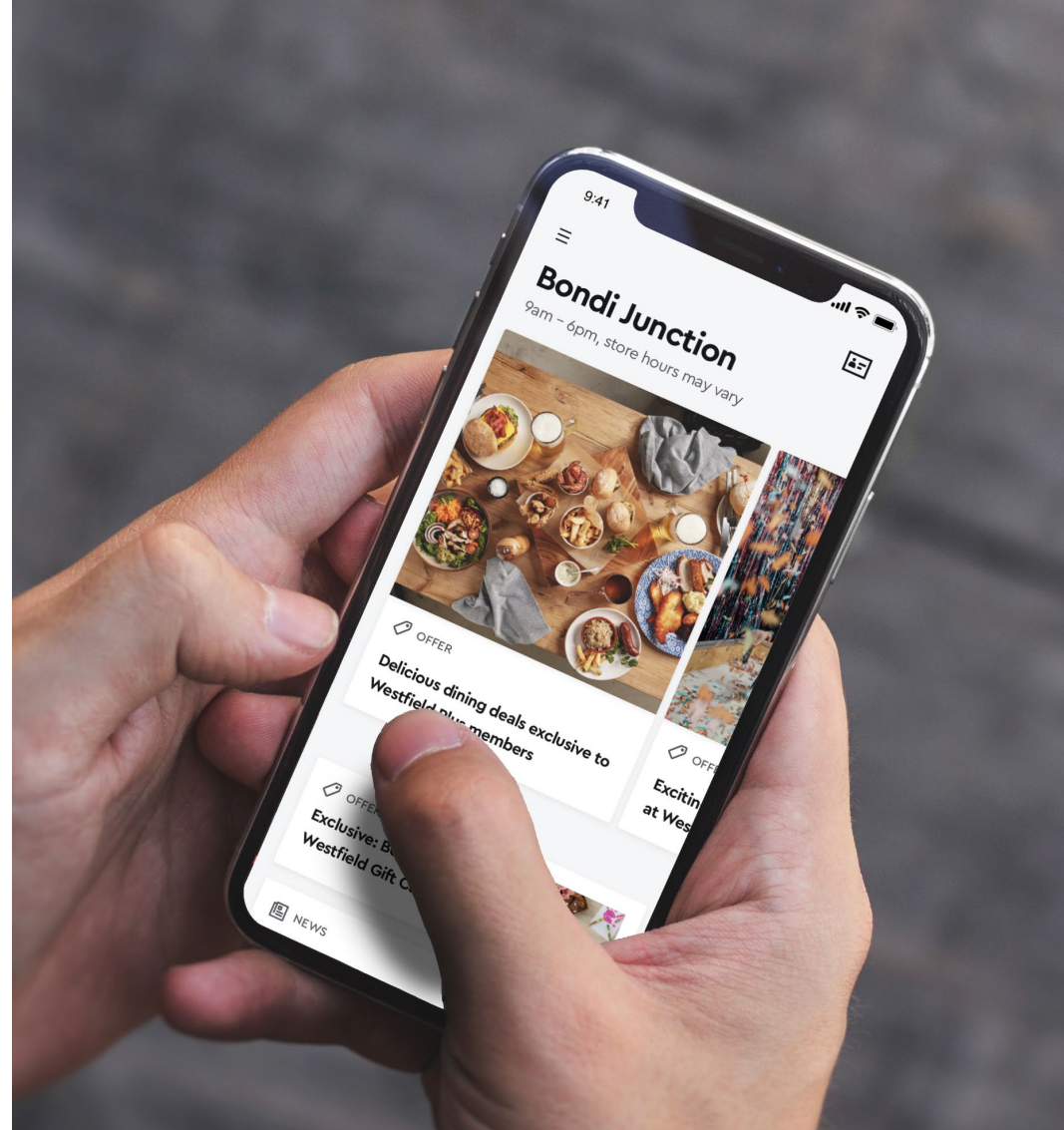
Our membership program

Designed to drive value for our customers by removing friction in centre, personalising communications and rewarding engaged members with exclusive benefits

Live in all 42 Westfield Living Centres

**W+** **1.9 million members**

**W+** We have welcomed an additional **1.4 million new members** with high levels of member engagement.



*"I love the new Westfield Plus App, everything I need to know at my fingertips. There are some great offers as well"*

Westfield Bondi Junction member

*"So so so happy with the number of customers coming in for the offer. I'm glad I finish at 4pm, because it's going to be really busy tonight with the offer"*

Westfield North Lakes Retailer




# Westfield Direct

## Aggregated Click & Collect

Following the successful pilot during 2020, we are on track to launch Westfield Direct in the second half of 2021.

 Designed as an extension of the Westfield in-centre experience

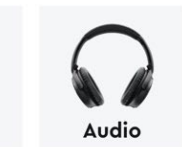
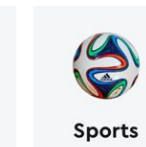
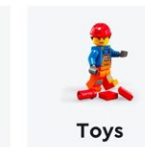
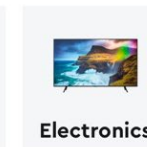
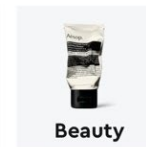
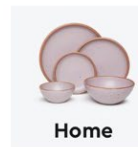
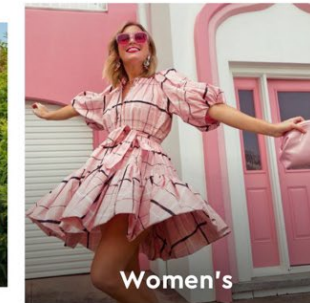
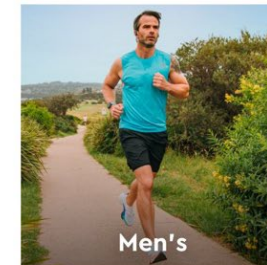
 Offering customers aggregated click & collect through our Living Centres from a wide range of businesses


 Integrated with Westfield Plus to offer members a range of benefits



### Shop online with

Collect from your local Westfield or choose delivery



Westfield Plus members get more with 

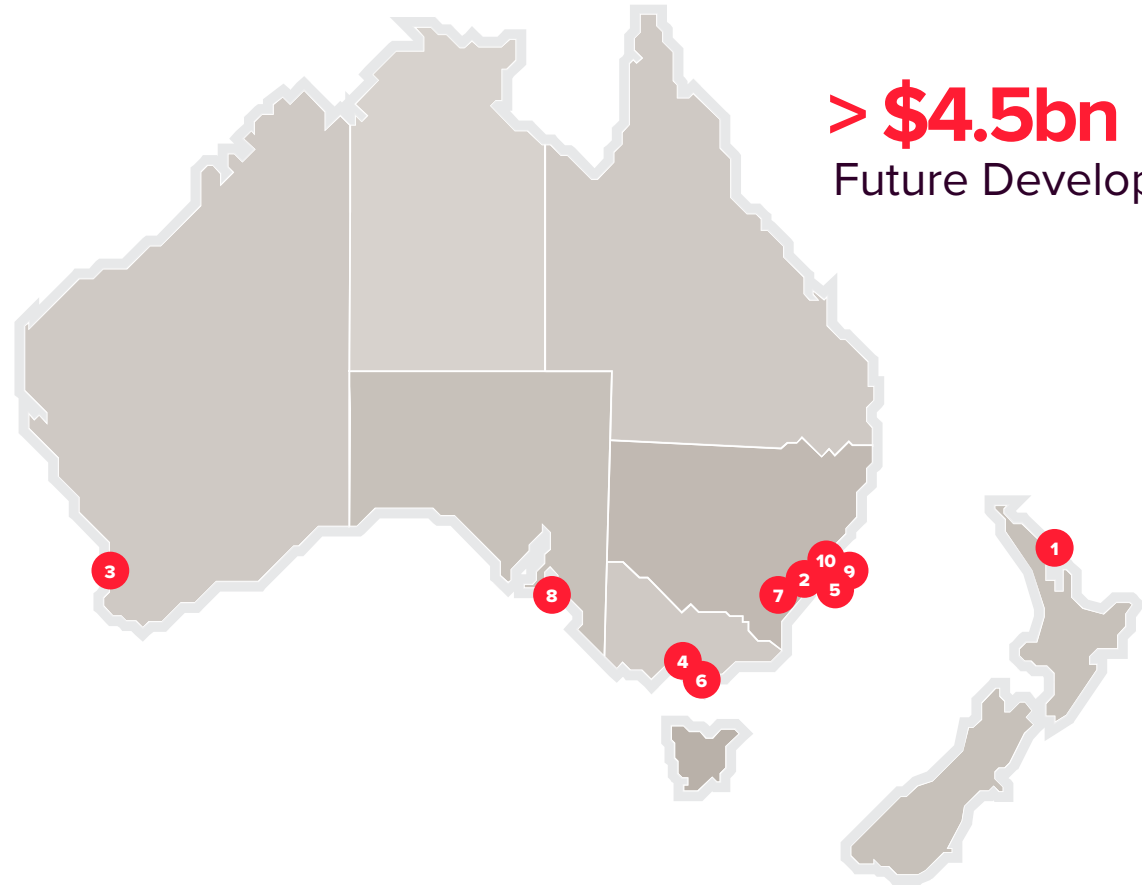


# Development Activity

	Total Project Cost \$m	SCG Share \$m	Completion
<b>Active Projects</b>			
Mt Druitt	55	28	Q1 2022
<b>Total Projects</b>	<b>55</b>	<b>28</b>	
<b>3<sup>rd</sup> Party Design and Construction</b>			
101 Castlereagh Street residential and commercial project on behalf of Cbus Property			2023
<b>Total Special Projects</b>	<b>25</b>	<b>25</b>	
<b>Future Developments</b>	<b>&gt; 4,500</b>		

# Future Developments

- 1 Albany (NZ)
- 2 Barangaroo (NSW)
- 3 Booragoon (WA)
- 4 Doncaster (VIC)
- 5 Eastgardens (NSW)
- 6 Knox (VIC)
- 7 Liverpool (NSW)
- 8 Marion (SA)
- 9 Sydney (NSW)
- 10 Warringah Mall (NSW)



**> \$4.5bn**  
Future Developments

# We are a Responsible, Sustainable Business



## Our Community

### Open & Safe

Westfield living centres remain open, operating with COVID Safe protocols.

### Delivered

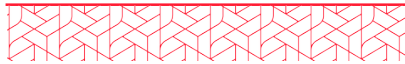
first vaccination hub in Westfield Chermside with provider Aspen Medical.

### \$4.88 million

donated to Westfield Local Heroes programs since inception in 2018, directly benefitting more than 489 community organisations.

### Customer First

Leveraged customer listening tools (CX Loop; Westfield IQ) and community consultation to test concepts as part of reimagining Westfield Knox.



## Our People

### Employer of Choice

for Gender Equality by WGEA for the fourth consecutive year.

### Gold Employer

Recognised our LGBTI+ AWEI status as a 'Gold' employer, one of 20 in Australia.

### Attract & Retain

We continue to focus on attracting and retaining diverse and high performing talent; Candidate NPS > 80%; retention of key talent 100%.

### Invested

in our culture and capabilities by piloting and implementing "Thrive" a series of new leadership and talent programs.



## Our Environmental Impact

### Committed Plan

to reduce carbon emissions by 50% by 2025 and 10% incrementally to 2030.

### Our NZ Portfolio

will be powered by 100% renewable electricity from January 2022

### Leadership

band of CDP investor survey, A-

### Global Sector Leader

for Development in GRESB survey.



## Our Economic Performance

### Provided

cash flow support to our small and medium businesses impacted by COVID lockdowns.

### Signatory

of the Australian Supplier Payment Code, paying all suppliers within 30 days of receiving a correct invoice.

### Cash surplus

\$488 million for the 6-month period, with net operating cashflows growing 113.2 per cent on same period last year.

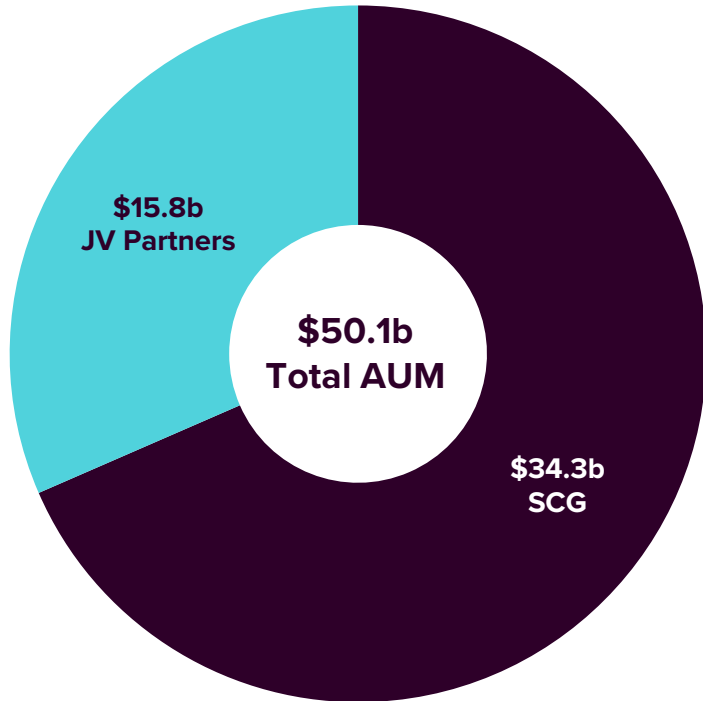
### Improved

our ESG credentials. ACSI rated our quality of reporting as 'leading'. MSCI Rating Improved to A. Sustainalytics Rating in Top 1 per cent globally.

# Operating Profit and FFO

Funds From Operations \$m	6 months to 30 Jun 2021	6 months to 30 Jun 2020	Change
Property revenue	1,136.6	1,139.9	
Property expenses	(258.9)	(249.4)	
Expected Credit Charge	(44.5)	(232.1)	
<b>Net Operating Income</b>	<b>833.2</b>	<b>658.4</b>	<b>26.5%</b>
Management income	23.1	20.9	
<b>Income</b>	<b>856.3</b>	<b>679.3</b>	<b>26.1%</b>
Overheads	(40.4)	(41.9)	
<b>EBIT</b>	<b>815.9</b>	<b>637.4</b>	<b>28.0%</b>
Net interest (excluding subordinated notes coupon)	(215.6)	(250.0)	
Tax	(22.3)	(11.6)	
Minority interest	(19.4)	(15.0)	
Subordinated notes coupon	(98.5)	-	
<b>Operating Profit</b>	<b>460.1</b>	<b>360.8</b>	
<b>Operating Profit per security (cents)</b>	<b>8.88</b>	<b>6.94</b>	<b>28.0%</b>
Project income	4.6	1.6	
Tax on Project income	(1.3)	(0.5)	
<b>Project Income after Tax</b>	<b>3.3</b>	<b>1.1</b>	
<b>Funds From Operations</b>	<b>463.4</b>	<b>361.9</b>	
<b>Funds From Operations per Security (cents)</b>	<b>8.94</b>	<b>6.96</b>	<b>28.4%</b>
Weighted average number of securities (million)	5,184.2	5,196.0	

# Assets Under Management



The Group manages 42 Westfield Living Centres, with \$50 billion of assets under management including \$16 billion of 3<sup>rd</sup> party funds

Scentre Group has perpetual management rights on these assets. The total annual management fees are approximately \$160 million

The value of these property management fees at the average capitalisation rate of the portfolio is \$3.27 billion

# Financial Position

<b>\$m</b>	<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
<b>Total Balance Sheet Assets<sup>1</sup></b>	<b>35,241.2</b>	<b>35,285.3</b>
Borrowings <sup>2</sup>	(9,397.8)	(9,253.8)
Other	(2,089.4)	(2,326.2)
Minority Interest	(787.4)	(778.7)
Subordinated Notes <sup>3</sup>	(4,109.6)	(4,109.6)
<b>Net Balance Sheet Assets - attributable to ordinary securityholders</b>	<b>18,857.0</b>	<b>18,817.0</b>
<b>Net Balance Sheet Assets – per security<sup>4</sup></b>	<b>\$3.64</b>	<b>\$3.63</b>
<i>Value of Property Management<sup>5</sup></i>	<i>3,270</i>	<i>3,270</i>
<i>Net Asset Value – per security<sup>4</sup></i>	<i>\$4.27</i>	<i>\$4.26</i>

1. Total assets excluding cash, short term deposits at bank and currency derivative receivables

2. Adjusted for cash, short term deposits at bank and net currency derivatives

3. Adjusted for net currency derivatives

4. No value has been ascribed to the Westfield Brand and the Development, Design & Construction platform

5. Property management fees valued at the capitalisation rate of each asset, this is not included in the Balance Sheet of the Group

# Funding

30 June 2021

## Funding

Borrowings	\$9.4bn
Gearing	27.9%
Weighted average debt maturity	4.5 years
Subordinated notes	\$4.1bn
Liquidity	\$5.7bn
Weighted average interest rate <sup>1</sup>	4.8%
Interest rate exposure hedged percentage	55%

## Investment grade credit ratings

Standard & Poor's	A (Stable)
Fitch	A (Stable)
Moody's	A2 (Stable)

**3.3x**  
Interest Cover

**\$5.7bn**  
Liquidity

**12.0%**  
FFO to Debt

**55%**  
Interest  
rate hedged

**5.5x**  
Debt to EBITDA

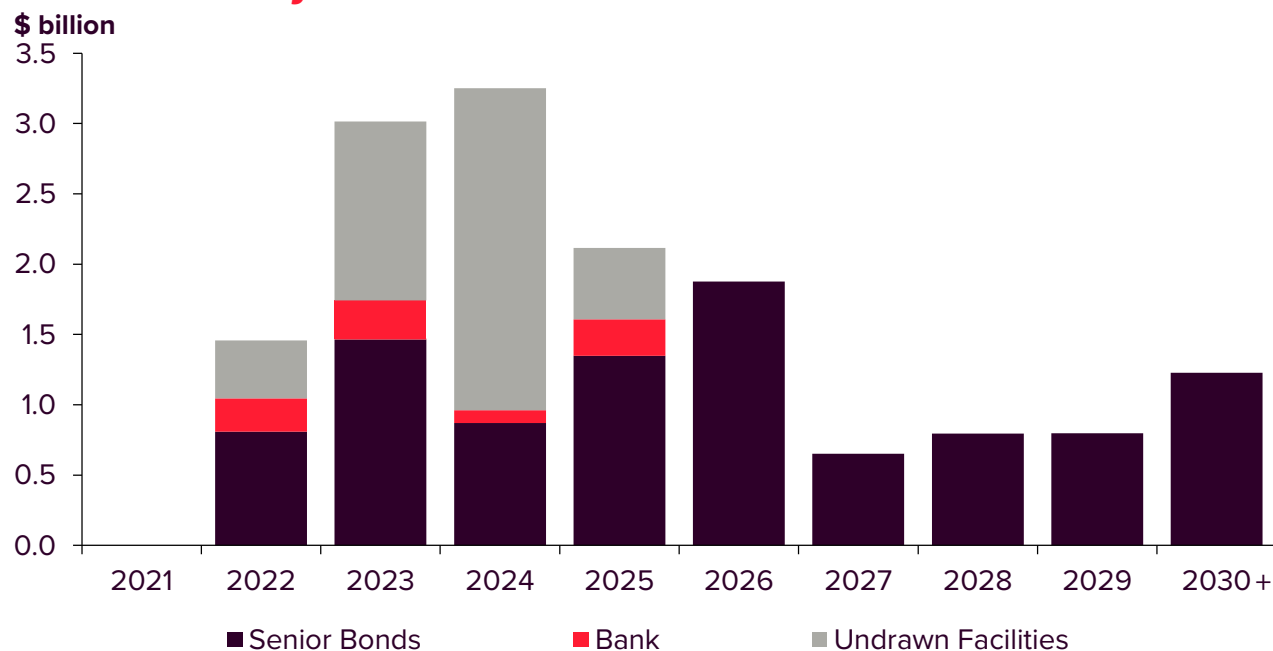
1. Reflects net debt and subordinated notes



# Funding

Available liquidity of \$5.7 billion, sufficient to cover all debt maturities to early 2024

## Debt Maturity Profile<sup>1</sup>



**4.5 years** weighted average debt maturity

	%	\$bn
<b>Senior Bonds</b>		
USD	22%	4.3
EUR	20%	3.9
GBP	8%	1.5
HKD	1%	0.1
<b>Total</b>	<b>51%</b>	<b>9.8</b>
<b>Bank Facilities</b>		
Drawn	5%	0.9
Undrawn	23%	4.5
<b>Total</b>	<b>28%</b>	<b>5.4</b>
<b>Total Debt Facilities</b>		
	<b>79%</b>	<b>15.2</b>
<b>Subordinated Notes</b>		
USD	21%	4.1
<b>Total Funding</b>	<b>100%</b>	<b>19.3</b>
Less Drawn Facilities		(14.8)
Plus Cash and Short Term Deposits		1.2
<b>Total Liquidity</b>		<b>5.7</b>

1. Does not include the subordinated notes given their equity-like characteristics

# Outlook

The Group continues to target a distribution of 14 cents per security for the year to 31 December 2021.

This is based on the assumption that the current government restrictions substantially ease by the end of October 2021.

# Appendices



# Profit & FFO

Reconciliation from Profit to FFO \$m	Statutory Profit 6 months to 30 Jun 2021	FFO Adjustments <sup>1</sup>	FFO 6 months to 30 Jun 2021	Financial Statement Notes
	A	B	C = A + B	
Property revenue <sup>2</sup>	1,109.3	27.3	1,136.6	Note 2(iii)
Property expenses	(258.9)	-	(258.9)	Note 2(iii)
Expected Credit Charge	(44.5)	-	(44.5)	Note 2(iii)
<b>Net Operating Income</b>	<b>805.9</b>	<b>27.3</b>	<b>833.2</b>	
Management income <sup>3</sup>	23.1	-	23.1	
<b>Income</b>	<b>829.0</b>	<b>27.3</b>	<b>856.3</b>	
Overheads	(40.4)	-	(40.4)	Note 2(v)
Revaluations	41.0	(41.0)	-	Note 2(v)
<b>EBIT</b>	<b>829.6</b>	<b>(13.7)</b>	<b>815.9</b>	
Net interest (excluding subordinated notes coupon) <sup>4</sup>	(267.9)	52.3	(215.6)	
Currency derivatives	(14.4)	14.4	-	Note 2(v)
Tax	(25.2)	2.9	(22.3)	Note 2(v)
Minority interest <sup>5</sup>	(26.5)	7.1	(19.4)	
Subordinated notes coupon	(98.5)	-	(98.5)	Note 2(v)
<b>Operating Profit</b>	<b>397.1</b>	<b>63.0</b>	<b>460.1</b>	
Project income <sup>6</sup>	4.6	-	4.6	
Tax on Project income	(1.3)	-	(1.3)	Note 2(v)
<b>Project income after tax</b>	<b>3.3</b>	<b>-</b>	<b>3.3</b>	
<b>Statutory Profit / Funds From Operations</b>	<b>400.4</b>	<b>63.0</b>	<b>463.4</b>	

- The Group's measure of FFO is based upon the National Association of Real Estate Investment Trusts' (NAREIT, a US industry body) definition, adjusted to reflect the Group's profit after tax and non controlling interests reported in accordance with the Australian Accounting Standards and International Financial Reporting Standards and excludes straightlining of rent. FFO adjustments relate to property revaluations, mark to market of interest rate and currency derivatives, mark to market of other financial liabilities, modification gain or loss on refinanced borrowing facilities, tenant allowance amortisation, straightlining of rent, deferred tax expense/benefit and gain or loss in respect of capital transactions.
- Property revenue of \$1,109.3m (Note 2(iii)) plus amortisation of tenant allowances of \$31.2m (Note 2(iii)) less straightlining of rent of \$3.9m (Note 2(iii)) = \$1,136.6m.
- Management income \$28.7m (Note 2(v)) less management expenses \$5.6m (Note 2(v)) = \$23.1m.
- Financing costs \$385.6m (Note 2(v)) offset by interest income \$3.5m (Note 2(v)), less coupon on subordinated notes of \$98.5m (Note 12), interest expense on other financial liabilities \$14.8m (Note 12), net fair value loss on other financial liabilities of \$0.9m (Note 12), mark to market loss on interest rate derivatives of \$50.3m (Note 12) and net modification loss on refinanced borrowing facilities of \$2.0m (Note 12) = \$215.6m.
- Gain attributable to minority interest \$10.8m (Note 2(v)) less non-FFO items of \$6.2m, plus interest expense on other financial liabilities \$14.8m (Note 12) = \$19.4m.
- Project income \$56.5m (Note 2(v)) less project expenses \$51.9m (Note 2(v)) = \$4.6m.

# Cash Flow

## Cash flows from operating activities – proportionate \$m

	Consolidated	Equity Accounted	6 months to 30 Jun 2021	6 months to 30 Jun 2020
Receipts in the course of operations (including GST)	1,257.7	126.2	1,383.9	1,059.4
Payments in the course of operations (including GST)	(379.2)	(36.8)	(416.0)	(431.8)
Net operating cash flows from equity accounted entities	65.8	(65.8)	-	-
Income and withholding taxes paid	(32.3)	(6.0)	(38.3)	(21.1)
GST paid	(92.8)	(7.9)	(100.7)	(110.4)
Payments of financing costs (excluding interest capitalised)	(335.0)	(9.7)	(344.7)	(269.3)
Interest received	3.5	-	3.5	1.9
<b>Net cash flows from operating activities - proportionate</b>	<b>487.7</b>	<b>-</b>	<b>487.7</b>	<b>228.7</b>

# Balance Sheet

## Balance Sheet – Proportionate<sup>1</sup>

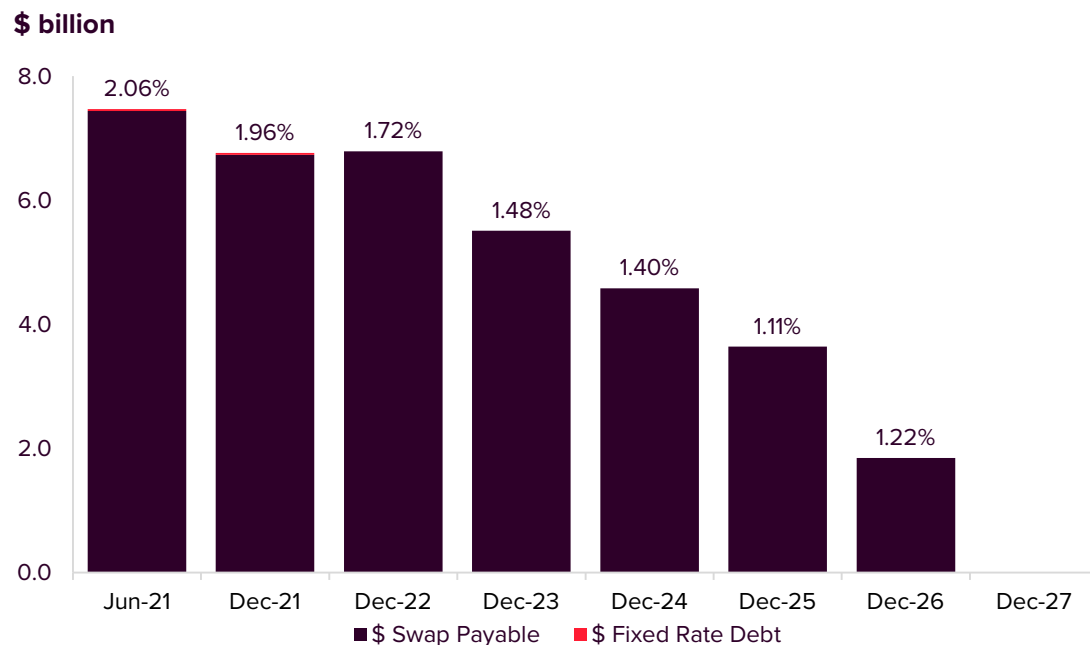
\$m	Consolidated	Equity Accounted	30 Jun 2021	Debt Reclassification	30 Jun 2021
	A	B	C = A + B		
Cash	406.8	27.0	433.8	(433.8)	-
Short term deposits at bank	805.9	-	805.9	(805.9)	-
<b>Property Investments</b>					
– Shopping centres	30,818.1	2,820.2	33,638.3	-	33,638.3
– Development projects and construction in progress	563.2	71.0	634.2	-	634.2
<b>Total Property Investments</b>	<b>31,381.3</b>	<b>2,891.2</b>	<b>34,272.5</b>	-	<b>34,272.5</b>
Equity accounted investments	2,765.1	(2,765.1)	-	-	-
Deferred tax assets	25.3	0.9	26.2	-	26.2
Currency derivative receivables	329.3	-	329.3	(329.3)	-
Other assets	932.5	10.0	942.5	-	942.5
<b>Total Assets</b>	<b>36,646.2</b>	<b>164.0</b>	<b>36,810.2</b>	<b>(1,569.0)</b>	<b>35,241.2</b>
Borrowings	(10,638.2)	-	(10,638.2)	1,240.4	(9,397.8)
Lease liabilities	(125.5)	(0.3)	(125.8)	-	(125.8)
Deferred tax liabilities	(87.1)	(82.5)	(169.6)	-	(169.6)
Currency derivative payables	(449.9)	-	(449.9)	449.9	-
Other liabilities	(1,712.8)	(81.2)	(1,794.0)	-	(1,794.0)
Minority interest <sup>2</sup>	(787.4)	-	(787.4)	-	(787.4)
Subordinated notes	(3,988.3)	-	(3,988.3)	(121.3)	(4,109.6)
<b>Net Assets – attributable to members of Scentre Group</b>	<b>18,857.0</b>	-	<b>18,857.0</b>	-	<b>18,857.0</b>

1. Period end AUD/NZD exchange rate 1.0741 at 30 Jun 2021
2. Includes \$613.6m of Property Linked Notes shown in minority interest given their equity characteristics, and \$173.8m relating to Carindale Property Trust

# Interest Rate Hedging

30 June 2021

## Hedge Maturity Profile



3.7 Years weighted average hedge maturity

## Interest Rate Hedging

	\$bn	Fixed Rate
Borrowings	9.40	
Subordinated notes	4.11	
<b>Fixed Rate Debt</b>		
\$ Fixed rate debt <sup>1</sup>	0.03	3.81%
<b>Derivatives</b>		
\$ Swap payable	7.44	2.06%
<b>Total Hedged</b>	<b>7.47</b>	<b>2.06%</b>

55% Hedged at 30 June 2021

1. Excludes borrowing margin

# Retailer In-Store Sales

## Growth over 2019<sup>1</sup>

Total Majors and Specialty in-store sales were up 0.9% for the 6 months to June and 0.8% lower for the year compared to 2019<sup>1, 2</sup>

Specialty in-store sales were up 2.3% for the 6 months and 0.8% lower for the year.

Majors in-store sales were 1.3% lower for the 6 months and 0.6% lower for the year.

Total Portfolio Sales by Region	Days of Govt Restrictions to 30 Jun 2021 <sup>3</sup>	6 months to 30 Jun 2021	12 Months to 30 Jun 2021
NSW	15	(4.6%)	(4.3%)
QLD	8	6.9%	9.0%
VIC	19	(5.2%)	(18.1%)
WA	10	5.4%	9.2%
SA	0	6.1%	6.5%
ACT	0	6.4%	4.9%
NZ	7	24.6%	23.3%
<b>Total</b>		<b>0.9%</b>	<b>(0.8%)</b>

Total Portfolio Sales by Category	6 months to 30 Jun 2021	12 Months to 30 Jun 2021
Retail Services	12.9%	14.7%
Leisure & Sports	15.4%	13.2%
Food Retail	(3.7%)	(3.6%)
Dining	(4.3%)	(10.6%)
Health & Beauty	(1.3%)	(3.5%)
Fashion	1.5%	(2.0%)
Footwear	(4.4%)	(7.8%)
Jewellery	0.7%	(2.3%)
Technology & Appliances	9.7%	6.3%
General Retail	(8.0%)	(11.6%)
Homewares	6.7%	5.3%
Supermarkets	(2.5%)	1.1%
Department Stores	(6.3%)	(12.5%)
Discount Department Stores	6.8%	7.8%

1. Excludes Cinemas and Travel categories, which continue to be affected by COVID restrictions.

2. Including Cinemas and Travel, total in-store sales were 5.1% lower for the 6 months to June and 6.5% lower for the year

3. For the six months to Jun 2021



# Property Valuations

30 June 2021

AUSTRALIA (A\$m)	Ownership	Book Value	Retail Cap Rate	Economic Yield
<b>AUSTRALIAN CAPITAL TERRITORY</b>				
Belconnen	100%	772.0	5.75%	6.14%
Woden	50%	305.0	5.75%	6.53%
<b>NEW SOUTH WALES</b>				
Bondi Junction	100%	3,105.2	4.25%	4.50%
Burwood	50%	522.8	4.75%	5.41%
Chatswood	100%	1,295.6	4.50%	4.80%
Eastgardens	50%	592.5	4.50%	5.08%
Hornsby	100%	1,055.4	5.25%	5.60%
Hurstville	50%	406.5	5.25%	6.00%
Kotara	100%	870.0	5.50%	5.87%
Liverpool	50%	487.7	5.25%	5.97%
Miranda	50%	1,165.5	4.50%	5.07%
Mt Druitt	50%	303.5	5.50%	6.29%
Parramatta	50%	1,016.9	4.50%	5.14%
Penrith	50%	650.0	5.00%	5.68%
Sydney	100%	4,039.4	4.30%	4.57%
Tuggerah	100%	720.0	5.63%	6.01%
Warringah Mall	50%	840.0	5.00%	5.64%
<b>QUEENSLAND</b>				
Carindale	50%	750.1	5.00%	5.69%
Chermside	100%	2,521.0	4.50%	4.78%
Coomera	50%	195.0	5.75%	6.57%
Garden City	100%	1,490.0	5.00%	5.34%
Helensvale	50%	195.0	6.00%	6.87%
North Lakes	50%	460.0	5.00%	5.71%
<b>SOUTH AUSTRALIA</b>				
Marion	50%	638.0	5.25%	6.06%
Tea Tree Plaza	50%	348.0	5.50%	6.42%
West Lakes	50%	197.5	6.25%	7.32%

AUSTRALIA (A\$m)	Ownership	Book Value	Retail Cap Rate	Economic Yield
<b>VICTORIA</b>				
Airport West	50%	182.5	5.85%	6.77%
Doncaster	50%	1,115.5	4.50%	5.09%
Fountain Gate	100%	1,920.0	4.50%	4.81%
Geelong	50%	213.0	6.00%	6.96%
Knox	50%	425.0	5.50%	6.41%
Plenty Valley	50%	250.0	5.25%	6.09%
Southland	50%	712.5	5.00%	5.70%
<b>WESTERN AUSTRALIA</b>				
Booragoon	50%	475.0	5.00%	5.70%
Carousel	100%	1,405.0	4.75%	5.10%
Innaloo	100%	291.0	6.00%	6.52%
Whitford City	50%	250.0	6.00%	7.01%
<b>TOTAL AUSTRALIA</b>		<b>32,182.1</b>	<b>4.83%<sup>1</sup></b>	<b>5.28%</b>
<b>NEW ZEALAND (NZ\$m)</b>				
Albany	51%	286.9	6.00%	6.85%
Manukau	51%	188.7	6.75%	7.75%
Newmarket	51%	589.7	5.50%	6.03%
Riccarton	51%	289.7	6.75%	7.65%
St Lukes	51%	209.1	6.38%	7.29%
<b>TOTAL NEW ZEALAND (NZ\$m)</b>		<b>1,564.1</b>	<b>6.10%<sup>1</sup></b>	<b>6.86%</b>
<b>TOTAL SCENTRE GROUP (A\$m)</b>		<b>33,638.3</b>	<b>4.89%<sup>1</sup></b>	<b>5.35%</b>

1. Weighted average cap rate including non-retail assets

# Important Notice

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

## **SCENTRE GROUP LIMITED**

ABN 66 001 671496

## **SCENTRE MANAGEMENT LIMITED**

ABN 41 001 670 579 AFS Licence No: 230329  
as responsible entity of Scentre Group Trust 1  
ARSN 090 849746

## **RE1 LIMITED**

ABN 80 145 743 862 AFS Licence No: 380202  
as responsible entity of Scentre Group Trust 2  
ARSN 146 934 536

## **RE2 LIMITED**

ABN 41 145 744 065 AFS Licence No: 380203  
as responsible entity of Scentre Group Trust 3  
ARSN 146 934 652