

ASX Announcement

9 February 2017

Vicinity to acquire remaining 25% interest in DFO South Wharf

Vicinity Centres (Vicinity, ASX:VCX) is pleased to announce it has entered into agreements to acquire the remaining 25% interest in DFO South Wharf and Homemaker Hub from joint owner Plenary Group for \$141.25 million¹.

Mr Michael O'Brien, Chief Investment Officer, said: "DFO South Wharf is a high quality retail asset. With strong sales growth, low occupancy costs of 10.2% and specialty store sales per sqm of approximately \$9,200, we believe there is scope for further income and capital value growth².

"The asset will be further enhanced in the short term with the completion next month of the new multi-deck car park providing approximately 300 additional spaces. DFO South Wharf will also benefit from the development of a second hotel and the expansion of the Melbourne Convention and Exhibition Centre (MCEC) adjacent to DFO South Wharf which is underway.

"This transaction is in line with our strategy of increasing our investment in the very successful DFO portfolio."

Situated in Melbourne's Southbank precinct, next to the MCEC and Hilton Melbourne South Wharf, the retail centre comprises 166 specialty tenancies, a homemaker centre including 21 tenancies and the South Wharf Promenade food and beverage precinct with 19 tenancies.

The 25% interest is being acquired on a passing yield of approximately 7%. The transaction is expected to be funded using existing debt facilities and settlement is expected to occur in April 2017 following the completion of the new car park.

ENDS

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¹ Excludes transaction costs.

² Occupancy costs and specialty store sales per sqm as at 31 December 2016.

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**About Vicinity Centres**

Vicinity Centres (Vicinity or the Group) is one of Australia's leading retail property groups with a fully integrated asset management platform, and over \$23 billion in retail assets under management across 85 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 75 shopping centres (including the DFO Brisbane business) and manages 37 assets on behalf of Strategic Partners, 27 of which are co-owned by the Group. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has approximately 24,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit the Group's website vicinity.com.au, or use your smartphone to scan this QR code.