30 October 2014

The Manager
Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Federation Centres – Annual General Meeting 30 October 2014

Attached is:-

- Chairman's address and presentation to the meeting; and
- CEO & MD's address and presentation to the meeting.

Yours faithfully

Elizabeth Hourigan
Company Secretary

Federation Centres

Annual General Meeting

Thursday 30 October 2014

Chairman Script

SLIDE 1: WELCOME AND INTRODUCTIONS

Good afternoon ladies and gentlemen. My name is Bob Edgar, and I am Chairman of Federation Centres. It is my pleasure to welcome you to the Annual General Meeting of Federation Centres. Thank you for your attendance today. I have been advised that there is a quorum present, and I will now commence the meeting.

I would like to ask everyone, as a matter of courtesy, that no audio or video recordings be taken during this meeting. If you have a mobile telephone with you could you kindly switch it off or put it into silent mode. Also, as a safety requirement, I wish to advise that in the unlikely event of an emergency, exits are located at the rear of the room, where you entered, or behind the stage to my right. I also wish to advise that this meeting is currently being recorded and will be made available on our website later today.

I would like to begin by introducing the members of the Board and Management on the stage with me today:

Starting at the far right we have non executive directors Clive Appleton, Tim Hammon, Charles Macek, then CEO and Managing Director Steven Sewell. To my immediate left is Elizabeth Hourigan the Company Secretary and then continuing to the left we have the non executive directors Fraser Mackenzie, Debra Stirling and at the far left Wai Tang.

Our auditor from Ernst & Young, Bruce Meehan, is also in attendance.

Today both Federation Centres' CEO and Managing Director, Steven Sewell and I will present on the progress of Federation Centres during the 2014 financial year.

We will take questions from securityholders at the conclusion of both our remarks. Also, the Board and senior executive team will be available for a more informal discussion over afternoon tea at the conclusion of our meeting.

As you would be aware from the Notice of Meeting a significant matter at this meeting is to seek securityholder approval of resolutions to simplify the Federation Centres corporate structure. In concept this is a straightforward proposal that is in the best interests of securityholders. Unfortunately, the resolutions are necessarily detailed and technical to ensure the process is efficiently and effectively achieved.

SLIDE 2: CHAIRMAN'S ADDRESS

As the landlord to more than 4400 tenants, I would like to start today's proceedings by making some general comments about the retail sector.

While the REIT sector has produced generally positive results for investors for the 2014 financial year, retailers have faced challenges from both domestic and international macro economic conditions.

The slowdown in the mining and manufacturing sectors combined with lengthy speculation about a tough Federal Budget did little to enliven either consumer or business confidence during the 2014 financial year.

Domestically the fragile state of both consumer and business confidence remains a big issue while sluggish international economic conditions, heightened by global conflict and tension are indicators that conditions for our retailers are likely to remain challenging in the current year.

SLIDE 3: NEW FORMAT STORES ENHANCE SALES PRODUCTIVITY

However, I am encouraged by the actions of many retailers to refresh their formats, product lines and customer proposition. A good example is the roll-out of the first new concept Millers store in Australia, pictured in the slide, at our Bankstown centre which has been well-received by consumers. Other brands such as Cotton On, Rebel Sport and JB Hi-Fi are also examples of retailers working hard to refine and improve their business.

The discount department stores and department stores categories have also responded to changing consumer demands and are working to introduce new concepts and realign their offers to revive their attractiveness to shoppers.

In the supermarket category the expansion of the Aldi chain, and mooted entry of the Lidl chain,will also keep this sector focussed on continuing to enhance the offer to consumers.

Australian retailers are capable of responding to changing customer needs and the challenges of new international retailer entrants. Federation Centres, with our significant commitment to improving and redeveloping our centres in well-established markets, is well-placed to assist all retailers.

The recently released Productivity Commission report looking at the cost of business for the retail trade industry put forward a number of important recommendations for change, including the need for reform in the key area of trading hours.

The Commission found that restrictions on bricks and mortar retail trading hours are increasingly out of step with consumer expectations and removal of the restrictions would lower costs, increase competition and help bricks and mortar retailers compete with online-only retailers.

Reform to trading hours for our retailers should be given a high priority. Apart from directly assisting the retail sector this would also flow through to employment and economic growth.

I have previously discussed the need to also address the unfair situation that allows offshore online purchases of up to $1000 to be Goods and Services Tax free. This is clearly unfair to our domestic retailers and diminishes competition and reduces employment in the sector.

Federal and State Governments can provide real assistance to retailers to offset the current economic conditions by adopting the suggestions of the Productivity

Commission and addressing the unfairness of the existing GST arrangements and I call on them to do so as a matter of real urgency.

As a final comment in relation to taxation I would like to join with the Property Council of Australia and Australian Taxation Office in rejecting the notion recently expressed in the media that reflected a report that Australia's listed property organisations are paying less than their fair share of tax.

While Federation Centres was not named in these media reports, I think it is important that all organisations in the sector point out that these reports seriously misunderstand how listed property organisations are taxed and the significant contribution they make to tax revenue and the Australian economy.

The property industry is the nation's largest single tax payer through contributions from real estate specific taxes, corporate tax and GST. Secondly and importantly, Australian Real Estate Investment Trusts are specifically set up not to pay tax directly. They are trusts that allow income to be passed through by distributing profits directly to investors, who then pay tax on the income they receive.

These media reports that miss this fact are at best misinformed and at worst plain mischievous.

Australian Real Estate Investment Trusts are a vital component of the retirement plans of ordinary Australians and allow them to obtain exposure to assets and a level of diversification that would otherwise not be possible.

Turning now to the Federation Centres' results for the 2014 Financial Year.

SLIDE 4: FY14 KEY FINANCIAL HIGHLIGHTS

As the slide shows, good progress has been made as a result of the work done to simplify and improve our business. Statutory Net profit more than doubled to $441.3 million mainly due to improvement in asset values.

Underlying earnings increased 8.2% reflecting the sound performance of the portfolio and significantly reduced financing costs and careful management of overheads.

An important aspect of the improvement in our results was the reduction in financing costs. I would like to spend a little more time on the significant progress made in this area, not just last year but through an ongoing focus across several years.

SLIDE 5: GEARING LEVELS AND DEBT COSTS REDUCED

During the 2014 Financial Year the restructure of our debt facilities as well as our first two debt capital markets raisings totalling $300 million delivered significant financing cost reduction and tenor extension benefits to the organisation. Looking at the graph at the left of this slide you can see the work to deliver this result has been ongoing since December 2011 when gearing was considerably higher at nearly 35%.

At the end of the 2014 Financial Year, gearing had fallen to be just below the bottom end of our preferred range of 25 to 35%. The adjacent chart shows the fall in the cost of borrowings that was achieved across the same period as our gearing levels improved.

As a result of these activities future refinancing requirements have been spread over a longer period with smaller amounts required each year.

This debt maturity profile is preferable because it reduces the funding requirement in any one year and the longer maturity is more suited to the ownership and management of a portfolio of shopping centre assets.

These changes to our funding also mean we have adequate capacity and flexibility to undertake the redevelopment of the portfolio and strategic investments, as and when attractive opportunities arise.

Distributions attributable to the 2014 financial year increased by 11.3% to a total of 15.7 cents per security which includes an additional 0.4 cents per security that was declared in August 2014 as a result of the strong results for the year.

Apart from the excellent financial results, good progress was made on the rebranding of our centres.

SLIDE 6: REBRANDING NEARING COMPLETION

During the financial year the majority of our centres by value were rebranded with the remaining centres, to be completed by the end of the 2014 calendar year, apart from recent acquisitions and those earmarked for sale. The program is on schedule and below the cost originally anticipated.

This is a great achievement, as the task was considerable. For example, during the 2014 Financial Year the rebranding program involved 25 properties across five states. More than 1100 signs were installed or replaced and 2000 signs were removed or modified which involved more than 25,000 hours worked.

As well as the rebranding progress, I want to acknowledge the success of the first major redevelopment undertaken as Federation Centres at Warnbro in Western Australia.

SLIDE 7: WARNBRO DEVELOPMENT COMPLETED, OPENED FOR TRADE

The $39.4 million Warnbro Centre redevelopment opened for business on 18 September.

The redevelopment doubled the size of the centre located in the City of Rockingham which is a high growth area to the south of Perth. The redevelopment includes Australia's first new concept Big W, 65 specialty stores, two full line supermarkets, new casual dining and a major upgrade to the existing mall, facilities and parking.

During construction, sales at Warnbro remained steady and the redevelopment was opened ahead of schedule and below the projected cost. It opened fully leased with a good mix of national and local retailers. This is a pleasing start to adding value for securityholders through improving our existing portfolio.

I would now like to handover to Steven who will provide further details on the progress on the total redevelopment agenda as well as more about the operations of Federation Centres.

Thank you Steven.

FEDERATION CENTRES

Annual General Meeting

30 October 2014

Chairman’s Address

Dr Bob Edgar

New Format Stores Enhance Sales Productivity

FY14 Key Financial Highlights

Key Metrics	FY14	FY13	% Change
Statutory Net Profit	$441.3m	$212.7m	↑ 107.5%
Underlying Earnings	$242.9m	$224.4m	↑ 8.2%
Underlying Earnings per Security (cents)	17.0	15.8	↑ 7.6%
Distribution per Security (cents)	15.7[1]	14.1	↑ 11.3%

(1) This includes an additional 0.4cps paid for FY14 which forms part of FY15 distributions for tax purposes.

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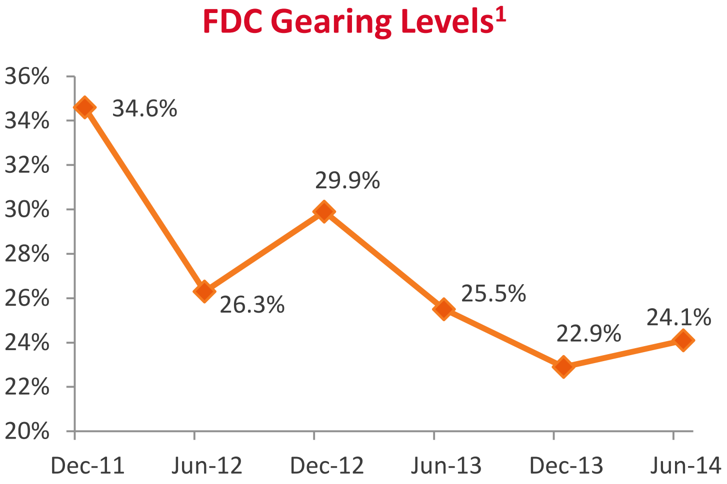
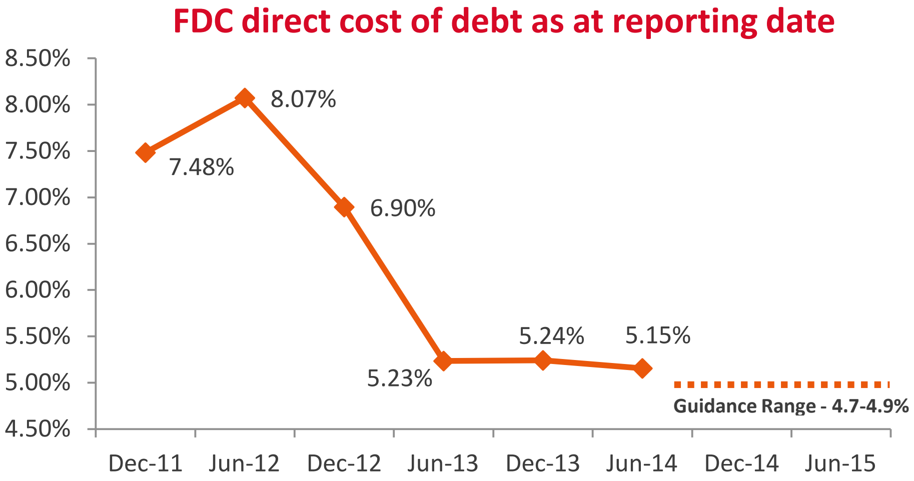
Gearing Levels and Debt Costs Reduced





(1) Definition as per segment balance sheet

Rebranding Nearing Completion

Warnbro Development Completed, Opened for Trade

FEDERATION CENTRES

Federation Centres

Annual General Meeting

Thursday 30 October 2014

CEO Script

SLIDE 8: CEO ADDRESS

Thank you Bob. I would also like to welcome securityholders. It has been an exciting year of progress.

Besides the changes related to rebranding and the restructuring of the portfolio there has been a great deal of work behind the scenes that has been key to delivering the strong results for the 2014 Financial Year.

SLIDE 9: THE FEDERATION CENTRES' PORTFOLIO

I would like to begin by providing some general details about the Federation Centres portfolio.

As at June 30 Federation Centres had a portfolio of 70 retail centres of which 63 were owned or co-owned. The portfolio is typically supermarket anchored with a weighting toward the sub-regional retail centre category and non-discretionary spending. This has been a benefit in the current low-growth economic environment when consumer confidence has been fragile.

The number of owned and co-owned centres increased from 47 in the last financial year. This reflects the decision to seek to wind-up the syndicate business and purchase the assets as they became available, as well as make strategic purchases from external parties.

Since the conclusion of the financial year, the FDC direct property portfolio has been improved and expanded through the purchase of a 25% interest in the Mt Ommaney Centre in Brisbane. This property has been purchased in co-ownership with TIAA Henderson Real Estate, an established investment management company specialising in real estate equity and debt investing worldwide. This created another valued capital partner for the group and is consistent with our strategy to recycle capital and continue to diversify our portfolio.

Only six centres remain in three Retail Direct Property syndicates, with the syndicate windup on track to be completed before the end of the 2014 calendar year.

We have acquired a direct 50% interest in Brandon Park in Wheelers Hill Victoria from the syndicate business. The other 50% interest in this centre was acquired by an existing Federation Centres capital partner that is associated with one of Australia's leading superannuation fund managers.

In a separate transaction, FDC agreed to purchase 50% of Bentons Square in Mornington Victoria with an option to acquire the remaining 50% by July 2016.

In line with our asset balancing strategy, FDC has sold Arndale Central in South Australia, Somerville in Victoria and Springwood centre in Queensland..

These activities have allowed Federation Centres to:

- recycle capital and improve the return on equity;
- retain management and development rights in co-owned centres while improving portfolio diversification; and
- have adequate balance sheet capacity to continue to grow and improve the portfolio through strategic purchases and fund our share of the $1.3 billion redevelopment pipeline.

SLIDE 10: OPERATING PLATFORM DELIVERS STABLE RESULTS

The underlying fundamentals of our portfolio are the basis for our solid operating performance during the year. We have a significant number of high performing supermarkets within the portfolio and more than 4,400 tenants overall. Our centres have a strong bias toward non-discretionary shopping and are generally in well-established trade areas.

These characteristics have produced excellent results. Net operating income has averaged growth of 3.2% per annum for the past five years, occupancy was 99.5% in the 2014 financial year, which is consistent with the historical average and leasing spreads have been maintained.

SLIDE 11: BUILDING CAPABILITY AND CULTURE TO BE A LEADING AUSTRALIAN RETAIL REIT

Another key factor in delivering sustainable returns to investors is having a diverse and engaging culture with the right performance and remuneration systems to attract and retain high-performing people.

In order to continue to improve our culture and ability to attract and retain talent, we further refined our performance management and reward system and conducted our first employee engagement survey. The survey had an excellent participation rate of nearly 90% and will be used in setting the priorities for future workplace programs.

As the slide shows we have also made good progress in building capability across all key areas of the business.

Federation Centres recognises the importance of making a contribution to the communities we serve. To celebrate the first anniversary of the rebrand to Federation Centres we launched a range of National Community Partnerships focussed on helping disadvantaged children and youth to reach their full potential.

The partnerships are with:

- The Song Room which assists disadvantaged children with tailored, high-quality music and arts programs, delivered in partnership with schools across the country.

- The Smith Family, Australia's largest national education-oriented charity, and

- The Property Industry Foundation, which provides assistance to homeless youth.

We have also launched our volunteering leave program which gives employees two days of paid leave each year for community work.

I would now like to provide a little more detail about the activities we are undertaking to optimise our business, enhance the portfolio and redevelop a range of centres.

SLIDE 12: OUR PROPERTY FOCUS - OPTIMISE

Optimise

The first step in improving our results related to a range of actions to ensure that wherever possible we create a simpler and more efficient business. Bob has covered the major optimisation benefit related to our focus across several years on improving the balance sheet and funding position which has provided significant benefits to date.

Another transformational change that will provide benefits going forward is the introduction of Yardi Voyager. It is an enterprise-wide IT platform that replaces a range of legacy systems. It will consolidate the management of leasing, property management, billing and receipts, purchasing and payments, budgeting and forecasting and investment management functions. This is a major investment and the first phase was completed in July this year on time and on budget.

I am very proud of our team who worked hard to achieve this result and I would like to congratulate them. This new capability will revolutionise the way we do business and ensure Federation Centres remains an efficient and nimble organisation.

Another important way to optimise the value we deliver to retail customers and our retailers and to improve returns for investors is through a focus on innovation. We are working to further improve our overall customer experience through the latest digital technology. This is an area that will be a big focus for the organisation over the next few years and I look forward to sharing our progress in this area as we move forward.

Apart from investing in technology we have also paid close attention to carefully managing our operational expenses. We have made changes to our procurement processes to ensure future arrangements with suppliers will maximise the value of our national portfolio and take advantage of scale benefits wherever possible.

SLIDE 13: OUR PROPERTY FOCUS - ENHANCE

Enhance

The next focus in delivering improved returns to investors is through the enhancement of the ambience of centres not subject to redevelopment in the immediate future. This work stream has the objectives of delivering better customer experience, dwell time and sales. There are several aspects to achieving these goals.

In the first instance we are undertaking a range of upgrades to improve our centres with new floors, ceilings, furnishings, amenities and way-finding.

As part of the enhancement effort we have a full in-house tenancy design and delivery team that is looking to deliver quality contemporary fitouts. Some of the fitouts delivered during the year have been latest concept formats for national retailers. More than 350 new fitouts were completed during the year and many of these can be seen on our website.

Another element of the enhancement program is identifying small value-add projects involving mall and tenant reconfigurations to improve the customer proposition. During the financial year these type of projects provided good returns. They included the addition of 18 new specialty stores at Stirlings Central in Western Australia, an Aldi supermarket and new specialty stores at Monier Village in Queensland and in New South Wales a rooftop conversion at Bankstown added a gym and mini major stores, including Rebel Sport.

And finally our leasing team has paid a lot of attention to tenancy remixing as a method to ensure we have the right retailers to meet current consumer preferences. Well over 1000 leasing deals were transacted during the year.

SLIDE 14: OUR PROPERTY FOCUS - REDEVELOP

Redevelopment

And of course, our redevelopment pipeline, valued at $1.3 billion, is a significant opportunity to grow returns to investors through improving customer experience and therefore retailer sales productivity.

As Bob has mentioned, our Warnbro development has been completed ahead of schedule and below initial budget forecasts. The development has been strongly supported by the local community and is trading well with the new Big W store exceeding initial forecasts.

Our development at Cranbourne in Victoria is ahead of schedule with leasing of the redevelopment more than 70% committed.

Looking to the future we have Board approval for our next three projects which are Warriewood in New South Wales, Colonnades in South Australia and Halls Head in Western Australia with a combined value of $190 million.

In subsequent years we plan several large scale projects at The Glen in Victoria and Galleria and Mandurah in Western Australia. Work on these is progressing well and they represent an opportunity to incorporate some very exciting elements and I look forward to providing further details as they are finalised.

In all our developments we seek to incorporate sustainability, innovative technology and the highest standards of safety. At Warnbro and Cranbourne this has included various solar initiatives, grey water recycling and rain water harvesting. Improved environmental performance and efficiency is a focus across the whole portfolio as well, with good progress being made on reducing energy and greenhouse gas emissions with targets set for a 5% decrease in energy use and waste to landfill in the 2015 financial year.

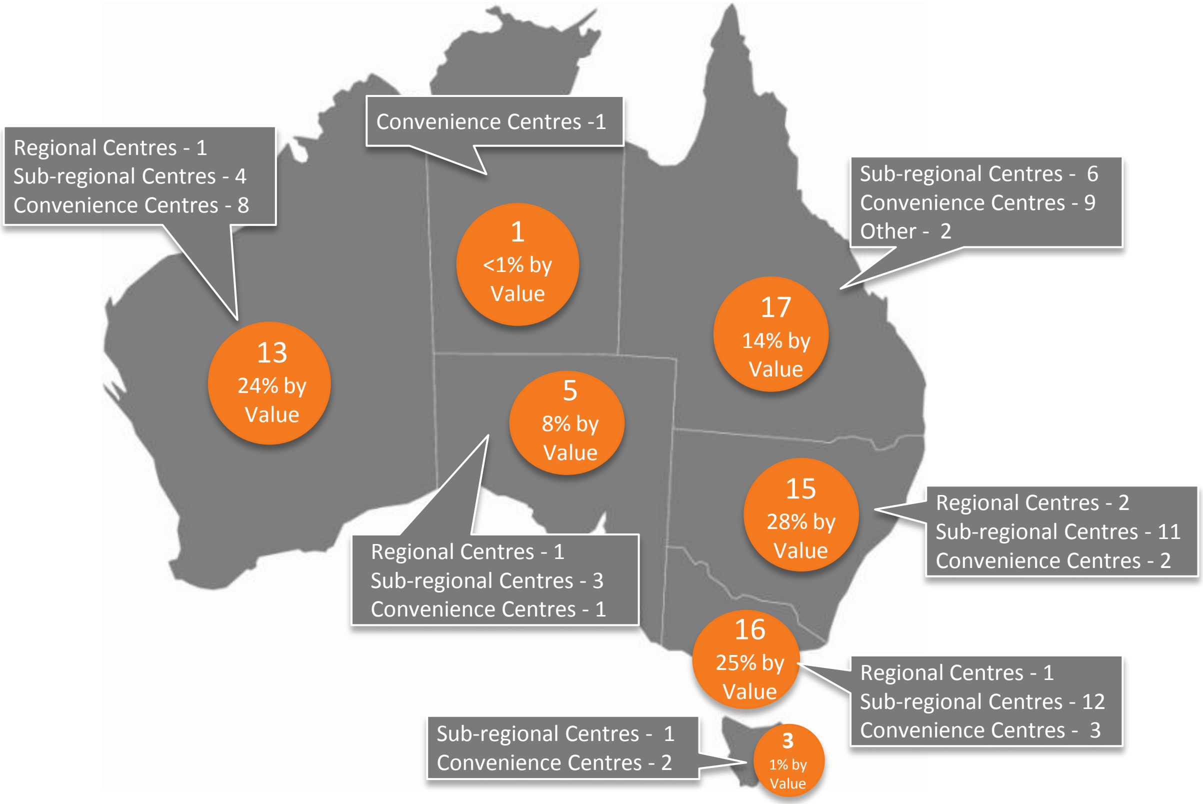
In conclusion, I would like to reiterate that all of the achievements of the past year are directed at delivering our strategic vision of being a leading Australian shopping centre REIT that provides sustainable returns for our investors.

I am pleased with the progress made in the 2014 financial year towards this goal and I am confident that we are well placed to continue to do so in coming years. I thank our dedicated people for all their hard work during the year and you our investors for your ongoing support.

CEO’s Address

Steven Sewell

The Federation Centres' Portfolio*



$6.9 billion assets under management

Over 4,600 leases with more than 2,200 retailers

$8.7 billion annual retail sales

*As at 30 June 2014. Statistics for total managed portfolio.

FEDERATION CENTRES

Operating Platform Delivers Stable Results in FY2014*

Solid core fundamentals
30 supermarkets achieving sales of >$12,000 per sq.m
~270 million customer visitations annually
>4,400 tenancies*
56% of tenancy mix underpinned by non-discretionary retailers
Portfolio diversified by size and geography
Above average 2.0% population growth within catchments

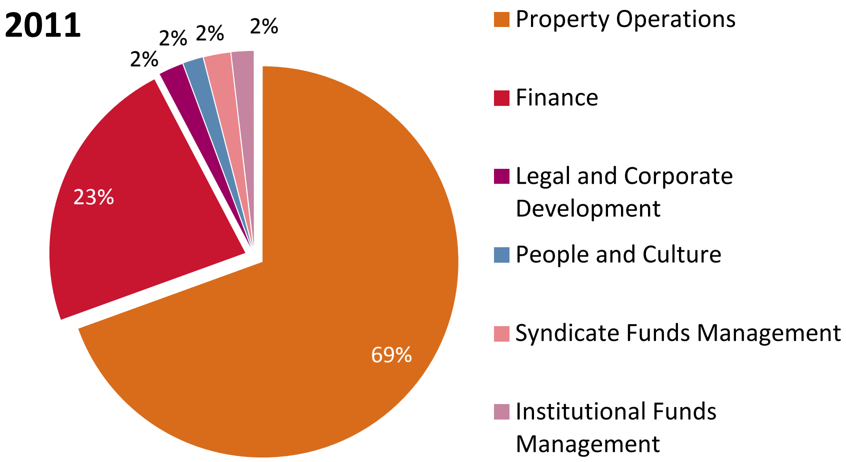
Deliver consistent operating performance

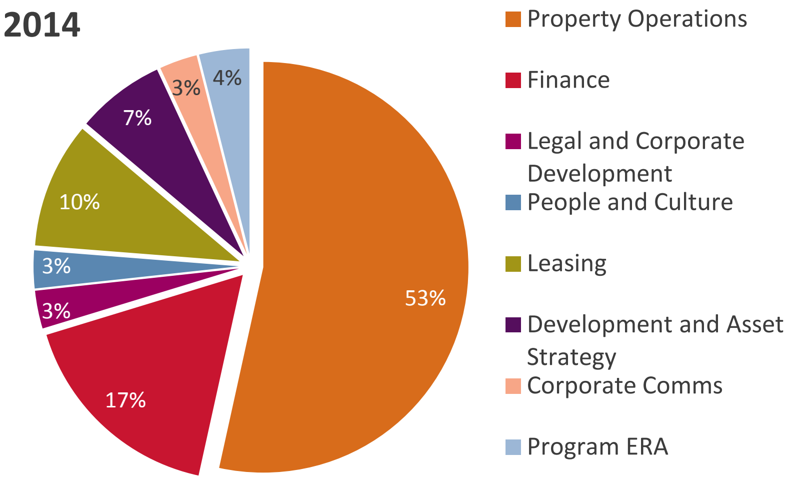
- NOI growth +3.2% annual average for past 5 years
- Occupancy 99.5%, consistent with historical averages
- Leasing Spread +2.5% on all deals, averaged 2.3% over past 2 years

*Performance based on FDC owned or co-owned portfolio

FEDERATION CENTRES

Building capability and culture to be a leading Australian retail REIT





- Rebalancing of the workforce to build capability in key areas such as leasing and development.
- Values ratings implemented as part of performance and reward framework to strengthen the ‘how’ things are done as well as the ‘what’.

2011 and 2014 data relates to permanent employees only.

Our Property Focus - Optimise

- Efficiencies and reduced cost structure
- Yardi implementation to drive efficiencies
- Debt structure via diversity and duration, at attractive prices
- Innovation, customer loyalty and marketing

FEDERATION CENTRES

Our Property Focus - Enhance

- Ambience of our centres through upgrades
- Tenancy fitouts with our store design and delivery capabilities
- Opportunistically invest in small, high yielding value add projects
- Continually enhancing retailer mix and offer

FEDERATION CENTRES

Our Property Focus - Redevelop

- Market pipeline increased to $1.3 billion (FDC share $673 million)
- 3 new Board approved projects totalling $190 million
- Sustainability, Innovation and Safety
- Functional team in place nationally

FEDERATION CENTRES