

QueensPlaza, QLD

**Extraordinary General Meeting
and Company Scheme Meeting**

Novion Limited (ABN 79 167 087 363) and Novion Trust (ARSN 090 150 280)
Responsible Entity: Novion RE Limited (ABN 33 084 098 180, AFSL 235384)

27 May 2015



Chadstone Shopping Centre, VIC

Richard Haddock AM

Chairman

Your Board



Agenda

- Merger of Novion and Federation
- Extraordinary General Meeting
- Company Scheme Meeting



Merger of Novion and Federation

Background

- In October 2014, Novion received a proposal from Federation Centres (Federation) to merge both groups
- Novion Board commenced an extensive process to assess the merits of the proposal including:
 - an exchange of information and thorough due diligence
 - an assessment against Novion's alternatives, and
 - analysis of the robustness of identified cost savings
- Merger announced on 3 February 2015



Merger of Novion and Federation

Strategic rationale

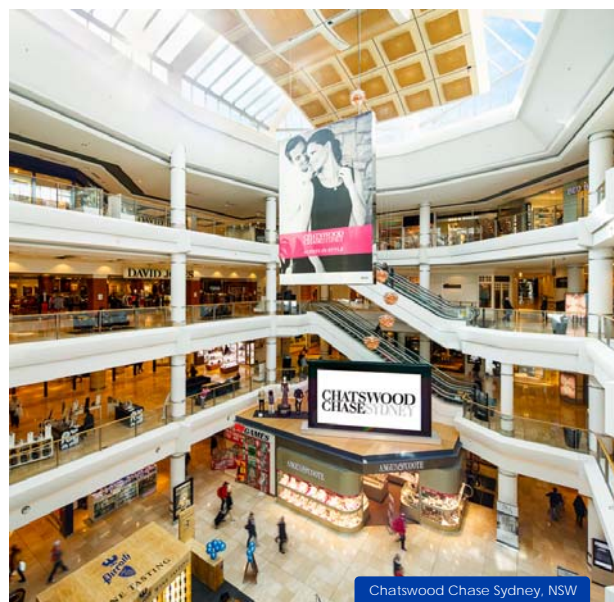
The Merger will create
one of Australia's leading REITs
invested across the
full retail asset spectrum

- Increased portfolio scale and expertise
- Material value creation via cost savings and future opportunities
- Significant earnings and distribution accretion
- Improved growth opportunities
- Enhanced asset, geographic and tenant diversification
- Greater relevance for equity and debt investors through increased scale



The Board recommends that you **VOTE IN FAVOUR** of the Merger

- Creates one of Australia's leading REITs
- Unanimously supported by Novion Board
- Independent Expert concluded the Merger is fair and reasonable to, and in the best interests of, Novion Securityholders
- Novion's largest securityholder¹ has advised that its intention is to vote in favour of the Merger, based on the disclosed terms and in the absence of a superior proposal




1. The Gandel Group has a 26.98% Relevant Interest in Novion (which will translate into a 17.25% Relevant Interest in the Merged Group).

Highly experienced Board with representatives from both Novion and Federation¹

Non-executive Directors will seek election at the Merged Group's first Annual General Meeting (expected to be in late 2015)


Chairman



Peter Hay


Existing Novion Director


Existing Federation Director


Directors



Trevor Gerber



Richard Haddock



Tim Hammon



Peter Kahan



Charles Macek


Fraser MacKenzie


Karen Penrose


Steven Sewell


Wai Tang


David Thurin

1. From implementation of the Merger, the Federation Limited board will only comprise 8 of the 11 directors listed here because the Federation Limited constitution currently limits the number of directors to 8. Mr Gerber and Mr MacKenzie will be appointed as Alternate Directors of Federation Limited upon implementation of the Merger, and Mr Sewell will step down as a director of Federation Limited at that time. At the first Annual General Meeting of the Merged Group, approval will be sought from securityholders to increase the maximum number of directors from 8 to 11, to allow all of the 11 directors listed above to be directors of Federation Limited. An appropriate Board protocol will be established for the period from implementation to the 2015 Annual General Meeting as set out in section 7.10 of the Scheme Booklet.

Merger of Novion and Federation

Proposed composition of the executive management team



The Merged Group’s executive management team will draw on the depth of expertise from Novion and Federation



1. Executive Manager National Leasing is not a direct report to the CEO but will sit on the Executive Committee.
2. Co-heads of Development.



Angus McNaughton

Managing Director and CEO

Scale and relevance across the full spectrum of Australian retail sub-sectors and geographies

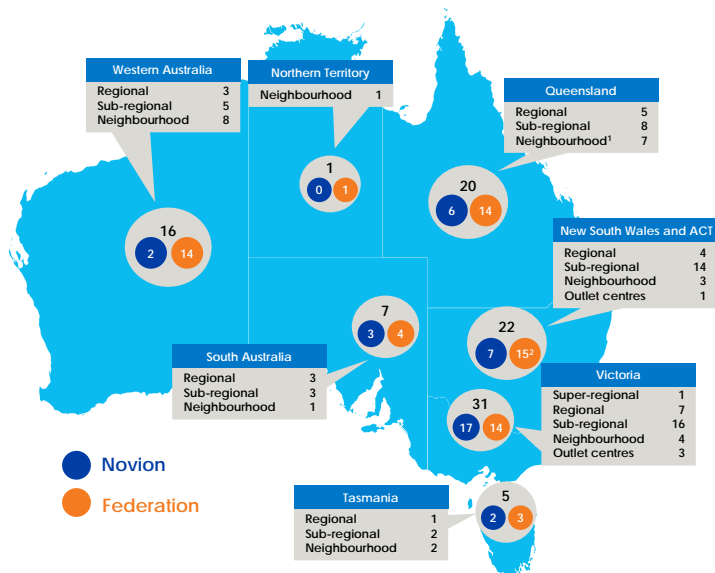
- #1 in sub-regional centres AUM
- #1 in outlet centres AUM
- #2 in super-regional and regional centres AUM combined

Retail AUM	# of assets	Value (\$b)
Super-regional	1	3.7
Regional	23	11.3
Sub-regional	48	5.2
Neighbourhood ¹	26	1.0
Outlet centres	4	1.0
Total	102	22.2

Note: metrics based on the Merged Group's total AUM.

1. Includes one bulky goods centre.

2. Tuggeranong Hyperdome (50% owned by Federation) is currently managed by Novion.



Merging two businesses with highly-complementary strategies and platforms

- Retail real estate strategy
- Operational excellence
- Portfolio enhancement
- Strategic partnerships
- Balance sheet strength



Merger of Novion and Federation Implementation



- Novion Securityholders will own ~64% of the Merged Group
- Each Novion security will be exchanged for 0.8225 Federation securities, implying a 9.9% premium¹
- Debt financing arrangements put in place to refinance all Novion and Federation debt if required
- Transition planning progressing
 - integration work streams have commenced
 - the Merged Group is expected to transition to a new corporate identity



DFO Homebush, NSW

1. Based on Novion's closing price of \$2.32 and Federation's closing price of \$3.10 on 2 February 2015, the day before the Merger was announced.



QueensPlaza, QLD



Richard Haddock
Chairman

Merger of Novion and Federation

Indicative timetable




Key dates	Date ¹
Securityholder Meeting	27 May 2015
Second Court Date	29 May 2015
Effective Date of the Schemes	29 May 2015
New Federation Securities commence trading on the ASX on a deferred settlement basis	1 June 2015
Record Date for Scheme Securityholders to be entitled to the Scheme Consideration	7.00pm, 5 June 2015
Implementation Date	11 June 2015
Commencement of trading of New Federation Securities on the ASX on a normal T+3 settlement basis	12 June 2015

1. These dates are indicative only and may be subject to change.

Novion Property Group • Securityholder Meeting • 27 May 2015 •


15



Extraordinary General Meeting

Novion Limited (ABN 79 167 087 363) and Novion Trust (ARSN 090 150 280)

Voting on resolutions



Emporium Melbourne, VIC

Resolution 1

Company De-stapling Resolution (Novion Limited)

- A special resolution to approve the de-stapling of the shares in Novion Limited from the units in Novion Trust

To consider and, if thought fit, to pass the following resolution as a special resolution of the members of Novion Limited:

That, subject to and conditional on all other Resolutions set out in the notice convening this meeting and the Company Scheme Resolution being passed, for the purposes of clause 23.5 of the constitution of Novion Limited:

- a) the shares in Novion Limited cease to be stapled to the units in Novion Trust, and
- b) Novion Limited be authorised to determine that the stapling provisions of the constitution of Novion Limited will cease to apply and that a particular date is to be the unstapling date.

Resolution 1

**2,659,148,913 valid proxy votes have been lodged for this resolution
with the following voting instructions**

For		Against		Open	
2,650,598,011	99.68%	2,236,567	0.08%	6,314,335	0.24%

The Chairman intends to vote undirected proxies, allocated to the Chairman, in favour of this resolution.

Resolution 2

Trust De-stapling Resolution (Novion Trust)

- A special resolution to approve the de-stapling of the units in Novion Trust from the shares in Novion Limited

To consider and, if thought fit, to pass the following resolution as a special resolution of the members of Novion Trust:

That, subject to and conditional on all other Resolutions set out in the notice convening this meeting and the Company Scheme Resolution being passed, for the purposes of clause 33B.5 of the constitution of Novion Trust:

- a) the units in Novion Trust cease to be stapled to the shares in Novion Limited, and
- b) Novion RE Limited, as the Responsible Entity of Novion Trust, be authorised to determine that the stapling provisions of the constitution of Novion Trust will cease to apply and that a particular date is to be the unstapling date.

Resolution 2

**2,659,148,913 valid proxy votes have been lodged for this resolution
with the following voting instructions**

For		Against		Open	
2,650,542,168	99.68%	2,246,345	0.08%	6,360,400	0.24%

The Chairman intends to vote undirected proxies, allocated to the Chairman, in favour of this resolution.

Resolution 3

Trust Constitution Amendment Resolution

- A special resolution to approve the amendments to the constitution of Novion Trust as set out in the Supplemental Deed Poll

To consider and, if thought fit, to pass the following resolution as a special resolution of the members of Novion Trust:

That, subject to and conditional on all other Resolutions set out in the notice convening this meeting and the Company Scheme Resolution being passed:

- a) the constitution of Novion Trust be modified as set out in the Novion Trust Supplemental Deed tabled at this meeting and initialled by the Chairman for the purposes of identification (Supplemental Deed Poll), with effect from the date on which the Supplemental Deed Poll is lodged with the Australian Securities and Investment Commission (ASIC) in accordance with section 601GC(2) of the *Corporations Act 2001* (Cth), and
- b) Novion RE Limited, as the Responsible Entity of Novion Trust, be authorised to execute, and lodge with ASIC, the Supplemental Deed Poll.

Resolution 3

**2,659,147,178 proxy votes have been lodged for this resolution
with the following voting instructions**

For		Against		Open	
2,650,544,896	99.68%	2,241,882	0.08%	6,360,400	0.24%

The Chairman intends to vote undirected proxies, allocated to the Chairman, in favour of this resolution.

Resolution 4

Trust Acquisition Resolution

- An ordinary resolution to approve the acquisition of all the units in Novion Trust by Federation Centres Limited for the purposes of item 7, section 611 of the *Corporations Act 2001* (Cth)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the members of Novion Trust:

That, subject to and conditional on all other Resolutions set out in the notice convening this meeting and the Company Scheme Resolution being passed, for the purposes of item 7, section 611 of the *Corporations Act 2001* (Cth):

- a) the acquisition of all units on issue in Novion Trust by Federation Centres Limited as Responsible Entity of Federation Centres Trust No. 1 (FCT1) (FCT1 Acquisition), as described in the Scheme Booklet with such modifications, if any, as are approved at the meeting, be approved, and
- b) Novion RE Limited, as the Responsible Entity of Novion Trust, be authorised to do all things which it considers necessary, desirable or reasonably incidental to give effect to the FCT1 Acquisition.

Resolution 4

**2,658,129,899 proxy votes have been lodged for this resolution
with the following voting instructions**

For		Against		Open	
2,649,324,134	99.67%	2,438,498	0.09%	6,367,267	0.24%

The Chairman intends to vote undirected proxies, allocated to the Chairman, in favour of this resolution.



Extraordinary General Meeting

Close of meeting



Company Scheme Meeting

Novion Limited (ABN 79 167 087 363)

Voting on resolution



Resolution

Company Scheme Resolution (Novion Limited)

- A resolution to approve the scheme of arrangement between Novion Limited and its members, pursuant to which all of the shares in Novion Limited will be transferred to Federation Limited

To consider and, if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the *Corporations Act 2001* (Cth):

That, pursuant to and in accordance with section 411 of the *Corporations Act 2001* (Cth), and subject to and conditional on the De-stapling Resolutions and the Trust Scheme Resolutions being passed, the proposed scheme of arrangement between Novion Limited and the holders of its fully paid ordinary shares, the terms of which are contained and more particularly described in the Scheme Booklet, is approved (with or without modification as approved by the Supreme Court of New South Wales).

Resolution

**2,624,953,784 proxy votes have been lodged for this resolution
with the following voting instructions**

	For		Against		Open	
Securities	2,615,736,628	99.65%	3,171,077	0.12%	6,046,079	0.23%
Securityholders	879	64.54%	108	7.93%	375	27.53%

The Chairman intends to vote undirected proxies, allocated to the Chairman, in favour of this resolution.



Contact details and disclaimer

For further information please contact:

Penny Berger

Head of Investor Relations and Communications

T +61 2 8229 7760

M +61 402 079 955

E penny.berger@novion.com.au

Troy Dahms

Investor Relations and Communications Manager

T +61 2 8229 7763

M +61 412 055 996

E troy.dahms@novion.com.au

About Novion Property Group

Novion Property Group (Novion, ASX: NVN) is one of Australia's leading retail property groups, with a fully integrated funds and asset management platform, and \$14.6 billion in retail assets under management. Listed on the Australian Securities Exchange, Novion holds interests in 27 directly-owned retail assets across Australia, manages 19 assets on behalf of strategic partners (9 of which are co-owned with Novion) and has over 16,000 investors across 18 countries. For more information, visit novion.com.au

Presentation data

Numbers used in this presentation are as per the Scheme Booklet dated 15 April 2015.

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