APPENDIX 4E - Results for announcement to the market

Full Year Report
For the year ended 30 June 2016

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

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

For the year ended	30 June 2016 $m	30 June 2015 $m	Variance
Revenue from continuing and ordinary activities	186.9	156.9	19.1%
Revenue from discontinuing activities	18.8	18.9	(0.5)%
Net profit after tax for the year attributable to members	184.7	150.5	22.7%
Funds from Operations (FFO)[1]	100.1	80.1	25.0%

For the year ended	30 June 2016	30 June 2015	Variance
Basic earnings per security (cents per unit)	25.4	22.9	10.9%
Weighted average FFO per security[1] (cents per unit)	13.75	12.81	7.3%

Distributions

For the year 1 July 2015 to 30 June 2016	Record date	Amount per unit	Franked amount per unit
Final distribution	29 June 2016	6.2 cents	0.0 cents
Interim distribution	31 December 2015	6.0 cents	0.0 cents
The total distribution per stapled unit is 12.2 cents. The final distribution of 6.2 cents was declared on 15 June 2016 and will be paid on or about 31 August 2015. The interim distribution of 6.0 cents was declared on 16 December 2015 and paid on 29 January 2016.			

Net Tangible Assets

For the year ended	30 June 2016	30 June 2015	Variance
Net tangible asset backing per stapled unit ($ per stapled unit)	1.92	1.77	8.5%

Notes:

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

Details of entities over which control has been gained or lost during the period:
Refer Financial Report, note 27.

Details of any associates and Joint Venture entities required to be disclosed:
On 1 October 2015 SCA property Group acquired 24.4% of SCA Unlisted Retail Fund 1. Refer Financial Report, note 27.

Accounting standards used by foreign entities
International Financial Reporting Standards.

Audit
The accounts have been audited with an unqualified opinion. Refer attached 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 applied to the Interim distribution and was suspended for the Final distribution. Additional details are below.

Interim distribution: The DRP applied to the interim distribution for the year ended 30 June 2016, paid in January 2016. In accordance with the DRP Rules:

- The election to participate in the DRP for the Interim Distribution was required to be received before 5.00pm on the Business Day following the record date for that distribution.
- The issue price was 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.

Final distribution: The DRP was suspended for the final distribution declared on 29 June 2016 and expected to be paid on or about 31 August 2016.

Other significant information and commentary on results including a brief explanation of the figures above
See attached ASX announcement and materials referred to below.

For all other information required by Appendix 4E including a results commentary, please refer to the following attached documents:

- Directors' report
- Financial Report
- Results presentation

Mark Lamb
Company Secretary
15 August 2016

Shopping Centres Australasia Property Group

Financial Report
for the year ended 30 June 2016

Shopping Centres Australasia Property Group comprises
Shopping Centres Australasia Property Management Trust ARSN 160 612 626 and Shopping Centres Australasia Property Retail Trust ARSN 160 612 788

Shopping Centres Australasia Property Group has been formed by the stapling of the units in two Australian managed investment schemes, Shopping Centres Australasia Property Management Trust (ARSN 160 612 626) and Shopping Centres Australasia Property Retail Trust (ARSN 160 612 788). Shopping Centres Australasia Property Group RE Limited (ABN 47 158 809 851; AFSL 426603) is the Responsible Entity of both schemes and is incorporated and domiciled in Australia. The registered office of Shopping Centres Australasia Property Group RE Limited is Level 5, 50 Pitt Street, Sydney, New South Wales.

Directors' Report

Shopping Centres Australasia Property Group (SCA Property Group (SCP) or the Group) comprises the stapled units 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 now presents its report together with the Trusts' Financial Reports for the year ended 30 June 2016 and the auditor's report thereon.

The Trusts' Financial Report for the year ended 30 June 2016 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 Consolidated Financial Reports.

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

1. Directors

The Directors of the Responsible Entity at any time during or since the end of the financial year are:

Mr Philip Marcus Clark AM (appointed 19 September 2012)

Non Executive Director and Chair

Independent:	Yes.
Other listed Directorships held in last 3 years:	Non-Executive Director of Ingenia Communities Group (June 2012 to date) and Chair and Non-Executive Director of Hunter Hall Global Value Limited (July 2013 to December 2015).
Special responsibilities and other positions held:	Other Group positions held during the year include member of the Nominations Committee. Other positions held unrelated to the Group include member of the JP Morgan Australia Advisory Council. Chairs a number of Government and private company boards and advisory boards.
Other Experience:	Mr Clark was formerly Managing Partner of the law firm Minter Ellison from 1995 to 2005. Prior to joining Minter Ellison, Mr Clark was a Director and Head of Corporate with ABN Amro Australia, and prior to that he was the Managing Partner of the law firm Mallesons Stephen Jaques for 16 years. Mr Clark was made a member of the Order of Australia in June 2007 for service to the legal profession and business.
Qualifications:	BA, LLB, and MBA (Columbia University).

Dr Kirstin Ferguson (appointed 1 January 2015)

Non Executive Director

Independent:	Yes.
Other listed Directorships held in last 3 years:	CIMIC Group Limited (July 2014 to date) and Dart Energy Limited (November 2012 to March 2013).
Special responsibilities and other positions held:	Other Group positions held during the year are member of the Audit, Risk Management and Compliance Committee (until 31 March 2016), member of the Remuneration Committee and appointed Chair of the Remuneration Committee from 1 January 2016. Other positions currently held unrelated to the Group include as a Non-Executive Director of the Australian Broadcasting Corporation (November 2015 to date), Non-Executive Director of Hyne & Sons Pty Limited (August 2013 to date) and the Queensland Theatre Company (May 2013 to date).
Other experience:	Dr Ferguson is an experienced Non-Executive Director on ASX100, ASX200 and private company and government boards. Dr Ferguson has a PhD in leadership and governance from QUT Business School where she is also an Adjunct Professor (April 2015 to date). Dr Ferguson was formerly the CEO of the global workplace health and safety organisation, Sentis, and Director Corporate Services at Deacons (now Norton Rose Fulbright). Dr Ferguson was previously a Non-Executive Director of SunWater Limited (October 2008 to August 2015), the Queensland Rugby Union (April 2011 to April 2013), and was the Independent Chair of the Thiess Advisory Board (February 2013 to June 2014).
Qualifications:	PhD, LLB (Honours), BA (Honours) and FAICD.

Mr James Hodgkinson OAM (appointed 26 September 2012)

Non Executive Director

Independent:	Yes.
Other listed Directorships held in last 3 years:	None.
Special responsibilities and other positions held:	Other Group positions held during the year are Chair of the Nominations Committee, member of the Remuneration Committee, and member of the Audit, Risk Management and Compliance Committee and from 1 April 2016 member of the Investment Committee. Other positions held unrelated to the Group include a Founding Governor of the Cerebral Palsy Foundation and Founder and Chair of the Cerebral Palsy Alliance of New South Wales 20/Twenty Challenge. Also an advisor to the Ray White Group and the Blue Sky Funds Management Group.
Other experience:	Formerly an Executive Director of the Macquarie Group and a division head within Macquarie's Real Estate Group. Other real estate experience includes a Non-Executive Director of Goodman Group from February 2003 to September 2011. Additionally he has initiated and assisted in the fund raising initiatives and strategic support of a number of community based organisations. Formerly served as a member of the Advisory Committee of the Macquarie Foundation.
Qualifications:	BEcon, CPA, FAPI, and FRICS.

Dr Ian Pollard (appointed 26 September 2012)

Non Executive Director

Independent:	Yes.
Other listed Directorships held in last 3 years:	Non-Executive Director and Chair of Billabong International Limited (October 2012 to date) and Director of Milton Corporation Limited (1998 to date).
Special responsibilities and other positions held:	Other Group positions held during the year are Chair of the Audit, Risk Management and Compliance Committee and from 1 April 2016 member of the Nomination Committee. Other positions held unrelated to the Group include Chair of RGA Reinsurance Company of Australia Limited, Director of the Wentworth Group of Concerned Scientists, and an Executive coach with Foresight's Global Coaching. Formerly a Director and Chair of a number of listed companies including: Corporate Express Australia (Chair) (listed until 2010), Just Group Limited (Chair) (listed until 2008), OPSM Group Limited (Director) (listed until 2005) and DCA Group Limited (Director) (listed until 2006).
Other experience:	Dr Pollard has been a company Director for over 30 years and an author of a number of books, including three on Corporate Finance. In addition Dr Pollard is an actuary, Rhodes Scholar and an Adjunct Professor at UTS Business School.
Qualifications:	BA, MA (First Class Honours) (Oxon), DPhil, FIAA, FAICD.

Mr Philip Redmond (appointed 26 September 2012)

Non Executive Director

Independent:	Yes.
Other listed Directorships held in last 3 years:	Non-Executive Director Galileo Funds Management Limited the Responsible Entity for Galileo Japan Trust (2006 to date).
Special responsibilities and other positions held:	Other Group positions held during the year are member of the Audit, Risk Management and member of the Compliance Committee and Remuneration Committee and from 1 April 2016 Chair of the Investment Committee.
Other experience:	Mr Redmond has over 30 years of experience in the real estate industry including over five years with AMP's real estate team and over 12 years with the investment bank UBS in various roles including as Managing Director - Head of Real Estate Australasia.
Qualifications:	BAppSc (Valuation), MBA (AGSM) and MAICD.

Ms Belinda Robson (appointed 27 September 2012)

Non Executive Director

Independent:	Yes.
Other listed Directorships held in last 3 years:	None.
Special responsibilities and other positions held:	Other Group positions held during the year are Chair of Remuneration Committee (until 31 December 2015), member of Remuneration Committee from 1 January 2016, member of the Nominations Committee (until 31 March 2016) and member of the Investment Committee from 1 April 2016. Other positions held unrelated to the Group include Non-Executive Director of several Lend Lease Asian Retail Investment Funds and a Non-Executive Director of GPT Funds management Limited.
Other experience:	Ms Robson is an experienced real estate executive, having worked previously with Lend Lease for over 20 years in a range of roles including Chair and Non Executive Director of GPT Funds Management Limited and Fund Manager of the Australian Prime Property Retail Fund. At Australian Prime Property Retail Fund, Mrs Robson was responsible for portfolio management and the development and implementation of the fund strategy, as well as reporting to the Fund Board and its Investor Advisory Board. Ms Robson's previous roles with Lend Lease included Head of Operations, Australian Prime Fund Series, and Portfolio Manager, Australian Prime Property Fund Retail.
Qualifications:	BComm (Honours).

Mr Anthony Mellowes (appointed Director 2 October 2012)

Executive Director and CEO

Independent:	No.
Other listed Directorships held in last 3 years:	None.
Special responsibilities and other positions held:	In addition to be being an Executive Director and CEO, Mr Mellowes is also a member of the Investment Committee.
Other experience:	Mr Mellowes is an experienced property executive. Prior to joining SCA Property Group as an Executive Director, Mr Mellowes worked at Woolworths Limited from 2002 to 2012 and held a number of senior property related roles including Head of Asset Management and Group Property Operations Manager. Prior to Woolworths Limited, Mr Mellowes worked for Lend Lease Group and Westfield Limited. Mr Mellowes was appointed Chief Executive Officer of SCA Property Group on 16 May 2013 after previously acting as interim Chief Executive Officer since the Group's listing on 26 November 2012. Mr Mellowes was a key member of the Woolworths Limited team which created SCA Property Group.
Qualifications:	Bachelor of Financial Administration and completion of Macquarie Graduate School of Management's Strategic Management Program.

Mr Mark Fleming (appointed CFO 20 August 2013, appointed Executive Director 26 May 2015)

Executive Director and CFO

Independent:	No.
Other listed Directorships held in last 3 years:	None.
Special responsibilities and other positions held:	In addition to be being an Executive Director and CFO, Mr Fleming is also a member of the Investment Committee.
Other experience:	Mr Fleming worked at Woolworths Limited from 2003 to 2011, firstly as General Manager Corporate Finance, and then as General Manager Supermarket Finance. After Woolworths Limited, Mr Fleming was CFO of Treasury Wine Estates from 2011 to 2013. Prior to Woolworths Limited, Mr Fleming worked in investment banking at UBS, Goldman Sachs and Bankers Trust. Mr Fleming was appointed Chief Financial Officer of SCA Property Group on 20 August 2013 and as an Executive Director of SCA Property Group on 26 May 2015.
Qualifications:	LLB, B.Econ (First Class Honours), CPA.

Company Secretary

Mr Mark Lamb (appointed 26 September 2012)

General Counsel and Company Secretary

Experience:	Mr Lamb is an experienced transaction lawyer with over 20 years experience in the private sector as a Partner of Corrs Chambers Westgarth (and subsequently Herbert Geer) and in the listed sector as General Counsel and Company Secretary of ING Real Estate. Mr Lamb has extensive experience in retail shopping centre developments, acquisitions, sales and major leasing transactions having acted for various REITs and public companies during his career.
Qualifications:	LLB.

Directors' relevant Interests

The relevant interest of each Director in ordinary stapled units in the Group as at the date of signing this report are shown below.

Director	Number of stapled units at 30 June 2015	Net Movement increase / (decrease)[1]	Number of vested stapled units at date of this report	Number of unvested performance rights at date of this report
P Clark AM	30,000	22,000	52,000	-
K Ferguson	10,000	-	10,000	-
J Hodgkinson OAM	184,285	-	184,285	-
I Pollard	103,571	-	103,571	-
P Redmond	67,500	-	67,500	-
B Robson	7,142	-	7,142	-
A Mellowes	3,039	103,030[2]	106,069	1,733,729
M Fleming	-	20,000	20,000	598,416

[1] All movements in number of stapled units occurred during the year ended 30 June 2016.
[2] The increase in stapled units for A Mellowes includes 100,000 units granted in the form of Special Performance Rights which were awarded in respect of the year ended 30 June 2013 and vested in July 2015.

Directors' attendance at meetings

The number of Directors' meetings, including meetings of committees of the Board of Directors, held during the year and the number of those meetings attended by each of the Directors at the time they held office are shown below.

Number of meetings held	Number
Board of Directors (Board)	15
Audit, Risk Management and Compliance Committee (ARMCC)	5
Remuneration Committee (Remuneration)	6
Nomination Committee (Nomination)	2
Investment Committee (Investment)	2

	Board			ARMCC			Remuneration			Nomination			Investment		
Director	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C
P Clark AM	15	14	-	-	-	5	-	-	3	2	2	-	-	-	1
K Ferguson	15	14	-	4	3	-	6	5	-	-	-	2	-	-	-
J Hodgkinson OAM	15	14	-	5	5	-	6	6	-	2	2	-	2	2	-
I Pollard	15	15	-	5	5	-	-	-	3	1	1	1	-	-	1
P Redmond	15	15	-	5	5	-	6	6	-	-	-	2	2	2	-
B Robson	15	15	-	-	-	4	6	6	-	1	1	1	2	2	-
A Mellowes	14	14	-	-	-	5	-	-	4	-	-	2	2	2	-
M Fleming	14	13	-	-	-	5	-	-	3	-	-	2	2	2	-

Note: During the year there was a restructure of the sub committees of the Board such that some Directors were not members of the relevant committee for the whole year.

A: Number of meetings held while a member of the Board or a member of the committee during the financial year.

B: Number of meetings attended while a member of the Board or a member of the committee during the financial year.

C: Number of meetings attended as a guest. No Executive Director attended the part or all of a Remuneration Committee meeting or Board meeting where their own remuneration was discussed.

2. Principal activities

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

3. Property portfolio

The investment portfolio of the Group as at 30 June 2016 consisted of 83 (30 June 2015: 82) shopping centres in Australia and New Zealand. Additionally during the year the Group established a funds management business comprising the management of SCA Unlisted Fund No 1 (SURF 1). As a result the Group is also managing five properties for SURF 1 valued at $63.4 million at 30 June 2016. The Group has a 24.4% interest in SURF 1.

The investment portfolio consists of sub-regional, neighbourhood and freestanding retail assets, with nearly half the portfolio located in new growth corridors and regions, and a strong weighting toward non-discretionary retail segments. The portfolio comprises modern retail assets, therefore capital expenditure, excluding tenant incentives, on the portfolio is expected to be relatively low over the medium term.

Investment properties - acquisitions

During the year the Group completed 6 property acquisitions for $145.3 million. Details of these properties include:

Property	Type	State	Settlement Date	Cost [1] $m	Value at 30-Jun-16 $m
Griffin Plaza	Neighbourhood	NSW	Sep-15	23.0	23.5
Marian Town Centre	Neighbourhood	QLD	Nov-15	32.0	32.0
Northgate	Neighbourhood	NSW	Dec-15	14.8	14.8
Wonthaggi	Neighbourhood	VIC	Dec-15	45.4	45.4
Greenbank[2]	Neighbourhood	QLD	Jan-16	23.0	23.0
Bushland Beach[3]	Neighbourhood	QLD	Jun-16	7.1	7.1
				145.3	145.8

1. Cost excludes transaction costs.
2. Greenbank acquisition includes a call option for the Group to acquire ten hectares of adjacent development land for $10.0 million exercisable at any time within the 5 years from the date of the acquisition and the vendor has a put option which is exercisable in December 2020 if the call option is not exercised by that time).
3. Bushland includes a development under which the Group expects to pay a total of $25.1 million (including the $7.1 million paid to date excluding transaction costs) based on periodic payments until completion. Completion is expected in mid calendar year 2017.

After 30 June 2016 and up to the date of this report the Group also completed 3 property acquisitions for $85.3 million. Details of the 3 properties acquired include:

Property	Type	State	Settlement Date	Cost [1] $m
Belmont Central	Neighbourhood	NSW	Jul-16	28.5
Jimboomba Junction	Neighbourhood	QLD	Jul-16	27.5
Muswellbrook Fair	Neighbourhood	NSW	Jul-16	29.3
				85.3

1. Cost excludes transaction costs.

Additionally in early August 2016 the Group exchanged contracts to purchase Annandale Central, a neighbourhood centre in Queensland, for $33.5 million (excluding transaction costs). This is expected to settle in early 2017.

Furthermore the Group in December 2014 agreed to purchase Clemton Park (NSW) on completion of the development via a put/call option arrangement. Under this arrangement in December 2014 the Group paid $2.4 million for the option. On completion of the development of the property the Group will acquire it for $45.6 million being $48.0 million less the amount already paid of $2.4 million. The completion of the development is expected to be in mid calendar year 2017.

Investment properties - disposals

Funds management - During the year the Group established a funds management business comprising the management of SCA Unlisted Fund No 1 (SURF 1). The Group identified a number of shopping centre properties that it considers to be "non-core" because they are either freestanding stores or have only one or two specialty tenants. SURF 1 contains 5 of these non-core assets all located in New South Wales, being Woolworths Fairfield, Woolworths Griffith North, Dan Murphy's Burwood, Dan Murphy's Katoomba and Big W Inverell. The Group entered into a contract to sell these properties in June 2015 and settled on 1 October 2015 for $60.9 million. The Group has an interest of 24.4% in SURF 1. At 30 June 2015 these properties were classified for financial reporting purposes as held for sale.

New Zealand – On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is expected to complete in late September 2016 subject to a put/call agreement. At 30 June 2016 these properties are classified for financial reporting purposes as a disposal group held for sale and a discontinued operation. The sale is consistent with the Group's strategy of divesting freestanding assets, as 9 of the 14 New Zealand centres are freestanding.

Revaluations

During the year a number of properties were independently valued including 14 investment properties as at 30 June 2016. All of the remaining investment properties were internally valued. The weighted average capitalisation rate as at 30 June 2016 was 7.07% (30 June 2015: 7.49%).

Australian property

The total value of Australian investment properties as at 30 June 2016 was $1,888.0 million (30 June 2015: $1,687.4 million plus an additional $60.9 million with respect to investment properties held for sale).

The change in value during the year of the Australian investment properties was due principally to:

- The acquisition of the properties discussed above (Investment properties - acquisitions) less the properties sold as part of the establishment of the funds management business (refer above).

- Firming of the Australian portfolio capitalisation rate by 35bps to 7.13% (30 June 2015: 7.48%) which resulted in a $26.9 million favourable unrealised fair value movement (30 June 2015: $61.7 million).

New Zealand property

The total value of New Zealand investment properties as at 30 June 2016 was A$253.1 million (30 June 2015: A$208.0 million). The change in value of the New Zealand investment properties was due principally to:

- Favourable unrealised fair value movements of A$28.0 million (30 June 2015: A$6.2 million). This movement includes valuing the NZ investment properties at their expected net sale value (refer above). At 30 June 2016 these properties were classified for financial reporting purposes as a disposal group held for sale.

- Favourable unrealised exchange rate movements of $15.6 million (30 June 2015: unfavourable $9.0 million).

Summary

	30 Jun 2016		30 Jun 2015	
	Number	**$m**	Number	$m
Investment properties				
- Australia	**69**	**1,888.0**	63	1,687.4
- New Zealand[1,2]	**-**	**-**	14	208.0
Total net investment properties	**69**	**1,888.0**	77	1,895.4
Investment properties of disposal group[2]	**14**	**253.1**	-	-
Investment properties held for sale	**-**	**-**	5	60.9
Total investment property value	**83**	**2,141.1**	82	1,956.3

[1] NZD converted to AUD for 30 June 2016 at AUD 1.00 = NZD 1.045 and NZD converted to AUD for 30 June 2015 at AUD 1.00 = NZD 1.122.
[2] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand assets (including NZ$ cash) and liabilities (including NZ$ debt) have been treated as a disposal group with the total assets and total liabilities of the disposal group shown separately to the other assets and liabilities of the Group for 30 June 2016.

4. Operational and financial review

Operational review

The Group remains focused on:

- **Specialty tenant management:** this includes maximising specialty occupancy while ensuring that the retail shopping properties secure the right tenant for the right location in order to create a sustainable and long-term tenant mix to optimise the performance of the portfolio.

- **Property management:** this includes appropriate capital expenditure programs to maximise sales turnover and occupancy.

- **Portfolio management:** this includes the acquisition of suitable properties that will add to the Group's ability to provide a solid income base to support distributions including selective developments and refurbishments to provide an opportunity for greater growth of earnings together with consideration of divestments of properties that are not considered core.

- **Capital management:** investment returns are managed and where applicable maximised through prudent and disciplined capital management. This includes consideration of:
  - **Debt management:** Maintaining diversified debt maturity and sources of debt including appropriate management of exposure to changes in interest rates.
  - **Equity management:** Maintaining the ability to raise equity from retail and institutional investors.

Financial review

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

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
Net profit after tax ($m) including disposal group[1]	**184.7**	150.5	**184.2**	150.5
Basic earnings per unit for net profit after tax including discontinued operation[1] (cents per unit)	**25.4**	22.9	**25.3**	22.9
Diluted earnings per unit for net profit after tax including discontinued operation[1] (cents per unit)	**25.3**	22.9	**25.2**	22.9
Distributable earnings ($m)	**100.1**	84.3	**99.6**	84.3
Distributions paid and payable to unitholders ($m)	**89.0**	78.1	**89.0**	78.1
Distributable earnings weighted for units on issue and issued during the year (cents per unit)	**13.75**	12.81	**13.68**	12.80
Distributions (cents per unit)	**12.20**	11.40	**12.20**	11.40
Net tangible assets ($ per unit)	**1.92**	1.77	**1.91**	1.76

[1] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand assets (including NZ$ cash) and liabilities (including NZ$ debt) have been treated as a disposal group with the total assets and total liabilities of the disposal group shown separately to the other assets and liabilities of the Group for 30 June 2016.

Measurement of results

The Group reports net profit after tax (statutory) attributed to unitholders in accordance with Australian Accounting Standards (AAS). The Responsible Entity considers the non-Australian Accounting Standard measures, Funds from Operations and Distributable Earnings, important indicators of the underlying earnings of the Group. Funds from Operations and Distributable Earnings are explained below.

Funds from Operations: In June 2013 the Property Council of Australia (PCA) released a White Paper titled "Voluntary Best Practice Guidelines for Disclosing FFO and AFFO". The White Paper set out principles for determining Property Council Funds from Operations (FFO) and Property Council Adjusted Funds from Operations (AFFO). From 1 July 2014 the Group has measured its non-Australian Accounting Standard performance against both Distributable Earnings and FFO. The Group also reports its AFFO.

Distributable Earnings: the basis upon which distributions are determined by the Directors having regard to the guidance in ASIC's RG 230 'Disclosing non IFRS financial information' (RG 230). A reconciliation between the statutory profit, Distributable Earnings and FFO is provided below. Distributable Earnings represents the Directors' view of underlying earnings from ongoing operating activities for the full year, being FFO adjusted for recurring cash items that are not otherwise included in FFO.

For the year ended 30 June 2016 adjustments have also been made for:

- **Investment properties – Whitsunday (insurance)** – In March 2016 the Whitsunday shopping centre was partially destroyed by fire. The Whitsunday shopping centre was revalued in June 2016 and based on its existing state and market conditions its valuation decreased by $13.4 million from $47.0 million at 30 June 2015 to $33.6 million at 30 June 2016. Management are working with the tenants and insurers to review options for the best use of the destroyed area. To date $5.0 million has been recovered from the insurers of which $0.3 million represents loss of income for the period to 30 June 2016. For financial reporting purposes the receipt of the $5.0 million is treated as part of statutory income. For distributable earnings, only that part which relates to the loss of income for the period to 30 June 2016 has been included.

- **New Zealand** – On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is now unconditional and is expected to complete in late September 2016 through a put/call agreement. At 30 June 2016 these properties were classified for financial reporting purposes as a discontinued operation. As such the contribution to statutory profit of New Zealand is reported as a discontinued operation as a single line and the assets and liabilities of New Zealand are reported as a disposal group held for sale. Cash flow is unaffected. For distributable earnings the non cash profit of New Zealand (which relates to fair value and straight lining) is reversed.

The following table is a reconciliation from the net profit after tax to FFO, Distributable Earnings and AFFO.

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Net profit after tax (statutory) including discontinued operation[1]	**184.7**	150.5	**184.2**	150.5
Adjustments for non cash items included in statutory profit				
Reverse: Straight-lining of rental income and amortisation of incentives	**(0.9)**	(4.4)	**(0.9)**	(4.4)
Reverse: Fair value unrealised adjustments				
- Investment properties	**(26.9)**	(61.7)	**(26.9)**	(61.7)
- Derivatives	**(31.2)**	(52.0)	**(31.2)**	(52.0)
- Share of net profit from associate (SURF 1)	**(0.6)**	-	**(0.6)**	-
- Foreign exchange	**7.5**	34.7	**7.5**	34.7
- Other financial assets (rental guarantee)	**-**	2.3	**-**	2.3
Other Adjustments				
Whitsunday Insurance funds				
- Reverse amount received included in statutory profit	**(5.0)**	-	**(5.0)**	-
- Add: insurance for loss of income	**0.3**	-	**0.3**	-
Less: unrealised discontinued operation included in statutory profit				
- Straight-lining of rental income and amortisation of incentives of discontinued operation	**(0.4)**	-	**(0.4)**	-
- Fair value unrealised adjustments investment properties of discontinued operation	**(28.0)**	(6.2)	**(28.0)**	(6.2)
Add: Debt restructure costs	**-**	16.8	**-**	16.8
Add: Distribution received / receivable from associate (SURF 1)	**0.5**	-	**0.5**	-
Add: Transaction costs	**0.1**	0.1	**0.1**	0.1
Funds from Operations	**100.1**	80.1	**99.6**	80.1
Other adjustments				
Rental guarantee less structural vacancy allowance	**-**	4.2	**-**	4.2
Distributable Earnings	**100.1**	84.3	**99.6**	84.3
Less: Maintenance capital expenditure	**(3.7)**	(1.0)	**(3.7)**	(1.0)
Less: Incentives (including fit-out incentives) and leasing costs provided	**(4.1)**	(9.6)	**(4.1)**	(9.6)
Adjusted Funds from Operations	**92.3**	73.7	**91.8**	73.7

[1] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand contribution to net profit and loss has been shown as a disposal group and discontinued operation for 30 June 2016.

Distributable earnings for the year ended 30 June 2016 increased by $15.8 million to $100.1 million from $84.3 million at 30 June 2015 primarily due to:

- Increased net property income due to the benefit of the income from the acquisition of properties and increased specialty income.
- Lower debt costs from decreased average cost of debt.

5. Contributed equity

The movement in gross contributed equity (excluding equity issue costs) during the year is set out below.

	SCA Property Group	Retail Trust
	30 Jun 2016	30 Jun 2016
	$m	$m
Opening balance as at 1 July 2015	**1,228.1**	**1,220.7**
Equity issued on 3 July 2015	-	-
Equity issued on 28 August 2015	**6.9**	**6.9**
Equity issued on 29 January 2016	**17.4**	**17.3**
Closing balance at 30 June 2016	**1,252.4**	**1,244.9**

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 units at the time of the payment of the distribution rather than being paid in cash. The DRP was in place for the distribution declared in June 2015 (paid in August 2015) and the distribution declared in December 2015 (paid in January 2016). The DRP is currently suspended and as such does not apply to the distribution declared in June 2016 which is expected to be paid on 31 August 2016.

Equity issued during the year was as follows:

- **July 2015 - Executive security based compensation:** On 3 July 2015, the Group issued 100,000 units at nil consideration to the CEO for the vesting of Special Performance Rights awarded in 2013 pursuant to the Executive Incentive Plan. Under the terms of the Special Performance Rights no payment was received for these units.
- **August 2015 - Distribution Reinvestment Plan (DRP):** The DRP applied to the distribution declared on 18 June 2015 and paid on 28 August 2015. Under this DRP $6.9 million was raised from the issue of 3,278,549 units at a price of $2.09 each.
- **January 2016 - Distribution Reinvestment Plan (DRP):** The DRP applied to the distribution declared on 16 December 2015 and paid on 29 January 2016. Under this DRP $17.4 million was raised from the issue of 8,523,042 units at a price of $2.04 each which was partially underwritten.

6. Significant changes and developments during the year

Investment properties - acquisitions

During the year ended 30 June 2016, SCP completed the acquisition of 6 properties. Details of these acquisitions are above under the "Property Portfolio" section. After 30 June 2016 and up to the date of this report, the Group also completed 3 property acquisitions for $85.3 million and paid a deposit on a fourth property. Details of these properties are also above under the "Property Portfolio" section.

Additionally, in December 2014 the Group agreed to purchase Clemton Park (NSW) on completion of the development via a put and call option arrangement. Under this arrangement in December 2014 SCP paid $2.4 million for the option. On completion of the development of the property SCP will acquire it for $45.6 million being $48.0 million less the amount already paid of $2.4 million. The completion of the development is expected to be in mid calendar year 2017.

Investment properties - disposals

Funds management - During the year the Group established a funds management business comprising the management of SCA Unlisted Fund No 1 (SURF 1). The Group identified a number of shopping centre properties that it considered to be "non-core" as they were either freestanding stores or had only one or two specialty stores. SURF 1 contains 5 of these non-core assets all located in New South Wales, being Woolworths Fairfield, Woolworths Griffith North, Dan Murphy's Burwood, Dan Murphy's Katoomba and Big W Inverell. The Group entered into a contract to sell these properties in June 2015 and settled on 1 October 2015 for $60.9 million. At 30 June 2015 these properties were classified for financial reporting purposes as held for sale. The Group retains a 24.4% interest in SURF 1.

New Zealand – On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. The sale is consistent with the Group's strategy of divesting freestanding assets, as 9 of the 14 New Zealand centres are freestanding. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is now unconditional and is expected to complete in late September 2016 through a put/call agreement. At 30 June 2016 these properties are classified for financial reporting purposes as a disposal group held for sale and a discontinued operation.

Investment properties – other

Masters - On 18 January 2016 Woolworths Limited (ASX: WOW) (Woolworths) announced that it intended to pursue an orderly prospective sale or wind-up of the business known as Masters Home Improvement (Masters). The Group has a lease to Masters, in Mt Gambier (South Australia). Mt Gambier comprises of a subregional centre together with a Masters. The annual gross income from Masters is $1.7 million and the lease expires in May 2035. The site occupied by Masters in Mt Gambier was internally valued in June 2016 for $20.2 million on the basis of the existing lease remaining in place. As at the date of this report the Group has not received any further update from Woolworths.

Whitsunday – In March 2016 the Whitsunday shopping centre was partially destroyed by fire. The Whitsunday shopping centre was revalued in June 2016 and based on its existing state and market conditions its valuation decreased by $13.4 million. We are working with our tenants and insurers to review options for the restatement of the destroyed area. To date $5.0 million has been recovered from the insurers of which $0.3 million represents loss of income for the period to 30 June 2016. Discussions are ongoing regarding a claim by the Group from the insurers for an additional amount.

Capital management - debt

A$ medium term notes (A$ MTN)

In April 2015 the Group issued AUD denominated unsecured medium term notes with aggregate face value of $175.0 million (A$ MTN). These notes are fixed rate notes with a coupon of 3.75% and expire in April 2021.

During July 2016 the Group issued another tranche of medium term notes with an aggregate face value of $50.0 million for consideration of $50.6 million (including a premium of $0.6 million). These notes were issued under the same terms as the original notes (with a coupon of 3.75% and expiry of April 2021); the issue price was at a premium such that the effective interest rate is 3.50%.

Interest rate swaps

During the year the Group entered into two additional Australian swaps totalling $150.0 million and extended the maturity of an existing swap with a face value of $175.0 million from April 2018 to August 2020 at no cost.

In June 2016 the Group also terminated its remaining NZ$43.75 million interest rate swap for a cost of $0.7 million. This was following the announcement that the Group had entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. The cost of terminating the NZ$ swap was included in the costs of disposal of the disposal group held for sale.

As at 30 June 2016 68.4% of the Group's debt was hedged or fixed (30 June 2015: 65.0%).

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

Gearing

The Group manages its debt by reference to its gearing ratio. Its gearing ratio is determined by:

- Finance debt, where the US$ denominated debt is recorded as the A$ amount received and economically hedged in A$, net of cash, divided by,
- Total tangible assets net of cash and derivatives.

The US$ denominated debt has been fully economically hedged. For this purpose the US$ denominated debt of US$150.0 million is recognised at its economically hedged value of A$159.8 million. This also results in management gearing being based on a constant currency basis. Movements in the market value of the cross currency interest rate swaps are included in the Group's profit and loss through changes in fair value.

The value of the US$ denominated debt of US$150.0 million converted at the prevailing spot rate at 30 June 2016 of 0.7425 was A$202.0 million (30 June 2015: 0.7712 and A$194.5 million respectively). The difference of $7.5 million (being the difference between the prevailing value using the spot rate at 30 June 2016 and 30 June 2015 respectively) has been treated as an unrealised foreign exchange loss in the current period.

The Group maintains a prudent approach to managing the balance sheet with gearing of 34.0% as at 30 June 2016 (30 June 2015: 33.3%). The Group's target gearing range is within 30% to 40% with a preference to be around 35%.

Facility limit and undrawn facilities

During the year the Group cancelled one bilateral facility and increased the facility limit of another bilateral facility such that the total bilateral facility limit has increased by $25.0 million to $445.0 million (30 June 2015: $420.0 million). With respect to several other bilateral facilities the Group also agreed to an extension of maturities and lower margins.

As at 30 June 2016 the US note and A$ MTN lenders facilities are fully drawn. The total undrawn bilateral debt and cash available to the Group at 30 June 2016 was $93.2 million (30 June 2015: $150.4 million).

The average debt maturity at 30 June 2016 was 5.7 years (30 June 2015: 6.3 years).

7. Major business risk profile

Risk	Description	Mitigation
Anchor tenant concentration	A decline in credit quality of anchor tenants; change in anchor tenants' network plans e.g. store closures, rate of new store rollouts; and/or reduction in anchor tenant sales growth may lead to decrease in earnings stability.	Actively manage concentration risk within the portfolio with a targeted acquisition and divestment program. Adapt to changing market dynamics with a directed asset refurbishment and redevelopment plan.
Speciality leasing	Negative impact on rental income from increase in lease vacancies, defaults or non-renewals.	Maintain strong tenant weighting to non-discretionary retail segment. Actively manage portfolio by maintaining specialty vacancy at normalised level, remixing tenancies to higher quality tenants, ensure diversification of tenant mix and building annual rental increases into leases in order to increase specialty tenant rental income per square metre.
Capital and value management	Lack of availability of capital or debt to fund acquisitions, inability to refinance debt and/or material increase in costs associated with debt funding may negatively impact on financial performance. Decrease in property valuations may impact on financing covenants.	The availability of capital for acquisitions and refinancing is managed by: a conservative gearing policy; diversification of funding sources; maintaining and building new equity relationships; the development of key banking relationships; staggering of debt maturities across multiple years; actively managing debt maturities to ensure debt maturities can be funded. Interest rate exposures are managed via the Group's hedging policy and strategy. Risk of breaching financing covenants is managed via a conservative valuation policy and active participation in and monitoring of the market.
Poor performing acquisitions	Acquisitions to grow portfolio do not fit with core strategy and/or are not value accretive.	A highly experienced management team ensures that acquisitions of new retail centres fit with core business strategy and are value accretive. The Board's Investment Committee oversees the rigorous due diligence and valuation process which is undertaken for each proposed acquisition.

8. Business strategies and prospects for future financial years

The Group's core strategy is to invest in, manage, and develop, a geographically diverse portfolio of quality neighbourhood and sub-regional retail assets, anchored by long-term leases to quality tenants with a strong bias towards the non-discretionary retail sector.

The Group is focused on achieving growing and resilient cash flows from non-discretionary and defensive retailing sectors. This is to support, secure and grow distributions to the Group's unitholders. It intends to achieve this by:

- Maximising the net operating income from its existing properties. This will include increasing the average rent per square metre from specialty tenants over time.
- Pursuing selected property refurbishment, development and acquisition opportunities, consistent with its core strategy.
- Diversifying and developing other sustainable income streams such as from funds management. The first managed fund (SCA Unlisted Retail Fund 1) commenced on 1 October 2015.
- Maintaining an appropriate capital structure to balance cost of capital and risk profile.

It is noted that property valuation changes, movements in the fair value of derivative financial instruments and in foreign exchange, availability of funding and changes in interest rates may have a material impact on the Group's results in future years, however, these cannot be reliably measured at the date of this report.

9. Environmental regulations

The Directors of the Responsible Entity are satisfied that adequate systems are in place for the management of the Group's environmental responsibility and compliance with various licence requirements and regulations. Further, the Directors of the Responsible Entity are not aware of any material breaches to these requirements and, to the best of their knowledge, all activities have been undertaken in compliance with environmental requirements.

10. Indemnification and insurance of Directors, Officers and Auditor

The Trusts have paid premiums for Directors' and Officers' liability insurance in respect of all Directors, Secretaries and Officers. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details relating to the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premiums paid under the policy.

The Trusts' constitutions provide that in addition to any indemnity under any law, but subject to the Corporations Act 2001, the Responsible Entity has a right of indemnity out of the assets of the Trusts on a full indemnity basis in respect of any liability incurred by the Responsible Entity in properly performing any of its powers or duties in relation to the Trusts.

The auditor of the Group is not indemnified out of the assets of the Group.

11. 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 page 20.

12. Audit and non-audit fees

Details of the amounts paid or payable to the auditor (Deloitte Touche Tohmatsu) for audit and non-audit services provided are detailed in note 32 of the Financial Reports.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services disclosed in note 32 of the Financial Report do not compromise the external auditor's independence, based on the following reasons:

- All non-audit services have been reviewed and appropriately approved to ensure that they do not impact the integrity and objectivity of the auditor.

- None of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants' issued by the Accounting Professional & Ethics Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing risks and rewards.

13. Subsequent events

New Zealand - disposal

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. The sale is consistent with the Group's strategy of divesting freestanding assets, as 9 of the 14 New Zealand centres are freestanding. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. The majority of the proceeds of Tranche 1 were remitted to Australia at an effective exchange rate of NZ$1.04. The majority of these funds were used to assist with the funding of the post 30 June 2016 acquisitions (refer below).

Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is now unconditional and is expected to complete in late September 2016 through a put/call arrangement. The majority of the proceeds of Tranche 2 are expected to be used to repay NZ$ denominated debt.

At 30 June 2016 all of the New Zealand properties are classified for financial reporting purposes as a disposal group held for sale and a discontinued operation. For financial reporting purposes it is a requirement that the liabilities and equity of a disposal group classified as held for sale are presented separately from other liabilities and equity respectively in the balance sheet and the results of discontinued operation are presented separately on the face of the income statement.

Medium term notes

During July 2016 the Group issued another A$50.0 million medium term notes with an aggregate face value of $50.0 million. These notes were issued under the same terms as the original notes (with a coupon of 3.75% and expiry of April 2021) however the issue price was at a premium such that the effective interest rate is 3.50%p.a.

Post 30 June 2016 acquisitions

After 30 June 2016 and up to the date of this report the Group also completed 3 property acquisitions for $85.3 million. Details of the3 properties acquired include:

Property	Type	State	Settlement Date	Cost [1] $m
Belmont Central	Neighbourhood	NSW	Jul-16	28.5
Jimboomba Junction	Neighbourhood	QLD	Jul-16	27.5
Muswellbrook Fair	Neighbourhood	NSW	Jul-16	29.3
				85.3

1. Cost excludes transaction costs.

Additionally in early August 2016 the Group exchanged contracts to purchase Annandale Central, a neighbourhood centre in Queensland, for $33.5 million (excluding transaction costs). This is expected to settle in early 2017.

Woolworths

On 25 July 2016 Woolworths announced an 'Update on Operating Model Review'. This announcement included that Woolworths Limited intended to close 17 Woolworths Supermarkets in Australia (out of 960 (in Australia and New Zealand)) and 5 Big W stores (out of 186) and that there are an additional 15 Woolworths Supermarkets in and 18 Big W stores in Australia which are not trading satisfactorily. Management understands that none of the Woolworths Supermarkets or Big W stores owned or managed by the Group are on the list for intended closure.

Beside the matters noted above, the Directors of the Responsible Entity are not aware of any other matter since the end of the year that has significantly affected or may significantly affect the operations of the Group, the result of those operations, or the state of the Group's affairs in future financial periods.

14. 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.

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

Chair
Sydney
15 August 2016

Deloitte.

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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

15 August 2016

Dear Board Members

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 as Responsible Entity for Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust.

As lead audit partner for the audit of the financial statements of Shopping Centres Australasia Property Management Trust and Shopping Centres Australasia Property Retail Trust for the year ended 30 June 2016, 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 audit; and

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

Yours sincerely

DELOITTE TOUCHE TOHMATSU
DELOITTE TOUCHE TOHMATSU

AG Collinson
Partner
Chartered Accountants

Shopping Centres Australasia Property Group
Consolidated Statements of Profit or Loss

For the year ended 30 June 2016

	Notes	SCA Property Group		Retail Trust	
		30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
		$m	$m	**$m**	$m
Continuing operations					
Revenue					
Rental income		**180.7**	156.4	**180.7**	156.4
Other income		**-**	0.5	**-**	0.5
Fund management revenue		**1.2**	-	**-**	-
Insurance income	5	**5.0**	-	**5.0**	-
		186.9	156.9	**185.7**	156.9
Expenses					
Property expenses		**(56.0)**	(46.3)	**(56.0)**	(46.3)
Corporate costs		**(9.9)**	(9.2)	**(9.6)**	(9.2)
		121.0	101.4	**120.1**	101.4
Unrealised gain/(loss) including change in fair value through profit or loss					
- Investment properties	13	**26.9**	61.7	**26.9**	61.7
- Derivatives		**31.2**	52.1	**31.2**	52.1
- Financial assets		**-**	(2.3)	**-**	(2.3)
- Foreign exchange		**(7.5)**	(34.7)	**(7.5)**	(34.7)
- Share of net profit from associate	30	**0.6**	-	**0.6**	-
Transaction costs	6	**(0.1)**	(0.1)	**(0.1)**	(0.1)
Earnings before interest and tax (EBIT)		**172.1**	178.1	**171.2**	178.1
Interest income		**0.2**	0.3	**0.2**	0.3
Finance costs	7	**(22.7)**	(40.1)	**(22.7)**	(40.1)
Net profit before tax		**149.6**	138.3	**148.7**	138.3
Tax	8	**(0.4)**	(0.1)	**-**	(0.1)
Net profit after tax from continuing operations		**149.2**	138.2	**148.7**	138.2
Discontinued operations					
Net profit after tax from discontinued operation	9	**35.5**	12.3	**35.5**	12.3
Net profit after tax		**184.7**	**150.5**	**184.2**	150.5
Net profit after tax attributable to unitholders of:					
SCA Property Management Trust		**0.5**	-		
SCA Property Retail Trust (non-controlling interest)		**184.2**	150.5		
		184.7	150.5		

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

	Notes	SCA Property Group		Retail Trust	
		30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
		Cents	Cents	**Cents**	Cents
Distributions per stapled unit					
Distributions per unit	3	**12.2**	11.4	**12.2**	11.4
Basic earnings per stapled unit	4				
Continuing operations		**20.5**	21.0	**20.4**	21.0
Discontinued operation		**4.9**	1.9	**4.9**	1.9
Continuing and discontinuing		**25.4**	22.9	**25.3**	22.9
Diluted earnings per stapled unit	4				
Continuing operations		**20.4**	21.0	**20.3**	21.0
Discontinued operation		**4.9**	1.9	**4.9**	1.9
Continuing and discontinuing		**25.3**	22.9	**25.2**	22.9
Basic earnings per unit of each Trust	4				
SCA Property Management Trust		**0.1**	-		
SCA Property Retail Trust					
Continuing operations		**20.4**	21.0		
Discontinued operation		**4.9**	1.9		
Continuing and discontinuing		**25.3**	22.9		
Diluted earnings per unit of each Trust	4				
SCA Property Management Trust		**0.1**	**-**		
SCA Property Retail Trust					
Continuing operations		**20.3**	21.0		
Discontinued operation		**4.9**	1.9		
Continuing and discontinuing		**25.2**	22.9		

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

	Notes	SCA Property Group 30 Jun 2016 $m	SCA Property Group 30 Jun 2015 $m	Retail Trust 30 Jun 2016 $m	Retail Trust 30 Jun 2015 $m
Net profit after tax for the year		**184.7**	150.5	**184.2**	150.5
Other comprehensive income					
Items that may be classified subsequently to profit or loss					
Movement in foreign currency translation reserves:					
Net exchange differences on translation of foreign operations	17	**11.5**	(7.2)	**11.5**	(7.2)
Cash flow hedges:					
Effective portion of changes in fair value of cash flow hedges	17	**-**	1.0	**-**	1.0
Total comprehensive income		**196.2**	144.3	**195.7**	144.3
Total comprehensive profit for the period attributable to unitholders of:					
SCA Property Management Trust		**0.5**	-		
SCA Property Retail Trust (non-controlling interest)		**195.7**	144.3		
Total comprehensive income		**196.2**	144.3		

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 30 June 2016

	Notes	SCA Property Group		Retail Trust	
		30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
		$m	$m	**$m**	$m
Current assets					
Cash and cash equivalents	31	**3.8**	3.7	**2.4**	2.1
Receivables	10	**13.3**	8.0	**13.2**	7.9
Derivative financial instruments	11	**3.3**	3.2	**3.3**	3.2
Other assets	29	**5.7**	0.6	**5.5**	0.4
		26.1	15.5	**24.4**	13.6
Assets classified as held for sale	12	**-**	60.9	**-**	60.9
Assets of disposal group held for sale	9	**254.0**	-	**254.0**	-
Total current assets		**280.1**	76.4	**278.4**	74.5
Non-current assets					
Investment properties	13	**1,888.0**	1,895.4	**1,888.0**	1,895.4
Derivative financial instruments	11	**82.5**	46.7	**82.5**	46.7
Property, plant and equipment		**-**	0.1	**-**	-
Investment in associate	30	**8.1**	-	**8.1**	-
Other assets	29	**-**	2.4	**-**	2.4
Total non-current assets		**1,978.6**	1,944.6	**1,978.6**	1,944.5
Total assets		**2,258.7**	2,021.0	**2,257.0**	2,019.0
Current liabilities					
Payables	14	**23.0**	20.9	**29.2**	25.5
Distribution payable	3	**45.5**	41.8	**45.5**	41.8
Derivative financial instruments	11	**1.2**	0.1	**1.2**	0.1
Provisions		**1.5**	1.1	**-**	-
Liabilities of disposal group held for sale	9	**140.2**	-	**140.2**	-
Total current liabilities		**211.4**	63.9	**216.1**	67.4
Non-current liabilities					
Derivative financial instruments	11	**3.5**	0.1	**3.5**	0.1
Interest bearing liabilities	15	**634.7**	680.1	**634.7**	680.1
Provisions		**0.2**	0.1	**-**	0.1
Total non-current liabilities		**638.4**	680.3	**638.2**	680.3
Total liabilities		**849.8**	744.2	**854.3**	747.7
Net assets		**1,408.9**	1,276.8	**1,402.7**	1,271.3

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

	Notes	30 Jun 2016 $m	30 Jun 2015 $m
Equity			
Equity Holders of Management Trust			
Contributed equity	16	**7.4**	7.3
Accumulated profit/ (loss)	18	**(1.2)**	(1.7)
Parent entity interest		**6.2**	5.6
Equity Holders of Retail Trust			
Contributed equity	16	**1,216.6**	1,192.4
Reserves	17	**17.0**	4.9
Accumulated profit/ (loss)	18	**169.1**	74.0
Non-controlling interest		**1,402.7**	1,271.3
Equity Holders of Management Trust		**6.2**	5.6
Equity Holders of Retail Trust		**1,402.7**	1,271.3
Total equity		**1,408.9**	1,276.8

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

Shopping Centres Australasia Property Group
Consolidated Statements of Changes in Equity

For the year ended 30 June 2016

		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 2015		**7.3**	**(1.7)**	**5.6**	**1,271.2**	**1,276.8**
Net profit after tax		**-**	**0.5**	**0.5**	**184.2**	**184.7**
Other comprehensive income for the period, net of tax		**-**	**-**	**-**	**11.5**	**11.5**
Total comprehensive income		**-**	**0.5**	**0.5**	**195.7**	**196.2**
Transactions with unitholders in their capacity as equity holders:						
Employee share based payments	17	**-**	**-**	**-**	**0.7**	**0.7**
Equity issued	16	**0.1**	**-**	**0.1**	**24.2**	**24.3**
Distributions paid and payable	3	-	-	-	**(89.0)**	**(89.0)**
		0.1	**-**	**0.1**	**(64.1)**	**(64.0)**
Balance at 30 June 2016		**7.4**	**(1.2)**	**6.2**	**1,402.9**	**1,408.9**
Balance at 1 July 2014		6.4	(1.7)	4.7	1,060.9	1,065.6
Net profit after tax for the period		-	-	-	150.5	150.5
Other comprehensive income for the period, net of tax		-	-	-	(6.2)	(6.2)
Total comprehensive income for the period		-	-	-	144.3	144.3
Transactions with unitholders in their capacity as equity holders:						
Employee share based payments	17	-	-	-	0.8	0.8
Equity issued	16	0.9	-	0.9	143.4	144.3
Distributions payable	3	-	-	-	(78.1)	(78.1)
		0.9	-	0.9	66.1	67.0
Balance at 30 June 2015		7.3	(1.7)	5.6	1,271.2	1,276.8

[1] Contributed equity is net of equity issue costs.

Shopping Centres Australasia Property Group
Consolidated Statements of Changes in Equity
For the year ended 30 June 2016

		Retail Trust					
			Reserves				
		Contributed equity[1]	Cash flow hedge	Foreign currency translation	Share based payments	Accumulated profit/(loss)	Total
	Notes	$m	$m	$m	$m	$m	$m
Balance at 1 July 2015		**1,192.4**	**-**	**3.8**	**1.1**	**74.0**	**1,271.3**
Net profit after tax		**-**	**-**	**-**	**-**	**184.2**	**184.2**
Other comprehensive income for the period, net of tax		**-**	**-**	**11.5**	**-**	**-**	**11.5**
Total comprehensive income/ (loss)		**-**	**-**	**11.5**	**-**	**184.2**	**195.7**
Transactions with unitholders in their capacity as equity holders:							
Employee share based payments	17	**-**	**-**	**-**	**0.6**	**-**	**0.6**
Equity issued	16	**24.2**	**-**	**-**	**-**	**-**	**24.2**
Distributions paid and payable	3	-	-	-	-	**(89.0)**	**(89.0)**
		24.2	**-**	**-**	**0.6**	**(89.0)**	**(64.2)**
Balance at 30 June 2016		**1,216.6**	**-**	**15.3**	**1.7**	**169.1**	**1,402.7**
Balance at 1 July 2014		1,049.0	(1.0)	11.0	0.3	1.6	1,060.9
Net profit/ (loss) after tax for the period		-	-	-	-	150.5	150.5
Other comprehensive income for the period, net of tax		-	1.0	(7.2)	-	-	(6.2)
Total comprehensive income/ (loss) for the period		-	1.0	(7.2)	-	150.5	144.3
Transactions with unitholders in their capacity as equity holders:							
Employee share based payments	17	-	-	-	0.8	-	0.8
Equity issued	16	143.4	-	-	-	-	143.4
Distributions payable	3	-	-	-	-	(78.1)	(78.1)
		143.4	-	-	0.8	(78.1)	66.1
Balance at 30 June 2015		1,192.4	-	3.8	1.1	74.0	1,271.3

[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.

Continuing and discontinued operation	Notes	SCA Property Group 30 Jun 2016 $m	SCA Property Group 30 Jun 2015 $m	Retail Trust 30 Jun 2016 $m	Retail Trust 30 Jun 2015 $m
Cash flows from operating activities					
Property and other income received (inclusive of GST)		**215.7**	188.5	**214.4**	188.5
Insurance Proceeds		**5.0**	-	**5.0**	-
Property expenses paid (inclusive of GST)		**(60.0)**	(50.9)	**(60.0)**	(50.9)
Corporate costs paid (inclusive of GST)		**(12.8)**	(10.6)	**(11.4)**	(10.8)
Rental guarantee income received		**-**	10.5	**-**	10.5
Interest received		**0.2**	0.3	**0.2**	0.3
Finance costs paid		**(29.8)**	(41.5)	**(29.8)**	(41.5)
Transaction costs paid		**(0.1)**	(0.1)	**(0.1)**	(0.1)
Taxes paid including GST		**(15.9)**	(14.5)	**(15.7)**	(14.5)
Net cash flow from operating activities	19	**102.3**	81.7	**102.6**	81.5
Cash flows from investing activities					
Payments for investment properties purchased and capital expenditure		**(172.3)**	(275.8)	**(172.3)**	(275.8)
Net proceeds from investment properties sold		**60.9**	16.2	**60.9**	16.2
Payments for plant and equipment		**-**	-	**-**	-
Loans to/(from) stapled equity		**-**	-	**-**	-
Distribution received from associate		**0.3**	-	**0.3**	-
Investments in associates		**(8.0)**	-	**(8.0)**	-
Net cash flow from investing activities		**(119.1)**	(259.6)	**(119.1)**	(259.6)
Cash flow from financing activities					
Proceeds from equity raising		**24.3**	146.2	**24.2**	145.3
Cost associated with equity raisings		**-**	(1.9)	**-**	(1.9)
Net proceeds from borrowings		**93.2**	406.3	**93.2**	406.3
Repayment of borrowings		**(15.0)**	(297.3)	**(15.0)**	(297.3)
Distributions paid		**(85.3)**	(72.6)	**(85.3)**	(72.6)
Net cash flow from financing activities		**17.2**	180.7	**17.1**	179.8
Net (decrease) / increase in cash and cash equivalents held		**0.4**	2.8	**0.6**	1.7
Cash and cash equivalents at the beginning of the year		**3.7**	0.9	**2.1**	0.4
Effects of exchange rate changes on cash and cash equivalents		**-**	-	**-**	-
Cash and cash equivalents at the end of the year		**4.1**	3.7	**2.7**	2.1

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

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

The Financial Statements of the Retail Trust comprise the consolidated Financial Statements of the Retail Trust and its controlled entities.

The Directors of the Responsible Entity have authorised the Financial Report for issue on 15 August 2016.

2. Significant accounting policies

(a) Basis of preparation

In accordance with AASB 3 Business Combinations, the stapling arrangement discussed above is regarded as a business combination and Shopping Centres Australasia Management Trust has been identified as the Parent for preparing consolidated Financial Statements.

These Financial Statements are combined financial statements and accompanying notes of both Shopping Centres Australasia Property Group and the Shopping Centres Australasia Property Retail Trust Group.

The Financial Statements have been presented in Australian dollars unless otherwise stated.

Historical cost convention

The Financial Statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at fair value.

Going concern

These consolidated financial statements are prepared on the going concern basis. In preparing these consolidated financial statements the Directors note that the Group and Retail Trust are in a net current asset deficiency position (excluding the assets classified as a disposal group held for sale (refer note 9)), due to the provision for distribution and minimal cash and cash equivalents, as it is the policy of the Group and Retail Trust to use surplus cash to repay debt. At 30 June 2016 the Group and Retail Trust have the ability to drawdown funds to pay the distribution of $45.5 million on or about 31 August 2016, having available headroom on the Group's facilities of $93.2 million. Additionally since 30 June 2016 the Group also obtained additional funding by receiving NZ$128.2 million from the sale of New Zealand (refer note 9) and the Group expects to receive an additional amount of NZ$139.2 million in late September 2016 (refer note 9). Furthermore the Group in July 2016 increased the amount drawn under the Medium Term Note from $175.0 million to $225.0 million (refer note 15). The Group has also since 30 June 2016 completed a number of acquisitions of properties for $85.3 million (excluding transaction costs) (refer note 33).

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.

i. Statement of compliance

The Financial Report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (the Board or AASB) and the Corporations Act 2001.

The Financial Report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

For the purposes of preparing the financial statements, the Group is a for-profit entity. The Financial Report has been presented in Australian dollars unless otherwise stated.

ii. New and amended accounting standards and interpretations

In the current year, the Group has applied amendments to AASBs issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2015, and therefore relevant for the current year end. These amendments are below. The application of these amendments does not have any material impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	The amendment completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.

Application of new and revised Accounting Standards not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below. The potential impact of these Standards and Interpretations has not yet been fully determined. The Group does not intend to adopt any of these announcements before their effective dates.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective date of AASB 15'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017

At the date of report, there are no pronouncements approved by the IASB/IFRIC that have yet to be issued by the AASB.

(b) Basis of consolidation

The consolidated Financial Statements of Shopping Centres Australasia Property Group incorporate the assets and liabilities of Shopping Centres Australasia Property Management Trust (the Parent) and all of its subsidiaries, including Shopping Centres Australasia Property Retail Trust and its subsidiaries. Shopping Centres Australasia Property Management Trust has been identified as the parent entity in relation to the stapling. The results and equity of Shopping Centres Australasia Property Retail Trust (which is not directly owned by Shopping Centres Australasia Property Management Trust) have been treated and disclosed as a non-controlling interest. Whilst the results and equity of Shopping Centres Australasia Property Retail Trust are disclosed as a non-controlling interest, the stapled security holders of Shopping Centres Australasia Management Trust are the same as the stapled security holders of Shopping Centres Australasia Property Retail Trust.

These Financial Statements also include a separate column representing the Financial Statements of Shopping Centres Australasia Property Retail Trust, incorporating the assets and liabilities of Shopping Centres Australasia Property Retail Trust (the Parent) and all of its subsidiaries.

Subsidiaries are all entities over which the Group has control. Control is defined as having rights to variable returns from involvement in the investee and having the ability to affect those returns through its power over the investee.

Where an entity began or ceased to be a controlled entity during the reporting year, the assets, liabilities and results are consolidated only from the date control commenced or up to the date control ceased.

In preparing the consolidated Financial Statements, all intra-group transactions and balances, including unrealised profits arising thereon, have been eliminated in full.

Investments in associates

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for in the consolidated balance sheet by using the equity method of accounting after initially being recognised at cost. Under the equity accounted method, the Group's share of the associates' post acquisition net profit after income tax expense is recognised in the consolidated statement of comprehensive income. Distributions received or receivable from associates are recognised in the consolidated financial report as a reduction of the carrying amount of the investment.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance sheet date, revenue is reflected in the balance sheet as receivable and carried at its recoverable value. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Certain tenant allowances that are classified as lease incentives are recorded as part of investment properties and amortised over the term of the lease. The amortisation is recorded against property income.

Where revenue is obtained from the sale of properties, it is recognised when the significant risks and rewards have transferred to the buyer. For conditional exchanges, sales are recognised when the conditions are satisfied.

All other revenues are recognised on an accruals basis.

(d) Expenses

Expenses are brought to account on an accruals basis.

(e) Finance costs

Finance costs include interest payable on bank overdrafts and short-term and long-term borrowings, payments on derivatives and amortisation of ancillary costs incurred in connection with arrangement of borrowings.

Finance costs are expensed as incurred except to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to reach the stage of their intended use or sale.

In these circumstances, borrowing costs are capitalised to the cost of the assets until the assets are ready for their intended use or sale. Total interest capitalised within the Group must not exceed the net interest expense of the Group in any year, and project values, including all capitalised interest attributable to projects, must continue to be recoverable. In the event that development is suspended for an extended period of time, the capitalisation of borrowing costs is also suspended.

(f) Taxation

The Group comprises taxable and non-taxable entities. A liability for current and deferred taxation is only recognised in respect of taxable entities that are subject to income and potential capital gains tax as detailed below.

The Retail Trust is the property owning trust and is treated as a trust for Australian tax purposes. Under current Australian income tax legislation, the Retail Trust is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with the Trust's constitution. The Retail Trust's New Zealand entities are subject to New Zealand tax on their earnings. Distributions paid by the New Zealand entity to the Retail Trust will not be subject to New Zealand withholding tax (or if there is any reduction in Australian receipts because of any withholding tax it will be reimbursed by way of a supplementary dividend) to the extent the distributions are paid out of earnings that have been subject to New Zealand tax.

Management Trust is treated as a company for Australian tax purposes.

Deferred tax is provided on all temporary differences on the difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

(g) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (or equivalent tax in overseas locations) except where the GST incurred on purchases of goods and services is not recoverable from the tax authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amounts of GST included. The net amount of GST receivable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(h) Discontinued operation and disposal group held for sale

The Group has classified the New Zealand business as a discontinued operation. A discontinued operation represents a separate major line of business, or geographical area of operations, which is a component of the entity that has been disposed of or is classified as held for sale. There must also be a co-ordinated plan to dispose of this line of business or operation. The results of discontinued operation are presented separately on the face of the income statement.

Components of the entity are classified as assets held for sale, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Such assets are disclosed separately and are disclosed as current assets if it is expected they will be sold in less than 1 year from the balance date. Held for sale assets are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are also presented separately from other assets in the balance sheet.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities and equity of a disposal group classified as held for sale are presented separately from other liabilities and equity respectively in the balance sheet.

Details of discontinued operation and disposal group are given at note 9.

(i) Foreign currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars. Australian dollars is the presentation currency for the consolidated financial statements.

Foreign currency transactions are converted to Australian dollars at the prevailing exchange rates at the date of those transactions. Amounts payable and receivable in foreign currency at balance sheet date are translated to Australian dollars at the prevailing exchange rates at that date. Exchange differences arising from amounts receivable and payable are recognised in profit and loss in the period in which they arise, except as noted below.

The balance sheets of foreign subsidiaries are translated at the prevailing exchange rates at balance sheet date and the income statement of foreign subsidiaries are translated at average exchange rates for the period. Exchange differences arising on translation of the interest in foreign operations are taken directly to the foreign currency translation reserve. On consolidation, exchange differences and the related tax effect on foreign currency loans denominated in foreign currency, which hedge net investments in foreign operations and equity accounted entities, are taken directly to the foreign currency translation reserve.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with an original maturity of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Trade and other receivables

Trade and other receivables are carried at original invoice amount, less provision for doubtful debts, and are usually due within 30 days. Collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectable are written off when identified. An impairment provision for doubtful debts is recognised when there is evidence that the Group will not be able to collect the receivables.

(l) Investment properties

Investment properties comprise investment interest in land and buildings (including integral plant and equipment) held for the purpose of letting to produce rental income, including properties that are under construction for future use as investment properties.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the investment properties are stated at fair value. Fair value of investment properties is the price at which the property could be exchanged between knowledgeable, willing parties in an arm’s length transaction. A “willing seller” is neither a forced seller nor one prepared to sell at a price not considered reasonable in the current market. The best evidence of fair value is given by current prices in an active market suitable for similar property in the same location and condition. Gains and losses arising from changes in the fair values of investment properties are recognised in profit and loss in the period in which they arise.

At each reporting date, the carrying values of the investment properties are assessed by the Directors and where the carrying value differs from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each investment property takes into account latest independent valuations, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable properties. In determining the fair value, the capitalisation of net income method and / or the discounting of future net cash flows to their present value have been used, which are based upon assumptions and judgements in relation to future rental income, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties.

Investment properties under development are classified as investment property and stated at fair value at each reporting date. Fair value is assessed with reference to reliable estimates of future cash flows, status of the development and the associated risk profile.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the reduction in value of the building content due to the passing of time. Accordingly, the buildings and all components thereof, including integral plant and equipment for the building, are not depreciated.

Incentives such as cash, rent-free periods, lessee or lessor owned fit outs may be provided to lessees to enter into an operating lease. Leasing fees may also be paid for the negotiation of leases. These incentives and lease fees are capitalised to the investment property and are amortised on a straight-line basis over the lesser of the term of the lease and the useful life of the fit out, as a reduction of rental income. The carrying amounts of the lease incentives and leasing fees are reflected in the fair value of investment properties.

(m) Recoverable amount of assets

At each reporting date, an assessment is made as to whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the recoverable amount is estimated and if the carrying amount of that asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(n) Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted.

Distribution

Distributions payable are recognised in the reporting period in which they are declared, determined or publicly recommended by the Directors on or before the end of the reporting period, but not distributed at reporting date.

All distributions will be paid out of retained earnings / accumulated losses, whether they are capital or income in nature from a tax perspective.

(o) Provisions

A provision is recognised when a present legal or constructive obligation exists as a result of a past event and it is probable that a future sacrifice of economic benefit will be required to settle the obligation, the timing or amount of which is uncertain.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

(p) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Equity based compensation arrangements

Equity based payments to employees are measured at the fair value of the equity instrument at the grant date. The fair value determined at the grant date is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest and adjusts for non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

(q) Interest bearing liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are deferred and expensed over the term of the respective agreement.

(r) Derivative and other financial instruments

The Group holds derivative financial instruments to hedge foreign currency and interest rate risk exposures arising from operational, financing and investing activities.

The Group has set defined policies and has implemented a comprehensive hedging program to manage interest and exchange rate risk. Derivative financial instruments are transacted to achieve the economic outcomes in line with the Group's treasury policy. Derivative instruments are not transacted for speculative purposes.

Derivative financial instruments are recognised initially at cost and remeasured at fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group does not designate any derivative financial instrument as hedging instruments.

Where applicable, the fair value of currency and interest rate options and cross currency interest rate swaps are calculated by reference to relevant market rates for contracts with similar maturity profiles. The fair value of interest rate swaps are determined by reference to applicable market yield curves and include counterparty risk.

Changes in fair value of derivatives is recognised in the profit and loss.

(s) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received. Any transaction costs arising on the issue of ordinary units are recognised in equity as a reduction of the proceeds received.

(t) Earnings per unit

Basic earnings per unit is calculated as profit after tax attributable to unitholders divided by the weighted average number of ordinary units issued.

Diluted earnings per unit is calculated as profit after tax attributable to unitholders adjusted for any profit recognised in the period in relation to dilutive potential ordinary units divided by the weighted average number of ordinary units and dilutive potential ordinary units.

(u) Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes. The segments are reported in a manner that is consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors of the Responsible Entity.

(v) Use of estimates and judgements

The preparation of consolidated financial statements 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 – Classification and carrying value of investments

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 – Disposal group held for sale

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is expected to complete in late September 2016 subject to a put and call agreement. At 30 June 2016 the assets and liabilities associated with these properties have been classified as a disposal group held for sale and as a discontinued operation. In order to meet the criteria for being classified as a disposal group held for sale the Directors have concluded that the disposal group is available for immediate sale in its present conditions subject only to terms that are usual and customary for sale of such disposal group and that given the contractual sale was in place at 30 June 2016 and Tranche 1 settled on 12 July 2016 the Directors also formed the view that the sale was highly probable.

Judgement - Selection of parent entity

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

Judgement – Investment properties

In management's view there are two classes of investment properties: those located in Australia and those located in New Zealand. The investment properties in Australia and New Zealand are shopping centres, but are located in different economic environments. Additionally the New Zealand properties are valued in New Zealand dollars. The fair value hierarchy within which the fair value measurements are categorised is disclosed in note 13.

Estimate - Valuation of property investments

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 transactions and market conditions existing at reporting date, using generally accepted market practices.

The major critical assumptions underlying estimates of fair values are those relating to the capitalisation rate and to a lesser extent the discount rate.

Other assumptions of lesser importance include net passing rent, gross market rent, net market rent, average market rental growth, and terminal yield. If there is any change in these assumptions or economic conditions, the fair value of the investment properties may differ. See further disclosure regarding assumptions used in valuation of investment properties in note 13.

Estimate - Valuation of financial instruments

The fair value of derivatives assets and liabilities are based on assumptions of future events and involve significant estimates. The basis of valuation for the Group's derivatives are set out in note 28. 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 unit	Total amount $m	Date of payment or expected date of payment
2016			
SCA Property Group			
Interim distribution[1]	**6.0**	**43.5**	29 January 2016
Final distribution[2]	**6.2**	**45.5**	31 August 2016
	12.2	**89.0**	
Retail Trust			
Interim distribution	**6.0**	**43.5**	29 January 2016
Final distribution	**6.2**	**45.5**	31 August 2016
	12.2	**89.0**	
2015			
SCA Property Group			
Interim distribution	5.6	36.3	30 January 2015
Final distribution	5.8	41.8	28 August 2015
	11.4	78.1	
Retail Trust			
Interim distribution	5.6	36.3	30 January 2015
Final distribution	5.8	41.8	28 August 2015
	11.4	78.1	

[1] The interim distribution of 6.0 cents per stapled unit was declared on 16 December 2015 and was paid on 29 January 2016.

[2] The 2016 final distribution of 6.2 cents per stapled unit was declared on 15 June 2016 and is expected to be paid on or about 31 August 2016. The tax components will be advised on or about that time.

The Management Trust has not declared or paid any distributions.

The Group has a DRP in place which was activated on 5 November 2014 for distributions paid after 14 November 2014. The DRP was not available for any of the distributions declared or paid prior to 14 November 2014. The first distribution that the DRP applied to was the distribution paid on 30 January 2015. The DRP was also applied to the distributions paid on 28 August 2015 and 29 January 2016.

The DRP issue price was determined at a discount of 1.0% to the arithmetic average of the daily volume weighted average market price of units traded on the ASX during the 10 business days commencing on the business day after the record date. The equity raised through the DRP on 28 August 2015 was $6.9 million by the issue of 3,278,549 units at a price of $2.09. The equity raised through the DRP on 29 January 2016 was $17.4 million by the issue of 8,523,042 units at a price of $2.04.

The DRP was suspended for the distribution declared in June 2016 and payable in August 2016.

4. Earnings per unit

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
Per stapled unit				
Profit from continuing operations	**149.2**	138.2	**148.7**	138.2
Profit from discontinued operation	**35.5**	12.3	**35.5**	12.3
Net profit after tax for the period ($ million)	**184.7**	150.5	**184.2**	150.5
Weighted average number of securities used as the denominator in calculating basic earnings per security below	**727,933,192**	658,019,274	**727,933,192**	658,019,274
Basic earnings per unit for net profit after tax (cents per unit)				
Continuing operations	**20.5**	21.0	**20.4**	21.0
Discontinued operation	**4.9**	1.9	**4.9**	1.9
Continuing and discontinued earnings per security	**25.4**	22.9	**25.3**	22.9
Weighted average number of securities used as the denominator in calculating diluted earnings per security below	**730,769,785**	659,574,888	**730,769,785**	659,574,888
Diluted earnings per unit for net profit after tax (cents)				
Continuing operations	**20.4**	21.0	**20.3**	21.0
Discontinued operation	**4.9**	1.9	**4.9**	1.9
Continuing and discontinued earnings per security	**25.3**	22.9	**25.2**	22.9

Per unit of SCA Property Management Trust

	30 Jun 2016	30 Jun 2015
Net profit after tax for the period ($ million)	**0.5**	-
Weighted average number of securities used as the denominator in calculating basic earnings per security below	**727,933,192**	658,019,274
Weighted average number of securities used as the denominator in calculating diluted earnings per security below	**730,769,785**	659,574,888
Basic earnings per unit for net profit after tax (cents)	**0.1**	-
Diluted earnings per unit for net profit after tax (cents)	**0.1**	-

5. Insurance income

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Insurance income	**5.0**	-	**5.0**	-

In March 2016 the Whitsunday shopping centre was partially destroyed by fire. Management are working with our tenants and insurers to review options for the restatement of the destroyed area. To date $5.0 million has been recovered from the insurers. Discussions are ongoing regarding a claim by the Group from the insurers for an additional amount. To date no additional amount has been received and no agreement has been reached on the final likely accepted claim amount.

6. Transaction costs

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Advisers and consultants fees	**0.1**	0.1	**0.1**	0.1

Transaction costs in relation to acquisition of investment properties are included in the cost of the investment property. Costs incurred in the current year relate to an unsuccessful property transaction.

7. Finance costs

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Interest expense	**22.7**	29.9	**22.7**	29.9
Swap termination	-	14.6	-	14.6
Other	-	2.2	-	2.2
	22.7	46.7	**22.7**	46.7

Swap termination costs in relation to the year ended 30 June 2015 relate to the restructuring of the interest rate swap book by terminating existing swaps following the A$ medium term fixed rate note issue during the year ended 30 June 2016 (30 June 2015: nil). Refer note 15.

Other finance costs for the year ended 30 June 2015 consists of expensing of non-cash upfront fees on termination of bilateral facilities following the receipt of funds from the US Notes (30 June 2016: nil). Refer note 15.

8. Taxation

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Profit before income tax - continuing operations	**149.6**	138.3	**148.7**	138.3
Profit before income tax - discontinued operation	**37.6**	14.5	**37.6**	14.5
	187.2	152.8	**186.3**	152.8
Prima facie tax (expense) at 30%	**(56.2)**	(45.8)	**(55.8)**	(45.8)
Tax effect of income that are not assessable/ deductible in determining taxable profit	**53.5**	43.3	**53.5**	43.3
Tax effect of difference between Australian and foreign tax rates	**0.2**	0.2	**0.2**	0.2
	(2.5)	(2.3)	**(2.1)**	(2.3)
Tax expense is attributable to:				
Profit from continuing operations	**(0.4)**	(0.1)	**-**	(0.1)
Profit from discontinued operation	**(2.1)**	(2.2)	**(2.1)**	(2.2)
	(2.5)	(2.3)	**(2.1)**	(2.3)

9. Discontinued operation and disposal group held for sale

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is expected to complete in late September 2016 through a put/call agreement. At 30 June 2016 these properties are classified for financial reporting purposes as a disposal group held for sale (balance sheet) and a discontinued operation (profit and loss). The comparative profit and loss figures have been restated.

(a) Financial performance

The financial performance of the component of the Group classified as a discontinued operation at 30 June 2016 was:

	SCA Property Group		Retail Trust	
	30 Jun 2016 $m	30 Jun 2015 $m	**30 Jun 2016 $m**	30 Jun 2015 $m
Revenue	**18.6**	18.9	**18.6**	18.9
Fair value adjustments on investment properties	**28.0**	6.2	**28.0**	6.2
Fair value adjustments on derivatives	**-**	(0.1)	**-**	(0.1)
Other Income	**0.2**	-	**0.2**	-
Property expenses	**(2.1)**	(1.9)	**(2.1)**	(1.9)
Corporate costs	**(2.0)**	(2.0)	**(2.0)**	(2.0)
Earnings before interest and tax (EBIT)	**42.7**	21.1	**42.7**	21.1
Interest income	**-**	-	**-**	-
Finance costs	**(5.1)**	(6.6)	**(5.1)**	(6.6)
Net profit before tax	**37.6**	14.5	**37.6**	14.5
Tax	**(2.1)**	(2.2)	**(2.1)**	(2.2)
Net profit after tax from discontinued operation	**35.5**	12.3	**35.5**	12.3
Cash flows from discontinued operation				
Net cash flows from operating activities	**7.5**	8.4	**7.5**	8.4
Net cash flows from investing activities	**0.1**	0.1	**0.1**	0.1
Net cash flows from financing activities	**(7.2)**	(7.9)	**(7.2)**	(7.9)
Net cash flows	**0.4**	0.6	**0.4**	0.6

(b) Assets and liabilities

The assets and liabilities of the components of the Group classified as a disposal group at each reporting date are in the table below. Except as disclosed below, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values. After repayment of NZ$ denominated debt and repatriation of the settlement proceeds of Tranche 2 the accumulated foreign currency translation reserve (FTCR) gain of $15.3 million will be recognised in the profit and loss.

	30 Jun 2016 $m
Assets	
Cash and cash equivalents	0.3
Receivables	0.5
Other assets	0.1
Investment properties	253.1
Total assets	**254.0**
Liabilities	
Payables	4.3
Interest bearing liabilities	135.9
Total liabilities	**140.2**
Net assets of disposal group	**113.8**

10. Receivables

	SCA Property Group		Retail Trust	
	30 Jun 2016 $m	30 Jun 2015 $m	**30 Jun 2016 $m**	30 Jun 2015 $m
Current				
Rental receivable	**5.4**	4.3	**5.4**	4.3
Provision for doubtful debts	**(0.5)**	(0.6)	**(0.5)**	(0.6)
	4.9	3.7	**4.9**	3.7
Other receivables	**8.4**	4.3	**8.3**	4.2
Total receivables	**13.3**	8.0	**13.2**	7.9

Ageing of rental receivable[1]

	SCA Property Group		Retail Trust	
	30 Jun 2016 $m	30 Jun 2015 $m	**30 Jun 2016 $m**	30 Jun 2015 $m
Current	**2.8**	2.7	**2.8**	2.7
30 days	**1.1**	0.6	**1.1**	0.6
60 days	**0.6**	0.3	**0.6**	0.3
90 days	**0.3**	0.2	**0.3**	0.2
120 days	**0.6**	0.5	**0.6**	0.5
Rental receivable	**5.4**	4.3	**5.4**	4.3

[1] Rental and other amounts due are receivable within 30 days.

There is no interest charged on any receivables. All receivables are current other than the receivables past due included in ageing above.

11. Derivative financial instruments

The fair value 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 values.

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Current assets				
Interest rate swap contracts	**1.2**	1.2	**1.2**	1.2
Cross currency interest rate swap contracts	**2.1**	2.0	**2.1**	2.0
	3.3	3.2	**3.3**	3.2
Non-current assets				
Interest rate swap contracts	**11.8**	5.4	**11.8**	5.4
Cross currency interest rate swap contracts	**70.7**	41.3	**70.7**	41.3
	82.5	46.7	**82.5**	46.7
Current liabilities				
Interest rate swap contracts	**1.2**	0.1	**1.2**	0.1
Non-current liabilities				
Interest rate swap contracts	**3.5**	0.1	**3.5**	0.1

The interest rate swaps and cross currency interest rate swaps are to hedge financing facilities. Refer note 15 and note 28. As at 30 June 2016 the Group and the Retail Trust had no swaps designated as cash flow hedges (30 June 2015: nil).

The Group does not speculatively trade in derivative financial instruments and the terms and conditions of the derivative financial instruments are similar to the terms and conditions of the underlying instruments being hedged.

12. Assets classified as held for sale

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Assets classified as held for sale	-	60.9	-	60.9

As at 30 June 2015, 5 properties were classified as held for sale as those properties were under a contract of sale. These properties were sold on 1 October 2015 at their 30 June 2015 book value.

During the year the Group established a funds management business comprising the management of SCA Unlisted Fund No 1 (SURF 1). The Group entered into a contract to sell 5 properties to establish SURF 1 in June 2015. These properties were: Woolworths Fairfield, Woolworths Griffith North, Dan Murphy's Burwood, Dan Murphy's Katoomba and Big W Inverell. The Group settled the sale of these properties to SURF 1 on 1 October 2015 for $60.9 million and retains a 24.4% interest in SURF 1. At 30 June 2015 these properties were classified for financial reporting purposes as held for sale.

13. Investment properties

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Movement in total investment properties				
Opening balance	**1,895.4**	1,640.8	**1,895.4**	1,640.8
Acquisitions, and development expenditure	**164.4**	256.8	**164.4**	256.8
Disposals	**-**	(16.2)	**-**	(16.2)
Additions including tenant incentives, leasing fees and straight-lining of rental income net of amortisation	**9.3**	16.0	**9.3**	16.0
Unrealised gain/ (loss) on property valuations	**26.9**	61.7	**26.9**	61.7
Discontinued Operation (refer note 9)				
- Additions including tenant incentives, leasing fees and straight-lining of rental income net of amortisation on discontinued operation	**1.5**	-	**1.5**	-
- Unrealised gain/ (loss) on property valuations of disposal group held for sale (refer note 9)	**28.0**	6.2	**28.0**	6.2
- Effect of foreign currency exchange differences	**15.6**	(9.0)	**15.6**	(9.0)
- Assets classified as discontinued operation	**(253.1)**	-	**(253.1)**	-
Assets classified as held for sale	**-**	(60.9)	**-**	(60.9)
Closing balance	**1,888.0**	1,895.4	**1,888.0**	1,895.4

Property	State	Property Type	Book value cap rate[1] 30 Jun 2016	Book value discount rate 30 Jun 2016	Book value 30 Jun 2016 $m	Book value 30 June 2015 $m
Investment properties - Australia						
Sub-Regional						
Lilydale	VIC	Sub-Regional	6.75%	8.50%	**90.0**	88.0
Pakenham	VIC	Sub-Regional	7.00%	8.25%	**72.5**	72.5
Central Highlands	QLD	Sub-Regional	7.50%	8.50%	**61.7**	65.0
Whitsunday	QLD	Sub-Regional	8.00%	9.25%	**33.6**	47.0
Mt Gambier	SA	Sub-Regional	7.34%	8.42%	**63.7**	66.4
Murray Bridge	SA	Sub-Regional	7.50%	8.50%	**61.0**	63.3
Kwinana Marketplace	WA	Sub-Regional	7.50%	9.25%	**98.0**	93.0
Total Sub-Regional					**480.5**	495.2
Neighbourhood						
Berala	NSW	Neighbourhood	6.50%	7.50%	**23.0**	20.4
Cabarita	NSW	Neighbourhood	6.75%	7.50%	**19.5**	18.2
Cardiff	NSW	Neighbourhood	7.00%	7.75%	**20.0**	19.2
Goonellabah	NSW	Neighbourhood	7.25%	8.00%	**19.3**	17.8
Greystanes	NSW	Neighbourhood	6.50%	8.00%	**48.0**	44.3
Griffin Plaza[2]	NSW	Neighbourhood	7.50%	8.50%	**23.5**	-
Lane Cove	NSW	Neighbourhood	6.50%	8.25%	**48.5**	44.9
Leura	NSW	Neighbourhood	6.75%	7.75%	**15.1**	13.7
Lismore	NSW	Neighbourhood	7.50%	8.25%	**31.5**	27.2
Macksville	NSW	Neighbourhood	7.00%	8.50%	**11.8**	10.9
Merimbula	NSW	Neighbourhood	7.25%	8.00%	**15.7**	14.7
Mittagong Village	NSW	Neighbourhood	7.00%	8.00%	**9.1**	7.8
Moama Marketplace	NSW	Neighbourhood	7.50%	8.00%	**11.6**	11.6
Morisset	NSW	Neighbourhood	7.50%	8.25%	**16.2**	15.7
Northgate[2]	NSW	Neighbourhood	7.25%	8.00%	**14.8**	-
North Orange	NSW	Neighbourhood	7.00%	7.75%	**27.0**	26.0
Swansea	NSW	Neighbourhood	7.00%	7.50%	**13.5**	11.7
Ulladulla	NSW	Neighbourhood	7.00%	7.75%	**19.0**	17.3
West Dubbo	NSW	Neighbourhood	7.25%	8.25%	**14.6**	13.7
Albury	VIC	Neighbourhood	7.25%	8.25%	**20.4**	19.5
Ballarat	VIC	Neighbourhood	7.50%	7.00%	**18.0**	18.7
Cowes	VIC	Neighbourhood	7.50%	8.25%	**17.5**	17.5
Drouin	VIC	Neighbourhood	6.75%	7.75%	**13.4**	12.7
Epping North	VIC	Neighbourhood	6.25%	7.00%	**26.0**	23.2
Highett	VIC	Neighbourhood	6.75%	7.75%	**25.0**	23.6
Langwarrin	VIC	Neighbourhood	6.75%	7.75%	**21.0**	17.8
Ocean Grove	VIC	Neighbourhood	6.75%	7.25%	**33.5**	31.5
Warrnambool East	VIC	Neighbourhood	7.25%	8.25%	**12.5**	11.9
Warrnambool Target	VIC	Neighbourhood	7.75%	7.75%	**18.6**	19.6
Wonthaggi[2]	VIC	Neighbourhood	7.00%	8.25%	**45.4**	-
Wyndham Vale	VIC	Neighbourhood	6.75%	7.75%	**21.0**	18.7

Property	State	Property Type	Book value cap rate[1] 30 Jun 2016	Book value discount rate 30 Jun 2016	Book value 30 Jun 2016 $m	Book value 30 June 2015 $m
Investment properties - Australia (continued)						
Neighbourhood						
Ayr	QLD	Neighbourhood	7.50%	8.75%	**18.0**	18.9
Brookwater Village	QLD	Neighbourhood	6.75%	8.00%	**32.0**	31.0
Bushland Beach[2]	QLD	Neighbourhood	6.75%	7.50%	**7.1**	-
Carrara	QLD	Neighbourhood	7.00%	8.00%	**17.0**	16.5
Chancellor Park Marketplace	QLD	Neighbourhood	6.75%	7.75%	**38.5**	29.0
Collingwood Park	QLD	Neighbourhood	7.25%	8.50%	**10.5**	10.0
Coorparoo	QLD	Neighbourhood	6.50%	7.50%	**24.5**	22.8
Gladstone	QLD	Neighbourhood	7.25%	8.25%	**25.5**	26.5
Greenbank[2]	QLD	Neighbourhood	6.50%	8.00%	**23.0**	-
Mackay	QLD	Neighbourhood	7.00%	7.75%	**23.0**	21.9
Marian Town Centre[2]	QLD	Neighbourhood	7.00%	8.00%	**32.0**	-
Mission Beach	QLD	Neighbourhood	7.25%	8.50%	**10.4**	10.2
Mt Warren Park	QLD	Neighbourhood	6.75%	8.25%	**14.7**	14.4
The Markets	QLD	Neighbourhood	6.75%	8.50%	**33.5**	32.3
Woodford	QLD	Neighbourhood	7.25%	8.00%	**10.8**	10.5
Blakes Crossing	SA	Neighbourhood	7.25%	8.00%	**20.0**	19.6
Walkerville	SA	Neighbourhood	7.00%	8.00%	**20.7**	21.5
Busselton	WA	Neighbourhood	6.75%	7.50%	**22.5**	21.0
Treendale	WA	Neighbourhood	7.00%	8.00%	**30.9**	27.5
Burnie	TAS	Neighbourhood	8.50%	8.50%	**19.5**	20.0
Claremont Plaza	TAS	Neighbourhood	7.28%	8.50%	**31.2**	30.9
Glenorchy Central	TAS	Neighbourhood	7.75%	9.00%	**23.0**	21.0
Greenpoint	TAS	Neighbourhood	8.25%	9.00%	**13.5**	13.5
Kingston	TAS	Neighbourhood	7.29%	8.54%	**23.5**	23.5
Meadow Mews	TAS	Neighbourhood	7.50%	8.00%	**48.0**	44.0
New Town Plaza	TAS	Neighbourhood	7.75%	9.25%	**30.0**	30.0
Prospect Vale	TAS	Neighbourhood	7.50%	9.00%	**26.4**	26.8
Riverside	TAS	Neighbourhood	8.50%	9.00%	**7.6**	7.6
Shoreline	TAS	Neighbourhood	7.25%	8.75%	**30.5**	29.0
Sorell	TAS	Neighbourhood	7.25%	8.50%	**22.7**	22.5
Total Neighbourhood					**1,364.5**	1,152.2
Freestanding						
Katoomba Marketplace	NSW	Freestanding	6.75%	7.00%	**43.0**	40.0
Total Freestanding					**43.0**	40.0
Total investment properties Australia					**1,888.0**	1,687.4

Property	Property Type	Book value cap rate[1] 30 Jun 2016	Book value discount rate 30 Jun 2016	Book value 30 Jun 2016 $m	Book value 30 June 2015 $m
Investment properties - New Zealand[3]					
Neighbourhood					
Kelvin Grove	Neighbourhood	-	-	-	10.2
Newtown	Neighbourhood	-	-	-	18.8
St James	Neighbourhood	-	-	-	12.1
Takanini	Neighbourhood	-	-	-	30.3
Warkworth	Neighbourhood	-	-	-	15.2
Total Neighbourhood		-	-	-	86.6
Freestanding					
Bridge Street	Freestanding	-	-	-	13.7
Dunedin South	Freestanding	-	-	-	14.1
Hornby	Freestanding	-	-	-	14.7
Kerikeri	Freestanding	-	-	-	13.7
Nelson South	Freestanding	-	-	-	9.5
Rangiora East	Freestanding	-	-	-	11.7
Rolleston	Freestanding	-	-	-	13.4
Stoddard Road	Freestanding	-	-	-	17.7
Tawa	Freestanding	-	-	-	12.9
Total Freestanding		-	-	-	121.4
Total investment properties New Zealand		-	-	-	208.0
Total investment properties portfolio				**1,888.0**	1,895.4

[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. It excludes consideration of costs of acquisition or disposal.

[2] Properties acquired during the year ended 30 June 2016.

[3] Properties under contract of sale. Refer note 9.

Valuation process

The aim of the valuation process is to ensure that assets are held at fair value and that the Group is compliant with applicable regulations (for example Corporations Act and ASIC regulations) and the Trusts' Constitution and Compliance Plan.

All properties are required to be internally valued every six months with the exception of those independently valued during the current reporting period. The internal valuations are performed by utilising the information from a combination of asset plans and forecasting tools prepared by the asset management team. Appropriate capitalisation rates, terminal yields and discount rates based on comparable market evidence and recent external valuation parameters are used to produce a capitalisation based valuation and a discounted cash flow valuation.

The internal valuations are reviewed by management who recommends each property's valuation to the Audit, Risk Management and Compliance Committee and the Board in accordance with the Group's internal valuation protocol.

The Retail Trust's Compliance Plan requires that each property in the portfolio is valued by an independent valuer at least every three years. In practice, properties may be independently valued more frequently than every three years primarily as a result of:

- A significant variation between book value and internal valuation.
- A major development project.
- A period where there is significant market movement.

Independent valuations are performed by independent external valuers who hold a recognised relevant professional qualification and have specialised expertise in the types of investment properties valued.

Fair value measurement, valuation technique and inputs

The key inputs used to measure fair values of investment properties are disclosed below along with their sensitivity to an increase or decrease.

The investment properties fair values presented are based on market values, which are derived using the capitalisation and the discounted cash flow methods. The Group's preferred or primary method is the capitalisation method.

Capitalisation method

Capitalisation rate (or cap rate) is an approximation of the ratio between the net operating income produced by an investment property and its fair value. This excludes consideration of costs of acquisition or disposal. The net operating income is determined considering the estimated gross passing income after adjustment for anticipated operating costs, potential future income from existing vacancies and an on-going vacancy and bad debt allowance. This produces a net income on a fully leased basis which is capitalised in perpetuity from the valuation date at an appropriate investment yield. The adopted percentage rate investment yield reflects the capitalisation rate (cap rate) and includes consideration of the property type, location and tenancy profile together with market sales.

Discounted cash flows (DCF)

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. The DCF method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate discount rate is applied to establish the present value of the income stream associated with the real property. The discount rate is the rate of return used to convert a monetary sum, payable or receivable in the future, into present value. The rate is determined with regards to market evidence.

Investment properties under development are classified as investment property and stated at fair value at each reporting date. Fair value is assessed with reference to reliable estimates of future cash flows, status of the development and the associated risk profile.

Category	Fair value hierarchy	Book value 30 June 2016 $m	Valuation technique	Key inputs used to measure fair value	Range of unobservable inputs
Completed portfolio	Level 3	1,888.0	Income capitalisation and DCF[1]	Capitalisation rate Discount rate	6.25% - 8.50% 7.00% - 9.25%

Category	Fair value hierarchy	Book value 30 June 2015 $m	Valuation technique	Key inputs used to measure fair value	Range of unobservable inputs
Completed portfolio	Level 3	1,895.4	Income capitalisation and DCF[1]	Capitalisation rate Discount rate	7.00% – 8.75% 7.75% – 9.75%

[1] Discounted cash flow.

All property investments are categorised as level 3 in the fair value hierarchy (refer note 28(c) for additional information in relation to the fair value hierarchy). There were no transfers between hierarchies.

Sensitivity information

The key inputs to measure fair value of investment properties are disclosed below along with sensitivity to a significant increase or decrease. The following sensitivity to significant inputs applies to investment properties (refer note 2(v)).

Significant inputs	Fair value measurement sensitivity to significant increase in input	Fair value measurement sensitivity to significant decrease in input
Capitalisation rate	Decrease	Increase
Discount rate	Decrease	Increase

Sensitivity analysis

When calculating the income capitalisation approach, the net market rent has a strong interrelationship with the adopted capitalisation rate given the methodology involves assessing the total net market income receivable from the property and capitalising this in perpetuity to derive a capital value. The impact on the fair value of an increase in the net market rent could potentially offset the impact of an increase (softening) in the adopted capitalisation rate. The same can be said for a decrease in the net market rent and a decrease (tightening) in the adopted capitalisation rate. A directionally opposite change in the net market rent and the adopted capitalisation rate would magnify the impact to the fair value.

When assessing a discounted cash flow, the adopted discount rate and adopted terminal yield have a strong interrelationship in deriving a fair value given the discount rate will determine the rate at which the terminal value is discounted to the present value. The impact on the fair value of an increase (softening) in the adopted discount rate could potentially offset the impact of a decrease (tightening) in the adopted terminal yield. The same can be said for a decrease (tightening) in the discount rate and an increase (softening) in the adopted terminal yield. A directionally similar change in the adopted discount rate and the adopted terminal yield would magnify the impact to the fair value.

Other inputs or factors also impact a valuation. These factors are many and include: market rental reversion, current rental, property expenses, capital expenditure, and tenant incentives.

The Group has considered these factors and believes the most significant input to fair value of investment properties at balance date is the capitalisation rate as the capitalisation rate is in line with the Group's understanding of the market practice at which the price is determined for similar properties. Notwithstanding the Group's view that capitalisation rate is the most significant input, movements in one or more of other factors above may change the valuation.

Sensitivity analysis – capitalisation rate

A sensitivity analysis of the impact on the investment property valuations of movements in the capitalisation rate is disclosed below as the capitalisation rate method is the primary method for conducting the valuation. While other factors do also impact a valuation, at the current time, the Group considers that the valuations are most sensitive to movements in the capitalisation rate.

The following sensitivity analysis from the Australian investment properties (continuing operations and excluding the discontinued operation - refer note 9) shows the effect on profit/loss after tax and on equity of a 25 basis points (bps) increase/decrease in capitalisation rates at balance sheet date with all other variables held constant.

	Profit/loss after tax		**Equity**	
	25 bps increase $m	**25 bps decrease $m**	**25 bps increase $m**	**25 bps decrease $m**
30 June 2016				
SCA Property Group				
Investment properties	**(64.8)**	**69.5**	**(64.8)**	**69.5**
Retail Trust				
Investment properties	**(64.8)**	**69.5**	**(64.8)**	**69.5**
30 June 2015				
SCA Property Group				
Investment properties	(60.7)	65.8	(60.7)	65.8
Retail Trust				
Investment properties	(60.7)	65.8	(60.7)	65.8

14. Trade and other payables

	SCA Property Group		**Retail Trust**	
	30 Jun 2016 $m	30 Jun 2015 $m	**30 Jun 2016 $m**	30 Jun 2015 $m
Current				
Payables and other creditors[1]	**22.6**	20.9	**21.6**	20.1
Income tax payable	**0.4**	-	**0.2**	-
Payables to related parties	**-**	-	**7.4**	5.4
	23.0	20.9	**29.2**	25.5

[1] Payables and other creditors are generally payable within 30 days.

15. Interest bearing liabilities

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Unsecured Bank Bilateral Facilities[1]				
- A$ denominated	**210.0**	155.0	**210.0**	155.0
- NZ$ denominated (converted to A$)[1]	**-**	108.3	**-**	108.3
	210.0	263.3	**210.0**	263.3
Unsecured A$ Medium term note				
- A$ denominated	**175.0**	175.0	**175.0**	175.0
Unsecured US Notes				
- A$ denominated	**50.0**	50.0	**50.0**	50.0
- US$ denominated (converted to A$)	**202.0**	194.5	**202.0**	194.5
	252.0	244.5	**252.0**	244.5
Total unsecured debt outstanding	**637.0**	682.8	**637.0**	682.8
Less: unamortised establishment fees	**(2.3)**	(2.7)	**(2.3)**	(2.7)
Interest bearing liabilities	**634.7**	680.1	**634.7**	680.1
Add:				
- NZ$ denominated (converted to A$)	**135.9**	-	**135.9**	-
Total including liabilities associated with disposal group held for sale[1]	**770.6**	680.1	**770.6**	680.1

[1] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand assets (including NZ$ cash) and liabilities (including NZ$ debt) have been treated as a disposal group with the total assets and total liabilities of the disposal group shown separately to the other assets and liabilities of the Group for 30 June 2016. For the year ended 30 June 2015 the NZ$ denominated cash and debt denominated was disclosed as part of the Group's cash and unsecured bilateral facilities drawn respectively.

Financing facilities and financing resources

The debt facilities are made up of Bilateral Bank Facilities, A$ medium term notes and US notes. 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 unsecured bilateral facilities are with four banks and are made up of eight debt facilities. The bilateral terms have been negotiated to achieve a balance between capital availability and the cost of debt including unused debt. The facilities are unsecured, revolving, multi-use, and can be used interchangeably. The facility limit for the facility used for NZD is based in AUD and can be used for AUD.

During the year the Group agreed to an extension of maturity and changes in facility limit of several of its bilateral debt facilities.

One of the bilateral facilities can also be used for bank guarantees. As at 30 June 2016, in addition to the bilateral debt facilities drawn above, $10.0 million of the bilateral debt facilities available was used to support a $10.0 million bank guarantee (30 June 2015: $10.0 million).

The bank guarantee assists with the Responsible Entity's compliance with its Australian Financial Services Licence. Details of the bilateral facilities and the available financing resources are below.

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Financing facilities and financing resources[1]				
Bilateral bank facilities				
Committed Bilateral financing facilities available	**445.0**	420.0	**445.0**	420.0
Less: amounts drawn down				
- Continuing operations (AUD)	**(210.0)**	(155.0)	**(210.0)**	(155.0)
- Discontinuing operations (NZD)	**(135.9)**	(108.3)	**(135.9)**	(108.3)
Less: amounts utilised for bank guarantee	**(10.0)**	(10.0)	**(10.0)**	(10.0)
Total amounts drawn down	**(355.9)**	(273.3)	**(355.9)**	(273.3)
Net Bilateral facilities available	**89.1**	146.7	**89.1**	146.7
Add: cash and cash equivalents	**-**	3.7	**-**	2.1
- Continuing operations (AUD)	**3.8**	-	**2.3**	-
- Discontinuing operations (NZD)	**0.3**	-	**0.3**	-
Financing resources available	**93.2**	150.4	**91.7**	148.8

[1] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand assets (including NZ$ cash) and liabilities (including NZ$ debt) have been treated as a disposal group with the total assets and total liabilities of the disposal group shown separately to the other assets and liabilities of the Group for 30 June 2016. For the year ended 30 June 2015 the NZ$ denominated cash and debt denominated was disclosed as part of the Group's cash and unsecured bilateral facilities drawn respectively.

A$ medium term note (A$ MTN)

In April 2015 the Group issued AUD denominated unsecured medium term notes with aggregate face value of $175.0 million (A$ MTN). These notes are fixed rate notes with a coupon of 3.75% and expire in April 2021.

During July 2016 the Group issued another tranche of medium term notes with an aggregate face value of $50.0 million for consideration of $50.6 million (including a premium of $0.6 million). These notes were issued under the same terms as the original notes (with a coupon of 3.75% and expiry of April 2021); the issue price was at a premium such that the effective interest rate is 3.50%.

US Notes

In August 2014 the Group issued unsecured 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 (US notes). These US notes are rated Baa1 by Moody's Investor Services (Moody's).

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 have been fully economically swapped back to Australian dollars (floating interest rates) through cross currency interest rate swaps.

The value of the US$150.0 million notes are translated at the prevailing foreign exchange rate. At 30 June 2016 this was AUD 1.00 = USD 0.7425 which resulted in a translated value of the US$150.0 million notes of A$202.0 million (30 June 2015: $194.5 million).

The Group has economically hedged its exposure to the foreign exchange risk inherent in the carrying value of its US dollar borrowings by using cross currency interest rate swap contracts. Under the cross currency interest rate swap contracts, the Group has agreed to exchange specified principal and interest foreign currency amounts at agreed future dates at a specified exchange rate. Such contracts have enabled the Group to mitigate the risk of adverse movements in foreign exchange rates in relation to principal and interest payments arising under the US dollar note issue. Under these swaps the Group has and will receive fixed amounts in US dollars and pay variable interest rates (based on Australian BBSW). The foreign currency principal and interest amounts payable on the USD denominated US notes have been fully economically hedged by the use of cross currency interest rate swaps. The cross currency interest rate swaps also include an exchange of principal pursuant to which the US$150.0 million received in August 2014 has been swapped to A$159.8 million using an exchange rate of AUD 1.00 = USD 0.9387. On maturity the A$159.8 million will be swapped back to US$150.0 million.

The value of the US$ denominated debt of US$150.0 million converted at the prevailing spot rate at 30 June 2016 of 0.7425 was A$202.0 million (30 June 2015 at 0.7712 was A$194.5 million). The difference of $42.2 million (being the difference between the economically hedged value of $159.8 million and the prevailing spot value at 30 June 2016 of A$202.0 million) has been treated as an unrealised foreign exchange loss since inception. The amount attributable to the current year ended 30 June 2016 is $7.5 million which is based on the movement in the prevailing spot rate from 30 June 2015 to 30 June 2016. Additional information is below:

Date	**Hedged or Prevailing spot exchange rate**	**USD Value USD$'m**	**AUD Value A$'m**	**Unrealised gain / (loss) A$'m**
Hedged FX rate	0.9387	$150.0	$159.8	-
30 June 2015	0.7712	$150.0	$194.5	($34.7)
30 June 2016	0.7425	$150.0	$202.0	($7.5)
			Cumulative	**($42.2)**

The cross currency interest rate swaps are valued for financial reporting purposes separately from the US notes. Refer note 28.

Unsecured Debt Usage and Maturity

The debt maturity profile in respect of interest bearing liabilities is set out below.

30 Jun 2016

Unsecured Financing Facilities	Facility Limit $m	Drawn incl BG[1] $m	Undrawn $m	Facility Maturity Date
Bank Bilateral Facilities				
Bank bilateral	25.0	-	25.0	Nov-18
Bank bilateral	25.0	25.0	-	Dec-18
Bank bilateral	25.0	10.0	15.0	Feb-19
Bank bilateral	75.0	75.0	-	Dec-19
Bank bilateral[1]	75.0	60.0	15.0	Dec-19
Bank bilateral	80.0	50.0	30.0	Dec-19
	305.0	220.0	85.0	
A$ Medium term note				
A$ denominated	175.0	175.0	-	Apr-21
US Notes				
US$ denominated (converted to A$)	134.7	134.7	-	Aug-27
US$ denominated (converted to A$)	67.3	67.3	-	Aug-29
A$ denominated	50.0	50.0	-	Aug-29
	252.0	252.0	-	
Total unsecured financing facilities available and drawn (including bank guarantee[1]) used by continuing operations	732.0	647.0	85.0	
Bank bilateral (drawn in NZ$ and used by discontinued group (refer note 9))[2, 3]	140.0	135.9	4.1	Dec-18
Total unsecured financing facilities available and drawn available to the Group	872.0	782.9	89.1	

[1] Drawn includes $10.0 million allocation of facility limit used for a $10.0 million bank guarantee.
[2] On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Consequently the New Zealand assets (including NZ$ cash) and liabilities (including NZ$ debt) have been treated as a disposal group with the total assets and total liabilities of the disposal group (refer note 9) shown separately to the other assets and liabilities of the Group for 30 June 2016. For the year ended 30 June 2015 the NZ$ denominated cash and debt denominated was disclosed as part of the Group's cash and unsecured bilateral facilities drawn respectively.
[3] Bank bilateral (drawn in NZ$) is a multicurrency facility limit available to be drawn in AU$ and/or NZ$ and is available to be used by the disposal group and / or the continuing group.

30 June 2015

Unsecured Debt Facilities	Facility Limit $m	Drawn[1] $m	Undrawn $m	Facility Maturity Date
Bank Bilateral Facilities				
Bank bilateral	25.0	-	25.0	Nov-17
Bank bilateral	75.0	75.0	-	Dec-17
Bank bilateral[1]	75.0	10.0	65.0	Dec-17
Bank bilateral	25.0	-	25.0	Nov-18
Bank bilateral (drawn in NZ$)	140.0	108.3	31.7	Dec-18
Bank bilateral	25.0	25.0	-	Dec-18
Bank bilateral	25.0	25.0	-	Dec-18
Bank bilateral	30.0	30.0	-	Dec-19
	420.0	273.3	146.7	
A$ Medium term note				
A$ denominated	175.0	175.0	-	Apr-21
US Notes				
US$ denominated (converted to A$)	129.7	129.7	-	Aug-27
US$ denominated (converted to A$)	64.8	64.8	-	Aug-29
A$ denominated	50.0	50.0	-	Aug-29
	244.5	244.5	-	
Total unsecured financing facilities	839.5	692.8	146.7	

[1] Drawn includes $10.0 million allocation of facility limit used for a $10.0 million bank guarantee.

As at 30 June 2016 the total debt facilities available were $872.0 million (30 June 2015: $839.5 million).

Additional information on the cost of the interest bearing liabilities is in note 28.

Debt covenants

The Group is required to comply with certain financial covenants and obligations in respect of the interest bearing liabilities. The major financial covenants and 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 for the year ended and as at 30 June 2016.

Capital management – management gearing

The Group manages its debt by reference to its gearing ratio. Its gearing ratio is determined by:

- 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
- Total tangible assets net of cash and derivatives.

As the US notes USD denominated debt has been fully economically hedged, for this purpose the US notes US$ denominated debt of US$150.0 million is recorded at its economically hedged value of A$159.8 million. This also results in management gearing being based on a constant currency basis.

The Group's gearing was 34.0% as at 30 June 2016 (30 June 2015: 33.3%).

The Group's target gearing range is within 30% to 40% with a preference to be around 35%. The Group's gearing calculation is below.

Gearing (management)[1]	30 Jun 2016 $m	30 Jun 2015 $m
Bilateral and A$ notes		
Unsecured bilateral facilities drawn	**-**	263.3
- Continuing operations (AUD)	**210.0**	-
- Discontinued operation (NZD)	**135.9**	-
Unsecured bilateral facilities used for bank guarantee	**10.0**	10.0
Unsecured A$ medium term notes	**175.0**	175.0
	530.9	448.3
US Notes		
US$ denominated notes - USD face value	**150.0**	150.0
Economically hedged exchange rate	**0.9387**	0.9387
US$ denominated notes - AUD equivalent	**159.8**	159.8
A$ denominated notes	**50.0**	50.0
Total US Notes	**209.8**	209.8
Total debt used and drawn AU$ equivalent	**740.7**	658.1
Less: cash and cash equivalents	**-**	(3.7)
- Continuing operations (AUD)	**(3.8)**	-
- Discontinuing operation (NZD)	**(0.3)**	-
Net debt for gearing	**736.6**	654.4
Total assets	**2,258.7**	2,021.0
Less: cash and cash equivalents	**-**	(3.7)
- Continuing operations (AUD)	**(3.8)**	-
- Discontinued operation (NZD)	**(0.3)**	-
Less: derivative value included in total assets	**(85.8)**	(49.9)
Net total assets for gearing	**2,168.8**	1,967.4
Gearing (management)	**34.0%**	33.3%

[1] Unsecured bilateral facilities drawn and cash and cash equivalents, includes balances within the discontinued operation and disposal group held for sale (refer note 9).

16. Contributed equity

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Equity	**1,252.4**	1,228.1	**1,244.9**	1,220.7
Issue costs	**(28.4)**	(28.4)	**(28.3)**	(28.3)
	1,224.0	1,199.7	**1,216.6**	1,192.4
Equity of Management Trust				
Opening balance	**7.3**	6.4		
Equity raised through Distribution Reinvestment Plan January 2016	**0.1**	-		
Equity raised through unitholder purchase plan in April 2015	**-**	0.4		
Equity raised through institutional placement in June 2015	**-**	0.5		
Closing balance	**7.4**	7.3		
Equity of Retail Trust				
Opening balance	**1,192.4**	1,049.0	**1,192.4**	1,049.0
Equity raised through Distribution Reinvestment Plan - January 2015	**-**	4.1	**-**	4.1
Equity raised through Unitholder Purchase Plan - April 2015	**-**	61.7	**-**	61.7
Equity raised through institutional placement - June 2015	**-**	79.5	**-**	79.5
Equity raised through executive security based compensation arrangements - 3 July 2015	**-**	-	**-**	-
Equity raised through Distribution Reinvestment Plan August 2015	**6.9**	-	**6.9**	-
Equity raised through Distribution Reinvestment Plan January 2016	**17.4**	-	**17.3**	-
Issue costs	**-**	(1.9)	**-**	(1.9)
Closing balance	**1,216.6**	1,192.4	**1,216.6**	1,192.4
Balance at the end of the period is attributable to unit holders of:				
Shopping Centres Australasia Property Management Trust	**7.4**	7.3	**-**	-
Shopping Centres Australasia Property Retail Trust	**1,216.6**	1,192.4	**1,216.6**	1,192.4
	1,224.0	1,199.7	**1,216.6**	1,192.4

Units on Issue

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	millions	millions	**millions**	millions
Opening balance	**721.5**	648.6	**721.5**	648.6
Equity issued for executive security based compensation arrangements - 3 July 2015	**0.1**	-	**0.1**	-
Equity raised through Distribution Reinvestment Plan - 28 Aug 2015	**3.3**	-	**3.3**	-
Equity raised through Distribution Reinvestment Plan - 29 Jan 2016	**8.5**	-	**8.5**	-
Equity raised through Distribution Reinvestment Plan - 30 January 2015	**-**	2.2	**-**	2.2
Equity raised through Unitholder Purchase Plan - 9 April 2015	**-**	31.1	**-**	31.1
Equity raised through institutional placement - 18 June 2015	**-**	39.6	**-**	39.6
Closing balance	**733.4**	721.5	**733.4**	721.5

As long as Shopping Centres Australasia Property Group remains jointly quoted, the number of units in each of the Trusts is equal and the unitholders identical. Holders of stapled units are entitled to receive distributions as declared from time to time. SCA Property Group holds concurrent meetings of the Retail Trust and Management Trust. Subject to any voting restrictions imposed on a unitholder under the Corporations Act 2001 and the Australian Securities Exchange at a meeting of members, on a show of hands, each member has one vote. On a poll, each member has one vote for each dollar of the value of the total interest that they have in the relevant underlying Retail Trust or Management Trust respectively.

During the year new units were issued and equity raised as a result of the operation of the distribution reinvestment plan, unit purchase plan and an institutional placement. Additional information on these issues is below.

Issue of units from distribution reinvestment plan (DRP)

The Group has a DRP in place which was activated on 5 November 2014 for distributions paid after 14 November 2014. The DRP was not available for any of the distributions declared or paid prior to 14 November 2014. The first distribution that the DRP applied to was the distribution paid on 30 January 2015. During the year the DRP was applied to the distributions paid on 28 August 2015 and 29 January 2016.

The DRP issue price was determined at a discount of 1.0% to the arithmetic average of the daily volume weighted average market price of units traded on the ASX during the 10 business days commencing on the business day after the record date. The equity raised through the DRP on 28 August 2015 was $6.9 million by the issue of 3,278,549 units at a price of $2.09. The equity raised through the DRP on 29 January 2016 was $17.4 million by the issue of 8,523,042 units at a price of $2.04.

The DRP was suspended for the distribution declared in June 2016 and payable in August 2016.

17. Reserves (net of income tax)

	Retail Trust	
	30 Jun 2016	30 Jun 2015
	$m	$m
Cash flow hedge reserve	**-**	-
Share based payment reserve	**1.7**	1.1
Foreign currency translation reserve	**15.3**	3.8
	17.0	4.9
Movements in reserves		
Cash flow hedge reserve		
Opening balance	**-**	(1.0)
Effective portion of changes in the fair value of cash flow hedges during the year	**-**	1.0
Closing balance	**-**	-
Share based payment reserve		
Balance at the beginning of the year	**1.1**	0.3
Employee share based payments	**0.7**	0.8
Transfer to share capital	**(0.1)**	-
Closing balance	**1.7**	1.1
Foreign currency translation reserve		
Opening balance	**3.8**	11.0
Translation differences arising during the year	**11.5**	(7.2)
Closing balance	**15.3**	3.8

Cash flow hedge reserve

The cash flow hedge reserve was used to record the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges.

Share based payment reserve

Refer note 24.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operation.

18. Accumulated profit and loss

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Opening balance	**72.3**	(0.1)	**74.0**	1.6
Net profit for the year	**184.7**	150.5	**184.2**	150.5
Distributions paid and payable (note 3)	**(89.0)**	(78.1)	**(89.0)**	(78.1)
Closing balance	**168.0**	72.3	**169.2**	74.0

Balance at the end of the year is attributable to unit holders of:		
Shopping Centres Australasia Property Management Trust	**(1.2)**	(1.7)
Shopping Centres Australasia Property Retail Trust	**169.2**	74.0
	168.0	72.3

19. Notes to statements of cash flows

Reconciliation of profit to net cash flow from operating activities is below. Cash flow from continuing and discontinued operations have been treated collectively.

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Net profit after tax	**184.7**	150.5	**184.2**	150.5
Net unrealised (gain) / loss on change in fair value of investment properties	**(54.9)**	(67.9)	**(54.9)**	(67.9)
Net unrealised (gain) / loss on change in fair value of financial assets	**-**	2.3	**-**	2.3
Net unrealised (gain) / loss on change in fair value of derivatives	**(31.2)**	(52.0)	**(31.2)**	(52.0)
Net unrealised (gain) / loss on change in foreign exchange	**7.5**	34.7	**7.5**	34.7
Straight-lining of rental income and amortisation of incentives	**(1.3)**	(4.4)	**(1.3)**	(4.4)
Rental guarantee income received	**-**	10.5	**-**	10.5
(Decrease) / increase in payables	**6.4**	(8.7)	**5.8**	(9.1)
Non-cash financing expenses	**0.9**	2.2	**0.9**	2.2
Other non-cash items and movements in other assets	**(4.0)**	3.5	**(4.0)**	3.6
(Increase) / decrease in receivables	**(5.8)**	11.0	**(4.4)**	11.1
Net cash flow from operating activities	**102.3**	81.7	**102.6**	81.5

20. Operating leases

All the investment properties (refer note 13) are subject to operating leases.

The investment properties are leased to tenants under long term operating leases with rentals payable monthly. Significant types of tenants include supermarkets, discount department stores, liquor stores and specialty stores. Lease terms can vary for each lease.

For supermarkets and discount department stores, lease terms for new leases are commonly from 15 to 20 years and are typically followed by a number of optional lease extensions exercisable by the tenant. The lease for these tenants also generally includes provision for additional rent in the form of sales turnover rent. Where sales turnover rent applies, it is payable annually in arrears where the sum of the initial rent and the turnover rent percentage amount for a year exceeds the sum of the base rent. Additionally the base rent for some of these tenants is subject to fixed periodic increases of up to 5% at the rent review date. The rent review date is typically every 5 years from the lease start or renewal.

For other tenants lease terms would commonly be for shorter periods such as five years with provisions for annual reviews which typically comprise either CPI based increases, fixed percentage increases or market reviews. Optional lease extensions exercisable by the tenant are also relatively common. Specialty leases incorporate provisions for reporting of sales turnover and may include payment of turnover rent percentage rental if appropriate.

Minimum lease payments receivable under non-cancellable operating leases of investment properties (excluding those properties held in the disposal group – refer to note 9) are as follows.

	SCA Property Group		**Retail Trust**	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Within one year	**157.0**	165.5	**157.0**	165.5
Between one and five years	**512.2**	573.4	**512.2**	573.4
After five years	**895.1**	1,205.4	**895.1**	1,205.4
	1,564.3	1,944.3	**1,564.3**	1,944.3

There was $1.2 million of percentage or turnover rent recognised as income in the current year (30 June 2015: $1.1 million).

21. Capital commitments

Estimated capital expenditure committed at balance sheet date but not provided for:

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Within one year	**133.2**	-	**133.2**	-
Between one and five years	**-**	45.6	**-**	45.6
	133.2	45.6	**133.2**	45.6

The 30 June 2016 balance relates to:

- **Bushland Beach (QLD) ($18.0 million):** prior to 30 June 2016 the Group acquired a neighbourhood shopping centre and adjacent development land, known as Bushland Beach Plaza, for a purchase price of $7.1 million (excluding acquisition costs) and the Group entered into a development management agreement with a recognised developer to develop an expanded neighbourhood shopping centre anchored by a Coles supermarket for an additional $18.0 million. The additional $18.0 million is expected to be spent during FY 17.
- **Muswellbrook Fair (NSW) ($27.8 million):** prior to 30 June 2016 a deposit was paid of $1.5 million to acquire the neighbourhood centre at Muswellbrook. Upon completion the remaining balance due was $27.8 million (prior to settlement adjustments and stamp duty). This property completed in July 2016.
- **Clemton Park (NSW) ($45.6 million):** on completion of the development via a put and call option arrangement. Under this arrangement in December 2014 the Group paid $2.4 million for the option. On completion of the development of the property the Group will acquire it for $48.0 million less the amount already paid of $2.4 million. The completion of the development is expected to be in 2017. Refer note 29. (30 June 2015: $45.6 million).
- **Greenbank (QLD) ($10.0 million):** During the year the Group entered into a conditional agreement to acquire Greenbank neighbourhood shopping centre for $23.0 million (excluding transaction costs). This transaction settled in January 2016. This acquisition includes a call option for the Group to acquire ten hectares of adjacent development land for $10.0 million exercisable at any time within 5 years from the date of acquisition. This exercise amount has been treated as current as the Group may exercise this option at its sole discretion within 12 months although there is no immediate expectation of exercise (and the vendor has a put option which is exercisable in December 2020 if the call option is not exercised by that time).
- **Annandale (QLD) ($31.8 million):** Additionally in early August 2016 the Group exchanged contracts to purchase Annandale Central, a neighbourhood centre in Queensland, for $33.5 million (excluding transaction costs). A deposit of $1.7 million has been paid in August 2016 with the remainder of $31.8 million (excluding transaction costs) due on settlement. This is expected to settle in early 2017.

The 30 June 2015 balance relates to Clemton Park.

22. Segment reporting – continuing operations and discontinued operation

The Group and Retail Trust invest in shopping centres located in Australia and New Zealand and the chief decision makers of the Group base their decisions on these segments. The Management Trust operates only within one segment, Australia. No segmental reporting is shown for Shopping Centres Australasia Property Retail Trust as this is not required under AASB 8.

	Australia		New Zealand		Unallocated		Total	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015	**30 Jun 2016**	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m
Income and expenses								
Revenue								
Rental income[1]	**180.7**	156.4	**18.8**	18.9	**-**	-	**199.5**	175.3
Other property income	**-**	0.5	**-**	-	**-**	-	**-**	0.5
Funds Management Income	**1.2**	-	**-**	-	**-**	-	**1.2**	-
Insurance Income	**5.0**	-	**-**	-	**-**	-	**5.0**	-
	186.9	156.9	**18.8**	18.9	**-**	-	**205.7**	175.8
Expenses								
Property expenses	**(56.0)**	(46.3)	**(2.1)**	(1.9)	**-**	-	**(58.1)**	(48.2)
Corporate costs	**-**	-	**-**	-	**(11.9)**	(11.2)	**(11.9)**	(11.2)
	(56.0)	(46.3)	**(2.1)**	(1.9)	**(11.9)**	(11.2)	**(70.0)**	(59.4)
Segment result	**130.9**	110.6	**16.7**	17.0	**(11.9)**	(11.2)	**135.7**	116.4
Fair value adjustments on investment properties	**26.9**	61.7	**28.0**	6.2	**-**	-	**54.9**	67.9
Fair value adjustments on derivatives	**-**	-	**-**	-	**31.2**	52.0	**31.2**	52.0
Fair value adjustments on financial assets	**-**	(2.3)	**-**	-	**-**	-	**-**	(2.3)
Fair value adjustments from associate	**0.6**	-	**-**	-	**-**	-	**0.6**	-
Foreign exchange	-	-	**-**	-	**(7.5)**	(34.7)	**(7.5)**	(34.7)
Transaction costs	**-**	-	**-**	-	**(0.1)**	(0.1)	**(0.1)**	(0.1)
Interest income		-		-	**0.2**	0.3	**0.2**	0.3
Financing costs	**-**	-	**-**	-	**(27.8)**	(46.7)	**(27.8)**	(46.7)
Tax	**-**	-	**-**	-	**(2.5)**	(2.3)	**(2.5)**	(2.3)
Net profit/ (loss) after tax for the year attributable to unitholders	**158.4**	170.0	**44.7**	23.2	**(18.4)**	(42.7)	**184.7**	150.5
Assets and liabilities								
Segment assets	**2,004.7**	1,761.7	**254.0**	208.0	**-**	51.4	**2,258.7**	2,021.1
Segment liabilities	**(709.6)**	(19.5)	**(140.2)**	(2.4)	**-**	(722.3)	**(849.8)**	(744.2)

[1] For the purposes of segment reporting $96.9 million in rental income (30 June 2015: $97.9 million) was from a single customer.

23. Key management personnel compensation

The aggregate compensation made to the Directors and other key management personnel of the Group is set out below.

	30 Jun 2016	30 Jun 2015
	$	$
Short term benefits	**3,163,458**	3,077,279
Post-employment benefits	**190,279**	146,896
Share-based payment	**875,819**	748,423
Termination benefits	**-**	-
Long term benefits	**96,782**	23,022
	4,326,338	3,995,620

The key management personnel during the year were:

- Directors
- Mr Lamb (Company Secretary and General Counsel)

24. Share based payments

During 2013 the Group established a Group Executive Incentive Plan that entitles key management personnel, subject to criteria, to become entitled to acquire stapled securities at nil cost to the employee. The Group Executive Incentive Plan was approved at the Group's Annual General Meeting in November 2013.

Rights pursuant to the Group Executive Incentive Plan have been issued for:

- Special Performance Rights (SPRs)
- Short Term Incentive Plan Rights (STIP)
- Long Term Incentive Plan Rights (LTIP)

Under the Group Executive Incentive Plan grants of rights have been made to the following key management personnel:

- Mr Mellowes (Director and Chief Executive Officer)
- Mr Fleming (Director and Chief Financial Officer)
- Mr Lamb (Company Secretary and General Counsel)

In addition certain non key management personnel have also been granted 74,508 rights during the year (30 June 2015: 62,200).

The table below summarises the rights issued to key management personnel. These rights have a nil exercise price and awards are subject to meeting performance criteria. Where the performance criteria are met, details of the stapled securities that may be issued are below. No stapled securities were granted, issued, vested, exercised or forfeited during the year except for 100,000 in respect of SPR's for Mr Mellowes.

Type and eligibility	Vesting Conditions[1]	Share price at a grant date	Grant Date	Testing date	Vesting date	Maximum number of stapled securities or maximum value of securities to be issued	Fair vale at grant date
STIP (FY16) (Mr Mellowes)	Non-market	$2.00	Oct-15	Oct-15	Jul-18	$492,188	$1.00 per $1.00
STIP (FY16) (Mr Fleming)	Non-market	$2.00	Oct-15	Oct-15	Jul-18	$150,000	$1.00 per $1.00
LTIP (FY16 - FY18) (tranche 1) (Messrs Mellowes, Fleming, Lamb)	Relative TSR[2]	$2.00	Oct-15	Oct-15	Jul-19	181,307	$1.00 per unit
LTIP (FY16 - FY18) (tranche 2) (Messrs Mellowes, Fleming, Lamb)	Non-market	$2.00	Oct-15	Oct-15	Jul-19	181,307	$2.00 per unit
LTIP (FY16 - FY18) (tranche 3) (Messrs Mellowes, Fleming, Lamb)	Non-market	$2.00	Oct-15	Oct-15	Jul-19	181,307	$2.00 per unit
STIP (FY15) (Mr Mellowes)	Non-market	$1.70	Sep-14	Aug-15	Jul-17	$206,000	$0.95 per $1.00
STIP (FY15) (Mr Fleming)	Non-market	$1.70	Sep-14	Aug-15	Jul-17	$115,000	$0.95 per $1.00
LTIP (FY15 - FY17) (tranche 1) (Messrs Mellowes, Fleming)	Relative TSR[2]	$1.70	Sep-14	Jul-17	Jul-18	203,014	$0.75 per unit
LTIP (FY15 - FY17) (tranche 1) (Mr Lamb)	Relative TSR[2]	$1.83	Sep-14	Jul-17	Jul-18	19,434	$0.80 per unit
LTIP (FY15 - FY17) (tranche 2) (Messrs Mellowes, Fleming)	Non-market	$1.70	Sep-14	Jul-17	Jul-18	203,014	$1.44 per unit
LTIP (FY15 - FY17) (tranche 2) (Mr Lamb)	Non-market	$1.83	Sep-14	Jul-17	Jul-18	19,434	$1.54 per unit
LTIP (FY15 - FY17) (tranche 3) (Messrs Mellowes, Fleming)	Non-market	$1.70	Sep-14	Jul-17	Jul-18	203,014	$1.44 per unit
LTIP (FY15 - FY17) (tranche 3) (Mr Lamb)	Non-market	$1.83	Sep-14	Jul-17	Jul-18	19,434	$1.54 per unit

[1] Service and non-market conditions include financial and non-financial targets along with a deferred vesting period.
[2] TSR is Total Shareholder Return measured against a comparator group.

The Group recognises the fair value at the grant date of equity settled securities above as an employee benefit expense proportionally over the vesting period with a corresponding increase in equity. Fair value is measured at grant date using Monte-Carlo simulation and Binomial option pricing models where applicable, performed by an independent valuer, and models the future unit price of the Group's stapled units.

Non-market vesting conditions are determined with reference to the underlying financial or non-financial performance measures to which they relate.

The total expense recognised during the year in relation to those eligible for equity settled share-based payments was $0.7 million (30 June 2015: $0.8 million).

Key inputs to the pricing models include:

	30 June 2016	30 June 2015
Volatility	**20%**	20%
Dividend yield	**6.0%**	6.0%
Risk-free interest rate	**1.79% - 1.94%**	2.71% - 2.85%

25. Other related party disclosures

The Retail Trust has a current payable of $7.4 million to the Management Trust (30 June 2015: $5.4 million). This is non-interest bearing and repayable at call.

Additionally, Shopping Centres Australasia Property Group RE Limited (the Company), the Responsible Entity of the Retail Trust and a wholly owned subsidiary of Management Trust, makes payments on behalf of the Retail Trust from time to time. These payments are incurred by the Company in properly performing or exercising its powers or duties in relation to the Retail Trust. The Company has a right of indemnity from the Retail Trust, for any liability incurred by the Company in properly performing or exercising any of its powers or duties in relation to the Retail Trust. The amount reimbursed during the year under this agreement was $11.4 million (30 June 2015: $11.2 million).

26. Parent entity

	Management Trust[1]		Retail Trust[1, 2]	
	30 Jun 2016 $m	30 Jun 2015 $m	**30 Jun 2016 $m**	30 Jun 2015 $m
Current assets	**-**	-	**24.4**	78.7
Non-current assets	**7.3**	7.3	**1,978.6**	1,734.4
Total assets	**7.3**	7.3	**2,003.0**	1,813.1
Current liabilities	**-**	-	**75.9**	62.8
Non-current liabilities	**-**	-	**638.2**	571.9
Total liabilities	**-**	-	**714.1**	634.7
Contributed equity	**7.3**	7.3	**1,216.6**	1,192.4
Reserves	**-**	-	**17.0**	4.9
Accumulated profit / (loss)	**-**	-	**53.4**	(18.9)
Total equity	**7.3**	7.3	**1,287.0**	1,178.4
Net profit/ (loss) after tax	**-**	-	**169.4**	138.3
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income	**-**	-	**169.4**	138.3
Commitments for the acquisition of property by the parent	**-**	-	**133.2**	45.6

1 Head Trusts only.
2 The Retail Trust financial statements have been prepared on a going concern basis. In preparing the Retail Trust financial statements the Directors note that the Retail Trust has a net current asset deficiency position due to the provision for distribution and minimal cash and cash equivalents, as it is the policy of the Group and Retail Trust to use surplus cash to repay debt. At 30 June 2016 the Group and Retail Trust have the ability to drawdown funds to pay the distribution on 31 August 2016, having as at 30 June 2016 $93.2 million of cash and undrawn financing facilities (refer note 15 and 33).

27. Subsidiaries

Name of subsidiaries	Place of incorporation and operation	Ownership interest	
		30 June 2016	30 June 2015
Subsidiaries of Shopping Centres Australasia Property Management Trust			
Shopping Centres Australasia Property Operations Pty Ltd	Australia	**100.0%**	100.0%
Shopping Centres Australasia Property Holdings Pty Ltd	Australia	**100.0%**	100.0%
Shopping Centres Australasia Property Group RE Ltd	Australia	**100.0%**	100.0%
Shopping Centres Australasia Property Group Trustee NZ Ltd	New Zealand	**100.0%**	100.0%
Shopping Centres Australasia Property NZ Retail Trust	New Zealand	**0.1%**	0.1%
Shopping Centres Australasia Property Retail Trust	Australia	- [1]	- [1]
SCA Unlisted Retail Fund RE Limited[2]	Australia	**100.0%**	100.0%
Subsidiaries and associates of Shopping Centres Australasia Property Retail Trust			
Shopping Centres Australasia Property NZ Retail Trust	New Zealand	**99.9%**	99.9%
SCA Unlisted Retail Fund 1[2, 3]	Australia	**24.4%**	100.0%

[1] Shopping Centres Australasia Property Retail Trust is considered a subsidiary of Shopping Centres Australasia Property Management Trust due to stapling even though there is no ownership or shareholding interest.
[2] SCA Unlisted Retail Fund RE Limited and SCA Unlisted Retail Fund 1 were formed during the year ended 30 June 2015.
[3] When SCA Unlisted Retail Fund 1 was formed Shopping Centres Australasia Property Retail Trust ownership interest was 100.0%. On 1 October 2015 SCA Unlisted Retail Fund 1 commenced operations with the allotment of 32.6m units at $1.00 each. Shopping Centres Australasia Property Retail Trust subscribed for and was allotted 7,959,000 or 24.4% units on this date and is classified as an associate.

28. Financial instruments – continuing operations

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. The majority of the proceeds of Tranche 1 were remitted to Australia at an effective exchange rate of 1.04.

Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is expected to complete in late September 2016 through a put/call arrangement. The majority of the proceeds of Tranche 2 are expected to be used to repay NZ$ denominated debt.

At 30 June 2016 all of the New Zealand properties are classified for financial reporting purposes as a disposal group held for sale. Refer note 9. This note does not include consideration of balances denominated in NZ dollars unless specifically noted.

(a) Capital management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern, whilst providing returns for unitholders and benefits for other stakeholders and maintaining a capital structure that will support a competitive overall cost of capital for the Group.

The capital structure of the Group consists of cash, interest bearing liabilities (including eight bilateral debt facilities with four banks and notes issued in the debt capital markets) and equity of the Group (comprising contributed equity, reserves and accumulated profit/loss).

The Group assesses the adequacy of its capital requirements, cost of capital and gearing (ie debt/equity mix) as part of its broader strategic plan. The Group continuously reviews its capital structure to ensure:

- Sufficient funds and financing facilities, on a cost effective basis, are available to assist the Group's property investment and management business;
- Sufficient liquid buffer is maintained; and
- Distributions to unitholders are in line with the stated distribution policy.

The Group can alter its capital structure by issuing new stapled units, adjusting the amount of distributions paid to unitholders, returning capital to unitholders, buying back stapled units, selling assets to reduce debt, adjusting the timing of capital expenditure and through the operation of a distribution reinvestment plan. Additionally the Group can alter its capital structure by the use of debt facilities including repaying debt and issuing debt via debt capital markets and derivative financial instruments.

The Group's debt financial covenants are detailed in note 15.

Management monitors the capital structure by the gearing ratio. The gearing ratio is calculated in line with the debt covenants as:

- finance debt net of cash and excluding derivatives; divided by,
- total tangible assets net of cash and excluding derivatives.

The Group's target gearing range is 30% to 40% with a preference to be below 35%. The gearing policy includes flexibility to increase gearing beyond 35% if required, provided a reduction back to 35% or below is achievable within a reasonable timeframe.

The gearing ratio at 30 June 2016 was 34.0% (30 June 2015: 33.3%). Refer note 15 for additional information.

(b) Financial risk management

The Group's activities expose it to a variety of financial risk, including:

(i) credit risk
(ii) liquidity risk
(iii) market risk (foreign exchange and interest rate)

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge or economically hedge certain risk exposures. The use of financial derivatives is governed by the Group's policies as approved by the Board. The Group does not enter or trade financial instruments including derivative financial instruments for speculative purposes.

(b)(i) Financial risk management - credit

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has exposure to credit risk on its financial assets included in its statement of financial position. This includes cash and cash equivalents, derivative financial instruments (hedging) as well as credit receivables due from tenants and managing agents.

For financial investments or market risk hedging the Group manages this risk by investing and transacting derivatives with multiple counterparties to minimise the Group's exposure to any one counterparty. Wherever possible, for financial investments and economic hedging the Group only deals with investment grade counterparties.

Exposure to customer credit risk is also monitored. The majority of the Group's revenue for the current and prior year is from Woolworths Limited which has an BBB Standard and Poor's credit rating.

The Group does not have any other significant concentration of credit risk to any single counterparty and reviews the aggregate exposure of tenancies across its portfolio on a regular basis.

Derivative counterparties and cash deposits are currently limited to financial institutions with an appropriate credit rating.

The Group and Retail Trust's exposure to credit risk is in the table below.

	SCA Property Group		Retail Trust	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Cash and cash equivalents	**3.8**	3.7	**2.4**	2.1
Receivables	**13.3**	8.0	**13.2**	7.9
Derivative financial instruments	**85.8**	49.9	**85.8**	49.9
	102.9	61.6	**101.4**	59.9

The maximum exposure of the Group to credit risk as at 30 June 2016 and 30 June 2015 is the carrying amount of the financial assets in its statement of Consolidated Balance Sheets.

Receivables relate to tenant and managing agent receivables. Receivables are reviewed regularly throughout the year. A provision for doubtful debts is made where collection is deemed uncertain. Part of the Group's policy is to hold collateral as security for tenants via bank guarantees (or less frequently collateral such as deposits or cash and personal guarantees). There were no significant financial assets from major tenants that were past due at 30 June 2016 or 30 June 2015. Refer also note 8.

(b)(ii) Financial risk management - liquidity

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group aims at having flexibility in funding by keeping sufficient cash and/or committed credit lines available whilst maintaining a low cost of holding these facilities. Management prepares and monitors rolling forecasts of liquidity requirements on the basis of expected cash flow.

The Group manages liquidity risk through monitoring its net expected funding needs including the maturity of its debt portfolio. The Group also manages liquidity risk by maintaining a liquidity buffer of cash and undrawn debt facilities.

The debt facilities are made up of Bank bilateral facilities, A$ medium term notes and US notes. Details of these debt facilities, including finance facilities available, are at Note 13.

Refinancing risk, also part of liquidity risk, is the risk that the maturity profile of the debt makes it difficult to refinance maturing debt, and/or that the cost of refinancing exposes the Group to potentially unfavourable market conditions at any given time. The Group is exposed to refinancing risks arising from the availability of finance as well as the interest rates and credit margins at which financing is available. The Group manages this risk, where appropriate, by refinancing borrowings in advance of the maturity of the borrowing and by securing longer term facilities.

Non-derivative financial instruments

The contractual maturities of the Group's and Retail Trust's non-derivative financial liabilities at reporting date are reflected in the following table. It shows the undiscounted contractual cash flows required to discharge the liabilities including interest, margin, line fees and foreign exchange rates as at the reporting date. Foreign currencies have been converted at exchange rates at the reporting date. Interest rates are based on the interest rates as the reporting date.

	1 year or less $m	2 - 3 years $m	4 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2016					
SCA Property Group					
Payables	**23.0**	**-**	**-**	**-**	**23.0**
Distribution payable	**45.5**	**-**	**-**	**-**	**45.5**
Interest bearing liabilities	**25.5**	**85.3**	**399.2**	**332.6**	**842.6**
	94.0	**85.3**	**399.2**	**332.6**	**911.1**
Retail Trust					
Payables	**29.2**	**-**	**-**	**-**	**29.2**
Distribution payable	**45.5**	**-**	**-**	**-**	**45.5**
Interest bearing liabilities	**25.5**	**85.3**	**399.2**	**332.6**	**842.6**
	100.2	**85.3**	**399.2**	**332.6**	**917.3**

	1 year or less $m	2 - 3 years $m	4 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2015					
SCA Property Group					
Payables	20.9	-	-	-	20.9
Distribution payable	41.8	-	-	-	41.8
Interest bearing liabilities	29.0	131.6	229.1	515.6	905.3
	91.7	131.6	229.1	515.6	968.0
Retail Trust					
Payables	25.5	-	-	-	25.5
Distribution payable	41.8	-	-	-	41.8
Interest bearing liabilities	29.0	131.6	229.1	515.6	905.3
	96.3	131.6	229.1	515.6	972.6

Derivative financial instruments

The following tables show the undiscounted cash flows required to discharge the Group's and Retail Trust's derivative financial instruments in place at 30 June 2016 at the rates as at the reporting date. Foreign currencies have been converted at exchange rates at the reporting date.

	1 year or less $m	1 - 3 years $m	3 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2016					
SCA Property Group					
Interest rate swaps - net	**-**	**(0.3)**	**1.7**	**8.6**	**10.0**
Cross currency interest rate swaps - net	**2.8**	**5.9**	**5.4**	**57.0**	**71.1**
	2.8	**5.6**	**7.1**	**65.6**	**81.1**
Retail Trust					
Interest rate swaps - net	**-**	**(0.3)**	**1.7**	**8.6**	**10.0**
Cross currency interest rate swaps - net	**2.8**	**5.9**	**5.4**	**57.0**	**71.1**
	2.8	**5.6**	**7.1**	**65.6**	**81.1**

	1 year or less $m	1 - 3 years $m	3 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2015					
SCA Property Group					
Interest rate swaps - net	1.1	3.1	1.2	1.6	7.0
Cross currency interest rate swaps - net	2.0	3.3	0.9	27.6	33.8
	3.1	6.4	2.1	29.2	40.8
Retail Trust					
Interest rate swaps - net	1.1	3.1	1.2	1.6	7.0
Cross currency interest rate swaps - net	2.0	3.3	0.9	27.6	33.8
	3.1	6.4	2.1	29.2	40.8

(b)(iii) Financial risk management – market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's financial performance or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk within acceptable parameters, while optimising the return.

Foreign exchange risk

Foreign exchange risk arises when anticipated transactions or recognised assets and liabilities are denominated in a currency that is not the Group's presentation currency, being Australian dollars. The Group has currency exposure to the New Zealand dollar (NZD) and the United States dollar (USD).

Foreign exchange risk - New Zealand dollar

The Group's and the Retail Trust's exposure to the NZD is through owning properties in New Zealand. The Group and the Retail Trust have reduced its exposure to the NZD foreign exchange risk inherent in the carrying value of its New Zealand investments by partially funding their acquisition using borrowings denominated in NZD. The Group's exposure to the impact of exchange rate movements on its earnings from its New Zealand investments is partially mitigated by the NZD interest expense of its NZD borrowings. Distributions from New Zealand to Australia are not hedged.

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. The majority of the proceeds of Tranche 1 were remitted to Australia at an effective exchange rate of 1.04.

Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is expected to complete in late September 2016 through a put/call arrangement. The majority of the proceeds of Tranche 2 are expected to be used to repay NZ$ denominated debt.

At 30 June 2016 all of the New Zealand properties are classified for financial reporting purposes as a disposal group held for sale.

Foreign exchange risk - United States Dollar

The Group's and the Retail Trust's exposure to the United States dollar is through borrowing in USD denominated debt via the US notes issued during the year ended 30 June 2015. The debt and interest payments are fully economically hedged. Refer below and the US notes are discussed at note 15.

Cross currency interest rate swap contracts

The Group has reduced its future exposure to the foreign exchange risk inherent in the carrying value of its US dollar borrowings (refer US note issue discussed above and note 15) by using cross currency interest rate swaps.

Under cross currency swap contracts, the Group agrees to exchange specified principal and interest foreign currency amounts at agreed future dates at a specified exchange rate. Such contracts enable the Group to mitigate the risk of adverse movements in foreign exchange rates in relation to principal and interest payments arising under the US dollar note issue.

The Group receives fixed amounts in US dollars and pays both variable interest rates (based on Australian BBSW) and fixed interest rates based on agreed fixed interest rates. As a result of issuing the US notes denominated in USD the Group has entered into cross currency interest rate swaps which have fully economically hedged the US notes USD principal outstanding and also the obligation to pay fixed USD interest to floating AUD interest.

The following table details the swap contracts principal and interest payments over various durations at balance sheet date.

	1 year or less $m	2 - 3 years $m	4 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2016					
SCA Property Group					
Buy US dollar - interest					
Amount (AUD)	6.7	13.4	13.4	48.0	81.6
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	6.3	12.6	12.6	45.1	76.6
Buy US dollar - Principal					
Amount (AUD)	-	-	-	159.8	159.8
Exchange Rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	-	-	-	150.0	150.0
Retail Trust					
Buy US dollar - interest					
Amount (AUD)	6.7	13.4	13.4	48.0	81.6
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	6.3	12.6	12.6	45.1	76.6
Buy US dollar - Principal					
Amount (AUD)	-	-	-	159.8	159.8
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	-	-	-	150.0	150.0

	1 year or less $m	2 - 3 years $m	4 - 5 years $m	More than 5 years $m	Total $m
30 Jun 2015					
SCA Property Group					
Buy US dollar - interest					
Amount (AUD)	6.7	13.4	13.4	54.7	88.2
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	6.3	12.6	12.6	51.3	82.8
Buy US dollar - Principal					
Amount (AUD)	-	-	-	159.8	159.8
Exchange Rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	-	-	-	150.0	150.0
Retail Trust					
Buy US dollar - interest					
Amount (AUD)	6.7	13.4	13.4	54.7	88.2
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	6.3	12.6	12.6	51.3	82.8
Buy US dollar - Principal					
Amount (AUD)	-	-	-	159.8	159.8
Exchange rate	0.9387	0.9387	0.9387	0.9387	0.9387
Amount (USD)	-	-	-	150.0	150.0

Sensitivity analysis – foreign exchange risk

The following sensitivity analysis shows the effect on profit/(loss) after tax and on equity of had the Australian dollar increased (strengthened) by 10% or decreased (weakened) by 10% at balance sheet date with all other variables held constant. Profit/(loss) after tax excludes discontinued operation.

	Profit/ loss after tax		Equity	
	Effect of 10% increase in A$ exchange rate $m	Effect of 10% decrease in A$ exchange rate $m	Effect of 10% increase in A$ exchange rate $m	Effect of 10% decrease in A$ exchange rate $m
30 Jun 2016				
SCA Property Group				
A$ equivalent of foreign exchange balances denominated in USD	**(5.7)**	**6.9**	**(5.7)**	**6.9**
Retail Trust				
A$ equivalent of foreign exchange balances denominated in USD	**(5.7)**	**6.9**	**(5.7)**	**6.9**
30 Jun 2015				
SCA Property Group				
A$ equivalent of foreign exchange balances denominated in USD	(17.9)	14.0	(17.9)	14.0
Retail Trust				
A$ equivalent of foreign exchange balances denominated in USD	(17.9)	14.0	(17.9)	14.0

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of financial instruments will fluctuate due to changes in market interest rates.

The Group is exposed to interest rate risk as it can borrow funds at both fixed and floating interest rates. This risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings and through the use of interest rate swap contracts.

Hedging activities are evaluated regularly.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. Exposure to cash and cash equivalents is limited to $3.8 million (30 June 2015: $3.7 million).

Interest rate swap contracts

The Group's interest rate risk arises from borrowings and cash holdings. Interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates or from fixed to floating. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts (or visa versa) calculated by reference to an agreed notional principal amount.

The Group's bilateral borrowings are generally at floating rates. Borrowings with floating rates expose the Group to cash flow interest rate risk. The Group's preference is to be protected from interest rate movements in the two to five year term through appropriate risk management techniques. These techniques include using floating to fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Additionally the Group has fixed rate borrowings in the form of A$ and US$ US notes and the A$ medium term note.

The requirements under Australian accounting standards in respect of documentation, designation and effectiveness for hedge accounting cannot be met in all circumstances. As a result the Group does not apply hedge accounting for any derivatives as at 30 June 2016.

The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the forward market interest rate curve at reporting date.

The Group's exposure to interest rate risk and the effective interest rates on financial assets and liabilities at reporting date are in the table below.

	SCA Property Group					
	Interest rate	Floating interest rate	Fixed interest rate			Total
			Less than 1 year	1 - 5 years	More than 5 years	
	(%p.a.)	$m	$m	$m	$m	$m
30 Jun 2016						
Financial assets						
Cash and cash equivalents	1.7%	3.8	-	-	-	3.8
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD - floating	3.3%	(210.0)	-	-	-	(210.0)
Denominated in AUD - fixed (MTN)	3.8%	-	-	(175.0)	-	(175.0)
Denominated in AUD - fixed (USPP)	6.0%	-	-	-	(50.0)	(50.0)
Denominated in USD - fixed (USPP)	4.2%	-	-	-	(202.0)	(202.0)
Total financial liabilities		(210.0)	-	(175.0)	(252.0)	(637.0)
Total net financial liabilities		(206.2)	-	(175.0)	(252.0)	(633.2)

The Retail Trust's exposure to interest rate risk and the effective interest rates on financial assets and liabilities at reporting date are in the table below.

	Retail Trust					
			Fixed interest rate			
	Interest rate	Floating interest rate	Less than 1 year	1 - 5 years	More than 5 years	Total
	(%p.a.)	$m	$m	$m	$m	$m
30 Jun 2016						
Financial assets						
Cash and cash equivalents	1.7%	2.4	-	-	-	2.4
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD - floating	3.3%	(210.0)	-	-	-	(210.0)
Denominated in AUD - fixed	3.8%	-	-	(175.0)	-	(175.0)
Denominated in AUD - fixed (USPP)	6.0%	-	-	-	(50.0)	(50.0)
Denominated in USD - fixed (USPP)	4.2%	-	-	-	(202.0)	(202.0)
Total financial liabilities		(210.0)	-	(175.0)	(252.0)	(637.0)
Total net financial liabilities		(207.6)	-	(175.0)	(252.0)	(634.6)

The maturity profile and the weighted average interest rate of the fixed and floating derivatives (notional principal) held at reporting date by both the Group and the Retail Trust can be summarised in the table below.

As at 30 June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022
	$m	$m	$m	$m	$m	$m
Denominated in AU$						
Interest rate swaps (fixed)	325.0	325.0	325.0	175.0	-	-
Average fixed rate	2.0%	2.0%	2.0%	2.0%	-	-
Interest rate swaps (floating)	50.0	50.0	50.0	50.0	50.0	50.0

The Group's exposure to interest rate risk and the effective interest rates on financial assets and liabilities at 30 June 2015 are in the table below.

	SCA Property Group					
	Interest rate	Floating interest rate	Fixed interest rate			Total
			Less than 1 year	1 - 5 years	More than 5 years	
	(%p.a.)	$m	$m	$m	$m	$m
30 Jun 2015						
Financial assets						
Cash and cash equivalents	1.7%	3.7	-	-	-	3.7
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD - floating	3.8%	(155.0)	-	-	-	(155.0)
Denominated in NZD - floating	5.0%	(108.3)	-	-	-	(108.3)
Denominated in AUD - fixed (MTN)	3.8%	-	-	-	(175.0)	(175.0)
Denominated in AUD - fixed (USPP)	6.0%	-	-	-	(50.0)	(50.0)
Denominated in USD - fixed (USPP)	4.2%	-	-	-	(194.5)	(194.5)
Total financial liabilities		(263.3)	-	-	(419.5)	(682.8)
Total net financial liabilities		(259.6)	-	-	(419.5)	(679.1)

The Retail Trust's exposure to interest rate risk and the effective interest rates on financial assets and liabilities at 30 June 2015 are in the table below.

	Retail Trust					
	Interest rate	Floating interest rate	Fixed interest rate			Total
			Less than 1 year	1 - 5 years	More than 5 years	
	(%p.a.)	$m	$m	$m	$m	$m
30 Jun 2015						
Financial assets						
Cash and cash equivalents	1.7%	2.1	-	-	-	2.1
Financial liabilities						
Interest bearing liabilities						
Denominated in AUD - floating	3.8%	(155.0)	-	-	-	(155.0)
Denominated in NZD - floating	5.0%	(108.3)	-	-	-	(108.3)
Denominated in AUD - fixed	3.8%	-	-	-	(175.0)	(175.0)
Denominated in AUD - fixed (USPP)	6.0%	-	-	-	(50.0)	(50.0)
Denominated in USD - fixed (USPP)	4.2%	-	-	-	(194.5)	(194.5)
Total financial liabilities		(263.3)	-	-	(419.5)	(682.8)
Total net financial liabilities		(261.2)	-	-	(419.5)	(680.7)

The maturity profile and the weighted average interest rate of the fixed derivatives (notional principal) held at 30 June 2015 by both the Group and the Retail Trust can be summarised below.

June 2015	June 2016 $m	June 2017 $m	June 2018 $m	June 2019 $m	June 2020 $m	June 2021 $m
Denominated in AU$						
Interest rate swaps (fixed)	175.0	175.0	-	-	-	-
Average fixed rate	1.9%	1.9%	-	-	-	-
Interest rate swaps (floating)	50.0	50.0	50.0	50.0	50.0	50.0
Denominated in NZ$ and in NZ$						
Interest rate swaps (fixed)	43.8	-	-	-	-	-
Average fixed rate	3.3%	-	-	-	-	-

Sensitivity analysis – interest rate risk

The following sensitivity analysis shows the effect on profit/(loss) after tax and equity if market interest rates at balance sheet date had been 100 basis points higher/lower with all other variables held constant. Profit/(loss) after tax excludes discontinued operation.

	Profit/loss after tax[1]		Equity	
	100bp higher $m	100bp lower $m	100bp higher $m	100bp lower $m
30 Jun 2016				
SCA Property Group				
Effect of market interest rate movement	(22.7)	22.9	(22.7)	22.9
Retail Trust				
Effect of market interest rate movement	(22.7)	22.9	(22.7)	22.9
30 Jun 2015				
SCA Property Group				
Effect of market interest rate movement	(25.4)	25.6	(25.4)	25.6
Retail Trust				
Effect of market interest rate movement	(25.4)	25.6	(25.4)	25.6

[1] The aim of the Group's interest rate hedging strategy is to reduce the impact on (cash) Distributable Earnings of movements in interest rates. Changes in interest rates result in changes to the non-cash mark-to-market valuations of the swaps which flow through the Group's IFRS profit and loss.

(c) Accounting classifications and fair values

The fair value of interest rate derivatives is determined using a generally accepted pricing model based on discounted cash flow analysis using assumptions supported by observing market rates.

Except as disclosed below, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values.

The Directors consider that the carrying amounts of other financial assets and financial liabilities, which are recognised at amortised cost in the Consolidated Financial Statements, approximates their fair values other than the US notes and the A$ medium term notes. The amortised cost of the US notes, converted to AUD for the USD denominated notes at the prevailing foreign exchange rate at 30 June 2016 (which was AUD 1.00 = USD 0.7425 (30 June 2015: 0.7712), is $252.0 million (30 June 2015: $244.5 million) (refer Note 15). The amortised cost of the A$ medium term notes is $175.0 million. The fair value of the US notes and A$ medium term notes can be different to the carrying value. The fair value, additionally, takes into account movements in the underlying base interest rates and credit spreads for similar financial 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 $223.0 million and $177.2 million (30 June 2015: $248.7 million and $170.0 million respectively).

The following table represents financial assets and liabilities that were measured and recognised at fair value at 30 June 2016 and 30 June 2015.

	SCA Property Group		**Retail Trust**	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Assets				
Derivatives that qualify as effective under hedge account rules:				
Cash flow hedges	**-**	-	**-**	-
Other derivatives	**85.8**	49.9	**85.8**	49.9
	85.8	49.9	**85.8**	49.9
Liabilities				
Derivatives that qualify as effective under hedge account rules:				
Cash flow hedges	**-**	-	**-**	-
Other derivatives	**4.7**	0.2	**4.7**	0.2
	4.7	0.2	**4.7**	0.2

Fair value hierarchy

The table below analyses financial instruments 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 for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between levels during the year.

	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
30 Jun 2016				
SCA Property Group				
Financial assets carried at fair value				
Interest rate swaps	-	**13.0**	-	13.0
Cross currency swaps	-	**72.8**	-	72.8
	-	**85.8**	-	85.8
Financial liabilities carried at fair value				
Interest rate swaps	-	**4.7**	-	4.7
Retail Trust				
Financial assets carried at fair value				
Interest rate swaps	-	**13.0**	-	13.0
Cross currency swaps	-	**72.8**	-	72.8
	-	**85.8**	-	85.8
Financial liabilities carried at fair value				
Interest rate swaps	-	**4.7**	-	4.7
30 Jun 2015				
SCA Property Group				
Financial assets carried at fair value				
Interest rate swaps	-	6.6	-	6.6
Cross currency swaps	-	43.3	-	43.3
	-	49.9	-	49.9
Financial liabilities carried at fair value				
Interest rate swaps	-	0.2	-	0.2
Retail Trust				
Financial assets carried at fair value				
Interest rate swaps	-	6.6	-	6.6
Cross currency swaps	-	43.3	-	43.3
	-	49.9	-	49.9
Financial liabilities carried at fair value				
Interest rate swaps	-	0.2	-	0.2

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 included in Level 2 above.

The Group does not have any Level 3 financial instruments other than the asset identified at note 29.

29. Other assets

Other assets include:

- **Clemton Park (NSW):** $2.4 million relates to the amount paid for the call option in December 2014 when the Group agreed to purchase Clemton Park on completion of the development via a put and call option arrangement. On completion of the development SCP will acquire it for $48.0 million less the amount already paid of $2.4 million. The completion of the development is expected to be in calendar year 2017. The option is classified as a derivative valued at fair value through profit or loss. No revaluations occurred since initial recognition of the $2.4 million. The Directors have adopted a fair value of the option based on an appropriate valuation model including a number of unobservable inputs. Revaluations in future periods will also involve a fair value method based on unobservable inputs. Unobservable inputs are categorised as level 3 in the fair value hierarchy (refer note 28(c) for additional information in relation to the fair value hierarchy) and are consistent with those used to value investment properties.
- **Muswellbrook Fair (NSW):** prior to 30 June 2016 a deposit was paid of $1.5 million to acquire the neighbourhood centre at Muswellbrook. Upon completion the remaining balance due was $27.8 million (prior to settlement adjustments and stamp duty). This property completed in July 2016.
- **Other:** $1.8 million relates to prepayments and other amounts.

30. Investment in associate

On 1 October 2015 the Retail Trust acquired 7,959,000 units in the SCA Unlisted Retail Fund 1 (SURF 1) at $1.00 each. SURF 1 is an unlisted closed end property fund investing in five retail properties purchased from the Group on 1 October 2015. The Group recognises its 24.4% interest in SURF 1 as an associate using the equity method of accounting.

	SCA Property Group		**Retail Trust**	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Total investment in associate	**8.1**	-	**8.1**	-

	SCA Property Group		**Retail Trust**	
	30 Jun 2016	30 Jun 2015	**30 Jun 2016**	30 Jun 2015
	$m	$m	**$m**	$m
Movement in investment in associate				
Opening balance	**-**	-	**-**	-
Acquisitions to equity accounted investment	**8.0**	-	**8.0**	-
Share of profits after income tax	**0.6**	-	**0.6**	-
Distributions received or receivable	**(0.5)**	-	**(0.5)**	-
Closing balance	**8.1**	-	**8.1**	-

31. Cash and cash equivalents

	SCA Property Group		**Retail Trust**	
	30 Jun 2016	Jun 2015	**30 Jun 2016**	Jun 2015
	$'000	$'000	**$'000**	$'000
Cash and cash equivalents	**3.8**	3.7	**2.4**	2.1
Reconciliation to consolidated statements of cashflows				
Cash and cash equivalents - continuing operations	**3.8**	3.7	**2.4**	2.1
Cash and cash equivalents - discontinued operation	**0.3**	-	**0.3**	-
Cash and cash equivalents at the end of the year as per consolidated statements of cashflows	**4.1**	3.7	**2.7**	2.1

32. Auditors' remuneration – continuing and discontinued operation

	SCA Property Group		Retail Trust	
	30 Jun 2016	Jun 2015	**30 Jun 2016**	Jun 2015
	$'000	$'000	**$'000**	$'000
Audit and review of the financial statements	**243.0**	252.2	**243.0**	252.2
Assurance and compliance services	**36.0**	37.8	**36.0**	37.8
Other	**12.0**	13.2	**12.0**	13.2
	291.0	303.2	**291.0**	303.2

The auditor of the Group is Deloitte Touche Tohmatsu.

33. Subsequent events

New Zealand - disposal

On 10 June 2016 the Group announced it entered into a sale contract with Stride Property Group (NZX: STR) for the sale of SCP's New Zealand properties. The sale is consistent with the Group's strategy of divesting freestanding assets, as 9 of the 14 New Zealand centres are freestanding. Settlement of this transaction is scheduled to occur in two tranches. Tranche 1 settled on 12 July 2016 and comprised 6 properties for NZ$128.2 million. The majority of the proceeds of Tranche 1 were remitted to Australia at an effective exchange rate of NZ$1.04. The majority of these funds were used to assist with the funding of the Post 30 June 2016 acquisitions (refer below).

Tranche 2 comprises the remaining 8 properties for NZ$139.2 million and is now unconditional and is expected to complete in late September 2016 through a put/call arrangement. The majority of the proceeds of Tranche 2 are expected to be used to repay NZ$ denominated debt.

At 30 June 2016 all of the New Zealand properties are classified for financial reporting purposes as a disposal group held for sale and a discontinued operation. For financial reporting purposes it is a requirement that the liabilities and equity of a disposal group classified as held for sale are presented separately from other liabilities and equity respectively in the balance sheet and the results of discontinued operation are presented separately on the face of the income statement.

Medium term notes

During July 2016 the Group issued another A$50.0 million medium term notes with an aggregate face value of $50.0 million. These notes were issued under the same terms as the original notes (with a coupon of 3.75% and expiry of April 2021) however the issue price was at a premium such that the effective interest rate is 3.50%p.a.

Post 30 June 2016 acquisitions

After 30 June 2016 and up to the date of this report the Group also completed 3 property acquisitions for $85.3 million. Details of the 3 properties acquired include:

Property	Type	State	Settlement Date	Cost [1] $m
Belmont Central	Neighbourhood	NSW	Jul-16	28.5
Jimboomba Junction	Neighbourhood	QLD	Jul-16	27.5
Muswellbrook Fair	Neighbourhood	NSW	Jul-16	29.3
				85.3

1. Cost excludes transaction costs.

Additionally in early August 2016 the Group exchanged contracts to purchase Annandale Central, a neighbourhood centre in Queensland, for $33.5 million (excluding transaction costs). This is expected to settle in early 2017.

Woolworths

On 25 July 2016 Woolworths announced an 'Update on Operating Model Review'. This announcement included that Woolworths Limited intended to close 17 Woolworths Supermarkets in Australia (out of 960 (in Australia and New Zealand)) and 5 Big W stores (out of 186) and that there are an additional 15 Woolworths Supermarkets in and 18 Big W stores in Australia which are not trading satisfactorily. Management understands that none of the Woolworths Supermarkets or Big W stores owned or managed by the Group are on the list for intended closure.

Beside the matters noted above, the Directors of the Responsible Entity are not aware of any other matter since the end of the year that has significantly affected or may significantly affect the operations of the Group, the result of those operations, or the state of the Group's affairs in future financial periods.

* * *

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 21 to 87 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 30 June 2016 and of their performance, for the year ended 30 June 2016; 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.

Note 2 confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the period ended 30 June 2016.

Signed in accordance with a resolution of the Directors.

Chair
Sydney
15 August 2016

Deloitte.

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

We have audited the accompanying financial report as set out on pages 21 to 88 which comprises:

- the consolidated balance sheet as at 30 June 2016, the consolidated statement of profit or loss, the 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 year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated stapled entity Shopping Centres Australasia Property Management Trust ("SCA Property Management Trust", the "Group"). The consolidated stapled entity, as described in Note 1 to the financial report, comprises SCA Property Management Trust and the entities it controlled at the year's end or from time to time during the financial year, including Shopping Centres Australasia Retail Trust ("SCA Property Retail Trust") and the entities it controlled at the year's end or from time to time during the financial year; and

- the consolidated balance sheet as at 30 June 2016, the consolidated statement of profit or loss, the 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 year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity SCA Property Retail Trust. The consolidated entity, as described in Note 1 to the financial report, comprises SCA Property Retail Trust and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of Shopping Centres Australasia 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 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Deloitte.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

In conducting our audit, 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 of the Responsible Entity of SCA Property Management Trust and SCA Property Retail Trust, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of the Group and SCA Property Retail Trust are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entities' financial position as at 30 June 2016 and of their performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

AG Collinson
Partner
Chartered Accountants
Sydney, 15 August 2016