

ASX Announcement

19 March 2020

Vicinity withdraws FY20 earnings and distribution guidance due to COVID-19

- FY20 earnings and distribution guidance withdrawn following the escalation of COVID-19 and increased uncertainty surrounding the impact to retail trading and operating environment
- Balance sheet remains solid, with \$1.3 billion of undrawn facilities and strong desire to maintain 'single A' credit rating
- Flexibility to defer capital expenditure on major projects until there is more certainty regarding the impact of COVID-19
- Vicinity on-market securities buy-back program suspended

Vicinity Centres (Vicinity, ASX:VCX) today announced it is withdrawing both its FY20 funds from operations (FFO) per security earnings and distribution guidance, following the escalation in uncertainty surrounding the impact of COVID-19 on Vicinity's operations.

Mr Grant Kelley, CEO and Managing Director, said: "Since announcing our interim results in mid-February, we have seen a further deterioration in the retail trading and operating environment, with increasing uncertainty around the impacts of COVID-19. Given this, we have made the decision to withdraw our FY20 earnings and distribution guidance provided at that time.

"As always, our priority remains the safety, health and wellbeing of our employees, customers, retailers and the broader community, and we are following the recommendations of Federal and State health authorities to further prevent the spread of COVID-19. We recognise the impact COVID-19 is having here in Australia and will continue to work with our retailers during this period of adjustment.

"Our shopping centres continue to play an essential role for our communities, especially during this time of concern, providing access to food, household items, products, medical services and banking for everyday needs. Shopping centres have been defined as providing 'essential services to the community' by the Federal Government, and as such we will continue to be open for our customers, retailers and the broader community."

Mr Kelley added: "Vicinity has a solid balance sheet. We are currently operating well within our covenants and have \$1.3 billion of undrawn facilities. We also have flexibility to defer capital expenditure on major projects until COVID-19 uncertainties are resolved. However, as part of our prudent approach to capital management, and given volatile market conditions, the securities buy-back program has been suspended."

Mr Kelley said: “We will continue to monitor trading conditions, and to work constructively and creatively with all of our various stakeholder groups. We will provide further updates as appropriate.”

The Board of Vicinity has authorised that this document be given to ASX.

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About Vicinity Centres

Vicinity Centres (Vicinity) is one of Australia’s leading retail property groups. With a fully integrated asset management platform and \$26 billion in retail assets under management across 63 shopping centres, it is the second largest listed manager of Australian retail property. Vicinity has a Direct Portfolio with interests in 59 shopping centres (including the DFO Brisbane business) and manages 31 assets on behalf of Strategic Partners, 27 of which are co-owned by Vicinity. Vicinity is listed on the Australian Securities Exchange (ASX) under the code ‘VCX’ and has over 23,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code ‘VCD’. For more information visit vicinity.com.au, or use your smartphone to scan this QR code.