

SCENTRE GROUP

ASX Announcement

22 February 2023

SCENTRE GROUP REPORTS FULL YEAR FUNDS FROM OPERATIONS GROWTH OF 20.6%

Scentre Group (ASX: SCG) today released its results for the 12 months to 31 December 2022 with Funds From Operations (FFO) of \$1,040 million (20.06 cents per security), up 20.6%, and Distribution of 15.75 cents per security, up 10.5%, both exceeding guidance.

Scentre Group CEO Elliott Rusanow said: "I am very pleased with these results, driven by the Group's strong operating performance and proactive customer strategy to attract more people to our Westfield destinations.

"In 2022 we activated more than 15,400 events across our portfolio of 42 Westfield destinations and welcomed 480 million customer visits, up 67 million on 2021. So far in 2023 we have welcomed approximately 70 million customer visits, an increase of more than 10 million compared to the same period in 2022.

"Our focus on driving more customer visits was fundamental to our business partners achieving sales of \$26.7 billion, up 21.0% compared to 2021, which represents a record level of sales across our Westfield portfolio.

"Demand from businesses to partner with us by leasing space and accessing customers in our destinations is strong. The Group completed a record 3,409 lease deals during the year, an increase of 912 on the year prior. This included 2,232 renewals and 1,177 new merchants, of which 288 are new brands to our portfolio. This has resulted in portfolio occupancy increasing to 98.9% at 31 December 2022, up from 98.7% at the end of 2021.

"Net Operating Cashflows (after interest, overheads and tax) were \$1,181 million, an increase of 29.3% on 2021. We collected \$2,592 million in gross rent in 2022, \$334 million more than 2021. This is the highest level of rental cash collection since Scentre Group was established."

The Statutory result for the full year was \$301 million (including unrealised property revaluation gains of \$79 million and \$(716) million of unrealised mark-to-market adjustments on financial derivatives).

Scentre Group continues to invest in its Westfield destinations to enhance the customer offer and experience. Stage 1 of the \$355 million investment in Westfield Knox (SCG share: \$178 million) including new Woolworths and ALDI supermarkets opened in December 2022 and is trading well. The remaining stages of the development will be opened throughout 2023, transforming the centre for our customers through new and innovative community uses.

The \$55 million investment (SCG Share: \$28 million) at Westfield Mt Druitt opened in March 2022, including a new rooftop dining, entertainment and leisure precinct, featuring 15 restaurants and indoor-outdoor spaces for the community. The upgrade has driven significant improvements to visitation and dwell time.

Scentre Group Limited

ABN 66 001 671 496

Scentre Management Limited

ABN 41 001 670 579

AFS Licence No: 230329 as responsible entity of Scentre Group Trust 1

ABN 55 191 750 378 ARSN 090 849 746

RE1 Limited

ABN 80 145 743 862

AFS Licence No: 380202 as responsible entity of Scentre Group Trust 2

ABN 66 744 282 872 ARSN 146 934 536

RE2 Limited

ABN 41 145 744 065

AFS Licence No: 380203 as responsible entity of Scentre Group Trust 3

ABN 11 517 229 138 ARSN 146 934 652

SCENTRE GROUP

In November 2022 a \$33 million investment at Westfield Penrith was completed, including the introduction of new casual dining experiences, a Coles supermarket and an entertainment precinct.

The \$33 million investment in Westfield Parramatta opened in December 2022 including a new fresh food precinct featuring Coles, ALDI, and a Tong Li supermarket, among other specialty retailers.

Progress continues to be made on the Group's strategic customer initiatives including our Westfield membership program which now exceeds 3.2 million members, an increase of over 1 million during the year.

Scentre Group is delivering on its responsible business strategy across the pillars of community, talent, environmental impact and economic performance. Over the past four years we have invested \$21 million in our local communities through direct and in-kind contributions.

"We have made good progress on our environmental strategy and pathway to achieve net zero by 2030. Since 2014 we have reduced our emissions by 38%. Our New Zealand portfolio is now powered by 100% renewable electricity and our Queensland portfolio will move to 100% renewable electricity from 2025," Mr Rusanow said.

The Group has available liquidity of \$4.8 billion, sufficient to cover all debt maturities until Q4 2025. Interest cover for the year was 4.0 times and balance sheet gearing at 31 December 2022 was 27.3%. The Group has interest rate hedging of 85% at January 2023.

Leadership transition

During the year Scentre Group successfully transitioned its senior leadership with Elliott Rusanow commencing in the role of Chief Executive Officer and Andrew Clarke in the role of Chief Financial Officer. The CEO and CFO roles were internal appointments which demonstrates the strength of the Group's succession and talent pipeline.

Chairman Brian Schwartz said: "On behalf of the Board, I would like to extend our thanks to our inaugural CEO Peter Allen for his leadership from 2014 to 2022, establishing our culture and leading our dedicated and highly aligned team in Australia and New Zealand. I would also like to thank Peter, Elliott and Andrew for their focus throughout the smooth transition. We are well positioned for continued growth."

Changes to Key Management Personnel (KMP)

Effective 1 January 2023, three internal senior executives have been appointed KMP:

- Lillian Fadel, Group Director, Customer, Community and Destinations
- John Papagiannis, Group Director, Businesses
- Maria Stamoulis, Director Human Resources.

This takes the total number of KMP to five including the CEO Elliott Rusanow and CFO Andrew Clarke.

SCENTRE GROUP

Outlook

CEO Elliott Rusanow said: “We are confident that the strength of our business and platform, the quality of our team and our customer focused strategy will continue to generate long-term growth for our securityholders.”

Subject to no material change in conditions, the Group expects FFO to be in the range of 20.75 to 21.25 cents per security for 2023, representing 3.4% to 5.9% growth for the year. Distributions are expected to be at least 16.50 cents per security for 2023, representing at least 4.8% growth for the year.

Authorised by the Board.

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About Scentre Group

We acknowledge the Traditional Owners and communities of the lands on which our business operates. We pay our respect to Aboriginal and Torres Strait Islander cultures and to their Elders past and present.

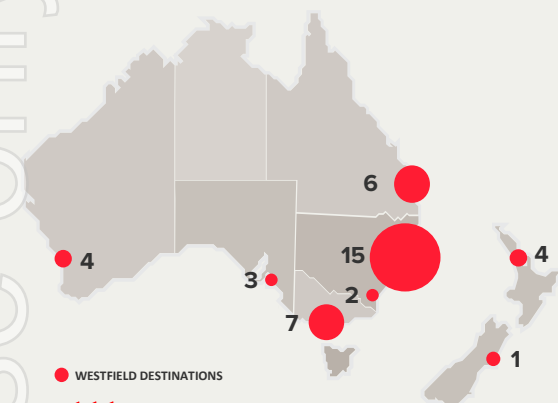
We recognise the unique role of Māori as Tangata Whenua of Aotearoa/New Zealand.

Scentre Group (ASX: SCG) owns and operates 42 Westfield destinations across Australia and New Zealand encompassing more than 12,000 outlets. Our Purpose is creating extraordinary places, connecting and enriching communities. Our Plan is to create the places more people choose to come, more often, for longer. Our Ambition is to grow the business by becoming essential to people, their communities and the businesses that interact with them.

SCENTRE GROUP FULL YEAR RESULTS 2022



SCENTRE GROUP



42 Westfield destinations in close proximity to 20 million people

- \$26.7bn of business partner sales in a Westfield destination
- 7 of the top 10 shopping centres in Australia
- 4 of the top 5 shopping centres in New Zealand

1. For the 12 months to 31 December 2022
2. As at 31 December 2022
3. Compared to the same period in 2021

- OUR PURPOSE:** Creating extraordinary places, connecting and enriching communities
- OUR PLAN:** We create the places more people choose to come, more often, for longer
- OUR AMBITION:** To grow the business by becoming essential to people, their communities and the businesses that interact with them

FINANCIAL HIGHLIGHTS (\$million)

**12 MONTHS TO
31 DECEMBER 2022**

Net Operating Cash Flow per security	\$1,180.9 22.78c	+29.3%	↑
Operating Profit per security	\$1,022.0 19.71c	+20.8%	↑
Funds From Operations per security	\$1,039.9 20.06c	+20.6%	↑
Distribution per security	\$816.5 15.75c	+10.5%	↑

OPERATIONAL HIGHLIGHTS

Customer Visits ^{1,3}	480m	+67m	↑
Business Partner Sales ^{1,3}	\$26.7bn	+21.0%	↑
Leasing Deals ^{1,3}	3,409	+912	↑
Portfolio Occupancy ^{2,3}	98.9%	+20bps	↑
Gross Rent Collection ^{1,3}	\$2,592m	+\$334m	↑
Westfield Membership Program ^{2,3}	3.2m	+1m	↑

Full Year Overview

Our Ambition is to grow the business by becoming essential to people, their communities and businesses that interact with them

Customer Experience

- Welcomed 480 million customer visits in 2022, 67 million more than 2021
- Activated more than 15,400 centre events during 2022
- Increased customer advocacy to 40, up 2 points on December 2021

Demand for space in our Westfield destinations is strong

- Completed a record 3,409 leasing deals welcoming 1,177 new merchant deals, including 288 new brands to the portfolio
- Increased portfolio occupancy to 98.9%

Made significant progress on Westfield membership program

- 3.2 million members, up by more than 1 million during 2022

Projects

- Stage 1 of the \$355 million investment in Westfield Knox successfully opened in December 2022. The remaining stages are due to open progressively in 2023
- Opened the \$55 million Westfield Mt Druitt entertainment, leisure and dining precinct in March 2022

Scentre Group is a responsible, sustainable business

- Executed an agreement with CleanCo to source 100% renewable electricity to power our Queensland portfolio from 2025, a key initiative to deliver net zero emissions by 2030
- Launched our third Reconciliation Action Plan (2022-2024)
- The Group has achieved top tier ratings across:
 - CDP Climate Change Leadership band for the third consecutive year
 - GRESB Global Leader in development and 5 Star rating in the Real Estate Assessment
 - MSCI ESG rating AA
 - ISS ESG rating in the top 10% of industry peers
 - ACSI top rating "comprehensive"
 - Bloomberg Gender-Equality Index (2019-2023)

Leadership Transition

- Successfully transitioned CEO and CFO with internal appointments

Financial Highlights

- Funds From Operations (FFO) of 20.06 cps, above guidance
- Distribution of 15.75 cps, above guidance
- Collected a record \$2,592 million of gross rent
- Reduced Net Trade Debtors by \$102 million to \$84 million

Capital Management

- At year end, the Group had available liquidity of \$4.8 billion, sufficient to cover all debt maturities to Q4 2025
- New and extended bank loan facilities of \$2.9bn
- Increased our interest rate hedging profile with 85% hedging at January 2023, and 81% at December 2023

Visitation

Creating the places more people choose to come, more often, for longer

CUSTOMER VISITATION

↑67m
+16.2%

413m

480m

2021

2022

Activated more than 15,400 events across our portfolio of 42 Westfield destinations during 2022, up from 13,500 events in 2021

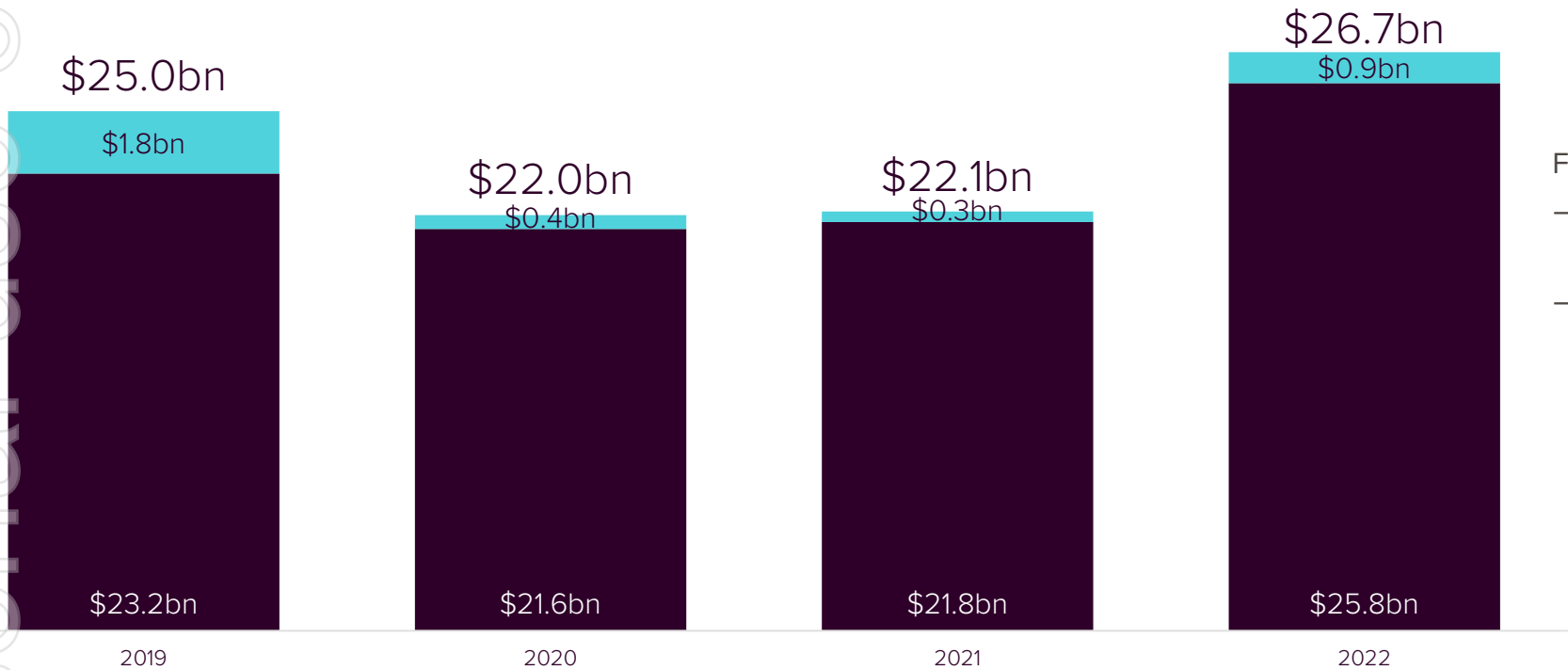


Business Partner Sales

The most efficient platform for businesses to connect with people

TOTAL PORTFOLIO SALES (MAT \$bn)

↑\$4.6bn¹
+21.0%¹



- For the 12 months to 31 December 2022:
- Total sales were \$4.6 billion higher than 2021
 - Total sales were \$1.7 billion higher than 2019

1. Compared to the same period in 2021

Excluding Cinema & Travel Cinema & Travel

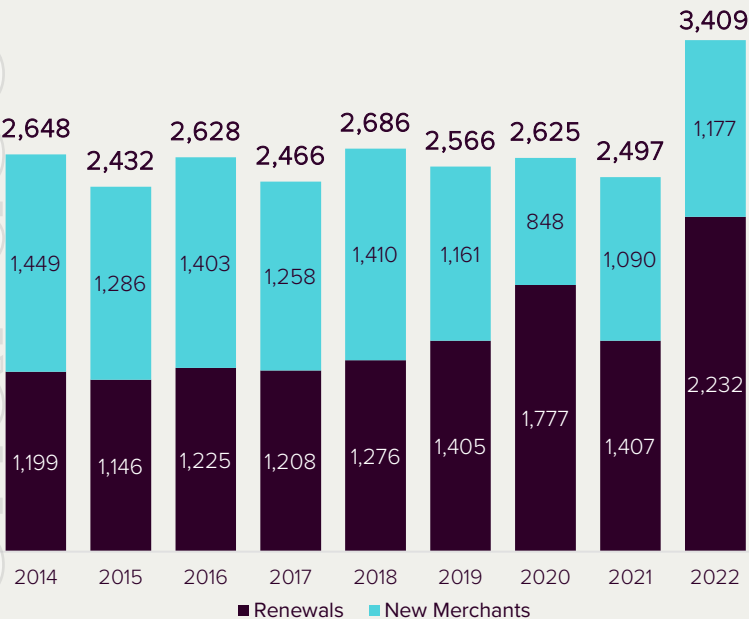
Leasing Activity¹

The Group achieved a record level of leasing activity in 2022

LEASING DEALS

3,409

↑ 912 deals



1. Compared to the same period in 2021

AVERAGE SPECIALTY LEASE TERM

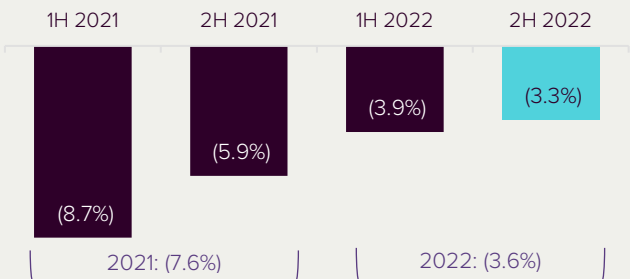
6.9 yrs

↑ Increased from 6.8 yrs

AVERAGE SPECIALTY LEASING SPREADS

(3.6%)

↑ Improved from (7.6%)



PORTFOLIO OCCUPANCY

98.9%

↑ 20bps

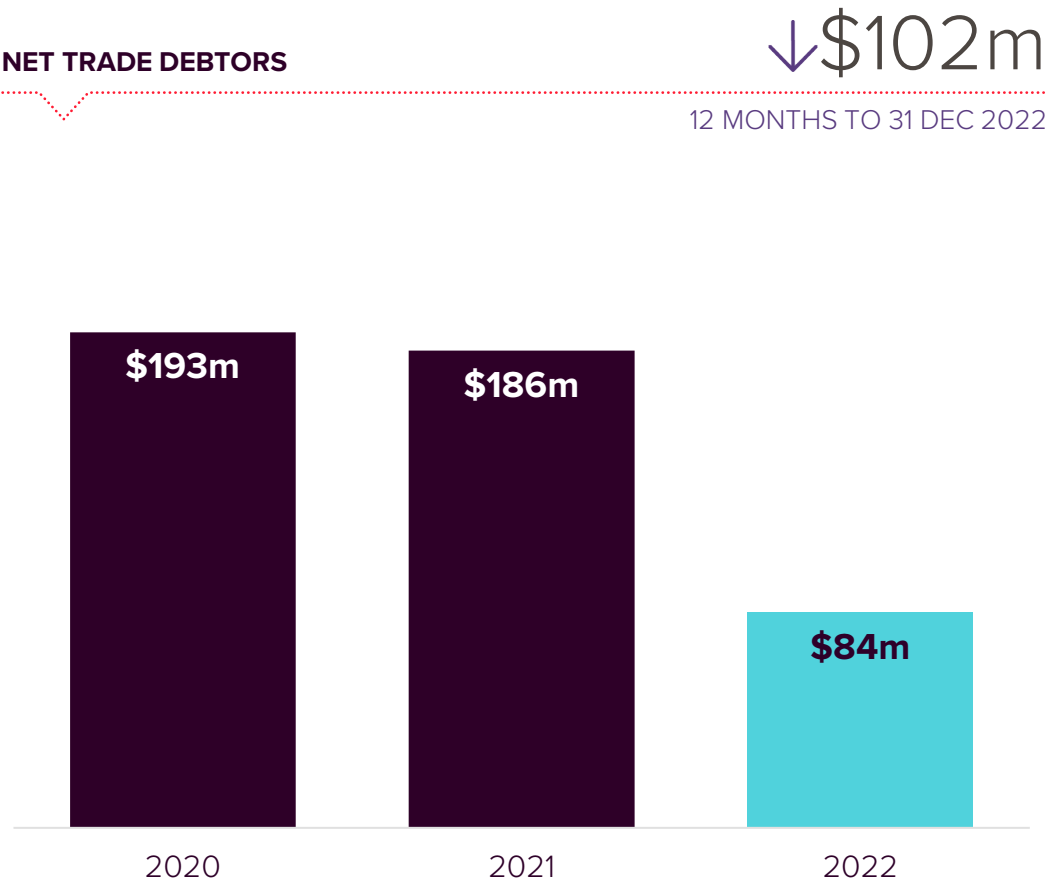
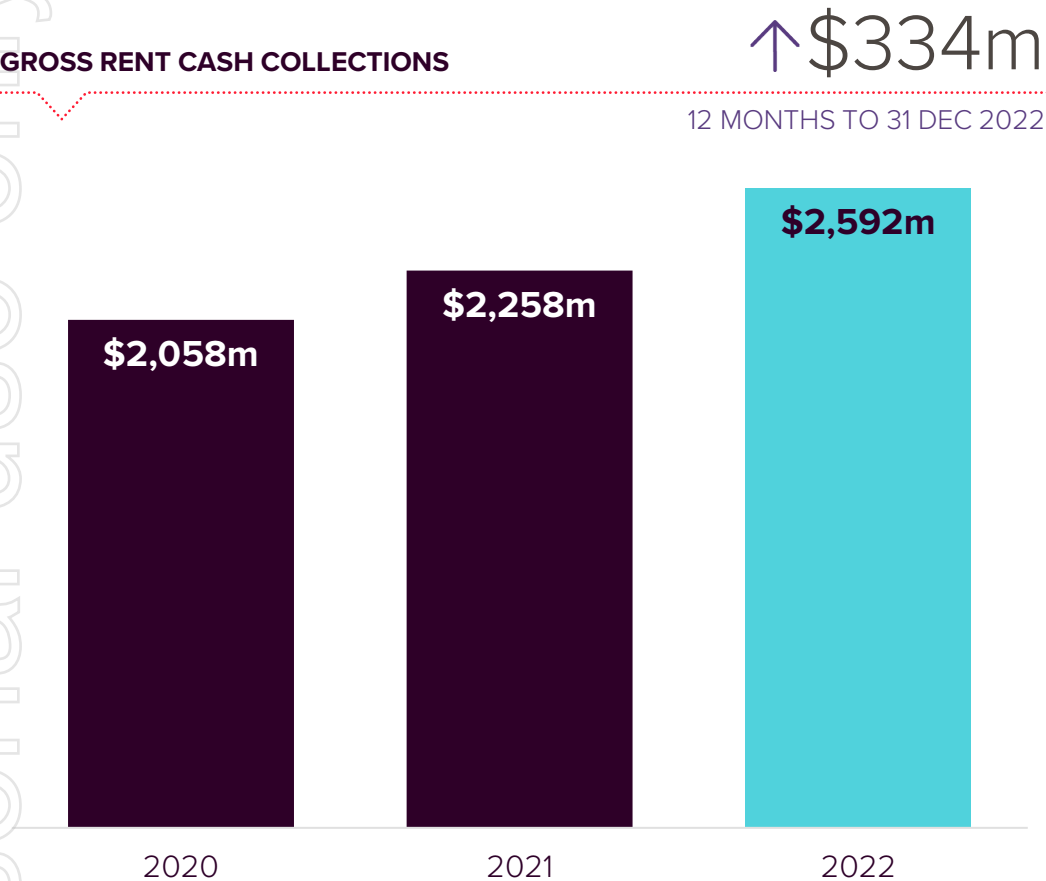
AVERAGE SPECIALTY RENT ESCALATION

+6.8%

↑ CPI + 2% average specialty rent escalation

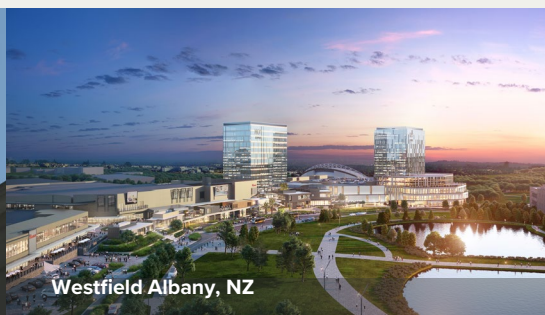
Gross Rent Cash Collections

The Group collected a record \$2,592 million of gross rent during 2022



Development Opportunities

Creating the places more people choose to come, more often, for longer



FUTURE DEVELOPMENTS

>\$4.5bn



Target yield of 6-7% with an incremental IRR of 12-15%

We are a responsible, sustainable business



COMMUNITY

INVESTED \$21M IN COMMUNITIES LAUNCHED AUSLAN SANTA

Invested \$21 million
in communities over four years.

Launched Auslan Santa

A pilot program in collaboration with Deaf Australia.

Increased customer advocacy

to 40, up 2 points on December 2021.

Reconciliation Action Plan

Launched our third Reconciliation Action Plan (2022-2024).



TALENT

RETAINED KEY TALENT GENDER-EQUALITY GLOBAL LEADER

Retained Key Talent
93% retention in 2022

Bloomberg Gender-Equality Index (GEI)

Included for the fourth consecutive year, one of nine organisations in Australia and one of 485 globally to be included.

Successful CEO and CFO leadership transition



ENVIRONMENT

POWERED BY RENEWABLES 38% EMISSIONS REDUCTION

Powered by Renewables

New Zealand portfolio 100% renewable sources since January 2022.

Executed an agreement with CleanCo to source 100% renewable electricity to power our Queensland portfolio from 2025, a key initiative to deliver net zero emissions by 2030.

38% Emissions Reduction

in total portfolio scope 1 and 2 emissions since the establishment of Scentre Group in 2014.



ECONOMIC PERFORMANCE

20.6% FFO GROWTH PROCUREMENT

FFO Growth

Funds From Operations of \$1,040 million or 20.06 cents per security, representing growth of 20.6%.

Procurement

We continued to support indigenous businesses, committed to \$12 million over 5 years to ARA Indigenous Services.

Operating Profit and FFO

\$m	12 months to 31 Dec 2022	12 months to 31 Dec 2021
Property revenue	2,373.9	2,269.5
Property expenses	(566.7)	(527.0)
Expected Credit Charge (ECC)	(14.3)	(168.8)
Net Operating Income	1,792.9	1,573.7
Management income	46.1	44.8
Income	1,839.0	1,618.5
Overheads	(86.8)	(81.7)
EBIT	1,752.2	1,536.8
Net interest (excluding subordinated notes coupons)	(410.9)	(411.5)
Tax	(39.8)	(44.5)
Minority interest	(28.5)	(34.6)
Subordinated notes coupons	(251.0)	(200.4)
Operating Profit	1,022.0	845.8
Operating Profit per security (cents)	19.71	16.32
Project income	25.6	23.8
Tax on project income	(7.7)	(7.1)
Project income after tax	17.9	16.7
Funds From Operations	1,039.9	862.5
Funds From Operations per security (cents)	20.06	16.64
Weighted average number of securities (million)	5,184.2	5,184.2

OPERATING PROFIT

↑ 20.8%

FUNDS FROM OPERATIONS

↑ 20.6%

Financial Position

\$m	31 Dec 2022	31 Dec 2021
Total Balance Sheet Assets¹	35,977.0	35,432.7
Borrowings ²	(9,941.9)	(9,532.0)
Other	(2,850.1)	(2,004.5)
Minority Interest	(544.8)	(787.7)
Subordinated Notes ³	(4,109.6)	(4,109.6)
Net Tangible Assets⁴	18,530.6	18,998.9
Net Tangible Assets⁴ – per security	\$3.57	\$3.66
<i>Add back net fair value loss on cross currency derivatives relating to interest rates⁵</i>	<i>1,469.0</i>	<i>203.6</i>
Economic Net Tangible Assets⁴ – per security	\$3.86	\$3.70
<i>Value of Property Management⁶</i>	<i>3,345.0</i>	<i>3,270.0</i>
Economic Net Asset Value⁴ – per security	\$4.50	\$4.33

1. Total assets excluding cash and currency derivative receivables

2. Adjusted for cash and net currency derivatives

3. Adjusted for net currency derivatives

4. No value has been ascribed to the Westfield Brand and the Development, Design & Construction platform

5. This adjustment reverses the cumulative net fair value loss on cross currency derivatives relating to interest rates which has been recognised in the financial statements (Annual Financial Report Note 2 (v) (iii)). This interest component of cross currency derivatives economically hedges the foreign currency interest bearing liabilities by swapping the fixed interest coupons into an Australian dollar floating interest exposure. Interest bearing liabilities are recognised at amortised cost for accounting and consequently an offsetting gain has not been recorded in the financial statements

6. The value of property management is not included in the Balance Sheet of the Group. The value has been calculated using the actual 2022 property management fees valued at the capitalisation rate of each asset

Funding

31 December 2022

FUNDING

Borrowings	\$9.9bn
Gearing	27.3%
Weighted average debt maturity	3.6 years
Subordinated notes	\$4.1bn
Liquidity	\$4.8bn
Weighted average interest rate ¹	4.8%
Interest rate exposure hedged percentage ²	85%

Investment grade credit ratings

Standard & Poor's	A (Stable)
Fitch	A (Stable)
Moody's	A2 (Stable)

1. Reflects net debt and subordinated notes

2. As at January 2023

INTEREST COVER

4.0x

FFO TO DEBT

13.0%

DEBT TO EBITDA

5.7x

LIQUIDITY

\$4.8bn

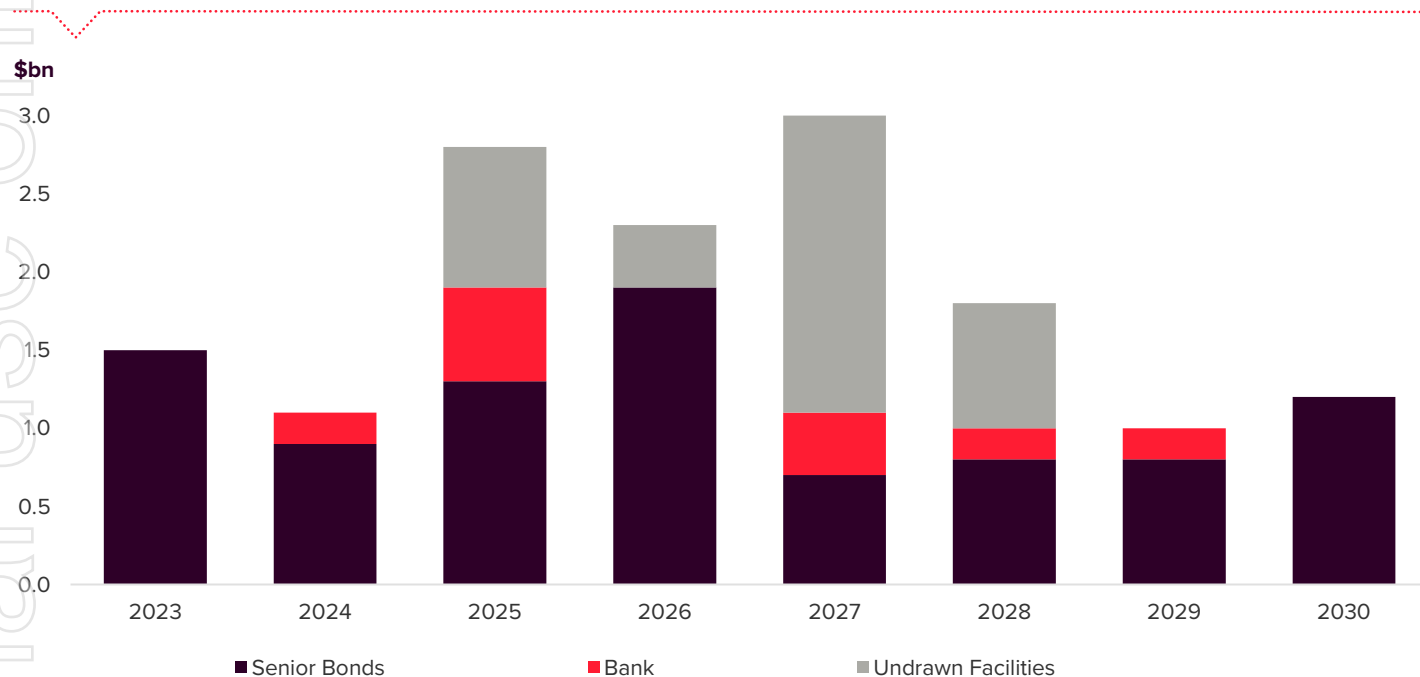
INTEREST RATE HEDGED²

85%

Funding

Available liquidity of \$4.8 billion, sufficient to cover all debt maturities to Q4 2025

DEBT MATURITY PROFILE¹



3.6 years

WEIGHTED AVERAGE DEBT MATURITY

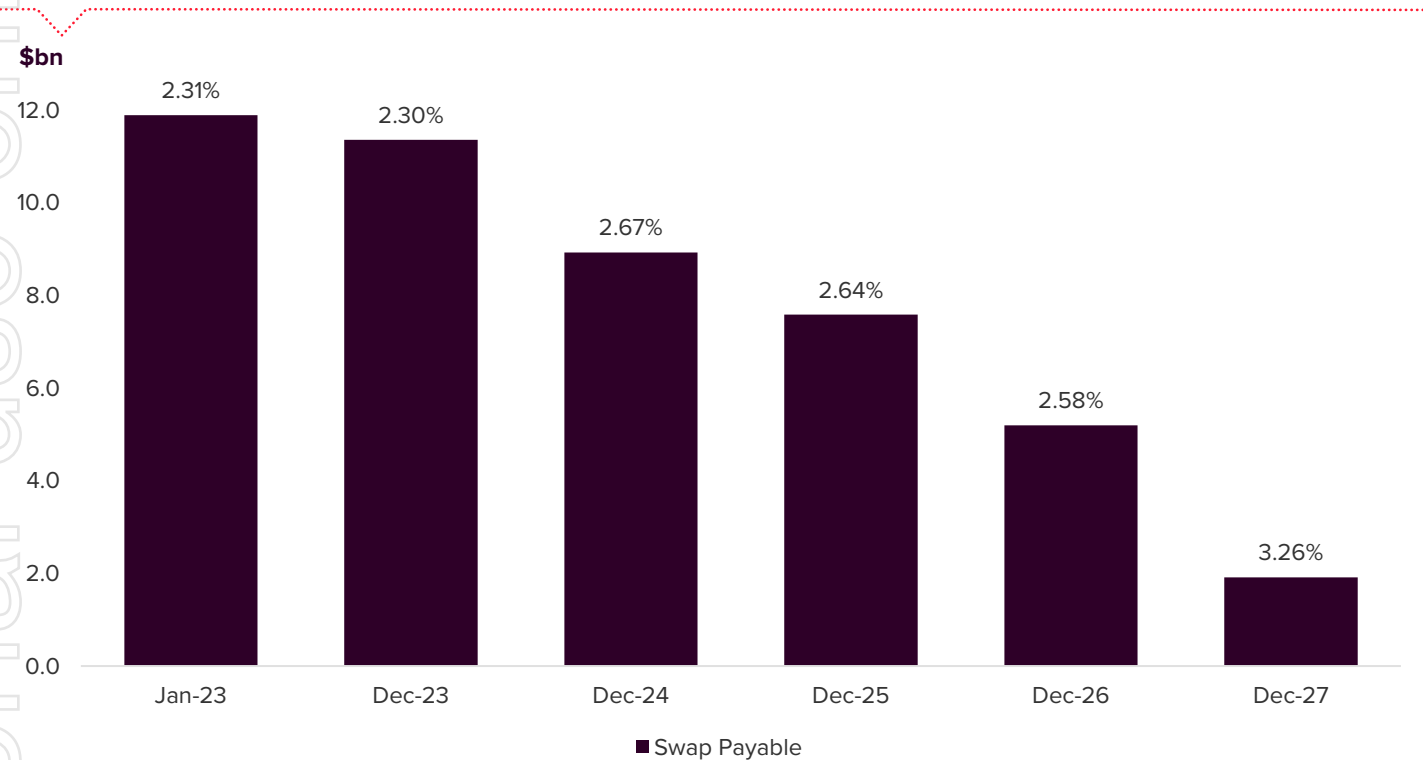
1. Does not include the subordinated notes given their equity-like characteristics

	%	A\$bn
Senior Bonds		
USD	23%	4.3
EUR	21%	3.9
GBP	3%	0.7
HKD	1%	0.1
Total	48%	9.0
Bank Facilities		
Drawn	8%	1.6
Undrawn	22%	4.1
Total	30%	5.7
Total Debt Facilities	78%	14.7
Subordinated Notes		
USD	22%	4.1
Total Funding	100%	18.8
Less Drawn Facilities		(14.7)
Plus Cash		0.7
Total Liquidity		4.8

Interest Rate Hedging

As at 31 December 2022

HEDGE MATURITY PROFILE



85%
HEDGED AT JANUARY 2023

81%
HEDGED AT DECEMBER 2023

Outlook

Subject to no material change in conditions, the Group expects:

- FFO to be in the range of 20.75 to 21.25 cents per security for 2023, representing 3.4% to 5.9% growth for the year.
- Distributions to be at least 16.50 cents per security for 2023, representing at least 4.8% growth for the year.

APPENDICES



Developments

Active Project



Westfield Knox, VIC

Highlights

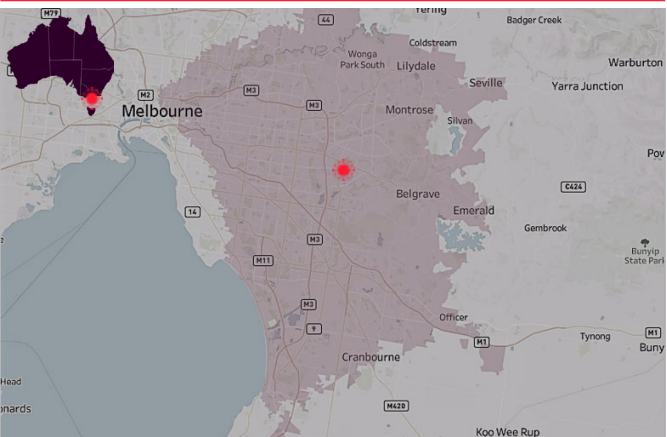
Stage 1: Completed in December 2022, introducing a diverse mix of premium fashion and lifestyle brands, a new fresh food emporium, alongside new supermarkets Woolworths and Aldi.

Stages 2-4: Sport, athleisure and recreation precinct including a 2,000 sqm library, indoor and outdoor recreational spaces and coworking facilities.

Overview

Project Cost	\$355m (SCG Share: \$177.5m)
Commencement	Q1 2022
Completion	Stage 1, December 2022 / 2023
Incremental Project GLA	4,000 sqm
Completed Centre GLA	144,810 sqm

Location



Developments

Completed Project



Westfield Mt Druit, NSW

Highlights

Creation of an integrated rooftop dining, entertainment and lifestyle precinct.

Introduced 15 new dining experiences, an indoor children’s play area, indoor and outdoor green spaces along with a stage for live entertainment, providing a meeting place for the local community.

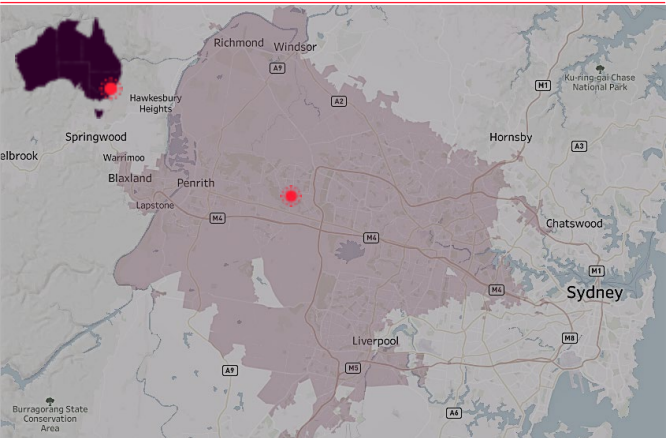
Enhanced car parking with improved design and navigation.

Contributed to the 37% increase in visitation in 2022, compared to 2021.

Overview

Project Cost	\$55m (SCG Share: \$27.5m)
Commencement	Q1 2021
Completion	March 2022
Incremental Project GLA	4,000 sqm
Completed Centre GLA	65,112 sqm

Location



Developments

Completed Project



Westfield Penrith, NSW

Highlights

Introduction of three new casual dining experiences, a Coles supermarket and Hanaromart's first Korean and pan-Asian grocery store in Sydney.

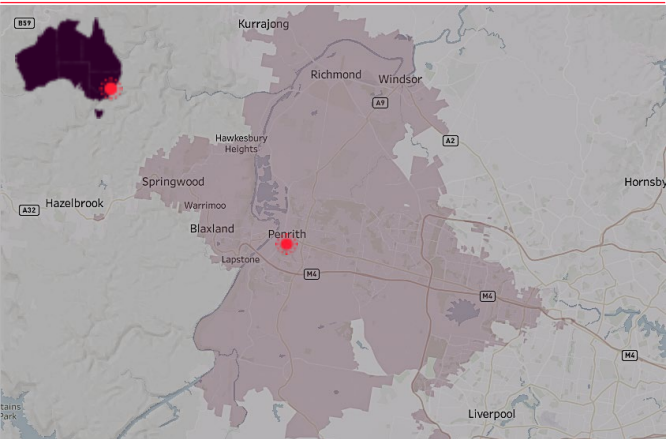
Complementing the food and dining is a new entertainment offer featuring Archie Brothers Cirque Electriq and Holey Moley.

The redevelopment also included upgrades and additions to the centre's vertical transport systems.

Overview

Project Cost	\$33m (SCG Share: \$16.5m)
Commencement	Q1 2022
Completion	November 2022
Incremental Project GLA	0 sqm
Completed Centre GLA	91,500 sqm

Location



Developments

Completed Project



Westfield Parramatta, NSW

Highlights

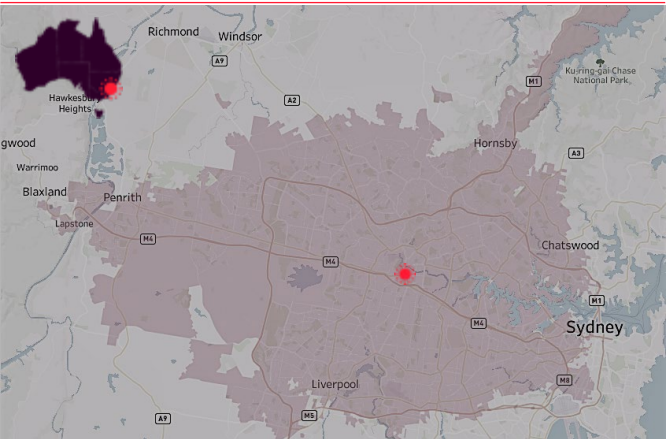
Reinvigorated and expanded the fresh food precinct featuring an upgraded Coles supermarket, introducing a new ALDI and an expanded specialist Asian supermarket, Tong Li.

The works include a new entrance from the level 6 carpark and an ambience upgrade to the adjoining centre.

Overview

Project Cost	\$33m (SCG Share: \$16.5m)
Commencement	Q1 2022
Completion	December 2022
Incremental Project GLA	2,000 sqm
Completed Centre GLA	140,059 sqm

Location



Profit and FFO

Reconciliation from Profit to FFO \$m	Statutory Profit 12 months to 31 Dec 2022	FFO Adjustments ¹	FFO 12 months to 31 Dec 2022	Financial Statement Notes
	A	B	C=A+B	
Property revenue ²	2,309.3	64.6	2,373.9	Note 2(iii)
Property expenses	(566.7)	-	(566.7)	Note 2(iii)
Expected Credit Charge (ECC)	(14.3)	-	(14.3)	Note 2(iii)
Net Operating Income	1,728.3	64.6	1,792.9	
Management income ³	46.1	-	46.1	
Income	1,774.4	64.6	1,839.0	
Overheads	(86.8)	-	(86.8)	Note 2(v)
Revaluations	79.2	(79.2)	-	Note 2(v)
EBIT⁴	1,766.8	(14.6)	1,752.2	
Net interest (excluding subordinated notes coupons) ⁵	(1,094.3)	683.4	(410.9)	
Currency derivatives	(32.1)	32.1	-	Note 2(v)
Capital costs relating to strategic initiatives	(47.6)	47.6	-	Note 2(v)
Tax	(32.3)	(7.5)	(39.8)	Note 2(v)
Minority interest ⁶	(26.8)	(1.7)	(28.5)	
Subordinated notes coupons	(251.0)	-	(251.0)	Note 2(v)
Operating Profit	282.7	739.3	1,022.0	
Project income ⁷	25.6	-	25.6	
Tax on project income	(7.7)	-	(7.7)	Note 2(v)
Project income after tax	17.9	-	17.9	
Statutory Profit / Funds from operations	300.6	739.3	1,039.9	

- The Group's measure of FFO is based upon the National Association of Real Estate Investment Trusts' (NAREIT, a US industry body) definition, adjusted to reflect the Group's profit after tax and non controlling interests reported in accordance with the Australian Accounting Standards and International Financial Reporting Standards and excludes straightlining of rent. FFO adjustments relate to property revaluations, mark to market of interest rate and currency derivatives, mark to market of other financial liabilities, modification gain or loss on refinanced borrowing facilities, tenant allowance amortisation, straightlining of rent, deferred tax expense/benefit and gain or loss in respect of capital transactions.
- Property revenue of \$2,309.3m (Note 2(iii)) plus amortisation of tenant allowances of \$74.7m (Note 2(iii)) less straightlining of rent of \$10.1m (Note 2(iii)) = \$2,373.9m.
- Property management income of \$57.4m (Note 2(v)) less property management costs of \$11.3m (Note 2(v)) = \$46.1m.
- EBIT of \$1,752.2m adjusted for Project Income \$25.6m, ECC \$14.3m, Capital costs relating to strategic initiatives -\$47.6m, PLN minority interests -\$19.0m and straight lining of rent \$10.1m equals EBITDA of \$1,735.6m which has been used to calculate Debt / EBITDA of 5.7x on Funding slide 12
- Financing costs \$1,357.4m (Note 2(v)) offset by interest income \$6.9m (Note 2(v)), less coupons on subordinated notes of \$251.0m (Note 13), interest expense on other financial liabilities \$19.0m (Note 13), net fair value gain on other financial liabilities of \$13.8m (Note 13), mark to market loss on interest rate derivatives of \$676.2m (Note 13) and net modification loss on refinanced borrowing facilities of \$7.2m (Note 13) = \$410.9m.
- Profit attributable to minority interest \$21.6m (Note 2(v)) adjusted for non-FFO items of \$12.1m, plus interest expense on other financial liabilities \$19.0m (Note 13) = \$28.5m.
- Project income \$328.7m (Note 2(v)) less project expenses \$303.1m (Note 2(v)) = \$25.6m.

Operating Cash Flow

Cash flows from operating activities - proportionate \$m

	Consolidated	Equity Accounted	12 Months to 31 Dec 2022	12 Months to 31 Dec 2021
Receipts in the course of operations (including GST)	2,854.1	274.1	3,128.2	2,680.3
Payments in the course of operations (including GST)	(938.5)	(80.6)	(1,019.1)	(853.7)
Net operating cash flows from equity accounted entities	91.2	(91.2)	-	-
Income and withholding taxes paid	(46.4)	(9.9)	(56.3)	(55.6)
GST paid	(195.6)	(19.4)	(215.0)	(205.9)
Payments of financing costs (excluding interest capitalised)	(624.8)	(39.0)	(663.8)	(656.9)
Interest received	6.6	0.3	6.9	5.4
Net cash flows from operating activities - proportionate	1,146.6	34.3	1,180.9	913.6

Balance Sheet

Balance Sheet – Proportionate¹

\$m	Consolidated	Equity Accounted	31 Dec 2022	Debt Reclassification	31 Dec 2022
	A	B	C=A+B		
Cash	679.0	14.9	693.9	(693.9)	-
Property Investments					
- Shopping centres	31,448.8	2,749.8	34,198.6	-	34,198.6
- Development projects and construction in progress	705.1	85.4	790.5	-	790.5
Total property investments	32,153.9	2,835.2	34,989.1	-	34,989.1
Equity accounted investments	2,673.3	(2,673.3)	-	-	-
Currency derivative receivables					
- Senior borrowings	524.5	-	524.5	(524.5)	-
Other assets	976.0	11.9	987.9	-	987.9
Total assets	37,006.7	188.7	37,195.4	(1,218.4)	35,977.0
Borrowings	(11,008.8)	-	(11,008.8)	1,066.9	(9,941.9)
Currency derivative receivables/(payables)					
- Subordinated notes	293.7	-	293.7	(293.7)	-
- Senior borrowings	(151.5)	-	(151.5)	151.5	-
Lease liabilities	(107.1)	(0.3)	(107.4)	-	(107.4)
Other liabilities	(2,554.3)	(188.4)	(2,742.7)	-	(2,742.7)
Minority interest ²	(544.8)	-	(544.8)	-	(544.8)
Subordinated notes	(4,403.3)	-	(4,403.3)	293.7	(4,109.6)
Net assets attributed to members of Scentre Group	18,530.6	-	18,530.6	-	18,530.6

1. Period end AUD/NZD exchange rate 1.0729 at 31 December 2022
2. Includes \$354.9m of Property Linked Notes shown in minority interest given their equity characteristics, and \$189.9m relating to Carindale Property Trust

Business Partner Sales

Growth Over 2021¹

Total Majors & Specialty sales were 14.4% higher for the 3 months to December and 18.6% higher for the year compared to 2021

Specialty sales were 16.9% higher for the 3 months and 23.2% higher for the year

Majors sales were 10.6% higher for the 3 months and 12.1% higher for the year

Total Portfolio Sales by Region	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
NSW	27.9%	15.9%
QLD	12.9%	11.4%
VIC	22.3%	15.8%
WA	2.1%	6.1%
SA	3.5%	6.7%
ACT	14.6%	13.9%
NZ	16.7%	28.3%
Total	18.6%	14.4%

1. Compared to the prior corresponding period in 2021

2. Other includes Gifts and Souvenirs, and Discount Variety

3. Total Majors and Specialties excludes Cinemas and Travel in line with SCCA guidelines

Total Portfolio Sales by Category	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
Fashion	30.8%	17.6%
Technology & Appliances	11.7%	10.6%
Dining	32.1%	33.0%
Health & Beauty	28.3%	24.3%
Leisure & Sports	20.0%	13.8%
Food Retail	9.3%	12.7%
Footwear	27.9%	21.4%
Jewellery	26.9%	9.1%
Retail Services	13.0%	3.1%
Homewares	13.6%	6.2%
Other ²	10.8%	5.3%
Total Specialties	23.2%	16.9%
Supermarkets	7.0%	9.4%
Discount Department Stores	17.0%	11.6%
Department Stores	21.1%	14.7%
Total Majors	12.1%	10.6%
Total Majors + Specialties³	18.6%	14.4%

Business Partner Sales

Growth Over 2019¹

Total Majors & Specialty sales were 9.7% higher for the 3 months to December and 9.0% higher for the year compared to 2019

Specialty sales were 9.6% higher for the 3 months and 9.5% higher for the year

Majors sales were 10.0% higher for the 3 months and 8.1% higher for the year

Total Portfolio Sales by Region	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
NSW	4.1%	5.2%
QLD	19.1%	20.0%
VIC	5.7%	6.7%
WA	8.7%	11.8%
SA	8.8%	10.8%
ACT	11.7%	12.3%
NZ	23.3%	16.3%
Total	9.0%	9.7%

1. Compared to the prior corresponding period in 2019
2. Other includes Gifts and Souvenirs, and Discount Variety
3. Total Majors and Specialties excludes Cinemas and Travel in line with SCCA guidelines

Total Portfolio Sales by Category	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
Fashion	12.5%	12.5%
Technology & Appliances	6.4%	1.6%
Dining	9.1%	11.6%
Health & Beauty	9.1%	12.8%
Leisure & Sports	20.5%	19.4%
Food Retail	(1.8%)	2.2%
Footwear	5.5%	10.1%
Jewellery	13.8%	11.1%
Retail Services	15.7%	13.3%
Homewares	3.4%	1.6%
Other ²	(7.6%)	(5.7%)
Total Specialties	9.5%	9.6%
Supermarkets	7.3%	10.2%
Discount Department Stores	19.9%	19.7%
Department Stores	(0.5%)	2.1%
Total Majors	8.1%	10.0%
Total Majors + Specialties³	9.0%	9.7%

Business Partner Sales

Comparable Growth Over 2019¹

Total Majors & Specialty sales were 12.4% higher for the 3 months to December and 12.0% higher for the year compared to 2019

Specialty sales were 12.5% higher for the 3 months and 12.7% higher for the year

Majors sales were 12.3% higher for the 3 months and 11.0% higher for the year

Total Portfolio Sales by Region	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
NSW	8.1%	8.5%
QLD	18.9%	19.9%
VIC	9.5%	10.6%
WA	10.8%	13.4%
SA	8.6%	10.8%
ACT	8.6%	8.8%
NZ	26.6%	19.2%
Total	12.0%	12.4%

1. Comparable sales excludes CBD centres, developments and special projects, compared to the prior corresponding period in 2019
2. Other includes Gifts and Souvenirs, and Discount Variety
3. Total Majors and Specialties excludes Cinemas and Travel in line with SCCA guidelines

Total Portfolio Sales by Category	12 Months to 31 Dec 2022	3 Months to 31 Dec 2022
Fashion	18.2%	17.9%
Technology & Appliances	8.2%	3.5%
Dining	11.8%	13.4%
Health & Beauty	12.6%	16.8%
Leisure & Sports	21.8%	19.9%
Food Retail	3.4%	7.1%
Footwear	9.7%	14.5%
Jewellery	16.9%	14.6%
Retail Services	17.0%	14.7%
Homewares	4.9%	4.1%
Other ²	(7.1%)	(6.0%)
Total Specialties	12.7%	12.5%
Supermarkets	8.4%	10.5%
Discount Department Stores	21.2%	20.9%
Department Stores	5.1%	6.8%
Total Majors	11.0%	12.3%
Total Majors + Specialties³	12.0%	12.4%

Property Valuations

31 December 2022

AUSTRALIA (A\$m)	Ownership	Book Value	Retail Cap Rate	Economic Yield
Australian Capital Territory				
Belconnen	100%	782.0	5.75%	6.18%
Woden	50%	310.0	5.75%	6.54%
New South Wales				
Bondi Junction	100%	3,195.1	4.25%	4.51%
Burwood	50%	530.1	4.75%	5.41%
Chatswood	100%	1,243.0	4.63%	4.95%
Eastgardens	50%	612.5	4.50%	5.06%
Hornsby	100%	1,046.0	5.25%	5.64%
Hurstville	50%	419.5	5.25%	6.03%
Kotara	100%	900.0	5.50%	5.89%
Liverpool	50%	492.2	5.25%	6.02%
Miranda	50%	1,208.0	4.50%	5.10%
Mt Druitt	50%	337.5	5.50%	6.29%
Parramatta	50%	1,064.5	4.63%	5.27%
Penrith	50%	680.0	5.13%	5.80%
Sydney	100%	4,044.1	4.43%	4.70%
Tuggerah	100%	737.0	5.50%	5.91%
Warringah Mall	50%	821.5	5.00%	5.66%
Queensland				
Carindale	50%	785.1	5.00%	5.73%
Chermside	100%	2,541.0	4.50%	4.81%
Coomera	50%	202.5	5.75%	6.71%
Helensvale	50%	205.0	6.00%	6.92%
Mt Gravatt	100%	1,605.0	5.00%	5.35%
North Lakes	50%	507.5	4.75%	5.47%
South Australia				
Marion	50%	647.5	5.25%	6.12%
Tea Tree Plaza	50%	348.0	5.50%	6.49%
West Lakes	50%	202.0	6.25%	7.43%

AUSTRALIA (A\$m)	Ownership	Book Value	Retail Cap Rate	Economic Yield
Victoria				
Airport West	50%	197.5	5.65%	6.55%
Doncaster	50%	1,115.5	4.63%	5.26%
Fountain Gate	100%	1,945.0	4.50%	4.83%
Geelong	50%	217.5	6.00%	7.01%
Knox	50%	425.0	5.50%	6.47%
Plenty Valley	50%	270.0	5.25%	6.10%
Southland	50%	685.0	5.13%	5.88%
Western Australia				
Booragoon	50%	475.0	5.13%	5.91%
Carousel	100%	1,481.0	4.75%	5.12%
Innaloo	100%	291.2	6.25%	6.81%
Whitford City	50%	250.0	6.13%	7.25%
TOTAL AUSTRALIA		32,819.3	4.86%¹	5.34%
NEW ZEALAND (NZ\$m)				
Albany	51%	280.5	6.50%	7.45%
Manukau	51%	179.5	7.38%	8.49%
Newmarket	51%	563.4	6.00%	6.77%
Riccarton	51%	285.6	7.13%	8.10%
St Lukes	51%	170.9	7.13%	8.26%
TOTAL NEW ZEALAND (NZ\$m)		1,479.9	6.63%¹	7.54%
TOTAL SCENTRE GROUP (A\$m)		34,198.6	4.93%¹	5.43%

1. Weighted average cap rate including non-retail assets

Important Notice

All amounts in Australian dollars unless otherwise specified. The financial information included in this document is based on the Scentre Group's IFRS financial statements. Non IFRS financial information included in this document has not been audited or reviewed. This document contains forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to us as of the date of this document. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this document. You should not place undue reliance on these forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

SCENTRE GROUP LIMITED

ABN 66 001 671 496

SCENTRE MANAGEMENT LIMITED

ABN 41 001 670 579 AFS Licence No: 230329
as responsible entity of Scentre Group Trust 1
ARSN 090 849 746

RE1 LIMITED

ABN 80 145 743 862 AFS Licence No: 380202
as responsible entity of Scentre Group Trust 2
ARSN 146 934 536

RE2 LIMITED

ABN 41 145 744 065 AFS Licence No: 380203
as responsible entity of Scentre Group Trust 3
ARSN 146 934 652