SCENTRE GROUP

MEDIA RELEASE

24 February 2015

SCENTRE GROUP FORECASTS FFO GROWTH OF 3.5% TO 22.5 CENTS PER SECURITY FOR 2015

Scentre Group (ASX:SCG) today announced results for the six months to 31 December 2014 with Funds from Operations (FFO) of $578 million, which represents 10.88 cents per security and a distribution of 10.2 cents per security, both in line with forecast. IFRS Net profit, including revaluations of $648.9 million was $1.3 billion for the six months.

Chairman, Mr. Frank Lowy AC said "I am pleased that we have successfully implemented the restructure of Westfield Group and Westfield Retail Trust, which has created substantial value for both sets of securityholders. The market has positively embraced the change and I am excited about the future prospects for Scentre Group."

Peter Allen, CEO, said: "The establishment of Scentre Group has allowed management to focus exclusively on the opportunities in Australia and New Zealand. We are pleased with the operational results for the twelve months to 31 December 2014, in particular with comparable specialty store sales in Australia up 3.6%, both for the quarter and for the 12 months.

"Scentre Group's strategy is to own interests in the highest quality regional shopping centres in Australia and New Zealand. We will invest capital into our centres to ensure that we continue to provide extraordinary retail spaces for our retailers and shoppers. We believe the portfolio will generate strong long term growth and risk adjusted returns."

Established on 30 June 2014, Scentre Group is the pre-eminent, Australia and New Zealand focused retail property group. It owns interests in 47 Westfield centres, including 14 of Australia's top 20 performing centres, and has assets under management of $40.9bn.

Operational Performance

At 31 December 2014, the portfolio remained more than 99.5% leased, while average specialty retail sales in Australia had increased to $10,200 per square metre. For the twelve months to 31 December 2014, comparable property net operating income across the Australian and New Zealand portfolio increased 2.2%.

"The high quality shopping centres in our portfolio have delivered excellent sales productivity, almost full occupancy and continued growth in average rents and comparable net property income in 2014. This reflects the Group's continued reinvestment into the portfolio and strong retailer demand for space in our centres from both existing and new retailers," Mr Allen said.

Owner and Operator of Westfield in Australia and New Zealand
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 80 145 743 682 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
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Development Activity

Scentre Group has a vertically integrated development, design and construction platform. The Group's development activity is expected to deliver earnings accretion and create significant long term value.

"We see the introduction of new retailers, together with the integration of food, fashion and entertainment experiences, combined with the greater use of digital technology, as key trends which will underpin the strength and relevance of our existing centres and future redevelopments," Mr Allen said.

Scentre Group has an identified future development pipeline in excess of $3.0 billion, and in 2015 has already commenced new developments at Chatswood and North Lakes with a combined value of $190m (Scentre Group share: $150m).

In 2014, Scentre Group completed the $410m development at Westfield Garden City in Brisbane and the major stage opening of the $475m (Scentre Group share: $238m) development at Westfield Miranda in Sydney.

Scentre Group's development activity also includes two design and construction projects that are being undertaken for AMP Capital. The $440m development at Macquarie Centre was opened in the second half of 2014, and the Group continues to make good progress on the $670m development at Pacific Fair that is expected to be completed in 2016.

Financing

Immediately following the establishment of Scentre Group on 30 June 2014, a successful A$3.1bn 4-tranche debut bond offering was executed in the euromarkets, which received strong investor support. The Group subsequently raised A$400m from a domestic bond issue and A$1.5bn from two USD bond issues. The net proceeds from these new issues were used to refinance the A$5bn bridge facility established as part of the restructure in June 2014.

Gearing at 31 December 2014 was 34.9%.

Scentre Group has an A1 (stable) credit rating from Moody's and an A (stable) rating from Standard & Poor's.

Statutory Statements

The Statutory Financial Statements lodged today reflect the balance sheet of Scentre Group as at 31 December 2014. Due to the required accounting treatment of the restructure, the Income Statement comprises the earnings of the former Westfield Group for the first six month period to 30 June 2014, and earnings of Scentre Group for the second six month period to 31 December 2014, and is therefore not representative of Scentre Group's operations for the twelve months to 31 December 2014.

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Strategy and Outlook

Scentre Group's strategy is to own interests in the highest quality shopping centres and to optimise the returns through the redevelopment and enhancement of the centres.

In November 2014, Scentre Group announced a NZ$2.1bn joint venture with GIC for five shopping centres in New Zealand, three of which have developments planned. This transaction is expected to close during the 1st quarter of 2015. More recently, the Group announced a sale process for the remaining four 100% owned shopping centres in New Zealand.

Scentre Group forecasts FFO for 2015 to grow by 3.5% to 22.5 cents per security, with the distribution forecast to increase to 20.9 cents per security.

ENDS

Scentre Group (ASX Code: SCG) is the owner and operator of Westfield in Australia and New Zealand employing approximately 2,000 staff in Australia and New Zealand. Scentre Group has interests in and operates 47 centres located in Australia and New Zealand, encompassing approximately 12,700 retail outlets and total assets under management of $40.9 billion.

The financial information included in this release is based on the Scentre Group's IFRS financial statements. Non IFRS financial information has not been audited or reviewed.

This release 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 these results. 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 release. 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.

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