Scentre Group [1] : Appendix 4D
For the half-year ended 30 June 2023

(previous corresponding period being the half-year ended 30 June 2022)

Results for Announcement to the Market:

			2023	2022
Revenue ($million)	up	6.3%	**1,250.3**	1,176.3
Profit after tax (excluding unrealised fair value movements and modification gain or loss) attributable to members of Scentre Group ($million)	up	3.2%	**508.8**	493.1
Profit after tax (including unrealised fair value movements and modification gain or loss) attributable to members of Scentre Group ($million)	down	68.9%	**149.4**	479.8
Net operating income ($million)	up	10.0%	**971.9**	883.6
Funds from Operations (FFO) attributable to members of Scentre Group ($million)	up	1.5%	**556.6**	548.6
FFO per security (cents)			**10.74**	10.58

Dividend/Distributions for Scentre Group

	Cents per stapled security
Dividend/distributions for the period ended 30 June 2023	8.25
Interim dividend/distributions in respect of Scentre Group earnings to be paid on 31 August 2023 comprising: [(i)]	8.25
- dividend in respect of a Scentre Group Limited share	Nil
- distribution in respect of a Scentre Group Trust 1 unit	4.125
- distribution in respect of a Scentre Group Trust 2 unit	4.125
- distribution in respect of a Scentre Group Trust 3 unit	Nil

[(i)] The number of securities entitled to distributions on the record date, 18 August 2023 was 5,190,378,339.

The dividend/distributions per security have been determined by reference to the number of securities on issue at the record date. The record date for determining entitlements to the distributions was 18 August 2023 and the distribution will be paid on 31 August 2023. The Group does not operate a Distribution Reinvestment Plan.

Details of the full year components of distributions in respect of Scentre Group Trust 1 and Scentre Group Trust 2 will be provided in the Annual Tax Statements which will be sent to members in March 2024.

Additional information

Commentary on the results is contained in the announcement and results presentation released to the ASX.

[1] Scentre Group comprises Scentre Group Limited ABN 66 001 671 496 (SGL); Scentre Group Trust 1 ARSN 090 849 746 (SGT1); Scentre Group Trust 2 ARSN 146 934 536 (SGT2); and Scentre Group Trust 3 ARSN 146 934 652 (SGT3) and their respective controlled entities.

Scentre Group
Half-Year Financial Report
For the half-year ended 30 June 2023

SCENTRE GROUP
INCOME STATEMENT
For the half-year ended 30 June 2023

	Note	**30 Jun 23 $million**	30 Jun 22 $million
Revenue			
Property revenue		**1,077.4**	1,016.6
Property development and construction revenue		**142.6**	130.3
Property management income		**30.3**	29.4
		1,250.3	1,176.3
Expenses			
Property expenses, outgoings and other costs		**(235.6)**	(250.1)
Property development and construction costs		**(127.5)**	(118.7)
Property management costs		**(6.0)**	(5.7)
Overheads		**(44.7)**	(42.4)
		(413.8)	(416.9)
Share of after tax profits of equity accounted entities			
Property revenue		**123.4**	116.4
Property expenses, outgoings and other costs		**(29.9)**	(30.6)
Interest income		**0.6**	-
Property revaluations		**(15.9)**	0.7
Tax expense		**(6.6)**	(9.5)
	6(a)	**71.6**	77.0
Interest income		**7.2**	0.9
Currency loss		**(17.3)**	(23.7)
Financing costs	12	**(342.0)**	(573.5)
Capital costs relating to strategic initiatives		**(15.5)**	(12.4)
Property revaluations		**(376.6)**	285.4
Profit before tax		**163.9**	513.1
Tax expense	7	**(13.6)**	(13.8)
Profit after tax for the period		**150.3**	499.3
Profit after tax for the period attributable to:			
– Members of Scentre Group		**149.4**	479.8
– External non controlling interests		**0.9**	19.5
Profit after tax for the period		**150.3**	499.3
Earnings per stapled security attributable to members of Scentre Group		**cents**	cents
– Basic earnings per stapled security	11(a)	**2.88**	9.26
– Diluted earnings per stapled security	11(a)	**2.87**	9.22

SCENTRE GROUP
STATEMENT OF COMPREHENSIVE INCOME
For the half-year ended 30 June 2023

	30 Jun 23 $million	30 Jun 22 $million
Profit after tax for the period	**150.3**	499.3
Other comprehensive loss		
Movement in foreign currency translation reserve (i)		
– Currency movement on the translation of investment in foreign operations	**(20.4)**	(58.3)
Total comprehensive income for the period	**129.9**	441.0
Total comprehensive income attributable to:		
– Members of Scentre Group (ii)	**129.0**	421.5
– External non controlling interests	**0.9**	19.5
Total comprehensive income for the period	**129.9**	441.0

(i) This may be subsequently transferred to the profit and loss. In relation to the foreign currency translation reserve, the portion relating to the foreign operations held by Scentre Group Trust 1 (SGT1), Scentre Group Trust 2 (SGT2) and Scentre Group Trust 3 (SGT3) may be transferred to the profit and loss depending on how the foreign operations are sold.

(ii) Total comprehensive income attributable to members of Scentre Group comprises $37.1 million (30 June 2022: $38.5 million) attributable to Scentre Group Limited (SGL) members and $91.9 million (30 June 2022: $383.0 million) attributable to SGT1, SGT2 and SGT3 members.

Total comprehensive income attributable to members of SGT1, SGT2 and SGT3 consists of profit after tax for the period of $111.5 million (30 June 2022: $439.4 million) and currency loss on the translation of investment in foreign operations of $19.6 million (30 June 2022: $56.4 million).

SCENTRE GROUP
BALANCE SHEET
As at 30 June 2023

	Note	30 Jun 23 $million	31 Dec 22 $million
Current assets			
Cash and cash equivalents		**261.0**	679.0
Trade debtors	3	**44.7**	77.0
Receivables	3	**87.5**	85.0
Interest receivable		**208.9**	168.0
Tax receivable		**21.0**	9.0
Derivative assets		**120.6**	99.5
Other current assets		**72.0**	94.1
Total current assets		**815.7**	1,211.6
Non current assets			
Investment properties	4	**31,924.7**	32,153.9
Equity accounted investments	6(b)	**2,667.5**	2,673.3
Derivative assets		**864.0**	761.7
Plant, equipment and intangible assets		**62.1**	58.9
Right-of-use assets		**47.7**	54.6
Other non current assets		**87.8**	92.7
Total non current assets		**35,653.8**	35,795.1
Total assets		**36,469.5**	37,006.7
Current liabilities			
Trade creditors		**252.3**	296.8
Payables and other creditors		**510.3**	559.2
Interest payable		**332.7**	307.4
Interest bearing liabilities			
– Senior borrowings	13	**1,390.9**	2,168.9
Other financial liabilities		**185.0**	162.3
Provision for employee benefits		**27.3**	24.2
Lease liabilities		**15.2**	14.4
Derivative liabilities		**-**	0.2
Total current liabilities		**2,713.7**	3,533.4
Non current liabilities			
Interest bearing liabilities			
– Senior borrowings	13	**9,812.0**	8,839.9
– Subordinated notes	13	**4,526.3**	4,403.3
Other financial liabilities		**-**	192.6
Deferred tax liabilities		**46.0**	40.5
Provision for employee benefits		**34.6**	29.0
Lease liabilities		**86.0**	92.7
Derivative liabilities		**841.5**	1,154.8
Total non current liabilities		**15,346.4**	14,752.8
Total liabilities		**18,060.1**	18,286.2
Net assets		**18,409.4**	18,720.5
Equity attributable to members of Scentre Group			
Contributed equity	14(b)	**9,990.8**	9,990.8
Reserves		**89.8**	119.6
Retained profits		**8,141.9**	8,420.2
Total equity attributable to members of Scentre Group		**18,222.5**	18,530.6
Equity attributable to external non controlling interests			
Contributed equity		**73.4**	72.7
Retained profits		**113.5**	117.2
Total equity attributable to external non controlling interests		**186.9**	189.9
Total equity		**18,409.4**	18,720.5

SCENTRE GROUP
STATEMENT OF CHANGES IN EQUITY
For the half-year ended 30 June 2023

	Contributed Equity $million	**Reserves $million**	**Retained Profits $million**	**30 Jun 23 Total $million**	Contributed Equity $million	Reserves $million	Retained Profits $million	30 Jun 22 Total $million
Changes in equity attributable to members of Scentre Group								
Balance at the beginning of the period	**9,990.8**	**119.6**	**8,420.2**	**18,530.6**	9,990.8	123.9	8,884.2	18,998.9
– Profit after tax for the period (i)	**-**	**-**	**149.4**	**149.4**	-	-	479.8	479.8
– Other comprehensive loss (i) (ii)	**-**	**(20.4)**	**-**	**(20.4)**	-	(58.3)	-	(58.3)
Transactions with owners in their capacity as owners								
– Movement in employee share plan benefits reserve	**-**	**(9.4)**	**-**	**(9.4)**	-	6.3	-	6.3
– Dividends/distributions paid or provided for	**-**	**-**	**(427.7)**	**(427.7)**	-	-	(375.8)	(375.8)
Closing balance of equity attributable to members of Scentre Group	**9,990.8**	**89.8**	**8,141.9**	**18,222.5**	9,990.8	71.9	8,988.2	19,050.9
Changes in equity attributable to external non controlling interests								
Balance at the beginning of the period	**72.7**	**-**	**117.2**	**189.9**	71.4	-	104.3	175.7
– Profit after tax for the period attributable to external non controlling interests (i)	**-**	**-**	**0.9**	**0.9**	-	-	19.5	19.5
– Distribution paid or provided for	**-**	**-**	**(3.5)**	**(3.5)**	-	-	(3.3)	(3.3)
– Increase/(decrease) in external non controlling interest	**0.7**	**-**	**(1.1)**	**(0.4)**	1.3	-	(1.5)	(0.2)
Closing balance of equity attributable to external non controlling interests	**73.4**	**-**	**113.5**	**186.9**	72.7	-	119.0	191.7
Total equity	**10,064.2**	**89.8**	**8,255.4**	**18,409.4**	10,063.5	71.9	9,107.2	19,242.6

(i) Total comprehensive income for the period amounts to $129.9 million (30 June 2022: $441.0 million).

(ii) Movement in reserves attributable to members of SGT1, SGT2 and SGT3 comprises currency loss on the translation of investment in foreign operations of $19.6 million (30 June 2022: $56.4 million).

SCENTRE GROUP
CASH FLOW STATEMENT
For the half-year ended 30 June 2023

	Note	**30 Jun 23 $million**	30 Jun 22 $million
Cash flows from operating activities			
Receipts in the course of operations (including Goods and Services Tax (GST))		**1,462.7**	1,334.2
Payments in the course of operations (including GST)		**(503.7)**	(425.2)
Dividends/distributions received from equity accounted entities		**45.3**	46.1
Net operating cash flows retained by equity accounted entities		**23.5**	15.0
Income and withholding taxes paid		**(19.5)**	(25.3)
GST paid		**(103.6)**	(92.9)
Payments of financing costs (excluding financing costs capitalised)		**(376.8)**	(282.6)
Interest received		**7.2**	0.9
Net cash inflow from operating activities - proportionate [(i)]		**535.1**	570.2
Less: net operating cash flows retained by equity accounted entities		**(23.5)**	(15.0)
Net cash inflow from operating activities		**511.6**	555.2
Cash flows from investing activities			
Capital expenditure		**(174.4)**	(152.5)
Net outflows for investments in equity accounted entities		**(25.8)**	(11.5)
Payments for plant, equipment and intangible assets		**(16.0)**	(14.4)
Financing costs capitalised to qualifying development projects and construction in progress	12	**(18.4)**	(10.2)
Net cash outflow from investing activities		**(234.6)**	(188.6)
Cash flows from financing activities			
Repayment of borrowings		**(811.2)**	(806.8)
Proceeds from borrowings		**715.5**	493.8
Repayment of other financial liabilities	15	**(162.3)**	(243.3)
Payment of lease liabilities		**(7.3)**	(6.5)
Dividends/distributions paid		**(427.7)**	(375.8)
Distributions paid by controlled entities to external non controlling interests		**(2.8)**	(2.7)
Net cash outflow from financing activities		**(695.8)**	(941.3)
Net decrease in cash and cash equivalents held		**(418.8)**	(574.7)
Add opening cash and cash equivalents brought forward		**679.0**	978.7
Effects of exchange rate changes on cash and cash equivalents		**0.8**	(1.2)
Cash and cash equivalents at the end of the period [(ii)]		**261.0**	402.8

[(i)] Proportionate cash flows from operating activities includes operating cash flows from consolidated and equity accounted entities.
[(ii)] Cash and cash equivalents comprise cash of $261.0 million (30 June 2022: $402.8 million) net of bank overdraft of nil (30 June 2022: nil).

1 Basis of preparation of the Financial Report

(a) Corporate information

This financial report of Scentre Group (Group), comprising Scentre Group Limited (Parent Company) and its controlled entities, for the half-year ended 30 June 2023 was approved in accordance with a resolution of the Board of Directors of the Parent Company.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

(b) Basis of preparation

This half-year financial report does not include all notes of the type normally included in the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial report.

This half-year financial report should be read in conjunction with the annual financial report of Scentre Group as at 31 December 2022.

It is also recommended that this half-year financial report be considered together with any public announcements made by Scentre Group during the half-year ended 30 June 2023 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 (Corporations Act).

(c) Going concern

This half-year financial report has been prepared on a going concern basis. In making this assessment, the Directors have considered the Group's ability to meet its financial obligations over the next 12 months, using cash flow sensitivity analysis and having regard to debt maturities, funding requirements, operating cash earnings and available financing facilities. At 30 June 2023, $3.7 billion (31 December 2022: $4.8 billion) of financing resources were available to the Group which are sufficient to cover short term liabilities.

(d) Basis of accounting

This half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act and AASB 134 Interim Financial Reporting.

This half-year financial report has been prepared on a historical cost basis, except for investment properties, investment properties within equity accounted investments, derivative financial instruments, financial assets at fair value through profit and loss and other financial liabilities.

For the purpose of preparing this half-year financial report, the half-year has been treated as a discrete reporting period.

This half-year financial report has been prepared using the same accounting policies as used in the annual financial report for the year ended 31 December 2022 except for the changes required due to the adoption of accounting standards as disclosed in Note 1(e).

This half-year financial report is presented in Australian dollars.

(e) New accounting standards and interpretations

The Group has adopted the following new or amended standards which became applicable on 1 January 2023:

- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective from 1 January 2023)

  This amends AASB 112 Income Taxes to clarify the accounting for deferred tax on transactions that at the time of the transaction give rise to equal taxable and deductible temporary differences. This amendment did not have a significant impact on the financial statements on application.

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (effective from 1 January 2023)

  This amends:

  (i) AASB 7 Financial Instruments: Disclosures, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;

  (ii) AASB 101 Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies;

  (iii) AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;

1 Basis of preparation of the Financial Report (continued)

(e) New accounting standards and interpretations (continued)

(iv) AASB 134 Interim Financial Reporting, to identify material accounting policy information as a component of a complete set of financial statements; and

(v) AASB Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

These amendments did not have a significant impact on the financial statements on application.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the half-year ended 30 June 2023. The impact of these new standards or amendments to the standards and interpretations (to the extent relevant to the Group) is as follows:

– AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (effective from 1 January 2024)

  This amends AASB 101 Presentation of Financial Statements to clarify the requirements for classifying liabilities as current or non current. This amendment is not expected to have a significant impact on the financial statements on application.

– AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants (effective from 1 January 2024)

  This amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. This amendment is not expected to have a significant impact on the financial statements on application.

– AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback (effective from 1 January 2024)

  This amends AASB 16 Leases to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 Revenue from Contracts with Customers to be accounted for as a sale. This amendment is not expected to have a significant impact on the financial statements on application.

– AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective from 1 January 2025)

  This amends AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures to address an inconsistency between the requirements of AASB 10 and AASB 128 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. This amendment is not expected to have a significant impact on the financial statements on application.

In June 2023, the International Sustainability Standards Board (ISSB) issued its first two International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. Shortly after, local regulators have commenced a consultation process that proposes to mandate the disclosure of climate-related financial information in the future. The Directors continue to monitor developments in relation to the local equivalents of these IFRS standards.

(f) Comparative information

Where applicable, certain comparative figures are restated in order to comply with the current period’s presentation of the financial statements.

(g) Rounding

In accordance with ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191, the amounts shown in this half-year financial report have been rounded to the nearest tenth of a million dollars, unless otherwise indicated. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

2 Segment reporting

The Group's operational segments comprise the property investment and property management and construction segments.

(a) Property investments

Property investments segment includes net property income from shopping centres. A geographic analysis of net property investment income is also provided.

(b) Property management and construction

Property management and construction segment includes external fee income from third parties, primarily property management and development fees, and associated business expenses.

The Group's operating segment income and expenses as well as the details of segment assets have been prepared on a proportionate format. The proportionate format presents the net income from and net assets in equity accounted properties on a gross format whereby the underlying components of net income and net assets are disclosed separately as revenues and expenses, assets and liabilities. The Group's liabilities are managed on a consolidated basis rather than by operational segments.

The proportionate format is used by management in assessing and understanding the performance and results of operations of the Group as it allows management to observe and analyse revenue and expense results and trends on a portfolio-wide basis. The assets underlying both the consolidated and the equity accounted components of the statutory income statement are similar (that is, Australian and New Zealand shopping centres), all centres are under common management and therefore the drivers of their results are similar. Accordingly, management considers that the proportionate format provides a more useful way to understand the performance of the portfolio as a whole than the statutory format.

(i) Operating segment information

	Property investment	**Property management and construction**	**30 Jun 23**	Property investment	Property management and construction	30 Jun 22
	$million	**$million**	**$million**	$million	$million	$million
Revenue						
Property revenue	**1,200.8**	**-**	**1,200.8**	1,133.0	-	1,133.0
Property development and construction revenue	**-**	**142.6**	**142.6**	-	130.3	130.3
Property management income	**-**	**30.3**	**30.3**	-	29.4	29.4
	1,200.8	**172.9**	**1,373.7**	1,133.0	159.7	1,292.7
Expenses						
Property expenses, outgoings and other costs	**(265.5)**	**-**	**(265.5)**	(280.7)	-	(280.7)
Property development and construction costs	**-**	**(127.5)**	**(127.5)**	-	(118.7)	(118.7)
Property management costs	**-**	**(6.0)**	**(6.0)**	-	(5.7)	(5.7)
	(265.5)	**(133.5)**	**(399.0)**	(280.7)	(124.4)	(405.1)
Segment income and expenses	**935.3**	**39.4**	**974.7**	852.3	35.3	887.6

	Property investment	**Property management and construction**	**30 Jun 23**	Property investment	Property management and construction	31 Dec 22
	$million	**$million**	**$million**	$million	$million	$million
Shopping centre investments	**33,988.1**	**-**	**33,988.1**	34,198.6	-	34,198.6
Development projects and construction in progress	**746.0**	**-**	**746.0**	790.5	-	790.5
Segment assets (i)	**34,734.1**	**-**	**34,734.1**	34,989.1	-	34,989.1

(i) Includes equity accounted segment assets of $2,809.4 million (31 December 2022: $2,835.2 million).

2 Segment reporting (continued)

(ii) Geographic information - Total revenue

	Australia	**New Zealand**	**30 Jun 23**	Australia	New Zealand	30 Jun 22
	$million	**$million**	**$million**	$million	$million	$million
Property revenue [(i)]	**1,132.9**	**67.9**	**1,200.8**	1,069.8	63.2	1,133.0
Property development and construction revenue	**130.6**	**12.0**	**142.6**	113.6	16.7	130.3
Property management income	**27.0**	**3.3**	**30.3**	26.3	3.1	29.4
Total revenue	**1,290.5**	**83.2**	**1,373.7**	1,209.7	83.0	1,292.7

[(i)] Includes recoveries of outgoings from lessees of $102.2 million (30 June 2022: $101.6 million).

(iii) Geographic information - Net property income

	Australia	**New Zealand**	**30 Jun 23**	Australia	New Zealand	30 Jun 22
	$million	**$million**	**$million**	$million	$million	$million
Shopping centre base rent and other property income	**1,167.6**	**69.8**	**1,237.4**	1,099.6	64.7	1,164.3
Amortisation of tenant allowances	**(37.1)**	**(2.1)**	**(39.2)**	(34.5)	(1.9)	(36.4)
Straight-lining of rent	**2.4**	**0.2**	**2.6**	4.7	0.4	5.1
Property revenue	**1,132.9**	**67.9**	**1,200.8**	1,069.8	63.2	1,133.0
Property expenses, outgoings and other costs	**(248.6)**	**(16.9)**	**(265.5)**	(264.0)	(16.7)	(280.7)
Net property income	**884.3**	**51.0**	**935.3**	805.8	46.5	852.3

(iv) Geographic information - Non current assets

	Australia	**New Zealand**	**30 Jun 23**	Australia	New Zealand	31 Dec 22
	$million	**$million**	**$million**	$million	$million	$million
Non current assets	**33,373.4**	**1,330.4**	**34,703.8**	33,596.0	1,337.8	34,933.8
Group non current assets			**950.0**			861.3
Total non current assets			**35,653.8**			35,795.1
Additions to segment non current assets during the period [(ii)]	**172.6**	**3.7**	**176.3**	490.1	39.4	529.5

[(ii)] Additions are net of amortisation of tenant allowances of $39.2 million (31 December 2022: $74.7 million).

2 Segment reporting (continued)

(v) Reconciliation of segment information

The Group's operating segment income and expenses as well as the details of segment assets have been prepared on a proportionate format. The composition of the Group's consolidated and equity accounted details are provided below:

	Consolidated $million	**Equity Accounted $million**	**30 Jun 23 $million**	Consolidated $million	Equity Accounted $million	30 Jun 22 $million
Revenue						
Property revenue	**1,077.4**	**123.4**	**1,200.8**	1,016.6	116.4	1,133.0
Property development and construction revenue	**142.6**	**-**	**142.6**	130.3	-	130.3
Property management income	**30.3**	**-**	**30.3**	29.4	-	29.4
	1,250.3	**123.4**	**1,373.7**	1,176.3	116.4	1,292.7
Expenses						
Property expenses, outgoings and other costs	**(235.6)**	**(29.9)**	**(265.5)**	(250.1)	(30.6)	(280.7)
Property development and construction costs	**(127.5)**	**-**	**(127.5)**	(118.7)	-	(118.7)
Property management costs	**(6.0)**	**-**	**(6.0)**	(5.7)	-	(5.7)
	(369.1)	**(29.9)**	**(399.0)**	(374.5)	(30.6)	(405.1)
Segment income and expenses	**881.2**	**93.5**	**974.7**	801.8	85.8	887.6
Overheads			**(44.7)**			(42.4)
Interest income			**7.8**			0.9
Currency loss			**(17.3)**			(23.7)
Financing costs						
– Net fair value movement and modification gain/(loss)			**50.4**			(275.7)
– Other financial liabilities and lease liabilities			**(7.9)**			(11.9)
– Senior borrowings			**(244.8)**			(193.3)
– Subordinated notes coupon			**(158.1)**			(102.8)
– Interest capitalised			**18.4**			10.2
			(342.0)			(573.5)
Capital costs relating to strategic initiatives			**(15.5)**			(12.4)
Property revaluations			**(392.5)**			286.1
Current tax expense - underlying operations			**(20.6)**			(26.3)
Deferred tax benefit			**0.4**			3.0
External non controlling interests			**(0.9)**			(19.5)
Net profit attributable to members of the Group [i]			**149.4**			479.8

[i] Net profit attributable to members of the Group was $149.4 million (30 June 2022: $479.8 million). Net profit after tax for the period which includes profit attributable to external non controlling interests of $0.9 million (30 June 2022: $19.5 million) was $150.3 million (30 June 2022: $499.3 million).

2 Segment reporting (continued)

(v) Reconciliation of segment information (continued)

	Consolidated $million	Equity Accounted $million	30 Jun 23 $million	Consolidated $million	Equity Accounted $million	31 Dec 22 $million
Shopping centre investments	**31,269.9**	**2,718.2**	**33,988.1**	31,448.8	2,749.8	34,198.6
Development projects and construction in progress	**654.8**	**91.2**	**746.0**	705.1	85.4	790.5
Segment assets	**31,924.7**	**2,809.4**	**34,734.1**	32,153.9	2,835.2	34,989.1
Cash and cash equivalents	**261.0**	**25.5**	**286.5**	679.0	14.9	693.9
Trade debtors and receivables						
– Trade debtors	**194.4**	**17.7**	**212.1**	265.2	26.1	291.3
– Receivables	**107.6**	**4.8**	**112.4**	101.4	5.1	106.5
Expected credit loss allowance						
– Trade debtors	**(149.7)**	**(13.7)**	**(163.4)**	(188.2)	(19.2)	(207.4)
– Receivables	**(20.1)**	**(1.0)**	**(21.1)**	(16.4)	(0.7)	(17.1)
Derivative assets						
– Currency derivatives - Senior borrowings currency related [(i) (iv)]	**622.7**	**-**	**622.7**	524.5	-	524.5
Currency derivatives - Senior borrowings interest related [(iii) (iv)]	**(164.8)**	**-**	**(164.8)**	(172.0)	-	(172.0)
	457.9	**-**	**457.9**	352.5	-	352.5
– Interest rate derivatives	**526.7**	**-**	**526.7**	508.7	-	508.7
Other assets	**499.5**	**0.2**	**499.7**	477.3	0.6	477.9
Total assets	**33,802.0**	**2,842.9**	**36,644.9**	34,333.4	2,862.0	37,195.4
Interest bearing liabilities						
– Senior borrowings [(i)]	**11,202.9**	**-**	**11,202.9**	11,008.8	-	11,008.8
– Subordinated notes [(ii)]	**4,526.3**	**-**	**4,526.3**	4,403.3	-	4,403.3
Derivative liabilities						
– Currency derivatives - Subordinated notes currency related [(ii) (iv)]	**(416.7)**	**-**	**(416.7)**	(293.7)	-	(293.7)
Currency derivatives - Subordinated notes interest related [(iii) (iv)]	**644.8**	**-**	**644.8**	665.5	-	665.5
	228.1	**-**	**228.1**	371.8	-	371.8
– Currency derivatives - Senior borrowings currency related [(i) (iv)]	**(13.3)**	**-**	**(13.3)**	151.5	-	151.5
– Currency derivatives - Senior borrowings interest related [(iii) (iv)]	**626.7**	**-**	**626.7**	631.5	-	631.5
	613.4	**-**	**613.4**	783.0	-	783.0
– Interest rate derivatives	**-**	**-**	**-**	0.2	-	0.2
Lease liabilities	**101.2**	**0.3**	**101.5**	107.1	0.3	107.4
Other financial liabilities	**185.0**	**-**	**185.0**	354.9	-	354.9
Other liabilities	**1,203.2**	**175.1**	**1,378.3**	1,257.1	188.4	1,445.5
Total liabilities	**18,060.1**	**175.4**	**18,235.5**	18,286.2	188.7	18,474.9
Net assets	**15,741.9**	**2,667.5**	**18,409.4**	16,047.2	2,673.3	18,720.5

(i) The economically hedged value of senior borrowings was $10,566.9 million (31 December 2022: $10,635.8 million) comprising borrowings of $11,202.9 million (31 December 2022: $11,008.8 million) translated at period end rates, reduced by the net fair value gain on currency derivatives of $636.0 million (31 December 2022: $373.0 million).

(ii) The economically hedged value of the US$ subordinated 60-year notes was $4,109.6 million (31 December 2022: $4,109.6 million) comprising notes of $4,526.3 million (31 December 2022: $4,403.3 million) translated at the period end rate of 0.6628 (31 December 2022: 0.6813) reduced by net currency gains on the hedging of subordinated notes of $416.7 million (31 December 2022: $293.7 million).

(iii) The cumulative net fair value loss on cross currency derivatives relating to interest rates of $1,436.3 million (31 December 2022: $1,469.0 million) has been recognised in the financial statements. This interest component of cross currency derivatives economically hedges the foreign currency interest bearing liabilities by swapping the fixed interest coupon into an Australian dollar floating exposure. Interest bearing liabilities are recognised at amortised cost for accounting and consequently an offsetting gain is not recorded in the financial statements.

(iv) The currency related and interest related components of cross currency derivatives are part of the same contract. The net position has been classified accordingly as a derivative asset or derivative liability on the balance sheet.

3 Trade debtors and receivables

	30 Jun 23 $million	31 Dec 22 $million
Trade debtors	**44.7**	77.0
Receivables	**87.5**	85.0
Total trade debtors and receivables	**132.2**	162.0
(a) Components of trade debtors and receivables		
Trade debtors	**194.4**	265.2
Receivables	**107.6**	101.4
	302.0	366.6
Expected credit loss allowance	**(169.8)**	(204.6)
Total trade debtors and receivables	**132.2**	162.0
(b) Movement in expected credit loss allowance		
Balance at the beginning of the period	**(204.6)**	(290.0)
Decrease/(increase) in expected credit loss allowance recognised in the income statement	**6.3**	(9.4)
Amounts written-off relating to COVID-19	**28.5**	94.8
Balance at the end of the period	**(169.8)**	(204.6)

Expected credit loss allowance

In determining the expected credit loss allowance, management has considered security deposits received from tenants generally in the form of bank guarantees, which can be called upon if the tenant is in default under the terms of the lease contract. Trade debtors also include GST which is fully recoverable from the relevant tax authorities where the debt is not collected and therefore the GST amount is excluded from the loss allowance.

Trade debtors and receivables written-off includes rent abated from rent relief arrangements applicable to the COVID-19 pandemic period. The decrease in the expected credit loss allowance is primarily as a result of abatements credited against outstanding receivables.

At 30 June 2023, approximately 77% of trade debtors are aged greater than 90 days and the expected credit loss allowance is 77% of trade debtors. An increase or decrease of 5% in the expected credit loss rate (after adjusting for GST and bank guarantees) would result in an increase or decrease in expected credit loss allowance of $7.8 million respectively. At 31 December 2022, approximately 79% of trade debtors are aged greater than 90 days and the expected credit loss allowance is 71% of gross trade debtors. An increase or decrease of 5% in the expected credit loss rate (after adjusting for GST and bank guarantees) would result in an increase or decrease in expected credit loss allowance of $10.2 million respectively.

4 Investment properties

	30 Jun 23 $million	31 Dec 22 $million
Shopping centre investments	**31,269.9**	31,448.8
Development projects and construction in progress	**654.8**	705.1
Total investment properties [(i)]	**31,924.7**	32,153.9

(i) The fair value of investment properties at the end of the period includes ground lease assets of $45.3 million (31 December 2022: $44.2 million).

4 Investment properties (continued)

Investment properties are carried at the Directors' assessment of fair value. Investment properties include both shopping centre investments and development projects and construction in progress.

The Directors' assessment of fair value of each shopping centre takes into account the latest independent valuations generally prepared annually, with updates taking into account any changes in capitalisation rate, underlying income and valuations of comparable centres. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used, which are based upon assumptions and judgements in relation to future rental income, capitalisation rate and make reference to market evidence of transaction prices for similar properties. The key assumptions and estimates used in determining fair value are disclosed in Note 5.

The Directors' assessment of fair value of each development project and construction in progress that meets the definition of an investment property, takes into account the expected costs to complete, the stage of completion, expected underlying income and yield of the developments. From time to time, during a development, the Directors may commission an independent valuation of the development project. On completion, the development projects are reclassified to shopping centre investments and an independent valuation is obtained.

Independent valuations are conducted in accordance with guidelines and valuation principles as set by the International Valuation Standards Council.

5 Details of shopping centre investments

	Carrying Amount 30 Jun 23 $million	**Retail Capitalisation Rates 30 Jun 23 %**	Carrying Amount 31 Dec 22 $million	Retail Capitalisation Rates 31 Dec 22 %
Consolidated Australian shopping centres Wholly-owned: Belconnen, Bondi Junction, Carousel, Chatswood, Chermside, Fountain Gate, Hornsby, Innaloo, Kotara, Mt Gravatt, Sydney (i) and Tuggerah Jointly-owned (50%): Airport West, Booragoon, Burwood, Carindale (ii), Coomera, Doncaster, Eastgardens, Geelong, Helensvale, Hurstville, Knox, Liverpool, Marion, Miranda, North Lakes, Parramatta, Penrith, Plenty Valley, Warringah Mall, West Lakes, Whitford City and Woden	**31,269.9**	**5.02%**	31,448.8	4.83%
Equity accounted Australian shopping centres Jointly-owned (50%): Mt Druitt, Southland and Tea Tree Plaza	**1,362.0**	**5.54%**	1,370.5	5.31%
Total Australian portfolio	**32,631.9**	**5.06%** (iii)	32,819.3	4.86% (iii)
Equity accounted New Zealand shopping centres Jointly-owned (51%): Albany, Manukau, Newmarket, Riccarton and St Lukes	**NZ$1,477.4**	**6.63%**	NZ$1,479.9	6.61%
Total New Zealand portfolio	**NZ$1,477.4**	**6.65%** (iii)	NZ$1,479.9	6.63% (iii)
Exchange rate	1.0894		1.0729	
Total New Zealand portfolio in A$	**1,356.2**		1,379.3	
Total portfolio	**33,988.1**	**5.13%** (iii)	34,198.6	4.93% (iii)

(i) Sydney comprises Sydney Central Plaza and the Sydney City Retail Centre.

(ii) Carindale Property Trust (CDP) has a 50% interest in this shopping centre. As at 30 June 2023, the Group has a 64.64% interest in CDP (31 December 2022: 64.10%).

(iii) Weighted average capitalisation rate including non-retail assets.

5 Details of shopping centre investments (continued)

Valuation inputs

The Income Capitalisation approach and the Discounted Cash Flow approach are used to arrive at a range of valuation outcomes, from which a best estimate of fair value is derived at a point in time.

The key assumptions and estimates used in these valuation approaches include:

– forecast future income, based on the location, type and quality of the property, which are supported by the terms of any existing leases, other contracts or external evidence such as current market rents for similar properties;
– lease assumptions based on current and expected future market conditions after expiry of any current lease; and
– the capitalisation rate and discount rate derived from recent comparable market transactions.

The table below summarises some of the key inputs used in determining investment property valuations:

	30 Jun 23	31 Dec 22
Australian portfolio		
Retail capitalisation rate	**4.50%-6.75%**	4.25%-6.25%
Weighted average capitalisation rate [(i)]	**5.06%**	4.86%
Retail discount rate	**6.00%-7.50%**	5.75%-7.25%
New Zealand portfolio		
Retail capitalisation rate	**6.00%-7.50%**	6.00%-7.38%
Weighted average capitalisation rate [(i)]	**6.65%**	6.63%
Retail discount rate	**7.50%-8.88%**	7.50%-8.75%

(i) Weighted average capitalisation rate including non-retail assets.

Changes to key inputs would result in changes to the fair value of investment properties. An increase in capitalisation rate and/or discount rate would result in lower fair value, while a decrease in capitalisation rate and/or discount rate will result in higher fair value (with all other factors held constant). The weighted average capitalisation rates have increased from 4.93% at 31 December 2022 to 5.13% at 30 June 2023. The discount rates have increased in-line with the increase in capitalisation rates compared to 31 December 2022. The capitalisation rate sensitivity analysis is detailed below.

		30 Jun 23 $million	31 Dec 22 $million
The sensitivity of shopping centre valuations to changes in capitalisation rates is as follows:	Capitalisation rate movement	Increase/(decrease) in fair value	
	-50 bps	**3,674.4**	3,857.5
	-25 bps	**1,743.0**	1,825.8
	+25 bps	**(1,580.8)**	(1,649.6)
	+50 bps	**(3,021.2)**	(3,147.4)

6 Details of equity accounted investments

	30 Jun 23 $million	30 Jun 22 $million
(a) Share of equity accounted entities' net profit and comprehensive income/(loss)		
Share of after tax profit of equity accounted entities	**71.6**	77.0
Other comprehensive loss (i)	**(20.0)**	(57.8)
Share of total comprehensive income of equity accounted entities	**51.6**	19.2

(i) Relates to the net exchange difference on translation of equity accounted foreign operations.

(b) Share of equity accounted entities' assets and liabilities

The Group's equity accounted investments of $2,667.5 million (31 December 2022: $2,673.3 million) comprise investments in joint ventures in Australia and New Zealand represented by equity of $1,836.7 million (31 December 2022: $1,829.9 million) and interest bearing loans of $830.8 million (31 December 2022: $843.4 million). Inter-entity interest charges on the loans amounted to $27.6 million (30 June 2022: $14.8 million).

(c) Equity accounted entities economic interest

			Economic interest	
Name of investments	Type of equity	Balance date	**30 Jun 23**	31 Dec 22
Australian investments (i)				
Mt Druitt (ii)	Trust units	30 Jun	**50.0%**	50.0%
Southland (ii)	Trust units	30 Jun	**50.0%**	50.0%
Tea Tree Plaza (ii)	Trust units	30 Jun	**50.0%**	50.0%
New Zealand investments (i) (iii)				
Albany	Shares	31 Dec	**51.0%**	51.0%
Manukau	Shares	31 Dec	**51.0%**	51.0%
Newmarket	Shares	31 Dec	**51.0%**	51.0%
Riccarton	Shares	31 Dec	**51.0%**	51.0%
St Lukes	Shares	31 Dec	**51.0%**	51.0%

(i) All equity accounted property partnerships, trusts and companies operate solely as retail property investors.

(ii) Notwithstanding that the financial year of these investments ends on 30 June, the consolidated financial statements have been made out so as to include the accounts for a period coinciding with the financial year of the Parent Company being 31 December.

(iii) Under the Shareholders' Agreement, the Group and GIC, Singapore's sovereign wealth fund, each have two representatives in the Shareholders' Committee with voting power in proportion to each shareholder's shareholding. While the Group has a 51% interest in these entities, 75% of the votes is required to pass a resolution. Accordingly, the Group's 51% interest in these investments is accounted for using the equity accounted method.

7 Taxation

	30 Jun 23 $million	30 Jun 22 $million
Current tax expense - underlying operations	**(17.3)**	(20.5)
Deferred tax benefit	**3.7**	6.7
	(13.6)	(13.8)

8 Significant items

The following items are relevant in calculating certain financial covenants:

	Note	30 Jun 23 $million	30 Jun 22 $million
Property revaluations	2(v)	**(392.5)**	286.1
Net fair value loss and associated credit risk on currency derivatives that do not qualify for hedge accounting	2(v)	**(17.3)**	(23.7)
Net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting	12	**43.0**	(282.1)
Net fair value gain on other financial liabilities	12	**7.6**	0.3
Net modification gain/(loss) on refinanced borrowing facilities	12	**(0.2)**	6.1
Deferred tax benefit	2(v)	**0.4**	3.0

9 Dividends/distributions

	30 Jun 23 $million	30 Jun 22 $million
(a) Interim dividends/distributions for the period		
Dividend/distribution in respect of the six months to 30 June 2023		
Parent Company: nil (30 June 2022: nil)	**-**	-
SGT1: 4.125 cents per unit (30 June 2022: 3.75 cents per unit)	**213.8**	194.4
SGT2: 4.125 cents per unit (30 June 2022: 3.75 cents per unit)	**213.8**	194.4
SGT3: nil (30 June 2022: nil)	**-**	-
Scentre Group: 8.25 cents per stapled security (30 June 2022: 7.50 cents per stapled security) (i)	**427.7**	388.8

(i) Total may not add due to rounding.

Interim distributions will be paid on 31 August 2023. The record date for determining entitlement to these distributions was 18 August 2023. The Group does not operate a Distribution Reinvestment Plan.

	30 Jun 23 $million	30 Jun 22 $million
(b) Dividends/distributions paid during the period		
Dividends/distributions in respect of the six months to 31 December 2022		
Parent Company: 4.82 cents per share (31 December 2021: 2.89 cents per share) (i)	**249.9**	149.8
SGT1: 2.00 cents per unit (31 December 2021: 2.14 cents per unit)	**103.7**	110.9
SGT2: 1.43 cents per unit (31 December 2021: 2.14 cents per unit)	**74.1**	110.9
SGT3: nil (31 December 2021: 0.08 cents per unit) (i)	**-**	4.1
Scentre Group: 8.25 cents per stapled security (31 December 2021: 7.25 cents per stapled security) (ii)	**427.7**	375.8

(i) Dividends paid by the Parent Company and distributions paid by SGT3 are franked at the corporate tax rate of 30%.
(ii) Total may not add due to rounding.

10 Net tangible asset backing

	30 Jun 23 $	31 Dec 22 $
Net tangible asset backing per security	**3.52**	3.57

Net tangible asset backing per security is calculated by dividing net assets (including the right-of-use asset) attributable to members of the Group of $18,222.5 million (31 December 2022: $18,530.6 million) by the number of securities on issue at 30 June 2023 of 5,184,177,688 (31 December 2022: 5,184,177,688) as disclosed in Note 14(a).

11 Statutory earnings per security

	30 Jun 23 cents	30 Jun 22 cents
(a) Summary of earnings per security attributable to members of Scentre Group		
Basic earnings per stapled security	**2.88**	9.26
Diluted earnings per stapled security	**2.87**	9.22

The following reflects the income data used in the calculations of basic and diluted earnings per stapled security:

	30 Jun 23 $million	30 Jun 22 $million
Earnings used in calculating basic and diluted earnings per stapled security (i) (ii)	**149.4**	479.8

(i) Refer to the income statement for details of the profit after tax attributable to members of the Group.
Adjustments to earnings on employee performance rights which are considered dilutive is nil (30 June 2022: nil).

(ii) Comprises net profit attributable to SGL of $37.9 million (30 June 2022: $40.4 million) and net profit attributable to members of SGT1, SGT2 and SGT3 of $111.5 million (30 June 2022: $439.4 million).

The following reflects the security data used in the calculations of basic and diluted earnings per stapled security:

	30 Jun 23 Number of securities	30 Jun 22 Number of securities
Weighted average number of ordinary securities used in calculating basic earnings per stapled security	**5,184,177,688**	5,184,177,688
Weighted average number of potential employee performance rights which, if securities were issued, would be dilutive (iii)	**22,164,929**	19,335,895
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per stapled security	**5,206,342,617**	5,203,513,583

(iii) As at 30 June 2023, 21,167,206 (30 June 2022: 19,278,880) employee performance rights are on issue.

(b) Conversions, calls, subscription, issues or buy-back after 30 June 2023

There have been no conversions to, calls of, subscriptions for, issuance of new or potential ordinary securities or buy-back of securities since the reporting date and before the completion of this report.

12 Financing costs

	30 Jun 23 $million	30 Jun 22 $million
Gross financing costs on senior borrowings (excluding net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting)	**(244.8)**	(193.3)
Financing costs capitalised to qualifying development projects and construction in progress	**18.4**	10.2
Interest expense on other financial liabilities	**(5.4)**	(9.3)
Lease liabilities interest expense	**(2.5)**	(2.6)
	(234.3)	(195.0)
Net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting	**43.0**	(282.1)
Net fair value gain on other financial liabilities	**7.6**	0.3
Net modification gain/(loss) on refinanced borrowing facilities	**(0.2)**	6.1
Total financing costs (excluding coupon on subordinated notes)	**(183.9)**	(470.7)
Subordinated notes coupons	**(158.1)**	(102.8)
Total financing costs	**(342.0)**	(573.5)

13 Interest bearing liabilities

	30 Jun 23 $million	31 Dec 22 $million
Current		
Unsecured		
Commercial paper and uncommitted facilities		
– A$ denominated	**569.9**	592.2
Notes payable		
– € denominated	**821.0**	1,576.7
	1,390.9	2,168.9
Non current		
Unsecured		
Bank loans		
– A$ denominated	**1,434.0**	743.0
Notes payable		
– € denominated	**2,622.1**	2,514.2
– US$ denominated	**4,677.1**	4,550.1
– £ denominated	**761.3**	709.3
– HK$ denominated	**77.0**	75.3
Secured		
Bank loans and mortgages		
– A$ denominated	**240.5**	248.0
	9,812.0	8,839.9
Total senior borrowings	**11,202.9**	11,008.8
Less: cash and cash equivalents	**(261.0)**	(679.0)
Total senior borrowings net of cash and cash equivalents	**10,941.9**	10,329.8
Non current		
Unsecured		
Subordinated notes		
– US$ denominated	**4,526.3**	4,403.3
Total subordinated notes	**4,526.3**	4,403.3
Interest bearing liabilities		
– Senior borrowings	**11,202.9**	11,008.8
– Subordinated notes	**4,526.3**	4,403.3
Total interest bearing liabilities	**15,729.2**	15,412.1

The Group maintains a range of interest bearing liabilities. The sources of funding are spread over various counterparties to minimise credit risk exposure and the terms of the instruments are negotiated to achieve a balance between capital availability and the cost of debt.

13 Interest bearing liabilities (continued)

	30 Jun 23 $million	31 Dec 22 $million
(a) Summary of financing facilities		
Committed financing facilities available to the Group:		
Financing facilities	**19,194.8**	19,538.9
Senior borrowings	**(11,202.9)**	(11,008.8)
Subordinated notes	**(4,526.3)**	(4,403.3)
Bank guarantees	**(51.5)**	(52.6)
Available financing facilities	**3,414.1**	4,074.2
Cash and cash equivalents	**261.0**	679.0
Financing resources available	**3,675.1**	4,753.2

These facilities comprise fixed rate notes and both secured and unsecured interest only floating rate facilities. Certain facilities are also subject to negative pledge arrangements which require the Group to comply with specific minimum financial and non-financial requirements. These facilities exclude the property linked notes liability of $185.0 million (31 December 2022: $354.9 million). Amounts which are denominated in foreign currencies are translated at exchange rates ruling at balance date.

	Maturity Date	Committed financing facilities 30 Jun 23 $million	Interest bearing liabilities 30 Jun 23 $million	Committed financing facilities 31 Dec 22 $million	Interest bearing liabilities 31 Dec 22 $million
(b) Financing facilities and interest bearing liabilities, comprise:					
Unsecured senior notes payable					
– US$ (i)	Feb 25 to May 30	**4,677.1**	**4,677.1**	4,550.1	4,550.1
– € (i)	Sep 23 to Mar 29	**3,443.1**	**3,443.1**	4,090.9	4,090.9
– £ (i)	Jul 26	**761.3**	**761.3**	709.3	709.3
– HK$ (i)	Apr 30	**77.0**	**77.0**	75.3	75.3
Total unsecured notes payable		**8,958.5**	**8,958.5**	9,425.6	9,425.6
Unsecured bank loan facilities	Oct 24 to Sep 29	**5,410.0**	**1,434.0**	5,410.0	743.0
Unsecured commercial paper and uncommitted facilities (ii)		**-**	**569.9**	-	592.2
Secured bank loans and mortgages (iii)	May 27	**300.0**	**240.5**	300.0	248.0
		14,668.5	**11,202.9**	15,135.6	11,008.8
Unsecured subordinated notes - US$ (iv)	Sep 80	**4,526.3**	**4,526.3**	4,403.3	4,403.3
Total financing facilities and interest bearing liabilities		**19,194.8**	**15,729.2**	19,538.9	15,412.1

(i) The US$, €, £ and HK$ denominated unsecured senior notes payables are economically hedged using cross currency swaps with the same principal values to convert into A$ payables.

(ii) Drawings on the Group’s commercial paper program and uncommitted facilities are in addition to the Group’s committed facilities and are classified as current interest bearing liabilities. These drawings may be refinanced by non current unsecured bank loan facilities.

(iii) The Group consolidates Carindale Property Trust. The trust has a $300.0 million (31 December 2022: $300.0 million) floating interest rate syndicated facility. Drawings under this facility are secured by a registered mortgage over the trust’s interest in Westfield Carindale, and a fixed and floating charge over all assets and undertakings of the trust. The facility is subject to negative pledge arrangements. At 30 June 2023, the recorded fair value of Westfield Carindale is $775.5 million (31 December 2022: $785.1 million) compared to borrowings of $240.5 million (31 December 2022: $248.0 million).

(iv) The US$ subordinated notes comprise US$1.5 billion with a non-call period of 6 years and US$1.5 billion with a non-call period of 10 years. The notes may be redeemed by the Group at par at the end of their respective non-call periods or any coupon date thereafter. The unsecured subordinated notes are economically hedged up to the end of their respective non-call periods using cross currency swaps with the same principal values to convert into A$ payables.

13 Interest bearing liabilities (continued)

	Maturity Date	**30 Jun 23 Local currency million**	31 Dec 22 Local currency million
(c) Maturity of unsecured senior notes payable and subordinated notes			
Senior notes payable			
	22 Mar 23	**-**	€500.0
	11 Sep 23	**€501.0**	€503.4
	16 Jul 24	**€600.0**	€600.0
	12 Feb 25	**US$600.0**	US$600.0
	28 Oct 25	**US$500.0**	US$500.0
	28 Jan 26	**US$750.0**	US$750.0
	16 Jul 26	**£400.0**	£400.0
	23 Mar 27	**US$500.0**	US$500.0
	11 Apr 28	**€500.0**	€500.0
	28 Mar 29	**€500.0**	€500.0
	29 Apr 30	**HK$400.0**	HK$400.0
	28 May 30	**US$750.0**	US$750.0
Total A$ equivalent of senior unsecured notes payable		**8,958.5**	9,425.6
Subordinated notes	24 Sep 80	**US$3,000.0**	US$3,000.0
Total A$ equivalent of senior unsecured notes payable and subordinated notes		**13,484.8**	13,828.9

14 Contributed equity

	30 Jun 23 Number of securities	31 Dec 22 Number of securities
(a) Securities on issue		
Number of securities on issue [(i)]	**5,184,177,688**	5,184,177,688

(i) The number of securities on issue as at 30 June 2023 was 5,190,378,339 (31 December 2022: 5,190,378,339). The Scentre Executive Option Plan Trust holds 6,200,651 (31 December 2022: 6,200,651) securities in the Group, which have been consolidated and eliminated in accordance with accounting standards.

There were no changes to the number of securities on issue during the periods ended 30 June 2023 and 31 December 2022.

Holders of Scentre Group stapled securities have the right to receive declared dividends from the Parent Company and distributions from SGT1, SGT2 and SGT3 and, in the event of winding up the Parent Company, SGT1, SGT2 and SGT3, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on stapled securities held.

Holders of stapled securities can vote their shares and units in accordance with the Corporations Act, either in person or by proxy, at a meeting of any of the Parent Company, SGT1, SGT2 and SGT3 (as the case may be).

	30 Jun 23 $million	31 Dec 22 $million
(b) Amount of contributed equity attributable to members of Scentre Group		
Comprise amounts attributable to:		
SGL	**661.0**	661.0
SGT1, SGT2 and SGT3	**9,329.8**	9,329.8
Scentre Group	**9,990.8**	9,990.8

There were no changes to the amount of contributed equity attributable to members of Scentre Group during the periods ended 30 June 2023 and 31 December 2022.

15 Fair value of financial assets and liabilities

Set out below is a comparison by category of carrying amounts and fair values of the Group's financial instruments.

	Fair value Hierarchy	**Fair value** **30 Jun 23 $million**	Fair value 31 Dec 22 $million	**Carrying amount** **30 Jun 23 $million**	Carrying amount 31 Dec 22 $million
Consolidated assets					
Cash and cash equivalents		**261.0**	679.0	**261.0**	679.0
Trade debtors and receivables [(i)]		**132.2**	162.0	**132.2**	162.0
Interest receivable [(i)]		**208.9**	168.0	**208.9**	168.0
Derivative assets [(ii)]	Level 2	**984.6**	861.2	**984.6**	861.2
Consolidated liabilities					
Trade and other payables [(i)]		**762.6**	856.0	**762.6**	856.0
Interest payable [(i)]		**332.7**	307.4	**332.7**	307.4
Interest bearing liabilities [(ii)]					
– Fixed rate debt	Level 2	**8,354.7**	8,739.8	**8,958.5**	9,425.6
– Fixed rate subordinated notes	Level 2	**3,951.2**	3,830.7	**4,526.3**	4,403.3
– Floating rate debt	Level 2	**2,244.4**	1,583.2	**2,244.4**	1,583.2
Other financial liabilities [(ii)]	Level 3	**185.0**	354.9	**185.0**	354.9
Derivative liabilities [(ii)]	Level 2	**841.5**	1,155.0	**841.5**	1,155.0

(i) These financial assets and liabilities are not subject to interest rate risk and the fair value approximates carrying amount.

(ii) These financial assets and liabilities are subject to interest rate and market risks, the basis of determining the fair value is set out in the fair value hierarchy below.

Determination of fair value

The Group uses the following hierarchy for determining and disclosing the fair value of a financial instrument. The valuation techniques comprise:

Level 1: the fair value is calculated using quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: the fair value is estimated using inputs other than quoted prices that are observable, either directly (as prices) or indirectly (derived from prices).

Level 3: the fair value is estimated using inputs that are not based on observable market data.

In assessing the fair value of the Group's financial instruments, consideration is given to available market data and if the market for a financial instrument changes then the valuation technique applied will change accordingly.

During the half-year ended 30 June 2023, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

	30 Jun 23 $million	31 Dec 22 $million
Level 3 fair value movement - Property linked notes [(i)]		
Balance at the beginning of the period	**354.9**	612.0
Repayment of other financial liabilities	**(162.3)**	(243.3)
Net fair value gain included in financing costs in the income statement	**(7.6)**	(13.8)
Balance at the end of the period	**185.0**	354.9

(i) The fair value of the property linked notes has been determined by reference to the fair value of the relevant Westfield shopping centres.

Investment properties are considered Level 3.

16 Capital expenditure commitments

The following is prepared on a proportionate basis which includes both consolidated and equity accounted capital expenditure commitments.

	30 Jun 23 $million	31 Dec 22 $million
Estimated capital expenditure committed at balance date but not provided for in relation to development projects:		
Due within one year	**149.3**	298.4
Due between one and five years	**79.5**	446.6
	228.8	745.0

17 Contingent liabilities

The following is prepared on a proportionate basis which includes both consolidated and equity accounted contingent liabilities.

	30 Jun 23 $million	31 Dec 22 $million
Performance guarantees	**52.7**	53.8

Entities of Scentre Group have provided guarantees in respect of certain Westfield Corporation Limited joint venture operations in the United Kingdom. Under the Restructure and Merger Implementation Deed, the entities of Scentre Group and Westfield Corporation have cross indemnified each other for any claims that may be made or payment that may be required under such guarantees. On 7 June 2018, Unibail-Rodamco-Westfield acquired the entities of Westfield Corporation, including Westfield Corporation Limited.

The Group's obligation in respect of performance guarantees may be called on at any time dependent upon the performance or non performance of certain third parties.

From time to time, in the normal course of business, the Group is involved in lawsuits. The Directors believe that the ultimate outcome of such pending litigation will not materially affect the results of operations or the financial position of the Group.

SCENTRE GROUP
DIRECTORS' DECLARATION

The Directors of Scentre Group Limited (Company) declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the Financial Statements and notes thereto are in accordance with the Corporations Act 2001, including:

   (i) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

   (ii) giving a true and fair view of the financial position as at 30 June 2023 and the performance of the consolidated entity for the half-year ended on that date in accordance with section 305 of the Corporations Act 2001.

Made on 22 August 2023 in accordance with a resolution of the Board of Directors.

Brian Schwartz AM	**Michael Ihlein**
Chair	Director

Ernst & Young
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Independent Auditor's Review Report to the Members of Scentre Group Limited

Conclusion

We have reviewed the accompanying half-year financial report of Scentre Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the balance sheet as at 30 June 2023, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' Responsibility for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Sydney, 22 August 2023

M J Wright

Mike Wright
Partner

SCENTRE GROUP
DIRECTORS' REPORT

The Directors of Scentre Group Limited (**Parent Company**) submit the following report for the half-year ended 30 June 2023 (**Financial Period**).

Scentre Group (**Group**) is a stapled entity which comprises the Parent Company, Scentre Group Trust 1, Scentre Group Trust 2, Scentre Group Trust 3 and their respective controlled entities. Scentre Group operates as a single coordinated economic entity, with a common Board of Directors and management team.

1. Operating and Financial Review

1.1 Our Purpose and Strategy

Our Purpose – creating extraordinary places, connecting and enriching communities – underpins our strategy, growth ambition, responsible business approach and culture. It guides our decision-making and recognises the integral role our Westfield destinations play in the lives of our customers and communities.

Our Plan – to create the places more people choose to come, more often, for longer – reinforces our customer strategy. By remaining focused on what our customers want and activating our centres to drive visitation, we have strengthened our core business and put ourselves in a strong position to grow.

Our Ambition – to grow the business by becoming essential to people, their communities and the businesses that interact with them – is made up of three interrelated pillars: people and communities, businesses and our platform.

In striving to achieve Our Purpose, Our Plan, Our Ambition and responsible business objectives, we are guided by our DNA. These are the values and standards of behaviour we expect of ourselves and of others.

Our DNA is a central part of our approach to business integrity and our Code of Conduct. It is how we put our culture into action.

1.2 About Us

Scentre Group owns and operates a leading portfolio of 42 Westfield destinations with 37 located in Australia and five in New Zealand encompassing more than 12,000 outlets. The Group's total assets under management are $50.8 billion represented by $34.7 billion SCG investment, and $16.1 billion of third-party funds.

Our Westfield destinations are strategically located near 20 million Australians and New Zealanders which is the majority of their populations.

A comprehensive overview of our assets is in our 2022 Property Compendium, available on the investor section of our website.

Our approach to financial and capital management is to maintain a long-term focus to continually improve our earnings, assets and return on equity through economic cycles within a framework of low tolerance for risk.

1.3 Our Ambition

1.3.1 People and communities

Our Westfield destinations are strategically located in the heart of the local communities we serve. Our centres are considered community hubs that connect people with services and experiences that enrich their daily lives.

Every Westfield destination has a Community Plan. Each plan outlines the unique characteristics of each of our trade areas including a representation of what our customers value. Each plan features key brand activations, community engagement activities including cultural days of significance and initiatives that bring support and awareness to broader community challenges. Through our Community Plans, we actively foster connections with local authorities such as police and emergency services personnel, who contribute to our centres being regarded as safe, welcoming and inclusive destinations.

Our Westfield Local Heroes Program, which is in its sixth year, is progressing with finalists selected and community voting having commenced.

1.3.2 Businesses

Our Westfield destinations are located in the heart of communities close to where the majority of the population lives. Each Westfield destination is different, reflecting the needs of its customers and community.

We engage with our customers and communities to understand which brands, experiences and services they want and consider this as part of our long-term asset planning process.

Customer visitation has increased to 314 million, 9.8% more than the same period in 2022. This has been driven by our unique customer activation program, including our partnerships with Disney and Netball Australia, to create extraordinary experiences for our customers at our Westfield destinations.

During the Financial Period, our business partners achieved sales of $13.1 billion, an increase of 9.1%. When compared to the same period in 2019, business partner sales are 13.6% higher.

Demand for space in our Westfield destinations continues to be strong, with occupancy increasing to 99.0% compared to 98.8% at 30 June 2022. During the Financial Period, the Group completed 1,567 leasing deals and welcomed 585 new merchants including 125 new brands to the portfolio.

On average, specialty rent escalations increased by 8.1% and new lease spreads improved to +2.6%.

1.3.3 Our Platform

Evolving our platform of destinations to be reflective of the daily lives and aspirations of our local communities is a key part of our growth ambition. In doing so, our platform of Westfield destinations will connect more customers and businesses and support our aspiration to become essential.

Progress continues to be made on the Group's strategic customer initiatives including our Westfield membership program which now exceeds 3.5 million members, an increase of 750,000 on the prior period.

1.4 Responsible Business

We continue to focus on how we operate as a responsible, sustainable business.

This includes initiatives that address the four pillars of our approach – community, talent, environment and economic performance.

Aspects of our performance against these areas during the Financial Period are addressed throughout this report.

Our 2022 Responsible Business Report and Performance Data Pack, our Climate Statement and Modern Slavery Statement were released in March 2023.

1.4.1 Community

We hold a trusted role in our community which we value and seek to nurture. We do this by designing and operating our Westfield destinations that are considered valued social infrastructure and integral to our customers and our communities. We continue to invest and support our local communities through direct and in-kind contributions.

1.4.2 People

Our aspiration is to create a safe, healthy and inclusive workplace where talent thrives.

1.4.3 Environment

We are committed to having efficient and resilient assets in line with how we operate as a responsible, sustainable business. We continue to make progress on our environmental strategy and pathway to achieve net zero by 2030.

We have recently completed rooftop solar installations at Westfield Fountain Gate and Westfield Knox. Rooftop solar installations at Westfield Hornsby and Westfield Tuggerah will be completed by the end of the year. Together these installations will more than double the Group's solar generation capacity from 5.9MW to 12.2MW.

1.4.4 Economic performance

Funds from Operations (FFO) for the Financial Period was $556.6 million (10.74 cents per security), up 1.5%. Compared to the second half of 2022, FFO grew by 13.3% reflecting strong operational performance and proactive management of our funding costs. Net Operating Income increased by 10.0% to $971.9 million. This is the highest level of Net Operating Income the Group has ever achieved in a first half period.

The statutory profit after tax attributable to members of Scentre Group for the Financial Period, including an unrealised property revaluation decrease of $392.5 million, was $149.4 million. Property values were 0.6% lower compared to 31 December 2022.

The Group collected $1,332 million of gross rent during the Financial Period, an increase of $82 million compared to the same period in 2022 and equivalent to 103% of gross billings. Net operating cashflows (after interest, overheads and tax) for the Financial Period was $535.1 million.

FFO and Distribution [(i)] [(ii)]

	30 Jun 23 $million	30 Jun 22 $million
Property revenue [(iii)]	**1,237.4**	1,164.3
Property expenses	**(265.5)**	(280.7)
Net operating income	**971.9**	883.6
Management income [(iv)]	**24.3**	23.7
Income	**996.2**	907.3
Overheads	**(44.7)**	(42.4)
EBIT	**951.5**	864.9
Net interest (including subordinated notes coupons) [(v)]	**(379.2)**	(287.6)
Tax	**(16.1)**	(22.8)
Minority interest [(vi)]	**(10.2)**	(14.0)
Operating profit	**546.0**	540.5
Project income [(vii)]	**15.1**	11.6
Tax on project income	**(4.5)**	(3.5)
Project income after tax	**10.6**	8.1
FFO	**556.6**	548.6
Retained earnings	**(128.9)**	(159.8)
Distribution	**427.7**	388.8

(i) The Group’s income and expenses in the above table have been prepared on a proportionate basis. The proportionate basis presents the net income from equity accounted entities on a gross basis.

(ii) 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 straight-lining of rent. FFO is a non-statutory reporting measure and the table above was not reviewed by the auditor.
In calculating the Group's FFO, adjustments to profit after tax are presented below.

	Note in Financial Statements	**30 Jun 23 $million**	30 Jun 22 $million
Profit after tax attributable to members of Scentre Group		**149.4**	479.8
Adjusted for:			
– Property revaluations	2(v)	**392.5**	(286.1)
– Amortisation of tenant allowances	2(iii)	**39.2**	36.4
– Straight-lining of rent	2(iii)	**(2.6)**	(5.1)
– Net fair value loss and associated credit risk on currency derivatives that do not qualify for hedge accounting	2(v)	**17.3**	23.7
– Net fair value loss/(gain) on interest rate hedges that do not qualify for hedge accounting	12	**(43.0)**	282.1
– Net modification loss/(gain) on refinanced borrowing facilities	12	**0.2**	(6.1)
– Net fair value gain on other financial liabilities	12	**(7.6)**	(0.3)
– Capital costs relating to strategic initiatives	2(v)	**15.5**	12.4
– Deferred tax benefit	2(v)	**(0.4)**	(3.0)
– FFO adjustments attributable to external non controlling interests		**(3.9)**	14.8
FFO		**556.6**	548.6

(iii) Property revenue of $1,200.8 million (Note 2(iii)) plus amortisation of tenant allowances of $39.2 million (Note 2(iii)) less straight-lining of rent of $2.6 million (Note 2(iii)).

(iv) Property management income of $30.3 million (Note 2(v)) less property management costs of $6.0 million (Note 2(v)).

(v) Financing costs of $342.0 million (Note 2(v)), offset by interest income of $7.8 million (Note 2(v)), less interest expense on other financial liabilities of $5.4 million (Note 12), net fair value gain on other financial liabilities of $7.6 million (Note 12), net fair value gain on interest rate hedges that do not qualify for hedge accounting of $43.0 million (Note 12) and net modification loss on refinanced borrowing facilities of $0.2 million (Note 12).

(vi) Profit after tax attributable to external non controlling interests of $0.9 million (Note 2(v)) add non-FFO items of $3.9 million and interest expense on other financial liabilities of $5.4 million (Note 12).

(vii) Property development and construction revenue of $142.6 million (Note 2(v)) less property development and construction costs of $127.5 million (Note 2(v)).

Projects

In June 2023, the Group successfully opened Stage 2 of the $355 million (SCG share: $178 million) investment in Westfield Knox, with visitation in the month following opening 13% higher than 2019. The remaining stages are due to open by the end of 2023.

In July 2023, the Group agreed to exit the Central Barangaroo consortium.

Works continue to progress for the development of 101 Castlereagh Street in Sydney's CBD.

Pre-development work on our pipeline of future opportunities continues including Westfield Booragoon in Perth.

Capital management

As at the date of this report, the Group has available liquidity of $3.9 billion, sufficient to cover all debt maturities until the end of 2025. We have taken advantage of market volatility and increased our interest rate hedging to 93% at June 2023 and 89% at December 2023, at an average rate of 2.39%.

Distribution

On 31 August 2023, a distribution of 8.25 cents per security will be made to members in respect of the Financial Period. This comprises an aggregate distribution from Scentre Group Trust 1 and Scentre Group Trust 2. The Parent Company has not determined to pay a dividend for the Financial Period. Scentre Group Trust 3 has not determined to pay a distribution for the Financial Period.

1.4.5 Outlook

Subject to no material change in conditions, the Group reconfirms that it 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. This equates to growth in FFO for the second half of 2023 of between 5.6% to 10.9%.

Distributions are expected to be at least 16.50 cents per security for 2023, representing at least 4.8% growth for the year.

2. Risk Management

We recognise that effective risk management is fundamental to achieving Our Purpose, Our Plan and Our Ambition and operating as a responsible sustainable business.

The Board sets the overall risk appetite for the Group and has approved strategies and policies to identify, monitor and manage key risks. The Board is assisted in its oversight of risk by the Audit and Risk Committee, which meets five times a year. The Board and Audit and Risk Committee are supported by the Executive Risk Management Committee, executive leadership team and a dedicated risk function, to promote understanding and management of risk across all teams.

Our Enterprise Risk Management (ERM) Policy and ERM Framework integrate with our day-to-day business processes. Risk management accountability is a key requirement for our business managers and leaders. The ERM Policy and Framework defines risk oversight responsibilities for the Board and management and are reviewed annually by the risk team and approved by the Audit and Risk Committee and Board.

A detailed discussion of risks is set out in the Group's 2022 Annual Financial Report.

3. Directors

As of the date of this report, the Board of the Parent Company comprised the following Directors. Each non-executive Director is classified as independent.

Name	Position	Date of appointment
Brian Schwartz AM	Non-executive Chair	6 May 2009
Elliott Rusanow	Managing Director / Chief Executive Officer	1 October 2022
Ilana Atlas AO	Non-executive Director	28 May 2021
Catherine Brenner	Non-executive Director	1 March 2022
Michael Ihlein	Non-executive Director	30 June 2014
Carolyn Kay	Non-executive Director	24 February 2016
Stephen McCann	Non-executive Director	1 November 2022
Guy Russo	Non-executive Director	1 September 2020
Margaret Seale	Non-executive Director	24 February 2016
Michael Wilkins AO	Non-executive Director	8 April 2020

Scentre Group was established on 30 June 2014. Scentre Group Limited (previously Westfield Holdings Limited) formed part of the prior Westfield Group. Mr Schwartz's appointment predates the formation of the Group.

Andrew Harmos (appointed on 30 June 2014) retired from the Board on 5 April 2023. All other Directors held office for the entire Financial Period.

As announced to the Australian Securities Exchange on 5 April 2023, Brian Schwartz intends to retire from the Board on 30 September 2023 and Ilana Atlas has been appointed Chair, effective 1 October 2023.

The Boards of Scentre Management Limited, RE1 Limited and RE2 Limited (as Responsible Entities of Scentre Group Trust 1, Scentre Group Trust 2 and Scentre Group Trust 3, respectively) are identical to the Board of the Parent Company. If a Director ceases to be a Director of the Parent Company for any reason, they must also retire as a Director of each Responsible Entity.

4. Principal activities

The principal activities of the Group for the Financial Period were the ownership, development, design, construction, asset management, leasing and marketing activities with respect to its portfolio of 42 Westfield destinations across Australia and New Zealand.

There were no significant changes in the nature of those activities during the Financial Period.

5. Events after the reporting period

No event has occurred since the end of the Financial Period which would significantly affect the operations of the Group.

6. Rounding

The Parent Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Accordingly, the amounts shown in the Directors' Report, the Financial Statements and Notes to the Financial Statements have been rounded to the nearest tenth of a million dollars, unless otherwise indicated. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

7. Synchronisation of financial year

Carindale Property Trust is a consolidated entity of the Parent Company, and has a financial year ending on 30 June. By an order dated 27 June 2005 made by the Australian Securities and Investments Commission, the Directors of the Parent Company have been relieved from compliance with the requirement to ensure that the financial year of Carindale Property Trust coincides with the financial year of the Parent Company.

8. ASX listing

ASX reserves the right (but without limiting its absolute discretion) to remove Scentre Group Limited, Scentre Group Trust 1, Scentre Group Trust 2 and Scentre Group Trust 3 from the official list of ASX if any of the shares or units comprising those stapled securities cease to be stapled together, or any equity securities are issued by a Scentre Group entity which are not stapled to the equivalent securities in the other entities.

9. Auditor's independence declaration

The Directors have obtained the following independence declaration from the auditor, Ernst & Young.

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Building a better working world

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Auditor's Independence Declaration to the Directors of Scentre Group Limited

As lead auditor for the review of the half-year financial report of Scentre Group Limited for the half-year ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Scentre Group Limited and the entities it controlled during the Financial Period.

Ernst & Young

Ernst & Young

22 August 2023

MWright

Mike Wright
Partner

This report is made on 22 August 2023 in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Brian Schwartz AM
Chair

Michael Ihlein
Director

DIRECTORY

Scentre Group
Scentre Group Limited
ABN 66 001 671 496

Scentre Group Trust 1
ARSN 090 849 746
(responsible entity Scentre Management Limited
ABN 41 001 670 579, AFS Licence No 230329)

Scentre Group Trust 2
ARSN 146 934 536
(responsible entity RE1 Limited
ABN 80 145 743 862, AFS Licence No 380202)

Scentre Group Trust 3
ARSN 146 934 652
(responsible entity RE2 Limited
ABN 41 145 744 065, AFS Licence No 380203)

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Paul F Giugni

Auditor
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Facsimile: +61 3 9473 2500
Contact: www.investorcentre.com/contact
Website: www.computershare.com

Listing
Australian Securities Exchange – SCG

Website
www.scentregroup.com

Australian Capital Gains Tax Considerations

A Scentre Group stapled security comprises four separate assets for capital gains tax purposes. For capital gains tax purposes you need to apportion the cost of each stapled security and the proceeds on sale of each stapled security over the separate assets that make up the stapled security. This apportionment should be done on a reasonable basis. One possible method of apportionment is on the basis of the relative Net Tangible Assets (NTAs) of the individual entities.

These are set out by entity in the table below.

Relative Net Tangible Assets (NTA) of entities in Scentre Group	**30 Jun 23**	31 Dec 22
Scentre Group Limited	**3.78%**	4.91%
Scentre Group Trust 1	**38.53%**	38.18%
Scentre Group Trust 2	**57.59%**	56.82%
Scentre Group Trust 3	**0.10%**	0.09%