



31 October 2018

**Vicinity Centres
Auditor's remuneration
For the 12 months to 30 June 2018 (FY18)**

Additional information on the composition of Vicinity Centres' (Vicinity; ASX:VCX) Auditor's Remuneration and the ratio of audit to non-audit fees is provided below.

In monitoring the ratio of audit to non-audit fees in FY18, Vicinity and its Audit Committee was mindful of this allocation, which represents a fee ratio of 59.4% (audit) to 41.6% (non-audit).

Vicinity remains of the view that the work performed by the Auditor did not adversely affect the Auditor's independence or integrity.

Under the Corporations Act 2001 'audit' fees are only those relating to the audit of the statutory financial statements of Vicinity and its subsidiaries. Vicinity is also subject to a number of other regulation-based audit requirements which are non-discretionary in nature and largely relate to the audit of financial information.

The table in Appendix 1 of this letter provides further disclosure in relation to this non-discretionary regulatory audit work and notes the source of the requirement. The total of these additional required regulatory audit fees was \$336,000 in FY18. The balance of 'non-audit' work performed by Vicinity's independent auditor totalled \$971,000 in FY18.

Notwithstanding Vicinity's view that the ratio of audit to non-audit work performed by the Auditor did not adversely affect the Auditor's independence or integrity in undertaking its services, Vicinity acknowledges the matters raised by some proxy advisors in relation to this ratio and will reduce this fee ratio further in FY19. Vicinity will also provide additional detail within its 2019 Annual Report regarding regulatory audit and other audit and assurance activities.

Vicinity is always open to engaging with its securityholders. Should you have any questions, please do not hesitate to contact us directly by email to Penny Berger (penny.berger@vicinity.com.au).

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Licensed Agents - Vicinity Real Estate
Licence Pty Ltd ABN 39 060 482 635 and
Vicinity (Vic) Pty Ltd ABN 47 054 494 352

Vicinity Limited ABN 90 114 757 783
and Vicinity Centres RE Ltd
ABN 88 149 781 322
As responsible entity for:
Vicinity Centres Trust ARSN 104 931 928

Appendix 1

External auditor services summary (\$'000)

For the 12 months to:

30 June 2018

30 June 2017

	30 June 2018	30 June 2017
Group statutory audit and review of financial reports	1,087	1,145
Required regulatory audit services		
Outgoings and promotional fund audits <i>(independent audit required by retail tenancy law in each state)</i>	231	303
Real Estate Trust account audits <i>(independent audit required by retail tenancy law in each state)</i>	61	100
Responsible Entity compliance plan audits <i>(independent audit required by ASIC under licencing conditions)</i>	44	63
Subtotal required regulatory audit services	336	466
Total – statutory and required regulatory audit services	1,423	1,611
Other assurance services	446	162
Taxation compliance services	525	544
Total – other assurance and taxation compliance services	971	706
Total auditors remuneration	2,394	2,317
Ratio of statutory and required regulatory audits to other assurance and taxation compliance services	59.4% : 41.6% <i>(\$1,423 : \$971)</i>	69.5% : 30.5% <i>(\$1,611 : \$706)</i>