

Annual Report 2016



Important information

Viva Energy REIT (VVR) is a stapled entity comprising one share in Viva Energy REIT Limited (ABN 35 612 986 517) and one unit in the Viva Energy REIT Trust (ARSN 613 146 464).

Responsible Entity of Viva Energy REIT Trust

VER Limited

ACN 609 868 000

Level 16, 720 Bourke Street, Docklands VIC 3008

Reporting Period

This Annual Report details the consolidated results of Viva Energy REIT for the part period 14 June to 31 December 2016.

Disclaimer

This is the Annual Report for Viva Energy REIT (“VVR” or “Viva Energy REIT”) which is a stapled entity comprising shares in Viva Energy REIT Limited (ABN 35 612 986 517) stapled with units in the Viva Energy REIT Trust (ARSN 613 146 464). VER Limited (ABN 46 609 868 000 and AFSL 483795) is the Responsible Entity of the Viva Energy REIT Trust, and VER Manager Pty Ltd provides management services to VER Limited and Viva Energy REIT.

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made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Annual Report. The information contained in this Annual Report is current as at the date it is published and is subject to change without notice.

Past performance is not a reliable indicator of future performance.

To the extent that certain statements in this Annual Report may constitute ‘forward-looking statements’ or statements about ‘future matters’, the information reflects VVR’s intent, belief or expectations at the date of the Annual Report. Such prospective financial information contained within this Annual Report may be unreliable given the circumstances and the underlying assumptions to this information may materially change in the future.

Neither Viva Energy REIT, VER Manager Pty Ltd, nor any of their associates, related entities or directors, give any warranty as to the accuracy, reliability or completeness of the information contained in this Annual Report. Except to the extent liability under any applicable laws cannot be excluded and subject to any continuing obligations under the ASX listing rules, VER Manager Pty Ltd, Viva Energy REIT and its associates, related entities, directors, employees and consultants do not accept and expressly disclaim any liability for any loss or damage (whether direct, indirect, consequential or otherwise) arising from the use of, or reliance on, anything contained in or omitted from this presentation.

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Overview

Viva Energy REIT is Australia's only listed REIT owning solely service station properties, with an Initial Portfolio of 425 service stations across all Australian States and Territories. Viva Energy REIT's objective is to maximise the long-term income and capital returns from its ownership of the portfolio for the benefit of all security holders.

Initial Portfolio of 425 high quality service station properties

Geographically diverse across all Australian States and Territories

Security of income through long-term Triple Net Leases on Initial Portfolio to Viva Energy Australia, an invest grade rated tenant

100% occupancy, 3% p.a. fixed rent increases

WALE of 14.9 years, with no lease expiry before 2026



Coles Express Chapel Hill, QLD

Key Highlights

**Business
Platform
Established**

**Deal Pipeline
Established**

**Exceeded IPO
Forecast**

**Gearing Below
Target Range**

Statutory net profit of

\$0.9 million ↑

Distributable income

\$36.5 million ↑



Distributable income

+3.7%

above PDS Forecast

13.07 cents per
stapled
security

Forecast FY2017 distribution confirmed

**Net Tangible Assets of
\$2.02 per stapled security**

(subsequent to payment of distribution on 6 Feb 2017)



Payout ratio of

100%

of distributable income

Chairman's Message

On behalf of the Board, I'm delighted to present the Annual Report for Viva Energy REIT for the part year ended 31 December 2016.

Viva Energy REIT listed on the ASX on 3 August 2016 and our results delivered security holders a post balance date distribution for the initial period which was 3.7% above PDS Forecast.

A number of things have been achieved during the period, including the negotiation of attractive capital management terms and the establishment of our operating platform which will support our growth in the future.

We have also initiated the implementation of our growth strategy, seeking attractive opportunities to invest our capital.

Four acquisitions were contracted as at the 31 December 2016 with a weighted average capitalisation rate greater than that of the Initial Portfolio of properties; the pipeline of opportunities for acquisition remains meaningful.

We continue to initiate and receive interest from both domestic and offshore institutional and retail investors. Senior management actively communicates with current and prospective investors, continually seeking out various opportunities to present our securities.

The Board is confident Viva Energy REIT is well placed to build upon the platform that has been established. Senior management remains focused on opportunities for growth that are accretive to earnings, and we maintain active lines of interest in various capital markets to ensure attractive terms can be agreed in a timely manner as and when required.

I would like to extend my thanks to the Board, senior management and all staff for their continued commitment to the success of Viva Energy REIT; and to our investors, we thank you for your continued support.

Yours faithfully,



Laurence Brindle
Independent Non-Executive Chairman



“Management remains focused on opportunities for growth that are accretive to earnings.”

“Our business platforms and underlying systems have been established and are operating smoothly.”

Margaret Kennedy

Managing Director

VER Manager Pty Limited, Manager of Viva Energy REIT



Managing Director's Report

It is my pleasure to present the Annual Report for Viva Energy REIT for the part year ended 31 December 2016.

Since listing in August 2016, I am pleased to report that our business platforms and underlying systems have been established and are operating smoothly. We have an established deal pipeline in place, with four acquisitions due to be settled in the first half of 2017 and have delivered above Forecast financial results.

Financial Results

Over the Period, Viva Energy REIT recorded statutory net profit of \$0.9 million and distributable income of \$36.5 million. Based upon a payout ratio of 100%, \$36.5 million was distributed to security holders on 6 February 2017.

This equates to 5.28 cents per security, which was 3.7% greater than Forecast in the PDS.

Results were above Forecast due to a combination of lower than Forecast cost of debt and lower than Forecast management costs over the Period.

Net tangible asset value at 31 December 2016 was \$2.07 per security, prior to the payment of the distribution for the Period.

Capital Management

Our pro-active approach to capital management has made a positive contribution to earnings for the Period, with our debt facility established and 100% hedged at a lower rate than Forecast in the PDS.

Our gearing at 31 December 2016 was 34.4%, we will continue to maintain capital discipline and operate within our target gearing range of 35-45%.

We remain in active communication with our existing lenders as well as debt capital market providers so we can take advantage of suitable opportunities to amend, extend or improve our debt book as they arise.

The debt book in place at ASX listing date was subsequently sold down at face value in November 2016 and is now held across 16 different domestic and offshore banks.

Managing Director's Report (continued)

Portfolio Overview

Viva Energy REIT is Australia's only listed REIT comprising solely service station properties.

As at the balance date the portfolio value was approximately \$2.1 billion, with a weighted average capitalisation rate of 5.9%. There has been no adjustment to property values since the valuations undertaken at 1 July 2016. Our valuation policy is for properties to be independently valued at least every three years, and our plan is for this to occur on a rolling three year basis from 31 December 2017; Directors' valuations are considered twice annually or as determined by the Board.

The Initial Portfolio is comprised of 425 service stations leased to Viva Energy Australia on long-term Triple Net Leases, with a weighted average lease expiry of 14.9 years as at 31 December 2016.

The portfolio is high quality and geographically diverse across all Australian states and territories. The portfolio is unique, having been assembled over the last 100 years. Many properties are located in areas which would be almost impossible to secure again.

Acquisitions

Viva Energy REIT has acquired an additional four Shell/Coles Express service station properties which are scheduled to settle in the first half of 2017. Of the four sites, one is a new to industry

site, one is an existing highway truck stop site, and two are established retail service stations.

The total acquisition price is \$26.2 million (excluding transaction costs), with a weighted average capitalisation rate of 6.4% and a weighted average lease expiry (to Viva Energy Australia) of eight years.

Annerley, QLD

Coles Express Annerley is a new to industry developed service station site which opened in December 2016. The property is located on Ipswich Road, a major Brisbane arterial road, within the Princess Alexandra hospital precinct. There is a new 15 year Triple Net Lease in place with 4 x 5 year options with Viva Energy Australia and 3% annual rental increases.

Halfway Creek, NSW

Coles Express Halfway Creek is an existing retail service station located on the Pacific Highway approximately halfway between Brisbane and Sydney. In addition to the service station there is a food service co tenant located on the site. The lease with Viva Energy Australia is a Double Net Lease with 4.7 years remaining on the term certain and two further options of five years. 87% of the income from the site is attributable to the Viva Energy Australia lease. The rent increases are the greater of CPI or 3.5% per annum.



Coles Express Greenacre, NSW

Blaxland, NSW

Coles Express Blaxland is an existing retail service station located on the Great Western Highway, the main thoroughfare to the Blue Mountains. In addition to the service station there is a fitness centre co-located on the site. The lease with Viva Energy Australia is a Double Net Lease, with 4.4 years remaining on the term certain and two further five year options. 82% of the rental income from the property is attributable to the Viva Energy Australia lease. The rent is payable quarterly in advance and increases annually with CPI.

Alice Springs, NT

Coles Express Alice Springs is an existing truck stop located on Lilbili St, a service road to the Stuart Highway, the main highway between Darwin and Alice Springs. It is an established trading location for Viva Energy Australia. The lease is a Double Net Lease, with 100% of the rental income attributable to Viva Energy Australia. Rent is paid annually in advance and increases annually at the greater of CPI or 3.5%.

We have worked to establish a strong pipeline of potential acquisitions which are complementary to and reflective of the existing portfolio, both in asset type and a spread of metropolitan and regional sites. We continue to pursue growth opportunities in line with our stated strategy of owning high quality and strategically located service stations.

Strategy and Outlook

Viva Energy REIT offers a stable and secure income stream from the underlying long-term leases to an investment grade rated tenant operating in the consumer staple sector.

Our investors own a high quality, well diversified fuel and convenience retail property portfolio with strong defensive characteristics and room for further growth.

Guidance for 2017 remains unchanged and in line with the PDS forecast distributable earnings of \$90.2 million, which is equivalent to 13.07 cents per security.

The Board will provide an update on earnings guidance in conjunction with the 2017 first half results, or earlier if required.

Thank you for your ongoing support of Viva Energy REIT.

Yours sincerely,



Margaret Kennedy

Managing Director

VER Manager Pty Limited, Manager of Viva Energy REIT

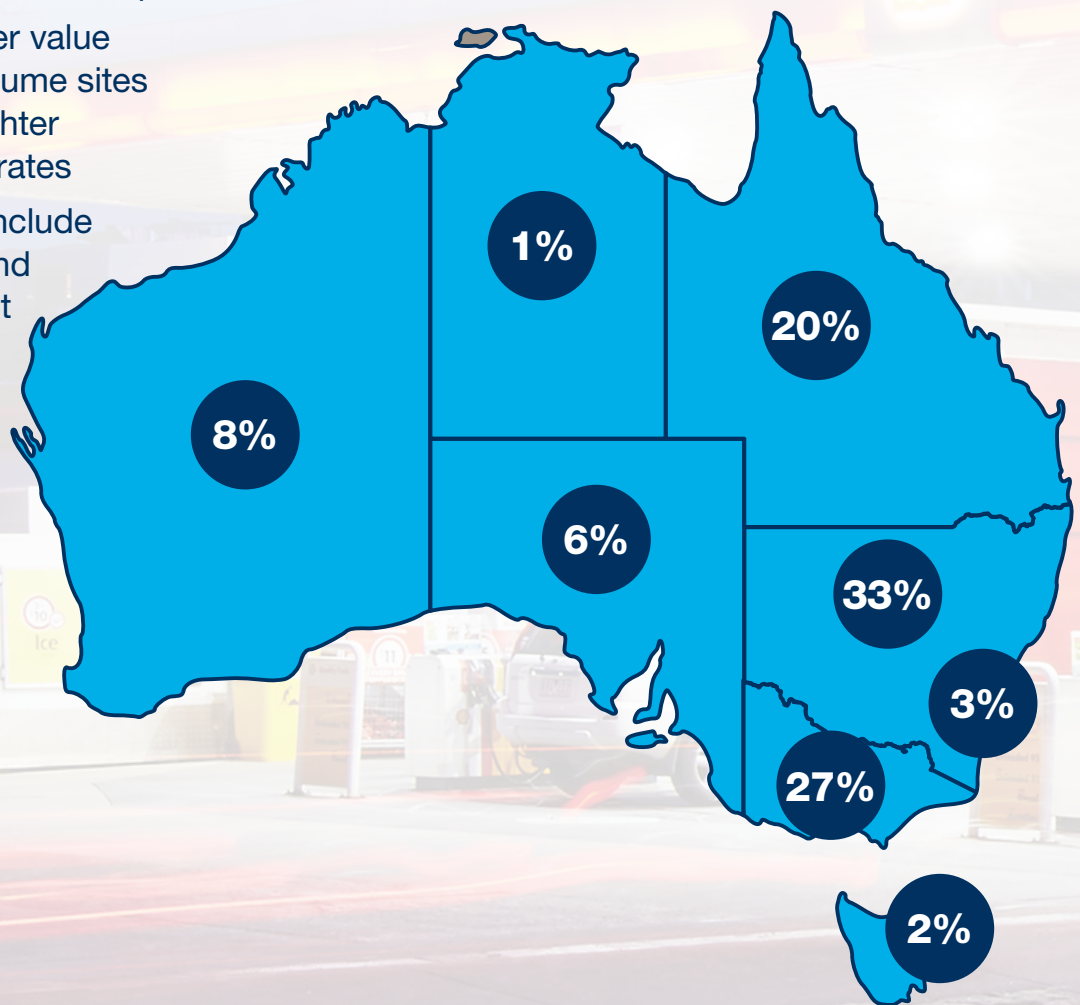


“Our investors own a high quality, well diversified fuel and convenience retail property portfolio with strong defensive characteristics and room for further growth.”

Portfolio Overview

At 31 December 2016

- Portfolio weighted towards Australia's more populous Eastern seaboard
- High proportion of metropolitan sites
 - Typically higher value and higher volume sites that attract tighter capitalisation rates
- Regional sites include highway sites and are an important part of national network



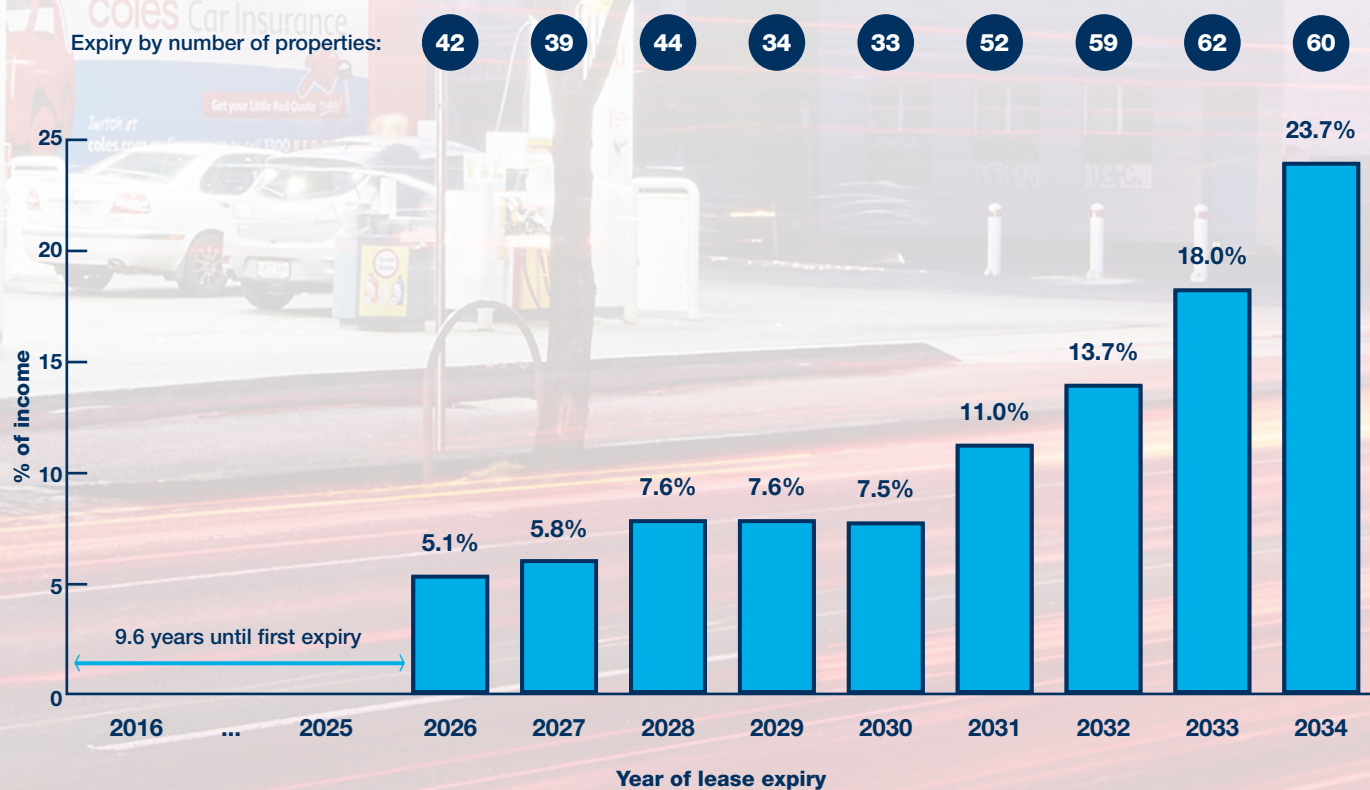
	Number of sites ¹	Indicative independent valuation ² (\$m)	Average property value ² (\$m)	WACR ^{1,2}	WALE (years)
Metropolitan	304	1,608	5.3	5.6%	15.1
Regional	121	497	4.1	6.8%	14.2
Total	425	2,105	5.0	5.9%	14.9

1. Initial portfolio outlined in PDS

2. Independent valuation as at 1 July 2016

- 3% fixed rental growth commencing August 2017 on Initial Portfolio
- Properties will be independently valued at least every three years on a rolling annual basis commencing as at 31 December 2017
- No lease expiry until August 2026
- WALE of 14.9 years on Initial Portfolio

Portfolio WALE – by income



Strategy



Service station investments – strong defensive characteristics

Consumer staple – fuel and convenience	Demand for fuel relatively inelastic	Investment grade rated tenant	Contracted rental growth profile underpins earnings growth	Triple Net Leases on Initial Portfolio	Highly liquid property market
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Acquisition pipeline established

Numerous opportunities under consideration	Focus on strategic sites that complement Viva Energy REIT's existing portfolio	Australia-wide, geographically diverse consistent with Viva Energy REIT's existing portfolio	Viva Energy REIT is not restricted to properties leased to Viva Energy Australia
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Coles Express Woolloomooloo, NSW

Acquisition Summary



Coles Express Annerley, QLD

Viva Energy REIT has entered into contracts to acquire four Shell/Coles Express sites

- One new to industry site
- One established truck stop site
- Two established retail sites

Total acquisition price \$26.2m¹

WACR 6.4%¹

WALE of Viva Energy Australia tenancies is 8 years

1. Excluding transaction costs

Acquired Properties

Acquisition – QLD

388 Ipswich Road, Annerley, QLD

New to industry Shell/Coles Express site in prime inner Brisbane location on a major arterial

100% of rental income attributable to Viva Energy Australia

Triple Net Lease, annual rent review 3%

Price	\$10,800,000 ¹
Cap rate	5.3% ¹
Site area	2,463 sqm approx
Unexpired Viva Energy Australia lease term	14.9 years plus 4 x 5 year options
Estimated settlement date	Mid April 2017



Coles Express Annerley, QLD

1. Excluding transaction costs

Acquisition – NSW

4974 Pacific Highway, Half Way Creek, NSW

Existing Shell/Coles Express site with food service co-tenant

87% of rental income attributable to Viva Energy Australia

Double Net Lease, rent review higher of 3.5% or CPI paid quarterly in advance

Price	\$7,000,000 ¹
Cap rate	7.5% ¹
Site area	65,660 sqm approx
Unexpired Viva Energy Australia lease term	4.7 years plus 2 x 5 year options
Settlement date	14 March 2017

126 Great Western Highway, Blaxland, NSW

Existing Shell/Coles Express site with a fitness centre as co-tenant in strategic highway location on primary Blue Mountains arterial road

82% of rental income attributable to Viva Energy Australia

Double Net Lease, rent review CPI paid quarterly in advance

Price	\$5,500,000 ¹
Cap rate	7.0% ¹
Site area	1,506 sqm approx
Unexpired Viva Energy Australia lease term	4.4 years plus 2 x 5 year options
Settlement date	30 March 2017

Acquisition – NT

11 Lilbili Street, Braitling, Alice Springs, NT

Existing Shell/Coles Express truck stop site on major interstate highway location

100% of rental income attributable to Viva Energy Australia

Double Net Lease, rent review higher of 3.5% or CPI paid annually in advance

Price	\$2,900,000 ¹
Cap rate	6.6% ¹
Site area	48,700 sqm approx
Unexpired Viva Energy Australia lease term	10.3 years
Settlement date	3 March 2017

1. Excluding transaction costs

Outlook and Forecast

Optimise Core Business

Viva Energy REIT's investment objective is to own a portfolio of high quality and strategically located Australian service station properties subject to long-term leases to Viva Energy Australia and other tenants with strong credit profiles

Growth Opportunities

Viva Energy REIT will consider and participate in acquisition and site development opportunities which:

- Focus on sustainable risk adjusted returns
- Add value for security holders

Capital Management

Review debt capital structure, maintain target gearing range of 35-45%

Forecast

Forecast year end December 2017 earnings guidance remains unchanged at 13.07 cents per security, subject to no material changes in market conditions

Board of Directors

Laurence Brindle - Independent Non-Executive Chairman

- Laurence has extensive experience in funds management, finance and investment and is currently independent non-executive chairman of National Storage REIT.
- Until 2009, Laurence was an executive with Queensland Investment Corporation (QIC). During his 21 years with QIC, he served in various senior positions including Head of Global Real Estate, where he was responsible for a portfolio of \$9 billion. Laurence was also a long-term member of QIC's Investment Strategy Committee.
- Laurence provides advice to a number of investment institutions on real estate investment and funds management matters. He is a former chairman of the Shopping Centre Council of Australia and a former director of Westfield Retail Trust and Scentre Group.
- Laurence is a member of the Audit and Risk Management Committee of Viva Energy REIT.

Michael Bradburn - Non-Executive Director resigned 28 March 2017

- Michael is Chief Financial Officer (CFO) of Viva Energy Australia.
- Michael joined Viva Energy Australia in January 2016 as CFO and has 20 years of experience in financial, commercial, planning and audit roles across a range of industry sectors. He was previously CFO of Brisbane Airport, with responsibility for commercial negotiations with major customers, financial and management reporting, debt capital markets, treasury, risk and taxation. Prior to Brisbane Airport, Michael had various senior financial and commercial roles at Asciano and Patrick. Michael is a Chartered Accountant, and holds a Master of Business Administration and a Bachelor of Business.
- Michael is a member of the Audit and Risk Management Committee of Viva Energy REIT.

Georgina Lynch - Independent Non-Executive Director

- Georgina has over 25 years' experience in the financial services and property industry and is currently a non-executive director of Cbus Property and a consultant to Stockland.
- Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings (IPOs), funds management, corporate strategy and acquisitions and divestments, having previously worked as a solicitor early in her career and having held senior executive roles at AMP Capital Investors and Galileo Funds Management.
- Georgina holds a Bachelor of Arts and Bachelor of Laws.
- Georgina is a member of the Audit and Risk Management Committee of Viva Energy REIT.

Stephen Newton - Independent Non-Executive Director

- Stephen has extensive industry experience spanning in excess of 35 years across real estate investment and funds management, development and property management, as well as in infrastructure investment and management. Stephen has been a Principal of Arcadia Funds Management for more than 14 years. Prior to that, Stephen held various senior executive positions at Lend Lease over 22 years, including as CEO (Asia Pacific) of Lend Lease Real Estate Investments Limited and as a member of the senior executive group of Lend Lease Corporation Ltd.
- Stephen is currently a non-executive director of Stockland Property Group, Gateway Lifestyle Group, and BAI Communications Group (formerly Broadcast Australia Group), and a former non-executive director of Australand Property Group.
- Stephen is a member of both the Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors. He holds a Bachelor of Arts (Economics and Accounting) degree from Macquarie University and a Masters of Commerce post graduate degree from the University of New South Wales.
- Stephen is Chair of the Audit and Risk Management Committee of Viva Energy REIT.

Lachlan Pfeiffer - Non-Executive Director appointed 28 March 2017¹

- Lachlan is the current General Counsel of Viva Energy Australia.
- Lachlan has over 12 years' experience working in corporate law including roles within mergers and acquisitions, private equity, corporate finance and debt and equity capital markets in Australia, UK, USA and Europe.
- Lachlan's previous positions include seven years in London with Skadden, Arps, Slate, Meagher and Flom advising clients and implementing various corporate transactions across UK, USA and throughout Europe, and several years with Norton Rose Fulbright in Melbourne advising across a range of corporate transaction and advisory matters.
- Lachlan holds a Bachelor of Commerce and a Bachelor of Laws.
- Lachlan is a member of the Australian Institute of Company Directors.

Scott Wyatt - Non-Executive Director

- Scott is the Chief Executive Officer (CEO) of Viva Energy Australia.
- Scott has nearly 30 years' experience in the downstream oil industry across Australia and New Zealand, including roles within strategy, marketing, oil supply and distribution operations.
- In mid-2013, Scott was appointed to head the country for Shell's downstream businesses in Australia before he transitioned to the role of CEO of Viva Energy following the sale of the business.
- Scott's previous positions with Shell included General Manager of Supply and Distribution for Australia, and an assignment in Singapore to lead a regional strategy team.

1. Lachlan Pfeiffer will receive nil remuneration for his appointment as a non-executive Director and holds a beneficial interest in 50,000 Viva Energy REIT securities which were acquired at issue price via the initial public offering

Viva Energy REIT

Financial Statements

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These financial statements are for Viva Energy REIT (the 'Group'). The financial statements are presented in Australian Currency.

Viva Energy REIT comprises Viva Energy REIT Limited, the 'Company' (ACN 612 986 517), and VER Limited (ABN 43 609 868 000) (AFSL 483795) as responsible entity of the Viva Energy REIT Trust (the 'Trust') (ARSN 613 146 464).

The manager of Viva Energy REIT Trust is VER Manager Pty Limited.

The registered office of the Responsible Entity, Viva Energy REIT and VER Manager Pty Limited is:

Level 16,
720 Bourke Street
Docklands VIC 3008, Australia

Directors' Report

The Directors of Viva Energy REIT present the report and financial statements for the period ended 31 December 2016 for Viva Energy REIT.

Viva Energy REIT ('Group' or 'the Group' or 'the REIT') is a stapled group consisting of the 'Company' and the 'Trust'. The Trust, through its 100% ownership of VER Trust, owns the portfolio service station properties and receives rent under the leases. The Company owns all of the shares in VER Limited ('the Responsible Entity').

The Trust was established and the Company was incorporated on 14 June 2016. Following an initial public offer of the stapled securities and a successful debt raising, the Group was formed on 3 August 2016 when the Company and the Trust were stapled. The stapled securities then commenced trading on the ASX on a deferred settlement basis on 10 August 2016. Each Stapled Security consists of one share in the Company and one unit in the Trust.

This financial report contains the results of the Group from the establishment date of the Trust and the incorporation date of the Company 14 June 2016 to 31 December 2016 ("the Period" or "Period"). Viva Energy REIT's financial year-end is 31 December.

Directors

The following persons held office as directors of Viva Energy REIT Limited during the period ended 31 December 2016 and, up until the date of this report:

- Michael Bradburn (Viva Energy Australia Pty Limited representative, Non-Executive Director)
- Scott Wyatt (Viva Energy Australia Pty Limited representative, Non-Executive Director)

The following directors were appointed on 10 July 2016, and continue in office at the date of this report:

- Laurence Brindle (Independent Non-Executive Chairman)
- Georgina Lynch (Independent Non-Executive Director)
- Stephen Newton (Independent Non-Executive Director)

The company secretary is Tony Tran. Mr Tran was appointed on 10 July 2016.

Daniel Ridgway (Viva Energy Australia Pty Limited representative, Non-Executive Director) was appointed as a director on 14 June 2016, and resigned on 10 July 2016.

Lachlan Pfeiffer was appointed company secretary on 14 June 2016, and resigned on 10 July 2016.

Principal activities

The principal activity of Viva Energy REIT is investment in service station property.

Viva Energy REIT owns a portfolio of 425 freehold service station properties (the 'Portfolio') acquired from Viva Energy Australia Pty Limited, one of Australia's market leading fuel suppliers, and located in all Australian states and territories. All of the properties in the portfolio are leased to Viva Energy Australia Pty Limited.

Distributions to security holders

No distributions to security holders were declared or paid during the financial period ended 31 December 2016.

Subsequent to the end of the financial period, the directors have declared the payment of a distribution for the period ended 31 December 2016 of \$36,440,000 which was paid on 6 February 2017.

Operating and financial review

Viva Energy REIT's investment objective is to own a portfolio of high quality and strategically located service station properties located throughout Australia, subject to long-term leases to tenants with strong financial credit profiles.

Directors' Report (cont)

Key financial metrics

	31 December 2016
Net profit (statutory)	\$1.0 million
Net operating profit (distributable income)	\$36.5 million
Distributable income per security	5.28 cents
Total assets	\$2,173.3 million
Investment properties	\$2,104.8 million
Borrowings	\$731.5 million
Net assets	\$1,429.7 million
Net Asset Value ('NAV') per security*	\$2.07
Gearing**	34.4%

*NAV includes cash which subsequent to Period end was distributed to security holders on 6 February 2017 (refer note 22).

**Gearing calculated as total liabilities/total assets excluding derivative financial instruments.

FY16 highlights

Statutory net profit was \$1.0 million, compared to the forecast contained in the Group's Prospectus and Product Disclosure Statement ('PDS') dated 22 July 2016 of \$11.6 million. The statutory net profit is different from the forecast in the PDS because the rental income straight-lining adjustment was not reversed in the PDS statutory net profit as compared to these financial statements due to different assumptions in the PDS.

Distributable Income of \$36.5 million compared to the PDS of \$35.1 million is due to borrowings being contracted at a lower rate than the forecast and costs being lower than forecast.

Gearing was 34.4% at 31 December 2016, below the target gearing range of 35%-45%.

NAV per security at 31 December 2016 was \$2.07.

The Management Expense Ratio was 0.24% on an annualised basis; being the ratio of operating expenses incurred (excluding financing costs and initial transaction costs) over total assets (excluding derivative assets).

Financial results

	31 December 2016 \$'000
Rental income	49,191
Other income	385
Total operating income	49,576
Management fee expenses	(1,060)
Board and other corporate costs	(1,050)
Interest paid or payable	(11,012)
Net operating profit (distributable income)*	36,454
Non-distributable items:	
Straight-line rental income	12,118
Impact of straight-line lease adjustment on fair value of investment	(12,118)
Establishment costs	(34,852)
Amortisation of borrowing costs	(626)
Statutory net profit	976

* Net operating profit (distributable income) is not a statutory measure of profit. Items are excluded from distributable earnings on the basis that they do not reflect the underlying net cash flow from operating activities of the Group.

Directors' Report (cont)

Financial results summary

	31 December 2016
Net operating profit (distributable income) (\$'000)	36,454
Weighted average number of ordinary securities ('000)	690,152
Distributable income per security (cents)	5.28

Net operating profit is the measure used to determine security holder distributions and represents the underlying cash-based profit of the Group for the relevant period. Net operating profit excludes fair value changes from asset and derivative revaluations and items of income or expense not in the opinion of the Directors representative of the Group's underlying operating earnings or cash flow.

Investment property portfolio

Key property metrics

	31 December 2016
Total value of investment properties	\$2,104.8 million
Total properties in portfolio	425
Portfolio occupancy	100%
Weighted average lease expiry (WALE)	14.9 years

Capital management

Equity

- New equity raised on listing of the Group was \$911.0 million, before equity raising costs.
- Equity retained by Viva Energy Australia Pty Limited was \$535.5 million.

Bank facilities and gearing

- Debt facilities drawn total \$736.7 million, split into two equal tranches of 3 years and 5 years.
- Additional facilities available and undrawn at 31 December total \$100.0 million.
- Gearing at 34.4% is under the target range of 35% to 45%.

Interest rate management

During the period the Group managed its interest rate risk in accordance with its interest rate risk management policy. The interest rate swap agreements are matched to the term of the loan facilities in place.

At 31 December 2016, 100% of the Group's borrowings are hedged with a weighted average term of 3.6 years. The average fixed interest rate at 31 December 2016 is 2.02%, excluding the margin (refer to note 10) and the amortisation of debt establishment costs.

FY17 outlook

The Group provided a full year 2017 distribution forecast of 13.07 cents per security in the PDS, which remains unchanged.

The Group's strategy is to own a portfolio of high quality and strategically located Australian service stations. There are acquisition opportunities under consideration that are consistent with this strategy.

The Group has contracted to purchase four properties for an aggregate purchase price of \$26.2 million before transaction costs. Deposits paid on these contracts prior to 31 December 2016 amounted to \$1.8 million. Settlement of these contracts is expected during the first half of the Group's 2017 financial year.

Directors' Report (cont)

Significant changes in the state of affairs

In the opinion of the Directors, other than the matters identified in this report, there were no significant changes in the state of affairs of the Group that occurred during the financial period.

Matters subsequent to the end of the financial period

Subsequent to the end of the financial period, the Directors have declared the payment of a distribution for the period ended 31 December 2016 of \$36,440,000 which was paid on 6 February 2017.

The Group has contracted to purchase properties for an aggregate purchase price of \$26.2 million before transaction costs. Settlement conditions of these contracts have been met and settlement is expected during the first half of the Group's 2017 financial year.

No other matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect:

- (i) the operations of the Group in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Group in future financial years.

Likely developments and expected results of operations

The Group will continue to be managed in accordance with its existing investment objectives and guidelines.

The results of the Group's operations will be affected by a number of factors, including the performance of investment markets in which the Group invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Material business risks

The Responsible Entity has adopted a Compliance Plan which sets out the key processes, systems and measures that the Responsible Entity will apply in operating the Trust. The Compliance Plan also comprises an extensive compliance management and reporting structure. The material business risks that could adversely affect the achievement of the Group's financial prospects are as follows:

Tenant concentration risk, financial standing and sector concentration risk

As Viva Energy Australia Pty Limited is presently the sole tenant of the portfolio, 100% of the Group's rental income is received from Viva Energy Australia Pty Limited. If Viva Energy Australia Pty Limited's financial standing materially deteriorates, Viva Energy Australia Pty Limited's ability to make rental payments to Viva Energy REIT may be adversely impacted, which may have a materially adverse impact on the Group's results of operations, financial position and ability to service and/or obtain financing.

Environmental risk

Viva Energy REIT also depends on Viva Energy Australia Pty Limited to perform its obligations under the environmental indemnification arrangements. If Viva Energy Australia Pty Limited was to fail to meet its obligations under these arrangements (including due to its insolvency), Viva Energy REIT may incur significant costs to rectify contamination on (and in respect of) its properties.

Refer to note 18(h) for further details on tenancy risk for the portfolio.

Directors' Report (cont)

Information on Directors

The directors at the date of this report are:



Laurence Brindle – Independent Non-Executive Chairman

- Laurence has extensive experience in funds management, finance and investment and is currently independent non-executive chairman of National Storage REIT.
- Until 2009, Laurence was an executive with Queensland Investment Corporation (QIC). During his 21 years with QIC, he served in various senior positions including Head of Global Real Estate, where he was responsible for a portfolio of \$9 billion. Laurence was also a long-term member of QIC's Investment Strategy Committee.
- Laurence provides advice to a number of investment institutions on real estate investment and funds management matters. He is a former chairman of the Shopping Centre Council of Australia and a former director of Westfield Retail Trust and Scentre Group.
- Laurence is a member of the Audit and Risk Management Committee of Viva Energy REIT.



Michael Bradburn – Non-Executive Director

- Michael is Chief Financial Officer (**CFO**) of Viva Energy Australia.
- Michael joined Viva Energy Australia in January 2016 as CFO and has 20 years of experience in financial, commercial, planning and audit roles across a range of industry sectors. He was previously CFO of Brisbane Airport, with responsibility for commercial negotiations with major customers, financial and management reporting, debt capital markets, treasury, risk and taxation. Prior to Brisbane Airport, Michael had various senior financial and commercial roles at Asciano and Patrick. Michael is a Chartered Accountant, and holds a Master of Business Administration and a Bachelor of Business.
- Michael is a member of the Audit and Risk Management Committee of Viva Energy REIT.



Georgina Lynch - Independent Non-Executive Director

- Georgina has over 25 years' experience in the financial services and property industry and is currently a non-executive director of Cbus Property and a consultant to Stockland.
- Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings (IPOs), funds management, corporate strategy and acquisitions and divestments, having previously worked as a solicitor early in her career and having held senior executive roles at AMP Capital Investors and Galileo Funds Management.
- Georgina holds a Bachelor of Arts and Bachelor of Laws.
- Georgina is a member of the Audit and Risk Management Committee of Viva Energy REIT.



Stephen Newton - Independent Non-Executive Director

- Stephen has extensive industry experience spanning in excess of 35 years across real estate investment and funds management, development and property management, as well as in infrastructure investment and management. Stephen has been a Principal of Arcadia Funds Management for more than 14 years. Prior to that, Stephen held various senior executive positions at Lend Lease over 22 years, including as CEO (Asia Pacific) of Lend Lease Real Estate Investments Limited and as a member of the senior executive group of Lend Lease Corporation Ltd.
- Stephen is currently a non-executive director of Stockland Property Group, Gateway Lifestyle Group, and BAI Communications Group (formerly Broadcast Australia Group), and a former non-executive director of Australand Property Group.
- Stephen is a member of both the Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors. He holds a Bachelor of Arts (Economics and Accounting) degree from Macquarie University and a Masters of Commerce post graduate degree from the University of New South Wales.
- Stephen is a Chair of the Audit and Risk Management Committee of Viva Energy REIT.

Directors' Report (cont)



Scott Wyatt – Non-Executive Director

- Scott is the Chief Executive Officer (**CEO**) of Viva Energy Australia.
- Scott has nearly 30 years' experience in the downstream oil industry across Australia and New Zealand, including roles within strategy, marketing, oil supply and distribution operations.
- In mid-2013, Scott was appointed to head the country for Shell's downstream businesses in Australia before he transitioned to the role of CEO of Viva Energy following the sale of the business.
- Scott's previous positions with Shell included General Manager of Supply and Distribution for Australia, and an assignment in Singapore to lead a regional strategy team.

Meetings of directors

The number of meetings of the Responsible Entity's board of directors and of each board committee held during the period ended 31 December 2016, and the number of meetings attended by each director were:

	Viva Energy REIT Board		Audit and Risk Management Committee ('ARMC')	
	A	B	A	B
Laurence Brindle (Chair Board)	9	9	1	1
Stephen Newton (Chair ARMC)	9	9	1	1
Georgina Lynch	9	9	1	1
Michael Bradburn	9	9	1	1
Scott Wyatt	9	9	*	*
Daniel Ridgway (resigned 10 July 2016)	1	1	-	-

A – Number of meetings held during the Period

B – Number of meetings attended

* = Not a member of the relevant committee

Remuneration report

This remuneration report presents Viva Energy REIT's remuneration arrangements for Key Management Personnel ('KMP') for the period ended 31 December 2016. The report has been prepared and audited in accordance with the requirements of the Corporations Act and Regulations.

1. Overview

1.1 Governance

The Board has chosen not to establish a nomination and remuneration committee for the period ended 31 December 2016 on the basis that the Company does not currently have employees, and the senior executives of the Manager are remunerated by Viva Energy Australia Pty Limited. The Board will consider nomination and remuneration matters from time to time at its regularly scheduled meetings. Any nomination and remuneration committee established will be comprised of independent non-executive members of the Board.

Directors' Report (cont)

1.2 Key Management Personnel (KMP)

KMP are persons identified as having authority and responsibility for planning, directing and controlling the activities of Viva Energy REIT. There has been no change in KMP since the end of the reporting period.

	Position	FY16 KMP
Non-Executive Directors		
Laurence Brindle	Independent Non-Executive Chairman Member – ARMC	Yes
Stephen Newton	Independent Non-Executive Director Member – Board Chair – ARMC	Yes
Georgina Lynch	Independent Non-Executive Director Member – Board Member – ARMC	Yes
Scott Wyatt	Non-Independent Non-Executive Director Member – Board	Yes
Michael Bradburn	Non-Independent Non-Executive Director Member – Board Member – ARMC	Yes

1.3 Remuneration Policy

Under the Company Constitution, the Board may decide the remuneration to which each Director is entitled for his or her services as a Director. However, the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Viva Energy REIT and approved by members at a general meeting. This amount has been fixed at \$750,000 per annum.

Each Non-Executive Director is currently entitled to receive \$100,000 per annum. The Chairman is entitled to receive \$200,000 per annum but no fee for membership of the Audit and Risk Management Committee.

The Chair of the Audit and Risk Management Committee is entitled to receive an additional \$20,000 per annum. Non-Executive Directors who are members of the Audit and Risk Management Committee are entitled to receive an additional \$10,000 per annum.

Directors who are representatives of Viva Energy Australia Pty Limited have waived their entitlement to fees.

The table below shows the details of the remuneration paid or payable by Viva Energy REIT Limited in respect of the KMP measured in accordance with the requirements of accounting standards for the period ended 31 December 2016. No remuneration is paid to KMP by other entities in the Group.

	Short Term Benefits	
	Directors' Fees \$	Total \$
Independent Non-Executive Directors		
Laurence Brindle	83,333	83,333
Stephen Newton	66,656	66,656
Georgina Lynch	65,000	65,000
Other Non-Executive Directors		
Scott Wyatt	-	-
Michael Bradburn	-	-
	214,989	214,989

Prior to the stapling date of 3 August 2016, Laurence Brindle was engaged as a consultant to assist in the formation of the Group and preparation for listing. Consultancy fees paid to Laurence Brindle by the Company during this period were \$258,347; of this amount, \$25,000 was contingent on the listing of the Group.

Additionally, Directors are entitled to reimbursement of travel and other out of pocket expenses.

Except as disclosed above, there was no other remuneration (including long term benefits and post-employment benefits) paid to KMP.

Directors' Report (cont)

2. Interests in securities

Interests in Viva Energy REIT securities held by Directors is set out below.

Ordinary Securities	Balance 14 June 2016	Acquired	Disposed	Received as Remuneration	Balance 31 December 2016
Independent Non-Executive Directors					
Laurence Brindle	-	100,000	-	-	100,000
Stephen Newton	-	25,000	-	-	25,000
Georgina Lynch	-	50,000	-	-	50,000
Other Non-Executive Directors					
Scott Wyatt	-	50,000	-	-	50,000
Michael Bradburn	-	50,000	-	-	50,000

3. Service agreements

All Directors have entered into deeds of indemnity with the Company.

The independent Non-Executive Directors have also entered into service agreements with the Company. The other Directors are executives nominated for the Board as representatives of Viva Energy Australia Pty Limited and have not entered into service agreements as they are not remunerated by the Group.

There are no other service agreements in place.

Indemnification and insurance of officers and auditors

During the period, the Group has paid insurance premiums to insure each of the directors and officers of the Group against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacities as directors of the Group, other than conduct involving a wilful breach of duty in relation to the Group.

The contract of insurance prohibits disclosure of the nature of the liability covered and the amount of the premium.

The Group has not during or since the end of the financial year indemnified or agreed to indemnify an auditor of the Group or of any related body corporate against a liability incurred in their capacity as an auditor.

Non-audit services

Details of audit and non-audit services provided to the Group by the Independent Auditor during the period ended 31 December 2016 are disclosed in note 6 of the financial statements.

Fees paid to Viva Energy Australia Pty Limited or its associates

Fees paid to Viva Energy Australia Pty Limited and its associates out of Group property during the period are disclosed in note 15 to the financial statements.

Interest in the Group

The movement in securities on issue in the Group during the period is disclosed in note 12 to the financial statements.

Corporate governance statement

The Board of Viva Energy REIT

The Board of Viva Energy REIT comprises the boards of the Company and the Responsible Entity. The Board has overall responsibility for the corporate governance of Viva Energy REIT and has adopted a suite of corporate governance policies to assist with the proper discharge of that function.

The Board has responsibility for the overall strategic direction of Viva Energy REIT. However, the Board has engaged the Manager under the Management Agreement to provide strategic, operational and administrative services. In doing so, the Manager must act in good faith and in a manner consistent with what it reasonably considers to be in the best interests

Directors' Report (cont)

of Viva Energy REIT and the holders of Stapled Securities. The Board may delegate authority to the Manager from time to time and has done so, and may review and revise the terms of any such delegated authority when it considers appropriate.

The Manager also makes recommendations to Viva Energy REIT and, for matters that are outside the scope of the Manager's delegated authority, the Board will consider the Manager's recommendations and approve their implementation unless it considers that they are not in the best interests of security holders or would breach relevant law or be inconsistent with Viva Energy REIT's constituent documents or obligations under any document by which it is bound.

The Board may also make any proposal or recommendation to the Manager in relation to the services the Manager provides to Viva Energy REIT, which proposal or recommendation the Manager must use reasonable endeavours to promptly implement.

The Board monitors the operational and financial position and performance of Viva Energy REIT and oversees its business strategy, including approving the strategic goals of Viva Energy REIT. The Board is committed to maximising performance and financial return and sustaining the success of Viva Energy REIT. In conducting business with these objectives, the Board is concerned to ensure that Viva Energy REIT is properly managed to protect and enhance Security holder interests, and that Viva Energy REIT, its directors and representatives of the Manager operate in an appropriate environment of corporate governance. Accordingly, the Board has adopted corporate governance policies and practices designed to promote the responsible management and conduct of Viva Energy REIT.

The boards of directors of Viva Energy REIT Limited, the Responsible Entity, and the Manager work together and take a coordinated approach to the corporate governance of the Group. Each board has a Board Charter which details the composition, responsibilities, and protocols of that board. In addition, the boards have a Code of Conduct which sets out the standard of business practices required of the Group's directors and staff.

Viva Energy REIT conducts its business in accordance with these policies and code, as well as other key policies which are published on its website. These include:

- Viva Energy REIT Continuous Disclosure Policy
- Viva Energy REIT Distribution Policy
- Viva Energy REIT Security Holder Communications Policy
- Viva Energy REIT Securities Trading Policy

In compliance with ASX Listing Rule 4.10.3, Viva Energy REIT has also published a statement disclosing the extent to which the Group has followed the recommendations for good corporate governance set by the ASX Corporate Governance Council (3rd Edition) during the reporting period on its website, www.vivaenergyreit.com.au

Environmental regulation

As landlord, the operations of the Group are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law. However, the operations of the tenant(s) of each property in the portfolio are subject to environmental regulation.

Rounding of amounts to the nearest thousand dollars

The Group is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with that Instrument, unless otherwise indicated.

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

This report is made in accordance with a resolution of Directors.



Laurence Brindle
Chairman
23 February 2017

Auditor's independence declaration



Auditor's Independence Declaration

As lead auditor for the audit of Viva Energy REIT Limited for the period ended 31 December 2016, I declare that 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 audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Viva Energy REIT Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Charles Christie'.

Charles Christie
Partner
PricewaterhouseCoopers

Melbourne
23 February 2017

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Financial Statements

Consolidated Statement of Comprehensive Income

	Notes	Consolidated 31 December 2016 \$'000
Income		
Rental income from investment properties		49,191
Revenue from investment properties – straight-line lease adjustment		12,118
Finance income		385
Total income		61,694
Expenses		
Impact of straight-line lease adjustment on fair value of investment properties		12,118
Establishment costs	4	34,852
Management fee expenses		1,060
Board and other corporate costs		1,050
Finance costs	5	11,638
Total expenses		60,718
Net profit for the period		976
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Effective portion of changes in fair value of cash flow hedges:		
– Unrealised gains on cash flow hedges		12,373
Total comprehensive income for the period		13,349
Total comprehensive income for the period is attributable to Viva Energy REIT stapled group investors, comprising:		
Unitholders of Viva Energy REIT Limited		8,888
Unitholders of Viva Energy REIT Trust (non-controlling interest)		4,461
		13,349
Earnings per security:		
		cents
Basic earnings per security in Viva Energy REIT	7	0.14
Diluted earnings per security in Viva Energy REIT	7	0.14

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Financial Statements (cont)

Consolidated Balance Sheet

	Notes	Consolidated 31 December 2016 \$'000
Current assets		
Cash and cash equivalents	8	54,122
Other current assets		2,013
Total current assets		56,135
Non-current assets		
Investment properties	9	2,104,820
Derivative financial instruments	11	12,373
Total non-current assets		2,117,193
Total assets		2,173,328
Current liabilities		
Trade and other payables		1,292
Interest payable		10,837
Total current liabilities		12,129
Non-current liabilities		
Borrowings	10	731,506
Total non-current liabilities		731,506
Total liabilities		743,635
Net assets		1,429,693
Equity		
Contributed equity – the Company		2,286
Accumulated profit/(loss)		(3,485)
Hedge reserve		12,373
Non-controlling interests – the Trust		1,418,519
Total equity		1,429,693

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Financial Statements (cont)

Consolidated Statement of Changes in Equity

	Contributed Equity \$'000	Accumulated profit/(loss) \$'000	Hedge Reserve \$'000	Non- Controlling interests \$'000	Total Equity \$'000
Balance at 14 June 2016	-	-	-	-	-
Profit/(loss) for the period	-	(3,485)	-	4,461	976
Other comprehensive income:					
Effective portion of changes in fair value of cash flow hedges	-	-	12,373	-	12,373
Total comprehensive income for the period	-	(3,485)	12,373	4,461	13,349
Transactions with owners in their capacity as owners:					
Equity raised via Initial Public Offer	3,435	-	-	907,565	911,000
Equity retained by Viva Energy Australia Pty Limited	2,290	-	-	533,192	535,482
Equity raising costs	(3,439)	-	-	(26,699)	(30,138)
Total transactions with owners in their capacity as owners	2,286	-	-	1,414,058	1,416,344
Balance at 31 December 2016	2,286	(3,485)	12,373	1,418,519	1,429,693

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Financial Statements (cont)

Consolidated Statement of Cash Flows

	Notes	31 December 2016 \$'000
Cash flows from operating activities		
Rental income from investment properties (GST inclusive)		54,110
Payments to suppliers (GST inclusive)		(5,959)
Payments for establishment and initial listing costs		(4,444)
Interest received		385
Interest paid		(161)
Net cash inflow from operating activities	19	43,931
Cash flows from investing activities		
Purchase of investment properties portfolio		(837,621)
Deposits paid for property acquisitions		(1,805)
Stamp duty on initial purchase of investment property portfolio		(30,408)
Net cash (outflow) from investing activities		(869,834)
Cash flows from financing activities		
Proceeds from the issue of securities		911,000
Payments for establishment and initial listing costs		(30,138)
Payments for loan establishment costs		(837)
Net cash inflow from financing activities		880,025
Net increase in cash and cash equivalents		54,122
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at the end of the financial period	8	54,122
Non-cash financing and investing activities		
Proceeds of borrowings netted off against purchase of investment property portfolio		736,687
Loan establishment costs netted off against borrowings drawn down		(4,970)
Equity retained by Viva Energy Australia Pty Limited (40% of units retained, netted off against the purchase of investment properties)		535,482

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Consolidated Financial Statements

1. Corporate structure and general information

Viva Energy REIT is a stapled group consisting of the Company and the Trust and their wholly owned entities. The Trust indirectly owns the Portfolio through its 100% ownership of VER Trust, the owner of the Portfolio, and receives rent under the Leases. Each Stapled Security consists of one Share in the Company and one Unit in the Trust. The Shares and the Units together are stapled on and from Allotment on 3 August 2016 in accordance with the Constitutions of the Company, the Trust and the Stapling Deed. The Stapling Deed requires Viva Energy REIT to ensure that no issue, transfer or other dealing with a Share may occur unless there is a corresponding and identical issue, transfer or other dealing of a Unit (and vice versa). For so long as the stapling arrangements are in force, the Directors must act in the best interests of Security holders as a whole.

The Company directly owns all of the shares in VER Limited ('the Responsible Entity').

These consolidated financial statements cover Viva Energy REIT (the 'Group'). Viva Energy REIT is listed on the ASX (Code: VVR) and registered and domiciled in Australia.

These consolidated financial statements contain the results of the Group from the establishment date of the Trust and the incorporation date of the Company of 14 June 2016, to 31 December 2016. Viva Energy REIT's financial year-end is 31 December.

The financial statements were authorised for issue by the Directors on 23 February 2017. The Directors have the power to amend and reissue the financial statements.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Viva Energy REIT is a for-profit unit trust for the purpose of preparing the financial statements.

The financial report has been prepared on an accruals and historical cost basis except for investment properties and derivative financial instruments which are measured at fair value. Cost is based on the fair value of consideration given in exchange for assets.

The consolidated financial statements of the Group are prepared and presented in Australian Dollars (the presentation currency) and have been rounded off to the nearest thousand dollars, unless otherwise stated.

Compliance with International Financial Reporting Standards

The financial statements of the Group also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Going concern

As at 31 December 2016, the Group had a net working capital balance of \$44.0 million.

After taking into account all available information, the directors of the Group have concluded that there are reasonable grounds to believe:

- the Group will be able to pay its debts as and when they fall due; and
- the basis of preparation of the financial report on a going concern basis is appropriate.

(b) Segment reporting

Viva Energy REIT has one business and geographic segment because it has only invested in service station properties within Australia.

(c) Principles of consolidation

(i) Stapled entities

Viva Energy REIT is a stapled group consisting of the Company, the Trust and their wholly owned entities. The Trust indirectly owns the Portfolio through its 100% ownership of VER Trust, the owner of the Portfolio, and receives rent under the Leases. The Company directly owns all of the shares in the Responsible Entity. Each Stapled Security consists of

Notes to the Consolidated Financial Statements (cont)

one Share in the Company and one Unit in the Trust. The Shares and the Units were stapled at Allotment in accordance with the Constitutions of the Company and the Trust and the Stapling Deed and trade together on the ASX. The units of Viva Energy REIT cannot be traded separately and can only be traded as a stapled security. This financial report consists of the consolidated financial statements of the Viva Energy REIT Group, which comprises Viva Energy REIT and its controlled entities.

AASB 3 Business Combinations requires one of the stapled entities in a stapling structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement, the Company has been identified as the parent entity in relation to the stapling with the Trust under Viva Energy REIT.

The consolidated financial statements of the Viva Energy REIT Group incorporate the assets and liabilities of the entities controlled by the Company during the period, including those deemed to be controlled by the Trust by identifying it as the parent of the Viva Energy REIT Group, and the results of those controlled entities for the period then ended. The effect of all transactions between entities in the consolidated entity are eliminated in full.

Non-controlling interests in the results and equity are shown separately in the consolidated statement of comprehensive income and consolidated balance sheet respectively. Non-controlling interests are those interests in the Trust which are not held directly or indirectly by the Company.

(ii) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(d) Presentation of members' interest in the Trust

As the Company has been assessed as the parent entity of the Group, the security holders' interests in the Trust are included in equity as 'non-controlling interests' relating to the stapled entity. Security holders' interests in the Trust are not presented as attributable to owners of the parent, reflecting the fact that they are not owned by the Company, but by the security holders of the stapled group.

(e) Revenue

Rental income

Rental income from operating leases is recognised as income on a straight-line basis over the lease term. Where a lease has a fixed annual increase, the total rent receivable over the operating lease is recognised as revenue on a straight-line basis over the lease term. This results in more income being recognised early in the lease term and less late in the lease term compared to the lease conditions. The difference between the lease income recognised and the actual lease payment received is shown within the fair value of the investment property on the consolidated balance sheet.

Interest income

Interest income is recognised as it accrues using the effective interest rate (EIR) method. Interest income is included in finance income in the consolidated statement of comprehensive income.

All income is stated net of goods and services tax (GST).

(f) Expenses

All expenses are recognised in the consolidated statement of comprehensive income on an accruals basis.

(g) Management fees

The Group pays management fees to the Manager who manages Viva Energy REIT's operations.

Notes to the Consolidated Financial Statements (cont)

(h) Employee benefits

Viva Energy REIT has no employees other than the Directors.

Management services are provided by Viva Energy Australia Pty Limited to Viva Energy REIT. The employees of Viva Energy Australia Pty Limited who are seconded to provide management services are employees of and paid directly by Viva Energy Australia Pty Limited, but they work exclusively for Viva Energy REIT. Incentives paid by Viva Energy Australia Pty Limited to staff seconded to VER Manager Pty Limited to provide these management services are based entirely on the performance of Viva Energy REIT.

(i) Borrowings

Borrowings are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to borrowings are recognised in the consolidated statement of comprehensive income over the expected life of the borrowings. Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings with maturities greater than 12 months after reporting date are classified as non-current liabilities.

(j) Finance costs

Finance costs include interest expense on unsecured, floating debt financing arrangements, interest on interest rate swaps and amortisation of upfront borrowing costs incurred in connection with the arrangement of such borrowings.

(k) Income tax

The Trust is treated as a 'flow-through' entity for Australian income tax purposes such that the net income of the Trust is taxable in the hands of security holders.

Viva Energy REIT Trust is not subject to Australian income tax provided its taxable income is fully distributed to security holders.

Upon lodgement of its first income tax returns, the Group will elect to be treated as an Attribution Managed Investment Trust for Australian tax purposes. Under current Australian income tax legislation, Viva Energy REIT Trust is not liable for Australian income tax, on the basis that the security holders are generally liable for tax on the net income of the Trust on an attribution basis. Accordingly, no allowance for income tax has been made for the period ended 31 December 2016.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of the GST incurred is not recoverable from the relevant taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the consolidated balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office ('ATO') is included with other receivables and payables in the consolidated balance sheet.

The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(m) Distributions

The Group distributes net operating profit, being net income adjusted for amounts determined by the Group. Provision is made for any distribution amount declared but not distributed, being appropriately disclosed and no longer at the discretion of the entity, on or before the end of the reporting date. When declared, the distributions are recognised within the consolidated balance sheet and statement of changes in equity as reduction in accumulated profit/(loss).

(n) Earnings per security ('EPS')

(i) Basic earnings per security

Basic earnings per security is calculated by dividing:

- the profit attributable to the security holders, excluding any costs of servicing equity other than ordinary securities;
- by the weighted average number of ordinary securities outstanding during the financial period.

Notes to the Consolidated Financial Statements (cont)

(ii) *Diluted earnings per security*

Diluted earnings per security adjust the figures used in the determination of basic earnings per security to take into account:

- the effect of interest and other financial costs associated with dilutive potential ordinary securities; and,
- the weighted average number of additional ordinary securities that would have been outstanding assuming the conversion of all dilutive potential ordinary securities.

(o) *Cash and cash equivalents*

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(p) *Receivables*

Trade and sundry debtors are initially recorded at fair value and subsequently accounted for at amortised cost. Collectability of trade debtors is reviewed regularly and bad debts are written off when identified. A specific provision for doubtful debts is made when there is objective evidence that Viva Energy REIT will not be able to collect the amounts due according to the original terms of the receivable. The amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows.

(q) *Investment properties*

The Group carries its investment properties at fair value with changes in the fair values recognised in the consolidated statement of comprehensive income. The fair value of investment property is determined based on real estate valuation experts using recognised valuation techniques and the principles of IFRS 13 Fair Value Measurement.

The fair value of the properties is reviewed by the Board at each reporting date. The Directors' assessment of fair value is periodically assessed by engaging an independent valuer to assess the fair value of individual properties at least once every three consecutive years with at least one-third of the properties within the portfolio being independently valued on an annual rolling basis. Valuations may occur more frequently if there is reason to believe that the fair value of a property has materially changed from its carrying value (e.g. as a result of changes in market conditions, leasing activity in relation to the property or capital expenditure).

Valuations are derived from a number of factors that may include a direct comparison between the subject property and a range of comparable sales, the present value of net future cash flow projections based on reliable estimates of future cash flows, existing lease contracts, external evidence such as current market rents for similar properties, and using capitalisation rates and discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

(r) *Derivatives*

The Group has entered into derivative financial instruments in the form of interest rate swap agreements, which are used to swap the floating interest rate applied to its borrowings into a fixed interest rate. For accounting purposes, these agreements are classified as cash flow hedges.

The fair values of the interest rate swaps are determined using a generally accepted pricing model based on a discounted cash flow analysis using quoted market inputs (interest rates, basis and volatility) adjusted for specific features of such interest rate swaps, as well as debit or credit adjustments based on Viva Energy REIT's or the derivative counterparties' current creditworthiness.

Unrealised gains and losses as a result of movements in the fair value of interest rate swaps are subsequently recognised through the consolidated statement of comprehensive income upon realization of the gains and losses to match timing of interest payments.

Interest expense and income consequential to interest rate swaps is eligible for offsetting; and the net income or expense disclosed is finance income or finance costs respectively.

(s) *Financial instruments*

(i) *Classification*

The Group's investments are classified as at fair value through profit or loss. They comprise:

- financial instruments held for trading; and,
 - derivative financial instruments such as futures, forward contracts, options and interest rate swaps are included under this classification.
-

Notes to the Consolidated Financial Statements (cont)

These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded debt and equity instruments, unlisted trusts and commercial paper.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Group's documented investment strategy. The Group's policy is for the Responsible Entity to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

(ii) Recognition/de-recognition

Financial assets and financial liabilities are recognised on the date the Group becomes party to the contractual agreement (trade date) and recognizes changes in fair value of the financial assets or financial liabilities from this date.

Investments are de-recognised when the right to receive cash flows from the investments has expired or the Group has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

At initial recognition, financial assets are initially recognised at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the profit or loss.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the consolidated entity and the Group is the current bid price and the quoted market price for financial liabilities is the current asking price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. Accordingly, there may be a difference between the fair value at initial recognition and amounts determined using a valuation technique. If such a difference exists, the Group recognises the difference in profit or loss to reflect a change in factors, including time that market participants would consider in setting a price.

Further detail on how the fair values of financial instruments are determined is disclosed in note 18(e).

Loans and receivables

Loan assets are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognised in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(t) Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the Group's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(u) Use of estimates

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Investment properties

All of Viva Energy REIT's service station properties are treated as investment properties for the purpose of financial reporting. Under Australian Accounting Standards, investment property buildings and improvements are not depreciated

Notes to the Consolidated Financial Statements (cont)

over time. Instead, investment properties are initially valued at cost, including transaction costs, and then at the end of each accounting period the carrying values are then restated at their fair value at the time. For the initial portfolio acquisition, the transaction costs have been expensed. Gains and losses arising from changes in the fair values of service station investment properties are recognised as a non-cash gain or loss in the statement of comprehensive income in the accounting period in which they arise. As a result of this accounting policy, changes in the fair value of Viva Energy REIT's service station properties may have a significant impact on its reported profit or loss in any given period.

At each reporting period, the Board assesses the carrying value of Viva Energy REIT's service station investment properties, and where the carrying value differs materially from the assessed fair value an adjustment is made to the carrying value of such service stations.

(ii) Financial instruments

For the Group's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

(v) Contributed equity

Ordinary units are classified as equity. Incremental costs directly attributable to the issue of new units are shown in equity as a deduction, net of tax, from the proceeds.

3. Changes in accounting policies and disclosures

This section is not applicable for the Group given that there is no comparative financial information because it is the first year of operations of the Company and the Trust.

(i) New and amended standards adopted by the Group

There were no new accounting standards adopted during the period which had a significant impact on the reported performance of the Group or required disclosures within the financial statements.

(ii) New accounting standards and interpretations

Certain new accounting standards have been published that are not mandatory for 31 December 2016 reporting periods, but may be applicable to the Group in future reporting periods. The Group's assessment of the impact of these new standards is set out below.

i. AASB 9: Financial Instruments (and subsequent amendments)

The revised standard addresses the classification, measurement and derecognition of financial assets and financial liabilities. All financial assets and liabilities are to be recognised at fair value with the exception of debt instruments with basic loan features that are managed on a contracted yield basis. As the Group currently classifies its investments at fair value through profit or loss, the Group does not expect this to have a material impact. The derecognition rules have been transferred from AASB 139 and have not been changed.

AASB 9 also introduces the expected credit losses model which is based on the concept of providing for expected impairment losses at inception of a contract. As the impairment requirements of AASB 9 do not apply to the financial assets at fair value through profit or loss, no significant impact is expected for the Group's investments.

The Group will be required to evaluate trade receivables for expected lifetime losses, if their credit risk has increased significantly since initial recognition, which is presumed to be the case for receivables that are more than 30 days past due. As of 31 December 2016, the Group does not have any outstanding receivables and hence, the Group does not expect a significant impact on the financial statements. The application date of AASB 9 is 1 January 2018.

ii. AASB 15: Revenue from contracts with customers

AASB 15 Revenue from Contracts with Customers was issued in May 2015 and is effective for reporting periods beginning on or after 1 January 2018. It is expected that the Group will adopt AASB 15 on 1 January 2018.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

Notes to the Consolidated Financial Statements (cont)

AASB 15 will require the Group to identify deliverables in contracts with customers that qualify as “performance obligations”. The transaction price receivable from customers must be allocated between the Group’s performance obligations under the contracts on a relative stand-alone selling price basis. The standard will also require additional disclosures for disaggregation of revenue, information about performance obligations, remaining performance obligations, costs to obtain or fulfil contracts and other qualitative disclosures.

The Group is in the process of assessing the full impact of the application of AASB 15. The financial impact on the financial statements has not yet been fully quantified.

iii. AASB 16: Leases

AASB 16 Leases was issued in February 2016 and is effective for reporting periods beginning on or after 1 January 2019. It is expected that the Group will adopt AASB 16 on 1 January 2019.

The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months with the exception of low value assets. Lessors continue to classify leases as operating or finance, with AASB 16’s approach to lessor accounting substantially unchanged from AASB 117.

The Group’s preliminary analysis of leases indicates that, as a lessor, the adoption of this standard is not expected to have any significant impact on the Group.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4. Establishment costs

The Group incurred \$65.0 million of advisory, legal fees, listing costs and stamp duty directly related to the creation of the Group, the purchase of the property portfolio and the listing on the ASX and are one-off in nature.

	Expensed \$'000	Reduction from share capital \$'000	Total \$'000
Advisory, legal fees and listing costs	4,444	30,138	34,582
Stamp duty	30,408	-	30,408
Total	34,852	30,138	64,990

Stamp duty on future property acquisitions is considered to be part of the cost of purchase of that property, and will be capitalised upon acquisition.

5. Finance costs

	Consolidated 31 December 2016 \$'000
Finance costs:	
Interest paid or payable ^(a)	11,012
Amortised borrowing costs ^(b)	626
Total finance costs	11,638

(a) Represents interest expense under the Syndicated Facility Agreement dated 10 July 2016, which was first drawn down on 10 August 2016.

(b) Represents amortisation of the borrowing costs relating to the Syndicated Facility Agreement, which were capitalised on 10 August 2016 reflecting the first draw down of funds, and are being amortised over the term of the Syndicated Facility Agreement.

Notes to the Consolidated Financial Statements (cont)

6. Remuneration of auditors

	Consolidated 31 December 2016 \$
PricewaterhouseCoopers Australia	
Audit and other assurance services	
Audit and review of financial statements	95,000
Total remuneration for audit and other assurance services	95,000
Taxation services	
Consulting services on taxation and stamp duty	20,426
Total remuneration of taxation services	20,426
Other accounting services relating to the establishment of the Group	
Consulting advice	259,480
Taxation services	439,000
Total remuneration for other accounting services	698,480
Total remuneration of auditors	813,906

7. Earnings per security ('EPS')

	2016 Cents
Basic EPS in Viva Energy REIT	0.14
Diluted EPS in Viva Energy REIT	0.14
The following information reflects the income and security numbers used in the calculations of basic and diluted EPS.	
	Number of securities '000
Weighted average number of ordinary securities used in calculating basic EPS	690,152
Adjusted weighted average number of ordinary securities used in calculating diluted EPS	690,152

8. Cash and cash equivalents

	Consolidated 31 December 2016 \$'000
Cash at bank	54,122
Total cash and cash equivalents	54,122

The cash and cash equivalents disclosed above and in the consolidated statement of cash flows include \$5.5 million held in bank accounts as restricted cash. These deposits are maintained to satisfy the regulatory requirements of the Responsible Entity's Australian Financial Services Licence ('AFSL').

Notes to the Consolidated Financial Statements (cont)

9. Investment properties

(a) Valuations and carrying amounts

	Carrying Amount 2016 \$'000	Fair Value 2016 \$'000
Service station properties	2,104,820	2,104,820
Total	2,104,820	2,104,820

On 7 July 2016 independent valuations were performed over the 425 properties comprising the portfolio of service stations.

The key inputs into valuations are:

- Passing rent
- Market rents (425 properties)
- Capitalisation rates
- Lease terms

(i) Key assumptions – 425 properties

	31 December 2016
Weighted average capitalisation rate	5.9%
Weighted average passing yield	5.9%

No independent valuations have been carried out since 7 July 2016.

The Directors obtained an independent market report and used the data from this report to assist them in reaching their conclusion that there had been no material change in the carrying value of the Group's investment properties between 7 July 2016 and 31 December 2016.

Investment properties have been classified as Level 3 in the fair value hierarchy (refer note 18(f)).

There have been no transfers between the levels in the fair value hierarchy during the period.

(b) Movements during the financial period

	Consolidated 31 December 2016 \$'000
At fair value	
Opening balance	-
Initial acquisition of properties	2,104,820
Disposals	-
Closing balance	2,104,820

(c) Amounts recognised in profit or loss for investment properties

	Consolidated 31 December 2016 \$'000
Rental income	49,191
Other rental income (recognised on a straight-line basis)	12,118
Impact of straight-line lease adjustment on fair value of investment properties	(12,118)

Notes to the Consolidated Financial Statements (cont)

(d) Leasing arrangements

Investment properties are leased to Viva Energy Australia Pty Limited under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

	Consolidated 31 December 2016 \$'000
Minimum lease receivable under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:	
Within one year	125,121
Later than one year but not later than five years	569,163
Later than five years	1,653,380

10. Borrowings

The Group entered into a syndicated facility agreement dated 10 July 2016 pursuant to which a syndicate of domestic and international banks provided unsecured debt facilities.

The debt facilities comprise a \$736.7 million term loan facility split evenly over two tranches (Facility A below) with three and five year maturity terms respectively; and a \$100.0 million revolving credit facility (Facility B below) with a three year maturity, calculated from the drawdown of Facility A.

Debt facility overview

	Facility A1	Facility A2	Facility B
Term	3 years from 10 August 2016	5 years from 10 August 2016	3 years from 10 August 2016
Facility amount	\$368.3 million	\$368.3 million	\$100.0 million
Amount drawn	\$368.3 million	\$368.3 million	Nil
Undrawn amount	Nil	Nil	\$100.0 million
Interest margin	1.6%	1.8%	1.6%
Interest rate basis	Quoted bank bill swap rate for the relevant term.		

The weighted average tenure of the committed facilities as at 31 December 2016 is 3.6 years, prior to any drawdown of Facility B.

The interest margin applied to these borrowings will increase should the gearing ratio exceed 35% (increase of 0.15%) and 40% (increase of 0.15%), or if the credit rating of the tenants falls to below investment grade (increase of 0.30%).

	Consolidated 31 December 2016 \$'000
Non-current:	
Syndicated facility	736,687
Unamortised transaction costs	(5,181)
Total unsecured non-current borrowings	731,506

The interest rate applying to the drawn amount of the facilities is set on a six monthly basis at the prevailing market interest rate at the commencement of the period (bank bill swap rate), plus the applicable margin.

The undrawn amount of the bank facilities may be drawn at any time. The covenants over the Group's bank facility require an interest cover ratio not to be less than 2.0 times (actual at 31 December 2016 of 4.3 times) and a gearing not more than 50% (actual at 31 December 2016 of 34.4%). The Group was in compliance with its covenants throughout the period.

Notes to the Consolidated Financial Statements (cont)

11. Derivative financial instruments

	Consolidated 31 December 2016 \$'000
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Non-current assets

Interest rate swaps	12,373
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The Group has entered into interest rate swap contracts under which they receive interest at variable rates and pay interest at fixed rates to protect interest bearing liabilities from exposure to changes in interest rates.

Swaps currently in place cover 100% of the facility principal outstanding. The weighted average fixed interest swap rate at 31 December 2016 was 2.02%, and the weighted average term was 3.6 years.

Periodic swap settlements match the period for which interest is payable on the underlying debt, and are settled on a net basis.

The notional principal amounts and periods of expiry of the interest rate swap contracts are as follows:

	Consolidated 31 December 2016 \$'000
Less than 1 year	-
1 – 2 years	-
2 – 3 years	368,343
3 – 4 years	-
4 – 5 years	368,344
Greater than 5 years	-
	736,687

12. Contributed equity

(a) Securities

	Number of Securities '000	Consolidated 31 December 2016 \$'000
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Ordinary Securities

Fully Paid	690,152	1,416,344
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(b) Movement in ordinary securities

Date	Details	No. of Securities '000	\$'000
14 June 2016	Opening balance	-	-
8 August 2016	Equity raised via Initial Public Offer	414,091	911,000
8 August 2016	Equity retained by Viva Energy Australia Pty Limited	276,061	535,482
8 August 2016	Equity raising costs	-	(30,138)
31 December 2016	Closing balance	690,152	1,416,344

Notes to the Consolidated Financial Statements (cont)

(c) Capital management

The Group aims to invest to meet the Group's investment objectives while maintaining sufficient liquidity to meet its commitments. The Group regularly reviews performance, including asset allocation strategies, investment and operational management strategies, investment opportunities, performance review, and risk management.

In order to maintain an appropriate capital structure the Group may adjust the amount of distributions paid to security holders, return capital to security holders, issue new securities, sell or buy assets or reduce or raise debt.

The Group monitors capital through the analysis of a number of financial ratios, including the gearing ratio.

(d) Gearing ratio

	31 December 2016 \$'000
Total liabilities	743,635
Total assets (excluding mark-to-market value of derivatives)	2,160,955
Gearing ratio	34.4%

13. Distributions to security holders

No distributions to security holders were declared or paid during the financial period.

14. Non-controlling interests

The financial statements reflect the consolidation of Viva Energy REIT. For financial reporting purposes, one entity in the stapled group must be identified as the acquirer or parent entity of the others. The Company has been identified as the acquirer of the Trust, resulting in the 'Trust' being disclosed as a non-controlling interest.

Movements in non-controlling interests were as follows:

	31 December 2016 \$'000
Opening balance – 14 June 2016	-
Contributions of equity, net of transaction costs	1,414,058
Net profit/(loss) for the period	4,461
Closing balance – 31 December 2016	1,418,519

15. Related party disclosures

Parent entity

The Company has been assessed as the parent entity of the Group, the security holders' interests in the Trust are included in equity as 'non-controlling interests' relating to the stapled entity.

Subsidiaries

Investments in subsidiaries are set out in note 16.

Key management personnel compensation

Detailed remuneration disclosures are provided in the Remuneration report.

Stapled Group

Viva Energy REIT is a stapled group consisting of the Company and the Trust and their wholly owned entities. The Trust indirectly owns the Portfolio through its 100% ownership of VER Trust, the owner of the Portfolio, and receives rent under the Leases. Each Stapled Security consists of one share in the Company and one unit in the Trust.

The Company directly owns all of the shares in VER Limited ('the Responsible Entity').

Notes to the Consolidated Financial Statements (cont)

Responsible Entity

The Responsible Entity or its related parties are entitled to receive fees in accordance with the Group's constitution, from the Group and its controlled entities.

	31 December 2016 \$'000
The following transactions occurred with related parties:	
Management fees paid to VER Manager	838
Reimbursement of initial transaction costs paid to Viva Energy Australia Pty Limited	4,535
Amounts payable:	
Amounts payable to VER Manager at the end of the period	222

16. Investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries of Viva Energy REIT.

Name of entity	Country of incorporation	Class of shares	Equity holding 2016 %
VER Limited	Australia	Ordinary	100
VER Custodian Pty Limited	Australia	Ordinary	100
VER Finco Pty Limited	Australia	Ordinary	100

17. Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	31 December 2016 \$'000
Income statement information	
Net loss attributable to the Company	1,659
Comprehensive income information	
Total comprehensive loss attributable to the Company	1,659
Balance sheet	
Current assets	7,424
Non-current assets	5,500
Total assets	12,924
Current liabilities	12,173
Total liabilities	12,173
Equity attributable to security holders of the Company	
Contributed equity	2,410
Accumulated profit/(loss)	(1,659)
Total equity	751

18. Financial risk management and fair value measurement

The Group's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk which the Group is exposed to are market risk, cash flow and fair value interest rate risk, credit risk and liquidity risk. The exposure to each of these risks, as well as the Group's policies and processes for managing these risks are described below.

Notes to the Consolidated Financial Statements (cont)

(a) Market risk

Market risk embodies the potential for both loss and gains and includes interest rate risk and price risk.

(b) Cash flow and fair value interest rate risk

The Group's cash and cash equivalents, floating rate borrowings and interest rate swaps expose it to a risk of change in the fair value or future cash flows due to changes in interest rates. The specific interest rate exposures are disclosed in the relevant notes to the financial statements.

The Group economically hedges some or all of its exposure to changes in interest rates on variable rate borrowings by using floating-to-fixed interest rate swaps. By hedging against changes in interest rates, the Group has limited its exposure to changes in interest rates on its cash flows. The portion that is hedged is set by the Board of Directors and is influenced by the hedging requirements set out in the Group's debt facility documents, its hedging policy and the market outlook.

The Group ensures the tenor of individual swaps does not exceed the expected life of assets.

The Group's exposure to interest rate risk at reporting date, including its sensitivity to changes in market interest rates that were reasonably possible, is as follows:

	Consolidated 31 December 2016 \$'000
Financial assets	
Cash and cash equivalents (floating interest rate)	54,122
Derivative financial instruments (notional principal amount) – fixed rate interest rate swaps	736,687
Financial liabilities	
Interest bearing liabilities – floating interest rate	736,687
Net exposure	54,122

Sensitivity of profit or loss to movements in market interest rates:

	Consolidated 2016 \$'000
Market interest rate increased by 100 basis points	541
Market interest rate decreased by 100 basis points	(541)
Instruments with fair value risk:	
Derivative financial instruments	
Sensitivity of profit or loss to movements in market interest rates for financial instruments with fair value risk:	
Market interest rate increased by 100 basis points	-
Market interest rate decreased by 100 basis points	-

As the Group has interest rate swaps in place for 100% of its drawn debt, subsequent movements in interest rates do not affect Viva Energy REIT's interest cost. The sensitivity solely relates to interest income on cash balances on hand.

The interest rate range for sensitivity purposes has been determined using the assumption that interest rates changed by +/- 100 basis points from year end rates with all other variables held constant. In determining the impact of an increase/decrease in equity to security holders arising from market risk the Group has considered prior period and expected future movements of the portfolio information in order to determine a reasonably possible shift in assumptions.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss.

Notes to the Consolidated Financial Statements (cont)

The Group's maximum credit risk exposure at balance date in relation to each class of recognised financial asset, other than equity and derivative financial instruments, is the carrying amount of those assets as indicated in the consolidated balance sheet. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at reporting date.

	Consolidated 2016 \$'000
Cash at bank	54,122

Maximum exposure to credit risk

The Group manages credit risk and the losses which could arise from default by ensuring that parties to contractual arrangements are of an appropriate credit rating, or do not show a history of defaults. Financial assets such as cash at bank and interest rate swaps are held with high credit quality financial institutions.

All receivables are monitored by the Group. If any amounts owing are overdue these are followed up and, if necessary, allowances are made for debts that are doubtful.

At the end of the reporting period there are no issues with the credit quality of financial assets that are either past due or impaired, and all amounts are expected to be received in full.

(d) Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Group monitors its exposure to liquidity risk by ensuring that as required there is sufficient cash on hand or debt facility funding available to meet the contractual obligations of financial liabilities as they fall due. The Group sets budgets to monitor cash flows.

The average debt maturity is 3.6 years, and the weighted average lease term is 14.9 years. This timing will be managed by debt renewals over time, and the Group is aiming to spread debt maturities to avoid excessive refinancing in any period.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.

Consolidated	Less than 12 months \$'000	1-2 years \$'000	Greater than 2 years \$'000
31 December 2016			
Trade and other payables	1,292	-	-
Interest payable	10,837	-	-
Interest bearing liabilities	-	-	736,687
Contractual cash flows (excluding gross settled derivatives)	12,129	-	736,687

(e) Fair value estimation

The carrying amounts of the Group's assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in profit or loss.

Notes to the Consolidated Financial Statements (cont)

(f) Fair value hierarchy

(i) Classification of financial assets and financial liabilities

AASB 13 requires disclosure of fair value measurements by level of fair value hierarchy. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table presents the Group's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 December 2016 on a recurring basis:

Consolidated	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2016				
Financial assets				
Investment properties	-	-	2,104,820	2,104,820
Interest rate swaps	-	12,373	-	12,373
Total	-	12,273	2,104,820	2,117,193

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels during the period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2016.

(ii) Valuation techniques used to derive level 2 and level 3 values

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves, taking into account any material credit risk.

(g) AFSL – compliance risk

The Group is exposed to the risk of having inadequate capital and liquidity.

VER Limited, a subsidiary of Viva Energy REIT Limited, holds an Australian Financial Services Licence ('AFSL') and acts as a responsible entity for the Group's managed investment scheme. The AFSL requires minimum levels of net tangible assets, liquid assets, cash reserves and liquidity, which may restrict the Group in paying dividends that would breach these requirements.

The Directors regularly review and monitor the Group's balance sheet to ensure Viva Energy REIT's compliance with its AFSL requirements.

Notes to the Consolidated Financial Statements (cont)

(h) Investment risk

(i) Tenant concentration risk, financial standing and sector concentration risk

Viva Energy REIT's only tenant on its lease portfolio is Viva Energy Australia Pty Limited ('Viva Energy Australia'). Therefore, Viva Energy REIT's revenue depends entirely on its sole tenant towards meeting its financial obligations to pay rent under the leases. If Viva Energy Australia fails to pay rent on time and/or becomes insolvent, bankrupt etc., Viva Energy REIT's financial condition and the share price of its Stapled Securities would be materially affected. It would be likely to also affect the going concern of the Group.

Termination of Viva Energy Australia's right to use Shell branding could adversely affect Viva Energy Australia's ability to meet its rental obligations and therefore the value of the Portfolio and Viva Energy REIT's ability to service and/or obtain financing.

Furthermore, a decline in the profitability of Viva Energy Australia's business could affect the perceived stability of the rental income of Viva Energy REIT and may affect Viva Energy REIT's ability to obtain financing on acceptable terms, and lead to lower market rents when renewal options are exercised and a decline in the values of Viva Energy REIT's properties.

The Group is also exposed to sector concentration risk given that all assets of the Viva Energy REIT are invested in property leased to a tenant that solely operates within the oil and gas sector.

(ii) Excessive reliance on the Manager and its personnel

Viva Energy REIT ('the Group') is managed by VER Manager ('the Manager'), which is a subsidiary of Viva Energy Australia.

Viva Energy REIT does not have direct employees (other than Directors) and consequently is reliant on the expertise and experience of the key executives of Viva Energy Australia Pty Limited made available to the Manager who provides the services to Viva Energy REIT under the Management Agreement. As a consequence, loss of such key personnel could potentially have an adverse impact on the management and the financial performance of Viva Energy REIT and in turn may affect the returns to security holders.

19. Reconciliation of profit to net cash inflow from operating activities

	31 December 2016 \$'000
Profit for the period	976
Amortisation of borrowing costs	626
Impact of straight-line lease adjustment on fair value of investment	(12,118)
Straight-line adjusting on rental income	12,118
Stamp duty on initial purchase of investment property portfolio	30,408
Changes in operating assets and liabilities:	
Decrease/(increase) in other current assets	(208)
(Decrease)/increase in trade and other payables	1,292
(Decrease)/increase in interest payable	10,837
Net cash inflow from operating activities	43,931

Notes to the Consolidated Financial Statements (cont)

20. Business combination

(a) Summary of acquisition

Following settlement of the Group's initial public offering and debt financing, the Group was listed on the Australian Securities Exchange on 8 August 2016. Concurrently, the Group purchased a portfolio of 425 service station properties (the 'Portfolio') from Viva Energy Australia Pty Limited.

Purchase consideration	\$'000
Initial public offer of securities (net of costs and initial working capital)	873,310
Equity retained by Viva Energy Australia Pty Limited	535,482
Debt funding (net of costs)	730,880
Total purchase consideration	2,139,672
Group establishment costs	(34,852)
Net purchase consideration	2,104,820

The assets recognised as a result of the purchase of service station properties are as follows:

	Fair value \$'000
Investment properties	2,104,820
Net identifiable assets acquired	2,104,820

(b) Establishment related costs

Refer to Note 4 for details related to establishment costs.

(c) Revenue and profit contribution

The acquired Portfolio contributed all of the revenues and net profit of the Group for the period ended 31 December 2016.

21. Contingent assets and liabilities and commitments

At 31 December 2016, the Group has entered into contracts for the purchase of investment properties totalling in aggregate \$26.2 million. Deposits paid under these contracts total \$1.8 million. These contracts are expected to be settled in the first half of 2017.

Other than that noted above, there are no material outstanding contingent assets, liabilities or commitments as at 31 December 2016.

22. Events occurring after the reporting period

Subsequent to the end of the financial period, the Directors have declared the payment of a distribution for the period ended 31 December 2016 of \$36,440,000 which was paid on 6 February 2017.

The Group has contracted to purchase properties for an aggregate purchase price of \$26.2 million before transaction costs. Settlement conditions of these contracts have been met and settlement is expected during the first half of the Group's 2017 financial year.

Other than that noted above, no significant events have occurred since the end of the reporting period which would impact on the financial position of the Group disclosed in the consolidated balance sheet as at 31 December 2016 or on the results and cash flows of the Group for the period ended on that date.

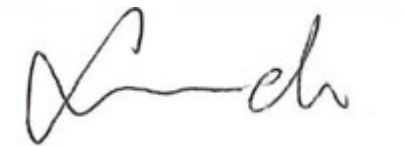
Directors' Declaration

In the opinion of the Directors:

- i. the financial statements and notes set out on pages 16 to 41 are in accordance with the *Corporations Act 2001*, including:
 - 1. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - 2. giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the financial period ended on that date, and
- ii. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and
- iii. note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Laurence Brindle
Chairman
23 February 2017



Independent auditor's report

To the stapled security holders of Viva Energy REIT

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Viva Energy REIT Limited (the Company) and its controlled entities (together, Viva Energy REIT or the Group) is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its financial performance for the period of 14 June 2016 to 31 December 2016; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group's financial report comprises:

- the consolidated balance sheet as at 31 December 2016
- the consolidated statement of comprehensive income for the period then ended
- the consolidated statement of changes in equity for the period then ended
- the consolidated statement of cash flows for the period then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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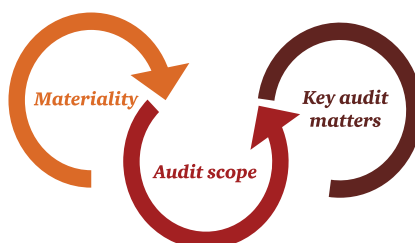
Independent auditor's report (cont)

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Viva Energy REIT owns 425 service station properties located across all Australian States and Territories. All of the properties in the portfolio are leased to Viva Energy Australia Pty Limited, a shareholder.



Materiality

- For the purpose of our audit we used overall group materiality of \$4.6 million, which represents approximately 0.33% of the Group's net assets.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose net assets as the benchmark because, in our view, it is;
 - a metric against which the performance of the Group is commonly measured; and
 - a key driver of the business and determinant of the Group's value.
- We selected 0.33% based on our professional judgment, reducing the commonly accepted net asset related benchmark of 1% of net assets to 0.33% because it was not a full year under audit.

Audit scope

- Our audit focused on where the directors made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The Group's accounting processes and controls are performed at its Melbourne office, where we predominately performed our audit procedures.

Independent auditor's report (cont)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. We communicated the key audit matters to the Audit and Risk Management Committee. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter

How our audit addressed the key audit matter

Valuation of investment properties

(Refer to note 9 in the financial report)

The Group's investment property portfolio consists of 425 service station properties located across Australia. At 31 December 2016 the carrying value of the Group's total investment property portfolio was \$2,105 million.

Investment properties are carried at fair value. The Group's valuation policy is disclosed in note 2 of the financial report. Factors such as prevailing market conditions, the individual nature, condition and location of each property and the expected future income for each property impact fair values. The following key inputs used in estimating fair value are derived from the long term leases with Viva Energy Australia Pty Limited:

- Rental income
- Lease terms

The key judgemental assumption in estimating fair value is:

- Passing yield

External valuations were obtained for all properties in connection with acquisition of the portfolio from Viva Energy Australia Pty Limited on 7 July 2016, to assist the Directors in estimating the fair value. As at 31 December 2016, the Directors obtained an external market report ("Market Report") evaluating any changes in passing yield rates since the time of acquisition. Assisted by this report, the Directors concluded that there had been no material change in the fair value of the Group's investment properties at 31 December 2016 compared to previous external valuations.

This was a key audit matter because of the:

- Relative size of the investment property balance in the consolidated balance sheet
- Quantum of revaluation gains that could directly impact the consolidated statement of comprehensive income through the net fair value gain/loss of investment properties
- Inherently subjective nature of investment property valuations due to the use of assumptions in the valuations
- Sensitivity of valuations to key inputs/assumptions.

Fair value at acquisition (7 July 2016)

For the external valuations we:

- Assessed the competency and capabilities of the external valuer.
- Read the valuer's terms of engagement - we did not identify any terms that might affect their objectivity or impose limitations on their work relevant to the valuation.
- Inspected the final valuation reports and agreed the fair value to the Group's accounting records, noting no material differences.

For a sample of investment property leases, we compared the rental income and lease terms used in the external valuations to the tenancy schedule and lease agreement, with no material differences noted.

We compared passing yield assumptions for a sample of properties in the external valuations, to a range we determined to be reasonable based on benchmark market data. Where the passing yield fell outside of our anticipated range, we challenged the rationale supporting the rate applied in the valuation by discussing with management and obtaining support for the adopted metric. Typically, the variances related to specific location, tenant and lease term of the property. In the context of the specific properties identified, we considered the reasons for variances to be appropriate.

Fair value at period end

We obtained the 31 December 2016 Market Report undertaken by an external valuer. For the Market Report we:

- Assessed the competency and capabilities of the valuer.
- Read the valuer's terms of engagement - we did not identify any terms that might affect their objectivity or impose limitations on their work relevant to the valuation.
- Assessed the Market Report based on our industry knowledge.

We also checked that there were no changes to the Group's lease agreements since acquisition that might impact fair value by reviewing significant agreements.

Independent auditor's report (cont)

Key audit matter	How our audit addressed the key audit matter
Equity and debt raising <i>(Refer to notes 4, 10 and 12 in the financial report)</i>	
<p>The Group's acquisition of the portfolio of service stations properties for \$2,105 million was funded by the proceeds from the issue of securities and borrowings under the debt facility.</p> <p>(a) <i>Proceeds from the issue of securities</i> Upon allotment, the Group raised \$911.0 million through the issue of 414.1 million Stapled Securities. A further \$535.5 million of proceeds were raised from the issue of 276.1 million Stapled Securities to Viva Energy Australia Pty Limited.</p> <p>The issue of 276.1 million Stapled Securities to Viva Energy Australia Pty Limited was settled net against the acquisition of investment properties as disclosed as a non-cash transaction in the consolidated statement of cash flows.</p> <p>We considered the accounting for the security issue to be a key audit matter because the issue was a significant transaction impacting the consolidated balance sheet and the consolidated statement of changes in equity.</p> <p>(b) <i>Debt facility</i> During the period, the Group entered into a Syndicated Facility Agreement to partially fund the acquisition of the investment properties. As at 31 December 2016, the Group had non-current borrowings of \$731.5 million, net of unamortised transaction costs of \$5.2 million. An overview of the debt facilities is disclosed in note 10.</p> <p>We considered the debt facility accounting a key audit matter given it was a significant transaction impacting the consolidated balance sheet.</p> <p>(c) <i>Establishment costs</i> The Group incurred \$65.0 million of advisory, legal, listing fees and stamp duty related to the establishment of the Group, the acquisition of the property portfolio and the ASX listing (establishment transactions).</p> <p>The Group applied judgement in determining which aspect of the underlying transactions the costs totalling \$65.0 million relate to, which determines if they are required under Australian Accounting Standards to be capitalised in the consolidated balance sheet or expensed in the consolidated statement of comprehensive income.</p> <p>We considered the accounting treatment of establishment costs a key audit matter given the relative size of the balances and the judgement involved in determining the accounting treatment.</p>	<p>(a) <i>Proceeds from the issue of securities</i> We read the Prospectus and ASX announcement in relation to the issue of Stapled Securities and agreed this support to the accounting records of the transaction. We also agreed the cash received for the issue of securities to the supporting bank statement.</p> <p>(b) <i>Debt Facility</i> We read the Syndicated Facility Agreement dated 10 July 2016 between the Group and its financiers to understand the key terms of the facilities. The debt establishment costs capitalised as transaction costs against the debt were agreed to the Fee Letter between the Group and financiers.</p> <p>We obtained confirmations directly from the Group's financiers to confirm all borrowings, including amount drawn, available facilities and maturity date as at 31 December 2016.</p> <p>(c) <i>Establishment costs</i> We reconciled a sample of establishment costs to the respective engagement letters and/or invoice and bank statement. We compared the services provided per the documentation obtained to management's judgement on what the cost related to, noting no material exceptions.</p>

Independent auditor's report (cont)

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report and ASX Additional Information included in the Group's annual report for the period ended 31 December 2016 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar2.pdf This description forms part of our auditor's report.

Report on the remuneration report

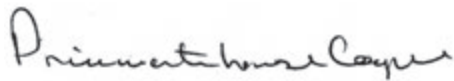
Our opinion on the remuneration report

We have audited the remuneration report included in pages 3 to 14 of the directors' report for the period ended 31 December 2016.

In our opinion, the remuneration report of Viva Energy REIT for the period ended 31 December 2016 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.



PricewaterhouseCoopers



Charles Christie
Partner

Melbourne
23 February 2017

ASX Additional Information

Additional Securities Exchange information as at 7 February 2017

There were 690,151,562 fully paid stapled securities on issue, held by 3,951 security holders. There were 21 holders holding less than a marketable parcel.

The voting rights attaching to the stapled securities, set out in section 253C of the Corporations Act 2001, are:

- (i) on a show of hands every person present who is a security holder has one vote; and
- (ii) on a poll each security holder present in person or by proxy or attorney has one vote for each security they have in the Group.

Distribution of security holders

Number of securities held	Number of security holders	Total securities held	% of total securities on issue
1-1,000	223	159,205	0.02%
1,001-5,000	1,440	4,839,659	0.70%
5,001-10,000	1,096	8,836,643	1.28%
10,000-100,000	1,125	27,705,417	4.02%
100,000 and over	67	648,610,638	93.98%
Total	3,951	690,151,562	100.00%

Substantial security holders

Name of substantial security holder	Number of securities
Viva Energy Australia Group Pty Limited and its associates	276,060,625
Perpetual Limited and its subsidiaries	57,877,226
AMP Limited	53,951,224
Cooper Investors Pty Limited	50,253,452

ASX Additional Information (cont)

Twenty largest security holders

Holder name	Number of securities	Fully paid %
Viva Energy Australia Group Pty Limited	276,060,625	40.00
HSBC Custody Nominees (Australia) Limited	103,630,769	15.02
J P Morgan Nominees Australia Limited	83,485,563	12.10
National Nominees Limited	42,494,202	6.16
Citicorp Nominees Pty Limited	30,276,857	4.39
BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	26,084,310	3.78
BNP Paribas Noms Pty Ltd <DRP>	21,670,153	3.14
RBC Investor Services Australia Nominees Pty Limited <PI Pooled A/C>	17,021,182	2.47
AMP Life Limited	9,435,863	1.37
RBC Investor Services Australia Nominees Pty Limited <PISELECT>	5,898,300	0.85
BNP Paribas Nominees Pty Ltd <Jersey Aberdeen AIF Ltd DRP>	5,000,000	0.72
National Nominees Limited <DB A/C>	3,838,780	0.56
RBC Investor Services Australia Nominees Pty Limited <BKCUST A/C>	3,449,764	0.50
Citicorp Nominees Pty Limited <Colonial First State INV A/C>	3,442,854	0.50
BNP Paribas Noms (NZ) Ltd <DRP>	2,715,175	0.39
RBC Investor Services Australia Nominees Pty Limited <PIIC A/C>	1,511,686	0.22
Bond Street Custodians Limited <ENH Property Securities A/C>	821,605	0.12
Custodial Services Limited <Beneficiaries Holding A/C>	608,927	0.09
Merrill Lynch (Australia) Nominees Pty Limited	602,073	0.09
UBS Nominees Pty Ltd	589,479	0.09
Totals	638,638,167	92.54%

Disclosures

On 1 August 2016 Viva Energy REIT was granted certain waivers from the Australian Stock Exchange (ASX) with regard to ASX Listing Rule 10.1. The following disclosures are outlined pursuant to those waivers.

Lease summary of Initial Portfolio

Tenant	<ul style="list-style-type: none"> Viva Energy Australia.
Lease basis	<ul style="list-style-type: none"> Triple Net Lease, with Viva Energy Australia responsible for all outgoings.
Lease term	<ul style="list-style-type: none"> Initial lease terms ranging from 10 to 18 years. 14.9 year weighted average lease expiry as at 31 December 2016.
Renewal options	<ul style="list-style-type: none"> Viva Energy Australia has seven 10 year options to extend each lease.
Rent review structure	<ul style="list-style-type: none"> 3.0% fixed annual increase. Market rent reviews upon exercise of option to extend the lease term.
Major capital works	<ul style="list-style-type: none"> Major capital works would include construction of a building, or major extension or alterations to an existing building, the cost of which would, in aggregate, exceed \$250,000, to the extent that such structural and/or capital works would not otherwise be Viva Energy Australia's responsibility under the lease. Viva Energy Australia may elect to undertake major capital works at its own expense (which election must be approved by Viva Energy REIT, such approval not be unreasonably withheld), or submit a proposal for major capital works to Viva Energy REIT. If Viva Energy REIT agrees to fund and undertake major capital works, the rent payable under the relevant Lease will be increased by an amount and over a period detailed in Viva Energy Australia's proposal or by an amount and period otherwise agreed by the parties. In this case, the major capital works will be owned by Viva Energy REIT and will form part of Viva Energy REIT's property. If Viva Energy Australia elects to undertake the major capital works and completes them at its expense, Viva Energy Australia may elect to vary the lease so that the term remaining under the lease is 15 years (or such other period as agreed between the parties) and the rent payable under the lease will be subject to a market rent review with the condition that the rent payable cannot decrease as a result of that review. In this case, the major capital works will be owned by Viva Energy Australia. Viva Energy REIT may purchase the improvements comprising the major capital works paid for by Viva Energy Australia at market value upon expiry of the lease.
Right of first refusal	<ul style="list-style-type: none"> Viva Energy Australia has a first right to acquire any leased site that Viva Energy REIT offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹.

1. Coles Express has a right of first refusal in respect of any disposal of any site that is the subject of a Site Agreement, but that right is unlikely to apply to any transfer between Viva Energy Australia and Viva Energy REIT, provided that, at the time of transfer, the transferee is a Permitted Transferee. Please refer to PDS Section 13.10 for a summary of the Site Agreement.

Disclosures (cont)

Summary of the Master Agreement

Viva Energy REIT and Viva Energy Australia have entered into a Master Agreement¹ to govern, among other things, certain rights and obligations with respect to the properties in the Initial Portfolio and any additional service station sites that become the subject of a lease between the parties in the future.

Viva Energy REIT's first right of refusal	<ul style="list-style-type: none">Viva Energy REIT has a first right to acquire any service station site that Viva Energy Australia offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹.
Viva Energy Australia's first right of refusal	<ul style="list-style-type: none">Viva Energy Australia has a first right to acquire any property that is subject of a lease or which is used as a retail service station and which Viva Energy REIT offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹.
Viva Energy Australia's call option	<ul style="list-style-type: none">Viva Energy Australia has a call option to acquire all or any part of the Initial Portfolio upon certain insolvency trigger events.If a call option trigger event occurs and the call option is exercised by Viva Energy Australia in respect of a site, Viva Energy Australia may acquire that site for a price determined via an independent valuation process, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹.
Right of first refusal on new lease properties	<ul style="list-style-type: none">If Viva Energy REIT proposes to grant a new lease in respect of a site which is not (and has not been) the subject of a lease to Viva Energy Australia, Viva Energy REIT must first offer to lease that site to Viva Energy Australia before entering into a new lease with another party.

1. Coles Express has a right of first refusal in respect of any disposal of any site that is the subject of a Site Agreement, but that right is unlikely to apply to any transfer between Viva Energy Australia and Viva Energy REIT, provided that, at the time of transfer, the transferee is a Permitted Transferee. Please refer to PDS Section 13.2 for a summary of the Master Agreement and PDS Section 13.10 for a summary of the Site Agreement.

Viva Energy REIT Portfolio at 31 December 2016

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
Australian Capital Territory			
CNR COHEN & JOSEPHSON STS, BELCONNEN	2027	3.1	6.75%
CNR NETTLEFORD ST & LATHLAIN DR, BELCONNEN	2034	9.9	6.00%
CNR MORT ST & GIRRAHWEEN ST, BRADDON	2028	4.2	5.50%
LHOTSKY ST, CHARNWOOD	2033	7.5	6.00%
17 STRANGWAYS ST, CURTIN	2028	3.9	6.50%
25 HOPETOUN CIRCUIT, DEAKIN	2030	4.4	6.50%
CNR IPSWICH & WILUNA STS, FYSHWICK	2027	2.6	6.75%
20 SPRINGVALE DV, HAWKER	2031	5.1	6.50%
CNR CANBERRA AVE & FLINDERS WAY, MANUKA	2033	7.9	6.00%
172 MELROSE DV, PHILLIP	2030	4.7	6.00%
RYLAH CRESCENT, WANNIASSA	2027	2.8	6.75%
New South Wales			
252 PRINCES HIGHWAY, ALBION PARK	2031	5.7	6.25%
CNR DAVID ST & GUINEA ST, ALBURY	2031	5.0	7.00%
562 BOTANY RD, ALEXANDRIA	2034	11.6	4.75%
124-126 JOHNSTON ST, ANNANDALE	2027	4.0	4.50%
89-93 MARSH ST, ARMIDALE	2028	3.2	8.75%
CNR AVALON PDE & BARRENJOEY RD, AVALON	2027	3.8	4.75%
884-888 HUME HWY (CNR STRICKLAND ST), BASS HILL	2028	3.8	5.25%
198 BEACH RD, BATEHAVEN	2031	5.1	7.00%
59 DURHAM ST, BATHURST	2033	7.5	6.00%
298 STEWART ST (CNR ROCKET ST), BATHURST	2029	5.7	6.50%
CNR WINDSOR RD & OLIVE ST, BAULKHAM HILLS	2028	9.3	4.85%
CNR PACIFIC HWY & MAUDE ST, BELMONT	2030	3.6	6.25%
797 PACIFIC HWY, BELMONT SOUTH	2031	5.1	6.50%
LOT 33 RICHMOND RD, BERKSHIRE PARK	2029	3.9	6.00%
126 GREAT WESTERN HWY, BLAXLAND ²	2021	5.5	7.00%
NEWELL HIGHWAY, BOGGABILLA	2031	6.1	7.50%
120-138 BIRRELL ST, BONDI JUNCTION	2032	7.4	4.50%
CNR BONG BONG & BOWRAL STS, BOWRAL	2029	5.5	5.75%
2 GENERAL HOLMES DV, BRIGHTON-LE- SANDS	2031	6.2	4.75%
2 BRUNKER RD, BROADMEADOW	2032	6.2	5.75%
164 WILLIAM ST, BROKEN HILL	2033	5.4	7.00%
CNR WINBOURNE RD & HARBORD RD, BROOKVALE	2033	6.8	5.50%
PACIFIC HWY, BULAHDELAH	2026	1.7	8.25%
279-287 PRINCES HIGHWAY, BULLI	2033	9.8	6.00%
CNR CUMBERLAND HWY & JOHN ST, CABRAMATTA	2029	3.7	5.25%

1. Expiry of lease agreement with Viva Energy Australia

2. This property was contracted but not settled at 31 December 2016

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
274 OLD HUME HIGHWAY, CAMDEN	2031	5.0	6.00%
CNR MILLER & PALMER STS, CAMMERAY	2030	5.6	5.00%
27 QUEEN ST, CAMPBELLTOWN	2027	3.0	5.50%
267-281 PRINCES HIGHWAY, CARLTON	2027	3.2	5.00%
88 CENTRE ST, CASINO	2026	1.5	8.00%
128 PACIFIC HWY, CHARLESTOWN	2030	4.1	6.00%
877-879 PACIFIC HWY, CHATSWOOD	2033	9.2	4.75%
2-6 JOHN ST, COONABARABRAN	2027	2.2	7.50%
269-275 PRINCES HIGHWAY, CORRIMAL	2029	4.8	5.75%
227 MILITARY RD, CREMORNE	2027	6.3	4.75%
152-158 PRINCES HWY, DAPTO	2027	3.4	6.00%
336 VICTORIA ST, DENILQUIN	2026	1.5	7.50%
427 BUNGARRIBEE RD, DOONSIDE	2029	5.4	5.00%
35-51 VICTORIA RD, DRUMMOYNE	2031	5.1	4.75%
36-46 VICTORIA RD, DRUMMOYNE	2032	6.9	5.00%
131-133 COBRA ST (CNR FITZROY ST), DUBBO	2028	3.7	7.25%
CNR WHYLANDRA ST & VICTORIA ST, DUBBO	2034	10.2	6.00%
199-203 KISSING POINT RD (CNR KIRBY ST), DUNDAS	2027	2.6	5.75%
592-596 OLD NORTHERN RD, DURAL	2028	4.4	5.25%
611 GREAT WESTERN HIGHWAY, EASTERN CREEK	2034	11.7	4.75%
CNR HUME HWY & BRAIDWOOD ST, ENFIELD	2027	3.1	5.25%
575-581 GREAT WESTERN HWY, FAULCONBRIDGE	2028	3.6	5.50%
CNR PARRAMATTA RD & WALKER ST, FIVE DOCK	2034	12.8	5.25%
CNR WARRINGAH RD & COOK ST, FORESTVILLE	2034	12.5	4.75%
CNR NEWELL HWY & TOORAWEEAH RD, GILGANDRA	2026	2.4	8.50%
CNR CLINTON & COWPER STS, GOULBURN	2031	4.7	7.00%
CNR COWPASTURE RD & GREEN VALLEY RD, GREEN VALLEY	2030	5.6	5.00%
CNR MERRYLANDS RD & BRAESIDE ST, GREYSTANES	2026	2.5	5.50%
CNR MOUNT & MIDDLE STS, GUNDAGAI	2034	10.0	6.50%
4979 PACIFIC HWY, HALFWAY CREEK ²	2021	7.0	7.5%
LOT 2, COAST RD, HASTINGS POINT	2028	2.5	5.75%
CNR PRINCESS HWY & OLIVER RD, HEATHCOTE	2028	4.2	5.00%
196-200 PACIFIC HWY, HORNSBY	2032	6.6	4.75%
4 RYDE RD, HUNTERS HILL	2028	3.9	5.25%
MULGOA RD & WOLSELEY RD, JAMISONTOWN	2029	5.4	5.25%
6-8 PACIFIC HWY, KARIONG	2034	10.1	7.00%
165 SMITH ST (CNR COCHRANE ST), KEMPSEY	2026	1.9	8.50%

1. Expiry of lease agreement with Viva Energy Australia

2. This property was contracted but not settled at 31 December 2016

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
102-106 WYONG RD, KILLARNEY VALE	2034	6.2	7.00%
CNR AVOCA DR & BUNGOONA ST, KINCUMBER	2033	4.9	7.00%
48-56 GARDENERS RD, KINGSFORD	2028	3.6	5.00%
CNR PRINCES HWY & THE BOULEVARDE, KIRRAWEE	2032	7.0	4.75%
CNR ALLISON AVE & PACIFIC HIGHWAY, LANE COVE	2027	3.3	5.00%
65 HUME HIGHWAY, LANSVALE	2028	2.9	5.50%
575 WAGGA RD, LAVINGTON	2034	9.8	6.75%
311 GREAT WESTERN HIGHWAY, LAWSON	2026	2.3	7.00%
1443 CAMDEN VALLEY WAY, LEPPINGTON	2026	2.2	5.75%
100 DAWSON & MAGELLAN STS, LISMORE	2026	1.8	8.50%
338-340 HUME HIGHWAY, LIVERPOOL	2032	7.0	5.00%
CNR HIGH & SMITH STS, MAITLAND	2026	2.1	7.00%
959-961 ANZAC PARADE, MAROUBRA	2026	2.3	5.50%
63-69 MAUD ST (CNR MILLER ST), MAYFIELD	2026	1.9	6.75%
73 PEMBROKE RD (CNR DURHAM ST), MINTO	2026	2.1	5.75%
CNR BALO & GWYDIR STS, MOREE	2028	2.1	9.25%
CNR CHURCH & MORTIMER STS, MUDGEE	2030	5.0	6.50%
148 BRIDGE ST (CNR HILL ST), MUSWELLBROOK	2027	2.8	6.75%
1418 PITTWATER RD, NARRABEEN	2033	8.4	4.75%
CNR AUDLEY & CADDELL STS, NARRANDERA	2030	3.5	8.00%
23 STOCKTON ST, NELSON BAY	2031	5.3	6.25%
CNR BEN BOYD RD & ERNEST ST, NEUTRAL BAY	2030	5.4	5.00%
197 WINDSOR RD, NORTHMEAD	2026	2.5	5.50%
275 LANE COVE RD, NORTH RYDE	2028	3.8	5.00%
96 WICKS RD, NORTH RYDE	2031	4.2	5.50%
CNR KINGHORN & WORRIGEE STS, NOWRA	2031	6.9	6.00%
LOT 2 LAKE ENTRANCE RD, OAK FLATS	2026	3.4	6.00%
CNR SUMMER & SALE STS, ORANGE	2030	4.6	6.50%
26-28 GEORGES RIVER RD (CNR CARVERS RD), OYSTER BAY	2027	4.2	5.00%
19 DAVIES RD, PADSTOW	2030	5.6	5.00%
299 BUNNERONG RD, PAGEWOOD	2033	7.9	4.75%
88 VICTORIA RD (CNR BULLER ST), PARRAMATTA	2031	6.1	5.00%
371 PENNANT HILLS RD, PENNANT HILLS	2034	9.4	4.75%
386 PENNANT HILLS RD, PENNANT HILLS	2033	9.1	4.75%
93-99 ARGYLE ST, PICTON	2030	4.7	6.00%
GORDAN & HOLLINGSWORTH STS, PORT MACQUARIE	2033	8.3	6.00%
21 RYDE RD, PYMBLE	2030	5.7	4.85%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
274-276 GRAND PARADE (CNR RAMSGATE RD), RAMSGATE	2029	5.3	4.75%
54 ALISON RD, RANDWICK	2029	5.4	4.75%
CNR PACIFIC HWY & KANGAROO ST, RAYMOND TERRACE	2027	2.0	8.00%
118 NEW ENGLAND HWY, RUTHERFORD	2027	2.1	8.00%
CNR LANE COVE RD & MYRA AVE, RYDE	2027	2.9	5.50%
69-73 GEORGE ST, SINGLETON	2033	6.4	7.25%
835 KING GEORGES RD, SOUTH HURSTVILLE	2032	7.0	4.75%
308-310 PARRAMATTA RD, STANMORE	2032	7.3	4.50%
CNR MAMRE RD & BANKS DV, ST CLAIR	2027	4.1	5.50%
LOT 201 APPIN RD, ST HELENS PARK	2026	3.0	5.50%
179-181 MONA VALE RD, ST IVES	2031	5.2	4.85%
CNR RAW SQUARE & ALBERT RD, STRATHFIELD	2032	6.5	4.75%
251-253 GOONOO GOONOO RD, TAMWORTH	2033	6.1	5.75%
147-152 BRIDGE ST, TAMWORTH WEST	2031	4.8	7.00%
59-63 VICTORIA ST, TAREE	2033	5.7	7.25%
100 TAREN POINT RD, TAREN POINT	2032	6.4	4.75%
CNR TAREN POINT & PARRAWEENA RDS, TAREN POINT	2028	4.6	5.00%
188-190 PENNANT HILLS RD, THORNLEIGH	2033	7.2	5.00%
SNOWY MOUNTAINS HWY, TUMUT	2027	2.4	8.00%
FRANCES & WHARF STS, TWEED HEADS	2030	4.0	6.00%
71 MINJUNGBAL DV, TWEED HEADS SOUTH	2032	5.2	6.00%
387 WATTLE ST (CNR KELLY ST), ULTIMO	2030	12.4	4.75%
1-3 SYDNEY AVE, UMINA	2027	4.2	7.50%
357-361 EDWARD ST, WAGGA WAGGA	2033	4.7	7.00%
CNR PACIFIC HWY & COONANBARRA RD, WAHROONGA	2029	8.8	4.75%
14 THOMAS ST, WALLSEND	2034	9.8	5.50%
15 THOMAS ST (CNR BROOK ST), WALLSEND	2034	12.7	5.75%
26-30 KING ST, WARRAWONG	2028	3.5	6.00%
115 HEATHCOTE RD, WATTLE GROVE	2033	10.5	4.75%
64 HIGH ST, WAUCHOPE	2026	2.0	7.50%
1032-1036 VICTORIA RD, WEST RYDE	2029	7.2	4.85%
CNR VICTORIA & ELIZABETH STS, WETHERILL PARK	2028	4.8	5.00%
PACIFIC HIGHWAY, WOOLGOOLGA	2026	1.7	8.50%
57 COWPER WHARF RD (CNR DOWLING ST), WOOLLOOMOOLOO	2030	6.2	5.00%
MID WESTERN HWY & PINE ST, WYALONG	2030	3.2	8.00%
112 ROOKWOOD (CNR BRUNKER) RDS, YAGOONA	2031	5.0	5.00%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
Northern Territory			
1 GAP RD, ALICE SPRINGS	2027	2.8	7.00%
LARAPINTA DV, ALICE SPRINGS	2028	5.5	7.00%
11 LILBILI ST, ALICE SPRINGS ² (BRAITLING)	2027	2.9	6.60%
37 DALY ST, DARWIN CITY	2032	6.3	5.75%
KATHERINE TERRACE, KATHERINE	2027	2.4	7.50%
37 PROGRESS DV, NIGHTCLIFF	2026	2.9	6.50%
2 YARRAWONGA RD, PALMERSTON	2033	6.9	5.75%
Queensland			
171 OLD NORTHERN RD, ALBANY CREEK	2034	9.1	6.50%
96 FINUCANE RD (CNR ABELIA ST), ALEXANDRA HILLS	2029	3.7	6.50%
388 IPSWICH RD, ANNERLEY ²	2031	10.8	5.30%x
1412 GYMPIE RD, ASPLEY	2034	7.3	5.75%
CNR OXFORD ST & HAWTHORNE RD, BALMORAL	2033	7.2	5.00%
11 LONDON RD (CNR CROSS ST), BELMONT	2034	9.9	5.50%
GLYN ST & ASHMORE RD, BENOWA	2028	3.9	6.00%
143-153 BIRKDALE RD (CNR NAPIER ST), BIRKDALE	2029	3.4	6.50%
CAPRICORN HWY & COLUMBA ST, BLACKWATER	2026	3.3	7.50%
123-127 SOUTH PINE RD, BRENDAL	2026	0.4	7.00%
16-20 CROMBIE RD, BUNDALL	2031	5.4	6.00%
CHRISTINE AVE & BERMUDA ST, BURLEIGH WATERS	2033	7.4	6.00%
CNR SHERIDAN & JAMES STS, CAIRNS	2032	5.5	5.75%
58 PEASE ST, CAIRNS (MANOORA)	2031	5.2	5.75%
920 CAPTAIN COOK HIGHWAY, CAIRNS (SMITHFIELD)	2034	8.0	6.75%
2650 BEAUDESERT RD, CALAMVALE	2034	7.5	6.00%
69 BEERBURRUM ST, CALOUNDRA	2032	5.5	5.75%
1870 CREEK RD (CNR PICKWICK ST), CANNON HILL	2030	4.1	5.75%
611 MOGGILL RD, CHAPEL HILL	2033	6.4	5.75%
CHURCHILL & BROADHURST STS, CHILDERS	2026	1.8	6.00%
230 BLOOMFIELD ST (CNR PRINCESS ST), CLEVELAND	2033	6.5	5.75%
110 HORNIBROOK ESP, CLONTARF	2030	4.4	6.25%
213 OLD CLEVELAND RD, COORPAROO	2034	8.4	5.00%
174 HUGH ST, CURRAJONG	2032	5.1	6.00%
21 DAISY HILL RD (CNR ALLAMANDA DRV), DAISY HILL	2030	4.8	6.50%
50 DRAYTON ST, DALBY	2027	3.7	6.50%
90 DEPOT RD, DEAGON	2028	3.2	6.50%
376 DECEPTION BAY RD (CNR PARK RD), DECEPTION BAY	2033	7.6	5.75%

1. Expiry of lease agreement with Viva Energy Australia

2. These properties were contracted but not settled at 31 December 2016

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
GUINEAS CREEK RD & COOLGARDIE ST, ELANORA	2029	4.1	6.50%
CLERMONT & OPAL STS, EMERALD	2030	4.7	6.50%
361 ELLISON RD (CNR MURPHY RD), GEEBUNG	2028	3.5	5.75%
2 RAILWAY TERRACE (CNR IPSWICH MOTORWAY), GOODNA	2029	3.8	7.00%
10 MCLEAN ST, GOONDIWINDI	2027	2.6	6.25%
10526 NEW ENGLAND HIGHWAY, HIGHFIELDS	2030	4.6	6.00%
CNR BAPAUME RD & KURINGAI ST, HOLLAND PARK	2034	8.8	5.50%
CNR CARTWRIGHT & HERBET STS, INGHAM	2026	2.3	6.00%
1507-1511 ANZAC AVE (CNR DUFFIELD RD), KALLANGUR	2029	3.6	6.50%
259-277 MT CROSBY RD, KARALEE	2032	5.4	6.25%
117 YOUNGMAN ST, KINGAROY	2026	1.0	7.00%
419 ELIZABETH AVE, KIPPA-RING	2029	4.3	6.25%
22-24 THURINGOWA DV, KIRWAN	2033	7.0	5.00%
61-65 BRYANTS RD, LOGANHOLME	2028	3.5	6.50%
315-325 LOGANLEA RD, LOGANLEA	2032	5.2	6.25%
CNR BRIDGE & NEBO RDS, MACKAY	2026	2.9	5.75%
2 HIGHWAY PLAZA (CNR BRUCE HWY & HICKS RD), MACKAY	2034	8.5	5.50%
1 INTERLINK COURT (CNR FARRELLY'S RD), MACKAY	2026	1.0	7.50%
63 BYRNES ST, MAREEBA	2028	4.4	6.50%
604-614 BROWNS PLAINS RD (CNR SECOND AVE), MARSDEN	2028	3.4	6.50%
2156 GOLD COAST HWY, MIAMI	2031	6.5	5.75%
319 CORONATION DV, MILTON	2034	9.0	4.75%
CNR BRISBANE RD & FOOTE ST, MOOLOOLABA	2033	6.7	5.50%
1201 LOGAN RD, MOUNT GRAVATT	2027	2.5	5.75%
1582 LOGAN RD, MOUNT GRAVATT	2032	5.9	6.00%
221-239 BARKLY HWY, MOUNT ISA	2034	7.7	5.50%
106 CAMOOWEAL ST (CNR GRACE ST), MOUNT ISA	2034	6.2	7.00%
196-206 HIGHFIELD DV, MUDGEERABA	2034	8.2	5.50%
589 NAMBOUR CONNECTION RD, NAMBOUR	2031	4.6	6.75%
94 BREAKFAST CREEK RD, NEWSTEAD	2034	10.5	5.38%
UNDERWOOD & ROCHEDALE RDS, ROCHEDALE	2029	3.7	6.50%
82-86 FITZROY ST (CNR CAMPBELL ST), ROCKHAMPTON	2027	3.7	6.00%
140-146 GLADSTONE RD, ROCKHAMPTON	2027	2.2	6.75%
240 MUSGRAVE ST (CNR HIGH ST), ROCKHAMPTON NORTH	2031	6.6	6.00%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

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Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
GRANARD & BEATTY RDS, ROCKLEA	2033	6.0	5.50%
1728 IPSWICH RD (CNR SHETTLETON ST), ROCKLEA	2029	5.5	6.50%
387 OXLEY DRV, RUNAWAY BAY	2030	4.8	6.00%
501 COMPTON RD, RUNCORN	2032	4.9	6.25%
38-42 CHATSWOOD RD, SLACKS CREEK	2032	5.1	6.00%
3495-3497 PACIFIC HIGHWAY, SLACKS CREEK	2026	1.7	6.50%
254 MAINS RD (CNR TURTON ST), SUNNYBANK	2034	7.2	5.75%
CNR 2824 GOLD COAST HWY & GENOA ST, SURFERS PARADISE	2029	4.6	5.75%
29 GAILEY RD, TARINGA	2033	7.6	5.00%
1469 WYNNUM RD, TINGALPA	2032	6.1	5.25%
278 BRIDGE (CNR HOLBERTON) STS, TOOWOOMBA	2031	5.0	6.75%
281 MARGARET & MYLNE STS, TOOWOOMBA	2028	3.3	5.50%
TOOLONA ST & GOLD COAST HWY, TUGUN	2033	8.4	5.75%
130 BENFER RD (CNR REDLAND BAY RD), VICTORIA POINT	2030	4.7	6.25%
1890 SANDGATE RD (CNR ROBINSON RD), VIRGINIA	2034	8.3	6.00%
MOSS ST & KINGSTON RD, WOODRIDGE	2028	3.5	6.00%
290 STUART DV, WULGURU	2026	1.6	6.00%
2231 WYNNUM RD, WYNNUM	2029	3.8	6.25%
PACIFIC HWY & MACPHERSON RD, YATALA	2034	9.7	6.50%
South Australia			
111 WEST TCE, ADELAIDE	2031	4.0	5.50%
371 SHEPHERDS HILL RD, BLACKWOOD	2028	2.9	5.75%
30-32 MCKENZIE ST, CEDUNA	2030	3.0	7.50%
1477-1479 MAIN SOUTH RD, DARLINGTON	2033	4.2	6.25%
110 YORKTOWN RD, ELIZABETH PARK	2028	2.6	6.50%
323 HANCOCK RD, FAIRVIEW PARK	2028	3.3	6.00%
245 FINDON & GRANGE RDS, FINDON	2029	4.3	6.00%
12 MURRAY ST, GAWLER	2033	4.4	7.75%
2 RAMROD AVE, HALLETT COVE	2029	3.7	6.00%
150 BELAIR RD, HAWTHORN	2027	2.6	5.75%
150 MONTACUTE RD, HECTORVILLE	2030	4.5	5.75%
1230 GRAND JUNCTION & VALLEY RDS, HOPE VALLEY	2032	4.6	6.00%
44 O.G. RD, KLEMZIG	2026	1.7	5.75%
452 GRAND JUNCTION RD, MANSFIELD PARK	2034	4.3	6.75%
207 MAIN RD, McCLAREN VALE	2032	4.1	7.25%
100 COMMERCIAL ST WEST, MOUNT GAMBIER	2032	3.6	7.50%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
57 ADELAIDE RD, MURRAY BRIDGE	2029	2.9	7.25%
62 STEWART TCE, NARACOORTE	2028	2.3	8.00%
CNR BEACH & HANNAH RDS, NOARLUNGA CENTRE	2029	3.4	5.75%
443 SALISBURY HIGHWAY, PARAFIELD GARDENS	2027	1.8	6.00%
CNR HIGHWAY 1 & STIRLING RD, PORT AUGUSTA	2029	4.3	8.25%
34 HIGHWAY 1 & STOKES TCE, PORT AUGUSTA	2029	3.4	7.75%
92 TASMAN TCE, PORT LINCOLN	2028	2.9	7.25%
2 SNOWTOWN RD, PORT WAKEFIELD	2030	3.4	7.50%
77 PORT RD, QUEENSTOWN	2028	2.0	6.00%
89 MAIN SOUTH RD, REYNELLA	2032	3.4	6.50%
150 FULLARTON RD (CNR ALEXANDRA AVE), ROSE PARK	2028	4.0	5.25%
1461 MAIN NORTH RD, SALISBURY EAST	2028	3.1	6.00%
MAIN NORTH RD, SMITHFIELD	2029	3.1	6.75%
69-71 PRINCES HWY, TALEM BEND	2034	7.2	8.00%
53-57 PORT RD, THEBARTON	2028	3.0	5.50%
267 WRIGHT RD, VALLEY VIEW	2026	1.9	5.75%
1 PEAKE TERRACE, WAIKERIE	2028	2.0	7.25%
113 WEST LAKES BOULEVARD, WEST LAKES	2028	3.1	5.75%
41 PLAYFORD AVE & ELLIOTT ST, WHYALLA	2028	3.2	8.25%
CNR NORTH EAST RD & SUDHOLZ COURT, WINDSOR GARDENS	2027	2.1	5.75%
Tasmania			
MIDLAND HWY & ANDREW ST, BRIGHTON	2027	3.4	7.00%
22 FORMBY RD, DEVONPORT	2033	5.0	6.50%
418 MAIN RD, GLENORCHY	2028	3.2	6.50%
257 ELIZABETH ST, HOBART	2030	4.5	5.50%
2 HOWRAH RD, HOWRAH	2029	3.9	7.00%
103 INVERMAY RD, INVERMAY	2027	2.7	7.00%
69 WELLINGTON ST, LAUNCESTON	2032	5.1	6.00%
112 CHARLES ST, MOONAH	2028	2.4	7.50%
27 HAMILTON RD (LYELL HIGHWAY), NEW NORFOLK	2026	1.7	8.00%
1-3 HOBBLERS BRIDGE RD, NEWSTEAD	2033	6.9	6.50%
142 SANDY BAY RD, SANDY BAY	2027	2.6	6.00%
Victoria			
266-278 HODDLE ST (CNR TRURO ST), ABBOTSFORD	2032	4.3	4.75%
107 GREAT OCEAN RD, ANGLESEA	2032	3.3	6.50%
280 BARKLY ST, ARARAT	2033	3.0	7.00%
HIGH & JOHNSTON STS, ASHBURTON	2033	4.6	4.75%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
255 MAIN ST (CNR PYKE ST), BAIRNSDALE	2031	3.2	7.00%
822 STURT ST, BALLARAT	2034	5.4	6.50%
1319 STURT & PLEASANT ST, BALLARAT	2031	3.0	6.75%
148-150 CANTERBURY RD (CNR DORSET RD), BAYSWATER	2034	4.3	5.25%
3-9 SETTLEMENT RD, BELMONT	2034	3.1	6.50%
CNR BRIDGE & MARGARET STS, BENALLA	2032	4.3	6.75%
198 HIGH ST (CNR HONEYSUCKLE ST), BENDIGO	2031	3.2	6.75%
MCIVOR RD & KENNEDY ST, BENDIGO	2031	3.5	6.75%
21 ARDENA COURT (CNR EAST BOUNDARY RD), BENTLEIGH EAST	2032	4.2	5.50%
PRINCES HWY & CLYDE RD, BERWICK	2034	6.1	6.00%
MAROONDAH HWY & MIDDLEBOROUGH RD, BLACKBURN	2032	3.0	5.50%
MIDDLEBOROUGH & SPRINGFIELD RDS, BLACKBURN	2032	4.2	6.00%
SPRINGVALE & FERNTREE GULLY RDS, BRANDON PARK	2034	10.1	5.00%
945-957 PASCOE VALE RD, BROADMEADOWS	2032	2.9	5.75%
54 HOLMES ST, BRUNSWICK EAST	2031	2.5	5.75%
127-132 PLENTY RD & GREENHILLS RD, BUNDOORA	2033	6.7	5.00%
BURWOOD HWY & CENTRAL AVE, BURWOOD	2032	4.5	5.00%
LYGON & ELGIN STS, CARLTON	2032	5.0	3.50%
DANDENONG & RENVER RDS, CLAYTON	2032	6.1	5.50%
75-81 ALEXANDRA PDE (CNR RAE ST), CLIFTON HILL	2031	3.9	4.50%
BELL & SUSSEX STS, COBURG	2033	5.7	5.25%
2-14 PRINCESS HIGHWAY (CNR BAILLIE ST), COLAC	2033	5.9	6.25%
ALEXANDRA PDE & BLANCHE ST, COLLINGWOOD	2034	6.3	4.50%
HANSON RD & CRAIGIEBURN RD WEST, CRAIGIEBURN	2033	7.7	5.25%
1120 CRANBOURNE FRANKSTON RD, CRANBOURNE	2033	4.8	5.75%
BOUNDARY RD, BRAESIDE, DINGLEY	2034	4.9	5.50%
551-557 DONCASTER RD, DONCASTER	2033	7.3	5.25%
187-193 HIGH ST (CNR MANNINGHAM RD), DONCASTER	2031	2.7	5.50%
1175 HUME HWY, DONNYBROOK	2034	21.1	6.00%
1181 HODDLE ST, EAST MELBOURNE	2031	6.7	4.75%
OGILVIE AVE & PREMIER ST, ECHUCA	2033	3.8	7.00%
MAIN & MT PLEASANT RDS, ELTHAM	2033	4.7	5.50%
249 KEILOR RD (CNR GILBERTSON ST), ESSENDON NORTH	2032	5.4	5.25%
HEIDELBERG RD & RATHMINE ST, FAIRFIELD	2032	4.9	4.25%
1140 BURWOOD HWY, FERNTREE GULLY	2032	5.3	6.00%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
397 SPRINGVALE RD, FOREST HILL	2031	2.7	6.00%
413 NEPEAN HIGHWAY (CNR BEACH ST), FRANKSTON	2031	2.9	5.00%
247 MELBOURNE RD, GEELONG NORTH	2033	4.3	6.25%
202-210 LATROBE TCE, GEELONG WEST	2033	6.5	6.00%
140-146 MAIN ST (CNR JOYCE AVENUE), GREENSBOROUGH	2031	5.3	5.50%
206 PRINCES HIGHWAY, HALLAM	2033	5.4	5.50%
SOUTH GIPPSLAND HIGHWAY, HAMPTON PARK	2034	8.4	5.50%
185-189 RIVERSDALE RD HAWTHORN	2033	6.4	5.00%
123 MAROONDAH HWY & HARKER ST, HEALESVILLE	2032	3.9	6.50%
12 BARRABOOL RD, HIGHTON	2032	4.6	6.75%
260 DERRIMUT RD (CNR HOGANS RD), HOPPERS CROSSING	2032	5.2	5.25%
CNR DIMBOOLA RD & DAVID ST, HORSHAM	2031	3.6	7.00%
664-668 OLD CALDER HWY & HUNTER ST, KEILOR	2034	4.9	5.75%
BURKE & BARKERS RDS, KEW	2032	4.2	4.75%
245 COTHAM RD, KEW	2031	3.3	5.00%
4655 SOUTH GIPPSLAND HIGHWAY, LANG LANG	2033	3.0	7.50%
CRANBOURNE & WARRANDYTE RDS, LANGWARRIN	2031	2.9	6.00%
26 AILSA ST SOUTH, LAVERTON	2034	12.7	5.50%
469 MAROONDAH HIGHWAY, LILYDALE	2034	7.7	5.25%
230 GREENSBOROUGH RD (CNR YALLAMBIE RD), MACLEOD	2032	6.1	5.25%
763-779 DANDENONG RD, MALVERN	2033	7.3	5.00%
MALVERN & GLENFERRIE RDS, MALVERN	2033	7.8	4.75%
47-49 HIGH ST, MARYBOROUGH	2033	3.1	7.00%
418 HIGH ST (CNR O'NEILLS RD), MELTON	2034	7.6	5.25%
STATION ST & BROOKLYN RD, MELTON SOUTH	2034	4.9	6.00%
105-107 NEPEAN HWY (CNR WARRIGAL RD), MENTONE	2032	5.7	5.50%
1444 PLENTY RD, MERNDA	2031	2.9	6.50%
719-721 FIFTEENTH ST, MILDURA	2027	4.3	7.00%
PLENTY RD & UNIVERSITY DV, MILL PARK	2032	6.3	5.25%
422 SOUTH RD (CNR LINTON ST), MOORABBIN	2032	6.5	5.00%
820 MOOROODUC RD, MOOROODUC	2031	1.5	8.00%
210 BOUNDARY RD, MORDIALLOC	2032	3.2	5.75%
1010-1012 NEPEAN HIGHWAY, MORNINGTON	2034	5.6	5.50%
260 STEPHENSONS RD & WAIMARIE DR, MOUNT WAVERLEY	2031	2.9	5.50%
POLICE & JACKSONS RDS, MULGRAVE	2034	9.4	5.25%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
155-171 NARRE WARREN NORTH RD, NARRE WARREN NORTH	2032	6.4	5.50%
PRINCES HWY & LAUDERDALE RD, NARRE WARREN	2034	5.5	5.50%
473-477 PRINCES HWY, NARRE WARREN	2032	5.6	5.00%
468 MELBOURNE RD, NORLANE	2031	1.8	7.00%
1388 DANDENONG RD, OAKLEIGH	2034	9.4	4.75%
BELL & STOTT STS, PRESTON	2031	5.0	5.50%
1-5 MURRAY RD, PRESTON	2033	3.7	5.50%
192-202 BROADWAY ST, RESERVOIR	2031	2.4	6.25%
399-411 PUNT RD, RICHMOND	2033	7.9	4.75%
385-389 CANTERBURY RD (CNR HEATHERDALE RD), RINGWOOD	2031	5.6	5.50%
521 MAROONDAH HWY & OBAN RD, RINGWOOD EAST	2031	7.0	5.00%
1662-1664 FERNTREE GULLY RD (OPP SCORESBY RD), SCORESBY	2032	3.4	6.00%
MCDONALDS RD, SOUTH MORANG	2033	3.8	5.50%
632-642 MELBOURNE RD, SPOTSWOOD	2034	8.9	5.25%
STATION RD & MAIN RD WEST, ST ALBANS	2033	7.8	5.25%
126-134 BARKLY ST, ST KILDA	2033	5.5	4.75%
MACEDON RD & HORNE ST, SUNBURY	2034	7.5	5.75%
390 BALLARAT RD, SUNSHINE	2032	6.3	5.25%
260 CANTERBURY RD & REDVERS ST, SURREY HILLS	2032	5.4	5.00%
CNR KINGS WAY & KEILOR-MELTON RD, TAYLORS LAKES	2034	10.0	5.50%
87-91 PORTER ST (CNR FITZSIMONS LANE), TEMPLESTOWE	2032	5.2	5.25%
27 SPENCER ST (CNR DALTON RD), THOMASTOWN	2034	10.3	5.50%
PRINCES HIGHWAY, TRARALGON	2034	8.9	6.75%
175-183 MICKLEHAM RD, TULLAMARINE	2034	5.8	5.50%
493 BURWOOD HWY, VERMONT SOUTH	2033	6.8	5.00%
CNR CLEMENT ST & PARFITT RD, WANGARATTA	2033	6.0	6.50%
9389 WESTERN HIGHWAY, WARRENHEIP	2032	4.1	6.75%
465-469 RAGLAN ST, WARRNAMBOOL	2031	2.9	7.00%
1076 RAGLAN PARADE, WARRNAMBOOL	2031	1.8	6.75%
137-139 PRINCES HIGHWAY, WERRIBEE	2032	6.1	5.25%
147-161 DANDENONG RD (CNR CHAPEL ST), WINDSOR	2033	7.8	4.75%
Western Australia			
1128-1132 ALBANY HWY, BENTLEY	2029	4.4	6.50%
394 CANNING HWY (CNR WADDELL RD), BICTON	2032	4.4	6.50%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016

(cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
35 FRANK ST, BOULDER	2027	1.9	8.50%
71 CRANFORD AVE (CNR MOOLYEEN RD), BRENTWOOD	2033	4.6	6.50%
LOT 22 NAPIER TERRACE (CNR HAMERSLEY ST), BROOME	2026	2.7	7.75%
12-24 CLAUGTON WAY, BUNBURY (GLEN IRIS)	2034	7.1	6.50%
CNR FORREST AVENUE AND BLAIR ST, BUNBURY	2032	4.7	7.25%
88 CAUSEWAY RD, BUSSELTON	2031	3.3	7.00%
269 STIRLING HWY & MARY ST, CLAREMONT	2033	5.6	6.25%
UNITS 1-9 57 JOHNSTON ST, COLLIE	2026	1.4	9.25%
CNR CHURCH RD & HAMPTON DV, DAMPIER	2026	2.5	8.50%
67 WALTER RD WEST (CNR GRANDE PROMENADE), DIANELLA	2030	3.5	6.75%
CNR 193 WARWICK RD & GLENGARRY DVE, DUNCRAIG	2031	5.3	6.25%
1/64 DUNN BAR RD, DUNSBOROUGH	2031	3.5	6.50%
87 GREAT NORTHERN HWY, FITZROY CROSSING	2026	1.6	9.75%
STRELITZIA AVE & HALE RD, FORRESTFIELD	2029	3.6	6.75%
101 HAMPTON RD, FREMANTLE	2031	4.6	6.50%
1 MCDONALD PLACE, HALLS CREEK	2026	2.8	9.75%
6 JERSEY ST (CNR HAY ST), JOLIMONT	2026	3.0	6.50%
222 MANNING RD, KARAWARA	2027	3.4	6.50%
CNR MADIGAN & NORTH WEST COASTAL HIGHWAY, KARRATHA	2029	7.0	7.75%
WELCOME & SEARIPPLE RDS, KARRATHA	2026	2.8	8.00%
KEWDALE & ABERNETHY RDS, KEWDALE	2034	11.5	6.50%
LOT 8 NICHOLSON RD & SPENCER RD, LANGFORD	2029	3.6	6.75%
117 BURSLEM DV (CNR OLGA RD), MADDINGTON	2027	2.6	6.50%
LOT 800 PINJARRA RD (CNR WATSON DV), MANDURAH	2028	3.0	7.75%
77 BUSSELL HWY, MARGARET RIVER	2034	4.8	6.25%
MAIN ST, MEEKATHARRA	2026	2.8	9.75%
45 GREAT NORTHERN HWY, MIDDLE SWAN	2034	6.9	6.50%
253 WALCOTT ST (CNR FITZGERALD ST), MOUNT LAWLEY	2029	5.9	6.25%
1-3 THE ESPLANADE (CNR CANNING HWY), MOUNT PLEASANT	2027	2.3	6.00%
69 NORTH LAKE RD (CNR MARMION ST), MYAREE	2030	3.2	6.75%
80 CARRINGTON ST (CNR MARMION ST), PALMYRA	2028	2.8	6.75%
CNR ROCKLEA & CAMP RDS, PARABURDOO	2026	1.7	9.50%
WILSON ST, PORT HEDLAND	2026	1.7	8.00%

1. Expiry of lease agreement with Viva Energy Australia

Viva Energy REIT Portfolio at 31 December 2016 (cont)

Address	Lease Expiry ¹	Independent valuation (\$ million)	Capitalisation Rate
3 CANNING HWY, SOUTH PERTH	2033	5.6	6.25%
CNR MINE RD & PARABURDOO TOM PRICE RD, TOM PRICE	2026	2.3	9.00%
1333 GREAT NORTHERN HWY, UPPER SWAN	2034	8.2	6.75%
66 KENT ST (CNR BERWICK ST), VICTORIA PARK EAST	2030	4.1	7.00%
337 CAMBRIDGE ST, WEMBLEY	2032	4.7	6.50%
CHAMPION & SEVILLE DRVS, WESTFIELD	2030	4.3	7.00%
30 THOMAS ST (CNR WELLINGTON ST), WEST PERTH	2030	5.0	5.25%
VAHLAND AVE & HIGH RD, WILLETTON	2028	2.3	6.50%

1. Expiry of lease agreement with Viva Energy Australia

Glossary

Coles Express	Eureka Operations Pty Ltd trading as Coles Express ABN 78 104 811 216
Double Net Lease	Agreement where the tenant is responsible for all outgoings except fair wear and tear, capital expenditure, the difference between single and multiple holding land tax and, in some cases, the landlord's property management fees (if any)
Forecast	The financial forecasts contained in Viva Energy REIT's PDS
Gearing	Total liabilities to total tangible assets measured in accordance with Accounting Standards, but excluding any mark-to-market valuations of derivative assets/liabilities
Initial Portfolio	The Portfolio outlined in the PDS
PDS	Viva Energy REIT's Prospectus and Product Disclosure Statement dated 22 July 2016
Period or The Period	The period from the establishment date of Viva Energy REIT Trust (ARSN 613 146 464) and the incorporation date of Viva Energy REIT Limited (ABN 35 612 986 517) being 14 June 2016 to 31 December 2016
Triple Net Lease	Agreement where the tenant is responsible for all outgoings. In the case of Viva Energy REIT's leases to Viva Energy Australia, the landlord's property management fees (if any) are not paid by the tenant
Viva Energy Australia	Viva Energy Australia Pty Ltd ABN 46 004 610 459
WACR	Weighted average capitalisation rate, weighted by book value excluding transaction costs
WALE	Weighted average lease expiry, weighted by rental income

Notes

Notes (cont)

Corporate Directory

Viva Energy REIT Limited

ACN 612 986 517

Viva Energy REIT Trust

ARSN 613 146 464

VER Limited

ABN 43 609 868 000 AFSL 483795

Registered Office

Level 16, 720 Bourke Street
Docklands VIC 3008, Australia
Website: www.vivaenergyreit.com.au

Directors

Laurence Brindle
Michael Bradburn resigned 28 March 2017
Georgina Lynch
Stephen Newton
Lachlan Pfeiffer appointed 28 March 2017
Scott Wyatt

Company Secretary

Tony Tran

Auditor

PricewaterhouseCoopers
2 Riverside Quay
Southbank VIC 3006

Share Registry

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235, Australia
Telephone: 1300 554 474

Investor inquiries and correspondence

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Stock exchange listing

Viva Energy REIT Stapled Securities are listed on the Australian Securities Exchange (ASX) with the code VVR.



www.vivaenergyreit.com.au

