ASX/Media Release

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ANNUAL GENERAL MEETING OF STOCKLAND CORPORATION LIMITED AND MEETING OF UNIT HOLDERS OF STOCKLAND TRUST – ADDRESSES OF CHAIRMAN AND MANAGING DIRECTOR

Enclosed are copies of the addresses to be given at today's Annual General Meeting of Stockland Corporation Limited and Meeting of Unit Holders of Stockland Trust by:

1. Mr Tom Pockett, Chairman; and
2. Mr Mark Steinert, Managing Director.

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Stockland (ASX: SGP) was founded in 1952 and has grown to become Australia's largest diversified property group – owning, developing and managing a large portfolio of shopping centres, residential communities, logistic centres, business parks, office assets and retirement living villages. Stockland is rated as one of the most sustainable real estate companies in the world by the Dow Jones Sustainability World Index (DJSI). Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency.

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25 OCTOBER 2017

Chairman's address

Annual General Meeting 2017

TOM POCKETT – CHAIRMAN, STOCKLAND

It was a privilege for me to be invited to be Chairman last year and I am very pleased that Stockland has continued to deliver another strong performance for securityholders.

Funds from operations grew by 8.5% to $802 million and funds from operations per security grew 7.4% on the prior year. We were very pleased to produce this result, which was slightly above our previous guidance range.

Statutory profit for the group was $1,195 million up 34.4%.

As forecast, securityholders received a full year distribution of 25.5 cents per security, a 4.1% increase on the prior year. This reflected a payout ratio of 77% of funds from operations.

Looking forward we are targeting to increase distributions by 4% to 26.5 cents per security in FY18, assuming there is no material change in market conditions.

The strong results for the year are an outcome of the disciplined and consistent implementation of our strategy which is delivering sustainable profit growth.

All of the business units contributed to this result with record results in our Residential and Retirement Living businesses.

The year, however, was not without some challenges.

Nationally, retail sales have been impacted by low wages growth, some retailer closures, and mixed results from major tenants.

Online retail sales continue to grow, albeit at a lower rate, and we have been proactive about remixing and building the resilience of our portfolio.

We are combining traditional everyday shopping needs with food, entertainment, lifestyle and services to create town centres that are thriving social hubs of communities across Australia.

As Australia's largest creator of communities, we are also focused on the issue of housing affordability, a subject that is top of mind in many households around the country.

Our focus is on delivering diverse and affordable housing options for all Australians.

This approach, coupled with positive market conditions, resulted in our record Residential and Retirement Living sales.

Profitability of our Residential business improved strongly with a record 6,604 lots settled in the financial year. 75% of sales were to owner occupiers and more than 50% of net deposits came from first home buyers.

Our emphasis will remain on owner occupiers and first home buyers and we will continue to work with all levels of government to unlock opportunities that may alleviate affordability pressures.

The Retirement Living business had its fourth consecutive year of double digit growth. This was driven by strong sales, improved margins and our focus on resident satisfaction and services.

We understand there is currently a lot of attention on the retirement living sector. We take pride in our Retirement Living business, and are committed to open, transparent and respectful relationships with our residents.

We are also proactively engaging with government and industry to continue to raise standards across the whole sector.

We are proud of our customer-centric culture as we continue to develop and manage assets across the country that make valuable contributions to their communities.

Innovation is also very important to our business and I am proud to encourage innovation through the continuation of the Chairman's Award for Innovation to recognise Stockland employee efforts to enhance customer experiences and find new ways of working.

Our employees are vital to our success and they have all contributed to the strong result for the year.

It is pleasing that we maintained a high employee engagement score and efforts to improve risk awareness across the business have resulted in our lowest lost time injury rate in six years.

Moving onto remuneration.

In FY17 there was no change to the Fixed Pay for the Managing Director. The average fixed pay increase across all key management personnel was less than 2%.

As we announced in the FY16 remuneration report, we introduced a number of enhancements to our reward framework for FY17 including:

- moving to a 'face value' methodology for long term incentive grants,
- modifying our total shareholder return benchmark to reflect what we believe is an appropriate mix of competitors and weightings of AREIT 200 companies, and
- increasing the maximum short term incentive opportunity for the Senior Executives from 125% to 150%.

Following the continued strong financial and operational performance delivered by the executive team in FY17, short term incentives awarded to our Senior Executives (including the Managing Director) ranged from 76% to 93%, with an average of 85%, of their maximum short term incentive opportunity.

In regard to the long term incentive awards, we exceeded the performance hurdles for earnings per security for the last three years which meant this portion vested. However we did not meet total shareholder return hurdles in the three years to 30 June 2017 which meant this portion did not vest.

There was no change in base or committee fees for Non-Executive Directors.

Sustainability remains a priority for the group. We have retained our global sustainability leadership credentials on both the Global Real Estate Sustainability Benchmark and have been listed on the Dow Jones Sustainability Index for the eleventh consecutive year.

We are progressing well on our diversity and inclusion strategy. We have a 50% women in management target by the end of 2020. We achieved close to 46% at the end of the financial year. We were recognised by the Workplace Gender Equity Agency as an employer of choice for gender equality for a third year.

Diversity is also a focus at the Board level and a key part of our Board renewal processes.

It is crucial for a Board to have the right mix of skills and experience to oversee high standards of governance, integrity and accountability.

We believe we have the right mix with our latest appointment, Andrew Stevens who joined the Board in July, we have strengthened the breadth and depth of the Board's capabilities.

Andrew is a highly regarded director with extensive expertise in the technology sector and significant commercial experience and we look forward to his contribution.

You will hear from Andrew later in the meeting as he offers himself for election to the Board by securityholders.

At today's meeting I will also offer myself for re-election. It has been an honour to serve as a Stockland Board member for the past three years and as Chairman this past year.

I believe my experience as a senior finance executive, as well as my substantial experience in the retailing sector, supply chain logistics, and property development and management has positioned me well for this responsibility.

I look forward to continuing to serve on the Board should you support the resolution to re-elect me.

In conclusion, on the Board's behalf I convey my thanks to our very talented management team and to all of our 1,400 talented employees for their efforts for the company.

Thank you, also, to our securityholders, for your ongoing support. It is very much appreciated.

I will now hand over to our Managing Director Mark Steinert who will provide an update on each of the business units and on the company's strategic direction as we look forward.

Thank you.

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Managing Director's address

Annual General Meeting 2017

MARK STEINERT – MANAGING DIRECTOR AND CEO, STOCKLAND

Thank you Tom. Good afternoon ladies and gentlemen.

As Tom has mentioned, we delivered another year of positive performance across our business units.

We have achieved this by reinforcing our position as the leading creator of communities in Australia, strategically repositioning our assets and focussing intently on tenant and customer satisfaction, across all areas of our business.

Our strength comes from the diversity of what we offer and our response to the evolving needs of Australians. The video at the start of the meeting really reflects what is at the heart of our business model – our creation of vibrant town centres and thriving communities.

These communities offer our customers liveable, walkable and most importantly affordable living options. Our retail town centres are at the heart of their communities. They offer convenience, entertainment and a place to connect, and are well serviced by public transport.

This formula has proven very compelling to our customers.

Our sustained growth is supported by our disciplined approach to implementing our strategy set in 2013 – to grow our asset returns through focused property management and profitable development and improve customer experiences, deliver operational excellence, and maintain our capital strength.

Our focus on maintaining a strong balance sheet has underpinned this solid result and sets a good platform for future growth. Gearing at the end of FY17 was 22.7% and at the lower end of our 20 – 30% target range. This was due to disciplined capital management and strong operating cash flows.

We retained an A-/stable credit rating from Standard and Poor's and also obtained a new comparable A3 rating from Moody's in August 2017. This additional rating confirms the strength of our balance sheet and provides us with access to a broader range of debt markets.

Let me turn to the performance of our business units starting with Commercial Property, which accounts for around 70 per cent of our portfolio.

Commercial Property delivered comparable growth in funds from operations of 3.4 per cent across the portfolio.

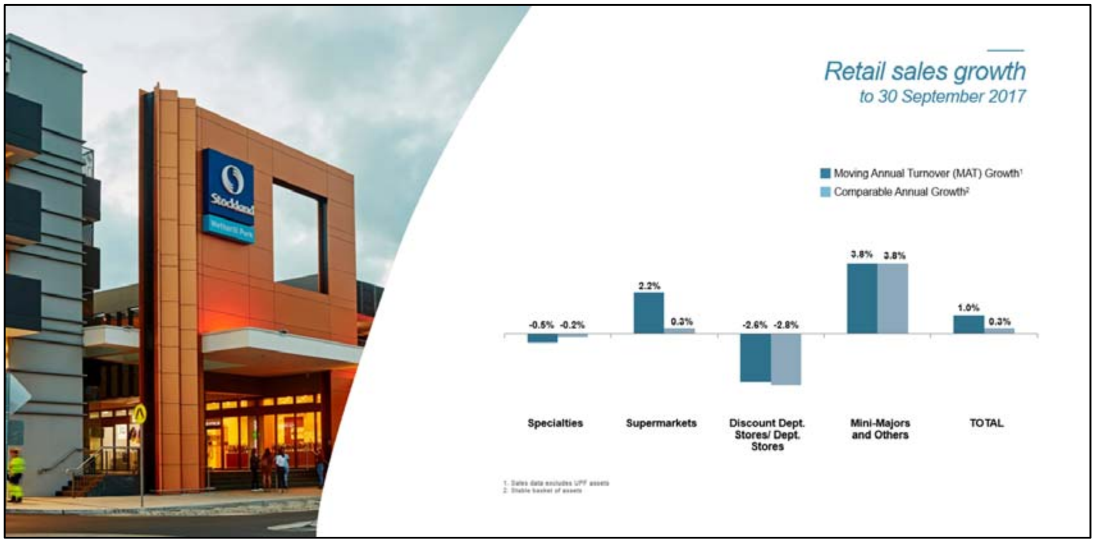
Comparable growth for our Retail Town Centres was up 3.5 per cent and we have maintained high occupancy, sustainable occupancy costs and retail sales 8 per cent above the national average.

Within the financial year we made good progress on our $1 billion retail development pipeline.

The first stage opening of our $412 million Stockland Green Hills shopping centre redevelopment in Maitland, NSW, was well received by locals and our customers in Ballarat eagerly anticipate the opening of our $37 million expansion of Stockland Wendouree.

In June we were thrilled to announced that we would be the first to bring international brand, H&M to Northern and Central Queensland. We celebrated the opening of H&M at Stockland Townsville last week and look forward to the opening in Rockhampton next month.

This morning we released our first quarter update to the market. We reported relatively flat retail sales across the quarter reflecting a subdued environment for overall retail sales impacted by some price deflation, low wages growth and energy price rises. Following sustained activity during the mining boom, slower growth has continued in far North Queensland and Perth. Leading indicators such as job advertisements point to a return to more stable trading conditions at our centres in these areas.



Retail conditions remain challenging, however, services, lifestyle and leisure, and food and mini-majors offerings continue to perform well and are the focus for our remixing. Our major redevelopment of Stockland Green Hills (NSW) is already 82% pre-leased to high quality tenants, with the next stage due to open on 30 November.

We remain focused on meeting customer needs and responding to trade area dynamics and we are confident our focus on food, convenience, services, entertainment and health will provide sustainable growth as our Wetherill Park and other recent developments have clearly demonstrated

Our **sustainability** commitment was also reinforced last month when we proudly announced the roll out of Australia's largest ever property solar project at ten of our shopping centres across the country.

This $23.5 million investment will see more than 39,000 photo-voltaic panels, equivalent to nine rugby fields of solar, installed across the rooves of our centres such as Merrylands in Sydney, Point Cook in Victoria and Cairns in North Queensland. This investment is not only environmentally sustainable but makes good business sense.

Our Logistics and Business Parks business had an outstanding year with strong comparable income growth of 3.6 per cent.

Our development pipeline is also progressing well and the future pipeline looks very positive. We recently completed logistics developments at Ingleburn and Erskine Park in Sydney, and Oakleigh in Melbourne. All were completed on budget and fully leased, achieving an average FFO yield on completion of 8 per cent.

A $77 million development is currently underway at Coopers Paddock in Sydney which is majority pre-leased to Daikin. Positive leasing results in FY17, particularly in Sydney, brought about an increase in portfolio occupancy to 99 per cent.

We maintained that positive leasing momentum in the first quarter, with leases executed on over 102,000 square metres of floor space. We also recently signed a new seven year lease to Australia Post at Oakleigh in Melbourne, renewed key leases in Adelaide and Melbourne, and have seen positive enquiry following the launch of the first $222 million Aura business park in August.

The Sydney office portfolio also performed well this year, where the majority of our assets are located. The Perth and Canberra markets remain challenging, but we are seeing positive leasing momentum at our properties. We recently welcomed Optus as a major tenant at one of our Perth buildings to be renamed the Optus Centre.

As Tom mentioned, in FY17 our **Residential** business settled a record 6,604 lots, up 7.6 per cent on last year. The business achieved significant profit growth of 17.4 per cent and lifted return on assets to 20.8 per cent on the core portfolio.

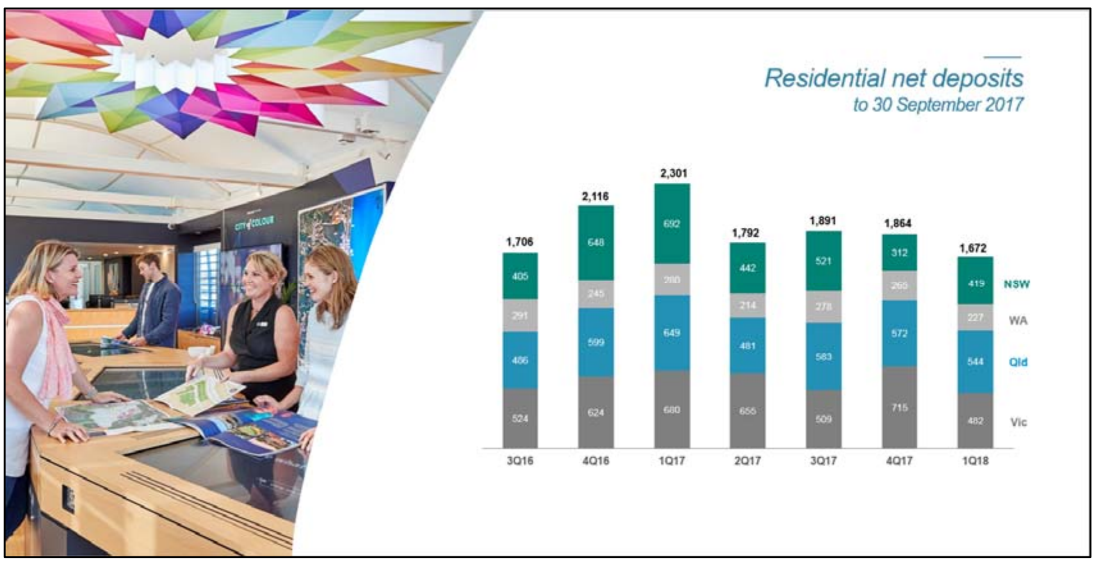
We have continued to expand our medium density business, with over 200 townhomes settled in FY17 and close to 600 currently under construction. Medium density development is a key growth driver for our residential business as we extend our focus on community creation into the important “missing middle” of our major capital cities.

In recent years competition to acquire sites has significantly increased. Despite this competition we have made important strategic metropolitan acquisitions with strong transport links. This added around 9,900 lots to our portfolio with an overweight to Melbourne which is growing strongly.

Our leadership in housing affordability initiatives, and commitment to delivering a range of options for first home buyers and families, places us in a preferred position for residential lending trends and government growth initiatives.

While lending conditions to investors and foreign buyers are tightening, owner occupiers remain our core focus and represent 75 per cent of our net residential sales, with less than 3 per cent of total buyers requiring Foreign Investment Review Board approval.

Our commitment to providing affordable, liveable communities for Australians continues to generate strong demand across our residential development business. We took 1,672 net deposits for lots and townhomes in the first quarter, of which 77 per cent were from owner occupiers.



This moderate reduction relative to 1Q17 reflects project timing, with a number of projects in Victoria and Queensland nearing completion and four new communities which will launch later in FY18.

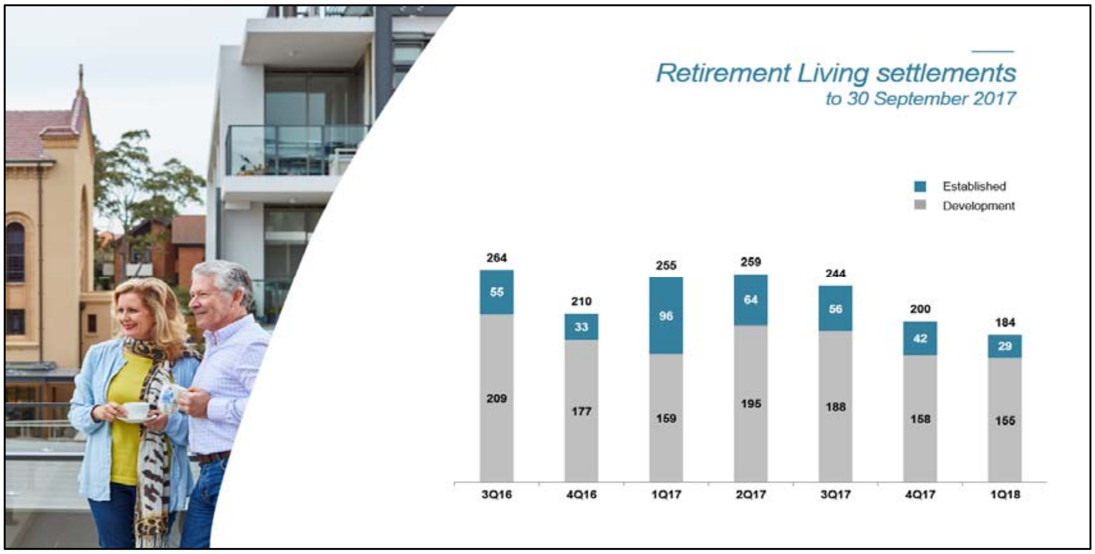
Conditions remain favourable in Melbourne and Sydney, where the markets remain undersupplied and we continue to see solid price growth. We look forward to launching Mt Atkinson, Truganina and Waterlea in Victoria, and Paradise Waters in Queensland later in FY18.

We are on track to achieve around 6,500 settlements in FY18, with a profit skew to the first half of the year, and a strong profit margin above 17%

Our Retirement Living business also delivered strong growth in FY17 with operating profit up 11.1 per cent. Our developments are progressing well with the delivery of our award winning Cardinal Freeman apartments – The Residences – in Sydney's inner west. We are also making good progress on our new vertical village at Birtinya in the heart of the Sunshine Coast's new health hub.

We are broadening our customer reach through expanded services and a broader product range including our new non-deferred management fee communities for over 55s, called 'Aspire', with two projects underway at our Elara community in Sydney and our Calleya community in Perth.

Reservations for existing stock in in the first quarter have remained consistent with the comparable period in FY17 at 155 deposits. Development reservations were lower, due to reduced available stock and no new project launches in the period.



We remain on track to achieve target Retirement Living unit sales for the year in line with guidance.

Resident satisfaction is central to what we do and we are proud of our 84 per cent resident satisfaction score, as independently assessed by Colmar Brunton as part of our Residents Voice survey.

In summary, all three of our core businesses are realising the benefits of our strategy, underpinned by our strong balance sheet and our focus on operational excellence.

In the year ahead, we expect positive economic conditions to continue, and interest rates to remain relatively stable.

We expect overall growth in funds from operations to remain above the REIT sector average, albeit at a slightly lower rate than FY17. This will primarily be due to non-Sydney office let-up assumptions, higher Commercial Property outgoings, particularly electricity prices, and lower Retirement Living development profit reflecting project timing.

We are well placed to meet our goals of sustainable profit growth on a through the cycle basis. Our disciplined approach to acquisitions and our focus on creating the most liveable and connected communities and their town centres, set us up well for the future.

We have forecast growth in funds from operations per security of 5 - 6.5% and distribution growth of 4 per cent in FY18 – assuming there is no material change in market conditions. We expect a profit skew to the first half of the year.

I look forward speaking with you after the meeting and to updating you on our progress at our half year results in February.

Thank you.