

133 Castlereagh Street
Sydney NSW 2000

T 02 9035 2000
F 02 8988 2000

www.stockland.com.au



22 May 2013

ASX/Media Release

STOCKLAND RAISES \$400 MILLION THROUGH INSTITUTIONAL PLACEMENT

Stockland has raised \$400 million through a fully underwritten placement to institutional investors of 103.1 million securities at \$3.88 each. This is a 2.5% discount to the closing price on Tuesday, 21 May 2013.

The Placement was over-subscribed with a high level of support from both domestic and offshore investors.

Stockland Managing Director and CEO, Mark Steinert said: "By completing the Placement we have raised capital to fund the initiatives highlighted in the strategic review.

"We welcome the confidence investors have shown in Stockland's new strategic direction, as demonstrated by the strong level of support for this Placement.

"The proceeds will help fund our \$1.5 billion accretive retail development pipeline, with projects in strong trade areas, accretive pre-AIFRS yields of 7 - 8% and incremental Internal Rates of Return (IRR) of 13 - 14%.

"The \$116 million redevelopment of our Hervey Bay Shopping Centre is a good example of our reinvestment strategy as it will reflect a pre-AIFRS yield of 7.5% and an incremental IRR of 13.8% upon completion."

The proceeds will also be used for the repayment of debt, reducing Stockland's balance sheet gearing by approximately 3%.

"The additional funding ensures Stockland has the capacity to implement our recently announced strategy, including growing our industrial property portfolio, maintaining our tactical exposure to office, and continuing to focus on our core competencies in property and asset management and development."

Stockland will not proceed with a Distribution Reinvestment Plan ("DRP") for the June 2013 distribution.

New securities issued under the Placement will settle on 27 May 2013, with allotment to occur on 28 May 2013. New securities will rank equally with existing Stockland stapled securities and will be fully entitled to Stockland's distribution for the period ending 30 June 2013.

The Placement was fully underwritten by UBS AG, Australia Branch.

Security Purchase Plan

In addition to the Placement, the opportunity to participate in a non-underwritten Security Purchase Plan ("SPP") capped at \$100 million will be offered to eligible retail securityholders. Under the SPP, eligible securityholders will be given the opportunity to acquire securities up to a value of \$15,000 each, free of brokerage and transaction costs. Securities under the SPP will be issued at \$3.88, which is the same price as the Placement. The record date for the SPP will be 7.00pm on 21 May 2013. Further information on the SPP will be lodged with ASX and sent to eligible securityholders in due course.

Outlook

The Placement is expected to have a neutral impact on earnings per security in FY13 and FY14. Distribution guidance of 24.0 cents for FY13 is maintained. Distribution guidance of 24.0 cents for FY14 is expected to be maintained, assuming no material decline in market conditions.

For media inquiries Greg Spears Senior Manager – Media Relations Stockland T +61 (0)2 9035 3263 M +61 (0)406 315 014		For investor inquiries Ross Moffat Senior Manager - Investor Relations Stockland T +61 (0)2 9035 2480 M +61 (0)412 256 224	Annabelle Tait Investor Relations Analyst Stockland T +61 (0)2 9035 2773 M +61 (0)424 547 887
---	--	---	---

Important information

This announcement contains certain “forward looking” statements. The words “anticipated”, “expected”, “projections”, “forecast”, “estimates”, “could”, “may”, “target”, “consider” and “will” and other similar expressions are intended to identify forward looking statements. Forward looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, indications or guidance on future earnings or financial position and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, there can be no assurance that actual outcomes will not differ materially from these statements. To the full extent permitted by law, Stockland and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

This announcement is not an offer or an invitation to acquire Stockland stapled securities or any other financial products and is not a prospectus, product disclosure statement or other offering document under Australian law or any other law. It is for information purposes only. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The new stapled securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the new stapled securities may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which Stockland has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable state securities laws. This announcement may not be released or distributed in the United States.

This announcement is not financial advice or a recommendation to acquire Stockland stapled securities and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek such legal, financial and/or taxation advice as they deem necessary or appropriate to their jurisdiction. Stockland is not licensed to provide financial product advice in respect of Stockland stapled securities. Cooling off rights do not apply to the acquisition of Stockland stapled securities.