



FY13 Results Annexure

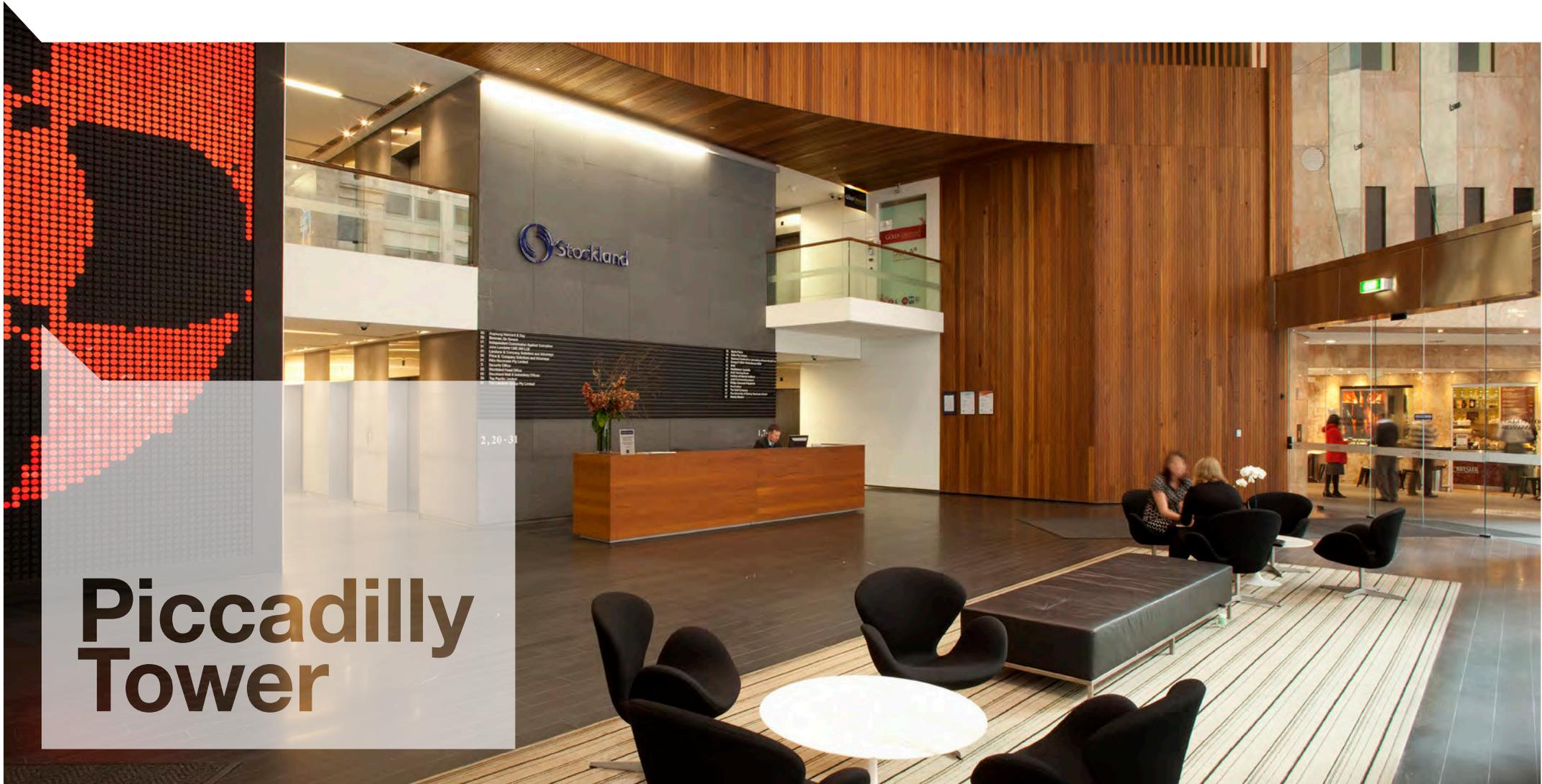


**Farrington
Grove**

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Financial Management



**Piccadilly
Tower**

Profit summary

	FY13 \$m	FY12 \$m
Residential Communities EBIT (before interest in COGS)	181.5	270.4
Apartments EBIT (before interest in COGS)	(0.9)	8.6
Commercial Property EBIT (before interest in COGS)	482.2	510.8
Retirement Living EBIT	44.6	40.9
UK EBIT (before interest in COGS)	2.7	19.3
Strategic stakes income	-	4.9
Unallocated corporate overheads	(59.9)	(49.8)
Group EBIT (before interest in COGS)	650.2	805.1
Net interest expense:		
- Interest paid (net of interest income) ¹	(220.0)	(212.9)
- Interest capitalised to inventory ²	125.3	138.6
- Interest capitalised to Investment Properties under development	15.9	27.1
- Capitalised interest expensed in the P&L ^{3,4}	(131.1)	(88.7)
Net interest expense	(209.9)	(135.9)
Tax benefit	54.5	6.9
Underlying Profit	494.8	676.1
Statutory Profit Adjustments	(407.6)	(212.1)
Tax benefit of Adjustments	17.4	23.0
Statutory Profit	104.6	487.0

1. Includes deferred interest on Residential land purchases of \$8.1m (FY12: \$8.9m) and \$1.2m (FY12: \$2.1m) for Retirement Living

2. Includes deferred interest on Residential land purchases of \$8.1m (FY12: \$8.9m)

3. Includes \$6.3m (FY12: \$4.8m) of interest in relation to Retirement Living which is included in Fair Value Adjustment of Investment Properties

4. The basis for determining the capitalised interest release to the income statement for the Residential Business has been amended from previous periods due to a change in application of accounting policy. This change has been applied prospectively from 1 July 2012 impacting FY13 interest by \$34m. FY12 has not been adjusted, however, if the policy had been applied in the previous period, interest in cost of goods sold would have been \$29m higher

Underlying Profit reconciliation

	FY13 \$m	FY12 \$m
Underlying Profit^{1,2}	494.8	676.1
Non-cash adjustment to inventories and development profits		
Write-down of inventory – Australia	(354.8)	(48.9)
Write-down of inventory – UK	(12.3)	(14.2)
Development profit adjustment on The Hyde	-	1.9
Fair value unrealised adjustment of investment properties		
Net gain from fair value adjustment (Commercial Property)	64.7	65.7
Net loss from fair value adjustment (Retirement Living)	(46.7)	(7.8)
Other items		
Net unrealised loss from fair value adjustment of other financial assets	(37.2)	(55.5)
Net (loss) / gain on sale of other non-current assets	(8.4)	1.5
Loss from financial instruments and foreign exchange movements	(12.9)	(154.8)
Tax benefit on significant items	17.4	23.0
Profit for the year attributable to securityholders of Stockland	104.6	487.0

- Underlying Profit is a non-IFRS measure that is determined to present, in the opinion of the Directors, the ongoing operating activities of Stockland in a way that appropriately reflects its underlying performance. Refer to Statutory Accounts for the complete definition
- The basis for determining the capitalised interest release to the income statement for the Residential Business has been amended from previous periods due to a change in application of accounting policy. This change has been applied prospectively from 1 July 2012 impacting FY13 interest by \$34m. FY12 has not been adjusted, however, if the policy had been applied in the previous period, interest in cost of goods sold would have been \$29m higher



Segment Note to Underlying Profit reconciliation

\$m	Residential ¹	Retirement Living	Commercial Property	UK	Total
Total external segment revenue	956	78	682	9	1,725 ²
Segment result before interest	181	45	482	2	710
Unallocated corporate overheads					(60) ³
Interest income					6
Borrowing costs (net of capitalised interest)					(85)
Capitalised interest expensed in the P&L ^{4,5}					(131)
Underlying Profit before income tax benefit					440
Income tax benefit					55
Underlying Profit					495

1. Includes both Residential Communities (Revenue: \$913m, EBIT: \$182m) and Apartments (Revenue: \$43m, EBIT: -\$1m) and excludes revenue from equity accounted joint venture

2. Excludes \$3.1m of unrealised DMF (FY12: \$5.9m)

3. FY13 includes \$12m restructure costs due to centralisation

4. Includes \$6.3m (FY12: \$4.8m) of interest in relation to Retirement Living which is included in Fair Value Adjustment of Investment Properties

5. The basis for determining the capitalised interest release to the income statement for the Residential Business has been amended from previous periods due to a change in application in accounting policy. This change has been applied prospectively from 1 July 2012 impacting FY13 interest by \$34m

Net interest gap closed following changes to capitalised interest

Interest expense - \$m	FY13	FY12
Interest paid	216.9	210.1
Less: capitalised interest		
- Commercial Property development projects	(7.0)	(17.4)
- Residential	(117.2)	(129.7)
- Retirement Living	(8.9)	(9.7)
	(133.1)	(156.8)
Net borrowing cost in P&L	83.8	53.3
Add: capitalised interest expensed in P&L ^{1,2}	131.1	88.7
Total interest expense in P&L	214.9	142.0

FY13 Reconciliation of Interest Expense and Capitalised Interest to Financial Report				
\$m	FY13		FY13	Net borrowing cost - P&L
Interest paid	216.9	Less: Capitalised interest	(133.1)	83.8
Deferred interest unwind - Residential	8.1	Deferred interest booked in inventory - Residential	(8.1)	-
Deferred interest unwind - Retirement Living ³	1.2		-	1.2
Interest expense Financial Report (Note 5)	226.2	Capitalised interest Financial Report (Note 5)	(141.2)	85.0

- Made up of: Residential - \$124.8m (FY12: \$81.1m), Retirement Living \$6.3m (FY12: \$4.8m), UK - \$nil (FY12: \$2.0m) and Commercial Property - \$nil (FY12: \$0.9m). This differs to statutory reporting by \$6.3m (FY12: \$4.8m) as Retirement Living is reported through the fair value adjustment of investment properties
- The basis for determining the capitalised interest release to the income statement for the Residential Business has been amended from previous periods due to a change in application in accounting policy. This change has been applied prospectively from 1 July 2012 impacting FY13 by \$34m. FY12 has not been adjusted, however, if the policy had been applied in the previous period, interest in cost of goods sold would have been \$29m higher
- Non-cash adjustment for unwinding of present value discount on deferred payment contracts. Discount initially booked through resident obligation. Unwound over the deferred terms until settlement

Gap between interest paid and expense decreased

Interest paid has slightly increased from the prior year due to a higher average debt balance in FY13

Interest expense has increased as a result of the change in application of the policy on capitalised interest combined with the impact of lower capitalised interest on projects that have been identified for disposal or active development has been suspended

Deferred Interest – Residential

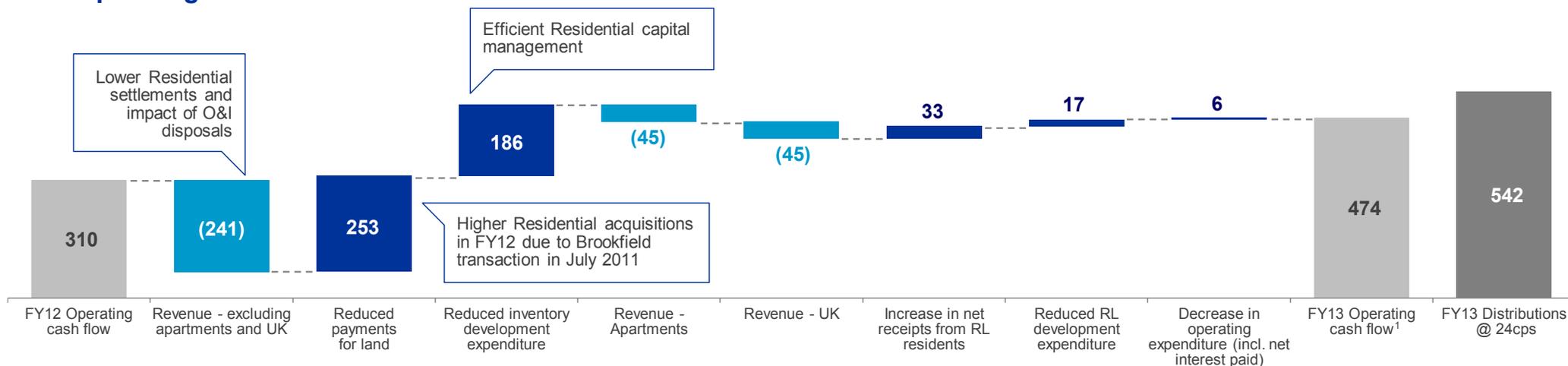
Non-cash adjustment for unwinding of present value discount on land acquisitions on deferred terms:

Discount initially booked through balance sheet (inventory and land creditor)

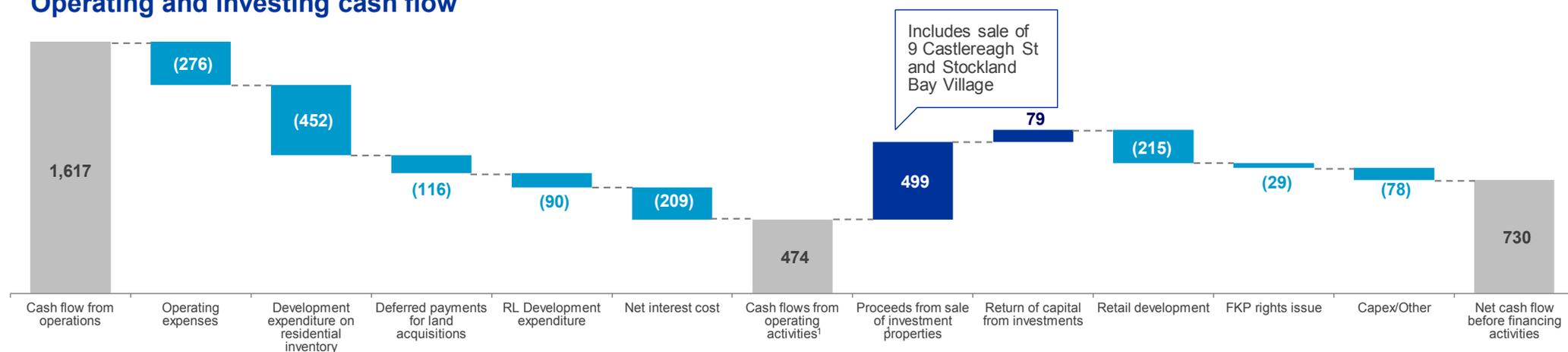
Unwound over same period through P&L therefore always profit neutral in each period

Cash flow

Net operating cash flow movement FY12 to FY13



Operating and investing cash flow

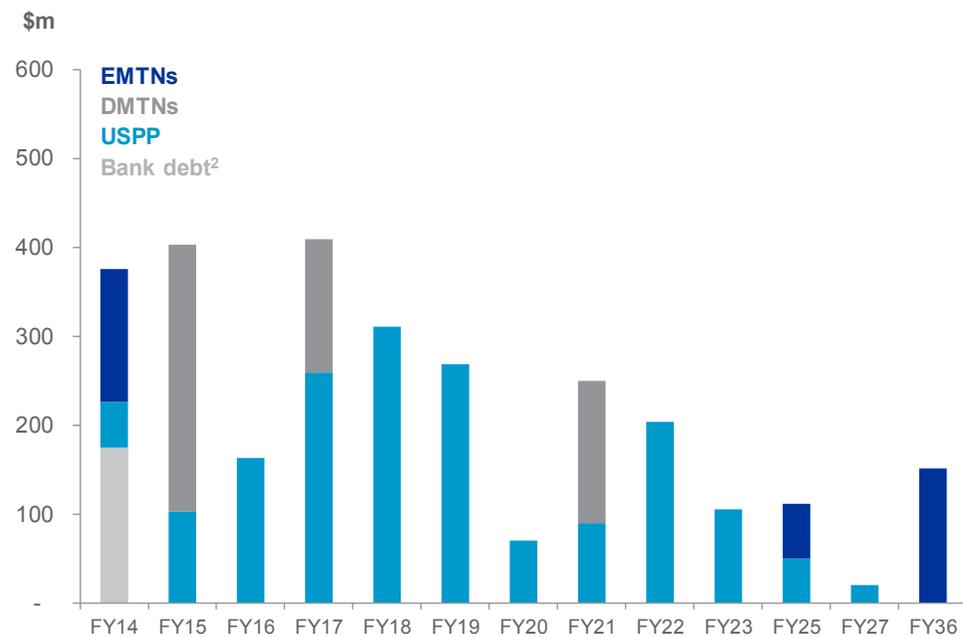


1. Differs to operating cash flow disclosed in the Financial Report as Retirement Living capital and development expenditure, Commercial Property fit-out and disposal proceeds relating to UK equity investments are all treated as investing cash flows for statutory purposes but shown here as operating cash flows

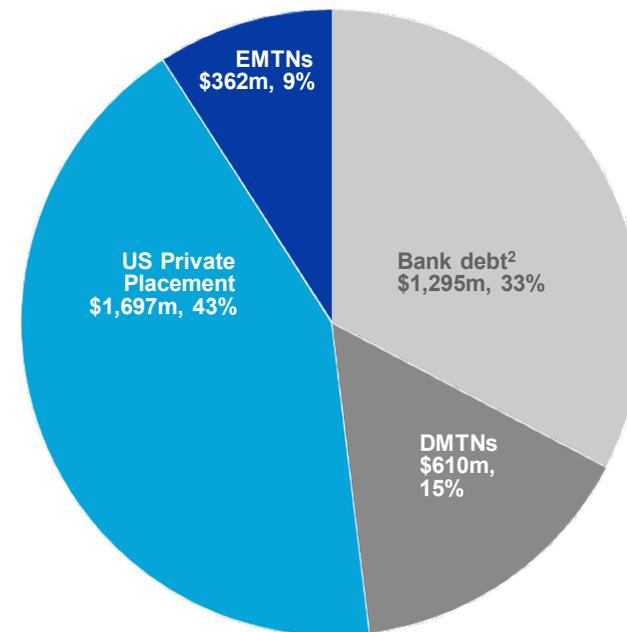


Prudent capital management strategy underpinned by long dated diverse debt sources

Long-dated drawn debt maturity profile (WADM 5.4 yrs)¹



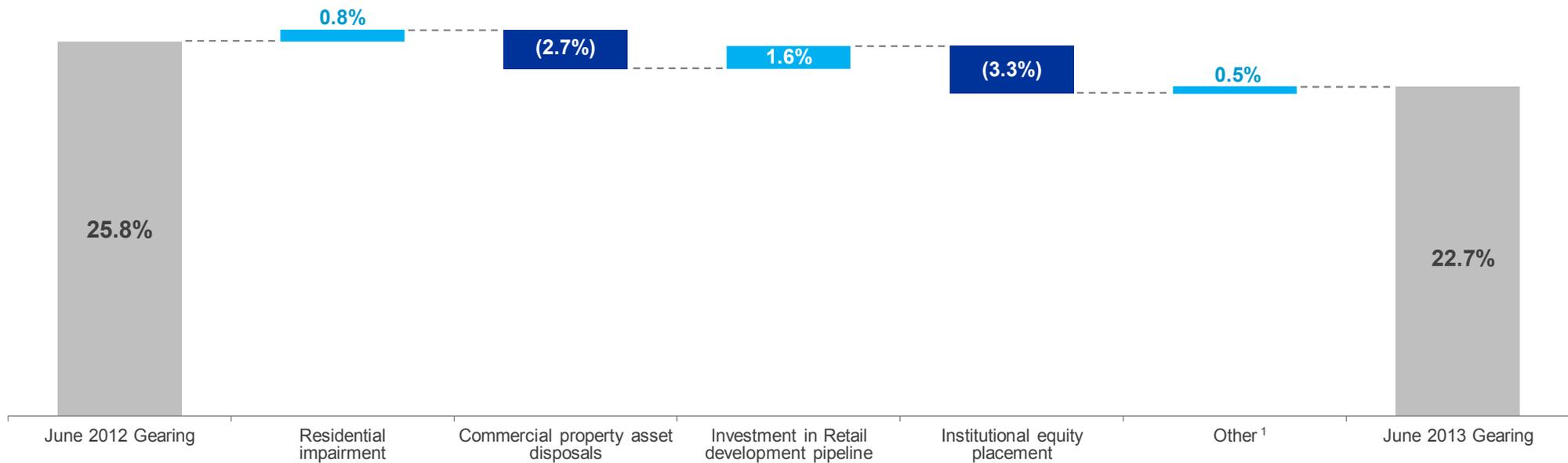
Diverse debt sources – Committed Facilities



1. Excludes bank guarantees of \$0.2b and cash on deposit of \$0.2b
 2. Includes \$175m of principal repayments of EMTN being restructured under cross currency interest rate swap

Gearing maintained within target range

Gearing movement FY12 to FY13



1. Includes Operating cash flow, Capex, Investment in FKP and recognition of future possible obligations in relation to put options for purchase of land



Debt summary

Facility	Facility limit (\$m) ¹	Amount drawn (\$m) ^{1,2}
Bank Debt	1,120	-
Commercial Paper	-	-
Other ³	175	175
Domestic Medium Term Notes	610	610
European Medium Term Notes	149	149
USPP	1,697	1,697
Asian Medium Term Notes	213	213
Total Debt	3,964	2,844

Facility	Facility limit (\$m) ¹	Amount drawn (\$m)	Facility maturity
Bank Debt			
- Multi option facility - Australia	100	-	Nov 2013
- Multi option facility - Australia	100	-	Jul 2014
- Multi option facility - Australia	120	-	Aug 2014
- Multi option facility - Australia	100	-	Sep 2014
- Multi option facility - Australia	100	-	Dec 2014
- Multi option facility - Australia	100	-	Nov 2015
- Multi option facility - Australia	175	-	Dec 2015
- Multi option facility - Australia	150	-	Feb 2017
- Multi option facility - Australia	175	-	Nov 2017
Bank Debt	1,120	-	
- Other ³	175	175	Oct 2013
Total Bank Debt and Other	1,295	175	

Debt Capital Markets

A\$75.5m DMTN were repaid in May 2013

12 year HKD470m EMTN (A\$61.8m) were issued 30 May 2013

Bank Debt

No change to total bank facilities

Sufficient liquidity to manage refinance and investment requirements

1. Facility limit excludes bank guarantees of \$0.3b for which \$0.2b was utilised as at 30 June 2013
2. Amount excludes borrowing costs and fair value adjustments
3. Facility limit and amount drawn is the result of \$175m of principal repayments of EMTN being restructured under cross currency interest rate swap



Debt summary (continued)

Facility	Issued debt (\$m) ¹	Facility maturity
Domestic Medium Term Note Facility (MTN)		
- MTN	300	Feb 2015
- MTN	150	Jul 2016
- MTN	160	Nov 2020
Total Domestic	610	
Offshore Medium Term Note Facility (MTN)		
- European MTN	149 ²	Oct 2013
- Asia MTN	62	May 2025
- Asia MTN	151	Aug 2035
Total Offshore	362	

Facility	Issued debt (\$m) ¹	Facility maturity
USPP		
- USPP	51	Jul 2013 ³
- USPP	28	Jul 2014
- USPP	75	Jun 2015
- USPP	64	Jul 2015
- USPP	99	Oct 2015
- USPP	62	Jul 2016
- USPP	27	Oct 2016
- USPP	170	Jun 2017
- USPP	61	Oct 2017
- USPP	250	Jun 2018
- USPP	269	Oct 2018
- USPP	71	Jul 2019
- USPP	90	Jul 2020
- USPP	176	Sep 2021
- USPP	28	Jun 2022
- USPP	105	Aug 2022
- USPP	50	Aug 2024
- USPP	21	Jun 2027
Total USPP	1,697	

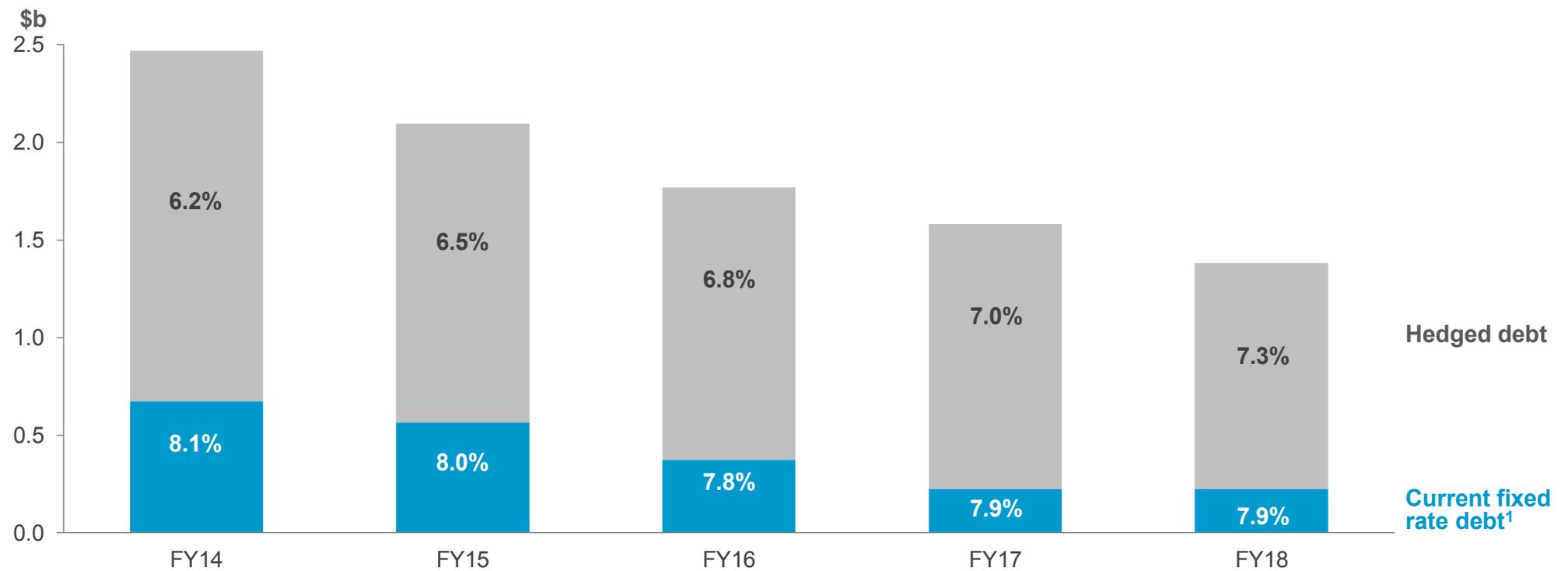
1. Amount relates to face value of debt and excludes borrowing costs and fair value adjustments

2. During the prior year Stockland repurchased EMTN of \$295m (£190m), with remaining \$175m in cross currency interest rate swaps being reported as Other on previous slide

3. USPP were repaid in July 2013

Fixed debt / hedge profile

Current high fixed hedge ratio due to lower than expected debt levels post the GFC



1. Higher current fixed debt rates is due to higher base rates and credit spreads charged on debt with longer maturities (~7 years)



Balance sheet summary

\$m	30 June 2013	30 June 2012
Cash	227.1	135.6
Real estate related assets		
- Commercial Property	7,866.0	8,134.4
- Residential	2,310.5	2,554.8
- Retirement Living (including Aged Care)	1,110.9	1,134.8
- UK	72.2	93.4
Retirement Living gross up (excluded for gearing purposes)	1,786.4	1,699.2
Intangibles	116.6	116.6
Derivative assets	159.2	212.7
Other assets	420.8	452.4
Total assets	14,069.7	14,533.9
Interest-bearing liabilities	(2,461.5)	(2,867.6)
Retirement Living resident obligations ¹	(1,829.4)	(1,753.4)
Derivative liabilities	(668.2)	(809.6)
Other liabilities	(915.7)	(875.9)
Total liabilities	(5,874.8)	(6,306.5)
Net assets	8,194.9	8,227.4
NTA per share	\$3.50	\$3.68

1. This amount comprises of \$1,786m of existing resident obligations and Aged Care accommodation bonds (30 June 2012: \$1,699m), being a balance sheet gross up and \$43m of ex-resident obligations (30 June 2012: \$54m)

Significant headroom to covenant requirements

As at 30 June 2013 \$m	Statutory Balance Sheet	Adjustments	Gearing Covenant Balance Sheet
Assets			
Cash	227	-	227
Real estate related assets	11,360	-	11,360
Retirement Living Gross-Up	1,786	(1,786)	-
Intangibles	117	(117)	-
Derivative assets	159	(159)	-
Other assets	421	-	421
Total assets	14,070	(2,062)	12,008
Liabilities			
Interest-bearing liabilities	(2,462)	(375)	(2,837)
Net Retirement Living resident obligations	(1,829)	1,786	(43)
Derivative liabilities	(668)	668	-
Other liabilities	(916)	-	(916)
Total liabilities	(5,875)	2,079	(3,796)
Net assets	8,195	17	8,212

B

A

A

B

A

All lenders have consistent covenants

Total liabilities/total tangible assets (TL/TTA): 45%
No adjustment made for cash held

Interest cover: 2:1 (write-downs and provisions are excluded from calculation)

Gearing covenant limited to Stockland's balance sheet liabilities and excludes:

MTM of hedges and interest-bearing liabilities

A

Net Retirement Living obligation for existing residents

B

	Interest Cover ¹	TL/TTA	D/TTA (net of cash)
30 June 2013	3.0:1	31.6%	22.7% ²
31 December 2012	3.4:1	35.6%	27.6%
30 June 2012	3.8:1	34.0%	25.8%
30 June 2011	5.3:1	31.8%	22.0%

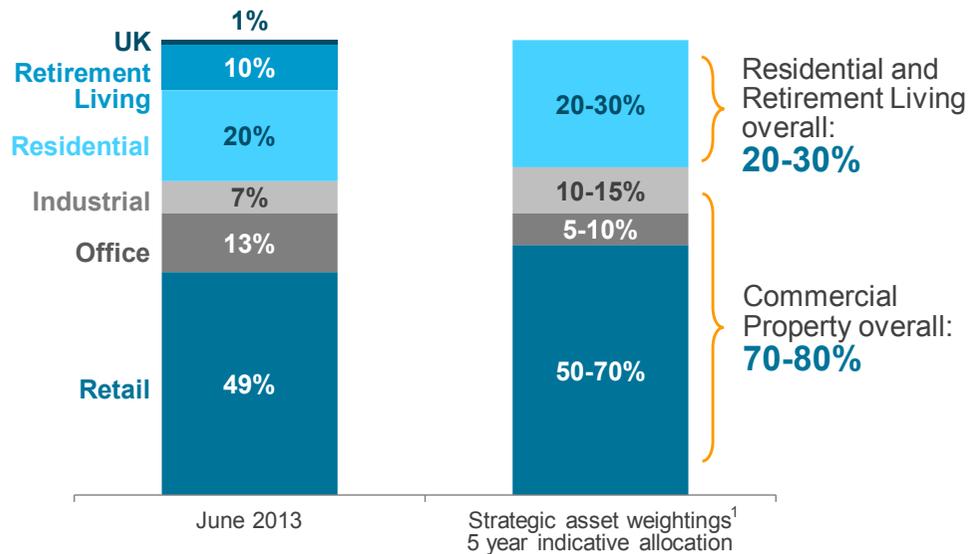
Interest cover impacted by challenging residential market conditions and investment in development pipeline for future returns. Expected to increase through improved earnings and lower interest following recent equity raising

1. Rolling 12 month average

2. Debt = Interest bearing debt (\$2,837m) + Stockland's share of debt drawn in joint ventures (\$74m) + transaction costs (\$7m) - Cash (\$227m)
TTA = Total assets (\$12,008m) + Stockland's share of assets held by joint ventures (\$74m) - Cash (\$227m)

Strategic asset weightings to deliver reliable EPS growth over time

Real estate asset mix



	Assets 30 June 2013	Operating Profit FY13
Recurring		
Retirement Living	8%	6%
Commercial Property	69%	93%
Unallocated corporate overheads	-	(5%)
Total recurring	77%	94%
Trading		
Residential	20%	11%
Retirement Living	2%	1%
UK and unallocated corporate overheads	1%	(6%)
Total trading	23%	6%

1. Strategic asset weightings outlined at Investor Update & Strategic Review, May 2013

Stockland Corporation statutory income tax reconciliation

\$m	FY13	FY12
Statutory Group profit before tax	33	457
Less: Trust profit	(647)	(606)
Add: Intergroup eliminations	-	11
Corporation loss before tax	(614)	(138)
Add / (Less): Non-deductible / (assessable) items	16	(1)
UK losses not recognised / (UK utilisation of previously unrecognised tax losses)	-	(7)
Corporation adjusted taxable loss	(598)	(146)
Tax benefit @ 30%	179	44
Prior period true-ups	1	(4)
Tax expense transferred from Foreign Currency Translation Reserve to the P&L on wind-down of the investment in the UK	(2)	(10)
Non-recognition of income tax benefit ¹	(106)	-
Tax benefit	72	30
Effective tax rate (A / B)	12%	22%
Effective tax rate (if \$106m tax benefit was recognised)	29%	22%

1. An assessment of the recoverability of the Deferred Tax Asset (DTA) on carry forward losses has been made to determine if the carrying value should be reduced. The assessment for the period has determined that a tax benefit of \$106.4m is not currently considered recoverable with sufficient certainty and accordingly has not been recognised. The DTA not recognised during the period is equivalent to the tax benefit related to the write-down of inventory in Australia. At each reporting period, the recovery of DTA will be reassessed. Depending on this outcome this may lead to the partial or full recognition of this \$106.4m unrecognised tax benefit in future reporting periods

Decline in ROE due to ongoing soft Residential market conditions

	FY13			FY12			Commentary
	Cash Return (\$m)	Avg. Cash Invested (\$b)	Return on Investment	Cash Return (\$m)	Avg. Cash Invested (\$b)	Return on Investment	
Retail	330	4.1	8.1%	310	3.9	8.0%	Completion of development projects will drive ROA growth
Industrial	67	0.7	9.0%	80	0.9	8.7%	
Office	137	1.6	8.3%	158	2.1	7.4%	Increased Office returns post disposals
Residential Communities - Core	129	1.5	8.7%	231	1.5	15.2%	Impacted by declining trading conditions
Retirement Living	45	1.0	4.5%	41	1.0	4.2%	Improving returns as portfolio matures
Core Business ROA (sub-total)	707	9.0	7.9%	820	9.4	8.7%	
Residential Communities - Workout	(9)	0.7	(1.3%)	22	0.7	3.0%	Recycle capital from impaired projects
UK/Apts/FKP & working capital	(15)	0.5	(3.1%)	25	0.7	3.5%	Sale of impaired Apartments projects and reduced profit contribution from UK
Other Assets ROA (sub-total)	(24)	1.2	(2.0%)	47	1.4	3.3%	
Unallocated Overheads	(60)	-	-	(50)	-	-	FY13 includes \$12m restructure costs
Group ROA	623	10.2	6.1%	818	10.8	7.6%	
Interest/net debt	(209)	(3.3)	6.4%	(205)	(3.3)	6.2%	
Group ROE	414	6.9	6.0%	613	7.4	8.2%	

Simple, cash focused approach in assessing capital management

Stockland Return on Assets and Return on Equity methodology

	Numerator	Denominator
Residential (incl. Apartments)	EBIT (including EBIT from impaired projects ¹) less overheads	Net Funds Employed (NFE) (excluding capitalised interest and adding back impairment provision ²) average for the 12 month period
Commercial Property	IFRS net operating income plus amortisation of lease incentives less overheads	Average cost + capital additions + lease incentives + development work in progress Business unit overheads are allocated across the asset classes based on NOI contribution
Retirement Living	EBIT ³ less overheads	Average Net Funds Employed ³ (including inventory, development expenditure, cash paid for acquired DMFs and goodwill, excluding capitalised interest, impairment and revaluations)
Other - UK, FKP, working capital and unallocated overheads	EBIT less overheads	Average Net Funds Employed (excluding capitalised interest, fair value movements) + average working capital (excluding derivatives, deferred taxes and distribution provision)
Debt Funding	Cash interest paid less interest income received	Average drawn debt (net of cash on hand)

1. EBIT contribution from impaired projects is before the release of impairment provision
2. Impairment provision excluded to gross the denominator up to total cash invested
3. Including Aged Care



Reconciliation between ROE table values and accounting results

Reconciliation of group return in ROE calculation to Underlying Profit

\$m	FY13	FY12
Group Return	414	613
Capitalised Interest expensed in COGS	(131)	(89)
Capitalised interest for the year	133	157
Add-back impairment release in COGS	79	30
Add-back investment property incentives adjustment	(51)	(43)
Tax and other	51	8
Underlying Profit	495	676

Reconciliation of capital employed in ROE calculation to statutory net assets

\$b	Average for FY13	Average for FY12
Group capital employed (Net Assets)	6.9	7.4
Commercial Property revaluations	1.4	1.2
Residential Communities (RC) capitalised interest	0.5	0.5
RC and Apartments impairment	(0.4)	(0.3)
Retirement Living DMF revaluations	0.2	0.2
UK impairment and FKP fair value	(0.2)	(0.2)
Non-cash working capital and other	(0.2)	(0.3)
Statutory net assets (average for the period)	8.2	8.5

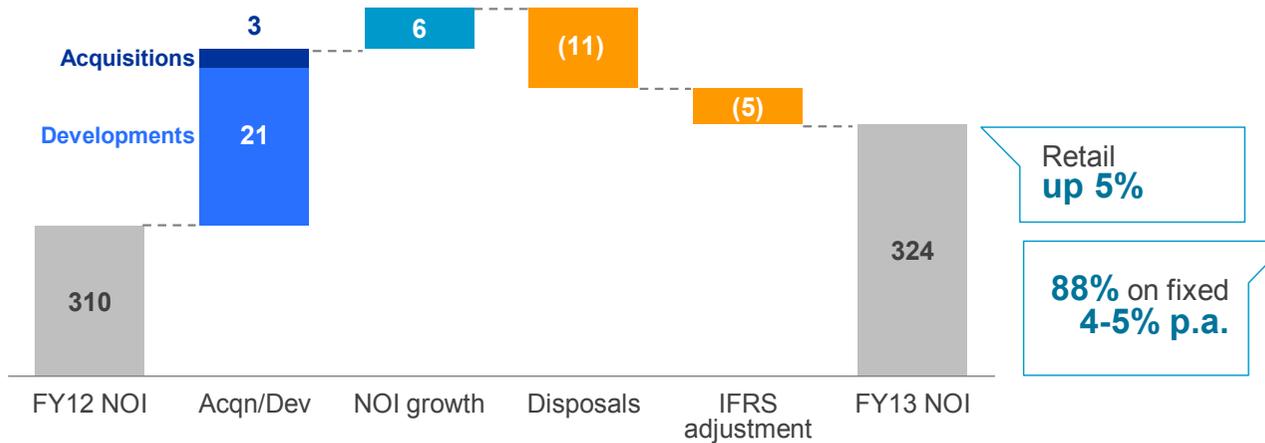
Commercial Property



**Stockland
Hervey
Bay**

Retail performance

Retail NOI movements between FY12 and FY13 (\$m)



Renewals driving income growth

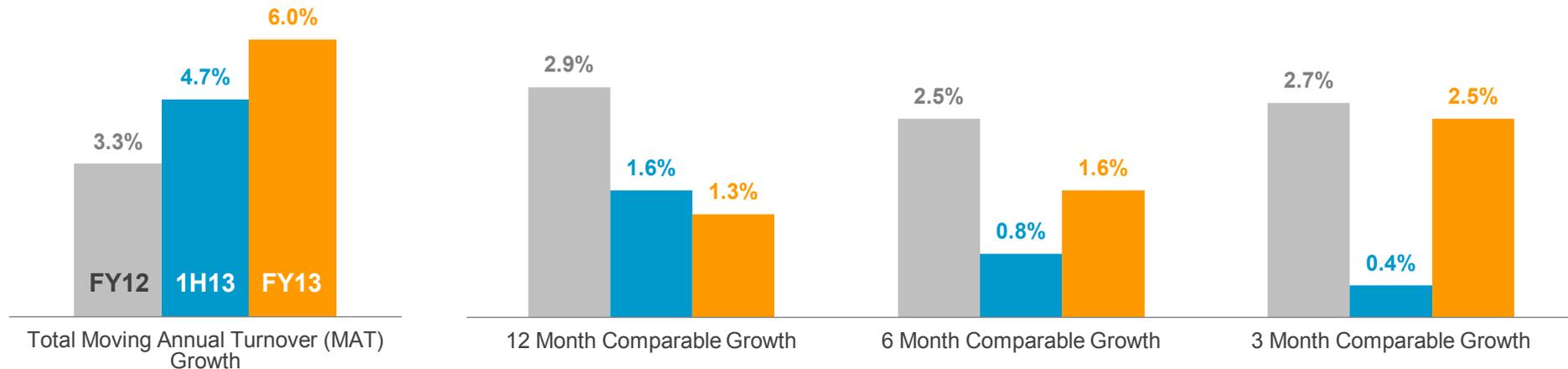
	No. of Deals	Area (sqm)	Rental growth	Incentive	
Lease renewals	217	29,149	3.4%	-	-
New leases	181	24,154	1.8%	6.9 months	9.1% ²
Total portfolio	398	53,303	2.7%		

Key metrics	FY13	FY12
Occupancy	99.4%	99.4%
Specialty occupancy costs	14.0%	14.1%
Specialty store leases:		
- Fixed annual increases	91%	86%
- CPI+	9%	14%
Tenant retention	75%	76%
Weighted average lease expiry ¹	6.4 years	5.9 years

51 vacant shops,
53% casually leased out and
 generating income at 30
 June 2013

1. Assumes all leases are terminated at earliest of expiry/option date. If all call options are exercised to the end of the lease terms, the WALE is 10.6 years
 2. Incentive capital as a percentage of total rent over the primary lease term only

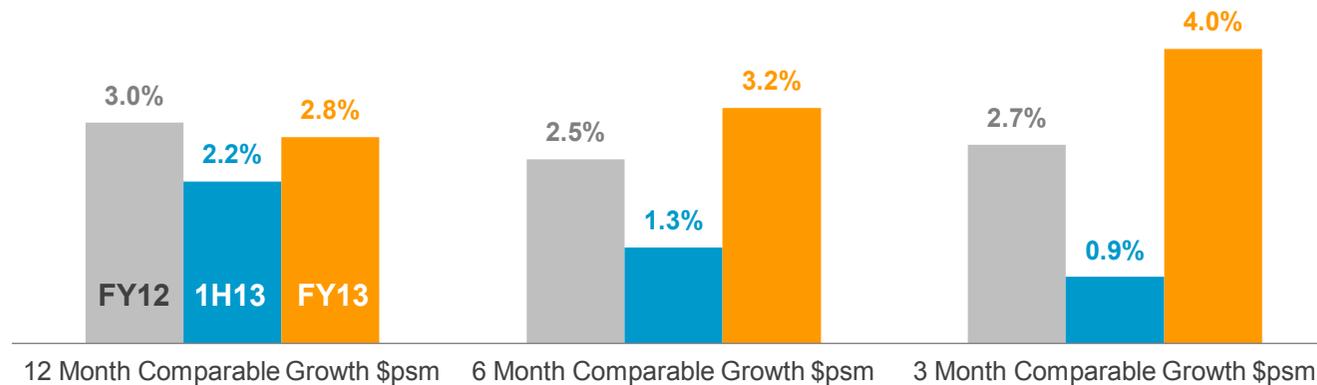
Stockland retail sales growth



	Total MAT (\$m)	SGP Total MAT Growth	ABS Total MAT Growth	12 mth Comparable Growth	6mth Comparable Growth	3mth Comparable Growth
Supermarkets	2,358	5.9%	4.0%	3.1%	4.3%	7.3% ¹
Department ² / DDS	885	5.0%	(0.2%)	0.6%	2.3%	4.7% ¹
Specialties	1,630	8.3%	2.2%	0.3%	(0.7%)	(2.5%) ³
Mini Majors/ Cinemas/Other	993	3.3%	n/a	(0.8%)	(1.7%)	(2.1%)
Total	5,866	6.0%	2.5%	1.3%	1.6%	2.5%

1. Coles, Woolworths, and DDS include an extra week of trading in 4Q13 compared to 4Q12
2. Includes Myer at Stockland Townsville (Qld) and Myer at Shellharbour (NSW)
3. Some specialty groups reported one less week of trading in 4Q13 compared to 4Q12

Stockland retail sales growth per square metre



	12 mth Comparable Growth	6mth Comparable Growth	3mth Comparable Growth
Supermarkets	5.3%	6.5%	9.5% ¹
Department ² / DDS	0.6%	2.3%	4.7% ¹
Specialties	2.7%	1.8%	(0.1%) ³
Mini Majors/ Cinemas/Other	1.1%	0.1%	(0.3%)
Total	2.8%	3.2%	4.0%

1. Coles, Woolworths, and DDS include an extra week of trading in 4Q13 compared to 4Q12
2. Includes Myer at Stockland Townsville (Qld) and Myer at Shellharbour (NSW)
3. Some specialty groups reported one less week of trading in 4Q13 compared to 4Q12

Retail development pipeline

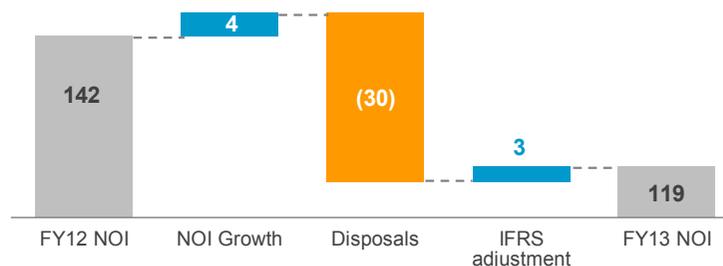
	Est. total incremental cost (\$m)	Cost spent to date (\$m)	Est. cost to complete (\$m)	Completion		Est. fully leased year 1 yield ¹ (%)	% Total income leased	% Specialty income leased ²	Est. incremental return ³ (%)	Est. total return ⁴ (%)
				Date	Est. value (\$m)					
Completed in FY13										
Merrylands	395	395	-	FY13	474 ⁵	6.5	99%	98%	N/A	10.7
Townsville	175	170	5	FY13	380 – 390	6.3	96%	95%	~13.5	~11.5
Shellharbour	330	310	20	FY14	660 – 680	7.5	93%	89%	~14.0	~12.5
	900	875	25							
Under construction										
Hervey Bay	116	15	101	FY15	180 - 190	7.5	29%	8%	~13.5	~12.0
	116	15	101							
Projects expected to commence in the next two years										
Wetherill Park	220		220	FY16	~650	7.25 – 7.50			~13.5	~12.0
Jimboomba ⁶	65		65	FY16	~80	7.25 – 7.75			~12.5	~12.5
Baldivis	125		125	FY16	~185	7.25 – 7.75			~12.0	~12.0
Harrisdale	40		40	FY15	~40	7.50 – 8.00			~12.0	~12.0
Green Hills	330		330	FY17	~680	7.00 – 7.25			~13.0	~11.5
Gladstone	175		175	FY17	~350	7.25 – 7.75			~13.0	~12.0
Wendouree	110		110	FY17	~270	7.25 – 7.50			~12.5	~11.5
	1,065		1,065							
Total	2,081		1,191							

1. Pre-IFRS stabilised incremental yield
2. All specialty income including shops, kiosks, ATMs etc
3. Unlevered 10 year IRR on incremental development from completion
4. Unlevered 10 year IRR for existing assets and incremental development from completion
5. Final independent valuation
6. 50% share only

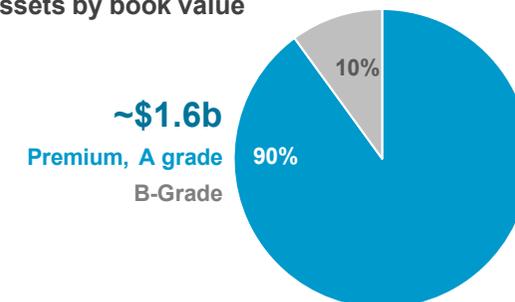
Office performance

Occupancy and lease expiry	FY13	FY12
Occupancy	96.0%	94.5%
WALE	4.6 years	4.1 years

Office NOI movements between FY12 and FY13 (\$m)



Portfolio concentrated in large quality assets
Office assets by book value



Key Office leasing deals

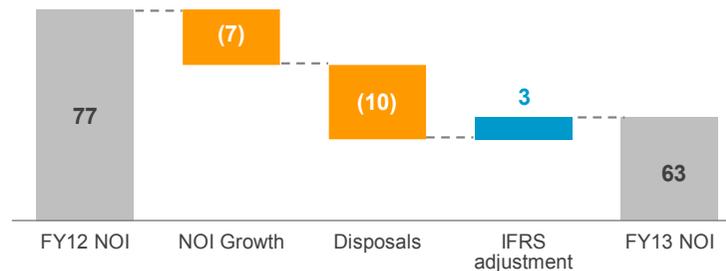
Property	Location	Building area (sqm)	FY13 area leased (sqm)	Leased to	Building WALE (years)	Comments
Waterfront Place ¹	Brisbane CBD, Qld	58,890	7,860 2,931	Minter Ellison Arrow Energy	5.7	Tenant renewal Tenant renewal
601 Pacific Highway	Sydney Metro, NSW	12,677	7,283	IBM	3.5	Tenant renewal
135 King Street ¹	Sydney CBD, NSW	27,159	2,443 1,600 1,227 1,227	Moore Stephens M&D Seviles Regus Gadens	5.1	New Tenant New Tenant New Tenant New Tenant
Piccadilly Tower	Sydney CBD, NSW	29,680	1,714 1,236 1,882	University of Sydney EWON Boulay	4.3	New Tenant New Tenant Tenant renewal
16 Giffnock	Sydney Metro, NSW	11,753	1,690	Endress + Hauser	5.2	New Tenant
2 Victoria	Perth CBD, WA	7,671	1,269	Shell	4.0	New Tenant
77 Pacific Highway	Sydney Metro, NSW	9,362	1,321	Infosys Technologies Australia	3.2	Tenant Renewal
Garden Square	Brisbane Metro, Qld	12,653	1,920	The State of Queensland	3.1	Tenant Renewal
Trinity Business Park	Sydney Metro, NSW	28,158	5,752	CSR	4.3	Tenant Renewal

1. Represents 100% property ownership. Stockland ownership is 50%

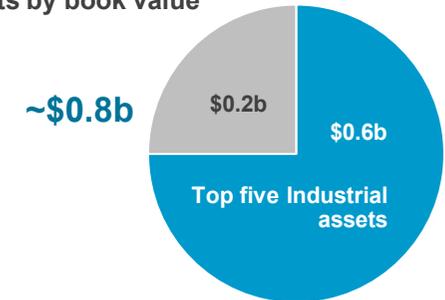
Industrial performance

Occupancy and lease expiry	FY13	FY12
Occupancy	89.1%	97.3%
WALE	3.3 years	2.7 years

Industrial NOI movements between FY12 and FY13 (\$m)



Portfolio concentrated in large quality assets
Industrial assets by book value



Key Industrial leasing deals

Property	Location	Building area (sqm)	FY13 area leased (sqm)	Leased to	Building WALE (years)	Comments
Yennora	Sydney Metro, NSW	297,594	58,801 4,345	Australian Wool Handlers Sussan Corporation	3.1	Tenant renewal Tenant renewal
Port Adelaide	Adelaide Metro, SA	167,495	36,706 10,503	ACI Vitera	2.0	Tenant renewal Tenant renewal
Hendra	Brisbane Metro, Qld	83,780	7,902 6,889	Super Retail Group Global Express (Fastways)	5.6	New Tenant Tenant renewal
20-50, 76-82 Fillo Drive and 10 Stubb Street	Melbourne Metro, Vic	71,326	18,822	Yakka	3.0	Tenant renewal
1090-1124 Centre Road	Melbourne Metro, Vic	44,352	18,348	Amcor	3.6	Tenant renewal
Toll Business Park	Melbourne Metro, Vic	52,448	17,577	Toll Holdings	3.5	Tenant renewal
9-11A Ferndell Street	Sydney Metro, NSW	47,485	17,546	Visy	4.9	Tenant renewal
Brooklyn	Melbourne Metro, Vic	129,652	12,309	Kagan Logistics	2.6	Tenant renewal

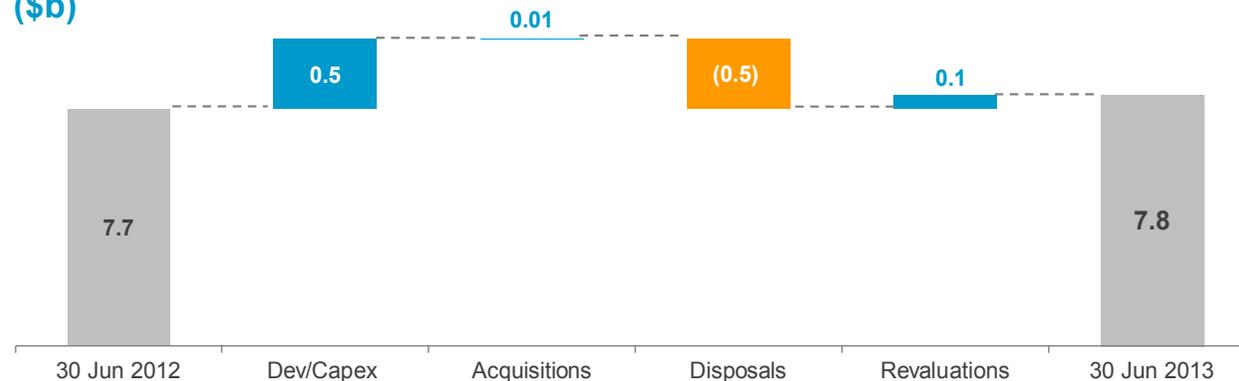
Office and Industrial tenancy retention and new leasing metrics

Office ¹	Total leased			Retention			New leases		
	GLA leased (sqm) ²	Weighted average base rent growth %	Weighted average incentives ³	Retention (sqm) ²	Increase on base rents	Weighted average incentives ³	New leases (sqm) ²	Increase on base rents	Weighted average incentives ³
Sydney CBD	11,726	2%	24%	2,966	3%	18%	8,760	1%	25%
Sydney Metro	19,800	2%	16%	15,361	3%	14%	4,439	0%	20%
Qld	14,834	10%	2%	10,461	4%	0%	4,373	23%	7%
WA	1,641	14%	3%	0	-	-	1,641	14%	3%
	48,001	5%	13%	28,788	3%	10%	19,213	7%	18%
				60% retention					
Industrial	Total leased			Retention			New leases		
	GLA leased (sqm) ²	Weighted average base rent growth %	Weighted average incentives ³	Retention (sqm) ²	Increase on base rents	Weighted average incentives ³	New leases (sqm) ²	Increase on base rents	Weighted average incentives ³
NSW	102,140	5%	9%	86,601	3%	10%	15,539	14%	3%
Qld	31,149	1%	6%	16,532	(4%)	7%	14,617	6%	4%
SA	51,913	8%	11%	47,209	9%	12%	4,704	0%	0%
Vic	102,372	(3%)	10%	80,782	(3%)	11%	21,590	(1%)	10%
	287,574	2%	9%	231,124	2%	10%	56,450	5%	6%
				80% retention					

1. Area excludes 40 Cameron Avenue due to development, 175 Castlereagh Street and 9 Castlereagh Street subsequently sold
2. Represents 100% property ownership
3. Includes executed leases only

Commercial Property revaluation and book value update

Commercial Property book values \$7.8b¹ (\$b)



22% of all investment property assets were independently valued at 30 June 2013

34% independently valued at 31 December 2012

33% of externally valued investment property assets experienced cap rate compression

Retail and Office recorded positive movements overall, driven by income growth and cap rate compression

2H13 development revaluation relates to 40 Cameron Avenue, ACT

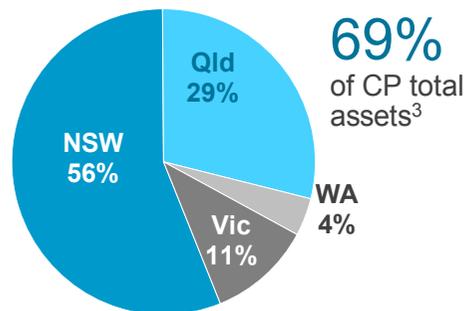
Net revaluation breakdown (\$m)	FY13
1H13 total net revaluations	35
2H13 revaluation movements	
Income growth	14
Change in cap rates	13
Developments	3
Total net revaluations	65

1. Includes assets held for sale and joint venture and associate investment properties. Excludes capital works in progress and sundry properties

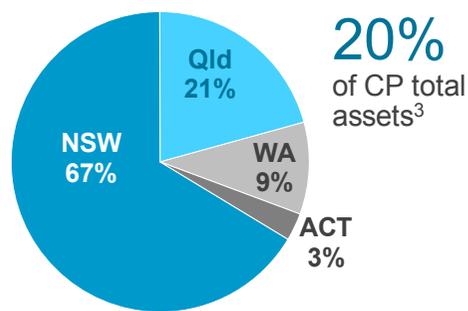
Portfolio weightings and valuation movements

Commercial Property assets - \$7.7b¹

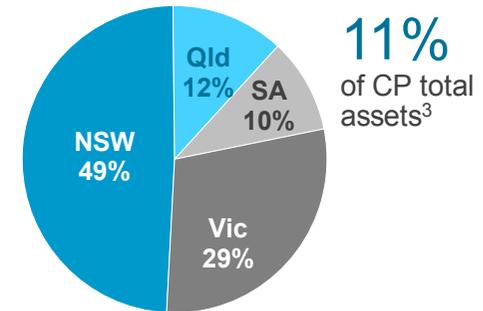
Retail - **\$5.3b**
41 properties
953,088sqm gross lettable area²



Office - **\$1.6b**
16 properties
385,342sqm net lettable area²



Industrial - **\$0.8b**
13 properties
963,047sqm gross lettable area²



	WACR Jun-13	WACR Jun-12	Book Value (\$m)	Movement (\$m)
Retail ⁴	7.0%	7.1%	5,368	98.9
Office	8.0%	7.9%	1,581	4.5
Industrial	8.8%	8.7%	832	(9.9)
Capital works and sundry properties ⁵	-	-	175	(28.8)
Total	7.4%	7.5%	7,956	64.7

1. This is consistent with the Property Portfolio, which includes assets held for sale but excludes capital works in progress and sundry properties, Townsville Kingsvale and Sunvale, Hervey Bay Central Square and Townsville KMart
 2. Represents 100% owned, JV and associates properties
 3. Based on book value at 30 June 2013
 4. Includes Townsville Kingsvale and Sunvale, Hervey Bay Central Square and Townsville KMart
 5. An independent valuation will be performed on completion of the capital works, includes Eagle Street Pier



Asset values – Retail

Retail Portfolio	Book Value (\$m)	FY13 Val. Incr/ Decr (\$m) ¹	Change	Cap Rate	FY13 IFRS NOI (\$m) ²
Stockland Shellharbour ³	634.8	53.1	8.4%	7.00%	20.5
Stockland Merrylands ³	472.9	5.1	1.1%	6.25%	16.9
Stockland Townsville ³	379.5			7.75%	16.3
Stockland Rockhampton	364.6	16.8	4.6%	6.50%	21.9
Stockland Wetherill Park	362.3			6.75%	25.2
Stockland Green Hills	276.8			6.75%	19.4
Stockland Glendale	259.4			6.75%	17.1
Stockland Cairns	217.0	(2.5)	(1.1%)	6.75%	13.8
Stockland Point Cook	187.0			7.25%	12.7
Stockland Burleigh Heads	151.5	3.4	2.3%	7.75%	10.0
Stockland The Pines	139.2	(8.1)	(5.8%)	7.50%	10.8
Stockland Forster	135.5	2.4	1.8%	7.50%	9.8
Stockland Jesmond	123.4	0.7	0.5%	7.88%	9.1
Stockland Gladstone	118.5	14.3	12.1%	7.50%	9.4
Stockland Balgowlah	115.2	2.5	2.1%	7.25%	6.7
Stockland Wendouree	114.7			7.50%	8.7
Stockland Baulkham Hills	109.6			7.50%	7.4
Stockland Caloundra	106.4			7.50%-7.75%	7.7
Stockland Nowra	88.8	2.1	2.3%	7.75%	6.7
Stockland Cleveland	86.6	3.3	3.8%	7.50%	6.0
Stockland Bull Creek	90.5	7.2	8.0%	7.75%	6.3
Stockland Traralgon	79.7			7.75%	6.7
Stockland Bathurst	77.6			8.00%	6.3
Stockland Hervey Bay	64.5			7.50%	3.1

1. Movements due to independent valuations. Except for Shellharbour, which is subject to independent valuation upon completion
2. NOI is post-IFRS and includes adjustments for straight-lining rental income, amortisation of lease fees and amortisation of incentives

Retail Portfolio	Book Value (\$m)	FY13 Val. Incr/ Decr (\$m) ¹	Change	Cap Rate	FY13 IFRS NOI (\$m) ²
Stockland Corrimal	61.8	1.5	2.4%	8.00%	4.8
Stockland Riverton (50%)	60.5	4.7	7.8%	7.50%	4.6
Stockland Piccadilly	54.8			7.25%-8.25%	2.9
Stockland Wallsend	53.1			8.25%	4.3
Stockland Tooronga	50.3	0.2	0.3%	7.25%	3.0
Shellharbour Retail Park	48.0			8.25%	4.0
Stockland Baldivis	46.1			7.50%	2.9
Townsville Kmart	39.0			N/A	2.7
Glasshouse	32.0	(9.0)	(28.2%)	6.90%-7.30%	1.3
Stockland Cammeray	32.2	0.9	2.8%	7.50%	2.2
Stockland Highlands	24.8			8.00%	1.3
North Shore Townsville	19.8			7.50%	1.3
Jimboomba (50%)	16.5			8.75%	1.3
Burleigh Central	16.3	0.4	2.5%	9.25%	1.3
Woolworths Toowong ³	13.5	(0.1)	(1.0%)	N/A	0.3
Adelaide Street Plaza	11.4			9.75%	1.1
Vincentia SC	10.9			10.00%	1.0
Merrylands Court	9.5			9.00%	0.4
T/ville, Kingsvale & Sunvale ³	5.5		(2.1%)	N/A	0.3
Hervey Bay Central Square	5.8			9.00%	0.4
Subtotal Retail	5,367.8	98.9			319.9
Disposals ⁴					1.8
Other ⁵		(11.8)			2.0
Total Retail	5,367.8	87.1			323.7

3. Properties impacted by development in FY13
4. Includes disposed property: Bay Village
5. Relates to sundry properties and properties with capital works in progress



Asset values – Office

Office Portfolio	Book Value (\$m)	FY13 Val. Incr/ Decr (\$m)	Change	Cap Rate	FY13 IFRS NOI (\$m) ¹
Piccadilly Tower ²	271.9			7.25%	16.7
Waterfront Place (50%)	264.0	12.0	4.5%	7.25%	18.2
Trinity Business Campus	170.2	3.6	2.2%	7.75%	10.1
Durack Centre	152.5	2.8	1.8%	9.00%	13.4
Optus Centre (31%)	116.2	(1.1)	(0.9%)	7.50%	9.7
135 King Street (50%)	99.9	(1.9)	(1.9%)	7.30%	4.5
78 Waterloo Road	72.1	(1.3)	(1.8%)	7.75%	5.1
601 Pacific Highway	68.5			8.50%	5.7
60-66 Waterloo Road	65.6	(2.9)	(4.4%)	8.50%-9.25%	6.0
77 Pacific Highway	55.0	(0.5)	(0.9%)	8.50%	3.8
Piccadilly Court	41.6			8.25%	1.5
Garden Square	38.2	(1.1)	(2.8%)	9.38%	3.2
16 Giffnock Avenue	35.9	0.6	1.7%	8.75%	2.7

Office Portfolio	Book Value (\$m)	FY13 Val. Incr/ Decr (\$m)	Change	Cap Rate	FY13 IFRS NOI (\$m) ¹
Macquarie Technology Centre	34.3	(1.0)	(2.9%)	8.50%-9.25%	3.1
110 Walker Street	25.0	0.8	3.0%	8.75%	1.1
40 Cameron Avenue	44.1	3.3	7.5%	10.25%	1.3
80-88 Jephson Street	18.5	(0.4)	(2.0%)	9.00%	1.5
23 High Street	3.8	(0.1)	(3.8%)	8.25%	0.3
27-29 High Street	3.2	(0.1)	(2.8%)	8.50%	0.2
Subtotal Office	1,580.5	12.7			108.1
Disposals ³		(8.2)			10.9
Total Office	1,580.5	4.5			119.0

1. NOI is post-IFRS and includes adjustments for straight-lining rental income, amortisation of lease fees and amortisation of incentives

2. Excluding stapling adjustment relating to owner occupied space

3. Includes disposed properties: 255 St Georges Terrace, 267 St Georges Terrace, 45 St Georges Terrace, 118-120 Pacific Highway, 175 Castlereagh St and 9 Castlereagh St

Asset values – Industrial

Industrial Portfolio	Book Value (\$m)	FY13 Val. Incr/ Decr (\$m)	Change	Cap Rate	FY13 IFRS NOI (\$m) ¹
Yennora Distribution Centre	347.6			8.00%	23.8
Port Adelaide Distribution Centre	81.9	(5.0)	(6.1%)	10.00%	7.4
Hendra Distribution Centre	82.6	(0.3)	(0.3%)	9.25%	6.4
Brooklyn Estate	80.3	(2.8)	(3.4%)	9.25%	7.2
9-11A Ferndell Street	42.5	(0.4)	(0.9%)	9.25%-10.00%	4.2
20-50 Fillo Drive & 10 Stubb Street	31.8	(0.1)	(0.3%)	9.50%	1.7
1090-1124 Centre Road	31.9	(1.6)	(5.2%)	9.25%	2.8
Altona Distribution Centre	27.7	0.6	2.0%	9.25%	2.7
11-25 Toll Drive	16.4	(1.0)	(5.4%)	8.25%	1.5
2 Davis Road	16.2			9.25%	(0.2)
32-54 Toll Drive	15.3	(0.3)	(2.2%)	8.25%	1.3
56-60 Toll Drive	14.9	1.7	11.5%	8.25%	0.8
76-82 Fillo Drive	14.2	(0.3)	(2.0%)	9.00%	1.7
Export Park, 9-13 Viola Place	12.0	(0.9)	(7.8%)	9.75%	1.6
M1 Yatala Enterprise Park	8.5	0.0	0.2%	n/a	0.1
40 Scanlon Drive	8.2	0.5	6.6%	8.50%	0.6
Total Industrial	832.0	(9.9)			63.6

1. NOI is post-IFRS and includes adjustments for straight-lining rental income, amortisation of lease fees and amortisation of incentives

Commercial Property asset disposals

Property Disposed	Asset Class	Exchange Date	Settlement Date	Disposal Value (\$m)
255 St Georges Terrace, WA	Office	Jul 2012	Jul 2012	6.3
267 St Georges Terrace, WA	Office	Jul 2012	Jul 2012	21.4
Bay Village, NSW	Retail	Jun 2012	Aug 2012	164.0
45 St Georges Terrace, WA	Office	Aug 2012	Aug 2012	55.3
118 – 120 Pacific Highway, NSW	Office	Dec 2012	Dec 2012	24.2
175 Castlereagh Street, NSW	Office	Dec 2012	Apr 2013	56.0
9 Castlereagh Street, NSW	Office	Feb 2013	Mar 2013	172.5
Total Asset Disposals				499.7

Top 20 tenants by income

Retail Portfolio			Office Portfolio ¹		Industrial Portfolio	
Rank	Tenant	% Portfolio	Tenant	% Portfolio	Tenant	% Portfolio
1	Woolworths	12.9%	Optus	6.1%	Toll Holdings Limited	11.8%
2	Wesfarmers	11.9%	Sinclair Knight Merz	5.8%	O-I (ACI)	10.7%
3	Prouds Jewellers	1.6%	Stockland	5.6%	Qube Logistics	9.0%
4	Westpac Bank Corporation	1.4%	IBM Global Services	4.9%	Australian Wool Handlers	7.0%
5	Commonwealth Bank of Australia	1.3%	Shell	4.4%	Ceva (TNT)	4.1%
6	Specialty Fashion Group	1.3%	Schneider	2.9%	KMart Distribution	4.0%
7	Priceline	1.2%	Goodman Fielder	2.6%	CRT Group Pty Limited	3.5%
8	Myer	1.1%	Sony Australia Limited	2.4%	Unitised Building (Aust) Pty Ltd	2.9%
9	Just Group	1.1%	Downer EDI Engineering	2.2%	Simon Transport	2.1%
10	Terry White Chemist	1.1%	GHD Services	2.2%	Impact Fertiliser	2.0%
11	The Reject Shop	1.0%	Ernst & Young Services Pty Ltd	2.1%	Visy Industrial Packaging	1.9%
12	Best & Less	1.0%	CSR	2.0%	Williams Enterprise Group	1.9%
13	Luxottica	0.9%	Lavery Health	2.0%	Yakka Pty Ltd	1.9%
14	BB Retail Capital	0.9%	Minter Ellison Services Pty Ltd	1.7%	Ancor	1.9%
15	National Australia Bank	0.9%	Uniting Church	1.7%	NHK Pty Ltd	1.8%
16	Retail Food Group Ltd	0.8%	Merck Sharp Dohme	1.7%	Linfox Australia Pty Limited	1.4%
17	Cotton On Group	0.8%	Baulderstone Hornibrook	1.5%	Economy Parking	1.4%
18	Sussan Corporation	0.7%	Jansen Cilag Pty Ltd	1.4%	Bassell Australia Pty Limited	1.4%
19	Foodco Group	0.7%	Brookfield Australia	1.3%	Super Retail Group Services	1.3%
20	Retail Apparel Group	0.6%	Boehringer Ingelheim	1.3%	Isuzu	1.3%
		43.2%		55.8%		73.3%

1. Excludes 40 Cameron Avenue, due to development

Top 20 tenants by area

Retail Portfolio			Office Portfolio ¹		Industrial Portfolio	
Rank	Tenant	% Portfolio	Tenant	% Portfolio	Tenant	% Portfolio
1	Wesfarmers	26.3%	Optus	9.7%	O-I (ACI)	14.2%
2	Woolworths	22.4%	IBM Global Services	4.4%	Toll Holdings Limited	10.8%
3	Myer	2.5%	Sony Australia Limited	4.0%	Australian Wool Handlers	7.4%
4	Best & Less	1.5%	Sinclair Knight Merz	3.9%	Qube Logistics	7.1%
5	The Reject Shop	1.2%	Stockland	3.8%	Ceva (TNT)	3.9%
6	Retail Adventures Pty Limited	1.2%	Schneider	3.6%	United Building (Aust) Pty Ltd	3.4%
7	Metcash Trading Limited	0.9%	Goodman Fielder	3.2%	KMart Distribution	3.0%
8	Aldi Foods	0.9%	Lavery Health	3.0%	Impact Fertiliser	2.2%
9	Cotton On Group	0.8%	Downer EDI Engineering	2.6%	Yakka Pty Ltd	2.0%
10	McDonald's	0.8%	Shell	2.6%	Ancor	1.9%
11	Specialty Fashion Group	0.8%	CSR	2.3%	Visy Industrial Packaging	1.8%
12	Super Retail Group	0.7%	Merck Sharp Dohme	2.0%	Isuzu	1.4%
13	Amalgamated Holdings Limited	0.7%	Uniting Church	1.8%	Williams Enterprise Group	1.4%
14	JB HI-FI Group	0.6%	Jansen Cilag Pty Ltd	1.8%	Spendless Shoes Pty Limited	1.3%
15	Westpac Bank Corporation	0.6%	Boulderstone Hornibrook	1.7%	Kagan Logistics	1.3%
16	Commonwealth Bank of Australia	0.6%	GHD Services	1.6%	Silk Logistics	1.2%
17	Priceline	0.6%	Boehringer Ingelheim	1.6%	Simon Transport	1.2%
18	Terry White Chemist	0.6%	Alstom Power	1.5%	Economy Parking	1.2%
19	Just Group	0.5%	Minter Ellison Services Pty Ltd	1.5%	Viterra	1.1%
20	Hoyts Multiplex Cinemas	0.5%	Ernst & Young Services Pty Ltd	1.2%	Queensland Cotton Corporation Limited	1.0%
		64.7%			68.8%	

1. Excludes 40 Cameron Avenue due to development

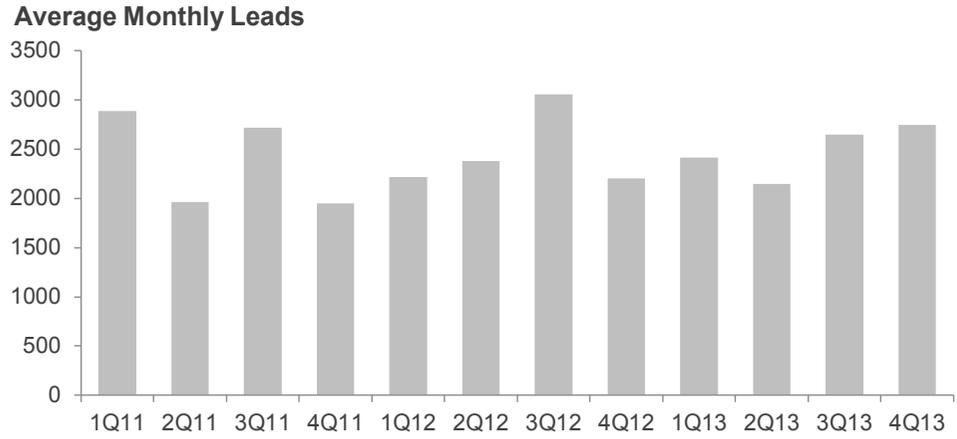
Residential



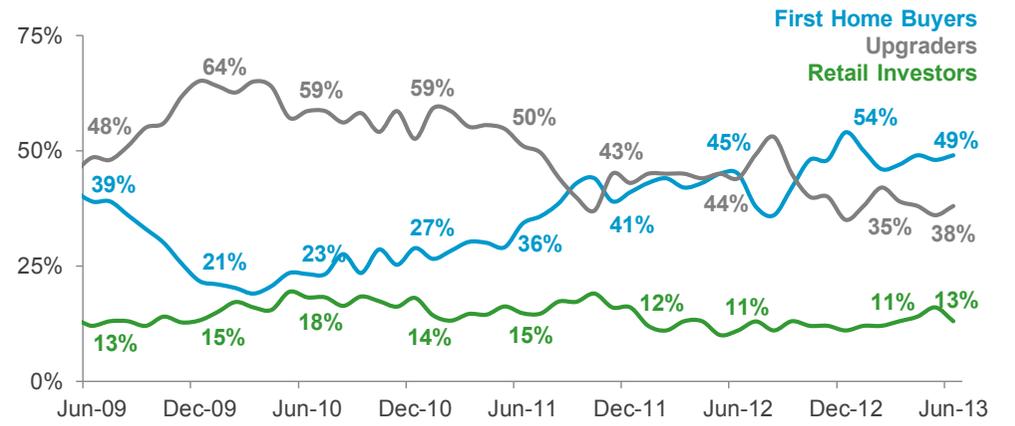
Highlands

Increased leads due to strong market conditions in WA, successful marketing campaign and new project launch

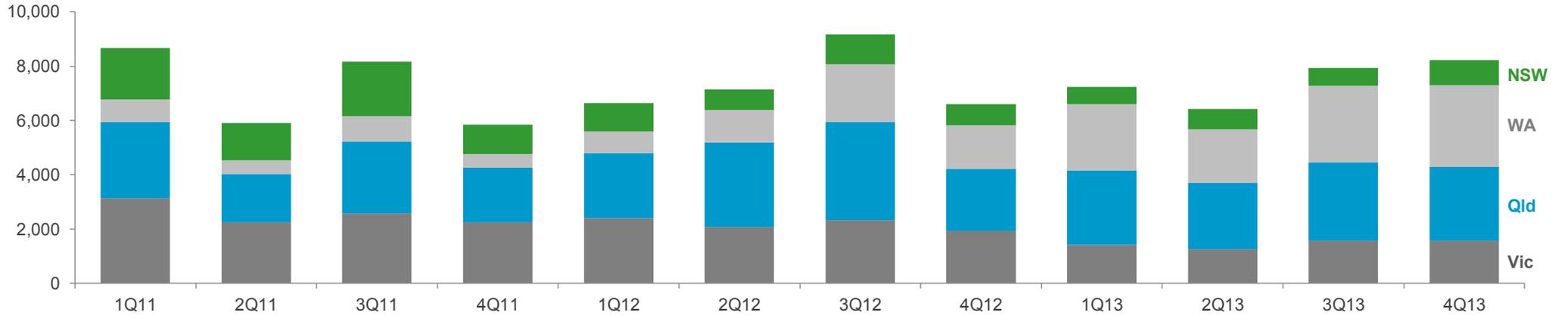
Customer lead volumes increased in 2H13 mainly out of WA



First Home Buyers remain active

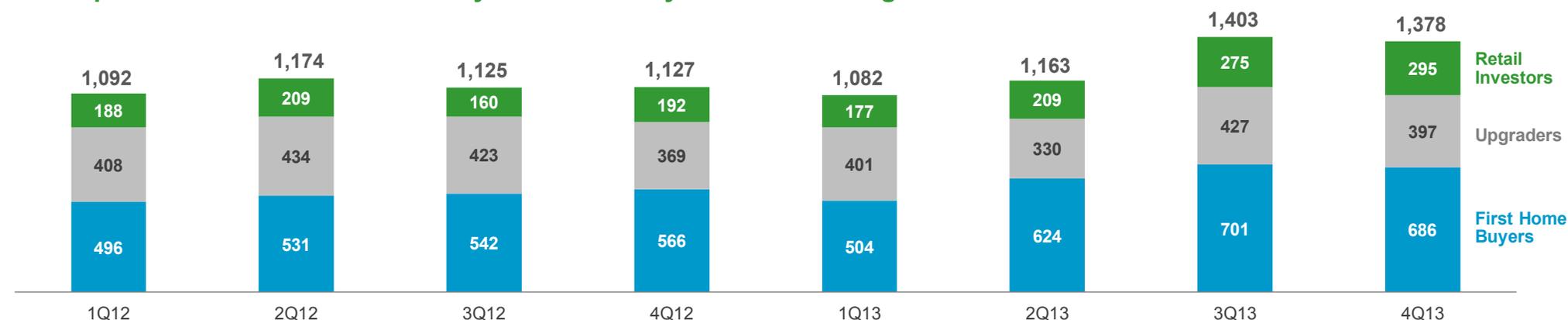


Maintained consistent strong levels of enquiry

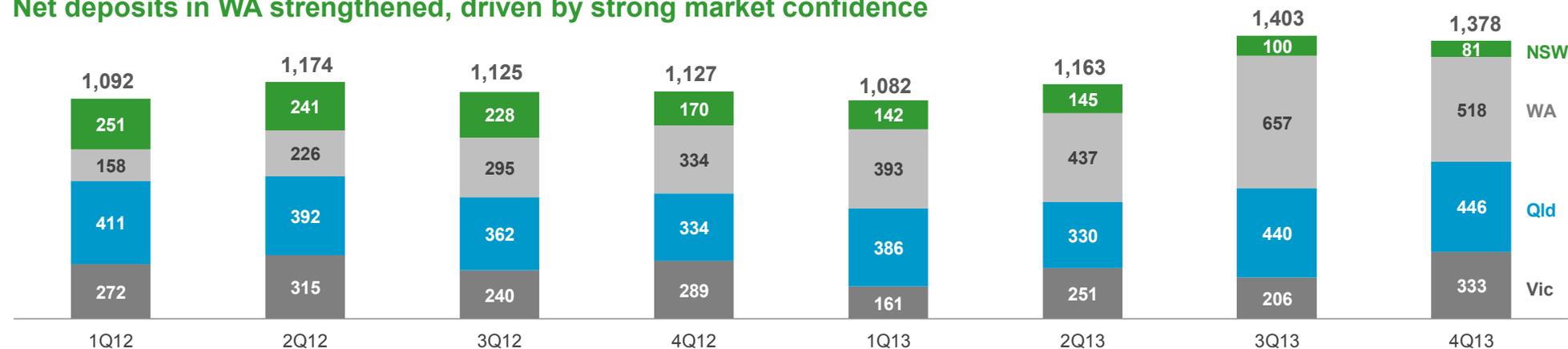


Deposit volumes strengthening supported by geographic diversity, FHB surge and increased retail investor activity

Net deposits continue to be driven by first home buyers and re-emergence of retail investors



Net deposits in WA strengthened, driven by strong market confidence

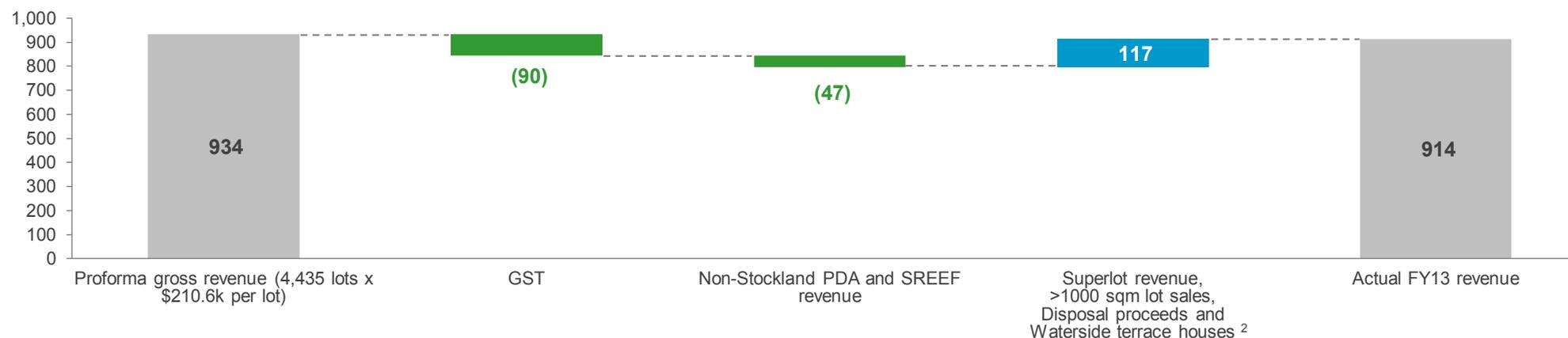


Price per sqm

Retail sales price¹

State	FY13 Settlements				FY12 Settlements			
	No. lots	Av. size per lot sqm	Av. Price per lot \$k	\$/sqm	No. lots	Av. size per lot sqm	Av. Price per lot \$k	\$/sqm
NSW	609	560	229	410	844	512	233	455
Qld	1,375	475	200	420	1,538	497	203	409
Vic	1,002	411	194	472	1,814	392	194	494
WA	1,449	417	225	539	1,036	438	234	535
Residential Communities	4,435	453	211	465	5,232	451	211	467

Revenue Reconciliation (\$m)



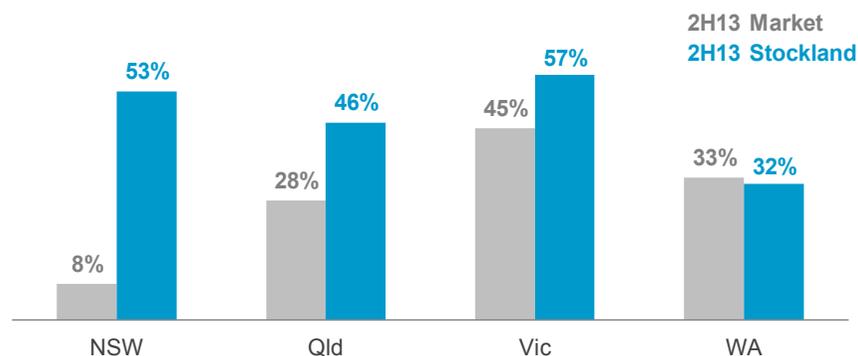
1. Average price of retail sales excludes sales of all lots over 1,000 sqm, superlot sales, disposal proceeds and Waterside Terrace houses. Average price includes GST. Includes Project Development Agreements (PDAs) and SREEF projects for which Stockland receives a part-share
2. Includes impact of Waterside terrace houses \$27m (85 lots) and wholesale disposals (Warriewood)



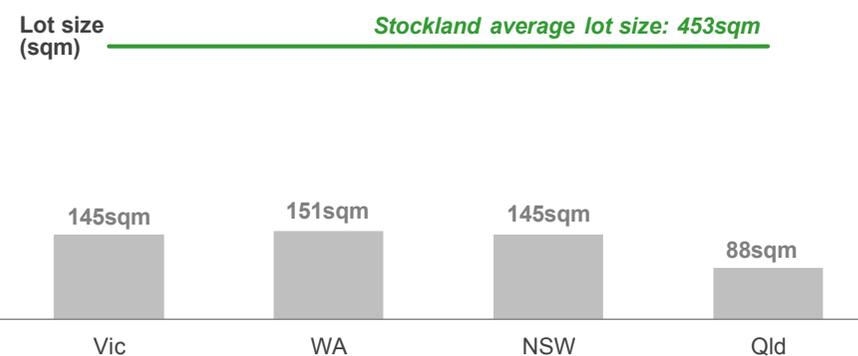
Continued focus on affordable product for our customers

Stockland projects providing more affordable product¹

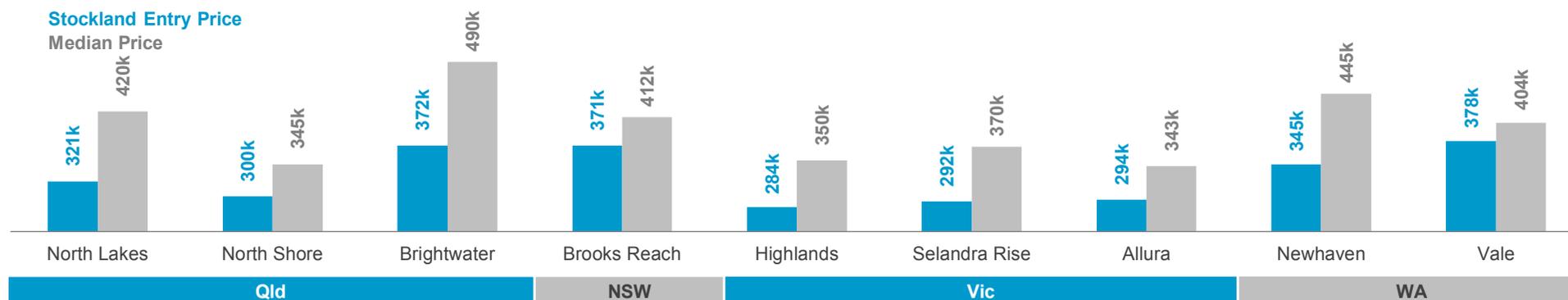
Proportion of sub \$200k lots sold



Smallest lot in each state settled in FY13



Stockland product consistently more affordable than local median house price^{2,3}



1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research
 2. Fixed Price House and Land packages for sale within Stockland House and Land Finder July 2013
 3. APM: Median value of established houses in surrounding suburbs as at June 2013

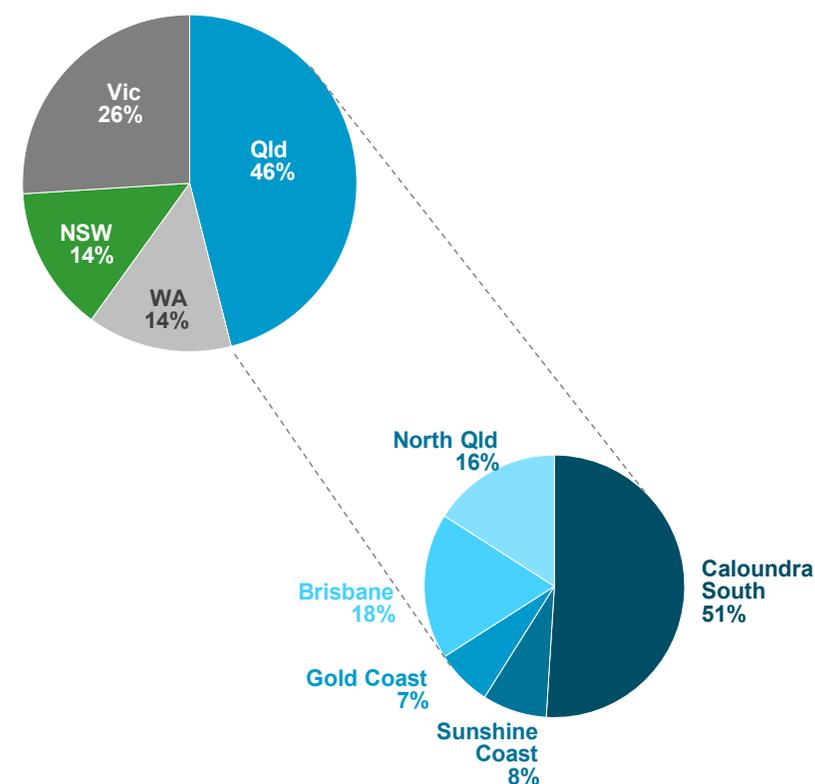


Geographically diverse portfolio underpinned by large projects

Major projects over next 3 years

State	Project	Approximate lot sales per annum ¹	Approximate remaining project lots
Qld	North Shore	310	4,082
	North Lakes	220	740
Vic	Highlands	430	3,424
	Mernda Villages	140	1,178
	Allura	180	751
	Eucalypt	130	957
	Selandra Rise	120	427
WA	Vale	350	2,500
	Whiteman Edge	330	881
	Newhaven ²	240	510
	Corimbia ²	170	327
	Banjup	n/a	1,833
NSW	McKeachies Run	130	406
	Marsden Park	n/a	2,227
	Willowdale (East Leppington)	n/a	3,112

Total Pipeline of 84,400³ lots



1. Average number of lots estimate for FY14, FY15 and FY16
2. Average number of lots estimate for FY14 and FY15 as projects complete in next two years
3. All projects are on a trade out basis

Five projects with first settlements in next two years

Summary of new projects

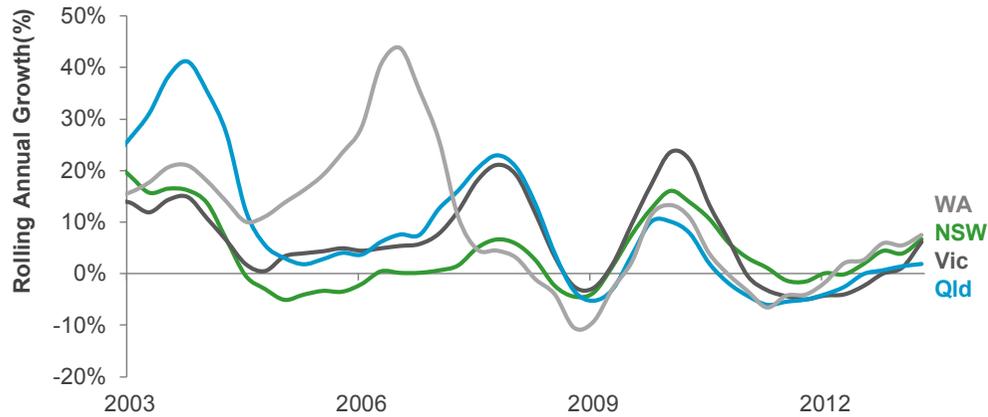
Project	Timing of first settlements	Approximate total lots in project	Approximate life of project	
NSW	Willowdale (East Leppington), SW Sydney	FY14	3,112	10 yrs
	Marsden Park, NW Sydney	FY15	2,227	10 yrs
Qld	Pallara, South Brisbane	FY15	918	7 yrs
Vic	Davis Rd, Wyndham	FY15	2,634	14 yrs
WA	Banjup, SW Perth	FY14	1,833	10 yrs
		Total lots	10,724	

Eight projects completing prior to FY16

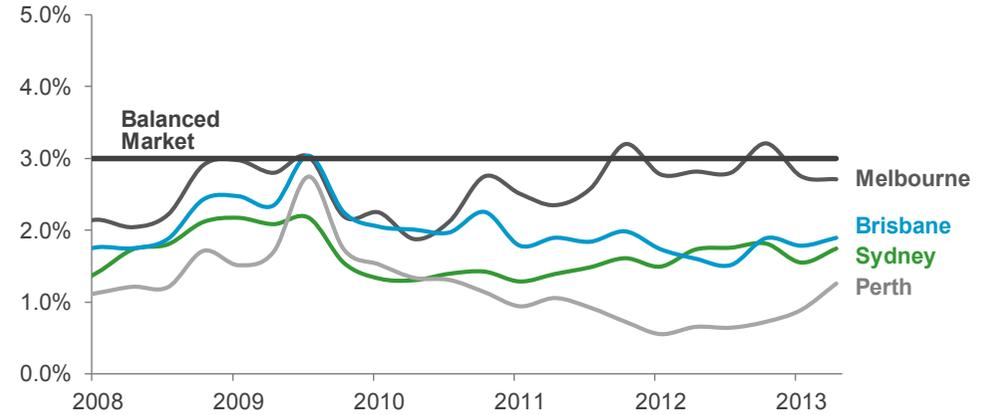
Summary of completing projects				
Project		Timing of final settlements	Approximate total Lots	Lots remaining to sell (as at 30 June 2013)
NSW	McCauleys Beach	FY14	299	18
	Glenmore Ridge	FY14	525	18
	Brooks Reach	FY15	598	388
Qld	Pacific Pines	FY14	5,000	1
WA	Townside	FY14	503	84
	Corimbia	FY15	960	327
	Newhaven	FY15	2,101	510
	Baldivis Town Centre	FY15	161	67
Total lots			10,147	1,413

Established market improving with rental markets remaining tight

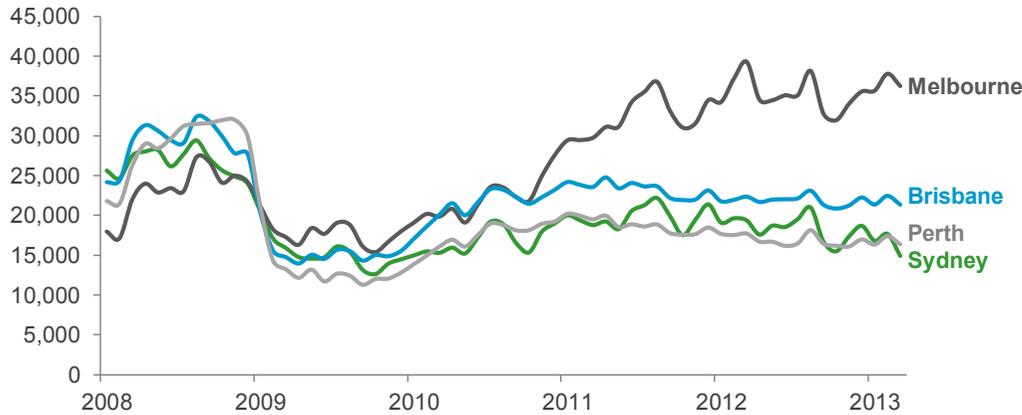
Capital city house prices rising¹



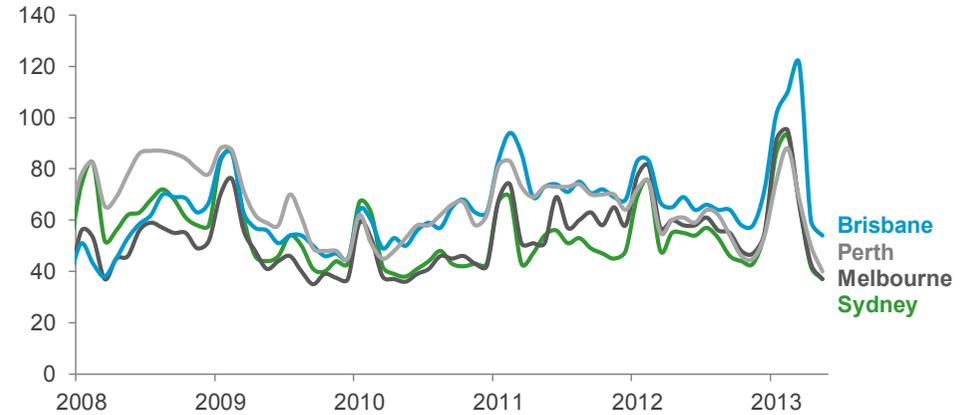
Rental vacancy still low with exception of Victoria²



Established stock on market stable in most markets²



Established houses days on market lowest since 2010³

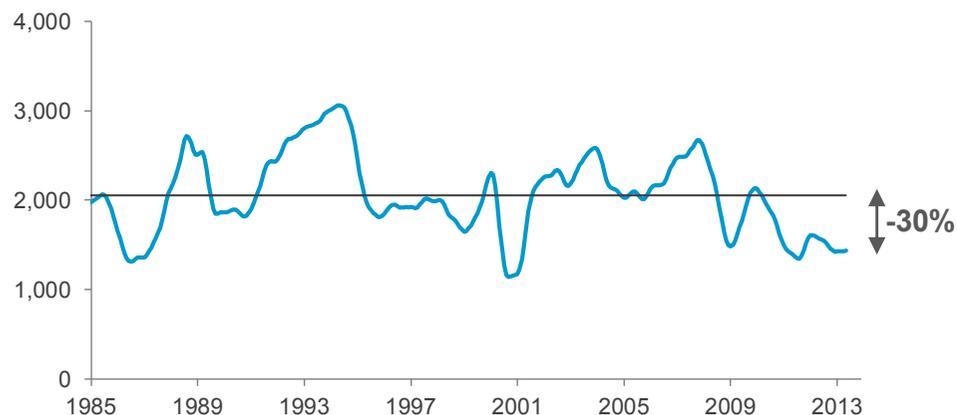


1. APM
2. SQM Research
3. RP Data



National housing approvals improving but still around 10% below long term average

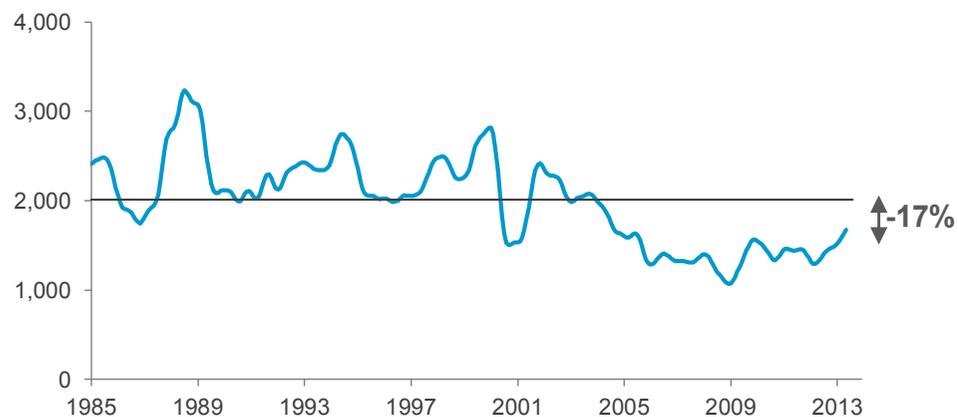
Qld market failing to respond to FHB boost



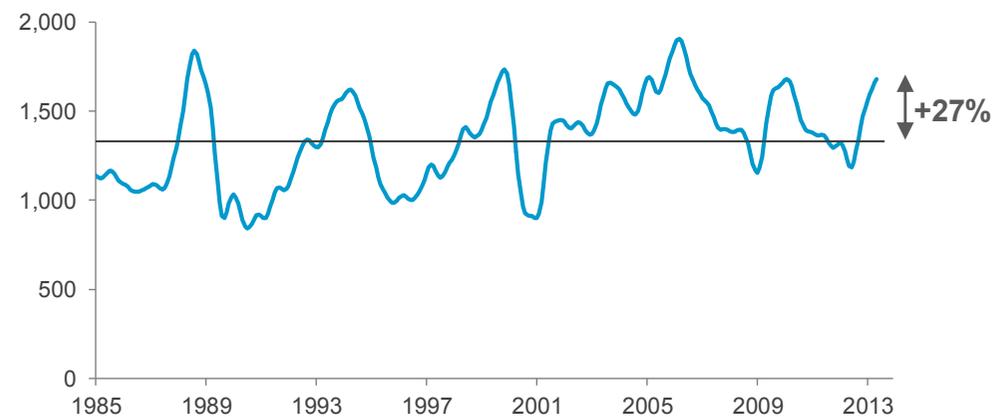
Vic market rising again but still 33% below Dec 2009 peak



NSW market in clear uptrend off low base



WA now well above long-term average levels

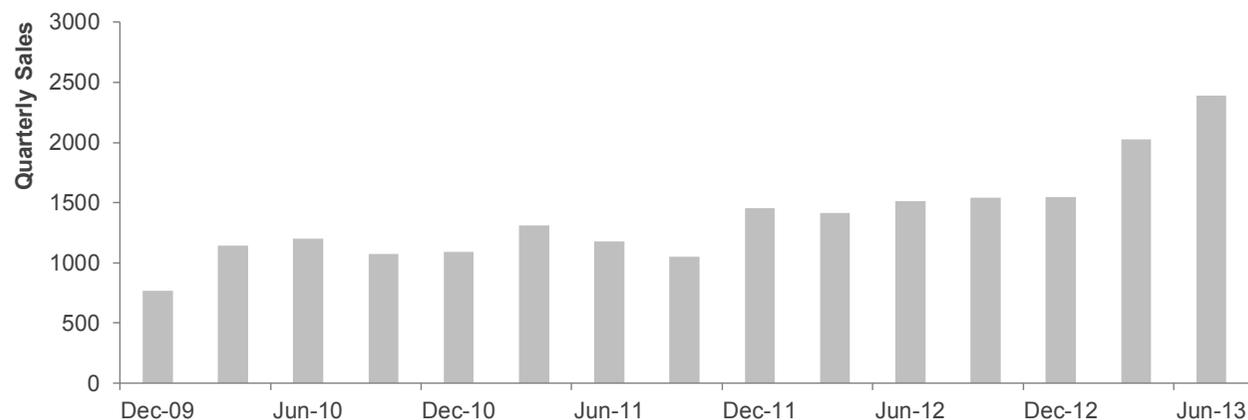


Source: ABS Cat. No.: 8731.0, monthly National Housing Approvals, private house approvals only

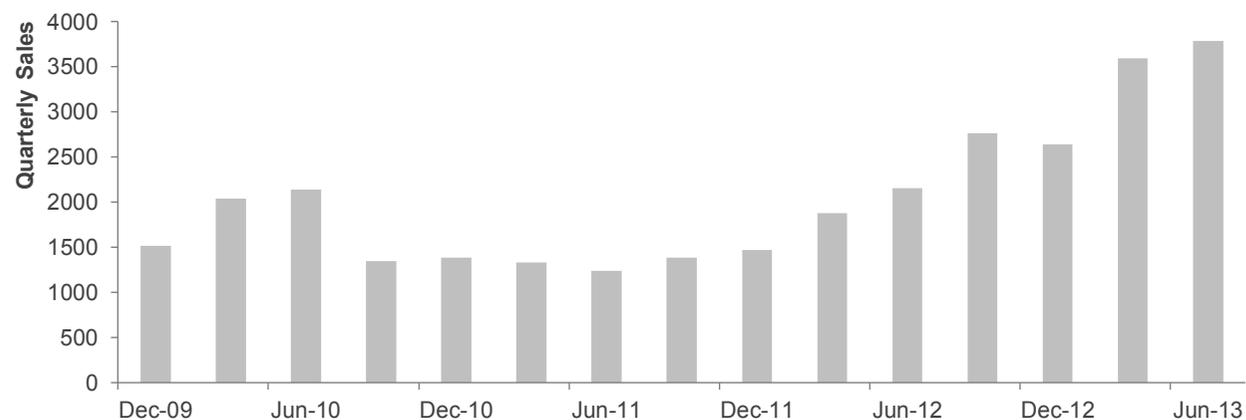


NSW recovery underway while WA close to peak

NSW vacant land sales strong in 2H13 as supply comes online¹



Perth FY13 vacant land sales rate double 2012 levels¹



Metropolitan NSW continues to improve

Auction activity and established house prices rising

Rental markets softening but remain tight

New home sales at highest level in two years

Strongest six month period for Greater Sydney vacant land sales in 3.5 years

WA close to peak of vacant land cycle

Population growth at record levels

Established house price growth highest in the country, while days on market are at seven year lows

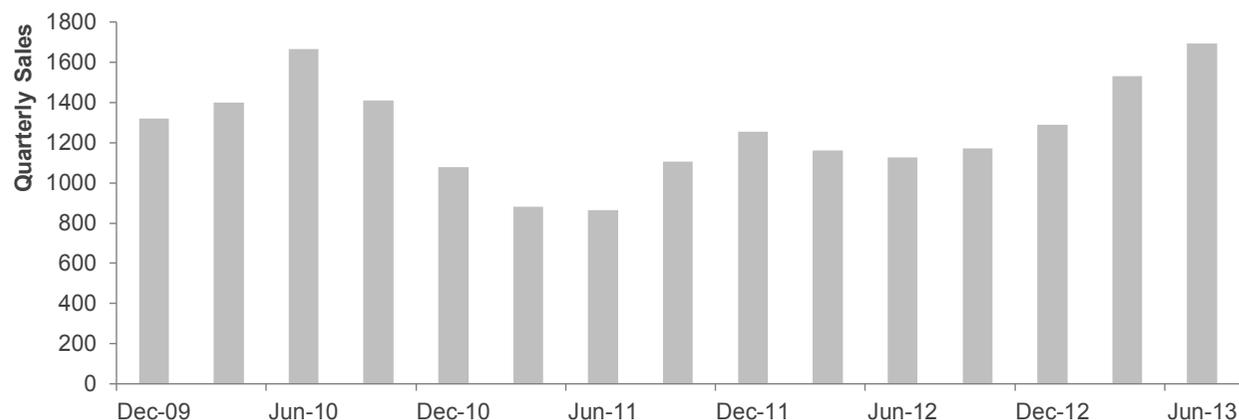
Rental market softening slightly but vacancy rates remain very low

Affordability level tested as increasing prices are countered with softening labour market

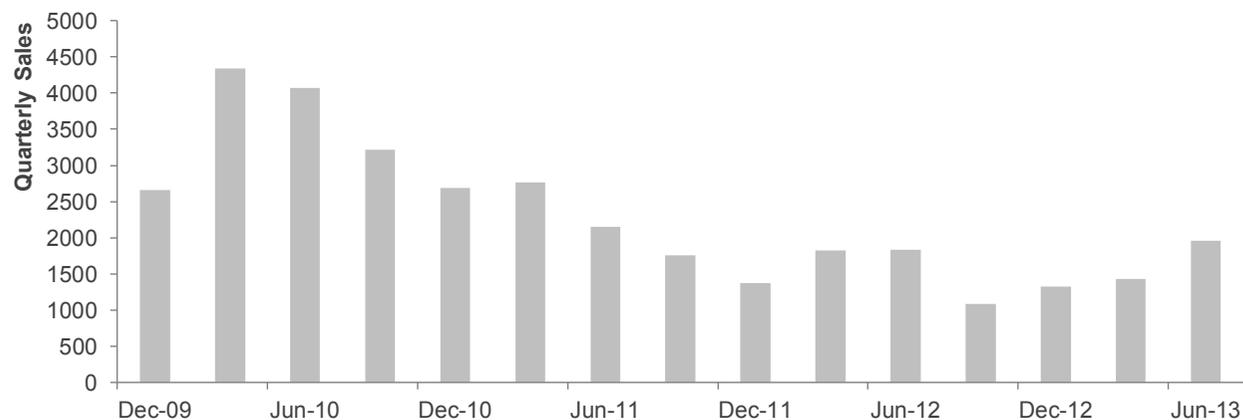
1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

Qld and Vic markets remain challenging

Annual SEQld vacant land sales up 22%¹



Vic vacant land sales rising since September 2012¹



Qld new house market yet to see recovery

Vacant land sales have been rising for 12 months and saw significant increases in 2H13

Not flowing through to building approvals or new house sales, which remain depressed, down 11% in July

Established house prices increasing but at lowest rate of our four states

Property market still hampered by weakest labour market of major states

Vic vacant land market recovering

New house building approvals have stabilised just below long term average levels

Vacant land sales have been rising for 12 months but remain well below peak levels

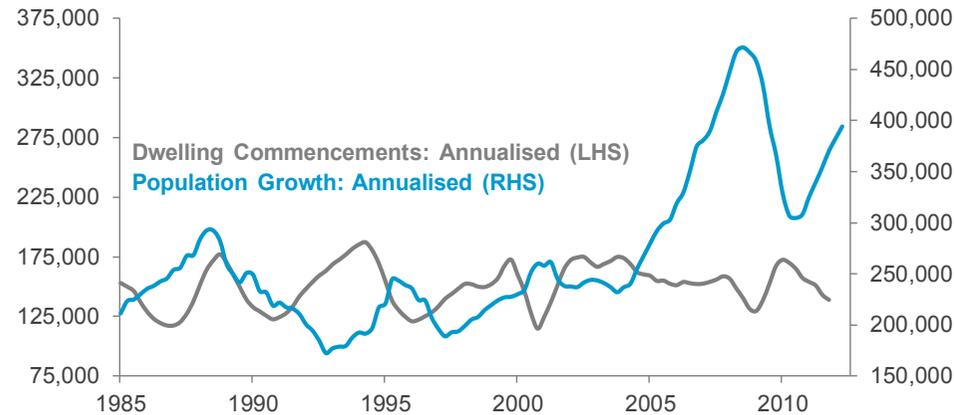
Economy has been most hampered by high AUD, but outlook is improving

Increasingly competitive environment in key corridors keeping price and project-level sales volumes contained

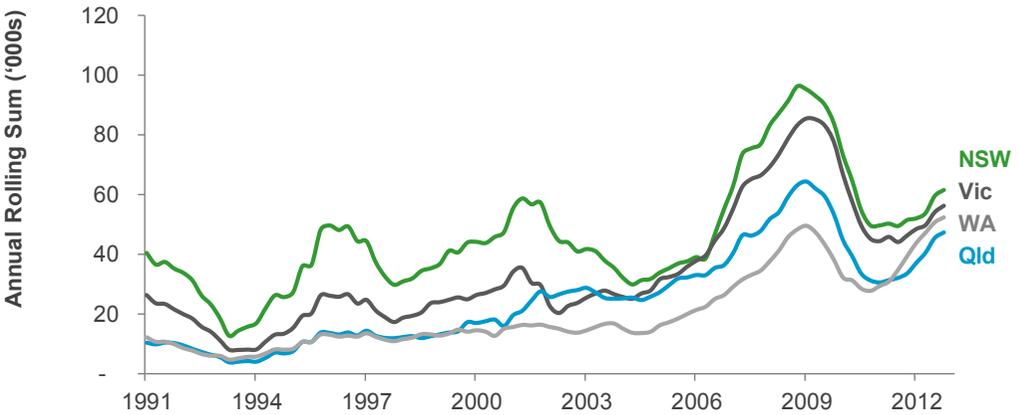
1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

Market fundamentals driven by population growth and undersupply

Population growth continues to diverge from dwelling starts¹



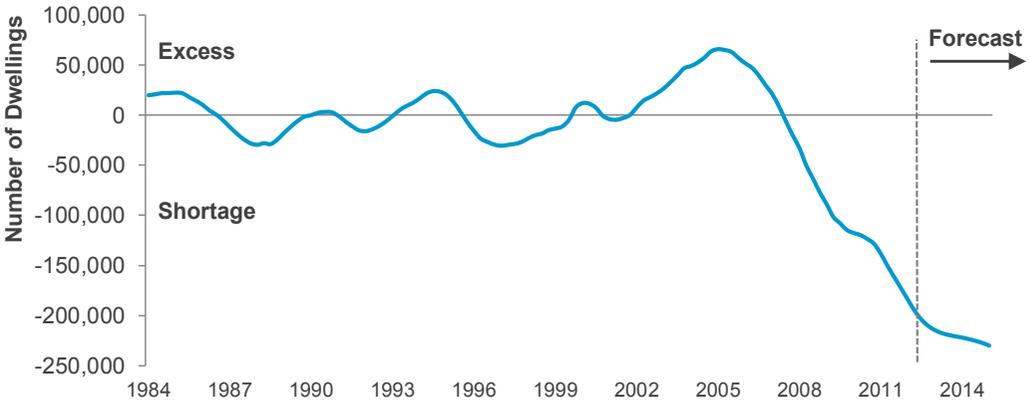
Net overseas migration rising in all states²



Unemployment rate rising and expectations deteriorating³



Large and growing housing undersupply⁴



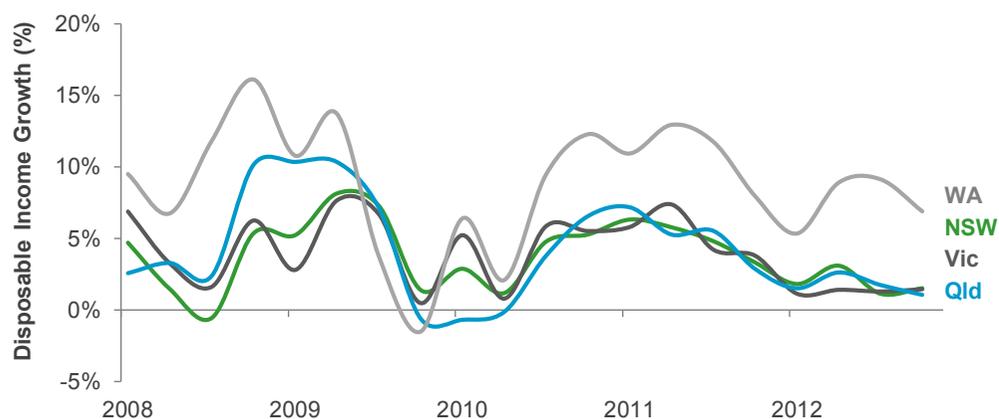
1. ABS Cat. No. 8752.0, 3101.0
 2. ABS Cat. No. 3101.0

3. ABS Cat. No. 6202.0, Westpac-Melbourne Institute Survey of Consumer Unemployment Expectations
 4. Goldman Sachs Global Economics

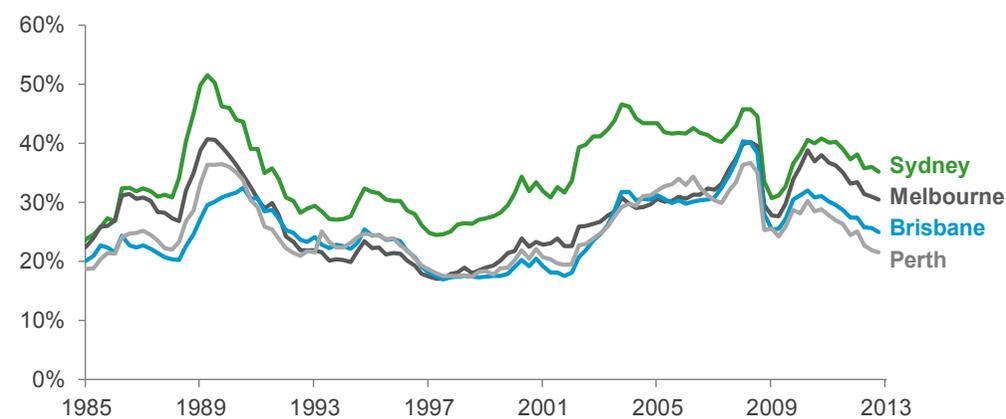


Affordability improving as household income rises

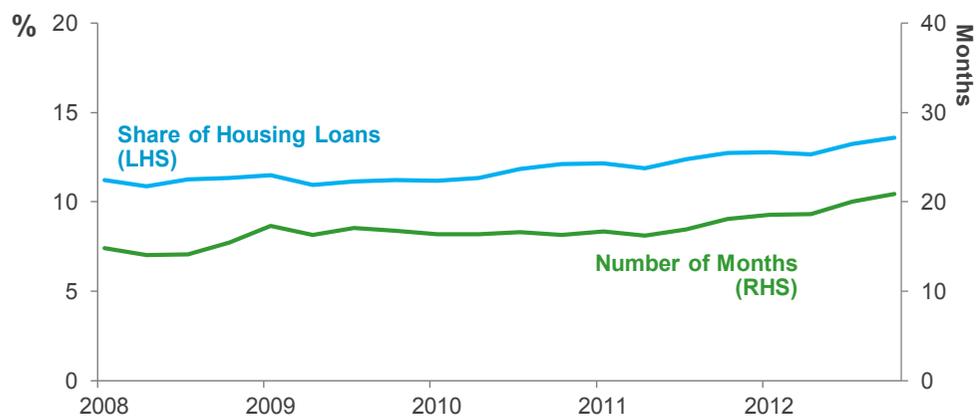
Household incomes still rising¹



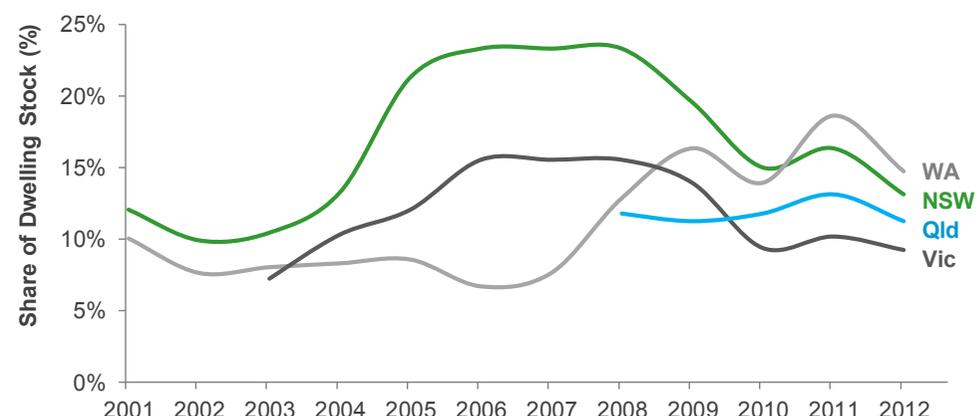
Mortgage repayments as % of household income²



Mortgage buffers increasing³



Applications for property possession falling⁴



1. ABS, Stockland Research
 2. ABS, RBA, REIA, Stockland Research

3. RBA Financial Stability Review, March 2013, APRA
 4. RBA Financial Stability Review, March 2013, ABS, State Supreme Courts



Trade out of Apartments on track

Apartments	FY13	FY12
Apartments settled	22	92
Revenue	\$43m	\$86m
Operating Profit (incl. interest in COGS) ^{1,2}	(\$5m)	\$0m
Operating Profit margin (incl. interest in COGS)	(10%)	0%
Apartment contracts on hand – no.	1	14
- \$	\$1m	\$23m
Net funds employed	\$34m	\$89m
Net funds employed contracted ³	\$20m	\$69m

1. Stockland's former head office classified as plant and equipment, depreciated and held below fair value. FY13: nil (FY12:\$1.9m) profit from the Hyde development excluded from Underlying Profit
2. Excludes net profit on settlements from impaired projects
3. Includes disposal sites



~90% of our impairment provision is utilised in next two years

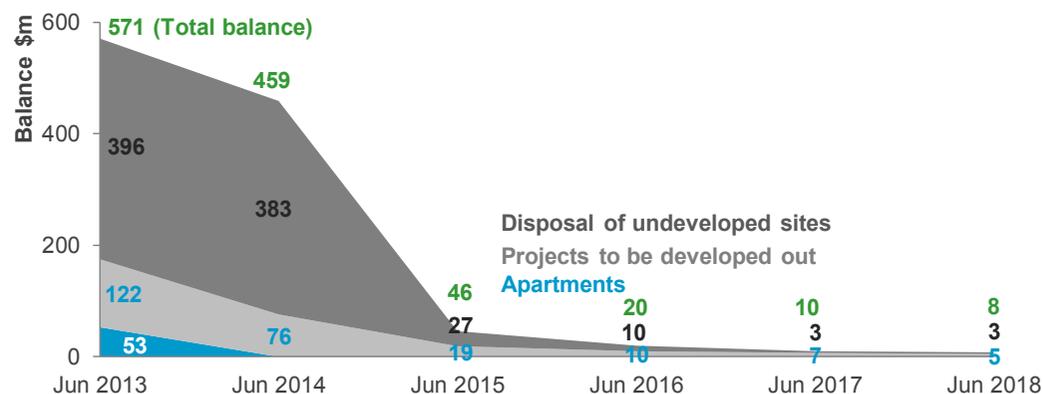
Projects reviewed regularly to assess recoverability. We recently undertook a rigorous review of our residential portfolio applying more conservative assumptions about future performance resulting in \$355m of additional impairment booked in FY13

19% of total lots settled in Residential Communities were impaired, therefore did not contribute to net Underlying Profit

30 June 2013	Residential Communities (\$m)	Apartments (\$m)	Total (\$m)
Additional Impairment taken (Below the Line)	340	15	355
Utilisation of impairment provision in FY13 ²	(63)	(21)	(84)
Movement in provision for impairment in FY13	277	6	271

	Impairment provision balance 30 June 2013 (\$m)	Final settlement
Projects to be developed	\$122m	4+ years
Disposal of undeveloped sites	\$396m	2+ years
Apartments	\$53m	1 year
Total	\$571m	

Residential - Forecast utilisation of provision¹



- Forecast impairment provision balance as at 30 June 2013, based on forecast settlement dates, revenue and costs by project
- Includes transfer to other provisions Residential Communities (\$4.5m) and Apartments (\$0.3m)

Retirement Living

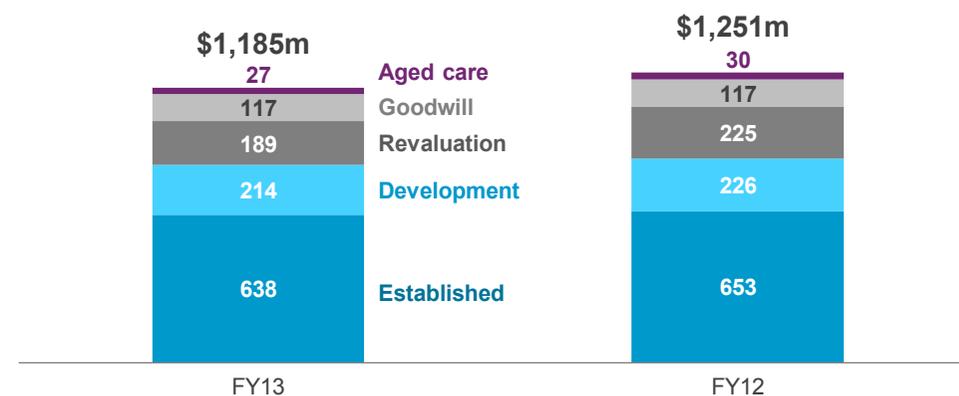


Solid portfolio comprised of mature villages and development pipeline

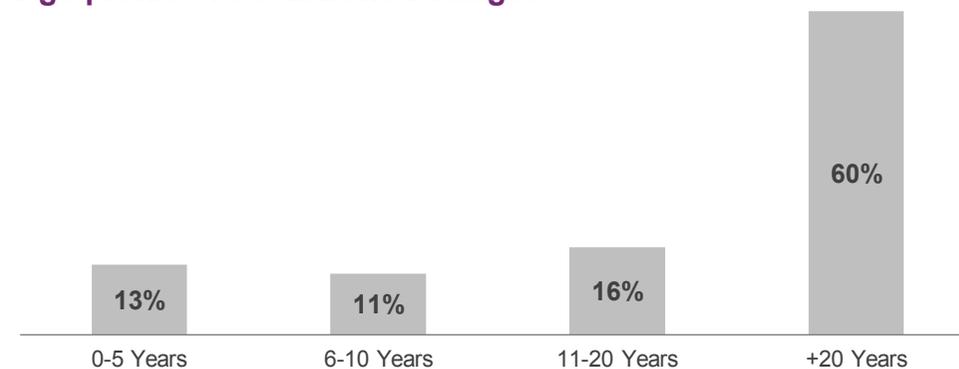
Portfolio Statistics	FY13	FY12
Established villages	62	62
Established units	8,082 ¹	7,807
National ranking	#3	#3
Established units turned over	547	519
Units removed for redevelopment	31	-
Actual turnover rate ^{2,3}	7.4%	7.0%
Average age of resident on entry	73.9 years	73.6 years
Average age of current residents	80.9 years	80.8 years
Average tenure on exit	8.8 years	8.9 years
Average village age	20.2 years	19.5 years
Development pipeline	4,050 units	3,800 units
-Active	1,150 units	1,400 units
-Long-term	2,900 units	2,400 units

1. Net 29 established removed
2. Includes 31 units removed for redevelopment
3. FY12 has been restated to reflect changes in calculation (established units turned over / opening established units)

Net Funds Employed

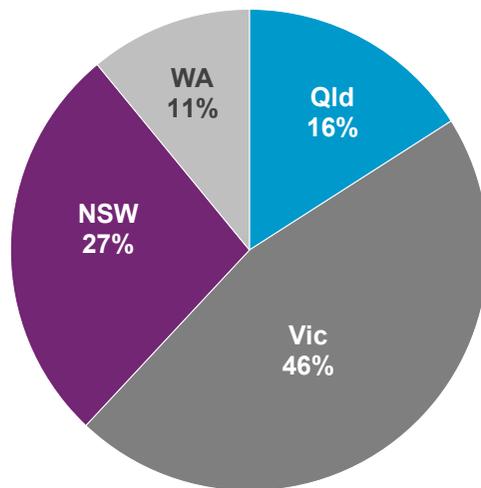


Age profile of established villages



Growth is supported by strong development pipeline

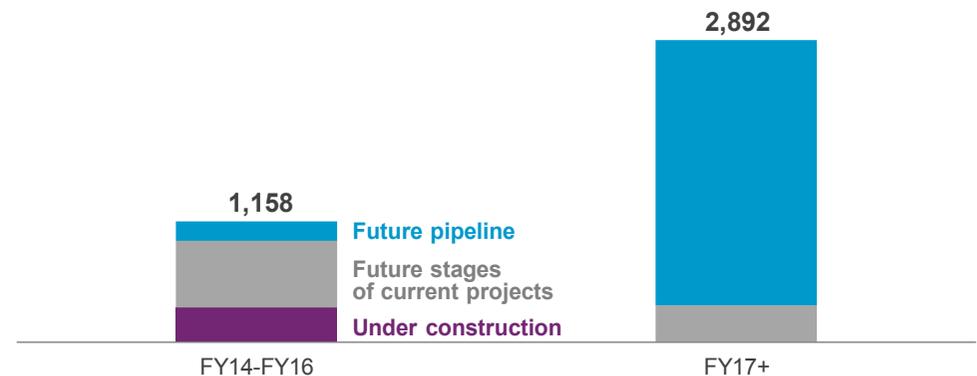
Geographically diverse development pipeline



Total 4,050 units

Development pipeline	FY14
Development villages ¹	24
Total development pipeline units	4,050
- Greenfield pipeline units	3,495
- Village extension pipeline units	555
Average greenfield development stage size (units)	24
Average village extension development stage size (units)	22
Estimated end value	\$1.7b

Independent Living Units development pipeline²



1. Includes 13 villages under construction and 11 pipeline
 2. Timing subject to market conditions

Key valuation metrics

Key valuation assumptions	FY13	FY12
Discount rate	12.8%	12.8%
Average 20 year growth rate	3.8%	3.9%
Average length of stay of future residents	11.4yrs	11.4yrs

DMF Asset Valuation

Directors' valuations are performed every six months with independent valuations commissioned at least once every two years on a rolling basis

Established Deferred Management Fee (DMF) asset valuation decreased from \$726m at June 2012 to \$719m at June 2013

This movement is driven by 1H13 price reduction offset by development DMF asset creation and the natural increase associated with the reducing time to crystallisation

The drop in the average 20 year growth rate is in line with 1H13 guidance, with FY14 targeted unit price growth reduced from 3.9% to 1.6%

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741

25th Floor
133 Castlereagh Street
SYDNEY NSW 2000

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