1H13 Results Annexure

Stockland Townsville, Qld

Contents

Stockland

Financial management

Stockland Shellharbour, NSW

Historical profit summary

	1H13 $m	1H12 $m
Residential Communities EBIT (before interest in COGS)	76.0	115.5
Apartments EBIT (before interest in COGS)	-	10.1
Commercial Property EBIT (before interest in COGS)	239.7	257.7
Retirement Living EBIT[1]	14.9	13.2
UK EBIT (before interest in COGS)	3.5	18.8
Strategic stakes income	-	2.4
Unallocated corporate overheads	(23.3)	(25.5)
Group EBIT (before interest in COGS)	**310.8**	**392.2**
Net interest expense:		
- Interest paid (net of interest income)[2]	(106.4)	(106.5)
- Interest capitalised to inventory[3]	63.8	69.9
- Interest capitalised to Investment Properties under development	12.1	12.6
- Interest expensed in the P&L[4,5]	(53.5)	(35.8)
Net interest expense	**(84.0)**	**(59.8)**
Tax benefit	28.2	9.9
Underlying Profit	**255.0**	**342.3**
Statutory Profit Adjustments	(427.2)	(34.7)
Tax benefit of Adjustments	25.1	-
Statutory (Loss) / Profit	**(147.1)**	**307.6**

1. The basis for determining Underlying Profit for the Retirement Living business has been amended from previous periods to be more closely aligned to realised cash profits. The change in accounting policy has been applied retrospectively. As a result, the 1H12 Underlying Profit has been reduced by $12m
2. Includes deferred interest on Residential land purchases of $2.3m (1H12 $4.9m) and $0.7m (1H12: $0.7m) for Retirement Living
3. Includes deferred interest on Residential land purchases of $2.3m (1H12 $4.9m)
4. Includes $2.9m (1H12: $2.3m) 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 estimates. This change has been applied prospectively from 1 July 2012 impacting 1H13 interest by $17m. Comparatively, a $13m additional interest expense would have been incurred if this change had been applied from 1 July 2011

Underlying Profit reconciliation

	1H13 $m	1H12 $m
Underlying Profit[1,2]	255.0	342.3
Non-cash adjustment to inventories and development profits		
Write-down of inventory – Australia	(306.0)	-
Write-down of inventory – UK	(12.3)	-
Development profit adjustment on The Hyde	-	1.9
Fair value unrealised adjustment of investment properties		
Net gain from fair value adjustment (Commercial Properties)	34.5	74.3
Deferred management fees earned but unrealised (Retirement Living)	0.5	4.9
Fair value movement of operating villages and villages under development (Retirement Living)	(106.9)	(22.3)
Fair value movement of existing resident obligations (Retirement Living)	45.5	26.6
Fair value adjustment of other financial assets, impairment and net (loss) / gain on sale of other non current assets		
Net unrealised loss from fair value adjustment of other financial assets	(43.6)	(38.0)
Net (loss) / gain on sale of other non-current assets and impairment of other investments	(4.9)	16.0
Loss from financial instruments and foreign exchange movements	(34.0)	(98.1)
Tax benefit on significant items[3]	25.1	-
(Loss) / Profit for the year attributable to securityholders of Stockland	**(147.1)**	**307.6**

1. 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 the Interim Statutory Accounts for the complete definition
2. 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 estimates. This change has been applied prospectively from 1 July 2012 impacting 1H13 interest by $17m. Comparatively, a $13m additional interest expense would have been incurred if this change had been applied from 1 July 2011
3. An assessment of the recoverability of the Deferred Tax Assets (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 $91.8m is not considered recoverable with sufficient certainty and accordingly has not been recognised. The DTA not recognised during the period primarily relates to the write down of inventory in Australia

Segment Note to Underlying Profit reconciliation

$m	Residential	Retirement Living	Commercial Property	UK	Other[1]	Total
Total external segment revenue	415	36	338	3	-	792
Segment result before interest, share of profits of investments accounted for using the equity method	**76**	**15[2]**	**240**	**3**	**-**	**334**
Unallocated corporate other income and expenses						(23)
Interest income						4
Borrowing costs (net of capitalised interest)						(34)
Interest expense included in the P&L[3,4]						(54)
Underlying Profit before income tax benefit						**227**
Income tax benefit						28
Underlying Profit after income tax benefit						**255**

1. Relates to income from strategic stake in FKP, nil in 1H13 due to nil distribution
2. Includes $2m of profit from Aged Care
3. Includes $2.9m (1H12: $2.3m) 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 estimates. This change has been applied prospectively from 1 July 2012 impacting 1H13 interest by $17m. Comparatively, a $13m additional interest expense would have been incurred if this change had been applied from 1 July 2011

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Net interest

Interest expense - $m	1H13	1H12
Interest paid[1]	**107.2**	**103.6**
Less: capitalised interest - Commercial Property development projects - Residential[1] - Retirement Living	(6.7) (61.5) (5.4) **(73.6)**	(7.6) (65.0) (5.0) **(77.6)**
Net borrowing cost in P&L	**33.6**	**26.0**
Add: capitalised interest expensed in P&L[2,3]	53.5	38.1
Total interest expense in P&L	**87.1**	**64.1**

1H13 Reconciliation of Interest Expense and Capitalised Interest to Financial Report

$m	1H13		1H13	Net borrowing cost – P&L
Interest paid	**107.2**	**Less: Capitalised interest**	**(73.6)**	**33.6**
Deferred interest unwind - Residential	2.3	Deferred interest booked in inventory - Residential	(2.3)	-
Deferred interest unwind - Retirement Living[4]	0.7		-	**0.7**
Interest expense Financial Report (Note 5)	**110.2**	**Capitalised interest Financial Report (Note 5)**	**(75.9)**	**34.3**

Gap between interest paid and expense decreased; expect contraction for FY13

Interest expense increased due to timing and mix of Residential project completions

Interest paid includes lower interest cost 6.0% (1H12: 6.2%) following rate cuts and change in debt portfolio mix

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

1. Excludes $2.3m (1H12: $4.9m) of deferred interest on Residential land creditors and $0.7m (1H12: $0.7m) of deferred interest on Retirement Living deferred contracts only for interest paid
2. Made up of: Residential - $49.8m (1H12: $33.8m), UK - $0.8m (1H12: $2.0m) and Retirement Living - $2.9 (1H12: $2.3m). This differs to statutory reporting by $2.9m (1H12: $2.3m) as Retirement Living is reported through the fair value adjustment of investment properties
3. 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 estimates. This change has been applied prospectively from 1 July 2012 impacting 1H13 by $17m. Comparatively, a $13m expense would have been incurred if this change had been applied from 1 July 2011
4. 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

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Prudent capital management strategy reflecting investment focus

S&P rating	A-/Stable
Drawn debt[1]	$3.5b
Cash on deposit	$0.2b
Available undrawn committed debt facilities	$0.5b
Gearing (net debt[2]/total tangible assets)	27.6%
Interest cover	3.4:1
Weighted average debt maturity	5.2 years
Debt fixed/hedged as at 31 December 2012	66%
Weighted average cost of debt for 1H13[3]	6.0%
Weighted average cost of debt at 31 December 2012[3]	6.3%

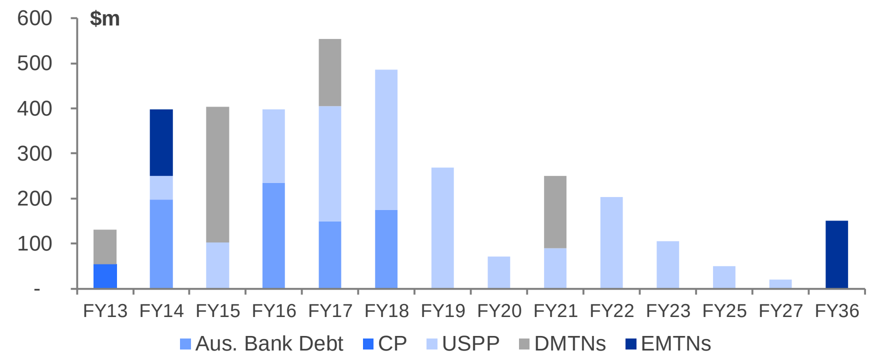
S&P A-/stable credit rating maintained

Gearing maintained within target range (20% - 30%)

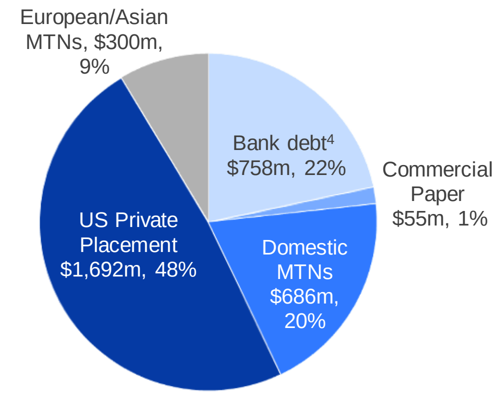
No refinancing issues; next major maturity is in Oct 2013 (FY14)

Expect FY13 average cost of debt ~6.2%

Long-dated drawn debt maturity profile[1]



Diverse debt sources



1. Excludes bank guarantees of $0.2b and cash on deposit of $0.2b
2. Drawn debt less cash
3. The weighted impact on WACD of bank guarantee fees would be 12bps
4. Includes $175m of principal repayments of EMTN being restructured under cross currency interest rate swap

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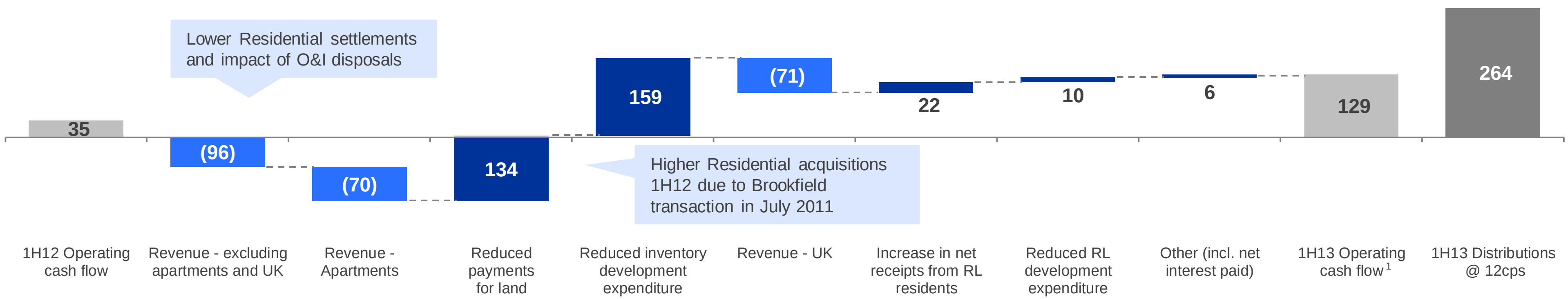
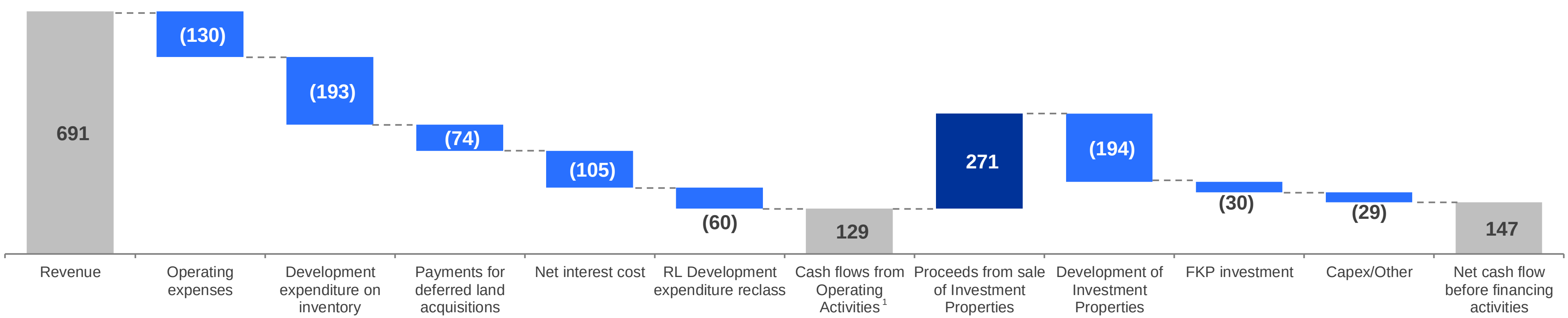
Cash flow

Net operating cash flow movement 1H12 to 1H13



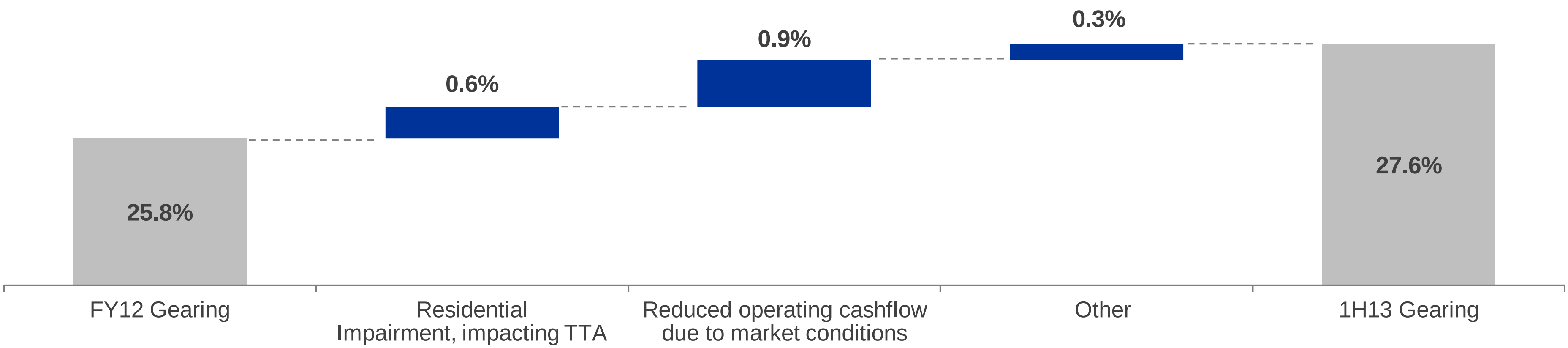
Operating and investing cash flow



1. Differs to operating cash flow disclosed in the Financial Report as Retirement Living development expenditure (1H13: $60m; 1H12: $70m) is treated as an investing cash flow for statutory purposes but shown here as an operating cash flow

Gearing movement from June 2012

Gearing movement FY12 to 1H13



Debt summary

Facility	Facility limit ($m)[1]	Amount drawn ($m)[1,2]
Bank Debt	1,120	583
Commercial Paper	55	55
Other[3]	175	175
Domestic Medium Term Notes	686	686
European Medium Term Notes	149	149
US Senior Term Notes	1,692	1,692
Asian Medium Term Notes	151	151
Total Debt	**4,028**	**3,491**

Facility	Facility limit ($m)[1]	Amount drawn ($m)	Facility maturity
Bank Debt			
- Multi option facility - Australia	120	23	Aug 2013
- Multi option facility - Australia	200	-	Sep 2013
- Multi option facility - Australia	100	-	Nov 2013
- Multi option facility - Australia	100	-	Dec 2013
- Multi option facility - Australia	100	60	Nov 2015
- Multi option facility - Australia	175	175	Dec 2015
- Multi option facility - Australia	150	150	Feb 2017
- Multi option facility - Australia	175	175	Nov 2017
Bank Debt	**1,120**	**583**	
- Other[3]	175	175	Oct 2013
Total Bank Debt and Other	**1,295**	**758**	

Debt Capital Markets

A$51m and A$46m US Senior Term Notes were repaid in July 2012 and October 2012 respectively

Further 10-12 year US Senior Term Notes (A$155m) were issued 1 August 12

Bank Debt

$75m reduction in total Bank Facilities due to lower liquidity requirements resulting from continued asset sales

1. Facility limit excludes bank guarantees of $0.3b for which $0.2b was utilised as at 31 December 2012
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

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Debt summary (continued)

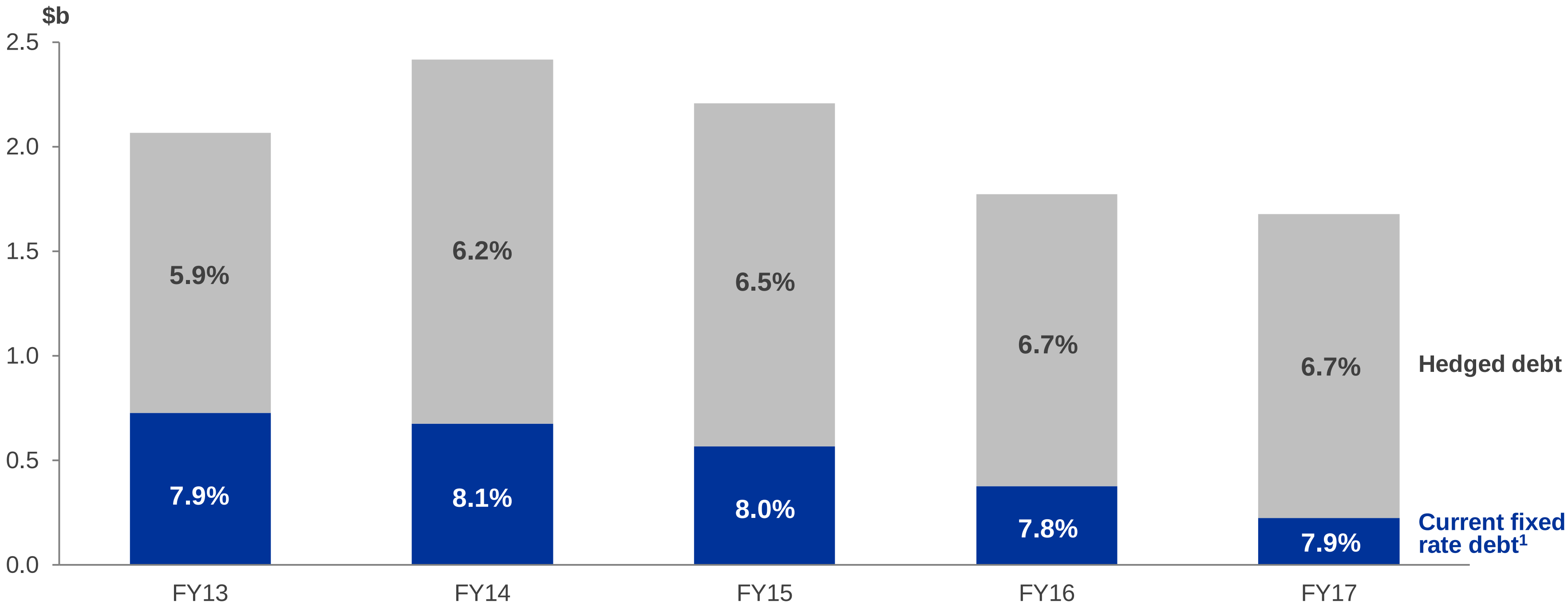
Facility	Issued debt ($m)[1]	Facility maturity
Domestic Medium Term Note Facility (MTN)		
- MTN	76	May 2013
- MTN	300	Feb 2015
- MTN	150	Jul 2016
- MTN	160	Nov 2020
Total Domestic	**686**	
Offshore Medium Term Note Facility (MTN)		
- European MTN	149[2]	Oct 2013
- Asia MTN	151	Aug 2035
Total Offshore	**300**	

Facility	Issued debt ($m)[1]	Facility maturity
US Senior Term Note Facility (STN)		
- US STN	51	Jul 2013
- US STN	28	Jul 2014
- US STN	75	Jun 2015
- US STN	64	Jul 2015
- US STN	99	Oct 2015
- US STN	62	Jul 2016
- US STN	27	Oct 2016
- US STN	165	Jun 2017
- US STN	61	Oct 2017
- US STN	250	Jun 2018
- US STN	269	Oct 2018
- US STN	71	Jul 2019
- US STN	90	Jul 2020
- US STN	176	Sep 2021
- US STN	28	Jun 2022
- US STN	105	Aug 2022
- US STN	50	Aug 2024
- US STN	21	Jun 2027
Total US Senior Term Notes	**1,692**	

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

Fixed debt / hedge profile

Existing Debt Portfolio - Long dated and hedged



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

$m	31 December 2012	30 June 2012
Cash	165.3	135.6
Real estate assets		
- Commercial Property	8,023.4	8,134.4
- Residential	2,353.4	2,554.8
- Retirement Living Communities (including Aged Care)	1,103.4	1,134.8
- UK	83.1	93.4
Retirement Living Communities gross up (excluded for gearing purposes)	1,715.5	1,699.2
Intangibles	116.6	116.6
Derivative assets	211.4	212.7
Other assets	479.3	452.4
Total assets	**14,251.4**	**14,533.9**
Interest-bearing liabilities	(3,009.3)	(2,867.6)
Retirement Living resident obligations[1]	(1,769.4)	(1,753.4)
Derivative liabilities	(856.8)	(809.6)
Other liabilities	(811.5)	(875.9)
Total liabilities	**(6,447.0)**	**(6,306.5)**
Net assets	**7,804.4**	**8,227.4**
NTA per share	**$3.49**	**$3.69**

1. This amount comprises of $1,716m of existing resident obligations and Aged Care accommodation bonds (30 June 2012: $1,699m), being a balance sheet gross up and $54m of ex-resident obligations (30 June 2012: $54m)

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Covenant calculations

As at 31 December 2012 $m	Statutory Balance Sheet	Adjustments	Gearing Covenant Balance Sheet	
Assets				
Cash	165	-	165	
Real estate related assets	11,563	-	11,563	
Retirement Living Gross-Up	1,716	(1,716)	-	B
Intangibles	117	(117)	-	
Derivative assets	211	(211)	-	A
Other assets	479	-	479	
Total assets	**14,251**	**(2,044)**	**12,207**	
Liabilities				
Interest-bearing liabilities	(3,009)	(474)	(3,483)	A
Net Retirement Living resident obligations	(1,769)	1,716	(53)	B
Derivative liabilities	(857)	857	-	A
Other liabilities	(812)	-	(812)	
Total liabilities	**(6,447)**	**2,099**	**(4,348)**	
Net assets	**7,804**	**55**	**7,859**	

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)
31 December 2012	3.4:1	35.6%	27.6%[2]
30 June 2012	3.8:1	34.0%	25.8%
31 December 2011	4.5:1	31.7%	23.2%
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 and share buyback

1. Rolling 12 month average
2. Debt = Interest bearing debt ($3,483m) + transaction costs ($8m) - Cash ($165m)
   TTA = Total assets ($12,207m) - Cash ($165m)

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Group strategic weightings

	Operating Profit 1H13		Assets 31 December 2012	
	Actual	Strategic weighting	Actual	Strategic weighting
Recurring				
Retirement Living	5%		7%	
Commercial Property	93%		70%	
Unallocated corporate overhead	(3%)		-	
Total recurring	**95%**	**60-80%**	**77%**	**70-80%**
Trading				
Residential	10%		20%	
Retirement Living	-		2%	
UK and unallocated corporate overhead	(5%)		1%	
Total trading	**5%**	**20-40%**	**23%**	**20-30%**

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Stockland Corporation statutory income tax calculation

$m	1H13	1H12	
Statutory Group (loss)/ profit before tax	**(200.4)**	**297.7**	
Less: Trust profit	(292.1)	(344.5)	
Add: Intergroup eliminations	0.8	8.9	
Corporation loss before tax	**(491.7)**	**(37.9)**	B
Add / (Less): Non-deductible/(assessable) items	0.4	(4.1)	
UK losses not recognised / (UK utilisation of previously unrecognised tax losses)	9.7	(19.7)	
Corporation adjusted taxable loss	**(481.6)**	**(61.7)**	
Tax benefit @ 30%	144.5	18.5	
Prior period true-ups	0.6	-	
Tax expense transferred from Foreign Currency Translation Reserve to the P&L on wind-down of the investment in the UK	-	(8.6)	
Non-recognition of income tax benefit [1]	(91.8)	-	
Tax benefit	**53.3**	**9.9**	A
Effective tax rate (A / B)	**11%**	**26%**	

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 $91.8m is not considered recoverable with sufficient certainty and accordingly has not been recognised. The DTA not recognised during the period relates 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 $91.8m unrecognised tax benefit in future reporting periods

Reduction in ROE
due to ongoing soft Residential market conditions

	12 months to 31 December 12[1]			12 months to 30 June 12[1]			Commentary
	Cash Return ($m)	Avg. Cash Invested ($b)	Return on Investment	Cash Return ($m)	Avg. Cash Invested ($b)	Return on Investment	
Retail	***321***	***3.9***	***8.2%***	***310***	***3.9***	***8.0%***	Completion of development projects will continue to drive ROA growth
Residential Communities	***207***	***2.3***	***9.0%***	***253***	***2.2***	***11.3%***	Impacted by impaired projects and trading conditions Unlocking the pipeline is a key focus for growth in capital return
Active	207	1.9	11.0%	253	1.6	15.9%	
Non-Active	-	0.4	-	-	0.6	-	
Retirement	***42***	***1.0***	***4.2%***	***41***	***1.0***	***4.2%***	
Core Business ROA (sub-total)	**570**	**7.2**	**7.9%**	**604**	**7.1**	**8.5%**	
Office	139	1.8	7.5%	158	2.1	7.4%	O&I subject to strategic review
Industrial	74	0.8	8.8%	80	0.9	8.7%	
UK/Apts/FKP & working capital	2	0.6	0.4%	25	0.7	3.4%	
Other Assets ROA (sub-total)	**215**	**3.3**	**6.6%**	**263**	**3.7**	**7.1%**	
Unallocated Overheads	(46)	-	-	(50)	-	-	Cost saving initiatives
Group ROA	**739**	**10.5**	**7.0%**	**818**	**10.8**	**7.6%**	
Interest/net debt	(209)	(3.4)	-	(205)	(3.3)	-	
Group ROE	**530**	**7.1**	**7.5%**	**613**	**7.4**	**8.2%**	

1. ROA and ROE is calculated on a 12 month rolling average

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Stockland Return on Assets and Return on Equity methodology

Simple, cash focused approach in assessing capital management

	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	AIFRS 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	12 months to 31 Dec 2012[1]	12 months to 30 Jun 2012[1]
Group Return	**530**	**613**
Capitalised Interest expensed in COGS	(103)	(89)
Capitalised interest for the year	153	157
Add-back impairment release in COGS and Investment Property Incentives adjustment	(17)	(13)
Tax and other	26	8
Underlying Profit	**589**	**676**

Reconciliation of Capital Employed in ROE Calculation to Statutory Net Assets

$b	Average for 2012	Average for FY12
Group Capital Employed (Net Assets)	**7.1**	**7.4**
Commercial Property Revaluations	1.3	1.2
Residential Communities (RC) Capitalised Interest	0.5	0.5
RC and Apartments Impairment	(0.3)	(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	(0.4)	(0.3)
Statutory Net Assets (average for the period)	**8.2**	**8.5**

1. ROA and ROE is calculated on a 12 month rolling average

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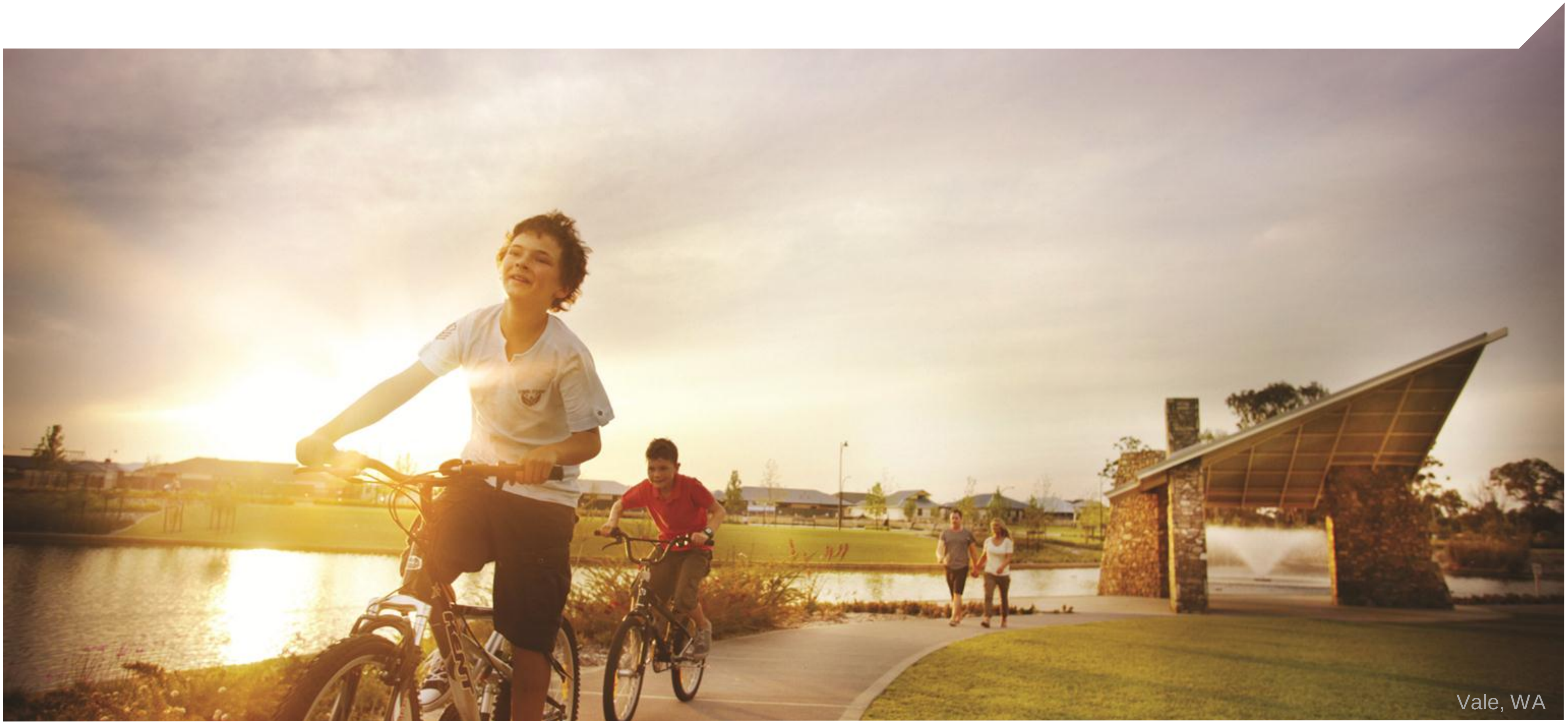
Residential



Vale, WA

Delivering on our strategy

Creating affordable, high quality residential communities

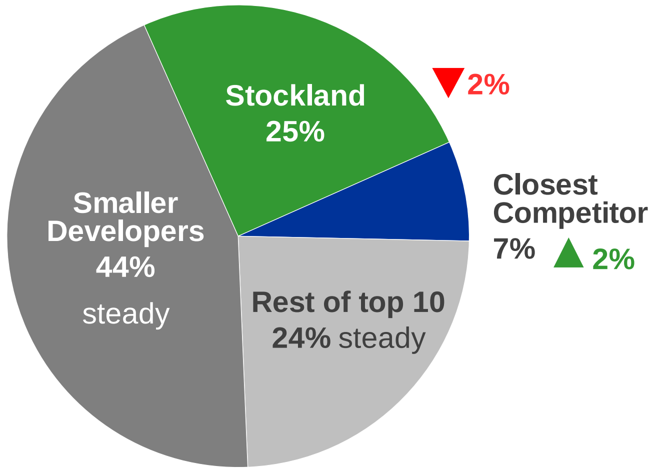
Focus on large scale greenfield projects with speed to market

Target high-growth corridors for improved market reach

Continued focus on customer, product and community to drive competitive advantage

Leverage our integrated strategy to deliver better community amenity

Market share in active corridors maintained within our target range[1]



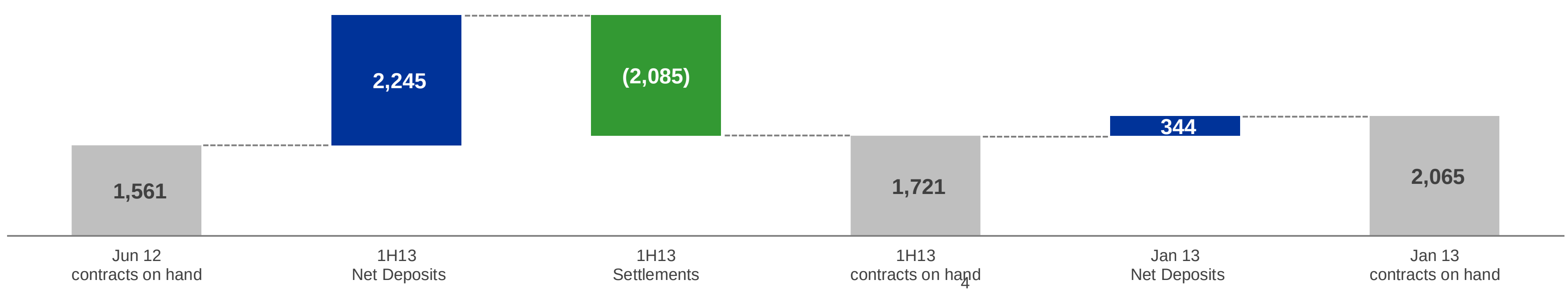
1. Charter Keck Cramer/Research4, Stockland Research. Proportion of vacant land sales in all of Stockland's active corridors where deposits were taken in the rolling 12 months ending 1H13. Comparison percentage based on 12 months rolling period ending FY12

Solid volumes but profit margins lower

Residential Communities	1H13	1H12	Change
Total lots settled - Wholly owned lots settled - Part owned	2,085 1,882 203	2,209 2,107 102	▼ 6% ▼ 11% ▲ 99%
Revenue - Retail - Superlots[1]	$381m $17m	$419m $11m	▼ 9% ▲ 55%
EBIT (before interest in COGS)	$76m	$115m	▼ 34%
Operating Profit (incl. interest in COGS)[2, 3]	$28m	$77m	▼ 64%
Contracts on hand - no. - $	1,721 $364m	2,488 $532m	▼ 31% ▼ 32%

Residential Communities sales

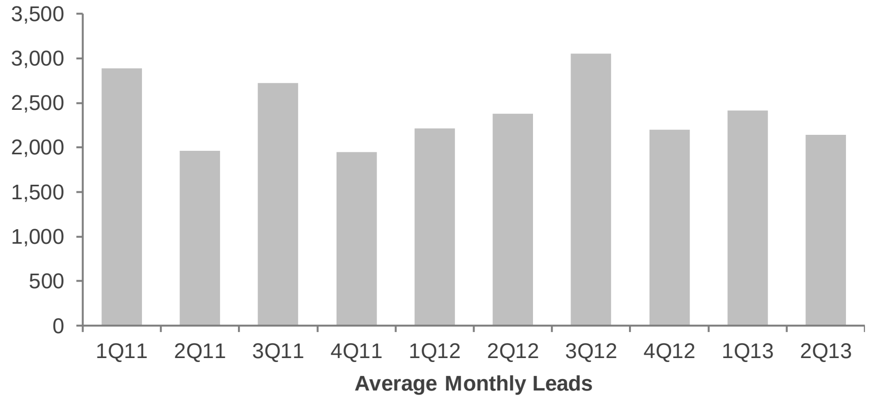
Lots



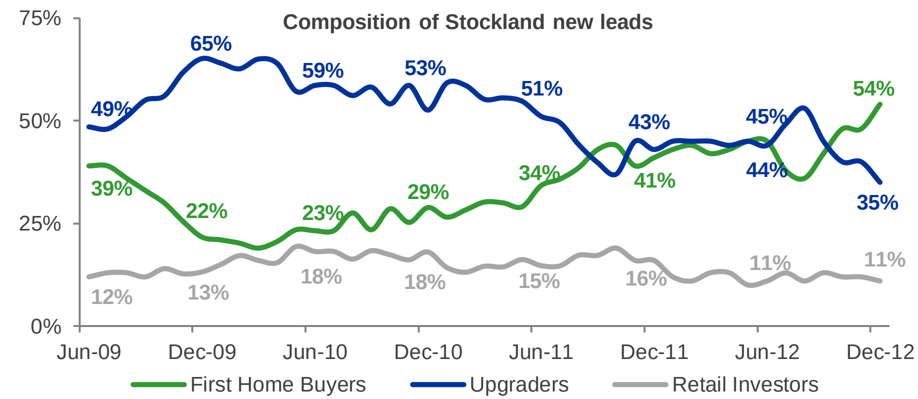
1. 19 superlot settlements 1H13, 11 superlot settlements 1H12
2. Pre-tax
3. The basis for determining the capitalised interest release to the income statement for the Residential Business has been amended from previous periods due to a change in estimates. This change has been applied prospectively from 1 July 2012 impacting 1H13 interest by $17m. As presented on this slide, 1H12 Operating Profit has ben restated by $13m to reflect this change for comparative purposes
4. 1,382 contracts are due to settle in 2H13 (including 15 superlots), 339 due to settle in FY14

Leads driven by First Home Buyers in 1H13

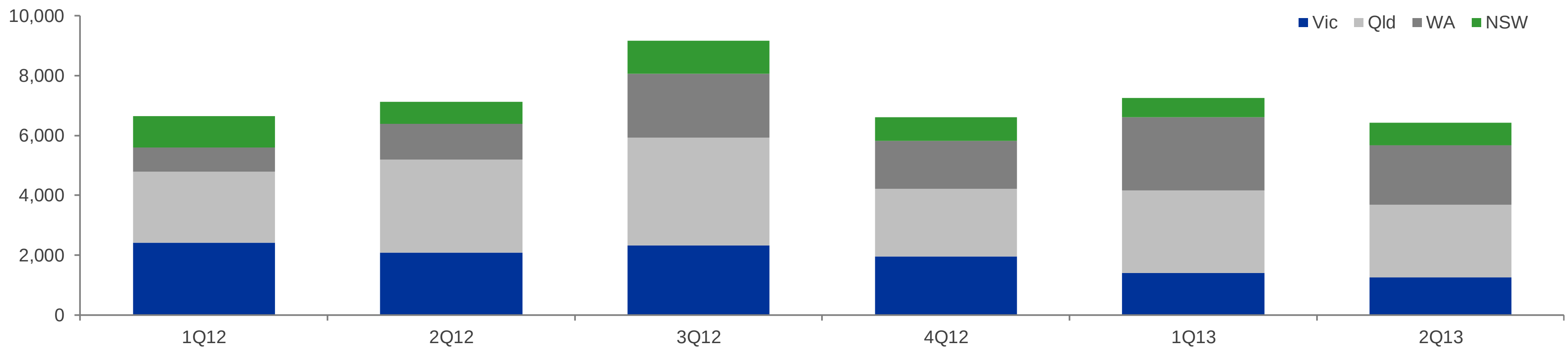
Customer lead volumes remain steady



First Home Buyers have been active



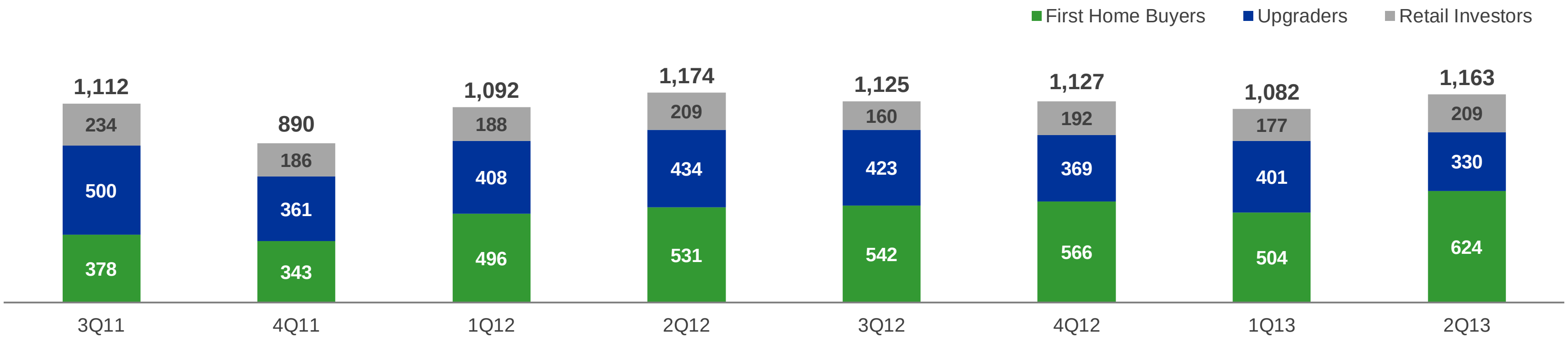
Leads stable across all states



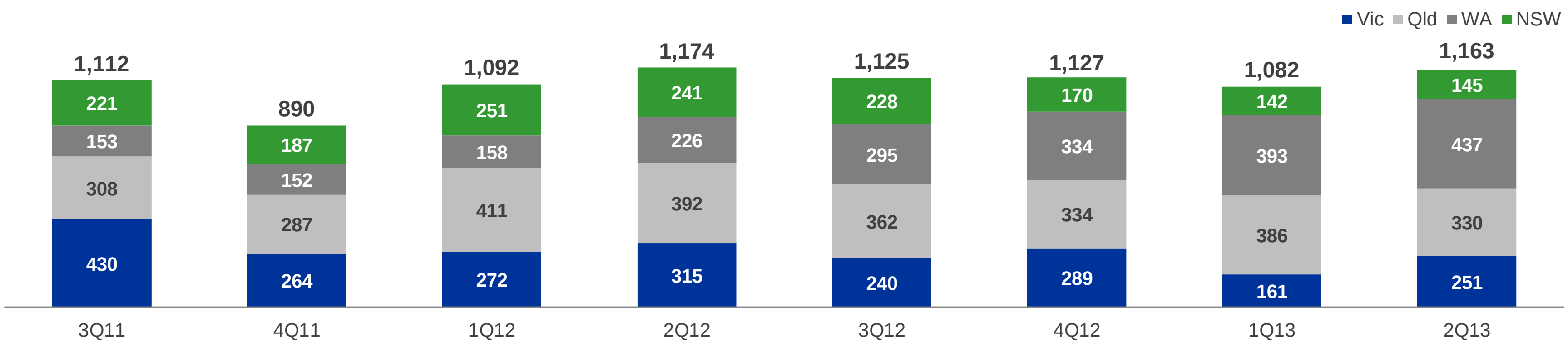
Stockland

Deposit volumes stable, supported by geographic diversity and first home buyers

Net deposits continue to be driven by first home buyers

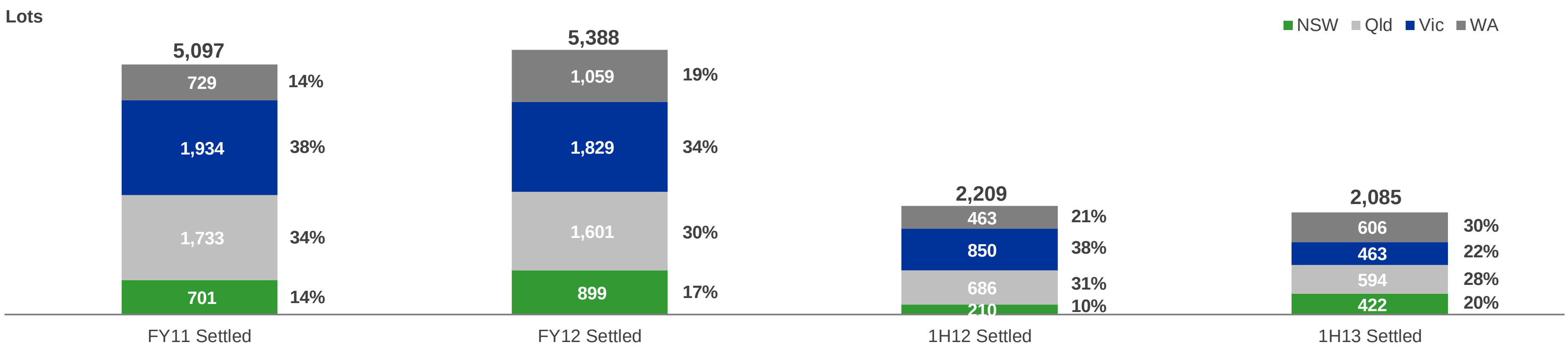


Net deposits in WA strengthened by new projects and improved cancellation rates

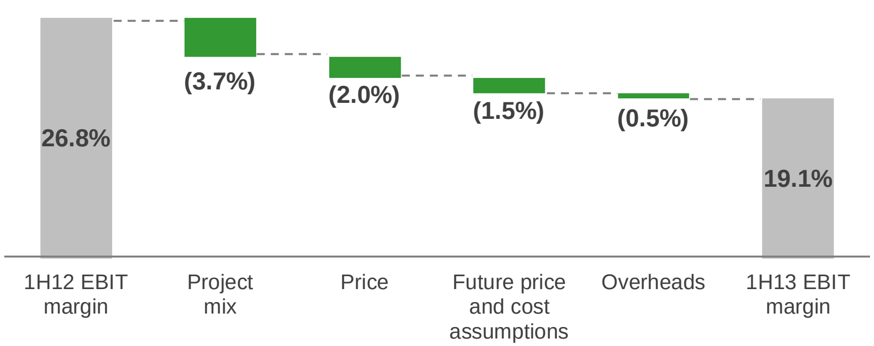


Margins impacted by project mix shift, price pressure and more conservative future outlook

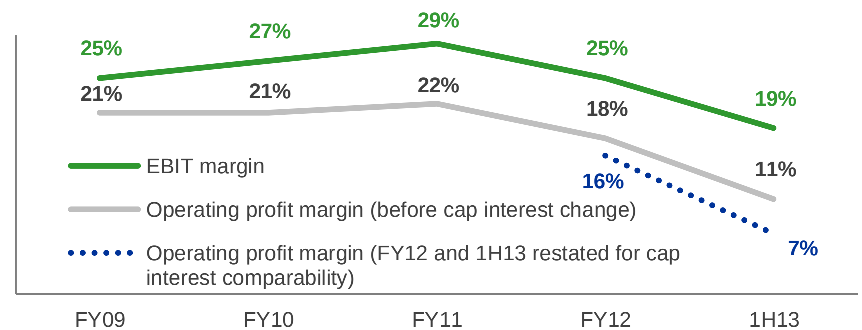
Lots settled by location (units)



Movement in EBIT margin



Residential margins



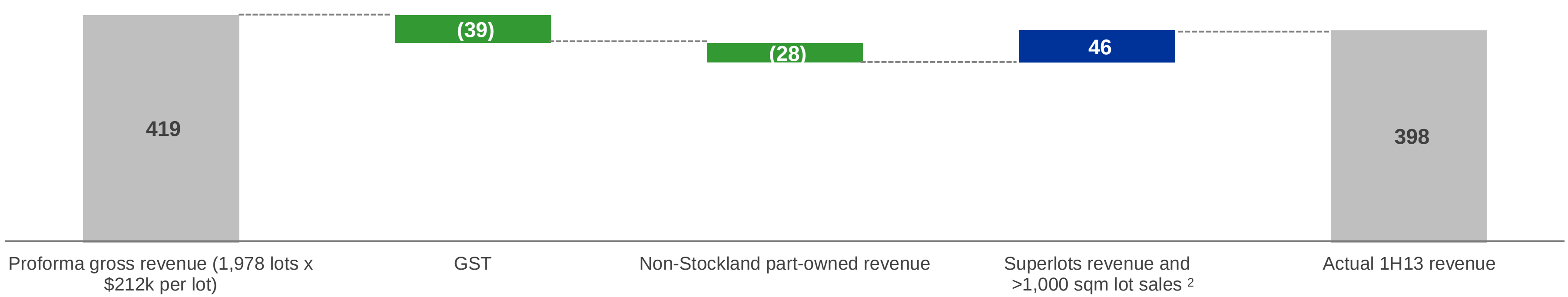
Stockland

Price per sqm

Retail sales price[1] – based on all lots settled

	1H13 Settlements				FY12 Settlements			
State	**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	350	561	223	398	844	512	233	455
Qld	576	487	201	414	1,538	497	203	409
Vic	458	403	194	482	1,814	392	194	494
WA	594	444	229	517	1,036	438	234	535
Residential Communities	**1,978**	**467**	**212**	**453**	**5,232**	**451**	**211**	**467**

Revenue Reconciliation ($m)

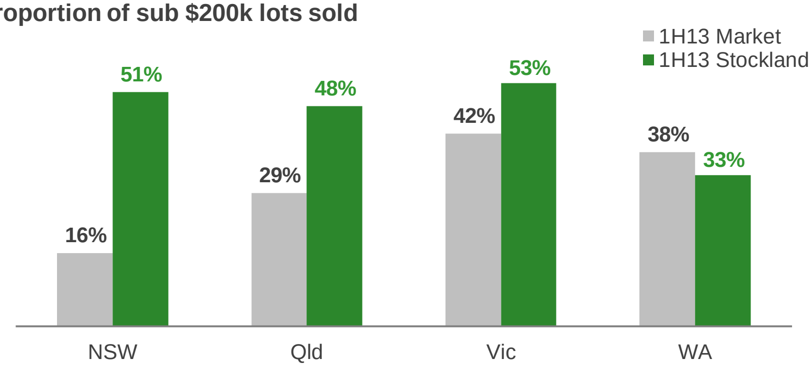


1. Average price of retail sales excludes sales of all lots over 1,000 sqm, superlot sales and Waterside Terrace houses. Average price includes GST. Includes PDA's and SREEF projects for which Stockland receives a part-share
2. Includes impact of Waterside terrace houses $15m (46 lots)

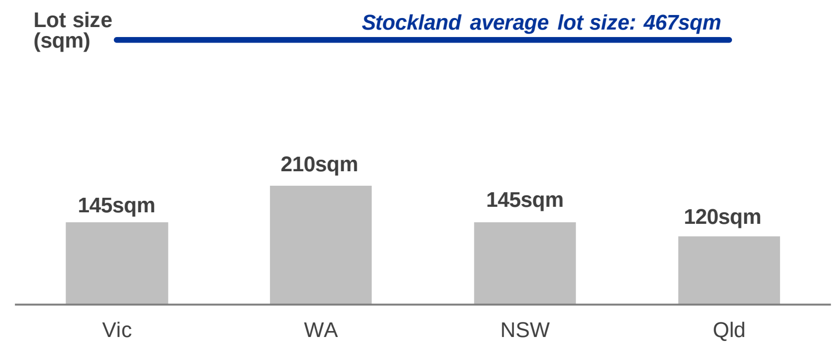
Continued focus on affordable product for our customers

Stockland projects providing more affordable product[1]

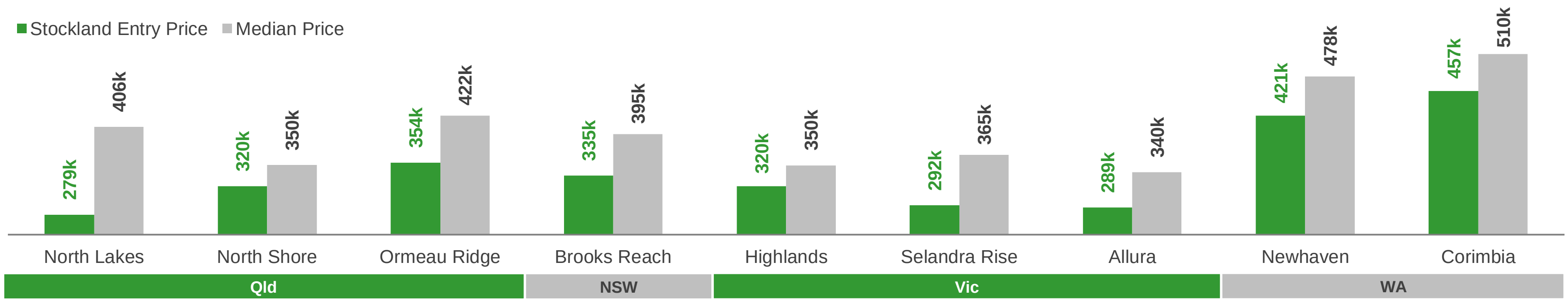
Proportion of sub $200k lots sold



Smallest lot in each state settled in 1H13



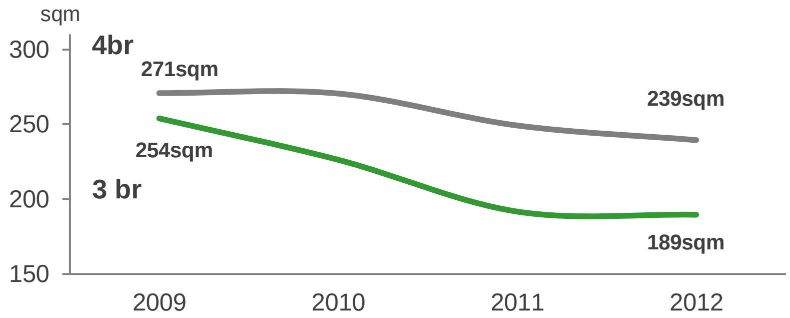
Stockland projects consistently more affordable than local median house price[2,3]



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, December 2012
3. APM: Median value of established houses in surrounding suburbs as at September 2012

Meeting customer demand for smaller houses

Average house sizes continue to decrease

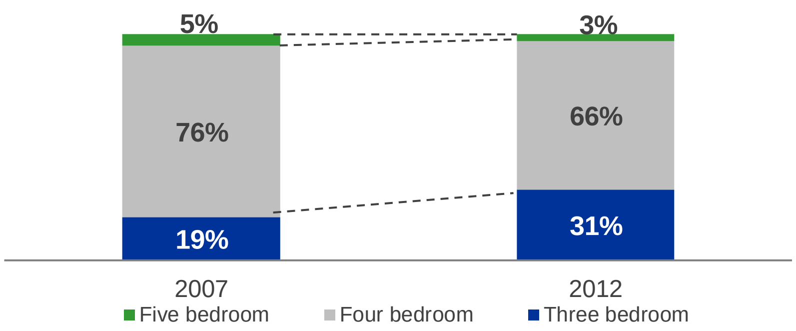


Demand for smaller house sizes

As housing design continues to become more efficient we are able to meet increasing customer affordability constraints

At ~$800 to $1,000 per sqm build cost, reduction in house size presents significant savings

Three bedroom houses continue to be sought after[1]



Three bedroom houses continue to meet customer needs

Customers are recognising the benefits of smaller houses to meet affordability needs

1. Stockland Research; Based on houses built in Stockland Residential Communities

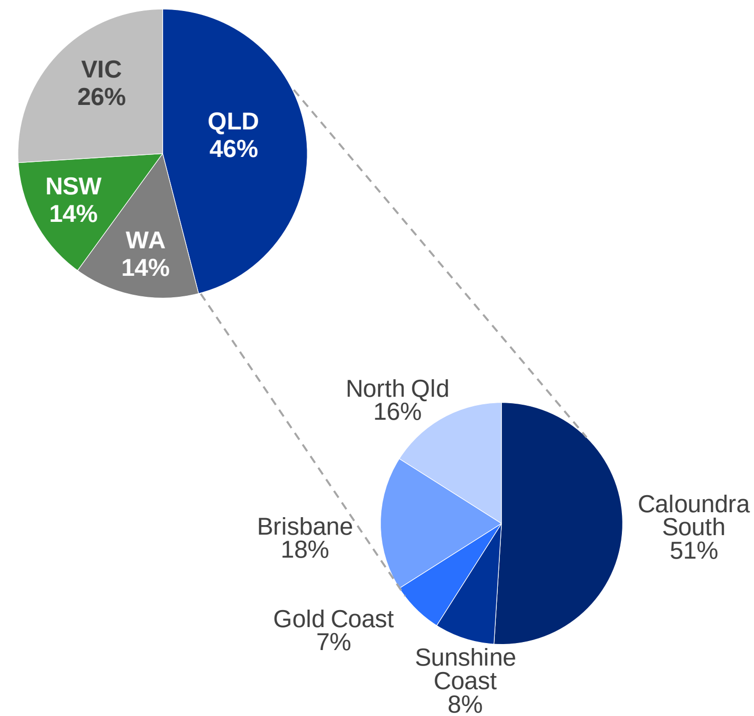
Stockland

Geographically diverse portfolio underpinned by large projects

Major active projects

State	Project	Approximate lot sales per annum[1]	Approximate remaining project lots
Qld	North Shore	280	4,170
	North Lakes	290	900
Vic	Highlands	450	3,680
	Mernda Villages	150	1,240
	Allura	220	900
	Selandra Rise	170	510
WA	Vale	300	2,500
	Whiteman Edge	290	1,070
	Newhaven	250	660
	Corimbia	190	450
NSW	McKeachies Run	190	490

Total Pipeline of 86,000[2] lots



1. Average of FY13 Forecast, FY14 and FY15 Estimates
2. All projects are on a trade out basis

10 projects with first settlements by FY15

Summary of new projects				
Project		**Timing of first settlements**	**Approximate total lots in project**	**Approximate life of project**
NSW	East Leppington, SW Sydney	FY14	3,200	9 yrs
	Marsden Park, NW Sydney	FY15	2,210	7 yrs
Qld	Paradise Waters, West Brisbane	FY14	2,160	11 yrs
	Pallara, South Brisbane	FY14	920	6 yrs
	Ellida, Rockhampton	FY15	2,200	20+ yrs
	Caloundra South, Sunshine Coast	FY15	20,000[1]	20+ yrs
	Twin Waters, Sunshine Coast	FY15	850	7 yrs
Vic	Lockerbie, Hume	FY15	11,500	20+ yrs
	Davis Rd, Wyndham	FY14/15	2,540	10 yrs
WA	Banjup, SW Perth	FY14	1,900	10 yrs
		Total lots	**47,480**	

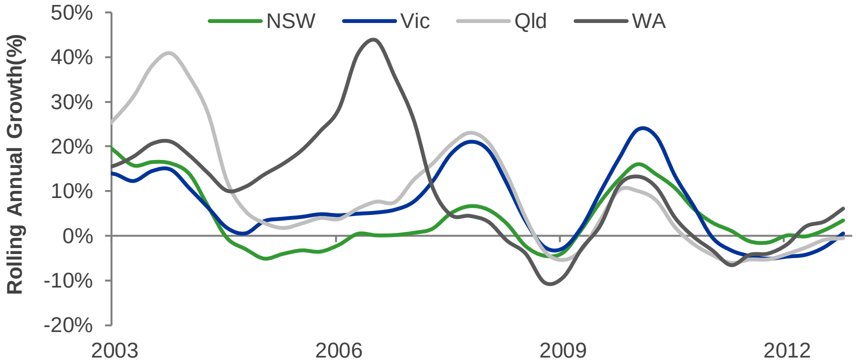
1. Dwellings

9 projects completing prior to FY15

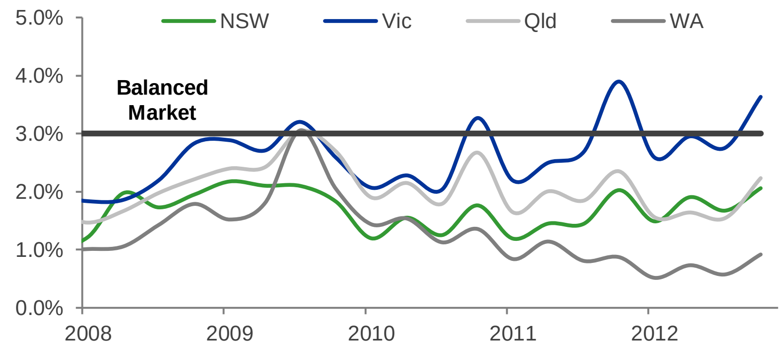
Summary of completing projects				
Project		Timing of final settlements	Approximate Total Lots	Lots remaining to sell (as at 1H13)
NSW	Darcys Peak	FY13	220	3
	Waterside	FY15	610	159
	McCauleys Beach	FY14	300	51
	Glenmore Ridge	FY14	520	43
	Brooks Reach	FY15	600	437
QLD	Parkwood	FY13	660	1
	Pacific Pines	FY13	5,000	1
WA	Townside	FY14	430	31
	Baldivis Town Centre	FY14	160	145
		Total lots	**8,500**	**871**

Established market stabilising and rental markets remain tight

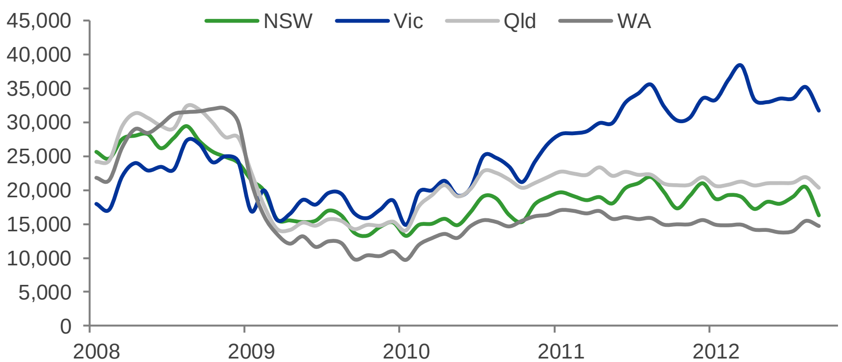
Capital city house prices stabilised[1]



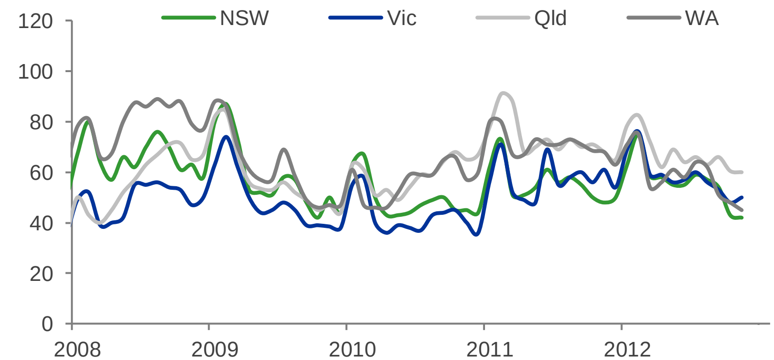
Rental vacancy low with exception of Victoria[2]



Established stock on market trending down[2]



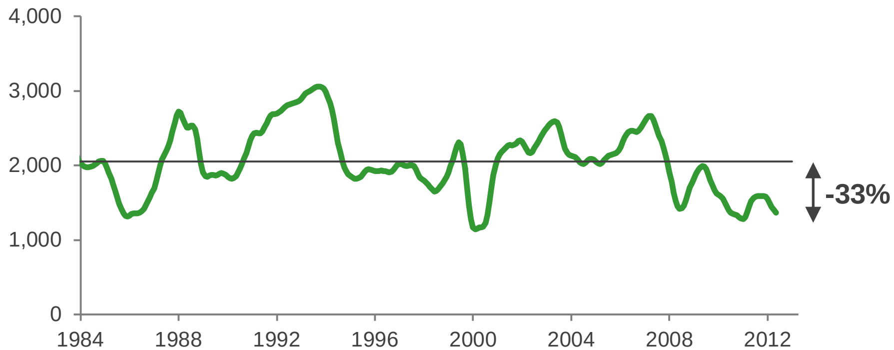
Established houses days on market trending down[3]



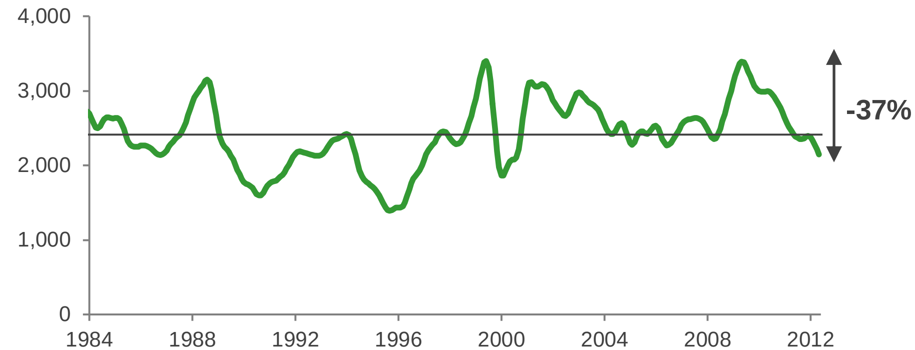
1. APM
2. SQM Research
3. RP Data

National housing
approvals around 16% below long term average

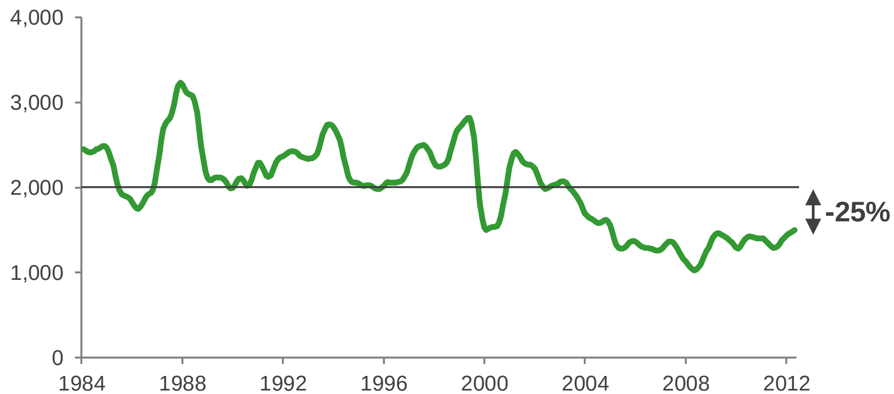
Qld market failing to respond to FHB boost



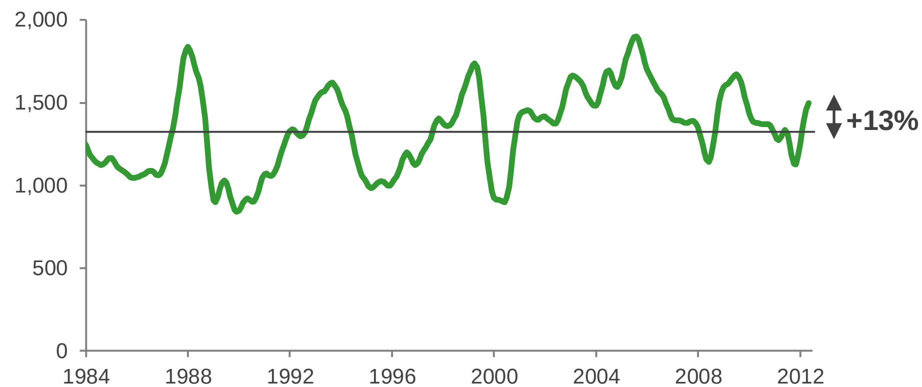
Vic market declined 37% from Dec 2009 peak



NSW market improving off a low base



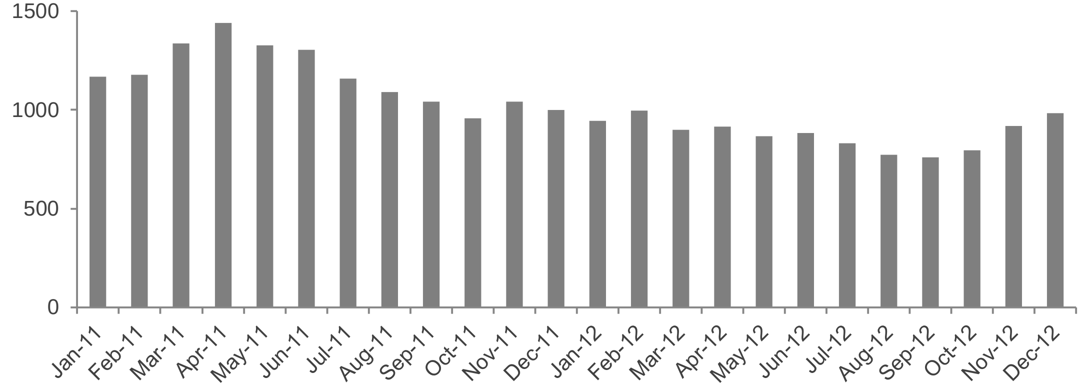
Momentum starting to build in WA



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

NSW and WA in early stages of recovery

NSW private house sales rising in December quarter[1]



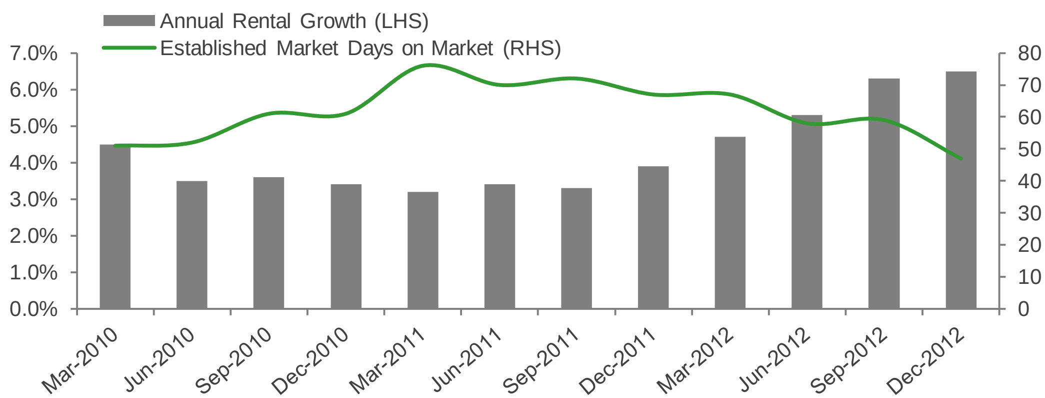
Metropolitan NSW continues to improve

Established house prices rising and stock on market falling

Rental markets remain tight

New home sales at highest level in 12 months

Tight Perth rental market stimulating new home demand[2]



WA market showing positive signs

Rents climb while vacancy rate remains near historic lows

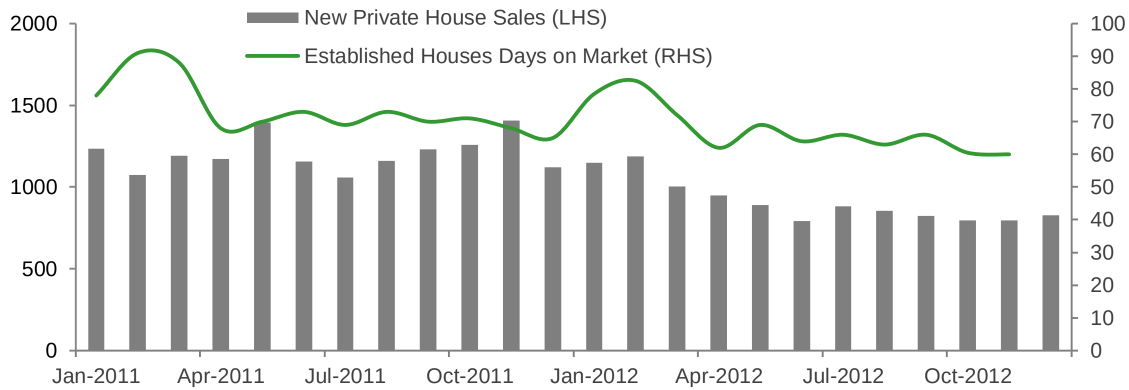
Affordability up as incomes continue to grow

Vendor discounting and days spent on the market both falling

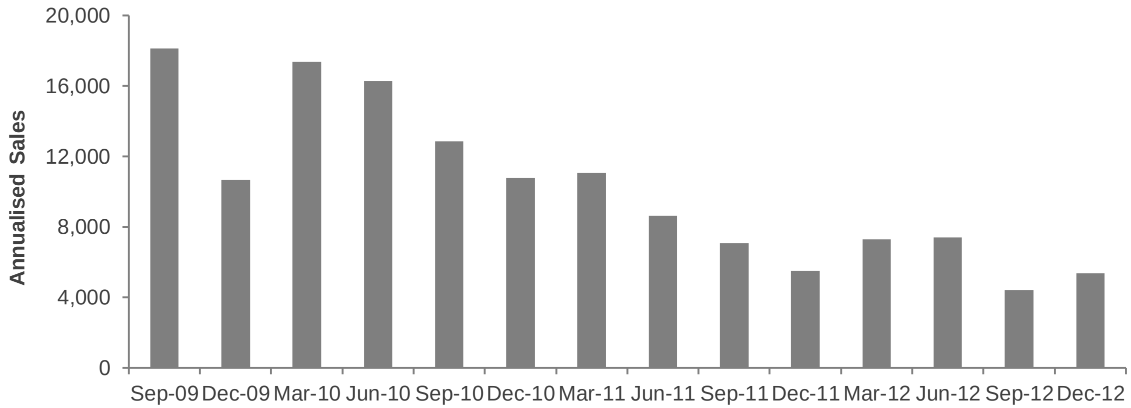
1. HIA New Home Sales
2. ABS Catalogue No. 6401.0, Table 11, RP Data

Qld and Vic remain challenging

Qld new housing weak but some positive signs in established market[1]



Vic vacant land sales rising off historic low[2]



Qld new home market yet to see recovery

Housing finance flat and building approvals falling in second half of 2012

December new home sales rose for the first time since July but remain at historically low levels

Property market is hampered by weakest labour market of major states

Vic vacant land market remains subdued

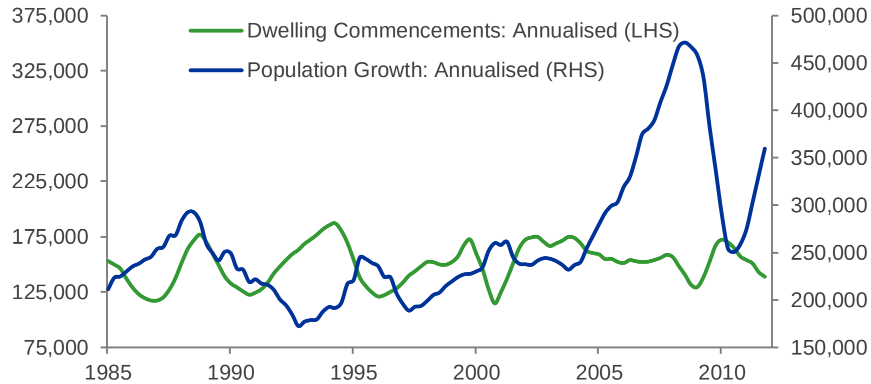
Expiration of government grants continuing to impact activity

Underlying demand underpinned by net international migration

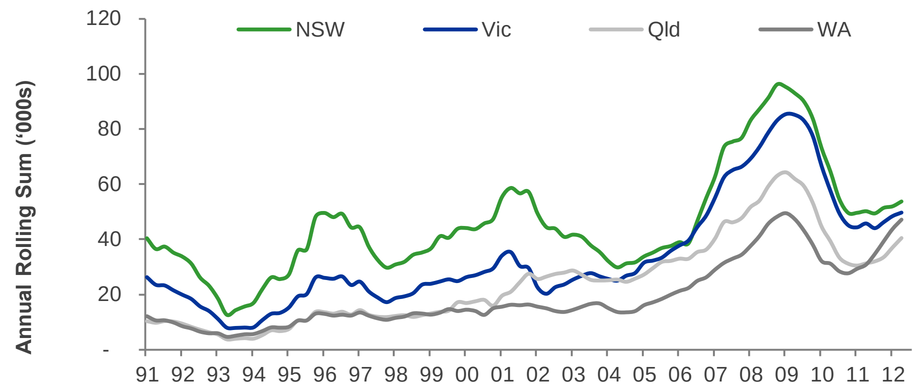
1. HIA New Home Sales, RP Data
2. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research.

Market fundamentals
driven by population growth and undersupply

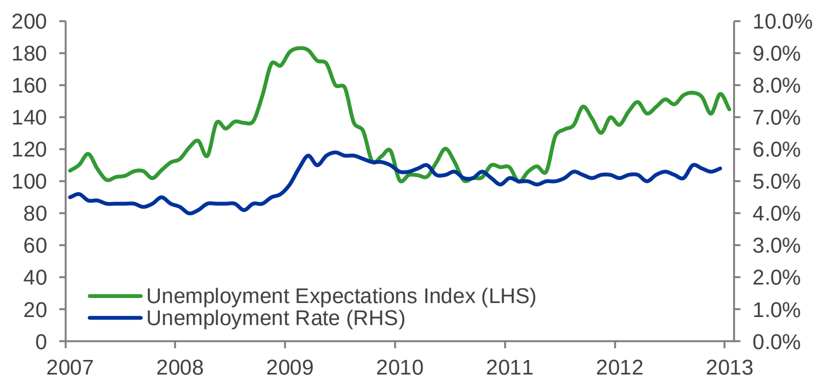
Population growth continues to diverge from dwelling starts[1]



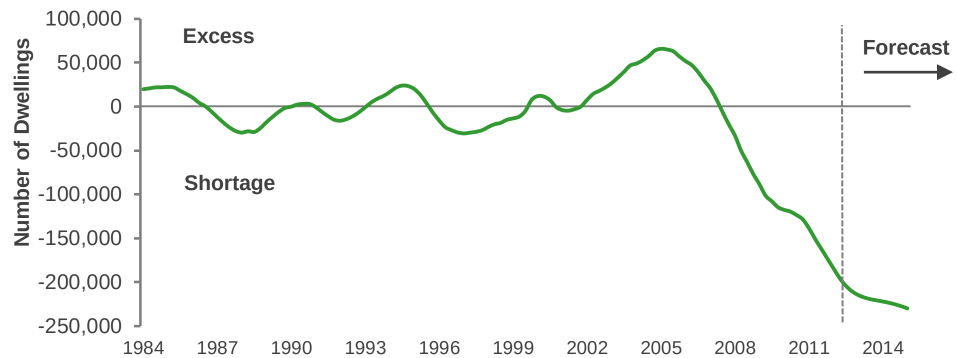
Net overseas migration rising in all states[2]



Stable labour market although consumers cautious[3]



Large and growing housing undersupply[4]

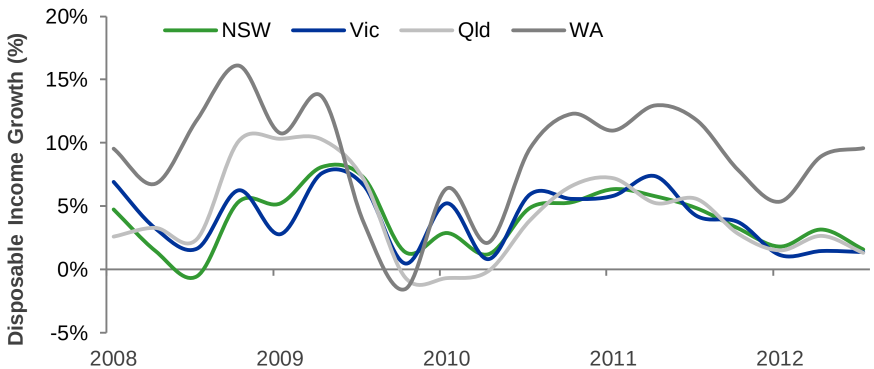


1. ABS Cat. No. 8752.0, 3101.0
2. ABS Cat. No. 3101.0
3. ABS Cat. No. 6202.0, Westpac-Melbourne Institute Survey of Consumer Unemployment Expectations
4. Goldman Sachs Global Economics

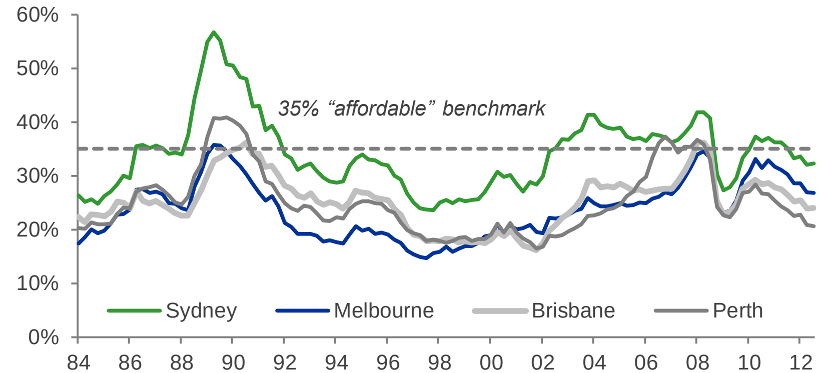
Stockland

Affordability improving as household income rises

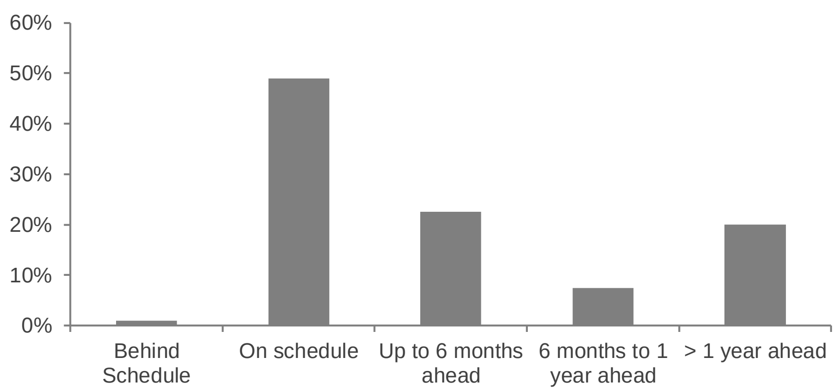
Household incomes still rising[1]



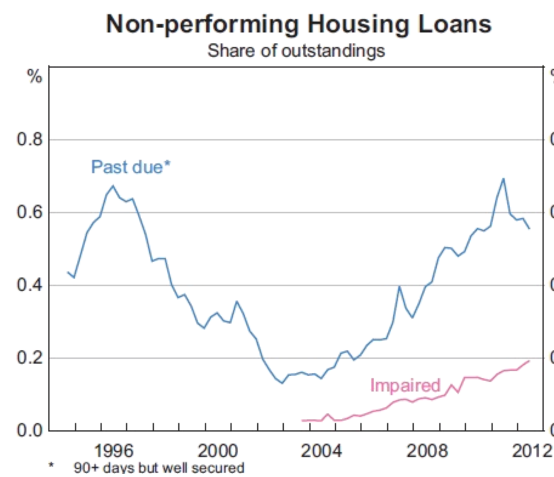
Mortgage repayments as % of household income[2]



Half of all mortgage borrowers ahead of schedule[3]



Loan defaults remain low in Australia[4]



1. ABS, Stockland Research
2. ABS, RBA, REIA, Stockland Research
3. RBA Financial Stability Review
4. RBA, APRA, Bloomberg, FDIC, banks' annual and interim reports

Stockland

81% of Apartments NFE is contracted

Apartments	1H13	1H12
Apartments settled	11	89
Revenue	$13m	$83m
Operating Profit (incl. interest in COGS)[1,2,3]	($2m)	$2m
Operating Profit margin (incl. interest in COGS)[3]	(13%)	2%
Apartment contracts on hand - no.	10	13
- $	$14m	$28m
Net funds employed	$68m	$94m
Net funds employed contracted[4]	$55m	N/A

1. Stockland's former head office classified as plant and equipment, depreciated and held below fair value. 1H13: nil (1H12:$1.9m) profit from the Hyde development excluded from Underlying Profit
2. Excludes net profit on settlements from impaired projects
3. Pre-tax
4. Includes disposal sites

Stockland

Additional 1H13 impairment of non-core, lifestyle projects

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 $306m of additional impairment booked in 1H13

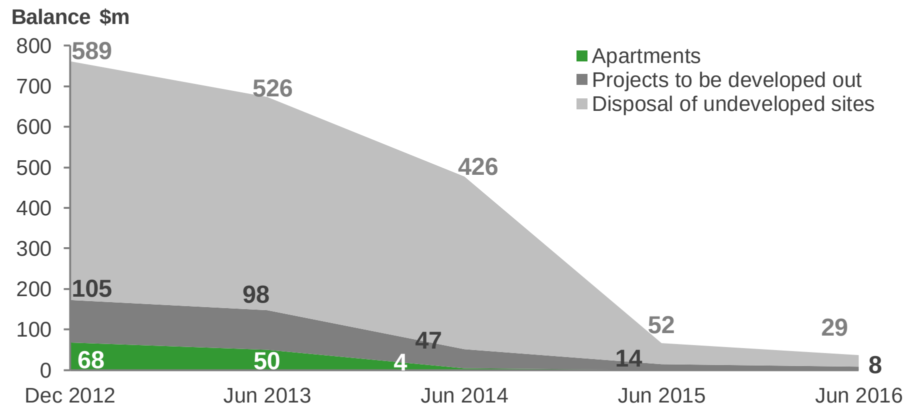
Net profit on settlements from previously impaired projects excluded from Underlying Profit:

- 9% of total lots settled in Residential Communities
- 55% of total lots settled in Apartments

31 Dec 2012	Residential Communities ($m)	Apartments ($m)	Total ($m)
Movement in provision for impairment in 1H13	(280)	(9)	(289)
Utilisation of impairment provision in 1H13	(16)	(1)	(17)
Additional Impairment taken (Below the Line)	**(296)**	**(10)**	**(306)**

	Impairment provision balance 31/12/12($m)	Final settlement
Residential Communities		
Projects to be developed	105	4+ years
Disposal of undeveloped sites	416	2.5 years
Apartments	68	1-2 years
Total	**589**	

Residential - Forecast utilisation of provision[1]



1. Forecast impairment provision balance as at 31 December 2012, based on forecast settlement dates, revenue and costs by project

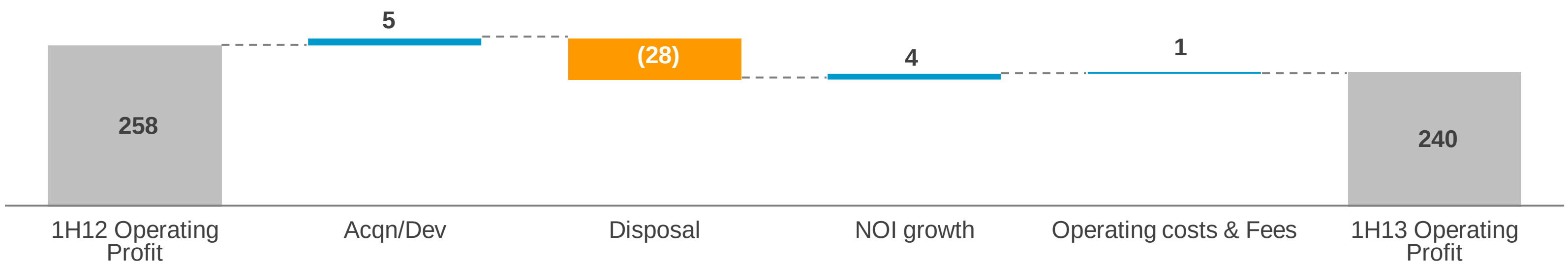
Commercial Property

Stockland

Stockland Townsville, Qld

Commercial Property operating results

Key movements between 1H12 and 1H13 ($m)



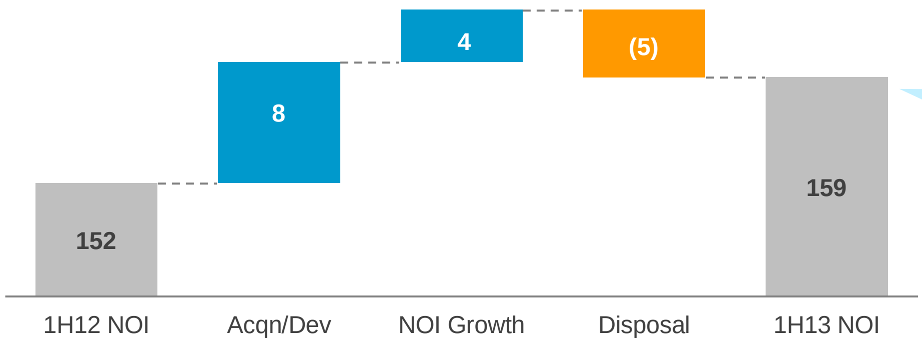
Commercial Property ($m)	1H13 Post AIFRS	1H13 Pre AIFRS	1H12 Post AIFRS	1H12 Pre AIFRS	Change Post AIFRS	1H13 Comparable NOI Growth[1]	
						Post AIFRS NOI	Pre AIFRS NOI[2]
Total net operating income:							
- Retail[3]	159	167	152	155	▲ 5%	3.5%	4.4%
- Office[4]	60	73	80	92	▼ 25%	6.2%	9.7%
- Industrial[5]	32	35	38	42	▼ 16%	(2.0%)	(2.7%)
Total net operating income (NOI)	**251**	**275**	**270**	**289**	▼ 7%	**3.2%**	**4.6%**
Fees	1	1	1	1	-		
Net operating costs[6]	(12)	(12)	(13)	(13)	▼ 8%		
Operating Profit	**240**	**264**	**258**	**277**	▼ 7%		

1. Comparable growth excludes unstable/non-comparable properties which includes Assets Held for Sale
2. Pre-AIFRS NOI backs out all non-cash accounting entries for comparable properties
3. 1H13 post-AIFRS NOI impact from disposal of Bay Village: ($5m)
4. 1H13 post-AIFRS NOI impact from disposal of 7 Macquarie Place, BankWest Tower, 52 Martin Place, Riverside Plaza, Exchange Plaza, 150 Charlotte St, Myuna, 118-120 Pacific Hwy, 45 St Georges Terrace, 255 and 267 St Georges Terrace: ($19m)
5. 1H13 post-AIFRS NOI impact from disposal of Wacol and Moorebank 1H12: ($4m)
6. Net of recoveries and costs capitalised to development projects

Stockland

Retail Performance

Retail NOI movements between 1H12 and 1H13 ($m)



Retail NOI up 5%

65% of which are on fixed 5% p.a.

Key metrics	1H13	1H12
Occupancy	99.4%	99.6%
Specialty occupancy costs	14.1%	14.0%
Specialty store leases: - **Fixed annual increases** - **CPI+**	 89% 11%	 83% 17%
Tenant retention	78%	72%
Weighted average lease expiry[1]	6.1 years	6.4 years

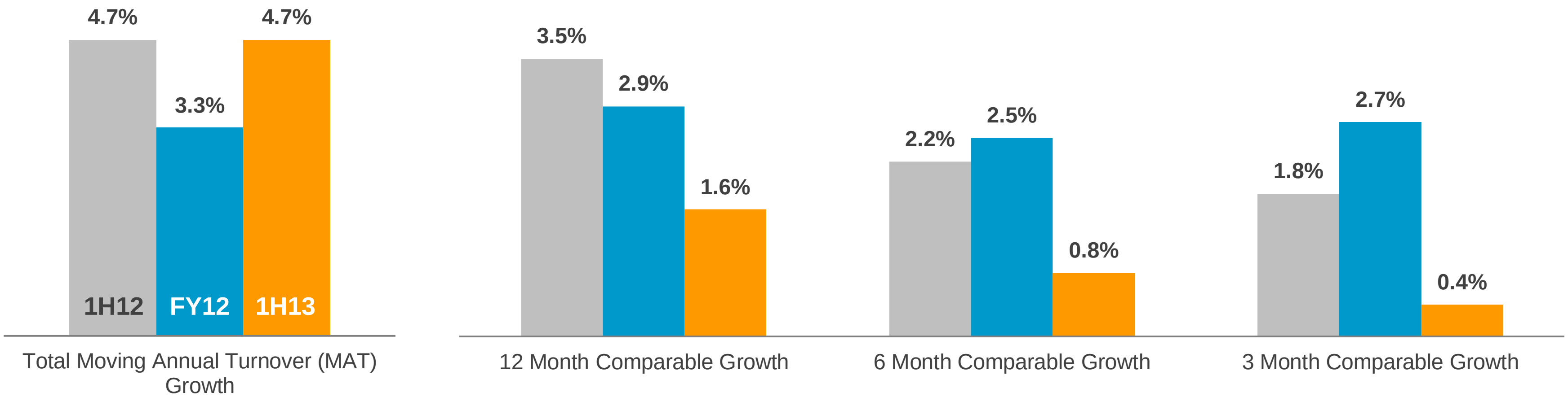
52 vacant shops, 61% of which were casually leased out and generating income at 31 December 2012

Renewals driving income growth

	No. of Deals	Area (sqm)	Rental growth	Incentive	
Lease renewals	135	20,148	2.6%	-	-
New leases	106	14,549	2.2%	5.3 months	7.5%
Total portfolio	**241**	**34,697**	**2.5%**		

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 10.8 years

Stockland sales growth



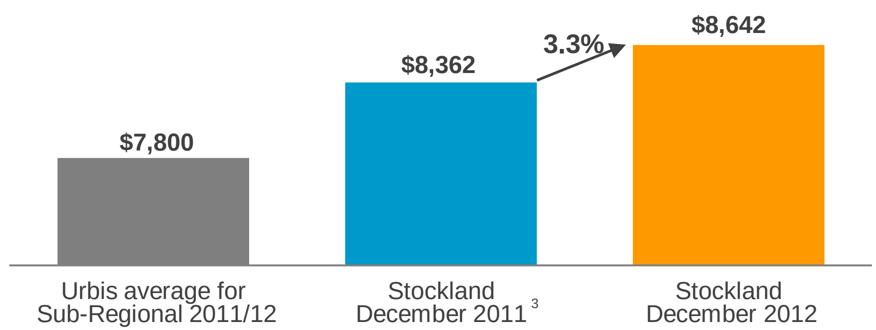
	Total MAT ($m)	Total MAT Growth	12 mth Comparable Growth	6mth Comparable Growth	3mth Comparable Growth
Supermarkets	2,281	4.8%	2.0%	1.7%	1.2%
Department[1] / DDS	854	2.0%	0.5%	(0.7%)	(1.2%)
Specialties	1,553	6.0%	1.2%	0.9%	0.7%
Mini Majors/ Cinemas/Other	934	4.7%	2.3%	(0.6%)	(0.6%)
Total	**5,622**	**4.7%**	**1.6%**	**0.8%**	**0.4%**

1. Includes Myer at Stockland Townsville (Qld)

Stockland MAT outperformed industry benchmark

	Total Sales	
	SGP Total[1] MAT growth	ABS Total MAT growth
Specialty shops	▲ 6.0%	▲ 3.0%
Supermarkets	▲ 4.8%	▲ 4.1%
Department / DDS	▲ 2.0%	▲ 0.9%
Other[2]	▲ 4.7%	n/a
Total MAT growth (12 months to 31 December 2012)	**▲ 4.7%**	**▲ 3.2%**

Comparable MAT Growth – Specialty 24 month in place (per sqm)



1. Total portfolio
2. Includes mini-majors and cinemas
3. December 2011 Specialty MAT is re-based for December 2012 comparable properties

Retail development pipeline

	Est. total incremental cost ($m)	Cost Spent to Date ($m)	Est. Cost to Complete ($m)	Completion Date	Completion Est. Value ($m)	Est. fully leased year 1 yield (%)	% Total Income Leased	% Specialty Shop income leased	Est. Incremental Return [1] (%)	Est. total return[2] (%)
Completed in FY13										
Merrylands	395	395	-	FY13	474[3]	6.5	99%	98%	N/A	10.7
Townsville	175	170	5	FY13	380 - 390	6.5	95%	92%	14.0	11.5
	570	**565**	**5**							
Under Construction										
Shellharbour	330	280	50	FY14	660 - 690	7.6	86%	78%	~14.5	~12.5
	330	**280**	**50**							
Projects expected to commence in the next 2 years										
Wetherill Park	195		195	FY15	~ 630	7.25 – 7.75			~14.0	~12.5
Hervey Bay	110		110	FY15	~ 190	7.25 – 7.75			~13.0	~11.5
Jimboomba[4]	70		70	FY15	~ 125	7.25 – 7.75			~13.0	~12.0
Wendouree	110		110	FY15	~ 270	7.25 – 7.75			~13.0	~12.0
Gladstone	125		125	FY16	~ 290	7.25 – 7.75			~13.5	~12.5
Baldivis	90		90	FY16	~ 150	7.25 – 7.75			~13.0	~12.0
Green Hills	350		350	FY16	~ 715	7.25 – 7.75			~13.5	~12.5
	1,050		**1,050**							
TOTAL	**1,950**		**1,105**							

1. Unlevered 10 year IRR on incremental development from completion
2. Unlevered 10 year IRR for existing assets and incremental development from completion
3. Final independent valuation
4. 50% share only

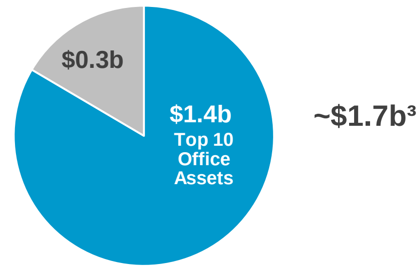
Stockland

Office Performance

Occupancy and Lease Expiry	1H13[1]	1H12
Occupancy level[2]	96.3%	95.8%
WALE	4.6 years	4.1 years

Portfolio concentrated in large quality assets

Office assets by book value



Key Office leasing deals

Property	Building Area (sqm)	1H13 Area Leased (sqm)	Leased to	Building WALE (years)	Comments
Waterfront Place[4]	58,754	7,860	Minter Ellison	5.8	Tenant renewal
601 Pacific Highway	12,677	7,283	IBM	4.0	Tenant renewal
135 King Street[4]	27,159	2,445	Moore Stephens	4.9	New Tenant
		1,600	M&D Sevices	4.9	New Tenant
		1,227	Regus	4.9	New Tenant
		1,227	Gadens	4.9	New Tenant
Piccadilly Tower	29,680	1,714	University of Sydney	4.5	New Tenant
		1,236	EWON	4.5	New Tenant
16 Giffnock	11,769	1,692	Endress + Hauser	3.8	New Tenant
110 Walker Street	4,417	1,009	Super IQ	4.1	New Tenant

1. Excludes 40 Cameron Ave, 175 Castlereagh Street and 9 Castlereagh Street
2. Comparable basis using 1H13 as the base, excludes 40 Cameron Ave (development), 175 Castlereagh Street and 9 Castlereagh Street (Assets Held for Sale)
3. Includes assets held for sale, 175 Castlereagh Street and 9 Castlereagh Street
4. Represents 100% property ownership. Stockland ownership is 50%

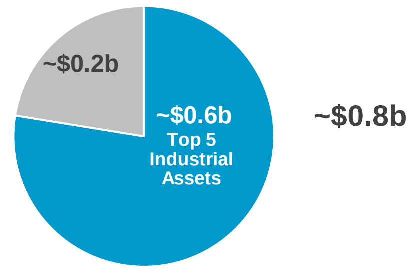
Stockland

Industrial Performance

Occupancy and Lease Expiry	1H13	1H12
Occupancy level	93.3%	99.5%
WALE	2.8 years	2.8 years

Portfolio concentrated in large quality assets

Industrial assets by book value



Key Industrial leasing deals

Property	Building Area (sqm)	1H13 Area Leased (sqm)	Leased to	Building WALE (years)	Comments
Yennora	297,342	57,962	Australian Wool Handlers	3.1	Tenant renewal
		9,226	Queensland Cotton	3.1	New Tenant
		4,345	Sussan Corporation	3.1	Tenant renewal
Port Adelaide	167,614	10,503	Viterra	2.0	Tenant renewal
Hendra	83,780	6,889	Global Express (Fastways)	4.7	Tenant renewal

Office & Industrial tenancy retention and new leasing metrics

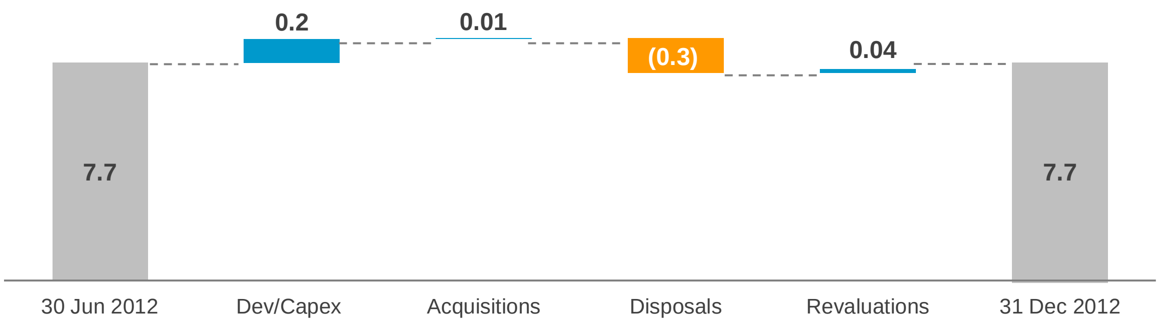
Office[1]	GLA Leased (sqm)	Retention (sqm)[2]	Increase on Base rents	Weighted Average Incentives	New Leases (sqm)[2]	Increase on Base rents	Weighted Average Incentives
Sydney CBD	8,503	412	3%	3%	8,091	1%	26%
Sydney Metro	10,987	7,975	5%	23%	3,012	0%	18%
Qld	13,928	9,994	5%	0%	3,934	10%	4%
	33,418	**18,381**	**5%**	**10%**	**15,037**	**3%**	**19%**
		55% retention					

Industrial	GLA Leased (sqm)	Retention (sqm)	Increase/ decrease on Base rents	Weighted Average Incentives	New Leases (sqm)	Increase/ decrease on Base rents	Weighted Average Incentives[3]
NSW	71,533	62,307	10%	9%	9,226	5%	0%
Qld	12,456	9,392	(2%)	5%	3,064	5%	0%
SA	15,207	10,503	10%	0%	4,704	0%	0%
Vic	27,782	19,410	(2%)	1%	8,372	10%	0%
	126,978	**101,612**	**7%**	**6%**	**25,366**	**6%**	**0%**
		80% retention					

1. Comparable basis, excludes 40 Cameron Ave (development), 175 Castlereagh Street and 9 Castlereagh Street (Assets Held for Sale)
2. Represents 100% property ownership
3. No incentives provided due to shorter term leases

Commercial Property revaluation and book value update

Commercial Property book values $7.7b[1]



Net revaluation breakdown ($m)	1H13
Income growth	34
Change in cap rates	(20)
Developments (Shellharbour)	58
Kawana Town Centre - Retail (Oceanside)[2]	(17)
Sundry Properties – Cambewarra (North Nowra)	(6)
Sundry Properties – Other	(6)
Assets held for sale (175 Castlereagh Street and 9 Castlereagh Street)	(8)
Net revaluation	**35**

34% of all investment property assets were independently valued at 31 December 2012

36% of externally valued investment property assets experienced cap rate compression

Retail is the only sector to record a positive movement overall, driven by income growth and cap rate compression

Development revaluation increment primarily relates to Shellharbour

Kawana forms part of the broader Oceanside Residential community. State Government approval based on restricted traffic movements secured in December 2012 reduces the permissible retail GLA on the 6.5Ha site, resulting in this forecast decrement

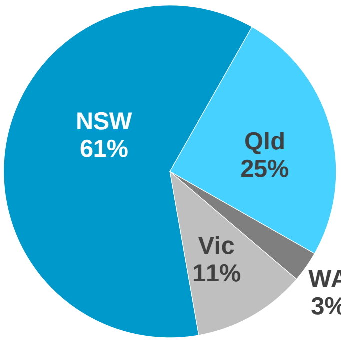
Cambewarra (North Nowra) decrease relates to unzoned rural land earmarked for rezoning to develop a retail centre. The valuation is for rural use only

1. Includes assets held for sale and JV and associate investment properties. Excludes WIP and Sundry properties
2. Represents current retail WIP and future estate major works

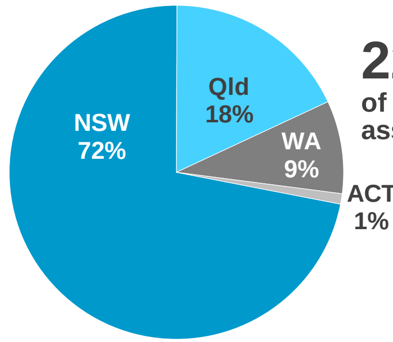
Portfolio weightings and valuation movements

Commercial Property assets - $7.7b[1]

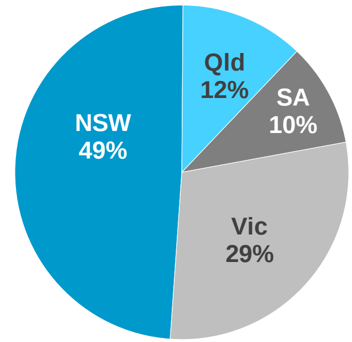
Retail - **$5.2b**
41 properties
930,955sqm gross lettable area[2]



Office - **$1.7b**
18 properties
418,238sqm net lettable area[2]



Industrial - **$0.8b**
12 properties
967,465sqm gross lettable area[2]



	WACR Dec-12	WACR Dec-11	1H13 Book Value ($m)	1H13 Movement ($m)
Retail [4]	7.0%	7.2%	5,288	83.3
Office[5]	7.9%	7.9%	1,528	(6.9)
Industrial	8.7%	8.5%	828	(4.4)
Assets held for sale[6]	-	-	221	(8.2)
Capital works and sundry properties[7]	-	-	174	(29.1)
Total	7.4%	7.5%	8,039	34.7

1. This is consistent with the Property Portfolio, which includes Assets Held for Sale but excludes WIP, sundry properties, Townsville Kingsvale and Sunvale, Hervey Bay Central Square and Townsville Kmart
2. Represents 100% owned, JV and associates properties and includes Assets Held for Sale
3. Based on book value at 31 December 2012, includes Assets Held for Sale
4. Includes Townsville Kingsvale and Sunvale, Hervey Bay Central Square and Townsville Kmart
5. Excludes Assets Held for Sale,175 Castlereagh Street and 9 Castlereagh Street
6. Includes 175 Castlereagh Street and 9 Castlereagh Street
7. An independent valuation will be performed on completion of the capital works, includes Eagle Street Pier

Asset values – Retail

Retail Portfolio	Book Value ($m)	1H13 Val. Incr/ Decr ($m)	Change	Cap Rate	1H13 AIFRS NOI ($m)[1]
Stockland Shellharbour[2]	599.1	53.1	9.7%	7.00%	9.5
Stockland Merrylands[2]	473.7	5.1	1.0%	6.25%	7.3
Stockland Townsville[2]	373.3			7.75%	6.8
Stockland Rockhampton	365.0	16.8	4.8%	6.50%	10.7
Stockland Wetherill Park	361.0			6.75%	12.3
Stockland Green Hills	274.2			6.75%	9.5
Stockland Glendale	258.1			6.75%	8.4
Stockland Cairns	218.7			6.75%	7.0
Stockland Point Cook	185.5			7.25%	6.5
Stockland Burleigh Heads	147.2			7.75%	5.2
Stockland The Pines	138.5	(8.1)	(5.5%)	7.50%	5.6
Stockland Forster	132.8			7.50%	4.7
Stockland Jesmond	122.5	0.7	0.5%	7.88%	4.7
Stockland Gladstone	118.0	14.3	13.8%	7.50%	4.6
Stockland Balgowlah	115.0	2.4	2.2%	7.25%	3.3
Stockland Wendouree	114.3			7.50%	4.2
Stockland Baulkham Hills	108.8			7.50%	3.8
Stockland Caloundra	104.1			7.50%-7.75%	3.9
Stockland Nowra	88.0	2.1	2.4%	7.75%	3.4
Stockland Cleveland	86.0	3.3	4.0%	7.50%	3.0
Stockland Bull Creek	82.1			7.75%	3.3
Stockland Traralgon	79.4			7.75%	3.6
Stockland Bathurst	77.1			8.00%	3.1
Stockland Hervey Bay	63.9			7.50%	1.6

Retail Portfolio	Book Value ($m)	1H13 Val. Incr/ Decr ($m)	Change	Cap Rate	1H13 AIFRS NOI ($m)[1]
Stockland Corrimal	61.1	1.5	2.5%	8.00%	2.4
Stockland Riverton (50%)	55.6			7.50%	2.2
Stockland Piccadilly	54.3			7.25%-8.25%	1.5
Stockland Wallsend	52.9			8.25%	2.2
Stockland Tooronga	50.1	0.2	0.3%	7.25%	1.5
Shellharbour Retail Park	46.5			8.25%	1.7
Stockland Baldivis	45.5			7.50%	1.1
Townsville Kmart	38.9			8.25%	1.4
Glasshouse	32.0	(9.0)	(22.0%)	6.90%-7.30%	0.8
Stockland Cammeray	32.0	0.9	2.9%	7.50%	1.1
Stockland Highlands	25.5			8.00%	0.5
North Shore Townsville	19.7			7.50%	0.6
Jimboomba (50%)	16.3			8.75%	0.6
Burleigh Central	15.7			9.25%	0.6
Woolworths Toowong[2]	13.7			N/A	0.1
Adelaide Street Plaza	11.4			9.75%	0.5
Vincentia SC	10.7			10.00%	0.5
Merrylands Court	9.3			9.00%	0.3
T/ville, Kingsvale & Sunvale[2]	5.5			N/A	0.2
Hervey Bay Central Square	5.2			9.00%	0.1
Subtotal Retail	**5,288.2**	**83.3**			**155.9**
Disposals[3]					1.8
Other[4]		(29.1)			1.2
Total Retail	**5,288.2**	**54.2**			**158.9**

1. NOI is post AIFRS and includes AIFRS adjustments for straight-lining rental income, amortisation of lease fees and amortisation of incentives
2. Properties impacted by development in 1H13
3. Includes disposed property: Bay Village
4. Relates to sundry properties and properties with capital works in progress

Stockland

Asset values – Office

Office Portfolio	Book Value ($m)	1H13 Val. Incr/ Decr ($m)	Change	Cap Rate	1H13 AIFRS NOI ($m)[1]
Piccadilly Tower[2]	269.0			7.25%-8.25%	7.6
Waterfront Place (50%)	249.7			7.50%	9.2
Triniti Business Campus	167.5			7.50%	4.8
Durack Centre	149.7			8.50%-9.00%	6.4
Optus Centre (31%)	116.3	(0.1)	(0.1%)	7.50%	4.4
135 King Street (50%)	96.0	(1.9)	(2.0%)	6.90%-7.30%	2.6
78 Waterloo Road	71.0	(1.3)	(1.8%)	7.75%	2.5
601 Pacific Highway	66.8			8.50%	2.9
60-66 Waterloo Road	65.8	(2.9)	(4.2%)	8.50%-9.25%	2.9
77 Pacific Highway	55.5			8.25%	2.0
Piccadilly Court	40.4			7.25%-8.25%	0.6
Garden Square	37.5	(1.1)	(2.8%)	9.38%	1.6
16 Giffnock Avenue	35.6	0.6	1.7%	8.75%	1.3

Office Portfolio	Book Value ($m)	1H13 Val. Incr/ Decr ($m)	Change	Cap Rate	1H13 AIFRS NOI ($m)[1]
Macquarie Technology Centre	34.0	(1.0)	(2.9%)	8.50%-9.25%	1.5
110 Walker Street	24.4	0.8	3.2%	8.75%	0.4
40 Cameron Avenue	23.1			10.17%	0.4
80-88 Jephson Street	18.6			9.00%	1.0
23 High Street	3.9			8.25%	0.2
27-29 High Street	3.3			8.50%	0.1
Subtotal Office	**1,528.1**	**(6.9)**			**52.4**
Disposals[3]					1.7
Assets Held for Sale					
9 Castlereagh Street	168.5	(10.6)	(6.1%)	7.25%	4.2
175-181 Castlereagh St	52.8	2.4	4.7%	9.00%	2.0
Total Office	**1,749.4**	**(15.1)**			**60.3**

1. NOI is post AIFRS and includes AIFRS 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 and 118-120 Pacific Highway

Stockland

Asset values – Industrial

Industrial Portfolio	Book Value ($m)	1H13 Val. Incr/ Decr ($m)	Change	Cap Rate	1H13 AIFRS NOI ($m)[1]
Yennora Distribution Centre	344.1			8.00%	12.5
Port Adelaide Distribution Centre	83.3			9.50%	4.0
Hendra Distribution Centre	81.5	(0.3)	(0.3%)	9.25%	3.0
Brooklyn Estate	79.7	(2.8)	(3.3%)	9.25%	3.2
9-11A Ferndell Street	42.2	(0.4)	(0.9%)	9.25%-10.00%	2.1
20-50 Fillo Drive & 10 Stubb Street	32.5			9.25%	1.2
1090-1124 Centre Road	31.8	(1.6)	(4.9%)	9.25%	1.3
Altona Distribution Centre	26.8			9.25%	1.3
11-25 Toll Drive	16.4	(0.9)	(5.1%)	8.25%	0.7
2 Davis Road	16.0			9.25%	(0.1)
32-54 Toll Drive	15.4	(0.3)	(2.2%)	8.25%	0.6
56-60 Toll Drive	15.4	1.9	14.0%	8.50%	0.5
76-82 Fillo Drive	13.9			9.00%	0.6
Export Park, 9-13 Viola Place	12.6			9.00%	0.7
M1 Yatala Enterprise Park	8.5			n/a	0
40 Scanlon Drive	7.7			8.75%	0.3
Total Industrial	**827.8**	**(4.4)**			**31.9**

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

Commercial Property asset disposals – 1H13

Property Disposed	Asset Class	Exchange Date	Settlement Date	Disposal Value ($m)
255 St Georges Terrace	Office	Jul 2012	Jul 2012	6.3
267 St Georges Terrace	Office	Jul 2012	Jul 2012	21.4
Bay Village	Retail	Jun 2012	Aug 2012	164.0
45 St Georges Terrace	Office	Aug 2012	Aug 2012	55.3
118 – 120 Pacific Highway	Office	Dec 2012	Dec 2012	24.2
Total Asset Disposals				**271.2**
175 Castlereagh Street	Office	Dec 2012	Mar 2013	53.2
9 Castlereagh Street	Office	Feb 2013	Mar 2013	168.5
Total Assets Held for Sale				**221.7**
Total Disposal Value				**492.9**

Top 20 tenant customers by income

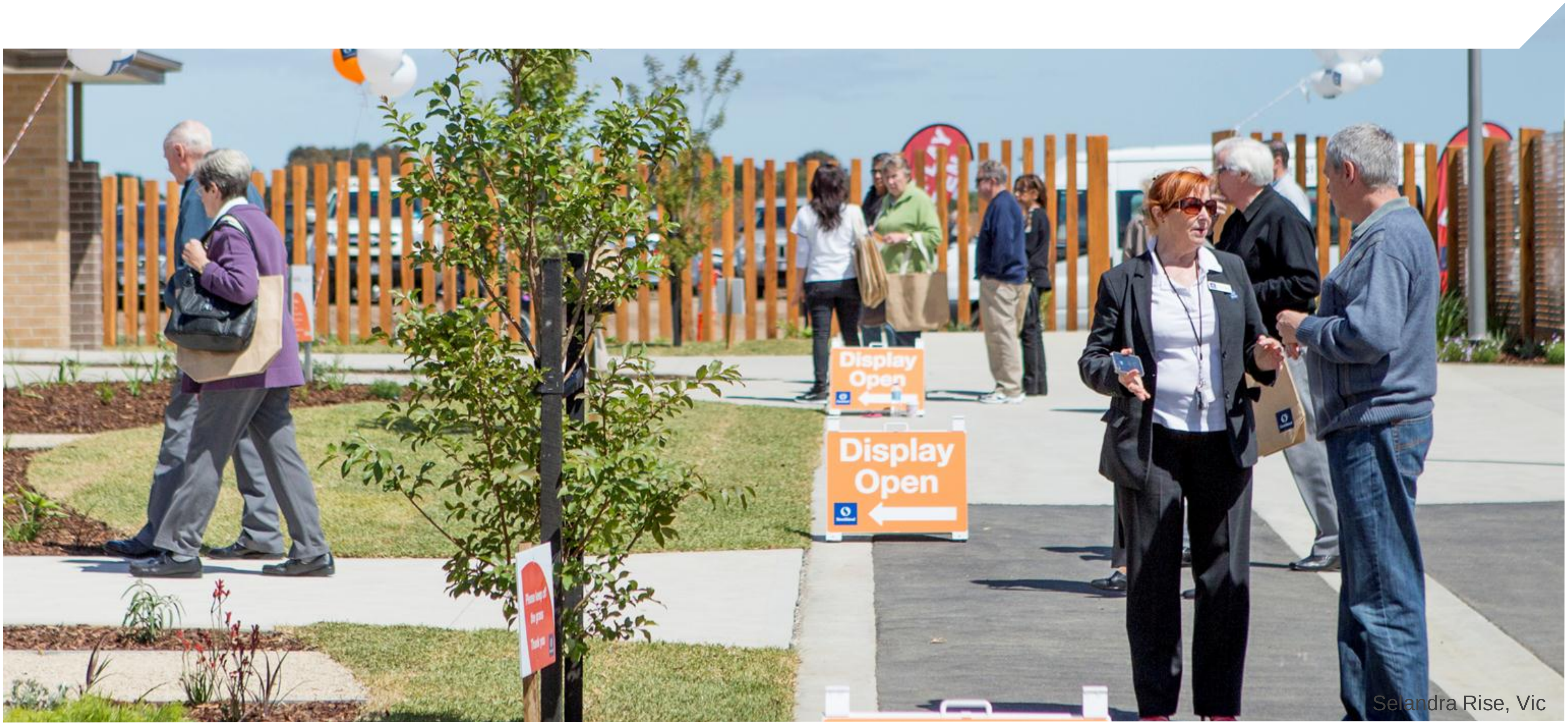
	Retail Portfolio		Office Portfolio		Industrial Portfolio	
Rank	Tenant	Portfolio	Tenant	Portfolio	Tenant	Portfolio
1	Woolworths	13.3%	Optus	7.7%	Toll Holdings Limited	13.6%
2	Wesfarmers	12.0%	Sinclair Knight Merz	5.4%	O-I (ACI)	9.5%
3	Prouds Jewellers	1.6%	IBM Global Services	5.0%	Qube Logistics	8.6%
4	Commonwealth Bank of Australia	1.4%	Stockland	5.0%	Australian Wool Handlers	6.8%
5	Specialty Fashion Group	1.3%	Shell	3.4%	Linfox Australia Pty Limited	6.2%
6	Terry White Chemist	1.3%	Schneider	2.9%	Ceva (TNT)	3.9%
7	Westpac Bank Corporation	1.3%	Eagle Street Pier	2.8%	KMart Distribution	3.8%
8	Just Group	1.2%	Goodman Fielder	2.7%	CRT Group Pty Limited	3.3%
9	Priceline	1.2%	Downer EDI Engineering	2.3%	Unitised Building (Aust) Pty Ltd	2.8%
10	Best & Less	1.0%	Secure parking	2.2%	Visy Industrial Packaging	2.3%
11	Luxotica Retail Australia Pty Ltd	1.0%	CSR	2.1%	Impact Fertiliser	1.9%
12	The Reject Shop	0.9%	Sony Australia Limited	2.0%	Simon Transport	1.9%
13	Retail Food Group Ltd	0.9%	GHD Services	1.9%	Yakka Pty Ltd	1.8%
14	National Australia Bank	0.8%	Ernst & Young Services Pty Ltd	1.8%	NHK Pty Ltd	1.8%
15	BB Retail Capital	0.8%	Laverty Health	1.8%	Williams Enterprise Group	1.7%
16	Retail Adventures	0.7%	Merck Sharp Dohme	1.6%	Isuzu	1.3%
17	Cotton On Clothing	0.7%	Minter Ellison Services Pty Ltd	1.5%	Bassell Australia Pty Limited	1.3%
18	Strandbags	0.7%	Uniting Church	1.5%	Queensland Cotton Corporation Limited	1.2%
19	Pretty Girl Fashion Group Pty Ltd	0.7%	Baulderstone Hornibrook	1.5%	Silk Logistics	1.2%
20	Metcash Trading Limited	0.7%	Jansen Cilag Pty Ltd	1.4%	Ansaldo STS Australia	1.2%
		43.5%		**56.5%**		**76.1%**

Top 20 tenant customers by area

Rank	Retail Portfolio		Office Portfolio		Industrial Portfolio	
Rank	Tenant	Portfolio	Tenant	Portfolio	Tenant	Portfolio
1	Wesfarmers	26.5%	Optus	9.7%	O-I (ACI)	13.5%
2	Woolworths	22.4%	IBM Global Services	4.4%	Toll Holdings Limited	12.9%
3	Retail Adventures	1.5%	Sony Australia Limited	4.0%	Australian Wool Handlers	8.3%
4	Best & Less	1.4%	Sinclair Knight Merz	3.9%	Qube Logistics	7.0%
5	Myer	1.3%	Stockland	3.8%	Linfox Australia Pty Limited	4.5%
6	Amalgamated Holdings Limited	1.3%	Schneider	3.6%	Ceva (TNT)	3.9%
7	Metcash Trading Limited	1.3%	Goodman Fielder	3.2%	Unitised Building (Aust) Pty Ltd	3.4%
8	The Reject Shop	1.1%	Laverty Health	3.0%	KMart Distribution	2.9%
9	Aldi Foods	0.9%	Downer EDI Engineering	2.6%	Impact Fertiliser	2.1%
10	Specialty Fashion Group	0.8%	CSR	2.3%	Yakka Pty Ltd	1.9%
11	McDonald's	0.7%	Shell	2.1%	Visy Industrial Packaging	1.8%
12	Terry White Chemist	0.6%	Merck Sharp Dohme	2.0%	Isuzu	1.4%
13	JB HI-FI Group	0.6%	Uniting Church	1.8%	Williams Enterprise Group	1.4%
14	Commonwealth Bank of Australia	0.6%	Jansen Cilag Pty Ltd	1.8%	Spendless Shoes Pty Limited	1.3%
15	Super Retail Group	0.6%	Baulderstone Hornibrook	1.7%	Kagan Logistics	1.3%
16	Priceline	0.6%	GHD Services	1.6%	Silk Logistics	1.2%
17	Just Group	0.6%	Boehringer Ingelheim	1.6%	Simon Transport	1.2%
18	Westpac Bank Corporation	0.5%	Alstom Power	1.5%	Amcor	1.2%
19	Hoyts Multiplex Cinemas	0.5%	Minter Ellison Services Pty Ltd	1.5%	Viterra	1.1%
20	Cotton On Clothing	0.4%	Ernst & Young Services Pty Ltd	1.2%	Queensland Cotton Corporation Limited	1.0%
		64.2%		**57.3%**		**73.3%**

Stockland

Retirement Living

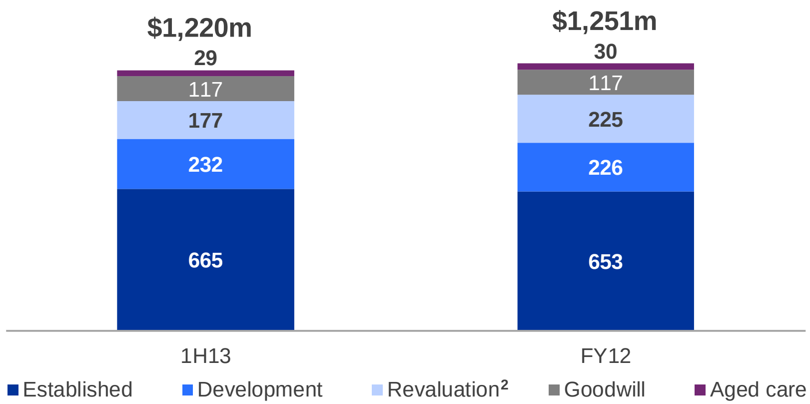


Selandra Rise, Vic

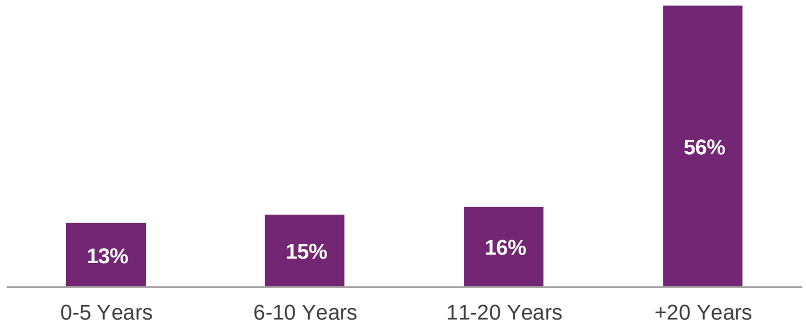
Solid portfolio
comprised of mature villages and development pipeline

Portfolio Statistics	1H13	FY12
Established villages	62	62
Established units	7,928	7,807
National ranking	#3	#3
Established units turned over	249	519
Actual turnover rate[1]	6.4%	6.9%
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	8.6 years	8.9 years
Average village age	20.0 years	19.5 years
Development pipeline -Active -Long-term	4,300 units 1,490 units 2,810 units	3,800 units 1,400 units 2,400 units

Net Funds Employed



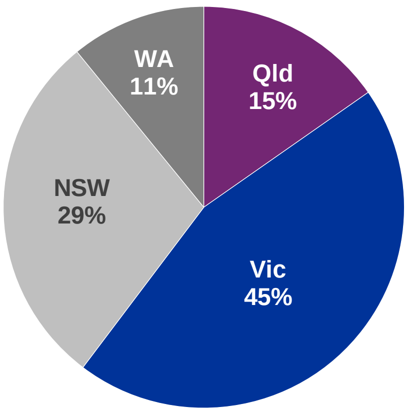
Age profile of established villages



1. FY12 has been restated to reflect changes in calculation (established units turned over / opening established units). 1H12: 6.2%
2. Consists of revaluation of existing Deferred Management Fees (DMFs), DMFs created through development and unsettled profit

Growth is supported by strong development pipeline

Geographically diverse development pipeline

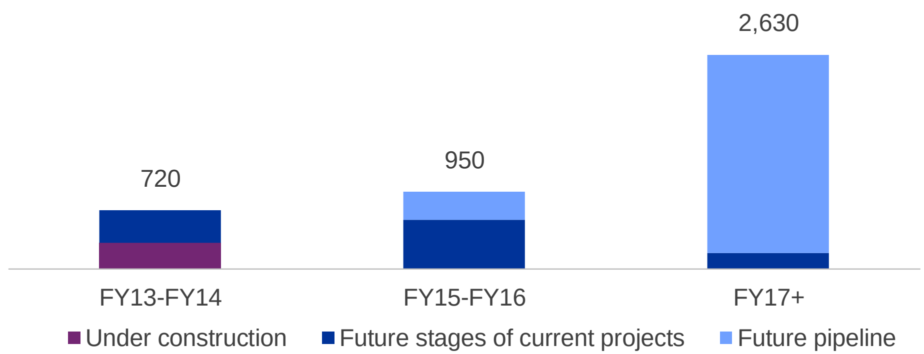


Total 4,300 units

Development pipeline	1H13
Development villages[1]	26
Total development pipeline units	4,300
- Greenfield pipeline units	3,630
- Village extension pipeline units	670
Average greenfield development stage size (units)	31
Average village extension development stage size (units)	29
Estimated end value	$2.1bn

Pipeline capacity will continue to increase settlements

Retirement Living Independent Living Units development pipeline[2]



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

Strong development pipeline capability across the next 5 years

State	Project	Yet to come online	Anticipated Settlements				
			FY13	FY14	FY15	FY16	FY17+
Active Developments							
VIC	Highlands	118	■	■	■	■	
VIC	Arilla	81	■	■			
VIC	Tarneit Skies	29	■				
VIC	Selandra Rise	214	■	■	■	■	■
VIC	Mernda	272		■	■	■	■
VIC	Gowanbrae	2	■				
QLD	Fig Tree	99	■	■	■		
QLD	North Lakes	40	■	■			
QLD	Farrington Grove	120	■	■	■	■	■
NSW	Waratah Highlands	82	■	■	■	■	
NSW	The Willows	37	■	■			
NSW	Macarthur Gardens	180	■	■	■		
WA	Affinity	216	■	■	■	■	■
Sub-total		***1,490***					
Development Pipeline							
VIC	Highlands Extension	200				■	■
VIC	Eucalypt	270			■	■	■
VIC	Highlands II	250					■
VIC	Lockerbie	250					■
VIC	Davis Road	250					■
QLD	Caloundra	400					■
NSW	Lourdes	10					■
NSW	Golden Ponds	50					■
NSW	Marsden Park	280					■
NSW	Cardinal Freeman	240			■	■	■
NSW	The Cove	60					■
NSW	Leppington	300				■	■
WA	Banjup	250					■
Sub-total		***2,810***					
Total ILUs yet to be released		**4,300**					

Key valuation metrics

Key valuation assumptions		
	1H13	**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 three years

Established Deferred Management Fee (DMF) asset valuation decreased from $726m at June 2012 to $685m at December 2012

This was primarily driven by a reduction in unit prices in 1H13 and changes to forecast prices in 2H13 and FY14, offset by development DMF asset creation, the progressive recognition of unsettled development profit (as required by AASB140) and the unwind of the present value discount during the period

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741

25th Floor
133 Castlereagh Street
SYDNEY NSW 2000