



1Q15 Stockland Update

Stockland Wetherill Park, NSW



Stockland

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- Positive operating performance
 - Strongest quarter for comparable specialty sales since 2009
 - Good momentum continuing in our residential business
- Australand capital profit of c.\$80m – to be reinvested in growth initiatives
- Progress on capital partnering:
 - Sale of a 50% interest in our redeveloped Townsville Shopping Centre (Qld) to an AMP Capital managed fund, for \$228.7m, capitalisation rate of 6.25%¹
 - Acquisition of a 50% interest in Sugarland Shoppingtown in Bundaberg (Qld), for \$59.25m, capitalisation rate of 7.5%²
- Maintained a leading position in global Sustainability indices

Our purpose

We believe there's a better way to live

Our vision

To be a great Australian property company that delivers value to all stakeholders

Our values

Community
Accountability
Respect
Excellence

Our primary objective

To deliver EPS growth and total risk-adjusted securityholder returns above the sector average

1. Separate Coles and Kmart component of the investment has a capitalisation rate of 7.25%
2. Stockland has exchanged put and call contracts to buy the remaining 50% of Sugarland within 6 to 24 months on materially similar terms

Creating sustainable, organic growth

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Retail

50% of SGP portfolio¹



Stockland Baldivis, WA

Create market leading or differentiated shopping centres

- Continuing to target 7-8% development yields and 12-14% IRRs for our \$1.2b pipeline

Logistics & Business Parks

13% of SGP portfolio¹



Balcatta, WA

Grow and develop a quality portfolio

- Portfolio growth from \$1.2b at the end of FY13 to \$1.6b today

Office

8% of SGP portfolio¹



135 King St / Glasshouse, NSW

Optimise returns - tactical allocation

- 16,900sqm of leasing progress in the first quarter

Residential

20% of SGP portfolio¹



Bells Reach, Qld

Maximise returns by creating better places to live

- Tracking towards 280 Completed Homes starts and 270 Medium Density starts in FY15

Retirement Living

9% of SGP portfolio¹



Cardinal Freeman, NSW

Leading operator and developer

- Progressing developments at 11 villages

1. Portfolio weightings as at 30 June 2014

12 month comparable growth³:

Specialties 2.3%
Supermarkets 1.7%
DDS/DS (1.4%)
Mini-Majors and Other (0.8%)
Total 1.0%

Improving specialty sales performance

- Strong quarterly sales performance from most categories
- Strongest specialty categories were food catering, retail services and homewares
- Comparable annual growth for major stores impacted by one less trading week compared to 1Q14

Retail development pipeline

- Delivering the \$1.2b retail pipeline, 12-14% IRRs
- Hervey Bay, Baldivis and Wetherill Park developments progressing on time and in line with forecast
- Point Cook and Glasshouse redevelopments have commenced

1. Sales data includes all Stockland managed retail assets – including UPF assets

2. Quarter numbers include Merrylands and Townsville

3. Adjusted for one extra week of reported sales for the Majors

4. Reflects 50% JV costs

Total Sales by Category ¹ to 30 September	MAT Growth	Comparable Annual Growth	1Q15 Total Growth	1Q15 Comparable Growth ²
Specialties	3.8%	2.3%	5.7%	4.7%
Supermarkets	1.2%	0.0%	3.7%	2.6%
DDS/DS	(1.2)%	(3.1)%	1.9%	(0.5)%
Mini-Majors and Other	0.0%	(0.8)%	1.6%	1.4%
Total	1.4%	0.0%	3.7%	2.5%

Progress on current development	Spend to 30 September (\$m)	Total estimated cost (\$m)	Estimated completion date
Hervey Bay, Qld	111	125	FY15
Baldivis, WA	24	116	FY15
Wetherill Park, NSW	85	222	FY16
Glasshouse, NSW ⁴	-	14	FY16
Point Cook, Vic	3	24	FY16

Logistics and Business Parks, Office, solid leasing

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Logistics & Business Parks:

- Over 84,000sqm of leasing activity in the first quarter
- Occupancy maintained at 96.4%
- Development pipeline; both existing assets and greenfield opportunities are progressing
 - Development applications lodged at Ingleburn (NSW), Port Adelaide (SA), Yatala, Talavera for a potential 118,000sqm

Office:

- Occupancy increased to 92.9%, up from 90.3% as at June 2014
- Improving fundamentals in Sydney CBD flowing through to portfolio metrics
- Over 7,000sqm of new leasing transactions completed at 135 King St (NSW) and Piccadilly Tower (NSW)
- Brisbane and Perth CBD office markets remain soft
- New leases completed with St George Bank and Shell at Waterfront Place (Qld)

Logistics and Business Parks	1Q15 ¹	FY14
Leases executed	10,400sqm	349,600sqm
Leasing activity under HOA	72,900sqm	16,700sqm
Portfolio occupancy by income	96.4%	96.4%
Portfolio occupancy by area	94.5%	94.8%
Portfolio WALE ²	4.7yrs	4.9yrs

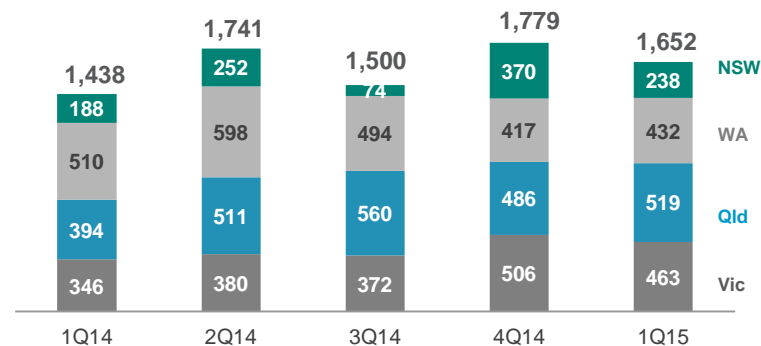
Office	1Q15 ¹	FY14
Leases executed	5,600sqm	39,700sqm
Leasing activity under HOA	11,300sqm	6,500sqm
Portfolio occupancy by income	92.9%	90.3%
Portfolio occupancy by area	88.9%	86.6%
Portfolio WALE ²	4.4yrs	4.5yrs

1. As at September 30

2. By income

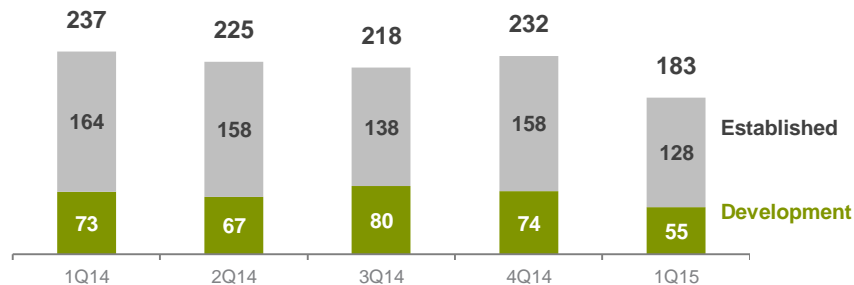
- Continuing residential strength
- 1,652 net deposits for the quarter, strongest 1Q result in four years
 - Sydney market remains strong
 - South East Queensland continuing to gather momentum
 - Melbourne steady with high levels of activity
 - Perth vacant land market continues to moderate
- Strong demand for our new release projects Elara (NSW), Willowdale (NSW) and Calleya (WA)
- Major projects at Lockerbie (Vic), Davis Road (Vic) and Caloundra (Qld) progressing well for launch in FY15, with first settlements in FY16
- Commenced construction of Medium Density dwellings and Completed Homes, broadening market reach
- On track to settle towards the upper end of our 5,000-6,000 lots through the cycle range

Net deposits



- Reduced net reservations for the quarter, due to:
 - Later start to sales campaign in 1Q15 compared to prior year
 - One less week of trading in the quarter
- Operating profit tracking to forecast but 1H:2H split affected by campaign timing
- Developments progressing at 11 villages
 - Commenced seven of the 12 new stages for FY15
- \$160m Cardinal Freeman redevelopment progressing in line with expectations

Net reservations

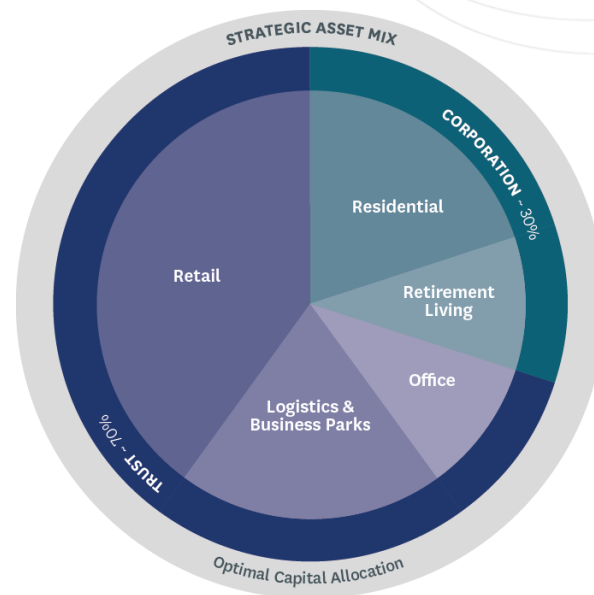


Priority	1Q15 progress	
Grow assets and customer base	 	<ul style="list-style-type: none"> Retail development pipeline on track, Point Cook and Glasshouse redevelopments have commenced Sugarland Shoppingtown acquisition Logistics and Business Park portfolio upgrading underway Expanding market reach to take advantage of strong residential conditions; on track for 550 new home starts in FY15
Operational Excellence	 	<ul style="list-style-type: none"> Continuous process and technology system improvements Leading Sustainability position in the 2014/15 S&P Dow Jones Sustainability Index
Capital Strength	 	<ul style="list-style-type: none"> Delivery on Capital Partnering strategy with a 50%, \$228.7m JV at Townsville EUR300m Green Bond

 Achieved

 Ongoing

- Good progress on executing our business priorities
- Maintaining our strategic capital allocation: 70% Trust, 30% Corporation
- We remain on track to achieve our FY15 EPS growth guidance range of 6-7.5%¹
- FY15 Distribution per security expected to be maintained at 24.0c



Five year indicative asset mix

1. Assumes no material decline in market conditions - excludes impact from the \$80m pre tax capital profit realised from the sale of our Australand strategic stake

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