



3Q16 Stockland Update

Delivering Sustainable Growth

Oceanside, Sunshine Coast, QLD

Agenda

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Group Update

Continued strong performance:

- Solid 3.5% comparable annual sales growth for specialty stores, 2.3% for total comparable sales
- Progressing our Retail and L&BP development pipelines on schedule and feasibility
- Strong quarter for Residential net deposits
- Activating our landbank, with new project launches at Altrove (Schofields, NSW), Aura (Qld), Newport (Qld), and Pallara (Qld)
- Strong net reservations year to date for Retirement Living



Five year indicative asset mix

Delivering sustainable growth

TRUST

Retail

51% of SGP portfolio¹



Stockland Green Hills, NSW

Create market leading shopping centres

- Acquisition of remaining 50% of Stockland Bundaberg (Qld) for ~\$61.5m on 7.8% FFO yield
- Targeting 7-8% yields² and 11-14% incremental IRRs for our \$1.6b development pipeline
- Final stage of Wetherill Park (NSW) to open in 4Q16; trading well

Logistics & Business Parks

14% of SGP portfolio¹



Mulgrave, Vic

Grow and develop a quality portfolio

- Acquisition of business park at Mulgrave (Vic) for \$87.6m delivering 7.1% initial yield
- ~\$400m development pipeline with target 7-8% yields² and 11-14% incremental IRRs³
- Developments underway at Oakleigh (Vic), Ingleburn (NSW) and Erskine Park (NSW)

Office

6% of SGP portfolio¹



135 King St/Glasshouse, NSW

Optimise returns – tactical allocation

- Maintained occupancy at 95%
- 70% of the portfolio is located in the strongest performing Sydney markets

CORPORATION

Residential

20% of SGP portfolio¹



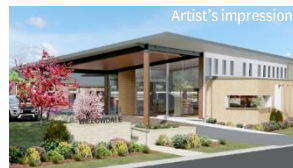
Arve (Ivanhoe, Vic)

Maximise returns by creating better places to live

- 90% of our Residential capital is now employed in actively selling projects
- Broadening customer reach with around 500 medium density homes commencing in 2H16

Retirement Living

9% of SGP portfolio¹



Willowdale Retirement Village, NSW

Leading operator and developer

- Strong sales momentum, record net reservations year to date
- Progressing our Continuum of Care strategy – six current and future sites agreed with Opal with others in planning
- Continuing to reshape our portfolio

1. Portfolio weightings as at 31 December 2015

2. Stabilised incremental FFO yield

3. Greenfield development

Retail

Retail Sales:

- 3Q16 comparable specialty sales up 2.5%, slight moderation in growth rate, with strongest categories:
 - Communication technology ▲ 16.9%
 - Retail Services ▲ 6.0%
 - Food Catering/Fast Casual Dining ▲ 5.1%
- Acquired remaining 50% stake in Stockland Bundaberg for \$61.5m in April 2016

Retail Development:

- Current developments progressing on time and in line with feasibilities
- Final stage of Wetherill Park (NSW) development due to complete mid 2016; centre trading strongly
- Harrisdale (WA) expected to complete mid 2016; over 85% of rental income already secured

1. Sales data includes all Stockland managed retail assets – including UPF assets
Includes extra trading day in February due to leap year and two less trading days in March due to Easter
Excludes Green Hills (NSW)

2. Incremental FFO yield

Total Sales by Category to 31 March ¹	MAT Growth	Comp Annual Growth	3Q16 Total Growth	3Q16 Comp Growth
Specialties	8.1%	3.5%	7.0%	2.5%
Supermarkets	2.4%	0.5%	2.3%	-0.4%
DDS/DS	2.8%	1.9%	4.8%	4.2%
Mini-Majors and Other	11.7%	6.0%	11.0%	3.7%
Total	5.6%	2.3%	5.4%	1.7%

Progress on current development	Spend to 31 March (\$m)	Total cost (\$m)	Stabilised yield ²	Incremental IRR
Wetherill Park, NSW	216	228	7.3%	~15.0%
Harrisdale, WA	30	51	7.8%	~11.2%
Green Hills, NSW	14	372	7.0%	~12.6%

Stockland Green Hills: Conversion to a major regional centre

- Redevelopment of Stockland Green Hills (NSW) commenced in January 2016, it will more than double the size of this highly productive centre
- The project will be delivered over three main stages:
 - Mid 2017: Best & Less, 23 specialty stores & kiosks
 - Late 2017: Target, 2 Mini-Majors, 88 specialty stores & kiosks
 - Easter 2018: David Jones, Harris Scarfe, JB Hi-Fi Home, 5 Mini-Majors, 74 specialty stores & kiosks
- Stage Two DA submitted to add an eight screen cinema complex

	On completion FY18 ¹
Cost to complete	\$372m
Stabilised yield ²	7.0%
Incremental IRR	~12.6%
Gross lettable area	70,000sqm
Majors & mini-majors	David Jones, Coles, Woolworths, BIG W, Target, 15 mini-majors
Specialty stores & kiosks	More than 225
Pad sites	4
Food court	800 seat indoor - outdoor
Car parking spaces	3,100

1. Does not include cinema stage

2. Incremental FFO yield



Logistics and Business Parks, Office

Logistics & Business Parks:

- Continued leasing momentum with 290,000 sqm, 23% of the portfolio, executed or underway
- Progressing our ~\$400m development pipeline:
 - Oakleigh Stage One development and Erskine Park to be completed in June 2016; Ingleburn Stage One development to be completed in August 2016
- Two DAs lodged for approval and a further three DAs being documented
- \$87.6m acquisition of a modern business park in Mulgrave, Melbourne (in April). Fully occupied with three blue chip tenants (Kmart, Coles and Toll), initial yield of 7.1% and WALE of 8.5 years

Office:

- Maintaining portfolio occupancy at 95%
- Majority of portfolio in Sydney CBD, North Sydney and St Leonards, which are all performing strongly

Logistics and Business Parks	FY16 year to date	1H16
Leases executed	234,300 sqm	182,000 sqm
Leasing activity under HOA	55,600 sqm	51,000 sqm
Portfolio occupancy by income	93.5%	94.6%
Portfolio WALE ^{1,2}	4.5 yrs	4.5 yrs

Office	FY16 year to date	1H16
Leases executed	9,000 sqm	6,800 sqm
Leasing activity under HOA	8,700 sqm	6,800 sqm
Portfolio occupancy by income	95.0%	95.4%
Portfolio WALE ¹	3.9 yrs	4.1 yrs

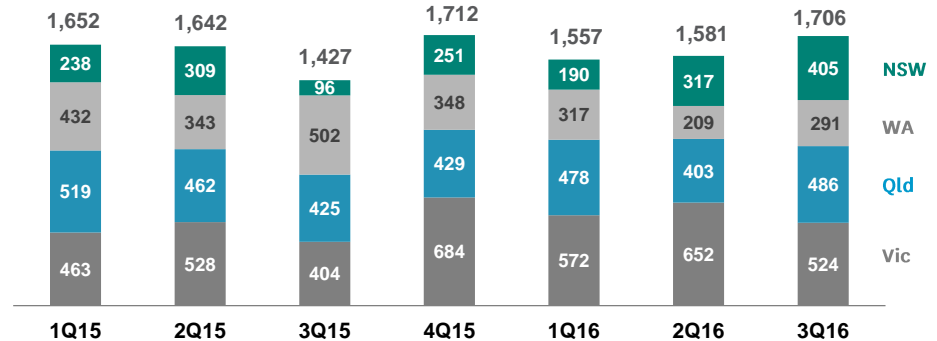
1. By income

2. Excludes Mulgrave (Vic)

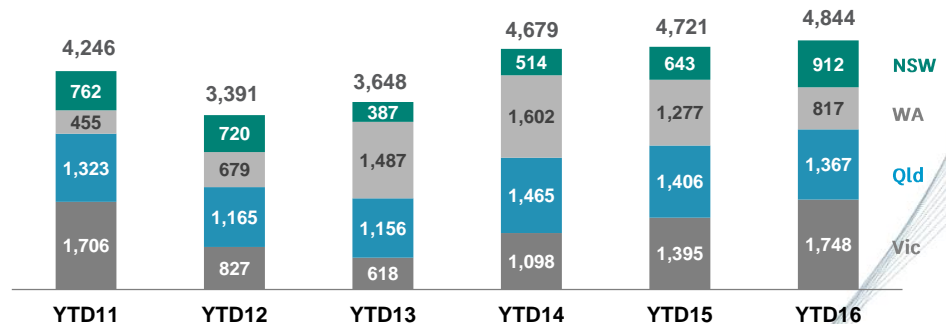
Residential Communities

- Strong quarter for net deposits:
 - Continued strong market conditions in NSW, supporting release of Altrove (Schofields)
 - Good response to sales campaign in WA
 - Qld market strengthening, supporting demand for new projects
 - Vic market conditions remain robust – third quarter deposits impacted by projects nearing completion (Arbourlea, Selandra Rise, Allura)
- Broadening customer reach; deposits taken on over 260 townhomes and 75 completed homes in FY16 to date
- 77% of buyers were owner occupiers in the March quarter

Residential net deposits - quarterly



Residential net deposits - year to date



Activating our landbank

- 90% of our Residential capital is now employed in actively selling projects
- On track to achieve first settlements at Altrove (NSW), Newport (Qld), and Pallara (Qld) in FY17

Recent and Pending Launches

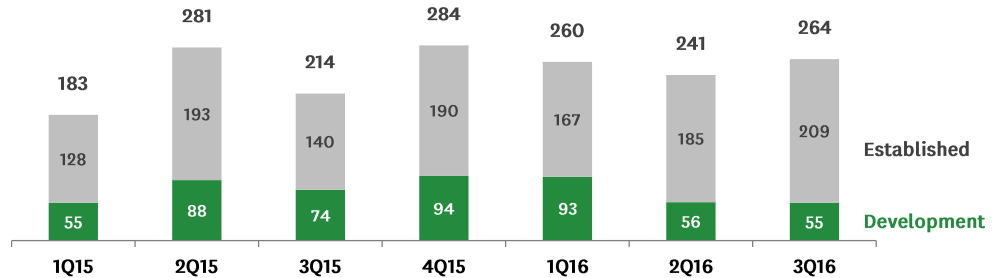
Project	Total project value (\$m)	Total lots/dwellings	Timing of project launch	Timing of first settlements
Cloverton, Vic	3,437	10,881	2H15	2H16
Aura, Qld	5,000	20,000	1H16	2H16
Altrove, NSW	416	1,180	2H16	FY17
Newport, Qld	571	1,497	2H16	FY17
Pallara, Qld	194	717	2H16	FY17



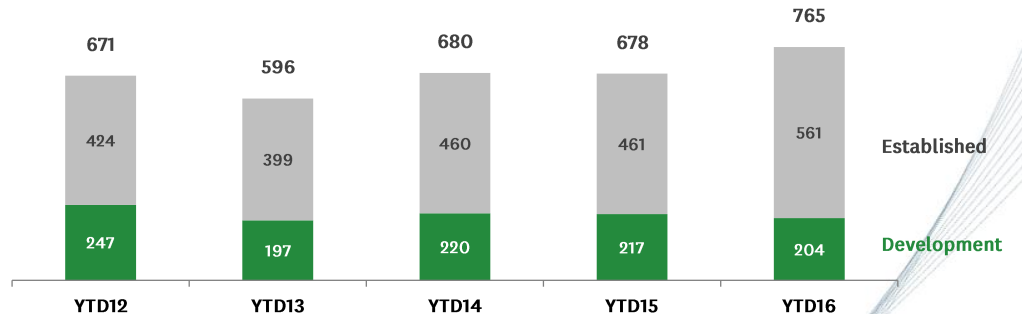
Retirement Living

- Strong quarter for net reservations in our Established villages
- Continued to grow development pipeline; reservations affected by timing of project releases
- Large stages due for completion and settlement over next two quarters at:
 - Cardinal Freeman (NSW)
 - Willowdale (NSW)
 - Lightsview (SA)
- Continue to explore opportunities to reshape our portfolio

Retirement Living net reservations - quarterly



Retirement Living net reservations - year to date



Summary & Outlook

- Remain on track to achieve underlying EPS growth of 6.5 – 7.5% and FFO per security growth of 9 – 10% in FY16, assuming no material change in market conditions
- FY16 DPS targeted at 24.5c
- Well placed to achieve :
 - Full year lot settlements slightly above our through the cycle range of 5,000 – 6,000 lots
 - Commercial Property comparable FFO growth of 3 – 4% and comparable NOI growth of 2 – 3%
- Portfolio continues to be positioned for sustainable long term growth and value creation



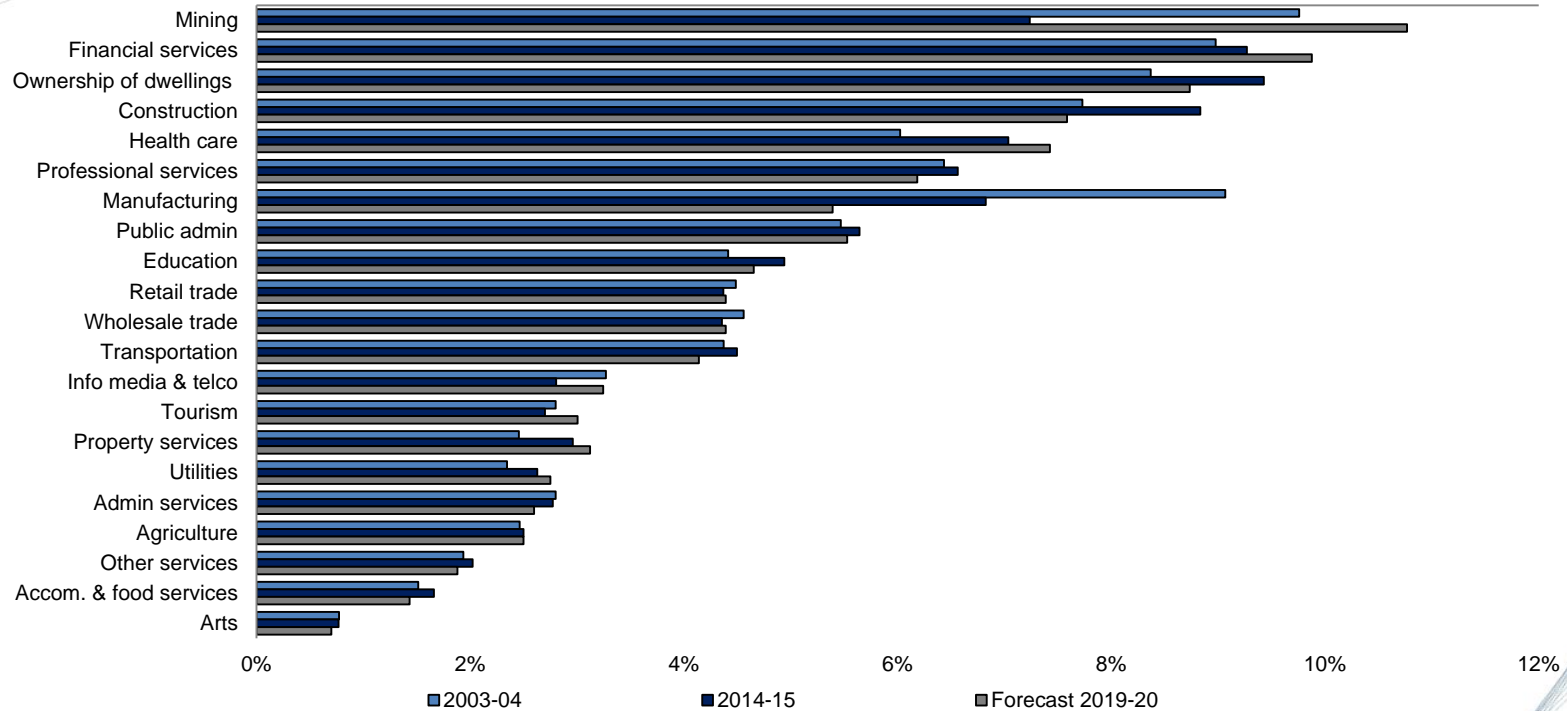


Annexure

Economic Overview

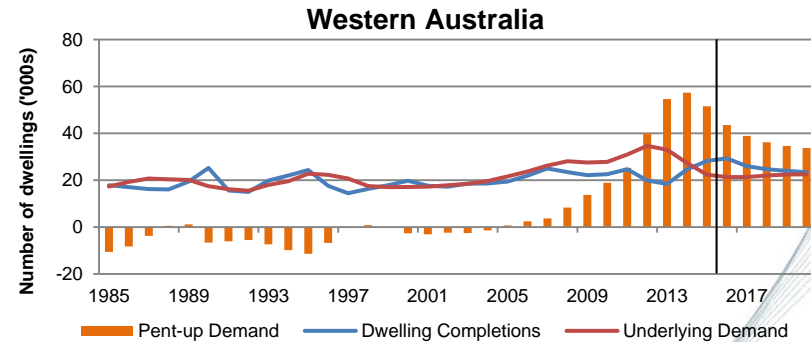
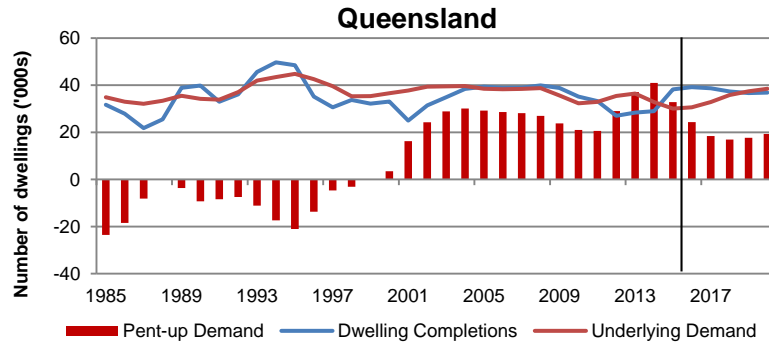
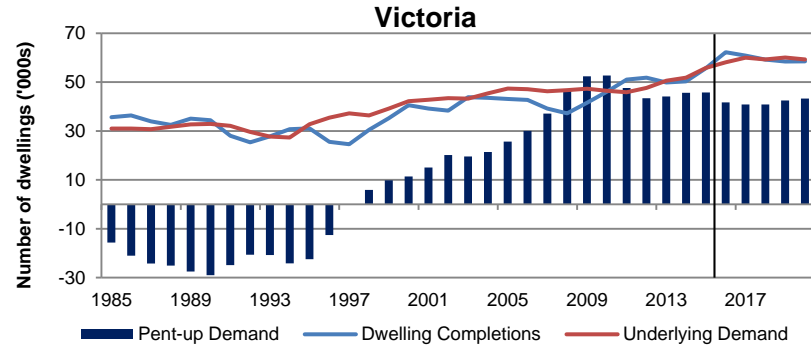
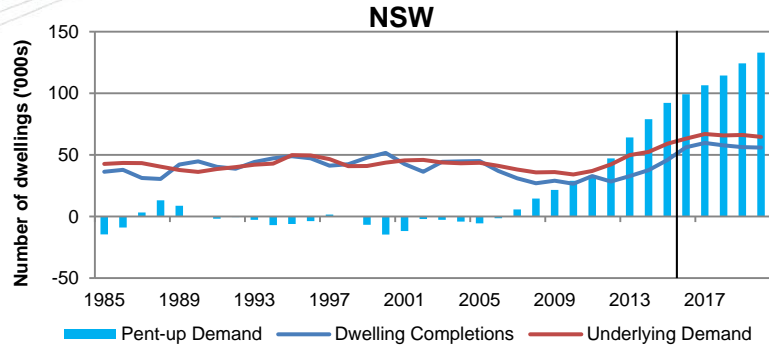
Cardinal Freeman Retirement Village, NSW

Contribution to Australia's GDP by industry (%)



1. ABS, Deloitte Access Economics March 2016

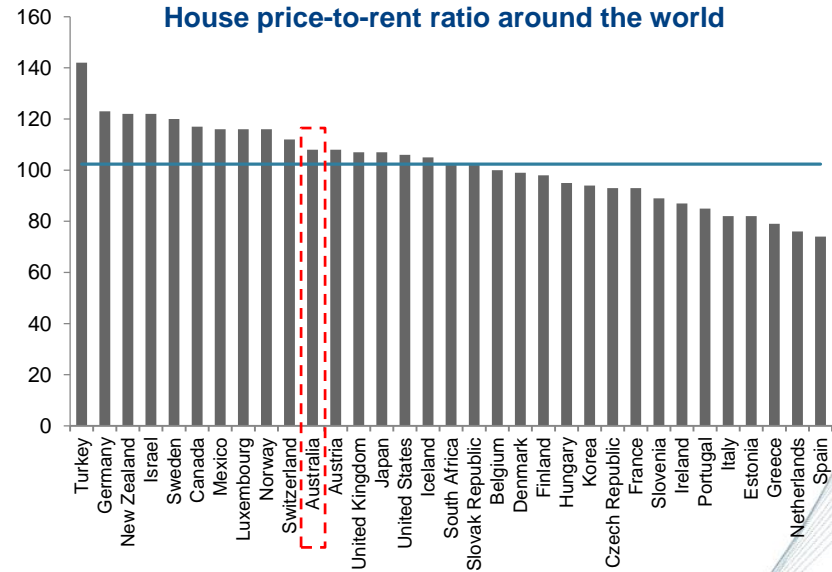
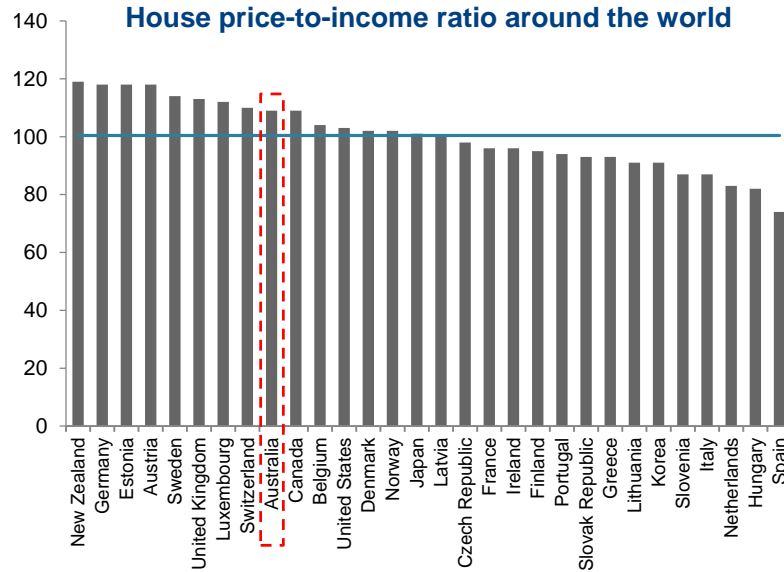
Residential – Estimated pent up demand



1. ANZ Economics, April 2016

Stockland 3Q16 update

Residential Affordability – Australia well placed internationally



1. Global Housing Watch Quarterly Update Jan 2016, IMF

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