

UBS 2005 Global Real Estate Conference - December 2005
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Stockland



Presentation Outline

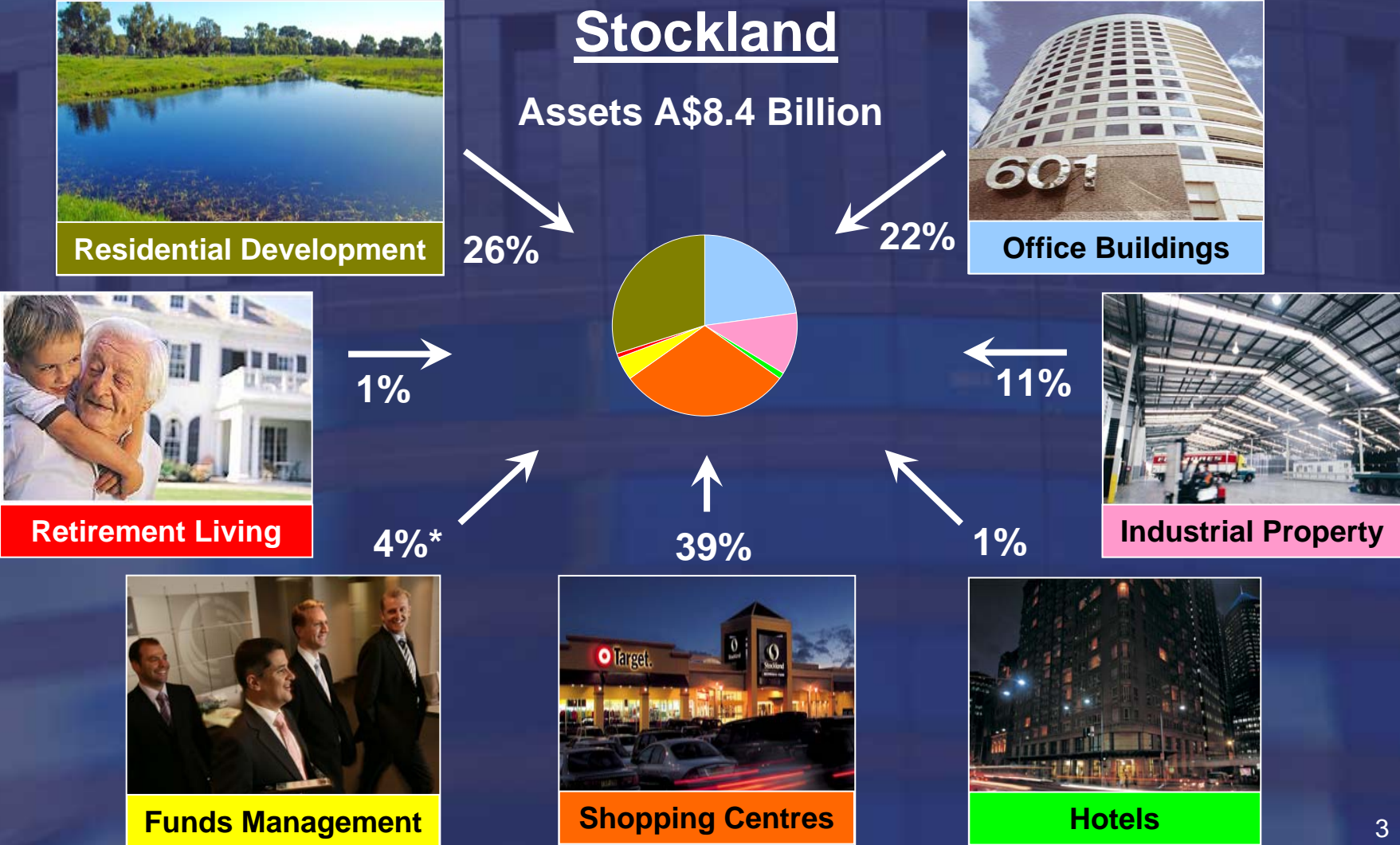
Topic

“What is the outlook for the housing sector in Australia and how your company adapts?”

Outline

- Who is Stockland
- Market Environment
- Market Performance Both Short and Long Term

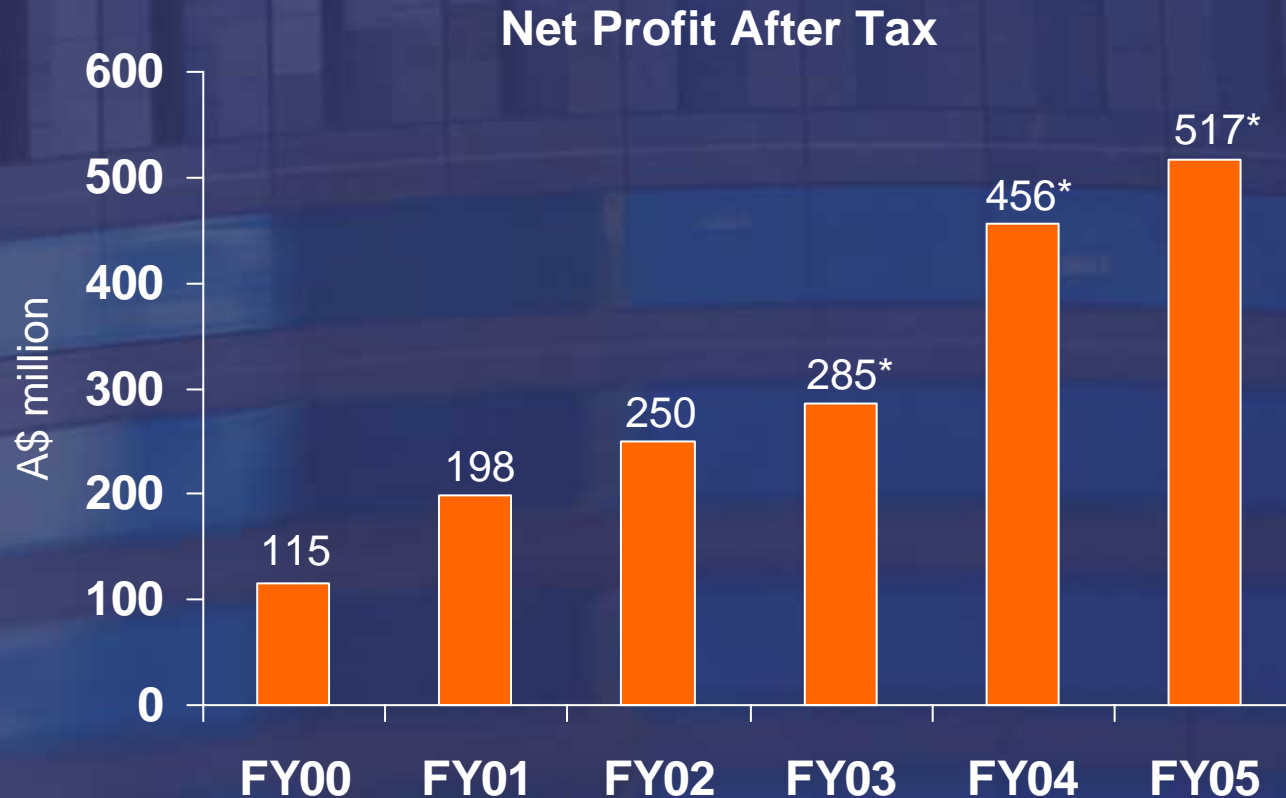
Business Diversification



* = under management, not included in the \$8.4 billion

Financial Performance

Strong History Of Profit Performance

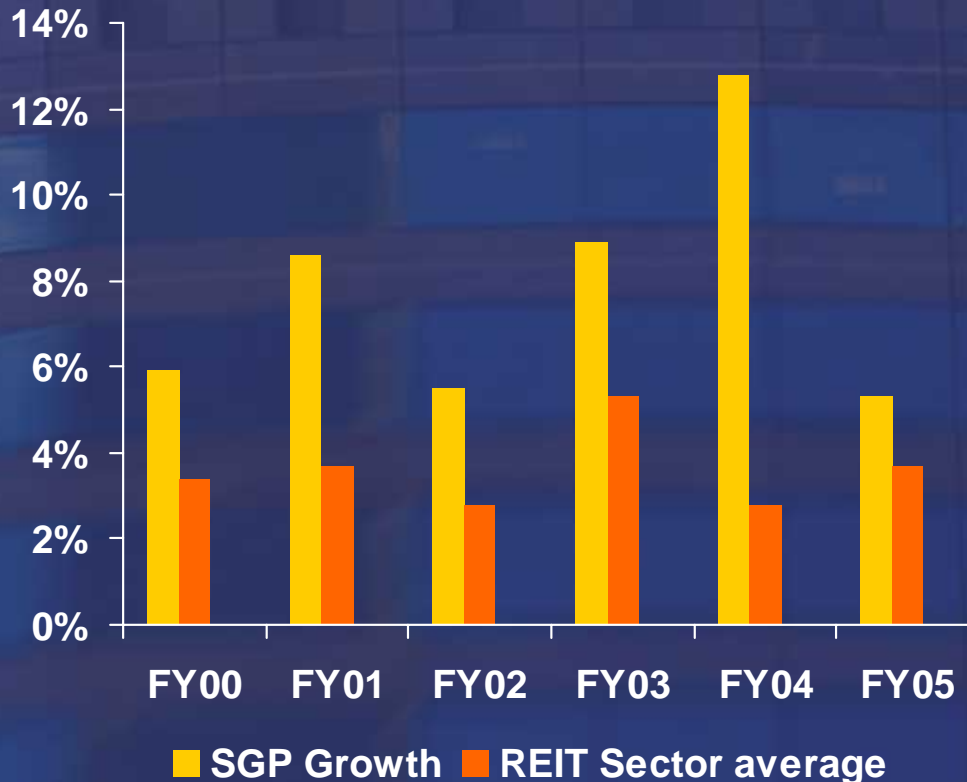


* Net profit after income tax and before amortisation of goodwill on acquisition of ADP Trust, unrealised (loss)/gain on financial instruments and capital profits on investment properties

Financial Performance

Constantly Outperformed The Sector

Growth in Earnings per security



Market Environment

What Is The Structure Of The Residential Market?

- Total population 20 million people

Market Environment

What Is The Structure Of The Residential Market?

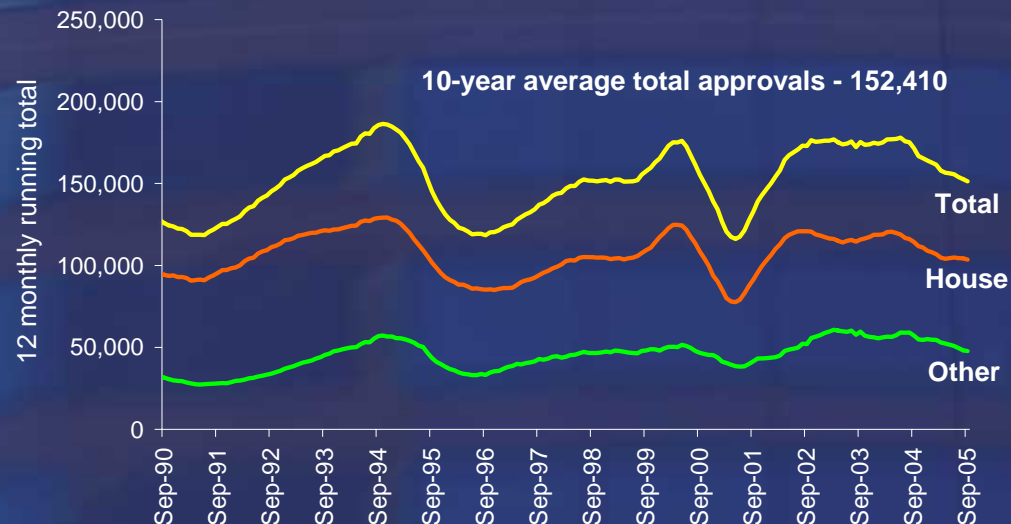
- Total population 20 million people
- Highly urbanised

Market Environment

What Is The Structure Of The Residential Market?

- Total population 20 million people
- Highly urbanised
- Annual new dwellings FY05 - 156,000 (A\$30.2 billion)

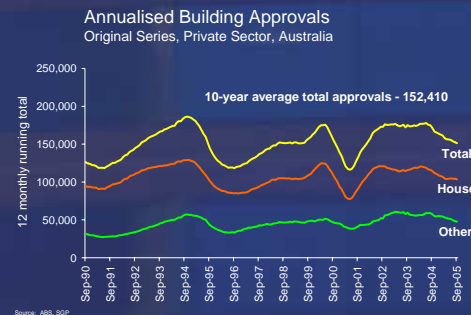
Annualised Building Approvals
Original Series, Private Sector, Australia



Market Environment

What Is The Structure Of The Residential Market?

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- Taxation drives private investment/ownership
 - Owner occupier – tax free
 - Investment – negative gearing and capital gains break

Market Environment

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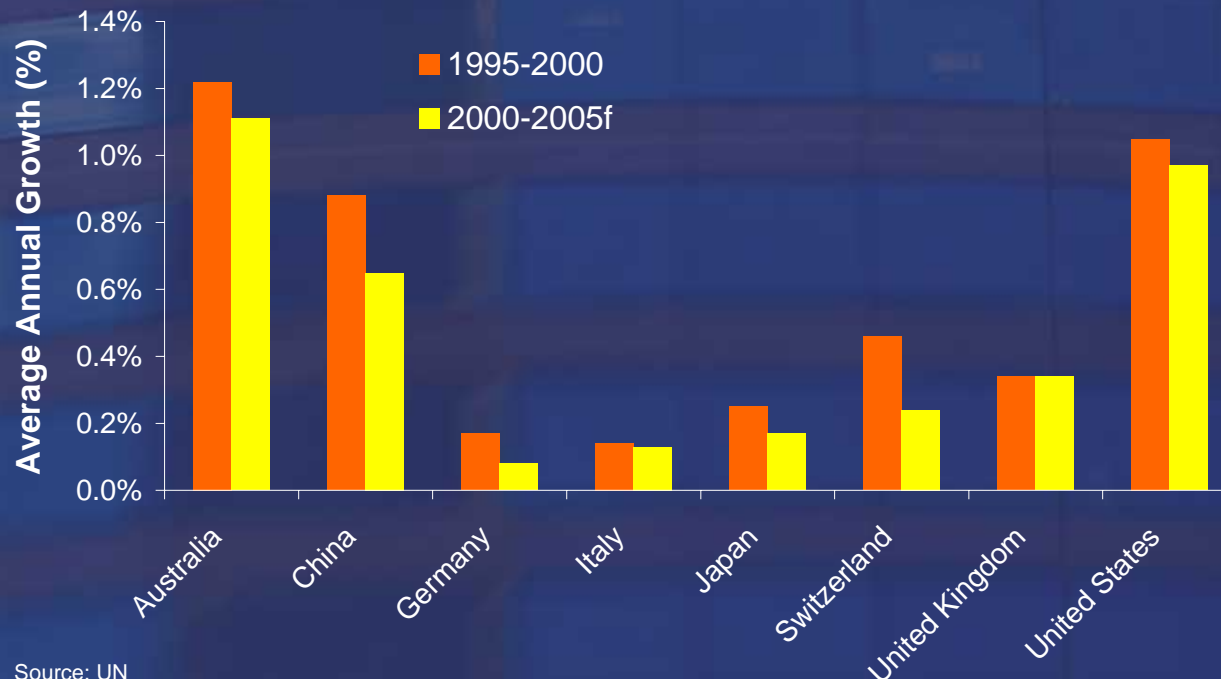
- Taxation drives private investment/ownership
 - Owner occupier – tax free
 - Investment – negative gearing and capital gains break
- Market is very fragmented

Market Environment

What Are The Drivers Of The Residential Market?

- Population growth

Population Growth - Actual and Projected
Selected Countries

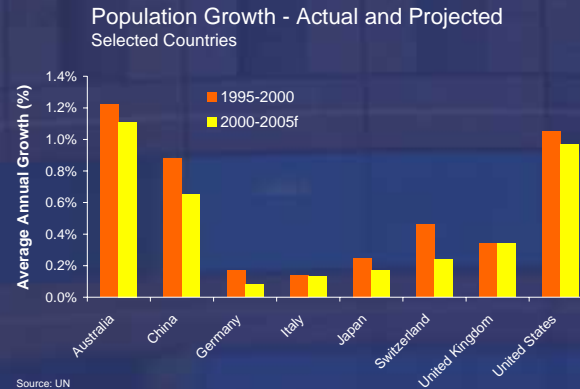


Source: UN

Market Environment

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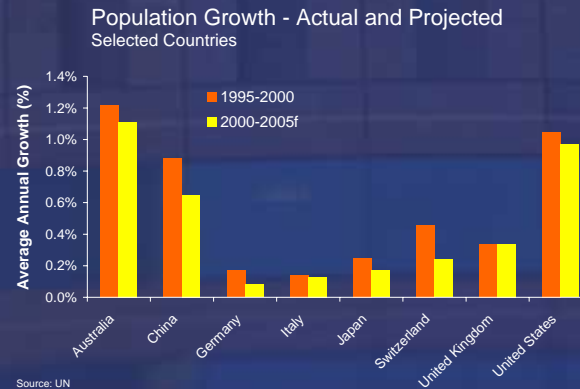


- Affordability (employment and rates)

Market Environment

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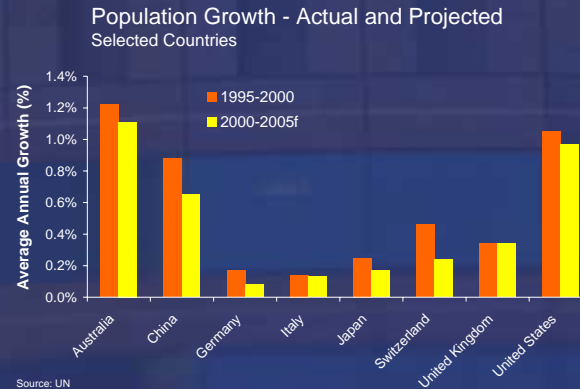


- Affordability (employment and rates)
- Domestic consumption

Market Environment

What Are The Drivers Of The Residential Market?

- Population growth



- Affordability (employment and rates)
- Domestic consumption
- Supply

Market Performance

What Has Happened With Prices?

Mortgage Equity Withdrawal & House Price Growth



Source: RBA



Market Performance

**Residential market in Australia is robust,
both in the short and long term**

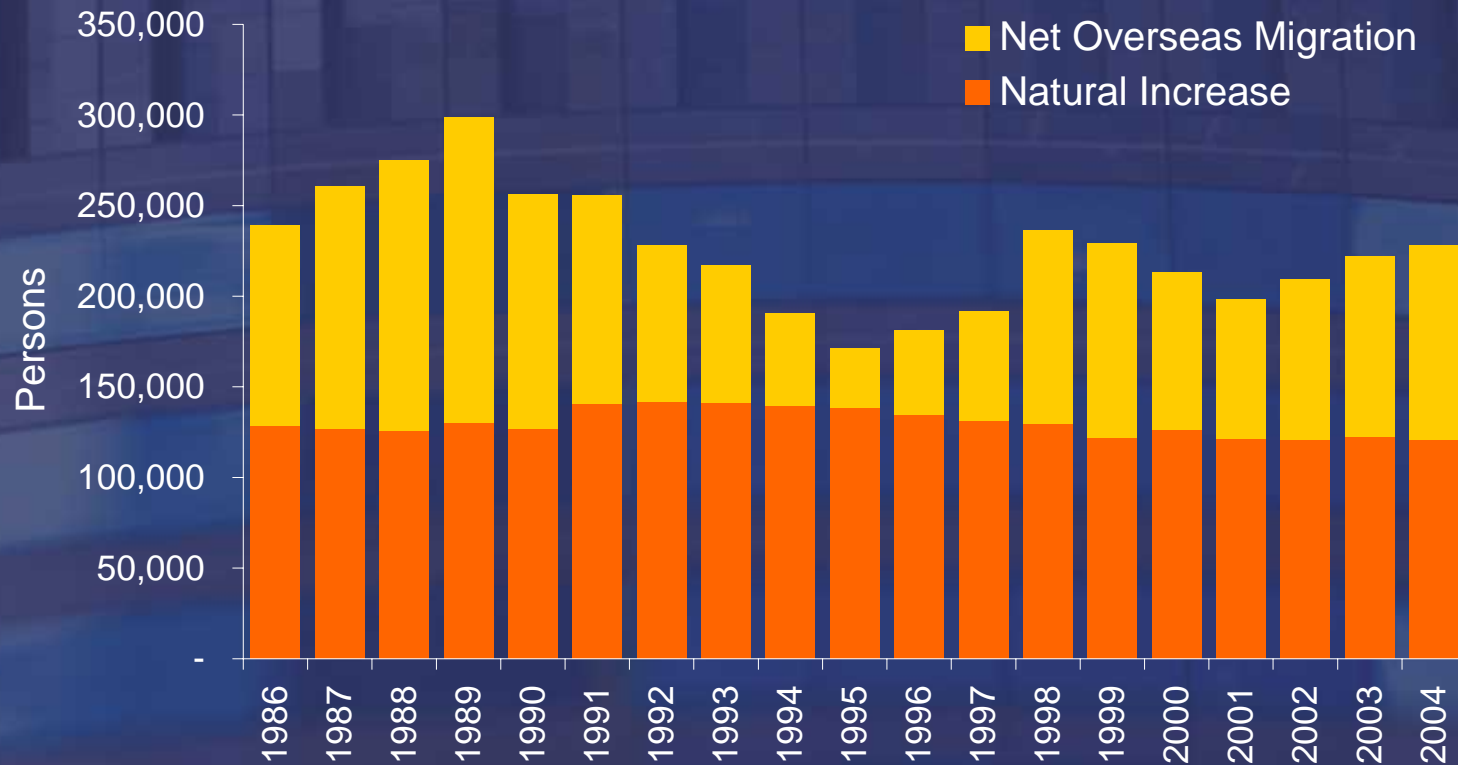
Market Environment

Outlook For Short Term

- Price growth has stabilised
- Employment is strong
- Interest rates are stable
- Commitment to strong immigration

Market Environment

Historical Population Growth Australia



Market Performance

Outlook For Long Term

- Strong immigration
- Supportive economic and political environment
- Supply / demand imbalance

Region	Years Supply of Zoned Residential Land
Sydney Metropolitan	3.1
Melbourne Metropolitan	5.8
South East QLD	10.6
Perth Metropolitan	15.4

Market Performance

So.....

1. Stockland is a major player in the Australian Property Industry
2. The drivers of the market are well known
3. Concluded that

“The residential market in Australia is robust – both short and long term”

Disclaimer

Corporation/ Responsible Entity

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