FY13 Results Presentation

A Clear Direction

Stockland Merrylands, NSW

Agenda

Results reflect soft operating environment and portfolio transition

Trough year in Group earnings

Underlying Profit down 27% to $495m and EPS down 24% to 22.4 cents per share

Commercial Property – solid performance overall

- Retail delivered in line with expectations
- Office underlying performance solid, impacted by asset sales
- Industrial impacted by lease expiries and asset sales

Residential – impacted by soft market conditions, mix, more conservative growth assumptions and capitalised interest policy

Retirement Living – solid result with record development volumes achieved in soft established housing market

	FY13	FY12	
Statutory Profit	$104.6m	$487.0m	▼ 79%
Statutory Earnings per Security	4.7 cents	21.1 cents	▼ 78%
Underlying Profit[1]	$494.8m[2]	$676.1m	▼ 27%
Underlying Earnings per Security	22.4 cents	29.3 cents	▼ 24%
Distribution per Security	24.0 cents	24.0 cents	-
Net Tangible Assets per Security	$3.50	$3.68	▼ 5%
Gearing (D/TTA)	22.7%	25.8%	▼
Return on Equity[3]	6.0%	8.2%	▼

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. Underlying Profit is the basis on which distributions are determined. Refer to 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 application of 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
3. Return on Equity is a measure that accumulates individual business Return on Assets and incorporates the cash interest paid and average drawn debt for the period

Reinvigorating the business for reliable growth and returns

Clear direction established through strategic review

Quality management team in place to execute strategy

Made tough decisions to establish a **solid foundation** to deliver reliable growth and returns

Strong capital management including capital raising, maintained A-/ stable credit rating and proposed capital reallocation from Trust to Corporation

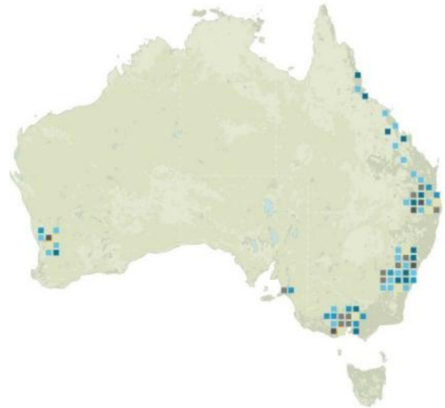
Disciplined capital allocation framework in place

Operational efficiency progress with a streamlined structure

Maintained **market leading position** in sustainability and focus on employee engagement

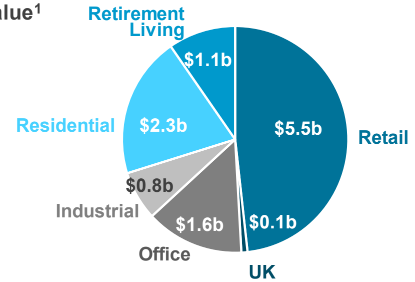
Stockland is well positioned with a diverse portfolio

Key
- Retail
- Office
- Industrial
- Residential
- Retirement Living



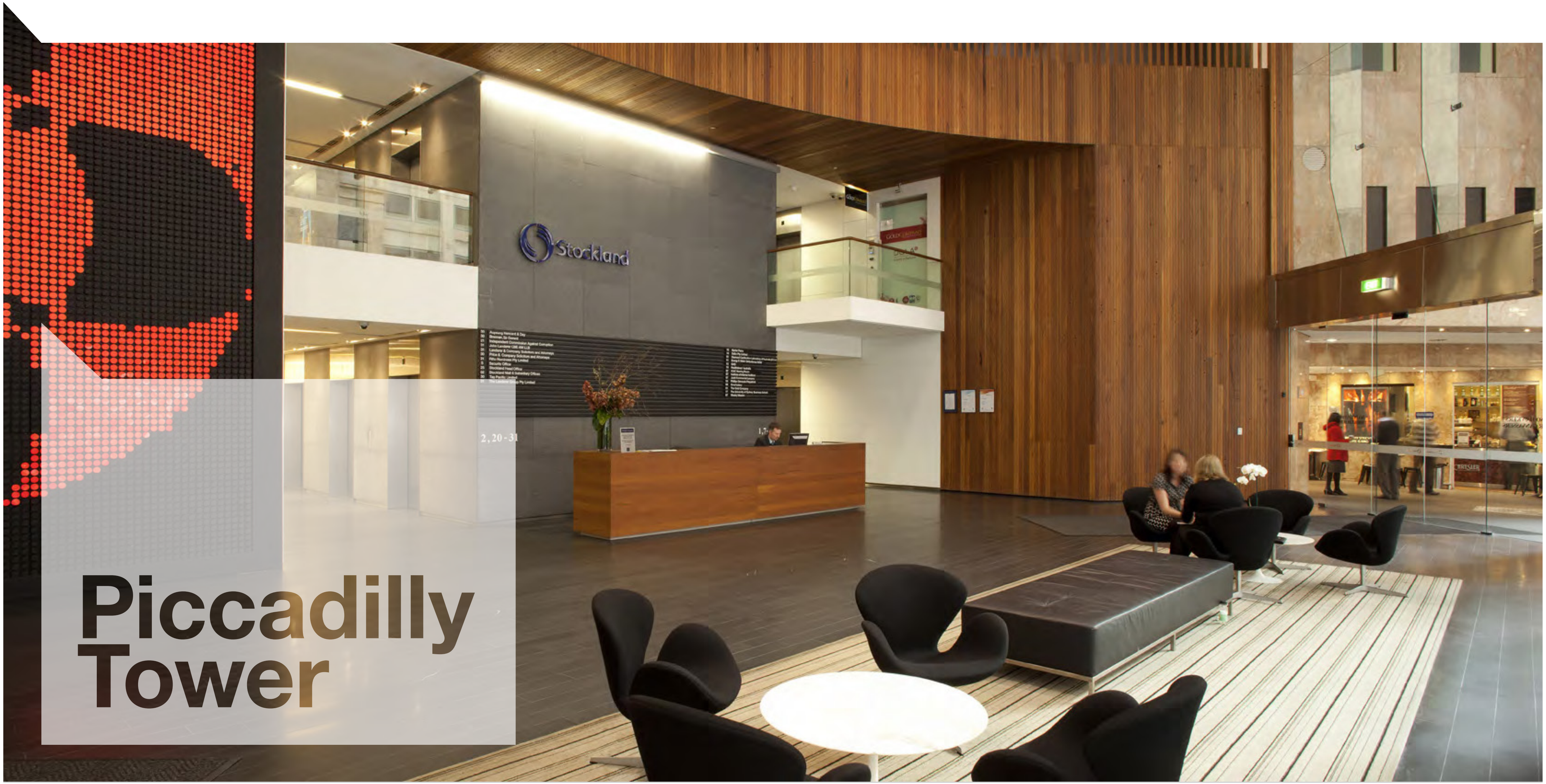
Real estate asset mix at 30 June 2013

Total asset value[1]



1. Includes Commercial Property capital works in progress and sundry properties

Financial Update - Tim Foster



Underlying Profit
reflects soft operating environment and portfolio transition

$m	FY13	FY12	Change	Commentary
Retail	324	310	▲ 5%	2.6% comparable NOI growth (3.0% pre-IFRS); development completion of Townsville, Merrylands; sale of Bay Village (income impact of $11m)
Office	119	142	▼ 16%	1.8% comparable NOI growth (6.6% pre-IFRS); income impact of asset disposals ($30m)
Industrial	63	77	▼ 18%	-10.9% comparable NOI reduction (-10.5% pre-IFRS); income impact of asset disposals ($10m)
Commercial Property net overheads	(26)	(27)	▼ 4%	Prudent cost management
Commercial Property fees and Trust costs	2	8	▼ 75%	Transfer of CP trading business to Residential in FY13 (FY12:$4m); reduced Unlisted Property Fund (UPF) income
Total Commercial Property[1]	**482**	**510**	**▼ 5%**	
Residential Communities[2]	60	198	▼ 70%	Impacted by difficult trading conditions and change in application of capitalised interest policy and more conservative growth assumptions
Retirement Living	38	36	▲ 6%	Improvement driven by higher volumes and lower overheads
UK and Apartments	(1)	17	▼ 106%	Continuation of exit from these segments
Interest and other	(79)	(42)	▲ 88%	Higher average debt levels primarily due to lower Residential operating cash flows and $13m increase from turning off capitalised interest on 13 Residential projects held for disposal from 01/01/13
Unallocated corporate overheads	(60)	(50)	▲ 20%	FY13 includes $12m restructure costs
Tax benefit on Underlying Profit	55	7		
Underlying Profit	**495**	**676**	**▼ 27%**	

1. Post-IFRS
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 application of 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

Statutory Profit materially impacted by previously announced Residential impairments

$m	FY13	FY12	Change	Commentary
Underlying Profit	**495**	**676**	▼ **27%**	
Commercial Property revaluations	65	66		Income growth at Rockhampton, Gladstone and Durack Centre, offset by Glasshouse. Progressive recognition of incomplete Shellharbour project, offset by accruing for previously announced future loss on Kawana Town Centre
Retirement Living revaluations	(47)	(8)		Driven by reduction in unit price assumptions in 1H13 as previously announced
MTM of financial instruments	(13)	(155)		Financial instruments revaluation largely driven by AUD depreciation
Write-down of inventory	(367)	(61)		Previously announced: Residential Communities ($340m), Apartments ($15m), and UK ($12m)
FV adjustments of strategic stakes	(37)	(55)		Unrealised fair value movement on FKP stake
Other	(8)	1		Net (loss)/gain on sale of other non-current assets
Tax benefit of Statutory Profit adjustments	17	23		
Statutory Profit	**105**	**487**	▼ **79%**	

Capitalised interest and disposals have impacted Residential margins

Capitalised interest review

Requirement to capitalise interest introduced in 2005

Policy review completed in 1H13: to reduce capitalised interest balance over time and deliver more consistent returns over the life of projects

Outcome

Methodology changed effective 1 July 2012 to now allocate a share of incurred and estimated future interest for each lot sold, rather than just a share of incurred interest to date

Interest spread more evenly over project life

FY13 impact is an increase in costs of goods sold by $34m

The change brings forward future interest and negatively impacts Residential operating profit margins by 3-5%

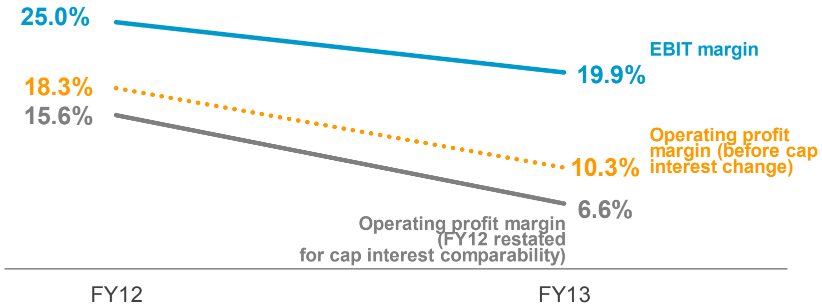
$355m Residential impairment in FY13

1H13: $306m; 2H13: $49m (announced in May 2013)

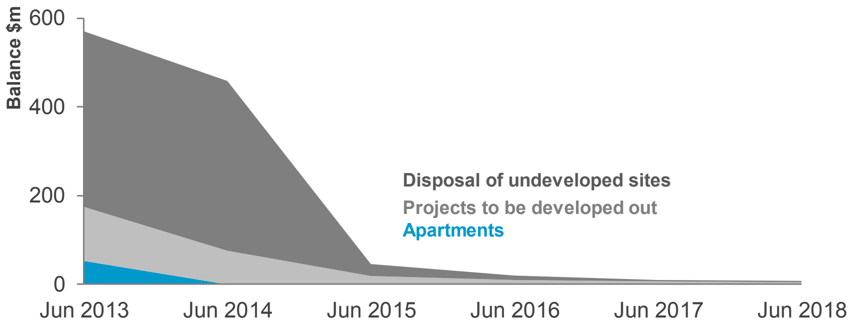
Workout projects (acquired pre 2004) have high capitalised interest

Expect large proportion of disposals to transact in FY14 and FY15, and will have adverse impact on operating margins

Residential margins



Residential - Forecast utilisation of provision[1]



1. Forecast impairment provision balance as at 30 June 2013, based on forecast settlement dates, revenue and costs by project

Strong balance sheet provides solid foundation for growth

Capital management

Balance sheet ratios remain within A-/stable metrics; rating confirmed in June 2013; gearing maintained within target range (20-30%)

$400m equity raising provided funding certainty and replaced proposed underwritten DRP

Interest cover ratio expected to improve in FY14 with lower gearing levels and improved earnings

Expect FY14 average cost of debt ~7.1% due to pre GFC legacy hedges

Current level of hedging is now well above policy; considering breaking swaps if immaterial economic cost

Focus on maintaining diverse funding sources including capital partnering – e.g. HK$ debt issue in May 2013

Key debt metrics

S&P rating	A-/Stable
Drawn debt[1]	$2.8b
Cash on deposit	$0.2b
Available undrawn committed debt facilities	$1.1b
Gearing (net debt/total tangible assets)[2]	22.7%
Interest cover	3.0:1
Weighted average debt maturity	5.4 years
Debt fixed/hedged as at 30 June 2013	85%
Weighted average cost of debt (WACD) for FY13[3]	6.2%
Weighted average cost of debt at 30 June 2013[3]	6.8%

1. Excludes bank guarantees of $0.2b, drawn debt in equity accounted joint ventures and cash on deposit of $0.2b
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)
3. The impact on WACD of bank guarantee fees would be 12bps

Effective cash management in challenging Residential market

Net operating cash flows of $474m[1] (FY12:$310m) provided 87% coverage of FY13 distribution

50% reduction in Residential unsold finished goods

Cash flows from operations impacted by challenging residential market

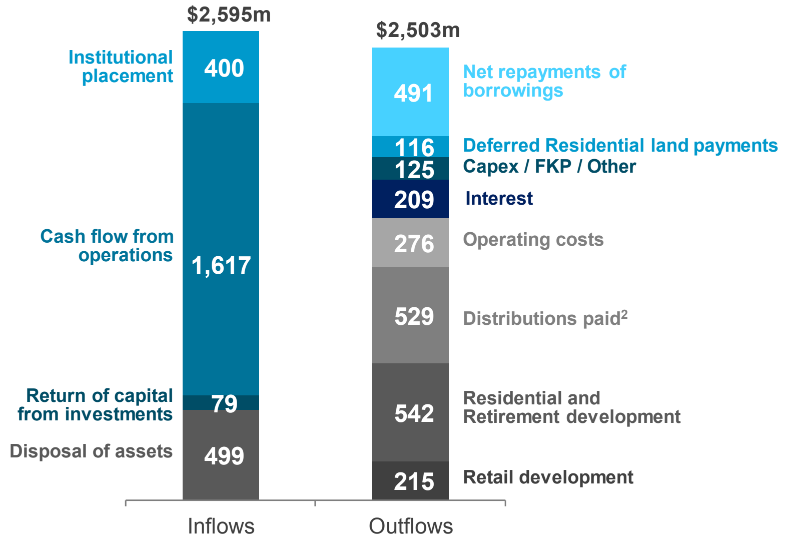
$116m payment for land secured on capital efficient terms

Capital return of $79m from investments includes $74m of debt secured against Waterfront Place (Qld) joint venture

Sale of Commercial Property assets of $499m with $215m reinvested in retail development

Institutional placement of $400m has strengthened our balance sheet for future growth

FY13 cash inflows and outflows ($m)



1. Differs to operating cash flow disclosed in the Financial Reports 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
2. Distribution paid 2H12 and 1H13

Continued focus on efficiency and cost management

~10% reduction in total overheads over two years

Partial centralisation of support functions into Group

Business unit automation of processes

Procurement savings

FY14 overheads expected to reduce by ~10%

Benefits from completed centralisation of Group functions including Human Resources, Finance and Marketing

Implement state and national procurement programs including consolidation of suppliers

Reengineer our processes

Prudent cost management

$m	FY13	FY12	FY11
Commercial Property[1]	26	27	35
Residential	139	144	142
Retirement Living[2]	33	38	37
UK	1	7	9
Unallocated corporate overheads[3]	60	50	63
Management, administration, marketing and selling expenses	**259**	**266**	**286**

1. Net of recoveries and costs capitalised to development projects, and includes costs relating to UPF
2. Excludes Aged Care $21m (FY12: $20m; FY11: $13m)
3. FY13 includes $12m restructure costs due to centralisation, FY12 includes $13m restructure costs which were incurred in the respective business units

Commercial Property - John Schroder

Commercial Property delivered solid result

Retail

Redevelopments driving scale and market share

Active asset management and leasing driving comparable growth in a challenging market

Office

Higher occupancy and improved weighted average lease expiry (WALE) through focused leasing and refurbishment effort

Asset sales impacted headline result

Incentives remain high – impacting post-IFRS performance

Industrial

Lease expiries and asset sales impacted headline result

Commercial Property ($m)	FY13 Post-IFRS	FY13 Pre-IFRS[1]	FY12 Post-IFRS	FY12 Pre-IFRS[1]	Change Post-IFRS	Comparable growth[2] Post-IFRS	Comparable growth[2] Pre-IFRS[3]
- Retail[4]	324	337	310	318	5%	2.6%	3.0%
- Office[5]	119	136	142	162	(16%)	1.8%	6.6%
- Industrial[6]	63	67	77	84	(18%)	(10.9%)	(10.5%)
Total net operating income	**506**	**540**	**529**	**564**	**(4%)**	**0.1%**	**1.6%**
Fees and Trust costs[7]	2	2	8	8	(75%)		
Net operating costs[8]	(26)	(26)	(27)	(27)	(4%)		
Operating Profit	**482**	**516**	**510**	**545**	(5%)		
ROA	**8.2%**		**8.0%**				

1. Pre-IFRS NOI is consistent with Property Council Australia White Paper guidelines for disclosing FFO
2. Comparable growth excludes unstable/non-comparable properties
3. Pre-IFRS NOI backs out all non-cash accounting entries for comparable properties
4. FY13 post-IFRS NOI impact from disposal of Bay Village ($11m)
5. FY13 post-IFRS 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, 255-267 St Georges Terrace, 175 Castlereagh St and 9 Castlereagh St ($30m)
6. FY13 post-IFRS NOI impact from disposal of Wacol and Moorebank FY12 ($10m)
7. Transfer of CP trading business to Residential in FY13 (FY12:$4m); reduced UPF income
8. Net of recoveries and costs capitalised to development projects

Success in delivering value and growth

- $900m of major Retail development at Merrylands, Townsville and Shellharbour
- Commenced $116m development at Hervey Bay and secured five new development approvals
- Total annual retail sales approaching a record level of $6b
- Strong leasing volumes across the Trust portfolio – 778 lease deals executed, securing annualised lease income of $133m
- Improved WALE in Retail, Office and Industrial
- Industrial strategy progressed with appointment of key personnel including General Manager Industrial
- Sold six investment assets for $500m – in line with book value; exit yield of 7.3%[1]; weighted average IRR of 8.8%
- Four developed Retail assets achieved 4 Star Green Star ratings; Office portfolio improved average NABERS Star ratings from 4.0 to 4.3

Total moving annual turnover (MAT) sales approaching $6b

Stockland Merrylands, NSW

1. Post-IFRS

Retail: sales growth positive in challenging market

Maintained high occupancy of 99.4% (FY12: 99.4%)

WALE increased to 6.4 yrs (FY12: 5.9 yrs)

Stable tenant retention at 75% (FY12: 76%)

Executed 688 retail leasing deals including projects

Executed 217 renewals; annualised growth of 3.4% no incentives

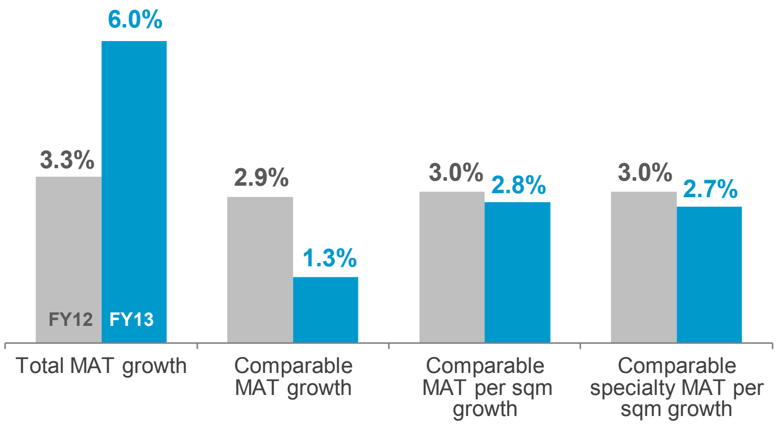
Executed 181 new leases; annualised growth of 1.8% with average incentive[1] of 6.9 months

88% of all specialty shop leases on fixed annual increases of 4-5%; 9% CPI+

Specialty occupancy costs stable and sustainable at 14.0%

Market conditions softened in 4Q13

Moving annual turnover (MAT) growth[2]



Comparable specialty shop sales turnover up **3.9% psm in place 24 months**

1. Represents the cash contribution made towards the retailer's fitouts, expressed in equivalent months of net rent. This is equivalent to 9.1% over the primary term
2. Trust portfolio

Retail: diverse and resilient portfolio

Sales growth driven by comparable MAT psm growth in most categories:

Supermarkets up 5.3%

Discount Department Stores up 0.6%

Mini Majors up 1.0%

Food Retail up 3.0%

Food Catering up 1.7%

Apparel and Jewellery down 0.5%

Retail Services up 4.4%

Homewares up 5.0%

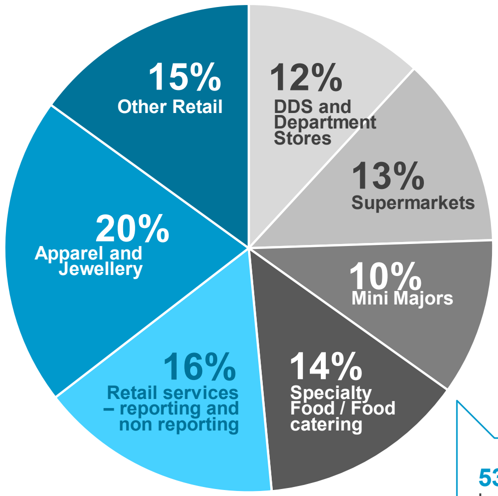
Online sales market share 6.4%[1]; growth decelerating

Minimal impact on supermarkets food and retail services

Stockland Hervey Bay, Qld (artists impression)

Strong diversity in rental income

Gross rent – total portfolio



53% underpinned by supermarkets, mini majors, specialty food and retail services

1. Total Australian market share; Quantium year ended 30 June 2013

Retail strategy: market leader or clearly differentiated in trade area

Develop our most productive retail assets to maximise trade area share

Continue to focus on the deep, mass market customer segment

Create community and entertainment hubs

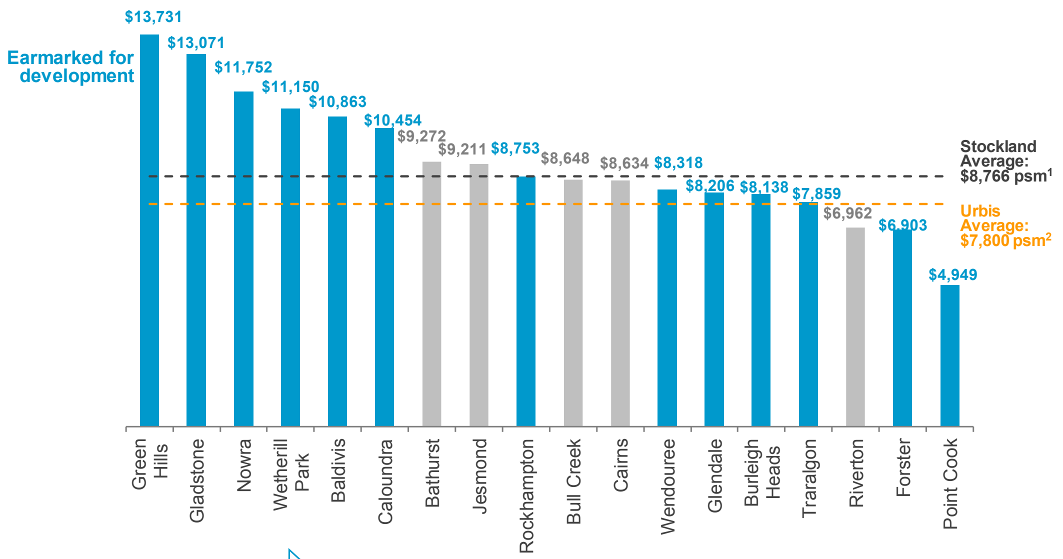
Strong retailer relationships and long-term sustainable rents

Continue to invest in industry leading research and market insight to adapt to an evolving retail landscape

Stockland Wetherill Park, NSW (artist impression)

Highly productive centres well positioned for growth

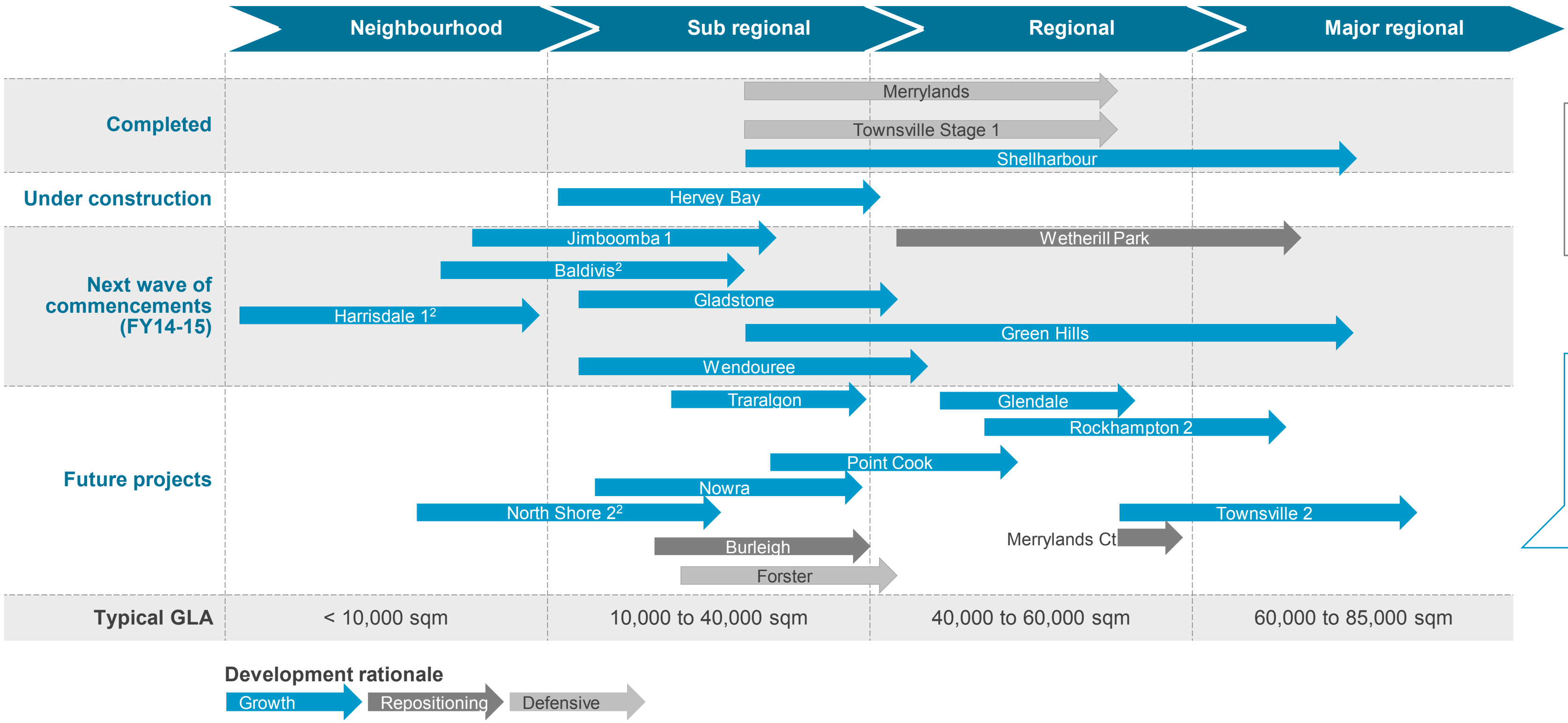
Specialty MAT psm, sub-regional centres



Average current occupancy cost of centres earmarked for development **13.6%**

1. 24 months in place for all stable operating centres
2. Urbis Retail Averages 2012 Sub-Regional Centres

Retail: significant development pipeline driving growth and returns



Target returns

12-14% incremental IRR[1]

7-8% incremental yield (pre-IFRS & stabilised)

DA approvals received
Wetherill Park
Jimboomba
Baldivis
Harrisdale
Green Hills
Wendouree
North Shore Townsville (Stage 2)

1. Unlevered 10 year IRR on incremental development from completion
2. Centre developed on acquired land as part of Residential Community activity

Office: actively managing the portfolio

Occupancy[1] increased to 96.0% (FY12: 94.5%)

WALE[1] increased to 4.6 yrs (FY12: 4.1 yrs)

Executed ~58,000 sqm[2] of leases including assets sold

Weighted average face rent growth of 5%; weighted average incentive of 13% for held investment properties

Incentives in most markets nationally remain high or increasing

Office strategy

Tactical exposure to office

Optimise income in short to medium term with a focus on active management, refurbishment and leasing

Take advantage of value-add opportunities identified within existing portfolio

Consider joint ventures (or part sales) as appropriate

Progressively down-weight at appropriate time

Refurbished foyer at 601 Pacific Highway, St Leonards NSW

IBM executed a new lease **over 57% of** the building for **6+ years**

1. Comparable basis using FY13 as the base, excludes 40 Cameron Ave (development)
2. Represents 100% property ownership

Industrial: significant re-letting in FY13 will drive growth into FY14

- Occupancy of 89.1% (97.3% in FY12)
- WALE increased to 3.3 yrs (2.7 yrs in FY12)
- Executed ~288,000 sqm of leases; over 73,000 sqm of leases pending execution
- Weighted average face rent growth of 2%; weighted average incentive of 9%


CEVA Building, Altona, Vic

Industrial strategy

- Targeting assets of $1.2 - $1.5b in five years
- Actively leasing, upgrading and developing the existing portfolio
- Sourcing pre-commitments and completing design and construct
- Assessing assets that fit strategic filters and investment criteria

Commercial Property well placed for continued growth

Market trends

Retail

Sales growth remains subdued; more so in discretionary

Online sales market share 6.4%[1]; growth decelerating

Increased retail development and competition – trade area specific

Changing retailer dynamics and rapid uptake of technology

Office

Increase in future new and backfill supply in key markets

Tenant demand for modern space and attractive lease terms

Industrial

Demand for refurbished well located facilities

Demand for purpose built facilities with long leases

Outlook

Retail

$1.5b forward Retail development pipeline at cost – where there are strong trade area fundamentals

Expect FY14 comparable NOI growth of 2-3% post-IFRS

Office

Continue to upgrade assets and selectively down-weight

Expect FY14 comparable NOI growth post-IFRS to be less than FY13

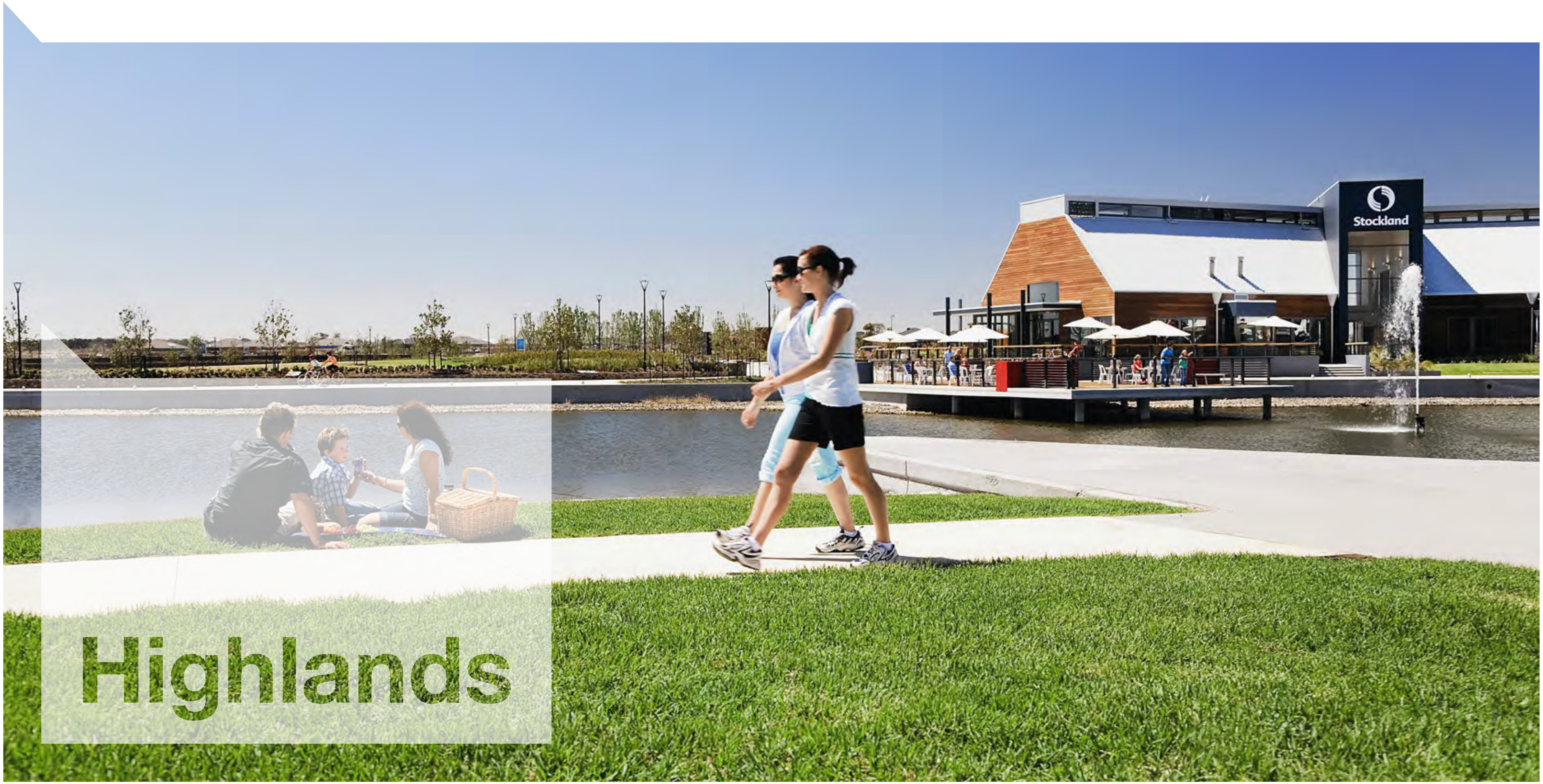
Industrial

Continue to upgrade assets and complete re-letting activity

Expect FY14 comparable NOI growth post-IFRS to be positive from re-letting momentum

1. Total Australian market share; Quantium year ended 30 June 2013

Residential - Andrew Whitson



Low point in earnings

FY13 performance

Lower volumes reflect soft market conditions

Decline in Vic and Qld, combined with increase in settlements of low margin and impaired projects impacted earnings

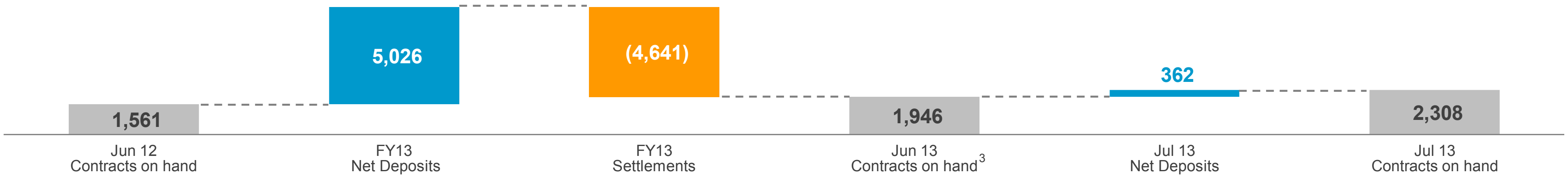
Protracted market downturn and more conservative assumptions led to project impairment, exit of these will accelerate recycling of capital

Changed application of capitalised interest policy impacts current operating margin but will deliver more consistent returns over time

Most markets appear to have bottomed throughout the year with strong growth in WA and improvement in NSW

Residential Communities	FY13	FY12	
Lots settled	4,641	5,388	▼ 14%
Revenue - Retail - Superlots[1]	$849m $65m	$1,016m $64m	▼ 16% ▲ 2%
EBIT (before interest in COGS)	$182m	$270m	▼ 33%
EBIT margin	19.9%	25.0%	▼
Operating Profit[2]	$60m	$169m	▼ 64%
Operating Profit margin	6.6%	15.6%	▼
Operating Profit – pre review of capitalised interest	$94m	$198m	▼ 52%
Operating Profit margin – pre review of capital interest	10.3%	18.3%	▼
ROA – total portfolio	5.5%	11.3%	▼

Residential Communities sales



1. 58 superlot settlements in FY13; 44 superlot settlements in FY12. FY13 includes Warriewood disposal
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 application of accounting policy. This change has been applied prospectively from 1 July 2012 impacting FY13 interest by $34m. As presented on this slide, FY12 has been adjusted as if the policy had been applied in the previous period, impacting interest in cost of good sold by $29m
3. Of the 1,946 contracts on hand, 1,846 are due to settle in FY14 and 100 are due to settle in FY15

Market, mix and conservative approach impacted result

Settlement volumes declined 14%

Vic down 44% - weak market

Qld down 12% - weak market

WA up 39% - overall market improved; projects reaching scale

NSW down 19% - project completions

Margins impacted by mix and market

Lower settlements from high margin Victorian projects

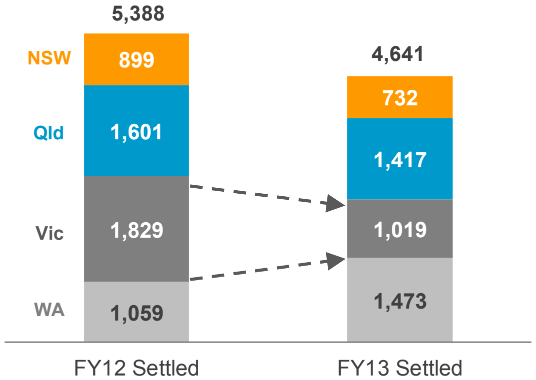
Overheads on lower sales revenue

More conservative approach

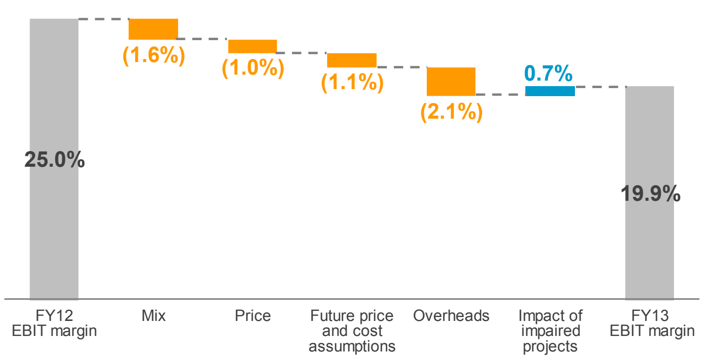
Adopted a more conservative view of future price, sales and cost assumptions

Change in application of capitalised interest policy

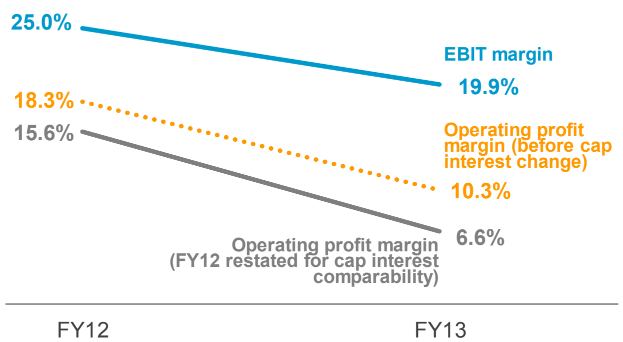
Lots settled by location (lots)



Change in EBIT margin



Residential margins



Progress despite challenging residential market conditions

- Contracts on hand leading into FY14 up 25% on FY13 levels
- Rebased the business to create a solid foundation
- Restructured to improve efficiency and reduce costs – de-layered state structure and centralised support functions
- Sold one non core asset and five more in exclusive negotiations
- 50% reduction in unsold finished goods
- Continued to improve customer satisfaction
- Accelerated the launch of Willowdale (East Leppington, NSW), Marsden Park (NSW) and Banjup (WA) projects on track
- Caloundra South achieved Federal approval; value management work ongoing

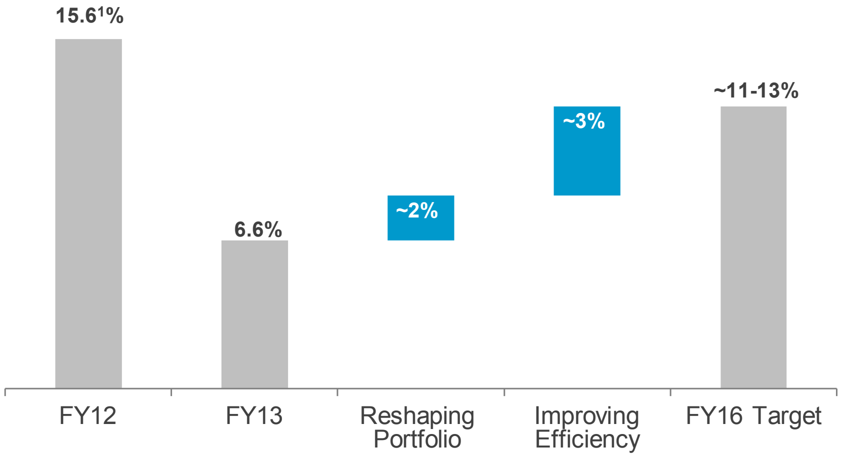

Highlands, Vic


Willowdale, NSW

Strategic initiatives to improve performance

Residential Communities Operating Profit margins to improve

Operating Profit margins



Targeting improved operating margins

Near term EBIT margin will be impacted by asset disposals

Reshaping the portfolio

Accelerate launch of new projects

Right sizing the land bank and actively managing portfolio

Maintain focus on capital efficient acquisitions

Exit workout portfolio

Improving efficiency

Leverage scale and procurement to reduce development cost per lot – national agreements and direct arrangements

Group Project Management

Restructured the business

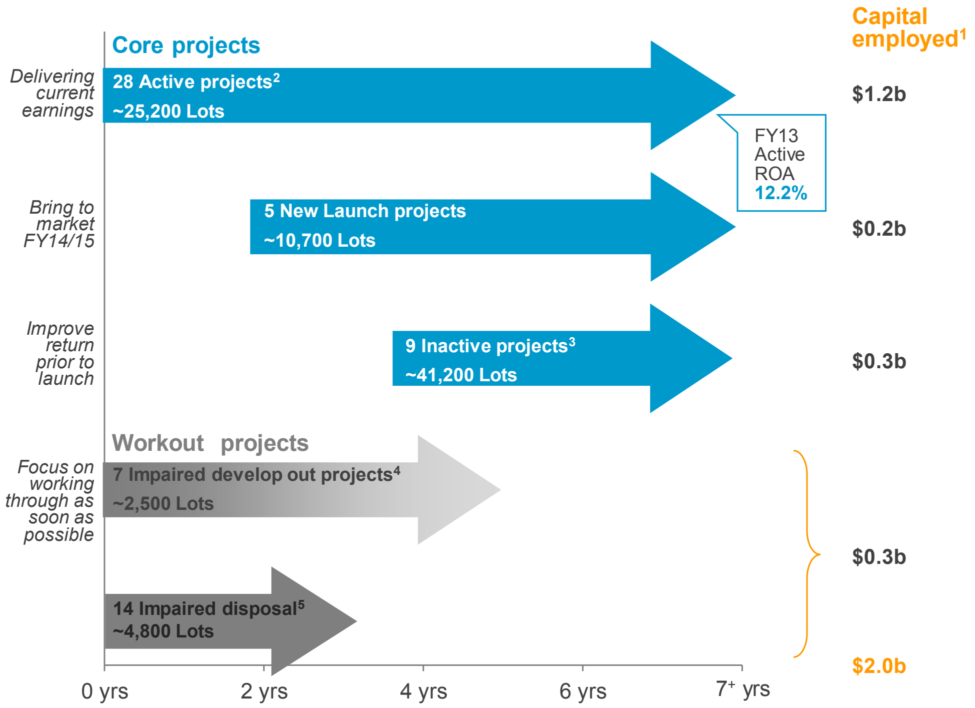
Delivering revenue growth

Better community value proposition drives higher customer referrals

Broaden market reach through medium density offering

1. 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. As presented on this slide, FY12 has been adjusted as if the policy had been applied in the previous period

Core ROA expected to improve from FY14/15



Residential Communities FY13

	Core	Workout	Total
Lots settled	3,774	867	4,641
Revenue	$711m	$203m	$914m
Revenue	*77.7%*	*22.3%*	*100%*
EBIT	$135m	$47m	$182m
EBIT margin	*18.9%*	*23.2%*	*19.9%*
Operating Profit	$60m	-	$60m
Operating Profit margin	*8.4%*	-	*6.6%*
Remaining lots	91%	9%	100%
Number of projects[2]	42	21	63
ROA	8.7%	(1.3%)	5.5%

1. Based on net funds employed as at 30 June 2013
2. Excludes two active projects 99% complete
3. Caloundra is ~$0.2b capital employed and ~20,000 dwellings; Includes Illawarra which was previously consolidated with West Dapto 2 and disclosed as one project in impaired disposal category
4. One impaired develop out project completed in 2H13. Over 75% of lots from impaired trade out projects expected to be completed in five years
5. Includes disposal of industrial land and excludes apartments. One impaired for disposal project completed in 2H13 (Warriewood), five more in exclusive negotiations

Residential earnings improving from FY14

Housing market improving but uneven across states

NSW	Activity levels continue to trend up across both established and new dwelling markets in metro Sydney; Hunter region remains soft
WA	Market close to peak of vacant land cycle, but strong population growth should see demand remain reasonable
Vic	Residential markets past trough but upswing likely limited by relatively weak economic outlook and competition
Qld	Market weighed down by weak labour market, but vacant land sales rising off a low base

Outlook

Contracts on hand up 25% leading into FY14

Continued benefits from progress on executing strategic initiatives

Operating profit improvement expected but will be impacted by low margin and workout projects

Skew in profit to second half due to new project launches in 2H14

Retirement Living - Stephen Bull

Stronger Retirement Living result

Established portfolio

547 units turned over and 31 units removed for redevelopment (7.4% p.a. turnover rate; 7.0% p.a. in FY12)

Turnover cash margin impacted by price reduction of 2.3% across the portfolio, as advised at 1H13, and contract mix

Development portfolio

304 new units settled across 13 projects in four states

Unit price targets were achieved and margins maintained

Profit skew to second half

69% of profit recorded in second half – primarily driven by overhead savings and improved sales campaigns

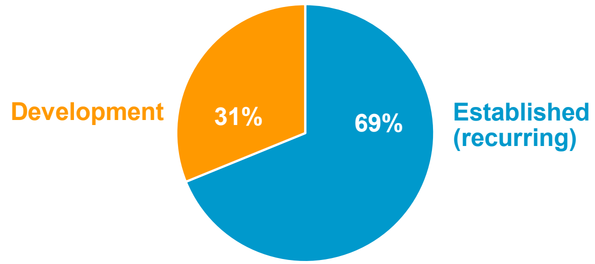
Focus on higher quality reservations – reduced cancellations

Improved returns in tough market

ROA growing steadily with a continued focus on operational efficiencies, increasing development volumes and enhanced sales culture

	FY13	FY12	
Established unit turnover	547	519	▲ 5%
New unit settlement	304	268	▲ 13%
Transaction value[1]	$303m	$270m	▲ 12%
EBIT	$45m	$41m	▲ 10%
Operating Profit	$38m	$36m	▲ 6%
Occupancy	94%	94%	-
ROA	4.5%	4.2%	▲

Profit mix (pre-overhead)



1. Includes established villages and new developments

Increased volumes in line with strategy

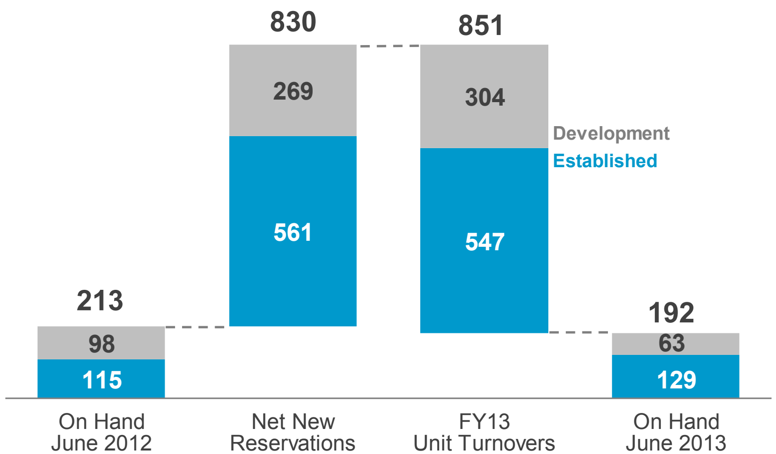
Established portfolio

	FY13	FY12	
Established unit turnover	547	519	5% ▲
Units removed for redevelopment	31	-	-
Average re-sale price	$310k	$324k	4% ▼
Turnover cash per unit	$78k	$87k	10% ▼
Turnover cash margin	25.2%	26.7%	▼
Reservations on hand	129	115	12% ▲

Development portfolio

	FY13	FY12	
New unit settlements	304	268	13% ▲
Average price	$406k	$378k	7% ▲
Average margin[1]	18.0%	17.8%	▲
Reservations on hand	63	98	36% ▼

Net reservations



1. Development margin shown is pre-overheads

Continued growth in scale and returns

- Record settlements, continue to be one of the top three developers and operators in the sector
- Successfully completed developments at five villages and construction underway at eight villages
- Builder partner program will result in higher quality, faster and lower cost development
- Continued improvements in efficiency – reduction in overheads of 13% on FY12
- Maintained high level of resident satisfaction driving higher customer referrals – gross reservations from referred leads up 22% on FY12
- Property and relocation consultation services introduced, improving conversion rates
- Six existing villages agreed to be Stockland managed – leveraging our experience, scale and processes (now 71% of villages)
- Delivered the first Green Star rated retirement living community centre in Australia at Affinity, WA

Macarthur Gardens, NSW

High occupancy, happy residents and greater scale

Strategy

Organic growth with strong development pipeline

Targeting middle market with affordable and customer focused products and services

Review importance of continuum of care as part of portfolio composition

The Loan/Lease/DMF model is a proven and affordable customer solution

Raising overall ROA to 8.0% by FY18, with a focus on progressing towards ~ 6.5% by FY15

Focus on improving returns

Managing costs – centralise and streamline

Differentiated customer experience – relocation and consultation services

Development

Grow development volumes – a key driver of ROA improvement

Evolve product – builder partner program

Established

Streamlined and more efficient unit turnarounds

Building the service platform with specialist providers – better value proposition

Enhance customer experience

Flexible development pipeline of over 4,000 units

Construction timeframe		Future settlements	Anticipated settlement timing			
			FY14	FY15	FY16	From FY17+
Completed (FY13)	Gowanbrae, Vic	1				
	Tarneit Skies, Vic	22				
	Waratah Highlands, NSW	10				
	The Willows, NSW	18				
	Farrington Grove, Qld	13				
	Sub-total	***64***				
Under Construction	Arilla, Vic	60				
	North Lakes, Qld	32				
	Highlands. Vic	102				
	Macarthur Gardens, NSW	152				
	Fig Tree, Qld	90				
	Affinity, WA	188				
	Selandra Rise, Vic	190				
	Mernda, Vic	272				
	Sub-total	***1,086***				
To start: within 18 months	Eucalypt, Vic	260				
	Cardinal Freeman, NSW	240				
	Farrington Grove (extension), Qld	100				
	Sub-total	***600***				
Master planning/ future projects	Highlands Extension, Vic	200				
	East Leppington (Willowdale), NSW	300				
	Lockerbie, Vic	250				
	Waratah Highlands (extension), NSW	70				
	Caloundra, Qld	400				
	Golden Ponds, NSW	50				
	Marsden Park, NSW	280				
	Banjup, WA	250				
	Davis Road, Vic	250				
	Davis Road (extension), Vic	250				
	Sub-total	***2,300***				
Future settlements		**4,050**				

Strong market fundamentals support continued growth in scale and returns

Market trends

Strong underlying population demographics –
Over-65s now 14% of the population, will be 20% by 2030

At 5% continued penetration, implied demand is for ~100,000 new units over 20 years (5,000 p.a. average)

Established housing market is recovering but consumer sentiment remains cautious

Outlook

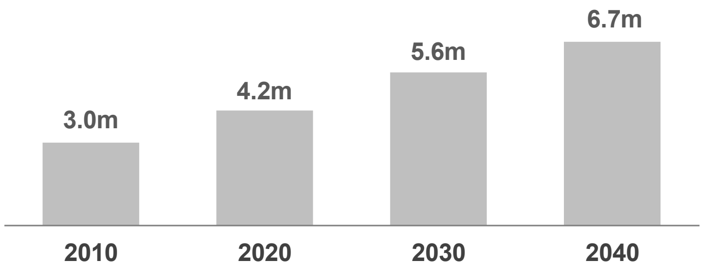
Increased volumes in both our established villages and our developments

Continued growth in returns, tempered by cautious consumer sentiment

Move towards targeted ROA of 8% by FY18

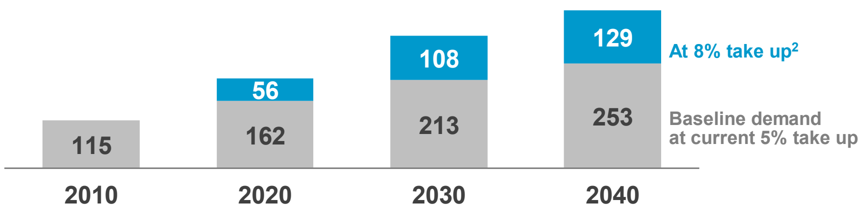
Australian population aged 65 or older

(Millions of people)[1]



Demand for retirement units

(Thousands of units required to meet demand)



1. ABS Catalogue No. 3222.0 – Population Projections Australia, 2006 to 2101 (Series B)
2. Potential national penetration by 2025 estimated by the RVA in its submission to the Productivity Commission enquiry "Caring for Older Australians", August 2011

Summary and Outlook - Mark Steinert

Progress on business priorities

Achieved Ongoing

Priority		Progress
Improve Residential profitability	Ongoing	Land bank defined into core and workout projects Impaired asset sales progressing Selective capital reinvestment Medium density / built form progress
Improve Retirement Living return on assets	Ongoing	ROA increased to 4.5% from 4.2% Record number of settlements, self funding and reduced NFE Operational JV not optimal
Grow Retail and Industrial portfolios through development and acquisitions	Achieved Ongoing	Three major retail developments opened; focus on stabilisation Commenced development at Hervey Bay; five new DAs secured
Improve organisational efficiency	Achieved	9% reduction in headcount Centralised key functions; established Investment Review Group Focus on employee engagement; foster transparent and collaborative culture
Strengthen Corporation	Ongoing	Capital reallocation from Trust to Corporation of around $500m; shareholder support to be sought at the AGM

Modest growth expected in global and domestic markets

Global Outlook

U.S. housing activity, consumer confidence and employment growth improving

Consensus for Chinese growth to remain above 7.0% p.a. over the medium term

Positive early signs from monetary and fiscal stimulus in Japan

Euro area is gradually emerging from recession, with improvements in both core and periphery economies

Overall, modest global growth is expected to continue

Domestic Outlook

Interest rates remain supportive and expected to trend lower

Consumer confidence remains muted by unemployment expectations

Housing is expected to remain a key area of focus for governments, particularly new housing construction

Established housing market is improving and vacant land sales are now starting to respond

Modest growth expected over the next year

Market trends and outlook

Market trends

Retail: consumers remain cautious; moderate sales improvement

Office: incentives and vacancies are high and increasing

Industrial: solid underlying demand

Residential: property markets at varying stages of recovery, although impaired inventory will impede Stockland's profit growth

Retirement Living: strong market fundamentals; established housing market recovering

Outlook

New projects and re-letting activity support earnings improvement from FY14

Full year effect of cost initiatives will deliver further savings

Residential constrained by work through of impaired and low margin projects

EPS growth of 4-6% targeted for FY14; maintain 24cps distribution assuming no material deterioration in trading conditions

We are committed to executing our strategic plan

Strategic plan

Focus on core competencies in property and asset management and development to drive value creation

Focus on cost and efficiency while maintaining a desirable work environment

Agile capital allocation within a disciplined risk / return framework

Actively divest assets that don't meet our risk-adjusted hurdle rates of return

Maintain a strong balance sheet and A- credit rating

Primary objective is to deliver EPS growth and total risk-adjusted shareholder returns above A-REIT sector average

Clear vision to be a great Australian Real Estate company that delivers value to all our stakeholders

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741

25th Floor
133 Castlereagh Street
SYDNEY NSW 2000

FY13 Results Annexure

Contents

Financial Management

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**

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 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 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 - Residential - Retirement Living	 (7.0) (117.2) (8.9)	 (17.4) (129.7) (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**

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:

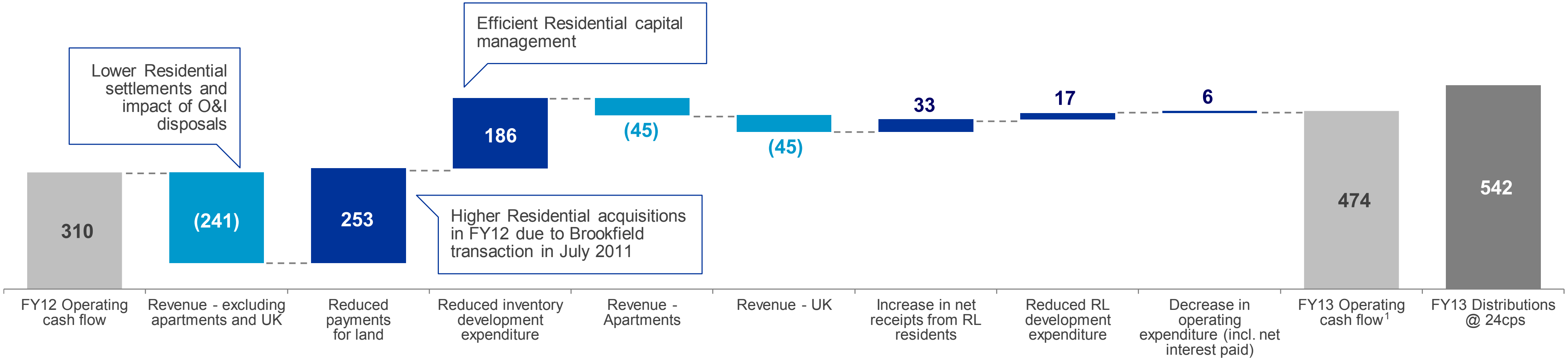
Discount initially booked through balance sheet (inventory and land creditor)

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

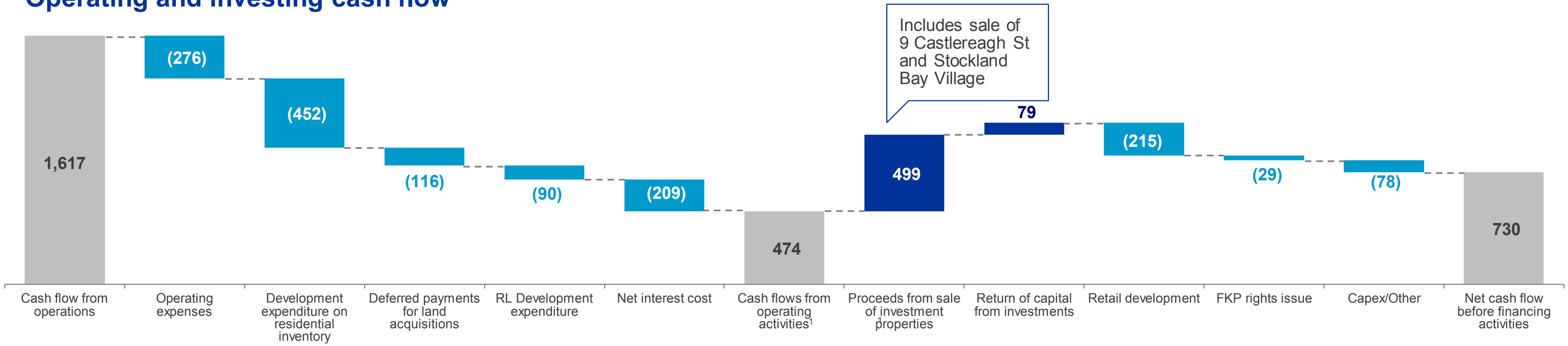
1. Made up of: Residential - $124.8m (FY12: $81.1m), Retirement Living $6.3m (FY12: $4.8m), UK - $nil (FY12: $2.0m) and Commercial Property - $nil (FY12: $0.9m). This differs to statutory reporting by $6.3m (FY12: $4.8m) as Retirement Living is reported through the fair value adjustment of investment properties
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 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
3. 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

Cash flow

Net operating cash flow movement FY12 to FY13



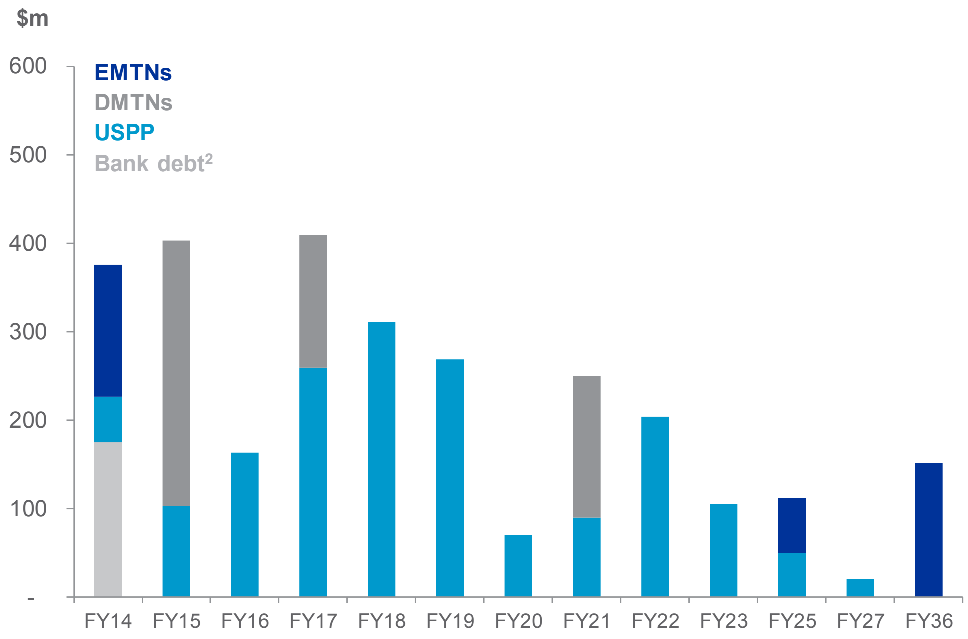
Operating and investing cash flow



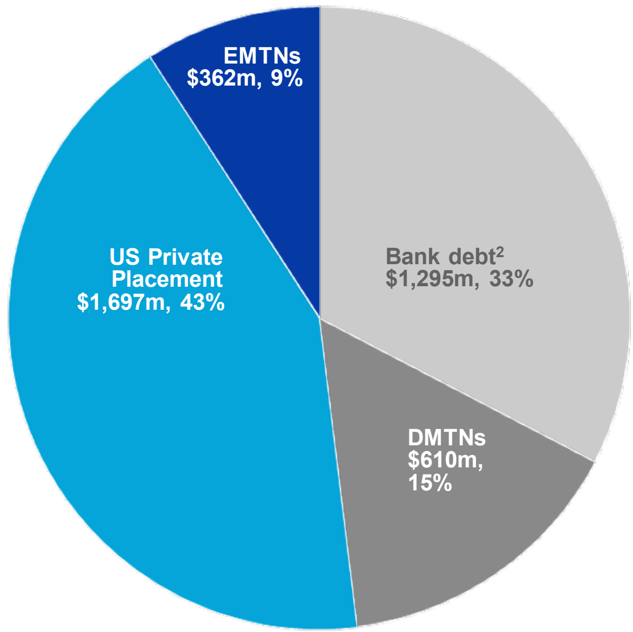
1. Differs to operating cash flow disclosed in the Financial Report as Retirement Living capital and development expenditure, Commercial Property fit-out and disposal proceeds relating to UK equity investments are all treated as investing cash flows for statutory purposes but shown here as operating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

Prudent capital management strategy underpinned by long dated diverse debt sources

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



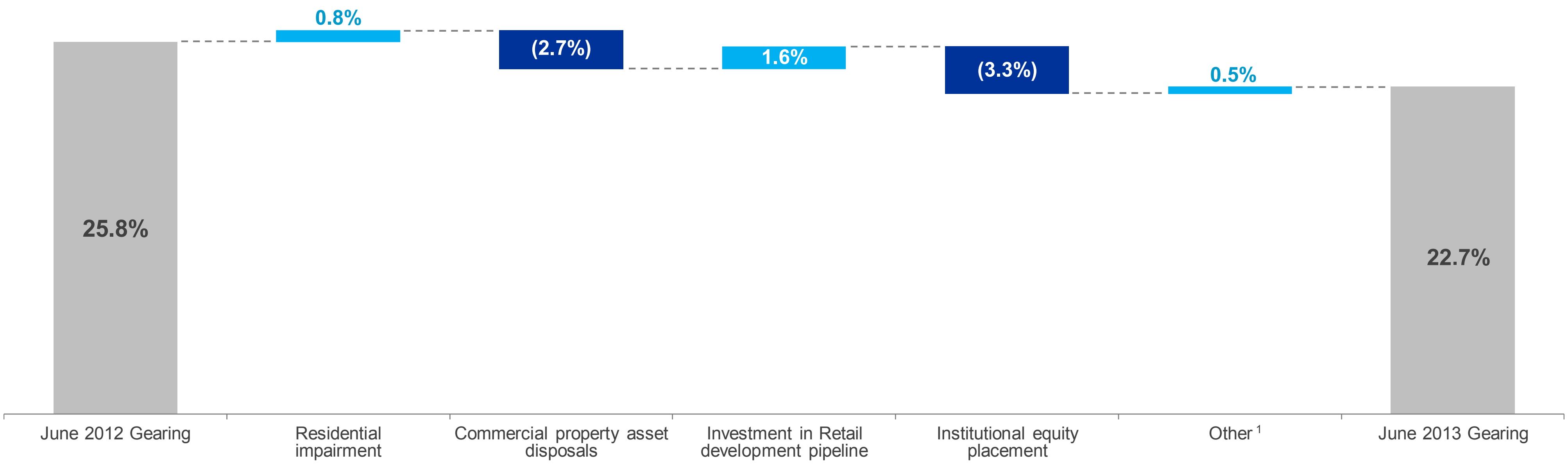
Diverse debt sources – Committed Facilities



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)

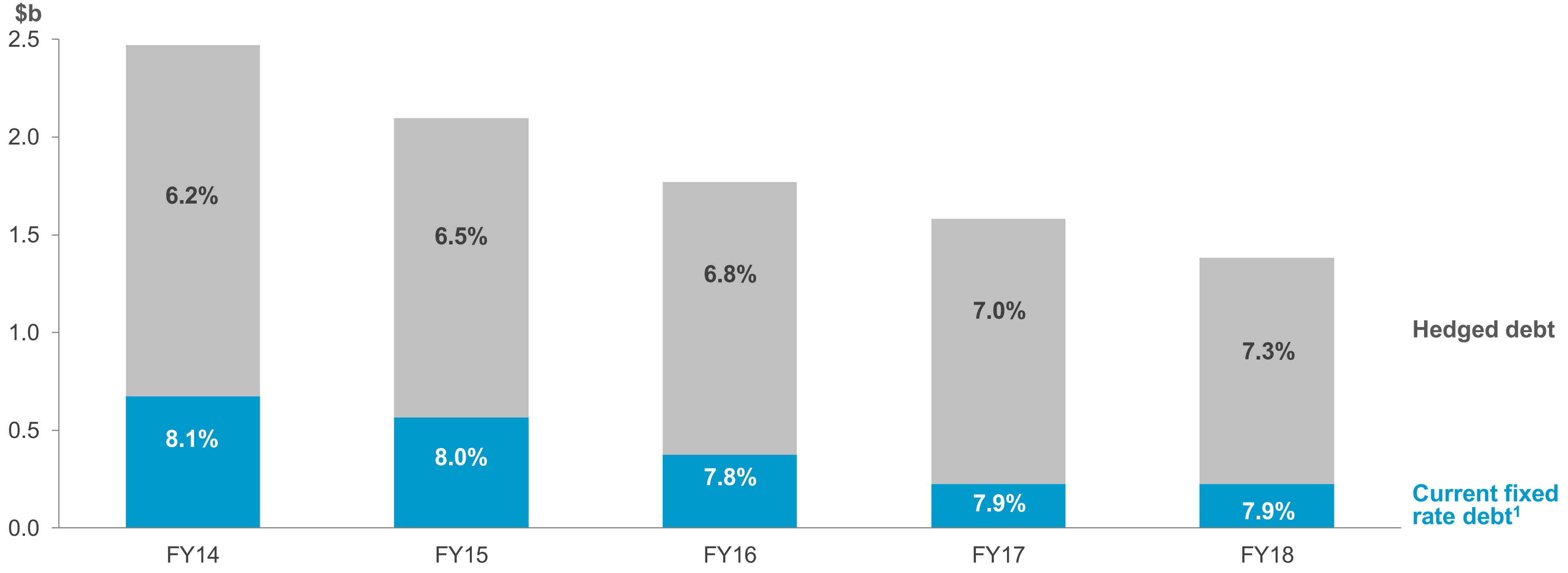
Facility	Issued debt ($m)[1]	Facility maturity
Domestic Medium Term Note Facility (MTN)		
- MTN	300	Feb 2015
- MTN	150	Jul 2016
- MTN	160	Nov 2020
Total Domestic	**610**	
Offshore Medium Term Note Facility (MTN)		
- European MTN	149[2]	Oct 2013
- Asia MTN	62	May 2025
- Asia MTN	151	Aug 2035
Total Offshore	**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)	-	B
Intangibles	117	(117)	-	
Derivative assets	159	(159)	-	A
Other assets	421	-	421	
Total assets	**14,070**	**(2,062)**	**12,008**	
Liabilities				
Interest-bearing liabilities	(2,462)	(375)	(2,837)	A
Net Retirement Living resident obligations	(1,829)	1,786	(43)	B
Derivative liabilities	(668)	668	-	A
Other liabilities	(916)	-	(916)	
Total liabilities	**(5,875)**	**2,079**	**(3,796)**	
Net assets	**8,195**	**17**	**8,212**	

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

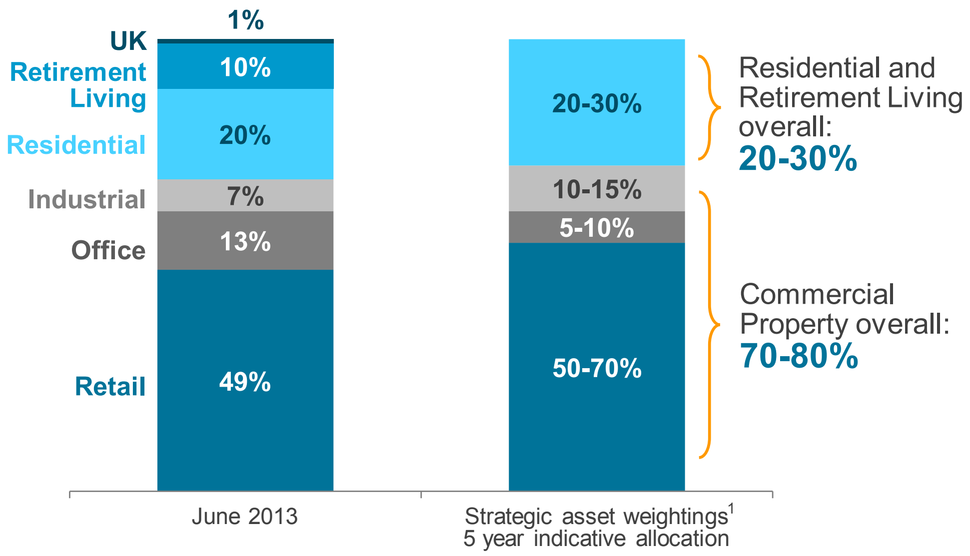
	Interest Cover[1]	TL/TTA	D/TTA (net of cash)
30 June 2013	3.0:1	31.6%	22.7%[2]
31 December 2012	3.4:1	35.6%	27.6%
30 June 2012	3.8:1	34.0%	25.8%
30 June 2011	5.3:1	31.8%	22.0%

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)** B
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** A
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**

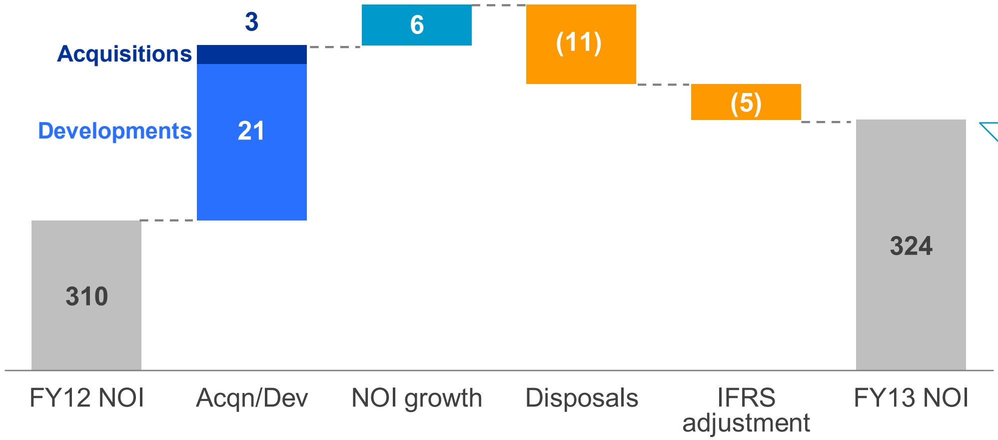
Reconciliation of capital employed in ROE calculation to statutory net assets

$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

Retail performance

Retail NOI movements between FY12 and FY13 ($m)



Retail **up 5%**

88% on fixed **4-5% p.a.**

Renewals driving income growth

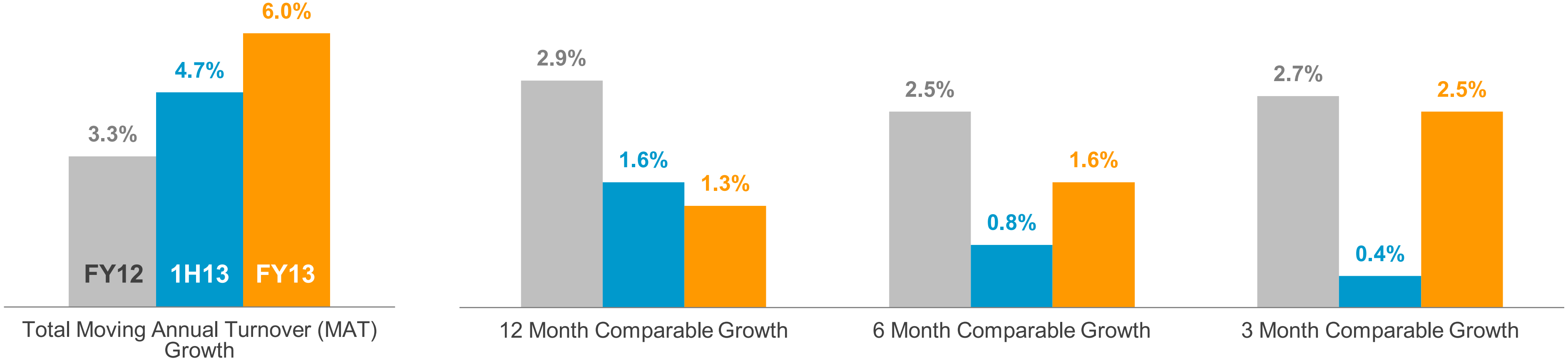
	No. of Deals	Area (sqm)	Rental growth	Incentive	
Lease renewals	217	29,149	3.4%	-	-
New leases	181	24,154	1.8%	6.9 months	9.1%[2]
Total portfolio	**398**	**53,303**	**2.7%**		

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

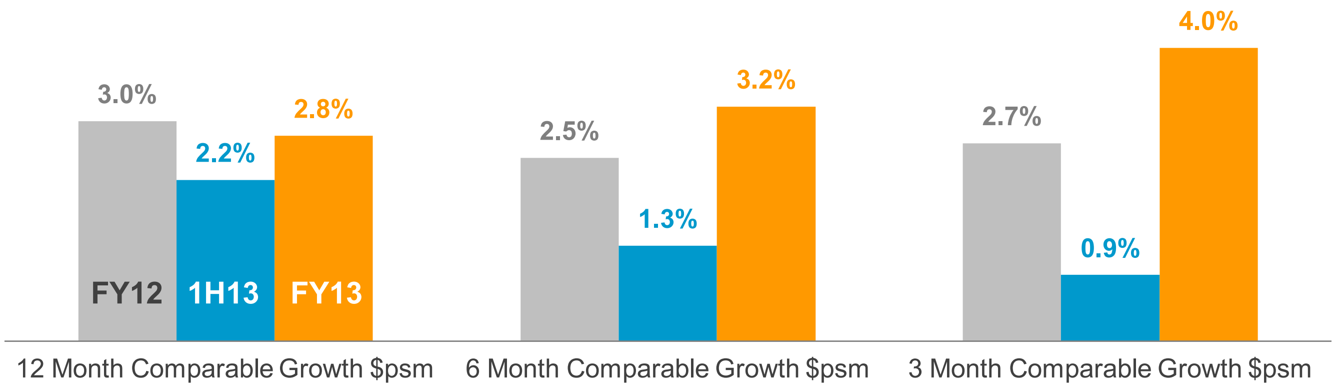
Stockland retail sales growth



	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

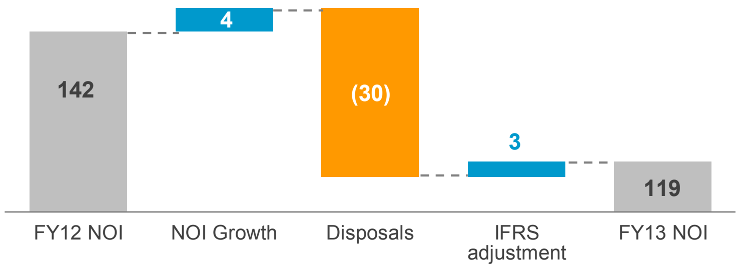
	Est. total incremental cost ($m)	Cost spent to date ($m)	Est. cost to complete ($m)	Completion		Est. fully leased year 1 yield[1] (%)	% Total income leased	% Specialty income leased[2]	Est. incremental return[3] (%)	Est. total return[4] (%)
				Date	Est. value ($m)					
Completed in FY13										
Merrylands	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

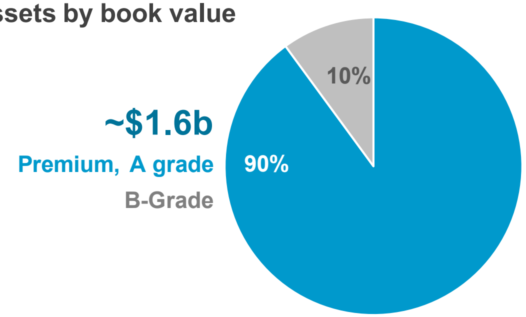
Occupancy and lease expiry	FY13	FY12
Occupancy	96.0%	94.5%
WALE	4.6 years	4.1 years

Office NOI movements between FY12 and FY13 ($m)



Portfolio concentrated in large quality assets

Office assets by book value



Key Office leasing deals

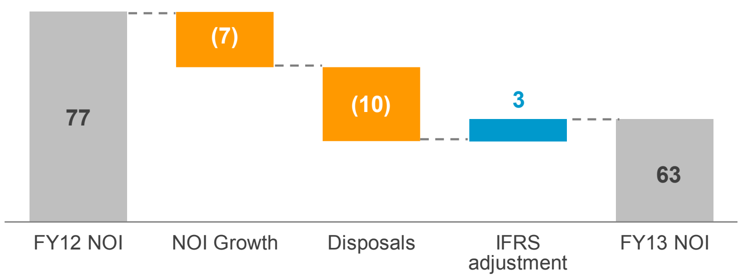
Property	Location	Building area (sqm)	FY13 area leased (sqm)	Leased to	Building WALE (years)	Comments
Waterfront Place[1]	Brisbane CBD, Qld	58,890	7,860 2,931	Minter Ellison Arrow Energy	5.7	Tenant renewal Tenant renewal
601 Pacific Highway	Sydney Metro, NSW	12,677	7,283	IBM	3.5	Tenant renewal
135 King Street[1]	Sydney CBD, NSW	27,159	2,443 1,600 1,227 1,227	Moore Stephens M&D Sevices 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
Triniti 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

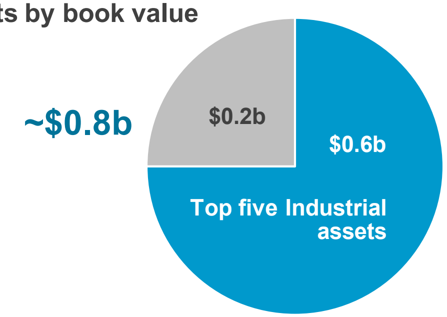
Occupancy and lease expiry	FY13	FY12
Occupancy	89.1%	97.3%
WALE	3.3 years	2.7 years

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 Viterra	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

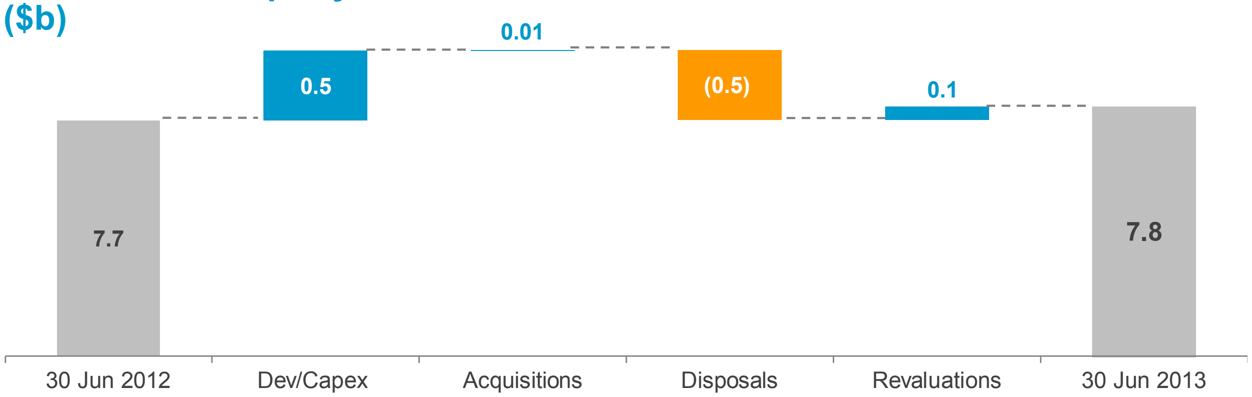
Office[1]	Total leased			Retention			New leases		
	GLA leased (sqm)[2]	Weighted average base rent growth %	Weighted average incentives[3]	Retention (sqm)[2]	Increase on base rents	Weighted average incentives[3]	New leases (sqm)[2]	Increase on base rents	Weighted average incentives[3]
Sydney CBD	11,726	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 Castlreagh Street subsequently sold
2. Represents 100% property ownership
3. Includes executed leases only

Commercial Property revaluation and book value update

Commercial Property book values $7.8b[1] ($b)



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**

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

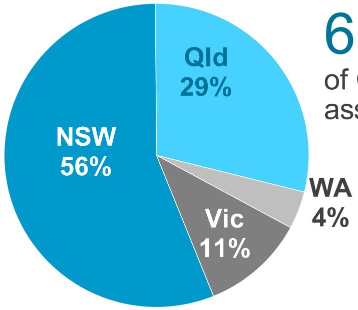
2H13 development revaluation relates to 40 Cameron Avenue, ACT

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

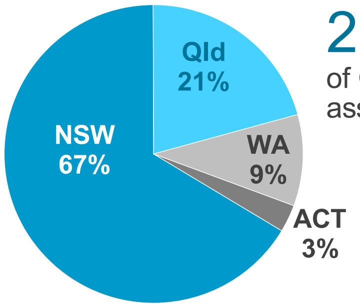
Commercial Property assets - $7.7b[1]

Retail - **$5.3b**
41 properties
953,088sqm gross lettable area[2]



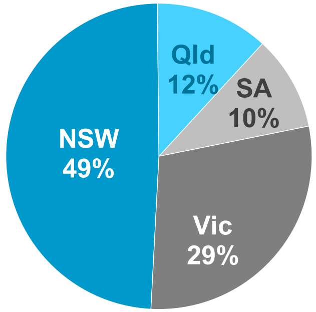
69% of CP total assets[3]

Office - **$1.6b**
16 properties
385,342sqm net lettable area[2]



20% of CP total assets[3]

Industrial - **$0.8b**
13 properties
963,047sqm gross lettable area[2]



11% of CP total assets[3]

	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
Triniti 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%	Laverty Health	2.0%	Yakka Pty Ltd	1.9%
14	BB Retail Capital	0.9%	Minter Ellison Services Pty Ltd	1.7%	Amcor	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%

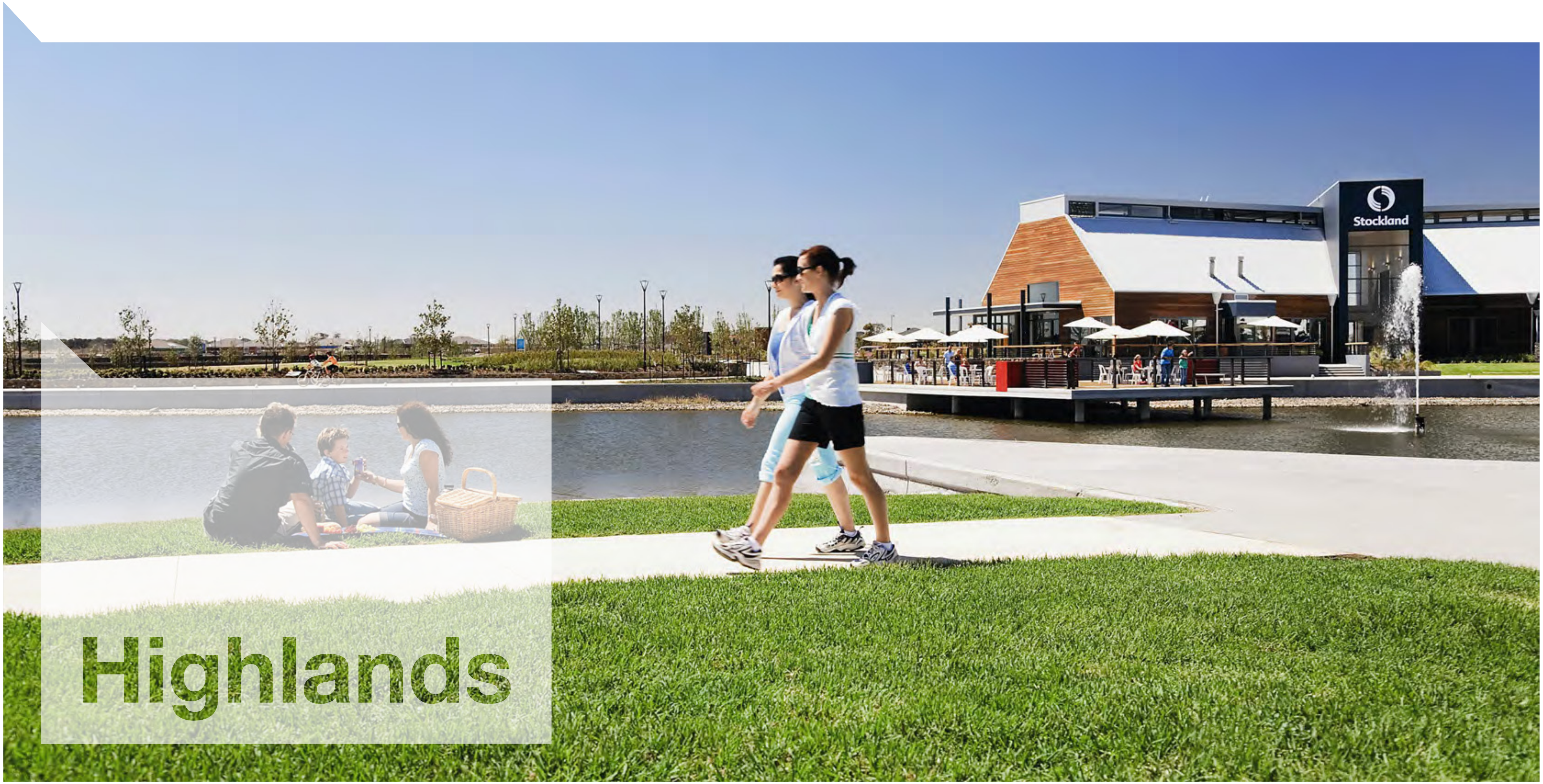
1. Excludes 40 Cameron Avenue, due to development

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%	Unitised 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%	Laverty 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%	Amcor	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%	Baulderstone 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%		57.8%		68.8%

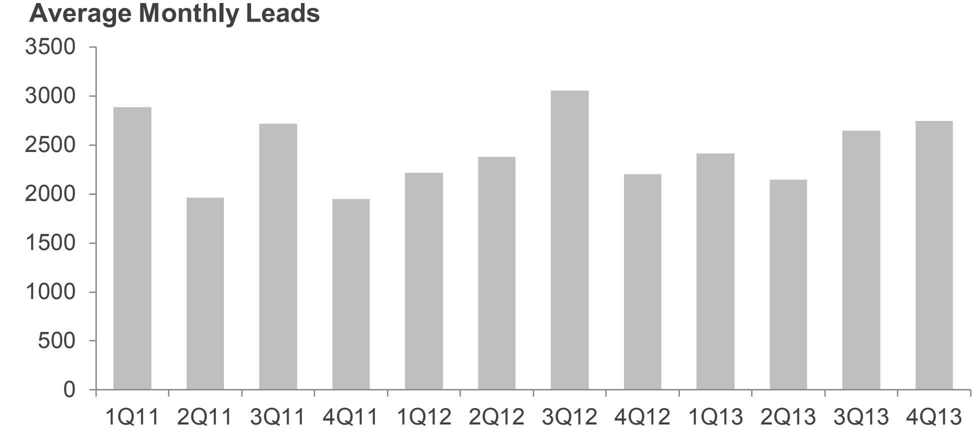
1. Excludes 40 Cameron Avenue due to development

Residential

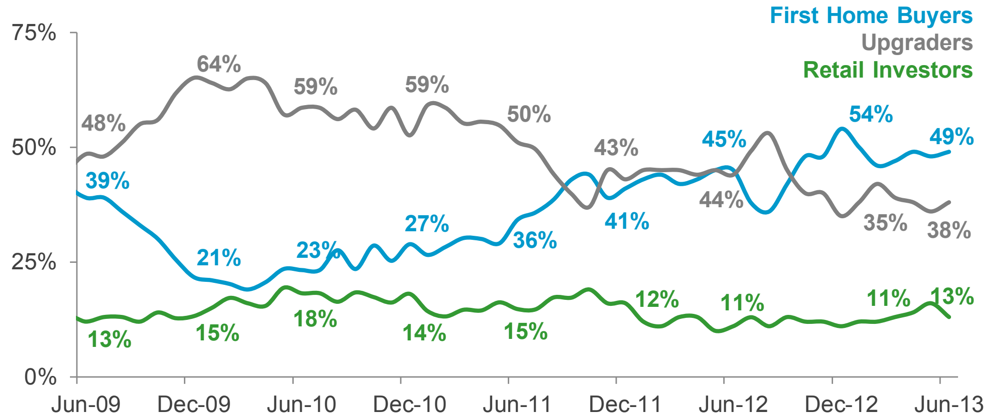


Increased leads due to strong market conditions in WA, successful marketing campaign and new project launch

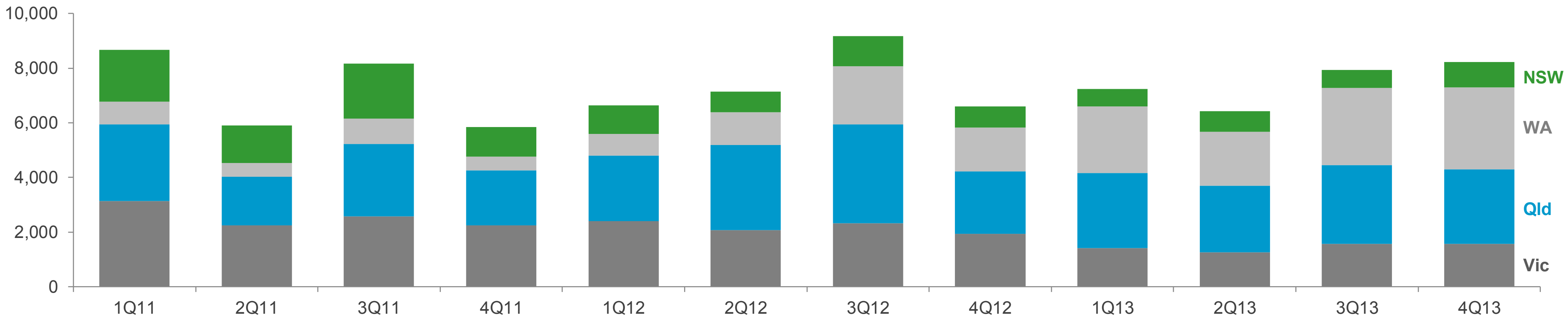
Customer lead volumes increased in 2H13 mainly out of WA



First Home Buyers remain active

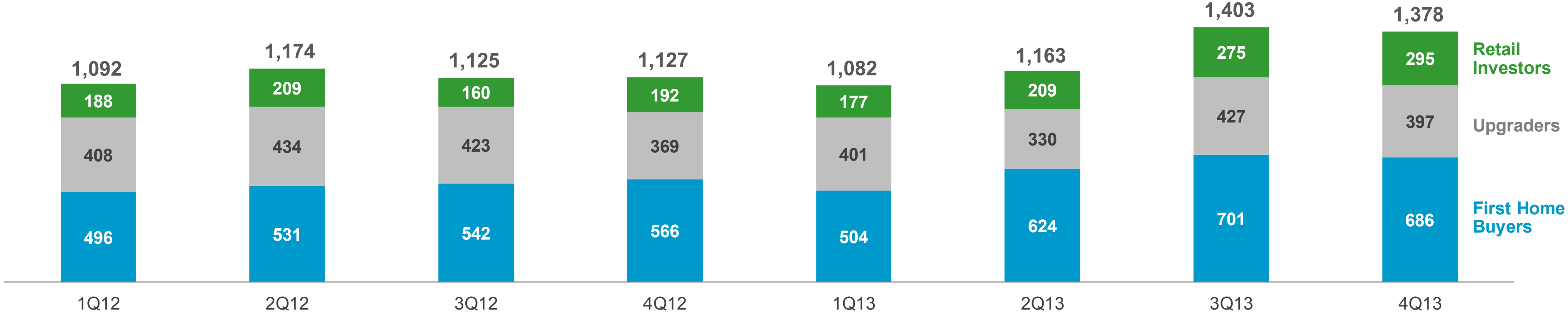


Maintained consistent strong levels of enquiry

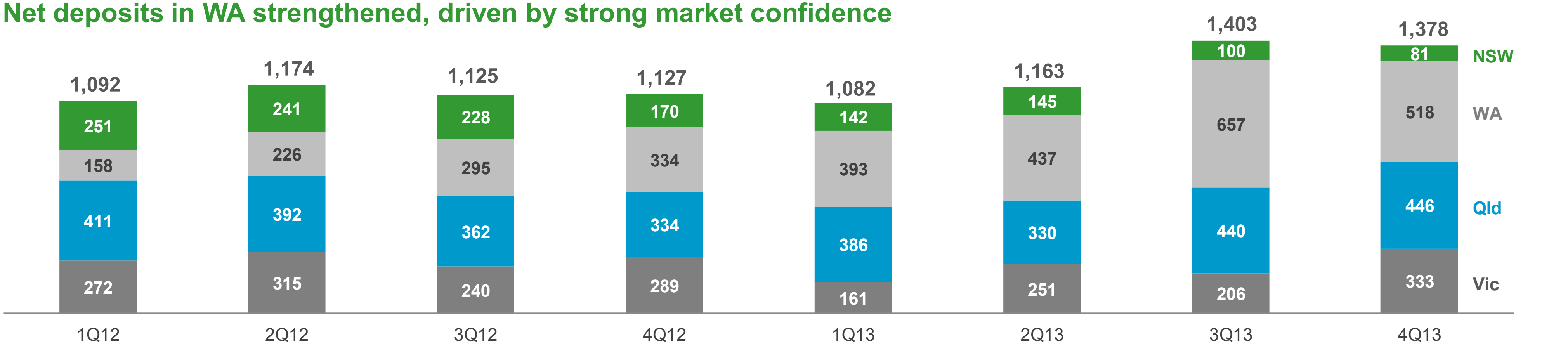


Deposit volumes strengthening supported by geographic diversity, FHB surge and increased retail investor activity

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

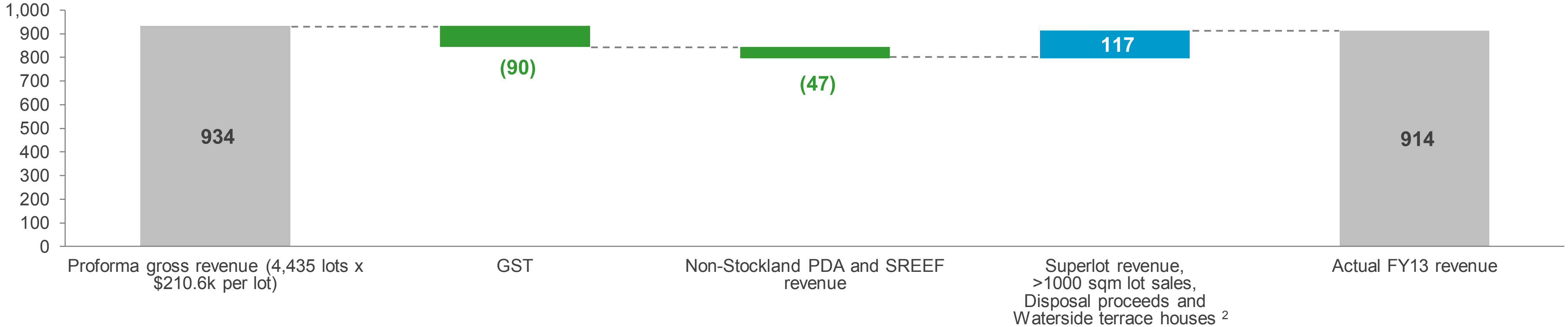


Price per sqm

Retail sales price[1]

State	FY13 Settlements No. lots	FY13 Av. size per lot sqm	FY13 Av. Price per lot $k	FY13 $/sqm	FY12 Settlements No. lots	FY12 Av. size per lot sqm	FY12 Av. Price per lot $k	FY12 $/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)

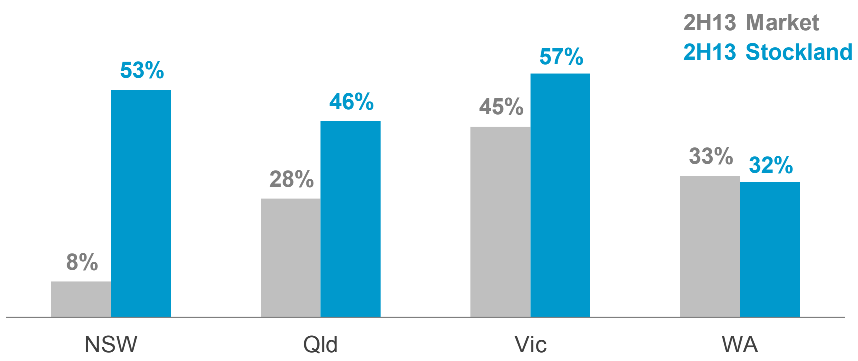


1. Average price of retail sales excludes sales of all lots over 1,000 sqm, superlot sales, disposal proceeds and Waterside Terrace houses. Average price includes GST. Includes Project Development Agreements (PDAs) and SREEF projects for which Stockland receives a part-share
2. Includes impact of Waterside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

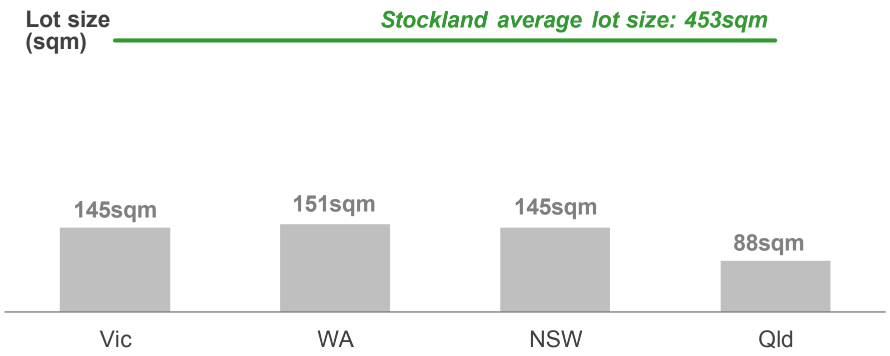
Continued focus on affordable product for our customers

Stockland projects providing more affordable product[1]

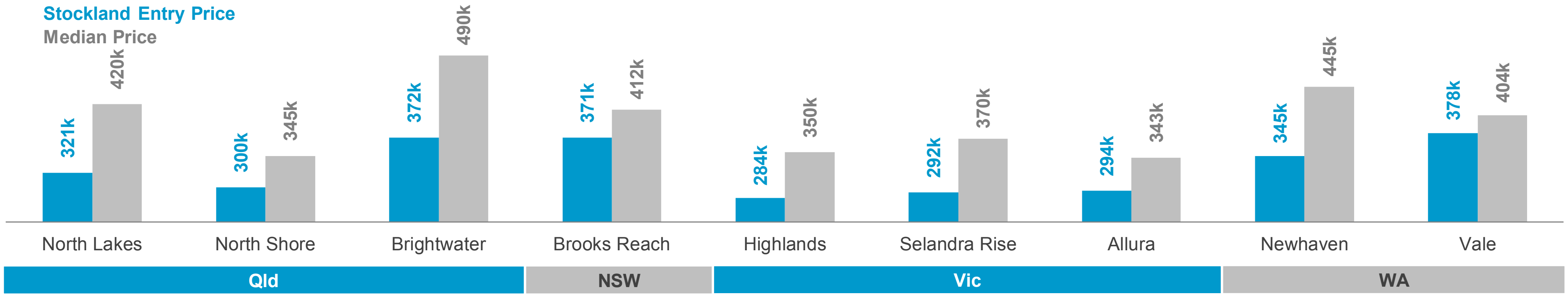
Proportion of sub $200k lots sold



Smallest lot in each state settled in FY13



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



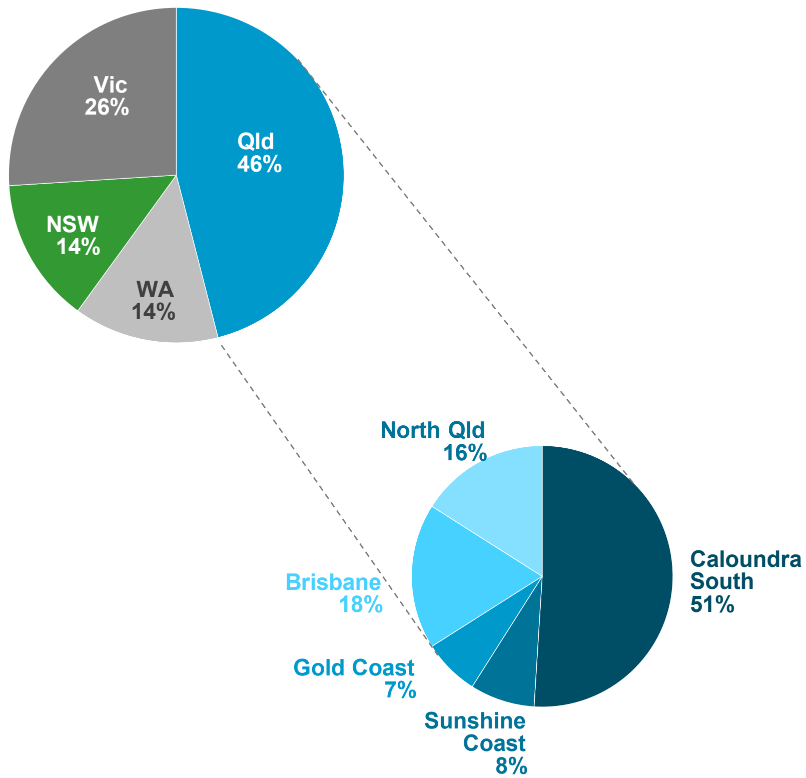
1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research
2. Fixed Price House and Land packages for sale within Stockland House and Land Finder July 2013
3. APM: Median value of established houses in surrounding suburbs as at June 2013

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 84,400[3] 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

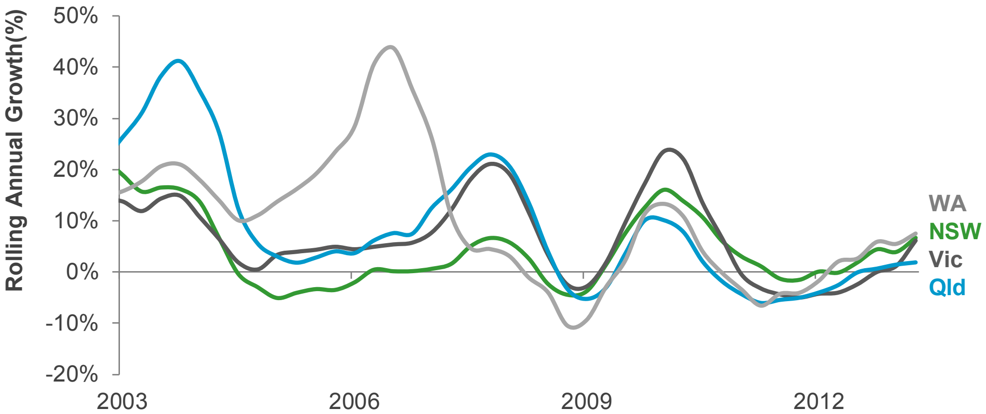
Summary of new projects				
Project		Timing of first settlements	Approximate total lots in project	Approximate life of project
NSW	Willowdale (East Leppington), SW Sydney	FY14	3,112	10 yrs
	Marsden Park, NW Sydney	FY15	2,227	10 yrs
Qld	Pallara, South Brisbane	FY15	918	7 yrs
Vic	Davis Rd, Wyndham	FY15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

Eight projects completing prior to FY16

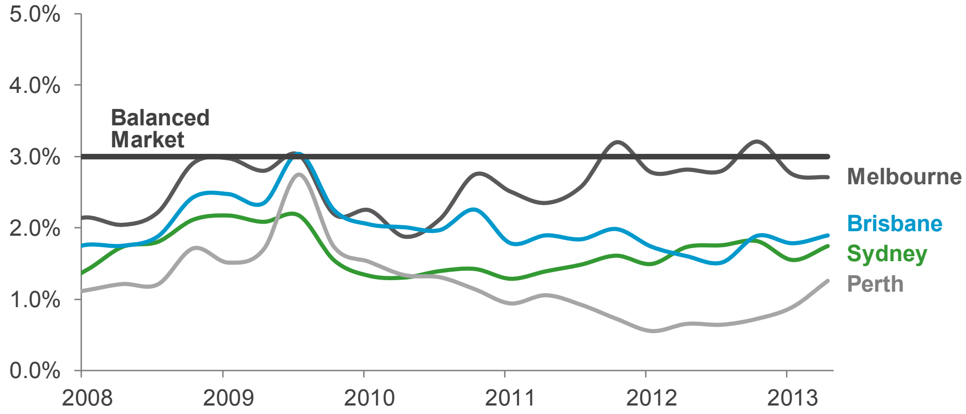
Summary of completing projects				
Project		**Timing of final settlements**	**Approximate total Lots**	**Lots remaining to sell (as at 30 June 2013)**
NSW	McCauleys Beach	FY14	299	18
	Glenmore Ridge	FY14	525	18
	Brooks Reach	FY15	598	388
Qld	Pacific Pines	FY14	5,000	1
WA	Townside	FY14	503	84
	Corimbia	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

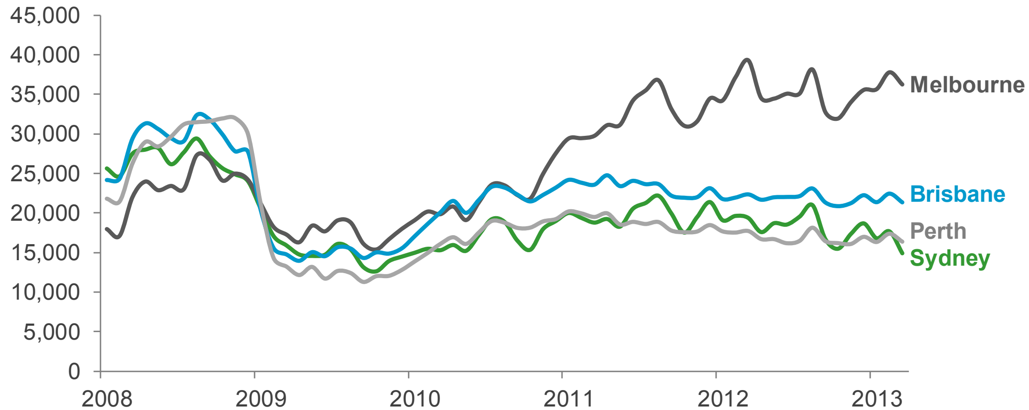
Capital city house prices rising[1]



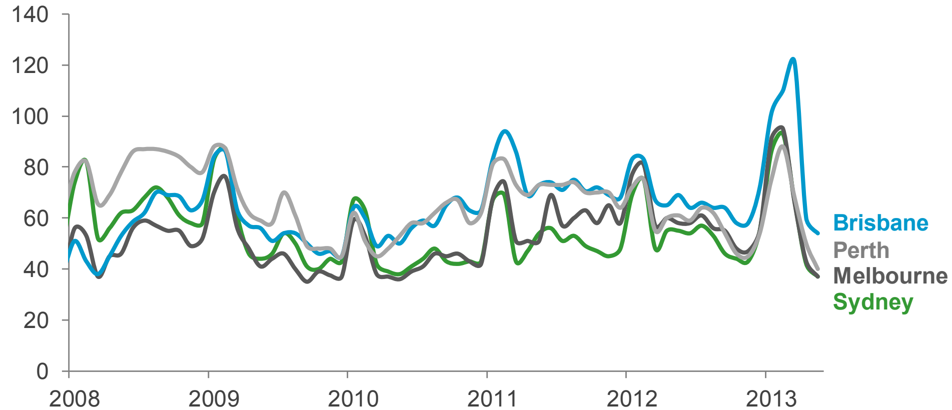
Rental vacancy still low with exception of Victoria[2]



Established stock on market stable in most markets[2]



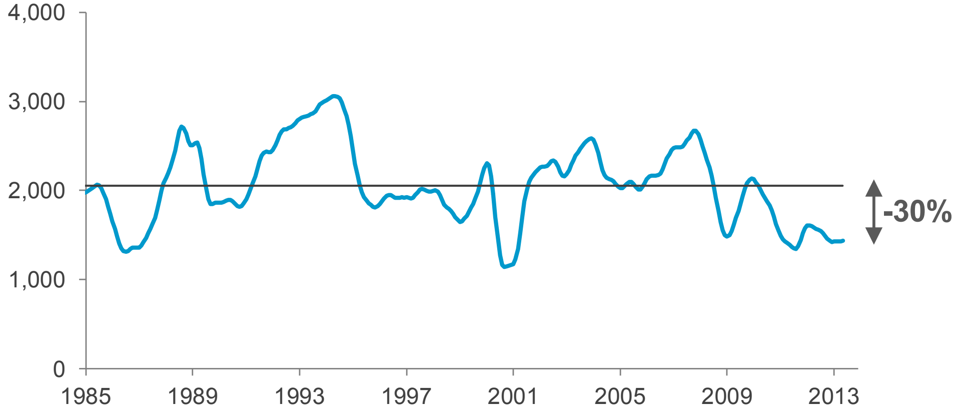
Established houses days on market lowest since 2010[3]



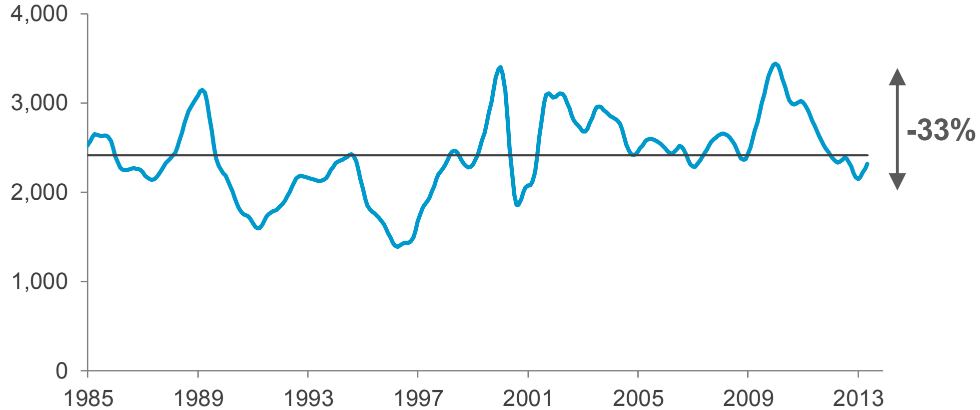
1. APM
2. SQM Research
3. RP Data

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

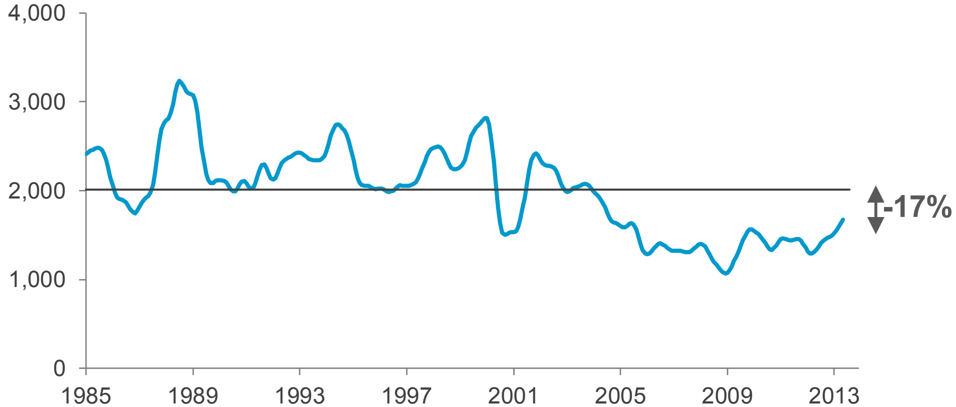
Qld market failing to respond to FHB boost



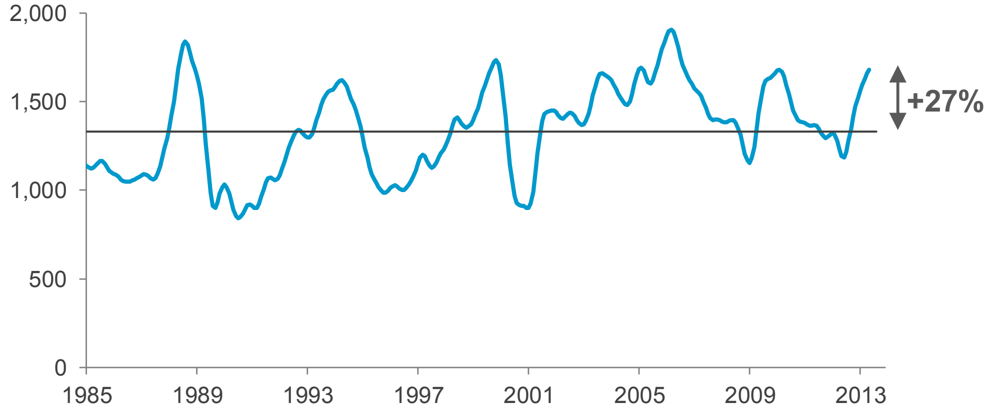
Vic market rising again but still 33% below Dec 2009 peak



NSW market in clear uptrend off low base



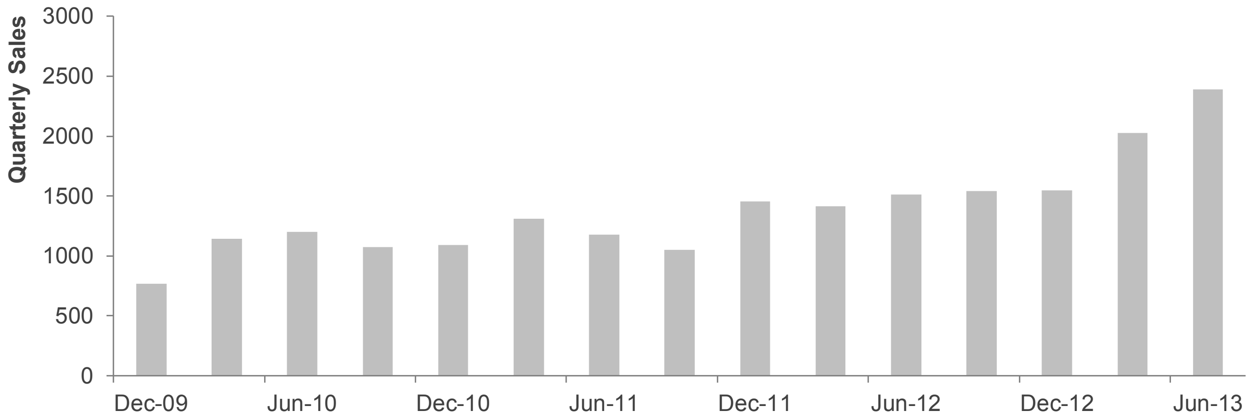
WA now well above long-term average levels



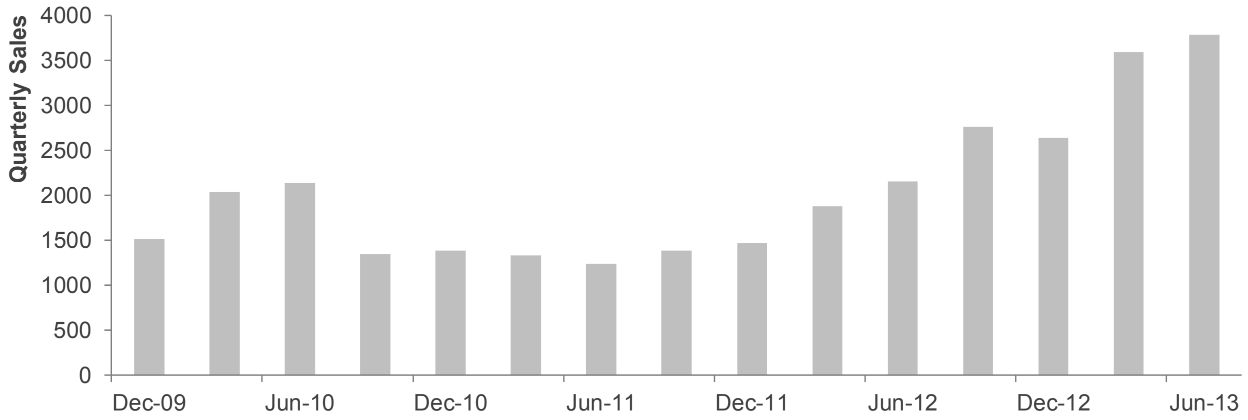
Source: ABS Cat. No.: 8731.0, monthly National Housing Approvals, private house approvals only

NSW recovery underway while WA close to peak

NSW vacant land sales strong in 2H13 as supply comes online[1]



Perth FY13 vacant land sales rate double 2012 levels[1]



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

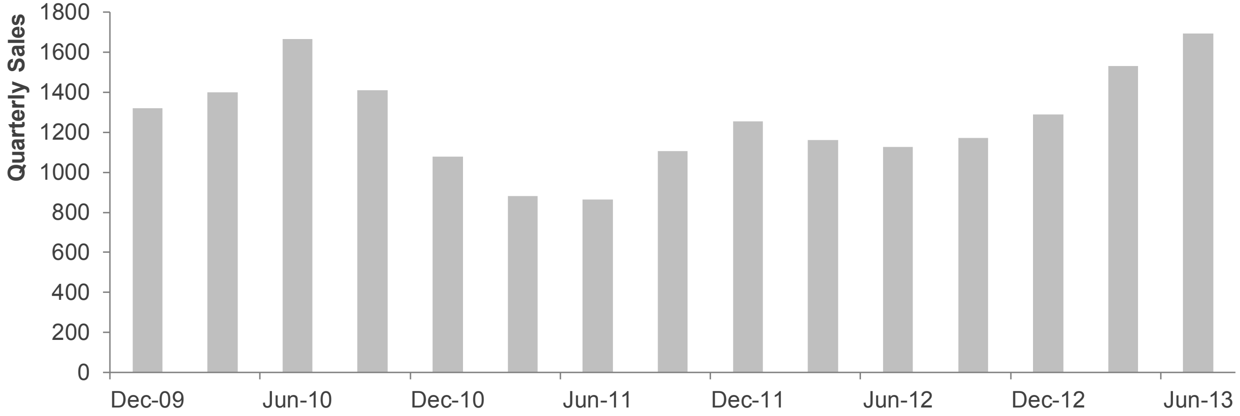
Rental market softening slightly but vacancy rates remain very low

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

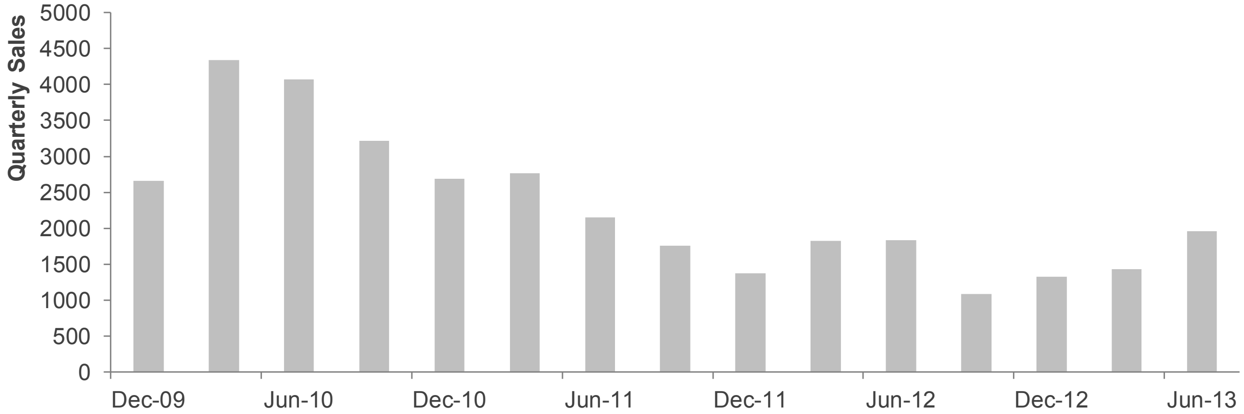
1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

Qld and Vic markets remain challenging

Annual SEQld vacant land sales up 22%[1]



Vic vacant land sales rising since September 2012[1]



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

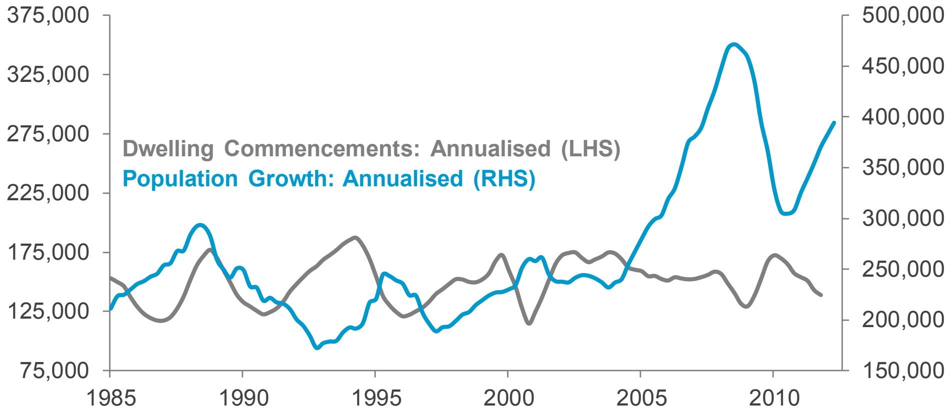
Economy has been most hampered by high AUD, but outlook is improving

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

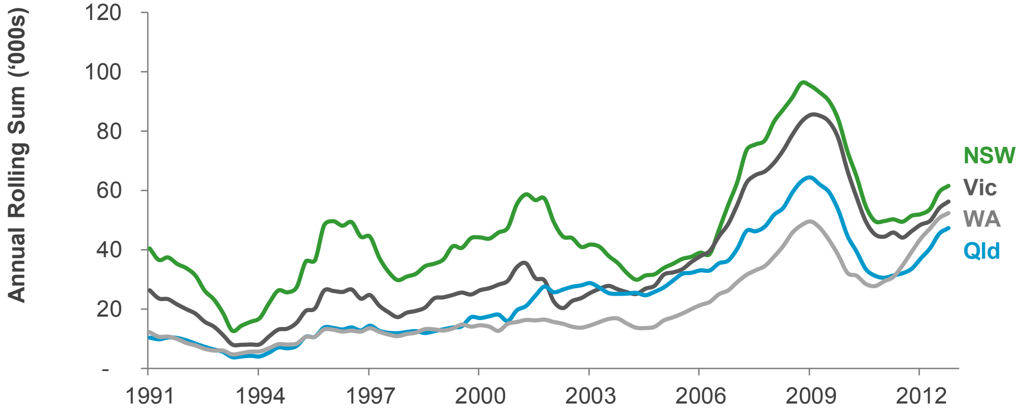
1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

Market fundamentals driven by population growth and undersupply

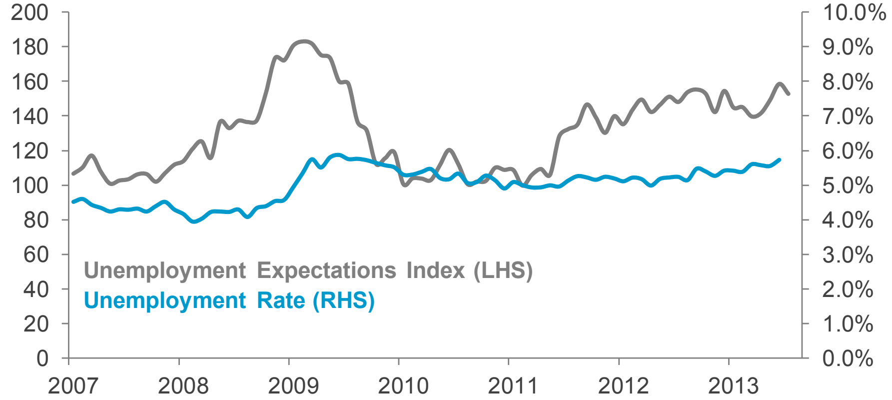
Population growth continues to diverge from dwelling starts[1]



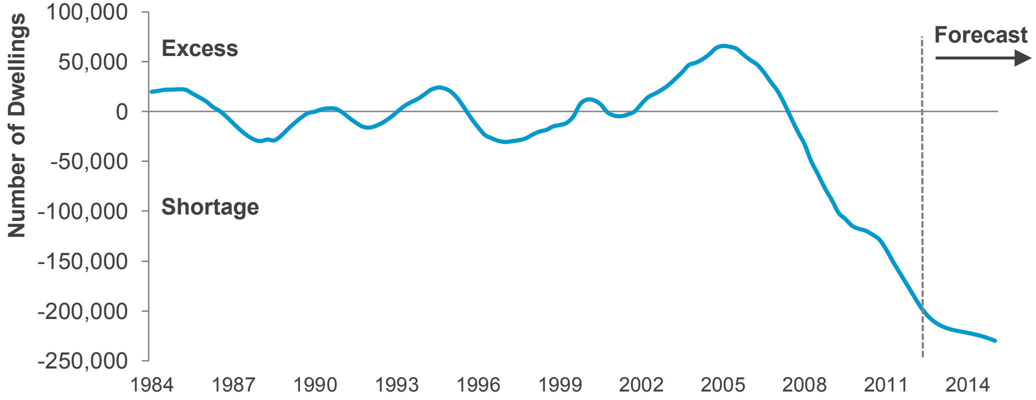
Net overseas migration rising in all states[2]



Unemployment rate rising and expectations deteriorating[3]



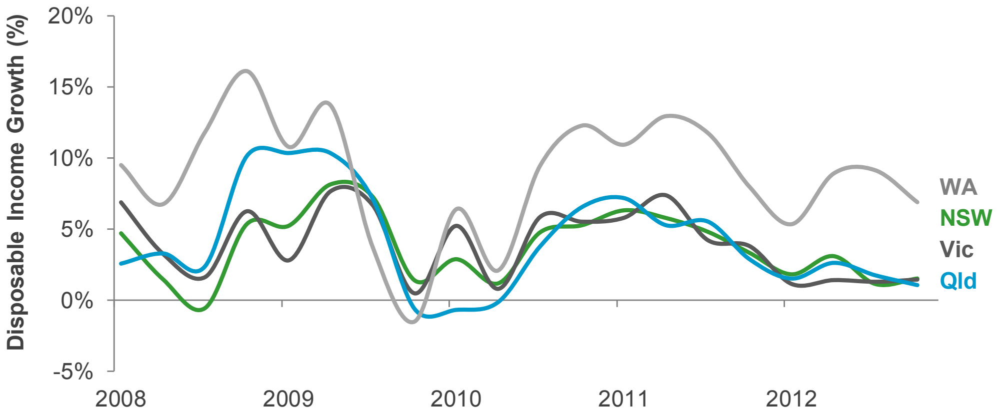
Large and growing housing undersupply[4]



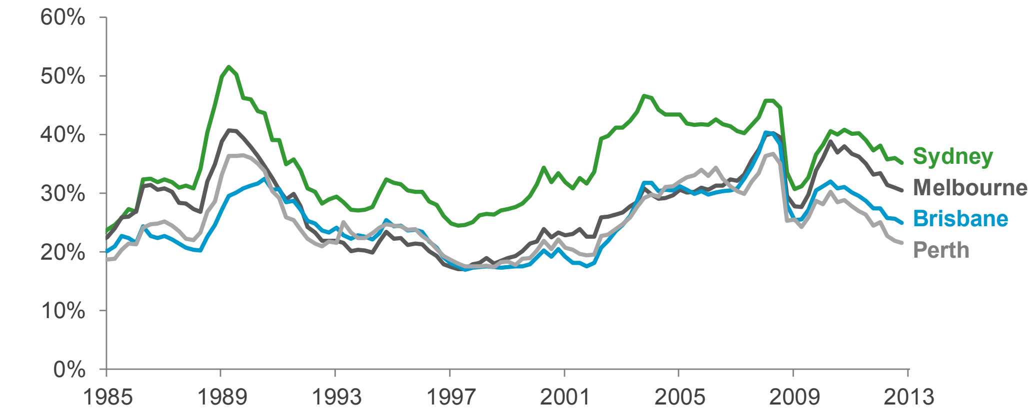
1. ABS Cat. No. 8752.0, 3101.0
2. ABS Cat. No. 3101.0
3. ABS Cat. No. 6202.0, Westpac-Melbourne Institute Survey of Consumer Unemployment Expectations
4. Goldman Sachs Global Economics

Affordability improving as household income rises

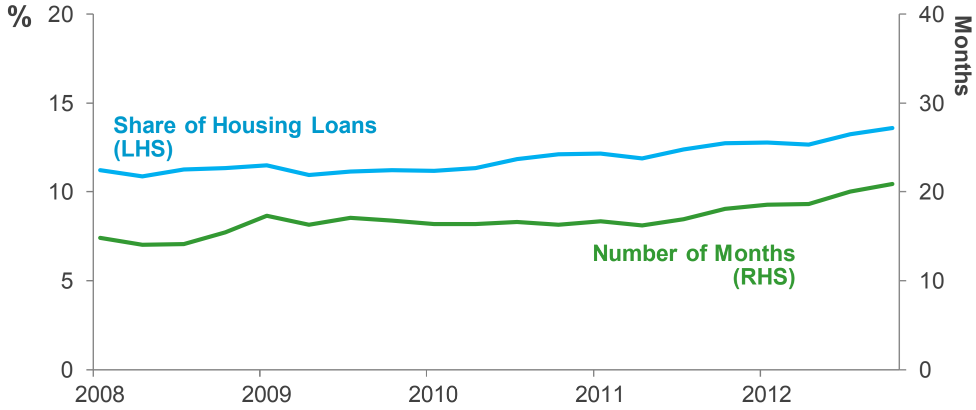
Household incomes still rising[1]



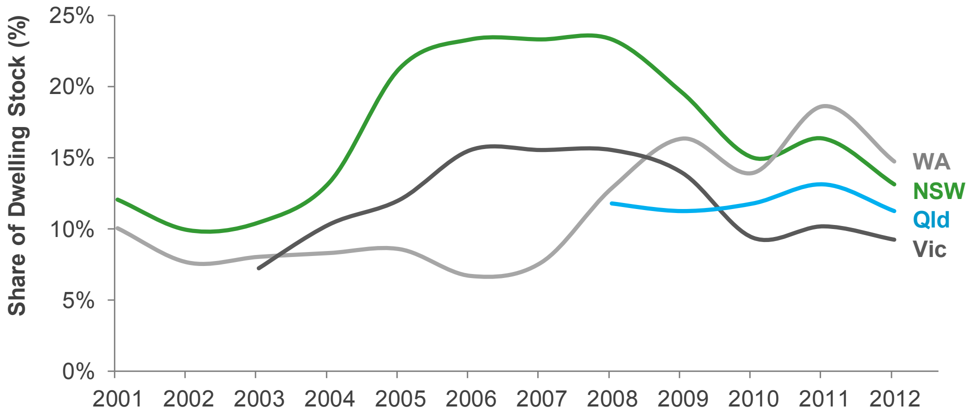
Mortgage repayments as % of household income[2]



Mortgage buffers increasing[3]



Applications for property possession falling[4]



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

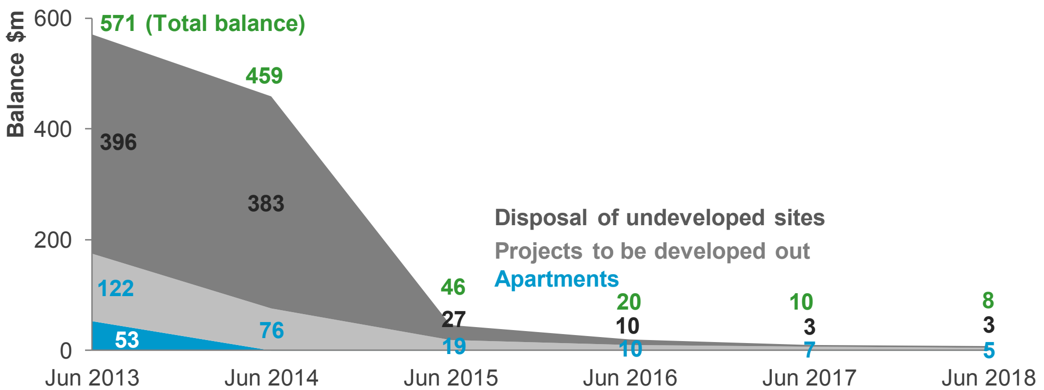
Projects reviewed regularly to assess recoverability. We recently undertook a rigorous review of our residential portfolio applying more conservative assumptions about future performance resulting in $355m of additional impairment booked in FY13

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

	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**	

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

Residential - Forecast utilisation of provision[1]



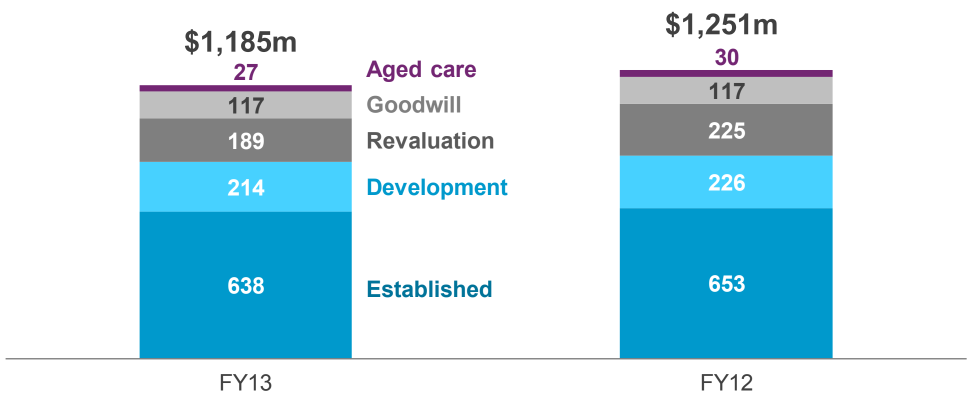
1. Forecast impairment provision balance as at 30 June 2013, based on forecast settlement dates, revenue and costs by project
2. Includes transfer to other provisions Residential Communities ($4.5m) and Apartments ($0.3m)

Retirement Living

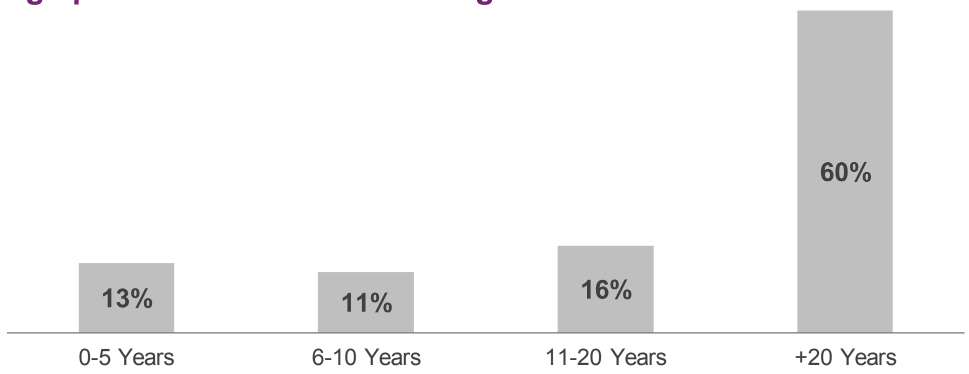
Solid portfolio comprised of mature villages and development pipeline

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 -Active -Long-term	4,050 units 1,150 units 2,900 units	3,800 units 1,400 units 2,400 units

Net Funds Employed



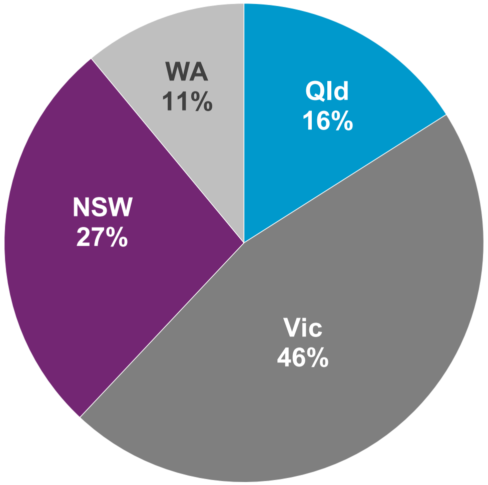
Age profile of established villages



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)

Growth is supported by strong development pipeline

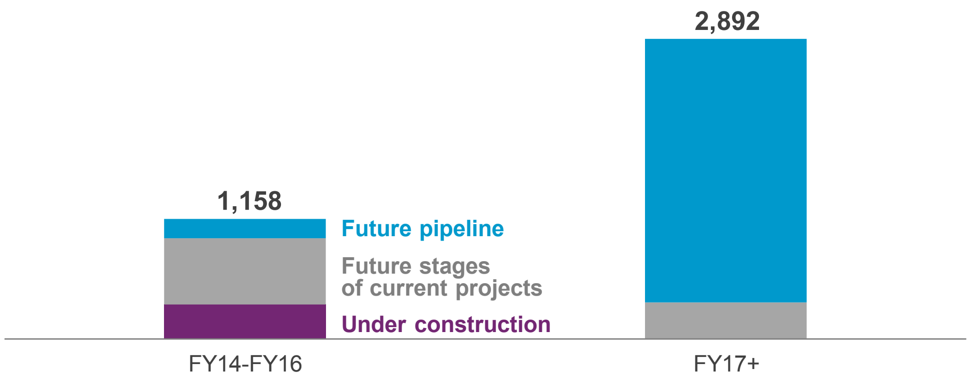
Geographically diverse development pipeline



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 pipeline[2]



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%

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