



10 May 2018

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STOCKLAND 2018 INVESTOR DAY PRESENTATION

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Attached is the presentation to be given today at Stockland's 2018 Investor Day.

The presentation will be webcast live via the [Stockland Investor Centre website](#) on Thursday 10 May at 8:00am (AEST).

ENDS

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Stockland

Stockland (ASX: SGP) was founded in 1952 and has grown to become Australia's largest diversified property group – owning, developing and managing a large portfolio of shopping centres, residential communities, logistic centres, business parks, office assets and retirement living villages. Stockland is rated as one of the most sustainable real estate companies in the world by the Dow Jones Sustainability World Index (DJSI). Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency.

Investor Day May 2018

Creating
sustainable
communities

Cloverton, Vic



Stockland
it's your place



— *Agenda*

Creating sustainable communities

05

Reshaping the portfolio

11

Strategic priorities

34

Workshops

Asset tour

Asset profiles

Stockland Executive Committee



Mark Steinert

*CEO and
Managing Director*



Stephen Bull

*Group Executive and CEO
Retirement Living*



Robyn Elliott

*Chief Technology and
Innovation Officer*



Katherine Grace

*General Counsel and Company
Secretary*



Tiernan O'Rourke

Chief Financial Officer



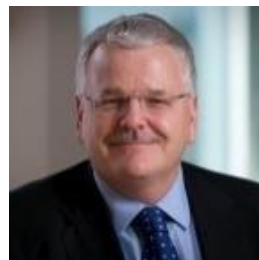
Darren Rehn

*Group Executive and Chief
Investment Officer*



Michael Rosmarin

*Group Executive
and Chief Operating Officer*



John Schroder

*Group Executive and CEO
Commercial Property*



Simon Shakesheff

*Group Executive, Strategy,
Stakeholder Relations and
Research*



Andrew Whitson

*Group Executive and CEO
Residential*

Presenters



Tony D'Addona

*General Manager - Logistics,
Business Parks and Office*



Scott Falvey

*National Development Manager,
Logistics & Business Parks*



Amanda Hayes

*General Manager - Retail Asset
Management & Operations*



Kirrily Lord

*Business Manager & Head of
Asset Management, Retirement
Living*



Glenn Page

Centre Manager, Wetherill Park



Mike Milligan

Project Director, Elara



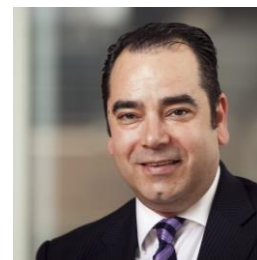
Robert MacKay

*National Development Manager,
Logistics & Business Parks*



Calum Ross

*Regional Manager, RL & Resi
Homes Development*



Tony Tsekouras

*General Manager - Retail
Leasing, Leasing Operations*



Michael Wappett

*General Manager - Sales,
Retirement Living*

Creating sustainable communities

Mark Steinert

Bells Reach, Qld



Stockland
it's your place



Community creation driving securityholder returns

Leveraging our diverse business model

GROW ASSET RETURNS AND CUSTOMER BASE

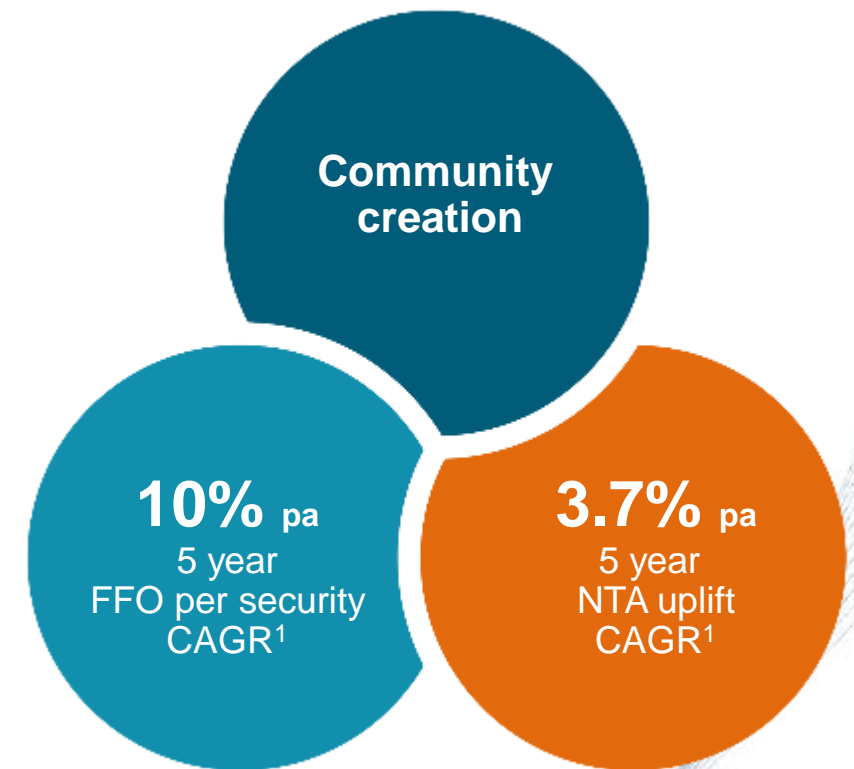
- Create liveable, affordable and sustainable communities
- Develop and manage resilient retail town centres
- Active asset management and portfolio optimisation
- Accretive development

OPERATIONAL EXCELLENCE

- Continuously improve customer experience
- Maintain sustainability leadership
- Digitise our business

CAPITAL STRENGTH

- Maintain investment grade credit ratings
- Gearing within 20-30%
- Safeguard diverse funding sources
- Maintain strong operating cash flow



1. Five year compound annual growth rate 1H13 to 1H18



Shopping & services

- Proposed Elara neighbourhood shopping centre with supermarket and specialty stores
- 20 minutes drive to Rouse Hill Town Centre with more than 230 stores and a cinema
- 20 minutes drive to Westpoint Blacktown with Myer, restaurants and cafés
- IKEA, Bunnings, Costco, Aldi and Homemaker Centre at Sydney Business Park
- Proposed aged care facility and medical centre onsite

Public transport & roads

- 10 minutes drive to Schofields Train Station and less than an hour by train to Sydney CBD
- Easy access by car to M7 and M4 Motorways
- Less than 30 minutes drive to Parramatta CBD
- 55 minutes drive to Sydney Airport
- State Transit Bus through Elara to Riverstone

Parks & open space

- Parklands and accessible playground
- Sporting fields
- Walking and cycle paths
- Riparian corridor
- Community garden

Display village homes

- Elara Display Village featuring 47 display homes by 20 builders
- Proposed secondary display village

Education

- State primary school
- St Luke's Catholic College (Pre-school to Year 12)
- Short distance to Marsden Park Primary School
- 2 proposed childcare centres onsite

Technology

- Access to superfast broadband internet via the NBN

This plan shows the approximate location of multiple and associated infrastructure facilities, services or developments. It is not intended to be a guarantee of any specific location or service. The plan is subject to the availability of, and the location of, any infrastructure facilities. The plan is not intended to be a guarantee of any specific location or service. The plan is subject to the availability of, and the location of, any infrastructure facilities.

Community creation in action



How we create communities

Hierarchy of
land use drives
profit



Connected
Liveable
Affordable



Delivering
amenities early



Customer
focussed



The heart
of our
communities



Leading in
sustainability

Community strategy delivering results

Target group outcomes

FY13 to now

WHAT WE SAID

WHAT WE ACHIEVED

Reliable profit growth above A-REIT sector

10% pa five year FFO per security CAGR¹



Improved returns (ROE of >11% by FY18)

11.4% in FY17



Continued strength in our balance sheet
(20-30% gearing)

23% gearing as at December 2017, at lower end range
S&P rating A-/stable
Moody's rating A3



Modestly expand capital partnering

Current capital partnerships of ~\$2b² of assets



1. To December 2017
2. Reflects 100% interest

Community strategy delivering results

Target operating business outcomes

FY13 to now

WHAT WE SAID	OUR STRATEGY	WHAT WE ACHIEVED
Increase resilience of Retail rental base	Be the leader in regional areas and a clear point of difference in metropolitan areas	<ul style="list-style-type: none"> 89% of portfolio comprises leading centres mixed use/CBD/community town centres Remixing towards food, services, entertainment and health 
Increase Industrial exposure from 7%, to 10-15% over time	Grow and develop a leading portfolio	Now 14% of portfolio and growing to 20% 
Expand Residential and Retirement Living built form initiatives to extend customer reach	<ul style="list-style-type: none"> Double Residential medium density volumes from ~100 settlements Increase higher density Retirement development units 	<ul style="list-style-type: none"> Tripled Residential medium density volumes, now over 5% of settlements and long term target of 15%+ Through cycle target 5-6,000 residential settlements pa Retirement apartments 22% of total settlements in FY17 
Increase Retirement ROA to 6.5% by FY15, and to 7% by FY19 ¹	Scale-up Retirement development	<ul style="list-style-type: none"> FY15 ROA 5.3%, FY17 ROA 6.2% 16%pa operating profit CAGR in four years to FY17 25% of established RL portfolio has been developed by us (up from 11%)  

1. Amended in FY14

Reshaping our portfolio

Simon Shakesheff

Stockland Point Cook, Melbourne



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Retail Town Centres

Creating market leading retail town centres



#1 in the trade area

STOCKLAND GREEN HILLS, NSW

Redeveloping our productive assets, enhancing customer experience and meeting retailer demand



Remixing portfolio

STOCKLAND WETHERILL PARK, NSW

Evolving our retail mix in line with customer preferences, trade area dynamics and changing retail formats



Heart of the community

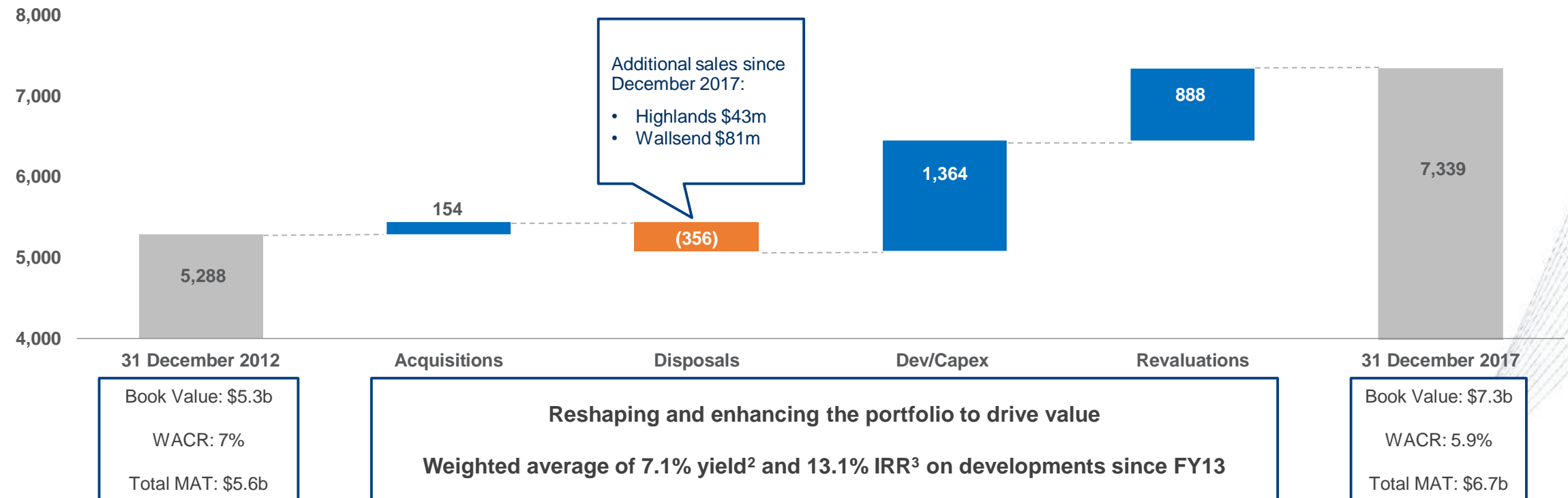
STOCKLAND HARRISDALE, WA

Developing greenfield retail town centres anchoring masterplanned communities

Retail Town Centres – Organic value creation

Creating resilient centres with significant development and capital expenditure

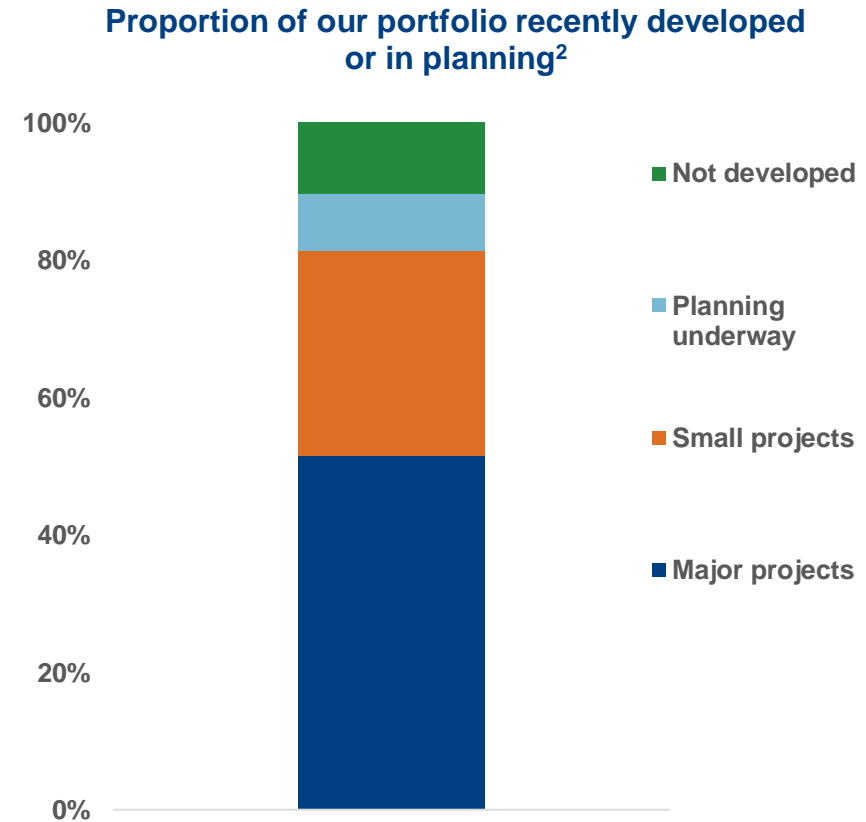
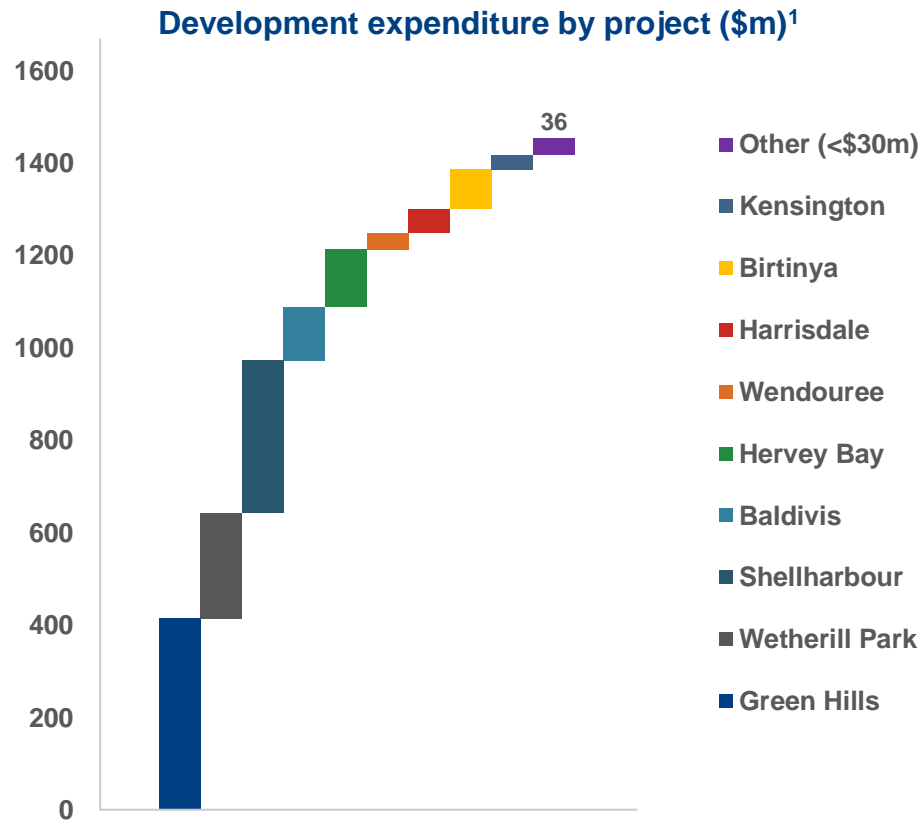
Retail book value transition: Five years to December 2017 (\$m)



1. FFO incremental yield, includes property management fees,
2. Forecast unlevered 10 year IRR on incremental development from completion

Redeveloping and enhancing the portfolio

A significant proportion of our assets have been redeveloped



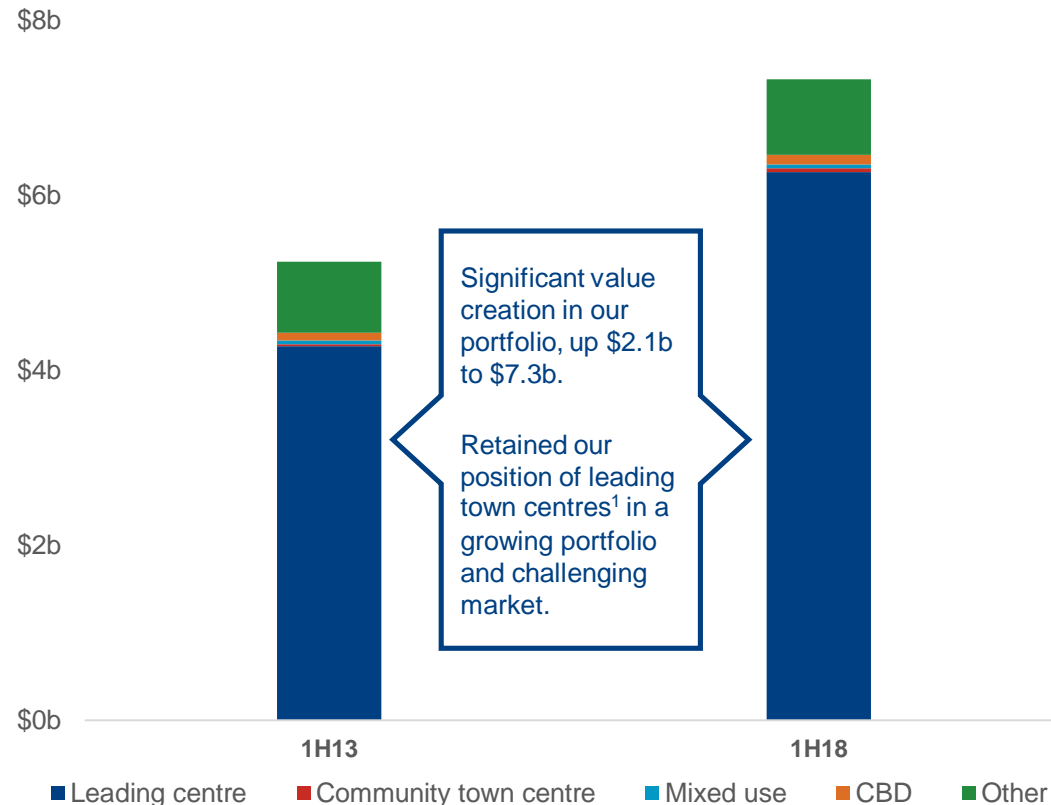
1. Since December 2012, includes total expenditure for both assets completed and currently underway

2. Over the last six years. By current book value of assets, including expected end value for projects currently underway. Major development is defined as >\$30m

Increasing proportion of leading centres

How the retail portfolio has been transformed

Portfolio weighting by centre category



1. Leading Town Centre – largest in the main trade area
2. Urbis Shopping Centre Benchmarks Averages- Regional and Sub-regional, June 2017

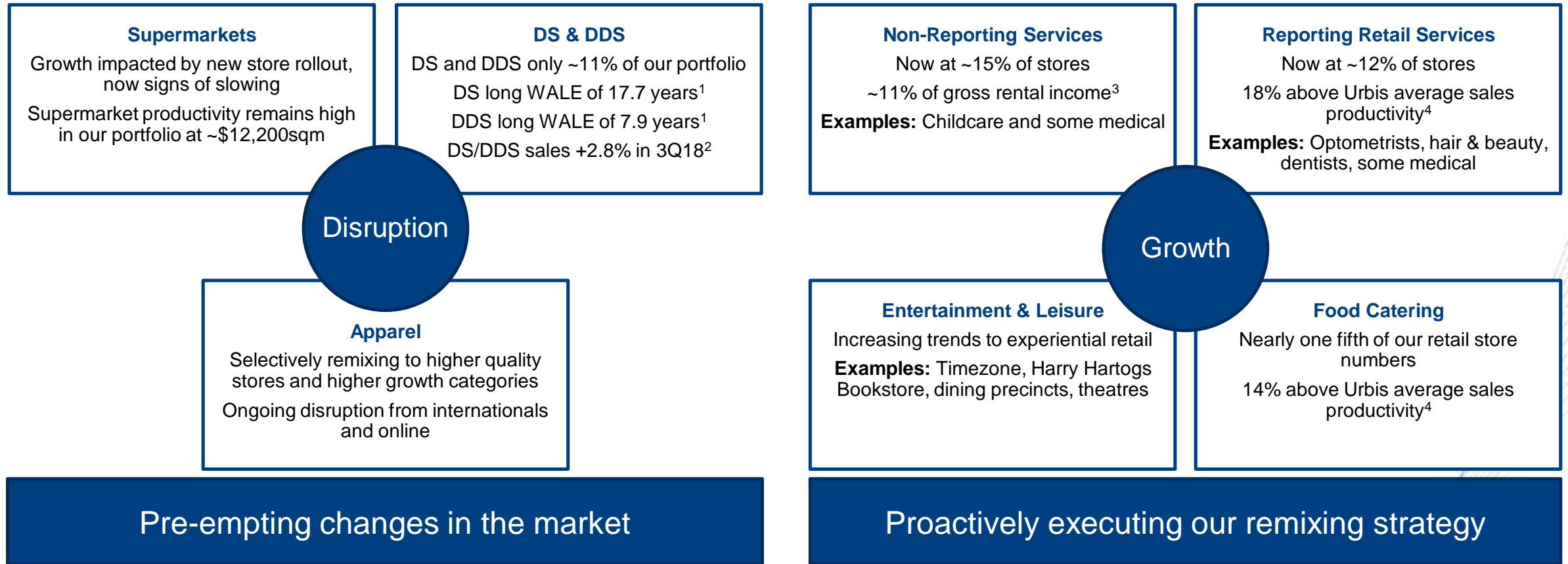
	Our Portfolio		Benchmark Occupancy cost ² (%)
	1H13 Occupancy cost (%)	3Q18 Occupancy cost (%)	
Regional	15.8	16.7	17.7
Sub-Regional	13.8	14.0	14.6
Neighbourhood, CBD, Mixed use & Other	13.2	13.7	-
Totals	14.1	15.2	-

Shift in occupancy costs reflect:

- Recent developments driving uplift in sales per sqm which can sustain higher occupancy costs
- Change in portfolio basket composition e.g. removal of Green Hills pre-development spec sales per sqm of \$14,500
- Some weakness in mining-related regional areas

Retail mix in our centres continues to evolve

Disruption in fashion, DS & DDS, with growth in services, entertainment, health & food



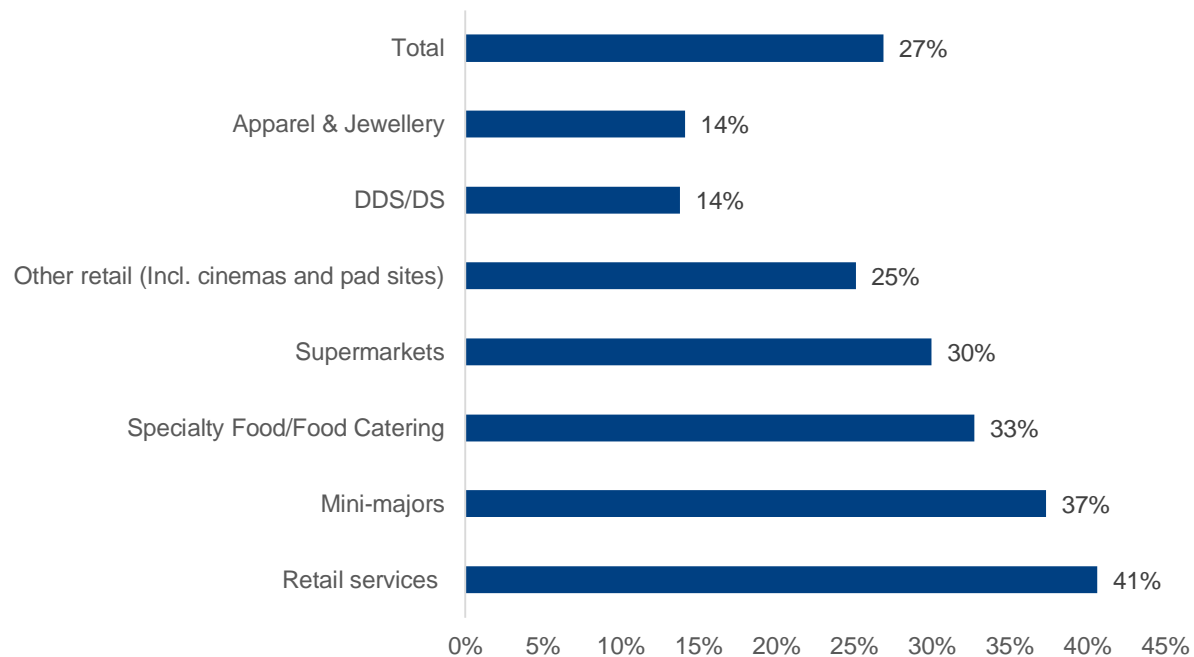
1. With options: DS: 21.8 years, DDS: 16.9 years
2. Comparable centre sales
3. Non reporting services represent over 21% of gross specialty rental income (for stores <400sqm)
4. Sales/sqm for 24 month in place stores in SGP centres with two or more DDS's compared to the Urbis double DDS average
Stockland 2018 Investor Day | Creating sustainable communities

Retail Town Centres

Making our assets more resilient – growing food, services, entertainment and health

Remixing and redeveloping focused on growth categories¹

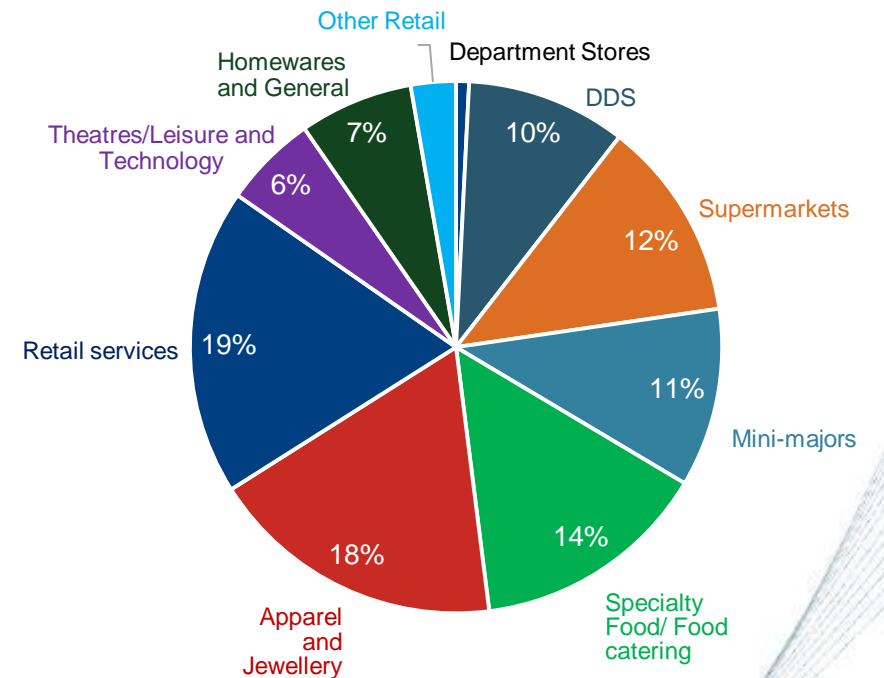
Change in gross rent



1. Change in gross rent over the four years ended 31 December 2017
2. Total gross rent for the period as at 31 December 2017

Diversified rental income, non-discretionary focus²

Low reliance on DDS and department store income



Logistics and Business Parks

Office

Macquarie Technology
Business Park, Sydney



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Artist Impression

Logistics & Business Parks

Growth through development



Strong market conditions in the Sydney and Melbourne markets



Substantial repositioning and upgrading completed



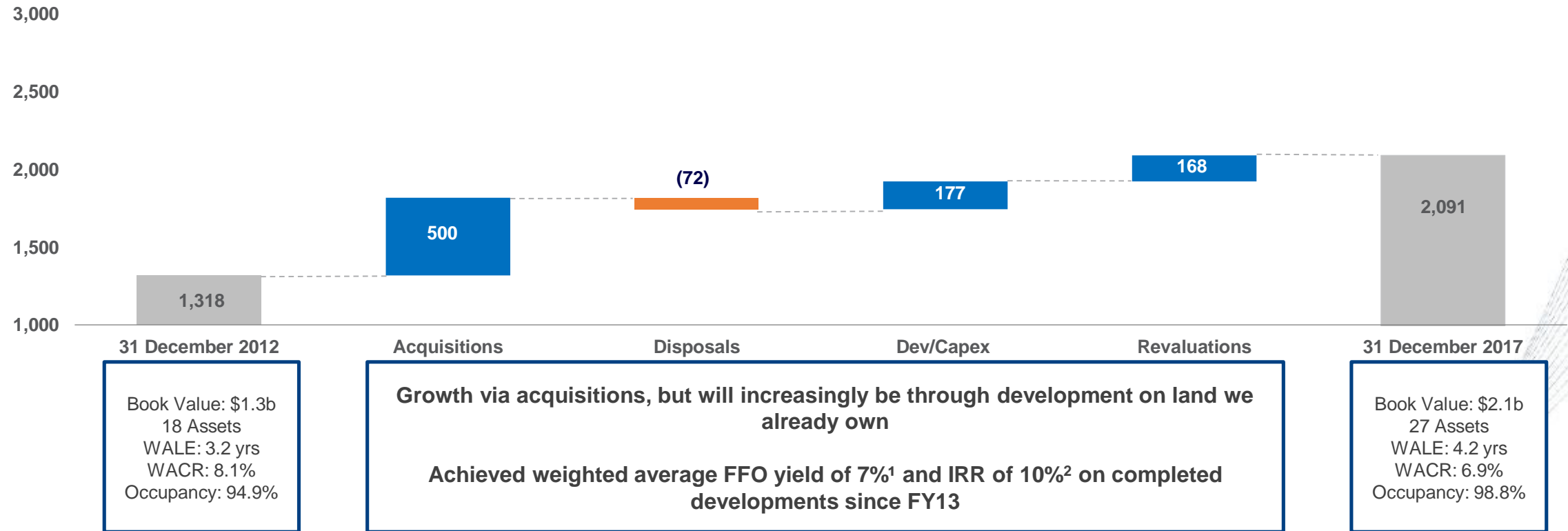
\$176m recently completed or under development,
7%+ yield¹ and 10%+ IRR²
Five year pipeline over \$600m

1. FFO incremental yield, includes property management fees,
2. Forecast unlevered 10 year IRR on incremental development from completion

Logistics & Business Parks

Portfolio expansion driven by well timed acquisitions and accretive development

L&BP book value transition: Five years to December 2017 (\$m)

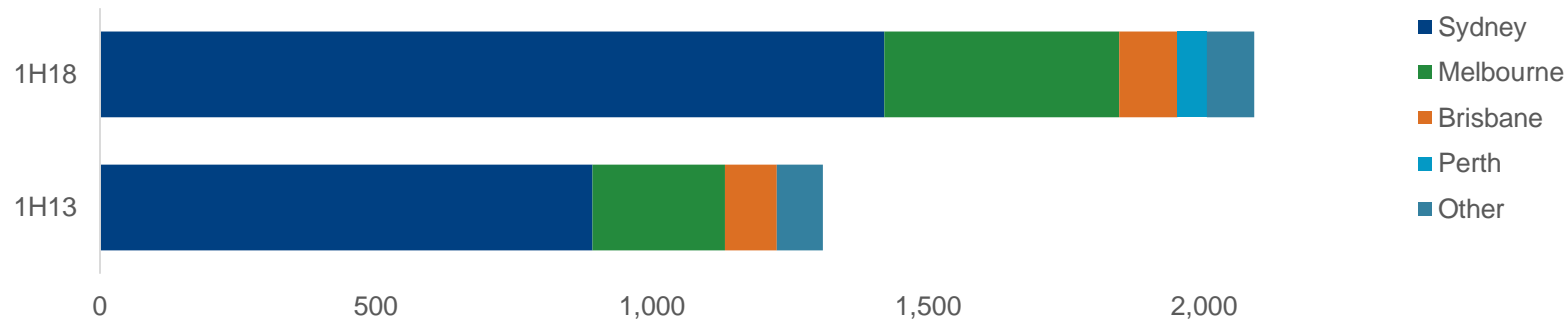


1. FFO incremental yield, includes property management fees,
2. Forecast unlevered 10 year IRR on incremental development from completion
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Logistics & Business Parks

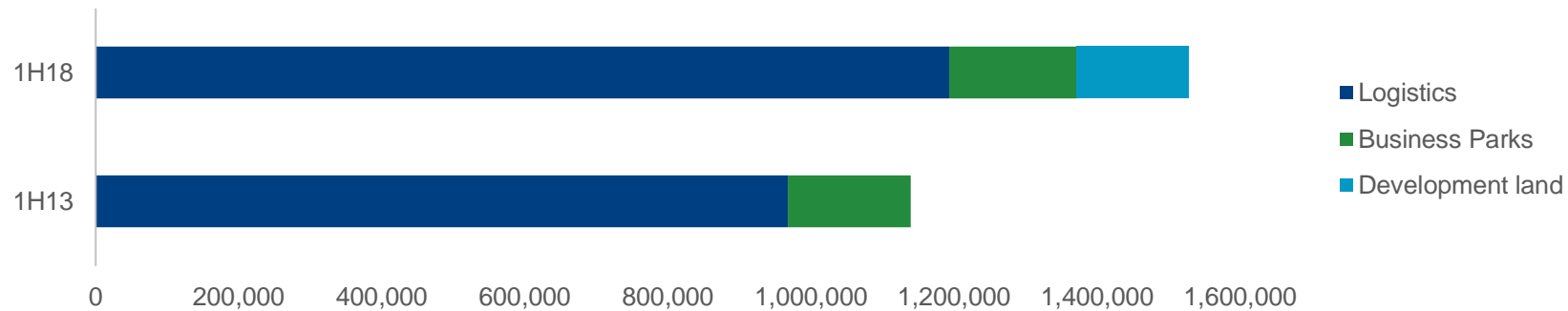
Material portfolio expansion; Sydney & Melbourne focus maintained

LBP book value shift (\$m)



Majority of portfolio in Sydney and Melbourne

LBP portfolio GLA (m²)



We have significantly grown our development opportunities

Logistics & Business Parks

Growing towards 20% of total assets by unlocking development pipeline

Upgrading existing middle ring properties

- Hendra Distribution Centre: refurbishing entire estate, occupancy above 90%
- Oakleigh Industrial Estate: redeveloped 50% of site, incremental IRR of 14.7%¹
- Yennora Distribution Centre, Sydney \$26m

Integrating with our communities, and on land we own

- Willawong adjacent to Pallara community in Brisbane
- Aura business development park
- Cloverton masterplans underway

Unlocking higher and better use

- Macquarie Technology Business Park convert from 16,000sqm business parks to 55,000sqm campus, application lodged for full masterplan approval and Stage One DA

1. Forecast unlevered 10 year IRR on incremental development from completion



Oakleigh Industrial Estate, Melbourne



Macquarie Technology Business Park, Sydney
Artists impression



Office

Optimising returns



135 KING ST, SYDNEY

80% in strongest performing Sydney markets



77 PACIFIC HIGHWAY, NORTH SYDNEY

Releasing capital through sale of mature assets



PICCADILLY COMPLEX, SYDNEY

Pursuing development opportunities

Retirement Living

Macarthur Gardens, Sydney



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Retirement Living

Leading operator and developer



CARDINAL FREEMAN, SYDNEY

- Renewing and enhancing villages
- Acquired eight and sold nine villages since FY13
- Continuing to recycle capital to fund future opportunities



BIRTINYA, SUNSHINE COAST

- Future pipeline over 3,000 units
- Organic growth within our masterplanned communities



WILLOWDALE, SYDNEY

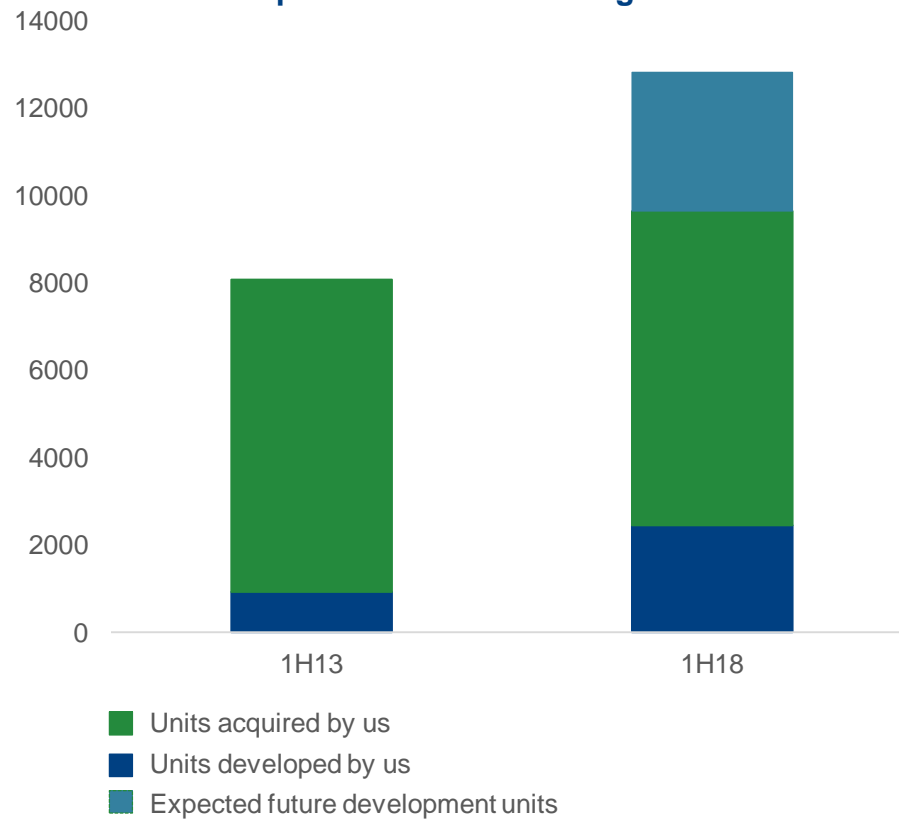
- Focus on health and wellbeing
- Providing contract choice, non-DMF Aspire
- Care partnerships
- High residents' satisfaction 84%¹

1. Stockland Residents' Voice Survey 2017, independently conducted by Colmar Brunton

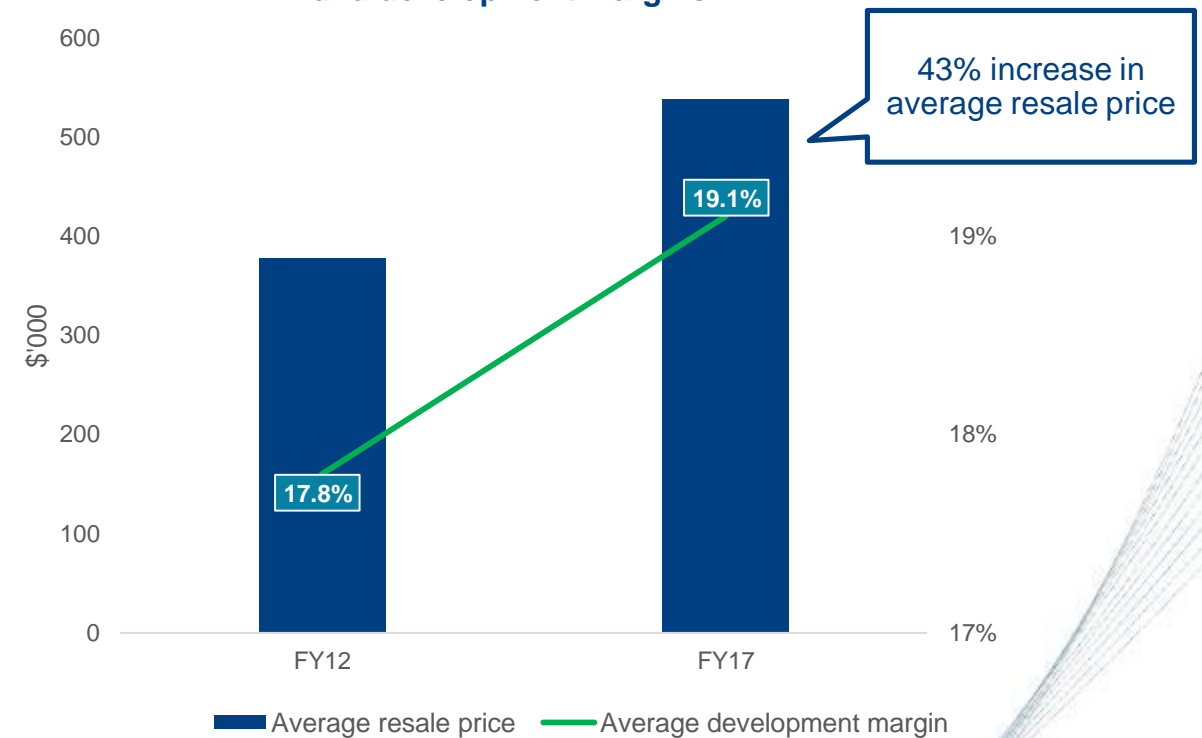
Retirement Living

Active development driving value and return

Development units as a proportion of our portfolio continues to grow



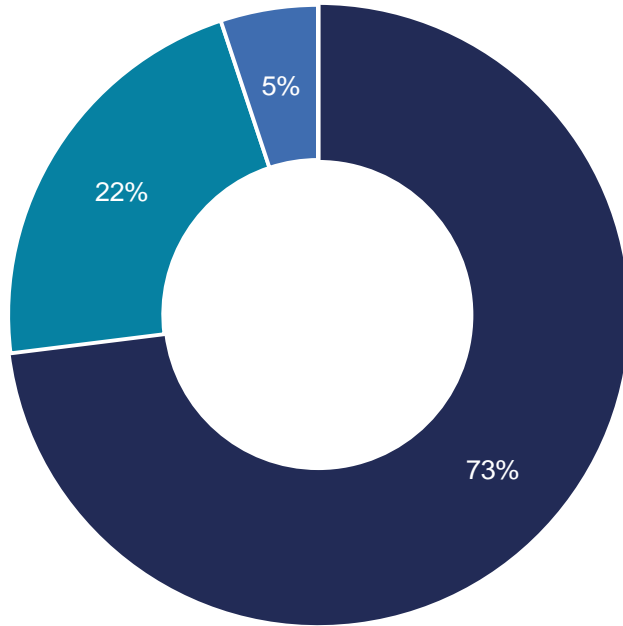
... lifting average development unit prices and development margins



Retirement Living

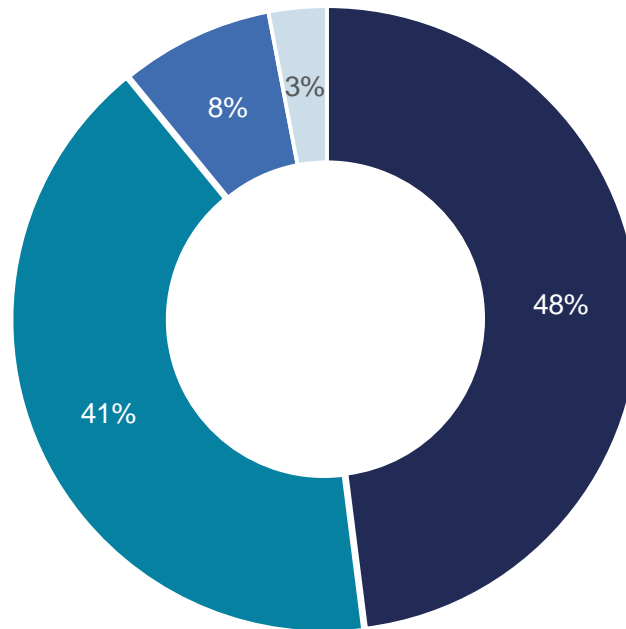
Focus on customer choice to broaden reach

Retirement Living settlement composition



FY17

- Established
- Development (ILU)
- Development (ILA)
- Aspire (Non DMF)



5 YEAR TARGET



New contract options:

- **Capital Share:** offering residents a 50% share in capital gain or loss with Stockland, DMF of 5% pa capped at seven years (35%)
- **Peace of Mind:** offering financial certainty for our residents, with resident not sharing in any capital gain or loss, DMF of 5% pa capped at five years (25%), buy back guarantee¹

1. Guaranteed buy back of unit within six months of leaving the village
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Residential

Calleya, Perth



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Residential communities

Maximising returns by creating thriving communities



Creating vibrant, masterplanned communities, focusing on owner occupiers and liveability



Broadening customer reach in middle ring locations, and markets of deep demand

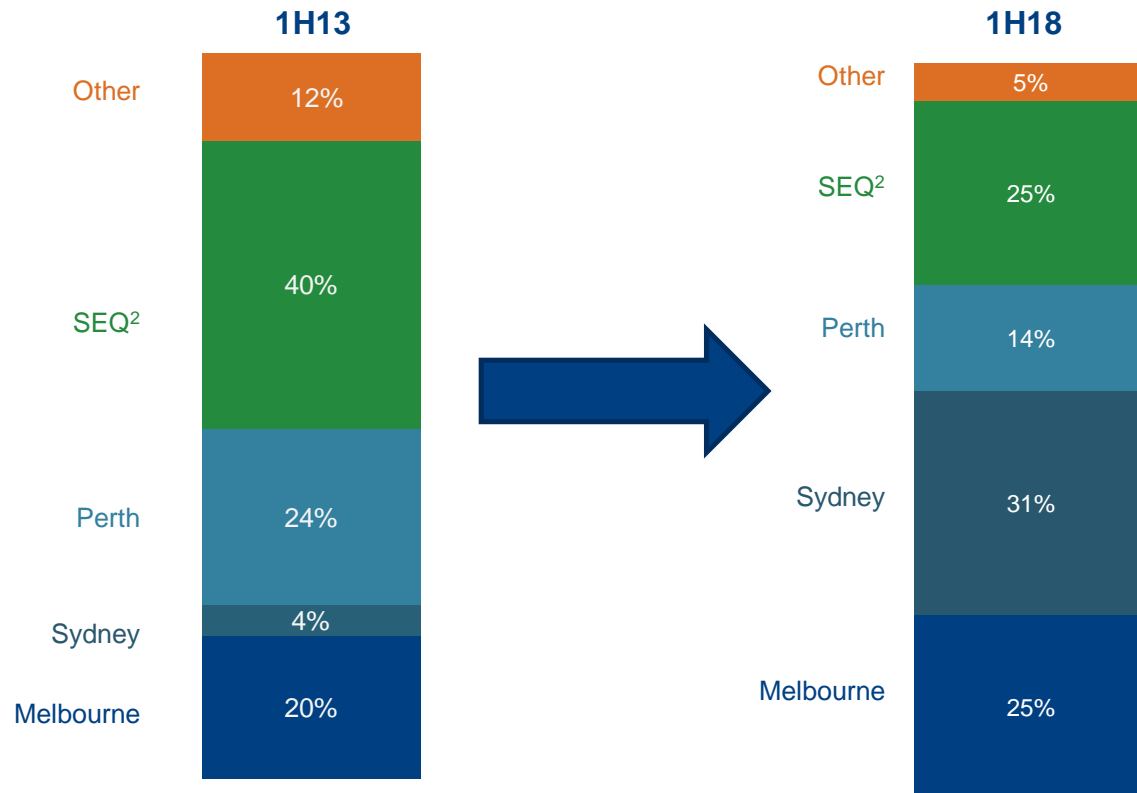


Acquiring land around rail transport and infrastructure nodes

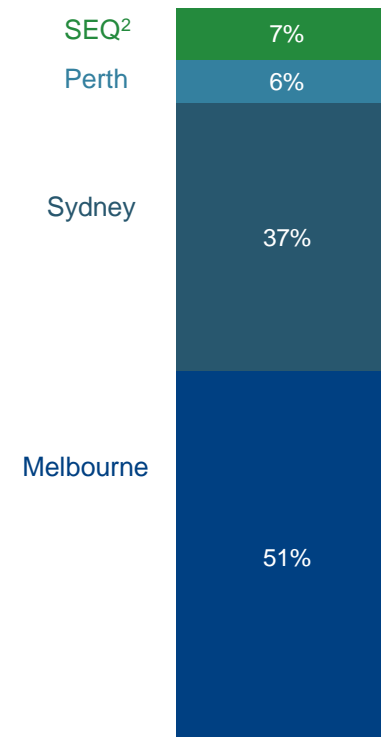
Residential communities

Upweight to the deeper Sydney and Melbourne housing markets

Book value of our Residential portfolio



Acquisitions¹ since FY13



79% of acquisitions since FY13 on capital efficient terms

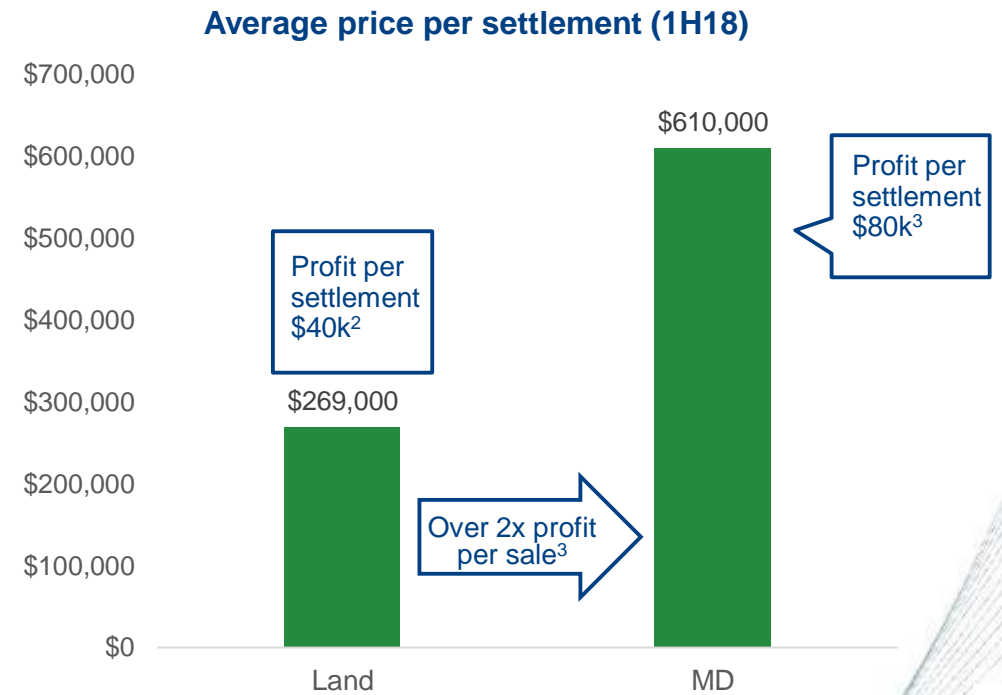
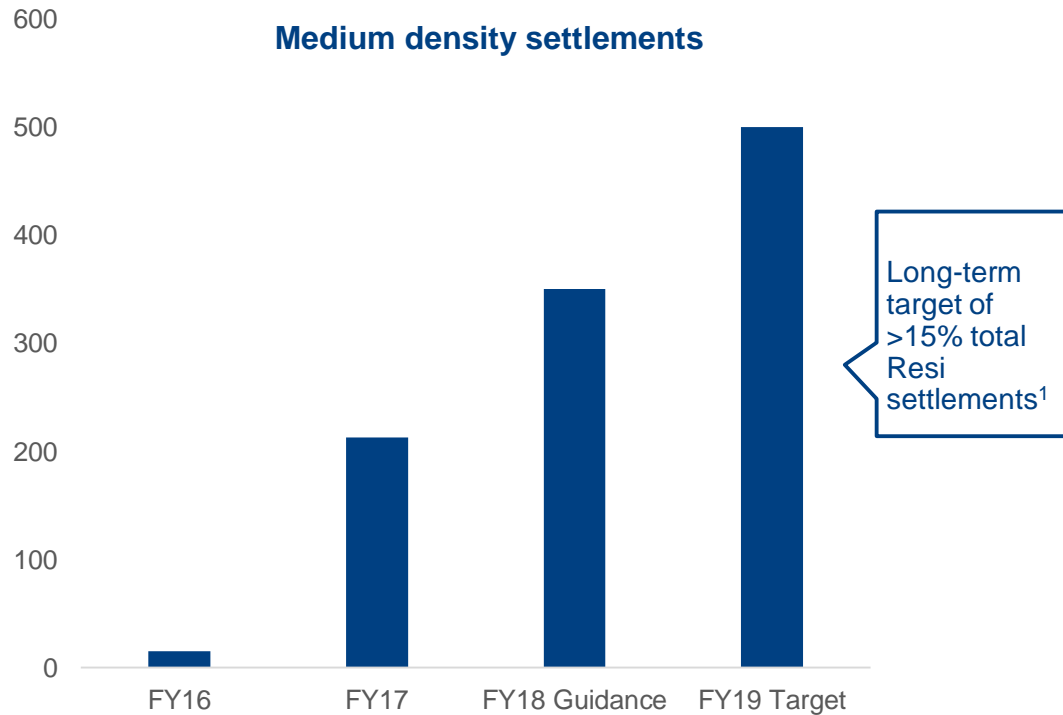
1. By value \$M
2. SEQ: South East Queensland

Disciplined investment / acquisition

Masterplanned communities	Metro	Rail access (5km radius)	> 500 lots	Capital efficient	<2 yrs to market ¹	MD	Retail amenity	RL and/or L&BP opportunity
NSW								
Altrove	✓	✓	✓	✓	✓	✓	✓	✗
Elara	✓	✓	✓	✓	✗	✓	✓	✓
Willowdale	✓	✓	✓	✗	✓	✓	✓	✓
Vic								
Edgebrook	✓	Rail corridor	✓	✓	✗	✓	✗	✗
Highlands	✓	✓	✓	✓	✓	✓	✓	✓
Minta Farm	✓	✓	✓	✓	✓	✓	✗	✓
Mt Atkinson	✓	✓	✓	✓	✓	✓	✓	✓
The Address	✓	✓	✗	✗	✓	✗	✓	✗
Grandview	✓	✓	✓	✓	✓	✓	✓	✗
Qld								
Newport	✓	✓	✓	✗	✓	✓	✓	✓
North Lakes	✓	✓	✓	✗	✓	✓	✓	✓
Rothwell	✓	✓	✗	✓	✓	✓	✓	✗
Springview	✓	✓	✓	✓	✓	✗	✓	✗
Foreshore	✗	✓	✓	✓	✓	✓	✓	✗
WA								
Newhaven	✓	✗	✓	✓	✓	✗	✓	✗
Sinagra	✓	✓	✓	three year leaseback	✗	Future masterplan	✓	✗
Wellard Farms	✓	✓	✓	✓	✗	Future masterplan	✓	Future masterplan
Whiteman Edge	✓	Rail corridor	✓	✗	✗	✗	✓	✗

Broadening customer reach

Medium density to grow from our 3,000 dwelling pipeline



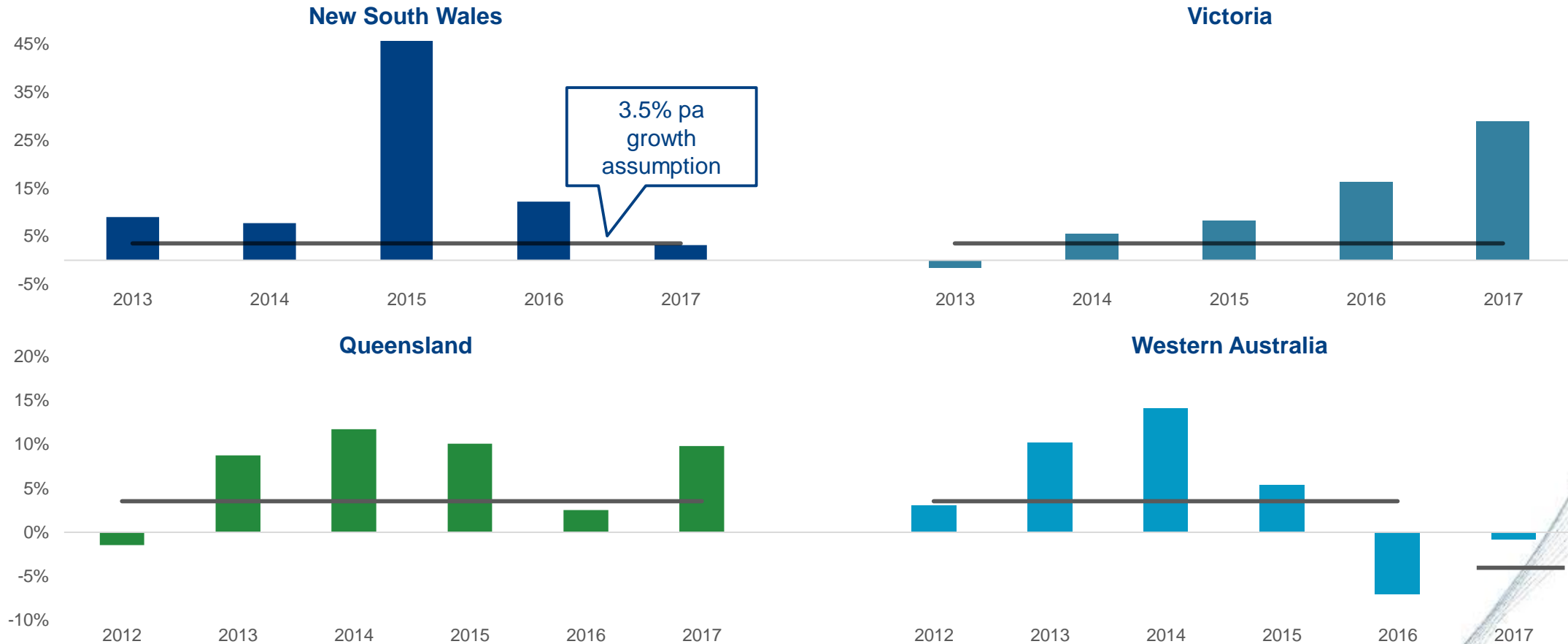
MD contributes higher profit per settlement despite lower margin, driving increased Group profitability

1. By number
2. Example only, assumes 15% operating profit margin
3. Example only, assumes 13% operating profit margin

Residential market land price growth

Growth in land prices underpins our profit margins

Price growth in the new land market¹



1. Charter Keck Cramer / Research 4 – market price growth (\$ per sqm)

Strategic Priorities

Mark Steinert

Aura, Sunshine Coast



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Strategic priorities

RETAIL TOWN CENTRES

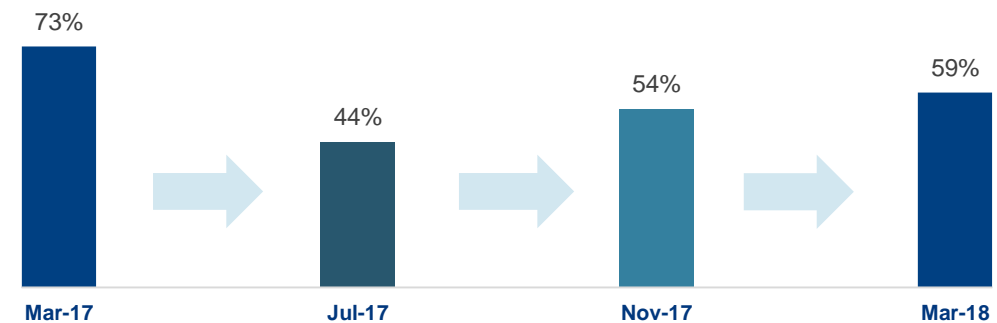
- Increase retail town centre resilience; food, services, entertainment and health focus
- Complete \$300m divestments
 - \$194m settled or unconditional contracts exchanged in FY18



RETIREMENT LIVING

- Convert high enquiry to more sales
- Roll out new contract choice
- Recycling capital
 - sold Rosebud Village, Vic

Perception of Retirement Living now improving¹



1. AMR Reputation study: Proportion of over 55's rating retirement industry reputation as neutral or positive

Strategic priorities

LOGISTICS & BUSINESS PARKS

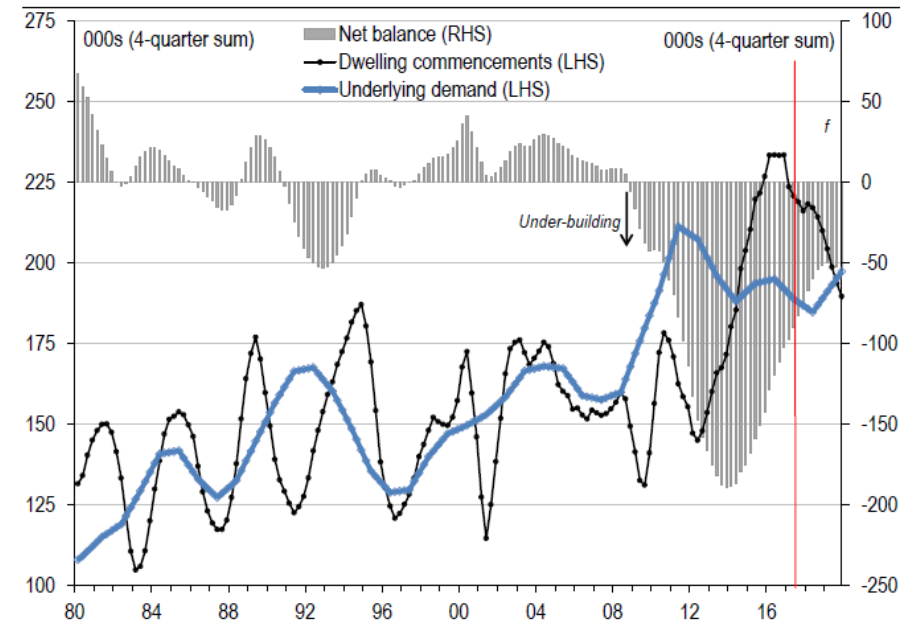
- Grow L&BP towards 20% of our portfolio over time

RESIDENTIAL COMMUNITIES

- Maintain sales and enhance customer experience

L&BP portfolio	FY13	1H18	
Percent of SGP portfolio	11.6%	13.6%	Target 20%
Development under construction and pipeline	\$125m through to FY19	\$760m	

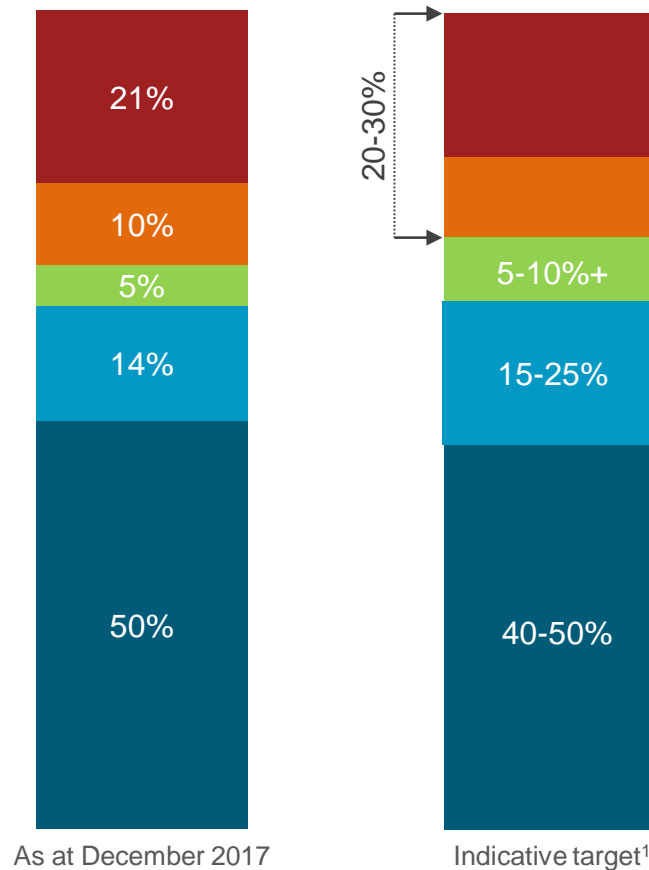
Residential undersupply underpinning an elongated cycle¹



1. UBS Economics, January 2018

Our diversified model

Capital Allocation



Residential

→ Maximise returns by creating better places to live



Retirement

→ Leading operator and developer



Office

→ Optimise returns



L&BP

→ Grow and develop a quality portfolio



Retail

→ Create market leading shopping centres

As at December 2017

Indicative target¹

1. Indicative and subject to market conditions

Our Strategy for Success



Our Vision

To be a great Australian real estate company that makes a valuable contribution to our communities and our country

Our Values

Community
Accountability
Respect
Excellence

Our Purpose

We believe there is a better way to live



Five year indicative asset mix

Retail Town Centres

Amanda Hayes
Tony Tsekouras

Stockland Burleigh Heads, Qld



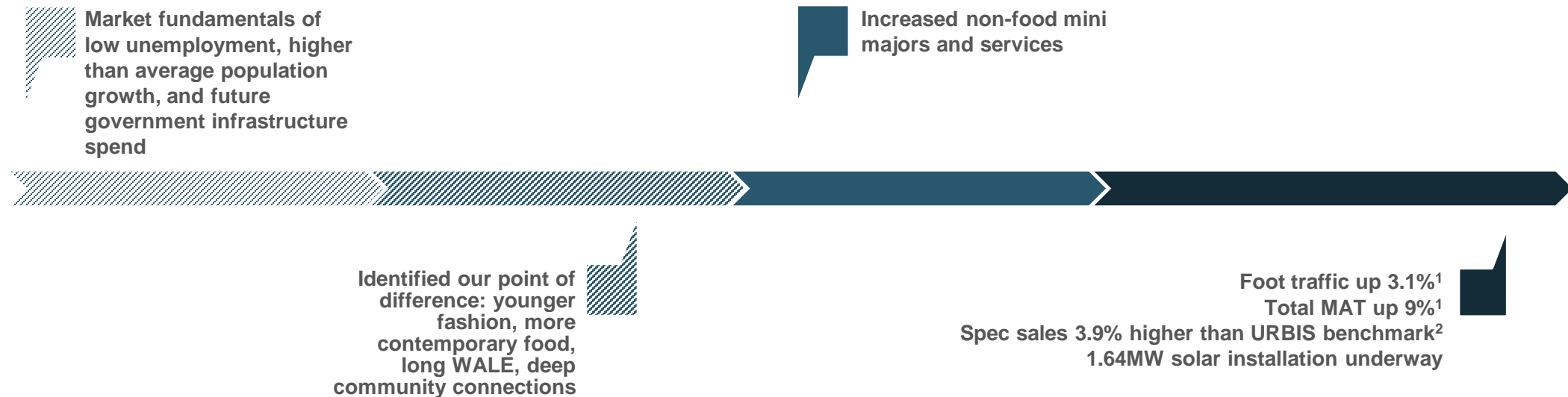
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Repositioning case study

Burleigh Heads Complex, Queensland

Repositioning the centre to capture escape spend in the trade area, strong population and income growth, and increasing trade area undersupply



1. For year to 31 March 2018

2. Urbis Single DDS

Introducing new retailers



Pre and post development

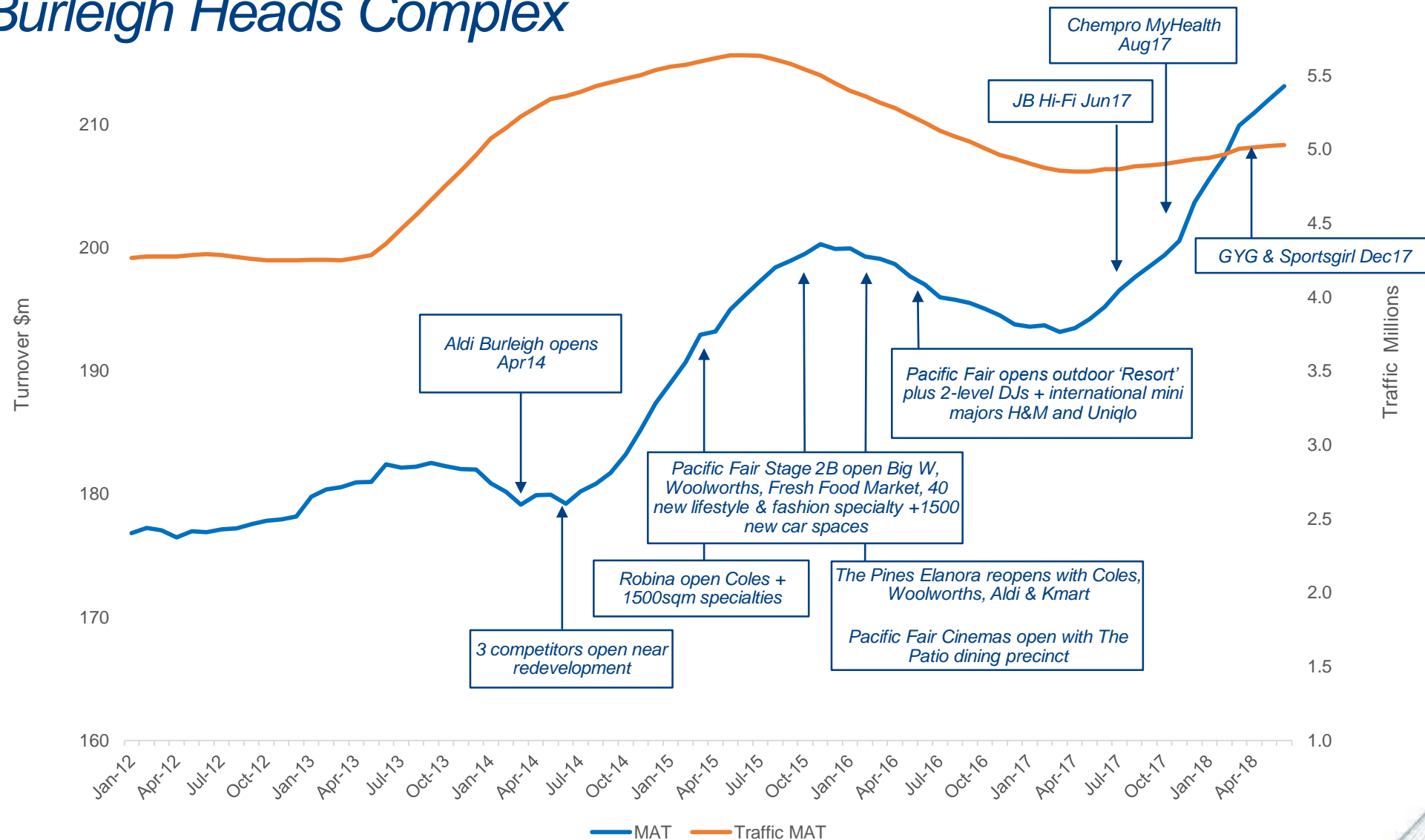
Food court conversion to JB HI-FI (June 2017)



Dick Smith & Amcal to Chempro and Medical Centre (August 2017)



Burleigh Heads Complex



Retail Town Centres: Optimising the mix

We've made progress in remixing our assets to growth categories



Enhanced fast casual dining precincts at Shellharbour

Our solar investment

Shellharbour, NSW



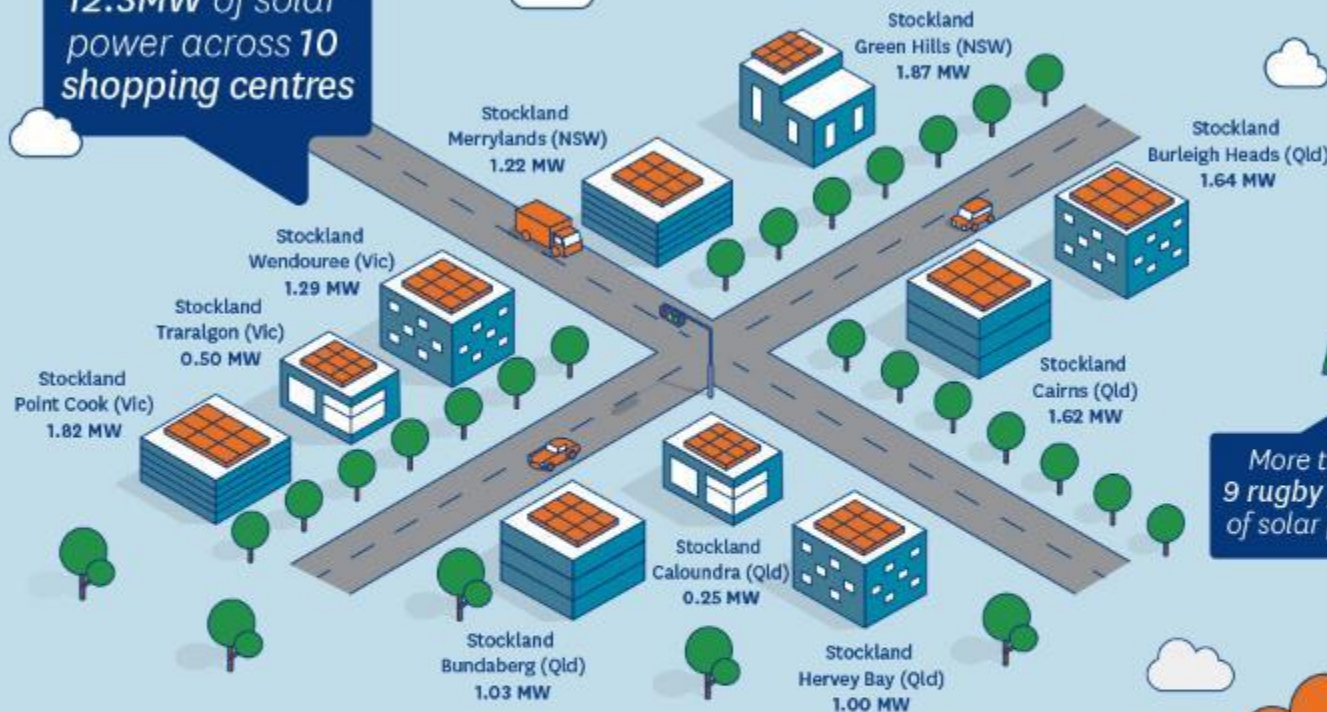
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Stockland's \$23.5 million solar investment

Setting a new Aussie standard

12.3MW of solar power across 10 shopping centres



39,000+ solar panels



More than 9 rugby fields of solar power

It's good for the world

2,300+ Hot air balloons of greenhouse gases kept out of the atmosphere



And helping us meet our mission to reduce our carbon emissions intensity 60% by 2025

It's good business

Over 10% forecast average yield over 10 years

17.2GWh of energy/year.
Enough to...

Power a small town



Take your electric car from Sydney to Perth 24,000 times



Or drive it around the world 2,381 times



Over a roll-out time frame

Retirement Living

Michael Wappett
Kirrily Lord

Patterson Lakes, Vic



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Retirement Living: Transforming the Portfolio



- Acquisitions
- Disposals
- Repositioning established assets



- Creating communities
- Shifting our mix
- Integrating care
- Co-locating uses – medical and childcare



- Maintaining high resident satisfaction
- Launching Contract choice & Aspire
- Providing Care Partners
- Our services
- Money back guarantee



- 8 point plan
- Industry campaign
- Our marketing approach

Reshaping Our Established Portfolio

Patterson Lakes (Victoria)

BEFORE



AFTER

BEFORE



AFTER

Long Island (Victoria)

BEFORE



AFTER

Enhancing Our Customer Experience

Stockland Care Partners and Expos



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Aspire Age Exclusive Villages



Contract Choice

New contract options:

- **Capital Share:** offering residents a 50% share in capital gain or loss with Stockland, DMF of 5% pa capped at seven years (35%)
- **Peace of Mind:** offering financial certainty for our residents, with residents not sharing in any capital gain or loss, DMF of 5% pa capped at five years (25%), guaranteed buy back of unit within six months of leaving the village

Enhancing customer experience in the sales process

- Salesforce launched in RL following success in Residential Communities
- Effective tool to improve our customer engagement
- Internally developed algorithm to predict a customer's likelihood to purchase
- Resi success: low scoring leads have a conversion rate of 7%, while high scoring leads have a conversion rate of 24%

Stockland Investor Day

Creating
sustainable
communities

Triniti Business Campus,
Sydney



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Tour Agenda



10:00 Depart Sydney CBD

2

11:00 Coopers Paddock, Warwick Farm,
200 Governor, Macquarie Drive

3

12:00 Stockland Wetherill Park,
Polding Street

4

13:00 Elara Community
1 Elara Boulevard

5

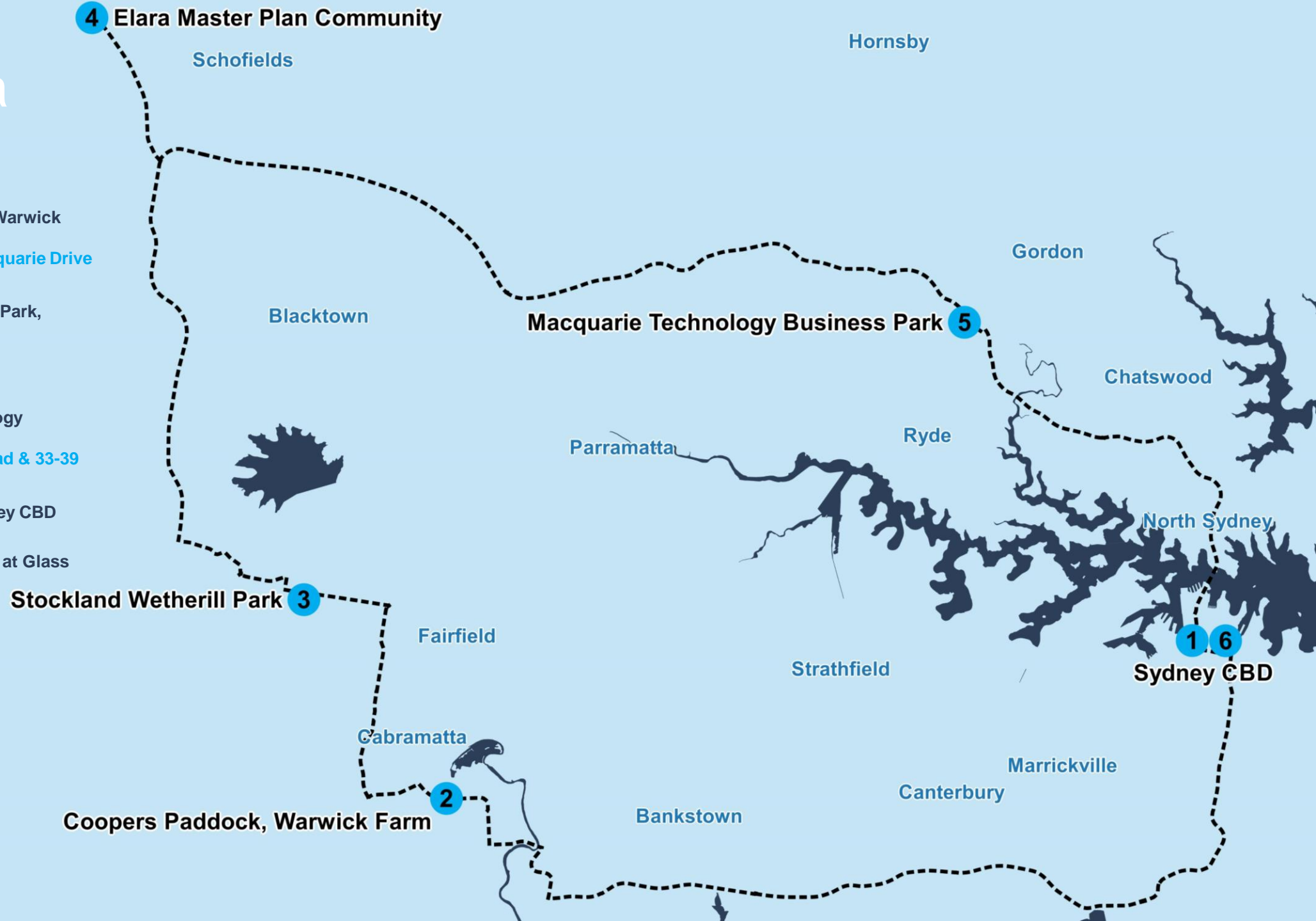
15:15 Macquarie Technology
Business Park
11-17 Khartoum Road & 33-39
Talavera Road

6

16:30 Arrive back in Sydney CBD



16:30 Drinks and canapes at Glass
Brasserie



Coopers Paddock

Coopers Paddock, Warwick Farm
Sydney



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Introduction

Situated in the heart of South West Sydney, Warwick Farm offers a prime location for a logistics and distribution hub, providing ease of access to metropolitan Sydney and interstate markets via the Sydney Motorway Network.

Following development completion in March 2018 the asset is fully leased to three tenants for a weighted average term of 7.7 years¹



Coopers Paddock comprises over 51,000 square metres of office and warehouse accommodation, in an estate environment across four separate buildings

ASSET INFORMATION (as at December 2017)

Acquisition Date	April 2015
Ownership/title	100%/Freehold
Book value	\$18.8 million
Site area	11ha
Development cost	\$77m
Stabilised yield ²	7.3%
Incremental IRR ²	10.7%



1. As at 30 April 2018

2. FFO incremental yield, includes property management fees, forecast unlevered 10 year IRR on incremental development from completion

Coopers Paddock, Warwick Farm



Location



Distance from key locations

Liverpool CBD	4 kilometres
M5/M7 Junction	9.5 kilometres
Sydney Airport	25 kilometres
Port Botany	36 kilometres
Parramatta CBD	16 kilometres

Coopers Paddock, Warwick Farm is in a central location in South Western Sydney's industrial precinct. Situated around nine kilometres from the M5 Motorway and M7 Junction, Coopers Paddock provides ease of access across Greater Sydney and to interstate routes.

Located at 200 Governor Macquarie Drive, Coopers Paddock is only six kilometres from the Moorebank Intermodal Terminal, 20 kilometres from Eastern Creek and 36 kilometres from Port Botany, with all routes B-Double approved.

Estate Plan

Warehouse 1

Warehouse	5,296sqm
Office Ground	597sqm
Office First Floor	693sqm

Warehouse 2

Warehouse	2,831sqm
Office Ground	199sqm

Warehouse 3A

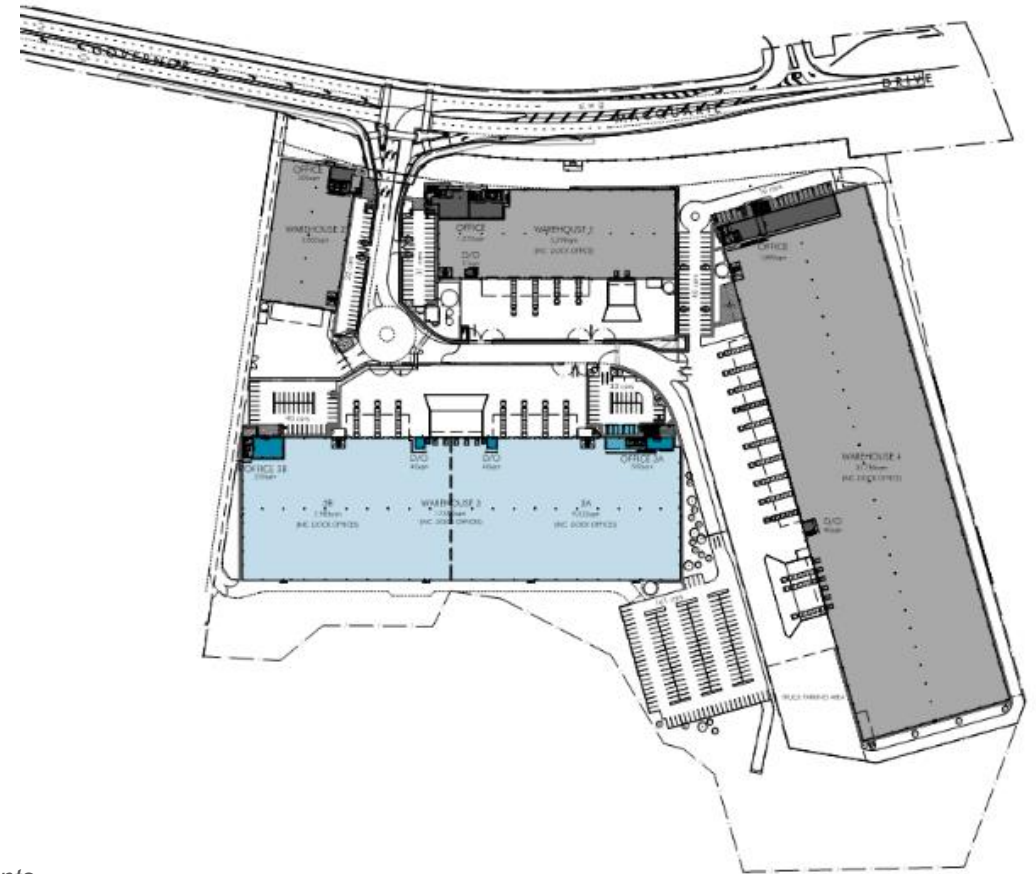
Warehouse & Amenities	8,937sqm
Office – Level 1	453sqm
Office – Ground	192sqm
TOTAL	9,582sqm

Warehouse 3B

Warehouse	7,991sqm
Office & Amenities	230sqm
TOTAL	8,221sqm

Warehouse 4

Warehouse	21,775sqm
Office & Amenities	1,908sqm
TOTAL	23,683sqm



Note: The location of the dividing wall is indicative only - may be relocated to suit tenant specific requirements
 All areas subject to survey

Stockland Wetherill Park

Wetherill Park, Sydney



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Wetherill Park Retail Town Centre

\$228 million redevelopment, completed in September 2016

- Three extensions since 1983
- Customer demand for a redevelopment based on fresh food, cafes, restaurants, mini-majors, theatre, lifestyle, health and services
- 5 Star Green Star Design rating and a significant 925 kw PV solar plant
- Completed centre, 70,000sqm, fully leased and trading strongly
- Retailer demand for more space, future development potential of 30,000sqm

Centre Information



GLA
71,356
SQM



CAR
SPACES
2,637



SPECIALTY
NO
190



MAT
TRAFFIC
7.6M



MAT
SALES
\$381.8M



SPECIALTY
SALES \$PSM
\$9,436



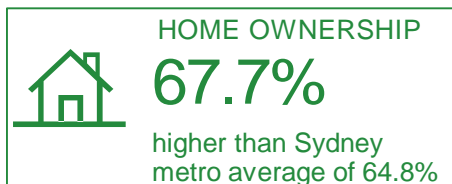
AVERAGE
SPEND
\$50.24

Information is accurate as at 31 December 2017. Specialty number includes kiosks and shops. Does not include ATMs.



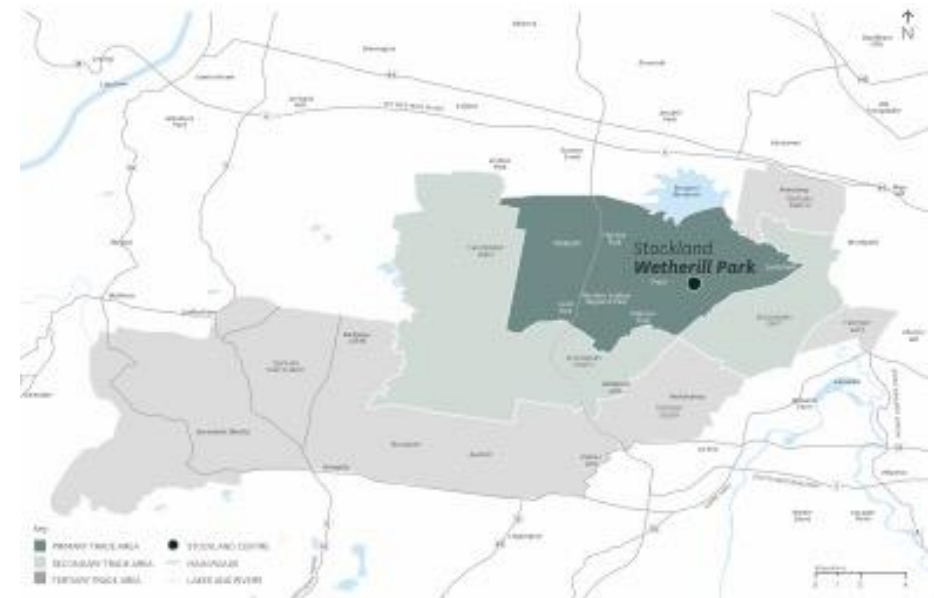
- The centre now features a new Coles, Woolworths, Big W, a refurbished Target, 11 mini-majors, 190 specialties and a revitalised fresh food precinct
- It also includes an entertainment, alfresco dining and leisure precinct with a refurbished 12 screen HOYTS Cinema and 24 hour gym

Trade Area Demographic



- Located 35km south west of the Sydney CBD
- The centre offers a variety of food and automotive service pad sites and community facilities
- Convenient access to the centre via the T-Way Prairiewood Station located opposite the Food Court entry to the centre. It provides a direct bus link to both Parramatta and Liverpool

Trade Area Map¹



1. Sources Map: Location IQ, July 2017; Demographic Data: ABS Census of Population and Housing 2016; Location IQ, September 2017.

Elara Community

Elara, Sydney



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About Elara

Elara will feature tree-lined streets, parks and over 20 hectares of green open spaces in a picturesque setting with views to the Blue Mountains. Elara will eventually include almost 3,700 low density dwellings and 465 medium density dwellings across the 280 hectare site. This will grow by a further 2,000 homes, following the acquisition of Marsden Park North.

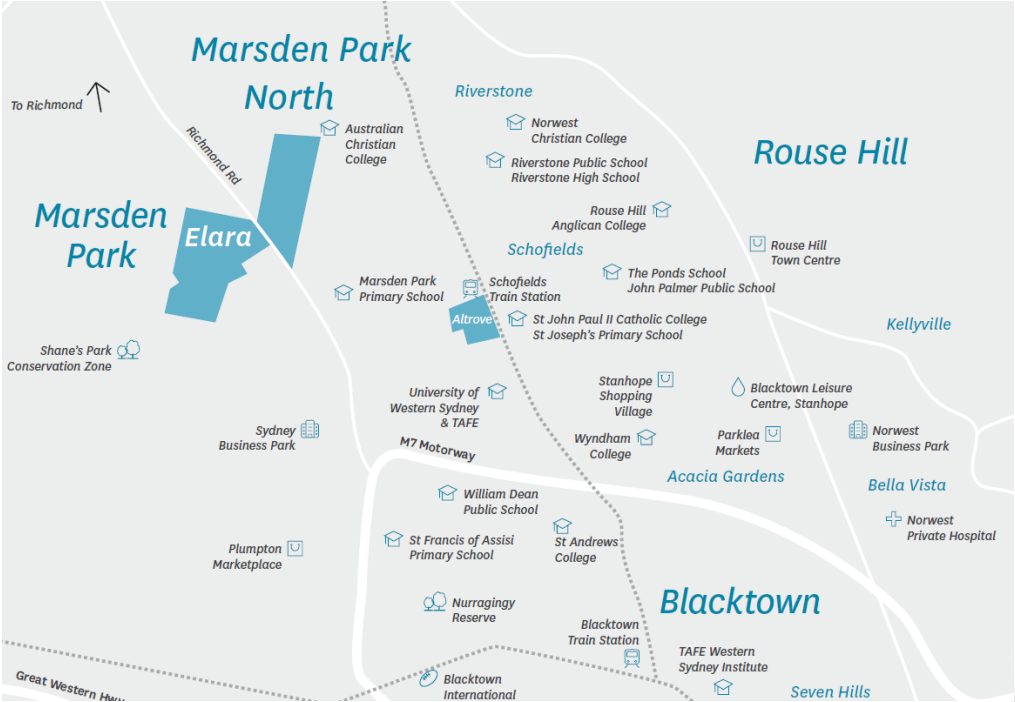
Residents can benefit from a neighbourhood shopping centre, a proposed public primary school, an independent K–12 school and a childcare facility. Elara is connected to the key employment centres of Blacktown, Parramatta and the Sydney CBD via bus facilities, which travel along the upgraded Richmond Road to Blacktown. Additionally there are rail connections at nearby Schofields, Blacktown and Mount Druitt Stations.

Product

Pricing in residential lots range from \$388,000 to \$670,000. Land lots range from 250sqm - 525sqm across the project. The community will feature 9-15m wide lots on 25-30m deep lots to the meet customer budgets.

Location

Elara is located within the suburb of Marsden Park, 50km north west of Sydney CBD and located within the Blacktown Local Government Area (LGA).



PRODUCT PRICES (31 Dec 2017)	Land (m ²)	Land price	House price (single storey)	House and Land Package Price						
House and Land Builder Packages	280	\$419,000	\$315,000	\$734,000	3		2		1	
	350	\$493,000	\$350,000	\$843,000	3/4		2		2	
	420	\$550,000	\$370,000	\$920,000	4		2		2	

*Marsden Park
North*

Elara

*Richmond
Road*



SUMMARY INFORMATION (as at 31 Dec 2017)

Total project value¹	\$2,786 million
Total lots, includes dwellings	6,212
Primary target market	First and Second Home Buyers & Investors
Land price point	\$350,000 - \$670,000
Typical product mix (precinct 6)	< 299m ² 39%
	300 - 350m ² 43%
	351 - 449m ² 18%
Land Size	250m ² - 435m ²

Development Update

1,350 lots have been developed to date with 450 dwellings under construction and 620 dwellings occupied. A 47-lot display village, featuring 20 builders, is now open. The 4.5 hectare central park comprising of playing fields, cricket pitch, amenities and play facilities is expected to be completed by mid-2018. The playing fields were opened to the public in January 2018.

1. Total revenue generated throughout the life of the project including Marsden Park North acquisition

Marsden Park North recent acquisition

In 2017 we announced an agreement to acquire approximately 184 hectares of land in Marsden Park, the heart of Sydney's strong north west growth centre, for \$398 million on deferred terms over five years.

The site is located on the northern side of Richmond Road within the North West Priority Growth Area. The agreement, which is conditional on land rezoning and additional terms, gives us exclusive rights over prime land adjacent to Elara.

Subject to rezoning, this acquisition will allow the development of approximately 2,000 new residential lots.



Macquarie Technology Business Park

Macquarie Technology
Business Park, Sydney



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Macquarie Technology Business Park

Asset attributes

- Well located:
 - One kilometre to the Macquarie Shopping Centre
 - Approximately one kilometre to Macquarie University Train station
- New train infrastructure in Macquarie Park forecasted to complete in mid-2019
- Office and large warehouse with high clearance
- Onsite parking for over 400 vehicles
- Strong WALE of 4.4 years and low risk lease profile

Development strategy

- Large and well-positioned corner site with good exposure for landlord and tenants
- Existing FSR allowance 2:1
- Converting older 16,000sqm office and warehouse buildings into new 55,000sqm office park
- Provides relocation opportunities for existing customers
- Addresses strong enquiry for new A-grade office developments in Macquarie Park

ASSET INFORMATION (as at December 2017)

Acquisition Date	October 2000
Ownership/title	100%/Freehold
Cost including additions	\$46.7 million
Book value	\$56.7 million
Last independent valuation	December 2016
Valuation (\$/m ²)	\$56.3 million (\$3,668/m ²)
Capitalisation rate	6.75% - 7.75%
Discount rate	7.75%
Lettable area	15,349m ²
Site area	3ha
Weighted average lease expiry	4.4 years
NABERS energy rating*	2.0



M2 Hills Motorway

Lane Cove Road

Epping Road

16 Giffnock Avenue

Macquarie Technology Centre

Khartoum Road

Talavera Road

60-66 Waterloo Road

Waterloo Road

Optus Centre

Stockland
assets

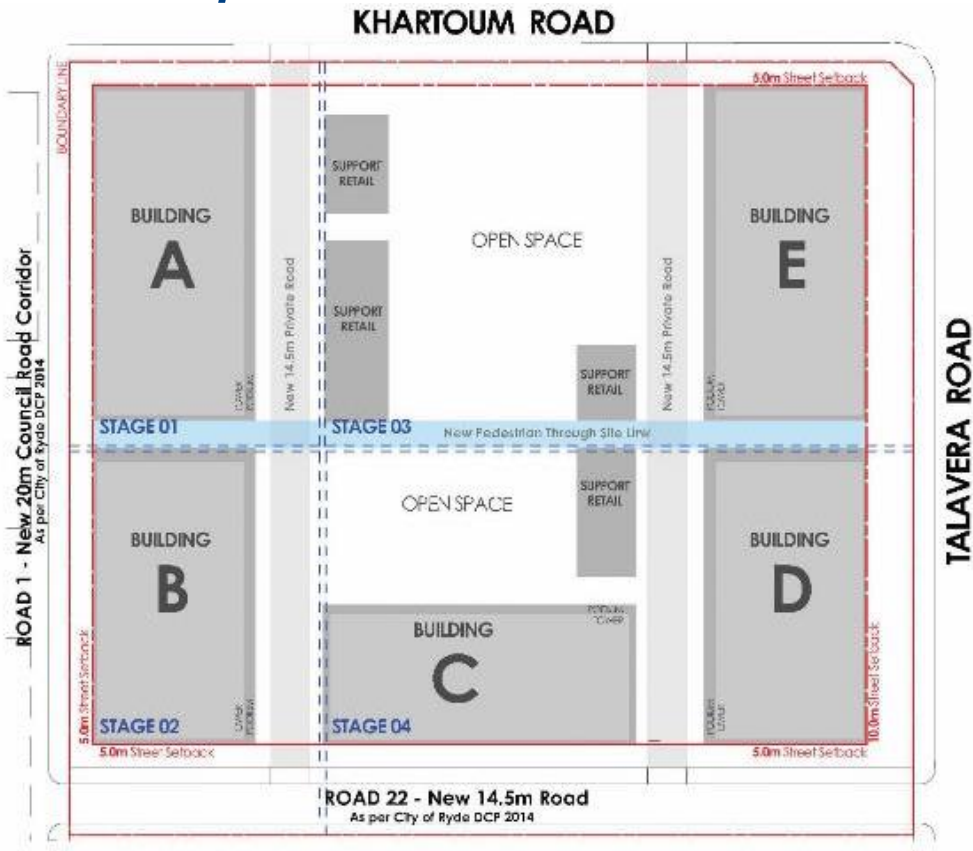
Current



Site Area	3.003 Ha
Existing Buildings	2 buildings of office and warehouse
	16,217sqm GLA

1. Subject to change

Masterplan¹



GFA	60,070sqm
• Stage 1	17,750sqm GFA
• Stage 2	12,600sqm GFA
• Stage 3	10,910sqm GFA
• Stage 4	18,810sqm GFA

Macquarie Technology Business Park



Annexure - Stockland quick facts

Trust ~70% of assets

Retail Town Centres

Create market leading retail town centres



Stockland Green Hills, NSW

50% SGP portfolio

- Green Hills (NSW) \$414m development, major stage launched in March
- Wendouree (Vic) \$37m development on track for completion in June
- Exchanged contracts to sell Highlands, Melbourne^{1,2}

Logistics & Business Parks

Grow and develop a leading portfolio



Oakleigh Industrial Estate, Melbourne

14% SGP portfolio

- Maintaining high occupancy
- Developments on track
- \$600m+ future development pipeline

Office

Optimise returns



135 King St, Sydney

5% SGP portfolio

- 80% located in the strongest performing Sydney markets
- Sydney assets 99% occupied

Corporation ~30%

Residential Communities

Maximise returns by creating thriving communities



Highlands, Melbourne

21% SGP portfolio

- Positive trading conditions continue with some moderation in Sydney as expected
- Lower net deposits reflect project timing
- Owner occupiers ~75% of our buyers

Retirement Living Communities

Leading operator and developer



Mernda Retirement Village, Melbourne

10% SGP portfolio

- Broadening customer reach through diversity of product and services
- Sold Rosebud Village, Melbourne²
- Sentiment now improving but overall conditions remain soft

1. Excluding McDonald's pad site
2. Post 31 March

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