



Stockland

Presentation to Shaw Stockbroking

8th May 2008

Recent Market Overview

- Unprecedented volatility in debt and equity markets
- Key market themes :
 - Risk has been mispriced
 - Financial engineering with excessive debt has had its day
 - Businesses with strong fundamental property skills and solid balance sheets will prevail
- We're all being impacted despite strong property fundamentals
- Our business model and skill set are well placed to perform in these conditions



The Islands, South Beach WA
Artist's impression

The impact on property

Strong property fundamentals

- Good demand
- Supply constraints
- Rising rents

But can it last?

- Rising interest rates
- Consumer & business confidence ↓
- Economic growth?

Concern about values

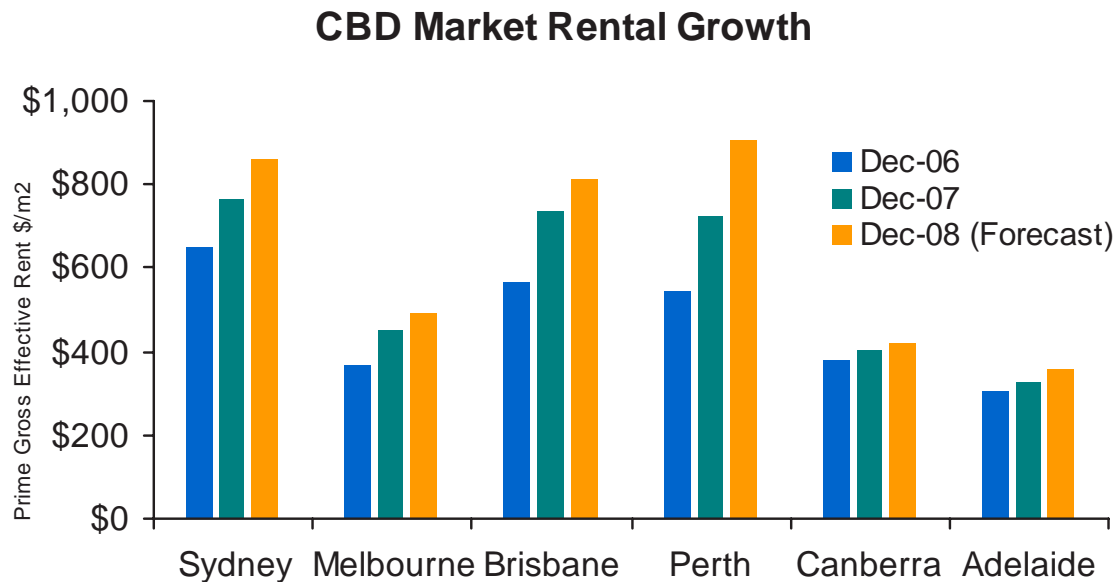
- Credit crunch
- Forced sellers?
- Centro contagion



Durack Centre, WA proposed development
Artist's impression

Strong fundamentals – Office markets

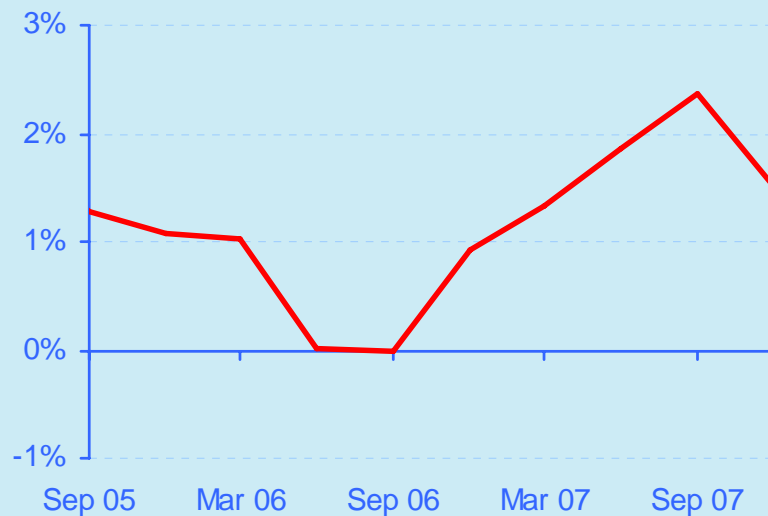
- Office vacancies at record lows – 3.5% nationally
- Decent demand in key markets – financial services sector?
- Credit crunch will dampen supply even further



Strong fundamentals – Retail

Strong labour market and real income growth has driven buoyant retail sales

Real Wage Growth

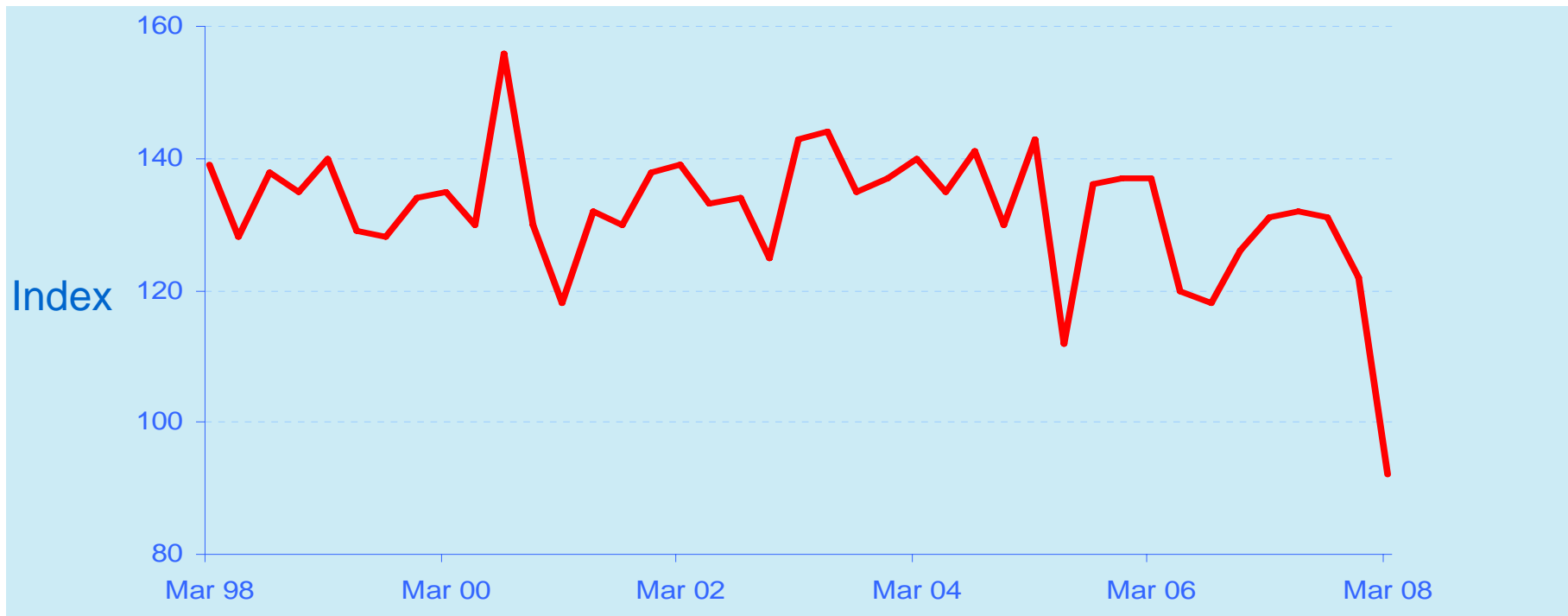


Retail Sales Growth



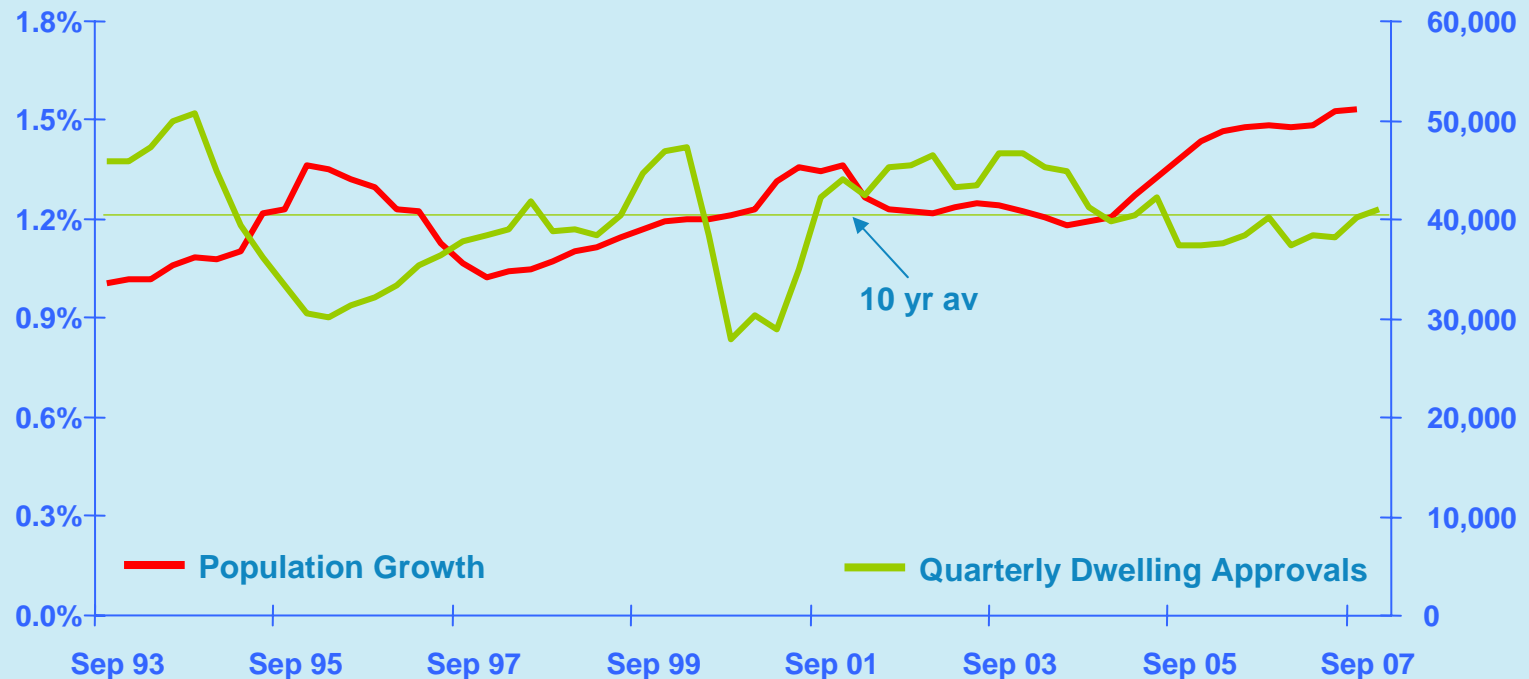
Strong fundamentals - Retail

BUT consumer sentiment is a real worry



The big housing conundrum

Rising population growth drives strong residential demand
But we're not building enough houses



A-REIT Market has changed

From ...

... To

**Performance
Delivery**

Trust me



Show me

**Capital
Availability**

Cheap and abundant



Expensive and scarce

**Investor
Perception**

Safe haven



'Risky business'

Valuations

**Low and convergent
cap rates**



**Rising and diverging
cap rates**

**Source of
Value Creation**

**Cap rate compression and
financial engineering**



**Underlying growth and
'working the assets'**

Stockland's Position in the A-REIT Sector

- Stockland was formed in 1952 and pioneered the stapled security structure
- Stockland's current position*
 - Top 2 A-REIT^
 - Largest diversified A-REIT
 - Market capitalisation of >A\$10bn
 - 10% of the A-REIT 200 Index
 - High liquidity (90% moving annual)



The Boardwalk, Queensland

Australia's largest diversified REIT



Retail



Office



Industrial

Australian Investment Assets - A\$9.3bn



Australian Capital Partners
A\$937m assets
under management



Communities



Apartments



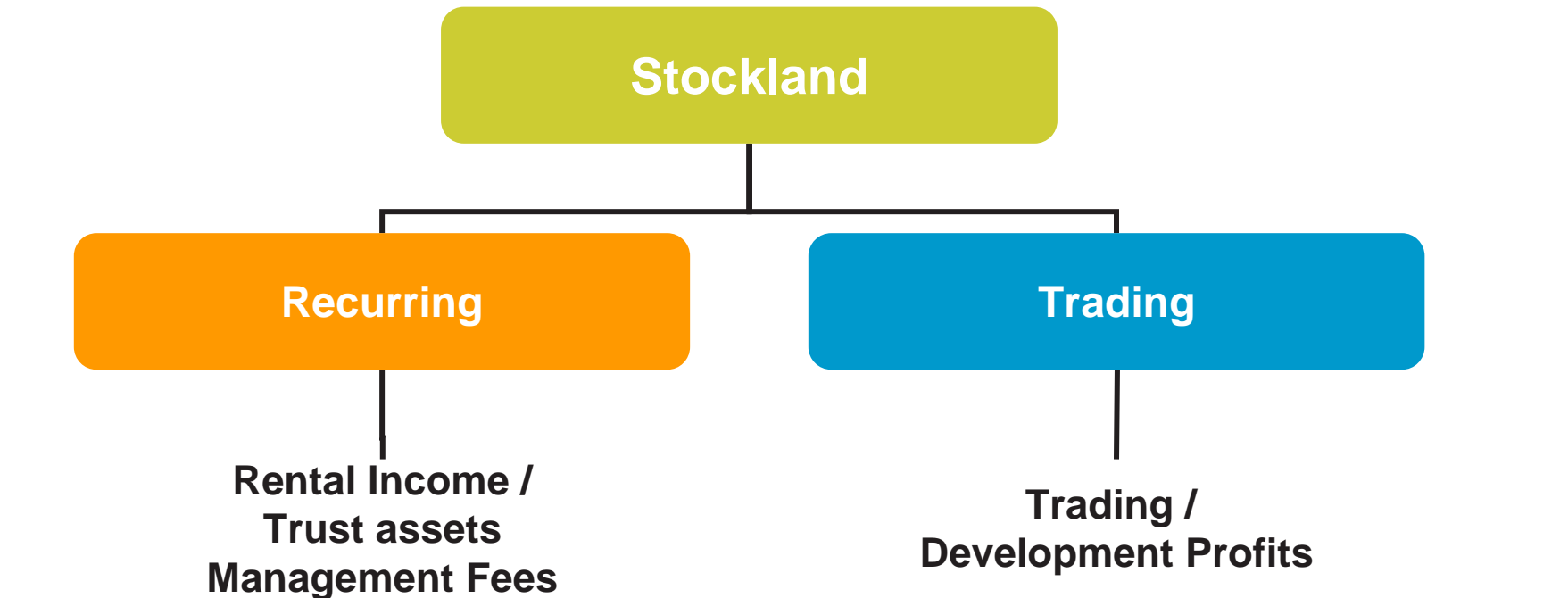
Retirement

Australian Residential Assets - A\$3.2bn



Stockland Halladale (UK)
A\$2.5bn assets under
management
A\$1.0bn development
pipeline end value

Business Model



STRATEGIC WEIGHTING

EBIT

60% - 80%

20% - 40%

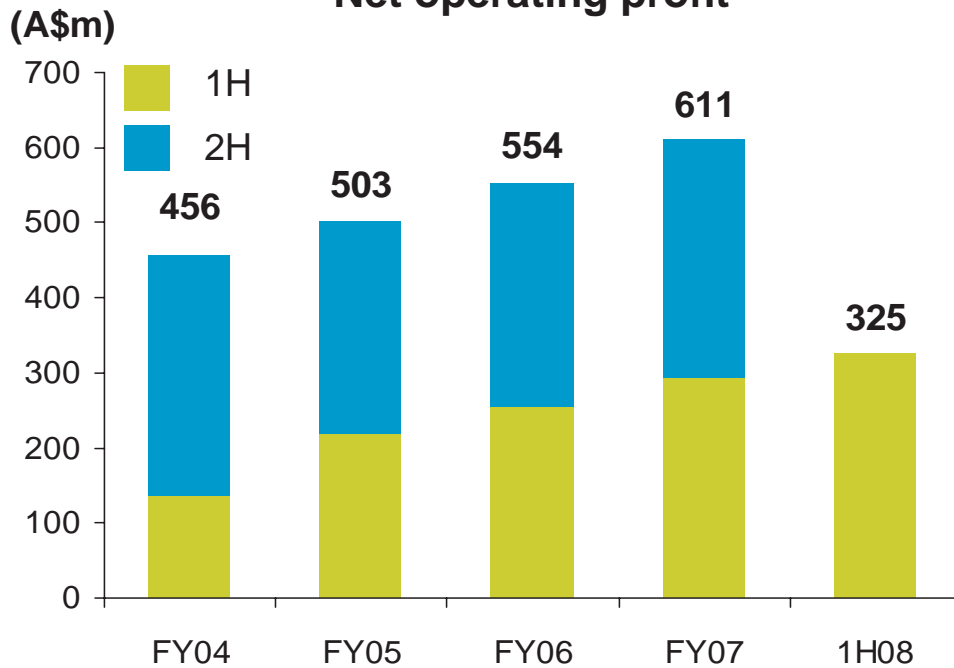
Assets

70% - 80%

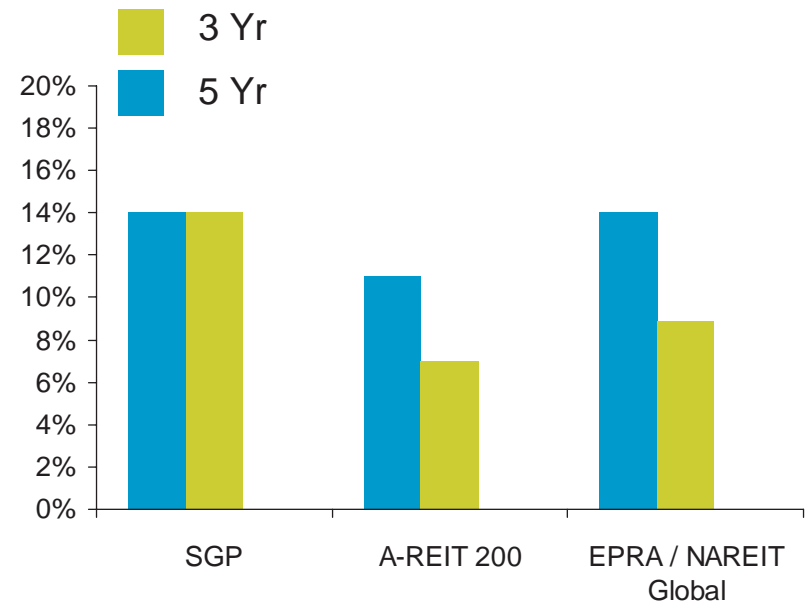
20% - 30%

Financial Performance

Net operating profit*

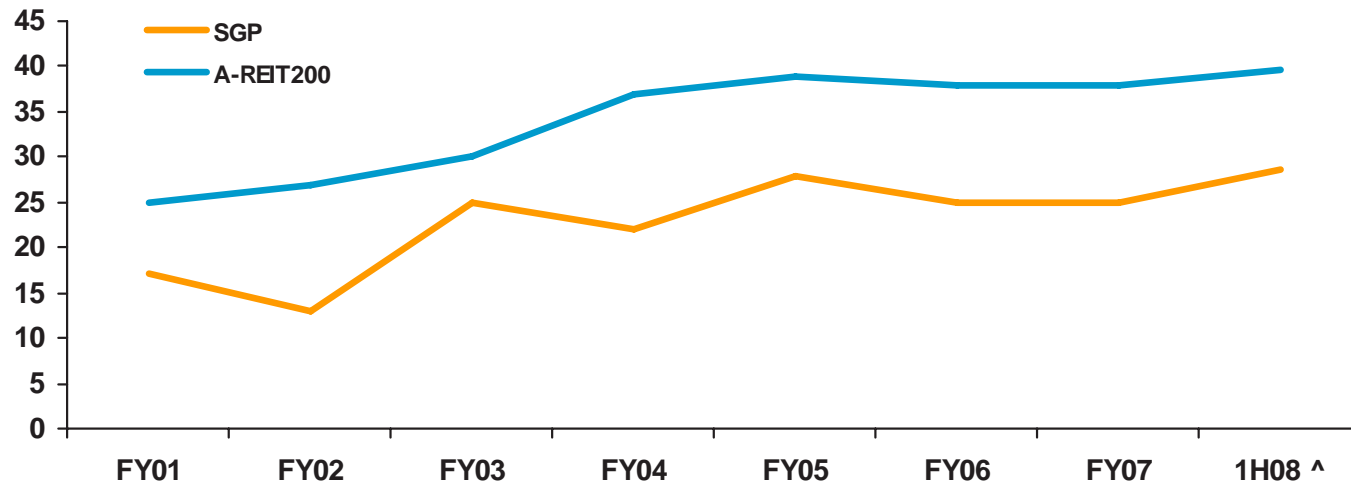


Total Shareholder Return**



Capital Management

Gearing (Debt / Total Tangible Assets) Stockland vs A-REIT200 *



Capital Management

1H08

S&P Rating

A-/Stable

Weighted Average Debt Maturity

6.2 years

Debt Fixed / Hedged

61%

Weighted Average Cost of Debt*

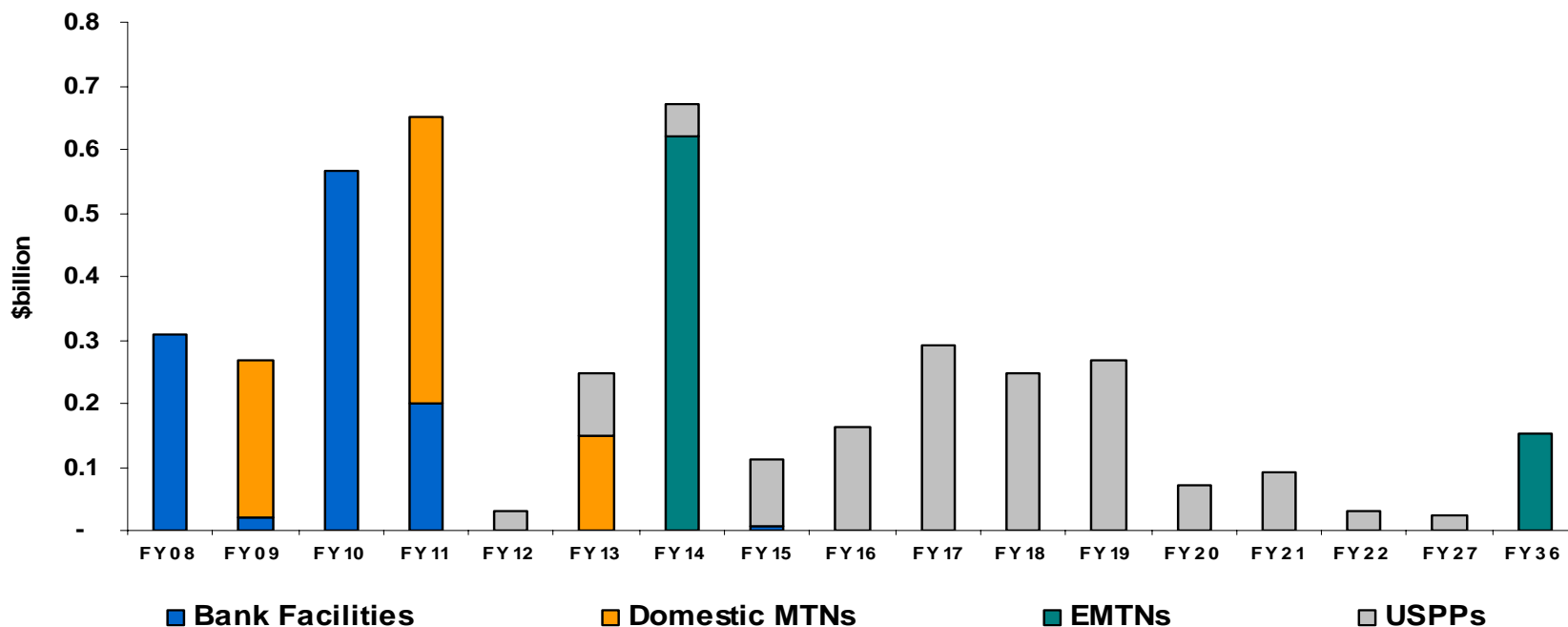
6.6%

Gearing (debt/total tangible assets)

28.5%

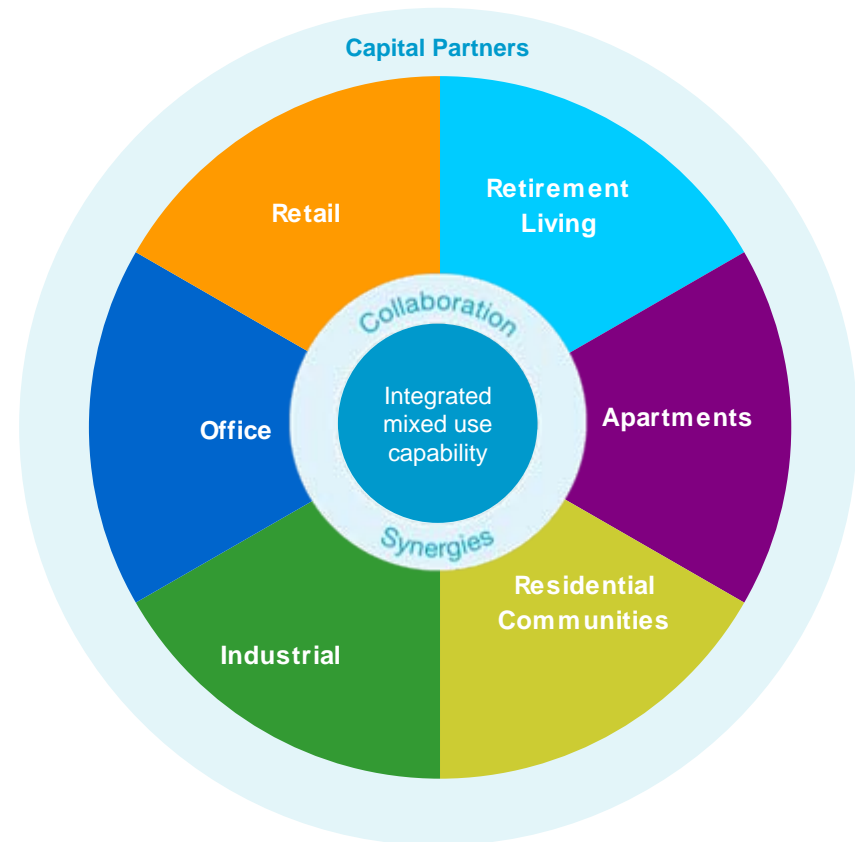
Interest Cover

3.2:1



Strategy & Competitive Advantage

- **Market leadership** in each of our businesses
- **Active Capital Management** to provide lowest cost funding solutions
- **Collaborate** across the businesses to create value adding solutions
- **Further diversify** to broaden our income streams and market reach
- **Increase our capability** by growing our talent ahead of the growth



Summary

- Markets have taken a bashing
- Concerns towards property values – perception or reality?
- Fundamentals of supply/demand are good
- Stockland is in a solid position
 - Strong balance sheet
 - Sound strategy
 - Excellent property skills



Allisee, Gold Coast, QLD

Annexures

1H08 Results in Summary

		1H08	1H07
Quality Earnings Growth	Operating Profit*	\$324.6m	10.7% ▲ \$293.1m
Transparent Reporting	Earnings per security*	22.4 cents	4.2% ▲ 21.5 cents
	Distributions per security	22.6 cents	5.1% ▲ 21.5 cents
	NTA per security	\$5.68	6.6%** ▲
Strong Balance Sheet	Gearing	28.5%	



1H08 Divisional Financial Highlights

Retail

Divisional operating profit	\$128.2m
Comparable net income growth	5.5%
Revaluations in 1H08	\$174m

Office & Industrial

Divisional operating profit	\$157.7m
Comparable net income growth	4.9%
Revaluations in 1H08	\$239m

Residential

Operating Profit	\$151.5m
- Residential Communities	\$124.6m
- Apartments	\$13.3m
- Retirement Living	\$13.6m

Capital Partners / JV's

Australia: Over \$900m of wholesale and retail assets under management

Performance of all funds at or above PDS/IM forecast

UK/Europe: Over \$2.5bn assets under management*

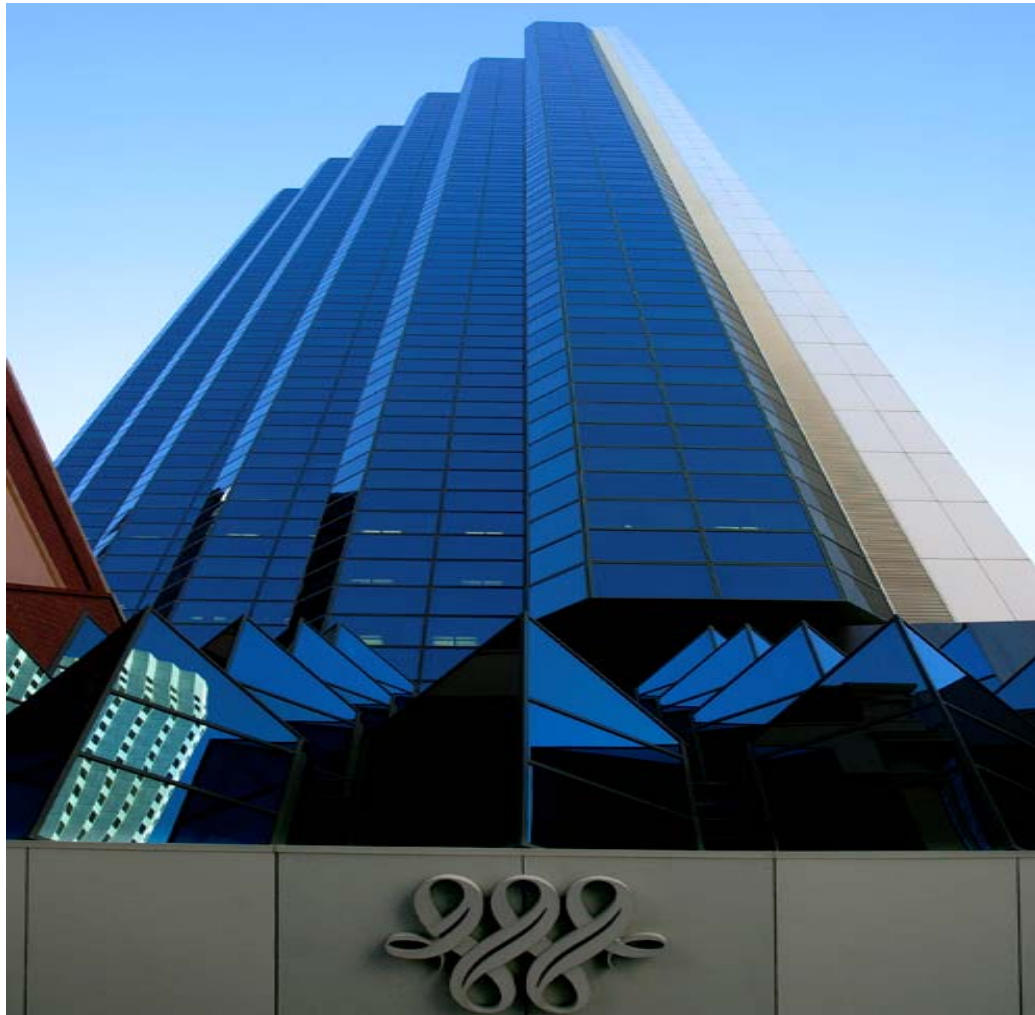




PORTFOLIO SUMMARY*

Number of Properties	45
Book Value	A\$4.6bn
Average Cap Rate	6.2%
Total MAT^	A\$5.0bn
Specialty MAT	A\$8,600/m ²
Vacancy	0.1% (11 shops)
Development Pipeline	A\$2.0bn
Est. Return on Cost	7.6%
10 Yr Forecast IRR	13.3%
Comp Rent Income Growth	5.5%
Occupancy Costs	13%

Office & Industrial



PORTFOLIO SUMMARY*

Number of Properties	68
Total Asset Value	A\$4.7bn
Average Cap Rate	
Office	6.4%
Industrial	7.3%
Occupancy	98%
Development Pipeline	A\$1.4bn
Est. Return on Cost	7.3%
10 Yr Forecast IRR	11.7%
WALE	4.1 years

Residential



PORTFOLIO SUMMARY*

Number of Projects

Residential Communities	65
Apartments	13
Retirement	20

Book Value (Historic Cost)

A\$3bn

Total End Value

Residential Communities	A\$15.7bn
Apartments	A\$3.2bn

No. of Future Lots

Residential Communities	67,000
Apartments	2,300
Retirement	3,800

No. of Future Lots

Stockland Halladale



PORTFOLIO SUMMARY*

Number of Properties	128
Gross Assets	A\$452m
Assets under Management	A\$2.5bn
Development Pipeline	A\$1.0bn
Portfolio	
Office	31%
Industrial	2%
Retail	67%

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741

25th Floor
133 Castlereagh Street
SYDNEY NSW 2000

DISCLAIMER OF LIABILITY

While every effort is made to provide accurate and complete information, Stockland does not warrant or represent that the information in this presentation is free from errors or omissions or is suitable for your intended use. The information provided in this presentation may not be suitable for your specific situation or needs and should not be relied upon by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, Stockland accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in information in this presentation. All information in this presentation is subject to change without notice.