



Stockland

Operations Overview

Kate Mathewson – General Manager, Operations

Retirement Living Operations

1. Large and scalable platform

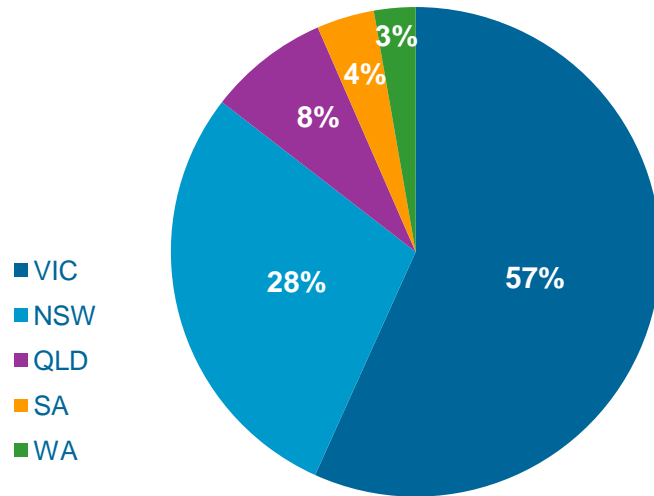
2. Stockland management expertise is leveraged across our Retirement Living portfolio

3. Knowing our residents well allows us to run better communities

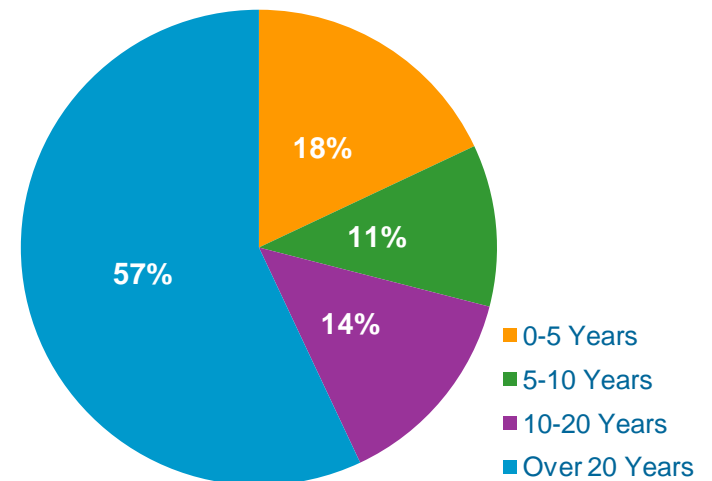
4. We understand the critical steps in operating a successful village

Large and scalable platform

ILUs and Serviced Apartments



Age of village profile



Total units

Independent Living Units (ILUs)	6,441
Serviced Apartments (SAs)	586
Total¹	7,027

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Retirement Living: a critical and growing need in the community

Residential accommodation by customer segment					
Customer Segment & Age	First Home Buyers 20-35 yrs	Upgraders 35-50 yrs	Downsizers 50-70 yrs	Retirees 70-85 yrs	Aged Care 85+ yrs
Customer financial strength	Limited; Leveraged	Building	Life peak	In decline or flat	Winding down
Physical product	Residential Communities		Retirement Living Villages	Nursing homes	
Supporting Financial Product	Mortgage		DMF	Aged care bonds / pension	
Operator	Individual households		Stockland	Specialists (Partnership)	
Services	Self-serviced		3rd party health care and Personal care service providers	Specialists (Partnership)	

We are continuing to develop and leverage group capabilities



Provide our residents with effective retirement living solutions	Manage our villages to ensure quality of customer offering	Maintain our Villages to ensure consistently high quality product	Co-ordinate access to care and lifestyle services for our residents	Design and obtain approval to add on to or redevelop existing villages to create larger more vibrant villages
<ul style="list-style-type: none"> • Strong customer insight • Empathetic sales team • Refined resident database • Cross-group sales practices and training 	<ul style="list-style-type: none"> • Aevum acquisition has built on capabilities and business processes • Developing a village manager training and village accreditation program 	<ul style="list-style-type: none"> • Leveraging best practice asset management across the business • Asset management plans 	<ul style="list-style-type: none"> • Refining and standardising our service offering • Building on partnering capabilities 	<ul style="list-style-type: none"> • Dedicated design team with solid master planning capabilities • Development and project management best practice shared across Stockland

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Two segments – ‘Active and Engaged’ and ‘Winding Down’

‘Active and Engaged’

- Still very active both physically & socially
- New retirees
- Usually couples
- Feel young and independent
- Undertaking leisure activities, like travel
- Enjoy the ‘lock up and leave’ aspect of a village
- Freedom from home maintenance
- Looking to the future



Often an event triggers the ‘Winding Down’ segment

‘Winding Down’

- Reacting to an event (e.g. death of a spouse or serious illness) or planning for an event they believe to be inevitable
- Unable to remain in family home
- Been retired for longer
- Less engaged & less social
- Want the security of 24 hour medical assistance
- Cherish the sense of community of village life
- Often single females
- Enjoy low maintenance lifestyle
- Like the security of a gated community

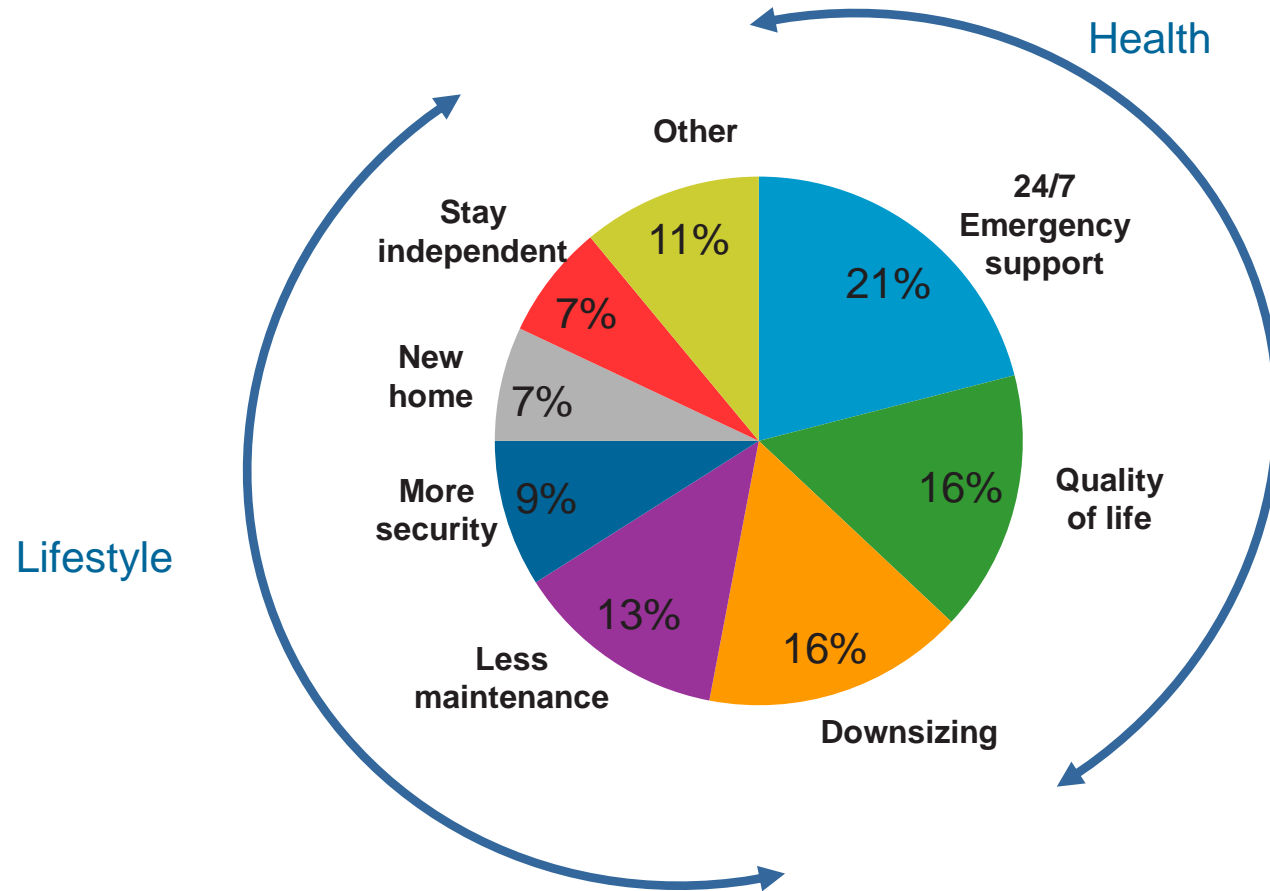


The Retirement Continuum

Some will possess features of both segments, however one segment profile will be dominant¹

Lifestyle is the primary driver for purchase

Main reasons for moving to a retirement village



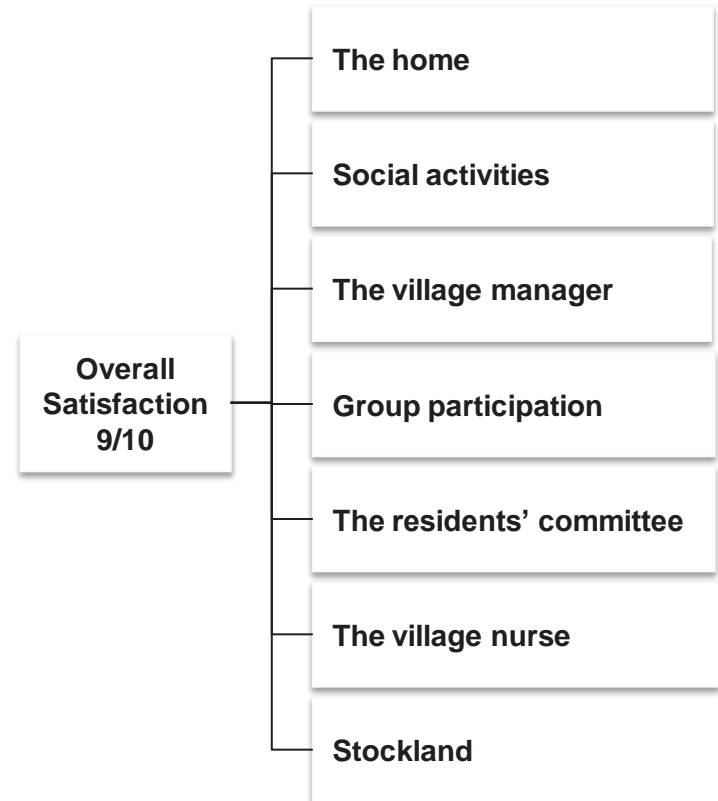
Understanding the drivers of satisfaction leads to better communities

Residents Voice survey

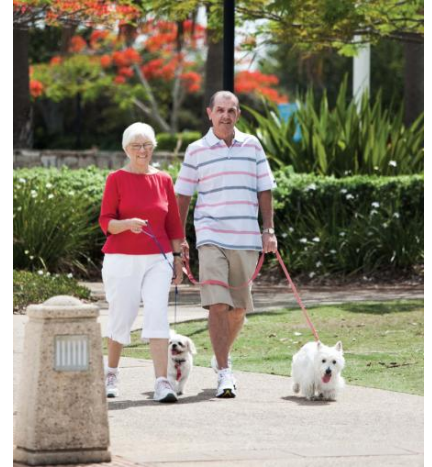
- Annual survey to all residents – 63% completed in 2010
- Results reflect high level of customer satisfaction:
 - 88% of residents report being satisfied or extremely satisfied with their life in a Stockland village
 - 68% of new residents say their quality of life improved once they moved into a Stockland village
 - 56% of residents have referred at least 1 person to a Stockland village
 - Detailed feedback drives continual improvements in our product and service offerings



The drivers of resident satisfaction



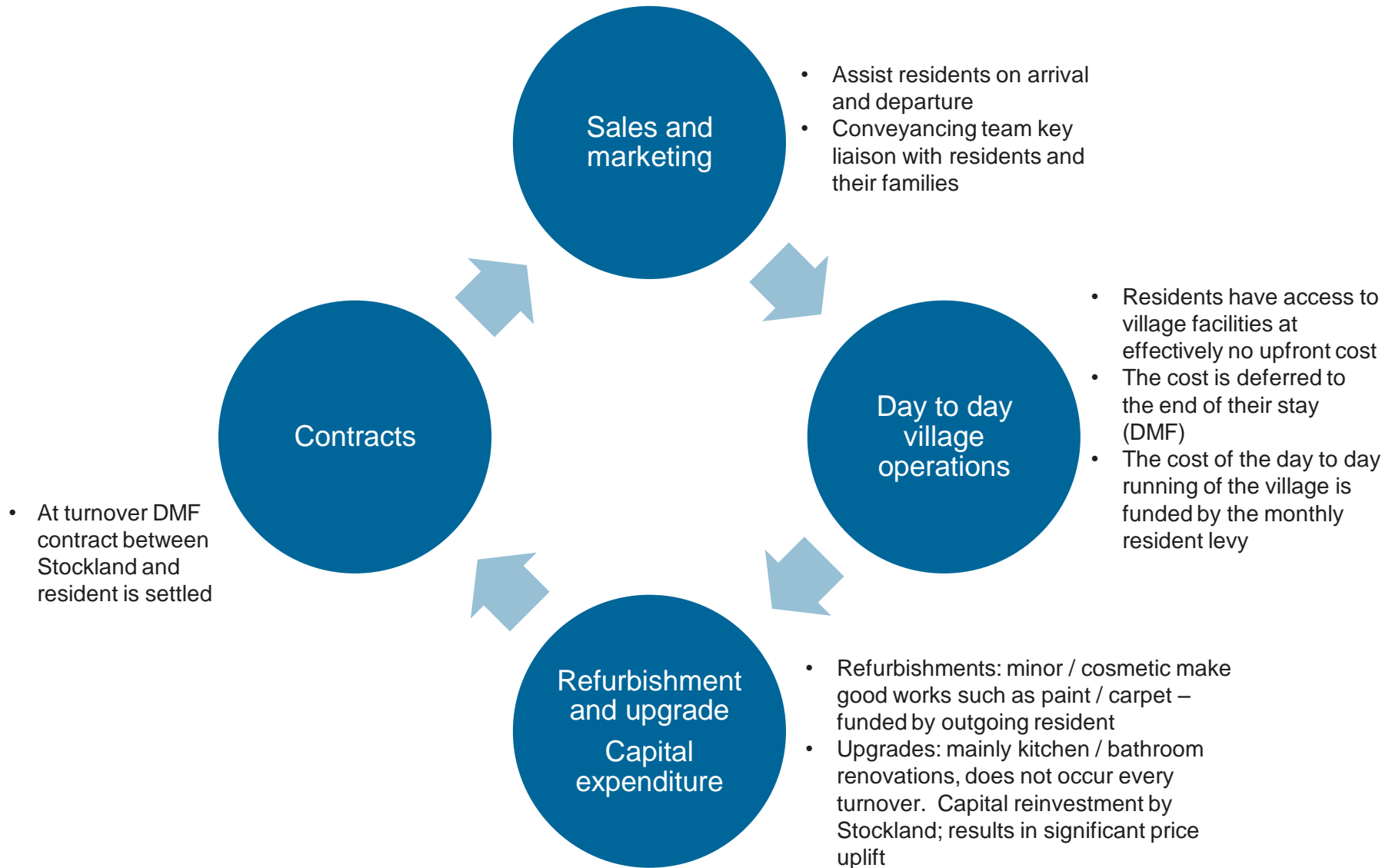
Resident testimonials



Retirement Living Operations

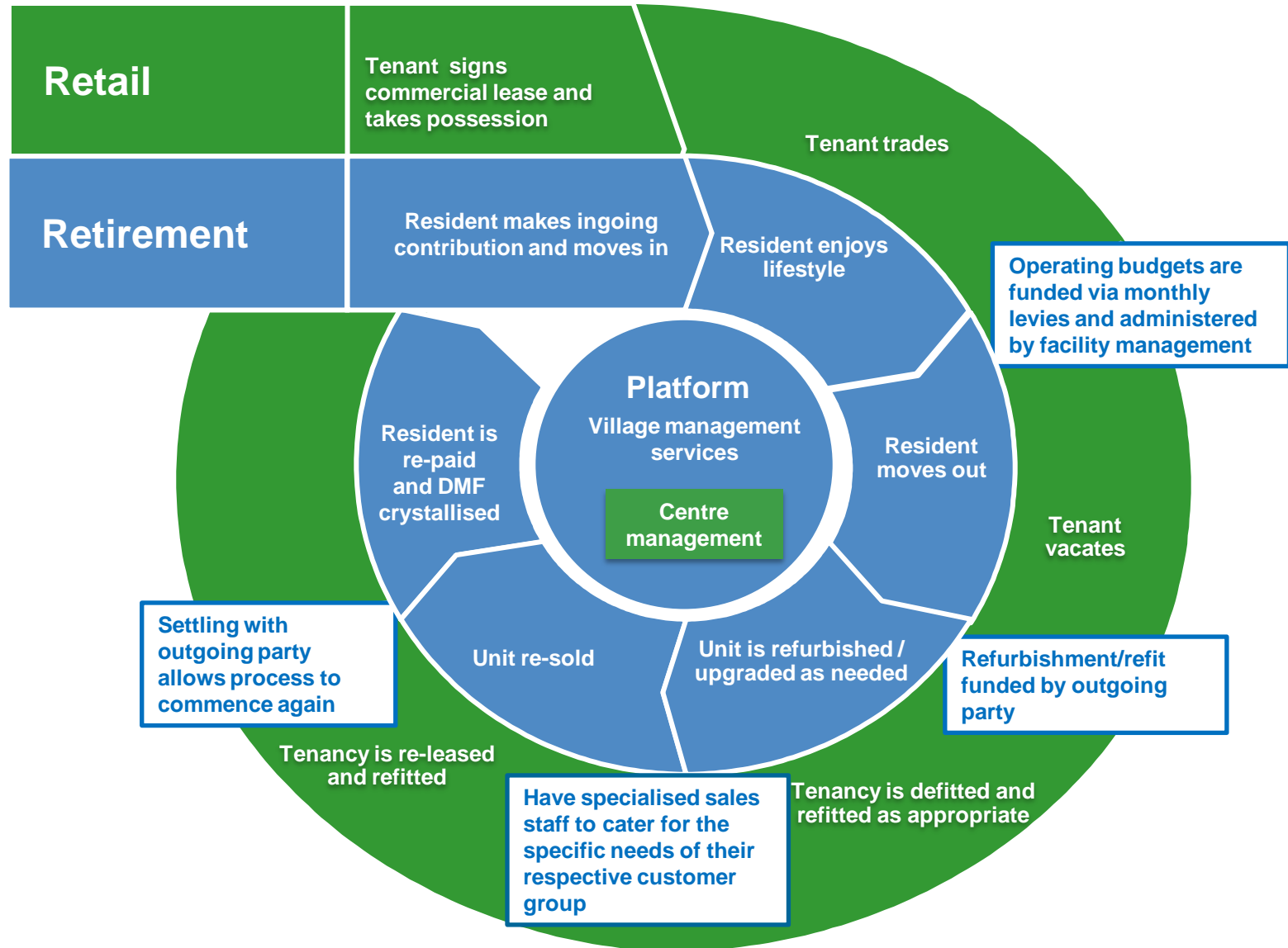
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Operations and asset management



Retirement village operations vs retail shopping centre operations

There are similarities between Commercial Property and Retirement Living



Village services - determined by residents



- Dining room
- Library
- Happy hours
- Pool
- Gardens
- Internet
- Bus - organised day trips and shopping
- Gym equipment tailored for seniors
- Personal care services e.g. hairdresser, podiatrist, beautician
- Social services - clubs and groups e.g. cards, movies, craft, men's shed, gardening, dominoes



- Exercise classes
- Sporting activities e.g. bowls, petanque
- Community programs
- Nurse
- Pharmacy delivery
- Grocery store



In summary...

- National business in relevant growth areas
- Leveraging the Stockland Residential and Commercial Property capabilities for the Retirement Living business
- 88% satisfaction levels drive low vacancy and referrals
- Creating community is important
- 29% of new residents spoke with current residents prior to making the decision to move
- 56% of residents recommended a Stockland village to at least one other person
- 34% of new residents wished they had moved in earlier
- Retirement Living is a lifestyle choice