

Both Stockland and Mirvac pay franked dividends as well as trust distributions. Distributions/dividends paid to both Mirvac and Stockland Security Holders should be valued on a cash basis for those who cannot take advantage of the imputation credits, and on a "grossed up" basis for the majority of investors who obtain value for the imputation credits. The following schedule compares the grossed up forecast distribution to Advance Unitholders as a result of accepting the Stockland Offer and Mirvac Offer.

	Stockland Offer	Mirvac Offer
Equivalent grossed up distribution per Advance Unit	14.0 cents	13.5 cents

Notes:

- 1 Assuming that the cash component of the Stockland Offer is reinvested in Stockland Stapled Securities at a price of \$3.70. Assumes pro-forma distributions per Stockland Stapled Security of 28.5 cents, refer section 4.
- 2 Assumes pro-forma distributions per Mirvac Group Stapled Security of 25.9 cents. Source: Mirvac Bidder's Statement

1.4 CGT Roll-over Relief

Advance Unitholders who, as a result of accepting the Offer, trigger a capital gain event, may be eligible to claim capital gains tax roll-over relief in respect of the Stockland Units received as part of the Stockland Stapled Securities. This will apply if Stockland acquires 80% or more of the Advance Units and the Commissioner of Taxation exercises his discretion to deem Advance to satisfy the relevant requirements of the tax legislation. Stockland has been advised that there are strong arguments in favour of the Commissioner of Taxation confirming that, if the Merger is successful, capital gains tax roll-over relief will be available.

If you make an election for roll-over relief, the capital gain realised on the disposal of your Advance Units, to the extent you receive Stockland Units in exchange, will be disregarded for capital gains tax purposes. The Directors consider that for the purposes of determining how much of the capital gain is attributable to Stockland Units, it is reasonable to attribute approximately 83% of the market value of Stockland Stapled Securities to Stockland Units, based on the net tangible assets of Stockland Trust and Stockland Corporation. To the extent that your Advance Units are exchanged for Stockland Shares, or Stockland Options, or you receive cash, no roll-over relief will be available and tax may be payable on the capital gain.

As the Offer comprises Stockland Stapled Securities, Stockland Options and cash, the percentage of the total consideration attributable to Stockland Units is approximately 63%. This percentage will vary marginally depending on the market value of Stockland Stapled Securities at the time of accepting the Offer.

Assuming Stockland receives acceptances for 80% of the Advance Units, the Stockland Offer should provide Advance Unitholders with a significantly higher level of capital gains tax roll-over relief than will be available through the Mirvac Offer. In addition, the cash component of the Stockland Offer will assist Advance Unitholders in meeting any taxation liability that may arise.

	Stockland Offer	Mirvac Offer⁽¹⁾
CGT Roll-Over Relief	63.0%	39.2%

Notes:

- 1 Source: Mirvac Bidder's Statement