

### Highlights

31 December 2010. The highlights Stockland Direct Office Trust No. We are pleased to provide investors for the period include: (SDOT2) for the six months to with the investment report for N

- The unit price remained steady at \$0.94 as at 31 December 2010
- The Optus Centre continues to perform as forecast.
- Six month total return of 4.02%



# Stockland Direct Office Trust No. 2 (SDOT2)

### Key results

## Assets under management as at 31 December 2010

Assets under management \$185.3 million



SDOT2's unit price remained steady at \$0.94 as at 31 December 2010. No external valuation of the Optus Centre was undertaken during the six months to 31 December 2010.

#### to 31 December 2010 Distributions and returns

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YTD DISTRIBUTIONS

3.40c per unit

expense deduction, net distributions were 1.51 cents per unit. This reflected a 3.78% distribution return for the period. per unit. Allowing for the 1.89 cents interest The gross distributions for the six months to 31 December 2010 totalled 3.40 cents

#### Debt

as at 31 December 2010

2.5	ears to maturity
6.45%	terest rate
\$103.2 million	rawings
\$106.2 million	oan facility

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LOAN TO VALUATION RATIO

56.94%

There were no drawings on the loan facility during the six months to 31 December 2010.

line fees, at 6.45% until 30 June 2013. fixes the interest rate, including the margin and over the period. There is an interest rate swap in place on the \$103.2 million of drawings. This There was no change to SDOT2's interest rate

at 56.94% and is well below the 70% maximum allowed by SDOT2's financier. The loan to valuation ratio was maintained

Net tangible assets per unit as calculated in accordance with Australian International Financial Reporting Standards, adjusted to exclude the mark to market effect of the interest rate swap asset/liability.



# roperty overview

# Key property statistics as at 31 December 2010

Optus	Major tenant
11.50	Weighted average lease expiry (years by income)
100%	Occupancy rate
84,194	Net lettable area (sqm)**
30 June 2010	Valuation date
\$181.3 million	Independent valuation*
optus centre	Property

Reflects SDOT2's 49% interest in the Optus Centre.

### Property update

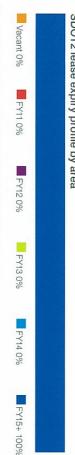
some minor finishing works remaining. The construction of a bus stop on-site has now been largely completed with

northern end of Paul Street. Stockland is liaising with Optus regarding a proposal to develop a car park at the

4.5 star rating. Optus and Stockland are continuing to work together to achieve a targeted asset, have continued to collate the necessary data to achieve a NABERS rating. The new meters installed in the first half of 2010, to monitor electricity usage at the

The following graph illustrates the lease expiry profile of SDOT2 by area

# SDOT2 lease expiry profile by area



### Market update\*

waiting for significant pre-commitments are no new buildings under construction, it prior to the commencement of construction 230,000 sqm of office space approved and 2012, with 10 projects totalling more than significant additions to the market beyond However, there is the prospect of some on the vacancy level in the short term. should help maintain downward pressure added to the market prior to 2012. This is unlikely that there will be any office space months to 31 December 2010. Given there Macquarie Park market during the six No new office space was added to the

with incentives still averaging 30%. steady during the six months at \$295/sqm continued to decrease, falling by 210 basis points to 10.4% as at 31 December 2010. period. As a result, the vacancy rate Average prime net face rents remained 11,213 sqm of net absorption over the Positive demand from tenants saw

the period. the Macquarie Park market during office sales (greater than \$20 million) in to 31 December 2010, ranging between Prime yields remained static over the period 7.25% and 8.50%. There were no major

Sourced from the Q4 2010 Macquarie Park Office Market Report by Jones Lang LaSalle.

### RESPONSIBLE ENTITY

### **UNIT REGISTRY**

Stockland Direct Office Trust No. 2 ARSN 115 017 466

Net lettable area of the Optus Centre in its entirety.