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ASX/Media Release

STOCKLAND RESTOCKS WA RESIDENTIAL PORTFOLIO, ACQUIRING LAND IN PERTH'S SOUTHERN AND NORTHERN GROWTH CORRIDORS

Stockland has acquired two large parcels of land, totalling 65.7 hectares in Perth's southern and northern growth corridors, for a combined total of \$58.1 million.

The two parcels of land respectively adjoin Stockland's Newhaven and Whiteman Edge residential communities, which are two of its most successful residential developments in Western Australia. These acquisitions will enable Stockland to extend the sales life of both projects for several years with the addition of around 1,100 lots across the two communities.

Stockland Managing Director and CEO Mark Steinert said: "Our strategy to acquire adjoining land enables us to extend the life of our successful communities. We can leverage our strong, local brand, drive greater economies of scale, benefit from our previous infrastructure investment and achieve good speed to market. Both acquisitions exceed our target returns.

"These two transactions are our fourth and fifth successive acquisitions of land adjoining active residential developments within our national residential portfolio in the last 15 months."

Stockland Group Executive and CEO Residential Andrew Whitson said the acquisitions were based on conservative and sustainable assumptions.

"While the residential market has moderated from its highs, we remain confident in the outlook for WA," Mr Whitson said. "With population growth still the highest in the nation by a large margin, and annual employment growth rising to the highest level since early 2013, the transition away from mining-construction led activity is progressing well."

Acquisition adjoining Newhaven Residential Community at Piara Waters

The first strategic acquisition involves a 27.7 hectare parcel of land adjoining Stockland's existing 2100-lot Newhaven Residential Community at Piara Waters, 22 kilometres south-east of the Perth CBD. The land was acquired from a private owner for \$30 million, negotiated in an off-market transaction.

Stockland General Manager Residential Development Col Dutton said: "This acquisition provides an important and logical consolidation and extension to our Newhaven community, which is in its final stages of development. This is the last available development site adjoining Newhaven, which will extend the run of sales we've achieved over the last eight years."

The property adjoining Newhaven has already been zoned Urban and is included within the approved North Forrestdale Local Structure Plan. The site is expected to yield approximately 500 new residential lots. The new site is close to the location for the proposed Stockland Harrisdale Shopping Centre.

Subject to achieving the necessary planning approvals, Stockland anticipates commencing earthworks on the site early in 2015.

Prior to the acquisition of the additional 27.7 hectare parcel of land, Stockland had sold 84 per cent of available lots at its adjoining Newhaven residential community.

Acquisition adjoining Whiteman Edge Residential Community at Brabham

Stockland's second strategic acquisition in Western Australia involves a 38 hectare parcel of land adjoining its 1353-lot Whiteman Edge residential community at Brabham, 20 kilometres north-east of the Perth CBD. Stockland has acquired the land from the WA Department of Housing for \$28.1 million.

The parcel of land is expected to yield more than 570 residential lots and three superlots, which may be retained by Stockland for medium density residential development.

As part of its ongoing approach to the development of the Whiteman Edge residential community, Stockland and its build partners are implementing innovative housing solutions targeted at the first home buyer and delivery of affordable living within the Albion District.

Mr Dutton said: "Our goal is to provide affordable house and land packages throughout the metropolitan area. We now have an excellent opportunity to expand our well-established Whiteman Edge community and further transform Brabham into an even more vibrant, convenient and enjoyable place to live for new home buyers in the north-east of Perth."

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, retirement living villages, office and industrial assets. Stockland was recognised by the S&P Dow Jones Sustainability Indices (DJSI) as the Global Real Estate Industry Group Leader for 2013 – 14 and was also named one of the Global 100 Most Sustainable Corporations in the World at the World Economic Forum in Davos, Switzerland in 2014, for the fifth consecutive year.

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