1H18 Results Presentation

Creating sustainable communities

Stockland Green Hills, NSW

Stockland it's your place

Agenda

Community creation driving securityholder returns

Leveraging our diverse business model

GROW ASSET RETURNS AND CUSTOMER BASE

- Create liveable, affordable and sustainable communities
- Develop and manage resilient retail town centres
- Active asset management and portfolio optimisation
- Accretive development

10% pa
5 year
FFO per security
CAGR[1]

3.7% pa
5 year
NTA uplift[1]
CAGR

OPERATIONAL EXCELLENCE

- Continuously improve customer experience
- Maintain sustainability leadership
- Digitise our business

CAPITAL STRENGTH

- Maintain investment grade credit ratings
- Gearing within 20-30%
- Safeguard diverse funding sources
- Maintain strong operating cash flow

1. Five year compound annual growth rate 1H13 to 1H18

Communities strategy delivering strong results

Leveraging our diverse business model

Grow asset returns and customer base

▲ 18.2%	Funds from operations[1]	$436m
▲ 16.9%	FFO per security[1]	18.0c
▲ 16.4%	AFFO per security[1]	15.6c
▲ 4.5%	Net tangible assets per security	$4.18

Capital strength and operational excellence

23.0%	Gearing	Lower end of 20-30% range
▲ 3.2%	Distribution per security	13.0c
▲ 11.7%	Return on equity[2]	+70bps

Employer of choice

WGEA Employer of Choice for Gender Equality

Maintained leadership in sustainability

ROBECOSAM Sustainability Award Silver Class 2018

CDP A LIST 2017 CLIMATE

Figures are rounded to nearest million, unless otherwise stated. Percentages are calculated based on the figures rounded to one decimal place throughout this presentation

1. Funds from operations (FFO) and Adjusted Funds From Operations (AFFO) are determined with reference to the PCA guidelines
2. Return on equity accumulates individual business return on assets and adjusts for cash interest paid and average drawn debt for the 12 month period. Excludes residential communities workout projects

Creating sustainable communities

Trust *~70% of assets*

Retail Town Centres

Create market leading retail town centres

Stockland Shellharbour, NSW

50% **SGP portfolio**

89% leading centre in their catchment or mixed-use/ CBD/community town centre

Logistics & Business Parks

Grow and develop a leading portfolio

Ingleburn Distribution Centre, Sydney

14% **SGP portfolio**

88% in Sydney and Melbourne

Office

Optimise returns

135 King St, Sydney

5% **SGP portfolio**

80% Sydney

Corporation *~30% of assets*

Residential Communities

Maximise returns by creating thriving communities

Cloverton, Melbourne

21% **SGP portfolio**

85,000 lots remaining in Australia's most liveable communities

Retirement Living Communities

Leading operator and developer

Willowdale Retirement Village, Sydney

10% **SGP portfolio**

65 Established villages

84% Resident satisfaction[1]

1. Stockland Residents' Voice survey, independently conducted by Colmar Brunton

Group Finance

Tiernan O'Rourke

Triniti Business Park, Sydney

Stockland
it's your place

Strong FFO growth

- 18% FFO growth driven by strong residential result with skew to 1H
- Office lower due to non-Sydney vacancy and lease surrender payments received in prior period
- Higher unallocated corporate overheads reflect increased resources to support business growth
- Non-cash tax expense/benefit excluded from FFO as per PCA guidelines

FUNDS FROM OPERATIONS

	1H18 \$M	1H17 \$M	CHANGE	COMP GROWTH
Retail Town Centres[1]	209	207	1.1%	2.7%▲
Logistics & Business Parks[1]	74	72	1.9%	4.6%▲
Office[1]	26	34	(23.1%)	(2.8%)▼
Trading profit	1	5	Nm	
Commercial Property net overhead costs	(8)	(6)		
Total Commercial Property	**302**	**312**	**(3.4%)**	**2.6%▲**
Residential Communities	182	100	82.8%	
Retirement Living	18	26	(29.7%)	
Unallocated corporate overheads	(30)	(29)	5.6%	
Net Interest expense	(36)	(40)	(10.9%)	
Total Group	**436**	**369**	**18.2%**	
FFO per security (cents)	18.0	15.4	16.9%	

1. Total growth in each Commercial Property business reduced by asset sales over the period

Statutory Profit to FFO and AFFO reconciliation

- Revalued 48% of our Commercial Property portfolio
- Valuation uplift driven by development assets, some stable assets showing valuation decline
- Commercial Property maintenance capex expected to remain around 0.5% of Commercial Property average book value in FY18
- Lease incentives expected to remain around 0.7% of Commercial Property average book value in FY18

	1H18 $M	1H17 $M	CHANGE
Statutory Profit	**684**	**702**	**(2.6%)▼**
Adjust for:			
Amortisation of lease incentives and lease fees	36	35	
Straight-line rent	(2)	(3)	
Commercial Property revaluations (gain)[1, 2]	(124)	(196)	
Net change in fair value of Retirement Living investment properties (gain) [3]	(55)	(24)	
Mark-to-market (gain)/loss on financial instruments	(5)	(126)	
Net (gain) on other financial assets	(26)	–	
Net loss on sale of other non-current assets	2	2	
Tax benefit (non cash)	(74)	(21)	
Funds from operations (FFO)	**436**	**369**	**18.2%▲**
Maintenance capital expenditure[4]	(21)	(22)	
Incentives and leasing costs for the accounting period[5]	(37)	(25)	
Adjusted funds from operations (AFFO)	**378**	**322**	**17.4%▲**
AFFO per security	15.6 cents	13.4 cents	16.4%▲

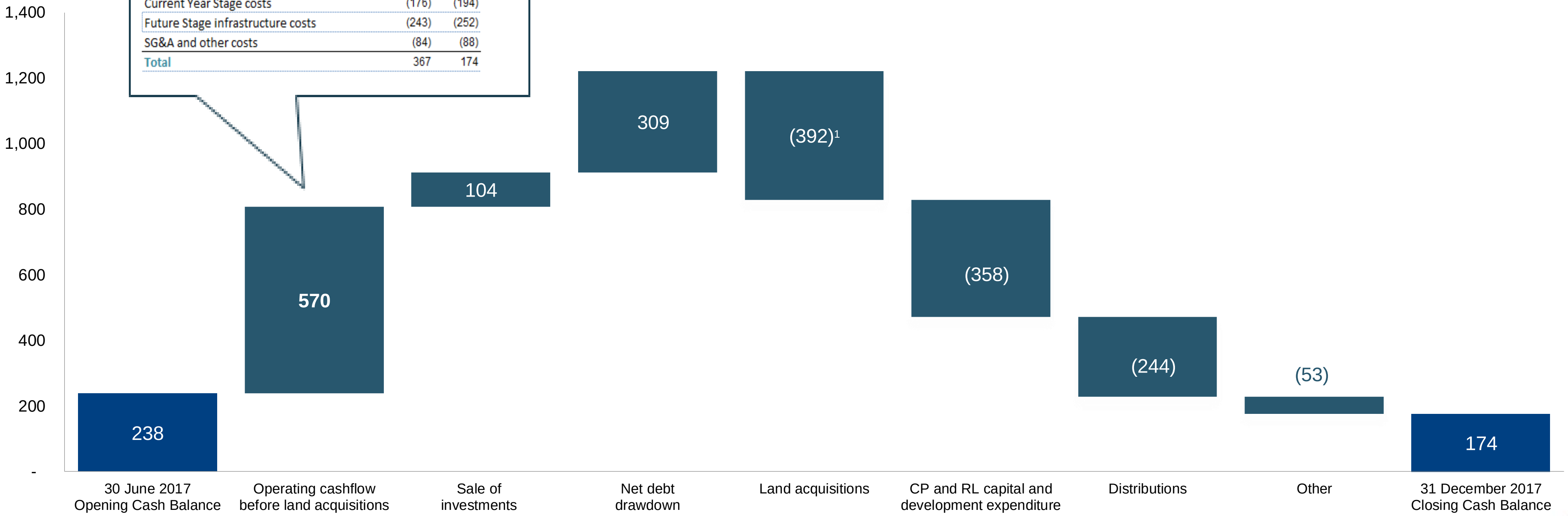
1. Includes Stockland's share of revaluation gains and losses relating to commercial properties held through joint venture entities (1H18: $3m loss; 1H17: $29m gain).
2. Prior period includes stapling adjustment related to owner-occupied space (asset not revalued in 1H18)
3. Includes accrued DMF revenue. 1H18 also includes $4m gain on commercial properties held in the Retirement Living segment (1H17: nil)
4. Includes $2m (1H17: $2m) Retirement Living maintenance capital expenditure
5. Excludes development centres. 1H18 includes $6m from leasing activity at Durack Centre, Perth

Strong operating cash flows

Cash Flow Summary

$ millions

	1H18	1H17	
	$570m	$385m	48% ▲
Includes Residential cash flows as follows[2]:			
Sales	870	708	
Current Year Stage costs	(176)	(194)	
Future Stage infrastructure costs	(243)	(252)	
SG&A and other costs	(84)	(88)	
Total	367	174	



1. 36% relates to prior period acquisitions made on capital efficient terms
2. Excludes timing impact

Maintaining a strong balance sheet

- S&P A-/stable metrics maintained for over 10 years
- Moody's issued a public credit rating of A3 in Aug 2017 (equivalent to S&P's A-); further diversifies potential funding sources
- 13.1 year USPP issued in Jan 2018, extending pro forma weighted average debt maturity to 5.7 years
- Expect FY18 average cost of debt ~5.3%, based on an average fixed hedge ratio of ~90-100% for the period
- Dividend Reinvestment Plan suspended for the period

KEY DEBT METRICS	1H18	1H17
S&P rating	A-/stable	A-/stable
Moody's rating	A3	–
Drawn debt[1]	$3.8b	$3.7b
Cash on deposit	$0.2b	$0.3b
Available undrawn committed debt facilities	$0.4b	$0.8b
Gearing (net debt/total tangible assets)[2]	23.0%	23.9%
Interest cover	5.1:1	4.7:1
Weighted average debt maturity	5.1 yrs	5.9 yrs
Debt fixed/hedged as at period end	100%	96%
Weighted average cost of debt (WACD) for period[3]	5.3%	5.6%

1. Excludes bank guarantees of $0.3b, drawn debt in equity accounted joint ventures and cash on deposit of $0.2b
2. Debt = Interest bearing debt ($3,767m) – Cash $174m
   TTA = Total tangible assets $15,770m– Cash ($174m)
3. Bank guarantee and insurance bond fees are excluded from this calculation

Commercial Property

John Schroder

Stockland Shellharbour, NSW

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Commercial Property: Stable recurrent earnings


Stockland Point Cook, Vic)

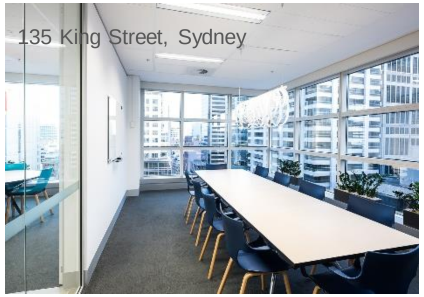
RETAIL TOWN CENTRES

- The heart of the community


Triniti Business Park, Sydney

LOGISTICS AND BUSINESS PARKS

- Enhanced portfolio


135 King Street, Sydney

OFFICE

- Predominantly Sydney with development potential, higher and better use opportunities

	RETAIL TOWN CENTRES	L&BP	OFFICE	TOTAL
ASSET VALUES ($M)	7,339	2,091	817	10,247
FFO (COMP CHANGE)	2.7% ▲	4.6% ▲	(2.8%)▼	2.6%▲
OCCUPANCY	99.5%	98.8%	91.1%	
WALE (YEARS)	6.6	4.2	3.3	
WACR	5.9%	6.9%	6.3%	6.1%
ROA	7.8%	7.6%	7.1%	7.7%

2.6%
comparable FFO growth

Strong leasing activity

$713m
development under construction

Retail Town Centres

Creating market leading centres

STOCKLAND HARRISDALE, WA

Developing greenfield retail town centres anchoring masterplanned communities

STOCKLAND WETHERILL PARK, NSW

Evolving our retail mix in line with customer preferences, trade area dynamics and changing retail formats

STOCKLAND GREEN HILLS, NSW

Redeveloping our productive assets, enhancing customer experience and meeting retailer demand

Retail Town Centres

Sales growth improving over the half

- Key categories in comparable specialty MAT:
  - Fast casual dining/food catering 2.8% ▲
  - Retail services 10.0% ▲
  - Apparel (2.0%) ▼
- Supermarket category showing steady improvement over the half
- DDS category stabilising
- Strong growth in mini-majors and pad sites
- Comparable specialty sales of $8,826 per square metre influenced by changes in the comparable basket, including addition of Point Cook (Vic) and exclusion of Wendouree (Vic), under development
- Remixing to improve customer experience:
  - Successful opening of H&M in Townsville and Rockhampton and JB Hi-Fi at Burleigh Heads and Hervey Bay (Qld)

	TOTAL		COMPARABLE CENTRES	
SALES BY CATEGORY[1]	MAT ($M)	MAT GROWTH	MAT GROWTH	2Q18 GROWTH
Total Turnover	**6,708**	**1.7%**	**1.1%**	**2.0%**
Specialties	1,983	0.6%	0.4%	1.2%
Supermarkets	2,578	2.3%	0.8%	2.0%
DDS/DS	912	(1.4%)	(1.6%)	(0.3%)
Mini-majors and Other	1,235	4.7%	4.8%	5.3%
Other[2]	471	6.6%	6.2%	9.6%

Stockland Townsville, Qld

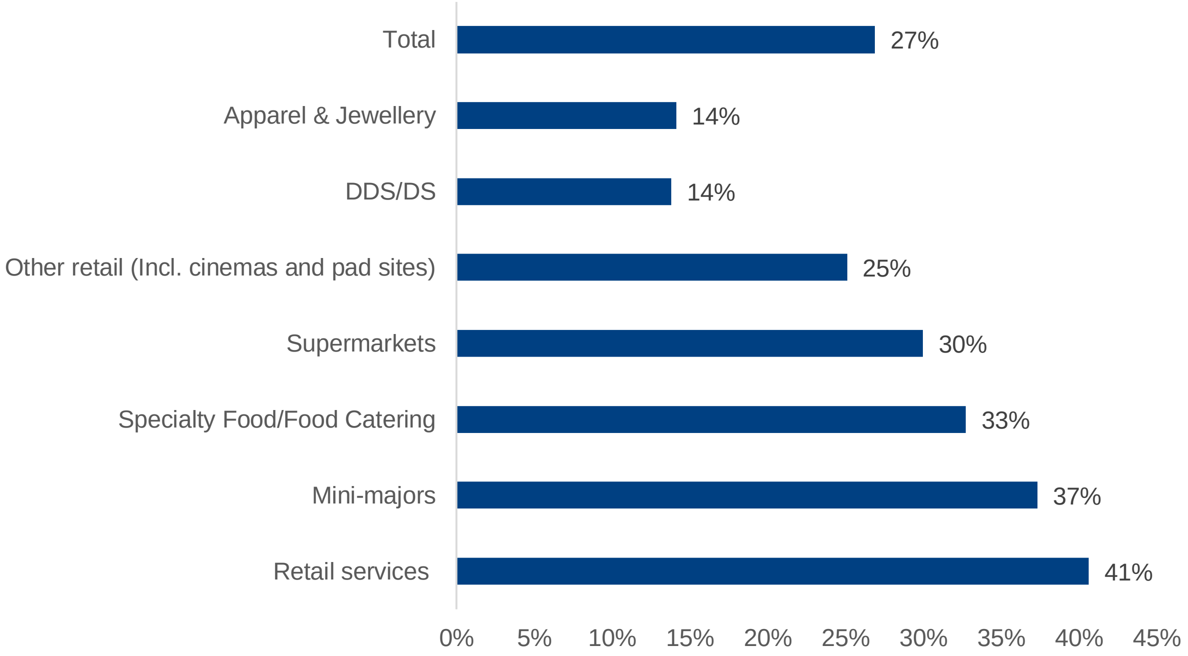
1. Sales data includes all Stockland managed retail assets – including Unlisted Property Fund and JV assets
2. Other includes pad sites and services

Retail Town Centres

Making our assets more resilient – growing food, services, entertainment and health

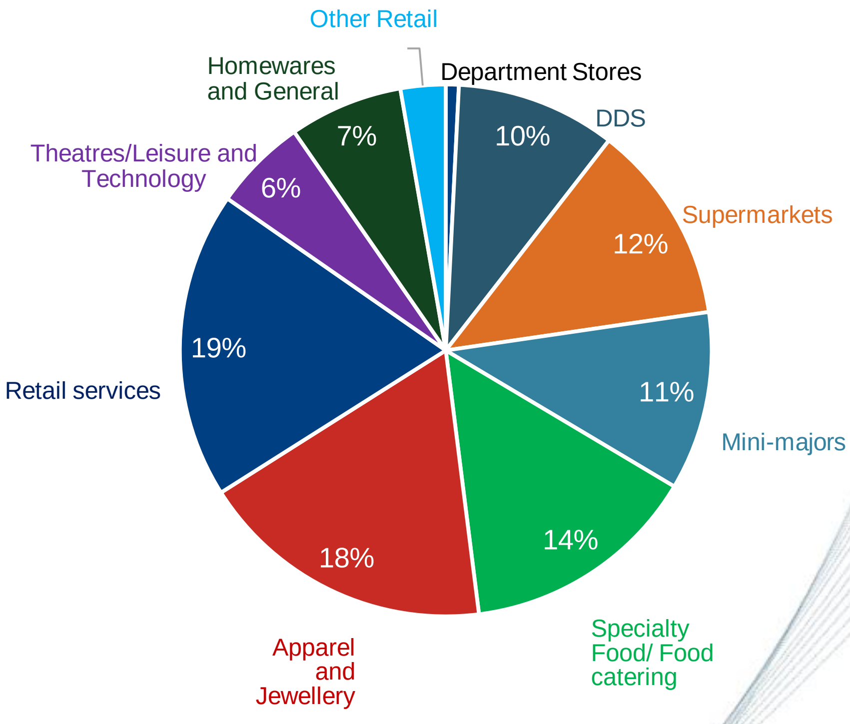
Remixing and redeveloping focused on growth categories[1]

Change in gross rent



Diversified rental income, non-discretionary focus[2]

Low reliance on DDS and department store income



1. Change in gross rent over the four years ended 31 December 2017
2. Total gross rent for the period

Retail Town Centres: Continuing to achieve positive leasing spreads

Actively managing our assets

- Positive leasing spreads of 1.9%
- Rental increase concentrated in growth categories
- Below average occupancy costs[1]
- 216 new retailers introduced to the portfolio over the last 18 months

94% OF SPECIALTY LEASES HAVE FIXED 4-5% ANNUAL REVIEWS

RETAIL LEASING ACTIVITY[2]		1H18	1H17
Occupancy[3]		99.5%	99.5%
Specialty retail leasing activity			
Tenant retention		65%	60%
Average rental growth on total lease deals[4]		1.9%	2.7%
Total lease deals[5]		430	372
Specialty occupancy cost ratio		15.4%	15.1%
Renewals:	Number	138	120
	Rental growth[4]	2.3%	2.7%
New Leases:	Number	94	114
	Rental growth[4]	1.4%	2.6%
	Incentives: Months[6]	10.2	11.9
	: As % of rent over lease term[7]	13.1%	15.1%

1. Relative to Urbis benchmarks– regional + sub-regional
2. Excludes Unlisted Property Fund assets. Metrics relate to stable assets unless otherwise stated
3. Occupancy reflects stable assets and differs from Property Portfolio which includes all assets
4. Rental growth on an annualised basis
5. Includes project and unstable centre leases
6. Represents the contributions made towards the retailers' fit outs, expressed in equivalent months of net rent
7. Incentive capital as a percentage of total rent over the primary lease term only

Retail Town Centres: Accretive development pipeline

Retail Town Centre development progressing well

- Green Hills (NSW) Stage 3 delivered Nov 2017
- Wendouree (Vic) adding new flagship Woolworths, retail services and fast casual dining
- Birtinya (Qld) Stockland community Retail Town Centre under construction

FUTURE DEVELOPMENT PIPELINE:

- **~$530M RETAIL PROJECTS, INCLUDING ~$235M NEW TOWN CENTRES**

Stockland Birtinya, Qld
Artist Impression

UNDER CONSTRUCTION	TOTAL SPEND ($M)	TOTAL INCOME LEASED	STABILISED YIELD[1]	INCREMENTAL IRR[2]	COMPLETION DATE
Green Hills	~414	90%	7.0%	~11.9%	4Q18
Wendouree	~37	76%	7.2%	~13.7%	4Q18
Birtinya	~86	52%	6.5%	~9.0%	2Q19
TOTAL	**~537**				

1. FFO incremental yield, includes property management fees
2. Forecast unlevered 10 year IRR on incremental development from completion

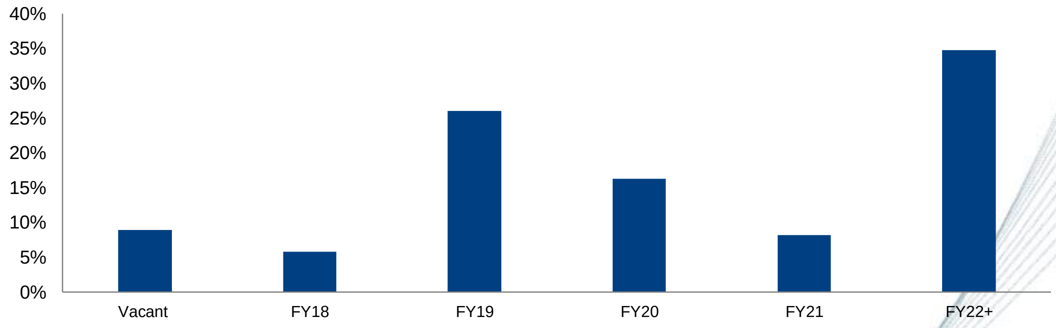
Retail Town Centres: Evolving our retail mix

Office: Optimising returns

- Predominantly Sydney portfolio with development potential, higher and better use opportunity
- Average rental growth on new leases of 2.7%, excluding Perth asset
- Higher vacancy from our two assets in Perth and Canberra, progressing leasing

OFFICE	1H18	1H17
Leases executed	11,700 sqm	2,900 sqm
Leases under HOA[1]	2,400 sqm	2,100 sqm
Average rental growth on new leases and renewals	(6.2%)	1.5%
Portfolio occupancy[2]	91.1%	93.5%
Portfolio WALE[2]	3.3 yrs	3.7 yrs

Office Lease Expiry Profile[2]



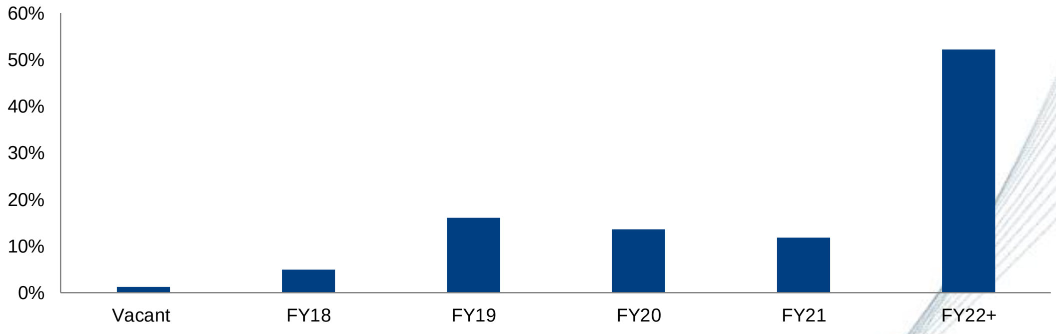
1. As at 31 December
2. By income

Logistics & Business Parks: Development led growth

- Strong comparable FFO growth of 4.6%
- High occupancy driven by strong demand in Sydney and Melbourne
- All completed developments fully leased
- 86% of the portfolio has fixed rent reviews of 3 - 4% per annum

LOGISTICS & BUSINESS PARKS	1H18	1H17
Leases executed	214,700 sqm	160,000 sqm
Leases under HOA[1]	30,700 sqm	152,000 sqm
Average rental growth on new leases and renewals	0.0%	(2.5%)
Portfolio occupancy[2]	98.8%	96.1%
Portfolio WALE[2]	4.2 yrs	4.6 yrs

Logistics & Business Parks Lease Expiry Profile[2]



1. As at 31 December
2. By income

Logistics & Business Parks: Transforming the portfolio

Upgrading well located assets and introducing new customers

OAKLEIGH INDUSTRIAL ESTATE, MELBOURNE

- 50% of the site redeveloped
- Incremental IRR of 14.7%[1]
- Asset WALE improved to 5.3 years
- Cap rate from 9.25% to 6.25%
- Key customers Speciality Packaging, Australia Post and Matt Blatt

HENDRA DISTRIBUTION CENTRE, BRISBANE

- Rolling refurbishment of entire estate
- Higher and better tenancy uses
- Occupancy improved from 79% to 91%
- Cap rate from 8.75% to 7.75%
- New customers Automotive Holdings Group and CV Services

YENNORA DISTRIBUTION CENTRE, SYDNEY

- Occupancy improved to 98%
- Cap rate from 8.0% to 6.75%
- 22,600 sqm under construction
- Key customers Austpac, Toll and Symbion

INGLEBURN LOGISTICS PARK, SYDNEY

- Greenfield development leased to Next Logistics and TIFS Warehousing & Distribution
- 9% FFO initial yield
- Additional 36,850 sqm under construction
- Further development potential

1. IRR on incremental development through construction plus 10 years

Comparable metrics are pre and post developments for each of the case studies

Logistics and Business Parks: Accretive development pipeline

L&BP development repositioning portfolio

- Yennora, Ingleburn Stage 2 (Sydney) and Willawong (Brisbane), commenced in 1H18
- Lodged DA for 55,000sqm campus development in Macquarie Park, Sydney

FUTURE DEVELOPMENT PIPELINE:
- **~$590M L&BP PROJECTS**

UNDER CONSTRUCTION	TOTAL SPEND ($M)	GROSS LETTABLE AREA (SQM)	STABILISED YIELD[1]	INCREMENTAL IRR[2]	COMPLETION DATE
Warwick Farm, Sydney	~77	51,015	7.3%	~10.7%	3Q18
Yennora, Sydney	~26	22,600	7.4%	~10.9%	1Q19
Ingleburn Stage 2, Sydney	~50	36,850	7.7%	~10.4%	1Q19
Willawong DC, Brisbane	~23	19,215	8.0%	~10.2%	1Q19
TOTAL	**~176**	**129,680**			


Macquarie Technology Centre, Sydney
Artist Impression

1. FFO incremental yield, includes property management fees
2. Forecast unlevered 10 year IRR on incremental development from completion

Residential

Andrew Whitson

Arve, Melbourne

Stockland
it's your place

Residential

Maximising returns by creating thriving communities

HIGHLANDS, VIC

Creating vibrant, masterplanned communities, focusing on owner occupiers and liveability

ARVE, VIC

Broadening customer reach in middle ring locations, and markets of deep demand

ALTONA NORTH , VIC

Acquiring land around rail transport and infrastructure nodes

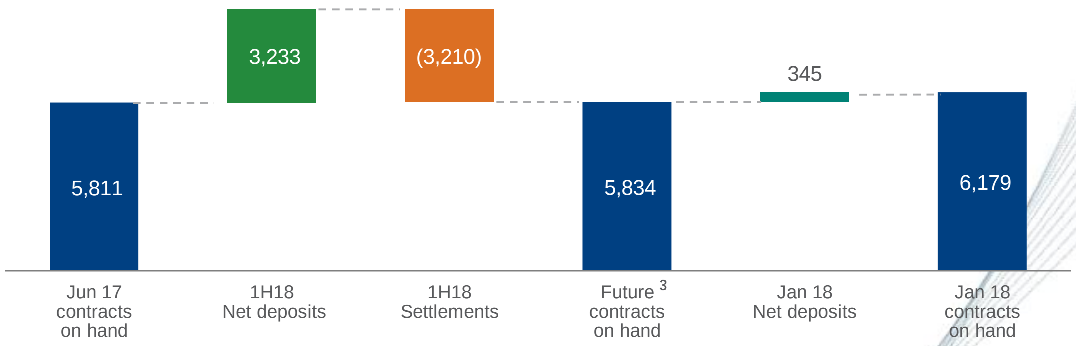
Residential: Delivering strong growth

Well positioned in the most resilient markets

- Increased ROA as we execute on strategy and benefit from supportive market conditions
- Record settlements and contracts on hand
- Cancellation rates remain below long term average
- On track for around 6,500 settlements in FY18
- Profit skew to 1H18
- Margins around 17% in FY18
- Over 95% of expected FY18-20 profits from masterplanned communities and medium density projects

RESIDENTIAL	1H18	1H17	CHANGE
Total lots settled	3,210	2,853	12.5%▲
Total revenue	$870m	$708m	22.9%▲
- Including superlot revenue[1]	$22m	$61m	(63.4%)▼
EBIT (before interest in COGS)	$232m	$176m	32.2%▲
EBIT margin	26.7%	24.8%	▲
Operating Profit	$182m	$100m	82.8%▲
Operating Profit margin	20.9%	14.1%	▲
ROA – total portfolio	22.5%	11.6%	▲
ROA – core portfolio[2]	24.7%	19.2%	▲

Residential sales



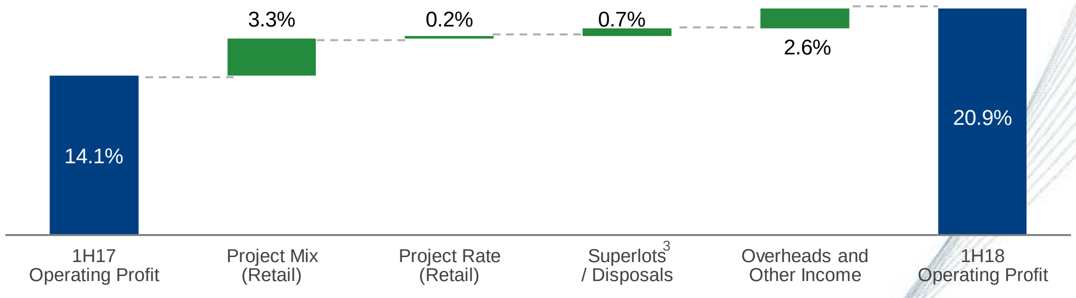
1. 14 superlot settlements in 1H18; 22 superlot settlements in 1H17. 1H17 includes the disposal of impaired project Wallarah (NSW) and the second tranche of revenue from the disposal of Bahrs Scrub (Qld)
2. Core excludes impaired projects
3. Of the 5,834 contracts on hand as at December 31, 2017, 3,108 are due to settle in 2H18, 2,479 are due to settle in FY19 and 247 are due to settle in FY20

Residential: Driving returns

- 1H18 operating profit margin reflects increased settlements from higher margin Sydney projects
- 2H18 overheads to be higher, leading to new launches in 2018, including:
  - Truganina and Waterlea, Melbourne, ~1,200 lots
  - Paradise Waters, Hope Island and Springview, Brisbane, ~2,600 lots
- Owner occupier demand remains strong as we focus on affordability and community creation. Of our buyers in 2017:
  - Over 75% are owner occupiers
  - Over 50% are first home buyers

RESIDENTIAL	CORE	WORKOUT[1]	TOTAL
Lots settled	3,096	114	3,210
Revenue	$842m	$28m	$870m
Revenue	*97%*	*3%*	*100%*
EBIT	$227m	$5m	$232m
EBIT margin	*26.9%*	*19.1%*	*26.7%*
Operating Profit	$182m	-	$182m
Operating Profit margin	*21.6%*	-	*20.9%*
Remaining lots	95%	5%	100%
Number of projects[2]	49	9	58
ROA	24.7%	4.2%	22.5%

Residential Operating Profit Margin



1. Includes all impaired projects
2. Excludes four active projects that are 99% complete
3. 14 superlot settlements in 1H18; 22 superlot settlements in 1H17

Residential: Capital efficient restocking

SYDNEY

- Acquired a further 2,000 lots, adjacent to Elara, one of our most successful communities
- ~4,900 lots remaining
- Undersupplied market
- Capital efficient terms

MELBOURNE

- Middle ring locations
- Close to transport nodes
- Good underlying demand and price growth

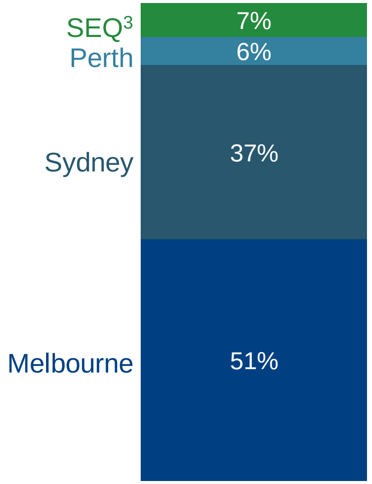
PERTH

- Countercyclical acquisitions
- 4,600 lots for $90m
- For development over medium and longer term

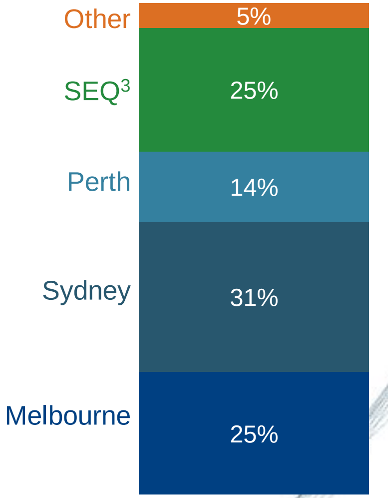
Upweighted to strong Sydney and Melbourne housing markets

- 79% of acquisitions since FY13 on capital efficient terms
- Restocking in priority metropolitan corridors and urban middle ring of our major capital cities
- Market price growth of 29%[1] for Melbourne land over 2017 will enhance returns from our portfolio, including recent acquisitions
- Disciplined approach to re-entering the apartment market, targeting owner occupiers

Acquisitions[2] by region since FY13



Our landbank by book value



1. National Land Survey Program December Qtr. 2017, Charter Keck Cramer/Research4
2. By value $M
3. SEQ: South East Queensland

Residential: Market overview

1H18 STOCKLAND SUMMARY

STATE	1H18 SETTLEMENT VOLUMES (% CHANGE OVER 1H17)	COMMENTS ON OUR SETTLEMENTS IN 1H18
NSW	184% ▲	Strong increase in Willowdale settlements
Vic	(8%) ▼	Lower volumes with Mernda close to selling out and timing of release at Highlands, partly offset by strong performance at Cloverton
Qld	5% ▲	Strong growth at Newport and Pallara
WA	(11%) ▼	Ongoing WA market weakness impacting a number of projects

2018 MARKET OUTLOOK

STATE	VACANT LAND SALES VOLUMES	VACANT LAND PRICES	COMMENTS ON MARKET OUTLOOK
NSW	↔	↔	Demand continues to outstrip supply. Volumes expected to be maintained around current levels with prices now stabilising
Vic	↔	↑	Rate of price growth to moderate from around 30% in 2017, with volumes to remain steady
Qld	↑	↑	Volumes to benefit from increased interstate migration. Price growth now above Sydney, but relative price levels still very attractive
WA	↑	↔	Market prices likely to remain stable, volumes expected to show modest growth during 2018 from a low base

Retirement Living

Stephen Bull

Birtinya, Queensland

Stockland
it's your place

Retirement Living: Focussing on our customers

- Results impacted by timing of superlot sales and lower sales volumes reflecting adverse sector media coverage
- Lower development volumes - 28 development units were completed in 1H18, compared to 80 in the prior period, resulting in fewer units available for reservation
- A number of development stages are due for completion in 2H18 and FY19
- Units at several locations are now being withheld from sale as we prepare for future village redevelopments

TOTAL PORTFOLIO	1H18	1H17	CHANGE
EBIT	$19m	$28m	(30.4%) ▼
Operating Profit	$18m	$26m	(29.7%) ▼
Occupancy	94.7%	94.6%	▲
Cash ROA	5.3%	6.4%	▼

ESTABLISHED PORTFOLIO	1H18	1H17	CHANGE
Established settlements	272	325	(16.3%) ▼
Withheld settlements (units)[1]	23	9	▲
Total sales volumes (units)	**295**	**334**	(11.6%) ▼
Average re-sale price	$347k	$325k	6.8% ▲
Turnover cash per unit	$91k	$88k	3.8% ▲
Turnover cash margin	26.2%	26.9%	▼
Reservations on hand	157	184	(14.7%) ▼

DEVELOPMENT PORTFOLIO	1H18	1H17	CHANGE
Average price per unit	$469k	$449k	4.5% ▲
Average margin (excludes DMF)	19.5%	18.0%	▲
Development settlements	66	102	(35.3%) ▼
Reservations on hand	87	125	(30.4%) ▼

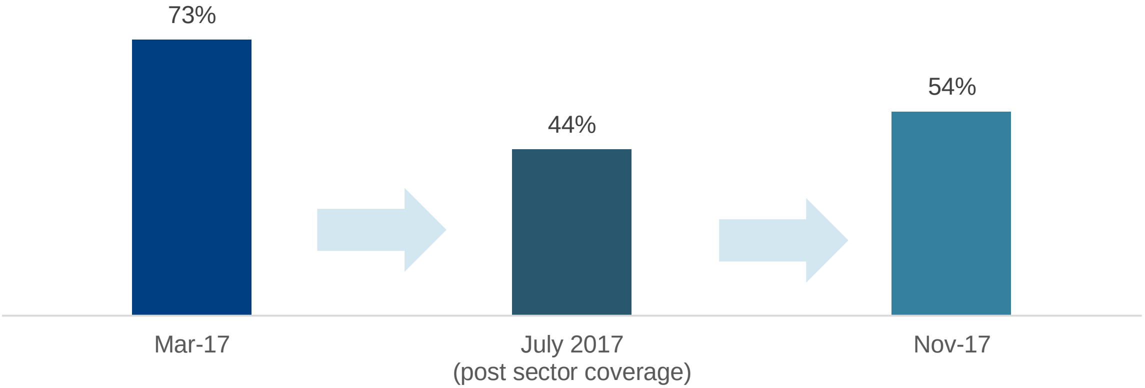
1. Units withheld from sale for redevelopment upon which profit has been recognised

Retirement Living: Market environment

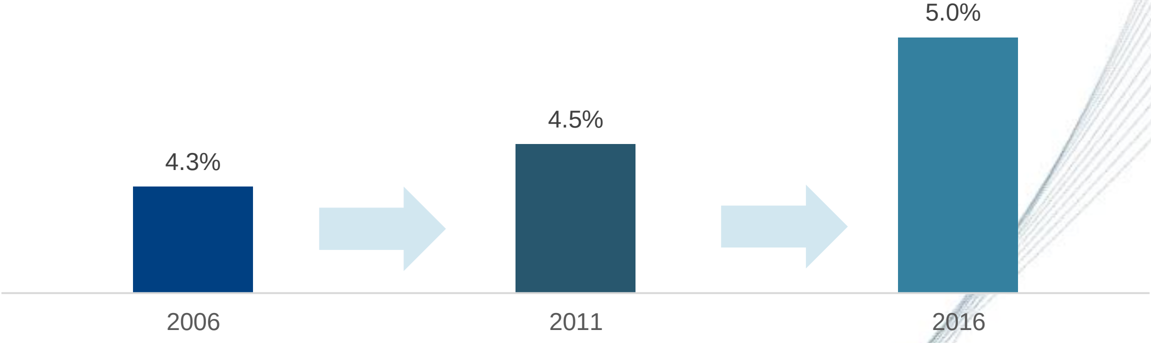
Growth in Australia's ageing population underpins this sector

- Media coverage in mid 2017 impacted customer sentiment towards the retirement living sector; now starting to recover
- Fundamentals for growth remain sound, the proportion of older Australians living in retirement living villages is rising
- Population of over 65s in Australia is growing at almost twice that of the under 65s

Perception of Retirement Living now improving[1]



Proportion of over 65's living in retirement living villages[2]



1. AMR Reputation study: Proportion of over 55's rating retirement industry reputation as neutral or positive
2. ABS: Census 2006, 2011, 2016

Retirement Living

Leading operator and developer

MERNDA, MELBOURNE

- Providing contract choice
- Care partnerships
- Consistently high residents' satisfaction 84%[1]

BIRTINYA, SUNSHINE COAST

- Future pipeline over 3,000 units
- Epping, Sydney, to deliver 200 apartments integrated with 130 aged care units
- Organic growth within our masterplanned communities

CARDINAL FREEMAN, SYDNEY

- Renewing and enhancing villages
- Ongoing sales of low ROA villages

1. Stockland Residents' Voice Survey, independently conducted by Colmar Brunton

Summary and Outlook

Mark Steinert

Oakleigh, Melbourne

Stockland
it's your place

Strategic priorities

RETAIL TOWN CENTRES

- Increase retail town centre resilience; food, services, entertainment and health focus
- Complete $300m divestments

Community creation driving securityholder returns

RETIREMENT LIVING

- Convert high enquiry to more sales
- Roll out new contract choice

Wendouree, Vic
Artist Impression

Cardinal Freeman, NSW

Strategic priorities

LOGISTICS & BUSINESS PARKS

- Grow L&BP towards 20% of our portfolio over time

L&BP portfolio	FY13	1H18	
Percent of SGP portfolio	11.6%	13.6%	Target 20%
Asset Value	$1,326m	$2,091m	
Weighted average cap rate	8.5%	6.9%	
Occupancy	89.5%	98.8%	
WALE	3.9 years	4.2 years	
Development under construction and pipeline	$125m through to FY19	$766m	

Community creation driving securityholder returns

RESIDENTIAL COMMUNITIES

- Maintain sales and enhance customer experience


Bells Reach, Qld

FY18 outlook

- Reaffirming FFO per security growth of 5 - 6.5% for FY18, assuming no material change in market conditions
- Underpinned by:
  - Commercial Property comparable FFO growth of 2 - 3%, impacted by higher outgoings, ongoing retail remixing and non-Sydney office vacancy
  - Residential settlements around 6,500 lots, with a profit skew to 1H18, margins ~17% and maintained around this level for the next 2 - 3 years
  - We expect 1H18 Retirement Living market conditions to continue into 2H18
  - FY18 distribution per security growth of 4%, 26.5 cents[1], within target range of 75 - 85% of FFO
- Portfolio remains well positioned for sustainable long term growth and value creation

Our Purpose: We believe there is a better way to live

1. Assuming no material change in market conditions

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