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STOCKLAND DIVESTS AN ADDITIONAL \$143 MILLION OF RETAIL ASSETS, ON TRACK TO \$400 MILLION TARGET

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Stockland today announced further progress on its non-core retail divestment strategy, with the unconditional exchange of two retail assets for a combined total of \$143 million, reflecting a 2.9 per cent premium to combined book value.

The divestments relate to a 100 per cent interest in both the Stockland Cleveland shopping centre in Brisbane and the Toowong retail and commercial centre in Brisbane's southern suburbs, each to private investors.

Mark Steinert, Managing Director and CEO of Stockland, said: "These transactions take our total asset sales for the current financial year to \$256.1 million, representing 64 per cent of our target \$400 million of divestments already achieved within the first nine months of the stated 24 month timeframe.

"These sales align with our strategy to divest non-core assets in a disciplined way, as we focus on recycling capital where expected internal rates of return for divested assets are below our investment hurdle rates.

"The proceeds of the sales will strengthen our balance sheet, and will be reinvested into our workplace and logistics development pipeline and our securities buyback. It also gives us the flexibility to invest in other opportunities with strong risk-adjusted returns above our hurdle rates.

"We are committed to continuing to execute our strategy of non-core asset divestment and core asset capital partnering. We are in discussions with potential buyers for a number of additional retail assets within our portfolio."

Louise Mason, Stockland's Group Executive and CEO of Commercial Property, said: "We continue to strategically reposition our centres, with a focus on customer experience, place-making and retail remixing towards growth categories, to ensure the resilience of our portfolio into the future."

Both transactions are expected to settle by 30 June 2019.

ENDS

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, logistic centres, business parks, office assets and retirement living villages. Stockland is rated as one of the most sustainable real estate companies in the world by the Dow Jones Sustainability World Index (DJSI). Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency.