

# FY22 Annexure

19 August 2022



Stockland Harrisdale, WA

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# Stockland quick facts

## Trust net funds employed: \$10.7bn<sup>1</sup>



### Town Centres

40%  
portfolio weighting<sup>3</sup>

23<sup>4</sup>  
assets

Ownership  
interests valued at  
**\$5.5bn**



### Logistics

24%  
portfolio weighting<sup>3</sup>

23  
assets

Ownership  
interests valued at  
**\$3.1bn**



### Workplace

16%  
portfolio weighting<sup>3</sup>

10<sup>5</sup>  
assets

Ownership  
interests valued at  
**\$2.1bn**

## Corporation net funds employed: \$2.9bn<sup>2</sup>



### Masterplanned Communities

16%  
portfolio weighting<sup>3</sup>

Around **75,000**  
lots remaining

Net funds employed  
**\$2.0bn**

End market value  
**\$22.5bn**



### Land Lease Communities

4%  
portfolio weighting<sup>3</sup>

33  
Land Lease  
Communities

~**9,000**  
Home sites

FY22 Income Mix	Target	Commercial Property	Masterplanned Communities	Land Lease Communities	Unallocated corporate overheads	Total <sup>7</sup>
Recurring FFO <sup>6</sup>	60%	58%	-%	1%	(6)%	63%
Development FFO <sup>6</sup>	40%	3%	36%	1%	(4)%	37%

1. Net Funds Employed (NFE). Excludes WIP and sundry properties of \$0.5bn.
2. Includes NFE of: Masterplanned Communities \$2.0bn, Land Lease Communities \$0.6bn and other assets \$0.3bn. Excludes Retirement Living.
3. Includes WIP and sundry properties of \$0.5bn. Cost to completion provision, deferred land payments and option payments are excluded.
4. Includes asset held for sale Stockland Bull Creek, WA, and asset held by the Corporation Stockland Harrisdale, WA.
5. Reflects reclassification of six assets into Workplace from Logistics.
6. Aligns with divisional FFO as reported (i.e. pre Group net interest expense and tax).
7. Includes Recurring and Development FFO from discontinued operation (Retirement Living).



# We are one of Australia's largest diversified property groups

## Book value by state<sup>1</sup>

### WA - \$0.9bn

#### Commercial Property



#### Communities



### QLD - \$3bn

#### Commercial Property

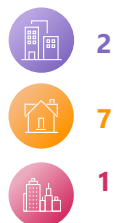


#### Communities



### VIC - \$2.7bn

#### Commercial Property



#### Communities

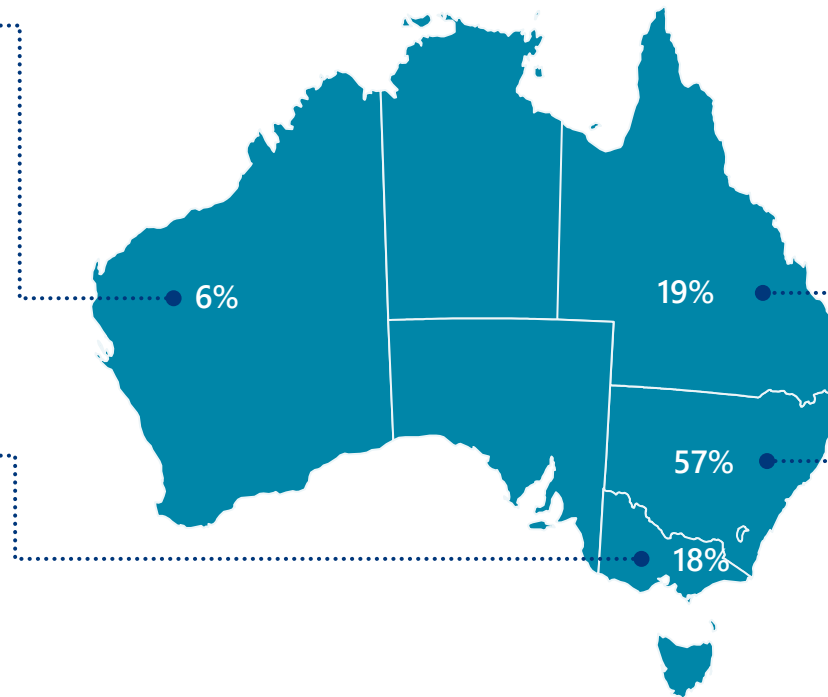


### NSW<sup>4</sup> - \$8.9bn

#### Commercial Property



#### Communities



# Financial results and capital management

Annexure



# Profit summary

\$m	FY22	FY21	Change
Segment EBIT (before interest in COGS):			
Masterplanned Communities EBIT	408	420	(2.9)%
Commercial Property EBIT	553	545	1.5%
Retirement Living EBIT	99	59	67.8%
Land Lease Communities EBIT	17	-	-
Consolidated segment EBIT (before interest in COGS)	1,077	1,024	5.2%
Amortisation of lease fees	14	13	7.7%
Unallocated corporate overheads	(89)	(69)	29.0%
Group EBIT (before interest in COGS)	1,002	968	3.5%
Net interest expense:			
- Interest income	3	4	(25.0)%
- Interest expense	(185)	(199)	(7.0)%
- Interest capitalised to inventory	96	99	(3.0)%
- Interest capitalised to investment properties under development	14	10	40.0%
Net interest in Profit & Loss before capitalised interest expensed	(72)	(86)	(16.3)%
Capitalised interest expensed in Profit & Loss <sup>1</sup>	(79)	(94)	(16.0)%
Net interest expense	(151)	(180)	(16.1)%
Funds from operations	851	788	8.0%
Statutory profit adjustments	530	317	(67.2)%
<b>Statutory profit</b>	<b>1,381</b>	<b>1,105</b>	<b>25.0%</b>

# Statutory profit to FFO and AFFO reconciliation

The table below shows the reconciliation of statutory profit to FFO and AFFO with reference to the definitions outlined in the Property Council of Australia (PCA) white paper "Voluntary best practice guidelines for disclosing FFO and AFFO"

\$m		FY22 <sup>1</sup>	FY21	Change
PCA reference	Statutory profit	1,381	1,105	25.0%
	Adjusted for:			
D1/D4	Amortisation of lease incentives and lease fees	101	92	
D5	Straight-line rent	2	1	
A3/A4	Net change in fair value of Commercial investment property <sup>2</sup>	(738)	(433)	
A3/A4	Net change in fair value of Land Lease Communities investment property <sup>3</sup>	8	-	
A3/A4	Net unrealised change in fair value of Retirement Living investment properties and obligation	155	92	
F2	Unrealised DMF revenue	(28)	(46)	
C2	Net loss/(gain) on financial instruments	(191)	(63)	
F2	Net loss/(gain) on other financial assets	-	(1)	
A1/A2	Net loss/(gain) on sale of other non-current assets	(19)	18	
A6	Net reversal of impairment of inventories	(6)	(5)	
E	Tax (benefit)/expense (non-cash)	43	(27)	
F2	One-off costs <sup>4</sup>	143	55	
G	Funds from operations (FFO)	851	788	8.0%
G2	Maintenance capital expenditure	(53)	(61)	
G3	Incentives and leasing costs for the accounting period	(69)	(76)	
	Adjusted funds from operations (AFFO)	729	651	12.0%
	AFFO per security	30.6	27.3	12.1%

1. Includes the results of a discontinued operation classified as held for sale at 30 June 2022.

2. Includes Stockland's share of revaluation relating to properties held through joint ventures (FY22 \$32m gain; FY21 \$17m gain) and fair value unwinding of ground leases recognised under AASB 16 (FY22 \$1m; FY21 \$1m).

3. Includes Stockland's share of revaluation relating to properties held through joint ventures (FY22 \$8m loss, FY21 \$nil).

4. One-off costs include transaction costs relating to the acquisition of Halcyon's land lease communities business and the disposal of the Retirement living business, one-off capital partnering costs, restructuring costs, and provisions for expected onerous contract costs. To be classified as a one-off, these costs were assessed to be highly unlikely to reoccur in future years.

# Net interest gap

\$m	FY22			FY21		
	Interest	Deferred interest <sup>1,2</sup>	Total	Interest	Deferred interest <sup>1,2</sup>	Total
Interest income	(3)	-	(3)	(4)	-	(4)
Interest expense	150	35	185	161	38	199
Less: capitalised interest						
- Commercial Property development projects	(14)	-	(14)	(13)	-	(13)
- Masterplanned Communities	(57)	(33)	(90)	(56)	(38)	(94)
- Retirement Living	-	-	-	(2)	-	(2)
- Land Lease Communities	(3)	(1)	(4)			
Total capitalised interest	(74)	(35)	(109)	(71)	(38)	(109)
Sub-total: Borrowing cost in P&L	72	-	72	86	-	86
Add: capitalised interest expensed in P&L <sup>3</sup>	79	-	79	94	-	94
<b>Total interest expense in P&amp;L</b>	<b>151</b>	<b>-</b>	<b>151</b>	<b>180</b>	<b>-</b>	<b>180</b>

1. Non-cash adjustments for unwinding of present value discount on land acquisitions on deferred terms.

2. Discount initially booked through balance sheet (inventory and land creditors).

3. Made up of Masterplanned Communities \$72m (FY21: \$89m), Retirement Living \$2m (FY21: \$5m), Land Lease Communities \$2m (FY21:nil) and Commercial Property \$3m (FY21:nil). This differs to statutory reporting by nil (FY21:\$4m) as interest expense in Retirement Living is reported through fair value adjustment of investment properties.

Note: totals may not add due to rounding.



# Cost management

\$m	FY22	FY21
Masterplanned Communities	206	187
Retirement Living	49	40
Land Lease Communities	17	2
Commercial Property	41	29
Unallocated corporate overheads	89	69
<b>Total sales, general and administration costs<sup>1</sup></b>	<b>402</b>	<b>327</b>

## Investing for growth while maintaining cost discipline

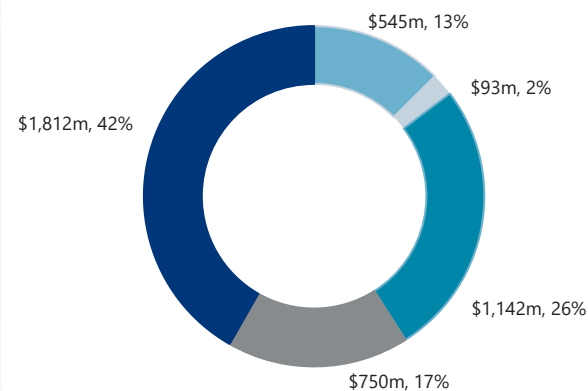
- Majority of increased costs supporting strategic initiatives including new business lines and acceleration of Masterplanned Communities pipeline
- Other cost increases represent investments in enhancing technology and systems, normalisation of discretionary and variable cost base post-COVID-19, cost and wage inflation, and increased insurance premiums

# Debt and hedging profile

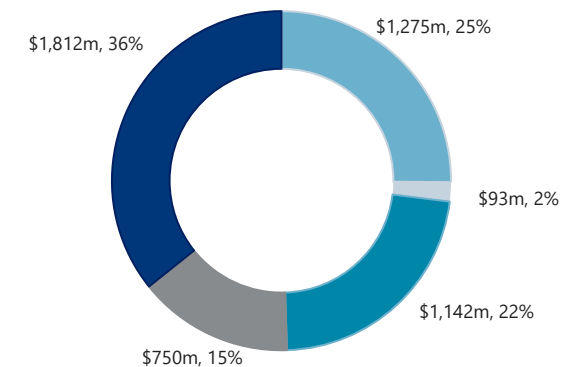
## Cost of debt for FY22

	Debt <sup>1</sup>	Total debt <sup>2</sup>	Interest rate
Hedged debt	\$2,787m	64%	2.1%
Floating debt	\$1,541m	36%	-%
<b>Total debt</b>	<b>\$4,328m</b>		<b>2.1%</b>
Margin			1.0%
Fees			0.3%
<b>All-in cost of funds for FY22</b>			<b>3.4%</b>

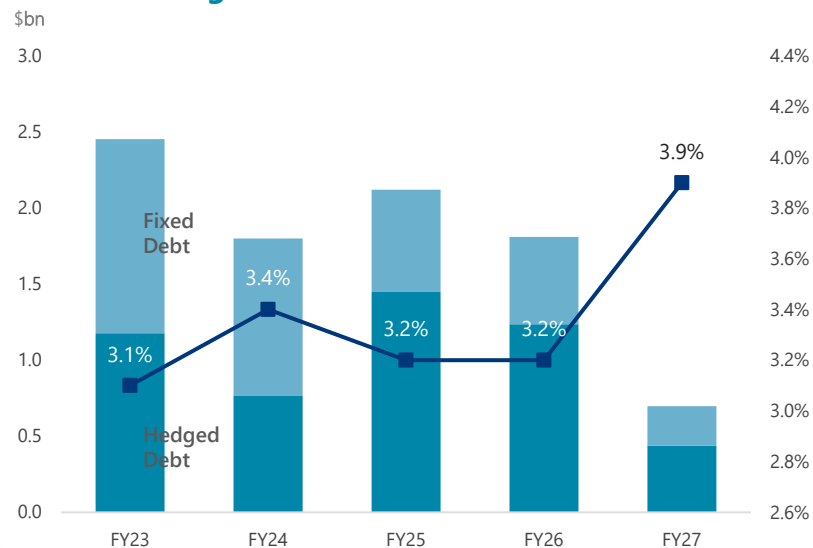
## Drawn debt of \$4.3bn<sup>4</sup>



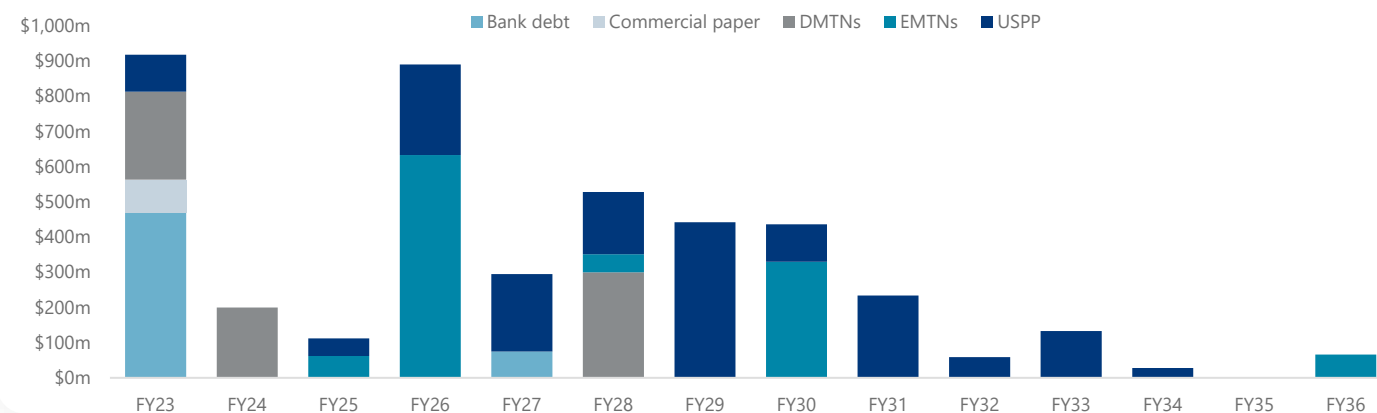
## Committed facilities of \$5.1bn<sup>4</sup>



## Forecast hedge rate<sup>3</sup>



## Long dated drawn debt maturity profile (WADM 4.8 years)<sup>4</sup>



# Covenant calculations

At 30 June 2022	Statutory Balance Sheet \$m	Adjustments \$m	Gearing Covenant Balance Sheet \$m
<b>Assets</b>			
Cash	378	-	378
Real estate related assets	16,566	-	16,566
Retirement Living Gross-Up	2,704	(2,704) <b>B</b>	-
Intangibles	65	(65)	-
Other financial assets	311	(301) <b>A</b>	10
Other assets	390	-	390
<b>Total assets</b>	<b>20,414</b>	<b>(3,070)</b>	<b>17,344</b>
<b>Financial indebtedness</b>			
Borrowings	(4,472)	143 <b>A</b>	(4,329)
Other financial liabilities	(184)	184	-
Other liabilities <sup>1</sup>	(150)	-	(150)
<b>Total Financial Indebtedness</b>	<b>(4,806)</b>	<b>327</b>	<b>(4,479)</b>

## All lenders have consistent covenants

- Financial Indebtedness/Total Tangible assets (FI/TTA): less than 50%
- Interest cover: more than 2:1 (write-downs and provisions are excluded from calculation)

## Gearing covenant limited to Stockland's balance sheet liabilities and excludes

- MTM of hedges and interest-bearing liabilities **A**
- Retirement Living obligation for existing residents **B**

	Interest cover	FI /TTA	D/TTA (net of cash) <sup>2</sup>
30 June 2022	6.94	25.8%	23.4%
30 June 2021	6.22	27.3%	21.4%

# Stockland Corporation income tax reconciliation

		FY22	FY21
Net profit before tax		1,424	1,078
Less: Trust profit and Intergroup eliminations		(1,395)	(988)
Corporation profit/(loss) before tax	B	29	90
Prima facie tax expense @ 30%		(9)	(27)
Tax effect of permanent differences:			
Permanent component of capital gain on disposal of Retirement Living		(69)	-
Non-deductible expenses for the period		(5)	-
Other deductible expenses for the current period		-	4
Over recognised DTL in prior years		(2)	50
Cost base not previously recognised		42	-
Other assessable income for the year		-	-
Tax benefit/(expense)	A	(43)	27
Effective tax rate ( $\frac{A}{B}$ ) <sup>1</sup>		147%	(30)%
Effective tax rate (excluding discontinued operations)		66%	(30)%

1. The effective tax rate is higher than the 30% statutory tax rate because of the permanent components on the sale of the Retirement Living business (both the capital gain and the recognition of cost base on goodwill) and transfer of assets as part of the capital partnering of land lease communities. Ignoring these non-recurring items, the effective tax rate for the current period is 34%. The effective tax rate in FY21 was affected by the recognition of previously unrecognised deferred tax relating to the increase in cost base of three recently developed retirement villages. Ignoring these adjustments the effective tax rate for the prior period was 33%.



# Commercial Property

Annexure



# Commercial Property

## Funds from operations

	Town Centres		Logistics		Workplace		Net overhead costs		Total	
\$m	FY22	FY21	FY22	FY21 <sup>1</sup>	FY22	FY21 <sup>1</sup>	FY22	FY21	FY22	FY21
Operating EBIT	272	307	136	95	94	91	(41)	(29)	461	464
Adjust for:										
Amortisation of fit out incentives and lease fees	62	55	15	14	19	13	-	-	96	81
Amortisation of rent-free incentives	-	-	2	4	4	5	-	-	6	10
Straight-line rent	6	1	2	0	(7)	2	-	-	1	3
<b>Funds from operations</b>	<b>340</b>	<b>363</b>	<b>155</b>	<b>113</b>	<b>110</b>	<b>111</b>	<b>(41)</b>	<b>(29)</b>	<b>564</b>	<b>558</b>

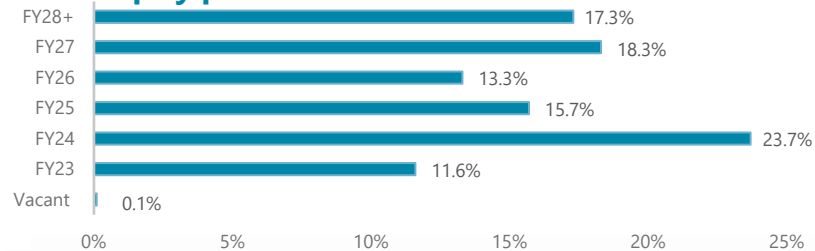
# Logistics

## Performance

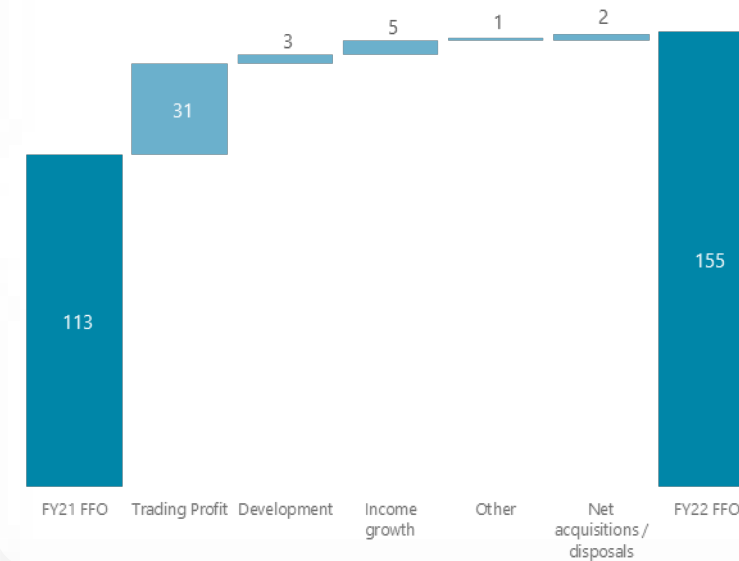
### Occupancy and lease expiry by income<sup>1</sup>

	FY22	FY21
Occupancy	99.9%	97.8%
WALE	3.4 yrs	3.5 yrs

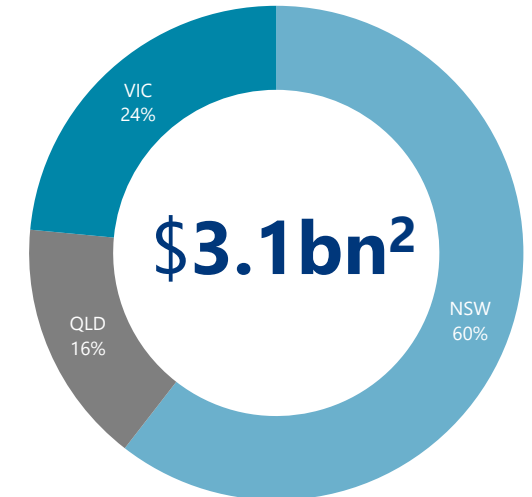
### Lease expiry profile<sup>1</sup>



### FFO movements between FY21 and FY22 \$42m



### Assets by location



	Total leased <sup>3</sup>			Retention <sup>3,4</sup>			New leases <sup>3</sup>		
	GLA leased (sqm)	Weighted average base rent growth % <sup>5</sup>	Weighted average incentives % <sup>6</sup>	Retention (sqm)	Weighted average base rent growth % <sup>5</sup>	Weighted average incentives % <sup>6</sup>	New leases (sqm)	Weighted average base rent growth % <sup>5</sup>	Weighted average incentives % <sup>6</sup>
Logistics	413,148	3.9 <sup>7</sup>	11.3	281,474	3.0 <sup>7</sup>	10.3	131,674 <sup>8</sup>	6.7 <sup>9</sup>	13.0

1. Includes executed leases and signed heads of agreement at 30 June 2022.

2. Book value, excludes WIP and sundry properties.

3. Includes executed leases only.

4. Represents the percentage (by income) of total executed deals, which were expiring leases renewed by existing customers during the period. Excludes new leases on vacant space.

5. Excludes leases at new developments.

6. Incentives based on net rent.

7. Excluding a single deal at Yennora Distribution Centre, NSW, rebased to market rent.

8. Includes 52,755 sqm of new development leases.

9. Includes HoA negotiated in FY21, executed in FY22. Average rental growth on new leases negotiated in FY22 is 8.5%.

# Logistics development

## Pipeline – Accelerating Logistics developments

	Completed \$0.3bn	Active development <sup>1</sup> \$1.2bn <sup>2</sup>	Planning underway <sup>1</sup> \$1.0bn <sup>2</sup>	Future wave <sup>1</sup> \$4.2bn <sup>2</sup>
<b>NSW</b>	<div>Gregory Hills</div> <div>Leppington Business Park Stage 1</div>	<div>Ingleburn Stage 3</div> <div>Kemps Creek 1<sup>4</sup></div> <div>Leppington Business Park Stage 2</div>	<div>Kemps Creek 2<sup>4</sup></div> <div>Kemps Creek 3<sup>4</sup></div> <div>Padstow</div>	<div>Yennora Distribution Centre Stages 1-3</div>
<b>VIC</b>	<div>Melbourne Business Park Stage 1<sup>3</sup></div>	<div>Cranbourne West<sup>5</sup></div> <div>20 &amp; 42 Amherst Drive, Truganina<sup>5,6</sup></div> <div>Melbourne Business Park Lot 45</div>	<div>Altona Industrial Estate Stages 1-2</div> <div>Melbourne Business Park Stage 2</div>	<div>Future pipeline opportunities</div> <div>Brooklyn Stages 1-3</div> <div>Melbourne Business Park Future stages</div>
<b>QLD</b>		<div>Silica Street Industrial Park, Carole Park Stage 2</div> <div>Willawong Distribution Centre Stage 3</div> <div>Yatala, 77 Darlington Drive</div> <div>Yatala Distribution Centre Stage 3</div>	<div>Willawong Distribution Centre Stages 4-5</div> <div>Willawong Joint Venture Project<sup>4</sup></div>	

### DA approvals received

- Leppington Business Park, NSW - Stage 2
- Ingleburn, NSW - Stage 3
- Yatala Distribution Centre, QLD - Stage 3
- Yatala 77 Darlington Drive, QLD

### Development type

Greenfield

Brownfield

1. Subject to approvals and where applicable, the acquisition and/or completion of the property.
2. Forecast end value on completion, subject to relevant approvals.
3. Practical Completion achieved across June and July 2022.
4. Under a joint venture arrangement with FIFE Group.
5. Formerly under conditional contract and part of a joint venture arrangement. Stockland acquired the joint venture partners interest on 6 June 2022 and the asset is now 100% owned.
6. Formerly 'Leakes Road, Truganina, VIC'.



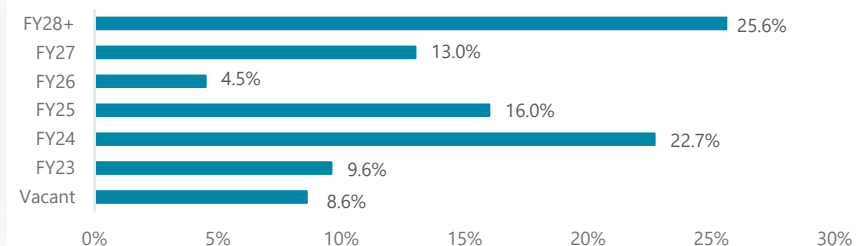
# Workplace

## Performance

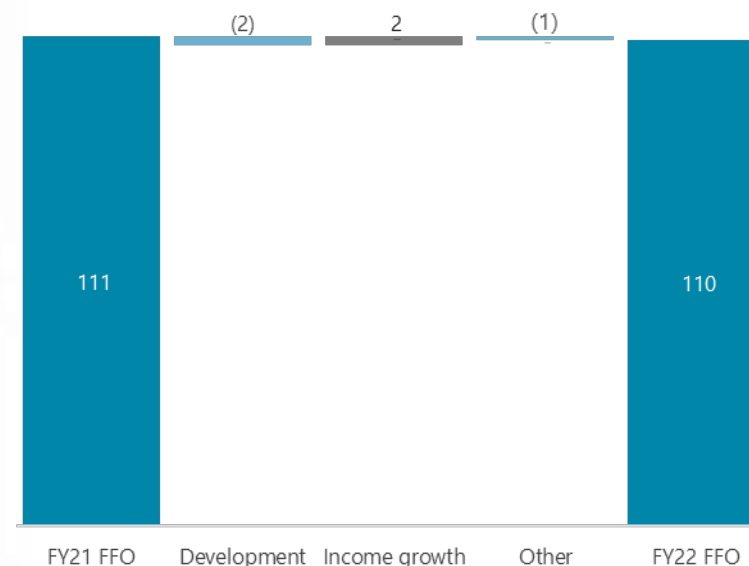
### Occupancy and lease expiry by income<sup>1</sup>

	FY22	FY21
Occupancy	91.3%	94.5%
WALE	4.4 yrs	4.7 yrs

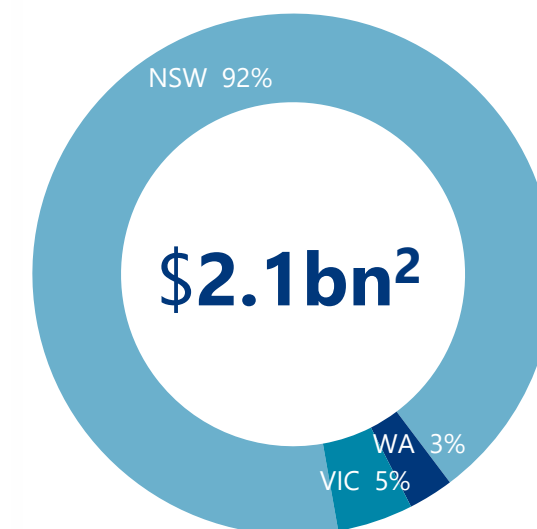
### Lease expiry profile<sup>1</sup>



### FFO movements between FY21 and FY22 \$(1)m



### Assets by location



	Total leased <sup>3</sup>			Retention <sup>3,4</sup>			New leases <sup>3</sup>		
	GLA leased (sqm)	Weighted average base rent growth %	Weighted average incentives <sup>5</sup>	Retention (sqm)	Weighted average base rent growth %	Weighted average incentives <sup>5</sup>	New leases (sqm)	Weighted average base rent growth %	Weighted average incentives <sup>5</sup>
Workplace	23,790	2.3	27.0	19,185	2.8	26.5	4,605	(1.1)	29.3

# Workplace development

Pipeline – Activating Life Sciences and Technology developments, with long-dated Workplace projects

	Completed \$0.8bn <sup>3</sup>	Active development \$0.5bn <sup>3</sup>	Planning underway \$4.0bn <sup>3</sup>	Future wave \$1.3bn <sup>3</sup>
<b>NSW</b>	Optus Campus	M_Park Stage 1 <sup>1</sup> (Building A & B)	M_Park Stage 1 <sup>1</sup> (Building C & D)  Affinity Place, North Sydney  Piccadilly, Sydney	M_Park Stage 2 Johnson & Johnson Medical Pty Ltd <sup>2</sup>

## DA approvals received

- M\_Park, NSW – Stage 1<sup>1</sup> Buildings C & D
- Affinity Place, NSW

## Development type

Brownfield

1. M\_Park Capital Partnership with Ivanhoe Cambridge.

2. Subject to approvals and exercise of the Put & Call Option.

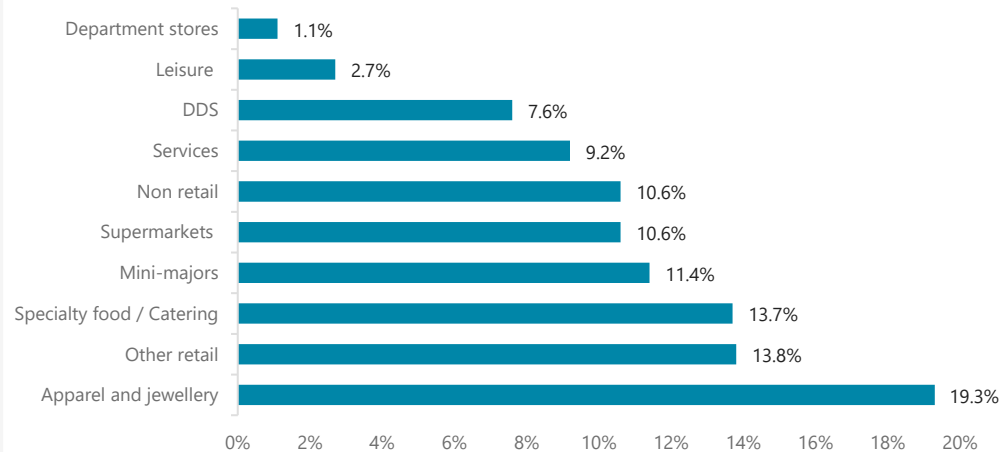
3. Forecast end value on completion, subject to relevant approvals.

Note: Commencement of development works is subject to approvals and, where applicable, acquisition of land assets and incremental development from completion.

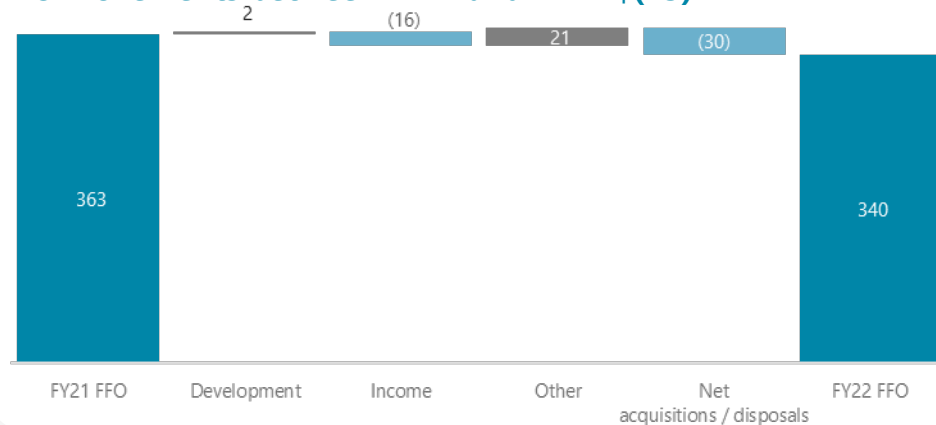
# Town Centres

## Performance

### Diversified rental income, non-discretionary focus<sup>1</sup> Low reliance on department store income and leisure



### FFO movements between FY21 and FY22 \$(23)m



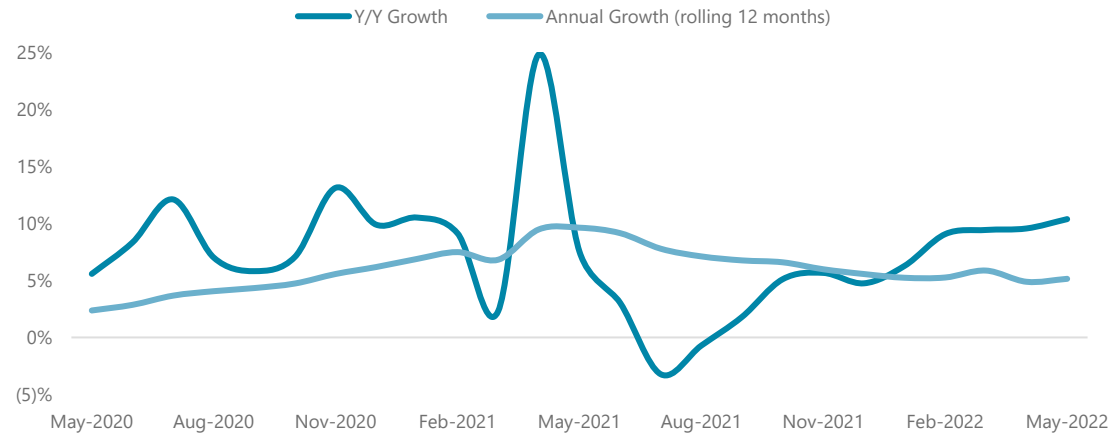
To 30 June 2022	Total portfolio <sup>2</sup>		Comparable centres <sup>3</sup>	
Retail sales by category	MAT \$m	MAT growth	MAT growth	2H22 growth
Total	5,339	(0.2)%	(0.8)%	5.9%
Specialties	1,628	(4.5)%	(4.8)%	4.8%
Supermarkets	1,921	2.0%	0.8%	3.3%
DDS/DS	741	(4.8)%	(4.3)%	5.0%
Mini majors	733	(0.3)%	(1.3)%	4.8%

To 30 June 2022	Total portfolio <sup>2</sup>		Comparable centres <sup>3</sup>	
Specialty sales by category	MAT \$m	MAT growth	MAT growth	2H22 growth
Apparel	414	(7.0)%	(7.4)%	5.2%
Food catering	308	(0.6)%	(0.5)%	7.5%
Homewares	60	(11.5)%	(11.9)%	3.5%
Retail services	246	(5.1)%	(5.0)%	3.9%

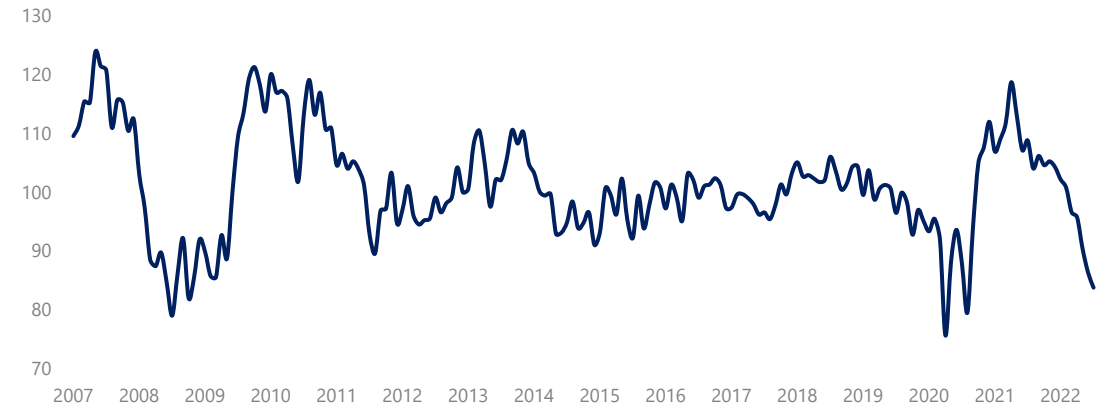
# Town Centres

Performance – Spending improved over FY22 in line with COVID-19 recovery cycles

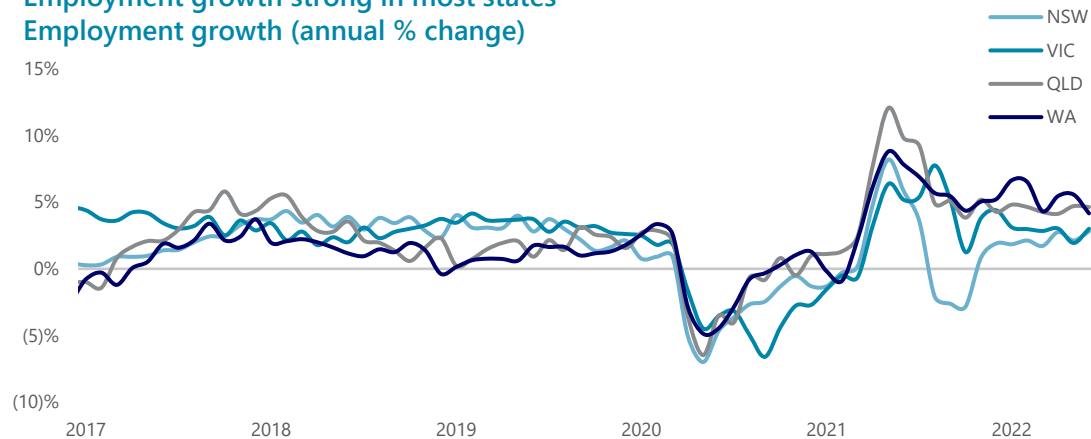
## Retail trade<sup>1</sup>



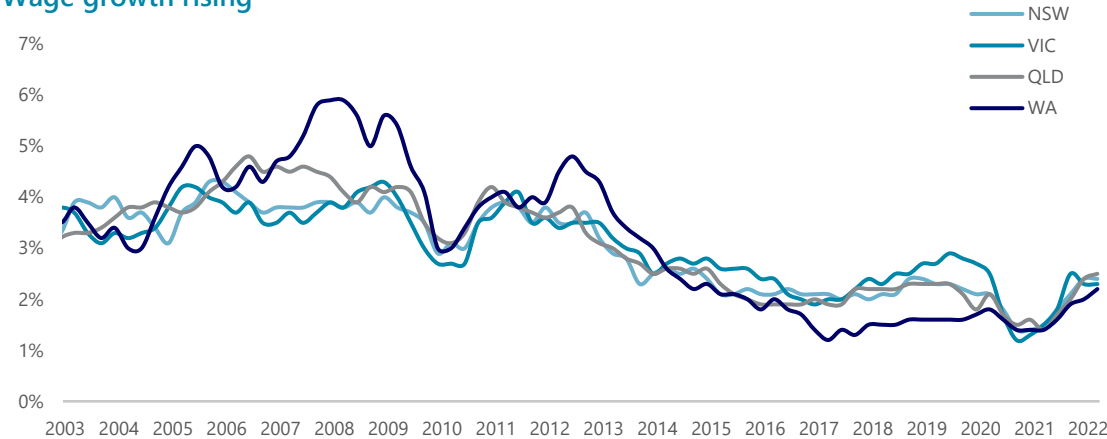
## Consumer sentiment impacted by rising cost of living and rate increases<sup>2</sup>



## Employment growth strong in most states<sup>3</sup> Employment growth (annual % change)



## Wage growth rising<sup>4</sup>





# Town Centres development

Pipeline – Focused on greenfield opportunities

	Completed -	Active development -	Planning underway \$0.4bn <sup>1</sup>	Future wave \$0.3bn <sup>1</sup>
<b>NSW</b>			The Gables	
<b>VIC</b>				Cloverton
<b>QLD</b>			Aura	Providence
<b>WA</b>				Sienna Wood

## DA approvals received

- Glendale, NSW
- Hervey Bay, QLD
- Rockhampton, QLD
- Baldivis, WA
- Harrisdale, WA

## Development type

Greenfield

# Commercial Property

## Acquisitions and disposals

Property disposed <sup>1</sup>	Asset class	Settlement date	Disposal value <sup>2</sup> \$m
Bundaberg, QLD	Retail	Sep-21	140
Townsville (Nathan Street), QLD <sup>3</sup>	Retail	Dec-21	24
Cairns, QLD	Retail	Mar-22	146
Bull Creek, WA <sup>4</sup>	Retail	-	78

Property acquired <sup>1</sup>	Asset class	Settlement date	Acquisition value <sup>2</sup> \$m
96-112 Gow Street, Padstow, NSW	Logistics	Dec-21	97
122 Canterbury Road, Bankstown, NSW	Logistics	Dec-21	32

# Commercial Property

## Logistics and Workplace development work-in-progress

Land trading projects	Asset Class	Development type	Est. total incremental cost (\$m)	Stockland est. share of gross revenue (\$m)	Net saleable area (ha)	Cost spent to date (\$m)	Est. cost to complete (\$m)	Est. completion date	Number of lots	Operating profit
<b>Completed</b>										
Gregory Hills, NSW	Logistics	Greenfield	~23	~107	11	~23	-	FY22	39	29.1%
Melbourne Business Park, VIC - Stage 1 <sup>1</sup>	Logistics	Greenfield	~73	~136	62	~49	~24	FY22 <sup>2</sup>	23	26.2%
Build-to-hold projects	Asset Class	Development type	Est. total incremental cost (\$m)	Est. end value (\$m)	Gross lettable area (sqm)	Cost spent to date (\$m)	Est. cost to complete (\$m)	Est. completion date	Est. fully leased year one yield <sup>3</sup>	Est. return <sup>4</sup>
<b>Completed</b>										
Leppington Business Park, NSW - Stage 1	Logistics	Greenfield	~32	~66	21,410	~32	-	FY22	5.1%	~8%-9%
<b>Under construction</b>										
Ingleburn, NSW - Stage 3	Logistics	Brownfield	~83	~154	48,853	~6	~77	FY23	-	-
Leppington Business Park, NSW - Stage 2	Logistics	Greenfield	~59	~114	35,634	~5	~54	FY23	-	-
Yatala Distribution Centre, QLD - Stage 3	Logistics	Greenfield	~26	~38	15,428	~2	~24	FY23	-	-
Willawong Distribution Centre, QLD - Stage 3	Logistics	Greenfield	~24	~34	13,210	~3	~21	FY23	-	-
Cranbourne West, VIC	Logistics	Greenfield	~16	~29	14,920	~1	~15	FY23	-	-
20 & 42 Amherst Drive, Truganina <sup>5</sup>	Logistics	Greenfield	~52	~77	38,550	~10	~42	FY23	-	-
M_Park, NSW - Stage 1 <sup>6</sup> (Buildings A & B)	Workplace	Brownfield	~308	~500	42,430 <sup>7</sup>	~74	~234	FY24	-	-
<b>Subtotal under construction</b>			<b>~568</b>				<b>~467</b>		<b>~5-6%</b>	<b>~8-10%</b>
<b>Future pipeline<sup>8</sup></b>			<b>~7,997</b>				<b>~7,710</b>			
<b>Total Logistics and Workplace</b>			<b>~8,565</b>				<b>~8,177</b>			

1. Project development agreement partly owned. Lots expected to settle in FY23.

2. Practical Completion achieved across June and July 2022.

3. Stabilised incremental FFO yield, includes property management fees.

4. Forecast unlevered IRR through construction and 10 years post completion (incremental development for brownfield).

5. Formerly 'Leakes Road, Truganina, VIC'.

6. M\_Park Capital Partnership with Ivanhoe Cambridge.

7. Represents Net Lettable Area (NLA).

8. Represents Stockland's ownership interest, except M\_Park representing 100% interest in partnership with Ivanhoe Cambridge.

# Commercial Property

## Top 10 tenants by income

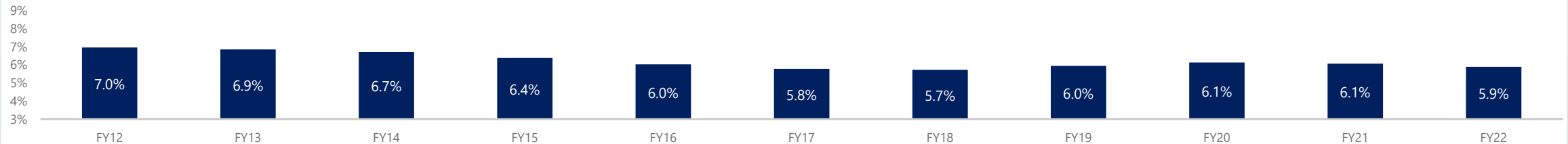
Town Centres			Logistics		Workplace	
Rank	Tenant	Portfolio	Tenant	Portfolio	Tenant	Portfolio
1	Woolworths	8.2%	Toll Transport Pty Ltd	6.2%	Optus Administration Pty Ltd	19.8%
2	Wesfarmers	5.1%	Qube Logistics (SB) Pty Ltd	5.8%	Stockland Development Pty Ltd	10.6%
3	Coles Supermarkets Australia Pty Ltd	4.3%	Linfox Australia Pty Ltd	4.7%	Jacobs Group (Australia) Pty Ltd	4.2%
4	Cotton on Clothing Pty Ltd	1.7%	New Aim Pty Ltd	4.0%	Downer EDI Services Pty Ltd	4.2%
5	API (Priceline)	1.5%	Austpac Logistics Pty Ltd	3.6%	Kmart Australia Limited	3.9%
6	Just Group	1.5%	AWH Pty Ltd	3.6%	GHD Services Pty Limited	3.7%
7	Retail Apparel Group Pty Ltd	1.4%	Gerard Lighting Holdings Pty Ltd	3.4%	University of Sydney	3.4%
8	Mosaic Group	1.3%	Daikin Australia Pty Ltd	3.1%	The Uniting Church in Australia Property Trust	3.2%
9	JPL Group	1.3%	Silk Contract Logistics Pty Ltd	2.7%	Laverty Pathology	2.9%
10	The Reject Shop	1.2%	Icehouse Logistics Pty Ltd	2.2%	Smartgroup Benefits Pty Ltd	2.9%
Total		27.5%			39.3%	58.8%



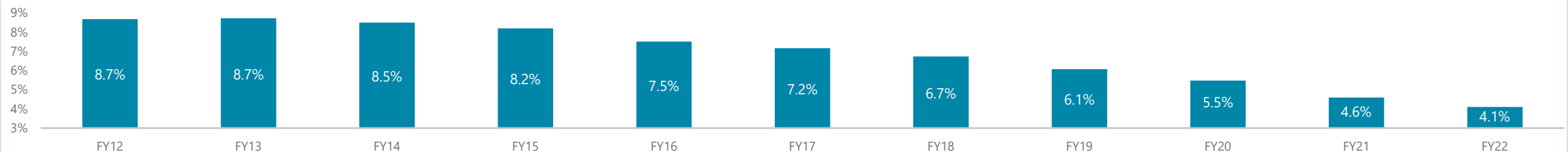
# Commercial Property

Average weighted cap rates – steady compression over time

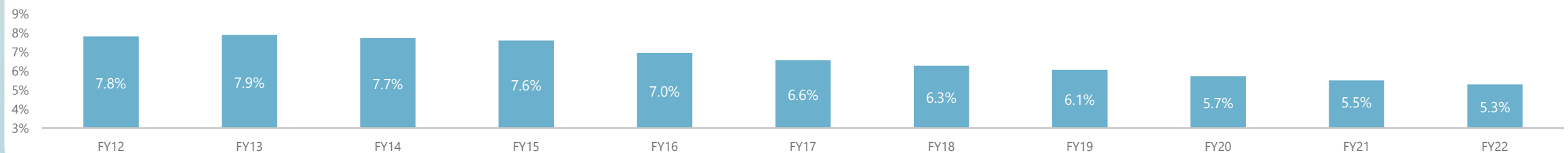
## Town Centres



## Logistics



## Workplace<sup>1</sup>



# Communities

Annexure

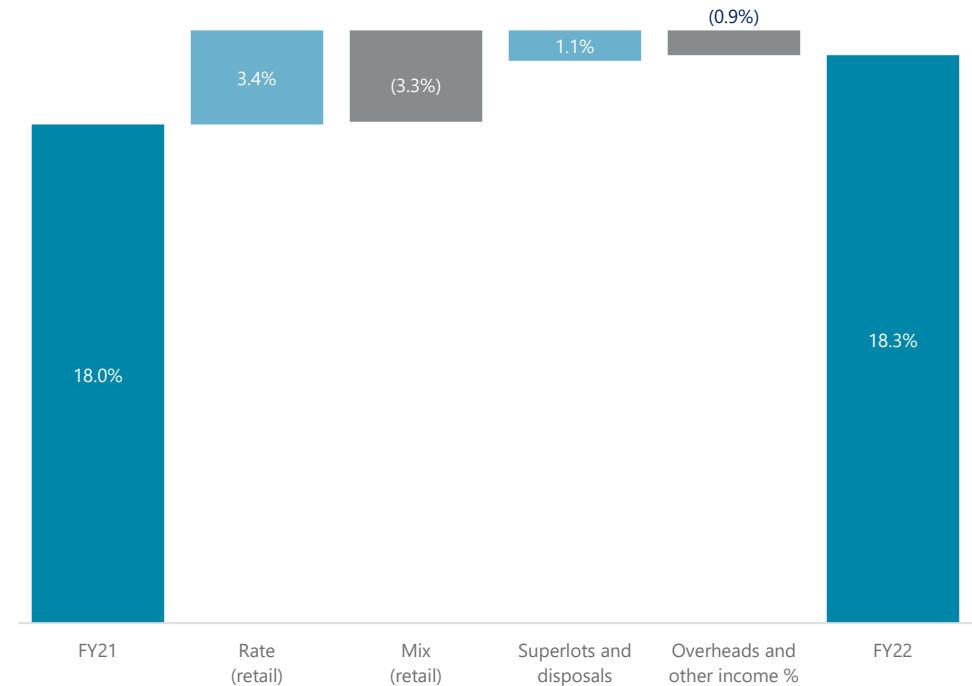


# Masterplanned Communities

Performance – Operating profit margin increase driven by price growth

Key metrics	FY22	FY21	Change
Total lots settled	5,964 <sup>1</sup>	6,374	(6.4)%
Total revenue	\$1,837m	\$1,843m	(0.3)%
- Includes superlot revenue	\$76m	\$151m	(49.7)%
Operating profit	\$336m	\$331m	1.5%
Operating profit margin	18.3%	18.0%	33bps

## Operating profit margin



# Masterplanned Communities

Lots settled by location and ownership



# Residential

## Development Pipeline – major projects

State	Project	State percentage <sup>1</sup>	Total project lots	Approximate settlements per annum <sup>2</sup>	Approximate remaining project lots	FY22	FY23	FY24	FY25	FY26	FY27
QLD	Aura <sup>3</sup>		20,000	760	15,716						
	Newport		1,937	120	416						
	North Shore		5,514	110	3,211						
	Providence		7,528	300	7,326						
	All other projects		5,250		4,160						
	<b>Sub-total</b>	<b>34%</b>	<b>40,229</b>		<b>30,829</b>						
VIC	Cloverton <sup>3</sup>		10,926	490	8,723						
	Grandview <sup>3</sup>		1,716	220	1,095						
	Highlands		11,567	540	2,564						
	Katalia <sup>3</sup>		1,542	210	1,240						
	Minta		1,622	220	794						
	Mt Atkinson <sup>3</sup>		4,399	410	3,071						
	All other projects		8,661		5,915						
	<b>Sub-total</b>	<b>34%</b>	<b>40,433</b>		<b>23,402</b>						
WA	Amberton Beach <sup>3</sup>		2,551	170	1,157						
	Sienna Wood <sup>3</sup>		3,812	150	2,658						
	Vale		3,419	110	111						
	Whiteman Edge		2,411	90	182						
	All other projects		9,509		9,501						
	<b>Sub-total</b>	<b>18%</b>	<b>21,702</b>		<b>13,609</b>						
NSW	Altrove		1,305	30	738						
	Elara		4,700	190	637						
	The Gables		2,362	330	1,914						
	Willowdale		3,717	30	94						
	All other projects		3,417		3,320						
	<b>Sub-total</b>	<b>14%</b>	<b>15,501</b>		<b>6,703</b>						
		<b>100%</b>	<b>117,865</b>		<b>74,543</b>						

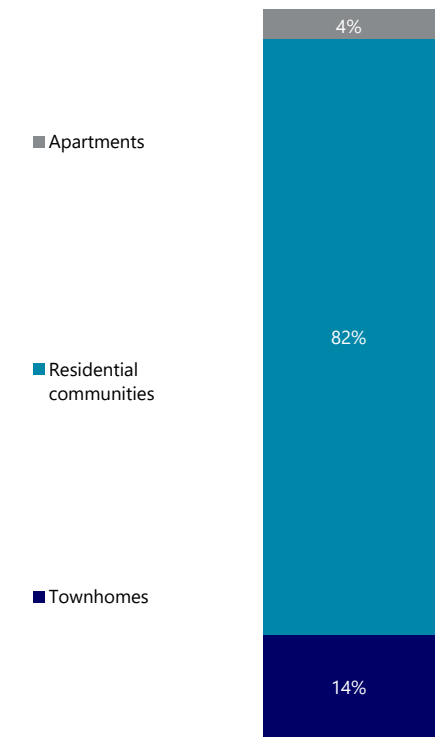
# Masterplanned Communities

Composition of Masterplanned Communities landbank<sup>1</sup> – skewed to undersupplied markets across the eastern seaboard

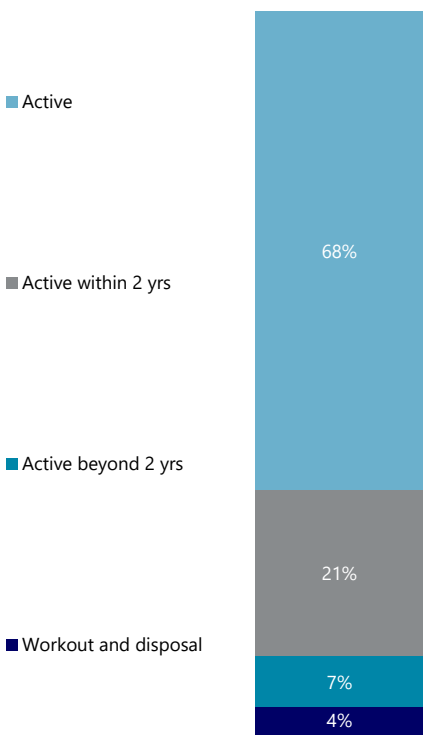
Net funds employed: \$2.0bn<sup>2</sup>

Book value: \$3.5bn<sup>2</sup>

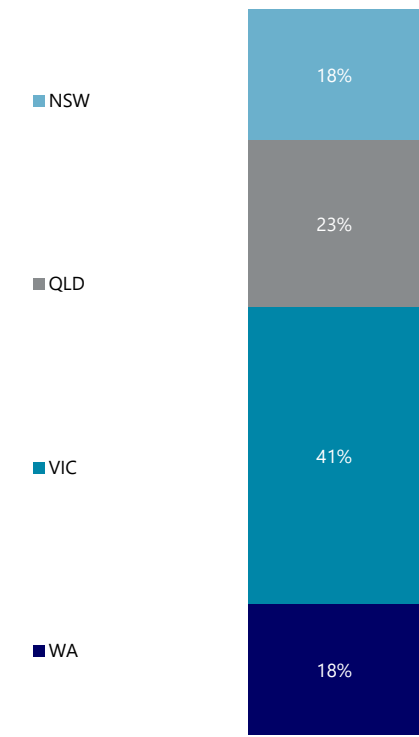
NFE by product



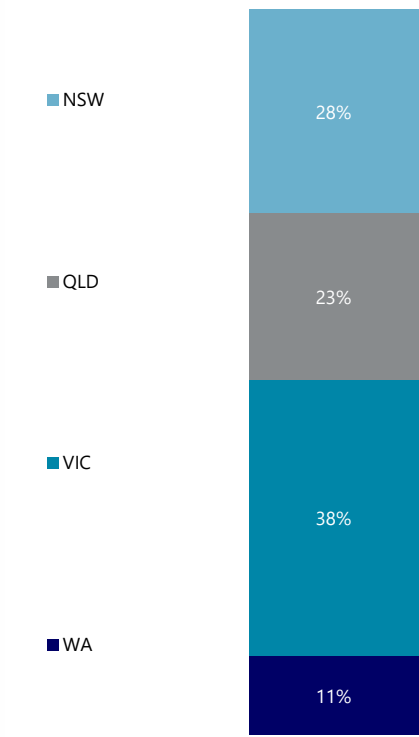
NFE by pipeline



NFE by state



Book value by state



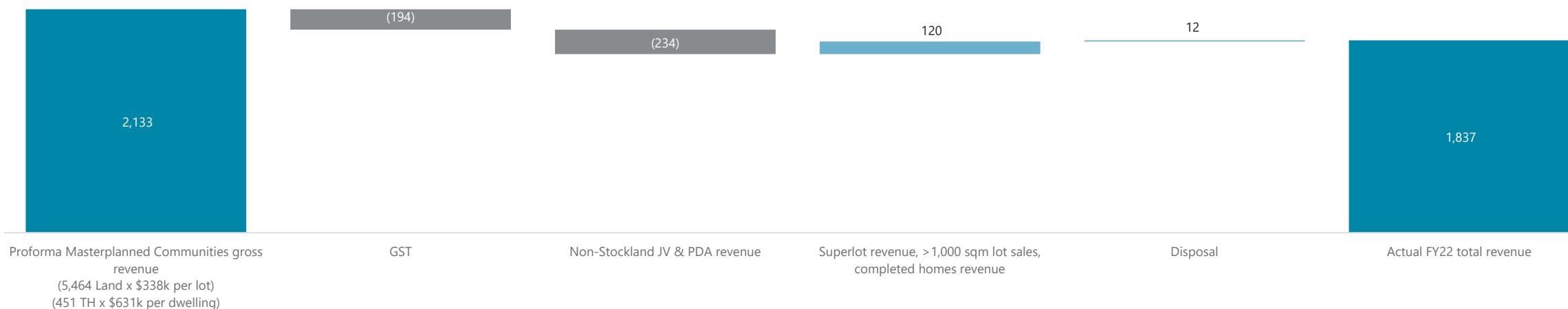


# Masterplanned Communities

Sales Price<sup>1</sup> – average price per lot across states

FY22 settlements					FY21 settlements			
State	No. lots <sup>2</sup>	Av. size per lot sqm	Av. price per lot \$k	\$/sqm	No. lots	Av. size per lot sqm	Av. price per lot \$k	\$/sqm
NSW	969	388	572	1,474	841	371	462	1,246
QLD	1,513	384	302	787	1,675	371	257	693
VIC	2,387	331	298	902	2,043	353	292	827
WA	595	352	208	592	1,267	335	209	625
<b>Total land</b>	<b>5,464</b>	<b>358</b>	<b>338</b>	<b>945</b>	<b>5,826</b>	<b>357</b>	<b>289</b>	<b>809</b>
<b>Total townhomes</b>	<b>451</b>	<b>N/A</b>	<b>631</b>	<b>N/A</b>	<b>495</b>	<b>N/A</b>	<b>623</b>	<b>N/A</b>

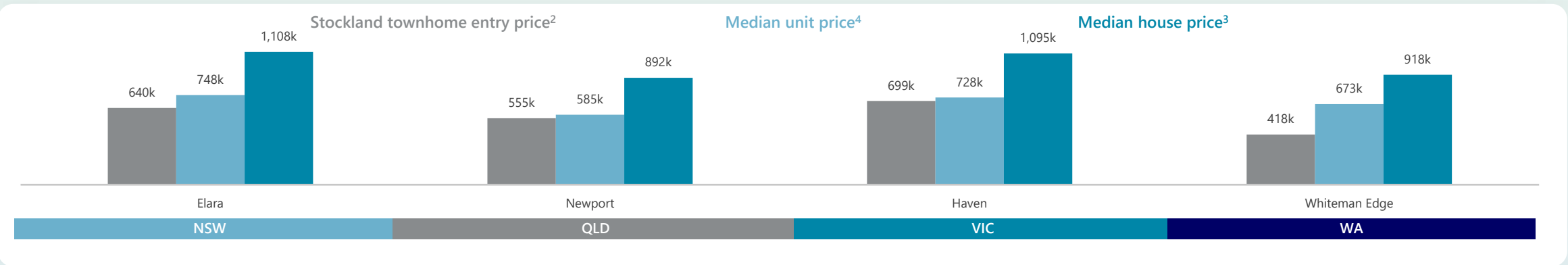
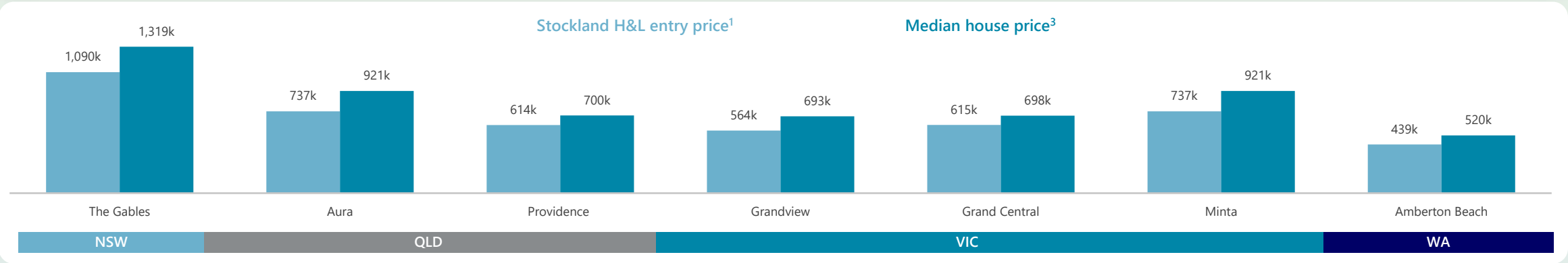
## Revenue reconciliation (\$m)



# Masterplanned Communities

Providing affordable product within our catchments

## Stockland pricing relative to local median house and unit price (\$)

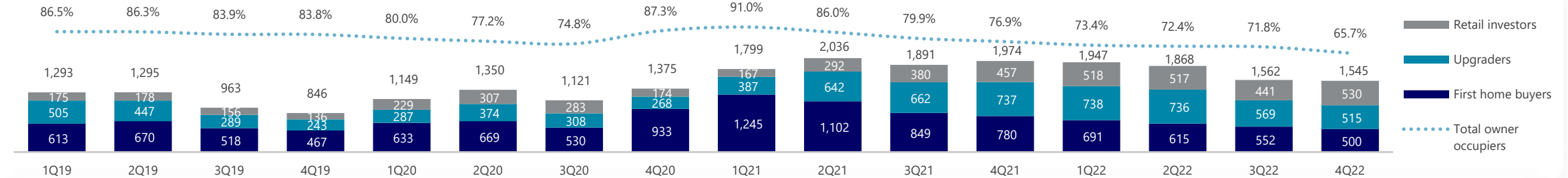


1. Stockland data, House and Land packages (4b,2b,2c) for sale/recently sold July 2022.  
2. Stockland data, Townhome product available for sale/recently sold July 2022.  
3. Corelogic Median value of established houses (4b) in surrounding suburb as at June 2022.  
4. Corelogic Median value of established units in surrounding suburb as at June 2022.

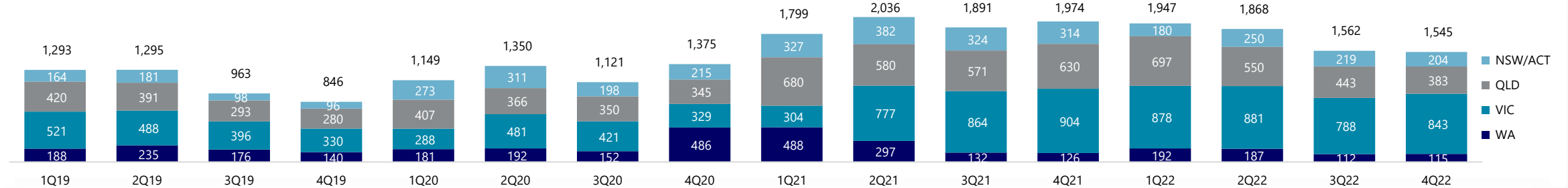
# Masterplanned Communities

Net deposits and enquiries moderating over 4Q22

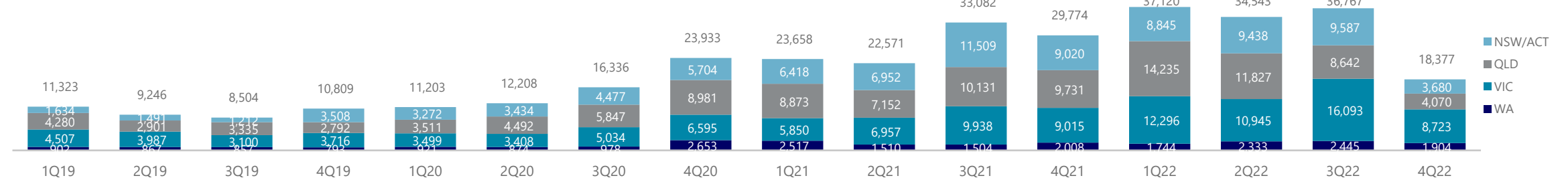
## Net deposits by buyer



## Net deposits by state



## Enquiry volumes by state



# Masterplanned Communities

## Workout contribution and impairment provision balance

### Workout contribution to Masterplanned Communities

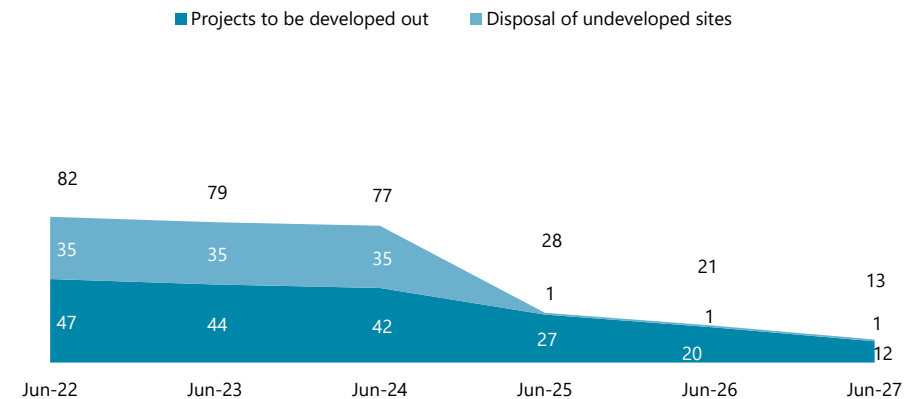
Masterplanned Communities	Core	Workout <sup>1</sup>	Total
Lots settled	5,961	3	5,964
<b>Revenue</b>	<b>\$1,819m</b>	<b>\$18m</b>	<b>\$1,837m</b>
Revenue	99%	1%	100%
<b>EBIT</b>	<b>\$405m</b>	<b>\$3m</b>	<b>\$408m</b>
EBIT margin	22.3%	16.6%	22.2%
<b>Operating profit</b>	<b>\$336m</b>	<b>\$-m</b>	<b>\$336m</b>
Operating profit margin	18.3%	-%	18.3%
<b>Remaining lots</b>	<b>99%</b>	<b>1%</b>	<b>100%</b>
<b>Number of projects</b>	<b>49</b>	<b>4</b>	<b>53</b>

### Impairment provision balance (\$m)

### Final settlement

Projects to be developed	47	~8 yrs
Disposal of undeveloped sites	35	~2 yrs
<b>Total</b>	<b>82</b>	

### Masterplanned Communities forecast utilisation of provision (\$m)<sup>2</sup>



# Land Lease Communities

## Development pipeline

### Incremental acquisitions and pipeline launches driving ramp up in settlement volumes

	Community	Remaining home sites	FY23	FY24	FY25	FY26	FY27+
In development <sup>1</sup>	Stockland Halcyon Greens, QLD	110					
	Stockland Halcyon Rise, QLD	230					
	Stockland Halcyon Promenade, QLD	370					
	Stockland B by Halcyon, QLD	210					
	Stockland Halcyon Nirimba, QLD	210					
	Stockland Halcyon Berwick, VIC	170					
	Subtotal in development	1,300					
In planning launch dates <sup>2</sup>	FY24	2,300					
	FY25+	3,630					
	Subtotal in planning	5,930					
<b>Total pipeline</b>		<b>7,230</b>					

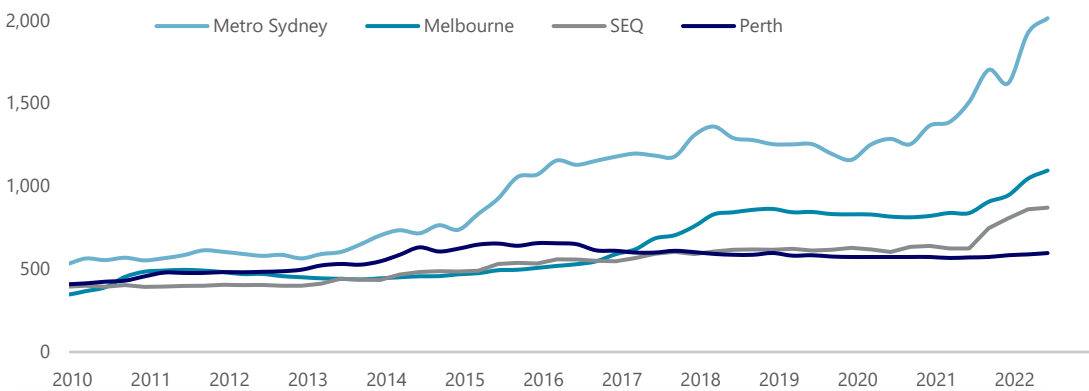
Projected growth

Significant ramp up in project launches

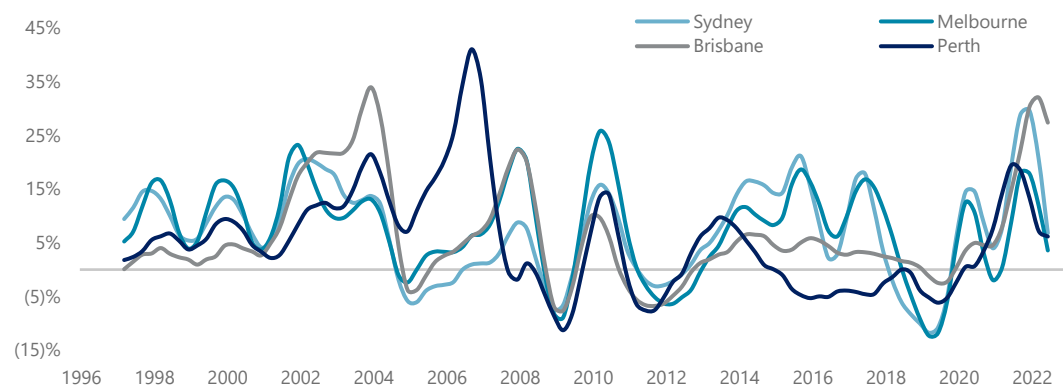
# National house and land prices

Pricing remains elevated for land whilst established house prices moderate

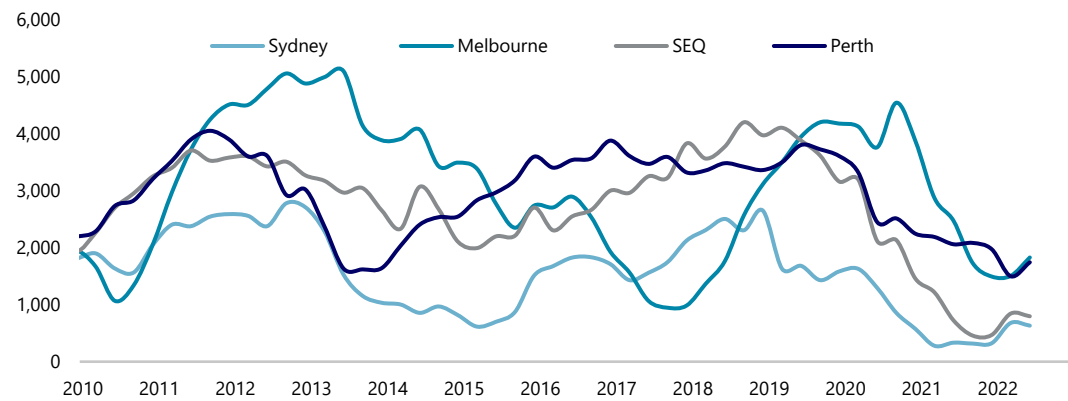
Land price per sqm<sup>1</sup>



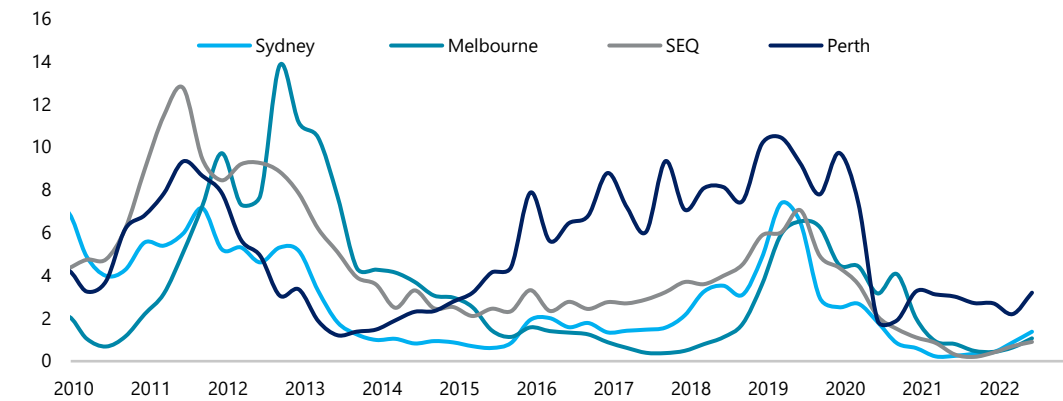
Capital city house prices – Rolling annual change<sup>2</sup>



Closing stock of land lots<sup>1</sup>



Months of stock available for sale at current rates<sup>1</sup>

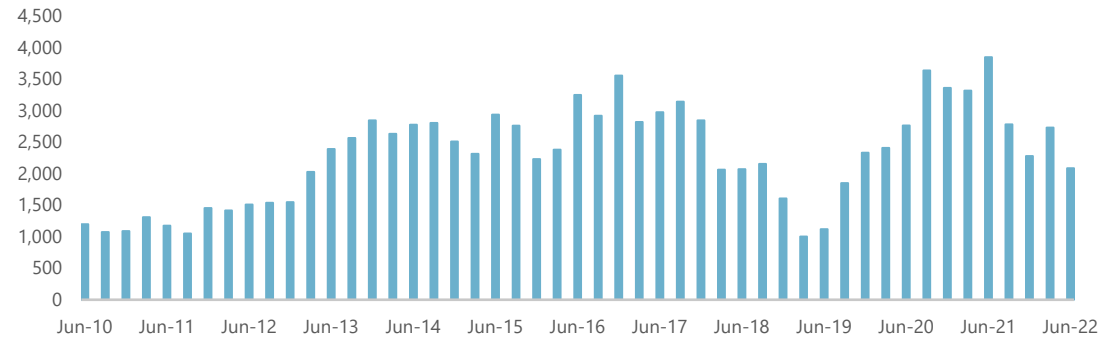




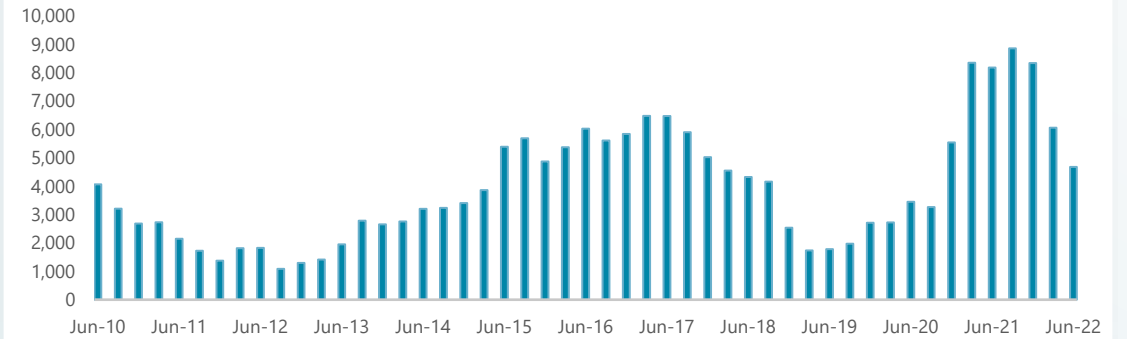
# Vacant land sales

Sales easing from historic highs in all markets

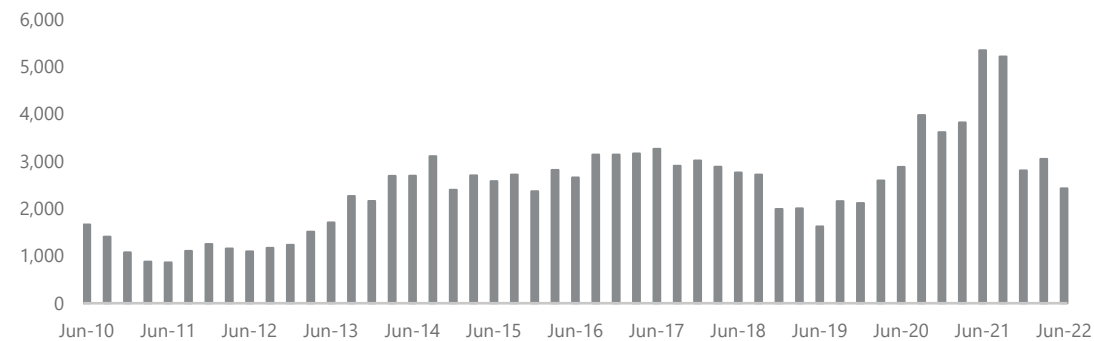
NSW vacant land quarterly sales



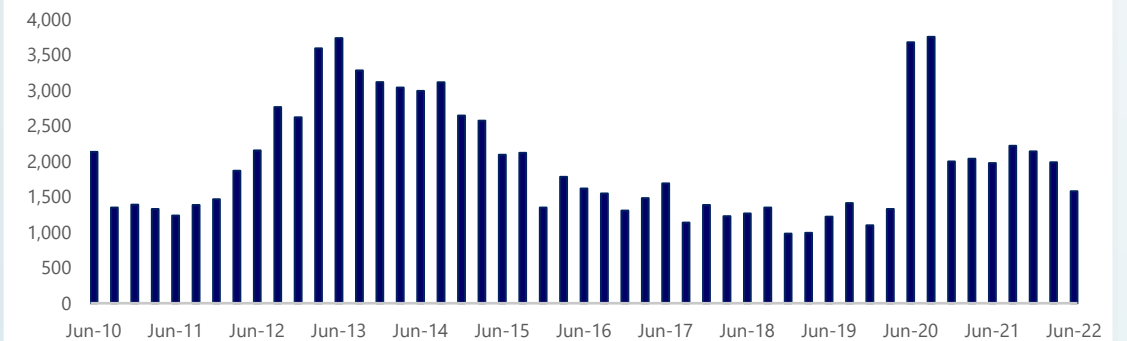
VIC vacant land quarterly sales



SEQ vacant land quarterly sales

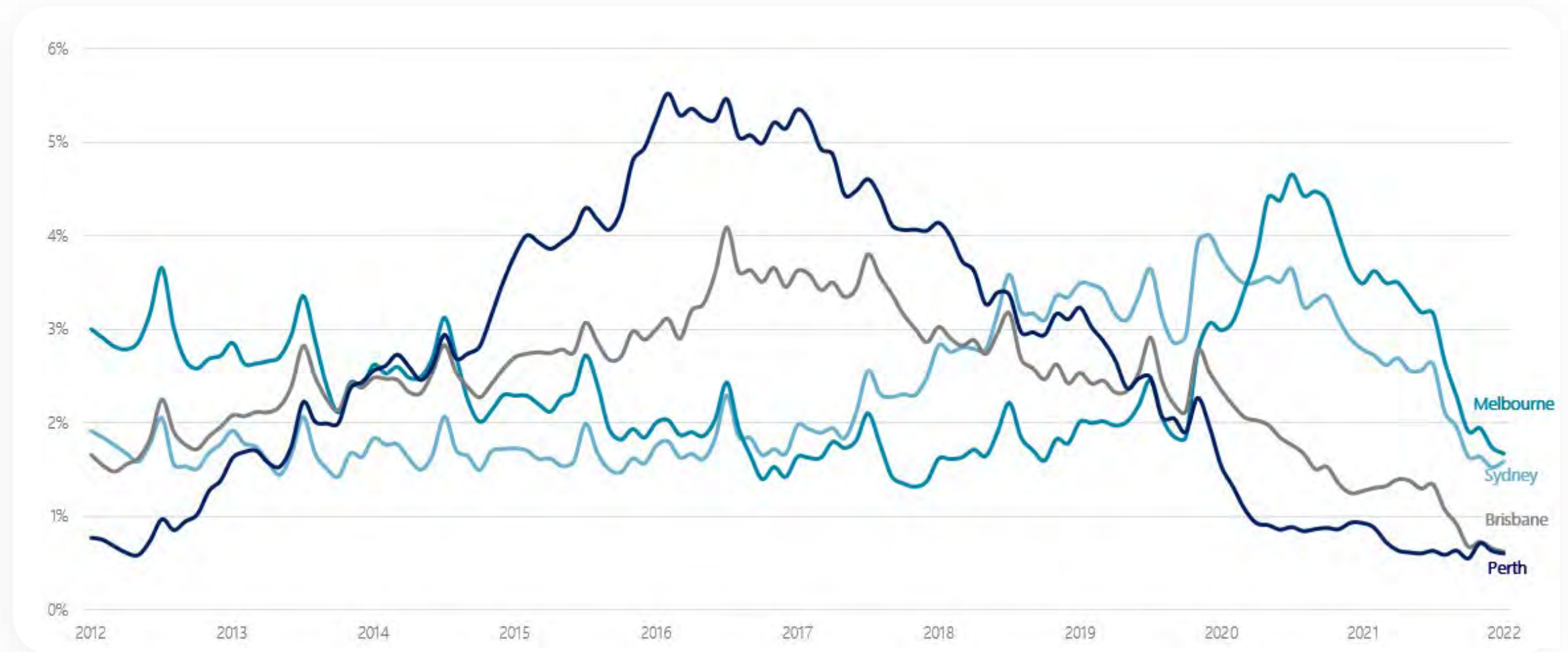


PERTH vacant land quarterly sales



# Residential vacancy rates

Falling in Sydney and Melbourne and historically low in Brisbane and Perth



## **Stockland Corporation Limited**

ACN 000 181 733

Stockland Trust Management Limited

ACN 001 900 741; AFSL 241190

As responsible entity for Stockland Trust

ARSN 092 897 348

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