20 August 2025

Stockland delivers FY25 result at top end of guidance; expects strong FFO growth in FY26

Financial results for the twelve months ended 30 June 2025 (FY25)

FY25 Highlights

Financial performance[1]

- Statutory profit of $826m, compared with $305m for FY24
- Post-tax Funds From Operations (FFO) of $808m, up 2.8%
- FFO per security of 33.9c; full year distribution per security of 25.2c, representing 75% payout ratio
- Net Tangible Assets (NTA) per security of $4.22, compared with $4.12 per security at 30 June 2024
- Strong capital discipline with gearing of 25.2% and liquidity of ~$2.9bn

Execution of strategy

- Established three new capital partnerships:
  - 50/50 partnership[2] to develop >$3.5bn, 340,000 sqm multi-story logistics hub, adjacent to Sydney Airport
  - Two[3] Logistics partnerships with a combined total initial portfolio value of ~$800m
- Exclusive arrangement with EdgeConneX to establish a partnership to develop, own and operate a data centre portfolio[4]; exploring opportunities across Stockland's Logistics pipeline
- Secured power[5] and zoning for more than 100MW of data centre development at MPark Stage 2, NSW
- Recycled ~$289m of Logistics assets where value has been optimised
- Completed and successfully integrated the acquisition of 12 MPC projects[6] ('acquired MPC portfolio')
- Secured the Waterloo Renewal Project in NSW, alongside consortium partners[7], to deliver ~3,000 apartments
- Continued realisation of the ~$56bn[8] development pipeline:
  - Launched ten projects across MPC, LLC and apartments
  - MPC and LLC development pipeline 82% activated[9]
  - Commenced ~$500m[10] of Logistics, Town Centres and Community Real Estate developments

Guidance[11]

- FY26 FFO per security of between 36.0 and 37.0 cents, with a slightly smaller weighting to 2H than FY25
- FY26 distribution per security expected to be 25.2 cents per security, in line with FY25

[1] Comparative period the 12 months ended 30 June 2024 unless otherwise stated.
[2] Partnership with John Boyd Properties, exchanged on 26 June 2025 and formed on 3 July 2025.
[3] Stockland M&G Asia Partnership Trust (SMAPT) and Stockland Logistics Partnership Trust (SLPT1).
[4] Establishment of partnership remains subject to documentation and approvals.
[5] Power allocated and subject to contract finalisation.
[6] Acquisition via the Stockland Supalai Residential Communities Partnership (SSRCP), settled on 29 November 2024.
[7] Link Wentworth, City West Housing and Birribee Housing, contract finalised on 10 April 2025.
[8] Total development pipeline. Includes projects in early planning stages, planning approval, under construction and projects under partnerships at 100%.
[9] Communities that have launched and are selling.
[10] Forecast end value on completion.
[11] All forward looking statements including FY26 earnings guidance, remain subject to no material change in market conditions.

FY25 Results

Stockland (ASX: SGP) delivered a strong financial and operational result reflecting a material lift in settlement volumes from masterplanned communities, higher development fee income and strong performance from the logistics portfolio.

Significant progress was made in positioning the business for sustainable growth, including the successful integration of 12 active masterplanned communities, the addition of three new capital partnerships, further asset recycling and the addition of future opportunities in the residential, logistics and data centre sectors.

Managing Director and Chief Executive Officer, Tarun Gupta said, *"Our FY25 financial result was at the top end of our guidance range, and we expect strong earnings growth in FY26.*

"The acquired MPC portfolio is performing ahead of our acquisition assumptions, delivering FY25 settlement volumes above our expectations with new releases from the portfolio being met with strong customer demand.

"Building on the two logistics partnerships announced in 1H25, we formed a strategic partnership with John Boyd Properties to redevelop a prime 18.3-hectare site, adjacent to Sydney Airport, into a world-class logistics hub with an expected end development value of >$3.5bn.

"We've also announced today an exclusive arrangement to partner with EdgeConneX, a leading global data centre provider backed by EQT Infrastructure, to develop, own, and operate a portfolio of Australian data centres. Subject to documentation and approvals, this collaboration marks a significant step forward with a high-quality operator in hyperscale infrastructure.

"The disciplined execution of our strategy is delivering positive outcomes for our stakeholders. We have positioned the business for a step-change increase in production from FY26, providing more housing solutions in an undersupplied market. We have also established multiple drivers of sustainable growth in future periods, including capital efficient, longer-term residential and logistics projects secured during FY25."

Financial result[12]

Stockland delivered a statutory profit of $826m compared with $305m for FY24, with the result for FY25 including a positive net investment property revaluation movement of $197m.

Funds from Operations (FFO) was $808m, up 2.8% on FY24 with FFO per security of 33.9 cents at the top end of the guidance range of 33.0 cents to 34.0 cents.

The result reflects a strong contribution from Masterplanned Communities (MPC) and growing fee income from partnerships across MPC, Commercial Development and Land Lease (LLC). The Investment Management portfolio delivered comparable[13] growth of 3.0%, with a lower contribution from the Investment Management segment reflecting capital recycling over FY24 and FY25 to fund growth opportunities and seed the establishment of new partnerships.

FY25 Funds From Operations (FFO) summary

$m	FY25	FY24	Change
Investment Management FFO	591	630	(6.3)%
Development FFO	460	412	11.6%
Unallocated corporate overheads	(90)	(96)	(6.8)%
Net interest expense	(79)	(103)	23.4%
Total Pre-tax FFO	**882**	**843**	4.6%
FFO tax expense	(74)	(57)	(30.3)%
Total Post-tax FFO	**808**	**786**	2.8%
Post-tax FFO per security (cents)	33.9	33.0	2.7%
AFFO per security (cents)	29.1	27.7	5.1%
Distribution per security (cents)	25.2	24.6	2.4%
Statutory profit	**826**	**305**	170.6%

[12] Comparative period the 12 months ended 30 June 2024 unless otherwise stated.
[13] Excludes acquisitions, divestments and assets under development.

The weighted average cost of debt was 5.3%[14] for FY25, in line with FY24, and is expected to average 5.2% for FY26. The weighted average debt maturity sits at 4.6 years compared with 5.2 years at 30 June 2024. The fixed hedge ratio averaged 76% during FY25 compared with 58% over FY24.

The distribution for FY25 is 25.2 cents per security, compared with 24.6 cents per security in FY24.

Capital Management

Stockland's capital management settings are aligned with its growth objectives. Gearing of 25.2%, around the midpoint of the target range, provides funding flexibility for the Group. In addition, Stockland continues to employ a range of funding options including ongoing capital recycling, partnering with third party capital and securing opportunities on capital efficient terms.

The Distribution Reinvestment Plan was activated in 1H25 and remained in place for 2H25.

With significant incremental growth opportunities secured with attractive expected returns, Stockland has reviewed its payout ratio target range. From FY26, Stockland will target a distribution payout of between 60% and 80% of FFO, aligning with its focus on long term value creation. For FY26 the distribution is expected to be 25.2 cents, in line with the FY25 level.

Investment Management[15]

The Investment Management segment delivered FFO of $591m, down 6.3% on the prior year. The result primarily reflects the disposal of ~$980m[16] of Town Centres and Logistics assets across FY24 and FY25 and the transfer of ~$800m of Logistics assets into new partnerships, consistent with the strategy to scale capital partnerships.

The ~$10.4bn Investment Management portfolio recorded comparable[17] growth of 3.0% driven by a strong performance in Logistics and continued growth from the optimised Town Centres portfolio and Communities Real Estate. Positive releasing spreads were achieved across each of the Logistics, Workplace and Town Centres portfolios.

Approximately 79% of the Investment Management portfolio (by value) was independently revalued during FY25 resulting in a 2.0%, or $197m[18] increase on the 30 June 2024 book value. This reflects continued rental growth for the Logistics portfolio and the essentials-based Town Centres portfolio, partly offset by soft market conditions and repositioning across the Workplace portfolio.

Three new partnerships were formed in FY25 in the Logistics sector. In 1H25, we announced two partnerships with leading global investors M&G Real Estate and KKR. The partnerships have a combined gross initial value of ~$800 million. In 2H25, a new 50/50 partnership was formed with John Boyd Properties to redevelop the Kogarah Golf Course, adjacent to Sydney Airport.

Investment Management FY25 Funds From Operations summary

$m	FY25	FY24	Change	Comparable[17] growth
Investment Management FFO	**591**	**630**	**(6.3)%**	**3.0%**
Logistics FFO	172	168	2.6%	7.1%
Workplace FFO	111	115	(3.4)%	(2.2)%
Town Centres FFO	319	359	(11.2)%	3.2%
Communities Rental Income	21	18	19.7%	3.1%
Investment Management Fee Income	32	30	6.0%	
Investment Management net overheads	(65)	(60)	8.3%	

[14] Average over the 12 months.
[15] Comparative period the 12 months ended 30 June 2024 unless otherwise stated.
[16] At Stockland share, excludes sales to partnerships.
[17] Excludes acquisitions, divestments and assets under development.
[18] Represents net valuation change for 12 months to 30 June 2025. Excludes sundry properties and stapling adjustment, includes investment properties under construction (IPUC) and Stockland's share of equity accounted investments. Includes movements relating to build-to-hold projects that sit in the development segment.

Investment Management Portfolio highlights

Logistics

Strong performance from well-located ~$3.5bn eastern seaboard portfolio

- FFO reflects strong operational growth and contributions from completed developments, partly offset by asset disposals and transfers into partnerships
- Comparable[19] FFO growth of 7.1%, driven by strong re-leasing spreads of 29.4%[20]
- Strategic asset recycling with five assets divested for a combined value of ~$289m
- Portfolio positioned for brownfield redevelopment: Yennora Intermodal, NSW; Brooklyn Distribution Centre, VIC

Workplace

Majority of the ~$1.7bn portfolio being prepared for repositioning

- FFO reflects the impact of several assets being held for redevelopment
- Comparable[17] FFO of (2.2)% driven by higher vacancy in the Perth and Macquarie Park markets
- Positive re-leasing spreads of 5.4%[20,21] underpinned by strong leasing at Macquarie Park, NSW and Piccadilly Complex, Sydney CBD
- Portfolio WALE of 6.0[21] years reflects 12-year lease achieved at 16 Giffnock Avenue, Macquarie Park, NSW

Town Centres

Optimised ~$4.7bn essentials-based portfolio continues to deliver growth

- FFO reflects $690m of non-core asset disposals during FY24
- Comparable[22] FFO growth of 3.2% with re-leasing spreads of 3.0%[23]
- Specialty occupancy costs[24] of 15.1%, in line with the prior year and below 10-year averages
- On a MAT basis, total comparable sales grew by 3.1% (adjusted for a four-week June sales period for the Majors vs five weeks in FY24)

Communities Rental Income

Increased Land Lease completions driving growth

- Rental income of $21m, up ~20% on the prior year primarily driven by LLC completions
- Portfolio of 3,325 homes with a stable net operating margin

Investment Management Fee Income

Ongoing fees from a growing number of established partnerships

- Fee income of $32m, up 6% on the prior year
- FY25 includes performance fee income, partly offset by lower fees generated from MPark

[19] Excludes acquisitions, divestments and assets under development.
[20] Re-leasing spreads on new leases and renewals negotiated over the period.
[21] Excludes Walker Street Complex and 601 Pacific Highway in NSW.
[22] Excludes acquisitions, divestments and assets under development. Comparable basket of assets as per the Shopping Centre Council of Australia (SCCA) guidelines, which excludes assets which have been redeveloped within the past 24 months. Excludes Stockland Piccadilly, NSW.
[23] Rental growth on stable portfolio on an annualised basis.
[24] Occupancy cost reflects stable assets, adjusted to reflect tenants trading more than 24 months.

Development[25]

The Development segment delivered FFO of $460m, underpinned by a strong performance from the MPC business, which included a part year contribution from the acquired MPC portfolio, and higher fee income from partnerships across MPC, Commercial Development and LLC. The LLC business delivered a significant increase in settlement volumes, offset by lower gains on transfers into partnerships compared with FY24.

In FY25, Stockland generated $67m in development-related fees, reflecting growth in partnerships, underpinned by the acquisition of 12 MPC communities in 50/50 partnership with Supalai. Development fee income is expected to increase over time as production rates increase and with a greater proportion of settlements coming from projects held in joint venture or project development agreements.

The MPC business achieved 6,865[26] lot settlements, above the target range of 6,200 – 6,700 settlements, with settlement volumes from the acquired MPC portfolio exceeding expectations. Net sales volumes for the year were up 20% to 5,728 lots, while new releases from the acquired MPC portfolio have been met with strong customer take-up. Victoria saw a material improvement in enquiries and sales in 4Q25, while there was continued demand and sustained price growth in Queensland. In Western Australia, demand has moderated but remains solid with new releases selling well, while in New South Wales, demand remains consistent notwithstanding affordability constraints.

The LLC business delivered 526 home settlements, up from 444 in the prior year. The result was above the revised target of 500 settlements, but below the original FY25 target of 600 – 650 settlements due to delays from QLD weather events and lower sales in VIC.

Approximately ~$600m[26] of Logistics assets are currently under construction, supported by more than 260,000 sqm[27] of leasing transactions during the year. Stockland also continues to progress its Town Centre and Communities Real Estate development pipelines with ~$270m[26] of projects underway.

The Logistics development pipeline was further enhanced with the formation of a new 50/50 partnership with John Boyd Properties to redevelop an 18.3-hectare site in Sydney's South. Over time, the redevelopment will comprise a multi-storey ~340,000 sqm logistics hub with an estimated end value of >$3.5bn.

Development FY25 Funds From Operations summary

$m	FY25	FY24	Change
Total Development FFO	**460**	**412**	**11.6%**
Masterplanned Communities FFO	523	481	8.7%
Land Lease Communities FFO	60	67	(10.3)%
Commercial Development Income	6	8	(24.7)%
Development Management Fee Income	67	46	47.7%
Development net overheads	(196)	(189)	3.7%

Development Portfolio highlights

Masterplanned Communities

New releases and project activation driving strong sales rates

- Achieved 6,865[28] settlements, up from 5,637 settlements in FY24
- Operating profit margin of 22.9%; underlying growth in most markets offset by mix shift to lower margin projects
- Net sales of 5,728 underpinned by a stronger 2H25
- Strong enquiry levels on the back of an improved interest rate environment
- Successful integration of the acquired MPC portfolio with average price growth exceeding assumptions
- Targeted restocking on a capital efficient basis
- Good visibility into FY26 with 4,081 contracts on hand

[25] Comparative period the 12 months ended 30 June 2024 unless otherwise stated.
[26] Forecast end value on completion.
[27] Includes 52,519 sqm of leasing on developments completed during year.
[28] Includes 3,216 settlements under joint venture/project development agreements (FY24: 2,005).

- FY26 MPC settlements of between 7,500 – 8,500 are expected with operating profit margin in the low 20% range and a greater proportion of settlements in JV and PDA arrangements than in FY25.

Land Lease Communities

Project activation driving increased sales

- Delivered 526 home settlements, up from 444 in FY24
- Operating profit margin of 22.0%[29], reflecting trade out of some higher margin communities in QLD
- Transferred five projects into the Stockland Land Lease Partnership (SLLP1)
- Launched five new communities including four in QLD and one in WA
- Actively trading from 15 communities across four Australian states
- Net sales up 19% on FY24 to 573; reflects positive responses to new launches
- 398 contracts on hand at higher average pricing vs FY25 settlements
- FY26 LLC settlements are expected to be 700 – 800 with operating profit margin in the low 20% range

FY26 Outlook and guidance[30]

- FY26 FFO per security is expected to be in the range of 36.0 to 37.0 cents with a slightly smaller weighting to 2H than FY25
- FY26 distribution per security is expected to be 25.2 cents, in line with FY25 and within Stockland's revised payout ratio range of 60 to 80% of FFO
- Gearing is expected to remain within the targeted range of 20-30%

FY25 Results briefing

This announcement should be read in conjunction with Stockland's FY25 corporate reporting suite, available at https://www.stockland.com.au/investor-centre/results

Stockland will hold a market briefing at 11.15am (AEST) today, Wednesday 20 August 2025.

Please register for the webcast at: https://meetings.lumiconnect.com/300-113-370-307

Ends

This announcement is authorised for release to the market by Ms Katherine Grace, Stockland's Company Secretary.

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[29] Excludes transfer of communities into capital partnerships.
[30] All forward looking statements remain subject to no material change in market conditions.