

INVESTOR INSIGHT

NOVEMBER 2014

VILLAWORLD



SUCCESS
THROUGH
PROPERTY



Era – Capalaba, Brisbane





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FROM THE CEO AND MANAGING DIRECTOR

I would like to extend my thanks to all those shareholders who were able to attend Villa World's Annual General Meeting in Broadbeach on 30 October 2014. The event was well attended and it was a great opportunity to share our successes over the last financial year with many of our supporters.

STRENGTHENING STRATEGIC GUIDANCE

In official business we welcomed the re-election of Mark Jewell as Chairman and David Rennick as a non-executive Director. Both Mark and David are well positioned to guide Villa World towards achieving our goal of success through property. David was initially appointed to the Board in September 2014. He is recognised as one of Victoria's leading legal experts in the property sector and is well positioned to support Villa World's expansion into the Victorian market.

Mark reaffirmed the Board's commitment to maintaining our policy of paying out 50 to 75 percent of net profit after tax in dividends over the course of FY15.

SHOWCASING THE VILLA WORLD APPROACH

I was delighted to have the opportunity to meet and talk to our shareholders following the formal AGM proceedings. We value the relationships we build with our shareholders and have been actively engaging with the investment community to highlight how we are achieving success through property.

In November we will be joined by institutional investors, analysts and banks to visit three of our key projects located in south east Queensland – Era (Capalaba), Mount Cotton Village (Mount Cotton) and Circa Metro (Nudgee).

These tours are a valuable opportunity to provide members of our investment community with the opportunity to see first-hand the benefits of the Villa World approach. The three projects were selected to demonstrate each stage of our design and build process. The Mount Cotton development provides an opportunity to view an established Villa World community, alongside civil works and house-build of new stages currently under construction.

Feedback from past tour participants was that they enjoyed being able to see all stages of development - from civil construction to home building, as well as the range of products offered to appeal to each of Villa World's key market segments.

Mt Cotton Village – Mt Cotton, Brisbane



A NEW ERA IN DESIGN

Our team of designers constantly strives to adopt smarter design practices to make sure our range of homes deliver open and more versatile living spaces that cater to all lifestyles and budgets.

We are especially proud to welcome tour participants to the display home at Era. This newly completed display home showcases a range of new design features including movable walls that create flexible living spaces, high 2.57m ceilings throughout, 600mm floor tiles and walk-in pantries.

INVIGORATING OUR SALES AND MARKETING APPROACH

We've been working to refresh our marketing and branding and have now launched a new marketing approach. I would encourage you to read more about the great work Robyn Valmadre and the sales and marketing team have been doing to position Villa World in the competitive marketplace, on page 7.

We have been pleased by the enthusiastic interest in our recently released communities, and a key focus for the remainder of FY15 will be on delivering our successful sales strategy.

Between late September and early November we released five new communities, representing 800 lots to the market. These releases are expected to kick-start the upwards trend for sales in the second half of FY15. In south-east Queensland we released stages at three communities - Era, Parkside and Waterline. In Victoria we released two projects - Roxburgh Park and Cardinia Views. More information about these exciting communities is available in this edition of Investor Insight.

We are stepping up our production to meet demand and intend to deliver more than 800 lots in FY15. We are delivering in line with our forecast and expect that we will meet our full year production target.



Robyn Valmadre

Era - Capalaba, Brisbane

Circa Metro - Nudgee, Brisbane



FROM THE CEO AND MANAGING DIRECTOR (CONTINUED)

ACQUISITION STRATEGY ON TARGET

Naturally, our acquisition strategy will be critical in meeting our delivery targets. Our strategy to grow our Victorian land bank is well on track. We were delighted to share with investors at our AGM that we have acquired a significant parcel of land located in the northern growth corridor of Melbourne. Following successful implementation of a Precinct Structure Plan and planning permit, this joint venture will see approximately 940 residential lots developed on the 66 hectare site, and we expect that new families will start to call this community home by mid-FY18. Importantly, because this long-term project will be structured as a joint venture and managed by Villa World, we are well placed to mitigate and share the risks associated with its size and planning status.

In the short to medium term, we will strategically acquire land in new areas, as well as replacement projects for completed, or near completed projects.

In FY15, we have added 1,537 lots to our project pipeline. More information about our acquisitions is available on page 8.

A FOCUS ON THE FUTURE

Market conditions remain favourable, with First Home Buyer grants, low interest rates and consumer confidence. The Villa World team remains focused on delivering its FY15 guidance.

Craig Treasure

Craig Treasure

CEO and Managing Director



Cardinia Views - Pakenham, Melbourne



Roxburgh Park - Melbourne



THE COMPLETE ADDRESS. THE COMPLETED HOME. THE SINGLE CONTRACT.

Insight from recent market research has led our Sales and Marketing team to introduce a fresh approach to how we market Villa World and our projects.

Our sales team are now equipped to lead potential buyers through a professional and educational experience about who Villa World is, what we are about, and why we are so great at what we do. Our goal is to make sure everyone who visits a Villa World display home is as passionate about our story as we are!

The Villa World story and the Villa World Promise have been applied across all marketing material and in display homes.

Success

Established in 1986, Villa World is Queensland's oldest ASX listed housing developer and one of Australia's largest integrated housing providers.

For over 25 years, Villa World has been creating new homes for people at all different stages in life.

Villa World creates value through a simple philosophy of quality craftsmanship, design innovation and enduring relationships.

Providing more than just a home, Villa World creates an address. We deliver the home, the street and the planned community to create whatever is needed for families to thrive.

Today, more than 35,000 Australians call a Villa World address their home.

When you make your home a Villa World home, be confident we have taken a long-term view, intimately designing each home for the way you live your life today, tomorrow and into the future.

Our homes are complete, ready to move into. Our internal and external finishes are selected by professional designers and you can be sure there are no hidden costs. When it's time to move in, you can do just that, with the peace of mind knowing everything else is done.

We ask for only one deposit, one contract and upon completion, one final payment. It's that easy when it's all delivered by one leading developer.

We value and appreciate our people, partners and customers. We want buying a new home to deliver value and positive experiences across all our relationships.

At Villa World, we want you to feel welcome and part of our community.

Success through property - Villa World.

Craig Treasure
CEO and Managing Director

Craig Treasure

CHOOSE YOUR ADDRESS,
CHOOSE YOUR HOME AND LET
THE PROFESSIONALS CHOOSE
EVERYTHING ELSE FOR YOU

THE VILLA WORLD PROMISE

THE COMPLETE ADDRESS

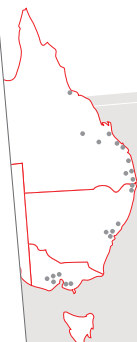
Know what your home
and your street
will look like

THE COMPLETED HOME

Fixed Price,
no hidden costs

THE SINGLE CONTRACT

Buying with
Villa World is easy:
1 Deposit,
1 Contract,
1 Final Payment



Master planned
communities
since 1986



Quality
craftsmanship,
design innovation
and enduring
relationships



Feel welcome and part
of our community



More than 35,000 Australians
call a Villa World address, home



ACQUISITIONS

Operating out of our home state of Queensland, Villa World has been actively expanding our operations into Victoria and New South Wales.

In FY14, Villa World saw demand right along the eastern seaboard for our product. Although Queensland remained the dominant contributor to sales, recent acquisitions have improved geographic diversity.

Villa World has a deliberate strategy to grow our Victorian land bank, and we were delighted to share with investors that in the current financial year to date we have acquired over 770 lots in Melbourne surrounds. Further, we have added over 750 lots to our Queensland portfolio.

Project Name, Location	State	Product	Size (# lots)	Status
To be named, Plumpton	VIC (NW Melbourne)	H&L	170	Staged Payments Contributes to profit from mid FY16
To be named, Jacobs Well	QLD (Gold Coast)	H&L	107	Upfront Payment Contributes to profit from late FY16
To be named, Mango Hill ¹	QLD (N-Brisbane)	H&L	111	Upfront Payment Replacement Project for Park Vista Contributes to profit from mid FY16
Lavinia, Greenvale	VIC (N-Melbourne)	H&L	131	“Capital Lite” Contributes to profit from 1H16
To be named, Redland Bay	QLD (Brisbane’s Bayside)	H&L	76	Upfront Payment Contributes to profit from 2H16
Avondale Waters, Gleneagle	QLD (Logan – Beaudesert)	LO	366	Upfront Payment Contributes to profit from 2H16
To be named, Rochedale ²	QLD (S-Brisbane)	H&L, LO	58	Upfront Payment Contributes to profit from mid FY16
Eminence on Ridley, Bridgeman Downs	QLD (N-Brisbane)	TH	39	Upfront Payment Contributes to profit from 1H16
To be named, joint venture	VIC (N-Melbourne)	H&L, LO	477 ³	Upfront Payment Joint Venture PSP Process Construction commencing FY18
Total			1,537	

¹ Conditional contract.

² Several land parcels are being merged with the previously announced 90 lot Rochedale site into one project comprising 148 lots.

³ Villa World’s 51% share.



CURRENT PROJECTS

ACQUISITIONS

GLADSTONE

Little Creek - Gladstone, QLD
Parkside at Little Creek - Gladstone, QLD

HERVEY BAY

Augustus - Hervey Bay, QLD
The Domain - Hervey Bay, QLD

BRISBANE

Astonbrook - Carindale, QLD
Bay Road - Burpengary, QLD
Circa - Nudgee, QLD
Circa Metro - Nudgee, QLD
East Ridge - Thornlands, QLD
Mt Cotton Village - Mt Cotton, QLD
Orana - Mango Hill, QLD
Park Vista - Mango Hill, QLD
Eminence on Ridley - Bridgeman Downs, QLD
Era - Capalaba, QLD
Nudgee, QLD
Mango Hill, QLD
Redland Bay, QLD
Rochedale, QLD
Waterline - Thornlands, QLD

LOGAN BEAUDESERT CORRIDOR

Avondale Waters - Gleneagle, QLD

BRISBANE GOLD COAST CORRIDOR

Brookside - Ormeau, QLD
Longhill Rise - Gilston, QLD
Jacobs Well, QLD
Parkside - Coomera, QLD

TWEED COAST

First Light - Casuarina, NSW
Seaside Village - Casuarina, NSW

NORTH WEST SYDNEY

Lacosi Hill Estate - Schofields, NSW

VICTORIA

Cascades on Clyde - Clyde North, VIC
Eynesbury - Eynesbury, VIC
Cardinia Views - Pakenham, VIC
Lavinia - Greenvale, VIC
Parkview - Truganina, VIC
Plumpton 1, VIC
Plumpton 2, VIC
Roxburgh Park Central - Roxburgh Park, VIC
To be named, joint venture, VIC

Lavinia - Greenvale, Melbourne

Melbourne CBD

Roxburgh Park - Melbourne



LAVINIA
GREENVALE



A STYLISH NEW ERA HAS ARRIVED

Location: Capalaba, Brisbane Bayside, Queensland

Product: House and land, 193 lots, to be released in 6 stages.

Status: Stage 2 (released September 2014)



Artist's impression

Set beside a natural bushland sanctuary, Era will be a modern lifestyle address, quite distinct from surrounding neighbourhoods. Paramount to the creation of the master plan for this community was finding the perfect balance of open space and meandering streets of modern designer homes.

A selection of home designs include walk-in pantries and features such as movable walls to create multi-purpose living spaces. Era is a pet friendly estate, a key selling feature for families.

Released in late September 2014, Stage 2 is receiving strong interest. 17 sales recorded to mid-November.



Era - Capalaba, Brisbane



PARKSIDE

EDWARDSON DRIVE • COOMERA

THE BEST OF BOTH WORLDS

Location: Coomera, Gold Coast, Queensland

Product: House and land, 108 lots, to be released in 5 stages.

Status: Stage A (released October 2014)

Situated next to an ecological corridor amid retained natural bushland, Parkside at Coomera delivers a relaxing family lifestyle. The community has been designed around a fully landscaped park complete with playground equipment, open space play areas, walking paths and thoughtfully placed seating.

Parkside, which we acquired in July 2014, was soft launched in November. The display house at Parkside will be completed in late November. 6 sales recorded at mid-November.



Parkside – Coomera, Gold Coast



BAYSIDE LIVING AT ITS BEST

Location: Thornlands, Brisbane Bayside, Queensland

Product: Premium land-only, 177 lots, to be released in 7 stages.

Status: Stage 1 (to be released in late November 2014)

This premium site is bounded by native bushland with some elevated lots offering stunning bay views.

Waterline will include a community park and landscaped walking and bike paths for families to enjoy. A wide range of shopping centres, schools and sport and recreation facilities are easily accessible in the bayside region.

We have secured interest from 8 national builders to develop a display village in the estate. This is expected to boost sales at this premium land-only development when it is released to the market towards the end of November.





CARDINIA VIEWS

PAKENHAM

ALL YOU LOVE, ALL AROUND YOU

Location: Pakenham, Victoria

Product: Land-only, 291 lots, to be released in 11 stages.

Status: Stage 1a (released October 2014)



Neighbourhood Parklands

Perfectly located beside the award-winning Cardinia Lakes community in Pakenham, Cardinia Views will provide everything families need for a modern lifestyle – open spaces and local amenities.

The surrounding community itself, which already includes a new shopping centre with a supermarket, specialty stores and restaurants - will expand to include a community centre and a primary school. The Pakenham town centre is just 2km away and offers a host of shopping, commercial, medical and public transport services.

Cardinia Views, which was released in mid-October, is shaping up to be a solid replacement for our successful Cascades on Clyde development. 19 sales recorded to mid-November.



Cardinia Views – Pakenham, Melbourne

ROXBURGH PARK

MELBOURNE

AT THE HEART OF IT ALL

Location: Roxburgh Park, Melbourne, Victoria

Product: House and land, 30 lots, to be released in one stage.

Status: Stage 1 (released October 2014)

Located 20km north of the Melbourne CBD in Roxburgh Park, this new 30 lot village is part of the existing Roxburgh Park estate and will feature an innovative new range of contemporary homes specifically designed for the Melbourne market.

Roxburgh Park is planned to include its own neighbourhood shopping centre and is conveniently located to a comprehensive range of local amenities including schools, shopping, medical, sporting fields and recreational facilities.

Roxburgh Park was released in late October 2014. We have seen strong interest with 17 sales to mid-November.



Artist's Impression



Roxburgh Park – Roxburgh Park, Melbourne

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