Acquisitions and equity raising

November 2014

PEET
Bringing Land to Life

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Transaction overview

Acquisitions	» Peet has acquired interests in six residential development projects (**Acquisitions**) » Peet and the Future Fund have jointly acquired a 50% interest in Golden Bay estate, located south-west of Perth and 100% of Bluestone Mount Barker estate, located south-east of Adelaide – both are currently in development » Peet, in joint venture with ABN Group, has acquired developable land in Midvale/Stratton, located north-east of Perth. Peet's interest in the joint venture is 50% » Peet has also acquired an additional landholding located next to its existing Aston Craigieburn estate in Victoria and has secured two medium density residential sites within a town centre at one of its existing Perth projects » The total purchase price for the Acquisitions is approximately $95 million, with Peet's equity contribution being approximately $55 million
Strategic rationale	» High quality, strategic projects with two of the projects acquired already in development phase and will contribute to FY15 earnings » Three of the land projects will be held in capital efficient joint ventures » Peet to receive a share of project profits, development management fees and potentially performance fees » Introduction of strong investment partners with the opportunity to further leverage and grow the Funds Management business » Expansion of Peet's medium density residential pipeline
Equity raising	» $47 million equity raising at $1.11 per share comprising » $40 million underwritten placement to existing and new institutional investors » $7 million placement to an entity associated with Peet's Chairman, subject to Peet shareholder approval » Peet will also undertake a non-underwritten share purchase plan (**SPP**), capped at $5 million[1]
Transaction impact	» Transaction expected to be neutral to FY15 operating EPS and accretive from FY16 » Pro-forma 30 June 2014 gearing[2] of 28.7%

1. Subject to change at Peet's discretion
2. (Total interest bearing liabilities (including land vendor liabilities) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets). Excludes syndicates consolidated under AASB10. Includes impact of Acquisitions and equity raising and payment of Peet's FY14 dividend including the issue of shares pursuant to the dividend reinvestment plan

Acquisitions

Overview of Acquisitions

Peet has secured six high quality, strategic projects

- New projects comprise more than 3,000 lots/dwellings
- Golden Bay and Bluestone Mount Barker estates are currently developing and selling and will contribute to FY15 earnings
- Use of capital efficient JV ownership structures with strong investment partners
- Provides Peet further geographical diversification and presence in two new growth corridors

	Golden Bay (WA)	Bluestone Mount Barker (SA)	Midvale/Stratton (WA)	Craigieburn (VIC)	Medium Density (WA)
Peet ownership interest	25%	50%	50%	100%	100%
Co-owners	Housing Authority WA (50%) Future Fund (25%)	Future Fund (50%)	ABN Group (50%)	-	-
Peet role	Development Manager	Development Manager	Development Manager	Development Manager	Development Manager
Project status	Developing	Developing	Planning (development start ~2016)	Planning	Planning (development start ~2016)
Lots acquired / remaining	~1,300	~900	~600	~200	~230 units
GDV[1] (100%)	$325 million	$150 million	$155 million	$45 million	$75 million

1. GDV represents forecast escalated gross revenue inclusive of GST for the remainder of the project

Golden Bay, Western Australia

Project overview

- Located in the coastal suburb of Golden Bay, approximately 53km south-west of the Perth CBD and 12km north of Mandurah
- The Golden Bay Estate is a master planned community which will contain approximately 1,700 lots, a neighborhood shopping centre, medium to high density residential, a primary school and over 5,000 residents
- The project has been developing since 2010 with over 400 lots developed so far. The remaining approximately 1,300 lots will be developed over the next 6 years
- Peet is the project's current Development Manager for the existing owner, the Housing Authority of Western Australia, providing a solid foundation for the transaction
- Expected to contribute strongly to profit from FY15 to FY20
- Attractive coastal location provides a significant advantage compared to competing product

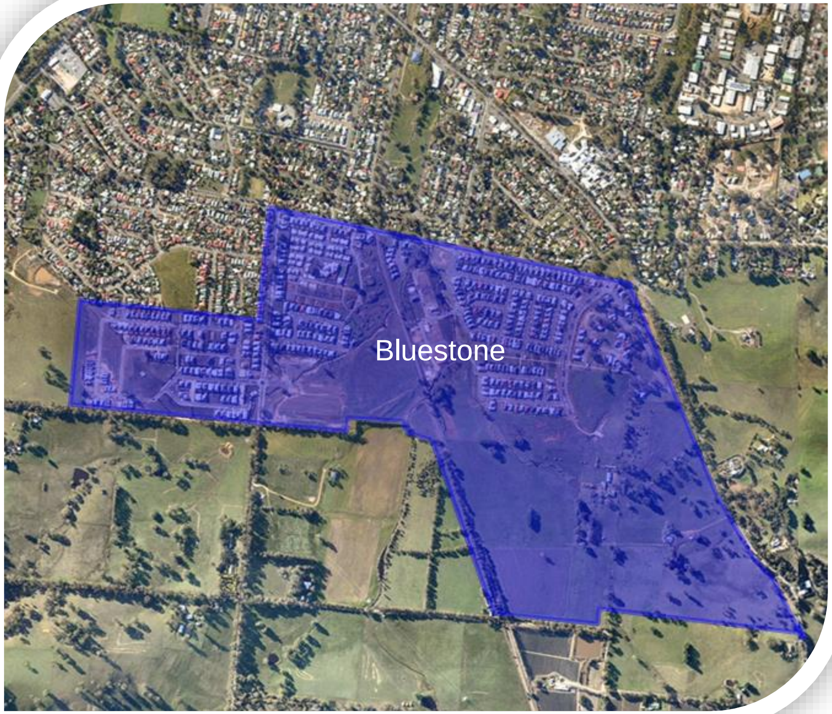
Location	Golden Bay, WA
Peet role	Development Manager
Original lot yield (100%)	~1,700
Remaining lots to sell (100%)	~1,300
GDV[1] (100%)	$325 million

1. GDV represents forecast escalated gross revenue inclusive of GST for the remainder of the project

Bluestone Mount Barker, South Australia

Project overview

- The Bluestone Estate is located in Mount Barker, the major centre of the Adelaide Hills region, approximately 30km south-east of the Adelaide CBD
- Approximately 75 hectares of developable land acquired
- The project is well established and has been selling since 2007. The project is expected to yield approximately 1,400 lots in total
- Mount Barker provides the key community infrastructure for the south-eastern suburbs of Adelaide, including public and private schools, good retail facilities, a district hospital as well as recreational facilities
- Bluestone Mount Barker Estate was awarded South Australia's Best Residential Development in the 2010 Urban Development Institute Awards



Location	Mount Barker, SA
Peet role	Development Manager
Original lot yield (100%)	~1,400
Remaining lots to sell (100%)	~900
GDV[1] (100%)	$150 million

1. GDV represents forecast escalated gross revenue inclusive of GST for the remainder of the project

Midvale/Stratton, Western Australia

Project overview

» Located in the suburbs of Midvale and Stratton, approximately 19km north-east of the Perth CBD

» The project consists of 40 hectares of future developable land with an anticipated yield of approximately 600 lots

» Forecast to commence development in 2016

» The project site is well serviced by an existing road network and benefits from existing amenity including schools, shopping centres, community facilities and the Swan District Hospital

» The property is located in an established area, resulting in no direct competition from other land estates

Location	Midvale & Stratton, WA
Peet role	Development Manager
Original lot yield (100%)	~600
Remaining lots to sell (100%)	~600
GDV[1] (100%)	$155 million

1. GDV represents forecast escalated gross revenue inclusive of GST for the project

Market overview

Fundamentals underpinning the housing market remain supportive of both prices and volumes

Perth, WA Market stabilising after good price growth

- Market conditions expected to moderate and stabilise - normal market settings
- Developer stock remains tight

Golden Bay, south-west Perth

- Peet has strong knowledge of the local market as the existing development manager of the project
- Established population with strong population growth of 4.2%, one of the fastest growing LGAs in Western Australia
- Coastal position and low price point provides competitive proposition compared to other projects in the surrounding area

Midvale/Stratton, north-east Perth

- Strong supply/demand dynamic in Perth's north-east corridor
- Project is located in an established area only 19km from Perth CBD

Adelaide, SA Market showing tentative signs of improvement

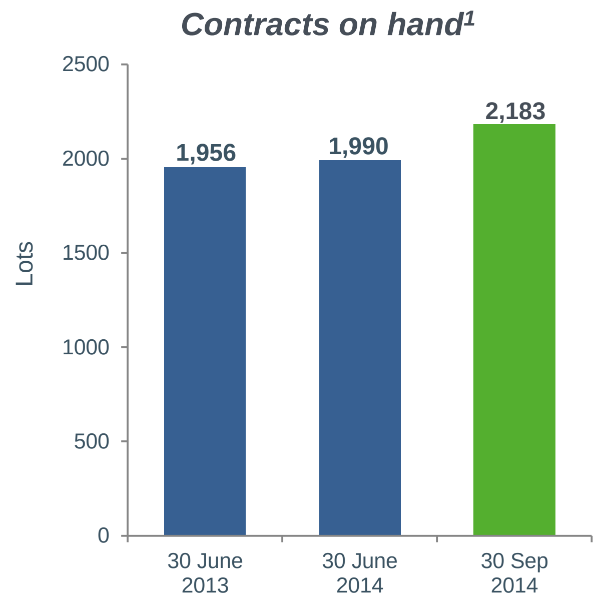
- Recovery in land sales being reported across Metropolitan Adelaide
- Infill development in city locations seeing strong demand

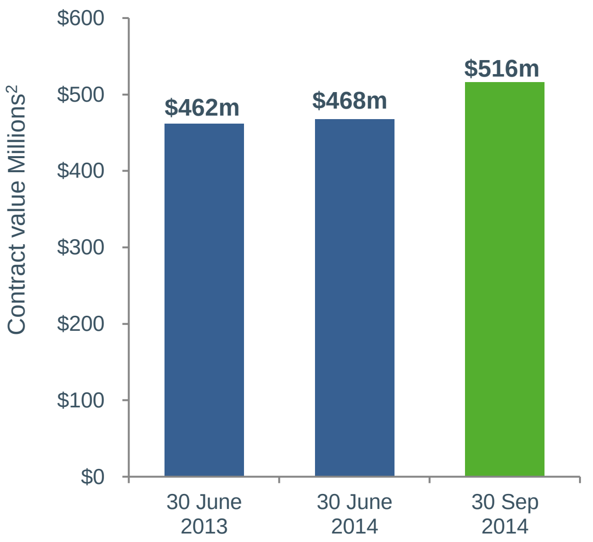
Bluestone/Mount Barker, Adelaide Hills

- Bluestone is a well established estate in the Adelaide Hills market
- Attractive price point compared to competing estates
- The medium house price in Mt Barker rose by 6% in the quarter to September 2014 from previous 12 months

Contracts on hand

- Sales momentum continues with a further increase in contracts on hand since year end
  - Sales momentum is solid since June 2014
  - Significant increase in lot sales in FY14 of over 3,500 lots
  - Strong settlements achieved in June 2014 quarter
  - Significant number of contracts on hand at end of September 2014 providing ongoing momentum into FY15
- Improving margins following stronger market conditions and price growth during 2H14
- Three projects commenced development phase in 4Q14
- A further three projects scheduled to commence development in FY15





Notes:
1. Includes CIC
2. Includes GST

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Impact on Peet

Impact on Peet

Financial impacts

» The transaction enhances Peet's operating earnings, cash flow and growth profile while improving balance sheet strength

Operating EPS

Expected to be neutral to FY15 operating EPS and accretive from FY16

Gearing

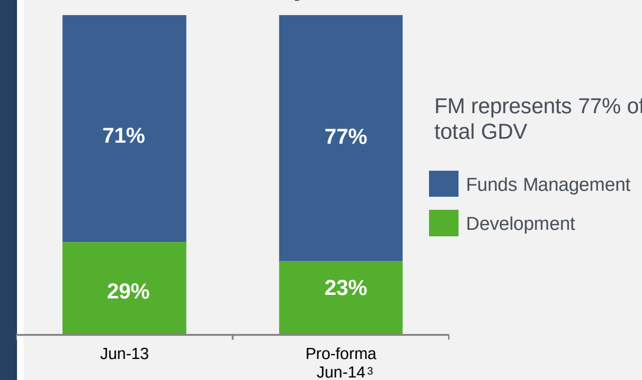
Pro-forma gearing[1] as at 30 June 2014 of 28.7%

Enhances and diversifies Peet's landbank

» The transaction represents the continued progress of Peet's strategy of acquiring high quality projects in capital efficient structures with strong investment partners

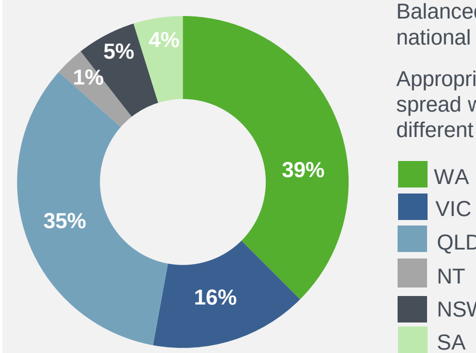
Funds Management platform

Total GDV by division[2]



FM represents 77% of total GDV

Geographic diversification[3] (by no. of lots)



Balanced and diversified national platform

Appropriate geographical spread with exposure to different market cycles

1. (Total interest bearing liabilities (including land vendor liabilities) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets). Excludes syndicates consolidated under AASB10. Includes impact of Acquisitions and equity raising and payment of Peet's FY14 dividend including the issue of shares pursuant to the dividend reinvestment plan
2. Gross Development Value (GDV) represents forecast escalated gross revenue, inclusive of GST and the Acquisitions
3. Includes lots acquired via the transaction

Pro-forma balance sheet

$m	30 Jun 2014 reported	Post balance date adjustments[1]	Jun 2014 pro-forma *(pre transaction)*	Transaction adjustments[2]	Jun 2014 pro-forma *(post transaction)*
Assets					
Cash	38.8	(10.6)	28.2		28.2
Receivables	71.6		71.6		71.6
Inventories	540.6		540.6	6.2	546.8
Investments accounted for using the equity method	162.2		162.2	30.5	192.7
Other	34.0		34.0		34.0
Total assets	**847.2**	**(10.6)**	**836.6**	**36.7**	**873.3**
Liabilities					
Trade and other payables	55.6		55.6		55.6
Land vendor liabilities	24.4		24.4		24.4
Interest bearing liabilities	295.6		295.6	(9.1)	286.5
Other	51.5		51.5		51.5
Total liabilities	**427.1**		**427.1**	**(9.1)**	**418.0**
Net assets	**420.1**	**(10.6)**	**409.5**	**45.8**	**455.3**
Securities on issue (million)	433,389,348	5,198,366	438,587,714	42,342,342	480,930,056
NTA (book value) $ per share	$1.00		$0.97		$0.98
NTA (market value adjusted)[3] $ per share	$1.18		$1.14		$1.14
Covenant gearing[4]	29.8%				28.7%

1. Payment of Peet's FY14 dividend including the issue of shares pursuant to the dividend reinvestment plan, and the issue of shares following the vesting of performance rights
2. Assumes a $47 million equity raising, including a $7 million placement to an entity associated with Peet's Chairman, subject to Peet shareholder approval. Peet's equity contribution of $55 million for the Acquisitions include an amount on deferred settlement for three years and an amount settled prior to 30 June 2014
3. Market adjusted NTA is based on independent bank-instructed mortgage valuations
4. (Total interest bearing liabilities (including land vendor liabilities) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets). Excludes syndicates consolidated under AASB10

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Equity raising

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Equity raising structure

Placements	» $47 million equity raising comprising two placements (**Placements**) » $40 million underwritten placement to existing and new institutional investors (**Institutional Placement**) » $7 million non-underwritten conditional placement to an entity associated with Peet's Chairman, subject to Peet shareholder approval (**Chairman's Placement**) » Issue price of $1.11 per new share » Represents a 5.5% discount to Peet's last close price of $1.175 per share on 6 November 2014 » New shares issued under the Placements will rank equally with existing shares
Share Purchase Plan	» Peet will also offer a non-underwritten Share Purchase Plan (**SPP**) to allow eligible shareholders to participate in the transaction at the same issue price as the Placements » Shareholders with registered addresses in Australia or New Zealand will be offered the opportunity to acquire up to $15,000 worth of shares per eligible shareholder at $1.11 per share » The SPP will be capped at $5 million, subject to change at Peet's discretion » New shares issued under the SPP will rank equally with existing shares » Further information regarding the SPP will be mailed to eligible shareholders shortly

Timetable

Trading halt and announcement of Acquisitions and equity raising	Friday, 7 November 2014
Institutional Placement offer opens	10:00am Friday, 7 November 2014
Institutional Placement offer closes	12:30pm Friday, 7 November 2014
Trading in Peet shares recommences	Monday, 10 November 2014
Settlement of Institutional Placement shares	Thursday, 13 November 2014
Allotment and trading of Institutional Placement shares	Friday, 14 November 2014
SPP record date	7.00pm Thursday, 6 November 2014

Times refer to Australian Eastern Daylight Time. Peet reserves the right to vary the timetable (subject to ASX Listing Rules, the Corporations Act and other applicable laws).

Note that new shares to be issued under the Chairman's Placement will settle after Peet shareholder approval is obtained

Key Risks

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Key Risks

Introduction

A number of risks and uncertainties, which are both specific to Peet and of a more general nature, may affect the future operating and financial performance of Peet and the value of its securities. The following risk factors are not exhaustive of the risks faced by potential investors in Peet. You should carefully consider the following risk factors, as well as other information in this presentation and consult your accountant, stockbroker, solicitor or other independent professional adviser.

If any of the following risks materialise, Peet's business, financial condition and operational results are likely to suffer. In that case, the trading price of Peet securities may fall and you may lose all or part of your investment, and/or the distributable income of Peet may be lower than expected or zero, with distributions being reduced or being cut to zero.

The Acquisitions

Although Peet has undertaken due diligence on each of the Acquisitions, it is possible that Peet has not uncovered issues that may later have an adverse impact on Peet. Risks of the Acquisitions which may adversely affect Peet's future value or profitability include:

- any of the Acquisitions performing below expectations;
- capital expenditure required in any of the Acquisitions being greater than expected;
- a breach of a project specific debt facility;
- breakdown in relationship with the joint venture partners in relation to the Acquisitions; and
- a downturn in the relevant local property market conditions where the Acquisitions are located.

Environment approvals

Peet has a number of projects both owned and managed which require or may require environmental approvals under the Environmental Protection & Biodiversity Conservation Act 1999 (Cwlth). These approvals may take longer to obtain or the conditions imposed may result in an increase in project costs above those forecast or reduced yield which may impact on Peet's future earnings.

Changes in government policy

Peet operates in a highly regulated environment and is subject to a range of industry specific and general legal and other regulatory controls. Regulatory breaches may affect Peet's operational and financial performance, through penalties, liabilities, restrictions on activities and compliance and other costs.

Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels), including policies on government land development, public housing, immigration and first homebuyer assistance and delays in the granting of approvals or the registration of subdivision plans may affect the amount and timing of Peet's future profits. State government and/or council development contributions may be introduced or increased in jurisdictions, impacting land values and the profitability of projects.

Rezoning and planning approval delays

The sale of lots in Peet's residential projects depend on achieving rezoning and planning approvals. If these approvals take longer than expected, or are not achieved, Peet's sales volumes and profitability could be negatively impacted.

Interest rates

Increases in interest rates could have the effect of reducing the affordability of properties for purchasers, therefore reducing demand and the number of lot sales made by Peet, and its managed projects. Interest rates also impact on Peet's cost of funds.

Future residential property market conditions

Peet derives earnings from both its owned developments and funds management business based on the future value and sale of residential lots. Should the future market value and sales volumes be lower than expected, Peet's earnings and returns to investors could be negatively impacted.

Property values

Unanticipated factors can influence the realisable value of Peet's assets. These include:

- the profit and risk factors that are considered appropriate by professional valuers, for any properties held by Peet, in response to changes in market conditions;
- changes in the conditions of town planning approvals applicable to Peet's projects and/or projects in its syndicates, as a consequence of changes to council policies;
- development cost increases including, but not limited to, construction, consultants, imposition of taxes and increases to state or local government charges will reduce the profitability of Peet;
- the presence of previously unidentified contamination;
- the presence of previously unidentified threatened flora and fauna species, which may influence the amount of developable land on projects;
- the activities of resident action groups;
- general cost increases;
- archaeological or ethnographic claims, including native title claims; and
- land resumptions for roads and major infrastructure, which cannot be adequately offset by the amount of compensation eventually paid, if any.

Forward looking statements and financial forecasts

There can be no guarantee that the assumptions contained within forward looking statements or estimates (including as to Peet's future earnings) will ultimately prove to be accurate. The forward looking statements depend on a variety of factors, many of which are beyond Peet's control.

Future dividends

No assurance can be given in relation to the payment of future dividends. Future dividends will be determined by Peet's directors and will depend on the availability of profits, the operating results and Peet's financial condition including future capital requirements, covenants in Peet's financing agreements, general business conditions and other factors as considered relevant by Peet's directors.

No assurance can be given in relation to the level of franking of any future dividends. Franking capacity will depend on the amount of tax paid in the future, the existing balance of franking credits and other factors.

Key Risks (cont.)

Purchasers' settlement

A failure of a significant portion of purchasers to settle on Peet's major development projects could affect the timing and amount of future earnings.

Land restocking

Peet's inability to acquire major development sites in chosen geographical areas at an appropriate price could result in reduced future land development profits.

Increase in unemployment rate

Sale of lots in Peet's residential projects may be negatively impacted by a sustained increase in the unemployment rate in Australia, particularly in key markets where Peet has residential projects. This impact could be through a reduction in the number of lots sold, in the value of lots sold and profit achieved.

Inflation and construction costs

Higher than expected inflation rates generally, or specific to the broadacre, residential development industry, could be expected to increase operating costs and development costs and potentially reduce the value of Peet's land. These cost increases may be offset by increased selling prices. If they cannot be offset by higher selling prices, this may impact Peet's profitability.

Availability of funding and refinancing risk

Peet's business is capital intensive. Peet's ability to raise funds on favourable terms for future refinancing, development and acquisitions depends on a number of factors including general economic conditions, political, capital and credit market conditions and the reputation, performance and financial strength of the Peet business. These factors could increase the cost of funding, or reduce the availability of funding, as well as increase Peet's refinancing risk for it's maturing debt facilities. Peet's managed funds and retail syndicates may also require debt facilities. If suitable stand alone facilities cannot be obtained this may impact on the ability of these funds or Syndicates to develop their estates which in turn may impact Peet's profitability.

Breach of financial covenants

As at the date of this presentation, Peet was in compliance with all covenants under its debt facilities.

The financial covenants in Peet's debt facilities relate to Peet's earnings, cash flow and asset values, and a material movement in any of these may cause covenants under Peet's debt facilities to be breached. If a breach occurs, this is likely to have negative consequences for Peet, including the possibility of early repayment of drawn debt.

Property assets are by their nature illiquid investments. This may make it difficult to sell assets quickly to repay debt.

Inability to launch further retail syndicates and institutional joint ventures

Peet's business model depends on the ability to successfully raise money from retail and institutional investors. An inability to launch further syndicates and joint ventures may result in a reduction of earnings from syndicate fees. The inability of Peet to sell down inventory from its balance sheet into new syndicates or joint ventures over time may require it to obtain funding from other sources which may be expensive or difficult to obtain.

Performance of managed funds, syndicates and joint ventures

Peet derives significant fees from its existing syndicates and joint ventures. Poor performance by any or a number of these syndicates and joint ventures may impact negatively on the revenues and profitability of Peet. Peet may also elect to provide loans to some of its syndicates and joint ventures which will reduce the capital available to Peet.

Financing of managed funds and syndicates

Peet's managed funds and syndicates utilise debt to fund development costs. This debt is predominantly short term in nature and facility limits generally step down over a project's life, as lots are sold and cash flow is used to retire debt. In certain syndicates, where lot settlements are below original expectations due to slower sales rates or settlements being delayed due to weather, regulatory or environment issues, the funds and syndicates may not be able to meet these scheduled step downs and the debt terms must be renegotiated. Should these facilities not be successfully renegotiated, fund investors, including Peet where applicable, may be required to contribute more capital or wind up the managed funds and syndicates. Should these managed funds and syndicates be wound-up, Peet's profitability could be impacted through reduced management fees and Peet may incur capital losses.

Inventory write downs

Unanticipated factors affecting the value of land or development costs, including environmental issues, native title claims, land resumptions, failure to obtain rezonings and major infrastructure charges might impact Peet's future earnings through a write down in property values.

Reliance on key personnel

Peet is reliant on a number of key personnel. Loss of such personnel, or inability to attract suitably qualified personnel, may have a material adverse impact on Peet's performance.

Work safety

Poor work practices by Peet or a failure to comply with the necessary work safety regulatory requirements could result in reputational damage, fines, penalties and compensation for damages as well as poor staff morale and industrial action respectively.

Key Risks (cont.)

Acquisitions and joint ventures

Peet may make strategic acquisitions of businesses and joint ventures as part of its growth strategy. There can be no assurance that it will be able to successfully identify, acquire or integrate such acquisitions or joint ventures. Peet may also elect to fund acquisitions using existing or new bank facilities. The Directors of Peet will adopt prudent financial practices in assessing the appropriate funding mix.

Whilst it is Peet's policy to conduct a due diligence process in relation to any such acquisitions, risks remain that are inherent in such acquisitions, such as the reliance on advice from consultants which may prove to be incorrect.

Subject to relevant joint venture agreements, Peet may be unable to control the actions of its joint venture partners and therefore cannot guarantee that their joint ventures will be operated or managed in accordance with their preferred direction or strategy.

Environmental and Cultural Heritage matters

The discovery, or incorrect assessment, of costs associated with, environmental matters, cultural heritage or contamination on any of Peet's projects could have an adverse impact on the profitability and timing of receipt of revenue from the relevant project. Peet's policy is to endeavour to undertake environmental and cultural heritage due diligence on any property before acquisition, subject to time constraints and in the absence of indicative environmental concerns.

Climate change and climatic conditions

Peet's failure to adequately respond to the impact of climate change and associated legislative requirements could result in litigation (if reporting requirements are not met), reduced profit due to the impact of increased costs associated with energy efficiency and other costs associated with upgrading existing buildings to comply with new building codes. Peet would also be adversely impacted by a loss of market share if their respective building designs do not address community expectations or match competitor products on sustainability issues.

Prolonged adverse weather conditions may result in delays in construction and marketing and possibly deferral of revenue and profit recognition for Peet.

Capital expenditure

The risk of unforeseen capital or other expenditure requirements for Peet may impact returns to Peet shareholders.

Litigation and disputes

Through the ordinary course of business, Peet may be involved in disputes and possible litigation. It is possible a material and costly claim, whether successful or not, could distract Peet management from its core business and impact the value of its assets, income and dividends.

Competition

Peet may be negatively affected by over supply or over development or, in acquiring properties, by prices for existing properties or services being inflated via competing bids by prospective purchasers.

Taxation

Any changes to taxation law, its interpretation or its administration may increase the amount of tax paid by Peet or impact on the treatment of tax losses that may have been, or may be, accumulated. These changes could adversely impact the accounting profit and loss recognised by Peet, the cash tax that it pays and the tax treatment of distributions to Peet shareholders.

Insurance

Peet generally enters into contracts of insurance that provide a degree of protection over assets, liabilities and people. While those policies typically cover against material damage to assets, business interruption, general and professional liability and workers compensation, there are certain risks that cannot be mitigated by insurance, either wholly or in part, for example nuclear, chemical or biological incidents or risks where the insurance coverage is reduced or unavailable, for example cyclones or earthquakes. Peet also faces the risk that insurers may not be able to meet indemnity obligations if and when they fall due, which could have an adverse impact on earnings.

Further, insurance may be materially detrimentally affected by economic conditions so that insurance becomes more expensive or in some cases, unavailable.

General market risk and economic conditions

Investors should be aware that the market price of Peet securities and future distributions to securityholders will be influenced by a number of factors that are common to most listed investments. At any point in time, these may include:

- The Australian and international economic outlook;
- Movements in the general level of prices on international and local stock markets;
- Changes in economic conditions including inflation, recessions and interest rates;
- Changes in Government fiscal, monetary and regulatory policies; and
- The demand for listed securities.

Peet's operating and financial performance is influenced by a variety of general economic and business conditions, including the level of inflation, interest rates, commodity prices, ability to access funding, supply and demand conditions and government fiscal, monetary and regulatory policies. Prolonged deterioration in these conditions, including an increase in interest rates, an increase in the cost of capital or a decrease in consumer demand, could have a materially adverse impact on Peet's operating and financial performance.