NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

13 May 2009

ASX/Media Release

STOCKLAND ANNOUNCES MINIMUM $1.53 BILLION EQUITY RAISING

Stockland has today announced an Equity Raising for a minimum of $1.53 billion and up to $1.98 billion at an offer price of $2.70 per security, to strengthen its balance sheet and prepare for growth.

The raising comprises two elements:

- An accelerated non-renounceable 2 for 5 Entitlement Offer to eligible existing security holders at $2.70 per new security to raise a minimum of $1.33 billion and a maximum of $1.78 billion; and
- An Institutional Placement of around 75 million new securities at $2.70 per new security to raise $0.2 billion.

The institutional placement and the institutional component of the Entitlement Offer are fully underwritten and will raise approximately $1.53 billion. The retail component of the Entitlement Offer is not underwritten and will raise up to $445 million, depending on the final level of take-up.

The capital raising will strengthen Stockland's balance sheet, reducing pro-forma gearing to 26.9% (Total Liability / Total Tangible Assets) and to 18.7% (Debt / Total Tangible Assets) assuming full take-up. Pro forma Net Tangible Assets (NTA) per security is $3.59[1].

Managing Director Matthew Quinn said: "We are actively managing our business to deal with the current environment and believe that an equity raising is now appropriate.

"The proceeds will be used to pay down debt and to assist us in taking advantage of growth opportunities as market conditions improve. This will involve a disciplined assessment of opportunities that are value accretive for Stockland securityholders, in line with strategy, and maintain our strong capital position."

Stockland will continue to defer Commercial Property capital expenditure until conditions warrant investment although two additional stages at Merrylands in NSW, requiring an additional $150 million of capital from FY10 to FY12, may proceed.

The previously flagged orderly sale of Apartment sites and UK properties will also continue. However, it is possible that restocking of Residential Communities inventory may occur earlier than previously advised, although nothing major is currently being contemplated.

[1] All pro forma numbers are based on the balance sheet as at 31 December 2008, assume 100% retail participation and a number of additional adjustments relating to capital management initiatives that have been announced post balance date

Stockland has proactively managed its capital position, with asset sales of around $1.1 billion at a weighted average capitalisation rate of 6.4%[1] in FY08/FY09 YTD; $1.8 billion of new and refinanced debt facilities achieved in FY09; and a change in distribution policy from FY10 to the greater of Trust Taxable Income or 80% of Adjusted Funds From Operations (AFFO).

In addition, Stockland has refinanced the derivative structure which holds its GPT strategic stake, to extend the facility from November 2009 to May 2010. As part of the financing of the take-up of the entitlement for GPT's raising last week, Stockland has restructured its holding and now holds a stake of around 13.1%[2] in GPT stapled securities.

Stockland is well placed to deal with the current difficult market conditions given its diversified business mix.

In the Residential business, the Federal Government's decision to extend the First Home Owners Boost on a phased basis until 31 December 2009 means the first home buyer segment should maintain its current momentum into FY10.

The Commercial Property portfolio remains well positioned, with retail centres weighted towards non-discretionary expenditure and a solid office and industrial tenancy mix.

"We remain focused on prudently managing our business through the current downturn, and this equity raising will prepare us for the eventual upswing. Our strong corporate governance, management depth and established track record will ensure funds are deployed in a disciplined manner," Mr Quinn said.

Earnings and distribution guidance

Stockland's EPS guidance of 39.8c per security (pre inventory impairment) remains unchanged from the Market Update provided on 23 April 2009 (excluding the dilutionary effect of the Equity Raising).

New securities will rank equally with existing securities and will be entitled to receive the 2H09 distribution. No change has been made to current guidance of 17.0c per security.

Offer details

The issue price per new security of $2.70 represents a:

- 19% discount to closing price of $3.35 on 12 May 2009
- 13% discount to 5-day VWAP of $3.11
- 15% discount to TERP[3] of $3.16 based on 12 May 2009 close
- 10% discount to 5-day VWAP adjusted TERP[3] of $2.99

[1] Excludes sale of Edmund Barton Building in ACT
[2] Additionally, as part of the restructure, Stockland sold to the derivative counterparty a put option over approximately 80 million GPT stapled securities (approximately 0.9%) at 35c, exerciseable in May 2010
[3] TERP assumes equity raising is fully subscribed, but excludes placement securities

Indicative timetable

Institutional offer	
Record date under the entitlement offer	7:00pm Sydney time 18 May 2009
Institutional offer opens	13 May 2009
Institutional offer closes	12:00pm Sydney time 14 May 2009
Settlement of institutional offer	27 May 2009
Trading commences of new securities allotted under the initial allotment	28 May 2009

Retail offer	
Record date under the entitlement offer	7:00pm Sydney time 18 May 2009
Retail offer opens	20 May 2009
Retail offer closes	5:00pm Sydney time 11 June 2009
Trading commences of new securities allotted under the final retail allotment	19 June 2009

Retail shareholders will be sent details of the Entitlement Offer shortly. Retail shareholders with questions about the Offer should contact the Computershare information line on 1300 494 569 or email stockland@computershare.com.au

For media enquiries contact

Karyn Munsie
EGM – Corporate Affairs
Stockland

T +61 (0)2 9035 2180
M +61 (0)421 050 430

Katie Lennon
Media Relations Manager
Stockland

T +61 (0)2 9035 2552
M +61 (0)406 316 907

For investor enquiries contact

Karyn Munsie
EGM – Corporate Affairs
Stockland

T +61 (0)2 9035 2180
M +61 (0)421 050 430

Joanne Trimboli
Investor Relations Manager
Stockland

T +61 (0)2 9035 2553
M +61 (0)403 972 736

Stockland Corporation Ltd ACN 000 181 733 Stockland Trust Management Ltd ACN 001 900 741
AFSL 241190 As Responsible Entity for Stockland Trust ARSN 092 897 348.

Important information:

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any "U.S. person" (as defined in Regulation S under the Securities Act of 1933, as amended (the "U.S. Securities Act")) ("U.S. Person"). This document may not be distributed or released in the United States or to any U.S. Person. The securities in the capital raising have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities in the capital raising may not be offered, or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Any forecast or other forward looking statement contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. While due care and attention have been used in the preparation of forecast information, such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Stockland, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward looking statements.