

Investor Presentation

October 2017



YOUR COMMUNITY DEVELOPER

AVJennings®

AVJennings at a glance

ESTABLISHED

1932

FOCUS

ON AFFORDABLE HOUSING IN
URBAN GROWTH CORRIDORS



STRONG BALANCE
SHEET



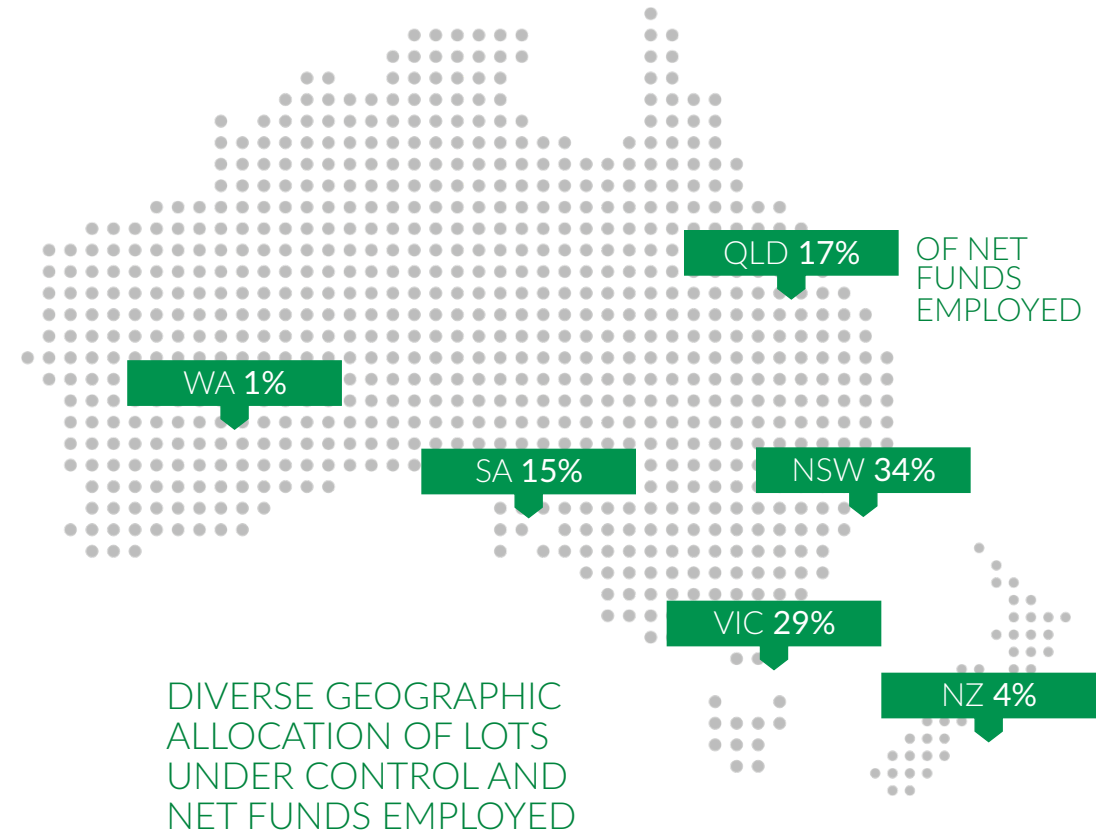
TARGETED DIVIDEND PAYOUT
RATIO BETWEEN 40% AND
50% OF EARNINGS



STABLE INVENTORY &
PROJECT PIPELINE WITH
10,133 LOTS ACROSS 42
PROJECTS

99% OF CUSTOMERS ARE
DOMESTIC BUYERS

AVJennings continues
to be one of the most
recognised residential
property development
companies in Australia

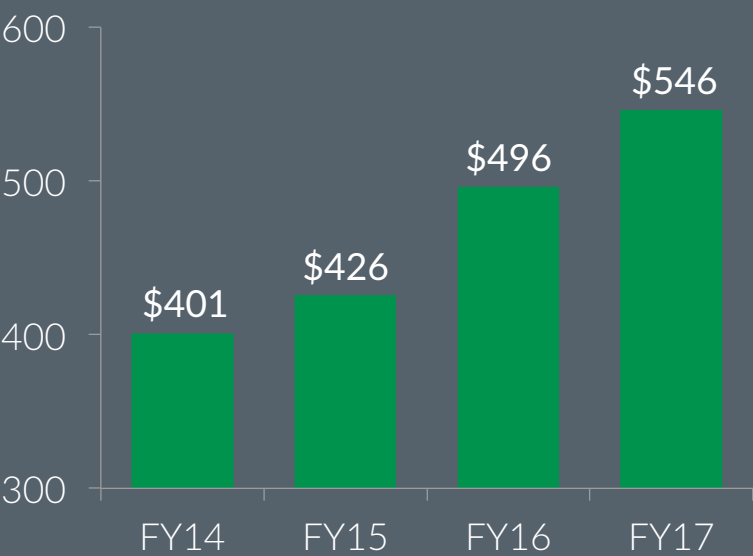


VALUATION METRICS*: • MARKET CAP \$284M • FY17 DIV YIELD 6.8% (FF 9.7%) • FY17 PER 8.0X • 1 YR TRADING RANGE \$0.57 - \$0.83 • NTA 99 CPS

* Using a 74 cents share price (19/10/17) and FY17 results

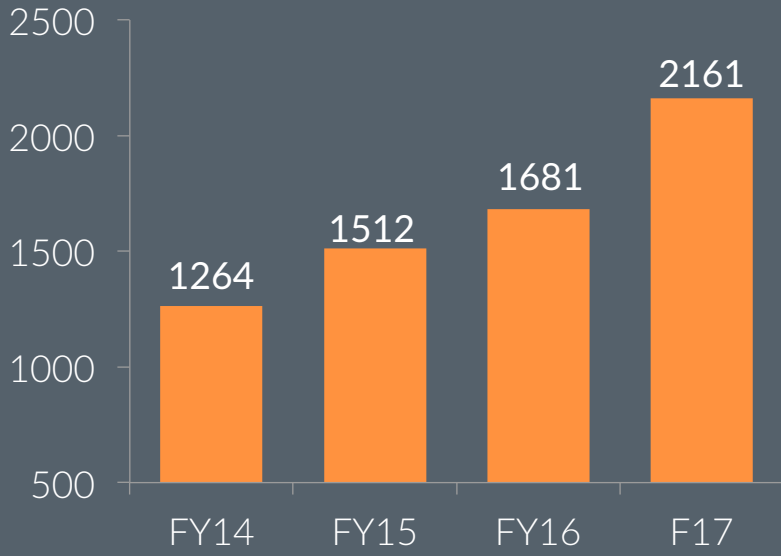
Increased Investment | Increased and efficient activity | Increased returns

INCREASED INVESTMENT (\$M)



3 YEAR CAGR +10.8%

INCREASED ACTIVITY



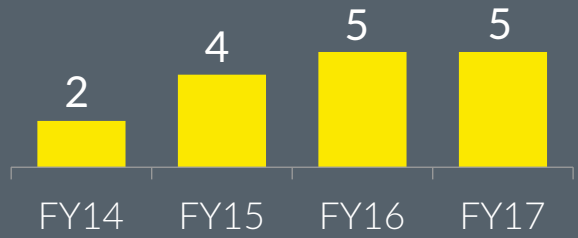
WORK IN PROGRESS AT
YEAR END (LOTS)

INCREASED RETURNS
FY14 TO FY17

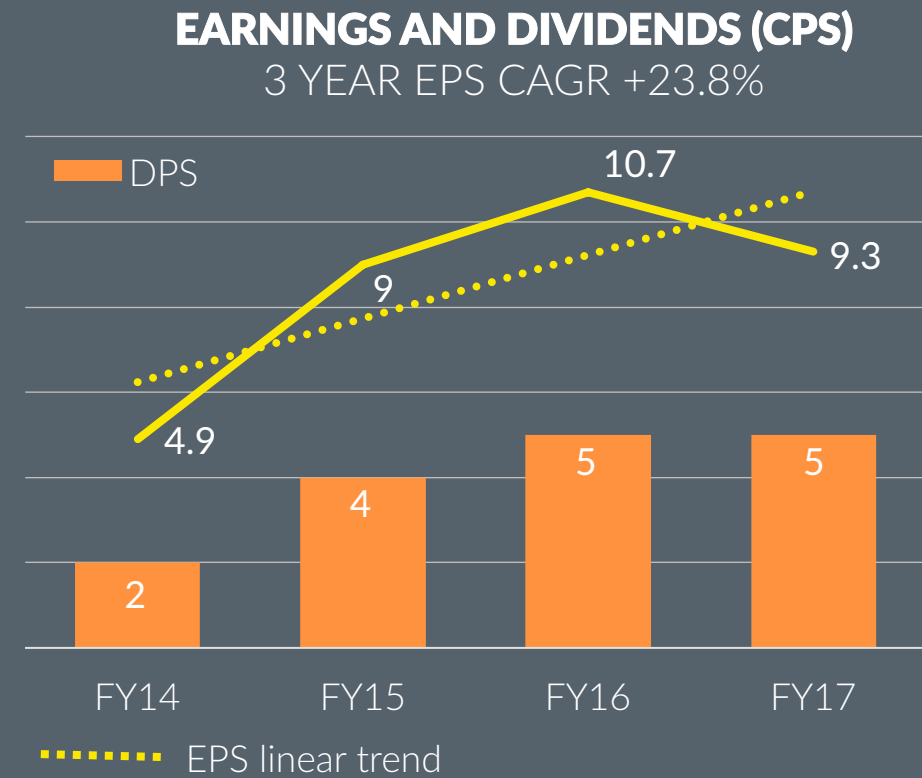
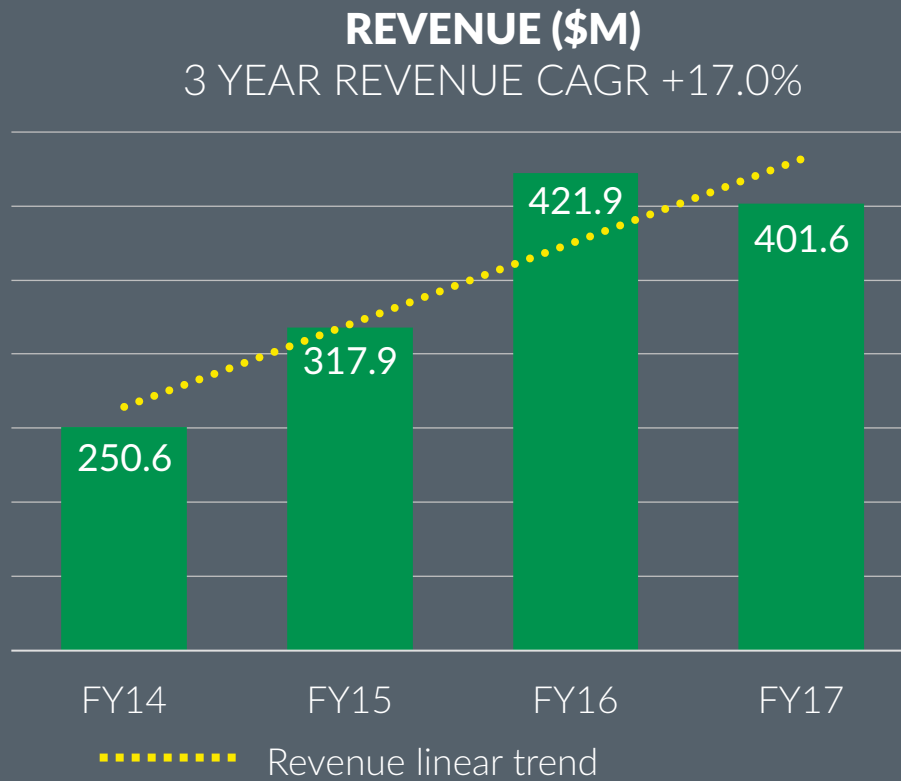
3 YEAR CAGR_s

- ➡ REV +17.0%
- ➡ EPS +23.8%

DIVIDEND GROWTH
Cents per share fully franked



A proven track record



Year to date highlights

ACQUISITIONS

CONTINUING TO INVEST IN GEOGRAPHIC AND
PRODUCT DIVERSIFICATION

Kogarah: 67 apartment site 18km south of Sydney CBD.

Hayes Lane, Huntley: 205 lot greenfield land, house and potential terrace development near Wollongong (NSW).

Rochedale: greenfield land and house site with 79 lots, south-east of Brisbane CBD.

Deebling Heights: greenfield 187 lot land subdivision in Brisbane – Ipswich growth corridor.

Ripley: greenfield land development of 274 lots and 20 townhouses located 32 km SW of Brisbane CBD in the Ripley growth corridor.

PROJECT MILESTONES

Site starts at Lyndarum North (Vic) for the first 3 stages comprising 170 lots are imminent.

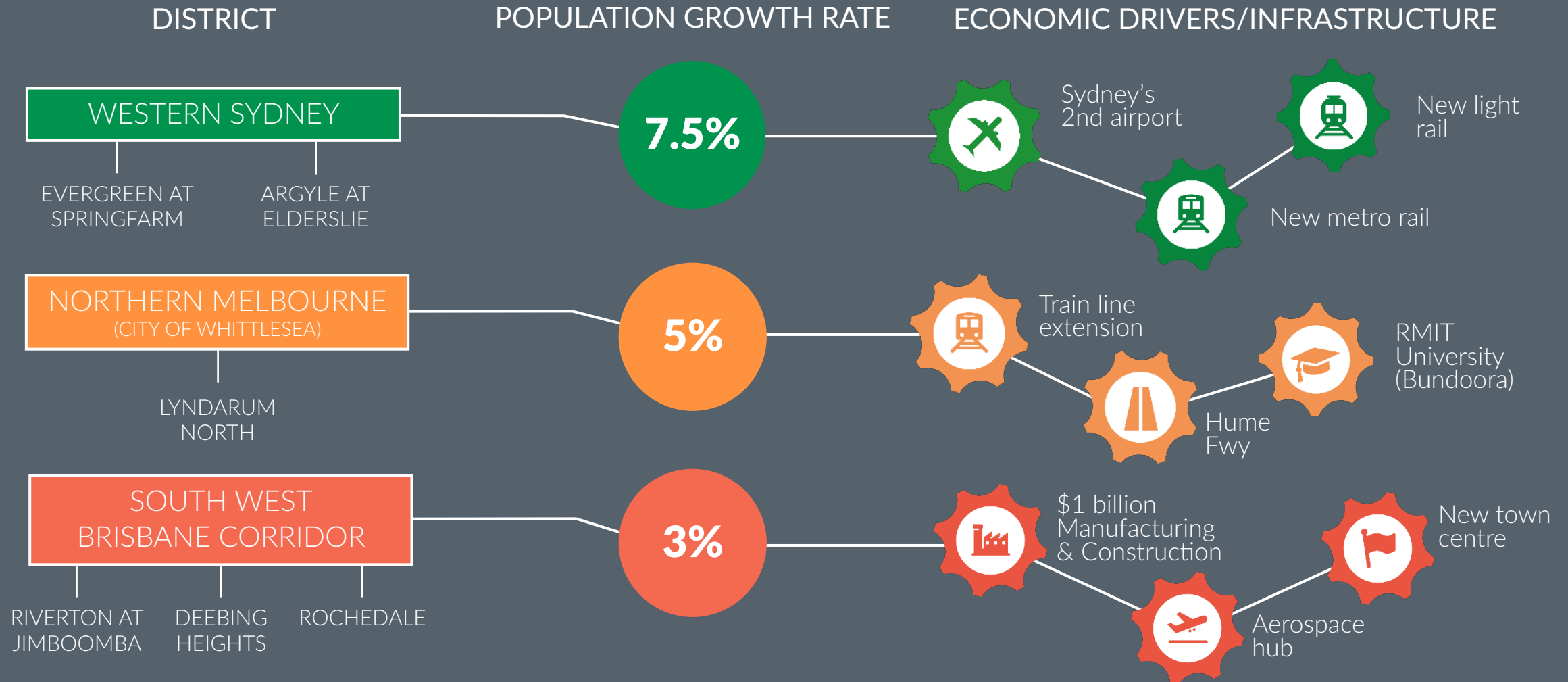
The DA at Jimboomba (Qld) is now received with site starts imminent.

Completion of all Ellery townhomes at Waterline Place in Williamstown (Vic) is due by Dec 17.























































The Eyre Sports Park in Penfield (SA) comprising 3 district level playfields, and a sports club, is well under construction and due for completion in early 2018.




NZ operations to include built form for the first time. The proposed construction starting in Feb '18 will use a combination of pre-fab and onsite manufacturing techniques to accelerate construction timeframes.

We're operating in Australia's fastest growing regions

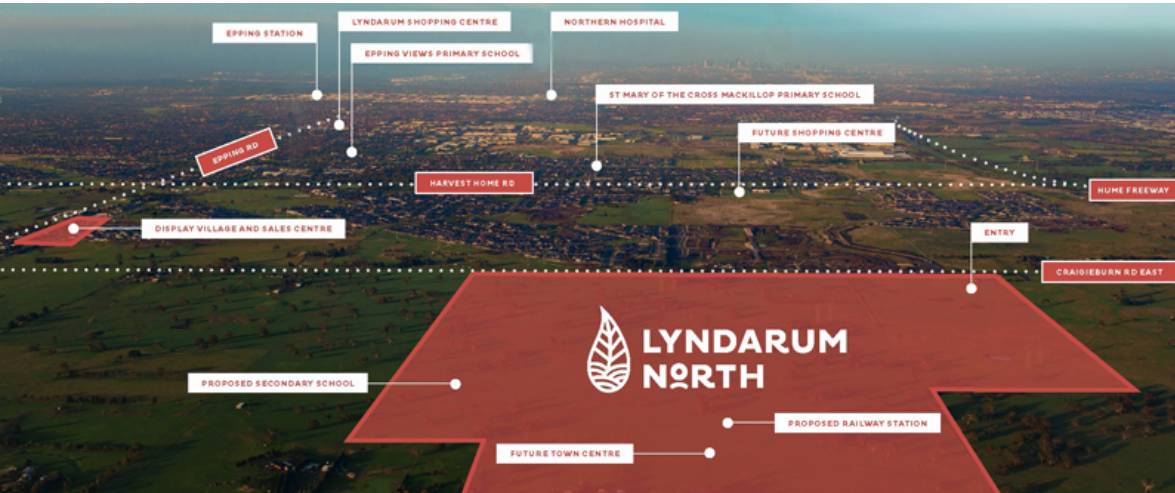


New projects driving growth

PROJECT	REGION	LOTS	FY17	FY18	FY19	FY20
1 WATERLINE	WILLIAMSTOWN, MELB.	447				
2 BRIDGEMAN DOWNS 2	NORTHERN BRISBANE	16	  			
3 LYNDARUM NORTH	NORTHERN MELB.	1820	 	 		
4 BOUNDARY RD, SCHOFIELDS	WESTERN SYDNEY	11	  			
5 SPRING FARM EAST	WESTERN SYDNEY	540		  		
6 SPRING FARM	WESTERN SYDNEY	79	 	 		
7 JIMBOOMBA	SW BRISBANE	1196	 	 		
8 BRIDGEMAN DOWNS 1	NORTHERN BRISBANE	63		   		
9 COBBITTY RD, COBBITTY	WESTERN SYDNEY	57		   		
10 WARNERVALE	CENTRAL COAST NSW	595		 	 	
11 KOGARAH	SOUTHERN SYDNEY	67		 		 
12 ROCHEDALE	SW BRISBANE	81		   		
13 HAYES LANE, HUNTLEY	WOOLLONGONG	205			  	
14 DEEBING HEIGHTS	SW BRISBANE	187		   		

-  DEVELOPMENT START
-  FIRST CONTRACT SIGNINGS
-  FIRST SETTLEMENTS
-  SETTLEMENTS CONTINUE
- ~50% of the inventory pipeline is in these projects.
- Activity is based on forecast project plans.

Lyndarum North at Wollert (Vic)



Project Description

- Over 2,000 residential land lots in staged development
- JV with Australian Super
- 27km north from the Melbourne CBD
- In a major growth corridor connected by established road & rail transport routes; home to 11,600 local businesses.

OCTOBER 2017 UPDATE

- 2,159 current lots
- Total 254 (incl. 126 from above) lots sold but unsettled
- FY18 milestones include forecast settlements across the first three stages.

MARKET COMMENTARY: strong demand for residential housing in the northern growth corridor.

Waterline at Williamstown (Vic)



Project Description

- Mix of 1,2 and 3 bedroom apartments and town homes
- 500m from Williamstown train station and close to local schools and beaches
- 9km south west from the Melbourne CBD.

OCTOBER 2017 UPDATE

- 75 of 83 Rosny apartments settled
- 5 Ellery town homes settled, 2 more awaiting settlement
- 33 of 92 GEM apartments sold with an average price of \$1.04M; above ground construction scheduled to commence in Nov '17
- Construction commenced on the Lonsdale (12) town homes in Sep '17 and will commence on the Lysander (15) town homes during 2HFY18.

MARKET COMMENTARY: Project continues to prove popular with local buyers.

Evergreen at Spring Farm (NSW)



Project Description

- Includes Spring Farm South, East and Starhill PDA
- Location: Camden Shire (60km SW of Sydney CBD)
- Product mix: land / houses / childcare centre
- Features: master planned community with bushland corridors. Close proximity to proposed 2nd Sydney airport and Narellan town centre.

OCTOBER 2017 UPDATE

- Under construction: 173 lots across SF South and SF East
- Lots pre-sold 148 across SF South and SF East. Lots remaining 814 (SF South 195, SF East 540, Starhill PDA 79)
- 2018 milestones: construction of 141 lots across SF South and East. Construction on Starhill PDA will also commence.

MARKET COMMENTARY: strong demand for residential land and housing in SW Sydney.

Arcadian Hills at Cobbitty (NSW)



Project Description

- Location: Camden Shire (50km SW of Sydney CBD)
- Product mix: land / houses / terraces
- Features: master planned community in a rural setting. Home designs in keeping with the historical significance of the local surrounds.

OCTOBER 2017 UPDATE

- Under construction: 46 houses and another 47 houses to start in Nov '17.
- Lots pre-sold 69. Lots remaining 367
- 2018 milestones: Two more stages to be completed and settled by Dec '18. The final 3 stages will be under construction in 2018 (185 lots).

MARKET COMMENTARY: strong demand for residential land and housing in SW Sydney.

Argyle at Elderslie (NSW)



Project Description

- Product mix: diverse mix of terraces / villas / detached homes and three story walk-ups.
- Location: Camden (60km SW of Sydney CBD)
- Features: close to Narellan town centre, local parks and golf courses. The community includes a beautifully landscaped park and other substantial recreation.

OCTOBER 2017 UPDATE

- Under construction: 12 land lots and 32 houses across two stages
- Lots pre-sold 28 lots / Lots remaining 219
- 2018 milestones: Completed construction for the first 5 stages and the final stage will be underway.

MARKET COMMENTARY: Strong demand for residential land in SW Sydney.
The last stage 5 release averaged \$680k for house and land.

Magnolia at Hamlyn Terrace (Central Coast, NSW)



Project Description

- Magnolia is set on 40 acres with lots of green space and bushland. Close to beaches and a Westfield complex.
- Location: Wyong.
- Product mix: land / houses
- Features: A short drive to both Lakes Beach and Soldiers Beach. Also a 10 minute drive to Tuggerah Westfield.

OCTOBER 2017 UPDATE

- Under construction: 144 lots and 22 houses.
- Lots pre-sold 108 lots / Lots remaining 247
- 2018 milestones include the completed construction of the final stage (Southern Precinct). 55 houses will then be progressively built in FY19.

MARKET COMMENTARY: Average house and land packages are around \$600k

Kogarah (Sydney, NSW)



Project Description

- Location: Kogarah (18 km South from the Sydney CBD)
- 67 apartments – mix of 1,2 and 3 bedrooms
- Features: middle ring suburban location close to train stations, schools, shops, beaches and Sydney airport.

OCTOBER 2017 UPDATE

- 2018 milestones: awaiting DA approval with a forecast start date being late FY18.

MARKET COMMENTARY: strong demand for this product close to major transport routes and employment centres.

Huntley (near Wollongong, NSW)



Project Description

- Location: West Dapto
- Product mix: land with potential for house and land or terraces
- Features: 205 lots within a 20 minute drive of Wollongong on the South Coast of NSW.

**OCTOBER 2017
UPDATE**

- 2018 milestones: awaiting DA approval with a forecast construction start date being 1HFY19.

MARKET COMMENTARY: Lack of supply in the Illawarra region.

Riverton at Jimboomba (Brisbane, QLD)



Project Description

- JV with the previous land owner
- Product mix: land / houses on 1,196 lots from 300M² to 500M²
- Location: 46km south of Brisbane CBD
- Features: Local schools, shopping, cafes and sporting grounds are in easy reach as is more than a kilometre of river frontage and an adjoining golf course.

OCTOBER 2017 UPDATE

- 2018 milestones: market release and construction commence in 1HFY18 with first settlements forecast in late 2HFY18.

MARKET COMMENTARY: Riverton is located in the popular southern growth corridor of Brisbane adjacent to established infrastructure. There is also easy access to the Gold Coast.

Rochedale (Brisbane, QLD)



Project Description

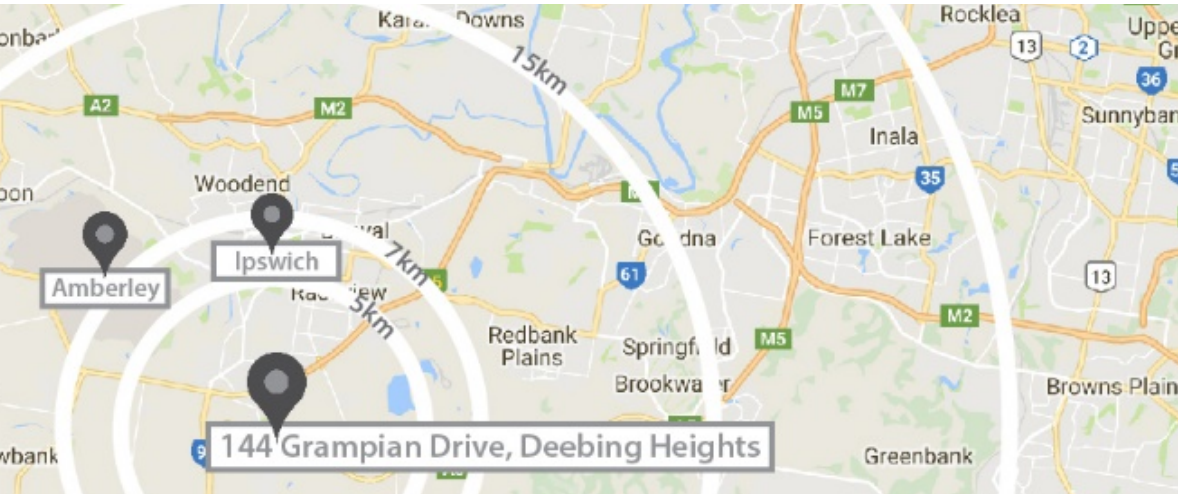
- Land subdivision of lots from 300M² to 500M²
- Product mix: 60 lots and 19 town homes
- Location: 15km south east of Brisbane's CBD
- Features: only a few hundred metres from the approved Rochedale town centre.

OCTOBER 2017 UPDATE

- 2018 milestones: lodgement of DA in November 2017 with construction forecast to commence in 1HFY19. First settlements are forecast for 2HFY19.

MARKET COMMENTARY: The suburb's growing popularity is partially driven by its location which provides easy access to Brisbane and the Gold Coast.

Deebling Heights (Brisbane, QLD)



Project Description

- Land subdivision of lots from 202M² to 730M²
- Product mix: 187 lots
- Location: 35km south west of Brisbane's CBD
- Features: Adjacent to the proposed Deebling Heights railway station.

OCTOBER 2017 UPDATE

- 2018 milestones: subject to the revised DA approval covering staging and product mix construction is forecast to commence in 2HFY18 with first settlements in 1HFY19.

MARKET COMMENTARY: The suburb is located within the western growth corridor close to the Ripley Valley.

St Clair (Adelaide, S.A.)



Project Description

- Location: 64 hectare urban infill residential suburb, 8km north west of the CBD and 5km from Adelaide's beaches
- Product mix: 1,500 dwellings in total comprising, apartments, townhouses and terraces, and detached homes
- Features: Adjacent to Woodville High School, local shopping village, public transport, recreation centre and 22 hectares of landscaped parks and waterways.

OCTOBER 2017 UPDATE

- All civil, streetscape and landscape works complete
- Only 20 vacant residential land lots left to sell
- 77 terraces and townhouses currently under construction by AVJennings
- 80 lots (both vacant land & built form) sold but unsettled.

MARKET COMMENTARY: The broader Adelaide market continues to be stable relative to the stronger east coast markets.

Buckley B at Hobsonville (Auckland, NZ)



Project Description

- Location: Hobsonville Point is a peninsula that juts out into the Waitemata Harbour, a 20-minute drive northwest of Auckland's CBD. Until recently it was a defence base.
- Product mix: Until recently only land subdivision was sold wholesale to builder partners. Built form will be included going forward.
- Features: New schools, ferry service to Auckland, local shops, playgrounds and early childhood centre.

OCTOBER 2017 UPDATE

Land Development:

- 244 lots in the final stage for Buckley B and Hobsonville Point Project
- 50% sold, remaining to be sold in November 2017 – also to existing Builder Partners
- Civil works start November 2017, completion around May 2018.

House construction:

- Our first built form in NZ, construction of 8 town homes and 7 detached houses starts in early 2018, scheduled for completion in late FY18
- Innovative construction method using a mix of prefab and onsite assembly. Total construction period is ~3 months, about half the usual time.

MARKET COMMENTARY: Continues to be a strong market.

Outlook for 2018



CONTRACT SIGNINGS

Between 1,900 to 2,100 lots
(Actual FY17 lots 1,843)



CAPITAL MANAGEMENT

DIVIDENDS: Continuing to target a dividend payout ratio of 40% to 50% of earnings

GEARING: maintain a net debt to total assets within the range of 15% to 35%

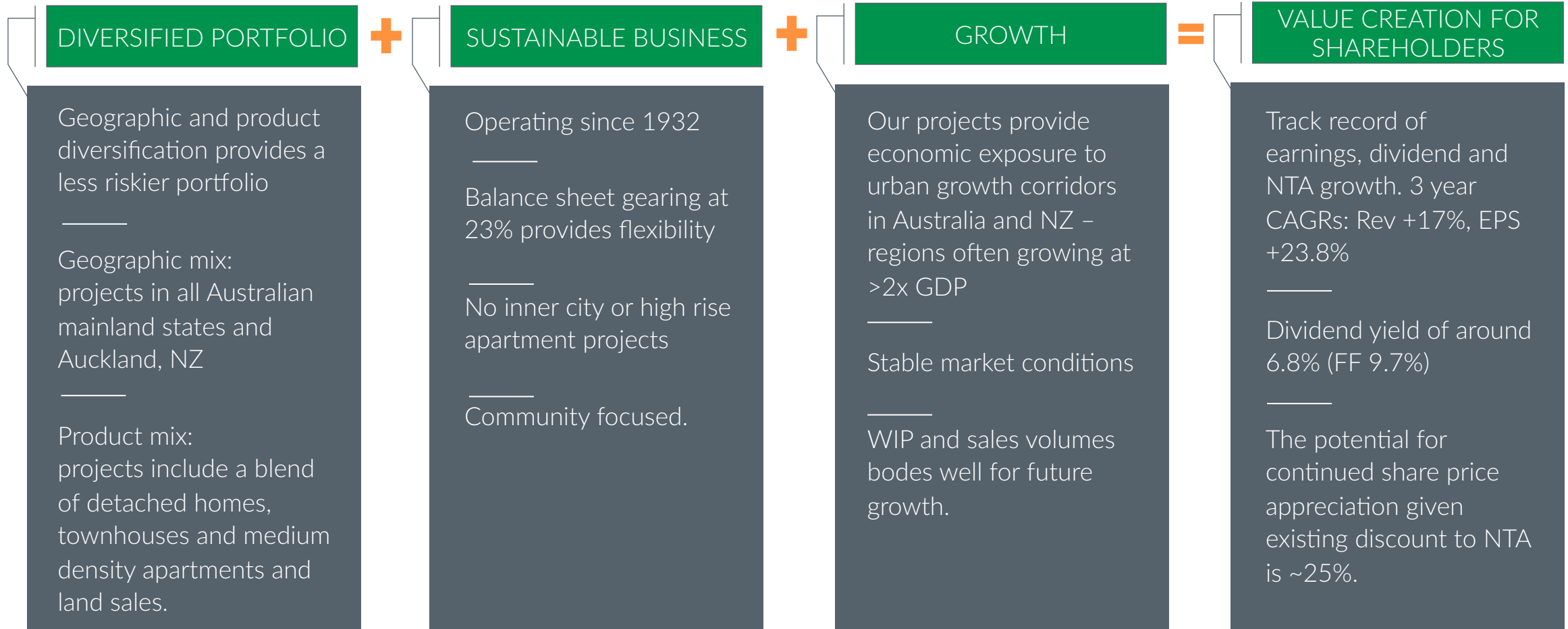


REVENUE and EARNINGS

Positive momentum off FY17 base with earnings bias continuing to be skewed into the second half (2H18) given estimated timing of settlements

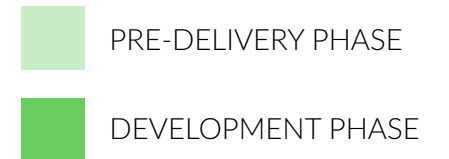
The strategy of delivering traditional housing solutions at affordable prices in well-planned communities will continue to provide shareholders with healthy returns.

Why invest in AVJennings?



		Remaining # of Lots	Pre	FY18	FY19	FY20	FY21	FY22	Post
New South Wales	Argyle, Elderslie	193							
	Magnolia, Hamlyn Terrace	193							
	Evergreen, Spring Farm (South)	213							
	Evergreen, Spring Farm (East)	540							
	Ravensthorpe Heights, Goulburn	26							
	Seacrest, Sandy Beach	123							
	Arcadian Hills, Cobbitty Stages 1 - 8	204							
	Arcadian Hills, Cobbitty Stages 9 & 10	124							
	Cobbitty Road, Cobbitty	57							
	Boundary Road, Schofields	11							
	Warnervale	595							
	Evergreen, Spring Farm PDA	79							
	Kogarah (Apartment Project) *	67							
	Hayes Lane, Huntley ^*	205							
Queensland	Halpine Lake, Mango Hill	10							
	Creekwood, Caloundra	109							
	Glenrowan, Mackay	177							
	Essington Rise, Leichardt	10							
	Villaggio, Richlands	14							
	Bethania	104							
	Big Sky, Coomera	2							
	Bridgeman Downs	63							
	Kenmore	32							
	Bridgeman Downs 2	16							
	Jimboomba	1196							
	Deebing Heights	187							
	Rosedale	79							
	Buckley B	265							
Victoria	Lyndarum, Wollert	52							
	Lyndarum North, Wollert JV (Options)	1,820							
	Arlington Rise, Portarlington	136							
	Hazelcroft, Doreen	107							
S.A.	Waterline, Williamstown	436							
	Pathways, Murray Bridge	53							
	River Breeze, Goolwa North	80							
	St Clair	521							
W.A.	Eyre at Penfield	1,672							
	Indigo China Green, Subiaco Fine China Precinct	124							
	Viridian China Green, Subiaco Fine China Precinct	18							
	The Heights Kardinya	107							
	Viveash	58							
	Parkview, Ferndale	39							

Detailed project pipeline by State



Project pipeline as at 30 Sep 2017. NSW also includes 6 remnant lots and SA 10 remnant lots. In August 2017 we acquired a 67 apartment development site in Kogarah (Sydney, NSW) and a green fields site at Rosedale (Brisbane, QLD) with approximately 81 lots.