

2014 Full Year
Results Presentation

HIGHLIGHTS – FY14

FINANCIAL

- Revenue of \$195M.
- NPAT of \$4.7M.
- Working capital surplus of \$3.2M.
- \$No corporate debt. All debt project specific.

OPERATIONS

- Successful capital raising of \$9.1M completed.
- 5 construction projects completed, another 9 secured.
- Funding secured for all projects in development pipeline.
- All developments now under construction with exception of Capri to commence in October 2014.
- Secured 185 sales worth \$84M in FY14.

OUTLOOK

- Positive outlook for new third party contracts pipeline of \$110M.
- Delivery of Quest Rockingham in FY15 and Quest Adelaide Terrace in FY16 to add \$5M plus in rental income per annum.
- Continued opportunities to secure new JV's to extend pipeline into FY17 and FY18.



Financial Update

FINANCIAL SUMMARY

		FY14	FY13	CHANGE
Revenue	\$M	195.3	163.4	20%
EBIT	\$M	5.4	3.4	59%
NPAT	\$M	4.7	1.6	194%
OPERATING CASH FLOW ⁽ⁱ⁾	\$M	(11.4)	8.1	-241%
EPS BASIC	CPS	1.2	1.0	20%
RETURN ON EQUITY	%	29.2	47.0	-38%

- (i) Development costs on internal projects are classified as “Operating” cash outflows, while the cash draw downs from the project specific debt facilities used to fund these activities are classified as “Finance” cash inflows. This creates a mismatch (or negative “Operating” cash flow) in the Statement of Cash Flows in the Financial Statements. This negative operating cash flow is reversed when settlements commence on internal projects.

BALANCE SHEET

Statement of Financial Position As at 30 June 2014	FY14 \$'000s	FY13 \$'000s	CHANGE
Cash and cash equivalents	6,911	10,284	-33%
Trade and other receivables	17,994	29,519	-39%
Inventories	49,275	24,194	104%
Trade and other payables	45,539	50,888	-11%
Interest bearing loans and borrowings	*18,341	18,124	1%
Net Tangible Assets	16,115	3,304	388%

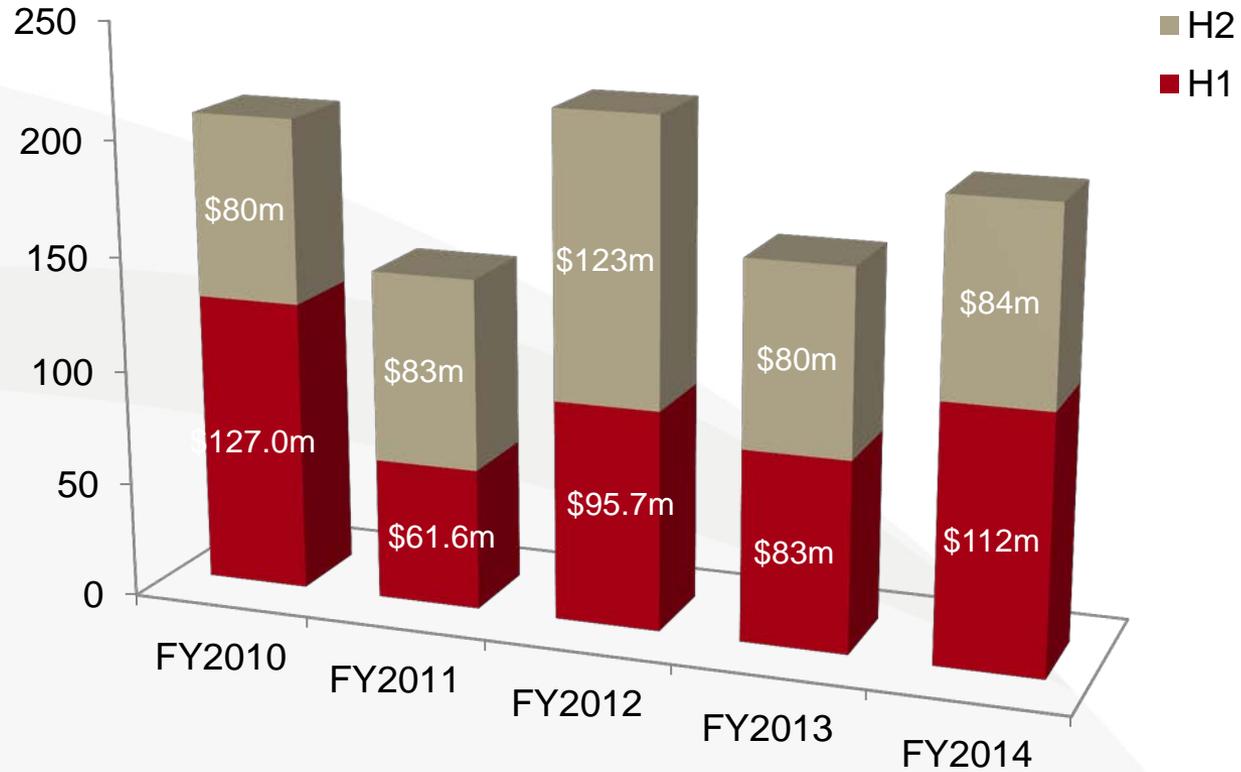
* All project specific in FY14, no corporate debt

DEBT MANAGEMENT

Project	Expected completion	Financed amount (\$m)	Drawn amount (\$m)	Maturity date
176 Adelaide Tce Perth	FY16	24.3	2.3	Jul 16
Quest Rockingham	FY15	13.2	0.0	Sep 15
Lord St Highgate	FY15	*21.0	2.5	May 16
Capri Rockingham	FY15	18.0	-	Jul 16
Abode	FY15	23.6	11.7	Oct 15
Other – Finance Leases		0.2	0.2	
Total		100.3	18.3	

* DGX share is 50%

REVENUE





Construction Update

YEAR END CONSTRUCTION UPDATE

Completions

- One on Aberdeen - \$38M
- Move Apartments – South Beach - \$20M
- Haven Apartments – East Perth - \$20M
- Oceanna Apartments – Scarborough - \$20M
- Dan Murphys – Kwinana - \$3M

Secured Contracts

- Abode – West Perth - \$23M
 - Precinct on Ogilvie – Mt Pleasant \$16M
 - Marina Edge – Port Coogee - \$38M
 - Empire East – Perry Lakes - \$9M
 - Empire West – Perry Lakes - \$30M
 - 288 Lord – Highgate - \$16M
 - Quest Mounts Bay - \$11M
 - Quest Rockingham - \$11M
- } \$154M

Construction Commencements

- Abode – West Perth \$23M
- Precinct on Ogilvie – Mount Pleasant - \$16M
- 288 Lord – Highgate - \$16M
- Quest Mounts Bay - \$11M
- Quest Rockingham - \$11M

CURRENT CONSTRUCTION PROJECTS

Project	Abode (Campbell Street)	
Description:	Multi level residential development consisting of 86 apartments in West Perth, plus basement car park	
Value:	\$ 22.5 million	
Completion Date:	Feb 15	
Project	Podium 202/203	
Description:	22 Townhouses with common area, two lifts and basement parking	
Value:	\$ 10.5 million	
Completion Date:	March 15	
Project	Ocean Edge (North Coogee)	
Description:	101 Apartments at Port Coogee	
Value:	\$ 35 million	
Completion Date:	Sep 14	

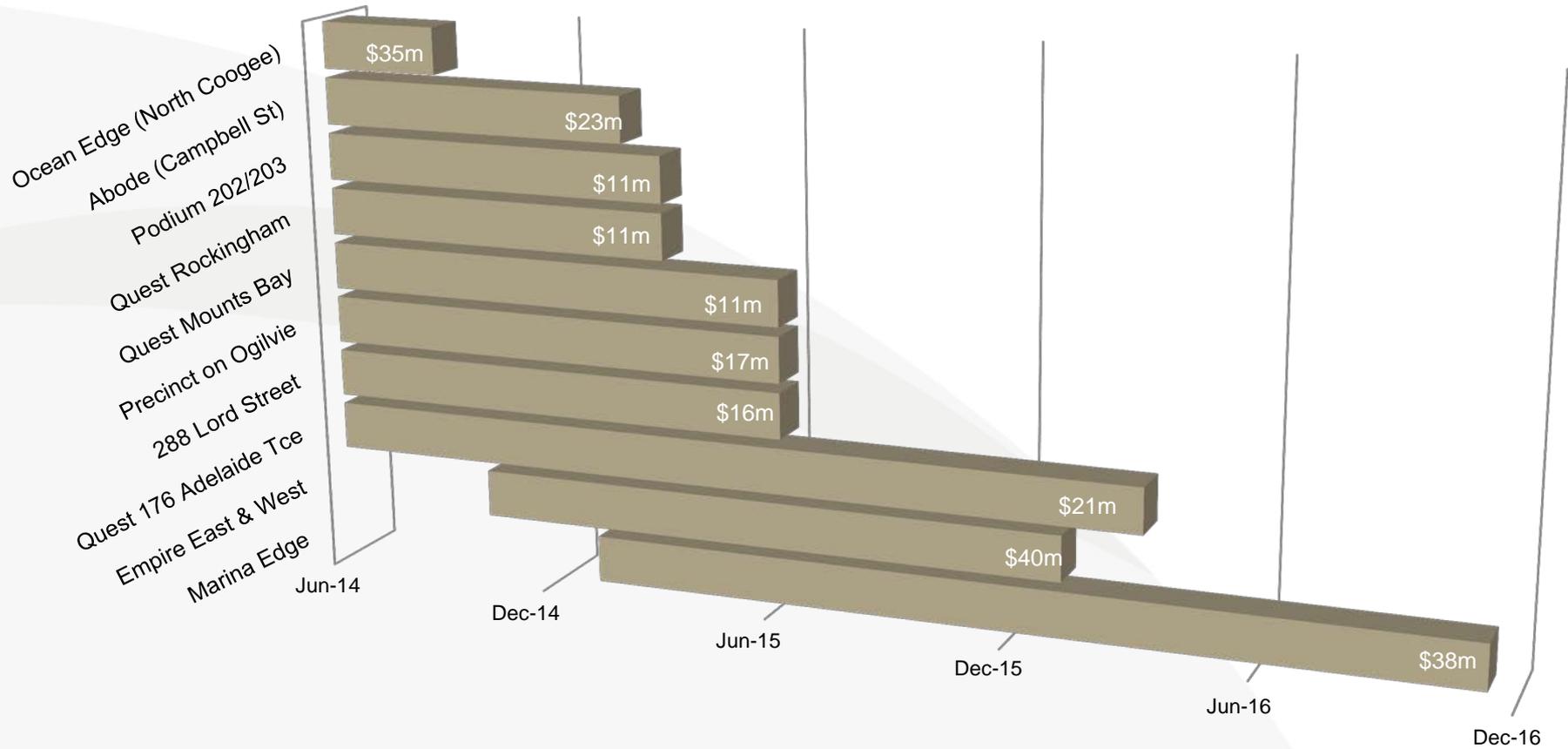
CURRENT CONSTRUCTION PROJECTS

Project	Quest Mounts Bay	
Description:	Construction of Quest Apartments - 71 boutique rooms over 7 levels	
Value:	\$11 million	
Completion Date:	Jun 15	
Project	Precinct on Ogilvie	
Description:	9 storey mixed use development, 2 levels commercial and 34 apartments over 7 levels	
Value:	\$17 million	
Completion Date:	Jun 15	
Project	Quest - Rockingham	
Description:	Quest Apartments – 96 keys over 7 levels	
Value:	\$11 million	
Completion Date:	Mar 15	

CURRENT CONSTRUCTION PROJECTS

Project	288 Lord Street Highgate	
Description:	68 apartments, 5 commercial tenancies over 6 levels	
Value:	\$16 million	
Completion Date:	Nov 15	
Project	Quest 176 Adelaide Tce	
Description:	Quest Apartments - 98 apartments over 20 levels – 130 keys	
Value:	\$21 million	
Completion Date:	Mar 16	
Project	Marina Edge	
Description:	Construct 109 apartments in the recently established Port Coogee marina precinct over 9 levels	
Value:	\$38 million	
Completion Date:	Start Jan 15: Finish Late 2016	
Project	Empire East & West	
Description:	123 one, two & three bedroom apartments over 4 levels	
Value:	\$40 million	
Completion Date:	Start Oct 14: Finish Early 2016	

CONSTRUCTION PIPELINE SUMMARY





Property Development Update

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THE INDIANOR PAVILION

YEAR END DEVELOPMENT HIGHLIGHTS

Completions	<ul style="list-style-type: none">• One on Aberdeen - \$72M
Approvals	<ul style="list-style-type: none">• DA received for Capri - \$30M
Construction Commencements	<ul style="list-style-type: none">• Abode - \$36M• 288 Lord - \$36M• Quest Rockingham - \$24M• Quest Adelaide Terrace - \$43M
Acquisitions / JV's	<ul style="list-style-type: none">• Nil

PIPELINE COMPLETION SUMMARY

		FY14	FY15	FY16
Project	DGX Interest			
One on Aberdeen	25%	67M		
Abode	50%		36M	
288 Lord	50%			38M
Quest Rockingham	100%			24M
Quest 176	100%			42M
Capri	100%			27M
	FY Totals (\$M)	67M	36M	131M
	Diploma's Interests (\$M)	17M	18M	112M
	Total Pipeline (\$M)	234M		

*figures are ex-GST

Current Status:

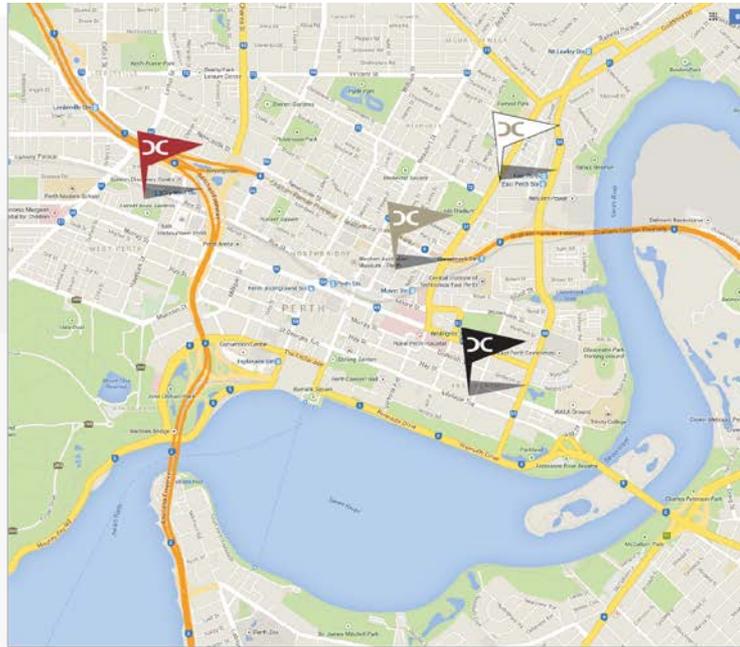
Completed

Under Construction

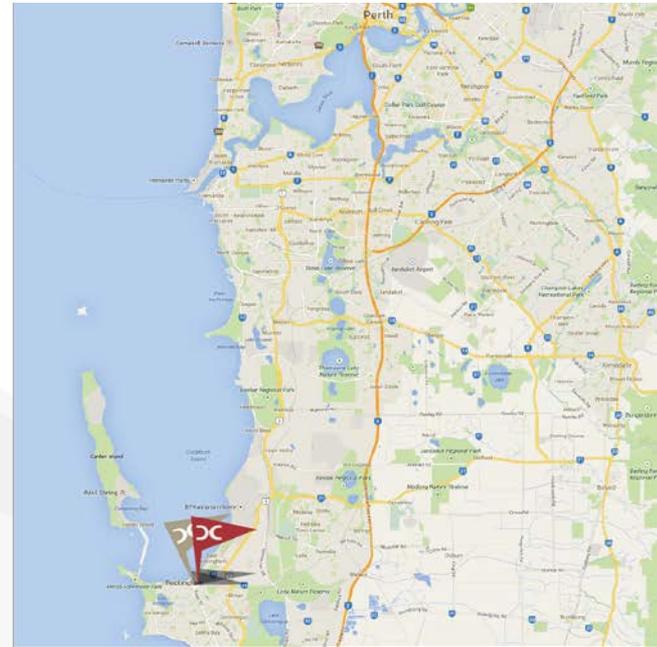
Approvals Recieved

PROJECTS LOCATION MAP

- 4 CBD projects



- 2 outside CBD



 One on Aberdeen  288 Lord Street Highgate

 Quest – 176 Adelaide Terrace  Abode

 Quest - Rockingham

 Capri - Rockingham

ONE ON ABERDEEN

239 PIER STREET, PERTH

Project: 161 residential apartments plus 7 street front commercial lots (total 168) in 14 storey building. Comprising of a mix of 1 bedroom and 2 bedroom apartments with an average price of \$435,000.

- Status: Construction complete
- Ownership: 25% owned JV through SPV
- Value: \$72M
- Completed: FY14



ABODE

15 CAMPBELL STREET, WEST PERTH

Project: 86 residential apartments in a multi level building comprising of a mix of 1 bedroom and 2 bedroom apartments with an average price of \$465,000.

- Status: Under construction
- Ownership: 50% JV with land owner
- Value: \$41M
- Completion: Expected February 2015
- Sales: \$41M – 100% Presold



QUEST

FLINDERS LANE, ROCKINGHAM

Project: 48 serviced apartments with 96 keys over 6 levels located just 200 metres from the pristine Rockingham Beach. The building has been fully committed via a lease from Quest Group for an initial term of 15 years.

- Status: Under construction
- Ownership: 100% owned by DGX
- Value: 24M
- Completion: Anticipated June 2015
- Lease: 100% leased to Quest serviced apartments subsidiary



288 LORD STREET

HIGHGATE

Project: 68 residential apartments and 5 street facing commercial tenancies in a 6 storey building. The project comprises a mix of 1 bedroom and 2 bedroom apartments with an average price of \$495,000.

- Status: Under construction
- Ownership: 50% JV
- Value: \$36M
- Completion : Anticipated November 2015
- Sales: \$26M – 72% Presold



CAPRI

24 FLINDERS LANE, ROCKINGHAM

Project: 76 residential apartments in a 5 storey building located just 200 metres from the pristine Rockingham Beach. The project consists of a mix of 1 bedroom and 2 bedroom apartments with an average price of \$400,000.

- Status: Pre-selling. Construction to commence October 2014
- Ownership: Wholly owned by DGX
- Value: \$30M
- Completion : January 2016
- Sales: \$19M – 63% Presold



QUEST

176 ADELAIDE TERRACE, PERTH

Project: 98 serviced apartments with 130 keys over 19 levels located within walking distance of the Perth CBD. The building has been fully committed via a lease from Quest Group for an initial term of 15 years.

- Status: Under construction
- Ownership: 100% owned by DGX
- Value: \$43M
- Completion : March 2016
- Lease: 100% leased to Quest serviced apartments subsidiary



SUMMARY

- Construction forward order book of \$167M secured over next 24 months.
- Currently tendering/negotiating \$110M of new construction work.
- Have commenced construction of 4 internal projects with 5th to commence in October.
- Strategy is to generate an even spread of internal v external construction work by leveraging the group's integrated model and relationships.