



PBD
Developments

HY15 Results

For the half year ended 31 December 2014

27 February 2015

View from Point Grey

Overview

Portfolio

- Bridgeview – expected construction completion date of the second half of FY2015
- The Milton – expected construction completion date of the first half of FY2016
- Burwood Square – expected construction completion date of the second half of FY2016
- SeaSpray – land subdivision with staged completion between second half of FY2015 and first half of FY2017

Significant Embedded Value

- Approximately \$80 million invested to date
- Significant de-risking as pre-sales exist and construction underway across the portfolio
- Completion of all projects currently expected within two years
- \$120 million to be returned from the new projects (excluding corporate overheads and corporate financing but after project financing)
- With its partners, PBD is focusing on construction delivery, settlements and maximising the return of remaining unsold stock

Overview (continued)

Financial

- Underlying loss of \$5.2 million mainly due to interest on debt facility and no settlements in the first half of FY2015
- Statutory loss of \$10.8 million mainly due to impairment of Oceanique, payment of the Burwood Square loan extension fee and net foreign exchange losses

Legacy Asset Strategy

- Continuing to explore options to maximise returns and free up capital from WA assets which are held at \$63 million as at 31 December 2014, in order to reduce corporate debt and/or to redeploy into new projects consistent with the strategy

Tax Efficient Capital Structure

- PBD has unrecognised tax losses which should be able to be applied against future profits
- Any future tax utilisation will be subject to meeting the requirements of tax legislation

Balance Sheet

Summarised Balance Sheet	HY15 (\$'M)	FY14 (\$'M)	HY15 Major Items
Assets			
Projects	89.1	86.7	Bridgeview, Burwood Square, The Milton and SeaSpray
WA assets	63.4	70.6	Oceanique, Point Grey and Villa site
Other assets	7.7	4.8	Cash and foreign exchange hedging
Total reported assets	160.2	162.1	
Liabilities			
Term debt facility	39.6	32.9	Increased debt due to foreign exchange movement
Vendor financing	28.1	27.2	Burwood Square and SeaSpray
Other liabilities	0.8	1.2	
Total reported liabilities	68.5	61.3	
Shareholders' Funds			
Net assets	91.7	99.8	Loss for HY2015 and fair value adjustment
NTA per Share	\$0.014	\$0.015	Loss for HY2015
Gearing – corporate level	24%	19%	Increased debt due to foreign exchange movement
Gearing – look through	49%	32%	Increased gearing due to increase in construction activity

Profit or Loss

Summarised Profit or Loss	HY15 (\$'M)	HY14 (\$'M)	% Change	HY15 Major Items
Underlying loss after tax	(\$5.2)	(\$3.4)	(52.9%)	Higher interest costs
Statutory loss after tax	(\$10.8)	(\$3.7)	(197%)	Write down of Oceanique, interest and hedging costs associated with overseas financing
Dividend	Nil	Nil	-	
Major Items				
Legacy assets impairment / depreciation	4.4	-		Oceanique impairment and Peel Water depreciation
Restructuring costs	-	0.1		HY14 relocation costs
Financing costs	0.6	0.1		Hedging costs
Other	0.6	0.1		Burwood Square loan extension fee

Liabilities

Corporate Term Facility

- Sun Hung Kai International Bank [Brunei] Limited
- \$40 million (A\$ equivalent) unsecured facility
- Maturity 30 April 2017
- Interest of 7% over BBSY
- 100% of drawdowns hedged for six months (excluding capitalised interest)

Burwood Square

- \$11 million part consideration vendor financed
- Due to be repaid on 1 September 2015
- Interest of 12% p.a.
- Issued 200,000,000 options as extension fee (option fee expense of \$677,000) ('**loan extension fee**')

SeaSpray

- Maximum of \$16.2 million due between January 2015 and June 2015, excluding civil works and englobos expenses
- Actual final payment will depend on unsold / undeveloped lots held

Projects

Project	Carrying Value 31/12/14 (\$'M)	Nature of Interest	Progress	Risks	Expected Construction Completion Date
The Milton	34.6	50% joint venture profit participation	Under construction	Remaining apartment sales & construction	First half FY2016
Burwood Square	27.5	50% joint venture profit participation	Under construction	Sale of retail & commercial podium & construction	Second half FY2016
Bridgeview	9.0	Joint venture priority return participation	Under construction	Construction	Second half FY2015
SeaSpray	18.0	100%	Subdivision & sale	Council approvals & lot sales	December 2016

Legacy Assets

Oceanique

- 15 luxury oceanfront apartments remaining
- All options being considered

Point Grey

- Significant approvals have been obtained
- Infrastructure strategy has been developed
- Directors assessing options

FY15 and Beyond

- ✓ Realise embedded value in new projects, starting with Bridgeview
- ✓ Continue sale of Oceanique with all options being considered to divest the remaining apartments
- ✓ Assess options for Point Grey now that significant approvals have been obtained and an infrastructure strategy developed
- ✓ Continue to monitor corporate overheads
- ✓ Continue to assess debt and equity funding options to ensure business remains solvent during transition phase
- ✓ Equity funding of future investments to be considered on a case-by-case basis

An aerial photograph of a coastal golf course. The foreground shows green fairways and sand traps. A wide, sandy beach curves along the edge of a bay. The water in the bay is a vibrant turquoise, transitioning to a deep blue as it meets the open ocean. The sky is a clear, bright blue. The word "Projects" is overlaid in the center of the image.

Projects

View from Oceanique

Bridgeview (NSW)



Block A-E structure complete

- 23 townhouses (1 remaining)
- Estimated end value: \$35 million
- PBD interest in project: 50%
- Status: Under construction
- Completion: Second half FY2015



Mechanical, hydraulic, electrical in working progress

Burwood Square (NSW)



Preparing L3 Formwork Building B

- 210 apartments (1 remaining)
- 7,455 sqm Retail & Commercial
- Estimated end value: \$217 million
- PBD Interest in project: 54%
- Status: Under construction
- Completion: Second half FY2016



Wynne Avenue Scaffolding stripped

The Milton (QLD)



Roof structural steel underway

- 295 apartments (84% sold)
- 2,319 sqm Retail & Commercial
- Estimated end value: \$216 million
- PBD interest in project: 50%
- Status: Under construction
- Completion: First half FY2016



Eastern side of building

SeaSpray (VIC)



- 247 lot subdivision
- Estimated end value: \$56 million
- PBD interest in project: 100%
- Status: Staged construction underway
- Completion: December 2016

Master Plan



Wetlands and Stages 2, 3 and 4 in progress

SeaSpray (VIC)

SeaSpray is a 14 hectare englobo subdivision located only 19km's from Melbourne's CBD. Seaspray comprises 247 residential lots, located near Melbourne's Port Philip Bay with a natural coastline and sprawling natural vegetation.

It's unique facilities include:

- Parkland and wetlands
- BBQ's
- Shelters
- Playgrounds
- Boardwalks
- Walking and bicycle trails
- Sports ovals
- Primary schools
- Childcare facilities
- Planned neighbourhood shopping centre

Construction is underway with Stage 1 completed in December 2014 and the balance of the subdivision to be progressively completed by December 2016.



Oceanique (WA)



- 66 luxury apartments
- Available apartments: 15
- PBD interest in project: 100%
- Completed: July 2010



Point Grey (WA)



- 3,080 lots
- Estimated end value: \$1.3 billion
- PBD interest in project: 100%
- Size: 275 hectares
- Status: Approved subdivision and Marina



Point Grey (WA)

Point Grey is a substantial engloblo land holding south of Perth that is approved for a 3,080 lot residential subdivision and marina.

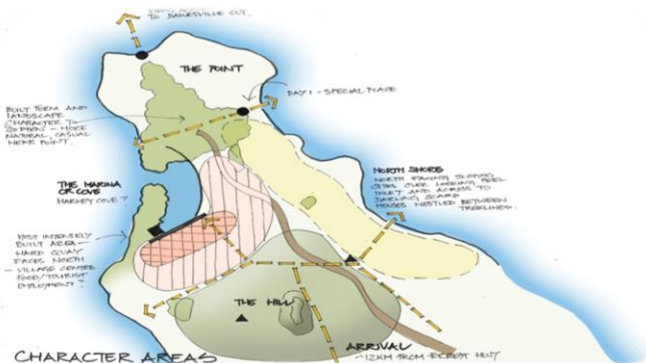
On 30 June 2014, the Company announced that it had obtained formal Federal and State Government approvals for the marina project at Point Grey in Western Australia.

Current planning approval including:

- world class marina
- bars, cafes, restaurants and retail shopping
- Primary School

This new residential community is nestled amongst existing natural bushland, waterways and abundant birdlife in a stunning peninsula setting, just one hour south of Perth. Point Grey will be a place that considers the future, built in total harmony with its surrounds.

Point Grey will be an exciting new master planned community, centred around a proposed world-class marina, a stone's throw from the Indian Ocean.



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