

# FY15 Results Presentation

For the full year ended 30 June 2015

August 2015

**PBD**  
Developments



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# Overview

## Portfolio

- Bridgeview – expected construction completion date of the first half of FY2016
- 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 second half FY2016

## Significant Embedded Value

- Approximately \$80 million invested to date
- Significant de-risking as pre-sales exist and construction is underway across the portfolio
- Completion of all projects currently expected within 18 months
- Over \$110 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 \$7.7 million due to interest on debt facility
- Statutory loss of \$14.9 million 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 \$57 million as at 30 June 2015, 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	FY15 (\$'M)	FY14 (\$'M)	FY15 Major Items
Assets			
Projects	101.5	86.7	Bridgeview, Burwood Square, The Milton and SeaSpray
WA assets	57.3	69.6	Oceanique, Point Grey and Villa site
Other assets	11.0	4.8	Cash and foreign exchange hedging
<b>Total reported assets</b>	<b>169.8</b>	<b>161.1</b>	
Liabilities			
Term debt facility	42.3	32.9	Increased debt due to foreign exchange movement
Vendor financing	30.0	27.2	Burwood Square and SeaSpray
Other liabilities	1.3	1.2	
<b>Total reported liabilities</b>	<b>73.6</b>	<b>61.3</b>	
Shareholders' Funds			
Net assets	96.2	99.8	Loss for FY2015 and fair value adjustment
NTA per Share	\$0.014	\$0.015	Loss for FY2015
Gearing – corporate level	23%	19%	Increased debt due to foreign exchange movement

# Profit or Loss



Summarised Profit or Loss	FY15 (\$'M)	FY14 (\$'M)	Change %	FY15 Major Items
Underlying loss after tax	(\$7.7)	(\$5.4)	(43%)	Higher interest costs
Statutory loss after tax	(\$14.9)	(\$8.6)	(73%)	Write down of remaining Oceanique apartments, interest and hedging costs associated with overseas financing
Dividend	Nil	Nil	-	
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Major Items				
Legacy assets impairment / depreciation	(4.9)	(2.4)		Oceanique impairment and Peel Water depreciation
Restructuring costs	-	(0.3)		FY14 relocation costs
Financing costs	(1.6)	(0.5)		Hedging costs
Other	(0.7)	-		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 (excluding capitalised interest)

## Burwood Square

- \$9 million part consideration vendor financed
- Due to be repaid on 31 December 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 \$8.5 million (Gross) plus civil works due in October 2015
- Actual final payment will depend on unsold / undeveloped lots held

# Projects



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<b>Project</b>	<b>Carrying Value</b>	<b>Nature of interest</b>	<b>Progress</b>	<b>Expected Construction Completion Date</b>
	<b>(\$'M)</b>			
The Milton	42.3	50% joint Venture profit participation	Nearing completion	First half FY2016
Burwood Square	27.5	50% joint venture profit participation	Under Construction	Second half FY2016
Bridgeview	9.0	Joint venture priority return participation	Nearing completion	First half FY2016
SeaSpray	22.7	100%	Subdivision & sale	Second half FY2016

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# Legacy Assets

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## Oceanique

- 10 luxury oceanfront apartments sold in FY2015
- Eight apartments remaining (5 under conditional contract)

## Point Grey

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

# FY15 and Beyond

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- ✓ Realise value in new projects, starting with The Milton
- ✓ Continue sale of the remaining Oceanique 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

# Project Portfolio

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The Group portfolio represents in excess of 775 residential homes, urban land lots and multi-storey apartments.

This represents an end value of \$527 million to be delivered over the course of the next 18 months.

This excludes Point Grey.

# Bridgeview (NSW)



- 23 townhouses (1 remaining)
- Estimated end value: \$35 million
- PBD interest in project: 50%
- Status: Nearing completion
- Completion: First half FY2016



# Burwood Square (NSW)



- 210 apartments (1 remaining)
- 7,455 sqm Retail & Commercial
- Estimated end value: \$215 million
- PBD interest in project: 48%
- Status: Substantially complete
- Completion: Second half FY2016



# The Milton (QLD)



Roof structural steel underway

- 295 apartments (93% sold)
- 2,319 sqm Retail & Commercial
- Estimated end value: \$219 million
- PBD interest in project: 50%
- Status: Nearing completion
- Completion: First half FY2016



Eastern side of building

# SeaSpray (VIC)



Photo by Aircraft

- 247 lot subdivision
- Estimated end value: \$58 million
- PBD interest in project: 100%
- Status: Staged construction substantially complete
- Completion: Second half FY2016



# Oceanique (WA)



- 66 luxury apartments
- Available apartments: Eight
- Five under conditional exchange
- 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 residential subdivision and marina



# Point Grey (WA)

Point Grey is a substantial englob 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.

