

1H17 Results Annexure

RESULTS BUILT ON
SUSTAINABLE COMMUNITIES

31 December 2016

Cardinal Freeman The Residences,
Sydney



Stockland
it's your place



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About Stockland

Willowdale Regional Park, Sydney



Stockland
it's your place



Our strategy for success



OUR VISION

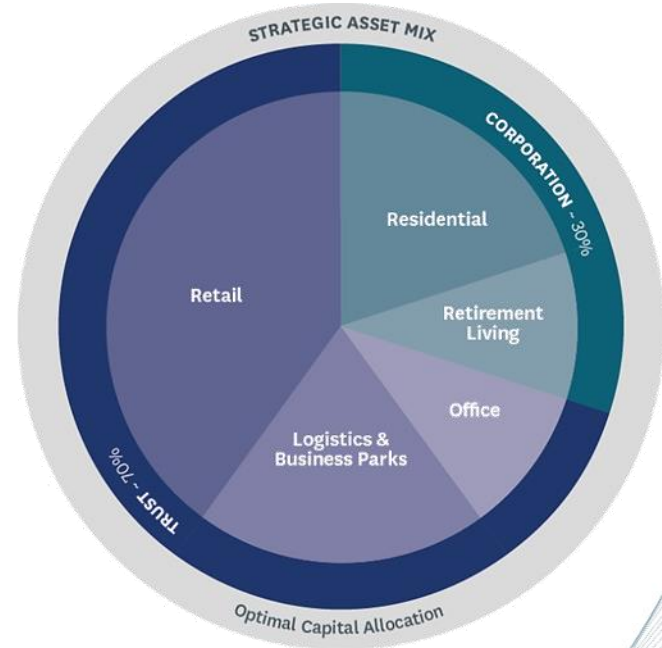
To be a great Australian real estate company that makes a valuable contribution to our communities and our country

OUR VALUES

Community
Accountability
Respect
Excellence

OUR PURPOSE

We believe there is a better way to live



Five year indicative asset mix

Stockland Quick Facts

TRUST

Retail

53% of SGP portfolio



Stockland Shellharbour, NSW

Create market leading shopping centres

40 Assets

Ownership interests valued at \$7.0b and gross book value of \$7.4b

Logistics & Business Parks

15% of SGP portfolio



Ingleburn Distribution Centre, NSW

Grow and develop a quality portfolio

27 Assets

Ownership interests valued at **\$2.0b** and gross book value of **\$2.2b**

Office

5% of SGP portfolio



135 King St / Glasshouse, NSW

Optimise returns - tactical allocation

8 Assets

Ownership interests valued at **\$0.7b** and gross book value of **\$1.1b**

CORPORATION

Residential

18% of SGP portfolio



Aura, Qld

Maximise returns by creating better places to live

72,600 lots under control

End value **\$18.2b**

Retirement Living

9% of SGP portfolio



Willowdale Retirement Village, NSW

Leading operator and developer

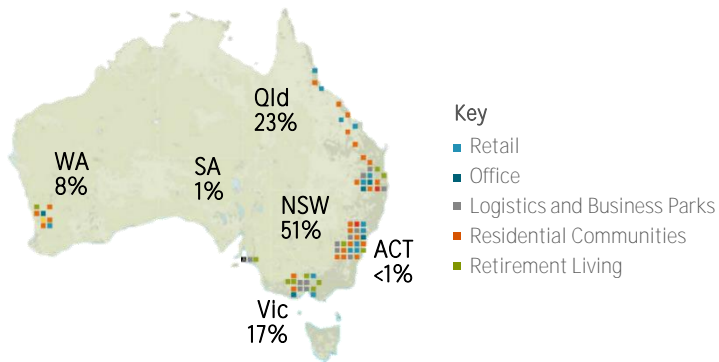
65 Established Villages

Over 9,400 units

\$2.3b estimated end value of development pipeline

We are well positioned with a diverse portfolio^{1,2}

All states	CP	Resi	RL	Total
Number of properties/projects	78	53	73	204
Book Value	\$10.0b	\$2.5b	\$1.3b	\$13.8b
SGP Portfolio %	73%	18%	9%	100%



WA	CP	Resi	RL	Total
Number of properties/projects	6	7	2	15
Book Value	\$0.6b	\$0.4b	<\$0.1b	\$1.1b
SGP Portfolio %	4%	3%	<1%	8%

Qld	CP	Resi	RL	Total
Number of properties/projects	18	25	10	53
Book Value	\$2.1b	\$0.9b	\$0.1b	\$3.1b
SGP Portfolio %	15%	7%	<1%	23%

NSW	CP	Resi	RL	Total
Number of properties/projects	38	10	21	69
Book Value	\$6.0b	\$0.6b	\$0.4b	\$7.0b
SGP Portfolio %	43%	4%	3%	51%

Vic	CP	Resi	RL	Total
Number of properties/projects	14	11	28	53
Book Value	\$1.2b	\$0.6b	\$0.6b	\$2.4b
SGP Portfolio %	9%	4%	4%	17%

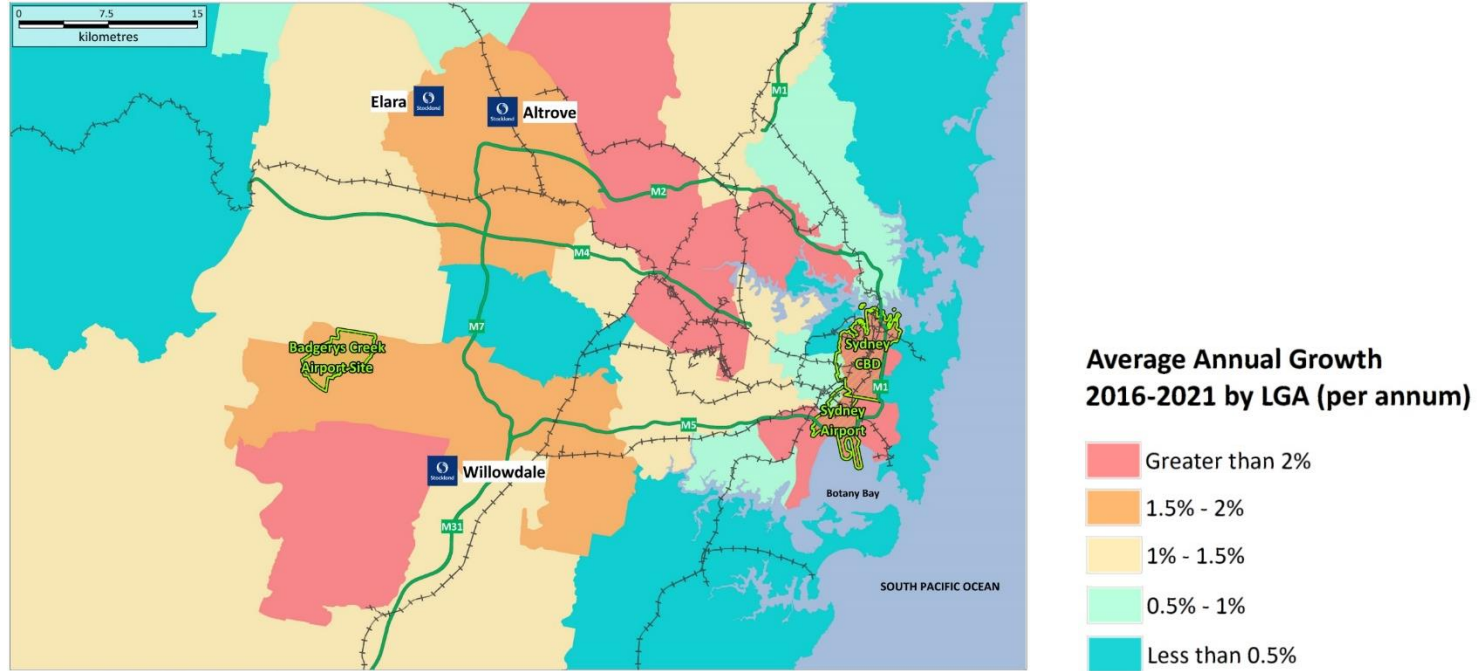
SA and ACT	CP	Resi	RL	Total
Number of properties/projects	2	-	12	14
Book Value	\$0.1b	-	\$0.1b	\$0.2b
SGP Portfolio %	<1%	-	<1%	1%

1. Includes Unlisted Property Fund assets

2. RL established and development assets at same location are treated as a single property/project (disclosed separately in Property Portfolio)

Key Residential projects, located in population growth areas¹

Sydney



1. Source: Location IQ

Key Residential projects, located in population growth areas¹

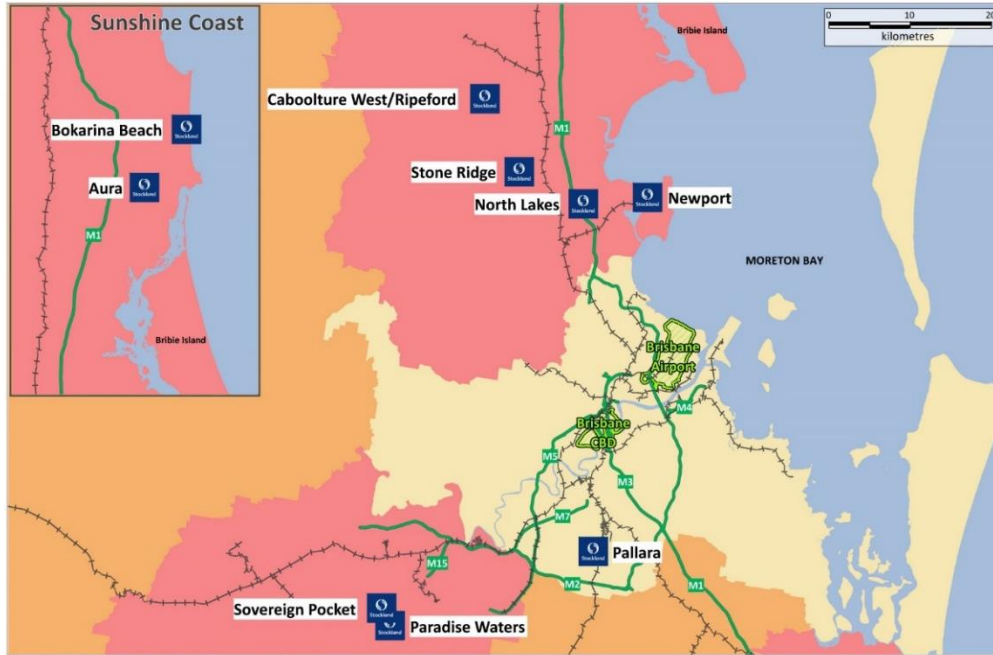
Melbourne



1. Source: Location IQ

Key Residential projects, located in population growth areas¹

Brisbane (LHS), Perth (RHS)

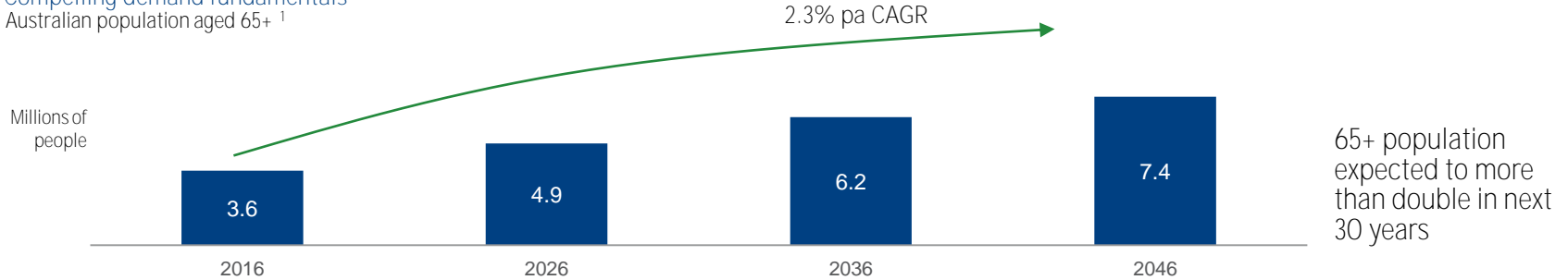


1. Source: Location IQ

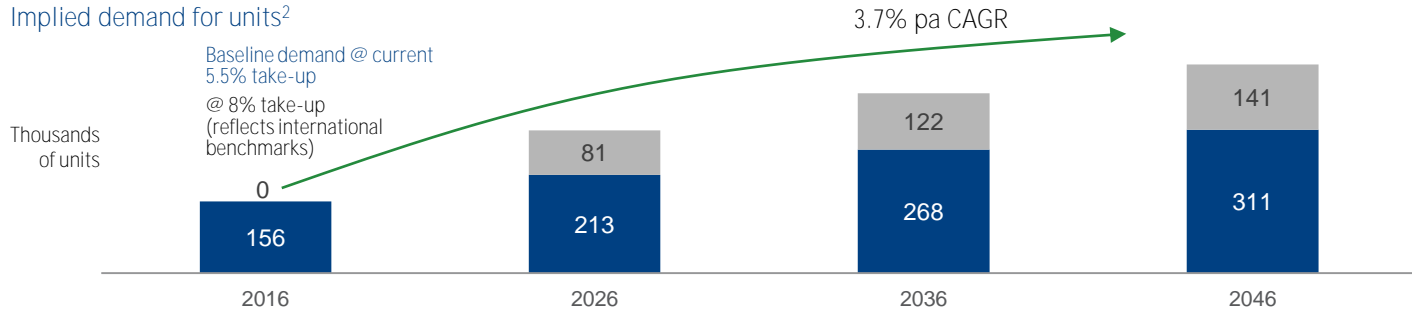


Retirement Living – Strong demand drivers

Compelling demand fundamentals
Australian population aged 65+ ¹



Implied demand for units²



1. ABS Cat. No. 3105.0.65.001, Mar 2015

2. Assumes 1.3 residents per ILU

Research Annexure

Economic Overview

Ingleburn Distribution Centre,
Sydney

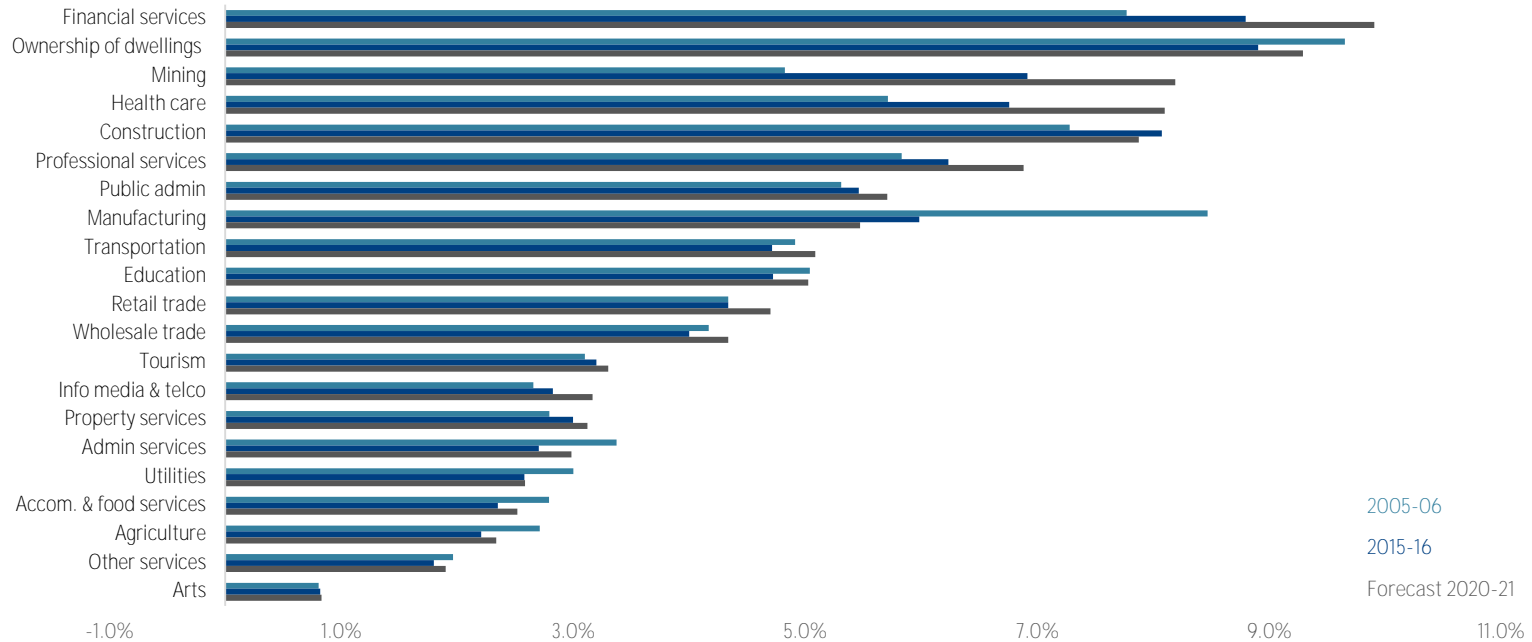


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Contribution to Australia's GDP by industry(%)

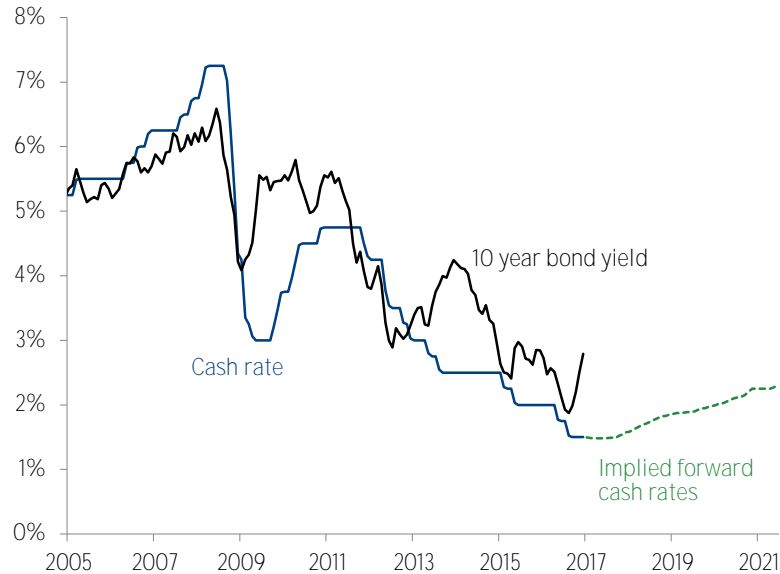
Industry contribution to GDP¹ (%)



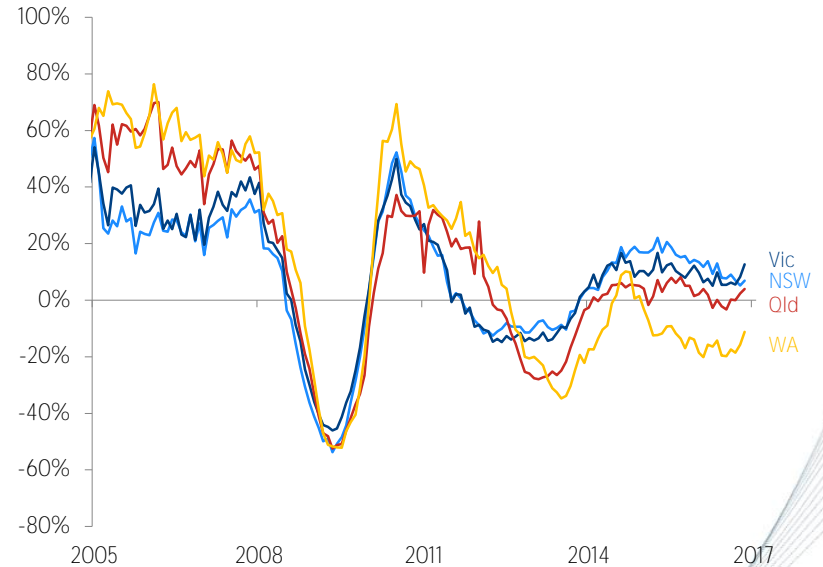
1. ABS, Stockland Research, Deloitte Access Economics Dec 2016

Accommodative monetary policy, labour market stable

Historical and implied forward RBA cash rates¹



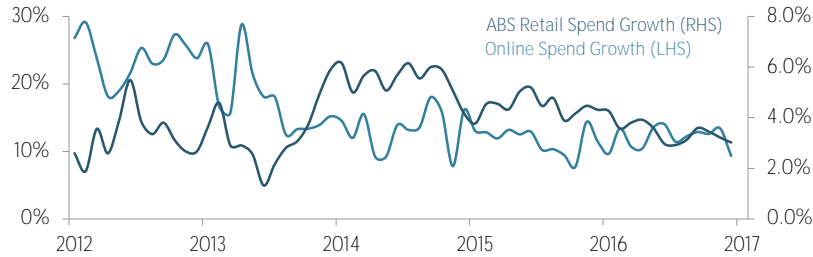
Labour market improving across Vic and Qld
Seek Job Ads (Annual % change in number of ads)



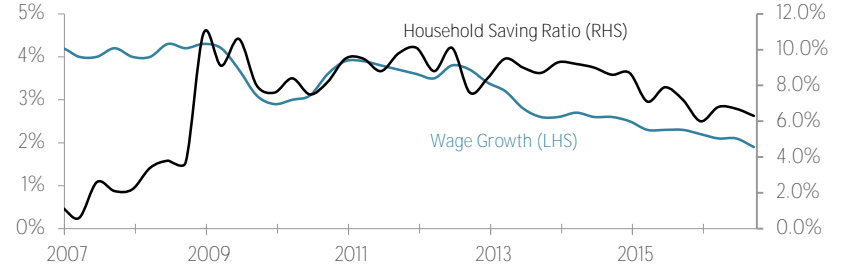
1. RBA, Stockland Research
2. Seek, November 2016

Australia: Retail Drivers

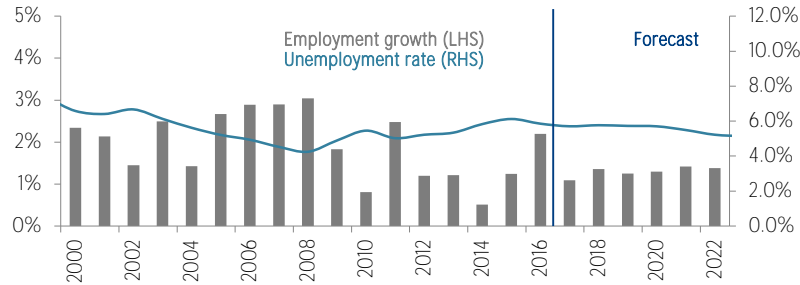
Rate of growth in online retail spend¹ is moderating



Wage growth soft and savings rate declining (as at Sep 2016)²



Labour market forecast to moderate from a strong 2016^{2,3}



Consumer Sentiment continues to fluctuate around neutral⁴

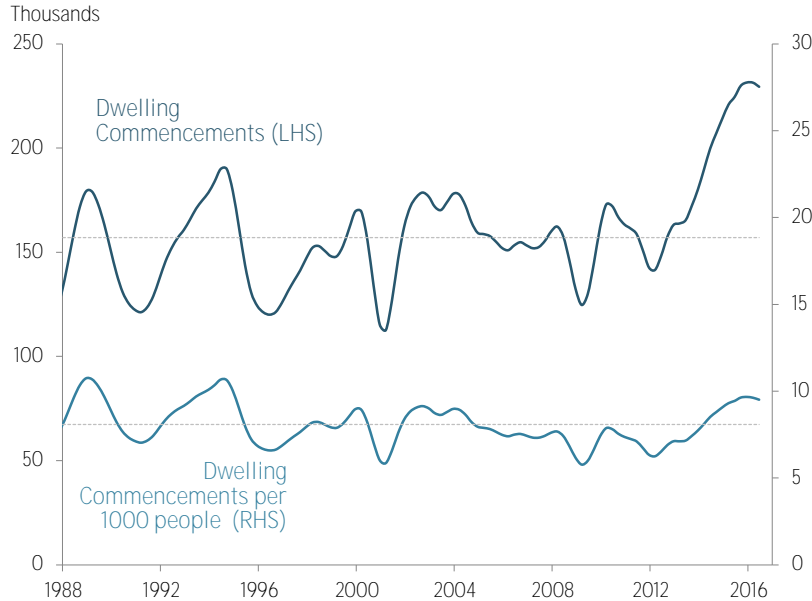


1. Bricks and Mortar spend (\$) taken from ABS, \$ amount of online spend estimated from Quantum %.
2. ABS

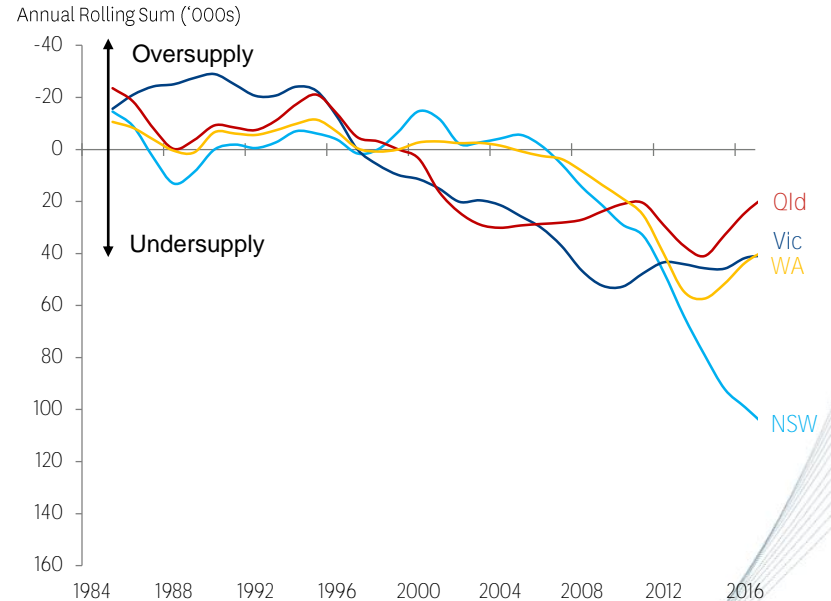
3. Deloitte Access Economics Business Outlook Dec 2016
4. Westpac - University of Melbourne Consumer Sentiment Survey

Dwelling commencements have responded to accumulated undersupply

Dwelling commencements are elevated but close to long-term averages on a per capita basis. Both appear to have peaked¹



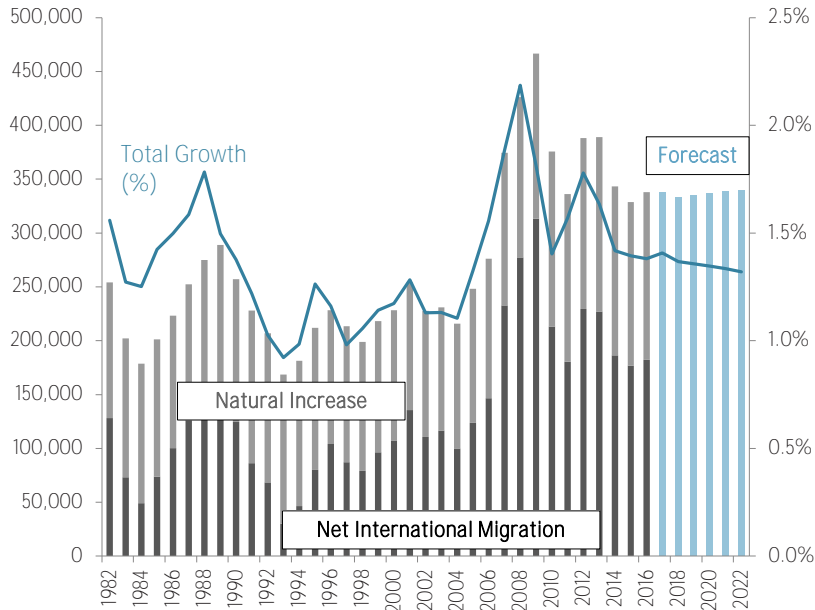
Pent up dwelling demand²



1. ABS, Stockland Research
2. ANZ Economics, April 2016

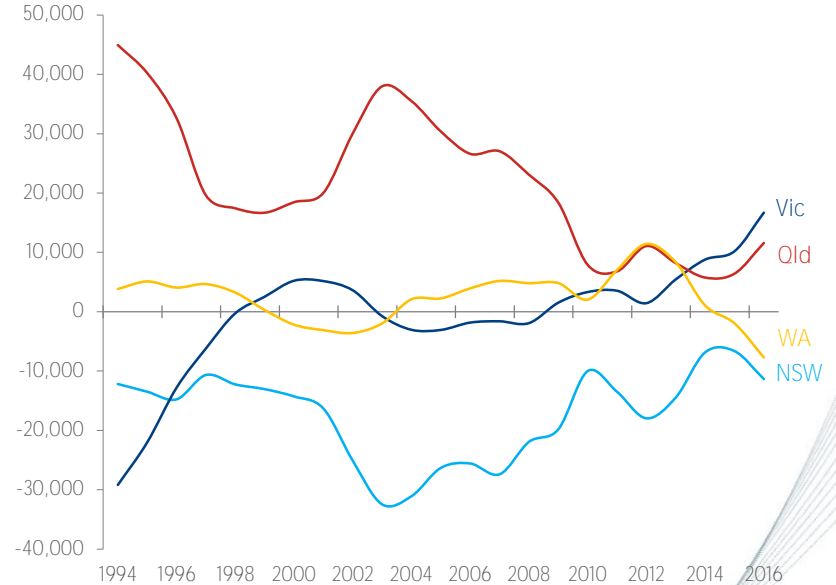
Population growth continues to underpin dwelling demand

AUS population growth – Annual¹



Vic and Qld seeing strong positive interstate migration²

Annual Rolling Sum ('000s)

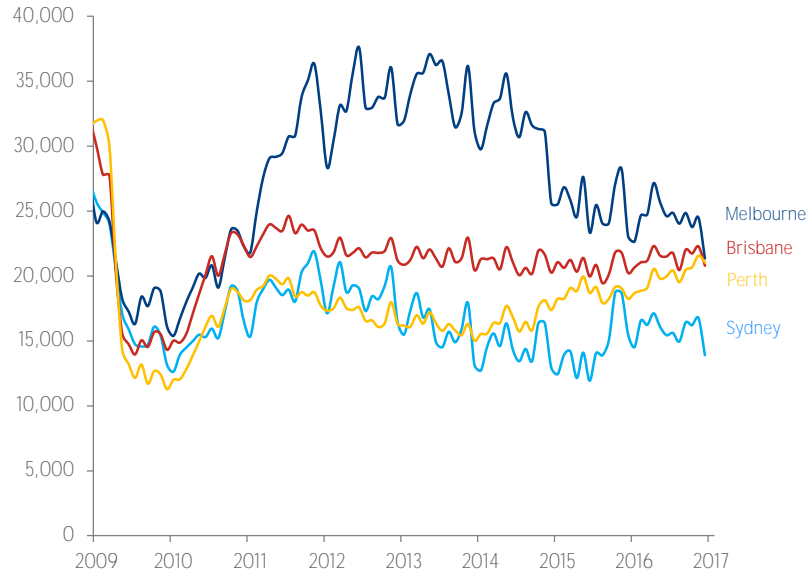


1. ABS, Deloitte Access Economics, Department of Immigration

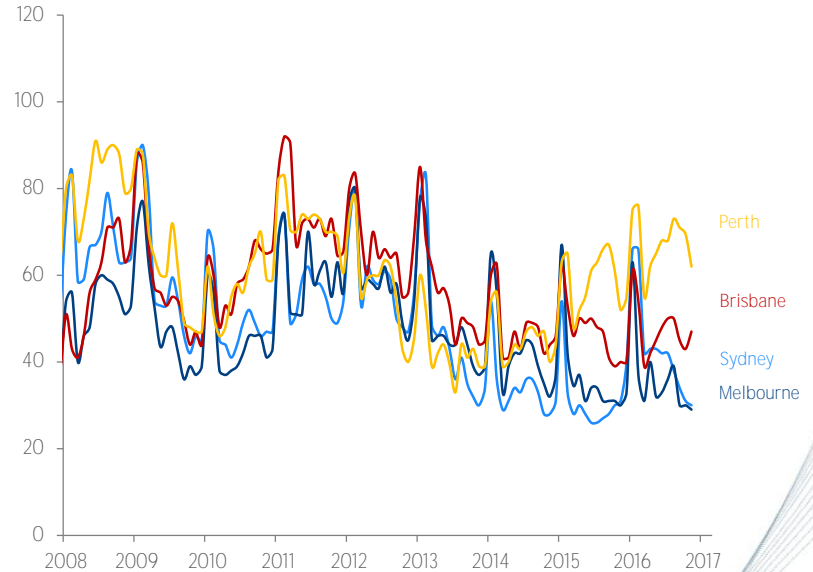
2. ABS, Stockland Research

Stronger selling environments in Sydney and Melbourne

Established stock on market falling in Melbourne, Sydney;
flat in Brisbane and rising in Perth¹



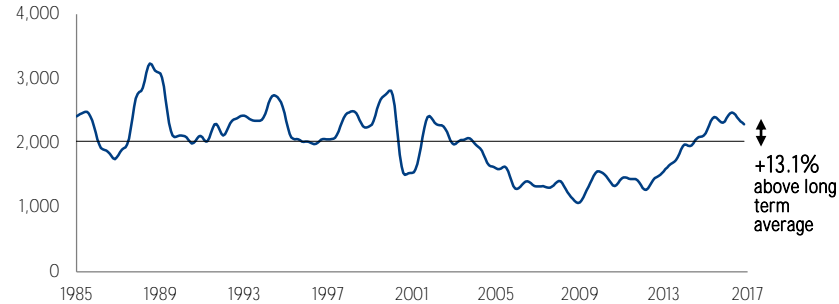
Established houses days on market rising in Brisbane²



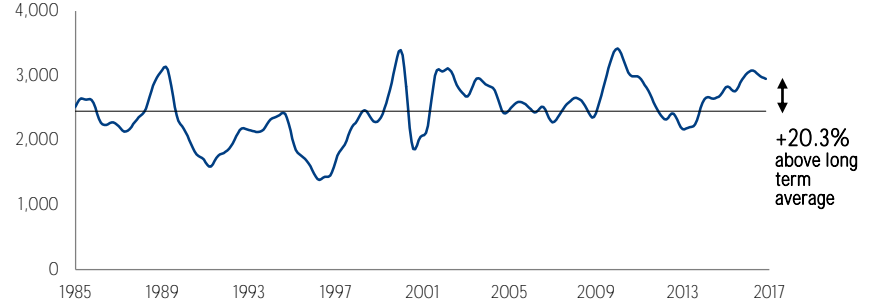
1. SQM Research
2. CoreLogic/RP Data

National house building approvals at around trend

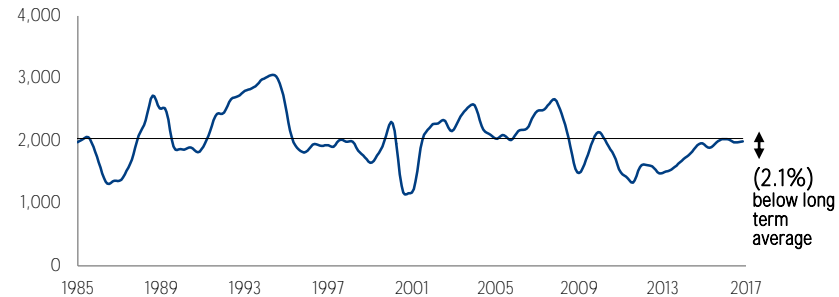
NSW market moderating over second half of 2016



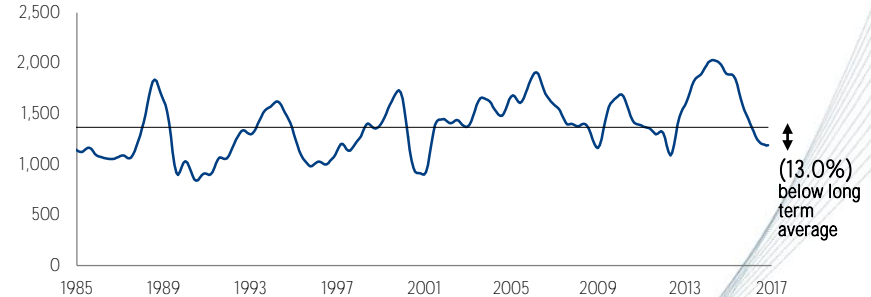
Vic market moderating but still above long term averages



Old building approvals tracking sideways



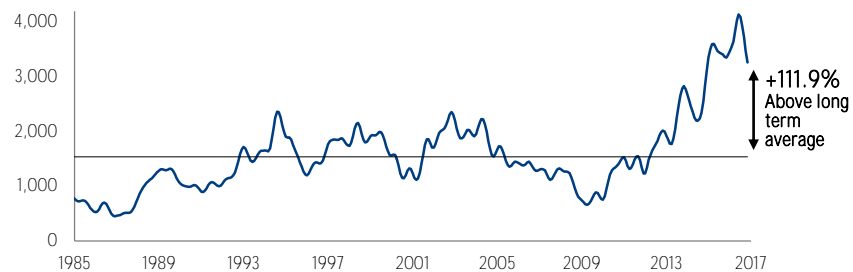
WA approvals still on a downtrend and now below long term averages



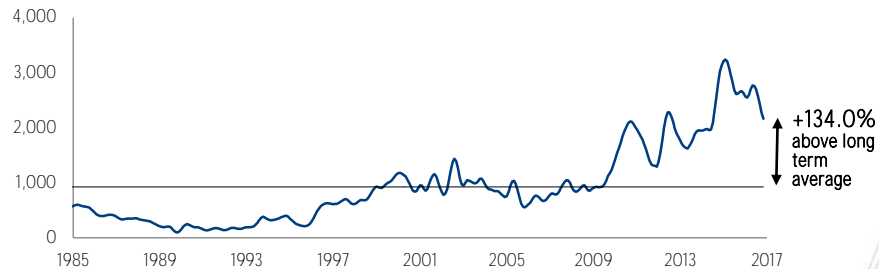
1. ABS

Apartment approvals in NSW, Vic and Qld down from historical highs

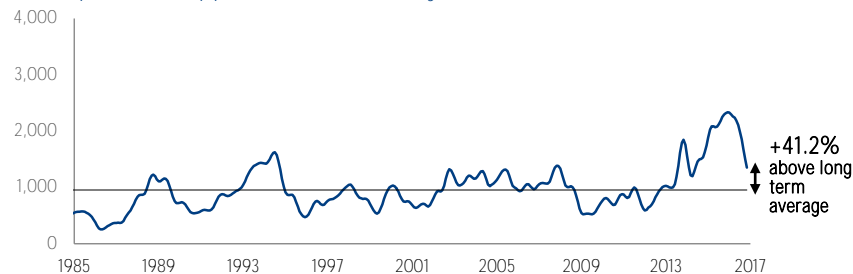
NSW apartment approvals trending downward



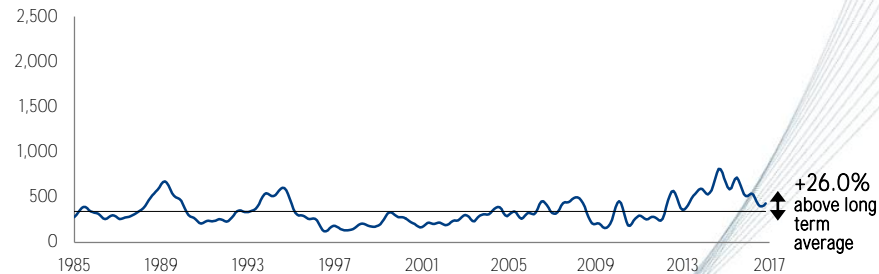
Vic apartment approvals also trending downward



QLD apartment approvals down heavily

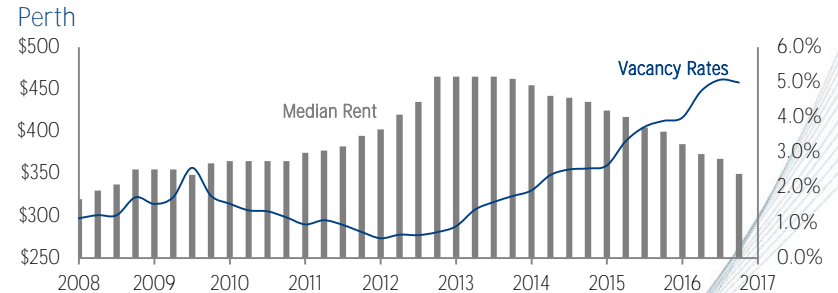
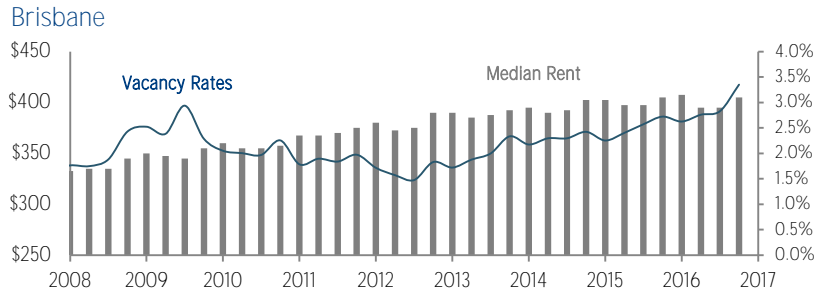
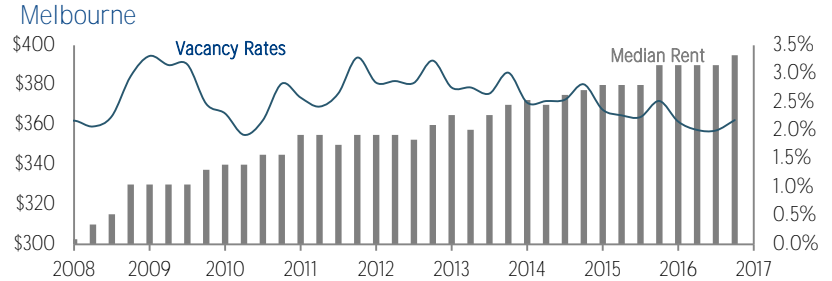
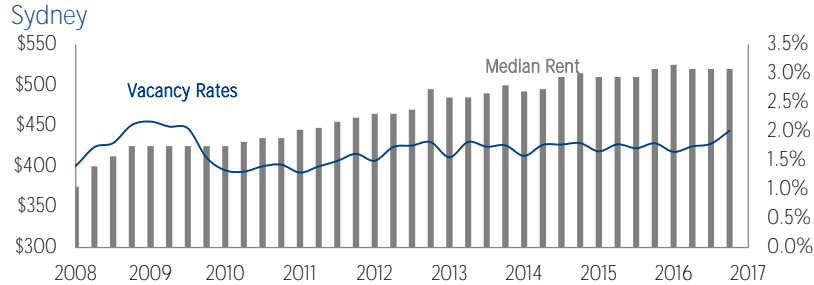


WA apartment approvals down but flattening out



1. ABS

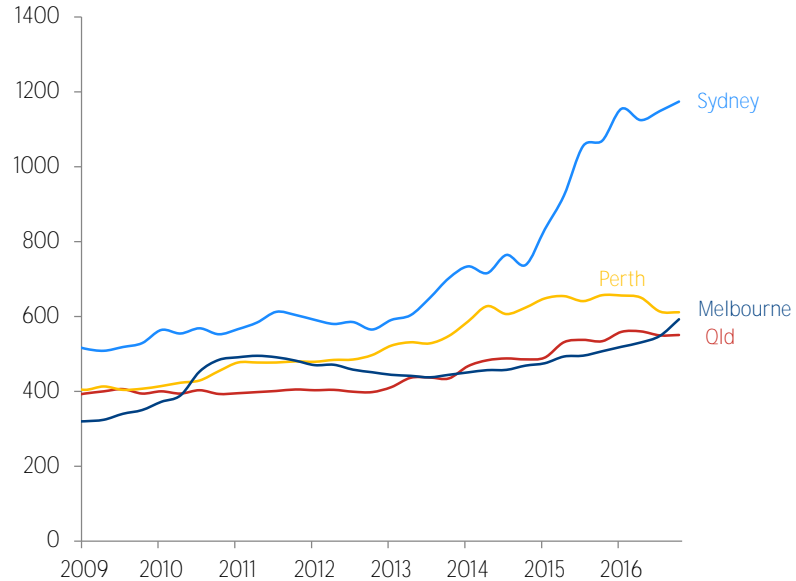
Residential rental vacancy rates still tight and supportive of rental growth in Sydney and Melbourne^{1,2}



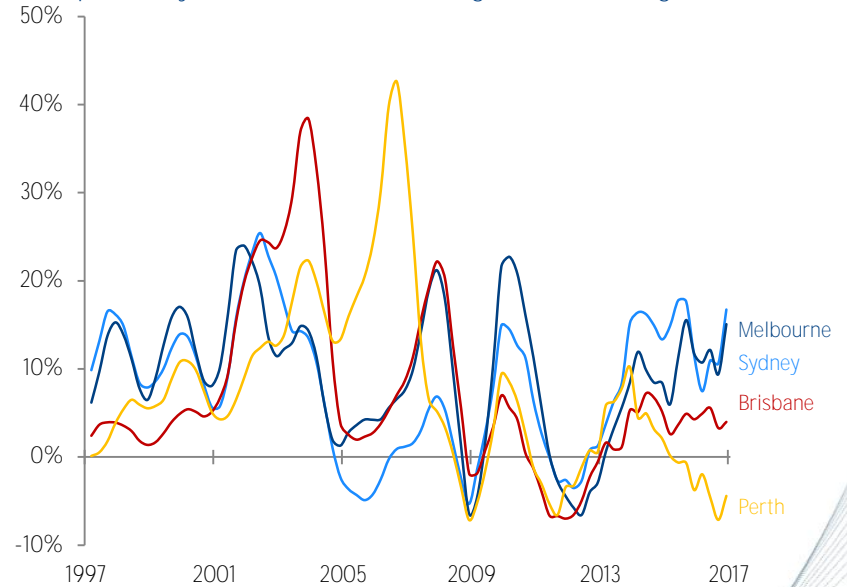
1. CoreLogic/RP Data, Dec. 2016
2. SOM Research, Dec. 2016

Land price growth less volatile than house prices

Land Price per sqm¹



Capital City House Prices – Rolling Annual Change²

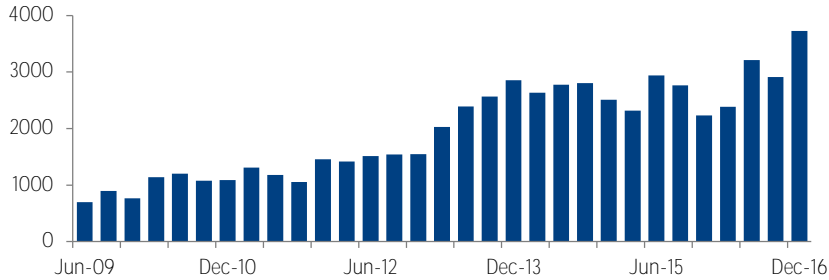


1. National Land Survey Program June Qtr 2016, Charter Keck Cramer
2. RP Data, Dec 2016

NSW land market strong while WA conditions are challenging

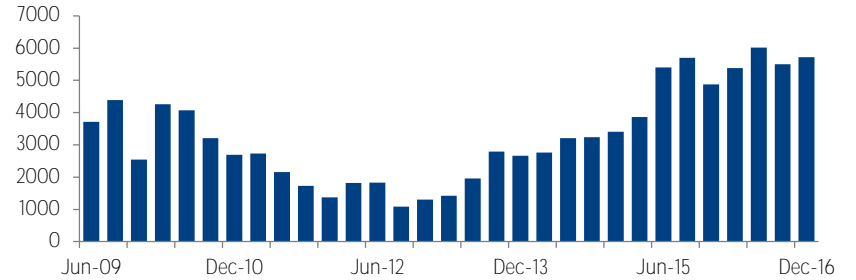
Strong finish to FY16 for NSW vacant land sales

Quarterly Sales



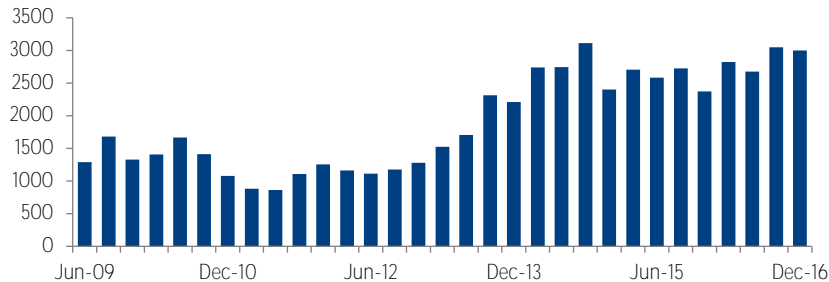
Vic vacant land sales volumes continue upward trend

Quarterly Sales



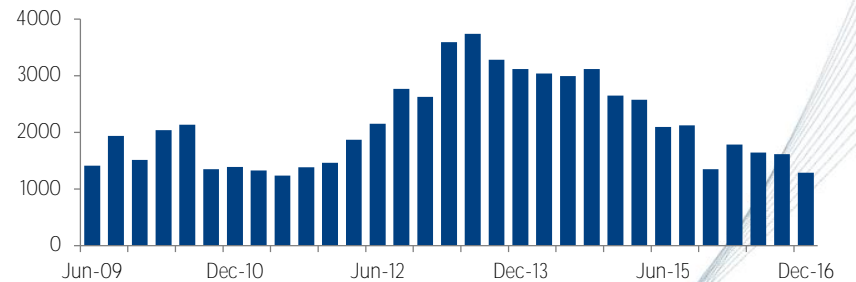
Old land market volumes stable, price growth strong

Quarterly Sales



Perth vacant land sales trending downward

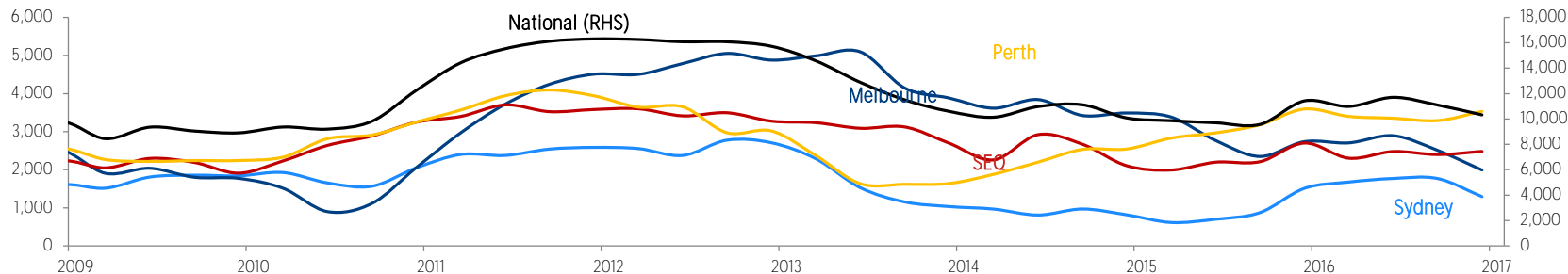
Quarterly Sales



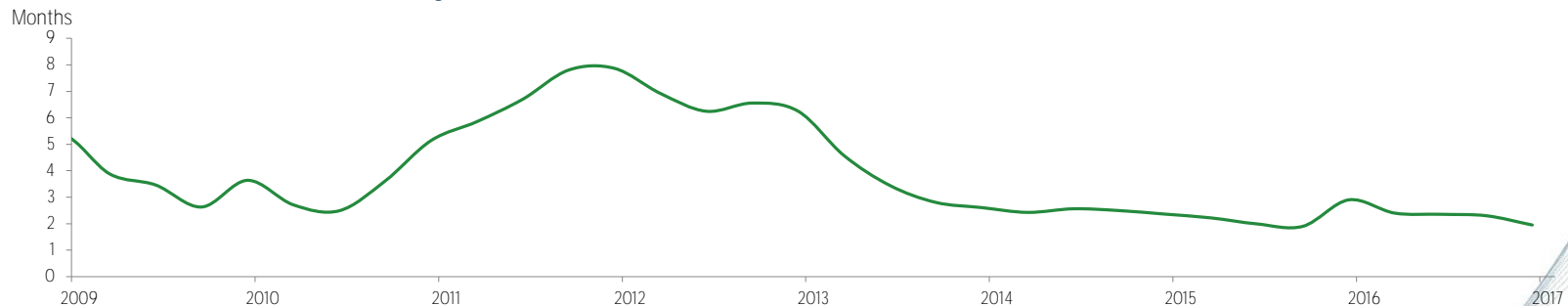
Source: National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

Residential land stock on hand, less than three months of trading stock remain

Closing stock of land lots



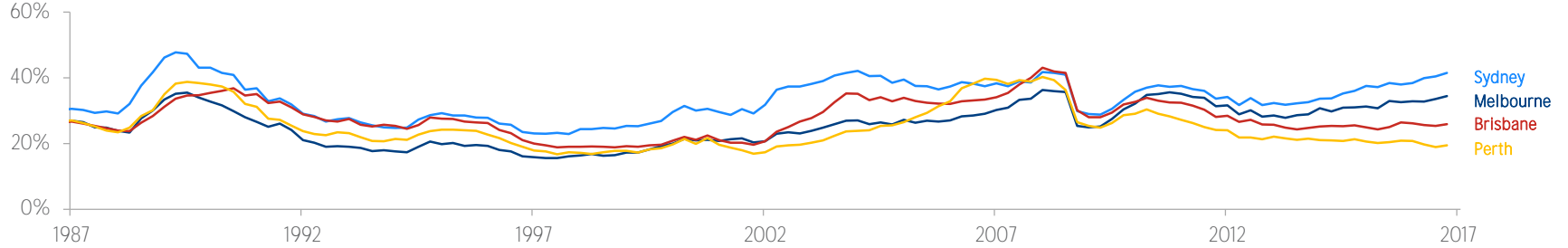
National estimated months of trading, less than three months



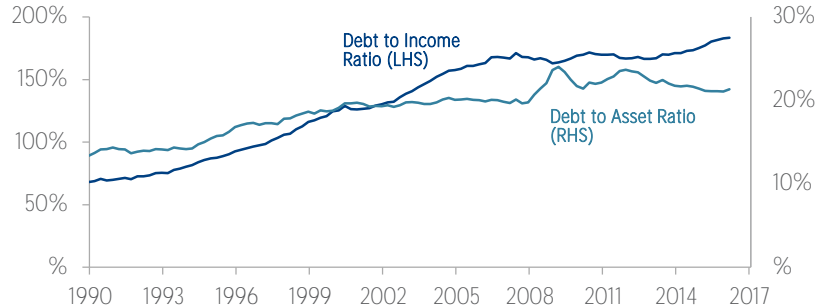
1. National Land Survey Program Dec Qtr 2016, Charter Keck Cramer

Household affordability trends

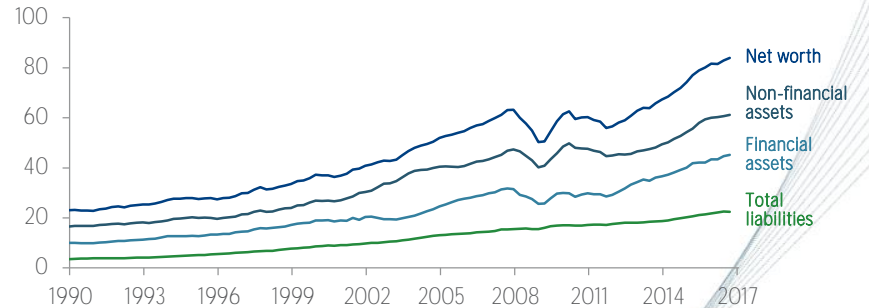
Mortgage repayments as a percentage of household income rising in Sydney and Melbourne due to recent house price growth¹



Housing Debt-to-Asset ratio falling, Debt-to-Income rising²



Household net worth increasing at a faster rate than liabilities²



1. ABS, RBA, CoreLogic/RP Data, Stockland Research

2. RBA

Group Finance

Newhaven Robot Park, Perth



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Growth in both FFO and Underlying Profit

\$m	Funds from Operations				Underlying Profit			
	1H17	1H16	Change %	Comp. Growth %	1H17	1H16	Change %	Comp. Growth %
Retail	207	197	5.2%	3.5%▲	191	183	4.4%	2.8%▲
Logistics & Business Parks	72	66	8.7%	2.9%▲	65	60	7.6%	1.2%▲
Office	34	36	(6.6%)	6.6%▲	25	29	(13.9%)	3.5%▲
Trading profit	5	-	nm		5	-	nm	
Commercial Property net overhead costs	(6)	(8)			(6)	(8)		
Total Commercial Property	312	291	7.3%	3.7%▲	280	264	6.2%	2.4%▲
Residential Communities	100	98	1.4%		100	98	1.4%	
Retirement Living	26	18	43.8%		26	18	43.8%	
Unallocated corporate overheads	(29)	(27)	5.8%		(29)	(27)	5.8%	
Net Interest	(40)	(38)	6.3%		(40)	(38)	6.3%	
Tax expense ¹	-	-	-		(12)	(2)	nm	
Total Group	369	342	7.8%		325	313	3.7%	
Group (cents per security)	15.4	14.5	6.2%		13.6	13.2	3.0%	

All figures are rounded to nearest million, unless otherwise stated. Percentages are calculated based on the figures rounded to one decimal place throughout this presentation

1. Non-cash item due to significant tax deductions and accumulated tax losses

Profit summary

\$m	1H17	1H16
Commercial Property EBIT	280	264
Residential Communities EBIT (before interest in COGS)	176	157
Retirement Living EBIT	28	20
Amortisation of lease incentives and lease fees	35	33
Straight-line rent adjustments	(3)	(6)
Unallocated corporate overheads	(29)	(27)
Group EBIT (before interest in COGS)	487	441
Net interest expense:		
- Interest income	2	3
- Interest paid	(105)	(106)
- Interest capitalised to Inventory	57	60
- Interest capitalised to Investment Properties under development	6	6
Share of interest paid on external debt of equity-accounted investment	-	(1)
Net interest in P&L before capitalised interest expensed	(40)	(38)
- Capitalised interest expensed in the P&L	(78)	(61)
Net interest expense	(118)	(99)
Funds from Operations	369	342
Statutory Profit adjustments	333	354
Statutory Profit	702	696

FFO reconciliation to the PCA Guidelines

The table below shows the reconciliation of statutory profit to FFO with reference to the definitions outlined in the Property Council of Australia white paper “Voluntary best practice guidelines for disclosing FFO and AFFO”

PCA Reference	\$m	1H17	1H16	Comments
	Statutory Profit	702	696	
A	Investment property and inventory			
A2	Loss from sale of investment property	2	-	
A3	Fair value gain on investment property	(207)	(424)	Includes fair value movement of the RL investment property net of Resident Obligations
C	Financial instruments			
C2	Fair value (gain)/loss on mark-to-market of derivatives	(126)	45	
D	Incentives and straight-lining			
D1/D4	Amortisation of lease incentives and fees	35	33	
D5	Rent straight-lining	(3)	(6)	
E	Tax (benefit) / expense	(21)	15	The Group is entitled to significant tax deductions and has accumulated tax losses. As a result, income tax expense in the current year is a non-cash amount recognised through utilisation of deferred tax assets.
F	Other unrealised or one-off items			
F2	Other unrealised or one-off items			
	- Net DMF earned, unrealised	(13)	(10)	
	- Net gain on other financial assets	-	(7)	
	Funds from Operations (“FFO”)	369	342	

Net interest gap

Interest expense - \$m	1H17			1H16		
	Interest	Deferred Interest	Total	Interest	Deferred Interest	Total
Interest income	(2)	-	(2)	(3)	-	(3)
Interest paid	100	5	105	100	6	106
Share of interest paid on external debt of equity accounted investment	-	-	-	1	-	1
Less: capitalised interest						
- Commercial Property development projects	(4)	-	(4)	(2)	-	(2)
- Residential	(52)	(5)	(57)	(54)	(6)	(60)
- Retirement Living	(2)	-	(2)	(4)	-	(4)
Total capitalised interest	(58)	(5)	(63)	(60)	(6)	(66)
Borrowing cost in P&L	40	-	40	38	-	38
Add: capitalised interest expensed in P&L ¹	78	-	78	61	-	61
Total interest expense in P&L	118	-	118	99	-	99

Higher interest expense in P&L due to disposal of impaired projects carrying higher capitalised interest costs

Decrease in capitalised interest on projects is a result of decrease in the borrowing rate

Deferred interest - Residential

- Non-cash adjustments for unwinding of present value discount on land acquisitions on deferred terms:

Discount initially booked through balance sheet (inventory and land creditors)

1. Made up of: Residential \$76m (Dec 2015: \$59m) and Retirement Living \$2m (Dec 2015: \$2m). This differs to statutory reporting by \$2m (Dec 2016: \$2m) as Retirement Living is reported through the fair value adjustment of investment properties

Strategic mix

	Assets 31 December 2016	Assets 31 December 2015	Operating Profit 1H17	Operating Profit 1H16
Recurring				
Commercial Property	73%	71%	73%	74%
Retirement Living	7%	7%	6%	5%
Unallocated corporate overheads	-	-	(3%)	(3%)
Total recurring	80%	78%	76%	76%
Trading				
Residential	18%	20%	26%	28%
Commercial Property	-	-	1%	-
Retirement Living	2%	2%	1%	-
Unallocated corporate overheads	-	-	(4%)	(4%)
Total trading	20%	22%	24%	24%

Return on Assets, Return on Equity

	CY16			CY15			Commentary
	Cash Profit (\$m)	Avg. Cash Invested (\$b)	Return (%)	Cash Profit (\$m)	Avg. Cash Invested (\$b)	Return (%)	
Retail	404	5.0	8.2%	380	4.6	8.2%	Returns unchanged from prior period. Increased portfolio size due to developments and acquisition of Bundaberg
Logistics & Business Parks	142	1.7	8.1%	135	1.6	8.7%	Recent acquisitions such as Mulgrave and Erskine Park and development at Ingleburn
Office	65	0.7	9.0%	75	0.9	8.7%	CY16 includes sale of Garden Square
Residential- Core	324	1.7	19.2%	294	1.6	18.0%	Continued improvement driven by strong performance across east coast projects
Retirement Living	73	1.1	6.4%	56	1.1	5.2%	Improved returns reflect the timing of asset and superlot sales
Core Business ROA (sub-total)	1,008	10.2	9.8%	940	9.8	9.6%	
Residential- Workout ¹	(85)	0.4	(23.4%)	(28)	0.4	(6.5%)	Includes impaired Residential Community projects
Unallocated Corporate Overheads	(59)	-	-	(64)	-	-	
Group ROA	864	10.6	8.1%	848	10.2	8.3%	
Net interest/net debt	(187)	(3.3)	5.6%	(193)	(3.1)	6.2%	
Group ROE	677	7.3	9.3%	655	7.1	9.3%	
Group ROE (excl workout)	762	6.9	11.0%	683	6.7	10.3%	

1. Includes all impaired projects

Reconciliation between Return on Equity table values and accounting results

Reconciliation of Group return in ROE calculation to FFO

\$m	CY16	CY15
Cash return	677	655
Capitalised interest expensed in COGS	(147)	(129)
Capitalised interest for the year ¹	112	124
Add-back impairment release in COGS	133	55
CP straight-line rent and other	(9)	(13)
Funds From Operations (FFO)	766	692

1. Excludes deferred interest

Reconciliation of capital employed in ROE calculation to statutory net assets

\$b	Average for CY16	Average for CY15
Group capital employed (Net Assets)	7.3	7.1
Commercial Property revaluations	2.3	2.0
Residential Communities capitalised interest	0.4	0.5
Residential Communities and Apartments impairment	(0.3)	(0.4)
Retirement Living DMF revaluations	0.2	0.1
Distribution provision and non-cash working capital	(0.4)	(0.4)
Statutory net assets (average for the period)	9.5	8.9

Stockland Return on Equity methodology

	Numerator (Cash Return)	Denominator (Average Cash Invested)
Residential (incl. MD & Apartments)	EBIT (including cash loss realised on impaired projects)	Net Funds Employed (NFE) (excluding accrued capitalised interest and impairment provision) average for the 12 month period
Commercial Property	Operating Profit before amortisation of lease incentives	Average cost + capital additions + lease incentives + development work in progress Business unit overheads are allocated across the asset classes based on NOI contribution
Retirement Living	EBIT	Average NFE (including inventory, development expenditure, cash paid for acquired DMFs and goodwill, excluding capitalised interest and revaluations)
Debt funding	Cash interest paid less interest income received	Average debt drawn (net of cash on hand)

Cost management

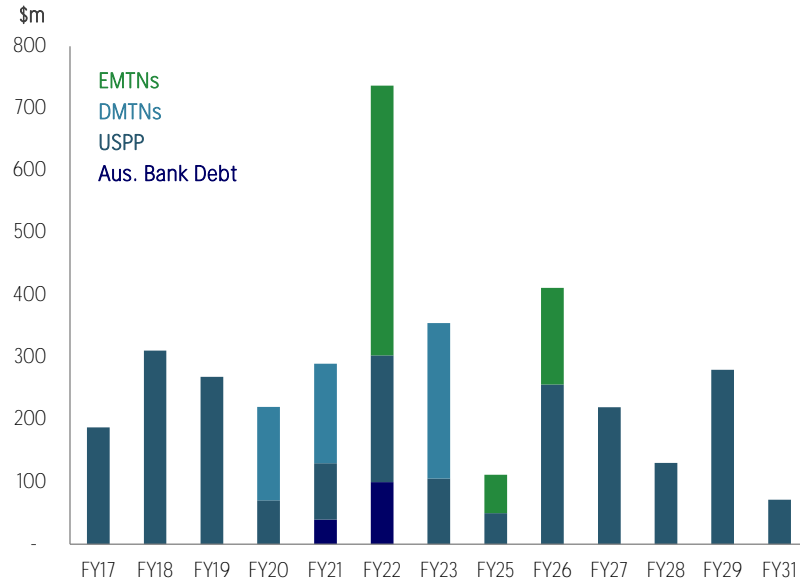
\$m	1H17	1H16
Commercial Property ¹	6	8
Residential	87	72
Retirement Living	19	16
Unallocated corporate overheads	29	27
Total sales, general and administration costs	141	123

- Diligent cost management practices remain embedded across the Group
- Commercial Property decrease due to higher fee income this period
- Residential growth attributable to variable direct project related costs driven by growth in volumes and prices (upfront sales and marketing costs), higher staff costs supporting the increase in number of projects and increased capability supporting our Medium Density and Apartments growth businesses
- Retirement Living increase mainly due to higher variable marketing costs, as well as higher staff costs from investment in capability to support RL's future established villages and planned development pipeline growth

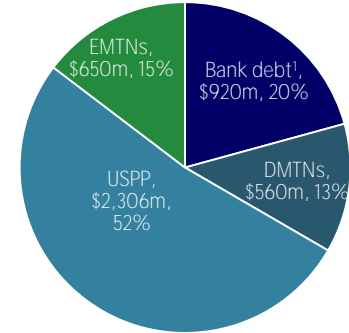
1. Net of recoveries and costs capitalised to development projects

Long dated, diverse debt

Long-dated drawn debt maturity profile (WADM 5.9 years)¹



Diverse debt sources – Committed Facilities



Cost of debt for 1H17

1H17	Debt (\$m) ²	Total Debt (%)	Interest Rate (%)
Hedged debt	3,502	96%	4.2%
Floating debt	154	4%	0.1%
Total debt	3,656		4.3%
Margin			1.2%
Fees			0.1%
All-in cost of funds for 1H17			5.6%

1. Excludes bank guarantees of \$249m

2. Face value as at 31 Dec 2016

Debt summary

Facility	Facility limit (\$m) ¹	Amount drawn (\$m) ^{1,2}
Bank Debt	920	140
Commercial Paper	-	-
Domestic Medium Term Notes	560	560
USPP	2,306	2,306
European Medium Term Notes	650	650
Total Debt	4,436	3,656

Facility	Facility limit (\$m) ¹	Amount drawn (\$m)	Facility maturity
Bank Debt			
- Multi option facility - Australia	100	-	Jul 2017
- Multi option facility - Australia	200	-	Dec 2017
- Multi option facility - Australia	120	-	Aug 2018
- Multi option facility - Australia	250	-	Jan 2020
- Multi option facility - Australia	150	40	Feb 2021
- Multi option facility - Australia	100	100	Nov 2021
Total Bank Debt	920	140	

1. Facility limit excludes bank guarantees of \$320m of which \$249m was utilised as at 31 December 2016

2. Amount relates to face value of debt and excludes borrowing costs and fair value adjustments

Debt Capital Markets

- A\$89m USPP was repaid in 1H17
- A\$150m DMTN was repaid in 1H17
- A\$398m USPP (10 – 15 year tenures) was issued in August 2016.

Bank Debt

- A number of facilities were extended for a further 12 months
- Sufficient liquidity to manage refinance and investment requirements

Debt summary (continued)

Facility	Issued debt (\$m) ¹	Facility maturity
Domestic Medium Term Note Facility (MTN)		
- MTN	150	Sep 2019
- MTN	160	Nov 2020
- MTN	250	Nov 2022
Total Domestic	560	
Offshore Medium Term Note Facility (MTN)		
- European MTN	433	Nov 2021
- Asia MTN	62	May 2025
- Asia MTN	55	Oct 2025
- Asia MTN	100	Jan 2026
Total Offshore	650	

Facility	Issued debt (\$m) ¹	Facility maturity
- USPP	188	Jun 2017
- USPP	61	Oct 2017
- USPP	250	Jun 2018
- USPP	269	Oct 2018
- USPP	71	Jul 2019
- USPP	90	Jul 2020
- USPP	176	Sep 2021
- USPP	28	Jun 2022
- USPP	105	Aug 2022
- USPP	50	Aug 2024
- USPP	156	Aug 2025
- USPP	100	Dec 2025
- USPP	200	Aug 2026
- USPP	20	Jun 2027
- USPP	131	Aug 2027
- USPP	139	Aug 2028
- USPP	141	Feb 2029
- USPP	72	Aug 2030
- USPP	59	Aug 2031
Total USPP	2,306	

1. Amount relates to face value of debt and excludes borrowing costs and fair value adjustments

Covenant calculations

As at 31 December 2016 \$m	Statutory Balance Sheet	Adjustments	Gearing Covenant Balance Sheet
Assets			
Cash	282	-	282
Real estate related assets	13,705	-	13,705
Retirement Living Gross-Up	2,472	(2,472)	-
Intangibles	140	(140)	-
Other financial assets	535	(430)	105
Other assets	298	-	298
Total assets	17,432	(3,042)	14,390
Liabilities			
Interest-bearing liabilities	(3,916)	273	(3,643)
Retirement Living resident obligations	(2,484)	2,472	(12)
Other financial liabilities	(188)	188	-
Other liabilities	(1,082)	-	(1,082)
Total liabilities	(7,670)	2,933	(4,737)
Net assets	9,762	(109)	9,653

1. Rolling 12 month average

2. Debt = Interest bearing debt (\$3,643m) + transaction costs (\$13m) - Cash \$282m. TTA = Total assets \$14,390m - Cash (\$282m)

All lenders have consistent covenants

- Total liabilities/total tangible assets (TL/TTA): less than 45%
no adjustment made for cash held
- Interest cover: more than 2:1 (write-downs and provisions are excluded from calculation)

Gearing covenant limited to Stockland's balance sheet liabilities and excludes:

- MTM of hedges and interest-bearing liabilities **A**
- Retirement Living obligation for existing residents **B**

	Interest Cover ¹	TL/TTA	D/TTA (net of cash)
31 December 2016	4.7:1	32.9%	23.9% ²
30 June 2016	4.5:1	33.3%	23.8%
31 December 2015	4.2:1	33.0%	23.1%

Balance sheet summary

\$m	31 December 2016	30 June 2016
Cash	282	208
Real estate related assets		
- Commercial Property	9,980	9,706
- Residential	2,495	2,517
- Retirement Living	1,230	1,175
Retirement Living Gross-Up	2,472	2,414
Intangibles	140	122
Other financial assets	535	547
Other assets	298	253
Total assets	17,432	16,942
Interest-bearing liabilities	(3,916)	(3,800)
Retirement Living resident obligations ¹	(2,484)	(2,427)
Other financial liabilities	(188)	(316)
Other liabilities	(1,082)	(1,145)
Total liabilities	(7,670)	(7,688)
Net assets	9,762	9,254
NTA per share	\$4.00	\$3.82

1. This amount comprises \$2,472m of existing resident obligations (30 June 2016: \$2,414m), being a balance sheet gross up and \$12m of former resident obligations (30 June 2016: \$13m).

Stockland Corporation income tax reconciliation

\$m	1H17	1H16
	Statutory Profit	Statutory Profit
Net profit before tax	681	711
Less: Trust profit and Intergroup eliminations	(586)	(663)
Corporation profit before tax	B 95	48
Prima facie tax expense @ 30%	(29)	(15)
Tax effect of permanent differences:		
Non-assessable / (non-deductible) items	1	-
Tax benefit to recognise DTA tax losses ¹	49	-
Tax (expense) /benefit	A 21	(15)
Effective tax rate (A / B)	(22%)	30%
Effective tax rate (excluding \$49m DTA tax loss benefit)	30%	30%

1. A tax benefit of \$49.3m has been booked in the current period to recognise the DTA on tax losses arising from certain FX adjustments as confirmed with the ATO.

Commercial Property

Stockland Shellharbour, NSW



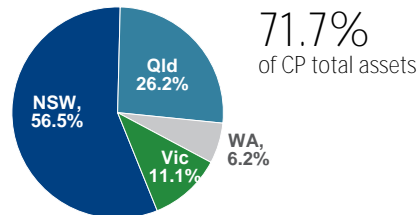
Stockland
it's your place



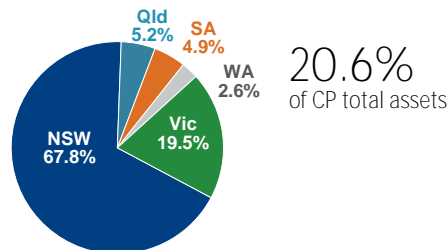
Portfolio weightings and valuation movements

Commercial Property assets: \$9.7b¹

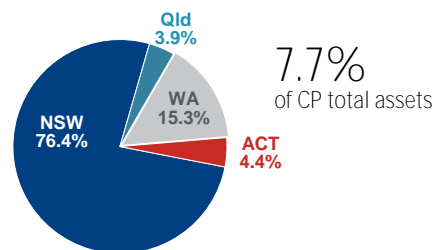
Retail: \$7.0b
40 properties
1,032,306 sqm gross lettable area²



Logistics and Business Parks: \$2.0b
27 properties
1,329,752 sqm gross lettable area²



Office: \$0.7b
8 properties
141,046 sqm net lettable area²



	WACR Dec 16	WACR Dec 15	Book Value Under Ownership (\$m)	1H17 Revaluation Movement (\$m)	Gross Book Value ⁴ (\$m)
Retail	6.0%	6.1%	6,961	157	7,446
Logistics and Business Parks	7.2%	7.4%	1,998	9	2,216
Office	6.7%	7.2%	749	28	1,123
Capital works and sundry properties		-	265	2	265
Total	6.3%	6.5%	9,973³	196³	11,050

1. This excludes capital works in progress and sundry properties.

2. Represents 100% owned, JV and associates properties

3. Excluding stapling adjustment related to owner occupied space

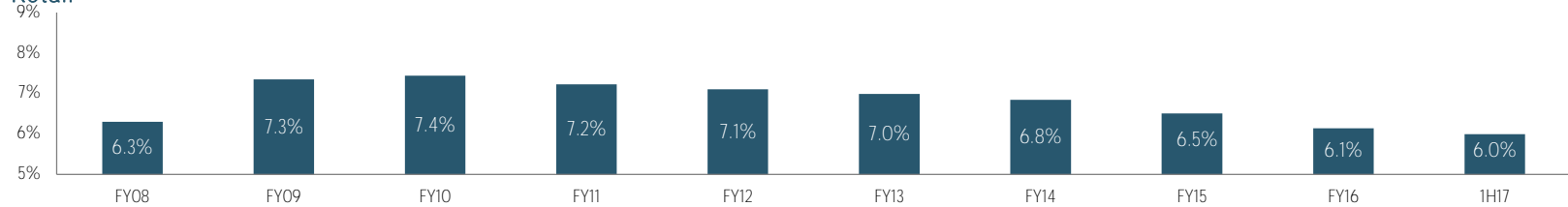
4. Represents all assets that we have ownership in, at 100%.

Commercial Property Funds From Operations

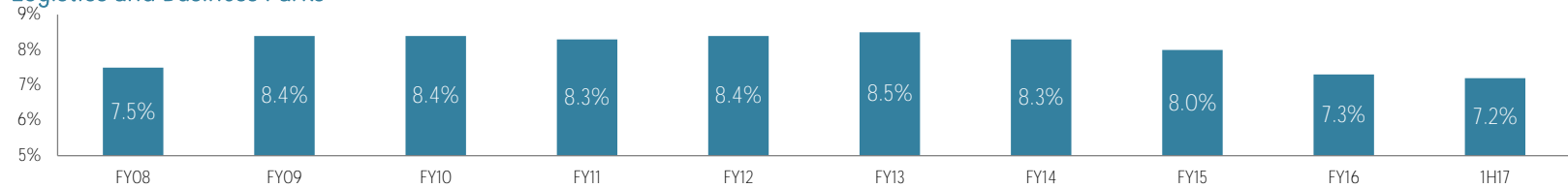
	Retail		Logistics and Business Parks		Office		Trading Profit		Net Overhead Costs		Total	
	1H17	1H16	1H17	1H16	1H17	1H16	1H17	1H16	1H17	1H16	1H17	1H16
\$m												
Operating EBIT	191	183	65	60	25	29	5	-	(6)	(8)	280	264
Adjust for:												
Amortisation of fit out incentives and lease fees	18	16	3	3	5	4	-	-	-	-	26	23
Amortisation of rent-free incentives	-	-	5	6	4	4	-	-	-	-	9	10
Straight-line rent	(2)	(2)	(1)	(3)	-	(1)	-	-	-	-	(3)	(6)
Funds from Operations	207	197	72	66	34	36	5	-	(6)	(8)	312	291

Stockland portfolio: Trend in cap rates over time

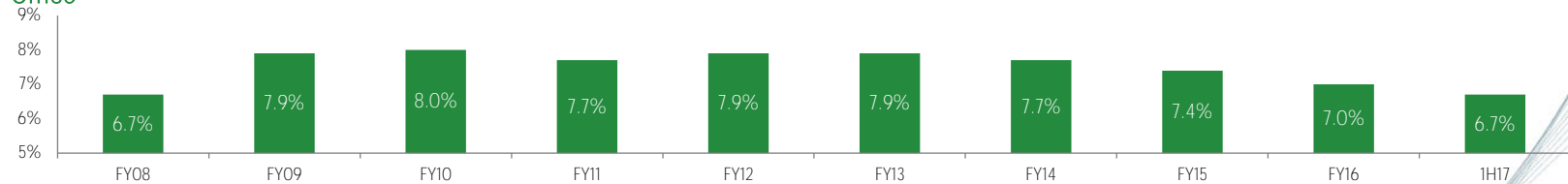
Retail



Logistics and Business Parks



Office



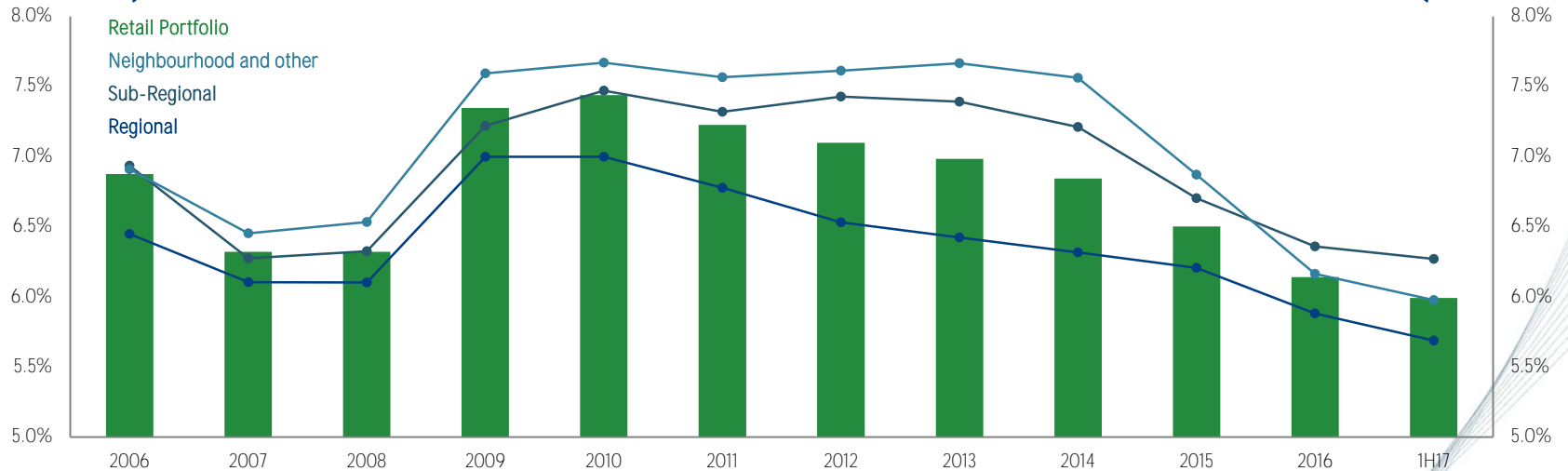
Stockland Retail portfolio capitalisation rates

As at 30 June 2006 % allocation

Regional	14%
Sub-Regional	78%
Neighbourhood and Other	8%

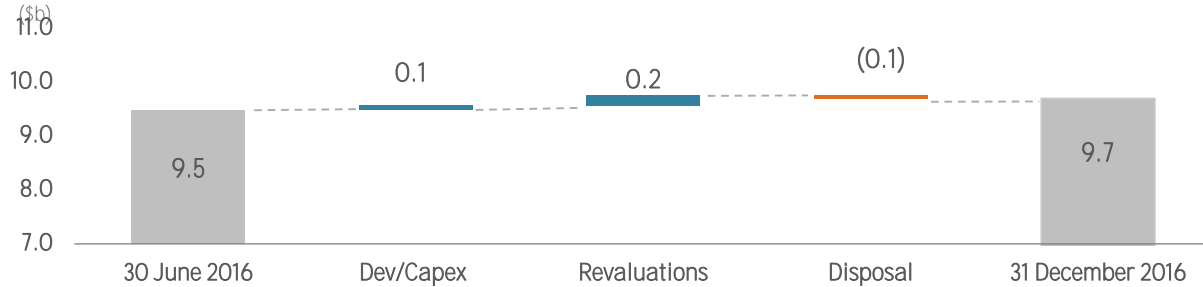
As at 31 December 2016 % allocation

Regional	46%
Sub-Regional	44%
Neighbourhood and Other	10%



Commercial Property revaluation and book value update

Commercial Property book values: \$9.7b¹



- 31 properties were externally revalued in 1H17 representing 47% of the portfolio by value

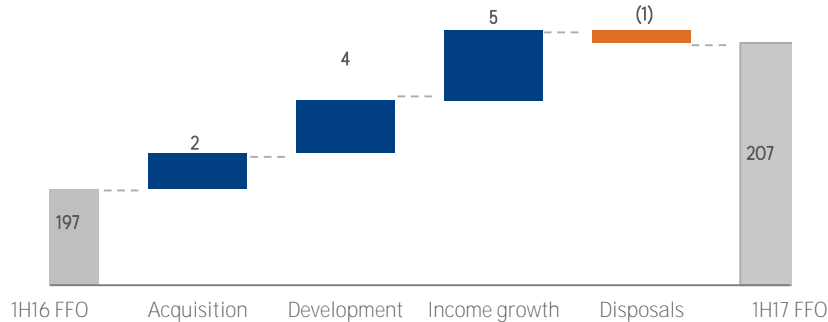
Net revaluation breakdown (\$m)	Retail	Logistics and Business Parks	Office	Total
Operating Assets	110	3	28	141
Development	47	6	-	53
Sundry Properties	2	-	-	2
Total net revaluations ²	159	9	28	196

1. Includes joint venture and associate investment properties. Excludes capital works in progress and sundry properties.

2. Excluding stapling adjustments related to owner occupied space.

Retail performance

Retail FFO movements between 1H16 and 1H17 (\$m)



Leasing activity

	No. of Deals	Area (sqm)	Rental growth	Incentives	
Lease renewals	120	18,732	2.7%	-	-
New leases	114	14,128	2.6%	11.9 mths	15.1% ¹
Total portfolio	234	32,860	2.7%		

- Incentive capital as a percentage of total base rent over the primary lease term only
- Stable shop vacancy as a ratio of total portfolio GLA.
- Green Hills in development and removed from stable basket.

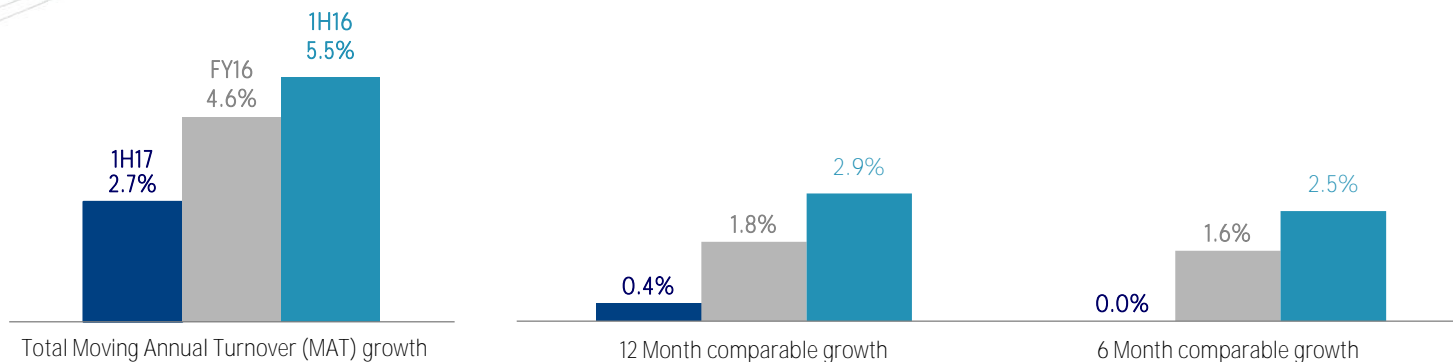
Key metrics

	1H17	1H16
Occupancy ²	99.5%	99.5%
Specialty occupancy costs	15.1%	14.6%
Regional	16.9%	16.3%
Large sub-regional ³	N/A	13.8%
Small sub-regional	13.9%	13.6%
Neighbourhood centres	13.8%	13.0%
Specialty store leases:		
- Fixed annual increases	97%	95%
- CPI+	3%	5%
Tenant retention ⁴	60%	61%
Weighted average lease expiry ⁵	6.8 years	6.4 years
Options WALE ⁶	11.6 years	11.0 years

94% on fixed 4-5% per annum

- Adjusted for operational centre remixes and reconfiguration and retailers subject to administration
- Assumes all leases terminate at earlier of expiry / option date
- If all call options are exercised on Majors' leases

Stockland comparable retail sales growth



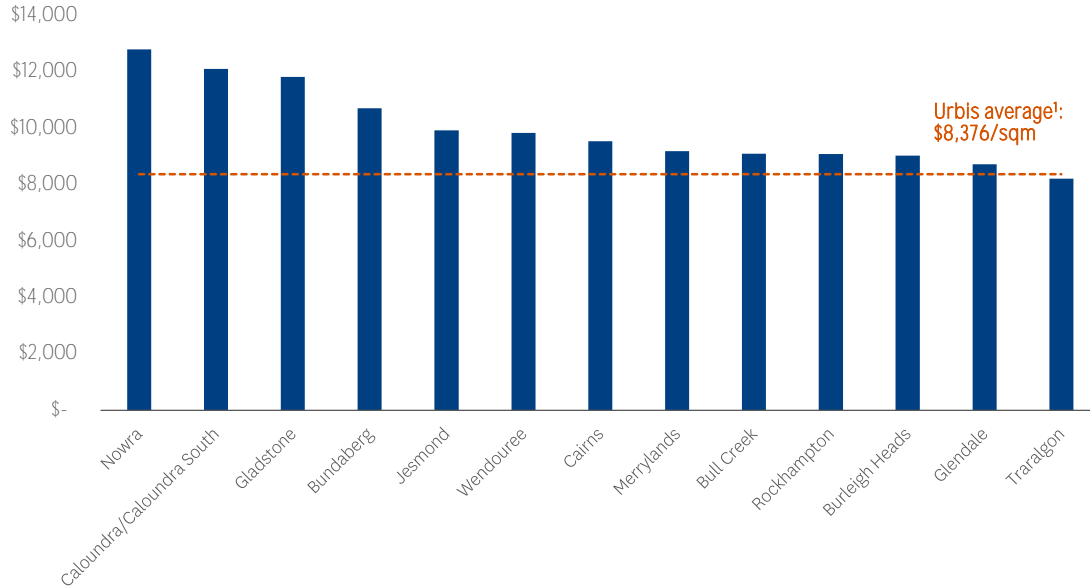
	Total MAT (\$m)	SGP Total MAT Growth	12 month Comparable growth	6 month Comparable growth ²
Supermarkets	2,579	2.4%	-0.1%	-0.2%
Department/ DDS	925	-1.0%	-1.1%	-3.1%
Specialties	1,990	2.5%	0.8%	0.3%
Mini Majors/ Cinemas/Other	1,175	7.0%	2.5%	3.8%
Total	6,669	2.7%	0.4%	0.0%

1. Includes Myer at Stockland Townsville (QLD) and Stockland Shellharbour (NSW)

2. Includes Baldivis (WA) and Point Cook (VIC)

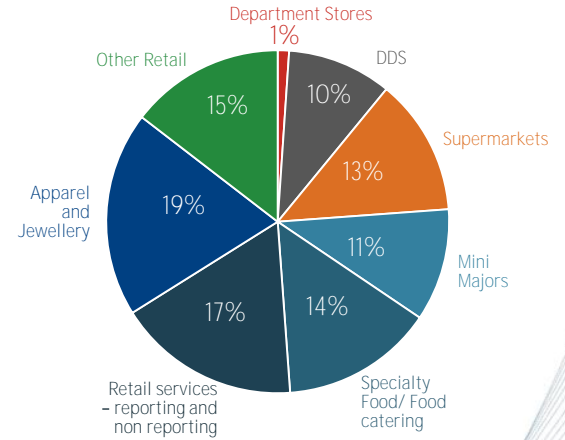
Retail: Productive centres and diverse income base

Specialty MAT/sqm, centres with future development potential



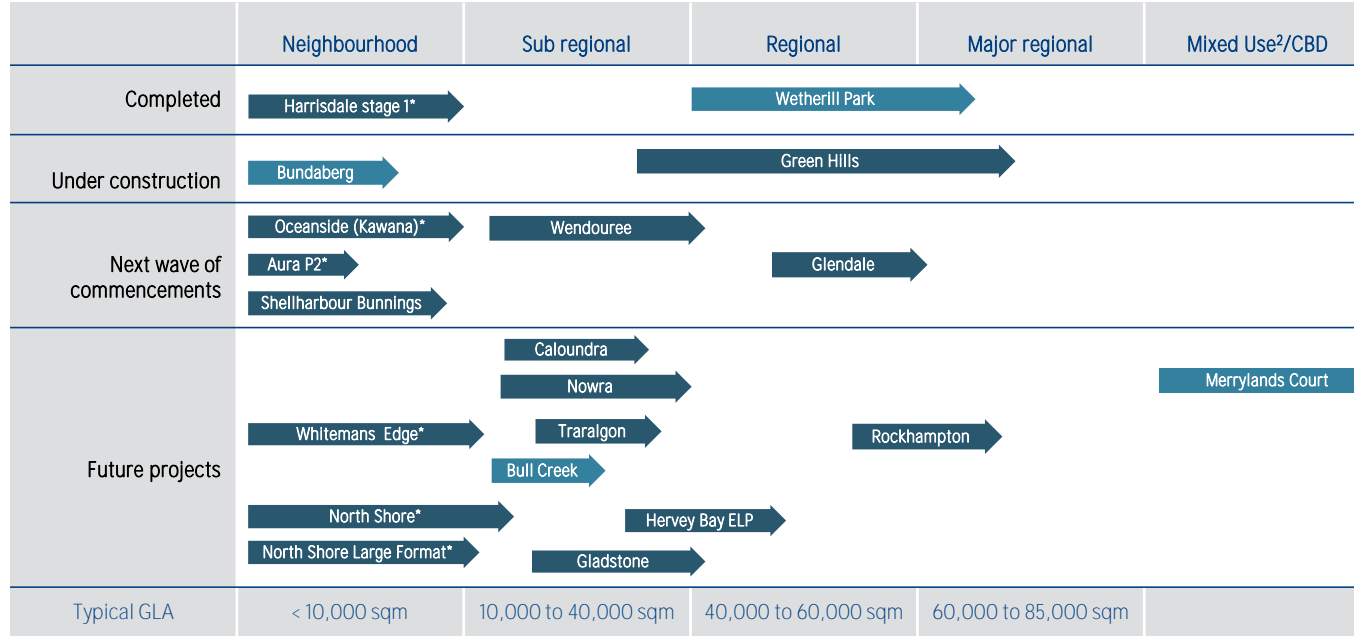
Strong diversity in rental income

Gross rent: Total portfolio



1. Urbis Sub-regional Shopping centre Benchmarks June 2016

Retail: Significant development pipeline driving growth and returns



Target returns
 10% - 14% incremental IRR¹
 7% - 8% incremental yield (FFO & stabilised)

DA approvals received
 Caloundra (CBD)
 Glendale
 Hervey Bay (stage 2)
 North Shore (stage 2)
 Townsville (ELP)
 Wendouree
 Aura
 Burleigh Heads

DA approvals submitted
 Oceanside
 North Shore Large Format

*Centre developed on acquired land as part of Residential Community activity
 1. Unlevered 10 year IRR on incremental development from completion
 2. Retail portion of development only



Retail development pipeline

	Est. total incremental cost (\$m)	Cost Spent to Date (\$m)	Est. Cost to Complete (\$m)	Completion		Est. fully leased year one yield ¹	Total income leased	Specialty income leased ²	Est. Incremental Return ³ (%)	Est. total return ⁴ (%)
				Date	Value (\$m)					
Completed										
Wetherill Park (NSW)	228			FY17	740	7.3%	98%	98%	15.8	12.5
Harrisdale (WA)	51			FY17	55	7.8%	97%	95%	11.2	11.2
	279									
Under construction										
Green Hills (NSW)	412	119	293	FY18 ⁵	840 - 860	7.0%	52%	37%	-11.9	-10.5
Bundaberg (Qld)	30	12	18	FY17	30 - 31	7.1%	96%	78%	-7.8	-7.8
	442	131	311							
Pipeline	-1,000		-1,000			Range 7% - 8%			Range 10% - 14%	
TOTAL	-1,442		-1,311							

1. FFO stabilised incremental yield
2. All specialty income including shops, kiosks, ATMs and pad sites, excluding majors and mini majors
3. Unlevered 10 year IRR on incremental development from completion
4. Unlevered 10 year IRR for existing assets and incremental development from completion
5. Cinemas due for completion early FY19

Logistics & Business Parks and Office performance

Logistics & Business Parks

Occupancy and lease expiry
– by income

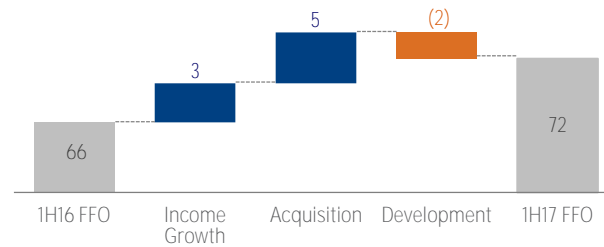
	1H17	1H16
Occupancy	96.1%	94.6%
WALE	4.6 yrs	4.5 yrs

Office

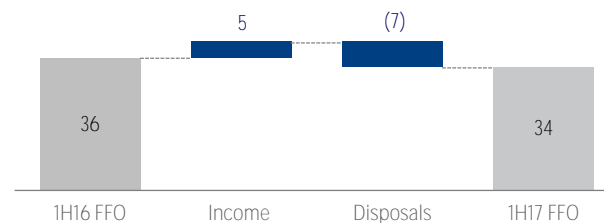
Occupancy and lease expiry
– by income

	1H17	1H16
Occupancy	93.5%	95.4%
WALE	3.7 yrs	4.1 yrs

Logistics & Business Parks FFO movements between 1H16 and 1H17 (\$m)

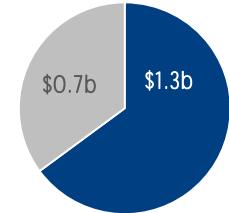


Office FFO movements between 1H16 and 1H17 (\$m)



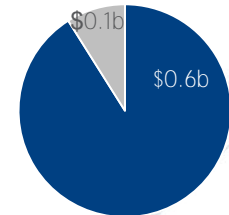
Logistics and Business Parks assets by book value

\$2.0b
Business Parks
Logistics



Office assets by book value

\$0.7b
Premium, A grade
B-Grade



L&BP: Growing & activating the development pipeline

	Completed	Under Construction	Planning Underway	Future Wave
NSW	Ingleburn (Stage 1)		Ingleburn (Stage 2) Yennora (Bld 3 & 8A)	Ingleburn (Stage 3) Yennora (Bld 1 & 2)
		Warwick Farm Waterside (Land Subdivision)		
	Erskine Park			Land Option (Western Sydney)
Vic	Oakleigh (Stage 1)	Oakleigh (Stage 2)	Brooklyn (A & C)	Altona DC
Qld			Yatala Willawong (Pallara) ¹	
SA				Port Adelaide DC
WA		Balcatta (Land Subdivision)		

Development type

Greenfield

Brownfield

Target returns
10% - 14% IRR
7% - 8% incremental yield (FFO)

DA approvals received
Yatala (Stage 1 & 2)
Yennora
Port Adelaide
Brooklyn (A & C)
Warwick Farm

DA approvals submitted
Balcatta
Willawong (Pallara)
Ingleburn Stage 2
Yatala Stage 3

1. Asset developed on acquired land as part of Residential Community activity

L&BP development pipeline

	Development Type	Est. total incremental cost (\$m)	Cost Spent to Date (\$m)	Est. Cost to Complete (\$m)	Completion Date	Completion Value (\$m)	Est. fully leased year one yield ³	Total income leased	Est. Incremental Return ⁴	Est. total return ⁵
Completed										
	Oakleigh - Stage 1 – Building 3 (Vic)	8			FY16	40 – 45	7.1%	100%	-18.5%	-10.8%
	Erskine Park (NSW) ¹	19			FY16	22	7.2%	100%	-9.6%	-9.6%
	Ingleburn – Stage 1 (NSW)	33 ²			FY17	41	8.5%	100%	-12.2%	-12.2%
Under Construction										
	Oakleigh - Stage 2 – Building 2 (Vic)	7	5	2	FY17	50 - 55	7.1%	0%	-13.5%	-11.1%
	Warwick Farm – Stage 1	15	4	11	FY18	16 - 17	7.5%	0%	-10.5%	-10%
		82	9	13						
	Pipeline	~400		~400			Range 7% - 8%		Range 10% - 14%	
	TOTAL	482	9	413						

1. Development fund-through by third party developer, with 1 year rental guarantee

2. Includes \$10M of land cost

3. FFO stabilised incremental yield

4. Unlevered 10 year IRR on incremental development from completion

5. Unlevered 10 year IRR for existing assets and incremental development from completion

Logistics & Business Parks and Office: Tenancy retention and new leasing metrics

Logistics & Business Parks	Total leased ¹		
	GLA leased (sqm) ¹	Weighted average base rent growth%	Weighted average incentives ³
Sydney West	70,485	2.1%	7.3%
Sydney Metro	6,014	(5.0%)	28.8%
Qld	14,050	(0.8%)	13.2%
SA	26,134	6.8%	8.1%
Vic	43,142	(15.7%)	13.5%
Total	159,825	(2.5%)	10.4%

Retention ¹		
Retention (sqm) ¹	Weighted average base rent growth%	Weighted average incentives ³
12,563	1.8%	8.8%
438	3.7%	0.3%
4,322	(14.7%)	9.7%
-	-	-
23,326	(11.0%)	9.4%
40,649	(7.2%)	9.1%
47% retention²		

New leases ¹		
New leases (sqm) ¹	Weighted average base rent growth %	Weighted average incentives ³
57,922	2.1%	7.0%
5,576	(5.7%)	31.0%
9,728	5.3%	14.7%
26,134	6.8%	8.1%
19,816	(21.2%)	18.2%
119,176	(0.8%)	10.9%

Office	Total leased ¹		
	GLA leased (sqm) ¹	Weighted average base rent growth%	Weighted average incentives ⁴
Sydney CBD	848	9.3%	14.7%
Sydney Metro	1,121	(0.9%)	23.4%
WA	408	(6.5%)	35.0%
Act	500	0.0%	27.0%
Total	2,877	1.5%	23.1%

Retention ¹		
Retention (sqm) ¹	Weighted average base rent growth%	Weighted average incentives ⁴
-	-	-
-	-	-
408	(6.5%)	35.0%
-	-	-
408	(6.5%)	35.0%
23% retention²		

New leases ¹		
New leases (sqm) ¹	Weighted average base rent growth %	Weighted average incentives ⁴
848	9.3%	14.7%
1,121	(0.9%)	23.4%
-	-	-
500	0.0%	27.0%
2,469	2.8%	21.1%

1. Includes executed leases only and represents 100% property ownership

2. Represents the percentage (by income) of total executed deals, which were expiring leases renewed by existing customers during the period. Excludes new leases on vacant space

3. Incentives based on net rent

4. Incentives based on gross rent

Stockland 1H17 Results Presentation

Asset values: Retail

Retail portfolio	Book value (\$m)	1H17 Val. Incr/(decr) (\$m) ¹	Change	Cap rate	1H17 FFO (\$m)
Stockland Shellharbour	747.9	29.8	4.1%	5.50%	19.6
Stockland Wetherill Park	740.0	43.5	6.2%	5.50%	18.8
Stockland Merrylands	536.9	-	-	5.75%	16.1
Stockland Rockhampton	419.1	4.1	1.0%	5.75%	11.7
Stockland Green Hills ²	358.9	-	-	5.75%	7.8
Stockland Glendale	324.0	23.0	7.6%	6.00%	10.0
Stockland Point Cook	231.2	-	-	6.25%	7.3
Stockland Townsville (50%)	227.1	-	-	5.75%-6.75%	6.0
Stockland Cairns	223.0	(14.6)	(6.1%)	6.25%	6.6
Stockland Baldivis	203.3	-	-	6.00%	5.8
Stockland Hervey Bay	196.3	-	-	6.25%	5.1
Stockland The Pines	172.0	-	-	6.25%	6.1
Stockland Forster	172.0	4.6	2.7%	6.25%	5.6
Stockland Burleigh Heads	171.3	-	-	6.50%	5.7
Stockland Balgowlah	161.5	13.4	9.0%	5.75%	4.8
Stockland Jesmond	161.4	-	-	6.50%	5.4
Stockland Wendouree	149.0	-	-	6.50%	4.9
Stockland Baulkham Hills	147.0	-	-	6.25%	4.9
Stockland Gladstone	146.6	2.3	1.6%	6.50%	4.9
Stockland Bundaberg	140.9	-	-	6.50%	4.9
Stockland Caloundra	140.0	12.7	10.0%	5.96%	4.6
Stockland Nowra	119.8	-	-	6.50%	4.0
Stockland Cleveland	112.0	7.5	7.2%	6.25%	3.4
Stockland Traralgon	108.5	-	-	6.75%	4.1
Stockland Bull Creek	107.0	3.9	3.8%	6.25%	3.6
Stockland Bathurst	95.1	-	-	6.75%	3.4

Retail portfolio	Book value (\$m)	1H17 Val. Incr/(decr) (\$m) ¹	Change	Cap rate	1H17 FFO (\$m)
Stockland Wallsend	79.0	7.1	9.9%	6.75%	2.7
Stockland Corrimal	72.0	(3.8)	(5.0%)	6.75%	2.4
Stockland Tooronga	70.0	6.5	10.2%	5.75%	2.1
Glasshouse (50%)	67.2	2.5	3.9%	4.63%	1.6
Stockland Riverton (50%)	66.3	2.4	3.7%	6.25%	2.4
Harrisdale (WA)	55.0	3.2	6.2%	6.25%	1.4
Shellharbour Retail Park	54.0	0.6	1.1%	7.75%	2.0
Stockland Cammeray	49.0	3.7	8.3%	6.00%	1.5
Highlands (Vic)	39.0	5.0	14.8%	6.00%	1.0
Stockland Piccadilly (50%)	35.6	-	-	6.00%	1.1
North Shore Townsville	22.5	(0.7)	(2.9%)	6.50%	0.6
Burleigh Central	20.4	-	-	7.50%	0.8
Merrylands Court 2	10.1	-	-	7.00%	-
Woolworths Toowong ²	6.6	-	-	n/a	0.2
T/ville Kingsvale & Sunvale (50%)	2.5	-	-	n/a	(0.1)
Subtotal Retail	6,961.0	156.9			204.8
Disposals	-	-	-	-	0.6
Other ³	-	2.3	-	-	1.8
Total Retail	6,961.0	159.2		WACR 6.0%	207.2

1. Movements due to independent valuations.
2. Properties impacted by development in 1H17.
3. Relates to sundry properties.

Asset values: Logistics & Business Park and Office

Logistics & Business Parks portfolio	Book value (\$m)	1H17 Val. Incr/(decr) (\$m) ¹	Change	Cap rate	1H17 FFO (\$m)
Yennora Distribution Centre	387.2	-	-	7.00%	13.2
Optus Centre (51%)	226.6	-	-	6.75%	7.6
Triniti Business Campus	175.0	-	-	7.00%	6.5
Ingleburn	105.1	3.9	3.8%	6.75%	2.7
60-66 Waterloo Road	98.4	-	-	6.68%	3.6
Port Adelaide Distribution Centre	98.0	(2.4)	(2.4%)	8.75%	4.8
Mulgrave	92.0	(1.0)	(1.1%)	7.00%	3.2
Hendra Distribution Centre	88.7	-	-	8.25%	2.6
Brooklyn Estate	82.0	-	-	8.00%	3.9
Forrester Distribution Centre	81.4	-	-	7.25%	3.2
Macquarie Technology Centre	56.3	2.2	4.0%	6.98%	1.8
9-11A Ferndell Street	55.0	-	-	7.72%	1.9
Balcatta Distribution Centre	51.5	(0.3)	(0.6%)	6.75%	1.7
16 Giffnock Avenue	42.7	-	-	7.75%	1.7
1090-1124 Centre Road, Oakleigh	40.1	-	-	9.25%	1.2
20-50 Fillo Drive & 10 Stubb Street	38.0	6.2	19.3%	7.50%	1.3
23 Wonderland Drive	36.5	(0.9)	(2.5%)	6.75%	1.5
72-76 Cherry Lane	31.9	-	-	7.00%	1.2
Altona Distribution Centre	30.7	-	-	8.25%	1.4
2 Davis Road	26.2	-	-	7.25%	0.9
2-8 Baker Street, Botany	24.6	-	-	6.25%	0.8
Erskine Park	21.6	2.3	12.1%	6.00%	0.6
Coopers Paddock, Warwick Farm	18.8	-	-	n/a	-
56-60 Toll Drive	17.8	-	-	7.25%	0.7
32-54 Toll Drive	17.6	-	-	7.50%	0.7
11-25 Toll Drive	16.3	-	-	6.75%	0.9
76-82 Fillo Drive	13.2	(0.8)	(5.8%)	7.75%	0.8
40 Scanlon Drive	9.1	-	-	7.50%	0.4
Export Park, 9-13 Viola Place	9.0	-	-	9.57%	0.7
M1 Yatala Enterprise Park	6.7	-	-	n/a	-
Other	-	-	-	-	0.8
Total Logistics & Business Parks	1,998.0	9.0		WACR 7.2%	72.3

Office portfolio	Book value (\$m)	1H17 Val. Incr/(decr) (\$m) ¹	Change	Cap rate	1H17 FFO (\$m)
Piccadilly Complex ²	209.1	-	-	5.88%-6.75%	7.1
135 King Street (50%)	165.0	24.0	17.0%	5.63%	4.8
Durack Centre	114.8	-	-	8.00%	10.4
601 Pacific Highway	95.8	-	-	6.75%	3.9
77 Pacific Highway	73.0	3.6	5.1%	6.50%	2.9
40 Cameron Avenue	32.7	-	-	11.00%	1.3
110 Walker Street	29.7	-	-	6.75%	1.3
80-88 Jephson Street	22.3	0.3	-	8.75%	1.1
27-29 High Street	3.3	-	-	7.50%	0.1
23 High Street	3.2	-	-	7.50%	0.2
Subtotal Office	748.9	27.9			33.1
Disposals					0.5
Total Office	748.9	27.9		WACR 6.7%	33.6

1. Movements due to independent valuations
2. Piccadilly Complex includes Piccadilly Tower and Court

Top 20 tenants by income

Retail Portfolio			Logistics & Business Parks Portfolio			Office Portfolio		
Rank	Tenant	% Portfolio	Tenant	% Portfolio	Tenant	% Portfolio		
1	Wesfarmers Ltd	11.7%	Optus Administration Pty Ltd	10.2%	IBM Australia Ltd	7.4%		
2	Woolworths Ltd	11.2%	ACI Operations Pty Ltd	6.8%	Jacobs Group (Australia) Pty Ltd	7.1%		
3	Specialty Fashion Group Ltd	1.7%	Toll Holdings Ltd	6.7%	Stockland Development Pty Ltd	5.8%		
4	Pepkor Australia Pty Ltd	1.4%	Qube Holdings Ltd (Qube Logistics)	4.1%	Hewlett Packard Pty Ltd	4.4%		
5	Australian Pharmaceutical Industries Ltd	1.4%	Kmart Australia Pty Ltd	3.9%	Australian Bureau of Statistics	3.1%		
6	JPL Group Pty Ltd	1.4%	Patrick Autocare Ltd	3.7%	Brookfield Multiplex Ltd	2.5%		
7	Commonwealth Bank of Australia Ltd	1.4%	Downer EDI Ltd	3.0%	Russell Investment Group Pty Ltd	2.2%		
8	Just Group Ltd	1.3%	AWH (Australian Wool Handlers) Pty Ltd	2.8%	The University of Sydney	2.0%		
9	Westpac Banking Corporation Ltd	1.3%	Brownes Food Operations Ltd	2.1%	UXC Ltd	2.0%		
10	Noni B Ltd	1.2%	Icehouse Logistics Ltd	2.1%	GHD Services Pty Ltd	1.9%		
11	The Reject Shop Ltd	1.1%	CSR Ltd	2.0%	The Uniting Church of Australia Property Trust	1.9%		
12	H&M Hennes & Mauritz Pty Ltd	1.0%	Lavery Health Ltd	1.8%	Fleet Partners Pty Ltd	1.7%		
13	Retail Food Group Ltd	1.0%	Chubb Security Holdings Australia Pty Ltd	1.6%	Smartsalary Pty Ltd	1.6%		
14	Cotton On Clothing Group Pty Ltd	0.9%	Unitised Building (Aust) Pty Ltd	1.6%	National Health Call Centre Network	1.4%		
15	Luxottica Retail Australia Pty Ltd	0.8%	Citrix Systems Asia Pacific Pty Ltd	1.5%	Moore Stephens International Ltd	1.3%		
16	Aldi Foods Pty Ltd	0.8%	Austpac Pty Ltd	1.5%	Rice Daubney	1.3%		
17	Sussan Property Group Pty Ltd	0.8%	GF Services Company Pty Ltd (Goodman Fielder)	1.4%	Infosys Technologies Australia Pty Ltd	1.3%		
18	Myer Ltd	0.8%	Jansen Cilag Pty Ltd	1.3%	Health Administration Corporation	1.2%		
19	Retail Apparel Group Pty Ltd	0.8%	Specialty Packaging Group Pty Ltd	1.3%	M&D Services Pty Ltd	1.2%		
20	ANZ Banking Group Ltd	0.8%	CRT Group Pty Ltd	1.2%	Auto & General Services Pty Ltd	1.1%		
		42.8%		60.8%		52.4%		

Commercial Property asset acquisitions & disposals

Property Acquired	Asset Class	Type	Acquisition Date	Acquisition Value ¹ (\$m)
Lamerton House, Shellharbour, NSW	Retail	Income Producing	Dec 2016	8.0
Total Asset Acquisitions				8.0

Property Disposed	Asset Class	Type	Settlement Date	Disposal Value ² (\$m)
Garden Square, Qld	Office	Income Producing	Aug 2016	36.5
Jimboomba, Qld	Retail	Joint Venture	Oct 2016	18.6
Vincentia, NSW	Retail	Income Producing	Oct 2016	13.0
Total Asset Disposals				68.1

1. Excludes associated acquisition costs

2. Excludes associated disposal costs

Residential

Andrew Whitson

Minta Farm, Melbourne



Stockland
it's your place



Development Pipeline – Major active projects excluding medium density

State	Project	State percentage	Approximate lot sales per annum ¹	Approx remaining project lots	Anticipated Settlements				
					FY17	FY18	FY19	FY20	FY21+
Qld	North Shore		90	3,730					
	Aura		480	19,530 [#]					
	Newport		200	1,550					
	Pallara		140	710					
	All Other Projects			8,980					
	Sub-total		49.5%		34,500				
Vic	Highlands		620	3,030					
	Mernda Village		160	330					
	The Address ²		130	170					
	The Grove		290	2,200					
	Cloverton		310	10,920					
	All Other Projects			2,480					
Sub-total		27.4%		19,130					
WA	Newhaven		130	300					
	Vale		300	1,480					
	Sienna Wood		170	3,090					
	Calleya		210	1,120					
	Whiteman Edge		200	770					
	All Other Projects			1,700					
Sub-total		12.1%		8,460					
NSW	Willowdale		400	1,770					
	Elara		450	1,640					
	Altrove ²		150	240					
	All Other Projects			4,000					
Sub-total		11.0%		7,650					
Total		100.0%		69,740					

1. Average number of lots estimated for three years (FY17 to FY19)

2. Average number of lots estimated for FY17 and FY18 as project completes in next two years

[#]Includes dwellings

Seven projects with first settlements in next two years

	Project	Timing of first settlements	Approximate total lots in project	Approximate life of project
Vic	Arve	2H17	80#	1 yr
	Edgebrook (Clyde North)	FY18	790	7 yrs
	Stamford Park – Rowville	FY19	180#	3 yrs
Qld	Pallara	2H17	710	6 yrs
	Foreshore (Coomera)	FY18	490	3 yrs
	Bokarina Beach	FY18	290	8 yrs
	Paradise Waters	FY19	2,080	18 yrs
		Total lots	4,620	

Includes dwellings

Projects completing prior to FY19

	Project	Timing of final settlements	Approximate total lots#	Lots# remaining to sell (as at 31 Dec 2016)
NSW	Brooks Reach	2H17	590	152
WA	Baldivis Town Centre	2H17	160	4
Qld	The Observatory	FY18	900	18
	Augustine Heights	FY18	1,010	106
	Highland Reserve	FY18	1,160	61
	Ormeau Ridge	FY18	660	139
	Riverstone Crossing	FY18	760	77
Vic	Allura	FY18	1,340	167
	The Address	FY18	480	178
		Total lots	7,060	902

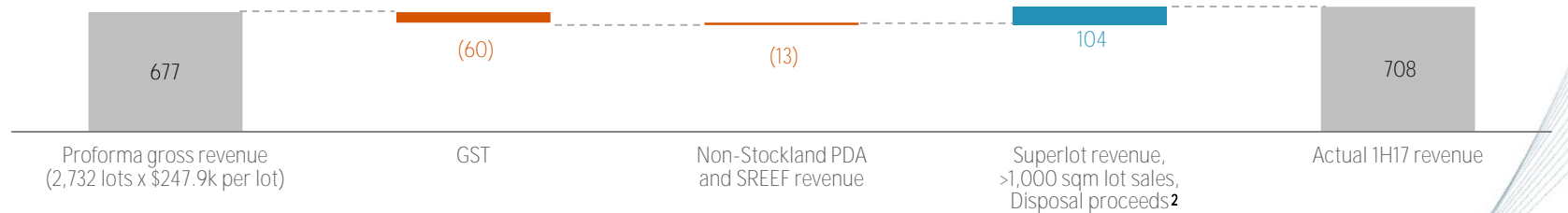
Includes dwellings

Price per sqm

Retail sales price¹

State	1H17 Settlements				1H16 Settlements			
	No. lots	Av. size per lot sqm	Av. Price per lot \$k	\$/sqm	No. lots	Av. size per lot sqm	Av. Price per lot \$k	\$/sqm
NSW	244	408	433	1,061	500	430	343	799
Old	929	428	245	572	732	450	234	520
Vic	979	400	226	565	789	364	195	536
WA	580	320	212	662	717	354	237	669
Residential Communities	2,732	393	248	630	2,738	396	243	614

Revenue Reconciliation (\$m)



1. Average price of retail sales excludes sales of all lots over 1,000 sqm, superlot sales, completed homes, medium density and apartments revenue, and disposal proceeds. Average price includes GST. Includes Project Development Agreements (PDAs) and SREEF projects for which Stockland receives a part-share

2. Includes the disposal of impaired project Wallarah (NSW) and the second tranche of revenue from the disposal of Bahrs Scrub (Old)

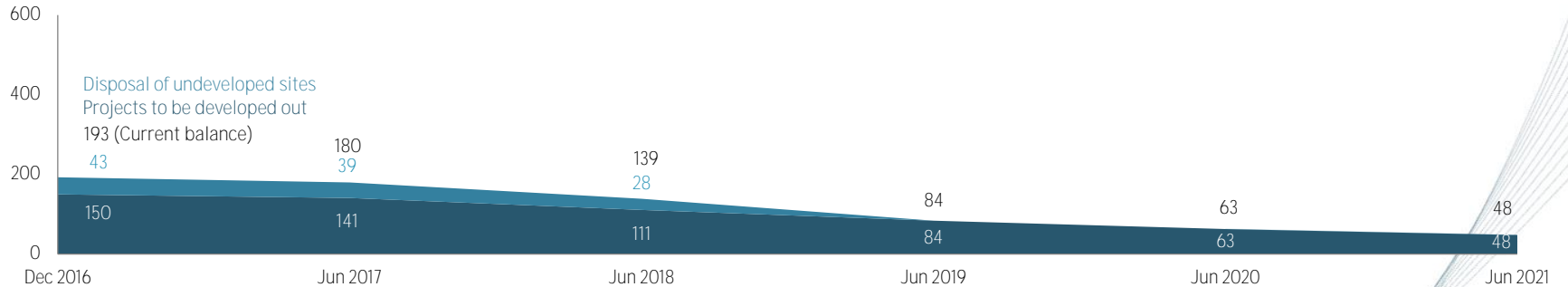
Impairment provision utilisation

31 December 2016	Residential Communities (\$m)	Apartments (\$m)	Total (\$m)
Increase in impairment	-	-	-
Utilisation of provision ²	(96)	-	(96)

	Impairment provision balance 31 December 2016 (\$m)	Final settlement
Projects to be developed	\$150m	-11 yrs
Disposal of undeveloped sites	\$43m	-2 yrs
Total	\$193m	

Residential forecast utilisation of provision¹

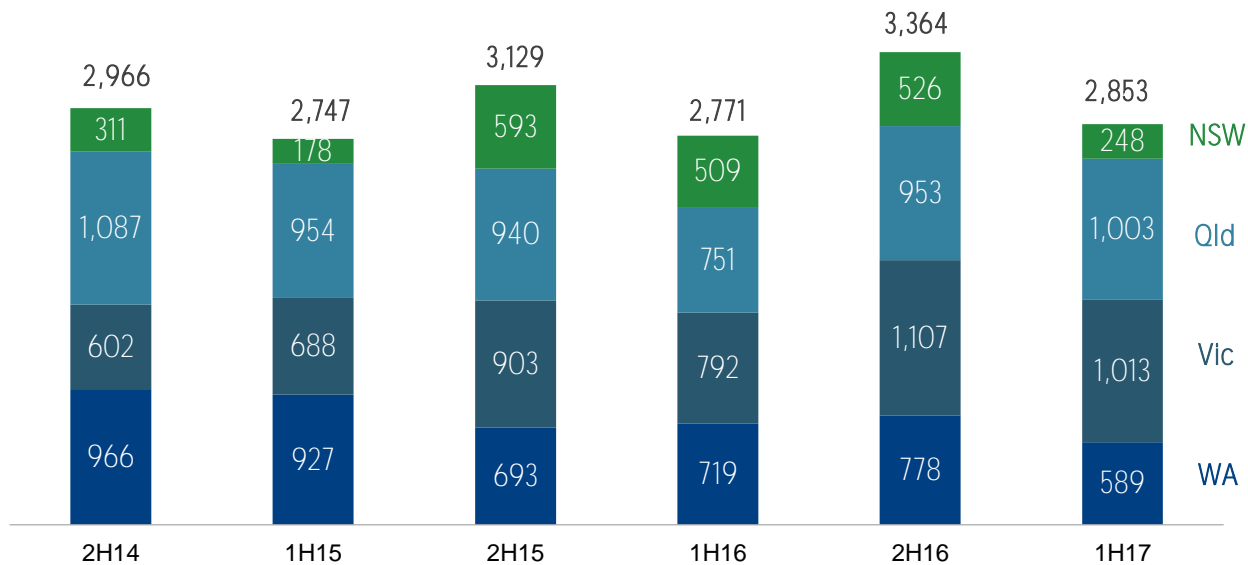
Balance \$m



1. Forecast utilisation impairment provision as at 31 December 2016, based on forecast settlement dates, revenue and costs by project

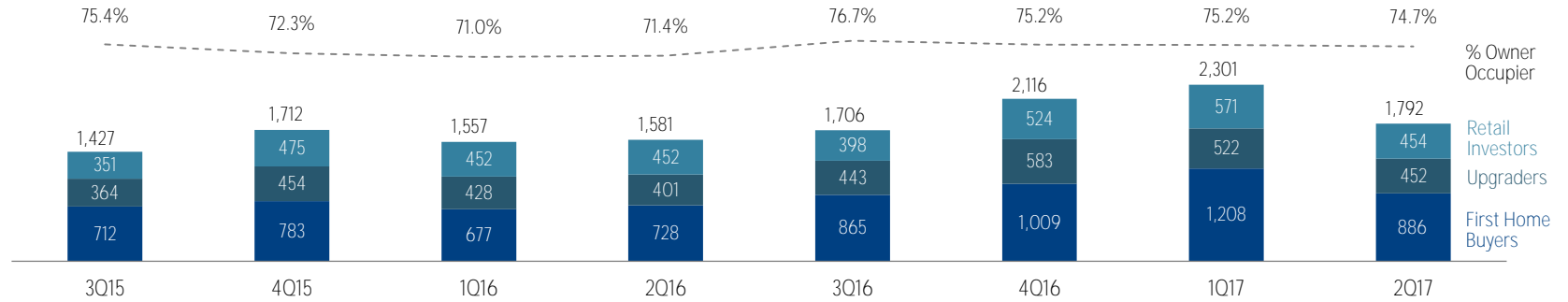
2. Excludes impairment provisions associated with projects transferred to Logistics & Business Parks

Lots settled by location

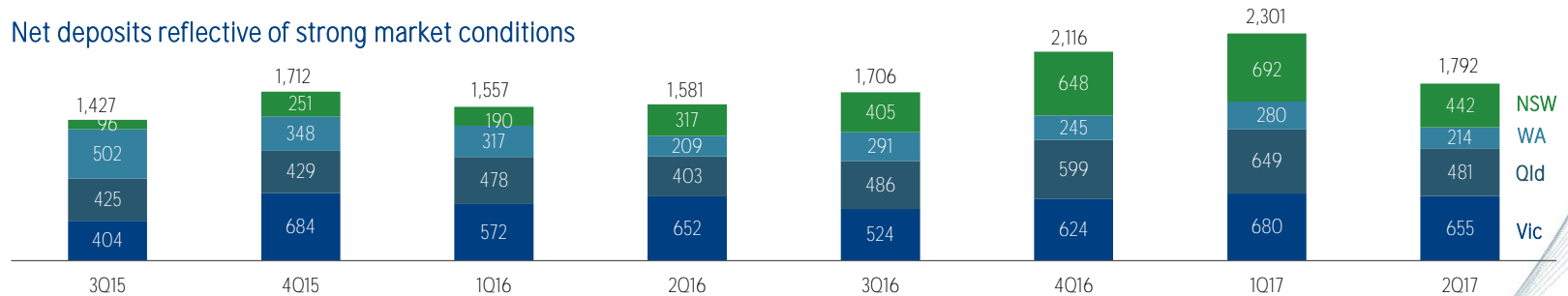


Net deposits by quarter

Strong net deposits

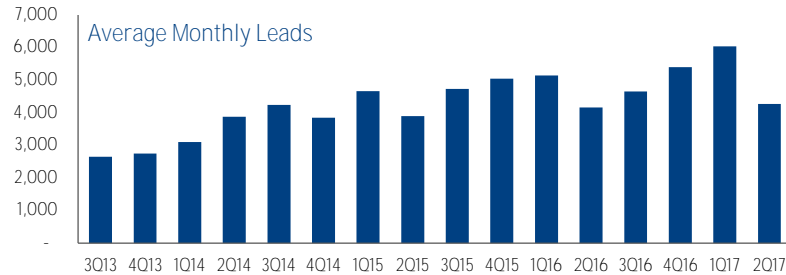


Net deposits reflective of strong market conditions

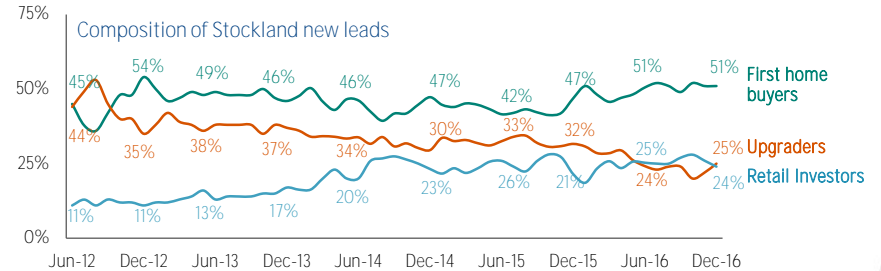


Leads and enquiry levels

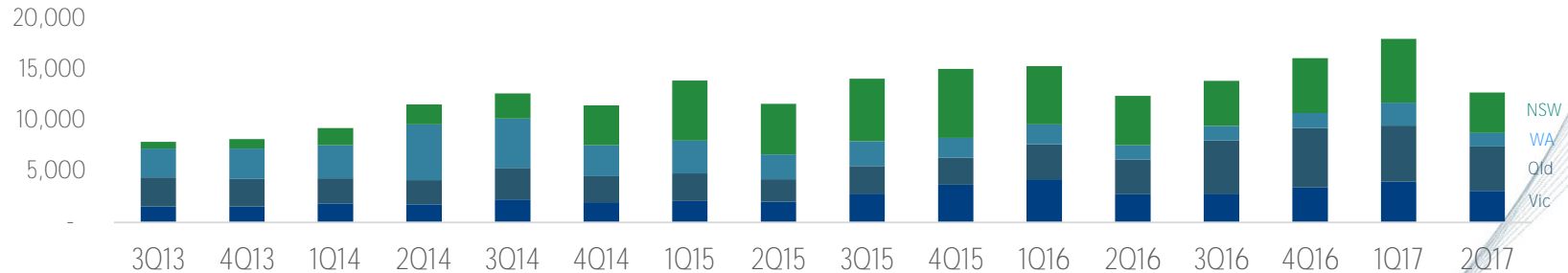
Lead volumes remained strong assisted by new Qld project launches



FHBs remain consistent, contributing ~50% of all new leads



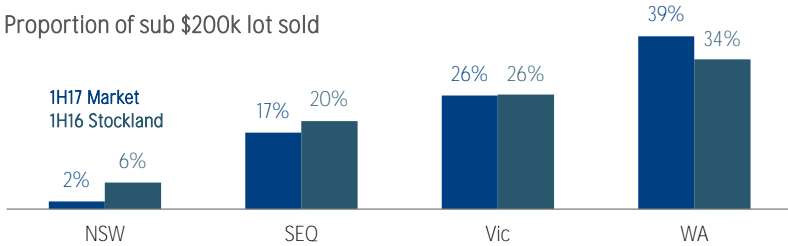
Lead growth contributed by new project launches



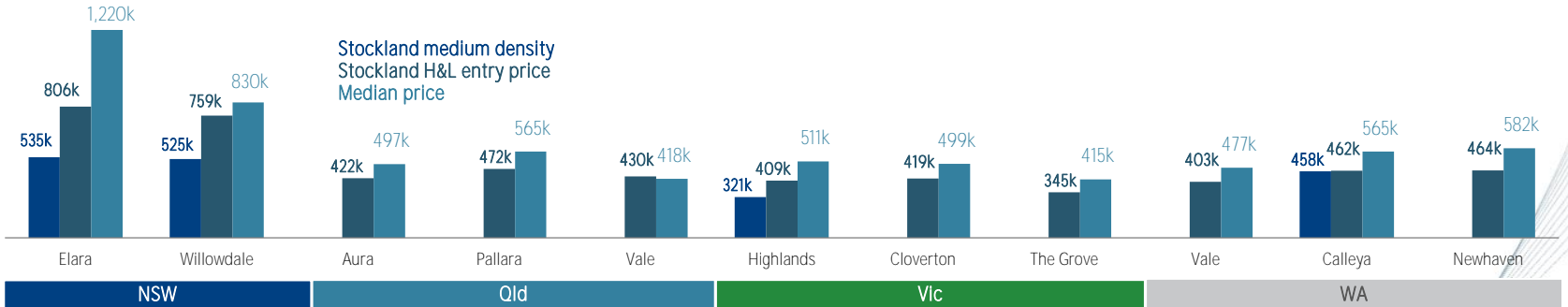
Providing affordable product

Stockland projects providing affordable product¹

Proportion of sub \$200k lot sold



Stockland providing more affordable product than local median house price^{2,3,4}



1. National Land Survey Program, Charter Keck Cramer/Research4 and Stockland Research

2. Fixed Price House and Land packages for sale within Stockland House and Land Finder January 2017

3. RP Data: Median value of established (4b,2b,2c) houses in surrounding suburbs as at December 2016

4. Entry price for Stockland medium density product in Dec 16 quarter

Residential acquisitions

Property Acquired	Type	Acquisition Date	Acquisition Value (\$m)	Approximate number of lots	First settlements expected
Minta Farm, Vic ¹	Masterplanned Community	Dec 16	Not disclosed	1,700	FY19/20

1. Settlement subject to conditions precedent being satisfied

Retirement Living

Cardinal Freeman The Residences,
Sydney



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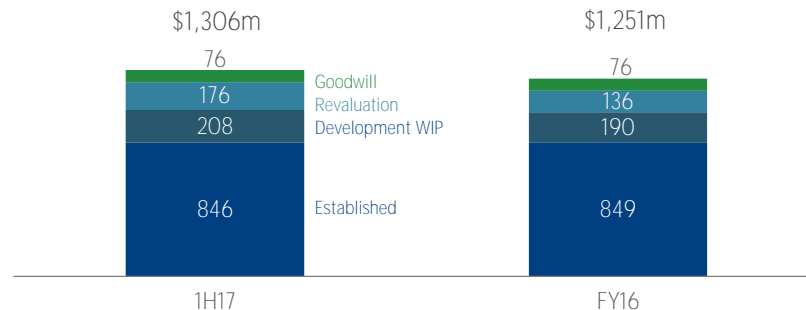
Established portfolio and development pipeline

Portfolio Statistics	1H17	FY16
Established villages	65	70
Established units	9,478	9,616
Established units settlements	325	716
Net units removed for redevelopment/alternate use	52	24
Turnover rate excluding developments ¹	8.8%	8.2%
Turnover rate total portfolio	7.7%	7.7%
Average age of resident on entry	73.5 yrs	73.5 yrs
Average age of current residents	80.6 yrs	80.6 yrs
Average tenure on exited residents	8.9 yrs	9.2 yrs
Average village age	23.5 yrs	23.3 yrs
Development pipeline	3,125 units	3,165 units

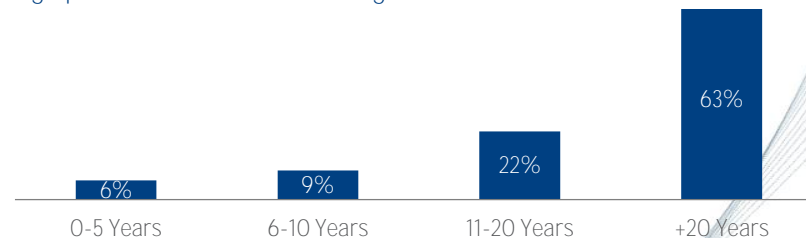
Key valuation assumptions	1H17	FY16
Weighted average discount rate	12.9%	12.9%
Weighted average 20 year growth rate	3.6%	3.7%
Average length of stay of current and future residents	10.6 yrs	10.6 yrs

1. Excludes development settlements from last five years

Net Funds Employed

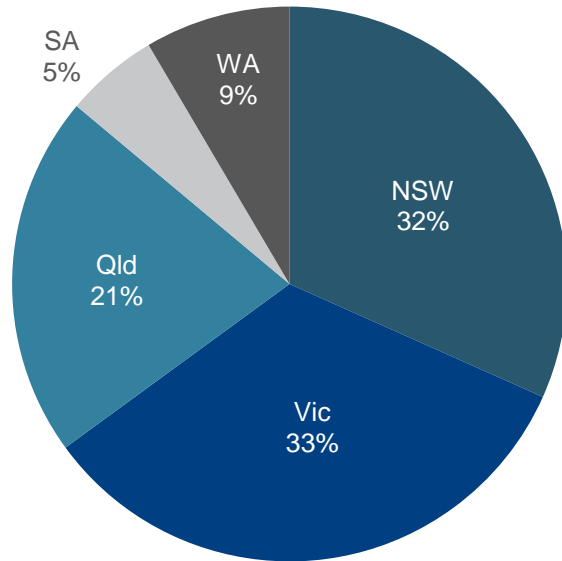


Age profile of established villages



Development pipeline breakup

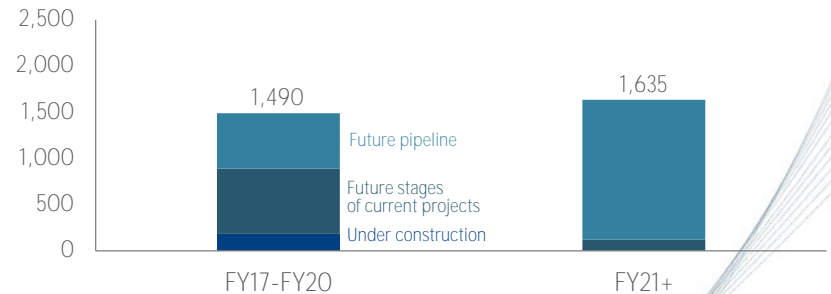
Geographically diverse development pipeline



1. Timing subject to market conditions

Development pipeline		1H17
Development villages		17
Total development pipeline units		3,125
- Greenfield pipeline units		2,065
- Village extension pipeline units		1,060
Estimated end value including DMF		\$2.3b

Independent Living Units development pipeline¹



Strong project pipeline forecast

Construction Timeframe		Future Settlements	FY17	FY18	FY19	FY20	FY21+
Completed (FY16)	Arilla, Vic						
	Selandra Rise, Vic						
	Sub-total		50				
Current Development Projects	Highlands, Vic						
	Lightsview, SA						
	Somerton Park, SA						
	Mernda, Vic						
	Cardinal Freeman The Residences, NSW						
	Affinity, WA						
	Willowdale, NSW						
	Oceanside, Qld						
	Sub-total		960				
To start within 18 months	Somerton Park, SA						
	Calleya, WA						
	Newport, Qld						
	Sub-total		315				
Master planning/ future projects	The Grove, Vic						
	Aura, Qld						
	Cloverton, Vic						
	Sub-total		750				
Redevelopments	Proposed Brownfield Redevelopments						
	Sub-total		785				
Aspire Living	Elara, NSW						
	Altrove, NSW						
	Sub-total		265				
Total units yet to be released			3,125				

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