Stockland

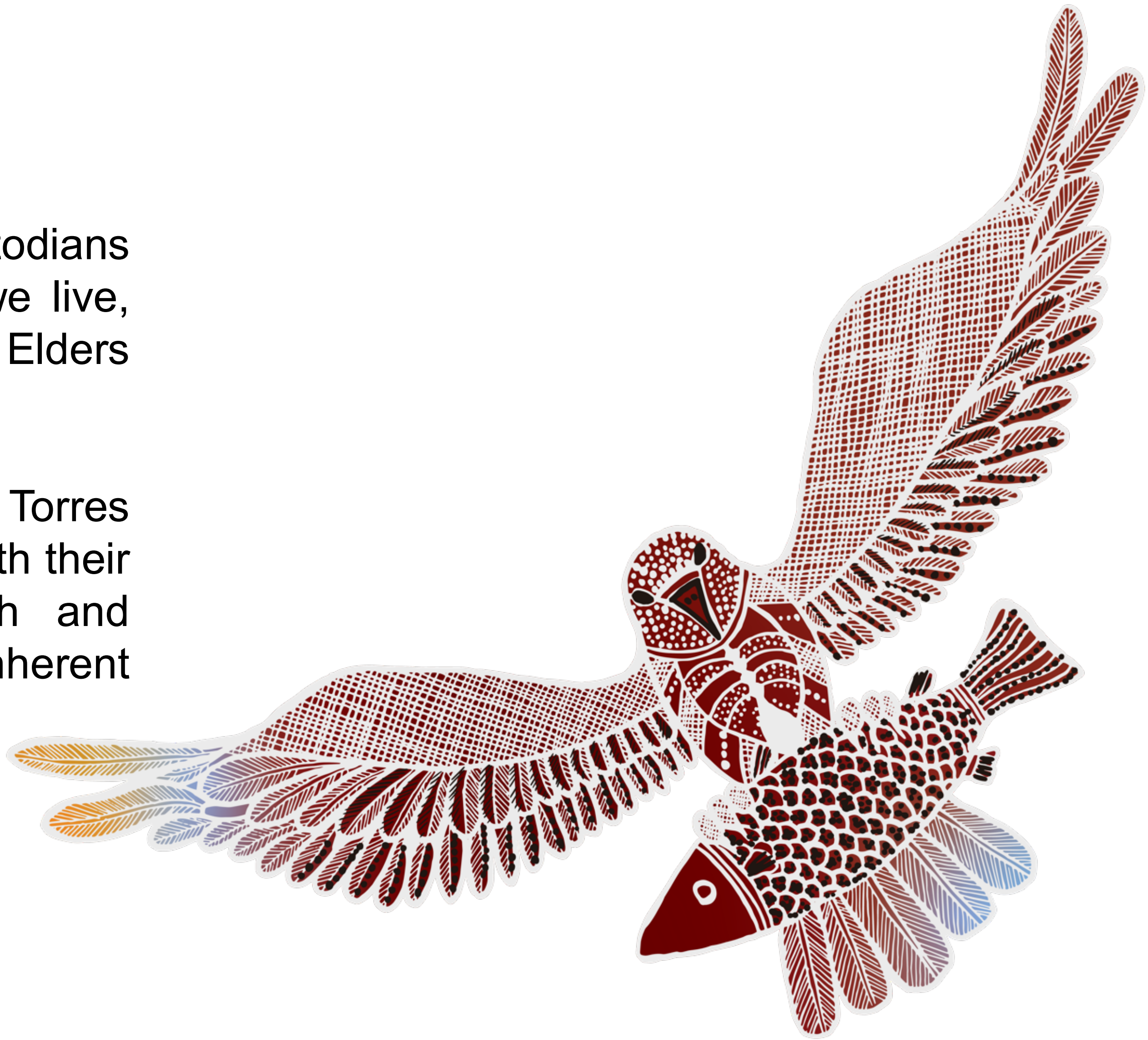
1H23 Results

21 February 2023

Stockland

Stockland acknowledges the Traditional Custodians and knowledge-holders of the land on which we live, work and play and pay our respects to their Elders past, present and emerging.

We acknowledge and thank all Aboriginal and Torres Strait Islander People for enriching our nation with their historical and traditional practices, their rich and diverse cultures and their ongoing and inherent connection to Country.



Artwork created by Maurice Mickelo

Agenda

Group update	**Tarun Gupta** MD & CEO
Financial results and capital management	**Alison Harrop** CFO
Commercial Property	**Louise Mason** CEO, Commercial Property
Communities	**Andrew Whitson** CEO, Communities
Summary and Outlook	**Tarun Gupta** MD & CEO

Figures are rounded to nearest million, unless otherwise stated.
Percentages are calculated based on the figures rounded to one decimal place.
Percentage changes are calculated on the prior corresponding period unless otherwise stated.
Note: Totals may not add due to rounding.

Stockland

Group update

Tarun Gupta

MD & CEO

1H23 Results

On track to deliver FY23 guidance

Execution of strategy delivering results

Demonstrated strength of the diversified platform

Strong operational performance

Scaling capital partnerships

Balance sheet strength

Stockland Head Office, Sydney CBD, NSW

Execution of strategy delivering results

Reshape portfolio

- Executed on ~$266m non-core Town Centre disposals above book value[1]
- Strong performance and earnings contribution from Town Centres
- Delivery of Logistics pipeline generating high quality income growth
- Land Lease Communities (LLC) releases achieving price growth over 1H23
- Resilient Masterplanned Communities (MPC) performance with good visibility into 2H23

Accelerate pipeline

- Enhancing our business through development and masterplanning
- ~$41bn[2] development pipeline across Commercial Property and Communities
- Additional potential pipeline of longer dated mixed use developments identified on existing sites
- ~$1.8bn[3,4] of Logistics & Workplace developments underway
- 15 new communities launching across MPC and LLC by the end of FY24

Scale partnerships

- Capital partnerships delivering returns and meaningful development and management income
- Extended existing relationship with Mitsubishi Estate Asia (MEA) through an agreement to invest in masterplanned communities[5]
- Transfer of LLC development communities[6] into SRRP generating cash-backed profit
- Exploring future capital partnerships across the Stockland platform

Sustainable growth

- Execution of strategy generating new business lines and high-quality diversified income streams
- Strong balance sheet with redeployment capability to position for future growth
- Purpose driven and innovative culture
- Focused on delivering measurable ESG outcomes
- Delivering on our purpose "a better way to live"

1. Includes disposal of Stockland Bull Creek, WA and assets held for sale Stockland Riverton, WA and Stockland Gladstone, QLD, at a ~4% aggregate premium to book value.
2. Total development pipeline, includes projects in early planning stages, projects with planning approval and projects under construction. Includes M_Park Stage 1 at a 100% share.
3. Forecast end value on completion, subject to relevant approvals.
4. Includes M_Park Stage 1 at 100% share.
5. The new capital partnership is expected to take effect in mid-2023 and will have a mandate to invest in Stockland owned and market originated masterplanned communities.
6. Stockland Halcyon Nirimba, QLD and Stockland Halcyon Berwick, VIC into Stockland Residential Rental Partnership (SRRP).

1H23 Result

On track to deliver FY23 guidance

Funds From Operations	FFO per security	NTA per security
$353m	14.8 cents	$4.31
0.7% on 1H22	0.7% on 1H22	vs $4.31 at 30 June 2022

Distribution per security	Statutory profit	Gearing
11.8 cents	$301m	22.1%
80% payout ratio; (1.7)% on 1H22	vs $850m in 1H22	vs 23.4% at 30 June 2022

Global Top 5
Rating for 12 consecutive years

Member of Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Leader rating
held for over 10 years

MSCI ESG RATINGS AAA
CCC B BB BBB A AA AAA

WELL Health-Safety
1st Australian property group to achieve retail WELL ratings

Green Star
for 9 years

GRESB ★★★★★ 2021

1H23 Highlights

- FFO per security of 14.8 cents, on track to deliver FY23 guidance
- Execution of strategy generating new high-quality management and development income streams
- Extended existing relationship with MEA through an agreement to invest in masterplanned communities[1]
- Strong performance from high-quality Commercial Property portfolio – comparable FFO growth of 3.2%[2] with 99.1% rent collection[3]
- Resilient Communities performance – high levels of contracts on hand in MPC and LLC providing good visibility into 2H23
- 1H23 NTA per security flat at $4.31, supported by $30m revaluation uplift[4] across high-quality Commercial Property portfolio
- Strong capital position with redeployment capacity, well positioned to take advantage of emerging opportunities
- Maintained ESG leadership and credentials

1. The new capital partnership is expected to take effect in mid-2023 and will have a mandate to invest in Stockland owned and market originated masterplanned communities.
2. Excludes COVID-19 abatements and ECL.
3. Rent collection rate across the portfolio up to 31 January 2023 on 1H23 billings.
4. Excludes sundry properties and stapling adjustment, includes IPUC and Stockland's share of equity accounted investments.

Financial results and capital management

Alison Harrop

CFO

Stockland Head Office, Sydney CBD, NSW

Strong capital position

Robust balance sheet with redeployment capacity

- Significant headroom under financial covenants[1,2]
- Capacity to fund the existing secured development pipeline as well as future deployment opportunities
- Disciplined and active capital management with WACD of 4.1%
- Strong investment grade credit ratings of A- / A3 from S&P / Moody's respectively with stable outlook

Gearing[3]

22.1%

Down from 23.4% at 30 June 2022

Available liquidity

~$1.4bn

Cash and undrawn facilities as at 31 December 2022

Interest Cover[2]

6.9x

12-month rolling average to 31 December 2022

Weighted average cost of debt for 1H23

4.1%[4]

~4.4% expected for FY23[5]

Weighted average debt maturity

4.7 yrs

Fixed Hedge Ratio

59%[4]

~60% expected for FY23

1. Financial Indebtedness / Total Tangible Assets at 24.2% as at 31 December 2022.
2. Covenant levels: less than 50% Financial Indebtedness / Total Tangible Assets, and Interest Coverage Ratio of more than 2:1.
3. Versus target range of 20-30%. Look-through gearing at 31 December 2022 at 22.6% vs target of <35%.
4. Average over the 6-months to 31 December 2022.
5. Assuming average BBSW of 3.22% over FY23.

Funds from operations

Maintained earnings, with significant 2H23 skew

FFO result reflects:

- Strong performance across Commercial Property
  - Town Centres portfolio generating 5.0%[1] comparable FFO growth and 2.5%[2] leasing spreads
  - Increased contribution from Logistics, with comparable FFO growth of 4.4%[1] and new income from development completions
- Resilient Communities performance in a moderating residential market:
  - 1,872 MPC settlements
  - 174 LLC settlements
  - Transfer of development communities[3] into SRRP generating cash-backed profit
- Strategic initiatives and capital partnerships generating high-quality management and development income streams
- Higher overheads reflect investment in the platform to deliver strategic initiatives, salary and wage inflation, and normalisation of costs post-COVID-19
- No tax payable for 1H23, with tax payable for FY23 expected to be at the lower end of 5-10% of pre-tax Group FFO[4]

$m	1H23	1H22	Change	
Commercial Property FFO	320	278	15.1%	Comparable FFO growth of 3.2%[1] across CP portfolio
Communities FFO	113	129	(11.9)%	Significant 2H23 settlement skew in Masterplanned Communities
Retirement Living FFO	-	15	-	
Unallocated corporate overheads	(47)	(35)	33.6%	Reflects investment in the platform, inflationary impacts and normalisation of costs
Net interest expense	(33)	(37)	(10.1)%	Lower average borrowings and an increase in capitalised interest due to MPC and Logistics developments, offset by higher WACD
Total	**353**	**350**	**0.7%**	
FFO per security (cents)	14.8	14.7	0.7%	
AFFO per security (cents)	13.0	12.3	5.7%	Primarily reflects lower tenant incentives; FY23 maintenance capex and tenant incentives expected to be slightly below FY22
Distribution per security (cents)	11.8	12.0	(1.7)%	1H23 distribution reflects payout ratio of 80% of FFO
Statutory profit	**301**	**850**	**(64.6)%**	Variance reflects $538m fair value gain in 1H22 (rebound in asset values post COVID-19), vs $17m fair value gain in 1H23

1. Excludes COVID-19 abatements and ECL.
2. Rental growth on stable portfolio on an annualised basis.
3. Stockland Halcyon Nirimba, QLD and Stockland Halcyon Berwick, VIC.
4. All forward looking statements, including FY23 earnings guidance, remain subject to no material deterioration in current market and production conditions.

Segment changes

Aligned to our strategy

Segment changes reflect:

- Emergence and growth of new earnings streams as we execute on our strategy
- Alignment to how we manage the business and create value
- Additional transparency regarding revenue streams and overheads

Implications for FY23 margin guidance:

- MPC FY23 development operating profit margin expected to be ~26%; equivalent to ~19% net operating profit margin under previous methodology
- LLC FY23 development operating profit margin expectation of 22-27%; equivalent to 10-15% net operating profit margin under previous methodology
- Refer to 1H23 Annexures for reconciliation of margins in Communities

$m	1H23	1H22	Change
Commercial Property (CP) FFO	**320**	**278**	15.1%
Logistics[1]	67	59	13.2%
Workplace[1]	54	56	(4.4)%
Town Centres[1]	185	156	18.6%
Commercial Property Development Income	27	28	(2.2)%
Commercial Property Management Income	16	8	102.5%
Commercial Property net overheads	(29)	(29)	(0.7)%

Commercial Property Development Income — Comprises: CP development revenues net of direct costs; profit from disposal of build-to-sell development projects
1H23 includes initial development profit relating to M_Park Stage 1 and trading profits relating to Melbourne Business Park – Stage 1

Commercial Property Management Income — Comprises: fee income for investment, development and property management services
1H23 includes initial development-related fees for M_Park Stage 1 and ongoing fee income from third parties relating to provision of services

Commercial Property net overheads — Includes all costs not directly attributable (or capitalised) to projects

$m	1H23	1H22	Change
Communities FFO	**113**	**129**	(11.9)%
Masterplanned Communities (MPC) Development FFO	138	177	(22.0)%
Land Lease Communities (LLC) Development FFO	38	7	442.9%
Communities Rental Income	6	6	8.6%
Communities Management Income	20	11	86.9%
Communities net overheads	(89)	(72)	23.4%

Masterplanned Communities (MPC) Development FFO — Comprises: Development income from MPC settlements net of direct costs. Variance reflects MPC settlement skew to 2H23

Land Lease Communities (LLC) Development FFO — Comprises: Development income from sale of new homes net of directly attributable costs; realised gains on transfer of communities into SRRP

Communities Rental Income — Comprises: Rental income from established LLC portfolio and stand-alone medical and childcare centres within Stockland communities

Communities Management Income — Comprises: fee income for investment, development and property management services

Communities net overheads — Includes all costs not directly attributable (or capitalised) to projects. 1H23 increase reflects growth in LLC business, salary and wage inflation, and higher project management costs on increased development activity

1. Represents rental income.

1H23 operating cashflows

Operating Cashflow[1]

$(174)m

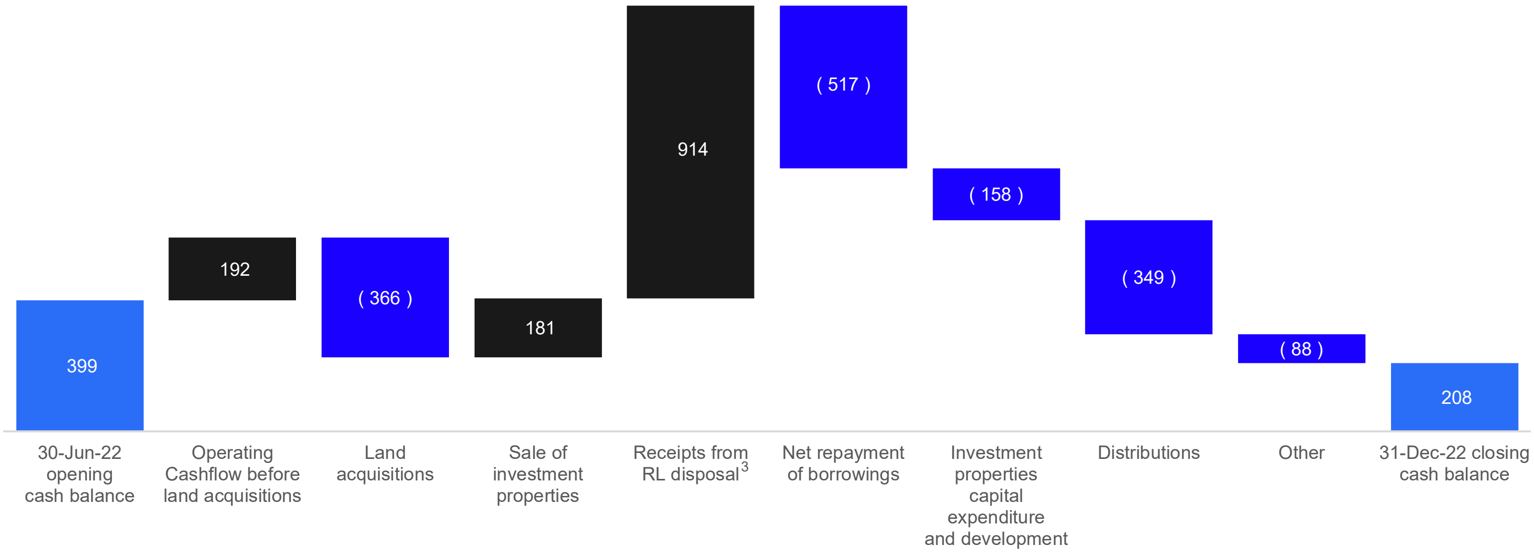
$172m in 1H22

Operating Cashflow before land acquisitions[1]

$192m

$440m in 1H22

Cash movements between FY22 and 1H23 reflect significant skew to 2H23



Focused cashflow management

- 1H23 distribution reflects payout ratio of 80% of FFO
- 1H23 cashflow impacted by:
  - Timing of development expenditure vs MPC settlement volumes
  - Operating cashflow expected to be positive for the full year, reflecting development cashflow skew
  - Ongoing delivery of the Logistics development pipeline
  - Settlement of $78m[2] of non-core divestments
  - Transfer of sites into the Stockland Residential Rental Partnership (SRRP)
- Staged redeployment into secured development pipeline

1. Cashflows include MPC cash receipts of $652m and MPC costs of $629m, comprising current year stage costs, future stage infrastructure costs, and SG&A and other costs. Future stage infrastructure costs represent ~56% of costs.
2. Stockland Bull Creek, WA settled in August 2022.
3. $914m reflects gross receipts of ~$934m less $21m in resident cash transferred to EQT on disposal of Retirement Living business.

Commercial Property

Louise Mason

CEO, Commercial Property

Commercial Property

Execution of strategy delivering returns

Accelerate
Logistics & Workplace

- Delivery of Logistics pipeline generating high quality income growth
- ~$1.2bn[1] logistics development completions expected by the end of FY24
- Adding value through the planning process and maintaining optionality on Workplace development projects
- M_Park Stage 1 development underway, with pre-leasing at 65%[2]

~$550m[1] Logistics completions expected for FY23; 92% leased[3]

Reposition and Focus
Town Centres portfolio

- Benefiting from active remixing and repositioning strategies in recent years
- High quality portfolio delivering strong comparable FFO growth of 5.0%[4]
- Leasing spreads of 2.5%[5] reflecting highly productive portfolio and improved occupancy costs of 15.2%[6]
- Executed ~$266m[7] of non-core asset sales at a ~4% aggregate premium to book values

~75% essential-based retail sales

Maximise
Value of our asset base

- Exploring highest and best use opportunities across the portfolio
- Additional potential pipeline of longer dated mixed use developments identified on existing sites
- Strengthening our essentials-based Town Centres portfolio with a $0.7bn[1] development pipeline

Growing organically through masterplanning

1. Forecast end value on completion, subject to relevant approvals.
2. M_Park Capital Partnership with Ivanhoé Cambridge. Pre-leasing includes executed leases and leases under HoA.
3. Includes executed leases and leases under HoA.
4. Excludes COVID-19 abatements and ECL.
5. Rental growth on stable portfolio on an annualised basis.
6. Occupancy cost reflects stable assets, adjusted to reflect tenants trading more than 24 months.
7. Includes disposal of Stockland Bull Creek, WA and assets held for sale Stockland Riverton, WA and Stockland Gladstone, QLD.

Commercial Property

Strong performance from high-quality portfolio

Commercial Property FFO of $320m and comparable FFO growth of 3.2%[1] underpinned by:

- Positive comparable FFO growth in Town Centres of 5.0%[1] and Logistics 4.4%[1]
- Execution of strategic initiatives generating meaningful income contributions
  - $27m Development Income reflecting Logistics build-to-sell trading profits and recognition of initial development revenues relating to M_Park Stage 1
  - $16m Management Income reflecting fees generated from M_Park Stage 1 capital partnership, and property management fees from JV assets
- Consistently high rent collection rates across the portfolio at 99.1%[2]

Key metrics	Asset value[3]	FFO	FFO comparable growth[1,4]	Occupancy	WALE
Logistics	$3,191m	$67m	4.4%	99.9%	3.4 yrs
Workplace	$2,087m	$54m	(3.4)%	92.7%[5]	4.4 yrs[5]
Town Centres	$5,490m	$185m	5.0%	99.4%[6]	5.3 yrs
Development Income		$27m			
Management Income		$16m			
Sub-total	**$10,768m**	**$349m**	**3.2%**		
Commercial Property net overheads		$(29)m			
Total	$10,768m	$320m			

Asset value[3]

$10.8bn

0.3% increase on FY22

Including $30m[3] net valuation uplift

Funds From Operations

$320m

Rent collection[2]

99.1%

1. Excludes COVID-19 abatements and ECL where applicable.
2. Rent collection rates across the portfolio up to 31 January 2023 on 1H23 billings.
3. Excludes sundry properties and stapling adjustment. Net valuation uplift includes IPUC and Stockland's share of equity accounted investments.
4. Includes comparable assets; excluding acquisitions, divestments and assets under development.
5. Excludes Walker Street Complex in 1H23.
6. Occupancy reflects stable assets for the period. This calculation is based on signed leases at 31 December 2022.

Commercial Property

Valuations underpinned by well-positioned portfolio

Net valuation increase of

$30m[1]

0.3% increase on 30 June 2022 book value

With 86%[2] of assets independently revalued over 1H23


Oakleigh Industrial Estate, VIC


Triniti Business Park, NSW


Stockland Balgowlah, NSW

	Logistics	Workplace	Town Centres
1H23[3]	**$48m, +1.6%**	**$(38)m, -1.8%**	**$20m, +0.4%**
Cap rates	Expanded by 33bps to 4.42%	Expanded by 12bps to 5.41%	Expanded by 5bps 5.90%
Drivers	• Uplift due to strong rental growth across well located portfolio, driven by tenant demand and low vacancy rates • Market rent growth continues to provide resilience against cap rate softening due to the higher interest rate environment	• Majority of portfolio currently being positioned for future development • Valuations impacted by higher re-letting and incentive allowances across portfolio, as well as cap rate softening across the sector	• Uplift driven by strong performance and rental growth of essentials-based portfolio • Market rent growth offsetting cap rate softening • Continued resilience in essentials-based retail, in an environment of rising interest rates and inflationary pressures

1. Excludes sundry properties and stapling adjustment, includes IPUC and Stockland's share of equity accounted investments.
2. By value.
3. Represents net valuation change for 6 months to 31 December 2022.

Logistics

Strong performance underpinned by high quality portfolio

- Comparable FFO growth of 4.4%[1], with well-located assets benefiting from favourable demand-supply dynamics
  - Re-leasing spreads of 19.6% on new leases and renewals negotiated over the period[2,3]
  - Occupancy and rent collection rates remain high at 99.9%[4], and 100%[5] respectively
- Focus on capturing positive rental reversion opportunities presented by 3.4 year WALE[4]
- Delivery of the Logistics pipeline providing high quality income growth
- ~$550m[6] expected development completions in FY23, generating further growth in Logistics property income

$m	1H23	1H22
Logistics FFO	**$67m**	**$59m**
Asset value[7]	$3,191m	$2,870m
Leases executed	185,183 sqm	142,586 sqm
Leases under HOA	47,039 sqm	158,742 sqm
Average rental growth on new leases and renewals negotiated[2]	19.6%	3.0%[8]
Portfolio occupancy[4]	99.9%	99.9%
Portfolio WALE[4]	3.4 yrs	3.6 yrs

Portfolio value[7]

~$3.2bn

Re-leasing spreads[2,3]

19.6%

on new leases and renewals negotiated in 1H23

Leased / HOA[3]

~232,200

sqm

Full development pipeline registered as

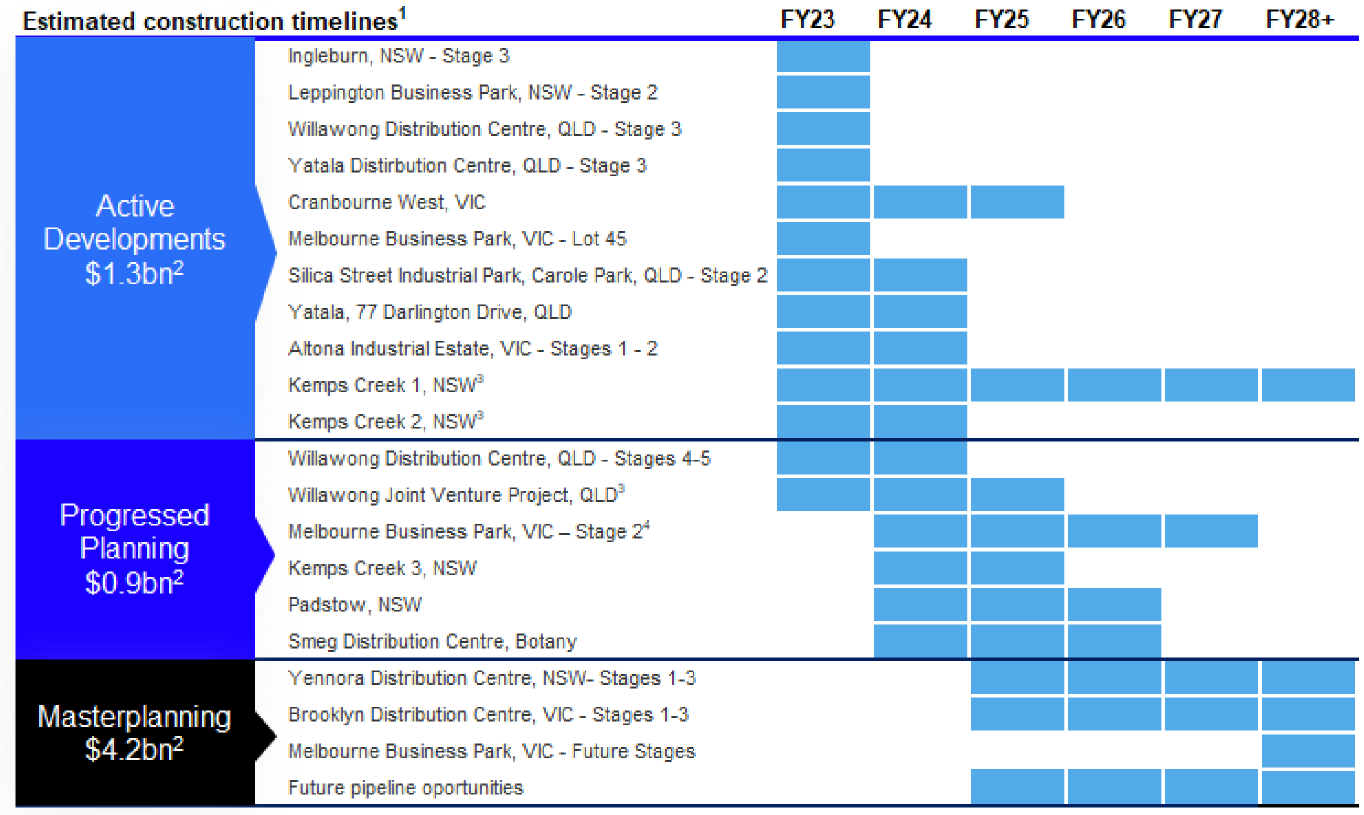
5 Star

Greenstar

1. Includes comparable assets; excluding acquisitions, divestments and assets under development. Excludes COVID-19 abatements.
2. 12.1% re-leasing spreads on new leases and renewals executed over 1H23.
3. Reflects executed leases & leases under HOA as at 31 December 2022.
4. By income.
5. Rent collection rates across the portfolio up to 31 January 2023 on 1H23 billings.
6. Forecast end value on completion, subject to relevant approvals.
7. Excludes WIP and sundry properties.
8. Excluding a single deal at Yennora Distribution Centre, NSW, rebased to market rent.

Logistics

Delivery of pipeline provides strong earnings visibility



Total development pipeline

~$6.4bn[2]

Targeting

~$1.2bn[2]

development completions by the end of FY24

FY23 target completions

~$550m[2], ~92%

pre-leased[5]

Targeting

~5-6%

Yield on cost

1. Subject to approvals and where applicable, the acquisition and/or completion of the property.
2. Forecast end value on completion, subject to relevant approvals.
3. Under a joint venture or proposed joint venture arrangement with FIFE Group.
4. Under delivery agreement and with rights to acquire a 50% interest.
5. Includes executed leases and leases under HoA.

Workplace

Platform for future growth

- Majority of portfolio currently being positioned for future development, including mixed use
- Comparable FFO growth of (3.4)%[1]
- Re-leasing spreads of (1.1)% on new leases and renewals negotiated in 1H23[2,3] with 2.1% re-leasing spreads achieved on new leases
- High rent collection rates of 99.6%[4] and occupancy of 92.7%[3,5]
- WALE[3,5] of 4.4 years across the portfolio

	1H23	1H22
Workplace FFO	**$54m**	**$56m**
Asset value[6]	$2,087m	$2,060m
Leases executed[3]	13,233 sqm	11,321 sqm
Leases under HOA[3]	5,927 sqm	8,932 sqm
Average rental growth on new leases and renewals negotiated[2,3]	(1.1)%	3.5%
Portfolio occupancy[3,5]	92.7%	90.6%
Portfolio WALE[3,5]	4.4 yrs	4.8 yrs

Development pipeline[7,8]

~$5.8bn

Rent collection[4]

99.6%

Portfolio value[6]

~$2.1bn

Leading ESG ratings

5-Star / 4.7-Star

NABERS Energy / Water average

4-Star

Greenstar Performance

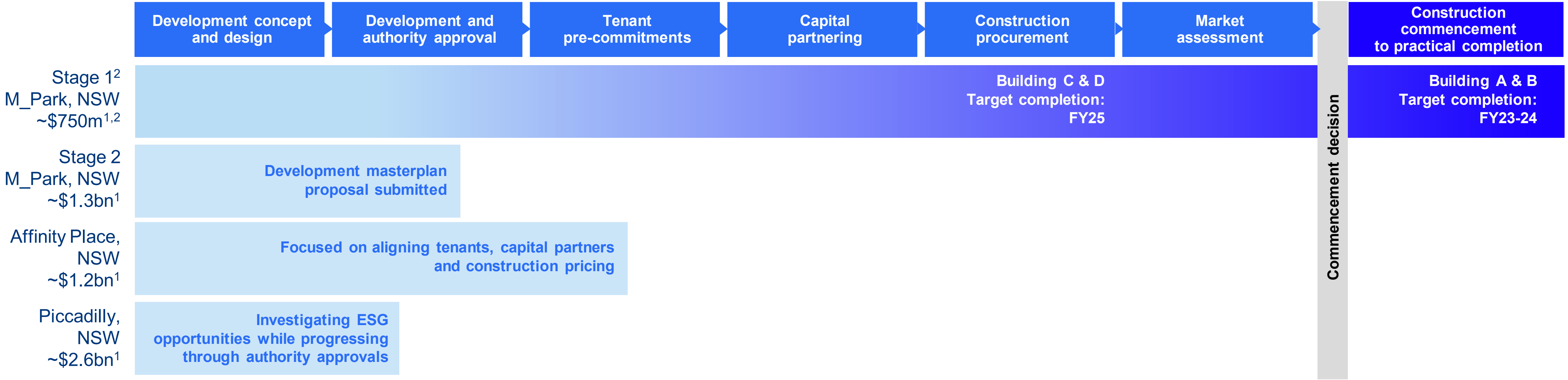
1. Excludes COVID-19 abatements.
2. (1.1)% re-leasing spreads on new leases and renewals negotiated over 1H23, reflects executed leases & leases under HOA as at 31 December 2022; (8.1)% re-leasing spreads on new leases and renewals executed over 1H23.
3. Excludes Walker Street Complex in 1H23.
4. Rent collection rates across the portfolio up to 31 January 2023 on 1H23 billings.
5. By income.
6. Excludes WIP and sundry properties.
7. Forecast end value on completion, subject to relevant approvals.
8. Includes M_Park Stage 1, owned in capital partnership with Ivanhoé Cambridge, at 100% share.

Workplace

Adding value and maintaining optionality

- Leveraging our asset creation strengths to provide a clear point of difference and attract capital partners and tenants
- Opportunity to create the workplaces of the future via activation of ~$5.8bn[1,2] development pipeline
- Progressing the existing pipeline while adding value and maintaining optionality over development timing:
  - M_Park Stage 1, NSW development, in capital partnership with Ivanhoé Cambridge, is underway with pre-leasing at 65%[3]
  - Affinity Place, North Sydney, NSW focused on aligning tenant pre-commitments, capital partnering and construction pricing prior to commencement decision
  - Piccadilly, Sydney CBD, NSW investigating opportunities to deliver quality ESG outcomes

Development framework adding value and maintaining optionality, prior to construction commencement



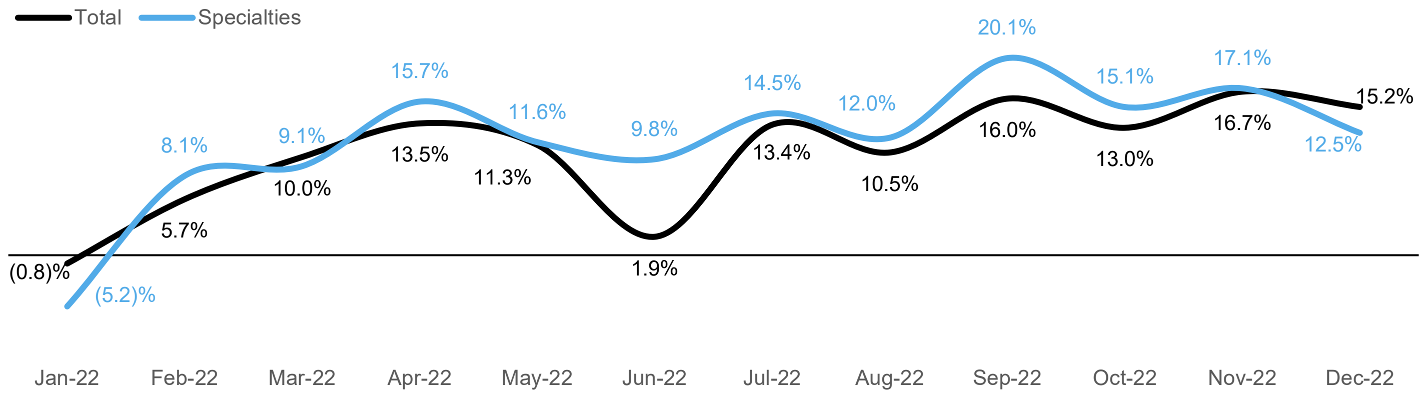
1. Forecast end value on completion, subject to relevant approvals.
2. Includes M_Park Stage 1, owned in capital partnership with Ivanhoé Cambridge, at 100% share.
3. Includes executed leases and leases under HoA for M_Park Stage 1.

Town Centres

Strong performance from essentials-based portfolio

- Total comparable sales growth of 13.7%, and comparable specialty sales growth of 19.1%, with the prior corresponding period impacted by COVID-19 trade restrictions[1,2]
- Total comparable sales growth of 10.6%, and comparable specialty sales growth of 11.9%, vs pre-COVID-19 corresponding period[2,3]
- Comparable specialty sales of $10,009 sqm, 13.6% above Urbis averages
- ~75% MAT skewed toward essentials-based categories
- Portfolio benefiting from active remixing and repositioning, including ~$266m[4] non-core asset disposals executed over 1H23 at a ~4% aggregate premium to book value

Strong monthly sales performance vs pre -COVID-19 levels[3,5]



Comparable centres annual MAT growth vs pre-COVID-19[2,3]

10.6%

Comparable centres specialty annual MAT growth vs pre-COVID-19[2,3]

11.9%

Non-core asset disposals in 1H23

~$266m[4]

Leading ESG ratings

5-Star / 3.7-Star

NABERS Energy / Water average

4-Star

Greenstar Performance

1. Previous corresponding period impacted by COVID-19 trading restrictions over July 2021-October 2021.
2. Comparable basket of assets as per SCCA guidelines, which excludes assets which have been redeveloped within the past 24 months. Excludes the Mobile Phones category, due to reporting changes by one retailer resulting in sales data being not comparable.
3. 2022 vs 2019.
4. Includes disposal of Stockland Bull Creek, WA, and assets held for sale Stockland Riverton, WA and Stockland Gladstone, QLD.
5. Comparable monthly growth, 2022 vs 2019.

Town Centres

Well positioned portfolio

- Strong comparable FFO growth of 5.0%[1], with improved tenant confidence and demand reflected in:
  - Positive leasing spreads of 2.5%[2]
  - Improved occupancy costs[3] of 15.2% in 1H23 vs 15.9% in 1H22,
  - Increased tenant retention levels[4] of 77% in 1H23 vs 64% in 1H22
  - High levels of occupancy and rent collection rates of 99.4%[5] and 98.8%[6]
- Portfolio performing strongly in an inflationary environment
- Well positioned for resilience through expected pressures on households' discretionary spending

Portfolio value[7]

~$5.5bn

Re-leasing spread[2]

2.5%

Rent collection[6]

98.8%

		1H23	1H22
Town Centres FFO		**$185m**	**$156m**
Asset value		$5,490m	$5,613m
Occupancy[5]		99.4%	99.1%
WALE[8,9]		5.3 yrs	5.4 yrs
Specialty retail leasing activity[10]			
Tenant retention[4]		77%	64%
Total lease deals[11]		293	313
Specialty occupancy cost ratio[3]		15.2%	15.9%
Average rental growth on lease deals executed[2]		2.5%	1.2%
Renewals:	number, area	189 / 30,195 sqm	179 / 26,538 sqm
	rental growth[2]	3.0%	0.6%
New leases:	number, area	72 / 6,979 sqm	100 / 13,159 sqm
	rental growth[2]	0.8%	2.4%
	incentives: months	9.9	11.0

1. Includes comparable assets; excluding acquisitions, divestments and assets under development. Excludes COVID-19 abatements and ECL.
2. Rental growth on stable portfolio on an annualised basis.
3. Occupancy cost reflects stable assets, adjusted to reflect tenants trading more than 24 months.
4. Adjusted for operational centre remixes and reconfiguration as well as retailers subject to administration.
5. Occupancy across the stable portfolio based on signed leases and agreements at 31 December 2022.
6. Rent collection rates across the portfolio up to 31 January 2023 on 1H23 billings.
7. Excludes WIP and sundry properties.
8. By area.
9. Assumes all leases terminate at earlier of expiry / option date.
10. Metrics relate to stable assets unless otherwise stated.
11. Includes leasing across stable and stabilising assets and project leasing.

Commercial Property

Outlook and FY23 focus

Coopers Paddock, NSW

Artist impression, M_Park, NSW

Stockland Rockhampton, QLD

Logistics
Deliver pipeline

- Maximise income generation opportunities through rental growth on existing portfolio
- Expected development completions of ~$1.2bn[1] by the end of FY23-FY24, with ~$550m[1] completions expected for FY23 92%[2] pre-leased
- Development completions providing meaningful and growing income contribution

Workplace
Maintain optionality

- Create value and maintain optionality while progressing attractive ~$5.8bn[1,3] development pipeline
- Delivery of M_Park Stage 1[4], NSW underway, 65% pre-leased
- Focused on aligning pre-commencement conditions for Affinity Place, North Sydney, NSW
- Exploring ESG-based development initiatives at Piccadilly, Sydney CBD

Town Centres
Portfolio optimisation

- Leverage active remixing strategies to drive uplift in returns and rents
- Essentials-based mix performing well in inflationary environment
- Well positioned for resilience through expected tightening in household's discretionary spending

1. Forecast end value on completion at ownership share, subject to relevant approvals.
2. Includes executed leases and leases under HoA.
3. Includes M_Park Stage 1 at 100% share.
4. M_Park Capital Partnership with Ivanhoé Cambridge.

Stockland

Communities

Andrew Whitson
CEO Communities

Communities

Significant progress on executing our strategy

Extend
Residential leadership

- 1H23 net sales of 1,804, reflecting 2Q23 improvement on 1Q23
- 2-3% growth in market share[1], demonstrating residential market leadership
- FY23 settlement volumes impacted by extreme wet weather across the Eastern Seaboard over 1H23
- Good visibility for 2H23 with 5,840 contracts on hand, at ~11%[2] higher pricing
- 8 MPC launches by the end of FY24, increasing activation of the landbank to ~80%
- Extended existing relationship with Mitsubishi Estate Asia through an agreement to invest in masterplanned communities[3]

Improved enquiries and sales volumes in January 2023

Grow
Land Lease Communities

- Performance tracking in line with FY23 guidance, with 174[4] settlements in 1H23
- Good visibility for 2H23 with 452 contracts on hand, at ~17%[5] higher pricing
- Strong demand for Stockland Halcyon product, with further price growth achieved for 1H23 releases
- Strong rental income growth, underpinned by CPI-linked reviews averaging 6.3%[6]
- Significant ramp-up in development activity, with 7 new communities on track to launch by the end of FY24

Performance underpinned by sector tailwinds

Optimise returns
Future opportunities

- Execution of strategy delivering on a growing management income stream
- Progressing apartment pipeline, including investigating potential opportunities on existing sites
- Settlement of Retirement Living divestment completed in July 2022

Execution of strategy delivering diversified income stream

1. Over the past 12 months. Rolling annual market share based on net sales across Stockland active corridors across major metro markets. Source: NLS Research4.
2. Average price per lot of contracts on hand vs 1H23 settlements.
3. The new capital partnership is expected to take effect in mid-2023 and will have a mandate to invest in Stockland owned and market originated masterplanned communities.
4. Within SRRP.
5. Average price per home of contracts on hand vs 1H23 settlements (1H23 average settlement price per home: ~$628,000).
6. Average rental increases on stabilised portfolio effective 1 July 2022.

Communities

Solid FFO results

Resilient performance in a moderating residential environment, underpinned by:

- 1H23 settlements of 1,872[1] in Masterplanned Communities
- 174[2] Land Lease Communities settlements in 1H23
- $6m in high quality rental income, from the established LLC portfolio and stand-alone medical and childcare centres within Stockland masterplanned communities[3]
- High-quality management income of $20m in 1H23, up from $11m in 1H22, reflecting:
  - Initial development management, property management and investment management fees relating to SRRP
  - 6 existing partnerships and Joint Ventures across Masterplanned Communities

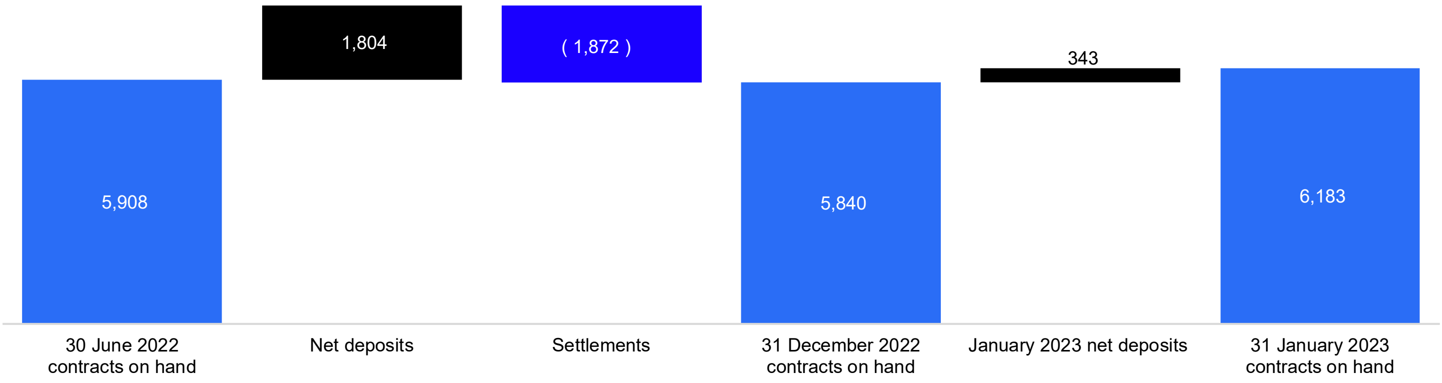
Key metrics	FFO	Development operating profit margin	Development EBIT[4]	Development EBIT margin[5]	Total settlements
Masterplanned Communities Development FFO	$138m	24.2%	$166m	29.0%	1,872
Land Lease Communities Development FFO	$38m	29.2%	$38m	29.7%	174
Rental Income	$6m				
Management Income	$20m				
Sub-total	**$202m**				
Communities net overheads	($89)m				
Total	**$113m**				

1. Includes 724 settlements under joint venture/project development agreements (1H22: 672).
2. Within SRRP.
3. Net rental income: $4.7m from established LLC portfolio, $1.7m from stand-alone medical and childcare centres.
4. Development EBIT comprises development operating profit excluding capitalised interest.
5. Development EBIT margin calculated as Development EBIT divided by sales/development revenue.

Masterplanned Communities

Resilient performance from well positioned business

- FY23 targets impacted by extreme wet weather on Eastern Seaboard
  - 1,872[1] settlements in 1H23
  - Expecting ~5,500 settlements in FY23, with a significant 2H23 skew
  - 43 days lost due to wet weather in 1H23, double the long-run average[2]
- Development operating profit margin of 24.2%, impacted by higher proportion of QLD settlements and relatively low settlement volumes reflecting 2H23 skew
- Expecting ~26% FY23 development operating profit margin[3]
- Default rates in line with historical averages
- Rate of construction cost escalation moderating as supply chain constraints ease
- Good visibility into 2H23 and FY24 with 5,840 contracts on hand, at average price points ~11%[4] above 1H23 settlements



1H23 Development EBIT

$166m

1H23 Development FFO

$138m

Total lots settled in 1H23

1,872[1]

1H23 Development EBIT margin

29.0%

Contracts on hand

5,840

Average price point vs 1H23

~11%[4]

Launched Stockland's

1st all-electric

community in WA at Stockland Wildflower

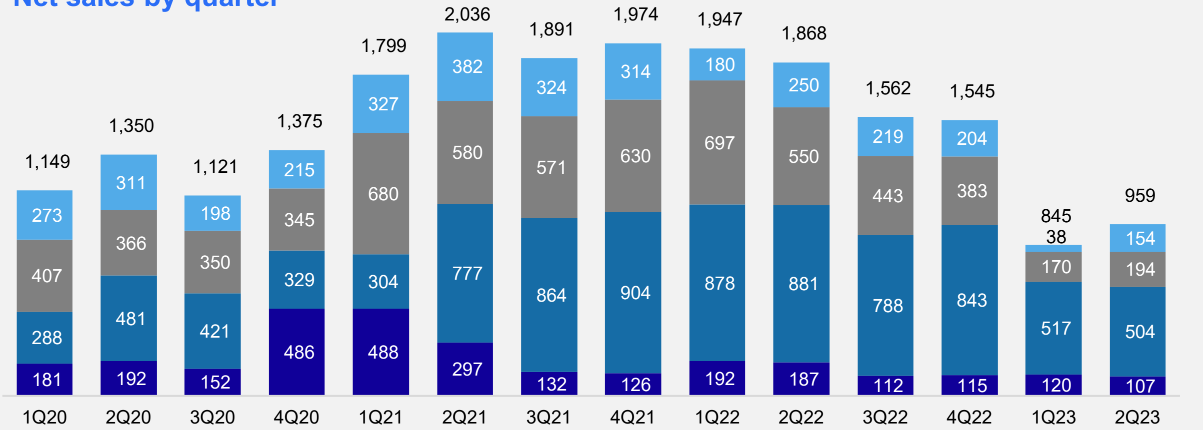
1. Includes 724 settlements under joint venture/project development agreements (1H22: 672).
2. Average across the Eastern Seaboard markets.
3. Equivalent to ~19% net operating profit margin under previous methodology.
4. Average price per lot of contracts on hand vs 1H23 settlements.

Masterplanned Communities

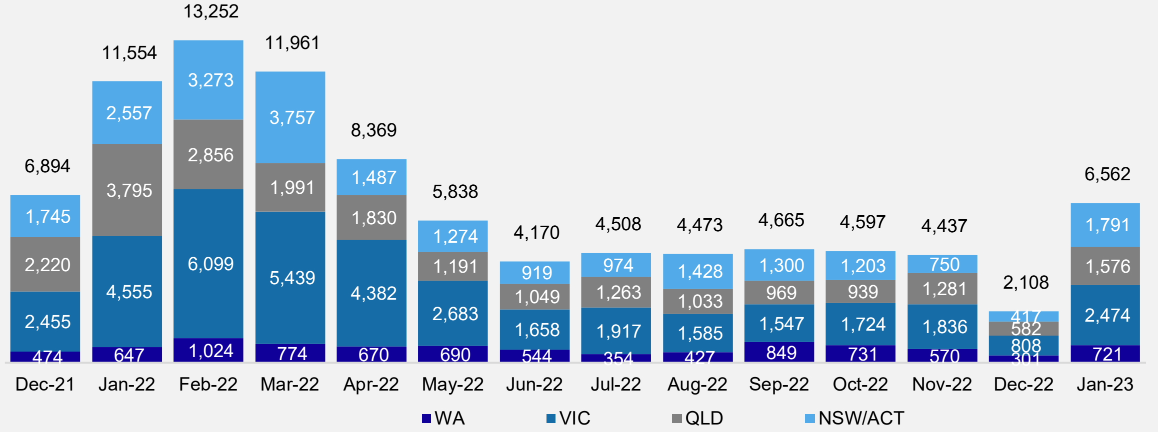
Sales volumes improving during 1H23

- Net sales of 1,804 lots, reflecting improvement in 2Q23 vs 1Q23
- 1H23 enquiries in line with pre-COVID-19 levels
- Consecutive interest rate rises led to moderating sales and enquiry levels over 1H23
- Stronger enquiries and sales volumes of 343 lots in January 2023
- Pricing and demand remains more resilient in areas benefiting from affordability advantages

Net sales by quarter



Enquiries by month[1]



1. FY22 enquiries adjusted to reflect updated verification of data.

Masterplanned Communities

Competitive advantages driving relative outperformance vs broader market

Active Landbank

- Average age of the landbank ~10 years
- Strong embedded margins from strategic restocking at the onset of COVID-19 pandemic
- Accelerating production with 8 new communities launching by end of FY24[1]
- Increasing activation of landbank from 73% to ~80%

Proven Brand

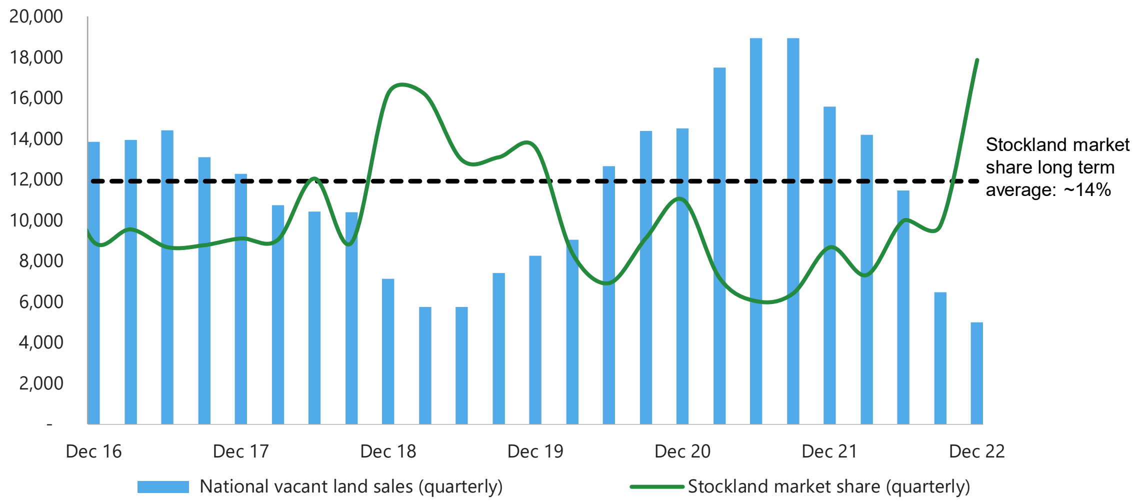
- Proven track record of high-quality communities created over 70 years
- Demonstrated resilience through moderating markets, benefiting from flight to quality
- Increased rolling 12-month market share[2,3] by ~2-3% over the past 12 months

Scale

- Leveraging scale to accelerate production, manage supply chain risks and deliver at lower cost
- ~5,000 lots under production at 31 December 2022
- Generating deep primary source customer data to maintain conversion rate in a moderating market and lower cost per sale

Quarterly market share vs national vacant land sales[3]

Increased market share in moderating markets



Activation of ~80% of the landbank by the end of FY24

8 new communities launching by the end of FY24[1]

Forest Reach, NSW	Wattle Park, VIC
Hope Island, QLD	Illyarrie, WA
Armstrong Creek, VIC	Wantirna, VIC
Lyra, VIC	Wildflower, WA – launched 1H23

1. Subject to relevant approvals and planning.
2. Rolling annual market share based on net sales across Stockland active corridors across major metro markets.
3. Source: NLS Research4.

Masterplanned Communities

Market outlook

- Structural drivers remain supportive, including low unemployment rates and a rebound in net overseas migration, with continued constrained land supply
- Improved sales and enquiries in January 2023
- Stabilisation of interest rate outlook required to drive further improvement in customer confidence and conversion rate

Aura, QLD

12-month outlook

State	Price	Volumes	Market commentary
NSW	↓	↔	• Price moderating from an elevated base, with affordability constraints continuing to impact price • Sales volumes expected to stabilise as NSW market benefits from increase in net overseas migration and tight rental market
VIC	↓	↔	• Price moderating from an elevated base, impacted by interest rate increases and outlook • Rebound in net overseas migration expected to benefit VIC market and support sales volumes
QLD	↔	↔	• Pricing and volumes supported by significant undersupply, ongoing net interstate migration, and relative affordability to Sydney and Melbourne
WA	↔	↔	• Resumed interstate migration and expected population growth to support volumes • Pricing supported by relative affordability compared to the Eastern Seaboard

Land Lease Communities

Solid FFO result

- FFO of $38m reflecting
  - Development income from 174[1] settlements of new homes, in line with expectations
  - Transfer of Stockland Halcyon Nirimba, QLD and Stockland Halcyon Berwick, VIC into SRRP generating cash-backed profit
- Good earnings visibility with 452 contracts on hand, at ~17% higher average pricing[2]
- Construction cost escalation expected to moderate as supply chain constraints ease
- Targeting ~350 settlements and 22%-27% development operating profit margin[3] in FY23

1H23 Development FFO

$38m

Total settlements in 1H23

174[1]

1H23 Development EBIT margin

29.7%

1H23 Development operating profit margin

29.2%

1H23 Contracts on hand

452

Average price point vs 1H23

~17%[2]

~80%

homes under development include solar

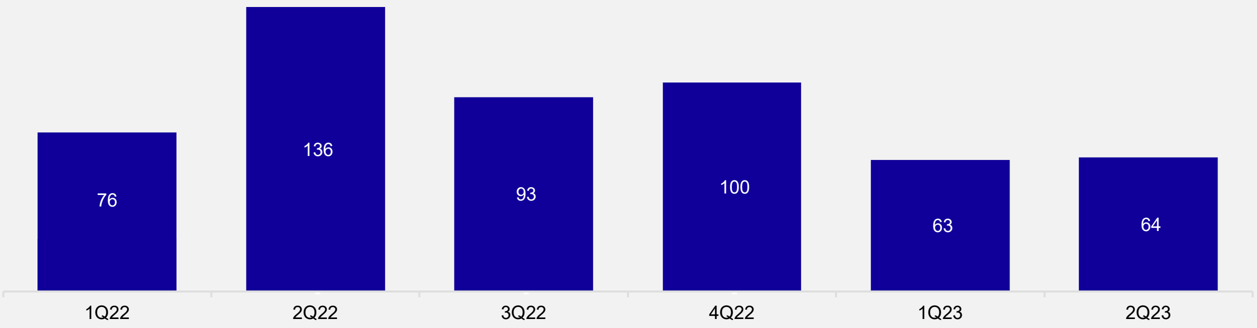
1. Within SRRP.
2. Average price per home of contracts on hand vs 1H23 settlements (1H23 average settlement price per home: ~$628,000).
3. Equivalent to 10-15% net operating profit margin under previous methodology.

Land Lease Communities

Resilient demand supporting price growth

- 1H23 net sales of 127 homes impacted by reduced releases to allow production to catch up
- Resilient demand and ongoing preference for over-50s lifestyle communities reflected in:
  - Price growth on LLC development product, with average sales price per home[1] up ~5% vs 2H22
  - Strong operational metrics across 1,944[2] established home sites with 100% occupancy and rent collection rates and 6.3%[3] average rental growth vs FY22
- Price growth has outpaced construction cost increases to date
- Improvements in the supply chain are expected to lead to a moderation in the rate of construction cost escalation

Net sales by quarter



Ongoing preference for Land Lease community living

Development product

~5%[1]
Increase in average sales price per home
1H23 vs 2H22

Established product

1,944[2]
established home sites
as at 31 December 2022

100%
occupancy and rent collection[4]
as at 31 December 2022

6.3%[3]
average rental growth
vs FY22

1. Average price per home. Excludes sales at Stockland B by Halcyon, QLD where average price points are above $1.1m.
2. 1,106 home sites at 100% ownership; 838 home sites within SRRP.
3. Average rental increases on stabilised portfolio effective 1 July 2022.
4. 65% Net Operating Profit Margin in 1H23 on stabilised portfolio.

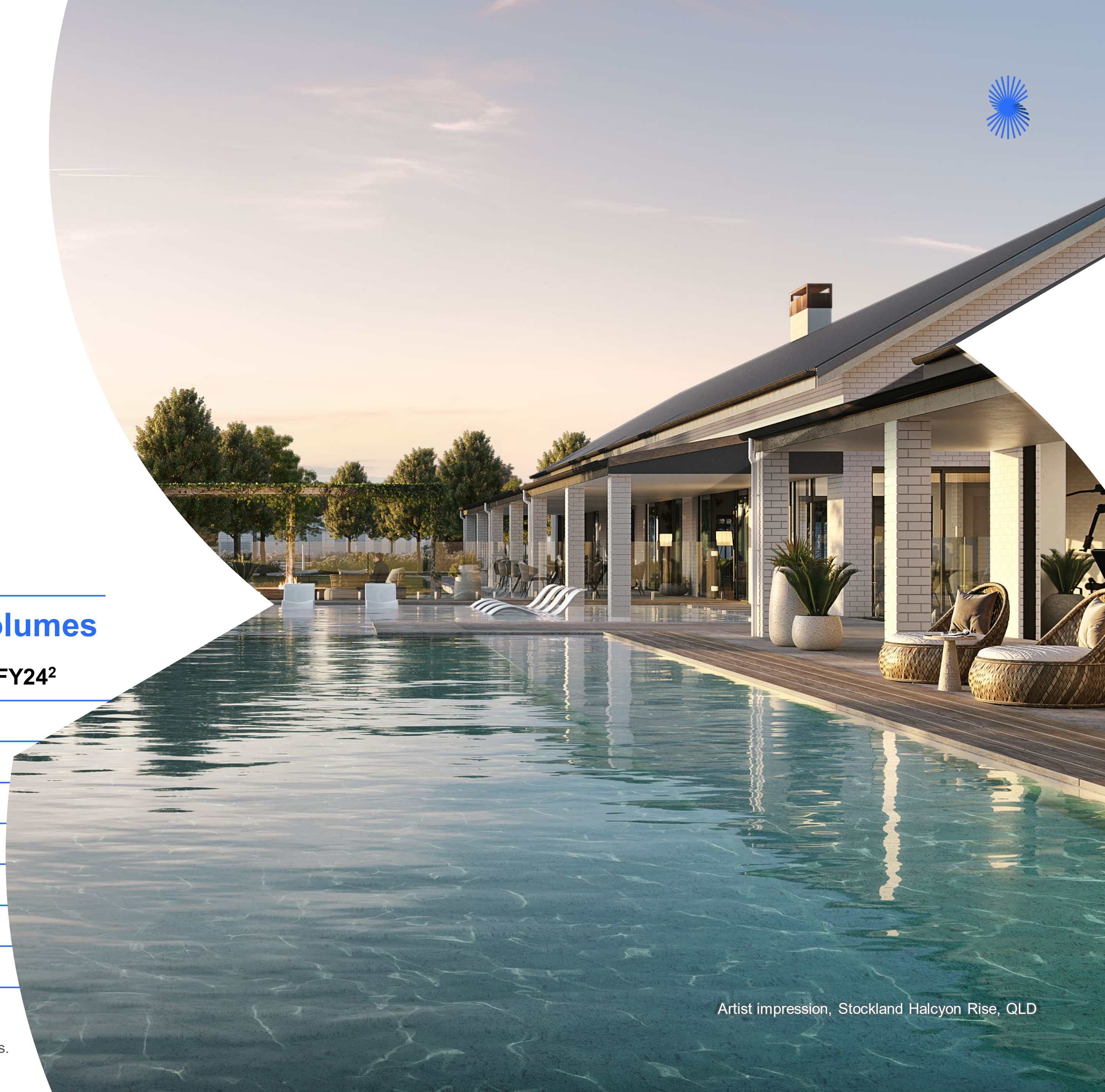
Land Lease Communities

Accelerated development activity

- Total development pipeline of ~7,200[1] homes
- Activation of pipeline and accelerated development activity to drive future settlement volumes
  - ~1,130 homes currently under development across six communities
  - Launched Stockland Halcyon Promenade, QLD in 1H23
  - Seven new communities launching by the end of FY24[2]

Activation of pipeline driving future settlement volumes

Six communities actively trading	Seven new launches by the end of FY24[2]
Stockland Halcyon Berwick, VIC	Armstrong Creek, VIC
Stockland Halcyon Greens, QLD	St Germain, VIC
Stockland Halcyon Rise, QLD	Evergreen, VIC
Stockland B by Halcyon, QLD	Highlands, VIC
Stockland Halcyon Nirimba, QLD	Curlewis, VIC
Stockland Halcyon Promenade, QLD	Redland, QLD
	Providence, QLD



Artist impression, Stockland Halcyon Rise, QLD

1. ~6,000 to be developed within SRRP.
2. Subject to relevant approvals, planning and meeting the partnership's return requirements.

Communities

Outlook and FY23 focus

Willowdale, NSW

Stockland Halcyon Lakeside, QLD

Masterplanned Communities
Activation of landbank

- Good visibility into 2H23 and FY24 with 5,840 contracts on hand
- Targeting ~5,500[1] settlements for FY23, with a significant skew to 2H23 and development operating profit margin of ~26%[2]
- 8 new communities launching by the end of FY24, activating ~80% of the landbank
- Competitive advantages driving market share gains at this stage of the cycle

Land Lease Communities
Accelerated development activity

- Good visibility into 2H23 with 452 contracts on hand
- Ongoing price growth reflects resilient demand and preference for LLC product
- Established portfolio delivering high quality, inflation-linked rental growth
- FY23 targets of ~350 settlements, and development operating profit margin of 22%-27%[3]
- Activation of pipeline to drive future settlement volumes with 7 new communities launching in the next 18 months

1. Subject to no material deterioration in market or production conditions.
2. Equivalent to ~19% net operating profit margin under previous methodology.
3. Equivalent to 10-15% net operating profit margin under previous methodology.

Stockland

Summary and Outlook

Tarun Gupta
MD & CEO

Summary and outlook

Outlook: On track to deliver FY23 guidance

- Strength of diversified platform and execution of strategy delivering results
- Growth in new business lines to provide further meaningful income contribution
- Optimised Town Centres portfolio delivering strong performance
- Expected Logistics completions of $550m[1] by FY23, delivering greater FFO contribution from 2H23
- Creating value and maintaining optionality while progressing ~$5.8bn[1,2] Workplace pipeline
- Active landbank expected to support growth in future FFO contributions, with 15 new project launches across Communities by the end of FY24
- Extended existing relationship with Mitsubishi Estate Asia through an agreement to invest in masterplanned communities[3]
- Strong balance sheet and redeployment capability providing flexibility to take advantage of market opportunities

Guidance range of 36.4 to 37.4 cents for FY23[4]

- Maintained FY23 FFO per security guidance range of 36.4 to 37.4 cents on a pre-tax basis[4]
- Tax payable expected to be at the lower end of the previous guidance range of 5-10% of pre-tax Group FFO, with the benefit of some remaining carry forward tax losses[4]
- Distribution per security within our target payout ratio of 75% to 85% of post-tax FFO[4]

1. Forecast end value on completion, subject to relevant approvals.
2. Includes M_Park Stage 1 at 100% share.
3. The new capital partnership is expected to take effect in mid-2023 and will have a mandate to invest in Stockland owned and market originated masterplanned communities.
4. All forward looking statements, including FY23 earnings guidance, remain subject to no material deterioration in current market and production conditions.

Aura, QLD

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741; AFSL 241190

As a responsible entity for Stockland Trust
ARSN 092 897 348

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This announcement is authorised for release to the market by Ms Katherine Grace, Stockland’s Company Secretary.

Stockland