FY22 Results

19 August 2022

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

Furthermore, we thank all Aboriginal and Torres Strait Islander Peoples for enriching our nation with their leadership, language, art, story-telling and ongoing connection to Country

Artwork created by Maurice Mickelo

RECONCILIATION ACTION PLAN INNOVATE

Stockland · 70 YEARS

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

Stockland Harrisdale, WA

Group update

Tarun Gupta

Highlands, VIC

Stockland

CELEBRATING 70 YEARS

- 8% FFO growth FFO ps 35.7c
- Delivering on strategy
- Operational excellence
- Balance sheet strength

Artist impression, Affinity Place, North Sydney, NSW

Delivered on our Group strategic priorities

Reshape portfolio

- Divestment of Retirement Living business completed in July 2022
- Executed on ~$388m[1] of non-core asset disposals
- Expanded logistics development pipeline by $3.2bn[2] to $6.4bn[2] as masterplanning progresses across the existing landbank
- Scaled Land Lease Communities into a market leading platform, establishing high-quality capital partnership
- Extended residential leadership
  - 5,964 settlements, 18.3% operating profit margin
  - Good visibility with a record 5,908 contracts on hand entering FY23
  - Well positioned with strong embedded margins across the landbank

Accelerate pipeline

- Enhancing our business through development, repositioning and masterplanning
- ~$41bn[3] development pipeline across Commercial Property and Communities
- ~$2.0bn[2] of Logistics & Workplace pipeline underway
  - ~$300m completions in Logistics, positioned for ~$600m[2] in FY23
  - Lodged 6 DAs representing ~$480m[2]
- Enhanced Communities pipeline:
  - Strong embedded margins across ~75,000 lots in Masterplanned Communities landbank
  - Land Lease Communities development pipeline of ~7,200 home sites, with ~1,300 home sites underway

Scale partnerships

- Capital partnerships allow the Group to:
  - Scale the platform, improve returns and drive earnings growth
  - Unlock development margin and generate recurring management fees
  - Accelerate development pipeline while maintaining a strong balance sheet
- Established high-quality capital partnerships:
  - Stockland Residential Rental Partnership with Mitsubishi Estate Asia in May 2022[4]
  - M_Park Capital Partnership with Ivanhoé Cambridge over Stage 1 of the ~$2bn[2] M_Park precinct in July 2022
- Explore future capital partnerships across Commercial Property and Communities platform

Sustainable growth

- Achieved FY22 Recurring ROIC of 10%, above target of 6-9%[5]
- Achieved FY22 Development ROIC of 16%, within target range of 14-18%[5]
- Proforma gearing of ~18%
- High quality recurring income business with sustainable growth
- Delivering customer excellence through enterprise-wide capabilities in digital and ESG
- Innovative culture enhancing ESG leadership as a value creator
- Delivering on our purpose "We believe there is a better way to live"

1. Includes disposal of Bundaberg, Townsville Nathan Street, and Cairns QLD, and asset held for sale Stockland Bull Creek, WA.
2. Forecast end value on completion, subject to relevant approvals.
3. Total development pipeline, includes projects in early planning stages, projects with planning approval and projects under construction.
4. SRRP established in May 2022 on settlement of Tranche 1 of the capital partnership.
5. Indicative return on invested capital target. Recurring return comprises Management income and Property NOI (net of amortisation and straight-line rental adjustment) less divisional overheads plus revaluation movements. Development return includes realised development gains and profit on sale of inventories, net of divisional overheads and before interest and tax.

FY22 Result slightly above guidance

8% FFO growth and FFO ps of 35.7 cents

FFO[1]

$851m

8.0% on FY21

FFO[1] per security

35.7 cents

7.9% on FY21

NTA per security

$4.31

Up 8.3% from $3.98 at 30 June 2021

Distribution per security

26.6 cents

75% payout ratio; up 8.1% on FY21

Statutory profit

$1,381m

25.0% on $1,105m in FY21

Pro-forma gearing

~18%

Gearing 23.4% at 30 June 2022;
Up from 21.4% at 30 June 2021

Recurring ROIC[2]

10%

Above target range of 6-9%

Development ROIC[2]

16%

Within target range of 14-18%

FY22 Highlights

- FFO per security of 35.7 cents, slightly above guidance range
- Achieved FY22 Recurring ROIC[2] of 10% above target range, and Development ROIC[2] of 16% within target range
- Strong comparable FFO growth of 3.3% across our Commercial Property portfolio, with 99.7% rent collection rates[3] and debt levels at pre-COVID-19 levels
- Sustained Masterplanned Communities demand over FY22 driving margin expansion and record contracts on hand position
- Land Lease Communities performance ramping up – 405 sales at ~18% higher average pricing; incremental synergies and value from the Halcyon integration
- NTA up 8.3% post solid revaluation gains from our high-quality portfolio, including $725m[4] of revaluations in Commercial Property
- Strong capital position with disciplined and active management:
  - Pro-forma gearing at ~18% allowing for post-balance date settlement of Retirement Living transaction
  - Pro-forma liquidity of ~$1.9bn, materially strengthened post RL settlement, increasing capacity to invest in higher return initiatives

1. Funds from operations (FFO) is determined with reference to the PCA guidelines.
2. Recurring return comprises Management income and Property NOI (net of amortisation and straight-line rental adjustment) less divisional overheads plus revaluation movements. Development return includes realised development gains and profit on sale of inventories, net of divisional overheads and before interest and tax.
3. Rent collection rates across the portfolio up to 31 July 2022 on FY22 billings. Includes all provisioned COVID-19 abatements.
4. Excludes sundry properties and stapling adjustment.

Note: All relevant Group financials include Retirement Living, which is classified as a discontinued operation.

Enterprise-wide capabilities in ESG and innovation

Innovative culture driving leadership

Commitment to innovative designs enhancing ESG:

- Creating Australia's first certified Green Star Home[1] at Waterlea, VIC, in partnership with the GBCA[2]
- Innovative designs at M_Park enhancing environmental and social sustainability, including Green Star targets, and a First Nations Engagement Strategy

Innovative use of data-rich sources across the business:

- Driving unique competitive advantage in operational excellence and customer experience
- Launched Stockland Terra, an in-house acquisition intelligence tool enabling more strategic and efficient land acquisitions
- End-to-end capability in residential customer engagement by integrating digital technologies with experiences to drive customer excellence

UN Race to Zero

Commitment to achieve net zero

Demonstrated track record in global ESG leadership

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

Global Top 5
Rating for over 10 years

MSCI ESG RATINGS AAA

Leader rating
held for over 10 years

GRESB 2021

Top quintile
for 8 years

1. Finalist at 2022 PCA Innovation Excellence Awards – Best Residential Development.
2. Innovative partnership piloting the Green Building Council of Australia's new Green Star Homes tool.

People and Culture bringing our vision to life

One of Australia's ten strongest brands[1]

- Purpose-led team achieving operational excellence under refreshed leadership team and strategy
- Employee engagement at >80%, above the Australian National Norm[2]
- 'Hub and Home' hybrid working model in place, promoting flexibility, wellbeing and productivity
- Continued leadership and employer of choice for gender equity – strong female representation at all levels, including 60% on the Stockland Leadership team in line with Stockland's 40:40:20 gender-balance targets[3]
- Top developer of future real estate talent – GradAustralia Top 100 Graduate Employer 2022
- Continued commitment to diversity and flexibility, supported by five Employee Advocacy Groups, which has been recognised through a number of awards:

Top 10 Australian Strongest Brand 2022[1]

GradAustralia Top 100 Graduate Employer 2022

Equileap Gender Equality Global Report 2022
#24 out of 4,000 companies

AWEI Australian LGBTQ Inclusion Awards 2022
Silver Employer Status

WGEA Employer of Choice for Gender Equality[4]
Held for 13 years

VIC PCA People in Property Awards 2022
People First Award - Parental Leave Policy

1. 10th strongest brand in Australia, 2022 Brand Finance Australia 100 ranking. Improvement of +32 places in comparison with 2021.
2. Willis Towers Watson.
3. Gender-balanced workforce target of 40% female, 40% male and 20% open.
4. Workplace Gender Equality Agency.

Stockland Head Office, Sydney, NSW

Financial results and capital management

Alison Harrop

Artist impression, Stockland Halcyon Greens, QLD

Strong capital position

Robust balance sheet and capital structure

- Significant headroom in financial metrics, with pro-forma gearing and liquidity materially strengthened post settlement of the Retirement Living divestment
- Provides capacity and optionality for future redeployment opportunities
- Disciplined and active capital management with WACD of 3.4%

Pro-forma gearing

~18%

23.4%[1] as at 30 June 2022
Up from 21.4% at 30 June 2021

Pro-forma liquidity

~$1.9bn

~$1.0bn liquidity[2] as at 30 June 2022

Investment grade credit ratings

A-/A3

Stable outlook
S&P / Moody's

Weighted average cost of debt for FY22

3.4%

~4.4% expected for FY23, assuming average BBSW of 3.15% over FY23

Weighted average debt maturity

4.8 yrs

Fixed Hedge Ratio

64%[3]

~65% expected for FY23

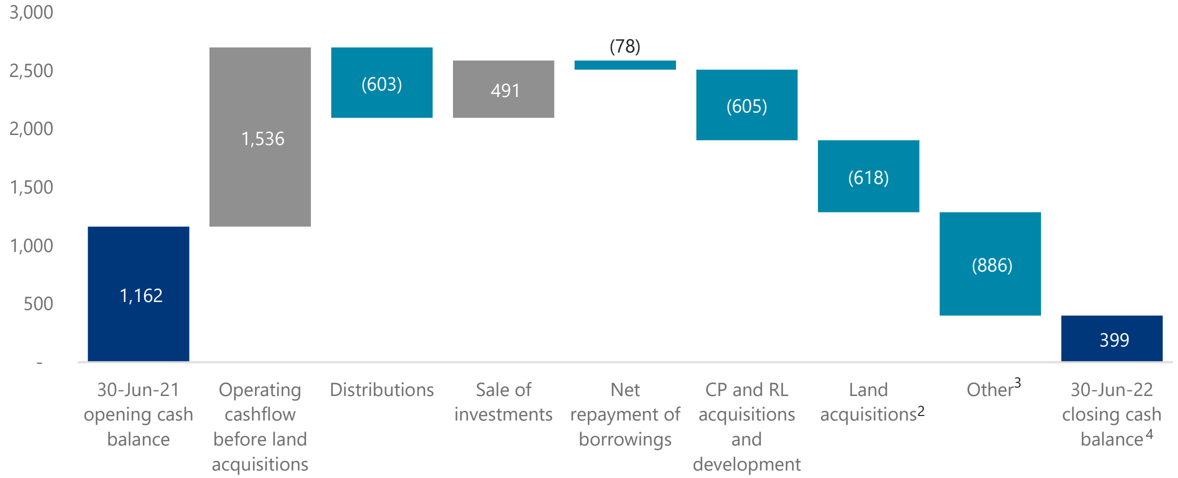
1. Target range of 20-30%.
2. Cash and undrawn facilities.
3. Average over the 12-months to 30 June 2022.

Strong operating cashflows

FY22 operating cashflow

Operating Cashflow[1]	Operating Cashflow before land acquisitions[1]
$918m	$1,536m
$1,047m in FY21	$1,524m in FY21

Cash movements between FY21 and FY22 driven by investments for future growth



1. Cashflows include residential cash receipts of $1,822m and residential costs of $726m, comprising current year stage costs, future stage infrastructure costs, and SG&A and other costs. Future stage infrastructure costs represent ~60% of costs.
2. Includes Residential and Logistics projects.
3. Includes Halcyon acquisition of $655m (including transaction costs) and investments in equity accounted investments, including SRRP, of $185m.
4. Includes $21m of cash relating to the retirement living business which was sold subsequent to year end.
5. M_Park Capital Partnership with Ivanhoé Cambridge.

Focused cashflow management

- Distribution covered by strong operating cashflows
- FY22 distribution reflects payout ratio of 75%
- Settlement of key transactions over FY22 including:
  - $310m of non-core divestments
  - $627m Halcyon acquisition
  - Progressive settlement of SRRP capital partnership

Funding and liquidity

- Capital and financial discipline reflected through staged capital release and redeployment
- Post balance date capital release from the disposal of the Retirement Living business of ~$1bn and non-core disposals of $78m
- Staged redeployment into secured development pipeline, including ~$1.2bn active logistics pipeline and M_Park Stage 1[5], NSW
- Pro-forma gearing at ~18%, improved from 23.4% at 30 June 2022
- Look through gearing of 23.5%, with pro-forma look through gearing at ~19%
- Favourable hedging position over FY23 of 65%

Funds from operations

8.0% FFO growth in FY22

Strong FFO result reflects:

- Masterplanned Communities operating profit margin expansion to 18.3% due to price growth and settlement mix, offsetting supply chain and construction cost increases
- Logistics FFO reflects average rental growth of 8.5%[1] on new leases, and trading profits on settlement of Gregory Hills
- Town Centres comparable FFO growth of 3.0%[2], reflects positive leasing spreads of 1.5%[3]
- COVID-19 impact of ~$18m over FY22 (abatements net of ECL provision release) vs ~$9m in FY21
- Higher overheads reflect investment in technology, normalisation of discretionary and variable costs post-COVID-19, increased insurance premiums, and cost and wage inflation

$m	FY22	FY21	Change	
Logistics	155	113	37.2%	Comparable FFO growth of 5.5%[4]. New leases generated average rental growth of 8.5%[1]
Workplace	110	111	(0.9)%	
Town Centres	340	363	(6.3)%	3.0%[2] comparable FFO growth (ex COVID-19 impacts) reflects positive leasing spreads of 1.5%[3]
Commercial Property net overheads	(41)	(29)	41.4%	Normalisation of discretionary and variable costs post-COVID-19, cost and wage inflation, and investments in technology
Commercial Property	**564**	**558**	1.1%	
Residential Communities	**336**	**331**	1.5%	2.2% excluding transaction profits. Lower settlement volumes offset by higher revenue per lot and strong margin
Land Lease Communities	**15**	**-**	N/A	
Retirement Living	**97**	**54**	79.6%	Reflects strong performance with settlements up 5% on FY21, and DMF recognition from disposal of non-core Retirement Living villages[5]
Unallocated corporate overheads	(89)	(69)	29.0%	Normalisation of discretionary and variable costs post-COVID-19, cost and wage inflation, increased insurance premiums and investments in technology
Net interest expense	(72)	(86)	16.3%	Reflects lower average borrowings over FY22, lower WACD and an increase in capitalised interest due to higher production levels
Total	**851**	**788**	8.0%	
FFO per security (cents)	35.7	33.1	7.9%	
Distribution per security (cents)	26.6	24.6	8.1%	
Statutory profit	**1,381**	**1,105**	25.0%	Solid revaluation gains across a high quality portfolio

1. Average rental growth across new Logistics leases negotiated and executed in FY22.
2. Excludes COVID-19 abatements and ECL.
3. Rental growth on stable portfolio on an annualised basis.
4. Excludes COVID-19 abatements.
5. Profit relating to settlements of previously contracted disposals of villages in Victoria in FY19 (Keilor, Burnside, Taylors Hill) and in 1H21 (Bundoora, Cameron Close, Latrobe, and Long Island)

Note: All relevant Group financials include Retirement Living, which is classified as a discontinued operation.

Commercial Property

Louise Mason

Stockland Balgowlah, NSW

Commercial Property – Year in review

Leveraging multi-sector capability to create and curate the portfolio

Accelerate
Logistics & Workplace

- ~$300m logistics development completions, positioned for ~$600m[1] in FY23
- Lodged 6 DAs representing ~200,000 sqm GLA and $480m[1] in end value
- M_Park Capital Partnership[2] transaction settlement in July 2022
- Received DA approval for Affinity Place, North Sydney, NSW
- Piccadilly, Sydney CBD, NSW development proposal continues to progress through authority approval process

~$300m Logistics development completions

Reposition and Focus
Town Centres portfolio

- Portfolio benefiting from active remixing and rebalancing strategies over recent years
- Achieved positive leasing spreads of 1.5% and solid revaluation uplift of $297m (+5.4%) in FY22
- Ongoing repositioning through FY22 – execution of $388m[3] of non-core asset disposals
- Further ~$300m of non-core disposals planned

75% essential-based retail sales

Maximise
Value of our asset base

- Highest and best use opportunities identified across several sites, with planning underway
  - Logistics development pipeline expanded by $3.2bn[1] to $6.4bn[1] as masterplanning progresses across the existing landbank
  - Future essentials-based Town Centres developments within Masterplanned Communities pipeline

Growing organically through masterplanning

1. Forecast end value on completion, subject to relevant approvals.
2. Post balance date.
3. Includes disposal of Bundaberg, Townsville Nathan Street, and Cairns QLD, and asset held for sale Stockland Bull Creek, WA.

Commercial Property

Strong operating metrics from a high-quality portfolio

- Solid underlying FFO result and cash collection underpinned by:
    - Positive comparable FFO growth (pre-abatements and ECL) of 3.3%
    - Town Centres positive leasing spreads of 1.5%[1]
    - Strong Logistics tenant demand underpinning 8.5%[2] average rental growth
- Maintained high rent collection rates across the portfolio at 99.7%[3]
- Solid net valuation uplift of $725m[4] on June 2021 book value

Key metrics	Asset value[4]	FFO	FFO comparable growth[5]	Occupancy	WALE[6]
Logistics	$3,065m	$155m	5.5%[7]	99.9%	3.4 yrs
Workplace	$2,126m	$110m	0.2%[7]	91.3%	4.4 yrs
Town Centres	$5,543m	$340m	3.0%[8]	99.1%[9]	5.5 yrs
Sub-total	**$10,734m**	**$605m**	**3.3%[8]**	-	-
Commercial Property net overheads	-	$(41)m	-	-	-
Total	**$10,734m**	**$564m**	-	-	-

1. Rental growth on stable portfolio on an annualised basis.
2. Average rental growth on new leases negotiated and executed in FY22.
3. Rent collection rates across the portfolio up to 31 July 2022 on FY22 billings. Includes all provisioned COVID-19 abatements.
4. Excludes sundry properties and stapling adjustment.
5. Includes comparable assets; excluding acquisitions, divestments and assets under development.
6. Weighted average lease expiry.
7. Excludes COVID-19 abatements.
8. Excludes COVID-19 abatements and ECL.
9. Occupancy reflects stable assets for the period. This calculation is based on signed leases at 30 June 2022.

$10.7bn
Asset value[4]
8.5% increase on FY21
Including $725m[4] net valuation uplift

$564m
Funds From Operations

99.7%
Rent collection[3]

Commercial Property

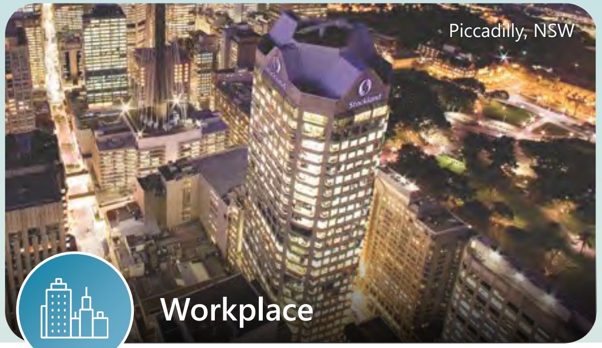
Valuation uplift underpinned by strategically positioned portfolio

Net valuation increase of

$725m[1]

7.3% increase on June 2021 book value

With 98%[2] of assets independently revalued over FY22



	Logistics	Workplace	Town Centres
FY22[3]	$391m, +15.9%	$37m, +1.9%	$297m, +5.4%
Cap rates	Compressed by 50bps to 4.1%	Compressed by 20bps to 5.3%	Compressed by 20bps to 5.9%
Drivers	• Valuation uplift driven by cap rate compression and more recently by market rental growth • Strong market rental growth provides resilience against cap rate movements	• Cap rate firming and moderate rental growth have been mostly offset by higher re-letting and incentive allowances • Recognition of uplift on completion of upgrade works at Optus Centre, NSW over FY22	• Uplift driven by strong performance of essentials-based portfolio mix • Continued preference in the sector for essentials-based retail, in an environment of macroeconomic uncertainty and inflationary pressures • Retail transaction activity supported cap rate compression during 1H22

1. Excludes sundry properties and stapling adjustment.
2. By value.
3. Represents net valuation change for 12 months to 30 June 2022.

Logistics

Strong performance underpinned by high quality portfolio

- Comparable FFO growth of 5.5%[1], driven by 8.5%[2] average rental growth on new leases negotiated over FY22
- FY22 FFO[3] includes trading projects achieving strong margins as investment demand remains elevated for quality assets
- Tenant demand remains elevated, underpinned by continuing investments in local supply chain improvements:
  - Over 439,000 sqm leased[4] over FY22
  - Occupancy and rent collection rates remain high at 99.9%[5,6] and 99.9%[7] respectively
  - Focus on capturing positive rental reversion opportunities presented by 3.4 year WALE[5,6]
- Development pipeline expanded by $3.2bn[8] as masterplanning of additional opportunities progresses, providing strong earnings growth potential

~$3.1bn
Asset Value[9]

Over
439,000 sqm
Leased/HOA[4]

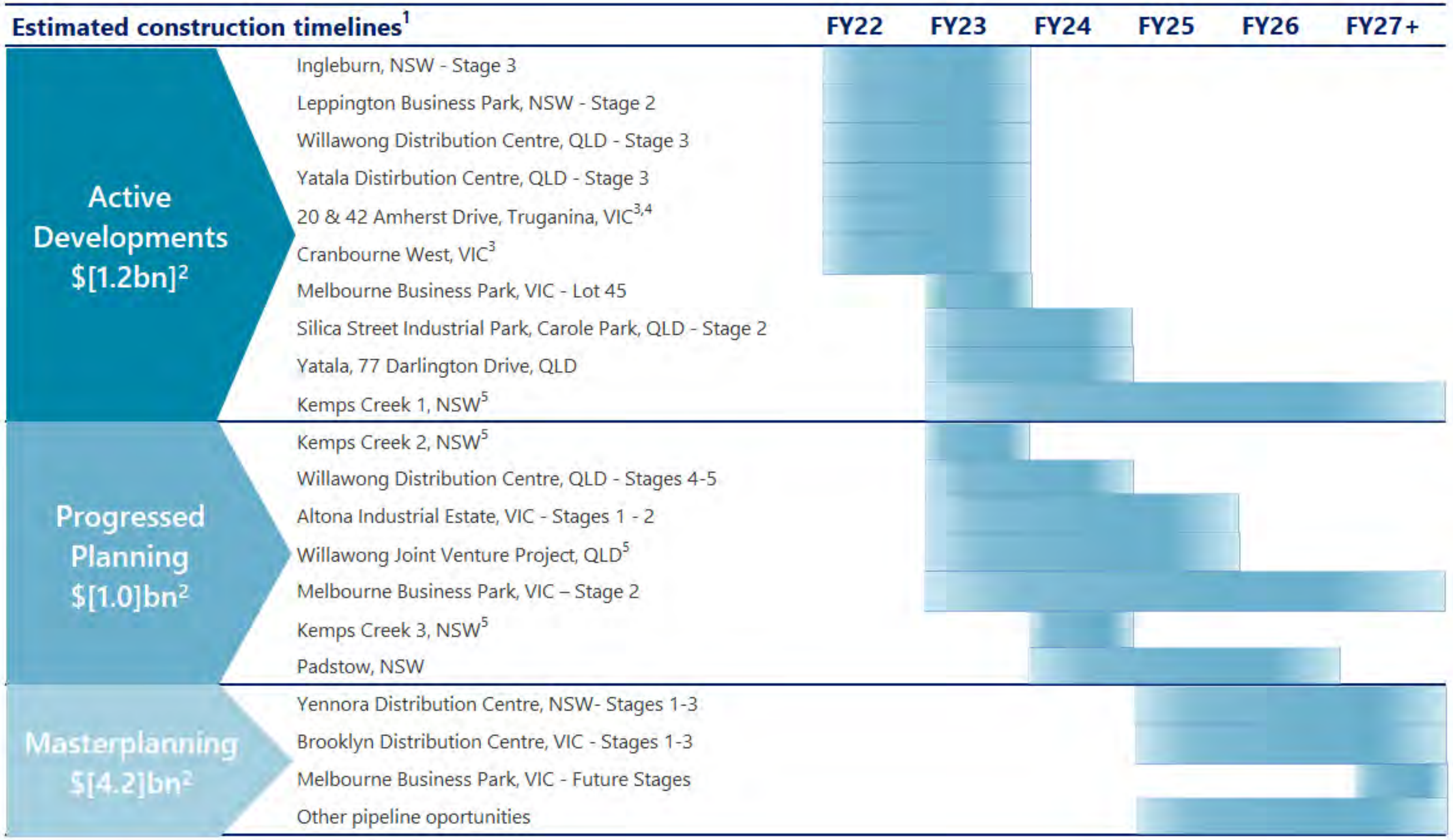
99.9%[7]
Rent collection

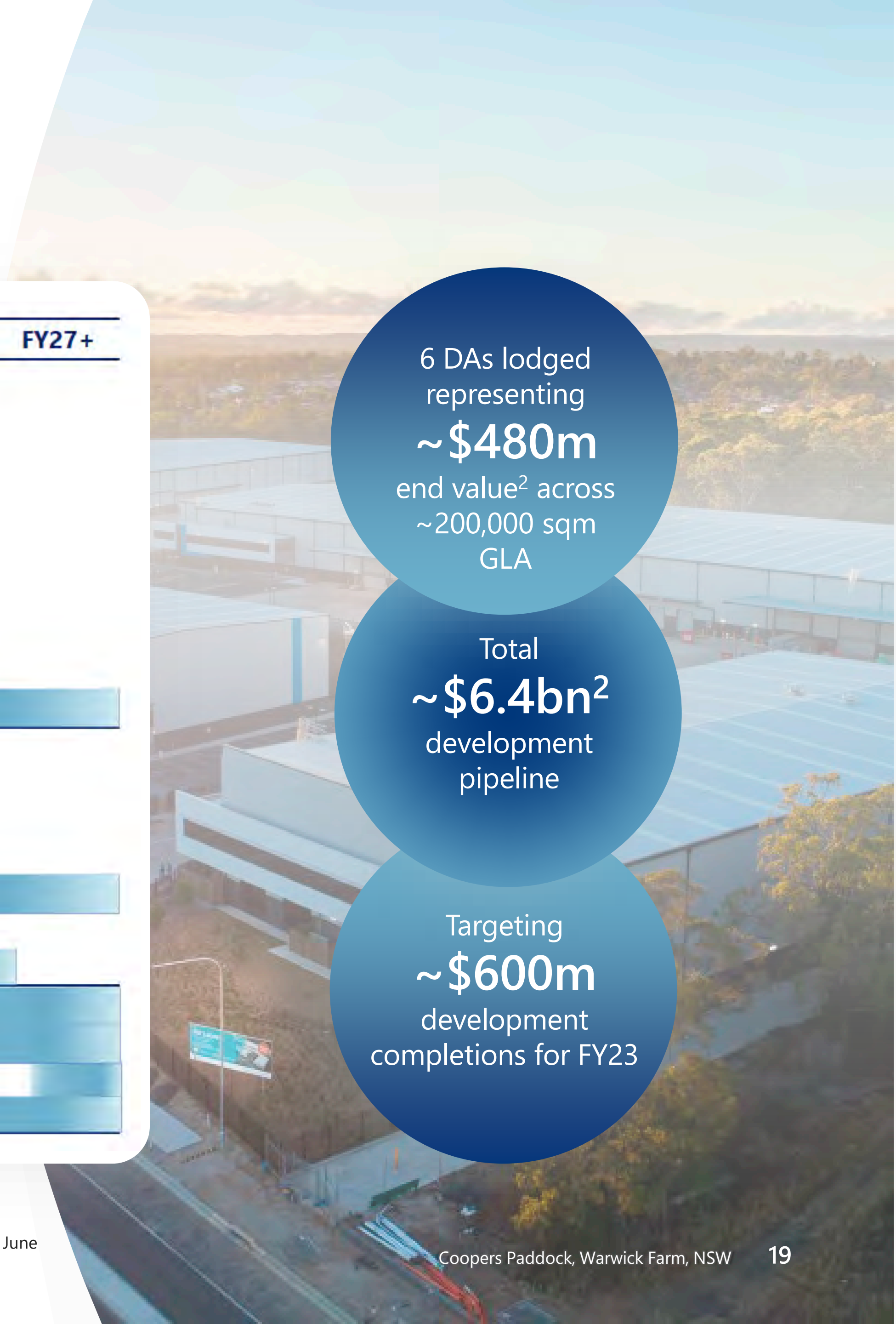
	FY22	FY21
FFO	$155m[3]	$113m
Asset value[9]	$3,065m	$2,466m
Leased area	413,148 sqm	306,870 sqm
Leases under HOA[6]	26,339 sqm	94,664 sqm
Average rental growth on new leases negotiated[2]	8.5%	1.2%[10]
Portfolio occupancy[5,6]	99.9%	97.8%
Portfolio WALE[5,6]	3.4 yrs	3.5 yrs

1. Includes comparable assets; excluding acquisitions, divestments and assets under development. Excludes COVID-19 abatements.
2. Average rental growth on new leases negotiated and executed in FY22.
3. Includes $31m in trading profit from settlement of Gregory Hills, NSW.
4. Reflects executed leases & leases under HOA as at 30 June 2022.
5. By income.
6. At 30 June 2022.
7. Rent collection rates across the portfolio up to 31 July 2022 on FY22 billings. Includes all provisioned COVID-19 abatements.
8. Forecast end value on completion, subject to relevant approvals.
9. Excludes WIP and sundry properties.
10. Excluding a single deal at Forrester Distribution Centre, NSW, rebased to market rent.

Logistics

Accelerating pipeline provides strong earnings visibility





6 DAs lodged representing
~$480m
end value[2] across ~200,000 sqm GLA

Total
~$6.4bn[2]
development pipeline

Targeting
~$600m
development completions for FY23

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. Formerly under conditional contract and part of a joint venture arrangement. Stockland acquired the joint venture partners interest on 6 June 2022 and the asset is now 100% owned.
4. Formerly 'Leakes Road, Truganina, VIC'.
5. Under a joint venture arrangement with FIFE Group.

Coopers Paddock, Warwick Farm, NSW

Workplace

Solid performance from a portfolio set for future growth

- Flat comparable FFO with solid rental growth offset by the down-sizing of one major tenant
- Majority of portfolio currently being positioned for future development
- Strong occupancy of 91.3%[1,2] and rent collection at 99.9%[3]
- ~31,000 sqm leased[4], with average rental growth of 2.3% over FY22
- WALE[1,2] of 4.4 years across the portfolio

	FY22	FY21
FFO	$110m	$111m
Asset value[5]	$2,126m	$1,941m
Leases executed	23,790 sqm	12,338 sqm
Leases under HOA[1,6]	7,090 sqm	4,381 sqm
Average rental growth on new leases and renewals	2.3%	6.6%
Portfolio occupancy[1,2]	91.3%	94.5%
Portfolio WALE[1,2]	4.4 yrs	4.7 yrs

10 Assets

~$5.8bn Development pipeline[7]

99.9% Rent collection[3]

$2.1bn Portfolio value[5]

Artist impression, Affinity Place, North Sydney, NSW

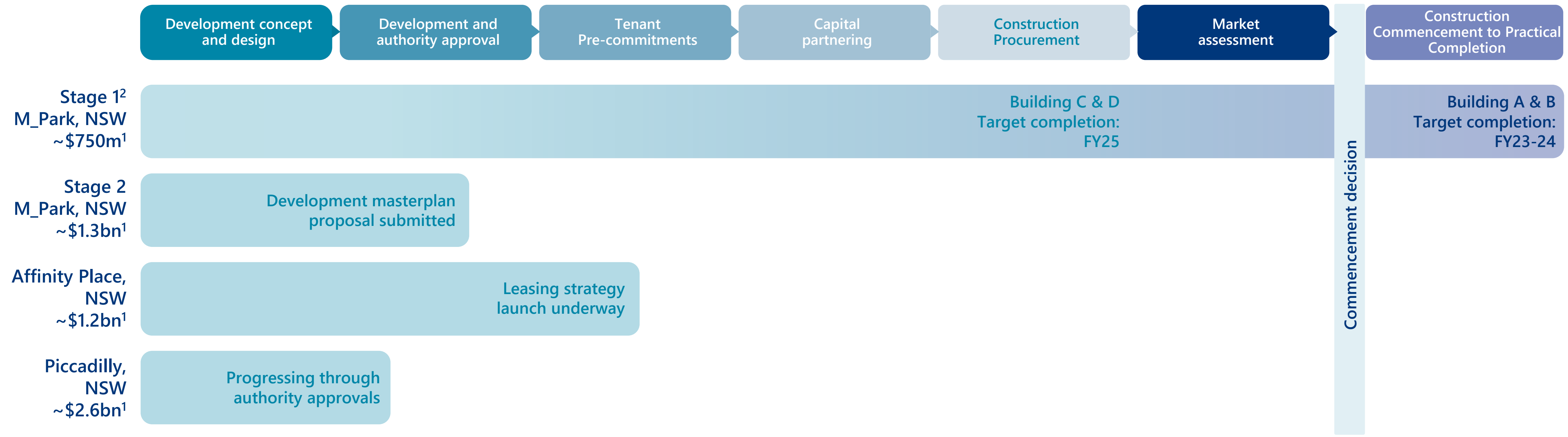
1. At 30 June 2022.
2. By income.
3. Rent collection rates across the portfolio up to July 2022 on FY22 billings. Includes all provisioned COVID-19 abatements.
4. Reflects executed leases & under HOA.
5. Excludes WIP and sundry properties.
6. Represents 100% interest.
7. Forecast end value on completion, subject to relevant approvals.

Workplace

Creating the next generation of Workplaces

- Leveraging our development and community creation strengths to provide a clear point of difference and attract capital partners
- Opportunity to create the workplaces of the future via activation of ~$5.8bn[1] development pipeline
- Adding value and optionality through the development process prior to construction commencement
- Control over timing and decision to commence, based on assessment of market conditions and supportive cap rate and rent outlook

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

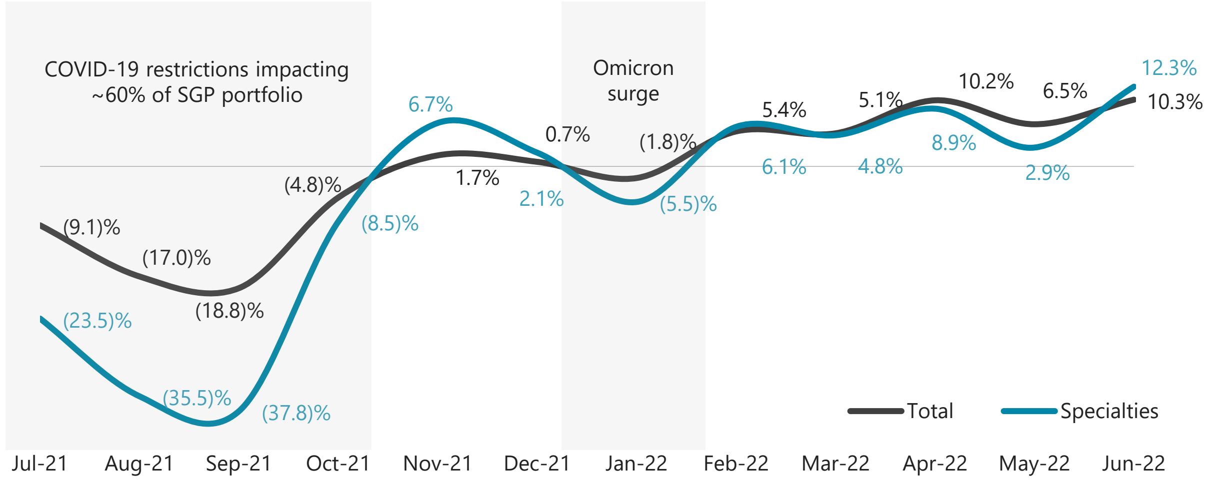


1. Forecast end value on completion, subject to relevant approvals.
2. M_Park Capital Partnership with Ivanhoé Cambridge.

Town Centres

Resilient performance from essentials-based portfolio

Resilient sales despite extensive COVID-19 trade restrictions over FY22[1,2]



- Resilient sales despite COVID-19 trade restrictions over majority of 1H22
- Improvement in sales underpinned by essentials-based mix
- Post lockdown total comparable sales growth of 8.1%, and comparable specialty sales growth of 10.1%, vs pre-COVID-19 corresponding period[2,3]
- Comparable specialty sales of $9,035sqm
- 75% MAT skewed toward essentials-based categories
- Active remixing and rebalancing strategies delivering uplift in portfolio quality and solid revaluations of $297m across the Town Centres portfolio
- Significant reshaping of portfolio with $388m[4] non-core disposals over FY22, with a further ~$300m earmarked

8.1% Comparable centres total sales growth post lockdown[2,3]

10.1% Comparable centres specialty sales growth post lockdown[2,3]

$388m[4] non-core disposals over FY22

1. Comparable monthly growth, 2022 vs 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. 8 months post lockdown (November 2021 to June 2022) vs pre-COVID-19 corresponding period (November 2018 to June 2019).
4. Includes disposal of Bundaberg, Townsville Nathan Street, and Cairns, QLD, and asset held for sale Stockland Bull Creek, WA.

Town Centres

Well positioned portfolio

- Comparable FFO growth of 3.0%[1]
- Achieved positive leasing spreads of 1.5%[2] , including 4.3%[2] rent growth on new leases
- Occupancy and rent collection rates remain strong at 99.1%[3] and 99.5%[4]
- Debt position improved to be in line with pre-COVID-19 levels
- Essentials-based portfolio mix well positioned for resilience in an inflationary environment

3.0%[1]
Comparable FFO growth

99.5%[4]
Rent collection

1.5%[2]
Average leasing spreads

		FY22	FY21
Occupancy[3]		99.1%	99.1%
WALE[5,6]		5.5 yrs	5.3 yrs
Specialty retail leasing activity[7]			
Tenant retention[8]		67%	67%
Total lease deals[9]		572	683
Specialty occupancy cost ratio[10]		15.8%	14.9%
Average rental growth on lease deals[2]		1.5%	(6.1)%
Renewals:	number, area	373 / 67,239 sqm	357 / 54,695 sqm
	rental growth[2]	0.4%	(5.5)%
New leases:	number, area	199 / 25,502 sqm	220 / 29,071 sqm
	rental growth[2]	4.3%	(7.1)%
	incentives: months[11]	10.5	12.6

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 across the stable portfolio based on signed leases and agreements at 30 June 2022.
4. Rent collection rates across the portfolio up to 31 July 2022 on FY22 billings. Includes all provisioned COVID-19 abatements.
5. By area.
6. Assumes all leases terminate at earlier of expiry / option date.
7. Metrics relate to stable assets unless otherwise stated.
8. Adjusted for operational centre remixes and reconfiguration as well as retailers subject to administration.
9. Includes leasing across stable and stabilising assets and project leasing.
10. Occupancy cost reflects stable assets, adjusted to reflect tenants trading more than 24 months, and for COVID-19 abatements agreed to date for the period.
11. Represents the contributions made towards the retailers' fit outs, expressed in equivalent months of net rent.

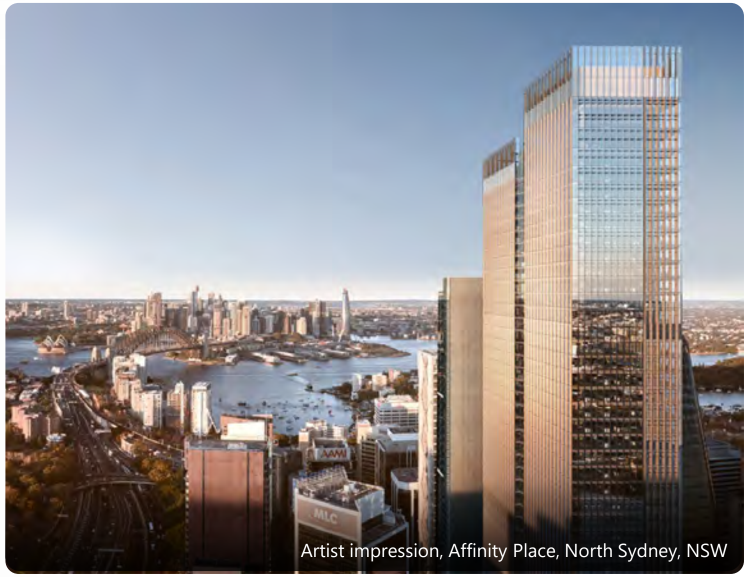
Commercial Property

Outlook and FY23 focus

Yennora Distribution Centre, NSW

Logistics
Accelerate development

- Maximise income generation opportunities through rental growth on existing portfolio
- Development pipeline underpinned by strategic acquisitions at attractive points in the cycle
- Accelerate development completions to ~$600m[1] for FY23



Artist impression, Affinity Place, North Sydney, NSW

Workplace
Create the next-gen portfolio

- Progress attractive ~$5.8bn[1] development pipeline
- Delivery of M_Park Stage 1[2],NSW, with potential to accelerate Stage 2
- Create value and maintain optionality at Piccadilly, Sydney CBD and Affinity Place, North Sydney, NSW, through the development process

Stockland Shellharbour, NSW

Town Centres
Leverage essentials-based mix

- Leverage active remixing strategies to drive uplift in returns and rents
- Essentials-based mix provides resilience in inflationary environment

1. Forecast end value on completion, subject to relevant approvals.
2. M_Park Capital Partnership with Ivanhoé Cambridge.

Communities

Andrew Whitson

Cloverton, VIC

Communities – Year in review

Significant progress on executing our strategy

Extend
Residential leadership

- Leveraging strong market conditions over majority of FY22
- 5,964[1] settlements over FY22
- Operating profit margins of 18.3% despite upward cost pressure
- Net sales of 6,922, despite moderation in broader residential markets over 4Q22 in-line with interest rate rises
- Strong starting position and visibility for FY23 with record contracts on hand
- Set to build apartment pipeline as opportunities emerge and continue to explore build-to-rent

Industry leadership with ~75,000 lot landbank

Grow
Land Lease Communities

- Scaled at pace over FY22 with Halcyon acquisition
- SRRP capital partnership established in May 2022[2]
- Accelerating the realisation of embedded margin within landbank
- FY22 settlements of 248 home sites, in line with target

Scaled platform while accelerating development

Optimise returns
Sale of Retirement Living business

- Delivered on strategy to reduce allocation to Retirement Living
- Divestment of Retirement Living business announced in February 2022
- Released capital for redeployment into opportunities with higher returns and margins

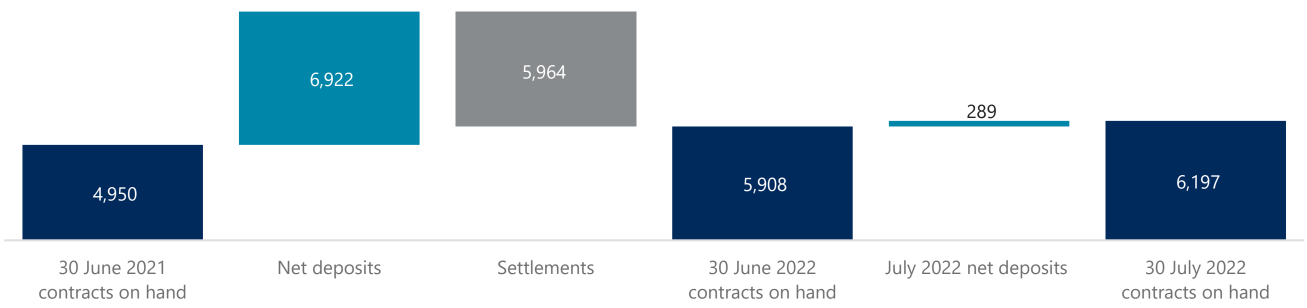
Settlement of Retirement Living divestment completed in July 2022[3]

1. Includes 2,128 settlements under joint venture/project development agreements (FY21: 1,777).
2. SRRP established in May 2022 with the settlement of Tranche 1 of the capital partnership.
3. Post 30 June 2022 balance date. Stockland is providing a Transitional Services Agreement (TSA), including administrative, finance and tech support at prevailing market rates, for a period post settlement to facilitate an effective transfer of ownership.

Masterplanned Communities

Strong result reflects MPC market leadership

- 5,964 settlements[1] over FY22, in line with prior guidance
- Default rates of 1.2% materially below historical averages
- Operating profit margin of 18.3% in line with guidance, positively impacted by higher proportion of NSW settlements
- Good FY23 earnings visibility with record contracts on hand, at average price points ~13%[2] above FY22
- Targeting FY23 operating profit margin of ~18%, and ~6,000 settlements, with a skew to 2H similar to FY22
- Rate of construction cost escalation expected to moderate over the next 12 months
- Consecutive interest rate rises leading to moderating enquiry and buyer urgency, impacting July 2022 sales and enquiry
- New acquisitions reduced over 2H22, anticipating market moderation



5,964[1]
Total lots settled in FY22

18.3%
Operating profit margin

5,908
Contracts on hand

~13%[2]
Average higher price point vs FY22

$336m
FY22 FFO

6,922
Net sales

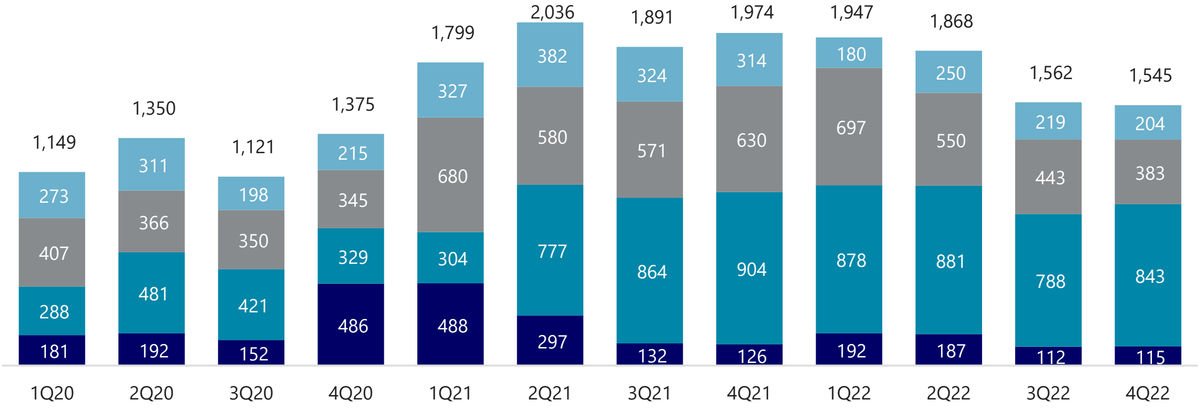
1. Includes 2,128 settlements under joint venture/project development agreements (FY21: 1,777).
2. Average price per lot of contracts-on-hand vs FY22 settlements.

Masterplanned Communities

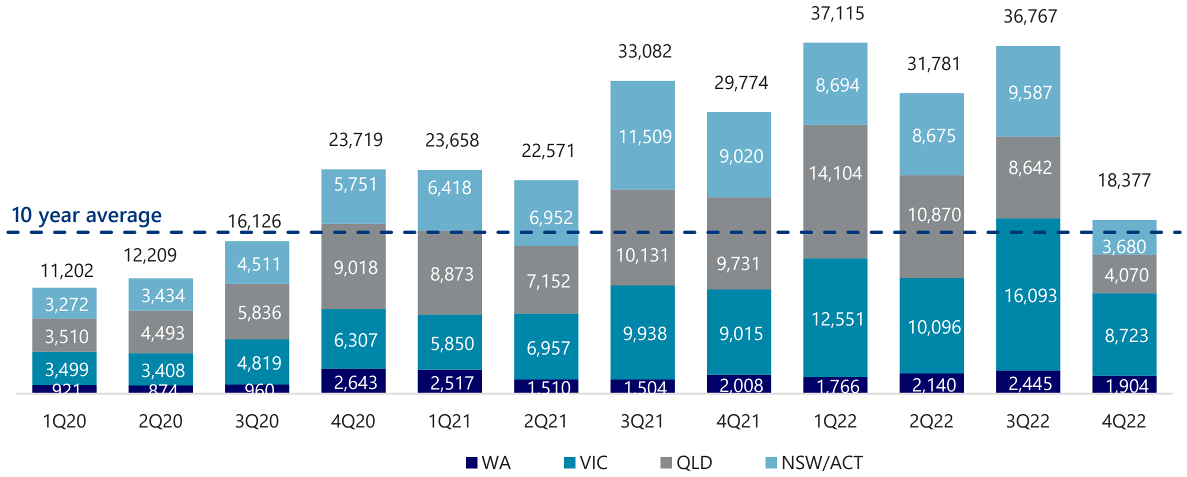
Demand moderating in line with rising interest rates

- Strong net sales of 6,922 reflecting elevated demand over FY22
- Interest rates have been rising at a steeper pace than market expectations over 4Q22
- Enquiry levels have moderated to pre-COVID-19 levels, with the sales process lengthening
- Resilient demand in markets benefiting from post COVID-19 net migration trends and affordability advantages, e.g. South East Queensland, Geelong and the Illawarra

Net sales by quarter



Enquiries by quarter[1]



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

Masterplanned Communities

Strongly positioned with competitive advantage

Landbank
Strong embedded margins

- Landbank average age of 10 years
- Skewed to undersupplied Eastern seaboard markets
- Restocked early at the onset of COVID-19 pandemic, increasing embedded margin
- First settlements from 10 new communities by FY24, increasing activation of landbank to over 80%

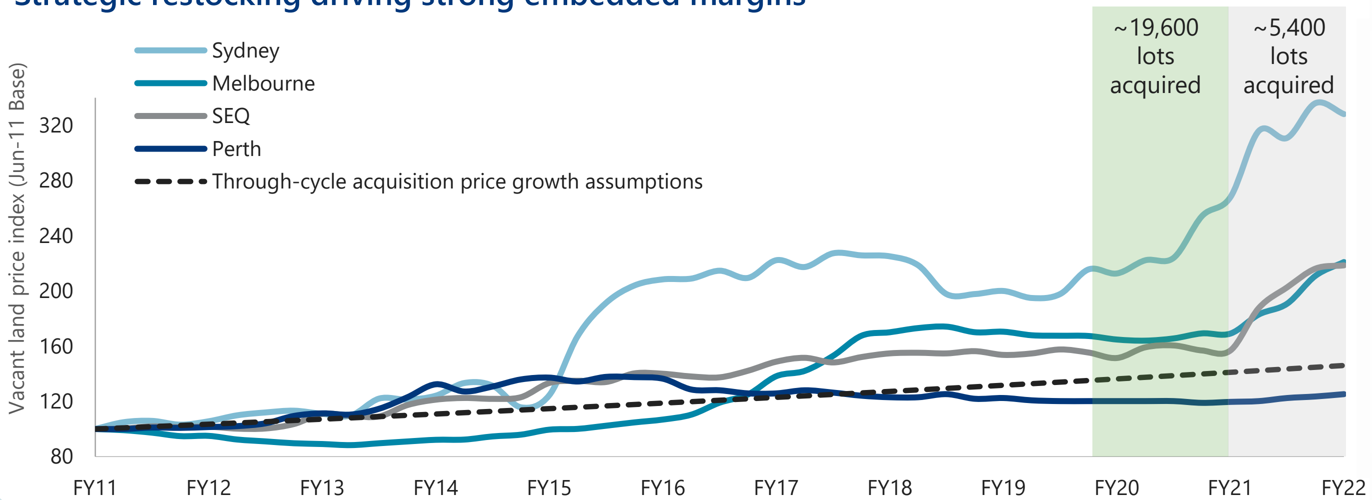
Brand
Proven track record over 70 years

- Strength of Stockland brand built on quality of communities created over 70 years
- Flight to quality as the market moderates to drive market share growth
- Over the past two cycles, Stockland's market share[1] had grown 3-4% from peak to trough
- Proven resilience through moderating markets

Scale
Operational excellence

- Leverage scale to generate deep primary source data:
  - Increases the conversion rate
  - Lowers cost per sale
- Manage our supply chain to maintain production and deliver at a lower cost

Strategic restocking driving strong embedded margins



Activation of over 80% of the landbank in the next 24 months

10 projects launching[2] with first settlements targeted by FY24

Forest Reach, NSW	Caboolture, QLD
Wattle Park, VIC	Botanica, QLD
Armstrong Creek, VIC	Hope Island, QLD
Lyra, VIC	Wildflower, WA
Wantirna, VIC	Illyarrie, WA

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

Masterplanned Communities

Market outlook

- Structural drivers remain supportive, including strong labour market conditions and population growth amidst constrained land supply
- Expectations for further interest rate increases leading to demand and price moderation over the next 12 months
- Anticipated increase in net overseas migration and population growth expected to drive volume growth in the medium term


Aura, QLD

12-month outlook

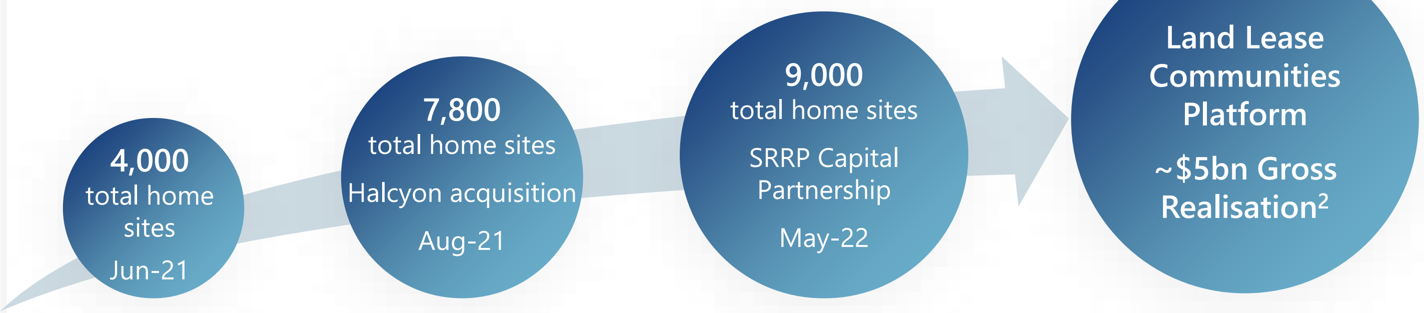
State	Price	Volumes	Market commentary
NSW	↓	↓	• Price and volumes moderating from an elevated base • Affordability constraints expected to impact prices and volumes in the near term • NSW market expected to benefit from anticipated increase in net overseas migration
VIC	↓	↓	• Price and volumes moderating from an elevated base, impacted by interest rate increases and outlook • Rebound in net overseas migration expected to benefit VIC market
QLD	↔	↓	• Volumes to moderate from elevated level • Pricing 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

Creating a leading platform

- FFO of $15m reflecting part-period contribution of Halcyon
- FY22 settlements 248 home sites, in line with target
- Good earnings visibility with 499 contracts on hand, with ~18% higher average pricing[1]
- Strong price growth to date outpacing built-form construction cost increases
- FY23 target development operating profit margin within the range of 10-15%, and settlements of ~350 home sites
- Halcyon integration delivering significant synergies associated with capability, processes and systems
- SRRP capital partnership established in May 2022, providing capacity to accelerate organic and inorganic growth in the business

Rapid increase in footprint and scale



248
FY22 home site settlements

$15m
FY22 FFO

499
Contracts on hand

~18%
Higher average pricing[1]

65%
FY22 NOI margin on stabilised communities

~6.3%
Average rental growth[3]

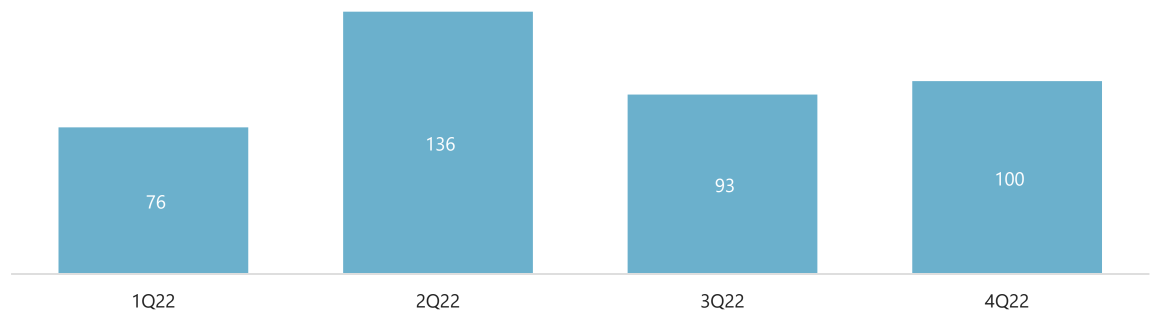
1. Average price per home of contracts on hand vs FY22 settlements (FY22 average price per home: ~$606,000).
2. Stockland's land lease development pipeline is forecast to generate gross development realisations of approximately $5bn. Approximately $4bn is expected to commence construction during the SRRP's five-year initial investment period.
3. Effective 1 July 2022.

Land Lease Communities

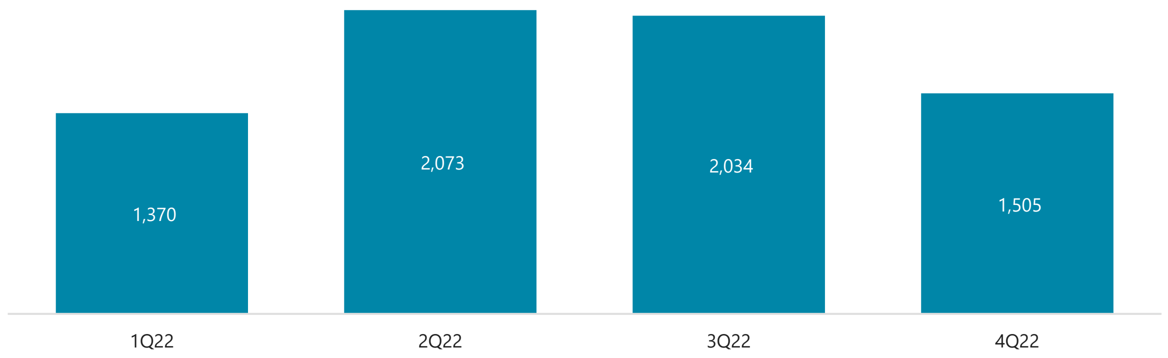
Growing preference for over-50s lifestyle communities

- FY22 net sales of 405, with results demonstrating the growing preference for over-50s lifestyle communities product
- Demand supported by:
  - Rapid population growth in over-50s age cohort[1]
  - Ongoing trend in preferences of target demographic toward lifestyle, amenity, social connectivity and community living
  - Strong customer value proposition due to relative affordability and simplicity of land lease product
  - Strong built-up equity positions in prospective residents' current homes
  - Lower correlation to traditional drivers of the broader residential market, including mortgage rates

Net sales by quarter



Quarterly enquiries



1. ABS.

Land Lease Communities

Resilient asset class with high quality income streams

- Over FY22, total portfolio increased to ~9,000 home sites across established and development pipeline
- Resilient demand for development product:
  - Development pipeline of ~7,200[3] home sites
  - Accelerated development with 7 communities launching in the next 24 months
  - Activation of pipeline driving future settlement volumes
- Established portfolio with high-quality income streams:
  - 6 communities with a total book value of $183m
  - Strong operational performance, reflecting net operating margin (NOI) of 65%
  - Average rental growth of ~6.3%[1] in line with inflation
  - High quality income with 100% occupancy and rent collection rates[2]

Activation of pipeline to drive future settlement volumes

Six projects actively trading	Seven new launches in next 24 months[4]
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	Redland, QLD
Stockland Halcyon Promenade, QLD	Providence, QLD

Strong operational performance with high-quality income streams

~1,800 Established home sites

~6.3% Average rental growth[1]

100% Occupancy and Rent Collection[2]

1. Effective 1 July 2022.
2. As at 30 June 2022.
3. ~6,000 to be developed within SRRP.
4. Subject to relevant approvals and planning.

Communities

Outlook and FY23 focus

Willowdale, NSW

Masterplanned Communities
Extend Leadership

- Good visibility into FY23 with a record 5,908 contracts on hand
- Target FY23 operating profit margin of ~18%, and ~6,000 settlements, with a skew to 2H similar to FY22
- Strongly positioned with competitive advantage
- Activation of landbank to accelerate – 10 projects launching with first settlements targeted by FY24

Stockland Halcyon Lakeside, QLD

Land Lease Communities
Create leading platform

- Good visibility into FY23 with 499 contracts on hand
- Target development operating profit margin within the range of 10-15%, and settlements of ~350 home sites in FY23
- Activation of pipeline to drive settlement volumes – 7 projects launching in the next 24 months
- Benefiting from resilient rental income streams and growing target demographic
- Accelerating realisation of embedded margins from existing landbank

Summary and Outlook

Tarun Gupta

Stockland Birtinya, QLD

Good progress towards strategic targets


Lakeside, NSW

Stockland · 70 YEARS

Sector capital allocation[1,2]	Target	FY22
Logistics and Workplace	30-50%	40%
Residential (for sale and ownership)	20-35%	20%
Town Centres	20-30%	40%
Alternate	0-5%	0%

Capital allocation by activity[1]	Target	FY22
Recurring	70-80%	82%
Development	20-30%	18%

Income mix[1]	Target	FY22
Recurring[3]	60%	63%
Development[3]	40%	37%

Returns on invested capital[1]	Target	FY22
Recurring[4]	6-9%	10%
Development[4]	14-18%	16%

Capital structure[1]	Target	FY22
Gearing (% Debt / TTA)	20-30%	23.4%
Look-through gearing[5]	<35%	23.5%
Credit Rating (S&P / Moody's)	A- / A3	
Distributions (% FFO)	75-85%	75%

Executing our strategy:

- ✓ **Dynamically reshaping the portfolio** through strategic transactions and redeployment into our secured development pipeline
- ✓ **Accelerating pipeline** and unlocking large opportunity set available to Stockland across existing assets and new origination
- ✓ **Scale and deepen capital partnerships** using established partnerships as a platform
- ✓ Continue **enhancing enterprise-wide capabilities** in delivery, innovation, technology & ESG

1. Indicative five-year target. All forward looking statements are based on current expectations about future events and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations expressed in or implied by such statements.
2. Excludes Retirement Living which is classified as a discontinued operation.
3. Aligns with divisional FFO as reported (i.e. pre Group net interest expense and tax).
4. Indicative long-term target for return on invested capital. Recurring return comprises Management income and Property NOI (net of amortisation and straight-line rental adjustment) less divisional overheads plus revaluation movements. Development return includes realised development gains and profit on sale of inventories, net of divisional overheads and before interest and tax.
5. Ratio of net borrowings to total assets adjusted for the borrowings of investment vehicles.

Summary and outlook

Outlook:
Good visibility for FY23 despite macroeconomic uncertainty

- Resilient and well positioned mix in Town Centre portfolio
- Accelerating delivery in Logistics to grow recurring income, with ~$600m[1] completions targeted in FY23
- Progressing ~$5.8bn[1] Workplace pipeline to create next-gen workplaces
- Record Masterplanned Communities contracts on hand, in positive equity position
- Strong embedded margins across well located landbank
- LLC business growing rapidly, to provide higher contributions with 499 contracts on hand
- Strong balance sheet and financial position, providing resilience and flexibility to take advantage of opportunities

Guidance range of 36.4 to 37.4 cents for FY23[2]

- **FFO per security** guidance range of **36.4 to 37.4 cents on a pre-tax basis**[2]
- Tax payable expected to be in the range of 5-10% of pre-tax Group FFO, with the benefit of some remaining carry forward tax losses[2]
- **Distribution** per security within our target payout ratio of **75% to 85%** of post-tax FFO[2]

Aura, QLD

1. Forecast end value on completion, subject to relevant approvals.
2. All forward looking statements, including FY23 earnings guidance, remain subject to no material deterioration in current market conditions and the continued recovery from COVID-19.

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