




Shareholder Review 2009

30 JUNE 2009

ABOUT THIS REVIEW

Inside this Shareholder Review you'll find detailed information about the performance of each of our businesses, our environmental and social progress and our plans for the future. Our detailed Financial Report, Corporate Responsibility and Sustainability Report and Property Portfolio are available at www.stockland.com.au.

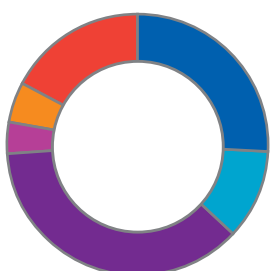


OUR BUSINESS

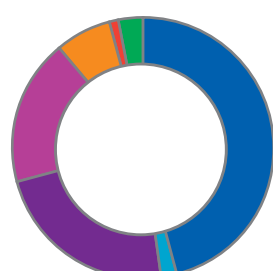
Stockland is one of Australia's leading diversified property groups – actively managing a portfolio of properties across different asset classes and locations. We seek to achieve the optimum balance between risk and return on assets comprising office buildings, shopping centres, industrial hubs, residential communities, apartments and retirement living – and often various mixed-use combinations of these.

Like all companies, our business is affected by economic conditions, but our diversification means our exposure to particular asset types and locations is spread. We are also able to allocate our resources to suit the conditions of the day. We have weathered the global financial crisis relatively well – and that reflects our active portfolio management across our diversified business.

Business by asset



Business by geography



■ Office 26% ■ Retirement Living 4%
 ■ Industrial 11% ■ Apartments 5%
 ■ Retail 37% ■ Communities 17%

■ NSW 46% ■ WA 7%
 ■ ACT 2% ■ SA 1%
 ■ QLD 23% ■ UK 3%
 ■ VIC 18%

KEY FINANCIAL RESULTS

Underlying profit

FY09	\$631.4m
FY08	\$674.0m
FY07	\$611.0m
FY06	\$553.7m
FY05	\$502.7m

STATUTORY LOSS

\$1,801.9M

Underlying profit is our preferred measure of performance as it reflects the profit we achieve through our daily business operations. Our statutory result takes into account inventory impairments, fair value changes of our investment properties and other significant items set out fully in the Directors' Report.

Earnings per security

FY09	38.8c
FY08	46.2c
FY07	44.0c
FY06	41.5c
FY05	39.1c

The fall in our underlying earnings per security reflects a drop in underlying profit as well as dilution from the equity we issued. (In our statutory accounts we have reported underlying earnings per security of 36.5 cents – adjusting the number of securities in accordance with the requirements of accounting standards following the recent equity raising.)

Dividend and distribution per security

FY09	34.0c
FY08	46.5c
FY07	44.3c
FY06	41.4c
FY05	38.9c

Following a Board review, in April we announced that we have adopted a more conservative distribution policy. From 2010, Stockland will distribute the greater of our trust taxable income or 80 per cent of our adjusted funds from operations.

Balance sheet

WEIGHTED AVERAGE DEBT MATURITY

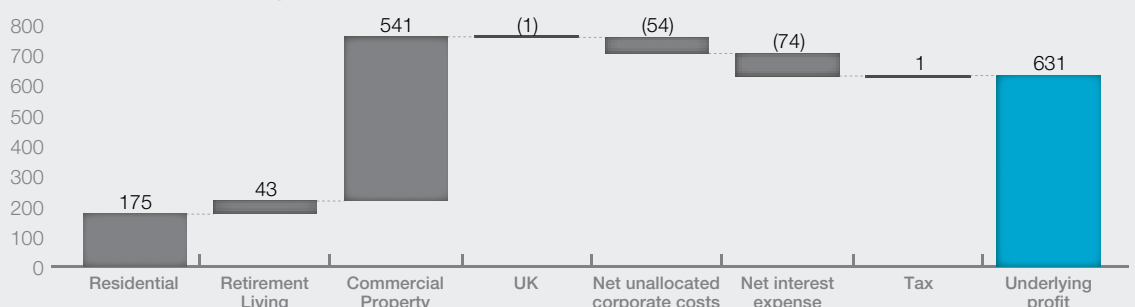
6.6 YEARS

GEARING

16%

Our balance sheet is strong with conservative gearing of 16 per cent, measured as the ratio of net debt (total debt less cash) to total tangible assets. We have \$1.2 billion cash on deposit and \$1.3 billion available undrawn committed debt facilities.

Composition of underlying profit (\$m)



This graph demonstrates how each of our operating businesses contributed to our underlying profit. More details about the performance of each of our operating businesses can be found on page 4.