3Q22 Update

21 April 2022

Artist impression, M_Park Building A, Macquarie Park, NSW

March 2022 quarter update

Key highlights

Group	• Capital partnerships announced at 1H22 Result on track for completion
	    • Stockland Residential Rental Partnership with Mitsubishi Estate Asia (SRRP), expected completion late FY22
	    • M_Park Capital Partnership with Ivanhoé Cambridge, expected completion in July 2022
	• Long-term partnership with Western Sydney University to develop a mixed-use precinct announced
	• Retirement Living Business divestment expected to complete late FY22 or early FY23[1]
	• Exploring capital partnership for the Retail Essentials portfolio
	• Maintained solid financial position, with balance sheet to be further strengthened post transactions[2], reducing gearing by ~7% on a pro-forma basis

Commercial Property	• Solid operational metrics
	    • 95%[3] rent collection for 3Q22 and high occupancy levels across the portfolio
	    • Commercial Property leasing spreads remained positive over the quarter
	• Settlement of disposal of Stockland Cairns, QLD at $146m in line with book value
	• Accelerating delivery of the Logistics development pipeline. Approximately $800m of projects in active development, and on track to deliver targeted ~$400m p.a. of development completions[4]
	• M_Park Stage One (~$760m expected end value) underway, with tenant discussions and construction progressing well
	• Piccadilly and Affinity development projects continue to progress through the authority approvals process

Communities	• Monthly Masterplanned Communities (MPC) enquiries remain well above historical averages with continued positive price momentum • 3Q22 MPC net sales of 1,562, in line with expectations with stage releases skewed to 4Q22 • Targeting close to 6,000 MPC settlements for FY22 despite impact of severe weather across the eastern seaboard • Continued strong Land Lease Communities (LLC) performance with average sale price up 4.3% vs 2Q22 and 94 net sales in 3Q22 • On track for 220-240 home site settlements despite impact of extreme weather conditions in SEQ on supply chain and production

1. Subject to Foreign Investment Review Board (FIRB) approval.
2. Transactions announced at 1H22 Results.
3. Rent collection rates across the Commercial Property portfolio up to 31st March 2022 on March year-to-date billings, net of applied COVID-19 abatements.
4. Forecast 5-year average end value on completion.

Commercial Property

Yatala Distribution Centre South, QLD

Town Centres

Resilient performance from essentials-based mix

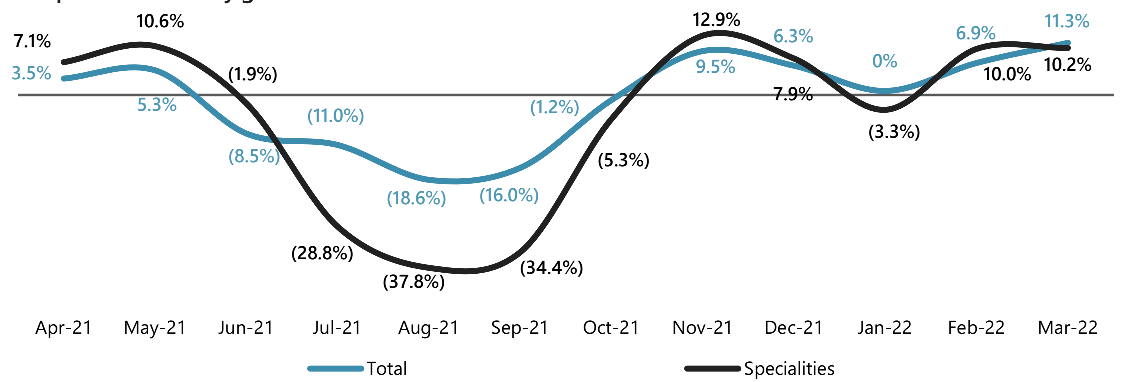
- Maintained positive leasing spreads across new leases and renewals and high portfolio occupancy at 99.1%[1]
- Total comparable[2,3] sales growth of 2.8% over 3Q22
- Specialty occupancy cost[4] of 15.9%
- Despite COVID-19 challenges and the Code of Conduct extension to June 2022, rent collection remains high at 93%[1] and 88%[5] of rental support negotiations have been completed
- Severe weather events in NSW and QLD have had minimal impact across the portfolio, with 99.1% of stores open and trading
- Settlement of Stockland Cairns, QLD sale in line with book value of $146m[6]

Stockland Baringa, QLD

Stockland 70 YEARS

Positive sales trend above pre-COVID-19 levels

Comparable monthly growth[2,3] vs 2019



To 31 March 2022	Total portfolio[7]		Comparable centres[2,3]	
Retail sales by category	MAT $m	MAT growth[3]	MAT growth	3Q22 Growth
Total	**5,223**	**1.2%**	**0.8%**	**2.8%**
Specialties	1,597	2.7%	2.2%	1.5%
Supermarkets	1,897	0.7%	(0.2)%	2.5%
DDS/DS	722	(6.6)%	(5.9)%	(1.6)%
Mini majors	723	0.8%	0.2%	2.0%

1. As at 31st March 2022.
2. Comparable basket of assets as per SCCA guidelines, which excludes assets which have been redeveloped within the past 24 months.
3. Excludes the Mobile Phones category, due to reporting changes by one retailer resulting in sales data being not comparable.
4. Occupancy cost reflects those tenants with active leases of 12 months or more and rental abatements.
5. Completion of negotiations by number of stores.
6. Excludes associated disposal costs.
7. Sales data includes all Stockland managed retail assets, including joint venture assets.

Logistics & Workplace

Solid operational metrics from a high-quality portfolio

Logistics

- Continued positive rent reversions, with both occupancy[1] and rent collection[2] strong at 99% in 3Q22
- Portfolio WALE[3] of 3.6 yrs, with focus on maximising income growth opportunities presented by upcoming lease expiries
- Demand remains strong, underpinned by investments in onshore supply chains, driving growth in prime net face rents across Sydney and Melbourne
- Accelerated delivery of the development pipeline, with $0.8bn[4] of active developments, including:
  - Melbourne Business Park, VIC – Lot 45: Development approval for initial build-to-hold stage received in April 2022, construction expected to commence in early FY23
  - Yatala Distribution Centre, QLD – Stage 3 and Willawong Distribution Centre, QLD – Stage 3: Commenced construction in 3Q22

LOGISTICS	3Q22 9 months ended 31 March 2022	3Q21 9 months ended 31 March 2021
Leased area	268,819 sqm	228,210 sqm
Leases under HOA[2]	124,357 sqm	85,184 sqm
Portfolio occupancy[1]	99.0%	97.6%
Portfolio WALE[3]	3.6 years	3.5 years

Workplace

- Portfolio occupancy[1] of 90.2%, with WALE[3] of 4.6 yrs
- Maintained strong rent collection of 99%[2], with positive leasing spreads over 3Q22
- $5.9bn[4] development pipeline progressing in line with expectations
  - M_Park Stage 1 development, in capital partnership with Ivanhoé Cambridge, is underway with tenant discussions and construction progressing well
  - Piccadilly and Affinity development projects continuing through the authority approvals process

WORKPLACE	3Q22 9 months ended 31 March 2022	3Q21 9 months ended 31 March 2021
Leased area	20,091 sqm	5,918 sqm
Leases under HOA[2]	2,855 sqm	5,947 sqm
Portfolio occupancy[1]	90.2%	95.8%
Portfolio WALE[3]	4.6 years	4.8 years

1. By income.
2. As at 31st March 2022.
3. Weighted average lease expiry, by income.
4. Forecast value on completion.

Communities

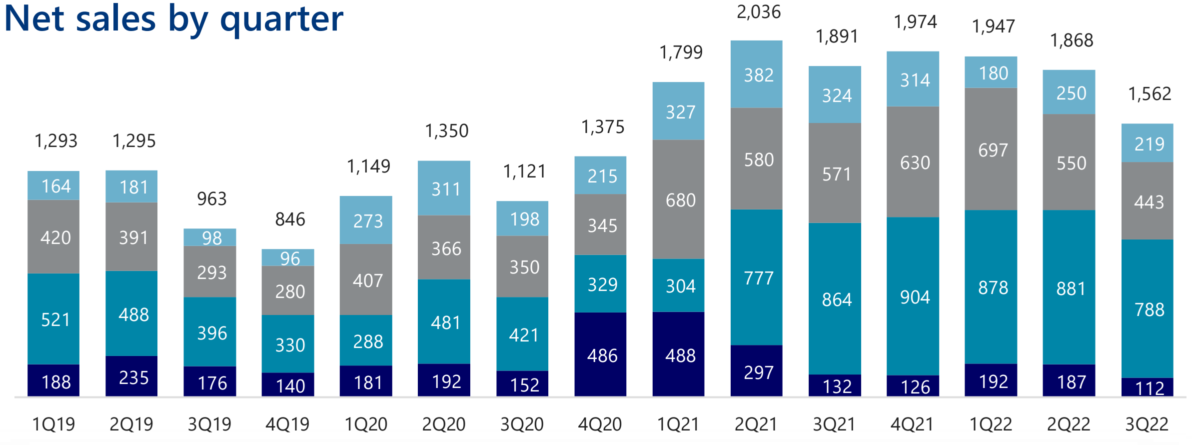

Newport, QLD

Residential

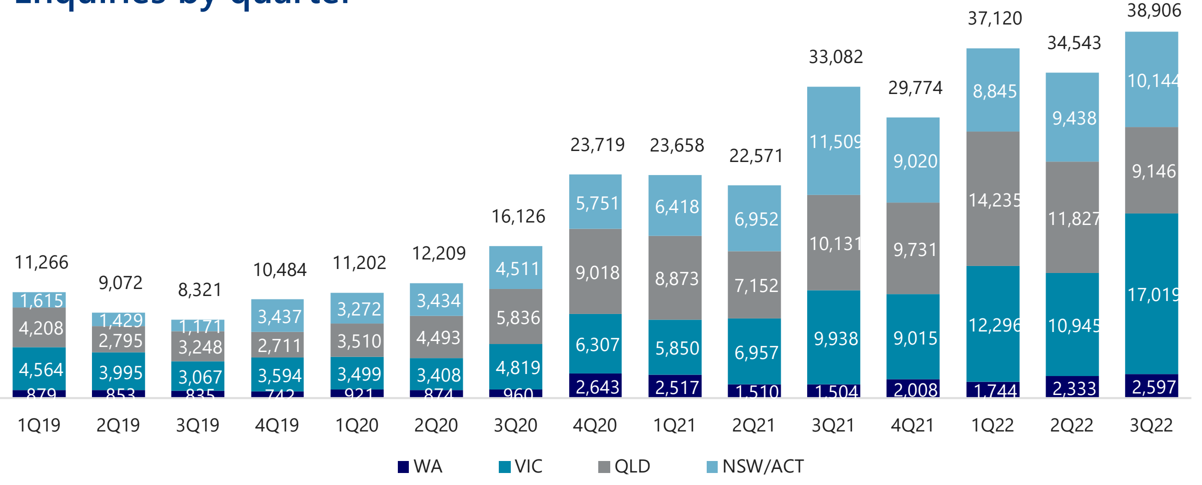
Strong momentum continuing into 3Q22

- Enquiries remain well above historical averages, with strong demand reflected in further price increases over 3Q22
- Net sales of 1,562 in 3Q22 reflect trade out of key projects in NSW and timing of new project launches skewed to 4Q22
- Good earnings visibility from 7,140 contracts-on-hand, up 44% vs FY21 at ~15% higher average pricing
- Acceleration of production has been impacted by wet weather and supply chain constraints
- To date, the impact of cost inflation has been more than offset by price growth and contingency allowances
- Targeting close to 6,000 settlements for FY22 despite wet weather delays, with 855 settlements completed in 3Q22
- FY22 target operating profit margin guidance of over 18%. Underlying price growth and some settlement deferral into FY23 is expected to result in a higher 2H22 operating profit margin than previously anticipated
- Current conditions remain positive with elevated demand, though expected to moderate over the medium term in line with rising interest rates

Net sales by quarter



Enquiries by quarter



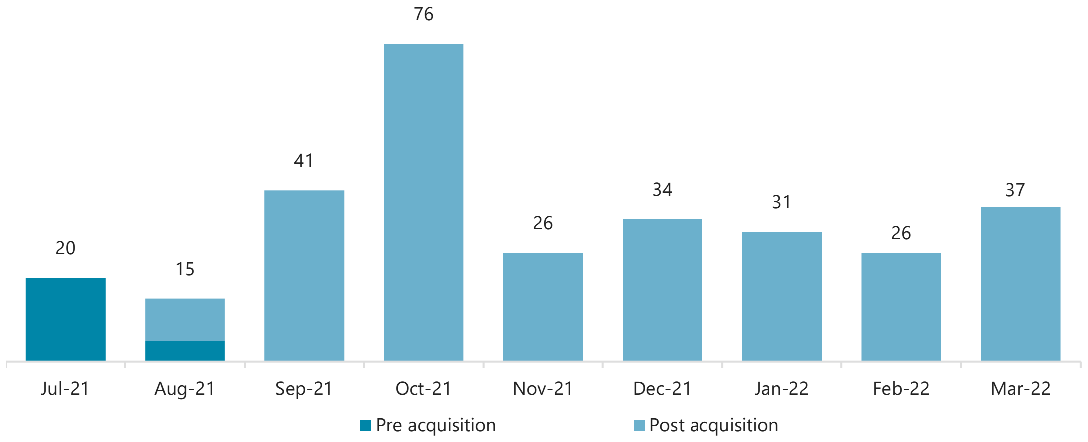
Land Lease Communities

Strong performance and rapid growth in business

Continued momentum and rapid growth in the business

- Sustained strength in demand for over-50s lifestyle communities product, reflected in average sale price increase of 4.3% over 3Q22
- Net sales of 94 in 3Q22 reflects slowdown of releases over the quarter to allow production to catch up
- FY22 settlement target of 220-240 home site maintained despite impact of extreme weather conditions in SEQ on supply chain and production
- Future year margins to increase due to price growth, increasing scale and management fees, tempered by upward cost pressures
- Leveraging Halcyon platform to unlock incremental pipeline opportunities from our masterplanned communities landbank
- Target completion of Stockland Residential Rental Partnership (SRRP) with Mitsubishi Estate Asia on track to complete in late FY22

Net sales by month



Outlook


Calleya, WA

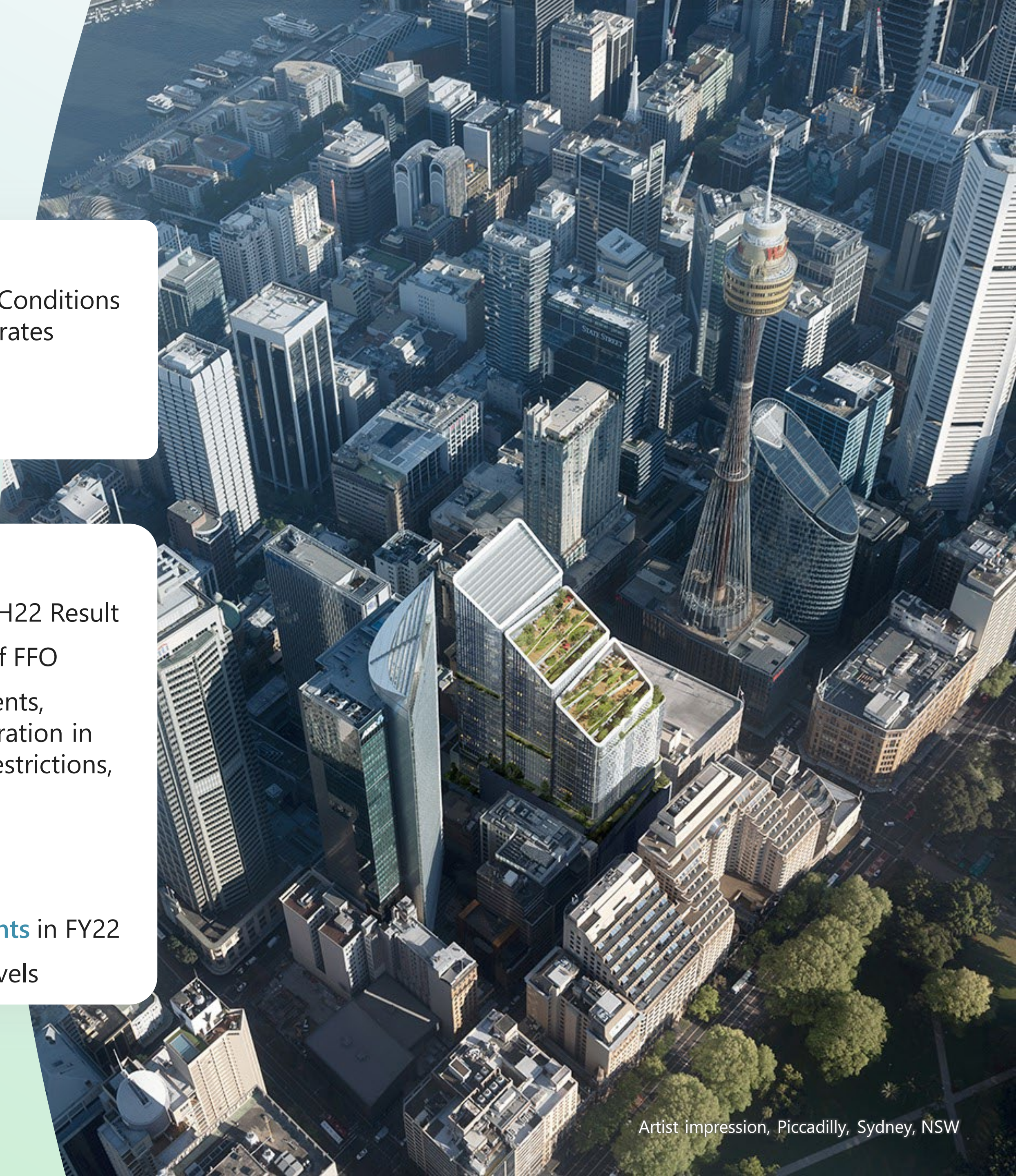
Summary and outlook

Outlook

- Positive residential market conditions with continued elevated demand. Conditions expected to moderate over the medium term, in line with rising interest rates
- Resilient Retail performance from essential-based mix
- Acceleration in Logistics development

Maintained Guidance for FY22

- **FFO per security** guidance range maintained at **35.1-35.6 cents** as per 1H22 Result
- **Distribution** per security within our target payout ratio of **75% to 85%** of FFO
- Current market conditions remain uncertain. All forward looking statements, including FY22 earnings guidance, remain subject to no material deterioration in current market conditions and the continued recovery from COVID-19 restrictions, and are underpinned by the following business assumptions:
  - Residential settlements targeting close to **6,000 lots**
  - Residential operating profit margin **above 18%**
  - Land Lease Communities delivering **220-240 home site settlements** in FY22
  - Commercial Property rent collection trends continue at current levels


Artist impression, Piccadilly, Sydney, NSW

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Current market conditions remain uncertain and challenging as governments and communities enter a new phase in the response to COVID-19. All forward looking statements, including FY22 earnings guidance, remain subject to no material deterioration in current market conditions and the continued recovery from COVID-19 restrictions.

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