

11 November 2024

Stockland upgrades FY25 guidance

Stockland (ASX: SGP) today confirms that all regulatory approvals have now been obtained for the ~\$1.06bn acquisition of 12 residential masterplanned communities by Stockland Supalai Residential Communities Partnership announced on 18 December 2023¹.

The parties will continue to work closely to give effect to completion of the transaction in 2QFY25. Completion remains subject to relevant landowner consents.

Stockland's previous guidance for FY25 FFO per security of between 32.0c and 33.0c on a post-tax basis excluded any benefit from this transaction.

Including the part-period earnings contribution from the newly acquired communities, Stockland now expects FY25 FFO per security of between 33.0c and 34.0c on a post-tax basis with a larger FFO skew to 2H than in FY24². This reflects the timing of the contribution from the MPC transaction along with an underlying 2H skew in settlement volumes for Stockland's existing MPC portfolio.

The skew in MPC settlements to 2H, along with the initial payment for Stockland's equity contribution to the Stockland Supalai Residential Communities Partnership and ongoing development expenditure in 1H, is expected to see gearing increase but remain within Stockland's targeted range of 20-30% at 31 December 2024 (compared to 24.1% at 30 June 2024).

Stockland expects MPC settlement volumes of between 6,200 and 6,700 lots at an average operating profit margin in the low 20% range. This compares to its previous expectation of 5,300 – 5,700 lots, with the revised target including the part-period contribution from the MPC portfolio transaction.

The FY25 settlement target for the Land Lease Communities business is unchanged at 600-650 homes.

FY25 Distribution per security is expected to be within Stockland's targeted payout ratio range of 75% to 85% of FFO on a full-year basis.

Ends

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

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Stockland (ASX:SGP)

We are a leading creator and curator of connected communities with people at the heart of the places we create. For more than 70 years, we have built a proud legacy, helping more Australians achieve the dream of home ownership, and enabling the future of work and retail. Today, we continue to build on our history as one of Australia's largest diversified property groups to elevate the social value of our places, and create a tangible sense of human connection, belonging and community for our customers. We own, fund, develop and manage one of Australia's largest portfolios of residential and land lease communities, retail town centres, and workplace and logistics assets. Our approach is distinctive, bringing a unique combination of development expertise, scale, deep customer insight, and diverse talent - with care in everything we do. We are committed to contributing to the economic prosperity of Australia and the wellbeing of our communities and our planet.

¹ On a 100% basis (Stockland 50.1%, Supalai 49.9%), excluding transaction costs and subject to adjustments at completion, acquired via Stockland Supalai Residential Communities Partnership (SSRCP). SSRCP may also negotiate to acquire certain additional parcels of land for an additional payment of up to \$239M.

² Forward looking statements, including FY25 earnings guidance, remains subject to no material change in market conditions and completion of the SSRCP transaction.