

2011 ANNUAL REPORT

Emerald Park
Harrisdale Green
The Islands
The Jetty
The Kestrels
The Landings
The Rivergums
Waterline
Banbury Village
Carlingford
Realm
Williams Landing

CONTENTS



Cedar Woods' Objective

1

About Cedar Woods

2

2011 Highlights

3-4

Report to Shareholders

5-10

Overview of Projects

11-18

Performance Record

19

Corporate Directory

20



CEDAR WOODS' OBJECTIVE

Our primary objective is to create value for our shareholders through growth in earnings.



Cedar Woods' projects are sensitively developed with consideration for environmental and community interests.

In meeting our primary objective we seek to:

- communicate the company's progress to shareholders and the investment community;
- satisfy customers' expectations through excellence in property development;
- align the interests of the company and its employees and provide employees with the opportunity of growth and development;
- have our citizenship recognised by the communities in which we operate and be recognised as environmentally responsible; and
- maintain the highest ethical standards.

ABOUT CEDAR WOODS

Cedar Woods Properties Limited is an Australian property development company. The company was established in 1987 and has been listed on the Australian Securities Exchange since 1994, trading under the security code 'CWP'. Its market capitalisation is approximately \$250m.

The company's principal interests are in urban land subdivision and built form development for residential, commercial and industrial purposes. Its portfolio of assets is located in Western Australia and Victoria.

The board and management of Cedar Woods have extensive experience in the property industry, with particular expertise in adding value to land holdings through the achievement of government and local authority approvals and the planning and design process.

Cedar Woods has consistently generated profits and dividends for shareholders, whilst achieving excellence in product delivery, as recognised by several national awards and many state awards, including the categories "Best Residential Estate" and "Environmental Excellence" and most recently, "Best High Density Development". In the investor relations arena, the company is a past winner of three ARA Silver awards for its annual report.

Cedar Woods' projects are sensitively developed with consideration for environmental and community interests and built to a high quality that is renowned in the marketplace.

Through the rapid expansion of its build form development portfolio, Cedar Woods has earned a reputation of delivering high quality apartments for both the owner-occupier and investor market.

The company has a strong focus on shareholder value and its record in delivering quality developments to the market has produced a strong earnings stream, providing high returns to shareholders.

2011 HIGHLIGHTS



In 2011 Cedar Woods delivered a record net profit and a 58% increase in earnings per share.

- Record full year profit of \$28m, up 63%
- Earnings per share of 45.8 cents, up 58%
- Full year dividend of 23 cents (fully franked), up 77%; full year payout ratio to remain at 50% of net profit
- \$130m in presales at projects completing in FY2012
- Forecasting approximately \$34m NPAT for FY2012, up 21%
- Signed major leasing deal with Woolworths at Williams Landing
- Victorian State Government award contract for Williams Landing station and overpass
- Completed major new acquisitions in WA and Victoria

2011 FINANCIAL RESULTS SUMMARY

Year ended 30 June	2011 \$'000	2010 \$'000	Change
Revenue	131,839	108,415	+ 21.6%
Net profit after tax	28,060	17,241	+ 62.7%
Total assets	233,595	205,657	+ 13.6%
Net bank debt	55,100	39,716	+ 38.7%
Shareholders' equity	129,549	108,790	+ 19.1%

2011 KEY PERFORMANCE INDICATORS

Year ended 30 June		2011	2010	Change
Basic earnings per share	¢	45.8	29.0	+ 57.9%
Dividends per share – fully franked	¢	23.0	13.0	+ 76.9%
Total shareholder return (1 year)	%	71.0	81.0	(10.0)%
Net bank debt to equity – 30 June	%	42.5	36.5	+ 6.0%
Interest cover	x	9.1	6.4	+ 2.7
Net asset backing per share – historical cost	\$	2.10	1.80	+ 16.7%
Shares on issue – end of year	'000	61,818	60,565	+ 2.0%
Stock market capitalisation at 30 June	\$'000	247,272	148,383	+ 66.6%
Share price at 30 June	\$	4.00	2.45	+ 63.3%
Return on equity	%	21.7	15.8	+ 5.9%
Return on capital	%	22.5	18.0	+ 4.5%

Reference should be made to the financial performance summary on page 19 of this annual report which tables the financial performance of the company over the last 5 financial years.

REPORT TO SHAREHOLDERS



WL 3027

In 2011, Cedar Woods delivered a record profit of \$28 million. Net profit increased 63% and earnings per share increased 58%.

2011 Annual Result

The company achieved a net profit of \$28 million (\$17.2 million in 2010), equating to earnings per share of 46 cents (29 cents in 2010).

Despite challenging market conditions in 2011 Cedar Woods achieved a record profit for the year. The robust result reflects the increased profitability of the company's projects particularly in Melbourne and the strength and diversity of Cedar Woods' property portfolio.

Cedar Woods remains in a strong financial position with a \$110 million debt facility in place until August 2013.

The company remains modestly geared with net bank debt to equity at 30 June 2011 at 43%, well within the target range of 20% - 75%.

Interest cover has risen to 9.1 times, up from 6.4 times in 2010.

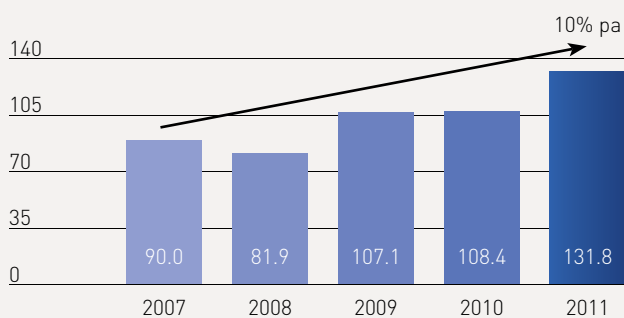
Cedar Woods continues to enjoy strong cash flows from operations.

The company has made various acquisitions throughout the year to boost its land bank with the purchase of the Bushmead, Piara Waters, and Baldivis properties in WA and the Camberwell property in Victoria.

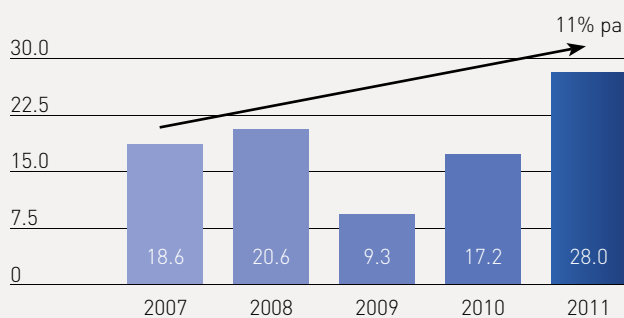
The company's share price rose over the financial year, increasing 63% to \$4.00 per share.

The Board remains confident that the market value-based Net Tangible Assets (NTA) per share is substantially above the current share price and historical book value per share.

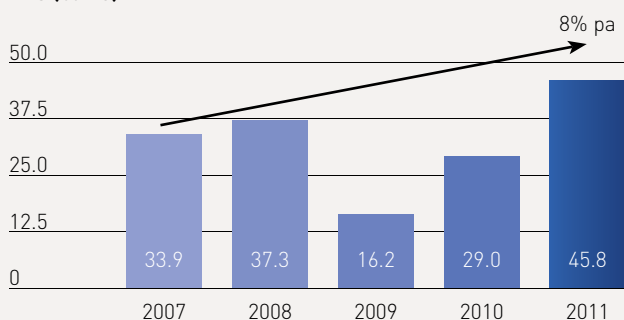
REVENUE (\$m)



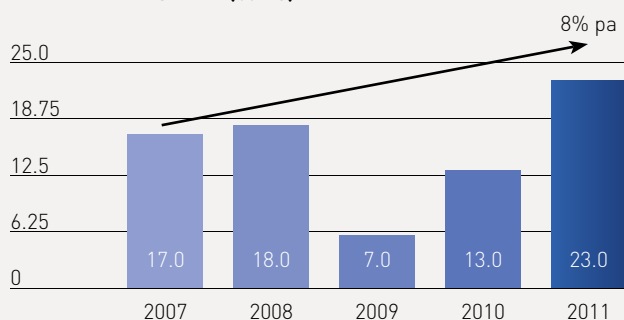
NPAT (\$m)



EPS (cents)



DIVIDEND PER SHARE (cents)



REPORT TO SHAREHOLDERS

Capital Management and the 2011 Dividend

In light of Cedar Woods' strong financial result, and in accordance with the company's dividend policy, your board has declared a fully franked final dividend of 12 cents per share. This brings the full year payout to a record 23 cents per share (13 cents per share in 2010), providing an attractive yield based on the current share price, and representing a 77% increase on last year's full year dividend. The final dividend will be paid on 31 October 2011.

The Dividend Reinvestment Plan (DRP) will be available for the final dividend and shares under the DRP and Bonus Share Plan (BSP) will be offered at a 2.5% discount to the weighted average market price for the 10 days to 21 October 2011.

Economy and the Property Market

While the Australian economy has rebounded since the lows of 2008-09, overall, the economy remains mixed – with parts of the economy sluggish and others expanding rapidly. National economic growth is expected to be approximately 3.25%¹ for 2011, weaker than initially anticipated, but still robust on a historic basis. Unemployment remains at historically low levels (5.1%² nationally) and forward-looking indicators continue to point to moderate employment growth while annual weekly wages have continued to rise, making property more affordable. The Reserve Bank of Australia has kept interest rates unchanged at 4.75% since late 2010 providing stability for first home buyers.

The Western Australian economy has continued to outperform the national economy over the past financial year, with economic growth for 2011 expected to be 4.0%, and forecast to grow to 4.75%³ in 2012. Despite a strong economy, property prices softened in the second half of the year. Strong in-bound migration supported by the resources boom, coupled with low unemployment, provides the underlying fundamentals to support growing demand for residential property in the future.

Following a period of strong growth in the residential property market in Victoria, demand has moderated with property prices remaining steady in the second half of the year. Forecast population growth, low unemployment and a shortage of dwellings provides the platform for increased demand in the medium term.

Projects

In FY2011, your company received income from two new projects, Harrisdale Green and Banbury Village, bringing the total projects under development in Cedar Woods' portfolio to eleven across Western Australia and Victoria.

At the company's current Western Australian land estates, lots sold steadily and price levels were maintained. In the last quarter, the company acquired two adjacent parcels of land, totalling 68 hectares, in Baldivis in Perth's southern growth corridor. The site is strategically located close to the Kwinana Freeway and has the potential to deliver an 800 lot, master-planned residential estate. Development is anticipated to commence in approximately five years.

As part of the company's regional growth strategy, Cedar Woods announced it was successful in its bid as the preferred proponent to acquire 11.5 hectares of land from the WA State Government in South Hedland approximately 1,600km north of Perth. The project, which will include a mix of residential, affordable, key worker, social and indigenous housing, is expected to yield approximately 170 lots, depending on the lot sizes and planning outcomes.

The company's major residential projects in Victoria performed well, experiencing strong pre-sales and significant levels of enquiries. At Cedar Woods' flagship Williams Landing development in Melbourne's west, the company recorded more than 200 settlements in the year and pre-sold all 51 sites in the new builders' display village. The company also signed a major 20 year leasing agreement with national retailer Woolworths for three stores which will underpin the development of the project's town centre.

In August 2011 the Victorian State Government announced that the contract to build the railway station and Palmers Road overpass had been awarded. The work will start soon and is expected to be completed in 2012, providing a major boost for the town centre development.

During the year, several stages at Banbury Village in Footscray and Carlingford at Lalor were completed and settled and early planning approval has been granted for the Realm at Camberwell project with the tender for construction of 78 premium dwellings completed.

Details of progress at the projects commences on page 11.

¹ Reserve Bank of Australia – August Minutes
² Seasonally adjusted figure July 2011
³ Based on WA Treasury figures

Cedar Woods acquired significant new projects in Western Australia and Victoria.



Corporate Objectives and Strategy

Cedar Woods' Corporate Plan guides management's activities and provides a five year outlook for the company, projecting earnings growth and other key performance indicators.

Cedar Woods' primary objective is to create value for shareholders through earnings growth and it has consistently delivered 10% per annum growth in earnings per share. This puts the company in the top half of all listed industrial companies based on financial performance. This year, earnings growth has been much higher than the company's target of 10% per annum. However, the board considers that this remains an appropriate target and is committed to achieving the company's primary objective.

The Corporate Plan sets out a number of key action items and strategies focused on achieving delivery of earnings growth and addressing key risk factors. These key actions form performance targets for senior executives, sales managers and other employees.

In addition, twice each year our Audit and Risk Management Committee assesses risk factors that may affect the company including specific risks affecting individual projects and more general risks affecting our business sector.

The company's strategies, as set out in the Corporate Plan are:

- Ongoing development of existing projects
Cedar Woods' core competency is in property development and the company continues to achieve industry-leading design, delivery and marketing of projects to maximise returns.
- Diversification of the property portfolio
The company utilises options and similar agreements as a way of securing new projects whilst progressing necessary approvals. This is part of a strategy to diversify and grow the portfolio.
- Identification and acquisition of new projects
In the last year the company bolstered its land bank by completing key acquisitions in Western Australia and Victoria. Towards the end of the financial year the company made two strategic acquisitions in Baldivis in Perth's south western growth corridor. This land will consolidate Cedar Woods' position in the area and maintain our presence after The Rivergums and Emerald Park developments are completed, contributing to earnings growth over the medium term.

The focus of future acquisitions remains on medium to long term prospects that provide the potential to add greater value through rezoning and approvals rather than projects purchased for immediate development and the company continues to assess many opportunities.

REPORT TO SHAREHOLDERS



- Using joint ventures, syndicates and co-development arrangements to leverage the company's skill base
Cedar Woods utilises joint ventures, syndicates and co-development arrangements to diversify the company's revenue streams and efficiently manage its capital. This year, the company has conditionally agreed to a joint venture with local investors in Geraldton for a luxury apartment development. The company completed the sale of units in its joint venture at the Mandurah Country Club and has progressed its syndicate company, Cedar Woods Wellard Limited, which generates ongoing revenue. The company has also established important co-developments with state government entities which will contribute to earnings over the medium term. The first of these at Harrisdale Green enabled the company to earn management fees from this project in the second half.
- Retaining ownership of income producing assets
The company has a portfolio of income producing assets that provide a recurring income stream. This portfolio will be expanded with commercial and retail property assets that the company will develop at Williams Landing and at other estates where sites are designated for commercial or retail use.

Sustainability Reporting

Our environmental and community development report and an overview of research and innovation is available as a separate web-based Sustainability Report. The Report is available on our website, www.cedarwoods.com.au

People

Our management team continues to grow to support the growth in the business.

In accordance with recommendations of the ASX Corporate Governance Council, this year the company introduced a diversity policy to reflect Cedar Woods' commitment to an inclusive workplace that embraces and promotes diversity. The Policy sets out a framework for the company's new and existing diversity-related initiatives, strategies and programs.

The company has continued to actively support a range of industry groups including the Property Education Foundation of WA which focuses on improving property professionals' skills. In 2011, Cedar Woods participated in promotional activities with the Foundation to help attract graduates to the development industry.

Cedar Woods enters 2012 in a strong financial position with a diverse portfolio in major growth regions.

Board Matters

The board is conscious of its duty to ensure the company meets its performance objectives. During the year the board and its committees reviewed their respective charters and performance to ensure they were properly discharging their responsibilities.

Further details of the Cedar Woods' corporate governance framework are available on the company's website and in the Corporate Governance Statement in the 2011 Financial Report.

Takeover Approach

In March, Cedar Woods announced it had received a conditional and indicative approach under which a third party proposed the acquisition of 100% of issued ordinary shares in the company. The takeover proposal was made on a confidential basis and was subject to a number of conditions, including due diligence and a majority board recommendation. The board actively sought to negotiate modifications to the terms of these conditions in the best interests of shareholders, but ultimately a number remained incapable of being satisfied and consequently the approach was withdrawn. The board continues to work to maximise returns to shareholders.

Outlook

Despite softer business and consumer confidence in 2011, the underlying fundamentals of the economy and the property market remain solid, particularly in Western Australia and Victoria where the company's portfolio is located. With strong levels of inbound migration and low levels of unemployment, the medium-to-long term prospects of Australia's residential property sector are positive. The Western Australian economy is forecast to grow at 4.5% with unemployment at 4.5%, below the national average of 5.1%. Victoria's economy is expected to grow steadily in 2012 at a forecast 3% with population growth of 1.5%.⁴

Cedar Woods enters 2012 in a strong financial position with a diverse portfolio in major growth regions in Western Australia and Victoria. The company has \$130 million of pre-sales in place due for settlement in 2012, underpinning the \$34m net profit forecast.

New projects to be launched in FY2012 will add to the earnings growth from the existing portfolio. With ample funding and approvals in place, your board remains positive about the company's outlook and it is well positioned to achieve earnings per share growth in excess of our target of 10% per annum going forward.

In 2011, we have actively engaged with the investment and broking community to raise Cedar Woods' profile and build awareness of the strength of the company's portfolio.

The board remains confident that the market value-based Net Tangible Assets (NTA) per share is substantially above the current share price and historical book value per share.

We look forward to further building on the strength and diversity of our portfolio of projects and our land bank in the year ahead.

We would like to thank our fellow directors, the management team and staff for their dedication and hard work in FY2011. We also thank our shareholders for their ongoing support of Cedar Woods in FY2011 and in the year ahead.



William Hames
CHAIRMAN



Paul Sadleir
MANAGING DIRECTOR

September 2011

⁴ Based on 2011-12 Victorian Budget Figures

OVERVIEW OF PROJECTS

Bushmead

Purchased in July 2010, 273 ha, project life of 12 years. The former Bushmead Rifle Range site was sold by the Department of Defence on behalf of the Commonwealth of Australia. The land is located 16 kilometres north east of the Perth CBD within the suburb of Hazelmere and adjacent to Cedar Woods Helena Valley Private Estate. Given its proximity to the Perth CBD, Perth airport, Midland regional centre and strong connectivity via regional road networks, the site is in a prime location for future redevelopment. The site is a long term project for the company and expected to yield between 600 and 900 residential lots, depending on lot sizes and planning outcomes.

RECENT ACHIEVEMENTS AND STATUS

The company is now progressing the planning on the site and rezoning applications.



Carine

Development agreement signed 2010, 8ha, project life of 3 years. The planned redevelopment of a former TAFE site in Perth's middle northern suburb of Carine is the company's first project to be conducted in cooperation with the Western Australian State government (LandCorp). Cedar Woods and the St Ives Group were selected through a highly competitive tender process as the preferred project partners. The redevelopment will include residential aged care, a retirement village, mixed use development and residential townhouses and apartments. The St Ives Group is one of the state's leading providers of aged care and retirement housing.

RECENT ACHIEVEMENTS AND STATUS

The demolition of existing improvements, rezoning and masterplanning has commenced and these processes are expected to be completed in FY2012.



Emerald Park, Wellard

Syndicate established in 2006, 47ha, remaining project life of 5 years. Cedar Woods Wellard Limited, an investment syndicate managed by the company, owns this exciting residential estate to ultimately comprise over 600 homesites, a school site and sports ground. Its location in Perth's southern suburbs, some 33km from the CBD, adjacent to the Kwinana Freeway and close to the Perth - Mandurah rail line, brings convenient accessibility benefits to residents.

RECENT ACHIEVEMENTS AND STATUS

The first two stages have now been completed and the estate is now entering a mature phase. The initial stages incorporate a display village and significant areas of parkland, providing a springboard for future stage releases.



Western Australia Land Development

Harrisdale Green

Development agreement signed 2010, 30ha, project life of 5-7 years. Following on from Carine, Cedar Woods was awarded its second joint venture land development with the Western Australian State Government, in this case to be conducted with the Department of Housing. The Harrisdale Green project is located within Perth's south-eastern urban corridor and will comprise 540 homes and 40 mixed use units. Won as a result of a tender, it was the company's focus on affordability and sustainability that set it apart from its competitors.

RECENT ACHIEVEMENTS AND STATUS

The first stage was released and developed in FY2011 with all but a few lots now sold. The second stage is now under construction.



The Kestrels, Tapping

Purchased in 2003, 50ha, remaining project life of 1 year. As the name suggests, The Kestrels residential estate in Perth's northern suburbs has focused on maintaining habitat and attracting prominent local bird species by maximising parkland and tree planting, and undertaking other revegetation initiatives. The Kestrels is another Housing Industry Association (WA) GreenSmart estate and won the 2006 City of Wanneroo Environmental Excellence Award. The estate will ultimately comprise over 520 dwellings.

RECENT ACHIEVEMENTS AND STATUS

The Kestrels has continued to be very popular with buyers. The final lots have now been released, bringing to a close the company's development.



Mangles Bay

Development Agreement, 80ha, project life of 15 years. In April 2010, LandCorp appointed Cedar Woods as its development partner for the Mangles Bay Marina Based Tourist Precinct. The project area is nearly 80ha of beachfront land which is expected to include a 400-500 pen marina, waterfront commercial and up to 800 dwellings across a range of types from apartments to traditional residential lots. Environmental and planning approvals are being sought to allow the project to proceed.

RECENT ACHIEVEMENTS AND STATUS

The company is progressing the environmental approvals on the site and rezoning applications.



OVERVIEW OF PROJECTS

Mariners Cove, Mandurah

Purchased in 1993, 196ha, remaining project life of 7 years. A unique waterfront development close to the Mandurah town centre, comprising a mix of canal lots, The Landings waterfront townhouses, parkland lots and estuary view lots, Mariners Cove boasts a spectacular 93 hectare wildlife reserve complete with raised board walks, bird hides and an interpretive centre. The reserve protects the Creery Wetlands, an internationally recognised waterbird habitat that is home to migratory birds from around the world. Mariners Cove won the State and National Urban Development Institute of Australia Environmental Excellence Awards in 2002 and 2003, respectively. It has also won the State and National UDIA awards for Best Residential Development (250 or more lots) in 2004 and 2005 respectively.

RECENT ACHIEVEMENTS AND STATUS

Marketing continues on the remaining canal lots in stage 5CA and the last few remaining waterfront townhouses at The Landings.



North Baldivis

Purchased in 2011, 68 ha, project life 10 years. The land abuts the Kwinana Freeway and Mundijong Road which affords excellent exposure. Whilst the land is currently zoned Rural under the local planning scheme and Urban Deferred under the Metropolitan Region Scheme, the planned connection to waste and water services by the Water Corporation in 2015 will see the land rezoned as Urban. The project will yield some 800 lots and is a neat strategic fit with the expected completion of Cedar Woods' estates at Baldivis (The Rivergums) and Wellard (Emerald Park).

RECENT ACHIEVEMENTS AND STATUS

The company is now progressing the planning on the site and rezoning applications.



Piara Waters

Purchased in 2005 and 2010, 30ha, project life of 5 years. The company's landholding in Piara Waters has the potential to yield 280 residential lots, including 3 unit sites. Located in Perth's south-eastern corridor, the company's two sites on Nicholson Rd, form part of a larger new urban precinct which includes new retail commercial centres and schools. This new urban area is close to the Armadale Regional Centre and with the extension of the nearby Tonkin Highway, benefits from good access to surrounding employment centres.

RECENT ACHIEVEMENTS AND STATUS

Development of the first site is expected to commence in FY2012 with the first lots available for settlement in FY2013.



The Rivergums, Baldivis

Purchased in 2001, 139ha, remaining project life of 8 years. Located in Perth's southern suburbs and only minutes from the Perth - Mandurah rail line and the Rockingham beaches, The Rivergums residential estate will ultimately provide around 1200 dwellings plus primary and secondary schools. The estate boasts a network of lakes, wetlands, and beautifully landscaped parks. Environmental initiatives included restoration of a degraded wetland, conservation of the local frog population and the revegetation of the adjoining Tramway reserve. The Rivergums was also one of the first Housing Industry Association (WA) 'GreenSmart' developments, promoting efficient energy and water use.

RECENT ACHIEVEMENTS AND STATUS

With most of the lots in previous stages now sold, the company is developing the prime land that surrounds the central lake and the land to the north of the estate which will offer views across significant public open space. The first stage of this premium land is now under construction and the first lots will be titled midway through FY2012. The State has commenced construction on the Baldivis Senior High School, located to the east of the lakefront lots, due to take enrolments for the 2013 school year.



South Hedland

Contracted in 2011, 11ha, project life of 3 years. Located within the booming Pilbara region, Cedar Woods was announced as the successful partner in July 2010, and has partnered with Foundation Housing, IBN Corporation and Gumala Aboriginal Corporation to provide a balanced mix of residential, affordable, key worker, social and indigenous housing options to the region.

RECENT ACHIEVEMENTS AND STATUS

Development planning has commenced with approvals expected to be provided by the Town of Port Hedland in 2012.



OVERVIEW OF PROJECTS

Essence, Harrisdale

Located within the Harrisdale Green project within Perth's south-eastern urban corridor, Essence comprises 28 homes in total; 14 three bedroom, two storey townhouses, 8 three bedroom, single level villas, and 6 two bedroom apartments.

Situated adjacent to the central parkland of Harrisdale Green, the development is designed by Zuideveld Marchant Hur Architects.

RECENT ACHIEVEMENTS AND STATUS

Sales and marketing recently commenced with the project launch in August 2011.

The Jetty, Palm Beach Rockingham

Purchased in 2006, 0.2ha, project completed. The company has recently completed this 4 storey beachfront development, opposite the refurbished landmark Palm Beach jetty in Rockingham. The Jetty comprises 15 luxury three bedroom, two bathroom apartments, all with spectacular ocean views and the very best quality fit-out. A ground floor beachfront café is also planned.

RECENT ACHIEVEMENTS AND STATUS

All but one of the apartments have been sold.



Sutton Heritage Site, Mandurah

Purchased in 1990, 2.24ha, remaining project life of 4 years. Part of the company's award winning Port Mandurah canal estate, the historic Sutton farm site is the last remaining development site. The heritage farm buildings have been restored with the cooperation of the Heritage Council of Western Australia and will be retained as part of the redevelopment in a parkland setting, together with a heritage listed norfolk pine tree, which is a local landmark.

RECENT ACHIEVEMENTS AND STATUS

Planning and design is well advanced and the necessary approvals are expected in 2012.



Waterline Apartments, Mandurah

Purchased in 2005, 0.45ha, remaining project life of 3 years. The Waterline Apartments occupy a prime beachfront location, directly opposite Doddi's Beach in Halls Head, Mandurah. Stage 1 of this beachside development comprises 15 two and three bedroom luxury ocean view apartments and 3 luxury penthouses. Retail space on the ground floor now incorporates a popular 'Dome' cafe. The balance of the site will comprise a medium density development for which planning is underway.

RECENT ACHIEVEMENTS AND STATUS

Construction of the Stage 1 ocean front apartments and commercial tenancy was completed in 2008 and the remaining few apartments are currently being marketed. The company is now refining development options for Stage 2.



OVERVIEW OF PROJECTS

Banbury Village, Footscray

Purchased in 2006, 9ha, remaining project life of 4 years. Banbury Village is a substantial urban renewal project comprising over 430 new home sites, townhouses and apartments. The project is a premium housing development for the inner west suburb of Footscray, some 6km from the Melbourne CBD. Banbury Village not only looks to the future with energy efficient homes but also embraces the past through the adaptive re-use of heritage buildings on site.

RECENT ACHIEVEMENTS AND STATUS

The first six stages have been constructed and all homes have been sold. Work is now underway on the exciting 'Heritage Apartments' which comprise fully renovated existing heritage listed buildings, most of which are pre-sold.



Carlingford, Lalor

Purchased in 2006, 56ha, remaining project life of 4 years. An infill project in Melbourne's northern suburb of Lalor, Carlingford is the first residential estate launched in the area in over a decade. Ultimately comprising 600 housing lots, its location boasts excellent transport links to Melbourne's CBD and is within easy reach of shopping, schools and the train network.

RECENT ACHIEVEMENTS AND STATUS

The first six stages have now been completed and sold. Substantial pre-sales have been achieved in the two subsequent stages as interest remains strong from buyers in the local area.



Realm, Camberwell

Purchased in 2010, 2.55ha, remaining project life of 3 years. An infill project in one of Melbourne's prestigious eastern suburbs that will accommodate 78 premium homes, the site is rezoned and now has a development approval. A mix of product has been designed for the site including terraces and detached, large family homes.

RECENT ACHIEVEMENTS AND STATUS

The first sales release is currently under way and construction is expected to commence in 2012, subject to satisfactory presales being achieved.



Williams Landing

Purchased in 1997, 275 ha (220ha developable), remaining project life of 13 years. A premium masterplanned community development is being delivered on the former RAAF Williams Laverton airfield, comprising four neighbourhoods with 2,500 dwellings and a future major town centre. Significant State Government infrastructure delivery for the site including a new freeway interchange and rail station is underway and is due for completion late 2012. The new town centre will integrate directly with these transit facilities to create a showcase transit-oriented development.

RECENT ACHIEVEMENTS AND STATUS

With zoning and masterplan approvals in place and the first eight residential stages completed, the company is moving forward with construction of further stages. The company is also progressing with the detailed planning of the town centre component of the project, having signed lease agreements with the Woolworths group for a trio of stores at Williams Landing.



PERFORMANCE RECORD

All figures in \$'000 except where stated

FINANCIAL YEAR	2011	2010	2009	2008	2007
FINANCIAL PERFORMANCE					
Revenue from ordinary activities	131,839	108,415	107,076	81,941	90,008
Earnings before interest and tax	41,455	26,771	16,567	31,245	31,304
Finance costs	1,215	2,036	3,047	2,230	4,515
Operating profit before tax	40,240	24,735	13,520	29,015	26,789
Income tax expense	12,180	7,494	4,257	8,458	8,236
Net profit after tax	28,060	17,241	9,263	20,557	18,553
Realised reserve	23	26	83	179	271
Net profit after tax plus realised reserve	28,083	17,267	9,346	20,736	18,824
FINANCIAL POSITION					
Total assets	233,595	205,657	162,720	185,019	155,561
Total liabilities	104,046	96,867	69,442	101,073	83,918
Shareholders' equity	129,549	108,790	93,278	83,946	71,643
Number of shares on issue - end of year ('000)	61,818	60,565	58,163	55,138	54,824
KEY PERFORMANCE MEASURES					
Earnings per share (cents)	45.8	29.0	16.2	37.3	33.9
Dividend per share fully franked (cents)	23.0	13.0	7.0	18.0	17.0
EBIT margin (%)	31.4%	24.7%	15.5%	38.1%	34.8%
Interest cover (times)	9.1	6.4	2.2	4.2	5.8
Return on equity (%)	21.7%	15.8%	9.9%	24.5%	25.9%
Investment in inventory during year	102,348	56,338	45,312	46,002	73,799
Net tangible assets backing per share (\$)	2.10	1.80	1.60	1.52	1.31
Net bank debt	55,100	39,716	47,913	80,633	63,735
Net bank debt to equity (%)	42.5%	36.5%	51.4%	96.1%	89.0%
Share price - end of year (\$)	4.00	2.45	1.42	2.75	5.22
Stock market capitalisation at 30 June	247,272	148,383	82,592	151,630	286,181
Number of employees at 30 June	41	35	30	33	26

RETURNS TO SHAREHOLDERS OVER 1, 3 & 5 YEARS	1 Year	3 Year	5 Year
Earnings growth %	58	7	9
Share price growth %	63	13	(2)
Dividend growth % (paid dividend)	58	2	5
Total shareholder return %	71	17	2

SHAREHOLDER DISCOUNT SCHEME

The company operates a shareholder discount scheme which entitles shareholders to a 5% discount off the listed purchase price of any residential lot at a number of the company's developments. A summary of the main terms and conditions follows:

- shareholders must hold a minimum number of 5,000 shares for at least 12 months before purchasing a lot to qualify for the discount;
- there is no limit to the number of lots which a shareholder may purchase under the scheme, subject to any statutory restrictions; and
- the shareholder discount scheme does not apply to combined house and land packages or apartments.

The above is a summary of the main conditions and shareholders should apply to the company or visit the website for the full terms and conditions.

CORPORATE DIRECTORY

A.B.N. 47 009 259 081

DIRECTORS

William George Hames, BArch (Hons) MCU (Harvard) LFRAIA, MPIA, FAPI (Econ) – Chairman

Robert Stanley Brown, MAICD, AIFS – Deputy Chairman

Ronald Packer, BCom (UWA), AAPI, FAICD, Solicitor Supreme Court of England & Wales

Paul Stephen Sadleir, BE, MBA, AAPI, FAICD, FRICS – Managing Director

Timothy Robert Brown, BA, LLB, M.Fin, Post Grad Dip (Phil) (Alternate for R S Brown)

COMPANY SECRETARY

Paul Samuel Freedman, BSc, CA, GAICD

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Ground Floor, 50 Colin Street, WEST PERTH WA 6005

Postal address : P.O. Box 788, WEST PERTH WA 6872

Phone: (08) 9480 1500 Fax: (08) 9480 1599

Email: email@cedarwoods.com.au

Website: www.cedarwoods.com.au

SHARE REGISTRY

Computershare Investor Services Pty Ltd

Level 2, Reserve Bank Building

45 St George's Terrace, PERTH WA 6000

AUDITOR

PricewaterhouseCoopers

QV1

250 St George's Terrace, PERTH WA 6000

SECURITIES EXCHANGE LISTING

Cedar Woods Properties Limited shares are listed on the Australian Securities Exchange Limited.

ASX Code : CWP

ANNUAL GENERAL MEETING

Venue : Kings Park Function Centre, Fraser Avenue, WEST PERTH WA 6005

Time : 11.00am

Date : Friday, 4 November 2011

