

ASX ANNOUNCEMENT / MEDIA RELEASE

9 October 2012

Cedar  Woods



Cedar Woods Properties Limited

ASX Code: CWP

- On track to deliver FY2013 net profit after tax of \$34 million
- Guidance supported by \$162 million in presales, the majority of which will settle in FY2013
- Williams Landing project progressing well, with construction of two major stages due for completion during FY2013
- Expression of interest campaign for retail lots at Elements in South Hedland oversubscribed

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First Quarter FY2013 Operational Update

Cedar Woods Properties Limited (ASX.CWP) experienced steady sales at the company's projects in Victoria and Western Australia during the first quarter. The company remains on track to deliver a net profit after tax of approximately \$34 million in FY2013, underpinned by total presales of \$162 million, an increase from \$140 million at the full year result.

Victorian Projects

Cedar Woods' Victorian projects continue to progress on schedule and experience solid presales, with two thirds of the FY2013 lot sales target now presold, an increase from 58% as reported at the full year results announcement on 21 August 2012.

At the company's landmark Williams Landing project, residential development has continued apace with two large stages currently under construction and scheduled for completion during FY2013. The first homes in the project's new display village are expected to be delivered at the end of CY2012.

Meanwhile, development of the Williams Landing Town Centre has continued with approvals in place for key infrastructure, including major roads scheduled for completion by mid CY2013. The Victorian Government's construction of the \$110 million Williams Landing train station and freeway interchange is progressing well with completion expected in early 2013.

A planning permit was issued in September 2012 for the Masters Home Improvement store and a builder is soon to be selected. Civil works are now underway with construction of the store expected to commence in early CY2013. In recognition of the regional scale potential of the project, the Victorian Government has improved the zoning with removal of specific limits on retail and office floorspace improving its attractiveness to retailers and corporates alike.

At Banbury Village in Footscray, the first two Heritage Apartment buildings are now complete, with completion of the third building due in early CY2013.



The Victorian Government is expected to commence an upgrade of the West Footscray train station adjacent to the project in the near future.

At Carlingford in Lalor, planning for new stages has continued with construction expected to commence by the end of CY2012. Civil works for several medium density sites are complete and construction of townhouses in stage 6 is underway.

Progress has also been made at the company's recently-acquired St Albans site, with rezoning documents now submitted to Council. The project is well positioned to benefit from the Victorian Government's planned \$150 million investment in upgrading St Albans train station.

Western Australian Projects

In Western Australia, sales momentum has continued across the portfolio, with approximately half of the FY2013 WA lot sales target presold, an increase from 37% reported on 21 August 2012.

Construction of stage 9 at The Rivergums in Baldivis has begun and is expected to conclude in the second half of FY2013. This stage is close to the Baldivis Secondary College now under construction by the State Government as well as significant public open space.

At Piara Central, Cedar Woods' new estate in Perth's south-eastern growth corridor, the first stage comprising 60 lots, released in May 2012, is almost completely sold, with settlements due in the second quarter. Works on the second stage comprising 62 lots has commenced with marketing to follow shortly and construction scheduled for completion in the second half of FY2013.

At Cedar Woods' new Elements project in South Hedland, an online registration process for expressions of interest in the first 30 retail lots was launched in September 2012 generating strong demand, in excess of the number of lots offered. Lot prices range from approximately \$230,000 to \$290,000.

The Batavia Coast Marina Apartments project in Geraldton is also progressing on schedule with construction significantly advanced and almost 60% of the apartments currently under contract. Completion is expected in mid CY2013.

Outlook

Cedar Woods maintains its FY2013 earnings guidance of approximately \$34 million supported by \$162 million in presales and assuming current market conditions.

The company maintains a strong balance sheet with low debt and is fully funded for the development of its current portfolio, well positioned to leverage an improvement in market conditions and pursue further growth initiatives as opportunities arise.