

26 February

2013

FIRST HALF RESULTS PRESENTATION

Investment highlights

- ▶ Proven track record of consistent earnings growth and meeting targets
- ▶ Strategically located and diverse residential portfolio
 - Urban and regional growth areas in VIC and WA
 - Apartments, integrated housing, mixed use and large master planned communities
 - Close to transport infrastructure and other amenities
- ▶ Strong balance sheet and prudent gearing
- ▶ Capacity to fund acquisitions
- ▶ Attractive, fully-franked dividend yield
- ▶ Experienced and proven management team

Cedar Woods' strategy

Property Development Expertise

Core competency: industry-leading design, delivery and marketing of development projects

Focus on Project Pipeline

Acquire and develop land holdings offering medium-to-long term development prospects with potential to add value through rezoning and approvals, enabling consistent delivery of earnings growth



Portfolio Diversity

Strategically located and diverse residential portfolio in urban and regional growth areas in VIC and WA, offering a spectrum of dwelling products and price points to consumers

Invest in Strategic Opportunities

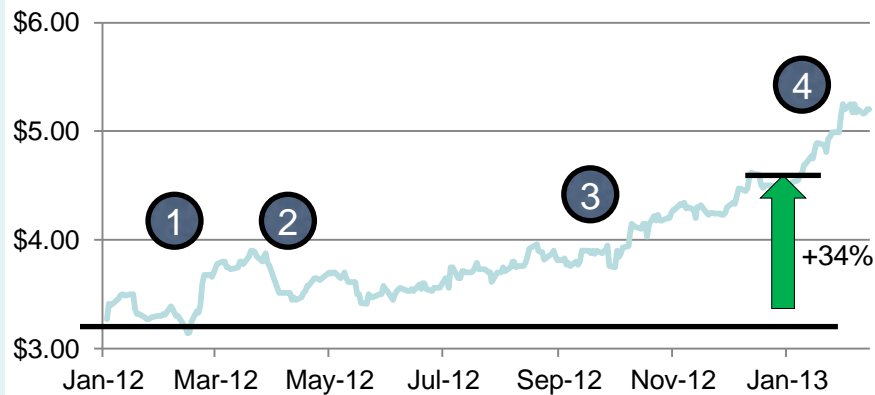
Use joint ventures, syndicates and co-development opportunities to leverage CWP's skill base, diversify revenue streams and manage capital

1H 2013 results summary

- ▶ Significant increase in 1H13 NPAT, 65% higher than previous corresponding period
- ▶ Strong performance attributed to successful completion of new stages in Western Australian and Victorian projects
- ▶ Healthy balance sheet with only 12% gearing; leaves room for acquisitions and developments
- ▶ Continued strength of residential property sales expected in 2H13, driven by interest rate cuts, limited housing supply and strong population growth
- ▶ FY13 earnings guidance of \$35 million, compared to \$34.25 million NPAT in FY12

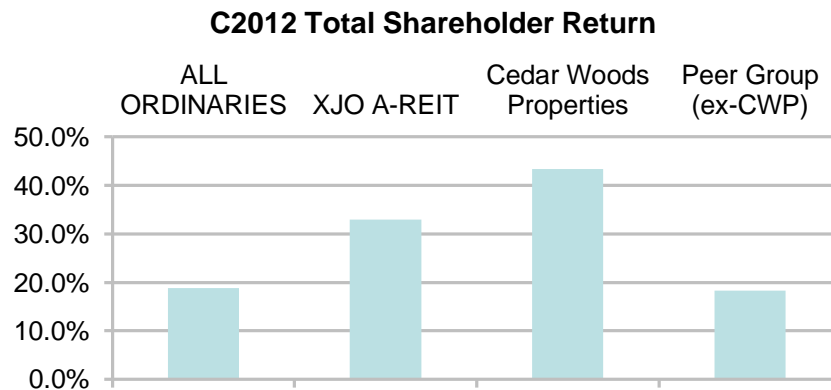
Share price performance

Solid share price performance throughout 2012



- ① Dividend payment: 11c
- ② \$30m equity raising
- ③ Dividend payment: 14c
- ④ Pre-half year update

Outperforming peer group and indices




Agenda

- 1. Financial Overview**
- 2. Operational Overview**
- 3. Market Conditions**
- 4. Company Outlook**

Financial overview

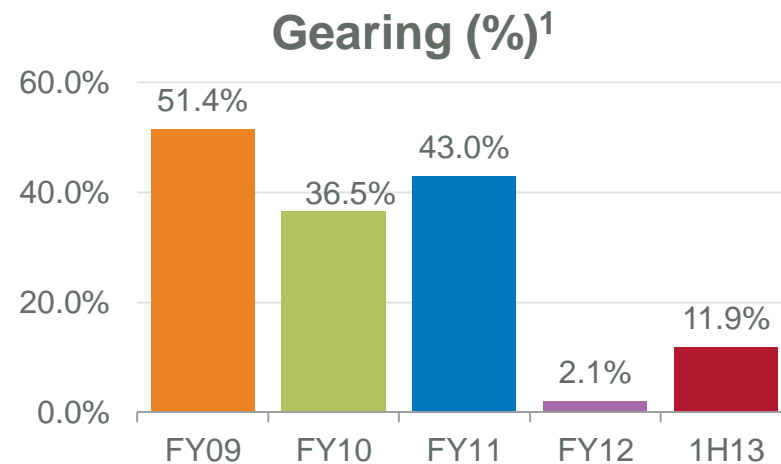
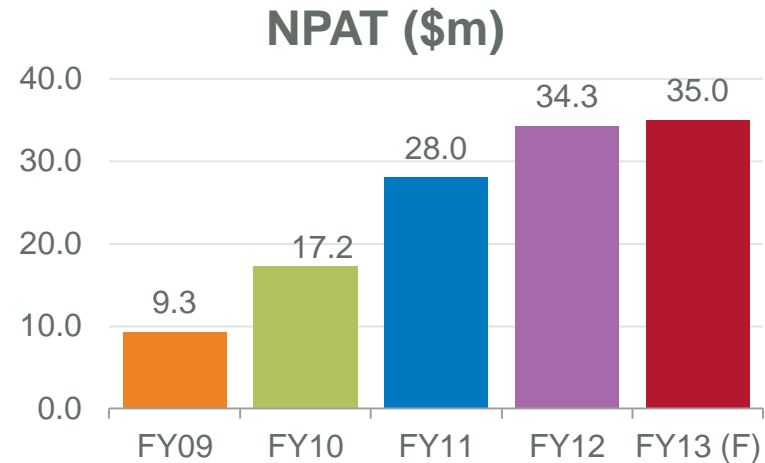


Financial highlights

	1H13 \$m	1H12 \$m	Change 1H13 vs. 1H12(%)
Revenue	73.5	77.7	 5%
Net profit after tax (NPAT)	18.1	10.9	 65%
Dividends per share (cents)	11.0	11.0	 0%

- ▶ Revenue remains at similar levels to 1H12
- ▶ Strong NPAT performance due to successful completion of a number of new stages in WA and VIC projects
- ▶ Improved margin over 1H12 due to change in product mix
- ▶ Low gearing of 12% as at 31 December 2012
- ▶ \$70 million in pre-sales to underpin second half performance
- ▶ Earnings guidance recently upgraded to \$35 million for FY13

Track record of growth and balance sheet strength



¹ Gearing defined as net bank debt / book equity

Cash flow summary

Cash flows related to operating activities	1H 13 \$m	1H 12 \$m
Receipts from customers	79.5	83.6
Interest received	0.4	0.3
Payments to suppliers and employees	(21.7)	(18.5)
Borrowing costs	(2.1)	(2.9)
Income taxes paid	(13.6)	(7.2)
Payments for development – increase in WLTC, built form and new residential projects	(51.9)	(33.5)
Operating cash flow before acquisitions	(9.4)	21.8
Payments for new land acquisitions	(4.4)	(22.6)
Net operating cash flow	(13.8)	(0.8)

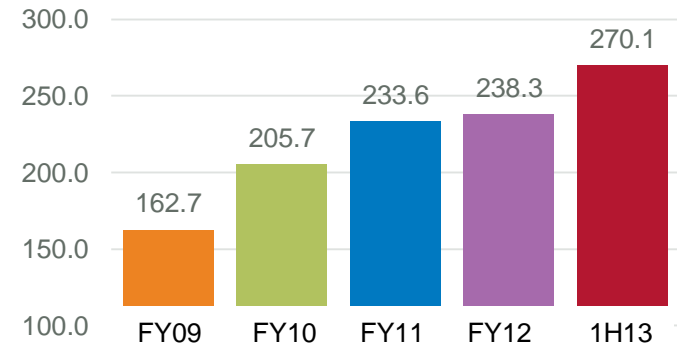
Balance sheet strength

	31 Dec 2012 \$m	30 Jun 2012 \$m
Total assets (book value)	270.1	238.3
Net bank debt	23.3	3.8
Net assets (equity)	196.0	184.6
Finance facility headroom	71.8	98.9
Net bank debt to equity	11.9%	2.1%
Interest cover	12.5x	8.8x
NTA/share *	\$2.68	\$2.56

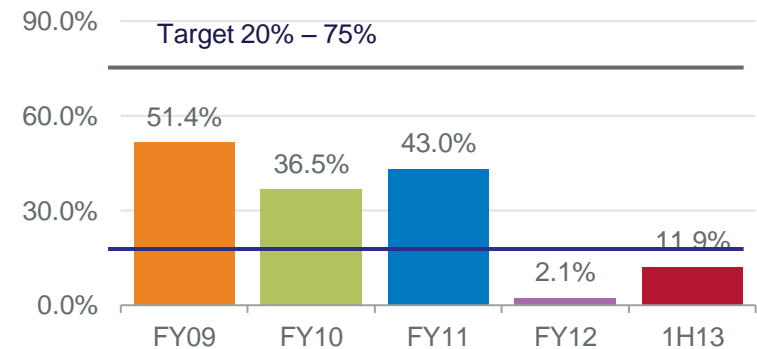
*Note: NTA/share quoted is based on balance sheet carrying values of assets. Market value NTA/share substantially exceeds the carrying values.

¹ Gearing defined as net bank debt / book equity

Assets at book value (cost) (\$m)



Gearing (%)¹



Low Gearing of 12% at 31 Dec 2012, well placed to take advantage of growth opportunities

Operational overview



Strong property portfolio and mature land bank



WA overview

- ▶ Strong demand across a number of projects, with improved sales volumes also driven by new project launches in 1H13
- ▶ Strong first-half sales volumes are expected to continue into 2H13, driven by demand from first home buyers. Modest price growth is expected
- ▶ First-time home buyers have returned to the market, helped by strong employment, interest rate cuts and a shortage of rental properties

WA project highlights

Existing projects



The Rivergums: Stage 9 (76 lots) pre-released in November 2012, settlements in the fourth quarter of FY13



Emerald Park: Stage 4 (120 lots) sold, stage 5 will commence shortly



Harrisdale Green: Stage 5 (38 lots) released in October 2012, sold out

New projects



Piara Central: Over 100 of a total of 150 lots sold, second land holding offers development opportunities



Elements: Construction will commence in February 2013, settlements scheduled to commence in late 2013



Batavia Marina: Construction completion in mid 2013, 60% pre-sold

Upcoming project(s)



Carine structure planning and subdivision approval granted in December 2012, sales launch and construction expected to start in mid 2013 for FY14 settlements

New Acquisition



32.3ha site recently acquired for \$6.5M plus GST (\$201,000 per ha), located on South West Highway adjacent Byford town centre. Subdivision approval received for first 149 out of total of approximately 350 lots.

Victorian overview

- ▶ Despite challenging market conditions, Cedar Woods' projects continue to perform well
- ▶ Demand remains for strategically located developments in growth corridors
- ▶ Sales driven by the ongoing development of commercial and residential lots at Williams Landing
- ▶ Construction has commenced on the Masters Home Improvement store, the first building in the Williams Landing Town Centre
- ▶ Solid demographic and economic fundamentals will support a stronger residential and commercial market in Victoria

Victoria highlights

Existing projects



RealM Camberwell: 60 of 69 lots pre-sold with price increases for the most recent sales, remainder of stages scheduled to be released in 2013. Delivery of first stages predominantly in FY14



Banbury Village: Good ongoing sales achieving nearly all of its FY13 sales targets



Carlingford: Previously releases stages sold out. New stage (1C) under development due for completion in H2 FY2013



William Landing Residential Estate: Several residential stages scheduled for completion in FY13 with good pre-sales levels

New project

Williams Landing Town Centre: Opening planned for mid year 2013, Masters Store under construction

Upcoming project

St. Albans

Rezoning of the 6.8ha development being progressed with first settlements anticipated in FY16

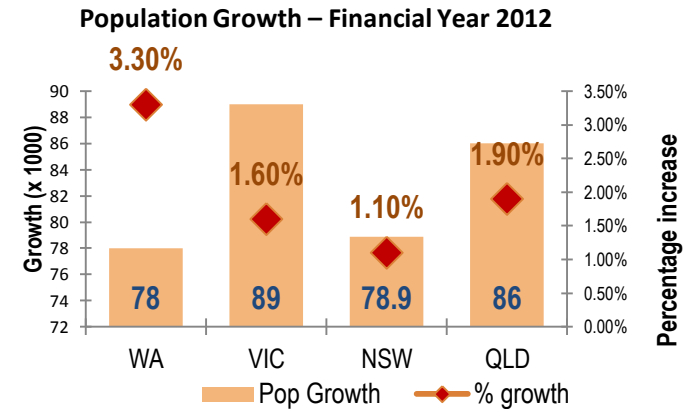
Market conditions and outlook



Labour market and population growth

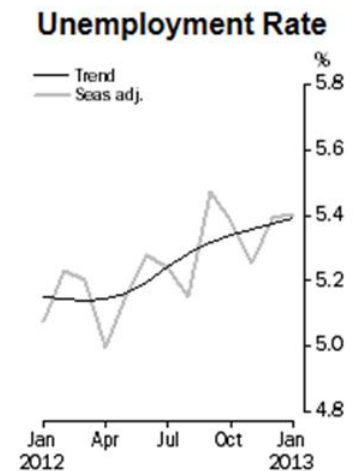
Strong population growth

- ▶ WA driven by resources sector
- ▶ Victoria captures large share of immigration
- ▶ Population growth set to continue



Disparity in labour market conditions

- ▶ Wages growth in WA 4.3%, in Victoria 3.5%
- ▶ National unemployment of 5.4%
- ▶ Unemployment WA 4.0%, Victoria 6.1%



House prices

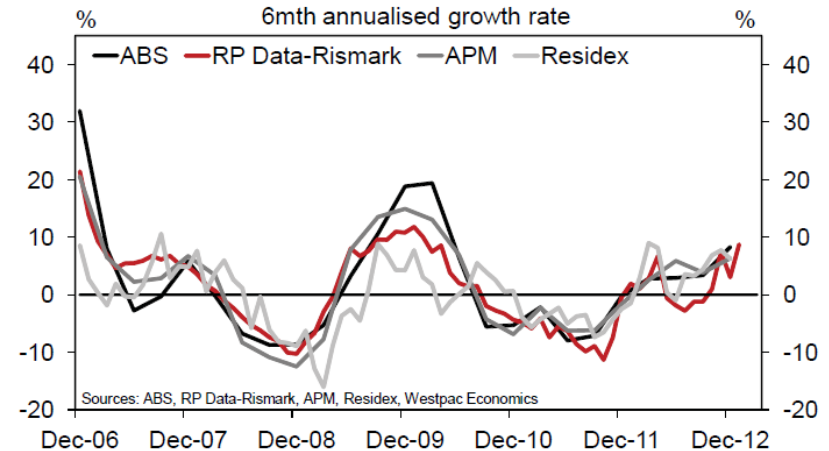
WA house price increases among the strongest in the country

- ▶ Perth prices firming after two years of modest decline
- ▶ Housing finance continues to improve

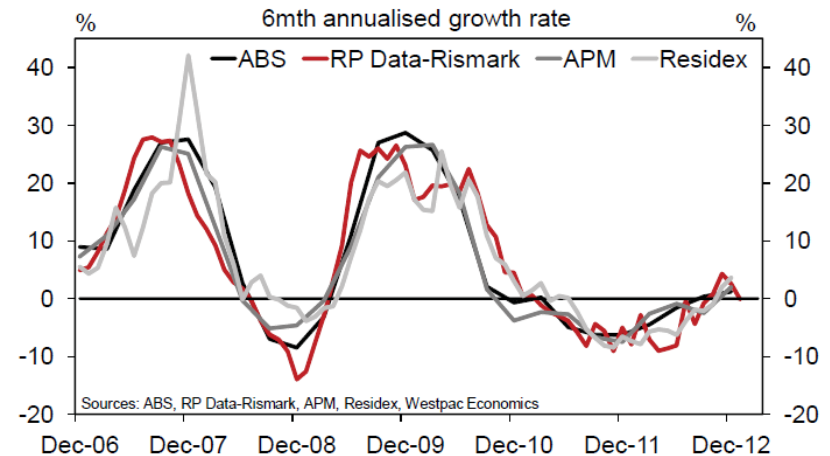
Victorian market stabilising, but demand remains for well-located projects

- ▶ New dwelling approvals improving marginally
- ▶ Housing finance figures also improving

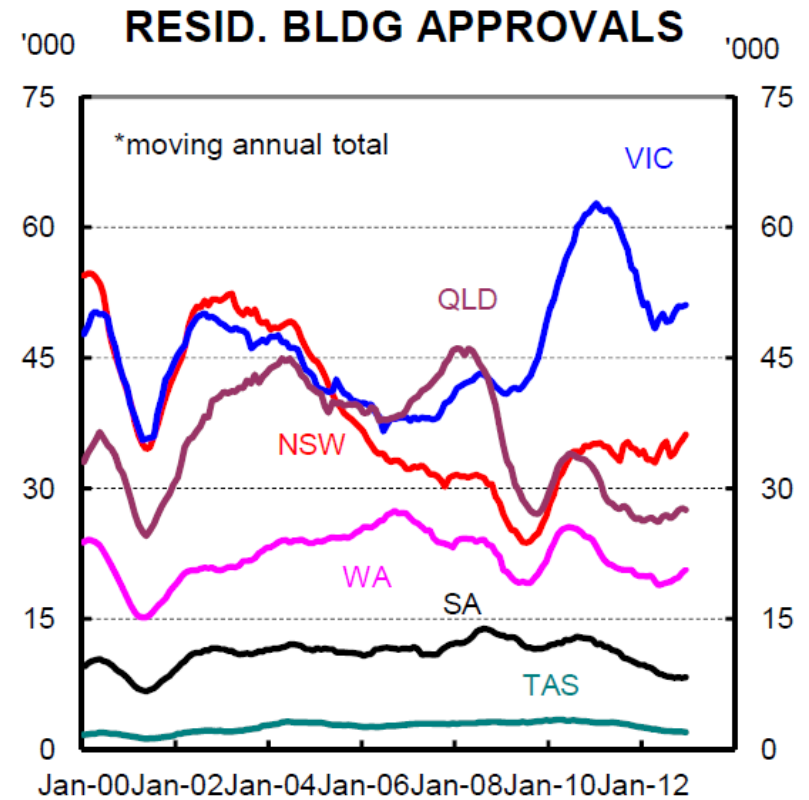
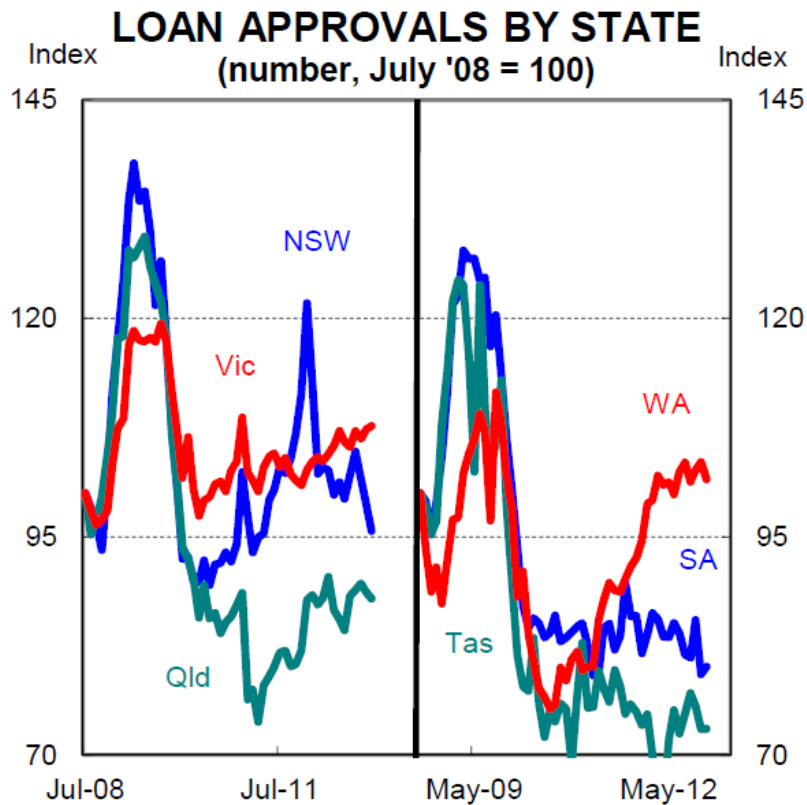
PERTH



MELBOURNE

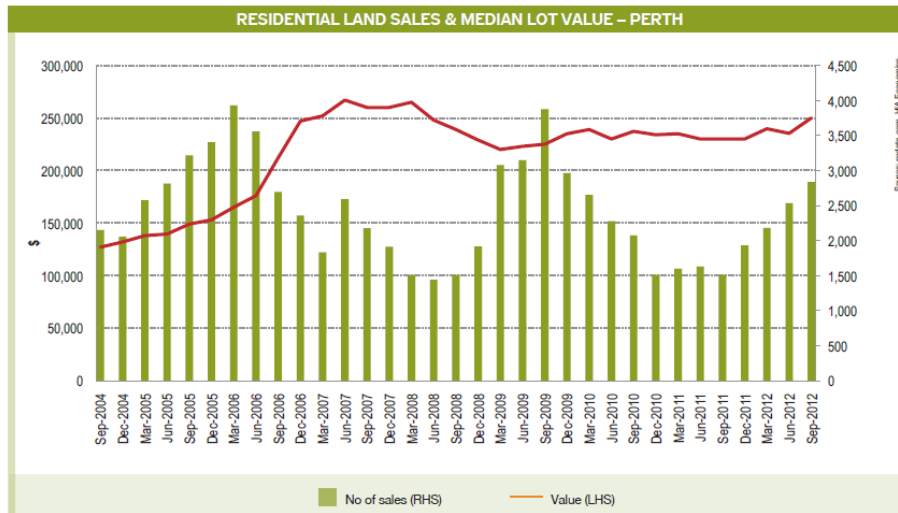


Loan & residential building approvals

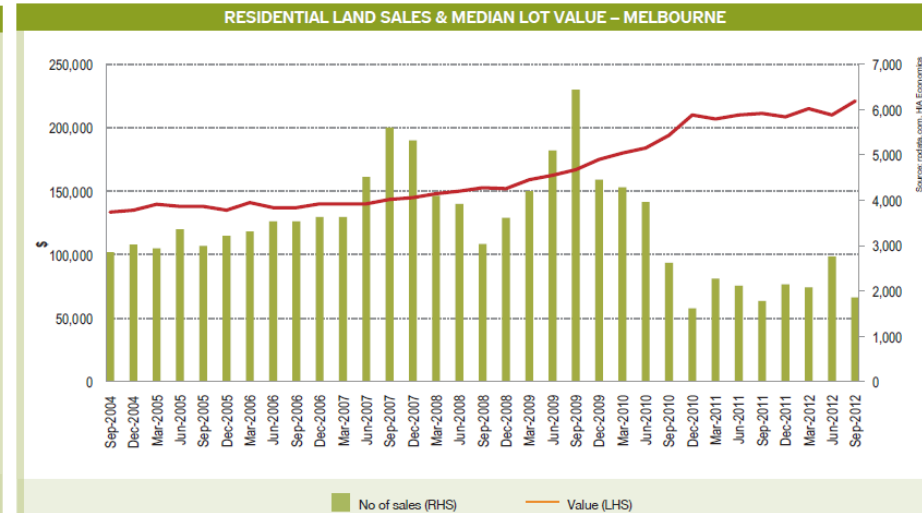


Residential land sales & median lot value

Perth



Melbourne



- ▶ Perth market strengthened during calendar 2012
- ▶ Melbourne market steady after strong conditions in 2009-2011

Company outlook

- ▶ Cedar Woods maintains a positive outlook, bolstered by continued demand for the company's projects strategically located in WA and VIC's growth regions
- ▶ \$150m pre-sales currently in place compared to \$140m last year, with a majority to settle in FY14
- ▶ On current sales levels, net profit guidance for FY13 at \$35m versus FY12 result of \$34.25m

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APPENDIX



Sustainable Earnings from Long Term Projects

Cedar Woods 2013 Project Pipeline	Location	Project Type	Status	Year Acquired	Project Life								Total Lots	Lots Remaining	Pricing Guide (\$)		
					FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19					
WA projects																	
Rivergums Baldivis	Southern corridor	Residential	Mature	2001										1200	600	\$170k-\$240k	
North Baldivis	Southern corridor	Residential	Planning	2011										800	800	Not yet released	
Mariners Cove	Mandurah	Canal	Mature	1993										850	214	\$300k-\$600k	
Port Mandurah (Sutton)	Mandurah	Canal development	Planning	1990										TBA	TBA	Not yet released	
The Kestrels	Tapping, Wanneroo	Residential	Complete	2003										530	8	\$245k	
Piara Central	SE corridor	Residential	Planning	2005										150	150	\$215k-\$270k	
Piara Waters	SE corridor	Residential	Planning	2010/12										135	135	\$215k-\$270k	
Waterline stage 1	Mandurah	Apartments	Complete	2005										19	4	\$1000k	
Waterline stage 2	Mandurah	Apartments	Planning	2005										20	20	Not yet released	
The Jetty, Palm Beach	Rockingham	Apartments	Complete	2005										16	16	\$650k-\$1650k	
Bushmead	Perth foothills	Residential	Planning	2010										600-900	600-900	Not yet released	
Pinjarra	Southern corridor	Residential	Planning	2005										920	920	Not yet released	
South Hedland	Pilbara	Residential	Planning	2011										150	150	\$220k-\$270k	
														13 mixed use	13 mixed use		
WA Joint Venture projects																	
Harrisdale Green	SE Corridor	Mixed Use	Mature	N/A										462 lots / units	404 lots / units	\$200k-\$250k	
Carine	NW Corridor	Mixed Use	Planning	N/A										TBA	TBA	TBA	
Mangles Bay	Rockingham	Mixed use	Planning	N/A										TBA	TBA	TBA	
Batavia Marina Apartments	Geraldton	Apartments	Commenced	N/A										54	54	\$1m	
WA Syndicate project																	
	(CWP 32.5%)																
Cedar Woods Wellard (Emerald Park)	Southern corridor	Residential	Mature	2006										628	478	\$180k-\$230k	
Melbourne projects																	
Williams Landing Residential	Western Suburbs	Residential	Mature	1998										2500	1900	\$190k-\$340k	
Williams Landing Town Centre	Western Suburbs	Retail, Mixed Use	Planning	1998										N/A	N/A	N/A	
Carlingford, Lalor	Northern corridor	Residential	Mature	2006										600	237	\$140k-\$300k	
Banbury Village	Footscray	Apartments & Houses	Mature	2005										437	372	\$320-\$725k, av\$ 520k	
Camberwell	Eastern suburbs	House & land packages	Design/Sales	2009										78	78	\$800k - \$1.4m	
St Albans	Northwest suburbs	House & land packages	Planning	2012										180	180	TBA	

Cedar  Woods

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