

ASX Announcement and Media Release

22 October 2013



Cedar Woods Properties Limited

ASX Code: CWP

- Provides FY2014 NPAT guidance of approximately \$40 million, based on current market conditions continuing
- Settlements to date and presales in excess of 70% of FY2014 budget
- Significant progress at Williams Landing residential and Town Centre components; Masters store set to open next month
- Strong balance sheet to support acquisition opportunities
- New WA projects progressed and providing immediate sales

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First Quarter FY2014 Operational Update

Cedar Woods Properties Limited (ASX: CWP) has experienced strong demand at the company's projects in Victoria and Western Australia during the first quarter of FY2014.

Based on current market conditions continuing, the company provides full year net profit after tax (NPAT) market guidance for FY2014 of approximately \$40 million. This would represent a 10 per cent increase on the \$36.34 million NPAT achieved in FY2013.

Victorian Projects

Cedar Woods has enjoyed good sales momentum in its Victorian portfolio during the first quarter of FY2014. All project stages settling in the current financial year are progressing to budget, presales for FY2014 remain strong and presales for FY2015 are continuing to build.

General market conditions have improved for builders and developers in Victoria, partly driven by increased demand from first home buyers and investors.

At Cedar Woods' Williams Landing project, the impact of the recently-opened train station and freeway interchange has resulted in increased residential sales activity.

Planning is also underway for future residential neighbourhoods, as the company continues to unlock value at the multi-year project.



At Williams Landing Town Centre, the construction of major road infrastructure connecting the estate to the new freeway interchange and train station is now complete. Construction at the Masters Home Improvement store is now largely complete and the store is expected to open next month. Cedar Woods has progressed planning and design work for the Williams Landing shopping centre and the specialty shop leasing program continues, with construction expected to begin early in the New Year.

The company's built-form projects at Footscray (Banbury Village) and Camberwell (Realm) performed well in the first quarter, with strong pre-sales in place and a large number of homes under construction across both projects. The Realm project is taking shape as a stand-out example of an integrated housing development in a middle suburban setting.

Western Australian Projects

In Western Australia, prevailing market conditions have remained positive and Cedar Woods has received strong demand across its current projects. Sales for FY2014 are on budget and pre-sales continue to build for both the current financial year and into FY2015.

Two of the most recent additions to the company's WA portfolio have progressed during the first quarter:

- The \$9.3 million purchase of the Byford on the Scarp project was settled and, as an existing residential project, had an immediate, positive impact on sales; and
- Work to prepare The Brook at Byford project was also completed, with a sales launch imminent.

The sales program at Carine Rise, a co-development between Cedar Woods, the St Ives Group and LandCorp, in Perth's middle-northern suburb of Carine, is set to begin in the near-term, while Cedar Woods continued to advance approvals at the Mangles Bay project in Rockingham, also being undertaken in conjunction with LandCorp.

Construction at the Batavia Marina Apartments in Geraldton was completed during the quarter and settlements are now underway.



Outlook

Cedar Woods has continued to witness strong buyer demand across its portfolio of strategically-located assets in Western Australia and Victoria.

Settlements to date and presales achieved are in excess of 70% of the FY2014 budget. Sales and pre-sales (including lots settled in the first quarter) have increased from \$175 million, as reported at the FY2013 full year financial results, to \$205 million to date, with the majority due to settle in the current financial year.

The second half of FY2014 will see the release of a number of new stages, at various projects, to satisfy ongoing buyer interest.

Based on current market conditions continuing, the company provides full year FY2014 net profit after tax (NPAT) market guidance of approximately \$40 million.

Current positive market conditions are underpinned by population growth, low interest rates and relatively low unemployment. As the company's portfolio has many projects in the country's fastest growing municipalities, Cedar Woods is well placed to benefit from these conditions.

The company has a strong balance sheet with low debt and funding for the further development of its current portfolio. Cedar Woods is also well positioned to pursue further growth options which are currently available and which may arise.

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