

1 November 2013

Australian Securities Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

2013 AGM CHAIRMAN'S ADDRESS AND PRESENTATION SLIDES

Please find attached the Chairman's address and the presentation slides for today's Annual General Meeting.

Yours faithfully



Paul Freedman
COMPANY SECRETARY

**Cedar Woods Properties
2013 Annual General Meeting
Chairman's Address**

William Hames

Good morning and thank you for joining us for the Cedar Woods Properties 2013 Annual General Meeting. My name is William Hames and I am the Chairman of Cedar Woods.

FY2013 Overview

Now I will provide an overview of the company's performance in the 2013 financial year, which was a significant one in the ongoing growth and success of Cedar Woods.

Financial Highlights

Set against a backdrop of mixed economic conditions, but improving sentiment in the residential property sector, Cedar Woods achieved another record profit in 2013, increasing 6 per cent from 2012 to a total of \$36.3 million, our third consecutive record profit

In light of this strong result, and in accordance with the company's policy of paying approximately 50 per cent of the full year profit in dividends to shareholders, the board declared an interim fully franked dividend of 11 cents per share, and a final fully franked dividend of 15 cents per share, bringing the full year payout to 26 cents per share.

The company continued to develop its existing projects and add to its portfolio during the year while maintaining a strong financial position, with net bank debt to equity at 30 June 2013 of 18.2 per cent. Interest cover was a comfortable 12.6 times. As a result, Cedar Woods retains the flexibility to pursue further acquisition opportunities.

Share Price

The company's share price appreciated significantly during 2013, moving from \$3.56 per share at 30 June 2012 to \$5.17 at 30 June 2013. Including fully franked dividends of 26 cents per share, this created a total return to shareholders of 54% for the year, which compared well to our peer group and the equity market generally. Since 30 June, Cedar Woods' share price has continued to perform strongly with recent trading around \$7.

Track Record of Growth

Finally, the company recently announced that, based on its performance in the first quarter of the year and on current market conditions continuing, it expects to achieve net profit after tax of approximately \$40 million for the 2014 financial year, which if delivered, will be our 4th consecutive record profit.

Dividend Policy

Cedar Woods has been consistent in meeting the company's dividend policy over time. Investors and analysts have commented to us that changes that other companies have made in dividend policy, such as cutting the dividend in difficult times, is viewed unfavourably and so we believe our 50% payout ratio, year in year out, provides shareholders with certainty in this regard.

The current dividend policy, of paying 50% of net profit, provides a balance between returning funds to shareholders and retaining funds to grow the business, and has served us well.

In the 2013 financial year we spent \$135m in acquisitions and developing our projects, and in the 2014 financial year we will continue to see substantial investment in the portfolio, and hence the need to retain capital for growth.

Total dividends in the 2013 financial year represented a four per cent increase on 2012, providing an attractive yield for the year.

The interim dividend was paid to shareholders on 30 April 2013, and the final dividend was paid on 30 October 2013.

The Dividend Reinvestment Plan and Bonus Share Plan continue to be available to shareholders and offer a 2.5% discount to the market price for shares issued under the plans.

Outlook

Looking forward, your Board is positive about the outlook for Cedar Woods.

We have recently issued a first quarter update which provided full year financial year 2014 market guidance of approximately \$40 million in net profit after tax, providing current market conditions continue.

Board, Management and Staff, Shareholders

Cedar Woods' successes are based on the hard work and dedication of our management team and staff. I would like to use this opportunity to congratulate them on their achievements in 2013 and sincerely thank them for their efforts in the current financial year.

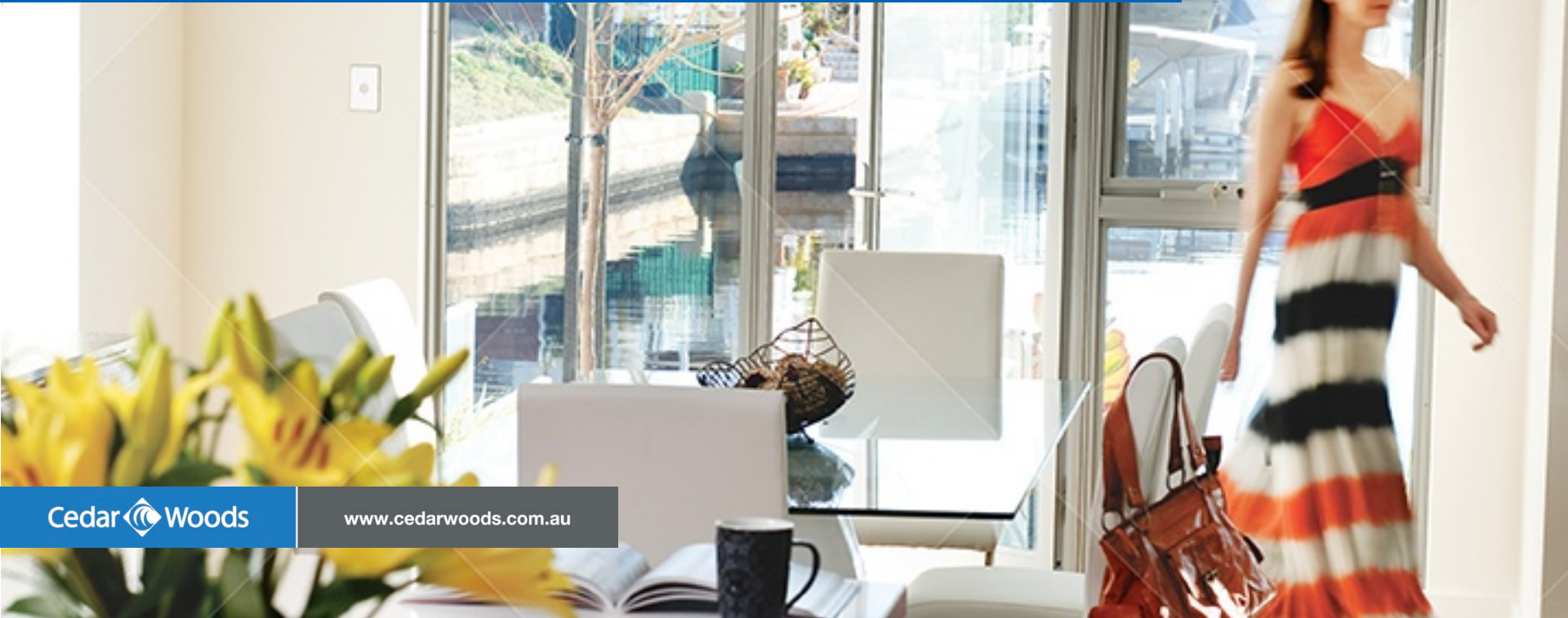
I also wish to thank my Board colleagues for their continued hard work and commitment. This year was a very busy year, in which we had 18 board meetings.

Finally and most importantly, I would like to conclude by thanking our many loyal shareholders for your ongoing support of Cedar Woods.

END

1 November 2013

2013 Annual General Meeting



Agenda

- Chairman's Address, William Hames
- Managing Director's Review, Paul Sadleir
- Formal Business
 - Ordinary Business: Consideration of financial report
 - Ordinary Resolution 1: Re-election of retiring director
 - Ordinary Resolution 2: Remuneration report

Chairman's Address

Chairman

Mr William Hames



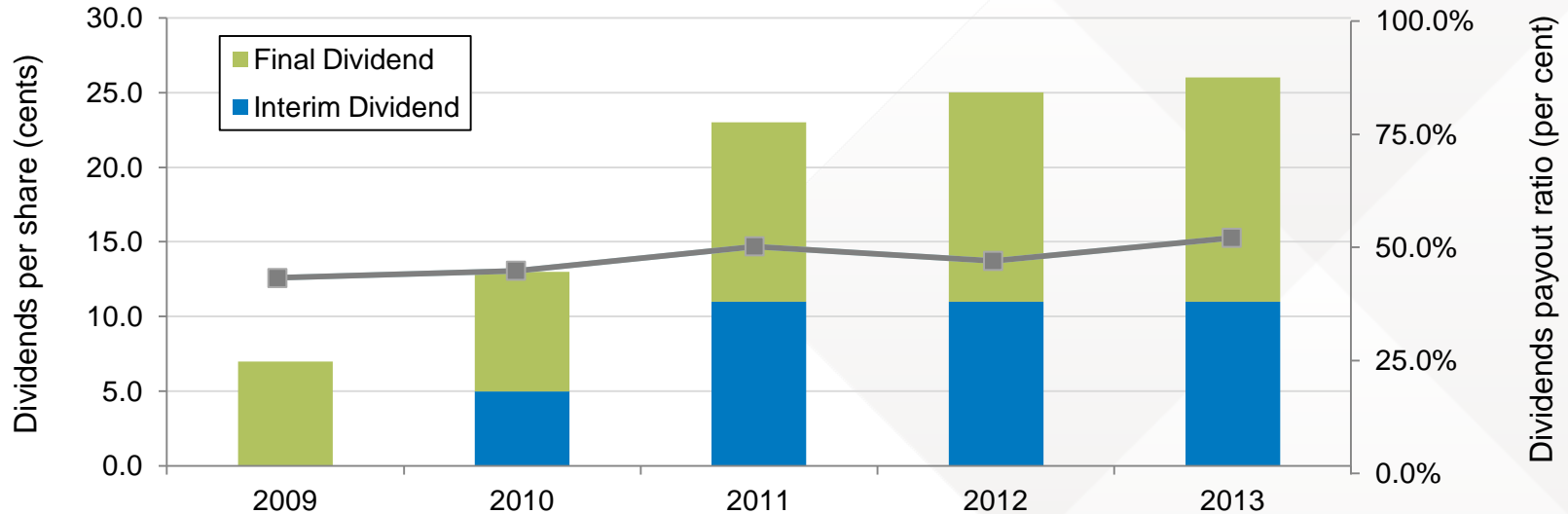
FY2013 Overview



FY2013 Overview

- Record Net Profit After Tax of \$36.3 million (compared to \$34.25 million in FY2012)
- Full year dividend payout ratio maintained at 50% of net profit: fully franked final dividend of 15 cents declared, taking full year payout to 26 cents fully franked
- Low gearing provides flexibility to pursue further acquisitions
- Total shareholder return of 54% in FY2013
- Recently issued FY2014 Net Profit After Tax guidance of approximately \$40 million, based on current market conditions continuing

Dividend Policy



- Fully franked interim dividend of 11 cents per share paid on 30 April 2013
- Fully franked final dividend of 15 cents per share paid on 30 October 2013
- Policy unchanged – approximately 50% of full year net profit
- Dividend Reinvestment Plan (DRP) and Bonus Share Plan are in operation

Chairman's Address

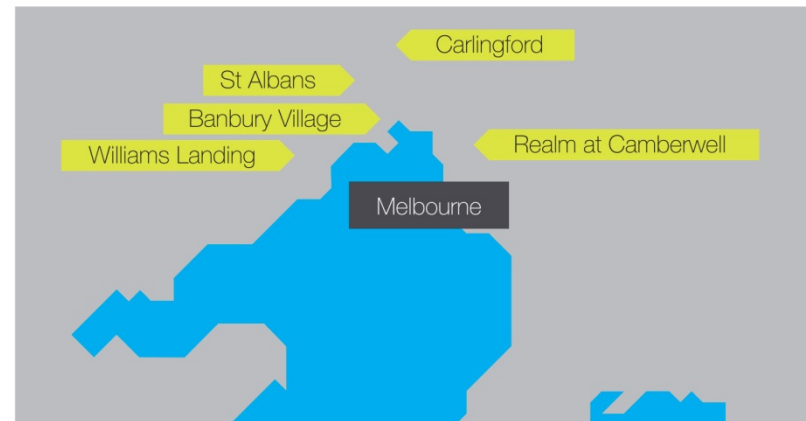


Managing Director's Review

Managing Director
Mr Paul Sadleir



Strong Property Portfolio and Mature Land Bank



FY2013 Summary

- Record profit underpinned by strength and diversity of Cedar Woods' portfolio
- Significant progress at Williams Landing: commenced development of Williams Landing Town Centre; train station and freeway interchanged opened
- Extended WA portfolio with acquisitions at Brabham, Byford on the Scarp and The Brook at Byford, and appointed as developer of Western Edge in South Hedland
- Included in S&P/ASX 300 Index in September 2013 Quarterly Rebalancing

WA Portfolio Highlights

New Projects



- Construction commenced July 2013
- Settlements anticipated in H2 FY2014



- Construction of stages 1 (60 lots) and 2 (62 lots) completed and settling
- Further stage planned

Brabham

- 40 hectare site in NE corridor recently acquired for \$22.35M
- Potential for over 350 lots
- Construction to commence late 2014, settlements in FY2015

The Brook at Byford

- 32.3 hectare site in SE corridor acquired for \$6.5M
- Potential 350 lots
- Subdivision approval received for first 76 lots
- Construction commencing Nov 2013, settlements in H2 FY2014

Byford on the Scarp

- 35.3 hectare site acquired for \$9.3M
- Potential 320 lot
- Subdivision approval received for 149 lots
- Construction currently underway, settlements commencing H2 FY2014

Acquisitions

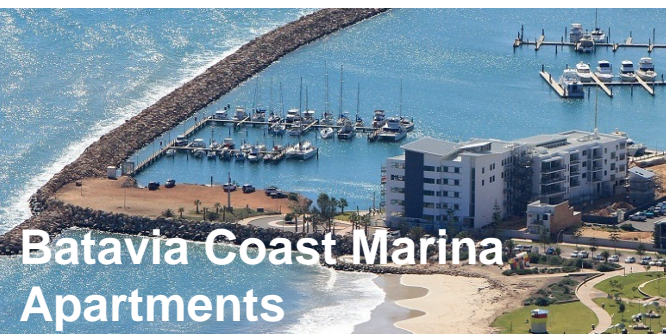
Regional projects



- ▶ Construction commenced at Elements in Feb 2013 and is progressing well
- ▶ Strong demand resulting in the majority of available lots taken up
- ▶ Cedar Woods continues to see solid demand for lots at Elements and first settlements are due late this calendar year



- ▶ Flexible 'fee for service' agreement with LandCorp to secure planning approvals for up to 600 lots
- ▶ Efficient capital investment through staged development, subject to market demand at any given point in time
- ▶ Long-term, sustained demand for housing in South Hedland driven by Pilbara Cities and the Royalties for Regions initiatives



- ▶ Joint venture with local investors
- ▶ 50 luxury apartments and 4 retail / commercial tenancies
- ▶ Construction completed in 1Q FY2014
- ▶ Settlements are now underway

Victorian portfolio highlights

Active Projects

New Project



All 78 properties sold in this estate. Homes now progressively being built and settled.



Construction of final Heritage Apartment building and Stages 12,13 and 15 completed; enquiry and sales remain strong, new apartment product to be released offering a compelling value proposition



Carlingford

Final stages of re-zoned portion to be built and settled in FY2014; balance of land subject to re-zoning which is being pursued



New train station and freeway interchange open, key internal roads complete; demand for residential lots has increased since completion of train station

Masters Home Improvement store progressing well; due to open later in November. Plans being progressed to release further sites in town centre.

St. Albans

Rezoning progressing well, approval anticipated in H1 FY2014

Williams Landing



Williams Landing Train Station



Masters Store

- New train station and freeway interchange now open; more than 1,000 residential lots have sold at Williams Landing to date
- Construction of the Masters Home Improvement store under way, scheduled to open in November 2013
- Construction to commence on Williams Landing shopping centre in mid-2014
- Developments may be sold once they have achieved their amenity objectives and their valuations have matured
- Disposals likely to become a regular component of the company's revenue stream

Community Programs and Sponsorships

- Since 2009, Cedar Woods' Neighborhood Grants Program has awarded more than \$100,000 to community groups
- Currently active in Harrisdale Green, Emerald Park and The Rivergums (WA) and Williams Landing (VIC)
- Program to be introduced at Piara Central (WA) in FY2014 as residents move in
- Cedar Woods sponsored a number of community, industry and corporate initiatives in FY2013:
 - Murdoch University 'Discover Your Potential' scholarship
 - Perth International Arts Festival
 - Warren Jones Youth Regatta
 - Cockburn Sound Regatta

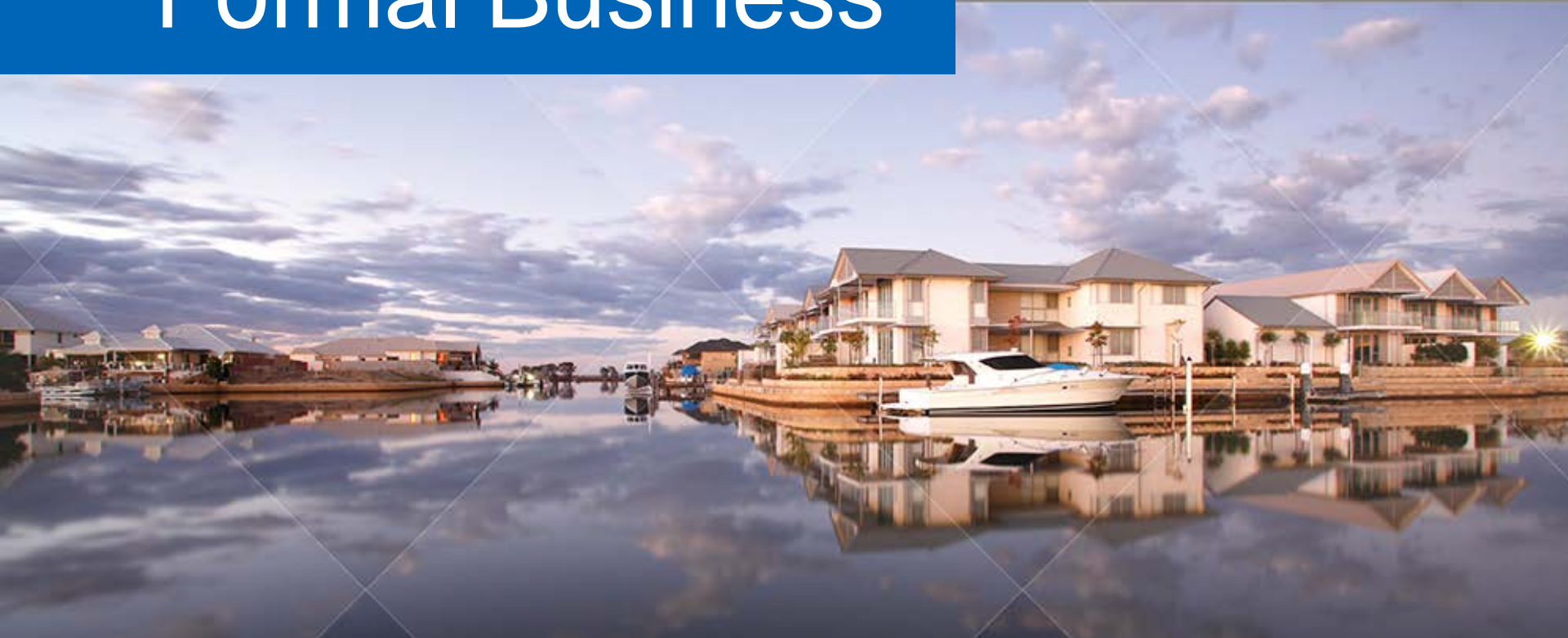
The Year Ahead

- Perth market is strong, Melbourne market is improving
- Ongoing progress at Williams Landing
 - Completion of Masters Home Improvement store and commencement of rental income during FY2014
 - Potential for developments to commence on other commercial and retail sites in Town Centre
- New projects contributing to FY2014 earnings – Elements, Carine and Byford on the Scarp in WA; Realm in Camberwell in VIC
- Progressing planning on recent acquisitions at Byford and Brabham to generate earnings for future years
- New project acquisitions likely to bolster portfolio

Company Outlook

- Strong momentum in current portfolio and numerous acquisition opportunities available
- Poised to unlock further value at Williams Landing Town Centre
- Settlements to date and presales achieved are in excess of 70% of the FY2014 budget
- FY2014 Net Profit After Tax guidance of approximately \$40 million, based on current market conditions continuing

Formal Business



Ordinary Business

To receive and consider the financial report for the year ended 30 June 2013 and the accompanying directors' report, directors' declaration and auditor's report.

Ordinary Resolution 1



Re-election of retiring director

That Robert Stanley Brown, MAICD, AIFS, having retired in accordance with the company's constitution and, being eligible, offers himself for re-election, be re-elected as a director of the company.

Summary of 233 proxy votes received totalling 35,830,934 shares

	#	%
For	32,443,619	90.56
Against	2,948,758	8.23
Open	433,213	1.21
Abstain	5,344	-

Ordinary Resolution 2

Remuneration report

That the remuneration report that forms part of the directors' report for the financial year ended 30 June 2013, be adopted.

The remuneration report is set out in the directors' report on pages 8 – 13 of the 2013 financial report. Please note that the vote on this resolution is advisory only and does not bind the directors or the company.

Summary of 214 proxy votes received totalling 27,740,348 shares

	#	%
For	24,380,008	88.09
Against	2,870,680	10.37
Open	425,245	1.54
Abstain	64,415	-

Questions



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