



**Annual General Meeting
20 November 2013**



- 1. Introduction from Chairman**
- 2. Presentation from Managing Director**
- 3. Formal business**



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1. Introduction from Chairman - Tim Poole





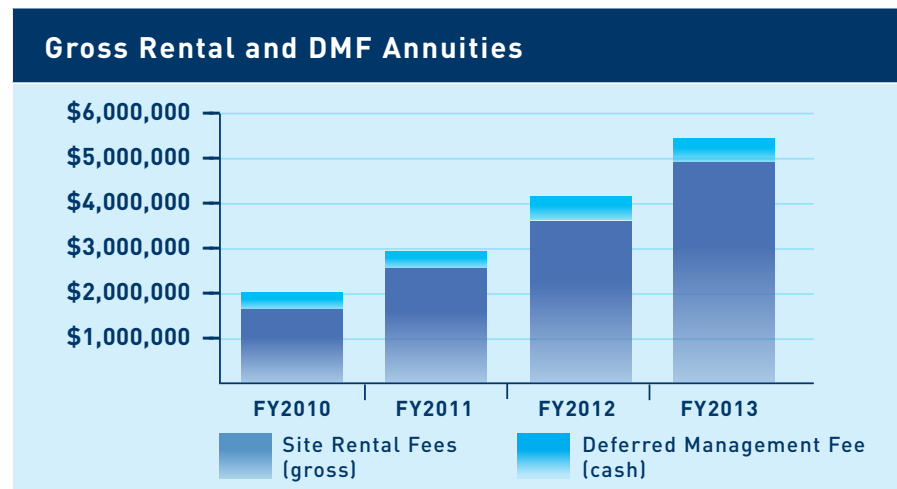
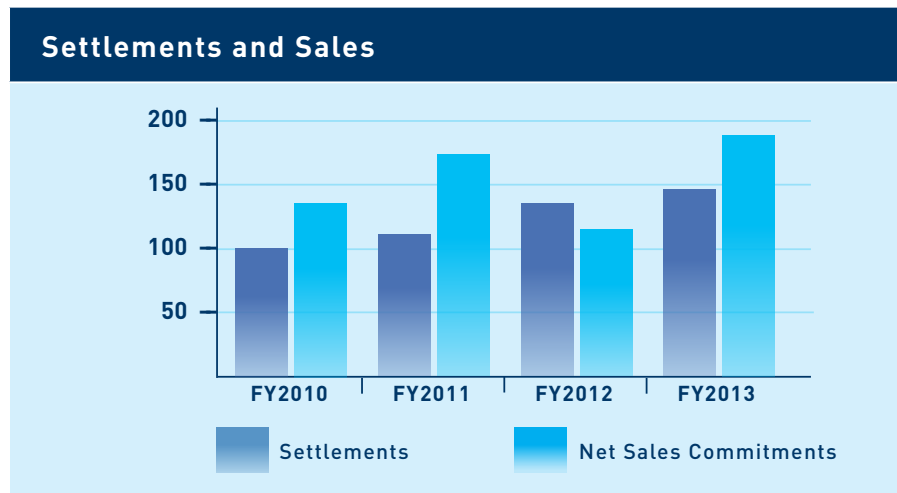
Lifestyle Communities made very good progress during FY2013

- Another strong year of settlements (149) and sales (190)⁽¹⁾
- 695 occupied home sites⁽¹⁾
- Entered into an agreement to expand Lifestyle Chelsea Heights and subsequent to year end purchased land at Wollert in Melbourne's north.⁽²⁾
- Over 1,000 homeowners⁽¹⁾
- Portfolio of 1,465 home sites^{(1) (3)}
- Completed \$35.3 million (net of costs) equity raising
- Reduced gearing to below 20%⁽⁴⁾



A proven business model that is structured for sustainable growth

- Notes:
- (1) Represents gross numbers not adjusted for joint venture interests
 - (2) Commencement of construction subject to planning approval
 - (3) Settled, under development or subject to planning
 - (4) Calculated as a ratio of net debt to net debt plus equity



- Another strong year of settlements and sales
 - 149 home settlements in FY2013 compared to 134 in FY2012⁽¹⁾
 - 190 net sales commitments in FY2013 compared to 115 in FY2012⁽¹⁾
- Sales results across all communities met or exceeded expectations
- 695 homes (annuities) now completed and under management⁽¹⁾
- 1,465 total homes in the portfolio⁽²⁾
- Achieved 10 resale settlements in FY2013 compared to 11 in FY2012

Continued growth in rental income as portfolio builds

Notes: (1) Represents gross numbers not adjusted for joint venture interests

(2) Settled, under development or subject to planning



Profit & Loss highlights	FY2012 (\$'000)	FY2013 (\$'000)	% Movement
Home settlement revenue	31,660	36,552	↑ 15%
Rental and utilities revenue	4,222	5,574	↑ 32%
Deferred management fee	1,805	2,826	↑ 57%
Total revenue	38,822	45,904	↑ 18%
Cost of sales	(24,623)	(28,298)	
Home settlement margin	22%	23%	↑ 1%
Gross profit	14,198	17,606	↑ 24%
Fair value adjustment	7,623	6,780	↓ 11%
Development expenses	(2,351)	(3,450)	↑ 47%
Community management expenses	(2,288)	(3,529)	↑ 54%
Corporate overheads	(3,273)	(3,500)	↑ 7%
Finance costs	(2,921)	(2,077)	↓ 29%
Net profit before tax	10,171	11,829	↑ 16%
Net profit after tax			
Members of the parent	6,048	6,240	↑ 3%
Non-controlling interests	1,294	2,471	↑ 91%
Total net profit after tax	7,342	8,711	↑ 19%

- Net profit attributable to shareholders up 3% to \$6.2 million
- Home settlement revenue up \$4.9 million; average realisation uplift of 4% to \$270k
- Cash deferred management fees were flat with the 57% increase attributable to the movement in the deferred management fee asset
- Development expenses included \$0.65 million investment in marketing to better position the Lifestyle Communities brand
- Community management expenses increased due to homeowners now residing at Lifestyle Shepparton and Lifestyle Chelsea Heights
- Finance costs were down 29% due to a \$16.8 million reduction in the loan note facility
- Note: due to a change in accounting policies the figures now represent a full consolidation of joint venture interests and hence the increase in net profit attributable to non-controlling interests



- Continue to dominate our niche of affordable housing to the over 55s market
- Roll-out a new community every 12-18 months
- Maintain a strong balance sheet and liquidity buffer without requiring further equity
- Pay dividends from after tax operating cash flow generated from community management





Board

- Jim Craig and Philippa Kelly appointed
- David Paranthoienne and Dael Perlov resigned - enormous contribution and great service from both
- Majority of independent non-executive directors

Executive team

- Transition from a 'partnership' model to a more traditional corporate structure





2. Presentation from Managing Director - James Kelly





Housing Market	Strengthening Melbourne housing market has improved consumer confidence and their ability to sell existing homes.
Land Access	Focused on acquiring land in the key growth corridors in Melbourne.
Demand	Sales for 2013 were 190⁽¹⁾ home sales which was up 65% on FY2012. Sales from July 2013 through to October 2013 remain strong with communities mostly meeting or exceeding expectations.
Tax	- The ATO has released for commentary a GST draft ruling. The draft ruling is seeking to change the classification of manufactured home estates and could impact Lifestyle Communities. - Lifestyle Communities, in conjunction with other industry stakeholders, are in the process of preparing submissions to the ATO. Based on initial advice Lifestyle Communities believes this ruling is unlikely to apply.
Settlements	Settlements for FY2013 were 149⁽¹⁾. We are seeing the time taken to settle a home decrease with the improved property market.

Note: (1) Represents gross numbers not adjusted for joint venture interests



Since the AGM last year we have secured:

1. Additional land adjoining the Chelsea Heights development which will add 80⁽¹⁾ homes to the pipeline.
2. A new site acquired from AV Jennings in Wollert in the north of Melbourne. This will add an additional 155 homes to the pipeline.

We are continuing to assess a number of new sites.



Note: (1) Represents gross numbers not adjusted for joint venture interests



Lifestyle Communities' portfolio of communities continues to grow

Communities	Total home sites in communities	Home sites sold & occupied	Home sites sold & awaiting settlement	Home sites occupied and awaiting settlement			
				#	%		
Existing Communities – Developed							
Melton	228		228	-		228	100%
Tarneit	136		134	1		135	99%
Existing Communities – Selling and Settling							
Warragul	182		144	23		167	92%
Cranbourne ⁽¹⁾	217		143	38		181	83%
Shepparton	221		44	26		70	32%
Chelsea Heights ⁽¹⁾	105		56	43		99	94%
Hastings	141		6	48		54	38%
New Communities - Awaiting Commencement							
Chelsea Heights Expansion ⁽²⁾	80		-	37		37	46%
Wollert ⁽²⁾	155		-	-		-	-
Total Home Sites ⁽³⁾	1,465		755 ⁽⁴⁾	216 ⁽⁵⁾		971	66%

Maintaining focus on Victoria's key corridors and regions

Notes: (1) Represents 100% of the development of which Lifestyle Communities will share 50%

(2) Commencement of construction subject to planning approval

(3) Lifestyle Communities will have an economic interest in 1,264 home sites

(4) Currently collecting annuity income (rent and DMF income) on these sites

(5) Represents sites in the sales bank awaiting settlement as at 31 October 2013



Lifestyle
BROOKFIELD
DOWNSIZE TO A BIGGER LIFE 9747 6909
111-139 Coburns Rd, Brookfield

\$185,000 114 Barton Street One bedroom with study, finished and furnished, close to shopping, schools and public transport.	\$199,000 118 Barton Street New perfect opportunity for live experience living in a modern, finished, fully furnished and well equipped home.	\$205,000 142 Whitlam Court Stunningly beautiful garden, liveable, spacious, modern, fully furnished, close to shopping, schools and public transport.	\$225,000 77 Chiffley Court Refurbished and painted throughout, brand new kitchen, carpet, granite and glass benchtop, dining, two bedrooms and two bathrooms.
\$229,500 51 Kennett Court 100% finished, modern, fully furnished and equipped, close to shopping, schools and public transport.	Does your home come with a pool, gym and cinema? These do.		\$240,000 217 Lyons Street Located in a quiet area, this modern home has a pool, gym, cinema, and is close to shopping, schools and public transport.
\$240,000 108 Whitlam Court This is a real gem, a well located, additional parking, close to shopping, schools and public transport.	✓ FREE use of pool, gym and spa ✓ FREE use of clubhouse with cinema and free Wi-Fi ✓ Safe and secure walking paths and bike trails ✓ No stamp duty ✓ No rates ✓ FREE on-site gardening and maintenance		\$249,000 32 Fiddon Court Stunningly presented home, close to shopping, schools and public transport.
\$260,000 60 Gorton Street Ideal for those wanting to live in a modern, fully furnished, close to shopping, schools and public transport.	\$270,000 71 Gorton Street This is a real gem, a well located, additional parking, close to shopping, schools and public transport.	\$298,900 222 Reid Street Stunningly presented home, close to shopping, schools and public transport.	\$320,000 84 Gorton Street This is a real gem, a well located, additional parking, close to shopping, schools and public transport.

Visit lifestylecommunities.com.au

Resale local press

A BIGGER life
Lifestyle COMMUNITIES
DOWNSIZE TO A BIGGER LIFE
SPRING 2013

MOVE IN FROM \$176,870 TO \$370,950

Enjoy spectacular 5-star facilities every day

www.lifestylecommunities.com.au

Targeted Catalogues

The benefits of moving to a Lifestyle Community

- ✓ **Free up cash**
Free up the money tied up in your old house and do all the things you've wanted to do for years!
- ✓ **You own your home**
Unlike other places you could move to, at Lifestyle Communities you own your home. You can make any interior changes you like and sell it whenever you want to.
- ✓ **Pets are welcome**
Pets are part of the family and we welcome them into the community.
- ✓ **Free and unlimited access to 5-star facilities**
You'll have outstanding sports and entertainment facilities at your disposal, like an indoor heated pool, bowling green, fully equipped gym, private clubhouse and much more.
- ✓ **Secure caravan and boat parking**
Love caravanning, boating or both? Then you'll love the fact that parking spaces are available for your trailers, boats and caravans.
- ✓ **On-site Community Managers to take care of things**
On-site Community Managers take care of all the operational and maintenance needs of the community leaving you free to live it up.
- ✓ **Have family and friends stay**
It's your home, so your friends and family are always welcome.
- ✓ **Lock up and leave**
Whenever you go travelling you'll have peace of mind knowing your mail is being collected, your garden is being watered and your Community Managers are keeping an eye on things.
- ✓ **On-site gardening**
At Lifestyle Communities a full-time gardening and maintenance team means you can get on with more important things, like living a bigger life!

Sales Collateral

Ho Ho Ho into all the fun at our Xmas market!
Saturday October 26th from 9am-3pm. Entry is FREE!

- Christmas goodies, cards and crafts, homewares, jewellery, handcrafted furniture and ornaments plus lots more!
- Santa will be calling in from 1pm-3pm with a sack full of goodies for the kids
- FREE Barista coffee
- FREE BBQ lunch
- FREE wine and cheese tasting
- Enter the raffle to win one of four \$500 Colours/Mixer gift cards

Lifestyle WARRAGUL
DOWNSIZE TO A BIGGER LIFE

For more information call 1300 50 55 60 or visit lifestylecommunities.com.au
134 Warragul-Lardner Road, Warragul VIC 3820

Event-based promotions

YOU DON'T HAVE TO BE RICH TO ENRICH your life
Homes from \$175,120 to \$370,950

Lifestyle COMMUNITIES
DOWNSIZE TO A BIGGER LIFE
Call 1300 50 55 60 or visit lifestylecommunities.com.au

Chelsea Heights - Cranbourne - Hastings - Warragul - Tarneit - Brookfield - Shepparton - Wollert

Local press

NEW YEAR resolutions

New Year themed TVC

Targeted marketing that resonates with our customer



- Market sentiment continues to improve with the uplift in the residential property market.
- Communities are mostly meeting or exceeding sales expectations.
- We expect new home settlements for the first half to exceed 100⁽¹⁾ homes.
- Assuming market conditions do not change materially we expect new home settlements for FY2014 to exceed 200⁽¹⁾ (compared with 149⁽¹⁾ for FY2013).
- The good settlement performance during the first half of FY2014 is due to the commencement of settlements at Lifestyle Hastings and a solid performance across all communities particularly Lifestyle Chelsea Heights.



Note: (1) Represents gross numbers not adjusted for joint venture interests



3. Formal Business





Resolution 1: Approval of the Lifestyle Communities Limited Remuneration Report

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstention	Proxy's Discretion
39,966,034	67,363	738,608	1,665,634



Resolution 2: Re-election of Mr Bruce Carter, retiring by rotation

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstention	Proxy's Discretion
56,787,999	2,750	1,018	1,664,981



Resolution 3: Election of Mr Jim Craig

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstention	Proxy's Discretion
56,786,891	4,223	-	1,665,634



Resolution 4: Election of Ms Philippa Kelly

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstention	Proxy's Discretion
56,786,891	4,223	-	1,665,634



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Lifestyle Communities Limited
Level 2, 35 Market Street
South Melbourne VIC 3205
Ph: (03) 9682 2249

www.lifestylecommunities.com.au