

Cedar Woods Properties Limited

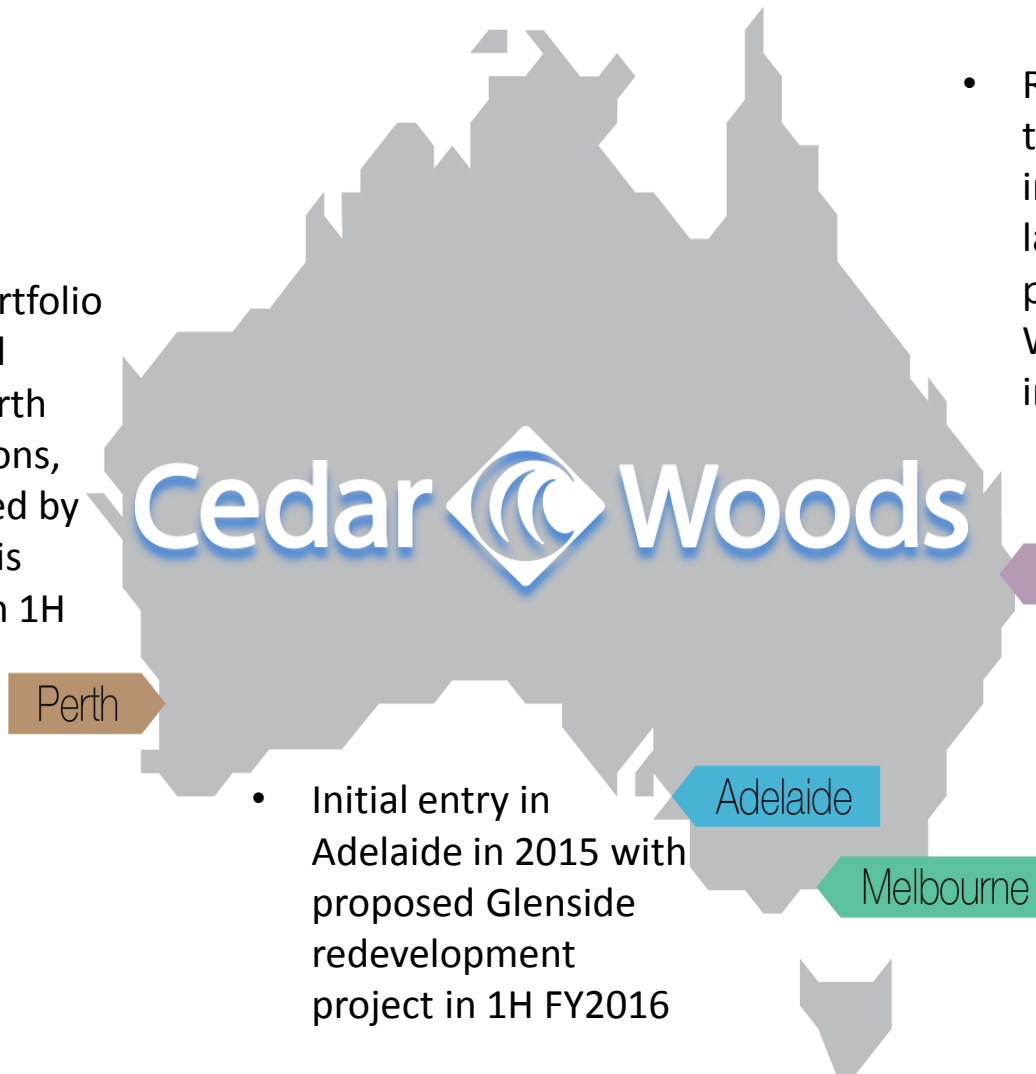
Investor Briefings First-Half FY2016 Financial Results

26 February 2016



Snapshot of Achievements in FY2016

- Extensive portfolio of residential estates in Perth and WA regions, supplemented by North Baldivis acquisition in 1H FY2016



- Recent acquisition of two exciting projects in Brisbane including landmark Ellendale project in 2014 and Woollowin project in 1H FY2016

Brisbane

- Initial entry in Adelaide in 2015 with proposed Glenside redevelopment project in 1H FY2016

Adelaide

Melbourne

- Significant portfolio in Melbourne including flagship Williams Landing project with 50ha town centre and other key medium density projects

Agenda

1	1H FY2016 Financial Highlights
2	Operational Overview
3	Market Conditions
4	Company Outlook

1H FY2016 Financial Highlights

- 1H FY2016 Net Profit After Tax (NPAT) of \$18.1million
- Fully franked dividend of 12.0 cents declared, to be paid 29 April 2016.
- Dividend Yield of approximately 7%⁽¹⁾
- Net debt of \$75.3 million and net debt/equity at 25.9%
- Presales of \$176 million with majority anticipated to settle in 2H FY2016
- The company anticipates delivering a record FY2016 NPAT of approximately \$43m

1H FY2016 Financial Performance Summary

	1H16 (\$m)	1H15(\$m)	Change (%)
Revenue	77.0	77.9	-1%
Net profit after tax	18.1	9.1	100%
Dividends per share	12.0 cents	12.0 cents	-

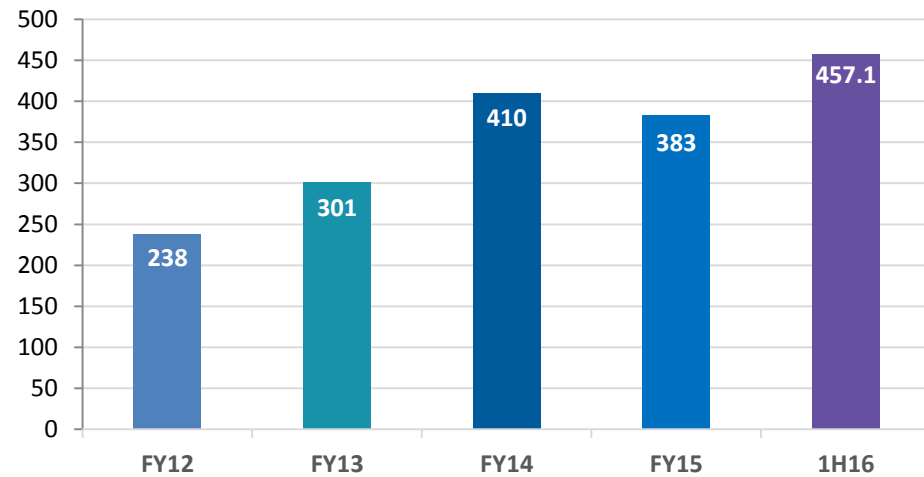
- Revenue in line with 1H FY2015, with greater contributions from higher margin projects resulting in increased NPAT
- Interim dividend of 12.0 cents declared, fully franked
- Dividend policy unchanged – pay approximately 50% of annual NPAT
- Dividend Reinvestment Plan and Bonus Share Plan remain suspended

Balance Sheet Strength

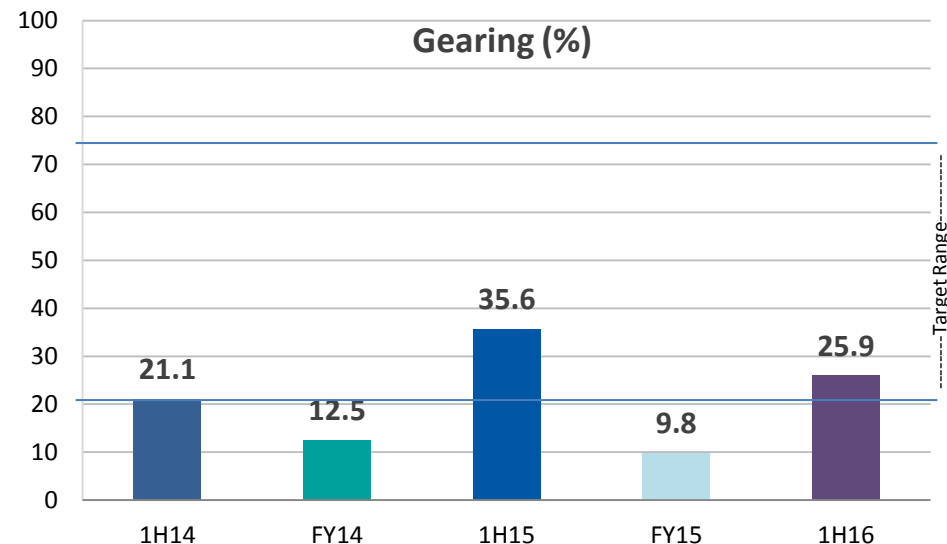
	31 Dec 2015 \$m	30 June 2015 \$m
Total assets (book value)	457.1	383.3
Net bank debt	75.3	27.9
Net assets (equity)	291.1	285.6
Net bank debt to equity	25.9%	9.8%
Finance facilities	158.0	158.0
Finance facility headroom	66.4	114.2
Interest cover	14.6 x	9.9x

- Total assets increase to \$457.1m due to new acquisitions
- Net bank debt to equity at 25.9% to continue well within target range for 2H
- Strong interest cover

Asset at book value (cost) (\$)



Gearing (%)



Cash Flow Summary

	1H16(\$m)	1H15(\$m)
Receipts from customers	84.2	84.5
Interest Received	0.3	0.2
Payments to suppliers and employees	(26.9)	(23.7)
Borrowing costs	(1.9)	(3.0)
Income taxes paid	(12.9)	(11.9)
Payments for development	(48.1)	(53.9)
Operating cash flow before acquisitions	(5.3)	(7.8)
Payments for new land acquisitions	(28.8)	(25.5)
Net operating cash flow	(34.1)	(33.3)

- Operating cash flows are broadly similar to first half of FY2015
- Payment for new land acquisition at North Baldivis settled in August 2015
- Operating cash flow before acquisitions expected to be strong in 2H FY2016

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National Portfolio and Land Bank



Project Life

PROJECT NAME	CORRIDOR / LOCATION	PROJECT TYPE	LOT/UNITS	LOTS/UNITS						
			PROJECT	REMAIN	FY16	FY17	FY18	FY19	FY20	
WESTERN AUSTRALIA			(at 1/7/15)							
Perth										
Waterline - Halls Head	South	Lots	9	9						
Mariners Cove - Mandurah	South	Canal	970	62						
Emerald Park - Wellard	South West	Residential Land	665	148						
Harrisdale Green - Harrisdale	South East	Residential / Mixed Use	427	262						
The Brook at Byford	South East	Residential Land	405	293						
Piara Central - Piara Waters	South East	Residential Land	540	389						
Byford on the Scap	South East	Residential Land	324	308						
The Rivergums - Baldivis	South West	Residential Land	1416	493						
Ariella - Brabham	North East	Residential Land	480	480						
North Baldivis	South West	Residential Land	1580	1580						
Bushmead - Hazelmere	East	Residential Land	868	868						
Mangles Bay Marina - Rockingham	South	Marina / Tourist	TBC	TBC						
Pinjarra	South	Residential Land	920	920						
Regional										
Batavia Coast - Geraldton	Mid-West	Apartments	54	29						
Elements - South Hedland	Pilbara	Residential Land	136	16						
Western Edge - South Hedland	Pilbara	Residential Land	600	600						
VICTORIA										
Melbourne										
Clara - Williams Landing	West	Residential Land	40	40						
Banbury Village - Footscray	West	Apartments & Housing	430	122						
Carlingford - Lalor	North	Residential Land	649	162						
Williams Landing	West	Residential Land & Housing	2385	972						
Williams Landing Town Centre	West	Retail / Mixed Use / Residential	600	600						
Jackson Green - Clayton South	South East	Apartments & Houses	300	300						
St A - St Albans	North West	Housing	250	250						
QUEENSLAND										
Brisbane										
Ellendale - Upper Kedron	North West	Residential	480+	480+						
Woolloowin	Inner North	Apartments & Housing	279	279						
SOUTH AUSTRALIA										
Adelaide										
Glenside	Inner S.E.	Apartments & Housing	approx 1000	approx 1000						
DEVELOPMENT & SALES										
PLANNING / DESIGN / REZONING										
LEASING, DEVELOPMENT, SALES										

Project yields are indicative and subject to change

VIC Portfolio Overview

- Strong contribution to 1H FY2016 NPAT
- Positive conditions across land and housing with high level of sales
- Apartment market firm in those areas where there is little competition
- Anticipate steady growth in sales and prices into FY2017
- Pleasing progress at St. A, Jackson Green and Newton Apartments project gives confidence for FY2017

VIC Projects Highlights

WILLIAMS LANDING



- Strong price growth on residential lots achieved resulting in higher margin
- First stage of new neighbourhood Addison released in January with strong price points achieved

WILLIAMS LANDING SHOPPING CENTRE



- Shopping Centre has approximately 6800sqm retail, 1800sqm office and 440 car bays
- Construction of a further 1200sqm of floor space to commence shortly
- Expansion to include childcare centre, restaurant and retail tenancies

WILLIAMS LANDING TOWN CENTRE



- Newton apartments in Town Centre, comprising 57 apartments, with a mix of 1 and 2 bedrooms
- Successful project launch with strong pre-sales of 80%

VIC Projects Highlights

JACKSON GREEN



- 350 dwellings planned on 6.5ha site in Melbourne's south-east
- Strong sales in 1H FY2016
- Established new price points well above suburb's median house price
- 5-year staged project

ST. A


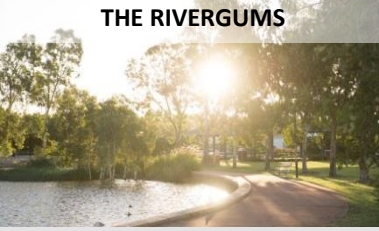
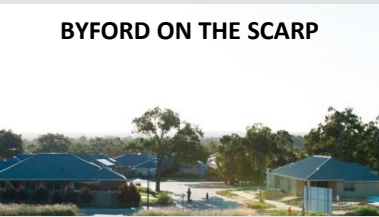
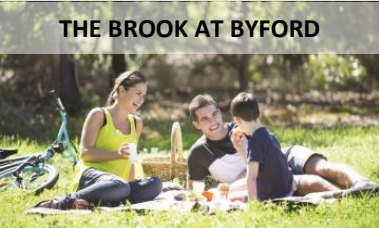


- Around 250 dwellings on a 6.8ha site in Melbourne's north-west
- Successful sales release with 12 townhouses sold in Q2 FY2016
- Average price achieved 20% higher than suburb's median house price
- 5-year staged project

WA Portfolio Overview

- Market continues to ease off cyclical highs
- Sales supported by selective incentives and price discounting in areas of increased competition
- Acquisition of North Baldivis land in August 2015 adding to strong pipeline of future projects
- First stages of North Baldivis and Bushmead projects scheduled for completion in late FY2017

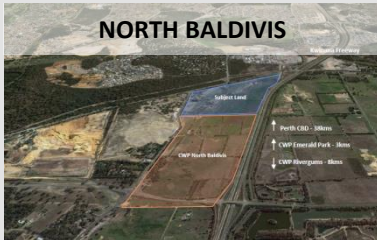
WA Projects Highlights

 <p>ARIELLA</p>	<ul style="list-style-type: none"> • Master-planned community of 480 lots 22km from Perth CBD • New sales centre recently opened and good demand for first stage • Construction of 94-lot second stage underway
 <p>THE RIVERGUMS</p>	<ul style="list-style-type: none"> • Master-planned community of over 1,400 lots, 46km from Perth CBD • New primary school opened within the estate adjoining existing high school • Competitive market conditions
 <p>BYFORD ON THE SCARP</p>	<ul style="list-style-type: none"> • Premium estate in the area with no comparable product available • Demand consistent during first half
 <p>THE BROOK AT BYFORD</p>	<ul style="list-style-type: none"> • Sales activity slowed during 1H FY2016 • Established community within the project as construction continues • Stage two construction scheduled for completion in FY2016

WA Projects Highlights



- Sales and settlements of last remaining stage of 40 lots commenced
- Strong sales and buyer interest for remaining canal lots
- Landmark project nearing completion



- Purchase of 50.74 hectares at North Baldivis in early August 2015
- Site adjoins company's existing 68 hectare holding
- Combined property will allow master-planned development of approximately 1,500 lots



- 273ha site, 16km from Perth CBD, expected to yield approx 860 lots
- Local Structure Plan approved by City of Swan
- Federal environmental assessment complete
- Detailed planning underway



- 80ha Marina-Based tourist precinct 50km from Perth CBD
- Federal Department of Environment approval achieved
- Completion of Statutory Planning due in November 2016
- Construction anticipated to commence in FY2017

QLD Portfolio Overview

- QLD market is coming off period of relatively slow growth and should benefit from improving conditions
- Particular signs of strength in the established housing sector and inner-city urban developments
- CWP has two well-located projects offering mix of land and built form product
- Very high level of registrations of interest for Ellendale – first settlements anticipated in FY2017

QLD Projects Highlights

ELLEDALE

- 227 hectare master-planned community just 12km from Brisbane CBD
- Queensland Government has approved first 480 lots on 67ha of site
- First stage of 143 lots
- Marketing centre on site
- Ten year staged project

WOOLOOWIN

- Acquired December 2015 for \$24.6 million
- 3.81 hectare infill site in Brisbane's inner north, 5km from CBD
- Approval for 279 residential dwellings
- Approval for building height of up to 8 levels
- Development to include a mix of townhouses, apartments and a small office and retail component

SA Project - Glenside



- 16.5 hectare site just 2km south-east of Adelaide CBD
- Masterplan prepared in cooperation with Renewal SA and presented to community
- First stage of community consultation completed
- Preferred proponent to negotiate the acquisition of the site
- Full due diligence investigations underway

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Market Conditions

Victoria

Solid price increases and clearance rates continue. Market conditions expected to remain stable going into FY2017. Good buyer interest across all sectors of residential

Western Australia

Market continues to ease off its cyclical highs. Employment remains steady as economy transitions away from resource sector. Unemployment rate fallen to 5.9%, below the national average.

Queensland

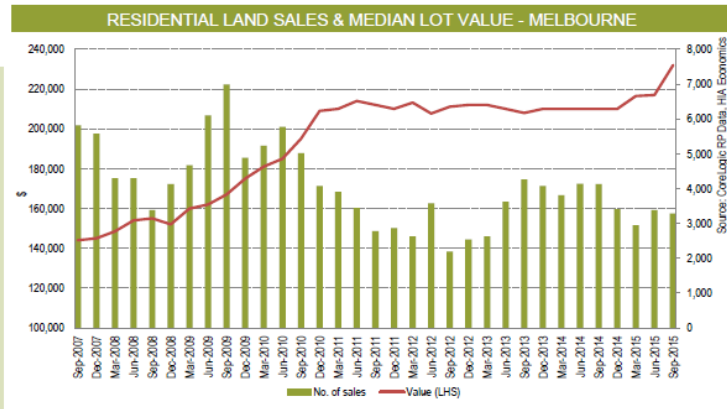
Coming off period of relatively slow growth and should benefit from improving conditions

South Australia

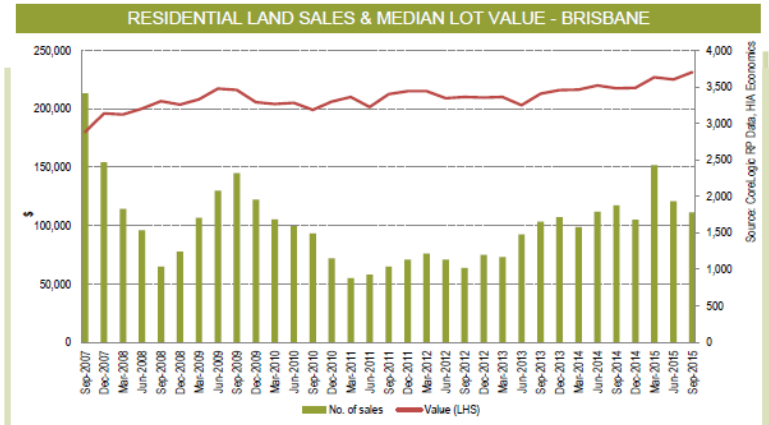
HIA forecasts housing starts to increase, indicating latent demand

Residential Land Sales since 2007 (Source: HIA)

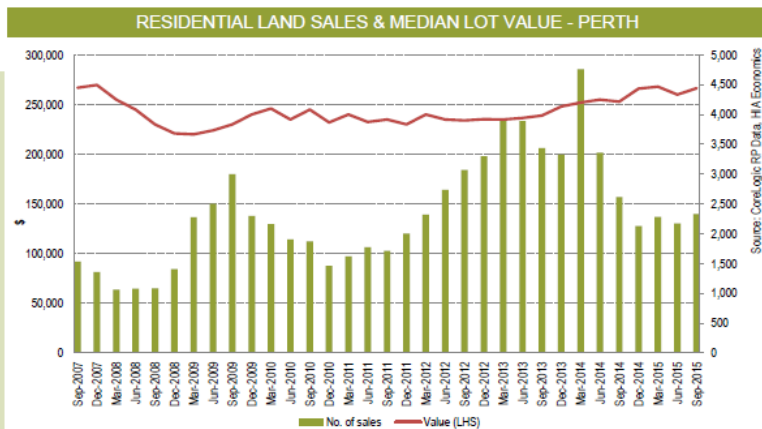
Melbourne



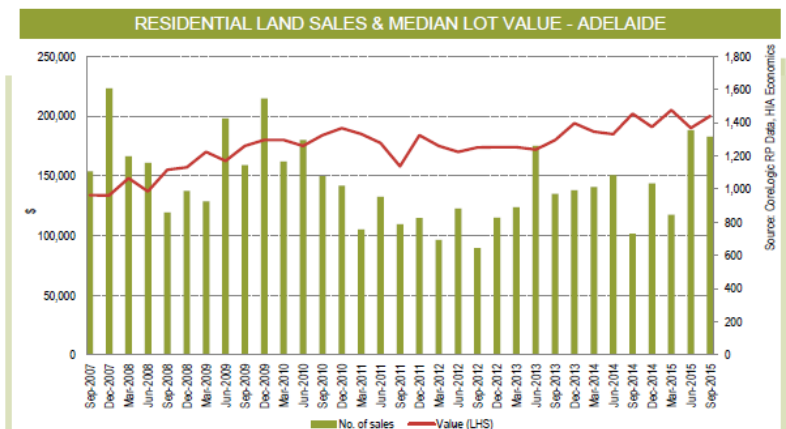
Brisbane



Perth



Adelaide



Cedar Woods' Portfolio & Population Growth

Steady population growth across Australia continues ahead of previous forecasts



1.30%

Perth



1.25%

Brisbane

Adelaide

0.78%

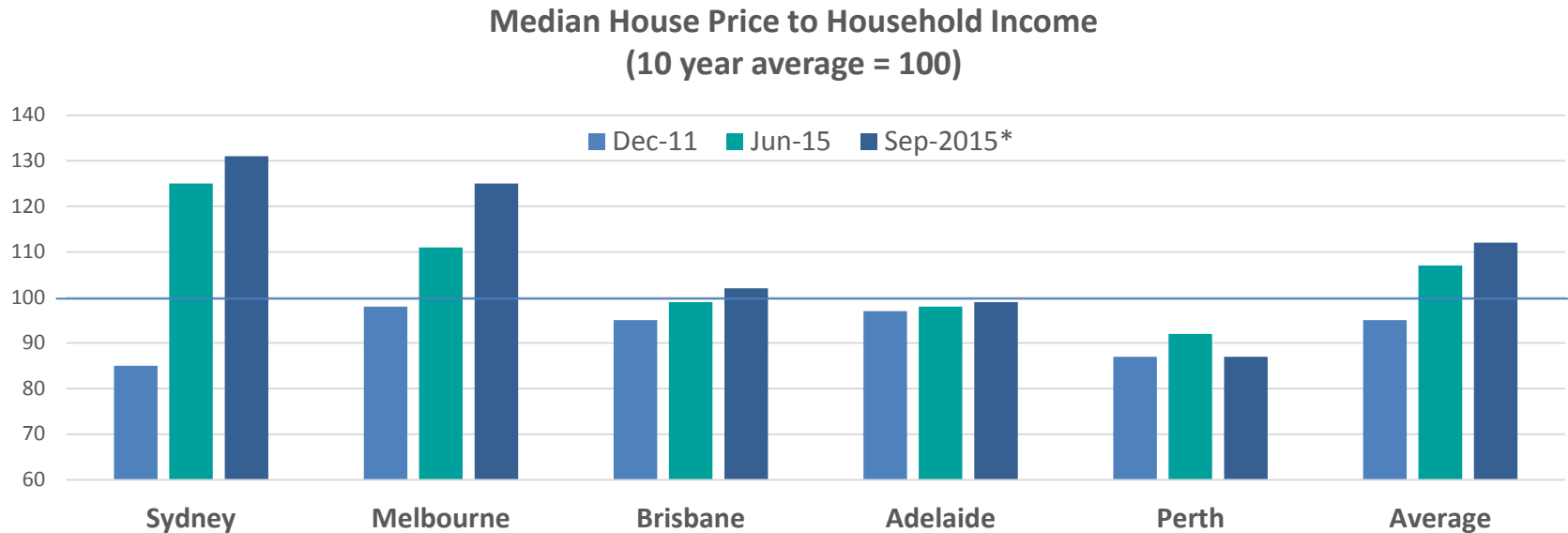
Melbourne

1.70%



Source: ABS June 2015

Affordability - Price to Income Measures

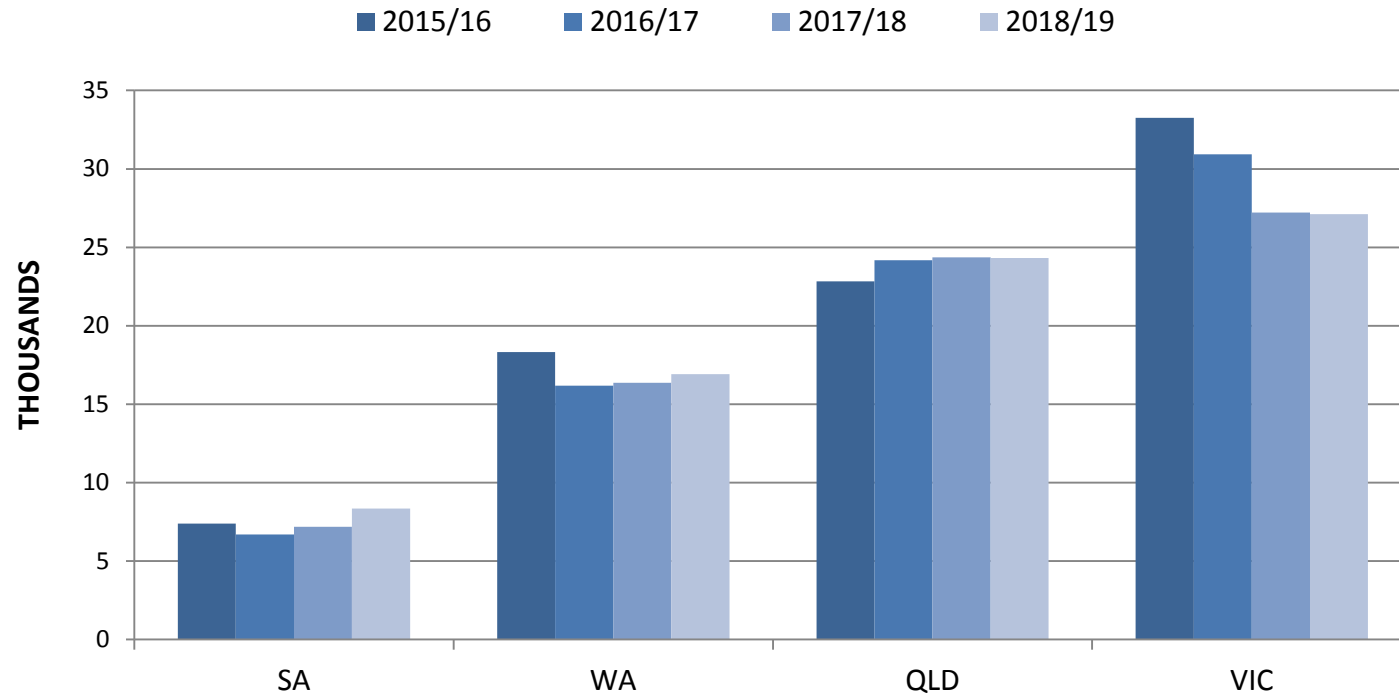


*Estimate

Source: ABS, CoreLogic, RP Data, NAB Economics

- Perth, Adelaide and Brisbane at or below 10 year average, indicates improved affordability
- Melbourne has seen sustained price growth but market remains strong

Forecast Housing Starts



Source: HIA – February 2016

- Robust activity forecast nationally
- Continued under-supply of housing
- Victoria forecast to peak in FY2016, returning to trend

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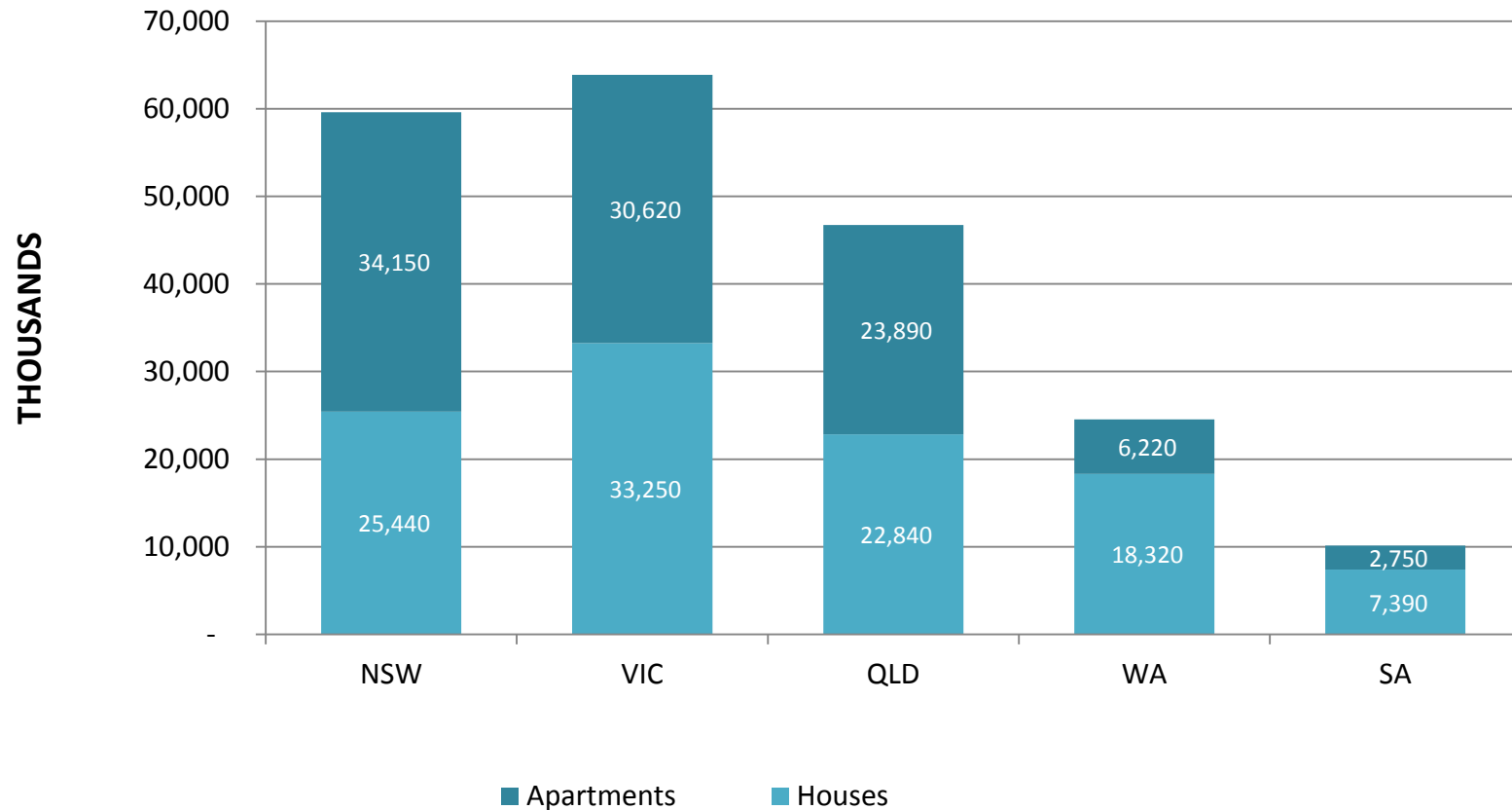
Company Outlook

- Cedar Woods' full year profit guidance for FY2016 increased to approximately \$43m (FY2015 - \$42.6m), based on the company's strong delivery program for 2H FY2016 and on current market conditions continuing
- Positive outlook underpinned by strong pre-sales of \$176 million with the majority expected to settle in 2H FY2016
- Development program is on track, backed by continued strong pre-sales and disciplined project execution and delivery
- Landmark projects in Queensland, Victoria and Western Australia commencing in coming months, place the company in a strong position for FY2017

Investment Highlights

1. ASX 300 company with a proven track record of consistent profit growth and meeting guidance
 - Expecting 6th consecutive record full year profit in FY2016
 - Positioned for continued growth in FY2017
2. Strategically located and diverse portfolio
 - Urban and regional growth areas in VIC, WA, QLD and SA
 - Apartments, integrated housing, mixed use and large master planned communities
 - Close to transport infrastructure and other amenities
3. Strong balance sheet and prudent gearing
4. Capacity to fund acquisitions
5. Attractive valuation metrics
 - PE ratio currently at a discount to historical average and ASX peer group
6. Attractive, fully-franked dividend yield
7. Experienced and proven management team

FY16 Housing & Unit Commencements



Source: HIA – February 2016

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