



Winter 2016 Bulletin



From your Managing Director, Paul Sadleir

Shareholder Discount Offer

The Cedar Woods' Shareholder Discount Offer entitles shareholders to a 5% discount off the listed sale price of any residential lot and 2.5% off the listed sale price of any house or apartment within selected Cedar Woods' developments.

Shareholders must have held a minimum of 1,000 Cedar Woods shares for at least 12 months before purchasing a lot, house or apartment to qualify for the discount. There is no limit to the number of lots, houses or apartments which a shareholder may purchase under the scheme, subject to any statutory restrictions.

The terms and conditions for the Shareholder Discount Offer can be viewed on the Cedar Woods' website.

Current developments included in the Shareholder Discount Offer are:

- Rivergums, Baldivis (WA)
- Ariella, Brabham (WA)
- The Brook at Byford (WA)
- Byford on the Scarp (WA)
- Mariners Cove, Mandurah (WA)
- Elements, South Hedland (WA)
- Williams Landing (VIC)
- Carlingford (VIC)
- Jackson Green (VIC)
- St. A (VIC)
- Ellendale (QLD)

Welcome to the Cedar Woods' Winter Shareholder Newsletter.

As we move into the 2017 financial year, I would like to quickly recap on the progress we have made since the start of this calendar year.

Your company released its half year results in February, with net profit after tax (NPAT) for the six months to December 31 2015, being \$18.1 million – an increase of 100 per cent on the previous corresponding period – and declared a fully franked interim dividend of 12 cents per share, which was in line with the first half of FY2015.

The strength of this performance in the half year was a great result for Cedar Woods and underscores the company's strategy to continue to grow and diversify its national portfolio.

When we released the interim results, and again when we issued our Third Quarter FY2016 Operational Update in May 2016, we re-affirmed guidance for the full 2016 financial year of approximately \$43 million net profit after tax. This compares with the FY2015 result of \$42.6 million and, if achieved, will be our sixth consecutive year of record profit.

At the time that we released the Third Quarter FY2016 Operational Update, we had \$130 million in pre-sales, giving us a strong level of confidence heading into FY2017.

Indeed, with nine new projects across the Cedar Woods' portfolio poised to start contributing to earnings over the next three years, we can be sure of having a wide range of properties and product types available for sale nationally.

Thank you for your continued interest in Cedar Woods.

Paul Sadleir
Managing Director

Recent Highlights

- **FEBRUARY 2016**
Half Year Results: 1H FY2016 NPAT of \$18.1 million, an increase of 100 per cent on previous corresponding period. Fully franked interim dividend of 12cps declared.
- **MAY 2016**
Third Quarter Update: Company re-affirmed its FY2016 profit guidance of \$43 million. Pre-sales at \$130 million for projects to be delivered in FY2017 and FY2018.

Upcoming Company Events

- **25 AUGUST 2016**
FY2016 Full Year financial results and final dividend announcement.
- **28 OCTOBER 2016**
Final Dividend Payment.
- **10 NOVEMBER 2016**
Annual General Meeting



Work Commences at Ellendale Project in Brisbane

Work has commenced on site at Ellendale, located approximately 12 kilometres from the Brisbane CBD.

Last year Cedar Woods received rezoning approval for the first 480 lots in the development allowing us to progress our plans to develop the site. The sales centre has been established and we look forward to seeing the first stage take shape in coming months.

We have detailed design approval to commence the first stage of 143 lots and the initial response from the public following the recent official launch of the project has been overwhelmingly positive.

Our more recent Brisbane acquisition, a 3.8 hectare infill site in Woolloowin, 5 kilometres north of the CBD, continues to progress. The site was acquired in December 2015, on deferred terms and subject to registration of titles, and that process is ongoing.





Project Updates South Australia

Glenside Project Progresses in Adelaide

The planning and approvals process on the Glenside Project, a 16 hectare infill site just 2 kilometres south-east of the Adelaide CBD, is progressing well. Cedar Woods has made an offer to purchase the site from the SA State Government subject to the land being rezoned and subject to Cabinet approval. We are hopeful that settlement will take place in January 2017.

Ultimately the site will provide around 1000 dwellings over a period of 8-10 years. It is well located, being close to the CBD and in an area well known for its good schools, retail and other amenity.

Cedar Woods is examining other opportunities in Adelaide and will keep shareholders informed as and when any of these opportunities are progressed.



Victoria

We have been very pleased with the response to the release of the first three stages at Jackson Green in Clayton South, with all three stages – featuring a mix of townhouses and houses – now completely sold.

At St. A in St. Albans, the project is progressing well and we are due to commence construction of the first stage in coming weeks. The state government is upgrading the nearby train station and infrastructure which will greatly improve the area.

Construction has commenced at Williams Landing on the Newton Apartments, which are 100% pre-sold. The Williams Landing Shopping Centre extension is well underway and planned to include a childcare centre, gym and several restaurants.

In May this year we also announced the sale of land at Williams Landing for the development of a \$35 million aged care facility for up to 120 residents. This aged care facility will turn Williams Landing into a multigenerational community.



Western Australia

Final preparations are being made for the official launch of one of our most important upcoming projects, Bushmead. The Bushmead project is only 16 kilometres north-east of the Perth CBD and is also very convenient to the Midland town centre and the Perth airport precinct.

A feature of this project is that two thirds of the land will be set aside as parks and recreational reserve for the enjoyment of local residents. It is a large project – the total site covers 273 hectares – that will be developed in stages, to deliver approximately 870 lots over the next 8-10 years.

At North Baldivis, south of Perth, Cedar Woods has completed the acquisition of 51 hectares of land, adjoining an existing landholding of 68 hectares already owned by the company. The large land holding will enable us to realise economies of scale and provide opportunities for efficiency in estate design, and being located next to the freeway, we expect this to be a landmark project for the Baldivis corridor. This is a region of Perth that we know very well and this project will give us an extended presence in the area, given it will yield approximately 1580 lots over the next 10-15 years.

Ariella Private Estate

At Ariella Estate in Brabham, construction of the 94-lot Stage 2 was completed in April 2016.

Settlements for Stage 2 commenced shortly after, with some being realised in the FY16 financial year. The Sales and Marketing Centre is now open, with good levels of enquiry and sales at the estate, which is located only 22 kms from Perth's CBD and in a popular corridor. Early indications are for the commencement of construction of Stage 3 occurring in FY17.

Mangles Bay

Planning continues for the Mangles Bay Marina-Based tourist precinct, 50km from Perth's CBD.

With all environmental approvals achieved, completion of statutory planning is targeted for late calendar 2016 and construction anticipated to commence in 2017.

The mixed use project will provide much needed boating facilities for the Rockingham region, together with improved public access to the Mangles Bay beach front.

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