Lifestyle COMMUNITIES

Making a difference.

Results Presentation
Half-Year ended 31 December 2016

15th February 2017

The Lifestyle Story

2003 – Lifestyle commenced with James, Dael & Bruce developing a business plan

2004 – Development of first community at Brookfield in Melton. Opened June 2005

2007 – Company listed on Stock Exchange

2012 – Major Capital Raising of $36m

2014 – 1,000th homeowner moves into Lifestyle Hastings

2016 – 2,000th homeowner moves into Lifestyle Geelong.
Opened our 10th Community Clubhouse

Lifestyle Communities

- Builds affordable highly desirable master planned communities;
- Provides facilities that exceed the expectations of our target customer by:
  - selling houses at 75-80% of the median house price
  - minimising ongoing maintenance
  - designed to promote community engagement
  - setting a sustainable rental at less than 25% of the Age Pension, balancing the needs of homeowners with returns for shareholders

Lifestyle COMMUNITIES

Why do we create Lifestyle Communities?

- Enable over 50's to downsize and enrich their lives
- Provide financial freedom for our homeowners
- Give homeowners a choice – to mix/participate to the extent that's right for them
- Change the mindset of what over 50's can offer
- Provide a secure and predictable return to our shareholders

Making A Difference

13 years later - how do we know if we are achieving this?

- Over 2,150 homeowners call a Lifestyle Community home
- 94% of homeowners would recommend us to friends and family[1]
- Approximately one in three new home sales come from referrals
- Pre-sales on new communities are increasing
- We have wait lists on all existing communities

Notes: [1]2016 Lifestyle Communities homeowner survey

“it’s changed our lives.”

We’ve never been happier in our entire life, ever! Ever, ever, ever! Julie & Rod

“We wanted to downsize, there’s more to life than working, getting stressed and doing housework – **best decision we’ve ever made.**”

Natalie & Stuart

“We have made so many friends here; we have **a new lease on life.**”

Tom & Sue

“It’s like coming home to a resort. You just couldn’t wish for better. It’s just like **a new chance at life.**”

Helen & Ted

Lifestyle COMMUNITIES

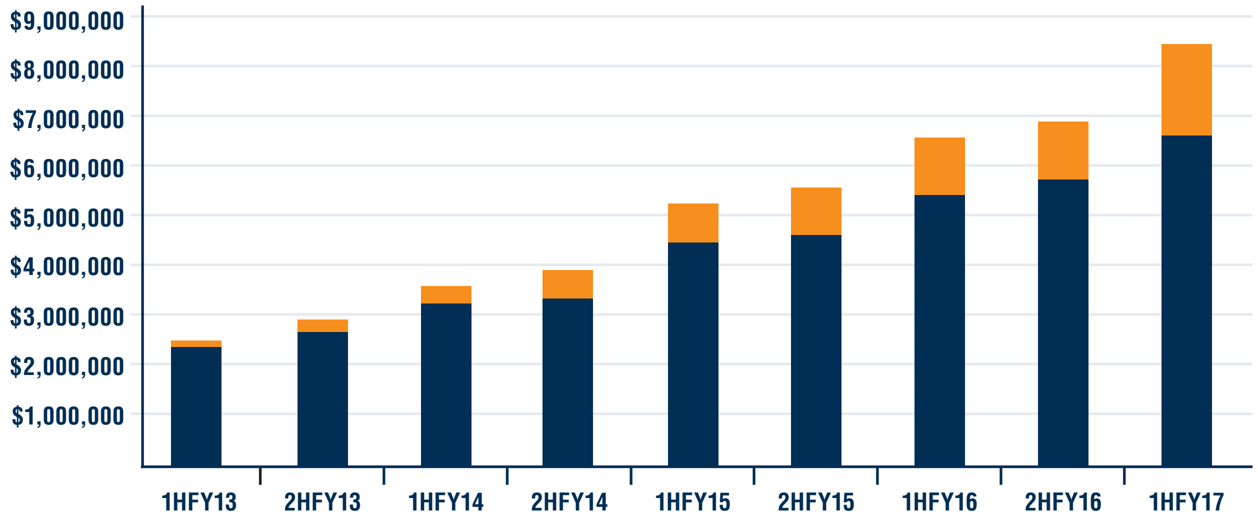
Financial Overview

Growing annuity income streams

Financial Summary

	31-Dec-16	31-Dec-15
Net profit after tax attributable to shareholders	$12.0 million	$8.9 million
Dividends (interim)	1.5 cents per share	1.0 cent per share
	31-Dec-16	**30-Jun-16**
Total assets	$232.2 million	$222.5 million
Equity	$141.9 million	$131.3 million
Net debt	$55.1 million	$45.2 million
Net debt to equity ratio	28.0%	25.6%

Growing annuity income streams



	1HFY13	2HFY13	1HFY14	2HFY14	1HFY15	2HFY15	1HFY16	2HFY16	1HFY17
Total number of homes settled (Cumulative)	614	695	804	906	1,004	1,146	1,256	1,348	1,476
Number of resales attracting a DMF	4	6	10	13	17	17	26	26	34

Site Rental Fees (gross)   Deferred Management Fee (cash)

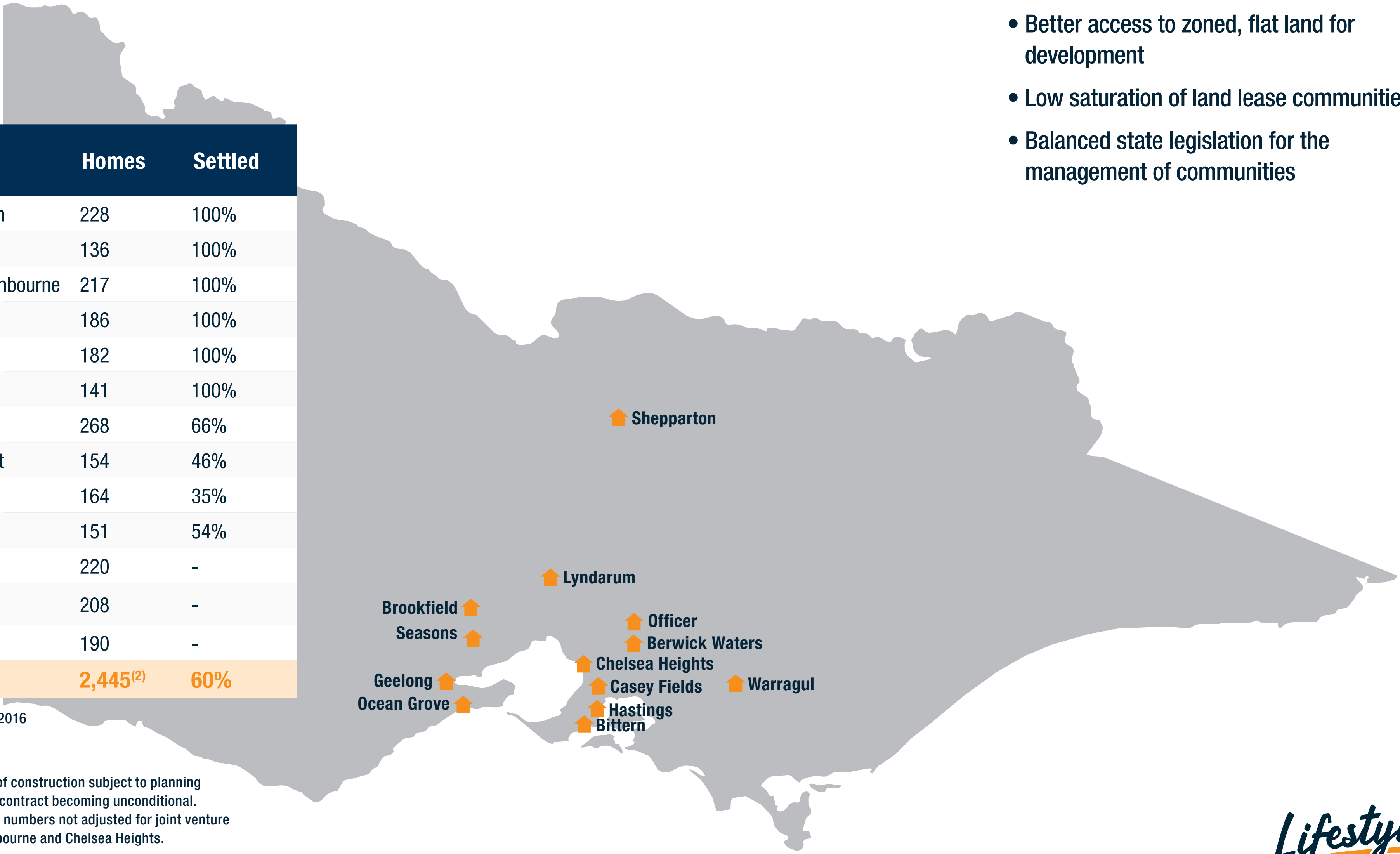
Portfolio Overview

13 communities in planning, development or under management

Community	Homes	Settled
Brookfield at Melton	228	100%
Seasons at Tarneit	136	100%
Casey Fields at Cranbourne	217	100%
Chelsea Heights	186	100%
Warragul	182	100%
Hastings	141	100%
Shepparton	268	66%
Lyndarum at Wollert	154	46%
Geelong	164	35%
Officer	151	54%
Berwick Waters	220	-
Bittern[1]	208	-
Ocean Grove[1]	190	-
	2,445[2]	60%

Correct as at 31 December 2016

Notes: [1] Commencement of construction subject to planning approval and the contract becoming unconditional.
[2] Represents gross numbers not adjusted for joint venture interests at Cranbourne and Chelsea Heights.



Focus remains in Victoria

- Favourable planning legislation
- Better access to zoned, flat land for development
- Low saturation of land lease communities
- Balanced state legislation for the management of communities

Portfolio Snapshot

31 December 2016

Lifestyle Communities' portfolio continues to grow

Communities	Total home sites in communities	Home sites sold & occupied	Home sites sold & awaiting settlement	Home sites occupied or sold and awaiting settlement	
				#	%
Existing Communities – Sold out					
Brookfield at Melton	228	228	-	228	100%
Seasons at Tarneit	136	136	-	136	100%
Warragul	182	182	-	182	100%
Casey Fields at Cranbourne(1)	217	217	-	217	100%
Chelsea Heights(1)	186	186	-	186	100%
Hastings	141	141	-	141	100%
Existing Communities – Under construction					
Shepparton	268	177	37	214	80%
Lyndarum at Wollert	154	71	48	119	77%
Geelong	164	57	40	97	59%
Officer	151	81	33	114	75%
Berwick Waters	220	-	71	71	32%
New Communities – Awaiting commencement					
Bittern(2)	208	-	-	-	-
Ocean Grove(2)	190	-	-	-	-
Total Home Sites(3)	**2,445**	**1,476(4)**	**229(5)**	**1,705**	**70%**

Notes:
(1) Represents 100% of the development of which Lifestyle Communities will share 50%
(2) Commencement of construction subject to planning approval and contract becoming unconditional
(3) Lifestyle Communities will have an economic interest in 2,243 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 December 2016

Lifestyle COMMUNITIES

Overview

1HFY2017 Snapshot

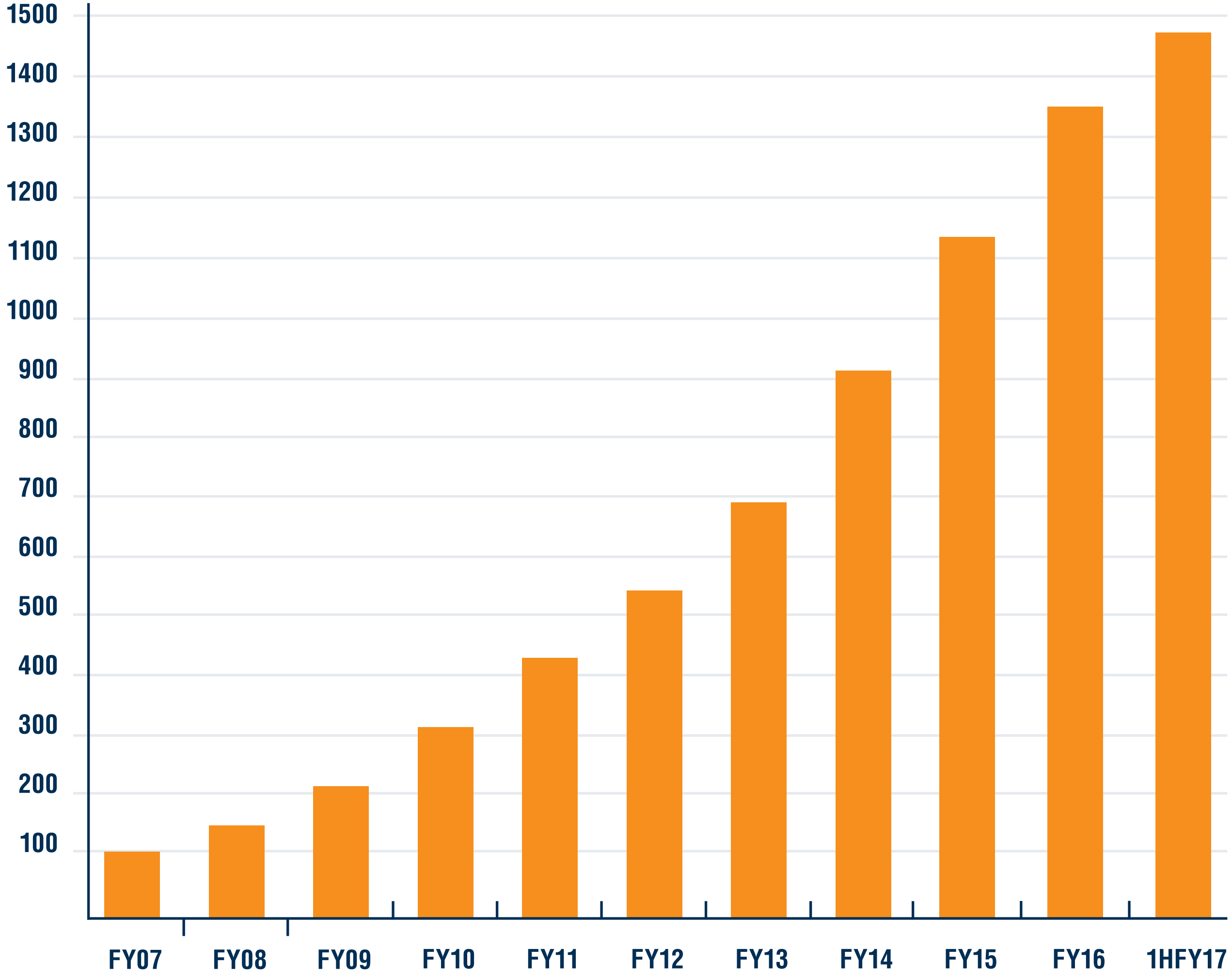
Business Snapshot

- Solid half-year of settlements (128) and sales (140)[1]
- 1,476 occupied home sites[1]
- Over 2,150 homeowners[1]
- Portfolio of 2,445 home sites[1] [2]
- 34 resale settlements during the half-year
- Profit after tax attributable to shareholders increased by 36% to $12.0 million compared to the prior half-year
- Interim dividend of 1.5 cents per share fully franked

Record result for 1HFY2017

A proven business model structured for sustainable growth

Home sites (annuities) under management[1]



Notes: (1) Represents gross numbers not adjusted for joint venture interests
(2) Settled, under development or subject to planning

Lifestyle Officer

Each community is better than the last as we keep evolving






Latest Community

Lifestyle Berwick Waters: A promising start

- Civil works commenced in September 2016
- First homes targeted to be completed in May/June 2017
- 71 homes were pre-sold as at 31 December 2016

Financial Results

Growing annuity income streams

Over 11 Years of Growing Annuity Income Streams

There are two components to the annuity stream:

1. Site Rental Fee

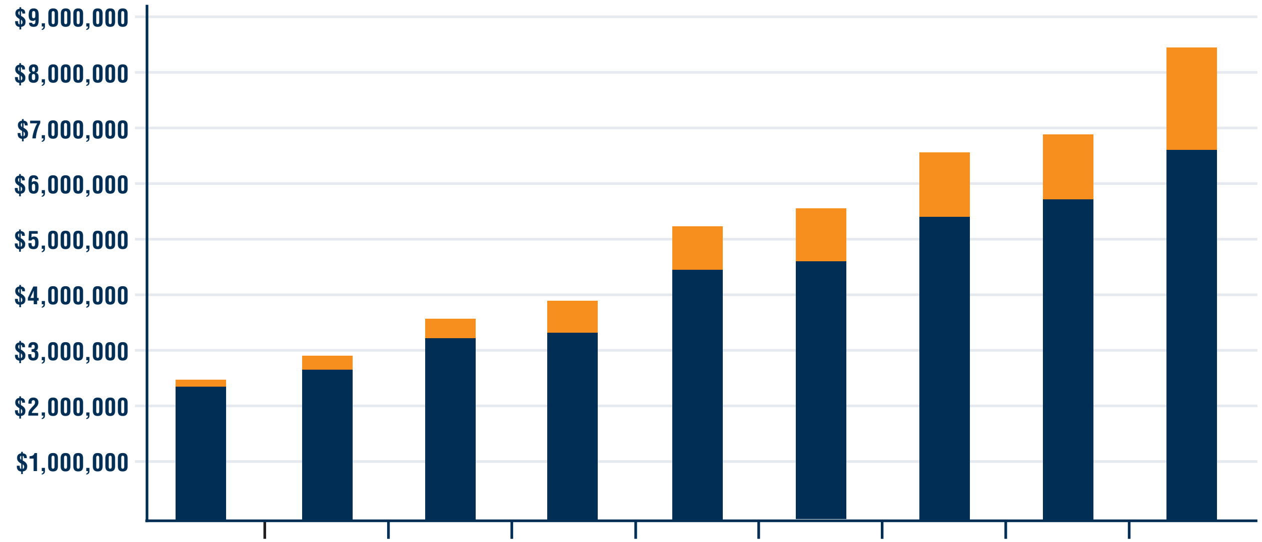
- Approximately $180.00 per week per home
- Indexed at greater of CPI or 3.5% p.a.
- Gross rental income for 1HFY2017 was $6.6 million

2. Deferred Management Fee

- Calculated as a scaled percentage of the re-sale price
- Scaling is a function of tenure and is capped at 20% of the re-sale price after 5 years of ownership
- Revenue includes selling and administration fees
- In established communities, approximately 10% - 12% of homes are estimated to re-sell in any given year as the age profile of residents matures
- 34 resales provided DMF income of $1.8 million in 1HFY2017[(1)]

Notes: (1) Inclusive of selling and administration fees

Annuity Income



	1HFY13	2HFY13	1HFY14	2HFY14	1HFY15	2HFY15	1HFY16	2HFY16	1HFY17
Total number of homes settled (Cumulative)	614	695	804	906	1,004	1,146	1,256	1,348	1,476
Number of resales attracting a DMF	4	6	10	13	17	17	26	26	34

Site Rental Fees (gross) | Deferred Management Fee (cash)

Annuity income will continue to increase through new home settlements, rental increases and resales of existing homes

Lifestyle COMMUNITIES

Sales & Settlements

38% of settlements in 1HFY2017 came from customer referrals

Sales Commitments

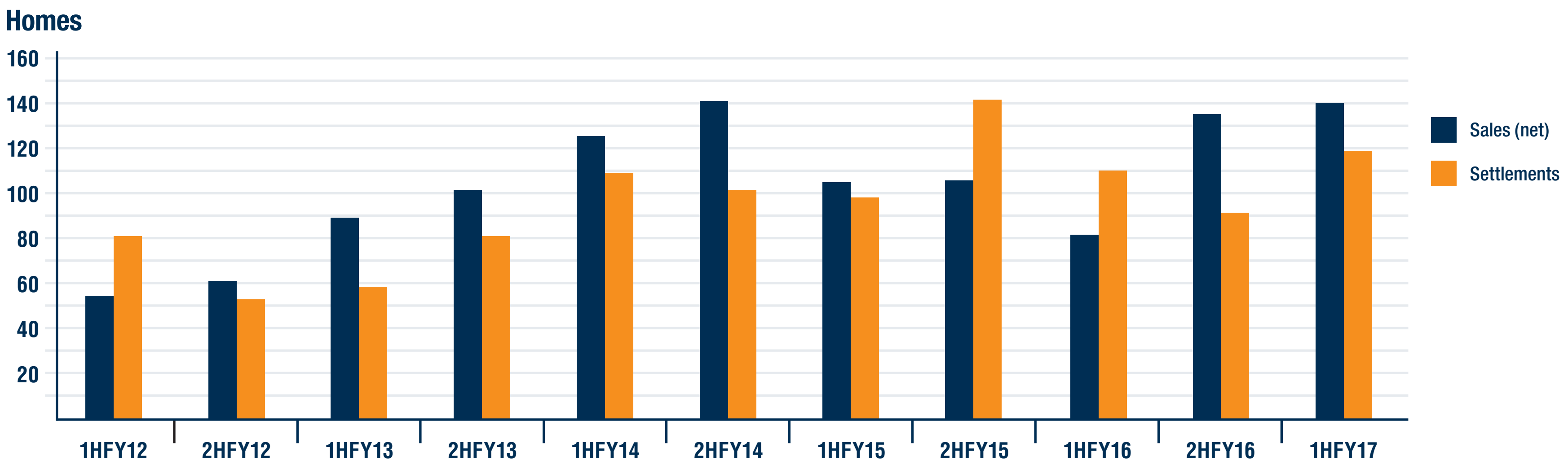
- 140 new home sales in 1HFY2017
- Shepparton has continued to perform well achieving 23 sales during the half-year
- Both Wollert and Geelong are continuing to sell through with Wollert being 77% sold and Geelong 59% sold as at 31 December 2016
- The Officer community is now 75% sold
- Berwick Waters commenced pre-sales in April 2016 and has performed well to date with 71 sales achieved
- Current committed sales bank as of 31 December 2016 is 229 homes

Settlements

- 128 settlements in 1HFY2017
- 54 settlements at Officer, 28 at Shepparton, 25 at Wollert and 21 at Geelong
- The first settlement at Berwick Waters is expected in the last quarter of FY2017

Resales

- 34 resale settlements and 35 sales commitments during the half-year
- As at the end of the half-year there were 13 resale homes available for sale across the communities



Sales & Settlements

Continued

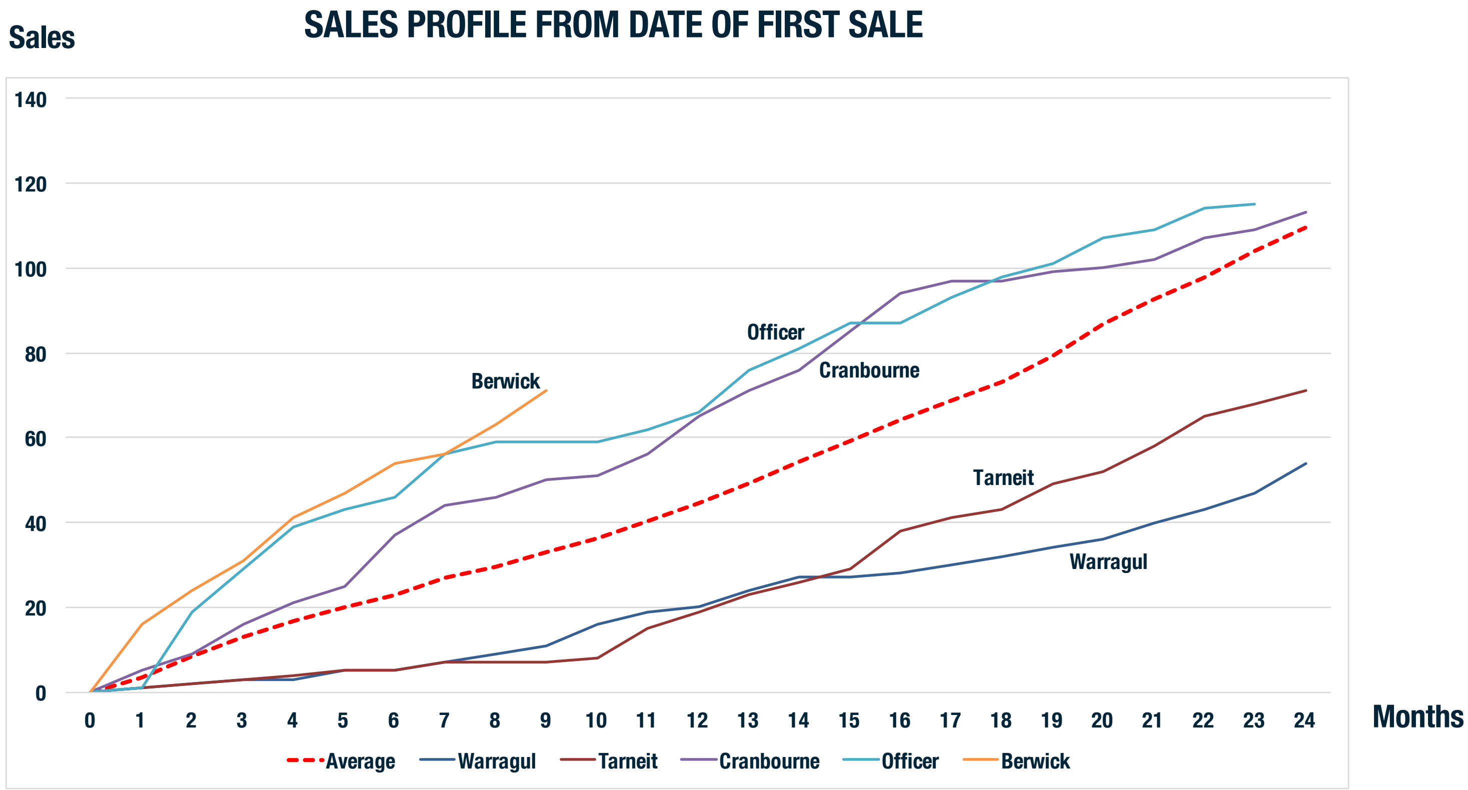
	New home settlements		New homes - net sales commitments		Resale homes settlements		Resale homes - net sales commitments	
	1HFY17	1HFY16	1HFY17	1HFY16	1HFY17	1HFY16	1HFY17	1HFY16
Brookfield	-	-	-	-	7	16	7	9
Tarneit	-	-	-	-	2	3	1	4
Warragul	-	1	-	-	7	2	7	3
Cranbourne(1)	-	2	-	-	8	1	7	1
Shepparton	28	27	23	32	2	1	2	-
Chelsea Heights(1)	-	27	-	-	4	1	8	2
Hastings	-	11	-	-	4	1	3	-
Wollert	25	25	38	12	-	-	-	-
Geelong	21	17	18	18	-	-	-	-
Officer	54	-	21	20	-	-	-	-
Berwick Waters	-	-	40	-	-	-	-	-
Bittern	-	-	-	-	-	-	-	-
Ocean Grove	-	-	-	-	-	-	-	-
Total	**128**	**110**	**140**	**82**	**34**	**26**	**35**	**19**

Note: (1) Represents gross numbers not adjusted for joint venture interests at Cranbourne and Chelsea Heights

Sales Rates

"Proof is in the pudding" increasing the sales rate

- Lifestyle Communities' focus has shifted to improve pre-sales. This reduces risk by supporting a more aggressive construction program which enables a quicker recycling of capital
- Evolution in the sales launch of communities has provided improved pre-sale rates at Officer and Berwick Waters
- Officer achieved 66 sales in the first year from launch compared to an average across all projects of 40 sales, 115 sales have been achieved in total to 31 December 2016
- Berwick Waters launched on 7 April 2016 and achieved 71 pre-sales to 31 December 2016 compared to an average in the first 9 months of 32



The higher the sales rate, the faster we recycle capital

Lifestyle COMMUNITIES

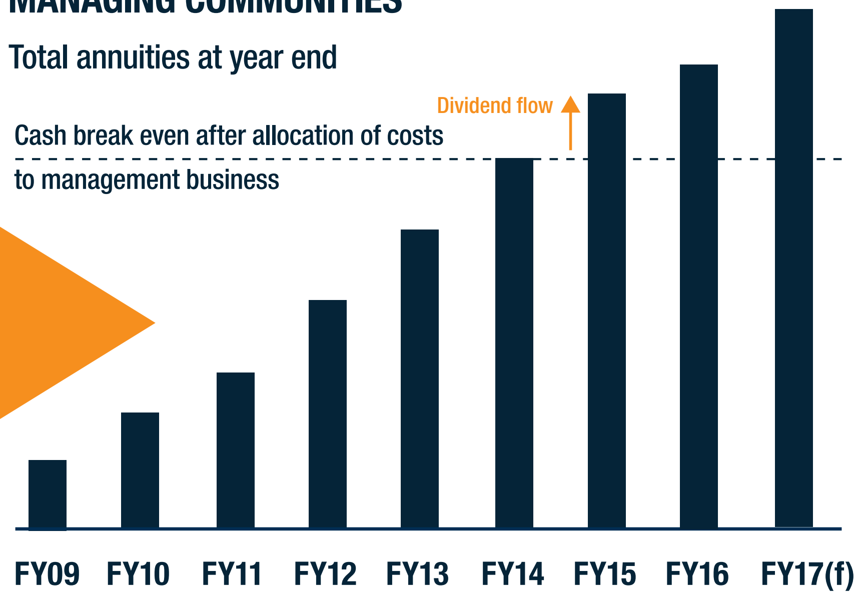
Financial Model

Creates a win-win for homeowners and shareholders

CREATING COMMUNITIES

- Organic growth through recycling capital not raising capital
- Pricing homes at 80% of average surrounding home values
  - Increases sales rates
  - Helps mitigate property cycle risk
- Gearing set at a level to mitigate financial risk

MANAGING COMMUNITIES



Note: Not to scale

- Rentals increase at CPI or 3.5% whichever is the greater
- DMF of 20% after 5 years on the resale price of the home

As at 31 December 2016 the gross rental annualised at $13.7 million per annum

Lifestyle COMMUNITIES

Market Environment

Housing Market	• The continued strength of the Melbourne housing market has seen positive consumer confidence and an ability to sell their existing homes.
Land Access	• Focused on acquiring land in the key growth corridors in Melbourne. The Company is pursuing opportunities in our targeted corridors to complement recent FY2016 acquisitions at Bittern and Ocean Grove.
Demand	• Sales for 1HFY2017 were 140 home sales. Enquiries have been solid across all communities during the half-year. The Company is anticipating increased sales activity in 2HFY2017 as Bittern and Ocean Grove are released for sale in March 2017.
Settlements	• Settlements for 1HFY2017 were 128, being derived from four active communities at Shepparton, Wollert, Geelong and Officer.
Project Updates	• Berwick Waters - construction has commenced with first settlements expected in the last quarter of the 2017 financial year. • Bittern - Settlement of this site is subject to planning approval and an outcome should be known during the second half of FY2017 with construction to commence soon after. The Company does not believe planning approval is a material risk for this site. • Ocean Grove - Settlement of this site is subject to planning approval and an outcome should be known during the second half of FY2017 with construction to commence soon after. The Company does not believe planning approval is a material risk for this site.

Lifestyle COMMUNITIES

Profit & Loss

- Net profit attributable to shareholders up 36% to $12.0 million
- Home settlement revenue up $6.1 million to $36.2 million; average realisation uplift of 4% to $309k (GST inclusive)
- Gross margin reduced to 19.4% from 22.8% in the prior period due to a transition in product mix from high margin project at Chelsea Heights (which contributed 25% of settlements in the prior half-year)
- Rental revenue up by 21% to $6.6 million
- Cash deferred management fees up by 54% to $1.8 million (inclusive of selling and administration fees)
- Community management expenses increased due to increased operations at the Wollert, Geelong and Officer communities. This is in addition to normal growth within mature communities
- Development expenses increased due to an increase in sales based costs (marketing and wages) in-line with increased sales and settlements activity
- Corporate overheads increased by 21% mainly due to $0.23 million accrued for new employee share scheme and some growth in employees to build capacity

Profit loss highlights	1HFY17 ($'000)	1HFY16 ($'000)	% Movement
Home settlement revenue	36,160	30,025	▲20%
Cost of sales	(29,160)	(23,178)	▲26%
Home settlement margin	19.4%	22.8%	▼3%
Gross profit	**7,000**	**6,846**	**▲2%**
Rental	6,594	5,452	▲21%
Deferred management fee	1,841	1,197	▲54%
Total management and other revenue	**9,273**	**7,467**	**▲24%**
Fair value adjustments	11,285	7,693	▲47%
Development expenses	(2,456)	(1,925)	▲28%
Management expenses (rental)	(3,424)	(2,544)	▲35%
Management Expenses (DMF)	(298)	(190)	▲57%
Corporate overheads	(2,814)	(2,332)	▲21%
Finance costs	(435)	(457)	▼5%
Net profit before tax	**17,386**	**13,738**	**▲27%**
Net profit after tax			
Members of the parent	12,042	8,860	▲36%
Non-controlling interests	2	1,386	▼100%
Total net profit after tax	**12,044**	**10,246**	**▲18%**

Balance Sheet

Balance sheet remains strong

- Gearing (net debt to net debt plus equity) was 28.0% at 31 December 2016
- Total bank debt drawn at 31 December 2016 of $55.5 million in addition to a bank overdraft of $0.3 million. Of the $55.5 million, $27.2 million was allocated to development debt (interest capitalised to inventory) with $28.3 million allocated to pre-development debt (interest expensed)

Balance sheet highlights	31 DEC 16 ($'000)	30 JUN 16 ($'000)	% Movement
Cash	666	3,352	
Inventories	50,376	49,746	
Investment properties	175,263	163,677	
Total assets	**232,155**	**222,472**	▲ **4%**
Trade and other payables	3,247	14,365	
Bank overdraft	254	2,558	
Interest-bearing loans and borrowings	55,500	46,000	
Deferred tax liabilities	30,684	27,321	
Total liabilities	**90,293**	**91,167**	▼ **1%**
Net assets	**141,862**	**131,305**	▲ **8%**
Gearing[(1)]	28.0%	25.6%	

Balance sheet has capacity to enable the acquisition of a new site at least every 12 months

Notes: (1) Calculated as a ratio of net debt to net debt plus equity

Cash Flow

- Cash flows from operations up by 320% to $3.0 million, adjusted cash flows from operations (excluding project capital expenditure) up by 61% to $10.8 million
- Payments to suppliers and employees were down by 9% to $42.9 million due to a reduction in project capital infrastructure partly offset by an increase in housing construction. Housing construction increased to 133 homes in 1HFY2017 compared to 123 in the prior-half due to the timing of projects
- Cash flows related to investing activities in 1HFY2017 included the settlement of Berwick Waters

Cash Flow highlights	1HFY17 ($'000)	1HFY16 ($'000)
Receipts from customers	49,117	40,952
Payments to suppliers and employees[1]	(42,899)	(46,911)
Income taxes paid	(2,494)	(2,784)
Net interest payments	(769)	(816)
Cash flows relating to operations	**2,955**	**(9,559)**
Project capital expenditure (civil and facilities infrastructure)	7,847	16,262
Adjusted cash flow from operations (excluding project capital expenditure)	10,802	6,703
Purchase of investment properties	(10,998)	(250)
Cash flows relating to investing activities	**(11,325)**	**(710)**
Net movement in borrowings	9,500	6,399
Proceeds from exercise of options	53	545
Distributions paid to non-controlling interests	-	(3,409)
Dividends paid	(1,563)	(1,555)
Cash flows relating to financing activities	**7,989**	**(1,980)**
Net cash flows	**(381)**	**(8,289)**
Cash as at the beginning of the year	794	7,999
Cash as at the end of the year (excluding funds on deposit)	**413**	**(289)**

Notes: (1) Due to Lifestyle Communities' accounting policies and legal structure, payments to suppliers and employees includes all gross costs of infrastructure construction (i.e. civil works, clubhouse and other facilities). Under some other structures these costs may be classified as investing cash flows. Therefore cash flows from operations will be negatively impacted when Lifestyle Communities is in the cash intensive development phase of a community.

To assist with further understanding of cash flows, please refer to page 26 for a detailed break-down of development and management cash flows per community for 1HFY2017.

Lifestyle COMMUNITIES

Dividend Policy

Lifestyle Communities intends to pay dividends out of operating cash flow from the community management business

As a general principle, the Board of Lifestyle Communities intends to pay dividends out of post tax, operating cashflow generated from community management including:

- Operating cash flow generated from community management (net rental and DMF)
- Apportionment of corporate overheads attributable to management of the communities (currently 50%)
- Interest on average pre-development debt
- Tax attributed to the above

Interest on pre-development debt

- The Company maintains an internal credit framework which prescribes the management and disciplines in relation to the $80 million facility
- Under this framework debt is allocated to development (individual projects) and pre-development debt; as at 31 December 2016 pre-development debt was $28.3 million (30 June 2016: $12.4 million); interest on average pre-development debt is allocated against the 'dividend pool'

Dividend

- An interim fully-franked dividend of 1.5 cents per share was declared in respect of the half-year. The dividend has a record date of 10 March 2017 and a payment date of 7 April 2017

Surplus franking credits

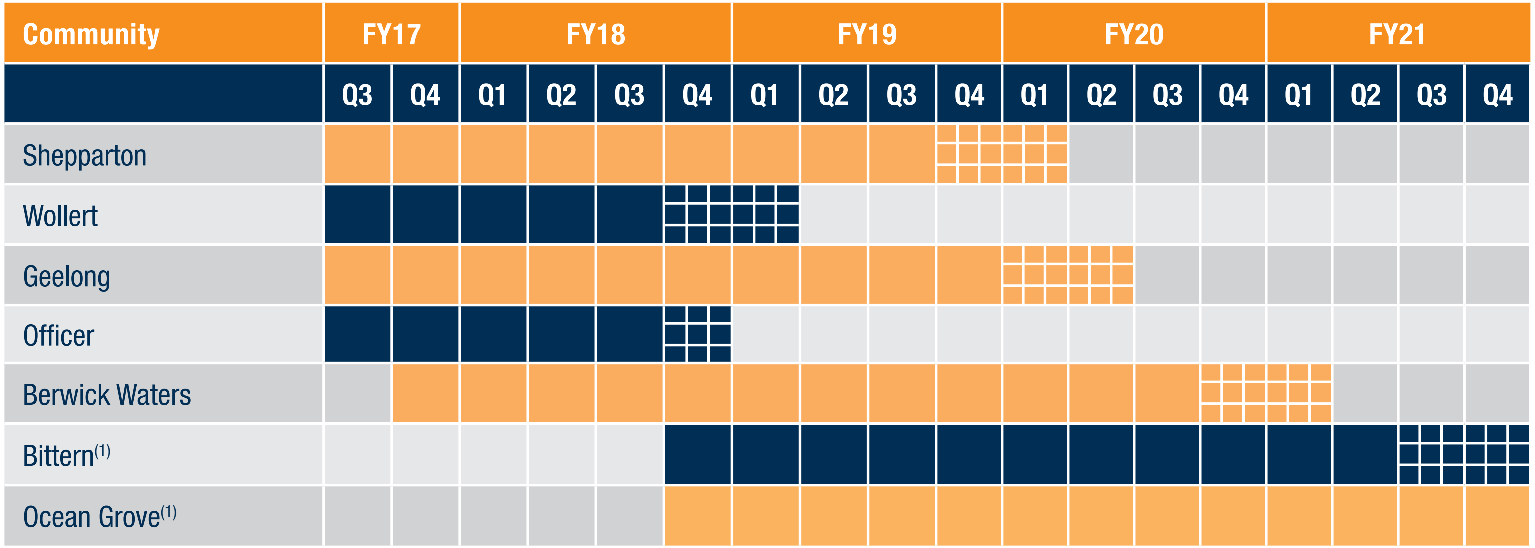
- As at 31 December 2016 the franking account balance was $8.2 million

The growing level of free cash flow from the annuities provides the basis for increasing dividends over time

Lifestyle COMMUNITIES

Likely Settlement Program

Currently 2,445 homes in the portfolio [(1)]



Represents tail of development which is often a slower settlement rate

Notes: (1) Subject to planning approval

The above timescale reflects current estimates of the settlement period for the existing developments. Settlement rates are a function of market conditions

Lifestyle COMMUNITIES

Outlook

Lifestyle Communities capitalises on the solid base established for future growth

- Increasing interest in our communities continues to be driven by baby boomers
- 38% of settlements in 1HFY2017 came from referral[1]
- As per previous guidance settlements in FY2017 are expected to be in the range of 250-270 settlements
- Also consistent with previous guidance profit after tax attributable to shareholders in FY2017 is expected to be materially higher than FY2016 due to increased settlements and increased contribution from community management
- An interim dividend of 1.5 cents per share has been declared. The Board expects that total dividends in respect of FY2017 will be greater than FY2016

Lifestyle Communities' model is driven by affordability, the ageing population and the emerging baby boomer

Notes: (1) includes new home and resale settlements

Lifestyle COMMUNITIES

Settlement Goals

Settlements growing with increased sales rates and new projects

	1HFY17 settlements (actual)	FY17 settlement range	FY18 settlement range
TOTAL	**128**	**250-270**	**260-290**
Shepparton	28	40-55	40-55
Lyndarum	25	50-65	40-50
Geelong	21	40-50	40-50
Officer	54	80-90	30-40
Berwick Waters	-	10-25	60-80
Bittern(1)(2)	-	-	15-30
Ocean Grove(1)(2)	-	-	10-25

The settlement ranges above constitute a forecast for FY2017 and a projection for FY2018 which is indicative only. They are dependent on construction commencement dates for sites not yet commenced at Bittern and Ocean Grove; planning approval for Bittern and Ocean Grove; and market conditions.

Notes: (1) Settlement goals dependent on construction commencement date
(2) Subject to planning approval

Deferred Management Fees

	Brookfield	Seasons	Warragul	Casey Fields	Sheppar-ton	Chelsea Heights	Hastings	Total
Historical resales[1]	**94**	**18**	**33**	**22**	**4**	**11**	**10**	**192**
Average tenure (years)	5.34	4.70	3.75	2.69	2.52	2.07	1.98	4.28
Average price growth p.a.	3.6%	2.2%	2.7%	4.5%	12.7%	15.7%	11.2%	3.9%
Average sales price	228,915	250,639	259,515	329,977	219,750	441,999	336,850	265,430
Average DMF[2]	35,574	42,599	39,710	40,944	26,180	43,705	31,238	37,603
Average DMF rate	15.7%	17.0%	15.3%	12.2%	13.0%	9.8%	9.2%	14.6%
FY2016 resales[1]	**23**	**5**	**9**	**5**	**1**	**5**	**4**	**52**
Average tenure (years)	7.26	5.37	3.77	2.56	2.63	2.42	1.91	5.06
Average price growth p.a.	2.0%	2.1%	2.7%	4.6%	0.6%	11.5%	9.8%	3.0%
Average sales price	229,217	247,000	270,056	354,100	168,000	409,000	338,375	274,510
Average DMF[2]	36,256	47,200	43,713	42,848	33,600	42,280	30,595	39,326
Average DMF rate	16.0%	19.2%	16.4%	12.0%	20.0%	10.4%	9.0%	15.0%
Total DMF received[2]	833,890	236,000	393,420	214,240	33,600	211,400	122,380	2,044,930
1HFY2017 resales[1]	**7**	**2**	**7**	**8**	**2**	**4**	**4**	**34**
Average tenure (years)	7.17	5.84	4.25	3.21	2.78	2.09	1.79	4.07
Average price growth p.a.	2.9%	2.8%	3.1%	5.8%	3.7%	22.7%	13.4%	5.5%
Average sales price	259,000	282,500	264,143	369,625	231,500	514,250	321,250	323,206
Average DMF[2]	40,207	56,500	44,926	51,970	25,640	52,140	29,300	44,169
Average DMF rate	15.4%	20.0%	17.1%	14.0%	12.0%	10.0%	9.0%	14.1%
Total DMF received[2]	281,450	113,000	314,480	415,760	51,280	208,560	117,200	1,501,730

Notes: (1) Includes resales attracting DMF, in FY2016 there were 14 resales that didn't attract a DMF, in 1HFY2017 there were 4 resales that didn't attract a DMF (due to the Company's Smart Buy Guarantee whereby no DMF is payable within first 12 months)
(2) Excludes selling and administration fees

Lifestyle COMMUNITIES

Cashflow Analysis 1HFY2017

Supplementary Cash Flow Analysis for FY2016	Brookfield	Seasons	Warragul	Casey Fields(3)	Shepparton	Chelsea Heights(3)	Hastings	Lyndarum	Geelong	Officer	Berwick Waters	Bittern	Ocean Grove	Total
Total Number of Homes	228	136	182	217	268	186	141	154	164	151	220	208	190	2,445
Settled 1HFY2017*	-	-	-	-	28	-	-	25	21	54	-	-	-	128
Remaining homes available to settle	-	-	-	-	91	-	-	83	107	70	220	208	190	969
Development Cash Flows ($million)														
Land	-	-	-	-	-	-	-	-	-	-	(11.00)	-	-	(11.00)
Development Expenditure (development and sales)	-	-	-	(0.03)	(2.60)	(0.01)	(0.07)	(0.75)	(1.44)	(2.15)	(3.00)	(0.05)	(0.05)	(10.14)
Home Construction	-	-	-	-	(3.40)	-	-	(4.40)	(3.45)	(8.82)	(0.05)	-	-	(20.12)
Home Settlements	-	-	-	-	5.94	-	-	8.01	5.65	16.33	-	-	-	35.93
Net Development Cash Flows	**-**	**-**	**-**	**(0.03)**	**(0.06)**	**(0.01)**	**(0.07)**	**2.86**	**0.76**	**5.36**	**(14.05)**	**(0.05)**	**(0.05)**	**(5.32)**
Annuity Cash Flows ($million)														
Site Rentals (incl. Management Fees)	1.04	0.63	0.86	1.03	0.78	0.87	0.68	0.27	0.23	0.20	-	-	-	6.59
Deferred Management Fees Received (net)(1)	0.28	0.10	0.28	0.46	0.07	0.24	0.12	-	0.01	-	-	-	-	1.54
Community Operating Costs	(0.32)	(0.31)	(0.31)	(0.27)	(0.30)	(0.26)	(0.22)	(0.19)	(0.17)	(0.15)	-	-	-	(2.50)
Net result from utilities	0.01	0.01	0.02	0.03	0.01	0.04	0.00	(0.01)	(0.01)	(0.01)	-	-	-	0.08
Share to non-controlling interests(2)	-	-	-	(0.50)	-	(0.31)	-	-	-	-	-	-	-	(0.81)
Net Annuity Cash Flows	**1.01**	**0.44**	**0.84**	**0.76**	**0.56**	**0.57**	**0.57**	**0.07**	**0.05**	**0.04**	**-**	**-**	**-**	**4.91**
Head Office Costs														(2.47)
Net Operating Cash Flows														**(2.88)**
Reconciliation to statutory cash flows														
Less – Interest														(0.77)
Less – Income taxes paid														(2.49)
Add – Land (investing cash flow)														11.00
Less – Movement in inventory and creditors														(1.86)
Add – Non-controlling interests														(0.04)

Notes: * LICs economic interest is 128 homes after allowing for Joint Venture interests
(1) Deferred management fees received are inclusive of selling and administration fees as well as wages and marketing costs
(2) Lifestyle Communities record 100% rental income and pay out 50% (after management fees) to non-controlling interests
(3) 50% of development cash flows for joint venture are reflected above

Summary

- Solid half-year of settlements (128) and sales (140)
- Total portfolio of 2,445 homes[1] of which 60% are settled and 70% are sold
- Community cashflows (net contribution from rentals and DMF) increased by 27% to $4.9 million compared to the prior half-year
- Net profit attributable to shareholders up 36% to $12.0 million
- Interim dividend of 1.5 cents per share fully franked
- Funded and resourced to acquire a community at least every 12 months subject to identification of appropriate sites

Lifestyle Communities capitalises on the solid base established for future growth

Lifestyle COMMUNITIES

Notes: (1) Settled, under development or subject to planning

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