MIRVAC GROUP

3Q22 Operational Update

28.04.22

mirvac

REIMAGINING URBAN LIFE SINCE 1972

Mirvac today releases its third quarter operational update for the financial year 2022. Despite the ongoing impacts of COVID-19, and extreme weather and geopolitical events, the Group has reaffirmed operating EPS guidance of at least 15.0cpss for FY22, representing an increase in earnings of at least 7.1%, distribution guidance of 10.2cpss, representing DPS growth of 3% and expect residential lot settlements of >2,500.

Mirvac's CEO & Managing Director, Susan Lloyd-Hurwitz, said, "Mirvac's integrated and diversified model continued to deliver strong results over the third quarter of FY22, despite headwinds from the ongoing impacts of COVID-19 and extreme wet weather across the east coast of Australia in March. The quarter saw solid sales activity across our residential masterplanned communities business, further progress across our commercial and mixed use development pipeline, and a pick up in the recovery in operating conditions as markets re-open. Cash collections continue to improve, and we expect this to gather pace in the fourth quarter, buoyed by the reopening of domestic and international borders.

"We have managed construction delays and supply chain risks, with trade costs associated with 100% of development projects for FY22 and 75% for FY23 are already locked in. Progress across our ~$29bn[1] development pipeline included the commencement of construction at Switchyard Industrial Estate in Sydney, nearing practical completion at 80 Ann Street, Brisbane, and the successful launch of three new apartment projects.

"Our experience, scale, and internal integrated design and construction capability, combined with a forward-planning approach, continues to be a key competitive advantage in the execution of our pipeline, creating value and growth for our securityholders over the coming years."

KEY HIGHLIGHTS FROM ACROSS THE GROUP:

- 2,332 residential sales FYTD (3Q22: 518), with pre-sales increasing to ~$1.6bn;
- settled 1,645 residential lots FYTD (3Q22: 342), and expect to settle >2,500 lots in FY22;
- completed 247 leasing deals across ~75,600sqm in the Integrated Investment Portfolio (IIP)[2];
- maintained high occupancy in IIP at 97.1%[3], and LIV Indigo now leased to 98%;
- cash collection improved to 94%[4], impacted by restrictions in Sydney and Melbourne and remained concentrated in Retail;
- progressed our ~$29bn[1] development pipeline, with further leasing success achieved at 80 Ann Street in Brisbane (~97% pre-committed[5]), commencement of our ~$277m[1] industrial development at Switchyard, Auburn (~40% pre-committed[5]) and continued pre-construction momentum at Aspect Kemps Creek (~63% pre-committed[5]);
- integrated construction model invaluable in current climate, with 100% of anticipated trade costs associated with development completions locked in for FY22 and 75% secured for FY23;
- ranked number one in the world in Equileap's Global Report on Gender Equality, leading a global field of 4,000 companies;
- awarded number one in the 2022 AFR BOSS Best Places to Work List for the Property, Construction and Transport sector[8]; and
- released our third environmental plan, *Planet Positive Water*, which sets out how we intend to reduce and reuse water, as well as influence consumption behaviour, to achieve net positive water well ahead of our initial 2030 target.

KEY METRICS

Residential	3Q22 FYTD	3Q21 FYTD
Lot settlements	1,645	1,791
Lot sales	2,332	2,282
Pre-sales balance	~$1.6bn	$1.0bn

Commercial & Mixed Use

~$12.9bn

SECURED PIPELINE[1]

	Cash collection[4]			Occupancy (by area)			WALE (by income)		
	3Q22	1H22	3Q21	3Q22	1H22	3Q21	3Q22	1H22	3Q21
Office	98%	97%	98%	95.3%	95.0%	95.3%	6.2 yrs	6.3 yrs	6.5 yrs
Industrial	100%	99%	100%	100.0%	100.0%	99.7%	6.9 yrs	7.1 yrs	7.3 yrs
Retail	87%	78%	90%	97.4%	97.6%	98.0%	3.3 yrs	3.4 yrs	3.5 yrs
Build to Rent	n/a	n/a	n/a	98%[7]	88%[7]	63%[7]	n/a	n/a	n/a
Total IIP[6]	**94%**	**92%**	**95%**	**97.1%**	**97.0%**	**97.0%**	**5.5 yrs**	**5.6 yrs**	**5.6 yrs**

FLOOD & COVID-19 IMPACTS

The east coast of Australia experienced extreme wet weather in early March, with widespread flooding in both Sydney and Brisbane. While there was no direct damage across our residential projects, we experienced a significant number of lost construction days, which have pushed some settlements back into late Q4 and FY23. This, coupled with wet weather impacts on supply chains and ongoing elevated levels of COVID-related absenteeism across authorities and subcontractors, is resulting in delays to the completion and certification at a number of MPC projects across the portfolio. Our >2,500 lot settlement guidance for FY22 has been maintained however we continue to closely monitor these risks and their impact on program completions.

Our retail asset Toombul, in Brisbane experienced extensive flood damage and is currently closed as we assess the damage and determine the appropriate next steps. There is no impact to FY22 operating earnings.

1. Represents 100% expected end value/revenue, subject to various factors outside Mirvac's control, such as planning outcomes, market demand, ongoing construction costs escalation, supply chain risks and COVID-19 uncertainties. 2. Excluding Build to Rent and COVID-19 related relief deals. 3. By area, excluding Build to Rent. 4. Net cash collection, excluding development impacted properties. 5. Including non-binding heads of agreements. 6. Excluding Build to Rent. 7. BTR leased and is excluded from total portfolio calculation. 8. Awarded in April 2022.

Residential

The Langlee Waverley, Sydney (artist impression, final design may differ)

RESIDENTIAL UPDATE:

> settled 1,645 residential lots FYTD, including 342 lots in 3Q22 and expect to settle >2,500 lots in FY22;
> achieved 2,332 lot sales FYTD (3Q21: 2,282) including 518 in 3Q22 (3Q21: 897), with a further 482 deposits ($219m);
> residential pre-sales increased to ~$1.6bn (3Q21: $1.0bn), with owner-occupiers continuing to drive sales, representing 75% of total pre-sales;
> default rates at 2.9% (0.2% excluding Voyager Yarra's Edge, VIC);
> released 2,321 lots FYTD (3Q22: 728), with strong sales momentum in MPC resulting in 74% of released lots sold;
> released the highest level of apartments since FY17, with the launch of The Langlee Waverley and Montage & Overture at NINE Willoughby (both in Sydney), and Charlton House, Ascot Green, Brisbane (see table);
> received development approval for Isle, the next premium apartment building at Waterfront Newstead Brisbane; and
> residential rental vacancy fell to <2.3%[1] across east coast major cities (no vacancy across our managed assets) and is likely to remain low with FY23/24 east coast apartment supply expected to be 45% lower than 2018.

Q3 KEY SALES HIGHLIGHTS

MPC	Released	Sold %[2]
Googong, NSW	27	100%
Olivine, VIC	53	100%
Smiths Lane, VIC	87	91%
Woodlea, VIC	127	89%

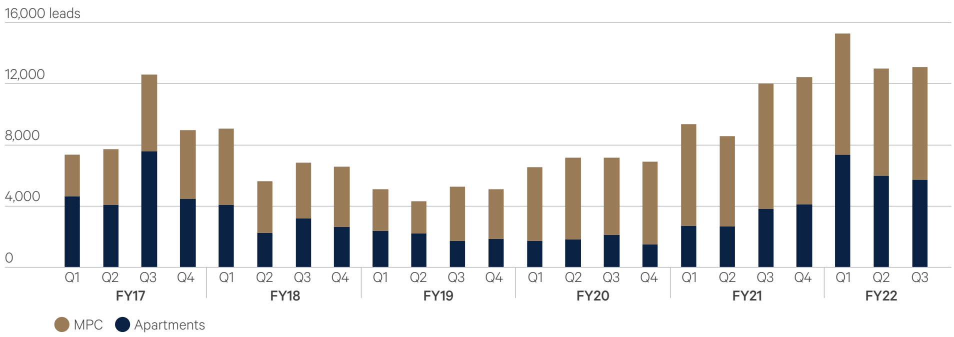
Apartments	Released	Sold %[2]
NINE Willoughby, NSW[3]	198	53%
The Langlee Waverley, NSW	55	22%
Charlton House Ascot Green, QLD	113	37%

Q3 SETTLEMENTS DETAIL

	Product	Lots
The Village Menangle, NSW	MPC	86
Smiths Lane, VIC	MPC	77
Googong, NSW	MPC	74

Head of Residential, Stuart Penklis, said, "We were pleased to see continued solid sales activity over the quarter, with our masterplanned communities projects in Victoria continuing to perform particularly well. Our apartment launch program remains on track with demand from owner-occupiers, with pre-sales lifting to ~$1.6bn, and expected to rise further as our launch program progresses. We have seen a normalisation of apartment sales volumes over the quarter, and we remain confident on the sales outlook for these apartment developments with tight residential vacancy, compelling relative affordability and upcoming supply shortage. We continued to actively manage the challenges associated with cost inflation, supply chain constraints, COVID related absenteeism and wet weather over the quarter and maintain our expectation to settle >2500 lots in FY22."

STRONG DEMAND CONTINUED, WITH LEADS AT ELEVATED LEVELS



PROGRESSING OUR NET POSITIVE ENVIRONMENTAL IMPACT

We have an unwavering focus on having a positive impact on the planet, and this was demonstrated over the third quarter with the release of our third environmental plan, **Planet Positive Water.** The plan sets out how we will reduce and reuse water, as well as influence consumption behaviour, to achieve net positive water well ahead of our initial 2030 target. The three focus areas of the plan are:

> **efficiency** – we'll look to improve water efficiency at our assets where we have operational control, using the recognised National Australian Built Environment Rating System Water ratings;
> **offsets** – that means using captured and recycled water at our masterplanned communities projects where drinking water can be replaced (for example, toilet flushing and irrigation) to offset drinking water demand; and
> **influence** – leveraging our purchasing power to influence/achieve water savings, particularly through materials and electricity procurement.

As well as the environmental benefits of achieving net positive water, our plan will deliver a number of commercial benefits for our investors, customers and tenants, including increased resilience at our assets and the ability to de-risk across our portfolio.

"Having recently met our scope 1 and 2 net positive carbon milestone nine years early, we are motivated to also reach our net positive water target well ahead of schedule."

Susan Lloyd-Hurwitz, CEO & Managing Director

1. Australia Vacancy Rate (all dwellings), SQM Research, March 2022. 2. Includes deposits and conditional sales. 3. Includes prior released apartments in 1H22.

Integrated Investment Portfolio

PORTFOLIO UPDATE 3Q22

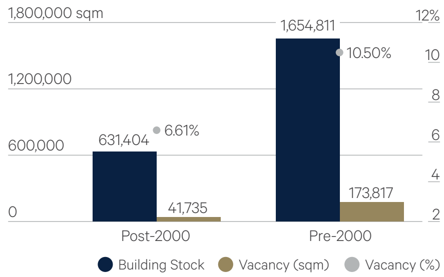
	Office	Industrial	Retail	Build to Rent	Total IIP[2]
Cash collection[1]	98%	100%	87%	n/a	**94%**
Occupancy[4]	95.3%	100.0%	97.4%	98%[3]	**97.1%**
WALE[5]	6.2 yrs	6.9 yrs	3.3 yrs	n/a	**5.5 yrs**
NLA leased YTD	31,372sqm	14,028sqm	30,196sqm	n/a	**75,596sqm**
No. of lease deals YTD	37	6	204	n/a	**247**

OFFICE

> occupancy of 95.3%[4] and a WALE of 6.2 years[5], with lease expiry for 4Q22 of 1%[5];
> cash collection rate of 98%[1] (1H22: 97%);
> executed leasing deals across ~31,400sqm FYTD; and
> continued our asset disposal program with Quay West Car Park, Sydney settling in April, and Allendale Square, Perth being marketed for sale.

Head of IIP, Campbell Hanan, said, "We saw an uplift in leasing activity across the office market in March, and we expect this to continue as people once again return to the workplace, further supported by strong employment growth. There is evidence that tenants are retaining or growing their CBD office requirements, with a strong structural preference towards modern, well-located sustainable buildings. With 98% of our portfolio weighted to Prime assets, an average age of 11.8 years and a 5.3 Star average NABERS Energy rating[10], our portfolio is well-placed to benefit from this trend."

SYDNEY A-GRADE VACANCY ASSETS BUILT PRE/POST 2000



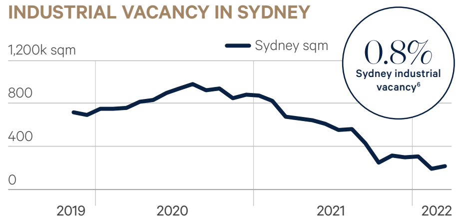
Source: Arealytics, March 2022

INDUSTRIAL

> strong fundamentals remained across the sector with vacancy at 0.8% in Sydney[6];
> occupancy of 100%[4] with a WALE of 6.9 years[5], with lease expiry for 4Q22 of 0%[5];
> cash collection rate of 100%[1] (1H22: 99%); and
> executed leasing deals across ~14,000sqm FYTD.

"We maintained 100% occupancy[4] in our industrial portfolio during the quarter. Tight vacancy in the Sydney market under 1%[6] and continued robust demand for space is bolstering rental growth and underpinning our development led growth strategy," said Mr Hanan.

INDUSTRIAL VACANCY IN SYDNEY



Source: SA1, March 2022

RETAIL

> portfolio remains well positioned to benefit from re-opening of markets, with early signs of a recovery from students, tourists and CBD workers;
> March monthly portfolio sales[7] grew by 6.3% on March 2021, with convenience assets exhibiting sales rates above pre-COVID levels. Improvements are also evident across CBD centres but remain below pre-COVID levels;
> cash collection improved over the quarter to 87%[1], however the extension of some elements of the code of conduct into June this year has muted the speed of this recovery;
> executed 204 leasing deals across ~30,200sqm FYTD;
> completed the disposal of Tramsheds Sydney settling in February, at a 53% premium to book value; and
> Toombul in Brisbane experienced significant flooding in March and the centre is currently closed. There will be no impact to FY22 operating earnings.

RETAIL SALES BY CATEGORY[7]

	3Q22 Total MAT	3Q22 Comparable MAT growth
Supermarkets	$1,021m	2.8%
Discount department stores	$213m	(6.9%)
Mini-majors	$495m	(0.1%)
Specialties	$739m	(2.1%)
Other retail	$115m	89.7%
Total	**$2,583m**	**2.0%**

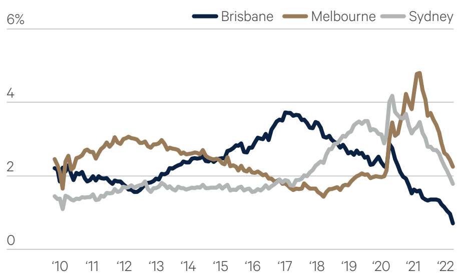
Mr Hanan said, "We are seeing promising signs of a recovery across our retail portfolio, with eight of our twelve operating assets reporting growth on last year and five showing sales growth on pre-COVID levels. Cash collection has improved, and we expect this to gather pace in the fourth quarter. Our urban based retail assets are well placed to benefit from the re-opening of borders and normalised trading conditions."

BUILD TO RENT

> strong market fundamentals with residential vacancy rates <2.3%[8] across east coast major cities, supporting strong rent growth in Melbourne, Sydney and Brisbane;
> leasing momentum continued over the quarter, with LIV Indigo, Sydney Olympic Park 98% leased; and
> progressing the capital partnering process, with positive inbound interest to date with domestic and offshore parties.

"Conditions across the BTR sector are buoyant with residential vacancy rates at 16 year lows[8] and renters as one of the fastest growing cohort of the residential segment helping to accelerate rental growth. Benefiting from this thematic, our pilot project LIV Indigo in Sydney is now 98% leased. The outlook remains positive and we expect limited forecast apartment supply and the recent re-opening of international borders will help drive demand in the sector in the near term, which bodes well for our ~$1bn[9] build to rent assets under construction," said Mr Hanan.

RESIDENTIAL VACANCY RATES
(All Dwellings, Seasonally Adjusted)

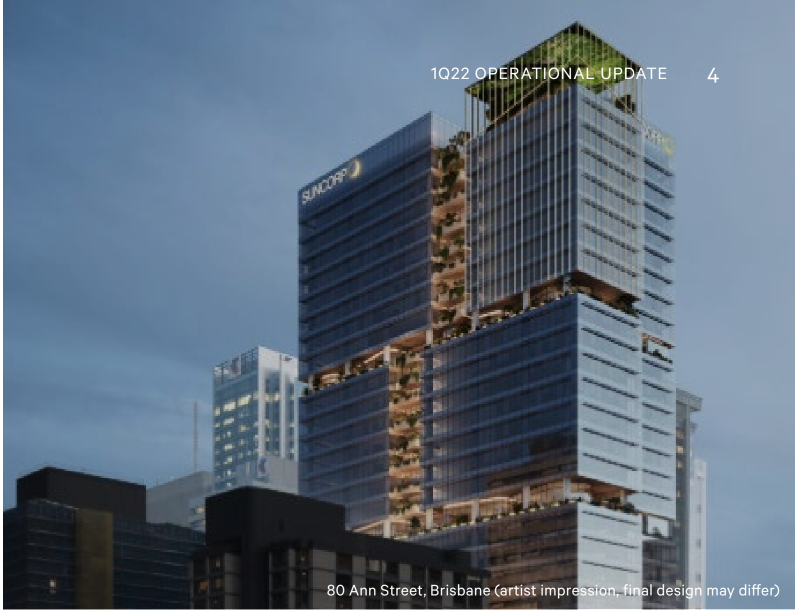


Source: SQM Research, Macrobond, March 2022

1. Net cash collection, excluding development impacted properties. 2. BTR excluded from total IIP calculations. 3. BTR leased and is excluded from total portfolio calculation. 4. By area, excluding assets held for development. 5. By income, excluding assets held for development. 6. Source: SA1, March 2022. 7. Excluding Harbourside and Toombul. 8. Australia Vacancy Rate (all dwellings), SQM Research, March 2022. 9. Represents 100% expected end value/revenue, subject to various factors outside Mirvac's control, such as planning outcomes, market demand and COVID-19 uncertainties. 10. Metrics as at 31 December 2021.

Commercial & Mixed Use

Switchyard, Auburn, Sydney (artist impression, final design may differ)



80 Ann Street, Brisbane (artist impression, final design may differ)

PIPELINE UPDATE

- practical completion nearing at **Heritage Lanes (80 Ann Street), Brisbane,** with the building ~97% pre-committed[1] (1H22: 93%[1]);
- progressed the redevelopment of **Harbourside, Sydney,** with the issuing of vacant possession notices commencing;
- demolition continued at **55 Pitt Street, Sydney,** with active leasing discussions underway. Development consent has been attained from the Central Sydney Planning Committee;
- received DA approval on **200 Turbot Street, Brisbane** for a ~55,000sqm, A-grade office building, with demolition underway. Mirvac has the option to purchase the site, with commencement subject to appropriate pre-commitment;
- lodged a planning permit to transform **90 Collins Street, Melbourne,** with plans to refurbish the existing 21-storey building and increase the floor space by 15 levels, adding an additional ~15,000sqm of premium commercial space above the existing building. The end value of the completed development is expected to be ~$650 million[2];
- commenced construction at **Switchyard Auburn, Sydney,** with positive leasing momentum increasing pre-commitments to ~40%[1] of the estate (1H22: 38%[1]). The development is targeting a 5 Star Green Star rating, with completion expected in FY23;
- progressed initial development application and leasing enquiry at **Aspect Kemps Creek, Sydney,** with the estate ~63% pre-committed[1] (1H22: 63%[1]). Aspect is targeted to be Mirvac's first net positive embodied carbon development, with target 5 Star and 6 Star Green Star ratings on the first two buildings. Construction is expected to commence in 1H23[3];
- welcomed Lineage Logistics as a key partner at **Aspect Kemps Creek, Sydney**, selling 7ha (of the 56ha estate) to develop a ~36,000sqm automated cold storage facility[3];
- progressed initial DA at **Elizabeth Enterprise Badgerys Creek, Sydney,** with the Western Sydney Aerotropolis Precinct Plan finalised in March 2022[3]; and
- across the ~$1bn[2] of BTR developments currently under construction, **LIV Munro, Melbourne** (490 apartments) continued to progress, with construction completion on track for the end of CY2022. Pre-leasing is expected to commence in August. **LIV Anura, Brisbane** (396 apartments) and **LIV Aston, Melbourne** (474 apartments) are also underway. Planning approval was received from VCAT for **LIV Albert Fields, Melbourne** with the number of apartments increased to 498. Upon completion, Mirvac will have 2,173 apartments across its BTR platform.

1. Including non-binding heads of agreements.
2. Represents 100% expected end value, subject to various factors outside Mirvac's control, such as planning outcomes, market demand, ongoing construction costs escalation, supply chain risks, and COVID-19 uncertainties.
3. Subject to various factors outside Mirvac's control, such as planning outcomes, market demand and COVID-19 uncertainties.

HERITAGE LANES - 80 ANN STREET, BRISBANE

80 Ann Street is expected to complete in 4Q22, and we are delighted to deliver one of our most sustainable assets yet, with stronger than expected returns driven by leasing success and management of costs. The asset was designed to be all-electric in its operations and highly energy and water efficient, with a 5.5 star NABERS energy rating, a 4.0 star NABERS water rating, and a 6 Star Green Star rating being targeted.

Size	~61,000 sqm
Pre-leased[1]	~97%
Ownership	50% Mirvac, 50% M&G Real Estate
Key tenants	Suncorp, KPMG
End value[2]	~$863m
Target yield on cost	5.6%
Actual yield on cost	~6%
Status	On track to complete Q4FY22
Sustainability	> Targeting 6 star Green Star > Targeting 4 star water and 5.5 star NABERS > First operationally all-electric building > Low carbon materials > Planting, breathable floors
Technology	Next generation smart building – ICN (integrated communication network)

Brett Draffen, Chief Investment Officer, said, "Our integrated design, development and construction platform is particularly valuable in today's climate. We celebrate the success of the recent completion of Locomotive Workshop, Sydney and impending completion of 80 Ann Street, Brisbane. I am particularly excited about the next round of development projects that will drive future NOI growth, development profits, asset revaluations and funds management fees. We commenced construction on Switchyard Industrial Estate in Auburn during the quarter, which is set to become a state-of-the-art last-mile industrial facility, along with Aspect in Kemps Creek, where strong pre-leasing success pave the way for the commencement of our first carbon neutral construction in 1H23. Our ~$1bn[2] of BTR assets currently under construction are on track to complete into a favourable leasing market, while the trend towards modern, sustainable well-located assets should underpin demand for our upcoming office assets such as 55 Pitt Street, Sydney".

Authorised for release by the Mirvac Group Continuous Disclosure Committee

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