



FY11 Results Presentation

PEET

Success through experience

Key messages

FY11 RESULT

- » Operating net profit of \$44.0m¹, up 2.8%
- » Operating EPS of 14.6c, up 2.1%
- » Statutory profit of \$22.1m, down 47.5% due to write-downs of inventory
- » DPS of 8.5c in line with FY10
- » NTA of \$1.37² per share, up 10.5% due to portfolio net valuation gain
- » Gearing³ of 33.5%, down from 36.0%

MARKET CONDITIONS

- » Market conditions challenging, however Peet well positioned
- » Peet has low cost product targeted at the affordable segment, diversified across states
- » Key large scale projects underpin Peet's outlook
 - » Greenvale / Craigieburn (VIC) – 3,630 lots
 - » Yanchep (WA) – 2,152 lots
 - » Caboolture (QLD) – 1,325 lots
 - » Gladstone (QLD) – 513 lots

Notes:

1 Pre FY11 write-downs

2 Net assets adjusted for market value of inventory

3 (Total interest bearing liabilities (including deferred payment obligations) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets)

Key messages *(continued)*

BUSINESS REPOSITIONING

- » Countercyclical repositioning of land bank to longer term growth states of WA and QLD
- » Growth in land bank driven through Funds Management¹, now representing approximately 70% of land bank by GDV and lots
- » Continued growth of wholesale platform during FY11 - Future Fund and MTAA Super partnerships
- » Re-weighting to large scale projects
- » Inventory is strategically positioned geographically and at price points to achieve volume from improving markets

FY12 OUTLOOK

- » Development contracts on hand lower than FY10 due to delayed planning approvals of key major projects - now in production
- » Sales and settlements expected to be higher than FY11, although company owned development margins likely to moderate in the short term as larger core projects are in early stages of production cycle
- » Funds management to continue to provide a recurrent earnings stream
- » Further expansion of wholesale platform targeted
- » Retail syndicate product identified. Continue to monitor interest from retail investor base which will determine timing of new retail syndicate launch.

Notes:

¹ Including joint ventures

Group Business model

Target EBIT Composition		Target EBIT Margin	Land Bank Diversification by Geography (%)	Land Bank	Capital Employed ¹	Sources of Revenue
40% – 50% EBIT	Development	25% -35%	<p>Legend: WA (Blue), Vic (Green), Qld (Orange)</p>	Lots: 14,728 GDV (\$bn): 2.8 # Projects: 32	\$548m	» Development profit
50% – 60% EBIT	FM² Retail Wholesale	65% -75%	<p>Legend: WA (Blue), Vic (Green), Qld (Orange)</p>	Lots: 17,606 GDV (\$bn): 3.3 # Projects: 31 Lots: 18,350 GDV (\$bn): 3.0 # Projects: 4	\$125 ³ m	» Underwriting and capital raising fees » Project management fees » Performance fees » Profit shares
				Lots: 50,684 GDV (\$bn): 9.1 # Projects: 67		

Notes:

- 1 Balance sheet assets at cost as at 30 June 2011 post write-downs
- 2 Includes joint ventures
- 3 Includes July 2011 settlement of Flagstone acquisition

Financial highlights

	FY11			FY10
Operating Net Profit ¹	\$44.0m	▲	2.8%	\$42.8m
Operating Earnings per Share	14.6 cents	▲	2.1%	14.3 cents
Dividend per Share	8.5 cents	—		8.5 cents
Statutory Net Profit	\$22.1m	▼	(47.5%)	\$42.1m
NTA per Share ²	\$1.37	▲	10.5%	\$1.24
Gearing (incl. convertible notes) ³	33.5%	▼	(2.5%)	36.0%

Notes:

1 Pre write-downs

2 Net assets adjusted for market value of inventory

3 (Total interest bearing liabilities (including deferred payment obligations) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets)

Group key financial highlights

- » Group revenue of \$188.7m, up 6%
- » Operating EBITDA of \$81.2m, up 7%
 - » 43% EBITDA margin maintained
- » Operating NPAT of \$44.0m, up 3%
- » Statutory NPAT of \$22.1m
 - » impacted by pre-tax write-down of inventories of \$31.3m (\$21.9m post-tax)
- » NTA per share of \$1.37⁵
 - » does not account for value of funds management business / earnings
- » Gearing of 33.5%⁴
 - » Based on revised covenant definition

\$m	FY11	FY10	Var (%)
Revenue	188.7	178.0	6%
EBITDA ¹	81.2	75.8	7%
Net EBITDA margin	43%	43%	0%
Operating NPAT	44.0	42.8	3%
Operating EPS (¢)	14.6	14.3	2%
DPS (¢)	8.5 ³	8.5	0%
ROCE ² (%)	13.0%	12.6%	0.4%
ROE ² (%)	17.4%	19.7%	(2.3%)
Statutory NPAT	22.1	42.1	(47%)
Statutory EPS (¢)	7.3	14.1	(48%)
Gearing ⁴ (%)	33.5%	36.0%	(2.5%)
NTA per share ⁵	\$1.37	\$1.24	10%

Notes:

1 Pre write-downs

2 Based on average balance of assets and equity for the year

3 2H11 dividend of 4.5 cents per share

4 (Total interest bearing liabilities (including deferred payment obligations) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets)

5 Net assets Adjusted for market value of inventory

Group operating performance

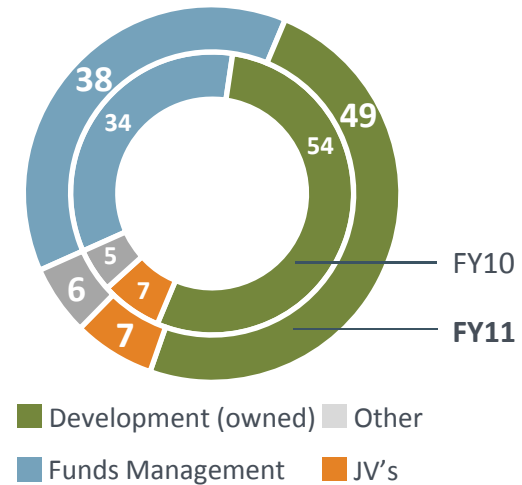
- » Funds Management business provided strong recurring earnings
 - » 25 syndicates / JVs contributing to profit
- » Smaller number of larger projects driving company owned Development returns
- » Victoria main profit driver during FY11

	FY11	FY10	Var (%)
Lot sales	2,209	2,567	(14%)
Lot settlements	2,198	2,366	(7%)
No. of syndicates/JVs contributing to profit	25	23	
No. of owned projects contributing to profit	8	13	

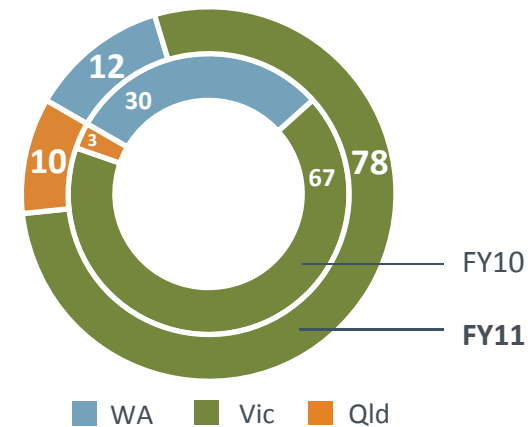
Notes:

1 Pre write-downs

FY11 EBITDA composition by business type¹ (%)



FY11 EBITDA composition by geography¹ (%)



Capital management

- » Strong and secure long term capital position
- » Significant capital management achievements over FY11
 - » Diversified capital sources – introduced new lender and issued convertible bonds
 - » Increased weighted average debt maturity to 3.3 years
- » Commencement of divestment program for non-core assets underway
 - » Proceeds to fund current development pipeline, reduce debt and pursue other capital management initiatives

	30 June 11	30 June 10
Cash at bank	\$57.2m	\$41.1m
Net debt	\$217m	\$179m
Gearing ¹	33.5%	36.0%
Interest cover ²	3.7x	3.4x
Weighted average debt maturity	3.3 years	1.9 years
Weighted average hedge maturity	3.5 years	4.1 years
Debt fixed/hedged	91%	93%
Weighted average cost of debt ³	8.63%	7.13%

Notes:

- 1 (Total interest bearing liabilities (including deferred payment obligations) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets)
- 2 EBIT (pre write-downs) / Total interest cost (including capitalised interest)
- 3 Including all costs, fees and margins and convertible notes

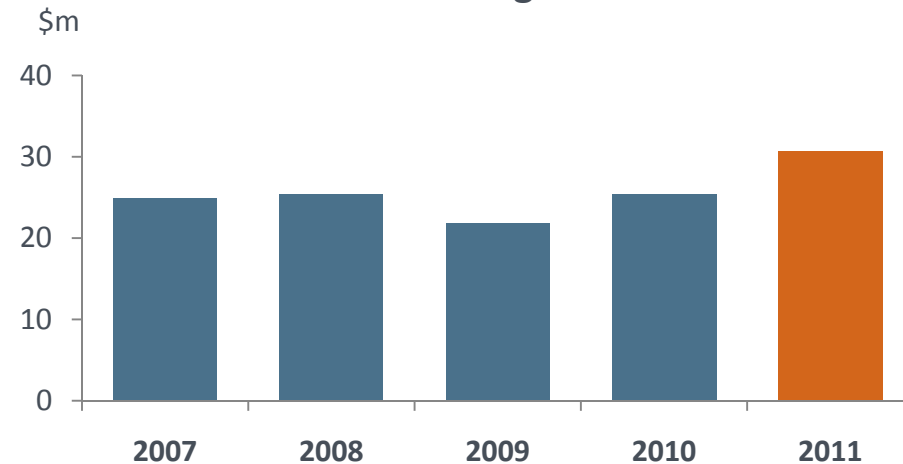
Market valuation of company owned inventory

- » Independent mortgage valuations of portfolio assets of \$586 million, an increase of 4.9%
 - » NTA increased 10.5% to \$1.37 from FY10
- » Write down in inventory of \$31.3 million before tax, \$21.9 million after tax
 - » Write downs predominantly related to long-dated projects in Queensland portfolio, following widespread economic impact of natural disasters, zoning and planning delays and deteriorating business and consumer confidence
 - » Newly acquired Flagstone West value not written down
 - » Offset by significant market value increases in Victoria and to a lesser extent WA

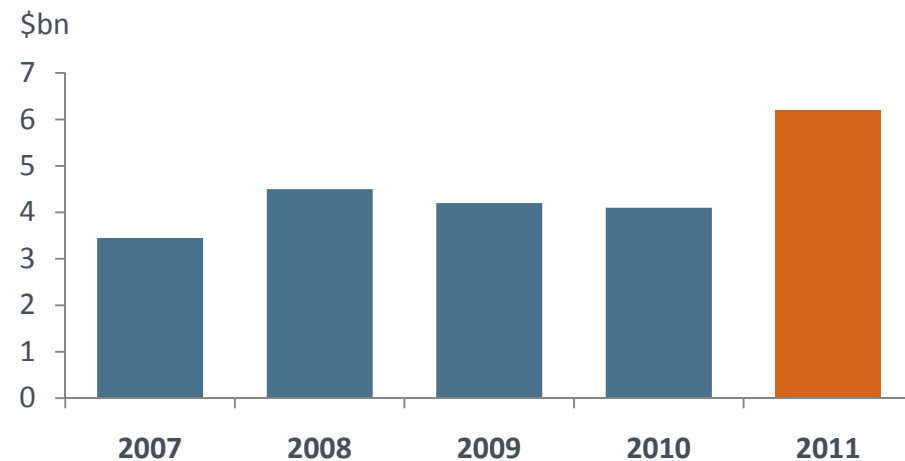
Significant expansion of funds management business

- » Strong and recurrent earnings base
- » Delivered on strategy identified three years ago of growing a wholesale funds platform
- » Have partnered with three significant wholesale investors who are invested across four funds
 - » MTAA Super
 - » Future Fund
 - » Myer Family
- » Significant capital commitment to fund growth of business moving forward
- » GDV of wholesale now \$3bn¹, representing 48% of funds management GDV
- » Secures significant future earnings

Historical Funds Management EBITDA



Historical Funds Management GDV



Notes:

¹ In today's dollars. Assumes 100% of lots in each syndicate / joint venture

Key projects underpinning outlook for FY12 and beyond

Flagstone, QLD



lots remaining: 13,297 GDV: \$1,929m

Shorehaven at Alkimos, WA *shorehaven* ALKIMOS



lots remaining: 3,014 GDV: \$802m

Greenvale/Craigieburn, VIC



lots remaining: 3,630 GDV: \$723m

Vantage Gladstone, QLD *vantage* 



lots remaining: 513 GDV: \$101m

Yanchep Golf Estate, WA 



lots remaining: 1,497 GDV: \$340m

Riverbank Caboolture, QLD *riverbank* where life just flows



lots remaining: 1,325 GDV: \$189m

Land bank – key projects

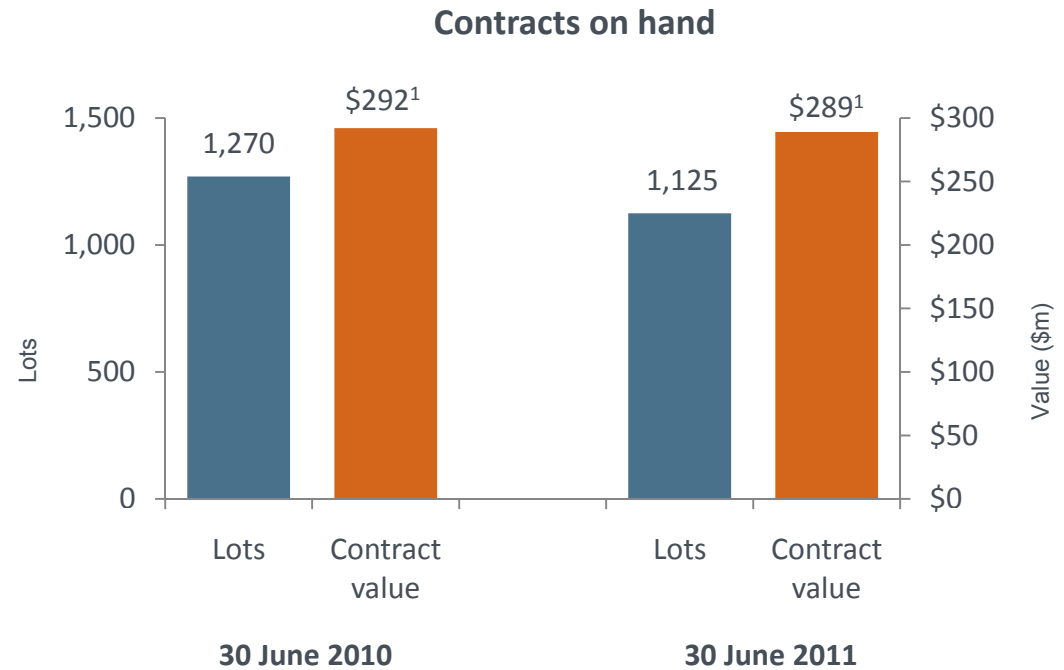
Project name	Location	GDV	Lots ¹ remaining (at 30 June 11)	FY12	FY13	FY14
Owned projects						
Greenvale	VIC	\$410m	1,985			
Craigieburn	VIC	\$313m	1,645			
Gladstone	QLD	\$101m	513			
Chase	WA	\$87m	506			
Brigadoon	WA	\$121m	216			
Other		\$1,744m	9,863			
Total owned projects		\$2776m	14,728			
Funds Management						
Flagstone	QLD	\$1,929m	13,297			
Alkimos	WA	\$802m	3,014			
Yanchep	WA	\$679m	2,152			
Lakelands	WA	\$297m	2,079			
Caboolture	QLD	\$189m	1,325			
Botanic Village	VIC	\$129m	1,006			
Oakford	WA	\$179m	1,001			
Cranbourne Central	VIC	\$167m	883			
Burns Beach	WA	\$371m	795			
Cranbourne West	VIC	\$147m	778			
Forrestdale	WA	\$139m	719			
Other		\$909m	6,622			
Total FM projects		\$5,937m	33,671			
Joint Ventures						
Wellard	WA	\$361m	2,094			
Quattro Values	WA	\$37m	191			
Total JV projects		\$398m	2,285			
TOTAL PIPELINE		\$9,111m	50,684			

Notes:

1 Lots equivalent

Settlements and contracts on hand

- » FY12 sales and settlements expected to be greater than FY11
- » Contracts on hand as at 30 June 2011 down due to delay in planning approvals on Greenvale and Craigieburn
 - » However both projects are now in production and showing a solid sales rate



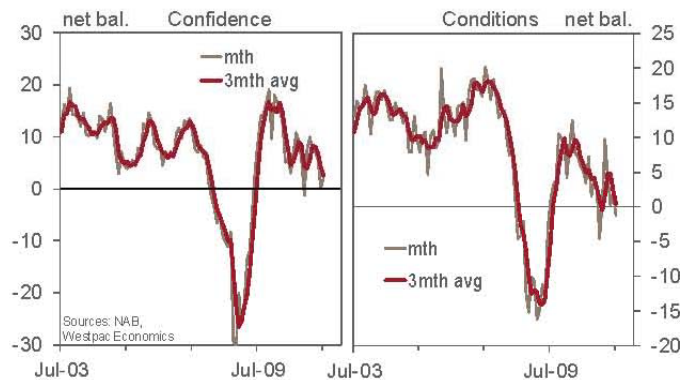
Notes:

1 Includes GST

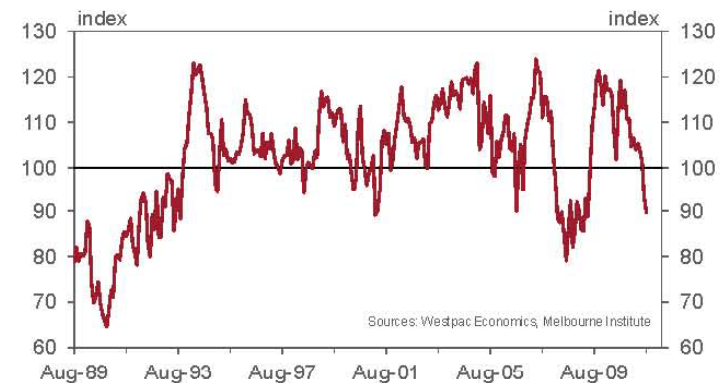
Residential sector conditions – cyclical, not structural

- » Current market conditions are being driven by weak business and consumer sentiment
 - » Result of global economic crisis, rising living costs, interest rate speculation and government policy, including carbon tax
- » Affordability remains an issue, however household balance sheets have improved
- » Sector fundamentals remain attractive
 - » Structural undersupply, strong population growth and low unemployment
- » Affordable market likely to recover first when business and consumer confidence returns

Business conditions & confidence



Consumer Sentiment



Residential market overview

Peet has product with geographic balance and positioned at price points to achieve volume from improving markets

- » The affordable to mid-market segment is maintaining price stability, whilst the higher end of the market has seen a decline
- » More positive indicators in the medium to long-term - household savings high, dwelling approvals below long-term average, population growth, shortage of skilled labour, wages growth and low unemployment

VIC

Weighting

- » High-performing market in recent years

21%

- » Market has softened towards the end of 2H11. Activity trending towards more historical levels
- » Prices and volumes moderating
- » Longer-term fundamentals remain sound

WA

Weighting

- » Residential market soft in FY11 – slowdown in dwelling starts and falling home prices

42%

- » Positive economic fundamentals including population growth
- » Strong mining and engineering sectors boosting the labour market and income growth

QLD

Weighting

- » Poor performing market in FY11 – suffering the impact of natural disasters and flow-on effects

37%

- » Strong resource sector with good longer-term fundamentals
- » New State Government Building Boost Grant (\$10,000) expected to help stimulate the market
- » Enquiry levels improving since July 2011

Notes:

State weighted by land bank by lots

Outlook

FY12 remains challenging, however Peet is optimistic given its pipeline mix and earnings from its funds management platform¹

- » Focus remains on the affordable market segment in identified growth corridors
- » Settlements and sales for FY12 expected to be greater than FY11
 - » FY12 performance underpinned by key high quality projects entering production
 - » FY12 pipeline weighted towards strongest markets (Vic and WA)
 - » However, may be some short-term moderation in company owned development margins
- » Contribution from all businesses – company owned development, retail syndication and wholesale funds management
- » Longer term outlook to benefit from increased scale of Funds Management platform

Notes:

1 Subject to continuation of current market conditions

Strategy

Peet is focused on delivering the right projects to the right markets under a capital efficient model

- » Peet's strategic priorities remain
 - » Focused businesses of residential land development and funds management
 - » Continued focus on customer, product and community to drive competitive advantage
 - » Work with wholesale partners to acquire large-scale greenfield development projects
 - » Continuing expansion of retail syndication and wholesale funds platform nationally
 - » Prudent capital management
 - » Continued commitment to being environmentally responsible across all operations

thank you



PEET

Success through experience

FY11 Annexures



PEET

Success through experience

Summary income statement

\$m	FY11	FY10	Var (%)
Funds management	46.4	36.7	26%
Development	120.6	117.7	2%
Other ¹	21.7	23.6	(8%)
Revenue	188.7	178.0	6%
EBITDA (pre inventory write-downs)	81.2	75.8	7%
Finance costs ²	(15.6)	(12.0)	(30%)
Depreciation and amortisation	(1.6)	(1.5)	(7%)
NPBT (pre-inventory write-down)	64.0	62.3	3%
Income tax expense	(20.0)	(19.5)	(3%)
Operating NPAT ³	44.0	42.8	3%
Operating EPS (cents)	14.6	14.3	2%
Adjustments for inventory write-down (net of tax)	(21.9)	(0.7)	(3,029%)
Statutory NPAT ³	22.1	42.1	(47%)
Statutory EPS (cents)	7.3	14.1	(48%)
Statutory DPS (cents)	8.5	8.5	0%

Notes:

- 1 Includes joint ventures, interest income and elimination entries
- 2 Finance costs includes interest and finance charges amortised through cost of sales
- 3 Attributable to the owners of Peet Limited

Summary balance sheet

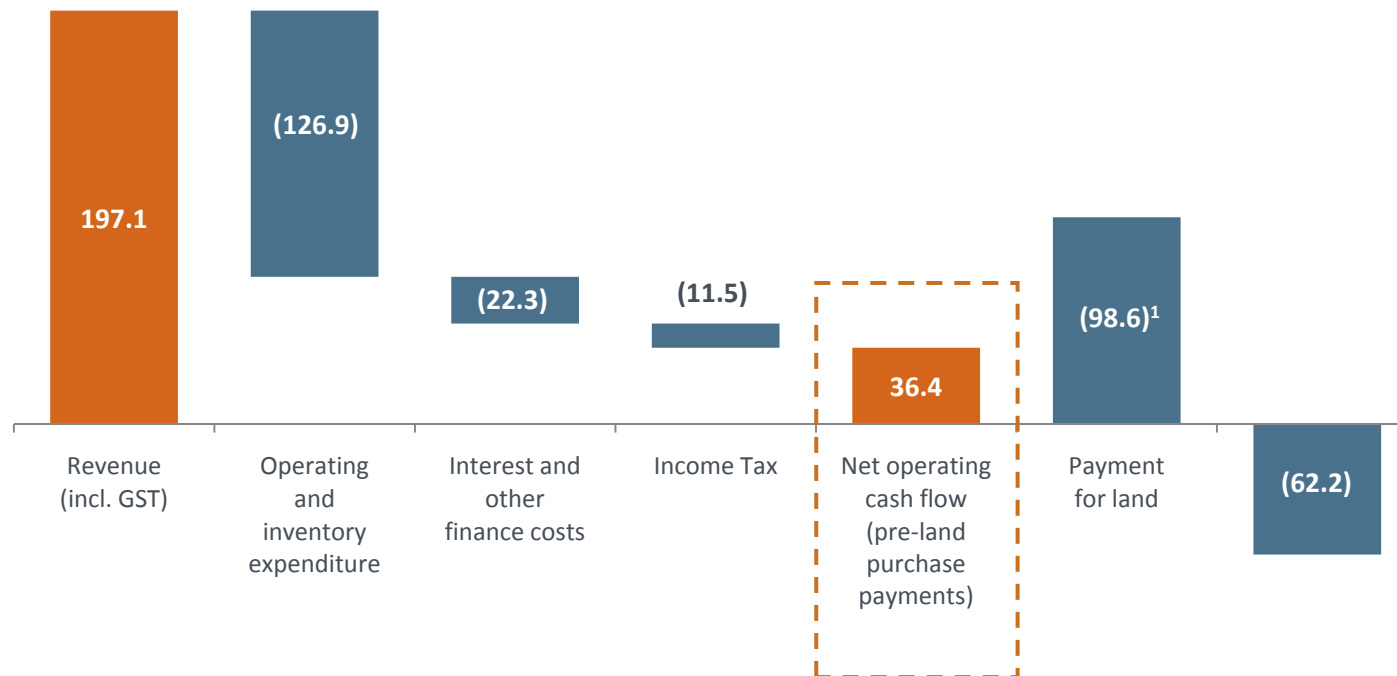
\$m	30 June 11	30 June 10
Assets		
Cash	57.2	41.1
Receivables	82.3	64.3
Inventories	421.4	418.4
Investments accounted for using the equity method	36.1	32.6
Other	13.1	9.5
Asset classified as held for sale	69.5	0.0
Total assets	679.6	565.9
Liabilities		
Trade and other payables	30.4	25.0
Land vendor liabilities	46.4	60.3
Interest bearing liabilities	274.2	219.8
Other	27.4	27.9
Liabilities directly associated with assets classified as held for sale	29.4	0.0
Total liabilities	407.8	333.0
Net assets	271.8	232.9
Gearing ¹ (%)	33.5%	36.0%
NTA per share ² (\$)	1.37	1.24

Notes:

1 (Total interest bearing liabilities (including deferred payment obligations) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets)

2 Net Assets adjusted for market value of inventory

Cash flow analysis



Notes:

1 Includes payment for Yanchep Land Syndicate project

Development operating performance

Key performance statistics

\$m	FY11	FY10	Var (%)
Revenue	120.6	117.7	2%
Operating expenses ¹	(80.5)	(76.6)	(5%)
EBITDA ²	40.1	41.1	(2%)
Net EBITDA margin ²	33%	35%	(2%)

Key operating statistics

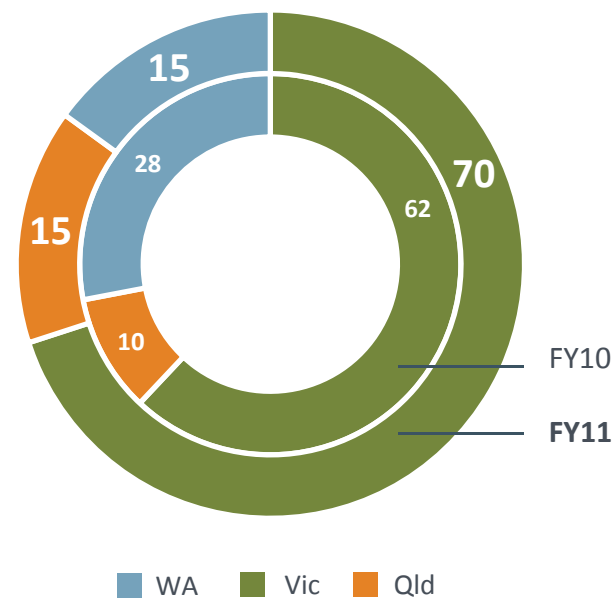
	FY11	FY10	Var (%)
Lot sales	423	592	(29%)
Lot settlements	598	449	33%
No. of contract on hand at 30 June	178	352	(49%)
No. of owned projects contributing to profit	8	13	

Notes:

1 Excludes interest and finance costs expensed through cost of sales

2 Pre write-downs

FY11 revenue composition by geography (%)



FM operating performance

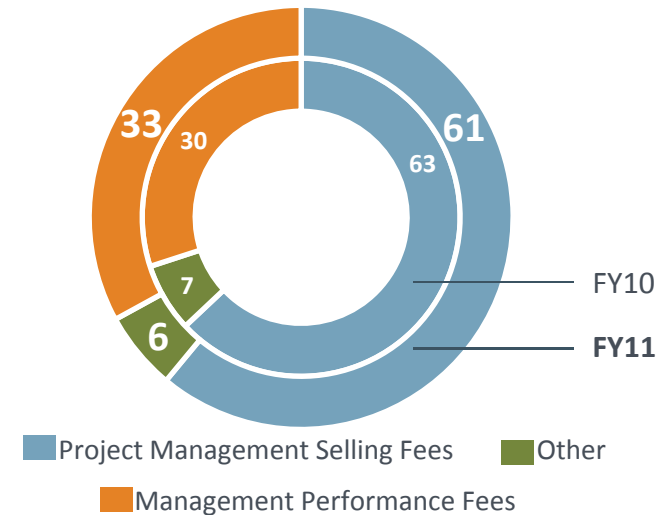
Key performance statistics

\$m	FY11	FY10	Var (%)
Revenue	46.4	36.7	26%
Operating expenses	(15.7)	(11.3)	(39%)
EBITDA	30.7	25.4	21%
Net EBITDA margin	66%	69%	(3%)

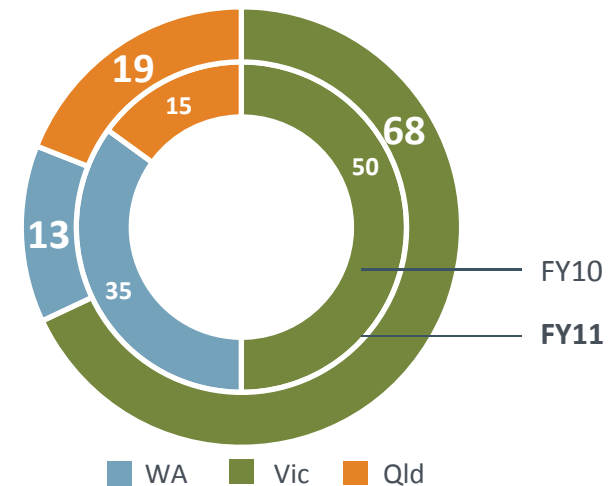
Key operating statistics

	FY11	FY10	Var (%)
Lot sales	1,622	1,729	(6%)
Lot settlements	1,463	1,651	(11%)
No. of contract on hand at 30 June	852	850	0%
No. of syndicates contributing to profit	23	21	

FY11 FM revenue composition by type



FY11 FM revenue composition by geography



JV operating performance

Key performance statistics

\$m	FY11	FY10	Var (%)
Revenue	17.0	20.0	(15%)
Operating expenses	(11.4)	(14.4)	21%
EBITDA	5.6	5.6	0%
Net EBITDA margin	33%	28%	5%

Key operating statistics

	FY11	FY10	Var (%)
Lot sales	164	246	(33%)
Lot settlements	137	266	(48%)
No. of contracts on hand at 30 June	95	68	40%
No. of JV projects contributing to profit	2	2	

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