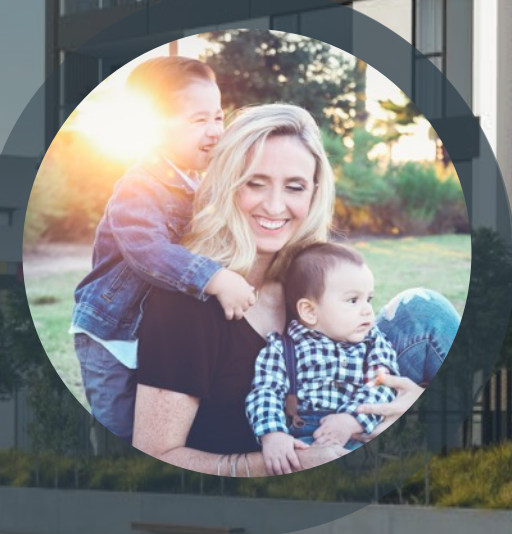


MACQUARIE WA FORUM CONFERENCE PRESENTATION

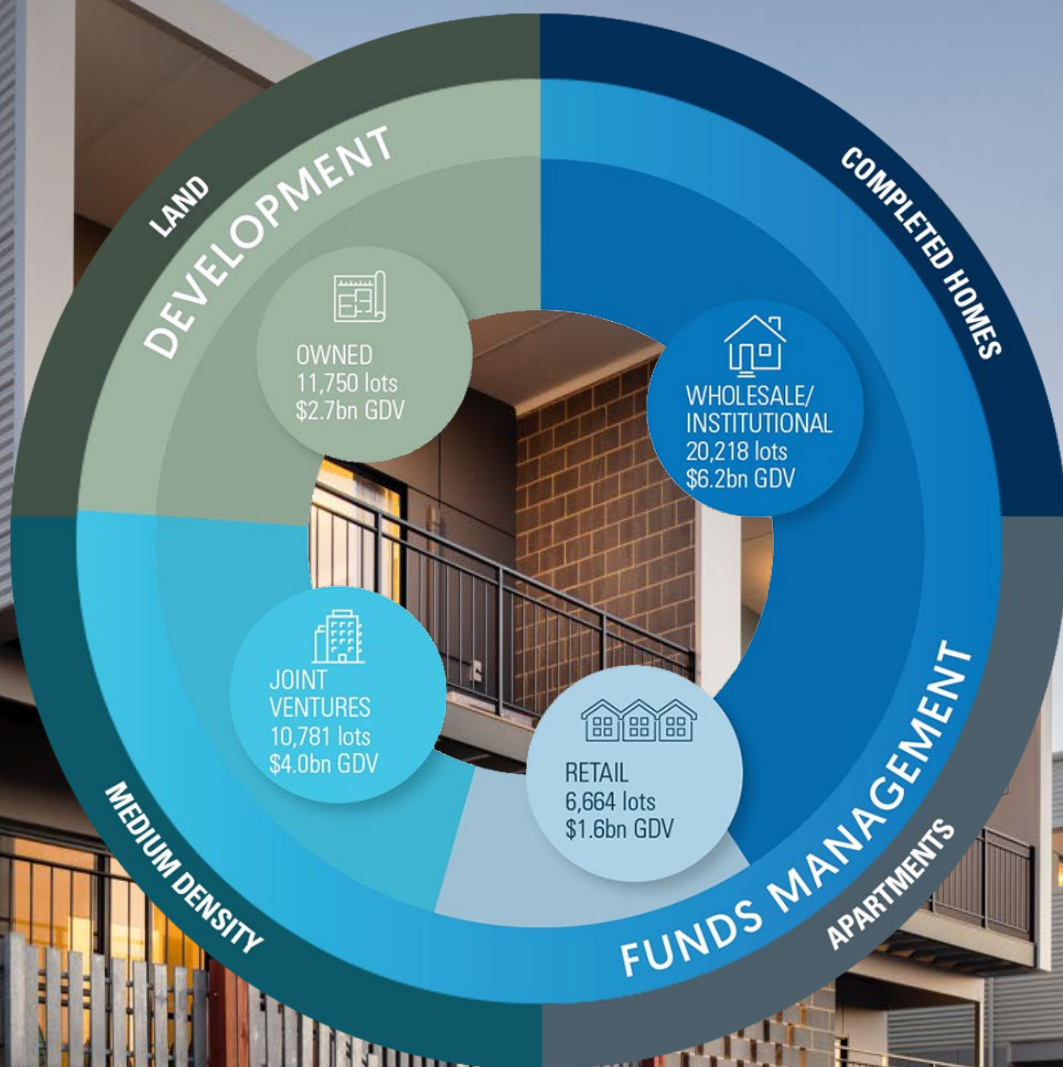
2 DECEMBER 2019

Life
YOUR WAY



WHO WE ARE

CAPITAL LITE FUNDS MANAGEMENT MODEL



- Property development company established in 1895
- Listed on the ASX in 2004
- Australia's largest listed 'pure play' residential property developer
- Manages a broad property portfolio, encompassing about 48 projects encompassing more than 49,400 lots across the country
- Focused on acquisition, development and marketing of residential land, completed homes, townhouses and apartments
- Unique funding model: combination of company-owned developments and capital efficient Funds Management and JVs

NATIONAL REACH

EXPANDING PORTFOLIO ACROSS COUNTRY



49,413
LOTS

\$14.5bn
END-VALUE

48
PROJECTS
NATIONALLY

Peet manages a broad property portfolio, encompassing **49,400 lots** across 48 projects

Diversified land bank strategically located in growth corridors of major cities in every mainland state and territory of Australia

Range of product type appealing to all buyer segments with a core focus on **first home buyers**

Majority of Peet's estates offering land, starting at **\$180,000 / lot**

NT

NO. OF
PROJECTS
1

WA

NO. OF
PROJECTS
19

VIC

NO. OF
PROJECTS
9

NSW

NO. OF
PROJECTS
2

QLD

NO. OF
PROJECTS
11

ACT

NO. OF
PROJECTS
2

SA

NO. OF
PROJECTS
4

NET TANGIBLE ASSETS (NTA)

SIGNIFICANT OPPORTUNITY TO CAPTURE FUNDS MANAGEMENT VALUE

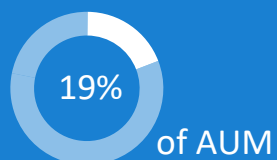
NET ASSET VALUATION - \$2.1bn in Assets Under Management

PEET CAPITAL

NTA: \$1.20

PEET INVENTORIES

\$388 million¹

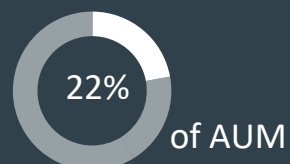


DEVELOPMENT

- GDV² of \$2.7bn across 11,750 lots
- Held at lower of historical cost and net realisable value
- Generating solid margins

PEET CO-INVESTMENTS

\$467 million¹



JV / FM CO-INVESTMENTS

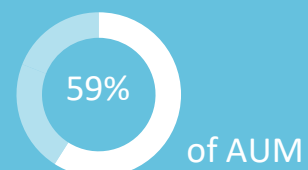
- Represents Peet's economic interest in syndicates and JV projects
- Held at lower of historical cost and net realisable value

THIRD PARTY CAPITAL

NTA

FUNDS MANAGEMENT AND JV

\$1,238 million¹



FUNDS MANAGEMENT AND JV

- GDV² of \$11.8bn
 - Significant pipeline of 37,663 lots providing long-term earnings visibility
 - Represents more than 75% of land bank
 - Lowly geared portfolio
- Value of 'capital lite' fee streams not captured in NTA
 - High margin profit source across multiple fee streams and projects
 - Scalable platform operating across seven states and territories

NOTES:

1. Based on book value of assets at 30 June 2019

2. Gross Development Value

DELIVERING AGAINST OUR STRATEGY

PORTFOLIO WELL POSITIONED FOR POSITIVE MEDIUM TO LONG TERM GROWTH AND VALUE CREATION

STRATEGY

KEY ACHIEVEMENTS (FY19)

INVEST



Invest in high quality land in strategic locations across country

- 49,400 lots with an end value of \$14.5bn
- Four medium density and one broadacre projects acquired
- Expanded into growth corridors of major cities in Australia

ENHANCE



Enhance, plan and create communities and homes targeting the low to middle market segment

- Four new projects commenced development / sales
- c.65% of landbank under development

EXPAND



Expand product offering and geographic presence to appeal to wider variety of customers

- Broadened product offering to Completed Homes, Medium Density Townhouses and low rise Apartments
 - Pipeline of 1,600 townhouses/low rise apartments
- New Wholesale Fund established in 1H19

MAINTAIN



Maintain strong capital management

- Unique business model: Development, Funds Management, JVs
- Disciplined balance sheet utilisation, gearing of 24.6% within target range
- Completed \$75m corporate bond raising
- Share buyback extended

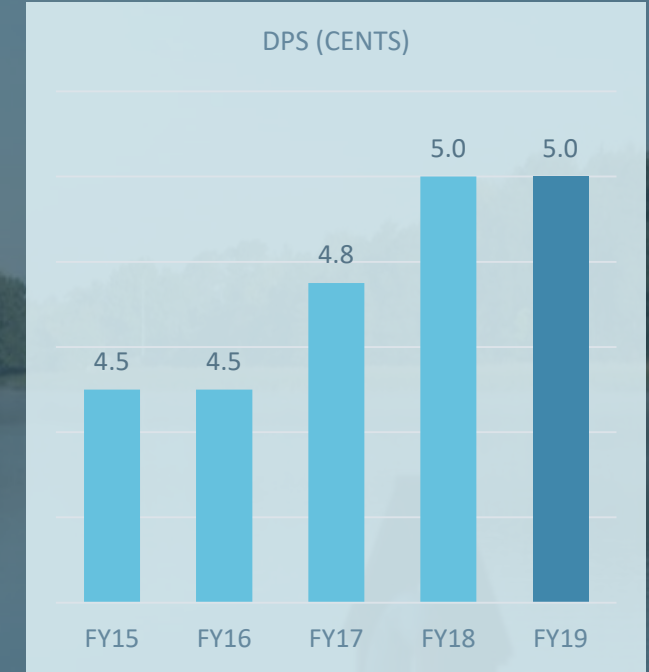
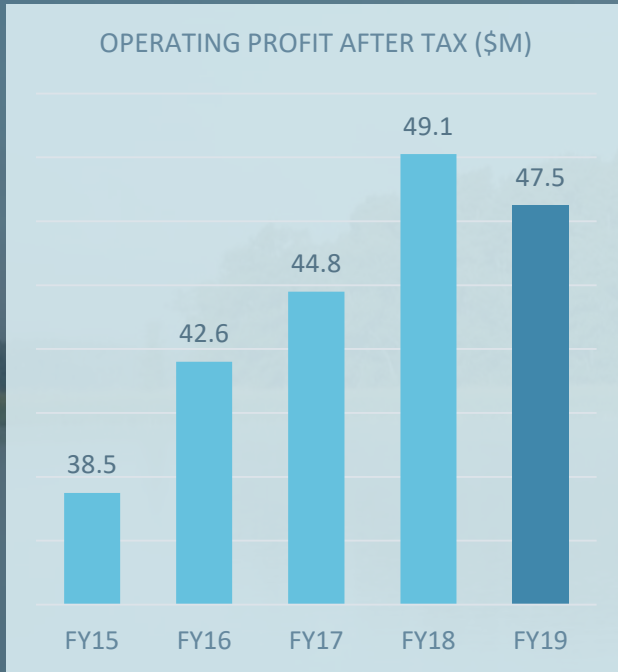


FY19 RESULTS OVERVIEW



LONG-TERM GROWTH IN SHAREHOLDER RETURNS

KEY HIGHLIGHTS



LONG-TERM GROWTH IN EARNINGS DRIVEN BY OUR FOCUSED STRATEGY AND NEW PROJECTS

- Business well established across seven states and territories
 - Provides good geographic spread with well located projects across key growth corridors
 - Expanding market reach by broadening product offering to Completed Homes, Medium Density and low rise Apartment product
- The Group has continued to transition to a solid delivery phase
 - Substantial portfolio of large master planned community projects providing long term earnings visibility
- FY19 Operating EPS down 2% to 9.8 cps
- FY19 DPS of 5 cps, fully franked

MARKET OVERVIEW + PROJECT PIPELINE

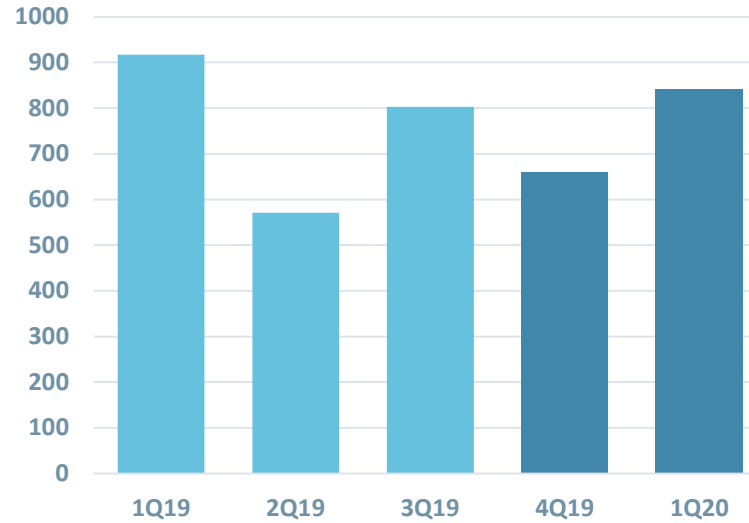


ENQUIRY LEVELS IMPROVING

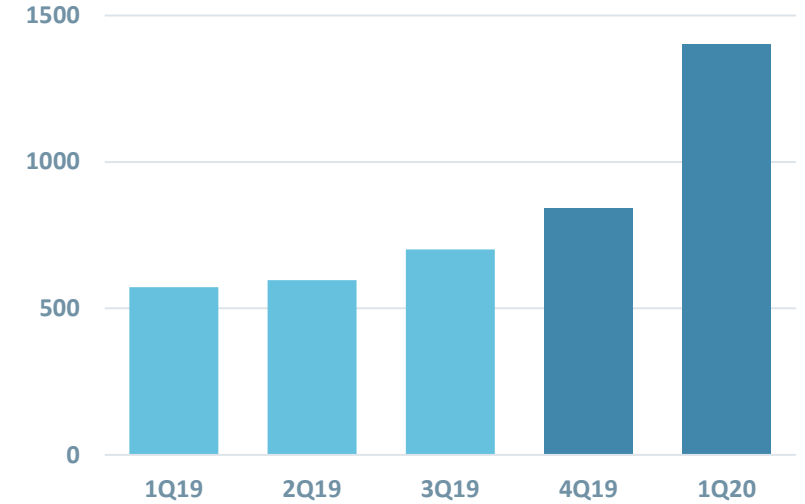
- Enquiry levels improving following the Federal election, interest rate and income tax cuts and improved loan serviceability assessments by banks
- Prices stabilised across the portfolio with VIC and QLD showing early signs of volume increases
- New projects with expected first settlements in FY20 and FY21 include Palmview and Strathpine in QLD, Brabham in WA and Jumping Creek in ACT

TOTAL ENQUIRY BY STATE

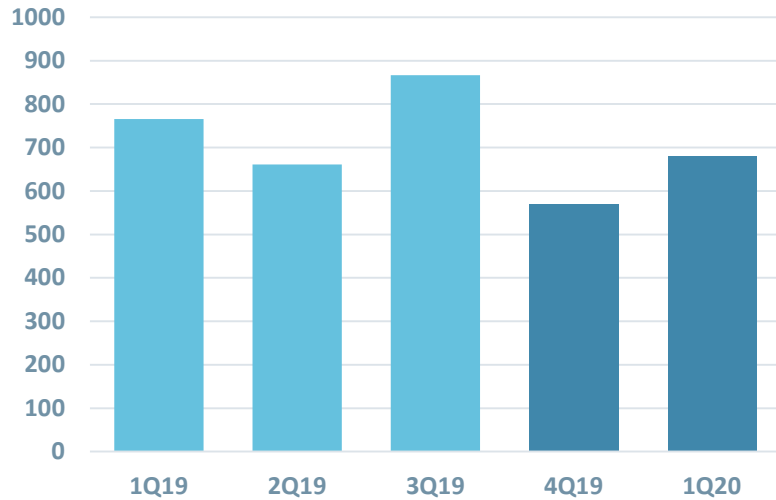
VIC



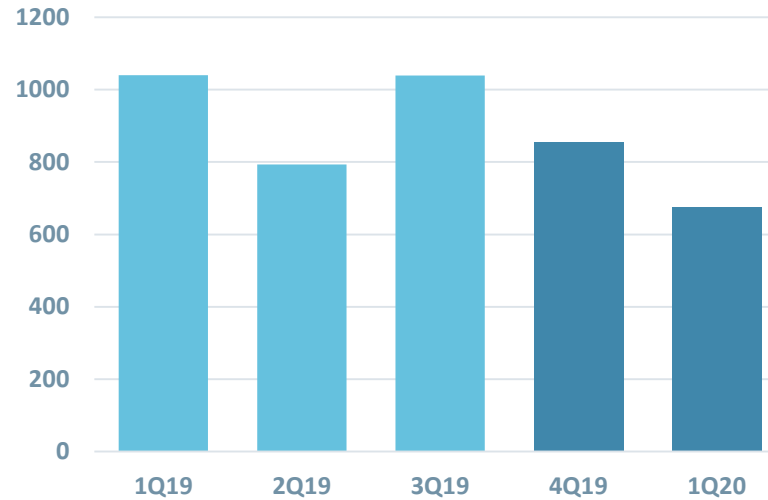
QLD



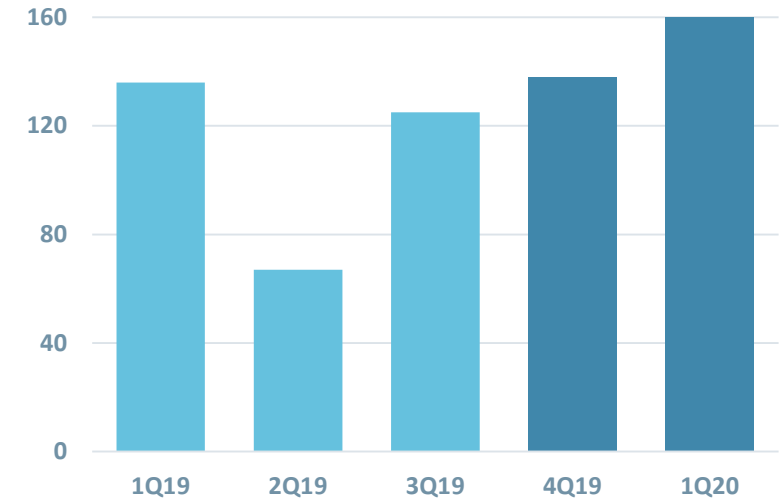
WA



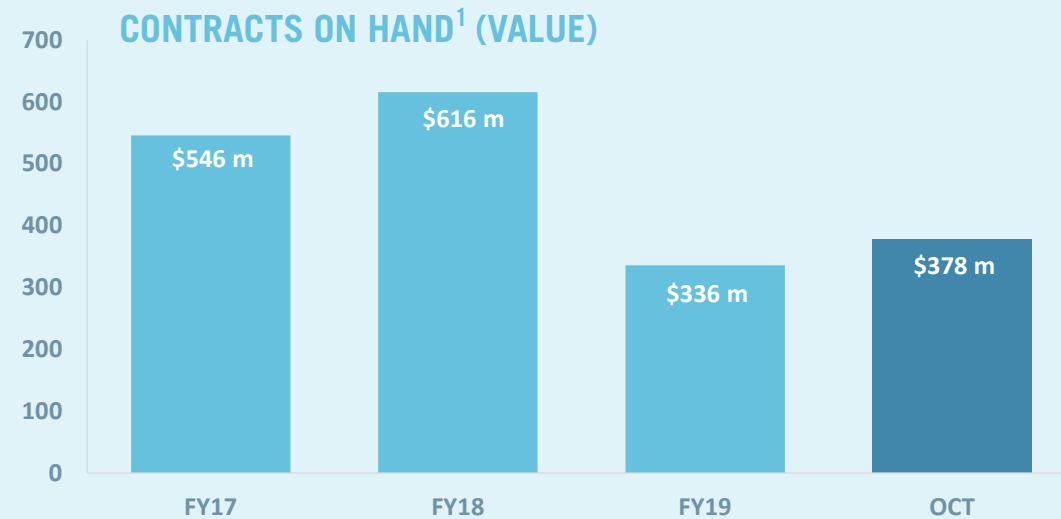
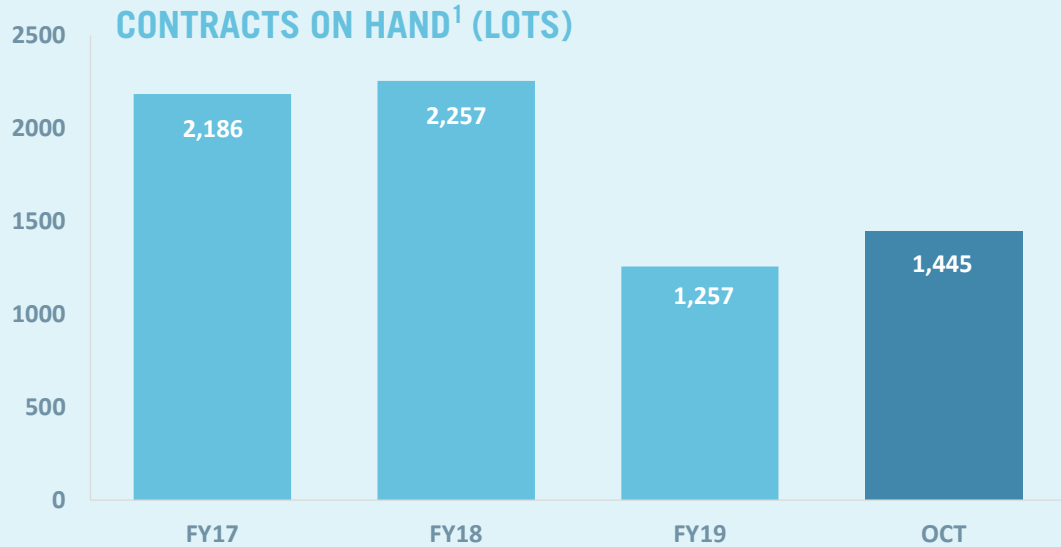
SA



ACT



CONTRACTS ON HAND



Notes:

1. Includes equivalent lots.

CONTRACTS ON HAND REFLECTS IMPROVING MARKET CONDITIONS

- **Contracts on hand¹ have increased by 15% since 30 June 2019 to 1,445 lots**
 - Reflects gradually improving market conditions across eastern states
 - Sales activity momentum gradually improving however restrictive lending conditions still impacting conversion timeframes
- **Contracts value of \$378m – up 12.5% since 30 June 2019**
- **Lower contracts on hand to impact lot settlements in FY20**
 - The number of cancellations across the eastern states is moderating and is expected to improve over the balance of FY20 and to normalised levels during FY21

MARKET VOLUMES AND OUTLOOK

MARKET VOLUMES EXPECTED TO STABILISE ACROSS MOST MARKETS

PEET SUMMARY

VICTORIA

FY19

- Strong economic growth, with significant Government investment in infrastructure
- Economic outlook and population growth to underpin dwelling demand
- Sales volumes impacted by restrictive lending conditions and moderating market

QUEENSLAND

FY19

- Net migration strong and above 10-year average
- Sales impacted by reduced credit availability
- Modest price growth occurring in house & land

WESTERN AUSTRALIA

FY19

- Ongoing challenges in WA market impacting volumes across a number of corridors
- Established market metrics remain soft, however sales and prices generally stable albeit at low levels
- Rental vacancy and rents gradually improving

AUSTRALIAN CAPITAL TERRITORY

FY19

- Growth in employment and wages supporting a steady market
- Volumes down primarily due to restrictive lending conditions

SOUTH AUSTRALIA

FY19

- Sales volumes and prices steady
- Continued Government investment in defence / shipbuilding will support an increase in population
- Rental vacancy and rents improving

MARKET OUTLOOK

VICTORIA



- Volumes expected to improve through the course of FY20 and into FY21 off low base
- Prices showing early signs of increases

QUEENSLAND



- Balanced market conditions expected to continue in FY20
- SEQ to benefit most from an improvement in lending conditions due to affordability

WESTERN AUSTRALIA



- Volumes expected to show modest growth in 2H20 from a low base
- Current price stability expected to continue

ACT



- Tight supply to underpin demand in the short to medium term
- Modest price growth forecast for FY21

SOUTH AUSTRALIA



- Outlook for SA economy is continued steady growth
- Volumes and price growth expected to be steady in FY20 but improve into FY21

GROWTH AND RESILIENCE, THROUGH CYCLES

TRACK RECORD OF GROWING SHAREHOLDER VALUE OVER THE LONG-TERM

BROAD AND DIVERSE PORTFOLIO

- A diversified portfolio of property assets captures opportunities across key markets and provides strength through cycles
- Counter cyclical acquisition strategy has allowed the Group to capitalise on strong market conditions in Victoria and secure holdings with favourable cost bases
- Strategically targeted opportunities across QLD, WA and SA over the past 3 years ensuring a strong market position in affordable markets with a low cost base
- Avoided acquiring broadacre land across Melbourne and Sydney during the past 3 years

LOW COST BASE PROVIDES FLEXIBILITY

- Solid embedded margins given pipeline age and location
- Average age of land bank is 9 years
- More than 90% of lot acquisitions since FY12 have been on capital-efficient terms
- Operating cash and financing facilities support funding of current portfolio
- Wide-range of price points offered provides good affordability

BUSINESS MODEL UNDERPINS STRENGTH

- Balance sheet strong with gearing of 24.6%, within target range of 20% to 30%
- A flexible and diverse funding profile
- 59% of capital employed is third party
- Funds Management / Joint Venture business provides solid capital-lite earnings base representing 39% of Group EBITDA

EXPERIENCED AT NAVIGATING MARKET CYCLES

- A high quality management team, with significant residential and commercial property market experience
- The Group has delivered an average annual earnings growth of 6% p.a in the last 4 years

NEW PROJECTS SUPPORTING GROWTH

PIPELINE OF APPROXIMATELY
49,400 LOTS PROVIDING
VISIBILITY OF FUTURE
EARNINGS

Up to seven new land projects and five medium density townhouse sites to commence development within the next two years

- Approximately 87% of the lots in these projects sit within the FM/JV business
- Average project duration of circa 7 years providing visibility of future earnings and cash flows

Land portfolio well balanced across key growth corridors

Operating cash and financing facilities support funding of current portfolio

FY20 – FY22 NEW PROJECT RELEASE SCHEDULE

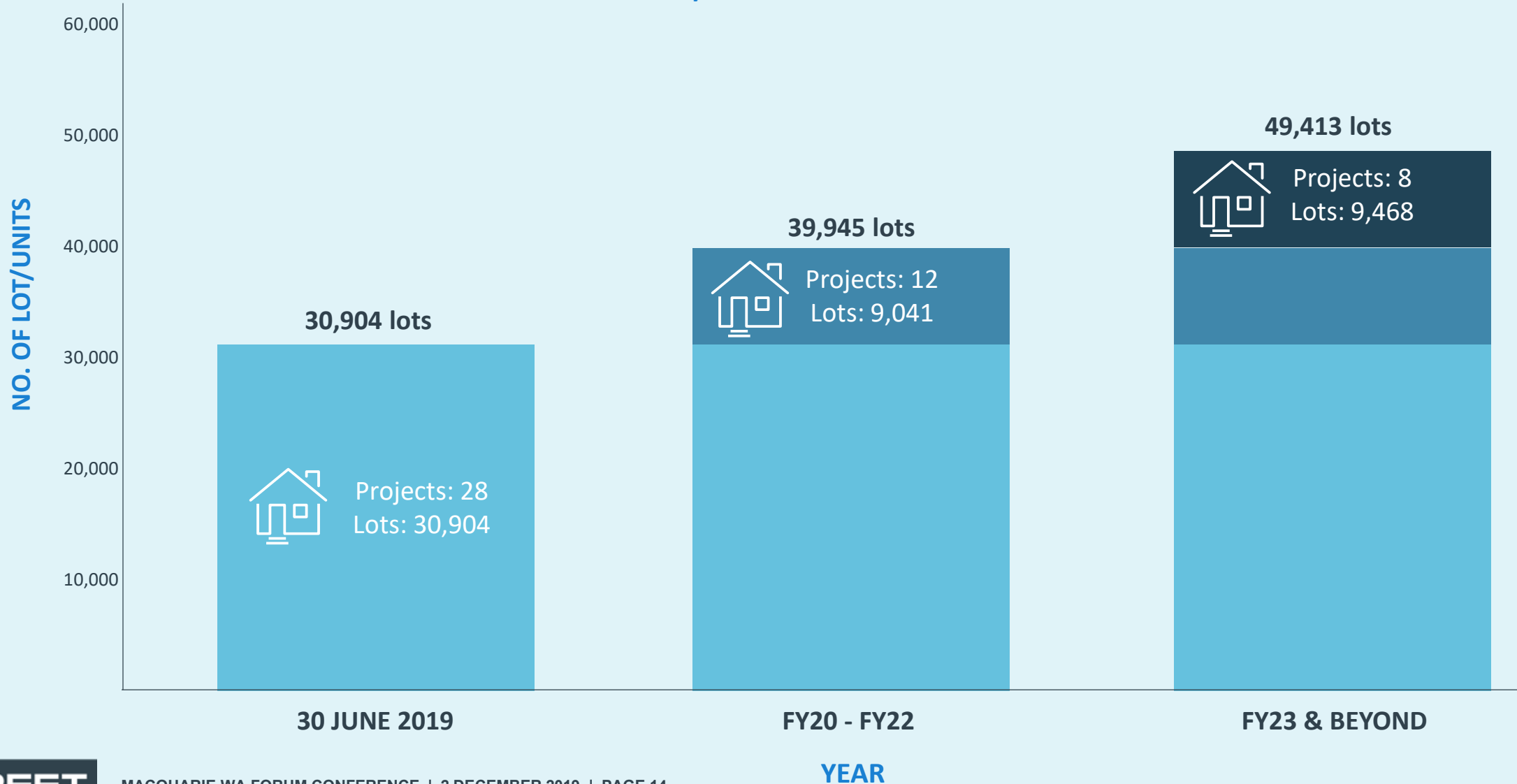
Project	State	Segment	Commencement of Sales/Development	Lots ¹ /Units	Project Life (Years)
Palmview	QLD	Owned	FY20	441	4
University of Canberra	ACT	JV	FY21	3,300	18
Brabham	WA	JV	FY21	3,333	14
Medium Density – Townhouses	VIC/QLD	Owned	FY20 – FY22	336	3
Pier Street Apartments	WA	JV	FY21	184	3
Strathpine	QLD	Owned	FY20	187	4
Eglinton	WA	Funds	FY21	1,041	8
Jumping Creek	NSW	Owned	FY21	219	3
Total				9,041	Av 7

Notes:

1 Refers to lots and/or dwellings

NEW PROJECTS SUPPORTING GROWTH

PROJECTS / LOTS DEVELOPING & SELLING



Flagstone



Make it Yours

Flagstone
Central 

A thriving new 126 hectare CBD and employment centre in the making, which will bring together retail, commercial, health care and new job opportunities.

FLAGSTONE - QLD

- 1,245 ha master planned community situated in a key South East Queensland growth corridor 38 km south west of Brisbane's CBD
- Total yield of more than 12,000 lots with a GDV of more than \$3.4 billion - Expected settlement period to FY40
- Flagstone's city centre will support the region's expected population of more than 120,000.
- State and local government Infrastructure Agreement signed for more than \$1.2 billion of essential infrastructure including roads, sewer and water which provides certainty for the next 25 years of development
- Flagstone City will support retail, commercial, education and childcare, recreation, health, sporting and community infrastructure



FLAGSTONE - QLD

- Sold over 600 residential lots sold since commencement in 2017
- Achieved \$30 million in commercial site sales to end users such as Coles, Catholic Education, McDonald's and various retail, bistro and service industry users
- Residential land price range from \$130k to \$235k



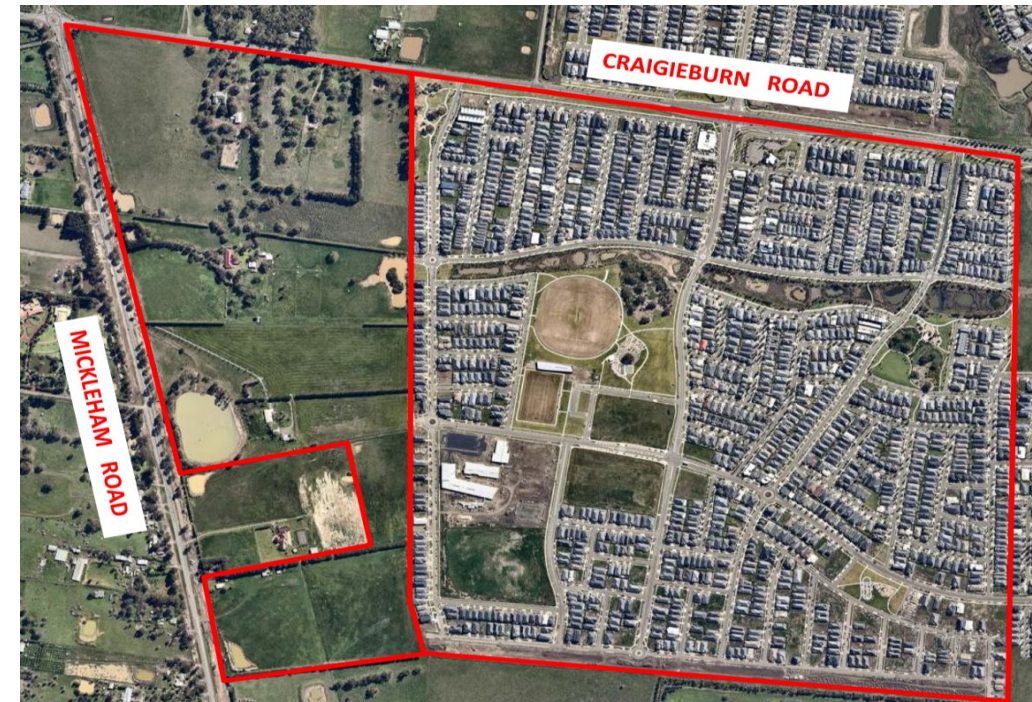
BRABHAM - WA

- 220 hectare landholding, 20 km from the Perth CBD, adjacent to the proposed future METRONET Whiteman Park Station
- Development Management Agreement with Department of Communities
- Total yield of approximately 3,300 dwellings with a GDV of approx. \$800 million
- First sales release expected to commence FY20, and first settlements from FY21. Expected settlement period FY21 – FY35



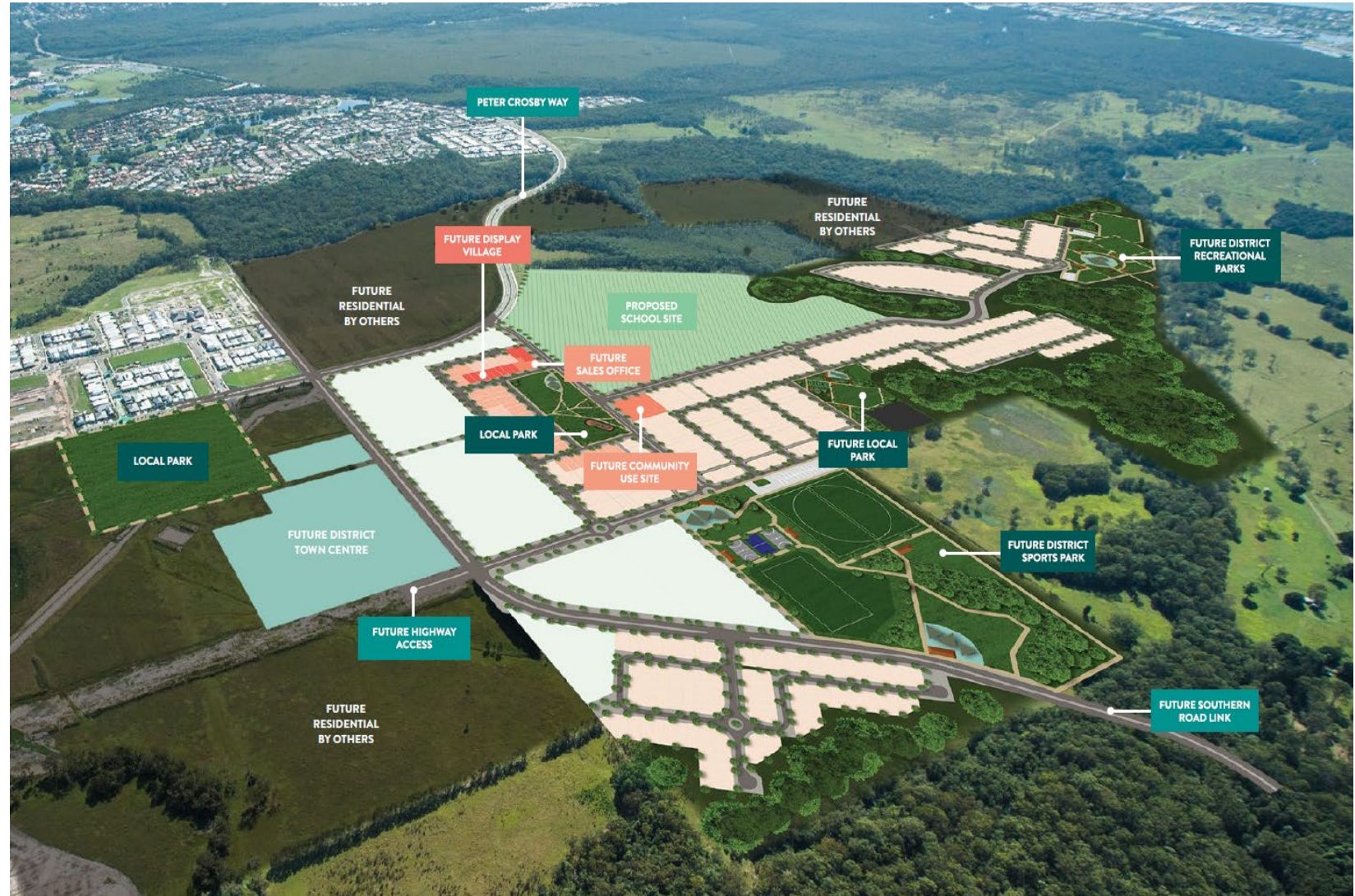
CRAIGIEBURN WEST - VIC

- Located in the Craigieburn West Precinct Structure Plan
- 25 km north of the Melbourne CBD
- Approximate yield: 1,200 dwellings
- Leverage existing amenity in Peet's adjacent Aston development
 - 1,700 dwellings
 - 12 hectares of waterways and parklands
 - 8 hectares of sporting fields and associated club facilities
 - Government secondary school opening in 2020
 - Child care centre on site
 - Future retail centre
- Expected settlement period FY23+
- Price range \$250k to \$350k



PALMVIEW - QLD

- A 129 ha site located 9 km from Maroochydore CBD on the Sunshine Coast QLD
- Total yield of approx. 1,200 dwellings, comprising land, Completed Homes and Medium Density
- Expected settlements from FY20 – FY32
- Key strategic location, central to the Sunshine Coast and in close proximity to university, schools and hospitals
- Price range \$200k to \$320k



MEDIUM DENSITY

- Pipeline comprising of 1,600 townhouses/low rise apartments in the major population centres of Melbourne, Brisbane, Adelaide and Perth
- 235 units under construction, with an additional 252 units commencing by June 2020



TONSLEY - SA

- 11 hectare site located 9 km south west of Adelaide CBD
- Launched in January 2018, stage 1 now complete with first residents.
- A total yield of more than 800 dwellings with a GDV of \$300 million
- High density mixed use development in Tonsley Innovation District
- Expected settlement period FY20 – FY28
- Studio Apartment ranging from \$219k to \$395k
- Terrace Homes ranging from \$335k to \$495k



STRATHPINE - QLD

- A 16ha site located 24 km north of the Brisbane CBD
- 182 dwellings comprising 106 detached lots and 76 townhouses
- Settlements expected in FY20 to FY22
- Amenity includes 6 ha of parks and open space, close proximity to Strathpine regional shopping centre and within 800 metres of train station
- Residential land price range from \$230k to \$300k
- Townhouse price range \$420k to \$470k



PIER STREET - WA

- Located in Northbridge within 1 km radius of Perth CBD
- 27 level building comprising of 186 apartments
- Planning approval received June 2019
- Pre-sales expected to commence 1H21 with construction to commence 2H21
- 30% already pre-sold to Dept of Communities
- Price range \$255k to \$800k



OUTLOOK



MARKET OUTLOOK

FOCUSED ON POSITIONING FOR AN IMPROVING MARKET THROUGH A CONSERVATIVE APPROACH TO PROJECT DELIVERY AND IDENTIFYING GROWTH OPPORTUNITIES

- Market conditions remain mixed, however sentiment is gradually improving
- Steady employment growth, record low interest rates, recent income tax cuts and high Government infrastructure investment are expected to support underlying demand
- Despite markets being at or close to bottoming and an improvement in residential enquiry, we expect the market to take some time to normalise as our buyers continue to experience challenges achieving loan approvals
- Given current market conditions, the Group will continue to have a strong focus on capital management
 - Selective deployment of development capital to reflect market conditions and outlook
 - Recycling of capital from medium density and completed home pipeline
 - Continued focus on overhead management and other operational efficiencies
- The Group's lower contracts on hand as at 30 June 2019 will impact lot settlements in FY20 and result in earnings being significantly weighted towards the second half of the year
- We remain cautious about the timing of a sustainable recovery in the residential market and expect a challenging FY20. However, our strong pipeline of projects and the underlying fundamentals of the residential property sector means that Peet is well positioned to deliver supply to the market as demand improves and lending conditions normalise.

STRATEGIC OUTLOOK

PORTFOLIO WELL POSITIONED FOR POSITIVE MEDIUM TO LONG TERM GROWTH AND VALUE CREATION

STRATEGY

OUTLOOK

INVEST



Invest in high quality land in strategic locations across country

- Selective acquisition of projects as cycles, markets and opportunities allow to restock pipeline
- Focus on securing low cost projects, predominantly through funds platform

ENHANCE



Enhance, plan, and create communities and homes targeting the low to middle market segment

- Delivery of affordable product targeted at the low and middle market segments
- Accelerating production where possible and appropriate, and active management of product mix

EXPAND



Expand product offering and geographic presence to appeal to wider variety of customers

- Up to seven new land projects and five Medium Density Townhouse sites to commence development within the next two years
- Well-placed to deliver supply to the market as demand improves

MAINTAIN



Maintain strong capital management

- Maintain strong balance sheet through
 - Recycling of capital from medium density pipeline
 - Selective deployment of development capital to reflect market conditions and outlook

DISCLAIMER

While every effort is made to provide accurate and complete information, Peet does not warrant or represent that the information in this presentation is free from errors or omissions or is suitable for your intended use. This presentation contains forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to Peet as at the date of this presentation. Actual results performance or achievements could be significantly different from those expressed in, or implied by these forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond Peet's control, and which may cause actual results to differ materially from those expressed in the statements contained in the release.

The information provided in this presentation may not be suitable for your specific needs and should not be relied upon by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, Peet accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in this presentation. All information in this presentation is subject to change without notice.

This presentation is not an offer or an invitation to acquire Peet securities or any other financial products in any jurisdictions, and is not a prospectus, product disclosure statement or other offering document under Australian law or any other law. It is for information purposes only.