

2014 Full Year Financial Results

20 August 2014



Agenda

1	FY2014 Financial Highlights
2	Operational Overview
3	Market Conditions
4	Company Outlook

FY2014 Highlights



- Record full year profit of \$40.3m, up 10.9% on pcp
- Final fully franked dividend of 15.5 cents declared; record total fully franked dividend of 27.5 cents for FY2014
- Successful growth into Queensland with Upper Kedron acquisition
- Oversubscribed \$30m capital raising
- Strong balance sheet and low debt as at 30 June 2014
- Well placed for FY2015, with \$139m pre sales

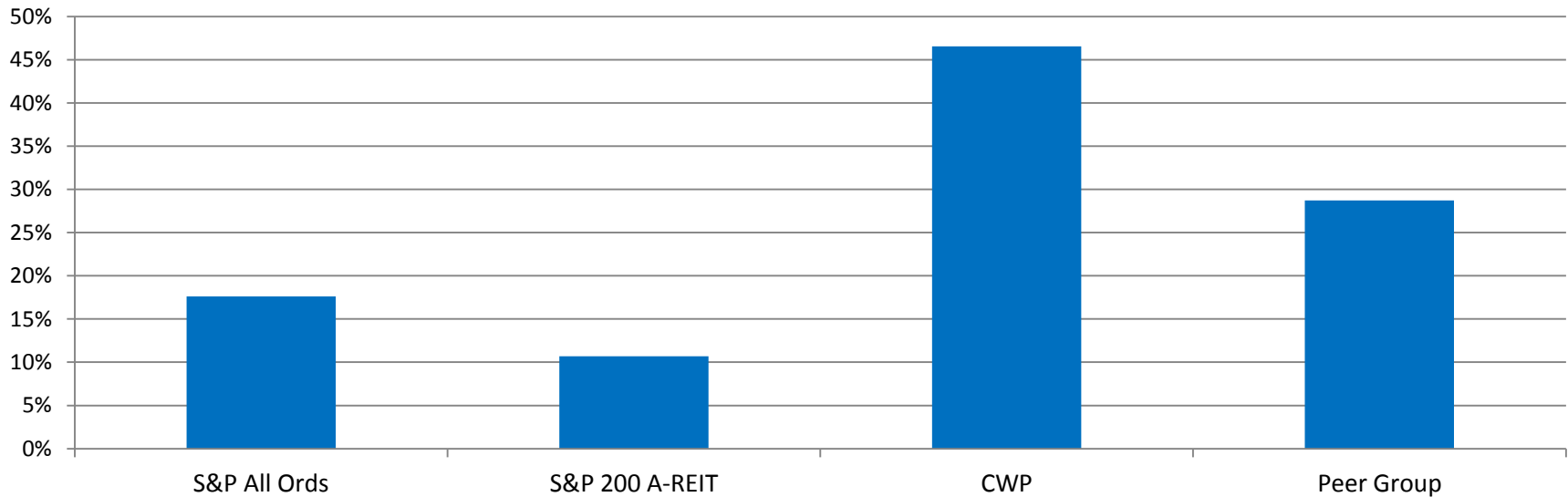
FY2014 Financial Performance Summary

	FY14 (\$m)	FY13 (\$m)	Change (%)
Revenue	214.5	172.8	24.1%
Profit before income tax expense	55.6	51.4	8.2%
Net profit after tax	40.3	36.3	10.9%
Earnings per share	54.4 cents	49.9 cents	9.0%
Dividends per share	27.5 cents	26.0 cents	5.8%

- Strong revenue growth boosted by a larger contribution from built-form products at Melbourne projects
- Record net profit result
- Final fully franked dividend of 15.5 cents takes full year payout to 27.5 cents

FY2014 Total Shareholder Return

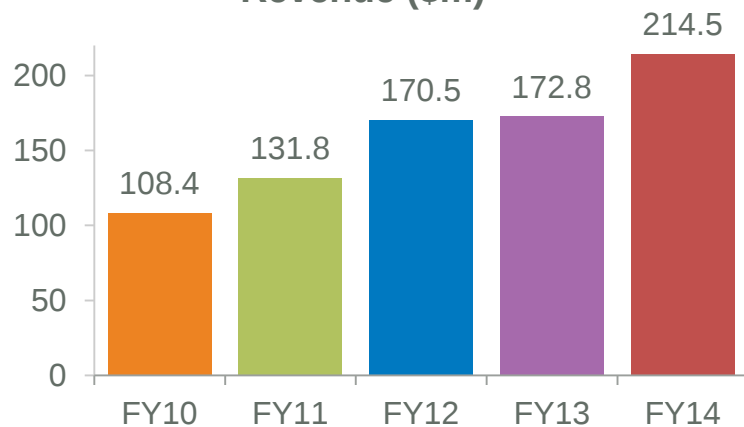
FY2014 Total Shareholder Return



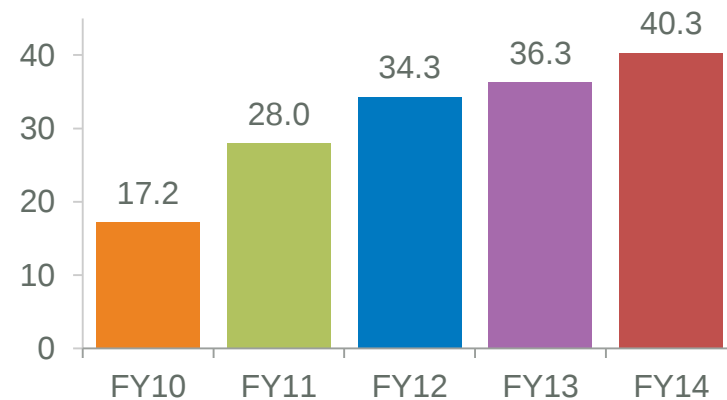
- Total Shareholder Return of 47% over the financial year
- Cedar Woods' share price increased 42% during FY2014

Track record of growth

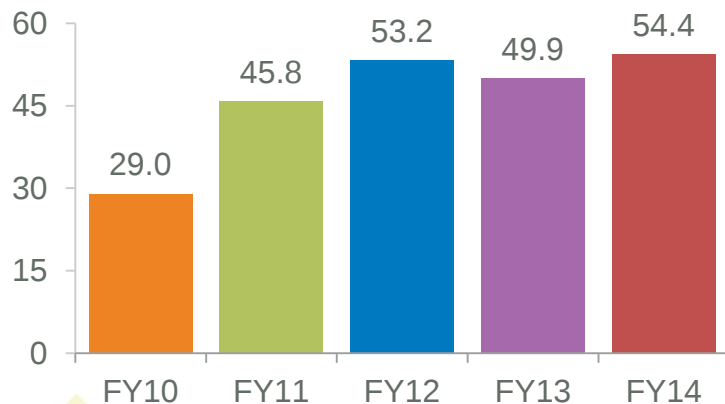
Revenue (\$m)



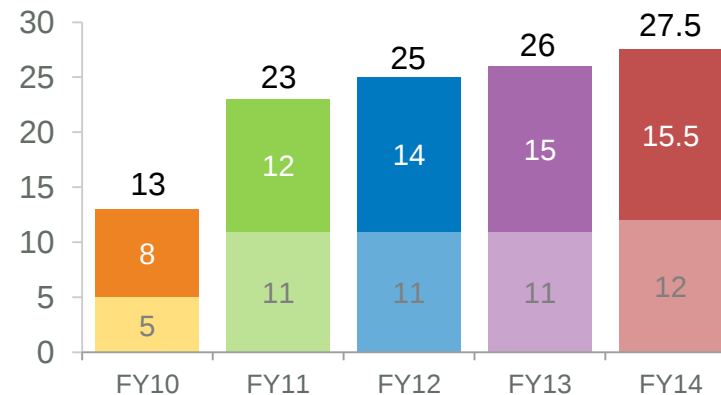
NPAT (\$m)



EPS (cents)



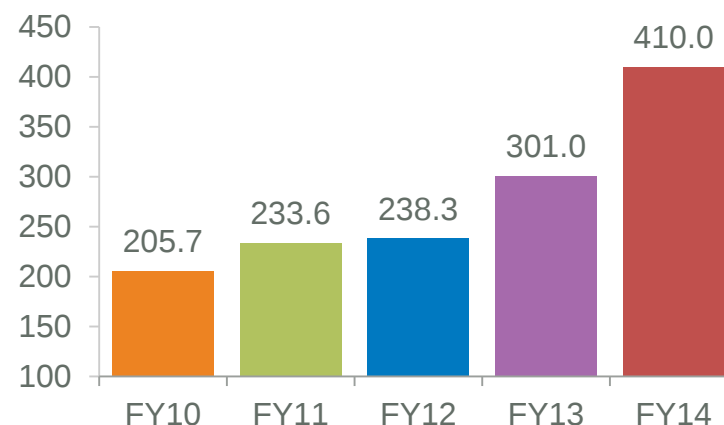
Total Dividend (cents)



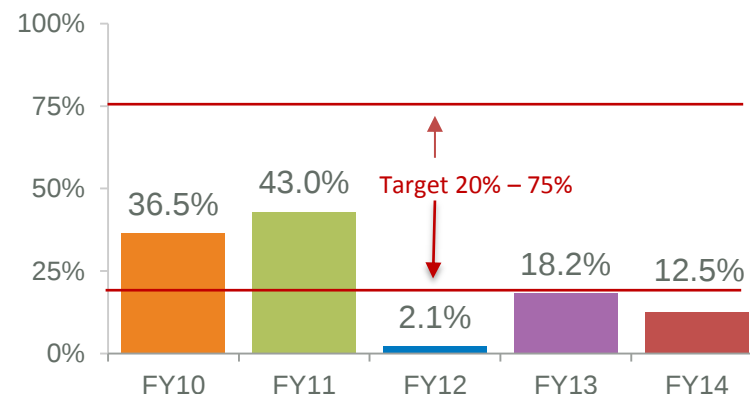
Balance Sheet Strength

	30 June 2014 \$m	30 June 2013 \$m
Total assets (book value)	410.0	301.0
Net bank debt	32.6	37.8
Net assets (equity)	261.6	207.8
Finance facility limit	135.0	110.0
Finance facility headroom	80.7	57.5
Net bank debt to equity	12.5%	18.2%
Interest cover	10.4x	12.6x

Asset at book value (cost) (\$m)



Gearing¹ (%)



¹ Gearing defined as net bank debt / book equity

Cash Flow Summary

Cash flows related to operating activities	FY14 \$m	FY13 \$m
Receipts from customers	231.6	186.1
Interest received	0.6	0.6
Payments to suppliers and employees	(52.2)	(43.5)
Borrowing costs	(5.4)	(4.1)
Income taxes paid	(18.3)	(18.6)
Payments for development	(105.1)	(99.9)
Operating cash flow before acquisitions	51.2	20.6
Payments for new land acquisitions	(53.0)	(35.4)
Net operating cash flow	(1.8)	(14.8)

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Strong property portfolio and mature land bank



WA Portfolio Overview

- Strong ongoing population growth, increasing home upgrader activity, low unemployment and positive consumer confidence
- Increased demand and price growth across Cedar Woods' portfolio in FY2014
- Significant planning milestones at a number of WA projects reached during the year
- New projects to contribute to FY2015 earnings: The Brook at Byford, new stages at Byford on the Scarp and the second land holding at Piara Central

WA Projects Highlights

Carine Rise



- Sales activity began during FY2014 and continued throughout the year
- Majority of settlements completed in FY2014
- With the project now sold out, settlement of remaining lots expected in FY2015.

The Rivergums



- Construction of stages 9 and 10 completed during the year
- Settlements continuing through the year and into FY2015
- Stage 10B will be released during FY2015, settlements to start in Q4 FY2015

Byford on the Scarp



- Already-established project acquired in August 2013
- Settlements continued during the year
- New stages released for settlement in FY2015

The Brook at Byford



- Construction and pre-sales activity advanced during FY2014
- First settlements from stage 1 expected in the first half of FY2015
- Strong presales recorded to date

WA Projects Highlights

Mariners Cove



- Increased demand for the lifestyle product on offer delivered strong sales throughout the year
- Construction of phase 4 (last canal stage) has commenced
- Settlements at phase 4 are set to begin in Q4 FY2015

Piara Central



- Remaining lots in stages 1 and 2 settled during FY2014
- Commenced sales and development of the final stage 3, settlements expected in H1 FY2015
- First stage of adjoining land scheduled for H2 FY2015

Elements Estate



- Construction completed during FY2014
- Small number of lots remaining for sale at the end of the financial year.
- Settlements commenced in Q4 FY2014 and will continue to make a strong contribution to revenue in FY2015.

Batavia Coast Marina Apartments



- Construction completed during FY2014 and settlements commenced
- At the end of FY2014, a total of 21 apartments had been sold and settled, with 10 under contract and a further 23 remaining for sale
- The market in Geraldton is steady and sales activity continues

VIC Portfolio Overview

- Low interest rates, strong population growth and a lack of supply in key precincts underpinned buyer demand in Victoria
- Price growth across a number of projects during FY2014
- A number of significant milestones were reached at Williams Landing during FY2014
- Portfolio expanded with December 2013 acquisition of Clayton South
- Rezoned St Albans landholding to yield 250 dwellings

Williams Landing

Williams Landing shopping centre *



Williams Landing residential

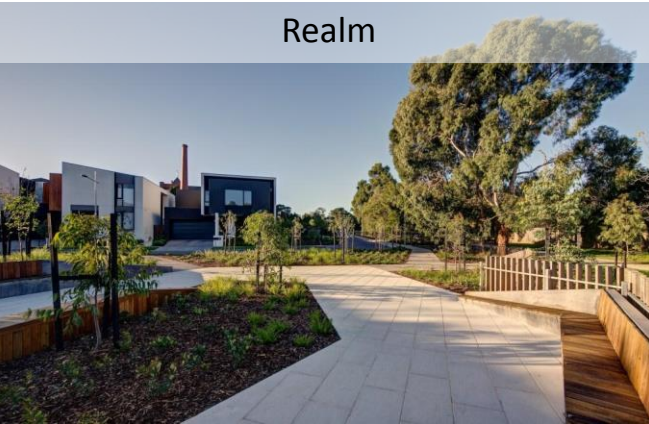


- Masters Home Improvement store opened in December 2013
- First stage of the Williams Landing shopping centre commenced
- Leasing activity has progressed in line with internal targets; has continued in FY2015
- Sustained demand for residential lots, driven by increased activity in the Williams Landing town centre
- Strong levels of FY2015 pre-sales
- Residential neighbourhoods continue to benefit from the project's position as a transport hub
- \$23 million project-specific financing facility secured from ANZ to fund shopping centre construction

* Artist impression

VIC Projects Highlights

Realm



- Sales activity concluded in FY2014
- Settlements complete for first eight stages of homes
- Remaining last stage set to settle in FY2015
- Project is recognised as a stand-out example of an integrated housing development in a middle-ring suburban setting

Banbury Village



- Several stages of townhouses successfully developed during FY2014
- Stage 18 (38-unit apartment building) completely sold and construction commenced; completion expected in H2 FY2015
- Received two awards at the 2013 Victorian Urban Development Institute of Australia (UDIA) Awards for Excellence

QLD Project Highlights

- In May 2014 Cedar Woods purchased the 227 hectare Upper Kedron site in Brisbane
- Planning application lodged in June 2014 (on program)
- \$68 million plus GST to be paid in stages over four and a half years
- First Queensland acquisition provides further geographical diversification
- Queensland is at an earlier phase in the housing cycle than other states; upswing in activity is expected over the next three years
- Strong and sustained population growth forecast for South East Queensland



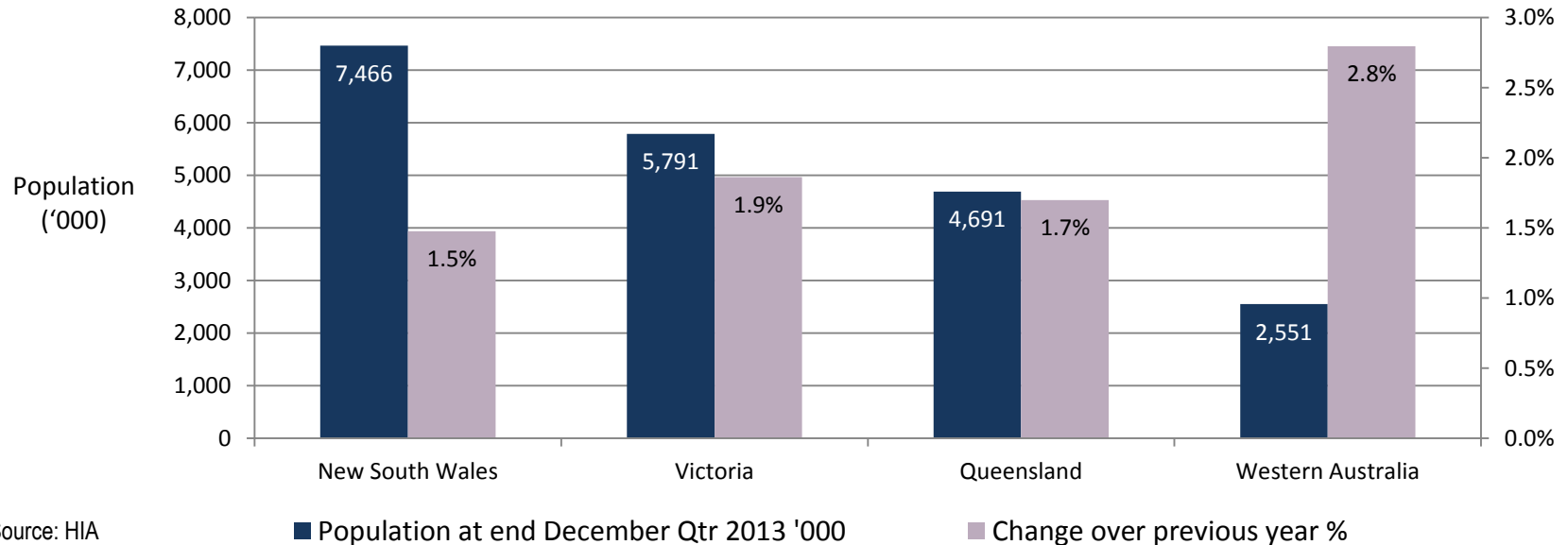
Upper Kedron attributes

- Well located with limited competition
- Significant long term project
- Well regarded suburb with strong demographic
- More than 1,000 lots

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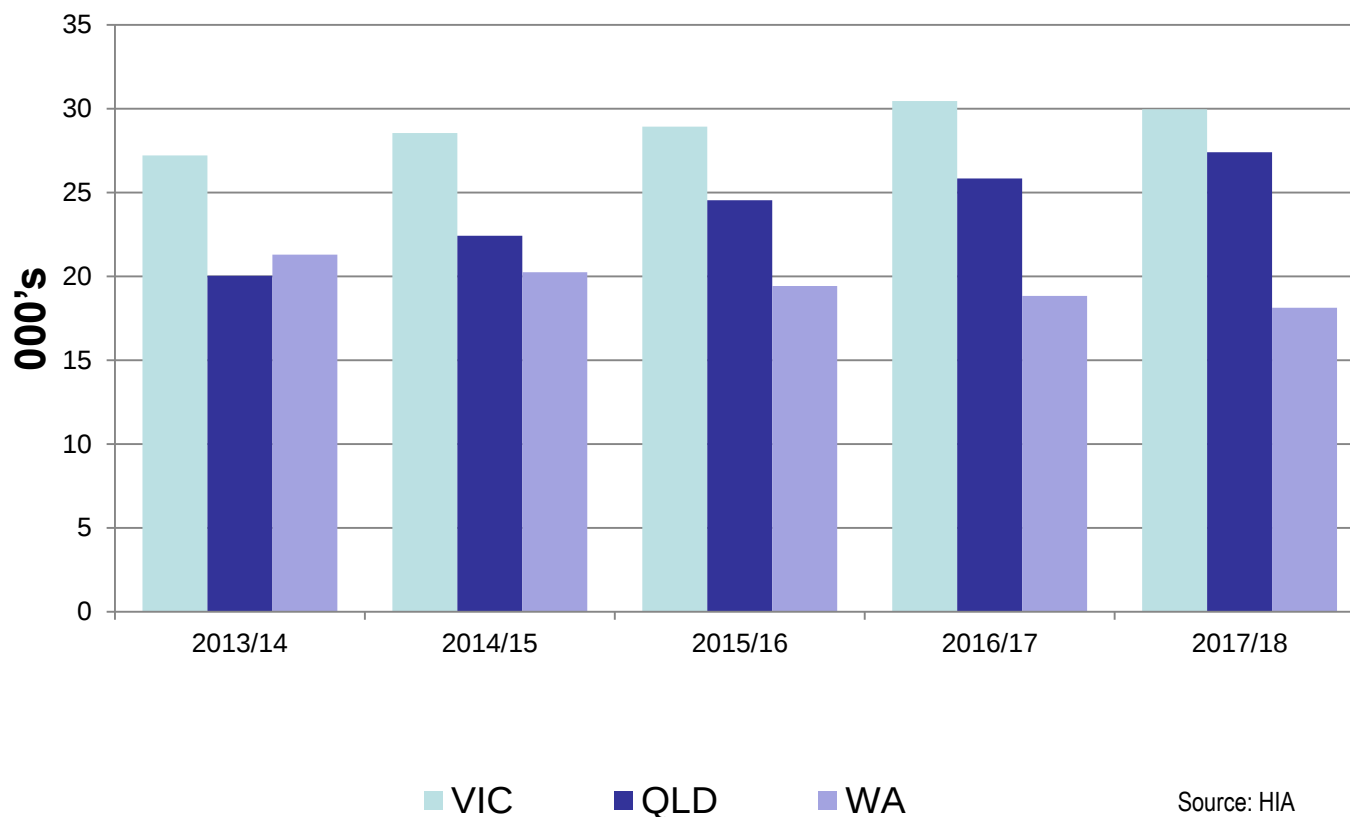


Population Growth CY2013

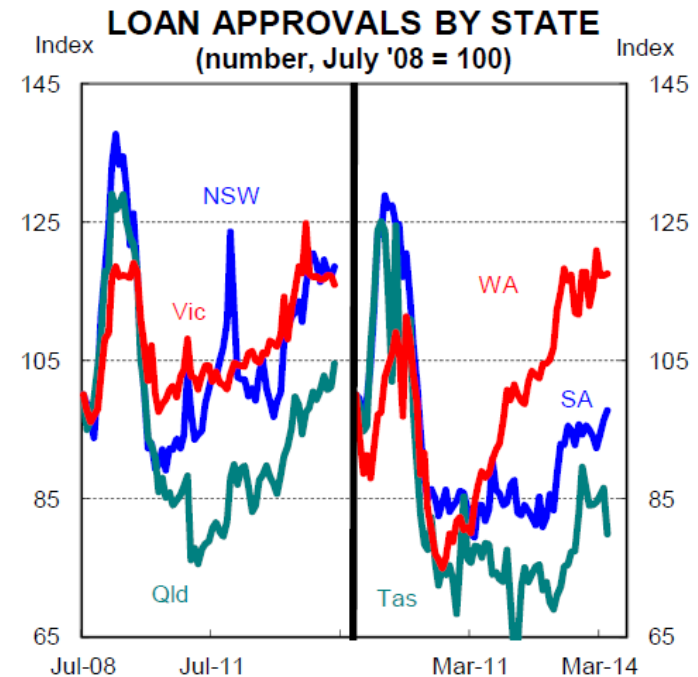
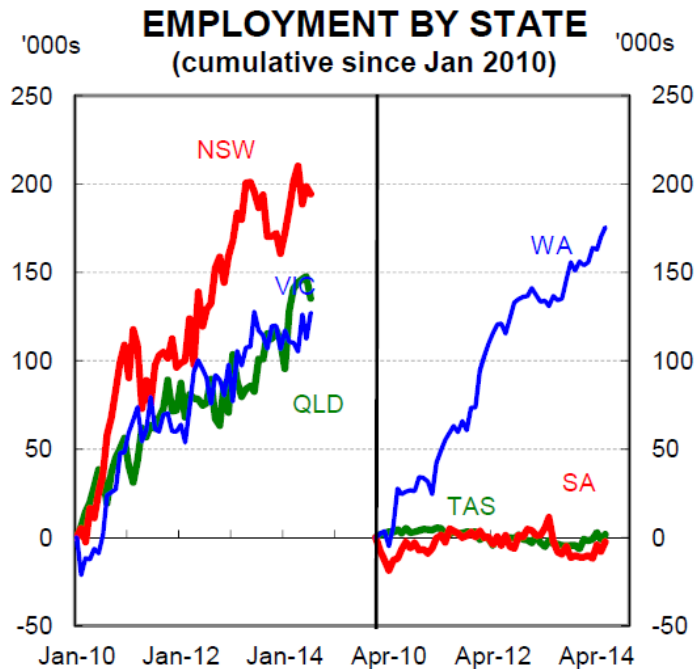


- Population growth in states with Cedar Woods projects remains at or above national average (1.7%)
- Population growth in corridors containing Cedar Woods' projects much higher than national average

Forecast Housing Starts



Employment and Finance



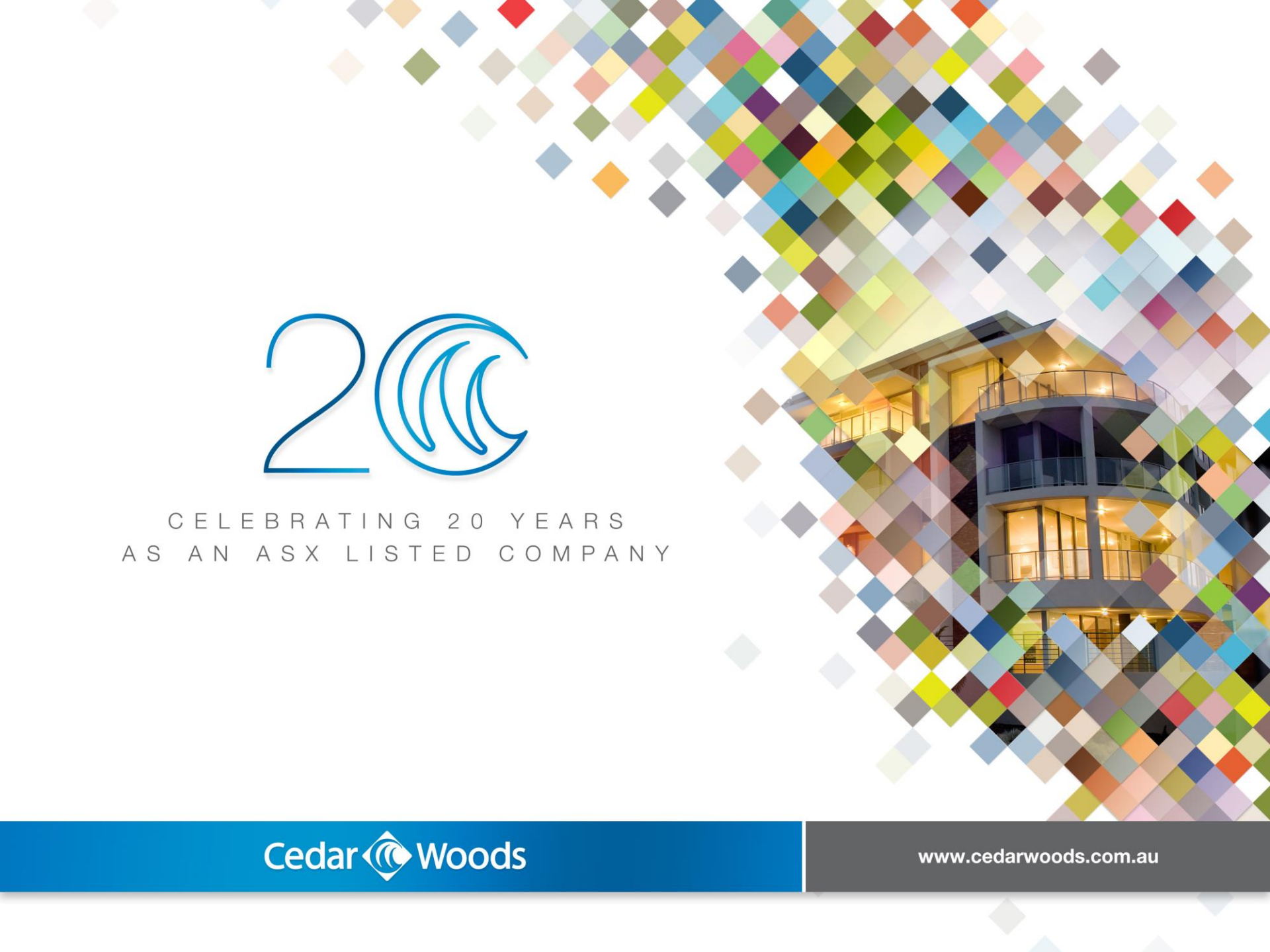
Source: Commonwealth Bank of Australia

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Company outlook

- Positive outlook underpinned by strong pre-sales and the release of new residential projects
- Pre-sales at \$139 million, the majority expected to settle in FY2015
- FY2015 profit to be weighted to the second half, due to the scheduled timing of project stages and settlements; first half FY2015 profit result expected to be lower than first half of FY2014
- Leasing activities at Williams Landing Town Centre to contribute to FY2015 revenue
- Based on positive market conditions continuing, the company anticipates delivering a FY2015 net profit at least in line with last year's record profit, with further guidance to be provided through the year



20

CELEBRATING 20 YEARS
AS AN ASX LISTED COMPANY



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Appendix



Sustainable Earnings from Long Term Projects – Pipeline at 30 June 2014

PROJECT NAME	CORRIDOR / LOCATION	PROJECT TYPE	LOT/UNITS PROJECT	LOT&UNITS REMAIN	FY16	FY18	FY17	FY18	FY19
WESTERN AUSTRALIA									
Perth									
Sutton Farm - Mandurah	South	Canal	6	4					
Carine Rise - Carine	North West	Residential / Mixed Use	43	6					
Emerald Park - Welland	South West	Residential Land	627	209					
Mariners Cove - Mandurah	South	Canal	973	97					
Hantsdale Green - Hantsdale	South East	Residential / Mixed Use	427	262					
Plara Central - Plara Waters	South East	Residential Land	481	358					
The Brook at Byford	South East	Residential Land	367	367					
Byford on the Scarp	South East	Residential Land	323	313					
The Rivergums - Baldiys	South West	Residential Land	1,365	526					
Brabham	North East	Residential Land	480	480					
Waterline - Halls Head	South	Lots	9	9					
Mangles Bay Marina - Rockingham	South	Marina / Tourist	TBC	TBC					
North Baldiys	South West	Residential Land	850	850					
Bushmead - Hazelmere	East	Residential Land	750	750					
Pinjara	South	Residential Land	920	920					
Regional									
Batarvis Coast - Geraldton	Mid-West	Apartments	54	33					
Elements - South Hedland	Pilbara	Residential Land	139	91					
Western Edge - South Hedland	Pilbara	Residential Land	600	600					
VICTORIA									
Melbourne									
Realm - Camberwell	East	House and land	78	9					
Clara	West	Residential Land	40	40					
Banbury Village - Footscray	West	Apartments & Housing	431	175					
Carlingford	North	Residential Land	648	185					
Williams Landing	West	Residential Land & Housing	2,400	1,172					
Williams Landing Town Centre	West	Retail / Mixed Use / Residential	600	600					
Clayton South	South East	Apartments & Houses	250	250					
St Albans	North West	Housing	250	250					
QUEENSLAND									
Upper Kedron - acquired May 2014	North West	Residential	> 1,000	> 1,000					

Project yields are indicative and subject to change

DEVELOPMENT & SALES
PLANNING / DESIGN
LEASING, DEVELOPMENT, SALES

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