Stockland

30 July 2003

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STOCKLAND ACHIEVES 14% PROFIT GROWTH

Stockland had a very successful year in 2002/03 highlighted by the strong performance of its existing businesses and culminating with the takeover of AMP Diversified Property Trust (ADP).

The Group achieved a 14% increase in net profit to $284.8 million for the year ended 30 June 2003, before the write off of the premium on acquisition of ADP (refer below). This compares with the $249.8 million result achieved in the 2002 financial year.

Earnings per stapled security were 33.5 cents before the write off of the acquisition premium, an increase of 8.8% on last year.

The full year distribution/ dividend payment per stapled security is 32.1 cents, up 8.1% from the 29.7 cents paid in the previous year. The payment comprises:

Trust distribution (of which approximately 24% is tax preferred)	26.4 cents
Corporation dividend, fully franked	5.7 cents
	32.1 cents

Registers closed at 5.00pm on 24 June 2003 to determine entitlement to the distribution/ dividend for the June 2003 half year of 16.5 cents, which will be paid on 29 August 2003. The Distribution/ Dividend Reinvestment Scheme will operate for this payout.

Turnover for the year increased by 4% to $867 million.

Managing Director, Matthew Quinn said "The result for the 2003 financial year is very pleasing, reflecting solid earnings growth from our portfolio of investment properties, together with a substantial increase in earnings from our development business."

He added "Integration of the ADP assets has gone very smoothly and we look forward to the positive impact of ADP on our 2004 financial year results."

Stockland Corporation Limited
ACN 000 181 733
Stockland Trust Management Limited
ACN 001 900 741
As Responsible Entity for Stockland Trust
ARSN 092 897 348

The ADP takeover provides many strategic benefits for Stockland shareholders, including:

- A strategic enhancement of Stockland's asset base in terms of size and diversity
- An increase in the Shopping Centre Division's weighting within the overall portfolio, with good synergies between the new assets and Stockland's existing portfolio
- An improvement in the quality of the commercial portfolio, with an increase in the proportion of A Grade buildings
- A reduction in the Development Division's weighting, providing significant potential for growth
- Enhanced earnings and distributions in addition to the strong organic growth from Stockland's existing businesses

The takeover offer for ADP was launched in early June 2003 and by 30 June, Stockland had achieved 69% control. Subsequent to the year end, Stockland has moved to 97% control and commenced compulsory acquisition procedures.

Stockland has replaced AMP Henderson as Responsible Entity and the integration process including transfer of staff and handover of accounting and property records is virtually complete.

While the impact of ADP on Stockland's operating performance in the 2003 financial year was minimal due to the takeover occurring late in the year, the statutory reported profit was impacted by the requirement for Stockland to write off the premium on acquisition of ADP under Australian Accounting Standards, which do not permit Stockland to recognise goodwill under these circumstances.

This write off has no bearing on the historical or future underlying performance of the business and was fully anticipated in Stockland's Bidder's Statement for ADP.

The write off of acquisition premium and associated costs in the 2003 financial year was $220.4 million based on Stockland's 69% ownership position as at 30 June 2003. A further amount of approximately $98 million will be written off in the 2004 financial year based on the balance of 31% being acquired after 30 June 2003.

The write off has no bearing on Stockland's Distribution/ Dividend as an amount equal to the write off has been transferred from Reserves to the Statement of Financial Performance. Nor does it have any bearing on reported Net Tangible Asset Backing.

As well as the significant asset growth achieved through the ADP takeover, Stockland continued the expansion of its existing investment property portfolio during the year with the acquisition and development of a number of shopping centres and industrial properties. Net profit from property investment and management increased by 5% to $242.3 million.

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Stockland

The continued expansion of Stockland's Development Division resulted in outstanding earnings growth of 52% to $94.7 million. The majority of development profits came from Stockland's Residential Estates business, which achieved an increase in revenue of 26% to $368 million on sales of 3,074 lots. Margins from the Residential Estates business increased from 20% to 25% of sales, reflecting solid price growth and good cost management.

"Market fundamentals remain strong for detached housing and this is flowing through into solid demand for our residential land. There is growing evidence that price growth is moderating, however we remain confident that our new estates being released to the market in the 2004 financial year will offset any possible fall in demand" said Mr Quinn.

Stockland's gearing as at 30 June 2003 was 24.9%, which is within the Group's target range of 20% to 30%. Since the year end, Stockland has restructured all ADP debt and consolidated ADP's previous Medium Term Notes (MTN) into Stockland's MTN programme. In addition, Stockland has issued $150 million of 10 year MTNs, which is the first issue of such long dated maturity in the LPT sector. Stockland now has the most advanced domestic MTN yield curve in the Australian corporate sector.

In conclusion, Mr Quinn said "Our businesses are performing well and the successful takeover of ADP gives us a solid platform to generate further growth in value for our shareholders. Subject to unforseen circumstances, we remain confident of achieving our profit forecasts showing growth in earnings per stapled security of over 9% for the 2004 financial year as set out in the ADP Bidder's Statement."

For further information contact:

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Finance Director
Stockland

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Stockland Corporation Limited
ACN 000 181 733
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As Responsible Entity for Stockland Trust
ARSN 092 897 348

Appendix 4E – Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Corporation Limited (ACN 000 181 733) and Stockland Trust (ARSN 092 897 348), managed by Stockland Trust Management Limited (ACN 001 900 741)

For announcement to the market

				Consolidated 2003 $'000
Revenues from ordinary activities	**up**	**4%**	**to**	**867,309**
Net profit (before premium on acquisition of ADP written off) for the period attributable to members	**up**	**14%**	**to**	**284,797**
Net profit (after premium on acquisition of ADP written off) for the period attributable to members	**down**	**74%**	**to**	**64,410***

*** Note: included in the net profit for the period attributable to members is a $220.4 million write off of premium on acquisition that relates to Stockland Trust Group's 69.33% ownership interest of AMP Diversified Property Trust ("ADP") as at 30 June 2003 (currently 97%).**

Dividends / distributions	**Amount per security**	**Franked amount per security**
Final dividend / distribution	16.5 ¢	Refer Note 12
Previous corresponding period	15.2 ¢	Refer Note 12

Record date for determining entitlements to the dividend / distribution	5pm, 24th June, 2003

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

STOCKLAND ACHIEVES 14% PROFIT GROWTH

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For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

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For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

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Statement of Financial Performance
For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	2002 $'000
Revenue from ordinary activities			
From operating activities			
Rent from investment properties		304,471	290,952
Property development sales		409,503	388,402
Hotel operation revenue		58,898	55,307
Management and agency fee income		533	1,976
Interest income		6,112	5,221
Distributions / dividend income		166	-
Other revenue		1,245	4,764
From outside operating activities			
Gross proceeds from sale of non-current assets		86,381	90,693
Total revenue from ordinary activities		867,309	837,315
Investment property expenses		(77,113)	(70,017)
Cost of property developments sold		(258,842)	(283,331)
Hotel operation expenses		(55,793)	(53,027)
Management, administration, marketing and selling expenses		(69,765)	(55,146)
Borrowing costs		(20,264)	(24,673)
Book value of non-current assets sold		(84,676)	(88,880)
Share of net profits of investments accounted for using the equity method		9,132	5,447
Profit from ordinary activities (before premium on acquisition of ADP written off) before related income tax expense		**309,988**	**267,688**
Income tax expense relating to ordinary activities		(25,191)	(17,785)
Profit from ordinary activities (before premium on acquisition of ADP written off) after related income tax expense	3	**284,797**	**249,903**
Premium on acquisition of ADP written off		(220,387)	-
Net profit after income tax before outside equity interests		64,410	249,903
Net profit attributable to outside equity interests		-	(152)
Net profit attributable to members of the parent entity	2	64,410	249,751
Non-owner transaction changes in equity			
Increase in asset revaluation reserve		151,820	42,556
Total revenues, expenses and valuation adjustments attributable to members of the parent entity recognised directly in equity		151,820	42,556
Total changes in equity from non-owner related transactions attributable to the members of the parent entity		**216,230**	**292,307**
Earnings per unit/share before premium on acquisition of ADP written off		**33.5¢**	**30.8¢**
Earnings per unit/share after premium on acquisition of ADP written off	4	7.6¢	30.8¢

Statement of Financial Position

As at 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	2002 $'000
Current assets			
Cash assets	7	34,869	34,567
Receivables		49,364	16,236
Capital works for Stockland Trust		43,444	31,580
Inventories		347,344	263,076
Other assets		60,135	16,054
Total current assets		535,156	361,513
Non-current assets			
Receivables		77,526	34,659
Inventories		406,079	275,740
Investment properties		4,378,490	2,539,503
Other financial assets		22,299	45
Property, plant and equipment		17,938	15,789
Investments accounted for using the equity method		443,308	68,514
Intangible assets		57,082	22,460
Deferred tax assets		6,048	4,319
Other assets		14,429	4,605
Total non-current assets		5,423,199	2,965,634
Total assets		5,958,355	3,327,147
Current liabilities			
Payables		237,461	85,477
Interest-bearing liabilities		377,000	-
Current tax liabilities		238	1,304
Provisions		173,918	130,026
Other liabilities		2,466	863
Total current liabilities		791,083	217,670
Non-current liabilities			
Payables		44,284	7,900
Interest-bearing liabilities		1,108,876	448,171
Deferred tax liabilities		13,868	9,129
Provisions		443	345
Other liabilities		-	1,250
Total non-current liabilities		1,167,471	466,795
Total liabilities		1,958,554	684,465
Net assets (***carried forward to next page***)		3,999,801	2,642,682

Statement of Financial Position

As at 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated **2003** **$'000**	2002 $'000
Net assets (*carried over from previous page*)		3,999,801	2,642,682
Equity			
Contributed equity		3,256,945	2,242,400
Reserves	9	269,176	335,409
Retained profits	10	74,504	64,873
Total parent entity interest		3,600,625	2,642,682
Outside equity interests		399,176	-
Total equity	11	3,999,801	2,642,682

Statement of Cash Flows

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	2002 $'000
Cash flows from operating activities			
Cash receipts in the course of operations		815,293	860,953
Cash payments in the course of operations		(669,602)	(545,294)
Payments to joint venture entities		(3,048)	(2,996)
Payments from joint venture entities		9,484	14,526
Interest received		5,313	4,462
Borrowing costs paid		(37,419)	(34,985)
Income taxes paid		(23,247)	(23,951)
Net cash provided by operating activities		96,774	272,715
Cash flows from investing activities			
Proceeds from sale of investment properties		24,446	83,837
Payments for investment properties		(321,755)	(100,583)
Proceeds from sale of property, plant and equipment		526	5,417
Payments for plant and equipment		(5,289)	(4,897)
Proceeds from sale of investment securities		-	882
Payments for investments		(22,143)	-
Proceeds from sale of partnership interest		61,409	-
Repayment of loans by directors and executives under the executive securities plan		2,224	8,324
Advances to directors and executives under the executive securities plan		109	(27,772)
Repayment of loans from other entities		(13,401)	465
Loans to other entities		(35,595)	-
Payments for controlled entities		(342,784)	(177,466)
Net cash used in investing activities		(652,253)	(211,793)
Cash flows from financing activities			
Proceeds from issue of units/shares		298,401	257,633
Proceeds from borrowings		490,140	346,160
Repayment of borrowings		-	(667,246)
Distributions/dividends paid		(255,730)	(222,528)
Net cash (used in) / provided by financing activities		532,811	(285,981)
Net decrease in cash held		(22,668)	(225,059)
Cash from purchase of controlled entities during the year		22,970	5,126
Cash at the beginning of the financial year		34,567	254,500
Cash at the end of the financial year	7	34,869	34,567

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

1 Changes in accounting policies

The consolidated entity has applied the revised AASB 1028 "Employee Benefits" (issued in June 2001) for the first time from 1 July 2002.

The liability for wages and salaries, annual leave and sick leave is now calculated using the remuneration rates the consolidated entity expects to pay as at each reporting date, not wage and salary rates current at the reporting date.

There were no initial adjustments to the combined Financial Report as at 1 July 2002 as a result of this change as the amounts were not material.

2 Comparison of half-year profits

	Consolidated	
	2003	2002
	$'000	$'000
Consolidated profit from ordinary activities after tax attributable to members reported for the first half year	135,662	121,221
Consolidated profit from ordinary activities after tax attributable to members for the second half year:		
Before premium on acquisition of ADP written off	149,135	128,530
Less Premium on acquisition of ADP written off	(220,387)	-
	(71,252)	128,530
	64,410	249,751

3 Net profit from ordinary activities

Profit from ordinary activities (before write off of premium on acquisition of ADP) before income tax expense has been arrived at after (charging) / crediting the following items:

Net bad and doubtful debts expense including movements in provision for doubtful debts	246	(1,577)
Depreciation of plant and equipment	(2,115)	(1,974)
Amortisation of:		
goodwill	(1,314)	(790)
trust and hotel management rights	(712)	(712)
leasehold improvements	(428)	(497)
hotel pre-opening costs	(543)	(501)
Total depreciation and amortisation expense	(5,112)	(4,474)

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	2002 $'000
3 Net profit from ordinary activities (continued)			
Profit from ordinary activities (before write off of premium on acquisition of ADP) before income tax expense has been arrived at after (charging) / crediting the following items:			
Borrowing costs:			
other parties		(40,712)	(38,376)
less interest paid capitalised to development projects		20,448	13,703
		20,264	(24,673)
Net gain/(loss) on disposal of non-current assets:			
investment properties		305	746
partnership interest		1,471	-
property, plant and equipment		(71)	428
investments		-	639
Individually significant items included in net profit from ordinary activities before income tax expense			
Sale of investment properties			
Gross proceeds		24,446	83,837
Book value of investment properties sold		(24,141)	(83,091)
		305	746

4 Earnings reconciliation

	2003	2002
Net profit (before premium on acquisition of ADP written off) after income tax	284,797	249,903
Premium on acquisition of ADP written off	(220,387)	-
Net profit after income tax	64,410	249,903
Net income attributable to outside equity interests	-	(152)
Earnings after premium on acquisition of ADP written off	64,410	249,751

	Consolidated 2003	2002
Weighted average number of units/shares used as the denominator	849,516,402	811,952,434

There are no dilutive potential ordinary units/shares.

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003	2002
5 Ratios			
(a) Profit before tax (before premium on acquisition of ADP written off) / revenue Consolidated profit (before premium on acquisition of ADP written off) from ordinary activities before tax as a percentage of revenue		35.7%	32.0%
Profit before tax (after premium on acquisition of ADP written off) / revenue Consolidated profit (after premium on acquisition of ADP written off) from ordinary activities before tax as a percentage of revenue		10.3%	32.0%
(b) Profit after tax (before premium on acquisition of ADP written off) / equity interests Consolidated net profit (before premium on acquisition of ADP write off) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period		7.9%	9.5%
Profit after tax (after premium on acquisition of ADP written off) / equity interests Consolidated net profit (after premium on acquisition of ADP write off) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period		1.8%	9.5%
(c) NTA backing Net tangible asset backing per ordinary security		$3.41	$3.14

6 Segment reporting

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Business segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

- Property development
- Property management and investment (including trust management)
- Hotel management
- Other industries and finance

Geographical segments

In presenting information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the underlying assets.

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

6 Segment reporting (continued)

	Property Development		Property Management and Investment		Hotel Management		Other (including Finance)		Eliminations		Consolidated	
Primary reporting	**2003**	2002	**2003**	2002	**2003**	2002	**2003**	2002	**2003**	2002	**2003**	2002
Business segments	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue												
External segment revenue	**409,428**	387,836	**396,511**	392,396	**59,055**	56,208	**46,288**	34,615	**(43,973)**	(33,740)	**867,309**	837,315
Inter-segment revenue	**97,881**	63,473	**10,412**	4,874	**-**	-	**-**	-	**(108,293)**	(68,347)	**-**	-
Total segment revenue	**507,309**	451,309	**406,923**	397,270	**59,055**	56,208	**46,288**	34,615	**(152,266)**	(102,087)	**867,309**	837,315
Other unallocated revenue											**-**	-
Total revenue											**867,309**	837,315
Result												
Segment result before interest	**100,463**	68,140	**233,151**	225,923	**3,013**	2,177	**5,803**	6,467	**-**	-	**342,430**	302,707
Interest expense	**-**	-	**-**	-	**-**	-	**(20,264)**	(24,673)	**-**	-	**(20,264)**	(24,673)
Interest expense included in cost of goods sold	**(5,844)**	(6,349)	**-**	-	**-**	-	**-**	-	**-**	-	**(5,844)**	(6,349)
Segment result after interest	**94,619**	61,791	**233,151**	225,923	**3,013**	2,177	**(14,461)**	(18,206)	**-**	-	**316,322**	271,685
Share of net profit of equity accounted investments	**31**	352	**9,101**	5,095	**-**	-	**-**	-	**-**	-	**9,132**	5,447
Unallocated corporate expenses											**(15,466)**	(9,444)
Profit from ordinary activities before write off of premium on acquisition and related income tax expense	**94,650**	62,143	**242,252**	231,018	**3,013**	2,177	**(14,461)**	(18,206)	**-**	-	**309,988**	267,688
Premium on acquisition written off											**(220,387)**	-
Profit from ordinary activities before income tax											**89,601**	267,688
Income tax expense											**(25,191)**	(17,785)
Net profit											**64,410**	249,903

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

6 Segment reporting (continued)

Primary reporting (continued)	**Property Development**		**Property Management and Investment**		**Hotel Management**		**Other (including Finance)**		**Eliminations**		**Consolidated**	
Business segments	**2003 $'000**	2002 $'000	**2003 $'000**	2002 $'000	**2003 $'000**	2002 $'000	**2003 $'000**	2002 $'000	**2003 $'000**	2002 $'000	**2003 $'000**	2002 $'000
Net profit arrived at after crediting/(charging) the following items:												
Depreciation and amortisation	**(1,257)**	(1,363)	**(169)**	(570)	**(1,628)**	(1,709)	**(1,777)**	(832)		-	**(4,831)**	(4,474)
Non-cash expenses other than depreciation and amortisation	**-**	-	**(633)**	(1,764)	**-**	-	**(53)**	(551)		-	**(686)**	(2,315)
Individually significant items:												
Proceeds on sale of property	**-**	-	**84,923**	83,837	**-**	-	**-**	-		-	**84,923**	83,837
Written-down value of property sold	**-**	-	**(83,218)**	(83,091)	**-**	-	**-**	-		-	**(83,218)**	(83,091)
	-	-	**1,705**	746	**-**	-	**-**	-		-	**1,705**	746
Assets												
Segment assets	**818,852**	595,113	**4,525,750**	2,570,597	**18,532**	14,575	**42,984**	38,063		-	**5,406,118**	3,218,348
Equity accounted investments	**3,952**	5,792	**439,356**	62,722	**-**	-	**-**	-		-	**443,308**	68,514
Unallocated corporate assets											**108,929**	40,285
Consolidated total assets											**5,958,355**	3,327,147
Liabilities												
Segment liabilities	**74,205**	47,463	**123,944**	27,38	**5,016**	4,376	**1,540,488**	457,823		-	**1,743,653**	537,045
Unallocated corporate liabilities											**214,901**	147,420
Consolidated total liabilities											**1,958,554**	684,465
Acquisitions of non-current assets*	**210,656**	137,574	**2,093,124**	103,224	**419**	389	**787**	1,760		-	**2,304,986**	242,947

*: Includes acquisition of land for development, capital expenditure on investment properties and acquisition of plant and equipment.

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

6 Segment reporting (continued)

Secondary reporting Geographical segments	New South Wales 2003 $'000	New South Wales 2002 $'000	Queensland 2003 $'000	Queensland 2002 $'000	Victoria 2003 $'000	Victoria 2002 $'000	Western Australia 2003 $'000	Western Australia 2002 $'000	ACT 2003 $'000	ACT 2002 $'000
External segment revenue by location of assets	**382,462**	396,429	**172,109**	171,468	**122,436**	139,467	**77,033**	70,129	**16,213**	34,254
Segment assets by location of assets	**3,303,407**	2,046,912	**982,626**	524,159	**580,857**	309,296	**399,704**	104,256	**115,105**	114,038
Acquisitions of non-current assets*	**1,233,431**	122,392	**316,390**	49,576	**237,525**	20,411	**210,102**	48,982	**28**	1,196

Secondary reporting Geographical segments	South Australia 2003 $'000	South Australia 2002 $'000	Northern Territory 2003 $'000	Northern Territory 2002 $'000	New Zealand 2003 $'000	New Zealand 2002 $'000	Other (incl. Finance) 2003 $'000	Other (incl. Finance) 2002 $'000	Consolidated 2003 $'000	Consolidated 2002 $'000
External segment revenue by location of assets	**79,935**	9,437	**12,176**	14,234	**-**	-	**4,945**	1,897	**867,309**	837,315
Segment assets by location of assets	**227,088**	56,563	**21,276**	25,067	**167,936**	-	**47,475**	38,059	**5,845,474**	3,218,348
Acquisitions of non-current assets*	**119,687**	354	**37**	36	**167,936**	-	**19,850**	-	**2,304,986**	242,947

*: Includes acquisition of land for development, capital expenditure on investment properties and acquisition of plant and equipment.

7 Cash assets

	Notes	Consolidated 2003 $'000	2002 $'000
Current			
Cash at bank and on hand		29,344	14,067
Bank short term deposits		5,525	20,500
		34,869	34,567

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as above.

The bank short term deposits are at call and pay interest at a weighted average interest rate of 4.70% at 30 June 2003 (2002: 4.85%).

8 Interest-bearing liabilities

	2003 $'000	2002 $'000
Current		
Bank bill facility	-	-
Medium Term Notes	300,000	-
Commercial Paper	77,000	-
	377,000	-
Non-current		
Bank bill facility	240,000	-
Medium term notes	868,876	448,171
	1,108,876	448,171

Financing Arrangements

(a) Committed Bank Loans

The consolidated entity had no bank loans outstanding as at 30 June 2003. Other than bank bills, the only bank facilities the consolidated entity had in place at the end of June 2003 were its standby liquidity facilities, which are detailed in the following notes.

8 Interest-bearing liabilities (continued)

(b) Bank bill facility

Details of maturity dates and security for bank bill facilities are set out below:

Facility 30 June 2003 $'000	Facility 30 June 2002 $'000	**Security**	**Maturity Date**	**Utilised at 30 June 2003 $'000**	Utilised at 30 June 2002 $'000
50,000		Unsecured	September 2003	-	
150,000		Unsecured	Dec 2003	-	
250,000		Unsecured	May 2005	125,000	
250,000		Unsecured	Dec 2005	115,000	
-	100,000	Unsecured	May 2005		-
-	125,000	Unsecured	Dec 2005	-	-
700,000*	255,000*			240,000	-

*These facilities are multi-use facilities which may be used partially for bank guarantees.

(c) Medium term notes

Details of unsecured medium term notes on issue are set out below:

Maturity date	**2003 $'000**	2002 $'000
August 2003	300,000	150,000
September 2004	150,000	150,000
July 2005	175,000	-
February 2006	150,000	150,000
October 2007	395,000	-
Total	1,170,000	450,000

Coupon interest payments under each issue are made semi-annually. The September 2004 notes have been swapped to floating rate through an interest rate hedge. The weighted average interest rate of the medium term notes at 30 June 2003 is 5.97% (30 June 2002: 5.94%).

The medium term notes have been issued at a discount to face value. The discount is amortised as interest expense over the term of the notes. The notional face value of the notes is $1,170 million (2002: $450 million). The current book value is $1,168.88 million (2002: $448.17 million).

(d) Commercial Paper

Commercial paper is a short-term funding instrument. Commercial paper is always of less than one year to maturity and is typically issued at a margin above bank bill rates. At 30 June 2003 $77 million of commercial paper was issued and the weighted average interest rate was 4.87% per annum (including margins).

8 Interest-bearing liabilities (continued)

(e) Committed Standby Facilities

	Facility Limit $'000	Utilised $'000	Unutilised $'000
	80,000	0	80,000

These standby facilities are in place specifically to provide liquidity support for commercial paper issued under the commercial paper program. Should the consolidated entity be unable to issue commercial paper, it may draw on these fully committed facilities. These facilities are provided for 364 day terms with review every six months and are not available for any other type of funding requirement (ie to increase debt).

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	Consolidated 2002 $'000
9 Reserves			
Capital redemption		1	1
Realised capital profits reserve		8,645	27,593
Asset revaluation reserve		260,530	307,815
		269,176	335,409
Realised capital profits reserve			
Balance at the beginning of the financial year		27,593	26,789
Profit on sale of investment properties transferred to reserve		305	804
Profit on sale of partnership interest transferred to reserve		1,471	-
Transfer to Statement of Financial Performance *		(20,724)	-
Balance at the end of the financial year		8,645	27,593
Asset revaluation reserve			
Balance at the beginning of the financial year		307,815	265,259
Net increase in the valuation of investment property		151,820	43,786
Transfer to Statement of Financial Performance *		(199,107)	-
Movement in outside equity interests in reserve		-	(1,230)
Balance at the end of the financial year		260,530	307,815

The asset revaluation reserve includes the net revaluation increments and decrements arising from revaluation of non-current assets measured at fair value in accordance with accounting standard AASB 1041 "Revaluation of Non-current Assets".

* The total amount transferred to the Statement of Financial Performance is $219.8 million.

		2003 $'000	2002 $'000
10 Retained profits			
Retained profits at the beginning of the financial year		64,873	57,179
Net profit attributable to members of the parent entity		64,410	249,751
Transfer from / (to) capital profits reserve		18,949	(804)
Transfer from asset revaluation reserve		199,107	-
Distributions / dividends provided for or paid		(272,835)	(241,253)
Retained profits at the end of the financial year		74,504	64,873

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

	Notes	Consolidated 2003 $'000	Consolidated 2002 $'000
11 Total equity reconciliation			
Total equity at the beginning of the financial year		2,642,683	2,409,184
Total changes in parent entity interest in equity recognised in the Statement of Financial Performance		216,230	292,308
Transactions with owners as owners:			
- contributions of equity		1,014,548	254,177
- distributions / dividends		(272,836)	(241,253)
Total changes in outside equity interest		399,176	(71,733)
Total equity at the end of the financial year		3,999,801	2,642,683

12 Distributions / Dividends

Distributions / dividends recognised in the current year by the Trust and Corporation are:

	Cents per unit/share	Total amount $'000	Date of payment	Tax rate for franking credit %	Percentage franked
2003					
Interim dividend	2.5c	20,848	28 Feb 2003	30	100
Final dividend	3.2c	27,684	29 Aug 2003	30	100
Total dividends		48,532			
				Tax preferred %	
Interim distribution	13.1c	109,243	28 Feb 2003	25.1	
Final distribution	13.3c	115,061	29 Aug 2003	22.4	
Total distribution		224,304			
				Tax rate for franking credit %	**Percentage franked**
2002					
Interim dividend	1.9c	15,150	28 Feb 2002	30	100
Final dividend	2.2c	18,185	30 Aug 2002	30	100
Total dividends		33,335			
				Tax deferred %	
Interim distribution	12.6c	100,463	28 Feb 2002	24.0	
Final distribution	13.0c	107,455	30 Aug 2002	27.8	
Total distribution		207,918			

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

12 Distributions / Dividends (continued)

No unfranked dividends have been declared or paid during the year.

2003 trust distribution is annualised at 23.7% (2002: 26.0%) tax preferred.

The final distribution / dividend, which has been declared, is payable on 31 August 2003.

The record date to determine entitlements to the dividend / distribution was 5pm, 24th June 2003.

The dividend / distribution reinvestment plan is operational for this payment.

13 Issued and quoted securities at end of current period

Category of securities	Total number	Number quoted
Ordinary securities	1,038,791,357	1,038,791,357
Changes during current period:		
Increases through issues		
- Executive Securities Plan	3,140,000	
- Placement, 1 April 2003	60,000,000	
- Allotments pursuant to acquisition of AMP Diversified Property Trust	143,511,622	

14 Control gained over entities having a material effect

During the financial year the consolidated entity acquired 69.33% of the units of AMP Diversified Property Trust, a listed property trust. The consolidated opening results of the acquired entity and its controlled entities will be included in consolidated net income from 1 July 2003.

14 Control gained over entities having a material effect (continued)

Details of the acquisition are as follows:

	2003 $'000
Consideration	
Cash paid and accrued for acceptances up to 30 June 2003	381,317
Stockland units/shares issued	718,993
Acquisition costs	16,350
Equity accounted profits up to date of consolidation	6,069
	1,122,729
Fair value of net assets of entities acquired:	
Investment property	1,401,425
Investments	439,356
Cash assets	22,970
Receivables	21,185
Other assets	14,185
Interest-bearing liabilities	(547,000)
Payables	(24,805)
Provisions	(25,798)
	1,301,518
Outside equity interests at acquisition	(399,176)
	902,342
Premium on acquisition	**220,387**

The premium on acquisition of AMP Diversified Property Trust has been written off in the Statement of Financial Performance.

15 Investments

	Consolidated 2003 $'000	Consolidated 2002 $'000
Share of net profits accounted for using the equity method included in the statement of financial performance:		
- joint venture entities	9,132	5,447

Interest in joint venture entities

	Principal activity	Balance date	Ownership interest
Subiaco Joint Venture	Property development	30 June	33.33%
Southbeach Joint Venture	Property development	30 June	50%

Note: AMP Diversified Property Trust share of net profits accounted for using the equity method included in the Statement of Financial Performance was $6.07 million.

	Consolidated 2003 $'000	Consolidated 2002 $'000
Results of joint venture entities		
The consolidated entity's share of the joint venture entities' results consists of:		
Revenue from ordinary activities	15,312	12,874
Expenses from ordinary activities	(6,180)	(7,427)
Net profit – accounted for using the equity method	9,132	5,447

16 Provision of services to Stockland Trust by Stockland Corporation Limited and its controlled entities

Revenue was brought to account by Stockland Corporation Limited and its controlled entities on the following services provided to Stockland Trust on normal terms and conditions:

Management of Trust	3,113	2,983
Property management	6,274	5,557

Notes to the Preliminary Final Report

For the year ended 30 June 2003

Stockland Trust Group comprising Stockland Trust and Stockland Corporation Limited

Annual meeting

The annual meeting will be held as follows:

Place	Sheraton at the Park Hotel, 161 Elizabeth Street, Sydney
Date	20 October 2003
Time	2.30pm
Approximate date the annual report will be available	29 August 2003

Compliance statement

1. This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
2. This report, and the accounts upon which the report is based, use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. This report is based on accounts that are in the process of being audited, and therefore, no audit report has been attached.
5. The entity has a formally constituted audit committee.

.... Date: 30 July 2003

Matthew Quinn
Managing Director