Stockland

Level 16
157 Liverpool Street
SYDNEY NSW 2000

www.stockland.com.au

Tel: 02 9321 1500
Fax: 02 9321 1599

ASX/Media Release
8 February 2006

STOCKLAND REPORTS ANOTHER RECORD RESULT

Stockland today announced a net profit of $482.5 million for the half year to 31 December 2005, including significant items such as investment property revaluations.

The operating profit for the half year was $273.4 million, reflecting a 9.3% increase on the previous corresponding period.

Highlights include:

- 5.1% increase in earnings per security to 20.7 cents
- $368.1 million increase in property valuations
- 6.2% increase in dividend/distribution per security to 20.5 cents, comprising;

Trust Distribution, 21% tax preferred	16.0 cents
Corporation Dividend, fully franked	4.5 cents
Total	**20.5 cents**

Stockland Managing Director Matthew Quinn said "We have achieved excellent results for this half year period, driven by solid profits from each of the operating divisions, our strong balance sheet and a continued focus on consistently delivering our strategy."

"The commercial, industrial and shopping centre businesses continued to perform well, with high occupancy and strong net income growth across the portfolios, while the residential business also had an excellent result, performing in line with our expectations."

"Our track record of consistently delivering quality returns to security holders is underpinned by the strength and diversity of our business model, our high calibre management team and our capability to manage through changing market cycles."

"The business is in strong shape at the end of this half year, with our gearing maintained at a conservative 27%."

Mr Quinn said "We also focused on broadening our income streams, with the Unlisted Property Funds Division achieving its key goals in this period, partnering with the other divisions to leverage the diversity of the group and extending the success of our brand in the listed market to the unlisted funds management arena."

Stockland Corporation Limited
ACN 000 181 733
Stockland Trust Management Limited
ACN 001 900 741; AFSL 241190
As Responsible Entity for Stockland Trust
ARSN 092 897 348

FINANCIAL HIGHLIGHTS

- Operating profit increased by 9.3% to $273.4 million
- EPS increased by 5.1% to 20.7 cents
- DPS increased by 6.2% to 20.5 cents
- $368.1 million of investment property revaluations
- Net Tangible Assets per security increased by 8.0% to $4.32
- Gearing ratio of 27%.

OPERATIONAL HIGHLIGHTS

Development Division

- Operating profit increased by 13.5% to $110 million
- Residential land and housing margin of 31%
- Launched 9 new projects to market
- Strong pipeline of 84 projects for development across Australia with an estimated end value of $15 billion
- Strength of the business is underpinned by diversity in both geographic regions and product range.

Mr Quinn said "Our focus on forecasting ahead and understanding residential market dynamics has ensured our business is in a strong position to continue to perform consistently through the market cycles."

Shopping Centre Division

- Operating profit increased by 10.4% to $114.8 million
- Comparable net income growth of 5.2%
- Vacancy rate only 0.2% of gross lettable area (GLA)
- 195 leasing transactions completed, including 88 renewals at an average increase of 20.7% on previous rental
- Property valuations have increased by 13.0% ($278.5 million), with a conservative average portfolio cap rate of 7.1%.

As one of the major owners of sub-regional shopping centres in Australia, Stockland constantly looks at ways to maximise the value of our shopping centres and achieve growth across the portfolio.

Delivery of the $800 million plus development pipeline is on track, with five projects successfully completed in the first half of FY2006 at a total cost of $103 million and an average return on cost of 10.9%, well in excess of current market cap rates.

Commercial & Industrial

- Operating profit of $102.3 million
- Comparable net income growth of 1.0%
- High portfolio occupancy of 99%
- Strong tenant retention of 87%
- Over 103,000m² of space leased or renewed
- Revaluations of $89.6 million, an increase of 8.7% on previous book value.

Stockland has continued to focus on the delivery of the $500 million development pipeline, a programme that includes major industrial and office park projects in western Sydney, the state's industrial hub, and the landmark new campus-style Optus headquarters in Macquarie Park.

Saville Hotel Group

- Record profit of $4.5 million
- 161 room Brisbane Saville Southbank hotel opened in January 2006.

Unlisted Property Funds

- Launched and successfully closed Stockland Direct Office Trust No.2 fund ($180 million) to retail investors
- Successfully sold down 20% of Macquarie Park Trust to UniSuper, marking the Division's first entry into wholesale funds management
- Recent launch of the first residential land development fund, SREEF, to a wholesale investor base
- A total of $467 million retail and wholesale assets under management.

"We expect our unlisted funds business to continue to grow in partnership with our other divisions to maximise the benefits of the diversity of Stockland's business model," said Mr Quinn.

IMPACT OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRS)

The application of the Australian equivalents of IRFS (AIFRS) for the half year to 31 December 2005 has had no affect on Stockland's business operations, cashflow, distributions or debt covenants. AIFRS has caused some volatility to the Income Statement due to:

- revaluations of investment property;
- goodwill adjustments;
- mark to market of financial instruments that do not qualify for hedge accounting;

- amortisation of lease incentives;
- cessation of UIG53 profit recognition;
- share based payments accounting; and
- Trust distributions treated as finance costs for the period 1 July 2005 to 25 October 2005 (when changes to the constitution were approved by security holders at the AGM to remove this requirement).

As previously stated, the Directors have taken into account the effects of AIFRS in assessing the appropriate distribution payout ratio, to ensure that security holders are not disadvantaged in the transition period from previous AGAAP to new AIFRS reporting.

Stockland's payout ratio of 99% for the half year to 31 December 2005 reflects a minor adjustment for the effect of amortisation of lease incentives under AIFRS.

OUTLOOK

Mr Quinn said "These outstanding results confirm our position as one of the leading property groups in Australia, and ensure we are on track to achieve our full year targets and deliver on our long term strategy."

"We will continue to focus on leveraging and extending our diversified business platform to deliver future growth and returns to our security holders."

Stockland's 2006 Half Year results presentation will be web cast via www.stockland.com.au on Wednesday 8 February at 4pm.

For investor enquiries contact:	For media enquiries contact:
Johanna Keating	**Amy Menere**
EGM Investor & Media Relations	Corporate Communication Manager
Stockland	Stockland
Tel: 02 9321 1529	Tel: 02 9561 2664
Mobile: 0409 168 848	Mobile: 0422 449 310