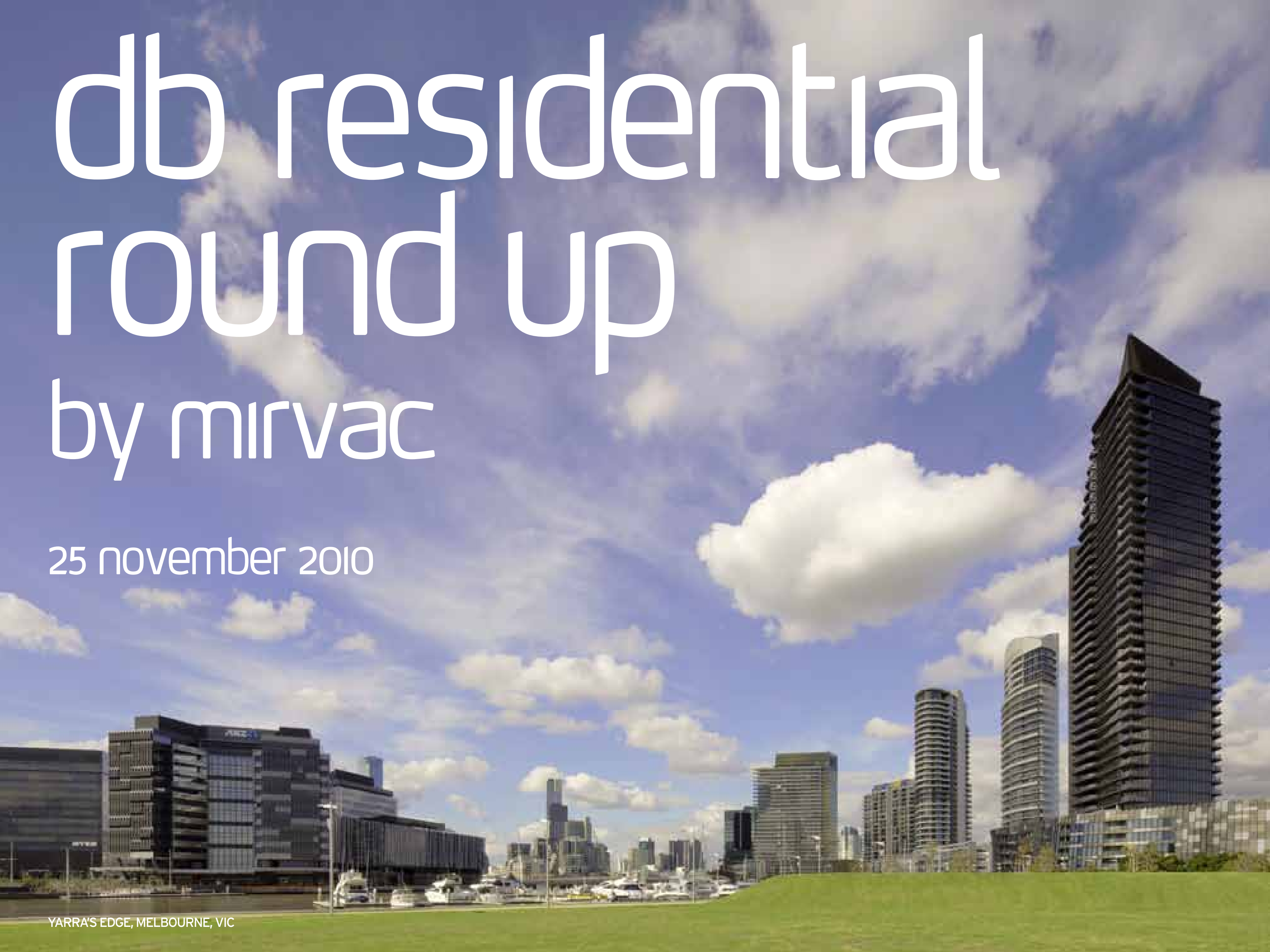
db residential round up by mirvac

25 november 2010



YARRA'S EDGE, MELBOURNE, VIC

MIRVAC GROUP

MIRVAC GROUP

Founded 1972, listed 1987, stapled 1999
Credit Rating: BBB (Positive Outlook)
26.8% Balance Sheet Gearing[1]

2 Core Divisions

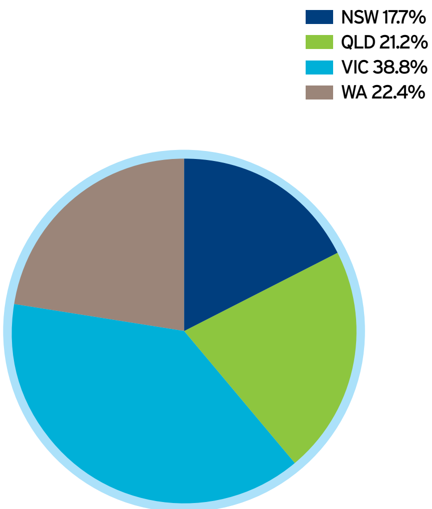
INVESTMENT $5.8 billion portfolio[1]	DEVELOPMENT
OFFICE 31 assets	**RESIDENTIAL** 21,578 lot pipeline
RETAIL 25 assets	**COMMERCIAL** Selected opportunities
INDUSTRIAL 17 assets	
80% Target operating NPAT through cycle	**20%** Target operating NPAT through cycle

1) As at 30 June 2010, post the acquisition of WOT. Includes car parks, one hotel and indirect holdings in five property investments.

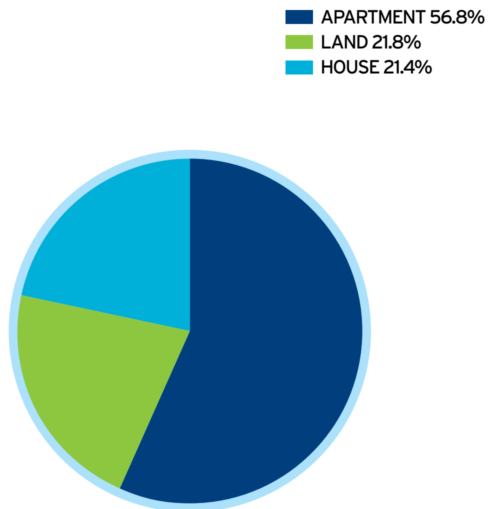
DIVERSIFICATION OF RESIDENTIAL LOTS/REVENUE

21,578 lots under control[1]
Well diversified across geography, type and ownership structure

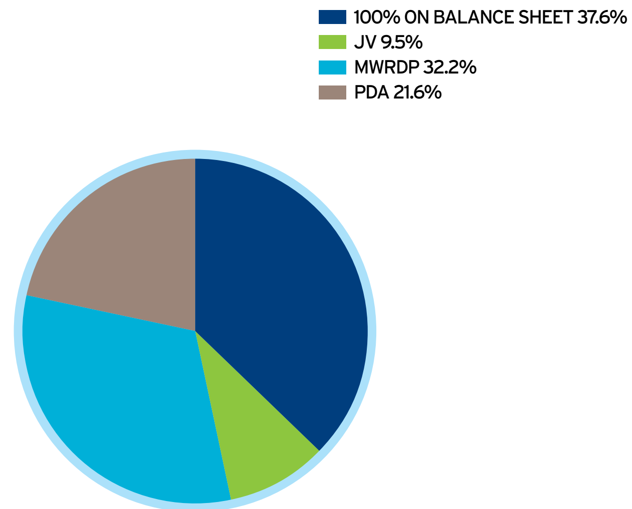
Lots by state



Mirvac share of revenue by type



Lots by structure



1) As at 30 June 2010.

RESIDENTIAL DEVELOPMENTS FAST TRACKED

61% of released projects are pre-sold

Released	State	Project	Stage	Ownership	Settlement Year	Lots	Lots Presold[1] %	Net Revenue[2] $m
✓	VIC	Harcrest	Stage 1	20%	FY12	87	82%	7.7
✓	NSW	Rhodes Waterside	Elinya	20%	FY12	107	82%	14.7
✓	NSW	Rhodes Waterside	Waters Edge	20%	FY12	114	51%[3]	15.2
✓	QLD	Waterfront Newstead	Park Precinct	100%	FY12/13	102	30%	105.0
✓	QLD	Mariner's Peninsula	The Point	100%	FY13	86	16%[4]	99.7
✓	VIC	Yarra's Edge River Homes	Stage 3	100%	FY13	17	94%	49.0
✓	VIC	Yarra's Edge River Tower	Yarra Point	100%	FY13/14	201	43%	189.7
	NSW	Rhodes Waterside	Alkira	20%	FY13	145	—	16.2
	VIC	Yarra's Edge River Homes	Stage 4	100%	FY14	17	—	52.0
	QLD	Hamilton	Stage 1	100%	FY14	225	—	131.9
	WA	Beachside Leighton	Stage 2	100%	FY14	62	—	170.6
		Total				**1,163**	**61%[5]**	**851.7**

1) As at 5 November 2010.
2) Mirvac's share of forecast revenue, adjusted for JV interest and Mirvac managed funds.
3) As at 24 November 2010.
4) As at 8 November 2010.
5) Percentage of released projects lots that are presold, excluding Waters Edge, Rhodes Waterside as will be released 13 November 2010.

RESIDENTIAL DEVELOPMENT UPDATE

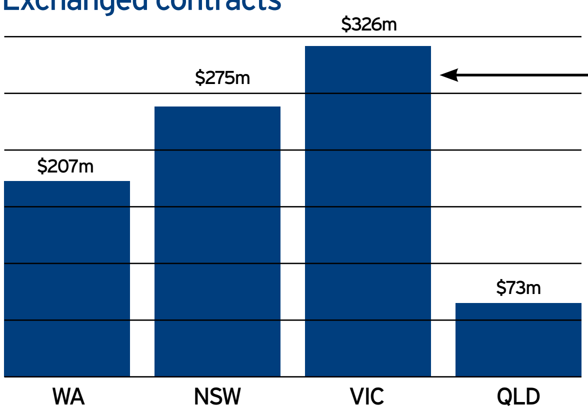
Mirvac's position as Australia's pre-eminent residential developer is evidenced by $882m[1] ($704m as at 30 June 2010) of exchanged residential pre-sales contracts

> 70% of total forecast FY11 residential revenue secured by pre-sales

FY11 major contributors

Project	Ownership	State	Type	Lots	% FY11 EBIT forecast	Revenue % pre-sold
Beachside Leighton, Leighton Beach	100%	WA	Apartment	56	22.0	100
Laureate, Melbourne	100%	VIC	Homes	28	10.3	91
Yarra's Edge River Homes, Docklands	100%	VIC	Homes	18	6.0	94
Waterfront, Newstead	20%	QLD	Apartment	55	8.1	98
Parkbridge, Middleton Grange	PDA	NSW	Homes	208	4.4	32
Waverley Park, Mulgrave	100%	VIC	Homes	73	4.6	100
Total				**438**	**55.2**	**92**

Exchanged contracts[1]



STRONG SALES MOMENTUM

Yarra Point, Docklands, Vic

Product type	Apartments
Stage	Tower 8, Yarra Point
Percentage of stage sold	43%

Harcrest, Wantirna South, Vic

Product type	Houses
Stage	1
Percentage of stage sold	82%

YARRA POINT, MELBOURNE, VIC

1) Total exchanged contracts as at 5 November 2010, adjusted for Mirvac's share of JV interest and Mirvac managed funds.

DEVELOPMENT MARKET UPDATE

Annual price growth moderating to single digits. However the market is supported by underlying demand and limited supply with fundamentals remaining positive.

NSW 18%[1]

Current	Forecast	
A-	B	Improved affordability on the back of fiscal stimulus has seen a buoyant Sydney market. NSW remains the most under supplied market with a shortfall of dwellings well in excess of one year's supply. This under supply will remain a key feature underpinning Sydney prices. Rents are now growing at a faster rate than other major cities. Prices are expected to outperform the national average over the medium term as the supply deficit maintains pressure on rents and values.

VIC 39%[1]

Current	Forecast	
A	B+	Melbourne experienced the largest national price rise, however affordability is becoming an issue; potentially reaching a point where further interest rate rises will limit price increases. Melbourne has the strongest population growth of the capital cities, which along with a resilient State economy and pro-active State government, support demand. The impact of affordability is expected to see the Melbourne market growth rate slow.

QLD 21%[1]

Current	Forecast	
B-	B	While Queensland has recorded positive price growth, conditions have been weaker than the rest of the country. Softer finance conditions have hampered housing development as have the State's planning regime, impacting market sentiment. The sharp fall in supply and improving expectations indicate a positive outlook.

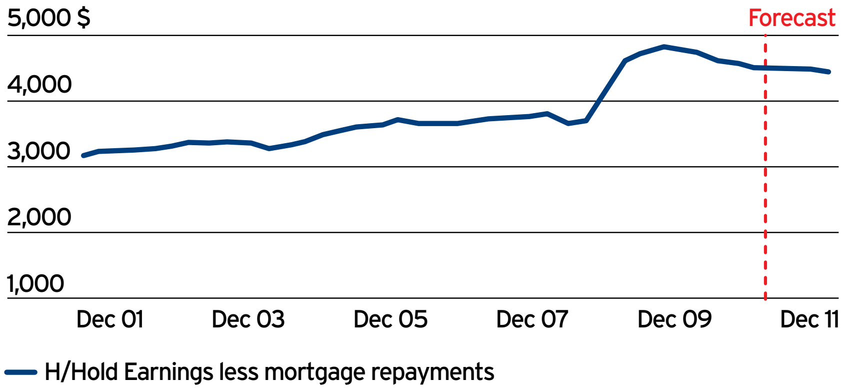
WA 22%[1]

Current	Forecast	
B-	B	After building momentum on the back of increasing commodity prices, the uncertainties surrounding the resources tax proposal significantly dampened sentiment and stalled momentum, particularly in upper price brackets. Some labour pressure still exists given competition with some of the large infrastructure projects. The next wave of business investment, strong population growth and a supply deficit in Perth provide a positive outlook.

1) Mirvac's pipeline by lots.

AFFORDABILITY NOT YET BACK TO 2008 LEVELS

Proportion of Family Income to Meet Loan Repayments



Source: ABS, RBA, Mirvac Research

Period	Proportion
March 89	36.0%
Jun 08	39.8%
Current	34.6%

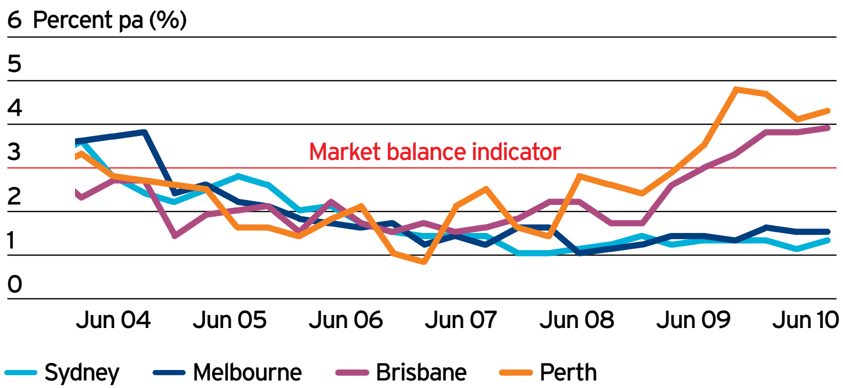
Source: REIA

- Despite higher proportions of income being directed towards mortgage repayments, real wage growth has meant home buyers have more disposable income
- Rate rise cushion to 2008 affordability levels is around 100bps after impact of wage growth
- Proportion of family income to meet loan repayments not yet back to previous peak of June 2008

RESIDENTIAL RENTS AND VACANCY

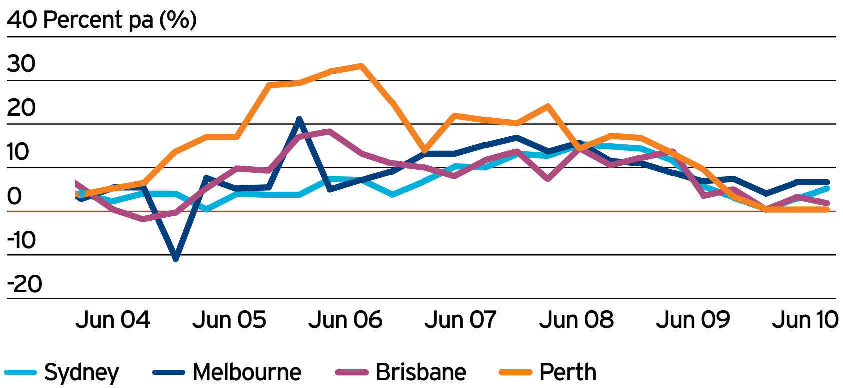
Rising rents and falling vacancies are key drivers of

Vacancy Rates



Source: REIA

Rental Growth



Source: REIA

- Sydney and Melbourne vacancy rates remain at historical lows and well below the 3% rate that is generally considered equilibrium
- Strong rental growth expected in 2010 in the face of softer FHB purchasing activity and limited new supply


mirvac
thank you
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