



ASX Release / Media Release

14 November 2008

PRESENTATIONS TO MIRVAC GROUP'S ANNUAL GENERAL/GENERAL MEETINGS.

In accordance with Listing Rule 3.13.3 I attach the Chairman's Address and presentation slides to be delivered to today's Annual General/General Meetings of the Mirvac Group.

A handwritten signature in black ink, appearing to read 'MGAST', is positioned above the printed name of Michael Smith.

Michael Smith
Group Company Secretary

Mirvac is a leading ASX-listed, integrated real estate group with approximately \$27.2 billion of activities under control across the real estate investment and development spectrum.

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Mirvac Limited

ABN: 92 003 280 699

and

Mirvac Funds Limited

ABN: 70 002 561 640

(as responsible entity for Mirvac Property Trust

ARSN: 086 780 645)

**2008 Annual General Meeting / General Meeting
14 November 2008**

Chairman's Address

I will start my address by acknowledging the difficult conditions confronting the economy and the markets in which we operate.

Whilst there has been a significant decline in our security price since our last AGM, it is important to emphasise that the Mirvac fundamentals remain strong. We are focused on our recognised strengths of managing investment grade Australian properties which provide stable income streams (an especially important feature in tough times) and delivering Australia's finest scale residential developments.

The 2008 financial year was a challenging period for companies operating in financial markets and in particular, real estate investment trusts.

In June this year, Greg Paramor wrote to all securityholders detailing write downs from the reassessment of the carrying value of our residential and non-residential developments, intangible assets and co-investments in managed listed funds. At that time Mirvac announced it was making provisions of \$400 million to reflect the impaired value of these assets.

As you are aware from our Annual Report, after this impairment write off net profit for the period was \$171.8 million.

Despite this challenging environment, Mirvac's two core divisions — Investment and Development — delivered sound results during the year. The Investment Division (comprising Mirvac Property Trust (MPT) and Mirvac Asset Management) represents the core earnings platform for Mirvac from a strong \$4.1 billion domestic property portfolio. Income from MPT accounted for 62.5 per cent of the Group's income.

The Division posted a sound net profit of \$404 million. We had been positioning the MPT portfolio for a period of slower economic activity and in the past 12 months have reduced our exposure to markets judged to be overheated or with weak fundamentals. Holdings of prime assets with strong lease covenants increased and our exposure to secondary grade assets was reduced as a result of this portfolio repositioning.

Thus, the Investment Division remains focused on providing the Group with income stability.

Our Development Division had \$1.7 billion of inventory under its control across the residential and non-residential sectors as at year end.

The net 2008 contribution of Development was a loss of \$66 million. After recognising a \$219 million impairment in the carrying value of inventory.

Our residential activities across Australia continued to attract record sales during the year, cementing the Mirvac brand as Australia's leading quality residential developer. Of particular note was the performance at Tennyson Reach in Queensland (stage one riverfront apartments sold out for \$190 million) and Beachside Leighton in Western Australia (stage one oceanfront luxury apartments sold out for \$190 million).

Mirvac's residential activities are spread between New South Wales, Victoria, Queensland and Western Australia. Clearly, conditions differ across these markets, but diversification in our inventory allows us to focus on those markets that are strongest at any point in time.

Mirvac's Investment Management business was acquired to support the Group's core activities of Investment and Development. The business currently manages approximately \$7.2 billion in funds on behalf of more than 35,000 institutional and retail investors. Performance in FY08 was adversely affected by the deterioration in asset values, which lead to a write down of \$104 million.

Investment Management's net loss before tax was \$94 million. Going forward, the focus in this area is to facilitate alternative sources of capital for our Investment and Development Divisions. Nick will talk more about this later.

The Group's Hotels business unit, which manages 40 hotels and resorts across Australia, New Zealand and the Pacific, reported a profit before tax of \$13.6 million, a 43 per cent increase on the previous 12 months. This business is actively seeking to increase its management contracts over the next 12 months including via a joint venture arrangement with the Al Badie Group in Abu Dhabi to manage hotels in the Middle East and North Africa region using the business' brand names.

So, going forward, we believe that our tightened focus, with a conservatively structured balance sheet, places Mirvac in a most select position to confront the radically changed conditions in the markets in which we operate. Our gearing is around 27%, which is amongst the lowest gearing levels in the Australian Real Estate Investment Trust sector. We have significant headroom in all our debt related covenants.

Having a conservatively structured balance sheet was our aim when we embarked on the recent \$500 million capital raising. This capital injection has strengthened Mirvac's balance sheet, and enables us to confidently confront the current distressed economic conditions. We have all of our capital commitments to June 2011 covered and have a buffer on top of that in excess of \$800 million.

This capital raising was lead by Nick Collishaw. It was a proactive and decisive initiative taken off the back of his strategy for the future of Mirvac. The significant amount raised, well in excess of what we originally sought, represents a strong endorsement of Nick's leadership by the market - three months after his appointment as Managing Director.

By now you would have received a letter from me inviting you to participate in a fully underwritten 0.417 for 1 non-renounceable entitlement offer of Mirvac stapled securities at an issue price of \$0.90 per new security.

On 5 November 2008, Mirvac successfully raised \$72 million through an institutional placement and approximately \$345 million through the institutional component of the Entitlement Offer, raising a total of approximately \$417 million.

The retail component of the Entitlement Offer is expected to raise approximately \$83 million, at the same price as the institutional capital raising of \$0.90 per New Security.

It is important to also highlight that Mirvac's debt is not materially exposed to foreign exchange risk.

This capital raising is part of a number of initiatives including:

- > We have engaged early with our banks on the roll-over of our \$1.1 billion debt facility which is due to expire in June 2009 – we expect to have terms agreed on this by the end of the year;
- > We have opted to reconsider the commencement of a few development projects;
- > We are closing all our non-core property investment offerings; and

> We are continuing an extensive review of our cost base which has resulted so far in a \$20.0m reduction in overhead per year.

EARNINGS

We have completed a detailed review of our earnings as the magnitude of the change in economic circumstances became clear and updated our earnings guidance accordingly.

As detailed in my letter to you of 6 November 2008, we advised that earnings for FY09 have been revised to 13.4 cents per stapled security, post the capital raising. We have also announced that the full year distribution for FY09 will be 13.4 cents per stapled security post capital raising. As we announced in July, it is our policy prospectively to distribute the taxable income of Mirvac Property Trust. We can envisage no circumstances where this will change in the immediate future.

This guidance is based on the stable income stream generated from the high quality property held by Mirvac Property Trust, supplemented by an ostentatiously conservative assessment of development and investment management earnings.

The revised development earnings reflect a conservative assessment of forecast residential settlements and sales based on the new market conditions in which we operate. Negative consumer sentiment and low home ownership affordability are very real challenges for Mirvac.

Notwithstanding, we are starting to see, what we hope are early signs that the residential market and consequent demand for Mirvac product

being stimulated by the Rudd Government's First Home Owners grant scheme, the NSW Rees' Government announcement last weekend of a \$3,000 increase in the grant for First Home Owners, falling interest rates along with rising residential rents and the general undersupply of housing. Early signs, not factored in to our projections, but nonetheless cause for some cautious optimism and hopefully some good news in the not too distant future.

REGISTER

In January this year we announced a strategic partnership with the Dubai based sovereign fund, Nakheel, and welcomed them on to our security register, with a \$300 million placement at \$5.20 per security. Nick Collishaw will address the opportunities this partnership presents us when he speaks later.

Subsequently, the Government Investment Corporation of Singapore, another sovereign fund, disclosed its interest in Mirvac as 6% and fully participated in the recent capital raising. The capital raising also attracted to our register a number of other well known and respected institutions, which will be disclosed as required. We welcome these institutions to our register, recognise their presence as an acknowledgement of our strategy and look forward to building long-term relationships with them.

CHANGE IN LEADERSHIP

Last November, Greg Paramor indicated to me that he did not intend to extend his contract when it expired in 2009. This gave the Board plenty of time to choose his successor, which we appreciated.

We retained an international executive search firm to undertake a thorough national and international search for Greg's successor. By July this process was completed and it was the Board's view that Nick was the best person to succeed Greg.

As I have indicated earlier the success of our recent capital raising is a positive statement of support from the market for Nick and his plans for Mirvac. For Greg, the ultimate compliment to a retiring CEO is to be replaced by an internal candidate.

REMUNERATION

We are all aware that there has been extensive comment on the level of executive salaries in this country. Notwithstanding, no institutional investor has criticised Mirvac's remuneration practices.

Our remuneration policies have been clearly laid out in the Group's Annual Report in the excessive detail required. You will be asked to endorse these policies later in this meeting. They are the domain of the Board's Human Resources Committee chaired by Peter Hawkins, whose mandate is to ensure their nexus with the Group's performance.

Mirvac has a transparent remuneration policy which has been well communicated both inside and outside the Group. We are obviously not immune to the pressures from the economy in which we are operating, and mindful of our responsibilities, indeed the absolute requirement to

retain our people to protect our business to deliver the returns expected by our investors. To the best of my knowledge all the independent governance organisations have commented favorably on our remuneration policies, whilst at the same time opining that Mirvac's executive salaries on the whole remain no higher than the level paid by our peers.

I did receive a couple of questions from securityholders on the proposed increase in Board remuneration so let me address that: it is not our intention to increase the remuneration of any non-executive director this year and we did not increase the remuneration of non-executive directors last year.

The purpose of seeking this increase is to enable us to appoint an additional non-executive director and I expect to make an announcement on this shortly.

Last year, to improve the efficiency of this meeting and most importantly ensure we have appropriate time for our Managing Director to address the prospective, we invited securityholders to submit questions in advance. This initiative was well received by you and it certainly leads to a more efficiently run and effectively informative meeting.

Thanks to all of you who have submitted questions – I have answered virtually all of them in what I have said today other than two queries: one technical query in relation to this year's Directors' report and one on our auditors and advisors.

Any query of a technical nature we take seriously but our advice is that the report is correctly structured, notwithstanding I will be replying in writing to that securityholder.

The other query relates to PWC, who as well as being our auditors provide taxation and regulatory advice to us. On our website we have published our policies and practices to ensure PWC remain independent. Our Board Audit Risk and Compliance Committee closely monitors the scope of non-audit work undertaken by PWC to ensure compliance with these policies and procedures.

It remains Mirvac's desire to interact and meet with as many of our 28,000 securityholders as possible, and as a result the Board has decided to continue the rotation of future AGM locations through the capital cities in which we operate.

Next year we intend to hold the AGM in Sydney, notwithstanding a request from an Adelaide based securityholder for it to be held there.

CONCLUSION

As I conclude, I would like to take this opportunity to thank my fellow Board members for their contributions and support during the year, and commend Nick Collishaw, Mirvac's management team and their people for their continued dedication and their achievements.

Most importantly I want to thank you our securityholders for your continuing support and confidence. I trust your investment in Mirvac will

be rewarding in the challenging economic circumstances which confront us.

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MIRVAC GROUP ANNUAL GENERAL MEETING

14 NOVEMBER 2008

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AGENDA



Market conditions

Capital management

Earnings guidance

Divisional outlook

Group strategy

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Mirvac has operated through many market cycles since 1972 and its continued success is attributable to its ability to adapt to changed market conditions:

- › scarcity and the increased cost of debt, coupled with an uncertain asset price outlook, means the maintenance of a **STRONG BALANCE SHEET** is paramount
- › global repricing of risk, means corporate activity needs to align with the organisation's **CORE COMPETENCIES**
- › deterioration of the REIT sector's market capitalisation, means **TRANSPARENCY** and the timely dissemination of information to the market restores confidence
- › institutional market is focussing on A-REIT **CAPITAL ADEQUACY**

MIRVAC - REALISTICALLY RESPONDING TO MARKET CONDITIONS



Prudent actions taken:

Announcement to market:

Realistic assessment of carrying values: \$400m of impairments

20 June 08

Refocusing on core competencies: Investment and Development

22 July 08

Primacy of balance sheet: capital raising and underwriting of DRP

1 February/25 July 08

Reduced gearing: 26.6 per cent, increased available funds to \$1,268.8m via \$500m entitlement offer

6 November 08

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EQUITY ISSUANCE



Fully underwritten capital raising of \$500.0m undertaken to:

Reduce gearing to 26.6 per cent

Increase available funds to \$1,268.8m

Strengthen balance sheet in an environment where investors are focused on capital adequacy

Improve debt covenant headroom

Reduce interest cost

Reduce reliance on debt providers

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CAPITAL MANAGEMENT



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BURSWOOD, WA

CAPITAL MANAGEMENT



	Pro forma	Jun 08
S&P rating	BBB	BBB
Gearing	26.6% ¹	32.5%
Total liabilities/total tangible assets	37.3% ¹	43.0%
Total interest bearing debt	\$1,972m ¹	\$2,453m ²
Undrawn debt facility	\$1,269m	\$1,200m

Covenants limited to Mirvac balance sheet with no look through covenants

No recourse to Mirvac from off balance sheet debt

Equity raise further strengthens Mirvac's position with significant headroom on all covenants

1) As at 30 June 2008, adjusted for equity raising and an illustrative unaudited 25 basis point increase in capitalisation rates across Mirvac's \$4.1bn Investment Division, including equity accounted non-residential property investments (please note valuation adjustment is not allocated per statutory accounting line items), \$14.0m provision against mezzanine loan investments and \$14.4m provision against investment management commitments. Excludes the impact of securities issued under Mirvac's Distribution Reinvestment Plan relating to the June 2008 and September 2008 distributions which in total raised \$102.0m with 37.0m new stapled securities being issued. No adjustment has been made to the value of derivative financial instruments resulting from movements in interest rates between 30 June 2008 and 29 October 2008, which have a current estimated mark to market position of (\$28.0m) compared to \$95.1m at 30 June 2008

2) US dollar bonds at fixed exchange rate

EARNINGS GUIDANCE



FY09 operating earnings guidance: 13.4cpss

Guidance by division	FY09 guidance \$m	Key assumptions
Investment (MPT)	243	<ul style="list-style-type: none">> no asset sales assumed> reduction of overhead cost> achieve rent review targets and let up assumptions> co-investments perform in line with guidance
Development	22	<ul style="list-style-type: none">> reduction of overhead cost> achievement of forecast sales rates
Investment Management (including Hotels)	(19)	<ul style="list-style-type: none">> minimal acquisition and advisory fees> reduction of overhead cost> complete consolidation and exit non-core businesses and funds
Corporate overheads, tax and eliminations	(47)	
NPAT	199	
EPS (cpss)	13.4	
DPS (cpss)	13.4	

ACTIVITIES UNDER CONTROL



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INVESTMENT \$4.1bn	DEVELOPMENT \$1.7bn ²
<ul style="list-style-type: none"> > MIRVAC PROPERTY TRUST <ul style="list-style-type: none"> Commercial Industrial Retail and Hotel Indirect Real Estate Investment 	<ul style="list-style-type: none"> > RESIDENTIAL <ul style="list-style-type: none"> Apartments Housing Land subdivision
<ul style="list-style-type: none"> > MIRVAC ASSET MANAGEMENT 	<ul style="list-style-type: none"> > NON RESIDENTIAL <ul style="list-style-type: none"> Commercial Industrial Retail and Hotel
INVESTMENT MANAGEMENT \$7.2bn¹	
<ul style="list-style-type: none"> > CAPITAL FACILITATION: PARTNERSHIPS AND JOINT VENTURES 	
<ul style="list-style-type: none"> > HOTEL MANAGEMENT 	

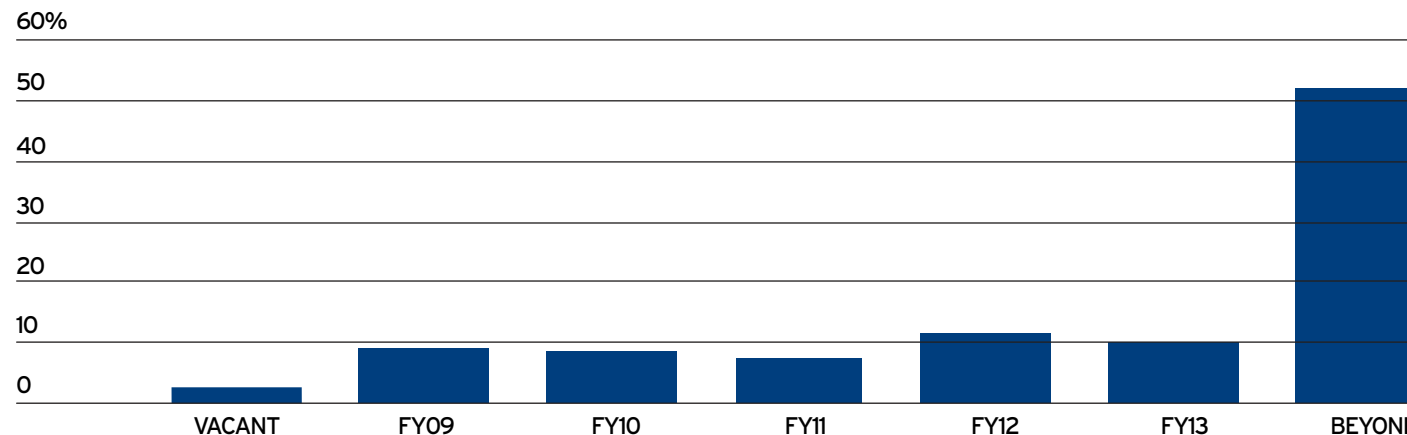
1) Funds under management after adjusting for joint venture interests

2) Current and non current inventory

Mirvac Property Trust underpins Mirvac's earnings

- › trust earnings are highly visible as 93.5 per cent of FY09 reviews are fixed or CPI
- › minimal lease expiry in FY09 - 9.0 per cent of portfolio expiring in FY09 (terms agreed for 40 per cent of FY09 expiry YTD)
- › commercial portfolio is 5.7 per cent¹ under rented
- › retail portfolio's occupancy cost is 11.8 per cent, supports existing rents
- › approximately 60 per cent of revenue derived from ASX, multinational and government tenants

Portfolio expiry profile



Weighted average lease expiry 6.1 years

1) Management estimates

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DEVELOPMENT DIVISION



\$1.03bn exchanged contracts¹

State	Exchanged contracts as at 30 October 08	Settlement date	Percentage of exchange contracts realised
NSW	\$92m	FY09	46%
VIC	\$179m	FY10	29%
QLD	\$279m	FY11	25%
WA	\$484m		
Total	\$1.03bn		

1) Total exchanged value as at October 08 adjusted for Mirvac's share of JV interest and Mirvac managed funds

THE ROYAL, NEWCASTLE, NSW (ARTIST'S IMPRESSION)



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DEVELOPMENT DIVISION



YARRA'S EDGE, DOCKLANDS, VIC



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NEWSTEAD, QLD (ARTIST'S IMPRESSION)



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BEACHSIDE LEIGHTON, WA (*ARTIST'S IMPRESSION*)

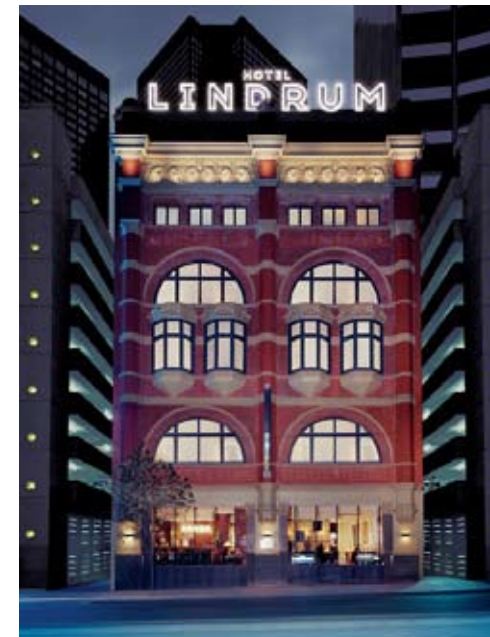


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Expansion through brand and IP leverage

- › management model limits capital commitment
- › strategic expansion of hotel brands in existing markets
- › secured management contracts that will deliver 6 hotels over next 4 years
- › joint venture agreement with Al Badie Group in Abu Dhabi will further expand hotel management into the Middle East North Africa region

Mirvac Hotels & Resorts Brand	Number of hotels as at 30 JUN 08
The Sebel	22
Quay West Suites	6
Citigate	6
Sea Temple Resorts	2
Sydney Marriott	1
The Como	1
Quay Grand Suites	1
Cairns International	1
Total	40



Mirvac recently took over management rights of the Hotel Lindrum, Melbourne

AWARDS



SUMMARY OF MAJOR AWARDS DURING 2008

Organisation	Award
HM Magazine Awards	Overall Chain of the Year - Mirvac Hotels & Resorts
Australian Hotels Association	Award for Excellence for Best Suite Apartment Hotel Accommodation - Quay Grand Suites, Sydney
MaXXotel	Best Performing Australian Serviced Apartment Under 200 Rooms - Quay West Suites, Sydney
Housing Industry Association	QLD Best Display Home \$250,000 - \$400,000 - Mossvale on Manly, Queensland QLD Residential Lifestyle Development of the Year - Waterline, Bulimba, Queensland
Master Builders Association	WA Best Metropolitan Development Comprising Multi-Unit Dwellings over \$10 million - Towers 1 & 2 The Peninsula, Burswood
Urban Development Institute of Australia	QLD Excellence in Environmentally Sustainable Development, Built Form - Orion Springfield, Queensland QLD Best Residential Subdivision - Waterline, Bulimba, Queensland Queensland State President's Award - Orion Springfield, Queensland Australian Urban Renewal - Latitude Lavender Bay, New South Wales Australian High Density Housing - Allegro at The Peninsula, Burswood, Western Australia
HIA Housing Awards	QLD Spec Home of the Year - The Promontory, Queensland
Department of Environment & Climate Change	NSW 2008 Sustainability Green Globe Awards Business Awards: Industry - Water Efficient Housing - Ashgrove Auburn, NSW
HIA GreenSmart Awards	WA Design Concept Award - Beachside Leighton, Western Australia
Australian Institute of Energy	NSW Excellence in Energy Awards - Achieving more with less - The Vision Estate, Glenfield New South Wales

MIRVAC STRATEGY - A SIMPLIFIED APPROACH



Investment

- › grow secure, recurring income through active management of Australian investment grade assets
-

Development

- › focused acquisition approach will centre on the mid to high end market
 - › concentrating on urban renewal and major generational projects, moving with the markets changing dynamic in areas we excel
 - › partnering with Nakheel in Dubai in masterplanning iconic developments
-

Investment Management

- › consolidate and exit non-core and unscalable businesses this financial year
 - › ensure new funds align with Mirvac's core competencies of residential development and Australian Investment Management
 - › continue the expansion of hotel management in existing markets
-

Group

- › challenge existing processes and procedures to generate greater efficiency of operations, delivering a sustainable reduction in operating cost -\$20m, implementation underway
-

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OUR STRATEGY



Our strategy is realistic and brings simplicity to our model, focusing on our two core divisions, Investment and Development with Investment Management facilitating capital interaction. Mirvac is moving towards more recurring revenue streams, over the medium term, and a more focused approach in the areas we excel.

Mirvac has operated through many market cycles since 1972 and its continued success is attributable to its ability to adapt to changed market conditions. The direction of today ensures the strength of the business into the future.

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