

- 01 MIRVAC OVERVIEW
- 02 CHAIRMAN'S AND MANAGING DIRECTOR'S REPORT
- 04 MIRVAC VISION
- 05 BOARD OF DIRECTORS
- 06 INVESTMENT REVIEW
- 10 DEVELOPMENT REVIEW
- 12 CORPORATE RESPONSIBILITY AND SUSTAINABILITY
- BC SECURITYHOLDER INFORMATION



Mirvac Group ("Mirvac" or the "Group") is a leading integrated real estate group, listed on the Australian Securities Exchange ("ASX") with activities across the investment and development spectrum.

Established in 1972, Mirvac has more than 37 years of experience in the real estate industry with a reputation for delivering quality products and services across all of its businesses.

Mirvac is committed to the continual delivery of high quality products and services across all of its operating divisions.

2

TWO CORE DIVISIONS

INVESTMENT

Mirvac's Investment Division has a diverse portfolio of 58 investment grade assets valued at more than \$3.7 billion.

The portfolio includes a mix of commercial offices, retail centres, industrial properties and a hotel, leased to quality tenants, including leading Australian and international companies.

Mirvac's integrated business approach includes a specialised in-house asset management team responsible for all asset leasing and management across the portfolio and in-house design, development and construction expertise to improve and expand existing assets and evaluate new asset acquisitions.

DEVELOPMENT

Mirvac is one of the leading brands in the Australian development and construction industry and has a proven track record of delivering innovative and quality products that exceed customers' expectations and lead the market.

Mirvac's Development Division has also been responsible for some of Australia's most awarded masterplanned communities, including The Peninsula in Burswood, WA; Newington in Sydney, NSW; Waverley Park in Melbourne, VIC; and Waterline at Bulimba in Brisbane, QLD.

Mirvac's integrated approach to delivering projects means the Group applies in-house expertise from planning to after sales service in pursuit of project excellence. The Group's team ensures absolute quality control over the entire development process through the implementation of a thorough planning, design, construction and marketing process, from concept to completion.

“We believe it is our ability to respond decisively to changing market conditions that has set us apart. Our history of managing through market cycles, our premium brand, sound financial position and dedicated and highly skilled employees ensures that Mirvac is well placed for the future.”

Throughout Mirvac's 37-year history, market cycles have provided different challenges and opportunities and it has been the Group's ability to be realistic, adaptive and responsive to these difficult periods that has ensured Mirvac's continued success.

The 2009 financial year was characterised by a rapid deterioration in global economic conditions. Australia, like all established economies worldwide, has been impacted by the global downturn and has felt the effects of a withdrawal of debt capital from lenders, falling asset values and a rapid decline in consumer confidence. As a result, real estate markets have been one of the hardest hit sectors.

The need to respond decisively and immediately to this challenging environment was imperative to our ongoing success as a leading real estate group.

In August 2008, we delivered the Group's strategy stating that we would simplify operational activities, cut costs and strengthen our balance sheet. Since then, we have undertaken a number of capital management initiatives that have significantly bolstered our financial and liquidity position. We have also simplified the Group's operating model and disposed of a number of non-core activities, realising capital efficiencies.

Our strategy remained focused on our core strengths of owning and managing Australian investment grade properties, which provide stable income streams through our secure tenant covenants, and delivering Australia's pre-eminent residential developments. Importantly, we remained Australian focused with 99.2 per cent of our operations based in Australia.

The operating profit (profit before specific non-cash and other significant items) for the Group was \$200.8 million, which was in line with the guidance provided on 5 November 2008 and high end range guidance provided on 4 June 2009. The statutory net loss after tax for the Group was \$1.08 billion. This loss was impacted by the Investment Division's property revaluations of negative \$487.2 million, and the share of net loss of associates and joint ventures accounted for using the equity method of \$158.0 million. Additionally, the Group impaired goodwill, management rights and other intangibles totalling \$273.6 million and made a provision for loss on inventory of \$186.5 million.

Operating earnings⁷ were 13.4 cents per stapled security and the Net Tangible Asset ("NTA") per security was \$1.72.

The 2009 financial results reflect the difficult operating environment and your Board and senior management team spent a considerable amount of time on capital management initiatives to ensure the Group was able to withstand market pressures and continue with its stated strategy.

During the year we revised our distribution policy to distribute only Trust taxable earnings. As stated in our letter to you on 25 March 2009, this decision was not taken lightly. It was considered in the best long-term interest of Securityholders to further preserve capital and increase the strength of the Group's balance sheet and cash flow position during these challenging times. Distributions for the full year totalled 8.0 cents per security. The majority of the A-REIT market has since followed suit in reducing distributions.

In February, we completed the refinancing of our syndicated facility which ensured the Group had a stronger liquidity profile and has allowed us to meet all debt maturities and capital commitments to and currently beyond the 2011 financial year.

We undertook two successful capital raisings during the year; a \$500 million capital raising in November 2008 and a \$1.1 billion capital raising in June 2009. Both were considered necessary to strengthen our balance sheet and ensure the Group was in a position to withstand the challenging market.

The capital raising in June placed Mirvac in the enviable position of being one of Australia's lowest geared REITs at 18.7 per cent⁵ and it has positioned the Group with enough flexibility to accelerate delivery of its strategy. This ensures we are in the best possible position to capitalise on opportunities as markets recover.

Post year end, Standard & Poor's recognised the work we had undertaken to strengthen our capital management position and upgraded our credit rating to BBB with a positive outlook.

Financial Results and Capital Management

	FY09 operating profit
Investment (MPT and MAM)	\$242.7m
Development	\$29.1m
Investment Management (including Hotels)	(\$28.6m)
Corporate overheads, tax and eliminations	(\$42.4m)
Net profit after tax	\$200.8m
Earnings per security¹	13.4 cpss
Distribution per security	8 cpss

Mirvac's full statutory accounts are detailed in the 2009 Annual Report which can be downloaded from the website or request a copy by calling 1800 356 444.

	FY09
S&P rating	(positive outlook) BBB ²
Total interest bearing debt	\$2,145m
Average borrowing rate ³	6.72%
Weighted average debt maturity	3.3 years
Per cent hedged	60.3%
Weighted average hedged maturity ⁴	6.4 years
Balance sheet gearing	18.7% ⁵
Covenant gearing	34.2% ⁶
Look-through gearing	23.4%

1) Diluted earnings excluding specific non-cash and significant items.
 2) As at 16 July 2009.
 3) Includes margins and line fees.
 4) Includes bank cancellable swaps and a swaption.
 5) Adjusted for retail proceeds from 4 June 2009 Capital Raising, received post 30 June 2009 and USPP debt at hedge rate.
 6) Assuming cash on hand utilised to pay down debt, covenant gearing of 24.3 per cent would result.
 7) Excluding specific non-cash and other significant items.



James MacKenzie
Chairman

Nick Collishaw
Managing Director

Operational Update

Investment

Mirvac's Investment Division (comprising Mirvac Property Trust ("MPT" or the "Trust") and Mirvac Asset Management ("MAM")) continued to deliver the core earnings for the Group with its strong \$3.7 billion domestic focused property portfolio.

The Investment Division has investments in 58 assets that are diversified across asset type and geographical location, with weightings to commercial properties (44 per cent of the portfolio) and retail centres (40 per cent of the portfolio), and to the New South Wales and Victorian markets (75.9 per cent of the portfolio). Importantly, commercial supply in these markets has been relatively benign, and therefore the vacancy rate and associated downward pressure on rents are expected to be more contained.

The work our internal leasing team – MAM – undertook during the year ensured the Trust maintained its stable portfolio metrics with secure tenant covenants, minimal lease expiries and a high portfolio occupancy rate of 95.9 per cent.

Our portfolio remains well positioned to deliver the Group's 2010 financial year earnings. Approximately 56.8 per cent of the portfolio's income is derived from leases to tenants from Government, ASX-listed and multinational organisations. Further adding to the security of our earnings, 93.9 per cent of our rent reviews for 2010 financial year are fixed or CPI based.

Our focus for the Investment Division is to secure additional stable recurring income which will be driven by improving the quality and size of our portfolio through redevelopment and acquisition of Australian investment grade assets.

Development

The Development Division's financial performance was impacted by the impairments made to the development inventory. Overall, these impairments brought the carrying value of non-core assets back to disposal value, allowing the Group to exit these projects in the near term. This is in line with our intention to reshape our residential development portfolio and focus on core, large-scale projects – a key competitive strength for us.

Australia's residential market has continued to show considerable resilience in a challenging global economic environment. This has been characterised by low interest rates, an undersupply of housing, strong population growth and increased participation from the First Home Owners market.

During the year, the Development Division continued to deliver outstanding residential projects across New South Wales, Victoria, Queensland and Western Australia. The Division achieved 1,574 lot settlements and secured future income with \$759 million of exchanged contracts.¹ The Division is currently developing approximately 4,400 lots, representing 17 per cent of our total pipeline of approximately 25,000 lots.

A key part of the Development Division's success lies in its flexible and adaptable delivery model. Our model allows us to adapt our products to suit rapidly changing market conditions, which has been especially valuable over the past year as we escalated production in our land and housing business to capitalise on the First Home Owners boost stimulus and delayed non-residential developments until the market conditions improve.

Our business remains well placed to take advantage of upcoming opportunities as the market recovers. Our strategy is focused on developing large-scale, masterplanned, integrated, generational projects. Key examples of these projects include our developments at Gainsborough Greens in Queensland, Burswood in Western Australia, Rockbank in Victoria and Green Square in New South Wales, where we are the preferred proponent.

Investment Management

Investment Management's (previously referred to as Funds Management) operating performance for the 2009 financial year was impacted by downward pressure on asset revaluations, constrained credit and reduced transactional activity resulting in reduced fee income being received from the funds it manages.

We continued with the rationalisation of the non-core and unscalable funds, exiting from the Domaine funds and the Tourist Park Fund, and entering into a heads of agreement to dispose of the Mirvac Aqua joint venture business.

Our strategy is to ensure Investment Management continues to source capital for our two core divisions – Investment and Development – through the establishment of investment partnerships with major financial institutions and institutional investors. It will continue to deliver and build on its wholesale capital raising capability to support the Group.

Hotel Management

Our Hotel Management business remained one of the leading managers of hotels and resorts in Australia, managing 5,616 rooms across 44 hotels. The business manages properties under a variety of brands, including, The Sebel, Citigate, Marriott, Quay West and Sea Temple.

The challenging economic environment had a negative effect on the hospitality industry in general. However, our well located well regarded hotels ensured the business unit maintained a steady financial performance.

We have seen that the changed economic conditions have resulted in more opportunities for hotel management contracts as owners look for established hotel operators with strong brands and a track record of producing results.

During the year, the Hotels & Resorts business undertook an additional five new hotel management contracts and our focus for this business is to expand management contracts in regions across Australia in which our existing brands are under represented.

Board Changes

In August 2009 we announced the retirement of Rick Turner, a Non-Executive Director, from the Board. Rick has had a long and distinguished career and is highly regarded in the Australian business community.

At 72, Rick has been a Board member for nine years, including his time on the Board of the James Fielding Group, prior to its merger with Mirvac. The Board has benefited greatly from his experience and he has been an invaluable member, overseeing a number of strategic decisions including the recent recapitalisation which has underpinned Mirvac's strengthened financial position. We thank him for his commitment and dedication to the Group.

The search for Rick's replacement is underway with the Board expecting to announce his replacement prior to 31 December 2009.

In August, we also announced the appointment of Sonya Harris as General Counsel and Company Secretary. With over 18 years of experience in the legal industry, Sonya brings her breadth of knowledge in the property industry and her broad property and commercial legal experience to her role at Mirvac.

Remuneration

Recognising the impact on Securityholders over the past year, the annual remuneration review was suspended and no annual bonuses were granted to any employee across the Group.

However, we recognise that the key to our continuing success lies in retaining and attracting high performing people. It is their commitment to achieving the best possible results, and their dedication to the Mirvac philosophy of excellence that has resulted in the Group's achievements during this challenging year.

A key focus for the next financial year is to ensure we retain our staff whilst being fair and realistic about remuneration. Our remuneration policy is detailed in our Financial Report which was released on 25 August 2009. A full copy can be downloaded from our website.

The Board Human Resources Committee has reviewed the remuneration programs and reaffirmed several important principles. Fixed pay must be fair and consistent with the relevant market. The Short-Term Incentive plan should reward financial and non-financial performance. The Long-Term Performance plan is critical for aligning executives and Securityholders and will continue, pending passage of the relevant Federal Government legislation.

The Group has further bolstered the relationship between performance and remuneration through the implementation of an improved performance appraisal system. All salaried employees will have key performance indicators ("KPIs") established across five critical areas. These are Finance, Strategy, Corporate Responsibility, Customer/Stakeholder and People. These KPIs will be tracked through an online system which will incorporate half and full-year performance appraisals. Outcomes achieved through the performance appraisal system will be one of the primary factors in determining remuneration each year.

Corporate Responsibility and Sustainability

Mirvac's commitment to Corporate Responsibility and Sustainability has not diminished over the past year and it remains a key pillar of our business.

Mirvac's in-house design and development capabilities have resulted in three properties receiving Green Star ratings – 5 Rider Boulevard, New South Wales (4 star Office Design V2); 101 Miller Street, New South Wales (5 star Office Design V2); and the Mirvac designed Bond University Mirvac School of Sustainable Development, Queensland (6 star Education Pilot).

A further three properties achieved official NABERS ratings with one of these, the Sebel Citigate Albert Park awarded 3.5 stars for energy and 4.5 stars for water under the NABERS Hotel Energy and Hotel Water ratings, only the second in Australia to receive this recognition.

We have also continued our collaboration with Bond University in the Mirvac School of Sustainable Development – Australia's first tertiary program in sustainable development. We are proud of our role in establishing the School, whose graduates will be much needed industry leaders in implementing responsible and practical sustainability management initiatives in the business world.

Mirvac has received numerous awards for its corporate responsibility and sustainability performance including the prestigious and highly contested property Council of Australia, 2009 Rider Levett Bucknall Awards for Innovation and Excellence, Award for Sustainable Development for the refurbished 101 Miller Street. Listings were maintained on the FTSE4Good, FTSE4Good Australia 30, Goldman Sachs JBWere Climate Disclosure Leadership and Dow Jones Sustainability Asia Pacific 2008/09 indices.

Mirvac Foundation

The Mirvac Foundation was established to connect with those most in need in the communities in which the Group operates. The theme the Foundation supports is homelessness – housing and accommodation are the cornerstones of our business and the lifeblood of our culture. The Mirvac Foundation provides funding for and encourages volunteering with selected charities supporting the homeless around Australia. Mirvac has committed to provide salaried employees with one paid volunteering day each year in support of the local community.

Outlook

We are starting to see encouraging signs within the economy as house prices and investment values are stabilising and consumer confidence is increasing.

The fundamentals and resilient nature of our real estate markets have ensured Australian house prices have not fallen like those in the United States and the United Kingdom. Across all our residential projects in Australia, we are seeing an increase in enquiries from second and third home owners, as well as investors, as the potential for capital gain turns to reality.

The strong Mirvac brand and our reputation for quality developments in sought-after locations have reinforced our leading position within the Australian residential market. With approximately \$759 million of exchanged contracts, our Development business remains in a solid position.

Our Investment Trust will continue to underpin the Group's earnings for the 2010 financial year. We have ensured that our assets are well positioned to maximise income growth and value through the active asset management undertaken by our internalised management team.

The pursuit of growth opportunities will remain consistent with our simplified strategy. We will only focus on acquisitions and projects that match our core competencies of ownership and management of investment grade assets, or large-scale development projects.

Fundamentally, we believe it is our ability to respond decisively to changing economic conditions that has set us apart. Our operating model has been streamlined and our focus for the next financial year is to complete the restructuring of the business. We have challenged and changed our business processes and procedures, resulting in over \$25 million of recurring cost savings. We will continue to focus on ensuring our operating model is efficient and able to deliver future opportunities.

Finally, our history of managing through market cycles for some 37 years, our premium brand, sound financial and capital management position and dedicated and highly skilled employees ensures Mirvac is well placed to continue as one of Australia's leading real estate groups.

We thank you for your continued support.



James MacKenzie
Chairman



Nick Collishaw
Managing Director

1) Including Mirvac's share of joint venture interest and Mivac managed funds.

Mirvac's strategy is based on driving growth through its core competencies, Australian investment and pre-eminent residential development.

VISION

Group

For over 37 years Mirvac has developed a culture with a strong focus on quality and the capacity to manage through market cycles. These skills enable the Group to manage its products efficiently and maximise returns, whilst maintaining strict quality standards.

Group focus for 2010:

- Corporate earnings in a normalised market will be retained to fund activities driving future earnings growth;
- Earnings skewed to Australian investment portfolio – normalised target 80 per cent trust, 20 per cent corporate;
- Enhance operational processes;
- Diversify and extend debt expiry profile; and
- Maintain normalised balance sheet gearing target of 20 – 25 per cent.

Investment

Mirvac's Investment Division provides the Group with passive and secure rental income from its Australian investment grade assets covering the commercial, industrial, retail and hotel sectors. The Investment Division also includes the renowned Mirvac Hotels & Resorts arm which manages 44 hotels across Australia, New Zealand and the Pacific.

Investment focus for 2010:

- Secure recurring income through ownership of Australian investment grade assets;
- Active portfolio management, maximising returns; and
- Recycle assets that face income, obsolescence or asset class risk.

Investment Management:

- Finalise exit of non-core and unscalable businesses;
- Grow wholesale investor platform; and
- Expand hotel management in existing markets.

Development

Mirvac's Development Division has the enviable reputation as one of Australia's pre-eminent residential developers. The Division delivers state of the art, innovative and quality residential products across Australia, and with approximately \$759 million¹ of exchanged contracts, the Development business remains in a solid position.

Development focus for 2010:

- Maintain pre-eminent residential brand and integrated development model;
- Focus on large-scale generational projects that present high barriers to entry;
- Expedite release of capital from first home buyer inventory and non-core projects; and
- Secure next cycle residential product via capital efficient means.

¹ Including Mirvac's share of joint venture interest and Mirvac managed funds.



James A C MacKenzie
B.Bus, FCA, FAICD

Chairman – Independent Non-Executive, Chairman of the Nomination Committee, Member of the Human Resources Committee

James MacKenzie was appointed to the Mirvac Board in January 2005 and assumed the role of Chairman in November 2005.

He is also Chairman of Pacific Brands Limited and Gloucester Coal Limited and a Director of Melco Crown Entertainment Limited.

James led the transformation of the Victorian Government's Personal Injury Schemes as Chairman of the TAC and Victorian WorkCover Authority from 2000-2007.

He has previously held senior executive positions with ANZ Banking Group, Norwich Union and Standard Chartered Bank, and was Chief Executive Officer of the TAC.

A Chartered Accountant by profession, James was a partner in both the Melbourne and Hong Kong offices of an international accounting firm now part of Deloitte.



Paul J Biancardi
B.Ec, FCA

Deputy Chairman – Independent Non-Executive

Chairman of the Audit, Risk and Compliance Committee, Member of the Human Resources Committee, Member of the Nomination Committee

Paul Biancardi was appointed a Non-Executive Director of Mirvac on 1 July 2001 and was appointed Deputy Chairman in August 2007.

He is a former taxation partner of PricewaterhouseCoopers (the current auditors of Mirvac) and was Chairman of Coopers and Lybrand Chartered Accountants from 1994 to 1997. He retired from PricewaterhouseCoopers in 1999.

An experienced accountant, Paul brings extensive knowledge to the Mirvac Board in the areas of finance, taxation and human resources.

Paul is also a former Director of Crescent Capital Partners Limited and is a former Chairman of Hamilton James & Bruce Group Limited.



Nicholas R Collishaw
SA (Fin), AAPI

Managing Director – Dependent

Nick Collishaw was appointed Managing Director on 26 August 2008. Prior to this appointment he was the Executive Director – Investment management responsible for Mirvac's Investment operations including Mirvac Property Trust, external funds management and Hotels & Resorts, having been appointed to the Mirvac Board on 19 January 2006.

Nick has been involved in property and property funds management for over 20 years and has extensive experience in commercial, retail and industrial property throughout Australia. In various roles he has coordinated business acquisitions and investment fund creation, as well as implemented portfolio sales programs and managed large investment acquisitions.

Prior to joining Mirvac in 2005 following its merger with the James Fielding Group, Nick was an Executive Director and Head of Property at James Fielding Group. He has also held senior positions with Deutsche Asset Management, Paladin Australia Limited and Schroders Australia.

Nick is a Director of the Property Industry Foundation.



Adrian G Fini
B.Com

Non-Executive Director – Dependent

Adrian Fini was appointed to the Mirvac Board on 19 January 2006 as an Executive Director and became a Non-Executive Director with effect from 1 January 2009. He was formerly Chief Executive of Mirvac Fini, Mirvac's Western Australian Division, and the Executive Director responsible for Mirvac's Development Division.

Adrian has been involved in property development since 1977 and was appointed Managing Director of the Fini Group in 1994. Following its merger with Mirvac in 2001 he became the Chief Executive of the expanded Mirvac Western Australia business, broadening its development activities in the residential, commercial, industrial, retail and hospitality sectors in Western Australia, as well as integrating that business into the expanded Mirvac.

Adrian is also a Director of Little World Beverages Limited and the Art Gallery of Western Australia.



Peter J O Hawkins, B.CA
(Hons), FAICD, SF Fin, FAIM, ACA (NZ)

Non-Executive Director – Independent

Chairman of the Human Resources Committee, Member of the Audit, Risk and Compliance Committee, Member of the Nomination Committee

Peter Hawkins was appointed a Non-Executive Director of Mirvac on 19 January 2006, following his retirement from the Australia and New Zealand Banking Group Limited (ANZ) after a career of 34 years. Prior to his retirement, Peter was Group Managing Director, Group Strategic Development, responsible for the expansion and shaping of ANZ's businesses, mergers, acquisitions and divestments and for overseeing its strategic cost agenda.

Peter was a member of ANZ's Group Leadership Team and sat on the Boards of Esanda Limited, ING Australia Limited and ING (NZ) Limited, the funds management and life insurance joint ventures between ANZ and ING Group.

He was previously Group Managing Director, Personal Financial Services, as well as holding a number of other senior positions during his career with the ANZ.

Peter is currently a Director of Visa Inc, Westpac Banking Corporation (and its wholly-owned subsidiary St George Bank Limited), Liberty Financial Services Pty Limited, Treasury Corporation of Victoria, Clayton Utz and Camberwell Grammar School.



Penny Morris, AM, B.Arch
(Hons), M.EnvSci, DipCD, FRAIA, FAICD

Non-Executive Director – Independent

Chairman of the Board Health, Safety, Environment and Sustainability Committee, Member of the Audit, Risk and Compliance Committee, Member of the Human Resources Committee

Penny Morris was appointed a Non-Executive Director of Mirvac on 19 January 2006, and has extensive experience in property development and management, having formerly been Group Executive Lend Lease Property Services, General Manager and Director, Lend Lease Commercial and Director of Commonwealth Property within the Federal Department of Administrative Services.

An experienced Director for more than 18 years, Penny has also been a Director of the Colonial State Bank, Australia Post Corporation, Howard Smith Limited, Energy Australia, Indigenous Land Corporation, Country Road Limited, Jupiters Limited, Principal Real Estate Investors (Australia) Limited, Strathfield Group Limited, Landcom and the Sydney Harbour Foreshore Authority.

Penny is currently a Director of Aristocrat Leisure Limited, Clarius Group Limited, NSW Institute of Teachers and Bowel Cancer and Digestive Research Institute Australia.



Sonya Harris, B.Econ,
LLB (First Class Hons), MLM

General Counsel and Company Secretary

Sonya Harris was appointed General Counsel and Company Secretary in August 2009. Sonya has had over 18 years experience in the legal industry and was previously a partner at Minter Ellison in Sydney.

Sonya brings her breadth of knowledge in the property industry, and her broad property and commercial legal experience to her role at Mirvac. Immediately prior to joining Mirvac, Sonya was Deputy General Counsel at Brookfield Multiplex from 2005.

Mirvac recently announced changes to its Board and Company Secretarial team. On 24 August 2009, Sonya Harris was appointed the role of General Counsel and Company Secretary. On 25 August 2009, Rick Turner, a Non-Executive Board member, announced his retirement from the Board.

INVESTMENT

Mirvac's Investment Division represents the core earnings platform for the Group with a strong domestic property portfolio securely leased to major organisations, national retailers and government bodies.



AVIATION HOUSE, CANBERRA, ACT



NEXUS INDUSTRIAL PARK, PRESTONS, NSW



BROADWAY SHOPPING CENTRE, BROADWAY, NSW



QUAY WEST RESORT, BUNKER BAY, WA

As at 30 June 2009, the Investment Division had a total portfolio value of \$3.7 billion, with investments in 58 assets, covering the commercial, retail, industrial and a hotel as well as investments in a number of Mirvac's other managed funds.

The Investment Division's statutory net loss before tax was \$546.4 million, and operating profit before tax was \$242.7 million, which was primarily a result of no gains on asset sales made during the period.

Valuations on all of the Division's 58 assets were undertaken during the 12 months to 30 June 2009 resulting in a total revaluation decline of \$526.1 million.¹ Mirvac's total portfolio weighted average

capitalisation rate increased by 100 basis points to 7.6 per cent. During the year external valuations were undertaken on 45 assets (83.0 per cent of the total portfolio by book value) with the remaining 13 assets internally valued.

The Trust maintained its stable portfolio metrics with secure tenant covenants, minimal lease expiries and high portfolio occupancy rate of 95.9 per cent.

Earnings from the Trust are highly visible and secure with 93.9 per cent of the 2010 financial year's rent reviews fixed or CPI, and 56.8 per cent of revenue derived from ASX-listed, multinational and government tenants.

The development pipeline remained on track delivering a new commercial building, two refurbished retail shopping centres and an industrial warehouse.

Key highlights within the Trust's portfolio for the 12 months ended 30 June 2009:

Commercial portfolio

- 80,000 square metres of space leased which included two key renewals across 20,500 square metres;
- 5 Rider Boulevard, Rhodes, New South Wales was completed. The A-grade building covers 25,000 square metres of lettable area and was fully leased on completion;
- Occupancy rate of 98.1 per cent; and
- 5.8 per cent like-for-like income growth.

Retail portfolio

- 45,000 square metres of space leased;
- Second stage of Moonee Ponds Central was completed in March 2009;
- The extension comprises 11,366 square metres of lettable area and is anchored by Kmart and First Choice Liquor;
- Occupancy rate of 96.7 per cent; and
- Occupancy cost of 13.0 per cent.

Industrial portfolio

- 30,000 square metres of space leased;
- Building 5 at Nexus Industry Park was completed in July 2008. The 12,339 square metre facility was fully leased to HPM; and
- Occupancy rate of 90.8 per cent.

The Division remains focused on active asset management, ensuring income security, a balanced lease expiry profile and value maximisation.

The Division's strategy is to increase investment in Australian investment grade commercial and retail property assets focused on the east coast of Australia.

Investment Management

The focus for Mirvac's Investment Management ("MIM") business unit is to support the Group's activities – Investment and Development – and source capital for the two core Divisions through the establishment of investment partnerships with major financial institutions and institutional investors.

The difficult economic climate continued to impact MIM as a whole. A combination of downward pressure on asset valuations, constrained credit and reduced transactional activity has resulted in reduced fee income being received from MIM managed funds. For the 12 months ended 30 June 2009, MIM recorded a statutory net loss before tax of \$221.0 million and a net operating loss before tax of \$42.3 million.

Top Ten Tenants

Rank	Tenant	Percentage
1	Government	8.1%
2	Coles Group	5.1%
3	Woolworths Limited	4.2%
4	Fairfax Holdings Limited	3.2%
5	Insurance Australia Limited	2.3%
6	GM Holden Limited	2.2%
7	United Group	1.8%
8	Telstra Corporation Limited	1.2%
9	Genworth Financial	1.1%
10	Reuters Australia	0.9%
Total		29.9%

¹) Gross revaluations including assets classified as owner occupied.

Rationalisation of non-core and unscalable funds continued during the period with:

- Domaine Funds – disposed to Australian Property Growth Fund;
- Mirvac Tourist Park Fund – Value Stream Investment Management were appointed the Responsible Entity of the Fund following a successful Unitholder Meeting held on 3 September 2009;
- Mirvac Industrial Trust [ASX: MIX] – management are currently reviewing strategies including expressions of interest in connection to a realisation of the Trust's portfolio; and
- Mirvac AQUA – Heads of Agreement has been entered into to dispose of the joint venture.

MIM continues to deliver upon its strategy of simplifying its activities and focusing on its wholesale capital raising capability to support Mirvac's core businesses.

Hotel Management

Hotels & Resorts is a fee-based business with three separate types of management agreements: leasing; management lots; and management agreements. The business unit continued to expand during the 12 months ended 30 June 2009, within existing markets bringing the total hotels managed to 44, covering 5,616 rooms across Australasia.

Concern regarding consumer spending, businesses cutting costs on travel and conferences and Influenza A(H1N1) (also referred to as "swine flu") all had a negative influence on demand. Despite these influences, the Group's Hotels & Resorts business unit maintained a steady financial performance.

For the year ended 30 June 2009, Hotels & Resorts achieved a statutory net profit before tax of \$12.3 million and operating profit before tax of \$13.7 million

During the 12 months to 30 June 2009, the business continued with its strategic expansion of hotel brands into existing markets with the addition of five new hotels under management during the period, including:

- Harbour Rocks Hotel, Sydney (55 rooms);
- Hotel Lindum, Melbourne (59 rooms);
- The Sebel Harbourside, Kiama (88 rooms);
- Quay West Resort & Spa, Falls Creek (40 rooms); and
- The Sebel Mandurah, Perth (84 rooms).

Hotels & Resorts will continue to increase the number of hotels managed in Australia and New Zealand, focusing on regions which are under represented by Mirvac's existing brands.





101 MILLER STREET, NORTH SYDNEY

Mirvac's transformation of 101 Miller Street, North Sydney stands as a template for the industry on how to achieve outstanding financial and environmental performance from an existing building.

Dominating the North Sydney skyline, 101 Miller Street is a flagship premium grade office building that sets a new sustainability performance benchmark for refurbished existing buildings.

Mirvac recently completed an ambitious \$40 million upgrade which included a complete reconfiguration of the lobby, as well as comprehensive upgrades to the large column free office floors, premium building services and amenities.

In an Australian first for an existing premium building, a state-of-the-art trigeneration plant was installed at 101 as part of a partnership with Cogent Energy and with support from the NSW Government.

Trigeneration is the simultaneous generation of electricity, waste heat energy for heating and waste heat conversion for cooling. This is powered through an absorption chiller that uses a natural gas powered generator.

101 demonstrates a commitment to introduce new technologies and practical measures that reduce greenhouse gas emissions, improve energy efficiency and increase the reliability of an asset's energy systems for the benefit of its tenants.

For more information on Mirvac's commitment to sustainability visit www.mirvac.com/sustainability



THE ROYAL, NEWCASTLE

Mirvac continues to break sales records achieving record prices.

Demand for Mirvac's developments and superior brand continues to be clearly demonstrated by record sell outs in record time within developments such as Walsh Bay, Sydney, The Peninsula in Burswood, Western Australia, and the Melbournian, in Victoria.

More recently, Mirvac has continued to achieve record sales with the first stage of Mirvac's luxurious riverfront development at Newstead in Brisbane recording sales in excess of \$200.0 million, with individual apartments ranging from \$2.0 million to \$14.2 million for a penthouse – a record for the market. Construction is now underway signalling the start to one of the largest projects undertaken in Brisbane, creating over 400 jobs.

The Royal located on Newcastle Beach, New South Wales has also achieved unparalleled sales, recording Newcastle's highest priced apartment of \$4.5 million.

In Victoria over \$40.0 million of prime real estate was sold in 24 hours when 19 homes in the second stage of the Yarra's Edge River Precinct in Melbourne went on the market. A record price was achieved with one of the spectacular riverfront homes selling for \$5.3 million.

This success has been generated by concentrating on building well designed, high quality buildings on the best available sites. It is a testament to the quality of Mirvac's developments that 30 per cent of its new apartments are sold to previous residential buyers.

DEVELOPMENT

The Group's Development Division conducts residential development across New South Wales, Victoria, Queensland and Western Australia. Mirvac's product offering includes house and land packages, masterplanned communities and luxury apartments.



EPHRAIM ISLAND, GOLD COAST, QLD



WALSH BAY, SYDNEY, NSW



THE PENINSULA, BURSWOOD, WA



YARRA'S EDGE, DOCKLANDS, VIC

As at 30 June 2009, Mirvac's total residential pipeline comprised 25,353 lots of which 21,342 lots covered house and land and the remaining 4,011 lots covered apartments.

The Division's statutory net loss before tax was \$354.7 million and operating profit before tax was \$29.1 million. The Division's results were impacted by the following impairments:

- non-core inventory was written down by \$128.8 million;
- completed and unsold inventory was written down by \$35.2 million;
- core projects were written down by \$22.5 million; and
- loans and investments in joint ventures and associates were written down by \$50.6 million.

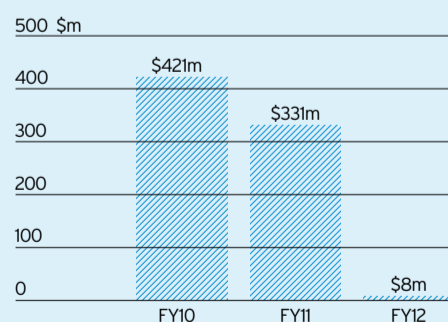
Non-core assets were written down in order to facilitate accelerated disposal. This will enable the repositioning of the portfolio as the Division focuses on generational, large-scale projects in line with the Group's strategy.

Despite negative sentiment, the Division continued to deliver quality residential product resulting in the settlement of 1,574 lots as at 30 June 2009, with strong sales results in the western Sydney projects, following Federal and State governments' First Home Owners boost stimulus packages.

The Division secured future income with \$759.0 million of exchanged contracts (including Mirvac share of joint venture interest and Mirvac managed funds) which are forecast to settle during the two years ending June 2011.

Key projects included Tennyson Reach in Brisbane; The Royal, Newcastle, New South Wales; Yarra's Edge River Homes, Docklands, Victoria; Rhodes Waterside in Sydney, New South Wales and Mandurah, Perth, Western Australia.

Forecast settlement of exchanged contracts



Non-residential

Mirvac's non-residential development pipeline covers the commercial, retail, industrial and hotel sectors. Completed projects are often incorporated into MPT's property portfolio or sold to third parties.

In light of the current economic climate Mirvac prudently delayed the commencement of its non-residential development projects and identified others as non-core, with Mirvac preparing to exit these projects in the near term. This is in line with Mirvac's intention to reshape its development portfolio and focus on core, large-scale generational projects.

Market outlook

Australia's residential market has continued to show considerable resilience despite the challenging economic environment, with potential contributing factors believed to include undersupply of housing, relatively lower interest rates and strong population growth.

Despite the recent interest rate change announced on 6 October 2009, the current level of interest rates coupled with the high cost of renting will continue to support demand. Non-first home buyers and investors have both started to become more active.

All Australian capital city property markets have recorded increases in median house prices over the June 2009 quarter. Vacancies remain lowest in Sydney and Melbourne, reflective of their status as the most undersupplied markets.

Mirvac remains well placed, with extensive in-house capabilities, to take advantage of the upcoming opportunities as and when the market recovers.

The Division will continue to focus on delivering Australia's pre-eminent residential developments, and concentrating on large masterplanned communities and generational projects.



RHODES WATERSIDE, RHODES, NSW

310 DX
Serial No.769
S.W.L. 16Tonne



Mirvac recognises that acting in a responsible and sustainable manner creates new opportunities, enhances investor value and improves social and environmental returns.

Despite the challenges of the past year, Mirvac continues to strive to uphold these principles as an important pillar of the business.



This year, Mirvac continued to progress in over 100 commitments and targets across six corporate responsibility and sustainability ("CR&S") priority areas:

- Business Conduct – including CR&S in decision making and reporting performance;
- Mirvac People – driving a high performance culture committed to CR&S;
- Stakeholders – meeting needs, engendering loyalty and enhancing communities;
- Supply Chain – balancing financial, environmental and social factors;
- Environmental Impact – minimising Mirvac's impact on the environment; and
- Climate Change Action – reducing greenhouse gas emissions and readying Mirvac for a carbon constrained future.

A program of this scale was an ambitious undertaking, complicated by the unprecedented economic downturn. However, the Group continues to work towards these targets and as a result of Mirvac's performance to date, has a considerable number of achievements to celebrate.

Environmental Performance Rating Recognition

Mirvac's in-house design and development capabilities have resulted in three properties being awarded Green Star ratings this year:

- 4 star Green Star rating (Office Design V2) – 5 Rider Boulevard, NSW
- 5 star Green Star rating (Office Design V2) – 101 Miller Street, NSW
- 6 star Green Star rating (Education – Pilot) – Bond University's Mirvac School of Sustainable Development, QLD

A further three properties have achieved official NABERS ratings:

- Bay Centre, Pyrmont NSW – 5 star NABERS Energy rating and 3.5 star NABERS Water rating
- Mirvac's head office tenancy at 60 Margaret Street, NSW – 4.5 star NABERS Energy rating
- Sebel Citigate Albert Park, VIC (Mirvac Wholesale Hotel Fund owned) – 3.5 star NABERS Hotel Energy rating and 4.5 star for NABERS Hotel Water rating, only the second in Australia to receive this recognition.

Outstanding Sustainable Developments

An Australian First Harmony9 at Waverley Park, VIC

Mirvac's 9.2 star energy rated, zero carbon home is an Australian first by a commercial developer. Designed as a concept home, Harmony9 serves as a sales centre and educational display for Waverley Park and received the 2009 Monash City Council World Environment Day Sustainable New Building Award.

Exceeding Standards

The Royal, Newcastle, NSW
Incorporating an array of sustainability features including high efficiency air conditioning, systematic wall, ceiling and floor insulation and energy efficient lighting, The Royal exceeds NSW Building Sustainability Index compliance standards. The centrepiece of the proposed initiatives is a large-scale gas-fired cogeneration plant being developed as the largest residential application of the technology in Australia.

Supporting Natural Habitats Mossvale on Manly, QLD

Mirvac's recently completed eight hectare district park and waterway corridor, maintained a significant portion of existing established vegetation, protecting important habitat and minimising the impact on local flora and fauna.

Thousands of native trees, shrubs and grasses have also been planted, reinforcing the existing vegetation and providing further habitat and additional food sources for local fauna including koalas.

Efforts to Reduce Greenhouse Gas Emissions

Mirvac continues to pursue efforts to improve the energy and greenhouse gas ("GHG") performance of its business and respond to climate change risks and opportunities.

In combination with Mirvac's own initiatives, Mirvac is subject to a number of climate change-related regulatory schemes, including various State and Federal building codes, planning and design regulations, and energy and GHG emissions programs.

The Group's focus remains where it can deliver the most impact; the efficient operation of Mirvac's owned and managed commercial, retail, industrial and hotel assets, and in the development of climate sensitive buildings.

Awards and Recognition

Mirvac has received numerous awards for its CR&S performance including the prestigious and highly contested Property Council of Australia, 2009 Rider Levett Bucknall Awards for Innovation and Excellence, Award for Sustainable Development for the refurbished 101 Miller Street. Listings were maintained on the FTSE4Good, FTSE4Good Australia 30, Goldman Sachs JBWere Climate Disclosure Leadership and Dow Jones Sustainability Asia Pacific 2008/2009 indices.

Reporting on Mirvac's Sustainability Achievements

Mirvac's most recent Sustainability Progress Report was published in February 2009 and provided a comprehensive update on Mirvac's progress against its CR&S commitments and targets. For further details and up-to-date information on Mirvac's reporting programs, visit the Group's website at www.mirvac.com/sustainability.

Health, Safety, Environment

Mirvac continues to advance in its Health, Safety, Environment ("HSE") management cultural change, achieving 100 per cent of the set target.

The participation and support of the HSE initiatives for the 2009 financial year was reflected in the achievement of a 12 per cent reduction in the overall lost time injury frequency rate.

Training plays a critical role in giving employees knowledge and confidence in their ability to understand their responsibilities and manage HSE.

The Licence to Operate program, introduced last year, is available online at all Mirvac workplaces providing a uniform understanding of key HSE management principles.

Mirvac has also developed the High5 safety program to address the main factors resulting in injury such as body stressing; slips, trips and falls; hitting objects with the body and heat and electricity. The training package is being progressively rolled out nationally, together with Incident Management, Investigation and Reporting training.

Implementation of a three tier HSE Management System and the e-HSE Incident Reporting system are major objectives for the coming year, complemented by a national schedule of HSE training and audits, allowing employees the opportunity for face-to-face contact with the HSE team, building consistency throughout the Group and ultimately securing safer workplaces.



**FOND UNIVERSITY
MRVAC-SCHOOL
OF SUSTAINABLE
DEVELOPMENT**

SECURITYHOLDER INFORMATION

Securityholder enquiries

Securityholders with queries concerning their holding, distribution payments or related matters should contact Mirvac's registry:

Link Market Services Limited

Level 12
680 George Street
Sydney NSW 2000

Telephone +61 2 8280 7100
Facsimile +61 2 9287 0303
Website www.linkmarketservices.com.au
Investor enquiries 1800 356 444

When contacting the registry please quote your current address details together with your Security Reference Number ("SRN") or Holder Identification Number ("HIN") as shown on your Issuer Sponsored or CHESS statements.

Securityholders who wish to advise the registry of a change of address or change of other details should do so in writing or online at www.mirvac.com.

Mirvac registered office/ principal office

Level 26
60 Margaret Street
Sydney NSW 2000

Telephone +61 2 9080 8000
Facsimile +61 2 9080 8111

Securities exchange listing

Australia (ASX Code: MGR)

Directors

Mr James MacKenzie (Chairman)
Mr Nick Collishaw (Managing Director)
Mr Paul Biancardi (Deputy Chairman)
Mr Adrian Fini
Mr Peter Hawkins
Ms Penny Morris

General Counsel and Company Secretary

Ms Sonya Harris

Stapled security registry

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000

Telephone +61 2 8280 7100
Facsimile +61 2 9287 0303
Enquiries 1800 356 444

Auditor

PricewaterhouseCoopers

201 Sussex Street
Sydney NSW 2000



Environmentally Responsible Paper
This report is printed on ecoStar, an environmentally responsible paper made carbon neutral ("CN") and manufactured from Forest Stewardship Council ("FSC") certified 100% post consumer recycled paper, in a process chlorine free environment under the ISO 14001 environmental management system. The greenhouse gas emissions of the manufacturing process, including transportation of the finished product to the paper suppliers warehouse, have been measured by the Edinburgh Centre for Carbon Management ("ECCM") and offset by the CarbonNeutral Company.

Financial calendar

30 September 2009: Record date to determine entitlements for September quarter 2009 distribution

30 October 2009: September quarter 2009 distribution paid

19 November 2009: Annual General Meeting

31 December 2009: Half year end

16 February 2010: Half year release

30 June 2010: Full year end

17 August 2010: Full year release

Some dates are indicative only and may be subject to change.