AVJennings®

30 June 2008 - Full Year Results

Results to 30 June 2008 – Profit & Loss

	12 Months to 30 June 2008	15 Months to 30 June 2007	Annualised 30 June 2007
Contracts Signed	$570.0m	$698.7m	$559.0m
Number	3,022	3,596	2,877
Revenue Recognised	$517.8m	$632.2m	$505.8m
Gross Margins	19.4%	19.0%	
Profit Before Tax	$15.5m	$17.8m	$14.2m
Profit After Tax	$11.2m	$12.2m	$9.7m

Results to 30 June 2008 – Profit & Loss

Contracts Signed	Developments Land $'m	 Integrated/ Apartments $'m	 Total $'m	Contract Building $'m	Total $'m
FY 2008 - 12 months to 30/06/08	252.7	127.5	380.2	189.8	570.0
FY 2007 - 15 months to 30/06/07	236.6	233.1	469.7	229.0	698.7
- Annualised	189.3	186.5	375.8	183.2	559.0
Percentage Movement	33.5%	(31.6%)	1.2%	3.6%	2.0%
Based on FY08 compared to annualised FY07					

Results to 30 June 2008 – Profit & Loss

Revenue Recognised	Developments Land $'m	Developments Integrated/ Apartments $'m	Developments Total $'m	Contract Building $'m	Other $'m	Total $'m
FY 2008						
- 12 mths to 30/06/08	217.3	128.0	345.3	167.2	5.3	517.8
FY 2007						
- 15 mths to 30/06/07	231.0	215.4	446.4	182.4	3.4	632.2
- Annualised	184.8	172.3	357.1	145.9	2.8	505.8
Percentage movement	17.6%	(25.7)%	(3.3)%	14.6%	89.3%	2.4%
Based on FY08 compared to annualised FY07						

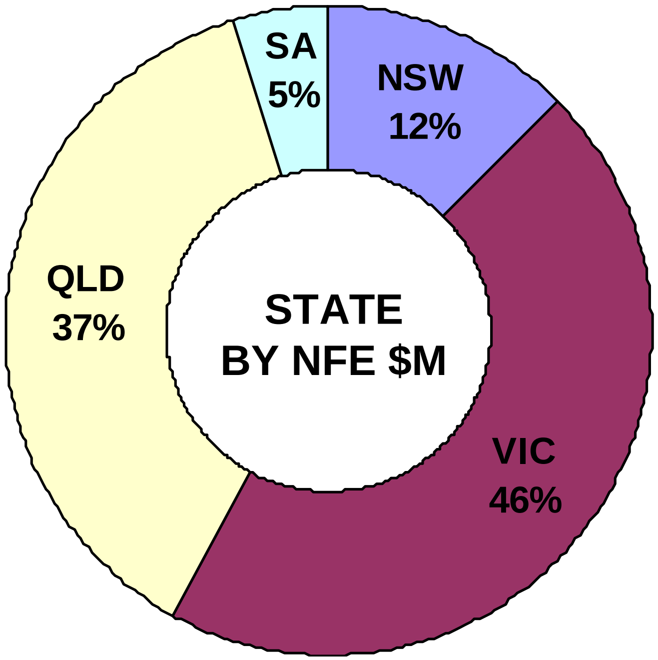
Results to 30 June 2008 – Balance Sheet

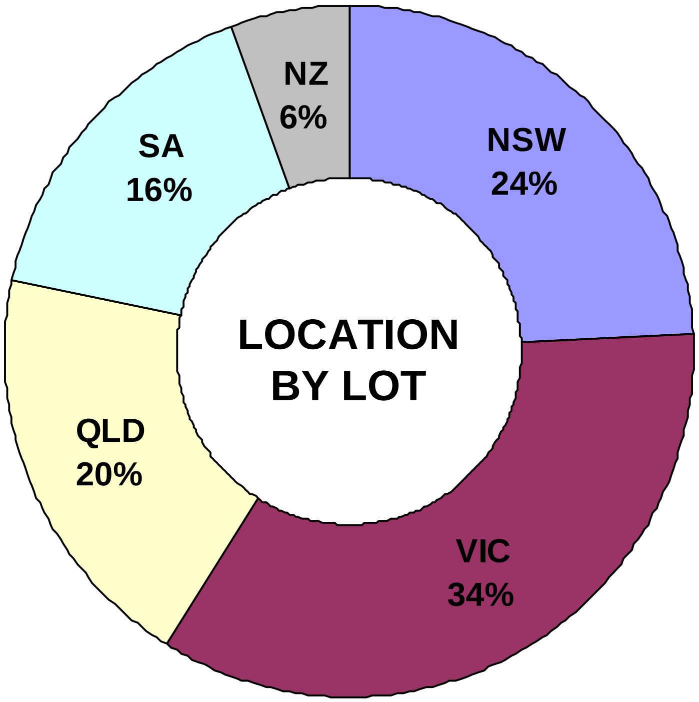
	30 June 2008	30 June 2007
Total assets	$581.6m [1]	$528.7m
Net debt	$168.0m [2]	$119.2m
- debt/equity [3]	55.2%	44.1%
- debt/total assets [3]	28.9%	22.6%

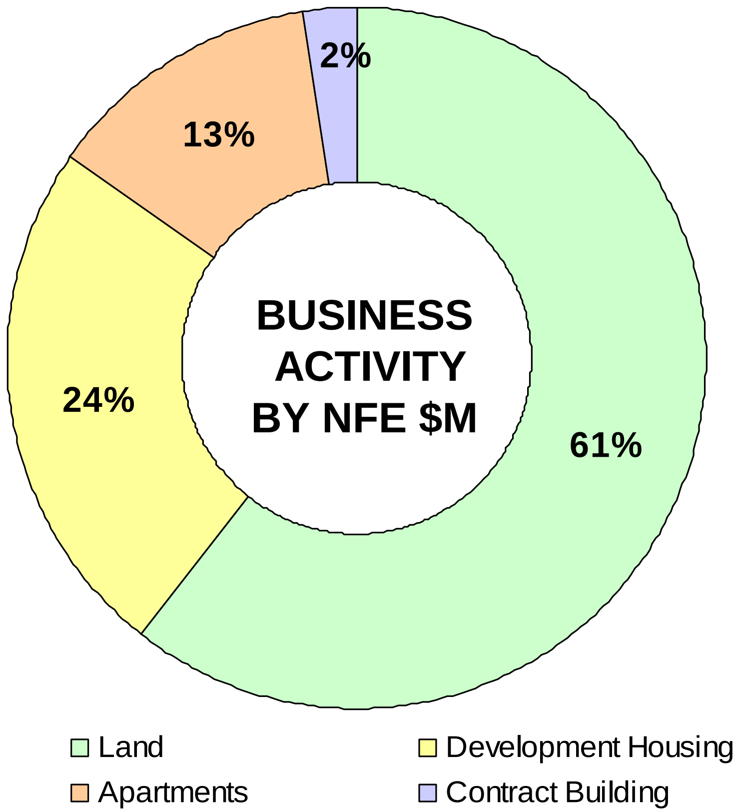
1. Excludes $45.3m of Company's proportionate share of assets from equity accounted joint ventures
2. Excludes $26.3m of Company's proportionate share of debt from equity accounted joint ventures
3. Based on inventories being recorded at historical cost

- Two year core debt evergreen facilities
  - Ø Annual Review at least 12 months before expiry

Results to 30 June 2008 Development Pipeline Analysis







Review of Operations – Market Conditions

- Queensland
  - Ø Strong price growth in the past year
  - Ø December 07 interest rate rise resulted in softening of market
- New South Wales
  - Ø Depressed market conditions have continued
  - Ø Lowest level of activity for 70 years
  - Ø Mainly driven by affordability issues created by government charges, interest rates, slow approvals process

Review of Operations – Market Conditions

- Victoria

  Ø Strong demand in the past year
  - driven by strong interstate and overseas immigration

  Ø Moderate price growth during the past year

  Ø Pre-sales for land and development housing remain strong

- South Australia

  Ø Strong demand in the past year
  - driven by strong overseas immigration

  Ø Relatively strong price growth
  - due to shortage of supply relative to strong demand
  - affordability not as acute an issue as in other states

Review of Operations – Development Pipeline

- Increased developable lots controlled or managed from some 7,600 at 30 June 2007 to some 10,800 at 30 June 2008
- Past year has seen greater diversification:
  - Ø New Zealand market (development agreement with Hobsonville Land Company, Auckland)
  - Ø Commercial (joint venture with Ashe Morgan Winthrop for an office and retail development at Sydney Olympic Park)
  - Ø An increase in JV projects where the Company will earn recurring fee income (from 1 to 5) in future years
- Continued strengthening of partnering arrangements, e.g. joint ventures, development agreements (from 5 to 9)

Review of Operations – Other

- Dividend

  - Ø Fully franked 2.0 cents per share

  - Ø Company's Dividend Reinvestment Plan continues to operate
    - Allows for shares to be acquired at a 7.5% discount

- Equity Raising

  - Ø $24.4m raised (after transaction costs)

  - Ø Substantial shareholder SC Global continues to show support by taking its full entitlement

  - Ø Total shares on issue (after Rights Issue allotment) 266,624,462

Outlook

- Long term prospects for residential property development strongly linked to underlying supply and demand
- Current cycle resulted in major shortfall of housing supply relative to underlying demand
    - Current estimate of housing stock deficiency in the states where the Company operates is 67,000 units and is forecast to increase in coming years
- Underlying demand factors such as net immigration levels, birth rates, etc, remain fundamentally strong
- Whilst long term fundamentals remain strong, short term market conditions are influenced by interest rates and return of investors (yields currently improving)
- Positioned well for next growth cycle

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