

AVJENNINGS HOMES LIMITED

November 2005

**Presentation of 30 September 2005 Half Year Results
and Company's Strategies and Prospects**



Half Year Results – 30 September 2005

n Revenue:	\$235.2m (first half FY06)
	\$260.0m (first half FY05) *
n Net Profit Before Tax:	\$12.7m (first half FY06)
	\$39.9m (first half FY05) *
n Net Profit After Tax:	\$8.9m (first half FY06)
	\$28.0m (first half FY05) *

* Restated for changes in accounting policies

Half Year Results – 30 September 2005

- n Revenue: \$235.2m (first half 2006)
\$260.0m (first half 2005)

- n Segment breakdown

	FH06	FH05
	\$m	\$m
Land	70.4	41.0
Integrated Housing & Apartments	80.4	109.5
Contract Building	84.4	109.5

- n Factors impacting revenue

- n Continuing subdued market conditions within the property and housing sectors
- n Change in accounting policy resulting from application of International Financial Reporting Standards
 - development sales now recognised at settlement

Half Year Results – 30 September 2005

- n Gross Margins

- n 25% in first half 2006 compared to 30% in first half 2005

- n Reflects continued weak market conditions, particularly in New South Wales

Half Year Results – 30 September 2005

n Dividends

- n Interim dividend of 2.5 cents per share, fully franked for first half FY06
 - Interim FY05 3.5 cents per share, fully franked
- n Total dividends for calendar year 2005 of 10 cents per share
 - dividend yield 7.7%

Half Year Results – 30 September 2005

n Balance Sheet

n Net Assets	\$256.6m
n Total Assets	\$622.2m
n Net Tangible Assets	\$1.18 per share
n Number of lots under control (approx) - 85% zoned, zoning expected in short to medium term for balance	9,000
n Debt to Total Assets	31%
n Debt to Equity	76%

Half Year Results – 30 September 2005

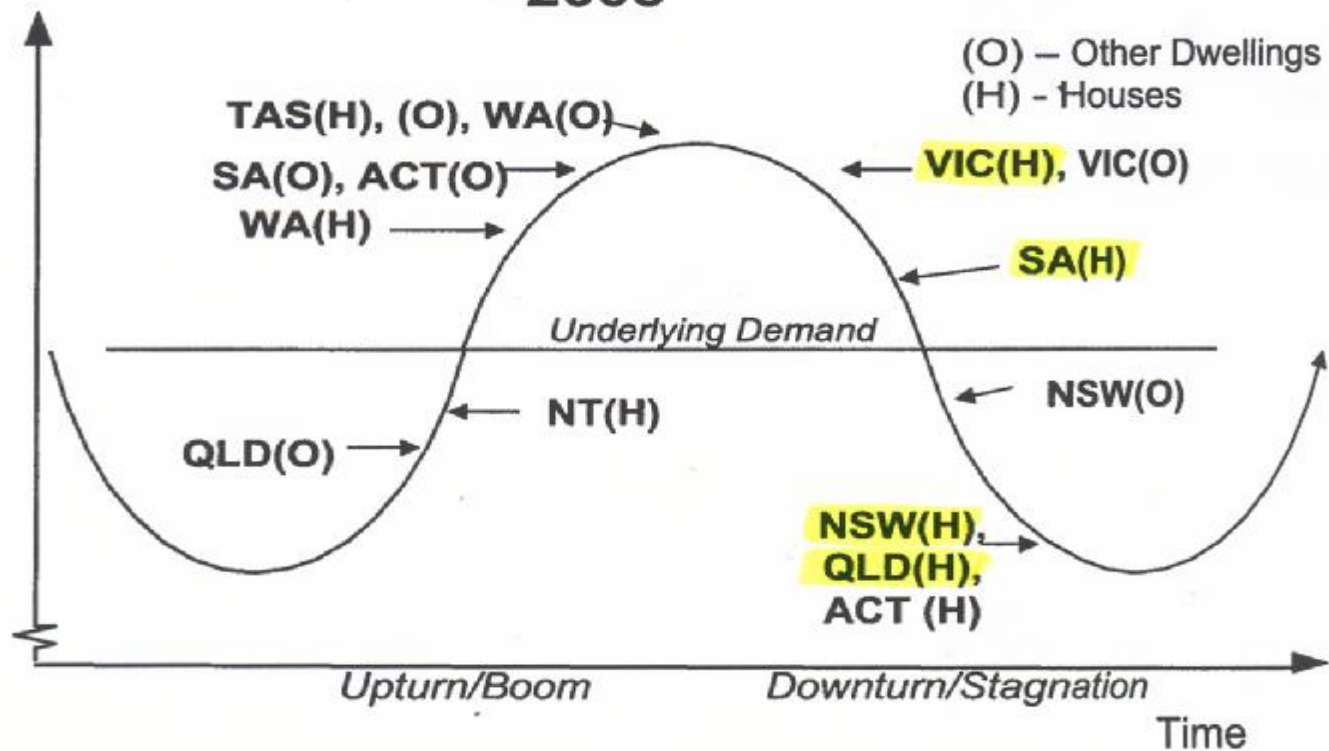
- n International Financial Reporting Standards (IFRS)
 - n Company has elected to continue to capitalise borrowing costs
 - n UIG53 has been discontinued
 - n Revenue and profit for development project sales now recognised on settlement
- n Accounting for rates and taxes
 - n Now capitalised
 - better reflects Company's move to larger, longer term projects
 - n All other holding costs expensed

Shareholding at 30 September 2005

	FY05	FY04
ASX FREE FLOAT	41%	40%
SGX FREE FLOAT	18%	19%
MAJOR SHAREHOLDER – SC GLOBAL (SGX)	41%	41%

Company Performance

Dwelling Building Stage of Cycle at September 2005



Source: BIS Shrapnel

Sector Outlook

- n Underlying demand remains favourable
 - n Strong economy / employment
 - n High immigration levels
 - n Moderate interest rate levels
 - n Presently low rental vacancy rates
- n Removal of New South Wales vendor tax

Sector Outlook

- n Cyclical downturn

- n Has been occurring for about two years

- n Several contributing factors, but cycles strongly influenced by investors entering or exiting market; many second round effects

- n Underlying demand driven by new household formation

- n Strong underlying demand

- n Timing of resurgence difficult to predict

Company within Sector

n Outlook

- n No accumulating unsold completed housing inventory
- n Developments sales continuing to be stronger than in previous periods
 - but margins reduced
- n Contract Building margins maintained
 - but turnover lower due to weaker market participation
- n Forecast developed lot sales some 1,800 for 2006, versus 1,100 in 2005
- n Company anticipates a return to growing dividends in the future