



ASX Release / Media Release

1 May 2012

MIRVAC FY12 Q3 OPERATIONAL UPDATE - REAFFIRMS FY12 GUIDANCE

Mirvac Group (“Mirvac” or the “Group”) (ASX:MGR) releases its FY12 Q3 Operational Update and reaffirms its FY12 forecast operating EPS guidance of 10.5 to 10.6 cents per stapled security (“cpss”)¹ and distribution guidance of 8.2 to 8.4 cpss.

Mirvac’s Managing Director, Nicholas Collishaw said, “The Group is well positioned to deliver on its FY12 earnings guidance. Since first announcing guidance in August last year, market conditions have performed in line with our expectations.

“Mirvac Property Trust has continued to perform well in the current environment with our portfolio maintaining a high rate of occupancy at almost 98 per cent² and a strong WALE³ of 5.9 years. This performance flows from our high quality portfolio and strategic decision to take an overweight position in the office sector and focus our retail portfolio on sub-regional shopping centres driven by non-discretionary spending. This strategy is proving resilient in the current economic climate.

“In our Development Division, we continue to focus on de-risking future income with pre-sales. We remain well placed on this objective with exchanged contracts of approximately \$1.0 billion⁴ at the end of the third quarter. We also have good visibility of earnings with 95.6 per cent of FY12 EBIT⁵ and 41.1 per cent of FY13 EBIT⁵ secured.

“The Development Division also continues to execute strategic relationships demonstrating the Group’s expertise in commercial developments, successfully completing the sale of a 50 per cent interest in Hoxton Distribution Park during the quarter.”

Key highlights for the Group included:

- hotel business and asset sale remains on track;
- completed the sale of 50 per cent interest in Hoxton Distribution Park to Aviva Investors; and
- continued the strong focus on sustainability with 8 Chifley Square being awarded a 6 Star Green Star Design v2 rating.

Key highlights for Mirvac Property Trust (“MPT” or the “Trust”) included:

- maintained high portfolio occupancy rate of 97.8 per cent²;
- maintained a strong WALE³ of 5.9 years;
- executed 48,148 sqm of lease deals;
- Broadway Shopping Centre in Sydney was ranked 2nd in the Big Guns⁶ for \$MAT /sqm;

¹ Assumes full year contribution from Mirvac Hotels and Resorts and associated assets.

² Portfolio occupancy rate by area excluding assets under development.

³ Weighted average lease expiry (“WALE”). Portfolio WALE by area, excluding assets under development.

⁴ Total exchanged pre-sales contracts as at 31 March 2012, adjusted for Mirvac’s share of Joint Ventures, associates, and Mirvac’s managed funds.

⁵ Earning before interest and tax (“EBIT”). Excluding sales and marketing costs and overheads.

⁶ National ranking of shopping centres with a gross lettable area in excess of 45,000 square metres. Published in Shopping Centre News, Volume 30, Number 1, 2012.



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- MAT⁷ growth from retail centres of 1.3 per cent; and
- sustainable retail tenant occupancy costs of 14.3 per cent⁸.

Key highlights for the Development Division included:

- settled 308 lots and remained on track to achieve FY12 target of 1,800 lots;
- 95.6 per cent of FY12 EBIT⁵ and 41.1 per cent of FY13 EBIT⁵ secured;
- \$999.3⁴ million held in residential exchanged pre-sale contracts;
- achieved strong sales at Elizabeth Hills stage 1 with 88.5 per cent⁹ sold since the November 2011 release;
- executed the Green Square project agreement; and
- secured 259 lots on capital efficient terms with the acquisition of Alex Avenue, NSW.

Group

Mr Collishaw concluded, "Mirvac remains focused on being an Australian real estate expert concentrating on our two core Divisions, with our Development Division continuing to increase its return on invested capital, while in the Investment Division, our priority is optimising the earnings of our portfolio.

"We continue to work towards the completion of the hotel business and asset sale, with completion expected prior to 30 June 2012.

"As previously stated, we will consider buying back securities with the proceeds of asset or business sales at the time the sales are realised. In light of the continued volatility in financial markets, we remain focused on prudently managing the Group's capital position. Therefore, in conjunction with any capital management initiative, we expect to repay a proportion of debt with sale proceeds," he said.

Further information in relation to Mirvac's third quarter performance is contained in the accompanying investor presentation.

ENDS

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⁷ Total moving annual turnover ("MAT").

⁸ Excludes CBD centres. Including CBD centres 14.8 per cent.

⁹ Includes settlements, unconditional exchanges on hand, and conditional exchanges at 31 March 2012.