16 February 2026

Stockland 1H26 result reflects disciplined execution and higher development settlements

Financial results for the six months ended 31 December 2025 (1H26)

1H26 Highlights

Financial performance[1]

- Statutory profit of $292m (1H25: $245m)
- Post-tax Funds From Operations (FFO) of $325m, up 29.5%
- FFO per security of 13.5 cents; half year distribution per security of 9.0 cents
- Net Tangible Assets (NTA) per security of $4.25 (FY25: $4.22 per security)

Investment Management[1]

- Investment Management: FFO of $296m, broadly in line with 1H25; comparable[2] FFO growth of 3.7%
- Logistics: comparable[2] FFO growth of 7.0%; re-leasing spreads[3] 32.0%; 96.8% occupancy
- Town Centres: comparable[2] FFO growth of 3.2%; re-leasing spreads[4] 3.3%; 99.0% occupancy
- Expanded relationship with existing partner into Land Lease sector[5]
- Progressing final documentation for data centre partnership with EdgeConneX with parties actively exploring short and medium-term opportunities within the Stockland portfolio[6]

Development[1]

- Development: FFO of $106m (1H25: $36m), driven by higher Masterplanned Communities (MPC) contribution and increased management income
- MPC: 3,168 lot settlements, up 60%; FY26 settlement target reaffirmed at 7,500 – 8,500 lots
- Land Lease Communities: 254 home settlements; FY26 settlement target reaffirmed at 700 – 800 lots
- Development management fee income increased by ~44% to $33m
- Secured[7] power for ~350MW of data centre development at Cherry Lane, Laverton Nth, VIC and Brooklyn Distribution Centre, VIC

Capital management and distribution[1]

- Strong capital discipline with gearing of 28.1%, within the Group's target range of 20% – 30%
- Distribution for 1H26 of 9.0 cents per security post tax (1H25: 8.0 cents per security); payout ratio of 67%

Guidance[8]

- FY26 FFO per security of between 36.0 and 37.0 cents
- FY26 distribution per security expected to be 25.2 cents per security, in line with FY25

[1] Comparative period the 6 months ended 31 December 2024 unless otherwise stated.
[2] Excludes acquisitions, divestments and assets under development. For Town Centres: comparable basket per Shopping Centre Council of Australia guidelines; excludes Stockland Piccadilly and Stockland Gables both in NSW.
[3] Re-leasing spreads on new leases and renewals negotiated during the period.
[4] Rental growth on stable portfolio on an annualised basis.
[5] Transaction remains subject to final implementation steps.
[6] Formation of partnership remains subject to finalisation of documentation.
[7] Subject to documentation.
[8] All forward looking statements including FY26 earnings guidance, remain subject to no material change in market conditions.

1H26 Results

During the six months to 31 December 2025, **Stockland (ASX: SGP)** delivered a strong financial performance with a significant increase in production levels across the development platform. The result was underpinned by a material uplift in Masterplanned Communities settlement volumes, higher Development fee income and a resilient performance from the Logistics and Town Centre portfolios. While delivering strong earnings growth, Stockland has continued to invest in capability and platform expansion to drive returns in future periods.

Managing Director and Chief Executive Officer, Tarun Gupta said, *"We delivered a strong first half result, with earnings growth supported by higher development production and continued progress in executing our strategy.*

"Our Investment Management portfolios performed well, delivering positive comparable growth across all sectors, supported by strong leasing outcomes and contributions from recent project completions.

"We continue to expand our capital partnering platform and recycle capital toward attractive growth opportunities, while maintaining balance sheet strength and funding flexibility."

Financial result[9]

Funds from Operations (FFO) for the period was $325m, compared with $251m in the prior corresponding period. FFO per security was 13.5 cents, up 28.6%.

Statutory profit of $292m compares with $245m for 1H25, with the result for 1H26 including a positive net investment property revaluation movement of $32m ($81m of valuation gains across the investment platform on a look-through basis.)

Investment Management delivered FFO of $296m, broadly in line with the prior corresponding period, reflecting operational growth and the benefit of project completions, offset by the prior period disposal and transfer of Logistics assets into new partnerships. The portfolio delivered comparable[10] growth of 3.7% underpinned by positive comparable growth across all portfolios.

The Development segment delivered FFO of $106m, up from $36m on the prior corresponding period with a significantly higher contribution from Masterplanned Communities as well as increased management income from partnerships.

1H26 Funds From Operations (FFO) summary

$m	1H26	1H25	Change
Investment Management FFO	**296**	**298**	**(0.6)%**
Development FFO	**106**	**36**	**>100%**
Unallocated corporate overheads	(51)	(47)	8.1%
Net interest expense	(26)	(35)	(24.9)%
Total Pre-tax FFO	**325**	**251**	**29.5%**
FFO tax expense	-	-	-
Total Post-tax FFO	**325**	**251**	**29.5%**
Post-tax FFO per security (cents)	13.5	10.5	28.6%
AFFO per security (cents)	10.8	8.6	25.6%
Distribution per security (cents)	9.0	8.0	12.5%
Statutory profit	**292**	**245**	**19.3%**

The weighted average cost of debt was 5.2%[11] for 1H26, compared with 5.3% in FY25, and is expected to average 5.3% for FY26. The weighted average debt maturity sits at 4.8 years (4.6 years: 30 June 2025). The fixed hedge ratio averaged 74%.

[9] Comparative period the 6 months ended 31 December 2024 unless otherwise stated.
[10] Excludes acquisitions, divestments and assets under development.
[11] Average over the 6 months to 31 December 2025. ~5.3% expected WACD for FY26, assuming average BBSW of ~3.8%.

Capital Management

Stockland finished the period in a strong financial position with gearing at 28.1%, within the Group's target range of 20% to 30%. Stockland expects gearing to moderate toward the midpoint of the target range by 30 June 2026.

Operating cash flow was $(315)m for 1H26, reflecting an increased level of development spend for Masterplanned Communities and Land Lease Communities during the half in line with higher levels of production, along with the material second half weighting of settlement receipts. Stockland expects a materially stronger operating cash flow result in the second half of FY26.

The distribution for 1H26 is 9.0 cents per security post tax, compared with 8.0 cents per security in 1H25. The distribution payout ratio for the half is 67%. The Board expects the full year distribution to be in line with FY25 at 25.2 cents per security.

Investment Management[12]

The Investment Management segment delivered FFO of $296m, broadly in line with the prior corresponding period. The result reflects strong operational growth and increased earnings from new project completions across the portfolios, including two logistics facilities in QLD; two workplace buildings at MPark and the Stockland Gables Town Centre (all in NSW); and a childcare centre in QLD. This was offset by the prior period transfer of assets into new partnerships and asset disposals, both in Logistics.

- FFO: $296m; comparable[13] growth: 3.7%
- Logistics: ~$3.5bn portfolio; FFO $85m; comparable[13] FFO growth 7.0%; re-leasing spreads[14] 32.0%; occupancy[15] 96.8%; ~226,000 sqm of new leases and renewals; WALE[15] 3.3 years; net valuation gain[16] $47m (1.4%)
- Workplace: ~$1.7bn portfolio; FFO $58m; comparable[13] growth 1.1%; re-leasing spreads[14] 6.3%; occupancy[15,17] 86.8%; WALE[15,17] 6.1 years; valuation[16] decline $42m (2.4%)
- Town Centres: ~$4.8bn portfolio; FFO $164m; comparable[18] growth 3.2%; re-leasing spreads[19] 3.3%; occupancy[20] 99.0%; valuation[16] uplift $74m (1.6%)
- Communities Rental Income: $12m, up 10%
- Investment Management Fee Income: $14m
- Increased IM overheads in line with investment in capability to support growth and an expanded operational Land Lease platform.

Post balance date, Stockland expanded its relationship with an existing investor by forming a new 50/50 partnership[21] in the Land Lease sector. The new partnership will be seeded with two development assets with an initial gross asset value of approximately $200m.

[12] Comparative period the 6 months ended 31 December 2024 unless otherwise stated.
[13] Excludes acquisitions, divestments and assets under development.
[14] Re-leasing spreads on new leases and renewals negotiated during the period.
[15] By income.
[16] Represents net valuation change for 6 months to 31 December 2025. Excludes movements relating to sundry properties and stapling adjustment and includes movements relating to investment properties under construction (IPUC), Stockland's share of equity accounted investments and build-to-hold projects that sit in the development segment.
[17] Excludes Walker Street Complex and 601 Pacific Highway in NSW.
[18] Excludes acquisitions, divestments and assets under development. Comparable basket of assets as per the Shopping Centre Council of Australia (SCCA) guidelines, which excludes assets which have been redeveloped within the past 24 months. Excludes Stockland Piccadilly, and Stockland Gables both in NSW.
[19] Rental growth on stable portfolio on an annualised basis.
[20] Occupancy across the stable portfolio based on signed leases and agreements at 31 December 2025.
[21] Transaction remains subject to final implementation steps.

Investment Management 1H26 Funds From Operations summary

$m	1H26	1H25	Change	Comparable growth
Investment Management FFO	**296**	**298**	**(0.6)%**	**3.7%**
Logistics FFO	85	89	(5.1)%	7.0%
Workplace FFO	58	56	3.6%	1.1%
Town Centres FFO	164	158	3.5%	3.2%
Communities Rental Income	12	11	10.3%	2.1%
Investment Management Fee Income	14	13	7.6%	
Investment Management Net Overheads	(36)	(30)	22.7%	

Development[22]

The Development segment delivered FFO of $106m, up from $36m in the prior corresponding period. The result was underpinned by a strong performance from the Masterplanned Communities business, along with higher fees from partnerships.

- Development FFO: $106m
- Masterplanned Communities: Development FFO $163m; 3,168[23] settlements (up ~60%); development operating margin 18.1% (1H25: 14.2%); net sales 4,441 (up 87%); FY26 settlement target 7,500–8,500 lots; 5,458 contracts on hand
- Land Lease Communities: Development FFO $23m; 254 settlements; development operating profit margin 16.9% (1H25: 21.8%); net sales 493 (up 81%); FY26 target 700–800 settlements; 637 contracts on hand
- Commercial Development: no contribution to Group FFO in 1H26 reflecting second half weighting to build-to-sell completions; estimated end value of pipeline ~$16bn[24]; ~$1.2bn[24] of projects under construction (including ~$800m[24] of logistics, ~96% pre-leased)
- Data centres: 350MW of power secured[25] for data centre development at 72–76 Cherry Lane, Laverton North VIC and Brooklyn Distribution Centre VIC

Development management fee income increased by ~44% to $33m, reflecting growth in partnerships.

Development net overheads increased 19% to $112m. This primarily reflects incremental overheads related to the MPC portfolio acquisition completed late in the previous corresponding period, along with costs associated with supporting significantly higher levels of activity across all parts of the development business.

Development 1H26 Funds From Operations summary

$m	1H26	1H25	Change
Total Development FFO	**106**	**36**	**>100%**
Masterplanned Communities FFO	163	76	>100%
Land Lease Communities FFO	23	31	(27.4)%
Commercial Development Income	0	0	-
Development Management Fee Income	33	23	44.2%
Development net overheads	(112)	(94)	(18.8)%

[22] Comparative period the 6 months ended 31 December 2024 unless otherwise stated.
[23] Includes 1,809 settlements under joint venture/project development agreements (1H25: 975).
[24] Forecast end value on completion.
[25] Subject to documentation.

Net zero scope 1 & 2 emissions[26]

Stockland has achieved its target of net zero scope 1 & 2 emissions across its operations – a milestone that showcases the commercial scalability of its renewable energy model, which is already delivering value across the portfolio.

This model allows solar power generated on logistics and retail rooftops to be shared across assets while strengthening resilience and generating income.

Stockland will continue to progress its ESG strategy through scalable, commercially sustainable outcomes.

FY26 Outlook and guidance[27]

"Stockland remains well positioned heading into the second half of FY26, supported by strong operational momentum and a disciplined approach to capital management. Development earnings and operating cash flow are expected to be materially weighted to the second half, reflecting the timing of settlements across our residential platforms", said **Mr Gupta**.

The Group's FY26 Masterplanned Communities settlement target remains 7,500–8,500 lots, while Land Lease Communities is targeting 700–800 settlements with development margins expected in the low 20% range.

Gearing is expected to moderate toward the midpoint of the target range by 30 June 2026, and the Board expects the full year distribution to be in line with FY25 at 25.2 cents per security.

1H26 Results briefing

This announcement should be read in conjunction with Stockland's 1H26 corporate reporting suite, available at https://www.stockland.com.au/investor-centre/results

Stockland will hold a market briefing at 10.00am (AEDT) today, Monday 16 February 2026.

Please register for the webcast at: https://meetings.lumiconnect.com/300-117-485-172

Ends

This announcement is authorised for release to the market by Ms Katherine Grace, Stockland's Company Secretary.

Investor enquiries

Ian Randall
GM Investor Relations & Strategic Finance
0476 583 634

Media enquiries

Bede Fennell
Group Head of Corporate Affairs
0408 415 824

[26] For more information on the Scope 1 & 2 emission target boundary and GHG accounting for the period please see our assured Net Zero Statement on the Stockland website www.Stockland.com.au/sustainability

[27] All forward looking statements remain subject to no material change in market conditions.