

Ingenia Communities Group

Morgans Queensland Conference



Simon Owen – Chief Executive Officer

11 October 2013



*Consolidating market leadership in
Manufactured Home Estates*

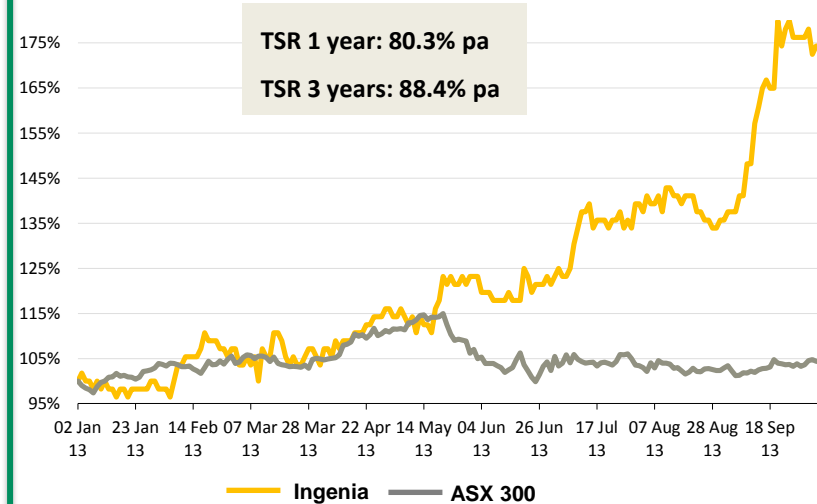
Repositioned business delivering results



FY13 results demonstrate improved performance

- > Profit from continuing operations up 95%
- > Rental and MHE portfolios increased to 55% of portfolio (by value)
- > Low risk expansion of existing villages progressed
- > Successful Institutional Placement (June 2013), followed by well supported Rights Issue (Sept 2013)
- > Following Rights Issue and debt facility increase, the Group now has ~\$100m to acquire immediately accretive MHEs
- > Recent inclusion in ASX 300 Index

Security price performance versus Index



Corporate

ASX Code	INA
Market cap (4 Oct 2013)	\$311m
Securities on Issue	676m



INGENIA
RANKED #1

A-REIT
SURVEY 2012

Board of Directors

- > Jim Hazel – Chairman
- > Amanda Heyworth – Non-Executive Director
- > Philip Clark AM – Non-Executive Director
- > Robert Morrison – Non-Executive Director
- > Simon Owen – Chief Executive Officer

Portfolio dominated by cash yielding assets



Today, Ingenia has **44** Australian communities and growing



Rental ●
29 villages

- > 1,520 units
- > In all States except ACT and SA
- > Significant organic growth opportunities



Deferred Management Fee ○
9 villages

- > 950 units
- > WA, QLD and NSW
- > Five villages with development upside



Manufactured Home Estates ●
6 Estates

- > 472 permanent sites
- > 315 tourist sites
- > 332 development sites
- > NSW only (QLD and WA to follow)



9 proposed acquisitions (to be funded by recent capital raisings)

- > 739 permanent sites
- > 162 tourist sites
- > 647 development sites

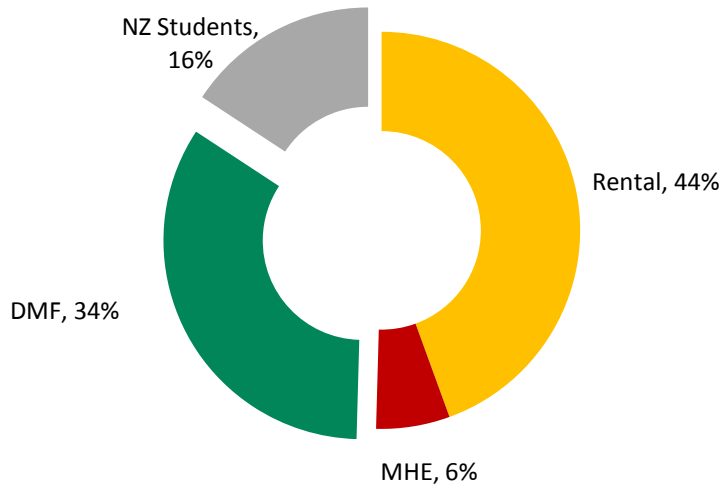
Note: Portfolio position as at 11 September 2013.

Clearly differentiated strategy

Growing cash yielding asset base

Portfolio by value as at 30 June 2013

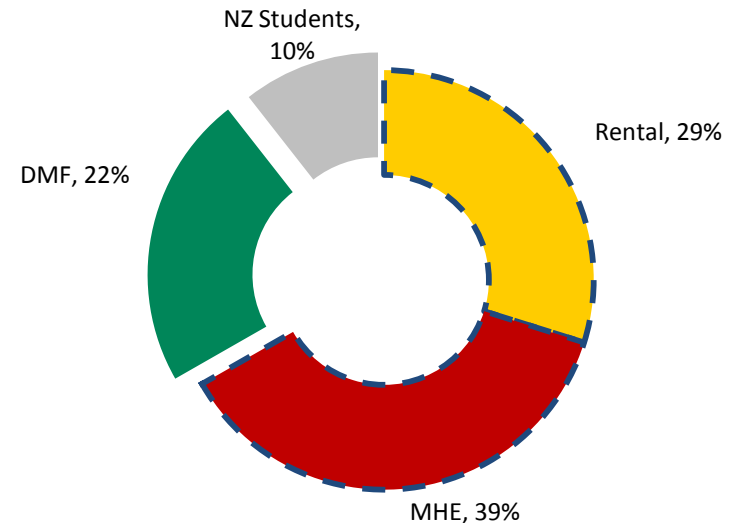
Rental assets and MHEs 50% of portfolio



Portfolio by value Proforma position post

Rights Issue

Rental assets and MHEs 68% of portfolio¹



Strategy

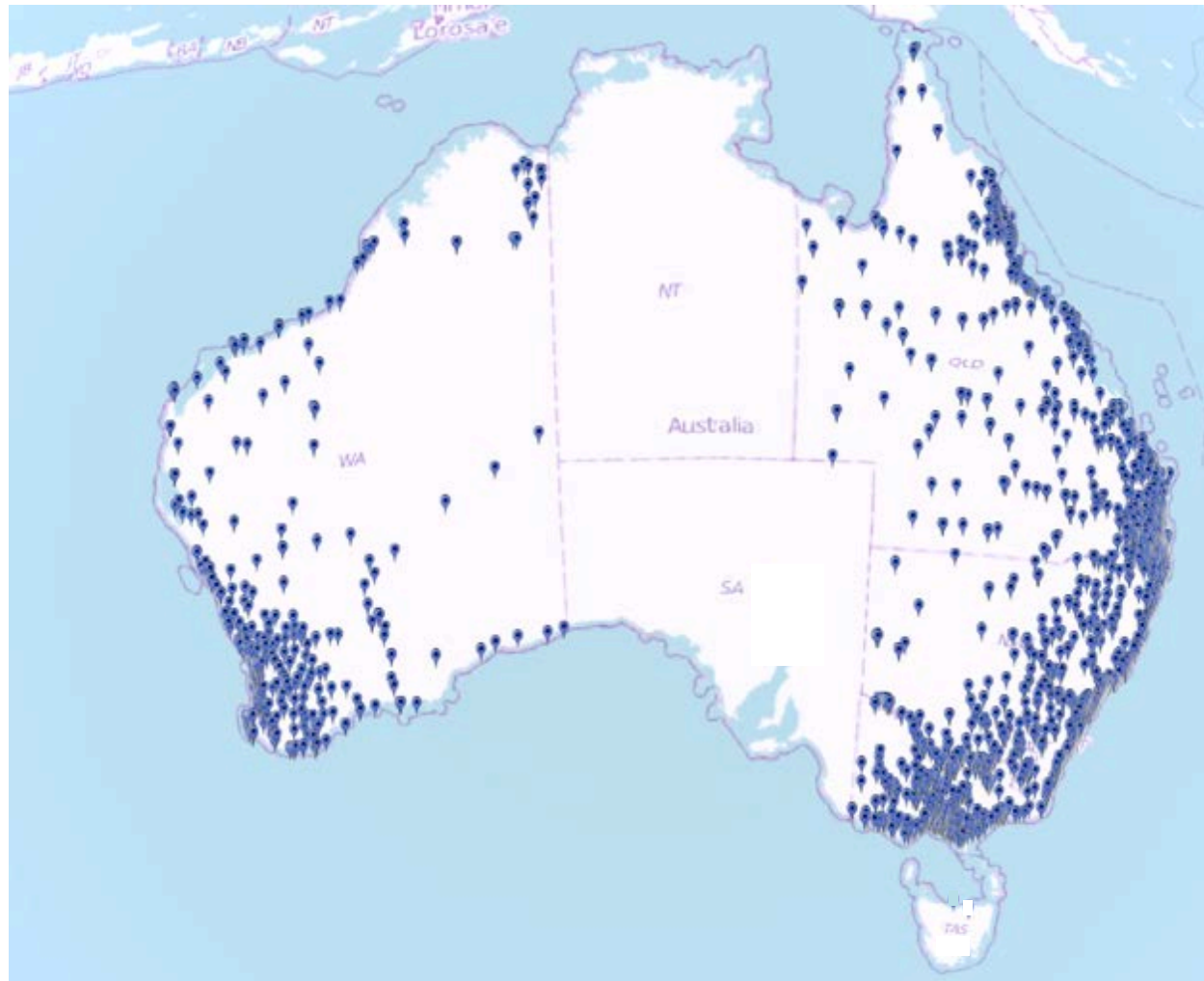
- > A large rental portfolio, with consistent, stable cashflows and attractive yields
- > A focus on the affordable segment of the seniors living market
- > Established presence in Manufactured Home Estates, a sector offering consistent stable cashflows and low risk, capital light development returns and the ability to quickly attain a market leading position





1. Includes yet to be announced acquisition to be funded by the June 2013 Placement and additional acquisitions to be funded by the Rights Issue.

MHE Strategy








Abundance of accretive opportunities for Ingénia

Two years of research invested in assembling a proprietary database of over 2,000 Caravan and Tourist Parks and MHEs across the East Coast and WA



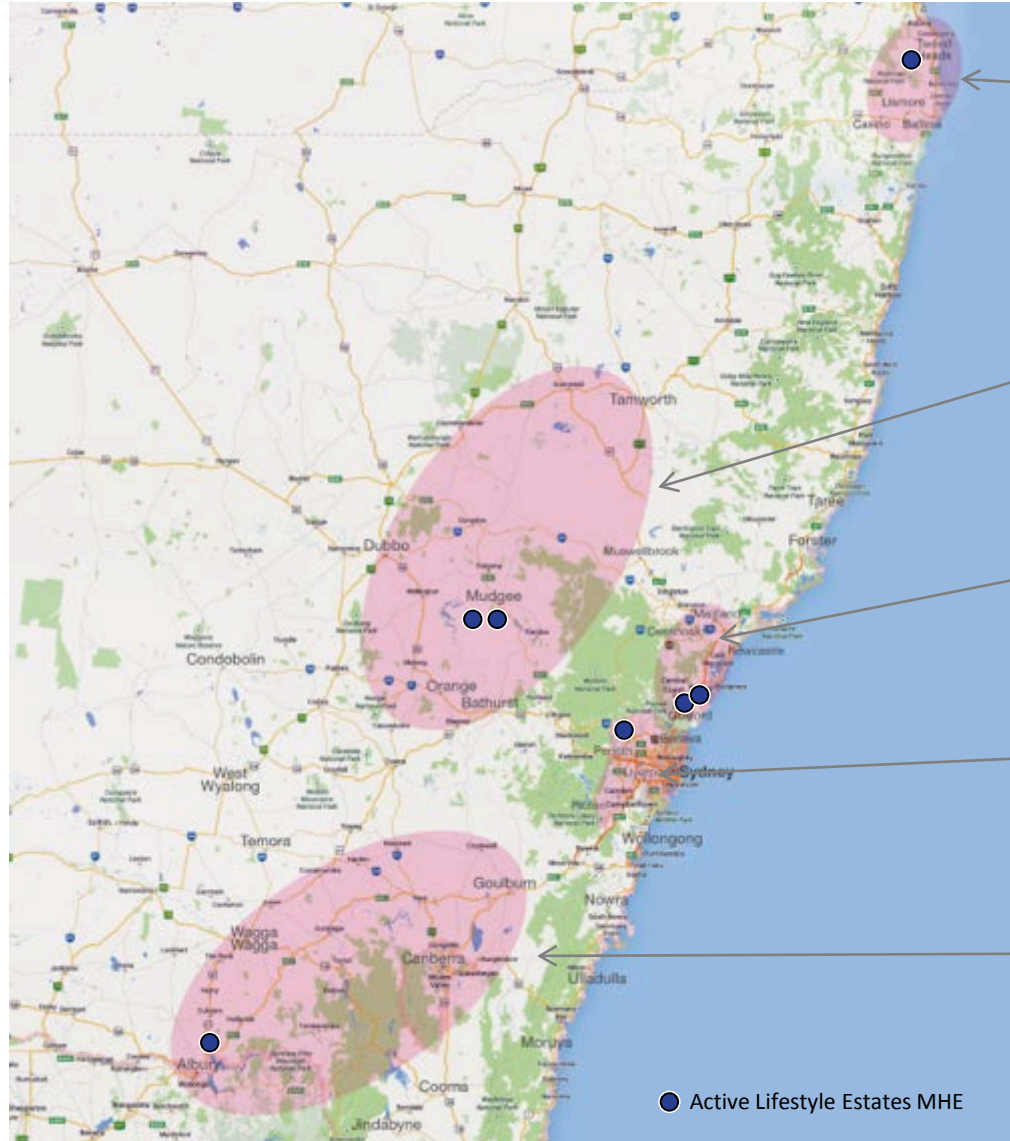
Strategy		Progress
1. Acquire and integrate a market leading portfolio of MHEs and Tourist Parks with a significant land bank and upside potential		On track for a portfolio of 15 MHEs in NSW by early 2014 including a land bank of over 970 home sites
2. Reposition and upgrade acquired sites to increase existing cash yields		Repositioning well advanced at The Grange, and in progress at Ettalong, Nepean, Albury Citygate and Mudgee Valley
3. Develop out vacant and under-utilised land embedded within acquisitions to achieve medium term target of 240 new MHE homes per annum		New homes being delivered to The Grange and Nepean, with Albury Citygate and Mudgee to follow shortly
4. Assess greenfields opportunities to add scale and enhance returns to development pipeline		Assessing several opportunities in existing clusters in NSW

MHE Competitive landscape

	Major Operators	No. of parks	Locations	Strategy
	Discovery Holiday Parks	4 in NSW 29 Total	Across Australia, mostly in QLD, TAS and WA	Largest Parks portfolio, owned by private equity. Predominantly tourist and mining accommodation. Considering liquidity event.
	Aspen Parks Property Fund	6 in NSW 24 Total	Across Australia, mostly in WA	Second largest Holiday Parks Portfolio. Parent entity (ASX: APZ) assessing strategic options for their Parks Fund. Predominantly tourist and mining accommodation.
	Gateway Lifestyle Residential Parks	6 in NSW 10 Total	QLD and NSW	Strategic partnership with Alceon – key principals are Trevor Loewensohn and Phil Green. Acquisitive.
	Hampshire Villages	6 in NSW 7 Total	NSW and VIC	Privately owned portfolio of regional residential parks.
	Lifestyle Communities	8 in VIC	VIC only	Developer and operator of greenfield residential parks (ASX: LIC). Recently recapitalised.
	National Lifestyle Villages	10 in WA	WA only	Developer and operator of premium greenfield residential parks.
	Palm Lake Resorts (Walter Elliott)	4 in NSW 17 Total	VIC, NSW and mostly in QLD	Privately owned developer and operator of greenfield residential parks.

Our MHE footprint across NSW

Eight more acquisitions to be announced by 1Q 2014



Tweed Coast

- Drifters Holiday Village, Kingscliff

Central West NSW

- Mudgee Tourist and Van Resort
- Mudgee Valley Tourist Park

Hunter/Newcastle

- Ettalong Beach Holiday Village
- The Grange Village, Morisset

Sydney Basin

- Nepean River Holiday Village, Penrith

South West NSW

- Albury Citygate Caravan and Tourist Park

● Active Lifestyle Estates MHE

MHE development Investment cycle

Low-risk, capital light, accelerated development cycle



- Identify vacant land
- Order 1-2 homes
- Target yield of >30 homes per hectare

- Off-site construction
- Commence marketing
- Home typically reserved prior to delivery

5 – 6 weeks

- Install home, add landscaping
- Ingenia invoiced for home (working capital funded by manufacturer)

1 – 2 weeks

- Home sold
- Settlement funds received

Resident commences payment of weekly ground lease rental circa \$140/week



Frequently recycling a small amount of development capital

DMF development Investment cycle

Capital intensive, higher risk, prolonged development cycle



- Commence marketing to secure target pre-commitments and deposits
- Target yield of ~25 homes per hectare

- Conduct tender process to appoint builder
- Continue marketing

- On-site construction commences
- Staged development of 15-20 dwellings/ stage
- Builder paid progressively (Ingenia funds working capital)

- Building handover
- Dwellings sold
- Settlement funds received

DMF accrues at typically 3% pa for 10+ years

1- 2 months

6-12 months

Commence next stage of 15-20 homes worth > \$3m

Some of our recent MHE acquisitions

Albury Citygate



Mudgee Tourist Park



Mudgee Valley



Drifters Holiday Village



Value enhancement strategies

Pre-loved home being removed



New home on-site at The Grange

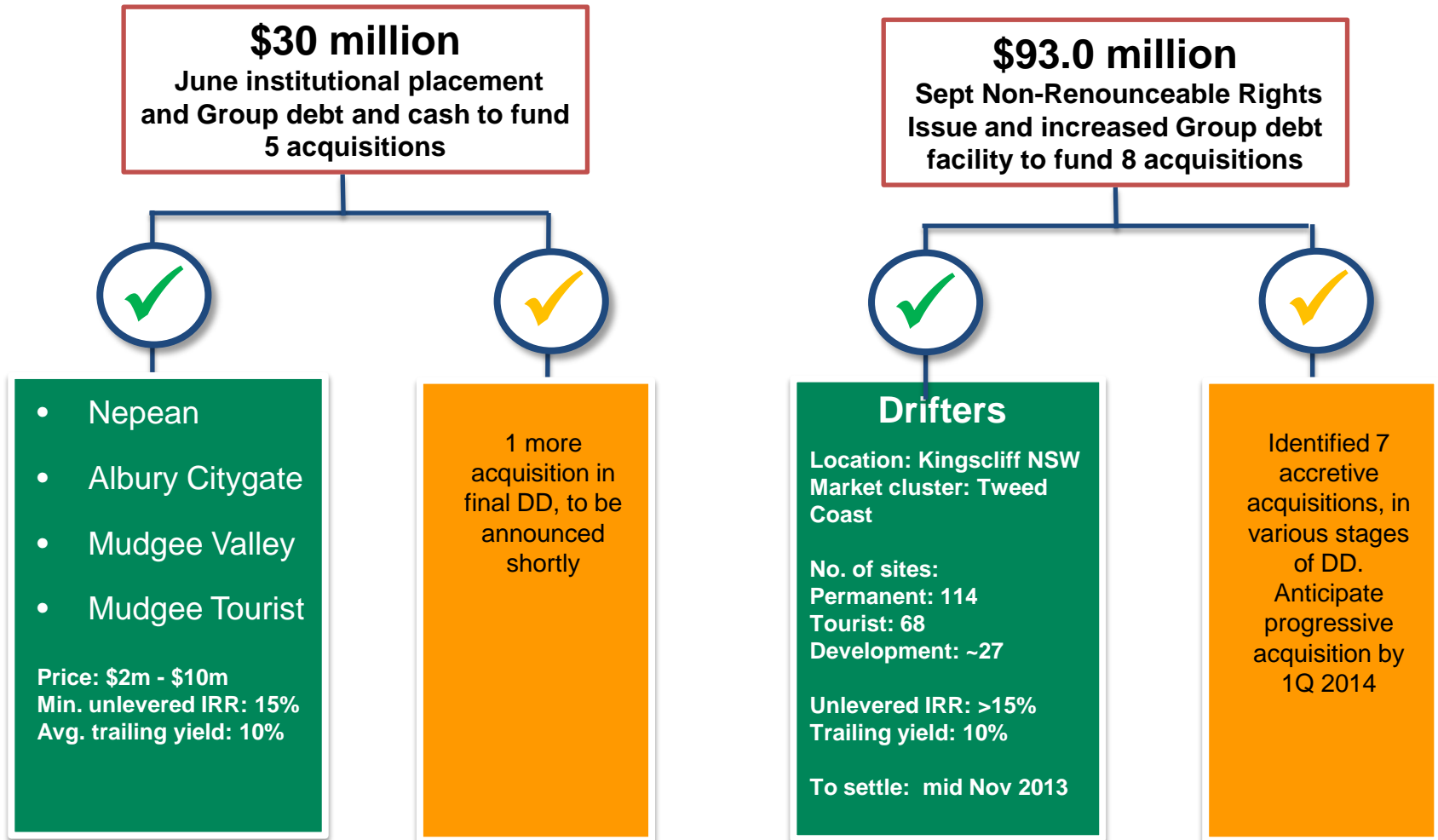


MHE pipeline generating value

Delivering on-strategy acquisitions at attractive returns

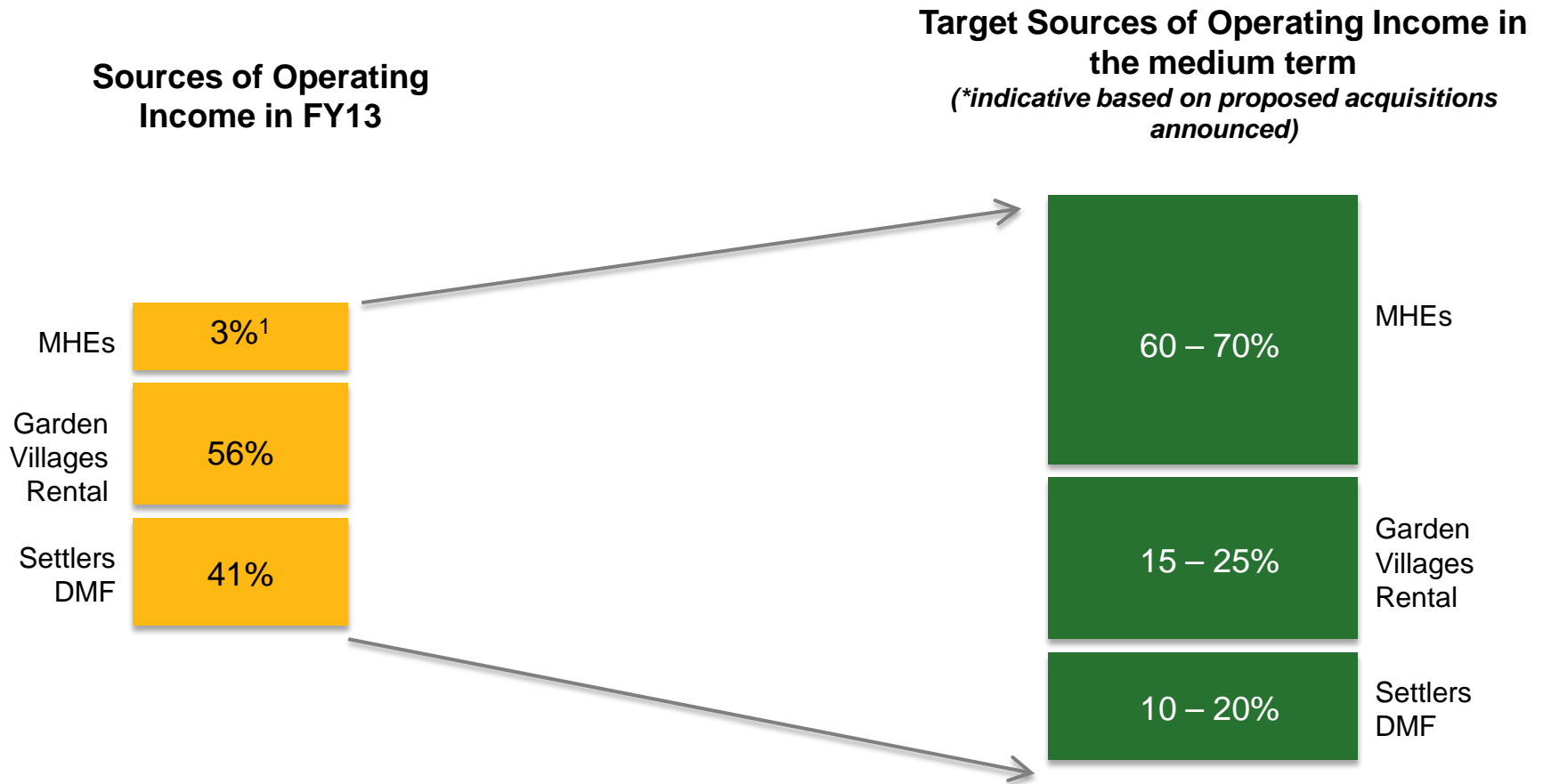


Funds from two successful raisings quickly deployed on accretive MHE acquisitions



Capital management

Strong earnings growth anticipated in the coming years

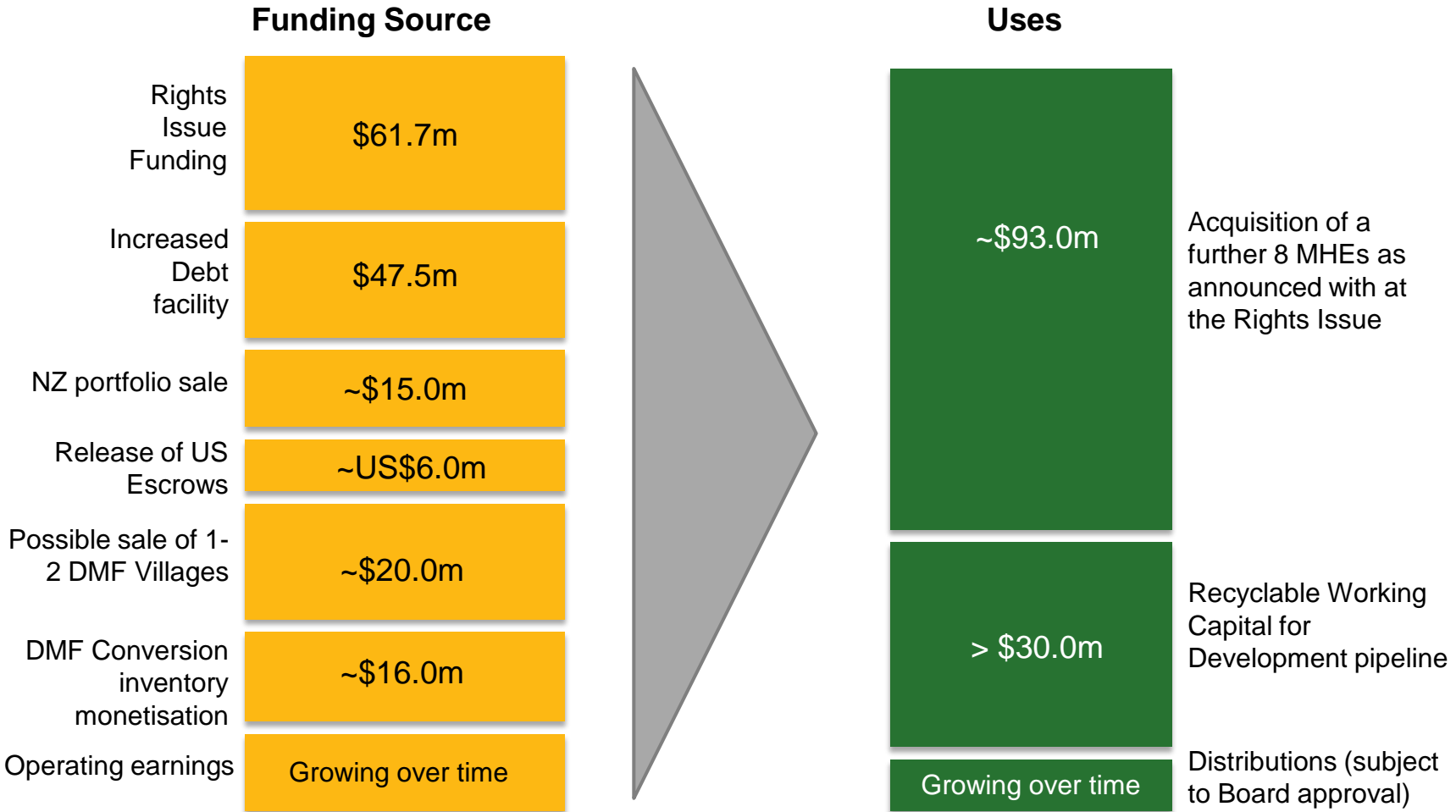


- > Australian property asset base anticipated to grow from \$195m in FY13 to more than \$350m in FY15 with assets and earnings growth primarily derived from the MHE portfolio, delivering forecasted yields of circa 10%, plus significant development upside.

1. Represents three months operating income for The Grange and two months for Ettalong Village

Capital management

Further growth likely to be self-funded in the medium term



Diagrams are illustrative – not to scale

- > Further acquisitions and existing development pipeline likely to be funded by the realisation of overseas asset sales, recycled capital from DMF Conversion sales and increased operating earnings.

Ingenia Care Assist

Extracting more value from our rental portfolio



Ingenia Care Assist program aims to facilitate the delivery of government funded home care packages into our villages by working with approved external care providers

- > 291 residents departures in our rental villages in FY13
 - Single largest reason (38%) was residents needing to move into a nursing home
 - 13% moved into the family home for care or financial reasons
- > Enabling residents to readily access government funded care in our villages should drive significant increases in both occupancy and sustainable earnings
- > This also increases the Garden Villages value proposition to residents and their families
- > An experienced and well networked Aged Care Executive is currently implementing the strategy
- > Implementation cost of strategy to Ingenia is minimal with quick forecasted payback and care costs borne by the external providers.

Ingenia Care Assist Roll-out

- > Stage 1 (now): Pilot brokered care from existing approved providers into four initial Garden Villages sites
- > Stage 2 (2014): Refine execution and roll-out across all 29 Garden Villages rental villages
- > Stage 3 (2015): Extend to Active Lifestyle Estates portfolio

- > Acquisitions – Due Diligence well advanced on pipeline of accretive MHE opportunities with recent Rights Issue capital expected to be fully allocated by 1Q 2014
- > Invest in low risk expansion of DMF existing villages – Settlers Ridge Estate Stage 2 construction on track. DA preparation underway for Rockhampton Village expansion
- > Focus on recycling capital including possible sale of passive income DMF communities
- > Integration of recent MHE acquisitions progressing well with new homes delivered at The Grange and Nepean, and Mudgee and Albury Citygrate to follow shortly
- > NZ Students portfolio – Redevelopment works on track for completion in early 2014 with portfolio sale to be pursued upon completion
- > Finalising roll-out of Ingenia Care Assist to drive rental occupancy and improve resident tenure
- > The Group reaffirms its intention to increase distributions over the near term

Directors bring strong industry expertise and professional experience to the Board

Jim Hazel

Non-Executive Chairman

Mr Hazel has had an extensive corporate career in both the banking and retirement sectors. His seniors living experience includes being Managing Director with Primelife Corporation Ltd (now part of Lend Lease). Jim is currently a Non-Executive Director of Bendigo and Adelaide Bank Ltd, and also serves as a Director on the boards of Impedimed Ltd, Motor Accident Commission, Coopers Brewery Limited and Centrex Metals Ltd. He sits on a number of other boards, including the Council on the Ageing (SA) Inc.



Robert Morrison

Non-Executive Director

Mr Morrison has extensive experience in property investment and funds management. During his 21 years at AMP, his executive roles included Head of Property for Asia Investments. Mr Morrison's investment experience includes senior portfolio management roles where he managed both listed and unlisted property funds. Mr Morrison was previously an Executive Director of AMP Capital. He is a founding partner and Executive Director of Barwon Investment Partners and is a non-executive director to the Board of Mirvac Funds Management Ltd.



Amanda Heyworth

Non-Executive Director

Ms Heyworth is a Professional company director. She previously served as Executive Director of Playford Capital Venture Capital Fund. She has a wealth of experience in the finance, technology and government sectors. Ms Heyworth brings a finance and growth focus to the Group, having worked on many product launches and geographic expansions and over 40 capital raisings and M&A transactions. She sits on a number of public sector and private boards.



Philip Clark AM

Non-Executive Director

Mr Clark is the Chair of SCA Property Group, a non-executive director of Hunter Hall Global Value Ltd and a member of the J P Morgan Advisory Council. He also chairs a number of government and private company boards. He was a former Managing Partner and CEO of Minter Ellison. Prior to joining Minter Ellison, Mr Clark was Director and Head of Corporate with ABN Amro Australia and prior to that he was Managing Partner with Mallesons Stephen Jaques for 16 years.



Industry experienced management team



Simon Owen

Managing Director and Chief Executive Officer

Simon joined Ingenia in November 2009 and has the overall responsibility for the strategic direction of the Group including operational, financial and capital management. Simon brings significant experience in the seniors living sector and is the immediate past National President of the Retirement Villages Association (now known as the Retirement Living Council), the peak industry advocacy group for the owners, operators, developers and managers of retirement communities in Australia. Simon's experience spans across multiple disciplines including finance, funds management, mergers and acquisitions, business development and sales and marketing. Prior to Ingenia, Simon was the CEO of Aevum, a formerly listed seniors living company which under his leadership, grew from four to 21 villages across New South Wales and Western Australia. Simon is a qualified accountant (CPA) with post graduate diplomas in finance and investment, and advanced accounting.



Tania Betts

Chief Financial Officer

Tania was appointed as Chief Financial Officer in May 2012, after a 6-year career at Stockland Group where she held various positions including National Finance Manager within their Retirement Living Division. Tania's previous experience includes several years within the chartered accounting profession as well as working for a leading health care provider. She holds a Bachelor of Business in Accounting and Finance, is a member of both the Institute of Chartered Accountants and the Institute of Chartered Secretaries, and was the winner of the 2011 Urban Development Institute of Australia Young Developer Leadership Award.



Nikki Fisher

Chief Operating Officer

Nikki is responsible for the Group's Australian portfolio of Rental, DMF and Active Lifestyle Estates. She joined the Group in June 2010. Nikki has 17 years' experience in the property and asset management industry. Her career spans across multiple asset classes including industrial, commercial and retail. Prior to Ingenia, Nikki spent her last 10 years at Westfield Group where she held the position of Regional Manager QLD North, overseeing a portfolio in excess of \$2 billion. She holds a Bachelor of Business in Accounting and Industry Economics.

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