



2015

Securityholder Review



Ingenia is a leading owner, operator and developer of affordable Retirement, Lifestyle and Leisure communities

Western Australia

- 6 Garden Villages
- 3 Settlers

Queensland

- 3 Active Lifestyle
- 2 Garden Villages
- 3 Settlers

New South Wales

- 19 Active Lifestyle
- 9 Garden Villages
- 2 Settlers

Victoria

- 9 Garden Villages

Tasmania

- 5 Garden Villages



Includes announced acquisitions.

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Year in Review

Highlights

- Underlying profit up 51%, to \$17.5m
- Distribution up 17%, to 1.35 cents per security
- Increased cash yielding asset base – now 85% of portfolio value
- Garden Villages portfolio occupancy at 90.7%
- Development pipeline of over 1,500 potential home sites now in place
- Lifestyle Parks business expanded through acquisition and development – six parks acquired or contracted
- Lifestyle Parks sales momentum building rapidly – 56 home settlements

Financial Summary

\$25.7m

Statutory Profit

↑ 123%

2014: (\$11.5m)

\$17.5m

Underlying Profit

↑ 51%

2014: \$11.6m

2.1c

Underlying Profit EPS

↑ 17%

2014: 1.8c

\$9.0m

Operating Cashflow

↓ 37%

2014: \$14.2m

38.9c

Net Asset Value per Security

↑ 10%

2014: 35.5c

1.35c

Distribution Per Security

↑ 17%

2014: 1.15c

Letter from the Chairman



We have established a strong platform for the future and are confident that Ingenia remains on track to continue to deliver long-term stable returns for securityholders

Jim Hazel, Chairman

Dear Securityholders

The last year has again been one of significant growth and achievement for Ingenia. We delivered growth in distributions as we continued to transition the business in line with our strategy to focus on cash yielding assets dominated by affordable seniors housing in Australia.

Pleasingly, we finished the 2015 financial year with significant progress on each of our objectives and we have seen an increasing contribution to returns from the now well established Lifestyle Parks business which Ingenia entered with an initial investment in 2013.

In December 2014 we completed our exit from offshore markets with the sale of the NZ Student portfolio. Combined with continued momentum in our Active Lifestyle Estates business, Ingenia is now a scalable business focused on stable cash yielding Australian investments complemented by low risk, capital light development.

Over the last financial year an increase of 51% in underlying profit was achieved as newly acquired assets and the growing development business made a more substantial contribution. A full year distribution of 1.35 cents per security represented an increase of 17% on the prior year, building on similar growth in 2014.

Commensurate with our focus on building a significant portfolio of lifestyle and leisure assets, much time was spent on establishing our platform and building our development and sales capability in this new business. This investment has supported a significant increase in the contribution from manufactured home sales in the Lifestyle Parks business and positions the Group well for further growth in sales and rental returns.

Notwithstanding very strong price performance since internalisation, the security price closed the year at 43 cents, below the 50.8 cent security price at the beginning of the 2015 financial year. Despite this, Ingenia's returns over the past 3 and 5 years have been strong, with the Group significantly outperforming the ASX All Ordinaries Accumulation and S&P/ASX Property 300 Accumulation indices. We will continue to focus on delivering results from the business and trust that over time the price will re-rate as our earnings grow and our business model becomes more established.

We raised \$89.1 million through a capital raising in September, which provided additional funds for investment in the Lifestyle Parks business and allowed existing securityholders to participate in Ingenia's growth. We have carefully deployed this capital and the capital from the sale of non-core assets in accretive acquisitions with five Lifestyle Parks acquired over the year and an additional two acquisitions following year end.

With work done during the year to secure an increase in funding capacity at a lower debt cost, a focus on recycling capital from the non-core Deferred Management Fee (Settlers) portfolio and the active Distribution Reinvestment Plan, we will continue to pursue growth opportunities which meet our strict return requirements.

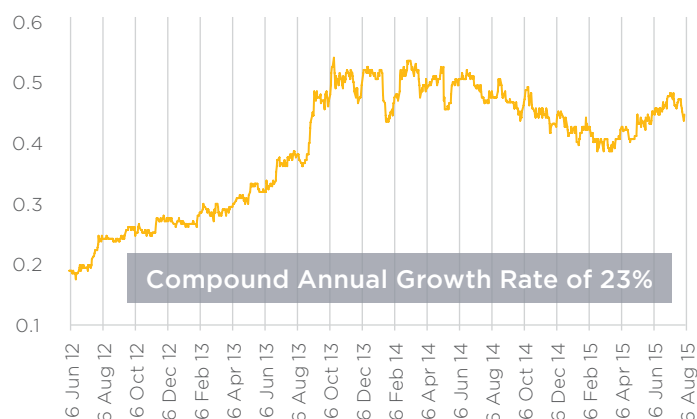
Importantly, we have made good progress on key initiatives and priorities. Further scale has been established in the lifestyle parks sector and operationally these and our rental assets are performing well, with the rental portfolio achieving occupancy of over 90%. Both the Garden Villages and Active Lifestyle Estates portfolios demonstrated significant valuation gains with capitalisation rates across these asset classes beginning to tighten, leading to higher values for these assets.

Striking the balance between returns to securityholders and reinvestment for growth continued to be a focus of the Board and management. Following a 15% increase in distributions in financial year 2014, distributions were again increased, with a final distribution payment for financial year 2015 of 0.70 cents per security taking the full year distribution to 1.35 cents. We are committed to continuing to grow distributions while maximising value to securityholders through prudent reinvestment into accretive investments to deliver ongoing growth in returns.

The Group strategy remains driving performance and organic growth within existing assets and seeking to continue to expand in the Lifestyle Parks business through acquisitions and development in targeted markets.

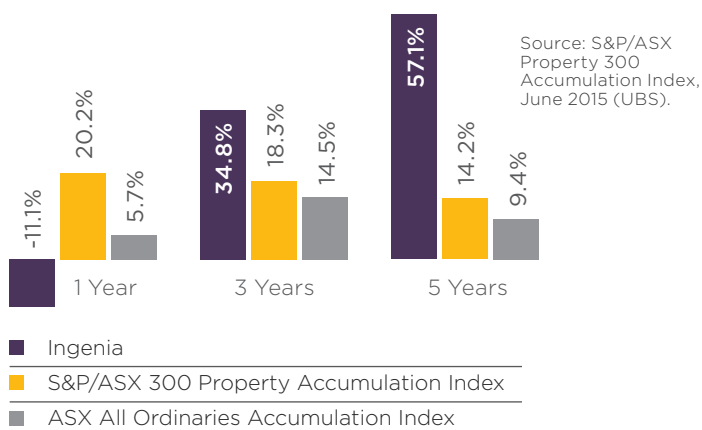
Much has been achieved this year and I would like to thank Ingenia's dedicated directors and the management team for their hard work and ongoing commitment.

INA Security Price since internalisation (\$)



Performance against indices

Ingenia has outperformed relevant indices over the last 3 and 5 years (INA versus Indices to 30 June 2015 (%p.a))



Entering the 2016 financial year we have established a strong platform for the future and are confident that Ingenia remains on track to continue to deliver long-term stable returns for securityholders.

As your Chairman I would like to take this opportunity to thank all securityholders for your continued support and I look forward to meeting with you and providing a further update on the business at our upcoming Annual General Meeting to be held on 17 November 2015.

Jim Hazel
Chairman

Chief Executive Officer Update



We have rapidly transformed Ingenia's business model into an emerging high growth asset class with strong long-term industry fundamentals underpinned by a convergence of an ageing population and the demand for quality affordable housing

Simon Owen, Managing Director and CEO

The 2015 financial year represented a significant year of achievement for the business as we continued to deliver on our strategy – further expanding our Australian Lifestyle Parks business, divesting non-core assets and continuing to extract performance from the existing asset base to deliver stronger returns for investors.

We also completed our first development in the Lifestyle Parks business, achieved our sales target in this business and most importantly began to see the benefits of our strategy with growth in distributions as we consolidated Ingenia's position as a provider of quality, affordable seniors accommodation.

Financial performance

Reflecting the transition of the business in line with Ingenia's strategy, the 2015 financial results demonstrate significant growth from Ingenia's Australian portfolios through a revenue base dominated by stable rental cashflows complemented by increasing development returns.

There was a significant increase in revenue from the Lifestyle Parks business as a result of recent acquisitions and emerging development profits from an expanded portfolio.

Overall, the Group reported a Statutory Profit of \$25.7 million (up 123% on the 2014 result), reflecting improved operational performance and strong increases in valuations across the Garden Villages and Active Lifestyle Estates rental portfolios.

Underlying profit of \$17.5 million was up 51% on the prior comparative period, driven by growth in the core business as rental cashflow increases were generated from the Garden Village and Lifestyle Parks assets.

Operating cashflow for the year of \$9.0 million was down on the prior year due to the establishment of new home inventory throughout an increasing number of lifestyle parks under development. At 30 June 2015 the Group had new manufactured home inventory of \$7.3 million comprising 45 completed homes. A further 44 homes were under construction. The majority of these homes have since either been deposited or settled.

Net Asset Value per security (NAV) increased by 10%, to 38.9 cents.

Capital management

Active capital management continues to be a key priority for the Board and management and we are committed to divesting the remaining non-core assets in the DMF portfolio to provide additional capital for on strategy growth.

Significant growth in the Lifestyle Parks portfolio was funded via capital recycling from divested assets, the proceeds of a successful \$89.1 million capital raising and debt.

At 30 June 2015, Ingenia's LVR of 22.6% was below the Group's target range of 30-35% and well below the Group's covenant of 50%. Following completion of the recent and pending Lifestyle Park acquisitions, Ingenia's LVR is expected to move towards the lower end of the Group's target range of 30-35%.

Consistent with our focus on maintaining funding capacity to support future growth, a new finance arrangement was put in place during the year. This facility provides increased capacity, greater lender diversity, and improved pricing. Following the establishment of this facility, Ingenia's current all in cost of debt is 4.6%.

Balancing capital return and reinvestment in growth

The Board and management recognise the importance of maximising returns to securityholders while maintaining the ability to secure opportunities for future growth.

Following an increase in distributions of 15% in the 2014 financial year, distributions again increased, to 1.35 cents for the year. This represented a 17% increase on the prior year's distribution and a 63% payout ratio.

A disciplined approach to investment will continue to underpin our capital allocation strategy as we focus on delivering on the Group's strategy and expanding Ingenia's presence in the Lifestyle Parks sector through further acquisition and development.

Highlights

We have rapidly transformed Ingenia's business model, removing exposure to offshore assets and transitioning the business into an emerging high growth asset class with strong long-term industry fundamentals underpinned by a convergence of an ageing population and the demand for quality affordable housing.

Portfolio remixing

We finalised our exit from offshore investments with the sale of the NZ Student portfolio in December 2014 and sold additional non-core assets from our Settlers and Garden Villages portfolios during the year. Consistent with our focus on deploying capital to deliver most value to investors, the sale of these assets released additional capital which has been deployed into Lifestyle Park assets.

We have continued to access off market acquisitions in the increasingly competitive lifestyle parks market, driven by our internal team and unique research database.

Over the year Ingenia invested an additional \$71.1 million in Lifestyle Parks, acquiring a further five assets and adding close to 1,400 income generating sites and almost 190 approved development sites to support future sales growth. We are committed to the sale of the DMF portfolio which will finalise the Group's transition to a portfolio comprised of yield based assets.

These recently acquired Parks have been acquired on attractive metrics as shown in the table below:

	Purchase price (\$m)	Approximate Ingoing Yield	Long-term sites	Annual sites	Short-term sites	Potential Development sites
White Albatross, Nambucca Heads, NSW	23.0	10%	135	-	165	Significant repositioning
Noosa, Tewantin, QLD	12.5	10%	49	-	136	Significant repositioning
Chambers Pines, Brisbane, QLD	16.8	8%	204	-	-	277
Sydney Hills, Sydney, NSW	12.0	8%	64	-	64	Significant repositioning
Monterey, Lake Macquarie, NSW	6.8	9%	18	52	71	Significant repositioning

Chief Executive Officer Update

continued

This acquisition strategy has seen Lifestyle Parks rapidly becoming the key earnings driver across the Group.

There were a further two acquisitions following year end and the acquisition pipeline remains strong. Bethania, a partially developed manufactured home community outside Brisbane, settled in July 2015. We have also secured the right to acquire an additional 7.1 hectares of land adjacent to this community, providing potential for further expansion. Conjola Lakeside, a prime waterfront coastal park, which will seed a new Southern NSW cluster, was acquired for \$24 million and settled in September 2015.

Portfolio performance

We have continued to drive improvements in operating performance from our existing assets over the year with each portfolio delivering improved performance.

Across Ingenia's Garden Villages, like for like occupancy increased by 2.8% over the year, with rent increases also achieved. These villages provide a high quality recurrent stream of cash earnings which underpin our balance sheet and cashflows. The portfolio also demonstrated strong growth in valuations with an uplift of \$15.9 million as a result of strong portfolio management, rent growth and capitalisation rate compression.

Across the Settlers Villages, a strong uplift in Deferred Management Fee accruals driven by rising prices in Western Australian assets was offset by moderating development income as the development and conversion program, which has delivered significant value since commencement, nears completion.

Ingenia's main focus is the growth of the Lifestyle Parks business, and development currently underway at eight assets. The portfolio continued to expand with the first acquisitions in Queensland extending our presence into a new market. The lifestyle parks market is attractive due to its strong recurrent cash earnings, low risk and capital light development returns, low level of industry consolidation, and above all its affordability focus.

The Lifestyle Parks portfolio continued to build returns with rental revenue of \$19.8 million in financial year 2015 reflecting significant growth in sites through acquisition and development. The portfolio's EBIT contribution of \$8.4 million was up over 110% on the prior year, driven by a growing rental revenue base and increasing development profits.



Active Lifestyle Estates, Ettalong Beach – Community Centre

The Active Lifestyle Estates Portfolio value of \$204.2 million at 30 June 2015, reflected additional acquisitions and the impact of a compression in capitalisation rates on values.

Development

The Group continued to invest in internal capability across the digital platform, asset and portfolio branding and the development and sales platform over the year.

Significant progress was made in development, with works undertaken at six sites over the year and growth secured through acquisitions and additional development consents. The development pipeline now consists of 1,500 potential sites with an estimated end sales value of over \$350 million.

Ingenia completed the first of the Group's Lifestyle Park developments during the year, with the conversion of the Ettalong Beach community from a mixed use (tourism and permanent living) to pure permanent living community.



Recently acquired Conjola Lakeside (Lake Conjola, NSW)

Along with sales at Lake Macquarie and Stoney Creek, Ettalong was a key contributor to the 100 sales achieved over the year, with 56 settlements to 30 June 2015 contributing to a development profit of \$5.7 million. New projects to launch at Chain Valley Bay, Chambers Pines and Bethania in the 2016 financial year will support future sales growth.

Outlook

Ingenia is well placed to continue to grow and to build its return profile as we capitalise on the demand for affordable seniors housing and our leading position in the Lifestyle Parks sector, which remains our focus for expansion. With additional assets being assessed in line with Ingenia's focus on quality parks in key metropolitan and coastal markets and a development pipeline of 1,500 potential sites we remain confident of continued growth from this portfolio. The potential to release additional capital for investment through the planned divestment of the DMF portfolio will assist in funding this growth.

Over the last year we have continued to build our platform to position the business for growth.

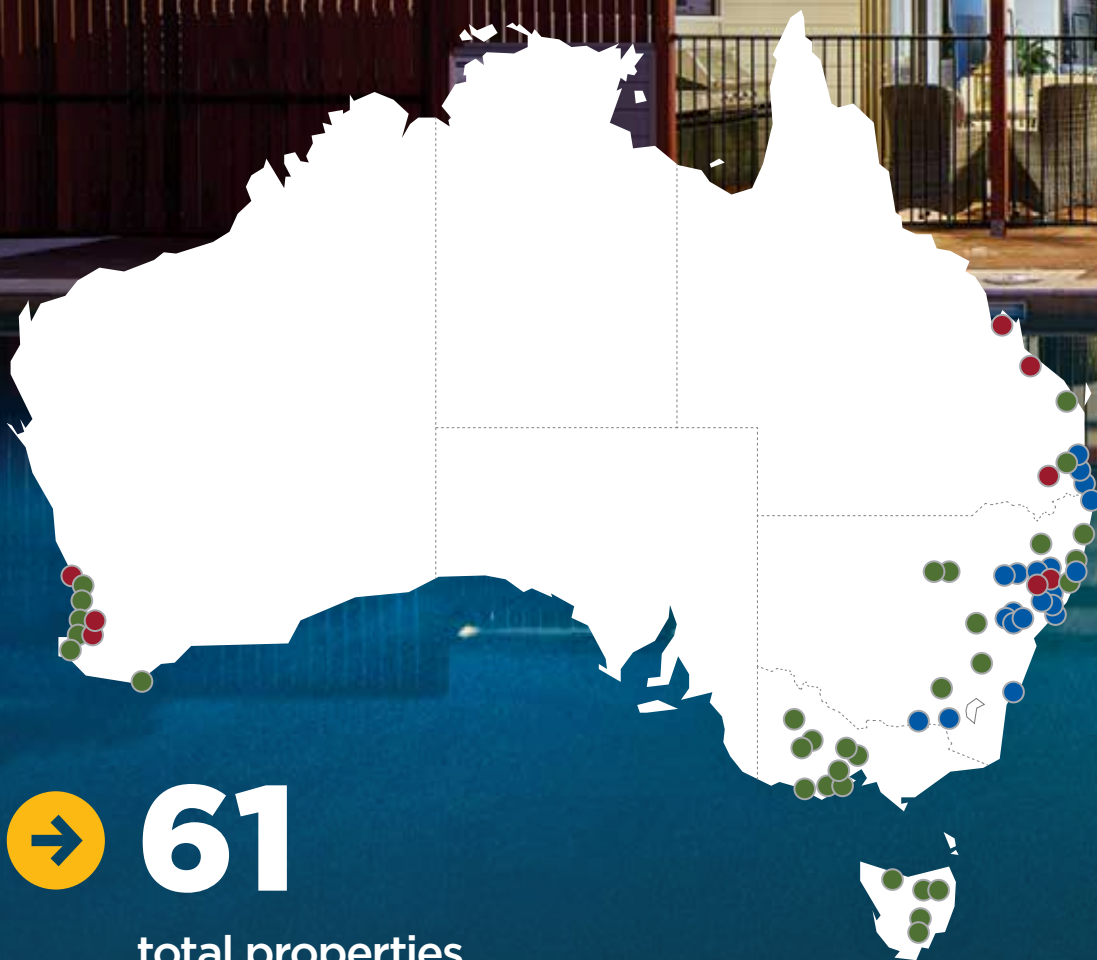
With supply secured and sales strategies in place, we expect the rate of home delivery and sales to continue to build in FY16, contributing to future growth in returns. This, combined with the integration of quality acquisitions and amortisation of our cost base across a larger operational platform, is anticipated to improve earnings growth.

In closing, I would like to thank the Board for their support and our management team and all employees for their continuing commitment and contribution to the business.

The remainder of this Review contains greater detail on Ingenia's business activities and individual portfolios.

Simon Owen
Chief Executive Officer
and Managing Director

Portfolio Overview



61

total properties



4,000

homes

Ingenia's Australian business has grown rapidly, with additional assets secured over the year delivering increased scale

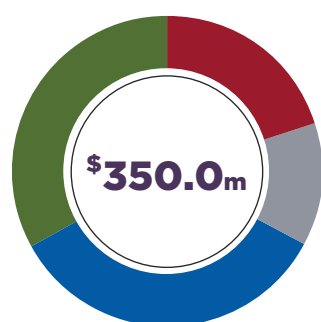


Asset Allocation (by value)

Ingenia has now exited offshore markets, building a large scale Australian portfolio dominated by its core rental and lifestyle communities.

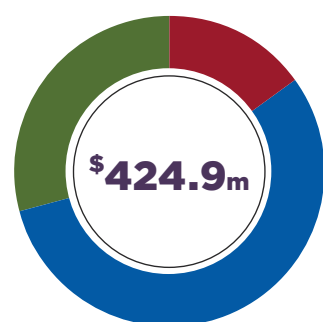
Cash yielding assets now comprise 85% of total portfolio value.

Asset Value 30 June 2014¹



Garden Villages	33%
DMF	20%
Lifestyle Parks	34%
NZ Students	13%

Asset Value 30 June 2015¹



Garden Villages	29%
DMF	15%
Lifestyle Parks	56%

Target Allocation



Garden Villages	~25%
Lifestyle Parks	~75%

1. Proforma, post announced acquisitions.

- Over time, Ingenia is targeting a portfolio allocation of ~25% Garden Villages and ~75% Lifestyle Parks
- Ingenia is rapidly moving closer to this target allocation with a focus on exiting the Settlers (Deferred Management Fee) portfolio and continued growth in the Lifestyle Parks portfolio as acquisitions and developments are progressed



1. New home at Active Lifestyle Estates, Albury (NSW)
2 & 3. New home interiors – Active Lifestyle Estates, Lake Macquarie (NSW)

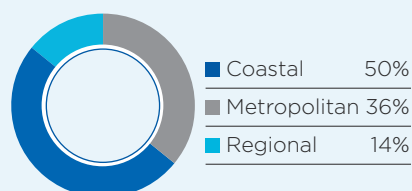
Active Lifestyle Estates

LIFESTYLE PARKS

Ingenia has rapidly grown the Lifestyle Parks business – a business focused on high quality rental cashflows complemented by capital light development.

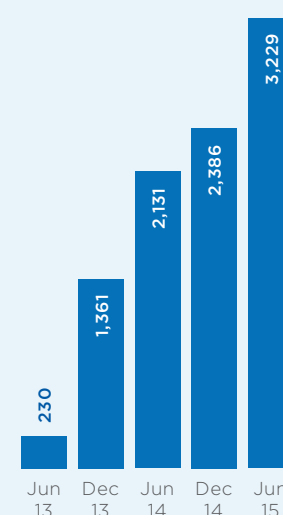
Key data	30 June 2015 ¹	30 June 2014
Total properties	20	15
Total permanent sites	1,468	1,093
Total annual sites	306	261
Total short-term sites	1,033	777
Potential development sites ²	1,135+	917+
Book value	\$204.2m	\$119.3m

Portfolio Location (by value)*



- 1 Excludes Bethania and Conjola Lakeside (acquired post year end).
 2 Includes new and recycled permanent and short-term sites.
 * Includes announced acquisitions.

Number of sites*



Ingenia entered the Lifestyle Parks sector in March 2013, with an initial investment in The Grange, a lifestyle park located on the NSW Central Coast.

The Lifestyle Parks portfolio provides exposure to a growing demand from Australia's ageing population through the provision of affordable age-appropriate housing. The portfolio is dominated by stable cashflows from short and long-term rental income. Community expansion and redevelopment provides additional capital light, low risk development earnings. Offering a cash yielding affordable accommodation segment within the Australian seniors living

sector, Lifestyle Parks also offer the opportunity for highly accretive development with limited risk and a modest capital outlay.

Since entering the sector the Group has used its proprietary database and in house acquisitions team to establish a portfolio which includes 22 assets located largely in coastal and metropolitan locations across NSW and Queensland. Rental revenue from the portfolio was \$19.8 million in the 2015 financial year, up from \$9.6 million the prior year. The portfolio's EBIT contribution of \$8.4 million, was up over 110% on FY14, driven by a growing rental revenue base and increasing development profits.

The core of this portfolio is permanent site revenue generated from residents which is supported by government pension and rental assistance. This stable cashflow is now generated from over 1,500 sites across Ingenia's growing portfolio.

In addition to strong rental cashflows from permanent homes the portfolio also provides exposure to tourism and to attractive development returns through development sites within existing parks.

The ongoing growth of this portfolio through acquisition and development is at the core of Ingenia's strategy and will contribute to growing securityholder returns.



1 & 2. Active Holiday Parks, White Albatross (Nabucca Heads, NSW)
3. Active Holiday Parks, Conjola Lakeside (Lake Conjola, NSW)

Active Holiday Parks

HOLIDAY PARKS

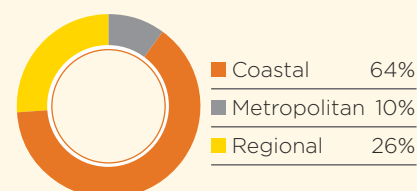
Tourism provides a complementary strong cashflow business with significant cross selling potential and preserves longer term land redevelopment optionality.

Key data	30 June 2015
Total properties	14
Total self contained units	376
Average daily rate ¹	\$113
Caravan and camping sites	657
Average daily rate ¹	\$33

1. Average daily rate represents average annualised rate.

* Includes Bethania and Conjola Lakeside (acquired post 30 June 2015).

Portfolio Location (by site numbers)*



A number of Ingenia's Lifestyle Parks contain tourism and short-term accommodation. This accommodation includes tourism villas, cabins, caravan and camping sites which target the affordable tourism market, are attractive to grey nomads and families and are located in a range of attractive locations.

In addition to regional areas such as Mudgee and metropolitan locations such as Dural (Sydney), Ingenia owns a number of iconic coastal parks which generate compelling returns.

While a number of tourism sites will be converted to permanent home sites through development, short-term accommodation provides a number of benefits to the portfolio, including:

- Diversifying and increasing cashflows
- Providing potential residents with their first exposure to an Ingenia community and the manufactured home estate (lifestyle parks) model
- Access to Australia's growing grey nomad caravanning market
- Generating cashflows pending development
- Significant cross selling opportunities (through resident discounts at Ingenia's holiday parks and the ability to market permanent homes to visitors).

Short-term sites are managed as a complementary business where they represent the highest and best use of land and are beginning to generate growing returns as Ingenia's scale in this market increases and with it the ability to leverage the Group's brand and marketing platform.

A key focus has been investing in a digital platform which is beginning to generate benefits through increased revenues and rates. Ingenia also introduced an Investor Discount card and has progressed a range of cross selling opportunities, including a Resident Gold Card. Over the year, partnerships with online travel agents have also been extended, and bookings through these agents are now providing over \$100,000 in revenue monthly.

As further initiatives are implemented and Ingenia's brand and marketing gain further recognition, ongoing growth in returns from short-term sites are anticipated.

Lifestyle Park Development

PARK DEVELOPMENT

Development provides the opportunity to improve returns through the sale of new homes, expand cash yields through additional future rent roll, and improve the amenity of existing communities as new, high quality homes are delivered.

Key data	30 June 2015	30 June 2014
Total active development projects	8	4
Sales projects 'in market'	8	2
Homes under construction	44	22
Contracted and reserved	44	2
Gross development profit	\$5.7m	\$1.3m
Settlements	56	15
Average price (\$'000)	\$293	\$253



A key focus for management is the build out of the accretive development pipeline embedded within Ingenia's existing Lifestyle Parks. The development pipeline offers attractive returns while growing permanent rental income.

The pipeline has been extended with recent acquisitions and now represents 1,500 potential development sites with a potential end sales value of over \$350 million, providing Ingenia with significant organic growth as projects are approved and developments commenced.

Significant progress was made in development over the past year. Ingenia completed its first development and invested in development and sales capabilities to support accelerated growth and sales as new projects were launched.

The Portfolio delivered development profit of \$5.7 million, with 56 settlements totalling \$16.4 million of revenue and is well placed to continue to grow this contribution. These settlements were largely at Ingenia's Ettalong Beach and Lake Macquarie projects on the NSW Central Coast and Stoney Creek in Marsden Park (Sydney).

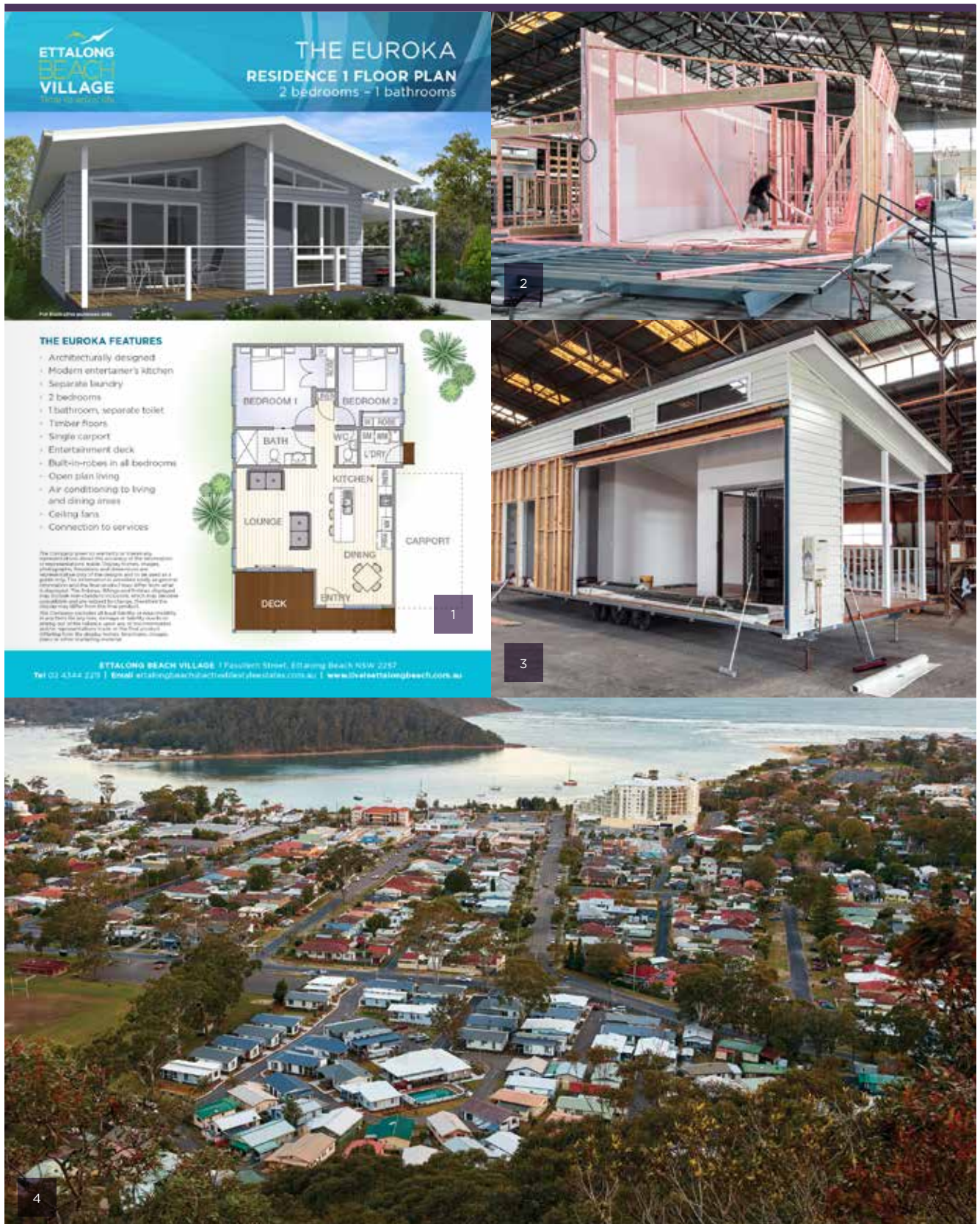
With Ettalong Beach sold out, strong sales at Lake Macquarie and ongoing demand at Stoney

Creek will contribute to sales in the coming year, supplemented by the launch of Ingenia's first Queensland projects (Bethania and Chambers Pines).

Customer research and efficiencies are contributing to product evolution targeting increased market penetration and sales growth.

Based on current contracts in place and the level of interest in new projects to be launched, 120 sales (either reserved, contracted or settled) are forecast for the current financial year.

Development earnings are anticipated to grow in the coming year as projects are launched and targeted sales achieved.



1. Floor plan at Ettalong Beach (NSW)
2 & 3. Construction of manufactured home
4. Active Lifestyle Estates, Ettalong Beach (NSW)

Ettalong Beach Holiday Village

DEVELOPMENT CASE STUDY

Ingenia's first development, at Ettalong Beach, sold out in 7 months and was completed in under a year.



Key Metrics	On acquisition	On completion
Average weekly rent	\$121	\$165 (new homes)
Permanent sites	85	116
Tourism sites	29	-
Average sale price		\$320,000
		Profit in excess of total spend

Ettalong Beach Holiday Village, located at Ettalong Beach in NSW, was Ingenia's second lifestyle park investment.

Acquired in April 2013, Ettalong Beach was a mixed use community with dated facilities consisting of 85 permanent homes and 29 tourism sites (including 22 cabins and 7 powered sites).

Ingenia acquired this leasehold community for \$2.1 million.

On acquisition Ingenia identified the opportunity to capitalise on the attractive beachside location and proximity to services by repositioning the village as an over 50s estate. This would be achieved by converting the tourism offering and utilising vacant land.

A Development Application (DA) was lodged in March 2014 and approval for 31 new home sites was received in June 2014. Tourism was progressively removed from August 2014 and development commenced in September that year.

The first homes were delivered to site in November 2014 with initial settlements occurring the following month. All homes were sold in 7 months of the project's launch with the final settlements complete in August 2015. With homes sold off the plan at prices above expectations, strong development profits were achieved and the return from the development exceeded Ingenia's total spend.

With an average price for new homes of \$320,000 and land lease rent of \$165 per week, the completed development is forecast to deliver -10% yield and an unlevered internal rate of return of -19%.

The end result is not only a financially successful development but a vibrant new community which includes a community centre and library, a new pool and is home to many happy residents.



1. Development of new homes
2. New signage at Ettalong Beach (NSW)
3. New homes



1



2



3

Focus on care and wellness is improving resident quality of life whilst driving occupancy and revenue growth.

1. Garden Villages interior
2. Wheeler Gardens, Dubbo (NSW)
3. General Manager Care Development, Janene Eagleton, engaging with residents

Garden Villages

RENTAL

Ingenia is the largest owner/operator of seniors' rental accommodation in Australia.

This portfolio provides stable recurring cashflows underpinned by Government payments (pension and rent assistance).

Key data	30 June 2015	30 June 2014
Total properties	31	34
Total units	1,629	1,801
Occupancy ¹	90.7%	87.9%
Book value	\$125.7m	\$114.3m

1. Excludes villages sold June 2015.

The Garden Villages portfolio consists of 31 rental communities with over 1,600 units across Australia.

The portfolio was remixed during the year and operating metrics improved with the sale of three non-core villages in regional NSW and Victorian locations. The villages were sold in June at a premium to Ingenia's December 2014 book value.

Over the year portfolio occupancy increased to close the year at an all time high of 90.7%. This occupancy increase, combined with rent growth and margin enhancement, contributed to increased revenue from the portfolio, to \$28.2 million (up from \$24.6 million in 2014).

The benefit of improved occupancy and operating performance across a number of assets was also reflected in increased asset values.

The portfolio benefitted from movement in capitalisation rates as the value of stable cashflows delivered from rental based seniors assets began to gain greater market recognition.

Across the Garden Villages portfolio engaging residents and contributing to their health and wellbeing has continued to be a key element of Ingenia's service and value proposition.

In its fourth year of operation, the resident engagement program, 'Activate 2015', continued to build on the sense of community in the Villages, offering a range of social events as well as services to promote resident health, including eye and hearing checks, talks on men's and women's health and maintaining an active brain.

Complementing this focus, 'Ingenia Care Assist', a free service that acts as a 'care concierge', to assist residents find a pathway through the maze of accessing care, was launched in October 2013.

Ingenia Care Assist extends Ingenia's commitment to resident health and well being, enabling residents to access primary health services, social support, transport and allied health services, assisting them to age in place while extending the tenure of residents across the villages.

The Care Assist service also assists residents, many of whom have little family support, to prepare Powers of Attorney and Advanced Care Directives. For residents with complex histories or where one partner is caring for the other the Care Assist service ensures that these residents are well supported socially and health wise to live a good quality life.

Through referrals and regular dialogue the program is increasing the awareness of health professionals to the benefits of Garden Villages for seniors needing supported accommodation as a rental alternative to assisted living apartments and residential care. These professionals are increasingly referring residents to Ingenia's villages.

Commencing in four villages, the program is operating across all 31 Garden Villages and has now been extended to selected communities within the Active Lifestyle Estates portfolio.

With occupancy growing across the portfolio, the key focus will be on growing rents above the pension/CPI. Combined with an ongoing focus on community engagement, operational efficiencies and the growing benefit of Ingenia Care Assist, the portfolio is positioned well to continue to improve occupancy towards the target of 93% and grow earnings in the 2016 financial year.

SETTLERS



1. Home at Settlers Ridge Estate (Gillieston Heights, NSW)
2. Residents enjoying the summer sun
3. Community Centre at Settlers Lakeside (Ravenswood, WA)

Settlers

DEFERRED MANAGEMENT FEE

Ingenia's Settlers Villages provide traditional retirement living for self funded retirees.

Ingenia's focus is on maximising returns while seeking to exit the portfolio at an appropriate value.

Key data	30 June 2015	30 June 2014
Total properties	8	9
Total units	838	980
Occupancy	93%	92%
Book value	\$62.9m	\$76.0m

The Settlers Lifestyle portfolio consists of eight Deferred Management Fee (DMF) communities with over 830 homes across WA, QLD and NSW.

An increase in accrued deferred management fee income as a result of rising prices in Ingenia's Western Australian Villages contributed to a strong result for the year.

Development profits across the portfolio were down on the prior year as stock levels have reduced, reflecting the completion of developments and remaining 1 bedroom and studio stock. With the conversion program (which has seen the sale of 192 converted units for over \$34 million over the past four and a half years) also nearing completion, development profits will continue to moderate.

Despite this, the portfolio has started 2016 well with an additional 27 contracts in place at 30 June 2015.

The sale of Settlers Lifestyle Noyea Park settled in July 2014, providing net proceeds of \$5.4 million for reinvestment in the higher yielding Lifestyle Parks portfolio.

Growth from the portfolio is anticipated to moderate, as developments and the conversion program are largely complete. Ingenia will seek to divest these assets over time, in line with the Group's strategy to focus on cash yielding rental assets.

Investing in our People



Committed, motivated and passionate staff are vital to Ingenia's service proposition to residents.

As the Group continues to grow, we remain committed to building a team delivering exceptional service to our residents and results for our investors.

We promote an engaging and healthy work culture and seek to grow the skills of our team to keep pace with business growth; ensuring team members have opportunities to develop new skills and experiences to help them achieve their individual career goals.

As an organisation, we are very fortunate to have many highly committed, experienced people. They are key to our success and to our ability to continue to meet the needs of a growing number of residents and holiday makers across our extensive portfolio.

This year, we are again delighted to showcase employees who are a testament to what drives our success.



Maggie Arnold

General Manager
Village Operations,
Swan View Gardens

What is your role within Ingenia, and how long have you worked for the Group?

My role is Village Manager at Swan View Gardens. Swan View is Ingenia's largest village in Western Australia with 72 units, in a busy suburb not far from the Perth Airport.

How long have you worked for the Group?

I have been Village Manager at Swan View Gardens for over nine years and have been with Ingenia since the Group acquired the Village.

How has your career progressed?

Before we came to Swan View Gardens my husband Keith (our Village Cook) and I had been self employed, which was really stressful.

Over our years with Ingenia we have seen many changes which have improved the lives and experiences of residents. It's been interesting watching the way in which the villages are managed now and the changes are for the better. For example it's easier to get things done, such as approvals for repairs and the units being upgraded. These really add to residents' satisfaction.

What is the most rewarding part of your role?

I like working with people, you have to in this industry and this role. I enjoy the residents - they have a lot to teach us and it is great to see them engaged and enjoying themselves.

The Activate program is wonderful - I wish I'd had a video camera to record the ladies playing croquet recently - they laughed and laughed.

What is the hardest part of your role?

Saying goodbye to residents who have been in the Village for many years if they really have to go to Higher Care.

Where do you see yourself in five years?

I would like to think I'll still be doing the same job for many years yet, as I really enjoy directly working with so many wonderful residents.

Tell us a fun fact about yourself that we'll never guess?

When I was 20 I played Netball for the New Zealand National team for two years, although my past-times now are more leisurely - watching my grandchildren grow up and reading a good book with a glass of red!

Investing in our People

continued



Melanie Matthias
Contracts Administrator

What is your role within Ingenia?

My role with Ingenia is Contracts Administrator. In addition, I oversee the Call Centre where we receive enquiries across the three portfolios (Active Lifestyle Estates, Settlers and Garden Villages).

How long have you worked for the Group?

I have been with Ingenia for six years.

What attracted you to your role? And Ingenia?

I commenced work with the business in a Customer Service role. The role involved being the first point of contact for enquiries for the Garden Villages brand, distributing and managing leads for the business and supporting the marketing department. The majority of my day was spent listening to the needs of seniors and explaining the benefits of renting in our retirement communities.

What interests you about retirement?

When I tell my friends the Retirement sector is an exciting industry I usually get some strange looks. Working in this industry is extremely rewarding, especially when residents declare they love their village and wish they made the move so much sooner.

How has your career progressed?

With the introduction of Retirement Villages and Residential Parks to the portfolio, the role of Contracts Administration for me was a natural progression. The role requires a solid understanding of legislation across the different states and Acts.

What's the most rewarding part of your role?

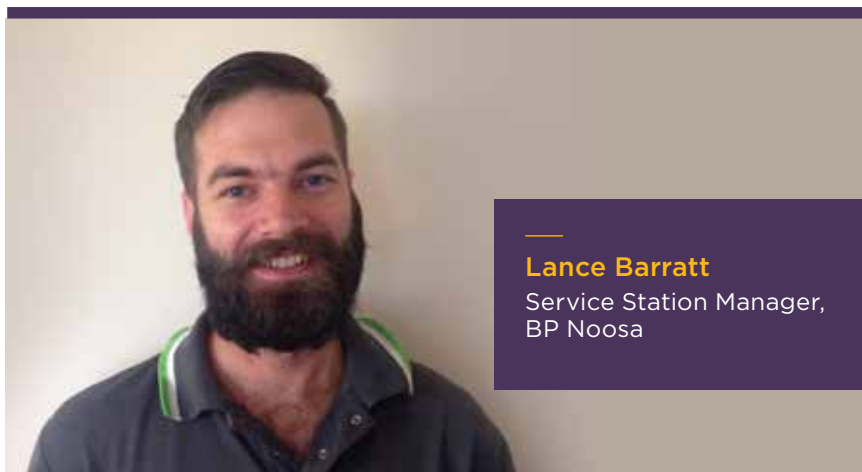
The most rewarding part of my job is being able to support our sales team and also present to our clients the offer of a quality lifestyle, no matter which type of community they choose to live in.

Where do you see yourself in five years?

I see myself continuing to work in the retirement sector in five years with Ingenia and look forward to being able to make a positive mark on the way seniors spend their retirement years.

Tell us a fun fact about yourself that we'll never guess?

Amongst the menagerie of pets I have at home, my latest additions to the family are two pet Barramundi named Barry and Brian.

**Lance Barratt**Service Station Manager,
BP Noosa

What is your role within Ingenia, and how long have you worked for the Group?

I am manager of the BP Noosa Service Station which was acquired by Ingenia along with the Big4 Noosa at Tewantin, Queensland in February this year. Prior to the acquisition I have been an employee of the business since 1997 and manager since 2005.

What attracted you to your role?

Having worked for the same business all my adult life it was natural progression. My years of service meant I had a good knowledge of the day-to-day operations and it was an exciting step up in my career and presented new ways to challenge myself.

What excites about our organisation?

Having a team behind me providing the support and assistance where and when it is needed.

What interests you about the petrol and convenience sector?

It's a competitive industry and the challenge of finding ways to keep loyal customers returning is something I enjoy.

What's the most rewarding part of your role?

Getting positive feedback about friendly staff interactions or in store promotions. When sales and profits are up and customers leave smiling, everything is running as it should be.

What's the hardest part of your role?

Remaining competitive in the 'dog eat dog' world of fuel retailing is a nightmare. Being an independent amongst a world of corporate owned and operated fuel sites means we can't play the price war head to head but instead must find alternate ways to keep a loyal customer base. We achieve this by offering a point of difference, friendly driveway services and competitive pricing on everyday shop items for our largely residential surrounds.

Where do you see yourself in five years?

In five years time I'd love to be happily working still in my role or have broadened my skill set and progressed up the career ladder.

Tell us a fun fact about yourself that we'll never guess?

Last year my fiancé and I bought a 50 acre property which is quickly becoming a hobby farm with a couple of horses, two border collie dogs, two miniature goats and some rescued ex-battery hens now living the good life!

Board of Directors



A dedicated and focused Board with significant industry expertise and strong professional experience

1. Jim Hazel

Non-Executive Chairman

Mr Hazel was appointed to the Board in March 2012.

Mr Hazel has had an extensive corporate career in both the banking and retirement sectors. His retirement village operations experience includes being Managing Director of Primelife Corporation Limited (now part of Lend Lease). Other current listed company directorships include Bendigo and Adelaide Bank Limited, Centrex Metals Limited and Impedimed Limited. He also serves on the Boards of Motor Accident Commission, Coopers Brewery Limited, Adelaide Football Club and the Council of the University of South Australia. Mr Hazel holds a Bachelor of Economics and is a Senior Fellow of the Financial Services Institute of Australasia and a Fellow of the Australian Institute of Company Directors.

Mr Hazel is a member of the Remuneration and Nomination Committee.

2. Simon Owen

Chief Executive Officer and Managing Director

Mr Owen was appointed to the Board in November 2011.

Mr Owen joined the Group in November 2009 as the Chief Executive Officer. He initiated the internalisation of management and exit from the ING Group as well as Ingenia's focus on lifestyle parks. Mr Owen brings to the Group in-depth experience in the retirement sector and is a past National President of the Retirement Villages Association (now part of the Retirement Living Council), the peak industry advocacy group for the owners, operators, developers and managers of retirement communities in Australia, a role he held for four years.

Mr Owen has over 20 years experience working in ASX listed groups with roles across finance, funds management, mergers and acquisitions, business development and sales and marketing. Prior to joining Ingenia Communities, Mr Owen was the CEO of Aevum, a formerly listed retirement company. Mr Owen is a qualified accountant (CPA) with postgraduate diplomas in finance and investment and advanced accounting.

3. Philip Clark AM

Non-Executive Director

Mr Clark was appointed to the Board in June 2012.

Mr Clark is the Chair of SCA Property Group Limited and Hunter Hall Global Value Limited. He is a member of the J.P. Morgan Advisory Council and also chairs a number of government and private company boards. He was Managing Partner and Chief Executive Officer of Minter Ellison and worked with that firm from 1995 until June 2005. 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. Mr Clark's qualifications include a Bachelor of Arts, Bachelor of Law and a Masters of Business Administration.

Mr Clark is Chair of the Remuneration and Nomination Committee.

4. Amanda Heyworth

Non-Executive Director

Ms Heyworth was appointed to the Board in April 2012.

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 and teaches in the Australian Graduate School of Management's MBA program. 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 mergers and acquisitions transactions. She sits on a number of public sector and private boards.

Ms Heyworth has a BA (Accounting) with a major in finance from the University of South Australia and has post graduate qualifications in accounting and finance. She also holds a MBA from the Australian Graduate School of Management.

Ms Heyworth is Chair of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.

5. Robert Morrison

Non-Executive Director

Mr Morrison was appointed to the Board in February 2013.

Mr Morrison has extensive experience in property investment and funds management. During his 21 years at AMP, Mr Morrison's executive roles included Head of Property for Asia Pacific and Director of Asian Investments. Mr Morrison's investment experience includes senior portfolio management roles where he managed both listed and unlisted property funds on behalf of institutional investors.

Mr Morrison was previously a Non-Executive Director of Mirvac Funds Management Limited, an Executive Director of AMP Capital Limited and a National Director of the Property Council of Australia. He is a founding partner and Executive Director of alternative investments firm, Barwon Investment Partners. Mr Morrison holds a Bachelor of Town and Regional Planning (Hons) and a Master of Commerce.

Mr Morrison is a member of the Audit and Risk Committee.

6. Norah Barlow ONZM

Non-Executive Director

Ms Barlow was appointed to the Board in March 2014.

Ms Barlow is a professional company director. For the past 12 years, she served as the Chief Executive Officer of Summerset Group, the third largest retirement village operator and the second largest developer of villages in New Zealand. She is also a past President of Retirement Villages Association of New Zealand, a role she held for six years. Ms Barlow currently sits on the Boards of Summerset Group Holdings Limited, Estia Health Limited, Vigil Monitoring Limited, Lifetime Design Limited, Evolve Education Group Limited and Methven Limited. She also serves as a member of the New Zealand Government's National Advisory Council for the Employment of Women. Ms Barlow holds a Bachelor of Commerce and Administration and is a qualified Chartered Accountant. Ms Barlow was made an Officer of the New Zealand Order of Merit for services to business in 2014.

Ms Barlow is a member of the Audit and Risk Committee.

7. Leanne Ralph

Joint Company Secretary

Ms Ralph was appointed to the position of Company Secretary in April 2012.

She has over 20 years experience in Chief Financial Officer and Company Secretarial roles for various publicly listed and unlisted entities. Ms Ralph is a member of the Governance Institute of Australia and the Australian Institute of Company Directors. She is the principal of Boardworx Australia Pty Ltd, which supplies bespoke outsourced Company Secretarial services to a number of listed and unlisted companies.

Leadership Team



1. Simon Owen

Chief Executive Officer and Managing Director
Simon joined the Group in November 2009 as the Chief Executive Officer. He initiated the internalisation of management and exit from the ING Group as well as Ingenia's focus on lifestyle parks. Simon brings to the Group in-depth experience in the retirement sector and is a past National President of the Retirement Villages Association (now part of the Retirement Living Council), the peak industry advocacy group for the owners, operators, developers and managers of retirement communities in Australia, a role he held for four years.

Simon has over 20 years experience working in ASX listed groups with roles across finance, funds management, mergers and acquisitions, business development and sales and marketing. Prior to joining Ingenia Communities, Simon was the CEO of Aevum, a formerly listed retirement company. Simon is a qualified accountant (CPA) with postgraduate diplomas in finance and investment and advanced accounting.

2. Tania Betts

Chief Financial Officer
and Joint Company Secretary

Tania joined the Group 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 healthcare provider. She holds a Bachelor of Business in Accounting and Finance, and is a member of both the Institute of Chartered Accountants and the Governance Institute of Australia. Tania was the 2011 winner of the Urban Development Institute of Australia NSW and SMEC Urban Young Developers' Award for Excellence.

A strong industry experienced leadership team

3. Nikki Fisher

Chief Operating Officer

Nikki is responsible for the operations of Ingenia's portfolio of Rental and Deferred Management Fee (DMF) Villages and the Group's growing Active Lifestyle Estates & Holidays business. She joined the Group in 2010.

Nikki has 19 years' experience in the property and asset management industry. Her career spans multiple asset classes including industrial, commercial and retail. Prior to Ingenia, Nikki spent 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.

4. Janene Eagleton

General Manager, Care Development

Janene joined the Group in August 2013 and has responsibility for the development and operation of the Group's care and re-enablement program, Ingenia Care Assist. Janene brings to the Group extensive experience in health, retirement and aged care strategy and operations, having held senior management positions with Australian Unity, Catholic Healthcare and St Vincent's Private Hospital. Janene holds an MBA (Macquarie) and is a graduate member of the Australian Institute of Company Directors and the Governance Institute of Australia. She has substantial experience as a Board Director for industry and consumer associations, not-for-profit companies and NSW Government Councils.

5. Simon King

Chief Investment Officer

Simon is responsible for the Group's acquisitions and divestments, asset allocation and overall capital management. He joined the Group in May 2015.

Simon has 20 years' experience in the property and funds management industry having worked at Mirvac, Stockland and Lend Lease. Most recently, Simon held the position of Fund Manager in Lend Lease's Investment Management business where he was responsible for the operation of three unlisted wholesale Funds. Simon also has extensive experience in asset management and property development. Simon holds a Bachelor of Business (Land Economics).

6. Corrie Milne

General Manager, Village Operations

Corrie oversees the day to day operational management of the Group's villages. Corrie joined the business in October 2008 as the Regional Manager (Queensland) and in February 2009 moved into the role of Senior Regional Manager across the Australian portfolio. His rapid growth within the business has seen him promoted to his current role in July 2013. Prior to starting with Ingenia, Corrie worked with Sunny Cove Villages Group for two years in various roles. Corrie has over 10 years of experience in the hospitality industry with Mirvac Hotels and the Stamford Group, mainly in senior management roles. Corrie holds a Diploma in Business and a Graduate Certificate in Asset Management.

7. Donna Byrne

Group Investor Relations Manager

Donna joined the Group in November 2014 and is responsible for the Group's investor relations and corporate affairs functions.

Donna has over 15 years experience in communications and investor relations having worked with The GPT Group, Lend Lease US Office Trust, Lend Lease, the Securities Institute of Australia and Westpac Banking Corporation. Prior roles include Head of Investor Relations and Corporate Affairs with the GPT Group and a range of communications, marketing and investor relations roles at Lend Lease. Donna's experience spans both listed and unlisted investor markets.

Donna holds a Bachelor of Economics and a Masters of Education.

8. Kate Melrose

General Manager, Project Sales

Kate joined Ingenia in August 2014 and is responsible for sales across the Group's Active Lifestyle Estate development projects.

Kate brings over 20 years of property experience to the role.

Kate spent 14 years at Lend Lease in a range of roles including Global Strategic Marketing Manager, Project Director, and roles focused on product innovation and sales management.

Kate has been at the leading edge of innovation in the retirement and integrated aged care sector leading design innovation and sales at Mark Moran Vaucluse and Greengate and is passionately committed to "providing better Retirement solutions".

Kate holds a Bachelor of Business (Land Economics) and a Certificate in Corporate Real Estate.



Ingenia Communities Group

Level 5, 151 Castlereagh Street Sydney NSW 2000

T. 1300 132 946

E. investor@ingeniacommunities.com.au

W. www.ingeniacommunities.com.au