

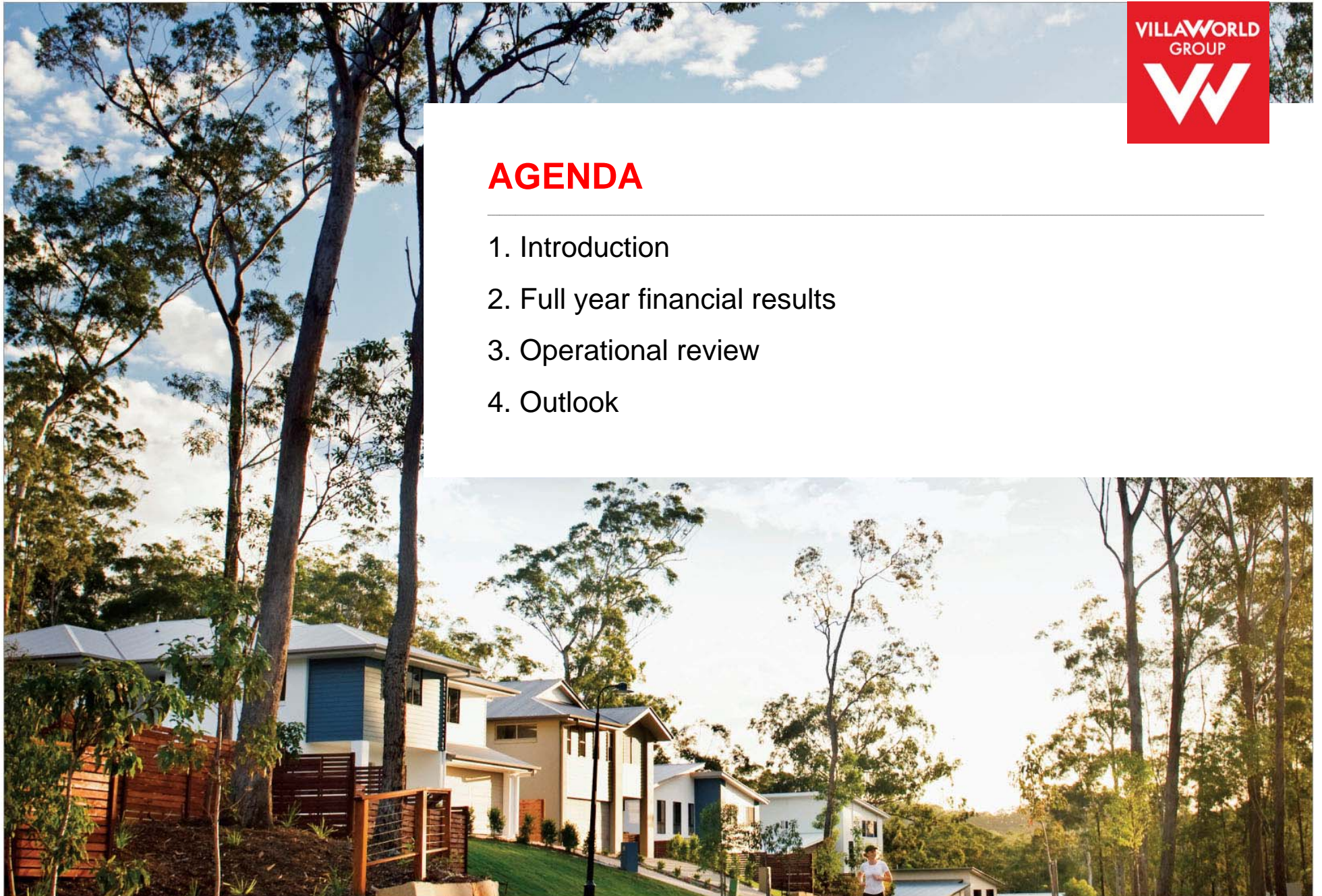


Villa World Group 2011 Full Year Results

24 August 2011

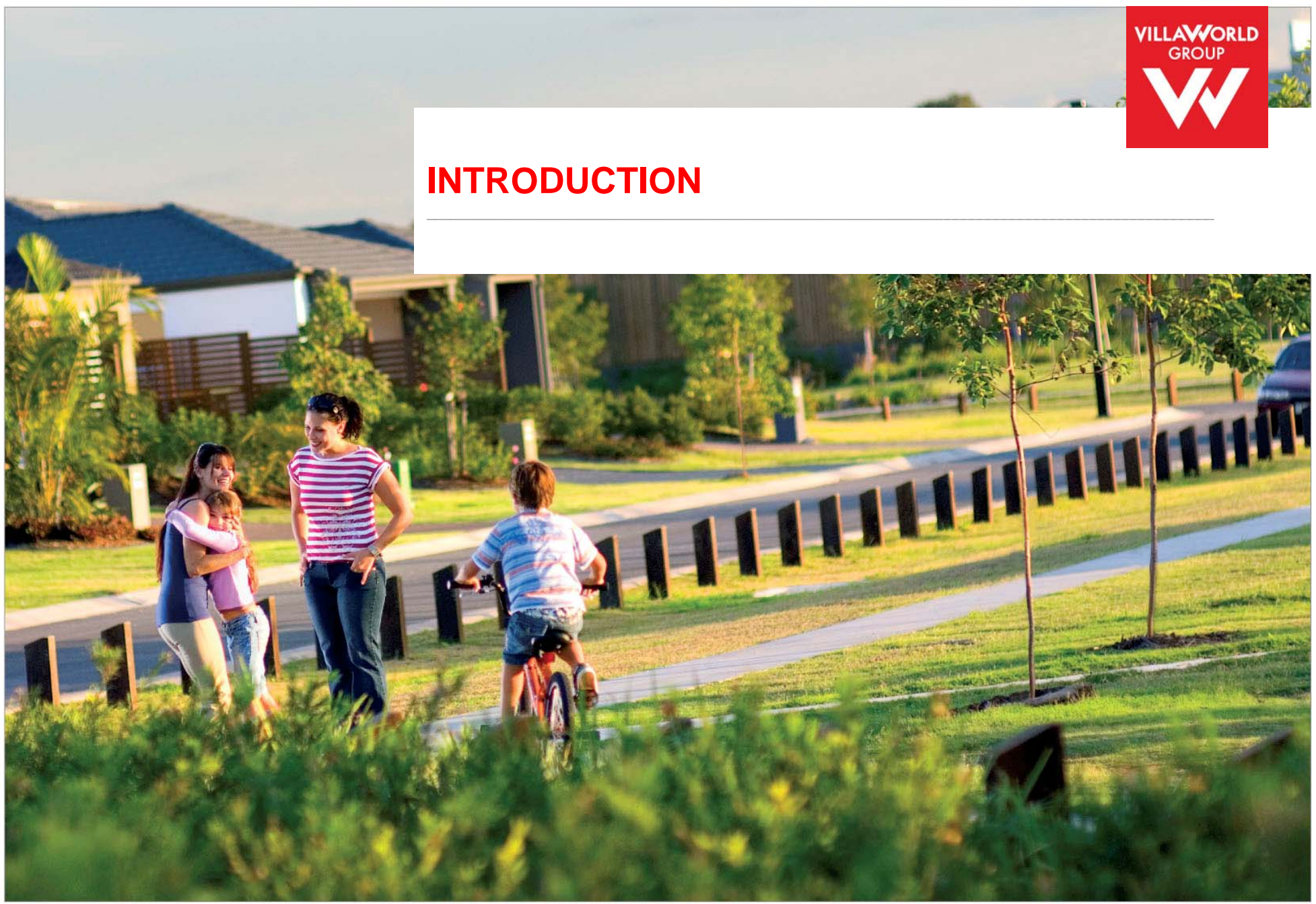
AGENDA

1. Introduction
2. Full year financial results
3. Operational review
4. Outlook





INTRODUCTION





INTRODUCTION

FY11 Earnings and Cashflows

- Net profit after tax of \$13.5 million
- Earnings per security (EPS) of 15.8 cents¹
- Operating profit² of \$9.1 million
- Net positive operating cash flows of \$10.7 million
- Revenue of \$110.8 million

Strong Balance Sheet and Capital Management

- Net debt of \$56.5 million³ as at 30 June 2011
- New debt facility executed 30 November 2010
- Net gearing of 23.5%⁴ as at 30 June 2011. Look through gearing as at 30 June 2011 of 27.0%⁴
- NTA of \$1.78¹ per security

Carried Forward Sales

- \$46.5m⁵ of Villa World sales contracts (202 lots) carried forward, and \$25.2m⁵ of sales contracts (145 lots)⁵ carried forward in joint ventures

Development Pipeline

- Acquisition of 706 lots for development pipeline (including Park Vista⁶, Mango Hill)
- Increase in the current number of allotments in the Eynesbury Township joint venture project by 1,600 lots to 4,506⁷
- Well positioned to execute further opportunistic englobal land acquisitions as prices continue to soften

Distribution/Dividend

- Distribution of 7.5 cents per security¹ paid 6 December 2010 and 5.0 cents per security¹ paid 15 March 2011
- No final distribution/dividend to be paid for 2011 year

1. Based on post consolidation securities of 85,372,526

2. Operating profit before tax, fair value adjustments, impairments/release of impairments and non-recurring items from discontinued operations

3. Interest bearing liabilities less cash at bank, excludes bank guarantees

4. (Interest bearing liabilities less cash)/(Total assets less cash)

5. Represents gross sales price including GST and where applicable 50% proportional share of joint ventures which are equity accounted

6. Option exercised 8 July 2010.

7. On 29 June 2011 the Victorian Civil and Administrative Tribunal directed Melton Shire Council to grant approval to increase the number of allotments subject to development conditions. 4506 is 100% of the Joint Venture, Villa world's proportional share is 50% therefore 2,253 lots.



CORPORATE UPDATE

Name Change

- In a strategic move to better reflect the Group's core business of residential community development, GEO Property Group was renamed Villa World Group comprising Villa World Limited (Company) and Villa World Trust (Trust), following approval by the members at a general meeting on 30 June 2011

Consolidation of Securities

- At the same general meeting, the security holders approved a 1 for 5 consolidation of securities
- The number of securities on issue has been reduced from 426,862,630 to 85,372,526
- The consolidation of Villa World's securities has established a higher nominal security price on ASX that is more appropriate for a listed entity of Villa World's size and scale of activities. A higher trading price of Villa World's securities will also assist in making the Group more attractive to potential investors, particularly institutions

Board and Management

- New Managing Director, John Potter, appointed February 2011
- New non-executive director, Alexander (Sandy) Beard, appointed April 2011, representing CVC Limited

Security Buy-Back

- The Group has commenced (July 14, 2011) an on-market security buy-back of up to 10% of its issued capital
- To date 4,723,941 securities have been purchased by Villa World at an average of \$0.85 including brokerage





FULL YEAR FINANCIAL RESULTS



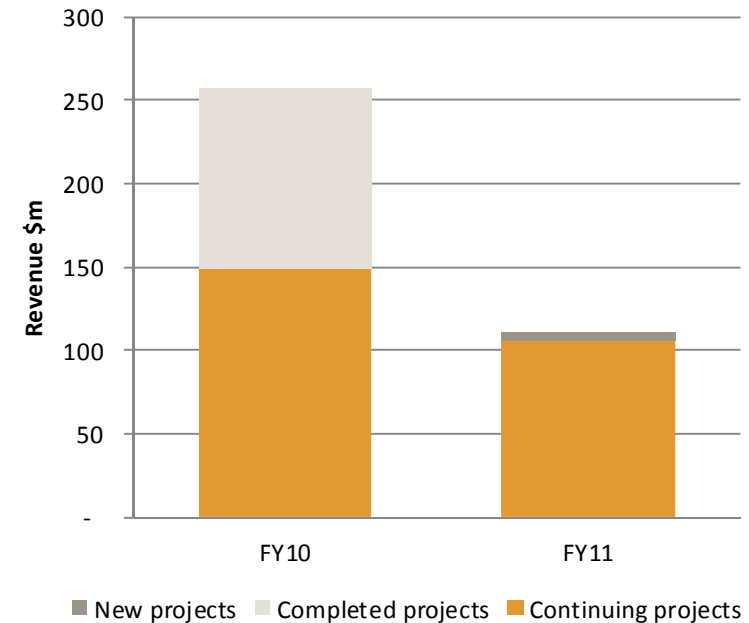


RESULTS OVERVIEW

Revenue and Earnings

- Total revenue of \$110.8 million (2010: \$257.8 million). Previous year revenue included low margin, inventory-clearing sales (Refer to adjacent Revenue movement table)
- Timing issues associated with registration of a stage at Cascades. Revenue will now fall into FY12. All lots are pre-sold. \$13m and 65 lots
- 10 projects completed in FY10, from total of 17 contributing to earnings in that year
- Net profit after tax of \$13.5 million (EPS: 15.8 cents) compared to \$18.2 million in 2010 (EPS: 24.6 cents)
- Operating profit¹ of \$9.1 million compared to \$21.1 million in 2010

Revenue movement FY10 vs FY11



1. Operating profit before tax, fair value adjustments, impairments/release of impairments and non-recurring items from discontinued operations



OPERATIONAL REVIEW

Performance	FY11 Group	FY10 Group	Key Drivers
Sales (lots)	497	923	Sale for FY11 were 254 Victoria, 242 Queensland, 1 NSW. Decrease from FY10 due to 10 projects completing in FY10, challenging market conditions combined with timing of release of new projects.
Settlements (lots)	406	863	Decrease from FY10 to FY11 due to 10 projects completed in FY10, from total of 17 contributing to earnings in that year.
Revenue - property sales (\$m)	110.8	257.8	Revenue was 57% lower at \$110.8 million, as a result of FY10 revenue including low margin, inventory-clearing sales, also timing difference associated with registration of a stage in a flagship Victorian development.
Revenue - other (\$m)	9.9	0.7	The material revenue items are the share of joint venture income ¹ and project management fees.
Gross margin (\$m) Margin (%)	29.2 26.3%	54.2 20.9%	Due to transition from non-core, low margin projects to traditional higher margin product in affordable housing market.
Mean rate of sale pcm	41.4	77.0	Mean rate of sale per month in 1HY11 was 48.8. Challenging market conditions and less available projects to sell resulted in a sales rate of 33.8 in 2HY11.
Number of projects contributing to profit	12	17	12 projects contributing to profit, including new project at Hervey Bay, The Domain, other new projects Park Vista, Circa II, Brookside and Burpengary to contribute to revenue in FY12.

1. Villa World's joint ventures include Eynesbury, Cornell's Hill and Cotton Ventures.



LOOK THROUGH BALANCE SHEET¹

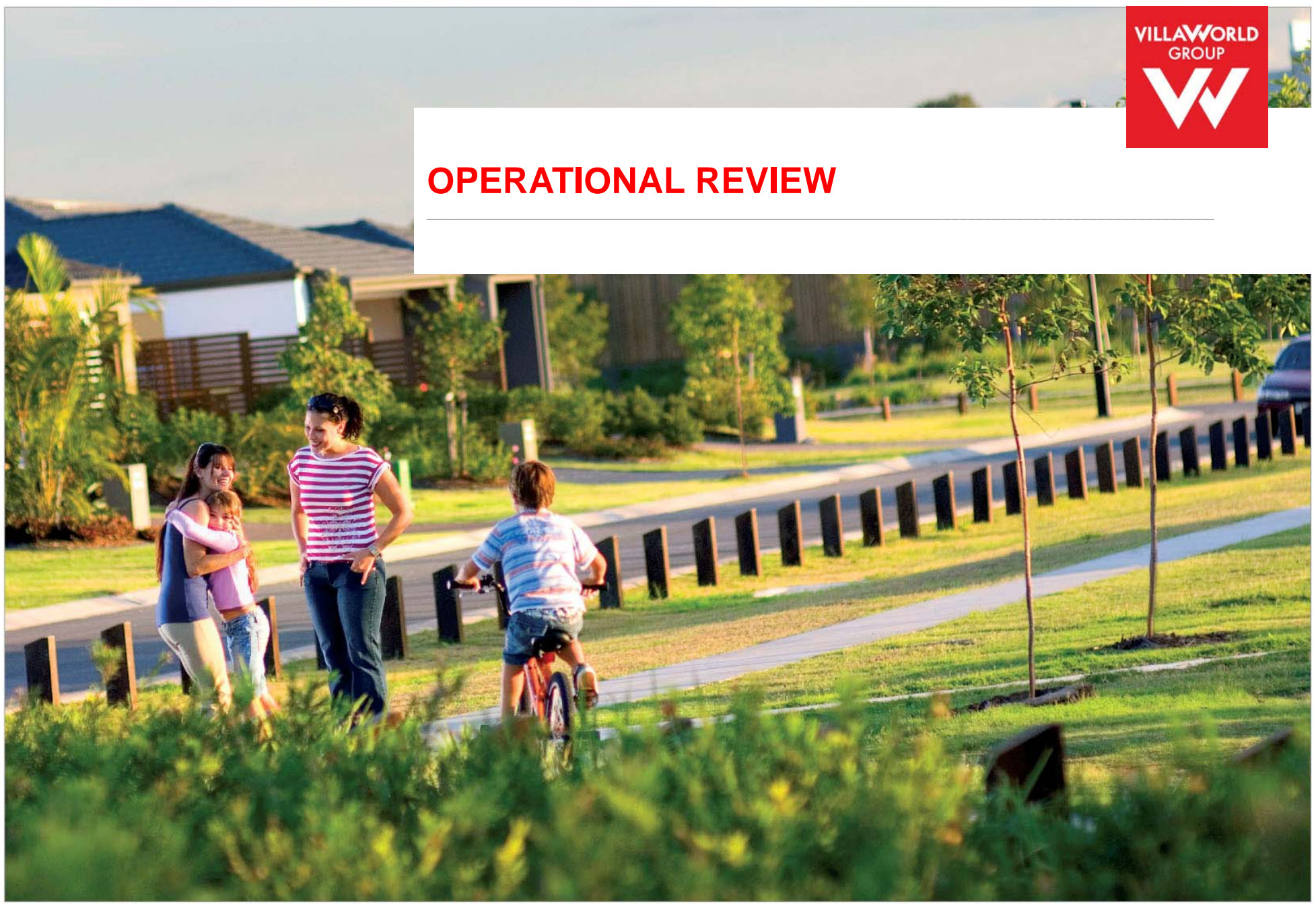
As at 30 June 2011 (\$m)	Group balance sheet	Look through adjustments	Consolidated look through
Assets			
Cash	5.9	4.4	10.3
Receivables	35.5	(5.1)	30.4
Inventories	174.2	43.9	218.1
Investment properties	7.4	-	7.4
Investments accounted for using the equity method	9.0	(9.0)	-
Other	14.5	3.9	18.4
Total Assets	246.5	38.1	284.6
Liabilities			
Trade and other payables	26.9	8.0	34.9
Interest bearing liabilities	62.4	17.6	80.0
Related party loans	0.6	15.4	16.0
Other	4.8	-	4.8
Total Liabilities	94.7	41.0	135.7
Net assets	151.7	(2.9)	148.9
Net tangible assets	151.7	(2.9)	148.9
Gearing (%) ²	23.5%		25.4%
NTA per security after 1 for 5 consolidation (\$)	1.78		1.74

1. This look through balance sheet removes the impact of equity accounting and proportionally consolidates the Group's interest in joint ventures.

2. $(\text{Interest bearing liabilities} - \text{Cash}) / (\text{Total assets} - \text{Cash})$



OPERATIONAL REVIEW





MARKET REVIEW

Queensland

- December 2010 was wettest December on record with floods and cyclones¹ disrupting buyers during January 2011
- Interest rate uncertainty, increased cost of living pressures and global economic instability continued to impact consumer sentiment, evidenced by emergence of two-speed economy
- Principal barrier to increased sales is poor liquidity for our customers' existing homes
 - Our typical customer must sell their existing home to purchase a home from Villa World
 - Experience shows that it takes time for the market to adjust
- June sales impacted by buyer deferrals as a result of announcement of Queensland Government Building Boost
- Strong variability in local market sentiment with some regions benefiting from infrastructure/mining investments (Gladstone) while others are constrained by weaker industries like tourism/retail

1. Villa World projects were not affected by flood waters or cyclone damage
2. Based on calendar year

Victoria

- Sales and price growth softened in Q1 2011² compared to 2010
- Over the last 6-9 months Victoria's previously strong population and migration growth has stalled
- Consistent price growth over recent years has put pressure on affordability

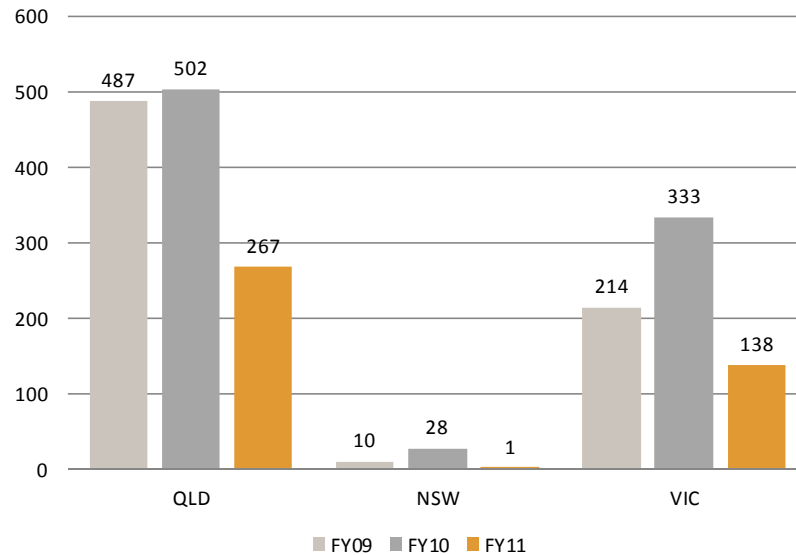




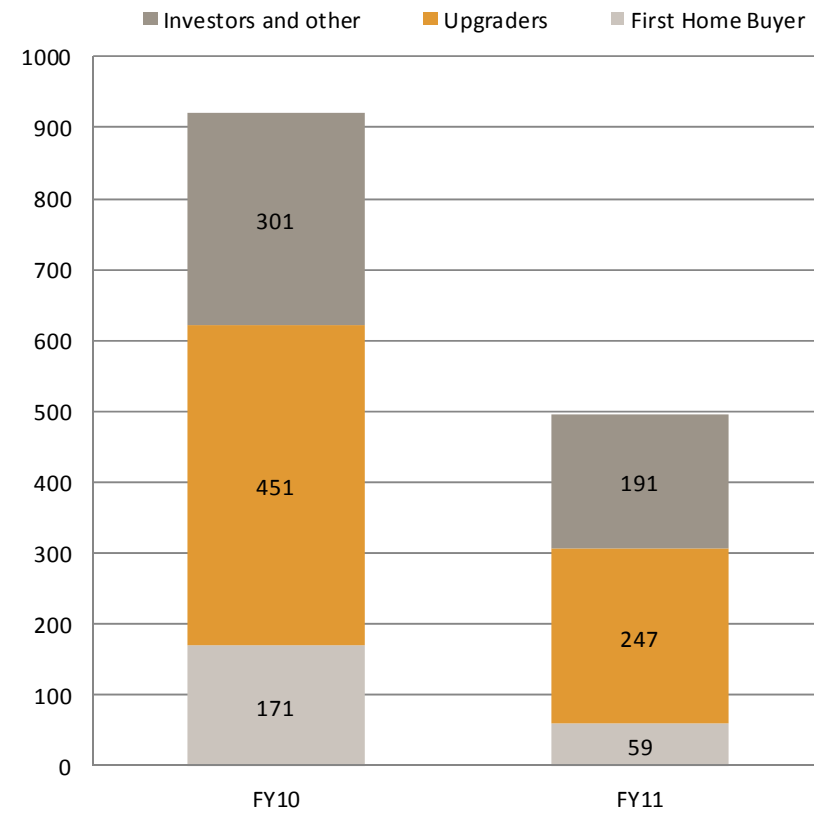
RESIDENTIAL COMMUNITIES

Performance	FY11 Group	FY10 Group
Lots sold (units)	497	923
Lots settled (units)	406	863
Revenue (\$m)	110.8	258.0
Gross margins (\$m)	29.2	54.2
Gross margins (%)	26.3%	20.9%

Accounting settlements by state



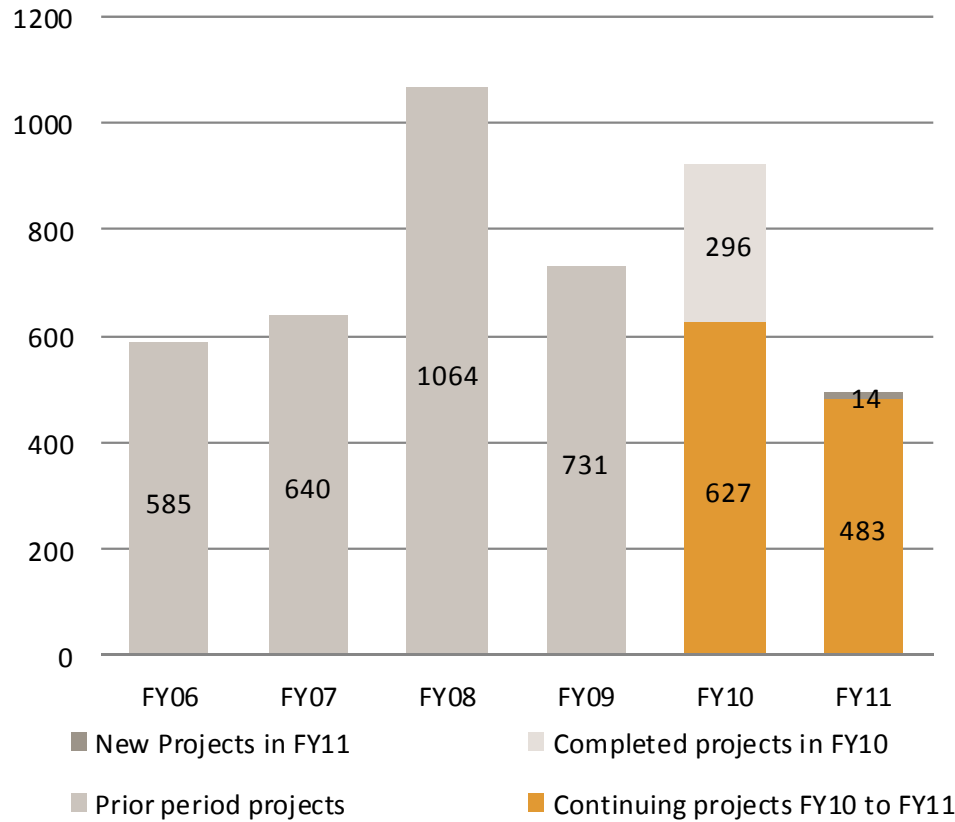
Buyer composition (sales)



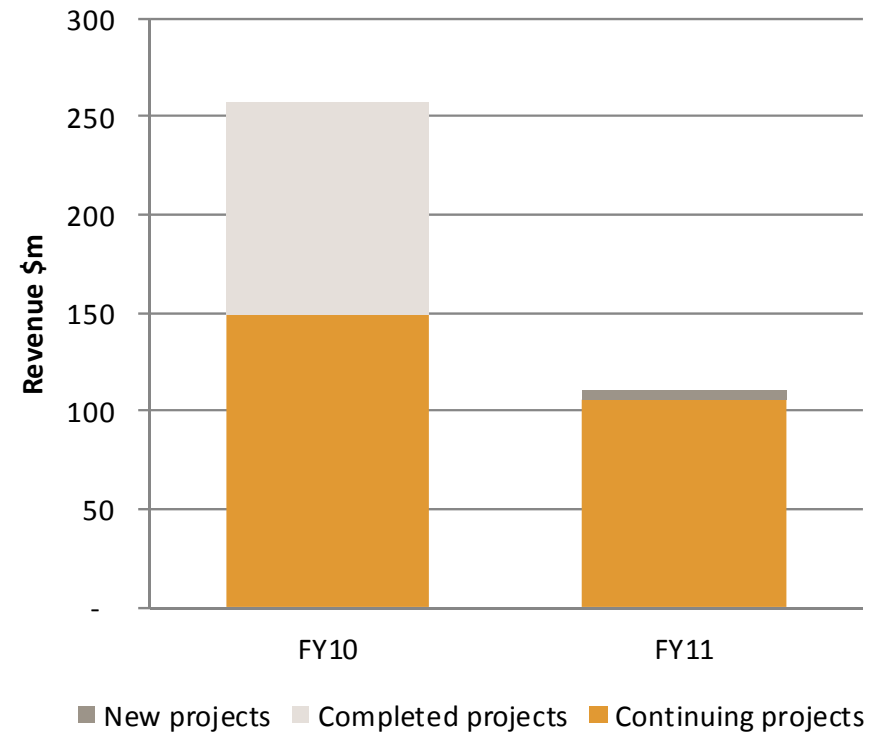


RESIDENTIAL COMMUNITIES

Historical lot sales



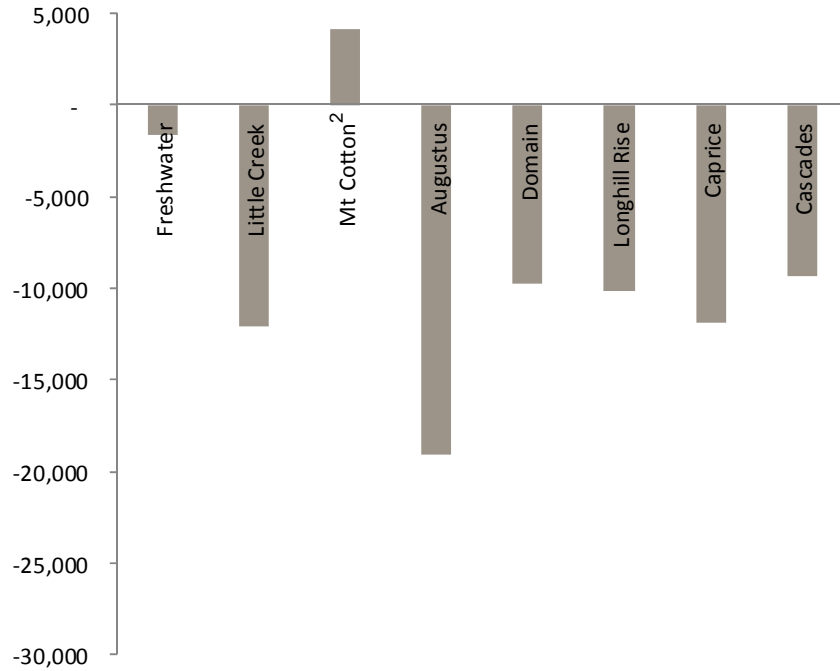
Revenue from new, continuing and completed projects



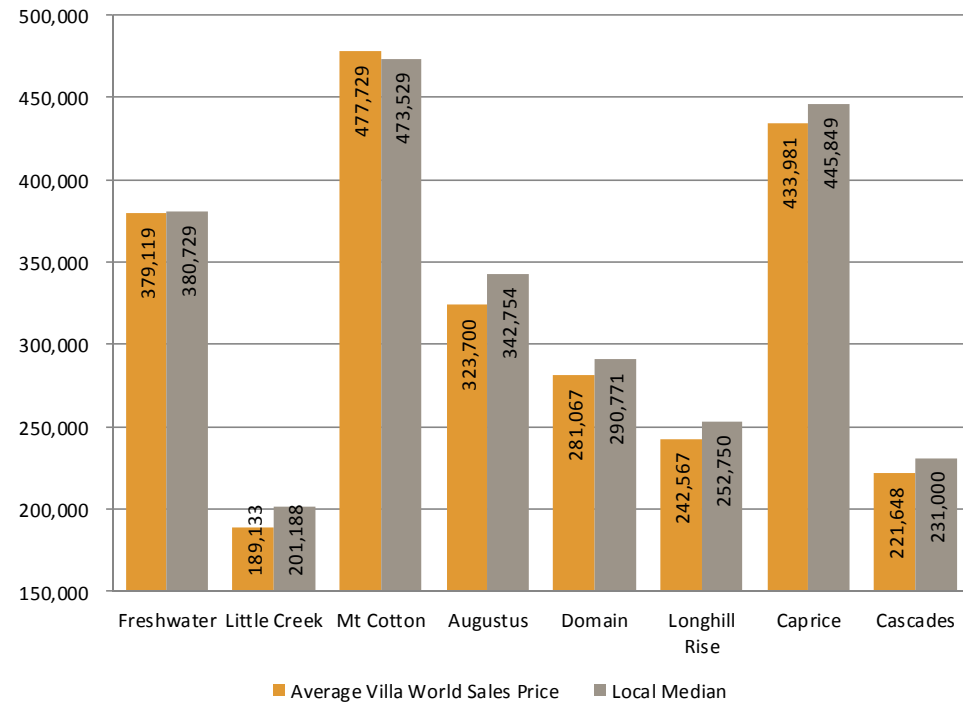


RESIDENTIAL COMMUNITIES

Average Villa World sales price to local median price for FY11¹



Average Villa World sales price v local median price (FY11)¹



1. Source: RP Data – 12 months to May 2011
 2. There is one competitor to the Villa World product in the Mt Cotton area, hence average sale price for Villa World product is above the median for existing homes in the area.



ACQUISITIONS¹

Villa World continued with its restocking program with the acquisition of 3 sites:

	Circa III, Nudgee Qld ²	Burpengary Qld	Park Vista, Mango Hill Qld ³	Total
Total Size (ha)	2.5	15.9	46.2	64.6
Yield (lots)	88	136	482	706
End Value (gross)	\$37m	\$55m	\$188m	\$280m
First Sales	Apr 13	Apr 12	Jan 12	

Circa III



Park Vista



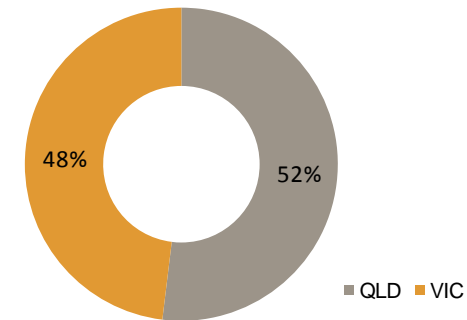
1. Purchase price is not disclosed due to confidentiality requirements
2. Subject to development approval being obtained by 30 July 2012 at Villa World's discretion, contract is unconditional on the Vendor
3. Option was exercised 8 July 2011



DEVELOPMENT PORTFOLIO

Project Type	%	Total Pipeline
Land Only	21%	1,078
House and Land	36%	1,850
Integrated Housing	4%	192
Joint Ventures ¹	39%	2,022
Total		5,142

Total Lots - 5142 Lots



Project Name	Location	Total Lots	Lots Remaining as at 30 June 2011	Contribute to FY11 profit	2011	2012	2013	2014	2015+
					Contribution				
House and Land									
Augustus	QLD	715	612	✓	[Contribution bars]				
Bellbrook	QLD	322	-	✓	[Contribution bars]				
Freshwater	QLD	342	21	✓	[Contribution bars]				
Kingsmill	QLD	37	-	✓	[Contribution bars]				
Mt Cotton Village	QLD	535	347	✓	[Contribution bars]				
Circa II	QLD	145	145	x	[Contribution bars]				
Brookside	QLD	107	107	x	[Contribution bars]				
Park Vista ²	QLD	482	482	x	[Contribution bars]				
Burpengary ²	QLD	136	136	x	[Contribution bars]				
Subtotal		2,821	1,850						

1. Villa World's 50% proportional share
 2. New acquisition, refer to slide 15



DEVELOPMENT PORTFOLIO (continued)

Project Name	Location	Total Lots	Lots Remaining as at 30 June 2011	Contribute to FY11	Contribution				
					2011	2012	2013	2014	2015+
Integrated Housing									
Caprice	QLD	89	29	✓					
The Domain	QLD	80	75	✓					
Circa III ¹	QLD	88	88	x					
Subtotal		257	192						
Land									
Cascades on Clyde	VIC	1,142	486	✓					
Little Creek	QLD	655	559	✓					
Longhill Rise	QLD	157	33	✓					
Subtotal		1,954	1,078						
Total (wholly owned projects)		5,032	3,120						
Joint Ventures (50% Share)									
Cornells Hill	QLD	111	0	✓					
Treeline	QLD	71	37	✓					
Eynesbury ²	VIC	2,253	1,984	✓					
Eynesbury Commercial ³	VIC	1	1	x					
Subtotal		2,436	2,022						
Total (all categories)		7,468	5,142						

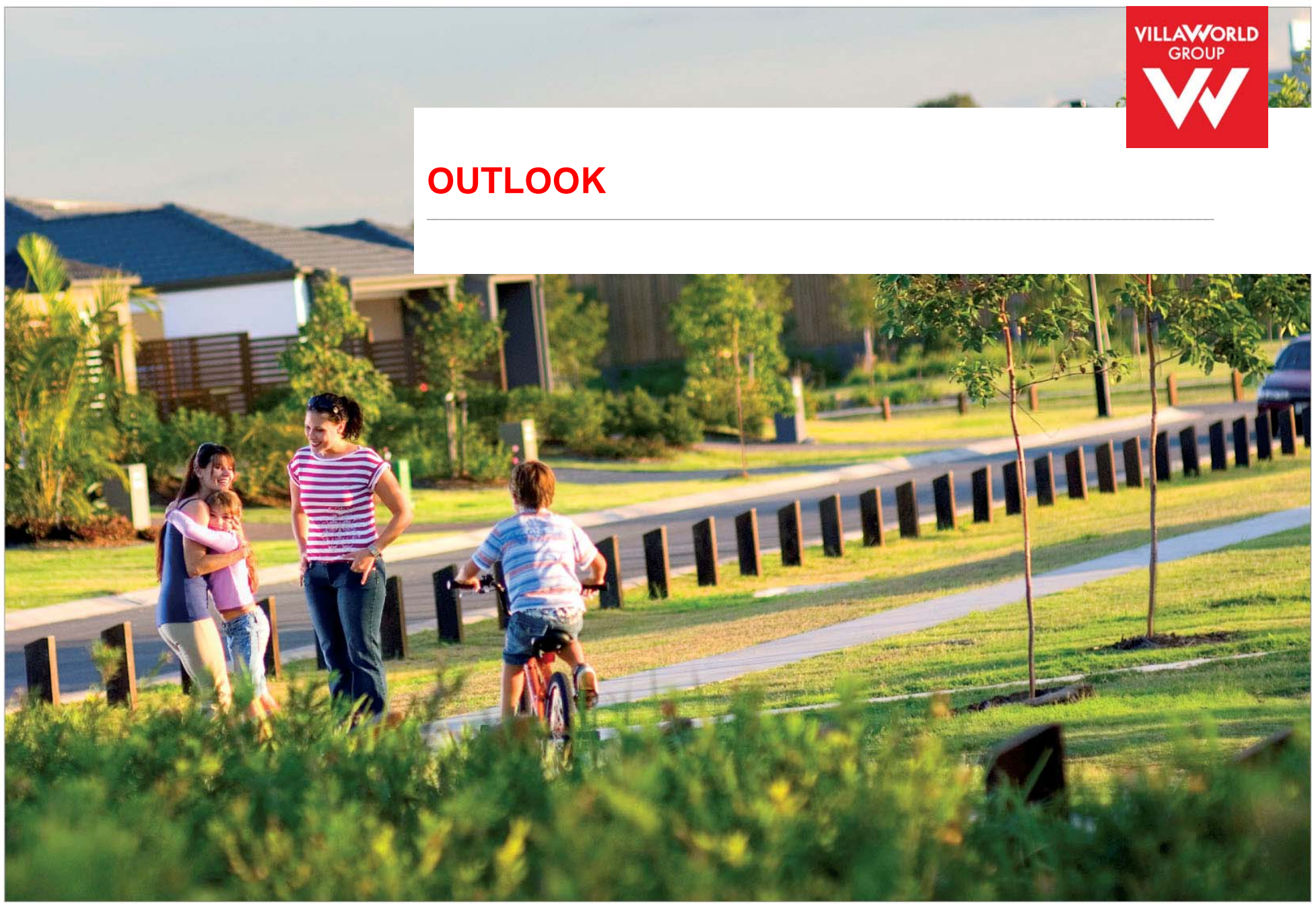
1. New acquisition, refer to slide 15

2. Based on the Victorian Civil and Administrative Tribunal directive to Melton Shire Council to grant approval to increase the number of allotments by 1600 subject to development conditions

3. 50% of the Eynesbury Homestead, surrounding commercial land, Golf Course and shopping precinct



OUTLOOK





OUTLOOK

Distributions

- Due to the current economic climate, and particularly in a slow housing market, the Board will review its distribution policy
- It is likely that distributions will be suspended in the short to medium term, to instead focus on the security buy back program which is anticipated to be more value accretive to the security holders

Corporatisation

- A proposal to de-staple and acquire the unit trust will be put before the security holders at the 2011 Annual General Meeting (AGM). The proposal is anticipated to:
 - Simplify the Villa World corporate structure
 - Improve understanding of the Group and its operations
 - Reduce administration and compliance costs

Forecasts

- Villa World does not believe it is appropriate to provide detailed financial outlook, due to:
 - Interest rate uncertainty
 - Global economic instability
 - Domestic political situation
 - Impact of Queensland Building Boost
 - Queensland post-disaster economic recovery





MARKET OUTLOOK

Queensland

- Sales to be heavily influenced by timing of implementation of Queensland Building Boost
- Villa World's market share remains stable. Incentives offered to encourage buyers during 2HY11 are expected to continue into 1HY12
- Villa World's key markets, including first home buyers, second and third home upgraders and investors, expected to improve over the next 12 months. Villa World sales and marketing strategies have been developed to target each market with tailored offerings
- Villa World is well positioned to take advantage of Gladstone market, given high level of activity in the resources sector with 559 lots to be developed
- There is evidence of a gradual freeing up of the established home market. This should see local markets become more liquid
- For FY12, Villa World's Queensland operations will carry forward 37¹ lots sold worth \$11.7 million¹

Victoria

- Housing approvals are returning to the State's long term average following the end of the first home buyers boost
- The market is expected to soften over the next 12 months with moderate, if any, price growth. This is as a result of declining population growth driving lower demand and rapid price growth above the national average in recent years now impacting affordability
- For FY12, Villa World's Victorian operations will carry forward 310¹ lots sold worth \$60.0 million¹

Acquisitions/Restocking

- Re-stocking program to continue, softening of prices have resulted in a decrease in the urgency for acquisitions
- When appropriate sites are identified acquisitions will be executed on an opportunistic basis and with regard to the ongoing capital requirements and debt profile of the Group

1. Represents gross sales price including GST and Villa World's 50% proportional share of joint ventures which are equity accounted



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Villa World Group

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