
ANNEXURE : CHANGES TO MIRVAC'S SEGMENT REPORTING STRUCTURE

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FY15 CONSOLIDATED FINANCIAL STATEMENTS

30 June 2015 (restated)	Office & Industrial \$m	Retail \$m	Residential \$m	Corporate & other \$m	Total \$m
SEGMENT PERFORMANCE					
Property net operating income (NOI)	350	125	–	15	490
Development EBIT	52	–	142	–	194
Asset and funds management EBIT	1	2	–	1	4
Management and administration expenses	(15)	(14)	(12)	(47)	(88)
Earnings before interest and taxes (EBIT)¹	388	113	130	(31)	600
Cost of sales interest	(4)	–	(69)	–	(73)
Other interest costs	–	–	–	(54)	(54)
Income tax expense	–	–	–	(18)	(18)
Operating profit after tax	384	113	61	(103)	455
Include share based payments expense	–	–	–	(6)	(6)
Exclude amortisation of cash and rent free incentives	12	7	–	–	19
Funds from operations	396	120	61	(109)	468
Non-operating items	107	41	–	7	155
Profit for the year attributable to stapled securityholders	491	154	61	(96)	610
REVENUE SPLIT					
Property revenue excluding straight-lining	405	208	–	–	613
Development revenue ²	82	–	943	–	1,025
Asset and funds management revenue	3	5	–	1	9
Other revenue	10	3	17	13	43
Total operating revenue	500	216	960	14	1,690
Share of net profit of joint ventures and associates	19	–	4	15	38
Net gain on sale of assets	44	–	–	–	44
Other income	63	–	4	15	82
Total operating revenue and other income	563	216	964	29	1,772
Non-operating items	118	45	–	217	380
Total statutory revenue	681	261	964	246	2,152
SEGMENT ASSETS AND LIABILITIES					
Assets					
Investment properties ³	4,824	2,171	–	–	6,995
Inventories	355	–	1,358	–	1,713
Indirect investments ⁴	322	–	122	163	607
Other assets	50	11	52	975	1,088
Total assets	5,551	2,182	1,532	1,138	10,403
Total liabilities	397	46	320	3,178	3,941
Net assets	5,154	2,136	1,212	(2,040)	6,462

1) EBIT includes share of net profit of joint ventures and associates.

2) Includes management fees of \$6m in Office & Industrial and \$11m in Residential.

3) Includes investment properties under construction and owner-occupier property.

4) Includes investments in joint ventures and associates and loans to related parties.

FY15 OFFICE & INDUSTRIAL SEGMENT DETAILS

30 June 2015 (restated)	Office & Industrial \$m
SEGMENT PERFORMANCE	
Property net operating income (NOI)	350
Development EBIT	52
Asset and funds management EBIT	1
Management and administration expenses	(15)
Earnings before interest and taxes (EBIT) ¹	388
Cost of sales interest	(4)
Other interest costs	–
Income tax (expense)/benefit	–
Operating profit after tax	384
Include share based payments expense	–
Exclude amortisation of cash and rent free incentives	12
Funds from operations	396
Non-operating items	107
Profit for the year attributable to stapled securityholders	491

This division is responsible for the management and development of the Office & Industrial property portfolio in addition to managing joint ventures and properties for third party investors and owners.

Property NOI – NOI from investment properties that are either directly owned or indirectly owned through joint ventures and associates.

Development EBIT – EBIT from the development of Office & Industrial projects to third parties, inclusive of overheads directly attributable to the projects.

Asset and funds management EBIT – EBIT from the management of property assets or third party capital, including property advisory, leasing and facilities management services.

Management and administration expenses – Overhead expenses required to manage the Office & Industrial division which are not directly attributable to the production of EBIT generating business functions

Cost of sales interest – Interest expenses directly attributable to development assets.

Non-operating items – Specific non-cash items predominantly relating to transactions associated with the investment property portfolio.

1) EBIT includes share of net profit of joint ventures and associates.

FY15 RETAIL SEGMENT DETAILS

30 June 2015 (restated)	Retail \$m
SEGMENT PERFORMANCE	
Property net operating income (NOI)	125
Development EBIT	–
Asset and funds management EBIT	2
Management and administration expenses	(14)
Earnings before interest and taxes (EBIT) ¹	113
Cost of sales interest	–
Other interest costs	–
Income tax (expense)/benefit	–
Operating profit after tax	113
Include share based payments expense	–
Exclude amortisation of cash and rent free incentives	7
Funds from operations	120
Non-operating items	41
Profit for the year attributable to stapled securityholders	154

This division is responsible for the management and development of the Retail property portfolio including managing joint venture properties for third party investors and owners.

Property NOI – NOI from investment properties that are either directly owned or indirectly owned through joint ventures and associates.

Asset and funds management EBIT – EBIT from the management of property assets or third party capital, including property advisory, leasing and facilities management services.

Management and administration expenses – Overhead expenses required to manage the Retail division which are not directly attributable to the production of EBIT generating business functions.

Non-operating items – Specific non-cash items predominantly relating to transactions associated with the investment property portfolio.

1) EBIT includes share of net profit of joint ventures and associates.

FY15 RESIDENTIAL SEGMENT DETAILS

30 June 2015 (restated)	Residential \$m
SEGMENT PERFORMANCE	
Property net operating income (NOI)	–
Development EBIT	142
Asset and funds management EBIT	–
Management and administration expenses	(12)
Earnings before interest and taxes (EBIT)¹	130
Cost of sales interest	(69)
Other interest costs	–
Income tax (expense)/benefit	–
Operating profit after tax	61
Include share based payments expense	–
Exclude amortisation of cash and rent free incentives	–
Funds from operations	61
Non-operating items	–
Profit for the year attributable to stapled securityholders	61

This division is responsible for the design, development, marketing and selling of residential projects including masterplanned communities and apartments in core metropolitan markets to external customers, in conjunction with strategic partners.

Development EBIT – EBIT from the development of residential masterplanned communities and apartment projects, inclusive of overheads directly attributable to the projects.

Management and administration expenses – Overhead expenses required to manage the Residential division which are not directly attributable to the development of residential projects.

Cost of sales interest – Interest expenses directly attributable to development assets.

1) EBIT includes share of net profit of joint ventures and associates.

FY15 CORPORATE SEGMENT DETAILS

30 June 2015 (restated)	Corporate & other \$m
SEGMENT PERFORMANCE	
Property net operating income (NOI)	15
Development EBIT	–
Asset and funds management EBIT	1
Management and administration expenses	(47)
Earnings before interest and taxes (EBIT)¹	(31)
Cost of sales interest	–
Other interest costs	(54)
Income tax expense	(18)
Operating profit after tax	(103)
Include share based payments expense	(6)
Exclude amortisation of cash and rent free incentives	–
Funds from operations	(109)
Non-operating items	7
Profit for the year attributable to stapled securityholders	(96)

This division includes all Group level functions including governance, finance, legal, risk management and corporate secretarial. It also includes legacy investments and management operations that are not Office & Industrial, Retail or Residential related.

Property NOI – Predominantly relates to the passive investment income from the investment in the Tucker Box Hotel Group.

Asset and funds management EBIT – Predominantly relates to the funds management function of Mirvac legacy investments primarily, the Tucker Box Hotel Group.

Management and administration expenses – Overhead expenses required to manage Group level functions which are not directly attributable to the production of EBIT generating Divisions.

Interest costs – Interest costs not in relation to development assets, not separately allocated.

Income tax – Income tax expense from the activities of the Corporate side of the stapled Group.

Non-operating items – Specific non-cash items predominantly relating to the investment in the Tucker Box Hotel Group, plus impact from derivative financial instruments & foreign exchange movements.

1) EBIT includes share of net profit of joint ventures and associates.

1H16 CONSOLIDATED FINANCIAL SEGMENTS

31 December 2015 (restated)	Office & Industrial \$m	Retail \$m	Residential \$m	Corporate & other \$m	Total \$m
SEGMENT PERFORMANCE					
Property net operating income (NOI)	167	62	–	8	237
Development EBIT	(1)	–	(4)	–	(5)
Asset and funds management EBIT	3	–	–	1	4
Management and administration expenses	(7)	(5)	(6)	(24)	(42)
Earnings before interest and taxes (EBIT)¹	162	57	(10)	(15)	194
Cost of sales interest	(2)	–	(13)	–	(15)
Other interest costs	–	–	–	(27)	(27)
Income tax benefit	–	–	–	13	13
Operating profit after tax	160	57	(23)	(29)	165
Include share based payments expense	–	–	–	(5)	(5)
Exclude amortisation of cash and rent free incentives	7	3	–	–	10
Funds from operations	167	60	(23)	(34)	170
Non-operating items	248	82	–	(22)	308
Profit for the year attributable to stapled securityholders	408	139	(23)	(51)	473
REVENUE SPLIT					
Property revenue excluding straight-lining	197	104	–	–	301
Development revenue ²	285	4	125	–	414
Asset and funds management revenue	2	2	–	2	6
Other revenue	5	2	4	7	18
Total operating revenue	489	112	129	9	739
Share of net profit of joint ventures and associates	9	–	4	8	21
Net gain on sale of assets	–	–	–	–	–
Other income	9	–	4	8	21
Total operating revenue and other income	498	112	133	17	760
Non-operating items	255	83	–	70	408
Total statutory revenue	753	195	133	87	1,168

SEGMENT ASSETS AND LIABILITIES

Assets

Investment properties ³	5,158	2,313	–	–	7,471
Inventories	213	–	1,663	–	1,876
Indirect investments ⁴	462	–	124	163	749
Other assets	73	30	60	942	1,105
Total assets	5,906	2,343	1,847	1,105	11,201
Total liabilities	304	46	280	3,765	4,395
Net assets	5,602	2,297	1,567	(2,660)	6,806

1) EBIT includes share of net profit of joint ventures and associates.

2) Includes management fees of \$2m in Office & Industrial and \$3m in Residential.

3) Includes investment properties under construction, owner-occupier property and assets held for sale.

4) Includes investments in joint ventures and associates and loans to related parties.