



GEO Property Group

Presentation to Cameron Stockbroking

24 November 2008

GEO's business model

- Simple and easy to understand
 - Affordable land subdivision
 - Affordable land and builder/developer of volume speculative housing
 - Affordable land and builder/developer of medium density housing
 - Property investment
- Lower price points are right for the times
- Underling result - ahead of forecast - demonstrates value of business model
- Profits do not rely on
 - Speculative or opportunistic investment property trading
 - Raising third party equity
 - Performance fees



Balance sheet/NTA

- NTA of \$0.58 as at 30 June 2008
 - Likely to be lower as at 31 December 2008
- Capital Realisation Program ahead of schedule
 - Gearing as at 30 June 2008 was 43.9%, reduced to 39.3% as at 28 August
 - Look through gearing reduced to 45.4%, further reduced to 41.1% as at 28 August
- GEO intends to sell its investment portfolio to reduce debt further
 - Subject to obtaining approvals required
 - If approvals received, will take place over 2009 calendar year
 - End gearing will depend on sale prices, sales of inventory and other factors



Operating Performance

- 20 year history of profitable residential development through cycles
- Value proposition – products across 1st to 3rd home buyer segments
- Competes with established home buyer market
- Strong Value-for-Money offer has appeal to buyers with now-reduced budgets
 - No more to spend concept particularly appeals
 - Many of our customers decide to compromise on location to get the larger new home they desire, without overspending
- However, market remains extremely difficult to predict
 - Volumes have improved following introduction of buyer incentives and, for a few buyers, government incentives
 - However, volumes and margins are still lower than envisaged at the start of the financial year



Communities Development strategy

- We are focussed on affordable product in the Queensland and Victorian markets
 - Land only
 - Land and volume speculative housing
 - Medium density
- Volume speculative model provides unique point of difference and competes with existing home buyer market
- Our sales channels and product are focussed on owner-occupiers
- Joint ventures enhance ROE with longer dated projects

CAPRICE

cascaDes
on CLYDE

Cornell's hill
LIVE THE HIGH LIFE

circa



Brand new 'established' home

- All inclusions
- Ready to move into
- Fixed price
- Brings in the established home market

Quality carpets
Quality ceramic floor tiles
**Stainless steel oven,
cooktop & rangehood**
Light fittings
Telephone points fitted

Turf and landscaping
Driveway and patios
Fences
Letterbox
TV antenna
Clothes Line

The Price Comparison

GEO Spec. Model



Project House and Land Model



Total Price: \$425,000

Block of land:	\$210,000
Contract house:	\$220,000
Balance works:	\$15,000
Total price:	\$445,000

Controlled Construction Roll-Out

8

Avoids this ...

a streetscape of clashing housing styles and varied construction completions

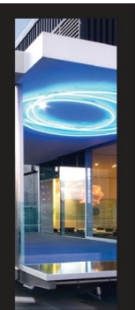
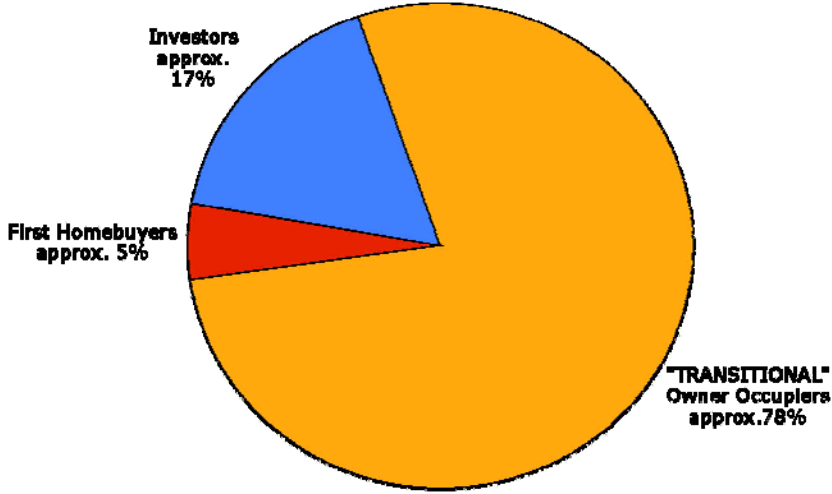


Controlled Construction Roll-Out

Provides completed streetscape of complementary housing combinations



Our Customers

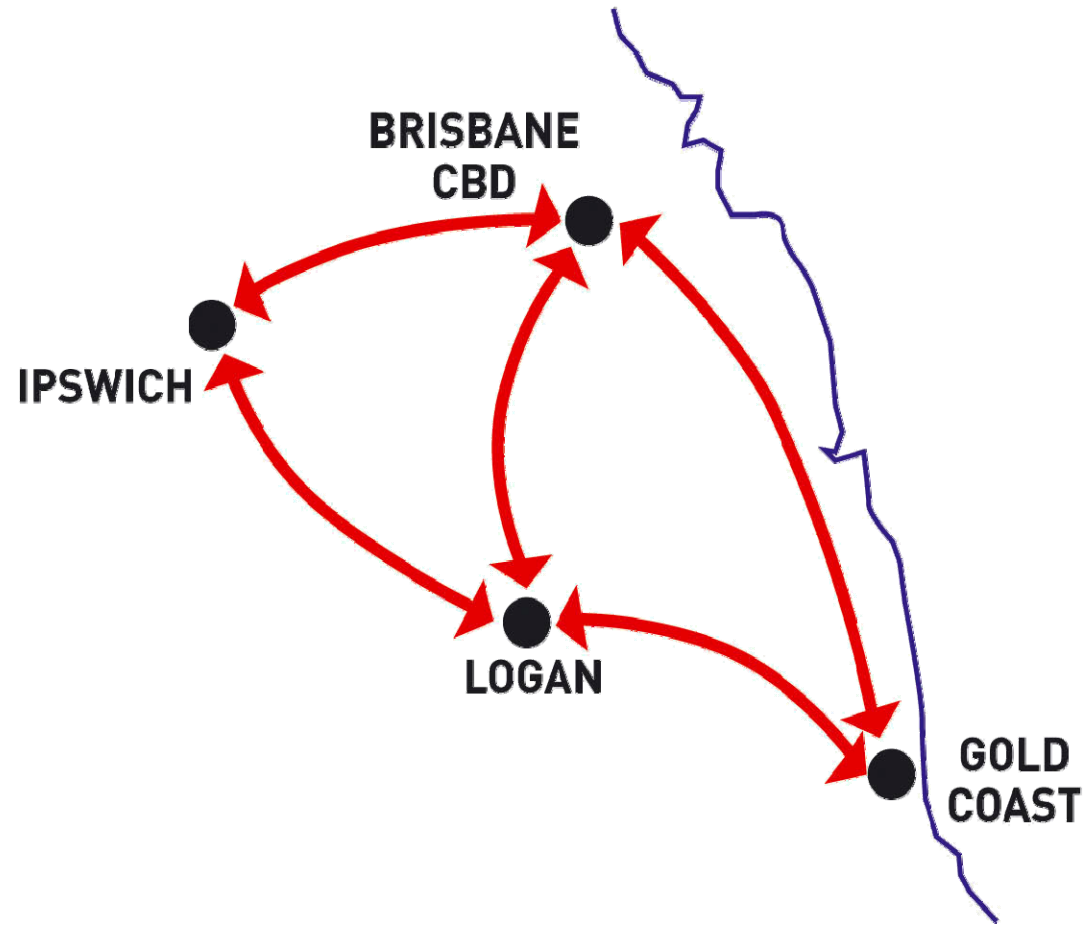


Variations Policy

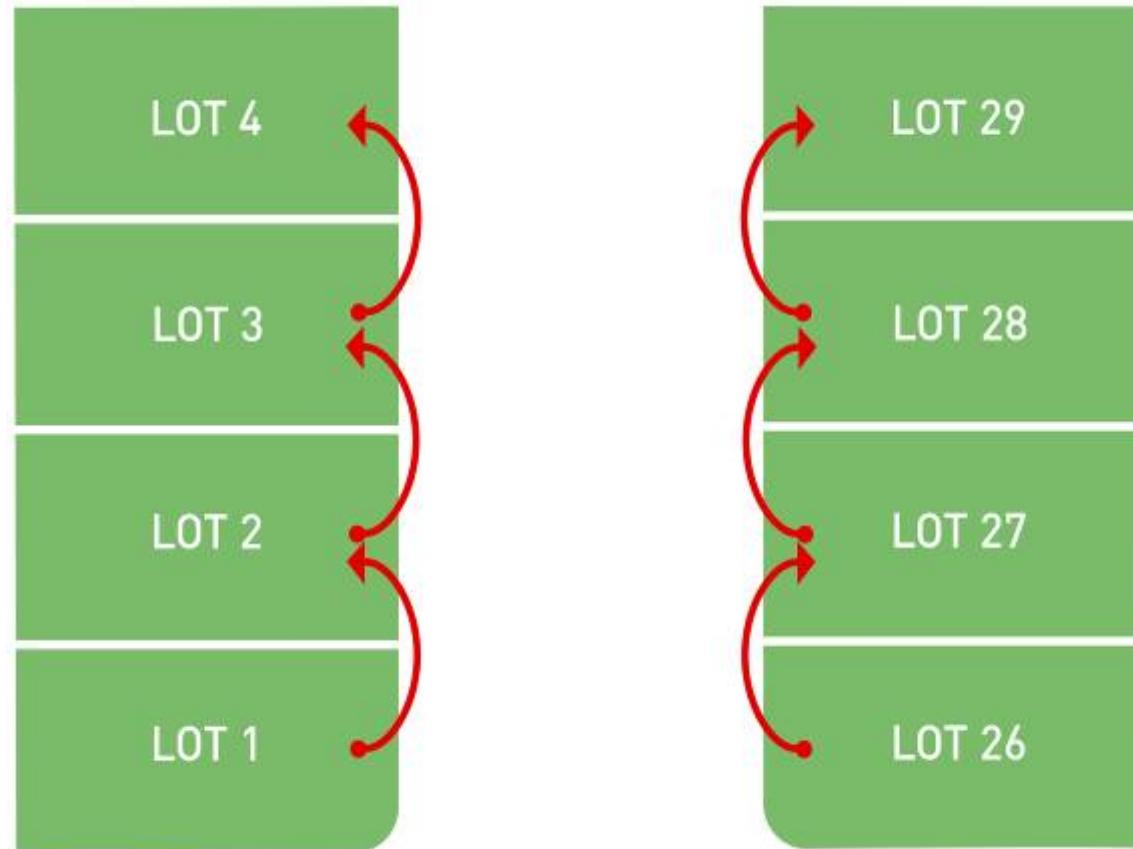
- No variations...ever
- Three levels of finish
 - Gold
 - Silver
 - Bronze
- Air-conditioning/vertical blinds/security screens are the only optional extras



Normal Model



GEO model





Outlook for 2009

- GEO's Value-for-Money offer that focuses on owner-occupiers has shown resilience to market downturns
- However, GEO is not immune to market conditions
- GEO has withdrawn earnings guidance in view of the extreme uncertainty in markets
- There have been several forms of stimulus to the housing market
 - Changes to the First Home Buyer's Scheme
 - Substantially reduced interest rates,
- However, many of our customers are concerned about their job security.
- Because of this they are reluctant to commit to the purchase of a new home, especially where they must sell their existing home in order to settle.



Buyer Incentives



Brand new contemporary 3 & 4 bedroom homes from \$318,900*

LIFESTYLE BONUS PACKAGE \$7000*
to spend on a range of lifestyle items for you and your family to enjoy!

bellbrook

Purchase a new home from selected lots at Bellbrook on or before November 30, 2008* and Villa World Homes will make it all the more exciting with a Lifestyle Bonus Package. Whether it's a new plasma television, barbecue or gaming packages for the kids, the Lifestyle Bonus Package will make your outstanding value home, even better.

Visit the display home today to see what real value still looks like. Brand new designer homes AND a Lifestyle Bonus Package. It's just another way Villa World Homes is improving your quality of life.

Fully Furnished Display
Open 10am - 5pm daily
Cnr Swann Rd & Bellbrook Ave, Bellmere.
Contact Ray Hamilton
07 5495 4883

*Terms, conditions, fees and charges may apply. Limited offer on selected lots purchased on or before November 30, 2008. Lifestyle Bonus Package items are restricted to available products from selected retailers. Details available at the Sales Office. All amounts are inclusive of GST. Price correct at time of printing. Images are for illustrative purposes only.

VILLAWORLD HOMES www.villaworld.com.au

NEW STAGE 2C LAND RELEASE NOW SELLING

LARGER THAN AVERAGE LOTS
FROM ~~\$95,000~~
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GOLF COURSE FRONTING LOTS
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\$171,000
(976m²)
With the Eynesbury Bonus Offer valid until 30th Nov only.

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Distributions

- 1.5 cents per security already paid for the September quarter
- In view of economic circumstances, estimated distribution rate for the full year is now 3 cents per security
 - Includes 1.5 cents previously paid
- Distributions still expected to be paid quarterly
 - Expected rate: 0.5 cents per stapled security
- Subject to business performance
- Directors intend to keep distribution levels under review

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