



Annual General Meeting

Thursday, 8 November 2007

Presentation



- Group Financial Highlights – FY 2006-07
- 2006-07 Highlights
- Overview of Operations
- Senior Appointments
- Highlights Post 30 June 2007
- Future Outlook
- Devine Projects



2007 Financial Highlights



	June 2007 Year Ended \$000's	June 2006 Year Ended \$000's
Revenue	547,972	550,816
Operating profit before tax	30,895 (+14.7%)	26,930
Net Profit After Tax Attributable to Shareholders	21,367 (+13.2%)	18,870
EPS Basic	14.3 cents	14.4 cents
EPS Diluted	13.8 cents	14.1 cents
Final Dividend (Fully Franked)	4.0 cents	4.0 cents
Full Year Dividend (Fully Franked)	8.0 cents	8.0 cents



2006 - 07 Highlights



- Leighton Holdings acquired 40% stake, injecting \$95.6 million in equity
- Settlement of all 401 units in Festival Towers project in Brisbane's CBD
- Completion of Charlotte Towers residential development in Brisbane's CBD. Settlements achieved on 92.7% of the 416 units as at 30/06/07. Currently only five units remain unsettled, of which one is unsold.



2006 - 07 Highlights



- Devine Constructions commenced work on the company's first CBD office tower in Brisbane at 333 Ann Street
- Sale of First Permanent Financial Services Pty Ltd to Merrill Lynch
- Attained green light for Hideaway @ Currumbin project. Currently negotiating a sale of the land.



2006 - 07 Highlights



- Secured control of a number of future development sites in Brisbane
- Further diversification via acquisition of specialist body corporate and property management company SSKB Pty Ltd for \$13.5 million
- Key senior appointments in Town Planning, Commercial/Industrial Division and Land Development
- Adopted new house/land strategy to increase land holdings, revenue and profit
- Roll out of new housing product in Adelaide.



Share Price Growth



Overview of Operations



- Brisbane-based, listed company (ASX:DVN)
- Operations in QLD, VIC and SA – 320 employees following the acquisition of SSKB
- Current national pipeline of land developments and projects which, when completed and sold, will have an end value exceeding \$3 billion
- Property Development:
 - High rise residential units
 - Commercial and retail developments
- Construction Division
- House/Land Division
 - Housing
 - Land Development
- Property Management & Body Corporate
- Current shares on issue: 236.8 million following issue of 94.7M new shares (Leighton Holdings investment)
- Since listing in November 1993, Devine has developed more than 16,000 house/land packages and 2,745 units.



Property Development



Performance for 2007

- Reported a profit of \$37.6M (previously \$21.7M) + 73%
- Revenue increased by 10% from \$329M to \$363M
- Festival Towers Brisbane completed in July 06, with all 401 units now settled
- Charlotte Towers Brisbane completed April 07, and 386 units (of 416 units) settled in 2006-07
- Victoria Point Docklands settled 81 units during 2006-07. There are only 7 units not sold.



Property Development



Current Projects

- **333 Ann Street** - A-grade office tower development in the Brisbane CBD, on schedule for completion in mid-2008. Pre-sold to Mirvac's Domaine Property Trust in 2006 for \$120M and is now 100% committed in terms of leasing
- **ICB Central** - 11,000 sqm A-grade commercial project in the near-city suburb of Herston, Brisbane. Construction commenced September, pre-sold in October to Domaine SEQ Growth Fund for \$73.5M
- **145 Ann Street** – planning underway for a \$300M A-grade office tower in the Brisbane CBD. Subject to DA, the 35-storey tower will incorporate the site's heritage listed Presbyterian Church and provide a net lettable area of approximately 33,000 sqm, to be called Westminster Hall
- **Hamilton Harbour** - planning is progressing on mixed-use Hamilton Harbour site at Hamilton, Brisbane. Expected end value \$400M.

Pipeline of Major Projects (under review)



Project	Actual/Expected Commencement	Type	Estimated Gross Realisation - \$M's
333 Ann St Brisbane (pre-sold)	Under Const – Completed June. 08	Commercial Offices	\$120
ICB Central, Herston, Brisbane (pre-sold)	Sept. 2007	Commercial Offices	\$74
Bourke Street Melbourne	Mar. Qtr. 2008	Hotel	\$140
145 Ann Street (Brisbane)	Sept. Qtr. 2008	Commercial Offices	\$300
99 Mary St Brisbane	Jul. 2008	Strata Offices	\$93
Hamilton Brisbane	Dec. Qtr 2008	Commercial/Residential/Retail	\$400
96 Albert St Brisbane	Mar. Qtr 2010	Hotel/Residential	\$150
Carrington Site Brisbane Tower 1	June Qtr. 2009	Hotel/Residential	\$450
Camelot Site Brisbane Tower 2	Sept. Qtr 2009	Residential	\$200
TOTAL			\$1,927

House and Land



Performance for 2007

- 07 reported a loss of \$6.2M previously a profit of \$13.8M
- Revenue was down 17% from \$221M to \$184M
- Housing operations were affected by
 - record low housing affordability
 - delays in land delivery and registrations resulting in revenues and profits deferred to the 08 year
- Devine is well positioned to participate in the upturn with the current housing market in under supply by 30,000 dwellings
- Currently dwelling commencements are at 152,000 per annum with underlying demand at 182,000 per annum
- Dwelling commencements expected to peak at 190,000 in 2010-12.



House and Land



Overview

- Historically reliant on the first home buyer and affordable housing
- We have broadened our product offering and our marketing base
- New markets include:
 - 2nd and 3rd home buyers
 - Investors
 - Land only – to builders
- We have developed a new housing range and rolled it out in Adelaide with excellent results and are now introducing to Queensland and Victoria
- Entered the Townsville market acquiring 900 lots
- Are growing our land bank to 10,000 lots
- Have recruited a number of key land development and acquisition people.



House and Land Projects



- Queensland

Project	Status	Yield
"River Parks" - Townsville	Civil works commenced, settlements 08	900
"Cedar View" - Redbank Plains	Settlements commenced on early stages	157
"Riverwood" - Coomera	Stage 1 settling and now "On" maintenance	107
"Sea Green" - Coomera	Stage 1 settling awaiting release of stage 2	149
"Edgewater" - Coomera	Completed - Final settlements occurring	134
"Waverley Park" - Willow Vale	Masterplan review with DA to be lodged Nov 07	385
"Gainsborough Woods" - Pimpama	Awaiting DA approval on Stages 1 & 2	187
"Sandstone Lakes" - Bribie Island	Recently acquired. Civil works progressing	437
Redbank Plains - Ipswich	Amalgamating 3 sites to form masterplanned community	1,200 +
"Alberi Park" - Beenleigh	Civil works commenced on early stages	256

House and Land Projects



- Victoria

Project	Status	Yield
“Central Park” - Deer Park	Excellent sales on early Stages. Civil works on further stages progressing	756
“Cardinia Grove” - Pakenham	Works Complete. Settlements occurring	196
“Moorookyle” - Tarneit	Recently acquired site with completed lots. Further design work required on future stages	743
“Arndell Park” - Truganina	Settlement expected Feb 08. DA submitted	385
“Wyndham Springs” - Wyndham	Construction commencing Mar 08	171
“Casey Fields” - Cranbourne	Configuring site and compiling Structure plan	560



House and Land Projects



- South Australia

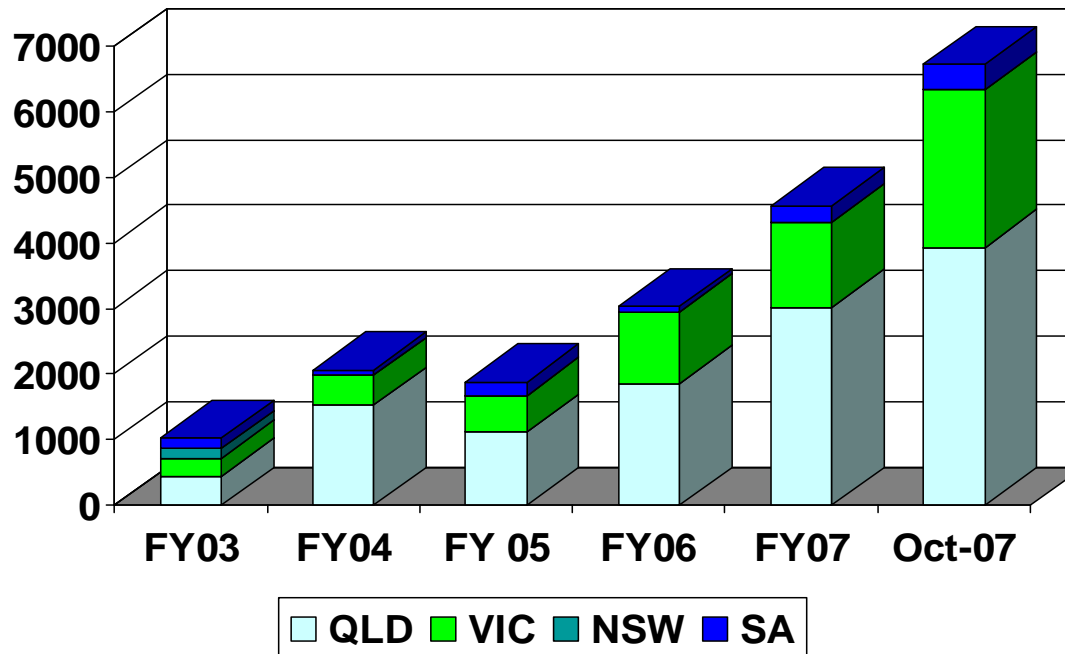
Project	Status	Yield
"Sanctuary Gardens" - Burton	Sales release Aug 07. Site works progressing	80
"Oakwood" - Munno Parra West	Stage 1 works well underway. Strong sales	186
"Oakwood" - On Andrews	Anticipated settlements Dec 07	64
'Sims Road" - Mount Barker	Staged settlement. DA lodged. Revising layout	200
"Peerless St" - Munno Para West	DA received. Anticipated registration Mar 08	37
"Lakeside" - Andrews Farm	Awaiting settlements of final lots. Completed.	209



Land Owned/Controlled



Land Owned / Controlled



Construction Division



Overview

- Commenced 2005
- First project was Charlotte Towers in Brisbane CBD, which was completed ahead of budget and on time
- Brings competitive advantage to Devine's commercial high-rise and mixed-use developments, including integrated fit-out services
- Multiple projects currently underway, including 333 Ann Street and ICB Central in Brisbane.



New Senior Appointments



- **Brent Hailey – Chief Operating Officer**
 - Previously CEO of MFS Diversified Group
 - Former CEO of Villa World Limited
 - Current Qld President of UDIA

- **Terry Conway – Manager Property Development – Brisbane**
 - 25 years experience with the Brisbane City Council
 - Core contributor to the Council’s CBD masterplan

- **Colin Boulton – Qld General Manager for Devine Housing and Land**
 - Previously Australian General Manager-Project Development for Macquarie Bank’s Urban Pacific
 - 30 years experience in development, building and engineering industries in Australia and offshore



New Senior Appointments



Following the acquisition of Stewart Silver King and Burns (SSKB), Devine welcomed two senior executives to its team.

- **Tim Sheehan - Chief Executive Officer (SSKB)**
 - Previously worked as a solicitor practising in strata development, management rights and body corporate law
 - Experienced in management rights sales.

- **Paul Wood - Chief Financial Officer (SSKB)**
 - Previously worked for an international chartered accounting firm and was accountant to a major property development company
 - Has extensive community management skills, including owning and operating management rights
 - Before his appointment as Chief Financial Officer, Paul managed a large portfolio of prestigious Brisbane buildings.



Highlights post 30 June 2007



- 333 Ann Street 100% committed, nine months ahead of completion
- Significant residential site acquisitions:
 - 62 ha prime subdivision site in Tarneit, south-west of Melbourne, \$36.85M
 - 21.299 ha in partially-developed Wyndham Springs Estate west of Melbourne, \$5.54 M
 - 12 ha site near Caboolture, north of Brisbane, \$9.25M
 - 25 ha in partially-developed Alberi Park Estate south of Brisbane, \$20M
 - partially-developed, 157.93 ha Sandstone Lakes Estate near Bribie Island, \$38M
 - 41.86 ha residential site at Truganina, 20 km west of Melbourne, \$18M
 - two adjoining land parcels totalling 55.55 ha at Redbank Plains, south west of Brisbane, \$30.1M. Adjoin an existing 68 ha parcel purchased in August 2006.
- Announced second A-grade commercial tower development in Brisbane CBD at 145 Ann Street. End value of approximately \$300M
- \$73.5 million pre-sale to Mirvac's Domaine SEQ Growth Fund of ICB Central commercial development in the near-city suburb of Herston, Brisbane
- Appointment of new Chief Operating Officer, Brent Hailey.



Future Outlook



Property Development

- Over \$1.9B worth of projects in planning stage or under construction
- New proposed Brisbane Town Plan will allow for increased yields
- Strong interest from fund managers in acquiring proposed commercial and retail projects
- Expanding the Construction Division to control delivery and costs of planned projects
- Major joint venture opportunities with Leighton Group.



Future Outlook



Housing and Land

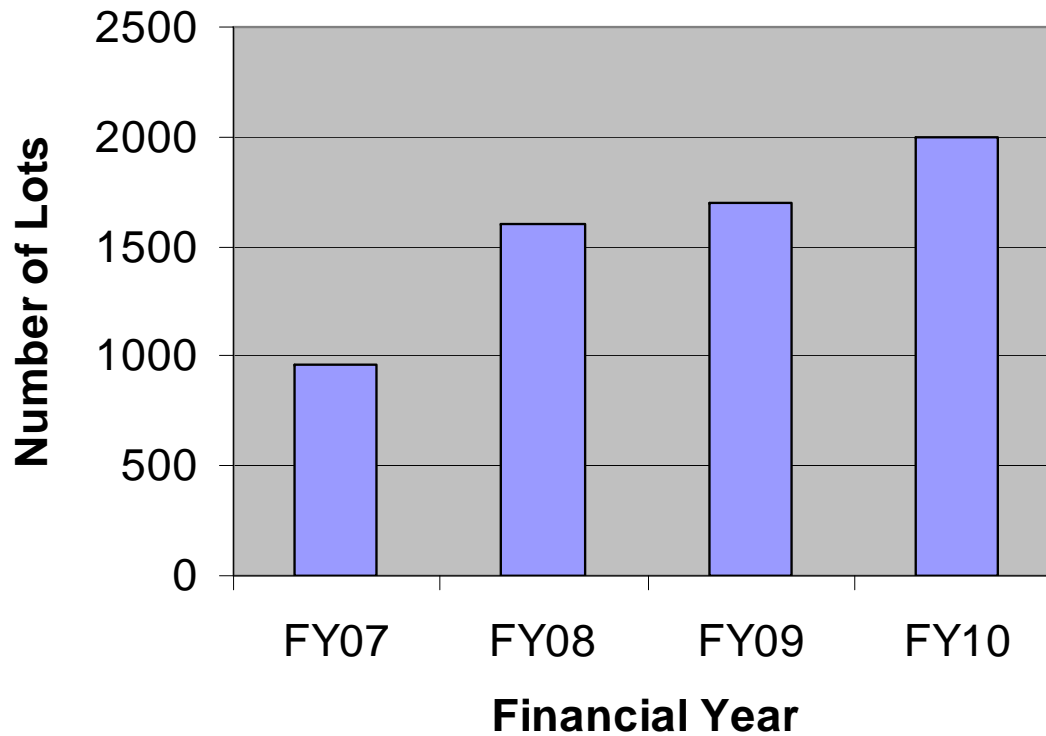
- We expect to increase land settlements from 961 lots in 2006-07 to 1,600 lots in 2007-08 (+66%)
- Of the 1,600 lots, 600 will be sold to other builders and 1,000 will have Devine Homes built on them
- We have set up a group of builders in each state to be part of a Battle of the Builders campaign
- We are planning for further geographic expansion with a return to the Sydney market in the medium term
- 2006-07 was a year of transition from selling affordable house/land packages to the above broad based expansion strategy
- We aim to be selling 2,000 lots per annum in 2010 with 1,200 Devine-built homes.



Future Outlook



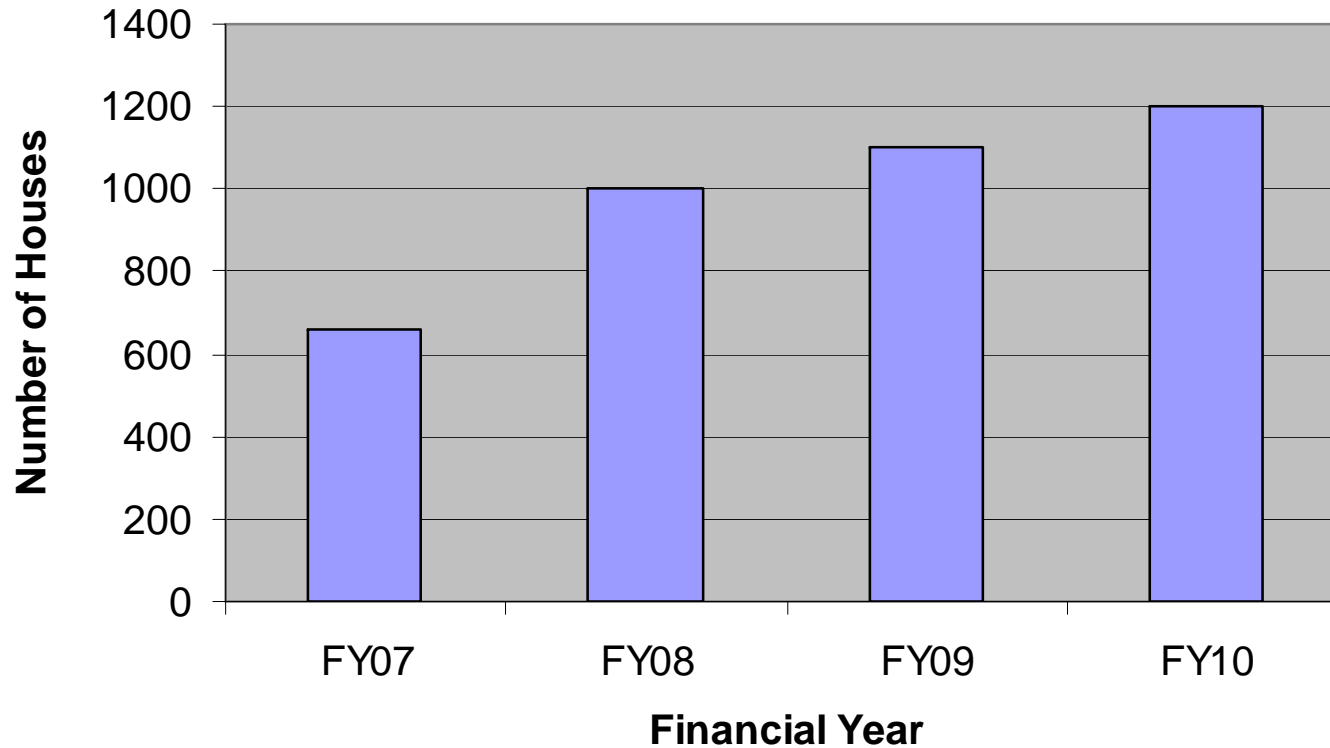
Land Settlements



Future Outlook



Housing Commencements



Future Outlook



Leighton Investment

- Leighton Holdings' investment will enable Devine to continue to fast-track its diversification program and undertake further geographic expansion in the medium term
- In addition to the equity investment in the company, Leighton and Devine are committed to exploring joint venture development opportunities.



2007- 08 Outlook



Property Development

- Progress planned developments
- Finalise architectural competition and progress DA for \$650M Alice and Albert Street hotel/residential development
- Move forward with joint venture opportunities with Leighton
- Obtain DA on Hamilton Harbour - \$400M over 3 stages and commence marketing June quarter 08.

Housing and Land

- Aggressive land acquisition programme in QLD, VIC and SA
- Rolling out new housing range in Queensland and Victoria (South Australia completed)
- Fast tracking land development to supply new markets
- Coordinating participating builders in “Battle of the Builders” promotion in all states
- Progress negotiations on sale of Hideaway @ Currumbin.



2007- 08 Outlook



Funds Management

Land Fund

- Via syndication
- Various geographic locations
- Residential subdivisions.

Asset Fund

- Income producing property
- Either developed by Devine or purchased
- Example 333 Ann Street.

Opportunity Fund

- Acquiring development opportunities with a 3-5 year window for development
- Broad acres
- In fill sites
- CBD redevelopment sites.



Devine Projects



145 Ann Street, Brisbane



Devine Projects



ICB Central, Herston



Devine Projects



Victoria Point Docklands, Melbourne



Devine Projects



Festival Towers, Brisbane CBD



Devine Projects



Charlotte Towers, Brisbane CBD



Devine Projects



333 Ann Street, Brisbane CBD



Devine Projects



Hamilton Harbour, Inner Brisbane



Devine Projects



Carrington, Alice Street, Brisbane CBD



Devine Projects



Edgewater, Coomera, northern Gold Coast



Devine Projects



Redbank Plains, south-west of Brisbane



Devine Projects



Display Home at Moorookyle in Tarneit, Victoria



Devine Projects



Display Home at Lakeside, Adelaide

