

ASX MARKET & MEDIA ANNOUNCEMENT

8 July 2013

FINBAR FORECASTS ~\$31 MILLION RECORD PROFIT & 9% INCREASE IN FINAL DIVIDEND

- **Finbar anticipates a 10% increase in net profit to ~\$31 million for FY13.**
- **FY13 represents Finbar's 7th consecutive year of profit growth.**
- **\$35 million cash position to fund working capital and future growth.**
- **9% increase in final dividend to \$0.06 per share.**

Perth, 8 July 2013: Western Australia's leading apartment development company Finbar Group Limited (ASX:FRI) (**Finbar** or **the Company**) is pleased to report that it is forecasting a full year profit after tax of approximately \$31 million for the financial year ended 30 June 2013 ("FY13"). This result represents a 10% increase over last financial year's record profit and is the Company's seventh consecutive year of profit growth.

Finbar has also completed the financial year with a strong cash position of \$35 million which ensures the Company is sufficiently capitalised to fund recent acquisitions and provide working capital for commencing new projects. Coupled with cashflow from sales from completed projects, Finbar is well positioned to actively identify new project opportunities.

A reasonably robust metropolitan sales market has provided sufficient sales to commence construction at Spring View Towers with the Company preparing to launch the sales of three new metropolitan projects representing a combined value of approximately \$340 million by the end of the 2013 calendar year.

Despite the Pilbara sales market recently slowing in light of current resource sector sentiment, Finbar has secured sufficient pre-sales in Pelago East to retire the project finance facility which is on track and on budget to be completed this calendar year. A strong leasing market in the Pelago project has ensured this project, and future planned projects in the Pilbara, continue to be accretive to earnings for the Company.

Commenting on the updated profit guidance today, Managing Director, Darren Pateman said, "FY13 has been a financially sound year for Finbar and represents our seventh consecutive year of profit growth. Our strong balance sheet and cash position allow us to

continue with our current level of development activities and secure new opportunities for our continued growth.”

Finbar is expected to report a similar level of net profit in FY14 with another potential profit increase depending on the timing of company projects currently under construction and due for completion in the 2014 calendar year.

On the back of a successful financial year, Finbar announced today a 9% increase in the final dividend to 6 cents per share. Combined with the 3.5 cent interim dividend paid in March, this increase will result in a dividend of 9.5 cents per share for FY13.

Commenting on the dividend increase today, Mr Pateman said, “This is the first year Finbar has benefited from the revenues related to our regional expansion and this exposure has contributed towards our record annual profit. As such, the Board feels that it is entirely appropriate to reward shareholders with an increase in the final dividend.”

Full dividend details are contained in a separate announcement today.

Finbar expects to release its FY13 results within its Annual Report at the end of August.

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For further information, please visit www.finbar.com.au or contact:

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Finbar Group Limited, its controlled entities and its jointly controlled entities, is a property development company whose core business lies in the development of medium to high density residential apartments and commercial property within the Perth Metropolitan Area and the Pilbara within the State of Western Australia.