



Tuesday 26 August 2003

FKP Limited posts a record \$26.7 million full year profit

Leading listed diversified property group, FKP Limited, today announced a record result with a net profit after tax of \$26.7 million for the 12 months to June 30, 2003, compared with \$17.1 million for the previous corresponding period, an increase of 56 per cent. This reflects an earnings per share of 23.5 cents.

In keeping with its commitment to deliver strong shareholder returns, FKP Limited declared a final fully franked dividend of 6.5 cents per share, bringing the total payout for the 2003 financial year to 12 cents per share fully franked, which represents a 20% increase on the prior year's payout.

The net profit after tax included an amount of \$2.1 million that FKP was required to take into account as a result of the introduction of Urgent Issues Group Abstract 53 whereby unconditional pre-sales on residential development projects are to be brought to account on a percentage completed basis. Excluding this adjustment, FKP's net profit after tax would have been \$24.6 million, an increase of 44% on the previous corresponding period.

This record result confirms FKP's commitment to deliver on its promises, by exceeding the forecast 30% net growth for 2003, announced by FKP Limited Chairman, Mr John Jamieson at the 2002 Annual General Meeting.



Leaders in Property

Net tangible assets per share rose from \$1.35 at 30 June 2002 to \$1.53 at 30 June 2003, while net debt was reduced by 48% to \$21.2 million at 30 June 2003, resulting in a gearing ratio of 12.1%.

Return on Shareholders' Funds increased from 11.1% at 30 June 2002 to 15.2% at 30 June 2003.

"These results are testament to the hard work and excellent results achieved across all Divisions of the Company," Mr Jamieson said.

Key highlights of the 2002/03 year include:

- Outstanding performances from the Company's residential, development and construction divisions.
- Total revenue of \$294.9m up 49% from \$197.9m in the previous year.
- Inclusion in the S&P/ASX 200 Index, effective from 1 July 2003
- an increase of 35% in deferred management fees earned by the retirement division
- The successful launch and performance of the FKP Commercial Property Trust No 1, including a distribution well in excess of the forecast in the Product Disclosure Statement.

Mr Jamieson said he was optimistic about the coming year.

"We start the 2003/2004 financial year in an excellent position and expect to increase profit by in excess of 15% in the 2003/04 financial year." Mr Jamieson said.

"FKP Limited has an excellent portfolio of projects under development with unconditional sales of \$130m not yet brought to account" he said.



Leaders in Property

“We remain focussed on growing recurrent revenue streams and plan to expand our Funds Management Division with the launch of a second property trust during the 2003/04 financial year, and to continue our controlled growth of our Retirement Division in the eastern states of Australia.”

FKP Limited is the largest listed property development company based in Queensland and the largest owner/operator of retirement villages in Australia.

Financial Performance

Year ended 30 June	2003	2002	Change
Total Revenue ('000s)	\$294,910	\$197,888	49%↑
Net Profit After Tax ('000s)	\$26,741	\$17,090	56%↑
Earnings per Share	23.53 cents	15.10 cents	56%↑
Dividend - full year (fully franked)	12 cents	10 cents	20%↑
NTA per share	153 cents	135 cents	13%↑
Gearing	12.1%	26.5%	-54%↓

Ends

For more information please contact:

Peter Brown
Managing Director & CEO
FKP Limited
Ph (07) 3223 3869