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Company Announcements Office
Australian Stock Exchange

FUTURIS AND LWP PROPERTY GROUP ANNOUNCE $400 MILLION RESIDENTIAL PROJECT TO ADDRESS STRONG LAND DEMAND IN PERTH

Michael Sadlon
Company Secretary

FUTURIS CORPORATION LIMITED

LWP Property Group

$400 MILLION RESIDENTIAL PROJECT TO ADDRESS STRONG LAND DEMAND IN PERTH

- Major new residential development in premium Perth corridor
- Over 3,500 lots to give projected sales in excess of $400 million

Futuris Corporation (Futuris) and LWP Property Group (LWP) have announced a major new master-planned residential development to cater for the strong ongoing demand for residential land in the Perth region.

The Byford development, located in the south-eastern corridor of Perth, is planned to provide over 3,500 lots of residential land located about 30 kilometres from the city's CBD. The project will develop approximately 440 hectares of land in Byford in which Futuris Corporation currently has an interest. It is anticipated that the project will generate gross sales proceeds of approximately $400 million over a 19 year sales period.

Byford will offer Perth land and home buyers a choice of housing and lot sizes combining a village atmosphere and a rural lifestyle in good proximity to the CBD. Its accessibility will improve further from 2006 with the extension to the Tonkin Highway and the extension of the electrified Armadale rail service proposed for 2009.

The project will complement the Byford region's natural features and relaxed country atmosphere with excellent recreational and community facilities to create a unique new master planned community. In keeping with the village form of the development, a range of lot sizes ranging from 400 square metres to 4,000 square metres will be developed.

"At a time of heightened stress and anxiety in the community, Byford can fulfil the Australian love affair with the perceived security and peace of the countryside. It will satisfy the desire to "escape" within the reality that most people are and will be urban dwellers," said LWP General Manager Dr Russel Perry.

"Based on our experience with the award winning Ellenbrook development, we believe we can produce a high quality lifestyle with a range of affordably priced products. Byford offers a wonderful opportunity to build upon existing community and retail infrastructure," Dr Perry added.

The President of the Serpentine Jarrahdale Shire, Councillor Denyse Needham has welcomed the announcement.

"Serpentine Jarrahdale Shire is an area blessed with some of the most picturesque countryside close to Perth and nestled against the backdrop of the Darling Range", Cr. Needham said.

"We look forward to working closely with the developers to create this exciting new community in Byford and the Shire. This type of development and the additional growth which will occur, will result in maintaining the attractions of an existing lifestyle and environment as well as providing an increased level of facilities and services," Cr. Needham added.

Futuris Chief Executive Les Wozniczka said that the commitment to the Byford development was the culmination of a long term effort by the company to create the best outcome for its property interests in the region.

"We acquired our first interests in Byford in 1996 and have been working steadily to build the development options and value for these assets. Now, together with LWP, we can bring a total master planned project to market with the scale, features and timing that will unlock full value for our Byford property.

"The long term commitment we have made to building the value of our assets in Byford is now set to be repaid with a substantial and long term earnings flow.

"As a diversified industrial, Futuris seeks to use its resources and financial strength to create business plans for our assets that will deliver the best results for our shareholders over the long term.

"We have been able to achieve this at Byford and look forward to working with LWP, a proven and award-winning project developer to bring these plans to fruition."

Futuris is currently engaged in residential property development in Perth through the successful Seagrove development in the northern suburbs. With Seagrove approaching completion in 2005, Byford will provide for a continuation and gradual escalation of Futuris' residential property activities in the city.

Under the joint development agreement, LWP will undertake capital development, be responsible for project management and marketing of developed lots, while Futuris will retain ownership of the land.

Construction activity is expected to commence on the project's first stage in March 2004 with the first lots due to become available in the December quarter of that year. The total project duration is expected to be 19 years, with the bulk of the sales to occur from 2007 onwards after the launching of the second stage.

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Further comment:

LWP Property Group	**Futuris Corporation**	**Shire of Serpentine-Jarrahdale**
Russel Perry	Les Wozniczka	David Price
General Manager	Chief Executive	Chief Executive Officer
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LWP

LWP Property Group Pty Ltd specialises in the project management of large residential estates with responsibility for the Ellenbrook Joint Venture project, Jane

Brook Estate and The Vines. Ellenbrook has twice been awarded best residential sub-division in Australia as well as the National Urban Development Institute Award for Excellence for best master planned community in Australia.

Futuris Corporation

Futuris is an ASX listed diversified industrial with interests in agribusiness (Elders, Australian Agricultural Company Limited (42% shareholding) and Integrated Tree Cropping 50% shareholding), automotive components (Air International) and property.

Futuris conducts its property activities through wholly owned subsidiary Caversham Property. Caversham has successfully managed a variety of property development projects in Victoria, New South Wales, Western Australia and South Australia including industrial, commercial and residential property developments. Caversham Property has assets with a total value of approximately $100 million including commercial and office property, retirement villages and strategic investments in the healthcare and tourism sectors.

Futuris has a market capitalisation of approximately $1 billion and over 5000 employees.