12 August 2004

Company Announcements Office
Australian Stock Exchange

FUTURIS CORPORATION LIMITED

2004 RESULTS BRIEFING MATERIALS

Following are presentations to be made at a briefing on Futuris Corporation's 2004 financial results and 2005 outlook at 11:00 am Eastern Standard Time today. The briefing will be webcast, via the company's website at www.futuris.com.au

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Company Secretary

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Futuris Corporation Limited A.B.N. 34 004 336 636

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Futuris' 2004 results show:

- **Strong performance**
- **Strong cash flow**
- **Strong balance sheet**
- **Growing businesses**
- **Positive outlook and momentum for '05**

Presentation outline

1	Overview of '04 results & progress	Les Wozniczka	CEO, Futuris
2	Financial results	Peter Zachert	CFO, Futuris
3	Elders	Greg Hunt	MD, Elders
4	Air International	Bruce Griffiths	MD, Air International
5	2005 agenda and outlook	Les Wozniczka	

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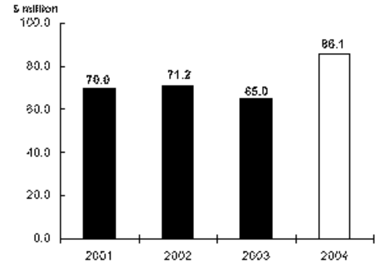
Overview of 2004 Results
Les Wozniczka
Chief Executive

Main features of 2004

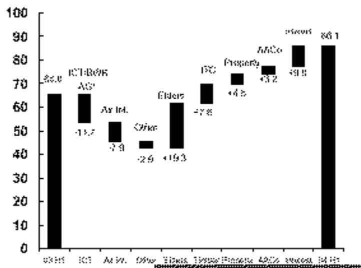
- Revenue up 10%
- Underlying profit of $62.8 million up 31% from $48.0 million
- Reported profit affected by non-recurring items to be $23.8 million
- Final dividend maintained at 4 cents per share, franking to 3 cents.
- Cash flow from operations of $121.1 million
- Surplus of cash over borrowings
- Strong growth underway in most operating divisions
- Momentum and positive outlook for 2005

Underlying* profit before tax
Futuris best underlying profit yet



* profit before tax excluding non-recurring items

Movement in underlying EBT
Elders the foremost of a number of earnings drivers



Elders
broadly based growth as strategy dividends accumulate

- Strong organic growth across the business
- Momentum in all business areas
- Showing benefits of strategies
- AACo
  - increased contribution from $7.2 million to $10.4 million
  - 03 & 04 revaluations taken up in FCL 04 accounts

	04	03	Change
Sales	1,853.9	1,621.2	14%
EBIT (underlying)	61.2	50.4	21%
EBIT/Sales (underlying)	3.3%	3.1%	n/m
ROFE (underlying)	13.3%	10.0%	n/m

n/m = not meaningful

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Air International
Mid-way through 2 year recovery program

- Major restructuring
- Ongoing business improvement program
- Business trending positively

	04	03
Sales	745.4	766.6
EBIT underlying	21.5	29.4
EBIT reported	19.5	19.3
ROFE (underlying)	8.5%	11.9%

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Property
Growth as a result of new projects and prior year restructuring

- Strong residential market
- New residential and retirement villages
- Invested in new projects for 05 onwards
- Adelaide CBD project (Waymouth St)

	04	03
Sales	54.1	44.5
EBIT underlying	7.5	3.0
EBIT/Sales (underlying)	14%	7%
ROFE (underlying)	5.7%	3.5%

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Forestry
hardwood timber strategy delivers earnings and a new operating division

- Increased investment in ITC, sponsored restructuring
  - ASX float
  - rights issue
- Positive response from equity and MIS investors
- 2004 Product Offering exceeded prospectus by 240%
  - carryover benefits
- First retail funded manager to gain Forestry Stewardship Council certification

	04
Sales	30.0
EBIT underlying	10.9
EBIT/Sales	36%
ROFE (underlying)	16.0%

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Timber
Merger to transform ITC from MIS play to integrated timber company

- Merger joins ITC with Australia's largest independent processor adding:
  - sawmilling and processing assets & infrastructure
  - experienced senior management & directors
  - presence in downstream domestic timber
  - environmentally responsible (re-growth) logging operations in Victoria
  - 50% in Tasmania Fibre Project
- Merger creates integrated timber player involved in full spectrum of timber activities
  - ITC gains access to processing and value adding expertise and operations
  - NSG gains greater access to investors and capital
- supplemented by 19.9% investment in Forest Enterprise Australia
- Subject to shareholder approval

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Financial performance

Peter Zachert
Chief Financial Officer

Statement of financial performance – key items
$ million

	04	03	
Sales revenue	**2707.3**	2464.3	+10%
Share of associates profit (equity acc)	**17.3**	26.7	-35%
Underlying EBIT	**96.1**	**84.0**	**+14%**
Net borrowing costs	**10.0**	19.0	-47%
Underlying profit before tax	**86.1**	**65.0**	**+32%**
Underlying profit to shareholders	**62.8**	**48.0**	**+31%**
Non-recurring items after tax	**(39.0)**	54.0	n/a
Reported net profit to shareholders	**23.8**	102.0	-77%

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Underlying EBIT by operating division
$ million

	04	03
Elders		
Elders operations	**50.8**	31.5
AACo	**10.4**	7.2
Incitec/BWK AG	**-**	11.7
Total Elders	**61.2**	50.4
Air International	**21.5**	29.4
Forestry (ITC)	**10.9**	3.3
Property	**7.5**	3.0
Investment and other	**(5.0)**	(2.1)
Total Futuris Corporation	**96.1**	84.0

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Non recurring items
$ million after tax

	04	03
Provision for BWK AG writedown	**(26.0)**	
Fares: provision for doubtful debts	**(10.5)**	
Provision for Air restructuring costs	**(1.4)**	
Share of Stanbroke bid costs	**(1.1)**	
2003: non-recurring items		54.0
	(39.0)	54.0

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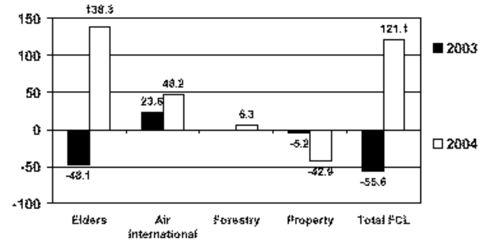
2004 Cash flow from operations
$ million



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Statement of financial position
$ million as at 30 June

	2004	2003
Cash*	**389.3**	428.2
Borrowings	**395.4**	423.9
Net debt*	**6.1**	-
Shareholders equity	**961.1**	901.4
Gearing*	**1%**	0%
NTA per share (cents)	**0.94**	0.88

* includes insurance reserves and cash held in trust totaling $[illegible] million as at 30/6/04 ($[illegible] million at 30/06/03)

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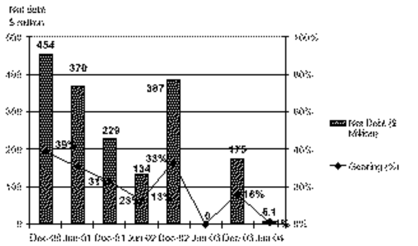
Net debt and gearing*



* net interest bearing debt/net interest bearing debt plus equity

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Dividend

- Dividend maintained
- Distribution reflects underlying result and strong cash position

cents	04	03
Interim dividend	4.0	4.0
Final dividend	4.0	4.0
Franking	75%	75%

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2004 Review

Greg Hunt, Managing Director

Australia's leading rural service business.

FY 2004 : main features

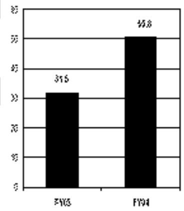
- Underlying EBIT $61.2 million up 21%
  - despite $12 million reduction in earnings from ICT
- Strong growth in earnings generated through Elders network
- Reported profit affected by provisions of $42 million
- Some areas and products still drought affected
- Wool affected by global conditions, all other product areas increased financial contribution
- Continued record of disciplined cost management
- Business development: building the value of the network and supporting supply chain linkages
  - Elders Webster joint venture
  - Grain
  - Asia

Australia's leading rural service business.

FY 2004 : Elders growing strongly

Underlying EBIT $ million	04	03	
Elders' operations	50.8	31.5	+61%
AACo	10.4	7.2	
Incitec (sold)/BWK AG	-	11.7	
Total Elders*	61.2	50.4	+21%
Interest earned from insurance operations	7.6	5.0	

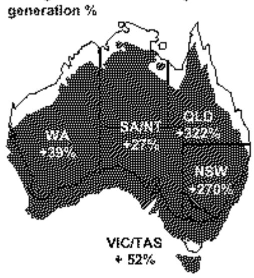
Underlying EBIT contributed from Elders' operations*
$ million

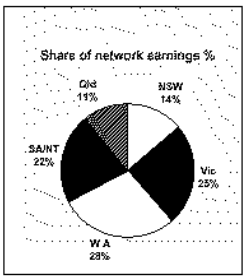


Australia's leading rural service business.

FY 2004 : Elders growing strongly

Change in network earning generation %





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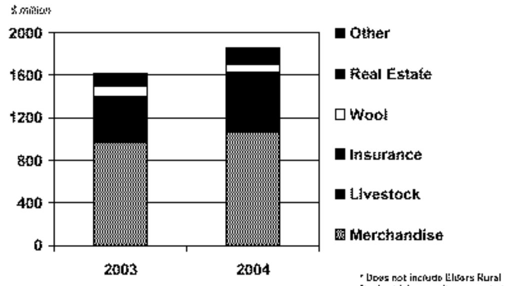
Strong revenue growth across most product lines

Sales revenue*
$ million



* Does not include Elders Rural Bank which is equity accounted

Australia's leading rural service business.

Network products: **Meat and Livestock**

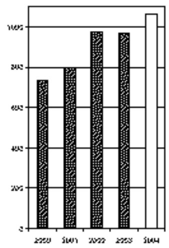
- Increased financial contribution, revenue up 30%
- Sheep – tight supply and strong demand
- Cattle – tight supply, strong international demand post US BSE
- Live Export to most non-Saudi destinations continuing but at lower volume
- China: increased presence rewarded
- Herd re-building and tight markets expected to continue to influence supply and prices

Australia's leading rural service business.

Network products: **Merchandise**

- Merchandise revenue up 10%
  - despite adverse seasonal conditions in NSW, QLD and late starts to summer and winter cropping
- Grew market share without loss of margin
- Strong growth from fertiliser, cropping inputs
  - animal health product sales down due to lower post-drought animal population
- Elders Webster joint venture has expanded Tasmanian presence

Merchandise sales
$ million



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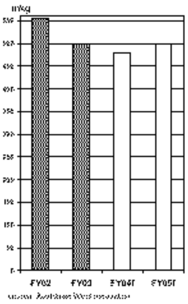
Network products: **Wool**

Australian shorn wool production
mkg



- Lower wool production and prices resulted in lower sales
  - prices also affected by A$ and lower demand
- Elders performed well in smaller market
  - Increased market share of receivals
- BWK EE & EA (wool trading operations) result reflects low volume
- BWK AG (wool combing) reflected by global overcapacity
- Wool production forecast to improve in 05

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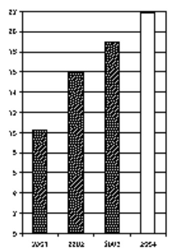
Network products: **Elders Rural Bank**

- Profit after tax up 15% to $21.8 million
- Strong fully funded growth:
  - loans up 27% to $1.9 billion
  - deposits up 15% to $1.8 billion
- Improved cost performance
- Net non-performing loans as % of loan book down
- Number of customers up 41%
- Broadening business base to include low risk non-primary producers from regional and metropolitan regions

ERB Net profit after tax
$ million



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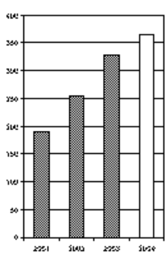
Network products: **Insurance**

- Continued trend of improvement
- Gross written premium of $365 million up 11%
- Strong operating cost performance
- Improved technical and financial performance
- Divisional EBT of $13.0 million vs $1.1 million in 2003
- Can do better and initiatives identified for 2005

Gross written premium
$ million

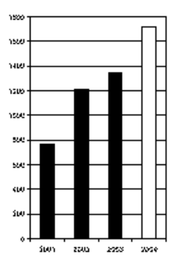


Australia's leading rural service business.

Network products: **Real Estate**

- Higher financial contribution due to business development and property market conditions
  - revenue up 25%
  - broadacre turnover exceeded $1 billion for first time
- Business development
  - supplementing traditional broadacre with rural/residential
  - property management
- Market conditions softening – expect steady contribution in '05

Value of properties sold
$ million



Australia's leading rural service business.

Conclusion and outlook

- Strong underlying performance across the business in 04
- Elders operations have substantially increased their earnings contribution
- Strong momentum in merchandise and financial services
- Expect further improvement in '05
  - result, as ever, subject to season conditions
- Seasonal conditions currently mixed:
  - winter cropping regions reasonable
  - NSW and QLD need further rain

Australia's leading rural service business.

Review of FY2004

Bruce Griffiths, Managing Director

Thursday,12th August 2004

Main features of FY2004 performance

- Sales revenue of $745.4 million down from $766.6 million
- Reported EBIT of $19.5 million vs $19.3 million in 2003
- Underlying EBIT down to $21.5 million from $29.4 million
- Commenced a two year business improvement program
- Business restructured for improved focus & efficiency
- Important contracts secured
  - Retained core business in Australia
  - Expansion of North American & China operations

2004 earnings performance

- **Affected by translation of offshore results at higher A$ exchange rate**
  - reduced results from US & China
- **Cash generation improved significantly**

	2004	2003	Change
Sales revenue	745.4	**766.6**	-3%
Operating cash flow	48.2	**23.6**	104%
EBITDA	50.2	**55.6**	-10%
Depreciation & amortisation	30.7	**36.3**	-15%
Reported EBIT	19.5	**19.3**	1%
Non-recurring items	(2.0)	**(10.1)**	n/a
Underlying EBIT	21.5	**29.4**	-27%

Business improvement & restructuring

- Reorganised business for improved focus & efficiency
  - **Global Thermal:** range of geographic investments integrated into global structure
  - **Interior Systems:** activities re-focused along product lines
  - **Rail & Bus:** several operations re-organised into a global entity
- Efficiency & improvement initiatives from total business review
  - Product re-design & simplification
  - Material costdown & re-sourcing
  - Implementation 'lean manufacturing' within all plants
- Australian workforce reduced
  - 12% reduction while supporting 5% increase in sales
- Initial two year program due to be completed end 2005
- Improvement evident at operational level

Global Thermal Division

- Incorporates operations in Australia, North America & China
  - Design, manufacture & supply of HVAC systems & powertrain cooling modules
- Actual sales of $236 million, down 5% on 2003
  - Currency impact on offshore operations - USA & China
  - Lower than planned North American volumes
  - **Australia**
    - Sales remained constant with 2003
    - New product for Ford Territory, secured Holden VE Commodore business
  - **North America**
    - Sales volumes down under current contract
    - Two new contracts won with GM for 2005 onwards
    - Major escalation of US activity from Feb. 2005
  - **China**
    - Sales increased by 12% over 2003 (18% in constant $ terms)
    - Increased volumes with several customers
    - financial improvement in Chongqing operation

Interior Systems Division

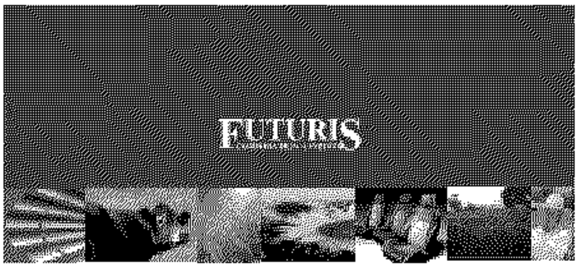
- Comprises the Australian seating, carpet & trim, mechanisms & aftermarkets activities
- Sales of $423 million, up 5%
- New products for Holden, Ford
  - Ford Territory
  - GM Pontiac GTO
  - Holden Adventra & Crew Man
  - Development of Holden VE Commodore seating underway
- Prime focus of improvement program following growth of 2004
  - Business now stabilised
  - Several improvement activities in process
- New work underway
  - Mitsubishi seating

Rail & Bus Division

- Comprises rail HVAC operations in U.K. & Australia and bus HVAC businesses in Malaysia & Thailand
- Lower EBIT contribution in 2004
  - Lower sales & demand from Asian markets
  - Currency appreciation
- Establishment of new operation in Changzhou, China
  - Operation to commence from August 2004
  - Focus on bus & rail growth in China
- Improved contribution in 2005 is subject to improved market conditions in Asia

Conclusion

- Overall FY2004 results reflect:
  - Impact of currency appreciation
  - Issues being addressed by two year improvement program
  - Lower sales volumes in USA, Rail & Bus
- Escalation of North American business
  - Commencing from second half of FY2005
- Business improvement program for better financial performance enters final year
  - Initiatives ongoing
- Business has responded & has higher targets of 2005.



2005 Outlook

Les Wozniczka

Expected key earnings drivers for 2005
Each business area has upside potential

- Elders
  - consolidating gains made in 2004
  - ongoing improvement from merchandise, financial services, AACo
  - seasonal conditions, as always, will influence result
- Air International
  - progress from completion of business improvement program
- Hardwood timber
  - 04 product offering carryover to 05 plus 05 Product Offering
  - completion of ITC/Neville Smith Group merger
- Property
  - Residential: commencement of Byford project sales
  - retirement villages

Outlook
Normal conditions are expected to bring earnings growth

- **Futuris expects to increase underlying earnings in 2005**
  - Expect underlying earnings to fall within range of market expectations subject to "normal" seasonal conditions, no material SGARA
- **Strong second half bias to profit**
  - Timing of rural spending
  - Plantation hardwood – MIS season

Conclusion

- **Futuris 2004 results and 2005 outlook show a business that is growing**
- **Momentum is broadly sourced across the company:**
  - Elders: new product areas+growing market share backed by trade competitiveness of Australian farm sector
  - ITC: exceeding expectations through strong positive response, plus Neville Smith initiative
  - Property: existing and near term projects
  - Air: completion of business improvement program.
- **Will continue to build the business**

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