FUTURIS CORPORATION LIMITED

25 May 2005

Company Announcements Platform
Australian Stock Exchange Limited

Market guidance statement
Projected results for 2005 Financial Year

Futuris Corporation advises that, on the basis of unaudited management accounts for the 10 months to 30 April, the Company anticipates reporting an increase in reported and underlying profit (profit before non-recurring items) for the 2005 financial year.

The lack of rain in eastern and southern Australia has impacted the Company through reduced merchandise sales by Elders. However, the Company's operations which are not exposed to current adverse seasonal conditions are performing at or above expectations.

Underlying profit
Year to date results from each of the Company's major operating divisions[1] have exceeded those for the previous year and each is expected to deliver growth in underlying EBIT in the current financial year.

Underlying EBIT is projected to be within the range of market expectations but lower than was expected following the good first half performance. Company projections are that 2005 underlying EBIT will approximate or exceed the consensus of market expectations of approximately $117 million. Futuris recorded underlying EBIT of $96.1 million in 2004.

Underlying net profit will be impacted by the increased interest charges arising from expenditure during the year on investments made under the Company's growth strategies. These investments, which have contributed to increased interest charges in the current year, are expected to contribute to earnings from 2006 on.

Underlying profit after tax is projected to fall within a range that is some 10% lower than the range of market expectations. This translates to a revised range of expectations for underlying net profit after tax and minorities of $68 million to $73 million, and compares with the corresponding 2004 result of $62.8 million.

Reported profit
Reported profit to shareholders is expected to exceed $90 million, compared with $23.8 million in 2004.

The anticipated total non-recurring gains of approximately $22 million is lower than originally expected due to a decision not to undertake the expenditure required for one of our livestock transports to meet current and enhanced 2007 certification requirements necessary for

[1] *Being Elders, Integrated Tree Cropping and Air International with the latter measured on a like for like basis after the Global Thermal Systems transaction.*

international livestock carriage to and from Australia. A provision of $11 million after tax is anticipated in the 2005 accounts to write down the value of the ship (the Danny F) to scrap value. In addition, the Company has also incurred idle costs of approximately $5 million after tax. The Company will explore other options for maintaining the live export trade, which is vital as a livestock selling option for Australian producers.

Final results

The determining factor in the underlying earnings result achieved for the year will be the timing and adequacy of rainfall over the remainder of the financial year. Rainfall late in this period can be expected to push merchandise sales into the new financial year.

The Company's earnings projections are based on the expectation of some timely improvement in seasonal conditions in the current financial year and, as in previous years, are subject to balance date SGARA cattle price adjustments by AACo.

The Company will report its results for the 2005 financial year on Thursday August 11.

Comment from the Chief Executive:

"Futuris is acutely aware of the difficulties facing farmers and our staff in those parts of Australia experiencing very dry conditions. Our commitment to maintain our presence will assist farmers with recovery when conditions improve.

While no national agricultural company can be immune from such conditions, the Company's strategies in recent years to broaden its industry and geographical presence is expected to result in higher earnings for shareholders."

Sonya Furey
Company Secretary

Further Comment:

Les Wozniczka Tel: 08 8425 4999
Chief Executive Officer, Futuris Corporation Limited

Further information:

Don Murchland Tel: 08 8425 4617
Investor Relations Manager, Futuris Corporation Limited