FUTURIS
CORPORATION LIMITED

25 October 2005

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FUTURIS CORPORATION LIMITED
ANNUAL GENERAL MEETING – 25 OCTOBER 2005
CHIEF EXECUTIVE OFFICER'S ADDRESS

In accordance with Listing Rule 3.13.3, I attach a copy of the prepared addresses to be given by the Chairman and Chief Executive Officer respectively at the Annual General Meeting of Futuris Corporation Limited to be held at 2:30pm WST today.

Michael Sadlon
Company Secretary

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Address by the Chairman
Mr Stephen Gerlach

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Addresses by Stephen Gerlach, Chairman, Futuris Corporation and Les Wozniczka, Chief Executive, Futuris Corporation to the Company's Annual General Meeting
25 October 2005

2005 was a milestone year for your Company.

The theme chosen for the Annual Review, "Delivering growth and investing for the future" aptly summarises Futuris' performance over the 12 months to 30 June 2005.

Financial results

The Company increased revenue, underlying profit and dividend to their highest level yet. Strong growth was achieved across a number of areas, especially forestry, insurance, and banking.

Futuris maintained its commitment to building its businesses, executing a number of corporate initiatives and making its largest investment commitment since the acquisition of Elders in 1996.

The investments made have flowed, in a number of areas, from the elevation of our strategies during the year. We stepped up our strategy execution to address new business areas, such as hardwood processing and to accelerate structural change in sectors such as fertiliser and wool where reform offers long-term gains for our shareholders and our clients.

The end result is that Futuris has completed 2005:
more profitable;
with a broader business base;
with strong momentum; and
the projects and business development in train that can generate growth into the future.

The two features of the Company's performance that I would like to focus on today are the strong earnings growth and the substantial investment commitment made during the year.

The statutory profit reported for the year of $91.0 million compares to a corresponding result of $23.8 million in 2004. The final result in both years included non-recurring items, which

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have been detailed in the Annual Review. Profit after tax before non-recurring items (or underlying profit after tax) for 2005 was $70.6 million, 12% higher than the 2004 underlying profit of $62.8 million. The 2005 underlying profit is the highest yet recorded by Futuris.

The merit of this result is reinforced when consideration is given to the extreme weather experienced in the eastern states during the June Quarter.

Essentially no rainfall of significance was recorded in the region until the third week of June, resulting in a contraction of farm merchandise markets due to the late cropping season. In addition, AACo was affected by a substantial downwards mark-to-market at balance date and Air International was reduced in scale following the mid-year sale of the Global Thermal ~~Systems operations, which had been Air's major earnings generator.~~

The achievement of the 'best-ever' underlying profit in these circumstances demonstrates the continuing growth in the strength of the Company's businesses, its momentum and the management's performance.

Dividend

The board is pleased to have increased the final dividend from 4 cents per share to 5 cents per share and, by consequence, the annual dividend from 8 cents per share to 9 cents per share. Franking has been increased from 75% to 100%.

The increase in dividend takes account of our higher profitability and the Board's view of the Company's prospects. The higher final dividend reflects the seasonal pattern of the Company's profits. For this reason, it is expected that any future dividend increases are more likely to be made to the final rather than interim payments.

Corporate development and investment program

The board is supportive of management's objective of further building Futuris' agribusiness interests. 2005 saw increased corporate activity by Futuris as strategies in a number of areas were progressed.

In total, the Company committed $390 million to investments, capital expenditure and acquisitions during the year including:
Elders' fertiliser initiative, involving the formation of the Elders Landmark Fertiliser joint venture and the acquisition of a 33% shareholding in HiFert.
participation in AACo's rights issue;
the financial restructuring and acquisition of BWK
participation in the rights issue and placements by ITC to support its acquisition of Neville Smith Group and a strategic shareholding in Forest Enterprises Australia; and,
the acquisition of over 20,000 hectares of land for ITC's plantation activities.

Each of these commitments represents an investment in the Company's future income generating capacity.

Financial position

The increased investment activity during the year is reflected in the Company's balance sheet position at year-end. Gearing remains moderate with the ratio of net interest bearing debt to debt plus equity being 23% at 30 June.

The Company's gearing and borrowings remain within the parameters of a conservative position and that set by the company in view of its obligations to its prudentially regulated entities.

Telecommunications
One area where I would like to briefly focus is Elders' joint venture with Telstra CountryWide. The genesis for the initiative came from the recognition that telecommunications in rural and regional Australia was an area where Elders clients were being under-serviced.

A 6-month trial, involving two Elders' branches providing Telstra products and services, has proven highly successful. We are now seeking to extend our telecommunications service to 100 branches over the next 3 years.

The trial has demonstrated that face-to-face service, taken for granted by city users, can be delivered economically to rural telecommunications users. Our trials have shown the benefits of involving an organisation with an established network and an economic commitment to rural people. We look forward to expanding our activities in this area.

Corporate Governance
Futuris regards effective and responsible Corporate Governance essential for the protection of shareholder interests and maximisation of performance.

Details of the procedures and practices applied by the Company are published in the Corporate Governance Statement within the Annual Review mailed to shareholders. We comply substantially with the ASX Best Practice recommendations.

With regard to the Board, it is in the interests of all stakeholders that the Company keeps a balance between achieving the regular renewal and regeneration that encourages a fresh and dynamic board, and the maintenance of sufficient continuity to preserve corporate memory, provide stability, ongoing commitment and accountability.

The Futuris Board has a healthy balance in this respect.

More than half of the Company's directors have joined the Board within the last four years and have brought fresh thinking and views into Board discussions.

Remuneration Report
Discussion of the Company's remuneration policies and practices have been concentrated in the Remuneration Report within the Directors' Report of the Annual Review mailed to shareholders. The Remuneration Report will be the subject of a non-binding vote later in the meeting and its contents discussed in more detail at that point.

However I would like to make some general comments on the Company's philosophy in this area.

The determination of remuneration packages involves balancing a number of objectives. From Futuris' perspective, we seek to build a strong linkage between individual and

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corporate performance and remuneration outcomes whilst protecting the Company from losing its best, brightest and experienced people to rivals.

Of course, seasonal conditions will occasionally adversely affect Company performance – despite the best efforts of employees. Alignment of shareholder and employee interests means that employees share some element of seasonal risk with shareholders. It also means that it is in the Company's interest to ensure that its employees are adequately incentivised through these periods by the opportunity to share in the rewards when better results are achieved.

Futuris has built a team of good people, at both the corporate and operating division level. ~~As I outlined earlier, the Company's performance in 2005 was among the very best it has~~ achieved and followed another year of strong growth in 2004. The remuneration outcomes documented in the report can be expected to reflect this.

Other matters

There are a number of other policy and public affairs issues of significance for our business interests.

Free trade and agricultural marketing regulation

Futuris regards the finalisation of a Free Trade Agreement with China as highly desirable. Elders Australia is actively involved in the FTA process with the objective of getting the best result for the Australian primary producer.

The scale of China's development and production capabilities can appear intimidating but, given fair opportunity, Australian companies can participate in this development.

All we ask is the opportunity for a level playing field on which we can engage with China and make our capabilities a valued part of their economic development.

Unfortunately, free trade and engagement with overseas buyers is not a concept that is freely and equally available to all Australian farmers.

For example, farmers who are wool growers are free to take advantage of Elders' initiatives to improve the attractiveness of Australian wool to Chinese buyers, such as through the global wool auctions Elders has pioneered in China.

Similar opportunities apply to Elders' clients in the horticulture, meat and livestock and dairy sectors, all of whom are able to choose freely between domestic and export sales, which include options created by Elders' supply chain management and its operations in China.

But for grain growers, their export sales options are limited by where they live and which grains they produce.

Thus, barley growers in Western Australia, Victoria and New South Wales either have free markets, or can choose between selling to statutory marketing authorities or to organisations such as Elders who are keen to accumulate grain for sales into China, other Asian markets or to domestic buyers.

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On the other hand, South Australian barley growers are, to date, still prohibited from selling barley in bulk into any export markets except through the statutory monopoly.

Wheat growers Australia-wide do not have any freedom of trade in export markets, with the statutory monopoly and power of veto being held by AWBI over bulk sales.

The recent experience in barley has been instructive, with choice and price relativities moving in favour of farmers in those states where deregulation has occurred, and against those in South Australia where single desk arrangements have been retained.

It is important to understand that negotiation of inter-country access terms is only the start to obtaining the full benefits of free trade agreements. The real value added is created at the micro level when producer and customers are able to move closer together.

For growers, this creates the opportunity to reap the financial rewards that flow from learning, and producing to, the customer's preferred specifications.

If we are serious about free trade, consistent policy and engagement with China, it is time to address our own internal impediments and anomalies that allow some farmers to reap the benefits from dealing more directly with international buyers while prohibiting others.

Other issues
There are, of course, other issues that are affecting the sectors in which our Company is involved. The questions of climate change, environmental degradation and food integrity all assumed greater significance in 2005. Futuris is involved in initiatives relevant to these issues through applied research and strategies to improve crop, plant, and cattle varieties, food and livestock traceability and the extension of the plantation estate.

Fuel costs
Futuris, like all Australian companies, is being affected both directly and indirectly by the impact of higher oil prices. The impact on the Company is difficult to quantify, comprising increased costs for fuel and other expenditure items affected, as well as the impact on Air International of any consumer shift from large Australian made passenger vehicles. The Company is taking steps to reduce the impact, but prolonged periods of higher fuel prices can be expected to present an unfavourable impact for the Company, principally through higher costs.

I will return to close my address with some comments on the Company's outlook. I would like to invite our CEO, Les Wozniczka, to brief the meeting on Futuris' current position, strategies and recent developments after we see a short video on the success of our introduction of Australian wool auctions to China.

Outlook & conclusion
Thank you Les.

Futuris has achieved double-digit growth rates in its underlying profit in each of the past two years and is targeting to repeat that performance in 2006.

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The emergence of the Company's profit is typically heavily weighted towards the second half of the year due to the timing of cropping expenditure and MIS sales.

Seasonal conditions in the September quarter were satisfactory in most agricultural regions.

Company expectations are for a full year underlying profit within the current range of market expectations.

This outlook is subject to the customary caveats of seasonal conditions and balance date mark to market adjustments.

Conclusion

Finally, I would like to acknowledge the contribution made to the year's results and the Company's progress by it employees. On behalf of the Board, and Futuris shareholders generally, I thank them for their efforts and wish them good fortune and every encouragement for their efforts in 2006.

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Address by Les Wozniczka

Address by the Chief Executive
Mr Les Wozniczka

Chief Executive Officer, Futuris Corporation, to the Company's Annual General Meeting 25 October 2005

Thank you Chairman and good afternoon fellow shareholders, ladies and gentlemen. While we are now a national company, we have a special affinity with Western Australia due to the Company's origins and are very pleased to be here.

The Company has developed considerably since our last meeting in Perth three years ago. I am pleased to update you on our businesses and the strategies we are using to build value.

The weighting of our assets and income base towards the rural and regional sector has increased. Approximately 80% of our underlying earnings are now generated from our interests in rural services, beef production and forestry. In 2002, the rural and regional share was 51%.

Some of this change is due to the growth of Elders, but it also reflects our strategy of building the Company around the Australian primary production sector.

Why the Australian primary production sector? Essentially because it offers the combination of world class operations with an outlook of long term favourable demand.

Primary production is one of the few sectors in which Australia is of global significance across a range of performance criteria. Our production capabilities and costs, especially in broadacre activities, are internationally competitive. Australia's reputation as a producer of "clean" produce is supported by our island geography, a cautious approach to quarantine at both the public and private levels and world leading practices and systems for food quality and integrity.

Of course here in Western Australia, there is a wonderful resources industry and there is evidence everywhere of a resources boom taking place. The agricultural sector in WA has the same potential. While prices for agricultural products may not be commanding the peak prices that we are seeing in minerals, gas and petroleum, I encourage the local farmers to think in a global context, keep up the capital investment, and most importantly, think in terms of reform and competition rather than tariffs, industry support, single desks and the like.

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Our agricultural strategy will continue as we see considerable growth in our businesses and also new opportunities.

Elders

Elders is an exceptional business. One hundred and sixty-six years old, it combines the respect and goodwill earned as one of Australia's most respected brands with the vigor and growth of a Company that is continuing to break new ground.

The 8 years that Elders has been part of Futuris have been a challenging period for the rural sector, featuring industry consolidation and some extremely testing seasonal conditions. Yet Elders has continued to advance.

We consider Elders to be unrivalled as a specialist rural service provider. We have backed the Elders network, and its people, to grow and deliver better outcomes for farmers.

Elders' results in 2005 show that its strategies are working. For example:
The contribution from financial services enabled Elders to achieve 20% earnings growth despite a contraction in merchandise earnings following adverse seasonal conditions.
Elders lifted or maintained market share in all product areas in 2005. In fertiliser, Elders maintained sales volume of 1 million tonnes per annum despite a 15% contraction in the market's size.
Elders achieved another year of strong performance from its meat and livestock operations. What is especially significant about Elders' performance in this area is that while cattle prices were higher, the major share of the increased contribution came from Elders' supply chain initiatives which include feedlots, live export and meat sales.
Elders Real Estate is now Australia's largest regional property manager, with some 13,000 properties under management. The additional income provided by property management, a relatively new area of business, helped Elders Real Estate lift its contribution despite lower sales in its traditional broadacre market.
Elders' recently established grain operations are continuing to grow, attracting strong support from both farmer clients and domestic and international grain buyers. If you are a barley grower and you have not tried Elders, then do so – you will be pleasantly surprised.

We have maintained our commitment to building the business with new initiatives that increase Elders' service capability and competitiveness. We are also not afraid to take hard decisions to reposition our business to improve our returns.

We continue to drive our operations in merchandise inputs – fertiliser and agricultural chemicals. This has been a long term, and successful, exercise which has made strong gains in market share and financial contribution.

Our fertilizer strategy, for example, has seen Elders' annual sales volume increase from approximately 400,000 tonnes in 1998 to a million tonnes. As good as this has been, Elders identified that a more competitive retail service could be provided to growers in eastern Australia if competitive sourcing arrangements could be put in place at the wholesale level, which was dominated by a single supplier.
We have, together with AWB, formed the ELF joint venture and invested in HiFert to achieve that objective by breaking up an inefficient monopoly.

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The process has not been easy with a late season causing major disruption to product that had been ordered and the incumbent operator striving to protect a position that had already been lost.

There has been a cost to us to get established but we are very confident from progress to date that the strategy is right, our business will be stronger and our service to our customers greatly improved.

We have sold some smaller interests in export hay (Hycube) and animal feed (Primix) to better focus our energies on our key products and services.

We have continued our efforts in wool, where we are working to create a supply chain that offers Australian growers a competitive, value-adding linkage to the world's major textile producers.

The tough conditions in recent years have seen wool get more than its fair share of bad press. But it is important to remember that wool is still one of Australia's most valuable agricultural outputs and is, after iron ore, Australia's largest export to China. Most importantly, from Elders' perspective, some 37,000 Australian farmers are engaged in wool production.

Having acquired control of BWK, and direct ownership of its Australian assets, Elders is now acting to bring the wool processing operations into line with today's global demands. We are pleased to announce the first step towards a more competitive cost base in processing with the formation of a joint venture in wool processing with Chinese wool processor Shandong Nanshan Industrial Company.

The 50/50 joint venture will utilise BWK plant that has been idle as part of a new globally-cost-competitive early stage wool processing operation producing approximately 10 million kilograms per annum. Operations are expected to commence in the 2007 financial year.

Elsewhere, we have closed BWK's uneconomic operations at Parkes and Turkey and scaled back Europe further. We are investigating opportunities for the assets to be economically employed.

We are pursuing reform further upstream in the wool supply chain to take costs out and improve the attractiveness of Australian wool to international buyers. These include the establishment of an independent wool exchange and, as shown on the film earlier, the pioneering of Global Wool Auctions in China.

I know some of you are considering going back into wool as part of diversifying your income streams. I encourage you to do this because the biggest problem of the industry is that production has not recovered sufficiently from the 2003 drought.

AACo
Our earnings from Australian Agricultural Company are reported within the Elders result, but its significance warrants some specific comments.

AACo is a world leading company in a number of respects. It is acknowledged as the world's largest beef producing company and as a leader in management systems for integrity,

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traceability and consistently high quality across large volumes of beef. This is supported by the investments AACo has made over many years in breeding, and in land through the accumulation of over 8 million hectares of prime pastoral property.

Over the medium to long term, we expect AACo to be a prime beneficiary of international demand for higher grade and demonstrably clean beef.

Air International
While our investment in Air has been reduced, our commitment to the management is to support their growth plans and involve them in our future ownership strategies.

By supporting our management, we believe we can create significant further value which will be available to shareholders when needed.

As we have demonstrated with the Global Thermal transaction, further value can be added by taking the business from a purely Australian focus to becoming an internationally orientated business.

In this respect, I am pleased to announce that Air International has entered into a joint venture to produce seats for Chery Automobile, one of China's larger passenger vehicle manufacturers. Air International will hold a 70% interest in the joint venture, which will establish a new facility for the production of interior systems components in the city of Wuhu from around March 2007. We expect Chery to be one of the leaders in the global export of Chinese vehicles.

The joint venture, which involves a relatively modest investment, may lead to a doubling of our volumes. It will be the first step in adding an international dimension to the Interior Systems operations.
In relation to Australia, we are taking appropriate steps to adjust to the lower volumes of locally manufactured vehicles.

We have also adopted a new name for our automotive operations, Futuris Automotive. The new name has been chosen to better reflect the business following the divestment of Global Thermal Systems. The Chinese joint venture, to be known as the Futuris Automotive Interior (Anhui) Company will be the first to take on the new identity.

ITC
ITC is the manager of Australia's largest plantation hardwood estate and its largest hardwood processor. It is poised to benefit from a qualitative shift in consumer preferences as buyers move away from high conservation value product.

It is also investing in genetic improvement of stock, in systems for the management of plantations and processing, and in land, in this case for plantations. In these respects, it is similar to AACo.

The accumulation of plantation land has brought capital demands, which are expected to moderate as annual harvest sizes mount and crop rotation offsets new land requirements.

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In the meantime, Futuris is supportive of ITC's development and regards the accumulation of plantation land as a key economic and strategic asset which can be expected to deliver increasing returns with the passage of time.

ITC differs from its competitors in that it began, and remains, a forestry company rather than a promoter of MIS schemes. We recognised that the business would require a broader skill set and business base than plantation management. The merger with Neville Smith Group during the year has fulfilled that need, bringing management experienced in the sustainable harvesting and processing of timber.

The market will see evidence of the synergy with a greater emphasis in the coming year on solidwood plantations where, through our processing capacities, we have the requisite understanding of end-markets and value added products.

Property

Property development has been undertaken for some time by Futuris and has become a reliable source of income. While it does not fall within the rural and regional sector which is our principal focus, it adds and realises value from our land holdings and is an activity which we have done well.

Our existing land holdings and retirement projects are sufficient to provide an ongoing source of earnings for the long term. The first stage of our major commercial property venture, the City Central Tower 1, has been sold with the consequent income to flow as construction and tenancy is completed.

Our Byford development of some 460 hectares of land was expected to extend over 19 years. Demand for residential land in Perth has been extremely tight and we have brought forward the early stages of development. The success of that project has encouraged unsolicited buyers for the development. We have decided to test the quantum of that interest through a public tender that is currently in progress.

Conclusion

In conclusion, these are exciting times at Futuris. The Company's performance is showing the benefits of the strategies and investments made in previous years. We are building new earnings streams and upgrading our competitiveness and capabilities.

Our results show good businesses, backed by sound strategies. The nature of agribusiness mean that performance will on occasion be affected by seasonal and price variations. But we are confident that our businesses will deliver value for shareholders for the foreseeable future.

On behalf of management I would like to recognise the support that we have received from our Board, which has been prepared to support Management and its strategies for building shareholder wealth.

Futuris is a great Company to work for and I am confident in our future.