ASX MARKET ANNOUNCEMENT & MEDIA RELEASE

18 AUGUST 2010

FINBAR GROWTH CONTINUES WITH ANNOUNCEMENT OF RECORD PROFIT

Perth, 18 August 2010: Western Australia's leading apartment developer Finbar Group Limited (ASX: FRI) has today announced its audited financial results for the year ended 30 June 2010 in which it has produced a record profit of $23.56 million after tax. This result is a 24% increase over the previous corresponding period and highlights Finbar's continued success.

The strong result was achieved though the successful completion and settlement of various group projects where a high level of conversions was achieved and where only three residential units now remain to be sold across all completed projects.

Earnings per share rose from 13.5 cents to 16 cents, the final dividend increased 0.5 cents per share to 5.5 cents per share, and Finbar has bolstered its cash reserves to $41.5 million in preparation to launch and commence new construction work for projects totaling $615 million in end value.

Finbar secured two new residential projects during 2009-10 with the joint venture acquisition of development land in East Victoria Park along with Finbar's selection as the preferred developer of a large residential project in Karratha.

Projects

Construction work at Times Two, The Edge, and Fairlanes continued without interruption, and construction work has now commenced on 18 on Plain.

The 2010-11 year will see the marketing launch of the first stage of redevelopment on the former ABC Site (marketing details to be released soon), along with the company's residential project in East Victoria Park.

Subject to scheme amendment, Finbar's 314 unit project in Karratha will provide the launching pad for the group's Pilbara growth plans, where Finbar is strategically aligning its interests with growing regional populations that are being boosted by robust infrastructure and resources activity.

Executive Chairman John Chan said that this year's project successes have been achieved though Finbar’s continued focus on producing a product that meets the value and quality demands of the market under an industry respected brand.

Dividends

On 15 July 2010 the Finbar Board announced a final dividend of 5.5 cents per share which will be paid to shareholders on 20 September 2010.

This dividend, coupled with the interim dividend of 2 cents per share paid in March 2010 represents a distribution of 7.5 cents per share on earnings of 16 cents per share.

The company intends to maintain a dividend payout ratio of up to 50% of earnings to provide a balance between sustainable growth and stable dividend reward for its shareholders.

Outlook

Finbar has entered the 2010-11 financial year with a healthy construction pipeline along with strong sales that support the future revenue and profit recognition for these projects.

Project margins remain robust and are strengthening as Finbar harnesses innovative construction methods to control costs and continues to operate in markets with low levels of competitive activity.

Finbar anticipates the 2010-11 financial year will see the completion of 275 residential apartments at the Edge and Times Two. Both of these projects have already achieved a high level of pre-sales.

Finbar expects the revenue from these projects to underpin its earnings for the 2010-11 financial year and as such, is anticipating achieving similar levels of profit to those announced today, with potential to achieve further earnings growth in the 2011-12 financial year.

- Ends -

For further information:

Darren Pateman – Managing Director
Finbar Group Limited
Email: darren@finbar.com.au

Edward Bank – Company Secretary
Finbar Group Limited
Email: ed@finbar.com.au

ABOUT FINBAR: *Finbar Group Limited (ASX: FRI), its controlled entities and its jointly controlled entities is a property development company whose core business lies in the development of medium to high density residential apartments and commercial property within the State of Western Australia. Please Visit: www.finbar.com.au*