
6 April 2018

Finbar Group Limited – Company Presentation & Project Update



Agenda



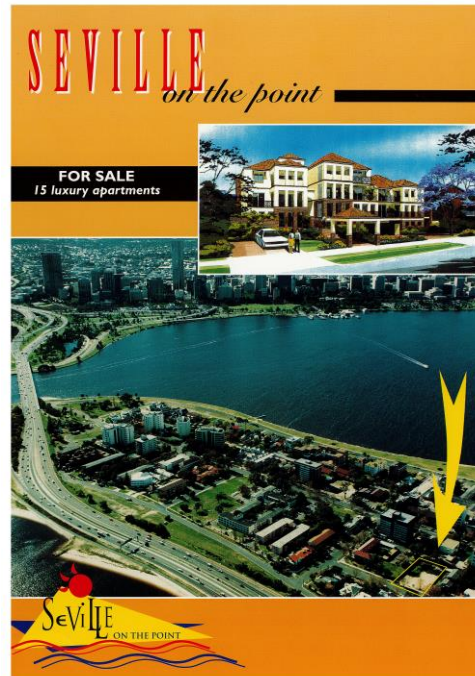
About Finbar	Page 03
Development Update	Page 16
Completed Projects with Stock For Sale	Page 18
Projects Under Construction	Page 23
Projects in Marketing	Page 28
Development Approvals Received	Page 34
In Planning and Design	Page 39
Sales Activity	Page 49

About Finbar



Finbar is Western Australia's **largest and most trusted** residential apartment developer. Since its **establishment in 1995**, Finbar has **completed over 5,687 units** and proudly continues to shape the landscape and lifestyles of Western Australia. Affiliating with equity partners and landowners enables Finbar to leverage on the growth associated with larger development projects, allowing greater economies of scale while spreading project risk.

Finbar has achieved **21 years of consecutive profit** and has rewarded shareholders with a **fully franked dividend for the past 20 years**.



Seville on the Point - 1995

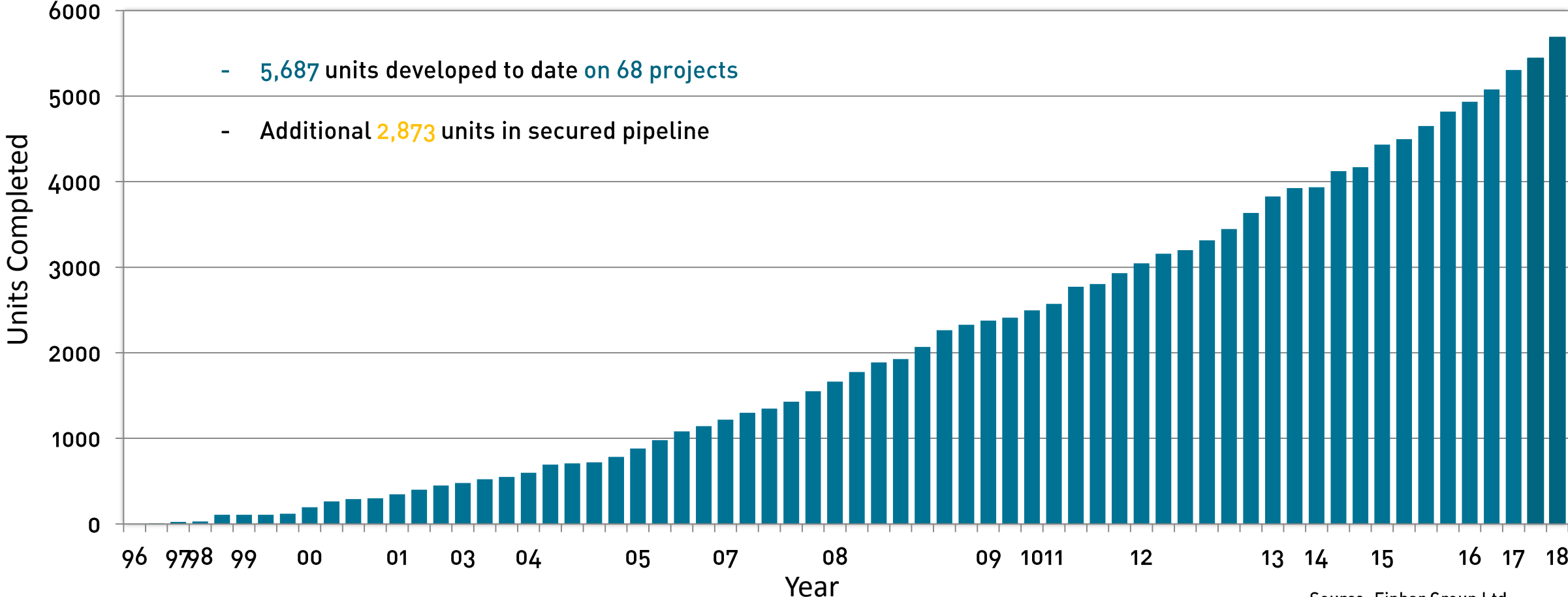


Concerto - 2017

Finbar Completed Projects



Cumulative Units Developed



FRI - Snapshot

5 April 2018



Shares:

Share Price: \$0.98

NTA: \$0.90

52 Week High/Low: \$0.76 - \$1.10

Market Cap: \$226.7 million

Shares Issued: 231.3 million

Options Outstanding: Nil

Shareholders: 2,362

Other:

Staff: 18

Completed Projects with Stock For-Sale: \$142.1 million

Projects Under Construction: \$196.3 million

Projects in Marketing: \$225.5 million

Development Approval Received: \$446.7 million

In Planning and Design: \$663 million

Executive Management

An experienced management team with long term view and commitment to the business



Mr John Chan – Executive Chairman (BSc, MBA, MAICD)

Joined Finbar in 1995
Director since 27 April 1995
Chairman since 15 July 2010

Mr Darren John Pateman – Managing Director (EMBA, GradDipACG, ACSA, AGIA, MAICD, AFAIM)

Joined Finbar in 1995
Director since 2008
Chief Executive since 2008

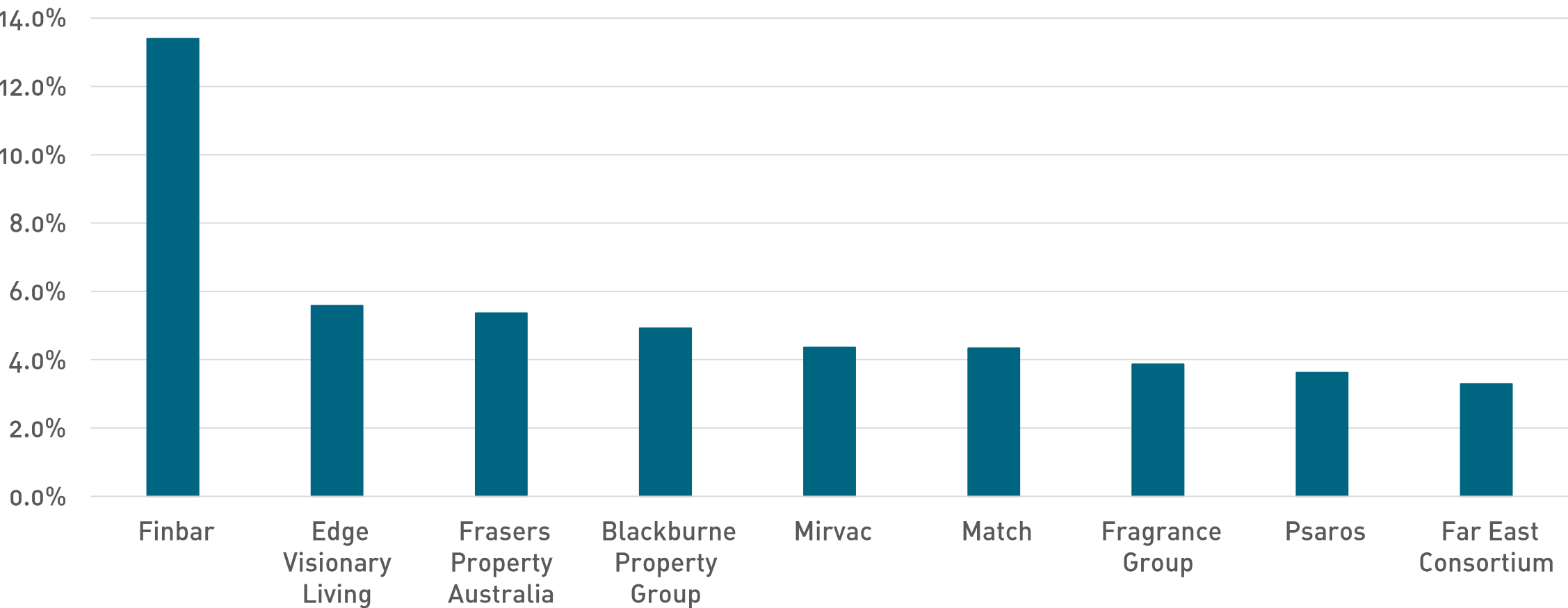
Mr Ronald Chan – Executive Director and Chief Operations Officer

Joined Finbar in 2004
Director since 24 February 2017
COO since 18 January 2013

Mr Edward Guy Bank– Company Secretary and Chief Financial Officer (B Bus, ASCPA)

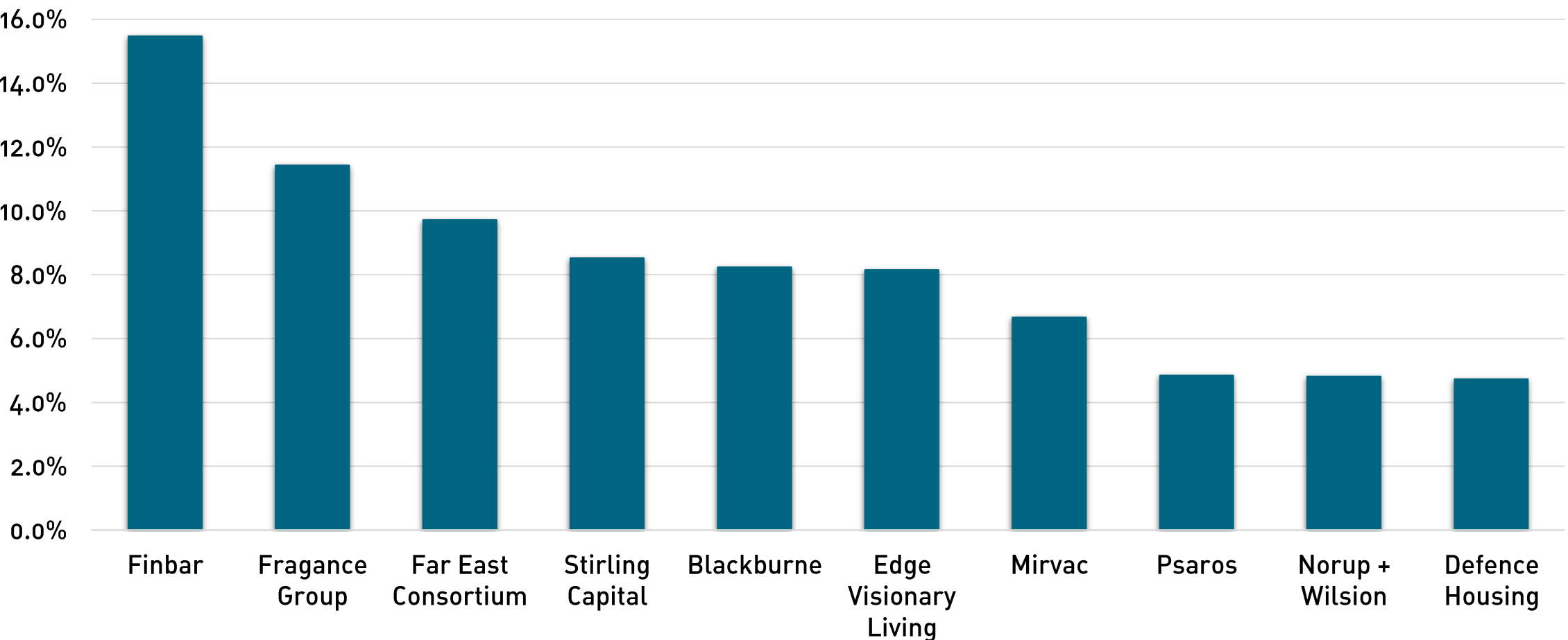
Joined Finbar in 2005
Company Secretary since 2 December 2016
CFO since 15 July 2005

Finbar’s Market Share of Active Projects (in units) in WA



Source: Urbis Apartment Essentials Q4 2017

Finbar's Market Share of Units in WA Under Construction

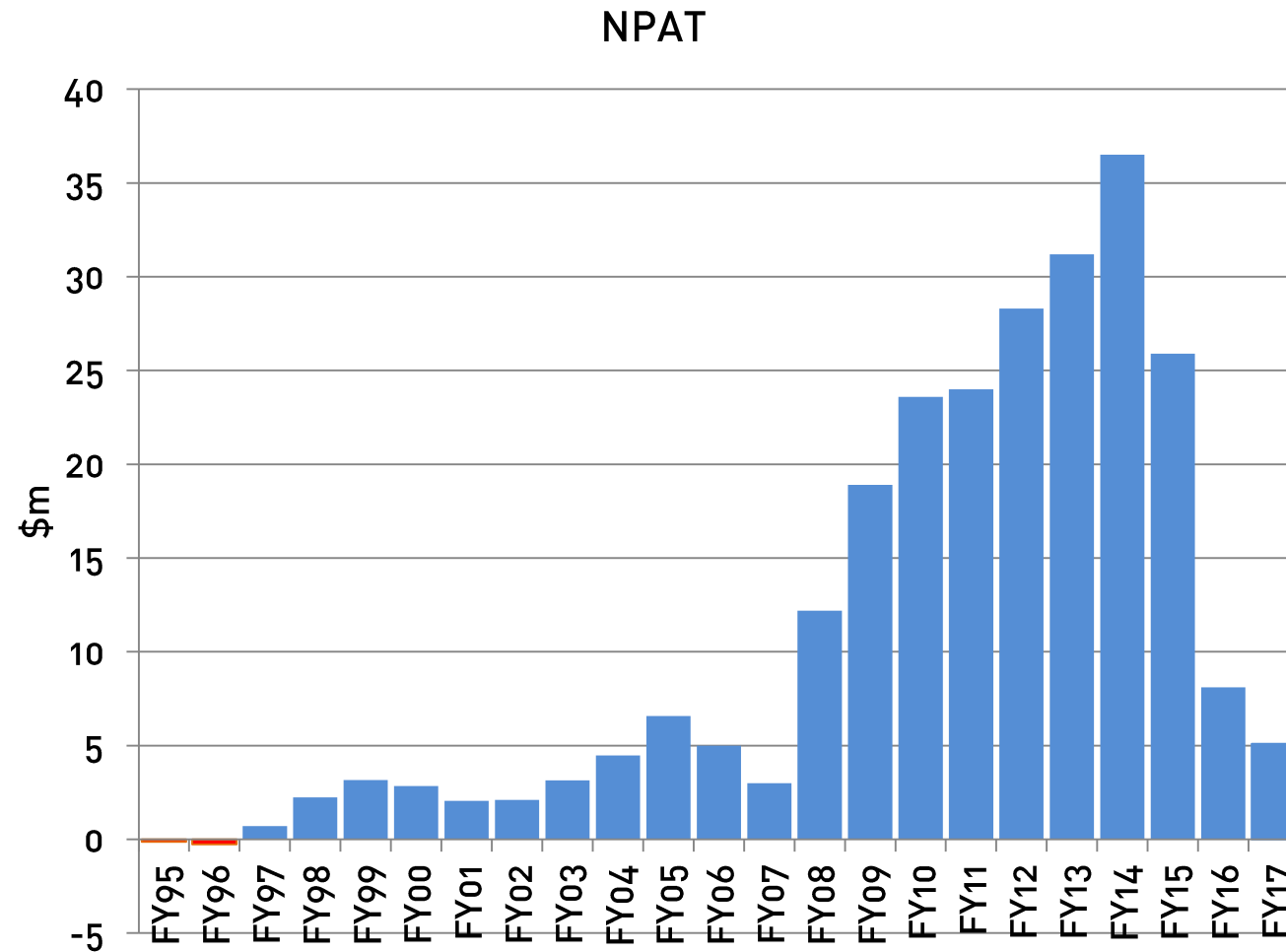


Source: Urbis Apartment Essentials Q4 2017

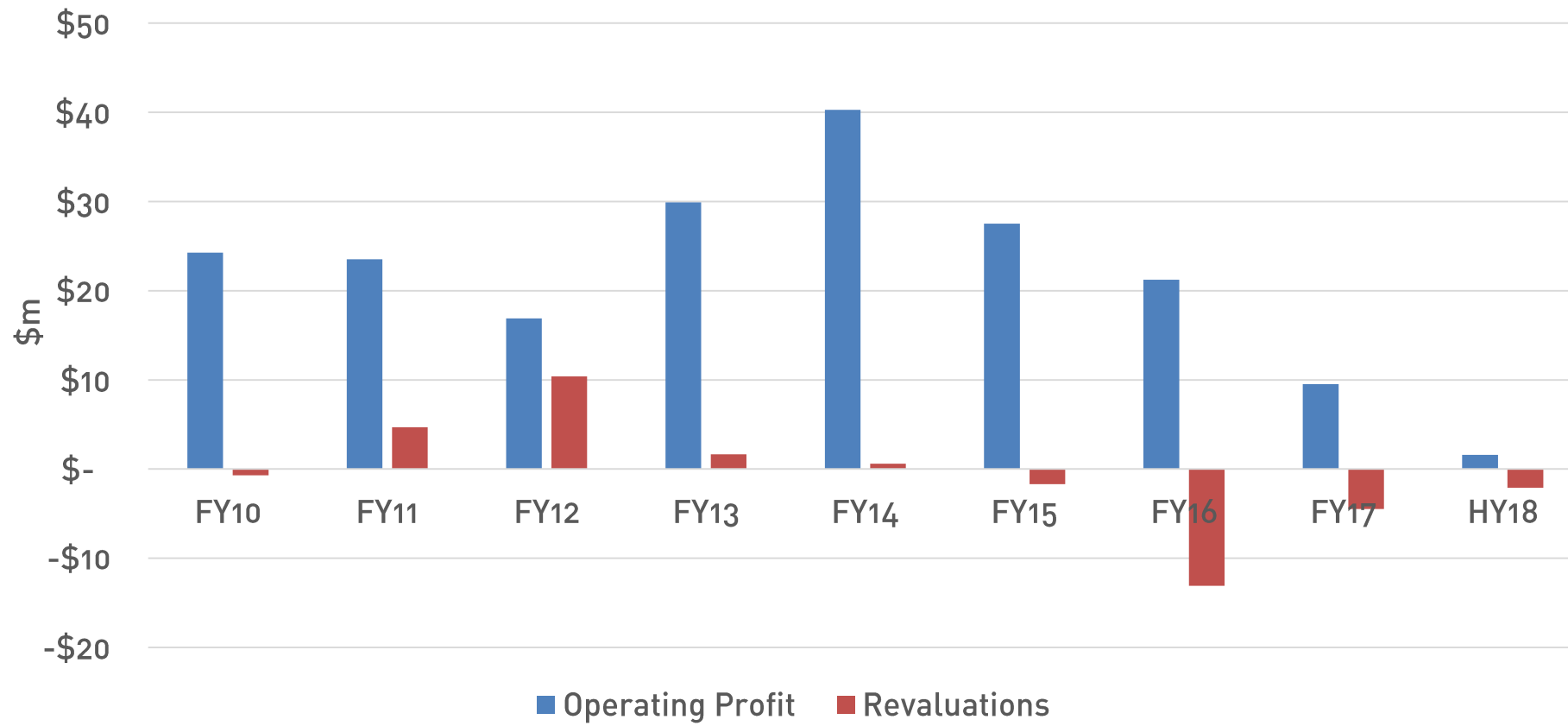
Net Profit



- 21 consecutive years of profitability.
- FY18 Guidance: “full year results to substantially exceed 2017”



Operating Profits and Revaluations on Investment Properties



Investment Properties

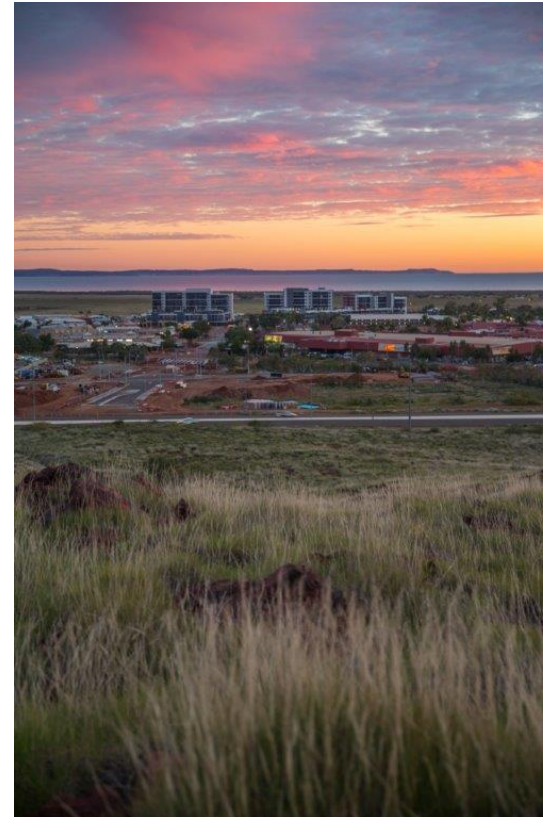
FAIRLANES
181 Adelaide Terrace East Perth



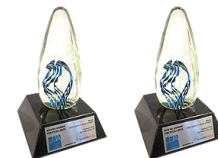
- 7,586 sqm of office building
- Leased to Downers, Broadspectrum, Finbar's corporate office, & smaller office and food tenancies
- Wholly owned



PELAGO
23 & 26 Sharpe Avenue Karratha



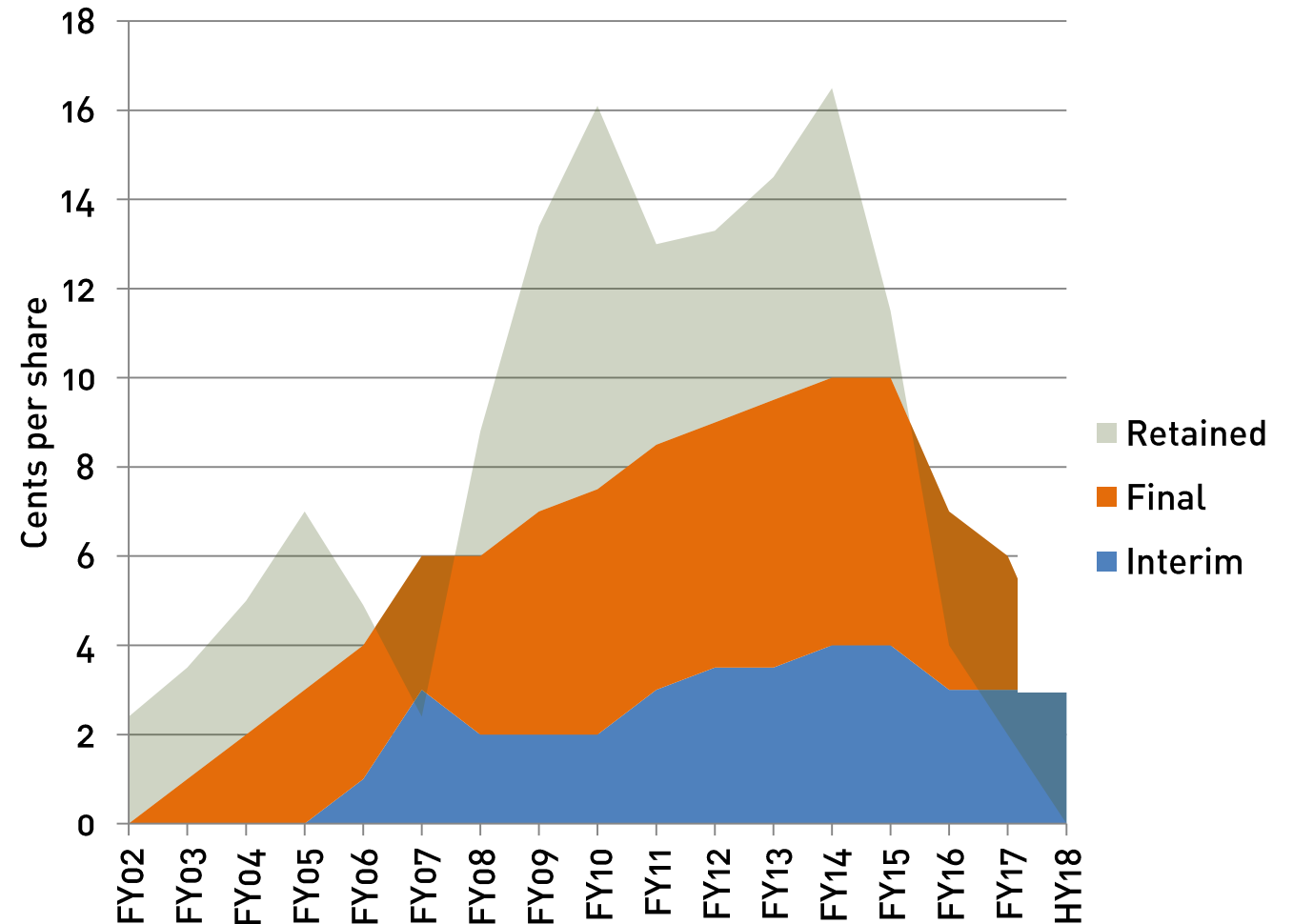
- 101 apartments & 21 commercial lots
- Leased to small business & predominantly corporate residential tenants
- Wholly owned



Dividend History



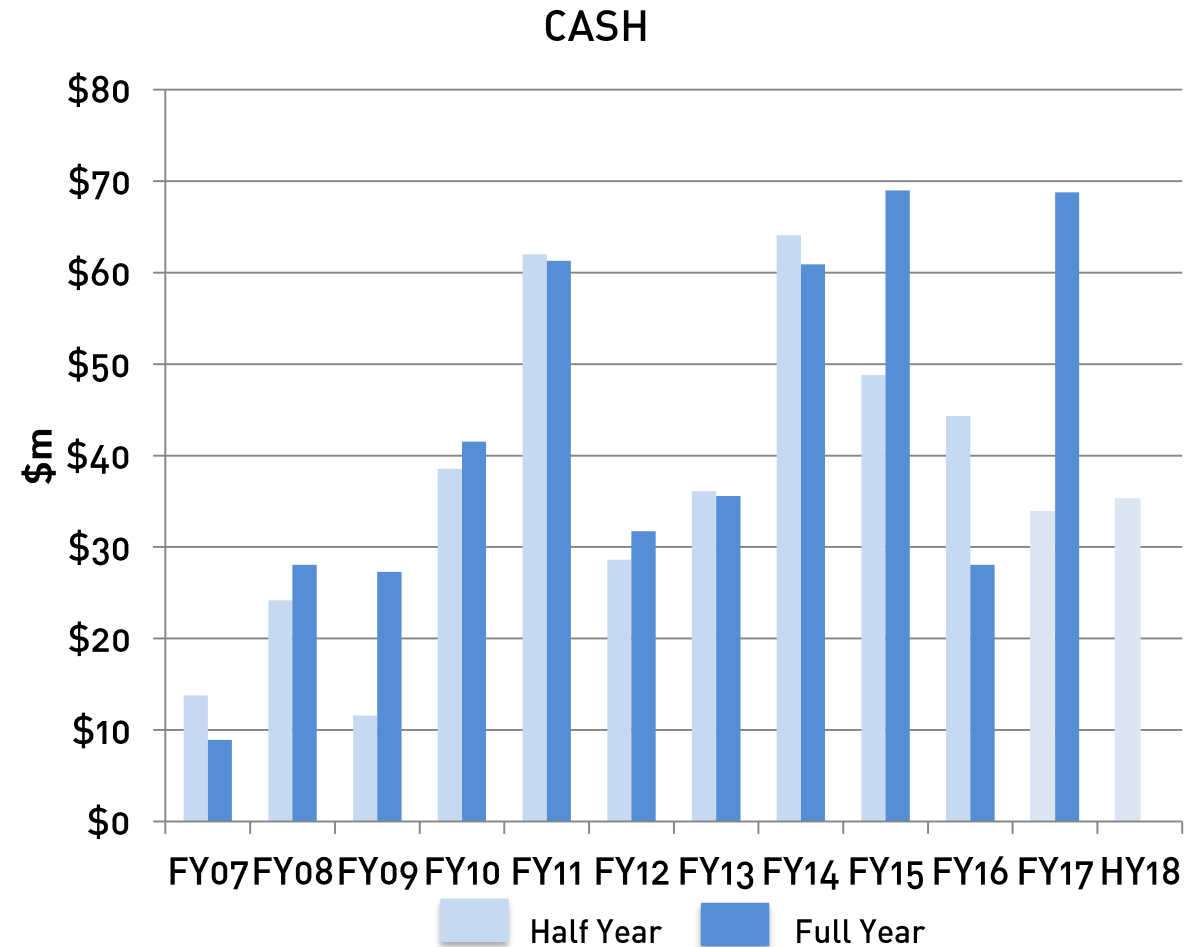
- Fully franked interim dividend of \$0.03 per share
- 20 consecutive years of franked dividends
- \$51m in retained earnings



Cash Position

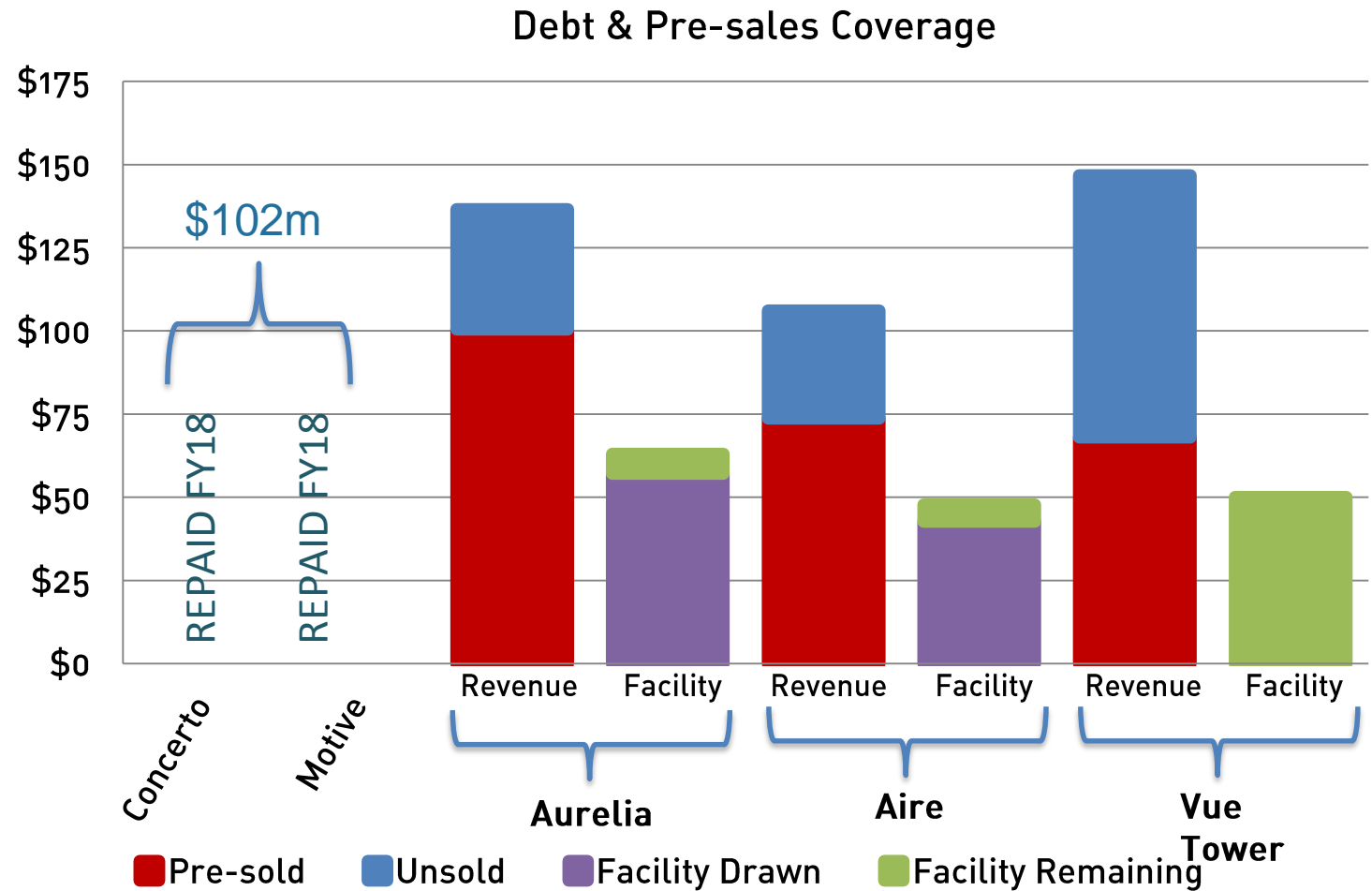


- Half year cash position of \$35.2m.
- Committed to working capital requirements and equity contributions for project commencements.
- No debt on residual stock with settlement cashflow to bolster working capital for redeployment into construction commencement activity and future pipeline



Project Debt & Pre-Sale Coverage

- \$102m in finance facilities were repaid in HY18 from settlement proceeds.
- No debt on residual stock.
- Strong presales coverage on remaining project facilities.
- All debt project specific
- No corporate line
- No fixed and floating charge over parent



Development Update



Completed Projects with Stock For Sale



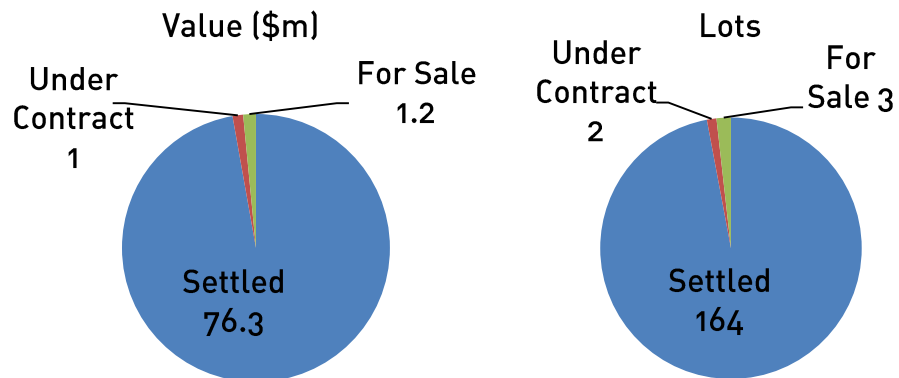
Unison on Tenth

2 Tenth Avenue, Maylands



Project: Unison on Tenth comprises 167 one, two and three bed apartments plus 2 commercial lots. Average price \$464,497.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$78.5 million
- **Completed:** FY16
- **Sales:**



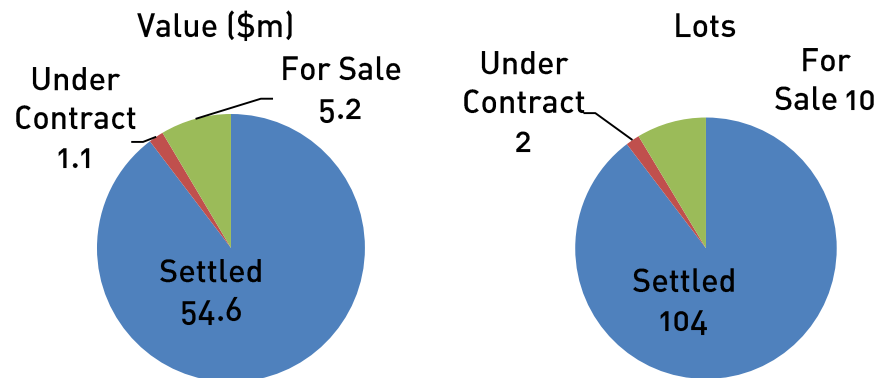
Linq

269 James Street, Northbridge



Project: Linq comprises 112 one and two bedroom apartments plus 4 commercial lots. The average price is \$525,000.

- **Status:** Construction Completed
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$60.9 million
- **Completed:** FY16
- **Sales:**



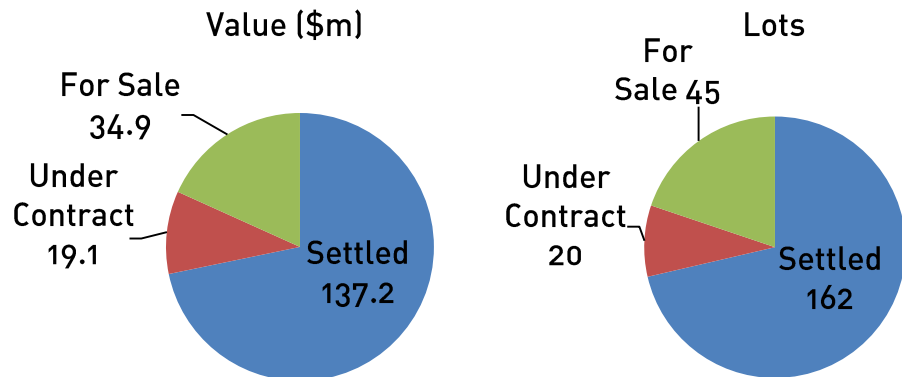
Concerto

189 Adelaide Terrace, East Perth



Project: Concerto consists of 226 studio, one, two, and three bedroom apartments plus 1 commercial unit. Concerto is East Perth's tallest residential building at 38 stories. Average price \$842,291.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$191.2 million
- **Completed:** FY17
- **Sales:**



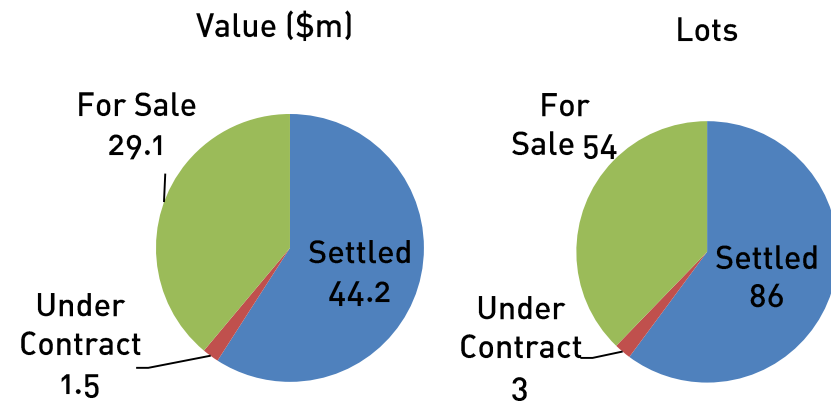
Motive

172 Railway Parade, West Leederville



Project: Motive consists of 143 one and two bedroom apartments with an average price of \$523,076.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$74.8 million
- **Completed:** FY17
- **Sales:**



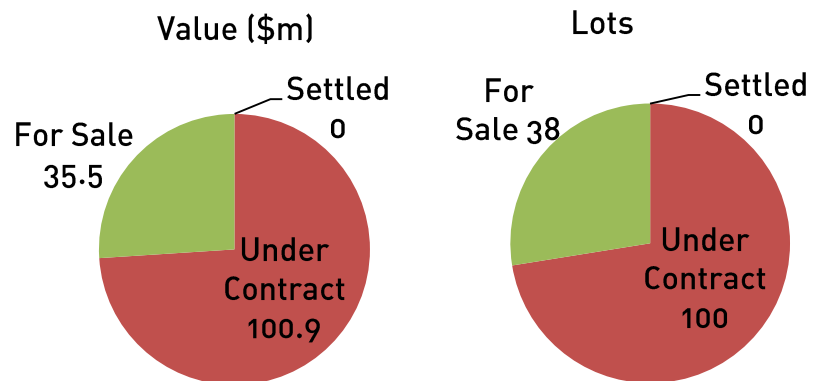
Aurelia

96 Mill Point Road, South Perth



Project: Aurelia will consist of 118 one, two and three bedroom apartments plus 6 commercial units and 14 office spaces. Average price \$988,406.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$136.4 million
- **Est. Completion:** FY18
- **Sales:**



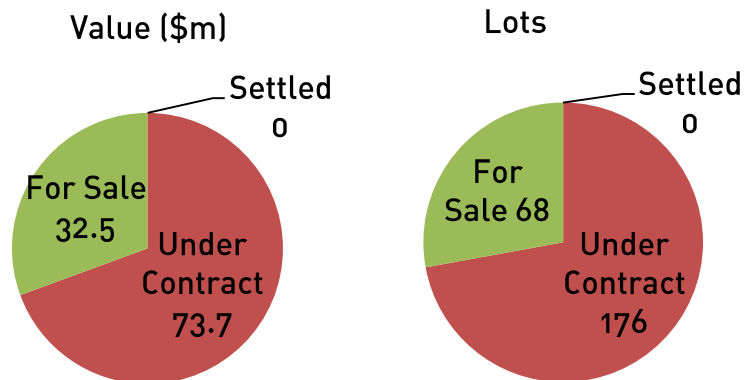
Aire West Perth

647-659 Murray Street, West Perth

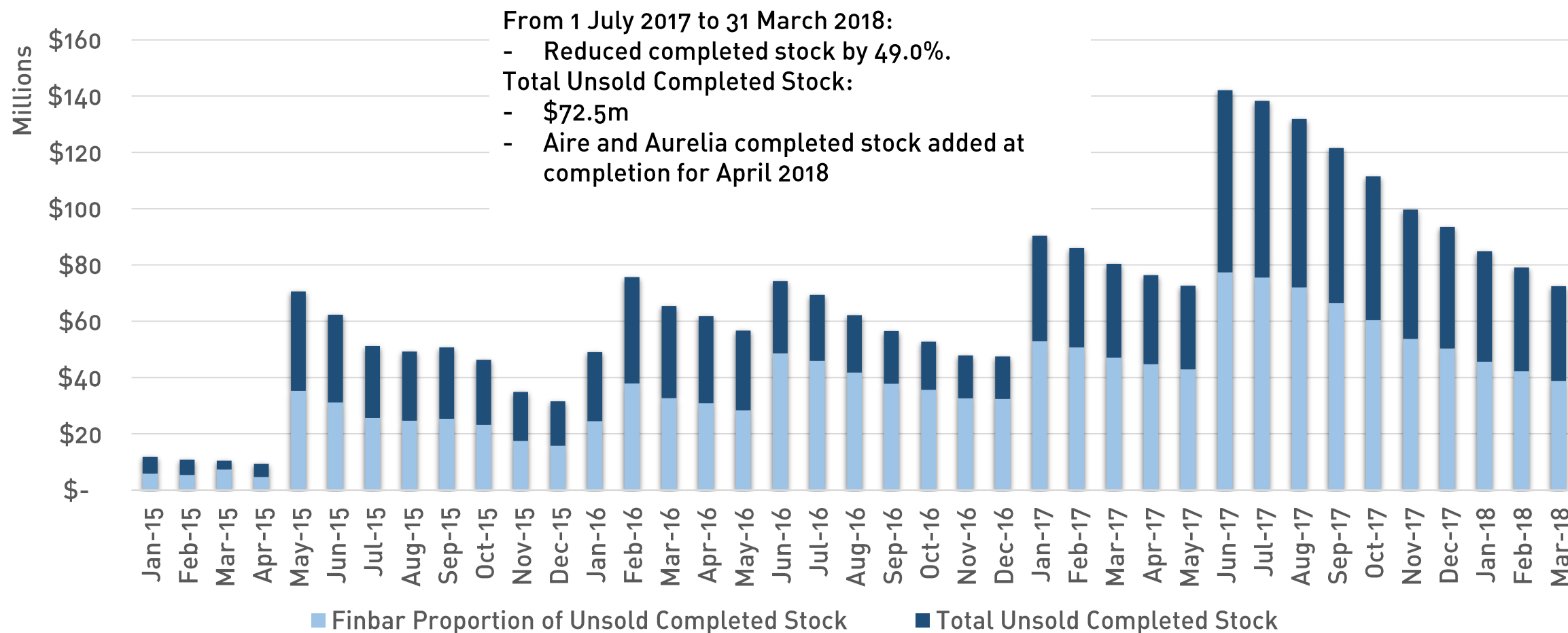


Project: Aire West Perth will consist of 178 one, two and three bedroom apartments plus 64 serviced apartments as well as 2 ground floor commercial units. Approximate average price of \$435,246.

- **Status:** Construction Completed
- **Ownership:** 50% JV through SPV
- **Value:** ~\$106.2 million
- **Est. Completion:** FY18
- **Sales:**



Completed Unsold Stock



Projects Under Construction



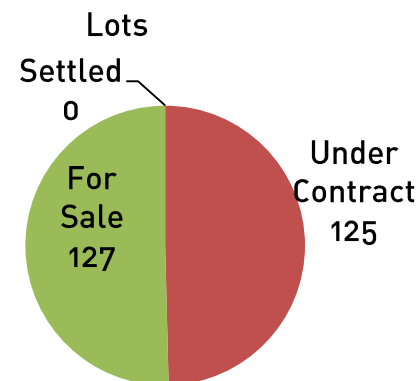
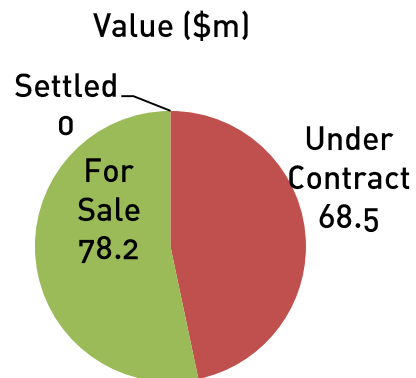
Vue Tower

63 Adelaide Terrace, East Perth



Project: Vue Tower will consist of 247 one, two and 3 bedroom apartments plus 3 commercial units and 2 office units. Approximate price of \$582,143.

- **Status:** Under Construction
- **Ownership:** 50% JV with land owner
- **Value:** ~\$146.7 million
- **Est. Completion:** FY19
- **Sales:**



Reva

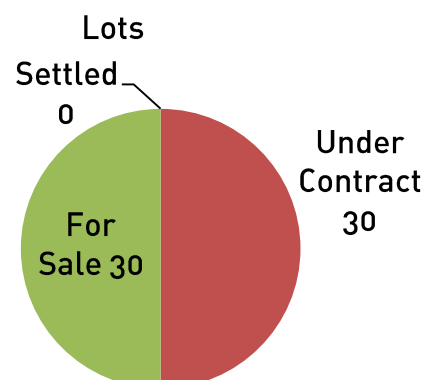
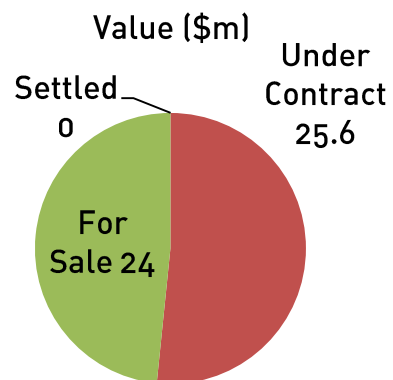
5-7 Harper Terrace, South Perth



Project: Reva will consist of 42 luxury apartments plus 18 commercial lots of ground floor retail and level one office space. Average price of \$826,666.



- **Status:** Under Construction
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$49.6 million
- **Est. Completion:** FY19
- **Sales:**



Pre Construction Marketing



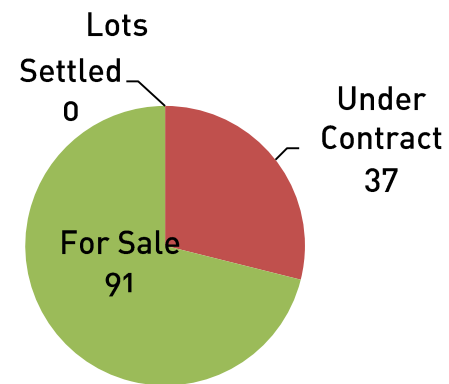
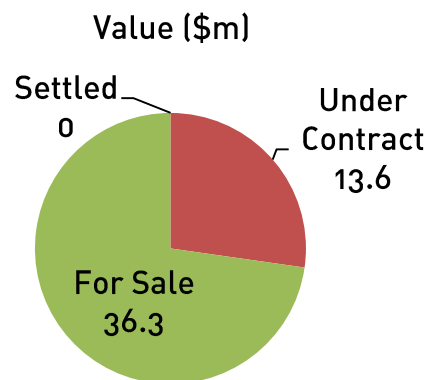
Palmyra East

45 McGregor Road, Palmyra



Project: Palmyra East will consist of 128 one, two and three bedroom apartments. Average price of \$389,844.

- **Status:** In Marketing
- **Ownership:** 50% JV with land owner
- **Value:** ~\$49.9 million
- **Est. Completion:** TBC
- **Sales:**



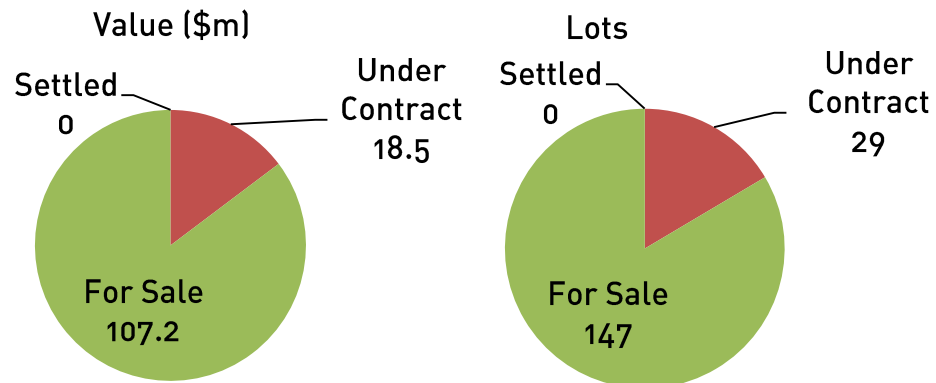
Sabina

910 Canning Highway, Applecross



Project: Sabina is the first stage of the Canning Hwy development and will consist of approximately 173 one, two, three bed apartments, and 3 ground floor commercial lots. Average price of \$714,205.

- **Status:** Launched on the 10 February 2018
- **Ownership:** 50% JV with landowner
- **Value:** ~\$125.7 million
- **Est. Completion:** TBC
- **Sales:**



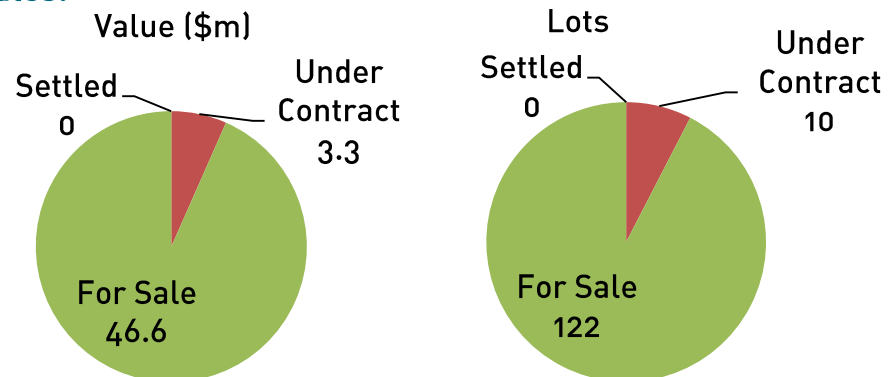
Circa Apartments

5-7 Rowe Avenue, Rivervale



Project: Circa will consist of 132 one and two bedroom apartments. Approximate price of \$378,030.

- **Status:** Launched on the 3 March 2018
- **Ownership:** 50% JV through SPV
- **Value:** ~\$49.9 million
- **Est. Completion:** TBC
- **Sales:**



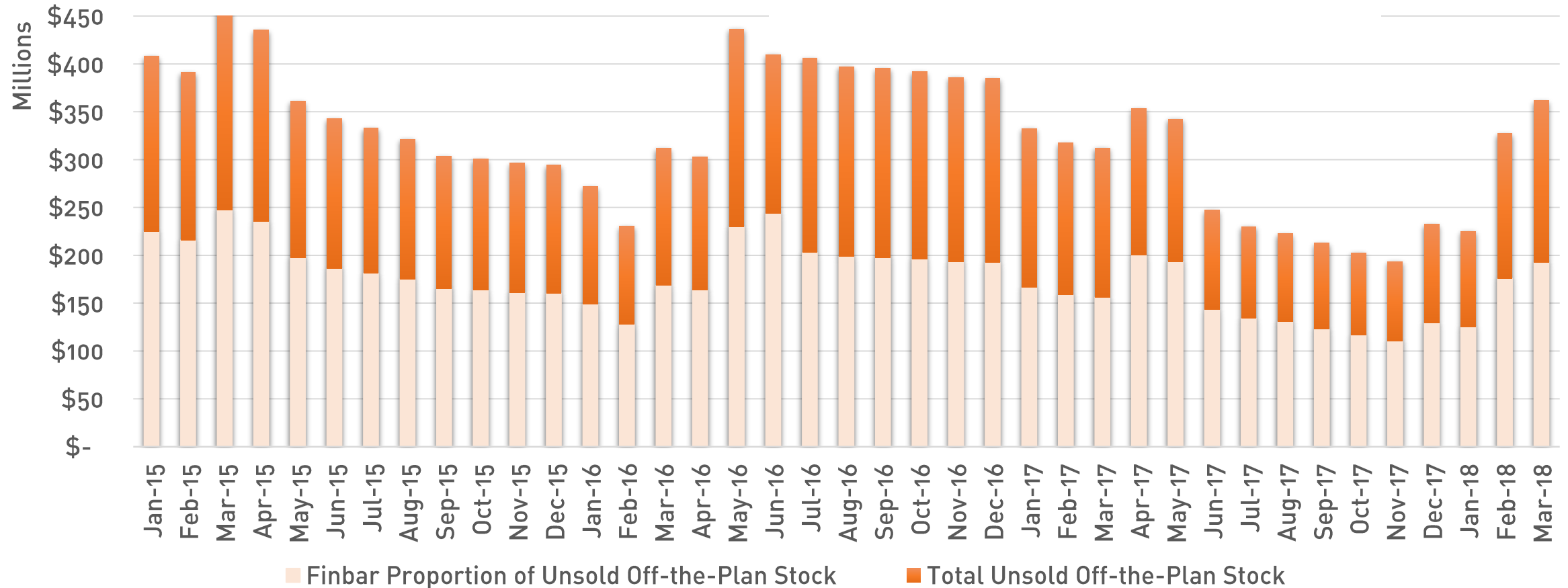
Off-the-Plan Unsold Stock Being Marketed

From 30 June 2017 to 31 March 2018:

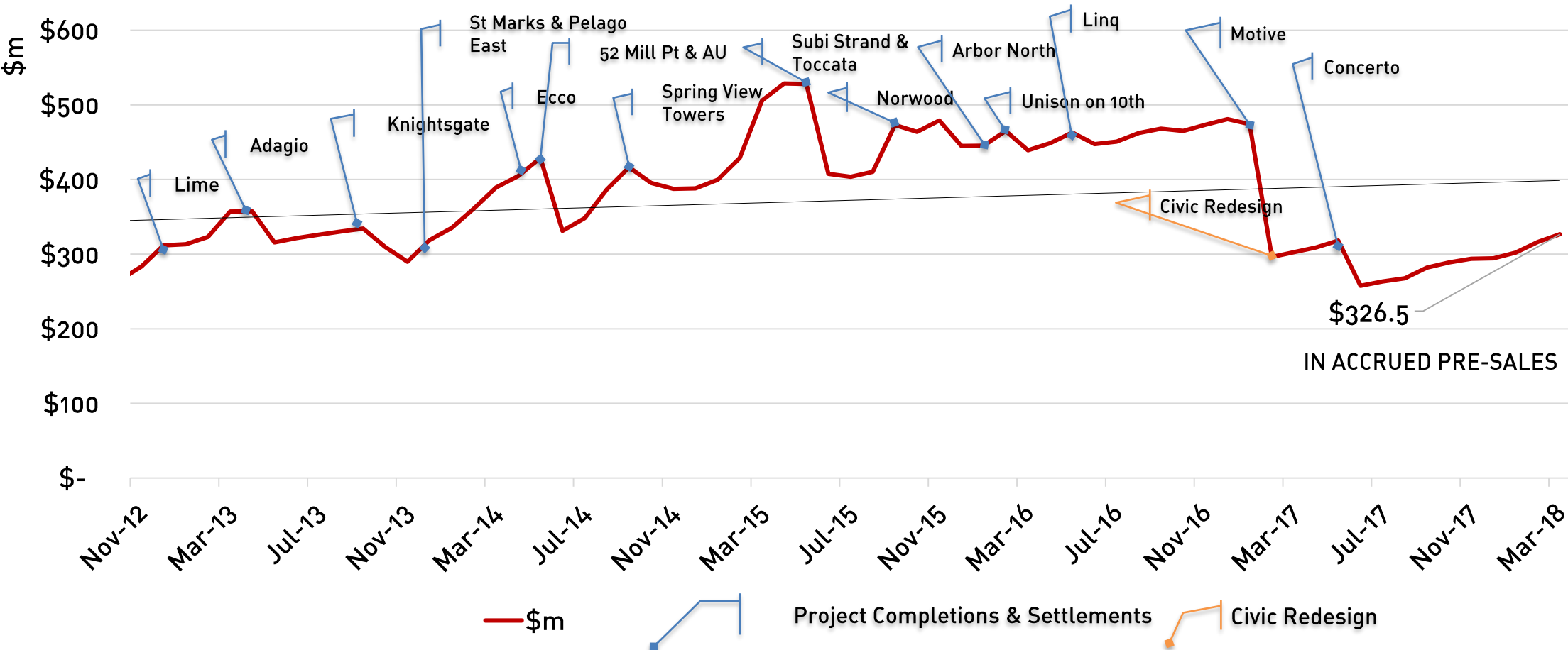
- Launched Palmyra East, Sabina and Circa.

Total Unsold Off-the-Plan Stock:

- \$361.8m
- Aire & Aurelia works are now completed and to be moved to completed stock for April 2018.



Residential Pre-sales Contracts Activity



Development Approvals Received



Canning Highway Applecross (stage 2 & 3)

910 Canning Highway, Applecross



Project: The Canning Hwy developments remaining two stages will consist of approximately 273 one, two, three bed apartments, and 6 ground floor commercial lots that will be developed over three stages.

- **Status:** Development approval received
- **Ownership:** 50% JV with landowner
- **Value:** ~\$219.7 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 219.7

Future
Release
* 279



*Indicative lots and project values only

Unison on Kennedy

1 Kennedy Street, Maylands



Project: Unison on Kennedy is the second stage to the Unison development. Unison on Kennedy will consist of 180 one, two and three bedroom apartments plus 2 commercial lots.

- **Status:** Development approval received
- **Ownership:** 50% JV with landowner
- **Value:** ~\$85 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 85

Future
Release
* 180



*Indicative lots and project values only

The Point

31 Rowe Avenue, Rivervale



Project: The Point will consist of 183 one, two and three bedroom apartments plus 9 ground floor commercial units to be constructed on 4,000m² development site situated at the main entrance to the Springs precinct.

- **Status:** Development approval received
- **Ownership:** 50% JV with landowner
- **Value:** ~\$90 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 90

Future
Release
* 192

*Indicative lots and project values only



Palmyra West

43 McGregor Road, Palmyra



Project: Palmyra West will consist of 130 one, two and three bedroom apartments.

- **Status:** Development approval received
- **Ownership:** 50% JV with landowner
- **Value:** ~\$52 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 52

Future
Release
* 130



*Indicative lots and project values only

In Planning and Design



1 Mends Street

1 Mends Street, South Perth



Project: 1 Mends Street will consist of approximately 335 one, two, three bed apartments plus commercial units.

- **Status:** In Scheme Amendment Process
- **Ownership:** 50% JV with landowner
- **Value:** ~\$300 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 300

Future
Release
*335



*Indicative lots and project values only

1 Mends Street (continuing)

1 Mends Street, South Perth

Proposed scheme amendment – massing diagram



61 Waverley Street

61 Waverley Street, Dianella



Project: 61 Waverley Street will consist of approximately 165 one, two and three bedroom apartments.

- **Status:** In revised development application process
- **Ownership:** 50% JV through SPV
- **Value:** ~\$66 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 66

Future
Release
* 165



*Indicative lots and project values only

239 Great Eastern Highway

239 Great Eastern Highway, Belmont



Project: Entry level residential project currently in redesign.

- **Status:** In planning and design
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$75m
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 75

Future
Release
*TBC



*Indicative lots and project values only

2 Homelea Court

Cnr Rowe Avenue and Homelea Court, Rivervale



Project: 2 Homelea Court will consist of approximately 140 apartments within a 8 level building. The site is comprised of four vacant blocks totaling 3,770 square meters.

- **Status:** In planning and design
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$77million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 77

Future
Release
* 140



*Indicative lots and project values only

Lot 1000

32 Riversdale Road, Rivervale



Project: Lot 1000 comprises 4,069 square metres of absolute waterfront land with expansive views of the Swan River, Stadium Precinct, and Perth CBD. Will consist of approximately 150 residential apartments.

- **Status:** In planning and design
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$65 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 65

Future
Release
* 150



*Indicative lots and project values only

Lot 888 The Springs

Lot 888 Rowe Avenue, Rivervale



Project: Lot 888 comprises of 2370 square meters of land within The Springs, Rivervale Precinct. For future development.

- **Status:** Office development approval received
- **Ownership:** 50% JV through SPV
- **Value:** ~\$40m
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 40

Future
Release
*TBC



*Indicative lots and project values only

Harmony

187 Adelaide Terrace, East Perth



Project: Harmony comprises the former ABC Radio Studios heritage building with a GFA of 3,711sqm over 3 levels. The Company is currently exploring the design and construction of a inner city hotel building.

- **Status:** In planning and design
- **Ownership:** 50% JV with landowner
- **Value:** ~\$40 million
- **Est. Completion:** TBC
- **Sales:**

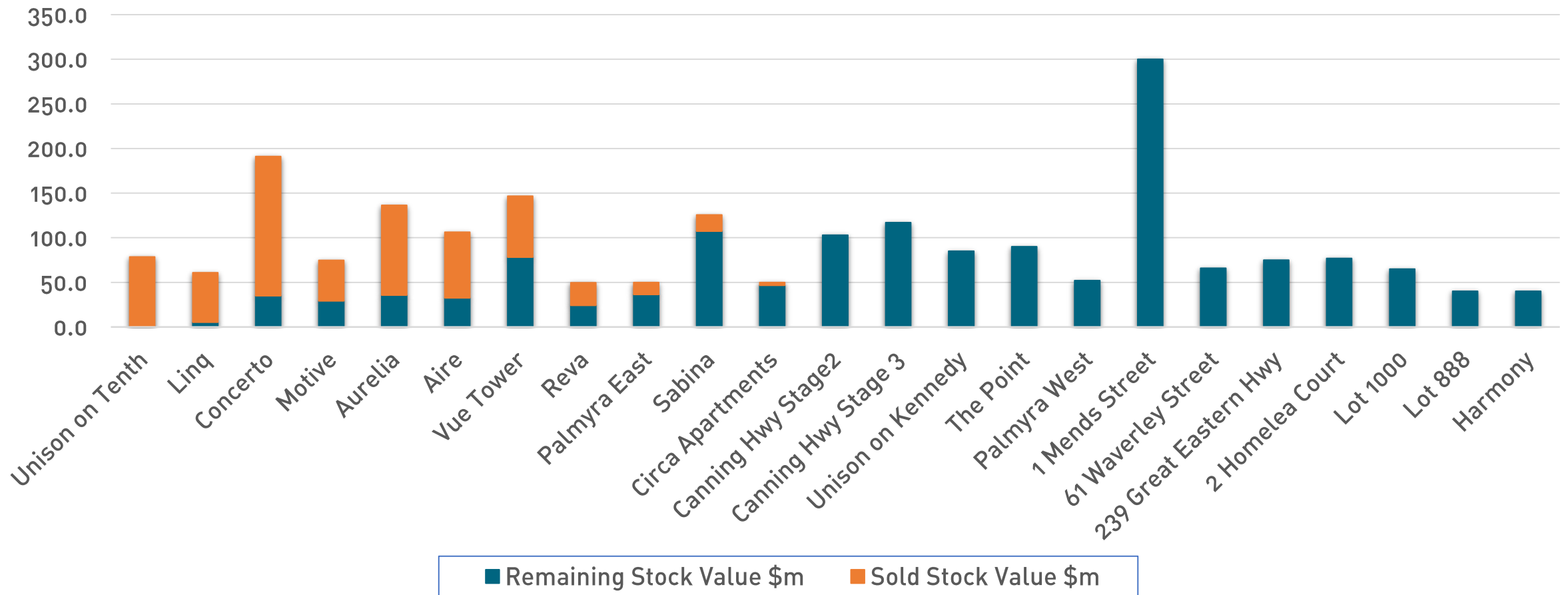
Value (\$m)

Future
Release
* 40



*Indicative lots and project values only

Project Pipeline - Summary

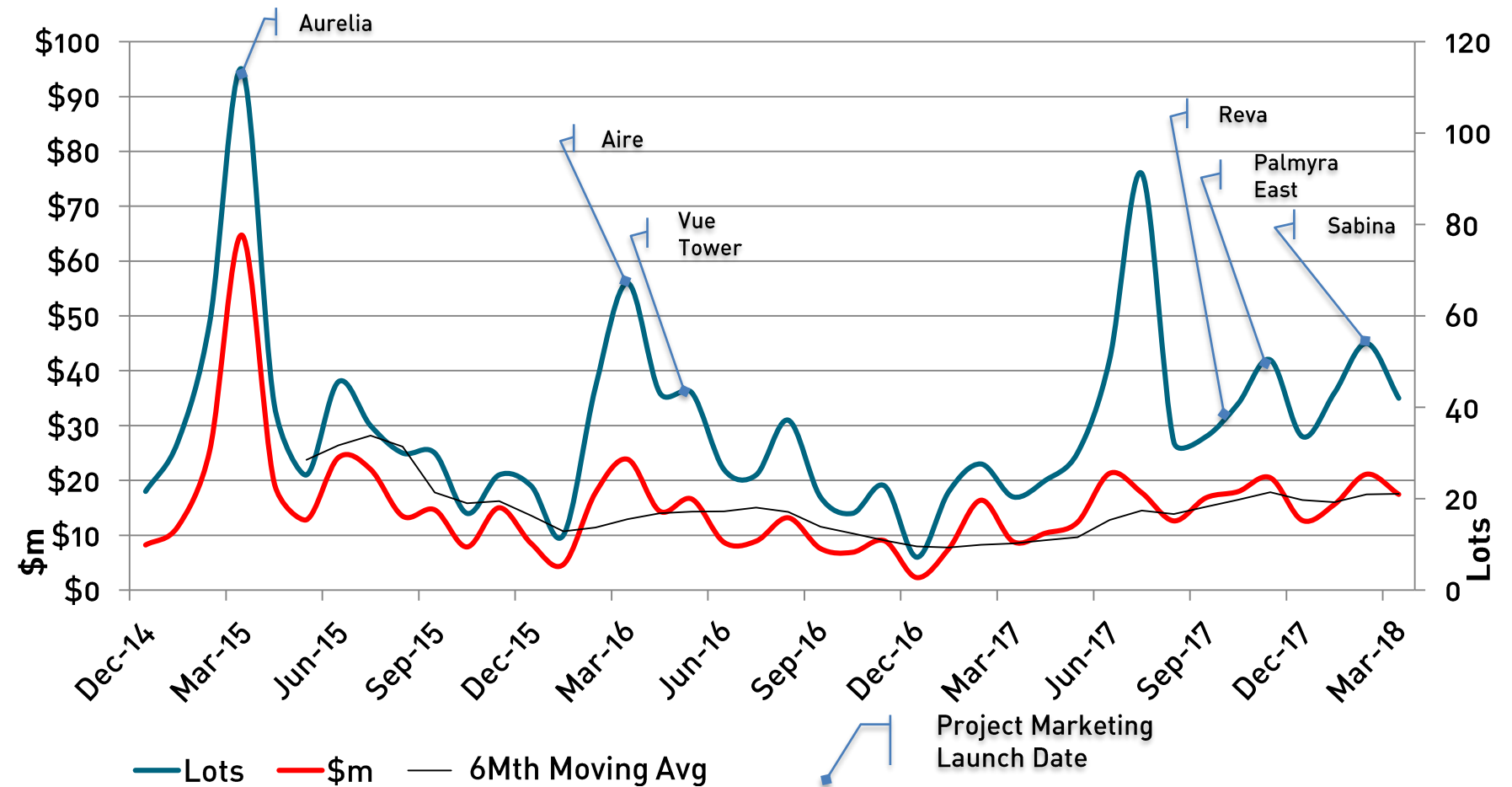


Overall Sales Activity



Residential Sales Contracts Activity

- 348 sales worth \$180.7m in financial year to 31 March 2018 being average of 1.27 sales / \$0.66m per day average.



*Excluding Civic Heart Sales

Third Quarter of FY18 Highlights



Finbar achieved **\$64.7 million in sales** during the third quarter of FY18, representing a **64.3% increase** from third quarter of FY17.

The retail value of completed stock held at the end of FY17 has been reduced by **49.0% or \$69.6 million** to 31 March 2018.

Finbar currently holds **\$326.5 million** in presales.

Debt facilities on all completed stock have been retired to 31 March 2018, the retail value of **\$72.5 million in debt free completed stock** available to bolster future cashflow and capital.

Vue Tower and Reva both commenced construction during the first half of FY18, equating **~\$196.3m in retail value** to contribute to FY19 results.

Full Year Results expected to **substantially exceed** FY2017.

Important Notice



Some of the information contained in this presentation may contain forward-looking revenue, timeline, and general statements that are subject to various risks, uncertainties, and changes. Forward-looking statements include those containing such words as 'estimate', 'should', 'may', 'forecast', 'anticipates', 'expects', 'plans', 'approximately', 'circa', or similar expressions. Finbar's actual results, performance, approvals, project composition, values, sales, or achievements could be significantly different from the results or objectives expressed in, anticipated or implied by, those forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements which refer to circumstances, estimates, and projections only as at the date of this release and which are subjected to changes as a result of changing market conditions, construction timelines, amended project planning, and revisions to company strategies.

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