
OCTOBER 2017

FY17 Annual Results Summary & Development Update



Agenda



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Financials



FY17 Highlights



Finbar continues to cement its position as Western Australia's largest apartment developer, with the total number of **completed units reaching 5,305.**

Completed Western Australia's largest residential apartment development, with the **38 storey Concerto development in East Perth.** Awarded the UDIA high density development award.

Finbar continues to focus on growing our Loyalty club, **with an additional 243 members joining in FY17** and a 102% increase in repeat buyer sales

While enduring difficult local market conditions, Finbar has achieved its **21st year of consecutive profit.**

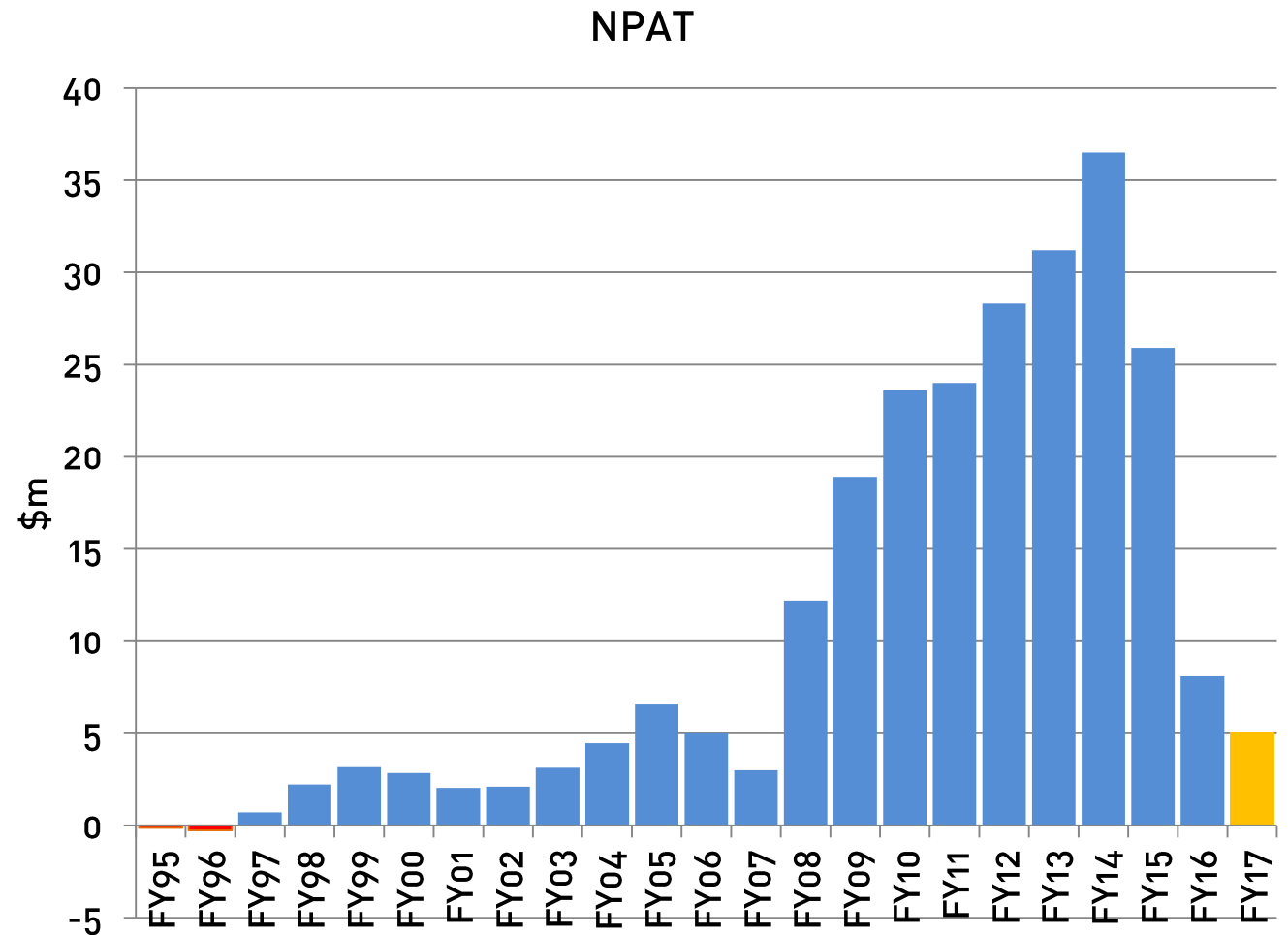
Debt facilities on all completed stock have been retired, **with \$138 million in completed stock** available to bolster future cashflow and capital.

Three development approvals were received in FY17, that equated to bring **\$857.6m worth of approved projects** available for launch.

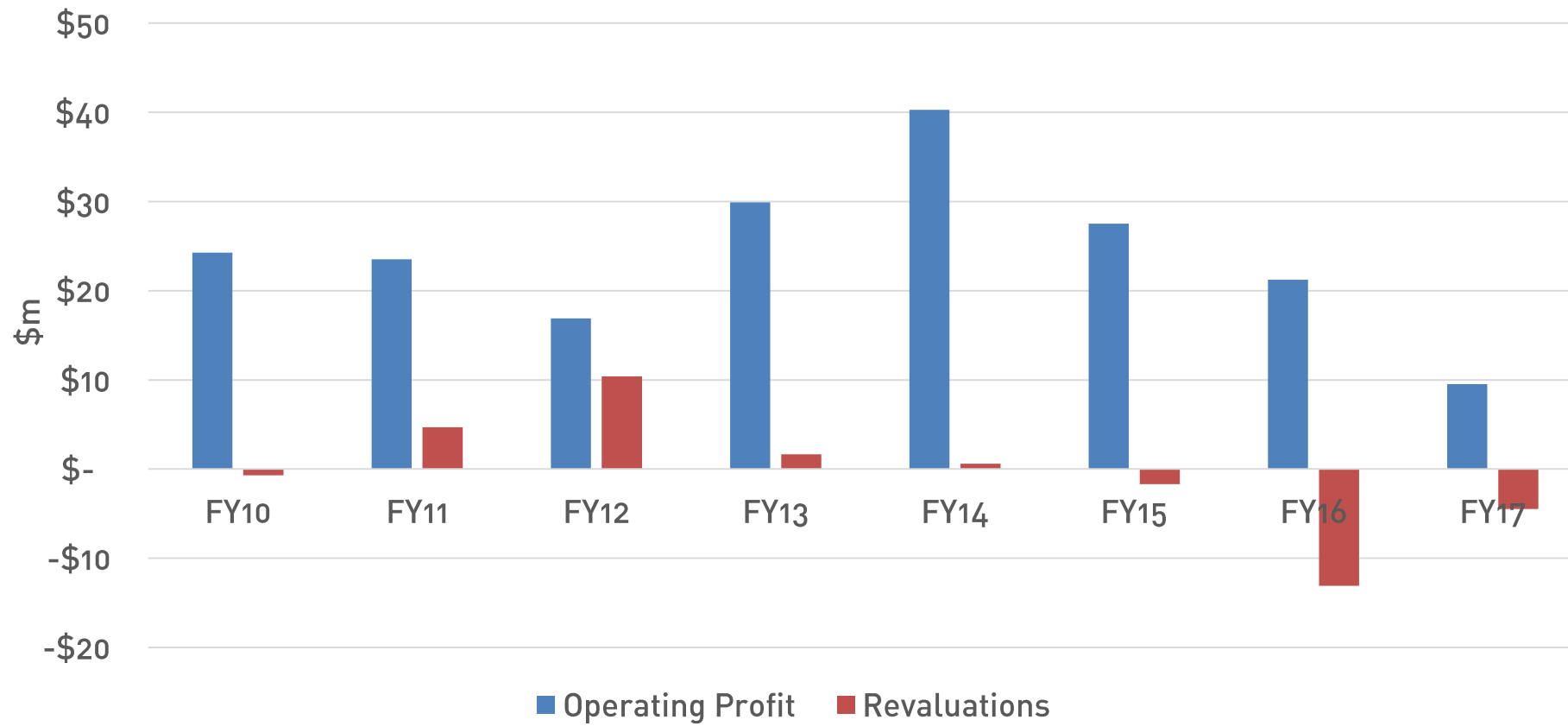
Net Profit



- \$9.6m operating profit.
- \$5.1m net profit.
- 38% reduction of NPAT in FY17 after investment property impairments totalling \$4.5 million.
- 21 consecutive years of profitability.



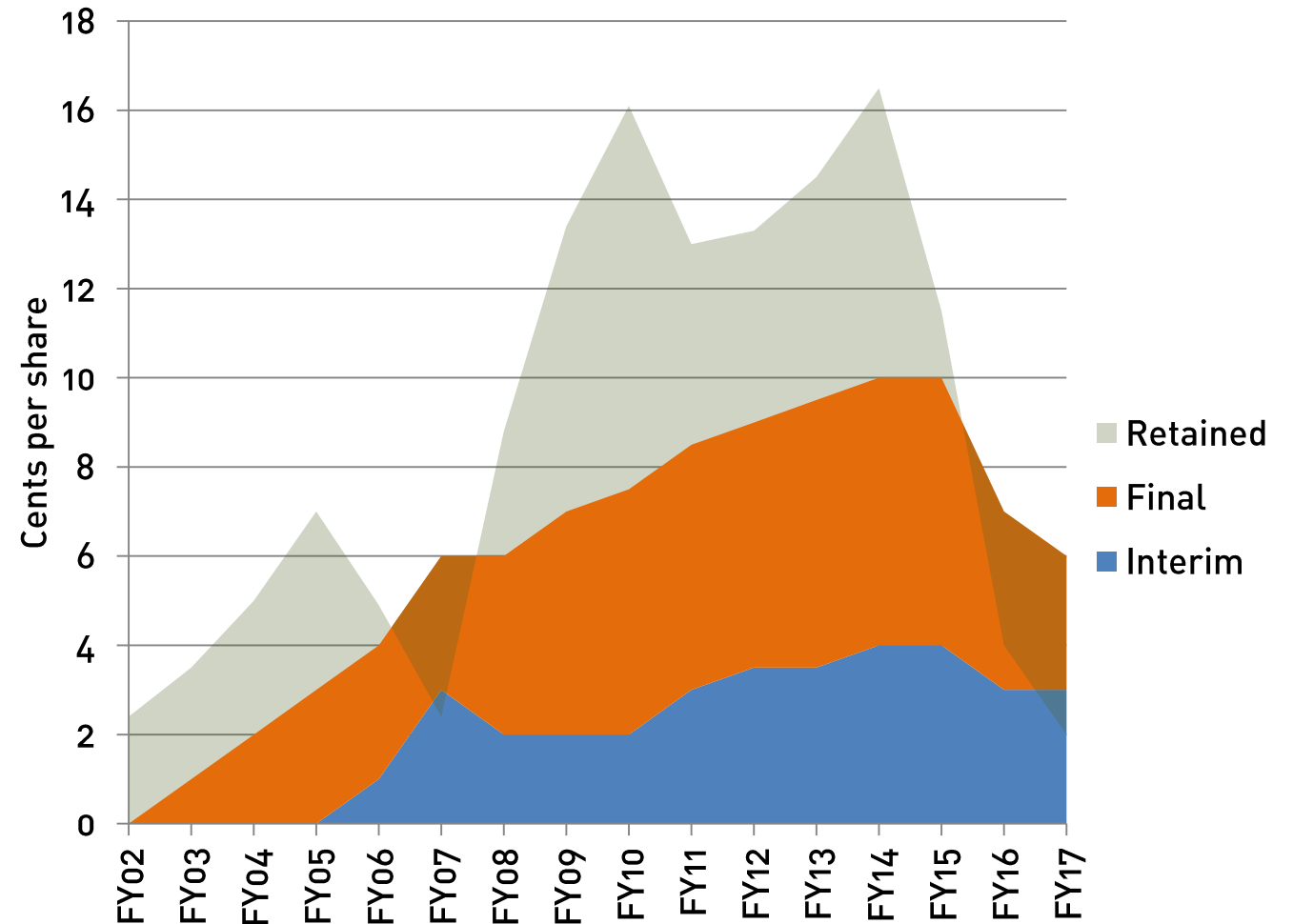
Operating Profits and Revaluations



Earnings Per Share & Dividends



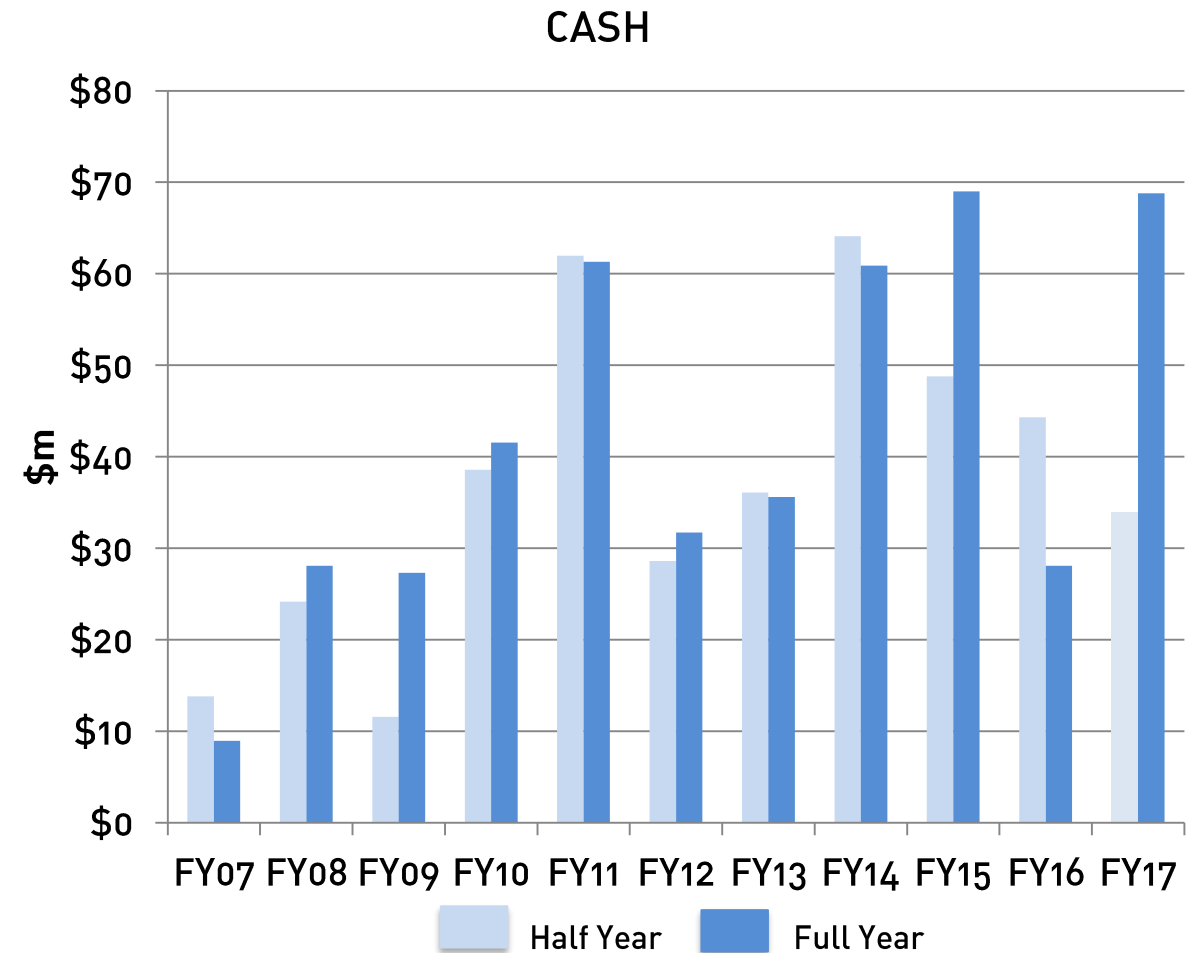
- Fully franked dividend of \$0.06 per share attributable to the year.
- 15th consecutive year of dividends.



Cash Position

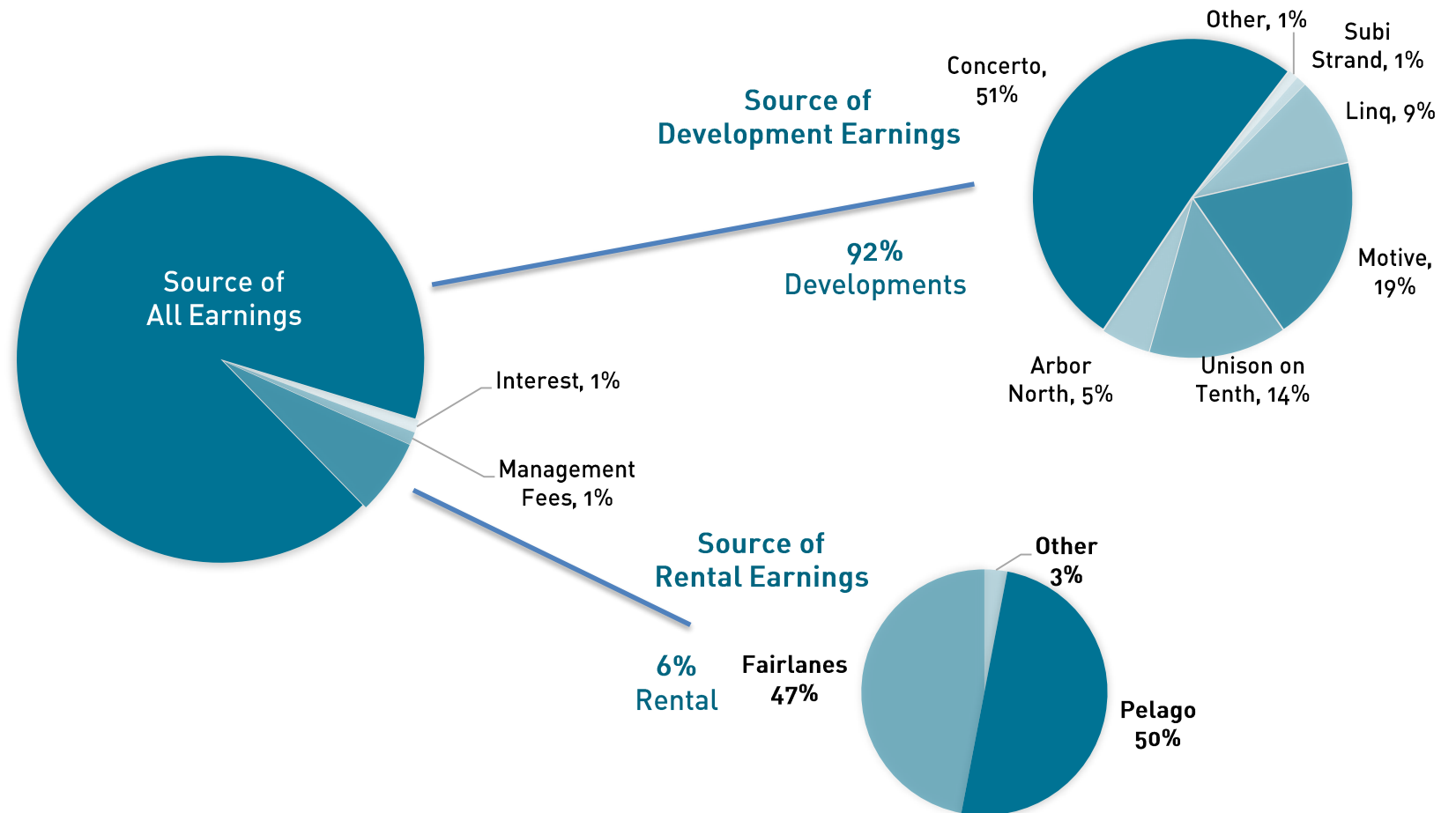


- Strong year end cash position of \$69m.
- Well positioned to fund working capital requirements and equity contributions for project commencements.
- No debt on residual stock with settlement cashflow to bolster working capital for redeployment into core development activity.

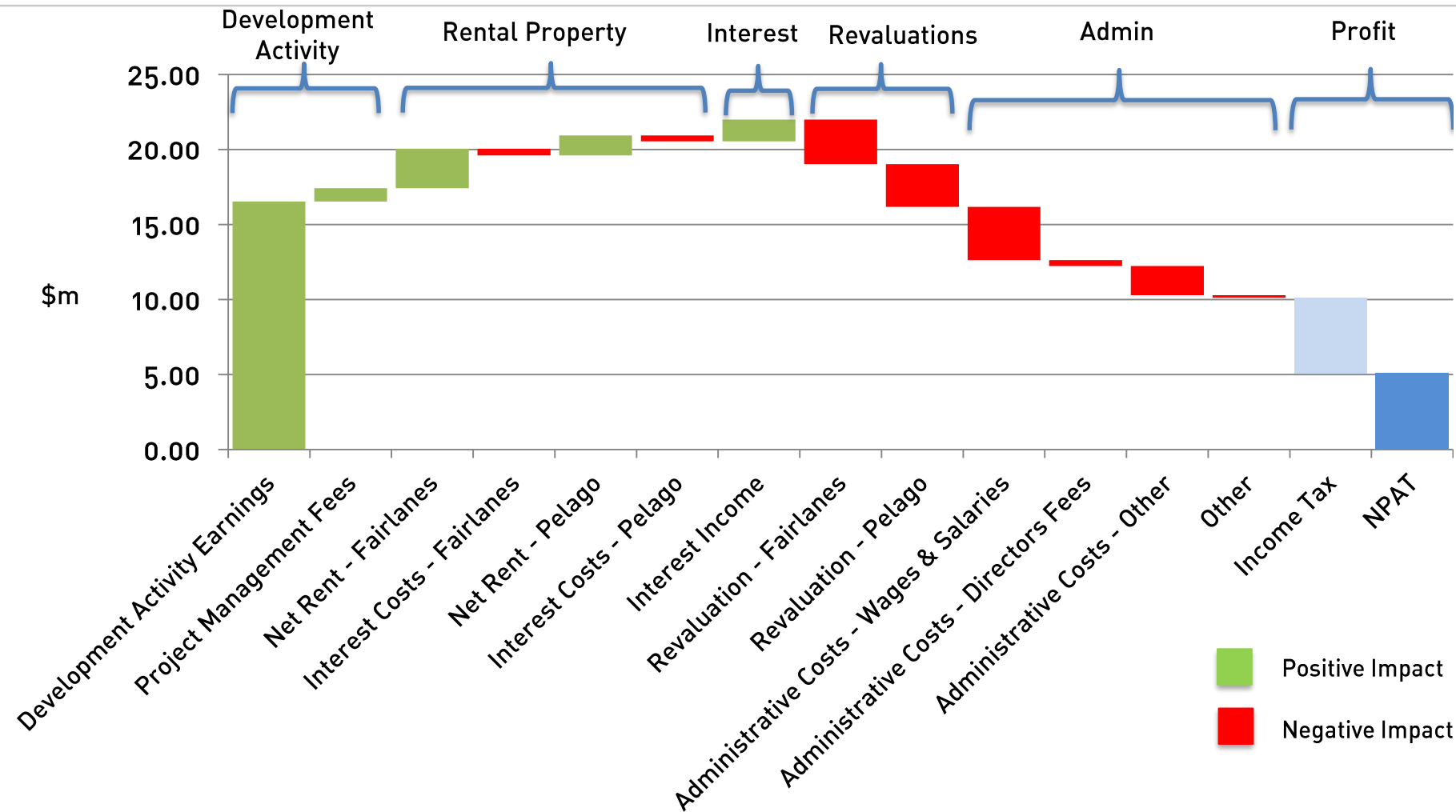


Sources of Earning FY17

- Core business of property development generated **92%** of earnings.
- Concerto, Motive, Unison on Tenth and Linq projects were largest contributors.
- **6%** contribution from rental income.



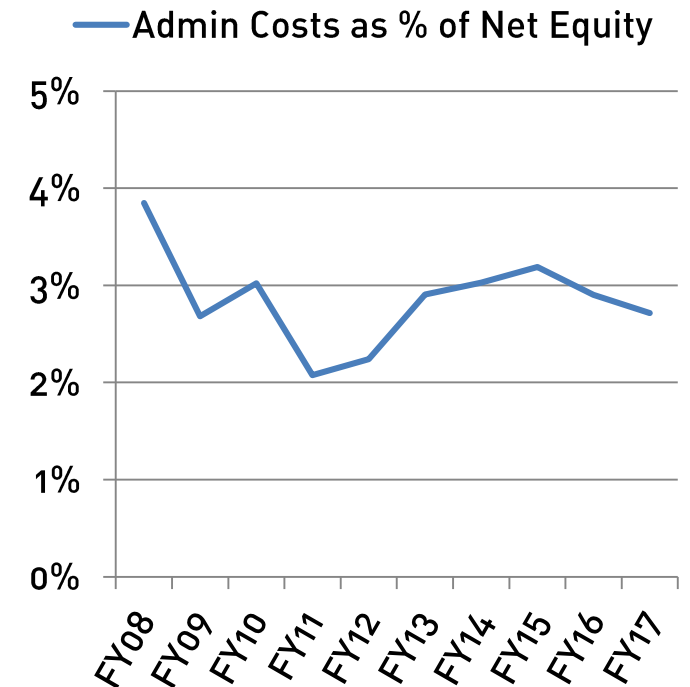
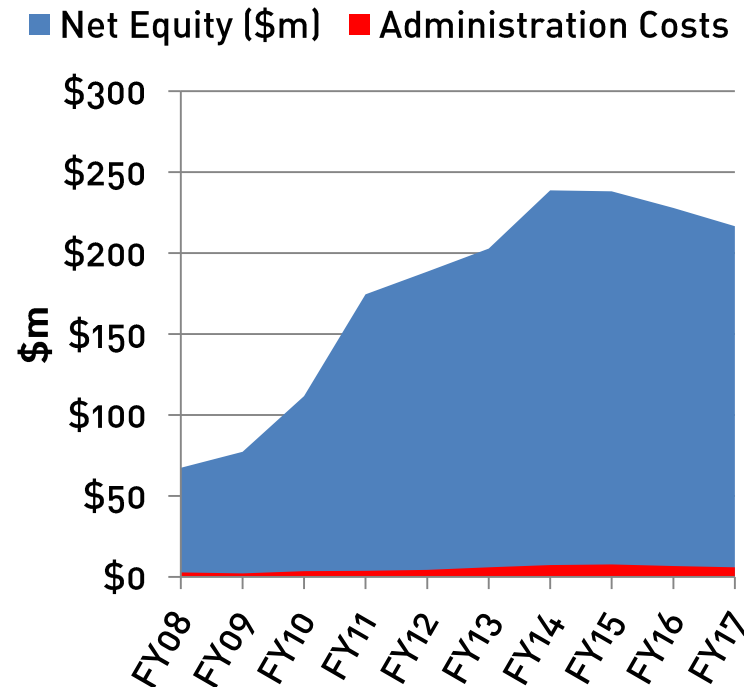
Segment Contributions FY17



Corporate Administration Costs



- Administration costs overhead as percentage of net equity is 2.7%.
- Outsourcing model ensures company is **scalable and efficient**.
- Small close team of **17 FTEs** ensures efficient transfer of information, quick response, retention of IP, and corporate agility.
- Finbar's agility remains a major **competitive advantage**

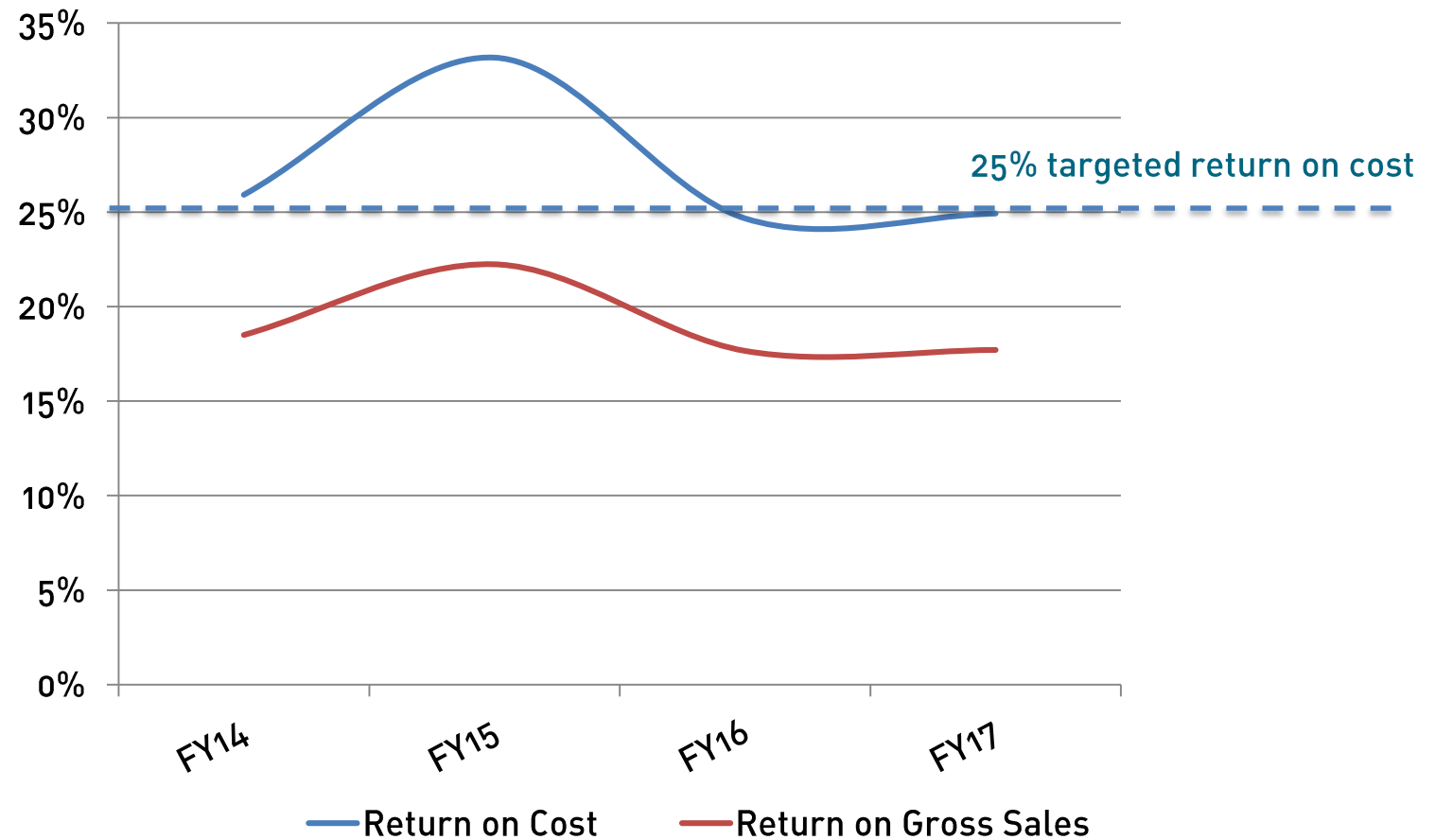


Project Return on Cost & Sales



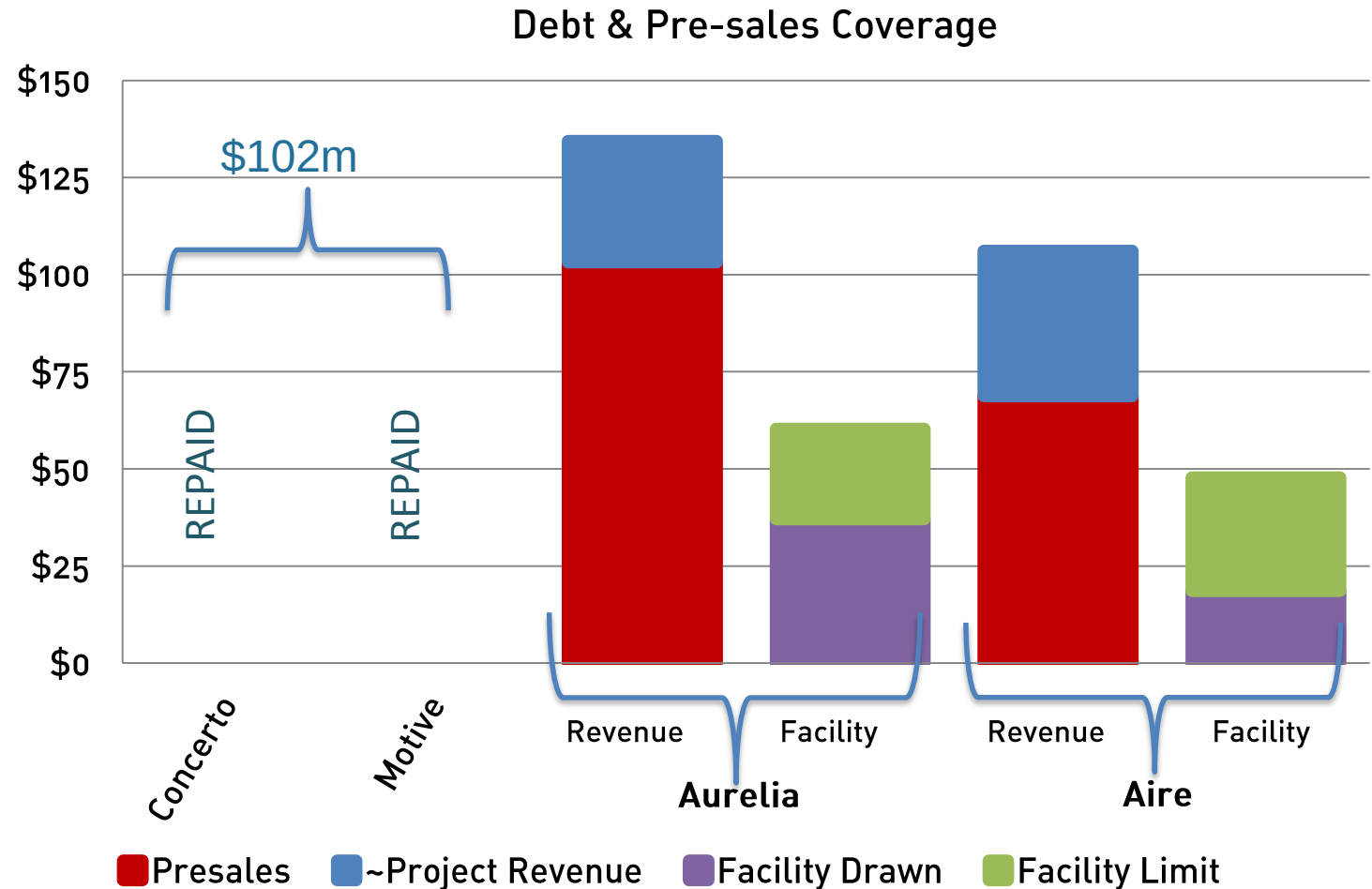
- The 5 year average return on cost is 28.3%.
- 5 year average return on gross sales is 19.6%.

Average Return On Completed Development Projects

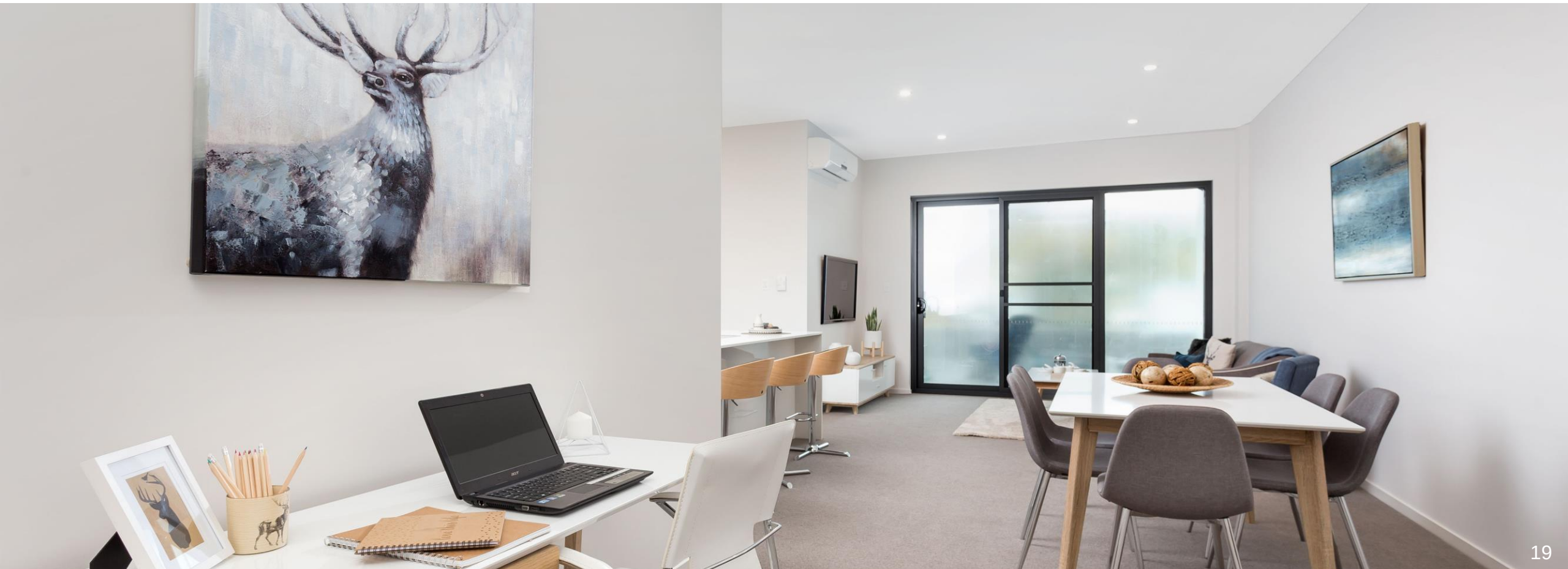


Current Project Debt & Coverage

- \$102m in finance facilities were repaid in FY17 & FY18 YTD from settlements on completed projects.
- 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



Investment Properties



Investment Properties

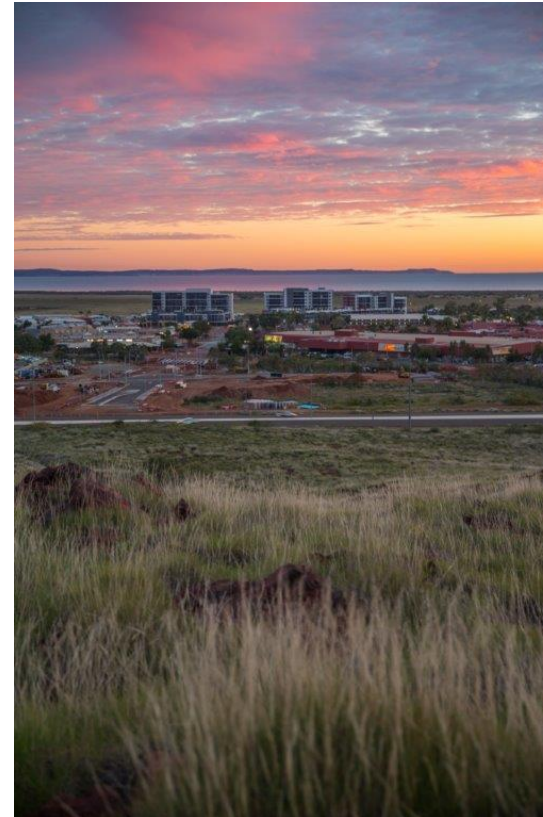
FAIRLANES
181 Adelaide Terrace East Perth



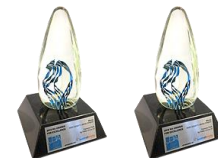
- 7,586 sqm of office building
- Leased to Downers, Broad Spectrum, Finbar's corporate office, & smaller office and food tenancies
- Wholly owned



PELAGO
23 & 26 Sharpe Avenue Karratha

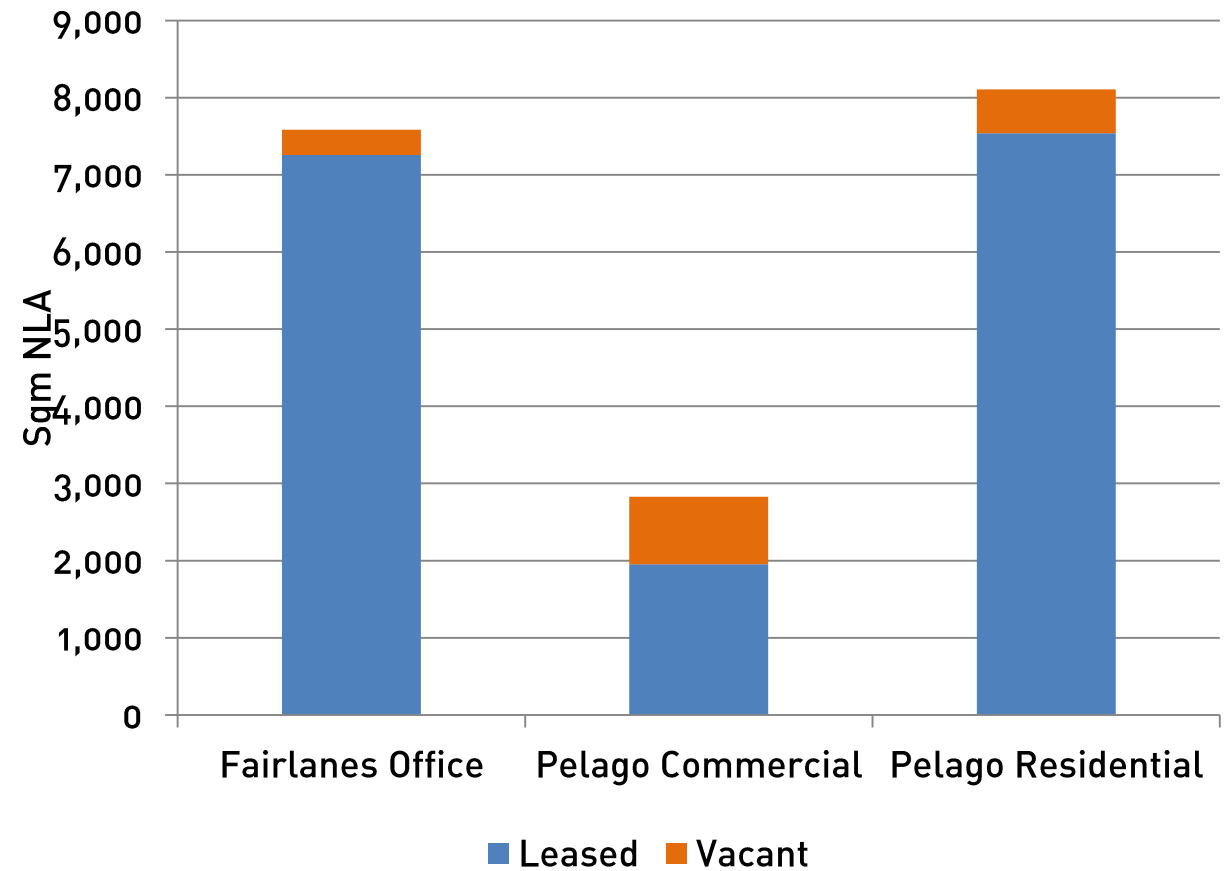
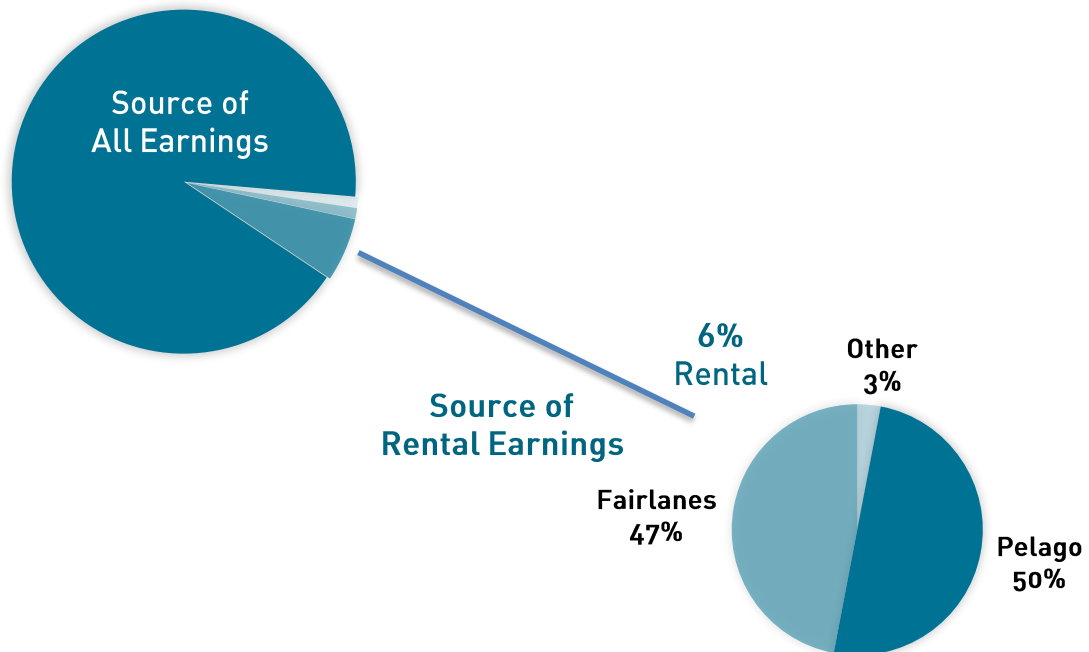


- 101 apartments & 21 commercial lots
- Leased to small business & predominantly corporate residential tenants
- Wholly owned



Investment Property Leasing

- Fairlanes 96% leased.
- Pelago Commercial 69% leased.
- Pelago Residential 93% leased.



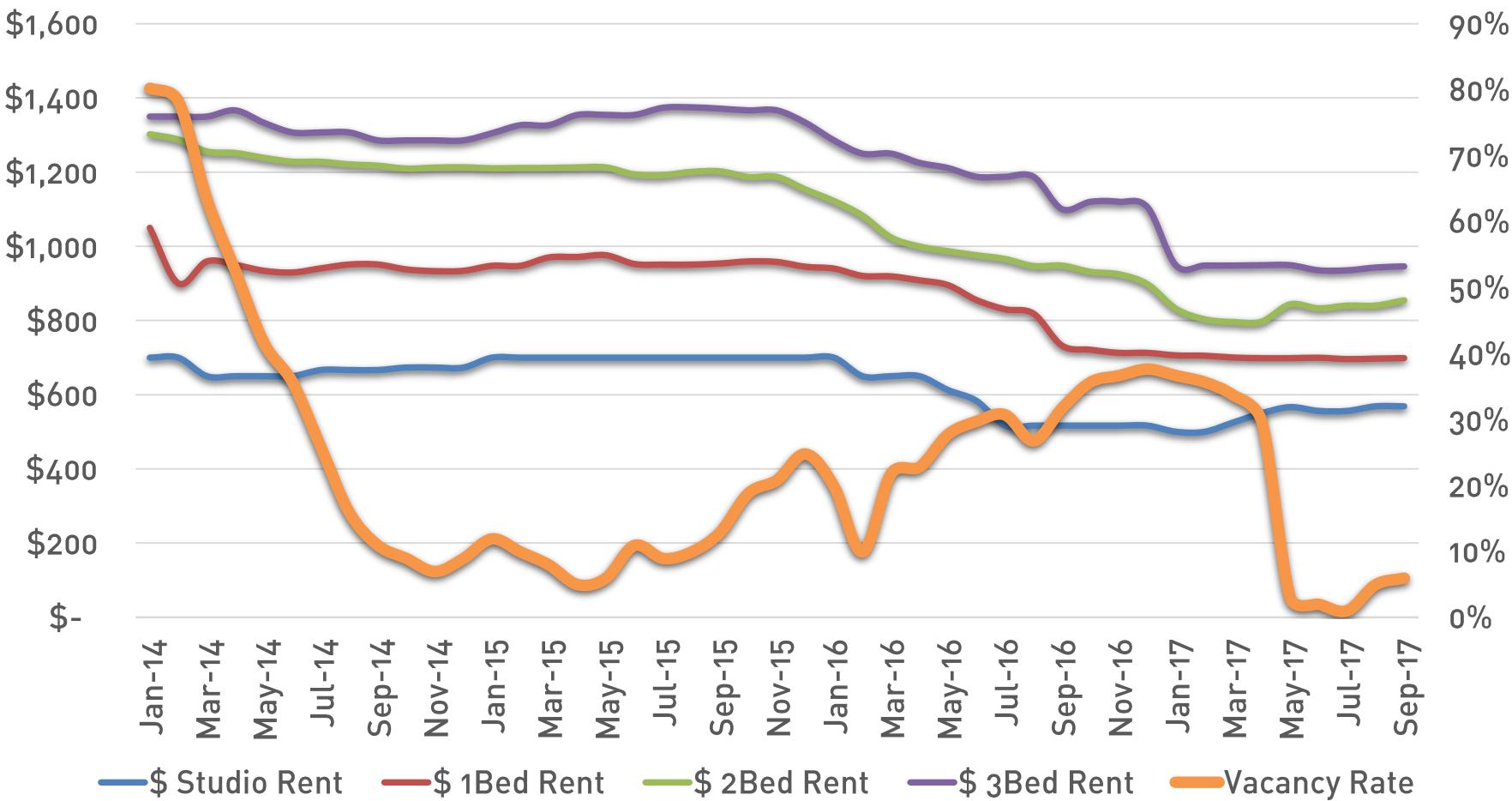
Pelago Residential



Average Leasing Rate Per Week:

- Studio \$569.
- 1Bed \$699.
- 2Bed \$855.
- 3Bed \$920.

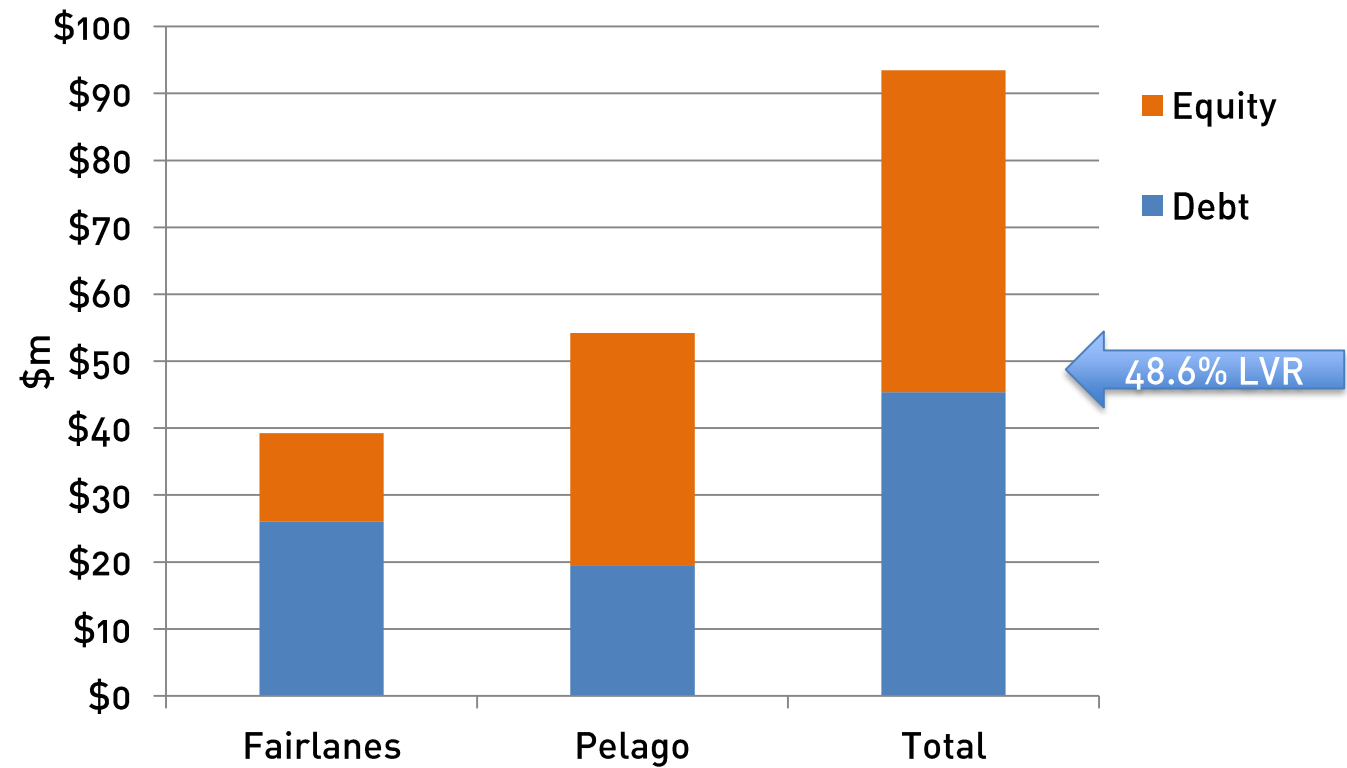
Total Vacancy Rate 6.9%



Investment Property Values & Gearing Profile



- Loan to Value Ratio across investment property is 48.6%
- Facilities with Australian Major Banks (CBA & NAB).



Development Activity Update



FY17 Progress Highlights



FY18 YTD Progress Highlights

Completions

- Motive \$79.9m
- Concerto \$195.9m

Acquisitions & JVs

- 32 Riversdale Road, Rivervale ~\$65m
- 908-912 Canning Highway, Applecross ~\$343.4m

Approvals

- DA Circa Apartments ~\$55.2m
- DA 43 McGregor Road, Palmyra ~\$108.8m
- DA 908-912 Canning highway, Applecross ~\$343.4m

Marketing:

- Reva ~ \$48.3m

Imminent Pre-sales Launch

- Palmyra East ~ \$48.7m
- Sabina ~ \$122.5m
- Circa Apartments ~\$46.3m

Construction

- Vue Tower ~ \$145.2m

Imminent Construction

- Reva ~ \$48.3m

Completed Projects with Stock For Sale



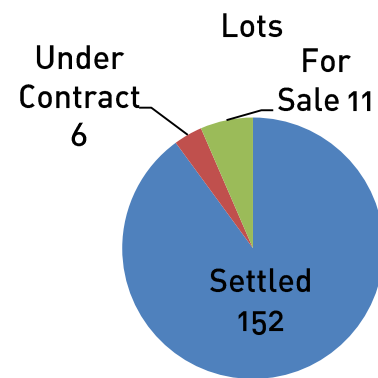
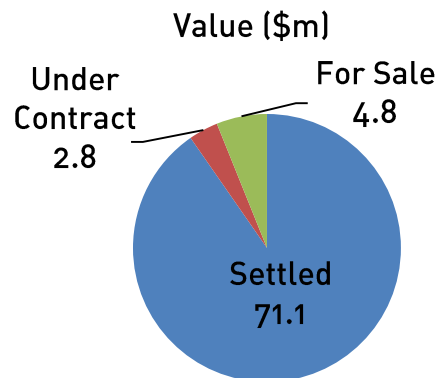
Unison on Tenth

2 Tenth Avenue, Maylands



Project: Unison on Tenth comprises 167 one, two and three bed apartments plus 2 commercial lots. Average price \$465,680.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$78.7 million
- **Completion:** FY16
- **Sales:**



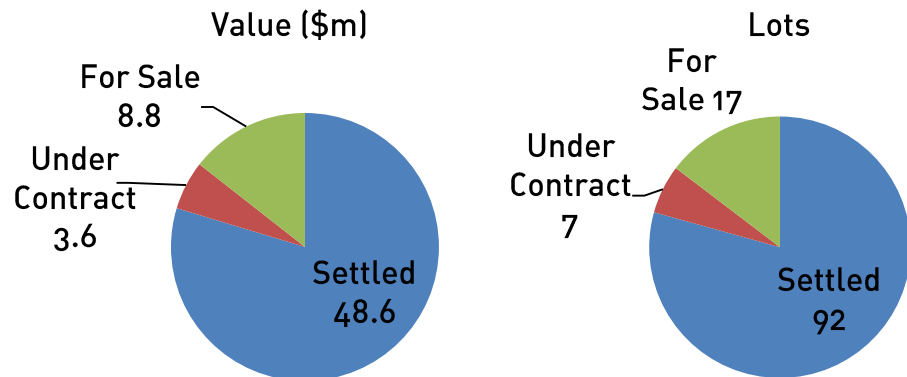
Linq

269 James Street, Northbridge



Project: Linq comprises 112 one and two bedroom apartments plus 4 commercial lots. The average price is \$525,862.

- **Status:** Construction Completed
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$61 million
- **Completion:** FY16
- **Sales:**



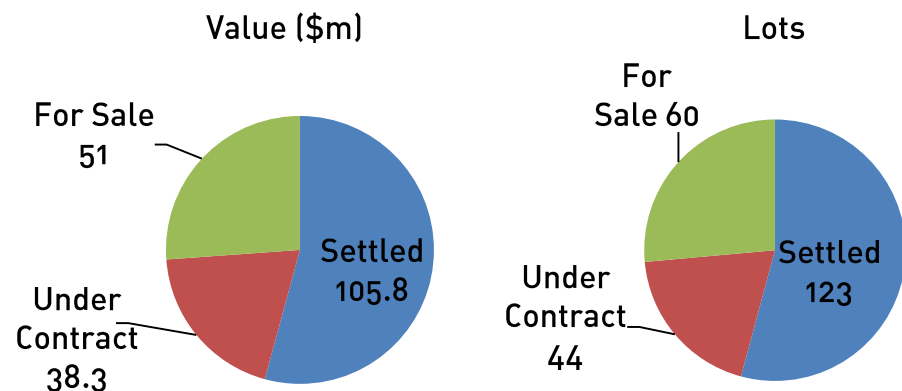
Concerto

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 storeys. Average price \$859,471.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$195.1 million
- **Completion:** FY17
- **Sales:**



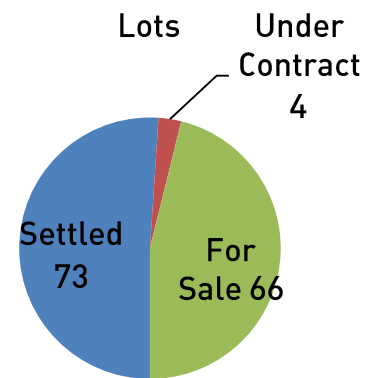
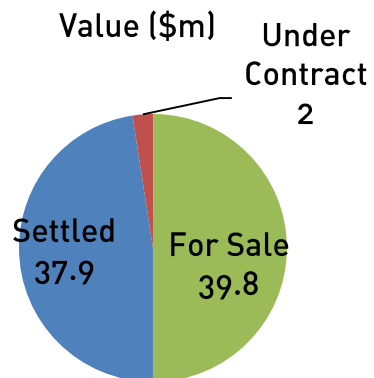
Motive

172 Railway Parade, West Leederville



Project: Motive consists of 143 one and two bedroom apartments with an average price of \$557,343.

- **Status:** Construction Completed
- **Ownership:** 50% JV with land owner
- **Value:** ~\$79.7 million
- **Completion:** FY17
- **Sales:**



Projects Under Construction



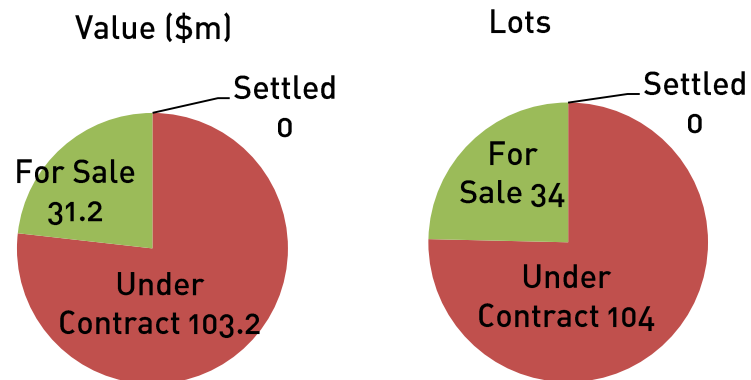
Aurelia

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 \$973,913.

- **Status:** Under Construction
- **Ownership:** 50% JV with land owner
- **Value:** ~\$134.4 million
- **Est. Completion:** FY18
- **Sales:**



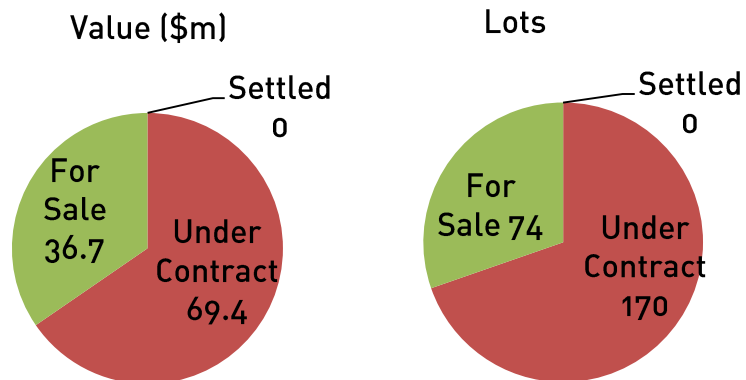
Aire West Perth

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 \$434,836.

- **Status:** Under Construction
- **Ownership:** 50% JV through SPV
- **Value:** ~\$106.1 million
- **Est. Completion:** FY18
- **Sales:**



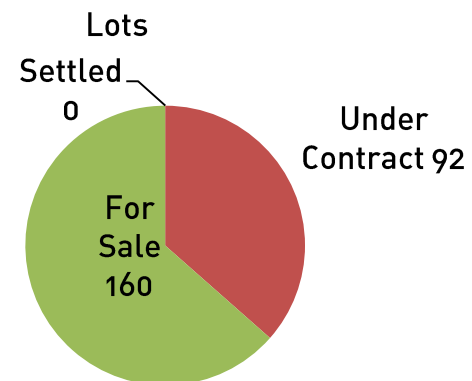
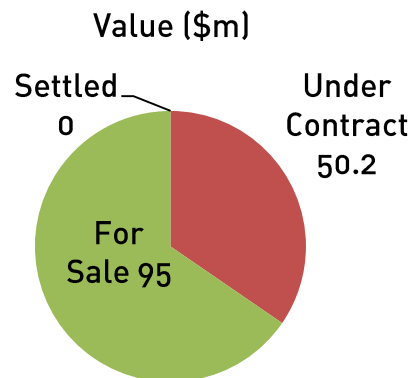
Vue Tower

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 \$575,794.

- **Status:** Committed to Commencement for Construction
- **Ownership:** 50% JV with land owner
- **Value:** ~\$145.2 million
- **Est. Completion:** FY19
- **Sales:**



Committed Commencements for Construction



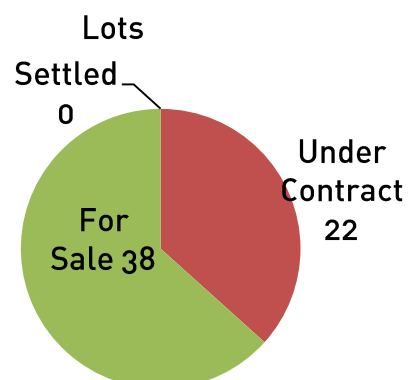
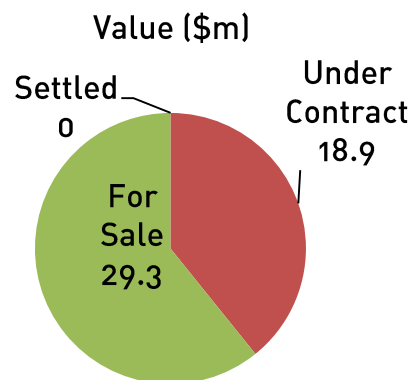
Reva

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 \$803,333.

- **Status:** Committed to Commencement for Construction
- **Ownership:** Wholly owned through subsidiary
- **Value:** ~\$48.2 million
- **Est. Completion:** FY19
- **Sales:**



Imminent Pre-sales Launch



Palmyra East

45 McGregor Road, Palmyra



Project: Palmyra East will consist of 128 one, two and three bedroom apartments.
Approximate price of \$380,469.

- **Status:** Imminent Pre-sales Launch
- **Ownership:** 50% JV with land owner
- **Value:** ~\$48.7 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 48.7

Future
Release
* 128



Sabina

910 Canning Highway, Applecross



Project: Sabina is the first stage of the Canning Hwy development and will consist of approximately 179 one, two, three bed apartments, and 3 ground floor commercial lots.

- **Status:** Imminent Pre-sales Launch
- **Ownership:** 50% JV with landowner
- **Value:**~\$122.5 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots



Circa Apartments

5-7 Rowe Avenue, Rivervale



Project: Circa will consist of 132 one and two bedroom apartments. Approximate price of \$350,757.

- **Status:** Imminent Pre-sales Launch
- **Ownership:** 50% JV through SPV
- **Value:** ~\$46.3 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 46.3

Future
Release
* 132



Development Approval Received



Canning Highway Applecross

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



*Indicative lots and project values only

In Planning and Design



1 Mends Street (1/2)

1 Mends Street, South Perth



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

- **Status:** In planning and design
- **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 (2/2)

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 160 one, two and three bedroom apartments.

- **Status:** In planning and design
- **Ownership:** 50% JV through SPV
- **Value:** ~\$66 million
- **Est. Completion:** TBC
- **Sales:**

Value (\$m)

Lots

Future
Release
* 66

Future
Release
* 160



*Indicative lots and project values only

239 Great Eastern Highway

239 Great Eastern Highway, Belmont



Project: Entry level residential project currently in redesign. Approximately 180 residential lots plus commercial.

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

Value (\$m)

Lots

Future
Release
* 75

Future
Release
* 180



*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:** 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 continues to explore non-residential development outcomes.

- **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



Sales Activity



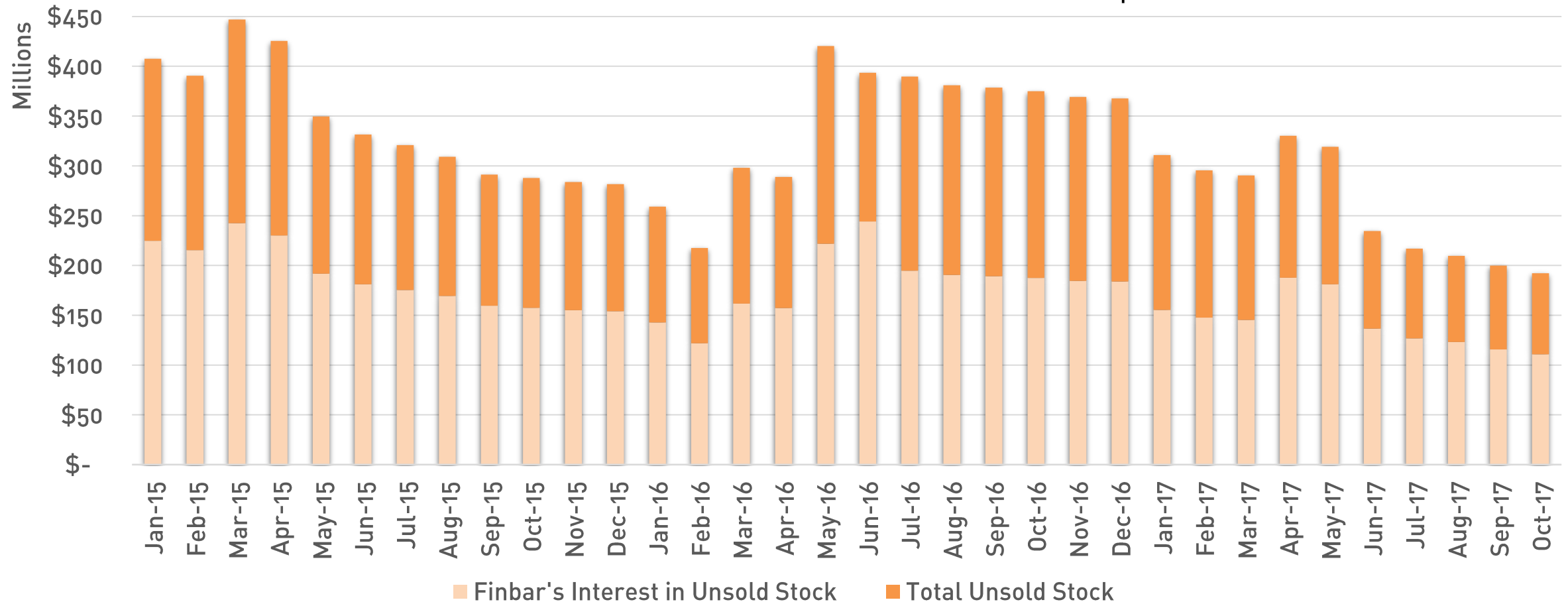
Off-the-Plan Unsold Stock (Currently being Marketed)

From Jun-17 to Oct-YTD:

- Reduced Off-the-Plan stock by 18.0%.

Total Unsold Off-the-Plan Stock:

- \$192.2m
- Bolster supply with Palmyra, Sabina, and Circa Apartments in FY18



Completed Unsold Stock

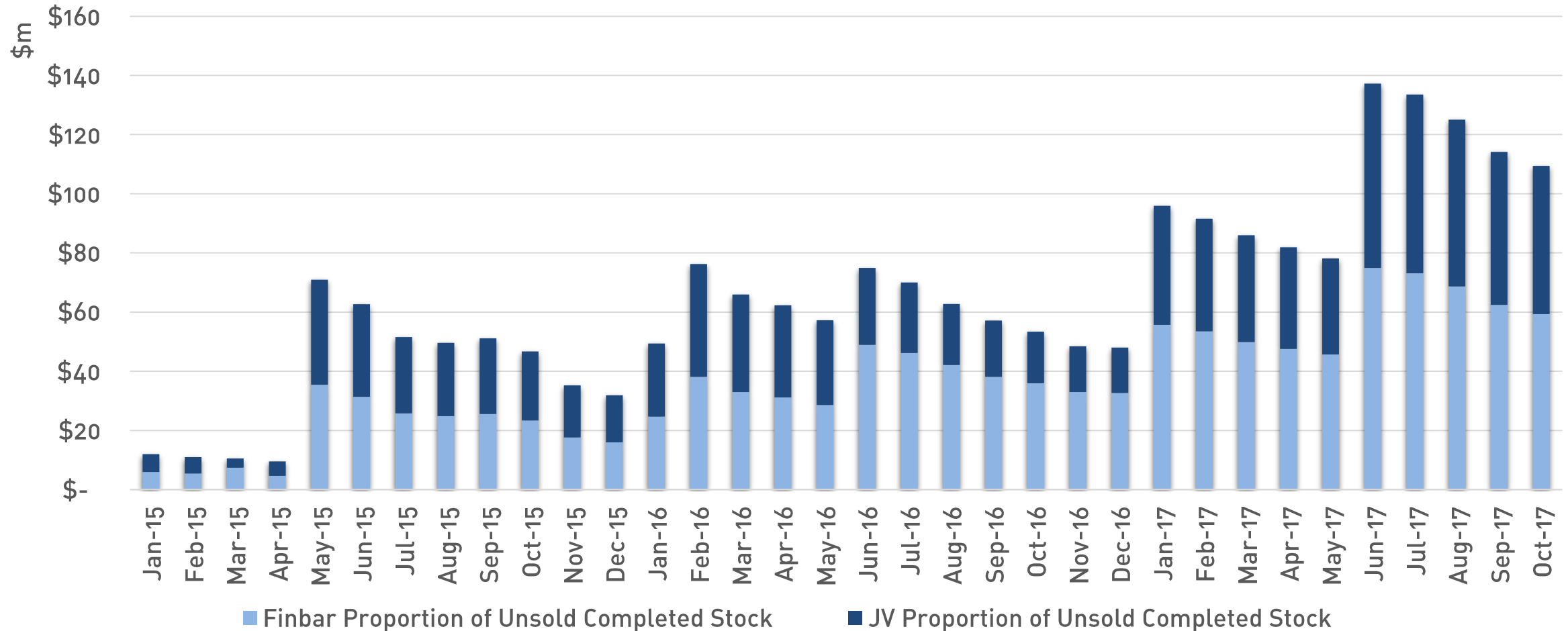


From Jun-17 to Oct-YTD:

- Reduced Completed stock by 20.3%

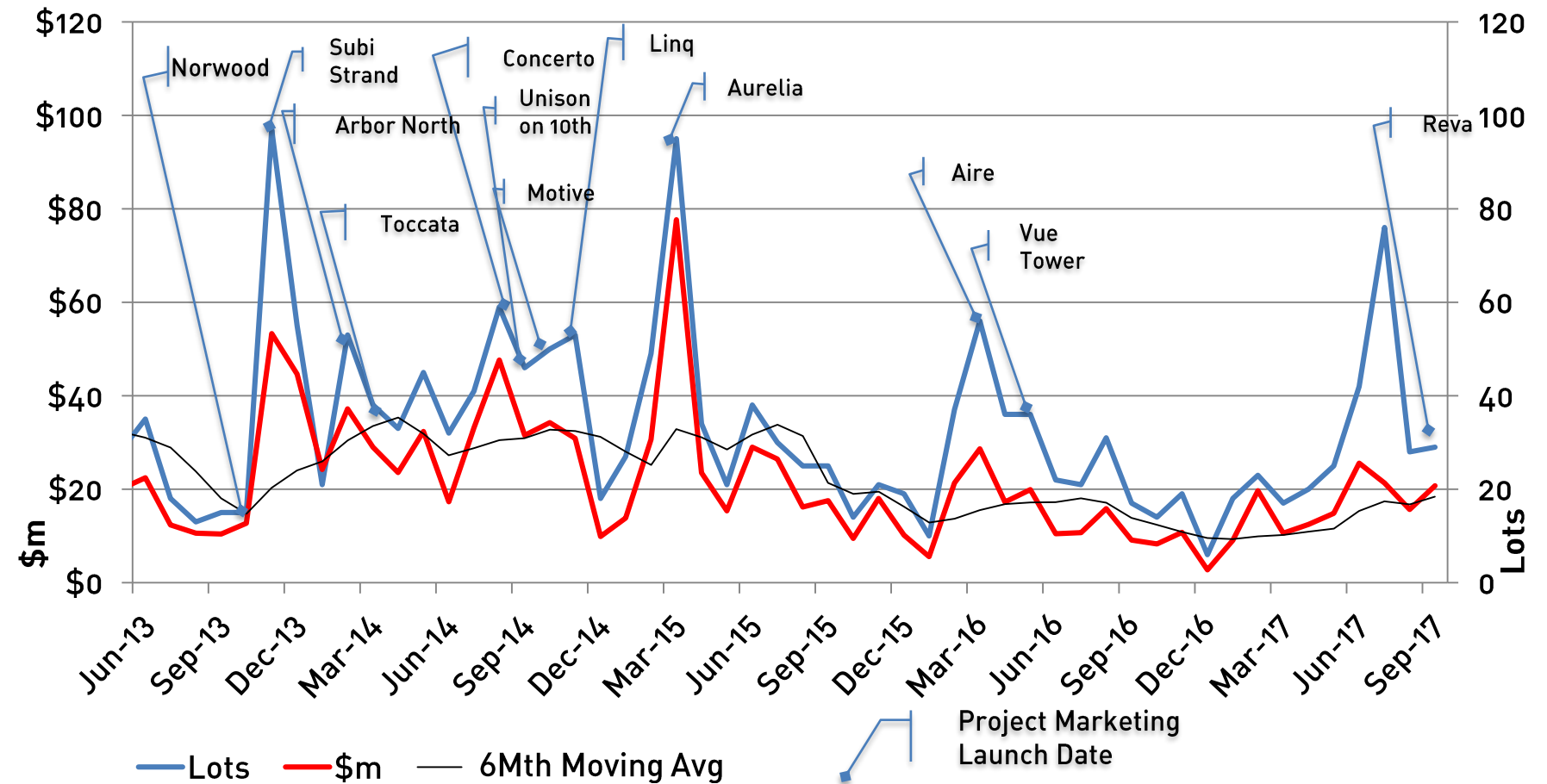
Total Unsold Completed Stock:

- \$109 million

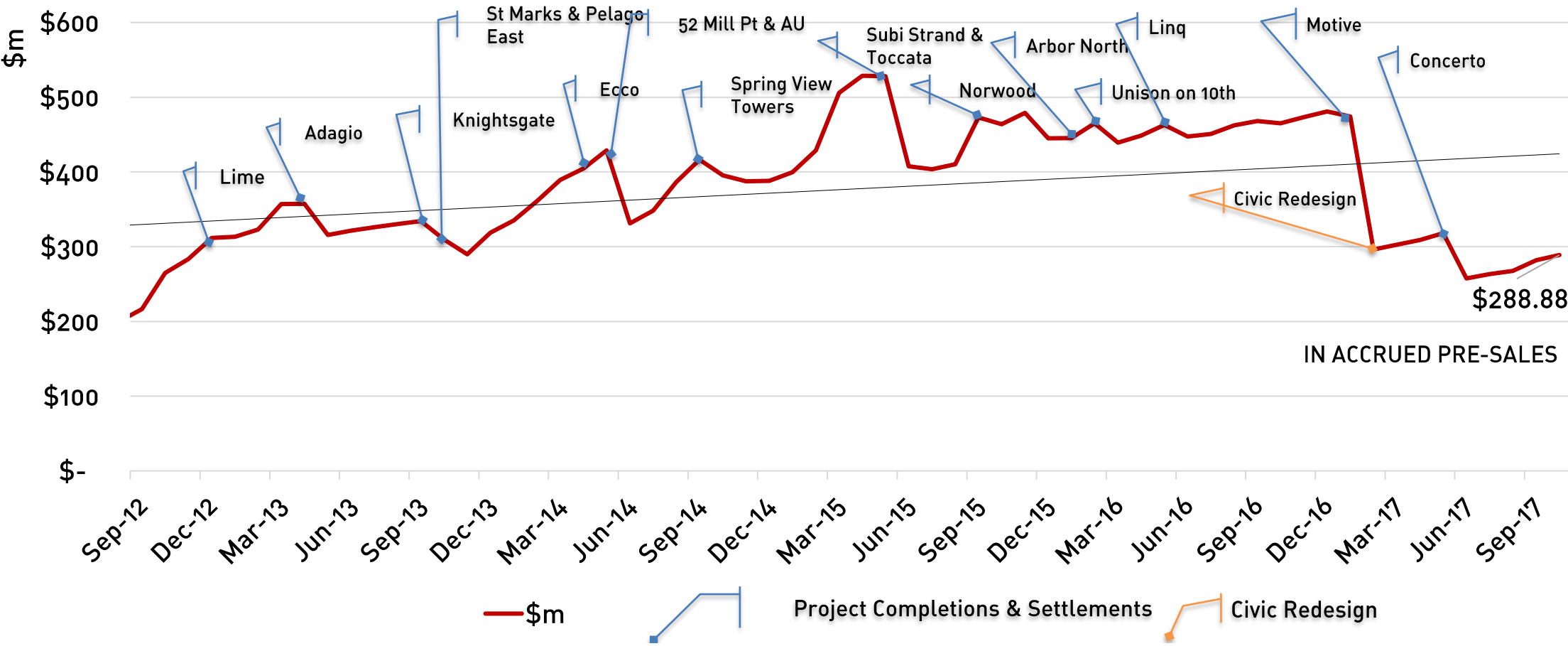


Residential Sales Contracts Activity

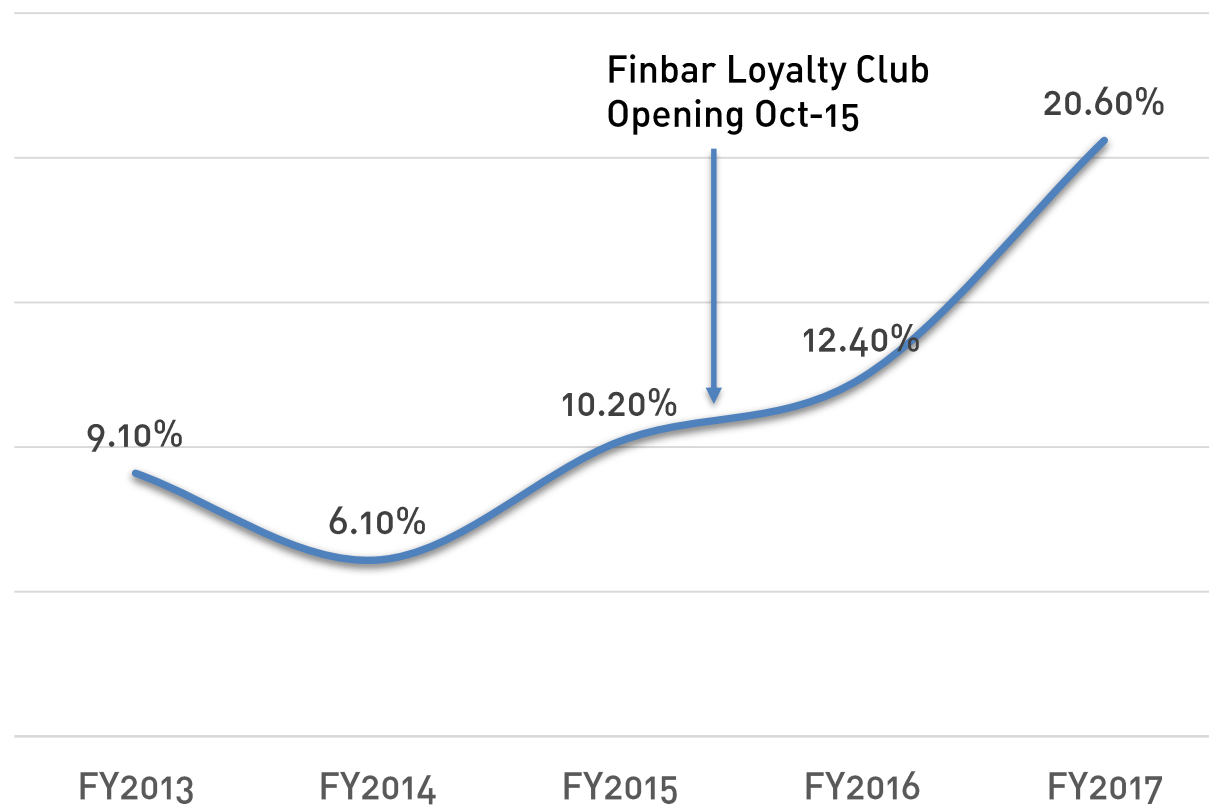
- FY17 244 sales worth \$171m in financial year to date being an average of 0.67 sales / \$0.47m per day average
- 154 sales worth \$70.05m in financial year to date being average of 1.39 sales / \$0.63m per day average.



Residential Pre-sales Contracts Activity



Proportion of Repeat Buyers



Finbar Loyalty Club



Pipeline Estimated Completion Summary

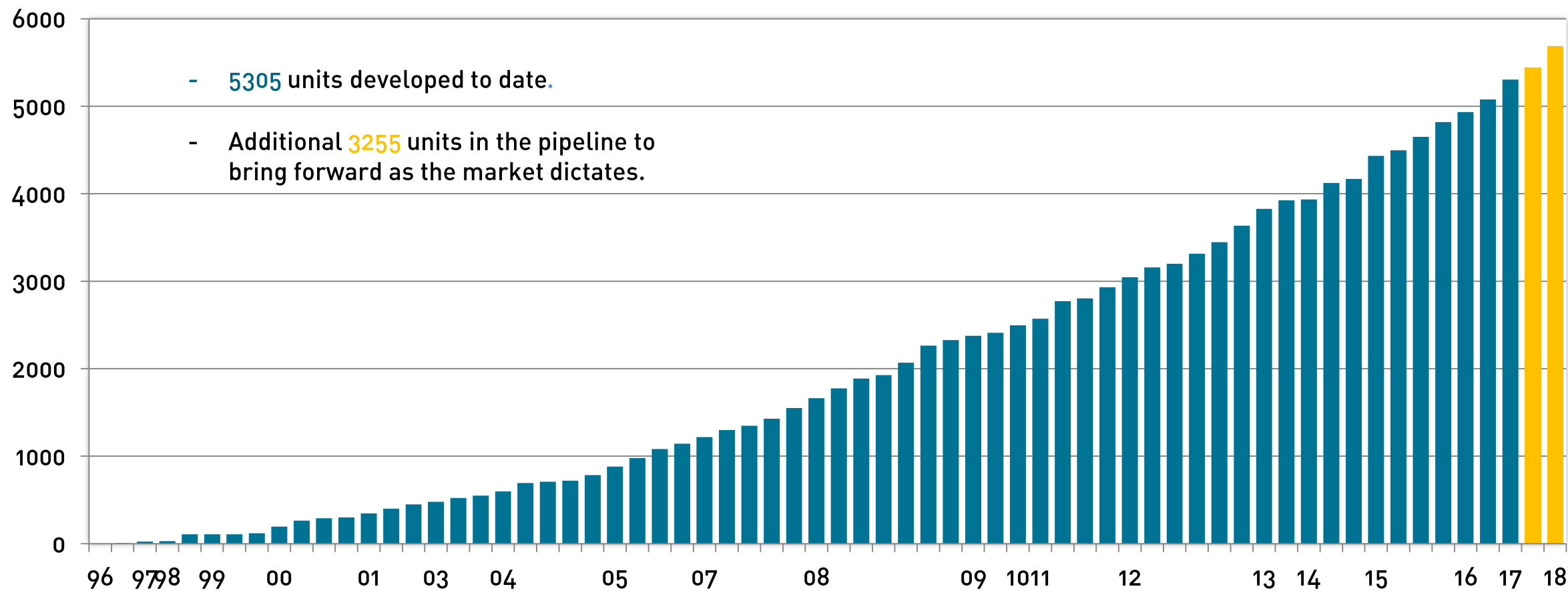


		FY18	FY19	FUTURE
Project	FRI's Interest			
Ecco	50%	2.3		
Subi Strand	50%	2.2		
Norwood	50%	1.0		
Arbor North	50%	1.0		
Unison on Tenth	50%	7.6		
Linq	100%	12.3		
Concerto	50%	71.3	18.0	
Motive	50%	29.9	10.0	
Aurelia	50%	105.4	29.0	
Aire	50%	74.1	32.0	
Vue Tower	50%		145.2	
Reva	100%		48.2	
Palmyra East	50%			48.7
Sabina	50%			122.5
Circa Apartments	50%			46.3
Unison on Kennedy	50%			85.0
Palmyra West	50%			52.0
The Point	50%			90.0
Canning Hwy Stage 2	50%			103.2
Canning Hwy Stage 3	50%			116.5
61 Waverly Street	50%			66.0
239 Great Eastern Hwy	100%			75.0
Harmony	50%			40.0
Lot 1000	50%			65.0
2 Homelea Court	100%			77.0
Lot 888	50%			40.0
1 Mends Street	50%			300.0

FY Totals (\$m):	307.1	282.4	1,327.2	1,916.7
FRI's Interest:	159.7	165.3	739.6	1,064.6
Total Pipeline (\$m)				

Current Status:	Total \$m	FRI's Interest
Completed	\$155.6	\$83.9
Under Construction	\$240.5	\$120.3
Committed Commencement for Construction	\$193.4	\$120.8
Imminent Pre-sales Launch	\$217.5	\$108.8
Approvals Received	\$446.7	\$223.3
In Planning / Pre-Approval	\$663.0	\$407.5
Total	\$1,916.7	\$1,064.6

Cumulative Units Sold



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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