



ASX AND MEDIA RELEASE

27 October 2008

FKP announces Entitlement Offer to raise up to \$151 million

FKP Property Group (**FKP**) today confirmed details of the equity raising outlined in its announcement of 15 October 2008. FKP is conducting a non-renounceable Entitlement Offer to raise between \$104 million and \$151 million and has lodged the Prospectus and Product Disclosure Statement with ASIC.

On 15 October 2008, FKP announced a range of initiatives to strengthen its capital position and deliver on its strategy. One of these is the Entitlement Offer, supported by commitments from both Mulpha and Stockland.

The Entitlement Offer will be a traditional non-renounceable entitlement offer under which securityholders will be entitled to acquire 5 new securities for every 14 securities held as at the Record Date at a price of \$1.50 per security. The new securities issued under the Entitlement Offer will rank equally with existing quoted securities.

The Record Date for the Entitlement Offer will be Thursday 6 November, 2008. Securities purchased by investors and FKP securityholders up to (and including) Wednesday 29 October, 2008 will be eligible to participate in the Entitlement Offer.

The Entitlement Offer is partially underwritten by Macquarie Capital Advisers Limited and UBS AG, up to \$104 million. This is equal to the total commitments from Mulpha (up to 35 million securities) and Stockland (up to 34 million securities), which will be achieved by a combination of these groups taking up their pro rata rights and entering into sub-underwriting agreements.

Net proceeds of the Entitlement Offer will be used to strengthen FKP's balance sheet through an initial reduction of debt to assist in providing funding for FKP's committed development and land pipelines.

Further details of the Entitlement Offer timetable are outlined below:

Lodgement of Prospectus/PDS at ASIC and ASX	Mon 27 Oct 2008
Last trading day to be eligible to participate in Entitlement Offer	Wed 29 Oct 2008
Ex-date for Entitlements	Thu 30 Oct 2008
Record Date	Thu 6 Nov 2008
Entitlement Offer opens	Mon 10 Nov 2008
Entitlement Offer closes	Mon 24 Nov 2008
Deferred settlement trading	Tue 25 Nov 2008
Allotment of securities	Fri 28 Nov 2008
Normal settlement trading	Wed 3 Dec 2008

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FKP Property Group

With more than 30 years experience in the Australian property industry, FKP Property Group (FKP) is one of Australia's leading diversified property and investment companies. FKP successfully operates an integrated business model which includes retirement, property investment and funds management, land development, property development (incorporating residential, retail, industrial and commercial) and construction across Australia and New Zealand. FKP is an ASX top 200 company.

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