

ASX RELEASE



04 May 2005

Folkestone Limited

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Folkestone Profit Guidance

Folkestone Limited advises that three of its current projects have been adversely affected by planning delays and changing market conditions.

The impact is expected to reduce the company's after tax profit for FY 2005 by around \$1 million from budget which was 8 cents per share.

The leasing and sale of two other projects has been slower than anticipated and this is recognised in the revised position.

Construction at Jolimont Square has now commenced following lengthy planning delays and is expected to contribute to profit in FY 2006.

Access Constructions Pty Ltd's profit contribution will be positive and in line with expectations at the time of acquisition.

Directors believe that final dividend will be in line with the final ordinary dividend of last year.

For further information:

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