

## Folkestone searching for investment opportunities

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By **Elizabeth Redman**

Real estate funds manager and developer Folkestone says it is on track to launch two new funds and is in due diligence on a number of acquisitions after reporting a healthy first-half result. With cash on hand and low debt, Folkestone said it would keep looking for investment opportunities in the residential, non-residential and social infrastructure sectors.

The group also reaffirmed its guidance of a fully franked dividend of 2.625c per share for the 2017 full year, but declined to pay a dividend for the half.

“We have a number of transactions underway, which, due to timing, will now contribute to earnings in the second half of full-year 2017,” Folkestone managing director Greg Paramor said.

“We continue to see strong pre-sales across our active residential and enterprise park developments. In particular, our residential land projects continue to perform well.” The group will keep looking for joint venture partnerships where appropriate, as well as acquisitions or development opportunities that involve staged land payments or deferred settlement terms, he said.

Statutory net profit rose 6 per cent to \$3.2 million in the six months to December 31, from \$3m in the previous corresponding period. Revenue more than tripled to \$21m in the half, from \$6.6m in the prior corresponding period.

Folkestone attributed the result to both development activities and its funds management arm.

The group also expects a state government decision on its plan for retail neighbourhood centres in Altona North and Truganina in Melbourne by mid-2017. Shares closed 1.6 per cent higher at 98.5c.