GEO Property Group
Comprising:

GEO Property Trust ("Trust")
ARSN 104 482 206
(Responsible Entity: GEO Management Limited)
ABN 77 116 506 882, AFSL 304866)

GEO Property Group Limited ("Company")
ABN 38 117 546 326

ASX Code: GPM

ASX ANNOUNCEMENT / MEDIA RELEASE

GEO PROPERTY GROUP EXPECTS TO LIFT VOLUNTARY TRADING SUSPENSION AND PROVIDES FY08 OPERATING EARNINGS GUIDANCE

- Expects voluntary suspension of securities to be lifted next week
- Revised debt arrangements expected to be executed shortly
- De-leveraging proceeding well
- Negotiations for internalisation of management rights continuing
- Expect FY08 operating EPS of 8.1[1] cps, before one off non-recurring items
- 2009 operating profit expected to be at least equal to 2008 operating profit
- Name change completed

GEO Property Group (GEO) today announced it expects to lift voluntary suspension of its securities early next week. Final documentation for the revised debt arrangements is expected to be executed shortly. GEO also announced it is in negotiations with Octaviar Limited regarding internalisation of its management arrangements.

GEO Property Group Managing Director Guy Farrands said the revised funding facility would leave the Group in a sound capital position with a strong underlying business.

Mr Farrands said that discussions with Octaviar Limited were proceeding regarding management internalisation and that he would make a further announcement when there was certainty on the transaction.

GEO expects FY08 operating EPS of 8.1[1] cps, before one off non-recurring items, pending the execution of revised banking arrangements. It also expects that FY09 operating earnings will be at least equal to FY08 operating earnings.

1 Post fair value unwind

For further information please contact:
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Mr Farrands commented that "The Group continues to be underpinned by a strong operating performance".

GEO's Communities Development division has continued to report strong sales with a total of 913 lots sold year to date. Full year sales are expected to total approximately 1,048 lots. Year to date the group has settled a total of 462 lots and anticipates total settlements for the year of 1,052 lots and has increased production to account for the weather-affected first half.

Mr Farrands confirmed that the de-leveraging process was proceeding well. "To date the capital realisation program has resulted in the unconditional or settled sales totaling $40 million with a further $154 million of sales where terms have been agreed subject to due diligence. A further $36 million of property is currently on the market".

"The de-leveraging program combined with the revised funding facility will leave the Group well capitalised and appropriately structured to move forward with confidence", he said.

ENDS

Further information is provided in the Market Update presentation lodged with ASX today.

Media enquiries to:

Guy Farrands
Managing Director and CEO
GEO Property Group
(02) 8259 7251

Date: 24 April 2008

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GEO Property Group

Market update

24 April 2008

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Overview

PROPERTY GROUP

Overview

- Voluntary suspension expected to be lifted next week
- Debt documentation expected to be executed shortly
- De–leveraging proceeding well
- Expect FY08 operating EPS of 8.1[1] cps, before one off non–recurring items
- June quarter DPS of 2.225 cps – FY08 DPS of 8.9 cps (as per PDS)
- 2009 operating profit expected to be at least equal to 2008 operating profit
- Internalisation remains under negotiation with Octaviar
- Improved management structure and refinement of Group strategy
- Name change completed
- **All estimates in this presentation assume agreed debt amendments are executed**

1 Post fair value unwind, see page 14 for assumptions and qualifications

Debt and capital management

Debt update

- Documentation expected to be executed by Monday 28 April 2008
- Previous and amended terms are summarised below

	Previous	Amended
Facility Limit[1]	$450m	$450m
Facility Limit – 31 Dec 2008[1]		$375m
Facility Limit – 30 June 2009[1]		$325m
Liquidity Ratio 1	2.0x Group EBITDA	Unchanged
Liquidity Ratio 2	1.2x Trust EBITDA	
Liquidity Ratio 2 – to June 2009		0.4x Trust EBITDA
Liquidity Ratio 2 – to June 2010		0.5x Trust EBITDA
Liquidity Ratio 2 – thereafter		0.6x Trust EBITDA
Leverage Ratio	55% of TTA	
Leverage Ratio – 31 Dec 2008		50% of TTA
Margin	1.00%	1.25%
Undrawn Line Fee	0.50%	0.00%
Line Fee	0.00%	0.50%
Variation Fee		$675,000
Maturity	7 June 2012	Unchanged

1 Facility limit includes the $25m Working Capital Facility

Debt and capital management

- New Chief Financial Officer with 25 years experience appointed in Dec 2007
  - Significantly improved reporting standards and practices
  - PWC Process Improvement Group have reviewed business and made further improvement recommendations
- Have undertaken extensive business modelling and earnings projections exercise to monitor GEO's ability to meet covenant requirements going forward
- Internally generated cash flow provides more than sufficient capital to restock
  - Modelling assumes $384m in restocking to FY11
  - Equates to approximately 2,800 lots
  - Maintain capacity to acquire opportunistically

Debt and capital management

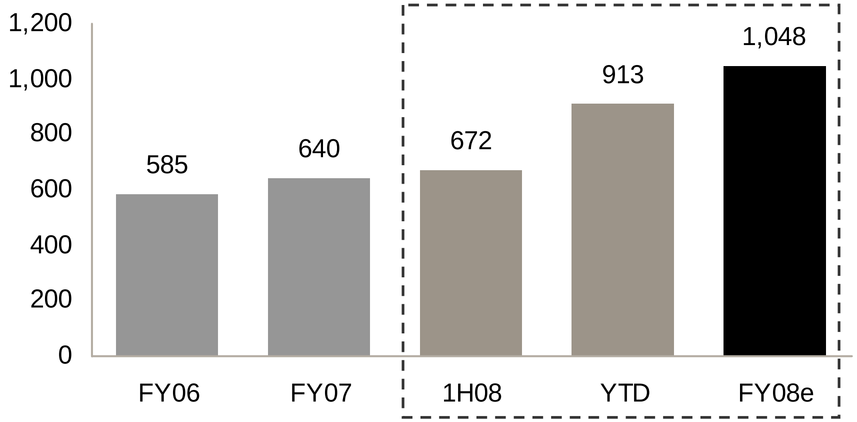
- Have identified $230m capital realisation program
  - Approx. $180m through sale of Trust asset (generally EPS accretive)
  - Approx. $50m through sale / JV of Communities Developments projects
- Realisation program proceeding well
  - $40m unconditional or settled – 17% of total
  - $154m terms agreed and currently being documented / DD – 67% of total
  - $36m on the market – 16% of total
- Gearing expected c.30% at completion of capital realisation program
  - Expected to be largely completed by 31 December 2008

Business update and earnings guidance

Communities Development — sales

- Strong sales performance
- 913 lots sold year to date
- Additional 158 FY07 pre sales carrying into FY08
- 98% of FY08 divisional revenue is contracted, focus is on delivery
- Current projections suggest total FY08 sales of 1,048 lots

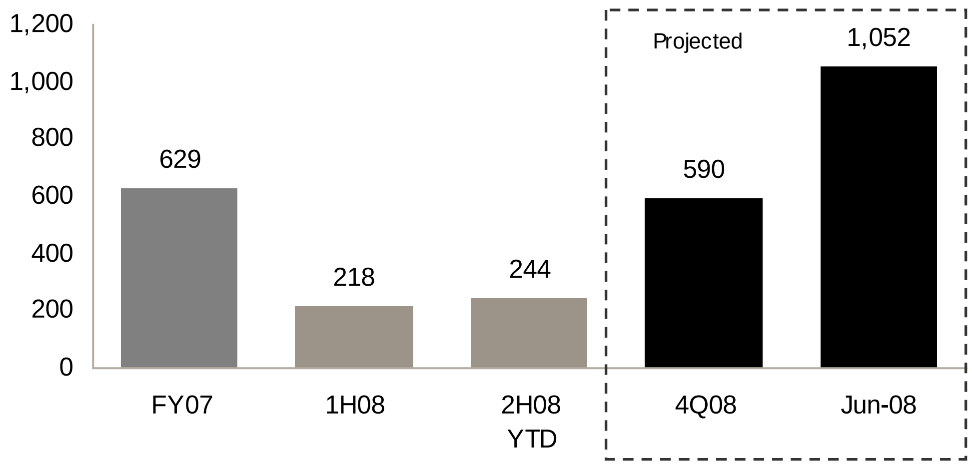
Historical and projected lot sales



Communities Development—settlements

- 462 lot settlements to 31 March 2008
  - 44% of FY08 target
- Business has increased production to account for slow first half
- 1,052 lot target settlements for FY08
- Three key projects in achieving target settlements – 100% pre sold
  - Stage 3 Symphony (Brisbane), Stages 2 and 3 THIS (Gold Coast) and Stages 3 and 7 Cascades on Clyde (Melbourne)
  - Waiting on procedural planning approval or title issue
  - Forecasts assume revenue recognised by 30 June with alternative revenue identified if needed

Actual and projected settlements – to 31 March 2008



Communities Development–restocking and joint ventures

- Business plan to 2011 assumes
  - $96m of deferred terms acquisitions
  - $384m of cash acquisitions
- Fully funded from existing debt and equity
- Capacity expected to be available by 31 December for restocking and opportunistic acquisitions
- Strong relationship with BOSI
  - Leader of Banking Syndicate
  - JV partner on Gladstone Project
  - Indicative letters of offer received for two other JVs

Trust

- Continued rationalisation and restructuring
- Investment team focused on improving the quality of asset base
  - Recycling capital into develop-and-hold projects as opportunities arise
- $200m portfolio post capital realisation process

Earnings outlook—FY08

- Expect FY08 operating EPS of 8.1[1] cps, before one off non–recurring items
  - Costs relating to MFS / internalisation
  - Costs relating to re–negotiation of debt facilities
  - Writedown of carrying value of some investment properties
    - $14.4m, representing 5% of portfolio value
- Achieving FY08 operating EPS of 8.1[1] cps dependent upon achieving settlement target or implementing identified alternatives if required
  - Stage 3 Symphony (Brisbane), Stages 2 and 3 THIS (Gold Coast) and Stages 3 and 7 Cascades on Clyde (Melbourne)
  - Waiting on procedural planning approval or title issue
  - Forecasts assume revenue recognised by 30 June 2008
- Amount available for distribution before one off costs expected to be significantly higher
- Assumes agreed debt amendments are executed

1 Post fair value unwind

Earnings outlook—FY09

- 2009 operating profit expected to be at least equal to 2008[1]
- This is contingent on execution of the agreed debt amendments, no further deterioration in economic conditions and de–leveraging proceeding as planned
- Market update—Communities Development
  - Victoria (land only)—sales remain strong
  - Queensland (land only)—currently limited exposure to market in QLD, sales steady
  - Queensland (house and land)—demand continues to exceed supply
- Future distribution policy to have regard to operating profit

1 Post fair value unwind, see page 14 for assumptions and qualifications

Group strategy

Group strategy

- Management internalisation remains under negotiation with Octaviar Ltd

Communities development

- Volume speculative house-and-land and land-only development
  - Building offers higher margin and sales rates throughout market cycles
  - Unique point of difference
  - Integrate business with third party capital
- Focus on joint ventures where possible to mitigate risk and improve ROE e.g. Gladstone, Eynesbury
- Establish Land Funds when market stabilises

Investment

- Focus investment team on improving the quality of asset base by recycling capital into develop-and-hold projects as the opportunities arise

PROPERTY GROUP

Management team

- 151 employees located across Gold Coast, Melbourne and Sydney[1]
- Extensive experience across Communities Development and Property Investment
- New finance and capital management appointments
  - Lindsay Kelly—new Chief Financial Officer
  - Andrew Ashwood—new Manager JVs and Alternative Equity
- Restructure Finance and Communities Development divisions

Managing Director
Guy Farrands

- **GM Development South** — Nick Deed
- **Group GM Business Development** — Scott Payten
  - **Manager JVs and Alternative Equity** — Andrew Ashwood
- **Group GM Marketing and Product Development** — Dean McMahon
- **Group GM Project Delivery** — Stuart Whitewood
- **Chief Financial Officer** — Lindsay Kelly
- **Group GM Property Investments** — Lynn-Maree Travers
- **Company Secretary Group GM Corporate Services** — Caroline Barton

1 Following internalisation

Funds and Capital Management

- Renewed focus on capital management
  - Focus on maximising returns on invested capital
- Andrew Ashwood new Manager JVs and Alternative Equity
  - Qualified engineer / engineering and legal degrees
  - 10 years experience in development and construction management
  - 4 years with MFT / Villa World
  - To work closely with CEO and GM Business Development in establishing division
- Two main areas of focus
  - Establishing external sources of equity
  - Managing existing JV relationships
- Initially Andrew will be focused on
  - Establishing standard terms for institutional partnerships e.g. BOSI
  - Establishing a retail land product—to be ready for suitable market conditions
  - Investigating other capital alternatives

Deal type going forward

Examples of the deals we want to pursue

- **Kirkwood, Gladstone—50/50 JV with BOSI**
  - 615 lots / 6.8 years / $130m GDV
  - full suite of fees: acquisition, development and marketing management, performance fees
- **Eynesbury, Melbourne—50/50 JV with private investors**
  - 2,900 lots / 20 years / $360m GDV
  - full suite of fees: acquisition, development and marketing management, performance fees
- **North East Melbourne—100% on vendor terms**
  - 655 lots / 7.8 years / $120m GDV
  - staged settlement of land
  - payment due once production has commenced
  - payments staged over 5 years
- **Currently in advanced negotiations over another two projects**
  - JV's from existing development book

Appendix

Communities Development—project summaries

Project name	Location	Total lots	Lots remaining as at 31 Mar 2008	Estimated project period (years)	Contribute to FY08 profit	YTD sales	YTD settlements	Sold but yet to settle	% FY08f settled	4Q08	Forecast FY08 settlements
Land											
Cornell's Hill	VIC	222	222	2.9	✗	14	0	14	100.0%	0	0
Cascades on Clyde	VIC	1030	1030	6.8	✓	262	0	289	0.0%	293	293
Walana Valley	NSW	63	63	6	✗	0	0	0	100.0%	0	0
Longhill Rise	QLD	132	114	2.5	✓	26	18	8	48.6%	19	37
Subtotal		**1,447**	**1,429**	**5.7**		**302**	**18**	**311**	**5.5%**	**312**	**330**
House and land											
The Sanctuary	QLD	60	2	1.7	✓	4	20	2	90.9%	2	22
Knightsbridge	QLD	212	9	3.1	✓	0	8	0	100.0%	0	8
Bellbrook	QLD	322	241	8.3	✓	61	33	39	53.2%	29	62
Hastings	QLD	70	13	4.2	✓	26	32	10	78.0%	9	41
Pebble Beach	QLD	98	3	1.8	✓	27	42	2	93.3%	3	45
Freshwater	QLD	321	247	7.9	✓	88	65	27	73.9%	23	88
The Reserve	QLD	212	12	4.9	✓	16	22	12	81.5%	5	27
Couture	QLD	101	20	1.9	✓	47	34	20	63.0%	20	54
Jacobs Ridge	QLD	64	9	2.5	✓	46	39	9	84.8%	7	46
Mount Cotton Village – Residential	QLD	677	677	9.7	✓	25	0	25	0.0%	4	4
Mount Cotton Village – Commercial	QLD	1	1	3	✗	0	0	0	100.0%	0	0
Hervey Bay House	QLD	20	1	0.8	✓	19	19	0	100.0%	0	19
Circa	QLD	54	54	1.4	✗	0	0	0	100.0%	0	0
Goldmine Drive	QLD	39	39	0.8	✗	0	0	0	100.0%	0	0
Mariner's Cove 2	QLD	19	19	1.2	✗	0	0	11	100.0%	0	0
The Gallery @ Kelvin Grove	QLD	118	118	2.8	✗	0	0	0	100.0%	0	0
Kinsellas Road West	QLD	458	458	8.8	✗	0	0	0	100.0%	0	0
Kingsmill Circuit	QLD	37	37	1.5	✗	0	0	0	100.0%	0	0
Other completed projects	QLD/NSW	0	0	–	✓	21	29	0	100.0%	0	29
Subtotal		**2,883**	**1,960**	**7.5**		**380**	**343**	**157**	**77.1%**	**102**	**445**

Communities Development—project summaries

Project name	Location	Total lots	Lots remaining as at 31 Mar 2008	Estimated project period (years)	Contribute to FY08 profit	YTD sales	YTD settlements	Sold but yet to settle	% FY08f settled	4Q08	Forecast FY08 settlements
Integrated housing											
THIS	QLD	110	90	3.8	✓	64	20	44	29.4%	48	68
Varsity Lakes	QLD	27	0	1.8	✓	9	20	0	100.0%	0	20
Caprice	QLD	89	89	4	✗	0	0	0	100.0%	0	0
Symphony	QLD	75	49	2.5	✓	65	26	39	40.6%	38	64
Silverstone	NSW	27	27	2	✗	0	0	0	100.0%	0	0
Fraser Drive	NSW	147	147	3.4	✗	0	0	0	100.0%	0	0
Subtotal		**475**	**402**	**3.3**		**138**	**66**	**83**	**43.4%**	**86**	**152**
Total (wholly owned projects)		**4,805**	**3,791**	**6.5**		**820**	**427**	**551**	**46.1%**	**500**	**927**
Joint ventures											
Augustus	QLD	600	573	8.3	✗	0	0	0	100.0%	0	0
Gladstone	QLD	307	307	6.8	✗	0	0	0	100.0%	0	0
Eynesbury – Residential	VIC	1450	1414	19.8	✓	93	35	58	30.4%	80	115
Eynesbury – Commercial	VIC	1	1	10	✗	0	0	0	100.0%	0	0
Expression Homes	VIC	10	10	0.5	✓	0	0	0	0.0%	10	10
Subtotal		**2,368**	**2,305**	**16.1**		**93**	**35**	**58**	**28.0%**	**90**	**125**
Total (all categories)		**7,173**	**6,096**	**8.2**		**913**	**462**	**609**	**43.9%**	**590**	**1,052**

Trust portfolio—as at 31 March 2008

Property[1]	Group's interest (%)	Carrying value ($m)	On compl. valuation ($m)	Completion date	Valuation date	Cap rate (%)	WALE (years)[4]	Occ. rate (%)
Retail								
Gympie Road, Carseldine, QLD[2]	100	40.4	40.4	N/A	Dec-07	7.0	4.0	98
Belgrave Street, Kempsey (under development), NSW[3]	100	12.9	25.3	Oct-08	N/A	N/A	N/A	N/A
Waterford Plaza, Waterford West, QLD	100	22.4	22.4	N/A	Dec-06	7.1	6.2	97
Caltex Service Centre Portfolio, QLD	100	18.4	18.4	N/A	Oct-06	8.2	7.5	100
Woodville Road, Villawood, NSW	100	15.0	15.0	N/A	Dec-06	8.2	2.2	100
Blaxland Road, Campbelltown, NSW	100	13.0	13.0	N/A	Dec-07	9.0	4.8	100
Osborne Road, Mitchelton, QLD	100	7.0	7.0	N/A	Dec-06	6.5	3.6	93
Total / weighted average	**100**	**129.2**	**141.6**			**7.6**	**4.9**	**99**
Office								
Q&V Building Auckland, NZ [5]	100	27.8	27.8	N/A	Dec-06	7.8	3.9	100
312-316 Brunswick Street, Fortitude Valley, QLD	100	19.0	19.0	N/A	Oct-06	9.1	4.1	100
Moreland Road, Brunswick, VIC	100	13.0	13.0	N/A	Dec-07	8.6	4.6	100
7 Baroona Road, Milton, QLD [5]	100	6.9	6.9	N/A	Dec-06	6.5	1.7	100
Total / weighted average	**100**	**66.7**	**66.7**			**8.2**	**3.9**	**100**
Industrial								
Yatala Industrial Estate, Yatala (existing and under development) QLD[3]	100	25.9	48.2	Aug-08[6]	Dec-06	6.5	2.7	100
Yatala Logistics Park, Yatala (under development), QLD[3]	100	5.5	36.0	May-08	N/A	N/A	N/A	N/A
M5 Business Park, Condell Park (under development), NSW[3]	100	20.3	28.4	Jul-08	N/A	N/A	N/A	N/A
219 North Rocks Road, North Rocks, NSW	100	16.8	16.8	N/A	Aug-06	8.9	5.4	100
125 Station Road, Seven Hills, NSW	100	10.0	10.0	N/A	Dec-07	8.8	2.0	100
25 Loyalty Road, North Rocks, NSW	100	9.7	9.7	N/A	Dec-06	8.4	0.1	100
30 Tullamarine Park Drive, Tullamarine, VIC	100	7.5	7.5	N/A	Dec-06	9.2	0.4	100
152 Gilba Road, Giraween, NSW	100	3.3	3.3	N/A	Dec-06	8.7	1.3	100
Total / weighted average	**100**	**98.9**	**159.9**			**8.0**	**2.7**	**100**
Total / weighted average	**100**	**294.8**	**368.2**			**7.9**	**3.8**	**99**

Notes:
1. Portfolio schedule excludes development properties held for sale: Woolgar Road, Gympie, Station Road, Burpengary and Deception Bay
2. Comprises Carseldine and Clive Anthony's
3. Development land numbers are based on feasibility
4. WALE as at 31 March 2008
5. Properties sold but not settled as at 31 March 2008
6. Expected stage 1 completion, stages 5-6 TBC