



## FUTURIS CORPORATION LIMITED DIVIDEND REINVESTMENT PLAN BOOKLET

(Incorporating the DRP Rules)

## FEATURES OF THE DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan (“DRP”) is a convenient way for shareholders to increase their shareholding in Futuris Corporation Limited (“Futuris”) by allowing shareholders to reinvest their dividends in Futuris shares without paying any brokerage or other entry costs.

Under the DRP shareholders remain entitled to dividends on shares they have nominated to participate in the DRP. The dividends on those shares are applied to pay for additional Futuris shares issued under the DRP.

The Board of Futuris has discretion to apply a discount to the volume weighted Average Market Price at which shares under the DRP are allotted. The discount is currently 2.5%.

### *Taxation*

Under current Australian taxation law (as at February 2008):

For Australian resident shareholders, dividends reinvested under the DRP continue to be assessable for income tax in exactly the same way as cash dividends. Any franking credit attached to dividends paid by Futuris is also applicable to shares participating in the DRP.

The amount of the franking credit will be notified to shareholders participating in the DRP at the time of the payment of the dividend.

As with other shares purchased, capital gain tax may apply to Australia resident shareholders when the shares are disposed of. The cost base of the share for Australian tax purposes should include the acquisition price shown on your DRP statement. Different tax considerations may apply to share traders.

### IMPORTANT

The statements regarding taxation contained herein are for general information only. Futuris cannot provide taxation advice for shareholders and does not accept responsibility for any shareholder reliance on such statements. Futuris takes no responsibility for the taxation liabilities of participants and as individual circumstances may vary considerably, shareholders should seek their own specific taxation advice if required.

## FEATURES OF THE DIVIDEND REINVESTMENT PLAN

- Share Entitlements* Share allotments under the DRP will be made at or about the time that the cash dividends are paid. The number of shares which a shareholder is entitled to receive under the DRP will in general be calculated as follows: -
- (i) A calculation will be made to establish the arithmetic average of the daily volume weighted Average Market Prices (rounded up to the nearest cent) of Futuris shares sold on the stock market of the ASX during each of the ten (10) days of trading immediately following the Record Date, or any other period specified by Futuris, less a discount to be determined by the Board but not to exceed 20.0%. The discount rate currently applying to the DRP is 2.5%.
  - (ii) The price determined in paragraph (i) shall be divided into the value of the total cash dividend that the shareholder had nominated as participating in the DRP.

Where a fraction of a share results the number of shares to be issued shall be rounded up to the nearest whole number.

- Ranking of New Shares* All new shares issued under the DRP will, from the date of allocation, rank equally in all respects with existing shares, unless the Board determines that they are not to participate in either or both of:
- (i) The next dividend paid
  - (ii) Any offer of shares open when the shares are issued under the DRP

*Participation* The DRP is optional and open to all Futuris shareholders other than shareholders whose addresses are in countries where regulations make it impractical or illegal in the opinion of Futuris for them to participate. Overseas shareholders will in any event be subject to any relevant regulations applying in their own country.

Shareholders may elect to participate in respect of all or part of their shareholdings in the DRP.

*No Additional Costs* There are no brokerage or other transaction costs payable on shares allotted under the DRP. All administration costs are met by Futuris. Under present Australian law no stamp duty or other duties are payable by shareholders.

## FEATURES OF THE DIVIDEND REINVESTMENT PLAN

<i>Sale of Shares</i>	Shares participating in the DRP or acquired under the DRP may be sold at any time. If shares are sold they will be withdrawn automatically from the DRP on registration of the transfer as set out in the attached Rules.
<i>Variation of Participation</i>	Subject to the Rules of the DRP, shareholders may at any time vary their participation or withdraw from the DRP.
<i>Certificates</i>	<p>Under the ASX CHESS platform, Futuris is not required to issue share certificates.</p> <p>Where Futuris is required to issue share certificates, certificates for shares issued under the DRP will be issued and mailed to participating shareholders at the time of payment of the cash dividend.</p>
<i>Shareholders with more than one holding</i>	<p>Shareholders whose total holding of Futuris shares is in more than one parcel will need to deliver a separate Notice of Election or Variation in respect of each holding which they wish to nominate for participation in the DRP.</p> <p>It is important that each notice correctly identifies the shareholding account to which it relates.</p>
<i>Modification and Termination</i>	The DRP may be varied, suspended or terminated by Futuris at any time by giving shareholders notice in such form as the Board or a committee of the Board validly appointed in accordance with Futuris' Constitution, determine is appropriate.

## DRP RULES

### The following are the Rules applicable to the Futuris Corporation Limited Dividend Reinvestment Plan

*The Plan* The Futuris Corporation Limited Dividend Re-investment Plan (DRP) provides shareholders with an optional and convenient method of reinvesting all or part of their dividends in Futuris Corporation Limited ordinary shares.

*Eligibility* All shareholders can participate in the DRP. This is subject to the proviso that shareholders, not resident in Australia, may not be eligible to participate because of legal requirements applying in that country. Any such allotments would be subject to any necessary government requirements applying. It is the shareholder's responsibility to obtain such approval.

The Board may, on any occasion, determine that the right to participate in the DRP will not be available to shareholders whose registered address is in a country or place where they are of the opinion that participation would be illegal, or their participation would be impractical or impossible.

*Level of Participation* Shareholders can select one of the following bases of participation in the DRP:

1. **Full Participation:**  
A shareholder may participate in respect of all shares registered in the name of the shareholder as at each Record Date for a Dividend.
2. **Partial Participation:**  
A shareholder may nominate a specific number of shares to be subject to the DRP which is less than that shareholder's total shareholding in Futuris.

Where shares are allotted to shareholders under the DRP, these will be added to the number of shares nominated as participating in the DRP.

Where a person has fewer shares registered in his or her name at any Record Date than the number of shares nominated by him or her for participation, the shareholder will be deemed a full participant until his or her shareholding again exceeds the nominated number of shares.

## DRP RULES

### *Electing to Participate*

To participate in the DRP you must complete the Election Form supplied with this document which must be signed by each shareholder and in the case of a company, in accordance with the instructions detailed in the Election Form.

### *How The DRP Operates*

Each dividend accruing on shares subject to the DRP will be applied on the participating shareholder's behalf in acquiring or subscribing for additional shares (less Australian withholding tax, if applicable, and any other sum Futuris is entitled or required to retain). A separate DRP account will be maintained for each participant. In respect of each Dividend, Futuris will, for each participant:

- 1 Calculate the value of the Dividend on participating shares by multiplying that number of shares held by a shareholder as at the Record Date by an amount equal to the rate of Dividend to be paid.
- 2 Determine the number of shares valued in accordance with the DRP which most nearly equals the value of the Dividend (less Australian withholding tax, if applicable, and any other sum Futuris is entitled or required to retain). Where the number is not a whole number, the number of shares shall be rounded up to the nearest whole number. No residue shall be carried forward.
- 3 Allot that number of shares to the participant and where required to do so issue a certificate for shares allotted under the DRP. The issue price of shares allotted under the DRP will be the arithmetic average of the daily volume weighted Average Market Prices (rounded to the nearest cent) of Futuris shares sold on the stock market conducted by the ASX during each of the ten (10) days immediately following the Record Date, or any other period specified by Futuris, less a discount not exceeding 20% as determined by the Board.

Where a bonus issue of shares has been announced before the Record Date but the bonus shares have not been registered by that date, the Board may reduce the price so determined to take account of the likely effect of the bonus issue. The issue price as so reduced shall not be less than the amount determined as follows:

$$A \times (B/C)$$

Where:

A = The issue price determined before adjustment for the effect of the bonus issue;

B = The number of shares on issue immediately before the bonus issue; and

C = The number of shares on issue immediately after the bonus issue

## DRP RULES

<i>Shares and Share Certificates</i>	All shares allotted will rank equally with other fully paid shares then on issue, and will participate in all dividends subsequently declared. Shares will be registered on the register where the shareholder holds most shares. Where Futuris is required to issue certificates for shares, share certificates will be issued in respect of shares allotted under the DRP and forwarded to participants at about the same time as dividend cheques.
<i>Statements to Participants</i>	<p>Futuris will send to each participant in the DRP, as at each dividend payment date, a statement detailing:</p> <ol style="list-style-type: none"><li>1 The number of participating shares subject to the DRP at the relative Record Date.</li><li>2 The rate of the Dividend referable to shares participating in the DRP together with details of the extent to which the dividend is franked.</li><li>3 The total value of the Dividend referable to shares participating in the DRP.</li><li>4 The value of shares allotted under the DRP.</li><li>5 The number of shares allotted under the DRP.</li><li>6 The total number of shares participating in the DRP following the allotment.</li><li>7 If applicable, the amount of withholding tax which has been deducted in respect of the dividend on the shares participating in the DRP.</li></ol>
<i>Costs</i>	No commission, brokerage or other costs will be payable by participants on shares allotted under the DRP. No stamp or other duties will under present law be payable.

## DRP RULES

### *Termination or Variation of Participation by Participant*

Participants may at any time give notice of termination or variation of participation under the DRP by completing a Notice of Variation on the form issued by Futuris. To be effective it must be received prior to the Record Date for a dividend in order to take effect for that dividend.

When a shareholder dies, participation will automatically cease upon notice of the shareholder's death being received by Futuris.

### *Variation, Suspension or Termination of the DRP*

Futuris may, in its absolute discretion, terminate, suspend or vary the DRP by giving not less than one month's notice in writing to all shareholders. The variation, suspension or termination will take effect upon the date specified by the Board. Any suspension will continue until such time as the Board resolves to recommence or terminate the DRP.

If the DRP is recommenced, participating shareholders' elections as to their participation under the previously suspended DRP will be valid and have full force and effect in accordance with these Rules for the purposes of the DRP. The date and conditions of the commencement will be notified to all shareholders.

Where the DRP is modified, existing participants will continue under the modified DRP unless Futuris is notified by the shareholder to the contrary by variation.

The accidental omission to give notice of modification, suspension or termination to any shareholder or the non-receipt of any notice by any shareholder will not invalidate the modification, suspension or termination of the DRP.

### *Notices*

Notices to Futuris should be in writing in such form as Futuris determines from time to time. To be effective, notices must be received prior to the Record Date for a Dividend and those received after that date will be effective for the following Dividend.

### *Jurisdiction*

The DRP shall be governed by the law of the State of South Australia.

### *General*

Futuris will apply promptly for the listing of shares allotted under the DRP for quotation on the official list on the ASX.

## DRP RULES

### Definitions

In these Rules, unless the context otherwise requires:

<i>ASX</i>	Means ASX Limited (ABN 98 008 624 691)
<i>ASX Market Rules</i>	Means the market rules published by ASX, as amended or replaced from time to time
<i>Average Market Price</i>	Means the arithmetic average of the daily volume weighted average sale price (calculated to the nearest cent) of shares traded on the ASX during the Pricing Period, excluding any transaction defined in the ASX Market Rules as 'special', crossings prior to the commencement of normal trading, crossings during the closing phase and the after hours adjust phase, any overseas trades or trades pursuant to the exercise of options over Shares, any overnight crossings and any other trades that the Board considers may not be fairly reflective of natural supply and demand.
<i>Board</i>	Means the Board of Directors of Futuris Corporation Limited
<i>Dividend</i>	Means a cash dividend or cash component of a Dividend declared by the Board to be paid to registered shareholders of Futuris shares as at a Record Date.
<i>Futuris</i>	Means Futuris Corporation Limited ABN 34 004 336 636
<i>Price</i>	Means the price at which shares will be transferred or issued under the DRP as calculated in accordance with these Rules
<i>Record Date</i>	Means the time and date, as determined by the Board, at which a person holds or is taken to hold shares for the purpose of determining the entitlement of shareholders to dividends.  For it to be effective in relation to a particular Dividend, the Election Form must be received by Futuris prior to the Record Date for that Dividend. An application will be effective until varied or terminated by the shareholder, Futuris or on the death of the shareholder. Applications which do not specify the level of participation will be deemed to be full participants.
<i>Pricing Period</i>	Means the period of 10 trading days commencing on the first trading day after the Record Date or such other period, commencing before or after the Record Date, which is determined by the Board from time to time to be applied in calculating the Price per share

### ENQUIRIES

Computershare Investor Services Pty Ltd Level 5 115 Grenfell Street Adelaide SA 5000 Telephone: 1300 556 161 (within Australia) +61 3 9415 4000 (outside Australia)	Futuris Corporation Limited Level 6 27 Currie Street Adelaide SA 5000      Telephone: (08) 8425 4999
---	---