

11TH October 2011



**Cedar Woods
Properties Limited**

ASX Code: CWP

Cedar Woods Properties Limited has a long history of creating award winning communities in Australia.

Listed on the ASX, Cedar Woods was incorporated in 1987 and has won numerous awards for design and environmental excellence.

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PARTIAL UNDERWRITING OF DIVIDEND REINVESTMENT PLAN

On 23 August 2011 Cedar Woods Properties Limited (ASX: CWP – “**Cedar Woods**” or the “**Company**”) announced a fully franked final dividend of 12 cents per share and the continuation of the dividend reinvestment plan (**DRP**).

The **DRP** is utilised as part of the Company’s ongoing capital management program. The **DRP** provides a convenient way for eligible shareholders to increase their shareholding in the Company by reinvesting all or part of their dividend entitlement in ordinary shares at a discount to the market price.

The Board is pleased to announce that Patersons Securities Limited and RBS Morgans Limited have been appointed as joint underwriters of the **DRP** for a portion of the shares not taken up by shareholders.

Underwriting the **DRP** will enable the Company to strengthen the balance sheet, with funds raised to be used for ongoing working capital purposes. Details of the shares underwritten will be advised following the close of the pricing period referred to below.

The notice of dividend and details of how to make an election under the **DRP** were sent to all shareholders on 30 September 2011. An election under the **DRP** may also be made at the share registry website at www.computershare.com.au/Investor.

The record date for the final dividend, being the latest date for the receipt of election notices, is 14 October 2011. New shares issued under the **DRP** will be issued at a 2.5% discount to the volume weighted average market price of all Cedar Woods shares sold on the ASX over the 10 day trading period ending on 21 October 2011 (i.e. 5 days up to and including and 5 days after the record date). The new shares are expected to be allotted on 31 October 2011.

Shareholders who wish to retain their present participation status under the **DRP** need take no action, as previous elections will be maintained.

The final dividend will be paid on 31 October 2011 and new shareholding statements will be mailed to shareholders participating in the **DRP** shortly thereafter.
