



INVESTOR MEETINGS

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23-25 February 2011**



Agenda

- HY2011 Highlights
- Overview of HY2011 Income
- Balance Sheet
- Investment Portfolio
- Track Record
- Possible Completions in FY2011
- Bank Fees Class Action
- Capital Management
- Convertible Notes
- Future Outlook



HY2011 Highlights

IMF's performance continues to improve:

	HY2011	HY2010	%
Gross Income (from cases)	\$36.2M	\$22.5M	▲ 61%
Net Income (from cases)	\$23.4M	\$12.9M	▲ 81%
NPBT	\$21.7M	\$11.5M	▲ 89%
NPAT	\$15.1M	\$8.0M	▲ 88%
Dividend (cents per share)	10.0 Franked	5.0 Franked	▲ 5.0
EPS	12.39	6.56	▲ 89%
Net Asset Backing (cents per share)	74.06	61.63	▲ 120%
Net Tangible Asset Backing (cents per share)	38.81	31.95	▲ 21%



Overview of HY2011 – Income

Matter	Gross Income	Gross Profit (before tax) ¹
Commonwealth of Australia (Pan) ²	\$24.4M	\$18.1M
Sons of Gwalia ³	\$2.6M	\$2.6M
Ceramic Fuel Cells	\$2.5M	\$1.8M
Perrin & Ors	\$1.3M	\$1.1M
AM Corp	\$4.0M	\$0.0M
Others	\$1.4M	(\$.2M)
Total	\$36.2M	\$23.4M

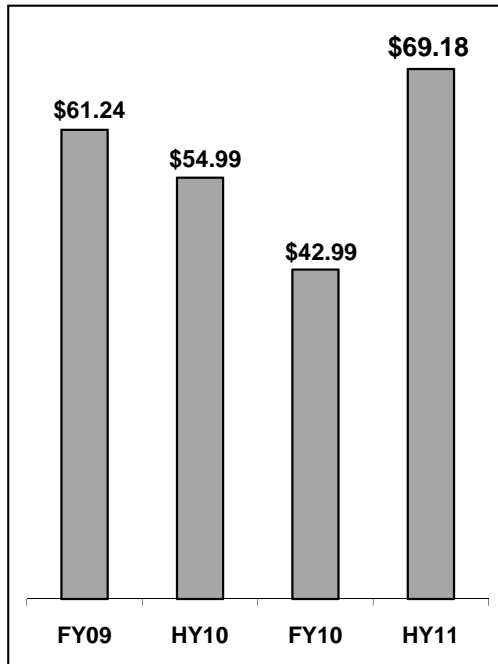
- ¹ Income less cost of case and capitalised overheads relating to concluded cases.
- ² It is expected the settlement of this matter will be sanctioned by the Court in March 2011.
- ³ The income generated in the period from Sons of Gwalia is in addition to gross income of \$17.5M generated in previous reporting periods from this matter.



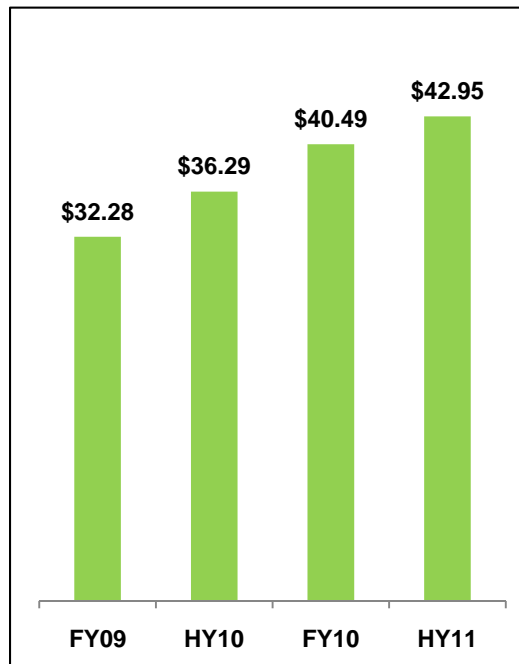
Balance Sheet

A strengthening balance sheet

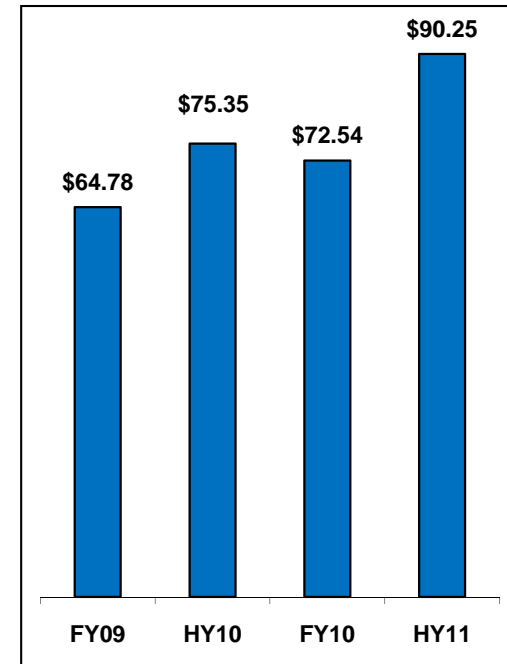
Cash
\$



Investments¹
\$



Net Assets
\$



¹ Investments includes capitalised overheads relating to the litigation.

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Investment Portfolio

As at 31 December 2010:

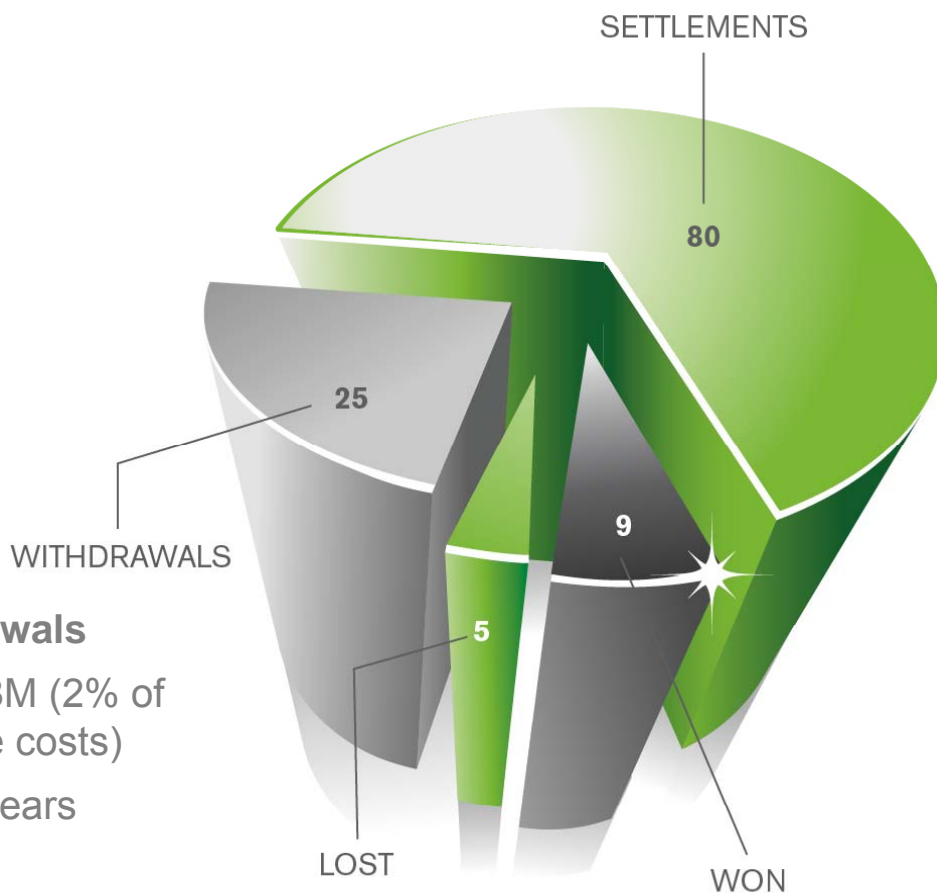
Claim Value Range	Est. Claim Value	No of Cases	% of Total Value	Expected Completion FY2011	Expected Completion FY2012	Expected Completion FY2013+
<\$10M	\$49.5M	12	3%	\$33M	\$10.5M	\$6M
\$10M - \$50M	\$480M	15	30%	\$50M	\$300M	\$130M
>\$50M	\$1,085M	10	67%	\$395M	\$390M	\$300M
Total Portfolio	\$1,614.5M	37	100%	\$478M	\$700.5M	\$436M

- IMF aims to have an investment portfolio of around \$2B by 30 June 2011.



IMF's Track Record as at Dec 2010

- 119 cases commenced and completed since listing.
- Generated revenue of \$261M for IMF on investment of \$91M (Recovered over \$830M for clients)
- Average time to completion of 2.3 years.



25 Withdrawals

- Cost \$1.8M (2% of total case costs)
- Avg 1.2 years

80 Settlements

- 67% of cases
- \$232M income (89% of total revenue)
- ROI 302%
- Avg 2.6 years

14 Judgments

- Won 9 cases. Lost 5 cases
- \$29M income (11% of total revenue)
- ROI 228% (including losses and adverse costs)
- Avg 2.8 years



Possible Completions in FY2011

Matter	Est. Claim Value* 31/12/10	Description
National Potato	\$70M	Judgment has been delivered. IMF expects to generate income of \$16.5M.
Babcock & Brown	\$9M	This matter has been conditionally settled. IMF expects to generate income of \$1.45M.
ION	\$10M	First dividend expected to be declared by the Liquidator. IMF expects to generate income of \$2.0M.
Sons of Gwalia	\$0M	IMF expects to generate around \$0.5M from a final dividend expected to be declared in FY11.
Lehmans	\$75M	It is anticipated that a mediation of this matter will be held in February 2011. If this case does not settle at mediation it will proceed to trial which is due to commence in March 2011.

* This is IMF's best estimate of the claims recoverable amount. It considers, where appropriate, the perceived capacity to pay of the defendant to pay the amount claimed. It is not necessarily the same as the amount being claimed by IMF's client/s in the matter. It is also not the estimated return to IMF from the matter.



Possible Completions in FY2011

Matter	Est. Claim Value 31/12/10	Description
Uniloc	\$150M	Appeal judgment awarded in favour of IMF's clients. Re-trial of damages to be heard in calendar 2011.
Hydrocool	\$7M	This case was completed in August 2010. Judgment is expected prior to 30 June 2010.
Confidential	\$100M	It is anticipated that a mediation of this matter will be held in March 2011.
LGFS	\$20M	Mediation was held in this matter in December 2010. The matter is expected to go to trial in October 2011
Total	\$441M	

* This is IMF's best estimate of the claims recoverable amount. It considers, where appropriate, the perceived capacity to pay of the defendant to pay the amount claimed. It is not necessarily the same as the amount being claimed by IMF's client/s in the matter. It is also not the estimated return to IMF from the matter.



Bank Fees Class Action

- Launched 12 May 2010
- First proceeding filed against ANZ Bank on 22 September 2010
- Exception fees over the last 6 years
 - Honour fees
 - Dishonour fees
 - Over limit fees
 - Late payment fees
- Targeting 12 Banks
- 230,000 account holders signed funding agreement
- Expect claim size >\$200M
- Electronic registration



Capital Management – Convertible Notes

IMF Convertible Notes	Listed on the ASX as “IMFG”
Total Raised	\$39.1m, comprising 23,702,415 notes
Face Value	\$1.65 per Note
Interest	10.25% p.a mandatory interest payments payable quarterly in arrears
Interest Payable	Interest is payable to holders at the rate of 10.25% per annum at the end of each calendar quarter ending 31 March, 30 June, 30 September and 31 December
Principal Repayment	Notes have a maturity date of 31 December 2014. On maturity, Note holders receive \$1.65 per Notes plus the final interest payment
Security	Noteholders have been granted a fixed and floating charge over the assets and undertakings of IMF.
Voting Rights	The Notes carry the right to attend general meetings of IMF but do not carry a right to vote unless provided for in the ASX Listing Rules or the Corporations Act
Trustee	Australian Executor Trustees Limited
Conversion Rights	<ul style="list-style-type: none"> - Within 10 days of the declaration of a dividend; - Within 10 days of end of quarter; or - Upon terms of conversion notice.
Covenants	<p>Covenants include:</p> <ul style="list-style-type: none"> - no granting of security over assets. The only exception is for IMF to secure bonds or other security for court actions up to \$5M as a first ranking security; - no sales of assets or changes to business direction; and - change of control; and - No dividend if cash falls below \$40M.



Outlook

- Target Portfolio of circa \$2B by 30 June 2011:
 - Marketing plans;
 - US opportunities; and
 - UK opportunities.

- Economic Environment:
 - Effective litigation lag;
 - Regulatory environment clarified; and
 - Expect opportunities.

- Competitors

