



Annual General Meeting

**Sheraton Perth Hotel
6 November 2009**





Annual General Meeting

Welcome to IMF's Annual General Meeting

Rob Ferguson - Non-Executive Chairman

Hugh McLernon - Managing Director



Agenda

- Introduction
- Overview of FY2009 Hugh McLernon
Managing Director
 - Highlights
 - Income
 - Balance Sheet
 - Investment Portfolio
 - New Agreements in FY2009
 - Share Price
- FY2010 Forecast
- Capital Management
- IMF's Short Term Future – Operational
- Resolutions
- Questions



Overview of FY2009 Highlights

IMF's performance continues to improve:

	FY2009	FY2008	%
Gross Income (from cases)	\$63.2M	\$55.2M	▲ 15%
Net Income (from cases)	\$35.1M	\$33.8M	▲ 4%
NPBT	\$30.4M	\$24.8M	▲ 22%
NPAT	\$20.8M	\$17.1M	▲ 21%
Dividend (cents per share)	15.0 Franked	5.0 Franked	▲ 10.0 ¢ ▲ 200%
EPS	17.35	15.04	▲ 15%
Net Asset Backing (cents per share) ¹	53.91	56.42	▼ 4% ¹
Net Tangible Asset Backing (cents per share) ²	27.10	32.82	▼ 17% ²

¹ The 2008 dividend was not accrued in FY2008. If the final FY2009 10.0 cent dividend was treated the same, the Net Asset Backing would be 64.09 cents per share, an improvement over last year of 14%.

² The 2008 dividend was not accrued in FY2008. If the final FY2009 10.0 cent dividend was treated the same, the Net Tangible Asset Backing would be 37.28 cents per share, an improvement over last year of 13%.



Overview of FY2009 - Income

Matter	Gross Income	Gross Profit (before tax)¹
Aristocrat	\$35.3M	\$21.7M
Downer EDI	\$6.3M	\$5.4M
Centaur Mining	\$6.8M	\$5.1M
Shenton Park	\$3.4M	\$2.3M
Meadow Springs ²	\$2.7M	\$2.2M
Confidential	\$2.6M	\$1.2M
Others ³	\$6.2M	(\$2.6M)
Total	\$63.3M	\$35.3M

¹ Includes external costs and capitalised overheads relating to the litigation.

² Meadow Springs was written-off as a bad debt in FY2008. The Company's client made a subsequent appeal and during that appeal the matter was part settled, resulting in a write-back during HY2009.

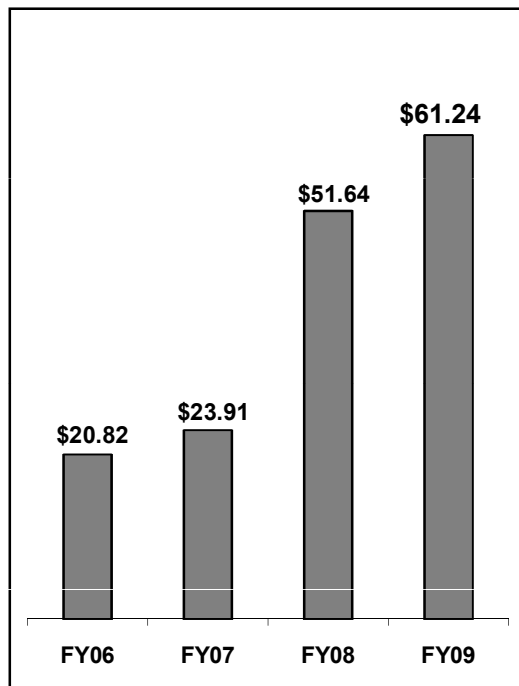
³ Includes Reynolds, Concept Equity and discontinued matters.



Overview of FY2009 - Balance Sheet

A strong balance sheet

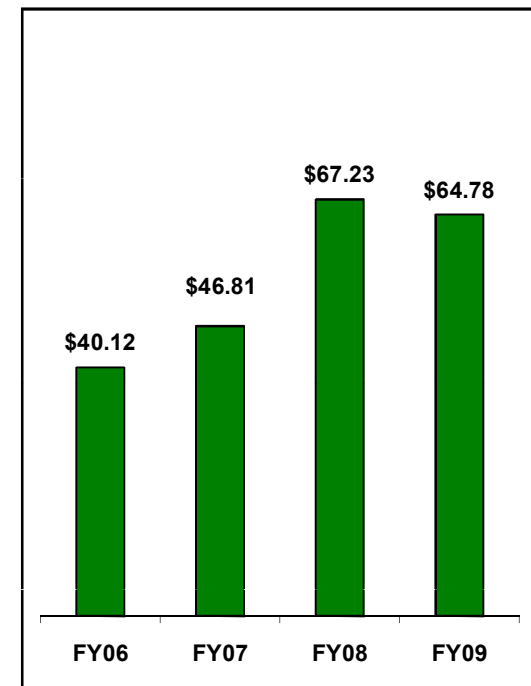
Cash



Investments¹



Net Assets



¹ Investments includes capitalised overheads relating to the litigation.

² Net Assets include the accrued final dividend for 2009 of \$12.5M.



Overview of FY2009 - Investment Portfolio

Number of Matters	Estimated Completion Period ¹	Maximum Recoverable Claim ²
11	December 2009	\$135M
3	June 2010	\$117M
7	June 2011	\$595M
8	June 2012	\$210M
Total 35		\$1,057M

¹ The latest completion date is IMF's current best estimate of when the case will be finalised. The case may finalise earlier or later than this date.

² The maximum recoverable claim is IMF's current best estimate of the claims recoverable amount (or remaining recoverable amount if there has been a partial recovery). It considers, where appropriate, the perceived capacity of the defendant to pay the amount claimed. It is not necessarily the same amount being claimed by IMF's client/s in the matter. It is also not the estimated return to IMF from the matter if successful. No estimated claim value has been included for any contingently funded matters until all conditions are fulfilled.



IMF Share Price



- Expected FY2010 Results:
 - NPBT \$29M - \$35M
 - NPAT \$20M - \$24M
 - First half FY2010 result will be better than second half
- Healthy cash balance (30 Sept 2009 \$49.5M) and no debt
- Matters expected to be finalised in FY2010:
 - Sons of Gwalia;
 - Kingstream;
 - AWB;
 - Westpoint;
 - Opes;
 - NEIB;
 - National Potato;
 - Others
- Future fully franked dividends



Capital Management

- No Debt – Early Convertible Note Redemption
 - 4.2M notes converted
 - \$12.4M repaid on 3 July 2008
- FY2008 dividend totalled 5.0 cents per share
- FY2009 dividend totalled 15.0 cents per share
- FY2010 fully franked dividends where cash balance above \$50M
- Share buy back of up to 12,249,681 shares
 - To date 222,059 shares purchased.



IMF's Short Term Future - Operational

- Current economic climate is positive for improving the size of the investment portfolio
 - Target \$2B by 30 June 2011
- Build portfolio
 - additional products
 - new client base
 - overseas jurisdictions
- Adverse Costs Insurance
- Increasing competition
- Managed Investment Scheme issue



Resolution 1

“That, Mr Alden Halse, being a director of the Company, retires by rotation in accordance with Clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a director of the Company.”



“That, Mr Michael Bowen, being a director of the Company, retires by rotation in accordance with Clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a director of the Company.”



Resolution 3

“That, for the purposes of Section 250R(2) of the Corporations Act 2001 (Cth), the remuneration report be adopted.”



Resolution 4

“ That, for the purposes of Section 13.8 of the Constitution, Listing Rule 10.17 of the Listing Rules of the Australian Securities Exchange and for all other purposes, the Company approves the maximum aggregate amount that may be paid to Non-Executive Directors of the Company as remuneration for their services in each financial year be set at \$300,000 which may be divided among those Directors in the manner determined by the Board of the Company from time to time.”





IMF (Australia) Ltd

Questions and Answers



New Agreements in FY2009

Matter	Estimated Completion Period
Air Cargo	June 2011
Beconwood ¹	December 2009
Commonwealth of Australia (Pan Pharmaceuticals)	June 2011
Kingstream Steel Creditors Trust	December 2009
Oz Minerals	June 2011
Great Southern	June 2012
Firepower	June 2012
Ceramic Fuel Cells	June 2012
Lehman Bros	June 2012
PIF v MFS and KPMG	June 2012

¹ Settled as part of the Opes matter.

