



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)

THURSDAY, 1 NOVEMBER 2012

INVESTMENT PORTFOLIO AND COMPANY UPDATE

- Below is a summary of the IMF Case Investment Portfolio as at 30 September 2012. The Case Investment Portfolio includes those investments where the budgeted fee to IMF is greater than \$0.5M.

Summary of Investment Portfolio at 30 September 2012

Claim Value Range	Estimated Claim Value (a) \$'000s	No of Cases	% of Total Value	Possible Completion FY2013 (b) \$'000s	Possible Completion FY2014 (b) \$'000s	Possible Completion FY2015 (b) \$'000s
<\$10M	15,000	3	1%	5,000	-	10,000
\$10M - \$50M	273,000	13	23%	70,000	113,000	90,000
>\$50M	935,000	10	76%	150,000	555,000	230,000
Total Portfolio	1,223,000	26	100%	225,000	668,000	330,000

- This 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 as the amount being claimed by IMF's clients in the matter. It is also not the estimated return to IMF from the matter if it is successful. No estimated claim value has been included for any contingently funded matters until all conditions are fulfilled.
 - The possible completion period is IMF's current best estimate of the period in which the case may be finalised. The case may finalise earlier or later than in this period.
 - Cases which have settled subject to a condition or to Court approval remain in the portfolio at their original value until the condition is fulfilled or approval is given.
 - No estimated claim value has been included for the Wivenhoe Dam case.
- IMF will continue to update the portfolio on a quarterly basis.
 - IMF is unable to provide a forecast. However, the following is an update on matters which may be completed within FY2013. It is possible that, depending on events, (especially unexpected settlements), other cases may also be completed by that date. Further company updates will be published if and when those events occur.

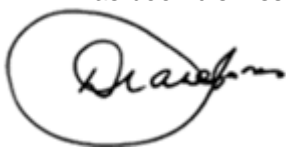
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- a) Lehman - this is a class action claim by numerous Councils and charities against Lehman Australia. The Court delivered its reasons for judgment on 21 September 2012, however, final orders have not been made. The parties are back before the Court on 22 November 2012 to determine final orders and submissions on the way our clients' claims may proceed in the liquidation of Lehman. It is possible that, once those orders are made, the Respondent may appeal. As any amounts payable to IMF's clients will require a dividend distribution from the liquidator of Lehman, IMF is unable to predict with any degree of accuracy when income will be recognised in its accounts. IMF's best estimate of revenue which may be generated from this matter in FY2013 is \$30M, if the matter is not appealed.
- b) Bank of Queensland - this is an action by a group of franchisees claiming damages against the Bank. A trial commenced in September 2012 and is expected to take about 20 weeks to complete. As the matter is still in trial it would not be appropriate to provide an assessment of potential revenue at this stage.
- c) LGFS - this is a class action claim by Councils for damages against LGFS, ABN AMRO and Standard and Poors arising from the sale of derivatives to the Councils by LGFS. The trial has been completed and judgment is reserved. Judgment is expected at the end of 1H2013 and if the matter is successful the revenue is expected to be recognised in either 1H2013 or 2H2013. Any revenue to IMF would be in the region of \$16M.
- d) Ion - this is a claim by numerous clients of IMF in the external administration of Ion, which is expected to be completed in FY2013. IMF expects final revenue of about \$1M in this matter.
- e) Uniloc - the claim by Uniloc against Microsoft was settled in March 2012. IMF expects to generate further income from Uniloc's other smaller patent enforcement cases and licensing program during 2H2013. Any revenue to IMF is not expected to be more than \$2M.
- f) Firepower - this is a claim by investors against various defendants in the Supreme Court of Western Australia. A settlement of part of this matter may occur in 2H2013 and if so, IMF's best estimate of revenue is approximately \$3.5M.
- g) King - this is a further claim by different investors in the Supreme Court of Western Australia. A settlement of part of this matter may occur in 2H2013 and if so, IMF's best estimate of revenue is approximately \$2.5M.
- h) Others - there is a confidential mediation in a small matter being funded by IMF which may result in its settlement. If settlement occurs, IMF's best estimate of revenue is approximately \$2.5M.
4. In relation to the Centro matter, IMF has recorded income of \$62M from this matter and received \$53M of this income to date. The final tranche of funds is expected in November 2012.
5. In relation to the National Potato matter, IMF's clients have obtained judgment resulting in revenue of \$14.5M which has been brought to account in FY2012. The defendants have appealed against this judgment and it is likely that the appeal will not be finalised until FY2014. The defendants are not required to pay the judgment unless and until the appeal has been dismissed.



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