

31 October 2014

The Manager, Listings
Company Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

AGM Presentation Materials

Pursuant to ASX Listing Rule 3.13.3, attached is the Chairman's Address, Managing Director's Address and the Managing Director's presentation to members to be given at the Company's 2014 Annual General Meeting convened for 2.30 pm, Wednesday, 29 October 2014.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S Jackson', with a long horizontal flourish extending to the right.

Sam Jackson
Company Secretary



IPE Limited

Annual General Meeting

29 October 2014

ASX Code: IPE
www.ipelimited.com.au

Agenda

- Opening by the Chairman - Geoff Brunsdon
- Review and outlook - Jon Schahinger (Managing Director)
- Questions
- Tabling of Reports
- Resolutions
 - Ordinary resolution on re-election of Geoff Brunsdon
 - Ordinary resolution on re-election of Don Stammer
 - Advisory resolution on Remuneration Report
 - Ordinary resolution on further capital returns to shareholders
- Other business
- Closure

Review & Outlook

Strategic Progress

- Portfolio continues to be wound down over time
- Cash generated being used to:
 - Fund private equity commitments
 - Continue cash returns to shareholders
 - 18.75 cps (\$25.6m) paid out since June 2012

Key points from FY14:

- Favourable exit conditions meant very strong cash inflows
- Outstanding commitments reduced to \$5.1m
- Debt facility limit reduced again (now at \$2m) and no debt at year end
- One dividend of 3.00cps with tax benefits
- Shareholder approval for change in name and for capital returns
- Start of capital returns with 4.00cps declared (+3.50cps more in September)

Financial Summary as at 30 June

	FY14	FY13
Net profit / (loss) after tax	\$2.85m	\$3.83m
NTA (pre tax)	\$0.42	\$0.45
Net debt	nil	nil
Dividends / Capital returns	7.00cps	5.75cps
Private equity commitments	\$123m	\$125m
Undrawn commitments	\$5.1m	\$11.1m
Debt facility available	\$2m	\$7m
No. of underlying investments	55	65
No. of new investments	3	4
No. of investments realised	15	4

IPE Limited's Portfolio *

No of Funds	Committed	Drawn	Undrawn	Cash Back	Value
16	\$123.1m	\$118.2m	\$5.0m	\$96.7m	\$43.3m



**As at 30 September 2014 through 11 private equity managers*

Largest exposures (as % of total assets at 30 June)

Company

- Veda Advantage 7.2%



- Blue Star 4.9%



- Link Market Services 3.7%



- Vitaco 3.6%



- HealtheCare 3.4%



2015 Outlook

- Started well:
 - Cash from PEP IV – Peters and Asaleo Care
 - Cash from HPEF II – Endeavour Learning
 - Cash from PEP III and IV – partial sell down of Veda
 - 3.50 cps capital return paid on 16 September
- The Company today announced another dividend of 3.00 cps
- We expect ongoing exit activity though not at the levels of FY14
- But – markets are nervous, leading to increased volatility
- More than 50 businesses in the portfolio – opportunity for value accretion
- Will ask the ATO for another class ruling well before the end of FY15
- Continual assessment of the portfolio quality and opportunities to maximise shareholder value

Questions?

Tabling of Reports & Other Business

Proxy count

<i>Resolution</i>	<i>For</i>	<i>Against</i>	<i>Abstain</i>	<i>Open proxy</i>
Re-election: G. Brunsdon	68,878,672 96.9%	298,847 0.4%	226,054 0.3%	1,689,837 2.4%
Re-election: D. Stammer	68,803,225 96.8%	376,748 0.5%	177,000 0.3%	1,736,437 2.4%
Remuneration report	65,188,405 93.7%	816,223 1.2%	1,814,251 2.6%	1,734,531 2.5%
Further capital returns	69,244,672 97.4%	47,737 0.1%	28,200 0.04%	1,772,801 2.5%

1. Reports

The Financial Report for the period ended 30 June 2014 and the Reports of the Directors and the Auditor are laid before the meeting for questions or comments.

No resolution on this item is required by the Constitution.

2.1 Re-election of Geoff Brunsdon



Ordinary Resolution:

“That, Geoffrey N. Brunsdon, a Non-Executive Director retiring in accordance with the Constitution, being eligible, is re-elected as a Non-Executive Director of IPE Limited.”

Proxies:

For	Against	Abstain	Open
96.9%	0.4%	0.3%	2.4%

2.2 Re-election of Don Stammer



Ordinary Resolution:

“That, Donald W Stammer, a Non-Executive Director retiring in accordance with the Constitution, being eligible, is re-elected as a Non-Executive Director of IPE Limited.”

Proxies:

For	Against	Abstain	Open
96.8%	0.5%	0.3%	2.4%

3. Remuneration Report

Advisory Resolution:

“That, the Remuneration Report included in the Annual Report for the period ended 30 June 2014 (set out in the Directors’ Report) is adopted.”

Proxies:	For	Against	Abstain	Open
	93.7%	1.2%	2.6%	2.5%

4. Further capital returns to shareholders

Ordinary Resolution:

“That for all purposes, including for the purpose of Part 2J.1 of the Corporations Act 2001 (Cth), approval is given for the Company to reduce its share capital during the period from 1 January 2015 to 31 December 2015 by conducting one or more equal capital reductions up to a total amount not exceeding \$15,000,000. The reductions of capital contemplated under this resolution would be effected by the Company paying to each registered holder of ordinary shares in the Company, on dates and at times to be specified by the Company’s Board of Directors, the pro rata amount of each capital reduction per ordinary share.”

Proxies:	For	Against	Abstain	Open
	97.4%	0.1%	0.04%	2.5%

Other Business

Is there other business that any shareholder wishes to raise?

Thank you

A copy of this presentation has been lodged with the ASX and will be available on the Company website at www.ipelimited.com.au

The information contained in this presentation has been prepared with all reasonable care by IPE Limited (ABN 48 107 843 381) who accepts no responsibility or liability for any errors, omissions or misstatements. It is provided as general securities information only and is not in any way intended to constitute a securities investment recommendation or financial advice.

IPE Limited
Annual General Meeting
29 October 2014 at 2.30 pm

Chairman's Address

SLIDE 2

The agenda for today's meeting follows the format of the last few years:

- after my introductory comments
- our Managing Director will provide a review of the company's activities
- we shall then have an opportunity for questions and discussion; and
- then we shall proceed to the more formal matters

I would like to introduce my colleagues:

Jon Schahinger – Managing Director,
Don Stammer – an independent director, and
Sam Jackson – Company Secretary

I also note that Grant Layland of Grant Thornton, the Company's auditors, is present as well as representatives of Pomona Australia which looks after the Company's affairs.

I'll ask Jon Schahinger, the Company's managing director, to provide a review of the Company's activities.

Before that, I am pleased to advise that the company has reviewed its cash requirements, finalised its 2014 tax position and we have just announced to the ASX that a fully franked dividend of 3.00 cps will be paid on the 4th of December. The dividend also has a significant amount of LIC gains attached.

SLIDE 3

6. Managing Director's Address

Thank you Geoff and good afternoon everyone.

SLIDE 4

The last year was eventful for the Company with the portfolio completed, a change of name, fruitful dialogue with the ATO and the payment of two returns of capital. During the year, whenever prudent, we have kept cash flowing back to shareholders with \$14.3 million (10.5 cps) being paid out since this time last year and a total of \$25.6m since the start of June 2012.

The strategy of winding down the portfolio is continuing and we have been able to manage our capital to keep debt at zero while servicing the outstanding commitments which are now at very modest levels.

We did consider whether to maintain a debt facility at all but decided that erring on the side of conservatism was preferable and negotiated a reduced limit of \$2 million. We do not expect any significant individual calls on the

outstanding commitments of \$5 million – calls will be sporadic and we expect further releases of part of the commitments.

SLIDE 5

Though cash inflows were strong the accounting profit was more modest at \$2.85 million after booking an impairment of the deferred tax asset.

NTA did decline but, like last year, that was primarily a result of the dividends paid or provided for and partially offset by increases in portfolio valuations.

The other significant metric was the reduction in the number of underlying investments as our managers took advantage of a favourable exit environment.

SLIDE 6

At a high level, the fund portfolio is unchanged - 16 funds run by 11 different managers but now with 55 underlying investments, 10 fewer than last year, and with no new investments to be added in the future.

Wolseley and NBC Capital were the only managers to add new deals to their portfolios and, while it is still possible for managers to inject fresh capital into existing investments, we do not expect that activity to be significant.

SLIDE 7

I thought it again useful to highlight some of the larger exposures in the portfolio. These were the top five at 30 June.

Veda Advantage listed during the year but Pacific Equity Partners held onto its interest for a while to capture further value accretion. It recently sold down about 50% of its interest and we expect further sell-downs during FY15.

BlueStar is in the Wolseley II portfolio and is a leader in the Australian printing sector. It was bought at a very attractive price out of a distressed situation, has some innovative technologies and is well placed to grow through prudent acquisition as that industry goes through significant change.

Link Market Services, in the PEP portfolios, would be well known to all of the investors here today and remains one of our larger exposures and continues to expand its global operations. It is in the throes of a large transaction to grow the superannuation administration side of its business which has delayed its exit. There has been continual press speculation about an IPO but we expect any such activity to follow the integration of the new deal.

Vitaco is a New Zealand based business that produces health foods, supplements and sports nutritionals. It operates under a number of brands such as Healtheries, Nutralife and Aussie Bodies that you will commonly see in health food stores and supermarkets.

HealthCare is in the Archer 4 portfolio and now operates 14 hospitals in NSW, Queensland, Victoria and Tasmania. It has been expanding by acquisition but also by new development and expansion of existing centres. It's always been very well managed, is in a good market sector and will be an attractive asset when eventually sold.

SLIDE 8

Turning to the near term outlook:

- The year has started well with cash continuing to flow back to the Company and to shareholders via the September capital return and the dividend announced today.
- The portfolio remains in a sound position and continues to include many investments that are well run and well positioned to ensure strongly competitive processes when they are eventually put up for sale.
- The IPO market (and remember that this is not the normal avenue for private equity exits) has been receptive with several private equity sales generally being well received and well supported in the after-market.

- On a macroeconomic level, volatility in the listed markets has been increasing since 30 June and so we expect additional pricing pressure on both trade sales and any near term IPOs that manage to get away.
- That volatility will put pricing pressure on all assets being sold and is likely to lead to reduction in the number of exits when compared to FY14.
- As discussed last year, we are focused on our intention to maximise value for shareholders and we are well aware of the implications of a shrinking portfolio. We continue to assess the quality and outlook for the portfolio and market dynamics. We remain open to a range of possible options but have yet to conclude that the time has come to change strategy.

I shall now pass back to the Chairman.