



# Imperial Pacific Limited

## CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING – 25 OCTOBER 2012

On behalf of the Directors I welcome you here today. May I introduce members of our immediate team, Directors Rob Chenery, our new David Sutherland and our Company Secretary Rob Pettener.

As we explained in the Annual Report, the continuing poor corporate performances and hesitant economic conditions have forced us to remain cautious and conservative.

Again a small operating loss was incurred. Despite that, we have again paid a fully franked dividend of 5.0 cents per share to shareholders.

We believe Imperial Pacific's unaudited net tangible assets at market value are presently in the order of \$3.0 million, or \$1.02 per share. This takes our 29.5% shareholding in London City Equities at its present conservative net tangible asset value and is calculated after our recent dividend payment.

Cash levels are fine and are close to \$1.2 million, or 40 cents per Ordinary Share.

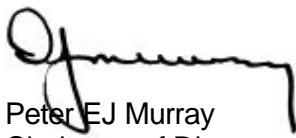
Imperial Pacific's focus on financial services has continued through the fund management activities of its AFS Licensed subsidiary, Imperial Pacific Asset Management Pty Limited and through its key investment in London City Equities Limited. In this regard an extraordinary amount of time has been spent on London City with its problem investment in Penrice Soda Holdings Limited. This work continues with external advisors and other investors. The aim is to assess the scope for recovering funds invested by London City during 2008 and 2009

We are continuing our work on looking at a new wholesale activist investment product for Australia. And our subsidiary Imperial Pacific Resources Pty Limited is still looking at the mining sector – where funds are tight for many resource operators and some funding/joint ventures are on offer..

We again confirm the investment philosophy of our subsidiary, Imperial Pacific Asset Management. We are company centric, look for companies that dominate their market, have sustainable profits and a business that can be understood. We want management that behaves like owners and we want to earn a return (IRR) over the medium term that covers all the risks of public enterprise. Finally, we seek a meaningful percentage ownership in the investment to give us some control over our destiny and to justify us providing executive assistance.

There is little doubt that current stock market conditions have put tempting values on many listed companies. We have a hard core list of companies we watch closely and we have declined a number of situations during the year.

Let me now move on to the formal business of the day.



Peter EJ Murray  
Chairman of Directors