

# IPGA Ltd

ABN 13 083 160 909

## **Appendix 4D** **Half year report**

Information for the half year ended 30 June 2009 given to ASX under listing rule 4.2A

Pursuant to listing rule 4.2A.3, the following information is given to the ASX by **IPGA Ltd** ("the Group" or "IPGA" incorporating IPGA Ltd ACN 126 188 538 and its wholly owned subsidiaries). The following information should be read in conjunction with the most recent annual financial report together with any public announcements made by IPGA Ltd and its controlled entities during the half year ended 30 June 2009 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001. Accounting policies, estimation methods and measurement bases used in this Appendix 4D are the same as those used in the last annual report and the last half year report.

### **Key Highlights**

The highlights for the half year are:-

#### **Performance Highlights**

- 34% increase in monthly unique users since 31 December 2008 to over 900,000 unique users per month across IPGA owned sites as at 30 June 2009
- 18% increase in paying estate agent/agency customers since 31 December 2008 to over 6,000 as at 30 June 2009
- 108% increase in registered members since 31 December 2008 to over 180,000 registered users as at 30 June 2009
- Over 600 property developer clients advertising across the Group
- Won the CNBC Asia Property Award for best Property Portal in Hong Kong, Malaysia, Philippines, Singapore and Luxury categories. The Indian company in which we have a minority stake has also won the same award for India.

#### **Financial Highlights**

- Sales revenue grew by 86.5% to \$2.13m during the half year compared with \$1.14m during the same period in the previous year. This includes revenue from both organic growth and growth from acquisitions.

## Results for announcement to the market

The Board of IPGA is pleased to report the half year results for the period from 1 January 2009 to 30 June 2009. Following its success in 2008, the IPGA Group continues its strong organic growth and has begun to witness growth from the integration of previously acquired businesses.

Sales revenue grew by 86.5% to \$2.13m during the half year compared with \$1.14m during the same period in the previous year. This includes revenue from both organic growth and growth from acquisitions.

In comparison to H2 2008, sales revenue was down 27.5% partially due to seasonal fluctuations, the challenging economic environment and significant currency fluctuations during the reporting period. We expect to see growth in H2 2009 compared to H1 2009.

The Group incurred a net loss of \$1.34m during the period which includes the impairment of its minority stake investment in Horizon Infoventures Private Limited.

### Malaysia ([www.iproperty.com.my](http://www.iproperty.com.my))

In Malaysia, we continued to consolidate our clear leadership position in the market, increasing our monthly unique users by 61% in the first six months of FY2009. The number of paying agents advertising with our service grew by 23% for the period to over 2,300 real estate agents in the country.

### Hong Kong ([www.gohome.com.hk](http://www.gohome.com.hk))

In Hong Kong, we continued to grow our position as the leading independent property portal in the market, increasing our monthly unique users by 41% in the first six months of FY2009. The number of paying agency clients increased by 33% during the reporting period to over 271.

### Singapore ([www.iproperty.com.sg](http://www.iproperty.com.sg))

In Singapore, we continued to grow our position as one of the leading property portals in the market, increasing our monthly unique users by 82% in the first 6 months of FY2009. We now have over 1,550 real estate agents as paying clients, most of whom are also clients of the company's well-established Business-to-Business real estate market information service.

### Philippines ([www.iproperty.com.ph](http://www.iproperty.com.ph))

In the Philippines, we experienced 20% growth in the number of agents registered for our services during the reporting period to now have 660 agent members.

### Taiwan ([www.vrhouse.com.tw](http://www.vrhouse.com.tw))

In Taiwan, IPGA has an investment in Info-Portal Tech International Co Ltd (T/A VRHouse.com), a market-leading property website. VRHouse.com grew monthly unique users by 37% during the reporting period.

### India ([in.iproperty.com](http://in.iproperty.com))

In India, IPGA has a minority stake in Horizon Infoventures Private Limited, which operates as iProperty.com India. Unique visitors to the website grew by 195% during the reporting period.

### Key IPGA Performance Statistics

Six months ended	June 2009 \$000	June 2008 \$000	Change %
<u>Revenue</u>			
Sales Revenue	2,134	1,144	86.5%
Other Revenue	2	81	(97.5%)
<b>Total</b>	<b>2,136</b>	<b>1,225</b>	<b>74.4%</b>
EBITDA	(978)	(449)	117.8%
less Depreciation	(55)	(15)	266.7%
less Impairment Loss	(249)	-	-
EBIT	(1,282)	(464)	176.3%
add Interest Income	2	81	(97.5%)
Net Loss before Tax attributable to members	(1,280)	(383)	234.2%
Income Tax Expense	(63)	-	-
Net Loss after Tax attributable to members	(1,343)	(383)	250.7%
Loss per Share (basic)	(1.22)	(0.36)	238.9%
NTA per Share	0.49	2.27	(78.4%)

### Key IPGA Share Statistics

	Jun 09	Dec 08	Change %
Total shares on issue ('000)	114,979	108,286	6.2%
Closing Share Price (cents)	11.0	10.0	10.0%
ASX Market Capitalisation (\$ million)	12.6	10.8	16.8%

### Acquisitions/Controlled entities

IPGA made no acquisitions in the first half of the 2009 financial year.

## Change to capital

During the half year, IPGA issued the following shares:-

Shares Issued	No.	Amount \$
Shares issued to non-executive Directors as part of 2nd year remuneration	640,000	160,000
Shares issued to CAV Investment Holdings Pty Ltd	5,000,000	500,000
Shares issued to Keagan as part of the 2008 cash-out payment	1,052,602	136,838
Total	6,692,602	796,838

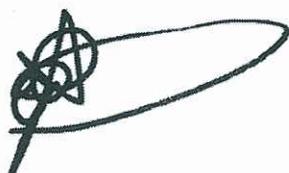
## Outlook

IPGA will focus its efforts on continuing to realise strong organic growth while evaluating acquisition opportunities that may complement its existing business.

In the absence of any unforeseen circumstances, the Board expects revenue growth in the second half of 2009.

***This report is based on the attached half year financial report which has been subject to a review by the Company's external auditor. The financial statements are not subject to any audit dispute or qualifications.***

For and on behalf of the Board



Patrick Grove  
Chairman  
26 August 2009

**IPGA LTD**  
**ABN 99 126 188 538**

**HALF YEAR TO 30 JUNE 2009**

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**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

## **DIRECTORS' REPORT**

Your Directors present their report on IPGA Ltd ("IPGA") for the half-year ended 30 June 2009.

### **Directors**

The following persons were Directors of IPGA during the whole of the half-year and up to the date of this report:

Patrick Grove	Executive Chairman and director
P G Choiselat	Independent non-executive director
Samuel Weiss	Independent non-executive director
Hugh Morrow	Independent non-executive director
Dato' Larry Gan	Independent non-executive director

### **Principal Activities**

The principal activity of IPGA during the half-year was the development and operation of internet-based real estate portals.

### **Review of Operations**

Despite experiencing challenges in the economic environment, we are pleased with our achievements in H1 2009. We have experienced significant growth in our markets, made great progress in product development, integrated businesses we acquired and started building a solid management team designed to take the business to the next level.

We believe our business is well positioned and that we will continue to leverage this position in a manner that allows us to add further value to our clients and users, and to continue to grow our business rapidly.

During the reporting period, we received the CNBC Property Awards "Best Property Portal" award for the countries of Singapore, Malaysia, Hong Kong and the Philippines, as well as for our regional luxury property website, iLuxuryasia.com. Our investment in India also received the same award.

### **Group Results**

Despite the tough operating environment, sales revenue grew by 86.5% to \$2.13m during the half year compared with \$1.14m during the same period in the previous year. This includes both organic revenue growth and growth from acquisitions.

In comparison to H2 2008, sales revenue was down 27.5% partially due to seasonal fluctuations, the challenging economic environment and significant currency fluctuations during the reporting period. We expect to see growth in H2 2009 compared to H1 2009.

The Group incurred a net loss of \$1.34m during the period compared to a loss of \$0.38m in the second half of FY 2008, due to significant investments in human resources and marketing, and impairment of our investment in India.

Our operations in Singapore, Malaysia and Hong Kong continue to see positive growth in terms of revenues and in their number of real estate agent and developer clients, offering us an excellent foundation for long-term success.

Our exhibition business and Taiwan operations have been adversely impacted by the difficult operating environment, resulting in lower than expected revenues. We do, however, remain optimistic about the prospects of each of those operations going forward.

During the first six months of 2009, our number of unique visitors has grown by 34% to 900,000. At the same time we have also experienced 19% growth in the number of real estate agent clients, now with over 6,000 agents being served by our business across the region.

#### **Strengthen Senior Management Team**

During H1 2009 the Group made significant investments in the Senior Management Team, hiring new General Managers in Singapore and Hong Kong and introducing a Regional Head of Business Development. These individuals have a combined 20 years of online experience and have worked for leading online companies such as Monster.com, Jobsdb.com and Realestate.com.au. All three are already making a significant impact on the Group and we are looking forward to their continued involvement and contribution.

#### **Strategic Placement**

In April, the Company made a strategic placement of shares to the value of \$500,000 to CAV Investment Holdings Pty Ltd, a company founded by Simon Baker. Simon is recognised globally as one of the pre-eminent experts in the online real estate sector following his successful tenure as the CEO of the REA Group. Simon has been assisting our Chairman and CEO in implementing the Group's strategy.

#### **Outlook Going Forward**

Whilst we recognise global economies are still operating under challenging conditions, a number of IPGA operating metrics showed a strong pick up in Q2 2009. In June 2009, the Group saw record highs in its number of unique users and number of paying agent subscribers in all markets. Furthermore, both our Singapore and Hong Kong operations achieved record revenue in June. Following on from this trend, we are confident of a robust H2 2009.

The Board is pleased with the efforts of management to effect the integration of the subsidiaries acquired during the last financial year. The Company has made strong and successful efforts to build its regional network across key Asian markets in preparation for the expected rapid growth in online advertising. The Company is already starting to see strong growth and take up in all markets as real estate agents, real estate agencies and property developers begin to experience the results and benefits of marketing online. The Company continues to operate as the catalyst for the shift in spending from traditional to online

media, and we believe IPGA has put in place the key pieces that will allow it to dominate the online property portal market in the years to come.

#### **Dividends**

IPGA does not propose to pay a dividend for this reporting period.

#### **Cash flow**

Negative cash flow from operating activities of \$606,671 during the half year to 30 June 2009 is due to implementation of the Group's expansion strategy, principally involving investment in marketing and human resources.

#### **Change to capital**

During the First Half, the following shares were issued by IPGA.

<b>Shares Issued</b>	<b>No.</b>	<b>Amount \$</b>
Shares issued to non-executive Directors as part of 2nd year remuneration	640,000	160,000
Shares issued to CAV Investment Holdings Pty Ltd	5,000,000	500,000
Shares issued to Keagen as part of the 2008 cash-out payment	1,052,602	136,838
<b>Total</b>	<b>6,692,602</b>	<b>796,838</b>

#### **Events subsequent to reporting date**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

#### **Auditors' Independence Declaration**

The Auditors' Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

On behalf of the Directors



Patrick Grove  
Chairman  
26 August 2009

The Board of Directors  
IPGA Limited  
Level 5, 11 Bank Place  
Melbourne, VIC 3000

26 August 2009

Dear Board Members

## IPGA Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of IPGA Limited.

As lead audit partner for the review of the financial statements of IPGA Limited for the half-year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

  
DELOITTE TOUCHE TOHMATSU



**Robert D D Collie**  
Partner  
Chartered Accountants

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

<b>Condensed Consolidated Income Statement for the Half Year Ended 30 June 2009</b>		
	<b>Jun-09</b>	<b>Jun-08</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues</b>	<i>Note</i>	
Revenue from services	2,133,783	1,144,639
Interest income	1,727	80,835
<b>Total</b>	<b>2,135,510</b>	<b>1,225,474</b>
<b>Expenses</b>		
Administration and related costs	642,654	307,213
Depreciation and amortisation expenses	55,331	15,391
Employee benefits expenses	1,568,974	789,255
Impairment Loss	249,216	-
Occupancy and related costs	302,078	152,601
Other expenses	16,204	13,059
Production and servicing costs	563,219	266,363
Travel and accommodation	18,087	65,090
<b>Total</b>	<b>3,415,763</b>	<b>1,608,972</b>
<b>Loss before income tax for the period</b>	<b>(1,280,253)</b>	<b>(383,498)</b>
Income tax benefit/(expense)	(62,359)	-
<b>Loss for the period from continuing operations</b>	<b>(1,342,612)</b>	<b>(383,498)</b>
<b>Loss for the period from discontinued operations</b>	<b>-</b>	<b>-</b>
<b>Loss attributable to members of the parent entity</b>	<b>(1,342,612)</b>	<b>(383,498)</b>
	<b>Cents</b>	<b>Cents</b>
Basic Loss Per Share	<b>(1.22)</b>	<b>(0.36)</b>
Diluted Loss Per Share	<b>(1.22)</b>	<b>(0.36)</b>

The accompanying notes form part of these financial statements.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

Condensed Consolidated Balance Sheet as at 30 June 2009		
	Jun-09 \$	Dec-08 \$
<b>Current assets</b>		
Cash and cash equivalents	1,064,082	1,656,698
Trade and other receivables	1,274,803	1,335,332
Other	134,978	223,035
<b>Total current assets</b>	<b>2,473,863</b>	<b>3,215,065</b>
<b>Non-current assets</b>		
Intangible assets	353,027	359,886
Goodwill	5,978,209	6,838,959
Property, plant and equipment	317,533	371,527
Investments	-	261,816
<b>Total non-current assets</b>	<b>6,648,769</b>	<b>7,832,188</b>
<b>Total assets</b>	<b>9,122,632</b>	<b>11,047,253</b>
<b>Current liabilities</b>		
Trade and other payables	2,017,347	1,992,424
Current tax liabilities	90,310	149,742
Borrowings	109,890	175,496
Provisions	11,984	77,683
<b>Total current liabilities</b>	<b>2,229,531</b>	<b>2,395,345</b>
<b>Non-current liabilities</b>		
Borrowings	-	68,237
<b>Total non-current liabilities</b>	<b>-</b>	<b>68,237</b>
<b>Total liabilities</b>	<b>2,229,530</b>	<b>2,463,582</b>
<b>Net assets</b>	<b>6,893,101</b>	<b>8,583,671</b>
<b>Equity</b>		
Issued Capital	9,934,973	9,142,568
Reserves	(1,003,755)	136,608
Accumulated losses	(2,038,117)	(695,505)
<b>Total equity</b>	<b>6,893,101</b>	<b>8,583,671</b>

The accompanying notes form part of these financial statements.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

<b>Condensed Statement of Changes in Equity for the Half Year Ended 30 June 2009</b>					
	<i>Note</i>	\$	\$	\$	\$
		<b>Fully paid ordinary shares</b>	<b>Reserves</b>	<b>Accumulated Loss</b>	<b>Total</b>
<b>Balance at 01.07.2008</b>		9,155,900	28,507	(360,460)	8,823,947
Share issue costs	4	(13,332)	-	-	(13,332)
Foreign currency translation		-	108,101	-	108,101
Loss for the period attributable to members of parent entity		-	-	(335,045)	(335,045)
<b>Balance at 31.12.2008</b>		9,142,568	136,608	(695,505)	8,583,671
<b>Balance at 01.01.2009</b>		9,142,568	136,608	(695,505)	8,583,671
6,692,602 shares issued during the period	4	796,838	-	-	796,838
Share Issue Costs		(4,433)	-	-	(4,433)
Foreign currency translation		-	(1,140,363)	-	(1,140,363)
Loss for the period attributable to members of parent entity		-	-	(1,342,612)	(1,342,612)
<b>Balance at 30.06.09</b>		9,934,973	(1,003,755)	(2,038,117)	6,893,101

The accompanying notes form part of these financial statements.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

<b>Condensed Consolidated Cash Flow Statement for the Half Year Ended 30 June 2009</b>		
	<b>Jun-09</b>	<b>Jun-08</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	2,299,644	1,476,703
Payments to suppliers	(1,439,239)	(999,770)
Payments to employees	(1,491,349)	(791,718)
Payment for tax	-	(1,917)
Interest received	24,273	71,127
<b>Net cash used in operating activities</b>	<b>(606,671)</b>	<b>(245,575)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(28,379)	(50,409)
Payments for subsidiaries net of cash acquired	-	(716,020)
Deferred payment relating to prior period acquisitions	(319,289)	(215,896)
<b>Net cash used in investing activities</b>	<b>(347,669)</b>	<b>(982,325)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	500,000	-
Payment for share issue costs	(4,433)	-
Repayment of borrowings	(133,843)	-
<b>Net cash provided by financing activities</b>	<b>361,724</b>	<b>-</b>
<b>Net decrease in cash held</b>	<b>(592,616)</b>	<b>(1,227,900)</b>
Cash at beginning of period	1,656,698	3,988,278
<b>Cash at end of period</b>	<b>1,064,082</b>	<b>2,760,378</b>

The accompanying notes form part of these financial statements.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

**Notes to the condensed financial statements**

**Note 1 Significant Accounting Policies**

**Statement of Compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

**Basis of Preparation**

The condensed financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computations adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Company's 2008 annual financial report for the financial year ended 31 December 2008.

**Going Concern**

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated entity reported a loss of \$1.28 million before tax and cash outflows from operating activities of \$607K.

The working capital position as at 30 June 2009 for the consolidated entity results in an excess of Current Assets over Current Liabilities of \$244K. This working capital balance includes deferred revenue (current liability) of \$1.09 million which will be utilised in normal operating activities. The cash balance as at 30 June 2009 was \$1.06 million.

The ability of the Company to continue as a going concern is dependent on its ability to:

- Continue to manage its performance and grow revenue from operating activities
- Improving the cash flows from operations
- Obtain additional funds from capital raising in the second half of FY2009.

At the date of this half year report and having considered the above factors, the Directors are confident that the consolidated entity will be able to continue as a going concern given the following reasons:

- (a) Organic growth has been achieved from operations as the consolidated entity has continued to refine and develop their websites, services and operating activities.
- (b) The consolidated entity has increased the strength of the senior management team with the recruitment of new executives during the half year. Their experience and industry knowledge will assist with meeting sales targets and further developing operations.
- (c) A successful share placement of \$500,000 was made during the half year. The directors believe that they will be able to raise additional funds in future periods as and when required to support the Group's expansion.

Notes to the condensed financial statements (Cont.)

Note 2     **Accumulated Losses**

	<b>Jun-09</b> <b>\$</b>	<b>Dec-08</b> <b>\$</b>
Accumulated Losses at the beginning of the financial period	(695,505)	(360,460)
Net loss attributable to members of the Company	(1,342,612)	(335,045)
<b>Accumulated losses at the end of the financial period</b>	<b>(2,038,117)</b>	<b>(695,505)</b>

Note 3     **Segment Results**

The Company operates in only one business segment which is the online advertising segment. The Company considers that it operates in a single geographical segment due to the availability of the portals to be accessed by Asian viewers.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

Notes to the condensed financial statements (Cont.)

**Note 4 Equity Securities Issued**

	<i>Note</i>	<b>Jun-09</b> \$	<b>Dec-08</b> \$
<b>Contributed Equity</b>			
<b>Fully Paid Ordinary Shares</b>			
<b>At the beginning of the reporting period</b>		9,142,568	7,665,052
<b>Shares issued during the period</b>			
- 640,000 shares issued to non-executive Directors at 25c per share		160,000	-
- 5,000,000 shares issued to CAV Investment Holdings at 10c per share		500,000	-
- 1,052,602 shares issued to vendors of Keagen Group Sdn Bhd at 13 c per share		136,838	-
- 1,375,640 shares issued to vendors of Keagen Group Sdn Bhd at 25c per share		-	343,910
- 4,600,521 shares issued for final consideration of Info-Tools Pte Ltd at 25c per share		-	1,150,130
Transaction costs relating to share issues		(4,433)	(16,524)
Subtotal of shares issued during the reporting period		792,405	1,477,516
<b>Total shares on issue at end of reporting period</b>		9,934,973	9,142,568
<b>No of shares at the beginning of reporting period</b>			
		<u>No.</u>	<u>No.</u>
		108,286,182	102,310,021
<b>Shares issued during the period</b>			
- 07/03/2008		-	1,375,640
- 11/03/2008		-	4,600,521
- 24/04/2009		640,000	-
- 16/05/2009		5,000,000	-
- 05/06/2009		1,052,602	-
Subtotal of shares issued during the period		6,692,602	5,976,161
At reporting date		114,978,784	108,286,182

No options were issued during the period

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

**Notes to the condensed financial statements (Cont.)**

**Note 5 Foreign Currency Translation Reserves**

	<b>Jun-09</b>	<b>Dec-08</b>
Opening balance	136,608	28,507
Translation movement	(1,140,363)	108,101
Closing balance	(1,003,755)	136,608

**Note 6 Contingent Liability**

Acquisition agreements provide for an adjustment to the cost of the acquisition contingent on future earnings of the businesses. Where the achievement of the future earnings is considered probable and the amount of additional consideration payable can be measured reliably, a liability for deferred consideration has been recognised in the financial statements. There are other acquisitions that have occurred previously that also include allowance for additional consideration to be paid under certain considerations but the liability has not been recognised at balance date as the achievement of the earn out conditions is at present not considered probable.

**Note 7 Impairment**

An impairment loss of \$249,216, equivalent to the full carrying value of the 15% investment in Horizon Infoventures Private Limited, has been taken up due to uncertainties surrounding its short-term performance. This investment is within the overall Asian cash generating unit.

**IPGA LTD**  
**ABN 99 126 188 538**

**Financial Statements**  
**Half Year to 30 June 2009**

**Directors' Declaration**

The directors declare that:

- (a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, consisting of a stylized, cursive script that appears to read 'Patrick Grove'. The signature is written over a horizontal line.

Patrick Grove  
Chairman  
26 August 2009

## Independent Auditor's Review Report to the Members of IPGA Limited

We have reviewed the accompanying half-year financial report of IPGA Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, cash flow statement and statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 13.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of IPGA Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# Deloitte.

## *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

## *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of IPGA Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



**Robert D D Collie**  
Partner  
Chartered Accountants  
Melbourne, 26 August 2009