



December Half 2009



Summary

- Loss for half year of \$39m
- NTA 50 cents per share
- Bank debt repayments ahead of schedule
- Operating environment remains uncertain

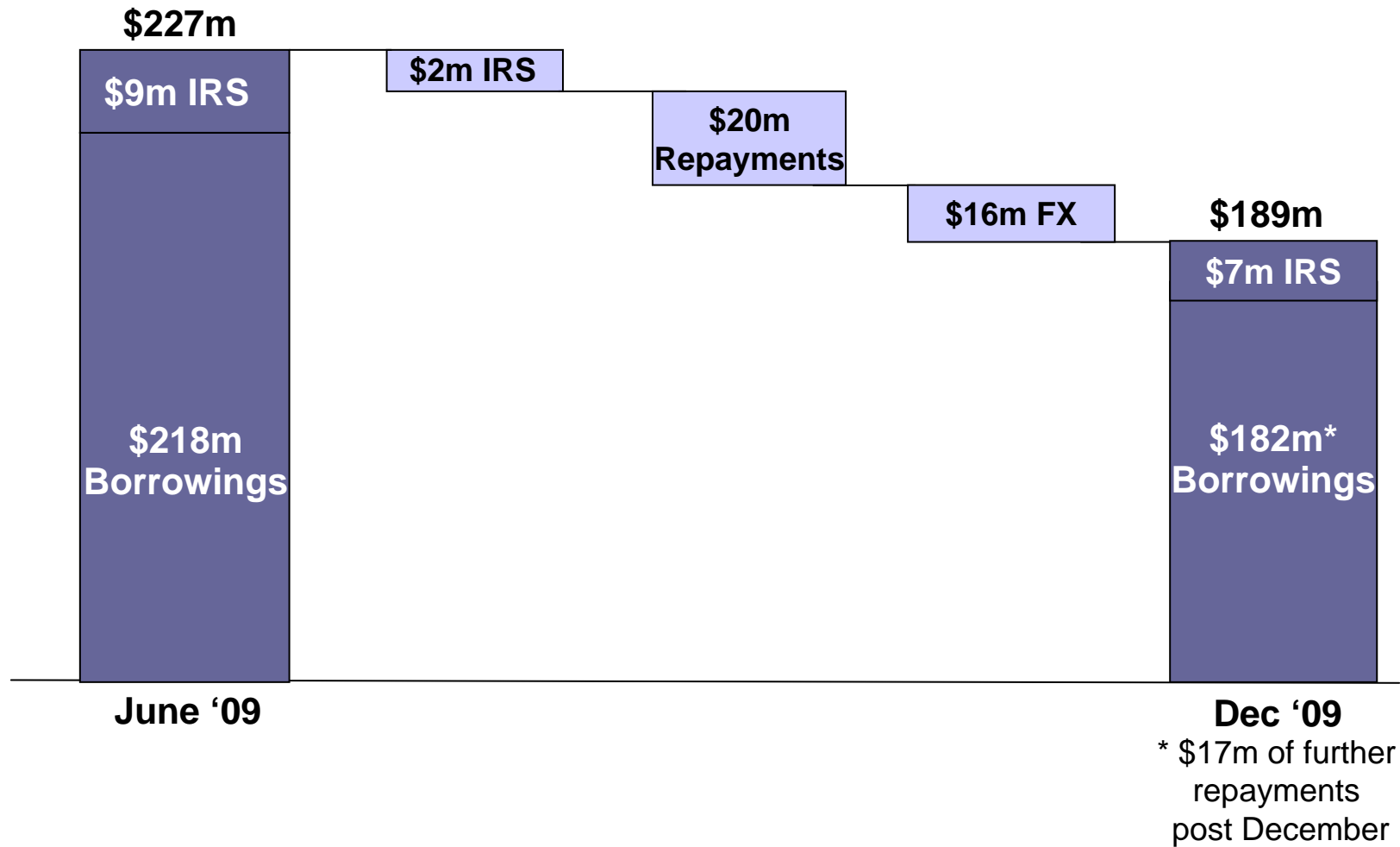
Profitability

	Dec Half 2009 \$m	Dec Half 2008 \$m
Income	14.5	34.7
Borrowing Costs	(8.0)	(8.7)
Operating Costs	(2.7)	(2.3)
Pre Tax Operating Profit	3.8	23.7
Foreign Exchange	(11.5)	3.3
Impairments	(17.9)	(25.2)
Income Tax	(13.6)	(0.5)
NPAT	(39.2)	1.3

Balance Sheet

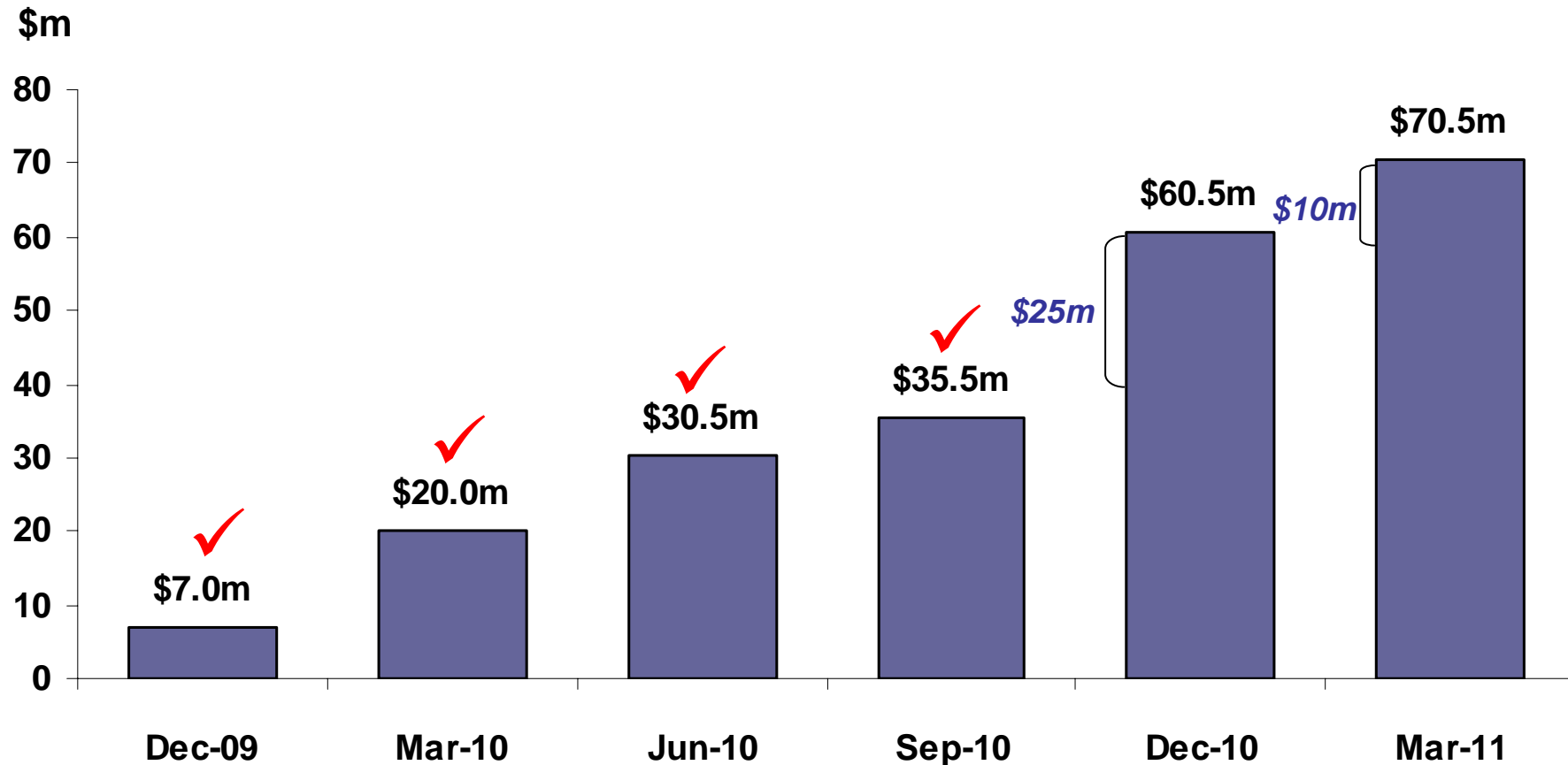
	Dec 2009 \$m	June 2009 \$m
Investments	268	324
Cash	7	10
Deferred Tax Asset	-	15
Liabilities	(189)	(227)
SHF	86	122

Corporate Debt



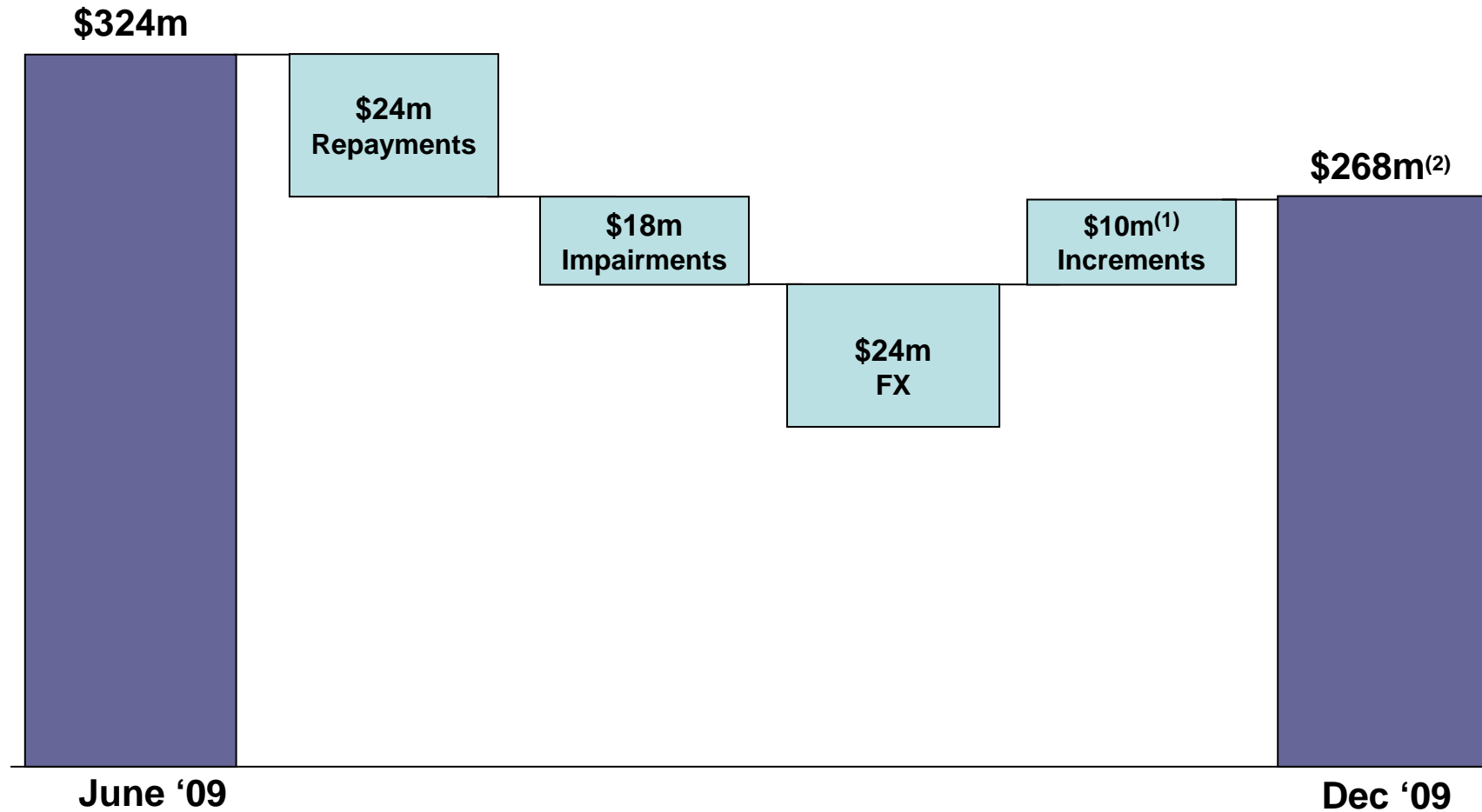
Corporate Debt

Required Repayments



✓ Expected to be met by end Feb '10

Investments

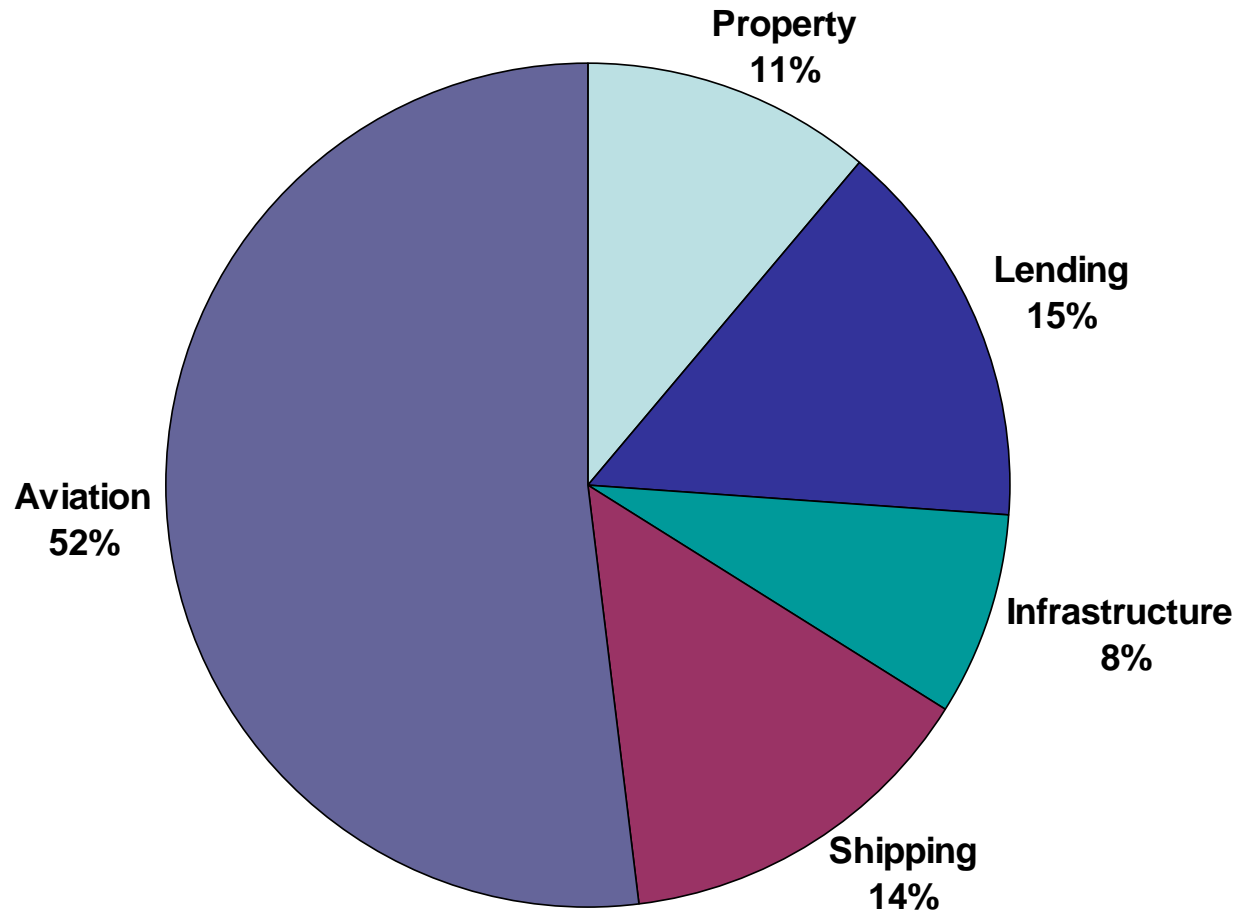


⁽¹⁾ Income accruals plus top-ups of existing investments

⁽²⁾ \$16m of further repayments received post December

Investments

31 Dec '09
\$268m



Investments

Property

- Total book value \$29 million
- Mainly mezzanine loans secured by developments in Australia & US
- 7 remaining investments
- Affected by slowdown in sales activity & falls in market prices
- Repayments of approx. \$1m in half year

Investments

Aviation

- Total book value \$140 million
- Preferred equity & mezzanine loans secured by passenger jet aircraft
- 5 remaining investments, with one repaid in Jan '10
- Affected by falls in secondary market prices, reduced airline profitability & constrained bank lending
- One investment repayment: \$10m in Jan '10

Investments

Shipping

- Total book value \$36 million
- Ordinary & preferred equity investments in cargo-carrying vessels
- 4 remaining investments
- Affected by falls in both charter rates & secondary market prices; LVRs have been breached
- No realisations in half year

Investments

Infrastructure

- Total book value \$22 million
- Equity investments in wind & solar facilities in Europe
- 2 remaining investments
- Affected by falls in secondary market prices
- \$19m of realisations in half year

Investments

Lending

- Total book value \$41 million
- Senior & subordinated loans across variety of industries
- 6 remaining investments
- Half the investments regularly pay cash interest
- \$5m of repayments in half year, plus \$6m in Feb '10

Management

- Important to retain & motivate management team of six executives
- In formulating incentive arrangements, Board's objective was to reduce cash component
 - ⇒ Approx. 50% of incentive payments to be in shares
- Over 2010 & 2011, up to 10.2m shares would be issued if key performance criteria satisfied

Outlook

- Not making new investments
- Priority is to repay debt
- Objectives
 - Keep opex as low as practicable
 - Bring forward realisations where possible
 - Where this is not practicable, preserve as much value as possible

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