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Innovation Vocation Care

Annual General Meeting

Held at:

PricewaterhouseCoopers

201 Sussex Street Sydney

Friday 20 May 2011 at 11.00am

Disclaimer

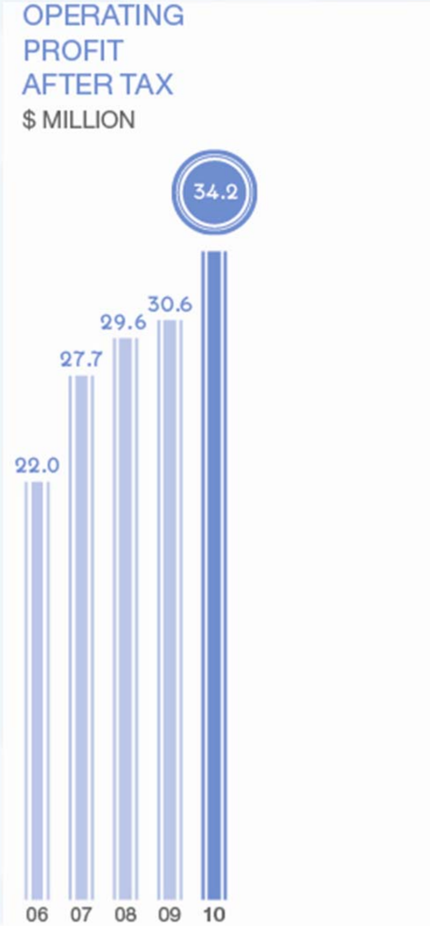
This presentation contains forward looking statements, which may be subject to significant uncertainties outside of InvoCare's control. No representation is made as to the accuracy or reliability of these forecasts or the assumptions on which they are based. Actual future events may vary from these forecasts.

Annual General Meeting

Chairman’s Overview

Another Successful Year

Record <u>operating</u> profit $34.2m with strong cash flows



Another Successful Year

- Reported profits impacted by change in prepaid contract accounting, retrospectively applied to start of 2009
- Debt facilities successfully renewed and increased
- Organic and acquisition growth continues, with Bledisloe main focus to expand into new markets in New Zealand and Australia
- ACCC decision on Bledisloe expected shortly

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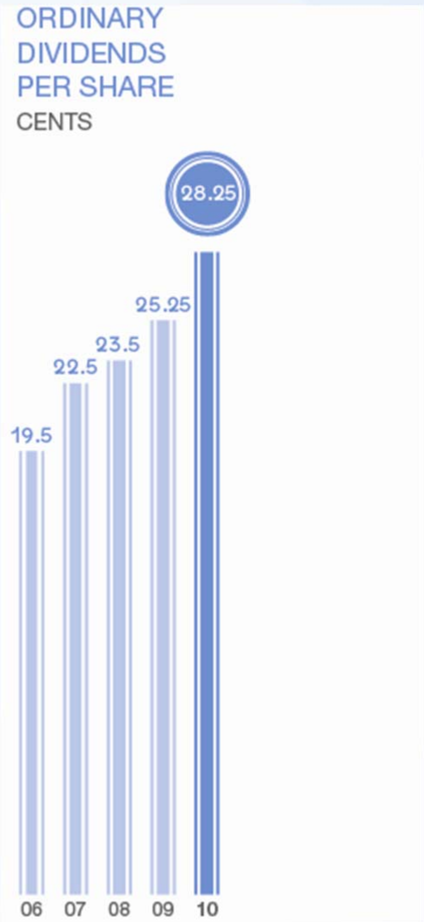
Shareholder Value

Fully franked full year dividends up 11.9% to 28.25 cents



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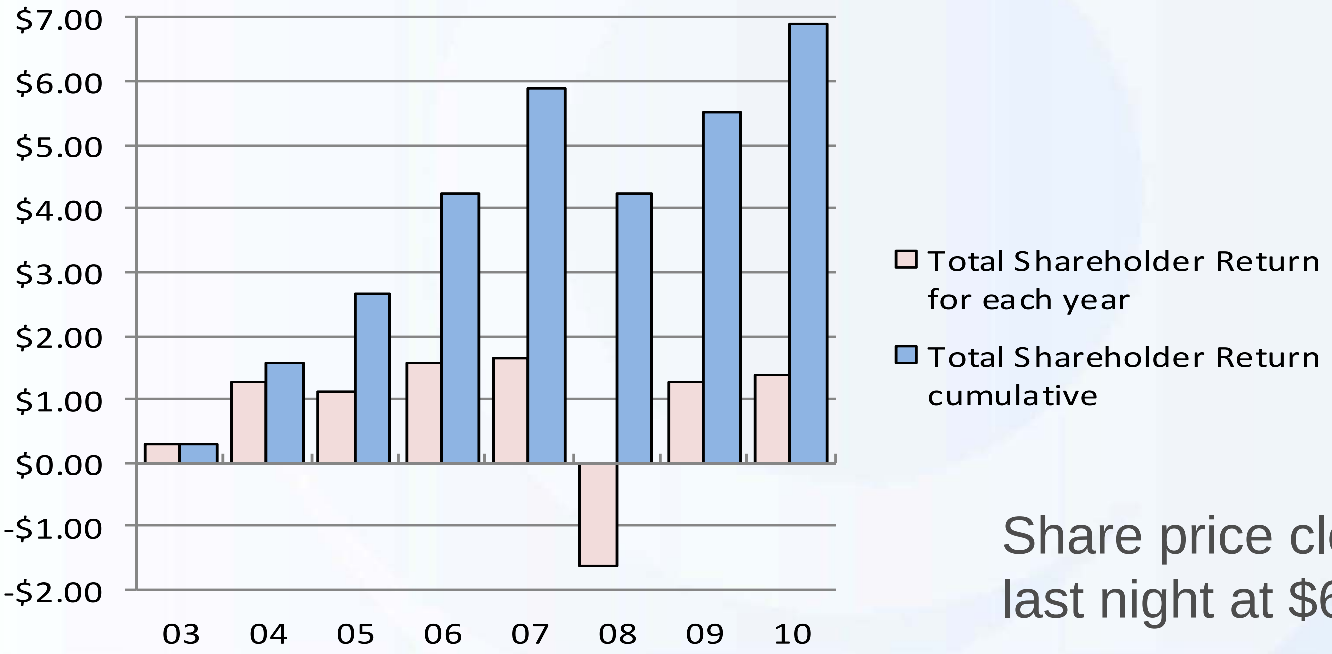
Shareholder Value (continued)

Total shareholder return (share price growth plus cash dividends) to 31 December 2010 on 2003 IPO price of $1.85 was 372% (or 25% compound annual growth)



Share price closed last night at $6.95

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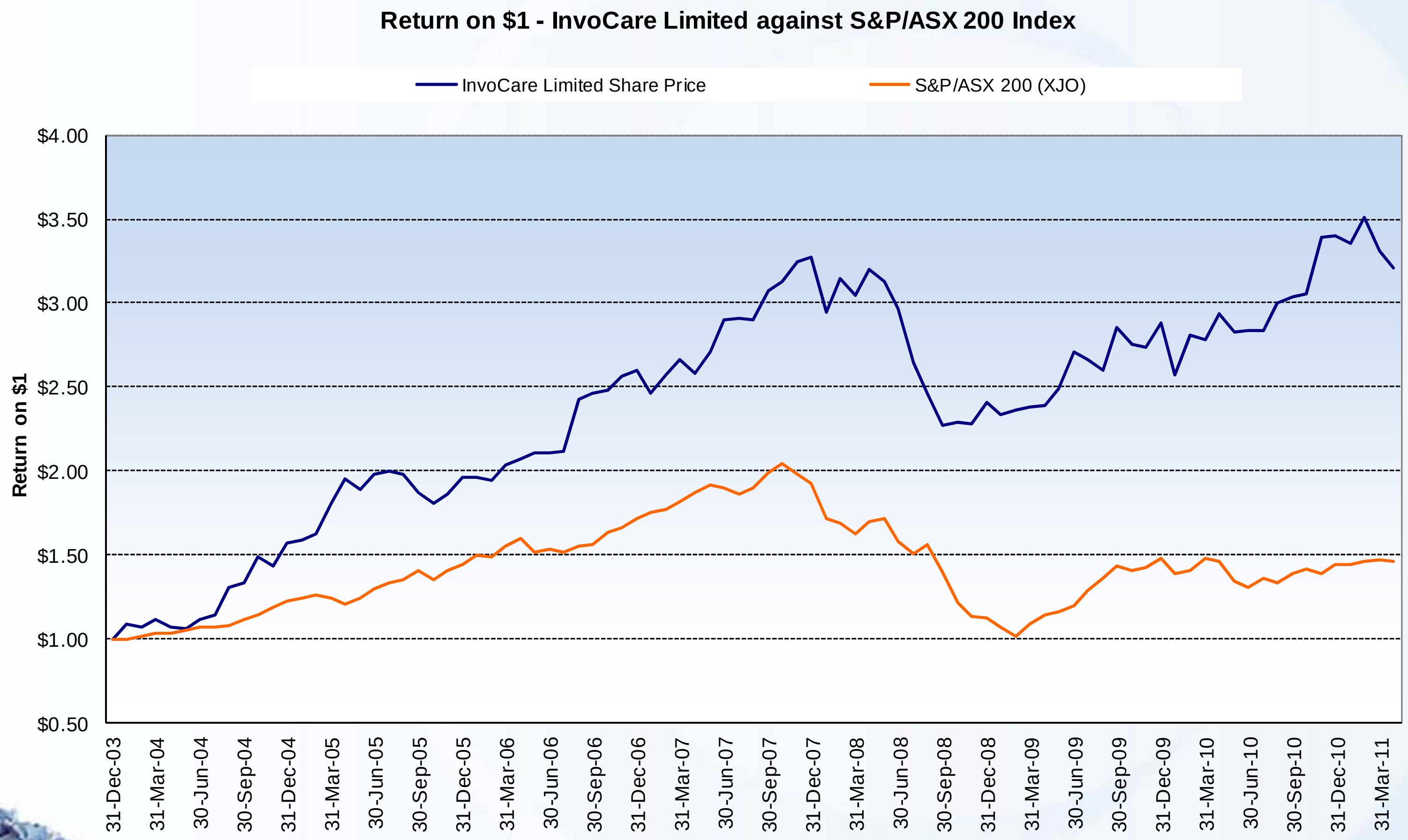
Shareholder Value (continued)



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Debt Facilities

- New $255m unsecured, multi-currency, non-amortising bi-lateral debt facilities arranged in September 2010
- Three banks (ANZ, NAB & CBA) with $85m participation each
- At year end, 99% (2009: 99%) of debt hedged at fixed interest rates, exceeding minimum 75% policy
- Weighted average overall effective debt cost 7.1%
- After funding Bledisloe purchase, sufficient headroom available to pursue further small acquisitions

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Bledisloe acquisition

- Bledisloe is main near term focus
- Announced agreement to buy Bledisloe in November 2010
- Bledisloe is largest operator in NZ & one of top 4 in several Australian markets
- Revenues approx. $60m & maintainable EBITDA approx $11m
- Enterprise value $114m - after synergies purchase multiple approx. 7.5X
- Awaiting ACCC approval, which published preliminary views in January 2011 and decision anticipated late May or early June

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Board & Corporate Governance

- Strong commitment to best practice corporate governance
- Focus on succession planning and quality of senior management
- Board continued its regular program of meetings and location visits
  - Adelaide and Perth in May 2010
  - Sunshine Coast in September 2010
  - Melbourne in May 2011
- Audit, Risk, Remuneration and Nomination Committees each functioned effectively throughout year

Employees

- On behalf of the Board, I would like to publicly acknowledge our employee contributions and efforts
- Professionalism and dedication of InvoCare's employees are key to InvoCare's success
- Service excellence stands out in customer surveys with an overwhelming majority continuing to recommend InvoCare's brands

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CEO’s Overview

Solid Business Model Delivers Again

- Growth in all key financial areas
- Business model is re-affirmed
- Accordingly, no shift in strategic direction warranted

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Strategic Growth Pillars Evident in 2010

– Favourable demographics	✘
– Pricing / average cem crem contract values	✓ / ✓
– Market share improvements	⇔
– Prepaid surpluses	✘
– New locations annualisation/New Locations	✓ / ✓
– Business acquisitions	✓
– Operating leverage	✓

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2010 – Singapore Funerals
Another Successful Year

- Case volume increased 3.1%
- Annualisation effects of new locations
- Funeral case average increased 9.4% in SGD
- Growth in new Simplicity brand affected averages
- Revenues increased 12.7% to SGD $11.9m
  or 3.1% to AUD $9.5m

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Results for four months to 30 April 2011

- Total Group Sales revenue up 6.5%
- Australian funeral cases up 2.8% (up 1.0% on a comparable basis)
- Small gain in Australian funeral market share estimated
- Australian average revenue per funeral up 5.7%, supported by:
  - normal annual price increase,
  - higher disbursements (with no or little margin), and
  - mix benefits

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Results for four months to 30 April 2011
(continued)

- Singapore sales revenue up 5.1% in local currency, with case average increases more than offsetting some volume decline
  - ➢ exchange rate effects reduced Singapore revenue growth to 3.4% in Australian currency
- Prepaid funeral contract sales volume up 9%
  - ➢ exceeding redemptions by 12%
- Cemeteries and crematoria sales revenue up 0.4%
  - ➢ cremation & burial case volumes overall down approx. 1%
  - ➢ NSW gains of 1% not able to offset continued market share losses in Northern NSW & S.E. Qld
  - ➢ deferred revenue pool increased by $1.8m

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Results for four months to 30 April 2011
(continued)

- Capital expenditure $4.0m
- Depreciation expense up $0.3m
- Prepaid funds under management value growth near 2% in Q1, but market volatility continues – total funds end Q1 $279m
- Ongoing cost management required to achieve leverage
- Bledisloe acquisition related costs are approx. $1m
- Confident we will have ACCC outcome either later this month or early June

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Robust Business Model Continues to Perform

- Growth pillars continue to prove business model
- Solid start to year
- Number of deaths is key variable impacting full year results
- Completion & integration of Bledisloe remains key acquisition priority for 2011

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Ordinary Business

Financial Reports

- To receive and consider the Financial Reports, Directors' Report and Independent Audit Report of InvoCare Limited and its controlled entities for the year ended 31 December 2010
- Mr John Feely, partner from PricewaterhouseCoopers, InvoCare's external auditor is in attendance
- Questions to the Board or InvoCare's external auditor are now invited

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Resolutions

- Adoption of remuneration report
- Re-election of directors

Resolution 1

Adoption of Remuneration Report

That the Remuneration Report (which forms part of the Directors' Report) for the year ended 31 December 2010 be adopted.

Note: The vote on this resolution is advisory only and does not bind the directors or the Company.

Resolution 2

Re-election of Roger Penman

That Roger Penman, who retires by rotation in accordance with the Company's Constitution, be re-elected as a director of the Company.

Resolution 3

Re-election of Richard Fisher

That Richard Fisher, who retires by rotation in accordance with the Company’s Constitution, be re-elected as a director of the Company.

Other Business

To transact any other business that may be lawfully brought forward in accordance with the Constitution and Corporations Act 2001.

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Thank You