



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE

FRIDAY, 22 JULY 2016

CASE INVESTMENT PORTFOLIO AS AT 30 JUNE 2016

1. Below is a summary of the Group's Case Investment Portfolio as at 30 June 2016.

Claim value range	Estimated claim value \$'000	Number of cases	Proportion of total value	Possible completion FY2017 \$'000	Possible completion FY2018 \$'000	Possible completion FY2019 and later \$'000
Less than \$50M	760,982	36	22%	203,318	432,699	124,965
Between \$50M and \$100M	465,184	7	14%	94,262	140,796	230,126
Greater than \$100M	2,211,843	11	64%	434,943	1,027,263	749,637
Total Portfolio	3,438,009	54	100%	732,523	1,600,758	1,104,728
Australia and Asia cases	1,796,080	24	52%	460,500	1,053,580	282,000
USA and Canada cases	1,641,929	30	48%	272,023	547,178	822,728
Total Portfolio	3,438,009	54	100%	732,523	1,600,758	1,104,728

2. Notes to the Group's Case Investment Portfolio:

- a) The **Estimated Claim Value** is IMF's current best estimate of the claims recoverable amount (or remaining recoverable amount if there has been a partial recovery). It considers, where appropriate, the perceived capacity of the defendant to pay the amount claimed. It is *not* necessarily the same as the amount being claimed by IMF's client/s in the case. It is also *not* the estimated return to the Group from the case if it is successful.

The value may vary over time for a number of reasons, including in respect of non-Australian cases, fluctuations in the exchange rate between the applicable local currency and the Australian dollar.

No estimated claim value has been included for any contingently funded cases until all conditions are fulfilled.

- b) The **Possible Completion** period is IMF's current best estimate of the period in which the case may be finalised. The case may finalise earlier or later than in this period. Completion means finalisation of the litigation by either settlement, judgement or arbitrator determination, for or against the funded client. It may not follow that the financial result will be accounted for in the year of finalisation. Completion period estimates are prepared at case inception and reviewed and updated where necessary on a quarterly basis.

IMF#2650134v7

- c) Cases which have settled subject to a condition or to court approval remain in the portfolio until the condition is fulfilled or approval is given.
 - d) To avoid disclosing individual portfolio values (which may be commercially sensitive) the portfolio values for Australia and Asia, and the USA and Canada have been combined.
 - e) Past performance indicates that the Group has generated average gross revenue in excess of 15% of the Estimated Claim Value of a case at the time it is completed.
3. During the quarter the Group has continued to implement its growth and portfolio diversification strategy. The portfolio includes seven new funded cases, four of which were announced, and three of which, due to the relevant investment size, were not announced. Movement in the portfolio from the previous quarter is reconciled as follows:

Description	Number of cases	Portfolio Value \$'000
Case Investment Portfolio at 31 March 2016	50	3,418,103
Additions	7	168,586
Completions	(3)	(224,192)
Updates (5 cases)		28,376
Foreign Exchange Movements		47,136
Case Investment Portfolio at 30 June 2016	54	3,438,009

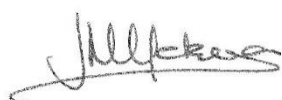
"**Additions**" refers to new cases which have been funded or where the Group has entered into an unconditional commitment to fund.

"**Completions**" refers to cases which are subject to an unconditional binding settlement agreement or a binding determination by a court or arbitration panel.

"**Updates**" details cases where the estimated claim value has either been increased or decreased due to underlying aspects of the cases.

"**Foreign Exchange Movements**" details the increase or decrease of the aggregate estimated claim value of the portfolio resulting from fluctuations in the exchange rate between the applicable local currency and the Australian dollar.

- 4. The Possible Completion period for the Westgem case has been moved back from FY2017 to FY2018.
- 5. As advised to the market on 31 May 2016, the class action against Aecom Australia Pty Limited (*Rivercity*) was subject to a conditional settlement. As the settlement remains conditional, the case remains included in the above portfolio.
- 6. As announced to the market on 14 July 2016, IMF has completed the sale of its interest in its European joint venture to Innsworth Investments II S.à r.l, IMF's former joint venture partner, and therefore will no longer report on the Tesco and Volkswagen cases.
- 7. IMF will continue to update its Case Investment Portfolio on a quarterly basis.



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