Allco Equity Partners Limited

Annual General Meeting

26 September, 2007

partnership / determination / ingenuity

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Managing Director's Presentation

26 September 2007

F2007 – Year in Review

Financial Review

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	2007	2006	2005 [1]
Profit before financing costs, tax, depreciation and amortisation [2]	$82.2m	$41.8m	$4.0m
Profit before tax [2]	$56.3m	$26.8m	$4.0m
Earnings per share [2]	43.1 cents	25.7 cents	2.7 cents
Final and interim dividends	40.0 cents	6.0 cents	-
Net assets per share at 30 June [3]	$5.75	$3.65	$1.72

[1] Period from 12 November 2004 to 30 June 2005

[2] Includes impact of transition to AIFRS

[3] 2007 – shares fully paid, 2006 – shares partly paid to $4.00, 2005 – shares partly paid to $2.00

Dividend

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- Final dividend for F2007 of 37.0 cents per share, fully franked
- Total dividends for financial year of 40.0 cents per share
- Intention to return 100% of realised after tax profits
- Nature of activities means a regular dividend is not expected to be paid

Transaction Highlights

- Current ownership interests:
  - Signature Security Group (96%)
  - Trans Tasman Collections (50%)
- Commitment to IBA Health Limited of approximately $362m announced in August (anticipate 35% stake in target entity)
- Total equity invested and committed of $455m as at 31 August
- Profitable divestment of:
  - Veda Advantage shareholding
  - Strategic equity stake in potential target

Net Assets per Share at 30 June 2007

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	$ per AEP Share
Cash and cash equivalents	3.56
Proceeds from sale of shares in Veda Advantage (received in July)	1.41
Trans Tasman Collections equity accounted investment and shareholder loan	0.39
Signature Security Group consolidated net assets before debt funding	1.36
Signature Security Group net debt funding, non-recourse to AEP	(0.83)
Tax liabilities	(0.12)
Other AEP net assets (liabilities)	(0.02)
Net Assets per Share	**5.75**

Signature Security Group

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Business Description	Supplier of electronic security services in Australia and New Zealand. Services include the installation, monitoring, sale and leasing of electronic security equipment to residential and commercial customers
Acquired	January 2006
Ownership	96%; consolidated entity
Enterprise Value at Acquisition (excluding costs)	$138.0 million
Equity Cost	$55.0 million (2006: $40.0 million)

Signature Security Group

Financial Results	12 months to 30/06/07 $m	6 months to 30/06/06 $m
Revenue	64.4	30.6
EBITDA	22.3	12.8
EBIT	8.4	4.4
Cash Flow from Operating and Investing Activities	10.0	8.2
Net Assets at 30 June	54.8	39.6

Signature Security Group

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Strategy	Investment Merits
▪ 3-5 year investment profile ▪ Further bolt on acquisitions ▪ Grow direct and indirect sales channels ▪ Further control customer attrition	▪ Defensive sector expected to grow ▪ Stable cash flows ▪ Solid market position as one of three major national firms
Achievements	**Key Performance Measures**
▪ Renewed authorised dealer programme ▪ Customer care and save initiatives introduced ▪ Two bolt on acquisitions to date with one other pending completion	▪ Rate of customer attrition ▪ Recurring monthly revenue

Trans Tasman Collections (trading as Baycorp)

Business Description	Receivables management and integrated debt recovery services in Australia and New Zealand. Owns Baycorp Collection Services (BCS) and Portfolio Management Group (PMG). Holds 10.3% investment in Collection House Limited (ASX: CLH)
Formed	June 2006
Ownership	50% joint venture with a fund managed by Propel Investments. Equity accounted investment
Enterprise Value at Acquisition	$112.0 million
Equity Cost and Shareholder Loan	$37.6 million

Trans Tasman Collections (trading as Baycorp)

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Financial Performance [1]	12 months to 30/06/07 $m
Gross Revenue and Receipts from PDLs	82.5
EBITDA	38.0
EBIT	12.7
Cash Flow from Operations before Purchase of Debt Ledgers	31.5
Net Assets at 30 June	68.0

[1] 100% basis, unaudited. First year of operations.

Trans Tasman Collections (trading as Baycorp)

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Strategy

- Further acquisitions of PDLs to grow business
- Expand customer base
- Intent to become national debt service "company of choice"

Investment Merits

- Defensive sector
- Benefits from tighter economic conditions
- Leading market position

Achievements

- Successful tendering for new debt ledgers
- Integration of BCS and PMG in 2006

Key Performance Measures

- Acquisition of PDLs
- Rate of cash collections

Veda Advantage

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(formerly Baycorp Advantage; since delisted)

Business Description	Major credit reference source and provider of business information services
Acquired	August 2005
Ownership	17.3% holding in ASX listed entity. Marked to market investment
Divested	June 2007 Exit to PE firm (privatised)
Original Cost of Acquisition	$137.4 million
Net Cost After Capital Returns	$104.4 million

Veda Advantage

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Dividends received during holding period	$14.8m
Profit on Disposal	$31.9m
Cumulative Profit Before Tax and Fees	$46.7m
Internal Rate of Return (ungeared and before fees)	19.8%
Internal Rate of Return (ungeared and after fees)	18.6%

Veda Advantage

Strategy	Achievements
▪ Initiatives proposed by AEP undertaken by Veda Board: • Business restructuring • Capital management program • Board changes	▪ Example of: • How AEP and Manager can add value to a business • Results that can be achieved

Strategic Investment Activities

- Strategic positions acquired whilst assessing transaction opportunities
    - Consistent with being a corporate activist
- Held if transaction opportunity proceeds
- Sold if:
    - Contemplated actions did not eventuate or
    - Credible divestment proposition or
    - Favourable market event arises
- Profit before tax and fees of $15.2 million generated in F2007 and IRR of 73%

Net Assets v Share Price

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As at 31 August, 2007

▪ Net assets per share	$5.44
▪ Net tangible assets per share	$4.10
▪ Share price at 31 August 2007	$4.04
▪ Share price discount to:	
• Net assets	25.7%
• NTA	1.5%

- Underlying value of investments not reflected in share price
- Thinly traded stock
- Further establish track record

On-Market Share Buy-Back

Announced 25 May, 2007

- To buy-back and cancel up to 5% of issued shares (5.1 million shares)
- Part of capital management program
- 85% complete
- Completion depends on use of available funds

The Manager

- Wholly owned by Allco Finance Group from 31 July 2007
  - Expect closer relationship
  - Enhanced alignment of interest
- 25 year exclusive Management Agreement from November 2004
  - Not affected by ownership changes
- Allco Finance Group has strong global and diverse origination capabilities
  - Possible pursuit of co-investment opportunities where AFG provides structured financing and AEP equity invests in an operating business

Fees To The Manager

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Fee Type	F2007 Fees	Basis / Derivative
Transaction Fees	$4.2m	1% on completion of investment acquisitions based on enterprise value acquired
Performance Fees	$3.3m	Only payable upon exit of investments subject to return thresholds being met: • Less than 15% IRR ➢ no fee payable • 15% - 25% IRR ➢ 25% of pre tax return >15% • >25% IRR ➢ 25% of pre tax return between 15% and 25% ➢ 33% of pre tax return >25%
Annual Management Fees	Nil	Not applicable to current investments Distinguishes AEP from other “listed cash boxes” and wholesale PE funds
Accounting and Admin Support	$0.3m	Cost recovery basis

F2008 – Forward Strategy

IBA Health (and iSOFT plc)

Business Description	IBA provides information and communication solutions to connect providers, payers, patients and communities. IBA's range of systems are designed to support workflows across all health sectors including hospitals, clinics, aged and community care facilities, primary care as well as claims and patient processes
Acquired [1]	November 2007
Ownership [1]	30 - 40%
Enterprise Value at Acquisition [1] **(excluding costs)**	$ 1 billion
Equity Cost [1]	$300 million

[1] Indicative, premised upon commitments and subject to successful iSOFT scheme outcome and equity participation

IBA Health (and iSOFT plc)

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Investment Thesis and Rationale

- Commitment to provide funding
  - $300m of shares and convertible notes
  - GBP 25m ($A62m) short term loan facility
  - Favourable negotiated terms

- Subject to IBA completion of iSOFT plc acquisition
  - Competing bidder withdrawn
  - iSOFT board recommendation obtained
  - Scheme documentation sent to iSOFT shareholders
  - Expect to complete by November

- AEP will be represented on IBA Board and committees post completion
  - At least two directors
  - Involvement in overseeing integration

IBA Health (and iSOFT plc)

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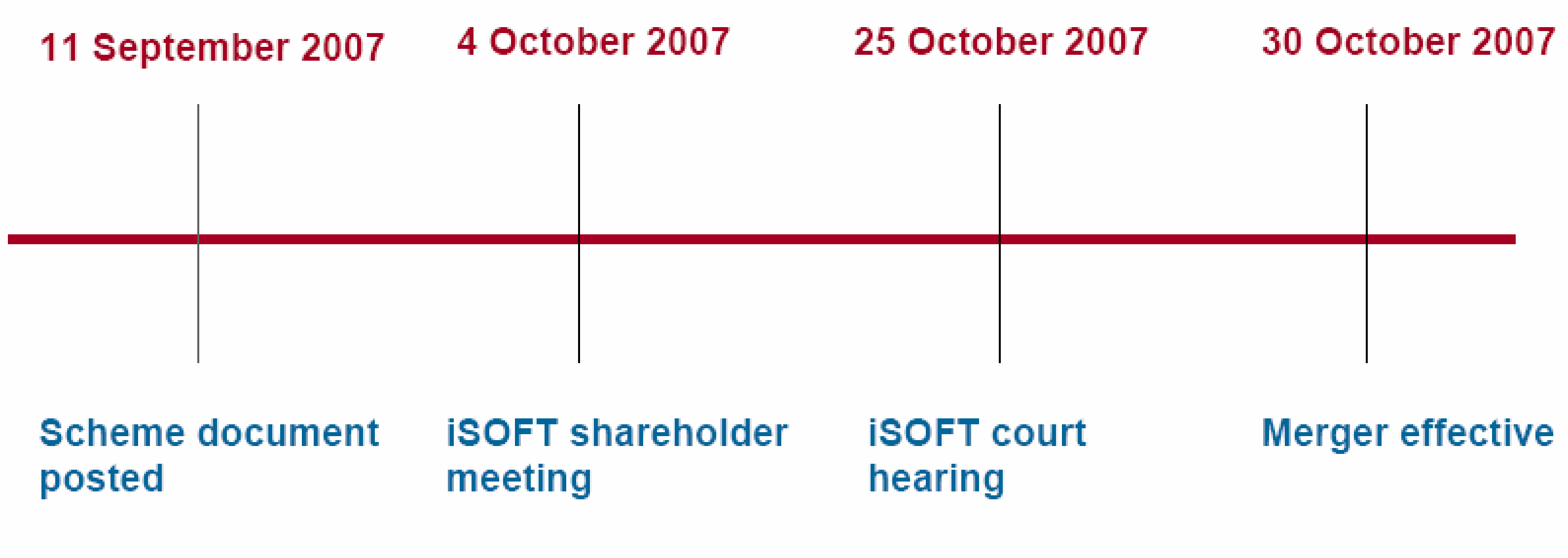
Transformation Timetable



Dates are subject to change and are indicative only

IBA Health (and iSOFT plc) Global Footprint

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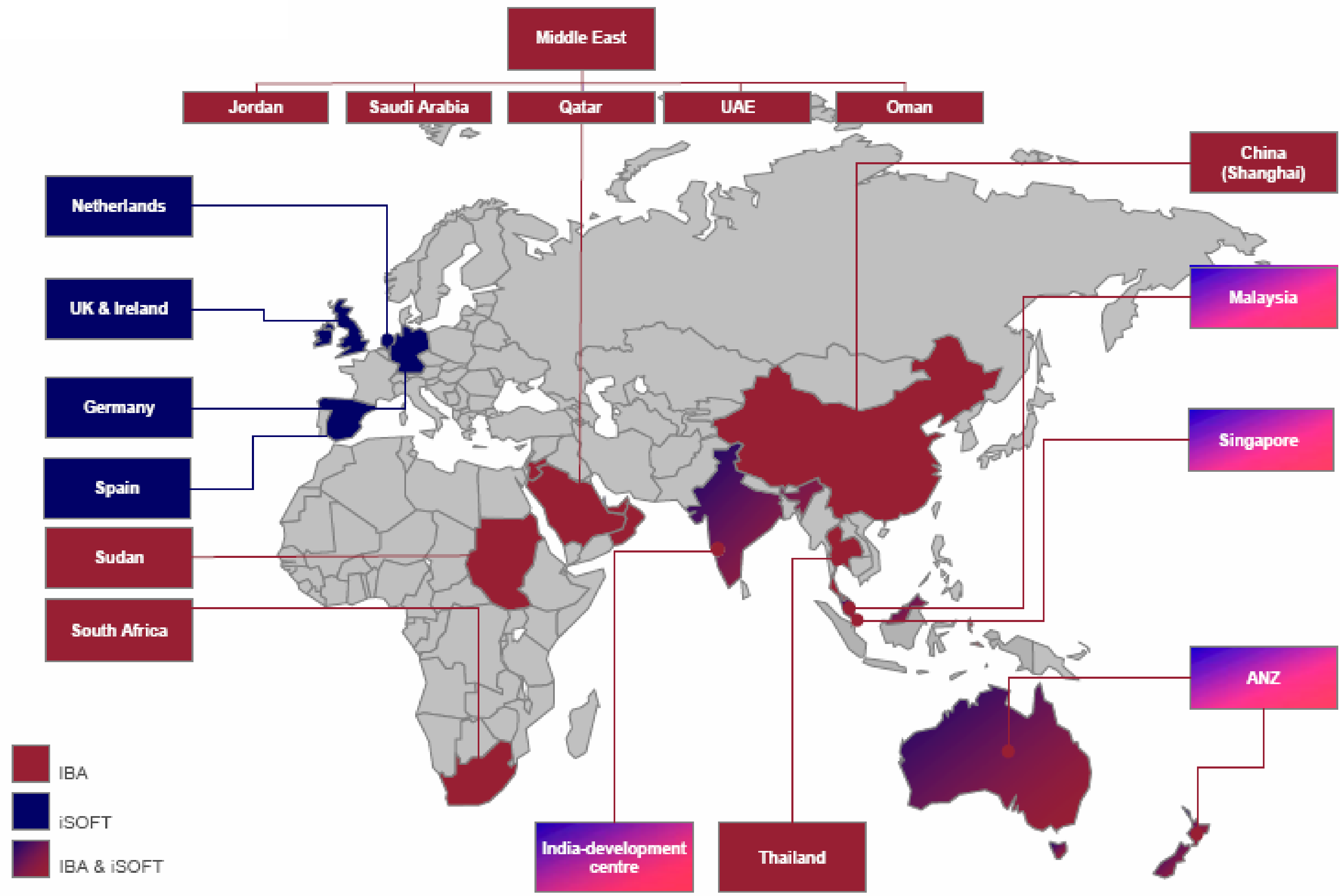

IBA Health (and iSOFT plc)

Merger of IBA and iSOFT

- Compelling business case
- Sector is high growth and defensive
- Creates
  - International presence
  - Scale
  - Synergies
  - Top line growth opportunities
- Experienced IBA Management team

Market Conditions

- Economic fundamentals remain sound
- Debt for highly leveraged transactions harder to obtain following recent US market events
    - Medium term credit issue and liquidity issue
    - Most Australian corporates are conservatively geared
- AEP has cash available
    - All investment borrowings are non-recourse to date
    - Not reliant upon debt funding
- Still expect to see strong M&A activity with solid deal flow pipeline
    - AEP positioned to participate
- Anticipate vendor expectations and, in turn, return profiles to pare back in the medium term
- Expect to see increased investment competition from trade buyers going forward

Investment Strategy Forward

- Traditional Private Equity and Corporate Activist
- Medium to large transactions
  - Expect to achieve one or two transactions per annum
  - Target minimum equity component of $100 million +
- Current focus on Australia and NZ markets
  - Will consider opportunities in offshore markets on a selective basis
- Strategic positions can and will be taken whilst assessing and executing corporate opportunities

Investment Strategy Forward

- Target businesses
  - Proven business model
  - Attractive market dynamics and growth prospects
  - Need to be fundamentally sound
  - Stable cash flows
  - Financial structuring to enhance business value but does not create business value
- Discipline important
  - Medium term investment horizon
  - Financial discipline applied
- Execution paramount
  - Identification, investment, management and divestment phases

Listed Cash Boxes v Traditional PE Funds

Listed Cash Boxes	Traditional PE Funds
▪ Permanent capital base	▪ Closed end fund
▪ Broad mandate	▪ Defined mandate
▪ Subject to corporate governance and listing rules	▪ Unlisted
▪ Able to be opportunistic	▪ Periodic reporting only
▪ Can proceed without full due diligence	▪ Need due diligence
▪ Don’t necessarily require control positions, influence is key	▪ Mandate requires control positions (>50%)
▪ Liquidity for shareholders	▪ Illiquid investment
▪ Access to capital markets	

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