



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)

1 FEBRUARY 2010

2010 PROFIT FORECAST LIKELY HALF YEARLY RESULT INTERIM DIVIDEND

1. The Board of Directors of IMF (Australia) Ltd refers to its profit forecast announced on 26 August 2009.
2. The Board expects that once the current half yearly review is completed by Ernst & Young, IMF will announce a first half gross profit of about \$11m with an after tax profit of about \$8m.
3. As announced in August, the full year forecast was based upon four cases coming to a successful conclusion during the 2010 financial year.
4. Those cases were Sons of Gwalia, Kingstream, National Potato Co-operative and AWB.
5. IMF received marginally in excess of \$14.5m from the Sons of Gwalia matter during the first half. IMF expects to receive further funds in this matter during the current financial year especially if the third Sons of Gwalia dividend is announced during the second half.
6. The Kingstream trial concluded in June 2009 so that the Court is likely to hand down its judgment in the near future. The judgment had been expected in the first half.
7. The trial in the National Potato litigation is due to recommence on 1 February 2010 and is of uncertain duration.
8. The trial in the AWB litigation was adjourned from the first half into the second half of the financial year and a 5 week trial will commence on 8 February 2010. The trial was adjourned because of the unavailability of senior counsel for AWB through injury.
9. The first half results referred to in paragraph 2 above have therefore been achieved with only one of the four matters referred to in paragraph 4 being successfully resolved in the first half.
10. If the other three matters are successfully resolved in the second half then IMF expects to achieve the forecast \$20m - \$24m in after tax profits for the 2010 financial year.

IMF#208010 v3

IMF (Australia) Ltd

GPO Box 5457
Sydney NSW 2001
Freecall 1800 016 464

- For personal use only
11. The Board reiterates its August advice that this forecast may vary significantly as the results from these cases become known.
 12. The timing of the resolution of AWB, Kingstream and NPC has slipped somewhat but it is not yet possible to say that they will not be resolved during the current financial year.
 13. If the Half-Year Financial Report to 31 December 2009, which is reviewed by Ernst & Young, discloses a profit after tax of at least \$6m, then the Board will announce an interim fully franked dividend of 5c per share. The Half-Year Financial Report will be released to the market on 25 February 2010 and any dividend announcement will be made at that time.



Diane Jones
Chief Operating Officer