CENTREPOINT ALLIANCE LIMITED

AGM Script – 23 November 2006

Who	Script	Slide No.
JS	**Cover sheet**	1
JS	**1. Open Meeting:** **CHAIRMAN:** Good morning Ladies and Gentlemen, My name is John Saleeba, I am the Chairman of Centrepoint Alliance Limited. Along with my fellow Directors, I welcome all shareholders and visitors to our Annual General Meeting for 2005. I would like to take this opportunity to introduce the Directors of the Company – firstly Rick Nelson, Noel Griffin, Richard Cawsey, Martin Kane and Peter Leonhardt who most of you will know. There being a quorum present, I declare the 2006 Annual General Meeting of Centrepoint Alliance Limited open. **2. Notice of Meeting** **CHAIRMAN:** The Notice of Meeting has been circulated to shareholders and copies have been made available to those attending today. If there is no objection I shall take the notice convening this meeting as read. **3. Apologies** **CHAIRMAN:** No apologies have been received with regard to non-attendance at the meeting. **4. Proxies** **CHAIRMAN:** Proxies have been received from 41 shareholders representing a total of 36,109,258 proxy votes and these are available for inspection.	2
JS	**Order of business** **5. Annual Report and Accounts; Managing Directors Report** **CHAIRMAN:** The 2006 Annual Report, which contains the financial statements of the Company for the Year ended 30 June 2006	3

	together with the Directors' Statement and Report and the Auditor's Report on those Financial Statements has been distributed to shareholders. I would like to now pass over to our Managing Director Rick Nelson to comment on the results represented in the 2006 Annual Report and to talk more generally on the events of the last 12 months.	
RN	**Presentation of Annual Report 2006** Thank you John and good morning ladies and gentlemen. Sincerest thanks again to Steve Cole and Allens for the kind use of their excellent facilities. Today I would like to briefly touch on the financial performance to 30th June and share with you progress since 30th June with various matters. Firstly in relation to financial performance	3
RN	**2006 – Financial performance** This slide highlights our financial performance for the year. It is significant to note that whilst new lending increased by 19% over 2005, Revenue increased by 110%, EBIT was up 85%, and NPAT was up 51%. However earnings per share was down7% and total dividend payment was also down 17%, but this reflects a special dividend in the prior year and is not reflective of a trend in dividend payments.	4
RN	**Revenue and profit growth** It was important for me today to provide a snapshot of our progress since listing on the ASX in 2002. Revenue has increased from $5.4M to $30.5m – an increase of 465% with net profit after tax increased from $1.04M to $4.09M or 293%	5
RN	**Shareholder Value** If we take a look at the upward movement of our share price, it has certainly been heading in the right direction and this has meant a very good return for shareholders	6
RN	**Shareholder value** When you take into account the dividends paid during the year, the total shareholder return for the year was 45% and after grossing up the dividend the full shareholder return for the year came in at a total of 47%. Therefore if you purchased Centrepoint Alliance shares on the 1st July last year and held those shares until 30th June, then your total return over that time would have been 36 cents The total dividend paid for the year was $3.47m.	7
RN	**Review of 2005/6 Outlook** **Economic environment particularly in Queensland and Western Australia is conducive to underpinning our growth** WA followed by Queensland has led growth in IPF and commercial finance. We are well positioned in Australia's strongest economies. We are now focusing on traditional states of NSW and VIC **Strategic alliances and other opportunities and acquisitions will continue to be pursued across all of our business** There have been significant changes to the company over the past 12months. We have acquired OAMPS Premium Funding	8

	and the result of that is our presence has been significantly boosted in NSW. ES&A are a strong regional player in central Queensland allowing us to tap into the mining industry. CFWA has allowed the company to benefit from the booming WA residential market The strategic alliance with Construction Equipment Australia has expanded our existing vendor finance business into a significant growth area. **Insurance premiums have softened however good opportunities exist to grow the business further** Industry figures point to a fall in premiums of larger than 10% drop however our initiatives have allowed us to grow the book and maintain gross margin. **Opportunity to increase margins in Commercial Finance** A first start was made on this by brining more lending "On-Balance" sheet. The securitisation program will allow this to accelerate in the last six months of this financial year.	
RN	**Centrepoint Alliance Limited 2006/7 Outlook** We are currently experiencing a tougher business environment with increasing competition, interest rates, falling insurance premiums and a tighter labour market. As previously mentioned, we have a continued focus on streamlining business processes and leveraging our capabilities to ensure that we are well positioned to meet these challenges and continue our high rate of growth	9/10
RN	**Insurance Premium Funding** Increased competition amongst the premium funders is driving down margins, while brokers are looking to increase their commissions. While we are holding our gross margins we are seeing the impact of tough market conditions. The takeover of OAMPS by Wesfarmers has delayed the realization of the full benefits of that acquisition.	11
RN	**Commercial Finance** Within the Commercial Finance business unit, there is increased competition from banks on pricing. Banks are our single biggest competitors, followed by Vendor Finance. Increasing interest rates makes for a tight market for brokers and sales staff We are currently addressing our number and seniority of staff in NSW	12
RN	**Centrepoint Alliance Limited 2006 Outlook** "*Securitisation benefits*" A securitisation facility for $205m has been approved with one of the "Big 4" Banks to fund the Premium Finance business. A rating agency has audited and reviewed the Premium Funding business receivables and procedures and have issued a rating for the business unit. Securitisation will enable significantly improved balance sheet leverage, thus reducing the need for additional capital raising.	13

	"Overseas operations – NZ" New Zealand is currently behind budget in dollars written, however costs have been contained, ensuring that we are on track with expectations. We expected NZ to have a negative result for the twelve months. As such, our investment continues at the expected pace. *"Cross sell"* The heavy emphasis will continue throughout the organization with the aforementioned marketing campaign and staff development and training. *"Acquisitions"* A dedicated acquisition team has been established to ensure that this area of the business can be enacted immediately and prevents the removal of key management from day-to-day activities. To ensure our acquisitions are integrated effectively, we have a key resource dedicated to this task. *"People"* The full benefits of the integration between Centrepoint and Alliance are yet to be realized. The costs associated with changes to staffing have continued into this year, however a major restructure of the business has seen some savings. The full employment situation in Australia is increasing wage pressures and causing issues with hiring of new staff. We are proud to be using world's best practice in allowing our staff to develop the roles, establish their major responsibilities and give them an opportunity to reflect on what they believe their purpose is within the organisation. This is reflected back to the Strategic Plan where one of the key items is to develop a workplace that nurtures staff and encourages high performance. Communication channels are open enabling the company goals to be clearly articulated and understood. All staff were invited to take part in the development of the company strategic plan. This was to ensure complete employee buy-in and involvement. Share ownership is encouraged amongst staff with the belief that a level of ownership promotes pride, support, innovation and better performance as a whole. Our current staffing levels are in excess of 150.	
RN	**Centrepoint Alliance Strategy** **Grow profit** • Grow margins • Control costs • Grow volume **Acquire good businesses** • Eps positive brokers • Build and/or leverage infrastrucure **Maintain a tight focus on delivering customer value**	14

	Before handing over to John, are there any questions on my report?	
JS	**CHAIRMAN**: Thank you Rick; are there any general questions or comments about or concerning the financial statements of the Company for the Year ended 30 June 2006, the Directors' Statement and Report or the Auditor's Report on those Financial Statements? (Allow discussion and questions) I would now like to turn to item 2 on your Meeting Agenda, which requires a resolution of shareholders.	
	6. Item 2 : Election of Director – Mr. Richard Cawsey **CHAIRMAN**: "That Mr. Richard Cawsey, who was appointed on 10 October 2006 as an additional director under Article 47 of the Constitution and now retires in accordance with Article 47 of the Constitution and offers himself for election, and who is eligible for election, be elected as a director of the company effective from the date of the this meeting." Will someone propose the motion? (Name) Is there a seconder? (Name) Are there any questions? Of the total proxy votes received: • 17,340,044 were cast in favour of the resolution. • 7,658 were cast against the resolution. • 9,177 abstained. • 18,652,546 are at the discretion of myself as Chairman, and • 99,833 are at the discretion of others. I will now put the motion to a show of hands…… All shareholders present (including proxies who may vote at their discretion) in favour of the motion, please raise your hands. All shareholders present (including proxies who may vote at their discretion) against the motion, please raise your hands. I declare the motion carried.	

	7. Item 3 : Re-Election of Director **CHAIRMAN**: The next motion before the meeting is: "That Mr. Peter Leonhardt, who retires as a Director by rotation in accordance with Article 58 of the Company's Constitution, and who is eligible for re-election and offers himself for re-election, be re-elected as a Director of the Company." Will someone propose the motion? (Name) Is there a seconder? (Name) Are there any questions? Of the total proxy votes received: • 17,347,702 were cast in favour of the resolution. • 9,177 abstained. • 18,652,546 are at the discretion of myself as Chairman, and • 99,833 are at the discretion of others. I will now put the motion to a show of hands…… All shareholders present (including proxies who may vote at their discretion) in favour of the motion, please raise your hands. All shareholders present (including proxies who may vote at their discretion) against the motion, please raise your hands. I declare the motion carried.	
	8. Item 4 : Re-Election of Director **CHAIRMAN**: The next motion before the meeting is: " That Mr. Martin Kane, who retires as a Director by rotation in accordance with Article 58 of the Company's Constitution, and who is eligible for re-election and offers himself for re-election, be re-elected as a Director of the Company." Will someone propose the motion? (Name) Is there a seconder? (Name)	

	Are there any questions? Of the total proxy votes received: • 17,420,471 were cast in favour of the resolution. • 9,177 abstained. • 18,652,546 are at the discretion of myself as Chairman, and • 27,464 are at the discretion of others. I will now put the motion to a show of hands…… All shareholders present (including proxies who may vote at their discretion) in favour of the motion, please raise your hands. All shareholders present (including proxies who may vote at their discretion) against the motion, please raise your hands. I declare the motion carried.	
	9. Item 5 : Remuneration Report **CHAIRMAN**: The next motion before the meeting is: "That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2006 (set out in the Directors' Report contained in the 2006 Annual Report) be adopted" Are there any questions? Of the total proxy votes received: • 17,309,202 were cast in favour of the resolution. • 47,677 were cast against the resolution. • 18,652,546 are at the discretion of myself as Chairman, and • 99,833 are at the discretion of others. I will now put the motion to a show of hands…… All shareholders present (including proxies who may vote at their discretion) in favour of the motion, please raise your hands. All shareholders present (including proxies who may vote at their discretion) against the motion, please raise your hands. I declare the motion carried.	
	10. Item 6: Remuneration of non-executive directors	

	CHAIRMAN: The next motion before the meeting is: "That for the purposes of Rule 48 of the Constitution, the maximum total amount or value of remuneration to be paid or provided to non-executive directors for directorial services provided by the non-executive directors in any financial year be fixed at $350,000" Are there any questions? Of the total proxy votes received: • 18,752,379 were cast in favour of the resolution. • 78,598 were cast against the resolution. • 18,667,010 are at the discretion of myself as Chairman and • 99,833 are at the discretion of others. I will now put the motion to a show of hands…… All shareholders present (including proxies who may vote at their discretion) in favour of the motion, please raise your hands. All shareholders present (including proxies who may vote at their discretion) against the motion, please raise your hands. I declare the motion carried. **11. Other business** **CHAIRMAN:** In compliance with Section 250S(1) of the Corporations Act the members are invited to ask questions about or make comments on management of the company and any other business which may lawfully be brought before the meeting	
	12. Conclusion **CHAIRMAN:** Thank you for your attendance I declare the meeting closed and invite you to join the Board and your fellow shareholders for some tea or coffee.	