

Wealth is the product of
man's capacity to think.

Ayn Rand
Author & philosopher



ADVENT
private capital

Welcome to Advent,

the creative private equity investor in successful mid-sized businesses.

We work with our partners to achieve success and build businesses through strategic acquisition and carefully planned development of current businesses.

Our record is one of success for our Funds as well as our partners.



Overview

Founded in 1984 we have invested in over 80 companies and our team has over 80 years of collective experience in private equity – building substantial value in companies through a full range of economic conditions and portfolio cycles. Melbourne-based Advent Private Capital is one of the most experienced private equity investment firms in the country.

Advent is an independent fund manager and is owned by its executives. Investors in our Funds include some of Australia's largest superannuation funds: ING, Telstra Super and Health Super as well as clients of advisory groups such as Industry Funds Management, Quay Partners, Quentin Ayers, Wilshire Australia and Orchard Funds Management.

The Advent Limited Fund has delivered gross returns of 20.1% p.a. since December 1992, compared to 13.2% for the All Ordinaries accumulation index. Since inception in 2000, the Advent III Private Equity Fund has achieved gross returns of 28.9% p.a. compared to 11.5% p.a. for the All Ordinaries accumulation index. Since making its first investment in September 2002, the Advent IV Private Equity Fund has produced gross returns of 24.8% p.a. versus 20.5% p.a. for the All Ordinaries accumulation index. The performance of each of these Funds falls within the top quartile of its vintage.

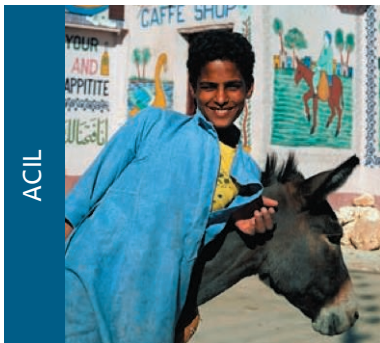
Advent Limited is fully divested and Advent III is substantially divested. Advent IV, a \$115 million Fund was established in September 2002 and is fully invested. Divestments to date indicate that this Fund will have a similar performance to Advent III. Advent V, a wholesale fund achieved a final close of \$300 million in December 2006.

Fortune favours the prepared mind.

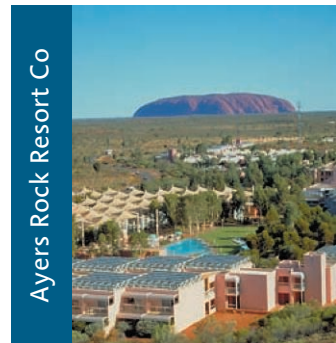
Jim Rohn

American business philosopher & motivational speaker

Advent understands what it takes to build a business and has the resources to take you there.



ACIL



Ayers Rock Resort Co



Where we invest

Advent typically seeks to invest in the following types of opportunities:

- management buy-outs and buy-ins,
- industry consolidations, roll-ups and roll-outs,
- generational and shareholder change,
- expansion capital,
- growth through acquisition and
- spin-offs from larger corporations or government authorities.





What we look for

Our objective is to invest in well managed Australian companies offering the potential for medium term gain. The characteristics we look for in a business include:

- privately owned companies,
- a sustainable competitive advantage,
- a high quality management team,
- growing revenues and profitability,
- a clear and viable strategy for the business to develop over the period of the investment,
- an enterprise value of between \$10 million and \$150 million and existing annual operating profit in excess of \$2 million and
- a clear strategy to exit within 3 to 5 years.

Investment Size

With typical investments ranging from \$5million to \$50 million, and equity syndicates up to \$100 million, our preferred form of investment is ordinary shares or debt with equity features.

Because we are dedicated to the success of our partners, further rounds of investment can be expected as the business grows.

Advent takes either minority stakes or controlling positions in the investments we make, depending on the funding size and agreed value of the business.

We have significant experience in arranging suitable debt/equity packages for our investees and have arranged total debt/equity funding packages of up to \$200 million.

Industry Experience

As a generalist fund manager, our investment criteria embrace an expansive industry focus, with our only exclusions being property development, resources, primary production and listed companies.

Our strong history of making successful investments in manufacturing businesses has recently been complemented through a large number of investments in the service sector.

We have also structured numerous innovative investments in unusual industries, outside the bounds of most private equity investors.

After our initial investment, most of our investees have made sizeable acquisitions and have benefited from our substantial experience in merging and integrating businesses.



23 years in operation, 80 individual investments.

Meet your new partners



Rupert Harrington

Managing Director

Rupert has been a member of the Advent team since 1987, apart from 1996-98, when he was an Investment Director with National Australia Investment Capital, a subsidiary of NAB.

Rupert's private equity experience spans fund raising, portfolio development and the management and sale of investments. He has been a Director of over 20 of our investees' companies, embracing investment opportunities such as expansion, MBO/MBI and generational change.

Prior to joining Advent, Rupert had 11 years general management experience in the UK and Australia. He holds a Bachelor of Technology degree, a Masters of Business Management from Bradford University and a Certified Diploma in Accounting and Finance from Manchester University.



Brian Ball

Managing Director

Joining Advent in 1986, Brian is one of Australia's most experienced private equity investment directors. He participated in the fund raising, portfolio development, management and sale of investments for several generations of Advent Funds. He has been chairman or a director of over 20 Advent investees.

Prior to joining Advent, Brian played a pivotal role in helping establish the Australian venture capital industry. He was Secretary and Member of the Espie Committee that recommended Australia's first VC Program, the MIC Program. Brian was then responsible for leading the design and implementation of the MIC Program and MIC Licensing Board.

Brian holds a Bachelor of Economics degree from Monash University and has attended numerous courses in finance and general management.



Robert Radcliffe-Smith

Executive Director

Robert joined Advent in 2002 and is responsible for identifying investment opportunities, due diligence, structuring, investment management and divestment. At Advent, he has been a director of businesses undergoing MBOs, MBIs, expansion and generational change.

Previously, Robert was Investment director with National Australia Investment Capital and prior to that at KPMG in corporate services, recovery and finance.

Robert holds a Bachelor of Commerce Degree from Deakin University. He is a Fellow of the Australian Institute of Company Directors, an Associate of the Institute of Chartered Accountants, and an Associate of the Financial Services Institute of Australasia



Roland Stadly

Chief Financial Officer

Roland joined Advent in 2005 as Chief Financial Officer and Company Secretary. He is responsible for all company secretarial matters, financial statements, and co-ordination of compliance, tax and other regulatory requirements. He is also a director of several Advent companies.

Prior to Advent, Roland was finance director and company secretary for Bunge Industrial and the Locker Group, CFO and company secretary for Super Alloy Technologies and a senior operations manager and client manager for Computershare Investor Services and BT Registries.

Roland holds a Dip BS (accounting) from Victoria College and is an associate of the Australian Society of Certified Practising Accountants.



Nicholas Chadderton

Director – Investments

Nicholas joined Advent in 1994. He plays a key role in identifying new investment opportunities, due diligence and negotiating deals along with managing and exiting Advent investments. Nicholas has represented Advent on the board of several investee companies.

Prior to Advent, Nicholas worked for Exxon Chemical Australia Limited in engineering, finance, marketing and business development. He has consulted on numerous assignments for private and public sector clients, in business planning and feasibility analysis.

Nicholas holds a Bachelors degree in Mechanical Engineering (Hons) from Monash University as well as a Masters degree in Enterprise Innovation from Swinburne University of Technology



Symon Vegter

Associate Director

Symon joined Advent in 2007 and is responsible for all aspects of investments including development, evaluation, financing and execution of investments, monitoring of portfolio companies, and assisting with portfolio company acquisitions.

Symon previously worked in the Mergers & Acquisitions Group of KPMG Corporate Finance, advising on acquisitions, divestitures, restructurings, MBOs, MBIs and expansion capital deals for strategic and private equity clients.

Symon holds a Master of Applied Finance from Macquarie University and a Bachelor of Commerce from Melbourne University. He is an Associate of the Institute of Chartered Accountants and a Senior Associate of the Financial Services Institute of Australasia.



Mark Jago

Investment Director

Mark joined Advent in early 2009 and brings to the role of Investment Director a wealth of experience; most recently as Director of the ANZ Private Equity where he was responsible for the group's Victorian and South Australian operations. His previous role as Portfolio Director included overseeing the performance and improvement of over fifty companies.

Mark also has over six years of strategic consulting experience gained with Bain & Company, including turnarounds, diagnosis and strategy development for leading corporations in Australia, Korea and South Africa.

Mark holds a First Class Honors degree in Engineering/Commerce from Monash University.

In the long run, men hit only what they aim at. Therefore, they had better aim at something high.

Henry David Thoreau
American author, poet and philosopher

We only win when the management teams we back win. We have been a catalyst for life-changing wealth creation for more than 100 investee executives.



Investment Philosophy

For over 25 years Advent has worked with management teams to build companies of substantial value.

It is our ability to add value to businesses that differentiates us from other investors. This has resulted in our Funds generating exceptional returns for their investors.

Our investment objective is to build our investees into “strategic assets” with operating profits in excess of \$10 million, positioning them as highly attractive candidates for an IPO, trade sale, or secondary buy-out.

Commencing shortly after investment, our approach typically entails a strategic review of the business in conjunction with our partners. We then agree on a plan to build the value of the company prior to exit. The plan is reviewed and updated as necessary and it often involves the acquisition and integration of complementary businesses – an area in which we have significant experience and expertise.

We do not wish to control investees’ businesses and we do not seek to manage them. However, we are active investors and we do support the investee management team with our skills and resources through the board. Part of this strategy is to put into place attractive incentives to drive the management team.

We offer you our people and our capital

Our strength is in the understanding and experience we have of the growth process and the characteristics and needs of high growth companies.

We believe we can add value to your company by supporting your management team, helping you to strengthen it, and providing access to resources that may not otherwise be available.

Our aim is to supplement management’s skills, not be a substitute for them.

Areas where we typically play a key role include:

- growing earnings,
- “corporatising” the business,
- building brands and targeting new markets,
- expanding networks,
- making strategic acquisitions,
- recruitment of senior executives,
- arranging superior debt packages,
- financial structuring and legal documentation and
- maximising value on divestment.

We are patient investors

We know that it takes time to develop a business’ potential and we are understanding investors – even the best laid plans will need to adapt to meet changing conditions.

Typically we would expect to realise our return via a listing of the company on the stock market or through a strategic sale to an industry participant between 3-5 years after the initial investment is made.

We are highly experienced in working with companies to maximise returns for all shareholders.

Some examples of Investment Success

	IRR	Investment Period
Ayers Rock Resort	30%	4 years
Cochlear Pty Ltd	34%	3 1/2 years
Primary Health Care	40%	3 1/2 years
Sydney Aquarium	26%	3 years
ACIL	54%	3 years
Taverner	32%	5 1/2 years
Ausmelt	126%	10 years
Recoil	23%	9 years
Sleepmaster	52%	4 years
Tesa	40%	2 years



Case Studies



Taverner

The Taverner Hotel Group was established in 1999 with a growth strategy of becoming Australia's Number One Hotel Group and received a total of \$31 million in investments from the Advent syndicate. To achieve this objective, Taverner focussed on acquiring top quality leasehold hotels which offered superior returns to investors and outstanding value to customers.

Advent was the initial institutional investor, structured several syndicates and introduced another private equity Fund. Equity funds from Advent were critical to Taverner in acquiring a portfolio of large profitable hotels with a mix of revenue between bars, gaming, bottleshops, entertainment, accommodation and food.

Advent divested its shareholding in Taverner in early 2006, when the company was acquired by Woolworths for \$380 million. At the time, Taverner operated over 30 hotels and generated sales in excess of \$200 million. The exit represented an IRR of 32% over 5 1/2 years.



Tesa

Tesa employs skilled and unskilled blue collar workers and on-hires them to clients that operate in light and heavy industrial industries. The Managing Director of Tesa established the business in 1999 in Hobart, and then proceeded to expand operations into Melbourne and Sydney. The labour hire market was undergoing consolidation and the Managing Director identified an opportunity to acquire several strongly growing businesses that had blue chip client bases.

When Advent first invested, Tesa was generating approximately \$18m of revenue and \$0.8m of EBITDA. Advent funded the initial three acquisitions and provided a means for shareholders in United Mining, the largest business acquired, to sell down 50% of their shareholding. At exit, after the acquisition and integration of eight complementary labour hire businesses, Tesa was generating more than \$180m in revenue and \$8m of EBITDA from operations along the Eastern seaboard of Australia. Tesa was sold to Skilled Engineering in August 2006, achieving an IRR of 40% over 2 years.



Cochlear Pty Ltd

Advent led a syndicate of institutional investors to fund Cochlear Pty Ltd's commercialisation into world markets for its bionic ear. Advent worked with management as it adjusted its strategy in selling a revolutionary product in changing circumstances. After achieving market leadership, it switched to a strategy of price leadership. Advent eventually negotiated the sale of Cochlear to Pacific Dunlop Limited, achieving an IRR of 34% over 3 1/2 years.



ACIL

ACIL is an international foreign aid project management firm that designs and manages projects in developing countries in an extensive range of sectors, including Education, Health, HIV/AIDS, Governance, Resource and Environment Management and Infrastructure. ACIL's projects are funded by international donor agencies such as the World Bank.

The Advent syndicate invested progressively from September 2002 in a shareholder replacement transaction to achieve generational change and a full exit for the founders. An IRR of 54% was achieved when ACIL was sold to the Cardno Group in July 2005.



Recoil

Recoil manufactures precision stainless steel thread inserts and thread repair kits. The products are used in a wide range of original equipment manufacture and in the repair of stripped threads in automotive and general manufacturing.

Advent first invested in Recoil in late 1986 and sold its investment in 1996. Over this period Recoil developed export markets in 50 countries. On exit, Advent received a gross return of over six times its investment. The IRR achieved was 23%.



Primary Health Care

Primary Health Care Limited provides a comprehensive range of services and facilities to general practitioners, specialists and other health care providers who conduct their own practices and businesses at its medical centres, licensed day surgeries, specialist and dental clinics. Primary Health Care centres operate throughout Australia and its formula for medical centres and services offers value to doctors and patients while providing for a relatively low cost of operation.

Following the Advent syndicate's investment of \$12 million in October 1994, Primary Health Care implemented an aggressive growth plan which was followed by a strong increase in valuation multiple, leading to Primary successfully listing on the ASX in July 1998. Advent achieved an IRR of 40% over the life of the investment.



Sydney Aquarium

Advent invested in the Sydney Aquarium located at Darling Harbour in an expansion deal. During Advent's involvement, the focus on domestic tourism was shifted by lifting the attraction's profile to that of a world-class attraction with a strong inbound tourism base.

Advent achieved an IRR of 26% over a 3 year investment life.



Sleepmaster

Sleepmaster Pty Ltd is a leading Australian manufacturer of bedroom product, including quilts, pillows, mattress protectors, underblankets and underquilts. Its range includes the well-known Australian brands of Onkaparinga and Jason. The Company is also an importer and distributor of general textiles for all facets of the textile industry and sells product internationally, including China, North America, Europe, Korea and New Zealand.

In November 2000, Advent invested in an MBO to acquire the Sleepmaster business in conjunction with management from an international group. In December 2004, the business was sold in a secondary buyout, achieving an IRR of 52%.



Ayers Rock Resort Company

In December 1993, Advent established and led a syndicate of institutional investors, which invested \$24 million and acquired 40% of the shares in Ayers Rock Resort Company Ltd, an icon of Australian tourism. The challenge was to establish a profitable growth trend in the business. After the Advent investment, the company achieved strong growth in revenue and earnings, and the resort facilities were upgraded to underpin future growth. The assets of the company were sold in December 1997, achieving an IRR of 30% over the life of the four year investment.

All Advent IRR figures quoted in this brochure are based on realised returns and third-party valuations (for retained investments) as at 30 June 2006 and exclude the effect of franking credits (which provide further benefit to investors).



Call us today

Call Advent Private Capital to arrange a consultation and see how we can help your business achieve your corporate goals.

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