



Industry Funds Management

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10 July 2007

Mr Peter Hallahan
Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Re: Senate Inquiry into Private Equity

Dear Mr Hallahan

I understand that the Committee responsible for this inquiry is interested in hearing views from the Superannuation industry with respect to their interaction and experience with investing in private equity. Industry Funds Management ("IFM"), is owned by a number of superannuation fund and invests on behalf of superannuation funds in alternative assets, including private equity.

I have attached some more detail about IFM to this letter.

As the Head of Private Equity with IFM, I would be happy to attend the Committee hearings in Melbourne to answer any questions the Senators may have.

Yours sincerely

Judith Smith
Head of Private Equity
Industry Funds Management

Enc.



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Industry Funds Management Pty Limited

Industry Funds Management (“IFM”) is an investment management company specialising in the management of private investment products across private equity, infrastructure, private debt, specialised property as well as listed equity portfolios. IFM is wholly owned by Members Equity Bank Pty Ltd (“Members Equity”). Members Equity acquired 100% of IFM on 2 January 2007 after receiving regulatory approval.

Members Equity is 100% owned by forty major Australian not for profit superannuation funds, and was formed to provide Australians with access to low cost financial products and services. As a bank, it is regulated by the Australian Prudential Regulation Authority, and has a long-term S&P rating of BBB.

Members Equity began providing home loans in 1994 through the Super Members’ Home Loan programme, and seeks to provide low cost financial services to members of not-for-profits superannuation funds. At 30 June 2006, Members Equity had \$16.3 billion in assets under management.

Superannuation fund owners of Members Equity, which may invest in IFM products and services, are estimated to have in excess of 6.5 million members Australia wide, with \$120 billion in superannuation assets under management.

Dating back to 1995, IFM is a recognised leader in the alternative investments field and currently manages a total of \$13 billion (as at 30 April 2007) in its related products and services. With dedicated resources and extensive experience, IFM offers superannuation funds the opportunity to diversify their investments in both the Australian and international private markets area.