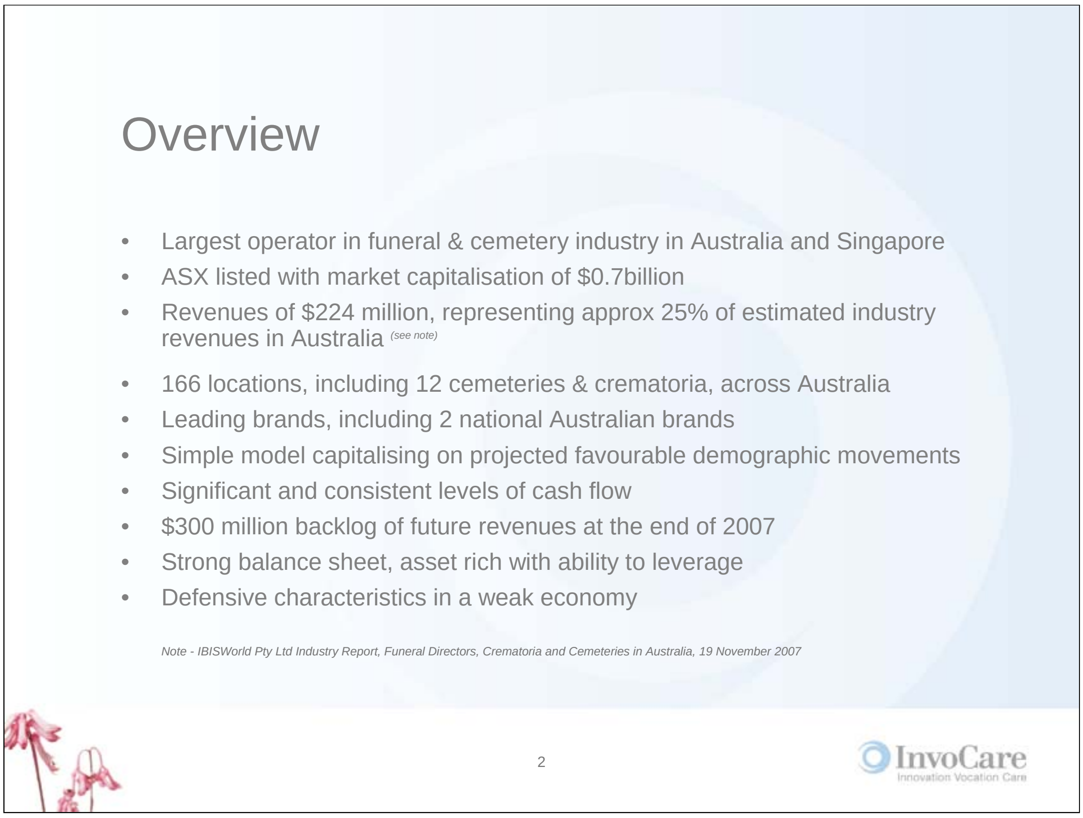
Thank you for the invitation to present again this year.

The market has supported the company well since listing, especially in recent months when there has been particular uncertainty in the market. The company's results and robust model, in my view at least justify this support.



By way of overview, InvoCare is the largest operator in the funeral industry in both Australia and Singapore.

In 2007 it generated sales revenues of $224m achieving a $27.6m profit after tax.

InvoCare revenues are estimated to represent approximately 25% of the industry's revenue in Australia according to IBISWorld.

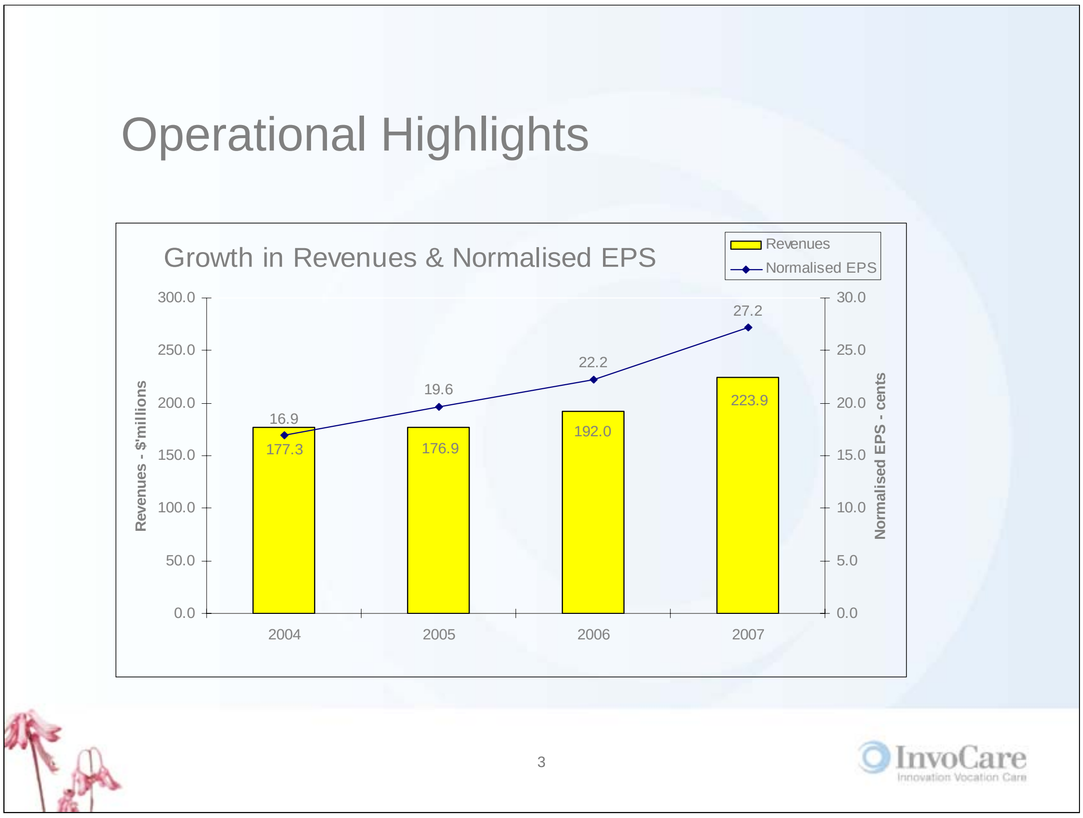
InvoCare operates from 166 locations across Australia, including 12 cemeteries and crematoria.

The company operates under well known leading brands including two national brands in White Lady and Simplicity.

Key to the company's success is its simple model, a model that capitalises on an aging population.

The company had approximately $300 million in deferred revenues at the end of 2007, representing over one year's revenues, the benefit of which will be derived in future years.

The company produces significant, consistent cash flows together with an asset rich balance sheet enables the company to leverage itself.

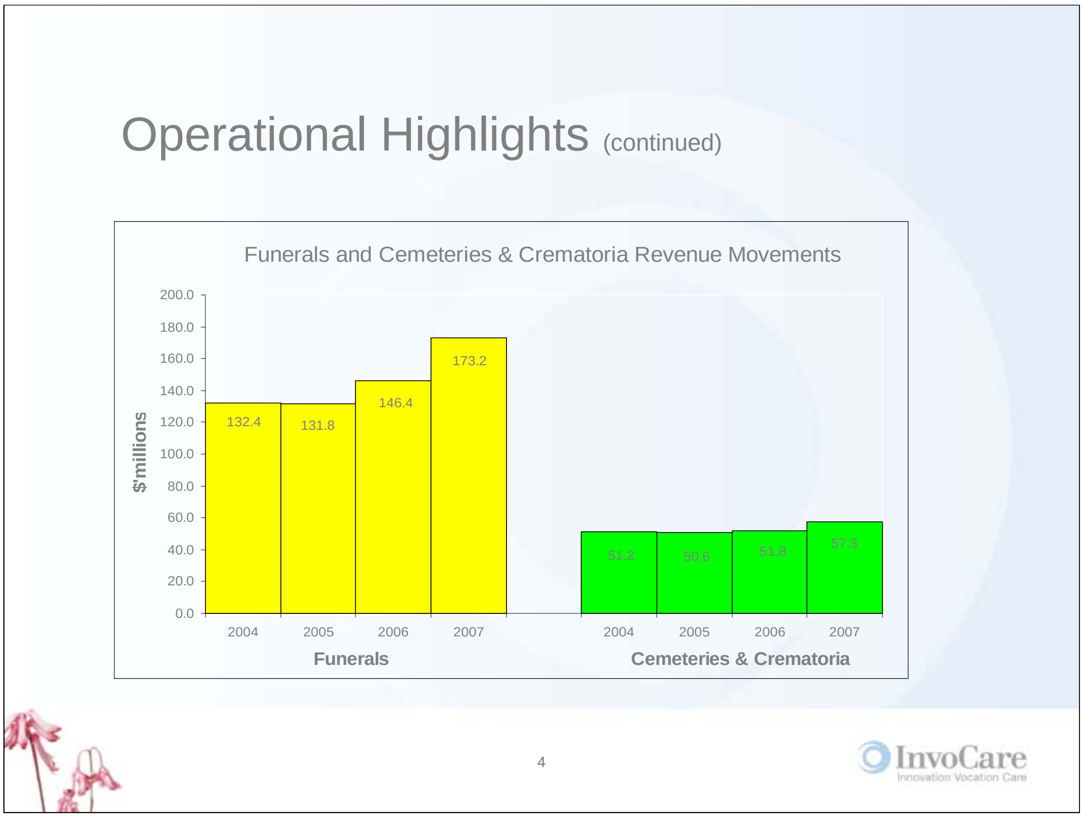


2007 was a very successful year for the company.

Sales revenues increased 17% to $224 million. Operating EBITDA increased 20% to $59 million and normalised PAT increased 25% to $27.1m.

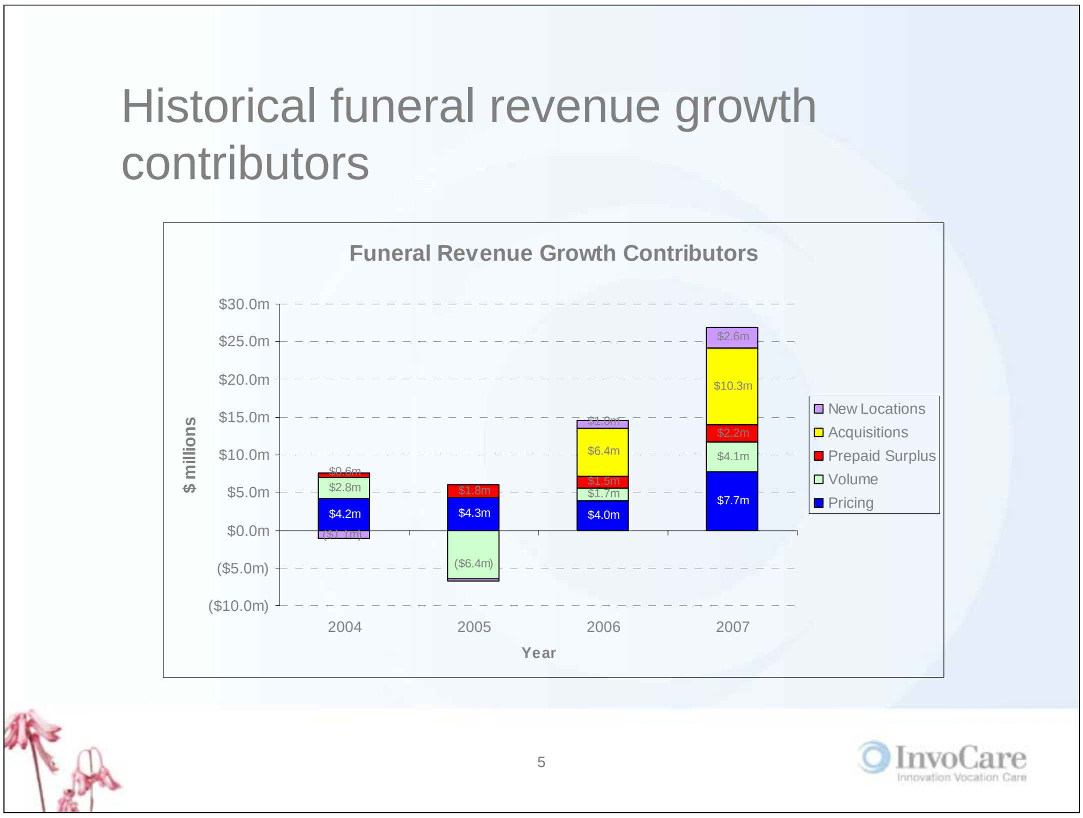
Revenue growth was the key driver, with the majority of InvoCare's costs relatively fixed including the majority of labour costs.

Underpinning the revenue growth was a higher than expected death rate, strong average sale performance attributed to pricing and prepaid funerals, acquisitions and new locations. These are the identified pillars of growth for the company.



The majority of the growth since ASX listing in late 2003 has come from funerals, where there is greater opportunity.

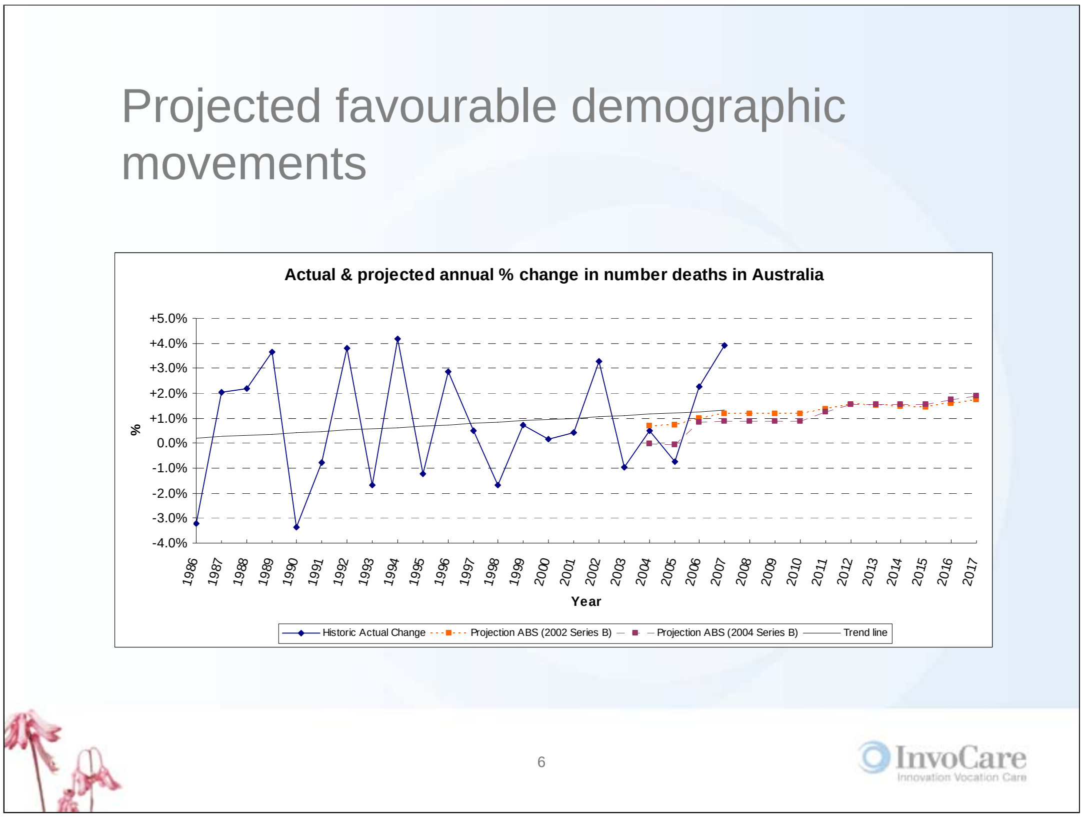
In recent years, InvoCare has faced increased competition in its cemeteries and crematoria operations. Notwithstanding this, it has been able to achieve growth.



Whilst the five pillars for growth materialised in 2007, this has not been always the case and annual performance has been affected to different degrees by changes in these key drivers.

In particular, the number of deaths fluctuates from year to year, and also deviates from the ABS projections.

Considering the strong results in 2007, I thought it appropriate today that we spend some time on the key drivers, focussing in particular on their reliability.

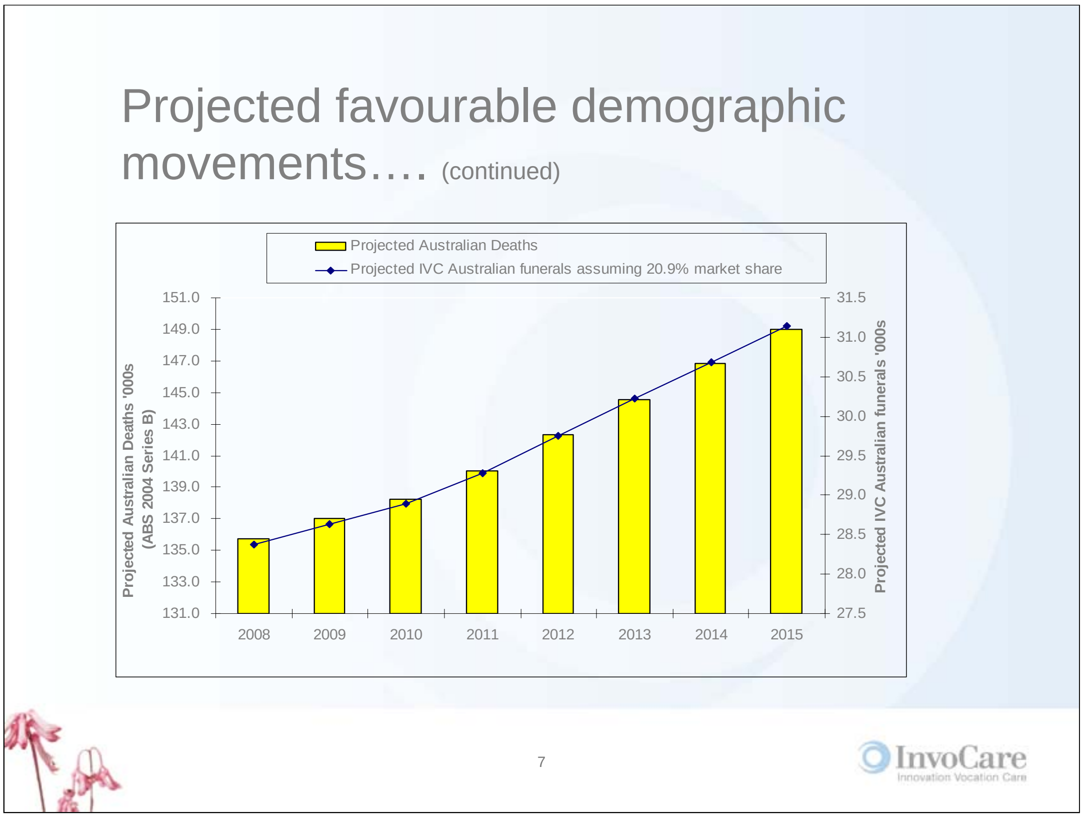


Key to the company's revenue growth is the favourable demographic patterns. Australia has an aging population and the number of deaths over time will increase.

The number of services InvoCare performs in any one year, be they funeral, cremation or burial, is a factor of the number of deaths and market share. Since listing, market share has been relatively stable, ignoring acquisitions, so revenue growth from a service perspective is largely death rate related.

As seen in the above chart, the change in number of deaths from one year to the next can vary by as much as 4% to 5%, up or down. The reasons for these changes are uncertain, other than variations in the health related causes of the vast majority of deaths.

In 2007, InvoCare estimates national Australian deaths to be in the order of 140,000. Assuming this estimate is correct, the 2007 deaths were 3.9% above the previous year and also above that projected by the ABS.



Whilst a reversion to the trend line should be anticipated after the higher than expected number of deaths in 2007, it is not possible to predict when this will occur.

Notwithstanding the above trend experience in 2007, for internal budgeting purposes, InvoCare has assumed that deaths will increase by 1% this year.

The ABS revised its forward estimates in mid 2007 using 2004 deaths as the base. The ABS is projecting just below 1% annual increase until 2011 and from that year gradually increasing to reach 1.9% in 2017. Rates above 2% are expected through to at least 2040.

Common to all funeral industry operators, the number of funeral services performed is expected to increase with deaths, assuming InvoCare maintains its approximate Australian national market share of 21%.

Projected favourable demographic movements…. (continued)

- InvoCare preliminary estimate of deaths in its Australian funeral markets for four months to 30 April 2008 is 4.5% higher than corresponding period in 2007.
- However, caution using this as an indicator of full 2008 year.
- In previous years, including 2007, rarely is the same rate experienced throughout full year.
- As usual, the total number of deaths for 2008 remains uncertain.

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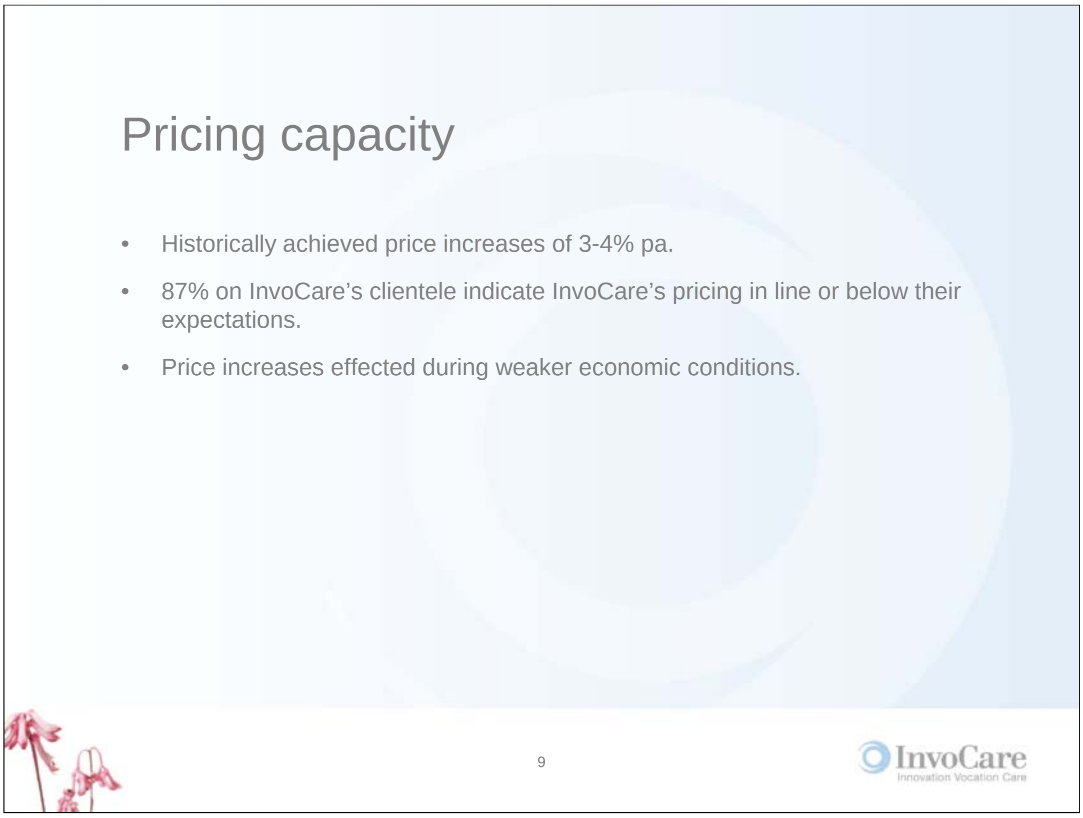
Based on the number of funeral services performed and assuming market share was maintained in its comparable Australian markets, InvoCare estimates for the first four months of 2008 the number of deaths is approximately 4.5% higher than the corresponding four months of 2007. As encountered in previous years, the trend varies from market to market.

However, as usual we caution the market about using this as an indication of the full 2008 year. InvoCare's experience in previous years, and 2007 was a good example, is that the number of deaths fluctuates during a year. Placing reliance on a few short months to predict a full year is unwise.

Therefore, the number of deaths for the remainder of 2008 is uncertain.



The second key driver is pricing, where historically there has been greater certainty.

Historically, InvoCare has been able to achieve price increases of the order of 3-4%, notwithstanding weaker economic conditions. This is an important factor as the economy is tightening.

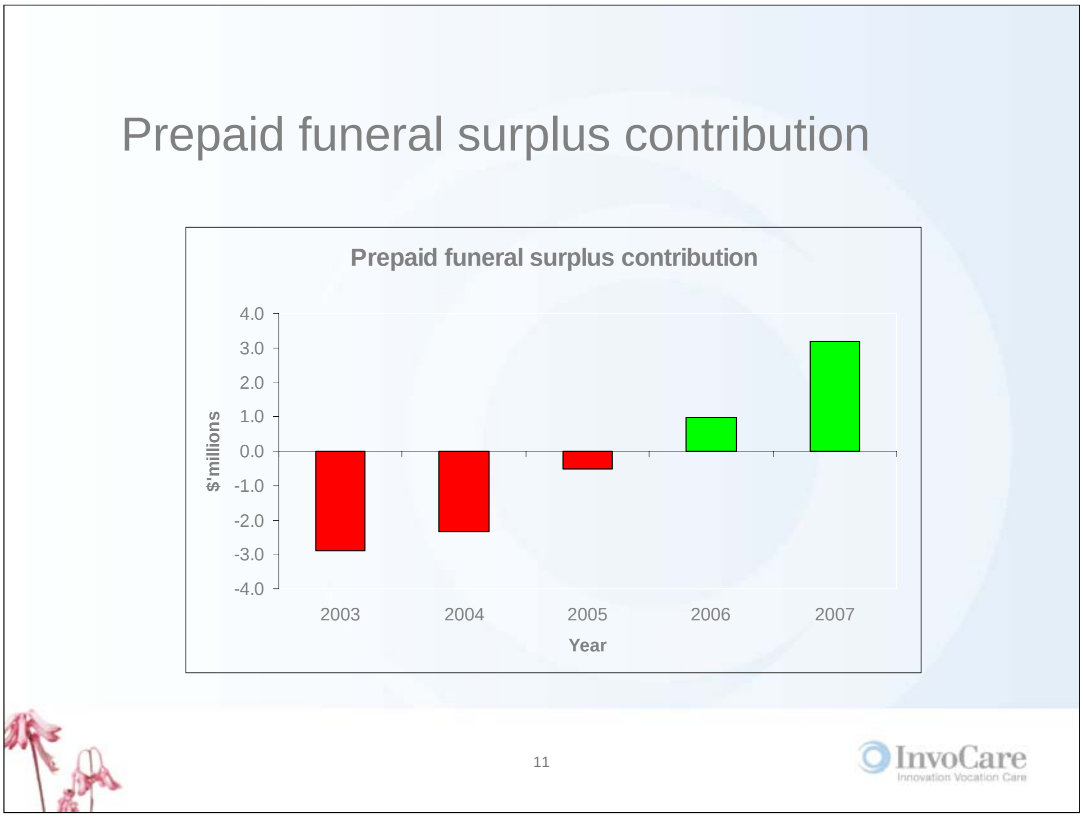
Significantly, 87% of InvoCare funeral clientele indicate no issue with InvoCare pricing, advising InvoCare pricing is either in line with or below their expectations. This perception, together with InvoCare's strong service standards, has resulted in over 97% of InvoCare clientele indicating a willingness to recommend InvoCare to 3rd parties in a time of need.

The company's ability to sell services and products in advance also enhances average sale performance. In terms deferred revenues, at the end of 2007 InvoCare had approximately $300m in deferred revenues, of which only $44m was recorded on the balance sheet. This represents approx 1.3 years of revenue for InvoCare.

In the case of funerals, approximately 14% of InvoCare's funeral revenues are derived from the delivery of prepaid funerals. Funds received for prepaid funerals are invested in off balance sheet growth assets, the earnings from which should exceed price movements until maturity, thus yielding incremental revenue and extra margin in the years when the prepaid funeral services are performed. InvoCare is exposed to fluctuations in the value of funds under management. However, as the funeral funds are redeemed on average 12 years after original sale of the prepaid contract and only 14% of annual funeral revenues are derived from prepaid funerals, there is limited overall exposure.

Approximately 40% of Cemeteries and Crematoria revenue is derived from either:
• selling interment rights in advance of need which are recognised as income in the year of sale, or
• recognising in the year of delivery product or services pre-sold in previous years.

As there is less necessity to purchase prepaid funerals and cemetery or crematorium products or services in advance of need, weaker economic conditions could affect approximately 20% of InvoCare overall revenues. However the majority of InvoCare revenues are not subject to significant exposure to economic conditions.



Considering the magnitude of the prepaid funds under management not recorded as an asset in InvoCare's balance sheet, it is appropriate that we look more closely at what prepaid funerals have actually contributed in terms of incremental revenue since 2003.

Both in 2003 and 2004, the delivery of prepaid funerals adversely affected revenues reflecting the poor investment returns achieved during the 90's attributed to both asset allocation and market conditions, plus a lower duration for prepaid funerals delivered.

Whilst the improvement has been consistent over the last 4 years, prepaid funerals have only contributed incremental revenue in 2006 and 2007 primarily as a result of the strong equity market over the last few years.

Prepaid funeral surplus contribution

Sensitivity of the prepaid funeral surplus to changes in the equity markets

		% decline in the equities market				
	2007	**-5%**	**-10%**	**-15%**	**-20%**	**-25%**
Accumulated Surplus	$56.0m	$48.0m	$40.0m	$31.9m	$23.9m	$15.9m
Surplus Redeemed	$3.2m	$2.7m	$2.3m	$1.8m	$1.4m	$0.9m
2007 Profit After Tax Impact of Surplus	$2.2m	$1.9m	$1.6m	$1.3m	$0.9m	$0.6m
2007 PAT Impact of Surplus Change ($m)		($0.3m)	($0.6m)	($1.0m)	($1.3m)	($1.6m)
2007 PAT Impact of Surplus Change (%)		(1.2%)	(2.3%)	(3.5%)	(4.6%)	(5.8%)

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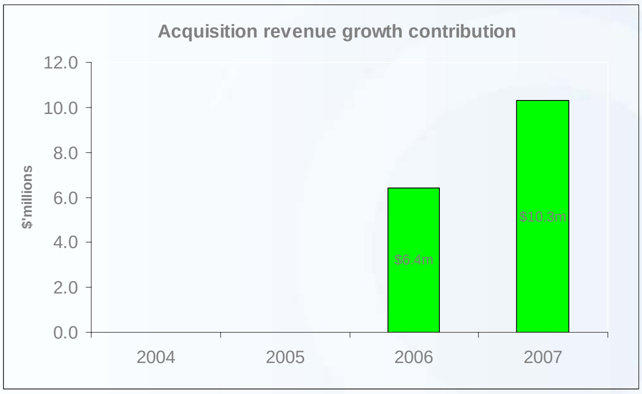
In 2007, the incremental revenue above normal list prices derived from the redemption of prepaid funeral funds amounted to $3.2m, representing approximately 8.1% of InvoCare's Profit After Tax.

The impact of equity market corrections on InvoCare results, using 2007 as the base year, is such that a 5% overall decline in equities would result in a surplus decline of $8m, a revenue decline of $0.5m and profit after tax reduction of $0.3m or 1.2%, a 10% equities decline would result in reductions of $16m in surplus, $0.9m in revenue and $0.6m or 2.3% in PAT, and so on.

Since the end of 2007, the ASX200 index has declined by approximately 10% and understandably InvoCare has experienced a decline in prepaid surplus redemptions compared to the previous year.

However, it is important to note that any market correction is unlikely to be permanent and the impact will be mitigated in time by further earnings.

Acquisition contribution



Acquisitions making up the 2006 revenue contribution are:

- Ann Wilson Funerals (Dec 2005)
- Drysdale Funerals (Jul 2006)
- Singapore Casket Co (Oct 2006)

Acquisitions making up the 2007 revenue contribution are:

- Liberty Funerals (Mar 2007)
- Chippers (Dec 2007)
- plus the annualisation impacts from the 2006 acquisitions as per above

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The fourth revenue growth pillar is acquisition of businesses. Acquisitions completed over the last couple of years have certainly contributed significantly to the company's growth.

Pleasingly all continue to operate to plan.

Whilst the trend for revenue growth has been encouraging over recent years, there is an element of uncertainty as to the timing of acquisitions because the market is very much a seller's market.

In 2008 the company will benefit from the acquisition in late 2007 of Chippers in Western Australia, the annual revenues from which are estimated to exceed $5m.

Australian funeral acquisition opportunities

- Australian funeral industry is fragmented with more than 900 business enterprises operating about 1,300 establishments, most with a long family tradition (see note)
- There are less than ten (sometimes less than 3) businesses in each of the major capital cities conducting more than 500 funerals per year
- Some ownership changes in the last five years including InvoCare involvement, but no major changes since the consolidation by American owned enterprises in the mid 1990's, before their withdrawal from this market early this century
- InvoCare has limited its operations to capital cities and major regional areas
- InvoCare existing market share varies from over 40% in Sydney and Perth to around 21% in Melbourne

Note - IBISWorld Pty Ltd Industry Report, Funeral Directors, Crematoria and Cemeteries in Australia, 19 November 2007

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As previously reported, the funeral industry is very fragmented. The clear majority of operators are small family businesses, where succession planning is an issue for many.

There are very few business operating in capital cities performing more than 500 funerals per year. In a market such as Sydney, 500 funerals represents less than 2% of the market and businesses of that size are infrequently made available for sale by the traditional family owners.

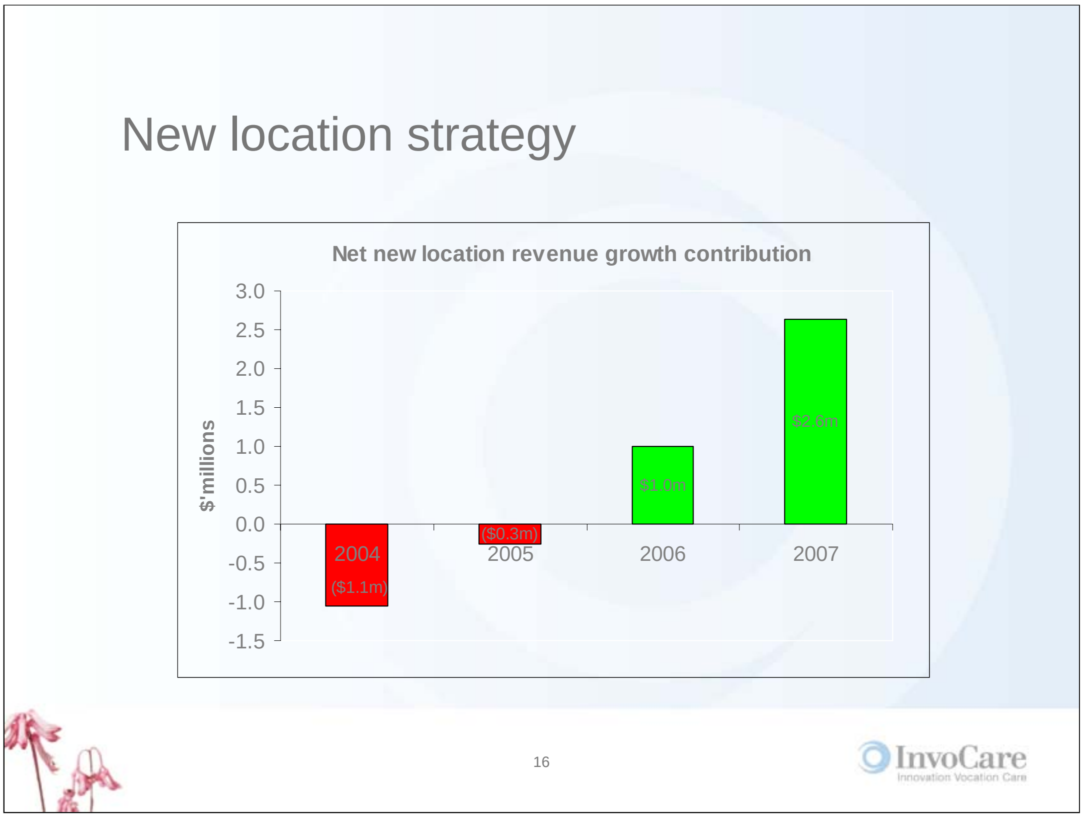
InvoCare operates primarily in the capital cities and in major regional centres where the majority of the population resides and the deaths occur.

InvoCare's market share in each of these markets vary from 40%+ in Sydney and Perth to 20%+ in Melbourne. Obviously InvoCare is keen to grow in the Melbourne market.

InvoCare considers the following very carefully before proceeding with an acquisition:

- Whether it is EPS accretive or not;
- The synergy potential or for that matter exposure;
- The alignment with InvoCare existing brands;
- The culture compared to InvoCare culture, that being one of a corporate;
- The goodwill to be acquired and where the ownership of that goodwill resides;
- The retention of key personnel; and finally
- The impact on InvoCare's overall risk profile.

Whilst in time there will be numerous businesses for sale, not all will meet the above criteria.



The final key to the revenue bow is the company’s new location strategy.

In addition to growing revenues, this strategy should help protect existing market shares over time. Whilst the revenue contribution from new locations is encouraging, management is yet to determine how much is incremental as opposed to that redirected from existing locations.

The negative contribution in 2004 and 2005 reflects location closures, in other words the new location contribution is net of any closures.

New location branding opportunities

Market Segmentation

	2002	2006	Movement
Practical	21%	11%	-10%
Traditional	44%	22%	-22%
Involved	35%	67%	32%
Total	100%	100%	0%

IVC Australian location representation mix

Practical	21%	25%	4%
Traditional	64%	53%	-11%
Involved	15%	22%	7%
Total	100%	100%	0%

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I mentioned branding as being one of the important considerations in terms of servicing our markets.

InvoCare recognises that consumers are not all the same, challenging the industry to meet their needs whilst operating under one brand at a large scale.

InvoCare believes there is an opportunity to grow its revenues and market share by aligning its major brands to different segments of the markets, improving the service being offered to consumers in each segment.

InvoCare has identified 3 segments in this regard being the Practical segment, the Traditional and the Involved. InvoCare is in the process of aligning Simplicity to the Practical segment, its Heritage brands to the Traditional segment and White Lady to the Involved segment.

Over time InvoCare plans to be well positioned and represented by all three brands in all major markets it operates in.

The movement in location representation over the last 4 years reflects this brand positioning. Importantly, it is aligned with the movement in the sizes of the segments, adjusting for acquisitions.

New location opportunities (continued)

	Sydney	Brisbane	Melbourne	Adelaide	Perth
Location opportunities	6	3	4	1	2
New openings completed in the last 5 years (net of closures)	5	5	5	1	1

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InvoCare believes new store openings of 4-5 a year for the next 5 years is achievable identifying opportunities in all major markets.

Already this year, InvoCare has opened three new funeral locations adding to the 9 opened in 2007.

As InvoCare's revenue model is robust, notwithstanding deviations from year to year especially as a result of death rate movements above or below the trend line, there is no suggestion we change the model.

Revenue growth is anticipated to be achieved as a result of:

- the gradual increase in the number of deaths;
- price increases;
- the incremental revenue contribution from prepaid funds over time;
- new business acquisitions; and
- opening new locations in existing or new markets.

Management believes organic sales revenue growth of 5% to 6% pa is achievable, comprising 1% death rate, pricing of 3-4% and 1% incremental revenue from prepaid funds. However, as highlighted in prior year results, variations to the above organic growth expectations can occur from year to year.

On top of the above, small market share gains are anticipated with delivery of consistent, quality service at a localised level from existing and new locations, although more significant market share gains will only be achieved through acquisitions.

Whilst management is confident growth from acquisitions is achievable, there is less certainty about the percentage growth and timing. Accordingly, growth by this means is likely to remain lumpy.

It is important to note that management’s Long Term Incentives are tied to EPS growth, aligning the interests of shareholders to management remuneration.

As full vesting of LTI Shares is at 12% compound EPS growth, management’s attention to revenue growth is very focussed.

Strong cash flows

Cashflow Summary

	2004	2005	2006	2007
Net Cash provided by operating activities	$22.9m	$25.6m	$29.6m	$38.6m
Proceeds from the sale of PPE	$3.7m	$3.0m	$5.1m	$4.6m
Cash utilised in the purchase of subsidiaries and other businesses net of cash acquired	-	($3.4m)	($25.2m)	($8.5m)
Purchase of PPE	($4.0m)	($6.9m)	($9.8m)	($17.4m)
Payment of dividend - IVC Shareholders	($6.1m)	($25.5m)	($13.8m)	($15.7m)
Net proceed/(repayment) of borrowings	($25.5m)	$8.5m	$12.5m	$2.4m
Other receipts/(payments)	$2.5m	$2.0m	$3.4m	($0.6m)
Net increase/(decrease) in cash held	($6.5m)	$3.3m	$1.7m	$3.3m

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Strong operating cash flows are a highlight of InvoCare results where EBITDA is fully converted to ungeared, before tax cash flows.

These cash flows, supplemented by asset sale proceeds or borrowings, have been used to invest in business growth and dividend returns to shareholders.

InvoCare's capital priorities are firstly to invest in growing the business, either by acquisition or justified strategic expenditure on assets. Accordingly, since listing, approximately $75 million has been spent, $37 million on business acquisitions and $38 million on property, plant and equipment. During 2008, capital expenditure plans involve spending up to $22 million, with $5.5 million outlaid to the end of April 2008.

The second priority is to make returns to shareholders, over and above normal ordinary dividends. The target minimum ordinary dividend payout ratio of 75% has been exceeded in all years since listing. During 2005, a special dividend was also paid to shareholders when in that year higher priority alternative uses of capital were not present. Future shareholder returns in the form of special dividends or buybacks will be considered, while prudently managing the company's leverage and cost of capital.

Debt reduction is the final priority. InvoCare's $180 million debt facilities, plus working capital facility of $5 million, are available until January 2011. At the end of 2007, debt drawdowns amounted to $154.9 million and 99% of this debt was hedged using fixed rate swaps in place until maturity of the underlying debt. Accordingly, it is unlikely InvoCare will reduce debt in the short term. On the other hand, InvoCare has capacity to service higher levels of debt, but in the current credit crunch climate, incremental borrowings would attract higher interest costs than the effective 6.6% payable under the swaps. Consequently, no major capital management initiatives are planned for 2008.

Notwithstanding the very strong revenue performance in 2007, InvoCare has also made a good start to 2008. Based on preliminary results to the end of April, overall revenues are up 10.4%, of which comparable revenue growth amounted to 7.2%.

The number of funeral services increased 7.8%, of which comparable growth across Australia and Singapore was 3.9%. Australian comparable services growth was 4.5%, compared to 1.8% achieved in the same period last year or 4.8% for the whole year.

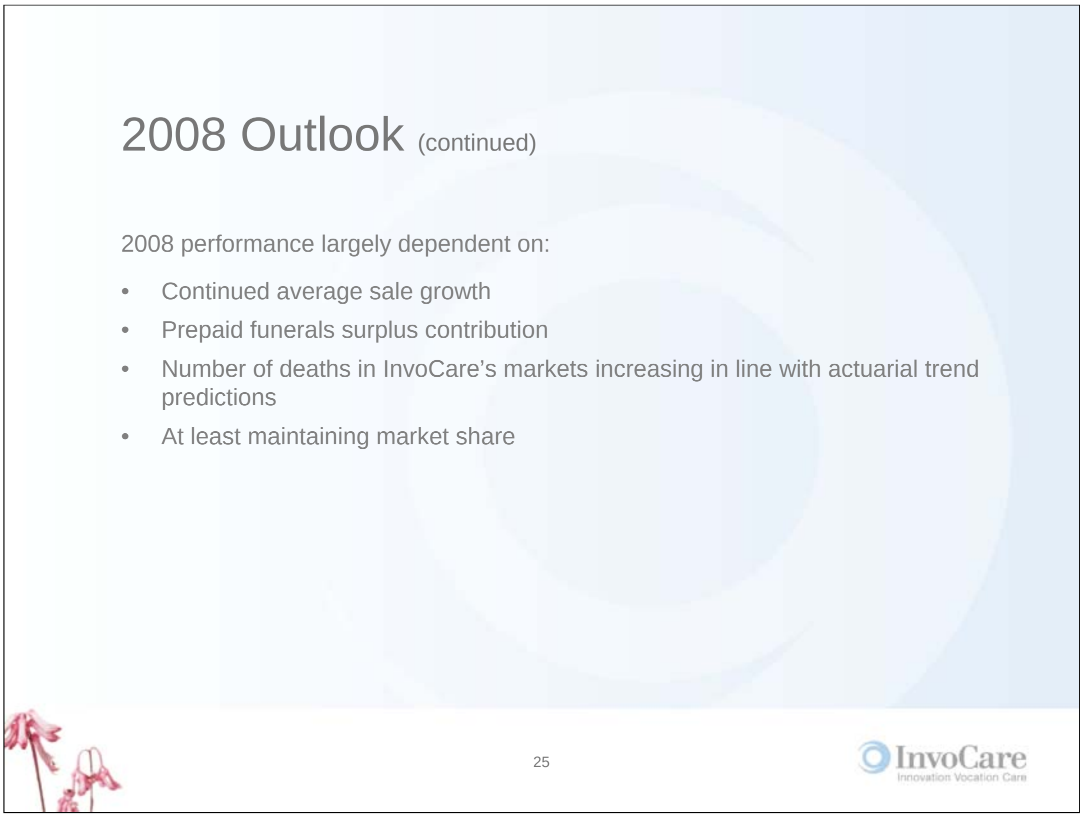
Cemeteries & Crematoria service numbers grew by 2.5%, compared to 0.1% in the same period last year or 3.5% for the whole year. The disparity in service growth compared to funerals reflects different markets in which InvoCare operates.

Overall share in comparable funerals, cemeteries and crematoria markets is believed to have been at least maintained in the four months.

Funeral selling prices averaging 3% to 4% were implemented during December 2007. Consistent with previous years, similar % price increases for cemeteries and crematoria were not introduced until March or April.

The equity market correction has adversely affected prepaid funds under management, resulting in the incremental revenue contribution from delivered prepaid funerals declining by a preliminary estimate of $0.6m compared to the corresponding prior period. Operating margin will be impacted by the full amount of this decline.

Unfortunately, no acquisitions have been completed in the four months. Notwithstanding this, management is confident that small acquisitions are achievable this year.



The 2008 full year results will be dependent on maintenance of average sale prices, the prepaid funeral surplus contribution, the actual number of deaths and at least maintaining market share.

Appendix - Capital management history

	2004	2005	2006	2007
Total assets ($m)	263.7	273.3	309.7	332.4
Net tangible assets ($m)	36.5	27.5	31.4	37.4
Equity ($m)	31.8	27.5	46.4	60.5
Net debt ($m)	130.8	135.5	146.4	145.6
Net debt/Total assets (%)	50%	50%	47%	44%
Net Debt/Equity (%)	411%	493%	316%	241%
Net Interest ($m)	11.4	11.8	10.3	11.4
EBITDA - normalised ($m)	43.9	45.4	49.1	58.9
EBITDA/Net Interest (times)	3.9	3.8	4.8	5.2
Net debt/EBITDA (times)	3.0	3.0	3.0	2.5
Ordinary dividend payout ratio	76.0%	79.4%	79.8%	81.8%

Disclaimer

This presentation contains forward looking statements, which may be subject to significant uncertainties outside InvoCare's control. No representation is made as to the accuracy or reliability of these forecasts or the assumptions on which they are based. Actual future events may vary from these forecasts.

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