



Half-yearly report to investors
31 December 2007

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Review

Financial statistics at 31 December 2007

Net profit after tax	\$1.74 million
Net assets	\$70.30 million
Net tangible asset backing	\$1.17 per share
Interim dividend	2.55 cents per share
Record date	4 March 2008
Payment date	20 March 2008
Private equity exposure	75%
Private equity commitments	\$116.9 million
Number of private equity funds	15
Number of underlying investments	77

The last six months were significant for ING Private Equity Access Limited as it enhanced its capital base to support its investment strategy in line with the original plan when the Company was established.

The period was also noteworthy for the private equity sector as the sub-prime credit squeeze caused increased volatility in financial markets (markedly so since period end) and pushed private equity off the front pages of the financial press.

Key events for the Company over the period were:

- the payment of a tax advantaged dividend of 5.40 cents per share (up 20% on the prior period)
- raising capital totalling \$16.5 million via the exercise of options and a small placement
- the introduction of a dividend re-investment plan
- establishing a \$20 million standby debt facility (unused to date)
- further evidence of the "hidden value" in the portfolio with the realisation of two of the underlying companies at prices well in excess of previous carrying values.

Subsequent to the end of the half year, the Company has declared a fully franked interim dividend of 2.55 cents per share.

Set out below is more detail on these points. To keep up to date with the Company's progress and its investment portfolio, investors are encouraged to visit the website at www.ingpeal.com.au.

Profit and dividends

In prior periods, our investment strategy has resulted in the majority of earnings being generated by the Company's listed equity holdings. In line with the Company's strategy, those holdings were reduced during the previous financial year (to meet private equity commitments) and were liquidated during July so that the period's earnings have been largely dependent on distributions and realisations from the private equity portfolio. For accounting purposes, unrealised gains or losses on listed equities are shown in the Company's Income Statement while unrealised movements in the private equity portfolio are reflected in the Balance Sheet. The capital raised at the end of October has not been subject to market fluctuations as the Board decided to keep it in cash for the short-term, rather than invest into the volatile share market - a prudent decision in light of recent market movements.

Given these circumstances and the different accounting treatments, it was pleasing that the Company's run of solid profits has continued. Net profit after tax at 31 December 2007 was \$1.74 million (2006: \$3.53m), mostly due to realised gains in the private equity portfolio.

This result has enabled the Company to achieve 20% growth in its dividends paid from realised profits. The Board is pleased to declare a fully franked interim dividend of 2.55 cents per share (2006: 2.10 cents per share, fully franked) which will be paid on 20 March 2008, with a record date of 4 March 2008. Combined with the dividend paid in November 2007 (5.40 cents per share), this equates to a net yield of approximately 8.5% on the 31 December 2007 closing share price of \$0.93.

Capital management

The expiry date of the Company's outstanding options was 31 October 2007. Approximately 66% of the options originally issued were exercised at \$1.00 per share before that date, adding \$14.1 million to the Company's capital base. A small placement took place at the same time, raising an additional \$2.5 million. The Company also established a \$20 million standby debt facility and shareholders approved a dividend re-investment plan.

All of these measures were undertaken to ensure that the Company has adequate resources to fund its "over-commitment", necessary to achieve an efficient and well diversified private equity exposure.

"Hidden value" and realisations

The Company wrote to all shareholders in October emphasising an important point - first made in the 2005 Annual Report - that of the historical valuation practices in the private equity sector. The analysis presented clearly indicates that private equity investments generally have been sold at prices significantly above their recent carrying value. This has been validated once again by two sales announced in December.

Direct Capital sold its investment in Max Fashions, one of New Zealand's most recognised women's apparel labels at a price 70% higher than its carrying value and the Company received its share of the proceeds in December. Hastings Private Equity announced the sale of Shorko Australia at 43% above its recent valuation with the transaction subsequently settling in January. We are also aware of other sale processes in train, though with the current financial market volatility any planned realisation must be viewed as uncertain. Overall, an increasing number of realisations are expected as the portfolio continues to mature.

Board changes

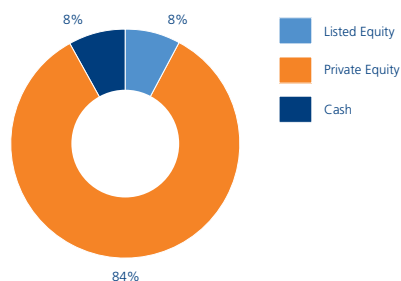
Grant Bailey, a non-executive Director, has resigned as a Director of the Company following his decision to move to Dubai, where he has taken another role with ING. Mr Bailey has been a Director since the inception of the Company and the other Directors thank him for his valuable contribution and wish him well in his new endeavours.

As a replacement, the Board is pleased to welcome David McClatchy to the Company as a non-executive Director. Mr McClatchy brings to the Board extensive experience in the investment markets of Australia and New Zealand and is currently Chief Executive Officer of ING Investment Management in Australia. A New Zealander by birth, Mr McClatchy was the Chief Investment Officer of ING (NZ) and has also worked in the financial markets in the UK.

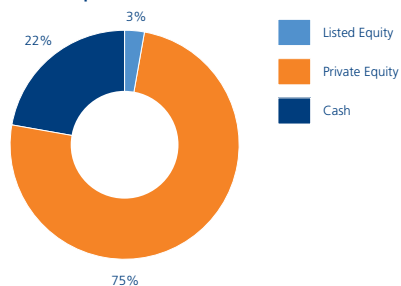
Investment allocation

The private equity portfolio continued to grow over the period in absolute terms, though as a proportion of total assets our private equity exposure declined as a consequence of the fresh capital raised at the end of October 2007. We anticipate a steady increase over the course of the financial year as new deals are brought into the underlying funds.

Asset Exposure at 30 June 2007



Asset Exposure at 31 December 2007



Private Equity Portfolio

The Company's private equity commitments were largely unchanged over the last six months, with the sole addition of a \$10 million commitment to Wolseley Partners II occurring late in December. That took the total commitments to approximately \$117 million across 15 funds and 11 managers.

The value of the portfolio increased by 4.9% over the period with re-valuations occurring in many of the portfolio funds, reflecting the work being put into the investments by the relevant managers. In aggregate, we believe that the portfolio of underlying investments is in very good condition with significant value being created (and starting to emerge) in many of the funds. Recent realisations have been at prices well above the carrying values as prior uncertainty is resolved.

The emergence of the "sub-prime" crisis pushed private equity off the front pages of the financial press and also caused a slow down in the number of private equity deals being settled as lenders' decision making slowed. That was felt mostly at the large-deal end of the market and appeared to impact a number of the off-shore private equity managers more than the domestic market. Nevertheless we have seen a slow down in the number of new deals entering the portfolio compared with the abnormally high pace experienced over the previous 12 months - a reversion to more normal conditions.

In the short-term, we expect further realisations within the portfolio, though the number will be dependent on financial market conditions which have been extremely volatile over the last few months. The significant correction in the listed equity market in January and February could slow (or defer) planned sale processes but may also open up other opportunities - having capital to invest in a down-market can produce very strong long-term returns and funds in the Company's portfolio have plenty of dry powder. Private equity is often characterised as "patient capital" and managers can choose the optimal times to buy and sell.

We anticipate additional commitments to private equity funds over the course of this financial year as we balance the sometimes conflicting positions of capital availability, investment opportunity and realised investment returns to produce an ongoing private equity exposure for our investors.

Those commitments are expected to be in the smaller end of the private equity market reflecting our belief in the stronger opportunity set in that sector and are likely to be with managers already represented in the portfolio.

To keep up to date with the Company's portfolio, investors are encouraged to visit the website at www.ingpeal.com.au which contains links to the funds and to most of the underlying portfolio companies.

\$117 million
total commitments
across 15 funds
and 11 managers

Summary of Private Equity Funds

Portfolio holdings at 31 December 2007 are outlined below.

Fund name	Investment stage focus	Size of Fund \$m	Committed \$m	Capital drawn \$m	Capital still to be drawn \$m
Archer Capital Fund 3	Buyouts	450.0	7.5	6.4	1.1
Archer Capital Fund 4	Buyouts	1,360.0	10.0	1.2	8.9
Catalyst Buyout Fund 1	Buyouts	390.0	8.0	7.0	1.0
CM Capital 4	Venture Capital	125.5	8.0	2.1	5.9
Deutsche Private Equity Fund II	Expansion / Buyouts	70.8	3.4	2.9	0.5
Direct Capital Partners III (\$A equiv)	Expansion / Buyouts	59.6	7.0	3.3	3.7
Hastings Private Equity Fund II	Expansion / Buyouts	180.5	8.0	5.3	2.7
Ironbridge Capital 2003/4 Fund	Buyouts	450.0	5.0	4.2	0.8
NBC Private Equity Fund II	Expansion / Buyouts	98.6	6.0	4.6	1.4
Pacific Equity Partners III	Buyouts	1,275.0	8.0	5.9	2.1
Pacific Equity Partners IV	Buyouts	Note 1	10.0	0.0	10.0
Quadrant Private Equity Fund No. 1	Expansion / Buyouts	265.0	8.0	6.5	1.5
Quadrant Private Equity Fund No. 2	Expansion / Buyouts	500.0	10.0	2.1	8.0
Wolseley Partners Fund I	Expansion / Buyouts	107.40	8.0	5.3	2.7
Wolseley Partners Fund II	Expansion / Buyouts	Note 1	10.0	0.0	10.0
Totals			116.9	56.7	60.3

Note 1: still raising capital

Summary of new investments in the period

Fund	Company	Description
CM Capital 4	Piedmont Pharmaceuticals LLC AdGent 007, Inc Ingenero Pty Ltd	Specialty human and veterinary pharmaceuticals Online advertising software Green energy supplier
Direct Capital Partners III	Innovair Group Limited Go Bus Limited	Manufacture & marketing of pest control air dispensing products Transport services
NBC Private Equity II	Aunger Car Craft	Manufacture and distribution of auto accessories
Pacific Equity Partners III	Veda Advantage Limited	Business intelligence - credit research
Wolseley Partners Fund 1	Cartridge World	Refill and remanufacture of printer cartridges

In addition to the new investments, 13 existing investments received additional funding to assist in their expansion.

Summary of realisations

Fund	Company	Total return as a multiple of cost
Direct Capital Partners III	Max Retail Holdings Limited	4.9 times
Hastings Private Equity Fund II	Shorko Australia	2.8 times

Summary of 20 largest private equity exposures

(by value as a percentage of the company's total assets as at 31 December 2007)

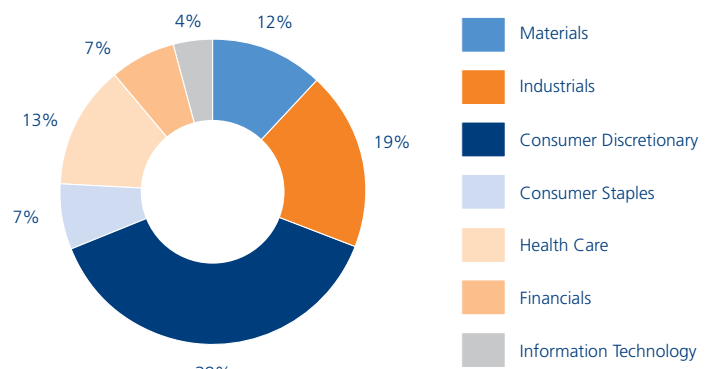
Fund	Date invested	Company	Percentage
Co Investment	Oct-05	CathRx Pty Ltd (CM Capital)	3.49%
NBC II	Jul-05	Australian Water Systems Pty Ltd	2.95%
Quadrant 2	Apr-07	Quick Service Restaurants	2.36%
Deutsche II	Nov-04	Pacific Apparel Solutions	2.34%
Deutsche II	Dec-05	Pacific Bereavement Solutions P/L	2.25%
Catalyst 1	Aug-06	Metro Glasstech	2.03%
Wolseley 1	Aug-06	Freshmax Pty Limited	2.02%
PEP III	Jul-07	Veda Advantage Limited	2.00%
Ironbridge 2003/4	Dec-05	Qualcare Group Holdings Limited	1.93%
Quadrant 1	May-06	Kathmandu	1.92%
PEP III	Jun-06	Griffins Food Limited	1.86%
Quadrant 1	Mar-06	Sentinel Limited	1.82%
PEP III	Sep-06	Link / AAS Group	1.79%
Wolseley 1	Aug-07	Cartridge World	1.67%
Quadrant 1	Dec-06	ATF Hire	1.66%
Archer 3	Sep-05	Amart All Sports	1.64%
Hastings II	Dec-05	Shorko Holdings Pty Ltd	1.57%
Catalyst 1	Apr-05	Aperio Group Pty Ltd	1.53%
Archer 3	Dec-06	iNova Pharmaceuticals	1.51%
Catalyst 1	Feb-07	EziBuy Limited	1.49%
Total			39.83%

Summary of vintages (calendar year)

Number of underlying companies that were acquired by our portfolio funds in a particular year (excluding realisations).

2004	2005	2006	2007
4	14	30	29

Industry sector exposure at 31 December 2007



Sydney
21 February 2008

Financial Statements

Condensed income statements
For the 6 months ended 31 December 2007

	31 Dec 2007 \$'000	31 Dec 2006 \$'000
Revenues		
Change in net market value of investments	1,593	2,457
Dividends/distributions revenue	1,082	2,972
Interest revenue	229	54
Other revenue	52	29
	2,956	5,512
Expenses		
Management fees	332	272
Other expenses	313	336
	645	608
Profit before income tax expense	2,311	4,904
Income tax expense	(570)	(1,371)
Net profit after tax (NPAT)	1,741	3,533

Condensed balance sheets
As at 31 December 2007

	31 Dec 2007 \$'000	30 Jun 2007 \$'000
Assets		
Cash	16,477	4,861
Receivables	899	112
Private equity	56,492	50,627
Listed equity	2,523	4,858
Deferred tax assets	50	72
Total assets	76,441	60,530
Liabilities		
Current and deferred tax liabilities	5,732	5,433
Other payables	410	372
Total liabilities	6,142	5,805
Net assets	70,299	54,725
Equity		
Issued capital	59,054	41,889
Asset revaluation reserve	2,480	2,602
Retained earnings	8,765	10,234
Total Equity	70,299	54,725

Note: The above figures represent a summary version of the Company's accounts as released to the ASX on 21 February 2008.

Directory

ING Private Equity Access Limited
ABN 48 107 843 381

Directors

Geoff Brunson (Independent, Non-Executive Director and Chairman)

Jon Schahinger (Managing Director)

David McClatchy (Non-Executive Director)

Donald Stammer (Independent, Non-Executive Director)

Company Secretaries

Graham Batten

Peter McDonald

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Auditor

Ernst & Young

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Stock Exchange Listing

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References to currency in this report are in Australian dollars, unless otherwise specified. Investments in ING PEAL are not deposits with or other liabilities of nor guaranteed by any entity of the ING Group in Australia or elsewhere and are subject to investment risk including loss of income or capital invested.

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1. Visit the share registrar's website at www.linkmarketservices.com.au
2. Choose the Select Holding option
3. From the Company Name menu select ING Private Equity Access Limited
4. Enter your Shareholder Reference Number (SRN) or Holder Identification Number (HIN), your surname or company name and your postcode to access your details
5. Select Communication Option to change your Annual Report Election

Alternatively, you may choose to contact Link Market Services on the details below:

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