



*Company transforming acquisition  
Salmat acquires Salesforce*

SALMAT



December 2004

**Investor Briefing**



## *A snapshot of the deal*

- Acquiring 100% of SalesForce in Australia and New Zealand
- Total Value of \$64 million in cash:
  - attractive multiple
  - immediately eps accretive
- Funded by existing cash and debt facilities
- 5% of consideration to be retained for 12 months to cover warranties
- Completion by 6<sup>th</sup> January, 2005



## *The Call Centre Market is highly attractive:*

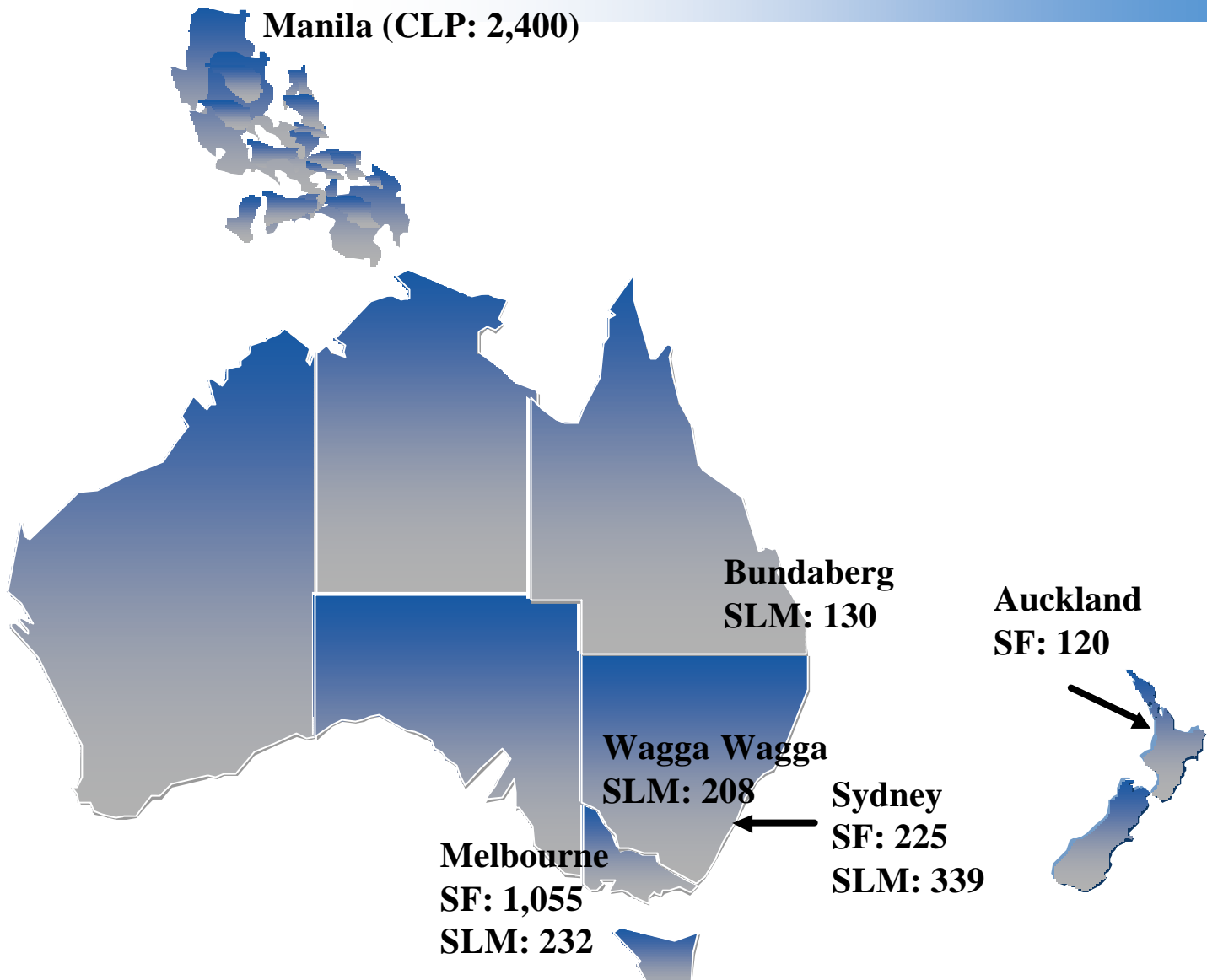
- \$9 billion total call centre market in Australia
- Currently estimated 11% outsourced
- Company's using outsourcing increased by 33% over last 2 years
- International trends confirm significant growth potential
  - Financial services, utilities and healthcare sectors keys to capturing growth



# Competitive positioning

- Competitive and fragmented market
  - Salmat becomes the largest Australian owned call centre business
    - 2,300 seats
    - 15% of Australian outsourced call centre industry
  - Deepens management and technology skills and scale
  - Salesforce brand retained
  - Potential synergies for direct sales business

# Compelling Geographic Fit



# Complementary Blue Chip customer base



MYER one



FOXTEL DIGITAL



Reader's Digest



MDAV

Schick



CARE



medibank PRIVATE

Panasonic



salesforce.com  
Success. Not Software.™



ANZ





# *Operational*

- Two brand strategy:
  - Minimises risk / maximises growth potential
- Existing management to stay
- Integrate back office / technology / etc
- No disposals or operational staff changes planned
- Salmat will benefit from SF approach to culture
- SF will benefit from access to capital / committed owner



# *SalesForce a proven out performer*

- FY04 sales of \$92 million
- EBITDA of \$9.5 million
- History of strong sales and earnings growth
- One of Australia's most successful currently third largest call centre businesses
- Winner of 2004 Hewitt award for Best Employer





# *SalesForce Profile*

- Founded in 1994 by Kevin Panozza
- 1,400 seats in Melbourne, Sydney and Auckland
- Blue chip customer base in fast growing sectors
- Award winning culture – winner of the Hewitt Award for Best Employer
- World class call centre technology



# Financial

- EPS and cash flow accretive in FY05 (excluding synergies)
- Gearing – net debt to equity ratio approximately 65% on completion
- Net debt EBITDA projected to be around 0.8 times.
- Extensive due diligence completed



# *Post acquisition*

## 30 June 2004 Proforma Impacts

- 28% increase in group sales to \$419 million
- 20% increase in group EBITDA to \$56 million
- 250% increase in call centre sales to \$129 million
- Increases call centre EBITDA to \$9.9 million
- Dividend policy maintained

**Delivers strong value for Salmat shareholders**



# New growth opportunities

- Committed management
- Access to capital for growth options
- Wider customer base across high growth industries
- More products / service choice
- Greater cross selling opportunities



# *A company transforming deal with minimum risk*

- Creates new force in direct contact industry
  - Salmat becomes largest Australian call centre operator
  - Earnings and cash flow accretive in the first year (excluding synergies)
  - Low integration risk:
    - No change to:
      - brand
      - management
      - front office
  - Significant growth opportunities