



# Macquarie Securities conference

Salmat Limited presentation – Grant Harrod, CEO



7 May 2010

# Agenda

## 1. Salmat overview

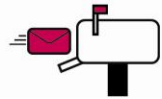
- Business Process Outsourcing
- Customer Contact Solutions
- Targeted Media Solutions

## 2. Financial highlights to 31 December 2010

## 3. Growth focus 2010

## 4. Outlook

**Business Process Outsourcing**  
(formerly BusinessForce)



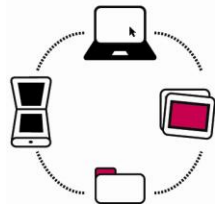
Transactional and direct marketing services



e-Solutions



Print on demand



Business process automation

**Customer Contact Solutions**  
(formerly SalesForce)



Contact centre solutions



Speech solutions



Field and retail kiosk



Learning and development solutions

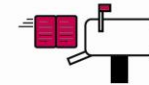


Consulting and support services

**Targeted Media Solutions**  
(formerly MediaForce)



Customer targeting



Letterbox distribution



Digital



Interactive



lasoo.com.au

# Business division overview

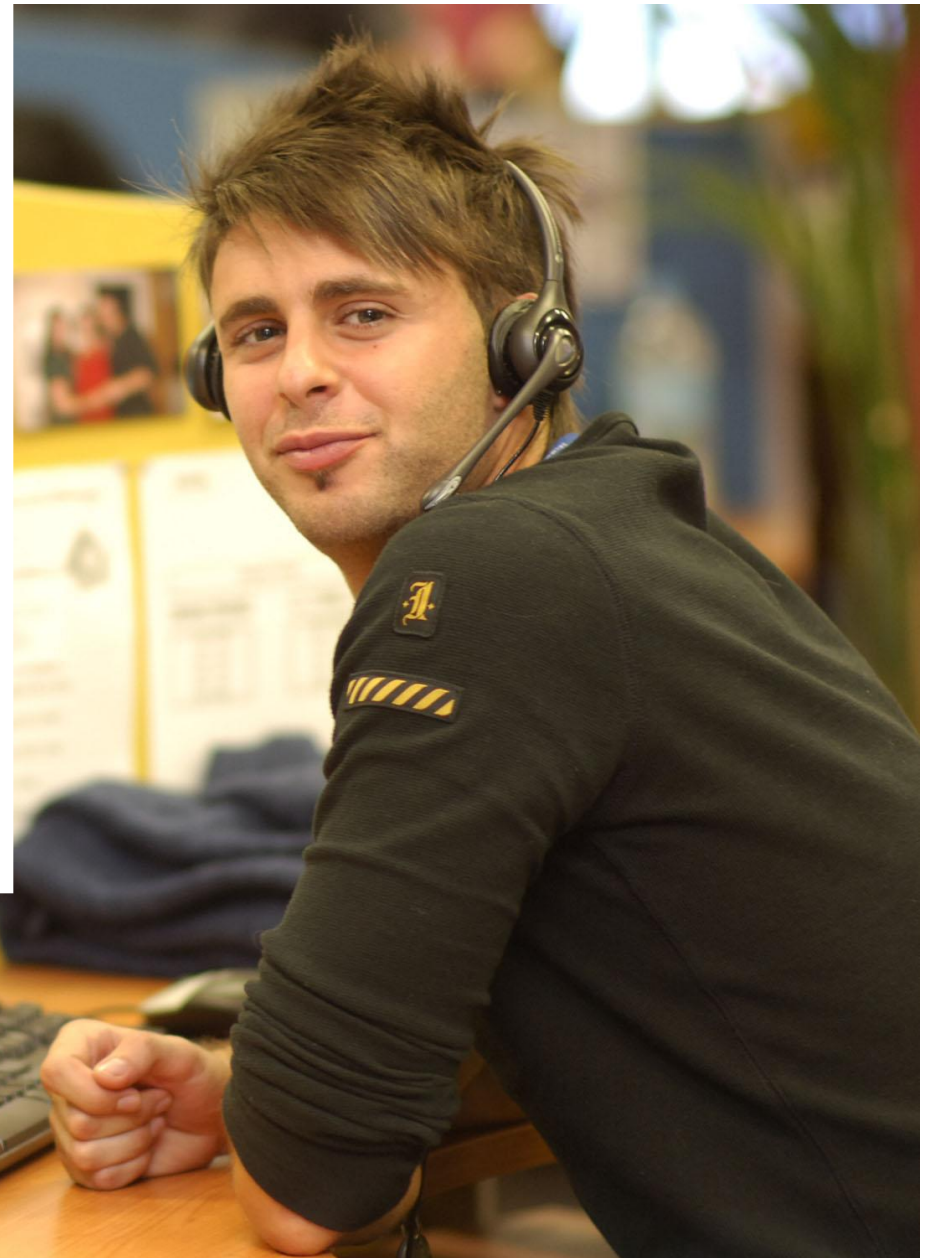


# Business Process Outsourcing

1. Transactional and direct marketing services:
  - Receive electronic data (essential and direct mail), process and distribute in *hard copy* format.
  - Salmat distributes over 1.3 billion mail packs per year.
2. e-Solutions:
  - Receive electronic data, process and distribute in *electronic* format (email and online).
3. Print on demand:
  - Printing of short run, time critical information.
4. Business process automation:
  - Capture and store client data through scanning, imaging and archiving services to provide a range of workflow solutions.

# Customer Contact Solutions

1. Speech solutions:
  - Speech recognition software and applications including voice biometrics, natural language and IVR.
2. Outsourced field and retail sales kiosks:
  - Face-to-face sales teams service households and retail kiosks.
4. Learning and development solutions:
  - eLearning and online educational programs.
5. Consulting and support services.



# Targeted Media Solutions

1. Customer targeting:
  - Socio and demographic profiling.
  - Data analytics.
2. Letterbox distribution:
  - 18,000 contractors deliver over 4.5 billion retail catalogues to 7.8 million households nationally.
3. Digital services:
  - Web based pre-shopping portal including Lasoo.com.au.
  - Dynamic Catalogue hosted contact management services.
4. Interactive services:
  - Facilitates client communication via SMS, MMS, IVR, email and social networking channels.



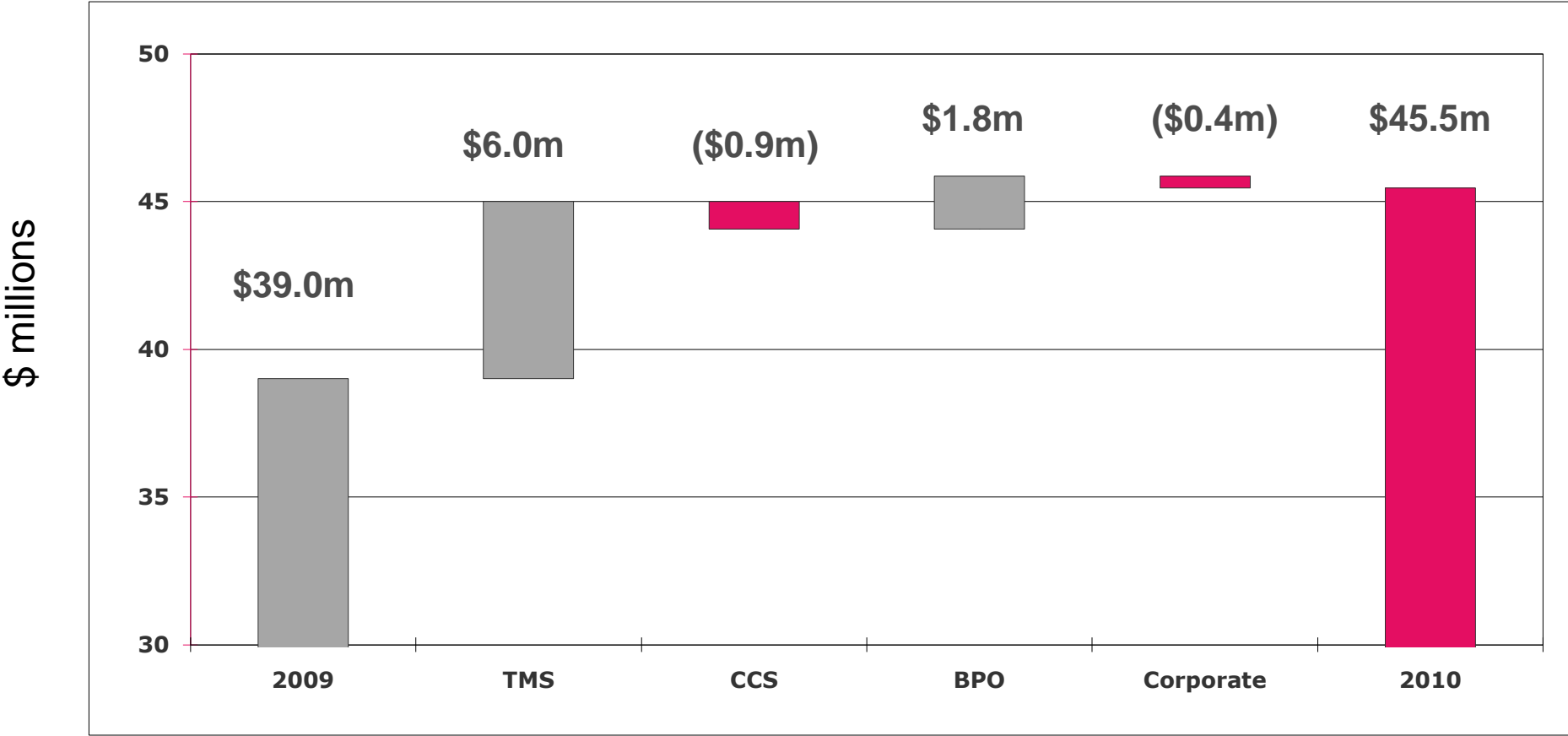
# Financial highlights to 31 December 2009



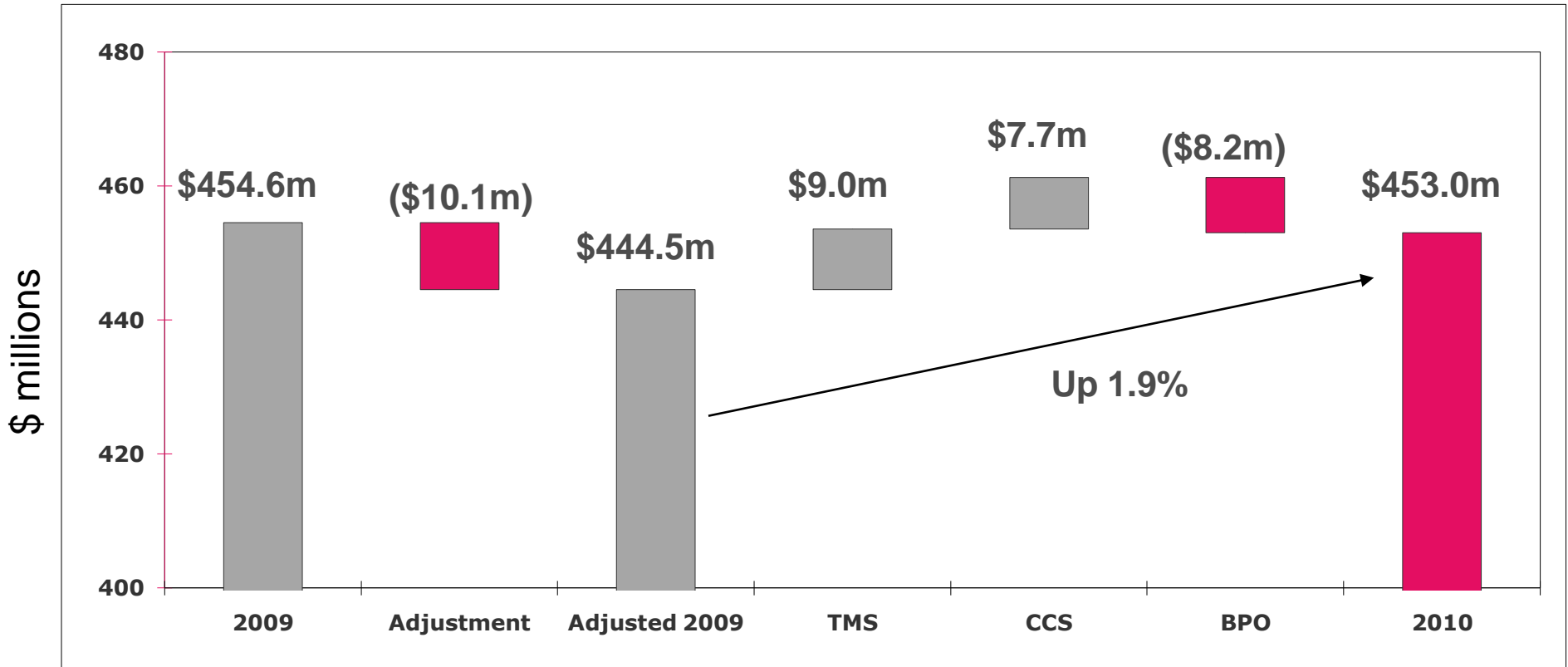
# Financial summary

EBITA	Up 16.6% to \$45.5 million
Net Profit After Tax	Up 48.5% to \$23.5 million
Sales revenue	Down 0.4% to \$453.0 million
Earnings per share	Up 22.4% to 15.4 cents
Total dividend	Up 22.2% to 11 cents
Free cashflow	Up 12.1%

# EBITA (before significant items)



# Sales revenue



Growth focus

# Growth focus - BPO

- Focused on offering value added propositions for our clients which enables them to increase their sales, reduce their costs and improve their customers' contact experience.
- Discretionary and essential mail is tracking down in line with macro environment.
- e-Solutions service continues to grow and has seen a doubling of volumes in the past twelve months to March 2010.
- Asian based businesses continue to grow.
- Extracting further efficiencies via integration and optimisation.

# Growth focus - CCS

- Focused on scaling new emerging businesses and consolidating our market leadership position in each segment.
  - Speech solutions:
    - Significant new wins within financial services sector with open menu speech and voice biometric services.
    - New technologies improve customer experience, security and efficiency.
  - Learning and development solutions:
    - New wins within retail sector, with the delivery of e-Learning and face-to-face training for front line staff.
    - Signed new government contracts for language curriculum and online education training programs.

# Growth focus - TMS

- Catalogue volumes continue to grow organically as clients' recognise its ability to drive sales.
- Targeting Small to Medium Enterprise (SME) marketplace:
  - Developing a complete service offering which enables SME's to deliver an integrated marketing campaign.
  - Appointed a national sales team to focus on this sector.
- Lasoo continues to gain momentum as the premier pre-shop portal.
- Interactive services (SMS and email) enjoy strong support as retailers embrace mobile technology.
- Multi-channel communications capability (addressed and unaddressed mail, email, SMS, on-line, voice and non-voice) provides unique opportunity for customers to consolidate communications strategy.

# Outlook



# Outlook

Actively pursuing continued growth via:

1. Driving synergies, consolidating each business division and identifying further opportunities to improve efficiencies.
2. Pursuing our 'One Salmat' strategy.
3. Expanding into the Small to Medium Enterprise (SME) marketplace.
4. Reviewing acquisition opportunities.

Re-confirm our previously-stated outlook of around \$85-90 million EBITA for the full year before significant items.

# Thank you

## ***Disclaimer***

Company announcements and presentations can contain forward-looking statements. Words such as “believe”, “anticipate”, “plan”, “expect”, “intend”, “target”, “estimate”, “project”, “predict”, “forecast”, “guideline”, “should”, “aim” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical markets; the supply and cost of materials; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.