

SALMAT

**ANNUAL GENERAL MEETING
8 November 2006**

10.00am 8 November 2006
The Lyceum
The Wesley Centre

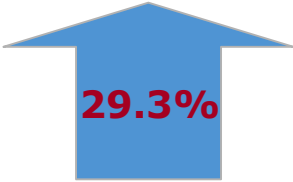
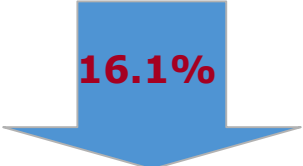
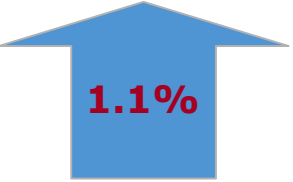

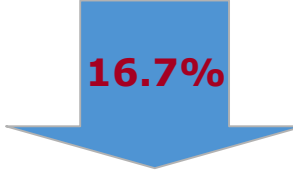
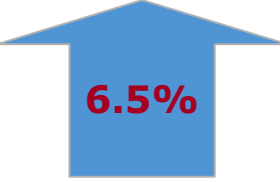
We are the Leader in Customer Communications in Australia



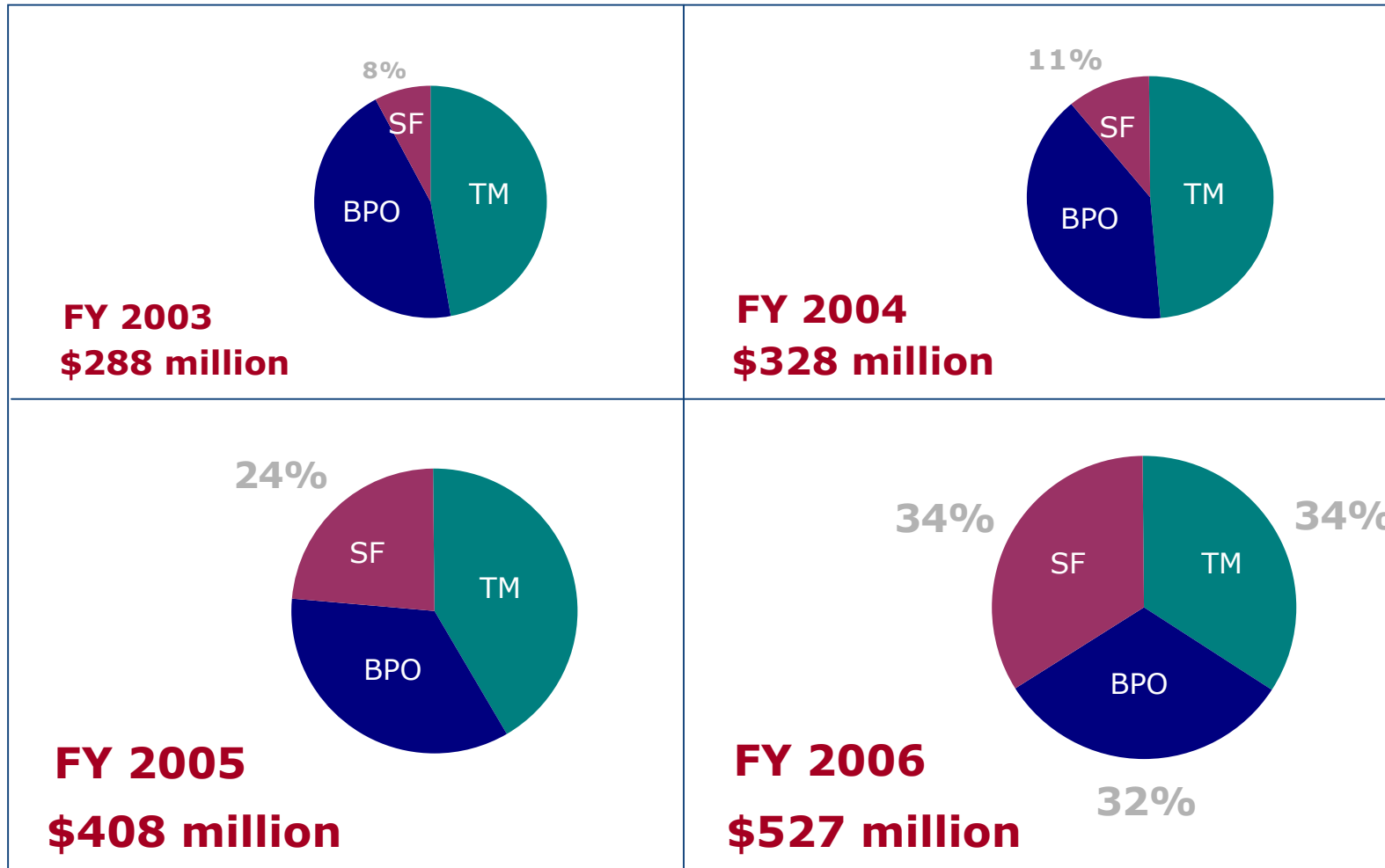
2006 Key Messages

- Competitive market conditions
- Revenue growth across all divisions
- Incurred necessary restructuring and integration costs
- Excellent Salesforce result
- VeCommerce acquisition completed

2006 Results Summary

| | |
|--|--|
| Sales  29.3% | PAT  16.1% |
| EBITA  1.1% | Underlying EBITA  10.0% |
| EPS  16.7% | Full Year Dividends  6.5% |

A Modern Media Company



Targeted Media

2006 Key Results

- Sales up 6.5% to \$180.0 million
- EBITA up 7.5% to \$38.5 million
- Delivered 4.3 billion items, up 4.7%
- EBITA margin slightly up to 21.4%

Key Points

- Soft advertising market
- Improving delivery - 90% + deliverability achieved
- Improved targeting tools

Focus

- Broaden customer base in competitive market
- Improved targeting tools aimed at new sectors
- Capitalise on increased print industry capacity

Business Process Outsourcing

2006 Key Results

- Sales up 18.1% to \$166.9 million
- EBITA down 42.2% to \$7.8 million
- Australian mailpack volumes 632 million, up 6.0%
- NSW print on demand revenues of \$22 million

Key Points

- Difficult industry environment
- Major renewals pricing impacts
- Significant restructuring

Focus

- Grow new products and services
- Redesign of processes and investment in technology
- Moving Asian operations into profit

2006 Key Results

- Sales up 85.1% to \$179.9 million
- EBITA \$10.5 million, up from \$3.5 million

Key Points

- Better than expected growth - customers, seats, revenues and profits
- Improved utilisation → new 300 seat call centre in Geelong
- Increased take-up of outsourcing – market growing

Focus

- World-class technology – VeCommerce acquisition
- Building on strong new business pipeline
- Increased scale to drive margins

**Paul Magee – Managing Director
VeCommerce**



Customer Satisfaction - or the lack of it



**Paul Magee – Managing Director
VeCommerce**

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**Customer Satisfaction - making the
experience count and the process
easy**



Also - the person you are talking to, knows who you are and why you called



| Name | Value |
|--------------|---------------------------------------|
| Caller Type | Adviser |
| Company Name | D B WOOD LIMITED |
| Authorised | Yes |
| Surname | Hill |
| Demand | Life Surrender - Additional Checks Re |
| ID&V Status | Success |
| Warnings | |
| Exit Reason | |
| Plan Number | X72076232A |
| Plan Type | UNIT LINKED |
| Action Taken | Application launched |

Corrected Destination

Life

Was the customer satisfied

satisfied

Comments

IFA impressed with the system, "Easy to use"

Call type

Value

One stop

Yes

Secondary demand dealt with

| Name | Value |
|--------------|--------------------------------------|
| Caller Type | Plan Holder |
| Title | |
| Surname | |
| Demand | Life Payments - Additional Checks Re |
| ID&V Status | |
| Warnings | |
| Exit Reason | Check Plan Number, Surname, DOB |
| Plan Number | |
| Plan Type | |
| Action Taken | None |

Corrected Destination

Life

Surrender

Was the customer

Comments

Request for information on withdrawals, discussed with client who said payments.

Call type

One stop

Yes

Secondary demand dealt with



**VeCommerce delivers
voice self-service and
speaker verification
solutions that improve
the customer experience**



Proxy Validity

| | |
|---------------------|------------|
| Valid Proxy Total | 98,552,083 |
| Invalid Proxy Total | 0 |

Item 1

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Annual Financial Report

Questions?

Remuneration Report

- Best practice policies
- Consult independent expert
- Benchmark against other companies of similar size
- Appropriate mix of base salary, short term at risk component, long term incentives
- No options guaranteed
- No increase in non-executive directors fees

Item 2

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Remuneration Report

Non-binding Motion

That the Remuneration Report for the year ended
30 June 2006 be adopted

Item 2 - Proxies Held

| | |
|---------|------------|
| For | 57,766,565 |
| Against | 276,594 |
| Abstain | 131,900 |

Item 3

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Re-election of Philip Salter

Resolution

That Philip Salter be re-elected as a director of the
Company

Item 3 - Proxies Held

| | |
|---------|------------|
| For | 58,135,913 |
| Against | 27,446 |
| Abstain | 11,700 |

Thank You

Please join us outside for morning tea

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Improving our Customers' Businesses

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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.