



FULL YEAR RESULTS PRESENTATION
26 August 2004

SALMAT

**PHILIP
SALTER**

Joint Managing
Director

**PETER
MATTICK**

Joint Managing
Director

**ASHLEY
FENTON**

Chief Financial
Officer



Performance Summary

Year Ended 30 June (\$m)	2004	2003	Increase
SALES	326.9	285.4	+14.5%
EBITA	35.8	29.6	+20.8%
PROFIT AFTER TAX	21.0	16.5	+27.0%



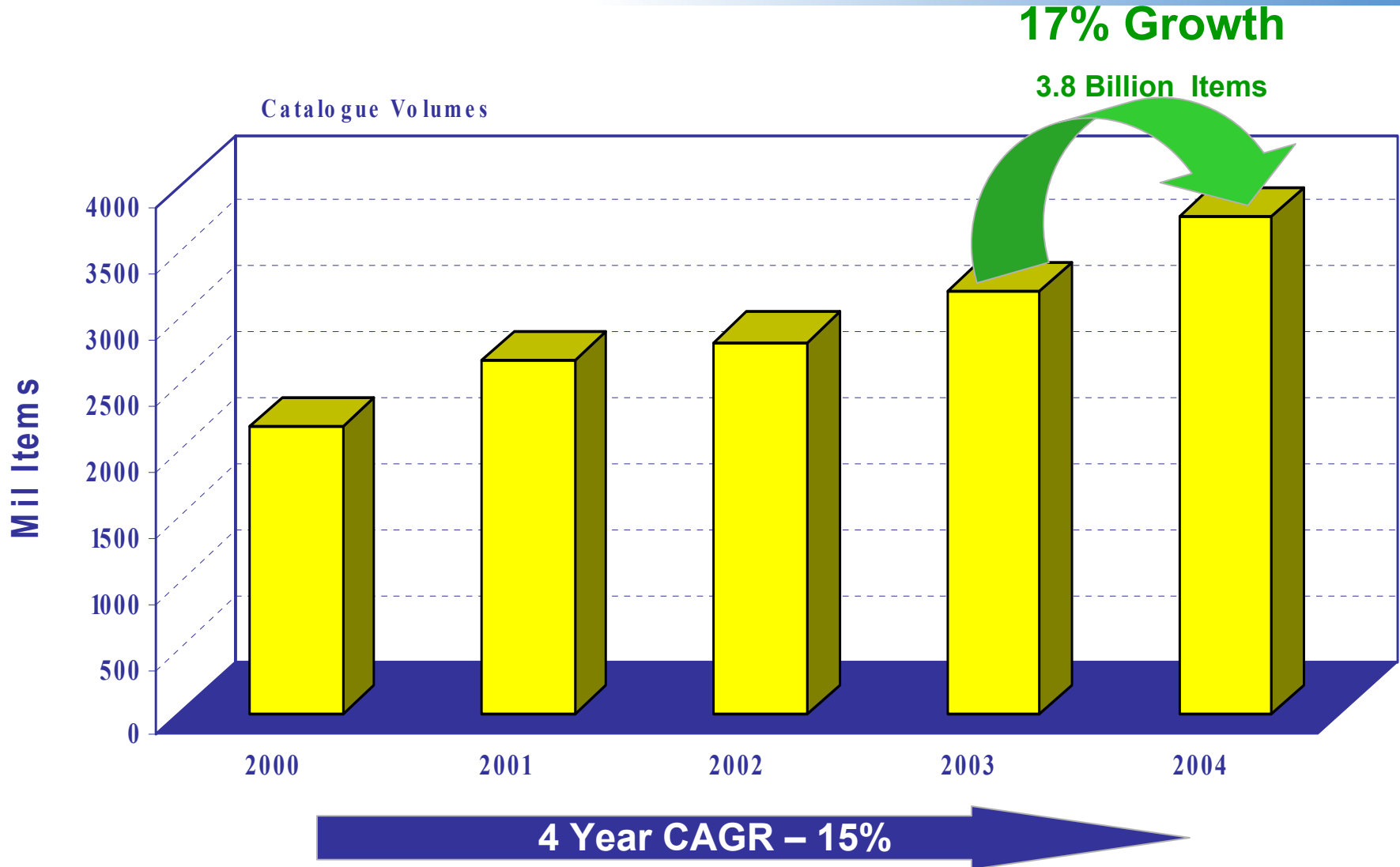
Highlights

- **25 years in business**
- **Double-digit revenue & profit growth**
- **EPS up 27%**
- **Return on capital improves to 47%**
- **Final dividend of 7 cents per share**

TARGETED MEDIA

Volume Growth Continues

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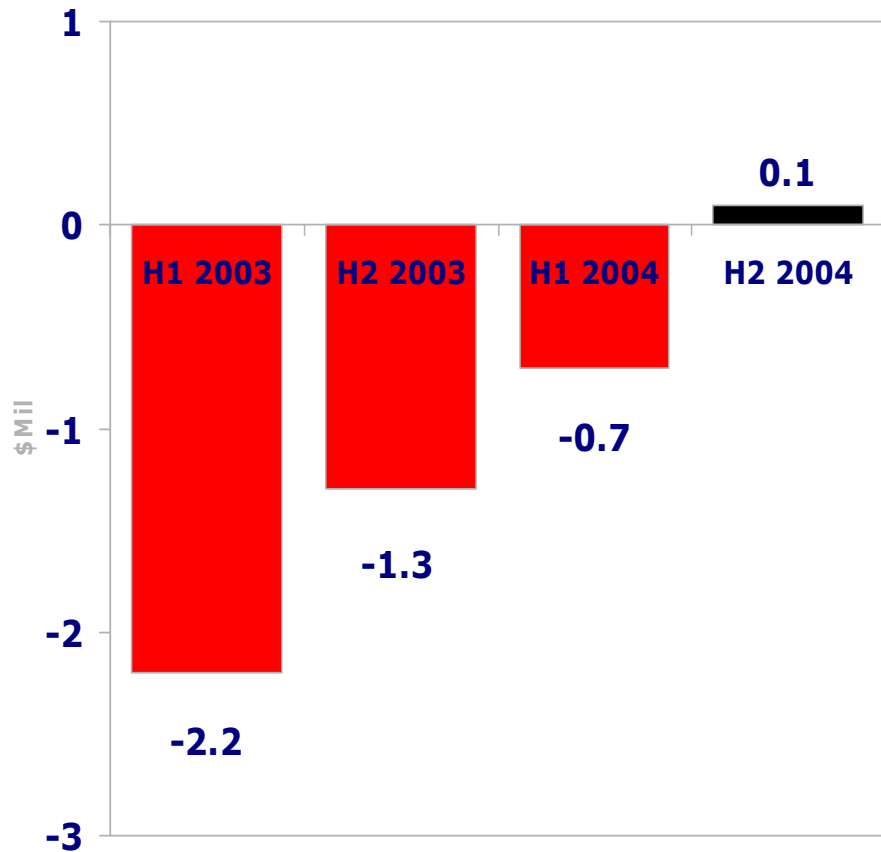


CUSTOMER CONTACT SOLUTIONS

Moves into positive territory

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EBITA



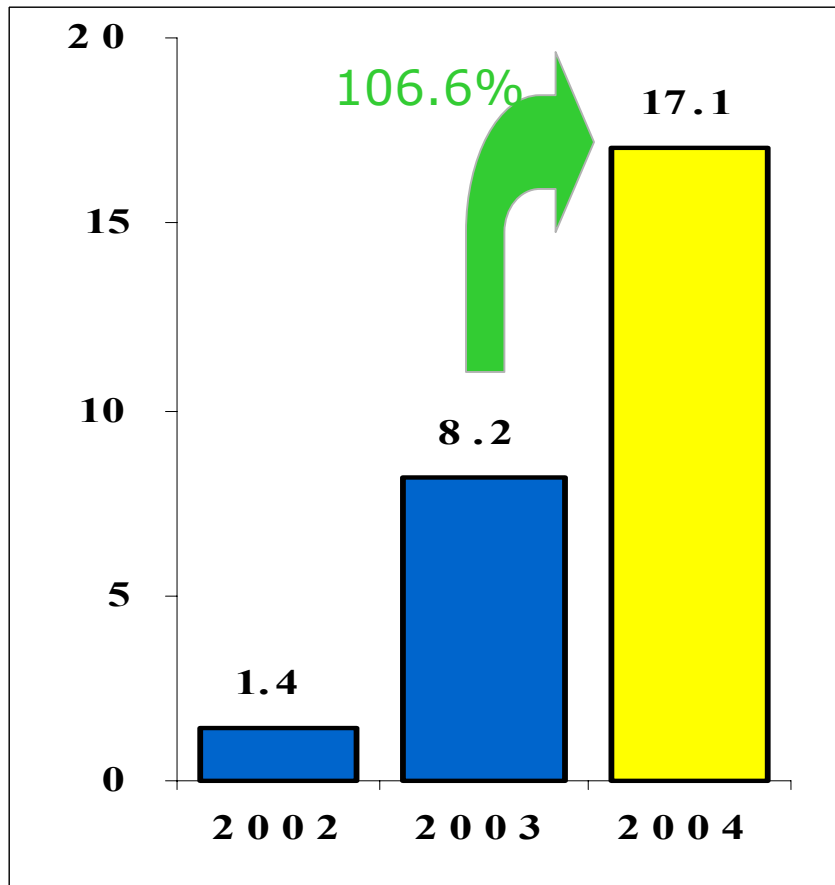
- **EBITDA positive for full year**
- **EBITA positive for second half**

CLIENTLOGIC JOINT VENTURE

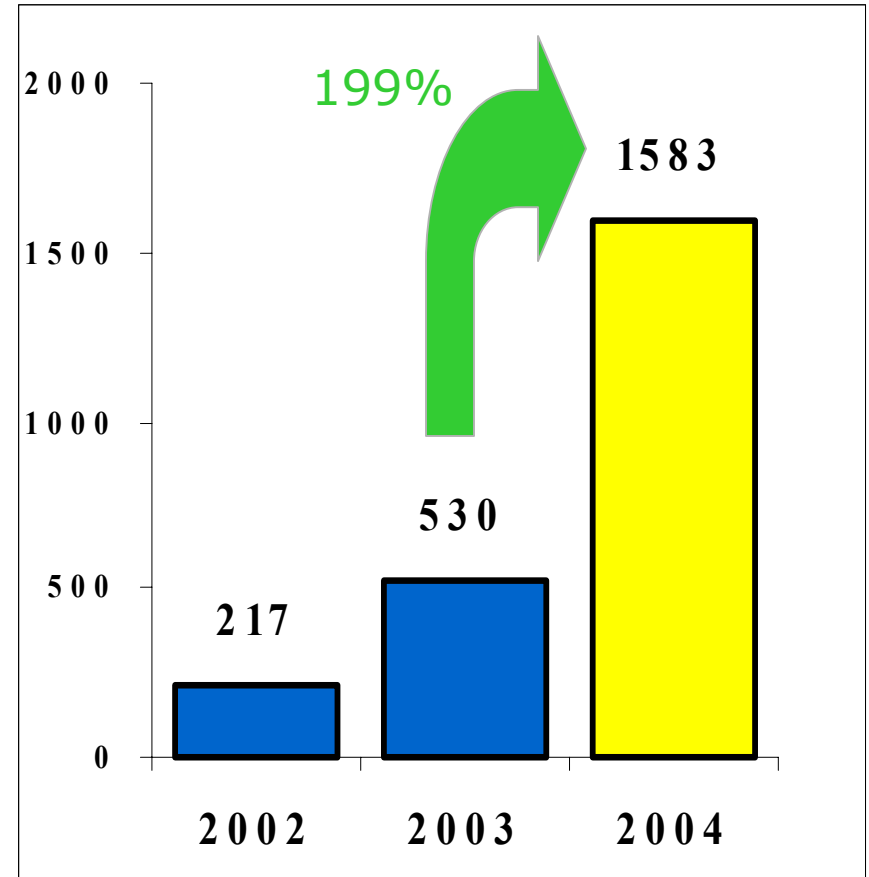
Rapid Expansion of Scale

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SALES (AUD)



CAPACITY (Seats)



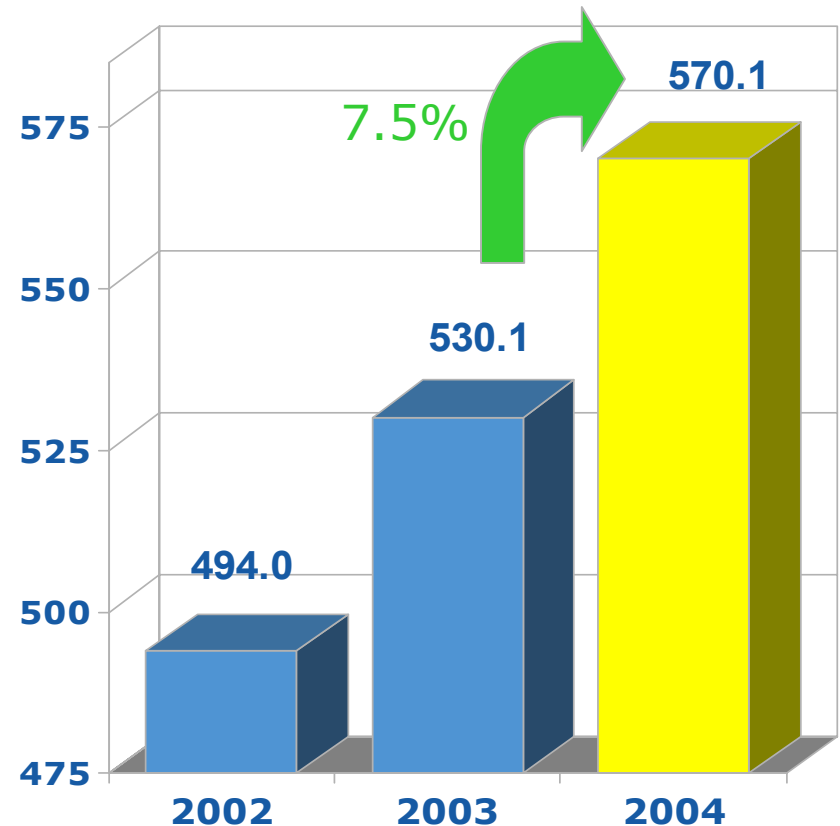
BUSINESS PROCESS OUTSOURCING

Market Leadership Position

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- **Volumes up 7.5%**
- **ANZ and Westpac Wins**
- **Australian revenues up 6.6%**

Mailpack Vol's – Australia (Mil)





Delivering on Commitments

	COMMITMENT	RESULT DELIVERED
Revenue Growth	Double Digit	14.5%
PAT Growth	20% - 25%	27.0%
CCS Turnaround	EBITDA +ve run-rate in H2	EBITDA +ve EBITA +ve in H2

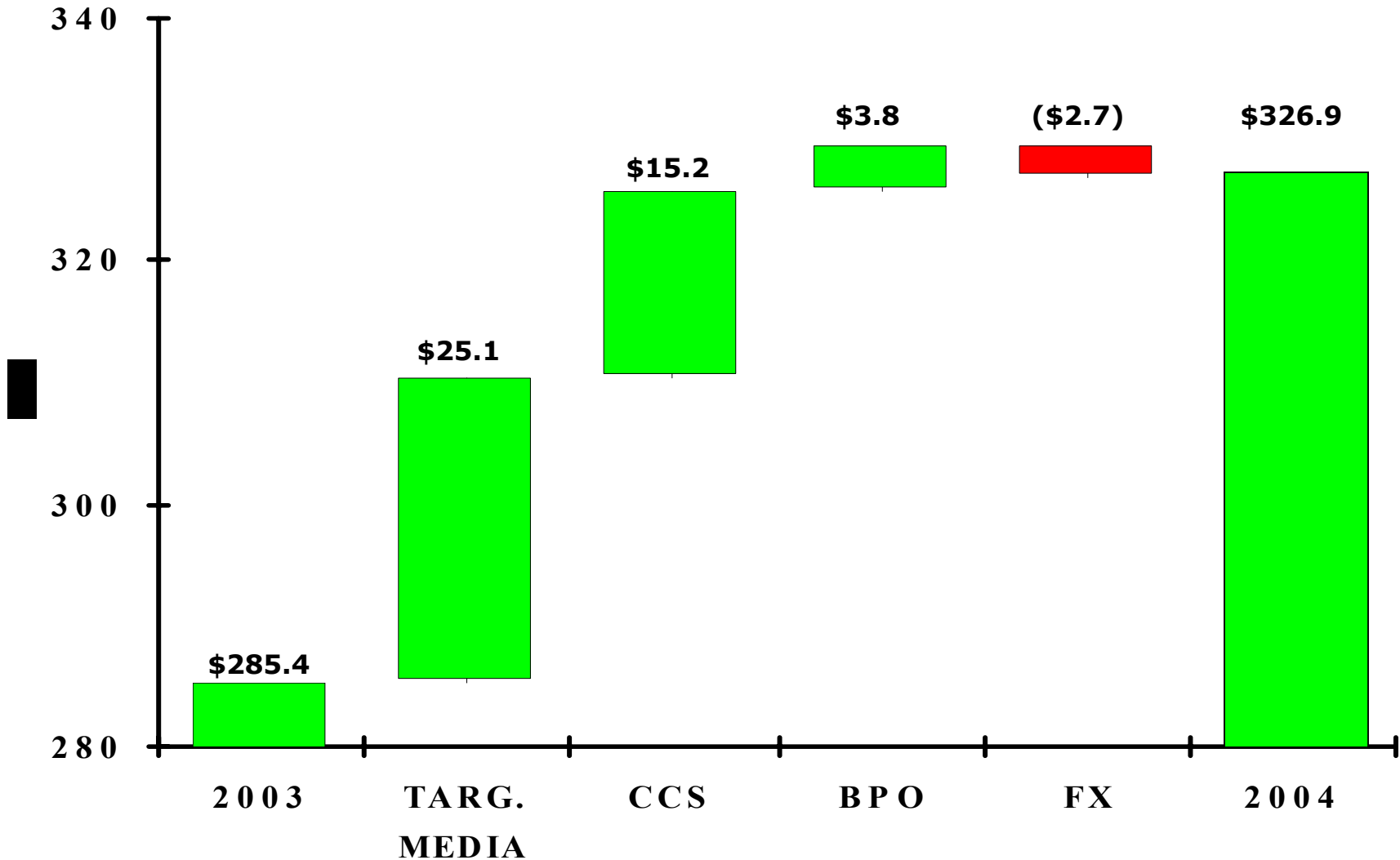
Group Result

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<i>Year ended 30 June</i> <i>(\$m)</i>	<i>2004</i>	<i>2003</i>	<i>Increase</i>
SALES	326.9	285.4	14.5%
EBITDA	46.7	42.0	11.3%
Depreciation	(10.9)	(12.4)	
EBITA	35.8	29.6	20.8%
Amortisation	(5.1)	(2.5)	
Interest	0.7	(0.7)	
Tax Expense	(10.4)	(9.9)	
Profit After Tax	21.0	16.5	27.0%
<i>Profit Margin</i>	6.4%	5.8%	0.6%
Net Capex Spend \$m	10.6	7.4	
Total Dividend (cents)	12.0	8.5	41.2%
Earnings Per Share (Cents)	18.0	14.2	27.0%

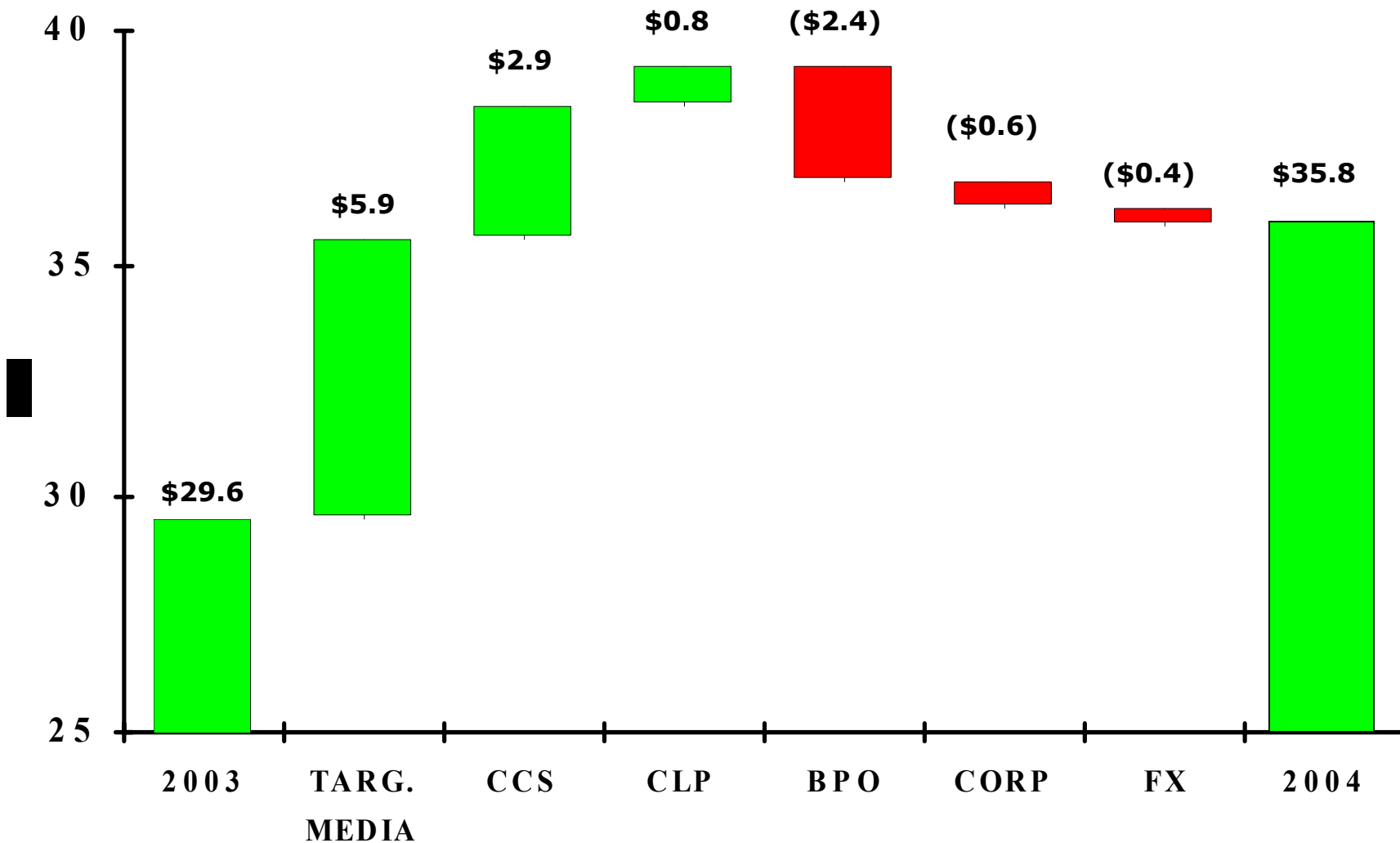
14.5% Revenue Growth

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20.8% EBITA Growth

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Cash Flow

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<i>Year-ended 30 June</i> <i>(\$m)</i>	2004	2003
EBITDA	46.7	42.0
Interest	0.7	(0.7)
Tax Paid	(15.1)	(8.0)
Working Capital Change	(4.9)	5.9
NET OPERATING CASHFLOW	27.4	39.2
Net Capital Spend	(10.6)	(7.4)
Acquisitions	(2.0)	-
Joint Venture Funding	(4.3)	(3.4)
NET INVESTING ACTIVITIES	(16.9)	(10.8)
FREE CASH FLOW	10.5	28.4
<i>Net Cash Position</i>	<i>14.2</i>	<i>16.1</i>
<i>Debtors Days Sales Outstanding</i>	<i>29.2</i>	<i>27.0</i>

- **Higher tax installments / prior year catch-up**
- **Working capital within normal range**
- **Continued funding to CLP**



TARGETED MEDIA

Continued Catalogue Expansion

- **Market leadership – grow the market**
- **Continued expansion in non-traditional areas**
- **Focus on advertising agencies**
- **Strengthen national distribution network**



CUSTOMER CONTACT SOLUTIONS

Continue to Build Scale

AUSTRALIA

- **Growth in outsourcing**
- **Focus on inbound work**
- **Develop the Telstra relationship**
- **Technology upgrade**

CLP

- **US mainland outsourcing opportunities**
- **Efficiencies to be realised**



BUSINESS PROCESS OUTSOURCING

Gradual Margin Improvement

- **Market leadership**
- **Organic growth**
- **Price pressure stabilising**
- **Broaden and deepen offering**
- **Technology refresh**
- **Approach to Asia – local + regional**



Group Outlook

- ➔ **Double digit growth in profits – 15% to 20%**
- ➔ **All businesses have organic growth opportunities**
- ➔ **Potential acquisitions**



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APPENDICES

Divisional Summary

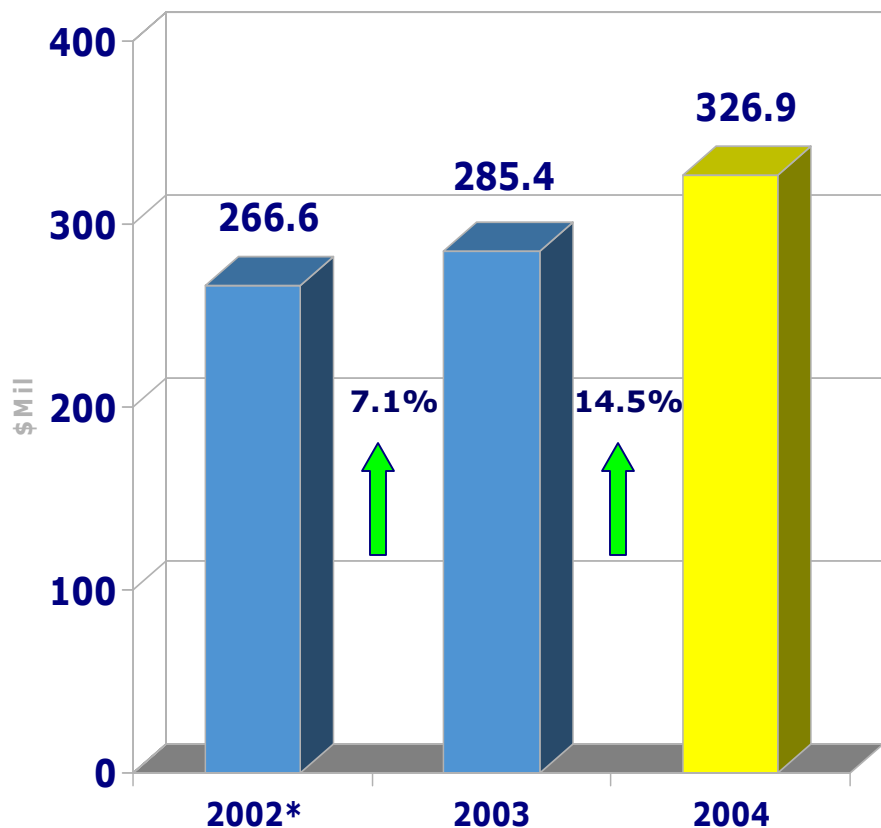
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<i>Year ended 30 June</i> <i>(\$m)</i>	<i>2004</i>	<i>2003</i>	<i>Increase /</i> <i>(Decrease)</i>
REVENUE			
Targeted Media	160.2	135.1	18.6%
Customer Contact Solutions	37.0	21.8	69.7%
Business Process Outsourcing	129.6	128.5	0.8%
GROUP REVENUE	326.9	285.4	14.5%
PROFITABILITY			
Targeted Media	33.8	27.9	21.3%
Customer Contact Solutions	(0.6)	(3.5)	82.7%
CLP	(2.5)	(3.3)	22.9%
Business Process Outsource	13.7	16.5	(16.7%)
Corporate Centre	(8.6)	(8.0)	(8.7%)
GROUP EBITA	35.8	29.6	20.8%

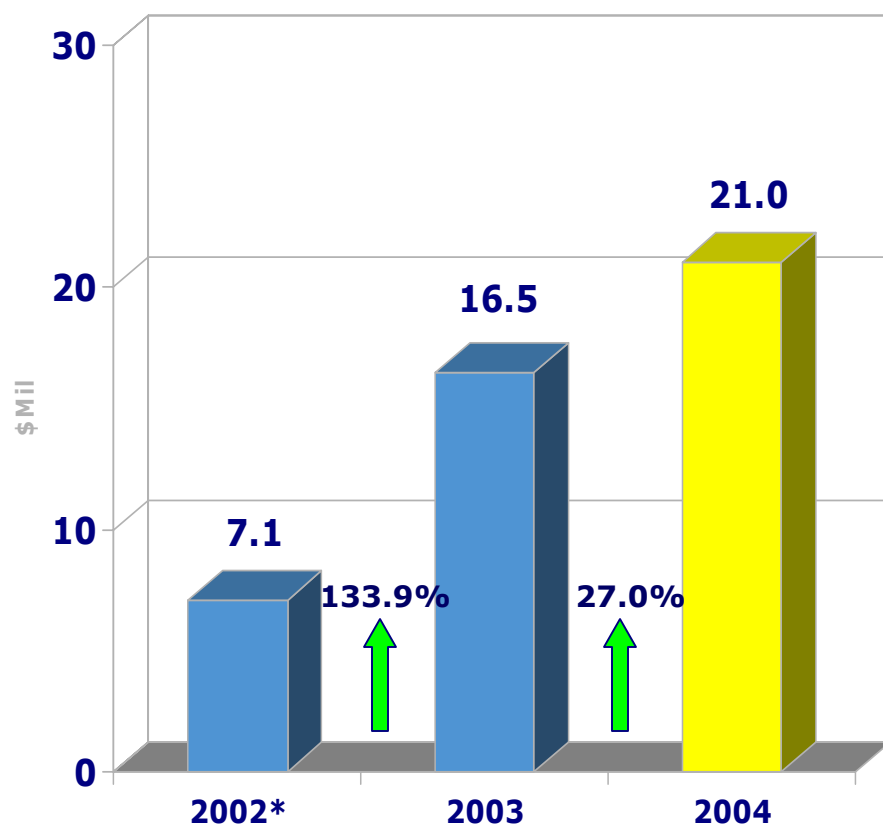


Revenue and Profit Growth

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PROFIT AFTER TAX



* Per IPO Prospectus

Targeted Media Result

Continued Growth from Non-traditional Areas

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Year Ended 30 June (\$m)	2004	2003	Increase
SALES	160.2	135.1	18.6%
EBITDA	34.7	29.0	19.6%
<i>Margin</i>	21.7%	21.5%	0.2%
Depreciation	(0.9)	(1.1)	
EBITA	33.8	27.9	21.3%
<i>Margin</i>	21.1%	20.6%	0.5%

Key KPI's

Revenue  18.6%

Volumes  17%

Avg Sell Price  2%

Costs  18%

Customer Contact Solutions Result Turnaround continues

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Year Ended 30 June (\$m)	2004	2003	Increase
SALES	37.0	21.8	69.7%
EBITDA	0.4	(2.3)	119.0%
<i>Margin</i>	1.2%	(10.7%)	11.9%
Depreciation	(1.1)	(1.2)	
EBITA	(0.6)	(3.5)	82.7%
<i>Margin</i>	(1.6%)	(16.1%)	14.5%

Key KPI's

Revenue  **69.7%**

No. of seats  **909**

Utilisation  **70.1%**

ClientLogic Joint Venture Result

Strong Partnership


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Year Ended 30 June (\$m)	2004	2003	Increase
SALES	17.1	8.3	106.6%
EBITDA	2.4	(2.8)	185.5%
<i>Margin</i>	14.0%	(33.8%)	47.8%
Depreciation	(2.1)	(1.0)	
EBITA	0.3	(3.8)	107.0%
<i>Margin</i>	1.6%	(45.7%)	47.3%
Profit After Tax	(0.5)	(3.8)	86.8%
<i>Margin</i>	(2.9%)	(45.6%)	42.8%

Key KPI's

Revenue  **106.6%**

No. of seats  **1583**


Seats  **199%**

Business Process Outsourcing Result

Australian Volume and Revenue Growth


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Key KPI's

Revenue (excl FX)  **3%**

Australian Volumes  **7.5%**

Aust. Avg Sell Price  **2.4%**

Costs  **5%**

Year Ended 30 June (\$m)	2004	2003	Increase / (Decrease)
SALES	129.6	128.5	0.8%
EBITDA	19.7	23.7	(17.0%)
<i>Margin</i>	15.2%	18.4%	(3.3%)
Depreciation	(5.9)	(7.2)	
EBITA	13.7	16.5	(16.7%)
<i>Margin</i>	10.6%	12.8%	(2.2%)

Balance Sheet

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<i>Year-ended 30 June</i> <i>(\$m)</i>	<i>2004</i>	<i>2003</i>	<i>Increase/ (Decrease)</i>
Receivables	38.6	31.9	
Payables	(37.3)	(39.7)	
Other Working Capital	1.6	(0.7)	
NET WORKING CAPITAL	2.8	(8.5)	(133.2%)
Fixed Assets	36.4	36.6	
Goodwill	26.5	28.1	
Deferred Tax	5.6	4.7	
Net non-trading assets	(4.1)	(3.7)	
CAPITAL EMPLOYED	67.2	57.1	17.7%
CASH (net)	14.2	16.1	(12.0%)
SHAREHOLDERS EQUITY	81.4	73.2	11.1%



Full Year Results Presentation

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.