



**Macquarie Bank Emerging Leaders Conference**  
**4<sup>th</sup> May, 2005**

**SALMAT**

**We are the Leader in  
Customer Communications  
in Australia**

# What We Do



## SALMAT

### Targeted Media

- Market leader
  - ✓ Customer targeting and market analysis
  - ✓ Delivery of advertising material (eg. catalogues)

### Business Process Outsourcing

- Market leader
  - ✓ Data management
  - ✓ Data segmentation and analysis
  - ✓ Digital printing and mailing of essential mail (eg. bills)

### Contact Centres

- Market leader
  - ✓ Inbound contact centres
  - ✓ Outbound sales campaigns
  - ✓ Direct sales

# Targeted Media

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- **Delivery of advertising catalogues to consumers**
- **Demographic profiling to determine target areas**

## Targeted Advertising Medium



# Target

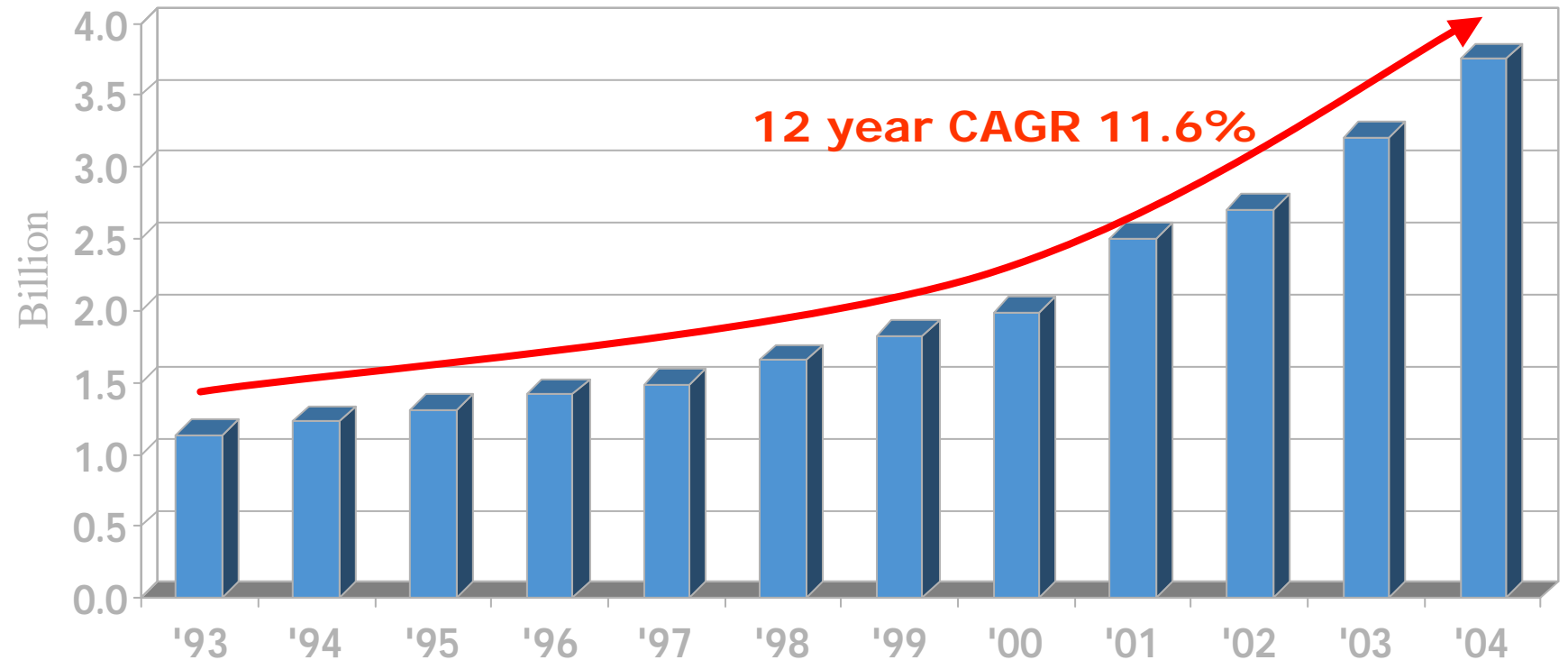
***"Target has worked with Salmat for over 15 years in refining catalogue distribution, using a catalogue targeting methodology specifically developed for Target. Target uses walker area sales values to determine its catalogue distribution requirements ensuring that maximum sales coverage is achieved. This targeting methodology has resulted in incremental sales and cost savings for our business".***

***Murray Chenery General Manager Marketing - Target***



# Strong Growth – last 12 years

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**Salmat Targeted Media Volume Growth**

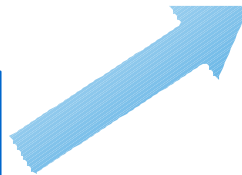
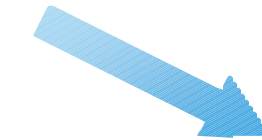
# Targeted Media - Focus

**Strengthen relationships with advertising agencies**

**Promote awareness of the effectiveness of direct media**

**Enhance targeting tools to give customers the best value for their advertising dollar**

**Continued expansion of direct media market**



# Business Process Outsourcing

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- **Data management, segmentation and analysis**
- **Digital printing**
- **Lodgement of mailpacks with postal services**

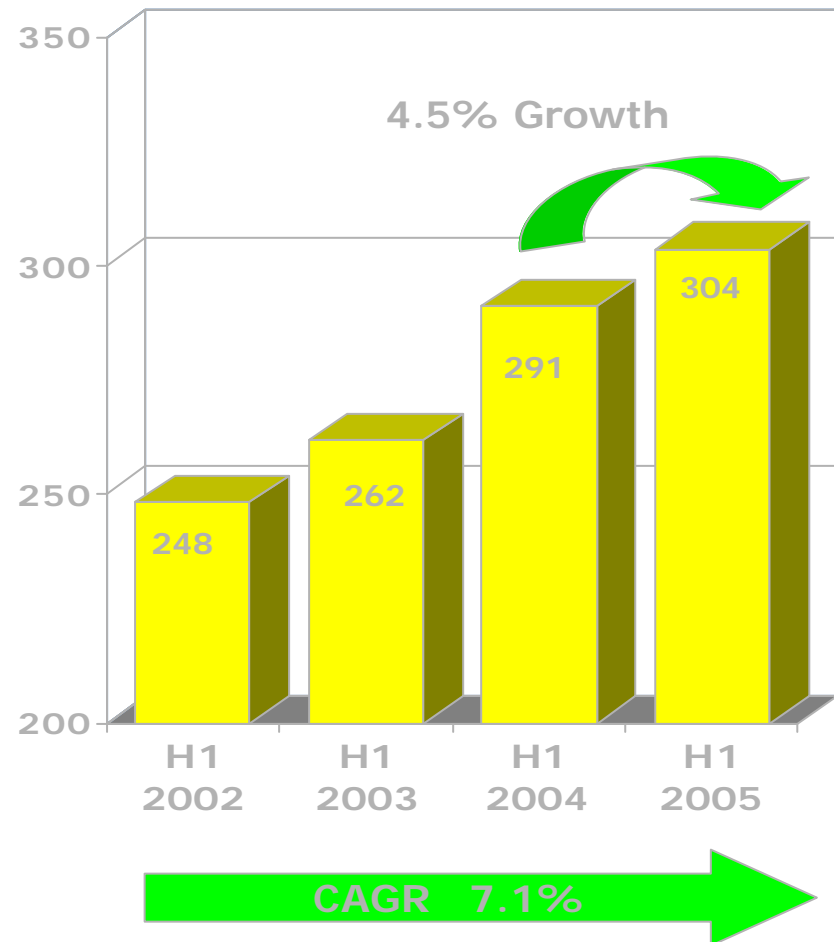
**Intelligent Management of Data Processing  
Laser Imaging and Delivery of Essential Mail**

# Business Process Outsourcing

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- New products and services to deepen our offering
- Acquisition of NSW GPS
- 31% ROC

Mailpack Volumes – Australia (Mil)

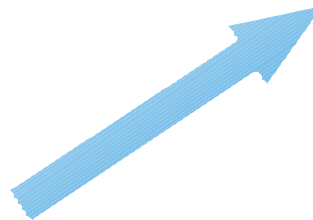
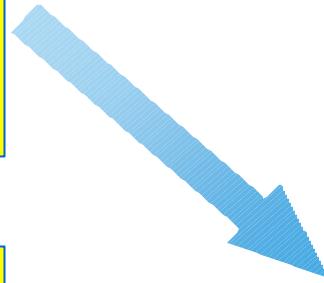


# *Business Process Outsourcing - Focus*

**Maintain our market leadership position, especially in financial services**

**Invest in technology to expand the range of products and services available**

**Work to grow the market in essential mail**



**Gain market share and gradual improvement in margins**

# *Outsourced Contact Centres*

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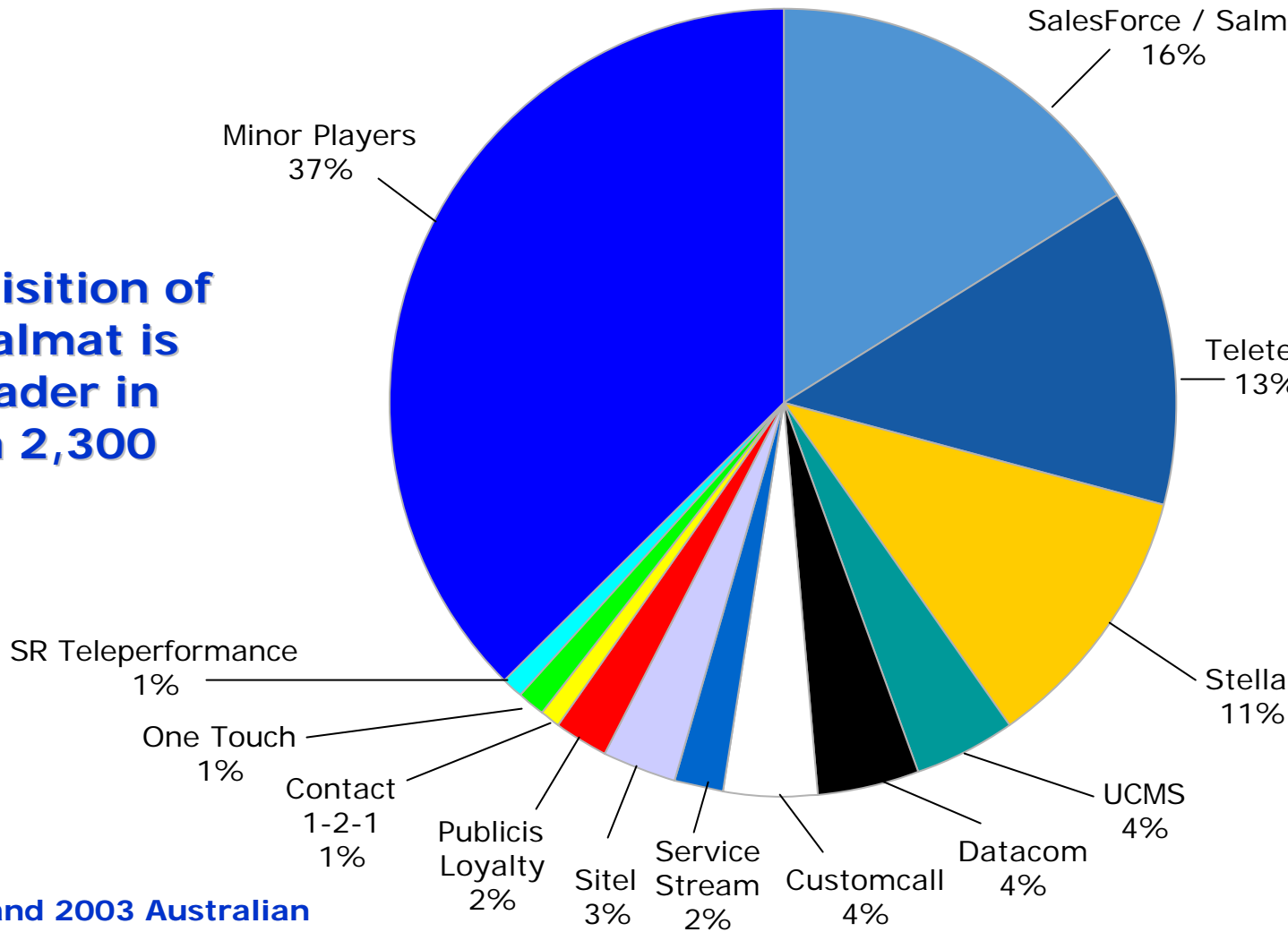
- **Inbound customer service and helpdesk**
- **Outbound sales campaigns**
- **Direct sales**

## **Contact Centre Solutions**

# Industry Position – Market Leader

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**With the acquisition of  
SalesForce, Salmat is  
the market leader in  
Australia with 2,300  
seats**

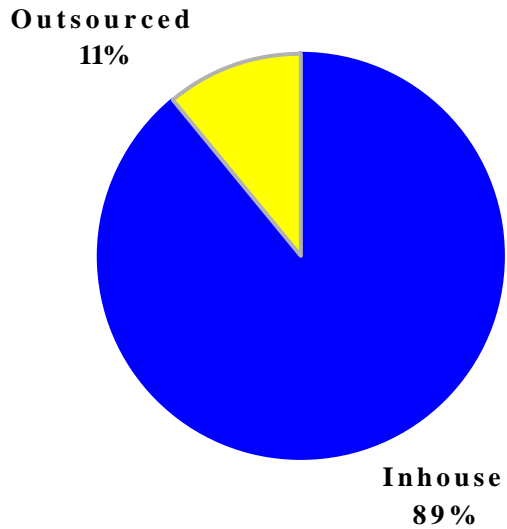


**SalesForce research and 2003 Australian  
Call Centre Industry Benchmark Study)**

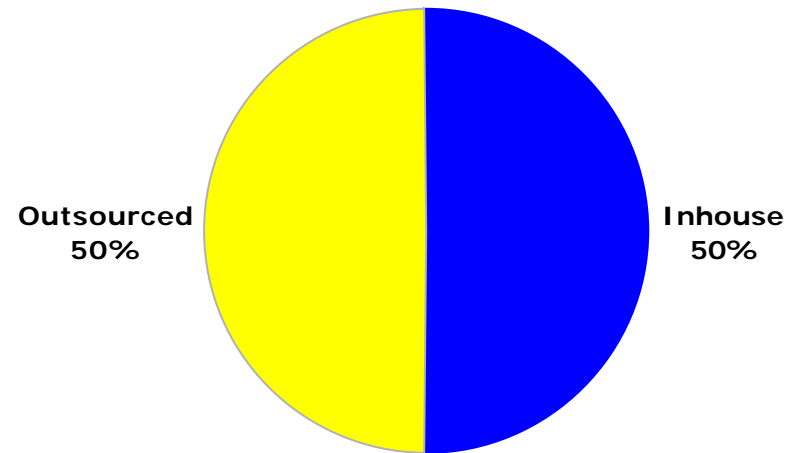
# Contact Centres - Growth Potential

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## Australia Today



## International Experience



# *SalesForce Acquisition*

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- **Integration / Business review underway**
- **Senior management team announced**
- **Working on back office structures and sales strategies**



# Contact Centre Targets

- **75% inbound**
- **EBIT margins of 10%**
- **Grow the market**
- **“Improving our Customers’ Businesses”**



# *Half Year Financial Results*

- **Sales up 8.3%**
- **Profit after Tax up 35.2%**
- **EPS up 35.2%**
- **Return on Capital of 53%**
- **Interim dividend declared of 6.5 cents**



# Competitive Advantages

## Leading market position

- Market leader in all key markets
- High barriers to entry
- IP and technological superiority

## Strong management

- Average tenure of senior management – 15 years
- Robust management systems

## Large, established client base

- Blue chip clients
- Long term relationships

## Focused growth strategy

- Market growth
- Market share growth
- Acquisitions
- Asia

## Strong Financial performance

- 25 year history of growth
- Strong free cash flow



# *Group Outlook – Financial Year 2005*

- **Revenue 8% - 10% above FY 2004 \***
- **Net Profit 27% - 32% above FY 2004 \***
- **SalesForce acquisition EPS positive in year 1**

\* Excludes SalesForce acquisition impact



**SALMAT**

**Improving our  
Customers' Businesses**



## 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

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