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AIFRS Information Pack
Restatement of 2004/05 Comparatives

We are the Leader in Customer Communications in Australia

- Mandatory adoption of AIFRS from 1 July 2005. Therefore comparatives need to be restated and anticipated impacts were disclosed in the 2005 annual report.
- Figures are unaudited and are subject to revision due to changes in estimates and changes in accounting interpretation
- Comparative figures presented in the FY06 half year and full year releases will be restated to reflect these AIFRS adjustments

Overview of Impacts

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Statement of Financial Performance (Profit and Loss)

- Reversal of goodwill amortisation in FY05
- Expensing of share based payments
- Value of customer contracts purchased as part of the SalesForce acquisition assessed and booked as an intangible asset to be amortised over three years
- Lease make-good provisions now recognised and amortised over the life of the lease
- Tax impacts

Overview of Impacts

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Statement of Financial Position (Balance Sheet)

- Increase in value of goodwill as FY05 amortisation is reversed
- Increase in other intangible assets as value of SalesForce customer contracts is booked
- Share based payments impact on shareholders equity
- Lease make-good provisions now shown as a liability
- Discounting of deferred acquisition payments due to present value calculation being applied
- Tax impacts

Reconciliation of AGAAP to AIFRS Net Profit after Tax - Group

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Impact on Profit	half year	half year	full year
	31 Dec 2004	30 June 2005	30 June 2005
Net profit after tax- AGAAP	14.9	12.2	27.1
Share based payments	(0.2)	(0.1)	(0.3)
Amortisation of Goodwill	2.0	3.4	5.4
Amortisation of Intangibles in SalesForce	-	(0.8)	(0.8)
Other	(0.1)	-	(0.1)
Income tax	-	(0.1)	(0.1)
Net profit after tax - AIFRS	**16.6**	**14.6**	**31.2**

Share Based Payments

AGAAP approach – these payments include options and employee share plan shares, and are not expensed through the Statement of Financial Performance, but are fully disclosed in the Notes to the Accounts.

AIFRS approach – these payments will be expensed through the Statement of Financial Performance with a corresponding credit to Shareholders Equity. The expense will be based on the market value over the time of the grant, spread over the vesting period.

Goodwill

AGAAP approach - amortise goodwill over a maximum of 20 years, consistent with the period of expected benefits.

AIFRS approach – amortisation of goodwill will cease. Goodwill will be subject to an impairment test. This may result in increased earnings volatility in the event of goodwill impairment. $5.4 m reversed for the year ended 30 June 2005.

Intangibles in SalesForce

AGAAP approach – no intangibles accounted for in relation to the value of future customers under contract.

AIFRS approach – the value of customers under contract has been assessed using a discounted cash flow model and booked to Intangible Assets. This intangible will be amortised to the Statement of Financial Performance over 3 years.

Other (Lease make-good and deferred acquisition liability)

AGAAP approach – Lease make-good provision is not recognised in the Statement of Financial Position and future acquisition payments are not subject to discounted cash flow assessment

AIFRS approach – Lease make-good provision is recognised in the Statement of Financial Performance over the life of the lease and the future acquisition payments are subject to a discounted cash flow valuation.

Income Tax

AGAAP approach – liability method used

AIFRS approach – Balance sheet method used

Statement of Financial Performance Restated to AIFRS - Group

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Results	half year 31 Dec 2004	half year 30 June 2005	full year 30 June 2005
SALES	180.8	226.7	407.5
EBITDA	30.4	28.8	59.2
Depreciation	(8.3)	(7.0)	(15.3)
EBITA	22.1	21.8	43.9
Amortisation	0.0	(0.8)	(0.8)
Interest	0.4	(0.9)	(0.5)
Tax expense	(5.9)	(5.5)	(11.4)
Profit after tax	16.6	14.6	31.2
Earnings per share (cents)	14.3	12.5	26.8

These figures will be used as comparatives for the FY06 financial results releases.

Statement of Financial Performance
Restated to AIFRS – H1 FY05

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Results	AGAAP 31 Dec 2004	Transition Adjustment	AIFRS 31 Dec 2004
SALES	180.8	0.0	180.8
EBITDA	30.8	(0.4)	30.4
Depreciation	(8.3)	0.0	(8.3)
EBITA	22.5	(0.4)	22.1
Amortisation	(2.1)	2.1	0.0
Interest	0.3	0.1	0.4
Tax expense	(5.8)	(0.1)	(5.9)
Profit after tax	14.9	1.7	16.6

These figures will be used as comparatives for the FY06 financial results releases.

Statement of Financial Performance Restated to AIFRS – Full Year 2005

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Results	AGAAP 30 Jun 2005	Transition Adjustment	AIFRS 30 June 2005
SALES	407.5	0.0	407.5
EBITDA	60.0	(0.8)	59.2
Depreciation	(15.3)	0.0	(15.3)
EBITA	44.7	(0.8)	43.9
Amortisation	(5.6)	4.8	(0.8)
Interest	(0.7)	0.2	(0.5)
Tax expense	(11.3)	(0.1)	(11.4)
Profit after tax	27.1	4.1	31.2

These figures will be used as comparatives for the FY06 financial results releases.

EBITA Restated to AIFRS – by Division
Full Year 2005

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Results	AGAAP 30 June 2005	Transition Adjustment	AIFRS 30 Jun 2005
Group	44.7	(0.8)	43.9
Targeted Media	36.0	(0.2)	35.8
BPO	13.7	(0.2)	13.5
Contact Centres	3.4	(0.2)	3.2
Net Significant Items	2.1	0.0	2.1
Corporate	(10.5)	(0.2)	(10.7)

Transition adjustments are employee related expenses plus property related expenses

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Reconciliation of AGAAP to AIFRS Shareholders Equity

Impact on Shareholders Equity	half year	full year
	31 Dec 2004	30 June 2005
Shareholders equity - AGAAP	88.7	93.9
Goodwill/Intangibles	0.7	3.5
Lease make-good	(0.5)	(0.7)
Share payments	(0.0)	(0.0)
Deferred acquisition liability	0.3	0.4
Income tax	0.1	0.1
Shareholders Equity - AIFRS	**89.3**	**97.2**

Goodwill/Intangibles

AGAAP approach – Goodwill amortised on a straight line basis over a maximum of 20 years

AIFRS approach – Goodwill will be subject to regular impairment testing. An intangible asset of $3.9 million representing the future value of SalesForce customers under contract as at the date of acquisition has been booked. This intangible asset will be amortised over three years.

Lease make-good

AGAAP approach – make-good costs not accounted for until incurred.

AIFRS approach – make-good provisions will be booked as a liability in the Statement of Financial Position over the life of the lease.

Share Based Payments

AGAAP approach – not accounted for in the Statement of Financial Performance or the Statement of Financial Position

AIFRS approach – the expense will be booked with a corresponding credit to Equity

Deferred acquisition liability

AGAAP approach – the value of future payments are booked at face value per the acquisition contract

AIFRS approach – the nominal value is subject to a discounted cash flow valuation to revert the figure to present day values. Over time, an interest cost will be booked to the Statement of Financial Performance to return this amount to its face value per the contract.

Income Tax

AGAAP approach – liability method used

AIFRS approach – balance sheet method used

Statement of Financial Position
Restated to AIFRS

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Results	as at 31 Dec 2004	as at 30 June 2005
Goodwill	25.7	80.0
Other intangible assets	-	3.9
Fixed assets	37.6	40.9
Other net assets	20.8	24.6
Net cash / (debt)	5.2	(52.2)
Shareholders equity	89.3	97.2
Net debt to equity	-	54.1%
Gearing	-	35.1%

These figures will be used in FY06 results releases

Net debt to equity in previously reported AGAAP was 56%
Gearing in previously reported AGAAP was 36%

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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.