



Half Year Results – 31 December 2007

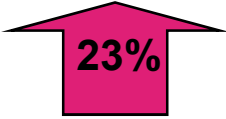
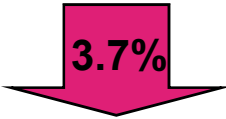
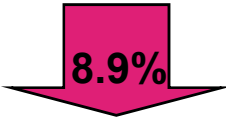
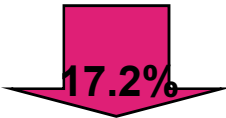
28 February 2008

This presentation to be read in conjunction with the speech available at www.salmat.com.au

Highlights

- Significant strategic moves completed
 - HPA acquisition concluded, integration commenced
 - Launch of Lasoo digital advertising site – achieved Number 1 position in first three months of operation
 - Salesforce becoming technology partner on back of VeCommerce product suite
- Strong sales growth in challenging competitive environment
 - Significant business wins by Dialect

Financial Summary – before significant items

	Six Months to 31 Dec 2007 <i>\$ Mil</i>	Six Months to 31 Dec 2006 <i>\$ Mil</i>	Movement
SALES	371.3	302.1	 23%
EBITA	25.9	26.9	 3.7%
PROFIT AFTER TAX	14.3	15.7	 8.9%
EPS	11.1	13.4	 17.2%
Dividend (cents)	8.0	8.0	Unchanged

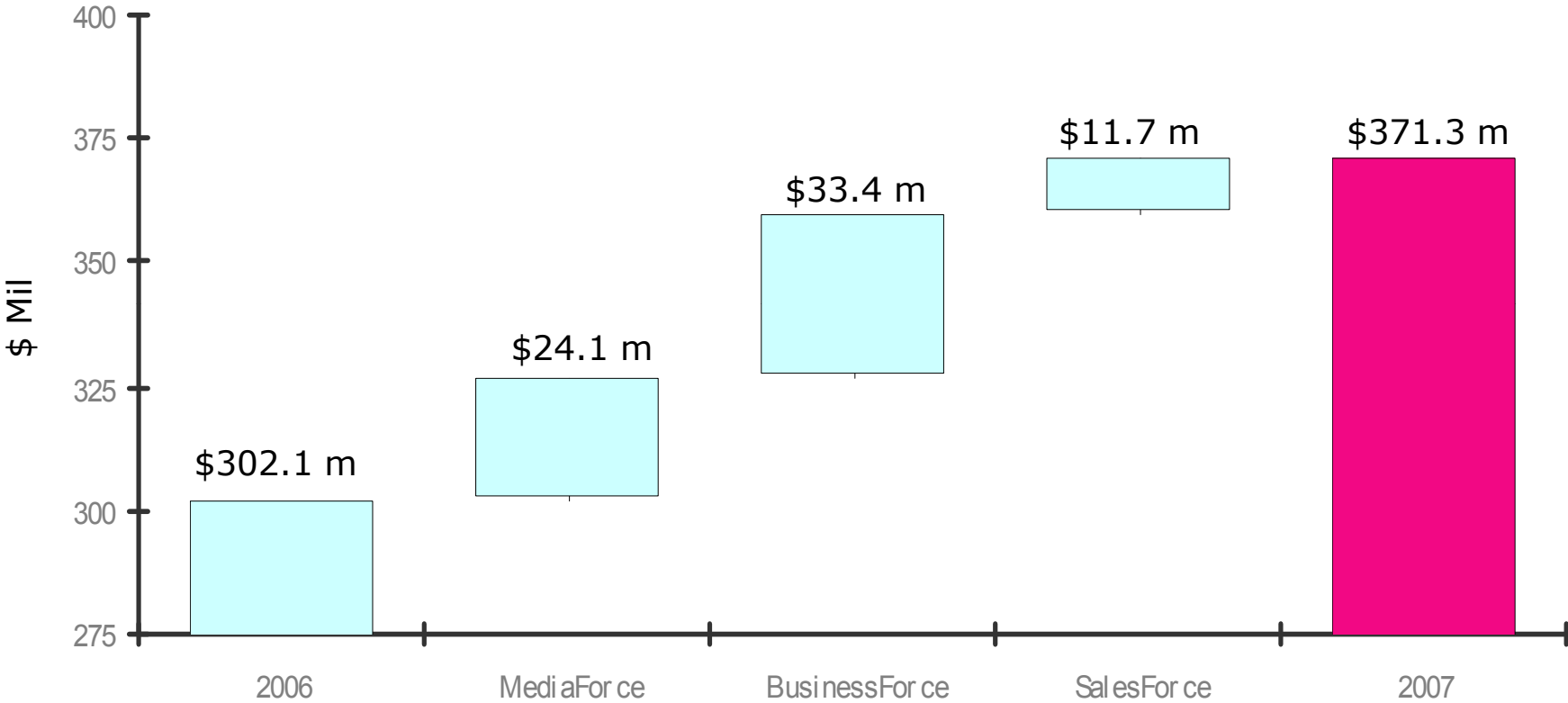
Group Result

<i>Half year ended 31 December (\$m)</i>	<i>2007</i>	<i>2006</i>	<i>Increase</i>
SALES	371.3	302.1	22.9%
EBITDA	34.9	34.0	2.6%
Equity profits	0.3	1.3	
Depreciation	(9.3)	(8.4)	
EBITA	25.9	26.9	-3.7%
Amortisation	(0.5)	(0.7)	
Interest	(5.9)	(2.8)	
Tax expense	(5.2)	(7.7)	
Profit before significant items	14.3	15.7	-8.9%
Significant Items (net)	(3.7)	19.4	
Net profit after tax	10.6	35.1	-69.7%
Earnings per share	8.2	29.9	-72.6%

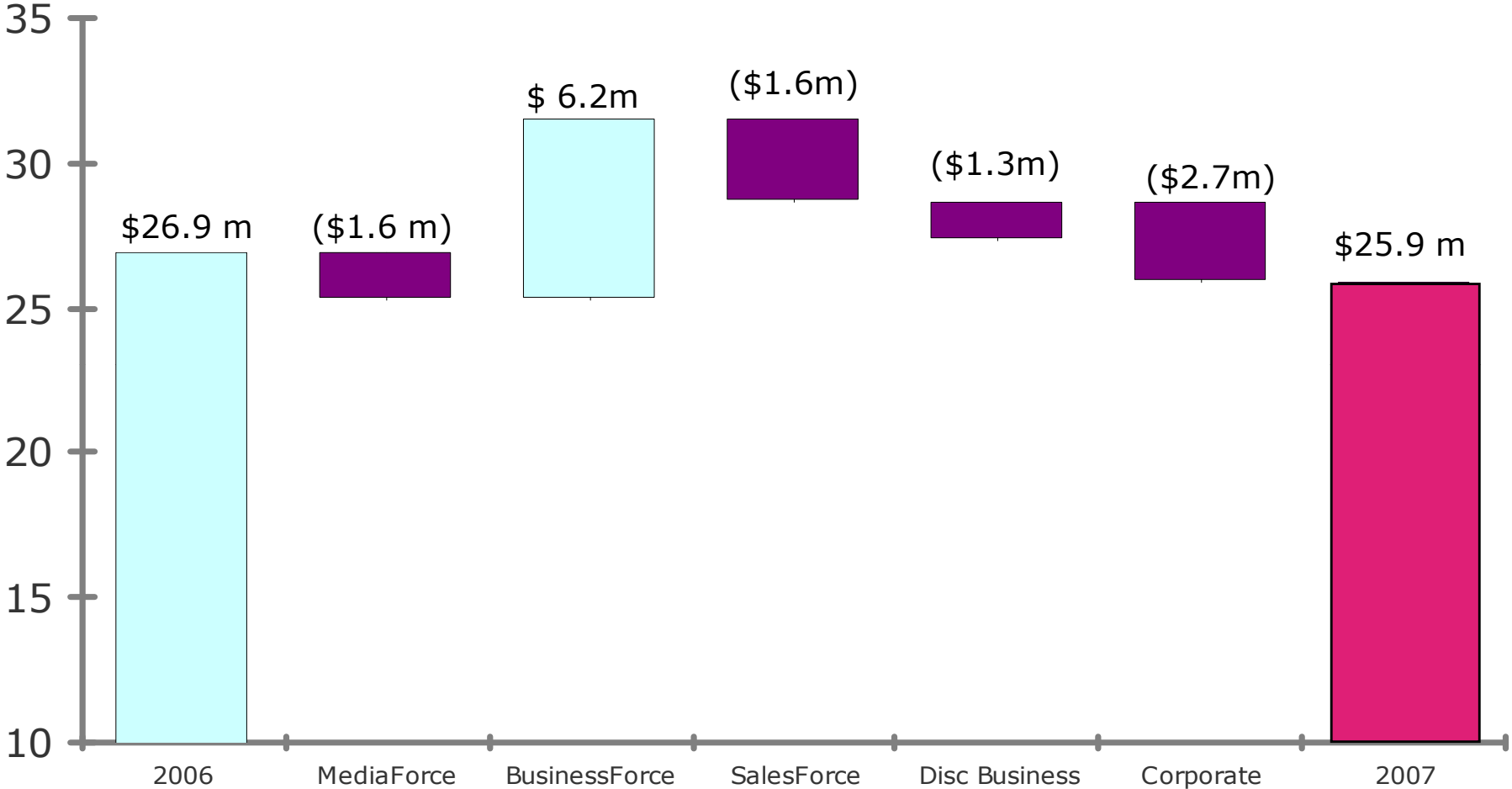
Significant Items (post tax)

<i>Half year ended</i>	<i>31 Dec 2007</i>	<i>31 Dec 2006</i>
Profit on sale of business	1.0	25.0
Amortisation of goodwill	0.0	(4.5)
Lasoo development costs	(2.9)	0.0
Integration and restructure costs	(1.8)	(1.1)
Total for the half year	(3.7)	19.4

Revenue up 22.9%



EBITA (before significant items) down 3.7%



Cash Flow

<i>Half Year ended 31 December</i>	<i>2007</i>	<i>2006</i>
NET OPERATING CASH FLOW	9.8	10.0
Net capital spend	(10.6)	(8.1)
FREE CASH FLOW	(0.8)	1.9
Acquisitions	(213.9)	(30.6)
Joint venture funding	(0.4)	4.9
Dividends	(11.9)	(11.1)
Proceeds from equity issue	76.9	0.0
Proceeds from borrowings	162.3	41.7
Other	(0.2)	0.9
Net cash movement	12.0	7.7

Balance Sheet

As at 31 December (\$m)	2007	2006
Goodwill*	407.3	105.8
Other intangible assets	1.3	2.1
Fixed assets	68.8	54.5
Other net assets	65.9	72.0
Net debt	(259.1)	(101.9)
Shareholders Equity	284.2	132.5
Net debt to equity	91.2%	76.9%
Gearing	47.7%	43.5%

* Includes other intangibles relating to HPA customer contracts that will be reclassified when finalised.

Operational Review



- Re-engineering processes
- Reducing costs
- Competitive pressures abating
- New and existing customers seeing value in our model



- Bedding down new contracts
- Increasing seat capacity
- Movement to technology partner



- HPA acquisition
- Integration well under way
- Industry rationalisation

Strategic Position Achieved

We are where we want to be

- We have restructured all divisions
- We have purchased HPA to give us necessary scale and positioning in BusinessForce
- Salesforce has moved to become a technology partner instead of a labour outsourcer
- The HPA integration is well underway

Outlook

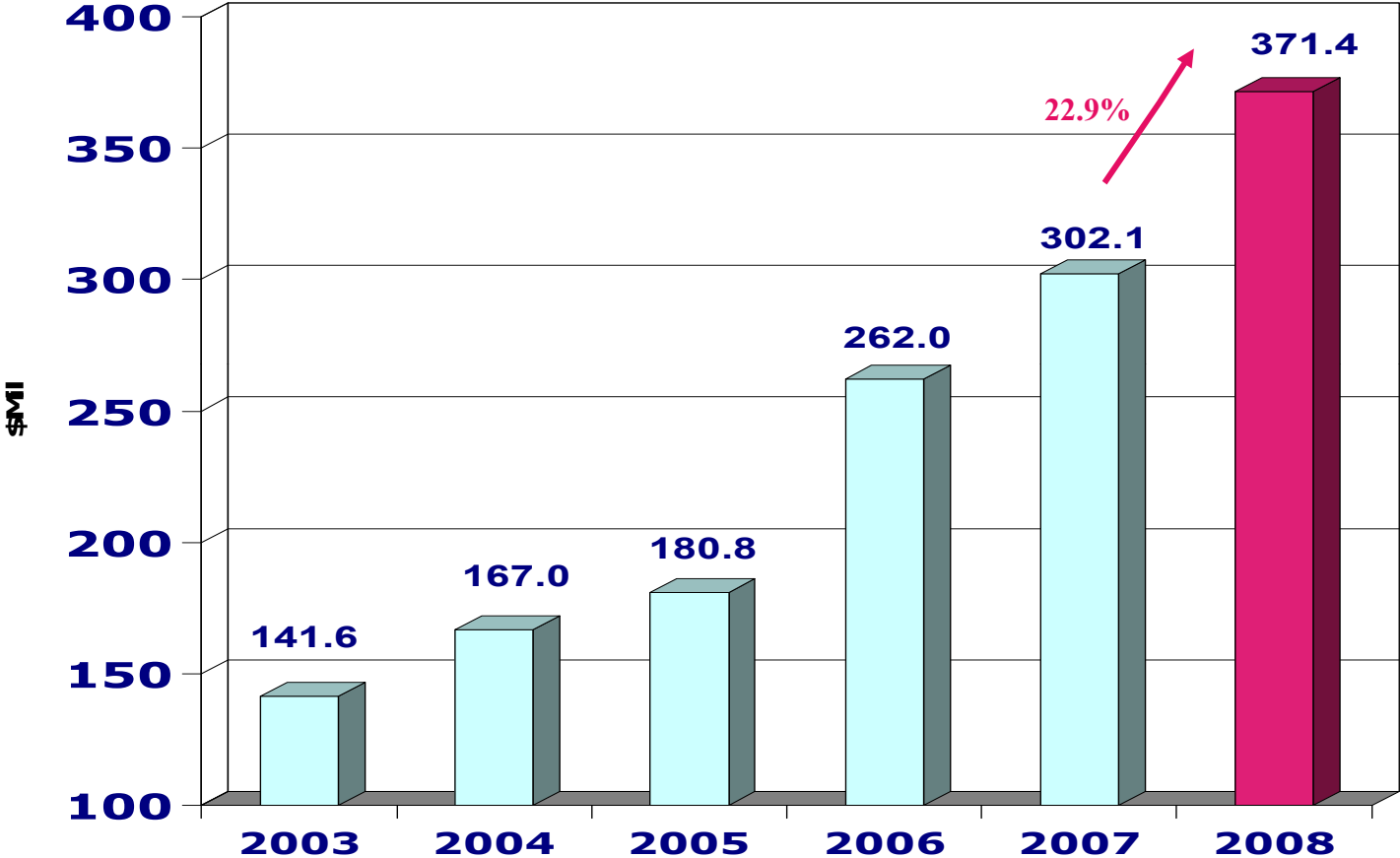
Subject to the usual caveats:

Full year FY 08

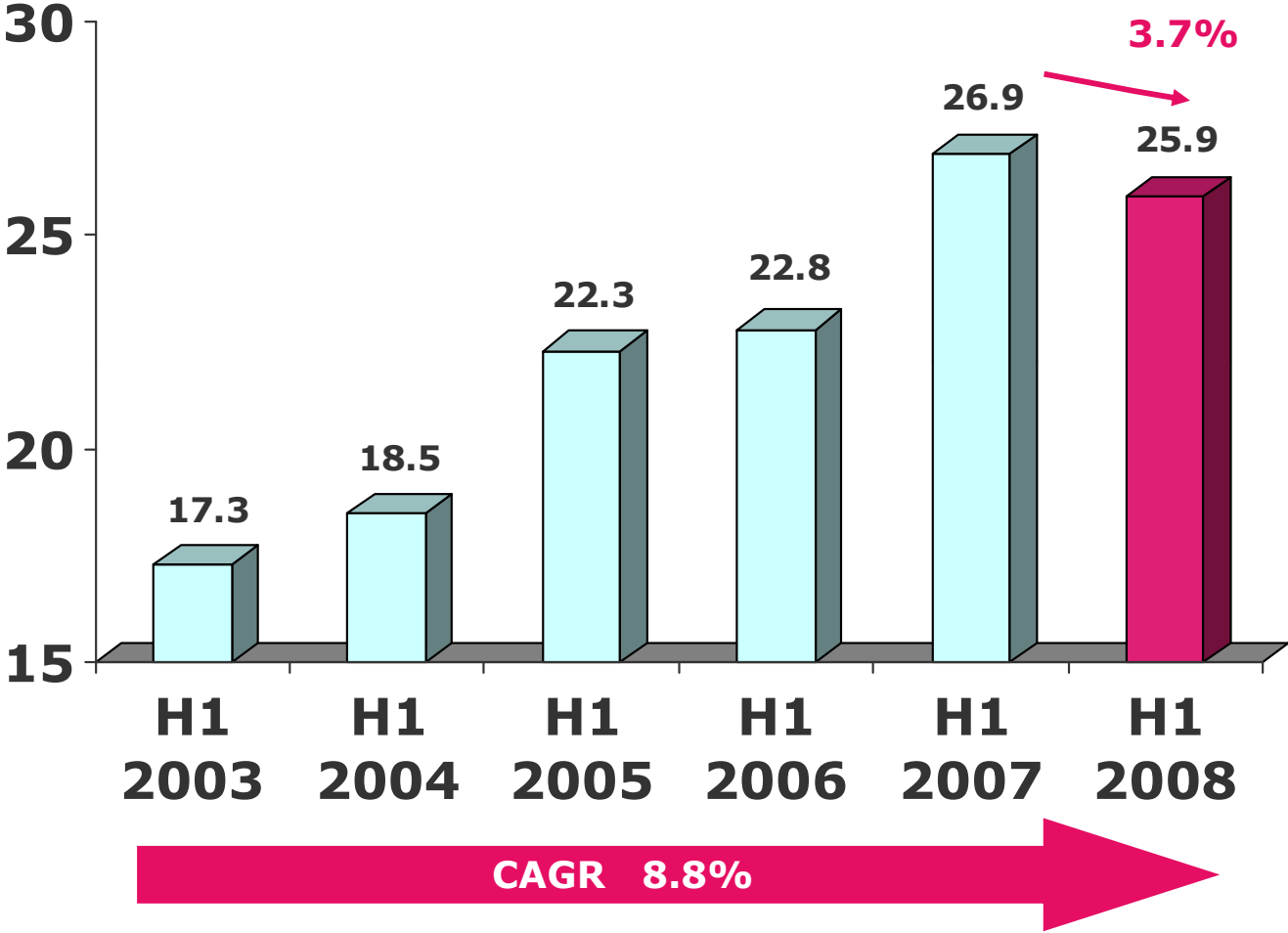
- **EBITA, pre-significant items between \$55 million and \$60 million – up 17% - 27%**

Appendices

Revenue Growth H103 to H108



Group EBITA pre-significant items



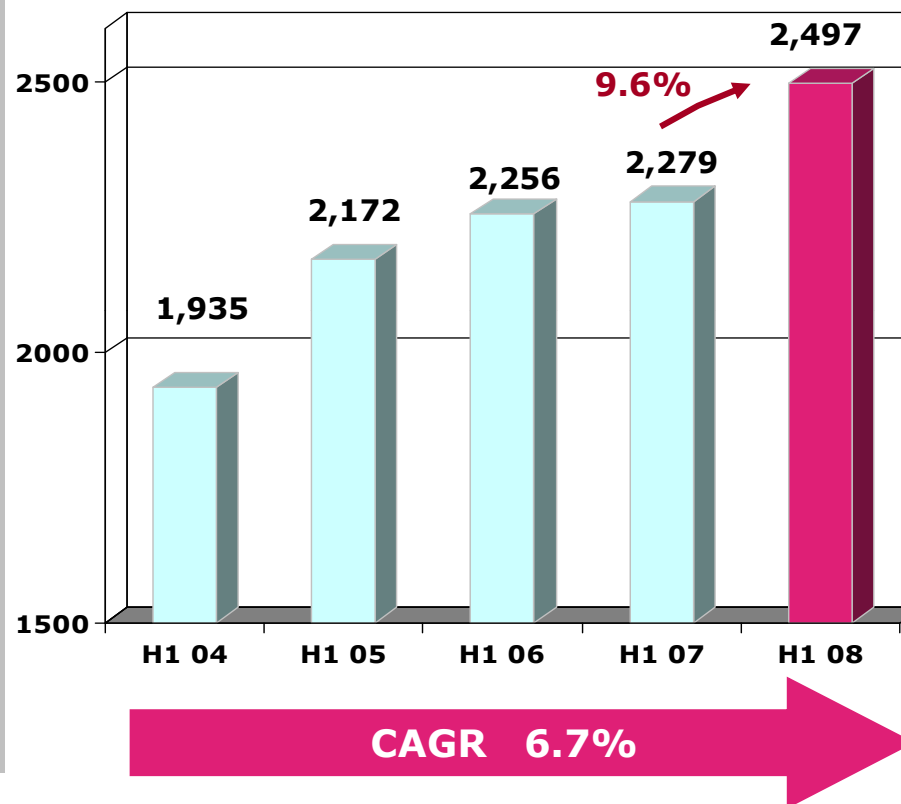
Divisional Summary (ex significant items)

<i>Half year ended 31 December (\$m)</i>	<i>2007</i>	<i>2006</i>	<i>Change</i>
REVENUE			
MediaForce	114.9	90.8	26.5%
BusinessForce	122.4	89.0	37.5%
SalesForce	134.0	122.3	9.6%
GROUP REVENUE	371.3	302.1	22.9%
EARNINGS			
MediaForce	15.5	17.1	(9.4%)
BusinessForce	11.2	5.0	124.0%
SalesForce	7.4	9.0	(17.8%)
Discontinued Business - CLP	0.0	1.3	NMF
Corporate Centre	(8.2)	(5.5)	(49.1%)
GROUP EBITA	25.9	26.9	(3.7%)

MediaForce

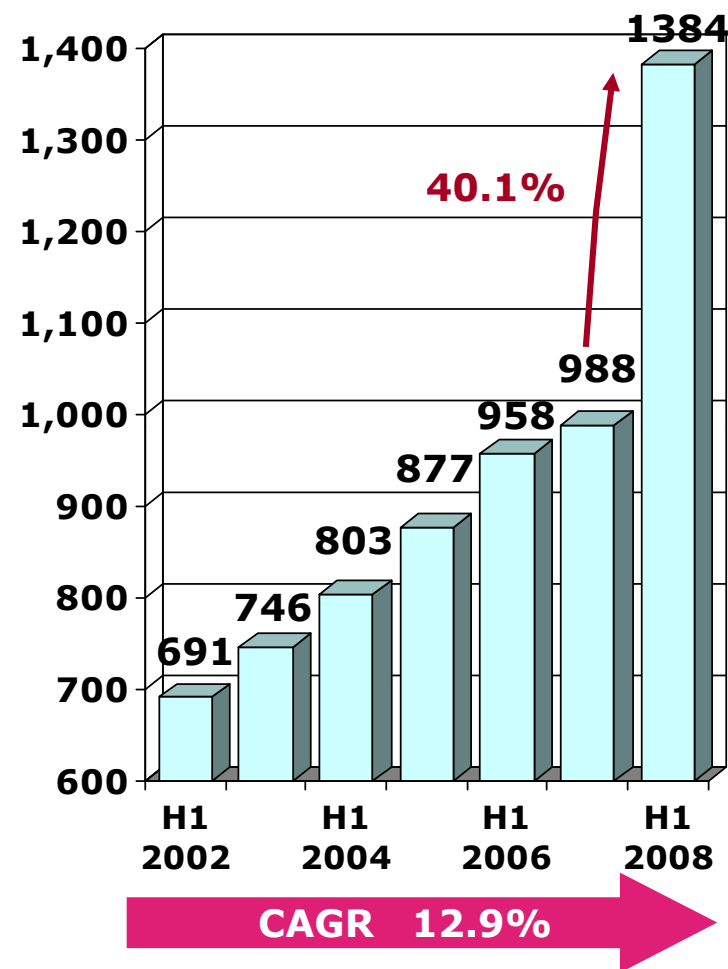
Half year ended 31 Dec (\$m)	2007	2006	Change
MediaForce	100.3	90.0	11.4%
Dialect	14.6	0.8	NMF
SALES	114.9	90.8	26.5%
EBITDA	16.1	17.7	-9.0%
<i>Margin</i>	14.0%	19.5%	-5.5%
Depreciation	(0.6)	(0.5)	
MediaForce	15.2	17.2	-11.6%
Dialect	0.0	(0.1)	NMF
Reach Media	0.3	0.0	NMF
EBITA	15.5	17.1	-9.4%
<i>MediaForce margin</i>	15.2%	19.1%	-4.0%
<i>Other margin</i>	2.1%	-12.5%	14.6%
<i>Total margin</i>	13.5%	18.9%	-5.4%

Distribution volumes (Mil)



BusinessForce

Images – Total (Mil)



Half year ended 31 Dec (\$m)	2007	2006	Change
SALES	122.4	89.0	37.5%
EBITDA	16.0	9.0	77.8%
<i>Margin</i>	13.1%	10.1%	3.0%
Depreciation	(4.8)	(4.0)	
EBITA	11.2	5.0	124.0%
<i>Margin</i>	9.2%	5.6%	3.6%

SalesForce

Half year ended 31 December (\$m)	2007	2006	Change
Call Centres	97.9	94.8	3.3%
Other	36.1	27.5	31.3%
TOTAL SALES	134.0	122.3	9.6%
TOTAL EBITDA	10.7	11.9	(10.1%)
Margin	8.0%	9.7%	(1.7%)
Depreciation	(3.3)	(2.9)	
Call Centres	4.0	6.2	(35.5%)
Other	3.4	2.8	21.4%
TOTAL EBITA	7.4	9.0	(17.8%)
<i>Call centres margin</i>	4.1%	6.5%	(2.4%)
<i>Other margin</i>	9.4%	10.2%	(0.8%)
Total Margin	5.5%	7.4%	(1.9%)

The force in one-to-one communication

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.

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