

Salmat Limited (SLM) presentation

UBS Emerging Companies conference

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Presented by Grant Harrod - CEO



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.

Agenda

- Full year summary
- Emerging businesses update:
 - Lasoo
 - eCommerce engine
 - SME portal

Financial summary

Item	Movement
Normalised revenue	Up 1.0% to \$878.8 million
EBITA (before significant items)	Up 17.3% to \$91.2 million
Net profit after tax	Up 42.5% to \$49.1 million
Free cash flow	Up 14.7% to \$72.0 million
Earnings per share	Up 43.3% to 31.1 cents per share
Full year dividend	Up 17.5% to 23.5 cents per share
Special dividend	10.0 cents per share
Total dividend	Up 67.5% to 33.5 cents per share

Full year highlights

- Momentum building for 'One Salmat' strategy
- Strong cash position and reduced debt
- Further cost efficiencies driving margin improvement
- Focus on employee and community engagement
- Platform established for next chapter of growth

Emerging businesses key to growth strategy

- ∞ Integral part of 'One Salmat' drive
- ∞ Further consolidate our market leadership position in each segment
- ∞ Expand into new markets such as Small to Medium Enterprise (SME) space
- ∞ Build capabilities via strategic acquisition opportunities

Lasoo.com.au

Lasoo
where savvy shoppers start

SYDNEY, NSW
Change Location | Find Stores

SEARCH [] GO CATEGORIES RETAILERS BRANDS CATALOGUES

Sign In
JOIN NOW
Why Join? | Sign In

Browse by Category

- Appliances
- Automotive
- Baby
- Books
- Cameras
- Computers & Software
- DVDs
- Electronics
- Fashion
- Furniture
- Gaming
- Gifts
- Groceries
- Health & Beauty
- Home & Garden
- Home Improvement
- Jewellery & Watches
- Liquor
- Money Matters & Savings
- Music
- Office Supplies
- Services
- Sports & Outdoor
- Equipment
- Toys & Games
- Travel

→ All Category

Browse by Available From

- Apple
- Appliances Online
- BOC - Boating Camping
- Fishing

Featured Latest Catalogues Ending Soon Popular

Deal of the Week
Christmas Deers
\$12.87 Each
Details

Popular Retailers Popular Brands

Popular offers by Category

Target REINVENT your rooms Starts 21 Oct	smarter shopping Special Deals Starts 21 Oct	Wendy's ALONG HOT Summer Starts 21 Oct	Home \$20 OFF HOME SALE Starts Tomorrow
Toys R Us women's most Price! Starts Tomorrow	dick smith Tech Experts BEST DEAL! Starts Tomorrow	photo finish Summer's winning moment Ends 07 Nov	DOUBLE UP & SAVE \$491 Ends 01 Nov
Hoorey It's Spring! SLEEP Ends 15 Nov	Officeworks Starts Tomorrow	MYER ismystore Starts Tomorrow	Love Bevilles JEWELLERY Starts Tomorrow

Lasoo.com.au currently leading the market

- ∞ Engages more in-store shoppers than any Australian site
- ∞ More than 45,000 offers per month
- ∞ Averages 1.2 million visitors per month
- ∞ In FY2010:
 - ∞ Revenue up 93%
 - ∞ Site visitors up 35%
 - ∞ Site interactions up 73%
 - ∞ Searches up 200%
- ∞ Interactions a key metric: more than 2.5 million in September



Lasoo next steps

- ↻ Market trends point to strong online/mobile growth
- ↻ Prime time to accelerate development of Lasoo
- ↻ Developing content, commercial model and traffic/brand
- ↻ Concentrating on specific vertical categories, e.g. fashion, coupons and groceries
- ↻ Anticipate strong growth in traffic, retailer numbers and revenue

eCommerce engine opportunity

- ∞ Opportunity to bring new eCommerce platform to local market
- ∞ Bridges gap between enterprise system and open source:
 - ∞ Affordable price
 - ∞ Local support
 - ∞ Customisation
 - ∞ Ease of implementation and ongoing site management
- ∞ Salmat IP & associated multi-channel & digital services add value
- ∞ First applications by mid 2011
- ∞ Goal: position Salmat as leading provider of digital retail solutions

Small to medium enterprise market expansion

- ∞ Limited exposure to SME market until now: huge opportunity
- ∞ Portal extends reach and service offering with few overheads
- ∞ First phase underway: portal open to market next month
- ∞ Four key functions:
 - ∞ Design
 - ∞ Print
 - ∞ Distribution
 - ∞ Multi-channel

Expect strong return on investment

- ↻ Automated workflow streamlines process for us and clients
- ↻ Phase two: interactive services (SMS, email) in 2011
- ↻ Expect more than 50% growth in SME revenue this year

Thank you

