

11 September 2019

Key contract to conclude

Salmat Limited (ASX:SLM) today announced that its current contract for the distribution of Woolworths Limited catalogues is concluding and will not be renewed for the next term.

This contract accounted for approximately \$23 million revenue in FY19. New catalogue contract wins, organic growth in Managed Services and cost-saving measures across the Group will have a substantial mitigating effect on any impact at the underlying EBITDA level for FY20.

“Woolworths has been a valued client of Salmat for 40 years,” said CEO Rebecca Lowde.

“We have enjoyed working with them to build a delivery network that reaches more than 17 million Australians week in, week out and hope to work with them again in the future.

“Salmat is committed to providing superior product via the innovation and improvements we have made to our network. We are focussed on providing value at a sustainable rate that ensures the long term viability of the distribution industry,” said Ms Lowde.

Salmat will continue to distribute Woolworths brand catalogues while a transition plan is put into place.

-ENDS-

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Salmat is a leading Australian marketing services provider. We help clients connect with their customers, week-in, week-out. Salmat's unique combination of targeted letterbox and online marketing channels enables clients to Reach, Convert and Serve their customers. We also provide a wide range of back office solutions, through our Philippines-based Managed Services business.

Founded in 1979, Salmat has evolved from a small letterbox distribution business to an ASX-listed company. With a talented team across three countries, we work with some of Australia's most recognised and trusted brands.

Reach: We offer the broadest reach media (online & offline), with the ability to target individuals and up to 17 million people. *Convert:* We deliver conversion across multiple channels, creating more opportunities for our clients' customers to buy *Serve:* We make every one of our clients' interactions count online and offline.