

# CPT Global Limited

**Chairman's Address**

**Annual General Meeting**

**26 October 2009**



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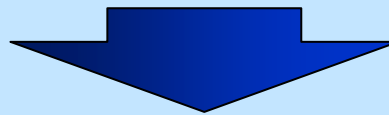
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## Who are we?

### Capacity Planning Performance Tuning Testing Services



- CPT was founded in Australia in 1993
- CPT now operates in Asia/Pacific, Europe and North America, with over 200 consultants world-wide.
- Clients benefit from onsite consultants leveraging Global knowledge-base of industry experts
- Technical Consultants cover mainframe, midrange and storage platforms, reducing costs through performance tuning and capacity management
- Management Consultants offer expert guidance on process improvement, IT Governance, Contract Reviews and Sourcing Strategies.

## **What do we do?**

CPT Global already has many solutions and offerings that can be initiated singly, or as a packaged solution.

**Testing Services**

**Storage Services**

**Technical Consulting**

**Asset Management**

**Project & Program Management**

**Datacentre Cost Reduction**



**IT Operational Governance**

**Capacity Planning**

**Database Services**

**Solution Design and Architecture**

**Infrastructure Services**

**IT Management**

**Performance tuning & benchmarking**

## Significant Client successes in 2009

- CPT saved a large UK Insurance Company €1.25m by consolidation and rationalization of Network Interfaces
- CPT enabled Tesco to reduce MIPS by 10-15% at peak of Christmas season
- CPT midrange consolidation analysis for a large German bank estimated potential annual savings of € 3.1m (Worst case scenario) to € 9.7m
- CPT built a Data Centre demand forecasting tool to assist Australian Government Information Management Office (AGIMO)
- CPT saved Rogers Communications Canada \$640,000 CD through hardware purchase deferral and conducted testing review across company
- CPT enabled a large French Bank to reduce it's MIPS usage by more than 3 000 MIPS
- CPT delivered many services via VPN and remote utilization of resources

## Performance Highlights

Global Revenue	↓ 1%
Australian Revenue	↓ 13%
International Revenue	↑ 43%
EBITDA	↑ 38%
NPAT	↑ 32%
Earnings per Share	↑ 31%
Dividends	↑ 10%
Staff #	↑ 6%

## Financial Summary

<b>\$ millions</b>	<b>FY 09</b>	<b>FY 08</b>
Revenue	\$43.933	\$44.549
EBITDA	\$4.105	\$2.969
NPAT	\$2.171	\$1.648
EPS	5.90 ¢	4.51 ¢
Full Dividend (fully franked)	5.50 ¢	5.00 ¢
Final Dividend (payable 12 October 2009)	3.00 ¢	1.75 ¢
<b>Total Shares on Issue</b>	<b>36,786,364</b>	<b>36,856,364</b>

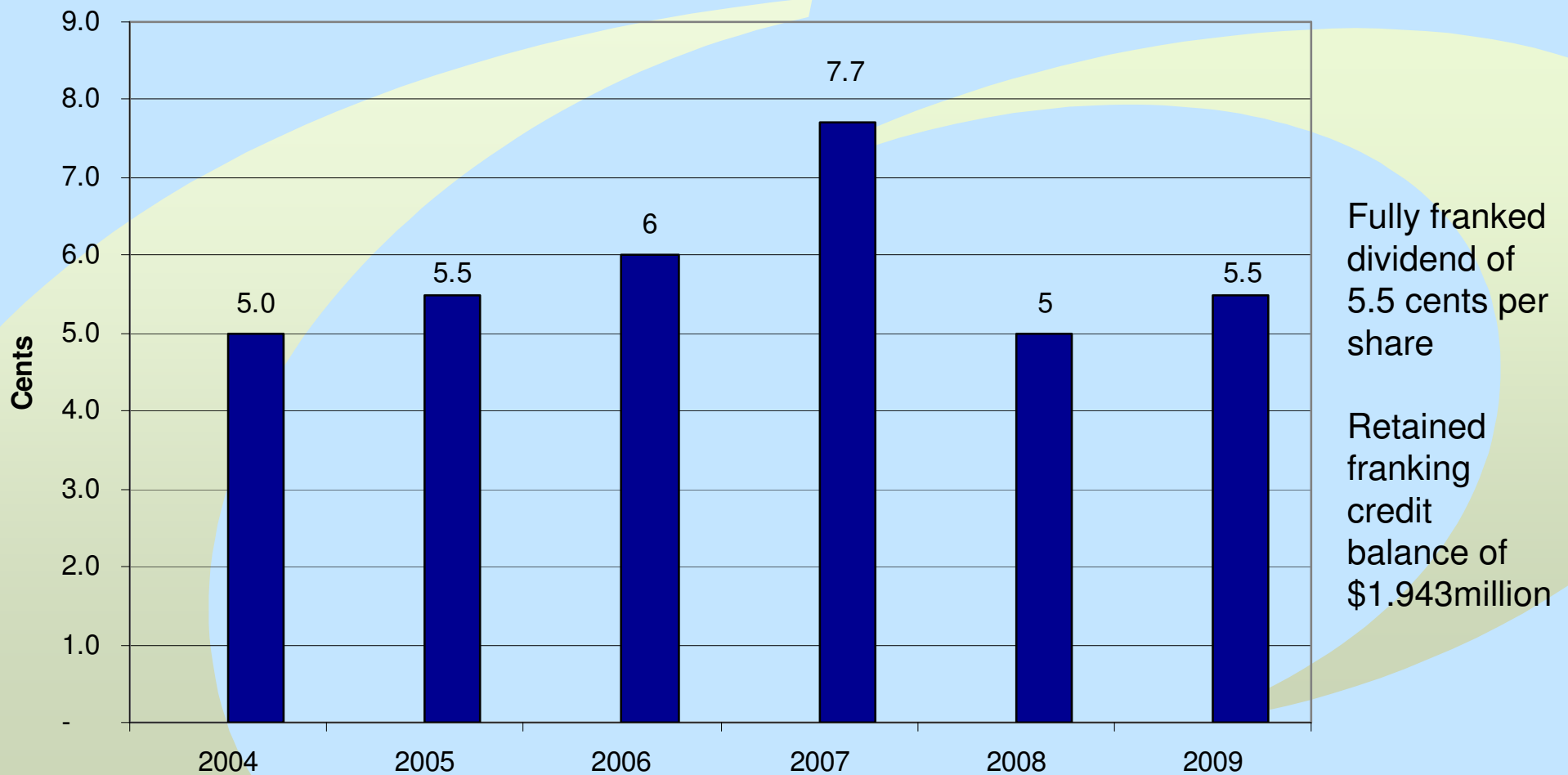
## 2009 Summary – A good year despite challenges

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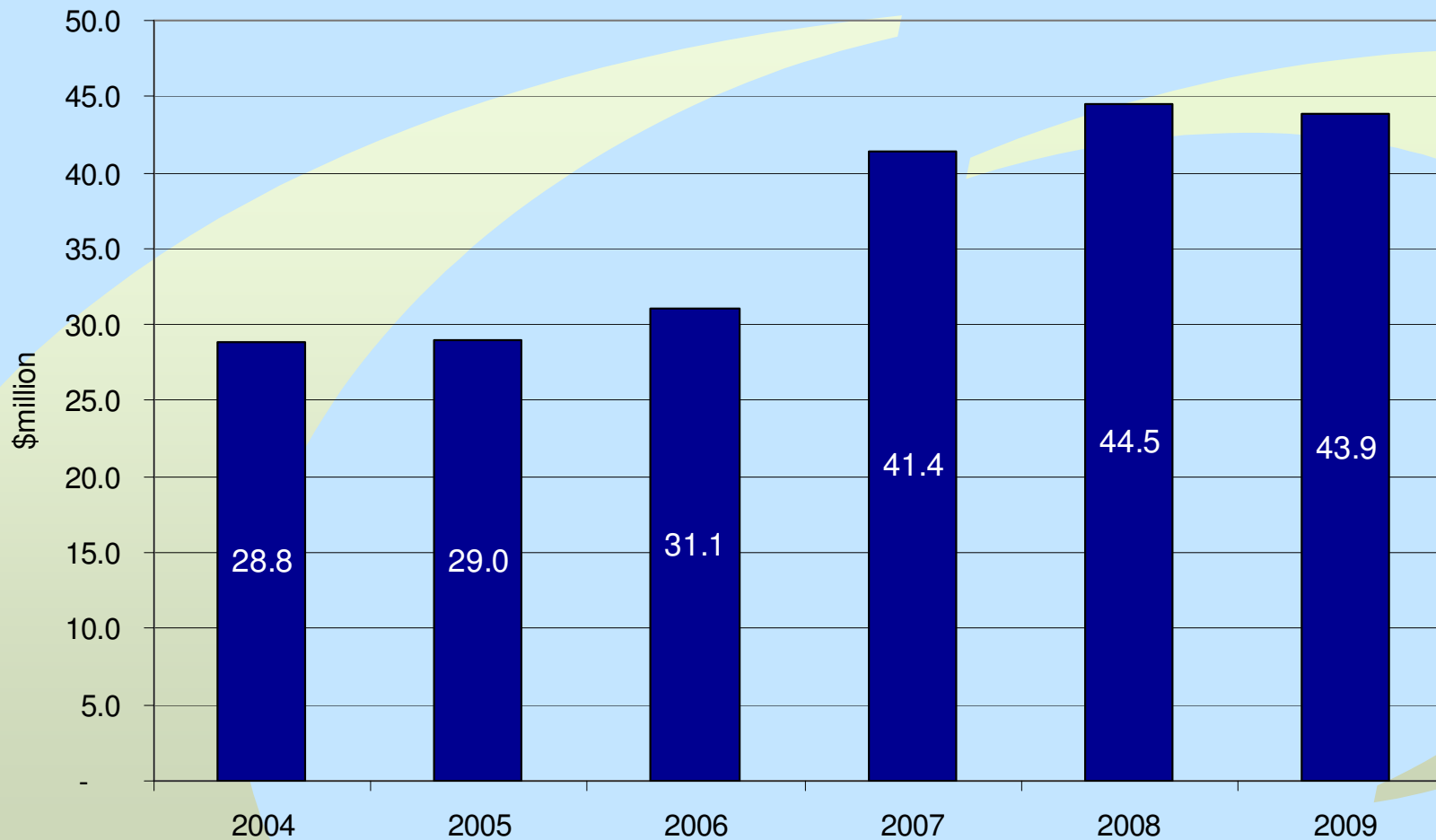
- Group Turnover stable with improved margins.
- Solid International Turnover growth of 43% at improved margins.
- Australian Turnover & Margins affected by economic downturn.
- International client base expanded whilst consolidating local client base.
- Continued focus on sustainable revenues via repeat business in all geographies by delivering client side service excellence.
- Appointment to GSA Government service panel in the USA.
- Conversion from Risk/Reward to annuity base within our largest European client.
- Risk/Reward success with Tesco and signing of major French Bank.
- Maintaining workforce levels and collective IP despite economic pressure.
- Expansion of mid-range services and expertise (SAP and ORACLE)



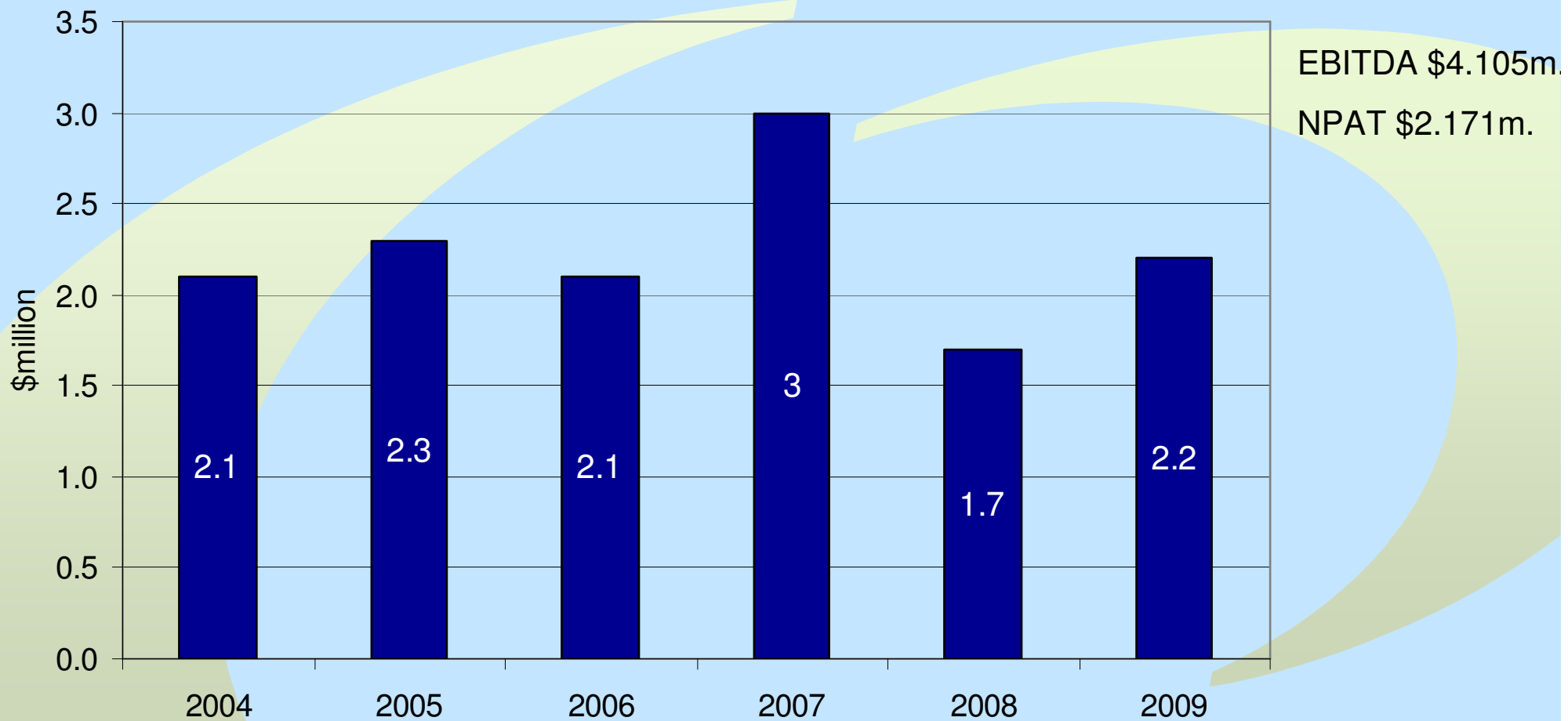
## Financial Performance – Dividends per Share



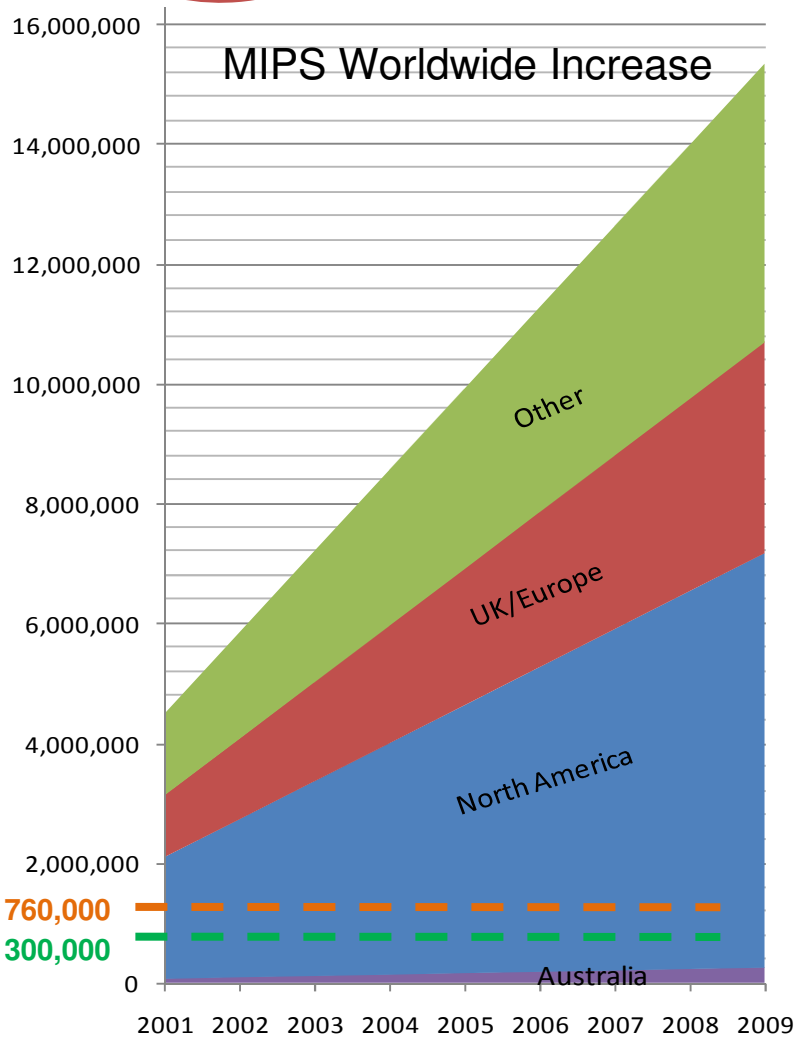
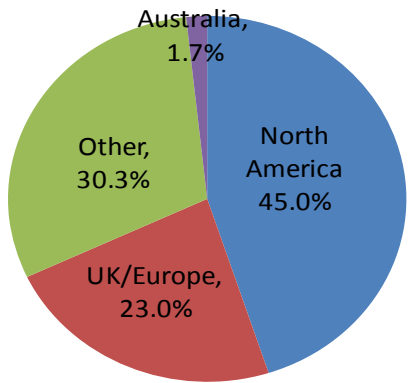
## Financial Performance - Revenue



## Financial Performance – Net Profit after Tax



# Worldwide Mainframe Opportunity Potential



- More than 70% of the world's business critical data resides on mainframes
- All 50 of the world's top global banks depend on IBM mainframes to run some of the most sophisticated transactions on the planet
- Worldwide MIPS have quadrupled since 2001
- Current worldwide MIPS is estimated at 14,000,000 MIPS
- **Australia:**
  - Is estimated as 1.7% of WW MIPS – 238,000 MIPS
  - Australian government estimate – 60,000 MIPS
  - Centrelink – 30,000 MIPS
  - Large bank – 10,000 MIPS

## Some US Clients:

- Large bank - 200,000 MIPS – savings 8 -25%
- Large retailer - 15,000 MIPS – savings 15%

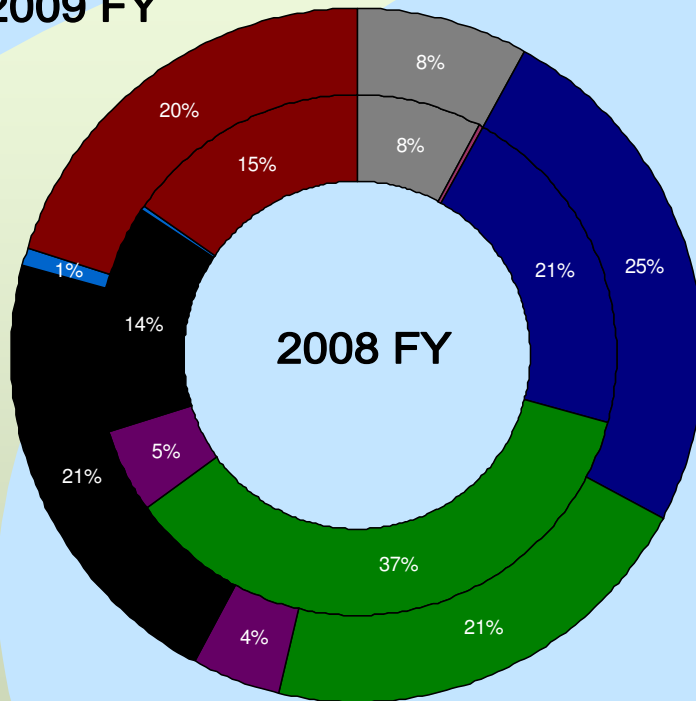
**MIPS Processed by CPT to date (Phase 1)**

**MIPS Processed by CPT to date (Phase 2)**

# Revenue by Sector

Revenue by Line of Business (Worldwide)

2009 FY



- Capacity Management
- Cost Reduction Sustainable
- Mainframe & Midrange Performance Tuning
- Management, Functional & Automation Testing
- MIT General
- Project & Program Management
- Sourcing
- Technical Support Services

## Line of Business and Revenue Sector

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- Banking & Finance portfolio has grown due to signing of large French Bank.
- Telecommunications remains a cornerstone in Australia.
- Appointment to USA Government Service panel will enhance prospects for growth in Government Sector.
- A well balanced Sector portfolio remains critical to our risk profile.
- Development of Oracle tools continues.
- Focus on SAP with European clients.
- Focus on expanding mid-range services.
- Green IT and environmental benefits of CPT services being incorporated into services.
- Solid growth in Australian State and Federal Government sectors.

## CPT Global Market Position

CPT Global is an independent IT consulting group specialising in supporting IT organisations through the planning, building and operational activities through the provision of management and technology services.

CPT provides independent services as it does not develop systems or sell products. CPT is an extension of the IT organisation and provides expert services in managing the client delivery model.

CPT's service goal is to deliver real value to all clients by assisting the IT organisation in establishing effective IT operational governance arrangements as well as maximising and measuring the effectiveness of its delivery model



## CPT Global Market Perspective on 2009

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- International regions benefitted to some extent from global economic downturn due to our unique Risk/Reward product offering.
- Australian trading conditions were tough .
- Sales cycles remained protracted but focused business development efforts produced results.
- This year witnessed the extension and signing of numerous Global 500 and Fortune 100 clients.
- We continued to deliver *Independent and client-side* consulting as a market differentiator.
- Risk/Reward remains more relevant than ever as a product offering due to its self funding philosophy.
- International alliance partners Tori Global and Austrade produced results.



## ***CPT has worked in 27 Countries***

CPT continues to diversify our client base by expanding our services to new countries.



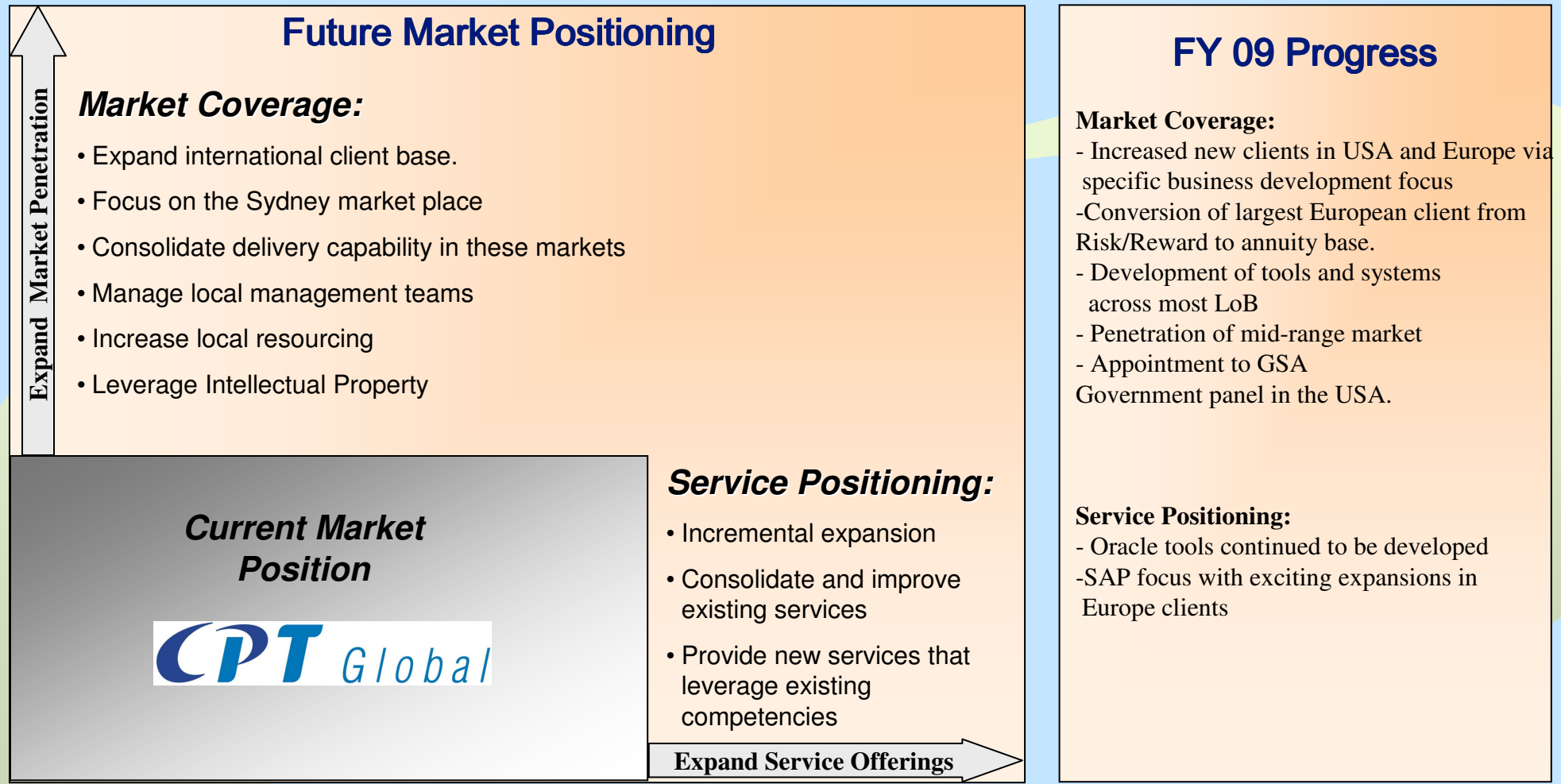
## Focus on our main Asset- People

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- Our main Asset is our people as they represent collective IP that is unique.
- Despite economic pressure we have maintained our staffing levels as an investment in our future.
- As a direct result of the GFC we have acquired some key resources in the USA who could be considered seasoned veterans in their field.
- CPT continues to encourage and foster technical skills growth as a means of improving our service and expanding our services.
- As always the heart of CPT Global's culture is an underlying focus on consultant care.
- Our ability to pool global resources so as to deliver the most cost effective solution is key to our continued success.

# Future Market Positioning

*CPT Global focus is on expanding the current base through increased market penetration locally and internationally leveraging its proven services and experienced consultants base.*



**Note :** Our services will have little change – the key change will be in the area of market coverage and penetration

## Strategy

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- Success is dependent upon our ability to build and maintain a worldwide reputation for providing unique client side solutions and delivering results.
- Appointment to GSA Government panel in the USA should produce opportunities in this sector.
- Continue to leverage Tori global alliance with support from Austrade.
- Currently in discussion with potential international alliance partners.
- Ongoing conversion of Risk/Reward contracts to annuity revenue streams.
- Controlled Revenue growth with focus on improved margins and cost control.

## Outlook

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- The encouraging results from our international business development efforts are expected to continue in the new year but are reliant upon timing of Client commitments.
- Opportunities in the USA through GSA Panel appointment and the potential phasing out of TARP are positive and will be pursued.
- Australian market conditions remain challenging and Management retains a focus on growing anchor clients and target account development initiatives.
- Overall CPT is in a good position to reap the rewards of the solid foundation laid over the last 12-18 months.
- The first quarter has been slower due to some client specific factors but we have confidence in achieving our targets for the year as a whole.
- CPT continues to explore potential entry into new Markets such as South America , Japan and China.