

CPT Global Limited 2012 Half Year Report February 2012

Gerry Tuddenham – Chief Executive Officer
Elliot Opolion – Chief Financial Officer



Presentation Summary

- ❑ CPT Global at a Glance
- ❑ Financials
- ❑ First Half Review
- ❑ CPT Growth Strategy
- ❑ Outlook

CPT Global at a Glance

- ❑ Founded in Australia in 1993
- ❑ ASX listed in 2000
- ❑ All services target IT cost optimisation
- ❑ Industry based expert consultants & scalable service centres
- ❑ Global operations - Asia Pacific, North America and Europe
- ❑ Approximately 100 “blue chip” / Fortune 500 clients worldwide
- ❑ Winner of Governor of Victoria Export Award for ICT services '11 & '07

CPT Global at a Glance

❑ Value Proposition

- IT cost optimisation

❑ Services

- Testing: Ensure systems perform to expectations and targeted benchmarks
- Capacity Planning: Cost minimisation via IT capacity optimisation
- Performance: Reduced running costs and maximisation of infrastructure lifetime
- Management of IT: Optimisations of IT costs while ensuring alignment of IT to business strategy

❑ Service Model

- Australia: Provision of expert IT services for large projects on the basis of a daily / solution rate
- International: Three Phase cost reduction approach
 - ✓ Phase 1 – Exploration of IT environment & assessment of potential savings. Performed as T&M or Fixed Price (approx \$100k – \$150k revenue)
 - ✓ Phase 2 – Recommendation and implementation of efficiency improvements. Fee charged based on % savings (approx \$1m - \$3m revenue)
 - ✓ Phase 3 – Ongoing support ensuring efficiencies are maintained. Performed on T&M basis (approx \$1m + revenue per annum)

CPT Global at a Glance

□ Business Mix

➤ Australia

- ✓ Stable business, servicing approx 70 blue chip and government clients
- ✓ Revenue of approximately \$28 m p.a. at low to medium margins
- ✓ Revenue predominantly time & materials or fixed price driven by headcount / solution

➤ International

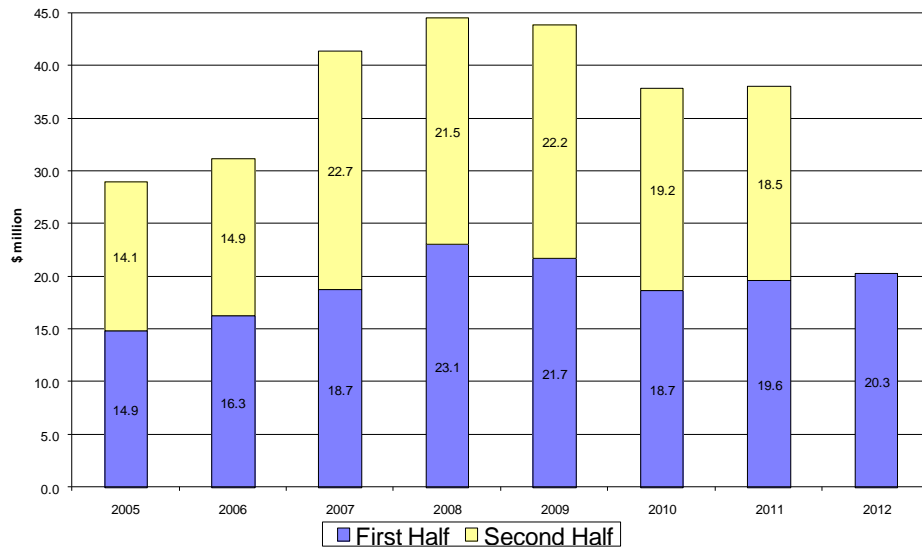
- ✓ Growing business, servicing approx 30 Fortune 500 clients, mainly phase 1 with a growing phase 2 pipeline
- ✓ Revenue of \$16m p.a. at medium to high margins
- ✓ Revenue predominantly success fee based, driven by client savings and then annuity
- ✓ The larger the client, the larger the revenue from the same level of CPT effort (US banks can be 20 times larger than Australian bank in processing power)
- ✓ Identification of 15% of mainframe computer usage savings per client in phase 1 and achievement of 19% in phase 2
- ✓ Highly scalable and can be serviced remotely from Australia

Financial Summary

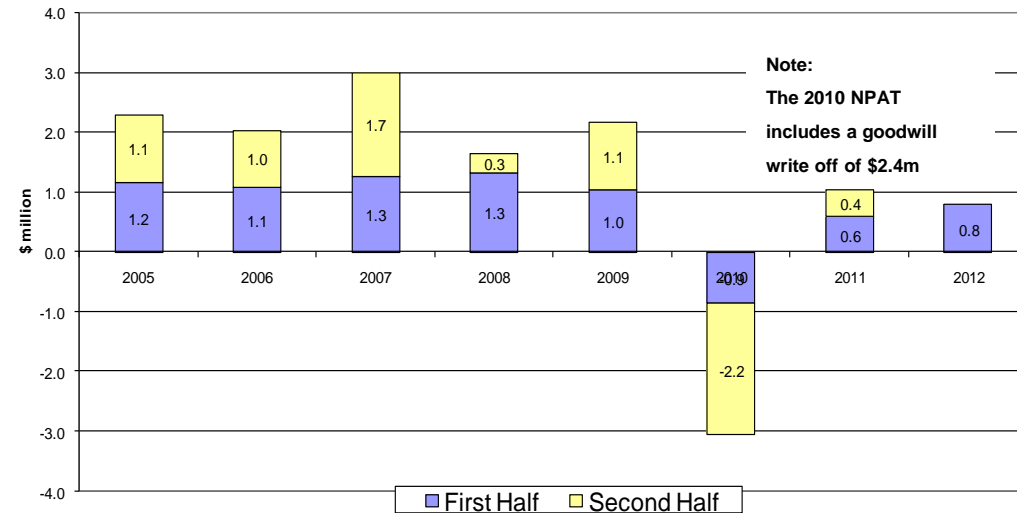
\$ millions	FY 12	FY 11	% Movement prior year
Revenue	\$20.3	\$19.6	4%
EBITDA	\$1.0	\$1.2	-17%
NPAT	\$0.8	\$0.6	33%
EPS	2.2 ¢	1.7 ¢	29%
Interim Dividend (fully franked)	1.5 ¢	1.5 ¢	0%
Total Shares	36.7m	36.7m	0%

Financials

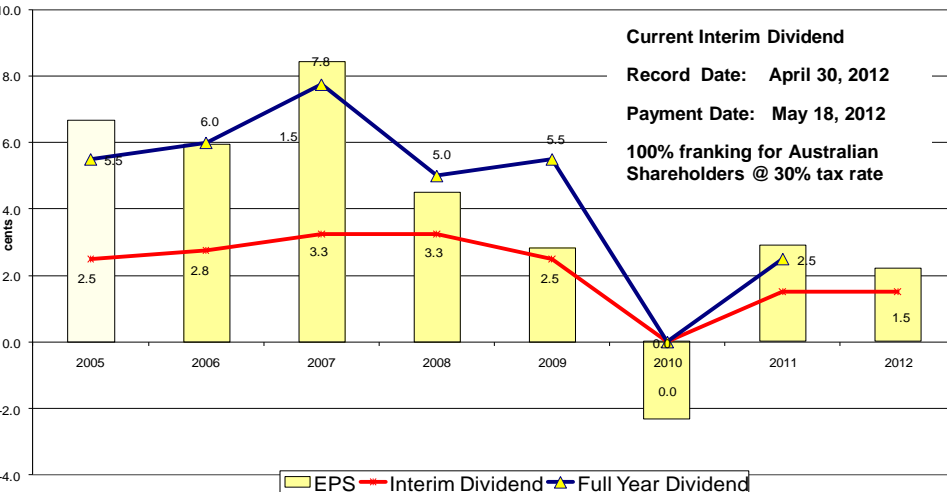
REVENUE



NPAT



EPS & DIVIDENDS



BALANCE SHEET

\$ millions	FY 12	FY 11
Current Assets	\$12.9	\$11.8
Total Assets	\$20.9	\$19.8
Current Liabilities	\$6.8	\$6.0
Total Liabilities	\$7.2	\$6.4
Net Assets	\$13.8	\$13.4
Net Tangible Assets	\$6.4	\$6.1
Total Shares on Issue (million)	36.7	36.7

FY 2012 First Half Review

- ❑ The international business grew 18% in difficult economic conditions
 - CPT's value proposition continues to gain international acceptance
 - Revenues increased from \$5.5m to \$6.5m in the half amid the continued strengthened Australian dollar and weak European economy
 - Signed up three new Risk Reward Phase 2 engagements in December
 - Performed several Risk Reward Phase 1 engagements
 - Undertook CPT's first Asia based Risk Reward contract

- ❑ The Australian business declined 2%
 - CPT's Sydney and Melbourne's growth of 26% and 2% were offset by declines in Canberra where a number of projects reached conclusion
 - Established two new Tier 1 clients
 - Expanded service offerings in the project services arena
 - Eliminated the reliance on CPT's previous largest client
 - Centres of excellence were enhanced to support the growing international resource requirements
 - Won the Governor of Victoria Export award for ICT services in support of the overseas business

CPT Growth Strategy

□ International

- Cultivation of the opportunity pipeline to underpin business expansion to 50%+ total revenue
- Margin expansion through increased scalability and more success fee based engagements
- Increased annuity based engagements

□ Australia

- Continue steady growth focused on growing strategic client relationships
- Grow Sydney operation through enhanced business development capability focusing on blue chip companies and previous CPT clients
- Enhance service centres to improve service delivery efficiencies
- Transition from resource based to solution based assignments to facilitate value billing

Outlook

□ International

- Aggressive growth over next 2 – 3 years based on proven value proposition and very strong opportunity pipeline
- Increased margins through increased scalability and more success fee engagements
- Establishment of annuity revenue stream for many clients
- Opportunistic expansion in Asia
- Exploring opportunities in Brazil with alliance partners

□ Australia

- Steady growth in Melbourne and Sydney
- Replacement of completed Canberra projects with new projects

□ Risks

- European economy could delay project engagements
- Timing of international engagements: delays could force revenue growth back to 2013
- Delays in replacing completed Canberra projects

□ Opportunities

- Increased client focus on cost reduction may bring forward Risk Reward project starts more than forecasted in the next 12 months
- Enhancement of solution centres could lead to improved margins in short term