



MELBOURNE IT

facilitating success

Robert Stewart

Chairman
Melbourne IT

Theo Hnarakis

CEO & Managing Director
Melbourne IT

2005

Annual General Meeting

Melbourne - May 2005



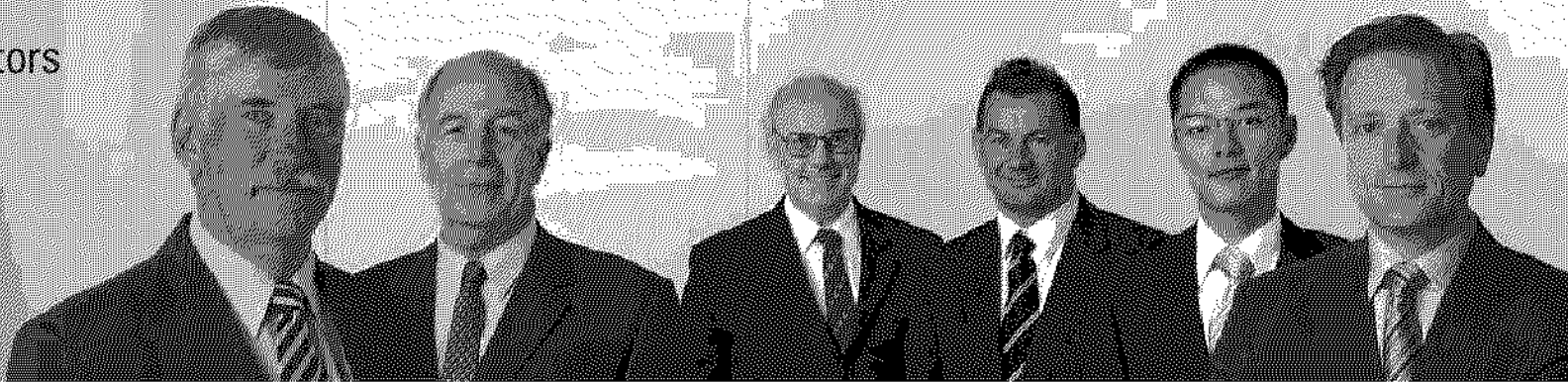
MELBOURNE **IT**

facilitating **success**

Robert Stewart
Chairman
Melbourne IT

Melbourne IT AGM 2005

Board of Directors



Robert Stewart
Chairman

Professor Iain Morrison
Non-Executive Director

Tom Kiing
Non-Executive Director

Dr Mark Toner
Deputy Chairman
Non-Executive Director


Simon Jones
Non-Executive Director

Theo Hnarakis
Managing Director

Melbourne IT AGM 2005



Auditors

 **ERNST & YOUNG**



MELBOURNE **IT**

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Robert Stewart
Chairman
Melbourne IT

Melbourne IT AGM 2005



2004

1999

2000

2001

2002

2003

Melbourne IT
delivered a strong performance in

2004

2004

Revenue ↑

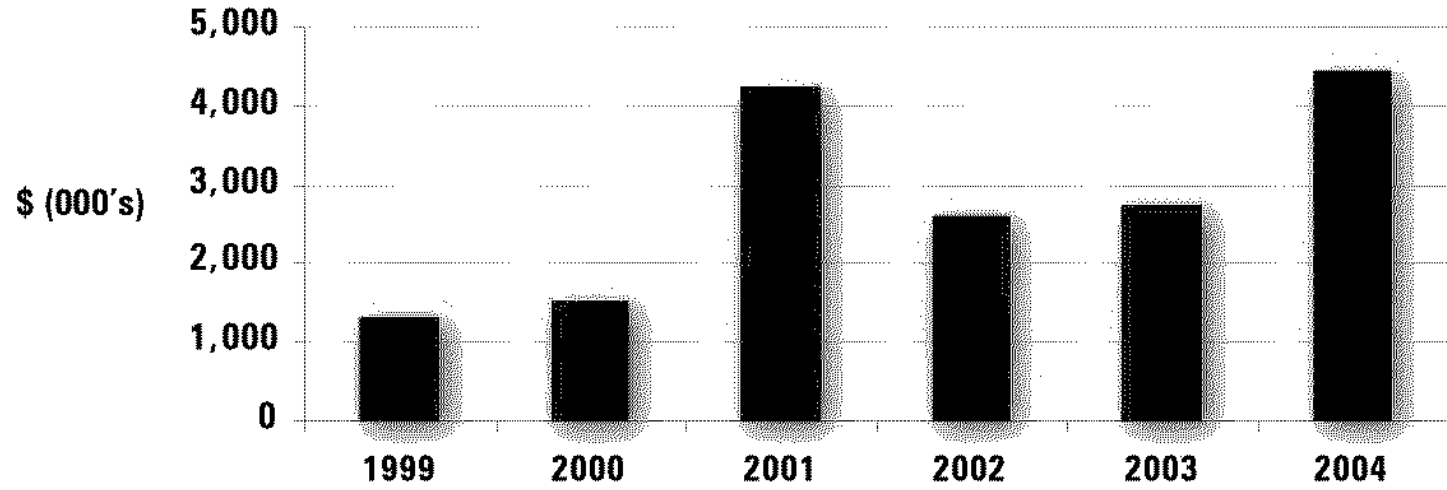
Profit ↑

Cashflow ↑

EBIT

↑ 63%

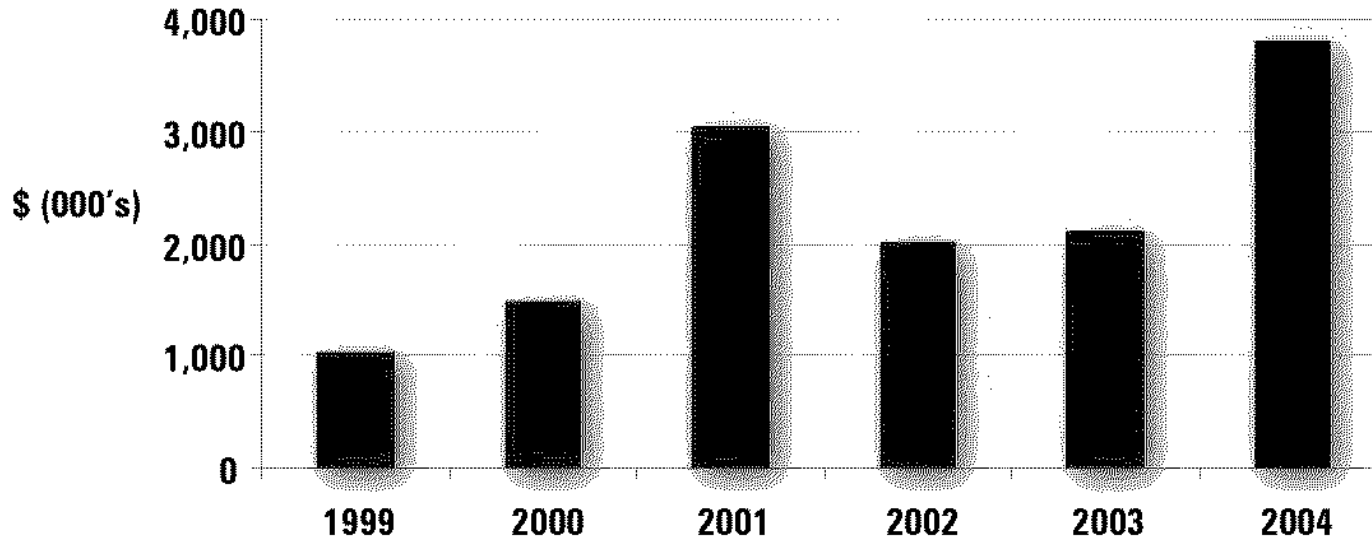
Earnings Before Interest & Tax (before significant items)



NPAT

↑ 82%

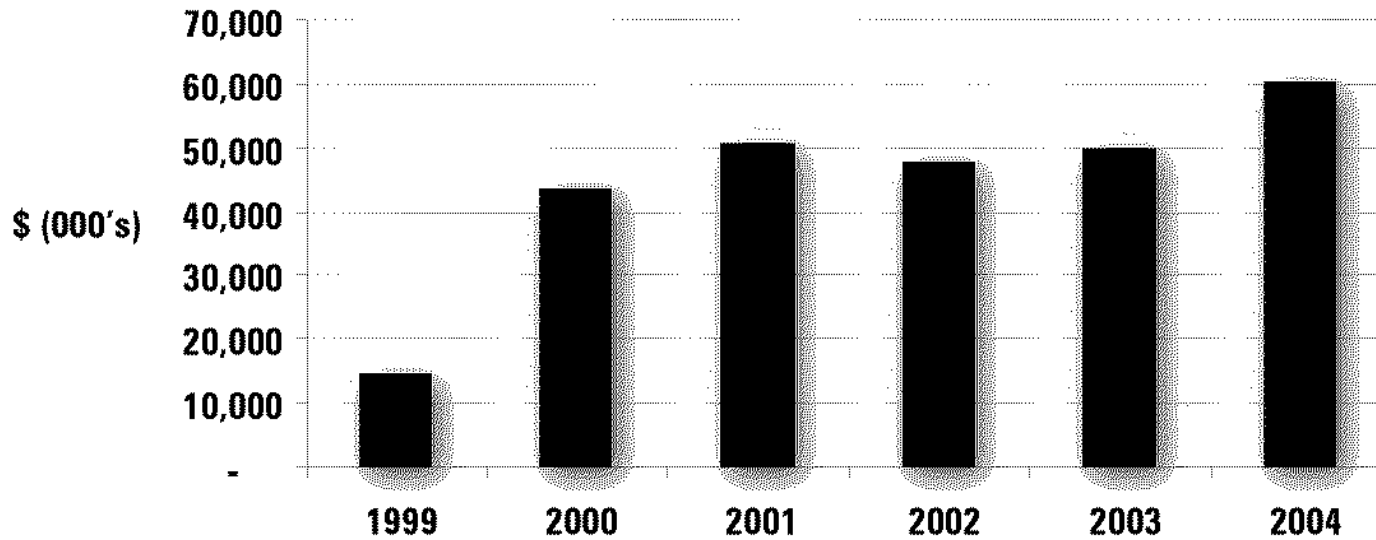
Profit After Tax (Before Significant Items)



Revenue

↑ 21%

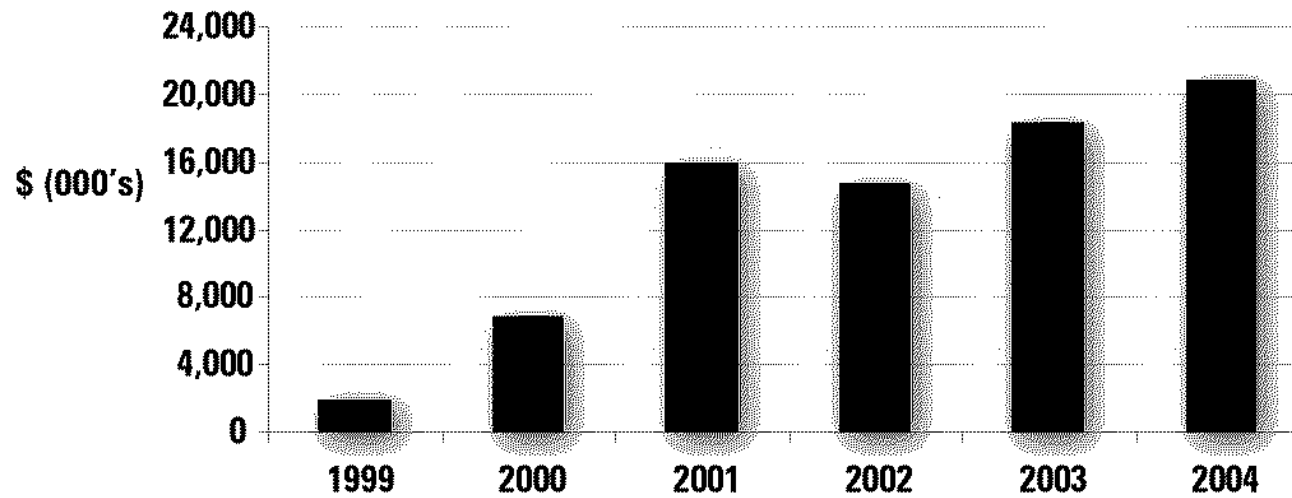
Total Revenues including Interest



Cash

Cash and Liquid Investments

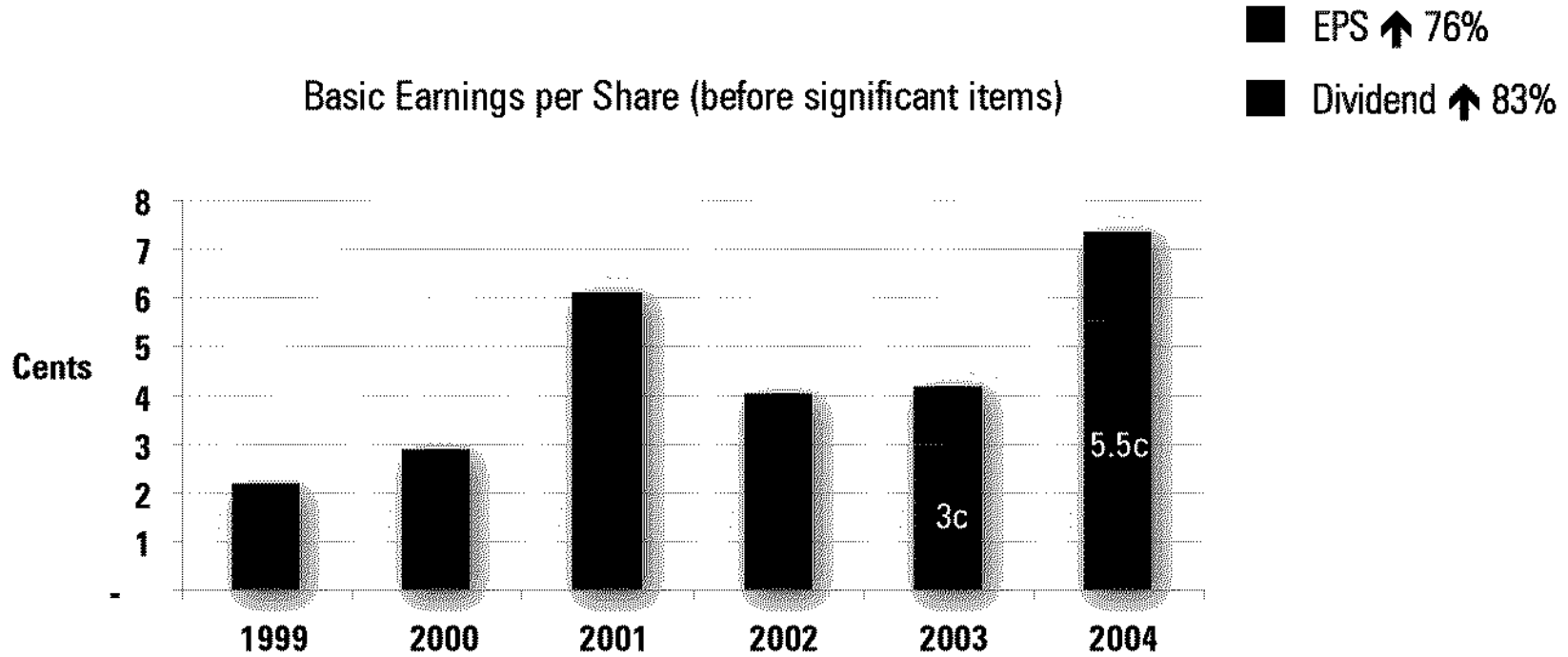
↑ 14%



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Dividend

Basic Earnings per Share (before significant items)



→ Payout Ratio

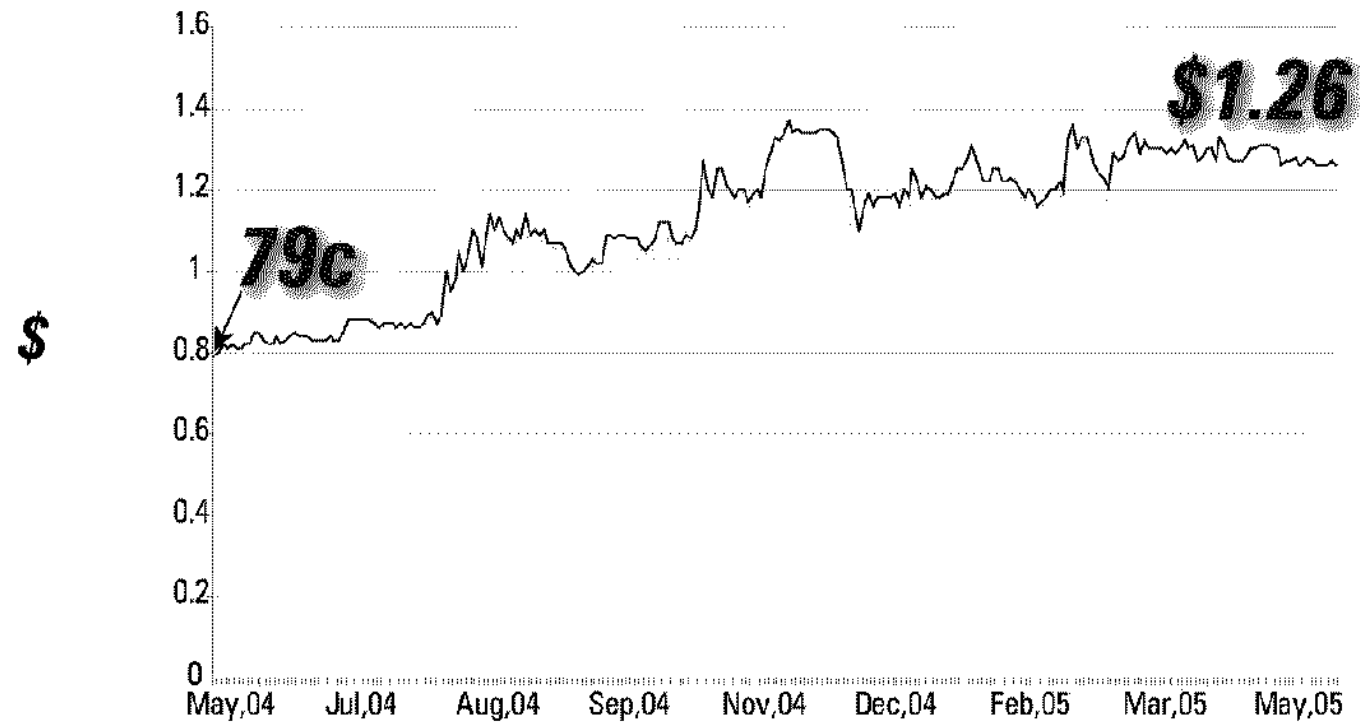
72%

75%

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Dividend

Share Price



Acquisitions

a Melbourne IT company

cogent **IPC**
INTELLECTUAL PROPERTY CONSULTANTS

- Addressed integration issues
- Revenue \$5.3M (9months to 31 Dec 2004)
- NPAT \$151,000 (9months to 31 Dec 2004)
- Access to Global Markets

Acquisitions

D@MAINZ
a Melbourne IT company

- Performed strongly in 2004
- Revenue up by 20% compared to 2003
- Market names under management grew by 22%
- Further growth in 2005

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Reseller Division

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- Pressure due to a stronger Australian dollar versus the US dollar
- Offset by continued development of our global client base



- Australian domain name market ↑ 25%
- Our unique customers ↑ 32%
- Number of domain name customers buying value added service ↑ 15%
- Expanded product base will deliver further success

– Revenue ↑ from \$2M to \$8.4M

- Strong organic growth
- Acquisition of Cogent

– The comparable revenue for 2003 (including the last 9 months of Cogent in that year) was \$6.8 million, indicating ↑ of 24% in 2004.

– Addition of a number of high profile brands

Divisional performance reflects

- Successful transformation of the company
- Strong organic growth
- Emphasis on customer retention and development



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Corporate Governance

Corporate Governance

Our Team

- A high calibre team
- Values and behaviours adopted by our people
- Emphasis on leadership behaviour
- High staff retention levels
- Melbourne IT Culture

————— **Values the Individual**



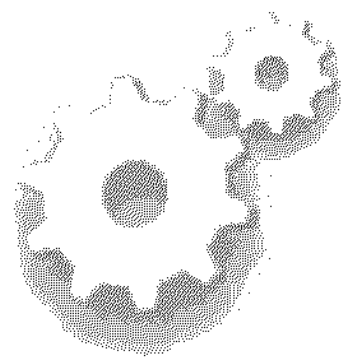
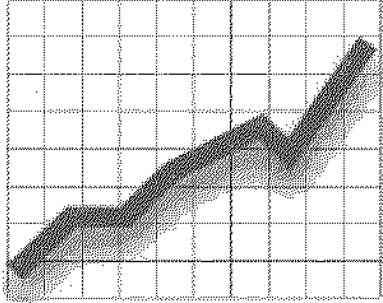
MELBOURNE IT

facilitating **success**

Theo Hnarakis

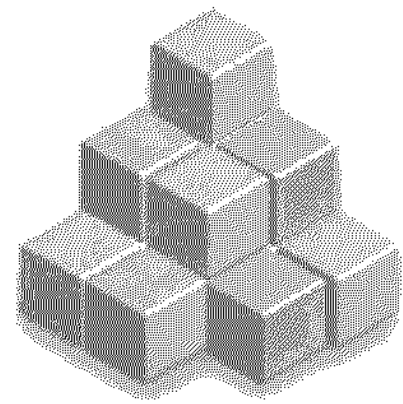
CEO & Managing Director
Melbourne IT

Profit Performance



Re-engineering the business

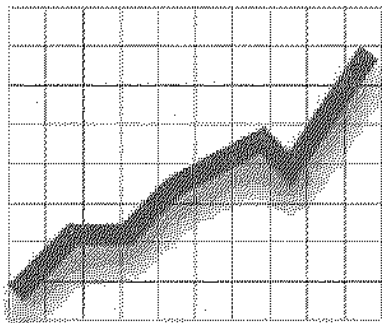
**3 Tier
Focus**



**Investment for the future and
sustainable growth**

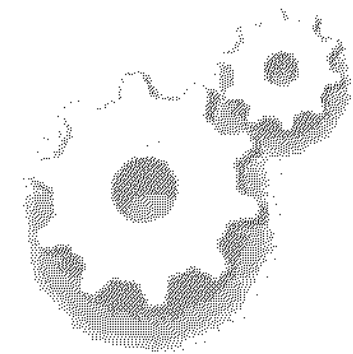
Profit Performance

Profit Performance

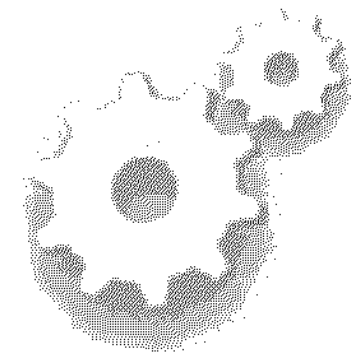


Revenue	\$60.32M	↑	21%
EBIT	\$4.46M	↑	63%
Cashflow	\$8.59	↑	21%
Dividend <i>incl. 3.5 c final dividend</i>	5.5c	↑	21%

Our Target



Our Target





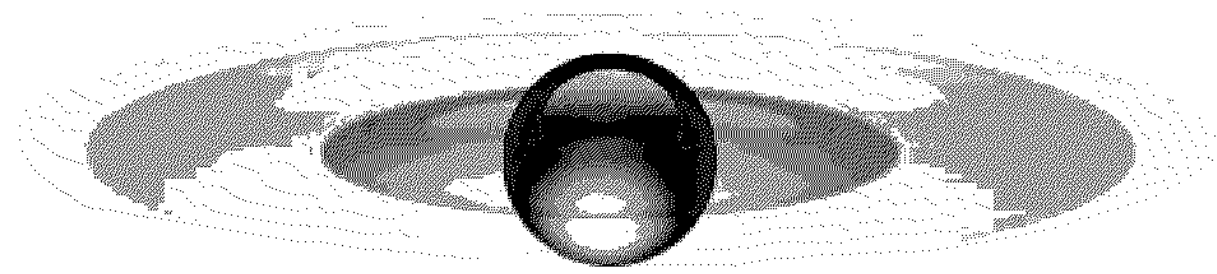
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MELBOURNE **IT**

Business Focus

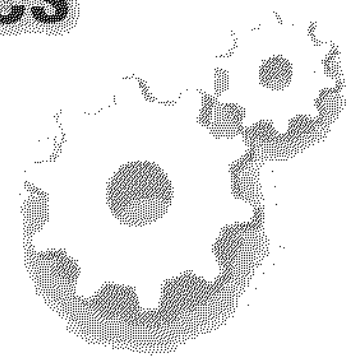
Re-engineering the business

Systems



People

Processes



Re-engineering the business

Creating depth of talent through

Our Values

Integrity

Excellence

Collaboration

Innovation

Commercial Discipline

Our Behaviours

Deliver Results

Optimise Processes

Provide Leadership

Develop People



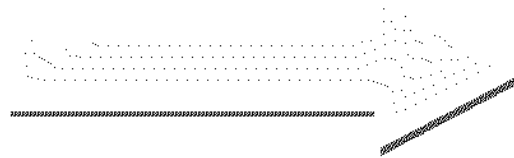
Business Focus

'Trusted for Online Success'

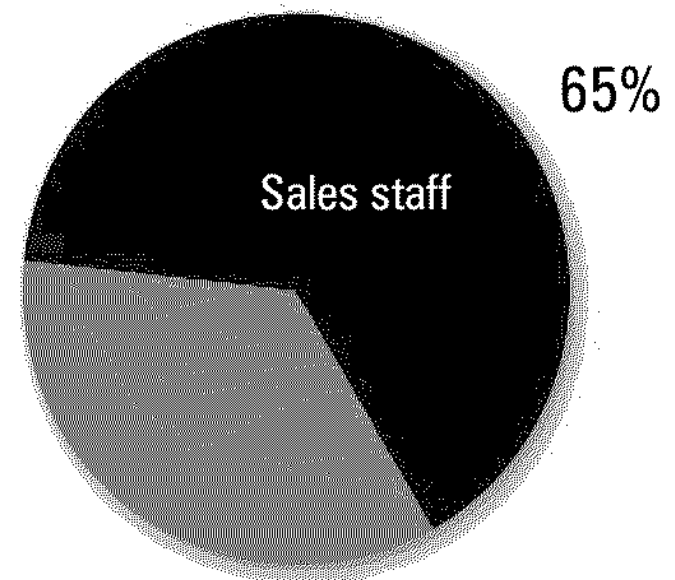
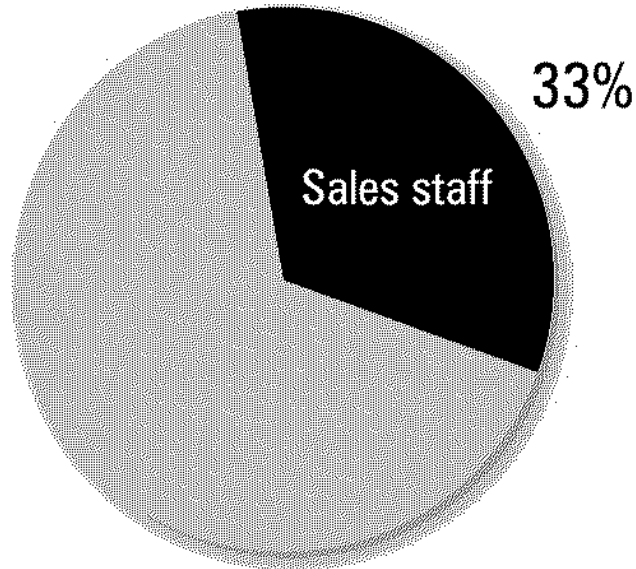
MELBOURNE IT

Re-engineering the business

2000



2005



Change in staffing % - an increased sales and marketing focus



Business Focus

Re-engineering the business

'Trusted for Online Success'

MELBOURNE **IT**



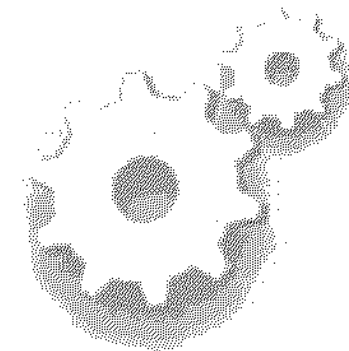
Client Relationship Management Systems

Product Bundling

Flexible Billing

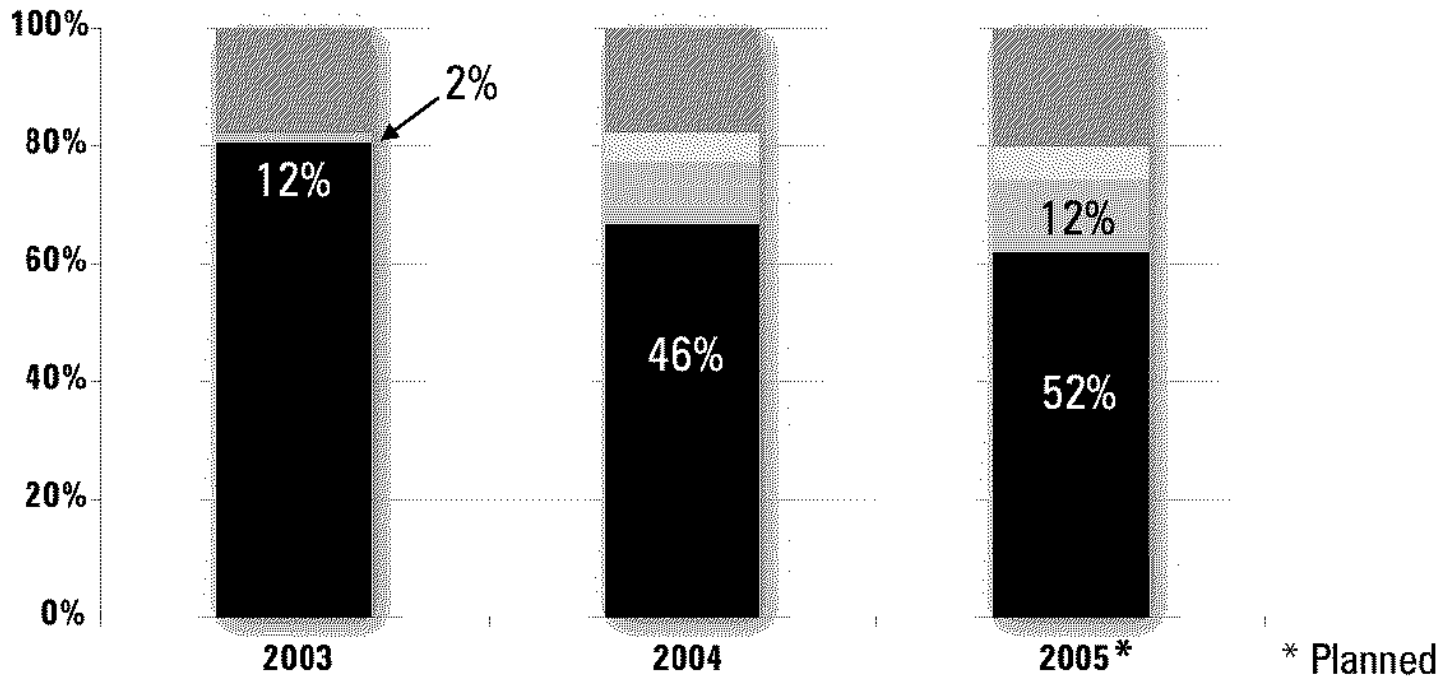
Flexible Payment Options

Order Management Systems

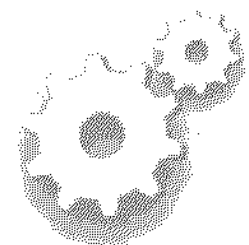


Re-engineering the business

Distribution of Technical Resources on projects



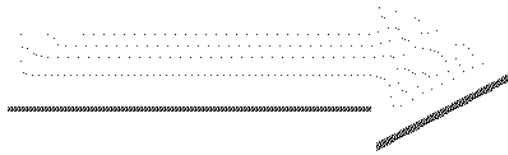
- Domains
- Business System Improvement
- ▨ Production and Infrastructure
- New Value Added Products
- Corporate Domain Management



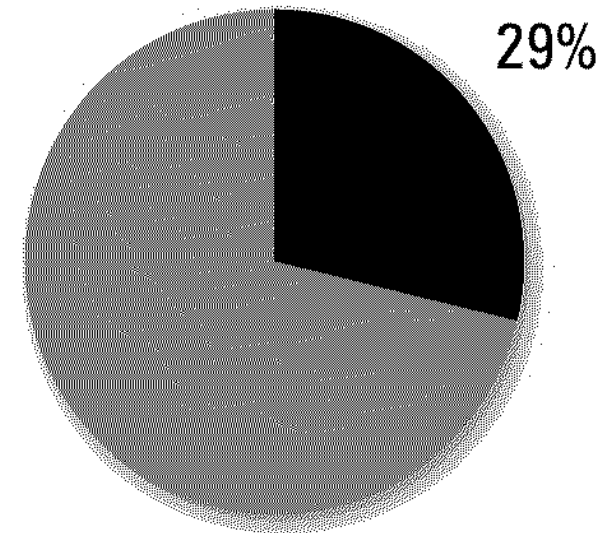
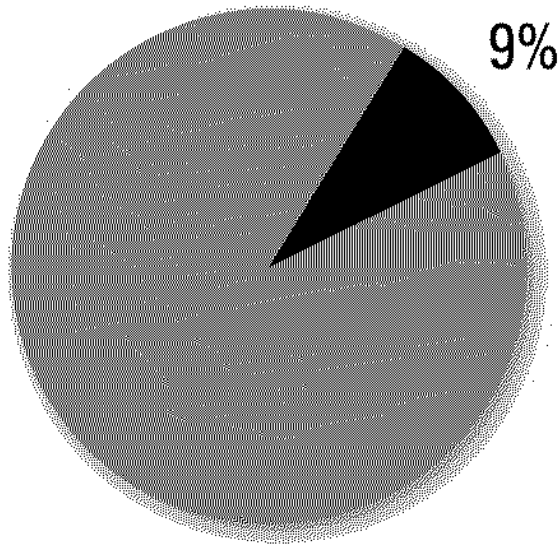
Business Focus

Re-engineering the business

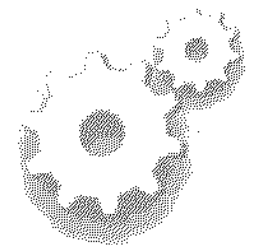
Q1 2004



Q1 2005

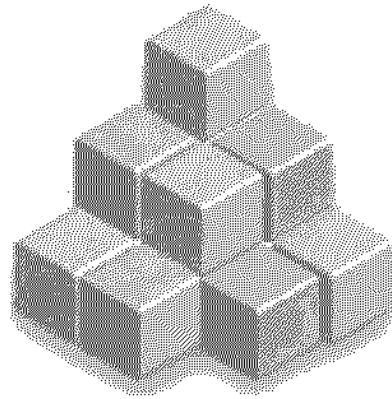


% of customers purchasing Value Added services through our Websolutions Team at the time of new registration



Business Focus

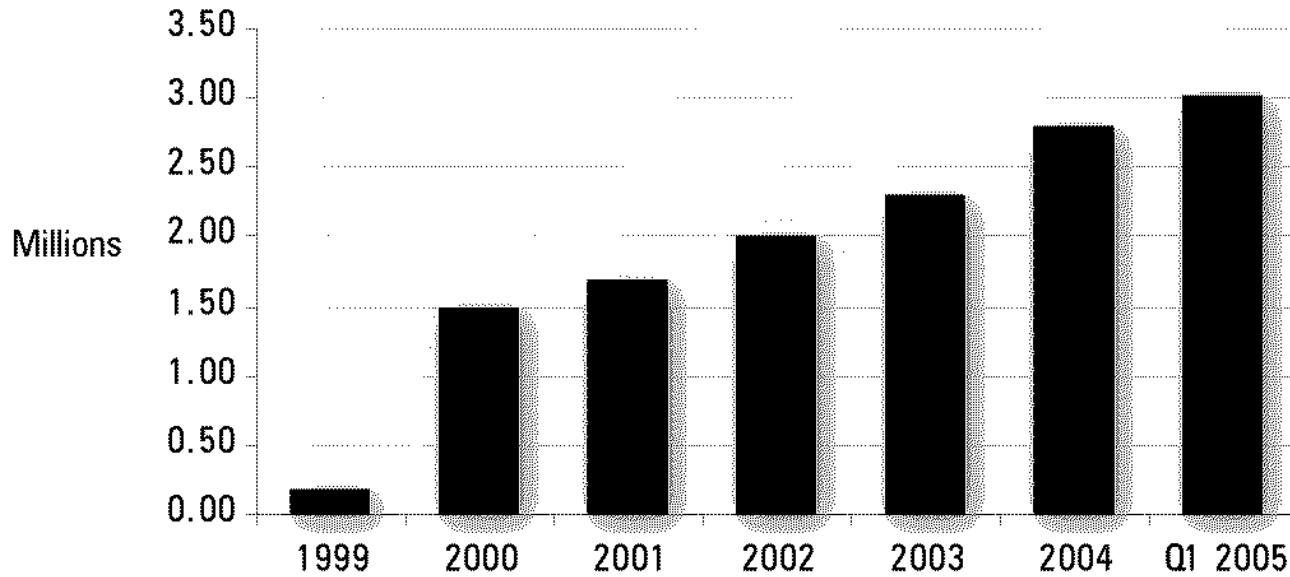
Investment for the future and sustainable growth



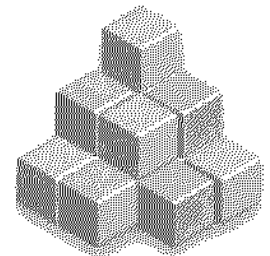
**Investment for the
future and sustainable growth**

Investment for the future and sustainable growth

Names Under Management



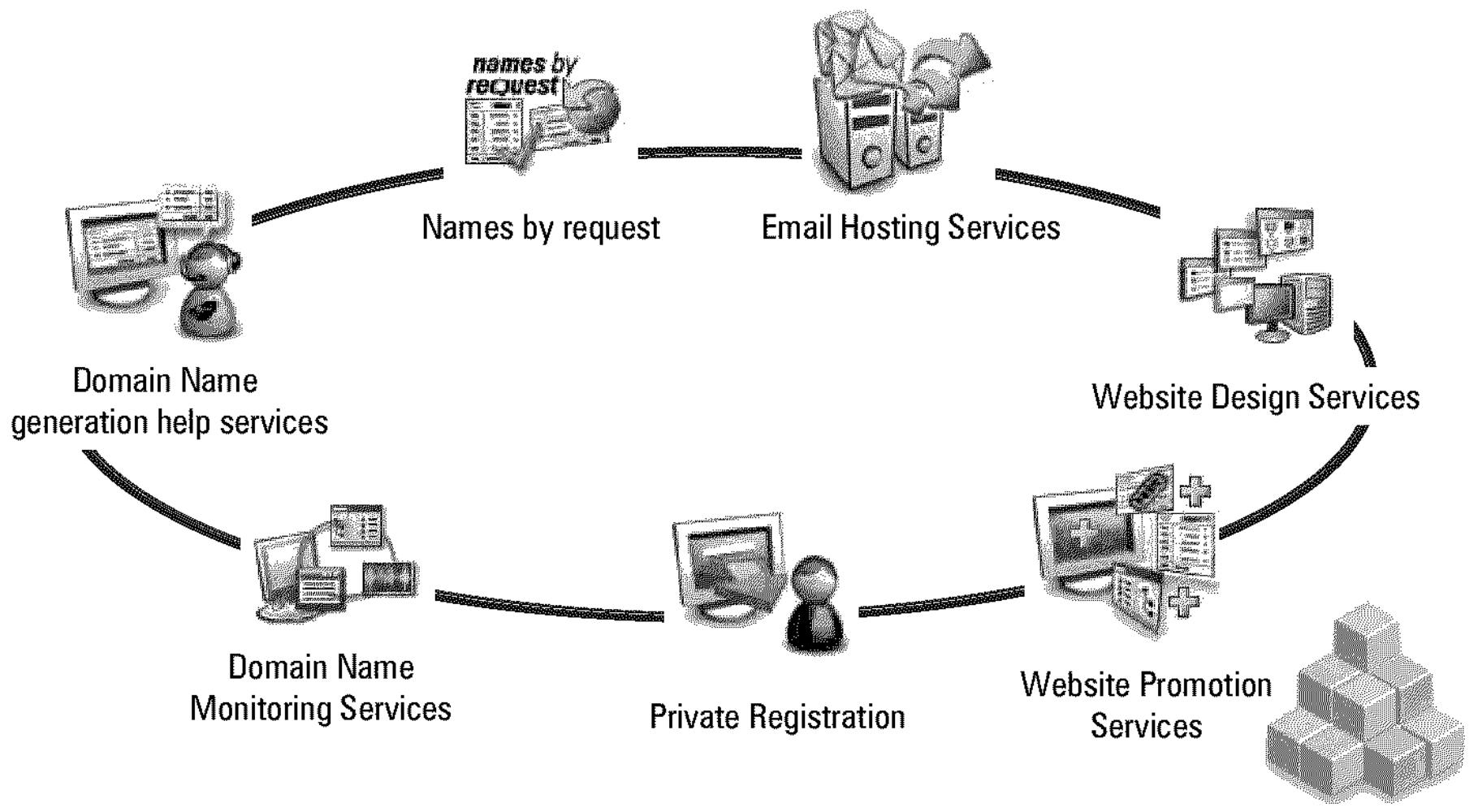
3 Million names under management



Business Focus

Investment for the future and sustainable growth

Increase average transactional value through an increased product portfolio



Investment for the future and sustainable growth

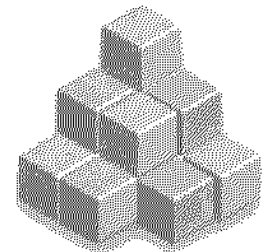
Mergers & Acquisitions

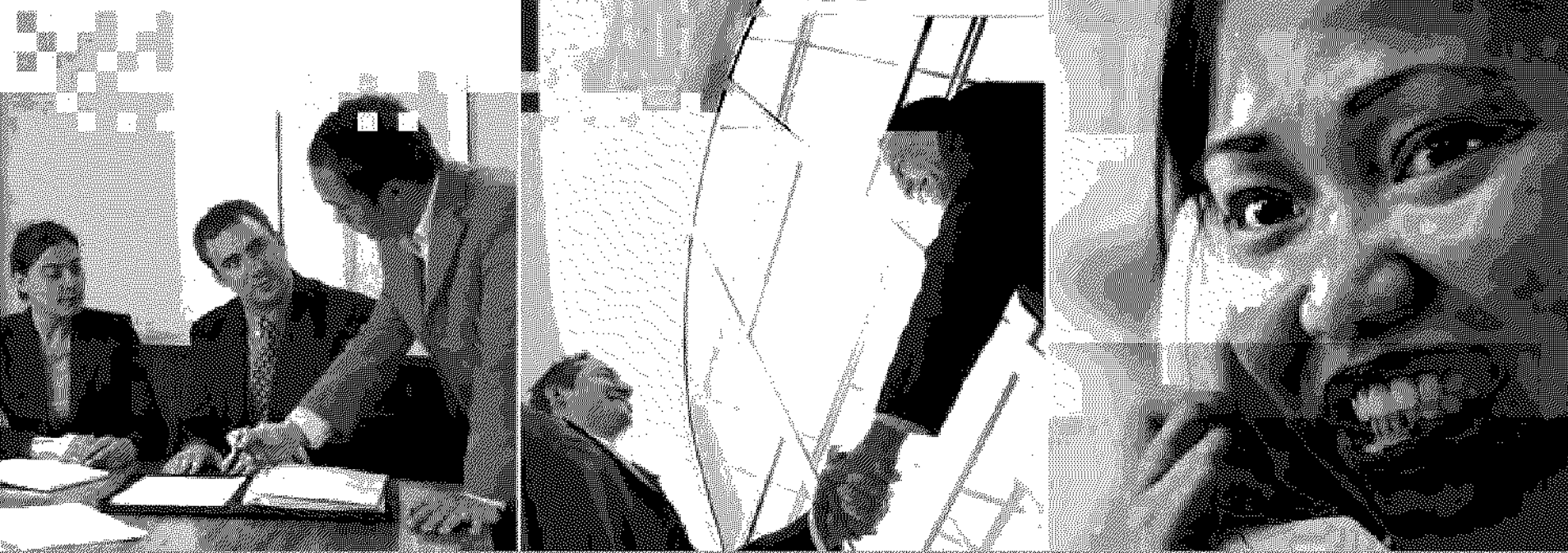
D@MAINZ
a Melbourne IT company

a Melbourne IT company

cogent **IPC**
INTELLECTUAL PROPERTY CONSULTANTS

- Successfully integrated
- Performing well





Business Units

Melbourne - May 2005



Provision of domain names registration solutions for large technology companies around the world

Reseller

Melbourne - May 2005



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Overview of Business Units

Reseller | Current Status

– Growing market – 71.4M names overall End 2004 **up 18%**

(Verisign Report March 2005)

– Average production system availability of **over 99.9%** for the last 12 months

– **World's best practice** in registration technology and support mechanism

– **Long term strategic relationships** with market leading technology companies



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Overview of Business Units

Reseller | Ongoing Challenges

- Domains around the world are becoming commoditised
- Exchange rate

Overview of Business Units

Reseller | Growth Opportunities

- Collaborative product development with our customers
 - Some of our customer are market leaders who are best placed to drive and capture market growth
 - Opportunity for Melbourne IT to diversify into other products

.eu

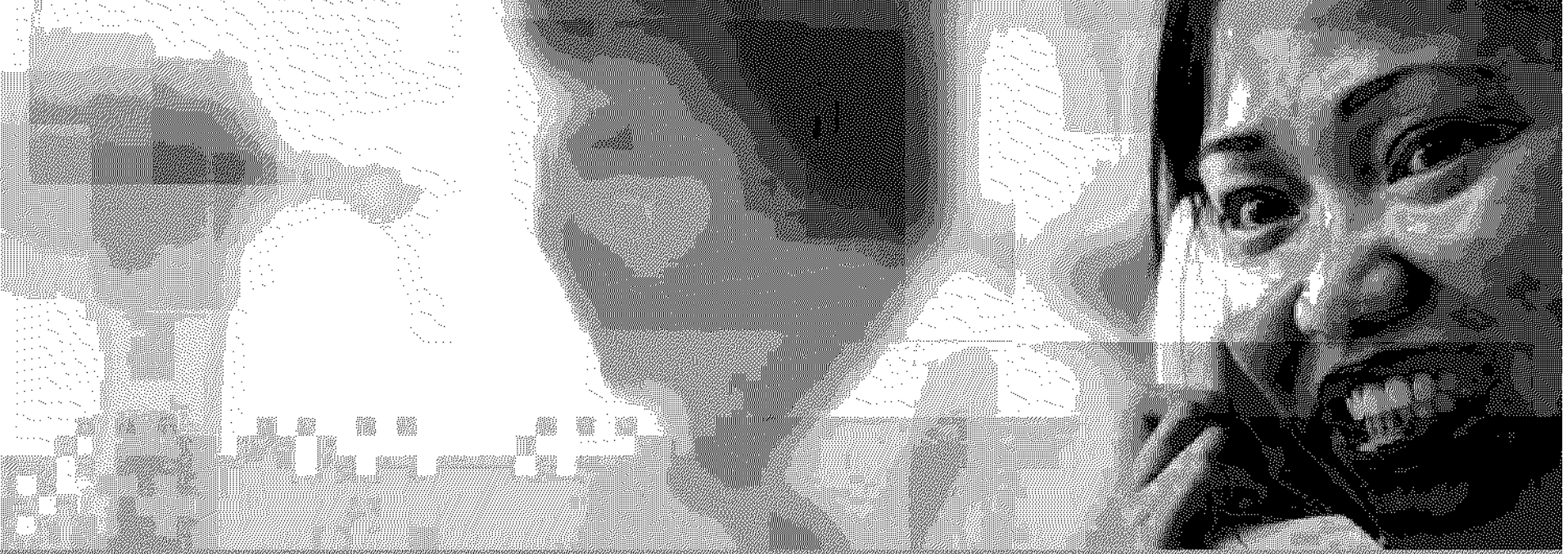
to be released Q1 2006

Other new Domain Name releases

.travel
.jobs

New products such as:

- Private registration,
- Name generation,
- Secondary market solutions



Easy and complete solutions enabling Small to Medium Enterprises to get online fast

Direct

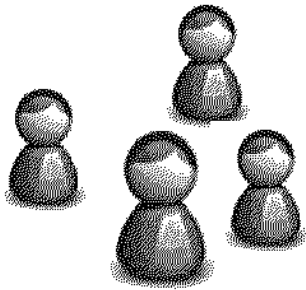
Melbourne - May 2005

Overview of Business Units

Direct Division | Current Status

From 31 Dec 2003 to 31 Dec 2004

Direct Customers



↑ 32%

167,000 → 220,000

Names Under Management



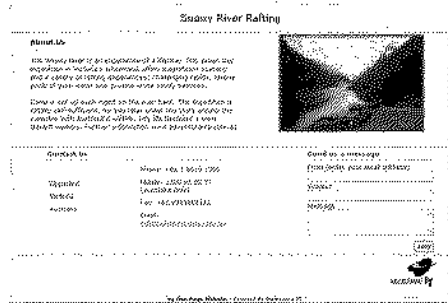
↑ 18%

300,000 → 354,000

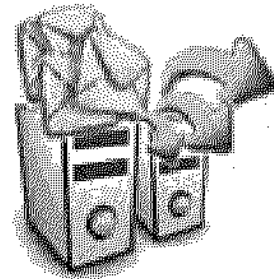
Overview of Business Units

Direct Division | Current Status

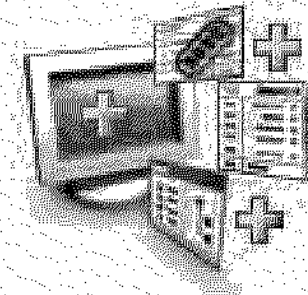
Introduction of New Products



One Page Website



Email and Web-hosting
Services



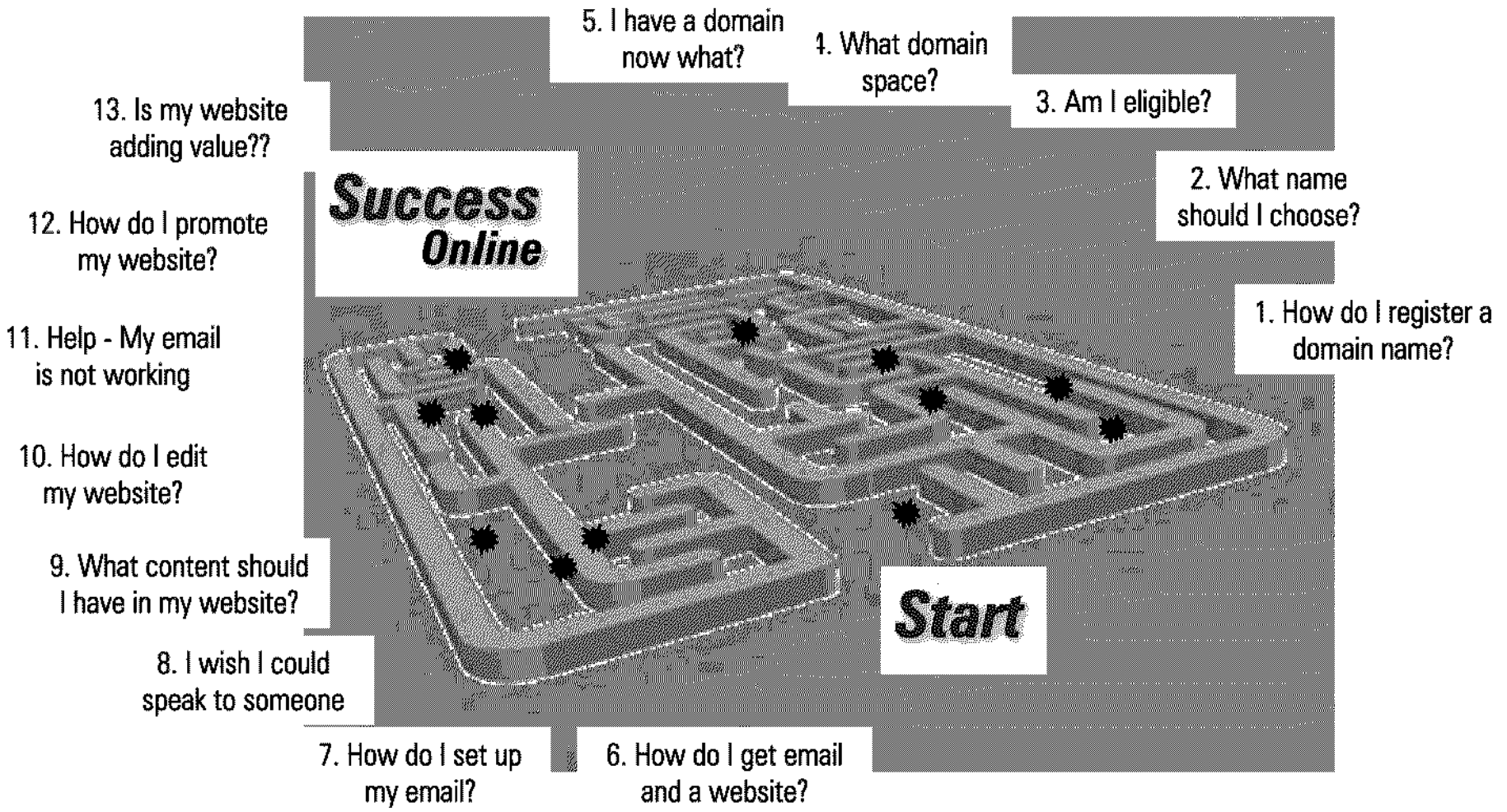
Website Promotion
Services

Advantages of keeping everything with Melbourne IT

- Support issues related to any product is just one phone call away
- Talk to a real person 24X7
- Portfolio brand gap analysis, recommendations and advice
- Total control on all products through Melbourne IT “My Account”
- Eligible for better deals by bundling
- Access to Melbourne IT world class systems
- Easy to use solutions

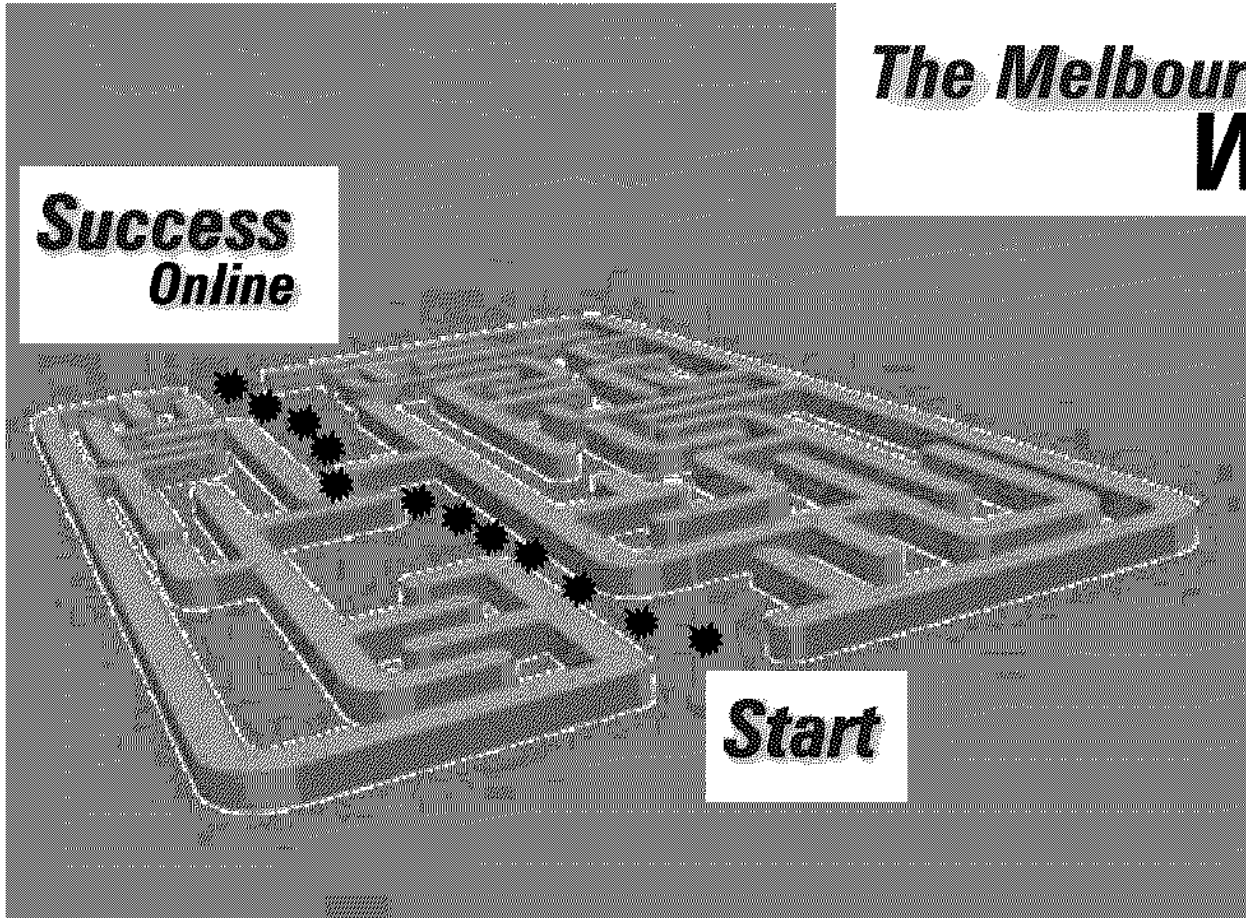
Overview of Business Units

Direct Division | Current Status



Overview of Business Units

Direct Division | Current Status



Overview of Business Units

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Direct Division | Ongoing Challenges

Staying Relevant

Remaining Competitive

Efficient Aggregator of Quality Solutions

Overview of Business Units

Direct Division | Growth Opportunities

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Additional Services: Names by Request

A screenshot of a web browser showing search results for domain names. The browser's address bar shows 'Home > Domain Name Search > Search Results'. The page title is 'Your Domain Name Search Results' and there is a notification 'Your Order 10 Items'. The page is divided into two main sections: 'Available - Buy Now' and 'Unavailable - Request Name'.
Available - Buy Now
Free Website with your Domain Name
(Includes .com, .net, .org, .info, .biz, .us and .au)
The Domain Name you searched for is available with the following extensions:
Specialised Domain Names
 melbourneit.org.au
 melbourneit.id.au
Unavailable - Request Name
names by request
No Upfront Fees! Express your interest in obtaining a currently registered Domain Name if it becomes available on a no-obligation basis.
Recommended Domain Names
 melbourneit.com.au
 melbourneit.com
 melbourneit.net.au
 melbourneit.net
 melbourneit.info
 melbourneit.biz
Specialised Domain Names
 melbourneit.org
International Domain Names
 melbourneit.us
 melbourneit.co.uk
 melbourneit.co.nz

- Customers can now register their interest for domain names even if they are unavailable
- Melbourne IT will monitor their names and will attempt to register it for them if the name becomes available

Overview of Business Units

Direct Division | Growth Opportunities

'Trusted for Online Success'



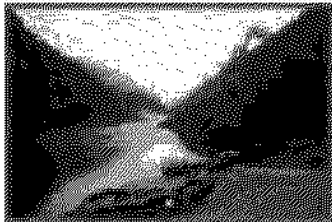
Additional Services: One Page Website

Snowy River Rafting

About Us

The Snowy River is an experience of a lifetime. This seven day expedition in Victoria's wilderness offers magnificent scenery and a variety of rafting experiences; challenging rapids, serene pools of pure water and pristine white sandy beaches.

Camp is set up each night on the river bank. The expedition is totally self-sufficient. As you relax under the stars around the campfire with Australia's wildlife, city life becomes a mere distant memory. Further Information www.adventurama.com.au




Contact Us	
Sippisland	Phone: +61 3 9619 1300
Victoria	Mobile: 1300 63 22 77 (Australia only)
Australia	Fax: +61 0391891311
	Email: info@adventurama.com.au

Send us a message

From (enter your email address)

Subject

Message



My One Page Website - Powered By Melbourne IT

When our customers register any domain name with
Melbourne IT we offer them a One Page Website

Overview of Business Units

Direct Division | Growth Opportunities

Additional Services: Website Promotion

Case Study: ausmedia.com.au

Nine MSN Ranking

#2

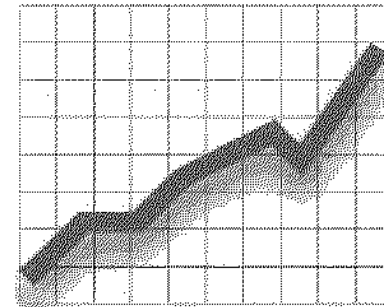


100 Plus

Currently

#1

in Google



15%

Projected Sales up 15%

Overview of Business Units

Direct Division | Growth Opportunities

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Additional Services: Website Promotion

Forrester Research predicts ...

– US online advertising was expected to **↑ 34 per cent** this year to about US\$13 billion.

– Search Engine Marketing will grow by **33%** in 2005 reaching US\$11.6 billion value by 2010.

Overview of Business Units

Direct Division | Growth Opportunities

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By the end of March 2005 ...

19%

Of our new direct customers bought value added services

They spent an average of

\$195

Compared to

\$163

in the same period last year



Providing services to large corporates and enterprises around the world to monitor and protect the brands online

CDM

Melbourne - May 2005

Strategy for Growth

- Customer acquisition
- Increased value per customer
- Structural efficiency / alignment
- Industry leader customer satisfaction



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Overview of Business Units

Corporate Domain Management | Current Status

Over **80%** of ASX100 companies use Melbourne IT to manage their domain names (as of 31 Mar)

Over **300** leading companies use Melbourne to protect their brands online

Overview of Business Units

Corporate Domain Management | Current Status

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Domain Name Management

Domain Name Monitoring

Domain Name Recovery

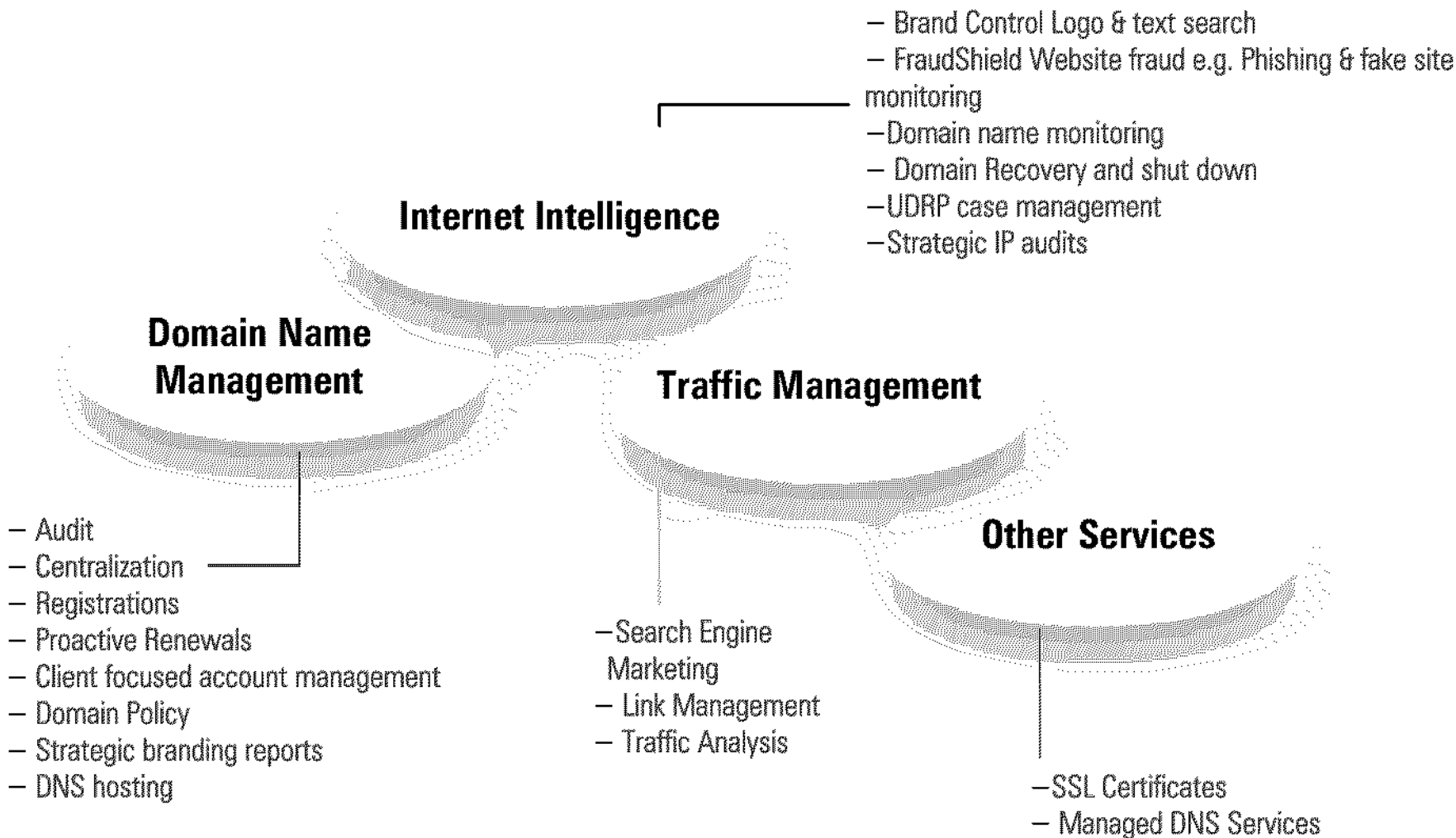
FraudShield

Content Infringement

Specialist Audit

Overview of Business Units

Corporate Domain Management | Current Status



Overview of Business Units

Corporate Domain Management | On going challenges

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- Integration and management of global business with multiple geographies and management of customers brands online with multiple jurisdictions
- Keeping abreast of constantly evolving Internet brand infringements issues

Overview of Business Units

Corporate Domain Management | Growth Opportunities

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- Continued introduction of domain spaces such as .eu
- Continued outsourcing by companies due to the increased complexity
- Increased importance of the Internet to large global companies in marketing of products and services
- MIT positioned as a trusted advisor to increase their brand performance online along with traffic analysis
- New customer acquisition through investments in sales force
- Ecommerce growth estimated 50-70% 2004-06




We have commenced the 2005 year well

Outlook


Melbourne - May 2005

Revenue

 Exceed \$34M for first half

 20% more over
the same period in 2004

EBIT

 Exceed \$2.5M for first half

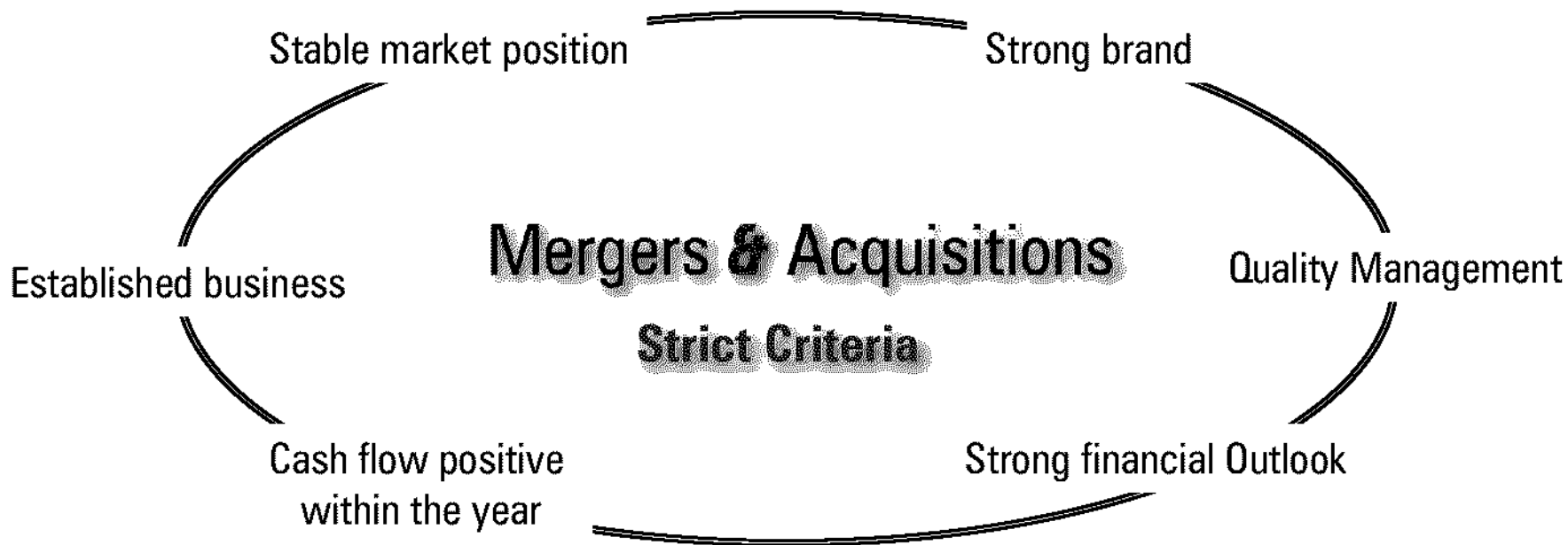
 28% more over the same period in 2004

 Exceed the EBIT for the second half of 2004

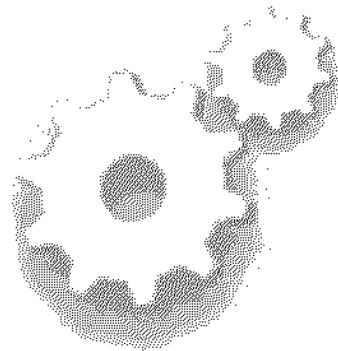
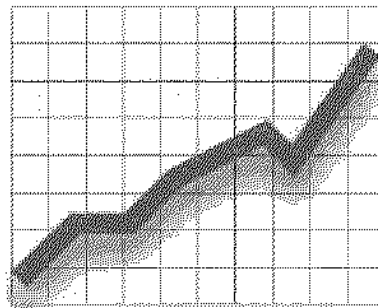
 Fifth half in a row of profit growth

Dividend Payout Ratio

Over 70%

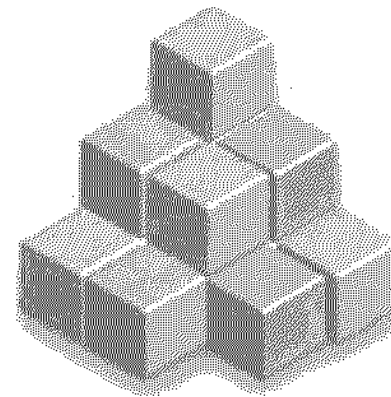


Profit Performance



Re-engineering the business

**3Tier
Focus**



**Investment for the future and
sustainable growth**

Outlook





MELBOURNE IT

facilitating success

Robert Stewart

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