STRATATEL

INVESTOR PRESENTATION – MARCH 2011

Presenter: Mike Fairclough

Stratatel – The Story So Far

1997 – Perth Office

1998 – FleetManager v.1

1999 – Sydney Office

2000 – Listed on ASX (IPO)

2005 – eFleet Acquisition
– Melbourne Office

2006 – Vircom Acquisition

2007 – Softlog Pty Ltd Acquisition
– Brisbane Office
– Maiden profit
– Maiden Dividend declared

2008 – Phoneware Pty Ltd Acquisition
– Dividends paid

2009 – Resource Systems Pty Ltd Acquisition
– Dividends paid

2010 – 3 x IBM Business Partners Acquisition
– Adelaide Office
– Dividends paid

2011 – Dividend declared (payable May)

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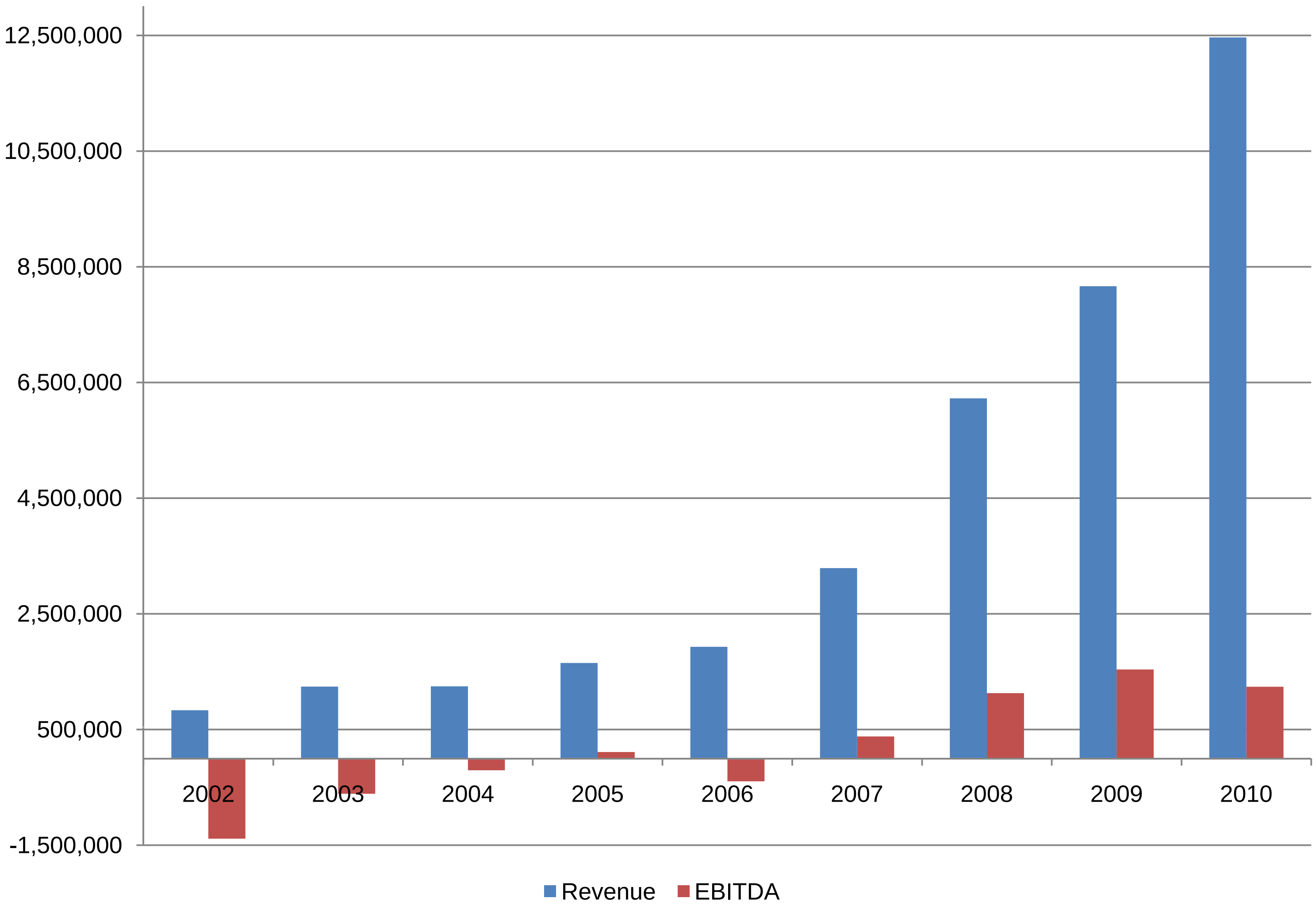
Stratatel – Historic Financials



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Company Highlights To Date

- Grown from single office (Perth) to Sydney, Melbourne, Brisbane, Adelaide and Perth
- Grown from one product company to multi-product software and solutions provider
- From cashflow negative (early days) to operating cash flow positive
- Grown recurrent annuity revenue from nil to approx. ~$9m/annum
  - proprietary products ~$6.5m
  - and IBM software renewals ~$2.5m
- Profitable since 2007
- Commenced paying dividends to shareholders in 2007
- Grew revenue by 32% during GFC
- Integration of multiple acquisitions

Recognised and Awarded…

CRN-8

- Awarded 8th fastest growing software reseller in Australia in 2009 – 10 (CRN Magazine)

Deloitte.
Technology Fast50
Australia 2010 Winner

- Awarded 25th fastest growing IT company in Australia in 2009 – 10 (Deloitte)

Deloitte.
Technology Fast500
Asia Pacific 2010 Winner

- 362nd of fastest growing 500 IT companies in Asia Pacific (2009 – 10)

So Who Are We Now?

What were we?

A niche provider of a proprietary expense management product, namely FleetManager®.

So, who are we now?

Stratatel Ltd is a broad based Business to Business software and services company with expertise across a range of solutions that enable better business outcomes.

- Expense Management – FleetManager®, CostManager, follow&go
- Business Intelligence – Cognos^
- Collaboration – Quickr^ (Document Management), Sametime^ (Unified Communications), Connections^ (Internal Business Networking)
- Content Management – CMS/Web Applications Design & Build
- Consultancy Of the above and related IT and Business Services Consultancy

^ Denotes IBM Proprietary Product

Half Year Results to 31 December 2010

PROFIT & LOSS

	$
Revenue	7,805,320
Cost of Goods Sold	(3,096,428)
Gross Margin	4,708,892
Expenses	3,917,803
EBITDA	333,319
Corporate Overheads	457,770

CASHFLOW SUMMARY

	$
Operating Inflows	6,695,434
Operating Outflows	(6,528,613)
Net Operating Cash Movement	166,821
Dividends	(205,593)
Investments	(418,760)
Capital Expenditure	(74,430)
Overall Cash Movement	(531,962)

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Half Year Results to 31 December 2010

SUMMARY BALANCE SHEET

	$
Cash at Bank	1,029,088
Receivables	3,860,443
Other Current Assets	229,987
Fixed Assets	191,476
Other Assets	7,886,573
Total Assets	13,197,567
Current Liabilities	4,337,279
Long Term Liabilities	467,332
Borrowings	0
Equity	8,392,956
Total Liabilities & Equity	13,197,567

YTD GROSS MARGIN BY PRODUCT

Revenue	$
TEM (FleetManager®)	3,063,021
Softlog (CostManager & Softlog.Enterprise)	923,673
Resource (Software & Services)	3,818,626
Total	7,805,320

Gross Margin	$
TEM	2,939,806
Softlog	840,920
Resource	928,166
Total	4,708,892

Gross Margin %	$
TEM	96%
Softlog	91%
Resource	24%
Overall Gross Margin %	60%

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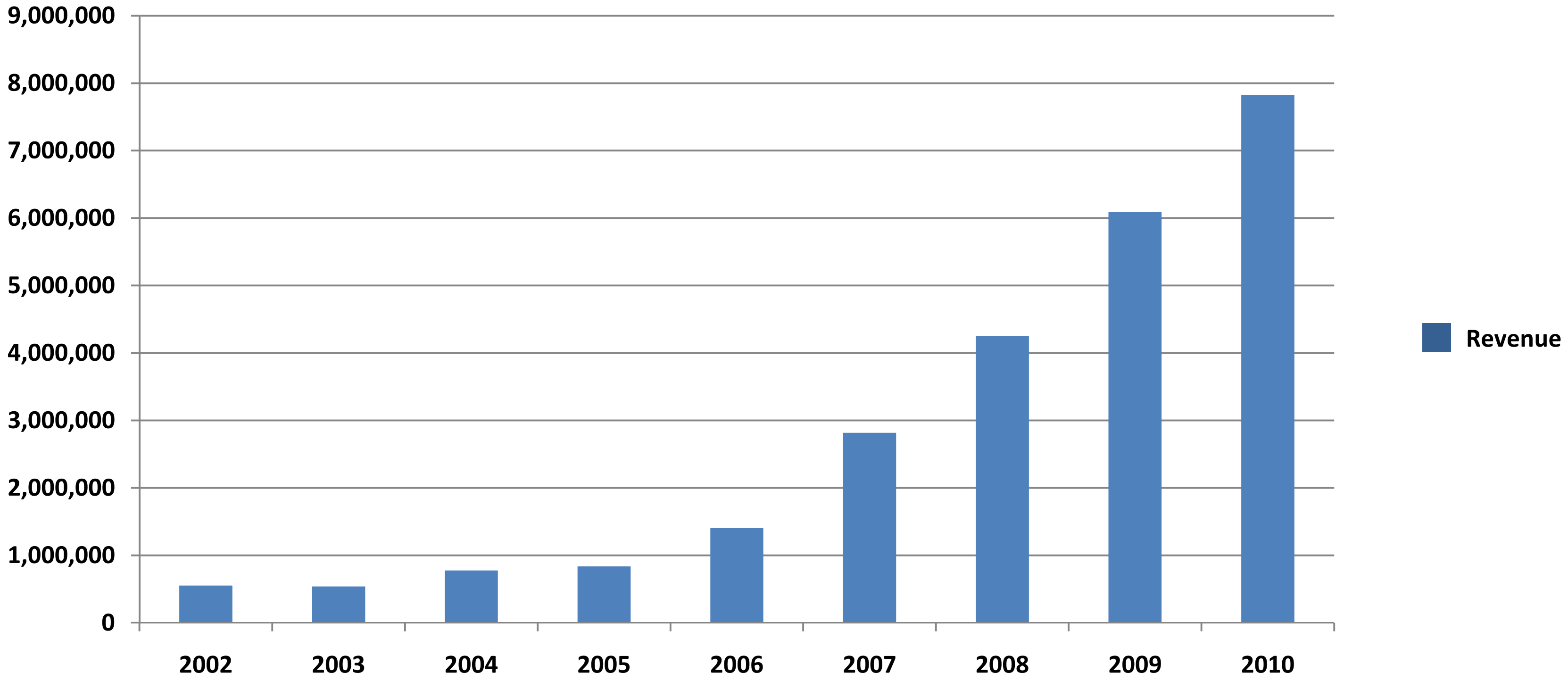
Revenue and Client Analysis

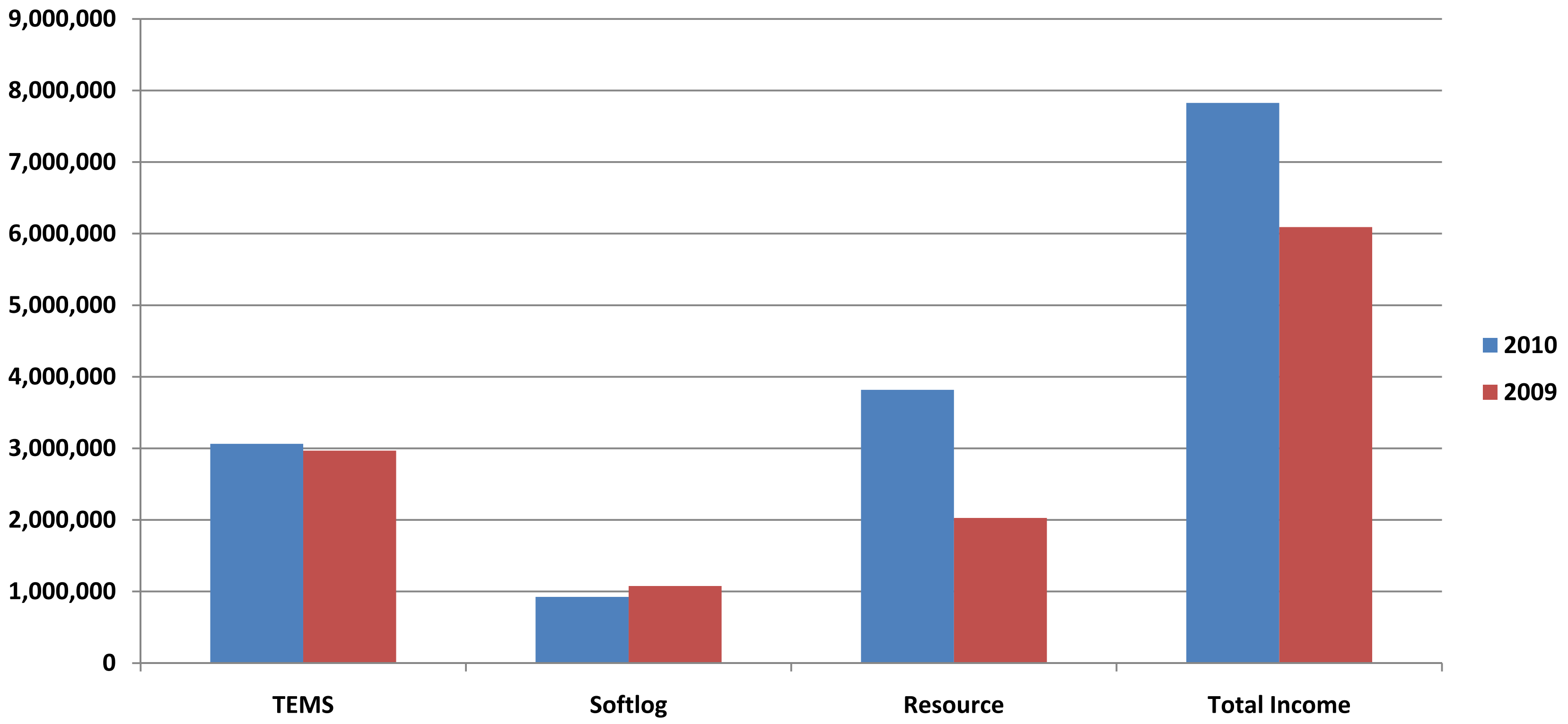
Recurrent Revenue by Calendar Year



NB. Underpins organic sales growth

Revenue and Client Analysis

Total Revenue Breakdown for Half Year to 31/12/10



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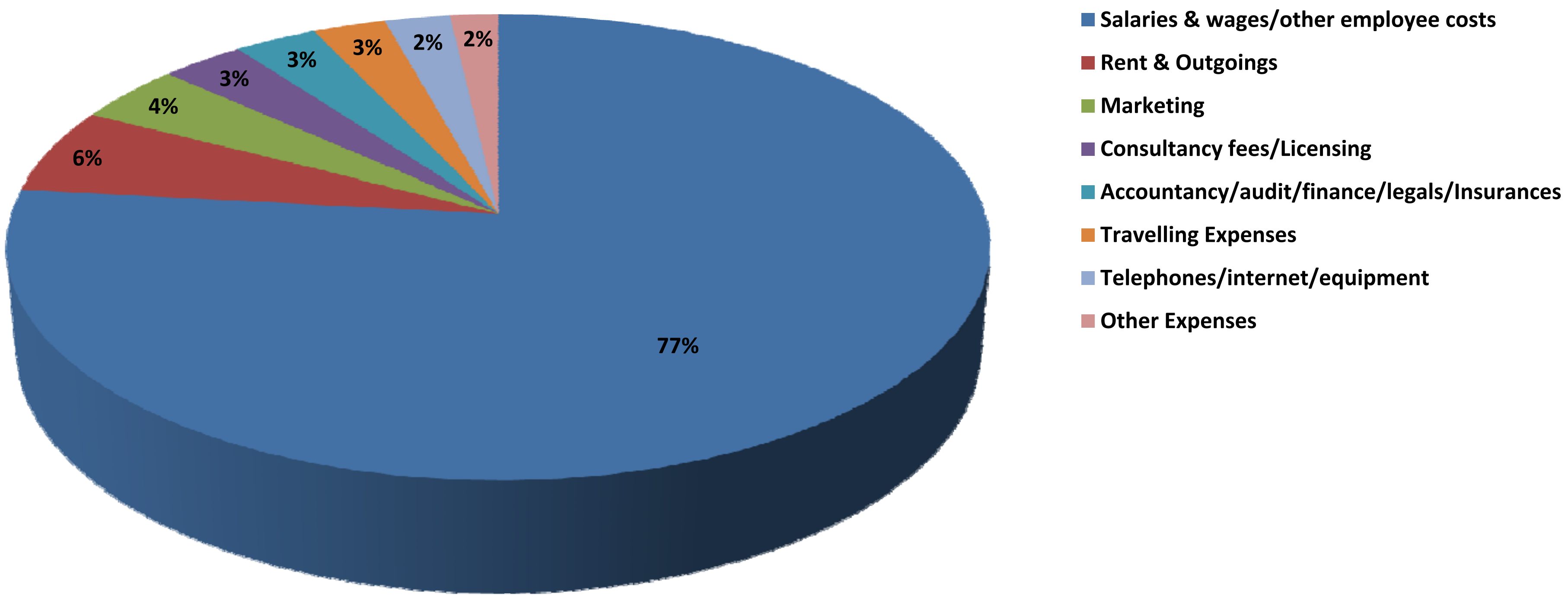
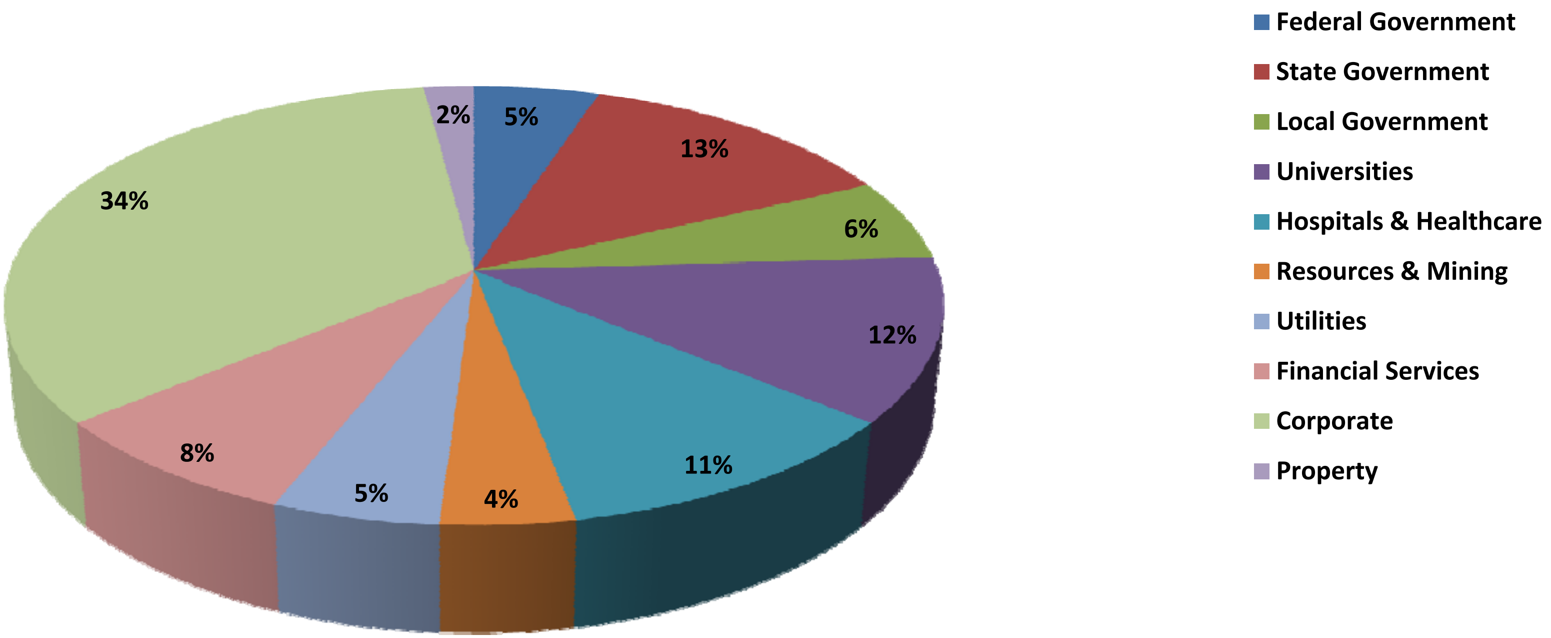
Overhead Analysis

Operating Expenses



Revenue and Client Segment Profile

Top 100 Customers by Market Segment



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Stratatel's Unique Offering

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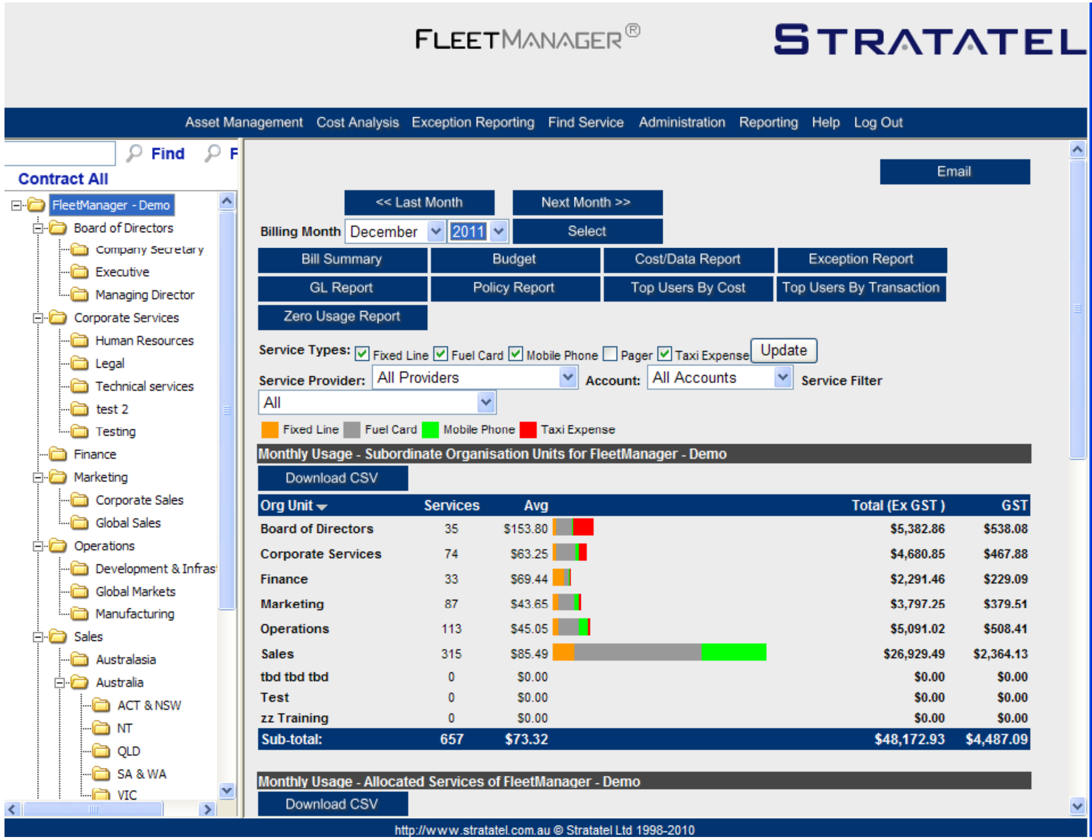
FleetManager®

- Telecommunications Expense Management System
- Developed by Stratatel
- Annuity business model; $xx/mobile/month over pre- determined contract term
- Accessed via the web (no hardware/ installation required accessed via secure login
- Typically reduces client telco expenses by up to 40% and reduces admin processing costs by up to 75%
- FAST and demonstrable ROI



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The Business Plan

- Key Strategies to provide quality execution across all areas of business:
  - Continue to design and build innovative upgrades to proprietary products to maintain high product margins and retention
  - Continue to develop Managed Services capability across the range of solutions
  - Continue to develop a quality consulting capability
  - Continue to develop Stratatel's team to enable improved performance

- Acquisition Activity to continue around "Scale" requirement

Progress to Objectives (Operations) 2010 – 2011

- Revenue in line with company expectations
- EBITDA down on expectations to 31/12/2010; strong sales pipeline expected for 2nd half
- Increase sales & marketing focus on higher margin TEM, software and service projects
- Looking to increase Consulting staff paid utilisation rates
- Client retention processes are working
- Management expectations of an improvement in EBITDA in 2nd half
- Payment of Dividends
- "Go To" expert ability manifest through:
  - Awards from CRN and Deloitte in Australia in 2009-10
  - TEM Best-Practice now a 74% reduction in customers mobile phone expenses
  - Stratatel present at Lotusphere 2011 in Las Vegas

So Where Will the Growth Come from?

- Increased sales of FleetManager® and follow&go
- Increased volume and size of software & services projects
- Increased number of consulting engagements; more people on more projects at higher rates
- Synergistic acquisitions

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Progress to Objectives (Corporate)

- Annualised revenue of $30m – $ 35m by 31/12/11
  - In discussions with acquisition targets
  - Objective remains achievable within timeframes however, reliant on acquisition
  - Equivalent annualised EBITDA of $4m – $5m by 31/12/11 remains achievable however, reliant on acquisition

Stratatel's Market Positioning

2000 – 2008	2009/10	2010-11/12	The Future
Niche proprietary product provider	Transition to expanded software & services capability	Emerging software & services provider	Expert provider of significant project based solutions

Key Strategies to Position Stratatel in the Market (Critical Success Factors)

- Build on expert Telecommunication Expense Management "Thought Leadership" position in market
- Build on expert service delivery "Go To" position in market
- Improve sales & marketing focus on high margin solutions especially: TEM, BI, Collaboration & Content Management
- Improve sales & marketing capability to secure significant project based solutions work within high presence market segments

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Corporate Directory

DIRECTORS

Ian Macliver	Chairman
Michael Fairclough	Managing Director
Graham Baillie	Non-Executive Director
Geoffrey Lambert	Non-Executive Director

OFFICERS

Matthew Parry	Chief Executive Officer
James Butchers	Chief Financial Officer
Shannon Caporn	Company Secretary

HEAD OFFICE

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