

## Stratatel acquires Resource Systems, launches softlog.mobile™ and fast tracks Sales and Marketing

### Highlights

- Revenue growth of 31% over previous corresponding period
- EBITDA growth of 36% over previous corresponding period
- Final dividend of 0.25c per share (full year dividend 0.5c per share)
- Acquires Australian IBM Business Partner, Resource Systems & Services
  - New leadership team in Stratatel's Expense Management Division
  - Launches softlog.mobile™ and promotes at ALPMA conference
- Implements aggressive sales and media strategy to fast track sales

### Dear Shareholder

Once again I am pleased to be able to update you on the Company's activities at a time when we have recently reported impressive growth, in difficult economic conditions.

During the full year to June 2009, Stratatel has experienced revenue growth of 31% over the previous corresponding period, with an EBITDA growth of 36%.

The decrease of NPAT is the result of an adjustment for tax accountability relating to research and development expenditure in the 2009 financial year.

The Company continues to pay dividends and has announced that the final dividend for the year ended 30 June 2009 of 0.25 cents per share held will be paid on 15 October 2009.

**Mike Fairclough**  
Managing Director

Full Year to 30 June 2009	2009 \$'s	2008 \$'s	Change
Revenue	8,163,796	6,224,656	+31%
EBITDA	1,532,583	1,125,617	+36%
EBIT	1,234,312	963,219	+28%
Net Profit before Tax	1,285,963	1,034,852	+24%
Net Profit after Tax	1,128,592	1,380,785	-18%

## Acquires Australian IBM Business Partner, Resource Systems & Services

Since the last update, we have acquired the Australian IBM Business Partner Resource Systems & Services and the business will trade as Stratatel Resource. This broadens the Company's software services business through a partnership with IBM providing IBM software supported by Stratatel Resource's technical, project management and support services.

Stratatel Resource is a leading certified IBM Business Partner with experience in Lotus, Tivoli, Rational, WebSphere and Information Management, and has developed proprietary software solutions for corporate customers using IBM software technology to address business requirements including document management and helpdesk solutions. In addition Stratatel Resource provides ongoing application management services in support of these customised IBM software solutions. According to the IBM website, the Australian software market delivered total annual revenue to IBM Australia Limited of \$3.9bn, while Datamonitor assessed the total software market in Australia for 2008 to be worth \$7.8bn<sup>1</sup>, with a forecast \$9bn by the end of 2013.

While the current business is based in WA, Stratatel Resource has the potential to become IBM's premier national software partner in Australia through strategic acquisitions across the country over the next 24 months and a rollout of IBM certification and training for staff. Stratatel envisages significant revenue growth potential for this new division by way of both organic growth and the acquisition strategy which is currently underway.

## New Leadership Team in Stratatel's Expense Management Division

At the start of the financial year, a milestone was reached in the development of Stratatel. The Phoneware, Softlog and FleetManager divisions were combined into a single business unit, the Expense Management Division (EMD).

A renewed leadership team has been transitioned into the EMD with Matt Parry taking on the role of CEO. Matt has worked with Stratatel for four years, and was previously the General Manager of Operations. The promotion to CEO recognises Matt's contribution to Stratatel, and will provide the operational focus to enable the EMD to continue to deliver innovative products and build organic growth.

Mike Fairclough will continue as Managing Director, with the opportunity to focus on pursuing acquisitions and strategic opportunities for Stratatel.

## Launches softlog.mobile™ and promotes at ALPMA conference

The recently launched softlog.mobile™, a key new product from the new EMD was premiered at the ALPMA (Australian Legal Practice Management Association) Management Summit 2009 in August, and there was a very positive reaction to the product.

The ALPMA Summit is a leading education event for law firm managers and legal practitioners from small to large firms around Australia and New Zealand. This two day event took place on August 14th and 15th at the Royal Pines Resort on the Gold Coast.

The fact that Softlog had a new and innovative product, which was demonstrated to delegates, resulted in a very high level of interest, with 30% of the Summit Delegates registering their interest with the team for trial or follow-up discussion.

To help attract delegates to the softlog.mobile™ stand, a competition to win a Blackberry Bold was used, and worked well as a draw card for delegates. Jeanne Mackenzie, Human Resources Manager from Coulter Roache won the Blackberry, and was very impressed with the demonstration of softlog.mobile™.

*"I have much information to share with the Partners from the conference and will be discussing in detail your software which looks very interesting and helpful."*

## Implements aggressive Marketing and Media Strategy to fast track Sales

Advertising around softlog.mobile™ has commenced in the Law Society Journals in all States. The first advertisements were published in the September issues of the following journals:

- **Law Society Journal NSW**

Circulation: 23,864

- **Proctor QLD Law Society**

Circulation: 8,342

- **Law Institute Journal VIC**

addressed to 12,833 legal practitioners and allied professionals

- **Law society Journal WA**

distributed to over 3000 solicitors, barristers and judges

- **The Law Society Bulletin SA**

reaches approx. 9000 readers

### Technology breakthrough captures billable time on mobiles

In a world first, Australian software innovator Stratatel has developed mobile phone technology that captures and records billable time which is fully integrated with the firm's back end billing and client processes when lawyers talk to clients on mobile phones.

This new technology is fully automated and integrated with the firm's back end systems, and individual client and case information is updated regularly.

A survey conducted at one legal practice, revealed that with mobile phone records from nine lawyers taken into account, a total of \$21,888 additional revenue could be captured per month using softlog.mobile.

This would result in a total of \$262,656 a year for the

*"For the first time any lawyer who spends time away from the office can effectively record their time and ensure that working on the move doesn't necessarily mean losing money."*  
**Matt Parry**  
CEO softlog.mobile



firm, a significant amount of revenue, which without the tracking of mobile phone calls would not have been billed.

In addition to softlog.mobile, Stratatel Softlog has over 20 years experience with cost recovery in legal firms of every size around Australia.

For more information about softlog.mobile phone 1800 773 391 or visit [www.stratatel.com.au](http://www.stratatel.com.au)

lot more about softlog.mobile™ in the coming months.

Activities include:

- Regular electronic client survey to determine public opinion on topical issues and generate news stories
- Targeted sectorial advertising that explains the real benefits of softlog.mobile™ to key target audiences
- Media relationship building with key journalists in mainstream business and vertical sector media; and
- Customer case studies

The first PR outcomes have been warmly received. Alex Boxsell, the Legal Services Acting Editor at the *Australian Financial Review* ran a story entitled 'Log your calls while on the move' that was based on softlog.mobile™. Matt Parry was quoted and the article went into significant detail on the product and was a very positive piece.

In addition good coverage was achieved in *Lawyers Weekly* again quoting Matt Parry exclusively, in an article entitled 'Time sheet technology gets mobile'.

In fact, softlog.mobile™ has already received several enquiries following the articles and the advertising activities.

## Security Details

Symbol: STE Issuer name: Stratatel Ltd  
 Last price (as at 02/09/09): \$0.090 FPO Shares on issue: 115,579,309

## Dividend History

Div Amount	Ex Div Rate	Record Date	Date paid	% Franked	Type
0.25c	25/09/2008	01/10/2008	17/10/2008	0%	Final
0.25c	18/03/2009	24/03/2009	14/04/2009	0%	Interim
0.25c	03/09/2009	09/09/2009	15/10/2009	0%	Final



Chart of daily prices over 6 months for STE by ASX

## Shareholder Information

Please contact Computershare Investor Services Pty Ltd to change your address, email or to sign up for electronic shareholder communication.

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