

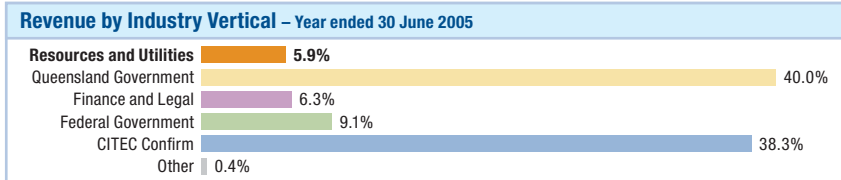
Operational Reports ↔ Industry Verticals

Resources and Utilities

Leveraging from a strong sales pipeline and the success of the past two years, the resources and utilities sales team is focussed on continuing growth in the sector.



Tony Smith
Director, Resources and Utilities



Market Overview

In Queensland, the resources industry supports approximately 19,000 employees, indirectly supporting a further 60,000 jobs in other sectors including manufacturing. Outsourcing of IT services continues to be a major focus in this sector. Ongoing relationships with large organisations such as Queensland Alumina Limited have placed CITEC in a strong position to source additional business in the resources sector.

The leading market analysts have identified that utility companies will continue to focus on streamlining operations and improving productivity through new growth initiatives. Improved management will drive a focus on technologies that will support a better overall financial position and corporate governance. Utility companies are investing in technology that provides an effective link between business and engineering objectives and supports communications networks with their strategic partners. The opportunity to improve the performance of their business is a common motivator influencing technology investments.

The manufacturing sector approach to IT spending is one of extreme caution with the need to see value-added business benefits. Many manufacturers provide their IT services via in-house capabilities. If ICT providers are to take advantage of opportunities they need to identify projects which offer the most cost-effective business benefits from the manufacturers' perspective.

Key Contracts and Initiatives

During 2004/05 CITEC's resources and utilities sales team has been successful in maintaining and growing business with existing customers such as SunWater, John Deere, Queensland Alumina Limited, Xstrata Copper (formerly MIM) and Sydney Water. In addition, major new business was achieved by a successful tender for the management of Collex's Enterprise Resource Planning systems. Additional business is already being sourced from this new client.

Sydney Water

Sydney Water has been a customer of CITEC for over nine years. CITEC provides wide area network services for the corporation, for both their extensive office network and their SCADA (telemetry) devices. Sydney Water has remained very satisfied with the service levels and technical capacity of CITEC over two contract renewals, and will significantly expand the SCADA network through the IICATS (Integrated Instrumentation, Control, Automation and Telemetry System) group over the next 18 months. In early 2005 CITEC was successful in securing a place on a number of Sydney Water's professional services panels, providing an opportunity to increase the scope of services provided within this valued account.

Collex Pty Ltd

In February 2005, CITEC signed a multi-million dollar ICT services contract with Collex Pty Ltd. Collex forms part of Veolia Environnement, Australia's largest water and waste services company. The assignment involves the management of over

40 servers running Enterprise Resource Planning (ERP) systems, special industry applications and office utility applications. It also includes the management of storage infrastructure and the client's wide area network (WAN). CITEC was chosen for its sound track record in SAP hosting services and its process-driven approach to service delivery.

John Deere Limited

CITEC continues to enjoy a long-standing relationship with John Deere, a leading manufacturer of agricultural, commercial, consumer, forestry and construction equipment. John Deere leverages CITEC's investment in a nation-wide Corporate Services Network (CSN[®]) to provide connectivity to key sites across Australia. This complete solution (carrriage, network devices and ongoing support and maintenance) not only provides John Deere with a single point of contact for their WAN but enables CITEC to provide superior service guarantees to John Deere. CITEC is in its seventh year of providing services to John Deere.

Looking Forward

Leveraging from a strong sales pipeline and the success of the past two years, the resources and utilities sales team is focussed on continuing growth in the sector.

The sales team will continue providing value added solutions and advice to their clients on emergent technologies which will allow them to manage their businesses effectively and efficiently in a world where demand for high levels of service is now mandatory.



1996

CITEC establishes a branch in Sydney to meet increasing business opportunities and is awarded the Government owned Enterprise of the Year award by Business Queensland. This award recognises CITEC's business achievements in the public sector.



2005

CITEC celebrates its 40th anniversary year and is well-placed to continue to be a premier provider of ICT services.