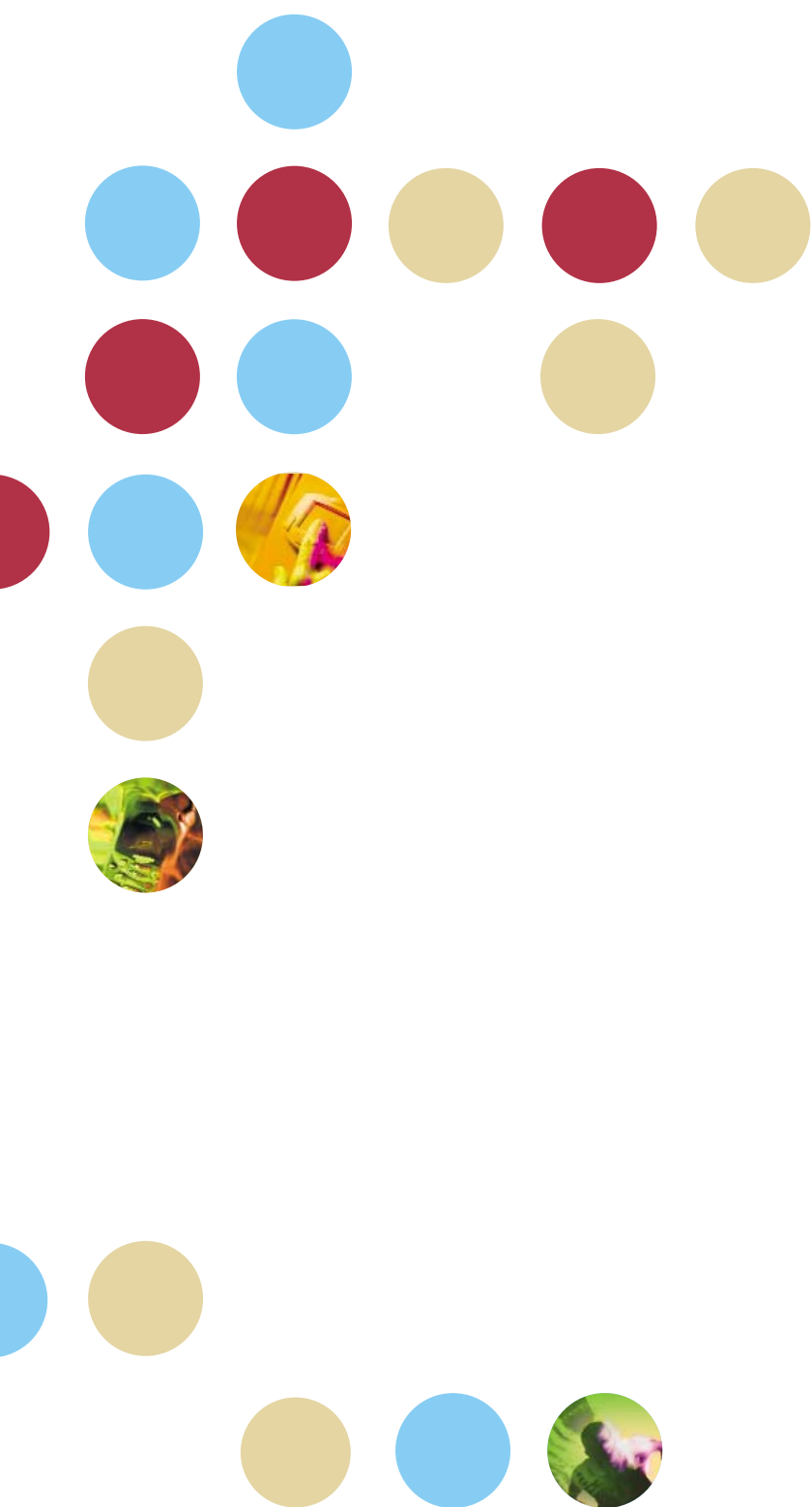


Deloitte Technology Industry Review

AND THE DELOITTE TECHNOLOGY FAST 50 – 2002

sustaining innovation and growth

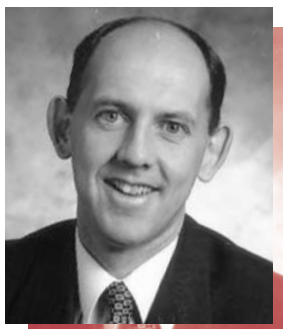


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Foreword by Ian Thatcher

Welcome to our second Deloitte Technology Fast 50 Program



We were elated with the success of the first year of the Deloitte Technology Fast 50 Program, and we are delighted to welcome you to our second year.

The Tech Fast 50 concept continues to gain momentum globally – in April this year we launched the European Fast 500 at the Paris Stock Exchange. Alongside the well established North America Fast 500 we are proud to be profiling, sharing knowledge and providing a forum to do business for over 1,000 of the world's most dynamic and fast growing technology companies each year. We look forward to launching an Asia Pacific Fast 500 in 2003-4.

We have had a wonderful response to the Australian Program this year, from many exceptional and innovative companies nationwide who have shown that, despite difficult industry conditions, it is possible to achieve remarkable levels of growth.

Australia's technology, media and telecommunications sector has been remarkably resilient. After two years of turbulence, business models have had to change. Where growth was not proving profitable, many companies have had to restructure and refocus around core competencies. Longer term, this approach will mean that our technology companies have every opportunity to thrive and prosper.

I would like to pay particular tribute to those companies that feature in the Tech Fast 50 for the second year in succession. Deloitte Research of winning Tech Fast 50 companies globally indicates a number of common features which enable them to sustain growth and performance over a prolonged period:

- business strategy – a clear focus, with a proposition that the target market values highly.
- establishment of a 'global culture' which transcends the country of origin and facilitates expansion into new markets.
- effective use of capital – used continually to add experience and skills to the management team and to fuel a rapid launch, scale up and roll out.

Congratulations to our Australian winner this year, Chaos Group Limited. This company had a growth rate of 5,143% over 3 years – a truly exceptional performance. Chaos Group have harnessed the internet and placed technological innovation at the core of their business. I commend the vision, dedication and teamwork evident in this company and all of the Fast 50 winners.

Our panel of industry experts has been impressed by the quality of the nominations in the Rising Stars category, which is supported by Microsoft. We look forward to following your progress with interest over the coming years.

Our 2002 survey of Technology Industry leaders delivered some clear messages:

- they are confident about the future.
- there is strong emphasis on business conditioning through improving sales processes, focussing on product differentiation whilst containing costs and non-core activities.
- there is still a thirst for good people.
- tech companies are more actively seeking access to Australian venture capital than ever before, although sourcing bank loans and Government funding remains common practice.
- those few companies who intend raising equity through capital markets regard the ASX as the preferred stock exchange ahead of NASDAQ.

As always, I welcome feedback about the work that we do at Deloitte and how we can assist you in the development of the technology, media and telecommunications sector. Congratulations again to all our winners in the 2002 Tech Fast 50 program. I trust that you find our industry report interesting and informative, and wish you all success in what promises to be a fascinating and challenging year ahead.



Ian Thatcher

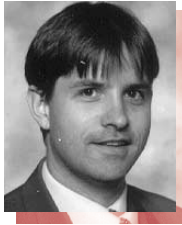
Lead Partner,

Technology, Media and Telecommunications Group



Market Trends

Technology Trends



Peter Williams –
Partner, Deloitte Technology, Media & Telecommunications Group

Collaboration and integration will be the hot buttons driving the technology spend of major corporates over the next year. In addition, the industry is seeing a continued migration to managed service environments, in response to customers requirements for security, accessibility, scalability and access to skills.

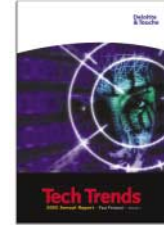
Other key trends to watch for include:

Web Services: There has been ever growing hype around web services. Web services can be described as “software designed to be used by other software via Internet protocols and formats”. While that doesn't sound like such a big deal, what the industry is talking about is software that automates integration and collaboration internally and externally.

Wireless: There are a number of angles to wireless technology and the market expects to see a major increase in the use of wireless technology, including:

- **SMS:** This is the killer application for wireless to date. Initially seen as a teenage phenomenon, there has been a rapid increase in business usage. SMS is cheaper than a phone call, smaller than an email, accesses devices in everyone's pocket and has a billing system in place that makes everyone happy.
- **Wireless Applications:** Many organisations are looking at wireless applications using PDAs to collect and connect to information. These applications often have fast payback even taking into account the cost of purchasing wireless devices.
- **Wireless Networks:** Although there are security issues, the ease of access offered by wireless networks is seeing a rapid increase in uptake.

Collaboration Tools: Tools that allow organisations to collaborate with greater ease will continue to emerge. The industry can expect to see greater use of collaborative knowledge tools, as well as software that increases supply chain visibility.



Customer Relationship Management: A well-hyped favourite for many years, the market can expect to see an increase in CRM activity in the next year.

Interactive TV/Video on Demand: Australia is still waiting for widespread availability of quality video on demand. The industry is starting to see the emergence of video on demand services in pilot projects, but it will take some time before it is widely available.

Games: The release of PS2, Xbox and the Gamecube has created huge interest in the console and games markets. The new consoles offer broadband connectivity, DVD drives and even a hard drive (Xbox). The battle is likely to revolve around the games on offer so expect a flood of titles to hit the shelves.

Managed Services: The notion of software as a service continues to become the dominant mindset. Many of the ASPs of the dotcom era have disappeared and in their place are IBM, EDS, CSC and the big four consulting firms. Microsoft's .NET strategy is centred around software as a service; think of Hotmail as the first step to web based software for Microsoft's product suite. The industry can expect to see this trend continue as technology outsourcing becomes the norm.

Telecommunications Trends



Peter McIver – Partner, Deloitte
Technology, Media &
Telecommunications Group



Customer focus crucial – Focus has moved back to the customer. Sophisticated techniques around customer analytics are being rapidly adopted by all leading telcos. High value content and services will be king, and those businesses that deliver will command high brand loyalty; say good-bye to those who do not. In response to these convergence pressures, companies with telco infrastructure are joining forces with those owning customer databases (eg. utilities) or those owning content (eg. media).

New technologies in the pipeline – There are two main types of new technologies the industry can expect to see deployed in the medium term:

- technological advances in bandwidth from existing infrastructure (particularly cables); and
- customer focussed application developments such as M-commerce and Mobile connected PDA's. Inevitably some of these technologies will take off commercially whilst others will not.

One of the key technologies to look for at the moment is ADSL, a digital technology which significantly increases capacity of existing cable based networks. This is likely to be followed by 3G mobile technology, which has been slow to take off but is still expected to arrive on the Australian market in approximately 24 months.

The Japanese 3G market is leading the way in Asia Pacific with NTT DoCoMo's 3G subscriber numbers slowly growing at present.

Bandwidth demand – Predictions for increased demand for bandwidth have not yet materialised, with demand being outpaced by supply. This is probably due to the relatively long lead times required to construct significant cable or satellite networks and product pricing not yet being pitched at economically attractive levels for consumers. Recent government initiatives are, however, now focussing on increasing broadband availability.

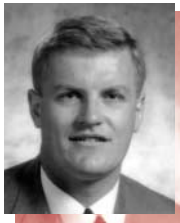
Increased demand is still likely to flow from applications such as streaming media and interactive Internet applications such as gaming, as well as video-conferencing and similar business related applications.

Capital markets – During 2000 and 2001, telco companies lost favour with global capital markets. The initial downturn was due to the 'tech-contagion' impact of the technology crash. More recently this has been fuelled by corporate collapses, such as One.Tel in Australia and questions about the reliability of financial reporting, such as capacity swaps.

This has made capital raisings (particularly equity) difficult to achieve. However, equity remained the preferred funding source for telco companies, due to the long term nature of their business models and the level of uncertainty about the timing of anticipated improvements in cash flows.

This has left the telco market with some significant opportunities in the field of mergers and acquisitions, as well as potential to take the lead by delivering the right choice of new technologies, at the right price and in a customer focussed format.

Biotechnology Trends



Glen Sanford –
Partner, Deloitte Technology, Media & Telecommunications Group



Value Creation – In the current uncertain market, drivers of value creation include an individual company's ability to meet technical milestones to announce positive scientific developments.

Announcement of new alliances and technology take-up by customers also drives value creation, provided that they are significant and financial benefits are close in time.

Growth

- Over the next decade the biotechnology industry should witness accelerating revenues due to escalating sales and licensing of new products. Apart from the large players, sales remain modest.
- In Australia, both federal and state governments are looking to biotechnology as a source of economic growth and have put in place biotechnology strategies. Various interesting strategic incentives have been put in place to get science off the laboratory bench and into the market.
- Healthcare will remain the key global market for biotech companies.

Corporate trends

- Established companies from outside the biotechnology field are beginning to invest in biotechnology. Offshore investors are increasingly looking to invest in Australian science, and there is a continuing trend in global corporate alliances.
- The numbers of new listings on the ASX has fallen significantly compared to the prior year. Share price volatility continues in the listed sector.
- The Australian market place continues to be dominated by smaller biotech companies. At 31 March 2002 only 13 of the 62 companies (21%) listed in the Deloitte Biotech Index had a market capitalisation of over \$100,000,000 (source: Deloitte Biotech Index).
- Bioinformatics, the intersection of IT and Biotech, is seen as a key growth area along with Proteomics.
- Venture capital is showing more interest in the sector, however, the number of concluded deals is not yet large.

Technology Industry Survey Results

Executive summary

The Australian technology industry has experienced a great deal of turbulence and instability during recent times. The Deloitte Technology Industry Survey 2002 asked about confidence levels and the challenges that lay ahead.

Confidence Levels

- 82% of companies were either very confident or extremely confident about sustaining growth over the next 12 months.
- The confidence in the technology sector is reflected in 80% of respondents intending to take on more staff.
- Organic growth is the main focus for businesses (69% of respondents) during the next 12 months.

Economic Uncertainty

- Technology companies are actively tackling economic uncertainty through a combination of investing in sales and marketing to boost the top line, strong cost control and outsourcing of non-core functions.

Critical Success Factors

- Exceptional or unique products, high quality employees and the right timing in the market place are considered to be critical success factors for rapidly growing companies.
- Developing and implementing a strong sales and marketing strategy is regarded as the biggest challenge in managing growth.
- Many companies are using strategic alliances to develop and bring new products to market, access new markets and manage customer relationships. 69% of respondents have entered into international alliances and 62% have entered national alliances.

Growth Opportunities

- Biotechnology and Internet Security are regarded as the industries with the greatest potential for growth in the next 12 months.
- 40% of respondents ranked improvements in existing technologies such as DSL and cable as industry drivers which will assist adoption and diffusion of other technologies.
- The North American and Western European markets continue to be the markets targeted for the most significant growth in the next five years with China, the Pacific Rim/NZ and Japan following.

Finance and Investment

- Australian venture capital is now regarded as a major source of finance. Bank loans also expected to be a primary source of capital in the next 12 months.
- The sentiment for Initial Public Offerings has cooled. For those Australian companies looking to capital markets, the ASX and NASDAQ remain preferred exchanges.

Government Innovation Policy

- In 2002, 63% consider that the policy has offered no substantial change to the industry, with a small number suggesting it had a negative impact.
- However, companies responding to the survey continue to access government funding and R&D concessions. 49% of companies have accessed government funding.

Due to the survey respondents being given the opportunity to provide multiple answers to a range of questions in the survey, in some cases, responses will total more than 100%.

1. Confidence Levels

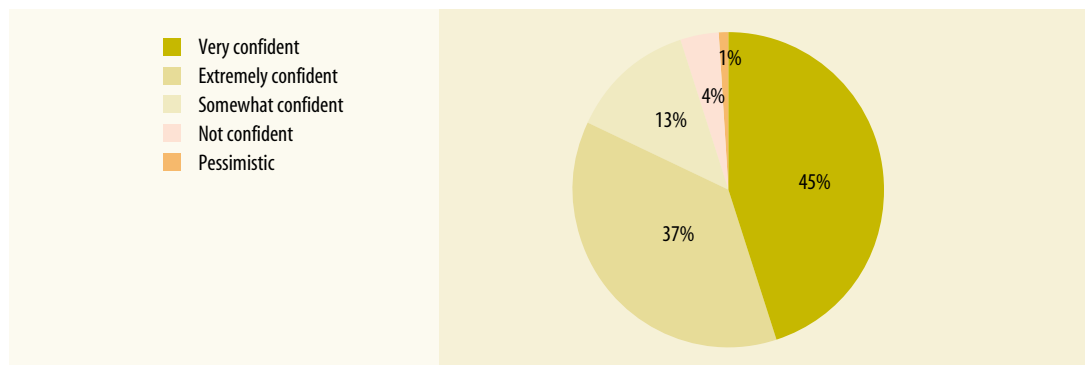
Despite the difficult economic climate for the technology sector, Australian technologies companies are confident of sustaining their current growth, with 82% of survey respondents being either very confident or extremely confident about sustaining growth over the next 12 months. This compares favourably with the European Tech Fast 500, where only 58% shared the same views.

It is reassuring to note that only 5% of respondents were either not confident or pessimistic about sustaining growth over the next 12 months.

The confidence in the technology sector is supported by the number of companies which intend to increase staff levels in the next 12 months, with 80% of respondents intending to take on more staff.

‘High levels of confidence, despite the difficult climate.’

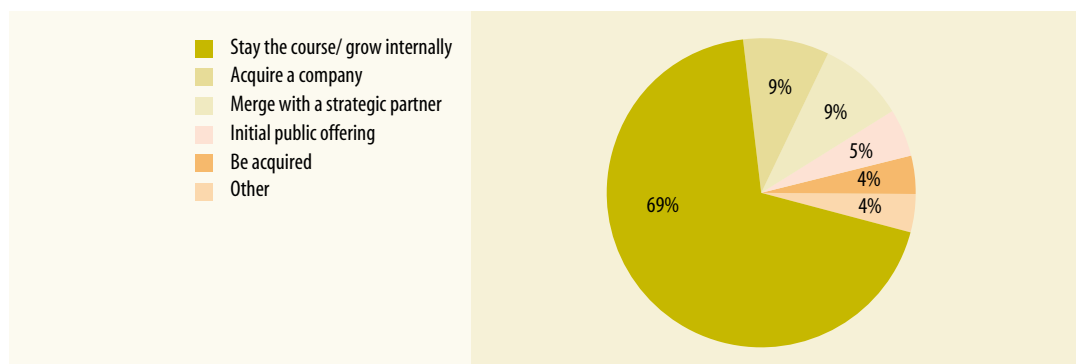
Confidence in sustained growth over next 12 months



Respondents = 97

Internal growth is the main focus for businesses for 69% of respondents in the next 12 months, comparable with 66% in the European Tech Fast 500. Only 18% intend to seek mergers or acquisitions (compared to the European Tech Fast 500 figure of 27%).

Business focus over next 12 months

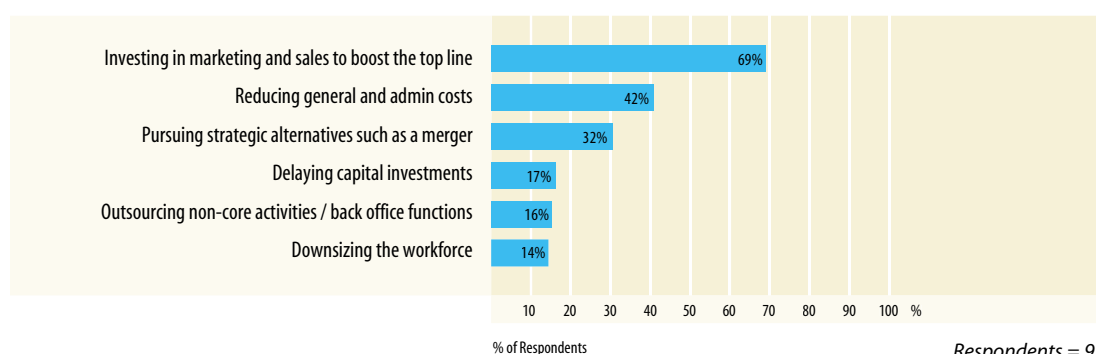


Respondents = 100

2. Protection from Economic Uncertainty

Technology companies are taking an active approach to economic uncertainty. 69% of respondents intend to invest in sales and marketing to boost the top line, with 42% seeking protection in the form of cost control. 32% intend pursuing strategic alternatives such as mergers, particularly software companies. 16% intend to outsource non-core functions for efficiency gains.

'Technology companies are taking an active approach to economic uncertainty.'



Respondents = 95

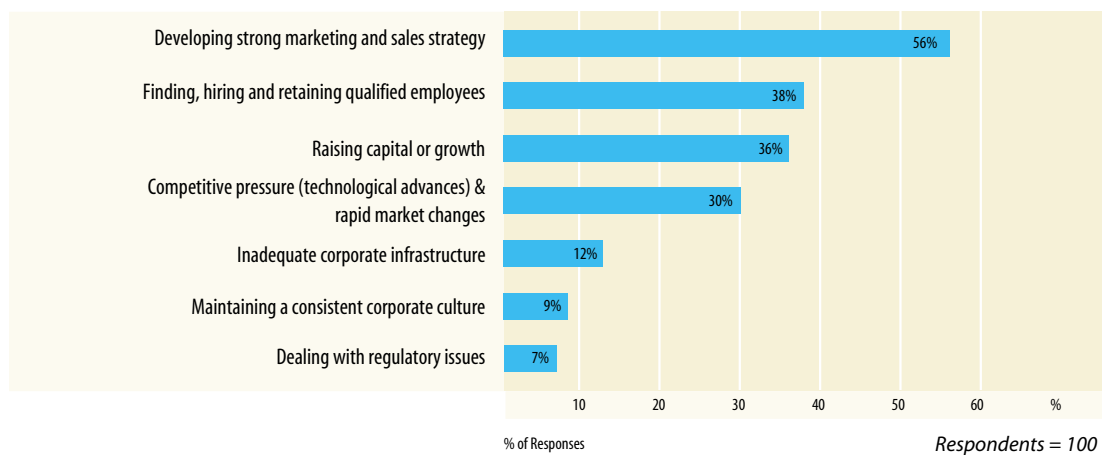
3. Major Challenges in Managing Growth

It is evident that the industry slowdown has taken many technology companies back to business basics.

Developing a strong sales and marketing strategy is regarded as the biggest challenge to managing growth. This is followed by the recruitment of skilled people, raising capital for expansion as well as the competitive pressure to keep up with technological advances or market changes.

By way of contrast, US firms surveyed as part of the US Tech Fast 500 program, revealed the greatest challenge for managing rapid growth was recruitment of skilled people, raising capital for growth and developing a management team.

Organisational challenges to company's rapid growth



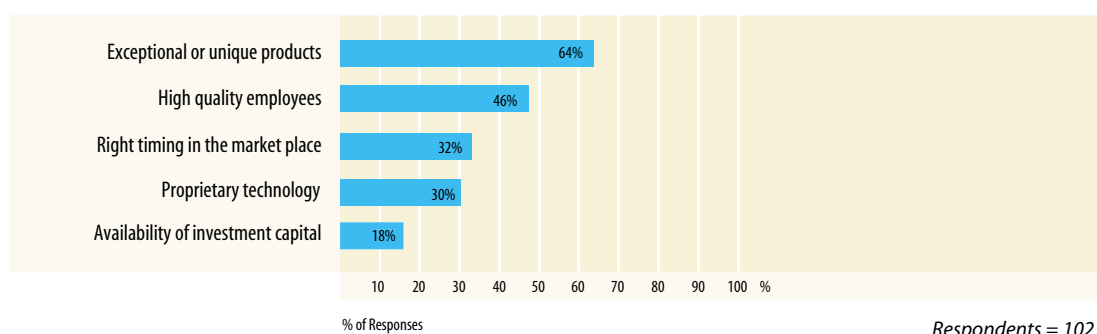
4. Critical Success Factors to Rapid Growth

‘Many respondents are using strategic alliances to develop new products, access new markets and manage customer relationships.’

In line with their international counterparts, industry leaders regard exceptional or unique products, high quality employees and the right timing in the market place to be the critical success factors for rapidly growing companies.

The importance of operating in a niche market is reflected in the majority (64%) of respondents regarding exceptional or unique products as the factor that contributes most to growth. The much-publicised skilled shortage is also highlighted as a factor – finding and retaining qualified employees is a significant challenge for these companies. Comments from respondents emphasize the Government's role in tertiary education and training, and incentives to stem the 'brain drain'.

Factors that contribute most to growth



Commercialisation, rapid market changes and market strategy are the most challenging aspect to sustain high revenue growth among responding companies.

In order to facilitate success in the marketplace, many respondents are using strategic alliances to develop and bring new products to market, access new markets and manage customer relationships.

The survey reveals that 69% of respondents had entered into international alliances with 62% entering into national alliances. The purpose of the alliances are: product development, technical development or R&D, access to international markets, access to sales, marketing, distribution and procurement.

5. Growth Opportunities

By Market

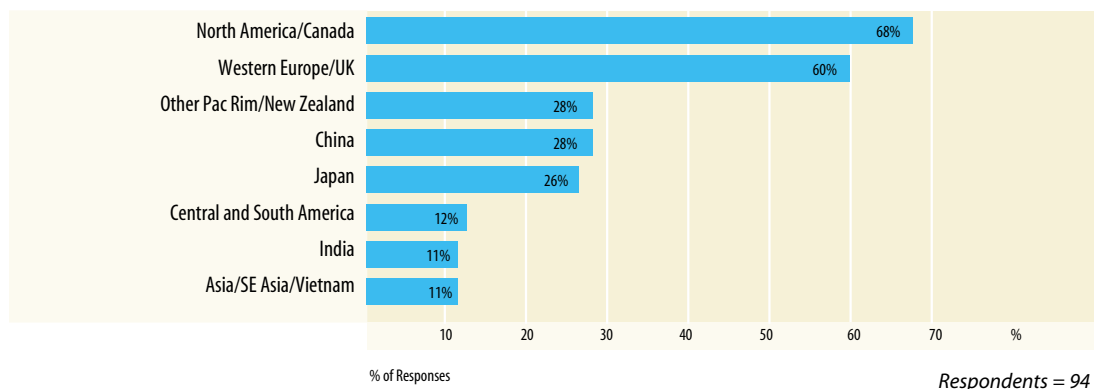
The North American and Western European markets continue to be the markets targeted for the most significant growth in the next five years with China, the Pacific Rim/NZ and Japan following.

UK companies view the greatest potential growth will arise from within the UK and Western Europe and have moved away from the US market to some degree. US firms continue to regard the North American market as locations offering the most significant opportunities, followed by China and Western Europe.

The transformations taking place in China following its WTO accession hold the potential for significant growth markets for technology companies.

'North American and Western Europe continue to be target markets, with China emerging.'

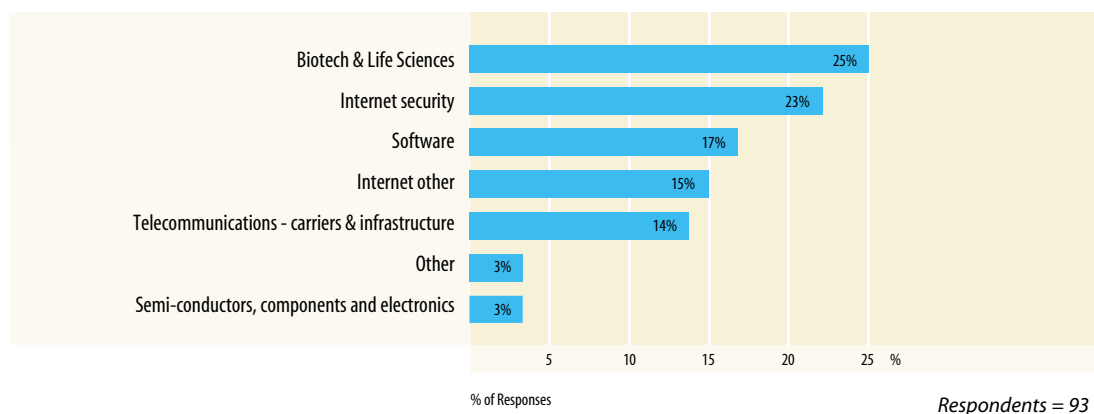
Growth Opportunities – Geographical markets – next 5 years



By industry segment

Biotechnology and Internet Security are regarded as industries with the greatest potential for growth in the next 12 months. Strategic State and Federal incentives are being put in place to encourage commercialisation of science. Internet Security is being fuelled by the growth in ecommerce worldwide.

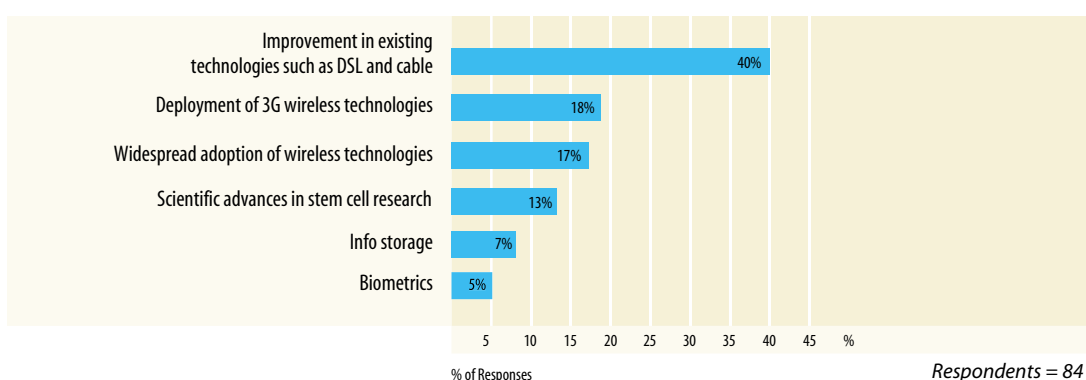
Industry segment with greatest potential for growth – 12 months



By technology segment

Leading technologies expected to drive industry forward are those which assist adoption and diffusion of other technologies. Forty per cent of respondents ranked the improvements in existing technologies such as DSL and cable ahead of 3G wireless technologies (18%), widespread adoption of wireless access technologies (17%) and advances in stem cell research.

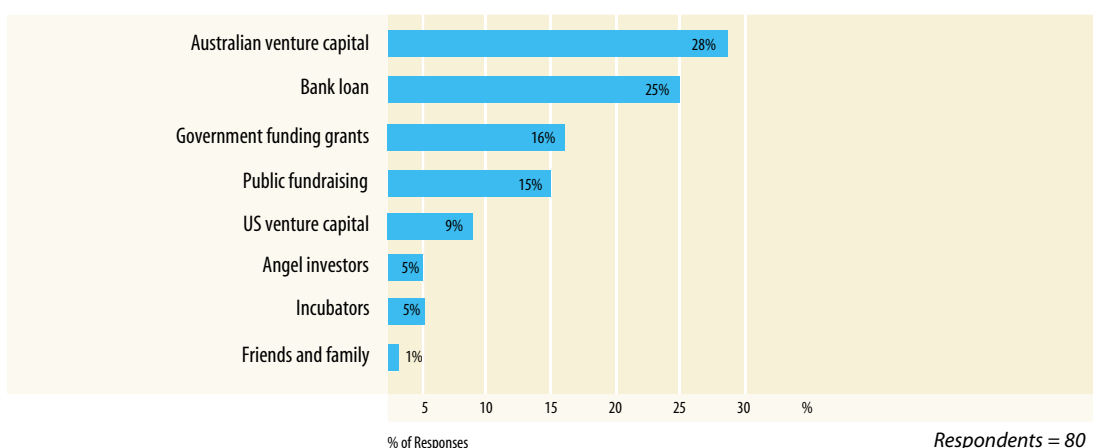
Leading technology with potential to drive industry forward



6. Finance and Investment

In line with current market sentiment, there has been a significant shift away from Initial Public Offerings as a source of funding, towards Australian venture capital. Bank loans are expected to be the other primary source of capital during the next 12 months, followed by government grants and public fundraising.

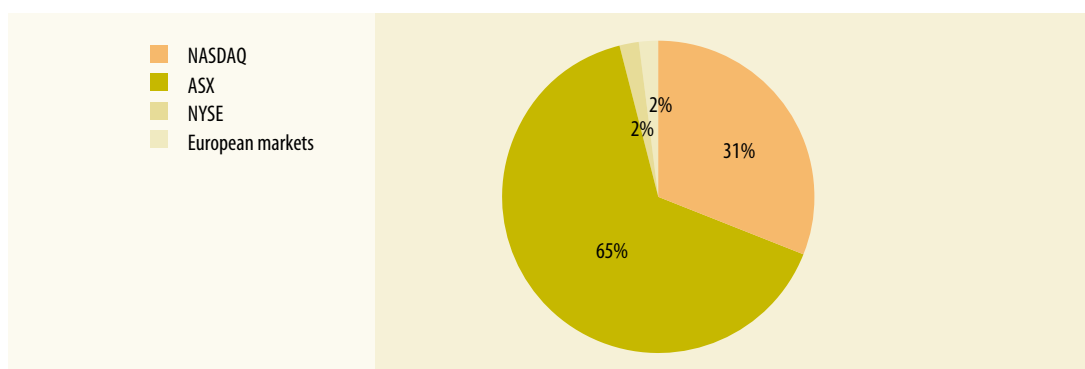
Most likely source of finance during the next 12 months



The prospects for new listings of technological companies continues to be limited. For those companies anticipating to raise funds on capital markets, the ASX and NASDAQ continue to be the preferred exchanges for listing, with 65% of respondents favouring the ASX and 31% favouring the NASDAQ.

During the past 12 months there has been an increasing number of listed Australian technology companies seeking Level 2 listings on NASDAQ. Examples are Metalstorm, Prana and Genetic Technologies.

Preferred stock exchange listing



Respondents = 51

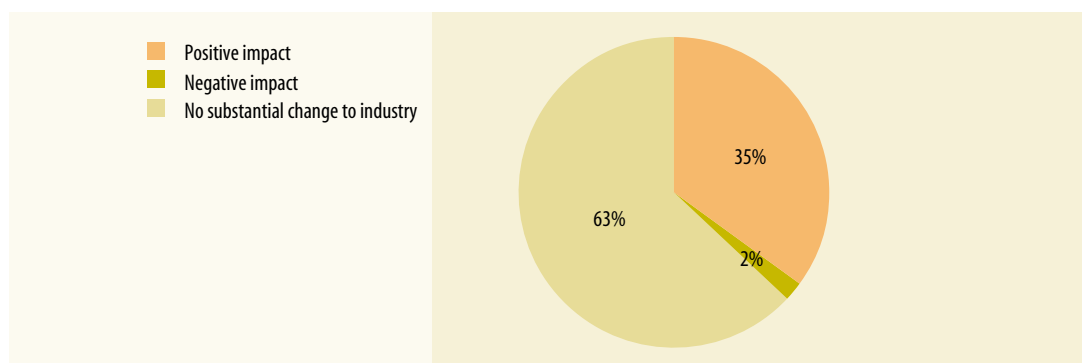
7. Impact of Government Policy

The survey shows a shifting sentiment regarding the impact of the five-year innovation and incentive policy ('Backing Australia's Ability') initiated by the Government in 2001.

Last year, 50% of those surveyed thought the package would have a positive impact on the industry and 43% remained unconvinced – 2% nominating a negative view and 41% suggesting the policy offered little substantial change to the industry.

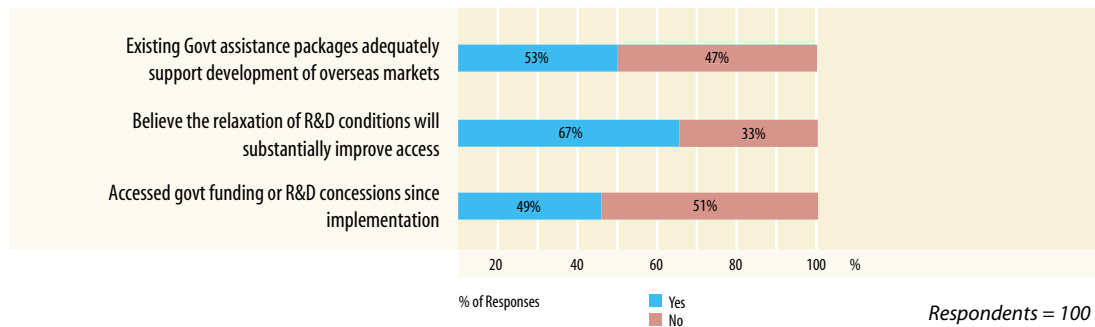
This year, 63% consider that the policy has offered no substantial change to the industry, with a small number suggesting it had a negative impact. The difference in sentiment may be linked to the fact that the extent of anticipated funding is greater in the later years of the package.

Impact of 'Backing Australia's Ability' policy



Respondents = 102

Views on the impact of Federal Government's innovation policy



Despite the above sentiment, companies continue to access government funding and research and development. Since the introduction of policy, 49% of the responding companies have accessed the R&D Tax Concession, R&D Start Grant, Export Market Development Grants (EMDG), COMET and AusIndustry's programs.

53% of respondents felt existing federal government assistance packages do support the development of overseas markets.

Two-thirds of respondents believe the relaxation of the R&D concession eligibility criteria will improve access for the industry. This view was held particularly in the software and Internet sectors.

Respondents provided feedback on the following areas for improvement in government assistance programs:

- support in terms of information and awareness programs, overseas marketing & promotions, networks, contacts and agents (including incubators overseas and joint ventures).
- financial assistance in funding, grants and tax relief.
- improved accessibility, lower compliance and faster assessment procedures.
- increased length of duration of each program.

Profile of Respondents

- 108 leaders in the technology industry completed the survey.
- All sectors of the technology industry were represented.
- The largest number of respondents were from the software industry.
- 70% of the companies were private and 30% were public.
- Over half the companies were established in the last five years.

Deloitte Touche Tohmatsu undertook this independent survey in February and March 2002 to detail key industry developments, as well as key strategies and management practices adopted by technology industry leaders in Australia.

AGSM Commentary



Innovation and Australia's Future

Michael R. Vitale

Dean and Director, Australian Graduate School of Management

Innovation – converting a good idea into an actual product or process – is a fundamental driver of economic progress, and is in fact essential to the creation and maintenance of a high and rising standard of living. With a small economy and a fringe location, Australia must continually innovate in order to sustain its position among the world's developed countries. Australia cannot thrive in the 21st century on the basis of 19th century businesses run in 20th century ways. We must innovate, and therefore we must understand the fundamental nature of innovation.

The classic stereotype of the innovator is of a person working alone in a backyard shed, toiling away to perfect a brilliant individual insight. In fact, almost all innovation now occurs within organisations, is done by teams, and is the result of a deliberate and measurable process. In order to succeed, this process must include careful consideration of issues such as market needs, competitive dynamics, intellectual property, and – perhaps most importantly – financial support.

Innovation is thus fundamentally different to invention, which occurs at the very start of the innovation cycle, and also to improvisation, for which it is often mistaken. The ability to make things “right on the night” by improvising with available resources is an Australian cultural trait, of which we can justifiably be proud. It is, however, not a substitute for the slower, less dramatic, and more structured process of innovation.

It is not an exaggeration to say Australia's innovation system needs urgent attention. Capital allocation and tax regimes, business investment in research and development, government investment in the tertiary education are falling behind benchmarks set by leading countries globally. If these trends continue, Australia will be ill prepared to sustain, much less improve, its rate of innovation.

Australia does not lack in entrepreneurial spirit. Our rate of business creation is at least equal to that of other countries. The difficulty is that the great majority of these new businesses have low potential to grow or to add significant value to the Australian economy. The need is to create and fund organisations that can sustain the risk inherent in innovation. In particular, we must find a way to support the creation of businesses that must be of a reasonable size from the very beginning if they are to have any hope of survival.

Invigorating the Australian innovation system will take years, if not decades, but it must be done if the country is to enhance its place in the global economy. In the meantime, it is important to acknowledge those individuals who, despite these systemic challenges, have managed to build innovation-based businesses. These individuals, and their organisations, are vitally important to Australia's future, and are well worth our attention as well as our congratulations.

The Deloitte Technology Fast 50

Deloitte Technology Fast 50 continues to raise the profile of the Australian technology industry and recognise the countries leading performers: those that have sustained innovation and growth.

*Deloitte Technology Fast 50 is part of the global Deloitte Technology Fast 500 program.
This is the second year that the program has been run in Australia.*

To qualify, companies must meet the following criteria:

- the company must be in business for a minimum of three years.
- the company must be considered a technology company defined as:
 - developing proprietary technology
 - manufacturing a technology-related product
 - devoting a high percentage of effort to research and development of technology.
- the parent company must be owned and headquartered in Australia.
- the company's revenue in 1999 must exceed \$50,000 and \$1 million in 2001.

Companies are ranked according to their average revenue growth over the previous three years. In the case of the 2002 Deloitte Technology Fast 50 awards, the focus is on growth during the years 2001, 2000 and 1999.



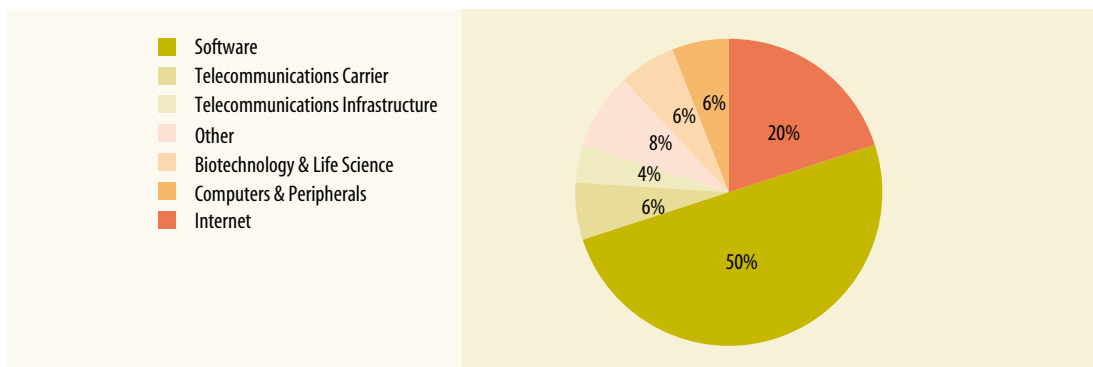
For further information regarding the program,
please visit our website.

www.tech50.com.au

About the Deloitte Technology Fast 50

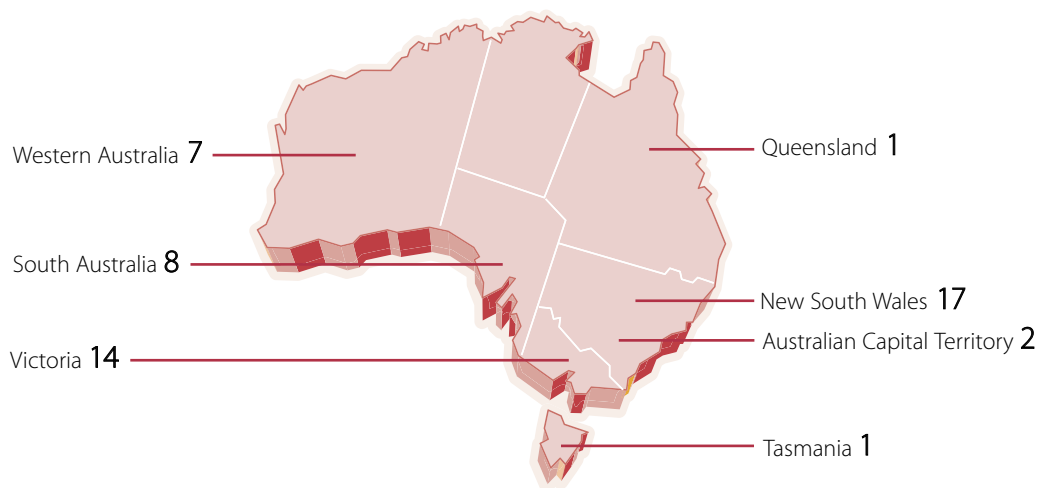
The Deloitte Technology Fast 50 covers all sectors of the industry including: biotechnology, life sciences, telecommunications, computers and peripherals, semi-conductors, components & electronics, software and Internet.

The Deloitte Technology Fast 50 covers the industry segments as follows:



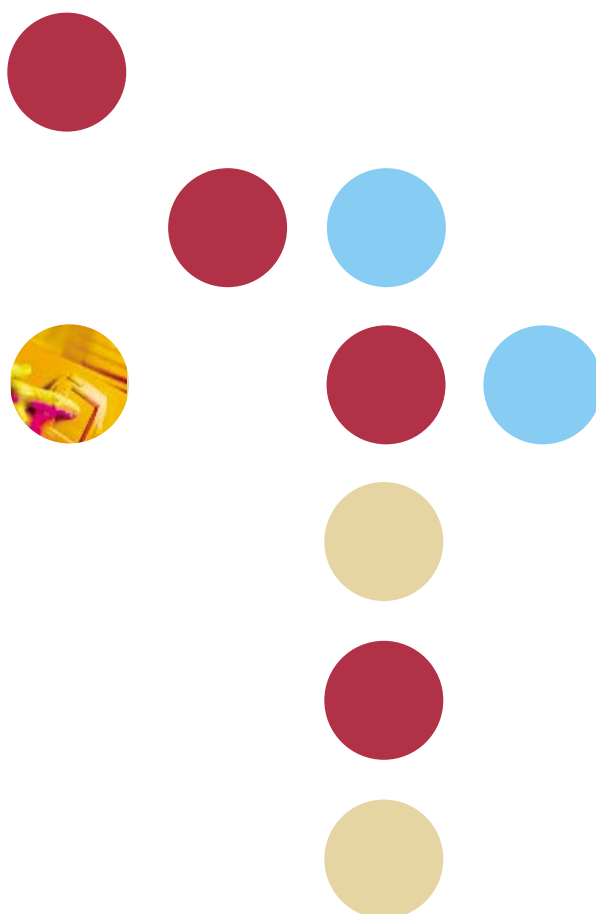
2002 winners geographic representation was materially the same as in the prior year. This year Tasmania and the Northern Territory were included in the program, with Tasmania gaining their first Deloitte Technology Fast 50 winner.

Winners by State



Other interesting statistics about the Deloitte Technology Top 50 winners

	2002	2001
Average 3 year revenue growth	478%	394%
Revenue growth of Top 10	531%	545%
Highest growth rate	5,143%	2,173%
Number of companies that have made the Technology Fast 50 for a second year running	16	n/a
Percentage of private companies	48%	50%



2002 Deloitte Technology Fast 50

	Company Name & Website	Description	3 year % growth	State	CEO/MD
1	Chaos Group Limited www.chaosgroup.org	Online entertainment, distribution and data storage company	5,143%	NSW	Rob Appel
2	VeCommerce Limited www.vecommerce.com	Voice enabled e-commerce solutions provider	1,512%	NSW	Paul Magee
3	Seek Communications Limited www.seek.com.au	Internet portal – recruitment	1,418%	VIC	Paul Bassat
4	Clarity International Limited www.clarity.com	Provider of operational support systems	1,311%	NSW	Anthony P. Kalcina
5	Hitwise Pty Limited www.hitwise.com	Online activity competitive intelligence provider	1,246%	VIC	Andrew Walsh
6	KEE Technologies www.kee.com.au	Developer and manufacturer of electronic controlling and monitoring systems for agricultural cropping	967%	SA	Paul Capper
7	GPS Online Limited * www.gpsonline.com.au	Developers of GPS tracking, fleet management and mobile communication systems	862%	QLD	Robert Angel
8	New Tel Limited * www.newtel-limited.com	Telco services provider	746%	WA	Peter Malone
9	pieNetworks Limited * www.pienetworks.com	Developer & operator of Internet kiosks	567%	WA	Campbell Smith
10	Ratbag Pty Limited www.ratbaggames.com	Computer and console games developer	531%	SA	Greg Siegele
11	Recall Design Pty Limited * www.recalldesign.com.au	Software and website developers	508%	SA	Frank Falco
12	IWL Limited www.investorweb.com.au	Financial services technology provider	483%	VIC	Otto Buttula
13	Poltech International Limited www.poltech.com.au	Speed enforcement and public safety equipment developer and manufacturer	470%	VIC	Michael D. Welsh
14	eBet Limited www.ebetonline.com	Online gaming and gaming systems developer	424%	NSW	Keith Cullen
15	Creative Digital Technology * www.creative.com.au	Ebusiness solutions provider	411%	NSW	Bahram Boutorabi
16	Impaq Australia Pty Limited www.impaq.net.au	e-Learning solutions provider	387%	VIC	Robert Manson
17	Technico Pty Limited * www.technituber.com	Agri-biotech – supply chain solutions to the potato industry	371%	NSW	David McDonald
18	Agrilink Holdings Pty Limited * www.agrilink-int.com	Technology providers to the agriculture industry	327%	SA	Nigel Robinson
19	Kanski Data Management www.kanski.com.au	Data management company	323%	NSW	Nicholas Ruddell & Ylja Linnet
20	Gekko Systems Pty Limited www.gekkos.com.au	Mineral processing design, development and distribution	307%	VIC	Elizabeth Lewis-Gray
21	Sanford Limited www.sanford.com.au	Online securities and financial services company	302%	WA	Steven Goh
22	Global Technology Australasia Limited www.glotec.com.au	Financial software solutions developer	284%	VIC	Robert Edge
23	National Telecoms Group Limited www.ntgroup.com.au	Telco services provider	262%	NSW	Anthony Hakim
24	Adacel Technologies Limited www.adacel.com	Aviation, telecommunications and defence software developer	262%	VIC	Silvio Salom
25	realestate.com.au Limited www.realestate.com.au	Internet portal – real estate	259%	VIC	Simon Baker

* denotes a company that has made the Technology Fast 50 for a second year running

	Company Name & Website	Description	3 year % growth	State	CEO/MD
26	Kaz Group Limited * www.kaz.com.au	Provision of IT services	239%	NSW	Peter Kazacos
27	OMNIconnect Pty Limited www.omniconnect.com.au	Wireless telecommunications developer	236%	VIC	Peter Hutton
28	Melbourne IT Limited * www.melbourneit.com.au	Supplier of domain names & related services	226%	VIC	Adrian Kloeden
29	Infomedia Limited * www.infomedia.com.au	Producers of electronic catalogues	221%	NSW	Richard Graham
30	ninems Pty Limited * www.ninems.com.au	Internet portal – content and services provider	215%	NSW	Steve Vamos
31	Parrimark Technology Pty Limited www.parrimark.com.au	Venue and facilities management software developer	188%	NSW	Michael Scroop
32	Oakton Limited www.oakton.com.au	IT consulting and services company	186%	VIC	Paul Holyoake
33	Powerserve Pty Limited www.powerserve.com.au	e-business and software solutions provider	169%	VIC	Rob Van Der End
34	CDS Technologies Limited * www.cdstech.com.au	Developers of Continuous Deflective Separation technology	155%	VIC	John Fitzgerald
35	Essential Computer Systems Pty Limited www.essential.com.au	Financial services and superannuation online and back-office software solutions provider	150%	SA	Richard Green
36	Altium Limited www.altium.com	Developer of desktop Electronic Design Automation and software design tools	149%	NSW	Nick Martin & Kayvan Oboudiyat
37	Softlaw Corporation Limited www.softlaw.com.au	Developer of software for complex legislation administration	145%	ACT	Tony Kinnear
38	Objective Corporation Limited * www.objective.com	Software & IT solution providers	143%	NSW	Tony Walls
39	HarvestRoad Limited www.harvestroad.com	Software solution providers	133%	WA	Peter Harley
40	Pretzel Logic Pty Limited * www.pretzel.com.au	New media solutions provider	129%	WA	Steve Pretzel
41	Integrity Data Systems Pty Limited www.integritydata.com.au	Wireless technology developer	128%	SA	Ross Chiswell
42	Proximity Pty Limited www.proximitygroup.com	Content management software developer	127%	NSW	Luke Tristram
43	Protocom Development Systems Pty Limited* www.protocom.cc	Software developer	125%	ACT	Jason Hart
44	Gropep Limited www.gropep.com.au	Research and development of novel growth factors that increase cell growth	123%	SA	Dr John Ballard
45	Commtech Wireless Pty Limited www.commtech.com.au	Wireless messaging technology developer	120%	WA	Nathan E J Buzza
46	Servcorp Limited www.servcorp.net	Serviced office provider	119%	NSW	A G Moufarrige
47	Advanced Rapid Robotic Manufacturing* www.arrm.com.au	Research, development & commercialisation of robotics	113%	SA	George Kraguljac
48	PIVoD Technologies Limited www.pivod.com	Video on demand application developer	109%	WA	Phillip Jenkins
49	Hypertronics Tasmania Pty Limited www.hypertronics.com.au	Computer manufacturer and maintenance provider	105%	TAS	Stephen Catchpool
50	Abuzz Technologies Pty Limited www.abuzz.com.au	Internet kiosk design and manufacturer	102%	NSW	Morgan Drew

* denotes a company that has made the Technology Fast 50 for a second year running

The Top 10 Deloitte Technology Fast 50 Companies



www.chaosgroup.org
HQ: Chatswood, NSW
Three year revenue growth: 5,143%
Rob Appel, Chief Executive Officer



1. Chaos Group Limited

Chaos Group Limited is a diversified information technology/retailing company, which has a number of primary business operations. The first is an end-to-end data storage solution service for major financial institutions, followed by its DVD label division which licenses, manufactures and markets DVD products for local and international markets. The company also has shop front specialty retail outlets in Melbourne and Sydney with the well known Gaslight Music Store in Melbourne, and also is Australia's #1 online retailer of music CD's and DVD products through its www.chaosmusic.com and www.chaosdvd.com websites.

The company attributes its success to its innovation, ability to react quickly to market forces, efficiency and strong staff teamwork. The company's focus on innovation based on technology solutions has assisted with delivering its remarkable growth. Profit maximisation has been achieved through a policy of efficiency and cost minimisation. A strong culture of staff teamwork has been gained by encouraging its team during tough times when working towards company goals.

The Chaos Group plans to attain profitability in 2002/2003 by maintaining its leadership position in retail online entertainment in CD and DVD sales in the short-term, and in the long term, by providing leadership in digital music distribution markets. The company also intends to expand further into growing data storage markets, grow its CD/DVD replication services to provide national coverage and to continue to grow its DVD label business.



www.vecommerce.com
HQ: Lane Cove, NSW
Three year revenue growth: 1,512%
Paul Magee, Managing Director



2. VeCommerce Limited

VeCommerce Limited is a global leader in the provision of natural language speech recognition and voice enabled e-commerce solutions. The company provides business solutions that allow consumers to simply say what they want to an organisation's computer systems using any telephone. Complicated but 'routine' transactions can be completed automatically, significantly reducing the cost of each transaction while enhancing customer satisfaction through an easy to use, friendly and consistent service.

By voice enabling their customers' business systems and processes, VeCommerce develops and implements business solutions that have the potential to increase revenue, reduce costs and increase customer satisfaction by allowing their customers to initiate and successfully complete business transactions by simply expressing what they want: over any telephone, from anywhere, at anytime.

VeCommerce has developed a number of proven industry-specific applications, which have resulted in quick-to-market solutions for customers, ensuring the competitive edge. The resultant technology and the reference of credible client organisations will be used to enable expansion into selected international markets.



www.seek.com.au

HQ: Windsor, VIC

Three year revenue growth: 1,418%

Paul Bassat, Chief Executive Officer



3. Seek Communications Limited

SEEK Communications Limited is Australia's #1 employment website, enabling employers and recruiters to find outstanding new employees faster and at less cost. SEEK is a one-stop Internet shop for job seekers who can find Australia's largest online selection of jobs, services, advice and resources.

SEEK has found success through:

- recognising the potential for greater efficiency in the recruitment process and developing the technology and online services through which they are delivered;
- hiring the right people themselves;
- capturing the interest and support of the investment community;
- establishing the brand with memorable advertising and tactics;
- listening to the needs of their clients and site visitors; and
- being passionate about their goals.

SEEK aims to continue providing better outcomes for employers, recruiters and job seekers to enable a more efficient matching process online. Their growth is predicated on an increased level of penetration and using the development of their technology to provide an enhanced product offering for both job seekers and advertisers.



www.clarity.com

HQ: North Sydney, NSW

Three year revenue growth: 1,311%

Anthony P. Kalcina, Chief Executive Officer



4. Clarity International Limited

Clarity International Limited was one of the world's first OSS (operational support systems) vendors to offer a pre-integrated, end-to-end OSS system. The Clarity product suite is designed to allow each module to stand alone, to integrate seamlessly to third party software or to operate as a complete integrated suite.

Clarity's product functionality includes: network design and construction; network inventory and configuration management; customer service order management; project management; service design and activation; performance management; traffic management; network fault management; SLA management; alarm management; product definition and deployment; standardisation and automation of business processes.

Clarity's technology is what has made the company such a success. Clarity's technology differs from its competitors as it applies a pre-integrated approach to OSS and offers a complete suite of products. The majority of its competitors in both the local and international market deliver only modules or individual components of OSS (eg. network fault alarms). The company's major objective is to become the leading global supplier in pre-integrated OSS suites.

A continuous improvement system has helped Clarity to achieve rapid time-to-market goals by international standards.



www.hitwise.com.au

HQ: Melbourne, VIC

Three year revenue growth: 1,246%

Andrew Walsh, Chief Executive Officer



5. Hitwise Pty Limited

Hitwise Pty Limited is a real-time competitive intelligence tool for online marketers, providing a daily analysis of the online behaviour of over 12 million Internet users across 160 vertical markets in five countries – Australia, New Zealand, UK, Hong Kong and Singapore – to approximately 400 corporate clients.

Hitwise attributes its success to:

- innovation in an industry that has simply adapted “offline” methodologies for measuring the Internet;
- measuring the breadth of businesses, which gives Hitwise a “limitless” client base; and
- scalability of its business model. All technology is created centrally, and is sold internationally by sales teams.

Plans for the future include: continuing to develop innovative ways to provide corporates with “real-time” business intelligence with advanced demographics, online media alerts and research reports.

The company intends to expand further into Europe and the United States.



www.kee.com.au

HQ: Wingfield, SA

Three year revenue growth: 966%

Paul Capper, Managing Director



6. KEE Technologies

KEE Technologies is a developer and manufacturer of ruggedised electronic controlling and monitoring systems that improve agricultural cropping productivity.

The key to their success is the team of people that they have assembled. The teams’ vision and determination has resulted in the development and release of a new product called Lynx that combines all of their existing products along with a new GPS Guidance System on to a single new ruggedised colour touch screen PC platform.

Future plans are to further exploit international market opportunities within agriculture and then to expand into other niche industrial markets where their technology has applications.



www.gpsonline.com.au

HQ: Summer Park, QLD

3 year revenue growth: 862%

Robert Angel, Managing Director



7. GPS Online Limited

GPS Online Limited specialises in innovative asset management solutions and location-based services (LBS). These solutions include telematics, fleet management (both commercial and defence related), special projects, waste tracking, access control and mobile communications solutions.

GPS Online has achieved success through innovation and technical excellence supported by a team of professional managers and staff who understand the needs of their customers.

The company's plans for the future include:

- increasing activity levels in their Integrated Technology Solutions (ITS) and Online Monitoring & Information Services (OMIS) areas, particularly through overseas expansion; and
- increasing market share of their fleet management solutions through partnerships and establishment of additional sales channels.



www.newtel-limited.com

HQ: Herdsman, WA

3 year revenue growth: 746%

Peter Malone, Chief Executive Officer



8. New Tel Limited

New Tel Limited is a top tier Australian telecommunications company that is publicly listed on ASX and NASDAQ. New Tel offers a comprehensive range of telecommunications services in Australia including local, long distance and mobile telephony, as well as Internet and related technology products and services.

New Tel distinguishes itself from competitors through a unique approach to defining customer groups and offering innovative products and services to these target sectors, including community, cultural and sporting associations. The company's philosophy is that every customer group is unique and they aim to meet the particular requirements of each group.

The Company plans to fast track business growth and position New Tel as a leading carrier in Asia Pacific through strategic acquisitions and alliances and targeted marketing programmes.

The company anticipates that media and data services will drive their long-term growth and is currently examining opportunities in these areas.



www.pienetworks.com

HQ: Osborne Park, WA

Three year revenue growth: 567%

Campbell Smith, Managing Director



9. pieNetworks Limited

pieNetworks Limited produce and manage public Internet terminals ("pieLINKs") which offer both "free" and "paid for" access to Internet based applications and services. They are the Internet equivalent of ATM's, only with much broader applications and functionality. pieNetworks' products and services are targeted at the banking and finance, government and retail sectors and clients include BankWest, and the Victorian and Western Australian Governments.

pieNetwork's vision is to be one of the world's Top 3 providers of public Internet access device technology.

The company's key success criteria is offering products and services that customers want to use and are prepared to pay to use. The combination of world leading technology, proven product reliability, customer driven R&D, single product focus and management experience has been focused in market sectors where its offerings either add value or deliver more efficient solutions for existing needs.



www.ratbaggames.com

HQ: Adelaide, SA

Three year revenue growth: 531%

Greg Siegele, Chief Executive Officer



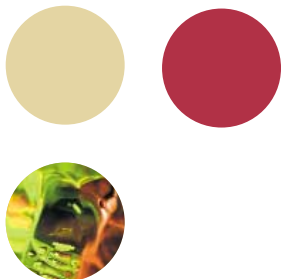
10. Ratbag Pty Limited

Ratbag Pty Limited is a computer and console games developer. Ratbag has developed a reputation for designing cutting edge PC & PS2 racing games for the international gaming markets.

The company's long-term investment in R&D has resulted in "The Difference Engine", one of the best graphics engines in the industry. From this base, the company's three development teams develop cutting edge games on PC and Playstation®2 that consistently win awards worldwide and sell in the hundreds of thousands. Ratbag has also struck clever deals with publishers, allowing Ratbag to control the lucrative intellectual property rights.

It is interesting to note that the company has been built entirely from profits on its projects. The company has never had any venture or debt capital.

Plans for the future are to extend their research and development on the Microsoft Xbox and Nintendo Gamecube, further increasing the margins on each game developed.



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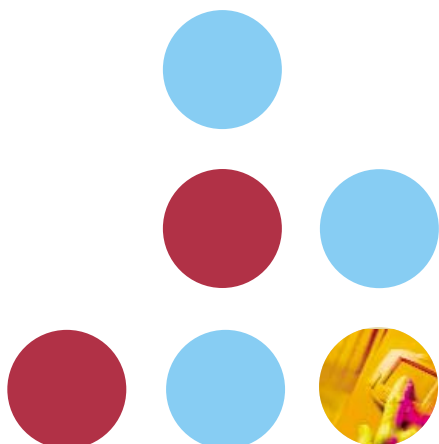
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**Deloitte
Touche
Tohmatsu**



The Deloitte-Microsoft Rising Stars

“Deloitte Technology Fast 50 winners of the future”

In collaboration with Microsoft, the Deloitte Technology Fast 50 program has a special category to recognise emerging private companies that may not meet all of the eligibility criteria but have made significant contribution to the technology sector.

These companies are “Rising Stars” – in other words, companies that are well on the way to becoming Deloitte Technology Fast 50 winners in the future.

Often these companies are making a name for themselves through the development and commercialisation of highly innovative technology.

Rising Star entrants are judged on the company's core focus, market, business model, management team, access to funds and technical sustainability.

A Rising Star winner for each state was selected by a Deloitte team. South Australia also set up a panel of local industry experts to judge the Rising Star contenders in that state. The national winner was selected by an independent panel, consisting of the following Technology experts:

Michael Vitale, Dean and Director, Australian Graduate School Management. Michael is a leading academic in the technology industry.

Peter North, Streeton Consulting. Peter has thirty years' business experience and holds directorships on many leading boards including Cochlear.

Gordon Fell, Managing Director, Rubicon Partners. Gordon has significant experience in corporate finance and capital raising for growing technology companies.

Michael Quinn, CEO of venture capital fund, Innovation Capital. Michael has been a founder, adviser, investor and builder of successful technology based companies for 20 years.

Julia Bickerstaff, Partner, Deloitte Technology, Media and Telecommunications Group. Julia's focus is in assisting growing, emerging and entrepreneurial mid-market businesses grow into established companies, and working with them to achieve their growth strategy.

The South Australian judging panel comprised the following industry experts:

Bill Wood, Founder and General Partner, Austin Ventures.

Geoff Thomas, CEO, Playford Capital.

Greg Boulton, Chairman, PWR Investments.

David Hill, Director, Deloitte TMT Group.

We extend our thanks to all panel members for the support they have shown the program.

The Microsoft logo, featuring the word "Microsoft" in a bold, black, sans-serif font with a registered trademark symbol (®) at the end.

Wedgetail Communications Pty Limited

Gary Morgan, Chief Executive Officer

www.wedgetail.com

Queensland



National Winner

Wedgetail produces scalable security solutions, which help its customers to benefit from pervasive security architecture through all levels of their organisation. These solutions permit OEMs and ISVs to differentiate their products with highly optimised and cost-effective embedded security features.

By embedding confidentiality, identification, authentication, integrity and non-repudiation in network devices and software platforms, Wedgetail intends to be the leading supplier of pervasive security solutions.

Wedgetail technology includes security for wireless Java devices and scalable authentication for virtual private networks (VPN).

The company's market strategy is to pursue product development. In addition, its focus on growth is aimed at leveraging existing partnerships to expand into new markets. Competitive advantage is gained by Wedgetail's price, richness in product features and ease of implementation.

Holly Australia

Michael Atkinson, Chief Executive Officer

www.holly.com.au

NSW



Holly Australia's expertise in licensing, developing and hosting state-of-the-art speech recognition applications delivers significant competitive advantages to its customers. This world-leading company is able to lower cost structures through automation and also provides the ability to offer differentiated services to the end-users.

The company's three key markets are enterprises, carriers and call centres.

Holly Australia believes that demand and growth is likely to increase steadily later in late 2002 as the market awareness of speech recognition grows and user acceptance and adoption of the technology increases. It aims to increase growth by focusing on developing new applications for existing technologies and products.

Wordware Pty Limited

Greg Collette, Managing Director

www.wordware.com.au

Victoria



Wordware delivers business process management technology-based solutions that capture organisational know-how and then empower anyone in the organisation to perform any process as accurately and efficiently as the expert.

The company's product, Compass Workscript, is specially aimed at process-driven organisations that require high compliance and audit capabilities. The company's primary growth vehicle in the immediate future is in the development of new products.

Foursticks

David Bohn, Chief Executive Officer

www.foursticks.com.au

South Australia



Foursticks prioritises and protects mission critical applications on networks, increasing productivity and control whilst reducing costs associated with network congestion and spiralling demand for bandwidth.

The company targets enterprises, telcos and ISPs, managed network service providers, government and data centres as well as server and network equipment companies for licensing sales. Foursticks patent-pending product, the SLAb (Service Level Agreement broker), is the only solution to incorporate real time bandwidth management and reporting plus configuration verification, features that are essential for high reliability enterprise networks but lacking in competitive offerings.

Foursticks has raised nearly \$2million in seed funding from the Federal Government, ITEK and private investors and is currently raising its next round of funding in the US.

Micronics Pty Limited

John Patrick Koles, Tech Director

www.micronicsgps.com

Western Australia



Micronics manufactures the world's most advanced Differential GPS (DGPS) for asset management, known as the Tusani. The DGPS works with another GPS unit, radio receiver and a marine beacon, which transfers differential signals, takes information, calculates and provides an accurate position within a metre.

Clients using the company's products increases productivity between two hundred and four hundred percent in local government, mining and environment markets.

GPS asset tracking is one of the fastest growing markets worldwide. The company's products are worn by the user instead of being carried in a backpack, an advantage which is five years ahead of their competition.

In a uniquely Australian twist to their product, Micronics recently developed a unit for Robe River - putting an antenna on top of an Akubra hat, thus allowing the geologist to have free hands.

E-easy

Troy Adkins, Managing Director

www.e-easy.com.au

Tasmania



E-easy's target market is small to medium business enterprises which need access to information in multiple locations. This is driven by three primary needs: multi-site businesses, electronic commerce and mobile commerce.

None of the company's three dominant competitors currently support multiple office access, electronic commerce integration or mobile commerce access. E-easy's point of difference in its financial management products is not only to provide a feature rich environment, but also to fully support ubiquitous access.

The product is designed to run well over low speed (and therefore low cost) networks such as the Internet and mobile GPRS. It is also designed to run seamlessly with websites, allowing customer's web pages to display stock levels, prices, order status and any other information stored in the financial management system in real time.

90East (Asia Pacific) Pty Limited

Josef Farnik, Chief Executive Officer

www.90east.com

ACT



90East manages information risks to enable its clients to optimise their e-business return on investment. The company's core markets are well established in the federal government with over 35 government agencies as clients, and are growing rapidly in the state and local governments and commercial sectors.

Federal Government agencies implement the highest security standards in the country, and the interest and involvement of other markets are following rapidly.

The key strengths of the 90East group are proof of concept, experienced management, technology agnostic security architecture and a scalable model.

Soundsafety Pty Limited

Al Yonovitz, Director

www.soundsafety.com

Northern Territory



Soundsafety's core focus is to develop the gold standard in hearing conservation. It has developed a unique hearing conservation system that does not exist elsewhere on the market.

The company is pursuing a provisional patent on the device. Soundsafety is working closely with IP patent attorneys to complete the strategy in the near future.

Soundsafety has successfully presented to ERAmine and Gemco (BHP Billiton) and other significant mining companies, as well as the NT Airport Corporation, and is currently negotiating with U.S. manufacturers and distributors.

State Commentary



NSW **Julia Bickerstaff** – *Partner*

Once again, we are delighted to announce that NSW feature the largest number of companies in the Technology Fast 50. Congratulations to all these NSW companies and our Rising Star. Congratulations also to Creative Digital Technology, Technico, Kaz, Infomedia, ninemsn and Objective for achieving Fast 50 status for a second year running.

NSW is home to the world's 17th largest information technology and telecommunications market. It is therefore no surprise Sydney is the leading centre for the information technology and telecommunications industry in Australia and is the driving force for industry development in the Asia Pacific region. Of the top 250 information technology and telecommunications companies in Australia, 70% are resident in NSW and the local industry generates more than \$33 billion in turnover and employs over 100,000 people.

The state's information technology and telecommunication industry is underpinned by significant investment in research and development. Of the 11 universities in NSW, about half are engaged in leading-edge research such as Internet and wireless technologies, laser and photonics, telecommunications, nanotechnology, smart manufacturing and quantum computing. These universities are also closely linked to the Australian Technology Park (ATP) which is a dedicated location for incubator companies engaged in innovative technologies

NSW is developing a strong focus on biotechnology through its BioFirst initiative. BioFirst aims to promote biotechnology in NSW through a significant increase in the size and number of biotechnology companies and biotechnology professionals in NSW; increased opportunities for the commercialisation of research and the establishment of new companies; and the consolidation of NSW's position as the leading location in Australia for biotechnology business and the multinational pharmaceutical industry.

We continue to welcome the growth of technological innovation in NSW and we are committed to supporting these companies and individuals through the many challenges they face.

TECHNOLOGY FAST 50

Chaos Group Limited

VeCommerce Limited

Clarity International Limited

eBet Limited

Creative Digital Technology

Technico Pty Limited

Kanski Data Management

National Telecoms Group Limited

Kaz Group Limited

Infomedia Limited

ninemsn Pty Limited

Parrimark Technology Pty Limited

Altium Limited

Objective Corporation Limited

Proximity Pty Limited

Servcorp Limited

Abuzz Technologies Pty Limited

RISING STAR

Holly Australia



Victoria **Gary McLean** – Partner

Our 14 winners and Rising Star highlight the strength of Victoria's technology industry. Congratulations to the winners and thank you to all the other nominees from Victoria for their support. Particular congratulations should go to Melbourne IT and CDS Technologies for displaying sustained growth by holding their place in the Fast 50 for a second year in a row.

It has been a challenging year. Many of last years' high growth companies have found market conditions softer and sources of funding less accessible. In some areas, growth was not proving profitable and as a result many companies have restructured and strategies have been refocused on core competencies. This has resulted in a short term fall in growth rates. However, longer term this will place many of our technology companies in a strong position to stimulate high levels of organic growth.

Victoria has a vibrant Information Technology industry due to investments by state governments and multi-national companies in the mid 1990's. An interesting area of development recently has been in the production of interactive games and Victoria has become a key development hub in the Southern Hemisphere.

Internationally, Melbourne is developing a reputation as an industry leader in biotechnology. Our research institutes such as the Walter and Eliza Hall Institute, and Melbourne and Monash Universities have long been regarded as world class. The challenge exists in commercialising this research.

In the past 12 months we have witnessed an unprecedented level of companies receiving approvals from regulatory bodies such as Optiscan Limited; achieving success at the next stage of clinical trials such as Prana Biotechnology, Metabolic Pharmaceuticals and Prima Bio-med; and the signing of licensing agreements for their products such as Genetic Technologies and Norwood Abbey. Congratulations to all companies on their success. Deloitte looks forward to seeing revenues streams from these successes placing them into the Fast 50 program in years to come.

The State Government continues to remain very proactive in shaping Victoria as an international centre of excellence for the development of biotechnology. The Biotechnology Strategic Development Plan is now in the third of its five-year plan and continues to track towards the states strategic goals. Bio21 continues to develop and will further establish Melbourne as an international centre of excellence and new projects such as the state government funded (\$157million) synchrotron will also continue the momentum and encourage our best scientists to resist the temptation to move abroad.

TECHNOLOGY FAST 50

Seek Communications Limited

Hitwise Pty Limited

IWL Limited

Poltech International Limited

Impaq Australia Pty Limited

Gekko Systems Pty Limited

Global Technology Australasia Limited

Adacel Technologies Limited

realestate.com.au Limited

OMNIconnect Pty Limited

Melbourne IT Limited

Oakton Limited

Powerserve Pty Limited

CDS Technologies Limited

RISING STAR

Wordware Pty Limited



South Australia **David Hill** – *Client Director*

Deloitte Adelaide are very pleased to congratulate South Australia's 8 winners and our Rising Star in the 2002 Deloitte Technology Fast 50 – an outstanding result. We would particularly like to applaud the achievement of Advanced Rapid Robotic Manufacturing (ARRM), Agrilink and Recall Design in featuring in the Technology Fast 50 for the second consecutive year – a stunning performance.

We are also extremely proud that in a difficult year for the technology sector, South Australia has increased its Technology Fast 50 winners from 7 in 2001 to 8 in 2002, a testament to the vitality of South Australia's innovative technology community.

South Australia is now home to 1,000 ICT companies employing over 25,000 people. The ICT industry in South Australia is growing at a rate of 11 per cent annually and contributes nearly \$1 billion in exports.

It is South Australia's track record in defence, aerospace and advanced electronics industries that has given the state a powerful platform to take a global lead in the ICT sector.

50 years in the making, this record has developed from the materials science, hardware and software engineering skills at the Defence Science and Technology Organization. This federal laboratory of around 1400 scientists and engineers is home to Australia's largest electronics research and development facility.

International companies such as BAE Systems, CSC, SAAB Systems, Tenix Defense Systems and Vision Systems now number among more than 30 defence-related organisations with substantial operations in Adelaide.

Included in the ICT industry is the electronics sector, which contributes over five per cent to South Australia's gross domestic product, with 30 per cent of sales coming from exports, which are growing at 40 per cent a year. Indeed, strong annual growth of around 20 per cent has seen the South Australia's electronics industry move from a revenue base of \$310 million to \$2.1 billion in just 10 years.

Nearly 500 electronics organisations are now established in the State, and many global companies have substantial operations in Adelaide, including Compaq, DMR, EDS, Motorola and Oracle.

In recognition of South Australia's prominence in Australia's ICT industry, Adelaide recently played host to the World Congress on IT (WCIT) 2002, the first time the event has been held in the Southern Hemisphere in its 24 year history.

TECHNOLOGY FAST 50

KEE Technologies

Ratbag Pty Limited

Recall Design Pty Limited

Agrilink Holdings Pty Limited

Essential Computer Systems

Integrity Data Systems Pty Limited

Gropep Limited Pty Limited

Advanced Rapid Robotic Manufacturing

RISING STAR

Foursticks Pty Limited



Queensland **Wayne Goss** – *Managing Partner*

Queensland congratulates GPS Online Limited for making the Technology Fast 50 winners list for a second time and Wedgetail Communications Pty Limited, this year's Rising Star. The involvement of these companies in this year's program is welcomed and highly commendable given the fall out of the technology market over the twelve months since the release of the inaugural index last year and the strength of nominations from other states.

Whilst individual companies may not have achieved anticipated growth objectives over the past year, the Queensland Government has maintained its commitment to its Smart State policy by creating ongoing opportunities through the Communication and Information Strategic Plan 1999-2004.

The Strategic Plan is important to the technology industry in Queensland as it outlines the government's blueprint for partnership with business, industry, and the wider community in the information age. As a primary objective, the Plan seeks to "harness the talents, creativity and entrepreneurial abilities" to enhance both the communication and information sector, as well as industry. Clearly programs such as the Deloitte Technology Fast 50 program represent great mechanisms for enabling the Plan's successful implementation, by encouraging and recognising growth.

The IT sector's response to the state government's non-interventionist approach has been positive. For its part the government has provided broad framework and support to the IT industry and has balanced this by imposing minimal control. As a result, companies are increasingly making the choice to remain in Queensland, or better still, to relocate here. Business and lifestyle are the greatest influencers in the decision to become established here. Although ultimately the private sector must drive the success of the technology industry in Queensland, there is proving to be a strong understanding of industry requirements at the right levels of government.

Businesses also stand to benefit from the Government's Smart State policy initiatives. The Department of Innovation and Information Economy plans to hold intensive programs over four months for selected businesses to enhance their chances of securing capital funding and breaking into export markets. Of the 75 businesses that have already completed the initiative, over \$18.6 million in investment capital has been raised, and another \$1.8 million in government grants has been allocated. These results are tangible evidence of an industry sector committed to growth, despite the adversity of the tech crash last year and the impact of the September 11 attacks.

The growth in technology business in Queensland, particularly in IT, must be underpinned by building a critical mass of skills and resources, with scope for creating opportunities for knowledge transfer from more experienced professionals to aspiring developers of leading edge technologies.

As the government turns to a greater reliance on non-traditional sectors to secure our economic future, we must join them in applauding those private technology companies that demonstrate the energy, foresight and commercialise the technology to build a stronger technology sector here in Australia. Queensland joins with the other states in congratulating those companies who are making it happen.

TECHNOLOGY FAST 50

GPS Online Limited

RISING STAR

Wedgetail Communications Pty Limited



Western Australia **Peter McIver** – Partner

Once again we are delighted to congratulate the seven Western Australian companies that have been recognised in this year's Deloitte Technology Fast 50 program and our Rising Star. We also congratulate New Tel, pieNetworks, Harvest Road and Pretzel Logic for making the Fast 50 winners list for a second consecutive year.

As last year, our vibrant state continues to provide a significant proportion of the program's Top 50 companies, especially in the light of our relatively small population of 1.8 million people.

The great news and innovation from Western Australia just keeps coming. For example:

- Our electronic expertise in online tendering processes is being adopted around the world, opening up new trade opportunities for our businesses. Plans are afoot to help major countries to re-engineer their government purchasing processes and implement the GEM Online Tendering system developed here in WA.
- Our first Technology Park was established in 1985 to provide a focal point for science and technology related activities. Today its businesses employ around 1,400 people and generate \$157 million in exports annually. It is the most successful park in Australia.
- A new technology park focussing on marine related technology is planned at Lake Coogee on Cockburn Sound. The 50-hectare site will be home to technology intensive industries with common-user infrastructure and encourage synergy.
- A multi-million dollar enterprise level agreement has been signed between HarvestRoad and the Australian Department of Defence for the Hive content management system. It is a deal that is set to open up new opportunities on an international scale.
- Our State Government has achieved the highest possible credit rating (AAA) from major international ratings agency, Moody's.
- A booming economy has prompted our Chamber of Commerce to upgrade its growth forecast for the state from 2% to about 5.75% for 2001-2002.

The state's technological innovation is making its mark in many different areas, with new ways for detecting and processing minerals, marine engineering breakthroughs, advanced engine technologies, secure funds transfer and communications systems.

Our most internationally competitive businesses have an impressive record of developing and adopting new technologies and undertaking commercially focussed research and development; whilst stable government and legal systems, and one of the most sophisticated and efficient telecommunications systems in the world, makes the state a reliable, accessible and honest place to invest in.

As a result, our state looks forward to continuing to be creative and innovative in the development and deployment of new technology in the coming year.

TECHNOLOGY FAST 50

New Tel Limited

pieNetworks Limited

Sanford Limited

Harvest Road Limited

Pretzel Logic Pty Limited

Commtech Wireless Pty Limited

PIVoD Technologies Limited

RISING STAR

Micronics Pty Limited



ACT **Peter McPhillips** – Partner

We are delighted to congratulate our ACT winners in this year's Technology Fast 50 and Rising Star Program. Well done to Protocom Development Systems for featuring as a winner for a second year running.

Although the ACT has a very small population base of 300,000 people, the territory is able to generate and impact on the technology sector in a way that far exceeds its size. The reasons behind this innovation include a highly skilled workforce, excellent research capacity, access to R&D grants and strategic support from the ACT Government.

The ACT Government is strategically pursuing an innovative economy characterised by competitive clusters of industries, these include Biotechnology, Environment Management, Photonics and Defence. The ACT Government also operates an \$11 million Research and Development Grants Scheme to assist local research and development activities with a focus on commercial outcomes. Research and development gross expenditure, as a proportion of GDP in the ACT is above 5%, three times the Australian average.

World-leading research and education institutions such as the Australian National University John Curtin School of Medical Research, CSIRO, and CAMBIA all ably support the research and development effort that backs innovation and emerging companies. The research institutions based in the ACT have spun off 4% of Australia's biotechnology companies, a great result considering that the ACT accounts for only 1.6% of the Australian population.

In the ACT there is a strong focus on the environment industry. The Australian Capital Territory Electricity and Water Corporation (ACTEW) has in place world benchmark wastewater treatment installations, environmental monitoring technologies and solutions, and has developed innovative renewable energy sources. The ACT Environment Industry also has strong links to China and has recently been providing environmental management solutions to Shanghai and soon will be extending this work to Hangzhou and Beijing.

Canberra is one of the first cities in the world to introduce a broadband fibre-optic network that will allow access to connect the majority of households and businesses in the region. The ACT is now ranked alongside Finland, Sweden and the USA as having one of the most IT connected communities in the world. Canberra has a strong involvement with several Co-operative Research Centres and the ACT Government is a supporting partner of the Smart Internet Technology CRC. Canberra has one of Australia's first IT incubators, Epicorp, which provides the essential infrastructure to attract, support and commercialise new Information and Communications Technology businesses.

Photonics is an emerging key industry in the ACT, and involves the use of photons to transmit, store and process information. They are part of "enabling" technologies that fuel advances in diverse fields ranging from telecommunications to medical imaging and transportation. Currently, 12% of the Australian photonics workforce is based in Canberra.

The provision of high technology and skills to the Department of Defence is an important part of the technology sector within the ACT. ACT companies have demonstrated their ability to meet tough Australian and international defence needs through their high-level skill base, and the provision of competitive and world-class technologies. Currently the sector is turning over \$100 million per annum.

We welcome the continued growth of technological innovation within the ACT and are committed to support those companies and individuals in meeting the challenges that face them.

TECHNOLOGY FAST 50

Softlaw Corporation Limited

Protocom Development Systems Pty Limited

RISING STAR

90 East (Asia Pacific) Pty Limited



Tasmania **Keith Bradshaw** – *Client Director*

Congratulations to Hypertronics Tasmania for being selected as a Deloitte Technology Fast 50 winner. Tasmania is on its way to becoming the Intelligent Island.

Deloitte is very supportive of Intelligent Island; a \$40 million program focused on strategic investment in Tasmania to create higher, long-term sustainable growth of the State's ICT industries. The program is funded by the Commonwealth Government from the partial sale of Telstra, and is being jointly developed with the Tasmanian Government.

It aims to promote employment growth and wealth creation throughout the Tasmanian economy by accelerating the growth of the State's information and communications technology industries.

Its vision is that by 2010 Tasmania's ICT industries will have a significant role in the State's economy.

Other initiatives such as the Innovation Centre to help Tasmania's innovators and entrepreneurs to commercialise their intellectual property, are also welcome developments.

Now is the time to get involved with the ICT industry, and Deloitte is pleased to celebrate the achievements of those companies who have become trailblazers for others to follow.

TECHNOLOGY FAST 50

Hypertronics Tasmania Pty Limited

RISING STAR

E-easy Pty Limited



Northern Territory **Geoff Nourse** – *Partner*

Congratulations to Soundsafety, the Rising Star for the Northern Territory.

Progress is being made to establish a viable and sustainable IT sector in the Northern Territory. The establishment of a Technology Incubator under the Commonwealth Government BITS (Building for Information Technology Strengths) program has greatly assisted in this process. The incubator, which commenced operations in November 2000, currently has six concepts under its supervision. Five of these are planned to go to production during 2002 and all represent significant export opportunities.

Given the geographical isolation of the Northern Territory from the rest of Australia and its small population base, the need for innovative technology solutions is obvious, as is the need to find additional markets for its technologies. The Territory's proximity to South East Asia also makes it an ideal base for the export of high tech solutions to the region. This is consistent with the Northern Territory Government's desire to have Darwin recognised as the Gateway to Asia.

The challenges facing the technology sector in the Northern Territory include the sourcing of capital to fund the process of bringing new innovations to market as sustainable businesses that will assist in the growth of a meaningful technology sector in the Northern Territory.

RISING STAR

Soundsafety Pty Limited

Around the Globe

We are enormously encouraged by the acceptance of the Tech Fast 50 concept around the globe. The well-established North American Fast 500 was recently joined by the European Fast 500 – launched at the Paris Stock Exchange on April 8 2002.

We are proud to be profiling a forum for sharing knowledge and providing 1,000 of the world's most dynamic and fastest growing technology companies each year. We look forward to launching an Asia-Pacific Fast 500 in 2003-4.

North America Fast 500

Top 10

	Company Name	Description	Location	CEO
1	eBay, Inc	Internet	San Jose, CA	Margaret C. Whitman
2	Infospace, Inc	Internet	Bellevue, WA	Naveen Jain
3	Excite@Home Corporation	Internet	Redwood City	Patti Hart
4	PFSweb, Inc	Internet	Plano	Mark C. Layton
5	Mascon Global Limited	Software	Schaumburg, IL	Nandu Thondavadi
6	Stratos Global Corporation	Communications	West Bethesda, MD	Carmen L. Lloyd
7	International Computer Solutions (ICS)	Software	Germantown, MD	Sanjay Govil
8	SAVIS Communications Corporation	Computers	Herndon, VA	Robert A. McCormick
9	ImageX.com, Inc	Internet	Kirkland, WA	Richard P. Begert
10	Backweb Technologies, Inc	Communications	San Jose, CA	Eli Barkat

A review of the top three winners follows. It should be noted that the North American program is based on five-year revenue growth, whereas all other regions are based on three-year revenue growth.

1. eBay Inc

www.ebay.com HQ: San Jose, CA

eBay pioneered the business of on-line auctions which has revolutionised the world's concept of the marketplace. eBay's mission is "to help practically anyone trade practically anything on earth." The eBay website lists millions of items across thousands of categories from rummage sale bric-a-brac to million-dollar art and boasts 34 million subscribers.

2. InfoSpace Inc

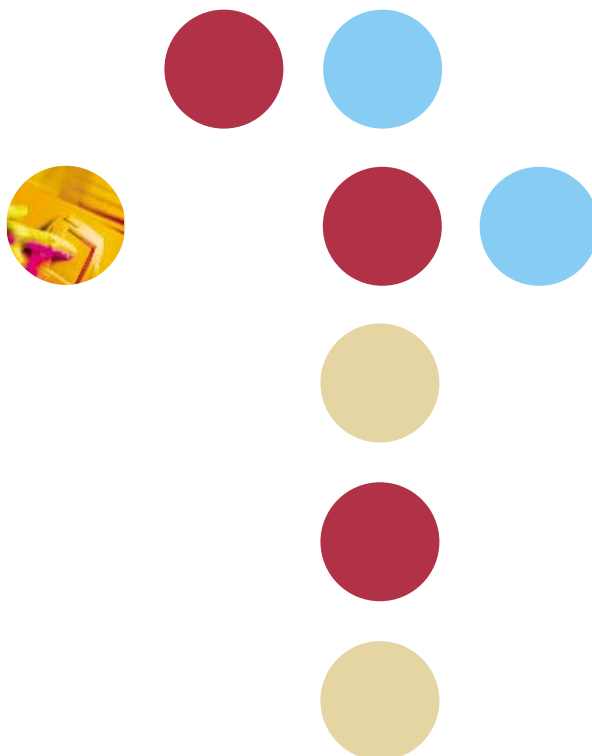
www.infospace.com HQ: Bellevue, WA

InfoSpace was founded in 1996, a time when the idea of conducting business from a cell phone bordered on science fiction. Today, leading domestic and international wireless carriers including Verizon, AT&T, Cingular and more than 3,200 websites, rely on InfoSpace's platform and applications for consumer services ranging from communication and personal information management products to speech applications. The company escaped the recent dot-com slump through the approach of "using the Internet as a channel rather than as a replacement for their bricks-and-mortar operation."

3. Excite@Home Corp

www.home.net HQ: Redwood City, CA

During the Internet boom's early days – when throngs of consumers were frustrated by unstable Internet connections through dial-up modems – the founders of @Home saw an opportunity. They reasoned that the fiber-optic cable already going into homes for cable TV could be tapped for faster, "always-on" Internet access. In 1995, @Home partnered with a handful of cable operators and became the first provider to make broadband affordable for consumers. Today, with 3.7 million subscribers, Excite@Home is the world's largest broadband provider.



European Fast 500

Top 10

	Company Name	Description	Location	CEO
1	Riverdeep Group Plc	Interactive learning	Dublin, Ireland	Barry O'Callaghan
2	NordNet (TeleTrade)	Internet	Bromma, Sweden	Klas Danielsson
3	OpenShop AG	Internet	Munche, Germany	Bruno Rucker
4	Sourcing Partnerships Limited	IT Services	Edinburgh, UK	Mike Johnstone
5	Ceragon Networks	Communications/ networking	Tel Aviv, Israel	Shraga Katz
6	Fast Search and Transfer	Internet	Oslo, Norway	John Lervik
7	OnVista, AG	Internet	Koln, Germany	Fritz Oidtman
8	Targetmatch.com	Internet	Tel Aviv, Israel	Anat Levy
9	Epoint Limited	Equipment	Alloa, UK	Gordon Venters
10	The Innovation Group Plc	Software	Fareham, UK	R. Terry

A review of the top three winners follows:

1. Riverdeep Group Plc

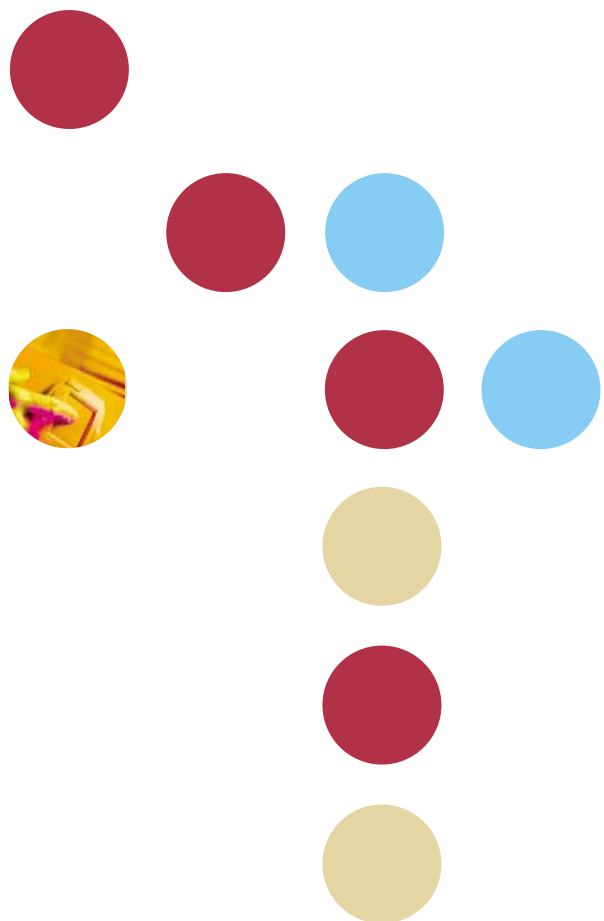
Riverdeep is a premier provider of comprehensive K-12 eLearning solutions offering comprehensive courseware and supplemental curricula over the Internet and CD-ROM, assessment and management tools, and professional development. Founded in 1995, Riverdeep Interactive Learning is jointly headquartered in Cambridge, Massachusetts and Dublin, Ireland. It is also one of the fastest growing education companies in the United States. Riverdeep's Web-based and CD-ROM solutions can be found in more than 45,000 schools in over 20 countries worldwide.

2. NordNet (TeleTrade)

Nordnet is Scandinavia's leading Internetbroker with 65,000 clients and assets under management exceeding 1 billion Euro. Nordnet offers services in Sweden, Norway, Denmark and Luxemburg. In Luxemburg, the Internet broker services is offered to Nordic citizens living abroad through the subsidiary Eurotrade Securities S.A. Nordnet develops all services and software applications in-house. This strategy has given Nordnet a competitive advantage by providing speed and flexibility this has provided. Nordnet's services are made for the whole spectrum of clients interested in securities trading and investing. The offer spreads from realtime applications for the most active and demanding clients to mutual fund services including most mutual funds available on the Swedish market.

3. Open Shop AG

Openshop realises complete solutions for Internet-based business processes - right down to the replication and integration of net profit chains across the whole company. The company's continuous eBusiness strategy consultation and open company culture ensures that customers obtain long-term economic benefits. With the goal of establishing itself as the leading quality supplier in the realisation of eBusiness solutions for companies of all sizes, Openshop was floated on the German stock exchange on 21 March 2000 being 50 times oversubscribed.



Deloitte Services

Deloitte Touche Tohmatsu's Technology, Media & Telecommunications Group's Partners and Staff in Australia can assist with growing companies with the following:

Going global

- Migrating to the US
- International tax
- International transfer pricing
- International assignment services

Non organic expansion services

- Corporate tax
- Mergers & acquisitions
- Transaction services
- Valuations
- Acquisitions and takeovers



Growth solutions

- Strategy and planning
- Private equity raising
- Assurance and advisory
- Going public
- Deal structuring

Exponential growth

- Information management
- e-business
- Business continuity management
- Enterprise risk management
- Secure e-business

Business start up solutions

- Resident director services
- Reporting systems set up
- Outsourced finance and accounting team
- Compliance work
- Finance director skills
- Export market development grant consulting
- R&D start up grant
- Tax planning and structuring



Deloitte | Innovation Zone

The Deloitte Innovation Zone is a catalyst in providing assistance to growing companies by delivering senior level management advice, mentoring, education and support.

Through a collaborative approach, Deloitte has joined with Achaeus, AGSM and Tomorrow's Company to offer businesses the opportunity to tap into the combined expertise of these leading organisations.

We have created a space where CEO's who run emerging, fast-growth companies can access critical business information and exchange ideas with peers. It provides businesses with an opportunity that would normally be inaccessible: access to advice by some of the best and most experienced business professionals.

The Deloitte Innovation Zone provides services to assist you with the different seasons throughout your company's life-cycle.

YOUR unique needs determine what services are of greatest value to YOU.

in conjunction with:



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THE DELOITTE TECHNOLOGY FAST 50

