

Servcorp Limited ANNUAL GENERAL MEETING 2013

Wednesday 13th November 2013

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Operational Highlights FY 2013

- Revenue of \$207,995,000
- NPBT of \$27,630,000
- NPAT of \$21,271,000
- EPS of 22.00 cps
- Mature floor NPBT of \$42,216,000
- NPBT growth in H2 of 22% vs. H1
- Free cash produced (before tax) of \$37,223,000
- Unencumbered cash balances of \$90,616,000 at 30 June 2013
- NTA backing of \$1.96 per share at 30 June 2013
- Dividends paid of 15.00 cps, fully franked for FY 2013
- Forecast FY 2014 dividends of 18.00 cps



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Financial Results

FY 2013

	FY 2013 ¹ \$AUD 000's	FY 2012 ² \$AUD 000's	%	% Constant Currency
Total Revenue	207,995	200,785	4%	5%
Mature floor profit	42,216	37,307	13%	
Immature floor loss	(14,586)	(18,978)	23%	
Statutory NPBT	27,630	18,329	51%	53%
Tax	(6,359)	(3,528)		
Statutory NPAT	21,271	14,801	44%	

1: FY 2013 results are based on new depreciation rates
2: FY 2012 results are based on old depreciation rates



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Financial Results

FY 2013

	As at 30 June 2013 \$AUD 000's	As at 30 June 2012 \$AUD 000's	%
Cash balance	99,758	104,334	(4%)
Cash balance (unencumbered)	90,616	95,765	(5%)
Total Net Assets	207,900	198,709	5%
	FY 2013	FY 2012	%
Net Tangible Assets (per share)	\$1.96	\$1.87	5%
Earnings per share	\$0.22 ¹	\$0.15 ²	47%
Dividends per share	\$0.15	\$0.15	-

1: FY 2013 results are based on new depreciation rates
2: FY 2012 results are based on old depreciation rates



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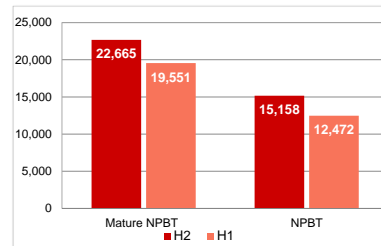
Change in Depreciation Estimate FY 2013

- Depreciation rate of leasehold improvements reduced from 15% to 10%
 - 10% more accurately reflects the life of a Servcorp floor
 - Servcorp's depreciation now aligned to industry standards
- The impact was to increase NPBT by \$6,130,000 in FY 2013

Financial Results FY 2013 - H1 vs. H2

- Revenue improved by 3% in H2
- Mature NPBT improved by 16% in H2
- NPBT improved by 22% in H2

FY 2013 H1 vs. H2 – AUD \$000's

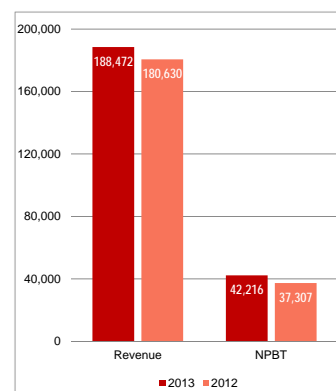


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Mature Business FY 2013

- In H1 FY 2013 business conditions remained challenging
 - Aggressive price competition, which
 - Adversely impacted revenue growth
- Conditions improved in H2 FY 2013
- Mature revenue increased by 4% during FY 2013
 - Despite the strong AUD headwind
- Average mature floor occupancy for FY 2013 was 79%
- We now aim to increase occupancy to 82% - 85% by December 2013
- We are encouraged by the progress to date
 - Mature occupancy was 81% by Q4 FY 2013
- Satisfied with the performance of the Virtual Office business

Mature Revenue & NPBT - AUD \$000's

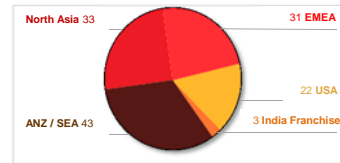


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The Servcorp Footprint

- 10 new floors opened in FY 2013
- 72 new floors opened in the 48 months to 30 June 2013
- We plan to open a further 10 large floors in FY 2014
 - adding approximately 12% to office capacity
- At 30 June 2013 there were 132 floors in 52 cities in 21 countries

Floors by Region - 30 June 2013

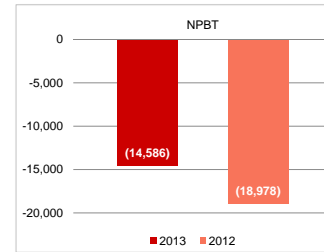


Immature Business

FY 2013

- Immature floor loss was \$14,586,000
- Revenue and occupancy continue to improve in the immature business
- 38 floors were immature at 30 June 2013
- Anticipate that 23 floors will mature in early FY 2014

Immature Floor Result - FY 2013 vs. FY 2012
\$ AUD 000's



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Dividend FY 2013

- Total dividends paid in relation to FY 2013 of 15.0 cents per share, fully franked

FY 2014 Forecast

- Dividends of 18 cents per share are expected to be paid as follows:
 - Interim dividend – 9.0 cents per share (unfranked)
 - Final dividend – 9.0 cents per share (90% franked)

These payments are subject to currencies remaining constant, global financial markets remaining stable and no unforeseen circumstances



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Trading Update

Q1 FY 2014

- In Q1 FY 2014 we saw a broad based recovery of business confidence
- Q1 FY 2014 vs. Q1 FY 2013:
 - Revenue up 13%
 - Revenue (ex. Australia) up 19%
 - NPBT up 13% (normalised for depreciation)
 - Operating cash flows up 25%
- Unencumbered cash balances remained strong at \$93.15 million at 30 September 2013
- We now expect to achieve between 82% - 85% mature occupancy by 31 December 2013
- So far in FY 2014 we have added 5% to capacity by opening 3 new floors in:
 - Tokyo
 - Sydney
 - Dubai
- We have also expanded a floor in Guangzhou

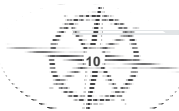


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Outlook

FY 2014

- Continue to remain optimistic about the outlook of Servcorp, and are encouraged by:
 - the continued growth in revenue, and;
 - the improvement in occupancy
- Remain focused on reducing vacancy across the Serviced Office portfolio
- Continue to focus on growing the Virtual Office package base
- We will continue to grow our footprint in strategic locations:
 - expect to add 10 floors in FY 2014, which will;
 - add 12% to office capacity



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