



18 November 2009

The Manager  
Company Announcements Office  
Australian Securities Exchange  
By Electronic Lodgement

Dear Sir

**Servcorp Limited  
Annual General Meeting 2009**

Servcorp Limited (SRV) will today address its Members at its Annual General Meeting to be held at the Wilarra Room, Level 2 The Grace Hotel, 77 York Street, Sydney, commencing at 5.00 pm.

Following is the Chairman's address to the meeting.

Yours faithfully

  
**Greg Pearce**  
**Company Secretary**

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Over 60 locations worldwide. Australia - New Zealand - Japan - China - SE Asia - Europe - Middle East  
Servcorp Limited ABN 97 089 222 506

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## CHAIRMANS ADDRESS ANNUAL GENERAL MEETING 2009

Ladies and Gentlemen,

Before handing over to our Managing Director, Alf Moufarrige, and his senior management team, I propose making a few comments. My comments will be brief as the management presentations that follow are extensive.

2009 was another record year for Servcorp, and our seventh consecutive year of profit growth. Despite the tough economic climate Servcorp was able to use the 2009 year to consolidate on several years of strong performance and lay a solid grounding for the years ahead.


Revenue for the year was \$228.6 million, an increase of 20% on 2008. Net profit after tax also increased – up 1% on 2008, to \$34.1 million. Our mature businesses contributed \$54.4 million profit before tax, an increase of 3%, with all geographic sectors making important contributions.

Shareholders have benefited from this performance, with earnings per share increasing by 2% to 42.7 cents per share.

The Company paid a fully franked final dividend of 10.0 cents per share, bringing total dividends for the year to 25.0 cents per share, an amount of approximately \$20 million. This included a special dividend of 5.0 cents per share, paid in December 2008. All these dividends were fully franked.

I now turn to our recent capital raising.

Shareholders will be aware that for some years now we have been developing and refining our Virtual Office model. Increasingly Alf and his senior team have been excited by the sales growth and obvious demand in the market place for our Virtual product offering.



Having optimised the Virtual Office product, we took the view that the property market was right to significantly expand our global presence focusing particularly on Virtual sales. We are delighted that the equity market shared our enthusiasm and supported our recent capital raising. The cash raised of approximately \$77 million, combined with our other cash resources, enables us to fund our expansion plans.

Alf and his team will take you through the detail of our plan in their presentations. We believe the medium and long term financial prospects are compelling.

This takes me to the outlook for the 2010 financial year.

Trading for the mature Serviced Office business has been very difficult in the first quarter and we expect this to continue for the second quarter. That said, there are early signs of increased enquiries which gives us some hope of an improved outlook for the mature business for the second half of the 2010 financial year.

Based on unaudited results to date we expect net profit before tax on our mature business to run at about \$2 million per month for the 2010 financial year.

As shareholders are aware, over the next three to four years Servcorp will be expanding at a much faster rate than it has historically. The larger number of immature floors will have a material negative impact on reported profits until the new floors reach maturity.

I now turn to dividends.

Evidencing our confidence in the future of the business, notwithstanding short term earnings challenges, shareholders can expect to receive fully franked dividends totalling 10 cents per share in respect of the 2010 financial year (subject always to unforeseen circumstances).

We see 2010 as a transition year where the company moves from being a serviced office business to being a provider of global infrastructure and technology services. We are confident that the medium to long term future will produce significant financial rewards for our shareholders.

On behalf of the Board I thank our CEO, Alf Moufarrige, our leadership group and all the Servcorp team members for their dedication and commitment during the past year. We are excited about the challenges and opportunities ahead of us.