

22 August 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited
By electronic lodgement

***Servcorp reports full year Net Profit Before Tax for Mature Floors
of \$38.31 million – an increase of 36%***

Dividend increased to 6.00 cents per share

Servcorp Limited (SRV) today announced a net profit before tax of \$35.21 million for the twelve months ended 30 June 2006, up 50% on the profit of \$23.50 million for the corresponding prior period to 30 June 2005.

- Net profit after tax was \$25.38 million, up 48% on \$17.19 million in 2005.
- Earnings per share increased by 48% from 21.4 cents to 31.6 cents.
- Net profit before tax attributable to mature floors increased to \$38.31 million, up 36% from last year's \$28.19 million. As expected this was reduced by the operating losses on immature floors of \$3.10 million (2005: \$4.70 million). Net profit before tax on mature floors includes the reversal of the Brussels floor closure provision of \$1.30 million which had been provided at 30 June 2005.
- The Directors have declared a fully franked final dividend, payable on 4 October 2006, in the amount of 6.00 cents per share, up 50% on the final dividend paid for the period ended 30 June 2005. The total dividend paid for the 2006 financial year will be 10.50 cents per share, up 36% on the dividend paid in relation to the 2005 financial year. Subject to no unforeseen circumstances, the Directors expect to maintain the interim dividend for financial year 2007 at 6.00 cents per share, fully franked.
- Cash generated from operating activities before tax increased by 35% to \$44.43 million for the twelve month period (2005: \$33.02 million).
- Cash and cash equivalents increased to \$58.21 million from \$42.97 million at June 2005.
- Average mature floor occupancy during the twelve months to June 2006 was 85%, consistent with an average of 85% for the previous year.
- 5 new floors were opened during the year, in Melbourne, Brisbane, Shanghai, Hong Kong, and Tokyo increasing our capacity at 30 June 2006 by 7%.

At this early stage, Servcorp believes 2007 will be a solid year. Net profit before tax on mature floors in the 2007 year should increase to \$41.00 million; \$19.00 million in the first half and \$22.00 million in the second half. It is noted that net profit before tax will be tempered by losses in new locations as Servcorp continues to grow its core business and increase critical mass in existing markets. 2007 promises to be one of Servcorp's biggest expansion years to date. There is already commitment to open 7 new floors in the first half of fiscal 2007, in Sydney, Perth, Tokyo, Beijing, Paris and Singapore. Depending on market conditions there will be a further 3 floors opening in the second half, in Bahrain, Tokyo and Nagoya. 2007 has started satisfactorily, with the acquisition of two new floors, one in Perth in July 2006, and one in Singapore in August 2006.

At 30 June 2006, Servcorp operated 57 floors in 18 cities in 11 countries and remains the leader in providing serviced offices and superior IT and business solutions. Management will continue to focus on increasing Servcorp's competitive edge by continuing to invest in technology solutions for our clients.

For more information contact:

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CANBERRA	St. George Centre	(612) 6243 5151	BEIJING	Oriental Plaza	(8610) 8520 0000
BRISBANE	2 Top Locations	(617) 3303 8400	SINGAPORE	3 Top Locations	(65) 6550 9888
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PERTH	2 Top Locations	(618) 9278 2700	OSAKA	2 Top Locations	(816) 6225 1000
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