



19 August 2009

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

## ***Servcorp announces record results for 2009***

Servcorp Limited (SRV), the world leader in providing executive serviced offices and superior IT and business solutions, today announced a record net profit before tax of \$47.28 million for the twelve months ended 30 June 2009, an increase of 6% on 2008.

|   | 2009                     | 2009 v 2008 |
|---|--------------------------|-------------|
| Revenue   | \$228.65 million         | 20% ↑       |
| Net profit before tax                             | \$47.28 million          | 6% ↑        |
| Net profit after tax                              | \$34.10 million          | 1% ↑        |
| Mature floor net profit before tax                | \$54.36 million          | 3% ↑        |
| Earnings per share                                | 42.7 cents               | 2% ↑        |
| Final dividend declared<br>Payable 1 October 2009 | 10.0 cents fully franked | 33% ↑       |

### **Highlights for 2009**

- Despite the tough economic climate, SRV was able to use the 2009 year to consolidate its strong performance of the last couple of years and lay a solid grounding for years ahead.
- Virtual Office continued to grow strongly during the 2009 financial year recording double digit revenue and client growth for the twelve month period.
- In the last twelve months there have been significant software refinements in respect of the Virtual Office product allowing improved marketability and scalability, including the launch of the sign up online website.

### **Dividends**

- The directors of SRV have declared a fully franked final dividend of 10.0 cents per share. This brings the full year dividend including special dividends to 25.0 cents per share, fully franked.
- The level of future dividends will depend upon profits as they emerge and on the capital required to fund SRV's global expansion program. As always, prudent liquidity will remain a priority.



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[www.servcorp.net](http://www.servcorp.net)

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



### **Outlook for 2010**

- Management anticipate that global trading conditions will remain tough in the medium term. Measures that have been taken over the last 24 months to consolidate the business are now having effect and SRV is now in a position of strength to take advantage of the opportunities that exist and will be forthcoming in the market place. The downturn is not all bad news as we work to take advantage of our strong cash position and falling rents across the world.
- There are plans to open new locations in Jeddah, Kuwait, Abu Dhabi, London, New York, Tokyo, Fukuoka, Chicago, Hong Kong and Singapore in the 2010 financial year.
- This planned growth will have a drag effect on profits for the first six months of the 2010 financial year but over time there will be an acceleration of growth in the client base and profits of the virtual business.
- The current global environment is difficult and SRV has seen lower operating margins over the past 6 months. This is expected to continue for some time. The initial costs associated with the significant growth initiatives together with extremely challenging market conditions (including the strong Australian dollar) make it difficult to provide earnings guidance for the current 6 month period. We should be in a more informed position to comment on earnings outlook for the full year at November's annual general meeting.
- We regard the 2010 financial year as a transition year when SRV moves from being a property related Serviced Office business to a global corporate infrastructure and technology services provider. We expect to see positive outcomes commencing in the 2011 financial year.

SRV operates 67 floors in 22 cities across 13 countries.

### **For more information contact:**

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**Results Presentation**  
**Thursday 20 August 2009 at 4.30pm**  
**Level 12, MLC Centre, Sydney**  
**19 Martin Place, Sydney**



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