Annual General Meeting

21 November 2014

Chairman's Address

PETER JAMES

2014 Financial Summary

- Net loss after tax of $0.8 million, down 12.1 million on last year on service revenue of $196.8 million.

- Primarily attributable to the impact of a combination of different factors:
    - The short term consequence of the significant capital investment program executed over the past two years, resulting in increased depreciation and amortisation charges and reduced interest revenue;
    - Technology migration of customers to lower cost Virtual Private Cloud offerings putting downward pressure on Hosting earnings in the second half;
    - Rapid customer migration away from higher margin mobile offerings to our lower margin platforms;
    - Longer than expected lead times in realising contracted revenue of our Federal Government customers.

2014 Financial Summary

- With the substantial completion of the company's investment program, the Board and management are focused on increased business performance, in an environment of rigorous cost management.

- Due to the net loss result for the fiscal year no final dividend was declared, with total dividend for fiscal 2014 being 12.0 cents per share fully franked.

- Capital expenditure for fiscal 2014 was $33.5 million, of which approximately $12.9 million was spent on the expansion of Hosting capacity in Sydney and Canberra and approximately $20.6 million on business as usual capital expenditure.

- $50 million working capital facility to support strategic growth opportunities of which $23.5 million was drawn as at 30 June 2014.

2015 H1 Outlook

- Trading for the first four months of the year has been steady and EBITDA profit for the first half of fiscal 2015 is expected to be between $11 million to $13 million.

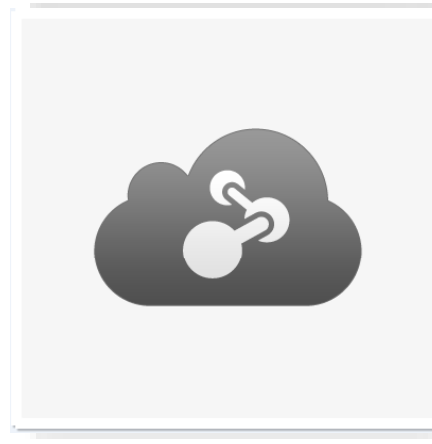- Maintenance capex is expected to be approximately $8 million for the first half of fiscal 2015.

Chief Executive's Address

DAVID TUDEHOPE

Strategic objective

Australia's number one Managed Hosting, Cloud and Telecommunications provider to business and government customers through the delivery of service excellence

Intellicentre 2

Second Data Hall and 3rd Megawatt completed on time within budget

Intellicentre 4

Delivering to the Lead Agency Secure Internet Gateway program

Industry Trends

Cloud Computing

NBN

Annual General Meeting

21 November 2014