

macquarie  
TELECOM



## Annual General Meeting

22 November 2013

The background features a light blue gradient with several white, semi-transparent circles of varying sizes scattered across it. In the upper corners, there are blue rays emanating from the center, creating a sunburst effect.

Chairman's Address

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**ROBERT KAYE**

# A Year of Investment

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- Expansion of our data centre capacity at Intellicentre 2.
- Completion of the construction of Intellicentre 4 in Canberra.
- Further developing our Cloud Computing capabilities.
- Investments enable the company to take full advantage of current and future growth opportunities.

# 2013 Financial Summary

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- NPAT of \$11.3 million, down 42% on record 2012 performance, impacted by:
  - Realisation delays from some of our larger contracted Corporate and Federal Government customers;
  - A flat revenue performance in Managed Hosting business, caused by price reductions and the incremental costs associated with investments in automation, service assurance and other staff costs; and
  - The planned consequence of the significant capital expenditure program executed over the past two years, resulting in increased depreciation and amortisation charges and reduced interest revenue.

# 2013 Financial Summary

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- Ordinary dividend of 24 cps fully franked
- Capital expenditure for fiscal 2013 was \$51.5 million, of which approximately \$29 million was spent on the expansion of Hosting capacity in Sydney and Canberra and approximately \$22.5 million on business as usual capital expenditure.
- \$50 million working capital facility to support strategic growth opportunities of which \$9 million was drawn as at 30 June 2013.

# Outlook

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- EBITDA profit for the first half of fiscal 2014 is expected to be between \$12 million and \$14 million.
- Strong growth anticipated in the second half of fiscal 2014.
- Depreciation for fiscal 2014 is expected to be between \$24 million and \$26 million. The increase on last year being primarily attributable to depreciation associated with Intellicentre 2 expansion and Intellicentre 4.
- Fit out of the 2nd Data Hall and installation of the 3rd megawatt of IT load at Intellicentre 2 in Sydney to commence. This project is expected to be completed in the first half of fiscal 2015 at a cost of approximately \$11 million of which \$6 million is expected to be spent in the second half of fiscal 2014.
- Capital expenditure for fiscal 2014 is therefore expected to increase from previous guidance of \$30 million to be approximately \$36 million.

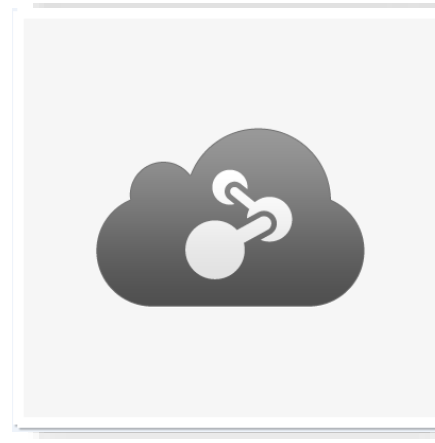
Chief Executive's Address

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**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



# Intellicentre 4

Open for business



# Industry Trends

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**Cloud Computing**



**NBN**

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