

Annual General Meeting

22 October 2014

Chairman's Address to Shareholders

Fellow Shareholders,

I'm pleased to report that the FY14 financial result was a significant improvement on FY13, with the Company delivering an EBITDA result of \$16.6m. Furthermore there was a considerable improvement in the Group's financial position, including improved net cash flows from operations and the successful completion of a capital raise which occurred earlier in the year. This has resulted in Service Stream having its lowest net debt position in several years, and has allowed management to refinance banking facilities on favourable terms out to September 2016.

Leigh Mackender was appointed Managing Director in May. The board has been delighted with this internal appointment and is providing Leigh with its full support to implement the current strategy.

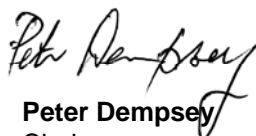
The board remains confident that demand for essential network services will remain strong in the medium term and that the Company's prospects for growth are good. Management is currently executing the agreed strategic plan for the business, with the focus for the Company in FY15 being around three core themes:

- Improving operating fundamentals, with a focus on operational and commercial disciplines
- Building and expanding on our relationships with key clients; and
- Identifying organic growth opportunities which align to the businesses core competencies

Looking at each of the key markets which Service Stream operates within, the board is confident that we have a number of opportunities both within the telecommunications and utility sectors presenting over the next 12 months. The deployment of the National Broadband Network is now gaining momentum and the business has been successful in recently re-securing its key contracts with NBN Co, positioning the Company well for future growth.

In the utility markets, again the business has secured many key contracts over the proceeding period which positions the Company well to capitalise on developments in network maintenance and energy efficiency programs such as solar pv, battery storage and the deployment of smart meter infrastructure.

I would like to thank shareholders for their continued confidence in the Company, and thank my fellow board members and all of the Company's management, staff and contractors for their efforts over the year.


Peter Dempsey
Chairman