

Amcom Telecommunications Limited

Capital Raising Presentation

Presented by
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4 June 2014

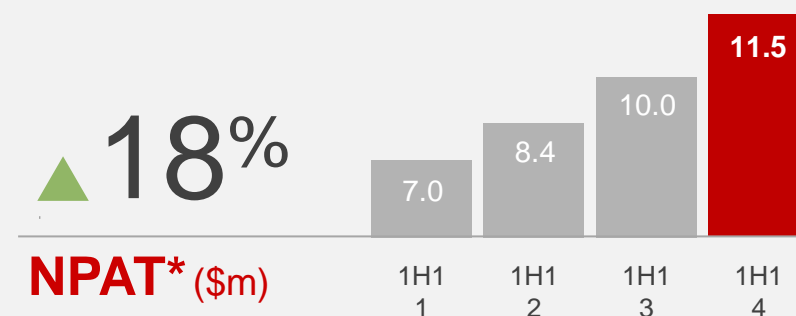
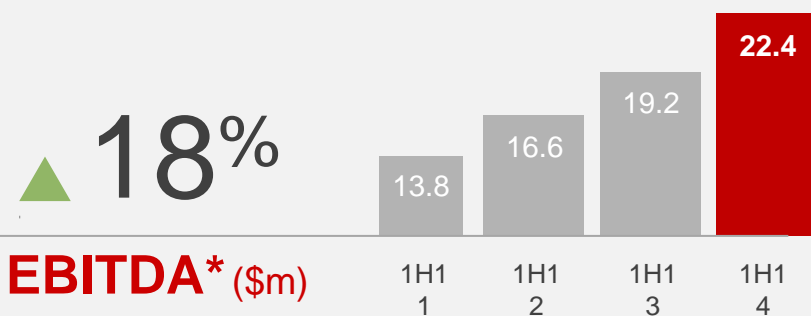
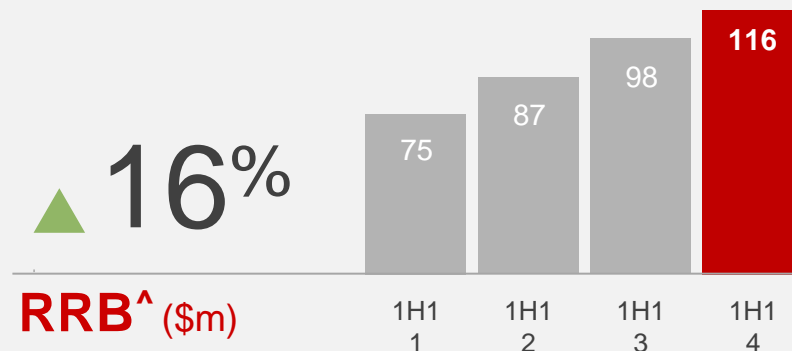
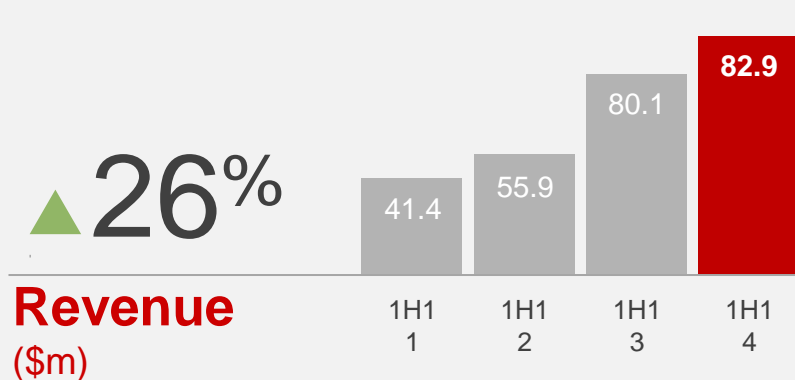
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Equity Raising Overview

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Offer Structure	<ul style="list-style-type: none">• Placement of approximately 19.5 million fully paid ordinary shares to raise gross proceeds of approximately \$40 million before costs.• Shares will be issued within Amcom's 15% placement capacity
Pricing	<ul style="list-style-type: none">• Fixed price of \$2.05 per share, being a discount of:<ul style="list-style-type: none">• 7.7% to the 3 June 2014 closing price of \$2.22 per share• 6.9% to the 5-day VWAP• 6.1% to the 10-day VWAP
Use of Funds	<ul style="list-style-type: none">• To fund potential acquisitions of complementary businesses which are aligned with Amcom's current capabilities
Sole Lead Manager	<ul style="list-style-type: none">• Euroz Securities Limited
Post Raising	<ul style="list-style-type: none">• Net Cash of \$6 million (pro-forma, 31 December 2013, prior to costs)• Shares on issue of 264.8 million after Placement• Market Capitalisation of \$543 million at Placement issue price of A\$2.05
Indicative Timetable	<ul style="list-style-type: none">• Settlement on Friday, 13 June 2014

Consistent Track Record (CAGR#) *amcom*



#CAGR based six monthly periods (4 years)

*Excluding significant items and equity accounted earnings

^Annualised recurring billing base

Financial Highlights 1H14

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P&L Metrics	1H14	1H13	YoY
Revenue	82.9	80.1	▲ 4%
EBITDA	22.4	19.2	▲ 16%
NPAT (before significant items [#])	11.5	10.0	▲ 14%
ROE annualised ¹	19%	18%	
EPS (before significant items [#])	4.7c	4.1c	▲ 14%
Interim dividend per share	2.2c	2.0c	▲ 10%
Balance Sheet Metrics	1H14	1H13	
Gearing ²	22%	7%	
Net debt / EBITDA annualised)	0.76x	0.23x	

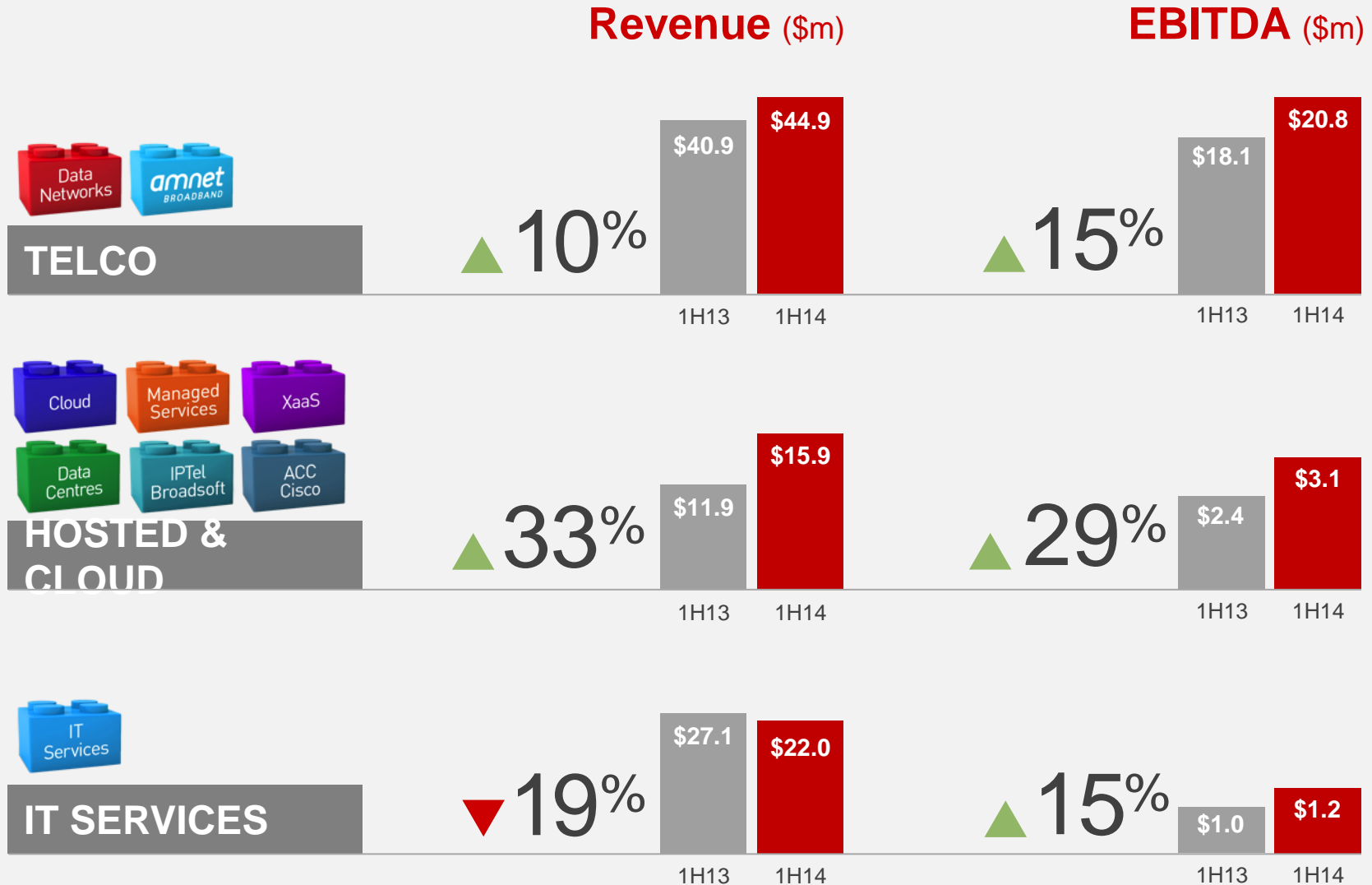
¹ NPAT (before significant items) / Average Shareholder Equity

² Gearing: Net debt to net debt plus equity

[#] significant items comprised acquisition and integration costs of \$400k

Segment Results

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Data Networks



- › Amcom fibre networks – WA, SA & NT
- › Third party providers nationally
- › Typical sales mix – 60% Direct, 40% via Channel
- › Growing distribution > 300 channel partners nationally
- › Cross sell hosted and cloud services across data network

Sold as a service with...



ACC Cisco



- › Cisco HCS platform (Amcom ACC) focus on Enterprise and government market
- › Addressable market \$1.3b*
- › Platform deployed and new customers onboarding late 1H14
- › Unified communications is changing the way business operate

**If the entire enterprise market adopts telephony/ UC-as-a-Service, then the total addressable market would be \$1.3b. —Frost & Sullivan, Jan 2014*

Sold as a service with...



IP Tel Broadsoft



- › Broadsoft platform focus on SMB to mid-market
- › 80% of sales are via east coast channel partners
- › Platform & capability established over past 4 years
- › IPTel sales drive data networks

Sold as a service with...



Data Centres



- › 7 data centres in Perth
- › National partnership with NextDC provides customers with choice and drives data network sales nationally
- › Amcom data centres enable:
 - › Customer colocation
 - › Managed services
 - › Cloud platforms
 - › Data network sales

Sold as a service with...



Cloud



- › Cloud Services include:
 - › Compute
 - › Storage
 - › Backup
 - › Disaster Recovery
- › Direct connect with Amazon Web Services to offer choice (public cloud) and drive data network sales
- › Framework to enable customers to transition from on premise via a range of managed services to the cloud

Sold as a service with...



X-as-a-Service



- › New annuity services via X-as-a-Service initiatives:
 - › Managed Routers
 - › Wi-Fi as a service
 - Corporate BYOD/guest access
 - Retail customer analytics
- › Logical “add on” to data networks

Sold as a service with...



Managed Services



- › Alignment of managed service capability to enable customer choice
- › Framework to enable customers to transition from on premise via a range of managed services to the cloud
- › Leveraging data networks, data centre and IT service capabilities

IT Services



- › Sale of product and professional services around 3 key vendors
 - › Cisco
 - › EMC
 - › VMware
- › Cross selling data network/data centre opportunities ongoing

Tier 1 Technology Partners



Sold as a service with...



Sold as a product/service with...



Balancing Performance & Growth

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Core Growing Strong

- › Organic growth continues
- › Solid demand for data networks and data centre
- › Building annuity revenue
- › Annualised recurring billing base of \$116m at Dec 13



Growth Initiatives

- › Strategy unfolding
- › Early wins in ACC
- › Compelling opportunity
- › Focused investments
- › National expansion



Performance

- › Re-investing opex/capex
- › Optimising balance sheet
- › EPS growing
- › ROE growing
- › Dividend growing



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Collaboration is
changing the way
business works

Collaboration is changing the way business operates

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Bring Your Own Device (BYOD)

- › Increasing trend of bringing smartphones and tablets into the work environment

Cloud

- › Distinct trend towards a consumption model
- › Underlying infrastructure for UC is not core business

Mobility

- › Access using any device, anywhere – WiFi or 3G

Social Collaboration

- › Use familiar social tools for higher responsiveness e.g. use IM to chat to colleagues rather than email/call

Unified Communications

- › Multiple tools mean you can communicate in the most efficient manner e.g. Presence, IM, email, voice, video and telepresence



AARNet Partnership

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- › Strategic partnership with AARNet to sell ACC to higher education and research sector
- › AARNet has a high speed fibre network connecting to 38 universities and the CSIRO around Australia and other educational research organisations globally
- › ACC platform is connected to AARNet's network, making it easy for universities to take up the service
- › Amcom's services are offered on a consumption basis (opex model) – universities only pay for what they use
- › The partnership is a low risk and capital efficient way for Amcom to address a large market of ~ 200,000* seats with an appetite for leading edge technology



* Estimate of target universities handsets

Summary and Outlook

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Convergence of IT and Telco

- › Business moving to new technologies
- › Amcom investing in new capabilities (i.e. ACC)
- › Operational efficiency/simplicity is a key customer driver
- › Data networks is the enabler for all other services

Recurring revenue base of \$116m at December 2013

FY14 - Guidance of double digit % growth in NPAT* over FY13

* Excluding significant items

Operating Environment

- › Demand for data networks to continue
- › Customers looking for “better, faster, cheaper”

Significant Growth Headroom

- › Relatively small market share
- › Strong potential to cross sell
- › Well positioned for continued growth

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