

# MACQUARIE TELECOM

Annual General Meeting

25 November 2011

Chairman's Address

**ROBERT KAYE**

# DELIVERING ON STRATEGY

- Strong operational and financial performance in fiscal 2011
- Increasing demand for hosting services
- Launch of Enterprise Managed and Self-Managed Infrastructure-As-A-Service Cloud Computing offerings
- Hosting capacity expanded with construction of second data centre
- Telco business continues to deliver improved earnings

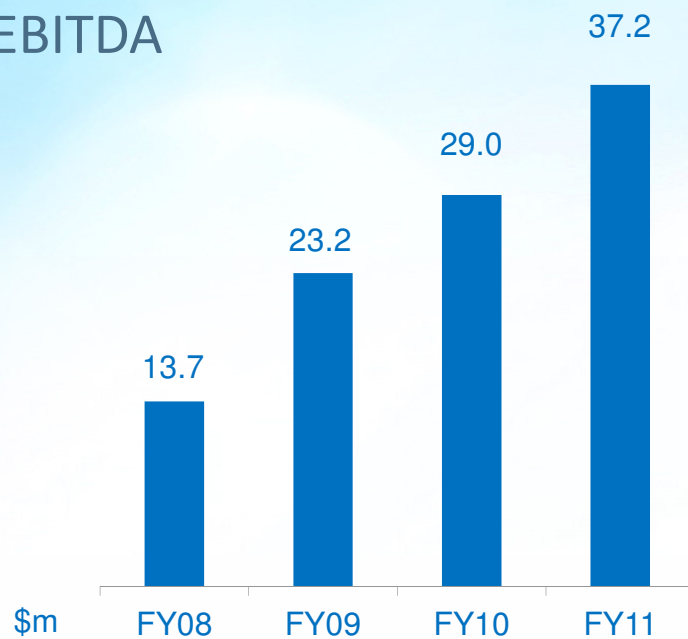
# 2011 FINANCIAL HIGHLIGHTS

- NPAT of \$17.7 million, 70% improvement on pcp
- Ordinary dividend of 22 cps fully franked
- EBITDA profit of \$37.2 million up 28% on pcp
- EBIT profit of \$21.8 million was up 64% on pcp
- Cash and cash equivalents of \$53.5 million as at 30 June 2011
- \$30 million undrawn working capital facility

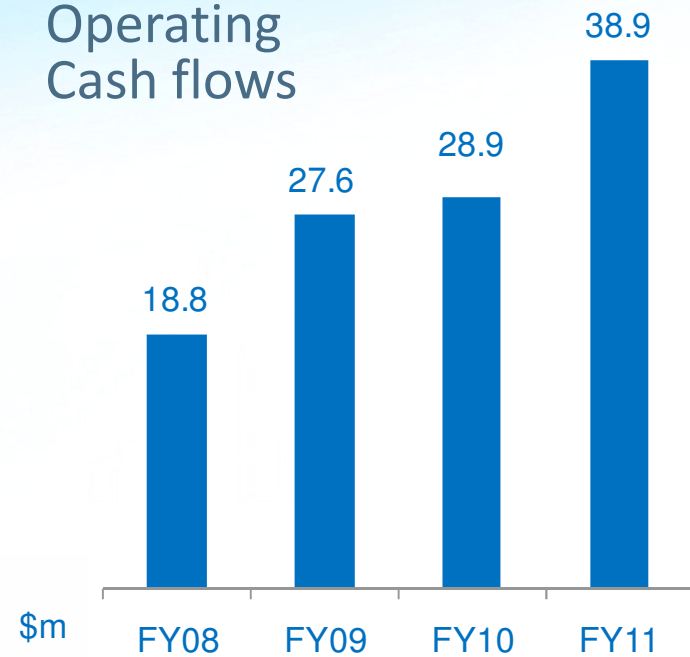
# EBITDA & OPERATING CASHFLOW GROW

(Excludes results from discontinued operation)

## EBITDA



## Operating Cash flows



# OUTLOOK

- EBITDA profit for the full year is expected to be between \$36 and \$38 million
- This result includes operating investments in Intellicentre 2 and Cloud Computing
- Result compares to the previous year's adjusted EBITDA result of \$35.7 million, calculated after removing the impact of a one-off prior year dispute settlement benefit of \$1.5 million
- Phase one of the Intellicentre 2 development will see a further \$47.4 million invested into building construction, mechanical and electrical needs. Approximately \$40 million of this investment is expected to be made in FY2012
- Business as usual capital expenditure for fiscal 2012 is expected to be approximately \$20 to \$22 million, driven by strong Hosting sales

Chief Executive's Address

**DAVID TUDEHOPE**

## **STRATEGIC OBJECTIVE**

To be Australia's number one Managed Hosting and integrated Telco provider to business and government customers through the delivery of service excellence

# CLOUD COMPUTING

Our strategic investment in Cloud Computing is the next step in the evolution of Macquarie Telecom

## INTELLICENTRE 2

Engineered with a focus on sustainability, security and full N+1 redundancy for all elements including power, water and data

Marks a significant step forward in continuing to provide our customers with the best possible enterprise-grade data hosting and Cloud services

# NATIONAL BROADBAND NETWORK

- Macquarie Telecom maintains an active thought leadership role surrounding the long term implications of the National Broadband Network
- Increasing bandwidth speeds will elevate the importance of mission critical web applications in business and fuel growth in Hosting
- Open access model means Telco competition is focused around customer service and services not infrastructure

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