



Service Stream Limited
Level 12, 555 Lonsdale Street
Melbourne, Victoria, 3000
PO Box 14570
Melbourne, Victoria 8001
www.servicestream.com.au

Tel: 61 3 9677 8888
Fax: 61 3 9677 8800
ABN: 46-072-369-870

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ASX & Media Release

Major Services Contract

Leading industrial and technical services group Service Stream Limited (ASX Code: SSM) announced today that it has been awarded a significant new services contract with **Telstra Limited** (ASX Code: TLS) supporting the service delivery on their national payphone network.

The new contract is for 3 years, with 2 one-year options, with Service Stream estimating revenues of approximately \$35 million per annum (approximately \$175m over 5 years). Under the contract, Service Stream will provide services to Telstra's national payphone network including programmed general cleaning, graffiti removal, technical and mechanical maintenance (including faults), and new installations.

Commenting on the announcement, Service Stream's Managing Director and CEO Patrick Flannigan said:

"Service Stream is proud to support Telstra in their on-going commitment to managing the payphone network across urban and select major regional areas. This is another sizeable contract for Service Stream and demonstrates the confidence shown in our capabilities by such a valued customer."

"The payphones contract also demonstrates the broadening of Service Stream's capabilities. We are moving from delivering primarily technical services to the provision of holistic services to clients in the telecommunications sector."

"The ability to provide comprehensive solutions allows Service Stream to achieve synergies and economies of scale when delivering these critical services to clients."

This **Services** contract represents new work over and above existing contract arrangements with Telstra. These include **Installations & Maintenance** in Sydney, Brisbane, Adelaide and Perth (telephony installation, network faults, ADSL installations and exchange jumpering activities) and **Specialist Services** across all capital cities (pit & pipe replacement, pole replacement, network upgrades, broadband network maintenance, optical fibre activities & external plant maintenance).

The addition of this contract places Service Stream on track to completing more than 10,000 installations, faults and general maintenance tasks nationally on a daily basis for their many clients in the telecommunications sector.

For further details contact:

Patrick Flannigan, Managing Director & Chief Executive Officer
Service Stream Limited
Tel: (61 3) 9677 8888

Jo May, Investors & Media
Alitum Partnership
Tel: (61 3) 9200 7069

Michael Doery, Executive Director & Chief Financial Officer
Service Stream Limited
Tel: (61 3) 9677 8888

About Service Stream Limited:

Service Stream is a public company listed on the Australian Stock Exchange (ASX Code: SSM) with annual revenues approaching A\$300 million. The company is an Australian owned and operated industrial services enterprise with proven outsourced field force management, technical support, customer contact, customer assistance and asset management capabilities. Service Stream aims to generate superior returns for shareholders by leveraging its equipment installation and maintenance capabilities across a range of infrastructure based industries. For more information please visit the Company's website at www.servicestream.com.au.