

ASX & Media Release**27 August 2009****Record revenues in 2009 and improved profit outlook for 2010****Highlights**

- Operating revenue up 23.9% to \$558.2M
- EBITDA down 19.1% to \$30.1M
- Telstra AAS contract underpins the business
- Jemena Networks, Sydney Water & Telstra HFC contract wins
- All major business divisions performing profitably
- Material organic growth opportunities in core business streams
- Major banking facilities in place through to 31 October 2010
- Positive FY10 outlook

Results Commentary

Service Stream Limited (ASX Code: SSM) consolidated its position as a leading diversified infrastructure services company with the release today of its results for the 2009 financial period.

The Company delivered another strong year in operating revenue growth, up by 23.9% to \$558.2M. Service Stream EBITDA and NPAT for the period were down to \$30.1M and \$11.1M respectively, principally due to the loss in McCourt Dando (\$9.4M at EBITDA level).

Key highlights were the performance of the Tickets of Work activities (revenue up 47%), and AMRS (revenue up 24%) within Specialist Field Services and the result of Contact Centre Solutions (revenue up 10%) in a very difficult environment.

As previously advised, the Company has not declared a final dividend due to the disappointing second half performance and the continuing impact of global economic conditions. The funds retained will assist in positioning the Company for improved trading and future growth.

The period reflected one of significant challenges from the economic slowdown as well as the under-performance of a part of the business. The year can best be described as one of consolidation but not without highlights in more than doubling of revenues to \$228M under the major Access and Associated Services (AAS) contract with Telstra, winning substantial contracts with Jemena Networks with estimated revenues of \$15M over 2 years, Sydney Water (\$20M, 8 years), Telstra HFC and renewal of a number of contracts for TCI, AMRS and Contract Centre Solutions.

Commenting on the results, Service Stream Acting Managing Director Mr Michael Doery said:

"The past year reflected one of both consolidation and achievement for the Group. Whilst our reported profit fell short of the previous year, this was heavily impacted by the McCourt Dando performance which has now been quarantined and brought under control. Strong performance achieved under the AAS contract, our Contact Centre business performed exceptionally well despite intense competition, whilst the diversification into non-Telco areas continued including major contract wins.

We continued our push into environmental services (activities undertaken included installation of solar panels, and light bulb exchanges) during the period with a number of joint wins involving both Specialist Field Service activities and Contact Centre Solutions. Our increasing ability to offer a full service end-to-end solution provides Service Stream with significant advantages over many of its competitors."

The Company retains a satisfactory financial position with current facility maturities to November 2010 and later.

Performance Summary	Period to:	30 June 2009	30 June 2008	Movement +/-
Revenue (\$'000)		558,240	450,556	23.9%
EBITDA (\$'000)		30,147	37,246	(19.1%)
PBT (\$'000)		15,300	25,947	(41.0%)
NPAT (\$'000)		11,118	18,095	(38.6%)
EPS – diluted (cents)		6.20	10.42	(40.5%)
DPS – total (cents)		3.50	7.50	(53.3%)
Interest Cover (times)		3.1	5.9	
Gearing Ratio (net debt to net debt plus equity)		33.6%	32.1%	

Outlook

Service Stream continues to be well placed in a challenging operating and economic environment. The Company has retained its consistent strategy in providing a spread of services to large Telco and Utility asset owners including design, deployment and management of core network infrastructure.

The four year AAS contract became fully operational during the period and is now well embedded as the platform for the Company's continued growth with Telstra. The total engagement extends to various areas across the Telstra network including Mobile Tower builds, upgrades to its HFC network and Payphones maintenance. We are ideally placed to be a major participant as the roll-out details and associated negotiations for the National Broadband Network (NBN) are finalised.

A realignment of the McCourt Dando business and the continued profitable performances in the other core businesses points to a stronger operating performance in the 2010 financial period and beyond.

Mr Doery commented on the outlook saying: "We have commenced 2010 with a solid foundation underpinned by the AAS Contract, Jemena Networks and Sydney Water as well as the recent renewal of numerous contracts in TCI (Telstra Mobile Towers), Contract Centre Solutions (Optus DSL) and AMRS (Origin Energy & ETSA meter reading). The ability to offer a full complement of services including design, provisioning, supply chain and contact centre support across a broad range of activities to multiple Utility sectors positions us well for the future.

The Company is confident it will return to growth in underlying earnings per share during the 09/10 financial year."

For further details contact:

Service Stream Limited

Michael Doery, Acting Managing Director

Tel: (61 3) 9677 8888

Ken Latchford, Chief Financial Officer

Tel: (61 3) 9677 8888

About Service Stream Limited:

Service Stream is a public company listed on the Australian Securities Exchange (ASX Code: SSM) with annualised revenues approaching A\$600 million. The company is an industrial services enterprise with proven outsourced infrastructure deployment, management and service capabilities across 60 locations throughout Australia. Service Stream's technical workforce nearing 5,000 supports large asset owners on the deployment, management and servicing of essential network infrastructure in the telecommunication, electricity, water and gas sectors. For more information please visit the Company's website at www.servicestream.com.au.