SERVICE STREAM LIMITED

FY21 Full-Year Results Presentation

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ESSENTIAL NETWORK SERVICES

26 August 2021

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Key Messages

- Transformational acquisition of Lendlease Services announced will provide a strong platform for future growth, enhancing the Group's capabilities and addressable markets
- Group met guidance within a challenging year marked by a reduction in telecommunications works and an unpredictable COVID-19 setting
- Maintained strong focus on the delivery of operations and support of key clients:
  - Successfully re-secured major contractual agreements, supporting a strong core earnings base into the future
  - Supported the transition and mobilisation of major contractual agreements
  - Pro-active cost response to align with renewed contract revenues, and disciplined investment in systems to drive operating efficiencies
  - Continued to deliver industry leading safety performance
- Industry sector fundamentals remain strong, and enhanced by significant private and public investment which will support increased infrastructure services into the longer term
- Continue to monitor and respond to the changing COVID-19 landscape

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FY21 Group Highlights

Financial

- ✓ EBITDA from Operations of $80.1m, in line with guidance provided
- ✓ Strong cash flow generation, conversion of 99.0% and net cash position retained
- ✓ Balance sheet in robust position to support Lendlease Services transaction

Operational

- ✓ Delivered HSE performance improvements across key metrics
- ✓ Utility (Comdain) operations experiencing growth phase associated with gas and water infrastructure upgrades
- ✓ Re-secured all major telecommunications agreements over multi-year terms
- ✓ Strong foundation with future contracted revenues in excess of $2bn (excluding extension options)

Strategic

- ✓ Announced the acquisition of Lendlease Services in July, supporting the Group's diversification and growth strategy
  - Acquisition is highly complementary to Service Stream's current operations
  - Creates a broader portfolio of businesses by expanding operations across the wider infrastructures services market
  - Initial business separation and integration activities commenced in early-August, target Completion around November
- ✓ Released enhanced Sustainability Report, supporting improved disclosure and performance across key ESG matters

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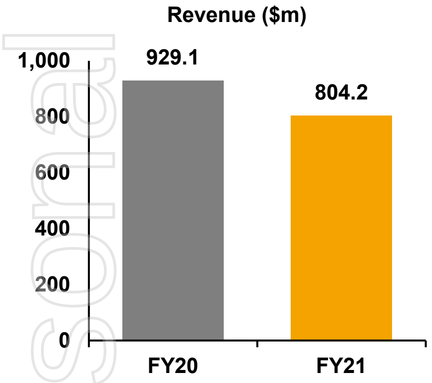
Financial Headlines

Revenue

$804.2m

13.4% v FY20

- Group Revenue down by $124.9m from FY20

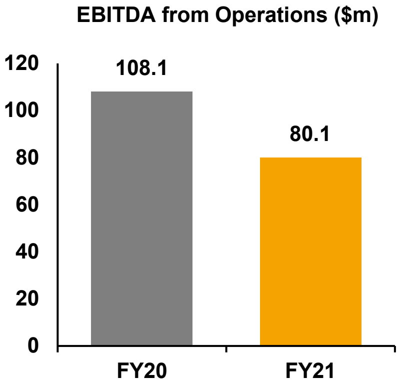


EBITDA from Operations

$80.1m

25.9% v FY20

- EBITDA from Operations, down from $108.1m in FY20
- Excludes M&A and restructuring costs of $5.0m

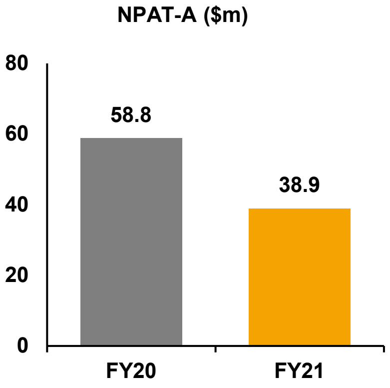


Adjusted NPAT (NPAT-A)

$38.9m

33.8% v FY20

- NPAT-A down from $58.8m in FY20
- Statutory NPAT of $29.3m is net of non-operational costs and amortisation of customer contracts from historical acquisitions

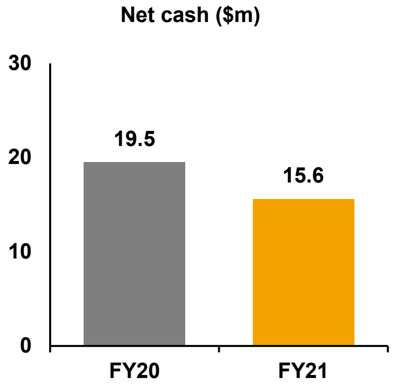


Net Cash

$15.6m

-$3.9m v FY20

- Strong EBITDA to OCFBIT conversion rate of 99.0%

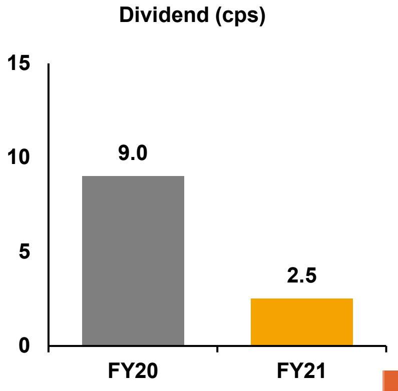


Dividend

2.5 cps

FY21 interim dividend only

- Final FY21 dividend not declared to assist with funding the Lendlease Services acquisition
- Resumption of dividends expected post Completion, subject to business performance



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COVID-19

Positive exposure to essential network infrastructure and pro-active management of evolving issues enabling continuation of operations

- Exposure to essential infrastructure networks has provided a steady revenue base and sustained resilience through the COVID-19 pandemic
- Comprehensive COVID-19 response plan initiated and maintained across all aspects of the Group's national operations
- Strong engagement with clients to ensure safe operations within agreed guidelines
- COVID-19 related effects which have negatively impacted operations during FY21 include:
  - deferral of discretionary and non-critical programs of work
  - border restrictions and various state-based lock downs impacting work delivery and resource movement
  - continuing moratoriums on electricity and gas disconnections (and subsequent reconnections)
  - increased costs to support specific safety-related protocols across business operations
  - The Victorian Stage 4 COVID-19 restrictions significantly reduced TechSafe's Victorian services with $1.1m of JobKeeper assistance received in relation to this issue
- Impacts from COVID-19 progressively abated over the course of FY21, however some operations are yet to return to pre-COVID levels.
- The business continues to monitor and adapt to the changing COVID-19 landscape and circumstances. The recent outbreaks across NSW and Victoria are interrupting some of our operations, however our experience to date has not seen a material financial impact.

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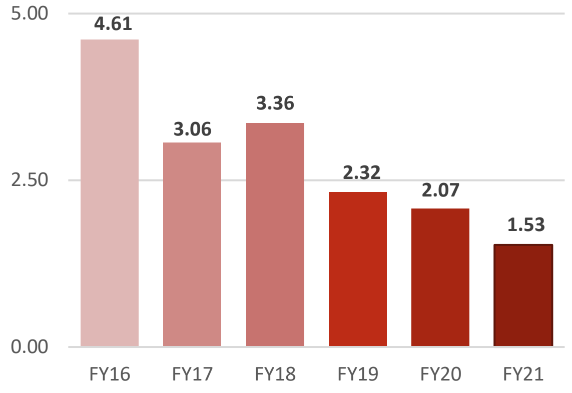
Safety Performance

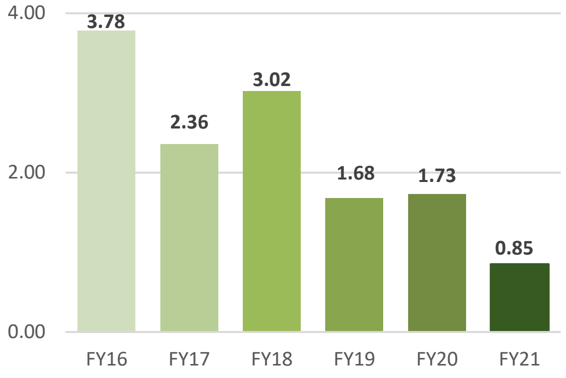
Maintaining our focus on the safety of our people, our customers and the community

- Safety is a core value at Service Stream; we continue to deliver industry leading safety performance:
  - TRIFR recorded annual reduction of 26% over FY21
  - MTIFR improved by 50% on prior year, and
  - LTIFR has remained below 1.0x for six consecutive years
- Strong safety culture that engages proactively with our stakeholders to reduce risk through improved work practices and enhanced critical controls

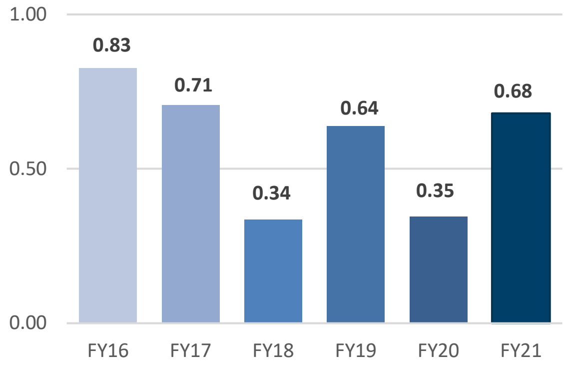
Total Recordable Injury Frequency Rate



Medically Treated Injury Frequency Rate



Lost Time Injury Frequency Rate



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SEGMENT PERFORMANCE

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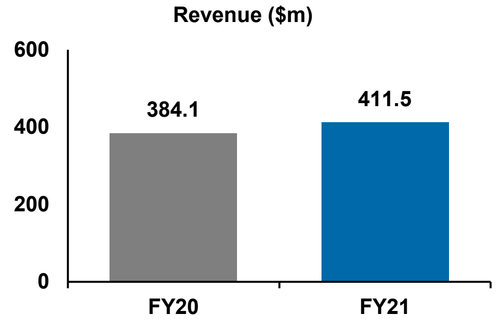
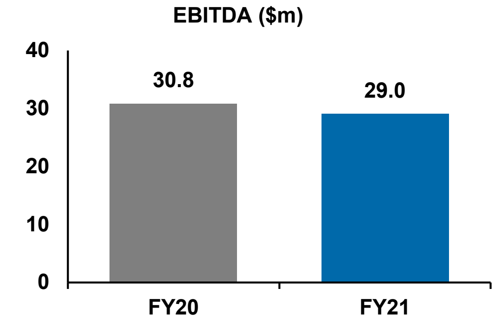
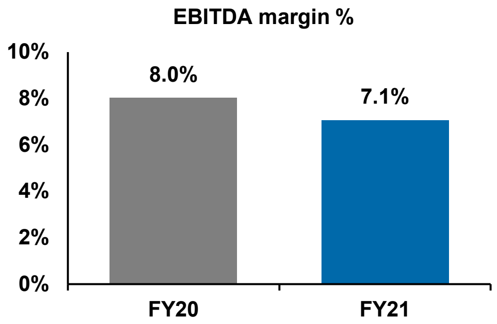
Utilities

Utility network engineering, design & construction, maintenance and operations

- FY21 Revenue of $411.5m was $27.5m (+7.1%) above pcp:
  - Comdain Infrastructure revenue was $319.8m (+11.0%). Project delivery during H2 was negatively impacted by severe weather along the east coast during latter months
  - Metering Services, New Energy & Inspection Services revenue down $4.2m vs pcp, largely due to COVID-19 restrictions which have included moratoriums on energy disconnections (and subsequent reconnections), pause to TechSafe operations during Victorian Stage 4 restrictions and ad-hoc client led restrictions due to snap lockdowns
  - Reduction in segment EBITDA margin due to reduced contribution from Metering Services, growth across lower margin D&C works and increased corporate cost allocations
- New work activity remains robust, with strong pipeline of new gas and water utility project opportunities driven by urban expansion and upgrade/replacement of aging infrastructure:
  - FY22 Comdain revenue growth underpinned by significant contract wins including SEQ Water Southwest Pipeline and ramp up of Sydney Water D4C JV
  - Utilities revenue now reflects ~55% D&C work due to increased profile of new works coming to market
- Successfully completed Comdain ERP (IFS) implementation during H2 FY21







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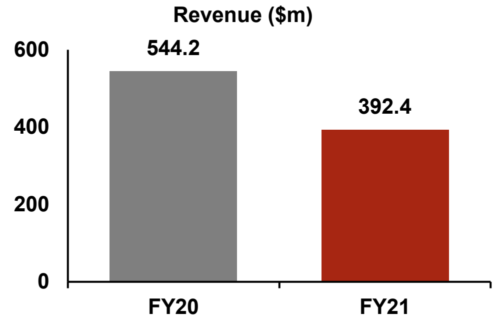
Telecommunications

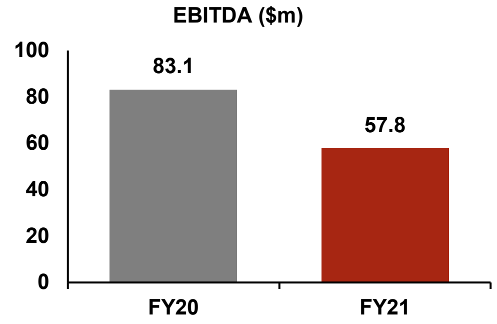
Telecommunication network engineering, design & construction, maintenance and operations

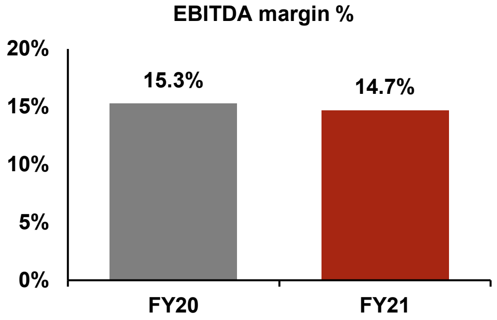
- Revenue for FY21 was $392.4m, 27.9% below pcp due to the conclusion of the nbn D&C program in FY20 and reduction in annual activation volumes
  - Activation and assurance revenues of $232.0m were $101.6m below pcp, with overall activation volumes in line with nbn’s corporate plan. Activity over H2 was negatively impacted by a pause in HFC work due to a shortage of materials
  - Wireless revenue of $63.1m, down $10.0m from pcp with work volumes continuing to track below expectations with subdued 5G expenditure

- The business renewed all 3 of its major telecommunications contracts during FY21, providing future earnings sustainability

- The Group’s Fixed Communications and Network Construction divisions were restructured into a single business unit following nbn contract completion, to enhance customer experience and reduce the operating cost base







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FINANCIAL PERFORMANCE

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Profit and loss

Comparison of results for the 12 months to 30 June 2021

$m	FY21	FY20	Change
Revenue	**804.2**	**929.1**	**(124.9)**
EBITDA	**75.2**	**105.6**	**(30.4)**
Depreciation & amortisation	(9.2)	(11.2)	2.0
Depreciation - leases	(11.3)	(9.5)	(1.8)
Amortisation of customer contracts	(8.9)	(11.0)	2.2
EBIT	**45.9**	**73.9**	**(28.0)**
Net financing costs	(4.0)	(3.6)	(0.5)
Tax expense	(12.5)	(21.2)	8.6
Net profit after tax	**29.3**	**49.3**	**(20.0)**
Statutory EPS (cents)	7.2	12.1	(5.0)
Dividends declared per share (cents)	2.5	9.0	(6.5)
Adjusted profitability:			
EBITDA from Operations	**80.1**	**108.1**	**(28.0)**
EBITDA from Operations %	*10.0%*	*11.6%*	*(1.7%)*
Adjusted NPAT (NPAT-A)	**38.9**	**58.8**	**(19.8)**
Adjusted EPS (cents)	**9.5**	**14.5**	**(5.0)**

Revenue -13.4%:

- Telco segment reduction of -$151.8m due to lower nbn volumes
- Utilities segment up +$27.5m led by Comdain revenue growth of 11.0%, offset by lower metering and technical services revenues

EBITDA from Operations -25.9%:

- Reduction reflective of lower Telecommunication revenue
- Group EBITDA from Operations margin reduced to 10.0%
- Statutory EBITDA includes $5.0m of non-operational costs; $3.5m M&A and $1.5m restructuring

NPAT-A -33.8%:

- Lower D&A on owned assets offset by increased depreciation on leased assets
- NPAT-A excludes $8.9m amortisation of customer contracts associated with historical acquisitions
- Slight increase in interest expense reflective of increased debt facilities and leases
- Effective tax rate 30%

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Cashflow

Comparison of results for the 12 months to 30 June 2021

$ million	FY21	FY20	Change
Reported EBITDA	75.2	105.6	(30.4)
+/- non-cash items & change in working capital	(0.7)	(19.1)	18.4
OCFBIT [1]	**74.4**	**86.4**	**(12.0)**
EBITDA to OCFBIT conversion %	*99.0%*	*81.9%*	*17.2%*
Net interest and financing paid	(4.7)	(3.6)	(1.1)
Tax paid	(24.2)	(25.2)	1.0
Operating cashflow	**45.5**	**57.7**	**(12.1)**
Capital expenditure (net of proceeds from sales)	(8.8)	(6.5)	(2.4)
Free cashflow	**36.7**	**51.2**	**(14.5)**
Dividends paid	(28.7)	(36.3)	7.6
Lease liability payments	(11.9)	(9.7)	(2.2)
Lease incentives received	-	4.2	(4.2)
Proceeds / (repayment) of borrowings	(25.0)	-	(25.0)
Purchase of shares	-	(0.7)	0.7
Net decrease in cash	**(28.9)**	**8.7**	**(37.6)**

[1] *Operating cashflow before interest & tax*

Key highlights:

- Strong OCFBIT conversion rate of 99.0%
- Working capital remains highly efficient at < 2% revenue
- Higher financing cost payments due to refinance of new debt facilities
- Tax paid includes repayment of FY20 $5.0m COVID-19 income tax deferral
- Disciplined capex spend focussed on Comdain ERP implementation, client and efficiency IT initiatives
- Increased lease costs relating to Comdain fleet refresh and additional fleet to support growth

$ million	FY21	FY20	Change
Cash and cash equivalents	50.6	79.5	(28.9)
Borrowings	(35.0)	(60.0)	25.0
Net (Debt) / Cash	**15.6**	**19.5**	**(3.9)**

Excludes lease liability arising from the application of AASB16 to operating leases

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Balance sheet & capital management

Comparison of results at 30 June

$m	FY21	FY20	Change
Cash and cash equivalents	50.6	79.5	(28.9)
Trade and other receivables *	46.8	39.2	7.6
Inventories *	6.8	6.3	0.6
Accrued revenue *	88.4	101.8	(13.4)
Other current assets *	4.9	4.5	0.4
Plant and equipment	13.2	15.2	(2.0)
Right-of-use assets	30.0	29.1	0.9
Intangible assets	306.7	313.2	(6.4)
Total Assets	**547.4**	**588.7**	**(41.3)**
Trade and other payables *	103.5	103.1	0.4
Provisions *	30.4	36.0	(5.6)
Borrowings	33.8	60.0	(26.2)
Lease liabilities	33.7	33.4	0.3
Tax liabilities (net)	22.7	34.5	(11.8)
Total Liabilities	**224.1**	**266.9**	**(42.8)**
Net Assets	**323.3**	**321.8**	**1.5**
* Net working capital	13.1	12.7	0.3

Balance sheet

- Net assets in line with prior year
- Some movement in composition of net working capital, but net balance of $13.1m also in line with prior year

Debt facilities

- Debt facilities refinanced for 3-year term to November 2023 and increased to $275m to support future growth opportunities
- Client bonding (bank guarantees) of $42.4m at 30 June
- Significant facility headroom (incl cash) of $248m at June
- All covenants (TLR, ICR and net assets) comfortably met
- Further $120m facility upsize (to $395m) agreed with lenders to support the Lendlease Services acquisition, aligned to current SFA terms

Dividend

- Final FY21 dividend not declared to support funding of the Lendlease Services acquisition
- Resumption of dividends expected in FY22, subject to business performance

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ACQUISITION OF LENDLEASE SERVICES

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Executive Summary

Refer to the presentation lodged with the ASX on 21 July 2021 for full details of the Acquisition

Acquisition of Lendlease Services

- Service Stream has entered into a binding agreement to acquire Lendlease Services
- Acquisition enterprise value of $310m and an expected equity purchase price of ~$295m
  - Implied Enterprise Value / FY21 pro forma (**FY21PF**) EBITDA multiple of 6.9x pre-synergies or 5.0x post-synergies

Expected Financial Impact

- Combined Group FY21PF revenue of ~$1.6bn and FY21PF EBITDA from Operations of ~$142m, including the full pro forma run-rate of synergies
- Acquisition is expected to be ~30% EPS-A accretive on FY22 pro forma (**FY22PF**) basis[1]
  - Includes expected cost synergies, but excludes one-off integration costs, M&A and equity raise costs
- Cost synergies estimated at ~$17m p.a., to be delivered over a 24-month timeframe
- Estimated integration costs are ~$15m, and transitional services costs from Lendlease Group to support the separation phase is estimated at ~$6m
- Pro forma net debt / FY22PF EBITDA including synergies is expected to be 1.3x at Completion
  - Strong de-leveraging profile with leverage expected to reduce to <1.0x EBITDA within 24 months from Completion

Transaction Funding

- $185m equity raise successfully completed to fund the acquisition
- $123m from debt facilities, which have been upsized by $120m to $395m to provide funding capacity

Timing

- Completion is expected to occur around November 2021, subject to customary completion conditions precedent including client consents

1. *Calculated against broker consensus published L3M for Service Stream's FY22 EPS-A on a standalone basis prior to the announcement of the acquisition. FY22PF assumes the full pro forma run-rate of net synergies ($17 million) and excludes one-off acquisition and integration/separation related costs.*

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Lendlease Services Overview

Leading provider of Operation & Maintenance (O&M) and specialist Design & Construction (D&C) services across Telecommunications, Utilities and Transportation sectors

FY2021 Forecast Revenue ~$793 million EBITDA ~$45 million	**Solid order book of >$3 billion backlog revenue**	**> 2,200 employees and extensive pool of skilled contractors**	**Long standing contractual relationships across blue chip industrial client base**	**Specialised O&M and D&C provider across Telco, Utilities & Transportation sectors**	**National capability and footprint**

Company Overview

- Lendlease Services is a provider of Operations and Maintenance and Specialist Design & Construction services across critical infrastructure
- Structured across three operating divisions:
  - Telecommunications
  - Utilities
  - Transportation Infrastructure
- Offers a comprehensive range of capabilities and services with solutions across essential assets entire life cycle
- Strong national presence, with an experienced management team and skilled workforce of > 2,200 employees across Australia

Markets & Customers

- Diverse client base, including many of Australia's largest public and private infrastructure owners and operators
- Stable portfolio of contracts across a blue-chip industrial client base, with a number of longstanding relationships maintained and enhanced across consecutive contract renewal periods
- The majority of contracts (~89%) operate under well known, lower-risk schedule of rate operating models[1]
- Scalable operations with exposure to a strong pipeline of opportunities across current operating sectors

1. *These contracts do not guarantee volume with the service provider bearing the risk of lower volume of work being allocated. Please refer to the Key Risks in the investor presentation for further information.*

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Lendlease Services Operating Divisions

Operates across Telecommunications (Telco), Utilities (Utilities) and Transportation Infrastructure (Transport)

Telecommunications

Telco (fixed / wireless)

Design, construction, operations and maintenance of wireless and fixed-line network infrastructure

Utilities

Electricity

Design, construction, operations and maintenance of energy, control and power distribution assets

Water

Engineering, installation, operations and maintenance of water and waste-water infrastructure

Industrial

Shutdown and maintenance support services for industrial and utility asset owners and operators

Transport Infrastructure

Roads

Long-term operational support and maintenance services to public and private road and tunnel asset owners

Operation & Maintenance (O&M) Capabilities

Specialist Design & Construction (D&C) Capabilities

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Strategic Rationale

Consistent with Service Stream's strategy, the acquisition of Lendlease Services will diversify revenues, enhance current capabilities and expand the Combined Group's addressable markets

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Diversifies Service Stream's operations, creating a multi-network essential service provider	*Creates a broader portfolio of operations across the wider infrastructure services market*
Enhances the Combined Group's capabilities and expands addressable markets	*Builds deeper capabilities across electricity, water & waste-water, industrial and transportation sectors supporting an expansion of addressable markets*
Complementary client base across known and familiar markets	*Enhances the Group's portfolio of blue-chip clients, further reducing reliance on a small number of customers*
Compelling synergy realisation and business combination benefits	*The acquisition will generate significant cost synergies of ~$17 million, with further potential opportunities to be reviewed during the integration program*
Financially attractive acquisition, highly accretive to earnings	*FY22PF EPS-A accretion of ~30%, before one-off transaction and implementation costs[1]*

1. *Calculated against broker consensus published L3M for Service Stream's FY22 EPS-A on a standalone basis prior to the announcement of the acquisition. FY22PF assumes the full pro forma run-rate of net synergies ($17 million).*

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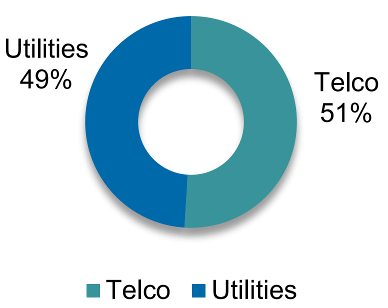
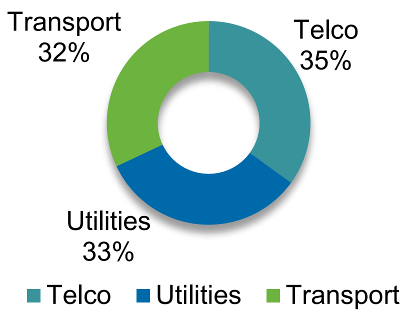
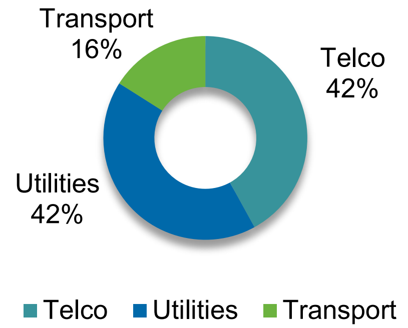
Business Combination

	Service Stream (standalone)	Lendlease Services	Combined Group
Business Units	Telecommunications Utilities	Telecommunications Utilities Transport Services	Telecommunications Utilities Transport Services
Revenue FY21F ($m)	$804.2	$792.7	$1,596.9
EBITDA from Operations[1] FY21F ($m)	$80.1	$44.9	$125.0
Employees	2,218	2,244	4,462
Revenue by segment (FY21F)			

1. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services for the year ended 30 June 2021. Combined Group EBITDA of $125.3 million excludes $17 million of full pro forma run rate synergies, which are discussed in greater detail on page 20 of this presentation.*

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Compelling Acquisition Synergies

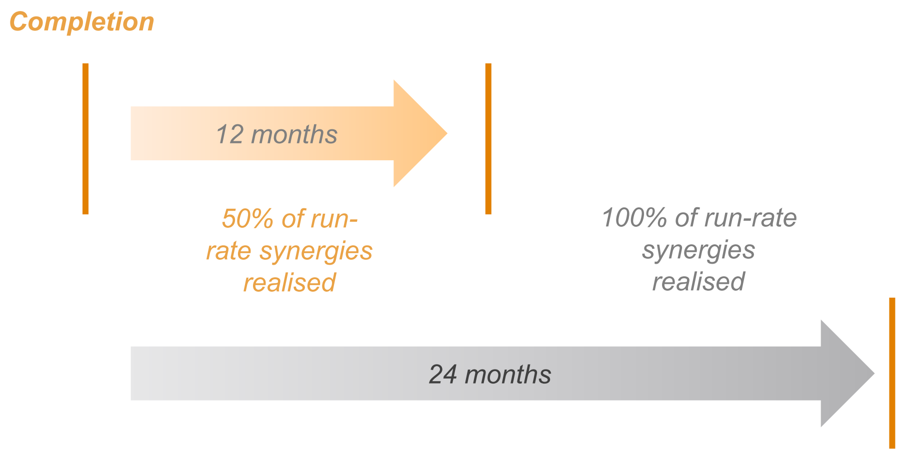
Following a detailed assessment and completion of due diligence, the business expects to realise significant cost synergies

- The acquisition of Lendlease Services is expected to generate cost synergies across the Combined Group of ~$17 million
- Additional synergy opportunities have been identified and will be assessed during the integration program
- The integration program is expected to be completed over an 18-24 month period with primary focus on ensuring continuing operations and realisation of synergies
- Whilst revenue synergies are expected over time, no value has been ascribed
- The program excludes cost & benefits from longer term IT systems consolidation with the merits of each proposal to be considered
- The business expects to incur one-time integration costs of ~$15 million. Delivery of additional synergies may require further integration costs
- A Transitional Services Agreement has been agreed with Lendlease Group for a period of up to 8 months post Completion, to support business continuity during the integration. The cost of the TSA over the 8-month period is estimated to be ~$6 million

Synergy Identification

Synergy	
Business Unit Synergies	~$8 million
Corporate Support Functions	~$7 million
Other Cost Savings	~$2 million
Total estimated annual synergies	**~$17 million**

Delivery Timeframe



1. *All information contained in this page comprises a detailed management estimate of achievable acquisition synergies. Please refer to the Key Risks section of the investor presentation lodged with the ASX on 21 July 2021 for further information.*

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GROUP OUTLOOK

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Service Stream Going Forward

Post-acquisition, Service Stream will reflect a leading Australian essential networks services business operating across the Telco, Utilities and Transport sectors, underpinned by a core earnings base and positioned for significant and sustainable long-term growth

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ESSENTIAL NETWORK SERVICES

Vision	***Australia's leading essential network service provider***			
Our markets	TELECOMMUNICATIONS	UTILITIES	TRANSPORT INFRASTRUCTURE	
Our services	DESIGN	CONSTRUCT	OPERATE	MAINTAIN

Leading essential networks services business

- ✓ Trusted partner across Telecommunications, Utilities & Transportation sectors
- ✓ 3 distinct divisions, operating across attractive market sectors
- ✓ Strong track record of safety, service delivery and customer experience
- ✓ O&M and specialist D&C capabilities

Strong core underlying business

- ✓ National capability operating across essential network infrastructure
- ✓ Proven track record of profitability and customer contract retention
- ✓ >4,400 employees and extensive pool of skilled contractors

Blue chip underlying client base

- ✓ Portfolio of clients that include some of the largest private and public infrastructure asset owners and operators in Australia
- ✓ Includes numerous long-term customer relationships with many maintained over consecutive contract renewal cycles

Customer contract life-cycle focus

- ✓ Commercial expertise and customer relationships in each state strengthened through the combination of businesses
- ✓ Contracts are typically multi-year terms with extension options
- ✓ Combined contract backlog of ~$5.8 billion

Compelling organic growth opportunities

- ✓ Increase in industry expenditure forecast across all operating markets
- ✓ Essential and resilient operating sectors servicing critical infrastructure networks
- ✓ Extensive pipeline of opportunities across all operating markets

Experienced management team

- ✓ Highly skilled and experienced management teams will support an uplift in Combined Group's future capabilities
- ✓ Oversight from an experienced and long-standing Board of Directors

Ability to drive financial returns

- ✓ FY22PF Revenues of ~$1.7 billion comprising ~85% secured revenue
- ✓ FY22PF EBITDA of $120-125 million
- ✓ Significant pipeline of synergies to execute
- ✓ Strong cash flow conversion
- ✓ Conservative balance sheet

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Group Outlook

- Strong industry sector fundamentals, enhanced by significant private and public investment in infrastructure assets is expected to drive sustained demand and growth for maintenance services into the longer term
- Acquisition of Lendlease Services will provide a step change to the Group's financial and earnings profile
- Service Stream expects post acquisition pro forma FY22 EBITDA from Operations (inclusive of full run rate of synergies of $17m) of $120-125m
  - Service Stream's FY22 standalone earnings are expected to rebase below FY21, in line with the Telecommunication contracts secured during FY21
  - Timing of Completion (currently expected to be around November 2021), ramp up and phasing of synergies will determine actual FY22 outcome
- The current outbreak of the Delta variant of COVID-19 is interrupting some of the Group's operations:
  - Financial impacts to date have not been material
  - Whilst the business expects there will continue to be intermittent interruptions, it has not forecast for major lockdowns to continue throughout the year
  - We expect lockdowns should diminish as vaccination rates increase across the country
  - Given the unpredictable nature of this pandemic and the associated response, any impact to the full year outlook is currently difficult to predict

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HISTORICAL FINANCIAL PERFORMANCE DATA

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Appendix 1

PROFIT & LOSS

$ million	1H17	2H17	1H18	2H18	1H19	2H19	1H20	2H20	1H21	2H21	FY17	FY18	FY19	FY20	FY21
Utilities [1]	$48.6	$46.0	$54.7	$52.1	$51.3	$213.0	$199.2	$184.9	$199.6	$211.9	$94.6	$106.7	$264.3	$384.1	$411.5
Telecommunications [1]	$194.6	$217.8	$244.4	$290.7	$298.1	$291.3	$297.9	$246.3	$209.9	$182.4	$412.4	$535.2	$589.4	$544.2	$392.4
Interest Income	$0.3	$0.3	$0.4	$0.5	$0.6	$0.1	$0.1	$0.0	$0.0	$0.0	$0.7	$0.9	$0.7	$0.1	$0.0
Other & Eliminations	($2.7)	($3.2)	($5.4)	($4.5)	($2.1)	($0.1)	$0.6	$0.2	$0.3	($0.1)	($5.9)	($9.9)	($2.2)	$0.8	$0.2
Total Revenue	**$240.8**	**$261.0**	**$294.1**	**$338.8**	**$348.0**	**$504.2**	**$497.8**	**$431.4**	**$409.9**	**$394.3**	**$501.8**	**$632.9**	**$852.2**	**$929.1**	**$804.2**
Utilities [1]	$3.2	$4.4	$5.4	$5.1	$5.4	$17.1	$15.5	$15.4	$14.7	$14.4	$7.6	$10.5	$22.5	$30.8	$29.0
Telecommunications [1]	$20.1	$26.6	$29.7	$32.7	$35.9	$41.2	$45.3	$37.8	$28.7	$29.0	$46.6	$62.3	$77.1	$83.1	$57.8
Unallocated Corporate Services	($2.2)	($3.2)	($3.0)	($3.5)	($2.7)	($3.6)	($2.7)	($3.1)	($3.2)	($3.5)	($5.4)	($6.5)	($6.4)	($5.8)	($6.7)
EBITDA from Operations	**$21.1**	**$27.8**	**$32.1**	**$34.2**	**$38.6**	**$54.6**	**$58.1**	**$50.0**	**$40.2**	**$39.9**	**$48.9**	**$66.3**	**$93.3**	**$108.1**	**$80.1**
EBITDA from Operations %	***8.8%***	***10.6%***	***10.9%***	***10.1%***	***11.1%***	***10.8%***	***11.7%***	***11.6%***	***9.8%***	***10.1%***	***$0.1***	***$0.1***	***$0.1***	***$0.1***	***$0.1***
Non-Operational Items	$0.0	($0.5)	$0.0	$1.0	($0.6)	($3.1)	($1.7)	($0.9)	($1.1)	($3.9)	($0.5)	$1.0	($3.7)	($2.5)	($5.0)
Reported EBITDA	$21.1	$27.3	$32.1	$35.2	$38.0	$51.5	$56.4	$49.2	$39.1	$36.0	$48.4	$67.3	$89.5	$105.6	$75.2
Depreciation & Amortisation	($2.5)	($4.6)	($2.7)	($4.8)	($3.0)	($5.8)	($5.7)	($5.5)	($4.5)	($4.7)	($7.0)	($7.5)	($8.8)	($11.2)	($9.2)
Depreciation - Leases [2]	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	($4.5)	($5.0)	($5.2)	($6.1)	$0.0	$0.0	$0.0	($9.5)	($11.3)
Amort of customer contracts - TechSafe	$0.0	($0.5)	($1.0)	($1.0)	($0.9)	($0.9)	($0.7)	($0.7)	($0.4)	($0.4)	($0.5)	($1.9)	($1.8)	($1.3)	($0.8)
Amort of customer contracts - Comdain	$0.0	$0.0	$0.0	$0.0	$0.0	($5.7)	($4.8)	($4.8)	($4.0)	($4.0)	$0.0	$0.0	($5.7)	($9.7)	($8.0)
Reported EBIT	$18.6	$22.2	$28.4	$29.5	$34.1	$39.2	$40.8	$33.1	$25.0	$20.8	$40.9	$57.9	$73.3	$73.9	$45.9
Net financing costs	$0.0	($0.2)	$0.2	$0.2	$0.4	($1.6)	($1.3)	($1.2)	($1.3)	($1.7)	($0.2)	$0.4	($1.2)	($2.5)	($3.1)
Net financing costs - Leases [2]	$0.0	$0.0	$0.0	$0.0	$0.0	($0.0)	($0.5)	($0.5)	($0.5)	($0.5)	$0.0	$0.0	($0.0)	($0.9)	($1.0)
Income tax expense	($5.6)	($6.7)	($8.6)	($8.5)	($10.4)	($11.9)	($11.7)	($9.4)	($7.0)	($5.6)	($12.3)	($17.2)	($22.3)	($21.2)	($12.5)
Statutory NPAT	$13.0	$15.3	$19.9	$21.2	$24.1	$25.8	$27.3	$22.0	$16.2	$13.0	$28.4	$41.1	$49.9	$49.3	$29.3
Effective Tax Rate	*30.1%*	*30.5%*	*30.3%*	*28.7%*	*30.2%*	*31.5%*	*30.0%*	*30.0%*	*30.0%*	*30.0%*	*30.3%*	*29.5%*	*30.9%*	*30.0%*	*30.0%*
Adjusted EBIT (EBITA)	**$18.6**	**$23.2**	**$29.3**	**$29.4**	**$35.6**	**$48.9**	**$47.9**	**$39.5**	**$30.5**	**$29.1**	**$41.8**	**$58.8**	**$84.5**	**$87.4**	**$59.7**
EBITA %	**7.7%**	**8.9%**	**10.0%**	**8.7%**	**10.2%**	**9.7%**	**9.6%**	**9.2%**	**7.4%**	**7.4%**	**8.3%**	**9.3%**	**9.9%**	**9.4%**	**7.4%**
Adjusted NPAT (NPATA)	**$13.0**	**$16.0**	**$20.6**	**$20.9**	**$25.1**	**$32.5**	**$32.3**	**$26.5**	**$20.1**	**$18.8**	**$29.1**	**$41.5**	**$57.7**	**$58.8**	**$38.9**
NPATA %	**5.4%**	**6.1%**	**7.0%**	**6.2%**	**7.2%**	**6.5%**	**6.5%**	**6.1%**	**4.9%**	**4.8%**	**5.8%**	**6.6%**	**6.8%**	**6.3%**	**4.8%**

[1] Customer Care in Utilities up to 30-6-18 and in Telecommunications from 1-7-18

[2] Arising from the adoption of AASB 16 *Leases*

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Appendix 2

RECONCILIATION OF STATUTORY TO ADJUSTED PROFITABILITY MEASURES

$ million	1H17	2H17	1H18	2H18	1H19	2H19	1H20	2H20	1H21	2H21	FY17	FY18	FY19	FY20	FY21
Reported EBITDA	$21.1	$27.3	$32.1	$35.2	$38.0	$51.5	$56.4	$49.2	$39.1	$36.0	$48.4	$67.3	$89.5	$105.6	$75.2
add-back adjustments:															
- Restructuring costs	-	-	-	-	-	-	-	-	-	($1.5)	-	-	-	-	($1.5)
- Acquisition costs (TechSafe)	-	($0.5)	-	-	-	-	-	-	-	-	($0.5)	-	-	-	-
- Write-back of Deferred Consideration (TechSafe)	-	-	-	$1.0	-	-	-	-	-	-	-	$1.0	-	-	-
- Integration costs (Comdain)	-	-	-	-	-	($1.3)	($0.4)	($0.8)	-	-	-	-	($1.3)	($1.2)	-
- Acquisition costs (Comdain)	-	-	-	-	($0.6)	($1.9)	-	-	-	-	-	-	($2.5)	$0.0	-
- Due diligence costs on acquisition opportunities	-	-	-	-	-	-	($1.2)	($0.1)	($1.1)	($2.4)	-	-	-	($1.3)	($3.5)
EBITDA from Operations	**$21.1**	**$27.8**	**$32.1**	**$34.2**	**$38.6**	**$54.6**	**$58.1**	**$50.0**	**$40.2**	**$39.9**	**$48.9**	**$66.3**	**$93.3**	**$108.1**	**$80.1**
Reported EBIT	$18.6	$22.2	$28.4	$29.5	$34.1	$39.2	$40.8	$33.1	$25.0	$20.8	$40.9	$57.9	$73.3	$73.9	$45.9
add-back adjustments:															
- As above for EBITDA	-	($0.5)	$0.0	$1.0	($0.6)	($3.1)	($1.7)	($0.9)	($1.1)	($3.9)	($0.5)	$1.0	($3.7)	($2.5)	($5.0)
- Amortisation of Customer Contracts (TechSafe)	-	($0.5)	($1.0)	($1.0)	($0.9)	($0.9)	($0.7)	($0.7)	($0.4)	($0.4)	($0.5)	($1.9)	($1.8)	($1.3)	($0.8)
- Amortisation of Customer Contracts (Comdain)	-	-	-	-	-	($5.7)	($4.8)	($4.8)	($4.0)	($4.0)	-	-	($5.7)	($9.7)	($8.0)
Adjusted EBIT (EBITA)	**$18.6**	**$23.2**	**$29.3**	**$29.4**	**$35.6**	**$48.9**	**$47.9**	**$39.5**	**$30.5**	**$29.1**	**$41.8**	**$58.8**	**$84.5**	**$87.4**	**$59.7**
Statutory NPAT	$13.0	$15.3	$19.9	$21.2	$24.1	$25.8	$27.3	$22.0	$16.2	$13.0	$28.4	$41.1	$49.9	$49.3	$29.3
add-back adjustments:															
- As above for EBIT	-	($1.0)	($1.0)	$0.0	($1.5)	($9.7)	($7.2)	($6.4)	($5.5)	($8.3)	($1.0)	($0.9)	($11.1)	($13.5)	($13.8)
- Tax effect of above (as relevant)	-	$0.3	$0.3	$0.3	$0.4	$2.9	$2.1	$1.9	$1.7	$2.5	$0.3	$0.6	$3.3	$4.1	$4.1
Adjusted NPAT (NPATA)	**$13.0**	**$16.0**	**$20.6**	**$20.9**	**$25.1**	**$32.5**	**$32.3**	**$26.5**	**$20.1**	**$18.8**	**$29.1**	**$41.5**	**$57.7**	**$58.8**	**$38.9**
Avg number of shares on issue (millions)	363.8	365.2	365.2	362.7	360.8	401.3	405.5	407.7	408.9	410.0	364.5	364.0	380.9	406.6	409.5
Statutory EPS (cents)	**3.6**	**4.2**	**5.4**	**5.8**	**6.7**	**6.4**	**6.7**	**5.4**	**4.0**	**3.2**	**7.8**	**11.3**	**13.1**	**12.1**	**7.1**
Adjusted EPS (cents)	**3.6**	**4.4**	**5.6**	**5.8**	**7.0**	**8.1**	**8.0**	**6.5**	**4.9**	**4.6**	**8.0**	**11.4**	**15.1**	**14.5**	**9.5**
Dividends Declared (cents)	**1.5**	**3.0**	**3.0**	**4.5**	**3.5**	**5.5**	**4.0**	**5.0**	**2.5**	**0.0**	**4.5**	**7.5**	**9.0**	**9.0**	**2.5**
Dividend payout ratio (based on Statutory EPS)	41.9%	71.4%	55.0%	77.0%	52.4%	85.7%	59.4%	92.6%	62.9%	n/a	57.8%	66.4%	68.8%	74.2%	35.0%
Dividend payout ratio (based on Adjusted EPS)	41.9%	68.4%	53.2%	78.2%	50.2%	67.9%	50.2%	76.9%	50.9%	n/a	56.5%	65.8%	59.4%	62.3%	26.3%

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Appendix 3

SEGMENT RESULTS

$ million

UTILITIES	1H17	2H17	1H18	2H18	1H19	2H19	1H20	2H20	1H21	2H21	FY17	FY18	FY19	FY20	FY21
Metering and Technical Services [1]	$48.6	$46.0	$54.7	$52.1	$51.3	$52.7	$51.9	$44.1	$44.8	$46.9	$94.6	$106.7	$104.1	$96.0	$91.8
Comdain	$0.0	$0.0	$0.0	$0.0	$0.0	$160.2	$147.3	$140.8	$154.8	$165.0	$0.0	$0.0	$160.2	$288.1	$319.8
Segment Revenue	**$48.6**	**$46.0**	**$54.7**	**$52.1**	**$51.3**	**$213.0**	**$199.2**	**$184.9**	**$199.6**	**$211.9**	**$94.6**	**$106.7**	**$264.3**	**$384.1**	**$411.5**
Segment EBITDA	**$3.2**	**$4.4**	**$5.4**	**$5.1**	**$5.4**	**$17.1**	**$15.5**	**$15.4**	**$14.7**	**$14.4**	**$7.6**	**$10.5**	**$22.5**	**$30.8**	**$29.0**
EBITDA %	**6.7%**	**9.5%**	**9.8%**	**9.8%**	**10.6%**	**8.0%**	**7.8%**	**8.3%**	**7.4%**	**6.8%**	**8.0%**	**9.8%**	**8.5%**	**8.0%**	**7.1%**

TELECOMMUNICATIONS	1H17	2H17	1H18	2H18	1H19	2H19	1H20	2H20	1H21	2H21	FY17	FY18	FY19	FY20	FY21
nbn Activation & Assurance	$66.8	$79.5	$109.9	$108.1	$124.4	$151.7	$176.9	$156.7	$134.5	$97.5	$146.3	$218.1	$276.1	$333.6	$232.0
nbn Minor Projects	$6.8	$6.6	$12.5	$22.4	$24.8	$34.8	$29.0	$41.5	$31.5	$43.3	$13.3	$34.9	$59.6	$70.5	$74.8
nbn MIMA & DCMA	$13.2	$28.0	$45.7	$60.0	$70.1	$57.6	$40.6	($2.0)	$0.0	$0.0	$41.1	$105.7	$127.7	$38.5	$0.0
nbn New Developments	$21.0	$13.1	$0.5	$0.1	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$34.1	$0.6	$0.0	$0.0	$0.0
Other Fixed Line customers [1]	$27.4	$28.5	$23.3	$25.1	$20.5	$18.0	$14.5	$13.9	$11.1	$12.0	$55.9	$48.3	$38.5	$28.4	$23.1
Fixed Line	**$135.1**	**$155.7**	**$191.9**	**$215.7**	**$239.7**	**$262.1**	**$261.0**	**$210.1**	**$177.1**	**$152.8**	**$290.8**	**$407.6**	**$501.8**	**$471.0**	**$329.9**
Wireless	**$58.8**	**$61.7**	**$52.5**	**$75.0**	**$58.3**	**$29.2**	**$36.9**	**$36.2**	**$33.3**	**$29.8**	**$120.5**	**$127.6**	**$87.6**	**$73.1**	**$63.1**
Other & Eliminations	$0.7	$0.4	$0.0	$0.0	$0.0	$0.0	$0.0	($0.0)	($0.4)	($0.2)	$1.1	$0.0	$0.0	$0.0	($0.6)
Network Construction Revenue	$93.6	$103.2	$98.7	$135.1	$128.4	$86.8	$77.5	$34.2	$32.8	$29.6	$196.8	$233.9	$215.3	$111.7	$62.4
Segment Revenue	**$194.6**	**$217.8**	**$244.4**	**$290.7**	**$298.1**	**$291.3**	**$297.9**	**$246.3**	**$209.9**	**$182.4**	**$412.4**	**$535.2**	**$589.4**	**$544.2**	**$392.4**
Segment EBITDA	**$20.1**	**$26.6**	**$29.7**	**$32.7**	**$35.9**	**$41.2**	**$45.3**	**$37.8**	**$28.7**	**$29.0**	**$46.6**	**$62.3**	**$77.1**	**$83.1**	**$57.8**
EBITDA %	**10.3%**	**12.2%**	**12.1%**	**11.2%**	**12.1%**	**14.1%**	**15.2%**	**15.4%**	**13.7%**	**15.9%**	**11.3%**	**11.6%**	**13.1%**	**15.3%**	**14.7%**

[1] Customer Care in Utilities up to 30-6-18 and in Telecommunications from 1-7-18

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