

ASX AND MEDIA RELEASE

SERVCORP REPORTS FIRST HALF NET PROFIT BEFORE TAX OF \$23.48 MILLION, UP 20%

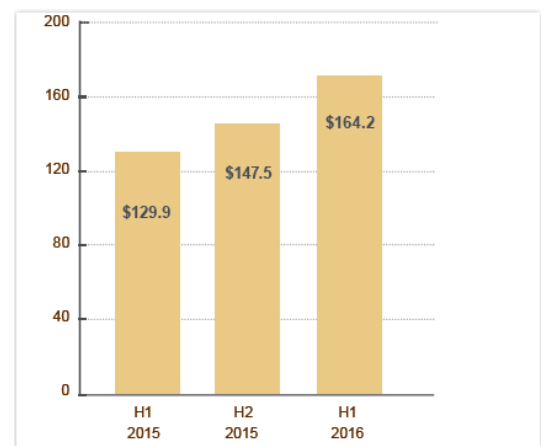
Servcorp Limited ABN 97 089 222 506 (SRV) today announced a net profit before tax of \$23.48 million for the six months ended 31 December 2015.

Servcorp, the world's leading provider of executive serviced offices, virtual offices and superior IT and business infrastructure solutions, operates 147 floors in 52 cities across 21 countries.

Summary of results for First Half of Financial Year 2016

- Revenue of \$164.24 million, up 27% on the first half of FY 2015.
- Net profit before tax of \$23.48 million.
- Net profit after tax of \$18.73 million, up 17% on the first half of FY 2015.
- Net profit before tax on like for like floors was \$31.26 million, up 62%.
- Unencumbered cash and investment balances of \$92.20 million as at 31 December 2015 (30 June 2015: \$99.33 million).
- NTA backing of \$2.39 per share as at 31 December 2015, up 9%.
- Earnings per share of \$0.19, up 17% on the first half of FY 2015.
- Directors reaffirm guidance of not less than \$48 million net profit before tax for FY 2016.
- Interim dividend of 11.00 cents per share, 50% franked, payable on 23 March 2016.
- Approximately 80% of revenue and profits earned offshore.

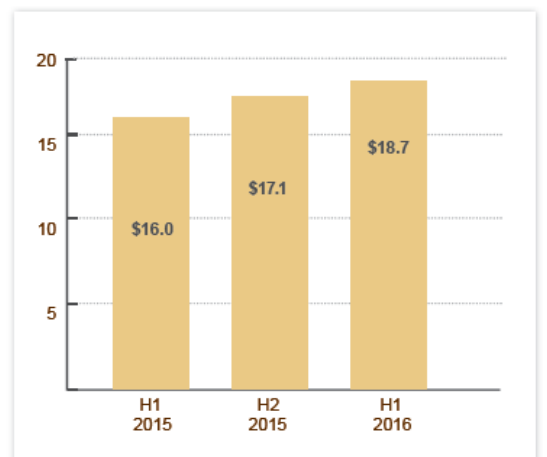
Revenue (\$ millions)



Business overview

- Directors are pleased with the Consolidated Entity's performance for the first half of FY 2016.
- Revenue and profit have improved compared to the prior comparative period, which marks five consecutive years of revenue and profit growth.
- All geographic segments improved their revenue and profit performance during the period.
- Occupancy of like for like floors was 76% at 31 December 2015.

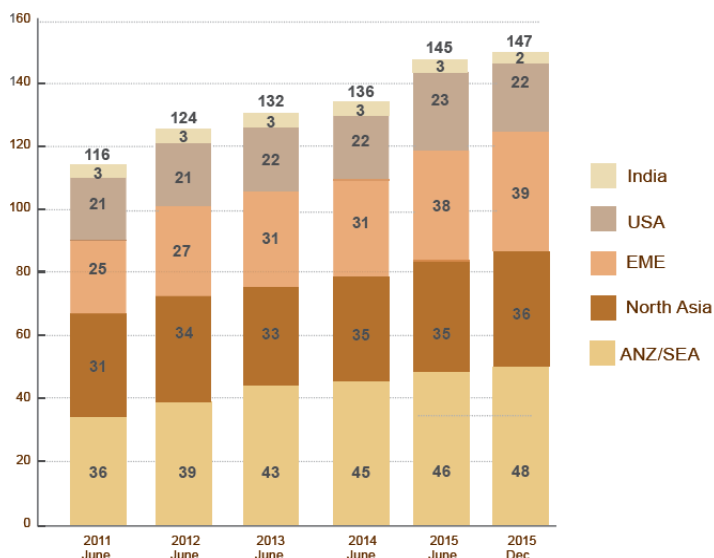
Net profit after tax (\$ millions)



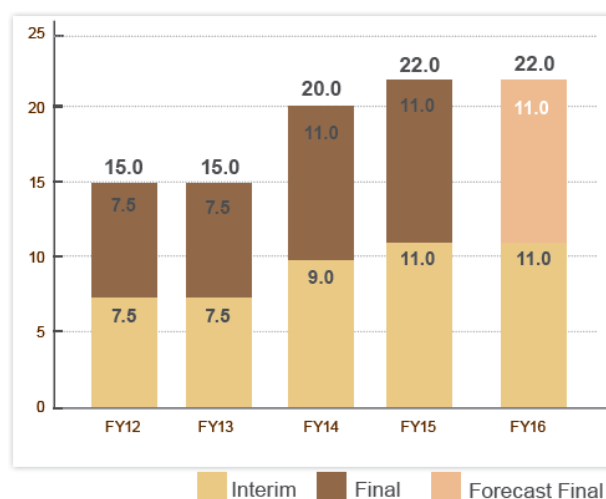
The Servcorp Footprint

- Four new floors were opened in the first half of FY 2016 and one floor was expanded.
- There are plans to open a further six floors and expand one existing floor in the second half of FY 2016. In total this will add approximately 10% to office capacity in FY 2016.
- Our new floors were in Singapore, Abu Dhabi, Auckland and Osaka.
- Our new floors in the second half of the financial year will include the new market of Iran, where we will open 63 offices across three floors in one location.

Servcorp floors



Dividends (cents per share)



Dividends

- The Directors have declared an interim dividend of 11.00 cents per share, with a record date of 4 March 2016, payable on 23 March 2016. The dividend will be 50% franked. There is no foreign conduit income attributed to the dividend.
- It is expected that the final dividend will also be 11.00 cents per share, with an anticipated 50% franking. This would bring total dividends for FY 2016 to 22.00 cents per share.
- Payment of future dividends is subject to currencies remaining constant, global financial markets remaining stable and no unforeseen circumstances.

Outlook for Financial Year 2016

- Directors reaffirm guidance, for FY 2016, of net profit before tax of not less than \$48 million.
- Future earnings should benefit from a weaker AUD, as approximately 80% of revenue and profits are denominated in currencies other than AUD.
- This forecast is subject to currencies remaining constant, global financial markets remaining stable and no unforeseen circumstances.

Executive Share Option Scheme

- The Directors have resolved to issue 285,000 options over unissued ordinary shares of SRV, to six key management personnel. The options will have an exercise price of \$7.00, and an exercise period commencing 36 months after issue date and expiring five years after issue date, subject to remaining an employee of SRV.
- The options will be issued pursuant to the terms and conditions of the Company's Executive Share Option Scheme.

For more information contact

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Results Presentation

Tuesday, 23 February 2016 at 4:30pm
Level 63 MLC Centre, 19 Martin Place, Sydney

Dial-in facility

+61 3 8644 7041
Access code 220 142 299

Online meeting

If you wish to join the online meeting,
please email Kristy.grbevski@servcorp.com.au
by midday on Tuesday, 23 February 2016