FY11
Full Year Results

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Taking Your Business Forward

Agenda

Highlights

FY11 Financial Overview

Divisional Overview

Conclusion & Outlook

Appendix

Full Year Highlights

- FY11 group revenue of $388.6m up 39.9% on previous year
- Reported EBITDA of $70.3m increase of 18.5% on previous year
- Reported NPAT of $40.4m increase of 26.2% on previous year
- FY11 cash flow from operating activities of $14.1m with substantial improvement in fourth quarter of $25.3m
- FY11 Capex of $19.6m a 27.9% reduction on previous year
- Declared fully franked final dividend of 3.0 cents per share for a total of FY11 dividend of 5.5 cents per share

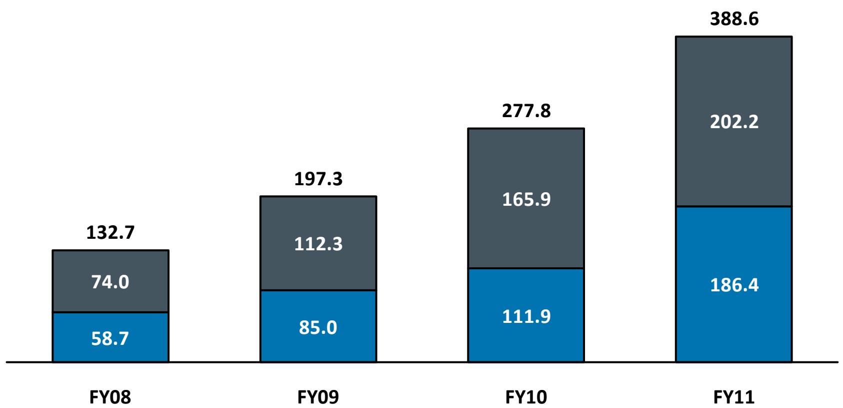
Delivering on Update

- Reported NPAT within guidance range
  - $40.4m in FY11 an increase of $8.3m compared to the pcp
- Technology Solution business improvement in H2 FY11 achieved
  - $41.5m of contract wins from March to June 2011: a 12% conversion of the pipeline, realising the investment in solutions development
- Capex reduction in the second half achieved
  - Capex of $5m in second half by 26.9%
- Canon acquisition to meet EBITDA expectations achieved
  - Although Print Services in Australia is behind expectations

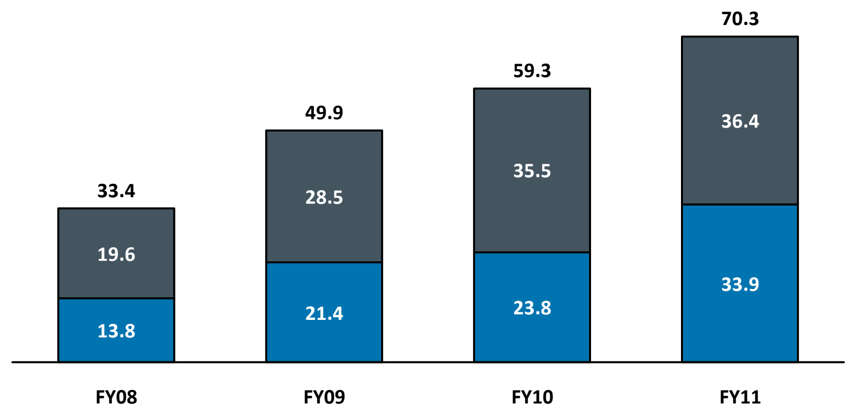
Financial Overview

FY11 Financial Overview

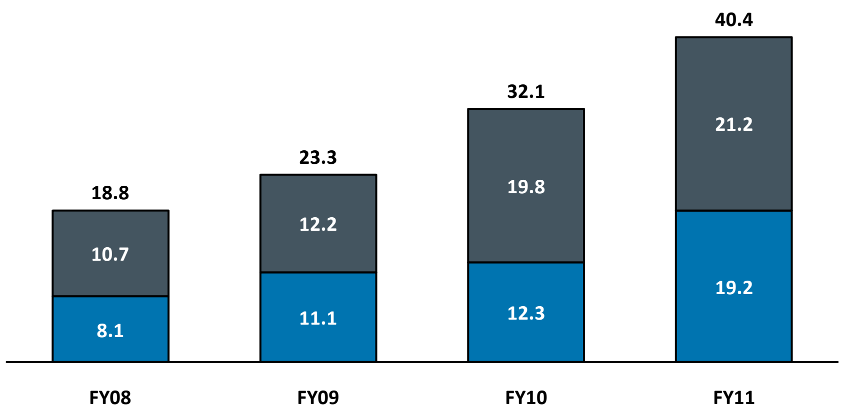
Revenue ($'m)



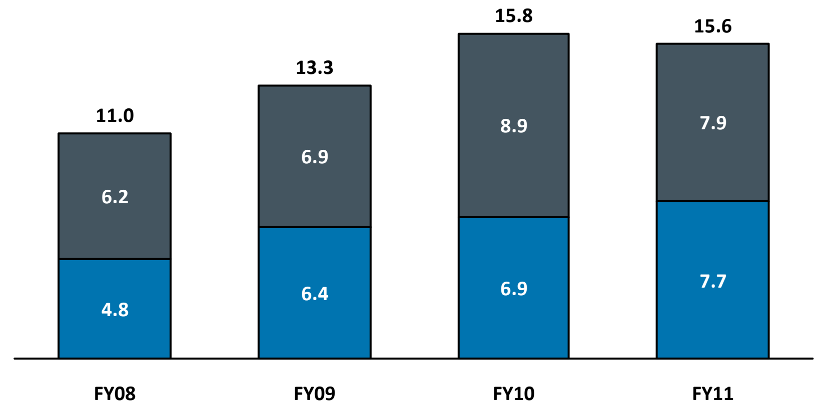
EBITDA ($'m)



Net Profit After Tax ($'m)



Earnings Per Share (cents)



Half 2
Half 1

Income Statement

	FY10	FY11	Variance
Revenue ($m)	277.8	388.6	40%
EBITDA ($m)	59.3	70.3	19%
Depreciation ($m)	9.5	6.8	(28%)
Amortisation ($m)	4.0	8.6	115%
EBIT ($m)	46.1	55.0	19%
Interest Expense ($m)	5.4	12.3	128%
Income Tax ($m)	8.6	2.3	(73%)
NPAT ($m)	32.1	40.4	26%
EBITDA Margin (%)	21%	18%	

- Revenue growth of 39.9% on pcp attributed to acquisitions and organic growth
- Canon business EBITDA in line with expectations
- Since market update $41.5m Technology pipeline converted to signed deals
- Income tax impacted by a number of items:
  - Research & Development credits
  - Deferred consideration adjustments
  - Release of NZ tax provision
  - Tax credits on NZ leasing book acquired

Further Earnings Adjustments

	H1	H2	FY11
Reported EBITDA	**33.9**	**36.4**	**70.3**
One-off Legal Fees	1.1	0.7	1.8
Disruption/Integration	1.6	1.0	2.6
Deferred consideration write - back	(4.0)	(2.0)	(6.0)
Technology Receivables	0.0	1.0	1.0
Research & Development Credits	0.0	(2.0)	(2.0)
Other items	1.3	0.0	1.3
Adjusted EBITDA *	**33.9**	**35.1**	**69.0**

Reported NPAT was also reduced by:

- $1.6m of contract related amortisation largely in relation to ASG payment
- $2.9m of acquired business purchase price amortisation

$70.3m non-adjusted EBITDA included:

- Legal fees related to Fuji Xerox court case
- Integrating new Canon business and FXA moratorium period in QLD
- Deferred consideration write back as result of acquired businesses not meeting maximum earn out
- R&D allowances $2m higher than expected
- ‘Other’ items includes $1m from prior years and Technology receivables relating to expired ACT contracts

** Refer to Appendix for detailed break up across divisions*

Operating Cash Overview

	FY11 H1	FY11 Q3	FY11 Q4	FY11
EBITDA	**33.9**	**13.5**	**22.9**	**70.3**
Tax Paid	(1.1)	(1.5)	(0.0)	(2.6)
Interest Paid	(5.5)	(2.9)	(3.8)	(12.2)
Decrease/(Increase) in Receivables	(9.3)	(13.3)	0.4	(22.2)
(Decrease)/Increase in Payables	0.5	(13.0)	11.1	(1.4)
Decrease/(Increase) in Inventory	(13.6)	1.1	(5.3)	(17.8)
Other	0.0	0.0	0.0	0.0
Operating Cash	**4.9**	**(16.1)**	**25.3**	**14.1**

- First three quarters impacted by working capital requirements associated with Canon.
- Cash returning to normal levels
- Working capital requirement reduced in June Quarter
- Receivables and Trade Payables increased in line with increased activity
- No further large working capital requirements expected

Capital Expenditure

(A$m)	FY10	FY11 H1	FY11 H2	FY11
Print Services	**1.8**	**2.3**	**0.6**	**2.9**
Canon Vehicles & Building Fitout	0.0	1.4	0.0	1.4
Internal Capex & Systems Development	1.8	0.9	0.6	1.5
Technology Solutions	**23.5**	**11.1**	**4.4**	**15.5**
Software Developed For Resale	8.0	4.9	2.4	7.3
Contract Bid Costs	2.6	3.6	1.7	5.3
Education Contract Fee	4.2	0.0	0.0	0.0
Infrastruture Services Capex	6.7	1.2	0.0	1.2
Internal Capex & Systems Development	2.1	1.4	0.3	1.7
Corporate	**1.5**	**1.2**	**0.0**	**1.2**
Internal Capex & Systems Development	0.8	0.0	0.0	0.0
Building Fitout	0.7	1.2	0.0	1.2
Total	**26.8**	**14.6**	**5.0**	**19.6**

- FY11 Capex declined 26.9% on FY10 with H2 capex consistent with March update
- Build of replicable products substantially complete
- Contract bid costs driven by large infrastructure projects when contracts are won
- Capex of new Canon branches complete

Borrowings

(A$m)	F11 H1	F11 Q3	FY11
Borrowings Per Financial Statements	93.6	104.3	75.0
Unamortised Borrowing Costs	3.0	2.7	2.7
Amount Drawn	96.6	107.0	77.7
Cash	18.1	13.5	31.0
Net Debt	**78.5**	**93.5**	**46.7**
Guarantees	4.1	4.2	4.1
Facility Usage	**82.6**	**97.7**	**50.8**
Facility Limit	127.9	125.8	125.8
Headroom + Cash	**45.3**	**28.1**	**75.0**
Net Interest Bearing Debt	**106.8**	**121.8**	**75.0**
Net Debt	78.5	93.5	46.7
Canon Deferred Consideration	28.3	28.3	28.3

- At 30 June contractual payments of $34.7m were still outstanding as detailed in equity raising presentation of April 2011.
- Contractual payments of $27.7m to be made in FY12.
- The financial position at 30 June provides prudent level of funding headroom for continued operational flexibility and to meet upcoming contractual commitments.

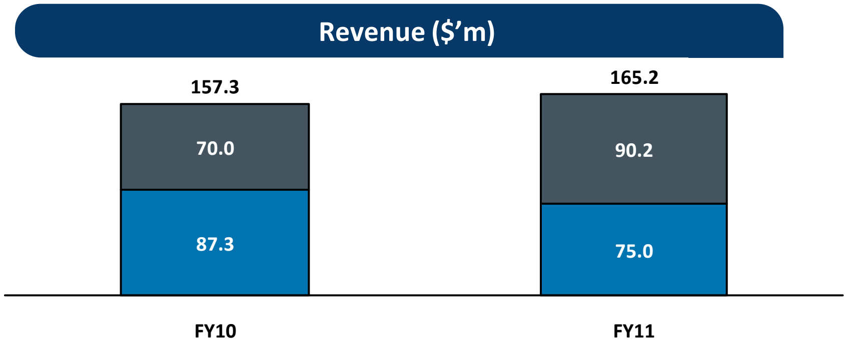
Balance Sheet Comparative

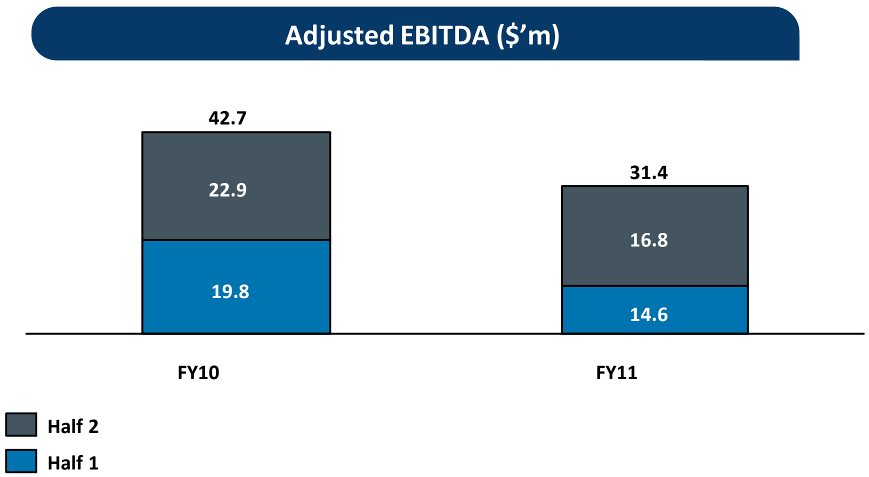
	FY10	FY11	FY10 v F11
Current Assets	132.4	190.7	58.3
Cash	22.2	31.0	8.8
Receivables	49.6	71.9	22.3
Lease Receivables	36.0	39.7	3.7
Inventories	20.0	37.8	17.8
Other	4.6	10.4	5.8
Non Current Assets	362.3	389.3	27.0
Lease Receivable	78.4	67.5	(10.9)
Goodwill	234.5	265.8	31.3
Intangibles	18.1	25.9	7.8
PP&E	23.6	22.2	(1.4)
Other	7.7	7.9	0.2
Total Assets	**494.7**	**580.0**	**85.3**
Current Liabilities	84.8	120.1	35.3
Debt Associated With Lease Receivable	8.3	8.5	0.2
Trade Payables	28.9	34.4	5.5
Deferred Consideration	5.6	27.7	22.1
Other	42.0	49.5	7.5
Non Current Liabilities	183.3	164.3	(19.0)
Long Term Borrowings	74.0	71.0	(3.0)
Debt Associated With Lease Receivable	93.1	85.3	(7.8)
Deferred Consideration	15.1	7.0	(8.1)
Other	1.1	1.0	(0.1)
Total Liabilities	**268.1**	**284.3**	**16.2**
Total Equity	**226.6**	**295.7**	**69.1**

- Net Interest bearing debt $75.0m a result of:
  - Å net bank debt of $46.7
  - Å Canon deferred consideration $28.3
- Available cash was $31m at 30 June
- Senior Debt/EBITDA of 1.1 times
- Debt to debt plus equity stood at 21%
- Deferred consideration $34.7m including Canon

Divisional Overview
Technology Solutions

Technology Solutions Results





- Revenue increase of $7.9m on FY10. Growth occurred in large multi-year applications contracts.
- $23m in organic growth also to replace Ultranet revenue from FY10.
- H2 FY11 revenue 29% increase on H2 FY10 revenue.
- FY11 Adjusted EBITDA declined by 26% on pcp due to changes in NT government contracts and ACT and SA Managed Service contract commencing later than expected
- Rapid growth in Application business on East coast led to higher number of contract resources and impacted profitability
- Business Integration completed to improve operational effiency

Technology Solutions Metrics

	FY09 H1	FY09 H2	FY09	FY10 H1	FY10 H2	FY10	FY11 H1	HY11 H2	FY11
Revenue (Excl. Inter-Segment)	56.2	78.4	134.6	80.5	76.8	157.3	74.3	90.9	165.2
Multi-Year	33.0	57.8	90.8	59.8	48.4	108.2	47.6	63.3	110.9
Transaction	23.2	20.6	43.8	20.7	28.4	49.1	26.7	27.6	54.3
Multi-Year %	59%	74%	67%	74%	63%	69%	64%	70%	67%
Transaction %	41%	26%	33%	26%	37%	31%	36%	30%	33%
EBITDA	18.3	24.3	42.6	19.8	22.9	42.7	14.6	16.8	31.4
EBITDA %	33%	31%	32%	25%	30%	27%	20%	18%	19%

2012 Forward Look Order Book at 30 June 2011 ($m)	
Open order book as at 30 June 2011	45.4
Managed Services annuity for FY12	76
Committed Revenue for FY12	121.4

Key Indicators

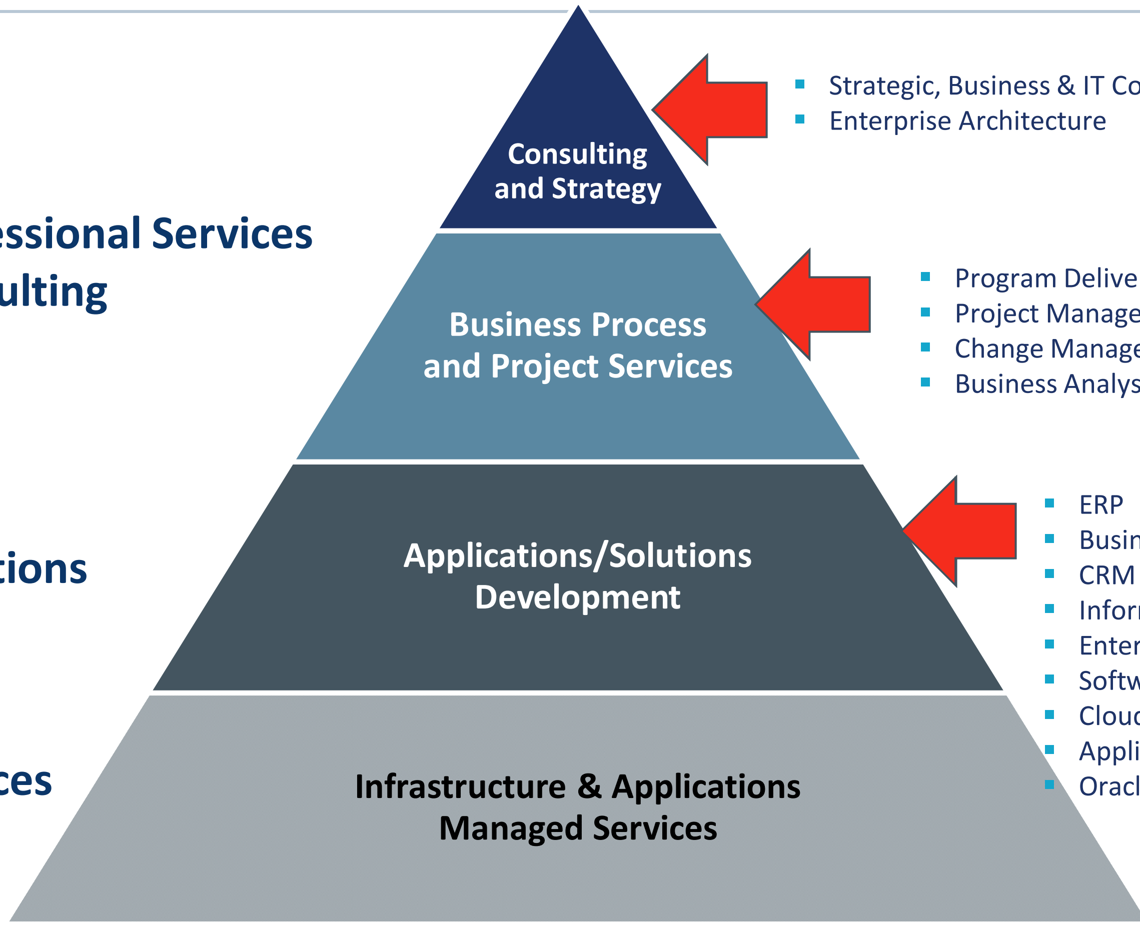
- March – June 2011 closed major opportunities $41.5m
- ATO Contract commenced mid June
- Strong pipeline growth in multi-year contract opportunities from $350m in March '11 to $512m current
  - Further opportunities for Managed Services in Fed Govt
  - Active proposals of $230m across division
- Maturity of pipeline particularly multi-year application contracts
  - Catholic Education Office, Sydney HR Payroll Cloud contract'
- Progression of sales cycle opportunity of replicable solutions
  - Education sector opportunities growing
- Continuing to pick high growth winning sectors
  - iPad applications development
  - Business Intelligence

Technology Solutions has end to end capability from strategic consulting down to the infrastructure layer

CSG Professional Services
CSG Consulting

CSG Solutions

CSG Services



- Strategic, Business & IT Consulting
- Enterprise Architecture

- Program Delivery
- Project Management
- Change Management
- Business Analysis

- ERP
- Business Intelligence
- CRM
- Information Management
- Enterprise IT Management
- Software as a Service
- Cloud Computing
- Application Development
- Oracle

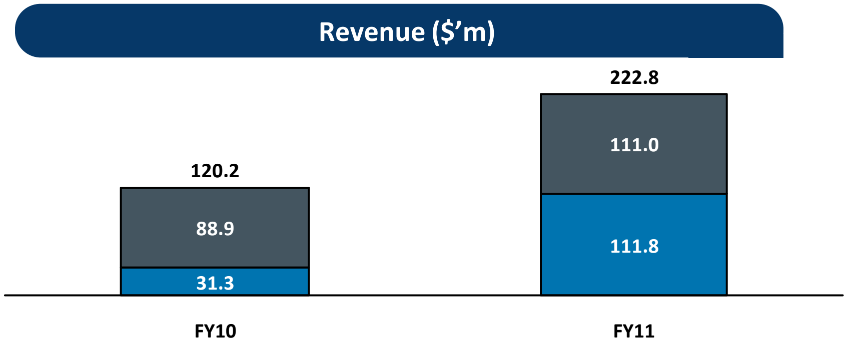
- Applications Support
- Maintenance
- Training
- Remote Community ICT Support
- SAN /DBA as a Service

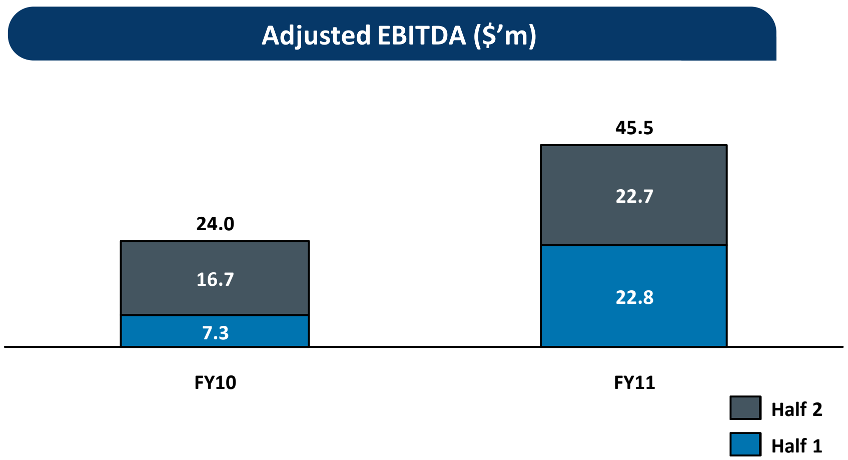
- Service Desk
- Event / Incident / Request Management
- Problem Management
- Asset Management
- Change / Release Management

- Continuity Planning
- Server Management
- Desktop Management
- Network Management
- Security / Access Management

Divisional Overview
Print Services

Print Services (Australia and New Zealand) Results





- Canon business met initial EBITDA target
- Print Services saw negative growth in second half driven by worse than expected performances in the four Queensland branches and reduction in service revenue in Canon business.
- Impact of Fuji Xerox moratorium and natural disasters had negative effect on sales and service
- Overall equipment sales revenue stronger in 2nd half in Australia and NZ
- Service revenue declined mainly due to step change reduction in MIF in QLD and replacement of high price colour machines in Australia and NZ
- More colour machines in field and colour will continue to grow although initial focus on colour has reduced overall colour revenue and margins
- Print NZ saw earnings growth in the full year in NZ $ compared to the pcp

Print Services Metrics

	FY09 H1	FY09 H2	FY09	FY10 H1	FY10 H2	FY10	FY11 H1	FY11 H2	FY11
Total Revenue	**28.6**	**33.7**	**62.3**	**31.3**	**88.9**	**120.2**	**111.8**	**111.0**	**222.8**
Service Revenue ($m)	12.8	13.8	26.6	14.6	38.6	53.2	57.2	52.7	109.9
Equipment Sales ($m)	12.9	14.2	27.0	12.1	32.9	45.0	35.9	43.5	79.4
Other Revenue ($m)	2.9	5.7	8.6	4.6	17.4	22.0	18.7	14.8	33.5
Average MIF	5.3	5.4	5.3	5.7	25.9	0.0	36.6	36.0	36.2
Service Revenue Per MIF\Mth ($m)	408	424	416	424	249	0	261	244	253
EBITDA	4.9	7.2	12.1	7.3	17.2	24.5	22.8	22.7	45.5
EBITDA %	17.1%	21.4%	19.4%	23.3%	19.4%	20.4%	20.4%	20.4%	20.4%
% of Total Prints that are Colour	19.2%	20.5%	19.9%	23.1%	14.0%	0.0%	15.8%	16.5%	16.1%
Australia	19.2%	20.5%	19.9%	23.1%	24.4%	23.7%	19.2%	20.3%	19.6%
New Zealand					10.9%	10.9%	12.9%	13.7%	13.4%

- Equipment sales revenue increased in second half despite large slow down in sales in QLD and slower than expected sales in Sydney and Melbourne in third quarter
- Service revenue in H2 declined due to:
  - Novation of customers in QLD reducing MIF
  - Higher competition in QLD branches
  - Colour MIF replacements to lower cost colour devices
- NZ saw overall revenue and earnings growth in second half compared to first half and earnings growth for full year compared to PCP in NZ dollars.
- Colour volumes as a percentage of total prints managed, continue to grow

Print Services Strategy

Major Enterprise Strategy

Tier 1
- Managed Print Services – continued success in Australia, growth opportunity in New Zealand
- Government, Education and Major Accounts strength in New Zealand

Major Growth Opportunity

Light Production
- Continued growth in New Zealand
- New growth opportunity in Australia

Core Business Strategy

Colour Volume
- Conversion of Mono MFDs to Colour
- Increased Colour Print Volume per device
- Transfer of Laser Printer and outsourced print volumes to MFDs

Core Markets

Commercial
- SME market focus
- Colour MIF acquisition
- Market share growth
- Increased sales coverage

Conclusion and Outlook

Technology Solutions Outlook

Å Active proposals totalling $260m at 30 June FY11 with number of contracts expected to close in first quarter

Å Reduce cost of operations by hosting applications solutions on CSG infrastructure and platform as cloud services

Å Continue focus on replicable solutions leveraging from previous investment in R&D

Å Integration of business units completed to allow a solid foundation for future organic growth and continuous improvement of business functions

Å Focus on increasing efficiency in delivery organisation through consolidation of resource management and decrease in contract resources as result of integration

Print Services Outlook

Australia

Å Decline in earnings in QLD is a step change - H2 FY11 will continue to impact FY12 performance

Å Expect growth in equipment sales – national sales coverage continued growth during full year

Å MIF growth – improved sales coverage to deliver service revenue run rate growth during year

Å Action plans in place to improve service margins

New Zealand

Å Growth in Service revenue and margin – continued focus on growth of Colour MIF and print volumes, and maintenance of achieved prices

Å Equipment sales & margin growth – increased focus on the Commercial sector with greater sales coverage

Å Growth in the Production printing business – continuing the recent sales momentum of the new Konica Minolta product range

Å MIF numbers slightly up

Å Sales and Service mobility projects delivering improved productivity

CSG Overview

FY11 created a solid foundation based on:

Å Acquisition integration in both divisions

Å National footprint – new contracts, new offices, greater reach

Å Improved operating cash flow in fourth quarter

Board and Executive Strategy across both businesses will focus on:

Å Delivering organic growth in terms of revenue

Å Expanding margins through efficiency in delivery gains

Å Increasing cash conversion across all business units

Å Paying down debt

Å Leveraging sales across all businesses and launch Technology Solutions in New Zealand

Appendix

Adjusted EBITDA

	Technology			Print			Corporate			CSG Group		
	H1	H2	FY	H1	H2	FY	H1	H2	FY	H1	H2	FY
Reported EBITDA	17.9	21.2	39.1	20.7	21.7	42.4	(4.7)	(6.5)	(11.2)	33.9	36.4	70.3
One-off Legal Fees							1.1	0.7	1.8	1.1	0.7	1.8
Business Disruption\Integration				1.6	1.0	2.6				1.6	1.0	2.6
Prior Period				0.6		0.6				0.6	0.0	0.6
Deferred consideration write - back	(4.0)	(3.4)	(7.4)					1.4	1.4	(4.0)	(2.0)	(6.0)
Technology Receivables		1.0	1.0							0.0	1.0	1.0
Research & Development Credits		(2.0)	(2.0)							0.0	(2.0)	(2.0)
Other items	0.7		0.7							0.7	0.0	0.7
Adjusted EBITDA	14.6	16.8	31.4	22.8	22.7	45.5	(3.6)	(4.4)	(8.0)	33.9	35.1	69.0