



More than you expect.

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19 November 2015

The Manager, Listings (Melbourne)
Australian Securities Exchange Limited
Level 4
Rialto North Tower
525 Collins Street
MELBOURNE VIC 3000

Dear Sir/Madam

AGM ADDRESSES BY THE CHAIRMAN AND MANAGING DIRECTOR

In accordance with Listing Rule 3.13.3, we **attach** a copy of the addresses to be given by the Chairman and the Managing Director at CSG Limited's Annual General Meeting today.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Chris Lobb'.

Chris Lobb
Company Secretary
CSG Limited



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CSG Annual General Meeting
19 November 2015
Speech by Tom Cowan – Chairman

Before I invite CSG's Managing Director, Julie-Ann Kerin to address you, I would like to provide some introductory comments.

As captured in this year's results announcement and Annual Report, CSG produced another strong result in 2015. These results could not have been achieved without lots of hard work by the entire CSG team. I would like to recognise the contributions made by all my fellow Directors, our CEO and her senior management team, together with all our valued employees who continue to help grow CSG into a leading provider of technology services to the Australian and New Zealand markets

I would also like to take this opportunity to recognise that our longest serving non-executive director, Philip Bullock is stepping down at the conclusion of today's meeting. Phil on behalf of your fellow Board colleagues and shareholders generally, thank you for your outstanding contribution to CSG during your time and we wish you all the best for the future.

I will now pass you over to Managing Director, Julie-Ann Kerin, to further expand on some exciting growth initiatives and provide some further insights into the recent performance of the business.

End.

Speech by Julie-Ann Kerin – Managing Director

Thank you for the introduction Chairman and I would like to welcome you all here today. In FY15 our activity has been centred on business improvement and growth. Three years into our turnaround strategy set in 2012, this year we again delivered on our objectives announcing increases in revenue, profit and EBITDA while positioning the business for the future.

The financial results were pleasing with all business divisions achieving double digit growth.



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Financial Achievements:

For the full year, our revenue was \$224.3million, which represented 13% growth on the previous corresponding period.

Underlying EBITDA grew by 15% to \$33.5million.

NPAT was up 12% to \$21.3million and our lease receivables book grew by 30% closing at \$210million.

In the area of capital management, we returned over \$25million to shareholders by way of dividend payments totalling 9 cents per share and have announced our intention to maintain the dividend at this level in FY16.

We successfully raised \$40.2million of new equity. This was achieved by way of an institutional placement of \$30million and an offer to all eligible shareholders of a Share Purchase Plan, which raised \$10.2million. The response from both existing and new shareholders to these offers were extremely pleasing.

The funds raised have partly been used to acquire the Code Blue business in New Zealand. The Code Blue acquisition provides an attractive platform to support the CSG strategy and enhances our expertise in delivering IT support to the small to medium enterprise.

The remaining funds will be utilised on opportunities to support our future growth and we are currently investigating some potential transactions in this regard.

This past year we executed our strategy to expand our portfolio of product and solutions to include non-print offerings. We enjoyed a successful first year in our partnership with Samsung and commenced 'technology as a service' sales of subscription software and hardware. The first solution to launch was 'Boardroom as a Service', which includes CSG Conferencing software bundled with a Samsung Interactive touch screen smart display. In 2H FY15 10% of all of our transactions in Business Solutions Australia included non-print technology with an average value of \$32K per customer. These technology as a service sales combined with continued acquisition of new customers were key contributors to the growth of this division which achieved a 10% increase in revenue across Australia and New Zealand. The Enterprise Solutions division achieved 28% revenue growth and won three major Print as a Service contracts during the year, with a total contract value of over \$40 million over



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five years. The Enterprise team continues to pursue further opportunities to grow the business significantly over time.

New Products and Partnerships

We have been focused on repositioning the business from a traditional print to a 'technology as a service' provider.

From FY16 onwards a CSG customer will be able to source print, communications, display, desktop, IT infrastructure data storage and back up all 'as a service' on one simple monthly bill with minimal capital outlay. We are looking to provide a highly differentiated offering based on world leading technologies. 'One Partner. One Bill. One Cloud' is the expression we use to communicate the value proposition to our customers.

Our SME customers will benefit from the ease and simplicity of preconfigured, rapidly deployable cloud technology solutions that will help them save time and money. These solutions also scale up to suit the more tailored and complex needs of our enterprise customers and can match their growth profiles.

A key highlight in the roll out of our new products and solutions was the signing of our new partnership with 8x8 Inc., one of the fastest growing, leading providers of cloud based communications based out of the US. In signing the agreement CSG has become a major channel partner for the 8x8 Virtual Office and Virtual Contact Centre solutions across the Asia Pacific region.

Business Transformation – Customer Hub

We continued the roll out of our cloud based IT platform built on Salesforce.com with pleasing results. In Australia this world class solution has replaced more than 100 legacy I.T. systems and we have started to enjoy the associated productivity and efficiency gains. The roll out to our New Zealand operations is scheduled to be completed in the second half of FY16.

When complete we will have one platform internally to manage all aspects of our business and the entire lifecycle of a customer from initial contract through to delivery and post sales service and account management. Having all of our data in one place will be a key contributor to our success moving forward.



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In addition we have implemented a leading business intelligence tool to support our move towards real time, minute by minute management, review and reporting of the business. Going forward this will enable the business to make decisions based on predictive analysis of real time data rather than review of what has occurred in the past.

People

The results we have achieved over the last few years are testament to the high quality professionals that comprise the CSG team across Australia and New Zealand and the contribution they make to the business every day.

We again this year issued \$1000 worth of shares to every staff member participating in the Tax Exempt Share Plan for Employees and will be seeking approval for the renewal of both this plan and the Long Term Incentive plan at today's Annual General Meeting.

In a recent survey undertaken by our People & Culture team, 100% of respondents participating in the staff incentive share plan believed it to be extremely valuable, an indication the plans are a success.

I believe that they have been key to aligning staff performance to the business objectives and thank shareholders for their continued support of these plans.

Outlook:

The priorities for 2016 are in line with previously stated objectives:

- Grow the Business Solutions division by becoming a leading technology as a service provider
- Grow the Enterprise Solutions business as an IT Managed Services provider to government, education and enterprises in all regions
- Seek out other growth opportunities for potential "bolt on" acquisitions
- Look for more partnerships with innovative cloud vendors for cloud marketplace including business applications
- Continue to develop the Customer Hub platform to deliver premium customer service
- Successfully integrate the recent CodeBlue acquisition in New Zealand to create a single platform for excellent customer support for 'Technology as a Service' products to our SME customer base.



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Our Full Year Guidance:

- Forecast underlying EBITDA (excluding LTIP) to be in the range of \$38m - \$42m. This represents 13% to 25% growth on FY15.
- Targeting revenue of greater than \$255m. This represents more than 14% growth on FY15
- Capital expenditure to be in the range of \$3.5m-4.5m
- Maintain \$25million (9 cents per share) return to shareholders

In Conclusion:

Before I hand back to the Chairman I would also like to thank Phil Bullock, who is stepping down as a member of the board at this AGM. Phil has been on the CSG board since August 2009 as a non-executive director and has made a significant contribution to the development of CSG. Phil, on behalf of all Executives and employees and myself personally, I thank you.

Thank you ladies and gentlemen.

End