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17 November 2010

The Manager
Company Announcements Office
Australian Securities Exchange
By Electronic Lodgement

Dear Sir

**Servcorp Limited
Annual General Meeting 2010**

Servcorp Limited (SRV) will today address its Members at its Annual General Meeting to be held at the Pinaroo 5 Room, Level 1, The Grace Hotel, 77 York Street, Sydney, commencing at 5:00 pm.

Following is the management presentation to the meeting.

Yours faithfully


Greg Pearce
Company Secretary

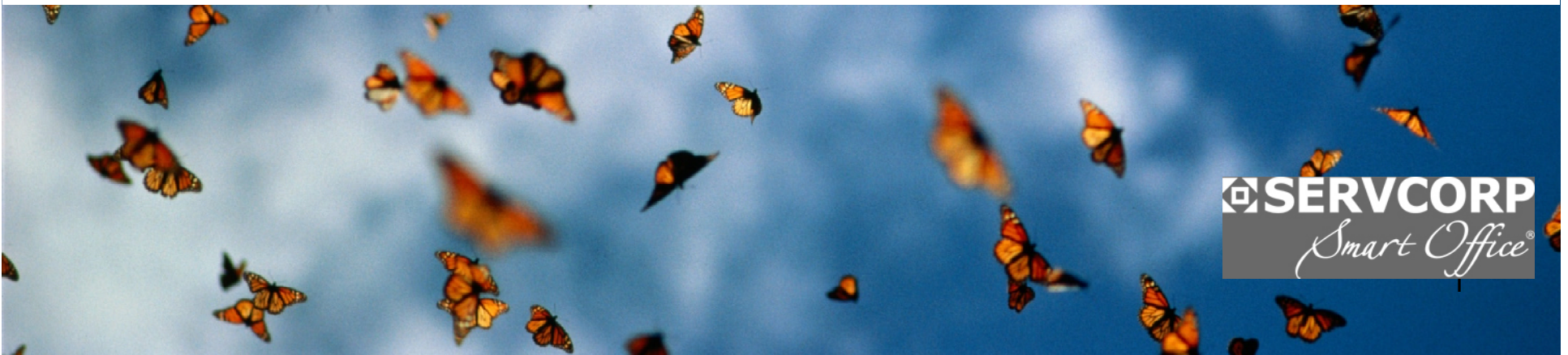
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Servcorp Limited Annual General Meeting Presentation

Alf Moufarrige, CEO

Wednesday 17 November 2010



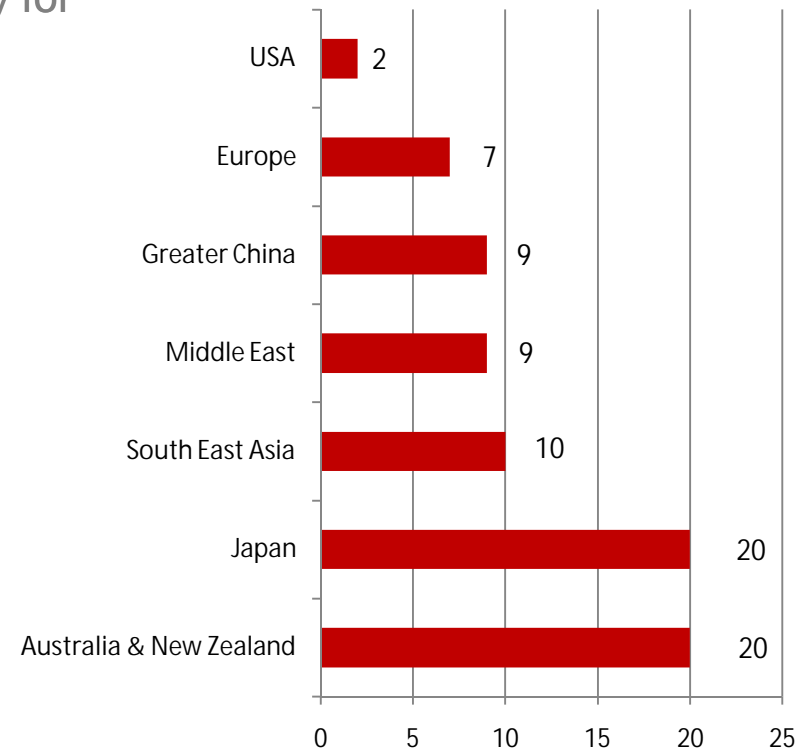
 **SERVCORP**
Smart Office[®]

Operational Highlights 2009 / 2010

- Ø Mature floor NPBT of \$25.13 million for FY 2010 (in line with forecast)
- Ø NPBT of \$2.88 million for FY 2010
- Ø V.I.P. package growth of 20% for FY 2010
- Ø V.I.P. revenue growth of 9% in constant currency for FY 2010
- Ø 13 new floors opened in FY 2010
- Ø Closure of 3 floors in FY 2010
- Ø Development of V.I.P. business model
- Ø Capital raising of \$80 million for the purposes of expansion
- Ø Office Squared business has been scaled back considerably



Total Floors as at
30 June 2010 = 77



Financial Results - FY 2010



	FY 2010 \$000's	FY 2009 \$000's	%	% Constant Currency
Revenue	168,837	228,646	(26%)	(19%)
Mature Floor Net Profit Before Tax	25,127	54,360	(54%)	
Immature Floor Expansion Costs	(20,103)	(2,942)		
Office Squared Losses	(2,149)	(4,143)	48%	
Net Profit Before Tax	2,875	47,275	(94%)	(97%)
	As at 30 June 2010	As at 30 June 2009	%	
Net Assets	212,610	145,291	46%	
Cash Balance (unencumbered)	121,030	71,490	69%	
Net Tangible Assets (per share)	\$2.01	\$1.65		
Total Dividends (cents per share)	10.00cps	25.00cps		

Serviced Office Business

- Ø Trading conditions in the Serviced Office Business were very difficult in FY 2010:
 - Ø Depressed global business sentiment
 - Ø Decrease in demand for Serviced Offices
 - Ø Both occupancy and office pricing have been impacted

- Ø Average occupancy has softened to 76% for FY 2010 from 79% in FY 2009

- Ø Office revenue for FY 2010 has decreased by 32% compared to FY 2009

- Ø A strong AUD during the period has had a negative impact on AUD revenues

- Ø Office revenue decreased by 26% on a constant currency basis compared to FY 2009



Virtual Office (V.I.P.) Business

- Ø Continued growth of V.I.P. – package growth of 20% during FY 2010
- Ø V.I.P. revenue decreased by 1% for FY 2010
- Ø V.I.P. revenue increased by 9% on a constant currency basis compared to FY 2009



SERVCORP | Virtual Office
Everything but the office®
www.servcorpvirtual.net

Around The World 2009 – 2010

AUSTRALIA & NEW ZEALAND

- Ø Not impacted to the same extent as other markets by the global financial crisis
- Ø One floor in Sydney closed during FY 2010
- Ø Opened 3 floors since 1 July 2010 in this market
- Ø 5 additional floors are expected to open in FY 2011

JAPAN

- Ø Japanese business sentiment continues to be depressed
- Ø Commercial markets and lease rates are at cyclical lows, and continue to drop
- Ø Four floors in Japan were immature during FY 2010
- Ø Opened 3 floors in this market since 1 July 2010
- Ø No additional floors are scheduled to open in FY 2011



Around The World 2009 – 2010

GREATER CHINA

- Ø The Hong Kong market was significantly impacted by the global financial crisis but has now substantially recovered
- Ø Opened four floors in Greater China in FY 2010
- Ø The lease in our landmark location in 2IFC was signed at the bottom of the market in January 2009
- Ø Two floors closed in FY 2010
- Ø The Greater China market is now on track to recovery
- Ø 3 additional floors are expected to open in FY 2011

SOUTHEAST ASIA

- Ø Singapore and Kuala Lumpur have seen dramatic falls in commercial property values
- Ø A recovery in both Singapore and Kuala Lumpur is now underway
- Ø The Bangkok market suffered as a result of civil upheaval in April and May 2010 but it has now stabilized
- Ø Opened 1 floor in The Philippines since 1 July 2010
- Ø 1 additional floor is expected to open in South East Asia in FY 2011



Around The World 2009 – 2010

MIDDLE EAST

- Ø The property market in Dubai has suffered a material downturn however we did re-negotiate our leases in this city at the bottom of the market which ensures that Servcorp remains profitable in this city
- Ø Serviced Office markets in both Bahrain and Qatar remain challenging
- Ø Opened new floors in Jeddah, Abu Dhabi and Kuwait in FY 2010
- Ø Opened 3 new floors since 1 July 2010 in Beirut, Istanbul and Riyadh
- Ø A further 5 floors are expected to open in the region in FY 2011

INDIA

- Ø The Indian property market collapsed in calendar 2009 but is now improving
- Ø Servcorp has minimal exposure to this market



Around The World 2009 – 2010

EUROPE

- Ø The European market continues to be very difficult
- Ø The Paris location continues to be impacted by pricing pressures but we are now operating at cash flow breakeven in this city
- Ø The Brussels location has now stabilized
- Ø A floor opened in London during FY 2010
- Ø 2 floors are expected to open in this market in FY 2011

USA

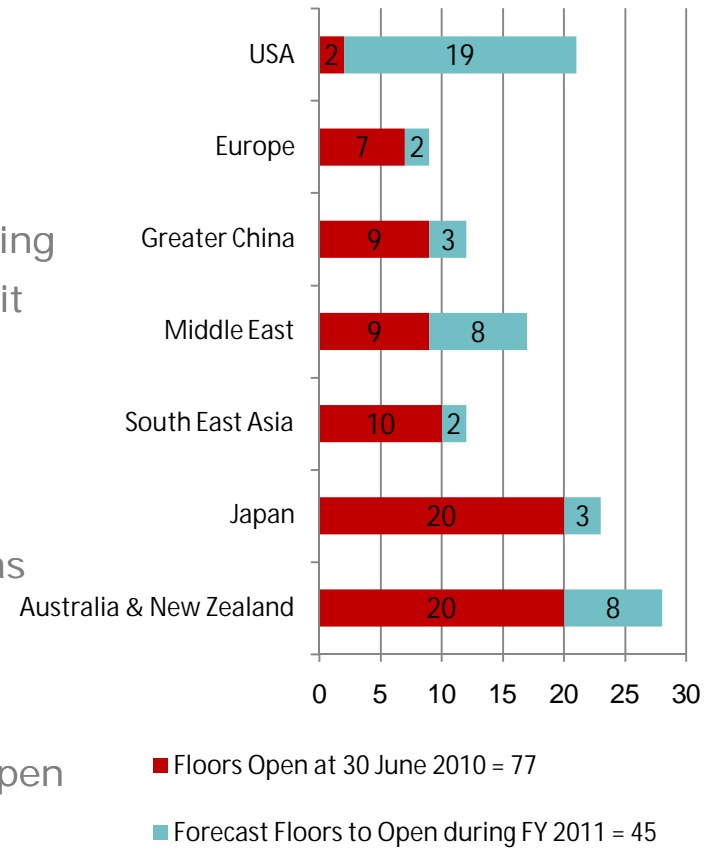
- Ø Commenced expansion in FY 2010
- Ø Two floors opened in Chicago during FY 2010
- Ø 12 floors opened in the USA so far since 1 July 2010
- Ø A further 7 floors are expected to open in the USA during FY 2011



Global Expansion – Update

- Ø New floor openings are progressing well
- Ø Management continue to have confidence in the V.I.P. business model
- Ø 22 floors have already opened since 1 July 2010
- Ø We anticipate that an additional 23 floors will open during FY 2011 bringing the total new floor openings to 45 split between V.I.P. and Big format floors as follows:
 - ØV.I.P. floors = 44
 - ØBig format floors = 1
- Ø In the Equity Capital Raising during October 2009 it was indicated that we would open 100 new floors in the four year period to 30 June 2013
- Ø In the two year period to 30 June 2011 we expect to open 58 new floors, putting us on track to meet this target

Floors open at 30 June 2010 & Floors expected to open during FY 2011



Global Expansion – Update

- Ø Current unencumbered cash balances remain strong at \$102 million
- Ø Take up of V.I.P. packages has been somewhat slower than originally anticipated as the opening dates of the majority of the floors in the USA are between three and six months behind schedule
- Ø As floors open, planned growth in V.I.P. packages has resumed
- Ø Capex for new V.I.P. floors should drop by 15% for new floors opening effective 1 January 2011
- Ø A strong AUD has helped keep Capex for new international floors below budget estimates
- Ø On the cash line, offsetting immature floor losses are cash incentives received from landlords (which are taxable income when received) in the amount of approximately \$6 million, that (from an accounting point of view) will be spread over the life of the lease portfolio

2010 / 2011 Outlook

Ø Servcorp confirms forecast mature floor net profit before tax guidance for FY 2011 of \$30 million

Ø \$13 million for H1 2011

Ø \$17 million for H2 2011

(This forecast assumes currencies remain constant, global financial markets remain stable and no unforeseen circumstances)

Ø With such a large global rollout of new floors, it was always going to be difficult to accurately forecast immature losses. Against this background immature floor start up losses are now expected to be approximately \$20 million (previously \$15 million) for FY 2011

Ø The higher than forecast start up losses are largely as a result of an accelerated roll out plan that is likely to see an additional 14 floors open this year (including 1 large format floor which was not included in the original immature floor forecast).

(Projected earnings at the immature line are highly sensitive to both currency movements and the timing of openings)

Ø Trading conditions were difficult in the first quarter of FY 2011 however we are seeing early signs of an improvement in revenues and margins across a number of geographic regions

Dividend FY 2010

- Ø March 2010 interim dividend of 5.00 cps (fully franked) paid
- Ø October 2010 final dividend of 5.00 cps (fully franked) paid

Dividend FY 2011 - Outlook

- Ø It is anticipated that dividends in relation to FY 2011 will be 10.0 cents per share, fully franked