



Annual General Meeting

25 October 2007

Chairman's Address to Shareholders

Dear Shareholders,

Today is the first opportunity that I have had to address our shareholders since the merger of Service Stream Limited and Total Communications Infrastructure Limited.

The success of the merger is evidenced by the growth in the business. Service Stream has grown to be an important market player with significant capabilities across the full spectrum of telecommunications as well as diversifying into the utilities sector.

Rather than simply recover matters already discussed in my review within the annual report, I would like to talk about the significant progress made in our business over the past year and to review the outlook for the future.

The 2007 financial year has been a year of significant development and impressive growth.

- Record earnings performance, which our Managing Director, Patrick Flannigan, will cover in more detail:

	Pro forma	Statutory
Revenue	\$292.5M, +71.1%	\$247.1M, +44.5%
EBITDA	\$30.1M, +244.3%	\$21.2M, +142.6%
NPAT	\$17.5M, +301.6%	\$11.2M, +158.2%

- Increased fully franked final dividend of 4.5 cents per share
- Significant increase in ticket of work volumes from 1.0M to 1.3M
- Successful integration of Total Communications Infrastructure and Service Stream
- Acquired Serviceworks and General Purpose Group
- Moved into Utilities Sector in May 2007
- Significant new contracts signed

The Service Stream Group continued its expansion during the year and beyond, as evidenced by the following list of achievements:

July 2006	Acquired Radhaz
August 2006	Acquired Fibercom
August 2006	Vodafone contract extension and expansion
January 2007	Completes merger
January 2007	Acquired General Purpose Group
February 2007	Awarded Do Not Call Register contract
May 2007	New Telstra contract, awarded Energex contract
June 2007	Acquired Serviceworks Metering
July 2007	Awarded 2nd Energex contract
September 2007	Awarded \$1bn dollar services contract with Telstra
September 2007	Successfully completes \$40 million Placement
September 2007	Alinta Sub Metering Assets Acquired by SSM
October 2007	Acquisition of Utilities Contracting Group McCourt Dando

As I have stated in previous meetings of Service Stream Holdings, safety is critical and will continue to remain as a strong focus of Board attention. It is vital that all workplace hazards are identified, the associated risks assessed and suitable control measures put in place on all worksites. During the year risk assessment, job safety analysis and environmental emergency response training has been carried out in all mainland states. In addition Quality, Safety and Environment internal audits have been conducted at all certified locations.

The Annual Report, on pages 14 and 15, sets out some information on our procedures, audit systems and the goal to achieve zero injuries.

We recognise the growing expectation of the community in terms of environmental corporate responsibility. In order to ensure industry best practices and minimise our risk profile, Service Stream has implemented an integrated management system complying with the Australian and International Standards for Quality, Safety and Environment.

As Service Stream acquires and integrates new businesses, we will continue to maintain industry best practice in quality, safety and environmental management. With the majority of our operations management systems now being certified, the Board has approved plans to strategically roll out certified systems across the group.

Our staff are vital to the success of the company and we would like to thank all of the staff over the past year. The period of great change continues and we would like to applaud their enormous contribution.

The company is committed to working towards best practice in Corporate Governance. During 2006 the Board established a Remuneration and Nomination Committee and in 2007 an Investment and Strategy Committee and an Environment, Risk and Safety Committee were also established.

The company's corporate governance procedures are outlined on pages 24 to 27 of the Annual Report.

The major national contract awarded with Telstra, known as Access and Associated Services (AAS), with estimated revenues in excess of \$300 million per annum, represents the Company's move to full national supplier status with Telstra. This involves the supply of services to each state and capital city across Australia. Service Stream will provide Installation, Maintenance and Construction of copper, fibre and broadband networks from the exchange to Telstra's customers' premises.


Following the announcement of the success in the AAS contract, we announced the successful completion of a \$40 million capital raising to institutional investors.

The offer closed over subscribed reflecting strong institutional demand.

We have recently announced the acquisition of the McCourt Dando Group. Our Managing Director will comment in more detail on this exciting opportunity. This further enhances our capability in multi utility contracting services across the communications, power, water, gas and civil infrastructure sectors.

It has been a year of significant development and the outlook is extremely bright. In closing, I would again thank you, our shareholders, for your support and encouragement during the year. On your behalf I congratulate and express our appreciation of the commitment and leadership of our Managing Director, Patrick Flannigan and our Finance Director, Michael Doery and all in the senior management team. Finally, I would like to thank my fellow Board members for their strategic direction, hard work and dedication over this past year.

Thank you.



JOHN LLEWELLYN (Lyn) DAVIES
Chairman