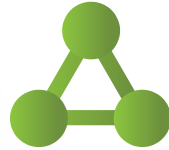


macquarie  
TELECOM



# INVESTOR UPDATE



9 May 2016



## AGENDA

- Corporate overview
- Telecom
- Macquarie Hosting
- Financial Update
- Q&A

David Tudehope

Luke Clifton

Aidan Tudehope & James Mystakidis

Stuart Pauly



	TELECOM	HOSTING CORPORATE IT DIGI SaaS	HOSTING AUSTRALIAN GOVT
VALUE PROPOSITION	Customer Service Price, Choice Flexibility, Control	Customer Service Specialized & Compliant Hosting For Apps not suitable for Public Cloud	Customer Service SIG Accreditation Cyber Security Private Secure Cloud
COMPETITORS	   	   	  
PEOPLE / SKILL	Generalist for Voice & Mobiles TC for Data & CoLo Know Business Drivers	Hosting Specialists <ul style="list-style-type: none"> <li>- Complex</li> <li>- Compliant</li> </ul>	Secure Hosting Specialist Know Government drivers
EXECUTION	We have delivered on our strategy shared at our Investor Day 12 months ago and will continue to do this over the next 12 months		



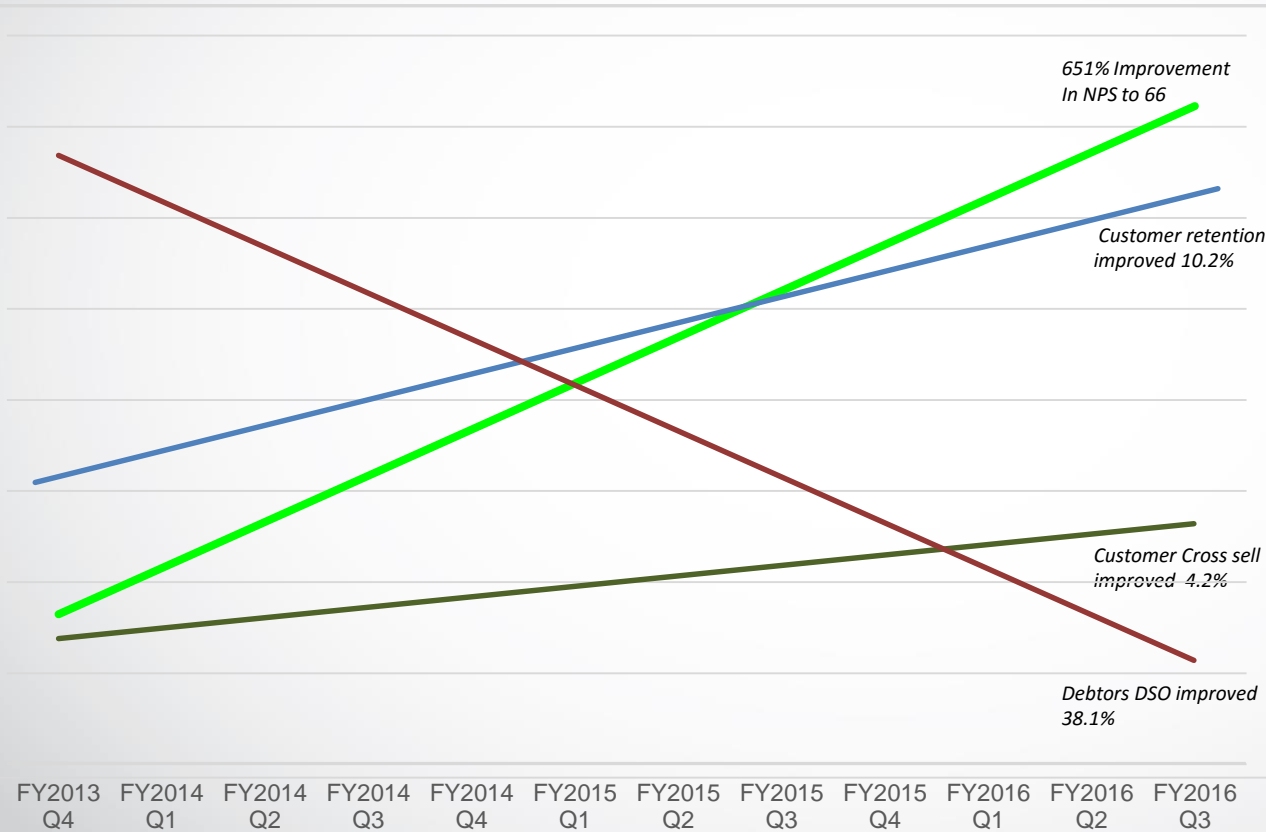
# MACQUARIE TELECOM GROUP CRITICAL SUCCESS FACTORS

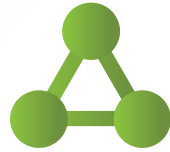


**\$**  
**NET SALES**  
**PERFORMANCE**



# OUR FOCUS ON CUSTOMER SERVICE IS DELIVERING IMPROVED PERFORMANCE





TELECOM





## MARKET

### Mid Sized Business Market

We operate in a \$4b mid sized business market with competitive consolidation

## WHO



5,500 mid sized Corporate Businesses



100 – 2000 Employees

## WHAT

- Full service Telco for Corporate Australia
- Choice and flexibility through a range of carriers
- Outstanding customer service model delivers control and cost reduction regardless of the carrier mix chosen

## HOW

“We deliberately chose to do the opposite of what our competitors do.”

## OUTCOME

# 100 logos

Market Share Growth

## GROWTH



  
**NPS > +50**

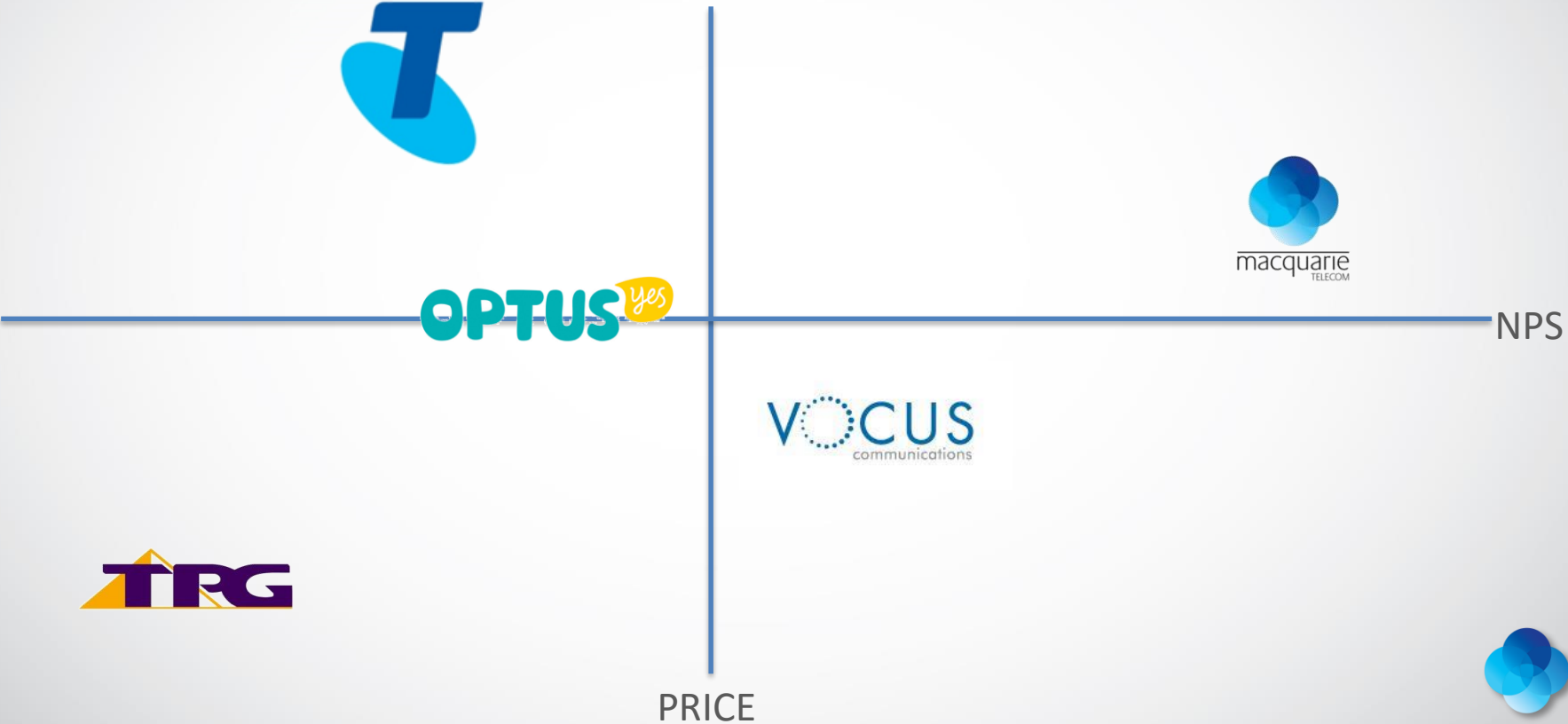
Outstanding Customer Service







# MID MARKET CORPORATE COMPETITIVE LANDSCAPE



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*\* Customer success stories are published on Macquarie Telecom's website*



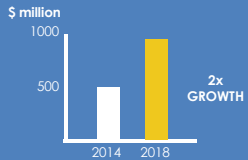


macquarie HOSTING



## MARKET

### SAAS GROWING



+500m today –  
over the next 3 years  
the SAAS market  
will DOUBLE

### IAAS(CORP IT)



1.5m VM's in  
Australia that are  
on the Journey to  
the Cloud

## WHO



CORPORATE IT  
JOURNEY TO  
CLOUD



SOFTWARE AS A  
SERVICE  
PROVIDER



WEB BUSINESS  
WEB SITES  
DIGI RETAIL

## WHAT

**WE ENABLE HYBRID IT +  
WE SECURE THE CLOUD**

Through  
COLOCATION  
DEDICATED SERVERS  
PRIVATE CLOUD

## HOW

Focus on “**custom**” and “**compliance**” for those  
whose needs are not met by the one size fits all  
approach.

## OUTCOME

**#1**

Managed  
Cloud Business  
in Australia

**GROWTH**



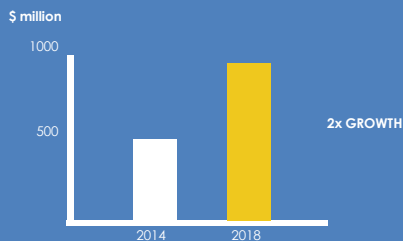
**NPS > +50**

Outstanding  
Customer  
Service



# MARKET

## SAAS GROWING



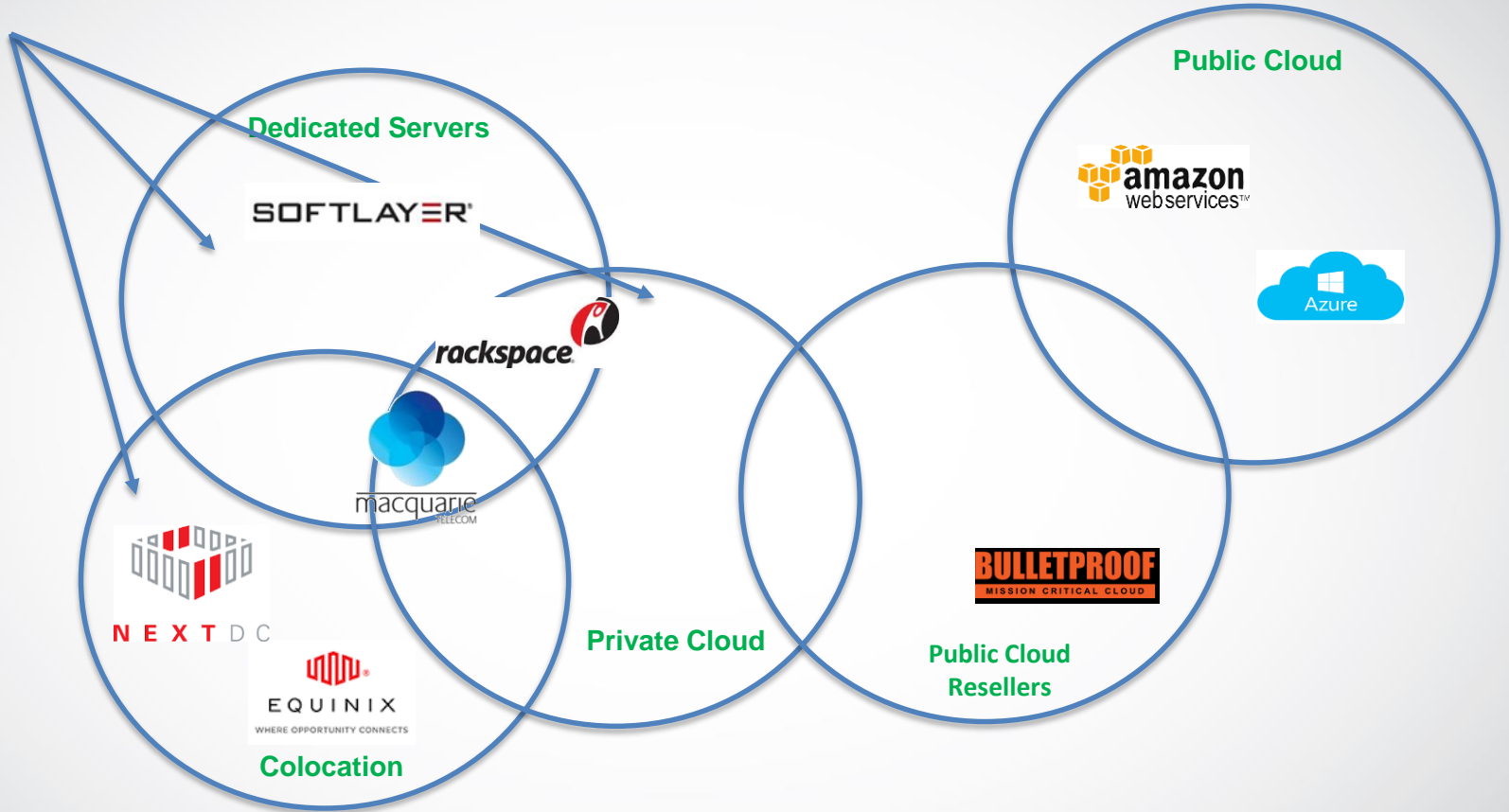
+500M today –  
over the next 3 years the  
SAAS market  
will DOUBLE

## IAAS(CORP IT)



1.5M VM's in Australia  
that are on the Journey  
to the Cloud

# HYBRID IT vs Public Cloud



# HYBRID IT vs Public Cloud

## Hybrid IT

Colocation  
Dedicated Servers  
Private Cloud

---

Managed Services

---

People + API's

---

VMWare + EMC + Cisco



## Public Cloud

Public Cloud

---

Self Service

---

Portal + API's

---

Proprietary Technology





*News Corp* Australia



**mimecast**<sup>®</sup>



**WESTERN SYDNEY**  
UNIVERSITY

















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MARKET	WHO	WHAT	OUTCOME
<p><b>AUSTRALIAN GOVERNMENT POLICY</b></p> <p>DIGITAL TRANSFORMATION</p> <p>CYBER SECURITY INVESTMENTS</p>	<p><b>GOVERNMENT</b></p> 	<p><b>SECURING THE DIGITAL TRANSFORMATION OF GOVERNMENT</b></p> <p>Through SECURE CLOUD, SECURE GATEWAY, COLOCATION</p> <p><b>HOW</b></p> <p>SIG CREDENTIALS 10+ YEAR TRACK RECORD</p> <p> <b>+50 NPS</b>    <b>ASIO T4</b> <b>100+ NV1</b></p> <p> <b>SOC ACSC</b>     <b>DATA SOVEREIGNTY</b></p> <p>EASY TO CONTRACT</p> <p><b>FIRST AUST'N PROVIDER CERTIFIED BY DEFENSE (CCSL)</b></p> <p><b>IC4</b>     <b>SaaS ...</b></p>	<p><b>GROWTH</b></p>   <b>NPS &gt; +50</b> <p>Outstanding Customer Service</p>





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# WHERE GOVERNMENT IS INVESTING

## AUSTRALIA'S CYBER SECURITY STRATEGY

Enabling innovation, growth & prosperity

CYBER SECURITY



**Australian Government**

**Digital Transformation Office**

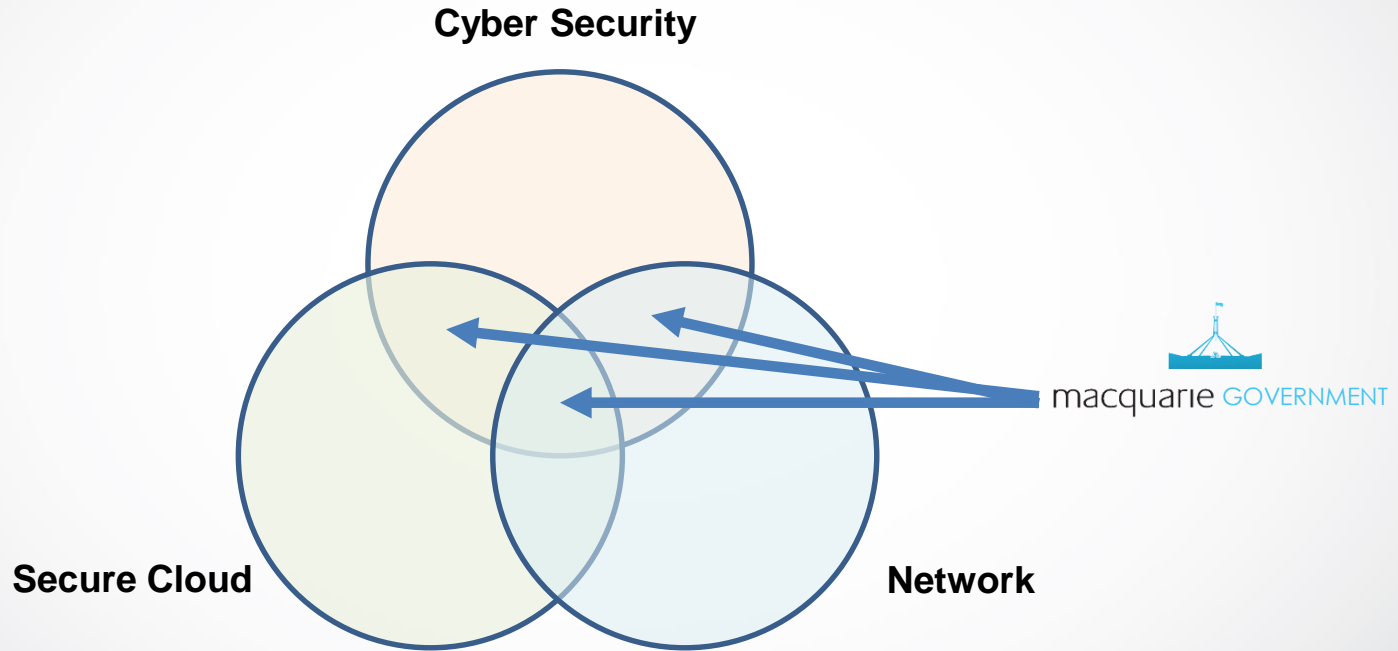
DIGITAL TRANSFORMATION





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# OUR FOCUS



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# WE ARE BUILT FOR GOVERNMENT



Deep expertise to deliver Cyber Security & Secure Cloud services



Canberra based Infrastructure underpinned by Intellicentre 4 “The Bunker” supported by 100+ Government Security Cleared Engineers



Trusted online security provider to existing Government customer base



The **first** Australian Company on the Government's Certified Cloud Services List



Talk to the Certified Government Cloud Provider trusted by 42% of Agencies



PARLIAMENT of AUSTRALIA



Australian Government

Department of the Prime Minister and Cabinet



Royal Commission into Institutional Responses to Child Sexual Abuse



Australian Government

Department of the Environment



Australian Government

Department of Industry



Australian Government

Department of Agriculture



Australian Government

Office of Parliamentary Counsel



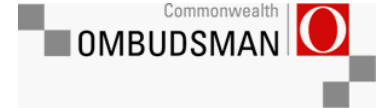
Australian Government

Department of Finance



Australian Government

The Treasury



ASIC

Australian Securities & Investments Commission



Australian Government

Bureau of Meteorology



Australian Government

Attorney-General's Department



FEDERAL COURT OF AUSTRALIA





# MACQUARIE DATA CENTRES



# DATA CENTRES BASIC FACTS

Intellicentres 1, 2 and 4

Carrier Neutral

Part of Hybrid IT Value proposition



IC1  
Sydney



IC2  
Sydney



IC4  
Canberra





# INTELLICENTRE 2

Macquarie Park, Tier III Data Centre

Strong customer growth across industries and public sector, ahead of Internal plans



Main Tier III, carrier neutral competitors in Sydney



# ASX ANNOUNCEMENT

**Monday 9<sup>th</sup> May 2016**

## **Macquarie Telecom signs Data Centre Services Deal with Fortune 100 Customer**

Macquarie Telecom (ASX: MAQ) (the Company) is pleased to announce that it has entered into a contract for the provision of data centre services to a Fortune 100 customer (“the Customer”).

The Customer has contracted for up to 2.5MW of capacity over an initial contract term of six years. The Company will invest approximately \$15 million in data centre mechanical, plant and equipment, in stages over the next twenty months to expand its capacity to meet this demand.

The Customer is expected to be active (billing) in Q3 of the 2017 financial year.



# CFO INSIGHTS



Why do I like what I see?



Strength and capability of management team to deliver (they do what they say ).



Strong balance sheet provides opportunities for growth (flexibility to consider what is best).



Consistent growth across all Business Units. The future is well positioned to leverage off the investment in intellicentres to grow cloud computing and Government cyber security services.



Quality assets underpinning outstanding customer service (people, systems, facilities).



Personal accountability for customer service (you talk to a real person that can help you then and there).



# FY16 GUIDANCE

	<b>FY2016 (\$m)</b>	<b>FY2015 (\$m)</b>
EBITDA	31 – 33	26
Depreciation	24 – 26	31
Business As Usual Capex	14 – 17	15

The Company will invest approximately \$15 million ( in excess of BAU Capex)in mechanical, plant and equipment at Intellicentre 2 over the next twenty months. This will expand capacity to meet the demand of the recently announced Fortune 100 customer signing.



Q&A



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