



Sirius

Sirius Telecommunications Limited

Shareholder Update

Ziggy Frankenfeld, CEO

November 2005

Sirius Telecommunications Limited

Sirius is a company, listed under the Telecommunications sector of the ASX which, through its three divisions focuses on the following market sectors:

Sirius Converged Solutions

sells, implements, supports and manages telephony solutions for corporate customers using products supplied mainly by Avaya Inc. of the USA. Solutions include PABX and IP Telephony, Contact Centres, Messaging and Mobility.

Sirius Managed Solutions

provide tailored services to business and government around operator, helpdesk and billing services including the management of a company's telephony infrastructure.

Phoneware

an independently managed distributor of a range of specialist converged network, call accounting, billing, reporting and VOIP monitoring solutions.



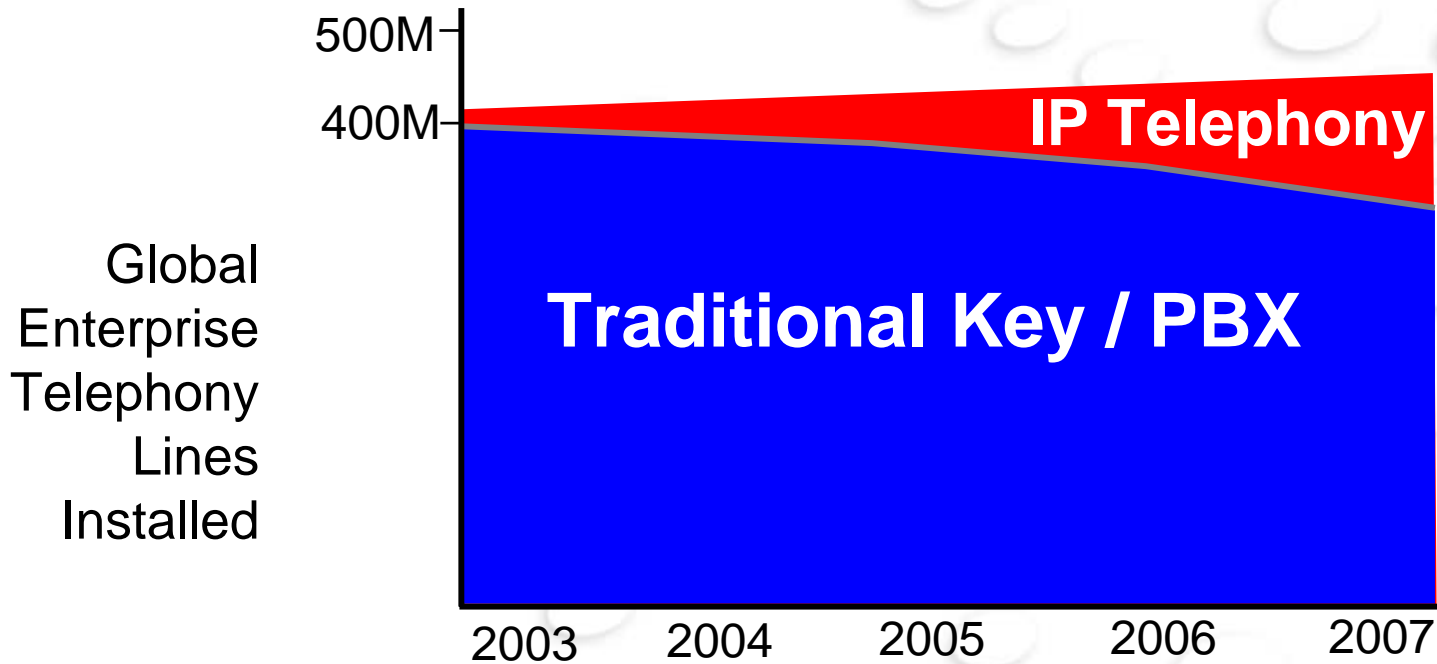
Promise of IP: Transforming Business

The promise of IP Telephony is now,
more than ever resulting in
business and business process

TRANSFORMATION



Internet Protocol Telephony Expansion



Our Execution Helps Drive Rate of Adoption

Source: Avaya April 05



Industry Analysis: What is Happening?

- Industry going through fundamental change
 - with all the related risks and opportunities
- Change is mainly embraced at the top end of market
- The large mid market is slowly changing
- The fight for leadership between Avaya and Cisco continues
- Other telephony players are entering the fray
- New players like Skype offering internet based solutions
- Competition in the Managed Service market is growing
 - with TBS and NEC at the top end and many small players below



Industry Changes: Impact on Sirius

- Sirius has aligned Sirius Converged Solutions and Phoneware with the changes in the market
- Competition is fierce but we are winning deals
- Equipment Margins are being eroded by competition but there are opportunities to improve margins through services
- Phoneware's independence has reduced channel conflict
- Size and momentum of the divisions has been and remains a threat
- Continual reviews of the the business is necessary until we reach critical mass



PHONEWARE

- VXT is about preparing, deploying and maintaining a high quality converged network
- VXT includes VOIP but does all the other functions like call accounting, expense management, alerting, reporting and VOIP monitoring in real time
- VXT sales had a slow start resulting in us being behind on the sales plan. But sales are now being made and the business is beginning to grow.
- The Pipeline and Order Books for VXT are strong



PHONEWARE

- CADS and ACU are still selling
- Major clients buying VXT include:

AGL

Boral Resources SA

Ergon Energy

Price Waterhouse Coopers

ING

Racing Victoria

City of Darrebin

City of Dandenong

JP Morgan



PHONEWARE

- Indirect sales through business partners
 - NEC, TBS(Telstra), Data Mobility Voice, Touchbase, Netstar, Sirius Converged Solutions and others
- Offices in Melbourne and Sydney
- 27 Staff
 - Sales & Marketing 6
 - H/Desk, Support, P/Serv. & Dev. 14
 - Managed Services 4
 - Management 3



Sirius Converged Solutions

- Avaya is the clear leader in Contact Centres
- Cisco is the perceived leader in Data Networks
- The VOIP market is hotly contested by Avaya and Cisco
- Avaya is a US\$5 billion global giant
- Sirius is a tier one Avaya partner
- Sirius achieved 120% of its target with Avaya for the year ended 30 September 2005
- Targets for 2006 are significantly up on last year
- Sirius has a dedicated Avaya representative housed on its premises



Sirius Converged Solutions

- The division employs senior professional staff and solution oriented sales people
- Strong focus on Marketing & Sales supported by Professional Services
- SCS is re-engineering its business model to make greater use of independent professional staff
- Wherever possible low level services are outsourced.
- All processes are being re-engineered to ensure a streamlined operation – move to a variable cost base.



Sirius Converged Solutions

- Direct sales to Corporate Customers including
 - AGL**
 - Bupa**
 - Origin Energy**
 - Adelaide Bank**
 - BHPBilliton**
 - RAA**
- IP Telephony, Contact Centres, Messaging and Mobility Solutions
- Tier 1, Avaya business partner
- Offices in Melbourne, Sydney and Adelaide
- 29 Staff
 - Sales & Marketing 6
 - H/Desk, Support, P/Serv. & Dev. 14
 - Managed Services 5
 - Management 4



Sirius Managed Services

- Employed a consultant to review market opportunities and strategic fit
- Melbourne business profitable, whilst the balance of the business is marginal
- We will be completing the reviewing of our strategy relating to this business over the next few weeks



Sirius Managed Services

- Direct sales to Government and Corporate Customers
 - Dept Environment & Heritage
 - Dept Agric. Fisheries & Forestry
 - Mayne Group
 - US Visa Services
 - ABB Grain
 - Civil Aviation Safety Authority
 - Ausbulk Ltd
 - University of Adelaide
 - RDNS
 - BHPBilliton
- Term (3 year) Managed Services Contracts
- Offices in Melbourne, Canberra & Adelaide
- 65 Staff
 - Contact Centre Melbourne 8
 - Canberra Managed Services 40
 - Adelaide Managed Services 12
 - Management 5



Challenges

- Further refinement within the divisions is continuing
- Phoneware, SCS and SMS all lack size and momentum
- We are winning new business but need to sustain this over the long term
- Non-renewals of the Defence Contract and Hamilton Island will impact on the revenue base of the company
- Sirius needs to develop strategies to “bulk up” the company through acquisitions



12 Month Highlights

- Implemented succession plan for a new CEO
- New Divisional focus aligned to market dynamics
- Leadership focused within new divisional structure.
- Transition of business towards growth sectors
- Clear strategies to grow the business
- Systemising the business and its processes
- Stronger focus on Financial Management
- Developing strategies to “bulk up” the company through acquisitions



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AGM Presentation
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