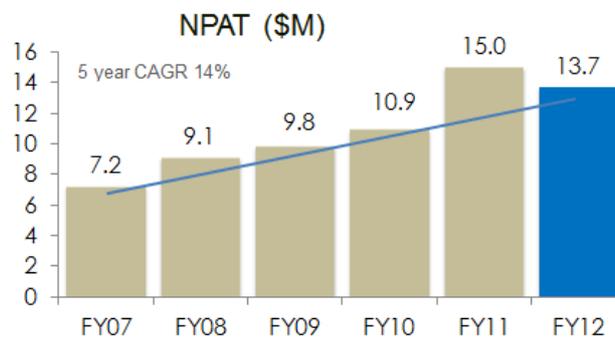


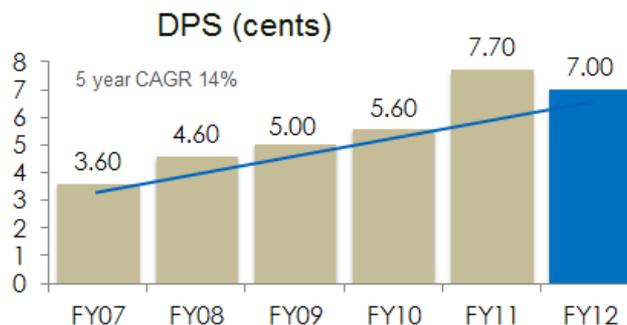
Data#3 delivers profit and dividends ahead of long term trend

BRISBANE, Friday 24 August 2012: Data#3 Limited [ASX: DTL], a national information and communications technology (ICT) company, today announced its results for the 12 months ended 30 June 2012 (FY12), generating record revenues of \$811.4 million, an increase of 16.3% which was well ahead of overall industry growth.

NPAT of \$13.7 million, while down on the previous year, was ahead of the long term trend and over the last five years represents a compound annual growth rate of 14%.



Reflecting the company's continued strong earnings, growing cashflows, strong balance sheet with no material debt, and growth outlook, Data#3's directors declared a final fully franked dividend of 3.55 cents per share, bringing the total dividend for FY12 to 7.0 cents per share fully franked. The final dividend will be paid on 28 September 2012, with a record date of 14 September 2012.



FY12 financial performance

- Revenue up 16.3% to \$811.4 million
- EBITDA down 8.3% to \$19.4 million
- EBIT down 10.8% to \$18.3 million
- NPAT down 8.8% to \$13.7 million
- Earnings per share down 8.8% to 8.88 cents
- Return on equity eased slightly to 42.1%, but remains sector-leading
- Full year dividend of 7.0 cents per share
- Strong balance sheet with no material debt.

Data#3's Chairman, Richard Anderson, said that while the FY12 results were slightly below the exceptional performance of the previous year, they were very pleasingly ahead of the long term trend.

"In a difficult market, Data#3's product and service offerings have continued to generate growth well ahead of the industry average. Our revenues broke through the \$800 million mark for the first time, achieving a record top line result for the company.

"Data#3 has continued to enhance its financial position through diligent management of its balance sheet and strong cash flows. Consequently we are delighted to declare a dividend with a payout level consistent with the previous year," he said.

Operational performance

Commenting on Data#3's results, Managing Director John Grant said that the FY12 result was solid considering the difficult economic environment and the resulting tendency for a number of customers to delay major IT projects.

"Data#3 has achieved solid revenue growth in a period of challenging industry dynamics. With the previously foreshadowed higher levels of business reinvestment, profit for the 2012 financial year was slightly below the exceptionally strong 2011 result, yet still above the long term growth trend. On balance, we see this as a very good outcome that positions Data#3 well for the 2013 financial year," Mr Grant said.

Hardware and software product revenues grew by 17.5% to \$689.1 million, driven by very significant growth in licensed software sales.

Total services revenues grew by 9.7% to \$120.4 million, reflecting very strong growth in managed services.

In terms of Data#3's specialist businesses:

- Sales of licensed software grew for the 17th consecutive year with revenue up 35.5% to \$483.4 million. Revenue under contract increased 35% to \$363 million, services revenues from asset management and its new business productivity practice grew strongly, and the Federal Government Microsoft software contract was renewed during the year.
- Sales and implementations of infrastructure related solutions were most affected by the difficult market conditions with overall revenues declining 5.5% to \$284.7 million as major investment projects were delayed or deferred. The resulting decline in hardware product sales and project services was offset by 30% growth in managed services revenues to \$45.7 million.
- Revenues from contracting and permanent recruitment grew steadily in a restrained market finishing 8% up at \$41.4 million. A decline in contractor numbers over the previous year was offset by strong growth in permanent placements.

Commenting on the outlook for Data#3, Mr Grant said "The market remains volatile and is therefore very difficult to predict. We don't see this changing until global economic conditions stabilise and local political uncertainty is resolved. We do however see an increasing realisation that in spite of this, there remains an overarching need for business and government to transform their business models and increase productivity.

"Over the next 12 months we will continue to make a number of internal investments in new applications and systems, the returns from which will flow into future years. We are well placed to continue growing revenues and earnings as we extend our offerings for customers into the cloud, build out our consulting

and services capabilities, and further automate business processes to increase efficiency and enhance customer service.

“With our national footprint and the broad appeal of our offerings, we are targeting to once again deliver growth ahead of the market in all areas of the business in FY13. Our overall financial objective is to improve on the performance of FY12.”

| | FY12 \$'000 | FY11 \$'000 | % Change |
|---|------------------------|------------------------|-----------------|
| Revenue by segment: | | | |
| Product | 689,060 | 586,354 | +17.5% |
| Services | 120,427 | 109,804 | +9.7% |
| Other revenue | 1,903 | 1,630 | |
| Total revenue | 811,390 | 697,788 | +16.3% |
| Revenue by area of specialisation: | | | |
| Software Licensing | 483,427 | 356,709 | +35.5% |
| Infrastructure Solutions (project services, hardware product & managed services) | 284,678 | 301,110 | -5.5% |
| People Solutions | 41,420 | 38,339 | +8.0% |
| Total gross profit | 119,957 | 111,745 | +7.4% |
| Total gross margin % | 14.8% | 16.1% | |
| Total expenses | 102,122 | 91,548 | +11.6% |
| EBITDA | 19,430 | 21,189 | -8.3% |
| EBIT | 18,302 | 20,514 | -10.8% |
| EBIT margin % | 2.3% | 2.9% | |
| NPBT | 19,738 | 21,827 | -9.6% |
| NPAT | 13,679 | 14,999 | -8.8% |
| | FY12 | FY11 | % Change |
| Earnings per share | 8.88 cents | 9.74 cents | -8.8% |
| Dividend per share | 7.00 cents | 7.70 cents | -9.1% |
| Dividend payout ratio | 79% | 79% | |
| Return on equity % | 42.1% | 49.7% | |

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Data#3 Email Alerts facility

You can now stay up to date with Data#3's business activities by registering to receive Email Alerts. This facility will automatically notify you via email each time Data#3 releases company news and information. To join Email Alerts, simply fill in your details in the Investor section on Data#3's website (<http://www.data3.com.au>) and select which information you would like to receive.

About Data#3

Data#3 Limited [ASX: DTL] is a national Information and Communication Technology (ICT) solutions company.

Data#3 provides market leading expertise in:

- Software licensing, software asset management and workforce productivity solutions to optimise and manage the acquisition and use of software licensed in volume from global manufacturers;
- Integrated solutions to design and deploy hardware and software infrastructure across the desktop, network and data centre;
- Product solutions for procuring, configuring, rolling-out and disposing of technology cost effectively;
- Managed services to provide outsourced solutions for infrastructure operations, support and maintenance;
- People solutions to provide contract and permanent recruitment and human capital performance management.

Data#3's customers cover a wide range of industries including banking and finance, mining, tourism and leisure, legal, healthcare, manufacturing, distribution, government and utilities located throughout Australia and Asia Pacific.

Data#3 reported revenues of \$811 million in the 2012 financial year and has approximately 900 permanent and contracted employees. The company is headquartered in Brisbane, and has offices located in Sydney, Melbourne, Canberra, Adelaide and Perth.

More information about Data#3 and its solution offerings is available at <http://www.data3.com.au>