

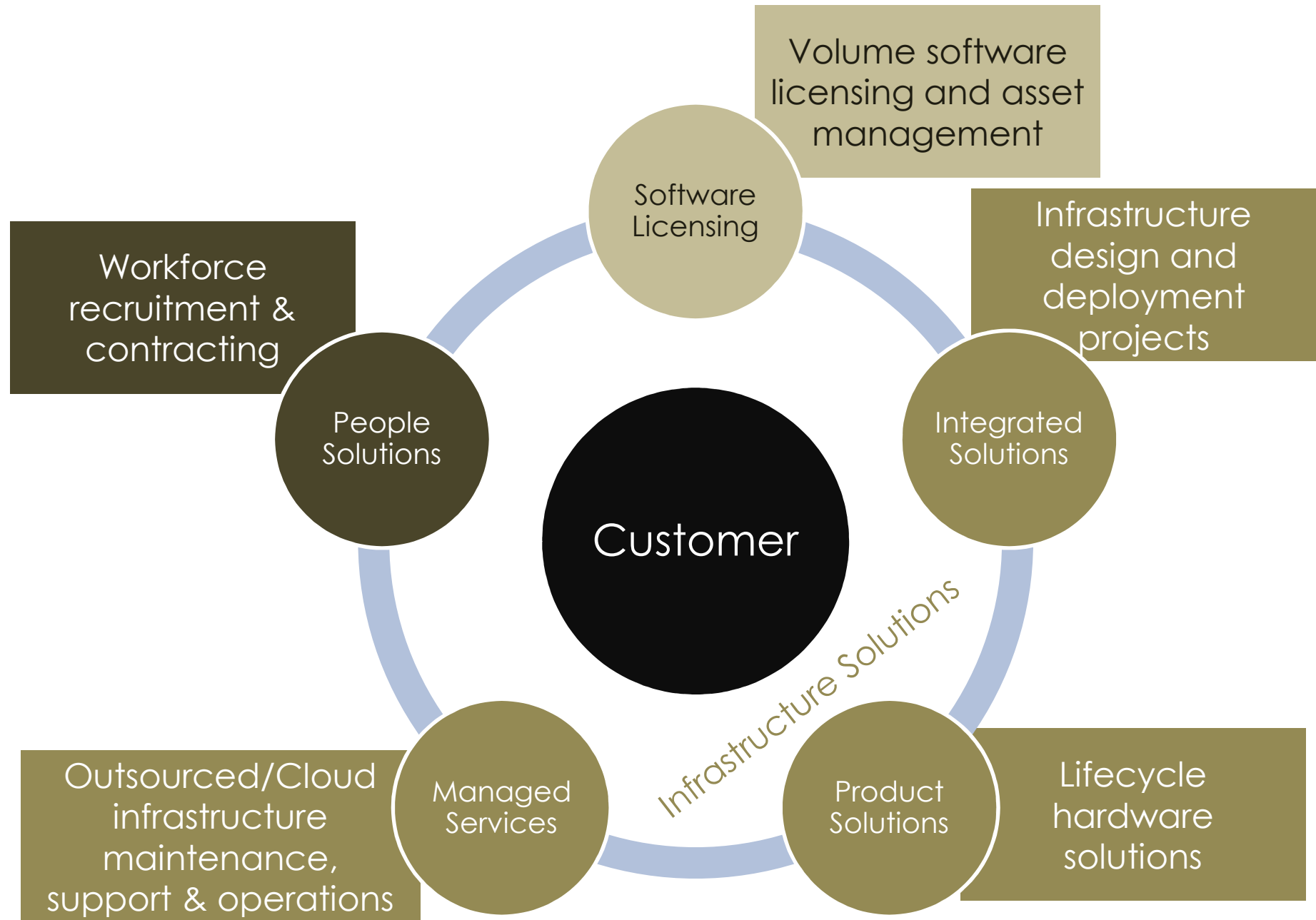
Data#3 (DTL) 1H FY12 performance

20th February 2011

Strong top line growth in a challenging market

- Total revenue up 15% to \$436M
 - Product revenue up 15.5% to \$375M
 - Services revenue up 14.5% to \$59M
- Sales gross margin down 0.9% to 13.7% due to shift in sales mix
- Expenses up 13% with continuing investment
- Net profit after tax down 9.5% to \$7.2M
- Earnings per share down 9.5% to 4.7 cents
- Strong cash flows and balance sheet with no material debt
- Interim fully franked dividend of 3.45 cps – consistent with 1H11 payout ratio

Our business



Our national footprint

Perth Office

Canberra Office

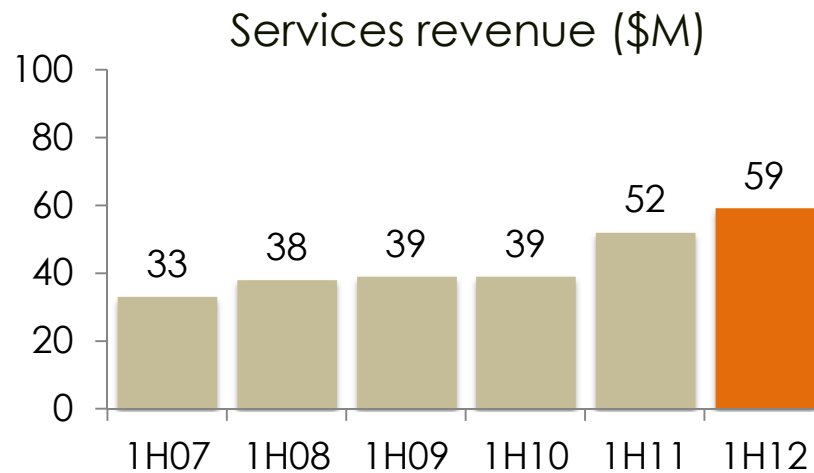
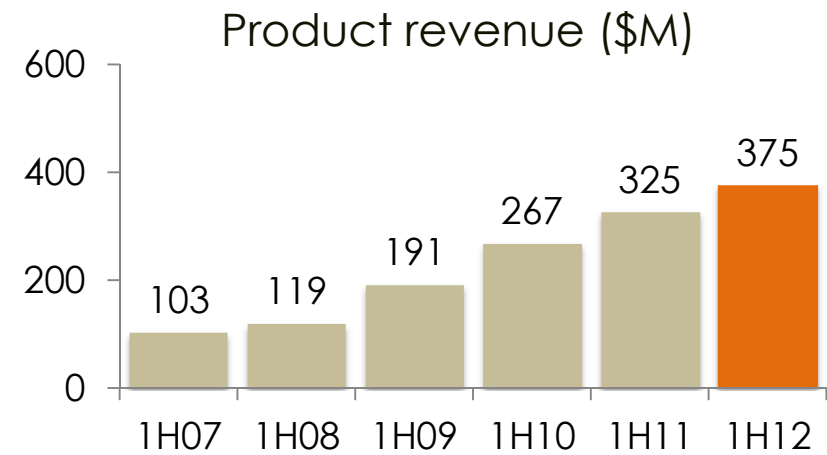
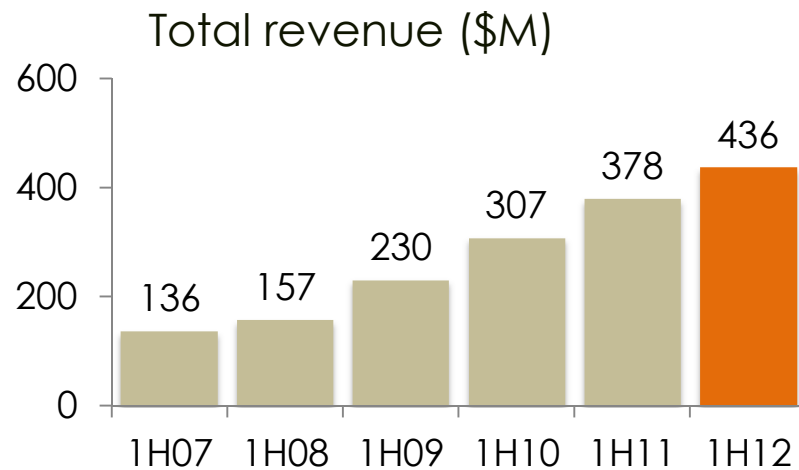
Adelaide Office

Melbourne
Office
Warehouse &
Configuration Centre

Brisbane
Head Office
Warehouse &
Configuration Centre

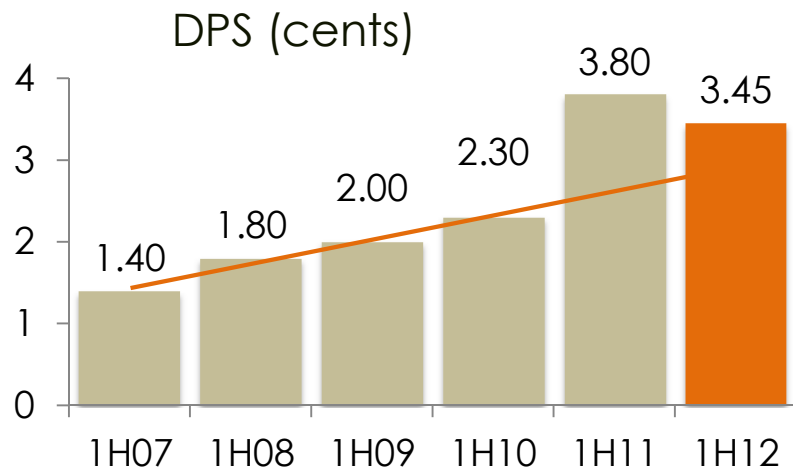
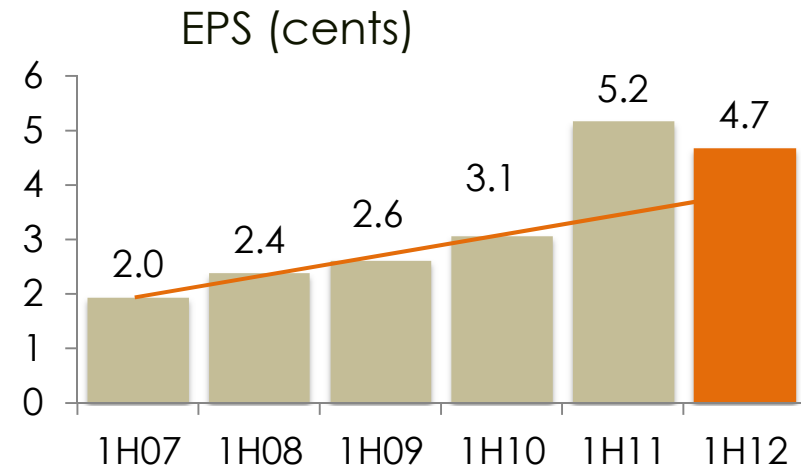
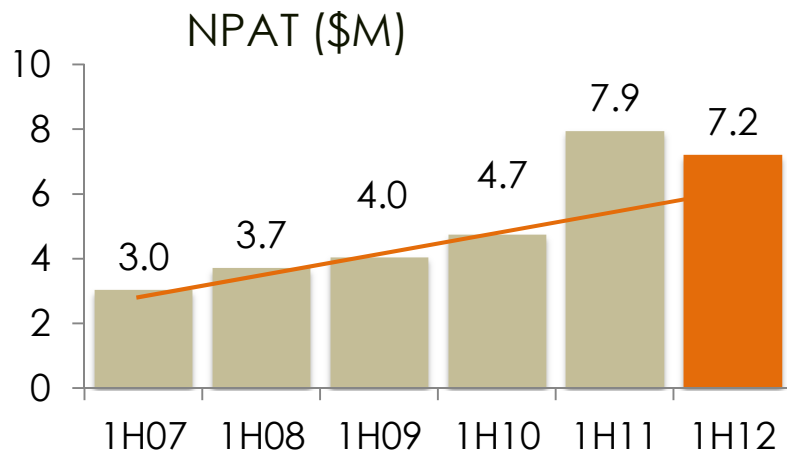
Sydney
Office
Warehouse &
Configuration Centre
Datacentre

Strong revenue growth, ahead of market growth



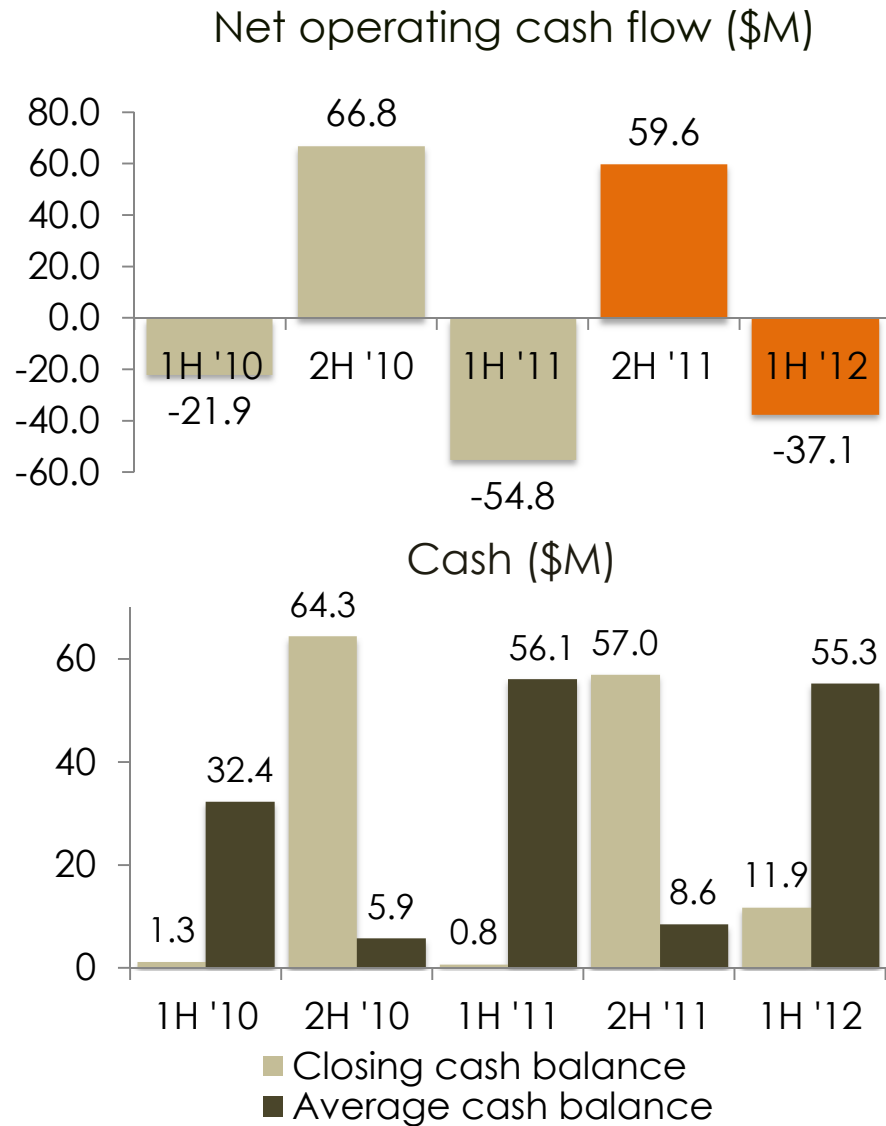
- Solid growth overall well ahead of market
- Shift in sales mix towards product revenues
- Declining sentiment in project related hardware and services

Earnings ahead of long run trend



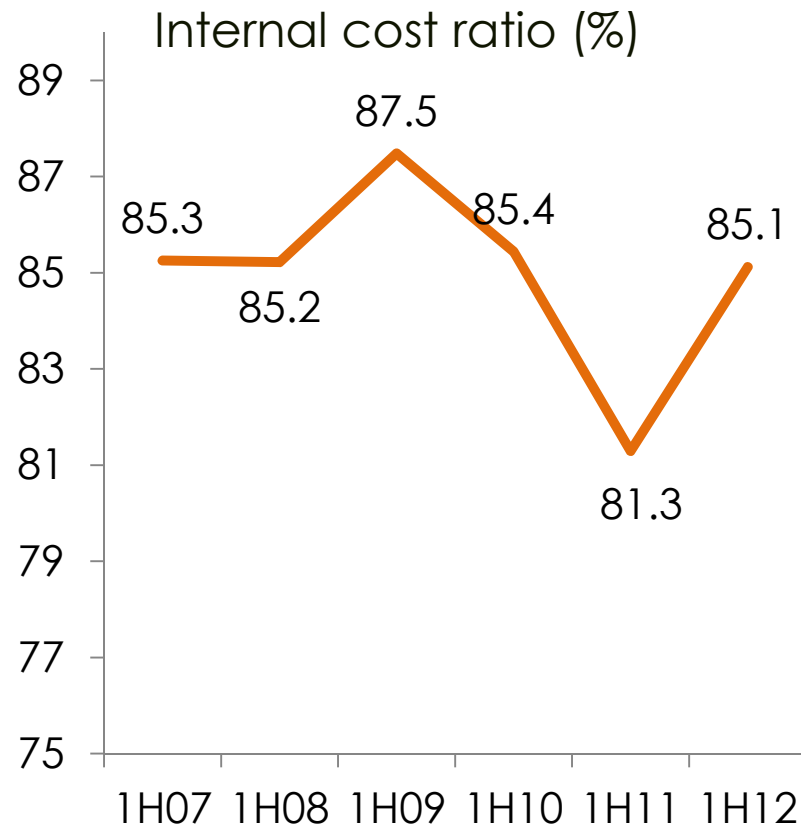
- Earnings ahead of long run trend but down on exceptionally high 1H11
- Decline in higher margin services
- Dividend payout ratio maintained at 1H11 level

Strong balance sheet and cash flow



- Strong balance sheet with no material debt
- Cash flow 'seasonality' in line with trend
- Average cash balance \$55.3M

Cost structure reflects investment

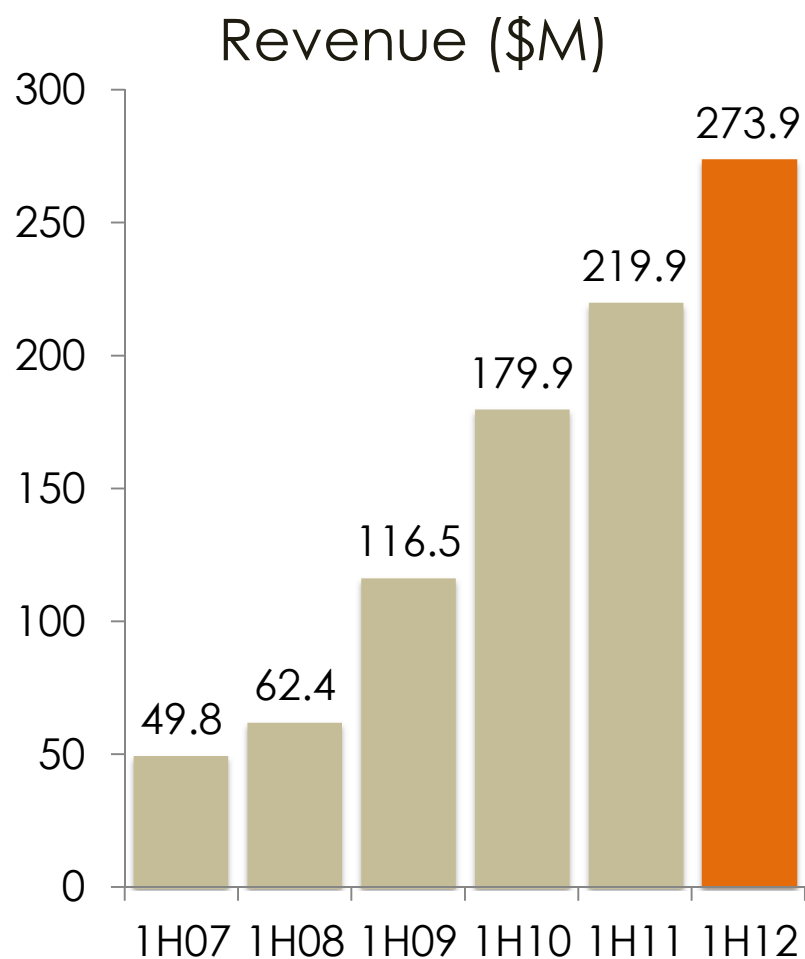


- Internal cost ratio [internal staff & operating expenses as % of gross profit] increased on pcp
- Opex investment flat
- People numbers up 17%
- People investment up 19%

Performance of the specialist businesses

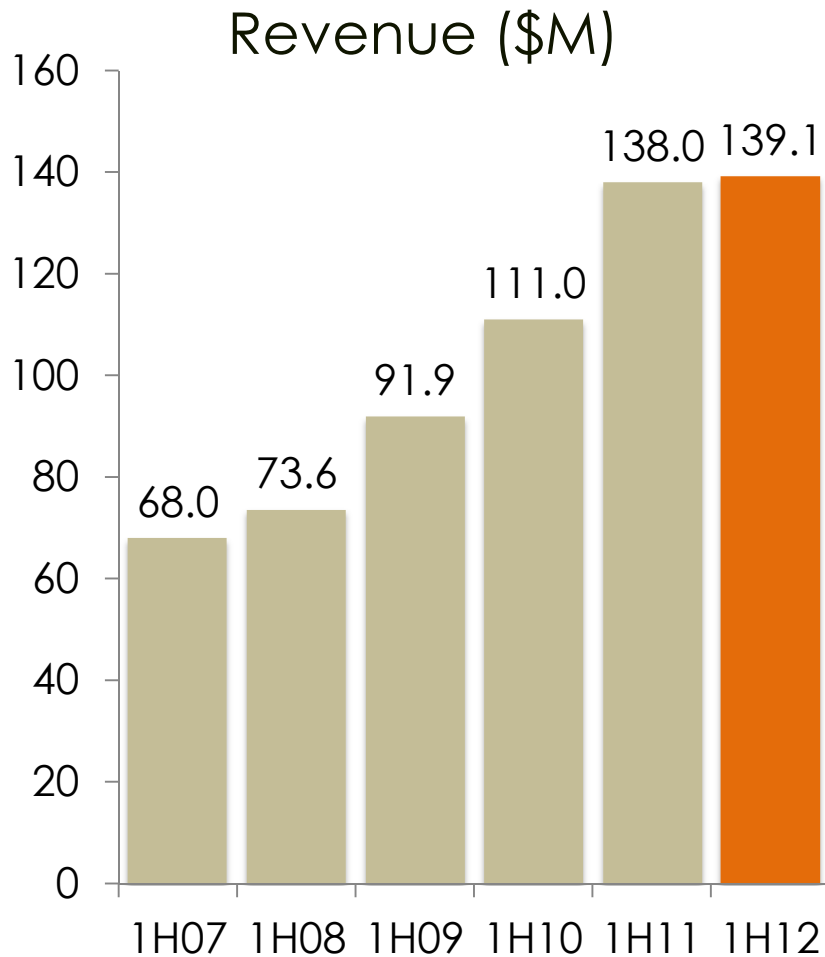


Software Licensing – continuing track record of growth



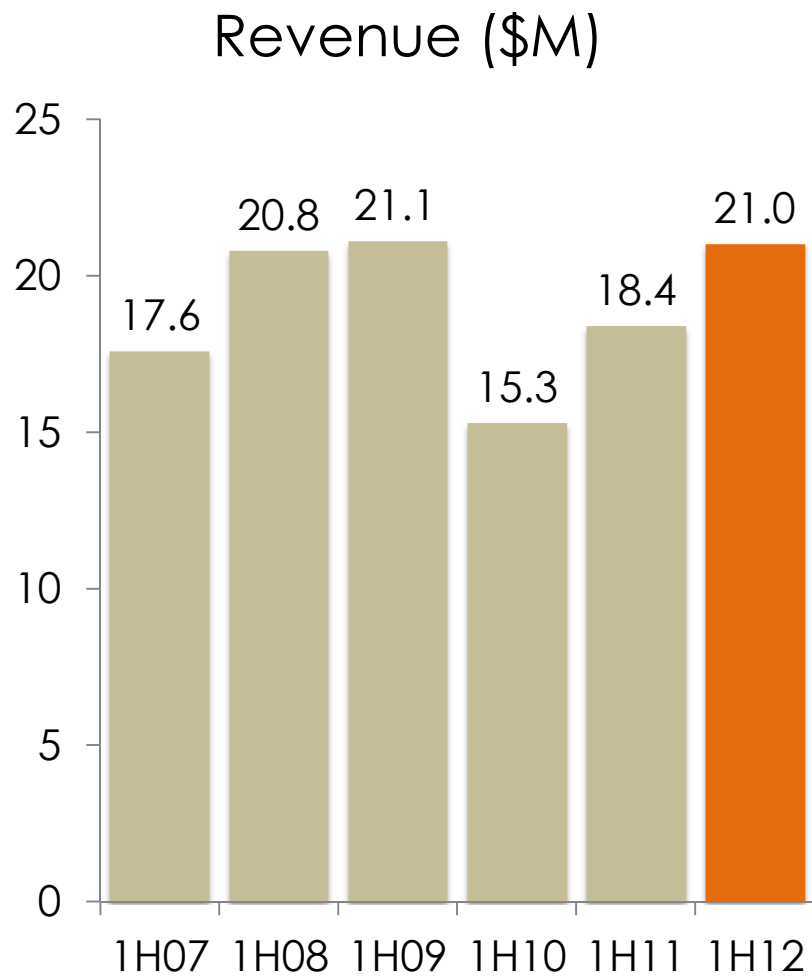
- Total revenue up 24.5% to \$273.9M
- Particularly strong contribution from State Govt, large commercial organisations and Pacific Islands
- Decision on new Federal Government contract imminent
- Strong market acceptance of new workforce productivity practice

Infrastructure Solutions – minimal growth as project investment declines



- Revenue flat at \$139.1M
- Products down 2.7% to \$102.6M
- Project services down 8.3% to \$15.2M
- Managed services up 33.3% to \$21.3M
- Strategic wins in outsourcing
- Strong growth in Maintenance Contracts with expansion of offerings to HP and IBM and significant growth in Cisco

People Solutions – growth continues in patchy market



- Total revenue up 15.2% to \$21.2M
- Permanent placement revenues up
- Contractor numbers up 10%
- Placement rate firm at 34%

All strategic initiatives on track

- Strong customer acceptance of Strategic Consulting practice
- Strong customer acceptance of Workforce Productivity practice
- Trusted Cloud for Infrastructure as a Service built out and being taken to market
- New strategic supplier relationship with EMC
- Supply chain automation
 - Automation of back-end EDI and pricing complete
 - Decision made on quotation and online portal provider - live by July 1

1H summary



1 H summary

- Strong top line growth in difficult market
- Very strong performance from 3/5 areas of specialisation
- Decline in project revenues was not anticipated – driven by delay of major investment projects
- NSW market particularly challenging
- Continuing program of investment on track and delivering productivity gains
- All strategic initiatives on track

2H FY12



Addressing the challenging market

- Aligning costs with market opportunity
- Continuing investment to drive productivity
- Increasing demand generation activities
- Turning more of our good people toward the customer
- Improving the sales process

Tender flow and win rate improved since AGM

	Full Year 2010	Full Year 2011	Oct AGM	1H 2012
Submitted bids	357	345	147	207
Decided bids	271	238	32	69
Won	126	119	18	42
% won	46%	50%	56%	61%
Undecided			115	138

Market outlook entering 2H 2012

2H outlook expectations

Growth in software licensing in line with market
Seasonality biased to 1H

Some improvement in product procurement
Reviewing investment & resourcing levels
Major Qld Govt contract comes to market

Remaining negative in integration services
Reviewing investment & resourcing levels

Growth in managed services

Some growth in recruitment & contracting
Change in Qld Govt supply conditions

2H12 outlook summary

“We see the uncertain conditions that marked the first half continuing at least for the remainder of this financial year.

Under these circumstances we are not in a position to provide guidance for the full year and will keep shareholders informed”

Data#3 remains well positioned to perform ahead of the market

- Global uncertainty still playing out
- IT services market in flux but still has strong underlying fundamentals
- Data#3 operates in large markets (\$22.5B in 2011)
- Data#3 has strong and interdependent relationships with global market leaders
- Data#3 has capacity and capability to compete and grow in all markets
- Data#3 is viewed as a preferred employer
- Data#3 has a strong financial position and track record

Q&A



Appendix 1 – Financial summary

	1H12 \$'000	1H11 \$'000	% Change
Revenue by segment:			
Product	375,153	324,762	+15.5%
Services	59,109	51,644	+14.5%
Other revenue	1,582	1,361	
Total Revenue	435,844	377,767	+15.4%
Revenue by area of specialisation:			
Software Licensing	273,882	219,925	+24.5%
Infrastructure Solutions (project services, hardware product and managed services)	139,135	138,046	+0.8%
People Solutions	21,245	18,435	+15.2%
Total gross profit	59,359	54,859	+8.2%
Total gross margin %	13.7%	14.6%	
Total expenses	50,527	44,597	+13.3%
EBITDA	9,528	10,668	-10.7%
EBIT	9,164	10,323	-11.2%
EBIT margin %	2.1%	2.7%	
NPBT	10,414	11,664	-10.7%
NPAT	7,188	7,940	-9.5%
	1H12	1H11	% Change
Earnings per share	4.7 cents	5.2 cents	-9.5%
Dividend per share	3.45 cents	3.8 cents	-9.2%
Return on equity %	22.9%	27.4%	

Disclaimer

This presentation has been prepared by Data#3 Limited (“the Company”). It contains general background information about the Company’s activities current as at the date of the presentation. It is information given in summary form and does not purport to be complete. The distribution of this presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions.

This presentation is not (and nothing in it should be construed as) an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security in any jurisdiction, and neither this document nor anything in it shall form the basis of any contract or commitment. The presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

The Company has prepared this presentation based on information available to it, including information derived from publicly available sources that have not been independently verified. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, correctness or reliability of the information, opinions and conclusions expressed.

Any statements or assumptions in this presentation as to future matters may prove to be incorrect and differences may be material. To the maximum extent permitted by law, none of the Company, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

Data#3