APPENDIX 4D

Name of entity	**Data#3 Limited**
ABN	**31 010 545 267**
Reporting period	**Half-year ended 31 December 2013**
Previous corresponding period	**Half-year ended 31 December 2012**

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results				$'000
Revenues from ordinary activities	down	1.8%	to	399,094
Profit from ordinary activities after tax attributable to members	down	62.3%	to	2,569
Net profit for the period attributable to members	down	62.3%	to	2,569

Dividends	Amount per security	Franked amount per security
Current period		
Interim dividend	1.5 cents	100%
Previous corresponding period		
Interim dividend	3.45 cents	100%

The record date for determining entitlements to the dividend is 17 March 2014. The dividend is payable on 31 March 2014.

BRIEF EXPLANATION OF THE FIGURES REPORTED ABOVE

Please refer to the Review of Operations in the Directors' Report which begins on page 1 of the attached Interim Financial Report for the half year ended 31 December 2013.

Net tangible assets per security	Current period	Previous period
Net tangible asset backing per ordinary security	$0.15	$0.18

Data#3 Limited
ABN 31 010 545 267

INTERIM FINANCIAL REPORT
Half-year ended 31 December 2013

CONTENTS	**PAGE**

DIRECTORS' REPORT

Your directors present their report on Data#3 Limited and its subsidiaries (together referred to as "the company", or "we, our, or us") for the half-year ended 31 December 2013.

1. DIRECTORS

The following persons were directors of Data#3 Limited for the entire half-year and up to the date of this report:

Richard Anderson
Glen Boreham
John Grant
Ian Johnston
Terry Powell.

2. REVIEW OF OPERATIONS

SUMMARY OF OUR FY14 PLAN

When Data#3 started its planning and budgeting process for the 2014 financial year (FY14), the company considered a number of tactical and strategic inputs. Tactically, we saw two things playing into budgets for the first half:

1. With the Federal election in September, we thought there would be little incentive for investment in the first quarter.
2. The very significant contribution in the FY13 first half from the Fiona Stanley Hospital contract in Perth, Data#3's largest ever infrastructure sale, was not expected to be replicated or compensated for through other sales of that magnitude in the first half of FY14.

More strategically and bearing on the FY14 budget, we saw investment sentiment remaining negative even given the prospect of a change in government. This particularly applied in the IT sector, and we saw many global vendors reporting a combination of profit downgrades and redundancies. In Australia, other than for tablets and smartphones, the PC and datacentre product and associated services sectors were experiencing 15% - 20% declines in revenues and other IT and recruitment companies had reported very mixed results. Additionally, we saw the new and disruptive technologies such as mobility and cloud continuing to force our customers to reconsider their IT strategies, thus injecting further delay into investment decisions.

Given this backdrop, Data#3's overall financial objective for FY14 was to at least match the performance of FY13. This resulted in an FY14 budget that was slightly above the FY13 result but with significant bias, approximately 2/3, towards the second half.

Data#3's FY14 plan to achieve this profit objective was underpinned by the company's continuing focus on the three key areas – remarkable people, outstanding solutions and organisational excellence. The FY14 plan also included:

- simplification of the business through a restructure from five areas of specialisation to three
- continued investment to extend and transform the solutions Data#3 offers to help customers transition to a "Hybrid IT" environment encompassing on-premises, outsourced and cloud services
- consolidation of the company's internal service units into one shared services business, and
- a stronger focus on sales performance and productivity across the entire Data#3 team.

FIRST HALF PERFORMANCE

The assumption that the first quarter would be negatively impacted by the Federal election was correct. We experienced significant uncertainty in domestic economic conditions exacerbated by a difficult albeit improving global environment, making business outcomes difficult to forecast. Sales cycles lengthened with both government and corporate customers continuing to defer or cancel capital expenditure decisions in software, hardware and projects, and we continued to experience high levels of competition.

DIRECTORS' REPORT (CONTINUED)

2. REVIEW OF OPERATIONS (CONTINUED)

During the first quarter the planned restructure of the business was completed, with the organisation moving from five areas of specialisation to three – Software Solutions, Infrastructure Solutions and Managed Solutions – all able to offer end to end solutions 'from product to cloud'. We also consolidated the internal services functions which enabled us to take some costs out of the business that will deliver further benefit in the second half this year. This did not occur without some impact on the sales effort as all business units were repositioned and sales teams reorganised and retargeted.

During the second quarter the company's pipeline built quite strongly and performance remained on budget for most of the first half. However, slippage of some significant product deals that had been forecast to close in December resulted in a shortfall against the first half budget, and the final result, while disappointing, was consistent with the market update on 20 December 2013.

Despite the difficult market conditions a number of strategic wins in outsourcing and cloud services provided strong customer endorsement of Data#3's "Hybrid IT" strategy. Some of these included Brisbane Airport Corporation, AstraZeneca, British American Tobacco, McInnes Wilson Lawyers and Vale Australia, the benefit of which will flow into the second half results.

REVIEW OF OPERATIONS

Total first half revenue decreased by 1.8% from $406.2 million to $399.1 million with relatively small decreases in product and services revenues compared to the previous corresponding period ("PCP").

Total gross profit (excluding other revenue) decreased by 6.8% to $57.5 million (PCP: $61.6 million) reflecting a decline in hardware and software product gross profit. Total gross margin decreased from 15.2% to 14.4% due to the highly competitive market and changes in sales mix within the product segment.

Net profit before tax decreased by 62.5% to $3.7 million (PCP: $9.8 million) as a consequence of the reduced gross profit and the higher staff and operating cost structures that have resulted from a combination of longer decision cycles, the increasing cost of doing business and continued investment in solution development.

Net profit after tax decreased by 62.3% to $2.6 million (PCP: $6.8 million). This represented basic earnings per share of 1.67 cents (PCP: 4.43 cents).

Product revenue and gross profit

Product revenue decreased by 1.7% from $338.6 million to $332.7 million, but represented underlying growth once revenue from our largest ever infrastructure contract for the supply of networking equipment to Perth's new Fiona Stanley Hospital in the PCP is excluded. Overall however, the sales in the current period reflect the continuation of the generally challenging and highly competitive market conditions, with a larger number of relatively small transactions across both hardware and software, often at lower gross margins and involving higher selling costs compared to the PCP.

As a consequence total product gross margin decreased from 9.6% to 8.6%, reducing product gross profit by 11.7% to $28.7 million (PCP: $32.5 million).

Services revenue and gross profit

Services revenue decreased by 2.3% to $65.1 million (PCP: $66.6 million). Again the uncertain investment environment saw project delays that resulted in only modest growth in project services. Maintenance revenues, which were boosted in the PCP by the Fiona Stanley Hospital contract, decreased as expected but remained strong and ahead of target as customers elected to extend the life of existing equipment in preference to replacement. Outsourcing and managed services revenues increased slightly and recruitment and contracting revenues decreased slightly.

This change in services mix drove an increase in total services gross margin but services gross profit decreased by 1.3% to $28.8 million (PCP: $29.2 million).

DIRECTORS' REPORT (CONTINUED)

2. REVIEW OF OPERATIONS (CONTINUED)

Interest and other revenue

Interest and other revenue increased to $1.2 million (PCP: $0.9 million) due to higher daily cash balances compared to the PCP where short-term funding requirements for Fiona Stanley Hospital contract reduced surplus cash balances.

Operating expenses

Internal staff costs increased by 4.4% to $46.7 million (PCP: $44.7 million) and other operating expenses increased by 3.5% to $8.3 million (PCP: $8.0 million). Staff numbers declined slightly and average salaries increased in line with the broader industry trend in a competitive market for the best people. Without transactions of substantial value, costs increased to handle the larger number of smaller value transactions generated by the sales business.

Additional rent, depreciation and amortisation costs associated with the company's internal infrastructure, systems and premises accounted for $0.5 million of the increase in other operating expenses, offset partly by savings in travel expenses.

Cash flow

Net cash flow from operating activities is typically an outflow in the first half due to the timing of receipts and payments around 30 June. The traditional May/June sales peak produces higher than normal collections pre-30 June that generate temporary cash surpluses which subsequently reverse post-30 June when the associated supplier payments occur. The first half net cash outflow from operating activities of $72.2 million was higher than the $58.9 million outflow in the PCP due mostly to the reversal of the high temporary cash surplus at 30 June 2013, the reduction in net profit and the increase in inventory holding at the end of the first half. Inventory was inflated by goods held for committed customer orders that were expected to be invoiced and shipped in December, but that were not finalised until after the half year ended.

Due to the cash flow seasonality it is more meaningful to compare the average daily cash balance throughout the period which was $60.2 million, up from $50.4 million in the PCP where cash balances were reduced by short-term funding requirements for the Fiona Stanley Hospital infrastructure contract.

The key trade receivables indicator of average days' sales outstanding remained ahead of target and better than the PCP, demonstrating the effectiveness of our focus on collections and credit management.

OUTLOOK

We are cognisant of the increasing costs within the business but, like so many businesses today, we are expecting the market to improve. In this context we are reluctant to make substantial changes that could be more damaging than beneficial, and that would reduce the capacity we have to drive the top line in the knowledge that small gains in revenue can deliver substantial increases in earnings.

In the short term we are very focused on achieving our original second half targets. With the shortfall in first half performance it will be very difficult for the company to achieve its original full year target. However the pipeline is building and we will keep shareholders advised as the second half progresses.

In the longer term, Data#3 continues to be strategically well placed to generate growth in shareholder value. The company has a robust business, no material debt, long-term customer relationships, committed supplier partnerships, and a great team. As can be seen from Data#3's recent wins, the company is very well positioned with solutions that appeal to the continuing transition to the new world of Hybrid IT.

3. DIVIDENDS

The directors have declared a fully franked dividend of 1.5 cents per share (PCP 3.45 cents) payable on 31 March 2014, representing a payout ratio of 89.9% (PCP 77.9%).

DIRECTORS' REPORT (CONTINUED)

4. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

5. ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

This report is made in accordance with a resolution of the directors.

R A Anderson

R A Anderson
Director

Brisbane
19 February 2014

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Data#3 Limited for the financial half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Data#3 Limited and the entities it controlled during the period.

PITCHER PARTNERS
Chartered Accountants

R C N Walker
Partner

Brisbane, Queensland
19 February 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the half-year ended 31 December 2013

	Half-year	
	December 2013 $'000	December 2012 $'000
Revenue		
Sale of goods	332,747	338,647
Services	65,113	66,629
Other	1,234	937
	399,094	406,213
Expenses		
Changes in inventories of finished goods	3,781	1,143
Purchase of goods	(307,859)	(307,319)
Employee and contractor costs directly on-charged (cost of sales on services)	(21,064)	(19,401)
Other cost of sales on services	(15,249)	(18,053)
Other employee and contractor costs	(46,692)	(44,720)
Telecommunications	(694)	(765)
Rent	(2,976)	(2,843)
Travel	(863)	(1,259)
Professional fees	(233)	(273)
Depreciation and amortisation	(1,274)	(871)
Finance costs	(82)	(163)
Other	(2,202)	(1,869)
	(395,407)	(396,393)
Profit before income tax	3,687	9,820
Income tax expense	(1,118)	(3,001)
Profit for the half-year	2,569	6,819
Other comprehensive income for the half-year, net of tax	-	-
Total comprehensive income for the half-year	2,569	6,819
Basic earnings per share	1.67c	4.43c
Diluted earnings per share	1.67c	4.43c

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
as at 31 December 2013

	31 December 2013	30 June 2013
	$'000	$'000
Current assets		
Cash and cash equivalents	6,322	85,322
Trade and other receivables	75,328	108,084
Inventories	7,042	3,232
Other	6,267	2,603
Total current assets	94,959	199,241
Non-current assets		
Property and equipment	5,517	6,249
Deferred tax assets	3,082	2,186
Intangible assets	7,609	7,166
Total non-current assets	16,208	15,601
Total assets	111,167	214,842
Current liabilities		
Trade and other payables	66,060	164,919
Borrowings	725	695
Current tax liabilities	199	218
Provisions	1,993	1,734
Other	7,990	9,845
Total current liabilities	76,967	177,411
Non-current liabilities		
Borrowings	788	1,158
Provisions	1,911	1,783
Other	524	616
Total non-current liabilities	3,223	3,557
Total liabilities	80,190	180,968
Net assets	30,977	33,874
Equity		
Contributed equity	8,278	8,278
Retained earnings	22,699	25,596
Total equity	30,977	33,874

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2013

	Number of Ordinary Shares	Contributed Equity	Retained Earnings	Total Shareholders' Equity
	'000	$'000	$'000	$'000
2013				
Balance at 30 June 2013	153,975	8,278	25,596	33,874
Profit for the half-year	-	-	2,569	2,569
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	2,569	2,569
Payment of dividends	-	-	(5,466)	(5,466)
Balance at 31 December 2013	153,975	8,278	22,699	30,977
2012				
Balance at 30 June 2012	153,975	8,278	24,236	32,514
Profit for the half-year	-	-	6,819	6,819
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	6,819	6,819
Payment of dividends	-	-	(5,466)	(5,466)
Balance at 31 December 2012	153,975	8,278	25,589	33,867

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

for the half-year ended 31 December 2013

	Half-year December 2013 $'000	Half-year December 2012 $'000
Cash flows from operating activities		
Net profit after income tax	2,569	6,819
Depreciation and amortisation	1,274	871
Provision for doubtful debts	55	98
Other	196	-
Changes in operating assets and liabilities:		
Decrease in trade receivables	33,219	57,013
Increase in inventories	(3,810)	(1,215)
Increase in other operating assets	(4,367)	(1,278)
Increase in net deferred tax assets	(896)	(267)
Decrease in trade payables	(92,296)	(101,246)
Decrease in unearned income	(1,834)	(10,122)
Decrease in other operating liabilities	(6,668)	(8,975)
Decrease in current tax liabilities	(19)	(1,101)
Increase in liability for employee benefits	369	486
Net cash outflow from operating activities	(72,208)	(58,917)
Cash flows from investing activities		
Payments for plant and equipment	(19)	(949)
Payments for software assets	(967)	(1,542)
Net cash outflow from investing activities	(986)	(2,491)
Cash flows from financing activities		
Payment of dividends	(5,466)	(5,466)
Finance lease payments	(340)	(313)
Net cash outflow from financing activities	(5,806)	(5,779)
Net decrease in cash and cash equivalents held	(79,000)	(67,187)
Cash and cash equivalents at the beginning of the reporting period	85,322	70,820
Cash and cash equivalents at the end of the reporting period	6,322	3,633

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2013

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of interim financial report
We have prepared this general purpose interim financial report for the half-year reporting period ended 31 December 2013 in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

This interim financial report does not include all the notes of the type normally included in an annual financial report and accordingly should be read in conjunction with our annual report for the year ended 30 June 2013 and any public announcements we have made during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Change in accounting policy
We have adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to our operations and effective for the current reporting period. The accounting policies adopted in this interim financial report are the same as those applied in the previous financial year and the corresponding interim reporting period with the exception of two accounting policies affected by the new and revised Standards and Interpretations. Our adoption of the new/revised standards has resulted in a change to our accounting policies as follows:

(a) Principles of consolidation
AASB 10 provides revised guidance on control and consolidation. Under the new principles, we control an entity when we are exposed to, or have the rights to, variable returns from our involvement with the entity and we have the ability to affect those returns through our power over the entity. Under our old accounting policy, we presumed to have control of an entity when we had the power to govern the financial and operating policies, generally accompanying a share-holding of more than one-half of the voting rights. We have considered the impact of this change in accounting policy and determined it has no effect on the amounts reported in the current and prior periods.

(b) Employee benefits
Amendments to AASB 119 introduced various modifications which are relevant to our company, including changes to the timing for recognition of termination benefits, and amendments to the definition of short-term and other long-term employee benefits. Under our new accounting policy, liabilities for annual leave that are expected to be settled at least 12 months after reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, and discounted using market yields at the reporting date on national government bonds with terms to maturity that match the estimated future cash flows as closely as possible. As at 31 December 2013 and 2012 all our annual leave liabilities were expected to be settled within the following 12 months, so this change in accounting policy has had no effect on the amounts reported in the current and prior periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2013

NOTE 2. DIVIDENDS

Details of dividends paid during the current period or the previous corresponding period are as follows:

Record date	Payment date	Type	Amount per security	Franked amount per security	Total dividend $'000
14/9/2012	28/9/2012	Final	3.55 cents	3.55 cents	5,466
14/3/2013	28/3/2013	Interim	3.45 cents	3.45 cents	5,312
16/9/2013	30/9/2013	Final	3.55 cents	3.55 cents	5,466

Dividends not recognised at the end of the half-year
Since the end of the half-year, the directors have declared an interim dividend of 1.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%. The aggregate amount of the interim dividend to be paid on 31 March 2014 out of retained earnings at the end of the half-year, but not recognised as a liability at the end of the half-year, is $2,310,000.

NOTE 3. SEGMENT INFORMATION

Our business is conducted primarily in Australia. Our management team makes financial decisions and allocates resources based on the information it receives from our internal management system. We attribute sales to an operating segment based on the type of product or service provided to the customer. Revenue from customers domiciled in Australia comprised 99% of external sales for the half-year ended 31 December 2013 (2012: 98%).

We have identified two reportable segments, as follows:

- Product - providing hardware and third party software for our customers' desktop, network and data centre infrastructure; and
- Services - providing consulting, project, managed and maintenance services, as well as workforce recruitment and contracting services, in relation to the design, implementation, operation and support of ICT solutions.

The following table shows summarised financial information by segment for the half-years ended 31 December 2013 and 2012.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2013

NOTE 3. SEGMENT INFORMATION (CONTINUED)

	Product Half-year to December		Services Half-year to December		Total Half-year to December	
	2013	2012	2013	2012	2013	2012
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue						
Total revenue	332,747	338,647	67,341	71,359	400,088	410,006
Inter-segment revenue	-	-	(2,228)	(4,730)	(2,228)	(4,730)
External revenue	332,747	338,647	65,113	66,629	397,860	405,276
Costs of sale						
Cost of goods sold	(304,078)	(306,176)	-	-	(304,078)	(306,176)
Employee and contractor costs directly on-charged	-	-	(21,064)	(19,401)	(21,064)	(19,401)
Other cost of sales on services	-	-	(15,249)	(18,053)	(15,249)	(18,053)
Gross profit	28,669	32,471	28,800	29,175	57,469	61,646
Other expenses	(22,245)	(18,959)	(27,804)	(27,586)	(50,049)	(46,545)
Segment profit	6,424	13,512	996	1,589	7,420	15,101
Unallocated items						
Interest and other revenue					1,234	937
Other employee and contractor costs					(2,866)	(3,501)
Rent					(775)	(933)
Depreciation and amortisation					(370)	(349)
Other					(956)	(1,435)
					(3,733)	(5,281)
Profit before income tax					3,687	9,820
Reconciliation of revenue:						
External revenue					397,860	405,276
Unallocated corporate revenue						
Interest and other revenue					1,234	937
Total revenue					399,094	406,213

From 1 July 2013 we changed the structure of our internal organisation and in doing so changed the composition of our operating segments. We also changed the manner by which we allocate corporate overhead costs to the operating segments to achieve an equitable allocation. As a result, we have restated the corresponding information for the previous half year.

NOTE 4. SUBSEQUENT EVENTS

No material and unusual events have occurred after the end of the half-year that could affect the financial position and performance of Data#3 Limited or any of its subsidiaries.

NOTE 5. CONTINGENT LIABILITIES

There have been no material changes in contingent liabilities from those disclosed in the June 2013 annual report.

DIRECTORS' DECLARATION

In the opinion of the directors:

(a) the financial statements and notes set out on pages 6 to 12 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
   (ii) giving a true and fair view of the group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Data#3 Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

R A Anderson

R A Anderson
Director

Brisbane
19 February 2014

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ACCOUNTANTS • AUDITORS • ADVISORS

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DATA#3 LIMITED

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Data#3 Limited, which comprises the consolidated balance sheet as at 31 December 2013, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half- year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Data#3 Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PITCHER PARTNERS
ACCOUNTANTS • AUDITORS • ADVISORS

INDEPENDENT AUDITOR'S REVIEW REPORT (CONTINUED)

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Data#3 Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of their performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

PITCHER PARTNERS
Chartered Accountants

R C N Walker
Partner

Brisbane, Queensland
19 February 2014