

Data#3 forecasts solid growth in 1H profit and announces succession plan for MD

AGM highlights:

- **Preliminary first half outlook indicated NPBT range of \$4.5M to \$5.5M, up from \$3.7M in the PCP**
- **Appointment of Laurence Baynham as Chief Executive Officer as part of the succession plan for the Managing Director John Grant**

BRISBANE, Friday 21 November 2014: Australian business technology solutions leader Data#3 Limited (ASX: DTL) is pleased to announce a summary of the content and outcomes of its 2014 Annual General Meeting.

Summary of AGM outcomes

All resolutions were passed by shareholders. These were:

- The approval of the remuneration report for the year ended 30 June 2014
- The re-election of Mr Ian Johnston as a director
- The adoption of a new constitution.

Update on performance and first half outlook

Chairman Richard Anderson told the meeting that the 2014 financial year saw continuation of the challenging operating conditions experienced in 2013 but that pleasingly, even given the highly competitive market, Data#3 was still able to gain share and grow top line revenues by 8% to \$833.6 million.

“Our people have worked very hard to return to revenue growth and the board thanks them for their continued dedication and commitment,” he said.

“The growth also demonstrates the continuing relevance of our offerings to ever-changing customer needs and the value of our extensive market coverage,” he added.

Managing Director John Grant indicated the company expected to achieve solid growth on FY14’s first half NPBT result of \$3.7 million but that the extent of the increase remained primarily dependent on identified on-premise opportunities closing and being shipped in November and December.

“While ICT investment remains constrained, our projections are showing first half NPBT in the range \$4.5 to \$5.5 million. The final result however is dependent on our vendor partners’ ability to supply which we can’t be certain of right up until the end of the half,” he said.

“This projection underpins the full year guidance to improve on last year’s pretax profit of \$10.9 million,” he added.

Appointment of Group General Manager, Laurence Baynham, as Chief Executive Officer

An update was provided on the succession planning activities in preparation for John Grant completing his contract as Managing Director on 31 December 2015, and the appointment of Laurence Baynham as Chief Executive Officer was announced.

Laurence Baynham has served in various roles during his 20 years as a member of the Data#3 team and is currently Group General Manager, a position he has held for 10 years.

Through to December 2015 John Grant will have responsibility for transitioning all current operational responsibilities and relationships to Laurence, helping and supporting him where required, completing certain strategic projects, and managing Data#3's acquisition interests.

"Following John's completion of his role as MD he will maintain a strong involvement with the company through his positions as chairman of the board of Discovery Technology and a member of the advisory board of Business Aspect. After a suitable period the board and John may consider his appointment as a non-executive director," said Richard Anderson, Data#3 Chairman.

"Laurence has been a committed and loyal deputy for the past 10 years and I'm totally comfortable that we will achieve an effective transition. Our customers, our shareholders and our people will benefit from the skills and experience he brings," said John Grant, Managing Director.

"Data#3 is a great Australian success story, with a longstanding record of leadership in bringing the best information and communication technology solutions to Australian businesses. I am delighted to accept the role as Chief Executive Officer and look forward to playing a part in Data#3's future success," commented Laurence Baynham.

ENDS

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About Data#3

Data#3 Limited (ASX: DTL) is one of Australia's leading business technology solutions companies servicing customers across a wide range of industries throughout Australia and the Asia Pacific.

The company was established in 1977 and listed on the ASX in 1997.

Working with customer's business and technology teams, Data#3 addresses the Hybrid IT environment from on-premise to outsourced to cloud, through its software, infrastructure, managed and application solutions. These solutions leverage market-leading technologies from global vendors and Data#3's knowledge, expertise and experience to accelerate the achievement of customer business objectives:

- Software Solutions: for software licensing and deployment; asset management; and business productivity
- Infrastructure Solutions: for hardware lifecycle management; maintenance; and data centre, network and desktop infrastructure
- Managed Solutions: for staffing; outsourcing; essential support; 'as a service'; cloud brokerage; and consulting
- Application Solutions: for enterprise productivity applications and Wi-Fi business analytics.

Data#3 reported revenues of \$833 million in the 2014 financial year, and has over 1,000 employees and contractors. The company is headquartered in Brisbane and operates from 12 locations across Australia.

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