

Ladies and gentlemen,

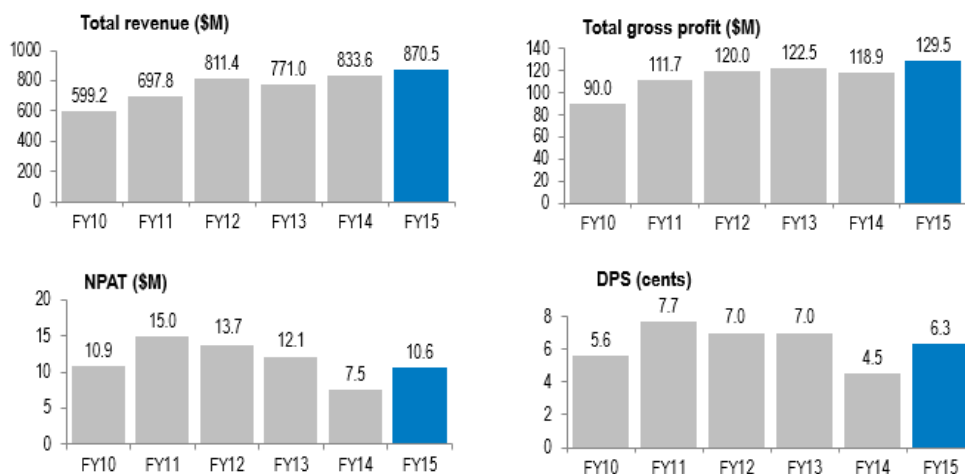
Good morning. I'm very pleased to welcome you to the 2015 Annual General Meeting of Data#3 Limited at the company's Brisbane corporate premises.

The opening video is from JuicelT, Data#3's largest customer event, held annually for the past 6 years. In 2015 we had 20 world-leading vendors presenting at the event, and it was attended by over 1,200 customers.

The annual report issued with the notice of today's meeting presents the 2015 financial year results and the financial position as at 30 June 2015. The report is available electronically and we continue to encourage shareholders to use this method to access company information. Of course the report continues to be available in hard copy.

We are delighted to report increased revenues and very strong growth in earnings and dividends in the 2015 financial year. We consider this a very solid performance in a competitive and transforming technology market.

FINANCIAL HIGHLIGHTS



As explained in the annual report, entering the year we increased our sales and technical resources with the express intention of gaining market share. This strategy drove revenue growth of 4.4% to \$870.5 million and more importantly, achieved better sales margins to drive gross profit up 8.9% to \$129.5 million. Net profit after tax increased 40.9% to \$10.6 million. In a continuing relatively flat market and difficult national economy, return on equity was 29.2%.

Fully franked dividends for the full year increased 40.0% to 6.3 cents per share representing a 91.5% pay-out ratio and an 8.6% yield on the average share price over the year. Data#3's share price increased steadily during the year, from 68 to 79 cents, and more significantly following the full-year results announcement. Total shareholder return for the year, based on dividends paid, was a very solid 23.7%.

The business again generated strong cash flows. In addition to providing for the increase in dividends this funded the acquisition of Business Aspect and the investment in Discovery Technology with cash on hand and no borrowings at year end similar to prior years.

The company's Chief Executive Officer, Laurence Baynham, will discuss the environment in which Data#3 is operating and the full year result in more detail shortly.

We remarked last year that in a market in transition, we believe a key responsibility is to ensure that we are well positioned to secure revenue in the new and emerging service centric, Hybrid IT marketplace - on premises, outsourced and cloud. In FY15, despite continuing decline in traditional investment in on-premises hardware and software product and the associated services, our market share strategy led to growth in both product and services revenues with increased gross profit. The announcement last week of the company's appointment as a Tier 1 Microsoft Cloud Solutions Provider is a wonderful statement of Data#3's standing with this world leading IT vendor. Most particularly it demonstrates our continuing transition to service centric, whilst successfully balancing our customers' needs for on-premises product and services with their transition to the cloud.

The acquisition of Business Aspect and the investment in Discovery Technology has added strong capability in consulting services and in Wi-Fi analytics. We believe their contribution will continue to increase, not only in profit terms but more importantly in adding to the strategic repositioning of the company.

In FY16 our plan is based on an expectation of relatively unchanged market conditions and our key objective for the year is to increase earnings over FY15. To achieve this we intend to leverage the access we have to a very large marketplace to drive organic growth in our core businesses, and where and when appropriate, help our customers transition into service centric public cloud solutions. We also plan to open up new opportunities - for example in security, with the establishment of a national security practice. With four months of the financial year behind us the market remains quite challenging, however we remain confident in our strategy.

The board again acknowledges the contribution of the company's management and staff who understand the technology transition our customers are facing. Their application to the task is exceptional. We are also grateful for the continuing support of shareholders. You can be assured we are applying ourselves diligently to make the most of the market in which we operate and to increase the returns we provide to you.

The remuneration report which is included in the annual report will be put to the meeting for adoption. Within Data#3, as in previous years, targets to produce acceptable total returns to shareholders have been established and the management team's remuneration is structured in line with these targets, with a significant proportion comprised of short term or long term incentives. Our management and staff are regularly targeted by competitors in the highly competitive market for IT talent, and we are very conscious of the balance that must exist between expense levels and attracting and retaining key people – they ultimately make the difference.

We measure remuneration every year against industry benchmarks to ensure it is set competitively and the board believes that both the levels and structure of remuneration are in line with the market and appropriate to produce the results we are targeting. I recommend the remuneration report for adoption at today's meeting.

Another item for your consideration on today's agenda is my reappointment to the board. For this item I will hand the chairmanship of the meeting to Ian Johnston.

A key focus of the board is succession planning – both for the management team and the board itself. I am pleased to report that the transition from John Grant to Laurence Baynham announced at last year's AGM has been implemented seamlessly, with the appointment of Laurence to the role of CEO having occurred effectively and with minimum disruption.

Having taken full responsibility for the company's management from November last year Laurence has clearly demonstrated his ability to lead the business. The board is very satisfied with his performance as CEO ... congratulations Laurence. Laurence is expected to continue Data#3's transition in the evolving IT market, driven by new and emerging technologies, to maintain growth in profitability to further strengthen the company's financial position and returns to shareholders.

John has particularly utilised his time since then in his role with Discovery Technology. Shareholders will also be aware of his involvement as Chairman of the Australian Rugby League Commission.

In conjunction with these changes, and as summarised in the 2015 annual report, the board has engaged an external consultant to assist with the development of the board succession plan including the assessment of the board skills needed for the future and to assist in the search for new directors. These actions were taken in preparation for the appointment of new directors and to facilitate a broader renewal of the board over a two to three year period.

As confirmed at last year's AGM, John Grant's current service agreement will complete on 31 December 2015 at which time he will stand down as Managing Director. John has been central to the success of Data#3 for 33 years, 19 of them as Managing Director. His leadership during that time has been outstanding. Following completion of his role as Managing Director, he will maintain a strong involvement with Data#3 through his ongoing position as Chairman of the board of Discovery Technology Pty Ltd, a company which Data#3 now controls and which we think represents a significant potential opportunity.

I am sure that all shareholders will agree that John deserves the highest accolades for his long period of dedication to the success and growth of Data#3 and will look forward to his continuing association with the company through Discovery Technology.

Also as previously announced Glen Boreham stepped down from the board on 30 September 2015. His contribution to the board has been greatly valued and we wish him all the best with his other appointments.

As part of the succession plan it is intended that as new appointments are made the remaining non-executive directors will progressively retire to achieve a changeover with minimum disruption to the management of the company and the evolving strategic direction. We expect to announce the first of these new appointments shortly.

I will now ask Laurence to the microphone to address operational aspects of the company's FY15 performance and the outlook for the current period.

Thank you for your continuing interest in the company and your attendance at this 2015 Annual General Meeting.

Richard Anderson
Chairman
Data#3 Limited

Good morning ladies and gentlemen. Thank you for making the time to be here this morning.

This is my first opportunity to speak at an Annual General Meeting even though I have attended every one since listing back in 1997. So perhaps I’ll quickly introduce myself. My wife, Katharine, and I moved from London to Brisbane 24 years ago with two young children. We became Australian citizens 22 years ago and I joined Data#3 21 years ago. We also extended our family to 5 children - something that we would not have considered, when living in London!

After working for some large multinationals I remember when I joined Data#3, it was an innovative company with a great history and a place where I could potentially make a difference. I still firmly believe that for anyone joining the business, it is as true today as it was back in the 90s.

Since taking over as CEO 12 months ago I have undertaken some key actions, working in conjunction with the board.

The first was to listen. Even though I have been with the company many years I wanted to hear directly from our people, our customers, and our vendors and of course our shareholders and investment community.

That led to our second action – the development of our 3 year strategy that I will address in more detail.

My third action was to restructure the senior executive team and create a smaller Operational Management Team - I’ll expand on that shortly but we have an exceptional pool of talent and skill inside and outside of the management team in Data#3 and I’m keen to continue to attract and retain the best in the industry.

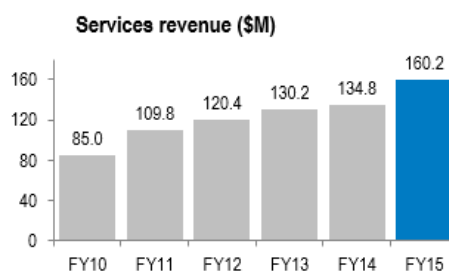
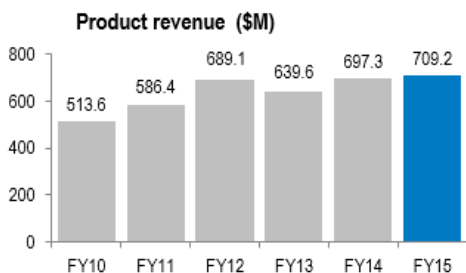
Having listened to our stakeholders, having put in place the strategy and the team to execute on it, the final action was to implement it across the business.

Today, I will cover our financial results, and give you more information on our strategy. I will then cover some of the actions that we have taken as result of the strategy.

Lastly, I will reaffirm our outlook.

Let me firstly review our financial performance for FY15.

FINANCIAL HIGHLIGHTS



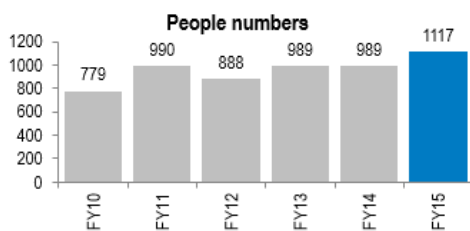
Richard summarised the key metrics such as our increased revenues, profits and dividends. I would now like to focus on the revenue split. Our strategic intent was to grow services and I'm pleased to say that is exactly what we were able to do in FY15. Services increased to \$160 million which was up from \$135 million.

Product revenues increased slightly and included \$47 million from Microsoft's public cloud which we expect to double in FY16.

Now, let's take a regional view of the business. Starting with Queensland we were very pleased to gain 10% growth in our largest location. NSW, ACT and Victoria each had growth but were a little below our expectations. We established a business in Tasmania and it is early days with a relatively small team. In South Australia the economic conditions were not good in FY15 but despite this we saw some growth. In Western Australia, despite a challenged economy, we saw excellent growth albeit from a relatively low base.

From a cash management perspective we had a very strong year and our average DSOS was 27 days. We remain an industry leader for this metric.

NON-FINANCIAL INDICATORS



94.4% of our people recommend Data#3 as employer of choice.

Now let's have a look at some non-financial indicators that give an insight into the health of the business.

We had record participation in our People Satisfaction and Customer Satisfaction surveys and recorded the highest scores in 5 years. We were also very pleased to gain a 94.4% employer of choice score from our people.

Another non-financial indicator are the awards and certifications that we gain from our global vendors, and from industry. I will not go into detail on awards, suffice to say, this year has been as good as any other year. However one new award worth noting is from the recent Canlys event where we were recognised as the Cloud Software Partner of the Year for Asia Pacific. Canlys is a well-respected IT industry analyst for the region.

One company certification that we announced last week is the Tier 1 Microsoft Cloud Solution Provider. It enhances our position as Microsoft's leading partner in the region and regularly named in the Top 10 revenue partners globally for Microsoft.

GLOBAL PARTNERS



Top 10 worldwide, global awards, global advisory role



Top 10 Asia Pacific, advisory board



Top 10 worldwide, global advisory board with CEO

Plus largest partner in Australia for several infrastructure and software suppliers

Our vendor strategy is to partner with the global leaders and, for example, we have similar positions of strength with HP and Cisco.

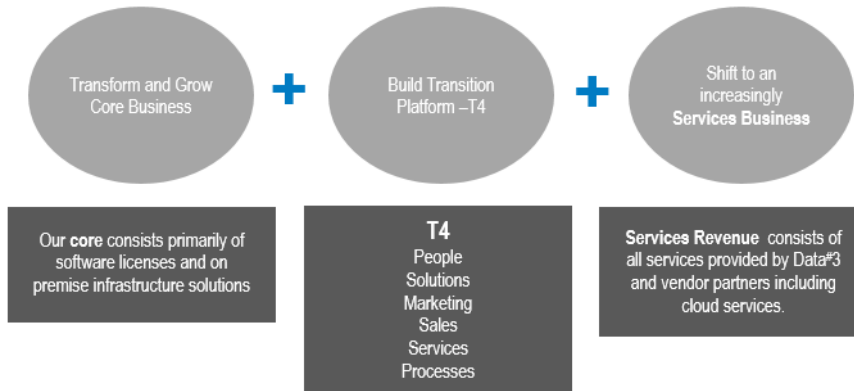


We started the strategic planning early in February this year with inputs from our customers, the board, our people, vendors and industry analysts.

The plan is a 3 year horizon and the key elements include:

- Keeping the traditional business growing and profitable
- Increasing services
- Increasing As-a-Service models
- Increasing cloud
- Increasing annuity
- Increasing margins
- Investing in vertical markets
- Gaining market from new customer buying centres, outside of traditional IT departments
- Raising our Community and Corporate Social Responsibility commitments
- Building alliances and partnerships.

THE PATH TO OUR FUTURE



Our 3 year strategy, at the highest level, sees us maintain our leadership position for on premise software license and infrastructure. Although the traditional on premise market may be slowing, we continue to see market opportunity and we are well positioned to satisfy the needs of our customers and vendors.

The second part of our strategy is to set the platform for new market growth. This includes developing our solutions, our systems, our Go To Market, and most of all, our people. The transformation from the provision of on premise cap-ex models to new op-ex based consumption models in a hybrid cloud requires us all to develop new skills.

As most companies understand, the transformation of internal business processes that streamline work practices, improve productivity, collaboration and innovation, is not an overnight exercise. Internally, we call this transformation project T4 (Transition Together Towards Tomorrow). The video at the start of the AGM described how we position the transformation with our customers and was prominent in our big customer event, Juice IT.

Now that you have heard the summary strategy, what are we doing? What actions have taken place? I will now provide a snapshot of some of the actions that underpin our strategy.

Let me start with the two acquisitions that we have recently made. Both of which enhance our strategic direction.



Firstly, Business Aspect is a team of 80 management consultants who had a year of integration to the group, and continue to operate independently. You may have noticed the Business Aspect signage as you entered the building this morning. We are very pleased with the alignment with the core Data#3 team which complements our Go To Market for our solutions and introduces the Data#3 team to C level contacts outside of IT. My simple explanation of the Business Aspect business is that they are the translation layer from

business to technology. You may be surprised but sometimes our industry has been accused of using jargon. Business Aspect translates technology into real business advantage.

Let's now look at Discovery Technology. We started with a minority investment in what is essentially a start-up application business. The specialisation in Wi-Fi analytics remains one of the hottest parts of the market. In the past 12 months we have learnt a great deal and in some respect so have our customers. We have extended several production systems in retail and airport locations and we are running dozens of paid pilots for industries such as universities, healthcare, city centre CBD, and gaming.

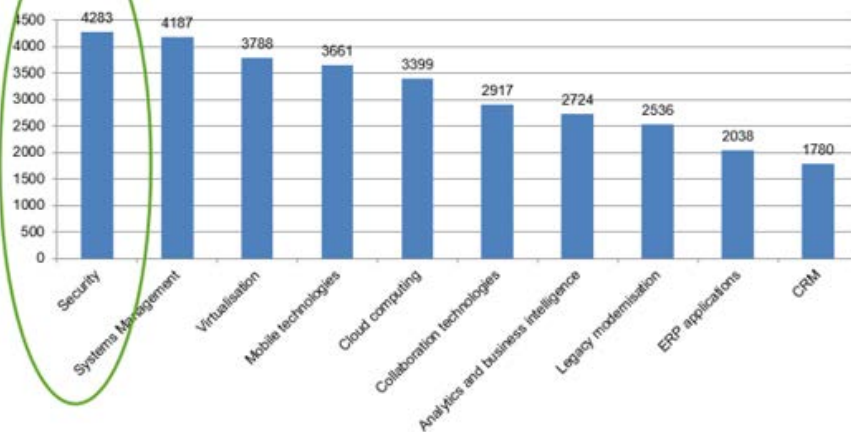
Discovery recorded a profit in the first year as well as extending its early capability in Wi-Fi location enabled analytics into a platform that integrates a broad range of services. Digital advertising is one such example. In July we extended the investment to a controlling interest, and, as Richard indicated, John Grant will remain as Chairman. We look forward to growing this opportunity.

Both Business Aspect and Discovery further our strategic intent. They drive services, provide differentiation, and both target buying centres outside of IT.

SECURITY PRACTICE

Technology Priorities

673 Completed Responses



Another example of an action that underpins the strategic plan is the establishment of a Security Practice. We have provided security solutions for many years but our last customer survey showed that security had jumped from number 4 priority to number 1. We listened and responded by our investment in the security practice which now incorporates security consulting skills from Business Aspect. We intend to continue to build our security solutions portfolio.



We also called out a deliberate strategy to go after the Education market segment. By Education we mean K-12 and Tertiary. We have taken a more direct path to market and built or partnered to provide solutions for this market. A recent example was in WA where we have seen the slowdown in the resource sector. We deliberately gave a sharper focus to the Education sector which has resulted in a major win at Edith Cowan University.



One of the strategic elements of our plan is improving our partnering with other organisations to get a better outcome for customers. When we work with global customers sometimes we are disadvantaged because of our lack of global reach. To overcome this we have entered into a formal global alliance with ten other regionally strong organisations from Europe, US, Asia and Africa. The trial period of 3 months is now complete and we have gained 8 global corporations as new customers through introductions from the Global IT Alliance. It is early days and the current business is not material but we are heading in the right direction.

COMMUNITY ENGAGEMENT PROGRAM



One new element to the strategic plan was to increase our involvement with community initiatives and raise the profile of Corporate Social Responsibility. Feedback from our people survey, and particularly the younger generation, support companies becoming even more socially responsible. I'm pleased to say that this year we entered into a national partnership with the Starlight Children's Foundation and through the support and generosity of our people, our customers, and our vendors we have already raised \$25,000 for the foundation. We look forward to strengthening this initiative.

EXECUTIVE MANAGEMENT AND OUR PEOPLE



Now let's move to our people and management. The first decision I made last November was to reorganise the team and create a small operational management team. This consists of our CFO Brem Hill, who many of you know well, and two Executive General Managers, Brad Colledge and Mike Bowser, who are here today along with many others from our Data#3 team. Between the four of us we have in excess of 90 years' experience with Data#3 and we have made solid headway in operational management in the past 12 months.

The strength and depth of the broader management team is the envy of the Australian IT industry and is a major differentiator that we have as a business. Likewise the skills and the dedication of our 1,100 plus people across the country are exceptional.



OUTLOOK

Looking ahead at FY16, we see the IT markets remaining highly competitive and this translates into continuing pressure on margins.

FY16 will again see a skew to the 2H and our full year outlook remains unchanged i.e. our overall financial goal for FY16 is to improve on FY15's result.

Despite our best intentions we did not start the year as strongly as we would have liked, however, we expect our second quarter will be an improvement on the first quarter, and we expect to improve on last year's first half NPBT of \$5.2 million. To what extent we can do this remains dependent on opportunities forecast in November and December, and our current projection is for pre-tax profit in the range of \$5.5 million to \$6.5 million. This projection underpins our full year guidance.

Therefore in summary, this is both an exciting, and challenging time for Data#3, and I want to personally acknowledge and thank the whole Data#3 team for their contribution over this past year.

In my 12 months in this role our team's passion for what they do has been evident. Their willingness to embrace change and adapt to our customers changing buying behaviours has been second to none. I would also like to recognise and thank John, and the board, for their significant support and guidance.

The past 12 months has seen share price and total shareholder return growth, and I can assure you that we will be working smart, and hard, to produce the best possible result for FY16. I look forward to updating you on our progress as we execute on our three year plan.

Thank you.

Laurence Baynham
Chief Executive Officer
Data#3 Limited