



MEDIA RELEASE

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INNOVATION BOOSTS LOCAL TELCO RETURN

Bendigo Community Telco today announced another positive half-year financial result, following strong returns from innovative product offerings.

The Board announced a half-year profit of \$721,959 with a fully franked dividend of 7.0 cents per share to be delivered to shareholders. Chairman Don Erskine said the company's profit was up 63% on last year, due to investing in new technology products, streamlining activities and managing expenses.

"This is a very pleasing result that shows we are listening to our customers and equipping them with the innovation they need, such as access to the NBN and cloud computing. Our mission is to provide the latest communications technology, underpinned with trusted local service and customer support," said Mr Erskine.

The Bendigo Community Telco was established in 2000 as a strategic local initiative to ensure Bendigo had access to competitive communications services. More than a decade on, Bendigo Community Telco has grown to include services such as NBN and high end networking for commercial clients nationwide, such as the Bendigo and Adelaide Bank.

Mr Erskine said following a detailed internal review the company is investing in two key areas to increase its service offering.

"There is real growth potential to deliver high-end data communications solutions for business right across Australia. We are already leveraging our existing network infrastructure that connects 500 Bendigo and Adelaide Bank branches and 1000 ATMs, and it has provided a cost effective way to connect a significant number of new customers," said Mr Erskine.

The second focus for Bendigo Community Telco is delivering services on the National Broadband Network as a direct Retail Service Provider of NBN Co.

According to Mr Erskine, the company can access NBN services at the same wholesale rates as the major telcos, giving significant advantage to Bendigo Community Telco customers.

"We can connect NBN users to our own network right across Australia, where they have access to cost effective technologies via high speed broadband, like voice over IP and video on demand. We are already connected to NBN network segments in Melbourne and Bendigo and are planning a rapid rollout of additional NBN coverage for our customers nationwide.

"We are positioning Bendigo Community Telco as the local NBN specialist with the on-ground expertise people need to make the most of this infrastructure."

Mr Erskine thanked the company's shareholders, customers and staff for their continued support.

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About Bendigo Community Telco:

"Servicing our customers effectively is the key to our success, along with providing access to the latest communications technology. We are looking forward to continuing to provide the best services and strong support to our customers across Australia."

Bendigo Community Telco is listed on the National Stock Exchange (NSX) and the Company is owned predominantly by local businesses and individual shareholders.

All staff are shareholders of Bendigo Community Telco which is keeping in with the Board and Senior Management's philosophy for staff to take ownership, and work within the business as if it was their own.

Bendigo Community Telco pays a commercial and community dividend, and also has a unique arrangement with seven Community Enterprises, where the company contributes to an income stream that funds the development of community facilities.

Ken Belfrage

Company Secretary