

15 March 2017

The Board of Bendigo Telco Limited have declared an interim dividend of 3.0 cents per share.

The dates relating to the interim dividend are as follows:

Market Announcement –	15 March 2017
Ex-Dividend –	24 March 2017
Record Date –	30 March 2017
Payment Date –	28 April 2017

The final dividend will be fully franked and paid in cash.

When arriving at this dividend the Board of Bendigo Telco Limited have been particularly mindful of the results of operations following the recent merger.

Factors that have influences the level of dividend declared include the net profit after tax for the six months to 31 December 2016 of \$297,865, which represents a 30% decrease from the corresponding period in the prior year. The decrease is primarily due to additional operational and acquisition costs as well as several one-off costs which are directly related to the implementation associated with the merger – this includes \$177,000 in redundancy payments.

As a result of the increased scale of the merged entity, the company is now in a position to maximize its growth potential and to implement a range of planned synergies, which will reduce operating expenses. The increased buying power available to the business is likely to result in significantly reduced supplier pricing which will materially improve the company's profitability over the medium term.

Shareholders are directed to the Director's Review of Operations as provided in the Interim Financial Report for the half-year ended 31 December 2016 for further details on the results for the half-year.



Ken Belfrage

Company Secretary