

Bendigo Community Telco announces Half Year results to the BSX**5 March 2008****Announcement Highlights:**

Measure	2006	2007	Increased by
Sales Revenue	\$10.732M	\$13.441M	25%
Earnings per share	6.49 cents	7.47 cents	15.1%
Interim Dividend	5.0 cents per share	6.0 cents per share	20%
Profit Before Tax	\$494.5K	\$565.4K	14.3%
Profit After Tax	\$362.5K	\$417.5K	15.2%

Statement

Bendigo Community Telco Chairman Rob Hunt today announced another excellent half-yearly result for the first half performance to 31 December 2007.

Mr Hunt said, "Our local telco initiative has continued its solid progress, with the focus on assisting local customers to achieve their goals by focusing on providing unbiased advice and effective solutions to meet their telecommunications and technology requirements.

"We are keeping local capital in our economy and building local competencies, confidence, improving collaboration, and demonstrating community commitment. We thank our local shareholders, our very supportive larger consortium members, and our customers from across the City for their ongoing support.

"A 15 per cent increase in after tax profit enabled the locally owned telco to further boost its dividend to shareholders and its support for the communities we are fortunate to serve. We continue to build the value of (and community contribution from) this proudly owned local enterprise."

Community initiatives such as the Strathfieldsaye Community Enterprise, Mt Alexander Community Grants program, Echuca Community Enterprise and Empowering Eaglehawk have encouraged those communities to get behind the local Telco.

"Their advocacy along with our existing and committed supporters have enable us to achieve 25 per cent lift in sales during the half," Mr Hunt said.

"By capturing this telecommunications spending through a locally owned company, we are retaining capital in our own marketplace, and this enables us to reinvest back into our communities," he said.

"When Bendigo Community Telco commenced business it was our vision to build a lasting and meaningful community asset. These half-yearly results are confirmation of the abilities of community to generate successful new ways to play our part in ensuring we have active competition and support for telco services in our market.

"The communities of the future are being shaped today. Bendigo Community Telco is a fine example of what can be achieved in Bendigo – if we turn our minds to improving our own prospects by working together as a community."

Mr Hunt said local ownership effectively gave Bendigo people a chance to set the priorities for the provision of telecommunications services in the Bendigo district – rather than waiting for such services to be provided by national operators. The Chairman thanked his fellow directors and the Bendigo Community Telco management team and staff for their commitment to this important local enterprise.

“Our aim is to continue to generate strong shareholder and community returns to benefit our local economy. Indeed our listing on the Bendigo Stock Exchange was the first for a local company in over 50 years – and demonstrates the importance of having a market place for SMEs and community enterprises across Australia,” Mr Hunt said.

CEO Philip Lazenby said, “A recent Dun and Bradstreet Industry Growth List ranked Bendigo Community Telco as one of the fastest-growing Telcos in Australia, and our half-yearly results certainly back up these findings.

“The recent introduction of an enhanced customer commitment charter demonstrates to our local customers that Bendigo Community Telco is serious about offering a special level of service which sets it apart from the competition.

“We are interested in the success of our customers and the local economy, not in just being a provider of telco products and services. One of the many services that Bendigo Community Telco offers its business customers is the opportunity to access our highly skilled technical staff who can offer valuable support and advice. We believe this partnership approach makes us unique in the telco market.

“Customers who choose Bendigo Community Telco for their telecommunications services are electing to support local businesses, local jobs and the local community.”

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