

ASX RELEASE

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OVER THE WIRE HOLDINGS LIMITED HALF YEAR RESULTS TO 31 DECEMBER 2015

H1 FY16 Highlights

- Total Revenue up 45% to \$10.998m
- EBITDA up 85% to \$2.437m
- Reported NPAT up 123% to \$1.418m
- Successful completion of Initial Public Offering (IPO) in December 2015
- Successfully acquired Faktortel and Sanity Technology
- Company remains confident of achieving Prospectus forecasts for the full year

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce its financial results for the half-year ended 31 December 2015 (H1 FY16), which saw significant growth across all areas of the business. The consolidated entity made Net Profit after Tax of \$1.418m (H1 FY15: \$0.635m), representing an increase of 123% on the corresponding half year. Statutory EBITDA profit was \$2.437m (H1 FY15: \$1.315m), representing an increase of 85% on the corresponding half year. Key financial highlights from the results include:

	H1 FY16	H1 FY15	% Change
Total Revenue	\$10.998m	\$7.593m	45%
EBITDA	\$2.437m	\$1.315m	85%
EBIT	\$1.972m	\$0.976m	102%
NPAT	\$1.418m	\$0.635m	123%

Commenting on the H1FY16 results, Managing Director Michael Omeros said, “We are pleased with the performance of business over the last six months. Together with listing in December 2015 and completing two acquisitions, we have been able to maintain strong organic growth. This positions the company well as we expand our Sales and Marketing capability in New South Wales and Victoria.”

Business Performance

Revenue from Ordinary Activities for the half-year was \$10.821m (H1 FY15: \$7.592m), representing an increase of 43% on the corresponding half year. The result demonstrates strong demand from customers across all four product lines including:

	H1 FY16	H1 FY15	% Change
Data Networks	\$4.918m	\$3.803m	29%
Voice	\$3.592m	\$2.073m	73%
Cloud / Managed Services	\$1.146m	\$0.792m	45%
Co-location	\$1.165m	\$0.924m	26%

The consolidated entity made a Profit before Income Tax Expense of \$1.924m (H1 FY15: \$0.942m), representing an increase of 104% on the corresponding half year. Statutory EBITDA profit was \$2.437m (H1 FY15: \$1.315m), representing an increase of 85% on the corresponding half year. The significant increase in profitability has been achieved through effective management of operating expenses, and delivering ahead of schedule a number of cost synergies from the acquisitions of Faktortel and Sanity Technology.

As at 31 December 2015 the consolidated entity has \$6.491m in cash or cash equivalents. This represents an increase of \$4.331m in the six month period, primarily as a result of the \$10m capital raising upon IPO in December 2015, the consolidated entity's continued strong management of overhead expenses in the underlying business, recognising cost synergies in the acquired entities ahead of schedule, and when combined with total revenue growth of 45%, has generated the strong growth in EBITDA and positive Cash from Operating Activities outlined in the Statement of Cashflows.

Positive Outlook

Business performance for the first half of the year is very pleasing. The company continues to generate strong cash flow and maintain a strong balance sheet, remaining well positioned to continue its organic growth and actively search for further acquisition opportunities. The Company remains confident of achieving its FY16 Prospectus forecasts.

ENDS

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About Over the Wire Holdings Limited

Over the Wire Holdings Limited (ASX: OTW) is an ASX listed telecommunications, cloud and IT solutions provider that has a national network with points of presence in all major Australian capital cities and Auckland, NZ. The company offers an integrated suite of products and services to business customers including Data Networks and Internet, Voice, Data Centre co-location, Cloud and Managed Services.

Over the Wire Holdings Limited companies include Over the Wire, NetSIP, Faktortel and Sanity Technology.