

ASX RELEASE

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OVER THE WIRE HOLDINGS LIMITED HALF YEAR RESULTS TO 31 DECEMBER 2017

H1 2018 Highlights

- Total Revenue up 72% to \$24.053m
- EBITDA up 62% to \$4.935m
- NPATA up 60% to \$2.947m
- NPAT up 39% to \$2.176m
- Acquired VPN Solutions Pty Ltd on 1 November 2017
- Interim dividend of 1.00 cents per share fully franked

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce its financial results for the half-year ended 31 December 2017 (H1 2018), which saw significant growth across all areas of the business. The consolidated entity made statutory NPATA of \$2.947m (H1 2017: \$1.844m), representing an increase of 60% on the corresponding half year. Statutory EBITDA was \$4.935m (H1 2017: \$3.051m), representing an increase of 62% on the corresponding half year. Key financial highlights from the results include:

	H1 2018	H1 2017	% Change
Total Revenue	\$24.053m	\$13.961m	72%
EBITDA	\$4.935m	\$3.051m	62%
NPATA	\$2.947m	\$1.844m	60%
NPAT	\$2.176m	\$1.566m	39%

Commenting on the H1 2018 results, Managing Director Michael Omeros said, “We are pleased to deliver another strong result that has been built from positive organic growth and selective quality acquisitions. We remain focused on our growth strategy and committed to deliver our stated growth objectives, whilst also continuing to invest for the future.”

Business Performance

Revenue from ordinary activities for the half-year was \$24.053m (H1 2017: \$13.961m), representing an increase of 72% on the corresponding half year. The result demonstrates demand from customers across all four product lines including:

	H1 2018	H1 2017	% Change
Data Networks	\$12.600m	\$6.027m	109%
Voice	\$6.694m	\$4.834m	38%
Cloud / Managed Services	\$3.328m	\$1.752m	90%
Co-location	\$1.431m	\$1.348m	6%

The consolidated entity made a statutory Net Profit after Tax of \$2.176m (H1 2017: \$1.566m), representing an increase of 39% on the corresponding half year. Statutory NPATA was \$2.947m (H1 2017: \$1.844m), representing an increase of 60% on the corresponding half year. Statutory EBITDA was \$4.935m (H1 2017: \$3.051m), representing an increase of 62% on the corresponding half year.

The increase in profitability has been primarily achieved through increased revenue, which has been achieved organically and through acquisition. The consolidated entity has maintained an effective management of overhead expenses in the underlying business and is progressively recognising cost synergies in the acquired entities.

Positive Outlook

Business performance for the first half of the year is very pleasing. The company continues to generate strong operational cash flow and remains well positioned to continue its growth.

The company acquired VPN Solutions in November 2017, which will contribute significantly in the second half of 2018, as the company further realises the value of its acquisitions.

The company remains confident that it will achieve its stated organic growth targets in the coming year.

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, Sanity Technology, Telarus and VPN Solutions.