

30 August 2011

REVERSE CORP LIMITED

Results Presentation Year to 30 June 2011

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Supplement to ASX Release Appendix 4E

AGENDA

Reverse Corp Limited

Australia, the UK and Ireland's leading Reverse Charge Service Provider

- Snapshot
- Australia
- United Kingdom
- Ireland
- International Expansion
- Capital Management
- Conclusion

SNAPSHOT

Year to 30 June	2011	2010
(AUD \$m)		
Revenue	\$15.0	\$23.7
EBITDA	\$3.2	\$9.5 *
EBIT	\$2.3	\$8.4 *
NPAT	\$1.3	\$4.0
Operating cash flow	\$2.4	\$7.6
EPS (cps)	1.4	4.3

(*2010: Pre impairment loss of \$1.47 million)

- ❑ Group performance impacted by stronger Australian dollar, declining call volumes, trial costs in New Zealand and increased variable charges
- ❑ Continuing roll out of renewed marketing campaigns and expanded mobile product features in each country driving incremental call volumes

AUSTRALIA

Year to 30 June

2011

2010

AUD (\$m)

Revenue

\$9.4

\$12.2

EBITDA

\$2.0

\$4.4*

EBITDA margin

21%

36%

(*2010: Pre impairment loss of \$1.47 million)

- Reduction in EBITDA margin due to new contracted service terms, plus fixed costs representing a greater % of revenue
- Employee benefit cost savings realised
- Payphone and mobile calls to fixed lines continuing to decline. No further increase in contracted mobile base
- Services Agreement with Telstra Corporation extended for a further 3 months while discussions continue for an expanded relationship
- Renewed marketing campaign and expanded mobile product driving incremental call volumes

REVERSE CORP LIMITED

UNITED KINGDOM

Year to 30 June	2011	2010
(AUD \$m / GBP £m)		
Revenue	\$5.4 £3.3	\$11.3 £6.3
EBITDA	\$1.6 £1.0	\$5.5 £3.1
EBITDA margin	30%	49%

- Reduction in EBITDA margin due to fixed costs representing a greater % of revenue
- Employee benefit cost savings realised
- Payphone and mobile calls to fixed lines continuing to decline
- Stronger Australian dollar negatively impacted earnings
- Renewed marketing campaign and expanded mobile product driving incremental call volumes

IRELAND

Year to 30 June

2011

2010

Operating revenue

\$113,000

\$194,000

€82,000

€125,000

EBITDA

\$16,000

(\$394,000)

€11,000

(€245,000)

- ❑ Ireland now making a positive EBITDA contribution
- ❑ Expanded mobile product features offered from August 2011
- ❑ New marketing campaign to commence September 2011

INTERNATIONAL EXPANSION

Spain

- ❑ The company has received a favourable ruling from the Spanish telecommunications regulator, CMT, permitting launch of a service
- ❑ Progress made towards technical launch to facilitate an investment decision

New Zealand

- ❑ Technical trial of new service in New Zealand completed
- ❑ Operating metrics to be refined to ensure profitable operations

Period to 30 June	2011
Revenue	\$110,000
EBITDA	(\$398,000)

CONCLUSION

- ❑ Management priorities:
 - Continue to grow enhanced mobile products to drive incremental call volume
 - Secure long-term extension for Australian Administration Services Agreement and expanded relationship with Telstra Corporation
 - Secure Telstra and VHA mobile origination in Australia
 - Refine operations in New Zealand
 - Assess further growth opportunities
- ❑ Leverage core capabilities:
 - Strong brand recognition
 - Experienced telecommunications and related products team

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