

26 February 2010

REVERSE CORP LIMITED

Results Presentation Half-Year to 31 December 2009

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Supplement to ASX Release Appendix 4D

AGENDA

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

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

HALF-YEAR SNAPSHOT

Half-Year to 31 December	2009	2008
Revenue	\$13.6 million	\$21.9 million
EBITDA	\$5.5 million	\$11.8 million
NPAT	\$3.5 million	\$7.9 million
Operating cash flow	\$5.3 million	\$7.4 million
EPS	3.8 cps	8.6 cps
Interim dividend	1.0 cps	9.0 cps

- ❑ Group result impacted by reductions in demand, a stronger Australian dollar and forecast Irish losses
- ❑ Interim dividend of 1.0 cent per share fully franked, payable 26 March 2010

AUSTRALIA

Half-Year to 31 December

2009

2008

Operating revenue

\$6.5 million

\$8.6 million

EBITDA

\$2.3 million

\$4.2 million

EBITDA margin

35%

49%

- ❑ Reduction in EBITDA margin due to increased marketing costs, Tritel goodwill impairment and FX gain last year not repeated
- ❑ Fixed cost savings realised
- ❑ Payphone and mobile call volume trends continuing
- ❑ Non-binding MOU signed for new Services Agreement for up to a further 6 years

UNITED KINGDOM

Half-Year to 31 December

2009

2008

Operating revenue

\$7.0 million

\$13.3 million

£3.8 million

£6.0 million

EBITDA

\$3.5 million

\$8.0 million

£1.9 million

£3.6 million

EBITDA margin

50%

60%

- ❑ Reduction in EBITDA margin due to contracted increase in service fees, plus media and fixed costs representing a greater % of revenue
- ❑ Further fixed cost reductions to be realised
- ❑ Payphone and mobile call volume trends continuing
- ❑ Challenging media landscape with core users becoming increasingly difficult to target efficiently. Plans now underpinned by digital activity with only minimal support from television
- ❑ Increasing mobile carrier out-of-credit offerings
- ❑ Stronger Australian dollar negatively impacted earnings

IRELAND

Half-Year to 31 December

2009

Operating revenue	\$100,000
	€61,000
EBITDA	(\$234,000)
	(€138,000)

- ❑ Direct cost savings now being realised with Ireland expected to make a positive contribution in Q4 FY10
- ❑ Mobile volumes ~90% of total call volumes
- ❑ Challenging media landscape with core users becoming increasingly difficult to target efficiently. Plans now underpinned by digital activity with only minimal support from television

INTERNATIONAL EXPANSION

Spain

- Further progress made towards securing necessary billing services. Negotiations commenced with interconnected Spanish carrier to approach Telefonica in order to secure the necessary services
- Discussions have been held with Spanish telecommunications regulator

New Zealand

- Operational planning is being progressed to trial the launch of a mobile terminating service

CAPITAL MANAGEMENT

- ❑ Operating cash flow to 31 December 2009 \$5.2 million
- ❑ Cash on hand as at 25 February 2010 \$1.1 million
- ❑ Debt as at 25 February 2010 \$2.1 million
- ❑ Foreign exchange exposure hedged naturally with GBP debt
- ❑ Interim dividend of 1.0 cent per share fully franked, to be paid 26 March 2010 -
record date 11 March 2010
- ❑ The Board has retained some earnings to fund new opportunities

CONCLUSION

- ❑ The Company is determined to reward its shareholders by executing its geographic expansion plans whilst maximising the margins in existing operating territories
- ❑ Management priorities:
 - Negotiate new Australian Administration Services Agreement
 - Secure Telstra and VHA mobile origination in Australia
 - Secure Virgin Mobile origination in the UK
 - Trial mobile terminating model in New Zealand
 - Identify favourable new markets in which to establish mobile terminating model
- ❑ Leverage core capabilities:
 - Strong brand recognition
 - Experienced telecommunications and related products team

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