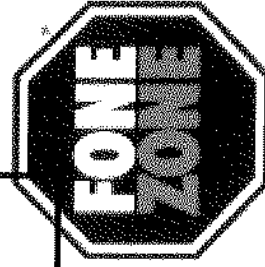


# FORWARD

Half Year Results  
Presentation-  
December 2005  
9 March 2006

# Results for 6 months to 31 December 2005

	Six months to Dec 2005 (\$)	Six months to Dec 2004 (\$)	Change (%)
Total operating revenue (\$)	87,898,753	67,147,518	30.9
Gross profit (\$)	43,573,276	31,638,759	37.7
EBIT (\$)	8,628,756	4,905,685	75.9
Net profit after tax (\$) (reported)	6,207,832	3,174,731	95.5
Net profit after tax (\$) (normalised)	7,104,832	-	-
Earnings per share (cents)	4.97	2.54	95.7



## Financial Highlights for December Half

- **Revenue growth strong (+31% p.c.p) but Christmas period (predominantly pre-paid) below historical levels**
- **Higher proportion of post-paid and continuing focus on margin saw NPAT in line with forecast (+95% p.c.p)**
  - Gross margin of 29.7% for the period
- **Strong Cash Flow performance**



# Cash Flow Summary

	<b>\$M</b>
<b>Opening Cash</b>	<b>3.7</b>
<b>Cash Flow from Operating</b>	<b>11.3</b>
<b>Cash Flow from Investing</b>	<b>(1.8)</b>
<b>Cash Flow from Financing</b>	<b>(3.4)</b>
<b>Net increase in Cash</b>	<b>6.1</b>
<b>Cash as at 31 December</b>	<b>9.8</b>
<b>Interest Bearing Debt</b>	<b>(12.8)</b>
<b>Net Cash/(Debt)</b>	<b>(3.0)</b>



# Operating Highlights for December Half

- **Retail**
  - Integrated and up skilled former One Zero and Telstra Licensed stores
  - Expanded and strengthened CARE
  - 7 new stores opened
- **Business**
  - New Key Account Team
  - Launch of Business CARE
- **Dealers**
  - Introduce common business agreements
  - Grow existing Dealers to multi locations
- **Customer CARE**
  - Continued to drive customer database growth
  - Increased focus on Big Pond ADSL



## Outlook for June Half

- **Trading back to normal seasonal levels since Christmas**
- **Continuing focus on revenue and margin growth**
- **Expect to open 9 more stores by June 30**
- **Improved Retail Look and Feel**
  - New store design April '06
  - "The Lounge"
- **Growth in Business and Dealer Channels**



# Outlook for June Half - cont

- **3G Launch**
  - ☐ New 3G capped plans
  - ☐ Broader range of handsets
  - ☐ New Partial Subsidy Model
- **Sales Mix**
  - ☐ MRO v Subsidy v Partial Subsidy
  - ☐ Impact on Revenue vs Gross Profit
- **On track to achieve Prospectus Profit Forecasts**

