

## **SP TELEMEDIA LIMITED (ASX:SOT)**

### **FINANCIAL RESULTS COMMENTARY**

#### **HALF YEAR ENDED 31 JANUARY 2009**

The directors of SP Telemedia Limited today announced group earnings before interest, tax, depreciation and amortisation (EBITDA) of \$44.4m and a net profit after tax (NPAT) of \$5.1m for the half year ended 31 January 2009.

These results represent a 264% increase on the EBITDA of \$12.2m achieved in the corresponding period last year and a 104% increase on the \$2.5m NPAT achieved for the same period. These results would be higher except for an unrealised mark-to-market exchange rate loss of \$5.7m (before tax).

The group's financial results have been driven by more than 600,000 consumer customers throughout Australia using a range of internet and voice (mobile, fixed and VoIP) services where strong growth in broadband subscribers has continued. The infrastructure used to provide these services is part of TPG-Soul's converged network that covers Australia across more than 400 points of presence. The network is built on the latest technology to support voice, data and video to capital city and regional locations, providing robust value-for-money services to business and government customers supported by a 24/7 grade one Network Operation Centre.

#### Cash Flow

The group has generated a net cash inflow from operations before interest, tax, capex and debt repayments during the half year of \$64m. This cash generation has enabled it to make a further \$21m of repayments against its bank debt facility in the period. It is now ahead of its debt repayment schedule by \$25m and the next compulsory debt repayment does not arise until July 2010.

#### Interim Dividend

Following the group's strong cash flow, the directors have also today declared a fully franked interim dividend of 1 cent per share, payable on 27 May 2009 to shareholders on the register at 24 April 2009. With the recent approval of the Dividend Reinvestment Plan, shareholders are for the first time able to elect to reinvest their dividend. The directors have announced that for this interim dividend, the price of shares issued in lieu of dividends will be at a 2.5% discount to the market price (calculated in accordance with the Plan rules).

#### Guidance

With the current EBITDA run-rate in excess of \$8m monthly, the directors have reaffirmed that the group is on track to achieve its guidance of \$93m EBITDA for the full year.

David Teoh  
Executive Chairman  
24 March 2009