



# 1<sup>st</sup> Half FY12 Results Presentation

Rene Sugo - CEO

March 2012

# What is MyNetFone?

The MyNetFone Group aims to be a leading provider of high quality, high value, hosted services and solutions, while:

- **Retail** – delivering very best possible customer experience, value for money, and quality services in Australia compared with any other provider.
- **Wholesale** – delivering wholesale solutions which generate high value revenue streams to wholesale service providers servicing residential, business and enterprise consumers.

# MyNetFone Group at a Glance



## Wholesale

- Carrier-grade
- Interconnects with Tier 1 domestic and international providers
- Carrying over 2 billion minutes annually

## Hosted Services

- White label Virtual PBX solutions
- Hosted SIP End-point services with over 250,000 SIP end-points provisioned
- Unique Number Portability Checker



## Business & Enterprise

- Scalable SIP-based services tailored for businesses of all sizes
- Market-leading Virtual PBX service with 2,000 deployments
- Reduced communications costs for businesses

## Residential

- Over 95,000 active customers
- Recognised for reliable & good-value Voice service
- Strong growth in DSL and impending entry into NBN market

# Highlights First Half FY12

## Completed acquisition of Symbio Group

- Adds \$25M revenue and \$1M EBITDA in first year, with solid growth forecast
- Australia's 5<sup>th</sup> largest interconnected voice carrier
- MNF's back-end infrastructure provider
- Integrated Symbio's Wholesale business model

## Launched Virtual PBX 2.0

- Driving ARPU and margin growth into the future
- Maintained our leading feature advantage in hosted telephony

## Executed smooth CEO transition and formed expanded senior management team

# Growth Potential

## Operation geared for rapid growth

- VoIP network infrastructure operating at 50% utilisation
- Hosted services software base and intellectual property owned in-house
- New products and services released quarterly; generating incremental revenue and providing cross selling opportunities

## Regional potential

- Symbio's operations in Singapore and New Zealand providing potential for further overseas expansion

## Strong Operating Cash Flow

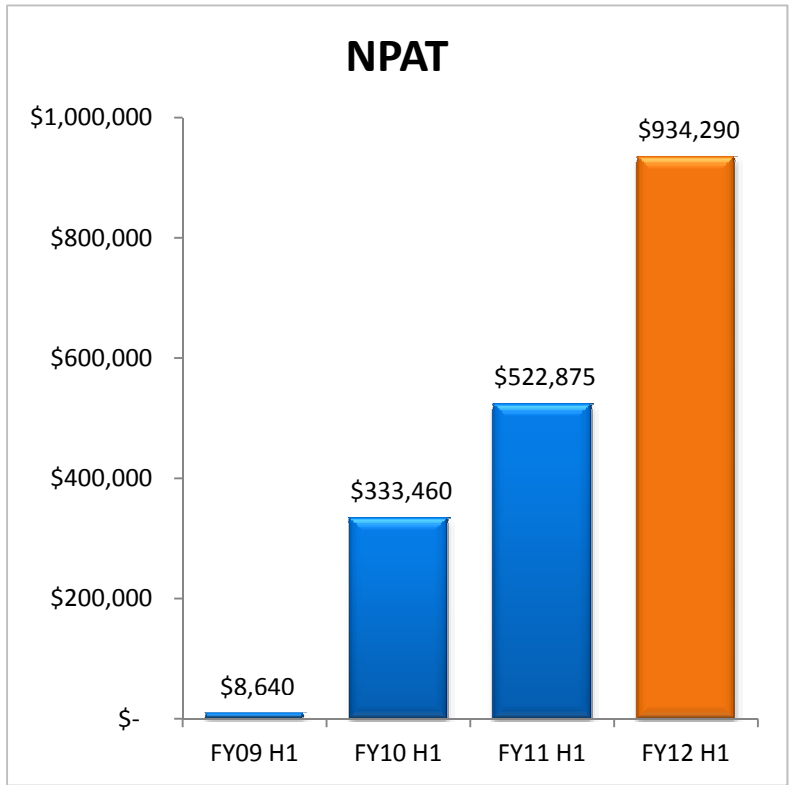
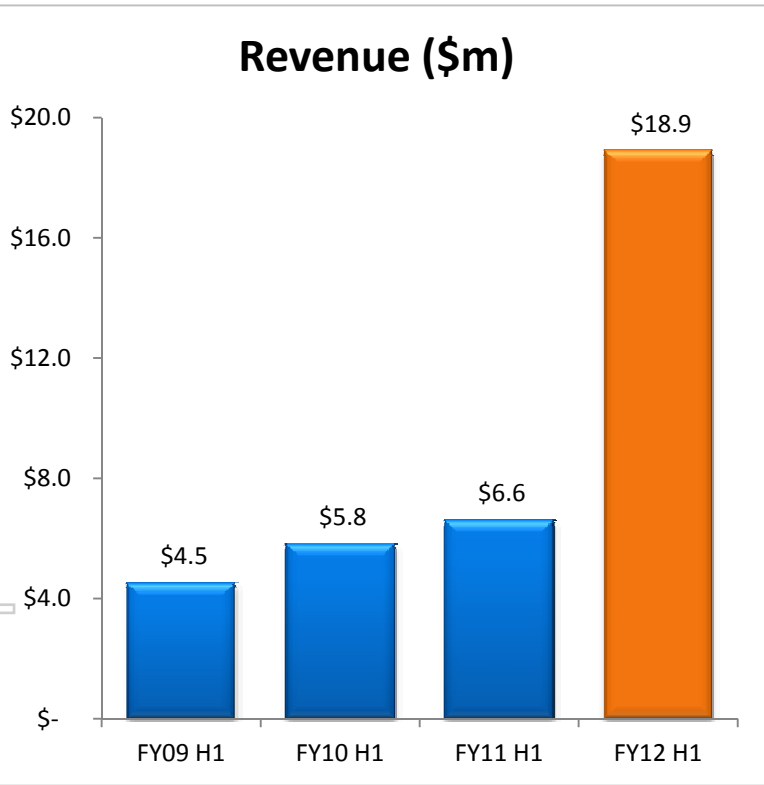
## Debt Free

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## Financial Update

# Financial Summary – FY12H1

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Consolidated figures

Commercial in Confidence

# Financial Highlights

Reported Result	1H12	1H11	Var %
Revenue	\$18.9M	\$6.6M	185%
EBITDA	\$1.0M	\$0.5M	92%
NPAT	\$0.9M	\$0.5M	79%
Earnings per Share (EPS)	1.78cps	0.995cps	79%
Dividend per Share (DPS)*	0.8cps	0.5cps	60%
Net Tangible Assets per Share	2.51cps	0.74cps	239%

DPS\* - Dividend for 1H12 is fully franked  
Consolidated figures

Commercial in Confidence



# On Track with Forecasts

Forecast	FY11 (Actual)	FY12 (Budget)	FY13 (Budget)
Revenue	\$14M	\$41M	\$48M
EBITDA	\$1.1M	\$2.5M	\$4.5M
NPAT	\$1.0M	\$2.1M	\$4.0M

Forecasts for consolidated group as published in the IER on 23<sup>rd</sup> December 2011

# Investor Metrics

Metric	Value
Number of Shares	55M
Share Price*	28c
Market Capitalisation	\$15M
Interim FY12 Dividend	0.8cps (franked)
PE Ratio (based on FY12 budget)	7.4

\* As at 19<sup>th</sup> March 2012

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# Symbio Acquisition

# Symbio Acquisition

Completed on time, and results consolidated for 1<sup>st</sup> Half of FY2012

**Symbio adds strategic capabilities to MNF**

- National carrier interconnect network
- Industry changing “Local Number Porting” capabilities
- In-house product development powerhouse with 10 years success record in research & development

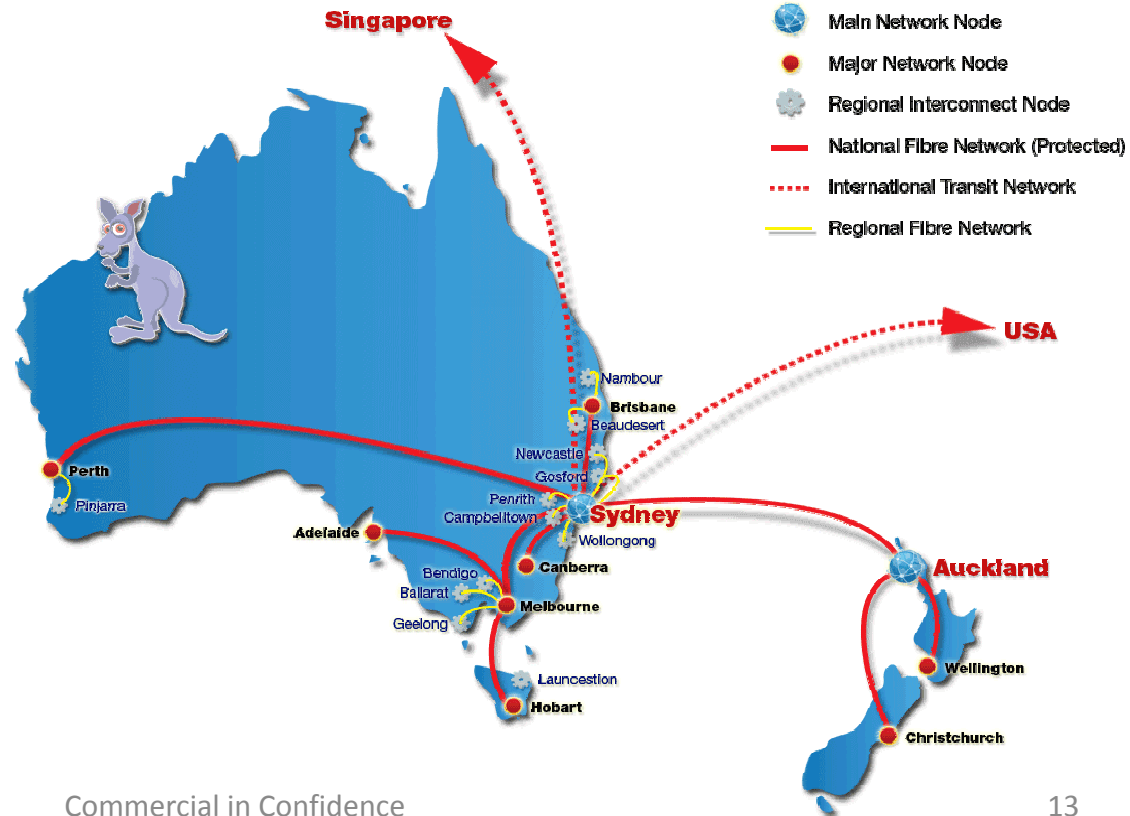
**Symbio brings huge tangible benefits**

- Increase in gross revenue thanks to Wholesale and Hosted business models
- Positively accretive earnings from outset
- Strong cash flow and balance sheet
- Reduced costs for service delivery and new product innovation
- Massive scale in network operations and deployment capabilities

Symbio increases the depth of capability for MNF into infrastructure, wholesale and white-label hosted services

# Symbio Network

- Largest core VoIP network in Australia, handling 200 million calls per month
- Carrier Interconnects with Telstra, Optus, AAPT, GoTalk, Internode, Primus and Verizon
- Protected Fibre Networks with built-in redundancy & back-ups
- Network infrastructure and carrier operations in Singapore and New Zealand



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## Business Update

# Strategic Benefits

## Customers

- Over 95,000 direct residential and hosted business customers (MyNetFone)
- Over 80 wholesale customers, including 17 Tier 1 operators (Symbio)

## Experience

- Carrying over 2 Billion minutes of voice per annum
- Managing over 250,000 VoIP end-points

## Infrastructure

- Nationally interconnected pure VoIP carrier grade network
- Approximately 50% headroom for rapid growth



## Technology

- In house product proven development capability
- Demonstrated leader in product innovation

## Team

- Dedicated senior management team
- Strong team with years of experience & expertise in their respective fields of specialisation

# Business Model

				
	Business & Enterprise	Residential	Hosted Services	Wholesale
SIP Trunking	✓		✓	✓
Virtual PBX	✓		✓ (White Label)	
VoIP Plans		✓		
Hosted SIP End-points			✓	
Number Porting	✓	✓	✓	✓
1300/1800 Hosted numbers	✓		✓	✓
Geographic Hosted DIDs	✓	✓	✓	✓
Call Origination & Termination			✓	✓
Access (DSL, NBN, Ethernet)	✓	✓	✓	
Virtual Fax	✓	✓	✓	
Mobile VoIP	✓	✓	✓	



# Wholesale Business

- High margin services
- Demand for hosted VoIP set to grow as more businesses switch to IP communications
- NBN an enabler allowing quality, reliable access for voice and other IP service features
- Symbio's unique platform and systems developed in house, with significant intellectual property exclusive to the company
- Team's expertise & experience means more features & services to meet market demands in the future



# SMB Business

- Virtual PBX a challenger to traditional PBXs
- Solid growth for Virtual BPX with 50% increase in market uptake in last 6 months
- VPBX2.0 new feature release to maintain our leading feature advantage in hosted 'cloud' telephony
- Innovative Virtual Fax and Mobile VoIP add-on services
- NBN roll-out a trigger for businesses to switch providers and have all communications 'in the cloud'



# NBN Business



- Signed WBA agreement with NBN Co and Certification to be completed within weeks
- NBN Service Plans to be unveiled at Kiama NBN Expo in March
- Wholesale opportunity for NBN aggregation
- Business & Residential NBN services a revenue stream and reliable access guarantee for delivery of quality voice services
- Game-changing opportunity to dramatically change market-share in Telco industry & MNF in prime position to take advantage of it



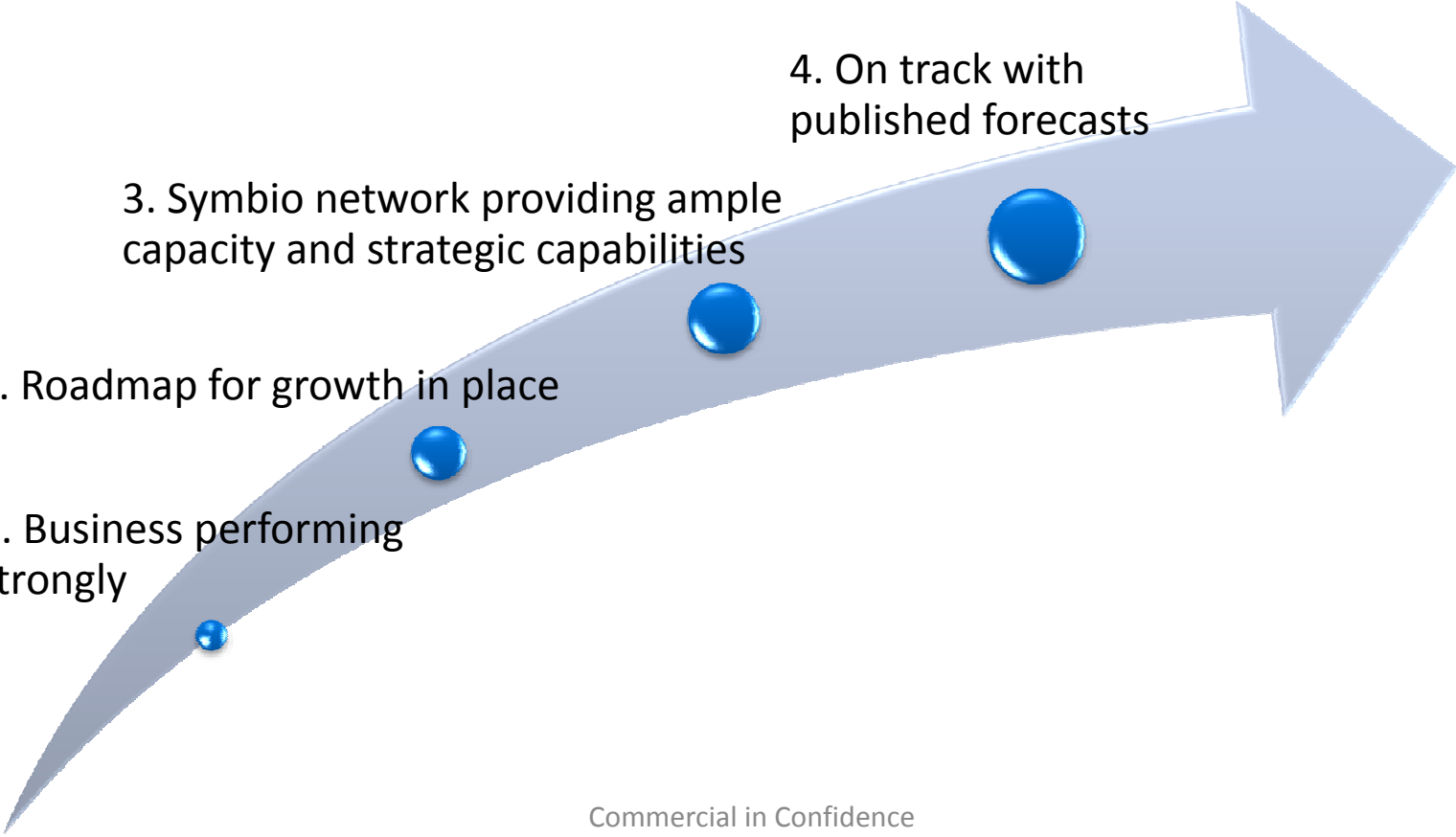
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# Summary

# Solid Position for Growth

- Ten years experience delivering innovative solutions and profitable growth
- Roadmap to increase revenues from “sticky” hosted services
- Massive network capabilities thanks for Symbio acquisition, geared for rapid growth
- Strong cash flow generation with no debt
- Ready to take advantage of further industry consolidation and strategic growth opportunities

# Outlook

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1. Business performing strongly
  2. Roadmap for growth in place
  3. Symbio network providing ample capacity and strategic capabilities
  4. On track with published forecasts

# Thank you

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## Did we mention our awards?



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