

ASX Announcement

20 February 2014



1H FY14 Results: Continued growth story

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- Revenue for 1H FY14 ahead of target at \$8.1M
 - Appointment of CCO in July 2013 brings results
 - Amazon Web Services' partnership delivering high growth
 - On track to deliver FY14 revenue and EBITDA targets
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Bulletproof Group Limited is pleased to announce its 1H FY14 results, showing the continued growth prospects of the Company.

The period has also seen many new customer wins (including Mazda, Bauer Media, Racing Victoria, and Tennis Australia), with an increase in new average customer recurring revenue.

Speaking about the results, Bulletproof CEO, Anthony Woodward, said, "This is a pleasing result for the half, during which the initiatives and focus on Monthly Recurring Revenue brought on board by Mark Randall, our new Chief Customer Officer, have started to yield results. The Amazon Web Services partnership is delivering rapid growth. From less than 1% a year ago, AWS services grew to 11% of our recurring revenues in the first half. The AWS attraction to enterprise customers is being matched by their need for a quality managed services partner to help them maximise the value that cloud can bring to their business. Bulletproof is now very well positioned to continue to take advantage of this opportunity."

The consolidated net loss after tax from continuing operations for the half-year was \$1,160,480. This comprises \$381,556 in Bulletproof Networks, and expensed broker options in connection with the recent prospectus offer, of \$778,924. The underlying (comparable) net loss for the period was \$229k, net of costs of the acquisition (1H13: \$179k loss).

EBITDA for the period was \$0.965m, when normalised for deal costs and expensed broker options in connection with the recent prospectus offer.

Revenue growth continues upward trend

Revenue for the half-year was ahead of target at \$8.1m (2013: \$7.0m), representing an increase of 16% on the same period in the preceding half-year.

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Appointment of CCO in July 2013 already bringing results

In July 2013, Mark Randall - previously Country Manager Australia and New Zealand for global hosting and cloud company Rackspace - commenced as Bulletproof's Chief Customer Officer (CCO). The resulting invigoration of the sales operation of the business, the growth in sales and account management teams, and a new Marketing Manager will all help drive future revenues, and the team has already begun to deliver improved results. A focus on Monthly Recurring Revenue (MRR) is expected to yield growth in second half Financial Year 14 revenues, as well as long term revenue growth.

Amazon Web Services' partnership shifts revenue make-up and drives growth

In November 2013, Bulletproof strengthened its leading partnership position with Amazon Web Services (AWS) and was ratified as an AWS Premier Consulting Partner for 2014 (one of 22 globally, and the only such partner in Australia and New Zealand). The AWS partnership continues to provide rapid growth opportunities to the business, with a jump in AWS-based revenues to 11% of recurring revenues in the half, with the expectation that this proportion will increase in the second half.

FY14 Results On-track

The Company believes that the 1H FY14 results are in line to deliver the market guidance of \$18.5m in revenues and \$2.89m in EBITDA normalised for deal costs and expensed broker options.

For further details contact:

Anthony Woodward
Chief Executive Officer
Tel: +61 2 9663 9022
<http://www.bulletproof.net.au>

Stephe Wilks
Chairman
Tel: +61 2 9226 9839

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About Bulletproof

Bulletproof Group Limited is an Australian-owned, publicly listed company with headquarters in Sydney, Australia, and offices in California, USA. Bulletproof Group shares are listed on the Australian Securities Exchange (ASX) and are traded under the code BPF.

Founded in 2000, Bulletproof is the leading Australian-owned mission critical cloud provider, providing Managed Cloud services to business, enterprise and government customers. Bulletproof has consistently been first to market with public and private cloud based services and innovations. Bulletproof was the first company in Australia to launch a public cloud service in 2006 and the first to launch a managed Amazon Web Services (AWS) offering in 2012.

Recognised as a Deloitte Fast 50 Technology company every year since 2010, Bulletproof's world-class service allows customers to focus on their core business to ensure they have the freedom to be remarkable.