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ASX Market Announcements
ASX Limited
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FY17 Results Guidance, restatement of customer numbers.

- Preliminary accounts consistent with May 2017 guidance
- Financial accounts subject to audit, final review and customary asset review
- Cash of \$1.12 million, after paydown of debt to zero
- Current and historical contracted schools restated for calculation error; no financial effect

FY17 Financial Results guidance

Adelaide-based communications software group MGM Wireless (ASX Code: MWR) advises that unaudited full year management accounts indicate sales revenue and operating profit for the 2017 financial year consistent with guidance provided on 31 May 2017.

Sales revenue for the twelve months to 30 June of \$2.60 million is indicated, 3% higher than the 2016 sales revenue of \$2.51 million. This compares to the May 31 guidance for an FY17 sales result approximating the previous year's \$2.51 million.

Preliminary accounts indicate a breakeven net profit, consistent with guidance provided on May 31. These results remain subject to audit and board balance sheet review and approval.

MGM Wireless ended the fiscal year with cash at bank of \$1.12 million compared with the previous corresponding figure of \$1.41 million and \$1.6 million at the 2017 half year. Borrowings have been reduced to zero, after loans of \$115,000 were repaid in full during the period.

MGM Wireless expects to announce final financial results at the end of August 2017.

School Numbers Correction

The company reports that an in-depth review of its school management system accounts has identified a systemic error that commenced in 2010 in the calculation of contracted schools.

The miscalculation, which involved unintended miscategorising of certain schools, has no financial impact on 2017 or any prior year accounts.

Corrected contracted school numbers at year end and the corrected comparatives are as follows:

	30 June 2017	30 June 2016
Corrected Contracted Schools	1,061	973
Previously Reported Contracted Schools	1,395*	1,265

**Most recently published number prior to correction, as at 31 March 2017*

The recalculation of the correct contracted number of schools for prior years is as follows;

	30 June 2015	30 June 2014	30 June 2013
Corrected Contracted Schools	988	983	893
Previously Reported Contracted Schools	1,177	1,124	1,053

MGM Wireless greatly regrets this inadvertent error, and reiterates that the variance in contracted school numbers has had no impact on reported sales and profits in any of the years under review.

For further information contact:

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