



MEDIA STATEMENT

17 March 2015

Inabox Group realising substantial synergies following acquisition of Anittel

- Total annualised cost savings of \$3 million from combined businesses expected from 1 July 2015
- Cross selling by Telco channel generated first \$1+ million sale for Anittel
- \$1 million of cost savings will be reinvested into sales and growth initiatives
- Restructuring plan enhances operating and sales capabilities
- Synergies have not been included in previous guidance

Australian listed ICT provider, Inabox Group Limited (ASX:IAB) today announced an enhanced restructuring plan following the acquisition of the Anittel business completed on 1 January 2015.

Since the acquisition, Inabox has identified substantial synergies across all businesses expected to generate additional total annualised cost savings of approximately \$3 million. Synergies include surplus leased premises, duplicated back-office and administration services and overlapping roles, which will become redundant. These synergies have not previously been included in Inabox's forecasts or guidance.

From the approximately \$3m in savings, Inabox will reinvest circa \$1 million to support new sales and growth initiatives, including adding new sales staff.

The changes are expected to enhance the Group's operating and sales capabilities, without impacting its operations, and will be implemented during this half year (2H15). As a result 2H15 will include significant non-recurring restructuring and transaction costs associated with the acquisition of Anittel.

Inabox Managing Director, Damian Kay, said "We are delighted with the progress made to date integrating the Anittel business. I am confident that our new structure will lead to a stronger, more profitable combined business in Fy16. I am also encouraged that cross selling has just generated the first \$1 million-plus order for Anittel from a lead generated by another division of our business. We expect cross selling will accelerate as Anittel is further integrated into the group."

About Inabox Group Limited

Inabox supplies wholesale telecommunications (fixed, mobile, data) and cloud products and associated services, including billing and technical and customer support, to retail service providers around Australia through wholesale brands, Telcoinabox, iVox and Neural Networks. Inabox also enables mass-market consumer brands to enter the telecommunications market by leveraging its network and systems capabilities. Inabox now owns IT software and services company, Anittel.

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