



itX Group Limited
ABN 77 107 658 833

ASX MEDIA RELEASE

28 July 2009

itX Group Limited (ASX:ITX)

**Record after tax profit of \$7.58M for FY2010.
Final Dividend increased by 13.3% to 4.25 cents.
Year end cash balances of \$11.8M. No debt.**

The Directors of itX are pleased to announce that the Company achieved a record profit result in a challenging financial year. The unaudited after tax profit for the full year ended 30 June 2010 is expected to be \$7.58M, an increase of 6.5% over FY2009.

Revenue increased by 9.1% to \$159.9M (FY 2009: \$146.6M).

Results summary (\$'000)

	30 June 2009	30 June 2010 (unaudited)	2010 increase over 2009
Revenue	146,577	159,938	+9.1%
Net Profit after tax, before amortisation	7,628	7,919	+3.8%
Net Profit after tax and amortisation	7,117	7,582	+6.5%
Earnings per share - cents	14.23	15.16	+6.5



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Commenting on the results, Mr Laurie Sellers, Managing Director said, "As foreshadowed in the trading update announcement in May, trading conditions for our IT Distribution business were difficult in the second half of the financial year. The acquisition of Sun Microsystems by Oracle in January 2010 caused temporary disruption to our supply chain and significantly impacted our revenues from this very important business segment. Our software distribution business increased sales and maintained market share, but at some cost to trading margins to meet pricing pressures in the market. Offsetting the decline in contribution from the IT Distribution segment, our Web Hosting and Technology Products segments performed very strongly, enabling the Company to post an overall profit result which is 6.5% higher than the record profit made last year. The financial position of the Company is also sound with cash balances of \$11.8M at 30 June 2010, after acquisition and dividend payments totalling \$6.4M, and zero net borrowing".

The Board of Directors has declared a fully franked final dividend payment of 4.25 cents per share, compared to a final dividend of 3.75 cents paid last year. The dividend will be payable to shareholders on the Register as at 20 August 2010 and will be paid on 26 August 2010. The final dividend of 4.25 cents brings the full year dividend to 7.0 cents per share, compared to 6.0 cents paid for the 2009 financial year, an increase of 16.7%. The payout ratio for the 2010 financial year is a still conservative 46.2% (42.2% last year).

Commenting on the outlook for 2010/2011, Mr Sellers said, "The tough market conditions experienced by our IT Distribution segment in the last half of 2009/2010 are not expected to ease, at least in the first quarter of the new year. On the other hand, our Web Hosting and Technology Products businesses should continue their strong performance. The latter will be further boosted by our newly acquired medical device distribution business, Sydmed, which has started contributing positively from the very first month after acquisition".

About itX Group Limited

With offices in Sydney, Melbourne, Brisbane, Adelaide, Perth and Canberra, itX is a leading distributor of a broad range of IT software and hardware products and a provider of specialised IT services throughout Australia. In addition to its appointment as Sun Microsystems' (recently acquired by Oracle) sole Authorised Distribution Centre in Australia, itX provides a distribution channel for a select range of world class IT vendors including: Apple, Appsense, DataCore, Citrix, Hewlett Packard, IBM, Oracle, Raritan, Red Hat, Secure Computing, ThinPrint, Trend Micro, Vizioncore, VMware and Wyse. itX's Technology Products Distribution division comprises Briell Marketing, a leading distributor of specialised printers and media for personal identification and security cards, medical and photographic imaging and the recently acquired Sydmed, a distributor of world class Urodynamic and Ultrasound medical devices used predominately in the specialised field of Urology. itX's Services division provides specialist services to its corporate clients including: Network and Server Management, ERP systems support, IT consulting and, via its hosted services division ICO, high uptime cost-effective solutions that meet the serious hosting needs of its customers.

For further information about itX and the latest itX news please visit:
www.itxgroup.com.au