27 May 2014

EARNINGS GUIDANCE FOR SECOND HALF OF FINANCIAL YEAR 2014

2HFY14 Earnings to Increase Over 1HFY14

Consistent with previous indications, Inabox Group Limited (**IAB**) provides guidance that its earnings for the second half of FY14 will increase over the first half as the business continues to strengthen.

IAB now expects, based on current assumptions, that the net profit after tax for all entities currently owned by IAB will be no less than $850,000 for the period 1 January 2014 to 30 June 2014.

Inabox beginning to reap initial benefits of investment in systems

Managing Director, Damian Kay said: "*Inabox Group made a significant investment in its systems in the first half of FY14, but still showed underlying organic growth from the Telcoinabox and iVox businesses.*

The earnings position continues to improve in this half. As expected we are now seeing the start of revenue from the nationwide launch of our first mass market customer and as they build their customer base we expect this to become more significant in early 2015.

We continue to attract new resellers and in this half Telcoinabox signed agreements with several well established resellers formerly supplied by ISPOne.

I am confident that we have provided a customer and technology base to broaden our revenue and profit earnings over the longer term."

IAB's cash position remains strong with little to no net debt expected at year end.

-ENDS-

About Inabox Group Limited

Inabox supplies wholesale telecommunications products (fixed, mobile, data) and services, including IT platforms, billing and customer support, to retail service providers around Australia through wholesale brands, Telcoinabox and iVox.
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