

## ASX Release

28 October 2009

### **Update on FY10 Outlook**

The Board of ComTel Corporation Limited (ASX: CMO) wishes to provide an outlook for the year ended 30 June 2010.

It is anticipated that the Group FY10 EBITDA before restructuring costs will be approximately 5% lower than the FY09 result of \$6.2 million.

This decrease is largely the result of the continued managed decline in the Company's post paid mobile customer base as previously flagged to Shareholders. Due to the investment required in this sector to compete with large telecommunications companies, CMO continues to follow its strategy of retaining high value customers whilst managing costs to maximise the value of its customer bases to provide the best possible result for Shareholders.

Offsetting the reduction in the Mobiles division, ComTel expects its Media business unit, Empowered Communications, will achieve revenue growth of approximately 15% subject to a recovery in the advertising market in the second half of the financial year. Despite strong growth in FY09, Empowered has been affected by softening media spend throughout the calendar year. Continuing investment in technology and personnel, along with prudent cost management means the business is well positioned to leverage its sales force and databases once the industry recovers. Your Company is confident in the organic growth potential within this sector and is actively seeking further opportunities to invest with a view to reshaping ComTel into a leading digital media player.

#### ***About ComTel Corporation Limited***

*ComTel Corporation Limited ([www.comtelcorporation.com.au](http://www.comtelcorporation.com.au)) is an Australian ASX listed (CMO) online and mobile communication company. Its online publishing business (Empowered Communications) has 6 websites and a database of 500,000 plus members, who are sent targeted email advertising offers and research questionnaires based on the individual member's demographic profile and consumer preferences.*

*ComTel has a long-term Network Capacity Agreement with Vodafone Australia, selling postpaid and prepaid mobile phone offers online and via a dealer network under its Reward Mobile and Just Mobile brands.*

*For further information*

*Chris Meehan, Managing Director  
0407 149 544*

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