

MEDIA RELEASE

MELBOURNE IT ANNOUNCES PROPOSED 54 CENTS/SHARE CAPITAL RETURN

Key Points:

- Proposed capital return of \$0.54 per share
- Combined with the prior special dividend of \$0.25, this will amount to \$0.79 returned to shareholders from the DBS sale proceeds
- Subject to approval from shareholders at a General Meeting, scheduled to be held in late January 2014
- The total amount of the capital return is expected to be approximately \$45.2 million
- A Class Ruling to be obtained from the ATO confirming tax implications for shareholders of the capital return

MELBOURNE, Australia – 4 December 2013 – Melbourne IT (ASX: MLB) today announces that it proposes to make a capital return of \$0.54 per fully paid share, subject to receiving approval from shareholders at a General Meeting (GM), scheduled to be held in late January 2014. The total amount of the capital return is expected to be approximately \$45.2 million.

“The capital return is being made to return surplus capital to shareholders from the sale of the DBS division. The company’s strong financial position means we are able to undertake this capital return without adversely affecting our financial flexibility and growth objectives. It demonstrates Melbourne IT’s commitment to prudent capital management while actively managing its balance sheet to provide satisfactory returns to shareholders” commented Simon Jones, Chairman of the Board.

The capital return will apply to all ordinary shares on issue at the applicable record date, including shares to be issued on the exercise of the unvested performance rights allocated to executives under the Melbourne IT Performance Rights Plan. At the General Meeting, shareholders will also be asked to approve amendments to these performance rights to accommodate vesting under the current Plan in anticipation of the introduction of a new long term incentive plan which will be more closely aligned to the company’s new strategic direction, operating profile and performance expectations.

The company is seeking a Class Ruling from the ATO in relation to the taxation treatment of the capital return for its shareholders.

Shareholders will consider the proposal at a General Meeting in late January 2014. The final ATO ruling is expected to be issued subsequent to that Meeting in accordance with ATO protocols.

A detailed explanation of the proposal and confirmation of the timetable will be included with the Notice of General Meeting and, if all conditions are met, shareholders are expected to receive their payments by early February 2014.

Chairman Simon Jones also advised that Melbourne IT CEO & Managing Director, Theo Hnarakis, whose intended departure from the company was announced in August, has confirmed that he will officially step down on Thursday 5 December. The company’s Chief Financial Officer, Peter Findlay will hold the position of Acting CEO from that date.

Mr Jones added that “Melbourne IT is very advanced in finalising its preferred candidate as CEO and is hoping to make an announcement shortly. There is a lot to do in the next few months, including a review of possible acquisitions which could add scale and capability to our company and the continued restructuring and reinvigoration of our company to create more compelling service offerings and a more efficient cost base.”

ENDS.

About Melbourne IT

Melbourne IT (ASX: MLB) helps organizations of all sizes to successfully conduct business online. Our complete portfolio of Internet-based technology services drives business effectiveness and profitability for more than 400,000 customers around the world.

The breadth of Melbourne IT’s offering extends from helping small businesses build an online presence through to managing the complex technology environments of large enterprises and governments – including Internet domain name services, web hosting, , managed IT services and more.

Melbourne IT’s culture of integrity, innovation, collaboration and customer centricity has been built by more than 350 employees. For more information, visit www.melbourneit.info.

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