5 February 2015

AVANTI COMMUNICATIONS GROUP PLC

Results for the six months ended 31 December 2014

Avanti Communications delivers strong revenue growth in line with expectations and has funded HYLAS 4

Avanti Communications Group plc ("Avanti" or "the Group"), a leading provider of satellite data communications services in Europe, the Middle East and Africa, today announces its results for the six months ended 31 December 2014.

Highlights

- Revenue up 24.4% to $31.1m (H1 2014: $25.0m) in line with expectations despite currency translation headwinds
- EBITDA[(1)] before ex gratia receipt and share based payment expense $3.5m loss (H1 2014: $4.1m loss)
- Construction of the key HYLAS 4 satellite commenced during the period and the HYLAS 3 project is on-track
- Positive outlook with significant revenue growth visible in Q3 following recent contract awards
- Post the period end, $91.5m (£60.6m) of capital raised to secure the financing of HYLAS 4

David William's Avanti's CEO said:

"Avanti has made good progress in the first half of the 2015 financial year. In addition to delivering revenues in-line with our expectations, we have enhanced our growth platform securing 49 new contracts, developing deep relationships with several major global customers and commencing the construction of our key HYLAS 4 satellite. A material increase in revenue in the third quarter is visible following recent contract awards, which will help to underpin our full year expectations. In the longer-term, we remain confident that Avanti's infrastructure has the potential to deliver over $500m of EBITDA annually. Our positive revenue growth outlook, together with the recent capital raise to secure the funding of HYLAS 4, which was strongly supported by new and existing blue chip investors, help to underpin our trajectory to this point".

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[(1)] For a reconciliation of EBITDA to the operating result see note 11.

Notes to editors

Avanti Communications is a leading provider of satellite data communications services in Europe, the Middle East and Africa with significant international spectrum rights and a network covering over one billion people.

The Group has designed and launched a new generation of high throughput Ka band geostationary satellites, in order to address an estimated market opportunity of over $11 billion per annum across EMEA. These satellites, together with Avanti's highly resilient Ground Earth Stations and proprietary cloud software management system, are able to deliver levels of performance, service and resilience that have been previously unmatched in the industry.

Avanti's growing customer base includes many of the World's leading telecoms and media companies, together with government users with civil and security requirements.

Avanti Communications is listed in London on AIM (AVN:LSE).

www.avantiplc.com

Operational review

Overview

Avanti Communications is a leading provider of satellite data communications services in Europe, the Middle East and Africa with significant international spectrum rights and a network covering over one billion people.

Avanti was a first mover in securing Ka band spectrum rights and building a Ka band infrastructure in EMEA. The Group has designed and launched a new generation of high throughput Ka band geostationary satellites, in order to address an estimated market opportunity of over $11 billion per annum. These satellites, together with Avanti's highly resilient Ground Earth Stations and proprietary cloud software management system, are able to deliver levels of performance, service and resilience that have been previously unmatched in the industry.

Avanti's growing customer base includes many of the World's leading telecoms and media companies, together with government users with civil and security requirements. With its designs optimised to serve data customers, Avanti is able to serve these customers with a network that has 99.99% operational uptime, a flexible cloud based interface and small, low cost satellite dishes at the customer's site.

Customer wins and order book development

Avanti's four core application markets: Enterprise; Government; Carrier Services and Broadband all showed good progress in the period, with growth from existing customers and new customer wins in each sector.

Developments of particular note included:

- An increase in the rate of new business growth from existing large telecoms customers in cellular backhaul and broadband – the rate at which customers have grown from small contracts is encouraging. Avanti also contracted to sell broadband to a new European incumbent telco this quarter.
- Growing relationships with several major US based internet companies seeking to leverage Avanti's unique ability to access consumers in its emerging markets with low cost devices.
- A significant contract win in the defence and security market.
- Further major wins in the education market.

After the period end, Avanti secured an order for wireless backhaul in East Africa to provide low-cost internet access to communities. Wireless backhaul has the potential to significantly increase internet access to underserved communities and drive demand for very large volumes of satellite capacity over time. There is increasing discussion around the provision of universal internet access in Africa by satellite. Avanti was an early mover in this area; its fleet is already offering affordable, high quality internet access to up to one billion people, using World leading technology.

Avanti's revenue backlog closed at $410m, after the negative impact of currency translation. The Group has in the last two years moved towards signing framework contracts with key telecoms and media customers in the higher growth markets of broadband, carrier services and government, versus promoting fixed, longer-term contracts.

This is because, apart from customer migrations from legacy Ku band services to Avanti, customers typically want to match their cost exposure to revenue growth in early periods. Therefore, Avanti seeks to make it easy for telecoms companies to start using its services, because once these companies are integrated into the distribution system, the value of their orders can rise quickly.

Backlog does not reflect the growing recurring revenue base from framework contracts that are on a rolling contract basis. For example, the Group is adding over $10m a year in recurring revenue from installations under framework contracts in the consumer broadband segment alone, the long-term value of which is not reflected in backlog.

Operations and capacity expansion

Avanti is creating a 200 Gbps satellite fleet and ground infrastructure that will serve 118 countries in EMEA. Around one third of this capacity is now operational, with the remainder being under construction and due for launch by April 2017.

The fleet performed as designed with above 99.9% reliability in the period. This is largely a factor of the resilience built into the ground network to mitigate against interruptions from adverse weather, which is a key differentiator from competitors.

The Group has two satellites under construction, which are expected to become operational over the next two years. The largest of these is the HYLAS 4 satellite, on which construction started during the period. Design advances over the original specification for HYLAS 4 mean that it is now expected to be able to deliver up to 120 Gbps of throughput at a low unit cost.

HYLAS 4 will add extra capacity to existing Avanti markets and complete the Group's coverage of Sub-Saharan Africa.

The total cost of the HYLAS 4 project, including its construction by Orbital Sciences and launch by Arianespace, will be approximately $300m.

Capital expenditure for both projects is weighted towards launch, with the spend profile having been improved in final negotiations this financial year, with a further $30m of expenditure having been deferred into the 2017 financial year.

Financing

Following the high-yield bond financing in 2014, Avanti announces today that, subject to shareholder approval, it will raise a further $91.5m (£60.6m) via a capital raising of 28,866,720 new ordinary shares at £2.10 per share.

The capital raising was oversubscribed and has been supported by Avanti's existing equity investors and bond investors, who will now also join the share register. Avanti considered a range of funding options and was in receipt of an underwritten mezzanine debt offer. The Board, in consultation with shareholders felt that the capital raising was the strongest option.

This, together with the existing consent that the Group has under the bond indenture to issue up to a further $125m tap of the Group's high yield bond at a moment of its choosing, secures the funding of the HYLAS 4 satellite and of the Group to the point where its cash flows are expected to fund the business. HYLAS 4 will more than double the Group's operational capacity and therefore its revenue generating assets.

Other corporate developments

Avanti was designed with a scalable operational platform, such that it has the capability to achieve rapid growth, while costs are controlled. Work has been on-going during the period to ensure that the Group's ground infrastructure can support the planned new satellites without materially changing the cost base. The proprietary Avanti Cloud software is critical to this, and a number of patents are pending in relation to this revolutionary system which is changing the way satellite service providers work.

There have also been incremental additions to the management team in preparation for greater scale; with the addition of a Deputy Chief Financial Officer and a Director of Corporate Development and Investor Relations.

Financial results

Avanti's results are reported in US dollars because although the Group is based in London, the largest part of its revenue and a significant proportion of its costs are in dollars.

Income statement

Revenues for the six months to 31 December 2014 increased 24.4% to $31.1m (H1 2014: $25.0m).

EBITDA, before ex gratia receipt and non-cash share based payment expense was $3.5m loss (H1 2014: $4.1m loss).

Interest expense was $19.7m (H1 2014: $19.2m), reflecting the interest payable on Avanti's $520m high yield bonds, less $7.6m of interest that has been capitalised relating to assets in the course of construction (H1 2014: nil).

Avanti has determined, in accordance with the relevant accounting standards not to recognise any deferred tax credit in the current period. Avanti already carries a significant deferred tax asset and also has unclaimed capital allowances on the two satellite assets which will shelter any tax liabilities into the medium-term.

As a result of the above, the net loss for the period was $48.1m (H1 2014: $41.8m).

Balance sheet

For clarity, balance sheet figures are compared with the equivalents from the end of the prior financial period. Tangible fixed assets increased to $641.5m (FYE 2014: $610.9m) following additions of $77m, of which $73m related to HYLAS 4 with the balance on HYLAS 3 and ground infrastructure. Depreciation was $24.5m for the period with reductions due to adverse foreign exchange movements of $21.9m.

In addition to this, Avanti has three orbital filings in the International Telecoms Union Master Register (with priority over certain existing and potential competitors) that have nil carrying value on the balance sheet, but which have significant economic value.

Trade and other receivables remained stable at $39.9m (FYE 2014: $38.6m) while current trade and other payables decreased to $29.8m (FYE 2014: $39.9m) due to the settlement of year end accruals and timing differences on normal supplier invoices.

Gross debt remained stable at $517.6m (FYE 2014: $517.0m) and was primarily comprised of the $520m of high yield bonds, net of issuance costs. Net debt increased to $433.5m (FYE 2014: $321.7m), primarily due to investments made in growth capital expenditure.

Cash flow

Cash absorbed by operating activities before working capital movements was $4.3m (H1 2014: generated $2.5m from operating activities). After a working capital outflow of $10.7m (H1 2014: $13.7m) cash absorbed by operations was $15.0m (H1 2014: $11.2m).

Net cash used in investing activities was $68.4m (H1 2014: $12.9m), while net cash received from financing activities was $0.3m (H1 2014: $44.5m). After movements in foreign exchange, the decrease in cash and cash equivalents was $111.2m, leaving net cash of $84.1m. This was driven by further investment in our satellites under construction along with one bi-annual interest payment on the high yield bonds of $26m.

Current trading and outlook

A material increase in revenue in the third quarter of 2015 is visible driven by contracts that have recently been awarded.

Full year organic growth expectations before the negative impact of FX translation, are underpinned by a combination of the expected growth in Q3 and contracts that are still to be finalised, but are currently well progressed in Avanti's order pipeline.

Avanti has a substantial and visible pipeline of new business that management expects to win over the next 12 months. When combined with increased sales to existing customers through framework contracts, this is expected continue to drive significant revenue growth. Operating costs for existing satellites and ground infrastructure are largely fixed.

The Board has been encouraged by progress made to date and with a positive Q3 underway, look forward to the future with confidence.

CONSOLIDATED UNAUDITED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Note	**Unaudited Half year 31-Dec-14 $'000**	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Revenue		**31,051**	**24,961**	**65,622**
Cost of sales		**(42,643)**	**(37,541)**	**(86,699)**
Satellite depreciation		(22,953)	(22,470)	(47,339)
Other cost of sales		(19,690)	(15,071)	(39,360)
Gross loss		**(11,592)**	**(12,580)**	**(21,077)**
Operating expenses		(17,426)	(16,581)	(34,886)
Other operating income	7	673	6,500	7,219
Loss from operations	11	**(28,345)**	**(22,661)**	**(48,744)**
Finance income	8	3	56	10
Finance expense	8	(19,715)	(19,184)	(38,957)
Loss before taxation		**(48,057)**	**(41,789)**	**(87,691)**
Income tax	5	-	-	-
Loss for the period		**(48,057)**	**(41,789)**	**(87,691)**
Attributable to:				
Equity shareholders of the parent	6	(48,186)	(41,540)	(87,199)
Non-controlling interests		129	(249)	(492)
Loss per share (cents)	6	(44.86 c)	(38.68 c)	(81.18 c)
Diluted loss per share (cents)	6	(44.86 c)	(38.68 c)	(81.18 c)

CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Loss for the period	**(48,057)**	**(41,789)**	**(87,691)**
Other comprehensive (loss)/income			
Exchange differences on translation of foreign operations and investments that may be recycled to the income statement	992	(878)	(2,122)
Exchange differences on translation of foreign operations and investments that will not be recycled to the income statement	(26,239)	22,484	31,235
Total comprehensive loss for the period	**(73,304)**	**(20,183)**	**(58,578)**
Attributable to:			
Equity shareholders of the parent	(73,433)	(19,934)	(58,086)
Non-controlling interests	129	(249)	(492)

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Note	**Unaudited Half year 31-Dec-14 $'000**	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
ASSETS				
Non-current assets				
Property, plant and equipment		641,505	612,950	610,857
Intangible assets		12,491	14,260	13,963
Deferred tax assets		19,261	20,504	21,074
Total non-current assets		**673,257**	**647,714**	**645,894**
Current assets				
Inventories		3,931	5,495	1,733
Trade and other receivables		39,911	28,582	38,648
Cash and cash equivalents		84,102	78,297	195,283
Total current assets		**127,944**	**112,374**	**235,664**
Total assets		**801,201**	**760,088**	**881,558**
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables		29,831	32,769	39,870
Loans and other borrowings		3,356	3,808	4,545
Total current liabilities		**33,187**	**36,577**	**44,415**
Non-current liabilities				
Trade and other payables		17,326	17,376	15,299
Loans and other borrowings	9	514,238	358,723	512,431
Total non-current liabilities		**531,564**	**376,099**	**527,730**
Total liabilities		**564,751**	**412,676**	**572,145**
Equity				
Share capital		1,999	1,979	1,979
Share premium		415,130	415,130	415,130
Foreign currency translation reserve		(19,036)	(1,296)	6,211
EBT shares		(110)	(90)	(90)
Retained earnings		(159,808)	(66,700)	(111,963)
Total parent shareholders' equity		**238,175**	**349,023**	**311,267**
Non-controlling interests		(1,725)	(1,611)	(1,854)
Total equity		**236,450**	**347,412**	**309,413**
Total liabilities and equity		**801,201**	**760,088**	**881,558**

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONSOLIDATED UNAUDITED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Note	**Unaudited Half year 31-Dec-14 $'000**	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Cash flow from operating activities				
Cash (absorbed by)/ generated from operations	10	(14,981)	(11,195)	(13,528)
Interest paid		(26,069)	(2,781)	(20,392)
Net cash absorbed by operating activities		**(41,050)**	**(13,976)**	**(33,920)**
Cash flows from investing activities				
Payments for property, plant and equipment		(68,443)	(12,887)	(25,798)
Net cash used in investing activities		**(68,443)**	**(12,887)**	**(25,798)**
Cash flows from financing activities				
Proceeds from borrowings		(27)	-	10
Proceeds from bond issue		-	370,000	530,667
EBT share issue		20	-	-
Repayment of borrowings		-	(305,367)	(305,367)
Payment of finance lease liabilities		(2,368)	(2,446)	(4,161)
Proceeds from sale and lease back		2,702	-	-
Cost of existing finance		-	(6,827)	(6,827)
Debt issuance costs		(29)	(10,816)	(20,574)
Net cash received from financing activities		**298**	**44,544**	**193,748**
Effects of exchange rate on the balances of cash and cash equivalents		(1,986)	1,917	2,554
Net (decrease)/increase in cash and cash equivalents		(111,181)	19,598	136,584
Cash and cash equivalents at the beginning of the period		195,283	58,699	58,699
Cash and cash equivalents at the end of the period		**84,102**	**78,297**	**195,283**

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONSOLIDATED UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Employee benefit trust (EBT)	Retained Earnings	Non-controlling interests	Total Reserves
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 July 2013	**1,979**	**415,130**	**(22,902)**	**(90)**	**(25,443)**	**(1,362)**	**367,312**
Loss for the period	-	-	-	-	(41,540)	(249)	(41,789)
Other comprehensive income	-	-	21,606	-	-	-	21,606
Share based payments	-	-	-	-	283	-	283
At 31 December 2013 (Unaudited)	**1,979**	**415,130**	**(1,296)**	**(90)**	**(66,700)**	**(1,611)**	**347,412**
At 1 January 2014	**1,979**	**415,130**	**(1,296)**	**(90)**	**(66,700)**	**(1,611)**	**347,412**
							-
Loss for the period	-	-	-	-	(45,659)	(243)	**(45,902)**
Other comprehensive income	-	-	7,507	-	-	-	**7,507**
Share based payments	-	-	-	-	396	-	**396**
At 30 June 2014 (Audited)	**1,979**	**415,130**	**6,211**	**(90)**	**(111,963)**	**(1,854)**	**309,413**
At 1 July 2014	**1,979**	**415,130**	**6,211**	**(90)**	**(111,963)**	**(1,854)**	**309,413**
Loss for the period	-	-	-	-	(48,186)	129	**(48,057)**
Other comprehensive loss	-	-	(25,247)	-	-	-	**(25,247)**
Share based payments	-	-	-	-	341	-	**341**
Issue of EBT shares	20	-	-	(20)	-	-	**-**
At 31 December 2014 (Unaudited)	**1,999**	**415,130**	**(19,036)**	**(110)**	**(159,808)**	**(1,725)**	**236,450**

The accompanying notes form an integral part of this condensed consolidated interim financial information.

1. General Information

Avanti Communications Group plc ('the Company') is a public company incorporated and domiciled in the United Kingdom. The address of its registered office is 20 Black Friars Lane, London EC4V 6EB. The Company is listed on AIM.

These unaudited condensed consolidated interim financial statements were approved for issue on 4 February 2015.

2. Basis of Preparation

These unaudited condensed interim consolidated financial statements ("the interim financial statements") for the six months ended 31 December 2014 have been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by the EU.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2014, except as described below.

The interim financial statements have not been audited or reviewed and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The audited statutory accounts for the year ended 30 June 2014 were approved by the Board of Directors on 29 October 2014 and have been delivered to the Registrar of Companies. The auditor's report on these accounts was not qualified, did not draw attention to any matter by way of emphasis and did not contain statements under section 498(2) or (3) of the Companies Act 2005.

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation are followed in these condensed consolidated interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 30 June 2014.

The condensed consolidated interim financial information presented does not comply with the full disclosure requirements of all applicable IFRSs.

4. Segmental reporting

The Group currently earn revenue primarily from the sale of satellite broadband services to customers and from providing consultancy advice connected with the exploitation of the space assets. On adoption of IFRS 8, 'Operating Segments', the Group concluded that the Chief Operating Decision Maker (the Avanti Executive Board) manage the business and the allocation of resources on the basis of the provision of satellite services, resulting in one segment.

5. Taxation

No income tax credit or deferred tax asset has been recognised in respect of the losses for the six month period to 31 December 2014 (30 June 2014: nil, 31 December 2013: nil). Whilst the company foresees utilising the losses in future periods, it has taken a prudent approach and has not recognised the income tax credit or deferred tax in this period.

The company already carries a significant deferred tax asset in its balance sheet, and has unclaimed capital allowances on the two satellite assets which are expected to shelter any tax liabilities for at least three years.

6. Earnings per share

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Loss attributable to equity shareholders of the company	(48,186)	(41,540)	(87,199)
Weighted average number of ordinary shares for the purpose of basic earnings per share (all measures)	107,425,302	107,406,589	107,408,907
Loss per share (cents)	(44.86 c)	(38.68 c)	(81.18 c)
Diluted loss per share (cents)	(44.86 c)	(38.68 c)	(81.18 c)

7. Other operating income

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Exchange (loss)/gain on trade receivables and payables	(29)	463	454
Ex gratia receipt	-	5,342	5,342
Other grant income	702	695	1,423
Total other operating income	673	6,500	7,219

The ex gratia receipt in the year ended 30 June 2014 arose following a commercial renegotiation in relation to the HYLAS 2 procurement.

8. Finance income/(expense)

	Note	**Unaudited Half year 31-Dec-14 $'000**	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Finance income				
Financing exchange gain		-	49	-
Interest income on bank deposits		3	7	10
		3	56	10
Finance expense				
Interest expense on borrowings and loans		(22)	(2,479)	(2,312)
Interest expense on bonds	9	(27,143)	(9,744)	(29,912)
Fair value on derivatives		-	-	(271)
Financing exchange loss		(85)	-	-
Loan breakage cost		-	(6,827)	(6,827)
Finance lease expense		(52)	(134)	(219)
Less: interest capitalised on satellite in construction		7,587	-	584
		(19,715)	(19,184)	(38,957)

9. Loans and borrowings

The Company issued $370,000,000 of 10% Secured Loan Notes on 1 October 2013 and a further $150,000,000 on 17 June 2014.

Issuer	Original Notional Value	Description of instrument	Due
Avanti Communications Group plc	$520 m	10% Senior Secured Notes	1 October 2019

The high yield bonds are disclosed in non-current loans and borrowings as detailed below:

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
High yield bonds	520,000	370,000	520,000
add: Issue premium (unamortised)	7,500	-	7,500
less: Debt issuance costs (unamortised)	(21,102)	(11,848)	(20,973)
add: Debt issuance costs and issue premium amortised	2,738	494	1,593
Other non-current loans and borrowings	5,102	77	4,311
	514,238	358,723	512,431

The Company has disclosed the high yield bonds net of the costs of debt issuance. The costs of debt issuance are amortised over the life of the high yield bonds.

The costs related to the bond are as follows:

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Interest charge	(26,000)	(9,250)	(28,319)
Amortisation of debt issuance costs and issue premium	(1,143)	(494)	(1,593)
	(27,143)	(9,744)	(29,912)

10. Cash (absorbed by)/ generated from operations

	Unaudited Half year 31-Dec-14 $'000	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Loss before taxation	(48,057)	(41,789)	(87,691)
Interest receivable	(3)	(7)	(10)
Interest payable	18,572	19,184	30,210
Amortised bond issue costs	1,058	-	1,648
Foreign exchange losses in operating activities	114	(271)	(245)
Depreciation and amortisation of non-current assets	24,526	23,658	49,803
Provision for doubtful debts	(809)	1,418	3,332
Loan breakage costs	-	-	6,827
Share based payment expense	341	283	679
Increase in inventories	(2,208)	(968)	(326)
Increase in trade and other receivables	(1,814)	(2,543)	(9,702)
Decrease in trade and other payables	(6,701)	(10,160)	(8,053)
Cash absorbed by operations	(14,981)	(11,195)	(13,528)

11. EBITDA

	Note	**Unaudited Half year 31-Dec-14 $'000**	Unaudited Half year 31-Dec-13 $'000	Audited Year ended 30-Jun-14 $'000
Loss from operations		(28,345)	(22,661)	(48,744)
add: Depreciation and amortisation		24,526	23,658	49,803
EBITDA		(3,819)	997	1,059
add: Share based payment expense		341	283	679
less: Ex gratia receipt	7	-	(5,342)	(5,342)
EBITDA before ex gratia receipt and share based payment expense		(3,478)	(4,062)	(3,604)