



SUPPLY NETWORK LIMITED

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27 July 2006

The Manager
Companies Announcement Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir

Re: Forecast Earnings Full Year June 2006 and Dividend Announcement

The Directors advise that based on unaudited management accounts for the full year to 30 June 2006 the anticipated net profit is \$470,000.

This result equates to 2.12 cents per share, which is within the range forecast in our announcement on the 18 May 2006.

Group sales revenue for the period was \$34.66 million, which is a decrease of 1.1% on the previous year. As indicated in earlier announcements we have experienced difficult market conditions throughout the year characterised by high fuel prices and price deflation in some products. Overall the results for the year are well below expectations and it is disappointing to report both a significant fall in profitability and a minor decrease in sales revenue. The Board still considers the primary business strategies are appropriate for the long term with some fine-tuning in response to short-term market conditions.

Directors expect the year ahead to be difficult with management focusing attention on a number of customer segments with significant potential. Directors will advise results as they become known and remain confident of solid growth over the long term.

Directors have declared a fully franked final dividend of 1.0 cent per share, payable on 22 September 2006 to shareholders registered on 1 September 2006.

Final audited results will be announced in late August 2006.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Gill', written over a horizontal line.

Peter Gill
Company Secretary