

ASX RELEASE

Friday 19 November 2004 – CEO ADDRESS TO SHAREHOLDERS

ANOTHER RECORD FOR JUMBO CORPORATION

Thank you for attending Jumbo's 6th Annual General Meeting. Last financial year was another record for Jumbo with Revenue, EBITDA and Net Profit almost three times the year before. Here are the highlights:

- Revenue: \$7.7 million up from \$2.75 million the year before
- EBITDA: \$400,000 up from \$131,000
- Net Profit after tax: \$289,000 up from \$101,000

A brief historical review will show that this growth has been continuous over the past 5 years as a public company. This growth has put the company on a solid business foundation.

- Cash at Bank: \$1.9 million
- Net Assets: \$1.24 million
- Net Tangible Assets: \$970,000

These results demonstrate that Jumbo is a convincing but unrecognized leader in e-commerce and online retailing in Australia. It's also pleasing to see our share price increasing again with yesterday's closing price of 2.5c compared to 1.5c six months ago.

There are 2 main reasons for this consistent growth – the Customer Database and the Secure Ecommerce Software that Jumbo has developed.

- **Customer Database.** We've made more sales and have attracted more new customers in the past year than the previous 3 years combined. Our customer database now stands at over a 250,000 people that have purchased a product from Jumbo. This is an important asset that does not appear on our balance sheet, but is the basis for repeat business into the future.
- **Secure Ecommerce Software.** Converting customers into dollars requires the right tools, and in our case the main tool is our secure ecommerce software. Development of the software commenced over 9 years ago when the Internet was still in its infancy and after \$1 million in research and development that software is a unique tool that many of our competitors lack.

EXPANSION INTO ONLINE GAMING

Online retailing is proving to be a mature long term business which provides a basis to expand into other high growth industries on the Internet. Online gaming is one such industry that we began investigating 3 years ago. Our first public move was in April 2003 when Jumbo acquired an interest in Global Approach Pty Ltd, the owner of a licensed online casino. Since then this company has been floated on the ASX and our investment of approximately \$700,000 is now worth around \$900,000. The company appears to have completed its start-up phase and has begun generating profits.

On July 20th 2004 we announced plans for a betting exchange, just 2 days before the market leader, Betfair, announced a 50/50 joint venture with PBL. And only just last week we launched the Beteware Betting Exchange software at the 3rd annual EIG European I-Gaming Congress and Expo in Barcelona Spain. It's early days yet but it represents an early move into what is to be expected to be a rapidly growing industry.

FUTURE ACQUISITIONS

Jumbo's results and recent announcements together with our increased promotions have had a positive effect on our share price. This has given us greater opportunity to acquire quality businesses that will fit well with our established businesses and skills. The company is now in a position to consider acquisitions that are complimentary to our existing business model.

CONCLUSION

In conclusion, I would like to thank my fellow directors for their support on the board and to the entire Jumbo staff for what has been a very busy and rewarding year. The entire team is looking forward to an even more exciting year ahead.

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