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16 December 2010

Company Announcements Office
ASX
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

SENETAS RESULTS UPDATE DECEMBER 2010.

Please find attached statement by Directors.

Yours faithfully



Andrew R Wilson
Company Secretary

SENETAS RESULTS UPDATE DECEMBER 2010

MELBOURNE 16 December 2010: The Board of Senetas Corporation Limited (ASX: SEN), the world's leading developer and supplier of high speed network encryption hardware today announced a results outlook for the half year ending 31 December, 2010.

The continuing effects of depressed global economic conditions have resulted in pressure on Governments to reduce spending as countries reassess public sector debt levels.

Although the company has a strong pipeline of sales opportunities, many of the company's larger sales opportunities sit with Government and Defence Agencies that are undertaking significant expenditure reviews resulting in project delays and reductions.

These trading conditions make the prediction of transaction timing and size difficult and subject to volatility.

The company expects that its profit before tax for the half year ending 31 December to be in the range of between a loss of \$1.5Million and breakeven.

The outlook for 2011 is relatively good with signs of emerging recovery in several regions. As economic recovery takes place the company expects many of these delayed projects to be brought back on line as cyber security concerns remain at the forefront of critical issues facing governments and organisations around the world.

About Senetas

Senetas Corporation Limited (ASX Code: SEN) is an Australian ASX-listed public company and is the world's leading developer and supplier of high speed network encryption hardware products. Its products are accredited to the highest international government security standards (FIPS and Common Criteria). Senetas is now represented in more than 40 countries and customers include Government, military and law enforcement agencies in Australia, USA, Middle East, Asia, and the EU, as well as leading financial institutions.

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