

oOh!media Limited
ABN 69 602 195 380

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ASX Announcement



oOh! acquires Inlink and upgrades profit guidance

- Acquisition of Inlink for \$45m
- Fully funded from existing debt facilities with headroom remaining
- Immediately EPS accretive¹
- Completion expected December 2015
- Upgraded full year guidance to pro-forma EBITDA² of \$57-\$58 million, an increase of 18% on Prospectus and 37% on the prior year
- Improved guidance excludes the future positive impact of the of Inlink acquisition

oOh! acquires Inlink Group, driving further Digital Leadership

oOh!media Limited (ASX: OML) advises that it has entered into an agreement to acquire 100% of the share capital of Inlink Group Limited (Inlink) for \$45 million. The acquisition is in line with oOh!'s digital strategy of driving engagement with audiences through digital screens in high dwell time locations and will further drive oOh!'s digital market leadership.

Inlink formed in 2001, and has grown to be the market leader in premium CBD Digital Out Of Home market, with a network of more than 2,800 digital screens located in office towers, cafes and fitness centres.

The acquisition is expected to be immediately EPS accretive¹ and will be fully funded by existing debt facilities. Once completed the acquisition will increase oOh!'s pro forma FY15 Net Debt / EBITDA from 1.0x to 1.7x with headroom remaining in existing facilities.

Completion of the acquisition is expected to occur in December 2015, subject to customary conditions precedent and vendor shareholder approval.

oOh! Chief Executive Brendon Cook said the acquisition of Inlink not only continues oOh!'s digital leadership position by expanding its network of digital signs to more than 5,000 and WiFi network to more than 900 locations, but also taps into the highly desirable CBD audience.

"This cements our position as delivering Australia's largest reaching digital sign network that builds deep engagement between advertisers and their audiences through leading edge innovation and extends the connection beyond physical signs to mobile, social and online environments," Mr Cook said.

"WiFi enables brands to run responsive interactive campaigns that directly connect with audiences and can engage with them beyond the screen on their mobile device. Furthermore it provides us with more data to help advertisers gain greater insights into their audiences and their purchasing journey."

"By adding Inlink's network of more than 2,800 digital signs in key capital cities, we are able to expand into office towers and boost our reach in all CBD's across the country.

¹ Pro-forma FY16 on an Adjusted earnings per share (EPS) basis.

² Excluding one-off transaction and integration costs.

“Office tower media enables advertisers to tap into the hard to reach and influential purchasing power of the CBD audience and when coupled with our existing products will add more reach and frequency, which will be attractive to existing and new advertisers.”

Mr Cook said Inlink would be merged with oOh!’s Place Based operating division and leverage oOh!’s shared services structure.

“This significantly increases the Digital Place Based Media offering, which enables advertisers to run targeted messages to their audiences in specific locations such as cafés, sports and fitness centres, universities and hotels,” Mr Cook said.

“Aligning Inlink’s café and sport businesses with oOh! will deliver greater scale, efficiencies and engagement opportunities to advertisers where our innovative digital content platforms, [ShortPress](#) designed for small business café audiences and [In2Indoor](#) for active Australians, are providing new ways for brands to connect with audiences.”

Since its inception oOh! has successfully completed more than 25 acquisitions.

oOh! upgrades profit guidance

oOh! also announces that in light of recent trading performance, it now anticipates its full year 2015 Pro Forma EBITDA to be in the range of \$57 to \$58 million, up from its previously revised guidance of \$53 to \$55 million issued on 25 August 2015. This guidance reflects a 37% increase on the previous corresponding period (Pro Forma FY2014) and an 18% increase on the pro-forma FY15 Prospectus forecast.

oOh!’s CEO Brendon Cook said the upgrade comes as digital and Out Of Home advertising markets continued to perform beyond expectations and oOh! continues to execute on its strategies as outlined in the Prospectus.

“oOh!’s management has forecast the earnings upgrade based on a continued uplift in bookings and high utilisation of recently added assets including the addition of over 800 new digital panels across our Road, Retail, Fly and Place-based offering.” Mr Cook said.

Given the expected completion timing, Inlink is expected to have minimal impact to oOh!’s FY15 pro forma earnings, excluding one off integration and transaction costs. Accordingly, no Inlink earnings are included in the pro forma EBITDA guidance provided.

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About oOh!media Limited: oOh! specialises in providing clients with Unmissable creative media solutions that connect with more consumers while they are away from home. We do this through our diverse product offering across road, retail, airport, café, venue, study, social sports and experiential opportunities, throughout urban and regional Australia as well as OOH channels in New Zealand. oOh! also has the largest audience-reaching digital advertising network in Australia that when combined with our large static portfolio creates unmissable impact for brands.