oOh!media Limited
ABN 69 602 195 380

23 August 2016

ASX & Media Announcement

oOh!media delivers strong revenue growth and margin expansion

oOh!media Limited (ASX:OML) (**oOh!**) today announced its financial results for the half year ended 30 June 2016 (**HY16**) which included revenue and profit growth, margin expansion, and an increased interim dividend payment of 4.0 cents per share.

oOh! remains ahead of digital rollout targets set in 2015 and during the half introduced a further seven large format premium digital Road billboards and 11 digital Retail Evoke banners across Australia and New Zealand. The business has also successfully integrated the Inlink acquisition, which increased the number of digital assets by 2,800 and has performed above expectations.

oOh!'s strong and consistent financial performance across all metrics is being driven by its diversified and expanding portfolio of digital, static and online assets providing unparalleled audience reach. This has been further bolstered by the combination of digital assets with data analytics and mobile, online and social channels to deliver greater and more effective exposure for advertisers.

Financial highlights include:

- Revenue of $146.6m up 18.2% on prior corresponding period (HY15: $124.1m)
- Gross profit of $60.1m up 40.0% on prior corresponding period (HY15: $43.0m)
- Gross profit margin expansion to 41.0% (HY15: 34.6%)
- EBITDA of $26.8m up 32.7% on prior corresponding period (HY15: $20.2m)
- EBITDA margin expansion to 18.3% (HY15: 16.3%)
- NPATA of $11.4m up 34.8% on prior corresponding period (HY15: $8.5m)
- Adjusted earnings per share of 7.6 cents per share (HY15: 5.7cps)
- Interim fully franked dividend of 4.0 cents per share (HY15: 2.8 cps)

Operational highlights include:

- Continuing revenue growth from digitisation, with digital revenues generating 44.5% of total revenue (HY15: 29.0%)
- Addition of 18 new large format digital billboards and banners in premium locations across Road and Retail, taking the total number of large format digital billboards and banners to 130+
- 6,000+ digital panels and 15,000+ classic panels across Australia and New Zealand, and eight online platforms including Hijacked, ShortPress and Junkee
- Two exclusive contract wins and subsequent asset rollouts in Fly, with T4 Melbourne and the Brisbane Virgin Australia Domestic Terminal
- Exclusive Out Of Home agreement with Quantium, a global leader in applied analytics, providing access to unrivalled buyergraphic data
- Successful integration of Inlink, and the acquisition of Junkee Media and Cactus Imaging, each subsequent to 30 June 2016, supporting oOh!'s mobile and content strategy, and streamlining its operating cost base

oOh!'s CEO, Brendon Cook, said: "The business posted strong results, with diversified revenue growth underpinned by solid margin expansion. We delivered a number of key initiatives against our strategy which sets the roadmap for continued sustainable growth.

"We are investing now to be the new media business of today and into the future. This is being achieved by building a diversified and unparalleled portfolio of assets to deliver a world-leading approach to audience based connections.

"The Out of Home market continues to grow through digital asset conversions, and we continue to be a leader in the industry in this regard. Our strategy is an end-to-end digital strategy, offering the most advanced metrics to create unmissable campaigns for our clients by integrating Out Of Home advertising with mobile, online and social media offerings.

“This has driven an increase in digital revenue as a proportion of total revenue, representing 44.5% at the end of this period. This is well ahead of our target set in 2015 to have digital revenue of between 45%-50% of total revenue by the end of 2018.”

All products achieved revenue growth during the period:

- Road revenue of $56.8m, up 12.9% on HY15, driven by momentum of new digital assets installed in late 2015 and the introduction of seven new large format digital billboards
- Retail revenue of $45.9m, up 13.1% on HY15, attributable to expansion of digital inventory across oOh!’s concession partner centres
- Fly revenue of $26.5m, up 1.1% on HY15, with organic growth offsetting the revenue loss of T2 Sydney terminal
- Locate by oOh! revenue of $13.4m, up 178.7% on HY15, driven by strong revenue and organic growth in existing and acquired environments
- New Zealand revenue of $4.0m, up 94.3% on HY15, driven by the expansion of our retail footprint

“Each product has contributed to the results achieved during HY16, with significant momentum ahead with even more sites and assets going live as we enter the second half.” Mr Cook said.

Financial Position, Guidance & Dividend

oOh! continues to be well placed to capitalise on growth opportunities, with net debt / EBITDA at 1.7x. This is well within the financial covenants of its debt facility agreements, providing headroom to invest for further growth.

FY16 guidance of EBITDA of $68.0-$72.0m is reaffirmed, with the upper range of capital expenditure guidance increased from $25.0m up to $35.0m to accelerate opportunities for digital asset conversion, including under contracts recently won or renewed.

The Board is pleased to declare a fully franked interim dividend of 4.0 cents per share (cps), an increase of 1.2 cps over HY15. The interim dividend will be paid on 21 September 2016 with an ex-dividend date of 29 August 2016. This is consistent with the Board’s dividend policy of 40%-60% NPATA.

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About oOh!media: oOh!media is a leading Out Of Home media company in Australia and New Zealand offering advertisers the ability to create deep engagement between people and brands across its network of Unmissable location based media.

HALF YEAR REPORT

30 JUNE 2016

oOh!media Limited | ACN 602 195 380 | ASX Listing Code: OML

oOh!media Limited and its Controlled Entities
ACN 602 195 380
Appendix 4D
Half Year Report

Results for announcement to the market

Details of the reporting period and the previous corresponding reporting period

Reporting period: For the half year ended 30 June 2016
Previous period: For the half year ended 30 June 2015

Results for announcement to the market

In accordance with the ASX Listing Rule 4.2A, the Board and management of oOh!media Limited have enclosed an Appendix 4D for the half year ended 30 June 2016.

		Change %	30-Jun-16 $'000	30-Jun-15 $'000
Revenues from ordinary activities (1)	**Increased**	**18.2%**	146,643	124,061
Profit from ordinary activities after income tax (1)	**Increased**	**57.9%**	6,023	3,813
Net Profit from ordinary activities for the half year attributable to the members (1)	**Increased**	**52.8%**	5,985	3,917
EBITDA (1) and (2)	**Increased**	**32.7%**	26,777	20,182

(1) All of the above comparisons are on a statutory basis unless stated.
(2) Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-IFRS measure. This is included in management reports reviewed by the Group's chief operating decision maker (the Board).

Refer to the attached Directors' Report and Operating and Financial Review for discussion of the results.

Dividend information	Amount per share cents	Franked amount per share cents	Tax rate for franking credit
Interim 2016 dividend per share (to be paid 21 September 2016)	4.0	4.0	30%

Interim 2016 Dividend dates

Ex-dividend date	29 August 2016
Record date	30 August 2016
Payment date	21 September 2016

Earnings per share	30-Jun-16	30-Jun-15
Basic earnings per share (cents)	4.0	3.0
Diluted earnings per share (cents)	4.0	3.0

Net tangible assets	30-Jun-16	30-Jun-15
Net Tangible Assets per share (cents) (3)	0.01	0.19
Net Assets per share (cents)	1.68	1.64

(3) The net tangible assets per share reduced from the prior period subsequent to the acquisition of Inlink Group Pty Limited as a significant percentage of the purchase price was allocated to intangible assets. A number of acquisitions undertaken during historical periods have resulted in a high percentage of the Group's assets being allocated to intangible assets.

Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

Attachments

The Interim Financial Report of oOh!media Limited and its controlled entities for the half year ended 30 June 2016 is attached.

oOh!MEDIA LIMITED
INTERIM FINANCIAL REPORT
HALF YEAR ENDED
30 JUNE 2016

Table of Contents

General information

The Half Year report covers oOh!media Limited and its controlled entities. The financial statements are presented in Australian currency.

oOh!media Limited is a listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2, 76 Berry Street
North Sydney NSW 2060

The Half Year report was authorised for issue, in accordance with a resolution of the Directors.

Directors' Report

The Directors of oOh!media Limited present their financial report for the half year ended 30 June 2016. The Half Year report includes the results of oOh!media Limited (the Company) and the entities (the Group or oOh!media) that it controlled at the end of, or during the period.

1. Principal activities

oOh!media is a leading Out Of Home media company offering advertisers the ability to create deep engagement between people and brands across one of the largest and most diverse Out Of Home location-based networks in Australia and New Zealand. oOh!media's portfolio includes:
(a) large format classic and digital roadside billboards;
(b) sites located in retail precincts such as shopping centres;
(c) sites in airport terminals and lounges;
(d) sites in high dwell time environments such as cafés, pubs, universities, office buildings, gyms and sporting centres; and
(e) online sites for Millennial, student, small business and city based audiences.
oOh!media also owns a leading native content production company and digital printing operations.

2. Operating and financial review

The consolidated profit for the half year ended 30 June 2016 was $6,023,000 (30 June 2015: profit of $3,813,000). A review of the operations of the Group for the half year ended 30 June 2016 is set out in the Operating and Financial Review, which is attached and forms part of the Directors' Report.

3. Matters subsequent to reporting date

Subsequent to the end of the reporting period, oOh!media Limited made two acquisitions:

On 1 July 2016 oOh!media acquired Junkee Media as part of oOh!media's end to end digital strategy to increase consumer engagement and drive advertiser return on investment by combining Out Of Home advertising with an integrated mobile, online and social digital offering.

On 1 August 2016 oOh!media acquired the Out Of Home digital printing and production company Cactus Imaging to strengthen oOh!media's core business and streamline its operating cost base.

Further detail on these acquisitions is set out in Note 11 to the Interim Financial Statements.

Other than the matters mentioned above, no other matter or circumstance at the date of this report has arisen since 30 June 2016 that has significantly affected or may affect:
(a) the operations of the Group;
(b) the results of those operations in future financial years; or
(c) the Group's state of affairs in the future financial years.

4. Dividends

A fully franked interim dividend of 4.0 cents per share amounting to $6,005,871 in respect to the half year ended 30 June 2016 (30 June 2015: $4,196,711) is payable on 21 September 2016 to Shareholders on Register as at 30 August 2016.

5. Directors

The names of Directors who held office at any time during or since the half year ended 30 June 2016 and as at the date of this report:

Name of Directors	Type of Director	oOh!media Limited	
		Appointed date	**Resignation date**
Michael Anderson	Chairman and Independent Non-Executive Director	7/10/2014	-
Brendon Jon Cook	Chief Executive Officer and Managing Director	7/10/2014	
Debbie Goodin	Independent Non-Executive Director	28/11/2014	-
Darren Smorgon	Independent Non-Executive Director	7/10/2014	-
Geoffrey Wild AM	Non-Executive Director	7/10/2014	-
Tony Faure	Non-Executive Director	28/11/2014	-
Patrick Rodden	Alternate Director for Darren Smorgon	22/05/2015	24/05/2016

6. Auditor’s independence declaration

The Lead auditor’s independence declaration is set out on page 8 and forms part of the Directors’ Report for the half year ended 30 June 2016.

7. Rounding of amounts

The Company is a kind referred to in ASIC Corporations (Rounding in Directors'/ Financial Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001* (Cth).

Michael Anderson
Chairman

23 August 2016
Sydney

Operating and Financial Review

Introduction

The Directors are pleased to present the half year Operating and Financial Review (OFR) for oOh!media Limited for the period from 1 January 2016 to 30 June 2016 (H1 2016), including the prior comparable period from 1 January 2015 to 30 June 2015 (H1 2015).

The OFR is provided to assist shareholders' understanding of oOh!media's strategy, performance and the factors underlying its results and financial position. It complements the financial disclosures in the Interim Financial Report.

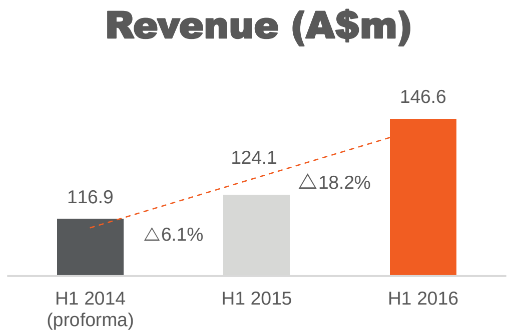
Overview

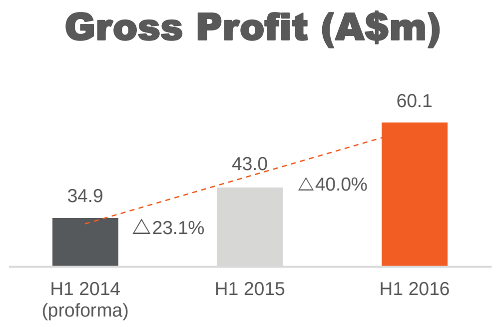
During H1 2016, oOh!media continued to successfully implement its strategy to achieve strong revenue and profit growth over H1 2015. Progress against strategy during H1 2016 includes:

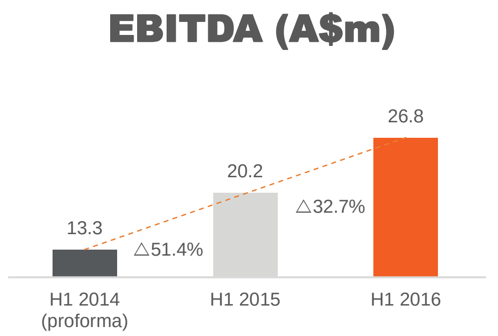
1. Diversity of audience and product	• Integration and growth of the recently acquired Inlink – providing oOh!media with greater access to the national CBD audience • Extended Road reach in Melbourne to cover nearly all major roads • Expansion of Melbourne Airport advertising rights to include mobile, online and wifi
2. Strong maturity profile	• T4 Melbourne and Brisbane Virgin Australia Domestic Terminal contract wins • 50 Retail shopping centre contract renewals and wins • 330 Road contract renewals and wins
3. End-to-end digital strategy	• Increase in digital revenue to 44.5% of total revenue, up from 29.0% in H1 2015 • 18 new large format Road and Retail digital billboards and banners, bringing the number of large format digital billboards and banners to 110 (as at 30 June 2016[1]) with more than 6,000 digital panels across Australia and New Zealand • More than 6,000 digital panels across Australia and New Zealand, up from 2,100 the prior year • Growth and development of eight proprietary online platforms • Exclusive Out Of Home agreement with Quantium to access unrivalled buyergraphic data to increase targeting effectiveness • Increased linking of physical, mobile, online and social media
4. Developing market leaders	• Leadership training for 34% of oOh!media employees during H1 2016 • Continuing to build the team to support growth

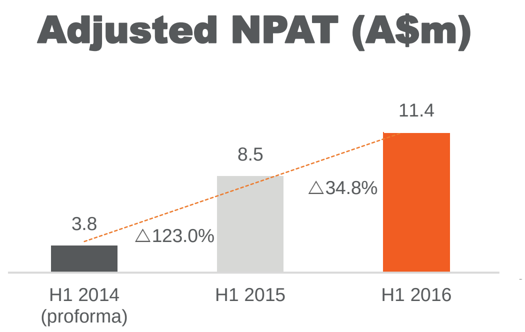
[1] oOh!media has 132 large format Road and Retail digital billboards and banners across Australia and New Zealand as at 23 August 2016.

Financial Highlights: H1 2015 vs H1 2016









Financial Highlights

Revenue

- Revenue of $146.6m, up 18.2% on H1 2015
- Growth across all products
- Existing digital assets combined with rollout driving strong growth
- Integration of Inlink acquisition provided significant uplift for Locate by oOh![2]
- Continued organic growth in line with guidance

Gross Profit

- Gross profit of $60.1m, up 40.0% on H1 2015
- Gross profit margin of 41.0% (H1 2015: 34.6%), driven by revenue growth, a favourable revenue mix between products, the addition of Inlink and an accelerated digital asset rollout programme
- Expansion in absolute dollars across all products
- Diversified portfolio driving sustainable growth and margin expansion

EBITDA

- EBITDA of $26.8m, up 32.7% on H1 2015
- H1 2016 EBITDA margin of 18.3%, up 2.0% from 16.3% in H1 2015
- Increased margins driven by revenue growth, product mix and operational leverage
- Cost increases associated with acquisitions and investment in our employees providing for long term growth

Adjusted NPAT[3]

- Adjusted NPAT of $11.4m, up 34.8% from $8.5m in H1 2015
- The growth in Adjusted NPAT exceeded growth in underlying EBITDA due to depreciation, net finance costs and taxation expense growing less than EBITDA

[2] Formerly Place, the location based products have been rebranded as Locate by oOh!.

[3] Adjusted NPAT is defined as Net Profit After Tax before amortisation and other non-cash items such as impairments. oOh!media's Directors' believe Adjusted NPAT is an important measure of the underlying earnings of the business due to the number of acquisition undertaken during historical periods which resulted in higher than normal amortisation.

Financial Commentary

oOh!media generated revenue of $146.6m in H1 2016, up 18.2% on H1 2015, with all products delivering growth. More detailed commentary on product performance is provided below.

Gross profit of $60.1m was up 40.0% on H1 2015, with gross profit margin increasing 6.4% over H1 2015. This reflected a favourable revenue mix between the key products, the addition of Inlink (acquired in December 2015) and an accelerated digital asset rollout programme, in particular within Road and Retail, with an additional 15 large format digital signs added during the period.

Operating expenditure of $33.4m in H1 2016 was up 46.4% on H1 2015. The increase in operating expenditure was driven by the acquisition of Inlink and investments in the Company's capabilities in line with growth strategies, with increased labour costs from increased headcount and an increase in sales commissions and bonus recognition.

Table 1 below highlights the key measures indicating the progress of oOh!media's comprehensive digital asset strategy. Digital revenue of $65.3m was up 81.2% on H1 2015, reflecting the Inlink acquisition and the ongoing investment in the conversion and rollout of digital assets across the business. With over 6,000 digital screens, digital media revenue as a per cent of total revenue was 44.5%, up from 29.0% in H1 2015.

Table 1: Summary of key measures

	STATUTORY H1 2016	STATUTORY H1 2015
REVENUE GROWTH	18.2%	6.1%
DIGITAL REVENUE GROWTH	81.2%	48.9%
DIGITAL REVENUE AS A % OF TOTAL REVENUE	44.5%	29.0%
DIGITAL ASSETS	+6,000	+2,100

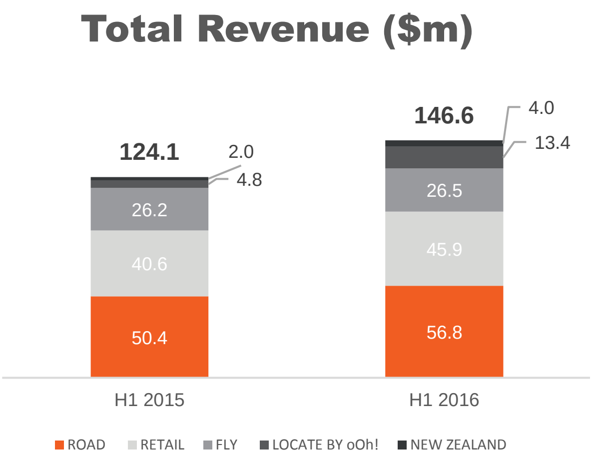
With digital revenue of 44.5% of total revenue in H1 2016, oOh!media is well ahead of its target of achieving digital revenue of 45.0%-50.0% of total revenue before the end of 2018 (as outlined in the 2015 Annual Report), supported by a strong pipeline of new digital assets and the effect of previously announced acquisitions.

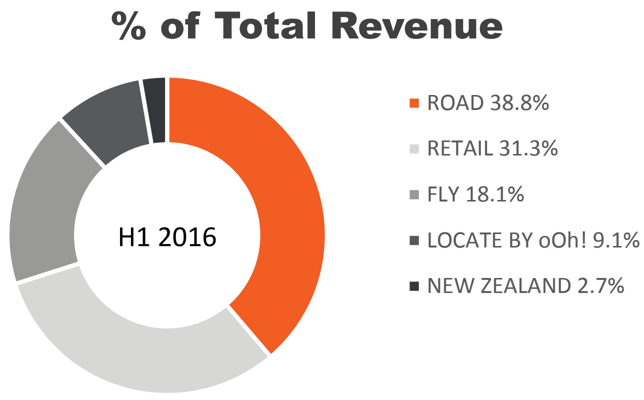
This pipeline will ensure oOh!media continues to have an unmatched portfolio of digital assets across its network, including large format digital billboards and banners in Road, Retail and Fly.

Product Performance

oOh!media's diversified asset portfolio has been a key driver of revenue growth and the strong overall financial performance in H1 2016. The portfolio provides exposure to a wide range of Out Of Home segments and underlying lease contracts across roadside, retail, airports and lounges, CBD office, sporting, universities, small business, café and entertainment venues. This diversified asset portfolio provides a sustainable platform for future growth.

Table 2: Revenue by product: H1 2015 and H1 2016





All revenue figures stated in A$.

Road

Road recorded revenue of $56.8m up 12.9% on H1 2015. Sales momentum of the new large format digital assets installed late in 2015 increased throughout H1 2016. Road expanded its digital roadside footprint through an additional seven large format digital assets in premium locations across Australia. The full benefit of additional revenues from the new sites in this period will begin during H2 2016, and brings the total number of large format digital billboards to 33 at the end of June 2016 (up from 19 in June 2015).

In the six weeks following 30 June 2016, an additional eight large format billboards went live, with a total of 50 large format digital billboards forecast to be online by the end of 2016. This is well ahead of oOh!media's schedule to digitise 50 sites by the end of 2018.

Retail

Retail recorded revenue of $45.9m up 13.1% on H1 2015. oOh!media continues to be the market leader in this category. This growth is largely attributable to the digital inventory rollout across oOh!media's concession partner centres. In addition, 11 new Evoke screens (large format digital banners) were introduced across Australia and New Zealand, bringing the total number of Evoke screens to 43. The rollout continued during July and August 2016, with a further 12 Evoke screens installed, with up to 26 additional digital screens expected to go live before the end of 2016.

oOh!media has a broad and long term lease portfolio covering some of Australia's most significant retail groups, including Vicinity, QIC, AMP and Lendlease, and has renewed and won contracts with 50 shopping centres over H1 2016.

Fly

Fly recorded revenue of $26.5m up 1.1% on H1 2015. Organic growth and effective revenue retention strategies in the Fly business more than offset the loss of revenue associated with the T2 Sydney Terminal. In addition, Fly secured exclusive wins and asset rollouts at T4 Melbourne and the Brisbane Virgin Australia Domestic Terminal during the period. These terminals will be generating revenue at full capacity from H2 2016, and are a testament to the Fly network's ability to attract key clients with marquee branding campaigns to airport environments.

Locate by oOh![4]

Locate by oOh! recorded revenue of $13.4m up 178.7% on H1 2015. This is attributable to the strong organic growth in the existing environments and the successful integration of the recently acquired Inlink's 2,800 digital screens, which has performed above expectations.

New Zealand

The New Zealand business' revenues doubled to $4.0m up 94.3% on H1 2015, through the organic expansion of its retail footprint on the back of contract wins, such as shopping centres owned by NZRPG, Lendlease and Kiwi Property, and the continued rollout of digital assets. The New Zealand division generated 60% of its media revenue from digital assets.

[4] Formerly Place, the location based activity has been rebranded as Locate by oOh!.

Review of Financial Position, Liquidity and Cash Flows

The balance sheet remains strong as at 30 June 2016 and provides headroom to invest for further growth.

Net debt / EBITDA of 1.7x has increased from 1.5x as at 31 December 2015 and remains well within banking covenants. This increase is attributable to the timing of dividend and tax payments following strong business performance in CY 2015, combined with normal working capital cycles and growth capital expenditure.

Table 3: Net debt, credit and liquidity ratios metrics as at 30 June 2016 and 31 December 2015

$'m	Actual 30-Jun-16	Actual 31-Dec-15
Borrowings	117.8	104.7
Cash and cash equivalents	(9.7)	(18.5)
Net debt	**108.1**	**86.3**
Net debt / EBITDA	1.7x	1.5x
Current Ratio	1.8x	1.5x

Key movements in net debt are explained as follows:

- EBITDA of $26.8m from strong H1 2016 trading
- Increase in working capital of $11.0m, predominantly driven by increased trade and receivables to $74.7m, up 24.3% (H1 2015: $60.1m). This increase was attributable to strong revenue growth and the timing of lunar billing periods[5]. This is consistent with previous half year results. The collections from June billings will reduce the net debt balance during H2 2016
- Income tax payments of $9.8m as a result of strong CY 2015 business performance
- Interest of $2.4m relating to funding costs
- Capital expenditure of $13.4m, up 30.1% on H1 2015, in line with oOh!media's end-to-end digital strategy, with the conversion and continued rollout of digital assets
- Other cash movements of $2.0m, mainly attributable to payment for concession development
- A final dividend of $10.0m.

Table 4: Statement of cash flows: H1 2016 and H1 2015

$'m	H1 2016	H1 2015	Variance
EBITDA	**26.8**	**20.2**	**6.6**
Net change in working capital and non-cash terms	(11.0)	(6.6)	(4.4)
Interest and income tax (included in net cash from operating activities)	(12.3)	(1.7)	(10.6)
Net cash from operating activities	**3.5**	**11.9**	**(8.4)**
Capital Expenditure	(13.4)	(10.3)	(3.1)
Acquisitions	0.1	(0.6)	0.7
Concessional development advances / (payments)	(2.0)	-	(2.0)
Net cash flow before financing	**(11.8)**	**0.9**	**(12.7)**

Net cash from operating activities of $3.5m, down 70.6% on H1 2015 is a function of tax, interest payments and movements in working capital as noted above. With the collection of receivables from the additional lunar period, we expect cash conversion in the second half to improve, consistent with prior years.

Payments made for dividends and tax in H1 2016 better reflect the normal course of business compared with prior periods after listing.

[5] There are 13 standard media billing periods in a year. Each period is made up of four weeks, beginning on a Monday and ending on the Sunday. This four week period is commonly referred to as a lunar period in media and can results in two billing periods occurring in the same calendar month. For oOh!media, this occurs towards the end of the second quarter (increasing the media receivables) which is then collected in the third quarter.

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of oOh!media Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 30 June 2016 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

John Wigglesworth
Partner

Sydney

23 August 2016

Condensed consolidated statement of profit or loss and other comprehensive income for the half year ended 30 June 2016

	Notes	Consolidated 30-Jun-16 $'000	Consolidated 30-Jun-15 $'000
Revenue from continuing operations	3	146,643	124,061
Cost of media sites and production		(86,497)	(81,086)
Gross profit		**60,146**	**42,975**
Employee benefits expense		(24,303)	(17,251)
Depreciation and amortisation expense		(12,605)	(10,769)
Legal and professional fees		(1,474)	(468)
Other property related costs		(1,404)	(1,138)
Advertising and marketing expenses		(1,239)	(947)
IPO related expenses		-	584
Other expenses		(4,949)	(3,573)
Operating profit		**14,172**	**9,413**
Finance income		47	5
Finance costs	5	(2,452)	(1,834)
Net finance costs		**(2,405)**	**(1,829)**
Share of profit of equity-accounted investees, net of tax		78	-
Profit before income tax		**11,845**	**7,584**
Income tax expense	7	(5,822)	(3,771)
Profit for the period		**6,023**	**3,813**
Profit for the period is attributable to:			
Equity holders of oOh!media Limited		5,985	3,917
Non-controlling interest		38	(104)
Profit for the period		**6,023**	**3,813**
Other comprehensive income for the period			
Items that may be subsequently classified to profit or loss:			
Effective portion of changes in fair value of cash flow hedges, net of tax		24	(143)
Foreign currency translation differences		101	116
Other comprehensive income for the period, net of tax		**6,148**	**3,786**
Total comprehensive income for the period is attributable to:			
Equity holders of oOh!media Limited		6,110	3,890
Non-controlling interest		38	(104)
Total comprehensive income for the period		**6,148**	**3,786**

Earnings per share

Basic earnings per share ($)		0.04	0.03
Diluted earnings per share ($)		0.04	0.03

The above condensed consolidated statement of profit or loss and comprehensive income should be read in conjunction with the accompanying notes.

Condensed consolidated statement of financial position as at 30 June 2016

	Notes	Consolidated 30-Jun-16 $'000	Consolidated 31-Dec-15 $'000
ASSETS			
Current assets			
Cash and cash equivalents		9,674	18,527
Trade and other receivables		74,691	60,089
Inventories		1,616	1,168
Other assets		6,004	5,443
Total current assets		**91,985**	**85,227**
Non-current assets			
Property, plant and equipment		86,129	80,279
Intangible assets and goodwill		250,182	255,541
Equity-accounted investees		292	214
Deferred tax asset		7,843	9,791
Total non-current assets		**344,446**	**345,825**
Total assets		**436,431**	**431,052**
LIABILITIES			
Current liabilities			
Trade and other payables		40,332	38,618
Loans and Borrowings		76	112
Deferred consideration		1,783	1,952
Provisions		4,781	5,994
Income tax payable		3,104	9,073
Total current liabilities		**50,076**	**55,749**
Non-current liabilities			
Loans and Borrowings		117,687	104,742
Provisions		16,759	15,462
Derivative liability interest rate swaps	9	162	186
Total non-current liabilities		**134,608**	**120,390**
Total liabilities		**184,684**	**176,139**
Net assets		**251,747**	**254,913**
EQUITY			
Share capital	8	284,071	283,585
Reserves		25,803	25,436
Accumulated losses		(56,650)	(52,593)
Non-controlling interest		(1,477)	(1,515)
Total equity		**251,747**	**254,913**

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed consolidated statement of cash flows for the half year ended 30 June 2016

	Note	Consolidated 30-Jun-16 $'000	Consolidated 30-Jun-15 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of Goods and Services Tax)		153,179	136,814
Payments to suppliers and employees (inclusive of Goods and Services Tax)		(137,371)	(123,205)
Cash generated from operations		15,808	13,609
Interest paid		(2,444)	(1,614)
Income tax paid		(9,835)	(106)
Net cash from operating activities		**3,529**	**11,889**
Cash flows from investing activities			
Payments for acquisition of property, plant and equipment		(13,448)	(10,213)
Payment for acquisition of intangible assets		-	(119)
Acquisition (payments)/refunds		270	(450)
Deferred consideration paid		(169)	(188)
Concessional development advances/(payments)		(1,957)	-
Net cash used in investing activities		**(15,304)**	**(10,970)**
Cash flows from financing activities			
Proceeds from borrowings		44,000	21,500
Payment of transaction costs related to IPO		-	(370)
Repayment of borrowings		(31,000)	(36,500)
Payment of lease liabilities		(36)	(53)
Dividends paid		(10,042)	-
Net cash from financing activities		**2,922**	**(15,423)**
Net decrease in cash and cash equivalents		**(8,853)**	**(14,504)**
Cash and cash equivalents at beginning of period		18,527	20,197
Cash and cash equivalents at end of period		**9,674**	**5,693**

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Condensed consolidated statement of changes in equity for the half year ended 30 June 2016

	Contributed equity	Foreign currency translation reserve	Other equity reserve (1)	Cash flow hedge reserve	Share-based payments reserve	Accumulated losses	Non-controlling interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Consolidated								
Balance at 1 January 2015	**283,585**	**-**	**18,408**	**(93)**	**6,251**	**(66,404)**	**(112)**	**241,635**
Total comprehensive income for the period:								
Profit/(loss) for the period after income tax	-	-	-	-	-	3,917	(104)	3,813
Other comprehensive income:								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(143)	-	-	-	(143)
Exchange differences on translation of foreign operations	-	116	-	-	-	-	-	116
Total comprehensive income/(loss) for the period	**-**	**116**	**-**	**(143)**	**-**	**3,917**	**(104)**	**3,786**
Transactions with owners, recorded directly in equity:								
Issue of ordinary shares	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Equity-settled share-based payment transactions	-	-	-	-	416	-	-	416
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**416**	**-**	**-**	**416**
Balance at 30 June 2015	**283,585**	**116**	**18,408**	**(236)**	**6,667**	**(62,487)**	**(216)**	**245,837**
Consolidated								
Balance at 1 January 2016	**283,585**	**166**	**18,408**	**(186)**	**7,048**	**(52,593)**	**(1,515)**	**254,913**
Total comprehensive income for the period:								
Profit/(loss) for the period after income tax	-	-	-	-	-	5,985	38	6,023
Other comprehensive income:								
Effective portion of changes in fair value of cash flow hedges	-	-	-	24	-	-	-	24
Exchange differences on translation of foreign operations	-	101	-	-	-	-	-	101
Total comprehensive income/(loss) for the period	**-**	**101**	**-**	**24**	**-**	**5,985**	**38**	**6,148**
Transactions with owners, recorded directly in equity:								
Issue of ordinary shares	486	-	-	-	(486)	-	-	-
Dividends paid	-	-	-	-	-	(10,042)	-	(10,042)
Equity-settled share-based payment transactions	-	-	-	-	728	-	-	728
Total transactions with owners of the Company	**486**	**-**	**-**	**-**	**242**	**(10,042)**	**-**	**(9,314)**
Balance at 30 June 2016	**284,071**	**267**	**18,408**	**(162)**	**7,290**	**(56,650)**	**(1,477)**	**251,747**

(1) The other equity reserve represents the difference between the issued capital in Outdoor Media Investments Limited (OMI) and the consideration paid to acquire OMI on 18 December 2014. The transaction was accounted for as a common control transaction as disclosed in the Annual Financial Statements for the year ended 31 December 2014.

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the condensed consolidated Interim Financial Statements

1. Reporting entity

oOh!media Limited is a company domiciled in Australia. The Company was incorporated on 7 October 2014 and listed on the Australian Securities Exchange (ASX) on 17 December 2014. The Company's registered office and principal place of business is at Level 2, 76 Berry Street, North Sydney, NSW 2060.

These condensed consolidated Interim Financial Statements (Interim Financial Statements) as at and for the half year ended 30 June 2016 comprise the Group and the Group's interests in associates and joint ventures.

The Group is a for-profit entity and is primarily involved in outdoor media, production and advertising in Australia and New Zealand.

The Half Year report represents the consolidated results for the Group for the period 1 January 2016 to 30 June 2016. The comparative information presented in the Half Year report represents the financial position of the Company as at 31 December 2015 and the Group's performance for the period 1 January 2015 to 30 June 2015.

2. Basis of accounting

(a) Statement of compliance

These Interim Financial Statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting,* and the *Corporations Act 2001* (Cth), and with IAS 34 Interim Financial Reporting.

These Interim Financial Statements do not include all the information required for a complete set of IFRS annual Financial Statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated Financial Statements as at and for the year ended 31 December 2015.

The accounting policies adopted in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in the Annual Report for the year ended 31 December 2015, unless otherwise stated. These Interim Financial Statements should be read in conjunction with the Annual Report for the year ended 31 December 2015.

These Interim Financial Statements were approved and authorised for issue by the Directors on 23 August 2016.

(b) Use of judgements and estimates

In preparing these Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last annual consolidated Financial Statements as at and for the year ended 31 December 2015.

Notes to the condensed consolidated Interim Financial Statements

3. Operating segments

(a) Basis for segmentation

The Group operates as a single segment providing a range of Out Of Home advertising solutions.

(b) Information about reportable segments

Key information relating to the Group's financial performance is detailed below. This is also included in management reports reviewed by the Group's chief operating decision maker (the Board). Pro Forma EBITDA is used to measure performance because management believe it is the most relevant measure in assessing the financial performance of the segment.

	30-Jun-16 $'000	30-Jun-15 $'000
Road	56,850	50,374
Retail	45,906	40,605
Fly	26,527	26,234
Locate by oOh! (formerly Place)	13,393	4,805
New Zealand	3,967	2,043
External Revenues [(1)]	**146,643**	**124,061**

(1) All revenues excluding New Zealand have been generated in Australia.

(c) Reconciliation of information on reportable segments to IFRS measures

	30-Jun-16 $'000	30-Jun-15 $'000
Pro Forma EBITDA	**26,777**	**19,598**
Initial Public Offering (IPO) related credits/(expenses)	-	584
Statutory EBITDA	**26,777**	**20,182**
Share of profit of equity-accounted investees, net of tax	78	-
Amortisation	(5,405)	(4,662)
Depreciation	(7,200)	(6,107)
Net finance costs	(2,405)	(1,829)
Profit before income tax	**11,845**	**7,584**

4. Seasonality of operations

The Group’s operational results are subject to seasonal fluctuations as media spend is typically stronger in the second half of the calendar year. In particular, Retail benefits from proportionally higher media spend leading up to the Christmas period. The Group attempts to minimise the seasonal impact through promoting the Out Of Home medium throughout the year. However, the first half of the year typically results in lower revenues and profitability.

5. Finance costs

	30-Jun-16 $'000	30-Jun-15 $'000
Interest expense on bank borrowings	2,285	1,727
Finance leases	2	14
Other interest expense	165	93
Finance Costs	**2,452**	**1,834**

Notes to the condensed consolidated Interim Financial Statements

6. Share-based payments

The description of share based payment arrangements are below.

Long-term incentive plan - performance rights

A total of 264,249 Tranche #2 performance rights vested in March 2016, with vesting conditions satisfied. The Company issued a further 573,136 performance rights that entitle senior executives to acquire shares in the Company during the half year ended 30 June 2016. Details in relation to grants issued in the half year ended 30 June 2016 and in respect of grants of performance rights to employees in prior periods, are detailed in the table below. As the performance right entitles the holder of the right to receive a share for no consideration at a future date, the exercise price is considered to be nil.

The key terms of these grants and assumptions in the calculation of the grant date fair value are outlined below:

Performance rights granted to senior executives are as follows:	Grant date	Vesting date	Number of instruments granted
Tranche 1	17-Dec-14	15-Feb-18	839,378
Tranche 2	17-Dec-14	15-Mar-16	269,430
Tranche 3	1-Feb-16	15-Feb-19	573,136
Total performance rights			**1,681,944**

Vesting conditions for the performance rights are as follows:

Tranche # 1 - 3 years service from grant date and 10% compound annual growth (CAGR) in earnings per share (EPS);
Tranche # 2 - 1.25 years service from grant date and achievement of the 2015 net profit after tax target; and
Tranche # 3 - 3 years service from grant date and 14% compound annual growth (CAGR) in earnings per share (EPS).

Measurement of fair values

The fair value of the share-based payment plans was measured based on the Binomial model. The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows:

Fair value of performance rights and assumptions

Tranche #1	
Share price at grant date	$1.93
Fair value at grant date	$1.73
Exercise price	Nil
Expected volatility (1)	20% to 25%
Expected life	3 years
Expected dividends	3.0% to 3.5%
Risk-free interest rate (based on government bonds)	2.74%
Tranche #2	
Share price at grant date	$1.93
Fair value at grant date	$1.84
Exercise price	Nil
Expected volatility (1)	30% to 35%
Expected life	1.25 years
Expected dividends	3.0% to 3.5%
Risk-free interest rate (based on government bonds)	2.53%
Tranche #3	
Share price at grant date	$4.75
5-day VWAP at grant date	$4.55
Fair value at grant date	$4.23
Exercise price	Nil
Expected volatility	33.9%
Expected life	3 years
Expected dividends	2.50%
Risk-free interest rate (based on government bonds)	1.90%

(1) Given the Company did not have recent trading history at grant date, it was not possible to observe the historic volatility of the Company's share price. Accordingly the historic volatility of the share prices of comparable companies over periods consistent with the relevant vesting periods were considered.

Reconciliation of performance rights

The number of performance rights on issue during the half year ended 30 June 2016 is illustrated below:	Number of rights	Face Value
	30-Jun-16	30-Jun-16
	#	$
Outstanding at 1 January	1,056,995	2,040,001
Exercised during the period	(264,249)	(510,001)
Issued during the period	573,136	2,625,000
Outstanding at 30 June	**1,365,882**	**4,155,000**
Exercisable at 30 June	-	-

Notes to the condensed consolidated Interim Financial Statements

7. Income tax

(a) Tax recognised in profit or loss

	30-Jun-16 $'000	30-Jun-15 $'000
Current tax expense	5,822	3,771

(b) Reconciliation of effective tax rate

	30-Jun-16 $'000	30-Jun-15 $'000
Profit before tax	11,845	7,584
Income tax at 30% (2015: 30%)	3,553	2,275
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of tax rates in foreign jurisdictions	-	(4)
Non-deductible expenses	1,990	1,404
Under provided in prior years	279	96
Tax expense recognised in the profit or loss	5,822	3,771

8. Capital and reserves

(a) Contributed equity

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. The holders of these shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company.

Issued and paid up share capital	30-Jun-16 Number of shares	31-Dec-15 Number of shares	30-Jun-16 $'000	31-Dec-15 $'000
Issued and paid up share capital	150,146,783	149,882,534	284,071	283,585

(b) Equity - dividends

On 22 March 2016, a fully franked final dividend of 6.7 cents per oridinary share amounting to $10,042,130 was paid in respect of the year ended 31 December 2015. A fully franked interim dividend of 4.0 cents per share amounting to $6,005,871 in respect to the half year ended 30 June 2016 (30 June 2015: $4,196,711) is payable on 21 September 2016 to Shareholders on Register as at 30 August 2016.

9. Financial instruments

Accounting classifications and fair values

(a) Fair values vs carrying amounts

The fair values of financial assets and liabilities equals the carrying amounts shown in the statement of financial position, with the exception of interest rate swaps. The fair value of interest rate swaps is determined as the present value of future contra and credit adjustments.

(b) Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at the end of the reporting period plus an appropriate credit spread, and were as follows:

	30-Jun-16	31-Dec-15
Interest rate swaps	2.4%	2.4%
Bank loan	3.3%-3.5%	3.5%-4.1%
Leases	3.8%-12.8%	3.8%-12.8%

(c) Fair values hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the condensed consolidated Interim Financial Statements

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated	30 June 2016			31 December 2015		
	Carrying value $'000	Level 1 $'000	Level 2 $'000	Carrying value $'000	Level 1 $'000	Level 2 $'000
Interest rate swaps	162	-	162	186	-	186
	162	**-**	**162**	**186**	**-**	**186**

(d) Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values:

Type	Valuation technique and inputs
Interest rate swaps	The fair value of interest rate swaps is determined as the present value of future contracted cash flows and credit adjustments. Cash flows are discounted using standard valuation techniques at the applicable market yield, having regard to the timing of the cash flows.

10. Related parties

Parent entity and ultimate controlling party

As at 30 June 2016 the parent entity of the Group is oOh!media Limited, WPP owned 8.6% of oOh!media Limited, and the CHAMP Funds had reduced their shareholding to below 5.0% (from 24.2% at 31 December 2015).

11. Subsequent events

Subsequent to the end of the reporting period, the Group made two acquisitions.

On 1 July 2016, the Group acquired privately-owned on-line content and publishing company Junkee Media Pty Limited (Junkee Media). The acquisition reflects oOh!media's end to end digital strategy to increase consumer engagement and drive advertiser return on investment by combining Out of Home advertising with an integrated mobile, online and social media offering.

The acquisition, fully funded by debt using the Group's existing facilities, has seen the Group acquire 85% of Junkee Media for $11.05m, with a right to acquire the remaining 15% of shares from the three remaining Junkee Media shareholders. The acquisition is expected to be Adjusted EPS accretive within the first year excluding transaction costs.

On 1 August 2016, the Group also acquired the Out Of Home printing and production company Cactus Imaging Pty Ltd (Cactus). Cactus specialises in the digital printing of grand, large and small format advertising across the digital printing Out Of Home industry. The acquisition is anticipated to streamline production times and reduce costs for oOh!media in the traditional Out Of Home market, which still plays a substantial and integral role in the sector. The acquisition was completed for $6.0m (subject to post completion adjustments) and is immediately EPS accretive.

The Group has not yet completed an assessment to determine the fair value of the assets acquired and liabilities assumed with regard to either of the acquisitions. The fair value assessment will be completed prior to 31 December 2016, the details of which will be disclosed in the Business Combinations note of the year end financial statements.

The Board has declared a fully franked interim dividend of 4.0 cents per ordinary share amounting to $6,005,871 in respect to the half year ended 30 June 2016 (30 June 2015: $4,196,711). This dividend is payable on 21 September 2016.

Other than the matters mentioned above, no other matters or circumstances at the date of this report has arisen since 30 June 2016 that has significantly affected or may affect:
(a) the operations of the Group;
(b) the results of those operations in future financial years; or
(c) the Group's state of affairs in the future financial years.

Directors' Declaration

In accordance with a resolution of the Directors of oOh!media Limited, we state that:

In the Directors opinion:

(a) the Interim Financial Statements and notes of the Group that are set out on pages 9 to 17, for the half year ended 30 June 2016, are in accordance with the *Corporations Act 2001* (Cth), including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the half year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Michael Anderson
Chairman

23 August 2016
Sydney

KPMG

Independent auditor's review report to the members of oOh!media Limited

We have reviewed the accompanying half-year financial report of oOh!media Limited (the company), which comprises the condensed consolidated statement of financial position as at 30 June 2016, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2016 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.* As auditor of oO!media Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

KPMG

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of oOh!media Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

John Wigglesworth
Partner

Sydney

23 August 2016

Corporate Directory
oOh!media Limited ACN 602 195 380

Directors	**Michael Anderson** Chairman and Independent Non-executive Director **Brendon Cook** Chief Executive Officer and Managing Director **Debbie Goodin** Independent Non-executive Director **Darren Smorgon** Independent Non-executive Director **Geoffrey Wild AM** Non-executive Director **Tony Faure** Non-executive Director
Company Secretary	**Katrina Eastoe**
Principal registered office	Level 2, 76 Berry Street North Sydney NSW 2060 Ph: +61 2 9927 5555
Share register	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 Ph: 1300 554 474
Auditors	KPMG Tower Three International Towers Sydney 300 Barangaroo Avenue Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Westpac Banking Corporation National Australia Bank
Stock exchange listing	The shares of oOh!media Limited are listed by ASX Ltd on the Australian Securities Exchange trading under the ASX Listing Code "OML".
Website	www.oohmedia.com.au