



APN OUTDOOR

Your new centre of attention.

APN Outdoor Group Limited

Annual General Meeting

24 April 2015

Doug Flynn, Chairman

Richard Herring, Chief Executive Officer



CEO Address

Richard Herring, Chief Executive Officer



Overview

APN Outdoor is a leader in outdoor advertising in Australia and New Zealand

The APNO portfolio comprises assets selected for their quality, scalability and metro locations. APNO offer four different outdoor advertising categories:



Billboards



Transit




Rail



Airports

Categories

Leader in our chosen formats

FORMAT	DESCRIPTION	INCLUDES DIGITAL SCREENS
Billboards	Large Format displays in premium roadside locations	
Transit	Over 90% coverage of Australian capital city bus and tram networks	
Rail	Includes XtrackTV screens in Sydney and Melbourne, and Brisbane underway	
Airport	Internal and external panels at primary Australian and New Zealand Airports	



Growth strategy

Industry dynamics remain positive

- Continued fragmentation of other media
- Increasing Outdoor audiences
- Outdoor market continues to outperform overall ad market
- Product development including digital screens and technology

APN Outdoor product innovation

- Continued digital rollout in strategic locations
 - *Elite* screens
 - *XtrackTV*
- Significant upgrade programme at Sydney and Auckland Airports
- Improved advertiser interaction through mobile devices in commuter environments

Portfolio growth opportunities

- Portfolio expansion through strategic contract wins
- Category expansion into Retail and Street Furniture
- Acquisition targets that provide scale and synergies



2014 Highlights

Market

- Strong markets in Australia and NZ – market revenue up 10% and 7% respectively
- Market share gain on both sides of the Tasman

Key Contract wins

- Auckland Airport won – providing scale change to NZ business
- Renewed M5 in Sydney

Asset upgrades

- Prospectus targets met
 - 34 *Elite* screens (Large Format Digital panels) at December 2014
 - 66 *XtrackTV* screens in Sydney and Melbourne
- Auckland Digital Network completed
- Auckland Airport upgrades largely complete



2014 Results

All key metrics exceed Prospectus

- **Revenue** \$250.6m – 2.1% up on Prospectus
- **Pro forma EBITDA** \$45.3m - \$2.0m up on Prospectus
- **Pro forma NPATA** \$23.7m - \$1.6m up on Prospectus

YE December \$ millions	2014 Actual	2014 Prospectus	2013 Actual	2014 versus		
				Prospectus \$	Prospectus %	2013 %
Revenue	250.6	245.5	225.8	5.1	2.1%	11.0%
Expenses	(205.4)	(202.2)	(192.0)	(3.2)	1.6%	7.0%
EBITDA	45.3	43.3	33.8	2.0	4.5%	33.7%
EBITDA Margin %	18.1%	17.6%	15.0%			
EBIT	35.3	33.1	24.1	2.2	6.7%	46.4%
NPATA	23.7	22.1	16.4	1.6	7.3%	44.8%
EPS – diluted (cents)	14.1		9.8			

Results shown above are on a proforma basis



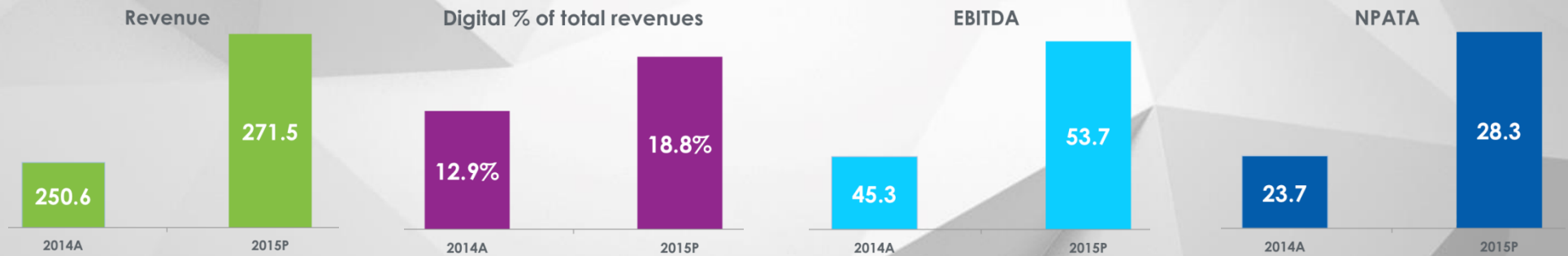
2015 Update

- Strong outdoor market growth has continued into Q1 with revenue in Australia and NZ up 23% and 9% respectively
- Solid start to 2015 on back of strong market growth and share improvement
- 7 *Elite* screens approved – 2 built and 5 under construction
- *XtrackTV* expanding into Brisbane with 13 additional panels
- iBeacon technology installed in Transit environments
- Successful renewal and expansion of Sydney Airport contract



Elite Screen – Pymble, Sydney

2015 Outlook



2015 Prospectus forecasts reaffirmed

- Revenue \$271.5m – 8% growth on previous year
- Proforma EBITDA \$53.7m – 19% growth on previous year
- Proforma NPATA \$28.3m – 20% growth on previous year

Revenue growth of 8% expected to be delivered from a combination of

- Underlying market growth
- 2014 contract wins
- Full year effect of 18 *Elite* screens rolled out in 2014
- Part year effect of 17 *Elite* screens to be rolled out in 2015



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