

APN Outdoor Group Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	APN Outdoor Group Limited
ABN:	57155848589
Reporting period:	For the half-year ended 30 June 2015
Previous period:	For the half-year ended 30 June 2014

2. Results for announcement to the market

					\$'000
Revenues from ordinary activities	up	24.9%	to		136,321
Profit from ordinary activities after tax attributable to the owners of APN Outdoor Group Limited	up	447.9%	to		12,880
Profit for the half-year attributable to the owners of APN Outdoor Group Limited	up	447.9%	to		12,880

Dividends

On 17 April 2015 APO paid a special, fully franked dividend of 1.0 cent per ordinary share (\$1,666,145) as previously announced in the 31 December 2014 Annual Report.

A fully franked interim dividend of 4.5 cents per ordinary share has been declared.

Record date:	8 September 2015
Payment date:	21 September 2015

Comments

The profit for the Group after providing for income tax amounted to \$12,880,000 (30 June 2014: loss of \$3,702,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>8.63</u>	<u>(79.44)</u>

30 June 2014 reflects pre IPO capital and debt structure

4. Dividends

Current period

On 17 April 2015 APO paid a special, fully franked dividend of 1.0 cent per ordinary share (\$1,666,145) as previously announced in the 31 December 2014 Annual Report.

A fully franked interim dividend of 4.5 cents per ordinary share has been declared.

Record date:	8 September 2015
Payment date:	21 September 2015

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

5. 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 Half year report.

6. Attachments

The Half year report of APN Outdoor Group Limited for the half-year ended 30 June 2015 is attached.

7. Outlook

The Outdoor advertising market continues to benefit from share gains from other traditional media. These structural changes are being driven by the fragmentation of audiences of other media, together with the unique advertising opportunity created by digital outdoor screens.

In the second half of 2014, the Outdoor advertising market in Australia grew by 14%. These strong prior period results need to be considered in the context of expectations for H2 2015. Whilst forward bookings for H2 are ahead of the same time last year, there still remains around 50% of revenue to be written to achieve the revised forecast.

As a result of the strong performance from H1 and our current view of H2 market conditions, APO has revised its pro forma EBITDA forecast for the year ending 31 December 2015 to an increase of mid-teens percent above the Prospectus forecast of \$53.7m.

The board has confirmed its intention to pay a full year dividend for the year ending 31 December 2015 reflecting a payout ratio in the order of 60% of pro forma NPATA.

8. Signed



Doug Flynn
Chairman

24 August 2015
Sydney

APN Outdoor Group Limited

ABN 57155848589

Half year report - 30 June 2015

APN Outdoor Group Limited
Corporate directory
30 June 2015

Directors	Doug Flynn Independent non-executive Chairman
	Pat O'Sullivan Independent non-executive Director
	Lisa Chung Independent non-executive Director
	Jack Matthews Independent non-executive Director
	Richard Herring Chief Executive Officer and Executive Director
Company secretary	Wayne Castle
Registered office	Level 4 33 Saunders Street Pymont New South Wales 2009
Principal place of business	Level 4 33 Saunders Street Pymont New South Wales 2009
Share register	Link Market Services Limited Level 12 680 George Street Sydney, NSW, 2000 Share registry telephone: 1300 554 474
Auditor	PricewaterhouseCoopers Darling Park Tower 2 201 Sussex Street Sydney NSW 2000 Australia
Bankers	Commonwealth Bank of Australia Westpac Banking Corporation National Australia Bank ASB Bank Limited
Stock exchange listing	APN Outdoor Group Limited shares are listed on the Australian Securities Exchange (ASX code: APO)
Website	http://investors.apnoutdoorcorporate.com/

APN Outdoor Group Limited
Directors' report
30 June 2015

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of APN Outdoor Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2015.

Directors

The following persons were Directors of APN Outdoor Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Doug Flynn - Chairman
Pat O'Sullivan
Lisa Chung
Jack Matthews
Richard Herring

Principal activities

During the period the principal continuing activities of the Group consisted of the provision of advertising services.

Review of operations

The profit for the Group after providing for income tax amounted to \$12,880,000 (30 June 2014: loss of \$3,702,000).

A review of operations of the Group is set out in pages 3 to 4.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 follows this Directors' Report.

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

On behalf of the Directors



Doug Flynn
Chairman

24 August 2015
Sydney

Strong performance on all fronts for APN Outdoor in maiden half year

- Revenue grew by a healthy 25% across Australia and New Zealand
- Pro forma EBITDA up 110% year on year
- Pro forma NPATA near three times the previous year
- Sustainable audience growth with a 3.6% increase in 2014 across all mainland capital cities
- Continued company commitment to promote the power of our assets to advertisers when engaging consumer audiences who are increasingly out and about
- Execution of a focussed digital growth strategy
 - Elite Screens approvals journey continues in both Australia and NZ
 - XtrackTV Eastern Seaboard launch with Adelaide to soon join the portfolio
- Landmark contract win
 - Sydney Airport internal and external panels for Terminal 1 renewal and Terminal 2 - Australia's busiest terminal
- Successful rollout of newly developed inventory at New Zealand's gateway airport Auckland (following contract win in early 2014)
- Extension of the WA bus advertising contract
- Acquisition of Roadside Attractions - a complementary offering of 113 key billboards sites in New Zealand, providing opportunity for digitisation
- Continued investment in our growing digital portfolio balanced with development investment in traditional outdoor assets
- Continued sector leadership in sales and marketing with research and promotions in market demonstrating the capabilities of the medium and proving its ability to reach audiences:
 - The Attention Economy Advertising Categories
 - #myrealworld - Ethnographic and quantitative study into real people and their real life interactions with transit advertising
 - The Airport Economy, investigating the people who travel in and around the airport environment, how they connect and interact with advertising in this space

APN Outdoor Group Limited reported a statutory net profit of \$12.9m for the half year ended 30 June 2015. This compares to the previous corresponding half year net loss of \$3.7m.

Multiple drivers have contributed to these results that showcase the business' strong performance in market over the past 6 months.

Revenue across Australia and New Zealand was up a healthy 25% and EBITDA grew 110% year on year.

The Outdoor sector in Australia enjoyed 3.6% audience growth in 2014, with growth being seen in all mainland capital cities.

As part of a sustained development strategy and to reach this growing audience, APN Outdoor has expanded many key asset portfolios, indicating an ongoing commitment to promote the power of Outdoor in engaging consumers whilst they are increasingly out and about.

Asset development, specifically in the burgeoning digital space, has been a key focus for APN Outdoor as the company continues to implement an ongoing digital growth strategy centred on the Elite Screens (large format roadside digital) and XtrackTV portfolios.

Elite Screen execution has focussed on screen quality and site location to ensure best in class reputation in market is maintained and remains on track to deliver a target of 17 new Elite Screen in 2015 with 12 screens approved to date in 2015.

XtrackTV on the Eastern Seaboard was received with great enthusiasm by advertisers and will be further enhanced by the addition of the Adelaide market later in the year.

APN Outdoor Group Limited
Review of operations
30 June 2015

These two areas of focus, audience growth and asset development, are the principal drivers of successful Outdoor advertising, and when implemented well, form a solid platform for revenue growth and market leadership.

Indicative of this leadership position has been several landmark contract wins that APN Outdoor successfully tendered for including Sydney Airport's Terminal 1 (International comprising internal and external panels) and Terminal 2 (domestic) - Australia's busiest terminal. The successful tender process and imminent asset upgrade at Sydney Airport is reminiscent of Auckland Airport's contract win in early 2014. Since this time, Auckland Airport's asset development and APN Outdoor's ongoing commitment to perfecting the advertising journey, has been embraced by advertisers and clients alike and will occur on a greater scale for Sydney.

Also of note has been the extension of the WA bus advertising contract whilst the acquisition of Roadside Attractions NZ has resulted in APN Outdoor securing 113 key roadside billboard sites in New Zealand, which are complementary to their existing portfolio, as well as providing opportunity for ongoing digitisation.

These key wins, combined with the aforementioned development of Elite Screens and XtrackTV reflect APN Outdoor's continued and sustained investment into traditional assets, carefully balanced with aggressive leadership in the digital space.

As APN Outdoor continues to take a leadership stance regarding asset upgrades and contractual victories, it is important to also note our sector leading sales and marketing initiatives. Investing in research driven projects, APN Outdoor continues to educate the market, demonstrating the capabilities of the medium generally, as well as specific to certain asset categories. Flagship studies include The Attention Economy, #myrealworld (transit focussed) and most recently the Airport Economy, all conducted in partnership with leading global research companies.

Cash flow from operating activities before interest and tax was \$37.3m. This was up almost \$14m on the previous corresponding period due primarily to increased earnings.

Working capital reduces significantly in the first half of each year due to collection of seasonally high Q4 revenues and this year is no exception with working capital reducing \$11m. The resultant cash conversion was a very healthy 143% though this will reduce in the second half and full year.

Overall the past 6 months has been a very successful period for APN Outdoor, as the company continues to demonstrate superior financial management, leadership in asset development, a focus on proving the power of the medium to advertisers through research initiatives to further educate and validate the mediums advocates.



Auditor's Independence Declaration

As lead auditor for the review of APN Outdoor Group Limited for the half-year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of APN Outdoor Group Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'D Wiadrowski'.

David Wiadrowski
Partner
PricewaterhouseCoopers

Sydney
24 August 2015

APN Outdoor Group Limited

Contents

30 June 2015

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General information

The financial statements cover APN Outdoor Group Limited as a Group consisting of APN Outdoor Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is APN Outdoor Group Limited's functional and presentation currency.

APN Outdoor Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
33 Saunders Street
Pyrmont
New South Wales 2009

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 24 August 2015.

APN Outdoor Group Limited
Statement of comprehensive income
For the half-year ended 30 June 2015

	Note	Group June 2015 \$'000	Group June 2014 \$'000
Revenue	3	136,321	109,151
Expenses			
Raw materials and consumables used		(3,880)	(3,991)
Sales and marketing expense		(14,693)	(11,279)
Production and installation costs		(10,267)	(8,690)
Employee benefits expense		(15,910)	(13,692)
Rental of advertising space		(58,320)	(51,886)
Depreciation and amortisation expense		(5,602)	(4,864)
Onerous lease		-	(4,372)
Other expenses		(6,638)	(5,503)
Finance costs	4	(2,278)	(10,580)
Total expenses		<u>(117,588)</u>	<u>(114,857)</u>
Profit/(loss) before income tax (expense)/benefit		18,733	(5,706)
Income tax (expense)/benefit	5	<u>(5,853)</u>	<u>2,004</u>
Profit/(loss) after income tax expense for the half-year attributable to the owners of APN Outdoor Group Limited	11	12,880	(3,702)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in the fair value of cash flow hedges taken to equity, net of tax		(79)	238
Foreign currency translation		<u>(1,784)</u>	<u>(349)</u>
Other comprehensive income for the half-year, net of tax		<u>(1,863)</u>	<u>(111)</u>
Total comprehensive income for the half-year attributable to the owners of APN Outdoor Group Limited		<u>11,017</u>	<u>(3,813)</u>
		Cents	Cents
Basic earnings per share		7.73	(3.05)
Diluted earnings per share		7.69	(3.05)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

APN Outdoor Group Limited
Statement of financial position
As at 30 June 2015

	Note	Group June 2015 \$'000	Dec 2014 \$'000
Assets			
Current assets			
Cash and cash equivalents		12,265	9,865
Trade and other receivables	6	47,385	58,284
Inventories		597	585
Income tax asset		-	253
Other		6,170	7,218
Total current assets		<u>66,417</u>	<u>76,205</u>
Non-current assets			
Investments accounted for using the equity method		489	517
Property, plant and equipment		69,613	71,843
Intangibles		211,306	213,901
Deferred tax		8,917	9,439
Other		2,750	-
Total non-current assets		<u>293,075</u>	<u>295,700</u>
Total assets		<u>359,492</u>	<u>371,905</u>
Liabilities			
Current liabilities			
Trade and other payables	7	22,381	27,792
Income tax	8	4,501	-
Employee benefits	9	2,001	1,841
Provisions		1,118	851
Other		2,608	481
Total current liabilities		<u>32,609</u>	<u>30,965</u>
Non-current liabilities			
Borrowings	10	62,892	85,121
Derivative financial instruments		137	24
Deferred tax		32,244	32,908
Employee benefits		348	289
Provisions		2,135	2,934
Other		3,448	3,390
Total non-current liabilities		<u>101,204</u>	<u>124,666</u>
Total liabilities		<u>133,813</u>	<u>155,631</u>
Net assets		<u>225,679</u>	<u>216,274</u>
Equity			
Issued capital		222,334	222,334
Reserves		2,008	3,817
Retained profits/(accumulated losses)	11	<u>1,337</u>	<u>(9,877)</u>
Total equity		<u>225,679</u>	<u>216,274</u>

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

APN Outdoor Group Limited
Statement of changes in equity
For the half-year ended 30 June 2015

	Issued capital	Redeemable convertible preference shares	Reserves	Retained profits / (acc losses)	Total equity
Group	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2014	115,484	40,000	2,047	2,372	159,903
Loss after income tax (expense)/benefit for the half-year	-	-	-	(3,702)	(3,702)
Other comprehensive income for the half-year, net of tax	-	-	(111)	-	(111)
Total comprehensive income for the half-year	-	-	(111)	(3,702)	(3,813)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	(440)	-	-	-	(440)
Preference shares extinguished	-	(40,000)	-	-	(40,000)
Balance at 30 June 2014	115,044	-	1,936	(1,330)	115,650

	Issued capital	Redeemable convertible preference shares	Reserves	Retained profits / (acc losses)	Total equity
Group	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	222,334	-	3,817	(9,877)	216,274
Profit after income tax (expense)/benefit for the half-year	-	-	-	12,880	12,880
Other comprehensive income for the half-year, net of tax	-	-	(1,863)	-	(1,863)
Total comprehensive income for the half-year	-	-	(1,863)	12,880	11,017
<i>Transactions with owners in their capacity as owners:</i>					
Option charge	-	-	54	-	54
Dividends paid (note 12)	-	-	-	(1,666)	(1,666)
Balance at 30 June 2015	222,334	-	2,008	1,337	225,679

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

APN Outdoor Group Limited
Statement of cash flows
For the half-year ended 30 June 2015

	Note	Group June 2015 \$'000	Group June 2014 \$'000
Cash flows from operating activities			
Profit/(loss) before income tax expense for the half-year		18,733	(5,706)
Adjustments for:			
Depreciation and amortisation		5,602	4,864
Write off of property, plant and equipment		25	426
Option charge for the period		54	-
Onerous contract		(809)	3,613
Other		86	(1,221)
Interest and other finance costs		2,278	10,580
		<u>25,969</u>	<u>12,556</u>
Change in operating assets and liabilities:			
Decrease in trade and other receivables		10,693	8,295
Decrease/(increase) in inventories		(12)	150
Decrease in accrued revenue		2,202	-
Decrease in prepayments		1,003	310
Increase/(decrease) in trade and other payables		(2,813)	1,936
Increase in employee benefits		227	317
		<u>37,269</u>	<u>23,564</u>
Interest and other finance costs paid		(2,124)	(9,291)
Income taxes paid		(883)	(579)
		<u>34,262</u>	<u>13,694</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(4,905)	(8,643)
Other non-current assets		(2,750)	-
		<u>(7,655)</u>	<u>(8,643)</u>
Cash flows from financing activities			
Proceeds from borrowings - pre IPO facilities		-	42,500
Proceeds from borrowings - post IPO facilities	10	886	-
Repayment of borrowings	10	(23,266)	(3,134)
Repayment of shareholder loans		-	(32,200)
Dividends paid	12	(1,666)	-
Borrowing costs paid		-	(3,015)
		<u>(24,046)</u>	<u>4,151</u>
Net cash from/(used in) financing activities		<u>(24,046)</u>	<u>4,151</u>
Net increase in cash and cash equivalents		2,560	9,202
Cash and cash equivalents at the beginning of the financial half-year		9,865	12,616
Effects of exchange rate changes on cash and cash equivalents		(160)	37
		<u>12,265</u>	<u>21,855</u>
Cash and cash equivalents at the end of the financial half-year		<u>12,265</u>	<u>21,855</u>

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2015 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2014 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group:

- AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (Part C)
- AASB 2014-1 Amendments to Australian Accounting Standards (Part E)

Note 2. Operating segments

The Group operates in one market segment only being Out-of-Home advertising.

Note 3. Revenue

	Group	
	June 2015	June 2014
	\$'000	\$'000
<i>Sales revenue</i>		
Advertising revenue	136,130	109,078
<i>Other revenue</i>		
Rent received	-	12
Sundry revenue	191	61
	<hr/>	<hr/>
	191	73
	<hr/>	<hr/>
Revenue	136,321	109,151
	<hr/>	<hr/>

Note 4. Finance costs

	Group	
	June 2015 \$'000	June 2014 \$'000
Finance Costs		
Interest and finance charges paid/ payable - pre IPO facilities	-	6,273
Interest and finance charges paid/ payable - post IPO facilities	1,850	-
Interest and finance charges paid/ payable to shareholders	-	2,820
Borrowing cost amortisation	151	1,165
Interest - onerous lease	277	322
	<hr/>	<hr/>
Total finance costs	2,278	10,580
	<hr/>	<hr/>

Note 5. Income tax expense/(benefit)

	Group	
	June 2015 \$'000	June 2014 \$'000
<i>Income tax expense/(benefit)</i>		
Current tax	5,575	(560)
Deferred tax - origination and reversal of temporary differences	278	(1,444)
	<hr/>	<hr/>
Aggregate income tax expense/(benefit)	5,853	(2,004)
	<hr/>	<hr/>
Deferred tax included in income tax expense/(benefit) comprises:		
Decrease in deferred tax assets	942	(815)
Decrease in deferred tax liabilities	(664)	(629)
	<hr/>	<hr/>
Deferred tax - origination and reversal of temporary differences	278	(1,444)
	<hr/>	<hr/>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>		
Profit/(loss) before income tax (expense)/benefit	18,733	(5,706)
	<hr/>	<hr/>
Tax at the statutory tax rate of 30%	5,620	(1,712)
	<hr/>	<hr/>
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	251	(298)
Share of loss from associates	8	16
	<hr/>	<hr/>
Difference in overseas tax rates	5,879	(1,994)
	<hr/>	<hr/>
Income tax expense/(benefit)	5,853	(2,004)
	<hr/>	<hr/>

Note 6. Current assets - trade and other receivables

	Group	
	June 2015 \$'000	Dec 2014 \$'000
Trade receivables	46,836	58,403
Less: Provision for impairment of receivables	(794)	(1,061)
	46,042	57,342
Sundry receivables	1,343	942
	47,385	58,284

Note 7. Current liabilities - trade and other payables

	Group	
	June 2015 \$'000	Dec 2014 \$'000
Trade payables	1,286	5,642
Accruals	20,148	21,352
GST liability	947	798
	22,381	27,792
	22,381	27,792

Note 8. Current liabilities - income tax

	Group	
	June 2015 \$'000	Dec 2014 \$'000
Provision for income tax	4,501	-
	4,501	-

Note 9. Current liabilities - employee benefits

	Group	
	June 2015 \$'000	Dec 2014 \$'000
Annual leave	1,149	1,049
Long service leave	852	792
	2,001	1,841
	2,001	1,841

Note 10. Non-current liabilities - borrowings

	Group	
	June 2015 \$'000	Dec 2014 \$'000
Bank loans - secured	63,620	86,000
Borrowing costs	(916)	(916)
Less: accumulated amortisation	188	37
	62,892	85,121
	62,892	85,121

Note 10. Non-current liabilities - borrowings (continued)

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Group	
	June 2015	Dec 2014
	\$'000	\$'000
Bank loans - secured	63,620	86,000

Assets pledged as security

Under the current borrowing facilities the Group has provided security over all of its assets and undertakings.

Note 11. Equity - retained profits/(accumulated losses)

	Group	
	June 2015	Dec 2014
	\$'000	\$'000
Retained profits/(accumulated losses) at the beginning of the financial half-year	(9,877)	2,372
Profit/(loss) after income tax expense	12,880	(12,249)
Dividends paid (note 12)	(1,666)	-
Retained profits/(accumulated losses) at the end of the financial half-year	1,337	(9,877)

Note 12. Equity - dividends

Dividends

On 24 February 2015 the Board recommended the payment of a fully franked dividend of 1.0 cent per ordinary share (\$1,666,145) in respect of the period from Completion of the Initial Public Offering to 31 December 2014. This dividend was paid on 17 April 2015.

A fully franked interim dividend of 4.5 cents per ordinary share has been declared.

Record date: 8 September 2015
Payment date: 21 September 2015

Franking credits

	Group	
	June 2015	Dec 2014
	\$'000	\$'000
Franking credits available for subsequent financial years based on a tax rate of 30%	3,244	3,065

The above amounts represent the balance of the franking account as at the end of the financial half-year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 13. Events after the reporting period

No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

APN Outdoor Group Limited
Directors' declaration
30 June 2015

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Doug Flynn
Chairman

24 August 2015
Sydney



Independent auditor's review report to the members of APN Outdoor Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of APN Outdoor Group Limited (the Company), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for APN Outdoor Group Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that 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 (including the Australian Accounting Interpretations) 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 Australian 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of APN Outdoor Group 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*.

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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 APN Outdoor Group Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'D Wiadrowski' in a cursive script.

David Wiadrowski
Partner

Sydney
24 August 2015