

ASX Release

15 December 2011

Update on FY12 Outlook

The Directors of Digital Performance Group Ltd (ASX: DIG) wish to provide an update on year to date trading performance:

- DPG experienced reduced or delayed advertising spend (particularly in the telco and finance categories) as clients remain cautious given the current global environment;
- a technology disruption reduced the number of campaigns able to be delivered; and
- a key client advised it will internalise its search marketing spend from February 2012.

As a result, it is anticipated that the Company's underlying FY12 EBITDA¹ will be in the range of \$4.0m - \$4.5m, as outlined below:

Operating Business	Low	High
Empowered	\$2.5m	\$2.8m
Deal Group Media	\$1.5m	\$1.7m
TOTAL Operating EBITDA¹	\$4.0m	\$4.5m

The total Group underlying EBITDA¹ after head office costs is expected to be \$2.1m to \$2.6m.

The updated guidance takes into consideration the following factors:

- revenue from key advertisers has improved since mid-November 2011 and the sales pipeline for new business demonstrates good opportunity for earnings growth; and
- the technology issues were resolved resulting in stronger revenue which is expected to continue into the second half.

DPG's longer term outlook remains positive as it continues to win new business in the affiliate retail and consumer electronics channels as well as in its search business. To support demand from its clients, the Company is focused on building its advertising inventory via increased cross-selling between dgm and Empowered, as well as the launch of two new member acquisition sites within the next six months.

DPG shares continue to represent good value and the Company will continue the share buy-back programme announced 12 August 2011.



¹ Underlying EBITDA excludes business acquisition costs, restructuring expenses and non-cash share option expenses.

About Digital Performance Group Ltd:

Digital Performance Group is an ASX listed holding company for performance-based digital marketing businesses. Digital Performance Group sells targeted and measureable online advertising campaigns that generate online sales, qualified customer leads and increased brand awareness. Results are delivered through a variety of channels such as website banners, email, affiliate and search. Digital performance Group's customers are some of Australia's leading media buyers, advertising agencies and corporates.

Empowered Communications

Empowered has 500,000 Members sourced via a network of six loyalty websites (each site rewards members in exchange for receiving research or emailed offers). Detailed demographic data is collected from each of its members to enable advertisers to conduct highly targeted, performance-based campaigns.

dgm Australia

dgm offers marketing solutions across single or multiple channels – including search engine marketing, affiliate marketing and display marketing, with a clear focus on performance and return on investment.

Clients have access to dgm's specialist platforms and sophisticated proprietary technology, and are guided by experienced account management and consultancy teams.

For further information

Chris Meehan, Managing Director

0407 149 544