



Preliminary Final Report 2011

oOh!media Group Limited  
ACN 091 780 924  
ASX Code: OOH



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# Results for announcement to the market

The current period is the year ended 31 December 2011. The previous corresponding period is the year ended 31 December 2010.

			2011 \$'000	2010 \$'000
<b>Revenue</b>	<b>Up \$9,471,000</b>	<b>Up by 9%</b>	119,171	109,700
<b>Underlying EBITDA for the year</b>	<b>Up \$1,143,000</b>	<b>Up by 5%</b>	22,290	21,147
Adjustments and expenses in relation to the acquisition of businesses			180	-
Expenses incurred in relation to the Scheme of Arrangement *			(1,427)	-
<b>Reported EBITDA for the year</b>	<b>Down \$104,000</b>	<b>Down by 0.5%</b>	21,043	21,147
<b>Underlying profit before tax for the year</b>	<b>Up \$2,804,000</b>	<b>Up by 25%</b>	13,986	11,182
Adjustments and expenses in relation to the acquisition of businesses			180	-
Expenses incurred in relation to the Scheme of Arrangement *			(1,427)	-
Acceleration of future financing charges in relation to the early settlement of the acquisition of businesses			(435)	-
<b>Reported profit before tax for the year</b>	<b>Up \$1,122,000</b>	<b>Up by 10%</b>	12,304	11,182
<b>Net profit after tax for the year</b>	<b>Up \$1,010,000</b>	<b>Up by 14%</b>	8,038	7,028

## Segment notes

The company operates in the out-of-home media industry and has operations only in Australia.

## Dividend distributions

It is proposed not to pay a dividend. No dividend was paid during the period and no dividend was paid in the last corresponding period.

	Net Tangible Assets per security	Net Assets per security
Current period	1.0 cents	22.3 cents
Previous corresponding period	(2.7) cents	19.9 cents

## Scheme of Arrangement

On 13 December 2011, the Company announced that it had entered into a Scheme Implementation Agreement with Outdoor Media Operations Pty Limited, a company owned by CHAMP III Funds, under which Outdoor Media Operations Pty Limited has agreed to offer to acquire all the oOh!media shares that the CHAMP III Funds do not already own.

Following the passing of a resolution at a Scheme Meeting of the Company's shareholders on 27 February 2012, the Scheme was approved by shareholders. On 29 February 2012, Court approval of the Scheme is being sought.

\* Should the Scheme become effective (see note 11), an expense of \$802,000, relating to the early cancellation of Directors' and employees' share options will be accelerated into the year ended 31 December 2011. This expense is included in the \$1,427,000 Scheme-related expenses shown above. Should the scheme not become effective, the expense will not be accelerated into the year ended 31 December 2011.

This report has been prepared on the basis that the Scheme will become effective.

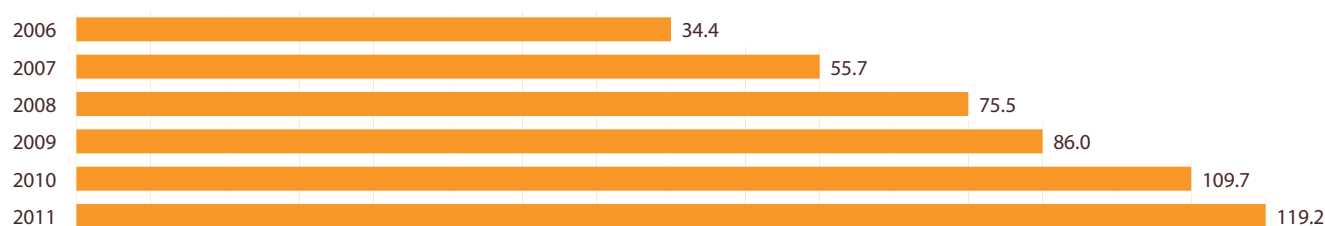
This report is based on the consolidated financial report which is in the process of being audited.

# Highlights / Key Events of 2011

## Highlights

- Sales revenue was up by 9% over 2010, against an industry increase of 3.4%.
- Underlying EBITDA was up 5% over 2010.
- Underlying profit before tax was up 25% over 2010.

## Underlying Media Revenue (\$M)



## Key Events

### 31.01.11 oOh! makes final payment for Sports and Outdoor Media

The Company announced it had made the final payment for its Sports and Outdoor Media Pty Ltd acquisition earlier than the contracted date, following its recent successful capital raising. Under the early settlement agreement, \$18.5 million was paid to the vendor, consisting of \$4.2 million in ordinary shares at 20 cents per share and \$14.3 million in cash for the balance of the deferred consideration. There are no further payments to be made in respect of this acquisition.

### 21.04.11 oOh!media creates new regional retail audience measurement tool

The Company announced it had launched a new sophisticated audience measurement tool for regional retail advertising campaigns, to enable advertisers to plan their media based around solid measures, similar to that available through the industry developed MOVE out-of-home audience tool that measures audiences in five metro capital cities.

The new tool named CRAFT - Connected Reach and Frequency Targeting - reports how many people are likely to visit a shopping centre within a regional area and town and how many repeat visits they are likely to make over a 14 day cycle. By combining MOVE and CRAFT, advertisers can now obtain indicative reach and frequency figures for national retail campaigns.

### 21.09.11 oOh!media awarded Red Outdoor retail media contract from APN

Australia's leading provider of retail media solutions, oOh!media announced that it has been appointed to sell Red Outdoor's shopper banners across 156 shopping centres in metro and regional Australia.

### 20.01.12 Court approves the issue of the oOh!media Scheme Booklet and orders the convening of the Scheme Meeting

On 13 December 2011, the Company announced that it had entered into a Scheme Implementation Agreement with Outdoor Media Operations Pty Limited, a company owned by CHAMP III Funds, under which Outdoor Media Operations Pty Limited has agreed to offer to acquire all the oOh!media shares that the CHAMP III Funds do not already own.

If the Scheme is implemented, oOh!media Shareholders (other than CHAMP III Funds) will be entitled to elect to receive either:

- \$0.325 cash per oOh!media share that they hold at 7pm on the Record Date, which is scheduled for 8 March 2012; or
- mixed consideration comprising \$0.10 cash and one Class B Share in Outdoor Media Investments, an unlisted exempted company incorporated under the laws of the Cayman Islands, for each oOh!media share that they hold on the Record Date.

Following the passing of a resolution at a Scheme Meeting of the Company's shareholders on 27 February 2012, the Scheme was approved by shareholders.

On 29 February 2012, Court approval of the Scheme is being sought.

Should the Scheme become effective, all 23,000,000 outstanding share options will be cancelled as at 7.00pm on the Record Date.

# Statement of Comprehensive Income

for the year ended 31 December 2011

		Consolidated	
	Notes	2011 \$'000	2010 \$'000
Revenue from continuing operations	3	119,171	109,700
Other recurring income	3	4	30
Costs of media sites and production		(71,590)	(64,129)
Employees and Directors costs		(16,890)	(16,253)
Insurance costs		(132)	(152)
Property related costs		(912)	(870)
Depreciation and amortisation	4	(4,568)	(4,306)
Legal and professional fees		(234)	(1,117)
Share based payments expense	4	(455)	(422)
Loss on disposal of non-current assets	4	(67)	-
Other expenses from ordinary activities		(6,605)	(5,640)
<b>Underlying operating profit for the year</b>		<b>17,722</b>	<b>16,841</b>
Fair value adjustment on acquisition of business	4	446	-
Expenses in relation to acquisitions of businesses	4	(266)	-
Scheme-related expenses incurred	4, 11	(625)	-
Scheme-related expenses accelerated, conditional on the Scheme becoming effective	4, 11	(802)	-
<b>Operating profit for the year</b>	4	<b>16,475</b>	<b>16,841</b>
Borrowing costs	4	(3,736)	(5,659)
<b>Profit before income tax for the year, before crystallization of Sports and Outdoor Media Pty Limited future financing charges</b>		<b>12,739</b>	<b>11,182</b>
Acceleration of future financing charges in relation to the early settlement of the acquisition of Sports and Outdoor Media Pty Limited	4	(435)	-
<b>Profit before income tax for the year</b>		<b>12,304</b>	<b>11,182</b>
Income tax (expense)	5	(4,266)	(4,154)
<b>Profit from continuing operations attributable to the members of oOh!media Group Limited for the year</b>		<b>8,038</b>	<b>7,028</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>8,038</b>	<b>7,028</b>
<b>Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company</b>			
Basic earnings per share	10	1.6 cents	1.8 cents
Diluted earnings per share	10	1.6 cents	1.8 cents
<b>Earnings per share for profit attributable to the ordinary equity holders of the Company</b>			
Basic earnings per share	10	1.6 cents	1.8 cents
Diluted earnings per share	10	1.6 cents	1.8 cents

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

# Balance Sheet

as at 31 December 2011

		Consolidated	
	Notes	2011 \$'000	2010 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	8	473	6,525
Trade and other receivables		26,006	23,949
Inventories		95	92
<b>Total Current Assets</b>		<b>26,574</b>	<b>30,566</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		24,518	19,788
Intangible assets	6	105,506	99,016
Other financial assets		896	413
<b>Total Non-Current Assets</b>		<b>130,920</b>	<b>119,217</b>
<b>Total Assets</b>		<b>157,494</b>	<b>149,783</b>
<b>Current Liabilities</b>			
Trade and other payables		13,939	15,318
Deferred consideration for the acquisition of Sports & Outdoor Media Pty Limited	9	-	16,878
Borrowings		3,158	4,812
Current tax liabilities		1,099	2,137
Provisions		530	452
<b>Total Current Liabilities</b>		<b>18,726</b>	<b>39,597</b>
<b>Non-Current Liabilities</b>			
Borrowings		25,276	21,247
Provisions		942	755
Deferred tax liabilities		892	1,093
<b>Total Non-Current Liabilities</b>		<b>27,110</b>	<b>23,095</b>
<b>Total Liabilities</b>		<b>45,836</b>	<b>62,692</b>
<b>Net Assets</b>		<b>111,658</b>	<b>87,091</b>
<b>Equity</b>			
<b>Equity attributable to equity holders of the parent entity</b>			
Contributed equity - share capital	7	94,819	79,547
Reserves		1,679	422
Retained earnings		15,160	7,122
<b>Total Equity</b>		<b>111,658</b>	<b>87,091</b>

The above balance sheet should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

for the year ended 31 December 2011

	Notes	Consolidated	
		2011 \$'000	2010 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		116,696	107,123
Payments to employees and suppliers		(98,243)	(85,498)
Interest received		4	30
Borrowing costs paid		(2,963)	(4,518)
Income tax paid and received		(5,362)	(3,105)
<b>Net cash inflow from operating activities</b>	8	<b>10,132</b>	<b>14,032</b>
<b>Cash flows from investing activities</b>			
Payments for the acquisition of Sports and Outdoor Media Pty Limited	9	(13,861)	(3,950)
Payments for the acquisition of controlled entities and businesses, net of cash acquired		(6,805)	(1,650)
Payments for plant and equipment		(7,546)	(3,711)
Payments for intangible assets		(957)	(317)
Payments for investments		(484)	-
Proceeds from sale of property, plant and equipment		31	-
<b>Net cash (outflow) from investing activities</b>		<b>(29,622)</b>	<b>(9,628)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		10,930	11,361
Proceeds from borrowings		5,000	375
Repayment of borrowings		(2,800)	(2,800)
Repayment of finance leases		(1,519)	(1,967)
<b>Net cash inflow from financing activities</b>		<b>11,611</b>	<b>6,969</b>
<b>Net (decrease)/increase in cash and cash equivalents held</b>		<b>(7,879)</b>	<b>11,373</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>6,374</b>	<b>(4,999)</b>
<b>Cash and cash equivalents at the end of the financial year</b>	8	<b>(1,505)</b>	<b>6,374</b>

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

# Statement of Changes in Equity

for the year ended 31 December 2011

Consolidated  
2011

	Contributed equity- Share capital \$'000	Reserves- Option reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Total equity at 1 January</b>	<b>79,547</b>	<b>422</b>	<b>7,122</b>	<b>87,091</b>
Profit and total comprehensive income for the year	-	-	8,038	8,038
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>8,038</b>	<b>8,038</b>
<b>Transactions with equity holders in their capacity as equity holders</b>				
Contributions of equity, net of transaction costs	11,072	-	-	11,072
Shares issued in respect of the acquisition of Sports and Outdoor Media Pty Limited	4,200	-	-	4,200
Share based payments expense - options	-	1,257	-	1,257
<b>Total of transactions with equity holders in their capacity as equity holders</b>	<b>15,272</b>	<b>1,257</b>	<b>-</b>	<b>16,529</b>
<b>Total equity at 31 December</b>	<b>94,819</b>	<b>1,679</b>	<b>15,160</b>	<b>111,658</b>

Consolidated  
2010

	Contributed equity- Share capital \$'000	Reserves- Option reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Total equity at 1 January</b>	<b>66,996</b>	<b>-</b>	<b>94</b>	<b>67,090</b>
Profit and total comprehensive income for the year	-	-	7,028	7,028
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>7,028</b>	<b>7,028</b>
<b>Transactions with equity holders in their capacity as equity holders</b>				
Contributions of equity, net of transaction costs	12,551	-	-	12,551
Share based payments expense - options	-	422	-	422
<b>Total of transactions with equity holders in their capacity as equity holders</b>	<b>12,551</b>	<b>422</b>	<b>-</b>	<b>12,973</b>
<b>Total equity at 31 December</b>	<b>79,547</b>	<b>422</b>	<b>7,122</b>	<b>87,091</b>

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



# Notes to the Financial Statements

31 December 2011

## 1. Summary of significant accounting policies

The Preliminary Final Report of oOh!media Group Limited and subsidiaries for the year ended 31 December 2011 do not include all notes of the type that would normally be included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance and financial position of the Group as the full financial report.

### Basis of preparation

The Preliminary Final Report has been prepared on an accruals basis and is based on the historical cost convention.

Accounting policies have been consistently applied by the entities in the Group and are consistent with those applied in the 31 December 2010 Annual Report.

## 2. Segment information

### a) Reportable segments

#### Identification of reportable segments

The Group has identified its operating segments in accordance with its accounting policy.

The operating segments are identified by management based on the manner in which the product is sold, and the nature of the services provided and the location of the market in which they are provided. Discrete financial information about each of these operating businesses is reported to the Chief Executive Officer.

Management has identified two operating segments, that of out-of-home media and experiential marketing. These operating segments have been aggregated into a single reportable segment in accordance with the Group's accounting policy.

The Group is organised in one single reportable segment, that of out-of-home media.

The Group operated only in Australia in 2010 and 2011.

### b) Major customers

The Group's customers are primarily media buying and planning agencies. No one agency constitutes more than 10% of the group's revenue from continuing operations.

# Notes to the Financial Statements

31 December 2011

## 3. Revenue and other income

	Consolidated	
	2011 \$'000	2010 \$'000
<b>Revenue from continuing operations</b>		
Sales revenue		
Sale of media production and services	119,171	109,700
<b>Other income</b>		
Interest income	4	30
Fair value adjustment on acquisition of business (see note 9)	446	-
<b>Total revenue and other income</b>	<b>119,621</b>	<b>109,730</b>

## 4. Items included in profit before income tax

Profit before income tax includes the following specific expenses:

<b>Expenses</b>		
Depreciation of plant and equipment	3,932	3,715
Amortisation of intangible assets	636	591
Loss on disposal of non-current assets	67	-
Directors' and employees' superannuation contributions	875	925
Legal and professional expenses and duties payable in respect of acquisitions of businesses	266	-
<b>Borrowing costs</b>		
Interest on bank facilities drawn	2,407	2,983
Present value adjustments and payments in relation to the deferred consideration on the acquisition of businesses	1,329	2,676
	<b>3,736</b>	<b>5,659</b>
<b>Share based payments expense</b>		
Share based payments expense-options	455	422
	<b>455</b>	<b>422</b>

# Notes to the Financial Statements

31 December 2011

	Consolidated	
	2011	2010
	\$'000	\$'000
<b>CHAMP Scheme-related expenses:</b>		
Legal and professional fees	625	-
Share based payments expense-options (accelerated conditional on the Scheme becoming effective) *	802	-
	<b>1,427</b>	<b>-</b>

\* Should the CHAMP Scheme become effective (see note 11), all Directors' and employees' share options will be cancelled on the Record Date for the Scheme, which is scheduled for 8 March 2012. This will cause the remaining fair value of these options that has not yet been expensed, to be expensed over the period from 1 January 2011 to the date of cancellation. The financial statements have been prepared on the basis that the Scheme will become effective. This gives rise to an additional expense in the year ended 31 December 2011 of \$802,000.

## 5. Income tax

<b>(a) Income tax (expense)</b>		
Current tax (charge)	(4,322)	(3,874)
Deferred tax credit/(charge)	59	(744)
(Under)/overprovision in prior periods	(3)	464
<b>Net income tax (expense)</b>	<b>(4,266)</b>	<b>(4,154)</b>

### Income tax (expense) is attributable to:

(Profit) from continuing operations	(4,266)	(4,154)
Deferred tax credit/(charge) included in the income tax (charge) comprises:		
(Decrease)/increase in deferred tax assets	(188)	151
Decrease/(increase) in deferred tax liabilities	247	(895)
	59	(744)

### (b) Reconciliation of income tax attributable to the financial year to the prima facie (charge) due on the operating profit

Profit from continuing operations before income tax	12,304	11,182
Income tax (charge) calculated at 30% (2010: 30%)	(3,691)	(3,355)
Tax effect of differences:		
Non-deductible expenses and non-assessable income	(610)	(228)
Capital raising costs	78	73
(Under)/overprovision in prior periods	(3)	464
Temporary differences brought to account due to changes in tax legislation	-	(422)
Temporary differences previously not brought to account	-	(720)
Other	(40)	34
<b>Income tax (expense)</b>	<b>(4,266)</b>	<b>(4,154)</b>

# Notes to the Financial Statements

31 December 2011

## 6. Non-current assets - Intangible assets

	Consolidated	
	2011 \$'000	2010 \$'000
Goodwill at deemed cost	11,460	10,838
Licences	95,680	89,404
Less: accumulated amortisation	(1,750)	(1,350)
Less: impairment loss	(451)	(451)
	93,479	87,603
Computer software at cost	1,173	1,043
Less: accumulated amortisation	(606)	(468)
	567	575
Total carrying value at 31 December	105,506	99,016
Licences include those in a development stage, at cost	1,346	588

Licences in development have not been amortised during the year.

Movements in carrying amounts	Goodwill \$'000	Licences \$'000	Computer Software \$'000	Total \$'000
2011				
Consolidated				
Carrying value at 1 January 2011	10,838	87,603	575	99,016
Additions	622	6,374	130	7,126
Amortisation expense	-	(498)	(138)	(636)
Carrying value at 31 December 2011	11,460	93,479	567	105,506

Movements in carrying amounts	Goodwill \$'000	Licences \$'000	Computer Software \$'000	Total \$'000
2010				
Consolidated				
Carrying value at 1 January 2010	10,838	86,578	437	97,853
Additions	-	1,450	201	1,651
Amortisation expense	-	(425)	(63)	(488)
Carrying value at 31 December 2010	10,838	87,603	575	99,016

# Notes to the Financial Statements

31 December 2011

## 7. Contributed equity

			Consolidated	
	2011 No. of securities	2010	2011 \$'000	2010 \$'000
<b>(a) Issued and paid up capital:</b>				
Ordinary shares issued and fully paid	501,225,275	438,120,012	94,819	79,547
Options outstanding at 31 December	23,000,000	23,000,000		

### (b) Movements in ordinary share capital and options over ordinary shares:

Date	Details	Number of Shares	\$'000	Number of Options	\$'000
1 January 2010		370,977,155	66,996	-	-
31 March 2010	Shares issued in consideration for the acquisition of Sports and Outdoor Media Pty Ltd	10,000,000	1,046	-	-
18 June 2010	Options issued	-	-	13,500,000	322
21 June 2010	Options issued	-	-	9,500,000	100
6 December 2010	Shares issued	57,142,857	11,405	-	-
31 December 2010	Deferred tax credit recognised directly in equity	-	100	-	-
<b>31 December 2010</b>		<b>438,120,012</b>	<b>79,547</b>	<b>23,000,000</b>	<b>422</b>
19 January 2011	Shares issued, net of transaction costs	29,473,684	5,320	-	-
20 January 2011	Shares issued, net of transaction costs	12,631,579	2,280	-	-
31 January 2011	Shares issued in consideration for the acquisition of Sports and Outdoor Media Pty Ltd	21,000,000	4,200	-	-
1 June 2011	Amount received under orders from the Takeovers Panel, net of legal and professional costs *	-	3,331	-	-
31 December 2011	Share based payments expense - options	-	-	-	1,257
31 December 2011	Deferred tax credit recognised directly in equity	-	141	-	-
<b>31 December 2011</b>		<b>501,225,275</b>	<b>94,819</b>	<b>23,000,000</b>	<b>1,679</b>

\* On 4 May 2011, the Company made an application to the Takeovers Panel in relation to its affairs. The application raised a number of concerns affecting an efficient, competitive and informed market. Full details of the application and its resolution can be found at [www.takeovers.gov.au](http://www.takeovers.gov.au).

# Notes to the Financial Statements

31 December 2011

## 8. Cash flow information

### (a) Reconciliation of cash flow from operating activities with profit from ordinary activities after income tax

	Consolidated	
	2011	2010
	\$'000	\$'000
<b>Profit from ordinary activities after income tax</b>	<b>8,038</b>	<b>7,028</b>
Depreciation and amortisation	4,568	4,306
Non-cash employee benefits expense - employee entitlements	265	228
Share based payments	1,257	422
Fair value adjustment on acquisition of businesses	(446)	-
Non-cash borrowing costs	1,216	1,193
Loss on disposal of non-current assets	67	-
(Increase) in trade debtors	(1,903)	(3,146)
Decrease/(increase) in other operating assets	550	(1,182)
(Increase)/decrease in tax assets and liabilities	(1,097)	224
(Decrease)/increase in trade creditors	(1,007)	1,386
(Decrease)/increase in other operating liabilities	(1,376)	3,573
<b>Net cash inflow from operating activities</b>	<b>10,132</b>	<b>14,032</b>

### (b) Reconciliation of cash

Cash at the end of the financial year is reconciled to the related items in the balance sheet as follows:

Cash at bank and in hand	473	6,525
Bank facilities drawn (included in Borrowings)	(1,978)	(151)
	(1,505)	6,374

# Notes to the Financial Statements

31 December 2011

## 9. Acquisitions and disposals of controlled entities

### Entities over which the company gained control

On 21 October 2011 the company acquired 100% of the issued share capital of Red Outdoor Pty Limited.

On 7 December 2011 the company acquired 72.5% of the issued share capital of Closebuys Pty Limited.

### Entities over which the company lost control

The company did not lose control over any entities during the year.

The company does not have any material interests in associated companies or joint ventures.

### (a) Acquisition of controlled entities

On 31 January 2011, the Company announced it had made the final payment for its Sports and Outdoor Media Pty Ltd acquisition earlier than the contracted date, following its recent successful capital raising. Under the early settlement agreement, \$18.5 million was paid to the vendor, consisting of \$4.2 million in ordinary shares at 20 cents per share and \$14.3 million in cash for the balance of the deferred consideration and borrowing costs. There are no further payments to be made in respect of this acquisition.

### (b) Acquisitions of out-of-home media assets

During the year the company has made a number of minor acquisitions of out-of-home media assets. These have been accounted for under AASB3 Business Combinations, as each group operated as a separate business prior to acquisition.

Details of the acquisitions are as follows:

	2011 Out-of-home media businesses	2010 Out-of-home media businesses
	Total \$'000	Total \$'000
<b>Aggregate fair value of assets acquired and liabilities assumed</b>		
Plant and equipment	1,356	313
Intangible assets	5,523	1,337
<b>Carrying amount of assets and liabilities assumed immediately before the combination</b>	<b>6,879</b>	<b>1,650</b>
Add: goodwill	622	-
Less: fair value adjustment for discount on acquisition	(446)	-
<b>Total fair value of assets acquired and liabilities assumed</b>	<b>7,055</b>	<b>1,650</b>
<b>Settled by:</b>		
Cash paid in current year	6,805	1,650
Cash to be paid in future years	250	-
	<b>7,055</b>	<b>1,650</b>

# Notes to the Financial Statements

31 December 2011

## 10. Earnings per share

	2011 cents	Consolidated 2010 cents
<b>Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company</b>		
Basic earnings per share	1.6	1.8
Diluted earnings per share	1.6	1.8

The earnings used to calculate the basic earnings per share from continuing operations are \$8,038,000 (2010: \$7,028,000) being the profit from continuing operations attributable to the ordinary equity holders of the Company.

The earnings used to calculate the diluted earnings per share from continuing operations are \$8,101,000 (2010: \$7,077,000) being the profit from continuing operations attributable to the ordinary equity holders of the Company.

### Earnings per share for profit attributable to the ordinary equity holders of the Company

Basic earnings per share	1.6	1.8
Diluted earnings per share	1.6	1.8

The earnings used to calculate the basic earnings per share are \$8,038,000 (2010: \$7,028,000) being the profit attributable to ordinary equity holders of the Company.

The earnings used to calculate the diluted earnings per share are \$8,101,000 (2010: \$7,077,000) being the profit attributable to the ordinary equity holders of the Company.

Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	497,215,325	382,425,296
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	503,037,205	383,014,537

### Options

Options exercisable at less than the average market price for ordinary shares are considered dilutive in the calculation of potential ordinary shares. The number of potential ordinary shares deemed to have been issued and included in the determination of diluted earnings per share is 5,821,880 (2010: 589,241).



# Notes to the Financial Statements

31 December 2011

## 11. Scheme of Arrangement

On 13 December 2011, the Company announced that it had entered into a Scheme Implementation Agreement with Outdoor Media Operations, under which Outdoor Media Operations has agreed to offer to acquire all the Company's ordinary shares that the CHAMP III Funds do not already own. This is to be implemented by way of a Court approved scheme of arrangement (Scheme). Outdoor Media Operations is owned by the CHAMP III Funds.

The Scheme is a members' scheme of arrangement under Part 5.1 of the Corporations Act proposed between oOh!media and oOh!media Shareholders (other than the CHAMP III Funds) as at 7pm on the Record Date for the Scheme, which is scheduled for 8 March 2012.

If the Scheme becomes Effective, oOh!media Shareholders (other than CHAMP III Funds) will be entitled to elect to receive either:

- \$0.325 cash per oOh!media share that they hold on the Record Date; or
- mixed consideration comprising \$0.10 cash and one Class B Share in Outdoor Media Investments, an unlisted exempted company incorporated under the laws of the Cayman Islands, for each oOh!media share that they hold on the Record Date.

Further details can be found in the Scheme Booklet and on the Company's website [www.oohmedia.com.au](http://www.oohmedia.com.au).

## 12. Events occurring after reporting date

Following the passing of a resolution at a Scheme Meeting of the Company's shareholders on 27 February 2012, the Scheme was approved by shareholders.

On 29 February 2012, Court approval of the Scheme is being sought.

Following the passing of a resolution at a General Meeting of the Company's shareholders on 27 February 2012, should the Scheme become effective, all 23,000,000 outstanding share options will be cancelled as at 7pm on the Record Date.