



## ASX Release

18 January 2011

### **Acquisition and Disposal Update**

Digital Performance Group Ltd (ASX: DIG) provides the following update on the settlement of transactions announced during the first half of FY11 and the resulting cash and debt balances based on management accounts as at 31 December 2010.

#### **Acquisition of Deal Group Media**

As previously announced, the acquisition of Deal Group Media (DGM) was completed on 22 October 2010. Integration of the business has proceeded well and DGM has performed to expectations since settlement. The final purchase price (after working capital adjustments on settlement) was \$4.8m, of which \$0.5m remains outstanding under a deferred settlement arrangement (due to be paid in November 2011).

#### **Disposal of Mobile Assets**

DIG has completed the divestment of its *post paid* and *wholesale* mobile assets for a total gross value of \$8.1m. Following working capital and other sale agreement adjustments on settlement, the net proceeds to DIG from these disposals is \$7.5m.

As at 31 December 2010, DIG had received \$4.7m in initial settlement amounts, with the balance of \$2.8m (plus interest) scheduled to be received in monthly instalments through to November 2011.

DIG is progressing negotiations with several parties in respect of the divestment of its remaining *prepaid* mobile business.

#### **Net Debt Position**

At 31 December 2010 the Company held cash at bank of \$1.2m and had drawn its senior debt facility to \$7.0m following the acquisition of DGM. DGM also has a trade receivables bank facility currently drawn to \$0.9m.



***About Digital Performance Group Ltd: (DPG)***

Formerly ComTel Corporation, Digital Performance Group is an ASX listed holding company for performance-based digital marketing businesses. DPG 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*

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