

oOh!media Group Limited
ABN 96 091 780 924

ASX Announcement
20 January 2012



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

On 13 December 2011, oOh!media Group Limited (ASX: OOH) announced that it had entered into a Scheme Implementation Agreement (**SIA**) with Outdoor Media Operations Pty Limited, a company owned by CHAMP III Funds¹, under which Outdoor Media Operations Pty Limited has agreed to offer to acquire all the oOh!media shares that the CHAMP III Funds does not already own (**Proposal**).

If the Proposal 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 on the Record Date (**Cash Consideration**); 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 (**Mixed Consideration**).²

oOh!media Shareholders who do not make a valid election before the Record Date will be deemed to have elected the Cash Consideration for their oOh!media Shares.

Court convenes Scheme Meeting

OOH today advises that the Federal Court of Australia has approved the distribution of oOh!media's Scheme Booklet (**Scheme Booklet**) to oOh!media shareholders and ordered the convening of a meeting of shareholders of oOh!media to enable a vote to be taken on the Scheme (**Scheme Meeting**).

In addition, the Scheme Booklet has been registered with the Australian Securities and Investments Commission and is attached to this announcement.

A general meeting of oOh!media shareholders (**General Meeting**) is scheduled to be held at 10.00am on Monday, 27 February 2012, at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060 to seek approval for the cancellation of each Option, which is a condition to the implementation of the Scheme.

The Scheme Meeting will be held immediately following the conclusion or adjournment of the General Meeting.

Directors' recommendation

The directors Graham Jones (Chairman), Brian Bickmore, Brendon Cook and Christopher Bregenhoj (**Recommending Directors**) unanimously recommend that oOh!media Shareholders vote in favour of the Proposal, in the absence of a Superior Proposal. As David Standen and Geoff Wild AM are each associated with substantial shareholders in oOh!media, they do not consider it appropriate for them to make a recommendation to oOh!media Shareholders in relation to the Proposal.

¹ The CHAMP III Funds comprise CHAMP Buyout III Pte Ltd, CHAMP Buyout III Trust and the CHAMP Buyout III (SWF) Trust.

² The Mixed Consideration will only be available if valid elections for Mixed Consideration are received in respect of more than 100,000,000 oOh!media Shares.

All oOh!media Directors who hold or control oOh!media Shares intend to vote in favour of the Proposal in respect of all their oOh!media Shares, in the absence of a Superior Proposal.

Further details about the directors' recommendations and the reasons for their recommendations are contained in the attached Scheme Booklet.

Independent Expert's Report

The oOh!media Board commissioned Grant Thornton (**Independent Expert**) to provide an Independent Expert's Report in relation to the Scheme. The Scheme Booklet contains the Independent Expert's Report.

The Independent Expert concluded that:

- the proposed Scheme is fair and reasonable and in the best interests of oOh!media Shareholders (other than the CHAMP III Funds);
- the fair market value of an oOh!media Share on a control basis is in the range of \$0.309 to \$0.342;
- the Cash Consideration is fair and reasonable to oOh!media Shareholders (other than the CHAMP III Funds); and
- the fair market value of the Mixed Consideration is in the range of \$0.236 - \$0.269 based on applying both a marketability and minority discount.

Scheme Information and Key Dates

The Scheme Booklet is expected to be despatched to oOh!media Shareholders on or around 25 January 2012. The Scheme Booklet will also be available on oOh!media's website at <http://www.oohmedia.com.au/>.

Key dates are expected to be as follows:

Time & Date	Event
10.00am, 25 February 2012	Deadline for receipt of proxy forms for the Meetings
7.00pm, 25 February 2012	Time and date for determining eligibility to vote at the Meetings
10.00am, 27 February 2012	Time and date of the General Meeting at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060
Immediately following the conclusion or adjournment of the General Meeting	Time and date of the Scheme Meeting at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060
If the Resolutions are approved by the requisite majorities of oOh!media Shareholders (other than the CHAMP III Funds) at the Meetings:	
29 February 2012	Second Court Date – date on which Court approval of the Scheme will be sought

1 March 2012	Effective Date – date on which the Scheme will become Effective. Last day of trading in oOh!media Shares on ASX
7.00pm, 8 March 2012	Record Date – time and date for determining oOh!media Shareholders eligible to participate in the Scheme and to receive the Scheme Consideration
15 March 2012	Implementation Date – date on which the Scheme Shares will be transferred to Outdoor Media Operations
16 March 2012	Expected date for payment of the Scheme Consideration*

The above dates are indicative only and are subject to change. Any changes to the above timetable will be announced through ASX and placed on the oOh!media website.

*The Scheme requires the Scheme Consideration to be given to Scheme Participants within 5 Business Days of the Implementation Date.

Scheme Conditions

The Scheme is subject to a number of conditions (see Section 2.5 of the Scheme Booklet). As at the date of this Scheme Booklet, oOh!media is not aware of any circumstances that would cause any of the outstanding conditions not to be satisfied or waived.

Action Required

The oOh!media Board strongly believes that this proposal is a matter of importance for all shareholders, and therefore encourages all shareholders to vote at the Meetings.

Shareholders can vote on at the Meetings by doing one of the following:

- by attending and voting at the Meetings in person;
- by appointing a proxy to vote on the shareholder's behalf;
- by appointing an attorney to vote on the shareholder's behalf; or
- in the case of a corporation which is an oOh!media Shareholder, by appointing an authorised corporate representative to attend and vote on its behalf.

To vote by proxy or power of attorney, a completed proxy form or power of attorney needs to be received by Computershare Investor Services Pty Limited, or registered online at www.investorvote.com.au/oohproxy or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com, by no later than 10.00 am on 25 February 2012.

If, after reading the Scheme Booklet, you require any further information, please call the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00 am and 5.00pm on Monday to Friday (Sydney time).

Scheme Booklet



In relation to a recommended proposal from Outdoor Media Operations to acquire all of the ordinary shares in oOh!media not held by the CHAMP III Funds by way of scheme of arrangement

THE RECOMMENDING DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU APPROVE THE SCHEME BY VOTING IN FAVOUR OF THE RESOLUTIONS, IN THE ABSENCE OF A SUPERIOR PROPOSAL

VOTE IN FAVOUR



This is an important document and requires your immediate attention. You should read this document carefully and in its entirety before deciding how to vote on the Resolutions. If you are in any doubt as to what you should do, you should consult your legal, investment or other professional advisor.

If, after reading this Scheme Booklet, you require any further information, please call the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday (Sydney time).

If you have sold all of your oOh!media Shares, please disregard this document.

Important notices

Defined terms

A number of defined terms are used in this Scheme Booklet, the meanings of which are set out in Section 11.

Purpose of this Scheme Booklet

The purpose of this Scheme Booklet is to explain the terms of the Scheme and the manner in which the Resolutions will be considered and, if those resolutions are approved by the requisite majorities of oOh!media Shareholders (other than CHAMP III Funds) and if the Scheme is approved by the Court, how the Scheme will be implemented and to provide information as is prescribed or otherwise material to the decision of oOh!media Shareholders whether or not to vote in favour of the Resolutions, being information that is within the knowledge of the oOh!media Directors and has not previously been disclosed to the oOh!media Shareholders.

This Scheme Booklet includes the explanatory statement required to be sent to oOh!media Shareholders (other than the CHAMP III Funds) in relation to the Scheme pursuant to Section 412(1) of the Corporations Act.

You should read this Scheme Booklet carefully and in its entirety before making a decision on how to vote on the Resolutions.

Investment decisions

This Scheme Booklet is intended for oOh!media Shareholders collectively and does not take into account the investment objectives, financial situation, tax position or particular needs of each security holder or any other person. This Scheme Booklet should not be relied on as the sole basis for any investment decision in relation to oOh!media Shares. Independent advice should be sought before any such investment decision is made.

Responsibility for information

oOh!media has prepared, and is responsible for, the oOh!media Information. Outdoor Media Operations does not assume any responsibility for the accuracy or completeness of any of the oOh!media Information, nor does any of its respective directors, officers or advisors.

Outdoor Media Operations has prepared, and is responsible for, the Outdoor Media Operations Information. oOh!media does not assume any responsibility for the accuracy or completeness of any of the Outdoor Media Operations Information, nor does any of its respective directors, officers or advisors.

Grant Thornton has prepared, and is responsible for, the Independent Expert's Report. oOh!media and Outdoor Media Operations do not assume any responsibility for the accuracy or completeness of any of the information in the Independent Expert's Report, nor do any of their respective directors, officers or advisors.

Ernst & Young has prepared, and is responsible for, the information in Section 8. oOh!media and Outdoor Media Operations do not assume any responsibility for the accuracy or completeness of any of the information in Section 8, nor do any of their respective directors, officers or advisors, except the information given by oOh!media or its directors or officers to Ernst & Young for the purposes of the preparation of the report in Section 8.

Role of ASIC and ASX

A copy of this Scheme Booklet has been examined by ASIC pursuant to Section 411(2)(b) of the Corporations Act and registered by ASIC under Section 412(6) of the Corporations Act. oOh!media has asked ASIC to provide a statement, in accordance with Section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court on the Second Court Date.

A copy of this Scheme Booklet has also been lodged with ASX.

None of ASIC, ASX or their respective officers take any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under Section 411(1) of the Corporations Act

The fact that under Section 411(1) of the Corporations Act the Court has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet required to accompany the Notice of Scheme Meeting (Attachment E) does not mean that the Court:

- has formed any view as to the merits of the Scheme or as to how oOh!media Shareholders should vote at the Scheme Meeting (on this matter oOh!media Shareholders must reach their own decision); or
- has prepared, or is responsible for the content of, this Scheme Booklet.

Notice to persons outside Australia

This Scheme Booklet has been prepared having regard to Australian disclosure requirements. These requirements may be different from those in other jurisdictions. This Scheme Booklet does not constitute an offer to, or a solicitation of an offer from, oOh!media Shareholders in any jurisdiction in which it would be unlawful.

Notice to Singapore residents

This Scheme Booklet has not been lodged or registered with the Monetary Authority of Singapore (MAS). The MAS assumes no responsibility for the contents of this Scheme Booklet. The MAS has not in any way considered the merits of the Class B Shares being offered pursuant to the Scheme as described in this Scheme Booklet.

This Scheme Booklet and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of Class B Shares may not be circulated or distributed, nor may Class B Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with the exemption under the Securities and Futures Act, Cap 289 (SFA).

Any offer of the Class B Shares is not made to you with a view to the Class B Shares being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Please note that neither Outdoor Media Investments nor Outdoor Media Operations are in the business of dealing in securities, nor do they purport to hold themselves out as carrying on the business of dealing in securities.

Forward looking statements

Certain statements in this Scheme Booklet relate to the future. Such forward looking statements, which include all information relating to the performance of oOh!media, are not based solely on historical facts but rather reflect the current expectations of oOh!media (in relation to the oOh!media Information) and Outdoor Media Operations (in relation to the Outdoor Media Operations Information). Statements that describe oOh!media's, or Outdoor Media Operations' objectives, plans, goals or expectations may be forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties and assumptions and are subject to a variety of other factors that could cause the actual results or performance of oOh!media to be materially different from what is expressed or implied by such statements. Some of the risks that oOh!media Shareholders may be exposed to in relation to the Scheme are set out in Section 3.4 and 7.3.

Forward looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which oOh!media and Outdoor Media Operations will operate in the future. Accordingly, undue reliance should not be placed on forward looking statements.

oOh!media Shareholders should note that the historical performance of oOh!media is no assurance of oOh!media's future performance. Other than as required by law, none of oOh!media, Outdoor Media Operations or any of their respective directors, officers or advisors represents that, or gives any assurance or guarantee that, the occurrence of events expressed or implied in any forward looking statements will actually occur.

The forward looking statements in this Scheme Booklet reflect views held only at the date of this Scheme Booklet.

Privacy and personal information

oOh!media and Outdoor Media Operations, and their respective registries and agents, may need to collect personal information to implement the Scheme. The personal information may include the names, contact details, bank account details and other details of oOh!media Shareholders, as well as the names and contact details of individuals appointed by oOh!media Shareholders as proxies, attorneys or corporate representatives to attend and vote at the Meetings.

oOh!media Shareholders who are individuals and other individuals in respect of whom personal information is collected have certain rights to access the personal information collected about them. An individual who wishes to exercise any of these rights should contact the oOh!media Registry on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia).

The personal information described above may be disclosed to oOh!media's and Outdoor Media Operations' registries and stock transfer agents, securities brokers and third party service providers (including print and mail service providers). Personal information may also be used to contact oOh!media Shareholders in relation to the Scheme.

Third parties who receive personal information in the course of providing the above services will be reminded of their obligations to use the personal information only for the purposes set out above and to protect the information according to applicable statutory and legal requirements.

oOh!media Shareholders who appoint an individual as their proxy, attorney or corporate representative to attend and vote at a Meeting should inform him or her of the matters outlined above.

References to time

Unless expressly stated otherwise, all references in this Scheme Booklet to time relate to the time in Sydney, New South Wales, Australia.

References to currency

Unless expressly stated otherwise, all references in this Scheme Booklet to “\$”, “A\$” or “AUD” are references to Australian currency.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, their actual calculation may differ from the calculations set out in this Scheme Booklet.

References to websites

Information contained in or accessible through the websites mentioned in this Scheme Booklet do not form part of this Scheme Booklet. All references in this Scheme Booklet to websites are for information only.

oOh!media transaction information line

If you have any questions about the Scheme or the Resolutions, you may call the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday.

Date

This Scheme Booklet is dated 20 January 2012.

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Key Dates

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10.00am, 27 February 2012	Time and date of the General Meeting at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060
Immediately following the conclusion or adjournment of the General Meeting	Time and date of the Scheme Meeting at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060
If the Resolutions are approved by the requisite majorities of oOh!media Shareholders (other than the CHAMP III Funds) at the Meetings:	
29 February 2012	Second Court Date – date on which Court approval of the Scheme will be sought
1 March 2012	Effective Date – date on which the Scheme will become Effective Last day of trading in oOh!media Shares on ASX
7.00pm, 8 March 2012	Record Date – time and date for determining oOh!media Shareholders eligible to participate in the Scheme and to receive the Scheme Consideration
15 March 2012	Implementation Date – date on which the Scheme Shares will be transferred to Outdoor Media Operations
16 March 2012	Expected date for payment of the Scheme Consideration*

The above dates are indicative only and are subject to change. Any changes to the above timetable will be announced through ASX and placed on the oOh!media Website.

* The Scheme requires the Scheme Consideration to be given to Scheme Participants within 5 Business Days of the Implementation Date.

Chairman's Letter

20 January 2012

Dear oOh!media Shareholder,

On 13 December 2011, oOh!media Group Limited (**oOh!media**) (ASX: OOH) announced that it had entered into a Scheme Implementation Agreement (**SIA**) with Outdoor Media Operations, under which Outdoor Media Operations has agreed to offer to acquire all the oOh!media shares that the CHAMP III Funds do not already own (**Proposal**). The Proposal is to be implemented by way of a Court approved scheme of arrangement. Outdoor Media Operations is owned by the CHAMP III Funds¹.

The Proposal reflects an attractive valuation for oOh!media, representing a 103% premium to the closing price on 9 November 2011, the day prior to the announcement of CHAMP III Management Pty Ltd (in its capacity as manager of or adviser to the CHAMP III Funds) and oOh!media entering into an exclusivity arrangement in relation to the Indicative Proposal. The Proposal also provides a liquidity outcome for oOh!media Shareholders that they may not otherwise receive in the absence of a Superior Proposal.

Proposal overview

If the Proposal 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 on the Record Date (**Cash Consideration**); 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 (**Mixed Consideration**).

oOh!media Shareholders who do not make a valid election before the Record Date will be deemed to have elected the Cash Consideration for their oOh!media Shares.

The Mixed Consideration will not be available to shareholders registered outside of Australia and its external territories and Singapore (**Ineligible Foreign Shareholders**). Ineligible Foreign Shareholders who elect to receive the Mixed Consideration will receive the Cash Consideration.

The Mixed Consideration will only become available if valid elections for the Mixed Consideration are received from oOh!media Shareholders in respect of more than 100,000,000 oOh!media Shares (**Minimum Scrip Number**).

The Cash Consideration of \$0.325 cash per oOh!media share represents a premium of:

- 103% to oOh!media's last closing price before announcement of the non-binding, indicative proposal from CHAMP III Management Pty Ltd (in its capacity as manager or adviser to the CHAMP III Funds) on 10 November 2011; and
- 90% to oOh!media's volume weighted average price over the three months period prior to announcement of the non-binding, indicative proposal from CHAMP III Management Pty Ltd (in its capacity as manager of or adviser to the CHAMP III Funds) on 10 November 2011.²

Directors' Recommendation and Independent Expert

The Recommending Directors (Brian Bickmore, Brendon Cook, Christopher Bregenhoj and myself) unanimously recommend that oOh!media Shareholders vote in favour of the Proposal, in the absence of a Superior Proposal. As David Standen and Geoff Wild AM are each associated with substantial shareholders in oOh!media, they do not consider it appropriate for them to make a recommendation to oOh!media Shareholders in relation to the Proposal.

All oOh!media Directors who hold or control oOh!media Shares intend to vote in favour of the Proposal in respect of all their oOh!media Shares, in the absence of a Superior Proposal.

Further, the Recommending Directors recommend that oOh!media Shareholders elect to receive the Cash Consideration but they do not make a recommendation in relation to the Mixed Consideration.

If oOh!media Shareholders elect to receive the Mixed Consideration it will allow them to have an indirect ongoing interest in oOh!media through holding shares in Outdoor Media Investments as well as receiving \$0.10 cash per oOh!media Share. oOh!media Shareholders should carefully read Sections 2.8, 3.3(c), 3.4, 5, 6 and 7 of this Scheme Booklet and seek professional advice before making any election to receive the Mixed Consideration. In particular, you should carefully consider Section 7 of the Scheme Booklet which sets out the risks involved in investing in Outdoor Media Investments.

The Independent Expert, Grant Thornton, has valued oOh!media on a controlling basis at \$0.309 – \$0.342, and concluded that the Cash Consideration is fair and reasonable and the Proposal is therefore in the best interests of oOh!media Shareholders other than the CHAMP III Funds.

The Independent Expert has valued the Mixed Consideration in the range of \$0.236 – \$0.269 per oOh!media Share based on applying both a marketability and minority discount, which represents a lower value than the Cash Consideration.

Intentions of oOh!media's substantial shareholders

On 13 December 2011, WPP and Macquarie announced that they would support the Proposal, in the absence of a Superior Proposal, and on the basis of a number of other conditions being satisfied as set out in the ASX Announcement.

Terms and conditions of the Proposal

The Proposal is subject to a number of conditions which are outlined in Section 2.5 of this Scheme Booklet, which include approval of the Scheme by oOh!media Shareholders (other than CHAMP III Funds) at the Scheme Meeting and cancellation of all oOh!media options, approval for which is being sought at the General Meeting.

oOh!media has agreed certain exclusivity arrangements with Outdoor Media Operations, including a no-shop and a no-talk (subject to standard fiduciary carve-outs).

Meetings

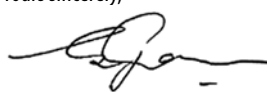
The Meetings to consider the Proposal will be held on 27 February 2012 at oOh!media's office, Level 2, 76 Berry Street, North Sydney, NSW 2060. For information on how you can vote, please see Section 1.

Your vote is important

In order for the Proposal to proceed, oOh!media Shareholders must approve the Scheme Resolution and the Options Resolution to be proposed at the Meetings. The Scheme Booklet contains important information in relation to the Proposal. Please read it carefully before making your decision and voting at the Meetings.

If you have any questions in relation to the Proposal, please call the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday.

Yours sincerely,



Graham Jones
Chairman, oOh!media Group Limited

Notes

¹ The CHAMP III Funds comprise CHAMP Buyout III Pte Ltd, CHAMP Buyout III Trust and the CHAMP Buyout III (SWF) Trust.

² Volume weighted average price includes 69,721,533 shares traded associated with Takeovers Panel undertakings by QMS Asia Pacific Pte Ltd and William Shaw Capital Pty Ltd to sell down all or part of their respective shareholdings. For further details regarding these undertakings see Takeovers Panel media released on 30 May 2011.

Reasons to approve the Scheme by voting in favour of the Resolutions



The Recommending Directors unanimously recommend that you approve the Scheme by voting in favour of the Resolutions, in the absence of a Superior Proposal. The Recommending Directors:

- recommend that oOh!media Shareholders accept the Cash Consideration alternative; and
- make no recommendation in relation to the Mixed Consideration alternative.

The Cash Consideration of \$0.325 per oOh!media Share represents an attractive premium to historical oOh!media Share prices.

The Cash Consideration of \$0.325 for each oOh!media Share provides you with certainty of value and liquidity for your oOh!media Shares.

The Independent Expert concluded that:

- the proposed Scheme is fair and reasonable and in the best interests of oOh!media Shareholders (other than the CHAMP III Funds); and
- the Cash Consideration is fair and reasonable to oOh!media Shareholders (other than the CHAMP III Funds).

No Superior Proposal has emerged.

oOh!media's share price may fall if the Scheme is not approved.

If you wish to have an ongoing indirect interest in oOh!media you may elect to receive the Mixed Consideration.

No brokerage or stamp duty will be payable by you on the transfer of your oOh!media Shares under the Scheme.

Possible reasons not to approve the Scheme



You may disagree with the Recommending Directors and the conclusion of the Independent Expert and believe that the Scheme is not in your best interests.

You may wish to maintain your direct investment in oOh!media.

The Mixed Consideration will not be available unless the Minimum Scrip Number is reached and Class B Shares have very different features compared to oOh!media Shares.

You may cease to have the right to influence the future direction of oOh!media.

The tax consequences of the Scheme may be adverse to your financial position.

You may believe a Superior Proposal may emerge.

Frequently asked questions

An overview of the Scheme	
Why have I received this Scheme Booklet?	This Scheme Booklet has been sent to you because you are an oOh!media Shareholder and oOh!media Shareholders (other than the CHAMP III Funds) are being asked to vote on the Scheme which, if approved and implemented, will result in Outdoor Media Operations acquiring all oOh!media Shares for the Scheme Consideration.
What is the Scheme?	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 the Record Date. If the Scheme becomes Effective: – Outdoor Media Operations will acquire all of the oOh!media Shares except those already held by the CHAMP III Funds as at the Record Date; and – oOh!media Shareholders who participate in the Scheme will receive the Scheme Consideration for each oOh!media Share held as at the Record Date and they can make an election to receive either the Cash Consideration or (subject to the Minimum Scrip Number) the Mixed Consideration.
Who is CHAMP Private Equity and Outdoor Media Investments?	The CHAMP III Funds comprise a number of entities managed or advised by CHAMP III Management Pty Limited and its related bodies corporate, which are part of CHAMP Private Equity. For further details see Section 5.1. The scrip component of the Mixed Consideration is to be issued by Outdoor Media Investments. That company is incorporated under the laws of the Cayman Islands. Further information concerning Outdoor Media Investments and the Class B Shares is set out immediately below and in Section 5 and particularly Section 6.
What are Class B Shares?	Class B Shares are the class of security that will be issued as consideration under the Scheme to oOh!media Shareholders who make a valid Mixed Election (assuming the Minimum Scrip Number is also otherwise satisfied). Class B Shares will be issued by Outdoor Media Investments, a Cayman Islands company and an indirect holding company of Outdoor Media Operations. Section 6 sets out detailed information regarding Class B Shares. oOh!media Shareholders should carefully consider this important information before deciding to make a Mixed Election.
What are the key features of Class B Shares?	Class B Shares will be issued fully paid and will rank equally with all other Class B Shares on issue from the date of issue. However, they will not be listed on any stock exchange and so it is unlikely that there will be an available market to dispose of such shares. Class B Shares will have certain voting rights, rights to attend general meetings, rights to receive dividends and rights upon a winding up of Outdoor Media Investments. However, holders of Class B Shares in various respects will have different rights than the CHAMP III Funds, who will hold a different class of security in Outdoor Media Investments, Class A Shares which will have certain rights not enjoyed by the Class B Shares. In particular, Class A Shares will have an additional voting right which arises whenever (i) there are more Class B Shares on issue than Class A Shares and (ii) the CHAMP III Funds hold, in aggregate, not less than 20% of the Class A Shares. This additional voting right will be that, on a poll, the votes attaching to the Class A Shares registered in the name of any of the CHAMP III Funds, in aggregate, shall comprise 51% of the total votes attached to all Ordinary Shares (as defined in the Articles). In such circumstances, the CHAMP III Funds will be able to exercise majority voting power, and will be in a position to determine the outcome of most decisions relating to Outdoor Media Investments, and therefore also most decisions relating to oOh!media. The CHAMP III Funds will also have certain rights in relation to Special Majority Resolutions which are required to approve certain matters and which rights do not apply to the Class B Shares. Section 6 sets out detailed information regarding Class B Shares. oOh!media Shareholders should carefully consider this important information before deciding to make a Mixed Election.
What approvals of oOh!media Shareholders are required?	The Scheme can only proceed if the: – Scheme Resolution is passed by the required voting majority of oOh!media Shareholders (other than the CHAMP III Funds) at the Scheme Meeting; – the Options Resolution to approve the cancellation of Options is passed by the required majority of oOh!media Shareholders at the General Meeting; and – the Court approves the Scheme. Section 1.2 provides details of the required voting majority for each Resolution to be passed.

Who are the Recommending Directors and what do they recommend?	The Recommending Directors are Graham Jones, Brendon Cook, Christopher Bregenhøj and Brian Bickmore. The Recommending Directors unanimously recommend that you approve the Scheme by voting in favour of the Resolutions, in the absence of Superior Proposal. The Recommending Directors have carefully considered the potential advantages and disadvantages of the Scheme, as set out in Section 3, and believe that the Scheme is in the best interests of oOh!media Shareholders. Section 3 provides further details of the Recommending Directors' recommendation. Although the Recommending Directors unanimously recommend that oOh!media Shareholders vote in favour of the Resolutions, in the absence of a Superior Proposal, the Recommending Directors: (a) recommend that oOh!media Shareholders elect the Cash Consideration for their Scheme Shares; and (b) make no recommendation about the Mixed Consideration except that oOh!media Shareholders who are considering electing the Mixed Consideration should: (i) carefully consider the matters set out in Sections 2.8, 3.3(c), 3.4, 5 and 6 relating to the Class B Shares that comprise the Mixed Consideration; (ii) carefully consider the risk factors set out in Section 3.4 in relation to oOh!media and in Section 7 in relation to Outdoor Media Investments; (iii) take into account that the Independent Expert has assessed the fair value of the Mixed Consideration to be in the range of \$0.236 to \$0.269 based on applying both a marketability and liquidity discount, which is below the Independent Expert's assessment of the fair market value of an oOh!media Share on a control basis being in the range of \$0.309 to \$0.342; and (iv) consult their financial adviser or accountant about whether an investment in Class B Shares meets their individual investment objectives.
How are the oOh!media Directors intending to vote?	All oOh!media Directors who hold or control oOh!media Shares intend to vote in favour of the Scheme Resolution in respect of all their oOh!media Shares, in the absence of a Superior Proposal (see Section 3.1(b) for further details).
What is the Independent Expert's conclusion?	The Independent Expert concluded that: – the proposed Scheme is fair and reasonable and in the best interests of oOh!media Shareholders (other than the CHAMP III Funds); – the fair market value of an oOh!media Share on a control basis is in the range of \$0.309 to \$0.342; – the fair market value of the Mixed Consideration is in the range of \$0.236 to \$0.269 based on applying both a marketability and liquidity discount; and – the Cash Consideration is fair and reasonable to oOh!media Shareholders (other than the CHAMP III Funds). The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, which can be found at Attachment A.
What are the prospects of receiving a Superior Proposal?	Since the Scheme was announced on 13 December 2011, no Superior Proposal has emerged.
What should I do?	You should read this document carefully and in its entirety and then vote on the Resolutions by attending the Meetings in person or, if you cannot attend the Meetings in person, you should appoint a proxy, attorney or corporate representative (in the case of a corporate oOh!media Shareholder) to attend and vote on your behalf. Full details on who is eligible to vote and how to vote are contained in Section 1.

Frequently asked questions continued

The Scheme Consideration	
Will I be entitled to participate in the Scheme?	Yes, provided: – all approvals and conditions for the Scheme are satisfied or waived (as applicable); and – you are registered as an oOh!media Shareholder as at the Record Date (currently scheduled to be 7.00pm on 8 March 2012).
What is the Scheme Consideration?	An oOh!media Shareholder (who is not an Ineligible Foreign Shareholder) has a choice between accepting the Cash Consideration of \$0.325 for each oOh!media Share held on the Record Date or the Mixed Consideration of 1 Class B Share and \$0.10 for each oOh!media Share held on the Record Date. However, the Mixed Consideration may not be available if elections for the Mixed Consideration represent less than 100,000,000 oOh!media Shares in aggregate. If this requirement is not satisfied then the Mixed Consideration will not be available and all Scheme Participants will receive the Cash Consideration for each oOh!media Share held on the Record Date. Any entitlement of a Scheme Participant to receive a fraction of one cent will, after aggregating all holdings of oOh!media Shares held by that Scheme Participant, be rounded up to the nearest whole cent.
How do I make an election in relation to the form of Scheme Consideration I wish to receive?	To make an Election you must complete the Election Form in accordance with the instructions on that form. If you wish to receive the Cash Consideration you can either complete the attached Election Form by ticking the Cash Consideration box and returning it to the Registry so that it is received by 7.00pm on the Record Date or simply not return the Election Form. Please note that the Election Form is a separate form to the proxy forms for voting at the Meetings. To elect the Mixed Consideration you must complete the attached Election Form by ticking the Mixed Consideration box and returning it to the Registry so that it is received by 7.00pm on the Record Date. You should note however that the Mixed Consideration will not become available even if the Scheme becomes Effective if the Minimum Scrip Number is not achieved. See Section 2.8(a) for further details. Before you elect to receive the Mixed Consideration, and for the reasons set out in Section 3.3(c), the Recommending Directors recommend that you consult your financial adviser, accountant or stockbroker if you are uncertain about whether an investment in Outdoor Media Investments suits your particular investment objectives. If you do not make a valid election you will be deemed to have elected the Cash Consideration for all of your Scheme Shares.
What if I am an Ineligible Foreign Shareholder?	Ineligible Foreign Shareholders, being oOh!media Shareholders whose address shown in the oOh!media Share Register at 7.00pm on the Record Date is a place outside of Australia and its external territories or Singapore, are not entitled to participate in the Mixed Consideration. Any election by an Ineligible Foreign Shareholder to receive Mixed Consideration will be disregarded and that oOh!media Shareholder will receive the Cash Consideration for all of their Scheme Shares.
If I make an Election, am I entitled to change it?	Yes, you may vary your Scheme Consideration election by lodging a new Election Form in accordance with the instructions on the Election Form, but your new Election Form must be received by the Registry by 7.00pm on the Record Date in order to be valid.
Is Outdoor Media Operations bound to provide the Scheme Consideration?	Yes – under the Scheme and the Deed Poll, Outdoor Media Operations and Outdoor Media Investments must provide the Aggregate Cash Consideration to oOh!media before 12.00 noon on the Implementation Date and Outdoor Media Operations and Outdoor Media Investments must procure the allotment of any Class B Shares to applicable Scheme Participants (subject to the Scheme becoming Effective) by that time. oOh!media will then provide the Aggregate Cash Consideration to Scheme Participants in accordance with the Scheme and Outdoor Media Operations and Outdoor Media Investments will procure that certificates for any Class B Shares are sent to applicable Scheme Participants. Under the Scheme, Scheme Participants appoint oOh!media as their agent and attorney to enforce the Deed Poll on their behalf, with such appointment to take effect upon the Scheme becoming Effective.

When will I be paid the Scheme Consideration?	If the Scheme is approved and implemented, it is expected, based on the current indicative timetable, that the Aggregate Cash Consideration will be paid to Scheme Participants on the Business Day after the Implementation Date (which is currently scheduled to be 15 March 2012). In any event, the Scheme requires that the Aggregate Cash Consideration be paid to Scheme Participants within 5 Business Days after the Implementation Date. Certificates for any Class B Shares that are issued under the Scheme will be sent by post within five Business Days after the Implementation Date.
What are the tax consequences of the Scheme for me?	Section 8 provides a general description of the Australian income tax, capital gains tax, GST and stamp duty implications for oOh!media Shareholders who dispose of their oOh!media Shares in accordance with the Scheme. You should consult with your own tax adviser regarding the consequences of disposing of oOh!media Shares in accordance with the Scheme in light of current tax laws and your particular investment circumstances.
Will I have to pay brokerage?	No, you will not have to pay any brokerage fees in connection with the Scheme.
Approvals and conditions of the Scheme	
What are the Scheme Conditions?	A summary of the Scheme Conditions is set out in Section 2.5. The Scheme Conditions are set out in full in clause 3.1 of the Scheme Implementation Agreement. A copy of that agreement was lodged with the ASX on 13 December 2011 and can be viewed on the oOh!media Website and the ASX Website. oOh!media Shareholders can also obtain a copy of the Scheme Implementation Agreement at no cost by contacting the oOh!media transaction information line.
Can all the Scheme Conditions be waived?	No – the conditions relating to oOh!media Shareholder and Court approval of the Scheme cannot be waived. If these conditions are not satisfied, the Scheme will not proceed. The other conditions may be waived by the party for whose benefit the condition operates or, where the condition operates for the benefit of more than one party, by each such party.
What happens if the Resolutions are approved at the Meetings?	If the Resolutions are passed at the Meetings, oOh!media will apply to the Court for orders approving the Scheme. At the hearing on the Second Court Date, each of oOh!media and Outdoor Media Operations will provide a certificate to the Court confirming whether or not the Scheme Conditions (other than the condition relating to Court approval) have been satisfied or (if applicable) waived in accordance with the Scheme Implementation Agreement.
What happens if the Scheme is approved by the Court?	If the Scheme is approved by the Court, oOh!media will lodge the Court orders with ASIC on the Business Day following the Court approval at which time the Scheme will become Effective.
When will the Scheme become Effective?	It is presently expected that the Effective Date will be 1 March 2012. If the Effective Date has not occurred before 31 March 2012, oOh!media and Outdoor Media Operations will each have a right to terminate the Scheme Implementation Agreement. In this event, the Scheme will not proceed.
What happens after the Scheme becomes Effective?	oOh!media Shares will be suspended from further trading on ASX from the close of trading on the Effective Date.

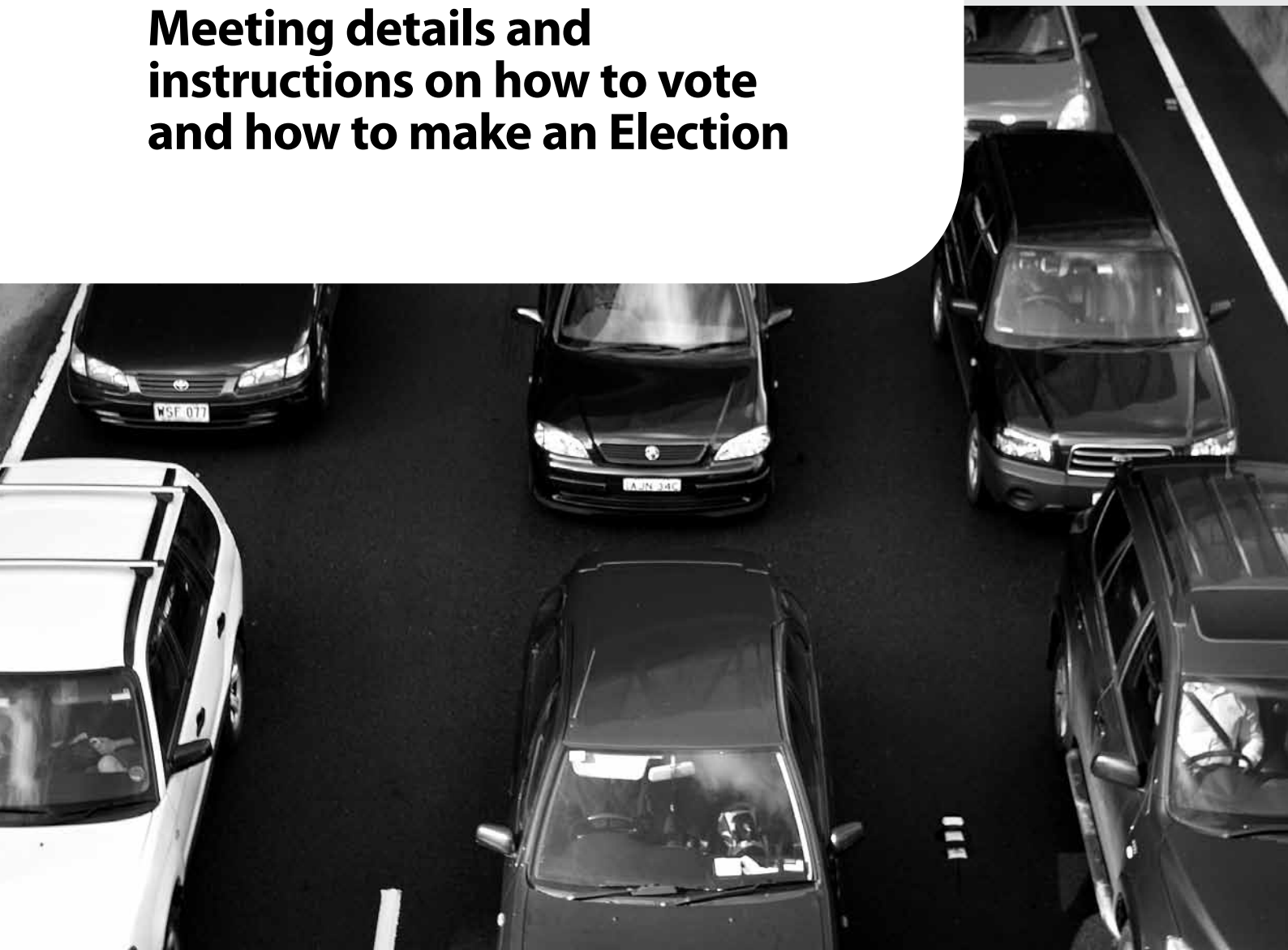
Frequently asked questions continued

What happens on the Implementation Date?	On the Implementation Date, subject to Outdoor Media Operations or Outdoor Media Investments paying or providing the Scheme Consideration in the manner contemplated by the Scheme, Outdoor Media Operations will become the holder of all the oOh!media Shares held by Scheme Participants as at the Record Date. It is presently expected that the Implementation Date will be 15 March 2012.
What happens if the Conditions are not satisfied or the Scheme Implementation Agreement is terminated?	If the conditions to the Scheme are not satisfied or (where applicable) waived, or the Scheme Implementation Agreement is terminated, the Scheme will not proceed and no oOh!media Shares will be acquired by Outdoor Media Operations as contemplated by the Scheme and you will not receive any Scheme Consideration for your oOh!media Shares.
Where can I find more information on the Scheme?	This Scheme Booklet provides important information concerning the Scheme. However, if you require further information in relation to the Scheme or the Resolutions you should contact the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday. Alternatively please contact your legal, financial, investment or other professional adviser.
Scheme meeting, voting and approvals	
What is the Scheme Resolution?	The Scheme Resolution is a resolution to approve the Scheme. It will be voted on at the Scheme Meeting and is set out in the Notice of Scheme Meeting (Attachment E).
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held immediately following the conclusion or adjournment of the General Meeting on 27 February 2012 at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060.
What vote is required to approve the Scheme?	Approval of the Scheme requires at least 50% of the oOh!media Shareholders who vote on the Scheme Resolution to vote in favour of that resolution and then their votes must represent at least 75% of the total number of votes cast on the Scheme Resolution. The CHAMP III Funds will not vote on the Scheme Resolution at the Scheme Meeting.
How do I vote?	You can vote on the Scheme by doing one of the following: – by attending and voting at the Scheme Meeting in person; – by appointing a proxy to vote on your behalf; – by appointing an attorney to vote on your behalf; or – in the case of a corporation which is an oOh!media Shareholder, by appointing an authorised corporate representative to attend and vote on its behalf. If you choose to vote by proxy or power of attorney, your completed proxy form or power of attorney needs to be received by Computershare Investor Services Pty Limited, or registered online at www.investorvote.com.au or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com, by no later than 10.00am on 25 February 2012. Please refer to Section 1 for further details on how to vote.

General meeting, voting and approvals	
Why is the General Meeting being held?	oOh!media has proposed the Options Resolution because it is a condition of the Scheme that as at 8.00am on the Second Court Date, each holder of Options has agreed that all of their Options will be cancelled for the Options Consideration or exercised by no later than the Effective Date. In accordance with ASX Listing Rule 6.23.2, the Options cannot be cancelled except with the approval of oOh!media Shareholders.
When and where will the General Meeting be held?	The General Meeting will be held at 10.00am on 27 February 2012 at the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060.
What vote is required to approve the Options Resolution?	To be approved, the Options Resolution needs to be passed as an ordinary resolution, that is, by a simple majority (50%) of votes cast on the resolution. However, a voting exclusion applies in relation to this resolution. Subject to the exception referred to in the voting exclusion statement in the Notice of General Meeting (Attachment D), oOh!media will disregard any votes on the Options Resolution by any person who holds Options and by any Associate of such a person.
How do I vote?	You can vote on the Options Resolution by doing one of the following: – by attending and voting at the General Meeting in person; – by appointing a proxy to vote on your behalf; – by appointing an attorney to vote on your behalf; or – in the case of a corporation which is an oOh!media Shareholder, by appointing an authorised corporate representative to attend and vote on its behalf. If you choose to vote by proxy or power of attorney, your completed proxy form or power of attorney needs to be received by Computershare Investor Services Pty Limited, or registered online at www.investorvote.com.au or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com, by no later than 10.00am on 25 February 2012. Please refer to Section 1 for further details on how to vote.
What happens if the Options Resolution is approved but the Scheme Resolution is not approved?	If the Options Resolution is passed but the Scheme Resolution is not passed, the Scheme will not proceed and the Options will not be cancelled.

1

Meeting details and instructions on how to vote and how to make an Election



1.1 Meeting details

The Meetings will be held at the office of oOh!media, Level 2, 76 Berry Street, North Sydney NSW 2060 on 27 February 2012 at the following times:

Meeting	Time
General Meeting	10.00am
Scheme Meeting	Immediately following the conclusion or adjournment of the General Meeting

1.2 Voting majorities required

Resolution	Approval threshold
Options Resolution	More than 50% of the votes cast at the General Meeting by oOh!media Shareholders entitled to vote on the Options Resolution without any votes being cast in favour of that resolution by any holders of Options or their Associates.
Scheme Resolution	A majority in number (i.e. more than 50%) of oOh!media Shareholders (other than the CHAMP III Funds) present and voting at the Scheme Meeting (whether in person or by proxy, attorney or, in the case of bodies corporate, corporate representative), who together hold at least 75% of the votes cast on the Scheme Resolution.

1.3 Voting entitlements

(a) Scheme Meeting

oOh!media Shareholders (other than the CHAMP III Funds) registered on the oOh!media Register at 7.00pm on 25 February 2012 will be entitled to attend and vote at the Scheme Meeting.

Voting will be conducted by poll.

(b) General Meeting

oOh!media Shareholders (other than holders of Options and any of their Associates) registered on the oOh!media Register at 7.00pm on 25 February will be entitled to attend and vote at the General Meeting.

Voting will be conducted by poll.

1.4 How to vote

(a) Voting in person

To vote in person at a Meeting, oOh!media Shareholders must attend the Meeting. An oOh!media Shareholder entitled to attend and vote at a Meeting will be admitted to the Meeting upon providing evidence of his or her name and address at the point of entry to the Meeting.

(b) Voting by proxy

The Scheme Proxy Form and General Proxy Forms are enclosed with this Scheme Booklet.

oOh!media Shareholders wishing to appoint a proxy to attend and vote at a Meeting must complete and return the relevant Proxy Form in accordance with the instructions on it.

There are a number of ways Proxy Forms may be submitted:

Method	Instructions
Mail	Sent to the oOh!media Registry (using the reply paid envelope enclosed with this Scheme Booklet), addressed to Computershare Investor Services Pty Limited at GPO Box 242, Melbourne Victoria 3001 Australia
Hand delivery	Delivered during business hours to the oOh!media Registry at Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000
Fax	Sent to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
Online	Lodged at www.investorvote.com.au/oohproxy or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com

Proxy Forms must be received by the oOh!media Registry by 10.00am on 25 February 2012. If you have an attorney sign a Proxy Form on your behalf, the original or a certified copy of the power of attorney or other evidence of your attorney's authority must be received by the oOh!media Registry at the same time as the Proxy Form (unless previously provided to the oOh!media Registry).

A proxy will be admitted to a Meeting upon providing evidence of their name and address at the point of entry to the Meeting.

oOh!media Shareholders who have returned a Proxy Form may revoke the proxy by attending and voting at the relevant Meeting.

(c) Voting by attorney

oOh!media Shareholders may have an attorney attend and vote at a Meeting on their behalf. Persons attending a Meeting as an attorney should bring to the Meeting the original or a certified copy of the power of attorney under which they have been authorised to attend and vote at the Meeting.

(d) Voting by corporate representative

oOh!media Shareholders who are bodies corporate may have a corporate representative attend and vote at a Meeting on their behalf. The appointment must comply with Section 250D of the Corporations Act. Persons attending a Meeting as a corporate representative should bring to the Meeting evidence of their appointment, including any authority under which the document appointing them as corporate representative was signed.

1 Meeting details and instructions on how to vote and how to make an Election continued

1.5 Scheme Consideration Elections

You can elect the form of Scheme Consideration that you would prefer to receive by completing the Election Form and returning it in accordance with the instructions on the Election Form so that it is received by the oOh!media Registry prior to 7.00pm on the Record Date.

oOh!media Shareholders who fail to make a valid election will be deemed to have elected to receive the Cash Consideration.

Under the terms of the Scheme, Ineligible Foreign Shareholders as at 7.00pm on the Record Date are not eligible to receive the Mixed Consideration and will be deemed to have elected to receive the Cash Consideration, even if they have elected to receive the Mixed Consideration.

The Election Form should be completed and returned in accordance with the instructions on the Election Form.

You may also change your Election Form by completing and returning a new Election Form in accordance with the instructions on the Election Form. A new Election Form may be requested by calling the oOh!media transaction information line. Where an oOh!media Shareholder returns 2 Election Forms, the Election Form that is received by the oOh!media Registry later in time will be treated as revoking for all purposes the Election Form which was received earlier by the oOh!media Registry.

TO BE VALID, ELECTION FORMS OR AMENDED ELECTION FORMS MUST BE RECEIVED BY THE oOh!media REGISTRY BY NO LATER THAN 7.00PM ON RECORD DATE.

There are a number of ways Election Forms may be submitted:

Method	Instructions
Mail	Sent to the oOh!media Registry (using the reply paid envelope enclosed with this Scheme Booklet), addressed to Computershare Investor Services Pty Limited at GPO Box 242, Melbourne Victoria 3001 Australia
Hand delivery	Delivered during business hours to the oOh!media Registry at Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000
Fax	Sent to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
Online	Lodged at www.investorvote.com.au/oohelection or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com

You can also lodge your Election Form at the Meetings.

Scheme Participants who make an election to receive the Mixed Consideration agree to become members of Outdoor Media Investments and to be bound by the terms of the Memorandum and Articles of Association of Outdoor Media Investments. For further information about these documents see Section 6 and Attachment F.

1.6 Further information

Please refer to the Notice of General Meeting (Attachment D) and Notice of Scheme Meeting (Attachment E) for further information on voting procedures and details of the Resolutions to be voted on at the Meetings (including who is entitled to vote on the Resolutions).

2

Transaction overview



2 Transaction overview

2.1 Background

As announced to the ASX on 13 December 2011, Outdoor Media Operations was incorporated for the purpose of acquiring the oOh!media Shares which the CHAMP III Funds do not already own pursuant to the Scheme, in consideration for the payment of the Scheme Consideration.

As at the date of this Scheme Booklet, the CHAMP III Funds hold 98,230,924 oOh!media Shares being 19.6% of all oOh!media Shares. The oOh!media Shares held by the CHAMP III Funds will not be acquired under the Scheme and the CHAMP III Funds and any Related Entities of the CHAMP III Funds which hold oOh!media Shares will not be entitled to vote at the Scheme Meeting or participate in the Scheme.

2.2 Scheme Resolution

The Scheme needs to be approved by oOh!media Shareholders (other than the CHAMP III Funds) at the Scheme Meeting. The Scheme Meeting has been convened by order of the Court. The Scheme Meeting will be held on 27 February 2012 immediately following the conclusion or adjournment of the General Meeting. This Scheme Booklet contains important information for oOh!media Shareholders to consider in relation to the Scheme. The voting majority that is required to approve the Scheme Resolution is set out in Section 1.2.

2.3 Options Resolution

(a) Background

It is a condition of the Scheme that as at 8.00am on the Court Approval Date, each holder of Options has entered into an agreement with oOh!media and Outdoor Media Operations to have the Options held by that person cancelled for 20.5 cents per Option or exercised by no later than the Effective Date, and any oOh!media Shares resulting from the exercise are issued and registered by oOh!media, before the Record Date (**Options Condition**).

In accordance with ASX Listing Rule 6.23.2, the Options cannot be cancelled except with the approval of oOh!media Shareholders.

The Options Resolution is set out in the Notice of General Meeting, a copy of which is in Attachment D to this Scheme Booklet. The Options Resolution seeks the approval of oOh!media Shareholders for the cancellation of the Options in the manner and on the conditions described below.

(b) Directors' recommendation in relation to Options Resolution

The Recommending Directors, all of whom hold Options (see Section 9.6 of this Scheme Booklet for further details of their holdings of Options) and having made such a disclosure, unanimously recommend that oOh!media Shareholders vote in favour of the Options Resolution because the Options Condition is a condition precedent to the Scheme and the Options Condition cannot be satisfied unless the Options Resolution is passed.

Further details about the Options, including the number of Options held by the oOh!media Directors, is disclosed in Section 9.6 of this Scheme Booklet. Subject to the exception referred to in the voting exclusion statement in the Notice of General Meeting (Attachment D to this Scheme Booklet), oOh!media will disregard any votes on the Options Resolution by holders of the Options including the oOh!media Directors and any of their Associates.

The Option Cancellation Consideration of 20.5 cents per Option reflects the Cash Consideration minus the 12.0 cents exercise price for the Options.

A possible disadvantage in passing the Options Resolution is that it allows the cancellation of 20,000,000 Options before they have vested. The Recommending Directors do not consider there are any other disadvantages in passing the Options Resolution.

Against this disadvantage the Recommending Directors consider that the advantages of passing the Options Resolution include:

- (i) it will permit oOh!media to enter into and complete agreements with the holders of the Options, described below, and provided such agreements are entered into with all the holders of the Options, the Options Condition will be satisfied; and
- (ii) unless the Options Condition is satisfied the Scheme cannot proceed without the agreement of Outdoor Media Operations, which it can give or withhold in its absolute discretion; and
- (iii) the Options will only be cancelled if the Scheme becomes Effective. If the Scheme does not become Effective, for example, because either the oOh!media Shareholders or the Court does not approve the Scheme or a condition of the Scheme is not approved (or where applicable waived) then the Options will not be cancelled and they will remain in existence subject to the terms of issue including all vesting conditions.

The Recommending Directors consider that the advantages of passing the Options Resolution outweigh the disadvantage of passing the Options Resolution. In forming this view the Recommending Directors have also noted that even if the Options Resolution is passed, the Options will not be cancelled unless the Scheme is approved and becomes Effective.

(c) Details about outstanding Options

As at the date of this Scheme Booklet there are 23,000,000 Options on issue. The Options are not quoted on ASX. The Options are held by directors and management of oOh!media. The number of Options held by the Directors are set out in Section 9.6. Of these Options:

- (i) 3,000,000 Options are exercisable now as all vesting conditions have been satisfied; and
- (ii) 20,000,000 Options remain subject to vesting conditions that will not be satisfied by the End Date and so they are not exercisable.

(d) Proposal to satisfy Options Condition

oOh!media and Outdoor Media Operations propose to enter into option cancellation agreements (**Cancellation Agreements**) with the holders of all the Options. The Cancellation Agreements provide for the cancellation and/or (in the case of vested Options) the exercise of their Options by no later than the Effective Date, subject to the Scheme becoming Effective.

Under the terms of the Cancellation Agreements:

- holders of Options that have vested may exercise all or any of their Options in accordance with their terms at any time prior to their cancellation. Any oOh!media Shares issued upon the exercise of vested Options will be issued and registered prior to the Record Date; and
- to the extent that any Options are not exercised, all Options will be cancelled at 7.00pm on the Record Date and oOh!media will pay the Option Cancellation Consideration for each option that is cancelled on that date.

Holders of Options who choose to exercise their Options and receive oOh!media Shares will participate in the Scheme, provided they remain the holder of the Shares issued to them on the exercise of the Options as at the Record Date.

Holders of Options whose Options are cancelled pursuant to the Cancellation Agreements will not receive any oOh!media Shares for those Options and they will not participate in the Scheme. However, in consideration for the cancellation of the relevant Options, oOh!media will pay each holder of Options 20.5 cents per Option.

It should be noted, however, that no Options will be cancelled unless oOh!media Shareholders approve both the Options Resolution and the Scheme Resolution and the Scheme becomes Effective.

2.4 Scheme Implementation Agreement

On 13 December 2011, oOh!media and Outdoor Media Operations entered into the Scheme Implementation Agreement.

A copy of the Scheme Implementation Agreement was lodged with the ASX on 13 December 2011 by oOh!media. A copy of the Scheme Implementation Agreement is available on the oOh!media Website and the ASX Website. oOh!media Shareholders can also obtain a copy of the Scheme Implementation Agreement at no cost by contacting the oOh!media transaction information line.

The Scheme Implementation Agreement sets out obligations of both oOh!media and Outdoor Media Operations in relation to the Scheme. It also includes the conditions to which the Scheme is subject (that is, the **Scheme Conditions**).

2.5 Scheme Conditions

The Scheme Conditions that remain outstanding as at the date of this Scheme Booklet are summarised as follows:

- the Scheme Resolution is passed by the requisite majorities of oOh!media Shareholders at the Scheme Meeting;
- the Court approves the Scheme;
- the Options Condition is satisfied;
- there is no regulatory action that prevents the Scheme from being implemented;
- subject to a number of specified exclusions, no event occurs or is announced that has had or could reasonably be expected to have the effect of a reduction in the:
 - consolidated net assets of oOh!media Group of at least 16% compared to the consolidated net assets of the oOh!media Group as at 30 June 2011; or
 - the consolidated earnings before interest, tax, depreciation and amortisation in the financial year of oOh!media Group ending 31 December 2012, taken as a whole, to below \$17.8 million;
- no Prescribed Occurrence occurs; and
- the respective warranties given by Outdoor Media Operations and oOh!media in the Scheme Implementation Agreement remain true and correct in all material respects as at 8.00am on the Second Court Date.

Each of the Scheme Conditions, other than the Court approval condition, must be satisfied or (if applicable) waived before 8.00am on the Second Court Date. The Scheme Conditions relating to oOh!media Shareholder and Court approval of the Scheme cannot be waived. If these Scheme Conditions are not satisfied, the Scheme will not proceed. The other Scheme Conditions may be waived by the party for whose benefit the condition operates or, where the condition operates for the benefit of more than one party, by each such party.

As at the date of this Scheme Booklet, the oOh!media Directors are not aware of any reason why any Scheme Condition referred to above is not likely to be satisfied in the time required by the Scheme Implementation Agreement.

2.6 Scheme Consideration

(a) Scheme Consideration alternatives

The Scheme provides for the following alternative forms of Scheme Consideration (subject to the Minimum Scrip Number described below being satisfied):

- Cash Consideration of \$0.325 per oOh!media Share (the default election); or
- Mixed Consideration of \$0.10 per oOh!media Share and 1 Class B Share per oOh!media Share.

Ineligible Foreign Shareholders may not receive the Mixed Consideration and if they lodge an Election for Mixed Consideration they will be deemed to have elected to receive the Cash Consideration.

(b) Scheme Consideration Election

The Election Form should be used by Scheme Participants to select one of the Scheme Consideration alternatives. Section 1.5 and the Election Form themselves provide further information concerning Elections which oOh!media Shareholders are encouraged to read.

If a valid Election is not made, a Scheme Participant will be deemed to have elected to receive the Cash Consideration in respect of all their oOh!media Shares.

If you wish to receive the Mixed Consideration (if available), you must complete and return the Election Form in accordance with the instructions on the Election Form so that it is received before 7.00pm on the Record Date.

2.7 Cash Consideration

The Cash Consideration is \$0.325 per oOh!media Share and represents a premium of approximately:

- 103% to oOh!media's last closing price before announcement of the Indicative Proposal on 10 November 2011; and
- 90% to oOh!media's VWAP over the three months period prior to announcement of the Indicative Proposal on 10 November 2011³.

Source: IRESS

2 Transaction overview continued

Any entitlement of a Scheme Participant to receive a fraction of one cent will, after aggregating all holdings of oOh!media Shares held by that Scheme Participant, be rounded up to the nearest whole cent.

If oOh!media and Outdoor Media Operations are of the opinion that several Scheme Participants have before 7.00pm on the Record Date been party to a shareholding splitting or division in an attempt to obtain an advantage due to the rounding provided for in the calculation of each Scheme Participant's entitlement to the Cash Consideration, then oOh!media and Outdoor Media Operations may give notice to those Scheme Participants stating that opinion and attribute to one of the Scheme Participants identified in the notice all of the oOh!media Shares held by all of them. After that notice has been given, the particular Scheme Participant identified in the notice shall be taken to hold all those oOh!media Shares for the purposes of the Scheme and each other Scheme Participant referred to in the notice shall, for the purposes of the Scheme, be taken to hold no oOh!media Shares.

2.8 Features of Class B Shares to be received as part of the Mixed Consideration

If oOh!media Shareholders elect to receive the Mixed Consideration and the Minimum Scrip Number is satisfied, they will receive Class B Shares. oOh!media Shareholders should note that their investment in Outdoor Media Investments will be regulated differently than their investment in oOh!media because Outdoor Media Investments will not be admitted to the ASX and therefore the ASX Listing Rules will not apply to Outdoor Media Investments or Class B Shares. Further, the articles of association and Cayman Islands company laws, rather than the Corporations Act and Australian laws, will primarily govern the rights and obligations of Outdoor Media Investments and Outdoor Media Investments Shareholders.

Because Outdoor Media Investments will not be admitted to the list of a stock exchange there is unlikely to be an available market to dispose of Class B Shares.

While the Cayman Islands is a common law system, the rights of shareholders in a Cayman Island company, such as Outdoor Media Investments, are different from the rights of shareholders in a company that is incorporated in Australia (such as oOh!media) and subject to Australian laws, including the Corporations Act. In particular, a consequence of the change in regulatory regimes means that the continuous disclosure rules, takeover regime and certain minority protection rights relevant to oOh!media may not apply to Outdoor Media Investments. Material differences between the rights and obligations of a shareholder in an Australian incorporated company and in Outdoor Media Investments are explained by Outdoor Media Operations in Section 6.2. Please refer to Section 7 of this Scheme Booklet for discussion of the risks associated with the Mixed Consideration.

Although the Recommending Directors unanimously recommend that oOh!media Shareholders vote in favour of and approve the Resolutions, they make no recommendation to oOh!media Shareholders in relation to the Mixed Consideration. Therefore oOh!media Shareholders considering the Mixed Consideration should consult their financial adviser, accountant or stockbroker if they are uncertain about whether an investment in Outdoor Media Investments suits their particular investment objectives and they should also carefully consider the information in Sections 2.8, 3.3(c), 3.4, 5, 6 and 7 about the Class B Shares that comprise the Mixed Consideration.

(a) Minimum Scrip Number

The Mixed Consideration will not be made available under the Scheme unless valid Elections for Mixed Consideration are received from Scheme Participants in respect of 100,000,000 or more oOh!media Shares in aggregate (**Minimum Scrip Number**).

The oOh!media Board can give no assurance that this requirement will be satisfied. If it is not satisfied, the Mixed Consideration will not be available to Scheme Participants and Scheme Participants will instead receive the Cash Consideration in respect of each oOh!media Share they hold on the Record Date.

(b) Ineligible Foreign Shareholders

Restrictions in jurisdictions outside Australia may make it impractical or unlawful for Class B Shares to be issued under the Scheme to oOh!media Shareholders located in those jurisdictions, or for oOh!media Shareholders located in those jurisdictions to receive Class B Shares under the Scheme.

Any oOh!media Shareholder whose address shown in the oOh!media Register at 7.00pm on the Record Date is a place outside of Singapore or Australia and its external territories will be an "Ineligible Foreign Shareholder" for the purposes of the Scheme, unless Outdoor Media Operations determines that it is lawful and not unduly onerous or impracticable for it to provide that oOh!media Shareholder with Class B Shares upon implementation of the Scheme.

All oOh!media Shareholders are entitled to make an Election if they wish. If an oOh!media Shareholder does not make an Election, or does not make an Election in accordance with the terms and conditions of the Election Form, that shareholder will receive the Cash Consideration for their oOh!media Shares. One of the terms of the Election Form is that Ineligible Foreign Shareholders may not make a Mixed Election. If an Ineligible Foreign Shareholder purports to make a Mixed Election, that purported election will not be valid and the shareholder will receive Cash Consideration for their oOh!media Shares. That is, regardless of the form of Election made by an Ineligible Foreign Shareholder (or if no Election is made at all), that shareholder will receive the Cash Consideration only.

Each Ineligible Foreign Shareholder, like other oOh!media Shareholders who makes a valid All Cash Election or a deemed Cash Election, will receive the Cash Consideration to which they are entitled in accordance with the terms of the Scheme. In summary, Outdoor Media Operations will provide the Aggregate Cash Consideration to oOh!media on the Implementation Date and oOh!media will then pay Scheme Participants their entitlement directly (by cheque or electronic transfer).

(c) Trustees and nominees

Scheme Participants that hold parcels of oOh!media Shares as trustee or nominee for, or otherwise on account of, another person (**Nominees**) can make an Election in respect of the Scheme Consideration alternatives for each parcel. A Nominee needs to manage the underlying owners' separate Elections in the following manner.

Where a Nominee wishes to nominate separate Elections to reflect the instructions of different underlying beneficiaries, that Nominee should establish separate holdings on the oOh!media Register (each with a different Holder Identification Number (HIN)) and lodge by the Record Date one Election Form in relation to each such beneficiary.

2.9 Determination of persons entitled to Scheme Consideration

(a) Dealing on or prior to the Record Date

For the purpose of establishing the persons who are Scheme Participants dealings in oOh!media Shares will only be recognised if:

- in the case of dealings effected by CHESS, the transferee is registered in the oOh!media Register as a holder of the relevant oOh!media Shares by no later than 7.00pm on the Record Date; and
- in all other cases, registrable transfers or transmission applications are received at the place where the oOh!media Register is kept by no later than 7.00pm on the Record Date.

oOh!media will not accept for registration or recognise for the purpose referred to above any transmission application or transfer in respect of oOh!media Shares received after 7.00pm on the Record Date (other than a transfer of oOh!media Shares to Outdoor Media Operations in accordance with the Scheme) or received prior to 7.00pm on the Record Date and not in registrable form.

(b) Dealings after the Record Date

For the purposes of determining entitlements to Scheme Consideration, oOh!media will from 7.00pm on the Record Date until the Scheme Consideration has been paid to Scheme Participants in accordance with the Scheme, maintain the oOh!media Register in the form it is in as at 7.00pm on the Record Date, which will solely determine entitlements to the Scheme Consideration.

As from 7.00pm on the Record Date, each entry current on the oOh!media Register will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the oOh!media Shares relating to that entry.

Any statements of holding in respect of oOh!media Shares shall, from the Record Date, cease to have any effect as documents of evidence of title in respect of such oOh!media Shares.

2.10 Payment of Scheme Consideration

(a) Cash Consideration and Mixed Cash Consideration

If the Scheme becomes Effective, Outdoor Media Operations or Outdoor Media Investments will pay or procure the payment of the Aggregate Cash Consideration into a trust account operated by or on behalf of the oOh!media by 12.00pm on Implementation Date, to be held on trust for the Scheme Participants, except that any interest on the amount deposited (less bank fees and other charges) will be to the Outdoor Media Operations' account.

Within 5 Business Days after the Implementation Date, oOh!media will pay the Cash Consideration and Mixed Cash Consideration to Scheme Participants by:

- (i) sending (or procuring the oOh!media Registry to send) that amount to the Scheme Participant's registered address by cheque in Australian currency drawn out of the trust account referred to above; or
- (ii) if the Scheme Participant has a payment direction for a bank account with any Australian ADI (as defined in the Corporations Act) recorded in the oOh!media Registry as at 7.00pm on the Record Date, depositing (or procuring the oOh!media Registry to deposit) that amount into that account.

If you have not previously notified the Registry of your nominated bank account, you should contact the oOh!media Registry on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) before the Record Date.

If a Scheme Participant's whereabouts are unknown as at the Record Date and no bank account has been nominated by the Scheme Participant, the Cash Consideration or Mixed Cash Consideration (as applicable) will be paid into a separate bank account and held by oOh!media until claimed or applied under laws dealing with unclaimed money.

(b) Class B Shares

If the Mixed Consideration becomes available, Class B Shares to be issued as part of the Mixed Consideration to Scheme Participants will be allotted on the Implementation Date.

On the Implementation Date, Outdoor Media Operations must procure that Outdoor Media Investments registers the name and address of each such Scheme Participant and the number of Class B Shares which that Scheme Participant is entitled to receive under the Scheme.

Certificates detailing your holding of Class B Shares are expected to be issued to you within 5 Business Days after the Implementation Date.

2.11 End Date

If the Scheme has not become Effective on or before 31 March 2012 either oOh!media or Outdoor Media Operations is able to terminate the Scheme Implementation Agreement. If the Scheme Implementation Agreement is terminated, the Scheme will not proceed.

2.12 oOh!media transaction information line

If, after reading this Scheme Booklet, you require any further information, please call the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday.

3

Recommending Directors' recommendation and matters relevant to your vote on the Resolutions



3.1 Recommending Directors' recommendation

(a) oOh!media Directors

The oOh!media Directors as at the date of this Scheme Booklet are:

- Mr Graham Jones (Chairman);
- Mr Brendon Cook;
- Mr Geoff Wild, AM;
- Mr Christopher Bregenhøj;
- Mr Brian Bickmore; and
- Mr David Standen.

(b) Recommending Directors

None of the oOh!media Directors has been involved in considering, negotiating or implementing the Indicative Proposal or the Scheme on behalf of CHAMP or Outdoor Media Operations.

Each of Mr Graham Jones, Mr Brian Bickmore, Mr Brendon Cook and Mr Christopher Bregenhøj (referred to as the Recommending Directors) considers it appropriate to make a recommendation in relation to the Scheme and each of them recommends that oOh!media Shareholders approve the Scheme by voting in favour of each Resolution, in the absence of a Superior Proposal, for the reasons set out below.

The Recommending Directors who hold or control oOh!media Shares intend to vote those shares in favour of the Scheme in the absence of a Superior Proposal.

Mr Wild is a non-executive director of oOh!media. Mr Wild is not considered an independent director because of his association with WPP, one of oOh!media's substantial shareholders. Mr Wild is the Chairman of WPP Holdings (Australia) Pty Limited. WPP holds approximately 23.7% of the oOh!media Shares. Mr Wild has participated in the consideration given by WPP, to the Indicative Proposal and the Scheme and he will continue to be involved in any future decisions to be made by WPP in relation to the Scheme.

Mr Standen is a non-executive director of oOh!media. Mr Standen is not considered to be an independent director of oOh!media as he is an Executive Director of Macquarie Group Limited which is the parent entity of Macquarie, a substantial holder of oOh!media Shares holding approximately 27.08% of all oOh!media shares. Mr Standen participated in the decision taken by Macquarie to announce its intention to support the Scheme, in the absence of a Superior Proposal and subject to the other conditions set out in the ASX Announcement.

For the reasons stated above each of Mr Wild and Mr Standen does not desire to make and does not consider it appropriate for himself to make a recommendation to oOh!media Shareholders in relation to the Scheme and accordingly each of them makes no such recommendation.

Mr Wild and Mr Standen do not hold or control any oOh!media Shares at the date of this Scheme Booklet, but, as disclosed in Section 9.6, they both hold vested Options. If Mr Wild or Mr Standen exercise any of their vested Options before the date of the Scheme Meeting, it is their intention to vote oOh!media shares which are issued to them consequent thereupon in favour of the Scheme, in the absence of a Superior Proposal.

(c) No recommendation given in relation to the Mixed Consideration

The Recommending Directors recommend that oOh!media's Shareholders vote in favour of the Resolutions, in the absence of a Superior Proposal.

Further, the Recommending Directors recommend that oOh!media Shareholders elect to receive the Cash Consideration.

The Recommending Directors do not desire to make a recommendation to oOh!media Shareholders in relation to the Mixed Consideration alternative except that oOh!media Shareholders who are considering electing the Mixed Consideration should:

- carefully consider the issues set out in Sections 2.8, 3.3(c), 5 and 6 relating to the features of Class B Shares that comprise the Mixed Consideration;
- carefully consider the risk factors set out in Section 3.4 in relation to oOh!media and risk factors set out in Section 7 in relation to Outdoor Media Investments;
- take into account that the Independent Expert has assessed the fair value of the Mixed Consideration to be in the range of \$0.236 to \$0.269 based on applying both a marketability and liquidity discount, which is below the Independent Expert's assessment of the fair market value of an oOh!media Share on a control basis being in the range of \$0.309 to \$0.342; and
- consult their financial adviser or accountant about whether an investment in Class B Shares meets their individual investment objectives.

3.2 Reasons to approve the Scheme

(a) The Recommending Directors unanimously recommend that you approve the Scheme by voting in favour of the Resolutions, in the absence of a Superior Proposal

The Recommending Directors believe that the Scheme is in the best interests of oOh!media Shareholders and unanimously recommend that you approve the Scheme by voting all your oOh!media Shares in favour of both Resolutions – the Scheme Resolution that will be considered at the Scheme Meeting and the Options Resolution that will be considered at the General Meeting, in the absence of a Superior Proposal.

In reaching their recommendation, the Recommending Directors have had regard to the reasons to approve, or not to approve, the Scheme as set out in this Scheme Booklet.

(b) The Cash Consideration of \$0.325 per oOh!media Share represents an attractive premium to historical oOh!media Share prices

Subject to the Scheme becoming Effective, oOh!media Shareholders can elect to receive the Cash Consideration of \$0.325 per oOh!media Share held on the Record Date. This represents an attractive premium. The Cash Consideration:

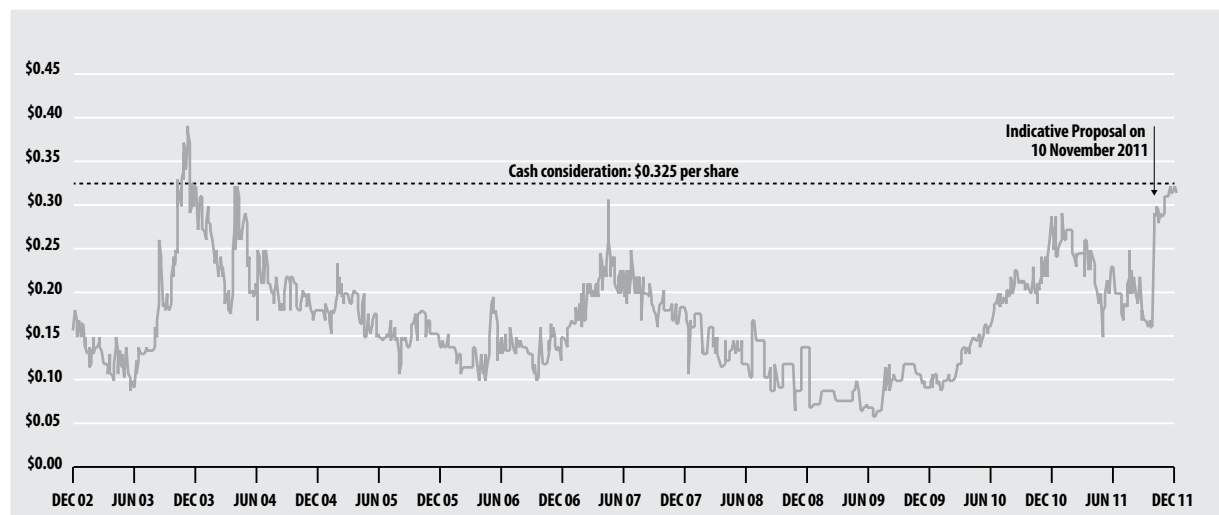
- offers oOh!media Shareholders a price per oOh!media Share that is greater than the closing price of oOh!media Shares at any point since 2003 and up to the date of this Scheme Booklet; and
- represents a 103% premium to oOh!media's last closing price before announcement of the Indicative Proposal on 10 November 2011 and a 90% premium to oOh!media's VWAP over the three months period prior to 10 November 2011⁴.

Notes

4 Volume weighted average price includes 69,721,533 shares traded associated with Takeover Panel undertakings by QMS Asia Pacific Pte Ltd and William Shaw Capital Pty Ltd to sell down all or part of their respective shareholdings. For further details regarding these undertakings see Takeover Panel media released on 30 May 2011.

3 Recommending Directors' recommendation and matters relevant to your vote on the Resolutions continued

Share price history



Source: IRESS

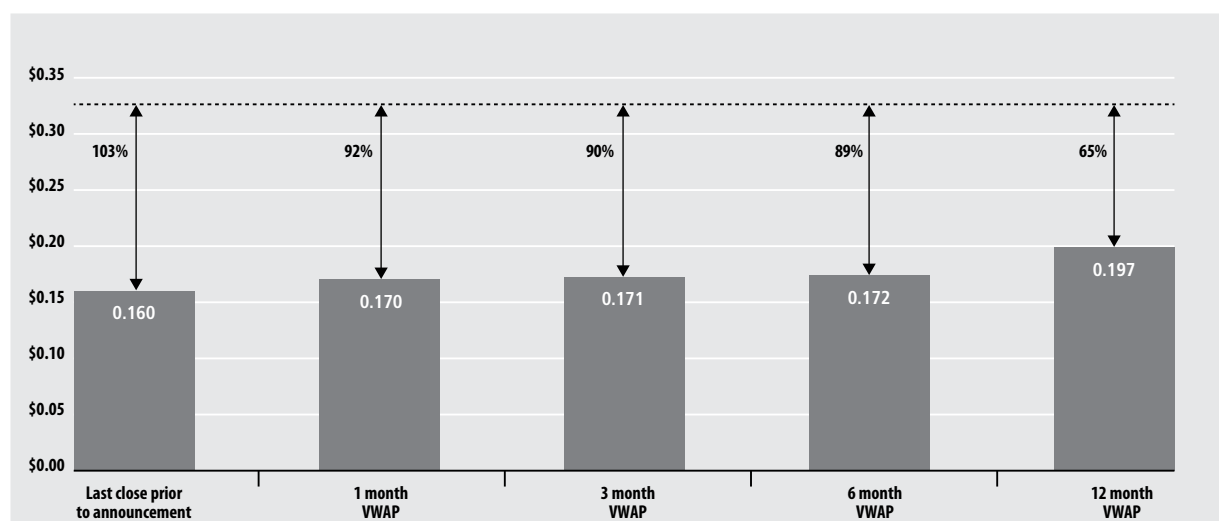
Recent share price metrics

Period (prior to 10 November 2011)

	Low Price	High Price	VWAP
30 days	0.16	0.17	0.17
3 months	0.16	0.25	0.17
6 months	0.15	0.25	0.17
12 months	0.15	0.29	0.20

Source: IRESS

Premium of Cash Consideration of \$0.325 to historical oOh!media Share prices⁵



Source: IRESS

Notes

- 5 Premiums calculated with reference to closing price as of 9 November 2011, being the day before the announcement of the Indicative Proposal on 10 November 2011. Volume weighted average price includes 69,721,533 shares traded associated with Takeover Panel undertakings by QMS Asia Pacific Pte Ltd and William Shaw Capital Pty Ltd to sell down all or part of their respective shareholdings. For further details regarding these undertakings see Takeover Panel media released on 30 May 2011.

(c) The Cash Consideration of \$0.325 for each oOh!media Share provides you with certainty of value and liquidity for your oOh!media Shares

oOh!media's share price has been highly volatile over the last 12 to 18 months, potentially driven by the uncertainty in capital markets, financing risks, and illiquidity in the stock due to relatively low free float. In the 12 month period prior to announcement of the Indicative Proposal from CHAMP III Management Pty Ltd (in its capacity as manager of or adviser to the CHAMP III Funds), on approximately 50% of days there was no trading in oOh!media Shares, and on approximately 80% of days the aggregate value of trades was less than \$10,000⁶.

As noted above, the market in oOh!media Shares is relatively illiquid. The Scheme provides oOh!media Shareholders with an opportunity to exit from a relatively illiquid stock for a cash price. If the Scheme is not approved then in excess of 95% of oOh!media's issued Shares will be held by the top 10 holders and their Associates (assuming the oOh!media Register does not change) and that will result in a limited free float which is likely to impact on the future liquidity for oOh!media Shares for so long as that concentration of shareholdings continues.

The Cash Consideration of \$0.325 for each oOh!media Share provides you with certainty of value and liquidity for your oOh!media Shares.

(d) The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of oOh!media Shareholders (other than the CHAMP III Funds)

The Independent Expert concludes as follows:

"Grant Thornton Corporate Finance has concluded that the Proposed Scheme is fair and reasonable and hence in the best interests of Non-Associated Shareholders."

Grant Thornton Corporate Finance has concluded that the Cash Consideration is fair and reasonable to the Non-Associated Shareholders."

The valuation analysis of the Independent Expert concluded that the fair market value of oOh!media Shares on a controlling basis is between \$0.309 and \$0.342 per oOh!media Share. In the absence of a Superior Proposal, the offer of \$0.325 per oOh!media Share is in the best interests of oOh!media Shareholders (excluding the CHAMP III Funds).

The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, which is set out in Attachment A. The Recommending Directors encourage you to read this report in its entirety before deciding whether or not to approve the Scheme. The Independent Expert's Report has been lodged with the ASX and is available for inspection and downloading from the oOh!media website and the ASX website.

(e) No Superior Proposal has emerged

Since the announcement of the Indicative Proposal to the ASX by oOh!media on 10 November 2011, the Scheme has been widely publicised and no Superior Proposal has emerged nor have the oOh!media Directors received or become aware of any alternative proposal.

The Scheme Implementation Agreement which was disclosed to the ASX on 13 December 2011:

- (a) contains a restriction on oOh!media from soliciting alternative offers (no shop); and
- (b) contains a restriction on oOh!media from talking to third parties about a competing proposal or offer, allowing third parties to undertake due diligence for the purposes of a competing proposal and requiring Outdoor Media Operations to be given notice of any such discussions with third parties (no talk). The no talk restrictions are subject to a fiduciary duty carve out which allows the oOh!media Directors to talk to third parties and to provide them with due diligence, without notification to Outdoor Media Operations, in the event that the oOh!media Directors acting in good faith determine that the discussions may reasonably be expected to lead to a Superior Proposal or that failing to engage with the third party would be likely to constitute a breach by the oOh!media Directors of their duties.

Given the time that has elapsed since this initial announcement, the Recommending Directors believe that an alternative Superior Proposal is unlikely to emerge.

(f) oOh!media's Share price may fall if the Scheme is not approved

The Recommending Directors expect that if the Scheme is not approved and no Superior Proposal emerges, oOh!media Shares may trade at levels below current trading levels (and the Cash Consideration).

It should be noted that the Recommending Directors are not in a position to provide any assurance as to the market price of oOh!media Shares in this event as it will be influenced by many external factors that are not within the control or influence of oOh!media such as market volatility, general stock market movements, general economic conditions and the demand for listed securities.

(g) If you wish to have an ongoing indirect interest in oOh!media you may elect to receive the Mixed Consideration

The Recommending Directors make no recommendation in relation to the Mixed Consideration other than as set out in Section 3.1(c) of this Scheme Booklet.

For those oOh!media Shareholders who wish to maintain an ongoing investment in oOh!media, oOh!media Shareholders may elect to receive the Mixed Consideration and have an ongoing indirect interest in oOh!media (subject to the Minimum Scrip Number being reached) through holding Class B Shares that will be provided as part of the Mixed Consideration.

(h) No brokerage or stamp duty will be payable by you on the transfer of your oOh!media Shares under the Scheme

You will not incur any brokerage or stamp duty on the transfer of your oOh!media Shares to Outdoor Media Operations pursuant to the Scheme.

3 Recommending Directors' recommendation and matters relevant to your vote on the Resolutions continued

3.3 Possible reasons not to approve the Scheme

Some of the potential factors that may lead you not to approve the Scheme or to consider that the Scheme is disadvantageous for you are outlined below.

(a) You may disagree with the Recommending Directors and the Independent Expert and believe that the Scheme is not in your best interests

You may disagree with the Recommending Directors and/or the findings of the Independent Expert and believe that the Scheme is not in your best interests.

In particular, you may believe that oOh!media will deliver greater returns over the long term by remaining an independent company and that the future growth prospects of oOh!media have not been fully reflected in the Scheme Consideration that is being offered to you for your oOh!media Shares.

(b) You may wish to maintain your investment in oOh!media

You may wish to maintain an interest in oOh!media because you are seeking an investment in a publicly listed company with the specific characteristics of oOh!media such as industry, capital structure and size.

Further if the Scheme is approved and implemented and you receive the Cash Consideration, you will cease to hold an interest in oOh!media and will no longer have the rights of an oOh!media Shareholder. In particular, you will forego any future dividends from oOh!media (although there is no certainty as to the quantum of any such dividends or timing for payment of future dividends), the opportunity to benefit from any increase in the oOh!media Share price or any increase in the future value of oOh!media.

(c) The Mixed Consideration will not be available unless the Minimum Scrip Number is reached and Class B Shares have very different features compared to oOh!media Shares

If you elect to receive the Mixed Consideration you will not receive Class B Shares if the Minimum Scrip Number is not satisfied. Refer to Section 2.8(a) for further details.

If you make a valid election to receive the Mixed Consideration for your oOh!media Shares, then provided the Scheme becomes Effective and the Minimum Scrip Number is satisfied:

- you will receive Class B Shares pursuant to the Scheme, which are issued by an unlisted exempted company that is incorporated in the Cayman Islands;
- as a result, because Class B Shares are not publicly traded and Outdoor Media Investments is regulated by the laws of the Cayman Islands and its constituent documents and not by the laws of Australia, the protections afforded to you, as a minority shareholder of Outdoor Media Investments are very different from those applicable to an Australian incorporated company that is listed on the ASX. The differences relate to, among other things: the continuous disclosure regime, your rights to receive information about Outdoor Media Investments, the takeover regime and minority shareholder protection rights. Outdoor Media Operations has provided further information about these important differences in Sections 5 and 6;

- because Outdoor Media Investments is not listed on a stock exchange you may have difficulty in disposing of your Class B Shares;
- there will be no market for the sale of your Class B Shares and the Articles of Outdoor Media Investments contain strict restrictions on your ability to dispose of your Class B Shares;
- you may have your interest in Outdoor Media Investments diluted by future share issues by Outdoor Media Investments that do not require the approval of Outdoor Media Investments Shareholders.

oOh!media Shareholders should also be aware that:

- the value of Outdoor Media Investments' investment in oOh!media will be subject to the risks set out in Sections 3.4 and 7 which may reduce oOh!media's value should any risk eventuate. oOh!media's value may also increase because of improvements in oOh!media's underlying business and operations, increases in oOh!media's asset values or any improvement in market sentiment generally; and
- there are tax consequences involved with receiving the Mixed Consideration, as noted in the Ernst & Young letter dated 17 January 2012, a copy of which is set out in Section 8.

For these reasons, the Recommending Directors do not desire to make any recommendation to oOh!media Shareholders in relation to the Mixed Consideration, except that oOh!media Shareholders who are considering electing the Mixed Consideration for their oOh!media Shares should consult their financial adviser, accountant or stockbroker about whether an investment in Outdoor Media Investments suits their particular investment objectives and review and take note of the matters outlined in Section 3.1(c) of this Scheme Booklet.

(d) You may cease to have the right to influence the future direction of oOh!media

If the Scheme is approved and implemented, you will cease to have the right to influence the future direction of oOh!media through your voting rights as a Shareholder. Outdoor Media Operations will have the right to determine the future direction of oOh!media following implementation of the Scheme.

(e) The tax consequences of the Scheme may be adverse to your financial position

If the Scheme is implemented, this may trigger taxation implications for you earlier than would have otherwise been the case, potentially including capital gains tax. You should read the taxation considerations outlined in Section 8 and seek professional taxation advice with respect to your individual tax situation.

(f) You may believe a Superior Proposal may emerge

It is possible that a more attractive proposal for oOh!media Shareholders may emerge in the future, e.g. a bid with a higher offer price than the Scheme Consideration. However, as at the date of this Scheme Booklet, the oOh!media Directors have not received or become aware of any alternative proposal and have no basis for believing that an alternative proposal may emerge.

3.4 oOh!media Risks

The matters set out below, which relate to risk factors in oOh!media's business, are relevant for oOh!media Shareholders to consider in relation to their decision about how they will vote on the Resolutions.

If the Scheme is not approved, then oOh!media Shareholders will retain their interest in oOh!media and the value of that interest may be affected by any or all of the risks set out below. The risks set out below are not the only ones that oOh!media faces. Additional risks and uncertainties not currently known to oOh!media, or that oOh!media currently believes are immaterial, may also impair its business, financial condition and results of operation. If the Scheme is approved and implemented, oOh!media Shareholders who elect to receive the Mixed Consideration will (subject to the Minimum Scrip Number being satisfied) hold shares in Outdoor Media Investments. Interests in oOh!media will be the major asset of Outdoor Media Investments and therefore the value of those interests may be affected by all or any of these risks.

(a) oOh!media is dependent on Australia for substantially all of its turnover

Substantially all oOh!media's turnover is generated in Australia. Demand for oOh!media's products and services is influenced by a number of factors, including the relative strength of the Australian economy. A deterioration could have a material negative effect on oOh!media's turnover and profitability for an extended period.

(b) Dependence on general economic conditions and ad market growth

The operating and financial performance of oOh!media will be influenced by a variety of general economic and business conditions, which in turn influences advertising expenditure.

As oOh!media's revenues and earnings are predominantly derived from outdoor advertising, it is exposed to fluctuations in the advertising market and general economic conditions in Australia. A volatile and downturn in the advertising market may adversely impact oOh!media's financial performance and position.

(c) Increased competition

oOh!media operates in the competitive media advertising market in Australia. oOh!media may be impacted by increased competition from a number of sources which may have a material negative effect on oOh!media's turnover and profitability:

- existing and new competitors in the outdoor advertising market;
- existing and new competitors in the broader media advertising market, including other traditional and non-traditional forms of media such as television, radio, print, and online advertising.

(d) Industry change risk

oOh!media's business may be affected by changes in the nature of the out-of-home advertising sector which may, depending on their nature and oOh!media's business model at that time, impact on oOh!media's operating and financial performance. The introduction of the MOVE audience measurement system by the Outdoor Media Association in 2010 may impact upon the profitability of individual sites owned or represented by oOh!media.

(e) Regulatory risk

Changes in legislation or government policy in Australia (whether local, state or federal) which affect the media or advertising industry or the out-of-home sector, may affect the ability of oOh!media to continue to use certain sites or advertise for certain industries which may impact on the future earnings of oOh!media and the relative attractiveness of your investment in oOh!media.

(f) Loss of key management personnel

oOh!media's business depends on its ability to attract and retain key management, operating and sales personnel. Loss of key management, operating or sales personnel may result in loss of customers and this may adversely affect oOh!media's operating and financial performance.

(g) Loss of sign sites on lease renewals

oOh!media incurs lease payments for the use of site location. Typically leases/licences are long term and are usually renewed prior to expiry, although this is not always the case. Loss of sign sites may impact oOh!media's operating and financial performance profitability.

(h) Relationships with key media agencies and customers

The performance of oOh!media is heavily reliant on its relationships with the media agencies. Loss of relationships with media agencies or a change in the size and/or structure of the media agency market may impact oOh!media's profitability. In addition, the loss of relationships with key customers could impact on oOh!media's future operating and business performance.

(i) Lack of long-term binding customer contracts

Generally, the majority of the revenue of oOh!media is not underpinned by long term contracts to any given outdoor advertising participant. As the needs of advertisers change frequently and are dependent on economic circumstances, retail trading conditions and competitive dynamics, it is possible that oOh!media's financial performance may be adversely affected.

(j) Acquisition integration risk

oOh!media has successfully acquired a number of businesses over the past five years. There is a risk that one or more of these acquisitions may not have been adequately integrated into oOh!media's broader business operations and have the potential to adversely affect existing operations and financial performance. The same risk will apply to any future acquisitions oOh!media might undertake.

(k) Litigation

oOh!media may be subject to litigation and other claims, with and without merit, based on its conduct both prior to and after implementation of the Scheme. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular litigation will not have a material adverse effect on oOh!media's future financial condition. oOh!media is not aware of any current material litigation affecting it.

(l) Debt finance and credit risk

Certain of oOh!media's debt facilities will need to be refinanced at various maturity dates. The inability to refinance these facilities on satisfactory terms could adversely affect oOh!media's financial performance. Credit market conditions and the operating and financial performance of oOh!media will affect borrowing costs as well as oOh!media's capacity to repay, refinance or increase its debt.

3 Recommending Directors' recommendation and matters relevant to your vote on the Resolutions continued

(m) Acts of terrorism and breakout of international hostilities

Acts of terrorism or an outbreak of international hostilities may adversely affect sentiment with global retail confidence. This could have negative impact on the demand for oOh!media's services and therefore affect oOh!media's financial performance.

(n) Deterioration in budgeted future cash flows

The oOh!media Group has a significant level of goodwill, intangible and tangible fixed assets. oOh!media tests goodwill and other tangible and intangible assets for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount, based on discounted cash flows. The discounted cashflows are impacted by oOh!media Group's projected future cashflows and oOh!media Group's estimate of its weighted average cost of capital.

Future cashflows are based on oOh!media Group's budgeted future cash flows, which are dependent on amongst other things the underlying performance of oOh!media's business, which may be impacted by negative industry or economic trends.

The weighted average cost of capital is impacted by interest rates, and market risk premiums estimated for companies in the media sector. Given the recent market volatility there is a risk that the weighted average cost of capital could increase significantly in future periods.

Any significant deterioration in oOh!media's budgeted future cash flows, or an increase in the weighted average cost of capital could result in an impairment of oOh!media's goodwill, which could have a material negative effect on its operating profits and net assets.

3.5 Other relevant considerations

(a) Implications of a failure to approve the Scheme

If the Scheme does not proceed, Outdoor Media Operations will not acquire your oOh!media Shares and you will not receive any Scheme Consideration.

oOh!media anticipates that if the Scheme does not proceed oOh!media will continue to operate in its current form. oOh!media will continue its strategy to grow its primary business in the Australian outdoor advertising sector. Key growth strategies include continued organic growth, product innovation (including the potential for increased digital signage), further site acquisition and roll-out, and potential expansion into adjacent and related segments to oOh!media's core outdoor advertising business.

The success of these growth strategies, among other things, will be influenced by the underlying growth in the Australian media sector and more specifically growth in the Australian outdoor advertising market. The performance of the media industry will be influenced by the volatile global economic climate and changes in general consumer sentiment.

Key risks to the achievement of this growth also include the risks regarding oOh!media's business outlined in Section 3.4 of this Scheme Booklet.

In addition to the matters outlined above, if the Scheme does not proceed:

- oOh!media will continue to be listed on the ASX.
- Decisions in relation to the future of oOh!media will continue to be taken by the oOh!media Board. oOh!media anticipates that it will continue to operate in its current form.
- oOh!media will continue to be exposed to the risk factors outlined in Section 3.4.

(b) The Scheme may be implemented even if you vote against it

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the requisite majorities of oOh!media Shareholders (other than CHAMP III Funds) and the Court. If this occurs, your oOh!media Shares will be transferred to Outdoor Media Operations and you will receive the Cash Consideration (unless you elected to receive the Mixed Consideration and the Minimum Scrip Number is satisfied), even though you did not vote on, or voted against the Scheme.

4

Overview of oOh!media



4 Overview of oOh!media

4.1 Background

Mr Brendon Cook, the Chief Executive Officer and Managing Director of oOh!media, founded Outdoor Network Australia (**ONA**) in 1989. ONA has since grown to become oOh!media, a leading player in the Australian outdoor advertising sector, specialising in the management and ownership of outdoor advertising assets.

ONA was effectively backdoor listed on 24 December 2002, when ASX-listed Pi2 Limited acquired ONA, and renamed itself to Network Limited (NWK:ASX). The company was subsequently renamed to its current name oOh! Media Group Limited (OOH:ASX) on 23 April 2008.

4.2 oOh!media's Operations

oOh!media, specialises in providing outdoor advertising solutions across a number of products and segments throughout urban and regional Australia. oOh!media's key products are outlined below:

- **oOhRoad!**: This product includes both landscape and portrait billboards and billboard advertising. Landscape billboards advertising includes:
 - Spectaculars – greater than 50sqm billboards located on main arterials and inner city locations;
 - Supersites – greater than 40sqm billboards located on main arterials, highways and freeways;
 - Super 8's – a scaled down version of Supersites located along secondary arterials; and
 - 24 sheet Posters – billboards located on secondary arterial roads, commercial areas and near train stations.
 Portrait billboards are usually located in inner city locations and retail precincts in high pedestrian or vehicular traffic areas.
- **oOhRetail!**: This product provides advertising in shopping centres around Australia, with a range of products including:
 - ShopaLites – advertisements positioned inside and at the entrances and exits of the shopping centre;
 - Retail Extra – indoor banners, floor decals and door decals;
 - Retail Billboards – outdoor landscape billboards; and
 - Sensor Audio – advertisements using sound with oOh!media's sensor audio ShopaLites.
- **oOhRegional!**: regional outdoor advertising with billboard sites on Australia's roads and in shopping centres across regional Australia.
- **oOhFactor!**: Offers consumers experiential marketing, product sampling, street and interactive promotions.
- **oOhMobile!**: A diverse range of mobile advertising products that target CBD areas, high traffic arterial locations and outer suburbs with high density of clients' target markets. Also Mobile On-Show, in which consumers can experience sampling opportunities and interactive pods.
- **oOhProduce!**: provides outdoor media, digital production and campaign management by offering products and services including: Shopping Centre Special Builds; Billboards Extensions; Billboard Special Builds; and Stunt Special Builds.

4.3 Capital structure

As of the date of this Scheme Booklet, there are 501,225,275 oOh!media Shares and 23,000,000 Options on issue.

oOh!media does not have any other securities on issue.

4.4 Recent share price and dividend history

The chart in Section 3.2 provides details of the market price for oOh!media Shares traded on the ASX in the past 12 months.

The closing price of oOh!media Shares on 9 November 2011, being the day before the public announcement of the Indicative Proposal on 10 November 2011, was \$0.16. The latest recorded price of oOh!media Shares on ASX on 19 January 2012, was \$0.315.

The VWAP of oOh!media Shares on ASX for the one, three and six month periods prior to 10 November 2011, were \$0.17, \$0.171, and \$0.172, respectively.

The current price of oOh!media Shares on ASX can be obtained from the ASX website.

No dividends have been paid by oOh!media since it became a listed entity in 2000.

4.5 oOh!media financial information

(a) Summary income statement

	Audited 12 Months to 31 Dec 2008 \$m	Audited 12 Months to 31 Dec 2009 \$m	Audited 12 Months to 31 Dec 2010 \$m	Reviewed 6 Months to 30 June 2011 \$m	Unaudited 12 Months to 31 Dec 2011 \$m ⁷
Total revenue and other income	77.9	86.0	109.7	55.3	119.7
Operating profit	7.8	11.2	16.8	8.1	17.4
Profit before income tax	5.0	6.5	11.2	5.2	13.2
Profit from continuing operations	3.4	4.9	7.0	3.5	9.2
Earnings per share					
From continuing and discontinued operations:					
Basic (cents per share)	0.9	1.3	1.8	0.7	1.9
Diluted (cents per share)	0.9	1.3	1.8	0.7	1.9

The unaudited operating profit for the 12 months ended 31 December 2011 shown above includes non-recurring Scheme related expenses of \$600,000.

(b) Summary balance sheet

	Audited as at 31 Dec 2008 \$m	Audited as at 31 Dec 2009 \$m	Audited as at 31 Dec 2010 \$m	Reviewed as at 30 Jun 2011 \$m	Unaudited as at 31 Dec 2011 \$m ⁹
Total current assets	18.0	20.1	30.6	21.8	26.9
Total non-current assets	119.0	117.8	119.2	120.7	130.6
Total assets	137.2	137.9	149.8	142.5	157.5
Borrowings	41.0	35.6	26.0	23.9	28.4
Other liabilities	34.0	35.2	36.6	12.4	17.0
Total liabilities	75.0	70.8	62.7	36.3	45.4
Net assets	62.2	67.1	87.1	106.2	112.1

4.6 Future obligations

As can be seen from the balance sheet in Section 4.5(b) of this Scheme Booklet, oOh!media had borrowings of \$28.4 million as at 31 December 2011⁸. These borrowings are against a secured \$55 million multi-option facility from Westpac Banking Corporation, with a fixed and floating charge over the assets of oOh!media. The facility is reviewed annually. oOh!media also incurs a number of operating liabilities including deferred consideration on investments, trade and other payables and accrued expenses.

4.7 Acquisitions

In the ordinary course of business, oOh!media has made acquisitions of businesses and assets in the outdoor advertising sector. Over the course of 2011 oOh!media continued this acquisition activity and will continue to pursue potential acquisition opportunities into 2012.

4.8 Earnings guidance

The unaudited financials for the 12 months ended 31 December 2011 provided in Section 4.5 provide information that is within the range of 2011 earnings guidance oOh!media provided to the market in its announcement on 22 November 2011.

Notes

7 Includes Scheme related expenses incurred in the 12 months to 31 December 2011 of \$600,000 plus GST where applicable

8 Includes Scheme related items that occurred in the 12 months to 31 December 2011 of \$600,000 plus GST where applicable

9 Accounts as at 31 December 2011 have not been audited.

4 Overview of oOh!media continued

4.9 Underlying assumptions of financial information

Overview

The financial information presented in this Section 4 consists of the historical financial information and unaudited financial information for oOh!media that the oOh!media Board considers relevant for the purposes of the Scheme.

The financial information should be read in conjunction with the key assumptions set out in this Section 4.9 and other information contained in this Scheme Booklet.

Historical financial information

The audited historical financial information included in this Scheme Booklet comprises the income statements for oOh!media for the financial years ended 31 December 2008, 31 December 2009 and 31 December 2010 and the balance sheets of oOh!media as at 31 December 2008, 31 December 2009 and 31 December 2010 as set out in Section 4.5.

The income statement for the half year ended 30 June 2011 and balance sheet as of 30 June 2011 have been subject to an auditor review.

The financial information presented is an extract from the relevant half year and full year financial reports for each period reported and released by oOh!media to the ASX.

Unaudited financial information

The unaudited historical financial information included in this Scheme Booklet comprises the income statement for oOh!media for the 12 months ended 31 December 2011, and the balance sheet of oOh!media as at 31 December 2011. The financial information presented is in the form of an extract from the full year financial reports which have been historically prepared for each full year period and released by oOh!media to the ASX.

This unaudited financial information has been prepared with regard to oOh!media's accounting policies, including internal accounting and budgeting processes undertaken by management of oOh!media. The oOh!media Board believes this unaudited financial information was prepared with due care and attention and consider all assumptions to be reasonable when taken as a whole. However, this information is not audited and readers are cautioned not to place undue reliance on the unaudited financial information.

oOh!media expects to lodge its 2011 audited accounts with the ASX on 29 February 2012.

Unaudited financial information assumptions

In preparing the unaudited financial information for the 12 months ended 31 December 2011, the oOh!media Board applied the following assumptions:

- no material changes in Australian Accounting Standards which may have a material effect on oOh!media's financial results and reported cash flows during the period;
- no material changes in the legislative regimes or regulatory environments in which oOh!media operates which could have a material impact on asset values and the collection of revenue during the forecast period;
- no changes to the corporate rates of taxation and no changes in taxation legislation during the period; and
- the effective tax rate used to estimate the 2011 tax expense is 30% of profit before tax.

4.10 Availability of documents relating to oOh!media and Continuous Disclosure

On 31 March 2011, oOh!media lodged a copy of its 2010 Annual Report with ASX.

The 2010 Annual Report contains more detailed information about the oOh!media Group's assets, business, structure, shareholder profile and outlook. It also includes a copy of the audited consolidated financial statements of the oOh!media Group for the year ended 31 December 2010.

oOh!media held its 2011 Annual General Meeting on 20 May 2011.

oOh!media Shareholders can view the 2010 Annual Report on the oOh!media Website or on the ASX Website.

The 2010 Annual Report can be obtained at no cost from the oOh!media transaction information line on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) between 9.00am and 5.00pm Monday to Friday, prior to the Scheme Meeting.

As an ASX listed company and a 'disclosing entity' under the Corporations Act, oOh!media is subject to regular reporting and disclosure obligations. oOh!media has an obligation (subject to limited exceptions) to notify ASX immediately upon becoming aware of any information which a reasonable person would expect to have a material effect on the price or value of oOh!media Shares. oOh!media's recent announcements are available on the oOh!media Website and also on the ASX Website. Further announcements concerning developments at oOh!media will continue to be made available on these websites after the date of this Scheme Booklet.

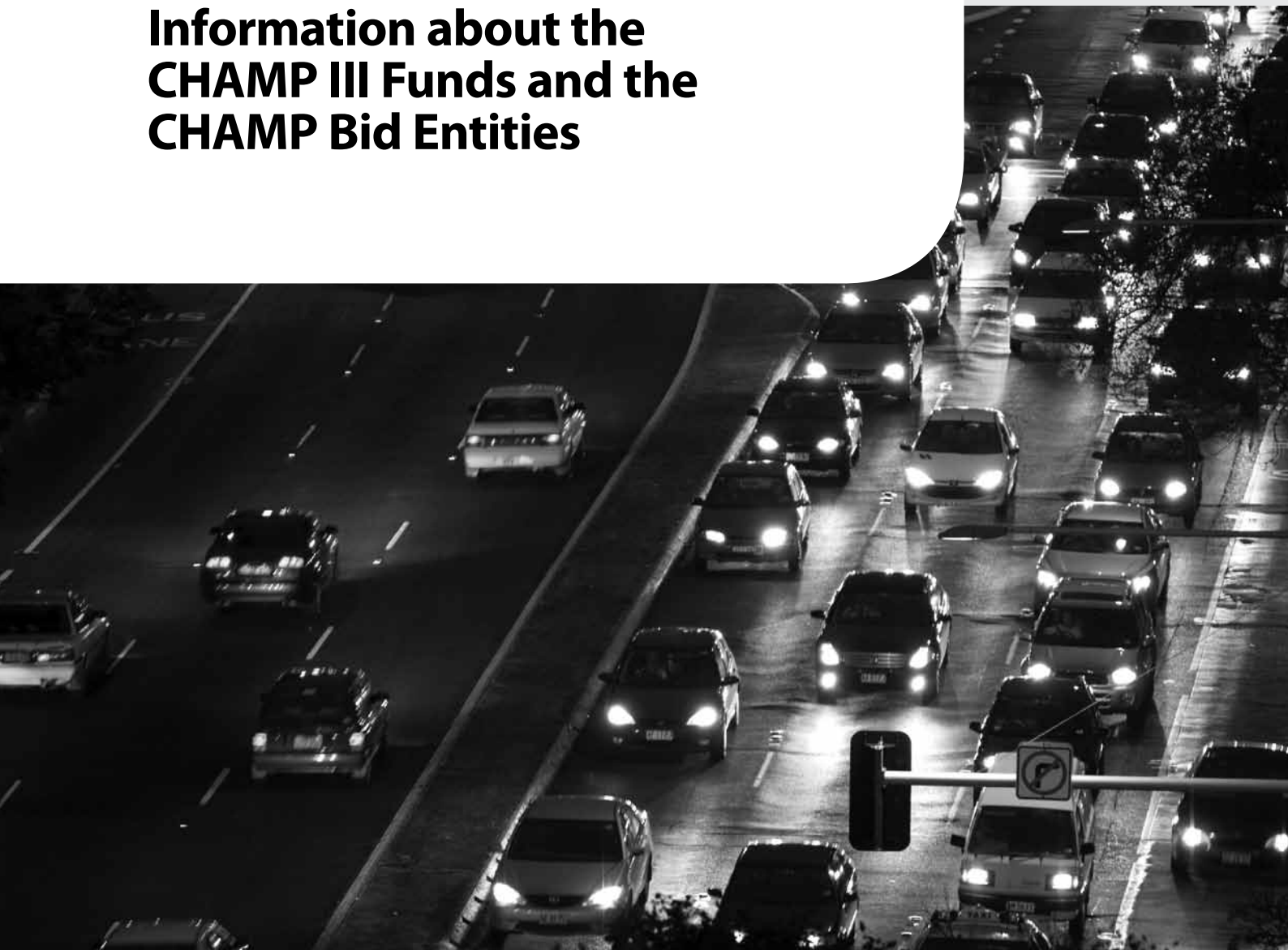
In addition, oOh!media is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to oOh!media may be obtained from, or inspected at, an ASIC office.

The following is a list of all such continuous disclosure notices lodged since 8 August 2011 and before the date of this Scheme Booklet.

Date	Announcement
15 December 2011	Becoming a substantial holder
13 December 2011	Recommended Proposal from CHAMP Private Equity
8 December 2011	Extension of Exclusivity
29 November 2011	Change in substantial holding x 3
22 November 2011	OOH expects 8th consecutive year of revenue growth
16 November 2011	Ceasing to be a substantial holder
14 November 2011	Change in substantial holding
14 November 2011	Change in substantial holding
11 November 2011	Change in substantial holding
11 November 2011	Becoming a substantial holder
10 November 2011	Approach from CHAMP Private Equity
21 September 2011	OOH awarded Red Outdoor media contract
7 September 2011	August 2011 trading update, revenue up 3.7%
12 August 2011	Half year results presentation
12 August 2011	Half Yearly Report and Accounts
8 August 2011	Half year results release date

5

Information about the CHAMP III Funds and the CHAMP Bid Entities



5.1 Background and corporate structure

(a) CHAMP III Funds

CHAMP Private Equity is an Australian based private equity firm with offices in Sydney and Brisbane and affiliated offices in Singapore and New York. CHAMP Private Equity closed its latest fund, CHAMP III Funds, with aggregate committed capital of approximately \$1.5 billion.

The CHAMP III Funds comprise a number of entities managed or advised by CHAMP III Management Pty Ltd and its related bodies corporate, which are part of CHAMP Private Equity. The CHAMP III Funds comprise:

- CHAMP Buyout III Trust;
- CHAMP Buyout III Pte Ltd (which is wholly owned by CHAMP Buyout III GP Limited which is the General Partner of CHAMP Buyout III LP); and
- CHAMP Buyout III (SWF) Trust.

Current investments by the CHAMP III Funds are:

- Accolade Wine, the largest wine company by volume in Australia; and
- ATF Services, a provider of temporary fencing and height safety services in Australia and New Zealand.

As at the date of this Scheme Booklet, the CHAMP III Funds hold 98,230,924 oOh!media Shares.

Further information about CHAMP Private Equity is available on its website at www.champequity.com.au.

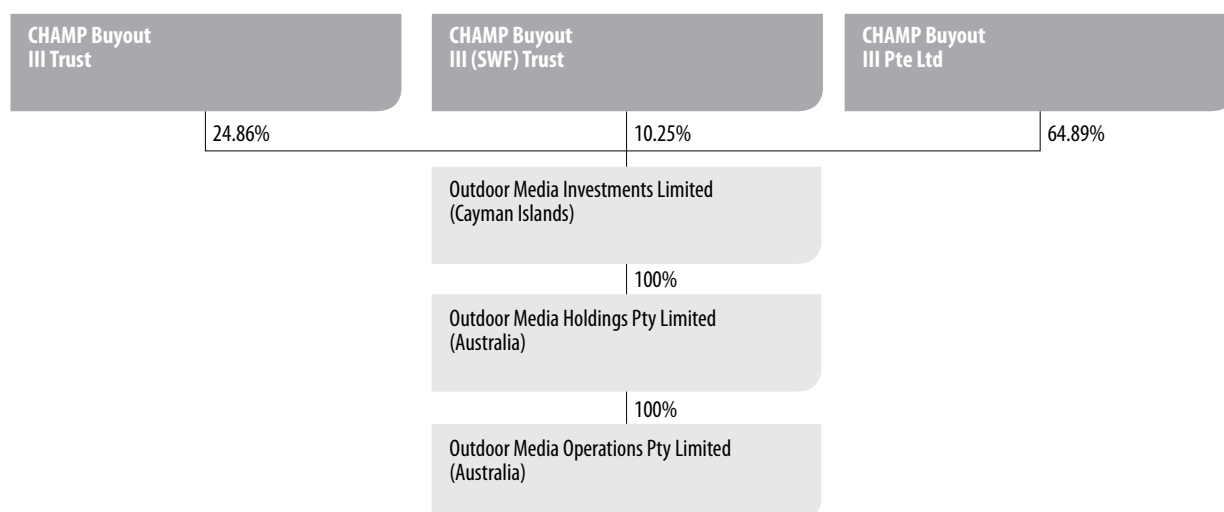
(b) CHAMP Bid Entities

The CHAMP Bid Entities are Outdoor Media Investments, Outdoor Media Holdings and Outdoor Media Operations.

Outdoor Media Operations is a special purpose company that was incorporated on 9 December 2011 for the purpose of acquiring the oOh!media Shares. Outdoor Media Operations is a private Australian company and has not undertaken any trading activities. All of the shares in Outdoor Media Operations are owned by Outdoor Media Holdings and will continue to be so held on and from the Implementation Date. If the Scheme becomes Effective, Outdoor Media Operations will own 100% of the shares in oOh!media on or shortly after the Implementation Date.

Outdoor Media Holdings is a special purpose company that was incorporated on 9 December 2011 for the purpose of holding all of the shares in Outdoor Media Operations. Outdoor Media Holdings is a private Australian company and has not undertaken any trading activities. All of the shares in Outdoor Media Holdings are owned by Outdoor Media Investments and will continue to be so held on and from the Implementation Date.

Outdoor Media Investments is a special purpose company that was incorporated on 8 December 2011 for the purposes of holding all of the shares in Outdoor Media Holdings, issuing Class A Shares to the entities comprising the CHAMP III Funds and issuing Class B Shares to Scheme Participants in accordance with the Scheme. Outdoor Media Investments is an exempted company¹⁰ incorporated under the laws of the Cayman Islands. Outdoor Media Investments has not undertaken any trading activities. All of the Class A Shares in Outdoor Media Investments are currently owned by the entities which together comprise the CHAMP III Funds in the proportions shown below (with such proportions rounded to two decimal places where relevant).



Notes

- ¹⁰ Exempted companies are not entitled to trade in the Cayman Islands with any person except in furtherance of business "carried on outside" the Cayman Islands. An exempted company is not prohibited from effecting or concluding contracts in the Cayman Islands or exercising any of its powers in the Cayman Islands for the carrying on of the company's business outside the Cayman Islands. It is, however, prohibited from making any invitation to the public in Cayman to subscribe for any of its shares or debentures.

5 Information about the CHAMP III Funds and the CHAMP Bid Entities continued

5.2 Connection to the Scheme

The Scheme contemplates the acquisition of all oOh!media Shares other than those which are already owned by the CHAMP III Funds. As at the date of this Scheme Booklet, the CHAMP III Funds hold 98,230,924 oOh!media Shares. The CHAMP III Funds have agreed with Outdoor Media Operations that they will transfer those shares to Outdoor Media Operations on or shortly after implementation of the Scheme, such that from that time Outdoor Media Operations will hold 100% of the shares in oOh!media. As part of the transaction, the entities comprising the CHAMP III Funds will be issued 141,889,112 Class A Shares (being a ratio of 0.325/0.225 Class A Shares for each of the 98,230,924 oOh!media Shares transferred to Outdoor Media Operations).

Under the Scheme oOh!media Shareholders may elect to receive one of two forms of consideration for their Scheme Shares, being the Cash Consideration or the Mixed Consideration. If an oOh!media Shareholder makes a valid Mixed Election and Outdoor Media Investments has an obligation to issue Class B Shares because the Minimum Scrip Number is satisfied, that oOh!media Shareholder will, on the Implementation Date, become a shareholder of Outdoor Media Investments and thereby have an indirect interest in oOh!media that is proportional to their holding in Outdoor Media Investments.

The CHAMP III Funds will subscribe for further Class A Shares in Outdoor Media Investments to fund the cash component of the Scheme Consideration and other amounts. The exact holding of the CHAMP III Funds in Outdoor Media Investments following implementation of the Scheme will depend upon the number of Class B Shares which are issued to oOh!media Shareholders who make a valid Mixed Election (as well as the number of Class A Shares that will be issued to the CHAMP III Funds under the process described above).

The largest shareholder of oOh!media as at the date of this Scheme Booklet, Macquarie, has advised oOh!media that its intention is to vote in favour of the Scheme and accept the Cash Consideration for any oOh!media Shares it holds at 7.00pm on the Record Date, in the absence of a superior proposal and subject to each of the following further conditions:

- the Independent Expert providing an opinion that the Scheme is in the best interests of oOh!media Shareholders (other than the CHAMP III Funds) and that the Cash Consideration is fair and reasonable, and there being no change to these opinions at any time before the Scheme Meeting;
- the Scheme Meeting taking place by no later than 31 March 2012; and
- the Recommending Directors not changing their recommendation at any time before the Scheme Meeting.

Macquarie has also indicated to oOh!media that, although its intention as at the Scheme Announcement Date is as reflected above, it remains free to deal with its shares at any time. As at the date of this Scheme Booklet, the Independent Expert Report has provided the opinions referred to above but none of the CHAMP Bid Entities can be certain that any of the other conditions specified by Macquarie will be satisfied, or that Macquarie will not dispose of its oOh!media Shares to third parties who will then be entitled to make their own Election.

WPP, another major oOh!media Shareholder, has advised oOh!media that its intention is to support the Scheme in the absence of an alternative proposal that is superior for WPP and subject to both the Independent Expert giving an opinion that the Scheme is in the best interests of oOh!media shareholders (other than those which are already owned by the CHAMP III Funds) and WPP reviewing and being satisfied with the full terms of the Scheme as set out in this Scheme Booklet.

Regardless of the shareholding of the CHAMP III Funds following implementation of the Scheme, those funds alone will have certain additional rights in relation to Outdoor Media Investments and its subsidiaries (including oOh!media) because of the nature of the Class A Shares which they alone will hold and because of the terms of the Articles. Section 6.6 sets out the key additional rights that the CHAMP III Funds have under the Articles and by virtue of holding Class A Shares.

Section 5.3 describes the percentage ownership of the CHAMP III Funds in Outdoor Media Investments depending on the level of Mixed Election.

5.3 Illustrative ownership structure of Outdoor Media Investments under various scenarios

The following scenarios are shown to illustrate the potential sources and uses of funds of the consolidated oOh!media and Outdoor Media Investments group and the ownership structure of Outdoor Media Investments which may eventuate at the Implementation Date. Each of these scenarios is based on numerous assumptions which are unlikely to reflect the actual outcome of events at the Implementation Date and should be considered as illustrative only.

The consolidated sources and uses of funds shown in the tables below are based on Outdoor Media Investments assumptions around various items as at the Implementation Date including:

- The total of the scheme transaction costs;
- The level of oOh!media's net debt;
- oOh!media's existing options being cancelled by oOh!media prior to the Implementation Date; and
- The number of shareholders electing to receive the Mixed Consideration.

The actual outcome at the Implementation Date is likely to differ from the assumptions made in this booklet resulting in changes to the sources and uses of funds at the Implementation Date.

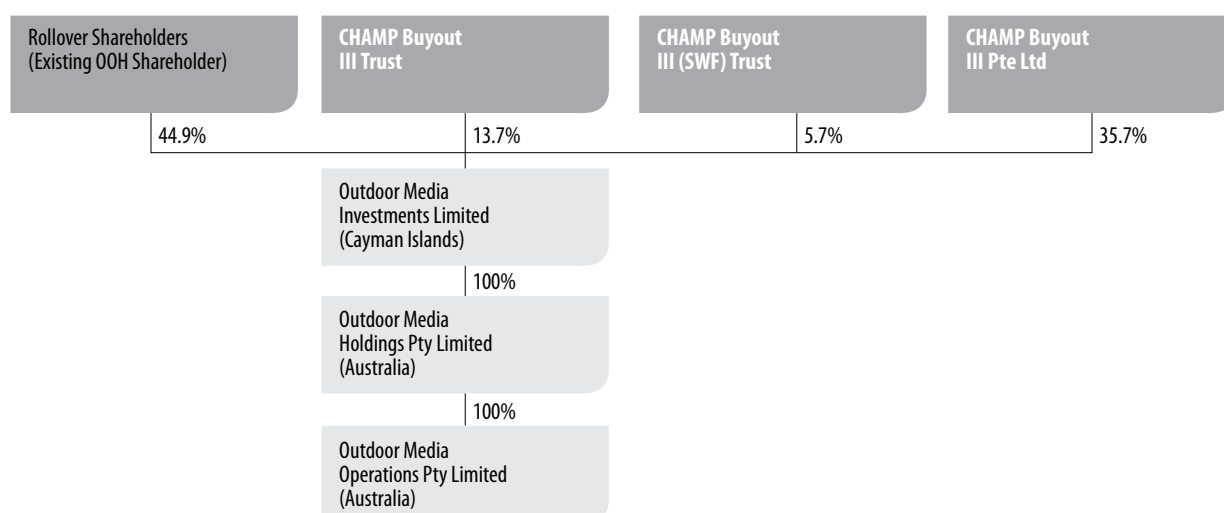
As an example, if the actual sum of oOh!media's net debt and the scheme transaction costs at the Implementation Date is lower than the assumption used in the scenarios below, there will be additional cash on Outdoor Media Investments' balance sheet at closing. If the amount is higher than the assumption, the CHAMP III Funds will contribute additional cash to Outdoor Media Investments via a contingent loan agreement to cover the incremental amount of oOh!media's net debt and the scheme transaction costs, subject to the terms of the contingent loan agreement (which are explained in detail in Section 5.7(b)). Changes to oOh!media's net debt and the scheme transaction costs assumptions will not have an impact on the illustrative ownership structures of Outdoor Media Investments at the Implementation Date in the following illustrative scenarios.

Each of the scenarios below also assumes that the none of the Options will be exercised prior to 7.00pm on the Record Date and will instead be cancelled by oOh!media. Each scenario has assumed a total cash payment of \$4.715m is made to the optionholders in consideration for them agreeing to the cancellation of their Options. This amount has been included in each of the sources and uses of funds shown below. However, certain optionholders do have the right to exercise their Options into oOh!media shares and then participate in the Scheme (and elect to receive either the Cash Consideration or the Mixed Consideration). Changes to this assumption may have a minor impact on the illustrative ownership structures of Outdoor Media Investments at the Implementation Date resulting in the CHAMP III Funds owning slightly less of Outdoor Media Investments in the illustrative scenarios below.

The assumption around the number of shareholders electing to receive the Mixed Consideration in each scenario below does not have any impact on the total number of shares on issue or the capitalisation of Outdoor Media Investments at the Implementation Date. Changes in this assumption only impact the cash which the CHAMP III Funds are required to invest into Outdoor Media Investments and the resulting additional shares issued to the CHAMP III Funds at the Implementation Date.

(a) Maximum Mixed Election scenario (assuming Macquarie makes an All Cash Election)

If all oOh!media Shareholders (other than Macquarie) make a valid Mixed Election, the CHAMP III Funds would hold approximately 55.1% of the total ordinary shares in Outdoor Media Investments upon implementation of the Scheme and the transfer of all oOh!media Shares which are already owned by entities comprising the CHAMP III Funds to Outdoor Media Operations.¹¹ This is illustrated in the following structure diagram.



5 Information about the CHAMP III Funds and the CHAMP Bid Entities continued

In this maximum Mixed Election Scenario (assuming Macquarie makes an All Cash Election), the sources and uses of funds of the consolidated oOh!media and Outdoor Media Investments group at implementation of the Scheme and the anticipated ownership structure of Outdoor Media Investments are expected to be as shown in the following tables:

Sources and uses of funds of the consolidated oOh!media and Outdoor Media Investments group in the maximum Mixed Election scenario

Sources and uses of funds	Amount (\$ 000's)
Sources:	
Cash provided by Outdoor Media Operations new debt facilities	77,000
Cash provided by the CHAMP III Funds ¹²	41,815
Total sources of funds	118,815
Uses:	
Payment to shareholders electing the Cash Consideration (\$0.325 for 135.8m Shares)	44,120
Payment to shareholders electing the Mixed Consideration (\$0.10 for 267.2m Shares)	26,724
Repayment of oOh!media's existing net debt balance outstanding as at 30 Jun 2011 ¹³	20,635
Payment to cancel oOh!media's existing Options ¹⁴ (23m Options at \$0.205)	4,715
Payment for the costs of Outdoor Media Operations new debt facilities and related costs	7,034
Payment for other Scheme transaction and capital raising costs of Outdoor Media Operations	6,315
Payment for the Scheme costs incurred by oOh!media	4,099
Cash which is provided to cover the funding of oOh!media's working capital and growth activities prior to the Implementation Date ¹⁵	5,173
Total uses of funds	118,815

Anticipated ownership structure in Outdoor Media Investments

	Number of Shares	%
CHAMP III Funds (current holdings)	141,889,112 ¹⁶	23.8%
CHAMP III Funds (subscription for additional shares resulting from additional cash invested in Outdoor Media Investments at closing)	185,845,660 ¹⁷	31.2%
Total CHAMP III Funds Shares (Class A)	327,734,773	55.1%
Existing shareholders electing Mixed Consideration (Class B)	267,241,407	44.9%
Total Outdoor Media Investments Shares on issue	594,976,180	100%

Notes

- 12 This figure includes the \$225.00 nominal capitalisation of Outdoor Media Investments which the CHAMP III Funds contributed when 1,000 Class A Shares were issued to the CHAMP III Funds at the time of Outdoor Media Investments' incorporation.
- 13 At 30 June 2011, oOh!media had \$21,350,000 of debt outstanding under its existing debt facilities with Westpac and \$715,000 of cash on its balance sheet, resulting in a net debt figure of \$20,635,000 at 30 June 2011. This amount will need to be repaid at the Implementation Date.
- 14 This payment may take place on, or prior to, the Implementation Date. If it is paid prior to the Implementation Date, then oOh!media will make the payment using existing cash on hand or drawing down additional debt. This will result in a higher net debt figure, hence Outdoor Media Operations will need to make a higher repayment to extinguish oOh!media's net debt rather than to make this payment directly at the Implementation Date.
- 15 Outdoor Media Operations has allowed for additional funding which may be required at the Implementation Date to support oOh!media's working capital and growth activities.
- 16 The 141,889,112 Class A Shares will be issued to the CHAMP III Funds in consideration for the CHAMP III Funds transferring their current holdings of 98,230,924 oOh!media Shares to Outdoor Media Operations according to the ratio of 0.325/0.225 Class A Shares for each of the 98,230,924 oOh!media Shares transferred.
- 17 The CHAMP III Funds will subscribe for 185,845,660 Class A Shares in Outdoor Media Investments at \$0.225 per share for a total of \$41,815,274 (including 1,000 Class A Shares which are already on issue and owned by the CHAMP III Funds to nominally capitalise Outdoor Media Investments).

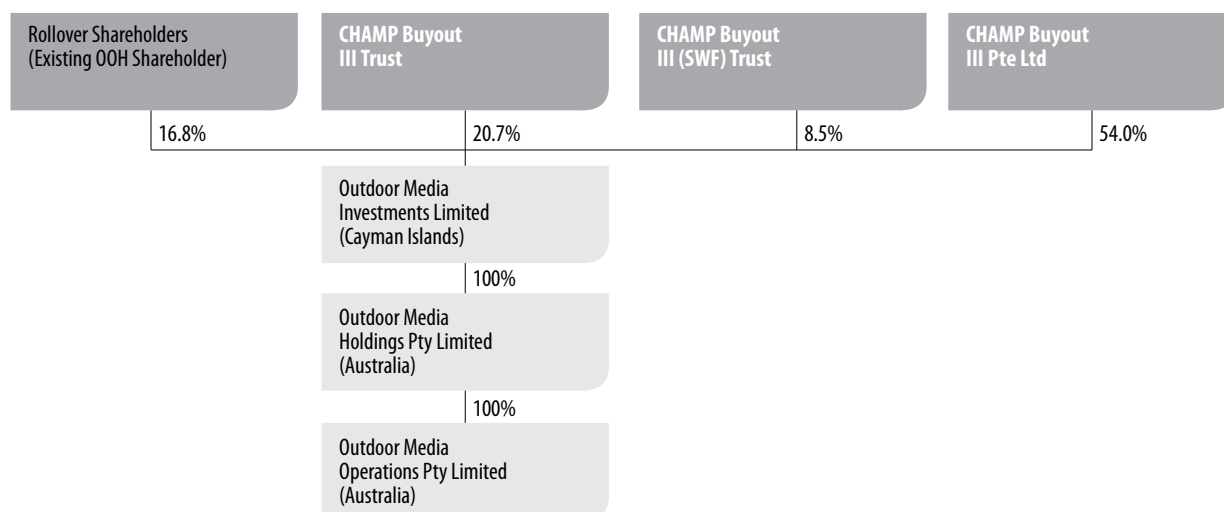
In this maximum Mixed Election scenario, assuming Macquarie makes an All Cash Election, the CHAMP III Funds will (continue to) hold the majority of the total ordinary shares in Outdoor Media Investments from the time the Scheme is implemented and the transfer of all oOh!media Shares which are already owned by the CHAMP III Funds to Outdoor Media Operations has occurred.

If Macquarie and all other oOh!media Shareholders made valid Mixed Elections, the CHAMP III Funds would hold approximately 32.3% of the total ordinary shares in Outdoor Media Investments.¹⁸

However as Macquarie has stated publicly that their intention is to make an All Cash Election, this scenario has not been provided.

(b) Minimum Mixed Election scenario

If Mixed Elections are received in respect of exactly 100,000,000 oOh!media Shares (being the Minimum Scrip Number), the CHAMP III Funds would hold approximately 83.2% of the total ordinary shares in Outdoor Media Investments upon implementation of the Scheme and the transfer of all oOh!media Shares which are already owned by the CHAMP III Funds to Outdoor Media Operations. This is illustrated in the following structure diagram.



Notes

18 This also assumes that none of the oOh!media Options will be exercised prior to 7.00pm on the Record Date and will instead be cancelled by oOh!media.

5 Information about the CHAMP III Funds and the CHAMP Bid Entities continued

In this minimum Mixed Election scenario, the sources and uses of funds at implementation of the Scheme and the anticipated ownership structure of Outdoor Media Investments are expected to be as shown in the following tables:

Sources and uses of funds of the consolidated oOh!media and Outdoor Media Investments group in the Minimum Mixed Election scenario

Sources and uses of funds	Amount (\$ 000's)
Sources:	
Cash provided by Outdoor Media Operations new debt facilities	77,000
Cash provided by the CHAMP III Funds ¹⁹	79,445
Total sources of funds	156,445
Uses:	
Payment to shareholders electing the Cash Consideration (\$0.325 for 303.0m Shares)	98,473
Payment to shareholders electing the Mixed Consideration (\$0.10 for 100.0m Shares)	10,000
Repayment of oOh!media's existing net debt balance outstanding as at 30 Jun 2011 ²⁰	20,635
Payment to cancel oOh!media's existing Options ²¹ (23m Options at \$0.205)	4,715
Payment for the costs of Outdoor Media Operations new debt facilities and related costs	7,034
Payment for other Scheme transaction and capital raising costs of Outdoor Media Operations	6,315
Payment for the Scheme costs incurred by oOh!media	4,099
Cash which is provided to cover the funding of oOh!media's working capital and growth activities prior to the Implementation Date ²²	5,173
Total uses of funds	156,445

Anticipated ownership structure in Outdoor Media Investments

Shares	Number	%
CHAMP III Funds (current holdings)	141,889,112 ²³	23.8%
CHAMP III Funds (subscription for additional shares resulting from additional cash invested in Outdoor Media Investments at closing)	353,087,067 ²⁴	59.3%
Total CHAMP III Funds Shares (Class A)	494,976,180	83.2%
Existing shareholders electing Mixed Consideration (Class B)	100,000,000	16.8%
Total Outdoor Media Investments Shares on issue	594,976,180	100%

Notes

- 19 This figure includes the \$225.00 nominal capitalisation of Outdoor Media Investments which the CHAMP III Funds contributed when 1,000 Class A Shares were issued to the CHAMP III Funds at the time of Outdoor Media Investments' incorporation.
- 20 At 30 June 2011, oOh!media had \$21,350,000 of debt outstanding under its existing debt facilities with Westpac and \$715,000 of cash on its balance sheet, resulting in a net debt figure of \$20,635,000 at 30 June 2011. This amount will need to be repaid at the Implementation Date.
- 21 This payment may take place on, or prior to, the Implementation Date. If it is paid prior to the Implementation Date, then oOh!media will make the payment using existing cash on hand or drawing down additional debt. This will result in a higher net debt figure, hence Outdoor Media Operations will need to make a higher repayment to extinguish oOh!media's net debt rather than to make this payment directly at the Implementation Date.
- 22 Outdoor Media Operations has allowed for additional funding which may be required at the Implementation Date to support oOh!media's working capital and growth activities.
- 23 The 141,889,112 Class A Shares will be issued to the CHAMP III Funds in consideration for the CHAMP III Funds transferring their current holdings of 98,230,924 oOh!media Shares to Outdoor Media Operations according to the ratio of 0.325/0.225 Class A Shares for each of the 98,230,924 oOh!media Shares transferred.
- 24 The CHAMP III Funds will subscribe for 353,087,067 Class A Shares in Outdoor Media Investments at \$0.225 per share for a total of \$79,444,590 (including 1,000 Class A Shares which are already on issue and owned by the CHAMP III Funds to nominally capitalise Outdoor Media Investments).

(c) No Minimum Scrip Number scenario

If the Minimum Scrip Number is not satisfied all oOh!media Shareholders, regardless of the Election they make, will receive the Cash Consideration. In this case, the CHAMP III Funds would continue to be the only shareholders of Outdoor Media Investments (in the manner shown in the structure diagram in Section 5.1(b) above) and oOh!media would be ultimately owned by the CHAMP III Funds.

In this scenario, the sources and uses of funds at implementation of the Scheme and the anticipated ownership structure of Outdoor Media Investments Limited are expected to be as shown in the following tables:

Sources and uses of funds of the consolidated oOh!media and Outdoor Media Investments group in the no Minimum Scrip Number scenario

Sources and uses of funds	Amount (\$ 000's)
Sources:	
Cash provided by Outdoor Media Operations new debt facilities	77,000
Cash provided by the CHAMP III Funds ²⁵	101,945
Total sources of funds	178,945
Uses:	
Payment to shareholders electing the Cash Consideration (\$0.325 for 403.0m Shares)	130,973
Payment to shareholders electing the Mixed Consideration (\$0.10 for nil Shares)	—
Repayment of oOh!media's existing net debt balance outstanding as at 30 Jun 2011 ²⁶	20,635
Payment to cancel oOh!media's existing Options ²⁷ (23m Options at \$0.205)	4,715
Payment for the costs of Outdoor Media Operations new debt facilities and related costs	7,034
Payment for other Scheme transaction and capital raising costs of Outdoor Media Investments Operations	6,315
Payment for the Scheme costs incurred by oOh!media	4,099
Cash which is provided to cover the funding of oOh!media's working capital and growth activities prior to the Implementation Date ²⁸	5,173
Total uses of funds	178,945

Anticipated ownership structure in Outdoor Media Investments

Shares	Number	%
CHAMP III Funds (current holdings)	141,889,112 ²⁹	23.8%
CHAMP III Funds (subscription for additional shares resulting from additional cash invested in Outdoor Media Investments at closing)	453,087,067 ³⁰	76.2%
Total CHAMP III Funds Shares (Class A)	594,976,180	100%
Existing shareholders electing Mixed Consideration (Class B)	—	0%
Total Outdoor Media Investments Shares on issue	594,976,180	100%

Notes

- 25 This figure includes the \$225.00 nominal capitalisation of Outdoor Media Investments which the CHAMP III Funds contributed when 1,000 Class A Shares were issued to the CHAMP III Funds at the time of Outdoor Media Investments' incorporation.
- 26 At 30 June 2011, oOh!media had \$21,350,000 of debt outstanding under its existing debt facilities with Westpac and \$715,000 of cash on its balance sheet, resulting in a net debt figure of \$20,635,000 at 30 June 2011. This amount will need to be repaid at the Implementation Date.
- 27 This payment may take place on, or prior to, the Implementation Date. If it is paid prior to the Implementation Date, then oOh!media will make the payment using existing cash on hand or drawing down additional debt. This will result in a higher net debt figure, hence Outdoor Media Operations will need to make a higher repayment to extinguish oOh!media's net debt rather than to make this payment directly at the Implementation Date.
- 28 Outdoor Media Operations has allowed for additional funding which may be required at the Implementation Date to support oOh!media's working capital and growth activities.
- 29 The 141,889,112 Class A Shares will be issued to the CHAMP III Funds in consideration for the CHAMP III Funds transferring their current holdings of 98,230,924 oOh!media Shares to Outdoor Media Operations according to the ratio of 0.325/0.225 Class A Shares for each of the 98,230,924 oOh!media Shares transferred.
- 30 The CHAMP III Funds will subscribe for 453,087,067 Class A Shares in Outdoor Media Investments at \$0.225 per share for a total of \$101,944,590 (including 1,000 Class A Shares which are already on issue and owned by the CHAMP III Funds to nominally capitalise Outdoor Media Investments).

5 Information about the CHAMP III Funds and the CHAMP Bid Entities continued

5.4 Outdoor Media Operations' intentions

This Section sets out Outdoor Media Operations' intentions in relation to:

- the continuation of the business of oOh!media;
- any major changes to be made to the business of oOh!media including any redeployment of its fixed assets; and
- the future employment of the present employees of oOh!media.

The intentions of Outdoor Media Operations are the same as the intentions of CHAMP III Management Pty Limited (the manager of or adviser to the CHAMP III Funds), CHAMP Buyout III Pte Limited and the other CHAMP Bid Entities.

(a) Review

Outdoor Media Operations has reviewed information that has been publicly released by oOh!media about itself, its current activities and its plans for the future. Outdoor Media Operations has also conducted limited due diligence in relation to oOh!media's business. Outdoor Media Operations does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess all of the operational, commercial, taxation and financial implications of its current intentions.

Following the implementation of the Scheme, Outdoor Media Operations will, to the extent information is available to it, conduct a full review of the operations, assets and employees of oOh!media in light of that information. Final decisions will only be made after that review and in light of material information and circumstances at the relevant time. Accordingly, the intentions described below are statements of current intention only and may change as new information becomes available or as circumstances change.

(b) Removal from the ASX

Outdoor Media Operations intends to arrange for oOh!media to be removed from the official list of the ASX after the Implementation Date.

(c) Head office

Outdoor Media Operations intends for oOh!media to maintain its current head office and other regional Australian offices following implementation of the Scheme.

(d) Employees

Outdoor Media Operations' current intention is to retain all of oOh!media's present employees including the existing senior management team led by Mr Brendon Cook.

(e) Changes to oOh!media constitution

Outdoor Media Operations has no current intention to make changes to oOh!media's constitution following implementation of the Scheme. However, the constitution will be considered as part of Outdoor Media Operations' broader review of oOh!media and, if deemed appropriate, will be amended. As the sole shareholder of oOh!media, Outdoor Media Operations will alone be able to make changes to oOh!media's constitution.

(f) Business, operations and assets

It is the current intention of Outdoor Media Operations to continue oOh!media's focus on the Australian out-of-home media advertising market and largely operate oOh!media in its current form while providing support to pursue organic and acquisition-based growth opportunities as appropriate.

Outdoor Media Operations intends to continue to operate oOh!media under its current name.

As described previously, Outdoor Media Operations will undertake a full review of oOh!media and its operations following implementation of the Scheme to determine how best to operate and further develop and grow the company. Decisions regarding future business operations will be made following the completion of that review. However, as at the date of this Scheme Booklet, Outdoor Media Operations does not intend to dispose of any of oOh!media's material assets. Consistent with its recent practice it is expected that oOh!media will continue to make business acquisitions in the outdoor advertising industry but Outdoor Media Operations does not currently have any intention for oOh!media to make any particular acquisitions.

Consistent with usual private equity practice, the CHAMP III Funds may seek to exit their investment in oOh!media in approximately three to five years time. This is subject to prevailing market conditions, the businesses performance and other factors which may be considered relevant at the time. Due consideration will also be given to market conditions and business performance as they evolve over time, hence the exit may take place before or after the intended exit period of three to five years. The optimal means of exit will be determined at some point in the future.

(g) Intentions generally

Other than as set out in this Section 5.4 and elsewhere in this Scheme Booklet it is Outdoor Media Operations' intention:

- to continue the business of oOh!media;
- not to make any major changes to the business of oOh!media nor to redeploy any of oOh!media's fixed assets; and
- to continue the employment of oOh!media's present employees.

5.5 Directors of the CHAMP Bid Entities and oOh!media following implementation of the Scheme

(a) CHAMP Bid Entities

The initial directors of the CHAMP Bid Entities are Mr Darren Smorgon, Mr Paul Kennedy and Mr Barry Zuckerman.

The CHAMP Bid Entities intend to supplement these directors with additional nominees, including persons with expertise in the media or advertising industries and possibly members of the oOh!media senior management team. As at the date of this Scheme Booklet the CHAMP Bid Entities intend for the current CEO of oOh!media, Mr Brendon Cook, to join the boards of the CHAMP Bid Entities, but no arrangement has been made with Mr Cook to this effect and there is no assurance Mr Cook will accept such roles. The CHAMP Bid Entities have not identified which other persons might join the boards of the CHAMP Bid Entities.

Brief profiles of the current directors of the CHAMP Bid Entities are below.

Mr Darren Smorgon

Mr Smorgon is a Director of CHAMP Private Equity, and has been with the group since 1999. His responsibilities include all aspects of the investment and portfolio company management process including deal origination and execution, portfolio company monitoring and exit management. During 2000-2001, he spent 12 months in New York with CHAMP Private Equity's New York based affiliate, Castle Harlan, Inc. where he worked on the sale of Ion Track Instruments, Inc. Mr Smorgon holds Bachelor of Economics (with Merit) and Masters of Commerce (with Merit) degrees from the University of New South Wales and is an Associate of the Securities Institute of Australia. He is a member of the Board of Directors and Investment Committee of CHAMP Private Equity. He is also a Director of two portfolio companies of the funds managed or advised by CHAMP Private Equity: Golding Contractors Pty Limited and LCR Group Pty Limited. He was formally a Director of Study Group International, Penrice Soda Products Pty Ltd and Australian Discount Retail Pty Ltd.

Mr Paul Kennedy

Mr Kennedy joined CHAMP Private Equity in 2005. He is responsible for the assessment of potential investment opportunities, the management of third party due diligence processes, and participates in the portfolio management of investee companies of the funds managed or advised by CHAMP Private Equity. Mr Kennedy holds a Bachelor of Commerce and a Bachelor of Science (Mathematics and Computer Science) from the University of Adelaide and a Master of Business Administration (With Distinction) from INSEAD, France.

Mr Barry Zuckerman

Mr Zuckerman joined CHAMP Private Equity in 2001 and is the Finance Director for the group. He is responsible for the finance and operations infrastructure of the group and manages the day-to-day financial operations for the funds. Mr Zuckerman holds a Bachelor of Commerce degree from the University of Cape Town, South Africa and is a member of The Australian Institute of Chartered Accountants.

(b) oOh!media board following implementation of the Scheme

Outdoor Media Operations intends to replace all members of the oOh!media board other than the current CEO of oOh!media, Mr Brendan Cook. However, no arrangement has been made with Mr Cook to this effect and there is no guarantee Mr Cook will agree to remain on the oOh!media board following implementation of the Scheme.

Outdoor Media Operations otherwise intends for CHAMP Private Equity executives Mr Darren Smorgon and Mr Paul Kennedy to join the oOh!media board. Outdoor Media Operations also intends to supplement the oOh!media board with additional nominees, including persons with expertise in the media and advertising industries and possibly members of the oOh!media senior management team, but as at the date of this Scheme Booklet has not identified such persons (other than Mr Cook).

5.6 Corporate governance of the CHAMP Bid Entities

oOh!media Shareholders who make a valid Mixed Election will receive Class B Shares under the Scheme (assuming the Minimum Scrip Number is otherwise satisfied). Under the scheme those persons agree to become shareholders of Outdoor Media Investments and be bound by the Articles.

The board of directors of each CHAMP Bid Entity will be responsible for the overall corporate governance of that entity, including adopting appropriate policies and practices and seeking to ensure that its directors and employees (if any) fulfil their functions effectively and responsibly. Following implementation of the Scheme Outdoor Media Operations intends to review the existing corporate governance policies and practices of oOh!media and make changes to those policies and practices.

The CHAMP Bid Entities do not intend, after implementation of the Scheme, that they or oOh!media will have corporate governance policies and practices equivalent to those adopted by oOh!media in the past or by ASX listed companies generally. Instead, the CHAMP Bid Entities expect that they and oOh!media will adopt corporate governance policies and practices equivalent to unlisted privately held companies. If the Scheme becomes Effective, Outdoor Media Operations intends for oOh!media to apply to be removed from the official list of ASX.

The CHAMP Bid Entities expect that, after the Implementation Date, shareholders in Outdoor Media Investments will receive less information and reports about the oOh!media Group than oOh!media Shareholders currently receive. Under the Articles shareholders of Outdoor Media Investments are entitled to receive a copy of the half-yearly unaudited consolidated balance sheet, profit and loss account and cashflow statements for Outdoor Media Investments and a copy of the audited consolidated annual balance sheet, profit and loss account and cashflow statements for Outdoor Media Investments. Members will not receive reports such as directors reports, remuneration reports or corporate governance reports. The Articles do not require Outdoor Media Investments to hold any annual general meeting of members.

5.7 Funding arrangements

(a) Maximum Scheme Consideration

The consideration for the acquisition of the oOh!media Shares to which the Scheme relates will be satisfied by a combination of cash and Class B Shares, unless the Minimum Scrip Number is not satisfied, in which case all oOh!media Shareholders will receive cash only. Based on the number of oOh!media Shares to which the Scheme relates (being all shares other than those already owned by the CHAMP III Funds):

- (i) the maximum cash consideration that will be payable by Outdoor Media Operations (on the assumption the Minimum Scrip Number is not satisfied) is approximately \$130,973,164³¹; and
- (ii) the maximum number of Class B Shares that would be issued by Outdoor Media Investments (on the assumption every oOh!media Shareholder made a valid Mixed Election) is approximately 425,994,351³² shares.

The Scheme is not subject to a financing condition.

Notes

31 This number assumes that all existing options are cancelled by oOh!media prior to the Implementation Date.

32 This number assumes that all holders of all Options exercise those options and are issued oOh!media Shares prior to 7.00pm on the Record Date.

5 Information about the CHAMP III Funds and the CHAMP Bid Entities continued

(b) Cash funding arrangements

Outdoor Media Operations will fund the cash component of the Scheme Consideration through a combination of external debt facilities (subject to meeting conditions precedent to drawdown) and funds provided to Outdoor Media Investments by the CHAMP III Funds. Each of these funding sources is described below.

External debt facilities

Outdoor Media Operations has obtained commitments in respect of facilities for the purpose of funding the acquisition of oOh!media Shares pursuant to the Scheme, repaying the existing indebtedness of the oOh!media Group and paying related costs and expenses in the amount of \$77 million (**Debt Facilities**). The commitments for the Debt Facilities have been provided by Commonwealth Bank of Australia, GE Capital, National Australia Bank Limited and Westpac Banking Corporation.

The Debt Facilities have been documented under a facilities agreement which contains conditions precedent to drawdown, representations and warranties, undertakings, and events of default which are customary for facilities of this nature.

The Debt Facilities may only be drawn if the conditions precedent to drawdown are satisfied, certain defaults have not occurred and certain representations and warranties are true and correct. Outdoor Media Operations has no reason to believe that the Debt Facilities will not be available to be drawn down on the Implementation Date.

Outdoor Media Operations intends to draw down the entire amount available to it under the Debt Facilities.

Outdoor Media Operations has also obtained from the same lenders commitments in respect of facilities for the ongoing purposes of the business, including a \$40 million facility for funding certain acquisitions and capital expenditure and a \$15 million revolving credit facility. These facilities are not permitted to be used and will not be used to fund the acquisition of oOh!media Shares under the Scheme. These facilities are subject to the same initial conditions precedent to drawdown as the Debt Facilities and will not be available if implementation of the Scheme does not occur.

Funding from CHAMP III Funds

The CHAMP III Funds have entered into a subscription agreement (**Subscription Agreement**) and loan agreements (**Contingent Loan Agreements**) with Outdoor Media Investments to fund the Cash Consideration and other costs associated with the acquisition of oOh!media under the Scheme.

Under the Subscription Agreement, the CHAMP III Funds have agreed to subscribe for such number of Class A Shares at \$0.225 per share equal to 594,976,180 Class A Shares less the aggregate of 1,000 Class A Shares already on issue, an amount equal to all of the Class B Shares to be issued by Outdoor Media Investments under the Scheme as part of the Mixed Consideration and 141,889,112 (being equal to the number of Class A Shares to be issued to the CHAMP III Funds upon implementation of the Scheme in respect of the 98,230,924 oOh!media Shares to be transferred to Outdoor Media Operations (as described in Section 5.2)).

If the Minimum Scrip Number is not satisfied, there will be no Class B Shares issued pursuant to the Scheme, so the amount subscribed by the CHAMP III Funds will be \$101,944,365 for 453,086,067 Class A Shares.

If the Minimum Scrip Number is satisfied, the amount subscribed by the CHAMP III Funds will be reduced in accordance with the above formula. For example, if the minimum number of oOh!media Shareholders who would be required to make a valid Mixed Election for the Minimum Scrip Number to be satisfied make such an Election (as described in Section 5.3(b)), the amount subscribed by the CHAMP III Funds will be \$79,444,365 for 353,086,067 Class A Shares; and if all oOh!media Shareholders (other than Macquarie) made a valid Mixed Election (as described in Section 5.3(a)), the amount subscribed by the CHAMP III Funds will be \$41,815,049 for 185,844,660 Class A Shares. The exact number of Class A Shares for which the CHAMP III Funds will subscribe will turn on the number of valid Mixed Elections made, so this number will not be known until the Record Date.

Under the Contingent Loan Agreements, Outdoor Media Investments will be entitled to (and may only) utilise the proceeds of the loans under the Contingent Loan Agreements for the purposes of funding amounts required for the purposes of or ancillary to implementing the Scheme and providing working capital, including (without limitation) for the purposes of lending amounts to Outdoor Media Holdings which may be used (by it or any of its subsidiaries) to fund, to the extent the subscription amount under the Subscription Agreement is insufficient, the Cash Consideration under the Scheme (if the Debt Facilities are not drawn down for that purpose), to repay or prepay any external indebtedness of Outdoor Media Investments and its Subsidiaries which is outstanding on the Implementation Date, to pay any upfront, establishment or commitment fees and related costs and expenses in relation to the establishment of the Debt Facilities, to fund transaction and capital raising costs incurred by the CHAMP Bid Entities which are related to the implementation of the Scheme, to fund or replace working capital used to pay the consideration payable by oOh!media in respect of the cancellation of the Options and transaction costs incurred by oOh!media which are related to the implementation of the Scheme and to fund the ongoing working capital and capital expenditure requirements of Outdoor Media Investments and its Subsidiaries. The maximum aggregate amount available to Outdoor Media Investments for drawing will be no greater than \$23.0m unless the Debt Facilities are not drawn down to fund the implementation of the Scheme, in which case, the maximum aggregate amount will increase by \$77.0m (being the same amount as the Debt Facilities) to an amount no greater than \$100.0m. The term of the loan will be for no longer than 364 days and the interest rate will be 14% per annum. The \$23.0m which is available whether or not the Debt Facilities are drawn down will only be drawn down if (and to the extent) that the amounts required to fund the items disclosed in Section 5.3 are higher than the assumptions disclosed in that Section. Outdoor Media Investments will need to gross up any amounts payable by Outdoor Media Investments, in respect of withholding tax it is required to withhold.

It is Outdoor Media Investments' current intention that, after implementation of the Scheme, if any amounts have been loaned under the Contingent Loan Agreements, Outdoor Media Investments will make a pro rata offer to Eligible Members (as defined in the Articles) to subscribe for new ordinary shares to raise funds sufficient to repay all amounts outstanding under that loan. A Shareholder in Outdoor Media Investments will have its shareholding diluted, if such a loan is made and if Outdoor Media Investments makes such a pro rata offer to issue new ordinary shares and if such shareholder does not subscribe for its pro rata shares in the offer to maintain its percentage ownership of Outdoor Media Investments.

The Subscription Agreement and the Contingent Loan Agreements are not subject to any conditions and will become activated upon the Scheme becoming Effective.

The loans between the CHAMP Bid Entities are also documented in agreements between those entities. The loan arrangements contain customary representations and events of default but no conditions precedent to drawdown (other than the scheme becoming Effective).

The manager of CHAMP Buyout III Trust and CHAMP Buyout III (SWF) Trust and the general partner of CHAMP Buyout III LP have committed to oOh!media that they will respectively arrange for the requisite funding to be drawn down from investors in the CHAMP III Funds to pay, and will ensure that Outdoor Media Operations is in a position to meet its obligations to pay, the cash component of the Scheme Consideration and to lend oOh!media an amount equal to the expected net debt of the oOh!media Group at implementation of the Scheme.

(c) Class B Shares arrangement

Outdoor Media Operations has entered into an arrangement with Outdoor Media Investments under which Outdoor Media Investments has unconditionally agreed to issue all the Class B Shares which are necessary for Outdoor Media Operations to satisfy its obligations under the Scheme.

(d) Conclusion

On the basis of the arrangements described above the CHAMP Bid Entities believe they have reasonable grounds for holding the view, and hold the view, that Outdoor Media Operations will be able to satisfy its obligation to pay the Scheme Consideration as and when it is due under the terms of the Scheme.

6

Information regarding Class B Shares



6.1 Outdoor Media Investments' capital structure

As at the date of this Scheme Booklet, Outdoor Media Investments has 1,000 Class A Shares on issue, all of which are held by the CHAMP III Funds. There are no Class B Shares on issue as at the date of the Scheme Booklet.

None of the securities of Outdoor Media Investments are granted official quotation on any securities exchange.

oOh!media Shareholders who make a valid Mixed Election will receive \$0.10 cash and one Class B Share issued at \$0.225 as consideration under the Scheme for each oOh!media Share held (assuming the Minimum Scrip Number is otherwise satisfied). These Class B Shares will be issued by Outdoor Media Investments to oOh!media Shareholders.

If all oOh!media Shareholders made a Mixed Election (other than Macquarie³³), Outdoor Media Investments will have 327,734,773 Class A Shares and 267,241,407 Class B Shares on issue upon implementation of the Scheme. The CHAMP III Funds will hold all of the Class A Shares on issue and oOh!media Shareholders who make a valid Mixed Election will hold all of the Class B Shares on issue, representing 55.1% and 44.9% of the issued share capital of Outdoor Media Investments respectively (refer to the table below).

If the minimum number of oOh!media Shareholders who would be required to make a valid Mixed Election for the Minimum Scrip Number to be satisfied make such an election³⁴, Outdoor Media Investments will have 494,976,180 Class A Shares and 100,000,000 Class B Shares on issue upon implementation of the Scheme. The CHAMP III Funds would hold all of the Class A shares on issue and oOh!media Shareholders who make a valid Mixed Election will hold all of the Class B Shares on issue, representing 83.2% and 16.8%, of the issued share capital of Outdoor Media Investments respectively (refer to the table below).

If the Minimum Scrip Number is not satisfied, no Class B Shares will be issued by Outdoor Media Investments in connection with the Scheme and the CHAMP III Funds will remain the only shareholders of Outdoor Media Investments from the time the Scheme is implemented.

The table below sets out each of the above three ownership scenarios depending on the Elections made by oOh!media Shareholders.

Election of Scheme Consideration	Ownership of Outdoor Media Investments	
	Current oOh!media Shareholders (who make a valid Mixed Election) (Class B Shares)	CHAMP III Funds (Class A Shares)
Minimum Scrip Number not met (no Class B Shares issued under the Scheme)	0.0%	100%
Minimum Scrip Number met	16.8%	83.2%
Maximum possible Mixed Election (assuming Macquarie makes an All Cash Election) ³⁵	44.9%	55.1%

An oOh!media Shareholder who receives Class B Shares upon implementation of the Scheme will have an indirect interest in oOh!media (and the other CHAMP Bid Entities other than Outdoor Media Investments where it will have a direct interest) which is proportionate to their shareholding in Outdoor Media Investments. Following implementation of the Scheme oOh!media Shareholders who received Class B Shares will hold those shares subject to the Articles of Outdoor Media Investments. The Articles set out, amongst other things, the circumstances in which Outdoor Media Investments can issue further securities.

6.2 Features of a Cayman Islands investment

oOh!media Shareholders who make a valid Mixed Election will receive both cash and shares in Outdoor Media Investments, a Cayman Islands exempted company, in exchange for their oOh!media Shares (assuming the Minimum Scrip Number is otherwise satisfied). Under the Scheme those persons agree to become shareholders of Outdoor Media Investments and to be bound by the Articles. This section sets out the key features of holding an investment in a Cayman Islands company generally and in Outdoor Media Investments specifically. These features are a product of both Cayman Islands law and the provisions of the Articles. oOh!media Shareholders should be aware that these features differ considerably from the features which apply to holding an investment in an ASX-listed company such as oOh!media. oOh!media Shareholders should keep these differences in mind when deciding whether to make an All Cash Election or a Mixed Election. For reference purposes the equivalent features associated with holding an investment in oOh!media are also set out below.

A complete copy of the Articles is set out at Attachment F. The description of those Articles in this Section 6.2 is a summary only and is not exhaustive. oOh!media Shareholders considering making a Mixed Election to receive both cash and Class B shares in Outdoor Media Investments should read and understand the Articles in full and seek their own independent advice before making a decision.

Notes

33 This also assumes that none of the oOh!media Options will be exercised prior to 7.00pm on the Record Date and will instead be cancelled by oOh!media.

34 This assumes that none of the oOh!media Options will be exercised prior to 7.00pm on the Record Date and will instead be cancelled by oOh!media.

35 This also assumes that none of the oOh!media Options will be exercised prior to 7.00pm on the Record Date and will instead be cancelled by oOh!media.

6 Information regarding Class B Shares continued

For consistency with the Articles, throughout Sections 6.2-6.5 (inclusive) “CHAMP III Funds” is also referred to as “CHAMP Members”.

Capitalised terms used in this Section 6.2 which are not defined in this Scheme Booklet have the meaning given to them in the Articles.

(a) Overview of legislative differences

Outdoor Media Investments is an unlisted special purpose vehicle which has been incorporated under Cayman Islands law as an “exempted company”³⁶. It is not registered as a foreign company under Division 2 of Part 5B.2 of the Corporations Act.

Neither the rules in the Corporations Act relating to Australian companies (including in relation to takeovers and minority protection rights) nor the ASX Listing Rules apply, or will come to apply, to Outdoor Media Investments³⁷. Instead the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (**Companies Law**) applies to Outdoor Media Investments. The Companies Law does not contain all of the same protections for shareholders as those contained in the Corporations Act and the ASX Listing Rules.

(b) Overview of constituent document differences

Outdoor Media Investments’ relationship with its shareholders is governed by the Articles (in addition to the Companies Law and the common law of the Cayman Islands).

oOh!media’s current relationship with its shareholders is governed by its constitution as lodged with the ASX on 24 December 2002. This constitution may be modified following implementation of the Scheme by a special resolution passed by what would then be oOh!media’s sole shareholder, Outdoor Media Operations. Outdoor Media Operations will be controlled by Outdoor Media Holdings, which will in turn be controlled by Outdoor Media Investments, which itself will be controlled by the CHAMP III Funds upon implementation of the Scheme. The CHAMP III Funds will therefore have the ability to cause Outdoor Media Operations to modify oOh!media’s constitution.

(c) Continuous disclosure

Outdoor Media Investments

As an exempted company, other than in circumstances where an approval of shareholders to an event is required or as set out in paragraph (l) below, Outdoor Media Investments has no obligation under the Companies Law or its Articles to make any disclosures to its shareholders in connection with material events affecting the business. However, refer to Section 6.2(n) for potential continuous disclosure obligations which might apply to Outdoor Media Investments under Australian law.

oOh!media at present

oOh!media must comply with Chapter 3 of the Listing Rules which requires immediate disclosure to the market of certain material price sensitive information.

(d) New share issues

Outdoor Media Investments

Subject to its Articles, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the board of Outdoor Media Investments shall have the power to issue any unissued shares of Outdoor Media Investments on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, (including, without limitation, shares that are by their terms, redeemable or convertible) whether in regard to dividend, voting, return of capital, or otherwise provided that no share shall be issued at a discount except in accordance with the Companies Law. As described in Section 6.4 below, Article 2.3 of the Articles requires, other than in certain stated cases, all such offers of Shares shall be made to existing shareholders pro rata. No approval of shareholders is required for such issues.

oOh!media at present

The oOh!media Board has the power to cause oOh!media to issue shares, subject to the law. Listing Rule 7.1 broadly prohibits share issues exceeding 15% of oOh!media’s share capital in any 12 month period without shareholder approval, but subject to certain exceptions. Chapter 7 of the Listing Rules also imposes limits on the ability of oOh!media to issue securities under a rights issue, dividend or distribution plan or during a takeover unless prescribed conditions are met.

(e) Transactions with persons in a position of influence

Outdoor Media Investments

Any Director, or any Director’s firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to Outdoor Media Investments on such terms, including with respect to remuneration, as may be agreed by the CHAMP Members. A Director or Director’s firm, partner or company may not act as Auditor to Outdoor Media Investments. A Director who has a financial interest, whether directly or indirectly, in any agreement, proposed agreement or transaction with the Group (an **Interested Director**) shall disclose the material facts of his interest to the Board (if such material facts are not already known by the other Directors) prior to or at the time that such agreement, proposed agreement or transaction is to be voted on. Where an Interested Director has complied with the foregoing requirement, he may vote in respect of, and be counted in the quorum for the meeting at which, such agreement, proposed agreement or transaction is to be voted on. No such agreement, proposed agreement or transaction shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant and the Interested Director shall not be liable to account to Outdoor Media Investments for any profits realised thereby.

oOh!media at present

oOh!media must comply with Chapter 10 of the Listing Rules which imposes certain restrictions on persons in a position of influence, including related parties and substantial shareholders from entering certain transactions with oOh!media without shareholder approval.

Notes

³⁶ Exempted companies are not entitled to trade in the Cayman Islands with any person except in furtherance of business “carried on outside” the Cayman Islands. An exempted company is not prohibited from effecting or concluding contracts in the Cayman Islands or exercising any of its powers in the Cayman Islands for the carrying on of the company’s business outside the Cayman Islands. It is, however, prohibited from making any invitation to the public in Cayman to subscribe for any of its shares or debentures.

³⁷ But see Section 6.2(n) which describes a certain provision of the Corporations Act which may apply to Outdoor Media Investments depending on the number of shareholders in Outdoor Media Investments following implementation of the Scheme.

(f) Change of activities/disposal of main undertaking

Outdoor Media Investments

The Articles contain extensive provisions regarding the conduct of the Directors and shareholders of Outdoor Media Investments on an Exit (which includes the sale of the whole or substantially all of the business carried on by the Group from time to time). Other than these provisions, there are no requirements for Outdoor Media Investments or the Directors to obtain the consent of shareholders on a change of the business of Outdoor Media Investments under the Companies Law (however, the Articles require that the making of a material change to the business of the Group that results in the Group not being substantially engaged in away from home, out of home advertising and/or advertising sales representation, requires a Special Majority Resolution).

oOh!media at present

Chapter 11 of the Listing Rules require a listed entity to obtain shareholder approval in certain circumstances (and where required by the ASX) if it proposes to make a significant change to the nature or scale of its activities.

(g) General meetings and shareholder approvals
Outdoor Media Investments

Outdoor Media Investments is not required by the Companies Law or its Articles to hold an annual general meeting, but if it does hold an annual general meeting, it is required by the Articles to be held in Australia. The Board may convene a general meeting of Outdoor Media Investments whenever in its judgement such a meeting is necessary.

The Board shall, on the requisition of shareholders holding at the date of the deposit of the requisition not less than 20% of such of the paid-up share capital of Outdoor Media Investments as at the date of the deposit carries the right to vote at general meetings of Outdoor Media Investments, forthwith proceed to convene a general meeting of Outdoor Media Investments, and where the Board fails to proceed to call a general meeting within 21 days of the requisition, the requisitionists, or any of them representing more than 50% of the total voting rights of all of them, may themselves convene a general meeting.

As a matter of the Companies Law and the Articles, certain matters require approval by way of a special resolution, being (i) a resolution passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or by proxy at a general meeting of which notice specifying the intention to propose a resolution as a special resolution has been duly given; or (ii) a written resolution passed by unanimous consent of all Members entitled to vote.

Under the Articles, certain matters require approval by way of a Special Majority Resolution, being where there are members in addition to the CHAMP members, a resolution passed by (i) a majority of the votes cast by the CHAMP Members; and (ii) at least the Relevant Percentage of all votes cast by Class A Members and Class B Members voting together, where "Relevant Percentage" means $66\frac{2}{3}\%$, except in relation to a special Majority Resolution referred to in the Articles to approve (a) a purchase of Shares by the Company (other than from a person eligible to participate in an Employee Incentive Scheme), (b) a reduction of capital, (c) the variation of rights attaching to Shares, (d) the reserved matters referred to in Section 6.4 (Veto rights) below, (e) the voluntary winding-up of Outdoor Media Investments, (f) any changes to the memorandum or Articles, (g) any changes to the name of Outdoor Media Investments, or (h) any change of the jurisdiction of incorporation of Outdoor Media Investments, where it means 81%.

oOh!media at present

Under the oOh!media constitution, all matters to be passed at a general meeting require a simply majority unless the Corporations Act provides otherwise. Under the Corporations Act, an amendment to the constitution or to change the name of oOh!media requires a special resolution (passed by 75% or more of the votes cast on the resolution), amongst other matters which require passage by special resolution.

(h) Appointment of directors

Outdoor Media Investments

Under the Companies Law, the directors are appointed in accordance with the provisions of the Articles. The Articles provide that the Board must be constituted by a minimum of 3 directors and a maximum of 9 directors or such higher number as the Board may determine. The majority of the directors must be Australian residents and the CHAMP Members have the right to appoint, remove and replace the greater of 3 directors and not less than a majority of the directors.

Subject to the rights of the CHAMP Members to appoint directors, the Board may from time to time appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors and Outdoor Media Investments may from time to time by ordinary resolution appoint any person to be a director.

oOh!media at present

The oOh!media Directors may appoint additional directors themselves. Shareholders may also appoint directors by resolution passed in general meeting. Subject to the Listing Rules, at the close of each annual general meeting one-third of the directors, or if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors, must retire. Shareholders themselves can nominate a director for election at general meeting if the person is proposed as a candidate by at least 50 members or members holding between them at least 20% of the votes that may be cast at a general meeting, and the proposing member(s) provide a notice to the company and a consent.

(i) Substantial holdings and takeovers

Outdoor Media Investments

There are no requirements under the Companies Law or the Articles for shareholders to declare their interests in the shares of Outdoor Media Investments. The Cayman Islands does not have rules which are similar to those contained in Chapter 6 of the Corporations Act relating to takeovers.

oOh!media at present

Chapter 6 of the Corporations Act sets out Australia's takeover regime. This regime is supplemented by ASIC Regulatory Guides and guidance notes issued by the Australian Takeovers Panel.

Chapter 6 prohibits a person from acquiring relevant interests in a listed company's securities where it would have the effect of causing the person's or someone else's voting power in the company to increase from 20% or below to above 20% or from a starting point of above 20% and below 90% unless an exception, such as a takeover bid or scheme of arrangement, applies. The takeover regime in Chapter 6 contains a range of rules designed to provide investors with sufficient time and detailed disclosure requirements relating to a takeover bid so that they may assess the offer put to them by the bidder.

6 Information regarding Class B Shares continued

In addition, a bidder is subject to minimum consideration requirements (being the maximum amount the bidder or its associate have paid or agreed to pay for securities in the bid class in the four months prior to the date of the bid) and a prohibition on the bidder and its associates giving or offering to give any collateral benefits to any offeree under the takeover where that benefit is not offered to all holders of the bid class securities and it is likely to induce the person or its associates to accept an offer. These rules are designed to provide for shareholders in a company which is the subject of a takeover to have an equal opportunity to participate in the offer and any takeover premium offered by the bidder.

(j) Share class rights

Outdoor Media Investments

Under the Companies Law, share class rights may be varied in accordance with the provisions of the Articles, which provides that the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not Outdoor Media Investments is being wound-up, be varied with: (a) the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be 2 persons at least holding or representing by proxy one-third of the issued shares of the class, and (b) the sanction of a Special Majority Resolution (where the Relevant Percentage is 81% – see Section 6.2(g)).

oOh!media at present

Under the oOh!media constitution, the rights attached to any class of oOh!media shares may be varied in accordance with the Corporations Act. Under the Corporations Act, rights attached to share in a particular class may be varied or cancelled only by special resolution of the company and a special resolution of the shareholders in the class of members holding shares in the affected class.

(k) Inspection of register

Outdoor Media Investments

Shareholders have no general right under the Companies Law or the Articles to inspect or obtain copies of the register of members or corporate records of Outdoor Media Investments.

oOh!media at present

A shareholder is permitted access to the shareholder register under the Corporations Act. The oOh!media constitution provides that the books of the company containing the minutes of general meetings must be open to inspection by members at all times. The Corporations Act also contains a provision which permit a listed company to trace the beneficial ownership of its securities.

The constitution of oOh!media provides that, except as otherwise required by the Corporations Act, the directors may determine whether and to what extent, and at what times and places and under what conditions the financial records and other documents of the company or any of them will be open for inspection by members other than the directors. A member will not have the right to inspect any financial records unless authorised to do so by court or by a directors resolution.

(l) Shareholder reports

Outdoor Media Investments

Shareholders of Outdoor Media Investments are entitled under its Articles to receive a copy of the half yearly unaudited consolidated balance sheet, profit and loss account and cash flow statements for Outdoor Media Investments and a copy of the annual audited consolidated balance sheet, profit and loss account and cash flow statements for Outdoor Media Investments.

oOh!media at present

Under the Listing Rules and the Corporations Act, oOh!media is required to provide half year and annual disclosure and quarterly disclosure in certain circumstances. Financial reports are required to include, among other things, financial statements and notes, a directors' declaration that the disclosing entity will be able to meet its debts as and when they become due and payable, and the directors' opinion that the financial statements and notes comply with accounting standards and give a true and fair view of the financial performance of the company.

(m) Protection of minority shareholders and oppression remedies

Outdoor Media Investments

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of Outdoor Media Investments to challenge (a) an act which is ultra vires Outdoor Media Investments or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of Outdoor Media Investments, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority. The Cayman Islands courts may, on the application of members holding not less than one fifth of the shares on issue, appoint an inspector to examine into the affairs of Outdoor Media Investments and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Cayman Islands courts which may make a winding up order if the Cayman Islands court is of the opinion that it is just and equitable that Outdoor Media Investments should be wound up or, as an alternative to a winding up order, (a) an order regulating the conduct of Outdoor Media Investments' affairs in the future, (b) an order requiring Outdoor Media Investments to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do, (c) an order authorising civil proceedings to be brought in the name and on behalf of Outdoor Media Investments by the shareholder petitioner on such terms as the Cayman Islands courts may direct, or (d) an order providing for the purchase of the shares of any shareholders of Outdoor Media Investments by other shareholders or by Outdoor Media Investments itself and, in the case of a purchase by Outdoor Media Investments itself, a reduction of Outdoor Media Investments' capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by Outdoor Media Investments' memorandum and Articles.

oOh!media at present

Under Australian law, a statutory derivative action may be instituted by a shareholder, former shareholder or person entitled to be registered as a shareholder of oOh!media. In all cases, leave of the court is required. Such leave will be granted if (a) it is probable that oOh!media will not itself bring the proceedings or properly take responsibility for them; (b) the applicant is acting in good faith; (c) it is in the best interests of the company; (d) there is a serious question to be tried; and (e) a written notice of intention is given by the member to the company at least 14 days before the application for leave is made.

Furthermore under the Corporations Act, shareholders can bring an action in cases of conduct which is either contrary to the interests of shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any shareholders in their capacity as a shareholder. Former shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder.

(n) Corporations Act disclosure requirements which may apply to Outdoor Media Investments

Outdoor Media Investments will be a “disclosing entity” for certain purposes of the Corporations Act if, following implementation of the Scheme, at least 100 people hold Class B Shares. For so long as at least 100 people hold Class B Shares Outdoor Media Investments will be subject to the ongoing continuous disclosure provisions in Section 675 of the Corporations Act. These provisions will require Outdoor Media Investments, if it becomes aware of information that is not generally available and that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of Class B Shares, to lodge with ASIC a document containing the information as soon as practicable. However, this obligation does not arise if a reasonable person would not expect the information to be disclosed, the information is confidential and at least one of the following applies: (1) the disclosure of the information would contravene a law; (2) the information is about a matter of supposition; (3) the information is not definite enough to make disclosure appropriate; (4) the information relates to an incomplete proposal or a matter that is in the course of negotiation; (5) the information was prepared or created for the internal management purposes of Outdoor Media Investments; or (6) the information is a trade secret.

Outdoor Media Investments will separately be required to provide certain information to its shareholders under its Articles.

6.3 Limitations on disposal of Class B Shares following implementation of the Scheme

A complete copy of the Articles is set out at Attachment F. The description of those Articles in this Section 6.3 is a summary only and is not exhaustive. oOh!media Shareholders considering making a Mixed Election to receive both cash and Class B shares in Outdoor Media Investments should read and understand the Articles in full and seek their own independent advice before making a decision.

Capitalised terms used in this Section 6.3 which are not defined in this Scheme Booklet have the meaning given to them in the Articles.

Outdoor Media Investments is (and will continue to be after the Scheme is implemented) an unlisted Cayman Islands company. There will be no active market for the sale and purchase of Class B Shares following implementation of the Scheme. An Outdoor Media Investments

Shareholder who wishes to dispose of their shares will need to comply with the disposal provisions in Outdoor Media Investments’ Articles. The provisions broadly provide that, after implementation of the Scheme, no disposal of Ordinary Shares is permitted except:

- (i) a Member may transfer all (but not part), and a CHAMP Member may transfer all or any, (the Member or the CHAMP Member, in each case being, a **Transferring Member**) of its entire legal and beneficial interest in any Ordinary Shares it holds (**Permitted Transfer Shares**) to a person who is, at the time of the transfer, a Permitted Transferee of that Transferring Member (**Permitted Holder**), where a Permitted Transferee is:
 - (A) in relation to a Member, a Related Entity of that Member;
 - (B) in relation to a Member that is an individual, a Relative of that Member; or
 - (C) in relation to a CHAMP Member, where the CHAMP Member is a trustee, custodian, responsible entity or general partner of a trust or partnership, the person who is a replacement trustee, custodian, responsible entity or general partner of the same trust or partnership;
- (ii) where it is made in accordance with pre-emptive rights provisions of the Articles – see Section 6.5(b) (“Pre-emptive rights”);
- (iii) where it is made in accordance with the provisions for an Exit (see Section 6.5(b) (“Exit”) and Section 6.4 (“Drag along rights” and “Tag along rights”)) or a Compulsory Acquisition (see Section 6.4 (“Small holdings”);
- (iv) where it is pursuant to an Employee Incentive Scheme.

Under the Articles, “Dispose” means, in relation to a person and any property:

- (i) to sell, offer for sale, transfer, assign, swap, surrender, gift, create or allow to exist an Encumbrance, option or trust over or otherwise deal with or dispose of that property (or any legal or beneficial interest in it or part of it);
- (ii) to do anything which has the effect of placing a person in substantially the same position as if that person had done any of the things specified in paragraph (i); or
- (iii) authorise, or agree conditionally or otherwise to do, any of the things referred to in paragraph (i),

and **Disposal** has a corresponding meaning.

If at any time a Permitted Holder ceases to be a Permitted Transferee of the Transferring Member, that Permitted Holder must, immediately upon it ceasing to be a Permitted Transferee:

- (i) transfer its entire legal and beneficial interest in the Permitted Transfer Shares and any other Ordinary Shares it owns (**Total Shares**) back to the Transferring Member; or
- (ii) transfer its entire legal and beneficial interest in the Total Shares to another Permitted Transferee of the Transferring Member; or
- (iii) where the Transferring Member is no longer a Member, by notice to the Company, offer its entire legal and beneficial interest in the Total Shares to Eligible Members pro rata to Ordinary Shares held by Eligible Members and at the Fair Market Value of the Total Shares. The Fair Market Value of the Total Shares shall be determined by an independent valuer. (See Section 6.4 (“Issue of further Outdoor Media Investments shares”) for who is an “Eligible Member”).

6 Information regarding Class B Shares continued

If the Eligible Members do not take up the offer of a transfer of such Total Shares, the CHAMP Members may take up the Total Shares in respect of which the offer has not been accepted by Eligible Members at the Fair Market Value as determined by an independent valuer.

This regime differs from the manner which oOh!media Shareholders may currently dispose of their oOh!media Shares. oOh!media shareholders should consider the implications of the restrictions that will apply to disposal of Class B Shares before making a Mixed Election. In particular, oOh!media Shareholders should be comfortable before making a Mixed Election that they can potentially tolerate a medium- to long-term investment.

6.4 Rights and liabilities attaching to Class B Shares

Class B Shares issued as consideration under the Scheme will be fully paid and will rank equally with all other Class B Shares from the date of issue. A summary of the significant rights and liabilities attaching to Class B Shares is set out below. This summary is not exhaustive and should be read subject to the full terms of the Articles set out in Attachment F. Such rights and liabilities involve complex questions of law arising from the interaction of the Outdoor Media Investments' Articles and Cayman Islands law. oOh!media Shareholders should seek their own independent advice when trying to establish what rights and liabilities apply to them in specific circumstances.

Capitalised terms used in this Section 6.4 which are not defined in this Scheme Booklet have the meaning given to them in the Articles.

Voting	Subject to the provisions of the Companies Law, the Articles of Outdoor Media Investments, and any rights or restrictions for the time being lawfully attached to any class of shares, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote on a show of hands and on a poll, one vote for each share registered in their name. The Class A Shares will be issued by the CHAMP Members and have an additional voting right which arises whenever (i) there are more Class B Shares on issue than Class A Shares and (ii) the CHAMP Members hold in aggregate not less than 20% of the Class A Shares. This additional voting right will be that, on a poll, the votes attached to the Class A Shares registered in the names of any of the CHAMP members, in aggregate, shall comprise 51% of the total votes attaching to all Ordinary Shares. Other than in such circumstances, the Class B Shares which will have the same voting rights as the Class A Shares.
General meetings and notices	Each holder of Class A Shares and Class B Shares of Outdoor Media Investments shall be entitled to receive notices of and to attend, in person, by corporate representative or by proxy, and vote at all general meetings of Outdoor Media Investments.

Dividends

Subject to the following paragraph, the Board may, subject to the Articles of Outdoor Media Investments, the rights of any class of shares on issue to receive dividends and any direction of Outdoor Media Investments in general meeting, declare a dividend to be paid to the Members, in proportion to the number of shares held by them.

Unless otherwise approved by a Special Majority Resolution, Outdoor Media Investments shall distribute on an annual basis, the maximum amount of profits available for distribution subject to such reasonable and proper reserves being retained for working capital requirements, potential future acquisitions, capital expenditure, debt amortisation or other actual or contingent liabilities or commitments of the Group as the Board considers reasonably appropriate and provided that such distribution shall not result in a breach of any covenant or undertaking of any Group Company to any bank or financial institution.

Issue of further Outdoor Media Investments Shares

Subject to the Articles of Outdoor Media Investments, (in particular, but without limitation, Article 2.3 as described below), the Board shall have the power to issue any unissued shares of Outdoor Media Investments on such terms and conditions as it may determine.

Article 2.3 provides that after implementation of the Scheme, other than: (i) Class A Shares issued to any of the CHAMP Members in consideration of the transfer to the Group by the CHAMP Members of the shares held by the CHAMP Members in the Target at the same issue price as Class B Shares are issued pursuant to the Scheme in consideration of the transfer to the Group of shares in the Target; (ii) Class A Shares issued to any of the CHAMP Members by way of subscription to provide funding to meet transaction costs in connection with the Scheme and scheme implementation agreement for the Scheme or to finance the net debt of the Group following completion of the Scheme up to a maximum of \$133,869,640, such Class A Shares to be issued at an issue price no less than the issue price of the Class B Shares issued pursuant to the Scheme; (iii) Shares issued to a person eligible to participate in an Employee Incentive Scheme; (iv) Shares issued in circumstances where the issue price is to be satisfied other than in cash in respect of the acquisition of, or merger with, a company or the acquisition of a business or assets by the Group; and (v) Shares issued pursuant to an IPO, and notwithstanding any other provision of the Articles of Outdoor Media Investments to the contrary, if Outdoor Media Investments proposes to issue any Shares (**Offer Shares**) then,

Outdoor Media Investments must first offer the Offer Shares to all Eligible Members in accordance with the provisions of the Articles of Outdoor Media Investments.

If any Eligible Members do not accept the offer to take up Offer Shares, then the CHAMP Members may take up any Offer Shares not taken up by the other Members.

“Eligible Member” is defined in the Articles to mean a Member holding Ordinary Shares to whom offers and issues of Ordinary Shares may lawfully be made under applicable laws without need for any preparation of a disclosure document, prospectus or other formal document or registration, lodgement, approval, formality or filing with by or to a governmental agency.

Disposal of Outdoor Media Investments Shares

After implementation of the Scheme, no Disposal of Ordinary Shares is permitted except (i) to a person who is, at the time of the transfer, a Permitted Transferee of that Member (i.e. (a) in relation to a Member, a Related Entity of that Member; (b) in relation to a Member that is an individual, a Relative of that Member; or (c) in relation to a CHAMP Member, where the CHAMP Member is a trustee, custodian, responsible entity or general partner of a trust or partnership, the person who is a replacement trustee, custodian, responsible entity or general partner of the same trust or partnership), or (ii) if the Disposal is made in accordance with the pre-emptive rights provisions of the Articles (see Section 6.5(b) “Pre-emptive rights”), or (iii) if the Disposal is made in accordance with the provisions for an Exit or a Compulsory Acquisition contained in the Articles of Outdoor Media Investments; or (iv) if the Disposal is pursuant to an Employee Incentive Scheme.

Refer to Section 6.3 for the detail of what amounts to a “Disposal” and the basis on which Ordinary Shares may be transferred to a Permitted Transferee.

Small holdings – compulsory acquisition

At any time after the date which is two years after the effective date of the Scheme, a Member or Members holding in aggregate not less than 90% of the votes of the Shares entitled to vote (Acquiring Members) may, at any time, give a written notice to Outdoor Media Investments (Acquisition Notice) that the Acquiring Members desire to acquire the Shares of all the other Members of Outdoor Media Investments (Remaining Members) not currently registered in the Acquiring Member’s name(s) (Remaining Shares) (if there is more than one Acquiring Member, such acquisitions to be on a pro rata basis equal to each Acquiring Member’s Equity Proportion of the Remaining Shares

(unless otherwise agreed by the Acquiring Members)) and on the terms and subject to the conditions set out in the Acquisition Notice and, where such Acquisition Notice is given, the Acquiring Members shall be entitled and bound to acquire the Remaining Shares on the terms set out in the Acquisition Notice. The price per Remaining Share shall be the Fair Market Value of each Remaining Share, as determined by an independent valuer.

Winding up

Any resolution to voluntarily wind-up Outdoor Media Investments or to voluntarily enter into any form of insolvency procedure or arrangement with creditors generally, in circumstances where Outdoor Media Investments is not insolvent, must be passed by way of a Special Majority Resolution. However, a Special Majority Resolution is not required where the winding-up, procedure or arrangement is, or is in connection with, an Exit in which case the provisions of Article 15.2 apply.

Alteration of capital

Subject to the Companies Law and the Articles, Outdoor Media Investments may from time to time, with the approval of the CHAMP Members, (i) increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe; (ii) consolidate and divide all of its share capital into shares of larger amount than its existing shares; (iii) convert all of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination; (iv) subdivide its shares into shares of an amount smaller than that fixed by the Memorandum of Association; or (v) cancel shares which have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

Subject to the Companies Law, Outdoor Media Investments may from time to time reduce its share capital with or without a cancellation of shares, if such reduction is approved by a Special Majority Resolution.

Amendments to Outdoor Media Investments’ Memorandum

For so long as any CHAMP Members are Members, subject to the Companies Law and the Articles, Outdoor Media Investments may from time to time alter its Memorandum of Association with respect to any objects, powers or other matters specified therein only if the alteration is approved by a Special Majority Resolution. Upon the CHAMP Members ceasing to be Members, subject to the Companies Law and the Articles, Outdoor Media Investments may from time to time by special resolution alter its Memorandum of Association with respect to any objects, powers or other matters specified therein.

6 Information regarding Class B Shares continued

Amendments to Outdoor Media Investments' Articles

For so long as any CHAMP Members are Members, subject to the Companies Law, the Articles and to the conditions contained in its Memorandum of Association, Outdoor Media Investments may, from time to time, alter its Articles only if the alteration is approved by a Special Majority Resolution. Upon the CHAMP Members ceasing to be Members, subject to the Companies Law and the conditions contained in its Memorandum of Association, Outdoor Media Investments may, by special resolution, alter or add to its Articles.

Financial Reports

Accounts for the Group will be prepared in accordance with Australian Equivalent of International Reporting Standards. All Members shall be entitled to receive (i) a copy of the half-yearly unaudited consolidated balance sheet, profit and loss account and cashflow statements for Outdoor Media Investments; and (ii) a copy of the audited consolidated annual balance sheet, profit and loss account and cashflow statements for Outdoor Media Investments.

Calls on Outdoor Media Investments Shares and forfeiture

The Board may make such calls as it thinks fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the Shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay Outdoor Media Investments interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment.

If any Member fails to pay any call in respect of any Share allotted to or held by such Member, the Board may, following notice of its intention to do the same and where such notice is not complied with, forfeit such Share and such Share shall thereupon become the property of Outdoor Media Investments and may be disposed of as the Board shall determine.

Drag along rights

Subject to Article 17, on an Exit by the sale of Ordinary Shares in Outdoor Media Investments (other than in connection with an IPO), if the CHAMP Members wish to sell any or all of their Ordinary Shares in Outdoor Media Investments, the other Members will have no rights of pre-emption in respect of the Ordinary Shares held by the CHAMP Members and the CHAMP Members may drag all other Members on the same terms as the CHAMP Members are selling their Ordinary Shares (provided that where the CHAMP Members are selling less than 100% of their Ordinary Shares the drag along of other Members shall be on a proportional basis).

The person or persons to which the Ordinary Shares may be sold must be a Qualified Buyer. A "Qualified Buyer" means a person that is not, or any of whose Related Entities is not, one of the top 10 media agency customers of the Group, as reasonably determined by the CHAMP Members.

Tag along rights

If the CHAMP Members are selling at least, when aggregated, 50% of their Ordinary Shares, the other Members will be invited to tag along (on a proportional basis where the CHAMP Members are selling less than 100% of their shares). The CHAMP Members will specify the name of the proposed purchaser and the price for the Ordinary Shares unless the sale is in circumstances where there is a bid or dual track process underway, in which case the CHAMP Members will not be required to specify the proposed purchaser and will specify a minimum price for the price for the Ordinary Shares.

Exit pursuant to an IPO

If there is an Exit pursuant to an IPO and the CHAMP Members wish to sell any or all of their Ordinary Shares, the other Members will have no rights of pre-emption in respect of such Ordinary Shares and the CHAMP Members may sell such Ordinary Shares provided that the CHAMP Members must invite each other Member holding Ordinary Shares to sell its Ordinary Shares pursuant to the IPO (on a proportional basis where the CHAMP Members are selling less than 100% of its shares) at the same time as the sale by the CHAMP Members of the Ordinary Shares pursuant to the IPO and on the same terms. The notice inviting the other Members to sell their Ordinary Shares will specify a price range for the price for the IPO Ordinary Shares.

Veto rights

The following must only occur if approved by Special Majority Resolution (i) the entry into or variation of any material transaction by a Group Company with any CHAMP Member or a manager or general partner of a CHAMP Member or a Related Entity of any of them, other than (a) the vending into the Group of other assets on arm's length terms; (b) an issue of any Securities or notes or the incurring by the Group of any indebtedness; (c) in the ordinary course of business of the Group; or (d) any transaction related to an Exit or any transaction in accordance with Articles 2.3 or 38(b), unless unanimously approved by Directors of Outdoor Media Investments who do not have a conflict of interest in relation to the matter, (ii) other than in the ordinary course of business of the Group, the making of any payment of fees, bonus, remuneration or other benefit or distribution (excluding: (a) fees to be shared proportionately amongst Members; (b) a dividend which has been approved in accordance with the Articles; and (c) payments to any member of management or

non-executive director of a Group Company) to any Member (directly or indirectly, including the making of any such payment to any company or partnership in which any Member has any interest other than a Group Company or to any director or employee of, or any person connected or associated with, a Member) or the variation of the terms or amount of any such payment which has been previously approved by the Members; (iii) the entry into, variation or termination of any Material contract, agreement or arrangement by a Group Company outside the ordinary course of business other than (a) any Material contract, agreement or arrangement in relation to any debt, letter of credit, bank guarantee or other financing facilities provided to a Group Company (or any guarantee, security or other contract, agreement or arrangement entered into in connection with such facilities, including, without limitation, any related hedging agreements) provided that approval by Special Majority Resolution will be required to the extent that the entry into or variation of any such debt, letter of credit, bank guarantee or other financing facilities is made for the purposes of the funding of the purchase by the Company of any share in the Company (including a redeemable share) by agreement with the holder or a material acquisition by a Group Company (other than the initial acquisition of Target) which results in an increase of the Group's external indebtedness by an aggregate principal amount greater than A\$20 million; and (b) in relation to the vending into the Group of other assets on arm's length terms, any transaction in connection with an Exit or any transaction in accordance with Articles 2.3 or 38(b); and (iv) the making of a material change to the business of the Group that results in the Group not being substantially engaged in away from home, out of home advertising and/or advertising sales representation. "Special Majority Resolution" is explained in Section 6.3(g) which also details other matters which must be approved by way of a Special Majority Resolution.

6.5 Additional rights of the CHAMP Members in relation to Outdoor Media Investments

The CHAMP Members will have certain rights as shareholders of Outdoor Media Investments which will not be enjoyed by any other shareholder. The CHAMP Members will also enjoy all the rights that all other shareholders have. The additional rights of the CHAMP Members arise as a result of them holding Class A Shares and under the Articles.

A complete copy of the Articles is set out at Attachment F. The description of the Articles in this Section 6.5 is a summary only and is not exhaustive. oOh!media Shareholders considering making a Mixed Election to receive both cash and shares in Outdoor Media Investments should read and understand the Articles in full and seek their own independent advice before making a decision.

Capitalised terms used in this Section 6.5 which are not defined in this Scheme Booklet have the meaning given to them in the Articles.

(a) Class A Shares

As at the date of this Scheme Booklet the only shares on issue in Outdoor Media Investments are Class A Shares and all of these shares are held by the CHAMP III Funds. These funds will subscribe for further Class A Shares in the manner described in Section 5.2. oOh!media Shareholders who make a valid Mixed Election (assuming the Minimum Scrip Number is otherwise satisfied) will receive Class B Shares as consideration under the Scheme. It is not intended by the CHAMP Bid Entities that anyone other than the CHAMP III Funds will come to hold Class A Shares.

Class A Shares have an additional voting right which arises whenever (i) there are more Class B Shares on issue than Class A Shares and (ii) the CHAMP Members hold in aggregate not less than 20% of the Class A Shares. This additional voting right will be that, on a poll, the votes attached to Class A Shares registered in the name of any of the CHAMP Members, in aggregate, shall comprise 51% of the total votes attaching to all Ordinary Shares. This means that, where the above additional voting right arises, the CHAMP Members will be able to exercise majority voting power, and will be in a position to determine the outcome of most decisions relating to Outdoor Media Investments, and therefore also most decisions relating to oOh!media. In such circumstances, an individual Outdoor Media Investments Shareholder or group of Outdoor Media Investments Shareholders acting together (other than the CHAMP Members) will not be able to affect those matters relating to Outdoor Media Investments. Outdoor Media Investments Shareholders will therefore, in most cases, be subject to the decisions made by the CHAMP Members in relation to Outdoor Media Investments and oOh!media. oOh!media Shareholders should keep these matters in mind when deciding whether to make a Mixed Election or an All Cash Election.

(b) Other rights of the CHAMP III Funds under the Articles

The Articles also provide additional rights which are available only to the CHAMP Members. A summary of these key rights is provided below. For the complete terms of these additional rights, refer to the Articles.

A complete copy of the Articles is set out at Attachment F. The description of the Articles in this Section 6.5(b) is a summary only and is not exhaustive. oOh!media Shareholders considering making a Mixed Election to receive both cash and shares in Outdoor Media Investments should read and understand the Articles in full and seek their own independent advice before making a decision.

Issue of further shares

If Eligible Members do not accept an offer to take up a new issue of Offer Shares, then the CHAMP Members may take up any such Offer Shares not taken up by the Eligible Members. For further details on the provisions relating to issues of Shares, see Section 6.4 ("Issue of further Outdoor Media Investments Shares").

6 Information regarding Class B Shares continued

Pre-emptive rights	CHAMP Members (and only CHAMP Members) have pre-emptive rights in relation to any disposal of Ordinary Shares by a Member other than by a CHAMP Member or a Member pursuant to an Employee Incentive Scheme. If the CHAMP Members do not exercise their pre-emptive rights, the Ordinary Shares may only be sold by the Member to a Qualified Buyer. See Section 6.4 ("Drag along rights") for the definition of "Qualified Buyer".	Veto rights	There are matters referred to in Section 6.2(g) which require approval by way of a Special Majority Resolution. A Special Majority Resolution always requires the approval of the CHAMP Members.
Disposal of shares	If there is a transfer of Total Shares to a Permitted Holder and there must be a subsequent transfer back of those Total Shares because the Permitted Holder is no longer a Permitted Holder, the Permitted Holder may be required to offer the Total Shares to Eligible Members if the Total Shares cannot be transferred back to the Transferring Member. "Permitted Transferee", "Total Shares" and "Permitted Holder" are defined in Section 6.3. If any Eligible Members do not take up the offer of a transfer of such Total Shares, the CHAMP Members may take up the Total Shares in respect of which the offer has not been accepted at the Fair Market Value as determined by an independent valuer. For more detail on this obligation to transfer back and the CHAMP Members' right to take up the Total Shares, see Section 6.3.	Directors	CHAMP Members have the right to appoint, remove and replace the greater of three directors and not less than a majority of the directors (CHAMP Directors). The chairman of the Board is to be appointed, removed and replaced by the CHAMP Directors. Any person to be appointed as an alternate director must be approved by CHAMP Directors. Directors (other than a CHAMP director) may be removed by an ordinary resolution of Outdoor Media Investments. An "ordinary resolution" means a resolution passed at a general meeting of Outdoor Media Investments by a simple majority of the votes cast, or a written resolution passed by the unanimous consent of all Members entitled to vote.
Exit	CHAMP Members alone may initiate an Exit at any time without the approval of the other Members, who must cooperate with the Exit. CHAMP Members and Members have a range of drag-along and tag-along rights in connection with an Exit – see above in Section 6.4. In addition, if on an Exit by the sale of Ordinary Shares in Outdoor Media Investments (other than in connection with an IPO) the Ordinary Shares held by the CHAMP Members represent, when aggregated, less than 50% of the Ordinary Shares being sold by the CHAMP Members, the other Members holding Ordinary Shares will be invited to make an unconditional irrevocable offer to purchase all (and not some) of the Ordinary Shares held by the CHAMP Members (such offers may be made by one such Member alone or by more than one such Member acting together).	Board meetings	The Board must be constituted by a minimum of three directors. Three directors are required to form a quorum for a board meeting, two of which must be CHAMP Directors.
Alterations in capital	Alterations in capital including the consolidation, conversion, subdivision and cancellation of shares require approval of the CHAMP Members.	Additional funding by way of debt	The Members intend that, where funding is required by any Group Company, such funding will be sought to be obtained from lenders external to the Group and the Members as envisaged by Article 38(a)(iii)(A). If and to the extent that the Group is unable to obtain funding from such external lenders, Outdoor Media Investments may agree with the CHAMP Members at any time for the CHAMP Members to provide funding to Outdoor Media Investments or any member of the Group, without security, by way of: (a) up to 100% of any notes (other than convertible notes) or debentures; or (b) loans for up to 100% of any such funding. If the CHAMP Members have or propose to provide debt funding as above (CHAMP Debt), the Company must offer the Members other than the CHAMP Members the opportunity to provide part of the CHAMP Debt in accordance with the Articles.
General meetings	CHAMP Members must always be present to form a quorum for a general meeting.	Power of attorney	Each Member (other than the CHAMP Members) and Outdoor Media Investments, irrevocably appoints each of the CHAMP Directors to be its attorney to complete certain documents in relation to an Exit transaction and to do such other things as set out in the Articles in the name of such Member or Outdoor Media Investments.

Alteration to the Memorandum and Articles and insolvency matters For so long as CHAMP Members are shareholders, alteration to the Articles and any resolution proposed to voluntarily liquidate Outdoor Media Investment or enter into insolvency will require approval by Special Majority Resolution.

6.6 Formula for determining entitlement to Class B Shares

If an oOh!media Shareholder makes a valid Mixed Election and the Minimum Scrip Number is otherwise satisfied, that shareholder will receive:

- 1 Class B Share with an issue price of \$0.225; and
- \$0.10 cash,

for each oOh!media Share they hold at 7.00pm on the Record Date.

The Mixed Consideration was developed to enable existing oOh!media shareholders that make a valid Mixed Election to have an indirect ongoing interest in oOh!media as well as receiving some cash. In developing the mixed consideration, it was decided that shareholders who elected to receive the mixed consideration would be entitled to receive \$0.10 of cash and one Class B share for each existing oOh!media share. The issue price of a Class B share was set at \$0.225 such that the sum of the \$0.10 cash and the issue price of one Class B Share issued as the mixed considerations will be the same as the \$0.325 Cash Consideration. The \$0.225 issue price of a Class B Share as part of the Mixed Consideration is the same \$0.225 issue price as the Class A Shares to be issued to the CHAMP III Funds to fund the cash components of the Scheme Consideration, as consideration for the transfer to Outdoor Media Operations of the 98,230,924 oOh!media shares currently held by the CHAMP III Funds and to fund other amounts as described in Section 5.3. The CHAMP Bid Entities make no representation as to the value of the Class B Shares and, in particular, there is no assurance that the value of the Mixed Consideration is the same value as the Cash Consideration. Following implementation of the Scheme, the value of a Class B Share is likely to fluctuate due to a variety of factors including the performance of the oOh!media business. This is one of a series of matters which oOh!media Shareholders should take into account when deciding whether to make a Mixed Election or an All Cash Election.

6.7 Pro forma financial information

(a) Introduction

The financial information in this section comprises:

- Actual and pro forma income statements for the twelve months ended 30 June 2011;
- Actual and pro forma balance sheets as at 30 June 2011.

The pro forma financial information has been prepared to illustrate the impact of the Scheme being approved and consequently Outdoor Media Investments acquiring oOh!media as if it had occurred on 1 July 2010 (in the case of the income statement) or 30 June 2011 (in the case of the balance sheet).

(b) Basis of preparation

The pro forma consolidated financial information has been prepared in accordance with the accounting policies of oOh!media as set out in oOh!media's audited financial statements as at 31 December 2010 and reviewed half year financial statements as at 30 June 2011. As Outdoor Media Investments currently expects to continue with the same

accounting policies as oOh!media's existing accounting policies, no adjustments are necessary to the pro forma consolidated financial information to align accounting policies. Copies of oOh!media's Financial Report (from which the historical financial information is extracted), can be found on oOh!media's website at www.oohmedia.com.au. Unless otherwise stated, all information contained in this section is stated in Australian Dollars, which will be Outdoor Media Investment's functional and presentational currency following implementation of the Scheme.

The assumption around the number of shareholders electing to receive the Mixed Consideration in each scenario below does not have any impact on the total number of shares on issue or the capitalisation of Outdoor Media Investments at the Implementation Date. Changes in this assumption only impact the cash which the CHAMP III Funds are required to invest into Outdoor Media Investments for the purpose of satisfying cash consideration and the resulting additional shares issued to the CHAMP III Funds at the Implementation Date.

The pro forma financial statements in Section 6.7:

- (i) are presented in an abbreviated form insofar as it does not include all of the disclosures, statements or comparative information that is usually provided in an annual report under the Corporations Act;
- (ii) should be read in conjunction with the accounting policies of oOh!media and the risk factors in Section 7 and other information in this Scheme Booklet; and
- (iii) are subject to risks and uncertainties that may result in Outdoor Media Investments' future financial position and financial performance being different to the pro forma position and performance shown below.

(c) Acquisition accounting

As a result of the Scheme, Outdoor Media Investments has been identified as the accounting acquirer of oOh!media and therefore the acquisition of oOh!media will be accounted for in accordance with AASB3 Business Combinations. This requires the identifiable net assets of oOh!media to be fair valued at the date of acquisition and any excess of the fair value of the consideration transferred over the fair value of net assets acquired (including identifiable intangibles) is recognised as goodwill.

The impact of fair value accounting cannot be accurately determined at this time, as a formal purchase price allocation exercise has not been carried out. For the purposes of the consolidated pro forma financial information:

- the fair value of the consideration transferred is assumed to be the offer price of 0.325 cents per share; the book values of oOh!media's assets and liabilities are assumed to be representative of fair value; and the residual value recognised as goodwill
- deferred tax balances arising from acquisition accounting have not been recognised
- relevant transaction costs associated with the scheme have been expensed

6 Information regarding Class B Shares continued

The pro forma consolidated income statement does not include the impact of any increase in depreciation and amortisation charges which may result from fair value adjustments or additional intangible assets recognised as part of the formal purchase price allocation exercise.

If the scheme goes ahead, a formal purchase price allocation exercise will be carried out as at the date of acquisition which will ascertain the fair value of oOh!media's assets, liabilities and contingent liabilities as well as the fair value of the consideration offered. This may result in goodwill on acquisition being materially different to what is assumed in the pro forma consolidated balance sheet.

The tax carrying value of oOh!media assets will also be required to be reset once 100% ownership has been achieved which may result in a change in the deferred tax balances of the consolidated Outdoor Media Investments group.

(d) Pro forma consolidated income statement

The pro forma income statement below sets out the unaudited consolidated income statement of Outdoor Media Investments for the 12 months to 30 June 2011 on the basis of the following assumptions:

- (i) The acquisition occurred on 1 July 2010;
- (ii) The new capital structure was in place (new debt and equity) on 1 July 2010;
- (iii) Underlying results have been adjusted to exclude the transaction expenses incurred along with other significant non-recurring items;
- (iv) That there is no material change to the revenues and operating expenses of the business under new ownership

The following information is provided for illustrative purposes only and is not represented as being indicative of the future financial performance of Outdoor Media Investments. We note that the below pro forma consolidated income statement is presented based on the twelve months to 30 June 2011 as opposed to the twelve months to 31 December 2011. This is on the basis that:

- the twelve months results to 30 June 2011 for oOh!media have been derived from accounts that have been audited or reviewed
- EBITDA for the twelve months to 30 June 2011 is not materially different to oOh!media's publicly released statement regarding forecast results for the twelve months to 31 December 2011
- The purpose of these illustrative pro forma statements is to illustrate the impact of the new capital structure

\$ in millions	oOh!media twelve months ended 30-Jun-11 ¹	Pro forma Adjustments ²	Removal of one-off non-recurring ³	Outdoor Media Investments Pro forma 30-Jun-11 ⁴
Revenue	114.5	–	–	114.5
Costs of media sites and production	(67.4)	–	–	(67.4)
Employees and Directors costs	(17.1)	(0.7)	0.7	(17.1)
Depreciation and amortisation	(4.5)	–	–	(4.5)
Other expenses	(8.1)	(10.4)	10.4	(8.1)
Operating profit for the period	17.4	(11.1)	11.1	17.4
Borrowing costs	(4.9)	(6.9)	2.2	(9.6)
Financing charges Sports & Outdoor	(1.0)	–	1.0	–
Profit before tax	11.5	(18.0)	14.3	(7.8)
Income tax expense	(3.5)	2.3	(1.2)	(2.4)
Profit after tax	8.0	(15.7)	13.1	5.4
EBITDA	21.9	(11.1)	11.1	21.9

1 The figures in the table above in the column headed "oOh!media twelve months ended 30 June 2011" show the income statement for oOh!media for the twelve months to 30 June 2011. The figures have been prepared by aggregating the reported income statement for the six months to 30 June 2011 and the six months to 31 December 2010. The figures for the six months to 31 December 2010 were calculated by taking the reported figures for the twelve months to 31 December 2010 and deducting the reported figures for the six months to 30 June 2010. The financial report for the year ended 31 December 2010 from which these figures were extracted was subject to audit. The financial reports for the six months ended 30 June 2010 and 30 June 2011 were subject to review by the auditor. The respective audit and review opinions were unqualified.

2 These adjustments include the charges that will be incurred upon completion of the transaction and include an expense for the cancellation of options currently on issue of \$0.7m (\$4.7m cash cost) and other transaction costs of \$10.4m (including professional fees). The estimated transaction costs include \$1.8m that will be/have been incurred by oOh!media irrespective of transaction completion, and \$8.6m that are dependent on transaction completion. Additional borrowing costs (\$6.9m) reflect the incremental interest costs associated with the new \$77m facility that will be in place post transaction. These have been estimated based on a flat \$77m throughout the year at between 8.5% and 8.75%. The tax benefit associated with the incremental borrowing cost expense has been included as well as the option with the option cancellation costs.

3 These adjustments remove the impact of one-off items. These include transaction costs and option cancellation costs, along with \$2.2m interest charge and a \$1.0m finance charge that was incurred by oOh!media as part of the settlement of the with the Sports and Outdoor Media transaction. Refer to the 30 June 2011 half year results of oOh!media for additional details of the Sports and Outdoor Media transaction. The tax impact of the one-off non-recurring option cancellation costs has included in this removal of one-off non-recurring items.

4 Represents the Outdoor Media Investments Consolidated Pro Forma Income Statement for the twelve months ended 30 June 2011.

(e) Pro forma consolidated balance sheet

The pro forma consolidated balance sheet set out below has been derived from oOh!media's historical balance sheet as extracted from their auditor reviewed Half Year Financial Report at 30 June 2011. The pro forma balance sheet below sets out the unaudited pro forma consolidated balance sheet of Outdoor Media Investments at 30 June 2011 on the basis of the following assumptions:

- (i) The acquisition occurred on 30 June 2011
- (ii) The new capital structure was in place (new debt and equity) on 30 June 2011.

\$ in millions	oOh!media 30-Jun-11 ¹	Pro forma Adjustments ²	Outdoor Media Investments Pro forma 30-Jun-11 ³
Assets			
Cash and cash equivalents	0.7	4.5 ^A	5.2
Trade and other receivables	21.0	—	21.0
Property, plant & equipment	21.3	—	21.3
Intangible assets	98.9	61.9 ^B	160.8
Other non-current assets	0.4	1.4 ^C	1.8
Total assets	142.3	67.8	210.1
Liabilities			
Trade creditors and other payables	8.5	—	8.5
Other current liabilities	0.9	—	0.9
Borrowings current	4.3	(1.3) ^D	3.0
Borrowing non-current (existing)	19.6	(18.6) ^E	1.0
Borrowing non-current (new)	—	68.5 ^F	68.5
Other non-current liabilities	2.9	—	2.9
Total liabilities	36.2	48.6	84.8
Net assets	106.1	19.2	125.3
Equity			
Share capital	94.9	39.0	133.9 ^{G,H}
Reserves	0.6	(0.6) ^H	—
Retained earnings/(losses)	10.6	(19.2)	(8.6) ^I
Total equity	106.1	19.2	125.3

1 Represents oOh!media's reviewed balance sheet extracted from the 30 June 2011 Half Year Financial Report.

2 The pro forma adjustments reflect the following:

- A. Additional working capital remaining in Outdoor Media Investments after transaction costs (refer to Sources and Uses of Funds for additional details in Section 5.3).
- B. Goodwill arising on consolidation of oOh!media by Outdoor Media Investments. The difference between the fair value of the consideration \$162.9m less the net assets acquired of \$101.0m (being the 30 June 2011 net assets of \$106.1m less oOh!media's incurred transaction costs of \$1.8m and the option cancellation payments of \$4.7m net of the \$1.4m deferred tax asset) has been shown as Goodwill (refer Section 6.7 above).
- C. Recognition of deferred tax asset associated with option cancellation payment.
- D. Repayment of \$2.8m under the current debt facility leaving \$1.5m of capital leases. In addition to the remaining \$1.5m capital leases, \$1.5m of the new debt (refer F below) is classified as current as the first payment is due 9 months following the expected transaction close.
- E. Repayment of existing non-current debt at 30 June 2011 of \$19.6m less \$1.0m of non-current capital leases.
- F. Drawdown of \$77m of new Debt Facilities less the associated prepaid borrowing costs and new debt facility establishment costs incurred of \$7.0m less the \$1.5m of new debt to be classified as current.
- G. Represents the new share capital in Outdoor Media Investments (594,976,180 at \$0.225 per share).
- H. Cancellation of vested and unvested options for \$0.205 dollars per option.
- I. Represents the transaction costs to be expensed post close (\$8.6m).

3 Represents the Outdoor Media Investments Consolidated Pro Forma Balance Sheet at 30 June 2011.

6 Information regarding Class B Shares continued

oOh!media Shareholders should note that Outdoor Media Investments' equity may increase shortly after the implementation of the Scheme once all of the scheme costs are finalised. As at the date of this Scheme Booklet CHAMP are not able to estimate the amount of that further capitalisation. However, it is not expected to be material in the context of Outdoor Media Investments' capitalisation for the purposes of the pro forma balance sheet.

6.8 Forecast financial information

This Scheme Booklet does not include financial forecasts in relation to Outdoor Media Investments or oOh!media on the assumption the Scheme is implemented. Outdoor Media Investments' financial performance going forward will be almost wholly driven by the financial performance of the oOh!media business. The CHAMP Bid Entities do not believe a reasonable basis exists to produce reliable and meaningful forecast information about Outdoor Media Investments or oOh!media, including because as at the date of this Scheme Booklet those entities do not have sufficient information about oOh!media's business, nor the industry in which it operates, to make a reliable forecast about its future performance (and therefore the future performance of Outdoor Media Investments).

The CHAMP Bid Entities do not adopt or endorse any forecasts that have been given in the past by oOh!media itself. Those forecasts should be considered in light of the assumptions that applied to them at the relevant time and having regard to the proposed acquisition of oOh!media by Outdoor Media Investments.

7

Investment risks



7 Investment risks

7.1 Introduction

If the Scheme is implemented and the Minimum Scrip Number is satisfied, those oOh!media Shareholders who made a valid Mixed Election will receive Class B Shares (plus cash) for their oOh!media Shares.

The value of Class B Shares going forward will depend largely on the future financial performance of oOh!media. oOh!media Shareholders who are considering making a Mixed Election should therefore consider the operational risks which may affect oOh!media's future financial performance. oOh!media Shareholders are already exposed to these risks through their existing direct investment in oOh!media.

oOh!media Shareholders who are considering making a Mixed Election should also bear in mind the risks associated with holding an investment in a Cayman Islands company and Outdoor Media Investments specifically.

In the immediate term oOh!media Shareholders should consider the risks relating to the Scheme itself. The CHAMP Bid Entities do not expect there to be material integration risks associated with acquisition of oOh!media by Outdoor Media Operations.

The material risks of an investment in Outdoor Media Investments which are known to the CHAMP Bid Entities as at the date of this Scheme Booklet are described in this document and include the risks set out in this Section 7. For ease of reference the risks described in this Section 7 have been divided as follows:

- (a) risks associated with an investment in a Cayman Islands company and Outdoor Media Investments specifically; and
- (b) risks relating to the Scheme itself.

Section 3.4 separately sets out certain operational risks which affect oOh!media.

The risks identified in this document are not necessarily exhaustive. The CHAMP Bid Entities give no assurance or guarantee of future performance or profitability of, or payment of dividends by Outdoor Media Investments. The CHAMP Bid Entities also give no assurance or guarantee that the risks set out in this document will not change, or that additional risks will not arise. There may be other material risks which are not disclosed in this document because they are not known to the CHAMP Bid Entities or were not considered to be material as at the date of this Scheme Booklet.

This Section 7 does not take into account the investment objectives, financial circumstances or particular needs of individual oOh!media Shareholders. It is important that oOh!media Shareholders carefully read this Scheme Booklet in its entirety (particularly the risks set out in this Section 7), consider their personal circumstances and seek independent professional advice before deciding how to vote in relation to the Scheme and whether to make a Mixed Election or an All Cash Election.

7.2 Risks associated with an investment in a Cayman Islands company and Outdoor Media Investments specifically

This section sets out the risks associated with an investment in a Cayman Islands company and Outdoor Media Investments specifically. These are primarily risks associated with regulation that will apply to Outdoor Media Investments (being a product of Cayman Islands law and Outdoor Media Investments' Articles). There are also risks associated

with holding an investment in a foreign unlisted company (e.g. limited liquidity). oOh!media Shareholders should carefully consider these risks before making a Mixed Election. If these risks conflict with an oOh!media Shareholder's risk profile that shareholder should strongly consider making an All Cash Election.

Different regulatory regime

Shareholders of Outdoor Media Investments will be subject to Cayman Islands law and the Articles. As described in Section 6, Cayman Islands law differs considerably from Australian law. Furthermore certain features of the Articles differ from those found in oOh!media's current constitution. Many of the protections available to shareholders of Australian listed companies are not available under Cayman Islands law or under the Articles. There is a risk that, because of the different regulatory regime that applies to an investment in Outdoor Media Investments, shareholders may not realise the outcome with respect to their investment that they intended, or which might have been available under Australian law.

Lack of liquidity

Outdoor Media Investments is (and will continue to be) an unlisted company. There will be no active market for the sale and purchase of Class B Shares following implementation of the Scheme. An Outdoor Media Investments Shareholder who wishes to dispose of their shares will need to comply with disposal provisions in the Outdoor Media Investments' Articles (refer to Sections 6.3 and 6.4 for those provisions). The lack of liquidity associated with Class B Shares may affect the price that another person is willing to pay for those shares (notwithstanding that the financial performance of Outdoor Media Investments and oOh!media might suggest the value of those shares is higher).

Dilution

Outdoor Media Investments may need to raise additional capital in the future in order to meet the operating and/or financing requirements of itself and oOh!media. Future capital raisings or equity funded acquisitions by Outdoor Media Investments may dilute the holdings of a particular Outdoor Media Investments shareholder relative to other Outdoor Media Investments shareholders. In the event that further equity funding is required existing Outdoor Media Investments Shareholders may be requested to participate, or risk dilution of their stakes.

The CHAMP III Funds may have majority voting rights in Outdoor Media Investments	The CHAMP III Funds alone will hold Class A Shares. Class A Shares have an additional voting right which arises whenever (i) there are more Class B Shares on issue than Class A Shares and (ii) the CHAMP Members hold in aggregate not less than 20% of the Class A Shares. This additional voting right will be that, on a poll, the votes attached to Class A Shares registered in the name of any of the CHAMP Members, in aggregate, shall comprise 51% of the total votes attaching to all Ordinary Shares. This means that, where the above additional voting right arises, the CHAMP III Funds will be able to exercise majority voting power, and will be in a position to determine the outcome of most decisions relating to Outdoor Media Investments, and therefore also most decisions relating to oOh!media. In such circumstances, an individual Outdoor Media Investments Shareholder or group of Outdoor Media Investments Shareholders acting together (other than the CHAMP III Funds) will not be able to affect those matters relating to Outdoor Media Investments. Outdoor Media Investments Shareholders will therefore, in most cases, be subject to the decisions made by the CHAMP III Funds in relation to Outdoor Media Investments and oOh!media.	Transaction costs	The CHAMP Bid Entities and oOh!media will incur transaction costs in connection with the Scheme. Both the CHAMP Bid Entities and oOh!media will pay transaction fees and other expenses related to the Scheme, including financial advisers' fees, filing fees, legal and accounting fees, regulatory fees and mailing costs.
Exit	Consistent with usual private equity practice, the CHAMP III Funds may seek to exit their investment in oOh!media in approximately three to five years time. This is subject to prevailing market conditions, the businesses performance and other factors which may be considered relevant at the time. Due consideration will also be given to market conditions and business performance as they evolve over time, hence the exit may take place before or after the intended exit period of three to five years. The optimal means of exit will be determined at some point in the future. There is no guarantee that Outdoor Media Investment Shareholders will want to exit their investment at the same time as a decision for exit is made by the CHAMP III Funds. Outdoor Media Investment Shareholders may not agree with the exit strategy adopted by the CHAMP III Funds or receive the price and return on investment they expect.	Due diligence and reliance on information	Before executing the Scheme Implementation Agreement, the CHAMP Bid Entities undertook due diligence on information about oOh!media provided for the purpose of considering the acquisition of oOh!media and negotiating the Scheme Implementation Agreement. Such investigations were carried out in a limited timeframe. The CHAMP Bid Entities are satisfied that they have sufficient information to proceed with the Scheme. However, whilst the CHAMP Bid Entities have decided to proceed with the Scheme, there is a risk that not all material information was provided by oOh!media in the due diligence process. If this were the case, there may be other risks associated with oOh!media which are presently unknown to the CHAMP Bid Entities. Additionally, there is a risk that the information provided may contain inaccuracies or have changed due to changes in the economy or other risk factors outside the control of either the CHAMP Bid Entities or oOh!media. After implementation of the Scheme Outdoor Media Investments will be subject to any unknown liabilities of oOh!media which may have an adverse effect of Outdoor Media Investments' performance and financial condition.
7.3 Risks relating to the Scheme	This section sets out the risks relating to the implementation of the Scheme itself.		
Court delays	There is a risk that the Court may not approve the Scheme. There is also a risk that some or all of the aspects of the approvals required for the Scheme to be implemented may be delayed or may not be granted.		
Change of control provisions	Upon implementation of the Scheme, a change of control in oOh!media will occur. It is possible that material contracts to which oOh!media is a party may be subject to pre-emptive, rights, review or termination upon this change of control. While the CHAMP Bid Entities are not aware of any counterparty that may wish to terminate a material contract, should any such contracts be terminated, oOh!media would lose the benefit of the contract and may be unable to obtain similarly terms upon entry into replacement contracts (should such replacement contracts be available).		

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Taxation implications for oOh!media Shareholders





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17 January 2012

The Board of Directors
oOh!media Group Limited
Level 2, 76 Berry Street
North Sydney
NSW 2060

oOh!media Group Limited Scheme of Arrangement - Tax Implications

To The Board of Directors,

As requested, we outline below our comments regarding the potential tax implications for the current shareholders of oOh!media Group Limited ("oOh!media") in relation to the proposed acquisition of shares in oOh!media by Outdoor Media Operations Pty Limited ("Outdoor Media Operations") ("the Scheme"). Outdoor Media Operations is wholly owned subsidiary of Outdoor Media Holdings Pty Ltd, which is itself a wholly owned subsidiary of Outdoor Media Investments Pty Ltd. Champ III Funds currently hold 19.6% of all oOh!media shares.

We understand that this Taxation Opinion will be included in oOh!media's Scheme Booklet which is expected to be dated on or about 20 January 2012 in relation to the Scheme. This Opinion is based on the facts as detailed in the Scheme Booklet.

Scope of Opinion

We have provided below a general opinion of the main Australian taxation implications for oOh!media Shareholders who dispose of their oOh!media shares to Outdoor Media Operations in accordance with the Scheme. Any capitalised terms in this letter have the same meaning as defined terms in the Scheme Booklet.

This opinion does not cover all possible Australian tax considerations that could apply to oOh!media Shareholders with respect to the Scheme. In particular, the following discussion is relevant only to oOh!media Shareholders who hold their oOh!media shares on capital account. It does not cover oOh!media Shareholders who hold oOh!media shares on revenue account, with a profit-making intention or as trading stock. This opinion does not consider the tax implications arising to Option holders as a result of the Options Resolution.

This opinion does not consider the tax consequences of the Scheme in respect of oOh!media Shareholders who may be subject to the rules covering Taxation of Financial Arrangements ("TOFA") or other special tax rules such as banks, insurance companies, managed investment trusts, tax exempt organisations, dealers in securities or oOh!media Shareholders who acquired shares through an

8 Taxation implications for oOh!media Shareholders continued



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employee share plan. It does not cover shareholders who may hold their shares through an Australian permanent establishment.

The opinion is based on Australian taxation laws and Australian Taxation Office Taxation Rulings as in force at the date of this letter. If there is a change, including a change having retrospective effect, the discussions and comments expressed would necessarily have to be re-evaluated in light of the changes.

Australian Income Tax Implications: Australian Residents

If the Scheme is approved by oOh!media Shareholders and becomes effective, oOh!media Shareholders will dispose of their shares to Outdoor Media Operations. This change in ownership will result in a capital gains tax ("CGT") event and Australian tax resident oOh!media Shareholders may make a capital gain or loss. A capital gain will arise if the capital proceeds exceed the cost base of the shares. A capital loss will arise to the extent that the reduced cost base of the shares exceeds the capital proceeds.

Capital proceeds

The amount of capital proceeds is generally the sum of money received or receivable, and the market value of other property received or receivable in respect of the event. For these purposes the capital proceeds received should be equal to the Scheme Consideration, consisting of:

- \$0.325 per oOh!media share for oOh!media Shareholders who receive Cash Consideration; or
- \$0.10 per oOh!media share plus the market value of the Class B Shares (in Outdoor Media Investments) received per oOh!media share for shareholders who elect Mixed Consideration.

For shareholders who elect Mixed Consideration, the value of the Class B Shares is the market value of the shares on the day the oOh!media shares are disposed. We have been advised that the Class B Shares will be issued at a price of \$0.225 per share.

Cost base/reduced cost base

The cost base/reduced cost base for each oOh!media share will differ for each oOh!media Shareholder and will broadly depend on their original cost of acquisition or deemed cost of acquisition and other costs such as incidental costs incurred in acquiring, holding and selling the shares. oOh!media Shareholders should seek tax advice in calculating the cost base/reduced cost base of their shares.

Scrip for scrip roll-over relief (Share element of Mixed Consideration only)

Australian resident oOh!media Shareholders who choose to receive Mixed Consideration and would otherwise make a capital gain on the disposal of their oOh!media shares may choose to obtain partial CGT roll-over relief. Roll-over relief is not available for such Australian resident shareholders in respect of:

- the \$0.10 per share cash received as part of the Mixed Consideration, or
- the \$0.325 per share Cash Consideration.

The part of any capital gain referable to the exchange of oOh!media shares for Class B Shares is disregarded if scrip for scrip roll-over relief is chosen. The taxation of this part of the capital gain will be effectively deferred until the disposal of the Class B Shares received in exchange for the oOh!media shares.

A number of conditions must be satisfied in order for scrip for scrip roll-over relief to be available. Relevantly, the conditions for roll-over include:

- ▶ the arrangement must be a compromise or arrangement entered into under Part 5.1 of the Corporations Act 2001 and approved by order of a court made for the purposes of paragraph 411(4)(b) of that Act; and
- ▶ the acquiring entity must become an owner of 80% or more of the shares in that company.

We have been advised that the Scheme is an arrangement under Part 5.1 of the *Corporations Act*. Subject to the implementation of the Scheme, Outdoor Media Operations will become the owner of 80% or more of the shares in oOh!media.

There are additional conditions which must be satisfied by individual oOh!media Shareholders in order to be eligible for roll-over to the extent consideration represents shares in Outdoor Media Investments (a "partial roll-over"). oOh!media Shareholders should seek their own independent taxation advice to ensure that they are eligible for partial roll-over relief.

Partial roll-over relief will **not** be available where the disposal of oOh!media shares gives rise to a capital loss or where CGT roll-over is not elected.

Capital gain referable to cash

The part of the capital gain that refers to the receipt of cash is not deferred. The part of the capital gain that refers to the cash received is the cash proceeds less the cost base of the oOh!media share that is reasonably attributable to the receipt of cash. The tax legislation does not prescribe a method of allocating the cost base, however in determining the cost base that is reasonable attributable to the cash received, the following formula is typically applied by the ATO:

$$\begin{array}{l} \text{Cost base of oOh!media} \\ \text{share reasonably} \\ \text{attributable to the cash} \\ \text{received} \end{array} = \begin{array}{l} \text{Cost base of the} \\ \text{oOh!media share at the} \\ \text{time of the CGT event} \end{array} \times \frac{\$0.10}{(\$0.10 + \text{the market value of the Class B} \\ \text{Share that is reasonably attributable to} \\ \text{the disposal of the oOh!media share})}$$

CGT Discount

oOh!media Shareholders who are individuals, complying superannuation entities and trustees of trusts and who have held their oOh!media shares for at least 12 months prior to the date of disposal of the shares for CGT purposes should be entitled to discount the amount of any capital gain (after application of any capital losses). For individuals and trusts, the discount is 50% and for complying superannuation funds, the discount is 33 %.

Trustees of trusts should seek specific advice regarding the tax consequences of distributions to beneficiaries attributable to discounted capital gains. Although trustees of trusts may be entitled to the CGT discount, special rules apply in respect of the beneficiaries of such trusts.

8 Taxation implications for oOh!media Shareholders continued



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Australian oOh!media Shareholders that are trustees should consult their own independent taxation advisor regarding the income tax implications of distributions attributable to discount capital gains.

Implications for Shareholders in respect of Class B Shares

oOh!media Shareholders who elect to receive Mixed Consideration and become shareholders in Outdoor Media Investments should seek their own tax advice to determine the ongoing income tax consequences of holding these Class B Shares.

Scrip for scrip chosen

Where scrip for scrip roll-over is validly chosen, the first element of the cost base and the reduced cost base of each new Class B Share should be equal to the part of the cost base of the oOh!media shares exchanged for the relevant Class B Share that is reasonably attributable to it. The tax legislation does not prescribe a method of allocating the cost base.

Typically the method adopted by the ATO is to pool the cost bases of each parcel of oOh!media shares with the same cost base. The total cost base of each parcel of oOh!media shares should then be allocated pro rata to the new Class B Shares received in exchange for those oOh!media shares.

$$\begin{array}{l} \text{Cost base of oOh!media} \\ \text{share reasonably} \\ \text{attributable to the} \\ \text{Class B Share} \end{array} = \begin{array}{l} \text{Cost base of the} \\ \text{oOh!media share at the} \\ \text{time of the CGT event} \end{array} \times \frac{\begin{array}{l} \text{The market value of the Class B Share} \\ \text{that is reasonably attributable to the} \\ \text{disposal of the oOh!media share} \\ (\$0.10 + \text{the market value of the} \\ \text{Class B Share that is reasonably} \\ \text{attributable to the disposal of the} \\ \text{oOh!media share}) \end{array}}{\begin{array}{l} \text{The market value of the Class B Share} \\ \text{that is reasonably attributable to the} \\ \text{disposal of the oOh!media share} \end{array}}$$

For the purposes of applying the CGT discount provisions to a future disposal of the new Class B Shares, the acquisition date is the original date of acquisition for CGT purposes of the oOh!media shares that were transferred in exchange for the new Outdoor Media Shares.

Scrip for scrip roll-over is not chosen

Where scrip for scrip roll-over is not chosen, the first element of the oOh!media Shareholders cost base and reduced cost base of each Class B Share should be equal to the market value of the oOh!media share given in exchange for the Class B Shares.

Where scrip for scrip roll-over is not chosen, the acquisition date of the new Class B Shares for CGT purposes will be the issue date of those shares. This may be relevant for determining whether the CGT discount is available on a future disposal.

Australian Income Tax Implications: Non-Australian residents

A capital gain or loss made by an oOh!media Shareholder who is a non-Australian resident, or the trustee of a foreign trust, on the disposal of shares pursuant to the Scheme, should be disregarded if the oOh!media shares are not 'taxable Australian property'. oOh!media shares will not be taxable Australian property if:

- the non-resident does not hold a 'non-portfolio interest' in oOh!media; and
- oOh!media does not satisfy the 'principal asset test'.

An oOh!media Shareholder will hold a non-portfolio interest if the non-resident Shareholder (together with its associates) holds a 10% or more interest in oOh!media at that time, or throughout a 12 month period during the 2 years preceding the sale. If an oOh!media Shareholder does not have a non-portfolio interest they will not be subject to Australian CGT on the disposal.

The 'principal asset test' will be satisfied by oOh!media if, at the time of the disposal, more than 50% of the market value of oOh!media's assets is represented by real property (such as land and/or mining rights) in Australia. oOh!media Shareholders who do have a non-portfolio interest in oOh!media should consult their tax adviser for advice.

Non-residents should also seek their own professional advice in relation to potential tax consequences in the jurisdiction in which they are a resident.

Stamp Duty

Generally, the acquisition of shares in a company whose shares are quoted on the Australian Securities Exchange is not subject to stamp duty in any Australian jurisdiction. However, the acquisition of a 90% or greater interest in a company whose shares are quoted on the Australian Securities Exchange may be subject to 'landholder' stamp duty in some jurisdictions if the company holds certain interests in land in the jurisdiction. Any liability for landholder duty, however, is imposed on the acquiring person or persons and, in some jurisdictions, on the landholder company, and not on the seller or transferor.

Despite the above, pursuant to clause 6.9 of the Deed Poll at Annexure B of the Scheme Implementation Agreement, Outdoor Media Operations and Outdoor Media Investments have agreed to pay all stamp duty payable (if any) in relation to the transfer of the oOh!media Shares to Outdoor Media Investments in accordance with the Scheme.

oOh!media Shareholders who receive Class B Shares should contact their tax advisor to determine whether they will be subject to Stamp Duty on the acquisition of the Class B Shares.

Goods and Services Tax ("GST")

The disposal of shares in oOh!media and the acquisition of shares in Outdoor Media Operations, are financial supplies and should not be subject to GST. Accordingly, no GST liability will arise on the share transfer for either registered or unregistered oOh!media Shareholders. Registered oOh!media Shareholders may need to consider the impact of this transaction on their ability to claim input tax credits for GST paid on any expenses they incur in connection with the disposal.

Other Matters

Our letter is based upon the law in effect at the date of the Scheme Booklet. It is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every oOh!media Shareholder. The above statements are not binding on the ATO and there can be no assurance that the ATO will not take a position contrary to the statements expressed herein.

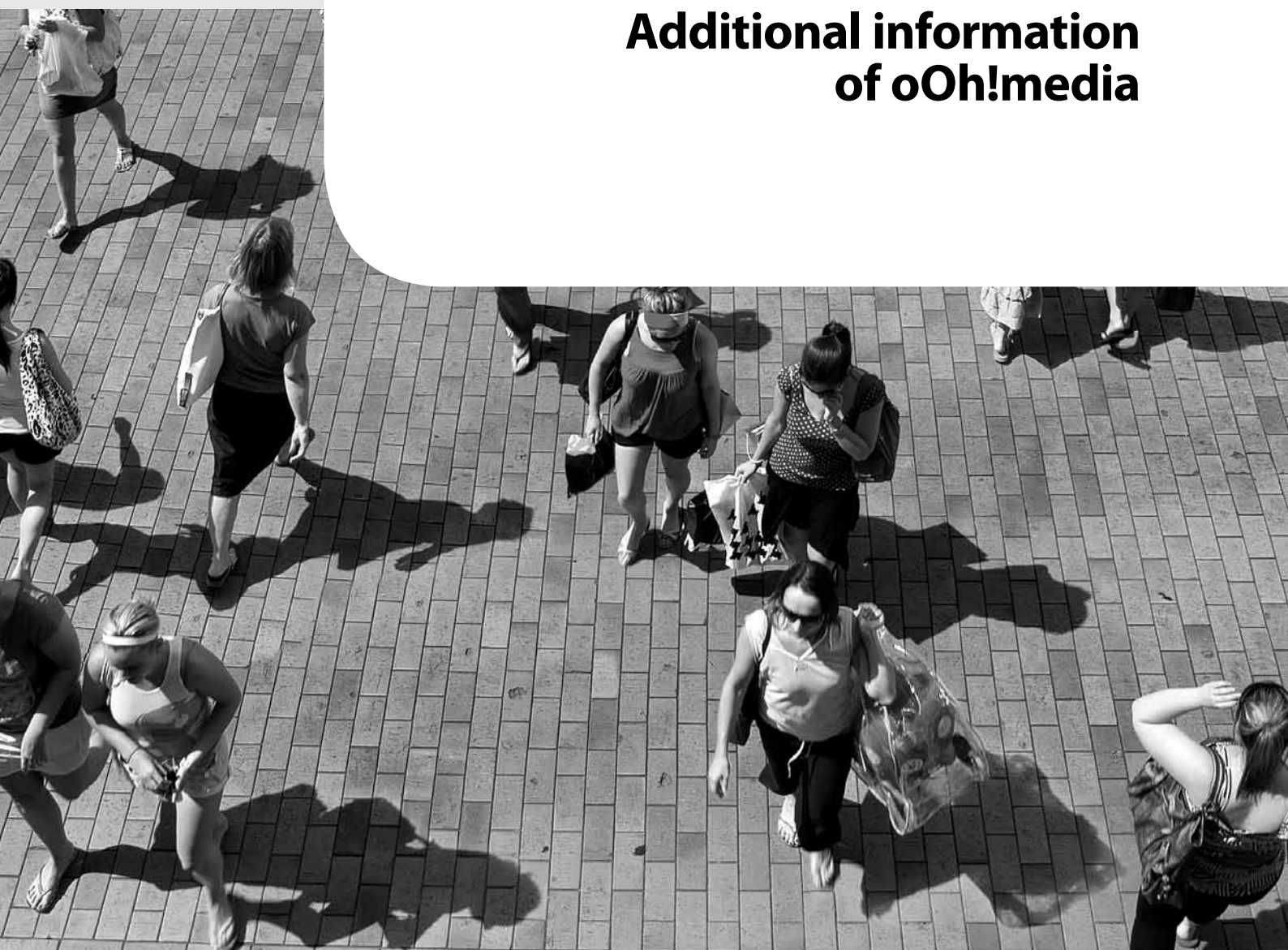
Tax laws are complicated and there could be implications for oOh!media Shareholders in addition to those described above. oOh!media Shareholders should seek independent professional advice in relation to their particular circumstances. Ernst & Young's involvement is limited to the preparation of this letter. This letter does not constitute an endorsement of the Scheme. Ernst & Young expresses no opinion and gives no assurance or guarantee in respect of the commercial benefits of the proposed Scheme.

8 Taxation implications for oOh!media Shareholders continued



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Additional information of oOh!media



9 Additional information of oOh!media

9.1 Suspension of trading of oOh!media Shares

If the Court approves the Scheme, oOh!media will immediately notify ASX. It is expected that suspension of trading on the ASX in oOh!media Shares will occur at the close of trading on ASX on the Effective Date.

9.2 Removal of oOh!media from the official list

If the Court approves the Scheme and the Scheme is implemented, oOh!media will apply to ASX for oOh!media to be removed from ASX's official list after the Implementation Date.

9.3 No relevant restrictions in the Constitution of oOh!media

There are no relevant restrictions on the right to transfer oOh!media Shares in oOh!media's Constitution.

9.4 Warranty by oOh!media Shareholders about oOh!media Shares

The effect of clause 9.3 of the Scheme is that each Scheme Participant (i.e. each oOh!media Shareholder, other than CHAMP III Funds, who participates in the Scheme), including those who vote against the Scheme and those who did not vote, will be deemed to have warranted to Outdoor Media Operations that their oOh!media Shares are fully paid and not subject to any encumbrances specified in that clause and that they have full power and capacity to sell and transfer their Scheme Shares under the Scheme.

Further, under the Scheme, each Scheme Participant authorises oOh!media as its attorney and agent to warrant to Outdoor Media Operations the matters set out above (which under the Scheme oOh!media undertakes it will do on behalf of each Scheme Participant).

The Scheme is set out in full in Attachment B of this Scheme Booklet.

9.5 Payment instructions

The effect of clause 6.1(d) of the Scheme is that if a Scheme Participant has a payment direction for a bank account with any Australian ADI (as defined in the Corporations Act) recorded in the oOh!media Registry as at 7.00pm on the Record Date, then the cash component of the Scheme Consideration to which that Scheme Participant is entitled to receive under the Scheme will be paid into that nominated bank account. Otherwise, a Scheme Participant will be paid the Scheme Consideration by cheque.

To give or update direct credit instructions online with the oOh!media Registry please visit www.investorcentre.com.

9.6 oOh!media Shares held by or on behalf of oOh!media Directors as at the date of this Scheme Booklet

As at the date of this Scheme Booklet, the oOh!media Directors have the following interests in securities of oOh!media:

Director	Interests in oOh!media Shares	Interests in Options
Graham Jones	100,541	750,000*
Brendon Cook	11,559,250	6,000,000**
Geoff Wild	Nil	750,000*
Christopher Bregenhøj	13,650,000	4,500,000**
Brian Bickmore	130,000	750,000*
David Standen	Nil	750,000*

*Vested Options

**Unvested Options

9.7 Marketable securities of CHAMP Bid Entities held by or on behalf of oOh!media Directors

As at the date of this Scheme Booklet, no CHAMP Bid Entities securities are held by or on behalf of any oOh!media Director.

9.8 Payments and benefits to directors, secretaries or executive officers of the oOh!media Group

For the year ended 31 December 2011, the fees paid or payable to the oOh!media Directors were as follows:

Directors	Board and committee fees	Extra service payments
Graham Jones (Chairman)	\$150,000	\$63,000
Brian Bickmore	\$100,000	—
Geoff Wild AM	\$90,000	—
David Standen	\$90,000	—
Brendon Cook	—	—
Christopher Bregenhøj	—	—

Extra service payments are made to directors who are involved in considerably more work than is expected within the ordinary scope of their duties as a director. Extra service payments are made on the basis of a daily rate of \$3,500.

For the 2012 calendar year, it is proposed that:

- Mr Jones will be paid a monthly board and committee fee of \$12,500;
- Mr Bickmore will be paid a monthly board and committee fee of \$8,333; and
- Mr Wild AM and Mr Standen will each be paid a monthly board and committee fee of \$7,500.

In addition, it is expected that extra service payments will be made during 2012 to Mr Jones and Mr Bickmore, given the additional out of ordinary scope work that they will undertake in relation to the Scheme. Extra service payments will continue to be made at the daily rate of \$3,500.

As at the date of this Scheme Booklet, Mr Jones and Mr Bickmore have undertaken extra service work qualifying them for additional payments totalling \$112,000 in the case of Mr Jones, and \$49,000 in the case of Mr Bickmore. It is expected that they will continue to be required to undertake extra services work after the date of this Scheme Booklet for which payment will be made.

It is proposed that Mr Mike Egan, the oOh!media Company Secretary, and Mr Simon Yeandle, the oOh!media Chief Financial Officer will be paid respectively a \$50,000 cash bonus and a \$250,000 cash bonus if the Scheme becomes Effective.

Bonus payments aggregating \$50,000 will be paid to up to four employees if they are employed by oOh!media when the Scheme is implemented. These payments are intended to recognise the additional efforts required by those oOh!media employees to complete oOh!media's obligations under the Scheme Implementation Agreement and other activities required to implement the Scheme. No bonus payment will be made to an employee unless they are employed with oOh!media Group at the Effective Date and have not given notice of resignation or been dismissed for cause by oOh!media.

Except as set out in this Section 9.8, no payment or other benefit is proposed to be made or given to a director, secretary or executive officer of oOh!media or any member of the oOh!media Group as compensation for loss of, or as consideration for or in connection with their retirement from, office in oOh!media or any member of the oOh!media Group as a result of the Scheme.

9.9 Agreements and arrangements entered into by oOh!media Directors

Except as set out in Section 9.8 of this Scheme Booklet, there is no agreement or arrangement made between any oOh!media Director and any other person, including the CHAMP Bid Entities, in connection with, or conditional upon, the outcome of the Scheme.

9.10 Interests of oOh!media Directors in contracts of the CHAMP Bid Entities

No oOh!media Director has any interest in any contract entered into by the CHAMP Bid Entities.

9.11 ASIC modifications and waivers

ASIC has granted oOh!media the exemptions, modifications and consents described below:

- (a) Regulation 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to disclose particulars of any payment or benefit that is proposed to be made or given to any director, secretary or executive officer of oOh!media or a related body corporate of oOh!media as compensation for loss of office, or as consideration for or in connection with their retirement from office.

ASIC has allowed oOh!media to depart from certain requirements of Regulation 8302(d) of Part 3 of Schedule 8 to the Corporations Regulations. The effect of this relief is that this Scheme Booklet:

- (i) is not required to state particulars of payments or benefits which may be made to a director, secretary or executive officer of oOh!media Group (each a Relevant Person) in relation to their loss of office or retirement of office, unless the Relevant Person will lose office or retire from office as a consequence of, or in connection with, the Scheme or the amount of any payment or benefit which may be made to the Relevant Person upon their loss of office or retirement from office may be materially affected by the Scheme;
 - (ii) is not required to state the identity of any Relevant Person who will lose office or retire from office in connection with the Scheme, unless that person is an oOh!media Director; and
 - (iii) is not required to state particulars of any payments or benefits to Relevant Persons other than oOh!media Directors, that would otherwise be required to be disclosed under paragraph (i), provided such payments or benefits are disclosed on an aggregate basis and the Scheme Booklet discloses the number of Relevant Persons who will receive a payment or benefit that is required to be disclosed under paragraph (i) and which falls within each successive \$10,000 band, commencing at nil, where the number of Relevant Persons is no less than one.
- (b) Regulation 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to disclose whether, to the knowledge of the oOh!media Directors, the financial position of oOh!media has materially changed since the date of the last balance sheet laid before oOh!media in a general meeting or sent to oOh!media Shareholders and particulars of that change.
- ASIC has allowed oOh!media to depart from this obligation on the basis that:
- (i) oOh!media complied with Division 2 of Part 2M.3 of the Corporations Act in respect of the half year ended 30 June 2011;
 - (ii) oOh!media has lodged with ASIC and ASX Limited the documents referred in Section 303 of the Act for the half year ended 30 June 2011 on or before the date on which the explanatory statement is despatched to members of oOh!media;
 - (iii) the Scheme Booklet states that oOh!media will give a copy of the documents referred to in paragraph (ii) above free of charge to anyone who requests them before the Scheme is approved by order of the Court; and
 - (iv) oOh!media discloses all material change to its financial position occurring after 30 June 2011 and before the date of the Scheme Booklet in this Scheme Booklet.

9 Additional information of oOh!media continued

- (c) Regulation 8310 of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to set out particulars of the intentions of the oOh!media Directors regarding:

- (i) any major changes to be made to oOh!media's business, including any redeployment of oOh!media's fixed assets; and
- (ii) the future employment of oOh!media's present employees.

ASIC has allowed oOh!media to depart from this obligation on the basis that this Scheme Booklet:

- (i) is not required to state particulars of the intentions of the oOh!media Directors regarding any major changes to be made to oOh!media's business, including any redeployment of oOh!media's fixed assets; and
- (ii) is not required to state particulars of the intentions of the oOh!media Directors regarding the future employment of oOh!media's present employees.

ASIC has allowed oOh!media to not comply with paragraphs 8302(d), 8302(h) and 8310 of the Corporations Regulations on the basis that this Scheme Booklet is substantially in the form given to ASIC before the first Court hearing.

9.12 Consents

- (a) The following parties have given, and have not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named:
 - (i) Macquarie Capital (Australia) Limited as financial advisor to oOh!media; and
 - (ii) Computershare Investor Services Pty Ltd as the oOh!media Registry.
- (b) The Independent Expert has consented to the inclusion of the Independent Expert's Report in Attachment A to this Scheme Booklet and the Independent Expert has consented to the references to the Independent Expert's Report in this Scheme Booklet being made in the form and context in which each such reference is included.
- (c) Ernst & Young has consented to the inclusion of the Independent Taxation Report in Section 8 and to the references to the Independent Taxation Report in this Scheme Booklet being made in the form and context in which each such reference is included.
- (d) Each person named in this Section 9.12:
 - (i) has not authorised or caused the issue of this Scheme Booklet;
 - (ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this Section 9.12; and

- (iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of the party as specified in this Section 9.12.

9.13 Supplementary information

If between the date of lodgement of this Scheme Booklet for registration with ASIC and the Second Court Date oOh!media becomes aware of any of the following:

- a material statement in this Scheme Booklet that is false or misleading;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter in this Scheme Booklet; or
- a significant new matter that has arisen and it would have been required to be included in this Scheme Booklet if known about at the date of lodgement with ASIC,

then oOh!media intends to publish supplementary material by:

- (a) placing an advertisement in a prominently placed newspaper which is circulated throughout Australia; or
- (b) posting the supplementary material on the oOh!media Website and lodging the material with ASX,

and, depending on the nature and timing of the changed circumstances and the supplementary material, oOh!media may also post the supplementary material to all oOh!media Shareholders, subject to obtaining any necessary regulatory approvals.

9.14 Other material information

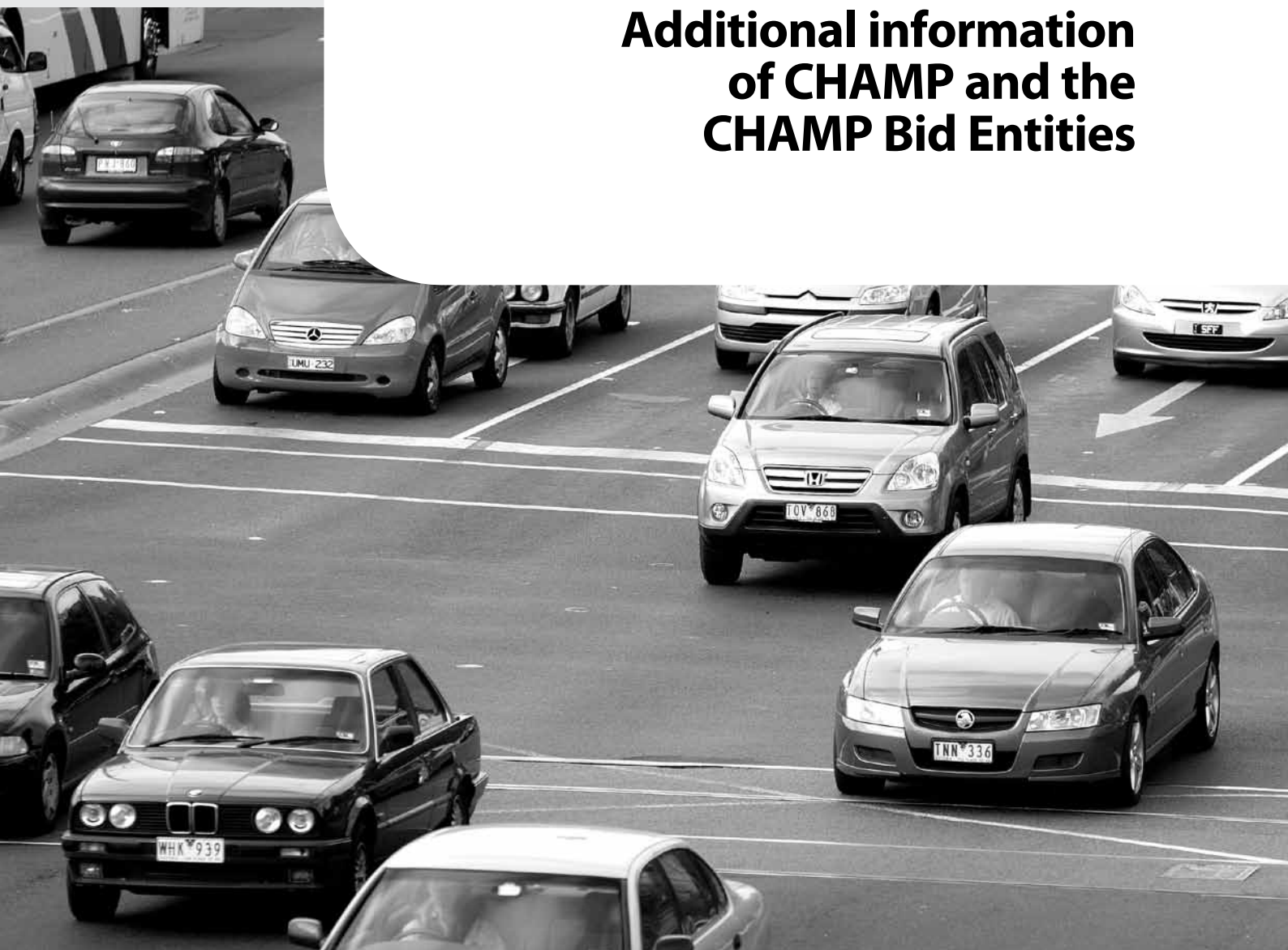
Otherwise than as contained or referred to in this Scheme Booklet, including in the Independent Expert's Report and the information that is contained in the Attachments to this Scheme Booklet, there is no other information that is material to the making of a decision by the oOh!media Shareholder whether or not to vote in favour of either or both of the Resolutions, being information that is known to any oOh!media Director and which has not been previously disclosed to oOh!media Shareholders.

oOh!media is not aware of any material information about oOh!media that is material to a decision of an oOh!media Shareholder on how to vote in relation to the Scheme Resolution and which:

- (a) has not been made available to the Independent Expert for the purpose of preparing the Independent Expert's Report;
- (b) is not set out in this Scheme Booklet; or
- (c) has not otherwise been made publicly available by oOh!media.

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Additional information of CHAMP and the CHAMP Bid Entities



10 Additional information of CHAMP and the CHAMP Bid Entities

10.1 Interests in oOh!media Shares

As at the date of this Scheme Booklet:

- (a) the voting power of Outdoor Media Operations and its Associates in oOh!media is 19.60%;
- (b) Outdoor Media Operations and its Associates have:
 - (i) a Relevant Interest in 98,230,924 oOh!media Shares; and
 - (ii) no Relevant Interest in any other class of securities of oOh!media.

10.2 Dealings in oOh!media Shares in the previous four months

Neither Outdoor Media Operations nor any of its Associates has provided, or agreed to provide, consideration for oOh!media Shares under a purchase or agreement during the period of four months before the date of this Scheme Booklet except for:

- (a) the Scheme Consideration which Outdoor Media Operations has agreed to provide under the Scheme (as reflected in the Scheme Implementation Agreement and the Deed Poll); and
- (b) the following acquisitions:

Date	Acquiring entity	Number of shares	Method of acquisition	Price paid
9 November 2011	ACN 154 164 191 Pty Ltd	45,161,433 ordinary shares	Special crossing	\$0.175 per share
11 November 2011	ACN 154 164 191 Pty Ltd	40,000,000 ordinary shares	On-market acquisition	\$0.325 per share
25 November 2011	ACN 154 164 191 Pty Ltd	13,069,491 ordinary shares	Off-market acquisitions	\$0.325 per share

As at the date of this Scheme Booklet all of the shares referred to in the table above have been transferred to the CHAMP III Funds.

10.3 Inducing benefits given during previous four months

Neither Outdoor Media Operations nor any of its Associates, during the period of four months before the date of this Scheme Booklet, gave, or offered to give or agreed to give, a benefit to another person which was likely to induce the other person, or an Associate, to:

- (a) vote in favour of the Scheme; or
- (b) dispose of oOh!media Shares,

and which benefit was not offered to all oOh!media Shareholders under the Scheme.

10.4 Benefits to oOh!media Directors

Outdoor Media Operations will not be making any payment or giving any benefit to any current oOh!media director as compensation or consideration for, or otherwise in connection with, their resignation from the oOh!media board, if the Scheme becomes Effective and the oOh!media board is accordingly reconstituted, other than as required under the relevant person's employment contract with oOh!media (as to which see Section 9.8).

10.5 No interests of CHAMP Bid Entities directors in oOh!media Shares

As at the date of this Scheme Booklet none of the directors of the CHAMP Bid Entities has a relevant interest in any oOh!media Shares.

10.6 No other agreements or arrangements

Neither the CHAMP III Funds nor the CHAMP Bid Entities have made any agreement or arrangement between an oOh!media Director in connection with or conditional on the outcome of the Scheme.

10.7 Disclosure of interests and fees of certain people

Other than as set out in this Scheme Booklet or pursuant to existing employment agreements, consulting arrangements, directorships (including, in the case of the CHAMP Directors, arrangements for staff participation in the CHAMP III Funds) no:

- (a) directors or proposed directors of Outdoor Media Investments;
- (b) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet; or
- (c) promoter of Outdoor Media Investments, holds, or held at any time during the last two years, any interests in:
- (d) the formation or promotion of Outdoor Media Investments;
- (e) property acquired or proposed to be acquired by Outdoor Media Investments in connection with its formation or promotion or the offer of the Class B Shares under the Scheme; or
- (f) the offer of Class B Shares under the Scheme.

10.8 Fees and benefits

Other than as set out in this Scheme Booklet or pursuant to existing employment agreements, consulting arrangements, directorships (including, in the case of the CHAMP Directors, arrangements for staff participation in the CHAMP III Funds) no one has paid or agreed to pay any amount, or given or agreed to give any benefit:

- (a) to a director, or proposed director, of Outdoor Media Investments, to induce them to become, or to qualify as, a director of Outdoor Media Investments; or
- (b) for services provided by a person referred to in paragraphs (a) to (c) of Section 10.7 in connection with the formation or promotion of Outdoor Media Investments or the offer of Class B Shares under the Scheme.

10.9 Expiry date

No Class B Shares will be issued on the basis of this Scheme Booklet after the date that is 13 months after 20 January 2012.

10.10 Consents

- (a) Each of:
 - (i) the CHAMP Bid Entities;
 - (ii) CHAMP III Management Pty Limited (the manager of or adviser to the CHAMP III Funds); and
 - (iii) CHAMP Buyout III Pte Limited,
 has given, and has not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named and has consented to the statements by them, or statements said in this Scheme Booklet to be based on statements by them, in the form and context in which those statements are included in this Scheme Booklet.
- (b) Each person named in this Section 10.10:
 - (i) has not authorised or caused the issue of this Scheme Booklet;
 - (ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this Section 10.10; and
 - (iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of the party as specified in this Section 10.10.

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Glossary



In this Scheme Booklet, words have the following meanings, unless the context requires otherwise.

Aggregate Cash Consideration	means the aggregate of the Cash Consideration and the Mixed Cash Consideration payable to Scheme Participants under the Scheme.
All Cash Election	means an election by an oOh!media Shareholder to receive the Cash Consideration for each Scheme Share held by that oOh!media Shareholder.
Articles	means the amended and restated memorandum and articles of association of Outdoor Media Investments, as contained in Attachment F.
ASIC	means the Australian Securities & Investments Commission.
Associate	has the meaning given in the Corporations Act.
ASX	means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it on which oOh!media Shares are quoted.
ASX Announcement	means the announcement made on ASX by oOh!media in relation to the Scheme dated 13 December 2011.
ASX Listing Rules	means the official listing rules, from time to time, of ASX.
ASX Website	means www.asx.com.au .
Attachment	means an attachment to this Scheme Booklet.
ATO	means the Australian Taxation Office.
Business Day	means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
Cash Consideration	means \$0.325 for each Scheme Share.
CGT	means capital gains tax.
Chairman	means the chair of the oOh!media Board, the chair of the General Meeting or the chair of the Scheme Meeting as the context requires.
CHAMP	means CHAMP III Management Pty Limited ACN 134 673 162 or any of its Related Entities as the context requires.
CHAMP III Funds	has the meaning in Section 5.1(a).
CHAMP Bid Entities	means Outdoor Media Investments, Outdoor Media Holdings and Outdoor Media Operations.
CHESS	means the clearing house electronic subregister system for the electronic transfer of securities operated by ASX Settlement Pty Limited ACN 008 504 532.
Class A Shares	means a fully paid Class A ordinary share in the capital of Outdoor Media Investments.
Class B Shares	means a fully paid Class B ordinary share in the capital of Outdoor Media Investments with an issue price of \$0.225 to be provided to Scheme Participants under the Scheme.

11 Glossary continued

Competing Proposal	means a proposed transaction or arrangement pursuant to which a person other than Outdoor Media Operations would, if the proposed transaction or arrangement is entered into or completed substantially in accordance with its terms: (a) directly or indirectly acquire, have a right to acquire or otherwise acquire an economic interest in, all or a substantial part of, the business conducted by oOh!media Group; (b) acquire a Relevant Interest in, or enter into any agreement connected with or relating to the acquisition of a Relevant Interest in, 50% or more of oOh!media Shares or otherwise acquire Control of oOh!media or oOh!media Group; or (c) otherwise acquire or merge with oOh!media whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy back, sale or purchase of assets, joint venture, reverse takeover, dual-listed company structure or other synthetic merger or any other transaction or arrangement.
Contingent Loan Agreement	has the meaning given in Section 5.7(b).
Control	has the meaning given in Section 50AA of the Corporations Act.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Court	means the Federal Court of Australia.
Court Order	means the order of the Court approving the Scheme under Section 411(4)(b) of the Corporations Act which is to be lodged with ASIC to make the Scheme Effective.
Debt Facilities	has the meaning given in Section 5.7(b).
Deed Poll	means the deed poll executed by Outdoor Media Operations and Outdoor Media Investments dated 18 January 2012, a copy of which is included at Attachment C.
Deemed Election	means, where any oOh!media Shareholder does not make a valid Election for the purposes of the Scheme, the oOh!media Shareholder is deemed to have made a valid All Cash Election.
Effective	means the coming into effect, under Section 411(10) of the Corporations Act, of the order of the Court made under Section 411(4)(b) in relation to the Scheme.
Effective Date	means the date on which the Scheme becomes Effective.
Election	means an All Cash Election or Mixed Election.
Election Form	means a form enclosed with this Scheme Booklet under which an oOh!media Shareholder is offered the opportunity to make an Election.
End Date	means 31 March 2012.
General Meeting	means the meeting of oOh!media Shareholders at which the Options Resolution will be voted on and any adjournment of that meeting.
General Proxy Form	means the proxy form for the General Meeting enclosed with this Scheme Booklet.
Implementation Date	means the fifth Business Day after the Record Date, or such other date (after the Record Date) as oOh!media and Outdoor Media Operations may agree in writing.
Independent Expert	means Grant Thornton Corporate Finance Pty Ltd.
Independent Expert's Report	means the report by the Independent Expert dated 20 January 2012, a copy of which is included at Attachment A.

Indicative Proposal	means the incomplete, non-binding, conditional and indicative proposal from CHAMP and announced by oOh!media on 10 November 2011 which could lead to a takeover being made to acquire all the outstanding shares in oOh!media not held by CHAMP.
Ineligible Foreign Shareholder	means a Scheme Participant whose address shown in the Register as at 7.00pm on the Record Date is a place outside Australia and its external territories and outside Singapore.
Key Dates	means the dates set out on page 2 of this Scheme Booklet.
Macquarie	means Hub X Pty Limited ACN 104 173 891.
Meeting	means the Scheme Meeting or the General Meeting and Meetings means, collectively, the Scheme Meeting and General Meeting.
Minimum Scrip Number	has the meaning in Section 2.8(a).
Mixed Cash Consideration	means \$0.10 for each Scheme Share.
Mixed Consideration	means the Mixed Cash Consideration plus the Mixed Scrip Consideration.
Mixed Election	means an election by an oOh!media Shareholder to receive the Mixed Consideration for each Scheme Share held by that oOh!media Shareholder.
Mixed Scrip Consideration	means 1 Class B Share with an issue price of \$0.225 for each Scheme Share.
Notice of General Meeting	means the notice in relation to the General Meeting, as set out at Attachment D.
Notice of Scheme Meeting	means the notice in relation to the Scheme Meeting, as set out at Attachment E.
oOh!media	means oOh!media Group Limited ACN 091 780 924.
oOh!media Board	means the oOh!media Directors acting together as a board of oOh!media.
oOh!media Director	means a director of oOh!media.
oOh!media Group	means oOh!media and each of its Subsidiaries and oOh!media Group Member means oOh!media or one of its Subsidiaries.
oOh!media Information	means all information included in this Scheme Booklet and any updates to that information prepared by or on behalf of oOh!media, other than the information in Section 8 and the Outdoor Media Operations Information (and any information solely derived from, or prepared solely in reliance on, any such information), and does not include the Independent Expert's Report (or any information solely derived from, or prepared solely in reliance on, information in that report).
oOh!media Register	means the register of members of oOh!media from time to time.
oOh!media Registry	means Computershare Investor Services Pty Limited ACN 078 279 277.
oOh!media Share	means a fully paid ordinary share in the capital of oOh!media.
oOh!media Shareholder	means a person shown in the oOh!media Register as holding one or more oOh!media Shares.
oOh!media Website	means www.oohmedia.com.au .
Option	means an option to acquire one new oOh!media Share with an exercise price of \$0.12 per oOh!media Share and which expires on 20 May 2015.
Option Cancellation Consideration	means 20.5 cents per Option.
Options Condition	has the meaning given in Section 2.3(a).

11 Glossary continued

Options Resolution	means the ordinary resolution to approve the amendments to the terms of the Options set out in the Notice of General Meeting which forms Attachment D.
Outdoor Media Investments	means Outdoor Media Investments Limited of Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Island, the sole shareholder of Outdoor Media Holdings.
Outdoor Media Holdings	means Outdoor Media Holdings Pty Ltd ACN 154 667 660 of Level 4, Customs House, 31 Alfred Street, Sydney, New South Wales 2000, Australia, the sole shareholder of Outdoor Media Operations.
Outdoor Media Operations	means Outdoor Media Operations Pty Ltd ACN 154 668 087 of Level 4, Customs House, 31 Alfred Street, Sydney, New South Wales 2000, Australia.
Outdoor Media Operations Information	means all information regarding Outdoor Media Operations provided by or on behalf of Outdoor Media Operations for inclusion in this Scheme Booklet (and any information solely derived from, or prepared solely in reliance on, such information), and any updates to that information prepared by or on behalf of Outdoor Media Operations, and includes all of the information contained in Sections 5, 6, 7 and 10 and Attachment F.
Prescribed Occurrence	means any of the following events occur: (a) oOh!media converting all or any of its shares into a larger or smaller number of shares. (b) Any member of the oOh!media Group (other than a direct or indirect wholly-owned subsidiary of oOh!media) resolving to reduce its capital in any way or re-classifying, combining, splitting, redeeming or re-purchasing directly or indirectly any of its shares. (c) Any member of the oOh!media Group (other than a direct or indirect wholly-owned subsidiary of oOh!media): (i) entering into a buy-back agreement; or (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act. (d) Any member of the oOh!media Group issuing shares, or granting an option over its shares or agreeing to make such an issue or grant such an option (other than in respect of exercise of an Option on issue as at the date of the Scheme Implementation Agreement). (e) Any member of the oOh!media Group issuing, or agreeing to issue, convertible notes or any other security convertible into shares. (f) Any member of the oOh!media Group (other than a direct or indirect wholly-owned subsidiary of oOh!media) agreeing to pay, declaring or paying a dividend or any other form of distribution of profits or return of capital to its members. (g) Any member of the oOh!media Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property. (h) Any member of the oOh!media Group creating or agreeing to create any mortgage, charge, lien or other encumbrance over, or declare itself the trustee of, the whole, or a substantial part, of its business or property otherwise than in the ordinary course of business. (i) An application being made to court (unless it is frivolous or struck out or withdrawn) or a resolution being passed or an order is made for the winding up or dissolution of any member of the oOh!media Group. (j) A receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or similar officer being appointed in respect of any member of the oOh!media Group or any of its assets. (k) Any member of the oOh!media Group proposing or taking any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them. (l) oOh!media making or proposing to make any change to its constitution.

	(m) Any member of the oOh!media Group, other than in the ordinary course of business: (i) increasing the remuneration of, or paying any bonus, or otherwise varying the employment arrangements with, any of its directors or executives; (ii) accelerating the rights of any of its directors or executives to benefits of any kind; or (iii) paying or agreeing to pay a director or executive a termination payment (including a “golden parachute”). (n) Any member of the oOh!media Group entering into any Guarantee or indemnity on behalf of any person or providing security for the obligations of any person except in the ordinary course of business (including as permitted by the Scheme Implementation Agreement). (o) Any member of the oOh!media Group paying any retirement allowance or superannuation benefit to any director or employee, except for any payment required by law or any payment made in the ordinary course of business. (p) Any member of the oOh!media Group authorising, or agreeing conditionally or otherwise to do, any of the things referred to above.
Proxy Form	means, as the context requires, the Scheme Proxy Form or the General Proxy Form, and Proxy Forms means both of them.
Recommending Directors	means Graham Jones, Brian Bickmore, Brendon Cook and Christopher Bregenhøj, each an oOh!media Director.
Record Date	means the fifth Business Day after the Effective Date, or such other date (after the Effective Date) as oOh!media and Outdoor Media Operations may agree in writing.
Related Entity	of a corporation means: (a) a related body corporate of that corporation within the meaning of Section 50 of the Corporations Act; (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly: (i) controls the right to appoint the trustee; (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust; and (c) in the case of Outdoor Media Operations, CHAMP or CHAMP III Funds, any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP III Management Pty Limited ACN 134 673 172 or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act).
Relevant Interest	has the meaning given in Sections 608 and 609 of the Corporations Act.
Resolutions	means collectively the Options Resolution and the Scheme Resolution.
Scheme	means the proposed scheme of arrangement under Section 411 of the Corporations Act between oOh!media and the Scheme Participants, the form of which is set out at Attachment B, subject to any alterations or conditions made or required by the Court under Section 411(6) of the Corporations Act and consented to by oOh!media and approved in writing by Outdoor Media Operations.
Scheme Announcement Date	means 13 December 2011 being the day on which the Scheme Implementation Agreement was executed and announced to ASX.
Scheme Booklet	means this document including each Attachment.

11 Glossary continued

Scheme Conditions	means the conditions that the Scheme is subject to, are set out in clause 3.1 of the Scheme Implementation Agreement.
Scheme Consideration	means, depending on the Election or deemed election made by a Scheme Participant for the oOh!media Shares held by such Scheme Participant at 7.00pm on the Record Date: (a) the Cash Consideration; or (b) the Mixed Consideration, provided that the Cash Consideration will be payable to each Scheme Participant in place of the Mixed Consideration (regardless of the Election made by such shareholder) if Outdoor Media Operations is not obliged to procure the issue of an amount equal to or greater than that number of Class B Shares equal to the Minimum Scrip Number in respect of all valid Elections for Mixed Consideration provided by oOh!media Shareholders.
Scheme Implementation Agreement	means the scheme implementation agreement entered into by oOh!media and Outdoor Media Operations on 13 December 2011.
Scheme Meeting	means the meeting of oOh!media Shareholders (other than CHAMP III Funds) at which the Scheme Resolution will be voted on, convened pursuant to orders of the Court made on 20 January 2012, and includes any adjournment of that meeting in Attachment E.
Scheme Participant	means an oOh!media Shareholder as at 7.00pm on the Record Date (other than the CHAMP III Funds).
Scheme Proxy Form	means the proxy form for the Scheme Meeting enclosed with this Scheme Booklet.
Scheme Resolution	means the resolution in relation to the Scheme to be voted on at the Scheme Meeting, as set out in the Notice of Scheme Meeting.
Scheme Shares	means an oOh!media Share held by a Scheme Participant.
Second Court Date	means the first day on which an application made to the Court for an order under Section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.
Section	means a section of this Scheme Booklet.
Subscription Agreement	has the meaning given in Section 5.7(b).
Subsidiary	means a subsidiary as defined under Section 9 of the Corporations Act.
Superior Proposal	means a bona fide Competing Proposal received by oOh!media and which the oOh!media Board determines, acting in good faith and acting reasonably: (a) is reasonably capable of being valued and completed; taking into account all aspects of the Competing Proposal and the person or persons making it; and (b) would, if completed substantially in accordance with its terms, be more favourable to oOh!media Shareholders than the Scheme, taking into account all aspects of the Competing Proposal.
Voting Power	has the meaning given in the Corporations Act.
VWAP	means volume weighted average price.
WPP	means Cavendish Square Holding BV.

A

Independent Expert's Report



A Independent Expert's Report



oOh!media Group Limited

Independent Expert's Report and Financial Services Guide

20 January 2012



The Directors
oOh!media Group Limited
Level 2
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NORTH SYDNEY NSW 2060

20 January 2012

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Dear Sirs

Independent Expert's Report and Financial Services Guide

Introduction

oOh!media Group Limited ("OOH" or "the Company") is an ASX listed pure-play outdoor advertising company operating across Australia.

Outdoor Media Operations Pty Limited ("the Bidder"), is a wholly owned subsidiary of Outdoor Media Investments Limited ("Cayman Holdco"), an exempted company incorporated under the laws of the Cayman Islands. The Bidder and Cayman Holdco are currently owned by the CHAMP III Funds¹ which are managed/advised by CHAMP III Management Pty Ltd and its related entities ("CHAMP Private Equity").

On 13 December 2011, OOH and the Bidder entered into a Scheme Implementation Agreement (the "SIA") to acquire all of the outstanding ordinary shares of OOH not currently owned by CHAMP III Funds² by way of scheme of arrangement ("the Proposed Scheme").

Under the terms of the SIA, OOH shareholders not associated with CHAMP III Funds ("Non-associated Shareholders") have the option to receive one of the following as consideration if the Proposed Scheme is implemented:

¹ CHAMP III Funds comprises several private equity funds specialised in buyout investments in large and middle market companies, including the CHAMP Buyout III Trust, the CHAMP Buyout III (SWF) Trust and the CHAMP Buyout III Pte Ltd.

² As at the date of this report, CHAMP III Funds owns 98,230,924 ordinary shares in OOH representing 19.60% of the undiluted share capital of the Company. We note that CHAMP III Funds has agreed with Outdoor Media Operations Pty Limited that CHAMP III Funds will transfer to the Bidder the shares it owns in OOH on or shortly after implementation of the Proposed Scheme.

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A Independent Expert's Report continued



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- Cash of 32.5 cents per OOH Share ("Cash Consideration"); or
- Cash of 10 cents per share and one Class B ordinary share ("Class B Share") in the Cayman Holdco with an issue price of 22.5 cents for each OOH Share ("Mixed Consideration").

The Mixed Consideration will only become available if valid applications for at least 100 million OOH Shares equivalent to approximately 20% of the undiluted share capital of OOH are made. If the minimum acceptance requirement for the Mixed Consideration is not achieved, Non-associated Shareholders who have elected to receive the Mixed Consideration, will receive the Cash Consideration³.

As part of the SIA, OOH has entered into the typical no talk and no shop provisions.

Subject to certain carve-outs⁴ the Directors of OOH, other than Mr D. Standen and Mr. G. Wild⁵ ("Recommending Directors"), unanimously recommend that OOH Shareholders vote for the Proposed Scheme.

Subject to certain carve-outs set out in the OOH announcement and the Scheme documentations in relation to the Proposed Scheme, the two largest shareholders of OOH, Cavedish Square Holding BV holding 23.74% of the undiluted issued capital and Hub X Pty Limited, an entity associated with Macquarie Group Limited, holding 27.08% of the undiluted issued capital, have advised OOH that their intentions are to support the Proposed Scheme.

Purpose of the report

Whilst there is not a legal requirement for the commissioning of an independent expert report in conjunction with the Proposed Scheme, the Directors of OOH have decided to commission an independent expert's report to assist Non-associated Shareholders in assessing the merits of the Proposed Scheme.

Summary of opinion

Grant Thornton Corporate Finance has concluded that the Proposed Scheme is fair and reasonable and hence in the best interests of Non-Associated Shareholders.

Grant Thornton Corporate Finance has concluded that the Cash Consideration is fair and reasonable to the Non-Associated Shareholders.

Fairness of the Proposed Scheme

In forming our opinion in relation to the fairness of the Proposed Scheme to the Non-associated Shareholders, we have compared the value per OOH Share before the Proposed Scheme and on a control basis to the value of the Scheme Consideration.

³ If Non-associated Shareholders do not make a valid election in relation to the Cash Consideration or Mixed Consideration, they will receive the Cash Consideration.

⁴ No superior proposal and subject to an Independent Expert concluding that the Proposed Scheme is in the best interests of OOH Shareholders and the Cash Consideration is fair and reasonable

⁵ Mr D. Standen and Mr. G. Wild give no recommendation given their association with substantial shareholders of OOH.



The following table summarises our assessment of the Cash Consideration:

Fairness assessment	Section reference	Low A\$	High A\$
Fair value of OOH Share on a controlling basis	Section 7.8	0.309	0.342
Cash Consideration		0.325	0.325
Premium / (Discount)		0.016	(0.017)
Premium % / (Discount) %		5.2%	(5.0%)

Source: Calculations

The Cash Consideration is within our assessed valuation range of an OOH Share on a control basis. Accordingly, we conclude that the Cash Consideration is fair to the Non-associated Shareholders.

OOH Shareholders should be aware that our assessment of the value per OOH Share does not reflect the price at which OOH Shares will trade if the Proposed Scheme is not implemented. The price at which OOH Shares will ultimately trade depends on a range of factors including the liquidity of OOH Shares, macro-economic conditions, the underlying performance of OOH and the supply and demand for OOH Shares.

Whilst the Cash Consideration is the default option, Non-associated Shareholders can elect to receive securities in Cayman Holdco pursuant to the Mixed Consideration (Cash of 10 cents and one Class B Share in Cayman Holdco with an issue price of 22.5 cents for each OOH Share). It is to be noted that the Mixed Consideration will only become available if valid applications from Non-associated Shareholders holding at least 100 million OOH Shares are made. If the minimum acceptance requirements for the Mixed Consideration are not achieved, Non-associated Shareholders who have elected to receive the Mixed Consideration will receive the Cash Consideration. Non-associated Shareholders should consider their position in relation to the Proposed Scheme without the expectation that the Mixed Consideration will necessarily eventuate.

In our assessment of the Mixed Consideration, we have considered that an unlisted company like Cayman Holdco will normally have a lower value as it is not as readily marketable. When two investments are substantially comparable, investors tend to place more value on a security that is more liquid. In order to compensate for the lack of marketability, it is appropriate in our opinion to apply a discount to the value of an unlisted company. Marketability/liquidity discounts typically range between 10% and 30%.

The size of the marketability discount depends on the following factors:

- The prospect for liquidity within a known timeframe. The shorter is the expected holding period for an investment and more certain is the potential prospective transaction or IPO, the lower is the discount. In this regard, we note that private equity investors such as CHAMP III Funds, typically hold their investments for 3 to 5 years and during this period they aim to materially grow the business and streamline the operations in order to maximise their returns on exit. Accordingly, it is unlikely that a liquidity event will eventuate for Cayman Holdco and the Non-associated Shareholders electing to receive the Mixed Consideration in the short term;

A Independent Expert's Report continued



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- The dividend policy of the company. A company will usually attract a lower marketability discount if it has a sustainable and consistent dividend policy as the shareholders receive their returns along the way as opposed to at the end when they dispose of their investment. We note, based on the Articles of Association, Cayman Holdco is required to distribute the maximum amount of profits available for distribution subject to retaining sufficient reserves for on-going operations. However, we note that debt providers may have placed additional restrictions on dividend distributions;
- The pool of potential buyers. The greater is the pool of potential buyers the lower is the level of marketability discount;
- Capital structure of Cayman Holdco. Whilst Class A Shares (to be held by CHAMP III Funds only) and Class B Shares (to be held by Non-associated Shareholders) will have equal rights, Class A Shares will be entitled to an additional voting right when there are more Class B Shares on issue compared to Class A Shares. This additional voting right will be that, on a poll, the votes attached to Class A Shares, in aggregate, shall comprise 51% of the total votes attaching to all Class A Shares and Class B Shares; and
- The level of risk in the industry and in the Company. Typically higher level of risks is usually associated with higher level of marketability discount. The underlying principle is that the potential adverse impact of risk factors is enhanced by the inability to dispose of the investments in a liquid market. Whilst the advertising industry is forecast to grow at a CAGR of approximately 6.2%, it is noted that the current volatility in the global economy can have a significant impact on the future performance of outdoor advertising industry.

In our assessment of the marketability discount, we have also considered the following key provisions included in the Article of Association:

- The ability of the members to transfer their shares will be limited and CHAMP III Funds may initiate an exit of its investment at any time and without the approval of the other shareholders;
- Typical tag-along and drag along rights will apply; and
- CHAMP III Funds will appoint all the directors of Cayman Holdco, including the chairman.

In our assessment of the Mixed Consideration, we have also applied a minority discount in accordance with the requirements of RG111 and to consider that based on the terms of the Articles of Association, CHAMP III Funds will have voting rights equal to at least 51% of all classes of OOH Shares on issue.

Based on the above discussions, in our opinion, a combined marketability and minority discount between 30% and 35% should be applied to the fair value of OOH Share to assess the value of the Mixed Consideration offered.

Before reaching our conclusion on the value of Mixed Consideration, we have also considered the following:



- We have been advised that CHAMP III Funds will not charge a management fee to Cayman Holdco;
- Management's remuneration package including incentive payments, will not be materially different from the current structure;
- Cayman Holdco does not hold other assets in addition to its investment in OOH if the Proposed Scheme is implemented; and
- Cayman Holdco does not have other interest bearing debt or contingent liabilities in addition to the debt financing provided to fund the acquisition of OOH that should be considered in our valuation assessment of the Mixed Consideration.

The following table summarises our valuation assessment of Mixed Consideration:

Assessment of the Mixed Consideration	Section reference	Low A\$	High A\$
Marketability and minority discounts applied			
Assessed fair market value of OOH Share on a control basis	Section 7.8	0.309	0.342
Less: Cash component under Mixed Consideration Alternative	Section 1	0.100	0.100
		0.209	0.242
Marketability and minority discounts		35%	30%
Assessed fair market value of Bidder share		0.136	0.169
Add : Cash component under Mixed Consideration Alternative		0.100	0.100
Assessed fair value of Mixed Consideration		0.236	0.269
Assessed fair market value of OOH Share on a control basis		0.309	0.342
Premium / (Discount)		(0.073)	(0.073)
Premium % / (Discount) %		(23.6%)	(21.3%)

Source: Calculations

Based on our assessed market value of an OOH Share and marketability/minority discounts in the range of 30% to 35%, the estimated value of the Mixed Consideration offered is in the range of 23.6 cents to 26.9 cents and at a discount to the value of OOH Share on a control basis.

In forming our opinion in relation to the fairness of the Proposed Scheme, we have considered following factors:

- Cash Consideration is fair;
- Cash Consideration is the default consideration option; and
- The Mixed Consideration is only provided to those Non-associated Shareholders who notwithstanding the impact of the lack of liquidity and marketability analysis above, wish to retain an exposure to the underlying business of OOH.

Based on the above discussions, it is our opinion that the Proposed Scheme is fair.

A Independent Expert's Report continued



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Reasonableness of the Proposed Scheme

For the purpose of assessing whether or not the Proposed Scheme is reasonable to Non-associated Shareholders, we have considered the following likely advantages, disadvantages and other factors associated with the Proposed Scheme. We note that in accordance with RG111, the Proposed Scheme is reasonable if it is fair.

Advantages

Premium for control

A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as:

- the ability to realise synergistic benefits;
- access to cash flows;
- access to tax benefits; and
- control of the board of directors of the company.

Evidence from studies indicates that premiums for control on successful takeovers have frequently been in the range of 20% to 40% in Australia and that the premiums vary significantly from transaction to transaction.

The Cash Consideration represents a premium of:

- 91% compared with the 1 week Volume Weighted Average Price ("VWAP") of OOH prior to 10 November 2011;
- 92% compared with the 1 month VWAP of OOH prior to 10 November 2011; and
- 61% compared with the A\$20 million fund raising completed by OOH in December 2010 and January 2011 at an average price of A\$0.202 per share.

This premium for control is unlikely to be available to the Non-associated Shareholders in the absence of the Proposed Scheme.

Whilst, we are of the opinion that it is relevant information for the Non-associated Shareholders to understand the premium for control implied in the Cash Consideration, we also caution that the shares of OOH listed on the ASX are illiquid with the top 10 shareholders holding in excess of 95% of the undiluted issued capital of OOH. Accordingly, the share price may not necessarily be representative of the fair market value of OOH on a minority basis.

Ability for Non-associated Shareholders to realise their investment in OOH – Cash Consideration only

The Proposed Scheme represents an opportunity for Non-associated Shareholders to receive certain and immediate value for their investment in OOH free of any realisation costs.

Non-associated Shareholders will no longer be exposed to the on-going risks associated with holding an investment in OOH which include, but are not limited to, the volatility of the advertisement industry, consumer sentiment, interest rates and macroeconomic conditions.

Furthermore, the volatility in the global economy has significantly increased over the past few months mainly due to stagnation in the US economy and sovereign debt solvency issues in Europe. Global financial markets have suffered a major sell-off of risky assets and there are growing indications that the underlying real economy may also be significantly affected.

These factors may have negative implications for the disposable income of the Australian consumers and business/consumers confidence which may adversely impact the advertisement expenditure, including outdoor advertisement.

Ability for Non-associated Shareholders to participate in the future growth opportunities of OOH – Mixed Consideration only

The Non-associated Shareholders who elect to receive the Mixed Alternative Consideration will receive shares in Cayman Holdco and they will continue to be exposed to the underlying business of OOH.

OOH has a successful history of business acquisitions and integrations which have led OOH to become the 3rd largest outdoor advertisement player in the Australian market in the space of only 9 years. There are still several acquisition/joint venture opportunities available in the Australian market which may be pursued by Cayman Holdco if the Proposed Scheme is implemented. Specifically, we note that APN News & Media Limited, the largest outdoor advertisement player in the Australian market, announced on 21 November 2011 that it is in the process of best determining how the company may expand its outdoor operations, including potential partnership opportunities.

Furthermore, private equity investors, such as CHAMP III Funds, have a typical investment horizon of 3 to 5 years and during this period they aim to materially grow the business and streamline the operations in order to maximise their returns on exit.

The Mixed Consideration, if it becomes available in accordance with the terms of the SIA, will allow Non-associated Shareholders who elect for the Mixed Consideration to participate in this potential upside of OOH.

Lack of liquidity of OOH Shares

The OOH Shares listed on the ASX are illiquid with more than 95% of the undiluted issued capital held by the top 10 shareholders, and only a few hundred thousand shares traded on average on a weekly basis before the announcement of the Indicative Proposal and excluding trading volumes related to the sale of shares by QMS and WSC.

If the Proposed Scheme is implemented, it will provide an opportunity for the Non-associated Shareholders to exit an illiquid investment at a significant premium to the share price before the announcement of the Indicative Proposal. In the absence of the Proposed Scheme or alternative

A Independent Expert's Report continued



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transactions, it is unlikely that OOH Shareholders will be able to realise their investment at a value comparable or equivalent to the Cash Consideration.

OOH Share price in the absence of the Proposed Scheme

In the absence of the Proposed Scheme or an alternative transaction, all other things being equal, it is likely that OOH Shares will trade at prices below the value of the Cash Consideration offered under the Proposed Scheme and the prices achieved in the trading period since the announcement of the Indicative Proposal on 10 November 2011.

In our opinion, the prospect of OOH Shares trading above the Cash Consideration in the foreseeable future is remote in the absence of the Proposed Scheme or alternative transactions.

Value of OOH for Cayman Holdco and CHAMP III Funds

If the Proposed Scheme is implemented, OOH will be delisted from the ASX and Cayman Holdco will realise direct synergies in relation to cost savings on listing fees, ASX compliance costs and Directors' fees. We have incorporated these cost savings into our valuation assessment of OOH on a 100% basis.

We do not consider that Cayman Holdco or CHAMP III Funds will receive any material special value as a result of the Proposed Scheme.

Based on publicly available information, the current investment portfolio of CHAMP III Funds does not include businesses similar to OOH or that, at prima facie, could be integrated or merged with OOH in order to achieve economy of scale, synergies, critical mass or other benefits unique to CHAMP III Funds.

Rollover relief

Non-associated Shareholders who elect to receive the Mixed Alternative Consideration may benefit from the Australian Capital Gains Tax rollover relief.

No brokerage costs

If the Proposed Scheme is implemented, Non-associated Shareholders will be able to realise their investment in OOH without incurring any brokerage costs.

Disadvantages

No participation in future potential upside of OOH – Cash Consideration only

If the Proposed Scheme is implemented, Non-associated Shareholders electing to receive the Cash Consideration will give up the right to participate in the future potential upside and growth opportunity of OOH. As discussed before, the track record of OOH in delivering profitable growth through acquisitions in conjunction with the value added by private equity investors, such as CHAMP III Funds, may potentially generate significant upside for OOH.

Cayman Holdco will be an unlisted vehicle – Mixed Consideration only

If the Proposed Scheme is implemented, Cayman Holdco will be an unlisted vehicle. A company listed on a stock exchange like ASX is subject to listing rule regulations including continuous disclosure and certain investor protections. Investments in Cayman Holdco will be perceived to be more risky compared to OOH as Cayman Holdco will not be subject to ASX listing rules and hence the same level of transparency may not be maintained.

Furthermore, Non-associated Shareholders should consider that an unlisted company like Cayman Holdco will normally have a lower value as it is not as readily marketable. When two investments are substantially comparable, investors tend to place more value on a security that is more liquid.

Less protection for Non-associated shareholders in the Cayman vehicle – Mixed Alternative Consideration only

Cayman Holdco is incorporated under the laws of the Cayman Islands. If the Proposed Scheme is implemented, Cayman Holdco shares will be governed by the laws of the Cayman Islands and Cayman Holdco's Article of Association. As a result, the level of protection and safeguards for Non-associated Shareholders as well as the related corporate governance and compliance regime may be significantly reduced compared with the requirements of the Corporations Act.

The Mixed Alternative Consideration not available for all Non-associated Shareholders

Only Non-associated Shareholders with Australian and Singapore resident status can elect to receive the Mixed Consideration. Consequently not all Non-associated Shareholders who wish to retain an interest in OOH may be eligible to do so.

Other factors

Prospect of a superior offer or alternative transaction

In relation to the prospect of a superior proposal or alternative transaction, we note the following:

- CHAMP III Funds has a relevant interest in 19.60% of the undiluted share capital of OOH and accordingly it holds a potential blocking stake for potential alternative transactions. However, we note that CHAMP III Funds can be categorised as a financial investor and accordingly it may be willing to sell its shareholding at a premium should an alternative and superior proposal eventuate; and
- We note that the OOH share price continues to trade below the Cash Consideration. This typically indicates that market participants do not expect a superior offer or an alternative proposal to emerge.

Whilst OOH has agreed not to solicit any competing proposals or to participate in discussions or negotiations in relation to any competing proposals, there are no impediments to an alternative proposal being submitted by potential interest parties. The transaction process should act as catalyst for potential interested parties and it will provide significant additional information in the Scheme Booklet and Independent Expert's Report to assess the merits of potential alternative transactions.

A Independent Expert's Report continued



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If an alternative proposal on better terms were to emerge, it is expected that this would occur prior to the shareholders meetings convened to consider the Proposed Scheme. We note that there will be a significant time-lag between the dispatching of the Scheme Booklet to OOH Shareholders and the shareholders meeting. In the event that an alternative offer on better terms emerges, shareholders will be entitled to vote against the Proposed Scheme or the Scheme meeting will be adjourned.

Tax implications

If the Proposed Scheme is implemented, Non-associated Shareholders may crystallise a capital gains tax expense, however the taxation consequences for shareholders will vary according to their individual circumstances. If appropriate or required, Non-associated Shareholders should seek independent financial and tax advice on the implications of approving the Proposed Scheme.

Implications if the Proposed Scheme is not implemented

In the absence of the Proposed Scheme, all other things being equal, it is likely that OOH Shares will trade at prices below the value of the Cash Consideration offered under the Proposed Scheme and the prices achieved in the trading period since the announcement of the Indicative Proposal on 10 November 2011.

If the Proposed Scheme is not implemented, it would be the current Directors' intention to continue operating the Company in line with its objectives. Non-associated Shareholders who retain their shares would continue to share in any benefits and risks in relation to OOH's ongoing business.

If the Proposed Scheme is not implemented, CHAMP III Funds will hold a relevant interest in OOH equal to 19.60% of the issued capital. CHAMP III Funds may decide to sell its shares on the market, hence putting downward pressure to the share price of OOH.

Directors' recommendations and intentions

In the absence of a superior proposal and subject to an Independent Expert concluding that the Proposed Scheme is in the best interests of OOH Shareholders and the Cash Consideration is fair and reasonable:

- The Recommending Directors unanimously recommend that OOH Shareholders vote for the Proposed Scheme; and
- All the Directors of OOH intend to vote in favour of the Proposed Scheme any OOH Shares in which they have a relevant interest and in respect of which they have power to vote.

Transaction expenses

If the Proposed Scheme is not implemented, OOH will incur transaction expenses of approximately A\$1.03 million. Based on the financial performance and financial position of OOH, this potential funding requirement is not immaterial.

***Reasonableness conclusion***

Based on the qualitative factors identified above, it is our opinion that the Proposed Scheme is reasonable to the Non-associated Shareholders.

Overall conclusion

After considering the abovementioned quantitative and qualitative factors relevant to Non-associated Shareholders, we have formed our opinion that the Proposed Scheme is fair and reasonable and hence, is in the best interests of Non-associated Shareholders.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision as to whether or not to approve the Proposed Scheme is a matter for each shareholder of OOH based on their own views of value of OOH and expectations about future market conditions, OOH's performance, risk profile and investment strategy. If the shareholders are in doubt about the action they should take in relation to the Proposed Scheme, they should seek their own professional advice.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

A handwritten signature in dark ink, appearing to read "Andrea".

ANDREA DE CIAN
Partner

A handwritten signature in dark ink, appearing to read "Scott Griffin".

SCOTT GRIFFIN
Partner

A Independent Expert's Report continued

20 January 2012

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance Pty Ltd ("**Grant Thornton Corporate Finance**") carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by oOh!media Group Limited ("**OOH**" or "**the Company**") to provide general financial product advice in the form of an independent expert's report in relation to the proposed acquisition of OOH by Outdoor Media Operations Pty Limited (the "**Bidder**"). This report is included in the Scheme Booklet outlining the Proposed Scheme.

2 Financial Services Guide

This Financial Services Guide ("**FSG**") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from OOH a fee of approximately \$70,000 plus GST, which is based on commercial rates plus reimbursement of out-of-pocket expenses in relation to the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of OOH in order to provide this report. The guidelines for independence in the preparation of an independent expert's report are set out in Regulatory Guide 112 *Independence of expert* issued by the Australian Securities and Investments Commission ("ASIC"). The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with OOH (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Proposed Scheme.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Proposed Scheme, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Scheme. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 "Independence of expert" issued by the ASIC.

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

PO Box 579 – Collins Street West
Melbourne, VIC 8007
Telephone: 1800 335 405

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the General Meeting should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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1 Outline of the Proposed Scheme

1.1 Summary

oOh!media Group Limited (“OOH” or “the Company”) is an ASX listed pure-play outdoor advertising company operating across Australia. OOH provides outdoor advertising services using formats such as billboards, posters on transport and poster stands in shopping centres.

Outdoor Media Operations Pty Limited (the “Bidder”) is a wholly owned subsidiary of Outdoor Media Investments Limited (“Cayman Holdco”), an exempted company incorporated under the laws of the Cayman Islands. The Bidder and Cayman Holdco are currently owned by the CHAMP III Funds⁷ which are managed/advised by CHAMP III Management Pty Ltd and its related entities (“CHAMP Private Equity”). As at the date of this report, CHAMP III Funds owns 98,230,924 ordinary shares in OOH representing 19.60% of the undiluted share capital of the Company.

On 10 November 2011, OOH announced that it had received an indicative, highly conditional, non-binding and confidential proposal from CHAMP Private Equity (in its capacity as manager and/or advisor to the CHAMP III Funds) to acquire for cash all the shares of OOH (“OOH Shares”) for a price of 32.5 cents per share, with a potential scrip alternative to be offered (“Indicative Proposal”).

Subsequently on 13 December 2011, OOH and the Bidder entered into a Scheme Implementation Agreement (the “SIA”) to acquire all of the outstanding ordinary shares of OOH not currently owned by CHAMP III Funds⁸ by way of scheme of arrangement (“the Proposed Scheme”).

Under the terms of SIA, OOH shareholders not associated with CHAMP III Funds (“Non-associated Shareholders”) have the option to receive one of the following as consideration if the Proposed Scheme is implemented:

- Cash of 32.5 cents per OOH Share (“Cash Consideration”); or
- Cash of 10 cents per share and one Class B ordinary share (“Class B Share”) in Cayman Holdco with an issue price of 22.5 cents for each OOH Share (“Mixed Consideration”). The shares in Cayman Holdco issued in accordance with the Mixed Consideration will be fully paid and unencumbered. The share capital of Cayman Holdco will include two classes of ordinary shares, Class A Shares and Class B Shares with substantially the same rights. Refer to section 5.2 for further details.

The Mixed Consideration will only become available if valid applications for at least 100 million OOH Shares equivalent to approximately 20% of the undiluted share capital of OOH (or approximately 19% of the fully diluted share capital of OOH) are made. As set out in the SIA,

⁷ CHAMP III Funds comprises several private equity funds specialised in expansion and buyout investments in large and middle market companies, including the CHAMP Buyout III Trust, the CHAMP Buyout III (SWF) Trust and the CHAMP Buyout III Pte Ltd.

⁸ We note that CHAMP III Funds has agreed with Outdoor Media Operations Pty Limited that CHAMP III Funds will transfer to Outdoor Media Operations Pty Limited the share it owns in OOH on or shortly after implementation of the Proposed Scheme.

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Non-associated Shareholders electing for the Mixed Consideration will receive 1 Class B Share in Cayman Holdco for every OOH Share held and 10 cents cash.

If the minimum acceptance requirements for the Mixed Consideration are not achieved, Non-associated Shareholders who have elected to receive the Mixed Consideration, will receive the Cash Consideration.

In relation to the Mixed Consideration, we also note the following:

- Only Non-associated Shareholders with Australian and Singapore registered office at the record date can elect to receive the Mixed Consideration; and
- If Non-associated Shareholders do not make a valid election in relation to the Cash Consideration or Mixed Consideration, they will receive the Cash Consideration.

Based on the terms of the SIA, OOH is prevented from soliciting or inviting any competing proposal to the Proposed Scheme until the Proposed Scheme becomes effective or is terminated in accordance with SIA nor can they respond to a competing proposal unless the Directors of OOH acting in good faith determines that the competing proposal may reasonably expect to lead to a superior proposal to the Proposed Scheme or if failing to respond to a competing proposal would be likely to constitute a breach of their fiduciary or statutory duties.

OOH's Directors intentions

In the absence of a superior proposal and subject to an Independent Expert concluding that the Proposed Scheme is in the best interests of OOH Shareholders and the Cash Consideration is fair and reasonable:

- The Directors of OOH, other than Mr D. Standen and Mr. G. Wild⁹ ("Recommending Directors"), unanimously recommend that OOH Shareholders vote for the Proposed Scheme; and
- All the Directors of OOH, including Mr D. Standen and Mr. G. Wild, intend to vote in favour of the Proposed Scheme any OOH Shares in which they have a relevant interest and in respect of which they have power to vote.

OOH's Shareholders intentions

Subject to certain carve-outs set out in the OOH announcement and the Scheme documentations in relation to the Proposed Scheme, we note the following:

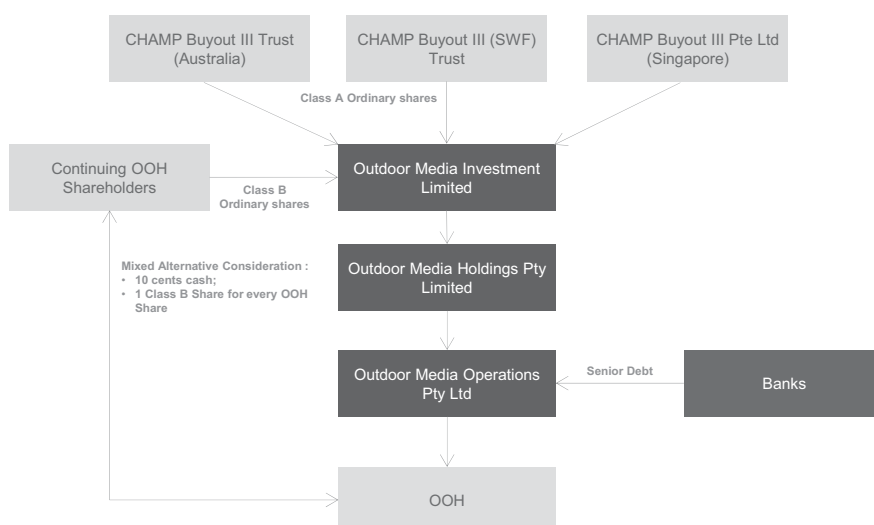
- Cavedish Square Holding BV ("WPP"), the ultimate owner of 119 million OOH Shares equivalent to 23.74% of the undiluted share capital of the Company, has advised OOH that its intention is to support the Proposed Scheme; and

⁹ Mr D. Standen and Mr. G. Wild give no recommendation given their association with substantial shareholders of OOH.

- Hub X Pty Limited, ultimately owned by Macquarie Group Limited (“Macquarie”) and its associates, holds 135.75 million OOH Shares equivalent to 27.08% of the undiluted share capital of the Company. Hub X Pty Limited has advised OOH that its intention is to vote in favour of the Proposed Scheme and accept the Cash Consideration.

1.2 Structure of Outdoor Media Investment Limited/ Cayman Holdco

Set out below is a summary of the corporate structure of Cayman Holdco. We note that the shareholdings of the Non-associated Shareholders and CHAMP III Funds in Cayman Holdco will depend on the number of Non-associated Shareholders electing to receive the Mixed Consideration and accordingly it will be known only when and if the Proposed Scheme becomes effective.



In relation to the corporate structure above, we note the following:

- Cayman Holdco is an exempted company incorporated in the Cayman Islands;
- Non-associated Shareholders who elect to receive the Mixed Consideration will receive B Class Shares in Cayman Holdco, assuming the minimum take-up for the Mixed Consideration is achieved;
- To fund the Proposed Scheme, CHAMP III Funds will contribute up to approximately A\$100.0 million¹⁰ (excluding the shares that CHAMP III Funds already owns) and debt providers will loan approximately A\$77 million to Cayman Holdco or its controlled entities; and

¹⁰ Amount contributed by CHAMP III Funds will depend on the number of shareholders electing to receive the Mixed Consideration.

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- The collective shareholding of the Non-associated Shareholders electing to receive the Mixed Consideration will only be known if and when the Proposed Scheme becomes effective. Set out below is a calculation of Non-associated Shareholders' interest in Cayman Holdco in conjunction with different level of elections of the Mixed Consideration:
 - i) If all OOH Shareholders who are entitled to make a Mixed Election (other than Macquarie) make a valid Mixed Election, Non-associated Shareholders would hold approximately 44.9% of Cayman Holdco;
 - ii) If the minimum number of OOH Shareholders who would be required to elect for the Mixed Consideration for this alternative to be available, make such election, Non-associated Shareholders would hold approximately 16.8% of Cayman Holdco; and
 - iii) If all OOH Shareholders who are entitled to make a Mixed Election (including Macquarie) make a valid Mixed Election, Non-associated Shareholders would hold approximately 68.0% of Cayman Holdco.
- However based on the terms of the Article of Association of Cayman Holdco, we note that under any circumstances, CHAMP III Funds will have a voting power in Cayman Holdco equal to at least 51% of the issued capital.

1.3 Key conditions of the Proposed Scheme

The Proposed Scheme is subject to a number of conditions customary for a transaction of this kind, including but not limited to the following:

- No restraining order, injunction or any other order issued by any legal or regulatory authority that prevents implementation of the Proposed Scheme;
- An independent expert concluding that the Proposed Scheme is in the best interest of Non-associated Shareholders and the Cash Consideration is fair and reasonable;
- No material adverse change and/or prescribed occurrences have occurred on or before the second court date;
- The Non-associated Shareholders approve the Scheme by the majorities required under section 411 (4)(a)(ii) of the Corporations Act, 2001 ("Corporations Act");
- Approval of the Proposed Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act; and
- As at the second court date, OOH and Cayman Holdco have agreed with each holder of the outstanding options in OOH that all outstanding options will be:
 - Cancelled for 20.5 cents for each option; or
 - Exercised by no later than the effective date of the Scheme.

1.4 Effects of the Proposed Scheme

If implemented, the Proposed Scheme will have the following effects:

- CHAMP III Funds through its wholly owned subsidiary, the Bidder will acquire 100% of OOH Shares;
- OOH will become a wholly owned subsidiary of Cayman Holdco and be delisted from the ASX;
- OOH Shareholders will receive the Cash Consideration or the Mixed Consideration in accordance with the terms of the SIA;
- The existing OOH Board will be reconstituted with following effect:
 - Majority Directors of OOH will be replaced by nominees of Cayman Holdco on or before the date of Court order made in relation to the Proposed Scheme;
 - All the Directors of OOH, other than the current CEO – Mr Brendan Cook, will be replaced by nominees of Cayman Holdco on the date of implementation of Proposed Scheme. However, we note that Cayman Holdco has not entered into a formal agreement with Mr Brendan Cook;
- It is expected that the management team of OOH will remain substantially unchanged if the Proposed Scheme is implemented;
- Cayman Holdco intends to maintain the current head office and other regional Australian offices of OOH

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2 Purpose and scope of the report

2.1 Purpose

Section 411 of the Corporations Act, 2001 regulates schemes of arrangement between companies and their members. Part 3 of Schedule 8 of the Corporations Regulations 2001 prescribes information to be sent to shareholders and creditors in relation to members' and creditors' schemes of arrangement pursuant to Section 411 of the Corporations Act.

Part 3 of Schedule 8 of the Corporations Regulations requires an independent expert's report in relation to a scheme to be prepared when a party to that scheme has a shareholding greater than 30% in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the independent expert's report must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirements for an independent expert's report, documentation for a members scheme of arrangement typically includes an independent expert's report.

As at the date of the report, CHAMP III Funds holds 98,230,924 ordinary shares in OOH (representing approximately 19.60% of the ordinary shares on issue) and CHAMP III Funds does not have any directors in common with OOH. Accordingly, there is no legal requirement under Part 3 of Schedule 8 of the Corporations Regulations for an independent expert's report to be prepared in respect of the Proposed Scheme. However, the Directors of OOH have requested Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") to prepare an independent expert's report to express an opinion as to whether the Proposed Scheme is in the best interests of OOH Shareholders.

2.2 Basis of assessment

In determining whether the Proposed Scheme is in the best interests of the Company's members, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including Regulatory Guide 111 *Contents of expert reports* ("RG111"), Regulatory Guide 142 *Scheme of arrangement and ASIC review* ("RG142") and Regulatory Guide 112 *Independence of experts* ("RG 112"). The independent expert's report will also include other information and disclosures as required by ASIC. We note that neither the Corporations Act nor the Corporations Regulations define the term "in the best interests of members".

RG 111 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG 111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" in the context of a takeover offer. RG111 requires an independent expert prepared for a change of control transaction implemented by way of scheme of arrangement to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is "*in the best interests of the members of the company*". If an expert were to conclude that a proposal was "fair and reasonable" if it was in the form of a takeover bid, it will also conclude that the proposed scheme is "*in the best interests of the members of the company*".

Pursuant to RG 111, an offer is "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company.



RG 111 considers an offer to be “reasonable” if it is fair. An offer may also be reasonable if, despite not being “fair” but after considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

In our opinion, the most appropriate way to evaluate the fairness of the Proposed Scheme is to compare the fair market value of OOH Share on a 100% and control basis to the consideration per share offered by Cayman Holdco.

In considering whether the Proposed Scheme is in the best interests of Non-Associated Shareholders, we have considered a number of factors, including:

- Whether the Proposed Scheme is fair;
- The terms and conditions relating to the Proposed Scheme between OOH and Cayman Holdco;
- The implications to OOH and the Non-Associated Shareholders if the Proposed Scheme is not approved;
- Other likely advantages and disadvantages associated with the Proposed Scheme; and
- Other costs and risks associated with the Proposed Scheme that could potentially affect the Non-Associated Shareholders.

2.3 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to the Proposed Scheme with reference to RG 112.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Proposed Scheme other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the Proposed Scheme.

In accordance with RG 112 paragraph 34, we disclose the following professional relationships with OOH in the previous two years:

- October 2011 – Grant Thornton Australia Services Limited, a related entity of Grant Thornton Corporate Finance, undertook a limited scope financial and tax due diligence in relation to the acquisition of Red Outdoor Pty Ltd (deal value less than A\$2 million), for which Grant Thornton Australia Limited received a fixed fee of A\$30,000.

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2.4 Consent and other matters

Our report is to be read in conjunction with the Scheme Booklet dated on or around 20 January 2012 in which this report is included, and is prepared for the exclusive purpose of assisting the Non-Associated Shareholders in their consideration of the Proposed Scheme. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Scheme Booklet.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Scheme to Non-associated Shareholders as a whole. We have not considered the potential impact of the Proposed Scheme on individual Non-associated Shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Scheme on individual shareholders.

The decision of whether or not to approve the Proposed Scheme is a matter for each Non-associated Shareholder based on their own views of value of OOH and expectations about future market conditions, OOH's performance, risk profile and investment strategy. If Non-associated Shareholders are in doubt about the action they should take in relation to the Proposed Scheme, they should seek their own professional advice.

3 Profile of the industry

3.1 The Advertising Industry in Australia

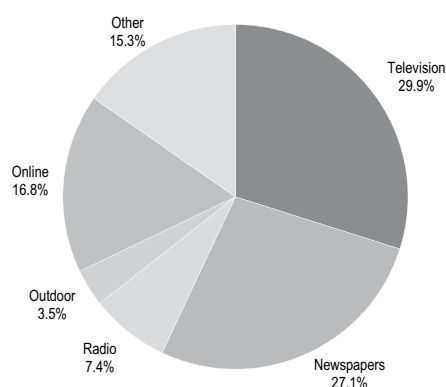
OOH is an ASX listed pure-play outdoor advertising company operating across Australia. OOH provides advertising services using formats such as billboards and poster stands in shopping centres.

The advertising industry can be broadly classified into the following segments:

- Broadcast (television & radio);
- Print (includes newspapers and magazines);
- Online; and
- Outdoor advertising.

In FY10, the Australian advertising industry had total revenue of A\$13.5 billion. Set out below is the product and service segmentation of the advertising industry by revenue:

Product and service segmentation in FY10



Source: Broker report

Over the last five years, growth in outdoor advertising revenue (CAGR of 6.2%) has consistently outperformed the overall industry revenue growth (CAGR of 3.8%). In particular, outdoor advertising has experienced growth rates significantly above that of traditional advertising formats such as newspapers, radio and television.

The increasing fragmentation of consumer's media viewing habits has limited the growth of the traditional media and enhanced the opportunities for digital and outdoor advertising and new media.

Outdoor advertising has benefited from this fragmentation due to its ability to reliably reach consumers while minimising the potential for advertising avoidance that affects digital, new and traditional media. Advancements in digital technologies have also allowed for the creation of more

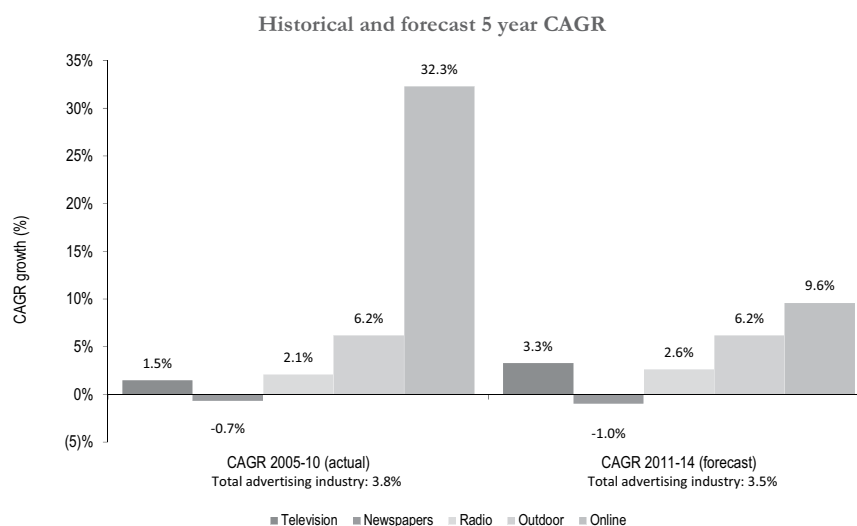
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visually striking displays that enhance impact and stimulate spending. Growing popularity of on-demand media has led advertisers to seek out alternatives where consumers have little or no control over their exposure to advertising and outdoor advertising is one such medium.

Set out below is the Australian advertising industry's actual and forecast compounded annual growth rate ("CAGR") of revenue categorised by advertising segment:



Source: Commercial Economic Advisory Service of Australia

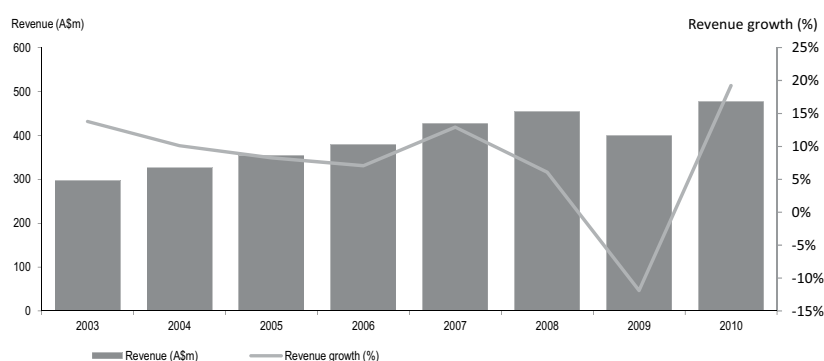
3.2 Key external revenue drivers

The key external drivers of revenue growth for the outdoor advertising segment are listed below:

- **Business confidence index** – the level of business confidence and business sentiment of prospective economic growth greatly influences on how much businesses spend on advertising.
- **Competition from below-line advertising ("BTL")** – BTL or non-media forms of advertising seek to establish one-to-one relationships with consumers such as directly emailing consumers promotional material and telemarketing. It currently presents significant competition to the outdoor advertising formats such as billboards that target a mass audience. However, the outdoor advertising segment have recently also moved into offering BTL advertising services such as in-shop and shop-front activities, and display units with brand ambassadors to interact directly with consumers; and
- **Household consumption expenditure** – consumer expenditure levels directly impact the advertising budgets of companies and the level of business expenditure on advertising. The cyclical nature of consumer expenditure generates significant seasonality in the revenue cycle of the advertising industry during periods of gift giving holidays such as Valentine's Day and Christmas.

Set out below is the historical outdoor advertising segment revenue and revenue growth from 2003 to 2010.

Historical revenue and revenue growth



Source: Outdoor Media Association Inc.

The outdoor advertising segment's revenue growth is closely correlated with the level of domestic economic growth. During FY06-08, outdoor advertising benefited from continued economic growth, however with the onset of the global financial crisis ("GFC") in FY08-09 outdoor advertising revenue dipped sharply in conjunction with slowing consumer expenditure and reduced business confidence. In FY08-09, the Federal Government, the 7th largest client advertiser in FY10, also substantially reduced advertising expenditure.

3.3 Outdoor advertising service segmentation

Set out below is a breakdown of the outdoor panels by format:

Format	Inventory type
Roadside - billboards	Supersites / Large format (larger than 25 sqm)
	Billboards (smaller than 25 sqm)
Roadside - other	Bus/Tram shelter faces
	Kiosks/Free standing faces and phone booth faces
	Bus/Tram externals
	Bus/Tram internals
Transport	Airport Internals
	Railway/Bus terminals
Retail/lifestyle	Shopping centre faces

Source: Measurement of Outdoor Visibility and Exposure (MOV/E)

The fastest growing format in the Australian market is transport advertising which includes advertisement displayed on buses, and mobile fleets which recorded revenue of A\$66 million¹¹ in

A Independent Expert's Report continued

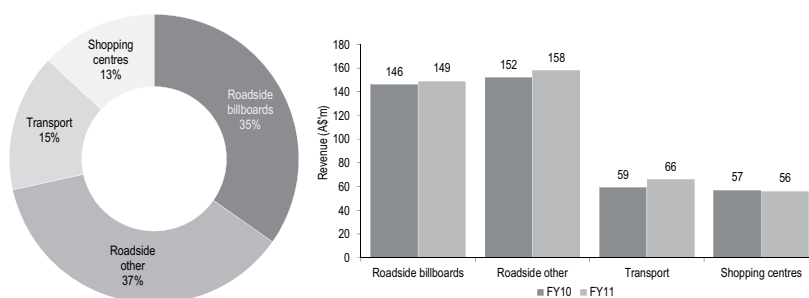


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2011 with a growth rate for the full 2011 year of 12%¹¹. The growth in roadside street furniture over the same period was 4%¹¹ with revenues of A\$158 million¹¹ being recorded in 2011.

The share of outdoor advertising segment's revenue by advertising format in FY11 is set out below:

Revenue share per advertising format

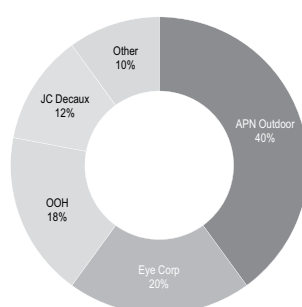


Source: Outdoor Media Association Inc and APN Presentation

3.4 Industry competition

The industry is dominated by 4 main competitors as summarised in the chart below

Market share of competitors



Source: Outdoor Media Association Inc

APN Outdoor Pty Ltd ("APN Outdoor") is the dominant player in the Australian outdoor advertising market with a market share of approximately 40% in FY10. Its products include transit, roadside billboards, and precincts. APN Outdoor is a private subsidiary of APN News and Media Ltd ("APN") which is primarily engaged in publishing newspapers and magazines in printed and online formats.

Eye Corp Pty Ltd is a private outdoor advertising subsidiary of TEN Network Holdings Ltd. The company is based in Australia with international activities, and provides multi-format advertising solutions with a focus on airport advertising.

¹¹ Source: APN presentation

OOH holds the third largest market share of 18% in FY10 in the Australian outdoor advertising market. However, unlike its competitors, it is a listed pure play outdoor advertising company with its activities focused solely in the Australian market.

JCDecaux SA is public outdoor advertising company based in France with activities worldwide. The company operates in three segments; street furniture, transport, and billboard.

The remaining 10% of the industry is fragmented between several small private operators. However, it is well understood in the industry that there are also several additional small outdoor advertisement businesses that do not participate to the voluntary disclosure of revenue and accordingly, they may not be captured in the graph above.

3.5 Measurement of Outdoor Visibility and Exposure

In February 2010, the main players of the Australian outdoor advertisement industry launched MOVE which is a web-based Measurement of Outdoor Visibility and Exposure to assist media buyers, advertisers and outdoor media operators. It is Australia's first national industry-wide audience measurement system for outdoor media and world leading in that it covers all major outdoor environments including roadside, airports, railway/bus stations, buses/trams and shopping centres. No international system measures audiences to the same depth as MOVE.

MOVE currently includes approximately 60,000 out of home faces across the following categories:

- Roadside:
 - Posters, billboards, supersites and spectacles larger than 25 square metres; and
 - Bus/tram shelters, bus/tram externals, kiosks, public toilets, free standing panels and phone booths.
- Transport - Airport Internals, Bus/rail station internals and Bus/tram internals.
- Shopping centres.

3.6 Outlook for the segment

General advertising industry revenue is estimated to increase in line with inflation at a CAGR of 2.8%¹¹ over the next five years through FY17. This is mainly due to slow recovery in consumer expenditure as a result of the on-going European and US debt crisis putting downward pressure on economic growth. However, the outdoor advertising segment is forecast to experience relatively high levels of growth compared to the overall growth of the Australian advertising services industry. It is expected that there will be redirection of marketing budgets away from traditional advertising mediums to more direct or less intrusive mediums such as outdoor advertising, which will fuel continued growth of the outdoor advertising segment resulting in an estimated CAGR of 6.2%¹¹ over the next five years through FY17.

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In addition, the introduction of MOVE¹² will further encourage advertisers to increase or incorporate outdoor advertising into their budgets by providing quality research and measurement data on various outdoor advertising formats.

¹² MOVE is owned and managed by six major outdoor players in Australia including OOH, Adshel, APN Outdoor, Eye, JCDeceaux, and the OMA.

4 Profile of OOH

OOH is an ASX listed outdoor advertising company operating in Australia. The Company is primarily engaged in the following activities:

- Selling of advertisement space on the outdoor sites owned by the Company. The Company has a right to use the site for a period of time under a lease or licence agreement; and
- Selling of advertisement space on outdoor sites on behalf of a third party owner. OOH is entitled to receive a percentage of the revenue as a fee or a fixed commission under this model.

4.1 Company history

OOH was formed in 2000 as a bio-pharmaceutical company. The Company first turned its strategic focus to the outdoor advertising market in 2002 when it acquired Outdoor Network Australia Pty Ltd, an advertising company which managed outdoor advertising billboards. OOH became a pure play outdoor advertising company in July 2004 with the asset sale of its biotechnology subsidiary, Inhibin Pty Ltd to IAF Corporation Ltd.

Over the last 9 years OOH has acquired 15 businesses to become the third largest outdoor advertiser in Australia with a market share of approximately 18%¹³ in CY10. Acquisitions completed by OOH in the last 5 years include:

- In February 2007, OOH acquired 70 regional sites in Victoria from Sports & Outdoor Media Pty Ltd (“Sports & Outdoor”) for A\$1.7 million, and the Bourke Street mall site in Victoria for approximately A\$1.0 million;
- In May 2007, OOH merged with outdoor media solutions specialist Media Puzzle Pty Ltd, which operated a mixture of freestanding advertisement panels in shopping centres (“shopalites”), lifestyle panels and large format sites. Total consideration for the acquisition was approximately A\$36.5 million paid in a combination of cash and shares;
- In July 2008, OOH acquired Sports & Outdoor, the largest regional New South Wales (“NSW”) supplier of highway billboards for a total consideration of approximately A\$45.8 million;
- In December 2010, OOH acquired Prime Positions Billboard Signs, a NSW based outdoor advertising company for approximately A\$1.6 million;
- In July 2011, OOH acquired some other outdoor assets for A\$2.1 million; and
- In September 2011, OOH announced that it was appointed to sell Red Outdoor’s shopper banners across 156 shopping centres in metro and regional Australia.

In the ordinary conduct of business, OOH continues discussions and negotiations in relation to other potential small and minor acquisitions which may complete in the first quarter of 2012.

¹³ Source: OMA

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4.2 Products and services

OOH's business model is currently based on six products lines as summarised below:

- **oOhroad!** – provides advertisements on billboards. OOH has ownership or representation of over 4,200 billboards concentrated in Victoria, Queensland, South Australia and regional Australia. Site contracts are typically long term and in excess of 10 years;
- **oOhretail!** – provides advertisements in shopping centres in the form of shopalites, banners, floor decals, and posters in escalators. OOH is the market leader in the retail segment with circa 5,000 signs in over 420 shopping centres;
- **oOhregional!** – provides advertisement solutions in regional Australia. OOH owns or represents approximately 1,200 billboards which correspond to approximately 95% of the large format billboards located across regional Australia;
- **oOmobile!** – provides advertisements on OOH's mobile billboard truck fleet, brand ambassadors, smart cars and scooters. OOH primarily targets Australia's central business districts during peak hour traffic but also offers clients flexibility in deciding the route;
- **oOfactor!** – provides clients with experimental and promotional marketing solutions which involve giving targeted consumers interactive one-on-one brand experiences. oOfactor! solutions include providing product sampling, brand ambassadors to roam shopping centres and engage consumers, and setting up demonstration zones in shopping centres;
- **oOproduce!** – provides outdoor media, digital production and advertising campaign management. In addition to standard advertisement formats, OOH is able to offer billboard extensions, shopping centre and billboard special builds, and stunt special builds on buildings.

4.3 Financial information

4.3.1 Statement of financial performance

The statements of financial performance of OOH for CY09¹⁴, CY10 and the half year ended 30 June 2011 are set out in the table below:

OOH Statement of financial performance	Audited CY09 \$'000	Audited CY10 \$'000	Reviewed HY11 \$'000
Revenue	86,040	109,700	55,325
Other income	-	-	-
Cost of media sites and production	(49,853)	(64,129)	(33,540)
	36,187	45,571	21,785
Gross margin (%)	42.1%	41.5%	39.4%
Remuneration expense	(12,911)	(16,253)	(7,331)
Insurance	(127)	(152)	(51)
Property related costs	(738)	(870)	(480)
Legal and professional fees	(1,729)	(1,117)	(330)
Share based payments expense	(41)	(422)	(220)
Loss on disposal of non-current assets	(898)	-	-
Impairment loss	-	-	-
Other expenses	(4,818)	(5,640)	(3,054)
EBITDA	14,925	21,117	10,319
EBITDA margin (%)	17%	19%	19%
Depreciation and amortisation	(3,779)	(4,306)	(2,185)
EBIT	11,146	16,811	8,134
EBIT margin (%)	13%	15%	15%
Interest income	8	30	3
Finance costs	(4,669)	(5,659)	(2,958)
Income tax expense	(1,594)	(4,154)	(1,658)
NPAT	4,891	7,028	3,521

Source: OOH annual reports

We note the following in relation to the consolidated statements of financial performance set out above:

CY09

- Revenue increased to A\$86.0 million, approximately 15% from the last year mainly due to:
 - Contribution from Sports & Outdoor for the full year compared to only 4 months contribution in CY08;
 - OOH's win of the Queensland Department of Main Roads outdoor advertising tender in March 2009, which consisted of 20 kilometres of road between Pimpama to Coomera on the Pacific Highway, connecting the Gold Coast to Brisbane. Following its successful tender, OOH was able to add ten new large format signs to its Queensland oOh!road offering; and
 - In March 2009, OOH was also successful in securing an exclusive deal for the first two large format panels to be displayed in Canberra;

¹⁴ OOH has a financial year end on the 31 December of each year

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- Improvement in gross margin by 2% was mainly due to the shift of Sports & Outdoor agency sales from represented model to ownership model;
- Other expenses of A\$4.8 million are mainly in relation to marketing and advertising, travel and entertainment, and office expenses.
- Finance costs of approximately A\$4.7 million consisted of:
 - A\$1.4 million of present value adjustments and payments in relation of the deferred consideration on the acquisition of Sports & Outdoor; and
 - A\$3.3 million in relation to interest expense on used bank facilities.

CY10

- Revenue increased approximately 28% to A\$109.7 million mainly due to continued industry recovery from the GFC;
- EBITDA and EBIT margins both increased approximately 2% since CY09 due to OOH's focus on growing revenue faster than their fixed cost base. The initiatives implemented by OOH to achieve this outcome included an increase in the proportion of the assets owned, increase in the utilisation rates by leveraging off OOH's national clientele and the launch of mobile home offices in May 2010 to increase contact with regional clients while reducing travel and rent expenses;
- Cost of media sites and production increased by approximately 30% due to OOH's strategic focus on increasing site ownership;
- Increase in employee remuneration expense by approximately 25.9% to A\$16.3 million in CY10 is mainly due to the increase in number of employees from 105 in CY09 to 129 in CY10;
- Share based payment expense of approximately A\$0.4 million are in relation to 23 million options issued under OOH's employee share option scheme ("ESOP"). For key terms of the issued options refer to section 4.4.2;
- Other expenses of A\$5.6 million are mainly in relation to marketing and advertising, travel and entertainment, and office expenses;
- Finance costs of approximately A\$5.7 million consisted of:
 - A\$2.7 million of present value adjustments and payments in relation of the deferred consideration on the acquisition of Sports & Outdoor; and
 - A\$3.0 million in relation to interest expense on used bank facilities;

HY11

- Revenue increased marginally by approximately 9% to A\$55.3 million from HY10 to HY11 due to:
 - Inventory growth in large format via RTA tender win; and
 - Increase in retail panel numbers;
- Management has advised that there was consistent revenue growth across all products offered by OOH during HY11;
- Finance costs of approximately A\$3.0 million consisted of:
 - A\$1.0 million of finance charges in relation to the early settlement of the acquisition of Sport & Outdoor;
 - A\$0.7 million of present value adjustments and payments in relation of the deferred consideration on the acquisition of Sports & Outdoor; and
 - A\$1.2 million in relation to interest expense on used bank facilities.
- Other expenses of A\$3.0 million are mainly in relation to marketing and advertising, travel and entertainment, and office expenses.

CY11

- On the 22 November 2011, OOH provided a trading update announcing a revenue range forecast of between A\$117 million and A\$119 million and forecast underlying EBITDA between A\$21.5 million and A\$23 million
- The level revenue and relative growth compared with CY10 has been impacted by the volatility in the advertising industry and low consumer sentiment.

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4.3.2 Statement of financial position

The consolidated statements of financial position of OOH as at 31 December 2010, and 30 June 2011 are set out in the table below:

OOH Statement of financial position	Audited 31-Dec-10 (A\$'000s)	Reviewed 30-Jul-11 (A\$'000s)
Assets		
Cash and cash equivalents	6,525	715
Trade and other receivables	23,949	21,017
Inventory	92	35
Current assets	30,566	21,767
Property, plant and equipment	19,788	21,338
Intangible assets	99,016	98,940
Other financial assets	413	413
Non-current assets	119,217	120,691
Total asset	149,783	142,458
Liabilities		
Trade and other payables	15,318	8,463
Deferred consideration for acquisition	16,878	-
Borrowings	4,812	4,290
Current tax liabilities	2,137	573
Provisions	452	459
Current liabilities	39,597	13,785
Trade and other payables	-	1,097
Borrowings	21,247	19,604
Provisions	755	851
Deferred tax liabilities	1,093	964
Non-current liabilities	23,095	22,516
Total liabilities	62,692	36,301
Net assets	87,091	106,157
Equity		
Contributed equity	79,547	94,872
Reserves	422	642
Retained profit/ (loss)	7,122	10,643
Total equity	87,091	106,157

Source: OOH annual reports

We note the following in relation to the consolidated statements of financial position:

- As at 31 December 2010, intangible assets of approximately A\$99.0 million consisted of:
 - A\$10.8 million in goodwill in relation to property leases and retail media asset licenses;
 - A\$87.6 million in leases, licenses and contracts; and
 - A\$0.6 million in computer software;
- As at 31 December 2010, non-current other financial assets of approximately A\$0.4 million consisted of unlisted equity securities at fair value;

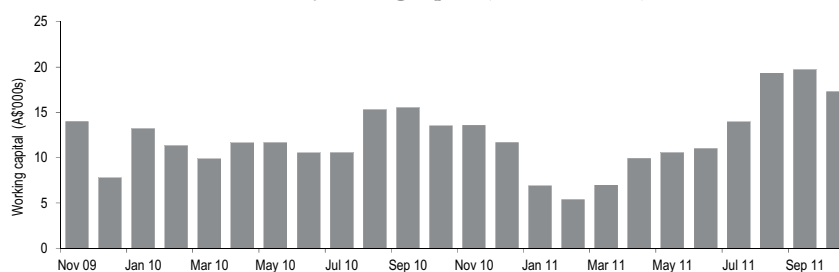
- Deferred consideration for acquisition of approximately A\$16.9 million as at 31 December 2010 is in relation to OOH's Sports and Outdoor acquisition. On 31 January 2011, OOH made the final payment for its Sports and Outdoor acquisition funded through its successful capital raising in January 2011. The final payment made to Shareholders comprised of 21,000,000 ordinary shares in OOH at A\$0.20 per share and a cash consideration of A\$14.3 million;
- As at 31 December 2010, OOH had total borrowings of approximately A\$26.1 million consisted of:
 - A\$0.2 million of bank facilities drawn;
 - A\$3.5 million of equipment finance revolving facilities. The weighted average interest rate implicit in the leases is 8.6% per annum; and
 - A\$22.5 million of commercial bill line borrowings expiring in December 2014;
- OOH successfully raised A\$20 million through the placement of 99,248,120 new ordinary shares to institutional and sophisticated investors in CY11. The placement was made in two tranches of approximately 57,142,857 shares in December 2010 and 42,105,263 shares in January 2011 at an average price of A\$0.202. The main investors involved in the placement were William Shaw Capital Pty Ltd ("WSC") and Macquarie Group Ltd subsidiary Hub X Pty Ltd which took up A\$10.5 million and A\$3.5 million in OOH shares respectively. The remaining A\$6.0 million in OOH shares were placed to a number of institutions as arranged by Evans and Partners Pty Ltd.

4.3.3 Net working capital analysis

The business of OOH is a seasonal business with a significant concentration of advertisement spends during the Christmas festivity period and other gift periods during the year.

Set out below is an analysis of the monthly net working capital¹⁵ over the last 24 months:

Monthly working capital (Nov 09 – Oct 11)



Source: OOH Management

¹⁵ Working capital includes current receivables, inventory and current payables.

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4.4 Capital Structure

As at the date of this report, OOH has the following securities on issue:

- 501,225,275 OOH Shares; and
- 23,000,000 unlisted OOH options (the "Options") issued under OOH's ESOP.

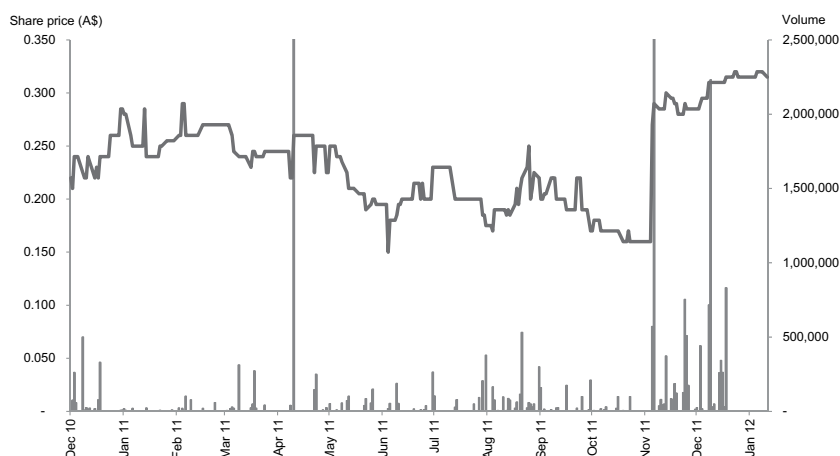
4.4.1 OOH shares

The top 10 shareholders of OOH as at 14 December 2011 are set out below:

Shareholder	No of shares '000	Interest %
Hub X Pty Ltd	135,753	27.1%
Cavendish Square Holding BV	119,000	23.7%
AC N 154 164 191 Pty Ltd (CHAMP)	98,231	19.6%
QMS Asia Pacific Outdoor Pte Ltd	75,184	15.0%
Quinambo Nominees Pty Ltd	24,560	4.9%
Steel Price Pty Ltd	13,650	2.7%
Mrs Debra Cook	8,000	1.6%
Mr Brendon Cook	2,500	0.5%
Brispot Nominees Pty Ltd	1,900	0.4%
R P Prospects Pty Ltd	1,572	0.3%
Top 10 shareholders	480,350	96%
Other shareholders	21,642	4%
Total	501,225	100%

Source: OOH management

The daily movements in OOH's share price and volumes for the period from 1 December 2010 to 17 January 2012 is set out below:



Source: Capital IQ

We note the following with regards to the share price history shown above:

Date	Comments
13 Dec 2011	OOH announced that it has entered into SIA with Bidder. The Bidder has agreed to offer to acquire all OOH Shares that it does not already own for either A\$0.325 per share or a mix of cash and unlisted scrip. OOH has also released a copy of the SIA to the ASX. The share price closed at A\$0.310.
8 Dec 2011	OOH announced that it has extended the period of exclusivity with CHAMP III Funds in regard to the Proposed Scheme until 12 December 2011. The share price closed at A\$0.290.
29 Nov 2011	OOH released notice of change of interest of substantial holder CHAMP III Funds from 16.99% to 19.60% through the acquisition of 13,069,491 OOH Shares at A\$0.325 per share. The share price closed at A\$0.290.
10 Nov 2011	OOH announced that the Company had been approached by CHAMP III Funds with a conditional, non-binding and confidential proposal to acquire all OOH shares at A\$0.325 per share. The share price closed at A\$0.270.
21 Sep 2011	OOH announced that the Company had been appointed to sell Red Outdoor's shopper banners across 156 shopping centre in metro and regional Australia. The share price closed at A\$0.190.
7 Jul 2011	OOH announced a 9.5% increase in its expected sales revenue for HY11 from the previous corresponding period. The share price closed at A\$0.230.
30 May 2011	OOH announced that the Australia Government Takeovers Panel (the "Panel") has accepted an undertaking from QMS Asia Pacific Outdoor Pty Ltd ("QMS") and William Shaw Capital Pty Ltd ("WSC") resulting in shareholdings of QMS and WSC to be sold down to 15%. The share price closed at A\$0.195.
5 May 2011	OOH announced that the Panel had received its application in relation to the failure of QMS to disclose and obtain shareholder approval for its acquisition of OOH options appropriately. The share price closed at A\$0.225.
31 Jan 2011	OOH announced that the Company had made the final payment for its Sports and Outdoor acquisition in advance of the contracted date, following its recent successful capital raising. The share price closed at A\$0.255.
30 Nov 2010	OOH announced that the Company had successfully raised A\$20 million through the placement of 99,248,120 new ordinary shares to institutional and sophisticated investors. OOH intended to use the funds raised to repay debt and enable the Company greater flexibility to pursue further growth plans. The share price closed at A\$0.205.
10 Nov 2010	OOH announced that the Company expected a fifth year consecutive full year growth with up to 38% earnings increase. The share price closed at A\$0.220.

Source: ASX Announcements

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Set out below is the share price performance of OOH up to week ended 13 January 2012:

OOH	Share Price			Average weekly volume '000'
	High \$	Low \$	Close \$	
Month ended				
Dec 2010	0.2600	0.2100	0.2600	433
Jan 2011	0.2850	0.2400	0.2550	26
Feb 2011	0.2900	0.2550	0.2700	78
Mar 2011	0.2700	0.2300	0.2450	174
Apr 2011	0.2600	0.2200	0.2500	4,194
May 2011	0.2500	0.1900	0.2000	152
Jun 2011	0.2150	0.1500	0.2000	84
Jul 2011	0.2300	0.2000	0.2000	134
Aug 2011	0.2500	0.1700	0.2000	448
Sep 2011	0.2250	0.1900	0.1900	207
Oct 2011	0.1800	0.1600	0.1600	123
Nov 2011	0.3250	0.2250	0.2850	9,800
Dec 2011	0.3200	0.2850	0.3150	1,236
Week ended				
11 Nov 2011	0.3250	0.2250	0.2900	40,744
18 Nov 2011	0.3000	0.2850	0.3000	585
25 Nov 2011	0.2950	0.2800	0.2800	398
2 Dec 2011	0.2900	0.2800	0.2850	1,566
9 Dec 2011	0.2950	0.2850	0.2950	499
16 Dec 2011	0.3100	0.3050	0.3100	3,029
23 Dec 2011	0.3150	0.3100	0.3150	1,730
30 Dec 2011	0.3200	0.3150	0.3150	7
6 Jan 2012	-	-	0.3150	-
13 Jan 2012	0.3200	0.3200	0.3200	8

Source: Capital IQ and calculations

4.4.2 Options

As at 31 December 2010, OOH had 23,000,000 unlisted Options issued under ESOP. Set out in the table below are the key terms of the Options:

Grant date	Vesting date	Expiry date	Exercise price (A\$)	No. of options
21 May 10	21 May 10	20 May 15	0.12	3,000,000
21 May 10	21 May 12	20 May 15	0.12	6,750,000
21 May 10	21 May 13	20 May 15	0.12	6,700,000
21 May 10	21 May 14	20 May 15	0.12	6,550,000
Total				23,000,000

Source: OOH Annual Report

5 Brief profile of CHAMP Private Equity and Cayman Holdco

5.1 CHAMP Private Equity

CHAMP Private Equity is a private equity group focussed on buyout transactions of predominantly Australasian businesses with enterprise values typically above A\$200 million. CHAMP Private Equity funds are the result of a joint venture initiated in 2000 between Australian Mezzanine Investments Pty Limited and Castle Harlan, Inc. of New York.

CHAMP Private Equity's latest fund is CHAMP III Funds (\$1.5 billion) holding commitments from over thirty institutions from Australia, North America, Europe, the Middle East and Asia.

Set out below is a summary of the current CHAMP Private Equity's investments portfolio.

Investment	Description
International Energy Services	International Energy Services is a leading provider of transport logistics services to the petroleum, LPG, aviation and chemicals industries in Australia and Singapore and is a leading provider of transport logistics services to the resources sector in Australia
Manassen Foods	Manassen Foods is a private company dedicated to serving the Australian Food Industry. Established in 1948, Manasses Food markets fine imported and local food brands.
Blue Star	Blue Star offer a complete range of communication services, including commercial and general print, digital print, web printing, print management, creative and design, warehousing and logistics, direct mail and fulfilment, full colour digital variable printing, and labels.
Golding Contractors	Golding provides all aspects of open-cut mining and civil works services. Established in 1942, Golding is one of Queensland's oldest and largest privately-owned companies, with five offices and a direct workforce across the state of some 1,100 people.
LCR Group	LCR Group Pty Ltd is a large privately owned industrial services company. The company is involved in bulk materials handling, transport, mining services and associated industrial services.
Alleasing	Alleasing is an independent lessor in the Australia and New Zealand market providing equipment finance solutions.
Centric Wealth	Centric Wealth is a wealth advisory and accounting services firm with offices located in Sydney, Melbourne, Brisbane, Canberra.
ATF Services	ATF Services is a national provider of temporary fencing and height safety services in Australia and New Zealand.
Accolade Wines	Accolade Wines is the largest wine company by volume in Australia and the UK with a portfolio of brands including Hardys, the number one Australian wine brand in the UK, and Kumala, the number one South African wine brand in the UK.

Source: CHAMP website

5.2 Cayman Holdco

Cayman Holdco is an exempted company incorporated under the laws of the Cayman Islands. Set out below is a brief overview of Article of Association of Cayman Holdco:

- The share capital of Cayman Holdco comprises Class A Shares and Class B Shares. Both are ordinary shares with the same rights, however, Class A Shares will be entitled to an additional voting right when there are more Class B Shares on issue compared to Class A Shares. This

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additional voting right will be that, on a poll, the votes attached to Class A Shares, in aggregate, shall comprise 51% of the total votes attaching to all Class A Shares and Class B Shares;

- The ability of the members to transfer their shares will be limited;
- CHAMP III Funds may initiate an exit of their investment at any time and without the approval of the other shareholders;
- Typical tag-along and drag along rights will apply;
- Cayman Holdco will distribute on annual basis, the maximum amount of profits available for distributions;
- CHAMP III Funds will appoint all the directors of Cayman Holdco, including the chairman; and
- All Cayman Holdco shareholders will receive half yearly unaudited and yearly audited balance sheet, profit and loss and cash flow statements of Cayman Holdco.

6 Valuation methodologies

6.1 Introduction

In order to assess whether the Proposed Scheme is in the best interests of the Non-associated Shareholders, we have tested the fairness and reasonableness of the Proposed Scheme in accordance with RG 111.

Pursuant to RG 111, a proposal is “fair” if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company. Accordingly, we have assessed the ‘fairness’ of the Proposed Scheme by comparing the value of the consideration offered by CHAMP III Funds to the value of an OOH Share (on a controlling basis).

Grant Thornton Corporate Finance has assessed the value of OOH Shares using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

6.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow (“DCF”) method and the estimated realisable value of any surplus assets;
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets;
- Amount available for distribution to security holders on an orderly realisation of assets;
- Quoted price for listed securities, when there is a liquid and active market; and
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG111 does not prescribe the above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or

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asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

6.3 Selected valuation methods

In our assessment of the fair market value of OOH, Grant Thornton Corporate Finance has relied on the capitalisation of maintainable earnings approach to assess the fair market value of OOH. This methodology is particularly suitable for businesses like OOH that have been trading profitably for a number of years, have stable operations and predictable earnings. Our valuation assessment involves:

- selecting an appropriate level of Earnings before Interest, Tax, Depreciation and Amortisation (“EBITDA”) (generally referred to as maintainable EBITDA), having regard to the historical and budgeted operating results after adjusting for non-recurring items of income and expenditure and other known factors likely to affect the future operating performance of the business; and
- determining an appropriate EBITDA multiple having regard to the trading multiples of comparable companies and comparable transaction evidence and the specific circumstances of the company to be valued such as market positioning, quality of earnings, future growth prospects and investment risk.

We have cross-checked the value of OOH, having regard to an indicative DCF approach. A financial model of OOH’s operating business has been developed by Grant Thornton Corporate Finance having regard to discussions and interviews with Management of OOH (“Management”) during which high level indications of OOH financial performance for CY12 were discussed (“CY12 Management Indications”). Sensitivity has been undertaken to take into account the impact on the value of OOH of different scenarios.

In our valuation assessment of OOH, we have put limited reliance on the share trading history due to the limited liquidity of OOH share price. We note that top 10 shareholders in OOH account for more than 95% of the total share capital of OOH. Accordingly, the trading volumes for OOH Shares on the ASX are low and the share market prices of OOH may not provide an accurate indication on the underlying value of OOH Shares.

7 Valuation assessment of OOH Share

As discussed in Section 6.3, we have adopted the capitalisation of earnings approach to value OOH on a standalone basis. We have cross checked our valuation assessment having regard to an indicative DCF approach.

7.1 Maintainable earnings

When considering the future maintainable earnings of OOH, we have taken into account the following:

- Historical performance for CY09, CY10 and CY11 (10 months actual and 2 month forecast performance);
- CY12 Management Indications;
- Available broker's report;
- Significant non-recurring items affecting the historical and forecast financial performance of the business; and
- The cyclical nature of the advertising industry and the recent recovery in the Australian advertising market which is expected to continue going forward.

7.1.1 Historical financial performance

The following table summarises the normalised historical EBITDA of OOH.

Maintainable earnings		CY09	CY10	CY11*
		Actual	Actual	Forecast
		\$'000	\$'000	\$'000
Revenue		86,040	109,700	118,000
Cost of sales		(49,853)	(64,129)	
Gross profit		36,187	45,571	
Total expenses		(21,262)	(24,454)	
EBITDA		14,925	21,117	22,250
<i>Normalisation adjustments</i>				
Add: Non-recurring litigation expenses	Note 1	811	352	-
Add: Aborted capital raising expenses	Note 2	-	142	-
Add: Site lease termination expenses	Note 3	898	-	-
Add: Provision for AMI debts	Note 4	500	82	-
Add: Full run rate contribution from part year acquisitions	Note 5	-	-	944
EBITDA (normalised)		17,134	21,693	23,194
<i>EBITDA margin</i>		<i>19.9%</i>	<i>19.8%</i>	<i>19.7%</i>

* Mid point of the market guidance released by OOH on 22 November 2011

Source: Annual reports, Management and calculations

We note the following in relation to the normalisation adjustments:

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- (1) OOH incurred litigation expenses in CY09 in relation to a court case involving recovery of deposit paid by OOH for an acquisition that was not completed. In CY10, OOH incurred one-off litigation expenses for a court case involving rental payments of a site leased to OOH;
- (2) In March 2010, OOH initiated a capital raising process which was subsequently aborted;
- (3) OOH did not renew a site lease and terminated the lease. As a result, OOH had to write off the carrying value of the lease standing in the financial accounts;
- (4) Advanced Medical Institute ("AMI"), a customer of OOH went into administration at end of 2010 and OOH made provisions for balance of debt owed by AMI to OOH;
- (5) Management have advised that EBITDA for CY11 is expected to be approximately \$22.3 million. In order to assess the normalised EBITDA for CY11, we have made the following adjustments:
 - In July 2011, OOH acquired certain outdoor assets (Other Outdoor Assets)¹⁶ for A\$2.1 million. The earnings contribution from Other Outdoor Assets will be part of OOH's business operations going forward. For the purpose of our valuation, we have included the full annualised EBITDA contribution from these assets;
 - In September 2011, OOH entered into a contract with Red Outdoor to sell Red Outdoor's shopper banners across shopping centres in metro and regional Australia. In addition, the Company acquired assets of another outdoor advertising business, 'Venue' during 2011. The earnings from this contract and acquired assets will be part of OOH's total earnings going forward and accordingly, we have incorporated in the normalised CY11 EBITDA the full year contributions from these acquisitions.

7.1.2 Forecast financial performance

In forming our opinion on the future maintainable earnings, we have also reviewed and taken into consideration the CY12 Management Indications.

We note that the CY12 Management Indications are based on organic growth and do not incorporate the potential impact of future business acquisitions. In this regard, we note that OOH is currently in negotiations for certain small and minor acquisition of companies operating in the advertising sector. Furthermore, OOH has a successfully history of growing by external acquisitions and we expect this pattern to continue in the absence of the Proposed Scheme.

OOH has a history of growing by external acquisitions and we expect this pattern to continue in the absence of the Proposed Scheme. In this regard, we note that OOH is currently in negotiations for certain minor acquisitions of businesses operating in the advertising sector. Accordingly, we have incorporated prospects for OOH's financial performance for CY12 to take into account both management's views of organic growth drivers and the potential impact of potential future acquisitions and other strategic initiatives, noting that these future acquisitions and strategic

¹⁶ Include Smartlight and Adconnect

initiatives may or may not be implemented by Management. Specifically, we have considered the following potential external growth:

- Approximately A\$900,000 in annualised EBITDA in CY12 from future acquisitions having regards to OOH's existing pipeline of acquisition opportunities, and successful history or growing by external acquisitions;
- Depending on the status of the Australian economy, the advertisement market, consumer and business sentiments, OOH may decide to ramp-up in its investment in digital banner in 2012; and
- OOH is in discussions for the acquisition of certain large format billboards.

In our estimate of the future maintainable earnings of OOH, we have taken into account the potential impact of the above acquisitions/external growth and the relative capital expenditure and acquisition cost.

7.1.3 Brokers' estimate

OOH is covered by only one investment broker. As advised by Management, the analyst's report was prepared based on discussions and interviews with the Management of the Company. The CY12 EBITDA forecast included in the analyst's report is A\$24.1 million.

7.1.4 Summary - Assessment of maintainable earnings

We have assessed the future maintainable EBITDA of OOH between A\$25.0 million and A\$26.5 million.

The low end of our future maintainable earnings takes into account the historical normalised performance of OOH and organic growth having regards to management's views of organic growth drivers. The high end assessment of the future maintainable earnings includes the potential impact of future acquisitions and other strategic initiatives as discussed in section 7.1.2. We note that OOH has a history of growing by external acquisitions and we expect this pattern to continue in the absence of the Proposed Scheme.

7.2 EBITDA multiple

The selection of an appropriate EBITDA multiple is a matter of judgement and involves consideration of a number of factors including:

- the stability and quality of earnings;
- the nature and size of the business;
- the quality of the management team;
- comparable company trading multiples which have been attributed by share market investors;

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- the implied multiples of recent acquisitions of businesses involved in similar activities;
- future prospects of the business; and
- cyclical nature of the industry.

For the purpose of assessing an appropriate EBITDA multiple range to value OOH, we have had regard to the trading multiples of listed companies in the advertising industry. We have further considered the EBITDA multiples implied by recent transactions in the advertising industry in Australia and overseas.

7.2.1 Trading multiple

Summarised below are the trading multiples of the selected companies having regard to the trading prices:

Company	Country	Market Capital (local \$m)	EV/EBITDA FY10 Actual (Times)	EV/EBITDA FY11 Forecast* (Times)	EV/EBITDA FY12 Forecast (Times)	EV/EBITDA FY13 Forecast (Times)
Tier 1: Australian companies						
APN News & Media Ltd.	Australia	460	5.7x	6.4x	6.1x	5.8x
TEN Network Holdings Ltd.	Australia	939	6.5x	7.9x	7.0x	6.5x
Prime Media Group Limited	Australia	245	7.3x	6.2x	6.1x	5.8x
Southern Cross Media Group	Australia	758	11.1x	6.3x	6.0x	5.8x
Seven West Media Limited	Australia	2,208	26.4x	7.6x	7.5x	7.3x
Low			5.7x	6.2x	6.0x	5.8x
Average			11.4x	6.9x	6.5x	6.2x
Median			7.3x	6.4x	6.1x	5.8x
High			26.4x	7.9x	7.5x	7.3x
Tier 2: International companies						
JCDecaux SA	France	4,265	8.4x	8.0x	7.7x	7.1x
Affichage Holding SA	Switzerland	417	7.9x	5.6x	5.8x	5.4x
Clear Media Ltd.	Hong Kong	1,613	1.7x	3.0x	2.5x	2.3x
Lamar Advertising Co.	United States	2,713	10.5x	10.2x	10.0x	9.4x
Clear Channel Outdoor Holdings Inc.	United States	4,453	10.3x	9.1x	8.5x	7.8x
Ströer Out-of-Home Media AG	Germany	508	7.8x	6.5x	6.2x	5.8x
Focus Media Holding Ltd.	Hong Kong	2,947	13.7x	7.6x	6.1x	5.0x
Low**			7.8x	5.6x	5.8x	5.0x
Average**			9.8x	7.8x	7.4x	6.8x
Median**			9.3x	7.8x	7.0x	6.4x
High**			13.7x	10.2x	10.0x	9.4x

* FY11 multiple for international companies and APN based on forecast figures, whereas FY11 multiple for other companies based on actual figures

**Calculation excludes Clear Media Ltd.

Source: CapitalIQ and calculations

A brief description of the companies listed in the table above is set out in Appendix C.

We note the following in relation to the Australian advertising comparable companies:

- Majority of the companies are significantly larger than OOH with diverse operations;
- APN News and Media Limited and TEN Network Group Holdings Limited include in their operations the two largest players in the Australian outdoor advertising industry. However, the outdoor advertising divisions are marginal in the group operations of these two companies which are diversified into other areas of media and advertising. APN and TEN derived approximately 23% and 15% of their revenue from outdoor advertising segment in FY10;

- Prime Media Group Limited (“Prime”) is mainly engaged in television and radio broadcasting. We note that Prime divested most of its Australian and New Zealand outdoor broadcasting business in FY10 to Gearhouse Broadcast Pty Ltd and Sky Network Television Ltd (“Sky”) respectively. Prime is currently in an earn out agreement with Sky, and is entitled to receive the on-going profits of the New Zealand business over the next four years; and
- Southern Cross Media Group (“Southern Cross Media”) and Seven West Media Ltd (“Seven”) are both key players in the Australian advertising industry, however neither currently have outdoor advertising operations. Southern Cross Media is mainly focused on providing free to air broadcasting in regional Australia, and Seven is mainly focused on newspaper publishing and television broadcasting.

We note the following in relation to the international advertising comparable companies:

- All selected international companies are pure-play outdoor advertising companies;
- JCDcaux SA (“JCDcaux”) is the largest outdoor advertising specialist in the world and operates predominately in Europe (approximately 71% of revenue derived from Europe in FY10) with relatively small operations in Australia (below 18% of revenue is derived from Asia-Pacific region);
- Clear Channel Outdoor Holdings Inc (“Clear Channel”) is one of the world’s largest outdoor advertising companies with displays in 45 countries. Clear Channel operates in Australia through joint venture with APN, which formed outdoor advertising company Adshel in 1997. Adshel is mainly focused on street furniture advertising;
- Clear Media Ltd (“Clear Media”), Lamar Advertising Co. (“Lamar”), Affichage Holding SA (“Affichage”), Ströer Out-of-Home Media AG (“Ströer”) and Focus Media Holding Ltd. (“Focus”) do not have operations in Australia;
- Ströer is the largest outdoor advertising company in Germany and Turkey, and is focused on billboard and street furniture advertising;
- Focus primarily operates liquid crystal display (“LCD”) networks using audio-visual digital displays in China, which can display multiple advertisements in a day, and generate relatively higher margins than traditional static counterparts. Similarly, both Lamar and Clear Channel have significant digital advertisement inventory and expansion plans;
- Clear Media is a subsidiary on Clear Channel Media Holdings Inc., and is focused on providing standardised nationwide bus shelter outdoor advertising in China. The company does not have significant activities in other areas of outdoor advertising; and
- Lamar provides outdoor advertising in the format of billboards, posters, bulletins, buses, and a small range of street furniture in the United States. The company does not have operations in shopping centres or offer BTL advertising solutions like OOH.

When considering the appropriate EBITDA multiple for the purpose of our valuation assessment, we have taken into consideration the following factors:

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- Majority of selected companies are considerably larger than OOH. All other things being equal, larger companies tend to trade at a higher multiple than smaller competitors;
- Whilst selected overseas companies are pure play outdoor advertising companies, majority of them are significantly larger with geographic presence in more than one country;
- The historical growth rate experienced by outdoor advertising industry is significantly higher than the growth rate achieved by traditional advertising mediums such as print and television; and
- The multiples of comparable companies presented above reflect the value of underlying companies on a minority basis.

7.2.2 Control premium

The trading multiples listed in Section 7.2.1 have been calculated based on the market price for minority or portfolio shareholdings and do not include a premium for control. A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as:

- the ability to realise synergistic benefits;
- access to cash flows;
- access to tax benefits; and
- control of the board of directors of the company.

Evidence from studies indicates that premiums for control on successful takeovers have frequently been in the range of 20% to 40% and that the premiums vary significantly from transaction to transaction.

We have incorporated a premium for control in our assessment of the EBITDA multiple.

7.2.3 Transaction multiple

We have further considered multiples implied by historical transactions involving companies comparable to OOH. The following table summarises the EBITDA multiples implied by these historical transactions:

Date	Target Company	Country	Bidder Company	Stake (%)	Deal Value (A\$m)	EBITDA Multiple (Times)
Apr-11	OOHMedia Group Ltd.#	Australia	QMS Asia Pacific Outdoor Pte Ltd.	15%*	23	7.1x
Oct-10	China MediaExpress Holdings, Inc.	Hong Kong	Starr International Company, Inc.	5%	14	1.2x
Jul-10	Ströer Out-of-Home Media AG	Germany	Tiger Global Management LLC	3%	36	13.0x
May-09	Absolute Impact Public Company Limited	Thailand	Various investors	4%	1	3.5x
Jul-08	Sports & Outdoor Media Pty Ltd	Australia	OOHMedia Group Ltd.	100%	40	8.0x
Dec-07	CGEN Digital Media Company Limited	China	Focus Media Holding Ltd.	100%	455	34.3x
Aug-07	Primesight Ltd.	United Kingdom	GMT Communications Partners LLP	100%	153	12.0x
May-07	Lintas India Private Limited	India	The Interpublic Group of Companies, Inc.	51%	61	9.6x
Apr-07	Affichage Holding SA	Switzerland	NFM-CNP	25%	200	12.1x

Based on FY10 EBITDA

* Current shareholding of QMS. Refer to the announcement released by OOH on the ASX for further information

Source: CapitalIQ

In relation to the EBITDA multiple implied by the above transactions, we note that:

- the implied transaction multiples may incorporate various levels of control premium and special values paid for by the acquirers;
- the multiples may reflect synergies paid by the acquirer which may be unique to the acquirers;
- The transactions observed took place during the period between April 2007 and April 2011. Economic factors, including interest rates and consumer confidence before the global financial crisis may be materially different from those current as at the valuation date. These factors may influence the amounts paid by the acquirers for these businesses;
- The transaction multiples are calculated based on the historical EBITDA of the acquired companies which typically tends to provide higher multiple due to the growth expectations typically included into forecast financial performance;

In our view, the acquisition of OOH Shares by QMS Asia Pacific Outdoor Pty Ltd (“QMS”) in April 2011, acquisition of Sports & Outdoor by OOH in September 2008, and acquisition of Primesight Ltd (“Primesight”) by GMT Communications Partners LLP (“GMT”) in August 2007 are the most comparable available transactions for OOH. We note the following in relation to these transactions:

- QMS completed the acquisition of approximately 15% interest in OOH at A\$0.30 per share from existing shareholders. It is our opinion that the transaction price of A\$0.30 per share incorporates an element of premium for control. Specifically, we note that the average acquisition price of OOH Shares by QMS incorporated:
 - i) A premium of 25% on the share price of OOH before the acquisition by QMS; and

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ii) A premium of 48% on the A\$20 million capital raising completed by OOH in December 2010 and January 2011.

- Sports & Outdoor was substantially smaller than OOH with an implied enterprise value at the time of the acquisition of A\$40 million. Sports & Outdoor is exclusively a provider of regional outdoor advertisement focussed in regional NSW, while OOH has a much more diverse product offering and stronger national presence. Furthermore, the transaction was executed in September 2008 and the economic conditions during the time of transaction were different compared to current economic conditions. In this regard, we note that the S&P/ASX All Ordinaries Index has declined from an average of 5,011 points for September 2008 quarter to 4,274 points for the period 1 November 2011 to 13 December 2011, representing a decrease of approximately 15%; and
- Whilst Primesight had operating activities similar to OOH, we note that Primesight primarily owned most of its advertisement sites and actively builds street panels, unlike OOH which holds approximately 20%¹⁷ of advertisement sites under representation. In addition, Primesight was primarily operating in the United Kingdom, whereas OOH has operations in Australia only. It is also noted that Primesight was acquired before the GFC when the economic conditions, consumer and businesses sentiments and trading and transaction multiples were materially different from the current conditions.

7.2.4 EBITDA multiple - Conclusion

Based on the above, Grant Thornton Corporate Finance has assessed an EBITDA multiple for the valuation of OOH between 7.5 times and 8.0 times on a control basis.

7.3 Enterprise value of OOH

The following table summarises our assessment of enterprise value of OOH:

	Section reference	Low \$'000	High \$'000
Assessed maintainable EBITDA	Section 7.1	25,000	26,500
EBITDA Multiple (times)	Section 7.2	7.5	8.0
Enterprise value of OOH		187,500	212,000

Source: Calculations

7.4 Net debt

For the purpose of our valuation assessment, we have estimated net debt as at 31 December 2011 at A\$27 million based on the information provided by Management.

¹⁷ Broker report

7.5 Cash from exercise of Options

As discussed in Section 4.4.2, there are 23 million outstanding Options as at date of our report. Based on the terms of SIA, all outstanding Options will be cancelled for 20.5 cents per option or exercised by no later than the effective date of the Scheme. For the purpose of our report, we have assumed that all the Options will be exercised by the optionholders at the exercise price of A\$0.12 per option. Accordingly, the total cash to be received by OOH on exercise of 23 million Options at A\$0.12 per option will be approximately A\$2.7 million.

7.6 Costs of Proposed Scheme

For the purposes of the valuation, Grant Thornton Corporate Finance has considered the costs associated with the Proposed Scheme. Management has advised that the estimated transaction costs to be incurred by OOH to be approximately A\$1.03 million irrespective of whether the Proposed Scheme is completed or otherwise.

7.7 Costs associated with acquisitions

The high end range of our valuation assessment takes into account current potential external growth opportunities in relation to the acquisition of small businesses in CY12 and large format advertising sites. Accordingly, we have incorporated the present value of acquisition costs in the assessment of the fair market value of OOH under the high end scenario.

7.8 Valuation summary

Based on the above analysis, we conclude that the value of OOH Share to be in range of A\$0.309 to A\$0.342.

Valuation summary	Section reference	Low \$'000	High \$'000
Enterprise value of OOH	Section 7.3	187,500	212,000
Net debt	Section 7.4	(26,985)	(26,985)
Cash to be received from exercise of OOH Options	Section 7.5	2,760	2,760
Costs of the Proposed Scheme	Section 7.6	(1,035)	(1,035)
Costs associated with external acquisitions ⁽¹⁾	Section 7.7	-	(7,329)
Fair market value of OOH Shares (control basis)		162,240	179,411
Number of OOH Shares on issue		501,225,275	501,225,275
Number of OOH Shares as are result of options exercised		23,000,000	23,000,000
Total number of shares on issue		524,225,275	524,225,275
Value per share on controlling basis (A\$)		0.309	0.342

(1) We note that the low end of our assessed valuation range is based on only organic growth and accordingly we have not considered the cost of external acquisitions

Source: Calculations

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7.9 Valuation cross check – Indicative DCF

7.9.1 Introduction

Prior to reaching our valuation conclusion, we have also considered the DCF methodology as a cross check to the values derived using the capitalisation of maintainable earnings approach.

We note that Management does not prepare long term projections in relation to the business of OOH. Grant Thornton Corporate Finance developed a financial model ("Model") on the operating business of OOH, which was based on the following:

- CY12 Management Indications;
- Historical performance of various business segments;
- Discussions with Management regarding long term financial performance of OOH and acquisition opportunities; and
- Broker's report.

The assumptions in relation to the financial performance of OOH adopted by Grant Thornton Corporate Finance do not represent projections by Grant Thornton Corporate Finance but are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar business. We note that the assumptions used in the Model are inherently subject to considerable uncertainty. It should be noted that the value of OOH could vary materially based on changes in certain key assumptions. Accordingly, we have conducted certain sensitivity analysis in Section 7.9.4 to highlight the impact on the value of OOH Share caused by movements in certain key assumptions.

For the purpose of developing the Model, we note the following:

- OOH has been trading profitably for a number of years, have stable operations and predictable earnings;
- The revenue of OOH can be projected with a reasonable of accuracy as revenue from some of the billboards is based on long term contracts and the historical occupancy rates and yield rates of the billboard are available. In our assessment of projected revenue, we have reviewed and analysed the historical revenue and growth rate by format and geographic locations;
- The projected revenue growth in the Model is in line with the forecast industry growth assessed by IBISWorld and broker report;
- The projected gross margin and EBITDA margin are in line with the historical margins achieved by OOH. In this regard, we note that OOH's annual gross profit margin and EBITDA margin for the period CY09-CY11 has been consistent; and
- We have discussed and presented the Model developed by Grant Thornton Corporate Finance to the Management in relation to the projections.

Our DCF analysis is based on the two following scenarios:

- Scenario 1 – which is based on organic growth having regards to management’s views of organic growth drivers, excluding future acquisitions and other strategic initiatives which may or may not be implemented by Management; and
- Scenario 2 – which is based on organic growth having regards to management’s views of organic growth drivers but adjusted to consider the potential EBITDA and capital expenditure impact of various business acquisitions and other strategic initiatives. In this regard, we note that OOH has a history of growing by external acquisitions and we expect this pattern to continue in the absence of the Proposed Scheme.

7.9.2 Key assumptions

The following general assumptions have been used in the Model:

- The Model uses as a starting point the financial position of OOH as at 31 December 2011 and projects nominal free cash flows for the period CY12-CY14. A terminal value has been applied for period beyond CY14;
- Revenue’s CAGR for the period CY11 – CY14 of approximately 6.9% and 7.9% under Scenario 1 and Scenario 2 respectively;
- Total capital expenditure over the CY12-CY14 period of:
 - Approximately A\$6 million per annum (A\$3 million organic growth capital expenditure and A\$3 million maintenance capital expenditure) under Scenario 1. We note that the capital expenditure assumption is based on the capital expenditure incurred by OOH in CY11, which was approximately A\$6 million excluding capital expenditure on acquisitions; and
 - In addition to capital expenditure of A\$6 million per annum assumed under Scenario 1, a capital expenditure of approximately A\$8 million in CY12 and CY13 under Scenario 2 has been considered to take into account the cost of future acquisitions and external growth;
- EBITDA margins in range of 18.6% to 20.3% over the period CY12-CY14. Growth in EBITDA margin mainly results from assumed revenue growth at a rate higher than the increase in cost of goods sold. We note that normalised EBITDA margin for OOH over the period CY09-CY11 is in range of 19.7% to 19.9%;
- Savings on public company costs of approximately A\$1 million escalated by inflation rate. When considering the fair market value of OOH on a 100% basis, we have excluded the operating expenses related to costs associated with being a publicly listed company, which can be eliminated by a hypothetical purchaser. These costs include ASX fees, Computershare fees, annual general meeting, and additional costs associated with the Board and non-executive Directors;
- Net working capital has been estimated based on historic working capital requirements;

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- Corporate tax rate of 30%;
- A perpetual growth rate of 3% has been used for the purpose of estimating the terminal value;
- Grant Thornton Corporate Finance has applied a nominal, post-tax Weighted Average Cost of Capital ("WACC") in the range of 11.1% and 12.1% to value OOH. Refer to Appendix B for further details.

7.9.3 Valuation summary – DCF methodology

The following table summarises our valuation assessment using DCF methodology:

DCF summary	Section Reference	Scenario 1		Scenario 2	
		Low \$'000	High \$'000	Low \$'000	High \$'000
Indicated Enterprise Value from operations	Section 7.9.2	171,497	192,751	181,644	205,056
Net debt (as at 31 December 2011)	Section 7.4	(26,985)	(26,985)	(26,985)	(26,985)
Cash to be received from exercise of options	Section 7.5	2,760	2,760	2,760	2,760
Scheme costs	Section 7.6	(1,035)	(1,035)	(1,035)	(1,035)
Equity value		146,236	167,491	156,384	179,796
Number of shares on issue		501,225,275	501,225,275	501,225,275	501,225,275
Number of shares issued from the exercise of options	Section 7.5	23,000,000	23,000,000	23,000,000	23,000,000
Total number of shares on issue		524,225,275	524,225,275	524,225,275	524,225,275
Value per share (A\$)		0.279	0.320	0.298	0.343

Source: Management and Calculations

7.9.4 Sensitivity analysis

We have conducted certain sensitivity analysis to highlight the impact on the value of OOH Share caused by movements in certain key assumptions. The following table summarises our results.

Sensitivity analysis	Low A\$	High A\$	% change	% change
Scenario 1 base case	0.279	0.320	-	-
10% increase in EBIT	0.328	0.374	17.5%	17.1%
10% decrease in EBIT	0.230	0.265	(17.5%)	(17.1%)
10% increase in capital expenditure	0.229	0.263	(17.9%)	(17.6%)
10% decrease in capital expenditure	0.314	0.359	12.5%	12.2%
1% increase in discount rate	0.247	0.280	(11.4%)	(12.5%)
1% decrease in discount rate	0.319	0.371	14.2%	16.0%
Scenario 2 base case	0.298	0.343	-	-
10% increase in EBIT	0.352	0.403	18.0%	17.5%
10% decrease in EBIT	0.245	0.283	(18.0%)	(17.5%)
10% increase in capital expenditure	0.247	0.285	(17.2%)	(16.8%)
10% decrease in capital expenditure	0.335	0.383	12.1%	11.8%
1% increase in discount rate	0.263	0.299	(11.7%)	(12.8%)
1% decrease in discount rate	0.342	0.399	14.6%	16.4%

Source: Calculations

These sensitivities do not represent a range of potential values of OOH, but they intend to show to the Non-associated Shareholders the sensitivity of our valuation assessment to changes in certain variables.

7.9.5 Conclusion

We note that our valuation assessment of OOH using DCF methodology is in line with our assessed valuation of OOH in the range of A\$0.309 to A\$0.342 based on capitalisation of earnings approach. Accordingly, we consider our valuation using the capitalisation of earnings methodology to be reasonable.

7.10 Other value indications

We have further considered the following factors to assess the reasonableness of our valuation assessment:

Capital raising

In December 2010 and January 2011, OOH successfully raised A\$20 million through the placement of 99,248,120 OOH Shares at an average price of A\$0.202 per share. The placement was made to institutional and sophisticated investors, being William Shaw Capital Pty Ltd ("WSC"), Hub X Pty Ltd (a subsidiary of Macquarie Group Limited) and a number of institutions as arranged by Evans and Partners Pty Ltd. Whilst the placement was completed in January 2011, we note the following:

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- The operations of OOH have not materially changed since completion of the placement. In this regard, we note that the normalised EBITDA for CY11 is substantially similar to normalised EBITDA for CY10; and
- the S&P/ASX All Ordinaries Index has declined from an average of 4866 points for January 2011 to 4,274 points for the period 1 November 2011 to 13 December 2011, representing a decrease of approximately 12.2%.

Quoted security price before the announcement of Proposed Scheme

The quoted security price of listed securities method is based on the Efficient Market Hypothesis ("EMH") which states that the share price at any point in time reflects all publicly available information and will change "almost" instantaneously when new information becomes publicly available. Set out below is a summary of the recent share market prices of OOH before the announcement of the Indicative Proposal.

VWAP	Low	High	VWAP
Prior to date of announcement of Proposed Scheme (10 November 2011)			
5 day	0.160	0.160	0.170
10 day	0.160	0.170	0.170
1 month	0.160	0.170	0.170
2 month	0.160	0.220	0.170
3 month	0.160	0.250	0.171

Source: CapitalIQ and calculations

It must be noted that there is limited liquidity of OOH Share and the top 10 shareholders in OOH account for more than 95% of the total share capital of OOH. Accordingly, the trading volumes for OOH Shares on the ASX are low and the share market prices of OOH may not provide an accurate indication on the underlying value of OOH Shares.

The placement price of A\$0.202 and the quoted security price of OOH represents the market price for minority or portfolio shareholdings and do not include a premium for control. As discussed in section 7.2.2, evidence from studies indicates that premiums for control on successful takeovers have frequently been in the range of 20% to 40% and that the premiums vary significantly from transaction to transaction.

Based on the additional discussions on the other value indications, nothing has come to our attention that would indicate that our valuation assessment of OOH based on the capitalisation of earnings approach is not reasonable.

8 Sources of information, disclaimer and consents

8.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Draft Scheme Implementation Agreement;
- ASX announcement regarding the Proposed Scheme;
- Releases and announcements by OOH to ASX;
- Project Chisel, OOH dataroom;
- Annual reports of OOH for CY09, CY10 and CY11;
- Management accounts for OOH for the period ended 31 July 2011;
- OOH monthly board presentations for CY11;
- OOH's share register as at 2 December 2011;
- OOH website;
- MOVE website;
- OMA Industry Report 2009-10;
- Other publicly available information;
- Various broker reports;
- IBISWorld Report: Advertising Industry, October 2011;
- Ernst & Young tax advice statement, 5 December 2011;
- Capital IQ; and
- Discussions with OOH Management.

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8.2 Qualifications and independence

Grant Thornton Corporate Finance Pty Ltd holds Australian Financial Service Licence number 247140 under the Corporations Act and its authorised representatives are qualified to provide this report.

Grant Thornton Corporate Finance provides a full range of corporate finance services and has advised on numerous takeovers, corporate valuations, acquisitions, and restructures. Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to OOH and all other parties involved in the Proposed Scheme with reference to the ASIC Regulatory Guide 112 "Independence of expert" and APES 110 "Code of Ethics for Professional Accountants" issued by the Accounting Professional and Ethical Standard Board. We have concluded that there are no conflicts of interest with respect to OOH, its shareholders and all other parties involved in the Proposed Scheme.

Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with OOH or its associated entities that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Scheme.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Proposed Scheme, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Proposed Scheme. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

8.3 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by OOH and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by OOH and other experts through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of OOH.

This report has been prepared to assist the directors of OOH in advising OOH Shareholders in relation to the Proposed Scheme. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Proposed Scheme is in the best interests of the Non-Associated Shareholders.

OOH has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by OOH, which OOH knew or should have known to be false and/or reliance on information, which was material information OOH had in its possession and which OOH knew or should have known to be material and which OOH did not provide to Grant Thornton Corporate Finance. OOH will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

8.4 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Scheme Booklet to be sent to OOH Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and content in which it appears.

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Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market Schemes

The comparable Schemes method is the value of similar assets established through comparative Schemes to which is added the realisable value of surplus assets. The comparable Schemes method uses similar or comparative Schemes to establish a value for the current Scheme.

Comparable Schemes methodology involves applying multiples extracted from the market Scheme price of similar assets to the equivalent assets and earnings of the company.

The risk attached to this valuation methodology is that in many cases, the relevant Schemes contain features that are unique to that Scheme and it is often difficult to establish sufficient detail of all the material factors that contributed to the Scheme price.

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Appendix B – Discount Rate

Introduction

The cash flows assumptions associated with OOH have been prepared on a nominal, ungeared and post-tax basis. Accordingly, we have assessed a range of nominal, post-tax discount rate for the purpose of calculating the Company's net present value.

The discount rate was determined using the WACC formula. The WACC represents the average of the rates of return required by providers of debt and equity capital to compensate for the time value of money and the perceived risk or uncertainty of the cash flows, weighted in proportion to the market value of the debt and equity capital provided. However, we note that the selection of an appropriate discount rate is ultimately a matter of professional judgment.

Under a classical tax system, the nominal WACC is calculated as follows:

$$\text{WACC} = R_d \times \frac{D}{D + E} \times (1 - t) + R_e \times \frac{E}{D + E}$$

Where:

R_e = the required rate of return on equity capital;

E = the market value of equity capital;

D = the market value of debt capital;

R_d = the required rate of return on debt capital; and

t = the statutory corporate tax rate.

WACC Inputs

Required rate of return on equity capital

We have used the Capital Asset Pricing Model ("CAPM"), which is commonly used by practitioners, to calculate the required return on equity capital.

The CAPM assumes that an investor holds a large portfolio comprising risk-free and risky investments. The total risk of an investment comprises systematic risk and unsystematic risk. Systematic risk is the variability in an investment's expected return that relates to general movements in capital markets (such as the share market) while unsystematic risk is the variability that relates to matters that are unsystematic to the investment being valued.

The CAPM assumes that unsystematic risk can be avoided by holding investments as part of a large and well-diversified portfolio and that the investor will only require a rate of return sufficient to compensate for the additional, non-diversifiable systematic risk that the investment brings to the portfolio. Diversification cannot eliminate the systematic risk due to economy-wide factors that are assumed to affect all securities in a similar fashion. Accordingly, whilst investors can eliminate unsystematic risk by diversifying their portfolio, they will seek to be compensated for the non diversifiable systematic risk by way of a risk premium on the expected return. The extent of this compensation depends on the extent to which the company's returns are correlated with the

market as a whole. The greater the systematic risk faced by investors, the larger the required return on capital will be demanded by investors.

The systematic risk is measured by the investment's beta. The beta is a measure of the co-variance of the expected returns of the investment with the expected returns on a hypothetical portfolio comprising all investments in the market - it is a measure of the investment's relative risk.

A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment the higher the beta of the investment.

The CAPM assumes that the return required by an investor in respect of an investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of the investment by the return earned on the market portfolio in excess of the risk-free rate.

Under the CAPM, the required nominal rate of return on equity (R_e) is estimated as follows:

$$R_e = R_f + \beta_e (R_m - R_f)$$

Where:

R_f = risk free rate

β_e = expected equity beta of the investment

$(R_m - R_f)$ = market risk premium

Risk free rate

In the absence of an official risk free rate, the yield on the Government Bonds (in an appropriate jurisdiction) is commonly used as a proxy.

Given the current volatility in the global economy due to the uncertainty associated with European debt markets, we have observed the yield on the 10 year Australian Commonwealth Government Bond over a longer period. Based on the average yield for the period 1 January 2011 to 12 December 2011, we have adopted risk free rate of 5%.

Market risk premium

The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to assets on which a risk free rate of return is earned.

Empirical studies of the historical risk premium in Australia over periods of up to 100 years suggest the premium is between 6% and 8%. For the purpose of the valuation, Grant Thornton Corporate Finance has adopted a market risk premium of 6%.

We note that our adopted premium is consistent with the market risk premium used by regulatory authorities in Australia (such as the Australian Competition and Consumer Commission and all other state based regulators).

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Specific risk premium

When assessing the specific risk premium for OOH, we have considered a number of factors including:

- the nature and size of the business compared to the selected comparable companies;
- Uncertainty associated with cash flow forecasts; and
- industry risks (i.e. industry risk is the risk specific to the industry which would be expected to impact all firms in the industry).

Based on the above factors, we have applied a specific risk premium in range of 1.0% and 1.5%.

Beta

The beta measures the expected relative risk of the equity in a company. The choice of the beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

Equity betas are typically calculated from historical data. These are then used as a proxy for the future which assumes that the relative risk of the past will continue into the future. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity.

For the purpose of this report, we have had regard to the observed betas (equity betas) of companies engaged in the advertisement sector.

Summarised below are the equity betas of the comparable companies based on five years of monthly observations.

Company Beta analysis	Country	Market Cap \$'million	Equity Beta*	Gearing Ratio*	Ungeared Beta	Regeared Beta
APN News & Media Ltd.	Australia	460	1.19	63.9%	0.83	0.97
TEN Network Holdings Ltd.	Australia	939	1.23	39.7%	0.96	1.13
Prime Media Group Limited	Australia	245	0.87	67.9%	0.59	0.69
Southern Cross Media Group	Australia	758	2.63	117.0%	1.44	1.70
Seven West Media Limited	Australia	2,208	1.56	33.4%	1.26	1.48
JCDecaux SA	France	4,265	1.06	16.5%	0.96	1.12
Affichage Holding SA	Switzerland	417	0.33	7.0%	0.31	0.37
Clear Media Ltd.	Hong Kong	1,613	0.81	0.6%	0.80	0.94
Lamar Advertising Co.	United State	2,713	2.85	104.6%	1.60	1.88
Clear Channel Outdoor Holdings Inc.	United State	4,453	2.00	60.7%	1.37	1.61
Ströer Out-of-Home Media AG	Germany	508	0.95	8.6%	0.88	1.04
Focus Media Holding Ltd.	Hong Kong	2,947	2.41	0.0%	2.41	2.83
First-tier average				64%	1.02	1.20
First-tier median				64%	0.96	1.13
Second-tier average				28%	1.19	1.40
Second-tier median				9%	0.96	1.12

* Equity betas are calculated using data provided by CapitalIQ. The betas are based on a five-year period with monthly observations and have been degereared based on the average gearing ratio over five years.

Source: CapitalIQ, Reuters and calculations

The asset betas of the selected company are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable companies, a process commonly referred as degearing. We have then recalculated the equity beta based on an assumed 'optimal' capital structure deemed appropriate for the business (regearing). This is a subjective exercise, which carries a significant possibility of estimation error.

We used the following formula to undertake the degearing and regearing exercise:

$$\beta_e = \beta_a \left[1 + \frac{D}{E} \times (1 - t) \right]$$

Where:

β_e = Equity beta

β_a = Asset beta

t = corporate tax rate

The betas are de-gereared using the average gearing¹⁸ level over the period in which the betas were observed and then re-gereared based on the current average gearing ratio of comparable companies of approximately 25%.

For the purposes of this valuation, we have selected a beta of 1.1 to 1.2 to calculate the required rate of return on equity capital for OOH.

¹⁸ Gearing ratio represents Net debt/Market capitalisation

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Cost of debt

For the purpose of estimating the cost of debt, Grant Thornton Corporate Finance has considered:

- the weighted average interest rate on credit outstanding for large businesses over the last 12 month as published by the Reserve Bank of Australia, which represents the all up interest cost of business loans (including risk margins) across all banks. We note that over the last 12 months, the weighted average interest rate was 140 basis points over the yield on 10-year Australian Commonwealth Government Bond;
- The weighted average interest rate on credit outstanding for small businesses over the last 12 month as published by the Reserve Bank of Australia. The weighted average interest rate over the last 12 months was 350 basis points over the yield on 10-year Australian Commonwealth Government Bond; and
- current debt facilities of OOH.

Based on the above, Grant Thornton Corporate Finance has adopted the debt margin in range of 200 to 300 basis points over the risk free rate as the cost of debt for estimating the WACC. Based on the adopted risk free rate of 5.0%, the cost of debt adopted is in the range of 7.0% and 8.0%.

Capital structure

Grant Thornton Corporate Finance has considered the gearing ratio which a hypothetical purchaser of the business would adopt in order to generate a balanced return given the inherent risks associated with debt financing. Factors which a hypothetical purchaser may consider include the shareholders' return after interest payments, and the business' ability to raise external debt.

The appropriate level of gearing that is utilised in determining WACC for a particular company should be the "target" gearing ratio, rather than the actual level of gearing, which may fluctuate over the life of a company. The target or optimal gearing level can therefore be derived based on the trade-off theory which stipulates that the target level of gearing for a project is one at which the present value of the tax benefits from the deductibility of interest are offset by present value of costs of financial distress. In practice, the target level of gearing is evaluated based on the quality and variability of cash flows. These are determined by the quality and life cycle of a company, working capital, level of capital expenditure and the risk profile of the assets.

For the purpose of the valuation, Grant Thornton Corporate Finance has adopted average debt-to-asset ratio of comparable companies of 20% debt and 80% equity.

Dividend imputation

CAPM was formulated under a 'classical' tax system, where companies paid corporate tax on profits and investors were then taxed on dividends distributed to them from those profits. However, Australia has operated under a dividend imputation system since 1987 where investors, if so entitled, have been able to claim a tax credit for corporate tax already paid on the profits from which the dividend was paid.

Arguably, the benefit of dividend imputation has value that should be incorporated into valuations. However, there is contention amongst academics and practitioners as to what adjustment should be made to reflect the value of this benefit, including whether the adjustment, if any, should be made to cash flows and/or to the discount rate.

For example, Professors Hathaway and Officer estimate the average value of imputation credits for the Australian equity market to be approximately 50% of their gross reported amount. They argue that there are three significant milestones for imputation credits – creation (when corporate tax is paid), distribution (when dividends are paid and accessed by investors) and redemption (when investors utilise the credits against personal tax liabilities). Their estimate of 50% is based on 80% access to imputation credits and 60% utilisation of credits.

Whilst the benefit of imputation credits is likely to have some impact on value, Grant Thornton Corporate Finance does not consider it appropriate to factor the potential benefits into this valuation.

In reaching our conclusion regarding imputation credits, we note:

- the prevailing tax laws in Australia prevent trading in imputation credits, thereby eliminating any open market in imputation credits from which the value of such credits can be observed;
- many studies regarding the value attributed to imputation credits have focused on the ex-dividend behaviour of stock prices and not other matters that can impact on the ability of companies and investors to utilise the credits over the longer term;
- foreign shareholders (and tax exempt shareholders) cannot utilise imputation credits and would place little, if any, value on such credits (this has been highlighted in submissions to regulators, where regulated assets have been predominantly foreign owned);
- arguably the benefit of imputation credits has been reflected in investor's expectations of returns from the share market since the inception of the imputation system in Australia in 1987, which may have manifested itself in a relatively lower market risk premium than is supported by some of the longer term studies;
- changes to the effective rate on capital gains in Australia have resulted in a disparity between tax on capital gains and on ordinary income, so taxpayers on higher marginal rates are likely to prefer returns to be in the form of capital gains, generated by companies retaining cash within the business rather than distributing it by way of dividends; and
- some companies have substantial franking account balances and/or have paid special dividends or implemented tax effective share buy back schemes to release a store of imputation credits (this highlights the fact that not all imputation credits are distributed (and therefore accessed by investors) and/or are not distributed in the same year as the credits are created by company tax payments).

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WACC calculation

The discount rate determined using the WACC formula is set out below.

WACC calculation	Low	High
Cost of equity		
Risk free rate	5.0%	5.0%
Beta	1.10	1.20
Market risk premium	6.0%	6.0%
Specific risk premium	1.0%	1.5%
Cost of equity	12.6%	13.7%
Cost of debt		
Cost of debt (pre tax)	7.0%	8.0%
Tax	30%	30%
Cost of debt (post tax)	4.9%	5.6%
Capital structure		
Proportion of debt	20%	20%
Proportion of equity	80%	80%
	100%	100%
WACC (post tax)	11.1%	12.1%

Source: *CapitallQ*, RBA and Calculations

Appendix C - Description of comparable companies

First tier – Australian Advertising companies

Company	Description
APN News & Media Ltd.	APN News & Media Ltd. primarily publishes newspapers and magazines in printed and online formats. It operates 14 regional daily newspapers, and approximately 75 community publications, as well as various magazines in Australia. The company also operates 10 regional daily newspapers. In addition, it operated radio stations in Australia and New Zealand, and offers outdoor advertising services in Australia, Hong Kong and Indonesia. The company specializes in various outdoor advertising categories, including large format, billboard, transit, street furniture, and posters.
TEN Network Holdings Ltd.	Ten Network Holdings Ltd. engages in commercial television licensing and out-of-home advertising businesses primarily in Australia. The company operates in two segments, television and outdoor advertising. The television segment operates three free-to-air television channels in Australian metropolitan areas. The outdoor advertising segment creates and delivers advertising for audiences in Australia, New Zealand, Indonesia, the United Kingdom, and the United States. It offers internal and external airport signage, digital and static shopping mall media, large format roadside billboards, and signage within retail precincts in higher education institutions.
Prime Media Group Ltd.	Prime Media Group Ltd. principally engages in the operation of commercial television and radio stations in Australia and New Zealand. The company's television broadcasting segment provides 'free to air' television broadcasting services to regional Australia. The company's Radio Broadcasting segment engages in radio broadcasting business by operating 10 radio stations, which operate within coastal Queensland. In 2010, the company divested its outdoor advertising segment which produced and delivered digital content via outdoor digital displays in various retail outlets.
Southern Cross Media Group	Southern Cross Media Group Ltd engages in the broadcasting of regional free to air commercial television and radio stations; and the management of online radio content. It owns approximately 14 regional free-to-air television licenses; and 68 commercial radio stations in 38 license areas.
Seven West Media Ltd.	Seven West Media Ltd. provides newspaper and digital publishing, commercial printing, and radio broadcasting services in Australia. The company publishes The West Australian daily newspaper and thewest.com.au, a digital news service; the Countryman and other regional newspapers in the areas of Western Australia; and Quokka, a weekly classified advertising publication. In addition, the company is involved in publishing community newspapers; commercial printing; and digital publishing activities. Further, it operates radio broadcasting stations in regional areas of Western Australia.

Source: CapitalIQ

A Independent Expert's Report continued

Second tier – International Advertising companies

Company	Description
JCDecaux SA	JCDecaux SA engages in the outdoor advertising activities worldwide. It operates in three segments: street furniture, transport, and billboard. The street furniture segment engages in advertising in shopping centres, renting street furniture, and the sale and rental of equipment. The transport segment provides advertising services in public transport systems, including airports, subways, buses, tramways, and trains. It advertises for 165 concessions in international airports; and manages advertising concessions in 300 railway transit systems. The billboard segment involves in advertising on private property, including both traditional billboards and back-light billboards.
Affichage Holding SA	Affichage Holding SA provides outdoor advertising services in Switzerland, and central and south eastern Europe. It transports advertising messages to the public and private areas with posters and related media, which is generated in streets, city centres, pedestrian zones, railway stations, shopping centres, sports stadiums, airports, and tourism resorts, as well as on the outside and inside of public transport vehicles. The company is involved in mass transit advertising, point of sale advertising, large format communication, and sports and events advertising.
Clear Media Ltd.	Clear Media Ltd. operates as an outdoor media company in the People's Republic of China. It offers bus shelter, unipole, bus body, and bill board advertising solutions. The company operates a network of approximately 32,000 display panels in 30 cities. Clear Media Limited is a subsidiary of Clear Channel KNR Neth Antilles NV.
Lamar Advertising Co.	Lamar Advertising Co. offers outdoor advertising displays, such as billboards, including bulletins, posters, and digital billboards; and logo signs. It also provides transit advertising displays, which offer advertising space on the exterior and interior of public transportation vehicles, transit shelters, and benches. As of December 31, 2010, the company operated approximately 146,000 billboard advertising displays in 44 states in the United States, Canada, and Puerto Rico.
Clear Channel Outdoor Holdings Inc.	Clear Channel Outdoor Holdings, Inc. engages in the ownership and operation of advertising display faces primarily in the United States, Canada, Latin America, Asia, Australia, and Europe. It provides advertising through billboards, bulletins and posters, street furniture displays, transit displays, wallscapes, spectaculars, neon displays, and mall displays. The company operates in Australia through its joint venture with APN, Adshel Street Furniture Pty Ltd.
Stroer Out-of-Home Media AG	Stroer Out-of-Home Media AG engages in the marketing of outdoor media primarily in Germany and Turkey. The company provides various communication solutions for public spaces, including poster media; directional media, which comprises company signposts, advertising on lampposts, and advertising on clocks or bicycle stands; and culture media that includes traditional advertising column, triangular stands, and culture posts. Its communication solutions also comprise blowup media, including giant posters, and covers or wraps for objects, construction projects, and buildings; station media, such as big banners, ground posters, and backlights found at train stations; transport media that display messages on buses or trains; event media at train stations and public places; and infoscreen consisting of digital media.
Focus Media Holding Ltd.	Focus Media Holding Limited, a multi-platform digital media company, operates liquid crystal display (LCD) network using audio-visual digital displays in China. The company sells outdoor television advertising time slots on its network of flat-panel television advertising displays located in high traffic areas, such as commercial locations, as well as in-store network. It provides advertising services on poster frames, on screens in movie theatres, and on traditional outdoor billboards, as well as through LCD display and Internet advertising networks.

Source: CapitalIQ

Appendix D – Description of target companies

Target Company	Description
China MediaExpress Holdings, Inc.	China MediaExpress Holdings, Inc. provides television advertising network on inter-city express buses in China. It offers advertisements on its network of television displays installed on express buses originating in five municipalities and nine provinces in China. As of June 30, 2009, the company's digital television advertising network consisted of approximately 16,000 express buses and approximately 34,000 digital television displays.
Ströer Out-of-Home Media AG	Ströer Out-of-Home Media AG engages in the marketing of out-of-home media and street furniture primarily in Germany and Turkey. The company provides various communication solutions for public spaces, including poster media; directional media, which comprises company signposts, advertising on lampposts, and advertising on clocks or bicycle stands; and culture media that includes traditional advertising column, triangular stands, and culture posts. Its communication solutions also comprise blowup media, including giant posters, and covers or wraps for objects, construction projects, and buildings; station media, such as big banners, ground posters, and backlights found at train stations; transport media that display messages on buses or trains; event media at train stations and public places; and infoscreen consisting of digital media.
Absolute Impact Public Company Limited	Absolute Impact Public Company Limited provides advertising services in department stores and produces 3D multimedia and hiring monitors. It owns and operates approximately 700 advertising displays in approximately 30 locations in Thailand. The company offers 2D and 3D digital signage services, as well as customized end-to-end solutions for the creation, distribution, and placement of auto stereoscopic 3D experiences in the advertising industry. It also provides non-digital signage services through shelf media, including category tunnel, shelf label, shelf pop-up, shelf banner, shelf TV, shelf frame, sticker wrap, and cart media services.
Vista Media Group, Inc.	Vista Media Group, Inc. engages in outdoor advertising business. The company is based in La Mirada, California. As of May 16, 2008, Vista Media Group, Inc. operates as a subsidiary of Lamar Advertising of Penn, LLC.
CGEN Digital Media Company Limited	CGEN Digital Media Company Limited operates in-store television advertising networks in China. It provides a network of digital and flat-panel displays in retail chain stores and superstores. As of January 2, 2008, CGEN Digital Media Company Limited is a subsidiary of Focus Media Holding, Ltd.
Primesight Ltd.	Primesight Ltd. provides advertising solutions in the United Kingdom. The company offers advertising solutions in the areas of billboards, backlights, broadcast, targeted, convenience, drive buy, health clubs, LCD screens, Glasgow subway, Guernsey airport, special builds, and local sales. It places advertisements in roadside locations and popular leisure destinations, such as private health clubs, cinema foyers, and an underground network.
Lintas India Private Limited	Lintas India Private Limited engages in outdoor advertising, market research, direct marketing, rural communications, public relations, and events. The company was founded in 1969 and is based in Mumbai, India. As of June 29, 2007, Lintas India Private Limited operates as a subsidiary of Interpublic Group of Companies, Inc.
Affichage Holding SA	Affichage Holding SA, a media company, provides out-of-home advertising services in Switzerland, and central and south eastern Europe. It transports advertising messages to the public and private areas with posters and related media, which is generated in streets, city centers, pedestrian zones, railway stations, shopping centres, sports stadiums, airports, and tourism resorts, as well as on the outside and inside of public transport vehicles. The company involves in mass transit advertising, point of sale advertising, large format communication, and sports and events advertising.

Source: CapitalIQ

A Independent Expert's Report continued

Appendix E – Glossary

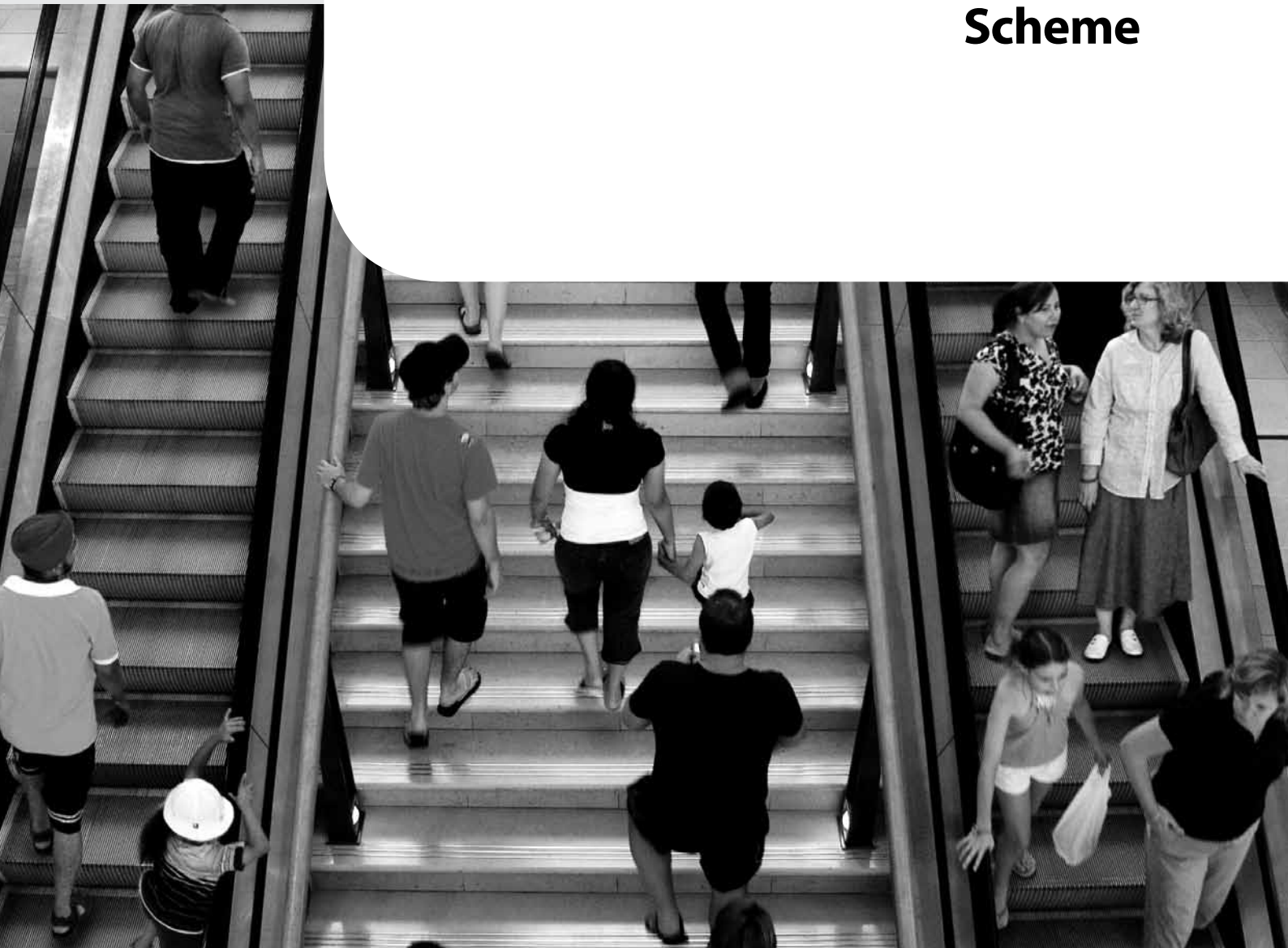
Term	Definition
Affichage	Affichage Holding SA
AMI	Advanced Medical Institute
APN	APN News and Media Ltd
APN Outdoor	APN Outdoor Pty Ltd
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Bidder	Outdoor Media Operations Pty Limited
BTL	Below-line the advertising
CAGR	Compounded Annual Growth Rate
CAPM	Capital Asset Pricing Model
Cash Consideration	Cash of 32.5 cents per OOH Share
Cayman Holdco	Outdoor Media Investments Limited
CHAMP Private Equity	CHAMP III Management Pty Ltd
Class B Share	Class B ordinary share
Clear Channel	Clear Channel Outdoor Holdings Inc
Clear Media	Clear Media Ltd
Corporations Act	Corporations Act, 2001
DCF	Discounted cash flow
EBIT	Earnings Before Interest, and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation, and Amortisation
EMH	Efficient Market Hypothesis
ESOP	OOH's employee share option scheme
Focus	Focus Media Holding Ltd.
FSG	Financial Services Guide
FYXX	Financial year ended 30 December 20XX
GFC	global financial crisis
GMT	GMT Communications Partners LLP
Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd
Indicative Proposal	Proposal from Champ to acquire all the shares of OOH for a cash consideration of 32.5 cents, with a potential scrip alternative to be offered
JCDcaux	JCDcaux SA
Lamar	Lamar Advertising Co.
LCD	Liquid crystal display
Mixed Consideration	Cash and shares in Champ for each OOH Share
Model	Grant Thornton Corporate Finance developed financial model on the operating business of OOH
NSW	New South Wales
OMA	Outdoor Media Association Inc
OOH	Ooh!Media Group Limited
OOH Shareholders	shareholders of OOH
OOH Shares	shares of OOH
PFG	PFG Investments Pty Ltd

Term	Definition
Prime	Prime Media Group Limited
Primesight	Primesight Ltd
Proposed Scheme	Champ to acquire all of the outstanding ordinary shares of OOH not currently owned by Champ by way of a scheme of arrangement
QMS	QMS Asia Pacific Outdoor Pty Ltd
Recommending Directors	Directors of OOH, other than Mr D. Standen and Mr. G. Wild
RG 112	Regulatory Guide 112 Independence of experts
RG111	Regulatory Guide 111 Contents of expert reports
RG142	Regulatory Guide 142 Scheme of arrangement and ASIC review
Seven	Seven West Media Ltd
Shopalites	Freestanding advertisement panels in shopping centres
SIA	Scheme Implementation Agreement
Sky	Sky Network Television Ltd
Southern Cross Media	Southern Cross Media Group
Sports & Outdoor	Sports & Outdoor Media Pty Ltd
Ströer	Ströer Out-of-Home Media AG
TEN	TEN Network Holdings Ltd
the Company	Ooh!Media Group Limited
VWAP	Volume Weighted Average Price
WACC	Weighted Average Cost of Capital
WPP	Cavedish Square Holding BV
WSC	William Shaw Capital Pty Ltd

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B

Scheme



B Scheme

Scheme of arrangement made under section 411 of the Corporations Act

Parties **oOh!media Group Limited ABN 96 091 780 924** of Level 2, 76 Berry Street, North Sydney NSW 2060, Australia (**Target**)

Each person registered as a holder of fully paid ordinary shares in the capital of the Target as at 7.00 pm on the Record Date (other than CHAMP)

Background

- A. The Target and the Bidder have entered into the Implementation Agreement, pursuant to which, amongst other things, the Target has agreed to propose this scheme to Target Shareholders and each of the Target and the Bidder have agreed to take certain steps to give effect to this scheme.
- B. If this scheme becomes Effective, the Bidder or Cayman Holdco will provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the provisions of this scheme, and the Bidder will acquire all Scheme Shares.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this scheme:

Aggregate Cash Consideration means the aggregate of the Cash Consideration and the Mixed Cash Consideration payable to Scheme Shareholders under this scheme.

All Cash Election means an election by a Target Shareholder to receive the Cash Consideration for each Scheme Share held by that Target Shareholder using an Election Form.

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ABN 98 008 624 691 or the securities market conducted by ASX Limited.

Bidder means Outdoor Media Operations Pty Limited ACN 154 668 087 of Level 4, Customs House, 31 Alfred Street, Sydney, New South Wales 2000, Australia.

Bidder Share Register means the register of members of Cayman Holdco maintained by or on behalf of Cayman Holdco.

Business Day means a business day as defined in the Listing Rules.

Cash Consideration means \$0.325 for each Scheme Share.

Cayman Holdco means Outdoor Media Investments Limited.

CHAMP means Perpetual Trustee Company Limited ACN 000 001 007 as trustee of the CHAMP Buyout III Trust, Perpetual Corporate Trust Limited ACN 000 341 533 as trustee of the CHAMP Buyout III (SWF) Trust and CHAMP Buyout III Pte Ltd Registration No. 200909086E.

CHESS means the Clearing House Electronic Subregister System for the electronic transfer of Target Shares and other financial products operated by ASX Settlement Pty Limited ABN 49 008 504 532.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia.

Deed Poll means the deed poll dated 18 January 2012 executed by the Bidder and Cayman Holdco in favour of the Scheme Shareholders.

Deemed Election has the meaning given in clause 5.1(c) of this scheme.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this scheme.

Effective Date means the date on which this scheme becomes Effective.

Election means an All Cash Election or a Mixed Election.

Election Form means the form of election under which a Target Shareholder is offered the opportunity to make an Election.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means 31 March 2012.

Implementation Agreement means the scheme implementation agreement dated 13 December 2011 between the Target and the Bidder.

Implementation Date means the date which is 5 Business Days after the Record Date or such other date as the Target and the Bidder agree in writing.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address shown in the Target Share Register as at 7.00 pm on the Record Date is a place outside Australia and its external territories and outside Singapore unless the Bidder determines that it is lawful and not unduly onerous or impracticable to provide that Scheme Shareholder with New Bidder Shares when this scheme becomes Effective.

Listing Rules means the official listing rules of ASX.

Marketable Parcel means a marketable parcel as defined by the market rules of ASX.

Maximum Cash Consideration means a cash amount equal to the Cash Consideration multiplied by the total number of Scheme Shares.

B Scheme continued

Minimum Scrip Number means 100,000,000 New Bidder Shares.

Mixed Cash Consideration means \$0.10 for each Scheme Share.

Mixed Consideration means the Mixed Cash Consideration plus the Mixed Scrip Consideration.

Mixed Election means an election by a Target Shareholder to receive the Mixed Consideration for each Scheme Share held by that Target Shareholder using an Election Form.

Mixed Scrip Consideration means one New Bidder Share with an issue price of \$0.225 for each Scheme Share.

New Bidder Share means a fully paid Class B ordinary share in the capital of Cayman Holdco to be provided to Scheme Shareholders under this scheme.

Record Date means the date which is 5 Business Days after the Effective Date or such other date (after the Effective Date) as the Bidder and the Target agree in writing.

Registered Address means, in relation to a Scheme Shareholder, the address of the Scheme Shareholder as recorded in the Target Share Register.

Related Entity of a corporation means:

- (a) a related body corporate of that corporation within the meaning of section 50 of the Corporations Act;
- (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly:
 - (i) controls the right to appoint the trustee;
 - (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or
 - (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust; and
- (c) any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP III Management Pty Limited ACN 134 673 172 or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act).

Scheme Consideration means, subject to the terms of this scheme:

- (a) the Cash Consideration; or
- (b) the Mixed Consideration.

Scheme Meeting means the meeting to be convened by the Court in relation to this scheme pursuant to section 411(1) of the Corporations Act.

Scheme Share means a Target Share on issue as at 7.00 pm on the Record Date other than those shares held by CHAMP.

Scheme Shareholder means each person who holds Scheme Shares.

Second Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving this scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Security Interest has the meaning given in section 12 of the Personal Property Securities Act 2009 (Cth).

Target Options means an option to acquire one unissued Target Share issued to directors and management of the Target with an exercise price of \$0.12 per Target Share and which expire on 20 May 2015.

Target Shareholder means a person who is registered in the Target Share Register as a holder of Target Shares.

Target Shares means fully paid ordinary shares in the capital of the Target.

Target Share Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Computershare Investor Services, Level 3, 60 Carrington Street, Sydney, New South Wales 2000, Australia.

1.2 Business Days

If the day on which any act to be done under this scheme is a day other than a Business Day, that act must be done on or by the next Business Day except where this scheme expressly specifies otherwise.

1.3 Listing rules are law

A listing rule or business rule of a financial market or securities exchange will be regarded as a law for the purposes of this scheme.

1.4 General rules of interpretation

In this scheme headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

B Scheme continued

- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this scheme, and a reference to this scheme includes all schedules, exhibits, attachments and annexures to it;
- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to \$ or **dollar** is to Australian currency;
- (k) a reference to time is to Sydney, Australia time; and
- (l) this scheme must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Preliminary matters

2.1 Target

- (a) The Target is a public company limited by shares, incorporated in Australia and registered in the State of Victoria.
- (b) The Target is admitted to the official list of ASX and Target Shares are officially quoted on ASX. As at 20 January 2012, the Target had the following securities on issue:
 - (i) 501,225,275 Target Shares; and
 - (ii) 23,000,000 Target Options.

2.2 Bidder

The Bidder is a proprietary company limited by shares, incorporated in Australia and registered in the State of Victoria. The Bidder is a wholly owned subsidiary (within the meaning of that term in section 9 of the Corporations Act) of Cayman Holdco.

2.3 Cayman Holdco

Cayman Holdco is an exempted company incorporated under the laws of the Cayman Islands.

2.4 Implementation Agreement

The Bidder and the Target have agreed, by executing the Implementation Agreement, to implement this scheme.

2.5 Deed Poll

The Bidder and Cayman Holdco have agreed, by executing the Deed Poll, to perform their obligations under this scheme, including the obligation to provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this scheme.

3. Conditions precedent

3.1 Conditions

- (a) This scheme is conditional on and will have no force or effect until each of the following conditions is satisfied:
 - (i) all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(f)) having been satisfied or waived in accordance with the terms of the Implementation Agreement by 8.00 am on the Second Court Date;
 - (ii) the Implementation Agreement or Deed Poll not having been terminated in accordance with its terms before 8.00 am on the Second Court Date;
 - (iii) approval of this scheme by the Court under section 411(4)(b) of the Corporations Act, including with such other conditions imposed by the Court under section 411(6) of the Corporations Act, as are acceptable to the Target and the Bidder, having been satisfied; and
 - (iv) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this scheme coming into effect, under section 411(10) of the Corporations Act.
- (b) This scheme will lapse and be of no further force or effect if the Effective Date does not occur on or before the End Date unless Target and Bidder otherwise agree in writing.

3.2 Certificate in relation to conditions

The Target and the Bidder must provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not as at 8.00 am on the Second Court Date all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(f)) have been satisfied or waived.

B Scheme continued

3.3 Conclusive evidence

The giving of a certificate by the Target and the Bidder under clause 3.2 will be conclusive evidence that such conditions precedent are satisfied, waived or taken to be waived.

4. Implementation

4.1 Lodgement of Court orders

The Target must lodge with ASIC an office copy of any Court orders under section 411(10) of the Corporations Act approving this scheme by 5.00 pm on the first Business Day following the date on which the Court approves this scheme or by 5.00 pm on the first Business Day following the date on which the Court orders are entered, whichever is later.

4.2 Consequences of this scheme becoming Effective

If this scheme becomes Effective:

- (a) it will override the constitution of the Target, to the extent of any inconsistency;
- (b) the Bidder or Cayman Holdco must (pursuant to their obligations under the Deed Poll) provide or procure the provision of the Scheme Consideration in the manner contemplated by this scheme;
- (c) subject to the provision of the Scheme Consideration as contemplated by clause 4.2(b), all the Scheme Shares (together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date) will be transferred to the Bidder; and
- (d) the Target will enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

4.3 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by this scheme and the Bidder or Cayman Holdco providing the Target with written confirmation of that, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to the Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by the Target or its officers as agent and attorney of the Scheme Shareholders under clause 9.4 or otherwise) by:
 - (i) the Target delivering to the Bidder a duly completed and executed share transfer form to transfer all the Scheme Shares to the Bidder; and
 - (ii) the Bidder duly executing such transfer form and delivering it to the Target for registration; and
- (b) as soon as practicable after receipt of the transfer form in accordance with clause 4.3(a)(ii), the Target must enter the name of the Bidder in the Target Share Register in respect of all the Scheme Shares.

5. Scheme Consideration

5.1 Election

- (a) Subject to clauses 5.2 and 5.3, each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder, depending on the Election (or Deemed Election) made by a Target Shareholder.
- (b) Subject to the terms of this scheme:
 - (i) an Election may be made by a Scheme Shareholder, and if it is made it must be made in accordance with the terms and conditions on the Election Form for it to be valid and must be completed and returned before 7.00 pm on the Record Date to the address specified on the Election Form;
 - (ii) an Election will apply to all of the Target Shares of the Target Shareholder as at 7.00 pm on the Record Date;
 - (iii) once made, an Election by a Target Shareholder may be varied before 7.00 pm on the Record Date by notice in writing to the Target; and
 - (iv) in the manner considered appropriate by the Target (acting reasonably), a Target Shareholder who holds one or more parcels of Target Shares as trustee or nominee for, or otherwise on account of, another person, may make separate Elections in relation to each of those parcels of Target Shares.
- (c) Any Target Shareholder who does not make a valid Election is, for the purpose of this scheme, deemed to have made a valid All Cash Election in respect of the Target Shares held by that Target Shareholder as at 7.00 pm on the Record Date (**Deemed Election**).
- (d) The Target may, with the Bidder's consent (which may not be unreasonably withheld or delayed) settle as it thinks fit any difficulty, matter of interpretation or dispute which may arise in connection with any Election made by a Scheme Shareholder in the Election Form, whether arising generally or in relation to any particular Election Form submitted by a Scheme Shareholder, and any decision is conclusive and binding on all relevant Scheme Shareholders and other persons to whom the decision relates.

5.2 Minimum Scrip Number not reached

If the Bidder or Cayman Holdco are not obliged to procure the issue of an amount equal to or greater than that number of New Bidder Shares equal to the Minimum Scrip Number in respect of all valid Mixed Elections provided by Target Shareholders:

- (a) the Bidder and Cayman Holdco need not, and will not:
 - (i) comply with any valid Mixed Elections; or
 - (ii) issue any New Bidder Shares to Scheme Shareholders; and

B Scheme continued

- (b) each Scheme Shareholder who gave a valid Mixed Election will not be entitled to receive any New Bidder Shares for their Scheme Shares but will be entitled to receive the Cash Consideration for those shares.

5.3 Ineligible Foreign Shareholders

The Bidder and Cayman Holdco have no obligation to procure the issue of, and will not procure the issue of, any New Bidder Shares to any Ineligible Foreign Shareholder (regardless of any Election made by those persons), and, instead, must pay the Cash Consideration to each Ineligible Foreign Shareholder who is a Scheme Shareholder in accordance with clause 6.

6. Provision of Scheme Consideration

6.1 Provision of Aggregate Cash Consideration

- (a) The obligation of the Bidder or Cayman Holdco to provide, or procure the provision of, the Aggregate Cash Consideration to Scheme Shareholders will be satisfied by the Bidder or Cayman Holdco:
 - (i) paying, or procuring the payment of, before 12.00 noon on the Implementation Date, an amount at least equal to the Aggregate Cash Consideration into a trust account operated by or on behalf of the Target, to be held on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other charges) will be to the Bidder's account; and
 - (ii) providing the Target with written confirmation of that payment.
- (b) Within 5 Business Days after the Implementation Date and subject to compliance with clause 6.1(a) by the Bidder or Cayman Holdco, the Target must pay from the account referred to in clause 6.1(a) to each Scheme Shareholder such amount of cash as is due to that Scheme Shareholder under clause 6.1(a) as Cash Consideration or Mixed Cash Consideration (as applicable) in respect of all that Scheme Shareholder's Scheme Shares provided that any entitlement of a Scheme Shareholder to receive a fraction of one cent will, after aggregating all holdings of Scheme Shares held by that Scheme Shareholder, be rounded up to the nearest whole cent.
- (c) If the Bidder and the Target are of the opinion that a number of Scheme Shareholders and/or other persons (who, to avoid doubt, may include other Scheme Shareholders) have, before 7.00 pm on the Record Date, been party to a shareholding splitting or division or an acquisition of Scheme Shares in an attempt to obtain, or which provides, an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Cash Consideration, the Bidder and Target may give notice to those Scheme Shareholders prior to the Implementation Date:
 - (i) setting out the names and registered addresses of all of those Scheme Shareholders;
 - (ii) stating that opinion; and

- (iii) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of this scheme, be taken to hold all those Scheme Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of this scheme, be taken to hold no Scheme Shares.

- (d) The amount referred to in clause 6.1(b) must be paid by the Target doing any of the following at its election:
 - (i) sending (or procuring the Target Share Registry to send) that amount to the Scheme Shareholder's Registered Address by cheque in Australian currency drawn out of the trust account referred to in clause 6.1(a); or
 - (ii) if the Scheme Shareholder has a payment direction for a bank account with any Australian ADI (as defined in the Corporations Act) recorded in the Target Share Register as at 7.00 pm on the Record Date, depositing (or procuring the Target Share Registry to deposit) that amount into that account.
- (e) In the case of joint holders of Scheme Shares, the Cash Consideration or Mixed Cash Consideration (as applicable) must be paid by a cheque forwarded in the names of those joint holders to the holder who's name appears first in the Target Share Register as at 7.00pm on the Record Date or where the joint holders have nominated a bank account under clause 6.1(d)(ii), the amount must be deposited directly to the nominated bank account of the joint holders.
- (f) The Target may cancel a cheque issued under clause 6.1(d)(i) if the cheque:
 - (i) is returned to the Target; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent,

provided that, during the period of one year commencing on the Implementation Date, on request from a Scheme Shareholder, the Target must reissue a cheque that was previously cancelled under this clause 6.1(f).
- (g) If there is any surplus in the amount held by the Target in the trust account, that surplus must be paid by the Target to the Bidder following the satisfaction of the Target's obligations under this clause 6.1.
- (h) Subject to clause 6.1(f), in the event that a cheque sent to the Scheme Shareholder's Registered Address by the Target for the purpose of clause 6.1(d)(i) is returned to sender and no account has been notified for the purposes of clause 6.1(d)(ii), or a deposit into such an account is rejected or refunded, Target may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target to be held on trust by Target for the Scheme Shareholder until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with any applicable unclaimed money legislation (except that any interest accruing on the amount will be for the account of Bidder after the deduction of any costs, expenses or applicable taxes).

B Scheme continued

An amount credited to the account is to be treated as having been paid to the Scheme Shareholder when credited to the account. Target must maintain records of the amount paid, the people who are entitled to the amounts and any transfer of the amounts.

- (i) If any amount is required under any law or by any government or any governmental, semi-governmental or judicial entity or authority to be:
 - (i) withheld from an amount payable under clause 6.1(b) and paid to that entity or authority; or
 - (ii) retained by the Target out of an amount payable under clause 6.1(b),

its payment or retention by the Target (or the Target Share Registry) will constitute the full discharge of the Target's obligations under clauses 6.1(b), 6.1(d) and 6.1(e) with respect to the amount so paid or retained until, in the case of clause 6.1(i)(ii), it is no longer required to be retained.

6.2 Provision of Mixed Scrip Consideration

- (a) Subject to clauses 5.2 and 5.3, the obligation of the Bidder or Cayman Holdco to provide, or procure the provision of, the Mixed Scrip Consideration (if any) to Scheme Shareholders will be satisfied by the Bidder or Cayman Holdco procuring:
 - (i) before 12.00 noon on the Implementation Date, the allotment of New Bidder Shares to each applicable Scheme Shareholder in accordance with the terms of this scheme; and
 - (ii) that the name and address of each such Scheme Shareholder is entered into the Bidder Share Register on the Implementation Date in respect of the New Bidder Shares to which it is entitled under this scheme.
- (b) in the case of joint holders of Scheme Shares, the New Bidder Shares to be provided under this scheme will be provided to and registered in the names of the joint holders.

6.3 Status of New Bidder Shares

Subject to this scheme becoming Effective, the Bidder must ensure that each such New Bidder Share is duly issued, fully paid and free from any Encumbrance.

6.4 Provision of share certificate or holding statement

The Bidder or Cayman Holdco shall procure:

- (a) that within 5 Business Days after the Implementation Date, a share certificate or holding statement (or equivalent document) is sent to the Registered Address of each applicable Scheme Shareholder representing or stating, as applicable, the number of New Bidder Shares to be provided to the Scheme Shareholder pursuant to this scheme; and
- (b) in the case of joint holders of Scheme Shares, the share certificate or holding statement (or equivalent document) is forwarded to the holder whose name appears first in the Target Share Register as at 7.00 pm on the Record Date.

7. Dealings in Target Shares

7.1 Dealings in Target Shares by Target Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares by no later than 7.00 pm on the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings are received by no later than 7.00 pm on the Record Date at the place where the Target Share Register is kept,

and for the purpose of establishing the persons who are Scheme Shareholders, the Target will not accept for registration nor recognise any transfer or transmission application in respect of the Target Shares received after such times or received prior to such times but not in registrable form.

7.2 Target Share Register

- (a) The Target must maintain the Target Share Register in accordance with the provisions of this clause 7.2 until the Scheme Consideration has been provided to the Scheme Shareholders and the Target Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) The Target must register valid registrable transmission applications or transfers of the kind referred to in clause 7.1(b) by no later than 7.00 pm on the Record Date (provided that for the avoidance of doubt nothing in this clause 7.2(b) requires the Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a Marketable Parcel).
- (c) The Target will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Target Shares received after 7.00 pm on the Record Date other than in respect of Target Shares held by CHAMP.
- (d) From 7.00 pm on the Record Date until the earlier of registration of the Bidder in respect of all Scheme Shares under clause 4.3(b) or the End Date, no Target Shareholder other than CHAMP may deal with Target Shares in any way except as set out in this scheme and any attempt to do so will have no effect.

7.3 Information to be made available to the Bidder

As soon as practicable after the Record Date and in any event at least 2 Business Days before the Implementation Date, the Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder are available to the Bidder in the form the Bidder reasonably requires.

B Scheme continued

7.4 Effect of share certificates and holding statements

- (a) Each entry which is current on the Target Share Register as at 7.00 pm on the Record Date is the sole evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.
- (b) Upon the Scheme Consideration being provided to the Scheme Shareholders in accordance with this scheme, all certificates and statements of holding for Target Shares will cease to have any effect as documents of title in respect of those shares (other than statements of holding in favour of CHAMP or the Bidder and its successors in title).

8. Quotation of Target Shares

- (a) The Target will apply to ASX to suspend trading on ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by the Bidder, the Target will apply:
 - (i) for termination of the official quotation of Target Shares on ASX; and
 - (ii) to have itself removed from the official list of ASX.

9. General scheme provisions

9.1 Consent

If the Court proposes to approve this scheme subject to any alterations or conditions, the Target may, by its counsel or solicitors, consent on behalf of all persons concerned to those alterations or conditions to which the Bidder has consented.

9.2 Agreement of Scheme Shareholders

Each Scheme Shareholder:

- (a) agrees to the transfer of their Target Shares in accordance with terms of this scheme and agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this scheme;
- (b) acknowledges that this scheme binds the Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting or do not vote at that meeting or vote against this scheme at the Scheme Meeting);
- (c) who is issued New Bidder Shares under this scheme agrees to become a shareholder of Cayman Holdco in respect of those New Bidder Shares and to be bound by the memorandum and articles of association of Cayman Holdco; and
- (d) who is an Ineligible Foreign Shareholder agrees and acknowledges that the payment to it of an amount in accordance with clause 5.3 constitutes the satisfaction in full of its entitlement to the Scheme Consideration.

9.3 Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to the Target and the Bidder, and appointed and authorised the Target as its attorney and agent to warrant to the Bidder that:

- (a) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to the Bidder under this scheme will, on the date they are transferred to the Bidder, be fully paid;
- (b) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to the Bidder under this scheme will, on the date they are transferred to the Bidder, be free from all Encumbrances and third party rights or interests of any kind; and
- (c) they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) to the Bidder.

The Target undertakes that it will provide such warranty to the Bidder as agent and attorney for each Scheme Shareholder.

9.4 Authority given to the Target

Upon this scheme becoming Effective, each Scheme Shareholder without the need for any further act:

- (a) irrevocably appoints the Target and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of:
 - (i) enforcing the Deed Poll against the Bidder and Cayman Holdco; and
 - (ii) executing any document necessary to give effect to this scheme including, a proper instrument of transfer of its Scheme Shares for the purposes of section 1071B of the Corporations Act which may be a master transfer of all the Scheme Shares,
 and the Target accepts such appointment; and
- (b) will be deemed to have authorised the Target to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement this scheme, including executing, as agent and attorney of each Scheme Shareholder, a share transfer or transfers in relation to Scheme Shares as contemplated by clause 9.4(a).

9.5 Appointment of sole proxy

Upon the Scheme Consideration being provided to the Scheme Shareholders and until the Target registers the Bidder as the holder of all Target Shares in the Target Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed the Bidder as its attorney and agent (and directed the Bidder in such capacity) to appoint any director, officer, secretary or agent nominated by the Bidder as its sole proxy and, where applicable, corporate

B Scheme continued

representative to attend shareholders' meetings of the Target, exercise the votes attaching to the Scheme Shares registered in their name and sign any Target Shareholders' resolutions, whether in person, by proxy or by corporate representative;

- (b) undertakes not to otherwise attend or vote at any of those meetings or sign or vote on any resolutions (whether in person, by proxy or by corporate representative) other than as pursuant to clause 9.5(a);
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as the Bidder reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 9.5(a), the Bidder and any director, officer, secretary or agent nominated by the Bidder under clause 9.5(a) may act in the best interests of the Bidder as the intended registered holder of the Scheme Shares.

9.6 Title to Target Shares

Upon the Scheme Consideration being provided to the Scheme Shareholders and until the Target registers the Bidder as the holder of all Target Shares in the Target Share Register, the Bidder will be beneficially entitled to all of the Scheme Shares transferred to it under this scheme.

10. General

10.1 Stamp duties

The Bidder and Cayman Holdco must pursuant to their obligations under the Deed Poll:

- (a) pay all stamp duties and any related fines and penalties in respect of the transfer of the Scheme Shares to the Bidder and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and
- (b) indemnify each Scheme Shareholder against any liability from a failure to comply with clause 10.1(a).

10.2 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this scheme is sent by post to the Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where the Target's Share Registry is kept.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Target Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

10.3 Further acts and documents

The Target must do all further acts (on its own behalf and on behalf of each Scheme Shareholder) and execute and deliver all further documents required by law or necessary to give effect to this scheme and the transactions contemplated by it.

10.4 No liability when acting in good faith

Neither Target nor Bidder (nor any director, officer or secretary of any of those companies) will be liable for anything done or omitted to be done in the performance of this scheme or the Deed Poll in good faith.

11. Governing law and jurisdiction**11.1 Governing law**

This scheme is governed by the law applying in New South Wales.

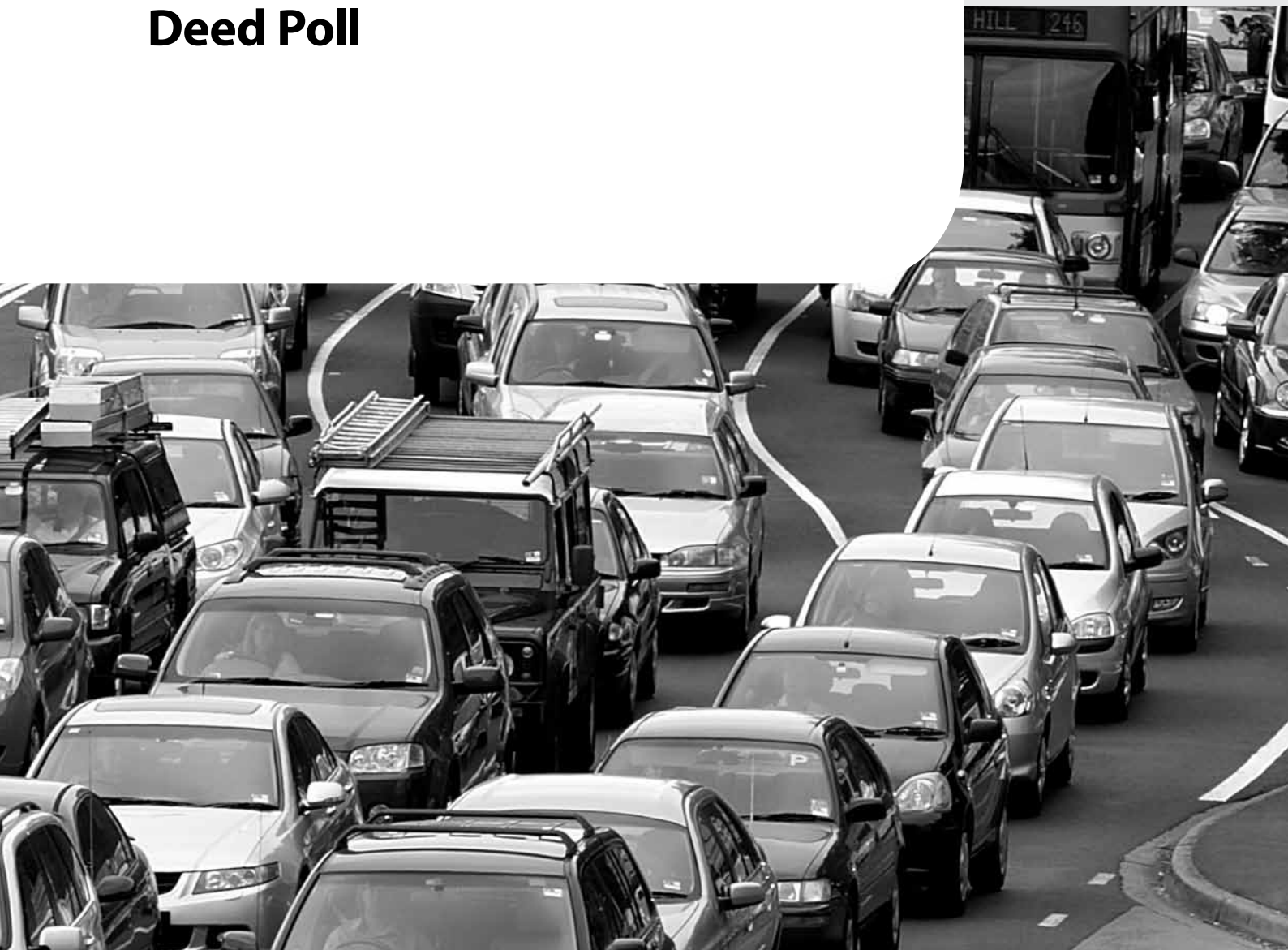
11.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this scheme; and
- (b) waives any objection it may have now or in the future to the venue of any proceedings, and any claim it may have now or in the future that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 11.2(a).

C

Deed Poll



Deed poll dated 18 January 2012

By **Outdoor Media Operations Pty Limited ACN 154 668 087** of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia (**Bidder**)

Outdoor Media Investments Limited of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia (**Cayman Holdco**)

In favour of **Each person registered as a holder of fully paid ordinary shares in the capital of oOh!media Group Limited ABN 96 091 780 924** of Level 2, 76 Berry Street, North Sydney NSW 2060, Australia (**Target**) on issue as at the Record Date (other than CHAMP) (**Scheme Shareholders**)

Background

- A. On 13 December 2011, the Target and the Bidder entered into a scheme implementation agreement (**Implementation Agreement**) to provide for the implementation of the Scheme.
- B. The effect of the Scheme will be to transfer all Scheme Shares to the Bidder in exchange for the Scheme Consideration.
- C. The Bidder and Cayman Holdco enter into this deed poll to covenant in favour of the Scheme Shareholders to provide or procure the provision of the Scheme Consideration in accordance with the Scheme.

It is declared as follows

1. Definitions and interpretation

1.1 Definitions

In this deed poll:

Scheme means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between the Target and its shareholders, as contemplated by the Implementation Agreement.

Regulatory Authority means:

- (a) any government or local authority and any department, minister or agency of any government; and
- (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange.

1.2 Terms defined in the Scheme

Capitalised words and phrases defined in the Scheme and not in this deed poll have the same meaning in this deed poll as in the Scheme unless the context requires otherwise.

1.3 Interpretation

The provisions of clauses 1.2, 1.3 and 1.4 of the Scheme form part of this deed poll as if set out in full in this deed poll, except that references to "scheme" in those clauses will be taken to be references to "deed poll".

C Deed Poll continued

1.4 Nature of this deed poll

The Bidder and Cayman Holdco acknowledge that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it.

2. Condition precedent

2.1 Condition

The obligations of the Bidder and Cayman Holdco under clause 3 are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of the Bidder and Cayman Holdco under this deed poll will automatically terminate and this deed poll will be of no further force or effect if:

- (a) the Implementation Agreement is terminated in accordance with its terms prior to the Court approving the Scheme; or
 - (b) the Scheme is not Effective by the End Date,
- unless the Bidder and the Target otherwise agree in writing.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition to and without prejudice to any other rights, powers or remedies available to it:

- (a) the Bidder and Cayman Holdco are released from their obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against the Bidder and Cayman Holdco in respect of any breach of this deed poll which occurs before it was terminated.

3. Provision of the Scheme Consideration

3.1 Undertaking

Subject to clause 2, the Bidder and Cayman Holdco undertake in favour of each Scheme Shareholder:

- (a) to provide or procure the provision of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme; and
- (b) to undertake or procure the undertaking of all other actions attributed to either Bidder or Cayman Holdco under the Scheme.

3.2 Status of New Bidder Shares

The Bidder and Cayman Holdco undertake in favour of each Scheme Shareholder that the New Bidder Shares which are provided to Scheme Shareholders in accordance with the Scheme will be duly issued, fully paid and free from any Encumbrance.

4. Warranties

Each of the Bidder and Cayman Holdco warrants to each Scheme Shareholder that:

- (a) it is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation;
- (b) it has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll constitutes (or will when executed constitute) valid legal and binding obligations of it and is enforceable against it in accordance with its terms;
- (e) it is solvent and no resolutions have been passed nor has any other step been taken or legal proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets (or any event under any law which is analogous to, or which has a substantially similar effect to, any of the events referred to in this paragraph);
- (f) the execution, delivery and performance of this deed poll by it does not and will not result in a breach of or constitute a default under:
 - (i) any agreement to which it is party;
 - (ii) any provision of the constitution or articles of association (as applicable); or
 - (iii) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which it is bound.
- (g) as at the date of this deed poll and so far as it is aware, no regulatory action of any nature has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this deed poll.

5. Continuing obligations

This deed poll is irrevocable and remains in full force and effect until the Bidder and Cayman Holdco have fully performed their obligations under it or the earlier termination of this deed poll under clause 2.

6. General

6.1 Notices

Each communication (including each notice, consent, approval, request and demand) under or in connection with this deed poll:

- (a) must be in writing;
- (b) must be addressed as follows:

C Deed Poll continued

if to the Bidder or to Cayman Holdco:

Address: Level 4, Customs House
31 Alfred Street
Sydney NSW 2000
Australia

Fax number: +61 2 8248 8877

For the attention of: Darren Smorgon

- (c) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party;
- (d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 6.1(b); and
- (e) is taken to be received by the addressee:
 - (i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
 - (ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
 - (iii) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
 - (iv) (in the case of delivery by hand) on delivery,

but if the communication is taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

6.2 Governing law

This deed poll is governed by and must be construed according to the law applying in New South Wales.

6.3 Jurisdiction

Bidder irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this deed poll; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 6.3(a).

6.4 Submission to jurisdiction

- (a) Cayman Holdco irrevocably agrees, subject to paragraph (b), that the courts of Australia are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this deed poll and that any suit, action or proceeding (Proceeding) arising out of or in connection with this deed poll may, subject to clause 6.4 of this deed poll, be brought in such courts.
- (b) Cayman Holdco irrevocably waives any objection which it may have now or in the future to:
 - (i) the laying of the venue of any Proceedings in the courts of Australia; and
 - (ii) any claim that any such Proceedings have been brought in an inconvenient forum, and further irrevocably agrees that a judgment in any Proceedings brought in the courts of Australia will be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.
- (c) Nothing contained in this clause 6.4 limits the right of the Target or a Scheme Shareholder to take Proceedings against Cayman Holdco in any court of competent jurisdiction that is not a court of Australia, nor will the taking of Proceedings by the Target or a Scheme Shareholder in one or more jurisdictions preclude the taking of Proceedings by the Target or other Scheme Shareholder in any other jurisdiction, whether concurrently or not.
- (d) Cayman Holdco irrevocably appoints Darren Smorgon of Level 4, Customs House, 31 Alfred Street, Sydney NSW 2000, Australia as its agent for the service of process in Australia in relation to any writ, judgment, initiating process, notice of process or other notice or document in connection with Proceedings in Australia. If Darren Smorgon ceases to be able to act as such or have an address in Australia, Cayman Holdco agrees to appoint immediately a new process agent in Australia and deliver to Target within 5 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which Darren Smorgon's appointment as process agent ceases and the new appointment becomes effective for the purpose of this deed poll. Cayman Holdco must inform Target and each Scheme Shareholder in writing of any change in the address of its process agent prior to the provision of the Scheme Consideration, promptly after it becomes aware of the change and in any event within 5 Business Days of the change.
- (e) Cayman Holdco irrevocably agrees that any notice, writ, judgment, initiating process, notice of process or other notice or document in connection with any Proceedings shall be sufficiently and effectively served on it:
 - (i) if delivered to Darren Smorgon, or any new process agent under paragraph (d), in the case of any writ, judgment, initiating process, notice of process or other notice or document in connection with Proceedings in Australia; or
 - (ii) if a copy thereof is sent by certified air mail, to the address for the time being for the services of notices on it or at its business address in the country last notified in writing by Cayman Holdco to Target and each Scheme Shareholder.
- (f) Nothing in this deed poll limits the right of a party, the Target or a Scheme Shareholder to serve any notice, writ, judgment, initiating process, notice of process or other notice or document in any other manner permitted by law.

C Deed Poll continued

- (g) Cayman Holdco consents generally in respect of any Proceedings arising out of or in connection with this deed poll to the giving of any relief and the issue of any process in connection with such Proceedings including the making, enforcement or execution against any property whatsoever of any order or judgment which may be made or given in such Proceedings.
- (h) To the extent that Cayman Holdco may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid or execution, before judgment or otherwise) or legal process or to the extent that in any such jurisdiction there may be attributed to it or its assets such immunity (whether or not claimed) among other things it irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction with the intent that the above waivers of immunity have irrevocable effect.
- (i) Cayman Holdco acknowledges that Target or a Scheme Shareholder may seek to register, and agrees not to do anything to prevent the registration by Target or a Scheme Shareholder of a judgment of an Australian court against Cayman Holdco in any other jurisdiction.

6.5 Amendments

This deed poll may be amended only by another deed poll entered into by the Bidder and Cayman Holdco, and then only if the amendment is agreed to by the Target in writing and the Court indicates that the amendment would not preclude approval of the Scheme.

6.6 Waiver

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this deed poll by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (b) A waiver or consent given by a party under this deed poll is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed poll operates as a waiver of another breach of that term or of a breach of any other term of this deed poll.

6.7 Further acts and documents

The Bidder and Cayman Holdco must do all further acts and execute and deliver all further documents required by law or necessary to give effect to this deed poll and the transactions contemplated by it.

6.8 Assignment

The rights of each Scheme Shareholder under this deed poll are personal and cannot be assigned, novated or otherwise transferred without the prior written consent of the Bidder.

6.9 Stamp duties

The Bidder and Cayman Holdco must:

- (a) pay all stamp duties and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under

this deed poll and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and

- (b) indemnify each Scheme Shareholder against any liability arising from a failure to comply with clause 6.9(a).

6.10 Cumulative rights

The rights, powers and remedies of the Bidder, Cayman Holdco and each Scheme Shareholder under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by the law independently of this deed poll.

C Deed Poll continued

Executed and delivered as a deed poll.

Executed by **Outdoor Media Operations Pty Limited ACN 154 668 087** in accordance with section 127 of the Corporations Act 2001 (Cth):


Signature of director

DARREN SMORGON
Full name of director


Signature of company secretary/director

PAUL KENNEDY
Full name of company secretary/director

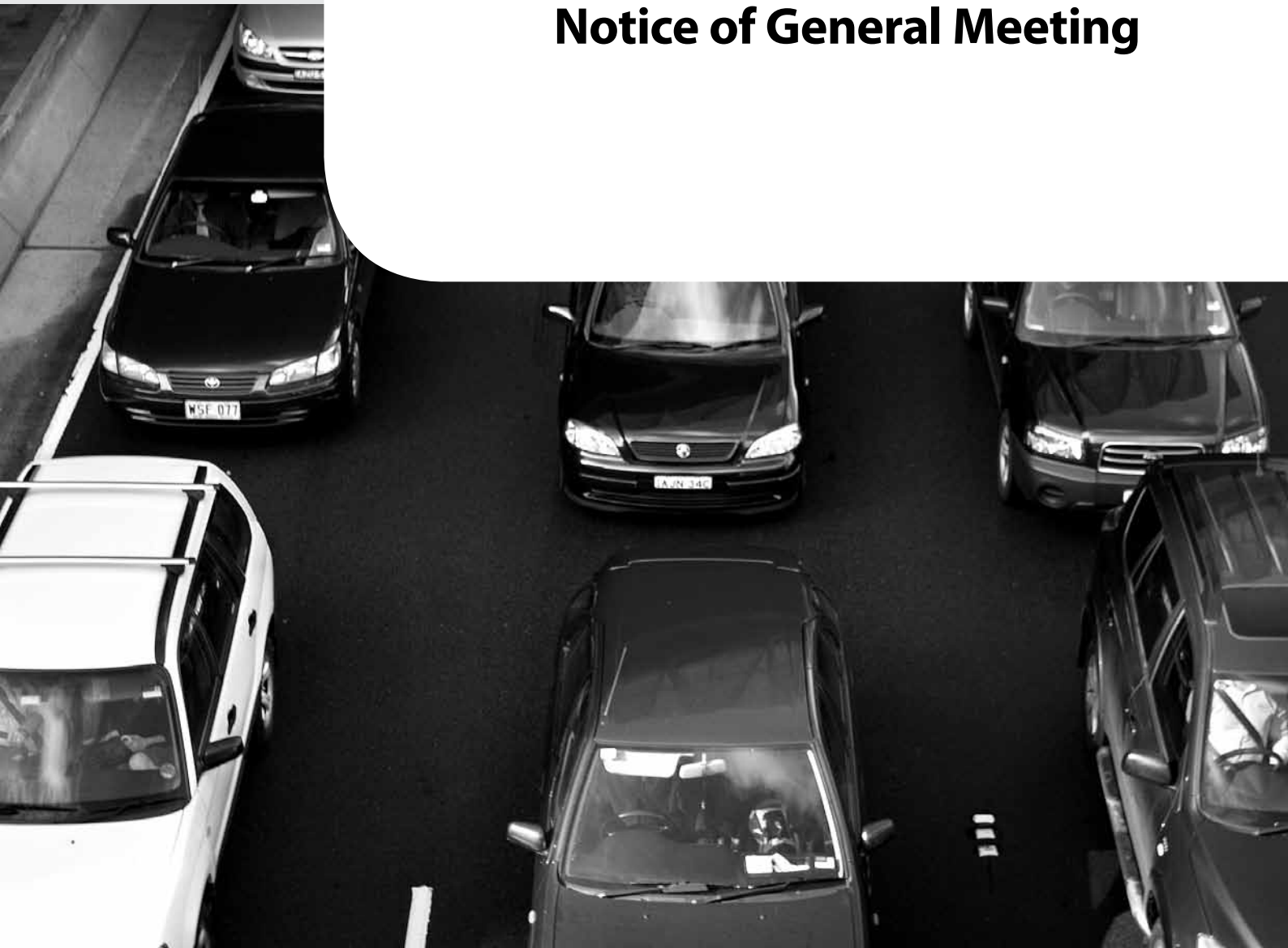
Executed by DARREN SMORGON)
for and on behalf of)
Outdoor Media Investments Limited)
in the presence of:


Witness MICHELLE WEATHERBY


Signature of Director

D

Notice of General Meeting



D Notice of General Meeting

NOTICE OF GENERAL MEETING – oOh!media Group Limited ACN 091 780 924

Notice is hereby given that a general meeting of the holders of ordinary shares in oOh!media Group Limited (**oOh!media**) ACN 091 780 924 will be held:

At – the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060

On – 27 February 2012 at 10.00am

BUSINESS OF THE MEETING

Resolution – Cancellation and early exercise of Options

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 6.23.2 and for all other purposes approval is hereby given to allow each Option to be cancelled subject to the Scheme becoming Effective on or before the End Date and in the manner described in Section 2.3 of the Scheme Booklet.”

Voting exclusion

oOh!media will disregard any votes on the Resolution by any person who holds Options and any Associate of any such person. However, oOh!media need not disregard a vote if it is cast by:

- (a) such a person, or an Associate of such a person, as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) such a person who is chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

BY ORDER OF THE oOh!media BOARD

Michael Egan
Company Secretary
20 January 2012

NOTES TO THE NOTICE OF GENERAL MEETING

Explanatory notes

These notes should be read in conjunction with the Notice of General Meeting and the information in the scheme booklet of which that notice forms part (Scheme Booklet).

Unless the context requires otherwise, terms used in the Notice of General Meeting and in these notes have the same meaning as set out in the glossary in the Scheme Booklet.

Required majority

The Resolution must be approved by more than 50% of the votes cast at the General Meeting by oOh!media Shareholders entitled to vote.

Entitlement to vote

For the purposes of the General Meeting, oOh!media has determined that the time for determining the eligibility to vote at the meeting is 7.00pm on 25 February 2012. Only those oOh!media Shareholders entered on the oOh!media Register at that time will be entitled to attend and vote at the General Meeting (subject to the voting exclusions in the notice).

Voting will be conducted by poll.

Voting at the meeting

You may vote in person at the General Meeting or appoint a proxy, attorney or, if you are a body corporate, a corporate representative to attend and vote on your behalf.

(a) Voting in person

To vote in person, attend the General Meeting on the date and at the place set out in the Notice of General Meeting.

(b) Voting by proxy

An oOh!media Shareholder entitled to attend and vote at the General Meeting can vote by proxy. The General Proxy Form is enclosed with the Scheme Booklet.

You may appoint not more than two proxies to attend and act for you at the General Meeting. A proxy need not be oOh!media Shareholder. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. If no such number or proportion is specified, each proxy may exercise half of your votes.

If you do not instruct your proxy on how to vote, you will be taken (for all relevant purposes) to have given your proxy discretion as to how to vote and your proxy may vote as he or she sees fit at the General Meeting.

oOh!media Shareholders who return their General Proxy Form with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the General Meeting as their proxy to vote on their behalf. If a General Proxy Form is returned but the nominated proxy does not attend the General Meeting, the Chairman of the General Meeting will act in place of the nominated proxy and vote in accordance with any instructions.

Instructions on how to complete and lodge the General Proxy Form are included on the form. Please note that the General Proxy Form must be received by the oOh!media Registry, whose details are listed below, by no later than 10.00am on 25 February 2012. If you have an attorney sign a General Proxy Form on your behalf, the original or a certified copy of the power of attorney or other evidence of your attorney's authority must be received by the oOh!media Registry at the same time as the General Proxy Form (unless previously provided to the oOh!media Registry).

A proxy will be admitted to the General Meeting upon providing evidence of their name and address at the point of entry to the meeting.

oOh!media Shareholders who have returned a Proxy Form may revoke the proxy by attending and voting at the relevant Meeting.

(c) Voting by proxy through power of attorney

For persons voting by proxy through powers of attorney, the Powers of attorney must be received by the oOh!media Registry by no later than 10.00am on 25 February 2012.

Persons attending the General Meeting as an attorney should bring to the General Meeting the original or certified copy of the power of attorney under which they have been authorised to attend and vote at the General Meeting.

(d) Voting by corporate representative

If you are a body corporate, you can appoint a corporate representative to attend and vote at the General Meeting on your behalf. The appointment must comply with Section 250D of the Corporations Act.

A corporate representative should bring to the General Meeting evidence of their appointment including any authority under which the document appointing them as corporate representative was signed.

(e) Jointly held securities

If oOh!media Shares are jointly held, either one of the joint shareholders is entitled to vote at the General Meeting. If more than one joint shareholder votes in respect of jointly held shares, only the vote of the shareholder whose name appears first in the oOh!media Register will be counted.

(f) Lodgement of proxies

There are a number of ways that General Proxy Forms may be lodged:

Method	Instructions
Mail	Sent to the oOh!media Registry (using the reply paid envelope included with this Scheme Booklet), addressed to Computershare Investor Services Pty Ltd at GPO Box 242, Melbourne Victoria 3001
Hand delivery	Delivered during business hours to the oOh!media Registry at Computershare Investor Services Pty Ltd, Level 4, 60 Carrington Street, Sydney NSW 2000
Fax	Sent to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
Online	Lodged at www.investorvote.com.au/oohproxy or, for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com

An instrument appointing a proxy shall not be valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed, or a copy or facsimile which appears on its face to be an authentic copy of that proxy, power or authority, is or are deposited or sent by fax to the oOh!media Registry by no later than 10.00am on 25 February 2012.

oOh!media Shareholders should contact the oOh!media Registry on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday with any queries regarding the number of oOh!media Shares they hold, how to vote at the General Meeting or how to lodge the General Proxy Form.

E

Notice of Scheme Meeting



NOTICE OF COURT ORDERED MEETING – oOh!media Group Limited ACN 091 780 924

Notice is hereby given that, by an order of the Federal Court of Australia made on 20 January 2012 pursuant to Section 411(1) of the Corporations Act, a meeting of the holders of ordinary shares in oOh!media Group Limited ACN 091 780 924 (other than the CHAMP III Funds) will be held:

At – the office of oOh!media, Level 2, 76 Berry Street, North Sydney, NSW 2060

On – Immediately after the conclusion or adjournment of the General Meeting on 27 February 2012.

The Court has directed that Graham Jones or, failing him, Brian Bickmore, acts as chairman of the meeting.

BUSINESS OF THE MEETING – SCHEME RESOLUTION

To consider and, if thought fit, to pass the following resolution:

“That, pursuant to and in accordance with Section 411 of the Corporations Act, the proposed scheme of arrangement between oOh!media and the holders of its fully paid ordinary shares (other than the CHAMP III Funds), the terms of which are contained and more particularly described in the Scheme Booklet of which this Notice of Scheme Meeting forms part, is approved (with or without modification as approved by the Federal Court of Australia).”

BY ORDER OF THE COURT

Michael Egan
Company Secretary
20 January 2012

NOTES TO THE NOTICE OF SCHEME MEETING

Explanatory notes

Information on the Scheme is set out in the scheme booklet of which this notice forms part (**Scheme Booklet**).

These notes should be read in conjunction with the Notice of Scheme Meeting.

Unless the context requires otherwise, terms used in the Notice of Scheme Meeting and in these notes have the same meaning as set out in the glossary in the Scheme Booklet.

Required majorities

In accordance with Section 411(4)(a)(ii) of the Corporations Act, the Scheme Resolution must be approved by:

- a majority in number (i.e. more than 50%) of oOh!media Shareholders present and voting at the Scheme Meeting (whether in person or by proxy, attorney or, in the case of a body corporate, corporate representative); and
- at least 75% of the votes cast on the Scheme Resolution.

Entitlement to vote

The Court has ordered that, for the purposes of the Scheme Meeting, the time for determining eligibility to vote at the meeting is 7.00pm on 25 February 2012. Only those oOh!media Shareholders (other than the CHAMP III Funds) entered on the oOh!media Register at that time will be entitled to attend and vote at the Scheme Meeting.

Voting will be conducted by poll.

Voting at the meeting

You may vote in person at the Scheme Meeting or appoint a proxy, attorney or, if you are a body corporate, a corporate representative to attend and vote on your behalf.

(a) Voting in person

To vote in person, attend the Scheme Meeting on the date and at the place set out in the Notice of Scheme Meeting.

(b) Voting by proxy

An oOh!media Shareholder entitled to attend and vote at the Scheme Meeting can vote by proxy. The Scheme Proxy Form is enclosed with the Scheme Booklet.

You may appoint not more than two proxies to attend and act for you at the Scheme Meeting. A proxy need not be an oOh!media Shareholder. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. If no such number or proportion is specified, each proxy may exercise half of your votes.

If you do not instruct your proxy on how to vote, you will be taken (for all relevant purposes) to have given your proxy discretion as to how to vote and your proxy may vote as he or she sees fit at the Scheme Meeting.

oOh!media Shareholders who return their Scheme Proxy Form with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chair of the Scheme Meeting as their proxy to vote on their behalf. If a Scheme Proxy Form is returned but the nominated proxy does not attend the Scheme Meeting, the Chair of the Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions.

E Notice of Scheme Meeting continued

Instructions on how to complete and lodge the Scheme Proxy Form are included on the form. Please note that the Scheme Proxy Form must be received by the oOh!media Registry, whose details are listed below, by no later than 10.00am on 25 February 2012. If you have an attorney sign a Scheme Proxy Form on your behalf, the original or a certified copy of the power of attorney or other evidence of your attorney's authority must be received by the oOh!media Registry at the same time as the Scheme Proxy Form (unless previously provided to the oOh!media Registry).

A proxy will be admitted to the Scheme Meeting upon providing evidence of their name and address at the point of entry to the meeting.

oOh!media Shareholders who have returned a Proxy Form may revoke the proxy by attending and voting at the relevant Meeting.

(c) Voting by proxy through power of attorney

For persons voting by proxy through powers of attorney, the powers of attorney must be received by the oOh!media Registry by no later than 10.00am on 25 February 2012.

Persons attending the Scheme Meeting as an attorney should bring to the Scheme Meeting the original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Scheme Meeting.

(d) Voting by corporate representative

If you are a body corporate, you can appoint a corporate representative to attend and vote at the Scheme Meeting on your behalf. The appointment must comply with Section 250D of the Corporations Act.

A corporate representative should bring to the Scheme Meeting evidence of their appointment including any authority under which the document appointing them as corporate representative was signed.

(e) Jointly held securities

If oOh!media Shares are jointly held, either one of the joint shareholders is entitled to vote at the Scheme Meeting. If more than one joint shareholder votes in respect of jointly held shares, only the vote of the shareholder whose name appears first in the oOh!media Register will be counted.

Lodgement of proxies

There are a number of ways that the Scheme Proxy Forms may be lodged:

Method	Instructions
Mail	Sent to the oOh!media Registry (using the reply paid envelope included with the Scheme Booklet), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001.
Hand delivery	Delivered during business hours to the oOh!media Registry at Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000.
Fax	Sent to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
Online	Lodged at www.investorvote.com.au/oohproxy , for Intermediary Online subscribers only (custodians), at www.intermediaryonline.com

An instrument appointing a proxy shall not be valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed, or a copy or facsimile which appears on its face to be an authentic copy of that proxy, power or authority, is or are deposited or sent by fax to the oOh!media Registry by no later than 10.00am on 25 February 2012.

oOh!media Shareholders should contact the oOh!media Registry on 1300 708 409 (within Australia) or +61 3 9415 4294 (outside Australia) at any time between 9.00am and 5.00pm on Monday to Friday with any queries regarding the number of oOh!media Shares they hold, how to vote at the Scheme Meeting or how to lodge the Scheme Proxy Form.

Conditions

If the Scheme Resolution is approved at the Scheme Meeting by the requisite majorities, the implementation of the Scheme (with or without modification) will be subject to:

- the subsequent approval of the Court under Section 411(4)(b) of the Corporations Act; and
- the satisfaction or (if applicable) waiver of all other Scheme Conditions.

F

Articles of Outdoor Media Investments



F Articles of Outdoor Media Investments

THE COMPANIES LAW EXEMPTED COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF

OUTDOOR MEDIA INVESTMENTS LIMITED

Adopted by Special Resolution and Special Majority Resolution passed on 18 January 2012

1. The name of the Company is Outdoor Media Investments Limited.
2. The Registered Office of the Company shall be at the offices of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
3. Subject to the following provisions of this Memorandum, the objects for which the Company is established are unrestricted.
4. Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law.
5. Nothing in this Memorandum shall permit the Company to carry on a business for which a licence is required under the laws of the Cayman Islands unless duly licensed.
6. The Company shall not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this clause shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
8. The share capital of the Company is A\$3,000,000,000 divided into 100,000,000,000 Class A Shares of a nominal or par value of A\$0.01 each and 100,000,000,000 Class B Shares of a nominal or par value of A\$0.01 each with the rights, preferences and

privileges set out in this Memorandum and Articles and 100,000,000,000 Preference Shares of a nominal or par value of A\$0.01 each of such class and with the rights, preferences and privileges determined by the board of directors of the Company in accordance with the Articles.

9. Subject to the terms of the Articles, the Company may exercise the power contained in the Companies Law to deregister in the Cayman Islands and be registered by way of continuation in another jurisdiction.

F Articles of Outdoor Media Investments continued

**AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
OUTDOOR MEDIA INVESTMENTS LIMITED**

Adopted by Special Resolution and Special Majority Resolution passed on 18 January 2012

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Outdoor Media Investments Limited

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AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

OUTDOOR MEDIA INVESTMENTS LIMITED

Adopted by Special Resolution and Special Majority Resolution passed on 18 January 2012

Table A

The regulations in Table A in the First Schedule to the Law (as defined below) do not apply to the Company.

INTERPRETATION

1. Definitions

- 1.1 In these Articles, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Accepted Debt	has the meaning given in Article 38(c)(iii)(A);
Accepting Member	has the meaning given to it in Article 2.6;
Accepted Shares	has the meaning given to it in Article 2.6(a);
Acquiring Member	has the meaning given to it in Article 20.1;
Acquisition Notice	has the meaning given to it in Article 20.1;
Alternate Director	an alternate director appointed in accordance with these Articles;
Articles	these Articles of Association as altered from time to time;
Auditor	includes an individual or partnership;
Australian resident	a person who is a resident of Australia for the purposes of section 6(1) of the Income Tax Assessment Act, 1936 (Cth) of Australia;
Board	the board of directors appointed or elected pursuant to these Articles and acting at a meeting of directors at which there is a quorum or by written resolution in accordance with these Articles;
Business	the business carried on by the Group Companies as

	varied from time to time;
Business Day	a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally in Sydney, Australia;
CHAMP	CHAMP III Management Pty Limited ACN 134 673 162 or any of its Related Entities;
CHAMP Debt	has the meaning given to it in Article 38(c);
CHAMP Director	a person appointed by the CHAMP Members as a Director in accordance with Article 47;
CHAMP Members	the following persons if they are holders of Ordinary Shares: (i) Perpetual Trustee Company Limited ACN 000 001 007 as trustee of the CHAMP Buyout III Trust; (ii) Perpetual Corporate Trust Limited ACN 000 341 533 as trustee of the CHAMP Buyout III (SWF) Trust; (iii) CHAMP Buyout III Pte Ltd Registration No. 200909086E; (iv) any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act); (v) a trustee, custodian, general partner or nominee of a person referred to in paragraphs (i) to (iv) inclusive; and (vi) a Permitted Transferee of any person in paragraphs (i) to (v) inclusive;
CHAMP Purchaser	the person or persons to which the CHAMP Sale Shares will be sold in the Exit process in accordance with Article 16;
CHAMP Sale Notice	has the meaning given to it in Article 16.1(b);
CHAMP Sale Shares	has the meaning given to it in Article 16;

F Articles of Outdoor Media Investments continued

Outdoor Media Investments Limited

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Class A Share	an ordinary share in the capital of the Company which is designated as a Class A Share and has the rights set out in these Articles;
Class B Share	an ordinary share in the capital of the Company which is designated as a Class B Share and has the rights set out in these Articles;
Company	Outdoor Media Investments Limited, an exempted company incorporated in the Cayman Islands with limited liability under company number 264809, being the company for which these Articles are approved and confirmed;
Completion Date	has the meaning given to it in Article 14.2(f);
Corporations Act	Corporations Act 2001 (Cth) of Australia;
Debt Accepting Member	has the meaning given in Article 38(c)(iii);
Debt Offer Notice	has the meaning given to it in Article 38(c)(i);
Director	a director, including a sole director, for the time being of the Company and shall include an Alternate Director;
Dispose	in relation to a person and any property means: (i) to sell, offer for sale, transfer, assign, swap, surrender, gift, create or allow to exist an Encumbrance, option or trust over or otherwise deal with or dispose of that property (or any legal or beneficial interest in it or part of it); (ii) to do anything which has the effect of placing a person in substantially the same position as if that person had done any of the things specified in paragraph (i); or (iii) authorise, or agree conditionally or otherwise to do, any of the things referred to in paragraph (i), and Disposal has a corresponding meaning;
Drag Along Provision	has the meaning given to it in Article 16.1(c);
Eligible Member	means a Member holding Ordinary Shares to whom offers and issues of Ordinary Shares may lawfully be made under applicable laws without need for any preparation of a disclosure document, prospectus or

	other formal document or registration, lodgement, approval, formality or filing with by or to a governmental agency.
Employee Incentive Scheme	an incentive scheme established by the Board for employees, executives or consultants of or to the Group;
Encumbrance	a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any "Security Interest" as defined in section 12 of Personal Property Securities Act 2009 (Cth) of Australia;
Equity Proportion	in relation to a Member, at any time, a fraction (expressed as a percentage) the numerator of which is the total number of Ordinary Shares held by that Member and the denominator of which is the total number of Ordinary Shares (including the Ordinary Shares held by that Member): (i) on issue at that time; or (ii) where the context requires something to be apportioned between a number of Members, held by those Members;
Exit	(i) the sale of all or part of the Shares held by the CHAMP Members; (ii) the sale of the whole or substantially all of the Business or the business of a material part of the Group; (iii) an IPO; or (iv) the sale of all of the share capital of the Company or any other Group Company whose business (including its subsidiaries) comprises substantially all of the Business or the business of the Group;
Exit Notice	has the meaning given to it in Article 15.1;
Fair Market Value	has the meaning given to it in Article 20.5;

F Articles of Outdoor Media Investments continued

Outdoor Media Investments Limited

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Funding Document	has the meaning given to it in Article 38(c)(i);
Group	the Company and its Subsidiaries and Group Company means any one of them;
Holding Company	in relation to a body corporate, a body corporate of which the first body corporate is a Subsidiary;
Independent Valuer	has the meaning given to it in Article 20.5(a);
IPO	a public offering of Shares or Securities, or securities of any special purpose vehicle which becomes the Holding Company of the Company, in conjunction with the admission or quotation of those securities to the list or quotation system of any recognised stock or securities exchange;
IPO Sale Shares	has the meaning given to it in Article 18.1;
IPO Tag Along Notice	has the meaning given to it in Article 18.3;
Interested Director	has the meaning given to it in Article 63.2;
Law	The Companies Law of the Cayman Islands and every modification, re-enactment or revision thereof for the time being in force;
Material contract, agreement or arrangement	any contract, agreement or arrangement to which a Group Company is a party that requires or may require payments to or by that Group Company in excess of A\$20million in aggregate;
Member	the person registered in the Register of Members as the holder of Shares in the Company and, when 2 or more persons are so registered as joint holders of Shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Member Offer	has the meaning given to it in Article 17.2;
Member Transfer Price	has the meaning given to it in Article 17.3(a);
Memorandum and Articles	the Memorandum and Articles of Association of the Company as altered from time to time;
month	calendar month;
Non-CHAMP Members	has the meaning given to it in Article 38(c);

notice	written notice as further provided in these Articles unless otherwise specifically stated;
Offer Issue Price	has the meaning given to it in Article 2.4(b);
Offer Notice	has the meaning given to it in Article 2.4;
Offer Shares	has the meaning given to it in Article 2.3;
Officer	any person appointed by the Board to hold an office in the Company (other than, for the avoidance of doubt, a Director);
ordinary resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of Shares) of the Company by a simple majority of the votes cast, or a written resolution passed by the unanimous consent of all Members entitled to vote;
Ordinary Share	an ordinary share in the capital of the Company, being a Class A Share or a Class B Share, having the rights and restrictions attaching to it set out in these Articles;
paid-up	paid-up or credited as paid-up;
Permitted Holder	has the meaning given to it in Article 14.2(a);
Permitted Transfer Shares	has the meaning given to it in Article 14.2(a);
Permitted Transferee	(i) in relation to a Member, a Related Entity of that Member; (ii) in relation to a Member that is an individual, a Relative of that Member; or (iii) in relation to a CHAMP Member, where the CHAMP Member is a trustee, custodian, responsible entity or general partner of a trust or partnership, the person who is a replacement trustee, custodian, responsible entity or general partner of the same trust or partnership;
Preference Share	a preference share in the capital of the Company having the rights and restrictions attaching to it set out in these Articles or the resolutions of Members or the Board creating the same;
Purchased Shares	has the meaning given to it in Article 14.5;

F Articles of Outdoor Media Investments continued

Outdoor Media Investments Limited

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Qualified Buyer	a person that is not, or any of whose Related Entities is not, one of the top 10 media agency customers of the Group, as reasonably determined by the CHAMP Members;
Register of Directors and Officers	the register of Directors and Officers referred to in these Articles;
Register of Members	the register of Members referred to in these Articles;
Registered Office	the Registered Office for the time being of the Company;
Regulatory Authority	(i) any government or local authority and any department, minister or agency of any government; and (ii) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation;
Regulatory Consent	any consent or approval a Member requires from any Regulatory Authority in connection with a specific act or any notice from any Regulatory Authority that there is no objection under Australian foreign investment policy;
Rejected CHAMP Debt	has the meaning given to it in Article 38(c)(ii);
Rejected Offer Shares	has the meaning given to it in Article 2.5;
Related Entity	of a person means: (i) a related body corporate of that person within the meaning of section 50 of the Corporations Act; (ii) a trustee of any unit trust in relation to which that person, or a person referred to in paragraph (i), directly or indirectly: - controls the right to appoint the trustee; - is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or

	c. holds or is in a position to control the disposal of more than one half of the issued units of the trust; and (iii) in the case of a CHAMP Member, any investment fund (whether a corporation, trust, partnership, limited partnership or other entity) which is, directly or indirectly, managed or advised by CHAMP or any of its related bodies corporate (within the meaning of section 50 of the Corporations Act) or a trustee, custodian, responsible entity or general partner of such an investment fund;
Relative	in relation to an individual: (i) the spouse, parent, son, daughter, brother or sister of that individual; or (ii) any person married to any of the persons specified in paragraph (i);
Relevant Percentage	66• %, except in relation to a Special Majority Resolution referred to in Articles 3.2 (purchase of shares by the Company), 22.2 (reduction of capital), 23 (Variation of Rights Attaching to Shares), 38(a) (matters which require a Special Majority resolution), 81.1 (voluntary winding-up), 82 (Changes to Articles), 83 (Changes to the Memorandum of Association), 84 (Change of name) and 85 (Discontinuance) where Relevant Percentage means 81%;
Remaining Members	has the meaning given to it in Article 20.1;
Remaining Shares	has the meaning given to it in Article 20.1;
Sale Completion Date	has the meaning given to it in Article 14.7;
Sale Notice	has the meaning given to it in Article 14.4;
Sale Proportion	the proportion that the Ordinary Shares which the CHAMP Members wish to sell as contemplated by Article 16 represents of all the Ordinary Shares held by the CHAMP Members;
Sale Shares	has the meaning given to it in Article 14.3(a);
Scheme	the scheme of arrangement under part 5.1 of the

F Articles of Outdoor Media Investments continued

Outdoor Media Investments Limited

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	Corporations Act pursuant to which the Target becomes a direct or indirect subsidiary of the Company;
Seal	the common seal or any official or duplicate seal of the Company;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
Securities	(i) the Shares; and (ii) any other securities of the Company within the meaning of section 92(3) of the Corporations Act other than debentures where the debenture holders have no right to convert the debenture into equity and no right to any economic return beyond a market interest rate;
Seller	has the meaning given to it in Article 14.3;
Share	an Ordinary Share or a Preference Share;
Special Majority Resolution	(i) for such time as the CHAMP Members are the only Members, a resolution passed by all of the CHAMP Members; (ii) while there are other Members in addition to the CHAMP Members, a resolution passed by: - a majority of the votes cast by the CHAMP Members; and - at least the Relevant Percentage of all votes cast by Class A Members and Class B Members voting together, and, in both cases: - no holder of Preference Shares shall be entitled to exercise the voting rights (if any) attached to such Preference Shares in respect of such resolution; and - such a resolution will be a "special resolution" for the purposes of the

	Law;
special resolution	(i) a resolution passed by a majority of at least two-thirds of such Members as, being entitled to do so, vote in person or by proxy at a general meeting of which notice specifying the intention to propose a resolution as a special resolution has been duly given (and for the avoidance of doubt, unanimity qualifies as a majority); or (ii) a written resolution passed by unanimous consent of all Members entitled to vote;
Subsidiary	has the meaning given in section 9 of the Corporations Act;
Tag Along Notice	has the meaning given to it in Article 16.5;
Tag Along Provision	has the meaning given to it in Article 16.1(d);
Target	oOh!media Group Limited ABN 96 091 780 924;
Total Shares	has the meaning given to it in Article 14.2(b)(i);
Transfer Notice	has the meaning given to it in Article 14.3;
Transfer Price	has the meaning given to it in Article 14.3(b);
Transferring Member	has the meaning given to it in Article 14.2(a);
written resolution	a resolution passed in accordance with Articles 44 or 70; and
year	calendar year.

1.2 In these Articles, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) "may" shall be construed as permissive; and

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- (ii) "shall" shall be construed as imperative;
 - (e) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof; and
 - (f) unless otherwise provided herein, words or expressions defined in the Law shall bear the same meaning in these Articles.
- 1.3 In these Articles expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4 Headings used in these Articles are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

- 2.1 Subject to these Articles (in particular, but without limitation, Article 2.3), and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, (including, without limitation, shares that are by their terms, redeemable or convertible) whether in regard to dividend, voting, return of capital, or otherwise, provided that no share shall be issued at a discount except in accordance with the Law.
- 2.2 There will initially be 2 classes of ordinary shares as follows:
- (a) Class A Shares which will be issued to the CHAMP Members and have an additional voting right which arises whenever (i) there are more Class B Shares on issue than Class A Shares and (ii) the CHAMP Members hold in aggregate not less than 20% of the Class A Shares. This additional voting right will be that, on a poll, the votes attached to the Class A Shares registered in the name of any of the CHAMP Members, in aggregate, shall comprise 51% of the total votes attaching to all Ordinary Shares; and
 - (b) Class B Shares which will have the same rights as the Class A Shares subject to the additional voting right of the Class A Shares registered in the name of any of the CHAMP Members set out in Article 2.2(a)
- 2.3 After implementation of the Scheme, other than:
- (a) Class A Shares issued to any of the CHAMP Members in consideration of the transfer to the Group by the CHAMP Members of the shares held by the CHAMP Members in the Target at the same issue price as Class B Shares

are issued pursuant to the Scheme in consideration of the transfer to the Group of shares in the Target;

- (b) Class A Shares issued to any of the CHAMP Members by way of subscription to provide funding to meet transaction costs in connection with the Scheme and scheme implementation agreement for the Scheme or to finance the net debt of the Group following completion of the Scheme up to a maximum of \$133,869,640, such Class A Shares to be issued at an issue price no less than the issue price of the Class B Shares issued pursuant to the Scheme;
- (c) Shares issued to a person eligible to participate in an Employee Incentive Scheme;
- (d) Shares issued in circumstances where the issue price is to be satisfied other than in cash in respect of the acquisition of, or merger with, a company or the acquisition of a business or assets by the Group; and
- (e) Shares issued pursuant to an IPO,

and notwithstanding any other provision of these Articles to the contrary, if the Company proposes to issue any Shares (**Offer Shares**) then, the Company must first offer the Offer Shares to all Eligible Members in accordance with this Article 2.

2.4 The Company must within 10 Business Days of the later of:

- (a) the date on which any Board resolution is passed authorising the issue of Offer Shares; and
- (b) the date on which any Board resolution is passed setting the issue price of each Offer Share (**Offer Issue Price**),

give a notice to each Eligible Member (**Offer Notice**) offering to issue to that Eligible Member a number of Offer Shares equal to that Eligible Member's Equity Proportion of the total number of Offer Shares.

2.5 If any Eligible Members do not accept the offer made under Article 2.4, the CHAMP Members may take up the Offer Shares which have not been taken up by Eligible Members (**Rejected Offer Shares**). In these circumstances, the Company will give to the CHAMP Members an Offer Notice offering to issue to the CHAMP Members, all of the Rejected Offer Shares at the same Offer Issue Price as the offers under the Offer Notice (such offer being capable of acceptance in whole or in part).

2.6 Each Eligible Member that wishes to accept an offer made under Articles 2.4 or 2.5 (each an **Accepting Member**) must:

- (a) give notice to the Company within 10 Business Days of the date of the Offer Notice stating that it accepts all or some of the Offer Shares offered to it under the relevant offer (**Accepted Shares**); and

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- (b) on the same Business Day as it gives notice in accordance with Article 2.6(a), pay to the Company an amount equal to the Offer Issue Price multiplied by the number of Accepted Shares and in such a manner as set out in the Offer Notice, or as the Company otherwise directs.

2.7 In relation to each Accepting Member, within 10 Business Days of the date on which the Company receives payment in full from that Accepting Member of the Offer Issue Price for the Accepted Shares, the Company must issue the Accepted Shares.

2.8 At any time within 120 Business Days after receipt from the CHAMP Members of notice that the CHAMP Members do not intend to accept all of the Rejected Offer Shares, the Company may (but is not obliged to) issue those of the Offer Shares that were not subscribed for by the Eligible Members or the CHAMP Members on terms no more favourable than the terms set out in an Offer Notice to a Member or a Qualified Buyer. If the Board does not issue the remaining Offer Shares in accordance with this Article 2.8 it may not issue the remaining Offer Shares without again complying with the provisions of these Articles.

2.9 In the Offer Notice, the Offer Shares offered pursuant to this Article 2 need not be specified as Class A Shares or Class B Shares (or Preference Shares); provided that any such Shares ultimately issued pursuant to this Article 2 to a Member that is not a CHAMP Member must be other than Class A Shares (and, for the avoidance of doubt, Shares issued pursuant to this Article 2 to a Member that is a CHAMP Member will be Class A Shares).

2.10 The Board, at its discretion, may vary any of the time periods specified in this Article 2 to take account of any Regulatory Consent that may be required by a Member, but in no other circumstances.

3. Redemption, Purchase, Surrender and Treasury Shares

3.1 Subject to the Law, the Company is authorised to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member and may make payments in respect of such redemption in accordance with the Law.

3.2 Provided that the Members pass a Special Majority Resolution, the Company is authorised to purchase any share in the Company (including a redeemable share) by agreement with the holder and may make payments in respect of such purchase in accordance with the Law and these Articles provided that the Company may purchase any share in the Company pursuant to this Article 3.2 from a person eligible to participate in an Employee Incentive Scheme, without any approval from the Members (other than the Member having their share repurchased).

3.3 The Company authorises the Board to determine the manner or any of the terms of any redemption or purchase, subject to approval of Members in accordance with Article 3.2.

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- 3.4 A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than 30 days, interest shall be paid for the period from the due date until actual payment at a rate which the Board, after due enquiry, estimates to be representative of the rates being offered by major banks in Australia for 30 day deposits in the same currency.
 - 3.5 The Company authorises the Board pursuant to section 37(5) of the Law to make a payment in respect of the redemption or purchase of its own shares otherwise than out of its profits, share premium account, or the proceeds of a fresh issue of shares.
 - 3.6 No share may be redeemed or purchased unless it is fully paid-up.
 - 3.7 The Company may accept the surrender for no consideration of any fully paid share (including a redeemable share) unless, as a result of the surrender, there would no longer be any issued shares of the Company other than shares held as treasury shares.
 - 3.8 The Company is authorised to hold treasury shares in accordance with the Law.
 - 3.9 The Board may designate as treasury shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Law.
 - 3.10 Shares held by the Company as treasury shares shall continue to be classified as treasury shares until such shares are either cancelled or transferred in accordance with the Law.

4. Rights Attaching to Shares

- 4.1 Subject to Articles 2.1 and 2.2, the Memorandum of Association and any resolution of the holders of Shares to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares, the share capital of the Company shall be divided into shares of classes set out in Article 2.2 the holders of which shall, subject to the provisions of these Articles (in particular, but without limitation, Article 2.2) :
 - (a) be entitled to one vote per Share;
 - (b) be entitled to such dividends as the Board may from time to time declare;
 - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (d) generally be entitled to enjoy all of the rights attaching to Shares.
- 4.2 In addition, the share capital of the Company shall include preference shares of such class and with the rights, preferences and privileges determined by the Board and such preference shares may be issued with such preferred, deferred or other special rights or such restrictions (including, without limitation, shares that are by

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their terms, redeemable or convertible), whether in regard to dividend, voting, return of capital as the Board may determine.

5. Calls on Shares

- 5.1 The Board may make such calls as it thinks fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the Shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any Shares held by him, although no part of that amount has been called up.
- 5.3 The Company may make arrangements on the issue of shares for a difference between the Members in the amounts and times of payments of calls on their shares.

6. Joint and Several Liability to Pay Calls

The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

7. Forfeiture of Shares

- 7.1 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any Share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call
[] (the **Company**)

You have failed to pay the call of *[amount of call]* made on the [] day of [], 20[], in respect of the *[number]* share(s) *[number in figures]* standing in your name in the Register of Members of the Company, on the [] day of [], 20[], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [] per annum computed from the said [] day of [], 20[] at the Registered Office of the Company the share(s) will be liable to be forfeited.
Dated this [] day of [], 20[]

[Signature of Secretary] By Order of the Board

- 7.2 If the requirements of such notice are not complied with, any such Share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such Share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Articles and the Law.
- 7.3 A Member whose Share or Shares have been forfeited as aforesaid shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such Share or Shares at the time of the forfeiture and all interest due thereon.
- 7.4 The Board may accept the surrender of any Shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered Share shall be treated as if it had been forfeited.

8. Share Certificates

- 8.1 If requested by a Member, a Member shall be entitled to a certificate under the common seal (if any) or a facsimile thereof of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.
- 8.2 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 8.3 Share certificates may not be issued in bearer form.

REGISTRATION OF SHARES

9. Register of Members

- 9.1 The Board shall cause to be kept in one or more books a Register of Members which may be kept in or outside the Cayman Islands at such place as the Board shall appoint and shall enter therein the following particulars:
- (a) the name and address of each Member, the number, and (where appropriate) the class of shares held by such Member and the amount paid or agreed to be considered as paid on such shares;
 - (b) the date on which each person was entered in the Register of Members; and
 - (c) the date on which any person ceased to be a Member.

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9.2 The Board may cause to be kept in any country or territory one or more branch registers of such category or categories of Members as the Board may determine from time to time and any branch register shall be deemed to be part of the Company's Register of Members.

9.3 Any register maintained by the Company in respect of listed Shares may be kept by recording the particulars set out in Article 9.1 in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the relevant approved stock exchange.

10. Registered Holder Absolute Owner

10.1 The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

10.2 No person shall be entitled to recognition by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise, (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other right in respect of any share except an absolute right to the entirety of the share in the holder. If, notwithstanding these Articles, notice of any trust is at the holder's request entered in the Register of Members or on a share certificate in respect of a share, then, except as aforesaid:

- (a) such notice shall be deemed to be solely for the holder's convenience;
- (b) the Company shall not be required in any way to recognise any beneficiary, or the beneficiary, of the trust as having an interest in the share or shares concerned;
- (c) the Company shall not be concerned with the trust in any way, as to the identity or powers of the trustees, the validity, purposes or terms of the trust, the question of whether anything done in relation to the shares may amount to a breach of trust or otherwise; and
- (d) the holder shall keep the Company fully indemnified against any liability or expense which may be incurred or suffered as a direct or indirect consequence of the Company entering notice of the trust in the Register of Members or on a share certificate and continuing to recognise the holder as having an absolute right to the entirety of the share or shares concerned.

TRANSFER AND EXITS

11. Transfer of Registered Shares

11.1 An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances permit, or in such other form as the Board may accept:

Transfer of a Share or Shares

[] (the **Company**)

FOR VALUE RECEIVED..... [amount] , I, [name of transferor] hereby sell, assign and transfer unto [transferee] of [address] , [number] of shares of the Company.

DATED this [] day of [], 20[]

Signed by:

In the presence of:

Transferor

Witness

Transferee

Witness

- 11.2 Such instrument of transfer shall be signed by or on behalf of the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been transferred to the transferee in the Register of Members.
- 11.3 The Board may (but is not required to) refuse to recognise any instrument of transfer unless it is accompanied by:
- (a) the certificate in respect of the shares to which it relates (where any share certificate has been requested by, and issued to, a Member under Article 8.1); and
 - (b) by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 11.4 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 11.5 Subject to Articles 14 to 20 (inclusive), the Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share. If the Board refuses to register a transfer of any share the Secretary shall, within 3 months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

12. Transmission of Registered Shares

- 12.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased

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Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the Law, for the purpose of these Articles, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

- 12.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member
[] (the **Company**)

I/We, having become entitled in consequence of the *[death/bankruptcy]* of *[name and address of deceased Member]* to *[number]* share(s) standing in the Register of Members of the Company in the name of the said *[name of deceased/bankrupt Member]* instead of being registered myself/ourselves, elect to have *[name of transferee]* (the **Transferee**) registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [] day of [], 20[]

Signed by:

In the presence of:

Transferor

Witness

Transferee

Witness

- 12.3 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

- 12.4 Where 2 or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

13. Listed Shares

Notwithstanding anything to the contrary in these Articles, title to listed Shares may be evidenced and transferred in accordance with the laws applying to and the rules and regulations of the relevant approved stock exchange that are or shall be applicable to such listed Shares.

14. Restrictions on Transfer and Disposal

- 14.1 After implementation of the Scheme, no Disposal of Ordinary Shares is permitted except if:

- (a) the Disposal is permitted under Article 14.2;
- (b) the Disposal is made in accordance with Articles 14.3 to 14.9;
- (c) the Disposal is made in accordance with Articles 15 to 20; or
- (d) the Disposal is in accordance with an Employee Incentive Scheme.

14.2

- (a) A Member may transfer all (but not part), and a CHAMP Member may transfer all or any, (the Member or the CHAMP Member, in each case being, a **Transferring Member**) of its entire legal and beneficial interest in any Ordinary Shares it holds (**Permitted Transfer Shares**) to a person who is, at the time of the transfer, a Permitted Transferee of that Transferring Member (**Permitted Holder**).
- (b) If at any time a Permitted Holder ceases to be a Permitted Transferee of the Transferring Member, that Permitted Holder must, immediately upon it ceasing to be a Permitted Transferee:
 - (i) transfer its entire legal and beneficial interest in the Permitted Transfer Shares (and any other Ordinary Shares it owns) (**Total Shares**) back to the Transferring Member; or
 - (ii) transfer its entire legal and beneficial interest in the Total Shares to another Permitted Transferee of the Transferring Member; or
 - (iii) where the Transferring Member is no longer a Member, by notice to the Company, offer its entire legal and beneficial interest in the Total Shares to Eligible Members, pro rata to Ordinary Shares held by Eligible Members and at the Fair Market Value of the Total Shares.

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The Fair Market Value of the Total Shares will be determined in accordance with Article 20.5 as though reference in Article 20.5 to "Remaining Shares" were a reference to "Total Shares".

- (c) The Company must within 10 Business Days of the date on which the Fair Market Value of the Total Shares is determined, give written notice to each other Member of any offer under Article 14.2(b)(iii). Anything done pursuant to Article 14.2 is not invalid because a Member does not receive notice from the Company as required under this Article 14.2(c).
- (d) If any Eligible Members do not accept an offer made under this Article 14.2, the CHAMP Members may take up the Total Shares in respect of which the offer has not been accepted by Eligible Members. In these circumstances, the Company will give to the CHAMP Members a notice offering the Total Shares to the CHAMP Members at the Fair Market Value of the Total Shares (such offer being capable of acceptance in whole or in part).
- (e) Each Eligible Member that wishes to accept an offer made under this Article 14.2 (each an **Accepting Member**) must:
 - (i) give notice to the Company within 10 Business Days of the date of the notice from the Company under Article 14.2(c) notifying the determination of the Fair Market Value of the Total Shares, stating that it accepts all or some of the Total Shares offered to it under Article 14.2(b)(iii); and
 - (ii) on the same Business Day as it gives notice in accordance with Article 14.2(e)(i), pay to the Company an amount equal to the Fair Market Value of a Total Share multiplied by the number of Total Shares in respect of which the Eligible Member has accepted the offer under Article 14.2(b)(iii) and in such a manner as the Company otherwise directs.
- (f) In relation to each Eligible Member who has accepted the offer under Article 14.2(b)(iii), within 10 Business Days of the date on which the Company receives payment in full from that Eligible Member of the Fair Market Value for the Total Shares to be transferred to that Eligible Member (**Completion Date**), the Permitted Holder must transfer such Total Shares to the Eligible Member.
- (g) On the Completion Date:
 - (i) the Permitted Holder must sell and each Eligible Member must buy such Total Shares as the Eligible Member has offered to acquire, free from all Encumbrances on the terms set out in the notice from the Company pursuant to Article 14.2(c);

- (ii) the Permitted Holder must deliver to each Eligible Member, completed transfers of the relevant Total Shares duly executed by the Permitted Holder as transferor;
 - (iii) the Permitted Holder must deliver to each Eligible Member a notice irrevocably appointing the Eligible Member as the Permitted Holder's proxy in respect of the Total Shares which the Eligible Member has offered to acquire until those Total Shares are registered in the name of the Eligible Member; and
 - (iv) the Company must pay to the Permitted Holder all monies received by the Company from the Eligible Members in payment of the transfer price for the Total Shares.
- (h) The Board, at its discretion, may vary any of the time periods specified in this Article 14.2 to take account of any Regulatory Consent that may be required by a Member, but in no other circumstances.
- (i) For the avoidance of doubt, if some (or all) of the Total Shares are not transferred as contemplated by this Article 14.2, the Permitted Holder may retain such Total Shares.

14.3 A Member (other than a CHAMP Member or a Member pursuant to an Employee Incentive Scheme) may Dispose of any of its Ordinary Shares (**Seller**) to the CHAMP Members (on such terms as agreed with the CHAMP Members) or by first giving a notice to the Company (**Transfer Notice**) and complying with the remainder of this Article 14. A Transfer Notice:

- (a) must specify the number and class of Ordinary Shares offered for sale which may be all or some of the Ordinary Shares held by the Seller (**Sale Shares**);
- (b) must specify the name of the proposed purchaser who must be a Qualified Buyer;
- (c) must specify the proposed price of each Sale Share which must be a cash price denominated in Australian dollars (**Transfer Price**);
- (d) must specify the other terms of sale of the Sale Shares which must be consistent with Article 14.8;
- (e) where the same has been requested by, and issued to, a Member under Article 8.1, must be accompanied by any original share certificates, or duly executed indemnities for any lost share certificates, for the Sale Shares provided that the Board may waive such requirement in its discretion;
- (f) may only be withdrawn with the consent of the CHAMP Members; and

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- (g) authorises the Company to act as exclusive agent of the Seller in connection with the sale of the Sale Shares to the CHAMP Members on the terms specified in the Transfer Notice.
 - 14.4 The Company must within 10 Business Days of the date on which the Company receives a Transfer Notice, give a notice to the CHAMP Members (**Sale Notice**) offering the Sale Shares for sale to the CHAMP Members.
 - 14.5 If the CHAMP Members wish to accept an offer made under Article 14.4 they must give notice to the Company within 10 Business Days of the date of the offer stating that, either unconditionally or conditional only upon receipt of any required Regulatory Consents (stating why such Regulatory Consents are required and which must be satisfied or waived within 60 Business Days of acceptance), they accept all or some of the Sale Shares offered to them under the relevant offer (**Purchased Shares**).
 - 14.6 If following expiration of the 10 Business Day period in Article 14.5 the Company:
 - (a) has not received an acceptance from the CHAMP Members for all of the Sale Shares, Article 14.9 applies in respect of any remaining Sale Shares; or
 - (b) has received an acceptance from the CHAMP Members for all or some of the Sale Shares, the Seller must sell and the CHAMP Members must buy the Purchased Shares (subject to any applicable conditions).
 - 14.7 Completion of the sale and purchase of all Purchased Shares must take place at a place specified by the Company on the date on which the Company (in its capacity as agent of the Seller) receives payment in full from the CHAMP Members of the Transfer Price for all Purchased Shares (which amount the Company must hold on trust for the Seller) which payment will be good discharge of the CHAMP Members' obligation to the Seller to pay for the Purchased Shares (**Sale Completion Date**). The Sale Completion Date must be not later than 20 Business Days after the date of the offer made under Article 14.4.
 - 14.8 On the Sale Completion Date:
 - (a) the Seller must sell and the CHAMP Members must buy the Purchased Shares free from all Encumbrances on the terms set out in the Sale Notice;
 - (b) the Seller must deliver to the CHAMP Members completed transfers of the Purchased Shares duly executed by the Seller as transferor;
 - (c) the Seller must deliver to the CHAMP Members a notice irrevocably appointing the CHAMP Members as the Seller's proxy in respect of the Purchased Shares until those Purchased Shares are registered in the name of the CHAMP Members; and

- (d) the Company must pay to the Seller all monies received by the Company from the CHAMP Members in payment of the Transfer Price for the Purchased Shares.

- 14.9 If Article 14.6(a) applies, at any time after expiration of the 20 Business Day period in Article 14.5, the Seller may (but is not obliged to) sell those Sale Shares not accepted by the CHAMP Members to the Qualified Buyer named in the Transfer Notice at a price per Sale Share no less than the Transfer Price and otherwise on terms no more favourable to the Qualified Buyer than the terms set out in the Sale Notice. If the Seller does not sell those Sale Shares not accepted by the CHAMP Members to a Qualified Buyer in accordance with this Article 14.9, it may not Dispose of the Sale Shares without again complying with the provisions of these Articles.
- 14.10 Unless the CHAMP Members otherwise agree, a Transfer Notice may not be given by a Member after the date that is one month after the date on which the CHAMP Members give an Exit Notice in accordance with Article 15.1 and for a period of 5 months thereafter; provided that this Article 14.10 shall not prevent a Member giving a Transfer Notice at any time after that 5 month period has expired and for a 6 month period thereafter, whether or not the Exit the subject of the Exit Notice from the CHAMP Members is completed and whether or not the CHAMP Members give another Exit Notice in accordance with Article 15.1 during that 6 month period.
- 14.11 Any Member who Disposes of its Ordinary Shares as contemplated by this Article 14, must ensure that the purchaser of the Ordinary Shares is provided with any notice received by the Member pursuant to these Articles on or after the date of any Transfer Notice in particular, but without limitation, pursuant to Article 16. A transferee of Ordinary Shares must comply with all obligations in these Articles to sell or transfer its Ordinary Shares even if it was not a Member, or the transfer of the relevant Ordinary Shares to the transferee had not occurred, at the time any relevant notices were given in connection with such sale or transfer (and such transferee is deemed to have received all such notices).
- 14.12 For the avoidance of doubt, the CHAMP Members are not required to make an offer to any other Members in respect of Shares it may wish to Dispose of, except in accordance with Article 17.

15. Notice of Exit

- 15.1 The CHAMP Members may initiate an Exit at any time, without the approval of the other Members, by giving notice to the Board of their intention to seek an Exit (**Exit Notice**).
- 15.2 If the Company receives an Exit Notice, it must provide a copy of the Exit Notice to each other Member no later than 5 Business Days after the date upon which it receives the Exit Notice. Anything done pursuant to these Articles in relation to an Exit is not invalid because a Member does not receive notice from the Company as required under this Article 15.2.

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15.3 If, at any time, the CHAMP Members give an Exit Notice, each Member, the Company and the Directors must do everything reasonably necessary (including, without limitation, passing any necessary resolutions) in order to achieve the Exit including waiving any pre-emptive rights the Member may have under these Articles or otherwise, and in the case of an IPO amending the Memorandum and Articles in order to comply with applicable laws and securities exchange regulations in connection with the IPO.

15.4 All expenses incurred by the Company and the CHAMP Members in connection with an Exit will be paid by the Company.

16. Exit other than in connection with an IPO

16.1 Subject to Article 17, on an Exit by the sale of Ordinary Shares in the Company (other than in connection with an IPO), if the CHAMP Members wish to sell any or all of their Ordinary Shares in the Company (**CHAMP Sale Shares**):

- (a) the other Members will have no rights of pre-emption in respect of the CHAMP Sale Shares;
- (b) the CHAMP Members must give a notice (**CHAMP Sale Notice**) to the Company and if:
 - (i) Article 17 applies, give notice as required under Article 17;
 - (ii) the CHAMP Members wish to exercise their right under Article 16.1(c), the Company must give a copy of the CHAMP Sale Notice to each Member; and
 - (iii) Article 16.1(d) applies, the Company must give a copy of the CHAMP Sale Notice to each Member;
- (c) the CHAMP Members may by written notice to the Company require each other Member holding Ordinary Shares to sell to the CHAMP Purchaser a proportion of its Ordinary Shares equal to the Sale Proportion at the same time as the sale by the CHAMP Members of the CHAMP Sale Shares to the CHAMP Purchaser and on the same terms (**Drag Along Provision**); and
- (d) if the CHAMP Members are selling at least, when aggregated, 50% of their Ordinary Shares, the CHAMP Members may sell the CHAMP Sale Shares provided that the CHAMP Members must by written notice to the Company, invite each other Member holding Ordinary Shares to sell to the CHAMP Purchaser a proportion of its Ordinary Shares equal to the Sale Proportion at the same time as the sale by the CHAMP Members of the CHAMP Sale Shares to the CHAMP Purchaser and on the same terms (**Tag Along Provision**). The Tag Along Provisions will specify the name of the CHAMP Purchaser and the price for the Ordinary Shares subject to the Tag Along Provision unless the CHAMP Sale Notice is issued in circumstances where there is a bid or dual track process underway, in which case the Tag

Along Provision will not have to specify the CHAMP Purchaser and will include a minimum price for the price for the Ordinary Shares subject to the Tag Along Provision.

- 16.2 The Company must give written notice to each Member (other than the CHAMP Members) of any requirement under Article 16.1(c) and any invitation under Article 16.1(d). Anything done pursuant to this Article 16 is not invalid because a Member does not receive notice from the Company as required under this Article 16.
- 16.3 A CHAMP Sale Notice may be withdrawn at any time at the election of the CHAMP Members.
- 16.4 If a CHAMP Sale Notice is accompanied by notice of a Drag Along Provision:
 - (a) each other Member holding Ordinary Shares must:
 - (i) sell to the CHAMP Purchaser a proportion of its Ordinary Shares equal to the Sale Proportion at the same time as the sale by the CHAMP Members of the CHAMP Sale Shares to the CHAMP Purchaser and on the same terms (and at the same price per Ordinary Share received by the CHAMP Members); and
 - (ii) do all things necessary (including, without limitation, passing any necessary resolutions), and execute all documents as are reasonably required by the CHAMP Members or the CHAMP Purchaser, to effect the transaction contemplated by the CHAMP Sale Notice; and
 - (b) the CHAMP Members may only sell the CHAMP Sale Shares to the CHAMP Purchaser if the CHAMP Purchaser simultaneously purchases from each other Member a proportion of that Member's Ordinary Shares equal to the Sale Proportion on the same terms (and at the same price per Ordinary Share received by the CHAMP Members).
- 16.5 If a CHAMP Sale Notice is accompanied by notice of a Tag Along Provision, any Member holding Ordinary Shares may give the CHAMP Members a notice (**Tag Along Notice**), with a copy to the Company, within 10 Business Days of the date of the CHAMP Sale Notice specifying that the Member wishes to sell to the CHAMP Purchaser a proportion of its Ordinary Shares equal to the Sale Proportion on the same terms (and at the same price per Ordinary Share received by the CHAMP Members).
- 16.6 If on expiry of the 10 Business Day period referred to in Article 16.5, the CHAMP Members have not received any Tag Along Notices, the CHAMP Members may proceed to complete the transaction contemplated by the CHAMP Sale Notice.
- 16.7 If on expiry of the 10 Business Day period referred to in Article 16.5, the CHAMP Members have received any Tag Along Notices:

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- (a) the CHAMP Members may only sell the CHAMP Sale Shares to the CHAMP Purchaser if the CHAMP Purchaser simultaneously purchases all Ordinary Shares specified in each Tag Along Notice at a price not less than the price or minimum price (as the case may be) specified in Article 16.1(d) (and at the same price per Ordinary Share received by the CHAMP Members); and
- (b) each Member that has given a Tag Along Notice must do all things necessary (including, without limitation, passing any necessary resolutions), and execute all documents as are reasonably required by the CHAMP Members or the CHAMP Purchaser, to effect the transaction contemplated by the Tag Along Notice.

16.8 For the purposes of this Article 16, the "CHAMP Purchaser" must be a Qualified Buyer.

17. Exit with sale of less than 50%

17.1 If on an Exit by the sale of Ordinary Shares in the Company (other than in connection with an IPO) the CHAMP Sale Shares represent, when aggregated, less than 50% of the Ordinary Shares held by the CHAMP Members, the CHAMP Members must first give a written notice to the Company inviting any or all of the Members holding Ordinary Shares to make an unconditional irrevocable offer to purchase all (and not some) of the CHAMP Sale Shares from the CHAMP Members (such offers may be made by one such Member alone or by more than one such Member acting together). The Company must give written notice to each Member holding Ordinary Shares (other than the CHAMP Members) of any invitation under this Article. Anything done pursuant to this Article 17 is not invalid because a Member does not receive notice from the Company as required under this Article 17.

17.2 One or more Members holding Ordinary Shares (other than the CHAMP Members) may at any time within 15 days after the date of the notice to each Member referred to in Article 17.1, make an offer to purchase all of the CHAMP Sale Shares by giving a written notice to the Company containing the information referred to in Article 17.3 (**Member Offer**).

17.3 Any Member Offer referred to in Article 17.2 will constitute an offer to the CHAMP Members and must include the following:

- (a) the proposed cash price for each CHAMP Sale Share which must be in Australian dollars (**Member Transfer Price**); and
- (b) confirmation that the Member Transfer Price will be paid in cash; and
- (c) no conditions other than Regulatory Consents and any financing conditions that are necessary for the Members (provided that if any financing condition is neither satisfied nor waived within 30 Business Days of acceptance of the

Member Offer, the relevant Member Offer will lapse and cease to be of any force or effect); and

- (d) the termination date of the Member Offer (which must not be less than one month after the date of the Member Offer);

and, unless agreed by the CHAMP Members, may not include any requirement for:

- (e) due diligence of any kind; or
- (f) warranties by the CHAMP Members other than as to title and capacity.

17.4 The CHAMP Members may by written notice to the Company, accept and sell all of the CHAMP Sale Shares to Members pursuant to any Member Offer and completion of the sale and purchase of the CHAMP Sale Shares must take place within 10 Business Days of the date of the written notice from the CHAMP Members (or such later date as agreed by the CHAMP Members) (**CHAMP Members Sale Completion Date**). The Company must give written notice to each Member of any acceptance under this Article. Completion of the sale and purchase of the CHAMP Sale Shares must be in accordance with Article 17.5, provided that the CHAMP Members shall be under no obligation to sell any of the CHAMP Sale Shares unless completion occurs and payment is received in respect of all of the CHAMP Sale Shares.

17.5 The applicable Members must pay the Company the Member Transfer Price for all the CHAMP Sale Shares (which amount the Company must hold on trust for the CHAMP Members) which payment will be good discharge of such Members' obligation to the CHAMP Members to pay for the CHAMP Sale Shares. On the CHAMP Members Sale Completion Date:

- (a) the CHAMP Members must sell and the applicable Members must buy the CHAMP Sale Shares free from all Encumbrances on the terms set out in the Member Offer;
- (b) the CHAMP Members must deliver to the applicable Members completed transfers of the CHAMP Sale Shares duly executed by the CHAMP Members as transferors;
- (c) the CHAMP Members must deliver to the applicable Members a notice irrevocably appointing the applicable Members as the CHAMP Members' proxy in respect of the CHAMP Sale Shares until those CHAMP Sale Shares are registered in the name of the applicable Members; and
- (d) the Company must pay to the CHAMP Members all monies received by the Company from the applicable Members in payment of the Member Transfer Price for the CHAMP Sale Shares.

17.6 The CHAMP Members may sell all of the CHAMP Sale Shares to a purchaser other than pursuant to a Member Offer:

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- (a) if a Member Offer is not received by the CHAMP Members for all of the CHAMP Sale Shares in accordance with Article 17.2; or
- (b) if the CHAMP Members accept a Member Offer, but the sale does not complete in respect of all of the CHAMP Sale Shares in accordance with Article 17.4, other than because of default by the CHAMP Members; or
- (c) if one or more Member Offers are received for all of the CHAMP Sale Shares, but the CHAMP Members have not accepted any such Member Offers; provided that if there is one or more Member Offer with no Regulatory Consent (other than a Regulatory Consent where the CHAMP Members form the view, acting reasonably, that such Regulatory Consent can be obtained in a reasonable timeframe) or financing condition as contemplated by Article 17.3(c), the price received by the CHAMP Members from the purchaser of each CHAMP Sale Shares must not be less than the highest total Member Transfer Price contained in such Member Offers,

and provided that the CHAMP Sale Shares are sold to a Qualified Buyer.

- 17.7 For the avoidance of doubt, even if the CHAMP Members elect to sell under Article 17.6 in respect of CHAMP Sale Shares, nothing prevents the CHAMP Members from subsequently electing to sell under Article 17.4 in relation to any Member Offer that has not terminated in respect of the same CHAMP Sale Shares.

18. Exit Pursuant to an IPO

- 18.1 If the Exit is pursuant to an IPO (which includes the sale of Ordinary Shares to any special purpose vehicle which becomes the Holding Company of the Company) and the CHAMP Members wish to sell any or all of their Ordinary Shares (**IPO Sale Shares**):
- (a) the other Members will have no rights of pre-emption in respect of the IPO Sale Shares;
 - (b) the CHAMP Members may sell the IPO Sale Shares provided that the CHAMP Members must by written notice to the Company, invite each other Member holding Ordinary Shares to sell pursuant to the IPO a proportion of its Ordinary Shares equal to the Sale Proportion at the same time as the sale by the CHAMP Members of the IPO Sale Shares pursuant to the IPO and on the same terms. The notice will specify a price range for the price for the Ordinary Shares; and
 - (c) without limiting Article 15.3, each of the Members, the Directors and the Company must do all acts, matters and things (including, without limitation, passing any necessary resolutions) within its power in its capacity as a Member, Director or as the Company (as the case may be) to obtain and achieve the IPO.

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- 18.2 The Company must give written notice to each Member holding Ordinary Shares (other than the CHAMP Members) of any invitation under Article 18.1(b). Anything done pursuant to this Article 18 is not invalid because a Member does not receive notice from the Company as required under this Article 18.
- 18.3 If Article 18.1(b) applies, any Member may give the CHAMP Members a notice (**IPO Tag Along Notice**), with a copy to the Company, within 10 Business Days of the date of the notice from the Company pursuant to Article 18.2 specifying that the Member wishes to sell pursuant to the IPO a proportion of its Ordinary Shares equal to the Sale Proportion on the same terms.
- 18.4 If on expiry of the 10 Business Day period referred to in Article 18.3, the CHAMP Members have not received any IPO Tag Along Notices, the CHAMP Members may proceed to sell the IPO Sale Shares pursuant to the IPO.
- 18.5 If on expiry of the 10 Business Day period referred to in Article 18.3, the CHAMP Members have received any IPO Tag Along Notices:
- (a) the CHAMP Members may only sell the IPO Sale Shares pursuant to the IPO if at the same time, the Ordinary Shares specified in each IPO Tag Along Notice are simultaneously sold pursuant to the IPO at a price not less than the minimum price specified in the price range referred to in Article 18.1(b) (and at the same price per Ordinary Share as the IPO Sale Shares); and
 - (b) each Member that has given an IPO Tag Along Notice must do all things necessary (including, without limitation, passing any necessary resolutions), and execute all documents as are reasonably required by the CHAMP Members or in connection with the IPO, to effect the IPO.

19. Merger

- 19.1 If, pursuant to an Exit, there is to be a merger between the Company and the proposed buyer of the Shares, the CHAMP Members will endeavour to negotiate an offer from such buyer for Members to roll over their Ordinary Shares in the Company for shares in the buyer or the merged entity (taking into account their proportional shareholding in the Company and the relative values of the Company and the buyer/ merged entity).
- 19.2 For so long as the CHAMP Members are Members, any merger or consolidation of the Company pursuant to Part XVI of the Law requires the approval of a Special Majority Resolution.

20. Compulsory acquisition

- 20.1 At any time after the date which is 2 years after the effective date of the Scheme, a Member or Members holding in aggregate not less than 90% of the votes of the Shares entitled to vote (**Acquiring Members**) may, at any time, give a written notice to the Company (**Acquisition Notice**) that the Acquiring Members desire to

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acquire the Shares of all the other Members of the Company (**Remaining Members**) not currently registered in the Acquiring Member's name(s) (**Remaining Shares**) (if there is more than one Acquiring Member, such acquisitions to be on a pro rata basis equal to each Acquiring Member's Equity Proportion of the Remaining Shares (unless otherwise agreed by the Acquiring Members)) and on the terms and subject to the conditions set out in the Acquisition Notice and, where such Acquisition Notice is given, the Acquiring Members shall be entitled and bound to acquire the Remaining Shares on the terms set out in the Acquisition Notice. Upon receipt of any such Acquisition Notice, the Company shall notify the Remaining Members of the exercise by the Acquiring Members of their rights under this Article 20.1 and the terms and conditions on which the Remaining Shares registered in the name of the Remaining Members will be acquired by the Acquiring Members.

- 20.2 The price per Remaining Share shall be the Fair Market Value of each Remaining Share.
- 20.3 Where an Acquisition Notice has been given by an Acquiring Member or Acquiring Members under this Article, the Acquiring Member or Acquiring Members shall, on the expiration of 10 Business Days from the date on which the Acquisition Notice has been given, pay or transfer to the Company the amount or other consideration representing the price payable by the Acquiring Member or Acquiring Members for the Remaining Shares which by virtue of this Article 20 the Acquiring Member or Acquiring Members are entitled to acquire, and the Company shall thereupon register the Acquiring Member or Acquiring Members as the holder(s) of the Remaining Shares.
- 20.4 Any sums received by the Company under this Article 20 shall be paid into a separate bank account, and any such sums and any other consideration so received shall be held by that Company on trust for the Remaining Members in respect of which the said sum or other consideration was received.
- 20.5 **Fair Market Value** shall be determined as follows:
 - (a) A firm of accountants in Australia determined by the Board is to be appointed by the Company (**Independent Valuer**).
 - (b) The Independent Valuer will determine the Fair Market Value of the Remaining Shares in accordance with the following provisions:
 - (i) the Company must instruct the Independent Valuer to:
 - (A) accept submissions from any Member made within 5 Business Days of the date of appointment of the Independent Valuer;
 - (B) determine the Fair Market Value of the Remaining Shares, expressed as a price per Remaining Share within the shortest possible time but, in any event, within 20 Business Days after the date of appointment of the Independent Valuer;

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- (C) determine the Fair Market Value of the Remaining Shares in accordance with the valuation procedures set out in Article 20.5(c); and
 - (D) prepare a report to the Company setting out the results of its valuation, including its determination of the Fair Market Value of the Remaining Shares, expressed as a price per Remaining Share and an explanation of the methodologies used to conduct the valuation;
 - (ii) the Company must provide the Independent Valuer with any information and assistance reasonably required by the Independent Valuer to make its valuation including, in the case of the Company, access to the Directors, Officers and senior employees of the Company;
 - (iii) the Independent Valuer acts as an independent expert and not as an arbitrator and any decision of the Independent Valuer is final and binding on the parties in the absence of manifest error; and
 - (iv) the costs of the Independent Valuer are payable by the Company.
 - (c) The Company must instruct the Independent Valuer to determine the Fair Market Value of the Remaining Shares:
 - (i) in accordance with the following assumptions:
 - (A) that there is an arm's length transaction between a willing but not anxious buyer and a willing but not anxious seller; and
 - (B) that a reasonable time is available to sell the Remaining Shares in an open market (and for that purpose 60 Business Days is considered to be a reasonable time); and
 - (ii) in accordance with any one or more of the following valuation factors:
 - (A) the Business will be valued on a stand alone basis (without attribution of value for a control premium and ignoring any synergies or special value which may accrue to a purchaser of the Remaining Shares);
 - (B) the Business will be valued as a going concern;
 - (C) the prospects of the Company;
 - (D) the discounted cash flow valuation methodology;
 - (E) the value of the estimated future maintainable earnings of the Company;

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- (F) the prospective yield that an open market investor would reasonably seek in acquiring shares;
 - (G) the net tangible assets of the Company as disclosed in the most recent audited financial statements of the Company; and
 - (H) the fact that the Remaining Shares being valued comprises a minority shareholding in the Company is to be disregarded.
- (d) The Independent Valuer may take account of any other matter, consistent with the valuation procedure referred to in Article 20.5(c), that the Independent Valuer considers appropriate to determine the Fair Market Value of the Remaining Shares.

21. Attorney

21.1 Each Member (other than the CHAMP Members), by entry of their name in the Register of Members, and the Company:

- (a) irrevocably appoints each of the CHAMP Directors from time to time jointly and also severally to be its attorney and agent with power to:
 - (i) complete any sale or sale pursuant to an IPO or transaction as contemplated by Articles 16 to 18 (inclusive);
 - (ii) receive money or securities from the sale or sale pursuant to an IPO or transaction and hold them on trust for the Member or the Company;
 - (iii) pursuant to Articles 16 to 18 (inclusive), complete and execute any agreements, deeds or other documents to complete the sale or transaction on behalf of the Member or the Company or effect the listing of the Shares following an IPO;
 - (iv) vote (to the exclusion of the appointor) at any meeting of Members in relation to such sale, IPO or transaction;
 - (v) execute, seal and deliver and otherwise do any such acts and things as may be required to give effect to Articles 16 to 18 (inclusive) and the transactions contemplated by those Articles;
 - (vi) execute and complete any documents which the Company may from time to time require to effect the purchase of any shares pursuant to Article 3.2;
 - (vii) execute and complete in favour of the Acquiring Member, the Company or their respective nominees any documents which the Acquiring Member or the Company may from time to time require for perfecting an Acquiring Member's title to any Remaining Shares

acquired under Article 20 and to give effectual discharges for payments; and

- (viii) execute, seal and deliver and otherwise do any such acts and things as may be required for the full exercise of all or any of the powers of any Acquiring Member or the Company conferred or which may be deemed proper on or in connection with any of the purposes set out in Article 20;
 - (b) ratifies and confirms and must ratify and confirm any instrument, act or thing whatever which its attorney lawfully does or causes to be done under Article 21.1(a); and
 - (c) indemnifies, to the fullest extent permitted by law, its attorney against any claim, notice, demand, action, proceeding, litigation, investigation, judgment, damage, loss, cost, expense or liability however arising, whether present, unascertained, immediate, future or contingent and, whether based in contract, tort or statute that the attorney may suffer or for which it is liable, to the extent arising from a lawful exercise of all or any of its powers under Article 21.1(a).
- 21.2 In relation to the power referred to in this Article 21, the exercise by the CHAMP Director of such power shall be conclusive evidence of his right to exercise the power.
- 21.3 Each CHAMP Director is expressly authorised to do any act as a result of which a benefit is conferred on it or the CHAMP Members.
- 21.4 Each Member and the Company acknowledges that its obligations under this Article 21 may be of a special, unique or invaluable nature such that an award of damages or an account of profits may be inadequate, to compensate the other Members for a failure by it to comply with this clause. Each Member and the Company therefore acknowledges that the other Members will have a right to seek an ex parte, interlocutory or final injunction to prohibit or restrain it from any violation or suspected or threatened violation of this Article. Each Member and the Company also acknowledges that the other Member will have a right to seek an order for specific performance to require it to comply with this Article.

ALTERATION OF SHARE CAPITAL

22. Power to Alter Capital

- 22.1 Subject to the Law and these Articles, the Company may from time to time, with the approval of the CHAMP Members, do any of the following:
- (a) increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe or, if the Company has shares without par value, increase its share capital by such number of shares without nominal or par value, or increase the aggregate consideration for which its shares may be

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issued, as it thinks expedient. For the avoidance of doubt, this paragraph (a) does not apply to the issuance of Shares pursuant to Article 2.3;

- (b) consolidate and divide all of its share capital into shares of larger amount than its existing shares;
- (c) convert all of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;
- (d) subdivide its shares into shares of an amount smaller than that fixed by the Memorandum of Association; or
- (e) cancel shares which have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled or, in the case of shares without par value, diminish the number of shares into which its capital is divided.

22.2 Subject to the Law, the Company may from time to time reduce its share capital with or without a cancellation of shares, if such reduction is approved by a Special Majority Resolution.

22.3 For the avoidance of doubt it is declared that paragraph 22.1(b), 22.1(c) and 22.1(d) do not apply if at any time the shares of the Company have no par value.

23. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, only be varied with:

- (a) the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be 2 persons at least holding or representing by proxy one-third of the issued shares of the class; and
- (b) the sanction of a Special Majority Resolution.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

24. Dividends

24.1 Subject to Article 24.2, the Board may, subject to these Articles, the rights of any class of shares on issue to receive dividends, and any direction of the Company in general meeting, declare a dividend to be paid to the Members, in proportion to the

number of shares held by them, and such dividend may be paid in cash or wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company).

- 24.2 Unless otherwise approved by a Special Majority Resolution, the Company shall distribute on an annual basis, the maximum amount of profits available for distribution subject to such reasonable and proper reserves being retained for working capital requirements, potential future acquisitions, capital expenditure, debt amortisation or other actual or contingent liabilities or commitments of the Group as the Board considers reasonably appropriate and provided that such distribution shall not result in a breach of any covenant or undertaking of any Group Company to any bank or financial institution.
- 24.3 Where the Board determines that a dividend shall be paid wholly or partly by the distribution of specific assets, the Board may settle all questions concerning such distribution. Without limiting the generality of the foregoing, the Board may fix the value of such specific assets and vest any such specific assets in trustees on such terms as the Board thinks fit.
- 24.4 Dividends may be declared and paid out of profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Board determines is no longer needed, or not in the same amount. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Law.
- 24.5 No unpaid dividend shall bear interest as against the Company.
- 24.6 The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 24.7 Subject to these Articles, the Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.
- 24.8 The Board may fix any date as the record date for determining the Members entitled to receive any dividend or other distribution, but, unless so fixed, the record date shall be the date of the Directors' resolution declaring same.

25. Power to Set Aside Profits

- 25.1 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose. Pending application, such sums may be employed in the business of the Company or invested, and need not be kept separate from other assets of the Company. The Board may also, without placing the same to reserve, carry forward any profit which it decides not to distribute.

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- 25.2 Subject to any direction from the Company in general meeting, the Board may on behalf of the Company exercise all the powers and options conferred on the Company by the Law in regard to the Company's share premium account.

26. Method of Payment

- 26.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.
- 26.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct. If 2 or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 26.3 The Board may deduct from the dividends or distributions payable to any Member all monies due from such Member to the Company on account of calls or otherwise.

27. Capitalisation

- 27.1 The Board may resolve to capitalise any sum for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.
- 27.2 The Board may resolve to capitalise any sum for the time being standing to the credit of a reserve account or sums otherwise available for dividend or distribution by applying such amounts in paying up in full partly paid or nil paid shares of those Members who would have been entitled to such sums if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

28. General meetings to be held in Australia

All general meetings will be held in Australia.

29. Annual General Meetings

The Company is not required to hold an annual general meeting.

30. General Meetings

The Board may convene a general meeting of the Company whenever in its judgement such a meeting is necessary.

31. Requisitioned General Meetings

- 31.1 The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than 20% of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings of the Company, forthwith proceed to convene a general meeting of the Company. To be effective the requisition shall state the objects of the meeting, shall be in writing, signed by the requisitionists, and shall be deposited at the Registered Office. The requisition may consist of several documents in like form each signed by one or more requisitionists.
- 31.2 If the Board does not, within 21 days from the date of the requisition, duly proceed to call a general meeting, the requisitionists, or any of them representing more than 50% of the total voting rights of all of them, may themselves convene a general meeting; but any meeting so called shall not be held more than 90 days after the requisition. A general meeting called by requisitionists shall be called in the same manner, as nearly as possible, as that in which general meetings are to be called by the Board.

32. Notice

- 32.1 At least 5 days' notice of a general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be conducted at the meeting.
- 32.2 The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company but, unless so fixed, as regards the entitlement to receive notice of a meeting or notice of any other matter, the record date shall be the date of despatch of the notice and, as regards the entitlement to vote at a meeting, and any adjournment thereof, the record date shall be the date of the original meeting.
- 32.3 A general meeting of the Company shall, notwithstanding that it is called on shorter notice than that specified in these Articles, be deemed to have been properly called if it is so agreed by, in the case of a general meeting (other than a meeting to consider a matter which is to be passed by way of a Special Majority Resolution), by 50% of the Members entitled to attend and vote thereat.
- 32.4 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

33. Giving Notice

- 33.1 A notice may be given by the Company to any Member either by delivering it to such Member in person or by sending it to such Member's address in the Register of Members or to such other address given for the purpose. For the purposes of these Articles, a notice may be sent by letter mail, courier service, cable, telex,

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telecopier, facsimile, electronic mail or other mode of representing words in a legible form.

- 33.2 Any notice required to be given to a Member shall, with respect to any shares held jointly by 2 or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.
- 33.3 Any notice or other document:
- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid and addressed and put into the post and a certificate in writing signed by a Director or the Secretary or another officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so prepaid and addressed and put into the post shall be conclusive evidence thereof;
 - (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;
 - (c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by a Director or the Secretary or another officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.
- 33.4 Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any Share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the Notice or document, have been removed from the Register of Members as the holder of the Share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the Share.
- 33.5 A notice may be given by the Company to the person entitled to a Share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or

by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

- 33.6 Any person who by operation of law, transfer or other means whatsoever shall become entitled to any Share shall be bound by every notice in respect of such Share which prior to his name and address being entered on the Register of Members shall have been duly given to the person from whom he derives his title to such Share.

34. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with the provisions of these Articles provided that notice of postponement is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of these Articles.

35. Participating in Meetings by Telephone

Members may participate in any general meeting by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

36. Quorum at General Meetings

- 36.1 Subject to the requirements for a Special Majority Resolution, at any general meeting of the Company persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company throughout the meeting shall form a quorum for the transaction of business, provided that the CHAMP Members must also be present to form the quorum and further provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting of the Company held during such time.
- 36.2 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Board may determine.

37. Voting on Resolutions

- 37.1 Subject to the provisions of the Law and these Articles, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the provisions of these Articles and in the case of an equality of votes the resolution shall fail. For the avoidance of doubt, the chairman of a meeting of the Members shall not have a casting vote.

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- 37.2 No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 37.3 At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to the provisions of these Articles, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.
- 37.4 At any general meeting if an amendment shall be proposed to any resolution under consideration and the chairman of the meeting shall rule on whether the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 37.5 At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to the provisions of these Articles, be conclusive evidence of that fact.

38. Matters which require a Special Majority Resolution and non-equity funding

- (a) The Company will ensure that the following will only occur if approved by Special Majority Resolution:
- (i) the entry into or variation of any material transaction by a Group Company with any CHAMP Member or a manager or general partner of a CHAMP Member or a Related Entity of any of them, other than:
 - (A) the vending into the Group of other assets on arm's length terms;
 - (B) an issue of any Securities or notes or the incurring by the Group of any indebtedness (including, for the avoidance of doubt, indebtedness incurred in accordance with Article 38(b));
 - (C) in the ordinary course of business of the Group; or
 - (D) any transaction related to an Exit or any transaction in accordance with Article 2.3 or Article 38(b),

unless unanimously approved by Directors of the Company who do not have a conflict of interest in relation to the matter;

- (ii) other than in the ordinary course of business of the Group, the making of any payment of fees, bonus, remuneration or

other benefit or distribution (excluding: (i) fees to be shared proportionately amongst Members; (ii) a dividend which has been approved in accordance with these Articles; and (iii) payments to any member of management or non-executive director of a Group Company) to any Member (directly or indirectly, including the making of any such payment to any company or partnership in which any Member has any interest other than a Group Company or to any director or employee of, or any person connected or associated with, a Member) or the variation of the terms or amount of any such payment which has been previously approved by the Members;

- (iii) the entry into, variation or termination of any Material contract, agreement or arrangement by a Group Company outside the ordinary course of business other than:
 - (A) any Material contract, agreement or arrangement in relation to any debt, letter of credit, bank guarantee or other financing facilities provided to a Group Company (and any guarantee, security or other contract, agreement or arrangement entered into in connection with such facilities, including, without limitation, any related hedging agreements) provided that approval by Special Majority Resolution will be required to the extent that the entry into or variation of any such debt, letter of credit, bank guarantee or other financing facilities is made for the purposes of the funding of the purchase by the Company of any share in the Company (including a redeemable share) by agreement with the holder or a material acquisition by a Group Company (other than the initial acquisition of Target) which results in an increase of the Group's external indebtedness by an aggregate principal amount greater than A\$20 million; and
 - (B) in relation to the vending into the Group of other assets on arm's length terms, any transaction in connection with an Exit or any transaction in accordance with Article 2.3 or Article 38(b); and
- (iv) the making of a material change to the business of the Group that results in the Group not being substantially engaged in away from home, out of home advertising and/or advertising sales representation.

For the avoidance of doubt, this Article 38(a) in no way limits any other requirement specifically set out in these Articles for a resolution of Members to be passed by way of a Special Majority Resolution.

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- (b) The Members intend that, where funding is required by any Group Company, such funding will be sought to be obtained from lenders external to the Group and the Members as envisaged by Article 38(a)(iii)(A). If and to the extent that the Group is unable to obtain funding from such external lenders, the Company may agree with the CHAMP Members at any time for the CHAMP Members to provide funding to the Company or any member of the Group, without security, by way of:
 - (i) up to 100% of any notes (other than convertible notes) or debentures; or
 - (ii) loans for up to 100% of any such funding.
 - (c) If the CHAMP Members have or propose to provide debt funding as contemplated by Article 38(b), (**CHAMP Debt**), the Company must offer the Members other than the CHAMP Members (**Non-CHAMP Members**), the opportunity to provide part of the CHAMP Debt in accordance with this Article 38(c) and:
 - (i) the Company must:
 - (A) 15 Business Days prior to the date on which the CHAMP Members are to provide the CHAMP Debt or, if the CHAMP Debt has already been provided by the CHAMP Members,
 - (B) within 10 Business Days of the date on which the CHAMP Members provided the CHAMP Debt,

give a notice to each Non-CHAMP Member (**Debt Offer Notice**) offering to accept the provision of debt by that Non-CHAMP Member in an amount equal to that Non-CHAMP Member's Equity Proportion of the total CHAMP Debt and on the terms of the funding document attached to the Debt Offer Notice (**Funding Document**);
 - (ii) if any Non-CHAMP Members do not accept the offer made under Article 38(c)(i), the CHAMP Members may provide (or continue to provide) that part of the CHAMP Debt which has not been funded by Non-CHAMP Members (**Rejected CHAMP Debt**). In these circumstances, the Company will give to the CHAMP Members a Debt Offer Notice offering to accept the provision by the CHAMP Members of the amount of the Rejected CHAMP Debt;
 - (iii) each Member that wishes to accept an offer made under Articles 38(c)(i) or 38(c)(ii), (each a **Debt Accepting Member**) must:
 - (A) give notice to the Company within 10 Business Days of the date of the Debt Offer Notice stating that it will provide all or

some of the CHAMP Debt offered to it under the relevant offer (**Accepted Debt**); and

- (B) on the same Business Day as it gives notice in accordance with Article 38(c)(iii)(A), pay to the Company an amount equal to the Accepted Debt in such a manner as set out in the Debt Offer Notice, or as the Company otherwise directs and execute the Funding Document;
- (iv) in relation to each Accepting Member, within 10 Business Days of the date on which the Company receives payment in full from that Debt Accepting Member of the Accepting Member's Accepted Debt, the Company must provided a counter-signed copy of the Funding Document; and
- (v) if the CHAMP Members have already provided the CHAMP Debt, the Company will, within 5 Business Days of receipt by the Company of the Accepted Debt from Non-CHAMP Members in accordance with Article 38(c)(iii), pay the aggregate amount of the Accepted Debt amounts, to the CHAMP Members as directed by them.

39. Power to Demand a Vote on a Poll

- 39.1 Notwithstanding any other provision of these Articles, a poll may be demanded by the chairman or at least one Member.
- 39.2 Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares (including, without limitation, pursuant to Article 2.2), every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 39.3 A poll demanded on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken in such manner and at such time and place at such meeting as the chairman of the meeting may direct and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- 39.4 Where a vote is taken by poll, each person present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or

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initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy.

40. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

41. Instrument of Proxy

- 41.1 An instrument appointing a proxy shall be in writing or transmitted by electronic mail in substantially the following form or such other form as the chairman of the meeting shall accept:

Proxy
[] (the **Company**)

I/We, *[insert names here]*, being a Member of the Company with *[number]* shares, HEREBY APPOINT *[name]* of *[address]* or failing him, *[name]* of *[address]* to be my/our proxy to vote for me/us at the meeting of the Members to be held on the *[]* day of *[]*, 20*[]* and at any adjournment thereof. (Any restrictions on voting to be inserted here.)

Signed this *[]* day of *[]*, 20*[]*

Member(s)

- 41.2 The instrument of proxy shall be signed or, in the case of a transmission by electronic mail, electronically signed, in a manner acceptable to the chairman, by the appointor or by the appointor's attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or signed or, in the case of a transmission by electronic mail, electronically signed in a manner acceptable to the chairman, by a duly authorised officer or attorney.
- 41.3 A Member who is the holder of 2 or more shares may appoint more than one proxy to represent him and vote on his behalf.
- 41.4 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

42. Representation of Corporate Member

- 42.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same

powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

- 42.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

43. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat, in accordance with these Articles.

44. Written Resolutions

- 44.1 Anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may, without a meeting and without any previous notice being required, be done by resolution in writing signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Law, on behalf of, all the Members who at the date of the resolution would be entitled to attend the meeting and vote on the resolution.
- 44.2 A resolution in writing may be signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Law, on behalf of, the requisite Members, or the requisite Members of the relevant class thereof, in as many counterparts as may be necessary.
- 44.3 A resolution in writing made in accordance with these Articles is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Article to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 44.4 A resolution in writing made in accordance with these Articles shall constitute minutes for the purposes of the Law.
- 44.5 For the purposes of these Articles, the date of the resolution is the date when the resolution is signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Law, on behalf of, the last Member required to sign and any reference in any Article to the date of passing of a resolution is, in relation to a resolution made in accordance with these Articles, a reference to such date.

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45. Directors Attendance at General Meetings

The Directors of the Company shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

46. Election of Directors

The Directors shall be elected or appointed in writing in the first place by the subscribers to the Memorandum of Association or by a majority of them. There shall be no shareholding qualification for Directors.

47. Number of Directors

47.1 The Board must be constituted by a minimum of 3 Directors and a maximum of 9 Directors or such number in excess thereof as the Board may determine, the majority of whom must be Australian residents and of which the CHAMP Members have the right to appoint, remove and replace the greater of:

- (a) 3 Directors; and
- (b) not less than a majority of the Directors.

47.2 Subject to Article 47.1, and any upper limit on the number of Directors prescribed pursuant to these Articles, the Board may from time to time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

47.3 Subject to Article 47.1, the Company may from time to time by ordinary resolution appoint any person to be a Director.

48. Chairman

The chairman of the Board:

- (a) is to be appointed, removed and replaced by the CHAMP Directors;
- (b) will chair all meetings of the Board as well as all meetings of Members, however if the chairman is absent from a meeting of the Board or Members or is unwilling to act, the other CHAMP Directors may elect one of their number to act as chairman for the purposes of that meeting only; and
- (c) who is appointed under this Article 48 may be removed or replaced by the CHAMP Directors but not by the Members.

49. Term of Office of Directors

A person may only be appointed, removed or replaced as a Director or the chairman in accordance with these Articles. Notice of any appointment, removal or replacement of a Director or the chairman must be given to the Company and:

- (a) in the case of the removal of a Director, must specify the identity of the person to be removed; and
- (b) in the case of the appointment of a Director, must be accompanied by a consent of the proposed Director to act in that capacity.

50. Alternate Directors

- 50.1 A Director may at any time appoint any person approved by the CHAMP Directors to be his Alternate Director and may at any time terminate such appointment. An appointment and a termination of appointment shall be by notice in writing signed by the Director and deposited at the Registered Office or delivered at a Board meeting.
- 50.2 The appointment of an Alternate Director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases for any reason to be a Director.
- 50.3 An Alternate Director shall be entitled to receive notices of Board meetings and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to perform all the functions of his appointor as a Director; and for the purposes of the proceedings at such meeting these Articles shall apply as if he (instead of his appointor) were a Director, save that he may not himself appoint an Alternate Director or a proxy.
- 50.4 If an Alternate Director is himself a Director or attends a Board meeting as the Alternate Director of more than one Director, his voting rights shall be cumulative.
- 50.5 Unless the Board determines otherwise, an Alternate Director may also represent his appointor at meetings of any committee of the Board on which his appointor serves; and the provisions of these Articles shall apply equally to such committee meetings as to Board meetings.
- 50.6 Save as provided in these Articles an Alternate Director shall not, as such, have any power to act as a Director or to represent his appointor and shall not be deemed to be a Director for the purposes of these Articles.
- 50.7 A Director who is not present at a Board meeting, and whose Alternate Director (if any) is not present at the meeting, may be represented at the meeting by a proxy duly appointed, in which event the presence and vote of the proxy shall be deemed to be that of the Director. All the provisions of these Articles regulating the appointment of proxies by Members shall apply equally to the appointment of proxies by Directors.

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51. Removal of Directors

The Company may from time to time by ordinary resolution remove any Director (other than a CHAMP Director) from office, whether or not appointing another in his stead.

52. Vacancy in the Office of Director

The office of Director shall be vacated:

- (a) if the Director:
 - (i) is, or becomes ineligible to be a Director under the provisions of these Articles or the Law or any other applicable law;
 - (ii) dies or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
 - (iii) is or becomes of unsound mind or an order for his detention is made under the Mental Health Law of the Cayman Islands or any analogous law of a jurisdiction outside the Cayman Islands, or dies; or
 - (iv) resigns his office by notice in writing to the Company; and
- (b) if the person is a CHAMP Director;
 - (i) upon the CHAMP Members ceasing to be Members; or
 - (ii) upon receipt by the Company of a notice of removal from the CHAMP Members.

53. CHAMP Directors

To the extent permitted by law, a CHAMP Director:

- (a) may have regard to and represent the interests of the CHAMP Members in priority to the interests of the Company or its Members;
- (b) may act in the best interest of the CHAMP Members in performing their duties or exercising any power, right or discretion as a Director;
- (c) may disclose any information obtained by them in relation to the Group Company to the CHAMP Members; and
- (d) may take any other action as permitted by these Articles,

and in doing so the CHAMP Director is not considered to have committed any breach of any duty owed to the Group or the Members under statute or general law.

54. Remuneration of Directors

The remuneration (if any) of the Directors shall, subject to any direction that may be given by the Company in general meeting, be determined by the Board as it may from time to time determine and shall be deemed to accrue from day to day; provided that any Director who is also an employee of CHAMP shall not be entitled to remuneration for being a Director. The Directors may also be paid all reasonable travel, hotel and other expenses incurred by them in attending and returning from Board meetings, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally.

55. Defect in Appointment of Director

All acts done in good faith by the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

56. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Law or by these Articles, required to be exercised by the Company in general meeting subject, nevertheless, to these Articles, the provisions of the Law and to such directions as may be prescribed by the Company in general meeting.

57. Powers of the Board of Directors

Without limiting the generality of Article 56 but subject to the other provisions of these Articles, the Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue Securities whether outright or as security for any debt, liability or obligation of the Group or any third party;
- (c) appoint one or more persons to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;

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- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board and every such committee shall conform to such directions as the Board shall impose on them. Subject to any directions or regulations made by the Board for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board, including provisions for written resolutions;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board sees fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

58. Register of Directors and Officers

58.1 The Board shall cause to be kept in one or more books at the Registered Office of the Company a Register of Directors and Officers in accordance with the Law and shall enter therein the following particulars with respect to each Director and Officer:

- (a) first name and surname; and
- (b) address.

58.2 The Board shall, within the period of 30 days from the occurrence of:

- (a) any change among its Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers,

cause to be entered on the Register of Directors and Officers the particulars of such change and the date on which such change occurred, and shall notify the Registrar of Companies of any such change that takes place.

59. Officers

The Officers shall consist of a Secretary and such additional Officers as the Board may determine all of whom shall be deemed to be Officers for the purposes of these Articles.

60. Appointment of Officers

The Secretary (and additional Officers, if any) shall be appointed by the Board from time to time.

61. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

62. Remuneration of Officers

The Officers shall receive such remuneration as the Board may determine.

63. Conflicts of Interest

63.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed by the CHAMP Members. Nothing herein contained shall authorise a Director or Director's firm, partner or company to act as Auditor to the Company.

63.2 A Director who has a financial interest, whether directly or indirectly, in any agreement, proposed agreement or transaction with the Group (an **Interested Director**) shall disclose the material facts of his interest to the Board (if such material facts are not already known by the other Directors) prior to or at the time that such agreement, proposed agreement or transaction is to be voted on.

63.3 An Interested Director who has complied with the requirements of Article 63.2 may:

- (a) vote in respect such agreement, proposed agreement or transaction; and/or

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- (b) be counted in the quorum for the meeting at which the agreement, proposed agreement or transaction is to be voted on,

and no such agreement, proposed agreement or transaction shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

64. Indemnification and Exculpation of Directors and Officers

- 64.1 The Directors, Officers and Auditors of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer, auditor or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in these Articles as an **indemnified party**) shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director or Officer.
- 64.2 The Company will purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

MEETINGS OF THE BOARD OF DIRECTORS

65. Board Meetings

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail. For the avoidance of doubt, the chairman of the meeting shall not have a casting vote. All Board meetings will be held in Australia.

66. Notice of Board Meetings

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

67. Participation in Meetings by Telephone

Directors may participate in any Board meeting by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

68. Quorum at Board Meetings

The quorum necessary for the transaction of business at a Board meeting shall be 3 Directors at least 2 of whom must be a CHAMP Director.

69. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number provided that for such time as the majority of the Directors are not CHAMP Directors, the Board may not act.

70. Written Resolutions

70.1 Anything which may be done by resolution of the Directors may, without a meeting and without any previous notice being required, be done by resolution in writing signed by, or in the case of a Director that is a corporation whether or not a company within the meaning of the Law, on behalf of, such of the Directors who at the date of the resolution would be required to pass the resolution. For the purposes of these Articles only, the Directors shall not include an Alternate Director.

70.2 A resolution in writing may be signed by, or in the case of a Director that is a corporation whether or not a company within the meaning of the Law, on behalf of, the requisite Directors in as many counterparts as may be necessary.

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70.3 A resolution in writing made in accordance with these Articles is as valid as if it had been passed by the Directors in a directors' meeting, and any reference in any Article to a meeting at which a resolution is passed or to Directors voting in favour of a resolution shall be construed accordingly.

70.4 A resolution in writing made in accordance with these Articles shall constitute minutes for the purposes of the Law.

70.5 For the purposes of these Articles, the date of the resolution is the date when the resolution is signed by, or in the case of a Director that is a corporation whether or not a company within the meaning of the Law, on behalf of, the last Director required to sign and any reference in any Article to the date of passing of a resolution is, in relation to a resolution made in accordance with these Articles, a reference to such date.

71. Validity of Prior Acts of the Board

No regulation or alteration to these Articles made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

72. Minutes

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Directors and Officers;
- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

73. Register of Mortgages and Charges

73.1 The Board shall cause to be kept the Register of Mortgages and Charges required by the Law.

73.2 The Register of Mortgages and Charges shall be open to inspection in accordance with the Law, at the Registered Office of the Company on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose, so that not less than 2 hours in each such business day be allowed for inspection.

74. Form and Use of Seal

74.1 The Company may adopt a seal, which shall bear the name of the Company in legible characters, and which may, at the discretion of the Board, be followed with

or preceded by its dual foreign name or translated name (if any), in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Cayman; and, if the Board thinks fit, a duplicate Seal may bear on its face the name of the country, territory, district or place where it is to be issued.

- 74.2 The Seal (if any) shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf; and, until otherwise determined by the Board, the Seal shall be affixed in the presence of a Director or the Secretary or an assistant secretary or some other person authorised for this purpose by the Board or the committee of the Board.
- 74.3 Notwithstanding the foregoing, the Seal (if any) may without further authority be affixed by way of authentication to any document required to be filed with the Registrar of Companies in the Cayman Islands, and may be so affixed by any Director, Secretary or assistant secretary of the Company or any other person or institution having authority to file the document as aforesaid.

ACCOUNTS

75. Books of Account

- 75.1 The Board shall cause to be kept proper books of account including, where applicable, material underlying documentation including contracts and invoices, and with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) all assets and liabilities of the Company.
- 75.2 Such books of account shall be kept and proper books of account shall not be deemed to be kept with respect to the matters aforesaid if there are not kept, at such place as the Board thinks fit, such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
- 75.3 Such books of account shall be retained for a minimum period of 5 years from the date on which they are prepared.
- 75.4 No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company.
- 75.5 Accounts for the Group will be prepared in accordance with Australian Equivalent of International Reporting Standards.
- 75.6 All Members shall be entitled to receive:
- (a) a copy of the half-yearly unaudited consolidated balance sheet, profit and loss account and cashflow statements for the Company; and

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- (b) a copy of the audited consolidated annual balance sheet, profit and loss account and cashflow statements for the Company.

76. Financial Year End

The financial year end of the Company shall be 31st December in each year but, subject to any direction of the Company in general meeting, the Board may from time to time prescribe some other period to be the financial year, provided that the Board may not without the sanction of an ordinary resolution prescribe or allow any financial year longer than 18 months.

AUDITS

77. Appointment of Auditors

- 77.1 The CHAMP Members shall appoint Auditors in Australia to hold office for such period as the CHAMP Members may determine.
- 77.2 Whenever there are no Auditors appointed as aforesaid the Board shall appoint Auditors to hold office for such period as the Board may determine or earlier removal from office by the Company in general meeting.
- 77.3 The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

78. Remuneration of Auditors

Unless fixed by the Company in general meeting the remuneration of the Auditor shall be as determined by the Board.

79. Duties of Auditor

The Auditor shall make a report to the Members on the accounts examined by him and on every set of financial statements laid before the Company in general meeting, or circulated to Members, pursuant to these Articles during the Auditor's tenure of office.

80. Access to Records

- 80.1 The Auditor shall at all reasonable times have access to the Company's books, accounts and vouchers and shall be entitled to require from the Company's Directors and Officers such information and explanations as the Auditor thinks necessary for the performance of the Auditor's duties and, if the Auditor fails to obtain all the information and explanations which, to the best of his knowledge and belief, are necessary for the purposes of their audit, he shall state that fact in his report to the Members.
- 80.2 The Auditor shall be entitled to attend any general meeting at which any financial statements which have been examined or reported on by him are to be laid before

the Company and to make any statement or explanation he may desire with respect to the financial statements.

VOLUNTARY WINDING-UP AND DISSOLUTION

81. Winding-Up

- 81.1 Any resolution to voluntarily wind-up the Company or to voluntarily enter into any form of insolvency procedure or arrangement with creditors generally, in circumstances where the Company is not insolvent, must be passed by way of a Special Majority Resolution. However, a Special Majority Resolution is not required where the winding-up, procedure or arrangement is, or is in connection with, an Exit in which case the provisions of Article 15.3 apply.
- 81.2 If the Company shall be wound up the liquidator may, with the sanction of a Special Majority Resolution, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

82. Changes to Articles

For so long as any CHAMP Members are Members, subject to the Law, these Articles and to the conditions contained in its Memorandum of Association, the Company may, from time to time, alter or add to its Articles only if the alteration is approved by a Special Majority Resolution. Upon the CHAMP Members ceasing to be Members, subject to the Law and the conditions contained in its Memorandum of Association, the Company may, by special resolution, alter or add to its Articles.

83. Changes to the Memorandum of Association

For so long as any CHAMP Members are Members, subject to the Law and these Articles, the Company may from time to time alter its Memorandum of Association with respect to any objects, powers or other matters specified therein only if the alteration is approved by a Special Majority Resolution. Upon the CHAMP Members ceasing to be Members, subject to the Law and these Articles, the Company may from time to time by special resolution alter its Memorandum of Association with respect to any objects, powers or other matters specified therein.

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84. Change of name

Subject to the Law and these Articles, the Company may from time to time change its name if the change is approved by a Special Majority Resolution.

85. Discontinuance

The Board may, if approved by a Special Majority Resolution, exercise all the powers of the Company to transfer by way of continuation the Company to a named country or jurisdiction outside the Cayman Islands pursuant to the Law.

Corporate Directory

Registered Office

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www.oohmedia.com.au

Directors

Graham Jones (Chairman)
Brian Bickmore
Geoffrey C Wild AM
David Standen
Brendon Cook (CEO and Managing Director)
Chris Bregenhoj

Company Secretary

Michael Egan

Share registry

Computershare Investor Services Pty Limited
452 Johnson Street
Abbotsford VIC 3000

Financial Advisor

Macquarie Capital (Australia) Limited
No 1 Martin Place
Sydney NSW 2000

Independent Expert

Grant Thornton
383-395 Kent Street
Sydney NSW 2000

Stock Exchange Listing

oOh!media Group Limited shares and options are listed on the Australia Stock Exchange (code: OOH)

