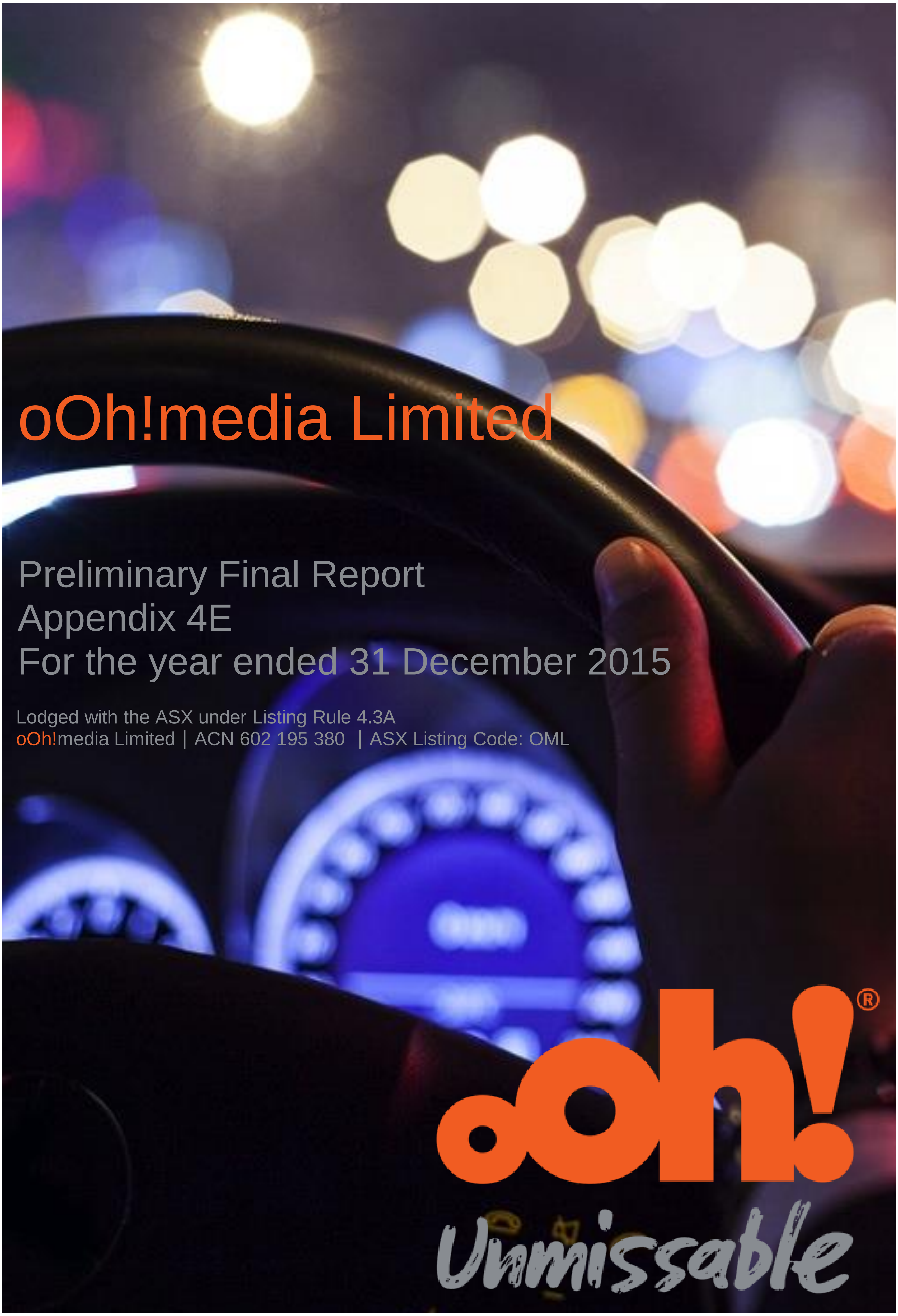


oOh!media Limited

Preliminary Final Report
Appendix 4E
For the year ended 31 December 2015

Lodged with the ASX under Listing Rule 4.3A

oOh!media Limited | ACN 602 195 380 | ASX Listing Code: OML

oOh! Unmissable

Contents

General information

This report covers oOh!media Limited (the Company), and its controlled entities. The financial statements are presented in Australian currency.

oOh!media Limited is a listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:
Level 2, 76 Berry Street
North Sydney, New South Wales 2060

The Annual Financial Report was authorised for issue, in accordance with a resolution of the Directors. The Directors have the power to amend and reissue the Annual Financial Report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All media releases, financial reports and other information are available at the Investors section on our website: www.oohmedia.com.au.

Results for announcement to the market

Under ASX Listing Rule 4.3A

oOh!media Limited and its controlled entities (referred to as the 'Group')
ACN 602 195 380

1. Details of the reporting period and the previous corresponding reporting period

Reporting period:	For the full year ended 31 December 2015
Previous period:	For the full year ended 31 December 2014

2. Results for announcement to the market

		%		**2015 $'000**	**2014 $'000**
Revenues from ordinary activities[1]	**up**	**7%**	to	279,807	261,299
Profit from ordinary activities after income tax attributable to members[1]	**up**	**174%**	to	18,394	(24,787)
Net profit for the period attributable to members[1]	**up**	**174%**	to	18,394	(24,787)
EBITDA - Statutory[1]	**up**	**58%**	to	56,587	35,898
EBITDA - Pro Forma[2]	**up**	**37%**	to	57,724	42,144

1. All of the above comparisons are on a statutory basis unless stated. The Operating and Financial Review and financial results presentation includes comparisons to Pro Forma 2014 results.

2. The Directors believe that the Pro Forma presentation of results is a better indicator of underlying performance and differs from the statutory presentation. The 2014 Pro Forma results reflect the effect of the operating and capital structure that was put in place at the time of the Initial Public Offering (IPO) and excludes the costs of the IPO, one-off tax implications arising as a result of the IPO and other non-operating items which are not expected to occur in the future. The 2015 Pro Forma results exclude the impact of acquisition-related expenses and IPO-related items.

This information should be read in conjunction with the attached Annual Financial Report.

3. Dividends

	Amount per security	**Franked amount per security**
Current period		
Final 2015 dividend (declared after balance date)	6.7 cents	6.7 cents
Interim 2015 dividend (paid 23 September 2015)	2.8 cents	2.8 cents

Previous period

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

Final 2015 dividend dates

Ex-dividend date	25 February 2016
Record date	29 February 2016
Payment date	22 March 2016

4. Net tangible assets

	2015	**2014**
Net tangible assets per security (cents)[1]	(0.004)	0.160
Net asset per security (cents)[2]	1.701	1.612

1. Derived by dividing the net assets less intangible assets, calculated on total issued shares of 149,882,534 (2014: 149,882,534 shares).

2. Derived by dividing the net assets, calculated on total issued shares of 149,882,534 (2014: 149,882,534 shares).

Results for announcement to the market
Continued

5. Control gained over entities during the period

Control was gained by way of acquisition during the year.

Entity	Date of acquisition
Inlink Group Pty Ltd	11 December 2015

Commentary on the Group acquisitions and business combinations are included in Note 28 of the attached Annual Financial Report.

6. Details of associates and joint venture entities

	Percentage of ownership interest held:	
	2015	2014
Entity	%	%
oOh!Edge Pty Limited[1]	50	50

1. In March 2014, oOh!media Factor Pty Limited (a wholly-owned subsidiary of oOh!media) entered into a joint venture agreement with Driving Edge Marketing Pty Limited to establish a joint venture for the purposes of engaging in activities similar to that of the Group (provision of Out Of Home advertising solutions). This resulted in the incorporation of a new legal entity (oOh!Edge Pty Limited) of which both joint venture partners hold a 50% interest.

7. Audit qualification or review

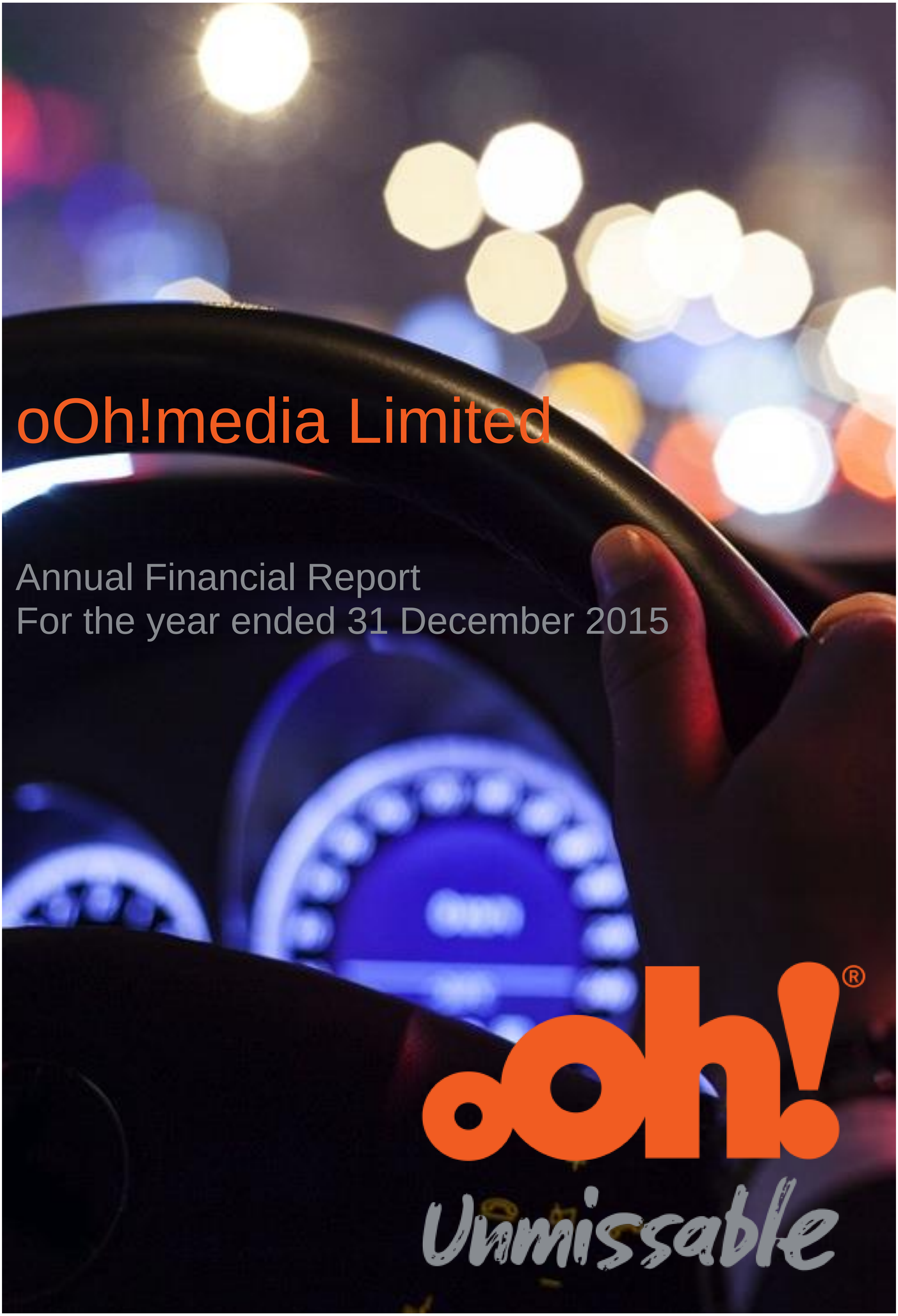
The financial statements have been audited and an unqualified opinion has been issued which is included in the attached Annual Financial Report.

8. Additional information

For additional information required under ASX Listing Rule 4.3A, please refer to the attached Annual Financial Report for the year ended 31 December 2015 of oOh!media Limited and its controlled entities.

oOh!media Limited

Annual Financial Report
For the year ended 31 December 2015

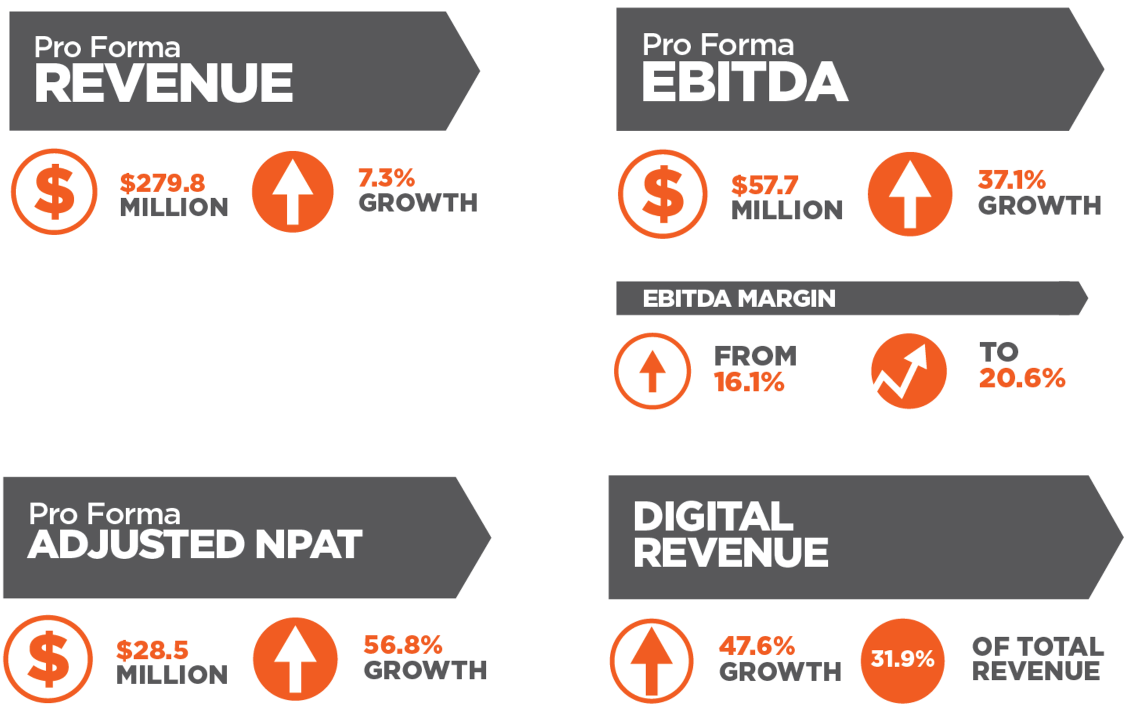


Company Overview

oOh!media Limited (the 'Company') is a leading Out Of Home media company in Australia and New Zealand offering advertisers the ability to create deep engagement between people and brands across its diverse network of Unmissable location-based media.

The Company met its key strategic objectives in 2015, and delivered strong revenue and earnings growth, which exceeded its Prospectus financial targets.

Financial highlights



Operational highlights

oOh!media continued to invest in its assets, technological capabilities and people to ensure the Company continues to be well positioned in its industry. Significant operational highlights for the year included:

- **Continued digital expansion:**
  - Delivered an additional 17 large format roadside digital billboards, including Australia's largest full-motion digital billboard at Melbourne's Bourke Street Mall;
  - Installed over 900 new digital retail screens;
  - Launched the next generation of interactive digital retail screens with EXCITE – a world-first in Out Of Home engagement; and
  - Extended connection with audiences, with the launch of oOh!media's fourth online integrated content platform, ShortPress.com.au.

- **Increased inventory and contract tenure:**
  - Secured 145 new contracts and tenders including the NSW Roads and Maritime Services (RMS) contract for 13 large format signs across Sydney's road network;
  - Extended contracts with more than 485 landowners, including new long-term contracts with leading retail asset management groups, Vicinity and QIC; and
  - Extended and expanded its existing Melbourne Airport contract including Australia's newest terminal and exclusivity of all advertising and online rights.

- **Acquired premium CBD Digital Out Of Home company, Inlink:**
  - Added more than 2,800 digital screens in prime CBD locations; and
  - Cemented oOh!media's digital market leadership with Australia's largest digital sign network.

Chairman's Letter

On behalf of the Board of Directors, it gives me great pleasure to present oOh!media Limited's Annual Financial Report for 2015. This year oOh!media has delivered strong results across all metrics, continuing to grow earnings, deliver on our digital strategy and meet the changing needs of advertisers.

oOh!media ended the 2015 financial year in a strong position and ahead of our Prospectus forecast. Year-on-year revenue grew by 7.3% and was ahead of the Prospectus forecast by 5.0%. Pro Forma EBITDA grew by 37.1% to $57.7 million, and was ahead of the Prospectus forecast by 18.8%. Adjusted Net Profit After Tax (NPAT) grew by 56.8% to $28.5 million and ahead of the Prospectus forecast by 28.5%.

In the past year, oOh!media's digital asset rollout continued both in scale and scope. We have invested heavily and this has resulted in increased digital revenues. Digital revenues rose by 47.6% year-on-year, exceeding the Prospectus forecast growth of 40.4%. Digital revenue contributed 31.9% of total revenues, compared to the prior year's result of 23.2%. This reflects oOh!media's strategic investment into increasing digital capabilities, skills and inventory.

The Out Of Home sector has seen strong growth because it offers advertisers a unique blend of reach and unrivalled location-based marketing. Out Of Home today is a fast, dynamic environment offering strong brand opportunities supported by digital technology.

Globally, the Out Of Home medium is also benefiting from the disruption in the traditional advertising sector. The industry in Australia is reflecting that momentum. oOh!media is strategically committed to continuing to drive the evolution of Out Of Home and to be at the forefront of the Out Of Home industry's development globally, particularly as it relates to digital.

Examples of this include oOh!media's creation of deeper audience engagement by integrating our physical inventory with mobile, social and online channels. We are not only breaking ground domestically, but also introducing world-leading initiatives, such as oOh!media's EXCITE screens in shopping centres both in Australia and New Zealand.

In addition, we are continuing to develop and invest in data, adding further insights from our digital assets and other sources to deliver greater value to advertisers.

oOh!media's Board and senior executives remain committed to actively seeking acquisitions that drive growth and add scale to our business. The $45 million acquisition of Inlink in December 2015 was a significant milestone in this approach and added more than 2,800 digital screens in CBD office towers, cafés and fitness centres to our network. Other acquisitions in 2015 are detailed in the Annual Financial Report.

The Board has maintained its dividend policy and declared a fully franked final dividend of 6.7 cents per share, bringing the full year dividend for the year ended 31 December 2015 to 9.5 cents per share, exceeding the Prospectus forecast by 28.0%.

Finally, on behalf of the Board, I offer thanks to our Chief Executive Officer Brendon Cook for his strong leadership in the past year and his commitment to ensuring this Company continues to grow and deliver shareholder value. Thanks also to the wider management team and all our people across oOh!media's divisions in Australia and New Zealand for their great contribution to the strong performance oOh!media has delivered to shareholders in 2015.

Yours sincerely

Michael Anderson

Chairman

22 February 2016

Chief Executive's Report

2015 was a year of strong financial and operational performance for oOh!media.

We met strategic objectives and surpassed Prospectus forecasts in delivering stronger revenue and earnings growth.

The year's achievements were also highlighted by significant inventory growth, the fast track rollout of our digital assets and innovation in audience-engaging, location-based assets. Together with our data strategy, our investments are building our capabilities to deliver on advertisers' needs and stay at the forefront of the Out Of Home's industry's evolution, which is rapidly changing.

Ten years ago Out Of Home was a well-established medium that allowed advertisers to powerfully convey messages through the commanding presence of billboards. It was proven and successful.

We at oOh!media recognised big changes were on the way in how consumers engaged with media and we saw great opportunities to expand the channels of Out Of Home. We set about building foundations for the future, concentrating on the long term by diversifying the mix of our assets to bring ever-increasing and sustainable value to the business and to advertisers.

Anticipating the potential of digital technology, we developed a digital strategy that comprised building digital screens as well as enabling advertisers to experiment and be at the cutting-edge. We subsequently offered brands the ability to secure interactive engagement with consumers by integrating their advertising with mobile, social and online channels.

We extended our knowledge and capabilities in data and analytics to add more value for advertisers and for our business. It is pleasing to report that the strategic journey and investments of recent years are delivering the strong results demonstrated in 2015.

Driving digital performance

At the time of listing, approximately 23.2% of total revenue was derived from digital. Digital revenue climbed steadily throughout 2015, finishing at 31.9% of total revenue for the whole year. This is industry leading and continues to grow, with digital revenues delivering 38.3% of the last quarter's total revenue.

We are targeting to deliver digital revenue between 45-50% of total Group revenue by the end of 2018.

Creating the platform

The past year has seen significant digital inventory growth for oOh!media including asset conversions, new assets, contracts wins, extensions and acquisitions.

In growing our unparalleled metropolitan and regional offering, we now have almost three times as many digital screens as we had in 2014.

Through the conversion of premium sites, we increased our number of large digital roadside billboards from 8 to 25 – achieving our Prospectus forecast target of 17 new large format digital roadside billboards during the year. We also have 20 large format EVOKE digital billboards in 12 key retail centres, taking our total large format digital inventory to 45. This includes the development of Australia's largest digital billboard located in Bourke Street, Melbourne.

It was a huge year for oOh!media in retail innovation. We installed over 900 digital screens across Australia and New Zealand through conversion and expansion of sites and introduced our EXCITE retail screens – a milestone in our digital strategy. With their multi-touch screens, gesture control, voice recognition technology, high definition webcams and audio features, these state-of-the-art screens give advertisers the opportunity to engage with consumers like never before. The physical engagement of consumers with brands on our EXCITE screens – more than 89,000 in the first three months after launch – illustrated the scale and opportunity from this activity.

Among the highlights in our Place offering, the acquisition of Inlink late in 2015 took oOh!media's digital inventory to more than 5,000 digital screens. The Inlink acquisition gives us a strong CBD presence and provides a significant positive impact for our sport and café environments. It puts us in good stead for the automation of the future, adds to our specialisation, and provides links to new data-rich audiences. We expect the acquisition to be Earnings Per Share (EPS) accretive in 2016.

We are using technology to create innovative advertising opportunities that provide deeper engagement between advertisers and customers. oOh!media's audience-led digital strategy, linking advertising to mobile, social and online environments, saw major brands invest heavily into multiple products. For example, Optus used our Roadside portfolio for its brand advertising, Retail assets for location-specific advertising and the newly-introduced ShortPress content offering in cafés across the country.

We continued our content leadership in 2015, making great use of our assets as part of audience-led innovation. ShortPress, the first integrated online and digital Out Of Home content platform dedicated to supporting Australia's small businesses, was the fourth online content platform that we launched in the past two years.

These initiatives form part of a business capable of taking advantage of data and changing technology to deliver time-of-day advertising. We are well-placed to attract new revenue amid the disruption occurring in the broader advertising industry.

Strong growth across key divisions

oOh!media's total revenue grew by 7.3% to $279.8 million compared to CY2014. After removing the revenue contribution from the contracts that were not renewed at the end of CY2014, our 2015 revenue grew in line with the industry.

The average order from agencies grew 6.3% year on year in 2015 and clients who were new entrants to Out Of Home advertising spent $24 million.

In Road, revenue from our large format digital roadside billboards grew 241.0% as we continued to roll out our Signature Series of digital billboards in capital cities. The contract renewal with the RMS in NSW was a major win that will see oOh!media strengthen its leading digital inventory position in the critical Sydney metropolitan market. Our approach in determining which assets to digitise is not about mass alone, but having high profile, quality locations that will yield great results for advertisers.

In Retail, 37.0% of all revenue was from digital activity, an increase of 60.0% over 2014. We were pleased to win long-term deals with QIC and Vicinity shopping centre groups, with the Vicinity contract adding further digital assets, including large internal digital screens.

Our Fly division featured the launch of Collect and Connect TV during 2015, a new sound-based digital advertising network of 44 screens reaching flyers at baggage carousels at capital city airports. Our Q-View product, which services the Qantas Lounges in Australia, continues to set the standard for linked advertising to mobile and online environments. Digital revenue in the Fly division grew by 10.7%.

oOh!media's strong investment in New Zealand was evident through the increased state-of-the-art footprint in key shopping centres, as well as our introduction of digital assets into those centres. Digitisation has seen revenue grow by 19.0% in 2015.

While investing for revenue growth, the business remains focused on converting this revenue into stronger profitability growth by leveraging our operating structures such that revenue grows faster than costs. This has resulted in our gross profit dollars growing 26.4% over 2014 and the gross profit margin expanding by 6 percentage points to 39.7% of revenue.

Investing in leadership and management

The past year has seen an augmentation of the management team of oOh!media. We have made a number of key new appointments that bring a mix of skills and backgrounds. These roles include a Digital Strategy Director, a Chief Marketing Officer, a new General Counsel and new Country Manager for New Zealand, reflecting oOh!media's ability to attract executives with diverse skills to continue to strengthen our team.

Increasing our future capabilities

While we have has invested in our physical assets, we have also invested in our research and data capabilities. We have a unique suite of customer insights and analytics that together create a competitive differentiator for oOh!media with advertisers that wish to target their customers with more accuracy than ever before.

Our continued investment in leading partners, management and innovation is the catalyst for sustainable growth beyond our digitisation program.

Independent recognition is always appreciated. We were very pleased that the 2015 AdNews Media Benchmark Study from Roy Morgan, an annual report into Australia's media and advertising industry based on views from media agencies, owners and other media players, cited oOh!media as the leading media brand in the Outdoor category and one of the top media brands in Australia.

For this, I wish to thank every member of our team for their collective performance in 2015 and their individual contributions to oOh!media. There is no doubt that disruption will continue in the traditional advertising industry for some time yet. However, Out Of Home is one of the best performing media sectors and continues to gain momentum as new innovation is introduced.

While 2015 was a year of strong performance that saw us surpass our Prospectus forecasts and provide two earnings upgrades, we will continue to work hard for our shareholders in 2016 and beyond.

Yours sincerely

Brendon Cook

Brendon Cook

Chief Executive Officer and Managing Director

22 February 2016

Operating and Financial Review

The Directors are pleased to present the Operating and Financial Review (OFR) for oOh!media Limited (oOh!media) for the period from 1 January 2015 to 31 December 2015, including the prior comparative period. The OFR is provided to assist shareholders' understanding of oOh!media's strategy, performance and the factors underlying its results and financial position.

The oOh!media strategy

oOh!media is a leading provider in the fast-growing Out Of Home industry with unparalleled width and depth of Unmissable, location-based media solutions. This consists of a diverse portfolio of static and digital signs linked with mobile and online technologies and media offerings. oOh!media's static and digital offering spans roadside billboards, retail signs, airport advertising and media in place-based locations such as CBD office towers, cafés, fitness and sporting venues, bars and universities.

Embracing technology has been at the forefront of oOh!media's success evidenced this year as the Company progressed beyond the screen and led the industry into rich and engaging online content. It has integrated its physical inventory with social and mobile online channels to provide advertisers with greater connections with their customers, resulting in increased value of oOh!media's assets and its business.

Underpinning this is a clear strategy for current and future growth, which centres on **5 key pillars**:

1. **Delivering greater audiences** and audience engagement, insights and a world-leading approach to audience-based connection for our clients;
2. Providing the most **diverse product portfolio** of any Out Of Home operator in Australia;
3. Implementing a clearly defined **end to end digital strategy** which links the geo-specific nature of our assets with data to drive Return on Investment (ROI) for our clients;
4. Driving the business through **inspirational leadership** and continuing to invest in our people to ensure they are the best in the business; and
5. **Creating value** for our stakeholders by growing revenue with improved margin opportunities.

1. Audience engagement

***oOh!media* has the #1 location-based addressable audiences for advertisers**

Advertisers are looking for solutions based on real customer attributes which are both relevant and delivered to the customer at the right time and right location for maximum retention and action.

To ensure oOh!media is at the forefront of delivering world-leading audience-based engagement, there has been a focus on delivering:

- Diversity of audience to better meet advertisers needs;
- Product diversity to deliver long term sustainable business operations; and
- An end to end digital strategy.

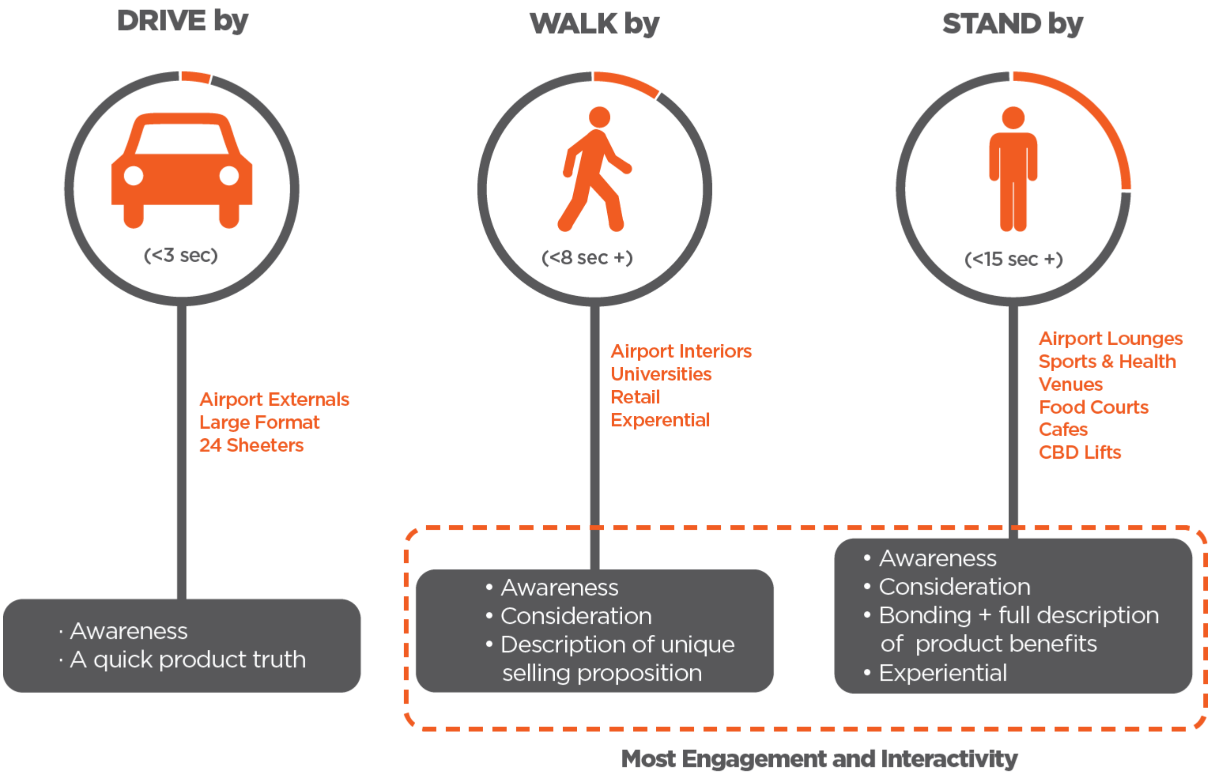
Diversity of audience, meeting advertisers needs

The Company's integrated location-based media solutions provide advertisers with the broadest audience reach of any Out Of Home operator – reaching more than 90% of Australians – with the ability to target specific audience segments.

oOh!media has a variety of products across its operating divisions and is increasingly leveraging this broad asset base to sell audience-led solutions which will enable greater impact and engagement.

These solutions are characterised in three categories:

- **Drive by**: large format roadside billboards and airport and retail externals;
- **Walk by**: sites located in retail precincts such as shopping centre and supermarket exteriors, airport interiors and universities; and
- **Stand by**: locations with high audience dwell times such as cafés, lounges, indoor social sports centres, shopping centre food precincts, airport lounges and the recently added office towers and gym environments through the Inlink acquisition.



oOh!media's assets enable advertisers to engage specific audiences based on demographics in a variety of locations and dwell times, leveraging the variety of audience behaviours within these environments. oOh!media's audience-led approach is being further enhanced as the Company expands its insights and data capabilities in new ways.

According to the *Out Of Home Effectiveness*[1] report by The Leading Edge, world experts in strategic research consultancy, the Out Of Home medium delivers high comparative returns on investment compared with other media. The report shows that Digital, TV and Out Of Home are the top three performing mediums in delivering return on investment, with oOh!media's retail, experiential and big billboard formats delivering greater ROI results than free-to-air television. Retail delivers above 99% greater return on investment compared to television ROI, with experiential above 26% and billboards above 6%.

Consistent with these report findings, oOh!media's coast to coast advertising inventory in such a wide variety of environments and communities reaches diverse audiences, as well as one of the most powerful traditional advertising channels to drive sales.

1. *The Leading Edge Out Of Home Effectiveness research compiled data from more than 140 studies and over 80 clients that have collectively spent more than $4 billion on advertising over the past 10 years, published in 2014.*

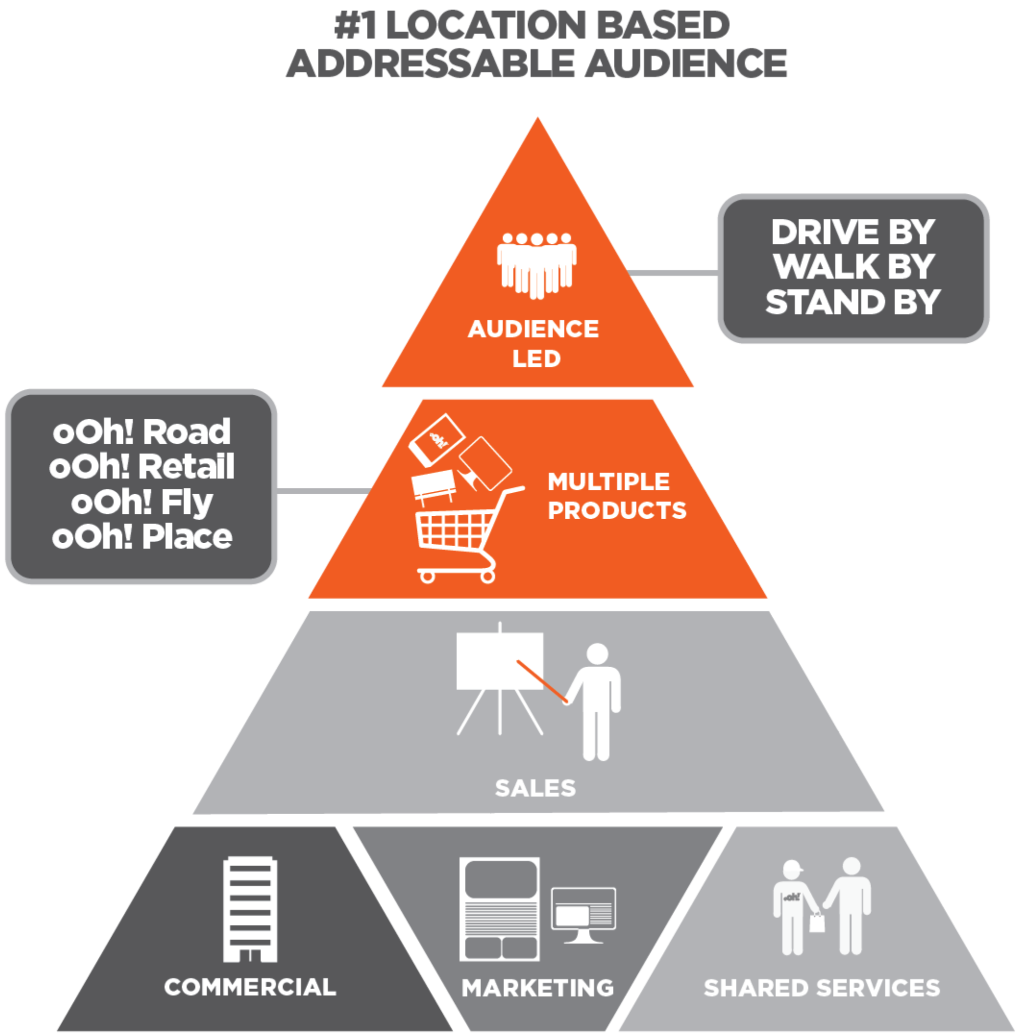
2. Diverse product portfolio

oOh!media's asset portfolio provides a long term sustainable business model

oOh!media's broad audience reach is the result of our selective and diverse product portfolio.

In the past four years, oOh!media has improved both the quantity and quality of its inventory, resulting in assets that achieve a broader range of advertiser's needs across a wider range of metro and regional locations. This site portfolio has a diverse range of concessions holders and a long average lease expiry profile to ensure long-term sustainability.

The diagram below shows how the Company's multiple products deliver to audiences and how our business aligns to support this.



oOh!media continues to invest in evolving its products and services to ensure all stakeholders achieve greater returns from oOh!media's Out Of Home investment. This includes converting appropriate sites to digital, managing contracts to ensure long-term and positive lease renewals for strategic sites, identifying new site opportunities and continued investment in innovation and interconnectivity.

	oOh!Road	oOh!Retail	oOh!Fly	oOh!Place	oOh!NZ
Description	National provider of large format billboards in Australia. Located in major regional and metropolitan areas.	Retail signs located in shopping centres across all states of Australia. Relationships with every major shopping centre owner in Australia and New Zealand.	Coverage across all domestic airport terminals in Australia. Exclusive media provider to Qantas Lounges nationally. Leading integrated WiFi site network.	Industry leader in cafés, bars, office towers, universities and indoor social sports centres. Websites include student-focused Hijacked.com.au and ShortPress.	Coverage in Retail and university locations nationally. The first provider to introduce a fully interactive retail digital screen in New Zealand – EXCITE.
Revenue (CY2015)	$110.9 million, up 8.4%	$99 million, up 11.2%	$54.5 million, up 7.1%	$9.8 million, up 11.4%	$5.6 million, down 42.4%[1]
Digital revenue percentage (CY2015)	11%	37%	57%	76%	37.5%
Site examples					

1. New Zealand revenue impacted by the completion of the Auckland Airport concession in 2014.

Products in focus

oOh!Road

oOh!Road gives brands Unmissable scale and coverage across Australia with a persistent, powerful and physical presence.

Highlights CY2015

- Continued expansion of digital offering, with 25 sites at premium locations converted to digital – an increase of 17 from last year.
- Delivered Australia's largest full motion billboard at Melbourne's Bourke Street Mall.
- Secured the highly sought after RMS contract for 13 large format signs across Sydney's road network.
- Lease expiry profile has improved. 73% of Road's 2015 revenue is underpinned by leases that have a maturity profile beyond 2018, compared to 61% at the time of Prospectus.

Strategic focus

oOh!media sees the digital conversion of large format sites across its Road portfolio as a key driver of revenue growth and margin expansion, and has plans to digitise approximately 50 sites over the next three years. There are further opportunities to expand as capital costs decline and long-term reliability of digital signs increases.

The value of Road advertising will further increase in line with the rise in road usage and traffic flow. According to the Bureau of Infrastructure, Transport and Regional Economics (BITRE), Australians are spending an average of 85 minutes a day commuting in capital cities. This is expected to increase.

***oOh!Retail gives brands Unmissable relevance and recall, reaching 68% of Australians every fortnight*.**

Highlights CY2015

- Continued conversion of premium static locations in retail environments and added new sites to deliver over 900 digital signs in 2015.
- Continued retail segment leadership, with market share of more than 85.8% by revenue in 2015.
- Launched world-leading audience engagement digital signage, the EXCITE screens (installed 50 in 2015) and the EVOKE series – large format hanging banners in retail environments (installed 13, ahead of Prospectus forecast).
- Secured 53 new centres and renewed major contracts, including contracts with major groups including Vicinity and QIC.
- Lease expiry profile has improved. 64% of Retail's 2015 revenue is underpinned by leases that have a maturity profile beyond 2018 compared to 55% at time of Prospectus.

Strategic focus

The Company continues to invest in the digital conversion of its Retail portfolio, which is well placed to win revenue share from other market segments including transit, free to air television, online and newspapers.

The growth of the sector will be supported by the continued growth in shopping centre foot traffic, together with the investment in development and refurbishment being made by centre owners to enhance the shopping experience for customers.

Through oOh!media's industry leading position in the retail segment and its commitment to further innovate for the benefit of property owners, oOh!media is well positioned to act as the media partner with shopping centre owners to maximise the ROI of their retail environments by generating additional revenue from Out Of Home advertising solutions.

oOh!Fly gives advertisers an Unmissable connection to a valuable and diverse audience through a network of world class sites.

Highlights CY2015

- Launched Collect and Connect TV at airport baggage carousels across Sydney, Melbourne, Brisbane and Perth, connecting with the stand by Fly audience via 15-60 second advertising on full motion digital screens with sound capabilities.
- oOh!media's integrated screen and mobile media product for Qantas Lounges and Q-View, was awarded highest net promoter score by Qantas Frequent Flyers across all Qantas Frequent Flyer products.
- Successfully extended and expanded the contract for Melbourne Airport for signage and media rights with an extensive capital works program.

Strategic focus

There has been a broad and long-term growth trend in passenger numbers across airport concessions which has continued throughout 2015.

To accommodate this growth and continually improve the passenger experience, airports are spending aggressively on their own infrastructure and customer environments for which media and media engagement models are a significant feature.

oOh! Place puts brands in Unmissable environments where people go to gather, meet, relax, work, work-out, unwind or study.

Highlights CY2015

- Acquired the Inlink, a market leader in premium CBD Digital Out Of Home, consisting of more than 2,800 digital screens located in office towers, cafés and fitness centres.
- Launched ShortPress into the café environment, an integrated online and digital Out Of Home content platform targeting Australia's 2 million strong small business sector and oOh!media's fourth online content platform targeting specific audiences.
- Expanded the Study product, with the addition of 7 new campus locations, covering the largest campuses in Australia and New Zealand.
- Increased WiFi hotspot offering in café and sport venues for the benefit of audiences and delivering analytics on audience traffic and reach.

Strategic focus

The potential for future growth in the Place division is significant, through further expansion into new environments and through innovation in engagement offerings and analytics.

The Inlink acquisition, in line with oOh!media's digital strategy of driving engagement with audiences through digital screens in high dwell time locations, delivers great growth potential. Through the acquisition, oOh!media now has a strong footprint in the highly desirable CBD audiences. The acquisition also increases the company's sport and café concessions.

oOh!media New Zealand operates across Retail and Place environments.

Highlights CY2015

- Appointment of a new Country Manager to provide focus to the New Zealand environment.
- Embarked on major digital roll out with significant investment in digital technology.
- The first to launch world-leading audience engagement digital signage EXCITE in New Zealand.
- Launched Evoke large format digital atrium banners, with full motion capability.
- Expanded oOh!media's Retail footprint to 29 shopping centres giving the broadest national retail coverage of any Out Of Home operator in New Zealand.
- Renewed major contracts with shopping centre groups including AMP, Kiwi Properties, Tinline and Talavera.

Strategic focus

The New Zealand retail spending environment experienced a robust performance during 2015.

The investment in product expansion and enablement for New Zealand, which saw significant investment in rolling out digital technologies, places the New Zealand division in a strong position to deliver future revenue growth.

Digitisation investment has seen an increase in revenue, with digital delivering 37.5% of all New Zealand revenue in CY2015, up 19% compared to the previous year.

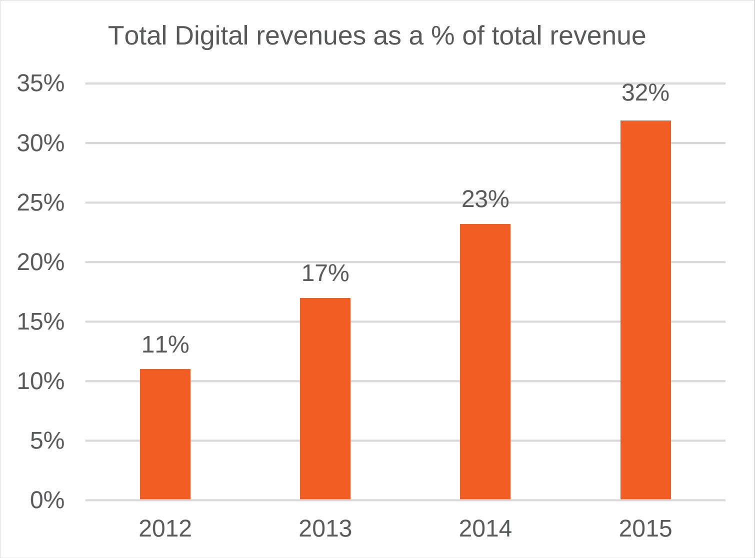
3. End to end digital strategy

oOh!media's end to end digital strategy extends beyond converting static signs to digital or delivering new signs. oOh!media's strategy seeks to provide two way interactions between brands and people through leading edge technologies that integrate physical assets with mobile, online and social channels and other interactive digital capabilities.

***oOh!media* is a location-based new media business delivering innovation for advertisers**

The strategy is built around:

- Progressively digitising the existing asset base, with a focus on converting signs in premium locations;
- Leveraging digital capabilities such as interactivity to deliver better audience engagement;
- Linking physical screens to mobile, online and social environments;
- Leveraging data and insights opportunities for better audience targeting, measurement and ROI; and
- Continuing to invest in talent and leadership including the new senior role of Digital Strategy Director.



In 2015, oOh!media achieved major milestones in its digital evolution. Digitisation of assets naturally allows an increase in the number of campaigns per sign. With our creative and technological expertise, oOh!media has also created new ways for advertisers to engage with audiences in ways other media formats cannot.

This increase has resulted in our digital revenues contributing 31.9% of all revenue in 2015, and targeting 45-50% of total revenue over the next few years. The execution of the digital strategy will continue to evolve as new technologies come to light, and will continue to be a catalyst for growth into the future.

Increasing the asset base

oOh!media's focus on delivering our digital strategy resulted in ending the year with over 300% more digital screens than at the end of 2014.

The Inlink acquisition was a key contributor to this growth, giving us access to 833 locations including the highly lucrative CBD office environment for our Place operating division.

oOh!media's capital expenditure program to convert premium roadside static billboards to first class digital signs complemented this growth. In 2015, a total of 17 digital roadside billboards were installed, tripling our roadside digital inventory. This included Australia's largest full motion digital billboard, 'The Bourke', in Melbourne's Bourke Street Mall.

The Retail division converted or installed over 900 digital screens, and launched the EVOKE screens, with 25 completed during the year. The EVOKE screens provide large format presence in high traffic locations within the major shopping centres.

Fly and Place digital inventory also grew, with almost 3,500 new digital screens being installed across major centres in Australia and New Zealand, and with more than 200 new digital screens being added to our Fly network.

Leveraging digital capabilities to enhance audience engagement

oOh!media launched a number of innovative products in 2015, including its EXCITE screen for its Retail division and Collect and Connect TV for its Fly division.

The oOh!media EXCITE retail product is a world-first in Out Of Home engagement and is at the forefront of interactive retail technology. The screen includes multi-touch screens, kinetic 2.0 gesture control, voice recognition technology, high definition biometrics technology and audio, developed specifically to promote greater and more engaging interaction.

oOh!media's Connect and Collect TV leverages its digital advertising network across the Fly environment. The product enables advertisers to run 15 to 60 second advertising spots on screens at airport baggage carousels across Sydney, Melbourne, Brisbane and Perth. Collect and Connect TV will reach more than 70% of flyers within the national Qantas network and more than 75% of selected multi-airline terminals. That is an estimated 3.7 million flyers in stand-by high dwell time environments.

Case Study: oOh!media sets the benchmark for consumer engagement with latest technology

Twenty-five interactive EXCITE screens, the latest oOh!media technology and an exciting evolution in the Out Of Home sector worldwide, were used by Village Roadshow to promote its new release, *Pan*.

The EXCITE screens were strategically placed in high traffic spots that had a wide berth for interactivity and crowd viewing and long dwell time, such as the food courts in Australia's top shopping centres.

Shoppers were encouraged to help Peter Pan find Neverland by joining a touch to play game on screens. They were also able to enter their contact details to receive an electronic *Pan* colouring-in book, which further promoted the film release.

A two week campaign saw more than 35,000 interactive EXCITE sessions, calculated at one interaction on average every 4 minutes and 45 seconds. On top of this, there were 5 times as many "halo viewers" observing the activity.

Linking physical screens to mobile, online and social environments

oOh!media continued its focus on extending the engagement between the advertiser and consumer beyond the screen through products and campaign solutions that incorporate mobile, online and social environments.

Case Study: oOh!media's digital screens score well with cricket fans

Utilising the latest in technology, oOh!media developed an interactive campaign to drive awareness and community involvement in the KFC T20 Big Bash League (BBL) through its large format and retail inventory that integrate with mobile devices.

The Cricket Australia campaign took the basic traditional form of digital, moving it into a self-generating content platform which engaged audience beyond just aesthetics.

The campaign enabled consumers to see the creative on the digital screen and then interact with the creative to receive match fixture dates about their favourite BBL team direct into their phone's calendar.

The digital screens ran targeted content promoting the BBL, the calendar application and updates from each capital city's Instagram feeds to generate further content and Twitter following. The BBL content, shown live on oOh!media's digital screens in six markets, was amplified across BBL teams' Instagram, Facebook and Twitter accounts.

Within two weeks, the campaign generated more than 2,000 interactions in just one location alone.

oOh!media now has four owned online environments designed specifically to integrate its physical assets through created and linked content.

In 2015, oOh!media launched its latest content platform. ShortPress is the world's first integrated online and digital Out Of Home content platform dedicated to supporting Australia's two million small businesses published to a mobile-first website. This directly complements and operates in conjunction with oOh!media's Café network of digital screens in high traffic cafés in major capital cities. It has also worked with advertisers to extend their Out Of Home expenditure to incorporate a linked online presence.

Leveraging data and insights

Data capabilities are rapidly developing and are an increasingly important feature of Out Of Home. Consumer data and analytics, when linked with the geo-specific nature oOh!media's signs, allows advertisers to target audiences in the right place, at the right time, to further drive the value of inventory and give advertisers greater campaign impact.

Through oOh!media's investment in the industry developed MOVE, oOh!media's own proprietary research and access to other data sources, the Company has been able to provide advertisers with more insightful campaign solutions.

The combination of these data sources and the associated analytics and insights has allowed oOh!media to be in the unique position to ensure its advertisers better optimise their investments with oOh!media's assets by improving how they plan and measure their Out Of Home activity, thereby improving their ROI.

4. Inspirational leadership

***oOh!media* is building strong people capability to lead long term growth**

oOh!media believes that investing in its people will promote a team that continues to be proud of leading the market in capability and engagement, providing greater returns in the short and long term.

For oOh!media to be a leader in Out Of Home and the wider media industry, oOh!media has focused on developing its senior leaders, ensuring they were not just effective experts in the Out Of Home industry, but inspirational leaders.

In 2015, oOh!media has made a significant investment in leadership development as part of our three-year LEAD (Leadership Development) Program.

We also launched programs targeted at building our pipeline of women in leadership roles. Women make up 48% of our workforce. Over the second half of 2015, the number of female leaders in the business has increased from 28% to 32%.

By including a strong market and customer focused lens in to our program we are building capability aligned to our long term strategy. This is supported by the Company's talent and succession planning processes which take both an internal and external view of the people and capabilities required to meet the strategy.

Aligned to its strategic plan, the Company appointed four senior roles – a Chief Marketing Officer, a Digital Strategy Director, a new Country Manager for New Zealand and a new General Counsel – to meet not only the immediate, but future needs of the Company.

Through focusing on building a diverse workforce, including identifying leaders who bring different experiences to oOh!media, we are increasing our ability to drive innovative thinking and ideas through the business.

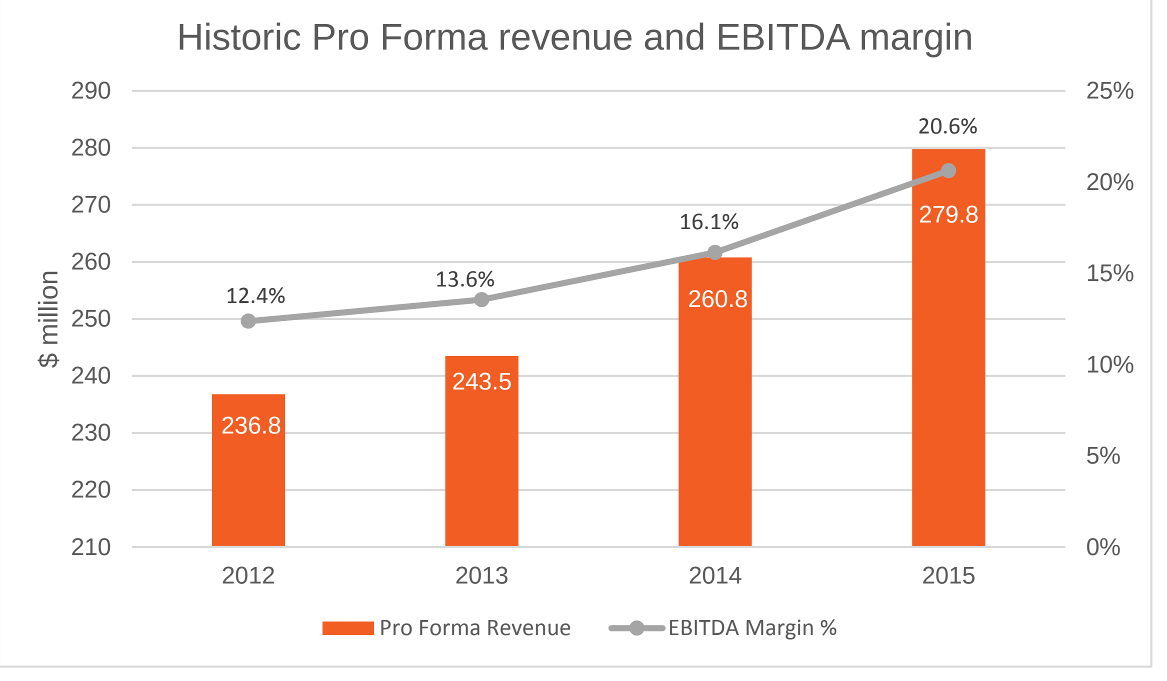
5. Creating value

***oOh!media* has generated significant returns for stakeholders**

oOh!media's strategy is directed towards building long-term sustainable returns and creating value for all of our stakeholders.

The Company has delivered a consistent track record of growth, with 11 years of consecutive revenue growth between CY2004 and CY2015.

oOh!media continues to benefit from operating leverage with ongoing margin expansion. In 2015 our EBITDA margin improved to 20.6% on a Pro Forma basis, an increase of 4.5 percentage points over CY2014. oOh!media's EBITDA performance in 2015 reflected the continuing scale benefits from revenue growth including the gross profit efficiency generated by the increasing mix of high performing static and digital assets and revenue. The EBITDA compounded annual growth rate since CY2012 is 25%.



Revenue opportunities will continue to arise as a result of digitisation, the adoption of digital technologies, and from audience growth.

oOh!media has a strong balance sheet for growth, and will continue to identify strategic site and business acquisitions to build business capability and access new audiences.

oOh!media has a history of expanding through acquisition and integration of strategic bolt-on acquisitions. This continued in 2015, with the Company acquiring strategic static and digital opportunities that presented synergies and opportunity for revenue and margin growth, including:

- 42 screens from Independent Outdoor Media;
- 27 static signs across metro and regional South Australia from Fox Media;
- the minority shareholding in the oOh!media Café business to now be a fully owned subsidiary of the Group; and
- the Inlink acquisition in late 2015, improving our demographic and geographic reach across metro Australia.

Financial review

oOh!media delivered strong financial results for the financial year ended 31 December 2015 compared to CY2014 and to CY2015 Prospectus forecast on both a Statutory (IFRS) and Pro Forma basis.

Given oOh!media listed in December 2014, comparisons both to the previous financial year and to the forecast contained in the Prospectus are provided on both a Statutory (IFRS) and Pro Forma basis in selected tables. The Directors believe that the Pro Forma presentation of results is a better indicator of underlying performance and differs from the statutory (IFRS) presentation.

The CY2015 Pro Forma results excludes non-recurring items relating to the acquisition of Inlink and reversals to the Profit or Loss Statement for stamp duty relating to the IPO completed in December 2014. The CY2014 Pro Forma results reflect the full year effect of the operating and capital structure that was put in place at the time of the IPO and excludes the costs of the IPO, one-off tax implications arising as a result of the IPO and other non-recurring items which are not expected to occur in the future. Table 6 shows the Pro Forma adjustments to Statutory (IFRS) results.

Table 1a: Summary Financial Information: Pro Forma CY2015[2] and CY2014

$'m	Pro Forma				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
Revenue	279.8	266.4	5.0%	260.8	7.3%
EBITDA (pre-impairment charge)	57.7	48.6	18.8%	42.1	37.1%
Net Profit After Tax (NPAT)	19.2	12.5	53.2%	(1.9)	1,108.0%
Adjusted NPAT[1]	28.5	22.2	28.5%	18.2	56.8%

Table 1b: Summary Financial Information: Statutory (IFRS) CY2015[2] and CY2014

$'m	Statutory (IFRS)				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
Revenue	279.8	266.4	5.0%	261.3	7.1%
EBITDA (pre-impairment charge)[3]	56.6	48.6	16.4%	35.9	57.6%
Net Profit After Tax (NPAT)	18.4	12.5	46.8%	(24.8)	174.0%
Adjusted NPAT[1, 3]	27.7	22.2	24.9%	(4.7)	690.2%

Notes to Tables 1a and 1b:

1. Adjusted NPAT is defined as Net Profit After Tax before acquired amortisation (after tax) and non-cash items such as impairments. The Directors believe Adjusted NPAT is an important measure of the underlying earnings of the business due to the number of acquisitions undertaken during historical periods which resulted in higher than normal amortisation, which represents a non-cash charge.
2. oOh!media's CY2015 financial performance includes the results of the recently acquired Inlink which was completed on 11 December 2015. Inlink's results are immaterial to oOh!media's CY2015 financial performance.
3. EBITDA and adjusted NPAT are non-IFRS financial measures, however these are calculated using the statutory IFRS numbers.

CY2015 Pro Forma revenue of $279.8 million was 7.3% above the prior period result of $260.8 million and 5.0% above the Prospectus forecast of $266.4 million. CY2015 Statutory (IFRS) revenue of $279.8 million was 7.1% above the prior period result of $261.3 million and 5.0% above Prospectus forecast of $266.4 million.

CY2015 Pro Forma EBITDA of $57.7 million was 37.1% above the prior period result of $42.1 million and 18.8% above the Prospectus forecast. CY2015 Statutory (IFRS) EBITDA was 57.6% higher than the prior period and 16.4% higher than Prospectus forecast.

Pro Forma adjusted NPAT of $28.5 million was 56.8% above the prior period result of $18.2 million and 28.5% above the Prospectus forecast. Statutory (IFRS) adjusted NPAT of $27.7 million was 24.9% above Prospectus forecast and significantly above the prior period loss of $4.7 million.

Table 2: Summary of digital and static metrics

$'m	Pro Forma				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
Revenue growth	7.3%	3.2%	127.8%	7.1%	2.6%
Digital revenue growth	47.6%	40.4%	17.7%	46.8%	1.6%
Digital media revenue as a % of total revenue	31.9%	29.9%	6.6%	23.2%	37.4%

oOh!media's digital strategy continues to be a major driver of revenue growth. Table 2 highlights the key measures indicating the progress of oOh!media's comprehensive digital strategy.

Digital revenue growth continued to accelerate achieving strong year on year growth of 47.6% compared to the Prospectus forecast of 40.4% and a prior year figure of 46.8%. Digital media revenue as a per cent of total revenue for the CY2015 period increased to 31.9% from 23.2%, an increase of 37.4% and exceeding the Prospectus forecast of 29.9%. Static revenues did decline over the prior year, however this was a result of the conversion of static signs to digital which reduced the number of sign during the year. The underlying performance of the core static asset base remained robust under both rate and occupancy measures.

Divisional performance

Table 3: Revenue by division: Pro Forma CY2015 and CY2014

$'m	Pro Forma				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
Road	110.9	108.3	2.4%	102.3	8.4%
Retail	99.0	87.1	13.7%	89.1	11.2%
Fly	54.5	52.9	3.0%	50.9	7.1%
Place	9.8	11.5	(15.2%)	8.8	11.4%
Australia	**274.2**	**259.8**	**5.6%**	**251.1**	**9.2%**
New Zealand	5.6	6.6	(15.4%)	9.7	(42.4%)
Total revenue	**279.8**	**266.4**	**5.0%**	**260.8**	**7.3%**

Table 3 outlines revenue growth by operating division indicating all areas contributed to the increase in revenue over CY2014 with the exception of New Zealand which was as a result of the completion of the Auckland Airport contract in October 2014. CY2014 Pro Forma revenue included revenue for contracts that did not contribute revenue for all or part of CY2015, this includes contracts in Retail, Road and Fly; when comparing to market growth these would need to be taken into consideration.

CY2015 represented robust revenue growth as advertisers continued to direct advertising spend to Out Of Home away from other media. This is due to the continued reliability of Out Of Home audiences and the conversion of assets to digital. In addition to increased capacity to display advertising at key locations, digitisation also allows new creative content capability, time sensitive advertising and increased levels of engagement.

Road

The Road division exceeded expectations, over achieving versus the Prospectus forecast by 2.4% on a Pro Forma basis. Against CY2014, Pro Forma revenue increased 8.4%, primarily as a result of campaigns leveraging the additional landmark digital signs constructed during the year.

Retail

Against CY2014, Retail revenue grew 11.2% on a Pro Forma basis reflecting the continuing growth and rollout of digital signage assets across oOh!media's national retail network including the launch of the EVOKE large format digital atrium banners and EXCITE interactive touch screens. Pro Forma revenue exceeded the Prospectus forecast by 13.7% as a result of rate and occupancy performance, particularly on the new digital assets.

Fly

The Fly division achieved a 7.1% increase over CY2014 on a Pro Forma basis and 3.0% above the Prospectus forecast, as the establishment of the national Qantas Lounges business and national digital network continued to attract key clients with marquee branding campaigns to airport environments.

Place

The Place division achieved revenue growth over the prior period of 11.4% on a Pro Forma basis. Growth occurred uniformly across the café, university, sport and venue environments and was supported by the strong performance of the Hijacked university social media product and the introduction of the ShortPress media platform into the café and venue environments.

The Place division includes the results of the recently acquired Inlink, which completed on 11 December 2015. Inlink's post completion results are immaterial to oOh!media's CY2015 financial performance.

New Zealand

New Zealand revenue ended the year 42.4% lower than CY2014 on a Pro Forma basis, as a result of the Auckland Airport contract expiring in October 2014. New Zealand was down on the Prospectus forecast as the business went through the process of restructuring and re-investing in retail environments with a significant investment in digital technology across its retail shopping centre network including the launch of the EXCITE multi-touch interactive screen and EVOKE large format digital atrium banners. This investment was only completed towards the end of CY2015 and is immaterial to the 2015 performance.

These assets will contribute to revenue growth in CY2016.

Profitability discussion

The CY2015 financial performance highlights oOh!media's operating leverage and strong business focus on converting revenue to profit.

Table 4: Profile of direct and operating expenses: Pro Forma CY2015 and CY2014

$'m	Pro Forma				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
Revenue	279.8	266.4	5.0%	260.8	7.3%
Cost of media sites and production	(168.6)	(171.7)	1.8%	(172.9)	2.5%
Gross profit	**111.2**	**94.7**	**17.4%**	**88.0**	**26.4%**
Gross profit margin %	*39.7%*	*35.5%*	*11.8%*	*33.7%*	*17.8%*
Employee benefit expense	(39.1)	(33.9)	(15.2%)	(32.4)	(20.5%)
Other operating expenses	(14.4)	(12.2)	(18.2%)	(13.4)	(7.5%)
Total operating expenditure	**(53.5)**	**(46.1)**	**(16.0%)**	**(45.8)**	**(16.7%)**
EBITDA (pre-impairment charge)	**57.7**	**48.6**	**18.8%**	**42.1**	**37.1%**
EBITDA margin %	*20.6%*	*18.2%*	*13.1%*	*16.1%*	*27.8%*

oOh!media's EBITDA performance reflected revenue growth and effective leveraging of the operating structure. CY2015 Pro Forma revenue grew by 7.3% which was 5.0% above the Prospectus forecast. At the same time the EBITDA margin improved to 20.6% on a Pro Forma basis, an increase of 4.5 percentage points over CY2014.

The cost of media sites and production in CY2015 ended below last year and the Prospectus forecast with the non-renewal of a number of contracts while still generating overall revenue growth.

Employee expense in CY2015 ended above the Prospectus forecast as a result of increased incentive payments in line with the favourable underlying financial performance and additional investment in roles to support oOh!media's strategic focus.

The increase in other operating expenses was primarily a result of investment in information technology infrastructure, marketing and client facing activities to support oOh!media's growth strategies.

Table 5: Other costs: Pro Forma CY2015 and CY2014

$'m	Pro Forma				
	CY 2015			CY 2014	
	Actual	Prospectus	Change %	Actual	Change %
EBITDA (pre-impairment charge)	**57.7**	**48.6**	**18.8%**	**42.1**	**37.1%**
Depreciation	(12.9)	(14.2)	9.3%	(13.5)	4.2%
EBITA (pre-impairment charge)	**44.8**	**34.4**	**30.3%**	**28.7**	**56.4%**
Amortisation	(9.4)	(9.7)	3.3%	(8.9)	(5.0%)
EBIT	**35.5**	**24.7**	**43.5%**	**19.7**	**79.8%**
Net finance costs	(3.6)	(4.1)	11.5%	(3.8)	4.5%
Share of NPAT from associates	(0.1)	0.4	(122.4%)	0.3	(129.9%)
Impairment charge	0.0	0.0	0.0%	(11.1)	100.0%
Profit / (loss) before tax	**31.7**	**21.0**	**51.1%**	**5.1**	**519.8%**
Income tax (expense) / benefit	(12.6)	(8.5)	-48.1%	(7.0)	(79.8%)
Profit / (loss) after tax	**19.2**	**12.5**	**53.2%**	**(1.9)**	**1,108.0%**
Add: Amortisation	9.4	9.7	3.3%	8.9	(5.0%)
Add: Impairment Charge	0.0	0.0	0.0%	11.1	100.0%
Adjusted NPAT	**28.5**	**22.2**	**28.5%**	**18.2**	**56.8%**

Notes to Table 5:

1. Net finance costs as presented on Table 5 are the net costs to the business for interest expense on debt, cash and cash equivalent facilities. Net finance costs as presented on Table 6 is the reconciling difference between the amounts presented in the Statutory (IFRS) and Pro Forma results.

Table 5 highlights additional information on the key drivers of costs below EBITDA that have had an impact on Pro Forma NPAT and adjusted NPAT. These items are discussed below.

Depreciation

Depreciation was $12.9 million for CY2015, a decrease of $0.6 million and $1.3 million over the prior year and the Prospectus forecast, respectively. The main driver of the reduced cost to prior year was the impairment of static assets in CY2014. Depreciation was below Prospectus forecast due to the timing of asset construction versus plan.

Amortisation

Amortisation was $9.4 million for CY2015, marginally below the Prospectus forecast and a $0.5 million increase over CY2014. The higher amortisation in CY2015 is a result of intangible assets associated with acquisitions completed late in CY2014 and early CY2015.

Net finance costs

Pro Forma net finance costs were $3.6 million for CY2015, a decrease of $0.2 million over CY2014 and $0.5 million lower than the Prospectus forecast. The decrease versus Prospectus forecast and prior year reflect lower average utilisation of the bank facility throughout the year due to higher cash levels generated from operating results.

Share of NPAT of associates

Share of NPAT from associates was a loss of $0.1 million compared to a profit of $0.3 million in CY2014 and the Prospectus forecast of $0.4 million. The lower share of profit was a result of underlying revenue being lower than expected as a non-recurring contract in CY2014 was not replaced in CY2015 in one of the associate businesses.

Impairment charge

There were no impairments recorded in CY2015. The impairment charge in CY2014 of $11.1 million, included $4.6 million of goodwill and Intangibles in New Zealand that were deemed to have been impaired due to the end of a related contract and $6.5 million in Australia in relation to Plant and Equipment.

Income Tax Expense

Pro Forma income tax expense of $12.6 million was $4.1 million higher than the Prospectus forecast as a result of higher pre-tax profits. Income tax expense was $5.6 million higher than prior year due to increased taxable income.

Table 6: Pro Forma adjustments to statutory (IFRS) results for CY2015 and CY2014 revenue and NPAT

$'m	CY2015 Actual	CY2014 Actual
Statutory revenue	**279.8**	**261.3**
Discontinued operations	0.0	(0.5)
Pro Forma revenue	**279.8**	**260.8**
Statutory NPAT	**18.4**	**(24.8)**
Discontinued operations	0.0	0.1
IPO transaction costs	(0.7)	3.3
Transaction costs related to acquisitions	1.8	0.0
Listed public company costs	0.0	(1.1)
Net finance costs	0.0	22.1
Legacy Management Equity Plan	0.0	3.9
Prior period tax asset write-off	0.0	1.9
Income tax impact	(0.3)	(7.4)
Pro Forma NPAT	**19.2**	**(1.9)**

Table 6 provides a reconciliation of movements from Statutory (IFRS) to Pro Forma results for revenue and NPAT.

The objective of the adjustments are to restate the CY2015 Statutory (IFRS) results to remove the one-time impact of acquisition costs and IPO related stamp duty costs, and to restate the CY2014 Statutory (IFRS) results as if the operating and capital structure following the IPO in December 2014 had been in place from the beginning of the financial year and also to remove the effect of one-off costs associated with the business preparing and transitioning to a publicly listed entity.

In CY2014 one-off costs included transaction costs and shareholder fees, and costs to close out the pre-existing MEP. Listed public company costs and net finance costs represent cost adjustments associated with restating the Statutory (IFRS) results as if the operating and capital structure has been in place from the beginning of CY2014.

Review of Financial Position

Table 7 compares the balance sheet Statutory (IFRS) financial position as at 31 December 2015 with 31 December 2014.

The financial position as at 31 December 2015 reflects both the impact of further deleveraging during the year and the acquisition of Inlink which completed on 11 December 2015. At 31 December 2015 the Net Assets of the oOh!media Group were $254.9 million, an increase of $13.3 million over 31 December 2014.

From the period 31 December 2014 to 31 December 2015 net debt increased from $61.7 million to $86.3 million, with oOh!media's net debt to EBITDA ratio position remaining stable at 1.5x. This was a result of positive trading cash flows being offset by a number of acquisitions, the most significant of which was Inlink, which were all debt funded.

Table 7: Statement of financial position: Statutory (IFRS) CY2015 and CY2014

$'m	Statutory 31-Dec-15	Statutory 31-Dec-14
Cash and cash equivalents	18.5	20.2
Other current assets	66.7	65.6
Total current assets	**85.2**	**85.8**
Other non-current assets	90.3	72.5
Intangible assets and goodwill	255.5	217.6
Total non-current assets	**345.8**	**290.1**
Total assets	**431.1**	**375.9**
Loans & Borrowings	0.1	0.2
Other current liabilities	55.6	37.7
Total current liabilities	**55.7**	**37.9**
Loans & Borrowings	104.7	81.7
Other non-current liabilities	15.6	14.8
Total non-current liabilities	**120.4**	**96.4**
Total liabilities	**176.1**	**134.3**
Net assets	**254.9**	**241.6**
Share capital	283.6	283.6
Reserves	25.4	24.6
Accumulated losses	(52.6)	(66.4)
Non-controlling interest	(1.5)	(0.1)
Total equity	**254.9**	**241.6**

The increase in Other non-current assets was primarily a result of the capital expenditure on conversion of Road and Retail static signs to digital formats. Intangible assets and goodwill increased as a result of the Inlink acquisition.

The increase in Other current liabilities was a result of increases in annual group incentive and income tax liability provisioning over the prior year which were in line with the 2015 operating performance. Loans and borrowings increased due to cash payments for acquisitions, primarily Inlink which was completed on 11 December 2015.

Table 8: Net indebtedness and credit metrics: Statutory (IFRS) CY2015 and CY2014

$'m	Statutory 31-Dec-15	Statutory 31-Dec-14
Borrowings (including current portion)	104.9	81.9
Cash and cash equivalents	(18.5)	(20.2)
Net total indebtedness	**86.3**	**61.7**
Net debt / Pro forma EBITDA	1.5x	1.5x
Pro forma EBITDA / net finance costs	15.9x	11.0x

Table 8 presents the components of net indebtedness at 31 December 2014 and for comparative purposes as at 31 December 2015. Net total indebtedness ended the CY2015 period at $86.3 million or $24.6 million higher than the 31 December 2014 position. The increase in net indebtedness was a result of the acquisition of Inlink offset by the cash flow generated by operations.

Table 9: Statement of cash flows Pro Forma CY2015 and CY2014

$'m	Pro Forma		
	CY2015 Actual	CY2015 Prospectus	CY2014 Actual
EBITDA (pre-impairment charge)	57.7	48.6	42.1
Non-cash items in EBITDA	(0.0)	(2.0)	1.9
Changes in working capital	1.9	(3.9)	(3.2)
Cash received from equity-accounted investees	0.0	0.4	0.0
Free cash flow	**59.6**	**43.1**	**40.8**
Payments for acquisitions	(48.8)	(1.1)	(7.5)
Concession development advances	3.1	0.0	0.0
Maintenance capital expenditure	(1.7)	(3.6)	(3.1)
Growth capital expenditure	(26.2)	(26.7)	(9.3)
Capital expenditure	**(27.9)**	**(30.3)**	**(12.3)**
Net cash flow before financing and taxation	**(14.1)**	**11.7**	**21.0**
Tax paid	(1.1)	(3.4)	(0.4)
Interest and other costs paid on borrowing	(3.1)	(3.9)	(3.9)
Repayment of bank borrowings	(69.5)	0.0	0.0
Net proceeds from banking facility	92.5	0.0	0.0
Proceeds from issue of shares	0.0	0.0	0.2
Repayment of finance leases	(0.2)	0.0	(0.2)
Net cash flow before dividend	**4.6**	**4.4**	**16.7**
Payment of dividends	(4.2)	(2.9)	0.0
Net cash flow	**0.4**	**1.5**	**16.7**
Free cash flow conversion	103%	89%	97%

Free cash flow for CY2015 of $59.6 million exceeded the prior year by $18.8 million or 46% and exceeded the Prospectus forecast by $16.5 million or 38.2%, reflecting the underlying EBITDA performance and favourable movements in working capital balances.

Net cash flow before financing and taxation ended the CY2015 period $25.8 million below the Prospectus forecast and $35.1 million below CY2014. The decrease was a result of debt funded acquisition payments in 2015. Excluding payments for acquisitions, net cash flow before financing and taxation ended the CY2015 period $22 million or 171% ahead of the Prospectus forecast and $6.2 million or 22% ahead of CY2014.

Excluding the payments for acquisitions, the strong performance of net cash flow before financing and taxation reflected the underlying EBITDA performance. Capital expenditures ended the CY2015 period lower than the Prospectus forecast, primarily due to the timing of asset rollouts and lower than expected capital costs on growth projects. Capital expenditure increased $15.6 million over CY2014 as a result of increased activity around digital asset rollouts particularly in the large format Road and Retail divisions.

Free cash flow conversion increased to 103% as a result of favourable working capital balance movements.

Directors' Report

The Directors of oOh!media Limited present their report together with the consolidated financial statements of the consolidated entity (the Group or oOh!media) consisting of oOh!media Limited (the Company) and the entities it controlled at the end of, or during, the year ended 31 December 2015 and the auditor's report thereon.

The Directors and Company Secretaries who held office at any time during or since the end of the financial year ended 31 December 2015 are as follows:

Directors

Michael Anderson

Chairman and Independent Non-executive Director

Brendon Cook

Chief Executive Officer and Managing Director

Tony Faure

Independent Non-executive Director

Debra Goodin

Independent Non-executive Director

Geoffrey Wild AM

Non-executive Director

Darren Smorgon

Non-executive Director

Patrick Rodden

Alternate Non-executive Director for Darren Smorgon

Company Secretaries

Michael Egan (7 October 2014 – 31 August 2015)

Katrina Eastoe (appointed 1 September 2015)

The qualifications, experience and further details relating to each of the Directors and Company Secretary are included on page 33.

Directors' meetings

The number of Directors' meetings (including Board and Committees meetings) and the number of meetings attended by each Director during the financial year are shown below. The number of meetings held refers to the number of meetings held while the Director was a member of the Board or Committee.

Name of Director	Board meeting		Audit, Risk and Compliance Committee		Remuneration and Nomination Committee	
	Held	Attended	Held	Attended	Held	Attended
Michael Anderson	13	13	10	10	7	7
Brendon Cook	13	13	-	-	-	-
Tony Faure	13	12	-	-	7	7
Debra Goodin	13	13	10	10	-	-
Geoffrey Wild AM	13	13	-	-	7	6
Darren Smorgon	13	13	10	10	-	-
Patrick Rodden	8	-	-	-	-	-

Directors' interests in shares, rights and options of the Company

The relevant interests of each Director in the equity of the Company and related bodies corporate as at the date of this Directors' Report are disclosed in the Remuneration Report.

Corporate structure

oOh!media Limited is a company limited by shares that is incorporated and domiciled in Australia.

Principal activities

oOh!media Limited is Australia's targets reaching Out Of Home media company. The Group's principal activities include outdoor media, production and advertising in Australia and New Zealand. oOh!media provides advertisers with access to one of the largest and most diverse Out Of Home audiences across its national portfolio of Out Of Home advertising spaces throughout Australia and New Zealand, including:

- Large format roadside traditional and digital billboards (Road);
- Sites located in retail precincts such as shopping centres (Retail);
- Sites in airport terminals and lounges (Fly); and
- Sites in high dwell time environments such as office buildings, cafés, pubs, universities, fitness and sporting centres (Place).

Significant changes in the state of affairs.

There has been no significant changes in the state of affairs of the Group in the period.

Operating and Financial Review

The consolidated profit attributable to owners of the parent entity for the financial year ended 31 December 2015 was $18,394,000 (2014: loss of $24,787,000). A review of operations and results of the Group for the year ended 31 December 2015 are set out in the Operating and Financial Review, which forms part of the Annual Financial Report.

Matters subsequent to reporting date

Subsequent to the end of the reporting period, the Group has secured an agreement for an additional $50 million banking facility to the existing $140 million facility. The additional $50 million will be available for capex expansion and will allow headroom for further acquisitions. Apart from the dividend declared as discussed in this report and the additional facility arrangement, no other matter or circumstance at the date of this report has arisen since 31 December 2015 that has significantly affected or may affect:

- The operations of the Group;
- The results of those operations in future financial years; or
- The Group's state of affairs in the future financial years.

Likely developments and expected results

The Group's prospects and strategic direction are discussed in the Operating and Financial Review section of the Annual Financial Report.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years, has not been included in this report because disclosure of the information would be likely to result in prejudice to the Group.

Shares issued and exercise of options

There were no ordinary shares of oOh!media Limited issued on the exercise of options or performance rights during the year ended 31 December 2015 and up to the date of this report. Further information can be found in the Remuneration Report which forms part of the Directors' Report.

Shareholder returns

	2015	2014
Profit/(loss) attributed to owners of the Company ($'000)	18,394	(24,787)
Basic EPS (cents)	12.0	(37.0)
Dividends ($'000) - Interim paid and final declared subsequent to the reporting period	14,239	-
Dividends per share (cents)	9.5	-
Change in share price - closing at balance date ($)	4.72	2.00

Net profit amounts have been calculated in accordance with the Australian Accounting Standards (AASBs). Dividends for 2015 were fully franked and it is expected that dividends in future years will continue to be fully franked.

Dividends

A fully franked interim dividend of 2.8 cents per ordinary share amounting to $4,196,711 in respect to the half year ended 30 June 2015 (30 June 2014: Nil) was paid on 23 September 2015 to shareholders on the Register as at 2 September 2015.

Since the end of the financial year, the Board has declared a fully franked final dividend of 6.7 cents per ordinary share amounting to $10,042,130 in respect of the year ended 31 December 2015 (31 December 2014: Nil). This dividend is payable on 22 March 2016.

The financial effect of this dividend has not been brought to account in the consolidated financial statements for the year ended 31 December 2015 and will be recognised in the subsequent financial reports.

No dividends were paid to members or determined by the Company in respect to the previous year ended 31 December 2014.

Indemnification and insurance of Directors and Officers

The Company, to the extent permitted by law, indemnifies each Director, alternate Director and Executive Officer of the Company on a full indemnity basis and to the full extent permitted by law against all losses, liability, costs, charges and expenses incurred by that person as an officer of the Company or one of its related bodies corporate.

The Company, to the extent permitted by law, may purchase and maintain insurance, or pay, or agree to pay, a premium for insurance for each Director, alternate Director and Executive Officer of the Company against any liability incurred by that person as an officer of the Company or its related bodies corporate, including a liability for negligence or for reasonable costs and expenses incurred in defending or responding to proceedings whether civil or criminal and whatever their outcome.

The Company may enter into contracts with a Director or former Director agreeing to provide continuing access to Board papers, books, records and documents of the Company which relate to the period during which the Director or former Director was a Director. The Company may arrange that its related bodies corporate provide similar access to Board papers, books, records or documents.

Insurance premiums

The Company has paid insurance premiums in respect of Directors' and Officers' liability insurance for the year ended 31 December 2015 and since the end of the financial year. Such insurance contracts insure against certain liability (subject to specific exclusions), persons who are or have been Directors, alternate Directors or Executive Officers of the Company or in that capacity to the extent allowed by the *Corporations Act 2001 (Cth).* The terms of the policies prohibit disclosure of the details of the liability and the premium paid.

Environmental regulation

The Directors recognise the importance of environmental and occupational health and safety issues. The Directors are committed to compliance with all relevant laws and regulations to ensure the protection of the environment, the community and the health and safety of employees. The operations of the Group are not subject to any particular or significant environmental regulation under the law of the Commonwealth of Australia, or any of its states or territories, or New Zealand.

Non-audit services

During the year, KPMG, the Company's auditor, has performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the year by the auditor, and in accordance with the advice received from the Audit Risk and Compliance Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001 (Cth)* for the following reasons:

- All non-audit services are subject to corporate governance procedures adopted by the Group and have been reviewed by those charged with the governance of the Group throughout the year to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to audit independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in management or decision making capacity for the Group, acting as an advocate to the Group or jointly sharing the risks and rewards.

Details on the audit and non-audit service fees paid or payable to the Company's auditor during the year are disclosed below:

	2015 $	2014 $
Audit and assurance services		
KPMG Australia		
Audit and review of financial statements	371,350	334,000
Other regulatory audit services	-	-
Total audit and assurance services	**371,350**	**334,000**
Other services		
KPMG Australia		
IPO-related transaction services	-	1,544,000
Taxation compliance and advisory services	84,530	62,000
Acquisition-related services	220,965	-
Other services	119,100	23,000
Total other services	**424,595**	**1,629,000**
Total auditors' remuneration	**795,945**	**1,963,000**

Proceedings on behalf of the Company

No proceedings have been brought on behalf of the Group, nor have any applications been made in respect of the Group under section 237 of the *Corporations Act 2001 (Cth).*

Audited Remuneration Report

The Remuneration Report is attached and forms part of this Directors' Report for the financial year ended 31 December 2015.

Auditor's Independence Declaration

The lead Auditor's Independence Declaration is set out on page 50 and forms part of the Directors' Report for the financial year ended 31 December 2015.

Rounding of amounts

The Company is a kind referred to in ASIC Class Order 98/100 dated 10 July 1998, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with the Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

The Directors' Report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001 (Cth).*

Signed on behalf of the Directors.

Michael Anderson

Chairman

22 February 2016

Board of Directors

Name	**Michael Anderson**
Title	Chairman and Independent Non-executive Director
Experience expertise and qualifications	Michael has more than 25 years' experience in the media industry including as Chief Executive Officer of Austereo Limited. Michael began at Austereo in sales in 1990 and moved through various senior executive roles before becoming CEO in 2003 to 2010. As CEO, Michael demonstrated strong leadership and strategic skills successfully transitioning Austereo to a Digital Broadcaster, maintaining market leadership and establishing leadership across all metrics. Michael has further enhanced his breadth of exposure to the media industry in the last five years through his current directorships.
Other current directorships	Non-executive Director of Fairfax Media (since 2 September 2010) and Non-executive Chairman of Oztam Pty Limited (since 24 February 2011).
Former directorships (last 3 years)	Nil
Special responsibilities	Chair of Board of Directors, Chair of Remuneration and Nomination Committee and Member of Audit, Risk and Compliance Committee.
Appointed to oOh!media Limited	7 October 2014
Appointed to the oOh!media Group	25 July 2013

Name	**Brendon Cook**
Title	Chief Executive Officer and Managing Director
Experience, expertise and qualifications	Brendon founded oOh!media in 1989. With over 36 years' experience in outdoor advertising, Brendon has been at the forefront of the Out Of Home advertising business in Australia and New Zealand, creating a multi-award winning company and being actively involved in pioneering the industry's move into digital. Under Brendon's leadership, the business has delivered strong growth through strategic acquisitions, organic growth, and the development and introduction of several new environments to capitalise on the growth in digital and people's increasing habits away from home. Brendon is a founding and current board member of the Outdoor Media Association and was instrumental in the development of the MOVE (Measurement of Outdoor Visibility and Exposure) project, a system that allowed for improved accuracy in reporting measurable outcomes to clients using Out Of Home media. Brendon is the International Vice President of the Federation European Publicite Exterieur (FEPE) a Global Out Of Home industry body, the first Australian to sit on the Board in the organization's 50 year history.
Other current directorships	International Vice President of FEPE, Non-executive Director Outdoor Media Association Limited (Since 27 November 2003), Non-executive Director of Measurement of Outdoor Visibility and Exposure (MOVE) Pty Ltd (since 22 February 2007).
Former directorships (last 3 years)	Nil
Special responsibilities	Nil
Appointed to oOh!media Limited	7 October 2014
Appointed to the oOh!media Group	Founder of oOh!media 1989

Name	Tony Faure
Title	Independent Non-executive Director
Experience expertise and qualifications	Tony has deep experience in traditional and digital media and marketing, having run both small and large companies. Tony is passionate about ideas that use technology to push limits and create new experiences for consumers. Tony has held the positions of Chief Executive Officer of ninemsn, Chief Executive Officer and Founder of HomeScreen Entertainment, Chairman of Stackla and positions at Yahoo! including Regional Vice President, South Asia and Managing Director of Yahoo! Australia and New Zealand. Tony was also a consultant to the Board of seek.com.
Other current directorships	Chairman at Junkee Media (since 12 December 2012), and Pollenizer (since 24 November 2015), Non-executive Director of Medical Channel (since 9 September 2015) and biNu (since 23 April 2013).
Former directorships (last 3 years)	Non-executive Director of Business Spectator/Eureka Report and Dealised, and Chairman of Lasttix.com.au.
Special responsibilities	Member of Remuneration and Nomination Committee.
Appointed to oOh!media Limited	28 November 2014
Appointed to the oOh!media Group	21 February 2014

Name	Debra Goodin
Title	Independent Non-executive Director
Experience, expertise and qualifications	Debbie has more than 20 years' senior management experience with professional services firms, government authorities and ASX listed companies across a broad range of industries and service areas. Debbie is an experienced Non-executive Director and Audit Committee Chair. Debbie has executive experience in finance, operations, corporate strategy, mergers and acquisitions. Her experience includes service as Chief Operating Officer for an Australian and New Zealand subsidiary of Downer EDI Limited, as Acting Chief Financial Officer and Head of Mergers and Acquisitions, and also Global Head of Operations at Coffey International Limited. Debbie is also a member of the Finance Investment and IT Committee for Melbourne's Royal Women's Hospital. Debbie holds a Bachelor of Economics, Adelaide University, and is a Fellow Chartered Accountant.
Other current directorships	Non-executive Director of Senex Energy Limited (since 26 May 2014) and APA Group (APT Pipelines Limited, since 1 September 2015).
Former directorships (last 3 years)	Non-executive Director of Beyond Bank Australia and Victorian Government owned City West Water Limited.
Special responsibilities	Chair of the Audit, Risk and Compliance Committee.
Appointed to oOh!media Limited	28 November 2014
Appointed to the oOh!media Group	28 November 2014

Name:	Geoffrey Wild AM
Title	Non-executive Director
Experience, expertise and qualifications	Geoffrey co-founded Clemenger Advertising Agency in 1972 in Sydney and merged with US-based BBDO Group, where he oversaw a Pan-Asian expansion strategy through acquisition and start-up. Previously, Geoffrey had a distinguished career in advertising and marketing for over 30 years, including positions as Vice President of Sydney Olympic Bid Company Limited and the NSW Tourism Commission. Geoffrey was awarded the Order of Australia (AM) in the Queen's Birthday Honours List in 2000. Geoffrey is also a Fellow of the Advertising Institute (by examination), a Fellow of the Australian Institute of Company Directors and a Fellow the Royal Society for Arts.
Other current directorships	Chairman of WPP Holdings (Australia) Pty Limited (since 6 February 2002), Director of IBISWorld (since 19 December 1991), Director of Arab Bank Australia Limited (since 2 November 1995), Chairman since 2011 and Chairman of the NSW Tourism Commission (Since 1990).
Former directorships (last 3 years)	Nil
Special responsibilities	Member of the Remuneration and Nomination Committee.
Appointed to oOh!media Limited	7 October 2014
Appointed to the oOh!media Group	10 July 2007

Name	Darren Smorgon
Title	Non-executive Director
Experience, expertise and qualifications	Darren is the Managing Director of Sandbar Investments, a private investment company. He was previously a Director of CHAMP Private Equity where he spent 16 years. While at CHAMP he project managed the oOh!media privatisation and re-listing on the ASX, using his strong finance, operations and strategic skills. Darren holds a Bachelor of Economics (with Merit) and Master of Commerce (with Merit), University of New South Wales, and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.
Other current directorships	Nil
Former directorships (last 3 years)	LCR Group and Golding Contractors Pty Ltd.
Special responsibilities	Member of the Audit, Risk and Compliance Committee.
Appointed to oOh!media Limited	7 October 2014
Appointed to the oOh!media Group	8 December 2011

Name	Patrick Rodden
Title	Alternate Non-executive Director for Darren Smorgon
Experience, expertise and qualifications	Patrick's experience includes private equity investment origination, assessment and execution, and portfolio company management from acquisition through to exit. Prior to joining CHAMP in 2007, Patrick worked with J.P. Morgan in its energy and infrastructure investment banking group across M&A, debt and equity transactions. Currently, Patrick serves as a Director of Shelf Drilling. Patrick holds a Bachelor of Commerce (Finance and Economics) and a Bachelor of Laws (with Honours), University of Sydney.
Other current directorships	Stripey Sock Investments Pty Ltd (since 16 February 2011).
Former directorships (last 3 years)	LCR Group Pty Ltd.
Special responsibilities	Alternate Non-executive Director for Darren Smorgon.
Appointed to oOh!media Limited	22 May 2015
Appointed to the oOh!media Group	25 March 2013

Company Secretary

Name	Katrina Eastoe
Title	General Counsel and Company Secretary
Experience, expertise and qualifications	Kate has over 15 years' experience in senior leadership positions in legal and governance roles across the media, FMCG and manufacturing industries in Australasia and Asia Pacific. Kate's experience includes serving as Group Corporate Counsel Asia Pacific with Associated British Foods and George Weston Foods in Australia, NZ, China, and SE Asia where Kate managed Corporate Responsibility Reporting and Governance for George Weston Foods. Kate was Legal Counsel at BlueScope Steel for its manufacturing, downstream and OHS activities in Australia and NZ, in private practice with a focus on Commercial, IP, and Sports and Marketing Law. Kate holds a Bachelor of Arts and a Bachelor of Laws, the Australian National University; a Graduate Diploma in Legal Practice, College of Law; is a Graduate of the Australian Institute of Company Directors; and is a former Director of the Australian and New Zealand Sports Law Association.
Special responsibilities	Company Secretary to the oOh!media Limited Board and Committees.
Appointed to oOh!media Limited	1 September 2015
Appointed to the oOh!media Group	1 September 2015

Message from the Chairman and Chair of the Remuneration and Nomination Committee (unaudited)

Dear Shareholder,

On behalf of the Board, I am pleased to present oOh!media's Remuneration Report for 2015. The Company's financial results for 2015 reflect a year of significant growth and forms the foundation for strong future growth.

oOh!media delivered Pro Forma Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) of $57.7 million. This was 37.1% growth on last year and 18.8% over Prospectus forecast.

During 2015 the Company concluded the acquisition of Inlink, adding more than 2,800 screens with a network that reaches an audience of 2.2 million Australians fortnightly in office towers, cafés and fitness centres in central business districts across the country. We also added 17 roadside large format digital signs and converted or installed over 900 retail digital screens, adding substantially to our digital capabilities.

Remuneration

In general, our approach to remuneration has not changed from the time of listing in 2014. oOh!media's remuneration framework has been structured to ensure it is competitive, and supports and motivates the senior executive and the broader team to work toward both short term and long term strategic objectives that align to long term value creation for shareholders.

We benchmark fixed remuneration levels annually to ensure we can attract and retain the right talent through a mix of financial and non-financial means. Given the strong performance, the Company has rewarded all employees, including executives, through overachievement payments on the Short Term Incentive (STI) in the form of annual cash bonuses.

The performance hurdle for the one-off special incentive due to vest in March 2016 has also been met which is reflective of the strong shareholder growth during the last year.

On behalf of the Board, I would like to thank our executives for their continued efforts in achieving significant growth for the Company.

The Board recommends the Remuneration Report and asks that you support our Remuneration Policy and practice by voting in favour of this report at the 2016 Annual General Meeting.

The following pages provide further detail on our remuneration framework and the link between Group performance and executive remuneration.

Yours sincerely

Michael Anderson

Chairman and Chair of the Remuneration and Nomination Committee, oOh!media Limited

2015 Remuneration Report (audited)

The Directors are pleased to present the 2015 Remuneration Report which outlines remuneration information for Non-executive Directors, Executive Directors and other Key Management Personnel (together "KMP"). The information in this report has been audited as required by section 308(3C) of the *Corporations Act 2001 (Cth).*

The Remuneration Report is presented under the following headings:

1. Introduction
2. Remuneration principles and strategy
3. oOh!media's 2015 performance
4. KMP remuneration details
5. Share based compensation
6. Non-executive Directors' remuneration
7. Remuneration governance
8. Further information on remuneration

The Remuneration Report refers to a range of non-IFRS financial information including 'Pro Forma EBITDA' and 'Adjusted NPAT'. The Company believes this non-IFRS financial information provides useful insight to users in measuring the financial performance and condition of oOh!media. The definitions have been reconciled to statutory financial measures within the Operating and Financial Review.

1.0 Introduction

The Remuneration Report has been prepared on a basis consistent to the financial statements and accordingly includes total remuneration details for the year ended 31 December 2015. In principle, our general approach to executive remuneration has not changed significantly from 2014.

1.1 Key management personnel

The current KMP are the five Non-executive Directors and two executives who have specific responsibility for planning, directing and controlling the material activities of the Company. There is also an extended senior leadership team who support the KMP. There were no changes to the KMP during the course of 2015.

This Remuneration Report explains the Board's approach to Non-executive Director and executive remuneration, and to performance and remuneration outcomes for oOh!media and its KMP.

List of KMP

Non-executive Directors	
Michael Anderson	Chairman and Independent Non-executive Director
Tony Faure	Independent Non-executive Director
Debra Goodin	Independent Non-executive Director
Darren Smorgon	Non-executive Director
Geoffrey Wild AM	Non-executive Director
Executives	
Brendon Cook	Chief Executive Officer and Managing Director
Peter McClelland	Chief Financial Officer and Chief Operating Officer

Patrick Rodden was appointed as an Alternate Director for Darren Smorgon on 22 May 2015. Patrick did not attend any meetings during 2015.

2.0 Remuneration principles and strategy

2.1 Remuneration principles and strategy

People are at the heart of oOh!media's success and are one of the pillars of our strategic plan, so we can attract and retain the right talent to enable us to deliver on our vision and long-term goals. oOh!media's remuneration framework focuses on competitive fixed pay and variable pay that rewards achievement of the Company's annual objectives and long-term growth in shareholder value.

oOh!media's remuneration principles guide practices that are:

- Market competitive;
- Performance related;
- Fair;
- Consistent across all levels of the Group; and
- Easily understood.

Remuneration is linked to achievement of business objectives through cascaded goals and KPIs. These are set at an all-of-business level, with subsequent goals developed for each senior executive. All employees are then engaged in setting their own goals and KPIs in agreement with management and in alignment to the overall strategic priorities.

Remuneration outcomes are aligned with both individual and company performance, ensuring that employees are rewarded for overall Company achievement as well as their individual contribution to the Company's success. This ensures that there is a clear line of sight between an individual's performance and their remuneration as well as between their remuneration and shareholder objectives.

The Board reviews all remuneration principles, practices, strategy and approach to ensure they support long-term business strategy and are appropriate for a listed company of oOh!media's scale.

2.2 Components of remuneration

Component	Performance measures	Weighting as % of FAR	Link to strategy and performance
Fixed Annual Remuneration (FAR) (Salary and other benefits including superannuation)	Multiple sources of data are used to determine annual changes in fixed remuneration including each individual's performance and contribution during the previous year.	n/a	oOh!media ensures employees are rewarded fairly and appropriately for their contribution to the Company's success by benchmarking against comparable positions in other organisations using independent remuneration data and advice. Fixed remuneration is set at competitive levels relative to industry peers and similarly sized publicly listed companies to attract and retain the right talent and considers the factors of: • Core responsibilities; • Business and individual performance; • Internal and external relativities; and • Contribution to the organisation
Annual Bonus Short Term Incentive (STI) Most employees are eligible to participate in the Annual Bonus Program. Participants must be employed by October 1 in the year to be eligible for a bonus that year.	STI performance targets are based: • 70% on full year Pro Forma EBITDA (derived from oOh!media's audited financial results) • 30% on achievement of Individual KPIs All employees, including the senior executives have the same STI mix of 70% Pro Forma EBITDA and 30% Individual. A threshold target of 90% of budgeted Pro Forma EBITDA must be achieved before any entitlement to an STI payment occurs.	**CEO & MD** Target = 45% Maximum payout = 121% **CF&OO** Target = 49% Maximum payout = 133%	Full year Pro Forma EBITDA was chosen as the key measure as it aligns to key reporting metrics and the internal financial measures that guide our efforts and management focus. The Company performance target is based on budget expectations as set by the Board and for 2015 was aligned to the Prospectus forecast. The Board retains the right to alter the target during the performance period to account for significant acquisitions or divestments. Key KPIs are set each year based around the organisational strategy and are cascaded through the organisation to ensure alignment of all employees to the strategy. Performance against these KPIs forms the basis of the individual component of the STI and allows us to distinguish and reward performance at the individual level. In the case of over achievement on either Pro Forma EBITDA or individual KPIs component, there is the opportunity for greater than 100% bonus payment.
Long-Term Incentive (LTI) The LTI is an allocation of performance rights granted, by invitation, to a defined set of senior leaders as approved by the Board and vesting after a three-year performance period.	The LTI performance hurdle is based on the Compound Annual Growth Rate (CAGR) of oOh!media's Earnings per Share (EPS) over a three year performance period (as per the full year audited financial results).	**CEO & MD** 63% **CF&OO** 51% (based on face value of the rights granted)	Aligns the interests of executives and shareholders by focusing on long-term growth. CAGR EPS was chosen as the most relevant long-term measure as it aligns to our key reporting metrics and internal metrics for senior executive. CAGR EPS hurdle is agreed by the Board prior to the performance period and communicated with the LTI offer. The Board retains the right to alter the target during the performance period to account for significant acquisitions or divestments or to clawback or adjust any or all allocated LTI in relevant circumstances. The number of rights that vest are a percentage of those allocated based on the CAGR of oOh!media's EPS over the performance period.

3.0 oOh!media's 2015 performance

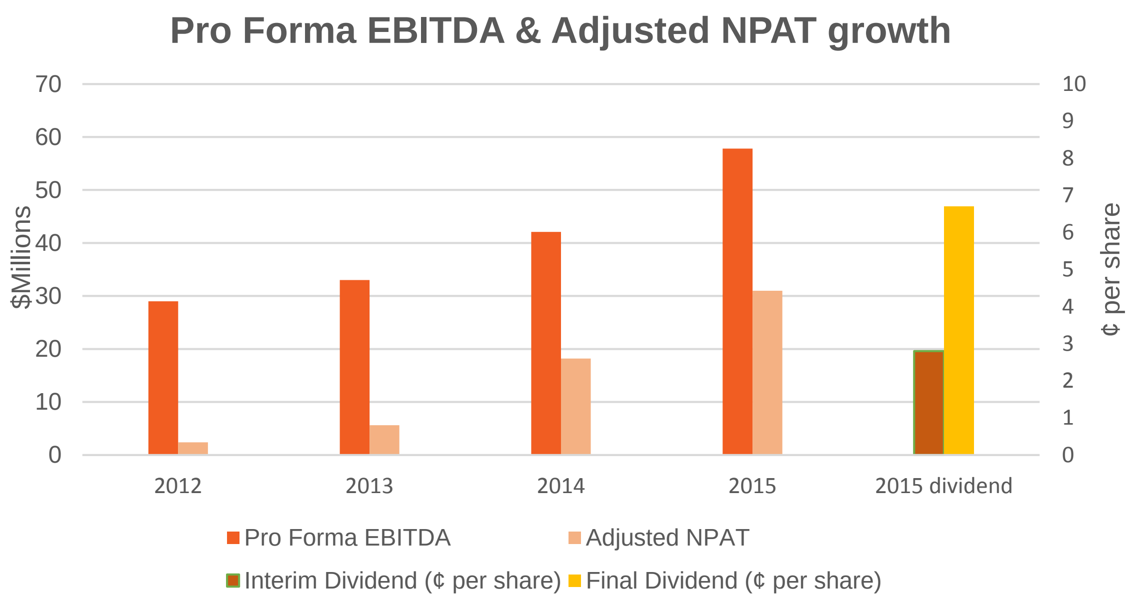
In line with the significant growth in the Out Of Home sector, oOh!media had a strong year in 2015. Revenue has grown year on year for the past four years as has Pro Forma EBITDA and Adjusted NPAT.

3.1 Remuneration linked to performance and shareholder wealth

In considering oOh!media's performance and the link to executive remuneration, the Remuneration and Nomination Committee considered that measures of Pro Forma EBITDA and Adjusted NPAT were the most relevant for performance in respect of the current financial year and previous three years. For LTI purposes as a listed company, CAGR of EPS is seen as the best measure of performance in relation to shareholder value moving forward, as it directly links remuneration to the impact on shareholder wealth.

Pro Forma EBITDA and Adjusted NPAT for the past four years is shown below:

Note that no comparative data is available for 2011.



A dividend was paid only in 2015 and both the interim and final dividends are shown above. The final dividend has been declared by the Directors since the end of the reporting period and will be paid on 22 March 2016.

3.2 Change in oOh!media Limited share price

The change in oOh!media Limited (ASX: OML) share price over the course of the trading year is reflected below:

	$ Share price
31 December 2014	2.000
31 December 2015	4.720
Change in share price	136%

4.0 KMP remuneration details

Following are details of remuneration of executives defined as KMP (Executive KMP).

4.1 FAR for 2015

Executive KMP	FAR
Brendon Cook	$557,645
Peter McClelland	$492,587

FAR includes salary and other fixed benefits including superannuation.

4.2 2015 STI outcomes

The Board set a challenging STI scheme target for 2015, targeting a 15% increase in Pro Forma EBITDA from 2014. Through the combination of a strong Out Of Home market in 2015, together with strong revenue growth in our key strategic divisions, actual Pro Forma EBITDA achieved 118% of the STI scheme target. Based on the STI payout schedule, the 70% EBITDA component was paid at 172% to target.

Given the 90% EBITDA hurdle was exceeded, the individual component of the STI, as determined by individual performance ratings, was also considered in the overall STI outcomes for participants.

The Board has continued its philosophy of setting challenging targets for 2016 with a projection of significant continued growth. The Board is committed to building on the strong performance achieved in 2015 and maximising current momentum within the business.

4.3 Target STI for 2015

The table below outlines the Target STI for the Executive KMP for the calendar year ended 31 December 2015. In addition, we have outlined the Target STI for the KMP for the calendar year ahead.

Executive KMP		Min STI	Target STI opportunity[1]	As a % of FAR	Max STI opportunity[2]	Max as a % of FAR
Brendon Cook	2015	$0	$250,000	45%	$675,000	121%
	2016	$0	$300,000	49%	$810,000	133%
Peter McClelland	2015	$0	$242,588	49%	$654,988	133%
	2016	$0	$252,292	49%	$681,188	133%

1. Target STI represents the amount payable at 100% achievement of Pro Forma EBITDA to target plus achievement of personal KPIs to the level deemed appropriate for 100% payment.
2. Maximum STI is only available on achievement of 150% of target Pro Forma EBITDA (resulting in 300% payment of the EBITDA component) and 200% payment of the individual component based on significant overachievement of personal KPIs.

4.4 Final 2015 STI payments

The STI payments to the Executive KMP for the calendar year ended 31 December 2015, based on the 2015 STI plan and including the STI payment as a percentage of the FAR, are explained in the following table:

Executive KMP	Target opportunity as a % of FAR	Actual payment as a % of FAR	Amount paid (inclusive of superannuation)	2015 key achievements
Brendon Cook	45%	78%	$436,000 (174% of target STI)	• Delivered significant growth in Revenue, EBITDA and NPAT • Enhanced oOh!media's brand and profile with media, analysts and investors, within the Out Of Home industry locally and globally and with key clients • Grew oOh!media's digital leadership position in the market including the acquisition of Inlink, rollout of new digital assets and increase in % of revenue from digital assets • Aligned leaders and Board members around a three year strategy and built a strong platform for delivery against key pillars • Delivered ahead of Prospectus and 2015 Forecast
Peter McClelland	49%	78%	$383,923 (158% of Target STI)	• Delivered significant growth in EBITDA and NPAT • Built governance structures, systems and processes to support transition to a publicly listed entity including statutory and financial reporting requirements • Successfully managed significant investor relationships, communications and events • Built internal structures, systems and processes to support delivery of the three-year strategy and ensure digital readiness across the business • Managed key M&A activities including the Inlink acquisition • Delivered ahead of Prospectus and 2015 Forecast

The amounts included in remuneration for the financial year represent the amount related to the financial year based on achievement of Group Pro Forma EBITDA targets and individual KPIs. The Remuneration and Nomination Committee approved these amounts on 16 February 2016 for payment in the form of cash on 15 March 2016.

4.5 Statutory remuneration tables

The following table of KMP remuneration has been prepared in accordance with accounting standards and the *Corporations Act 2001 (Cth)* requirements. The amounts shown relating to share-based remuneration are equal to the accounting expense recognised in the Company's financial statements in respect of the LTI grant, special incentive grant and legacy MEP. The amounts disclosed do not reflect the actual cash amount received this year or in future years.

		Short Term			Post-Employment	Share-based remuneration			Total	
KMP[1]	Year	Salary and Fees (including Annual leave)	Cash Bonus	Non-monetary benefits	Superannuation	LTI Grant [2]	Special Incentive Grant[3]	Legacy MEP[4]	Total	Performance Related % [5]
Michael Anderson	2015	$150,685	-	-	$14,315	-	-	-	$165,000	-
	2014	$129,327	-	-	$11,042	-	-	$198,199	$338,567	-
Brendon Cook	2015	$466,982	$436,000	$46,300	$44,363	$99,373	$21,581	-	$1,114,599	50%
	2014	$461,138	$143,137	$46,300	$47,595	$3,812	$780	$1,795,418	$2,498,180	79%
Tony Faure	2015	$77,626	-	-	$7,374	-	-	-	$85,000	-
	2014	$68,430	-	-	$694	-	-	-	$69,124	-
Debbie Goodin	2015	$100,457	-	-	$9,543	-	-	-	$110,000	-
	2014	$9,488	-	-	$901	-	-	-	$10,389	-
Geoffrey Wild AM	2015	$77,626	-	-	$7,374	-	-	-	$85,000	-
	2014	$66,192	-	-	$694	-	-	-	$66,886	-
Peter McClelland	2015	$444,098	$383,923	$6,300	$42,189	$70,981	$21,581	-	$969,072	49%
	2014	$439,587	$189,314	$6,300	$38,732	$2,723	$780	$1,232,507	$1,913,390	75%

1. Darren Smorgon, as a CHAMP Equity appointed Director did not receive any Director fees or other remuneration in 2014 or 2015.
2. Fair value of performance rights issued related to the special incentive granted in 2014, expensed in 2015 and expected to vest in 2016.
3. Fair value of performance rights related to the LTI granted in 2014, expensed in 2015 and scheduled to vest in 2018.
4. Expense recognised in respect of settlement of the Legacy MEP in 2014 under CHAMP Equity ownership.
5. Performance related % is calculated by adding cash bonus and share based remuneration amounts (all of which have performance hurdles that determine payment) and dividing by total remuneration.
6. Patrick Rodden as Alternate Director for Darren Smorgon is not noted in this table as he did not receive any Director fees or other remuneration in 2015.

4.6 Remuneration components as a proportion of total remuneration

The following table shows the target remuneration mix as a percentage of total remuneration for each of the Executive KMP in 2015. The STI amount reflects the target STI opportunity and the LTI amount is based on the total face value of the number of performance rights granted in December 2014 related to the 2015 LTI program.

Executive KMP	FAR [1]	STI [2]	LTI [3]	Total
Brendon Cook	47%	21%	32%	100%
Peter McClelland	48%	24%	28%	100%

1. Fixed annual remuneration comprises salary, non-monetary benefits and superannuation.
2. STI is the percentage of remuneration payable at target of EBITDA and Individual KPI measures.
3. LTI is face value of performance rights granted to the KMP during 2014 as part of the 2015 LTI and special incentive plans.

5.0 Share-based compensation

5.1 Shares

The following table sets out the movement during the reporting period in the number of ordinary shares in oOh!media Limited held directly, indirectly, or beneficially by KMP including their related parties. These changes are also reflective as at the date of this report.

Shares	Held at 1 Jan 2015	Granted as remuneration	Net change other	Held at 31 December 2015
Brendon Cook	699,999	-	-	699,999
Peter McClelland	115,941	-	-	115,941
Michael Anderson	101,703	-	-	101,703
Tony Faure	88,888	-	-	88,888

5.2 Rights over shares granted as compensation

The following table sets out the movement during the reporting period in the number of rights over ordinary shares in oOh!media Limited, held directly, indirectly or beneficially, by KMP or officers in oOh!media, including their related parties.

Executive KMP	Held at 1 Jan 2015 [1]	Granted as remuneration	Forfeited	Held at 31 December 2015	Vested and exercisable	Not vested
Brendon Cook	196,891	-	-	196,891	-	196,891
Peter McClelland	145,078	-	-	145,078	-	145,078

1. Granted 17 December 2014 and due to vest in March 2016 for the special incentive and February 2018 for the three-year LTI.

Whilst there were no rights over ordinary shares in the Company granted as remuneration to KMP during the reporting period, Peter McClelland and Katrina Eastoe were granted rights on 1 February 2016 as part of the 2016 LTI plan. The details of these rights are listed below. The Company will also recommend an LTI grant for Brendon Cook to the shareholders at the AGM in accordance with the ASX Listing Rule 10.14.

Executive KMP and Officers	Plan	Number of rights granted during 2016	Vesting condition	Grant date	Face value at grant date ($)	Vesting date
Peter McClelland	LTI Plan	69,868	CAGR EPS	1 Feb 2016	$320,000	Feb 2019
Katrina Eastoe	LTI Plan	16,375	CAGR EPS	1 Feb 2016	$75,000	Feb 2019

6.0 Non-executive Director remuneration

6.1 Overview and arrangements

The Board aims to set Non-executive Directors' remuneration at a level that attracts and retains Non-executive Directors of a high calibre and talent. They receive fixed fees only, to preserve independence of Non-executive Directors.

The Board periodically reviews the level of fees paid to Non-executive Directors, including seeking external advice. A review was undertaken in 2015 using benchmarking data of Non-executive Directors remuneration against a range of comparable companies. Data was provided by both KPMG and Korn Ferry, although neither were engaged to make recommendations, only to provide benchmarking data and guidance on current market practices. Changes to Board fees were agreed and made from 1 January 2016 to remain competitive with these market benchmarks.

The Board is satisfied that the remuneration benchmarking provided by KPMG and Korn Ferry was free from undue influence by the Board or members of the KMP.

The total amount provided to all Non-executive Directors for their services as Directors must not exceed in aggregate in any financial year $1,000,000 as the amount fixed by the Company.

6.2 Non-executive Director fees

The Directors' annual fee structure as of 11 October 2014 through to 31 December 2015 was:

	Chair fee[1]	Member fee[1]
Board	$165,000	$85,000
Audit, Risk and Compliance Committee	$25,000	n/a
Remuneration and Nomination Committee	n/a	n/a

From 1 January 2016, the Director's annual fee structure is as below:

	Chair fee[1]	Member fee[1]
Board	$190,000	$90,000
Audit Risk and Compliance Committee	$25,000	$10,000
Remuneration and Nomination Committee	$15,000[2]	$10,000

1. Inclusive of superannuation.
2. Currently Michael Anderson chairs the Remuneration and Nomination Committee and receives no extra fees.

The statutory remuneration details for Non-executive Directors is included in the table in section 4.5.

7.0 Remuneration governance

7.1 Responsibility for setting remuneration

A Remuneration and Nomination Committee was established in 2014 with a clear charter and set of responsibilities and has been delegated responsibility to review and make recommendations to the Board. The key responsibilities of the Committee in relation to remuneration are:

- Review and recommend remuneration arrangements for Non-executive Directors and Executive Directors including the CEO, and approve the remuneration of other senior executives;
- Review major changes to the overall remuneration strategy or practices, including short-term and long-term incentive participation, performance targets and hurdles, and participation in the LTI plan;
- Approve annual salary review budget and spend;
- Review major changes and developments in remuneration policy and people practices for the Group;
- Review and make recommendations on gender pay strategies;
- Approve the appointment of remuneration consultants for the purposes of the *Corporations Act 2001 (Cth);* and
- Review and recommend to the Board the Remuneration Report for inclusion in the annual Directors' Report.

7.2 Share Trading Policy

oOh!media adopted a Policy for Dealing in Securities in 2014, the purpose of which is to explain the types of conduct in dealings in securities that are prohibited under the *Corporations Act 2001 (Cth)*. The policy is designed to establish best practice procedures for the buying and selling of securities that protects the Company, Directors and employees against the misuse of unpublished information that could materially affect the value of securities. The policy applies to all Directors, officers, senior executives and employees of the Group and their connected persons.

The Policy provides that relevant persons must not deal in the Company's securities:

- Where they are in possession of material price-sensitive information;
- On a short-term basis (within a three month window); and
- During trading blackout periods (except in exceptional circumstances).

Otherwise trading will only be permitted in trading windows or in all other periods by:

- Directors, with the prior approval of the Chairman of the Board;
- The Chairman of the Board, with the prior approval of the Chairman of the Audit, Risk and Compliance Committee; and
- Senior executives, with the prior approval of the CEO.

7.3 Use of independent remuneration consultants

During 2015, oOh!media engaged Aon Hewitt to provide benchmarking data for 2015 and on an ongoing basis. oOh!media now subscribes to Aon Hewitt's Media and General Industry Salary Surveys, as well as participating in their Policy and Practice reviews. This allows oOh!media to access insight, expertise and benchmarking data as they relate to both individual positions within the Company and overall remuneration strategy.

8.0 Further information on remuneration

8.1 Service agreements

oOh!media has entered into service contracts with each senior executive.

The Group retains the right to terminate a contract immediately by making payment equal to the agreed number of months' fixed annual remuneration in lieu of notice, including superannuation plus any statutory entitlements of accrued annual and long service leave.

The service contracts outline the components of compensation but do not prescribe how compensation levels are modified year to year. The Remuneration and Nomination Committee reviews compensation each year to take into account any changes in scope or nature of role, cost of living or agreed objectives to determine and recommend any changes in line with the remuneration strategy and principles.

The key conditions of the Executive KMPs' service agreements are set out in the following table.

Executive KMP	Agreement commenced	Agreement expires	Notice of termination		Termination payments under the contract (by Company)
			By Company	By employee	
Brendon Cook	1 Oct 2014	No expiry	12 months	12 months	12 months FAR
Peter McClelland	1 Oct 2014	No expiry	6 months	3 months	6 months FAR

All current Non-executive Directors were appointed as at 7 October 2014, except for Debra Goodin and Tony Faure, who were appointed on 28 November 2014 and Patrick Rodden who was appointed on 22 May 2015. The terms of their agreements have no fixed end date, no fixed notice of termination period, nor any agreed termination payments. All Non-executive Directors may not hold office without re-election beyond the third Annual General Meeting following the meeting at which they were last elected.

8.2 Detailed information on STI and LTI

<table>
<tr><th></th><th>Annual Bonus Short Term Incentive (STI)</th><th>Long-term Incentive (LTI)</th></tr>
<tr><td>Description</td><td>Annual Incentive plan delivered in cash with a Company Pro Forma EBITDA payment threshold.</td><td>Award of performance rights with a three-year performance period.</td></tr>
<tr><td>Conditions</td><td>Individual KPIs are set at the beginning of the performance period and are aligned to business level strategic priorities. For 2015 these included:

Growing EBITDA;
Delivering digital growth;
Aligning leaders around a shared vision and building a performance based culture; and
Developing Audience led solutions.
</td><td> The performance measure CAGR of EPS was chosen to encourage continual year on year growth. The threshold and stretch targets for the performance period are determined by the Board and specified to the participant at the time of grant of the Performance Rights. The specific rates will be advised in the Remuneration Report of the Company in the year in which vesting is scheduled to occur. </td></tr>
<tr><td>Performance period</td><td>Calendar year</td><td>Three calendar years i.e. 1 January 2015 to 31 December 2017</td></tr>
<tr><td>Amount that can be earned</td><td> Pro Forma EBITDA Component
<table>
<tr><th>Pro Forma EBITDA</th><th>STI payable % target</th></tr>
<tr><td><90%</td><td>0%</td></tr>
<tr><td>90%-100%</td><td>30% plus 7% for every 1% achievement above 90%</td></tr>
<tr><td>100%-150%</td><td>100% plus 4% for every 1% achievement above 100%</td></tr>
<tr><td>Greater than 150%</td><td>300% (capped)</td></tr>
</table>
Individual component
The percentage awarded for the individual component of the STI is determined by the individual's performance rating against achievement of their goals and KPIs as recommended by the individual's direct manager (or the Chairman for the CEO). This rating is guided by senior executives for all employees and performance calibration processes are used to ensure consistency across teams.
The guide for bonus percentage on the individual component varied from 0% to 200%, with the final percentage being determined by the Remuneration and Nomination Committee for the Executive KMP and by senior executives for all other employees in line with agreed performance and budgets. </td><td> The number of performance rights granted was a fixed dollar amount determined by reference to the face value of the shares on the date of grant. The number of performance rights granted to each executive was the LTI value attributable to the individual divided by the face value of the share at the time of grant ($1.93). Rights were granted for nil consideration.
For the 2015 LTI plan a total of 839,378 rights were granted in 2014 to certain executives with a total face value of $1,620,000. The number of performance rights granted to each of the KMP was:
<table>
<tr><th>KMP</th><th>No.</th><th>Face value</th><th>Date of grant</th></tr>
<tr><td>Brendon Cook</td><td>181,347</td><td>$350,000</td><td>17.12.2014</td></tr>
<tr><td>Peter McClelland</td><td>129,534</td><td>$250,000</td><td>17.12.2014</td></tr>
</table></td></tr>
</table>

<table>
<tr><th></th><th>Annual Bonus Short Term Incentive (STI)</th><th>Long-term Incentive (LTI)</th></tr>
<tr><td>Vesting</td><td>n/a</td><td> For the 2015 LTI, granted in 2014, the performance rights will vest, or not, following the publication of the 31 December 2017 audited financial statements to the Australian Securities Exchange. The percentage of performance rights that vest, if any, will be determined at the end of the performance period by reference to the following vesting schedule:
<table>
<tr><th>Company's CAGR of EPS over the performance period</th><th>% of rights that vest</th></tr>
<tr><td>Less than 7% CAGR</td><td>Nil</td></tr>
<tr><td>7% CAGR (threshold performance target)</td><td>50%</td></tr>
<tr><td>Between 7% and 10% CAGR</td><td>Straight line pro rata vesting between 50% and 100%</td></tr>
<tr><td>10% CAGR (stretch performance target)</td><td>100%</td></tr>
</table>
The threshold and stretch targets for the Company's CAGR of EPS over the performance period are determined by the board and specified to the participant at the time of grant of the performance rights. Following testing, any rights that do not vest, lapse. </td></tr>
<tr><td>Restrictions</td><td>Participants must be employed and not under notice of resignation or termination at the completion of the performance period (calendar year) to be eligible for an STI award. The Board retains discretion to settle partial or complete payment in the case of good leavers.</td><td> Shares allocated on the vesting of rights after the three-year performance period are not subject to any additional trading restrictions. If an executive ceases employment with oOh!media before the end of the performance period, their entitlement to rights (if any) will depend on the circumstances of cessation. All rights will lapse in the event of termination for cause. A full or pro rata number of rights may be approved by the Board if an executive ceases employment by reason of redundancy, ill health, death, or other circumstances approved by the Board including resignation with good leaver status. </td></tr>
<tr><td>Clawback</td><td>n/a</td><td>To ensure integrity within the LTI plan, the Board retains the authority to clawback or adjust LTI awards in circumstances such as fraudulent or dishonest behaviour, gross misconduct, and breach of obligations or material financial misstatement.</td></tr>
</table>

8.3 Diversity and remuneration

The Board and management of oOh!media are focused on diversity and inclusion as a key business measure, particularly at senior levels.

oOh!media is committed to addressing and promoting gender equality. A gender pay analysis was undertaken as part of the 2015 end of year remuneration review process, including a comparison of like roles, to identify any underlying disparity between male and female pay. oOh!media reduced disparities in pay by prioritising spend towards females whose remuneration was below the average of their peers.

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of oOh!media Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

John Wigglesworth
Partner

Sydney

22 February 2016

Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2015

	Notes	Consolidated 2015 $'000	2014 $'000
Revenue from continuing operations	7	279,807	261,299
Cost of media sites and production	9	(168,608)	(173,320)
Gross profit		**111,199**	**87,979**
Operating expenditure			
Employee benefits expense		(39,054)	(32,511)
Depreciation and amortisation expense	17,18	(22,269)	(22,433)
Legal and professional fees		(1,346)	(1,057)
Other property-related costs		(2,443)	(2,132)
Advertising and marketing expenses		(2,697)	(2,285)
Impairment losses	19	-	(11,119)
IPO-related expenses	10	672	(6,123)
Acquisition-related expenses		(1,809)	-
Other expenses	8	(7,935)	(7,973)
Total operating expenditure		**(76,881)**	**(85,633)**
Operating profit		**34,318**	**2,346**
Finance income		23	62
Finance costs		(3,652)	(26,044)
Net finance costs	11	**(3,629)**	**(25,982)**
Share of profit/(loss) of equity-accounted investees, net of tax		(90)	304
Profit/(loss) before income tax		**30,599**	**(23,332)**
Income tax expense	13	(12,244)	(1,453)
Profit/(loss) after income tax		**18,355**	**(24,785)**
Attributable to:			
Owners of the Company		18,394	(24,787)
Non-controlling interest		(39)	2
Profit/(loss)		**18,355**	**(24,785)**

Other comprehensive income/(loss)

	Notes	2015 $'000	2014 $'000
Profit/(loss)		**18,355**	**(24,785)**
Items that may be subsequently classified to profit or loss:			
Effective portion of changes in fair value of cash flow hedges, net of tax	25(b)	(93)	(93)
Foreign currency translation differences	25(b)	166	(115)
Total other comprehensive income/(loss)		**18,428**	**(24,993)**
Attributable to:			
Owners of the Company		18,467	(24,995)
Non-controlling interest	25(d)	(39)	2
Total comprehensive income/(loss)		**18,428**	**(24,993)**

Earnings per share attributable to the ordinary equity holders of the Company			
Basic earnings/(loss) per share (cents)	35	0.12	(0.37)
Diluted earnings/(loss) per share (cents)	35	0.12	(0.37)

The above consolidated statement of profit or loss and comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 31 December 2015

	Notes	Consolidated 2015 $'000	Consolidated 2014 $'000
Current assets			
Cash and cash equivalents	16	18,527	20,197
Trade and other receivables	15	60,089	52,237
Income tax receivable		-	1,699
Inventories	14	1,168	234
Other assets	20	5,443	11,440
Total current assets		**85,227**	**85,807**
Non-current assets			
Property, plant and equipment	17	80,279	62,387
Intangible assets and goodwill	18	255,541	217,587
Equity-accounted investees		214	304
Deferred tax assets	13	9,791	9,816
Total non-current assets		**345,825**	**290,094**
Total assets		**431,052**	**375,901**
Current liabilities			
Trade and other payables	23	38,618	26,508
Loans and borrowings	22	112	216
Deferred consideration		1,952	2,323
Provisions	24	5,994	8,785
Income tax payable		**9,073**	**-**
Total current liabilities		**55,749**	**37,832**
Non-current liabilities			
Loans and borrowings	22	104,742	81,663
Provisions	24	15,462	14,677
Derivative liability interest rate swaps	21	186	94
Total non-current liabilities		**120,390**	**96,434**
Total liabilities		**176,139**	**134,266**
Net assets		**254,913**	**241,635**
Equity			
Share capital	25(a)	283,585	283,585
Reserves	25(b)	25,436	24,566
Accumulated losses	25(b)	(52,593)	(66,404)
Equity attributable to the owners of the Company		**256,428**	**241,747**
Non-controlling interest	25(d)	(1,515)	(112)
Total equity		**254,913**	**241,635**

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

Consolidated statement of cash flows

for the year ended 31 December 2015

	Note	Consolidated 2015 $'000	Consolidated 2014 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		301,518	282,741
Payments to suppliers and employees (inclusive of goods and services tax)		(241,959)	(243,104)
Cash generated from operations		59,559	39,637
Interest paid		(3,149)	(11,569)
Income tax paid		(1,052)	(434)
Net cash from operating activities	36	**55,358**	**27,634**
Cash flows from investing activities			
Interest received		22	-
Acquisition of property, plant and equipment	17	(27,908)	(11,874)
Acquisition of intangible assets		(169)	(5,905)
Acquisition of subsidiaries, net of cash acquired	28	(45,083)	(2,017)
Acquisition of non-controlling interest	29	(1,750)	-
Transaction costs related to acquisitions		(1,747)	-
Payment for purchase of businesses	28	(1,200)	-
Deferred consideration paid		(591)	(15,000)
Concession development advances		3,086	-
Net cash used in investing activities		**(75,340)**	**(34,796)**
Cash flows from financing activities			
Proceeds from issue of shares not related to IPO		-	585
Proceeds from issue of shares related to IPO		-	167,115
Payments for buyback of shares		-	(1,108)
Transaction costs related to IPO		(328)	(9,260)
Net cost to cancel existing management equity plan		-	(1,044)
Proceeds from loans and borrowings		92,500	103,157
Repayment of loans and borrowings		(69,500)	(170,932)
Payment of interest rate swaps		-	(1,813)
Transaction costs related to loans and borrowings		-	(420)
Repayment of related party borrowings		-	(74,274)
Payment of finance lease liabilities		(163)	(150)
Dividends paid	25(e)	(4,197)	-
Net cash from financing activities		**18,312**	**11,856**
Net increase/(decrease) in cash and cash equivalents		**(1,670)**	**4,694**
Cash and cash equivalents at 1 January		20,197	15,503
Cash and cash equivalents at 31 December	16	**18,527**	**20,197**

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

Consolidated statement of changes in equity

for the year ended 31 December 2015

Consolidated	Contributed equity $'000	Foreign currency translation reserve $'000	Other equity reserve (1) $'000	Cash flow hedge reserve $'000	Share-based payments reserve $'000	Accumulated losses $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 January 2014	142,072	115	-	-	1,082	(41,617)	(114)	101,538
Total comprehensive income/(loss) for the period:								
Profit/(loss) for the period after income tax	-	-	-	-	-	(24,787)	2	(24,785)
Other comprehensive income/(loss):								-
Effective portion of changes in fair value of cash flow hedges	-	-	-	(93)	-	-	-	(93)
Exchange differences on translation of foreign operations	-	(115)	-	-	-	-	-	(115)
Total comprehensive loss for the period	**-**	**(115)**	**-**	**(93)**	**-**	**(24,787)**	**2**	**(24,993)**
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Issue of ordinary shares	166,656	-	-	-	-	-	-	166,656
Buyback of ordinary shares	(1,108)	-	-	-	-	-	-	(1,108)
Share issue costs	(5,627)							(5,627)
Movement to other equity reserve	(18,408)		18,408					-
Equity-settled share-based payment transactions	-	-	-	-	5,169	-	-	5,169
Total transactions with owners of the Company	**141,513**	**-**	**18,408**	**-**	**5,169**	**-**	**-**	**165,090**
Balance at 31 December 2014	**283,585**	**-**	**18,408**	**(93)**	**6,251**	**(66,404)**	**(112)**	**241,635**
Balance at 1 January 2015	**283,585**	**-**	**18,408**	**(93)**	**6,251**	**(66,404)**	**(112)**	**241,635**
Total comprehensive income/(loss) for the period:								
Profit/(loss) for the period after income tax	-	-	-	-	-	18,394	(39)	18,355
Other comprehensive income/(loss):								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(93)	-	-	-	(93)
Exchange differences on translation of foreign operations	-	166	-	-	-	-	-	166
Total comprehensive income for the period	**-**	**166**	**-**	**(93)**	**-**	**18,394**	**(39)**	**18,428**
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Dividends paid	-	-	-	-	-	(4,197)	-	(4,197)
Equity-settled share-based payment transactions	-	-	-	-	797	-	-	797
Changes in ownership interests								
Acquisition of subsidiary with non-controlling interest	-	-	-	-	-	(386)	(1,364)	(1,750)
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**797**	**(4,583)**	**(1,364)**	**(5,150)**
Balance at 31 December 2015	**283,585**	**166**	**18,408**	**(186)**	**7,048**	**(52,593)**	**(1,515)**	**254,913**

(1) The other equity reserve represents the difference between the issued capital in Outdoor Media Investments Limited (OMI) and the consideration paid to acquire OMI on 18 December 2014. The transaction was accounted for as a common control transaction as disclosed in the annual financial statements for the year ended 31 December 2014.

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

Notes to the consolidated financial statements

Index to the notes **Pages**

Note 1. Reporting entity

oOh!media Limited (OML) (the 'Company') is a company domiciled in Australia. The Company was incorporated on 7 October 2014 and listed on the Australian Stock Exchange (ASX) on 17 December 2014. The Company’s registered office and principal place of business is at Level 2, 76 Berry Street, North Sydney, NSW 2060.

The consolidated financial statements of the Company as at and for the year ended 31 December 2015 comprises the Company and its subsidiaries (together referred to as the Group, and individually as Group entities), and the Group’s interests in associates and joint ventures.

The Group is a for-profit entity and is primarily involved in outdoor media, production and advertising in Australia and New Zealand.

2014 Corporate reorganisation

On 18 December 2014, the shareholders of the Company undertook a corporate reorganisation in which OML acquired all the equity in Outdoor Media Investments Limited (OMI). This corporate reorganisation was classified as a common control transaction under AASB 3 "Business Combinations", and was therefore not considered a business combination under this Standard.

The Company's accounting policy for common control transactions is to account for the acquisition at book value (carry-over basis). No fair value adjustments are recognised on the acquisition and the financial report represents a continuation of OMI except for an adjustment to reflect the share capital of the legal parent of the OML consolidated group. The Company has applied this accounting approach as it best describes the historical performance of the existing Reporting Group.

As such, the consolidated financial statements of the OML Group have been presented as a continuation of the pre-existing accounting values of assets and liabilities in OMI’s financial statements.

The Annual Financial Report represents the consolidated results for the OML Group for the period 1 January 2015 to 31 December 2015.

The comparative information represents the period 1 January 2014 to 31 December 2014, including the consolidated financial results for OML for the period 18 December 2014 to 31 December 2014, and the consolidated group under OMI for the period 1 January 2014 to 17 December 2014.

Note 2. Basis of accounting

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001 (Cth)*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

Full disclosure notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 31 December 2014.

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 22 February 2016.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items in the statement of financial position:

- Derivative financial instruments are measured at fair value.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company’s functional currency. The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

Note 2. Basis of accounting (continued)

(d) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2014.

i. Judgements

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:
- Note 3(a)(iv); 28 – business combinations
- Note 3(d) – estimated useful lives of assets;
- Note 3(i)(iii) – share-based payments;
- Note 3(p)(ii) – onerous lease provisions; and
- Note 19 – impairment of non-current assets.

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the year ending 31 December 2015 are included in the following notes:
- Note 3(a)(iv); 28 – business combinations: fair value measured on a provisional basis
- Note 3(b) – recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used;
- Notes 3(c)(ii); 3(g)(ii); 3(p) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3(i)(iii) – share-based payments; measured at fair value; and
- Note 3(k) – impairment test: key assumptions underlying recoverable amounts, including the recoverability of development costs.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, who report directly to the Chief Financial Officer.

The finance team reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group’s Audit, Risk and Compliance Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 3(a)(iv); 28 – business combinations: fair value measured on a provisional basis.
- Note 3(f) – financial instruments; and
- Note 3(i)(iii) – share-based payment arrangements.

Note 3. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of oOh!media and the results of subsidiaries. oOh!media Limited and its subsidiaries together are referred to in this Annual Financial Report as 'the Group'.

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

ii. Investments in equity-accounted investees

The Group's interest in equity-accounted investees represents its interest in a joint venture. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Group's interest in the joint venture is accounted for using the equity recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of the joint venture until the date at which joint control ceases.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in that investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

iv. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. All payments to purchase a business are recorded at fair value at the acquisition date. The non-controlling interest in the acquiree is either measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs must be expensed. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the business acquired, the difference is recognised directly in the statement of profit or loss and other comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the rate at which a similar borrowing could be obtained under comparable terms and conditions.

A liability for restructuring costs is recognised as at the date of acquisition of an entity or part thereof when there is a demonstrable commitment by the acquiree to restructure the acquired entity and a reliable estimate of the amount of the liability can be made.

When control is lost, any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss.

v. Non-Controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Note 3. Significant accounting policies (continued)

(b) Income tax

Income tax expense comprises current and deferred tax. It is recognised in the profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax consolidation legislation

oOh!media Limited and its wholly-owned Australian controlled entities apply the tax consolidation legislation.

The deferred tax balances recognised by the parent entity and the consolidated entity in relation to wholly-owned entities joining the tax consolidated group are initially measured and remeasured based on the carrying amounts of the assets and liabilities of those entities at the level of the tax consolidated group and their tax values, as applicable under the tax consolidation legislation.

oOh!media, as the head entity in the tax consolidated group, recognises current and deferred tax amounts relating to transactions, events and balances of the controlled entities in this group as if those transactions, events and balances were its own, in addition to the current and deferred tax amounts arising in relation to its own transactions, events and balances. Amounts receivable or payable under a tax sharing agreement with the tax consolidated entities are recognised as tax-related amounts receivable or payable. Expenses and revenues arising under the tax sharing agreement are recognised as a component of income tax (expense)/benefit.

In accordance with Urgent Issues Group Interpretation 1052 "Tax Consolidation Accounting", the controlled entities in the tax consolidated group account for their own deferred tax balances, except for those relating to tax losses.

(c) Receivables and revenue recognition

i. Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable, net of the amount of goods and services tax. Revenue from core operating activities consists of Out Of Home advertising revenues. Revenue from Out Of Home advertising is recognised equally on a pro rata basis over the period in which the advertising is on display. Revenue for media production work is recognised on completion of the assignment. Commissions payable to advertising and media agencies are recognised as direct costs.

ii. Receivables

All trade debtors are recognised at the amount receivable as they are due for settlement no more than 45 days from the date of recognition. Recoverability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the consolidated entity may not be able to collect all amounts due according to the original terms of receivables.

Note 3. Significant accounting policies (continued)

(c) Receivables and revenue recognition (continued)

ii. Receivables (continued)

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the provision is recognised in the statement of financial position with a corresponding charge recognised in the statement of profit or loss and other comprehensive income.

(d) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Within the Group, depreciation is calculated on a straight line basis to write-off the cost of each item of plant and equipment over its estimated remaining useful life (less the estimated residual value). Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:
- Leasehold improvements 2-10 years; and
- Plant and equipment 2-20 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

(e) Intangible assets

i. Goodwill

Goodwill represents the excess of the purchase consideration plus incidental costs over the fair value of the identifiable net assets acquired. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash generating units for impairment testing. Refer to Note (3(k)) for further information.

ii. Licences

Licences represent the rights and relationships associated with acquired site leases and the associated new business revenue streams. These other intangible assets are amortised over their expected useful life (on average 15 years).

iii. Other intangibles

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

iv. Amortisation

Amortisation is calculated to write-off the cost of intangible assets less estimated residual values using the straight line method over their estimated useful lives, and is recognised in the statement of profit or loss and comprehensive income. The estimated useful lives are as follows:
- Licences 15 years;
- Brands 15 years; and
- Software 3 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Note 3. Significant accounting policies (continued)

(f) Financial instruments

The Group classifies its non-derivative financial assets in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its assets at initial recognition.

The Group classifies its non-derivative financial liabilities in the following categories: financial liabilities at fair value through profit or loss, and other financial liabilities.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period, which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

ii. Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

iii. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

iv. Derivative financial instruments

From 1 January 2014 up until 17 December 2014, the Group did not adopt hedge accounting. Since listing, the Directors of the Company have decided to adopt hedge accounting. A new hedge book was established on 18 December 2014.

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Hedge accounting has been adopted in compliance with AASB "139 Financial Instruments: Recognition and Measurement". The accounting policy for cash flow hedges is as follows:

- When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.
- The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

Note 3. Significant accounting policies (continued)

(f) Financial instruments (continued)

v. Non-derivative financial liabilities - measurement

A financial liability is classified as at fair value through the profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value, and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(g) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

i. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease. The present value of future payments for surplus leased space under non-cancellable operating leases is recognised as a liability, net of sub-leasing revenue, in the period in which it is determined that the leased space will be of no future benefit to the Group. Each lease payment is allocated between the surplus lease space provision and finance charge.

ii. Finance leases

Assets under finance leases are capitalised. A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Lease liabilities are reduced by repayments of principal.

The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred. The lease asset is amortised on a straight line basis over the term of the lease, or where it is likely that the Group will obtain ownership of the asset, for the life of the asset.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Income in advance is recognised within trade payables where rental invoices are issued in advance of the period in which the revenue is earned.

(i) Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Benefits falling more than 12 months after the end of the reporting period are classified as non-current.

Notes to the consolidated financial statements (continued)

Note 3. Significant accounting policies (continued)

(i) Employee benefits (continued)

iii. Shared-based payment transactions

The Group currently engages in the practice of allocating its employees equity share-based payments as part of their remuneration packages.

The grant date fair value of share-based payment arrangements granted to employees is recognised as a share based payment expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the equity instrument is calculated using the Black-Scholes or Binomial model.

iv. Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value and classified as non-current.

v. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent a cash refund or reduction of future payments is available.

(j) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other highly liquid Investments with original maturities of three months or less that are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

(k) Impairment of assets

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGU). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Note 3. Significant accounting policies (continued)

(l) Foreign currency translation

i. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

ii. Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates unless this is not a reasonable approximation of the:
• Cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions; and
• All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations, and of borrowings and other financial instruments designated as hedges of such Investments, are taken to shareholders' equity. When a foreign operation is sold, ceases operation or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of comprehensive income, as part of the gain or loss on sale where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(n) Finance income and finance costs

i. Finance costs

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include interest on bank overdrafts, finance lease charges, short-term and long-term borrowings and ancillary costs incurred in connection with arrangement of borrowings.

ii. Finance income

Finance income is recognised as income in the period in which it is earned. Finance income includes Interest income which is recognised on a time proportion basis using the effective interest method.

Note 3. Significant accounting policies (continued)

(o) Maintenance and repairs

Certain plant and equipment is required to be overhauled on a regular basis. This is managed as part of an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated over their useful lives. Other routine operating maintenance, repair costs and minor renewals are charged as expenses as incurred.

(p) Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

i. Make good

A make good provision is recognised for the costs of restoration or removal in relation to plant and equipment and site leases where there is a legal or constructive obligation. The provision is initially recorded when a reliable estimate can be determined and discounted to present value. The unwinding of the effect of discounting on the provision is recognised as a finance cost. At the time of initial recognition of the make good provision, a corresponding asset is recognised as part of plant and equipment.

ii. Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

iii. Straight line rent

A provision for straight line rent is recognised to account for the difference between the straight line accounting expense recognised in the statement of profit or loss and other comprehensive income and the periodic cash payment as a result of fixed rental increases. The provision is amortised to Nil in profit or loss by the lease expiration date.

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(r) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12 "Income Taxes".

(s) Glossary

Refer to page 100 for Glossary of defined terms.

Note 4. Changes in accounting policies

The accounting policies adopted in this report have been consistently applied by each entity in the Group and are consistent with those of the previous year.

Note 5. New standards and interpretations

The Group has adopted all of the relevant new, revised, or amending Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

A number of new standards and amendments to standards are effective for annual reporting periods beginning after 1 January 2016 and earlier application is permitted; however, the Group has not early applied the following new or amended standards in preparing these consolidated financial statements.

IFRS 15 Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue.

IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

IFRS 16 Leases

IFRS 16 was released by the IASB in January 2016, and is effective for annual reporting periods beginning on or after 1 January 2019. Early adoption will be permitted for entities that also early adopt IFRS 15 Revenue from contracts with customers. The AASB is expected to approve the issue of the Australian equivalent standard, AASB 16 Leases, after the date of this report.

IFRS 16 requires lessee’s to bring leases onto the balance sheet, increasing the visibility of their assets and liabilities. IFRS 16 removes the classification of leases as either operating leases or finance leases – for the lessee – effectively treating all leases as finance leases.

The Group is assessing the impact on its consolidated financial statements resulting from the application of IFRS 16.

Note 6. Operating segments

(a) Basis for segmentation

The Group operates as a single segment providing a range of Out Of Home advertising solutions.

(b) Information about reportable segments

Key information relating to the Group's financial performance is detailed below. This is also included in management reports reviewed by the Group's chief operating decision maker (the Board). Pro Forma EBITDA is used to measure performance because management believe it is the most relevant measure in assessing the financial performance of the segment.

	2015 $'000	2014 $'000
Road	110,936	102,250
Retail	99,042	89,524
Fly	54,490	50,976
Place	9,754	8,840
New Zealand	5,585	9,709
External Revenues*	**279,807**	**261,299**

**All revenues excluding New Zealand have been generated in Australia.*

Note 6. Operating segments (continued)

(c) Reconciliation of information on reportable segments to IFRS measures

	2015 $'000	2014 $'000
Pro Forma EBITDA	**57,724**	**42,144**
Initial Public Offering (IPO) related expenses	672	(6,123)
Acquisition-related expenses	(1,809)	-
Other	-	(123)
Statutory EBITDA	**56,587**	**35,898**
Share of profit/(loss) of equity-accounted investees, net of tax	(90)	304
Amortisation	(9,383)	(8,941)
Depreciation	(12,886)	(13,492)
Impairment of non-current assets	-	(11,119)
Net finance costs	(3,629)	(25,982)
Profit/(loss) before income tax	**30,599**	**(23,332)**

Note 7. Revenue

	2015 $'000	2014 $'000
Sale of media, production and other services	279,015	259,532
Other	792	1,767
	279,807	**261,299**

Note 8. Other expenses

	2015 $'000	2014 $'000
Office expenses	1,311	1,279
Information technology and communications expenses	1,563	1,397
Taxes and charges	2,524	1,347
Loss on sale of assets	581	886
Other expenses	1,956	3,064
	7,935	**7,973**

Employee benefit expenses includes contribution to defined contribution plans of $2,235,000 for the current reporting period (2014: $1,938,000).

Note 9. Cost of media sites and production

Cost of media sites and production for the twelve months ended 31 December 2015 included Nil (2014: $1,029,000) relating to a provision recognised in respect of a number of onerous lease contracts identified by the Group. The provision has been recognised and measured in accordance with the accounting policy outlined in Note 3(p)(ii). Refer to Note 24 for further detail on onerous contract provision movements during the year.

Note 10. Initial Public Offering (IPO) related expenses

	2015 $'000	2014 $'000
Close out of legacy management equity plan	-	3,902
Stamp duty	(714)	1,000
Professional and legal fees	42	1,221
	(672)	**6,123**

The Company completed an initial public offering in December 2014. In preparation for the offering, estimates were made in respect of certain costs associated with the transaction. These estimates were adjusted in the year ended December 2015 to reflect actual costs incurred.

Notes to the consolidated financial statements (continued)

Note 11. Net finance costs

	2015 $'000	2014 $'000
Finance income	**(23)**	**(62)**
Interest expense on bank borrowings	3,262	10,878
Amortisation of debt facility establishment costs	139	5,266
Finance leases	20	37
Other interest expense	231	2,005
Interest expense related parties	-	7,750
Mark to market gain/(loss) on interest rate swaps	-	108
Finance costs	**3,652**	**26,044**
Net finance costs	**3,629**	**25,982**

Note 12. Share-based payments

Description of the share-based payment arrangements

The Group did not issue any new performance rights that entitle senior executives to acquire shares in the Company during the year ended 31 December 2015. As at 31 December 2015 the Group had the following share-based payment arrangements:

(a) Long-term incentive plan - performance rights

The Company did not issue any further performance rights during the year ended 31 December 2015. Accordingly the information presented below is in respect of grants of performance rights to employees in prior periods. As the performance right entitles the holder of the right to receive a share for no consideration at a future date, the exercise price is considered to be Nil.

As part of the IPO in December 2014, oOh!media issued 1,108,808 performance rights in two tranches that entitle senior executives to acquire shares in the Company.

The key terms of these grants and assumptions in the calculation of the grant date fair value are outlined below.

Performance rights granted to senior executives are as follows:

	Grant date	Vesting date	Number of instruments
Tranche #1	17-Dec-14	15-Feb-18	839,378
Tranche #2	17-Dec-14	15-Mar-16	269,430
Total performance rights			**1,108,808**

Vesting conditions for the performance rights are as follows:

Tranche #1 - 3 years service from grant date and 10% compound annual growth (CAGR) in earnings per share (EPS); and
Tranche #2 - 1.25 years service from grant date and achievement of 2015 net profit after tax target.

Note 12. Share-based payments (continued)

Description of the share-based payment arrangements (continued)

(a) Long-term incentive plan - performance rights (continued)

Measurement of fair values

The fair value of the share-based payment plans was measured based on the Binomial model. The inputs used in the measurement of the fair values at grant date were as follows:

Fair value of performance rights and assumptions	
Tranche #1	
Share price at grant date	$1.93
Fair value at grant date	$1.73
Exercise price	Nil
Expected volatility(1)	20% to 25%
Expected life	3 years
Expected dividends	3.0% to 3.5%
Risk-free interest rate (based on government bonds)	2.74%
Tranche #2	
Share price at grant date	$1.93
Fair value at grant date	$1.84
Exercise price	Nil
Expected volatility(1)	30% to 35%
Expected life	1.25 years
Expected dividends	3.0% to 3.5%
Risk-free interest rate (based on government bonds)	2.53%

(1) Given the Company did not have recent trading history at grant date, it was not possible to observe the historic volatility of the Company's share price. Accordingly the historic volatility of the share prices of comparable companies over periods consistent with the relevant vesting periods were considered.

Reconciliation of performance rights

The number of performance rights on issue during the year is illustrated below:

	Number of rights
Outstanding at 1 January 2015	1,108,808
Forfeited during the period	(51,813)
Outstanding at 31 December 2015	**1,056,995**
Exercisable at 31 December 2015	**-**

A share-based payment expense of $797,000 relating to the performance rights was expensed in the year to 31 December 2015 (2014: $35,000) and is included in the 'Employee benefits' expense line in the consolidated statement of profit or loss and other comprehensive Income.

(b) Legacy OMI Management Equity Plan (MEP)

Share option programme (equity-settled)

(i) Shares

A number of senior executives purchased shares in Outdoor Media Investments Limited (OMI) in 2012 under the Management Equity Plan (MEP). As part of oOh!media Limited's (OML) acquisition of OMI, these executives elected to receive cash or shares in OML in exchange for these OMI shares. As the participants in the MEP paid fair value for their OMI shares at grant date, no share-based payment expense was recognised in respect of these shares at initial grant date or in respect of the exchange for OML shares.

Note 12. Share-based payments (continued)

Description of the share-based payment arrangements (continued)

(b) Legacy OMI Management Equity Plan (MEP) (continued)

(ii) Options and loan shares

A number of senior executives were awarded share options and loan shares under a management equity plan in OMI in previous reporting periods. These options were awarded for Nil consideration and each option entitled the participant to purchase one share in OMI on or after the vesting date at the relevant exercise price. The total options granted under this plan was 107,326,074, and loan shares was 5,880,746. All options and loan shares under this plan were cancelled or forfeited by 31 December 2014.

Note 13. Income tax

(a) Tax recognised in profit or loss

	2015 $'000	2014 $'000
Current tax expense/(benefit)		
Current tax expense/(benefit)	11,884	1,093
Adjustment for prior periods	147	2,322
Total current income tax expense	**12,031**	**3,415**
Deferred tax expense		
Origination and reversal of temporary differences	213	(1,962)
Total deferred income tax expense/(benefit)	**213**	**(1,962)**
Total tax expense	**12,244**	**1,453**

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

(b) Tax recognised directly in Other Comprehensive Income (OCI)

	2015			2014		
	Before tax $'000	Tax (expense) benefit $'000	Net of tax $'000	Before tax $'000	Tax (expense) benefit $'000	Net of tax $'000
Changes in fair value of cash flow hedges	**(93)**	**28**	**(65)**	**(93)**	**28**	**(65)**

(c) Reconciliation of effective tax rate

	2015 $'000	2014 $'000
Profit/(loss) after income tax for the year	18,355	(24,785)
Total tax expense	12,244	1,453
Profit/(loss) before income tax	**30,599**	**(23,332)**
Tax using the Company's domestic tax rate 30% (2014: 30%)	9,180	(6,999)
Effect of tax rates in foreign jurisdictions	(4)	(6)
Non-deductible expenses	2,948	6,045
Effect of share of profit/(loss) of equity-accounted investees	(27)	91
Current year losses for which no deferred tax asset was recognised	-	-
Change in estimates related to prior years	-	1,922
Under provided in prior years	147	400
Total tax expense	**12,244**	**1,453**

Note 13. Income tax (continued)

(d) Recognised deferred tax assets and liabilities

Movement in deferred tax balances during the year

	Balance 1 January 2015 $'000	Recognised in profit or loss $'000	Recognised on acquisitions $'000	Recognised in OCI $'000	Recognised directly in equity $'000	Balance 31 December 2015 $'000
Plant and equipment	(410)	(327)	-	-	-	(737)
IPO transaction costs	293	(73)	-	-	-	220
Transactions costs related to acquisitions	-	444	-	-	-	444
Cash flow hedges	28	-	-	28	-	56
Capital costs deductible over 5 years	1,929	(500)	-	-	-	1,429
Accrued expenses	866	1,116	61	-	-	2,043
Interest rate swaps	-	-	-	-	-	-
Provisions	6,136	(919)	9	-	-	5,226
Employee benefits provision	957	63	90	-	-	1,110
Carry forward tax loss	17	(17)	-	-	-	-
Total tax assets	**9,816**	**(213)**	**160**	**28**	**-**	**9,791**

	Balance 1 January 2014 $'000	Recognised in profit or loss $'000	Recognised on acquisitions $'000	Recognised in OCI $'000	Recognised directly in equity $'000	Balance 31 December 2014 $'000
Plant and equipment	(2,040)	1,630	-	-	-	(410)
IPO transaction costs	-	293	-	-	-	293
Cash flow hedges	-	-	-	28	-	28
Capital costs deductible over 5 years	-	-	-	-	1,929	1,929
Accrued expenses	729	137	-	-	-	866
Interest rate swaps	512	(512)	-	-	-	-
Provisions	5,907	229	-	-	-	6,136
Employee benefits provision	789	168	-	-	-	957
Carry forward tax loss	-	17	-	-	-	17
Total tax assets	**5,897**	**1,962**	**-**	**28**	**1,929**	**9,816**

Note 14. Inventories

	2015 $'000	2014 $'000
Inventories	1,168	234
	1,168	**234**

Note 15. Trade and other receivables

	2015 $'000	2014 $'000
Trade receivables	58,896	51,893
Allowance for impairment of receivables	(413)	(179)
	58,483	51,714
Other receivables	1,606	523
Total trade and other receivables	**60,089**	**52,237**

Information on the Group's exposure to credit and market risks and impairment losses for trade and other receivables are included in Note 26.

Note 16. Cash and cash equivalents

	2015 $'000	2014 $'000
Cash at bank and on hand	18,527	20,197
	18,527	**20,197**

Notes to the consolidated financial statements (continued)

Note 17. Property, plant and equipment

Reconciliation of carrying amount

Consolidated	2015			
	Leasehold improvements $'000	Plant & equipment $'000	Leased plant & equipment $'000	Total $'000
Cost				
At 1 January 2015	4,394	96,939	10,332	111,665
Additions	467	27,441	-	27,908
Business combinations	-	3,443	-	3,443
Disposals	-	(3,102)	-	(3,102)
Effects of movements in exchange rates	-	287	-	287
At 31 December 2015	**4,861**	**125,008**	**10,332**	**140,201**
Accumulated depreciation				
At 1 January 2015	(987)	(40,564)	(7,727)	(49,278)
Depreciation for the year	(358)	(12,040)	(488)	(12,886)
Disposals	-	2,092	-	2,092
Effects of movements in exchange rates	-	150	-	150
At 31 December 2015	**(1,345)**	**(50,362)**	**(8,215)**	**(59,922)**
Carrying amount				
At 31 December 2015	**3,516**	**74,646**	**2,117**	**80,279**

Consolidated	2014			
	Leasehold improvements $'000	Plant & equipment $'000	Leased plant & equipment $'000	Total $'000
Cost				
At 1 January 2014	5,991	89,514	10,252	105,757
Additions	28	11,985	80	12,093
Disposals	(1,625)	(4,516)	-	(6,141)
Effects of movements in exchange rates	-	(44)	-	(44)
At 31 December 2014	**4,394**	**96,939**	**10,332**	**111,665**
Accumulated depreciation				
At 1 January 2014	(2,282)	(25,506)	(6,849)	(34,637)
Depreciation for the year	(329)	(12,285)	(878)	(13,492)
Impairment	-	(6,393)	-	(6,393)
Disposals	1,624	3,456	-	5,080
Effects of movements in exchange rates	-	164	-	164
At 31 December 2014	**(987)**	**(40,564)**	**(7,727)**	**(49,278)**
Carrying amount at 31 December 2014	**3,407**	**56,375**	**2,605**	**62,387**

Notes to the consolidated financial statements (continued)

Note 18. Intangible assets and goodwill

Reconciliation of carrying amount

Consolidated	2015				
	Brands $'000	Goodwill $'000	Licences $'000	Software $'000	Total $'000
Cost					
At 1 January 2015	7,529	118,116	119,897	1,360	246,902
Additions	119	27,236	18,658	1,336	47,349
Reclassification	-	-	(7)	7	-
At 31 December 2015	**7,648**	**145,352**	**138,548**	**2,703**	**294,251**
Accumulated amortisation and impairment					
At 1 January 2015	(2,169)	(2,638)	(24,087)	(421)	(29,315)
Amortisation for the year	(439)	-	(8,645)	(299)	(9,383)
Reclassification	-	-	(12)	-	(12)
At 31 December 2015	**(2,608)**	**(2,638)**	**(32,744)**	**(720)**	**(38,710)**
Carrying amount					
At 31 December 2015	**5,040**	**142,714**	**105,804**	**1,983**	**255,541**

Consolidated	2014				
	Brands $'000	Goodwill $'000	Licences $'000	Software $'000	Total $'000
Cost					
At 1 January 2014	7,529	118,116	115,917	930	242,492
Additions	-	-	3,980	430	4,410
At 31 December 2014	**7,529**	**118,116**	**119,897**	**1,360**	**246,902**
Accumulated amortisation and impairment					
At 1 January 2014	(1,730)	-	(13,860)	(209)	(15,799)
Amortisation for the year	(439)	-	(8,290)	(212)	(8,941)
Impairment	-	(2,638)	(1,937)	-	(4,575)
At 31 December 2014	**(2,169)**	**(2,638)**	**(24,087)**	**(421)**	**(29,315)**
Carrying amount at 31 December 2014	**5,360**	**115,478**	**95,810**	**939**	**217,587**

Note 19. Impairment of non-current assets

The following impairment testing has been performed by the Group at 31 December 2015:

Australia & New Zealand CGUs

New Zealand

The carrying value of assets allocated to the New Zealand Cash Generating Unit (CGU) is supported by their recoverable amount. The carrying amount of goodwill allocated to the New Zealand CGU at 31 December 2015 is Nil (2014: Nil). No impairment loss was recognised in the New Zealand CGU for the year ended 31 December 2015.

Following the loss of a major contract in the New Zealand CGU in the year ended 31 December 2014, the Group assessed the recoverable amount of the CGU based on its value in use. As a result, an impairment loss of $4,575,000 was recognised in the year ended 31 December 2014. Of the total impairment loss, $2,638,000 related to goodwill, reducing the goodwill included in the New Zealand CGU to nil. The remaining impairment loss of $1,937,000 was allocated to intangibles assets. The key reason for the New Zealand impairment was the loss of a key concession which will adversely impact on future cash flows.

Australia

The carrying value of assets allocated to the Australia CGU is supported by their recoverable amount. The carrying amount of goodwill allocated to the Australian CGU at 31 December 2015 is $142,714,000. (2014: $115,478,000).

The recoverable amount of the Group's CGUs was based on value in use. Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the units. Value in use as at 31 December 2015 was determined similarly to the 31 December 2014 impairment test and was based on the following key assumptions:

- Annual EBITDA growth	Latest management forecast for next twelve months, plus 3% EBITDA growth in subsequent years.
- Terminal growth rate	3.0%
- Discount rate post tax	9.8% (2014: 8.9%)

The values assigned to the key assumptions represent Management's assessment of future trends in the media industry and are based on historical data from both external and internal sources.

Specific asset impairment testing

No impairment loss was recognised for the year ended 31 December 2015. For the prior year ended 31 December 2014, indicators of impairment were also identified on property, plant and equipment in relation to specific assets within the Group's property, plant and equipment asset base. These impairment indicators arose as a result of the loss of key concessions and other factors which resulted in the carrying value of these assets exceeding their recoverable amount. The recoverable amount of these specific assets was calculated based on fair value less costs to sell. An impairment of $6,393,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2014.

Note 20. Other assets

	2015 $'000	2014 $'000
Advance payments	1,342	487
Prepayments	1,599	2,697
Other assets [1]	2,502	8,256
Total other assets	**5,443**	**11,440**

(1) The Other assets balance as at December 2014 included an amount of $5,450,000 which related to an advance payment for the acquisition of IOM. Refer to Note 28 (ii) for further information.

Notes to the consolidated financial statements (continued)

Note 21. Derivative financial instruments

	2015 $'000	2014 $'000
Derivative liability interest rate swaps	186	94
	186	**94**

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Refer to Note 26 for further information.

Note 22. Loans and borrowings

	2015 $'000	2014 $'000
Current		
Finance lease liabilities	112	216
Total current borrowings	**112**	**216**
Non-current		
Bank loan	105,000	82,000
Unamortised borrowing costs	(275)	(414)
Finance lease liabilities	17	77
Total non-current borrowings	**104,742**	**81,663**
Total loans and borrowings	**104,854**	**81,879**

The banking syndicate has security over the assets of the Company and its subsidiaries. On 18 December 2014, the Group established a three-year secured revolving facilities agreement consisting of a $140 million facility.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 26.

Note 23. Trade and other payables

	2015 $'000	2014 $'000
Trade payables	5,109	2,846
Accrued expenses	27,075	21,662
Income in advance	3,091	1,974
Other payables	3,343	26
Total trade and other payables	**38,618**	**26,508**

Information about the Group's exposure to currency and liquidity risks is included in Note 26.

Note 24. Provisions

	2015 $'000	2014 $'000
Current provisions		
Onerous contracts	1,540	2,368
Make good	1,096	5,099
Employee benefits	1,688	1,318
Straight-lining of site rents	1,670	-
Total current provisions	**5,994**	**8,785**
Non-current provisions		
Onerous contracts	843	2,553
Make good	10,241	7,431
Employee benefits	2,014	1,868
Straight-lining of site rents	2,364	2,825
Total non-current provisions	**15,462**	**14,677**
Total provisions	**21,456**	**23,462**

Reconciliation of movements in other provisions

	2015			
	Onerous contracts $'000	Make good $'000	Straight-lining of site rents $'000	Total $'000
Balance at 1 January 2015	4,921	12,530	2,825	20,276
Charged/(credited) to profit or loss:				
Provisions made during the year	-	4,114	2,582	6,696
Provisions used during the year	(2,639)	(5,315)	(1,344)	(9,298)
Effects of movements in exchange rates	101	8	(29)	80
Balance at 31 December 2015	**2,383**	**11,337**	**4,034**	**17,754**

Onerous contracts: The provision represents the present value of the estimated costs that will be incurred until the end of the lease terms where the obligation is expected to exceed the economic benefit to be received.

Make good: The provision relates to the recognition of the costs of restoration or removal in relation to plant and equipment and site leases where there is a legal or constructive obligation.

Notes to the consolidated financial statements (continued)

Note 25. Capital and reserves

(a) Contributed equity

	2015 Number	2014 Number	2015 $'000	2014 $'000
Issued and paid up share capital	**149,882,534**	**149,882,534**	**283,585**	**283,585**

	2015 Number of shares	2014 Number of shares
Escrow fully paid ordinary shares	46,912,705	62,214,763
Fully paid ordinary shares	102,969,829	87,667,771
Number of shares as at 31 December	**149,882,534**	**149,882,534**

Movements in contributed equity

	Number of shares	2014 $'000
Balance at 1 January 2014	637,179,776	142,072
Issued for cash	1,905,922	585
Buy-back of shares	(1,051,612)	(1,108)
Share consolidation (1/10 dilution pre IPO for continuing shareholders)	(574,230,697)	-
Capital reorganisation	-	(18,408)
New shares issued for cash under IPO	86,079,145	167,115
Net cost to cancel existing management equity plan	-	(1,044)
Transaction costs arising from issue of shares	-	(8,039)
Deferred tax asset in relation to transaction costs	-	2,412
Balance at 31 December 2014	**149,882,534**	**283,585**

(i) Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. The holders of these shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company. There have been no movement in 2015.

(ii) Share consolidation

On 18 December 2014, a resolution was passed to approve the conversion of 10 ordinary shares owned in the immediately preceding parent entity into one ordinary share in the new parent entity of the Group, resulting in a decrease in the number of ordinary shares to 63,803,409 at the time.

(iii) Initial Public Offering (IPO)

On 17 December 2014, the Company completed an initial public offering raising a net $166.1 million in funds by issuing 86.1 million shares at an issue price of $1.93 per share. Funds received were offset by $5.6 million in transaction costs (net of tax) incurred in relation to the issue of new shares in the Company.

On completion of the IPO, 63.8 million shares were held by the previous owners and are subject to voluntary escrow agreements. 86.1 million shares were issued under IPO. The total number of shares on issue at the completion of the IPO was 149.9 million. All shares rank equally with each other.

In conjunction with the IPO, the Company incurred a net cost of $1.0 million to cancel the existing legacy management equity plan in 2014.

Notes to the consolidated financial statements (continued)

Note 25. Capital and reserves (continued)

(b) Reserves and accumulated losses

	2015 $'000	2014 $'000
(i) Reserves		
Foreign currency translation reserve	166	-
Other equity reserve	18,408	18,408
Cash flow hedge reserve	(186)	(93)
Share-based payments reserve	7,048	6,251
Total reserves	**25,436**	**24,566**
Foreign currency translation reserve		
Balance at beginning of the year	-	115
Currency translation differences arising during the year	166	(115)
Balance at end of the year	**166**	**-**
Other equity reserve		
Balance at beginning of the year	18,408	-
Valuation of share capital prior to acquisition	-	141,549
Shares issued to pre-acquisition shareholders as consideration	-	(123,141)
Balance at end of the year	**18,408**	**18,408**
Cash flow hedge reserve		
Balance at beginning of the year	(93)	-
Effective portion of changes in fair value	(93)	(93)
Balance at end of the year	**(186)**	**(93)**
Share-based payments reserve		
Balance at beginning of the year	6,251	1,082
Employee share plan expense	797	5,169
Balance at end of the year	**7,048**	**6,251**
Total reserve balance at end of the year	**25,436**	**24,566**
(ii) Accumulated losses		
Balance at beginning of the year	(66,404)	(41,617)
Profit attributable to owners of the parent entity	18,394	(24,787)
Acquisition of subsidiary with non-controlling interest	(386)	-
Dividends paid	(4,197)	-
Balance at end of the year	**(52,593)**	**(66,404)**

Note 25. Capital and reserves (continued)

(c) Nature and purpose of reserves

(i) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations in New Zealand (refer to Note 3(l)).

(ii) Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss (refer to Note 3(f)).

(iii) Share-based payments reserve

The share-based payments reserve is used to record the value of share-based payments provided to employees, as part of their remuneration and the expense relating to cancelled shares under the legacy share-based payments plan.

The current balance relates to unexercised rights issued to senior executives. A portion of this reserve may be reversed against contributed equity if the underlying rights are exercised and results in shares being issued.

(iv) Other equity reserve

The other equity reserve represents the difference between the issued capital in Outdoor Media Investments Limited (OMI) and the consideration paid to acquire OMI on 18 December 2014. The transaction was accounted for as a common control transaction as disclosed in the annual financial statements for the year ended 31 December 2014. The other equity reserve reflects the share price movements for former OMI owners who remained as OML owners.

(d) Non-Controlling Interests

	2015 $'000	2014 $'000
Balance at beginning of the year	(112)	(114)
Share of operating profit/(loss) for the period after income tax	(39)	2
Acquisition of non-controlling interest	(1,364)	-
Balance at end of the year	**(1,515)**	**(112)**

In August 2015, the Group’s equity interest in oOh!Café Screen Pty Limited (Café) increased from 70% to 100% and Café became a wholly-owned subsidiary from that date (refer to Note 29). Accordingly, the information relating to Café as a non-controlling interest is only for the period from January to August 2015. The Group’s equity interest in CloseBuys Pty Limited and oOh!media Social Sports Pty Limited remains the same as in the previous reporting period and their information is for the full 12 months (refer to Note 27).

(e) Equity - dividends

Dividends

The following dividends were declared and paid by the Company for the year.

	2015 $'000	2014 $'000
Interim dividend: 2.8 cents per qualifying ordinary share (2014: Nil)	**4,197**	**-**

After the reporting date, the following dividends were proposed by the Board of Directors. The dividends have not been recognised as liabilities and there are no tax consequences.

	2015 $'000	2014 $'000
Final dividend: 6.7 cents per qualifying ordinary share (2014: Nil)	**10,042**	**-**

Note 25. Capital and reserves (continued)

(e) Equity - dividends (continued)

Dividend franking account

	2015 $'000	2014 $'000
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 30%	**15,317**	**16,384**

The ability to utilise franking credits is dependent upon the ability to declare dividends. In accordance with the tax consolidation legislation, the Company as the head entity in the tax-consolidated group has assumed the benefit of the $15,317,000 (2014: $16,384,000) franking credits. The impact on the franking account of dividends proposed or declared before the Annual Financial Report was authorised for issue but not recognised as a distribution to equity holders during the period is to reduce the balance by $4,304,000 (2014: Nil).

(f) Capital management policy

The Board's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Capital consists of share capital, retained earnings, and non-controlling interest of the Group.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a capital position.

Note 26. Financial instruments – fair values and risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swaps to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rates, foreign exchange and other price risks and aging analysis for credit risk.

Risk management is carried out by senior executives under policies approved by the Board of Directors. Senior executives identify, evaluate and hedge financial risks in close co-operation with the Group's operating units.

(a) Accounting classifications and fair values

Fair values vs carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

Consolidated	31 December 2015			
	Loans and receivables $'000	Designated at fair value $'000	Total carrying amount $'000	Fair value $'000
Cash and cash equivalents	18,527	-	18,527	18,527
Trade and other receivables	60,089	-	60,089	60,089
	78,616	**-**	**78,616**	**78,616**
Bank loan	105,000	-	105,000	105,000
Deferred consideration	1,952	-	1,952	1,952
Interest rate swaps	-	186	186	186
Finance lease liabilities	129	-	129	129
Trade and other payables	38,618	-	38,618	38,618
	145,699	**186**	**145,885**	**145,885**

Consolidated	31 December 2014			
	Loans and receivables $'000	Designated at fair value $'000	Total carrying amount $'000	Fair value $'000
Cash and cash equivalents	20,197	-	20,197	20,197
Trade and other receivables	52,237	-	52,237	52,237
	72,434	**-**	**72,434**	**72,434**
Bank loan	82,000	-	82,000	82,000
Deferred consideration	2,323	-	2,323	2,323
Interest rate swaps	-	94	94	94
Finance lease liabilities	293	-	293	293
Trade and other payables	26,508	-	26,508	26,508
	111,124	**94**	**111,218**	**111,218**

Note 26. Financial instruments – Fair values and risk management (continued)

(a) Accounting classifications and fair values (continued)

Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at the end of the reporting period plus an appropriate credit spread, and were as follows:

	2015	2014
Interest rate swaps	2.4%	2.4%-7.1%
Bank loan	3.5%-4.1%	4.1%-6.8%
Borrowings from related party	-	12.0%
Leases	3.8%-12.8%	8.2%-13.2%
Deferred consideration	-	7.3%

Fair values hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated	31 December 2015			31 December 2014		
	Carrying value $'000	Level 1 $'000	Level 2 $'000	Carrying value $'000	Level 1 $'000	Level 2 $'000
Interest rate swaps	**186**	**-**	**186**	**94**	**-**	**94**

Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values:

Type	Valuation technique and inputs
Interest rate swaps	The fair value of interest rate swaps is determined as the present value of future contracted cash flows and credit adjustments. Cash flows are discounted using standard valuation techniques at the applicable market yield, having regard to the timing of the cash flows.

Note 26. Financial instruments – Fair values and risk management (continued)

(b) Credit risk

Credit risk is the financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Management of credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks, as well as credit exposures to agency and direct clients, including outstanding receivables and committed transactions. For banks only lenders in the syndicated senior term debt facility are used.

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of media and services are made to customers with an appropriate credit history based on enquires through the Group's credit department. Ongoing customer credit performance is monitored on a regular basis.

Credit risk further arises in relation to financial guarantees given to certain parties. Such guarantees are only provided in exceptional circumstances under the Group's banking facilities.

Cash and cash equivalents

The Group held cash and cash equivalents of $18.5 million at 31 December 2015 (31 December 2014: $20.2 million). The cash and cash equivalents are held with credit worthy counterparties that are large banks and members of the Group's syndicated debt facility.

Interest rate swaps are subject to credit risk in relation to the relevant counterparties, which are large banks and members of the Group's syndicated debt facility. The credit risk on swap contracts is limited to the net amount to be received from counterparties on contracts that are favourable to the consolidated entity.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2015 $'000	2014 $'000
Financial assets		
Cash and cash equivalents	18,527	20,197
Trade and other receivables	60,089	52,237
Total financial assets	**78,616**	**72,434**

Receivables

The ageing of trade receivables at the end of the reporting date that were not impaired was as follows:

	2015 $'000	2014 $'000
Neither past due nor impaired	51,232	46,225
Past due 0-30 days	3,481	2,870
Past due 31-90 days	1,473	1,731
Past due 91-120 days	1,257	304
Past due 121 days to 1 year	1,453	763
	58,896	**51,893**

Note 26. Financial instruments – Fair values and risk management (continued)

(b) Credit risk (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2015 $'000	2014 $'000
Balance at 1 January	179	72
Impairment loss recognised	276	265
Amounts written off	(42)	(158)
Balance at 31 December	**413**	**179**

Other than those receivables specifically considered in the above allowance for impairment we do not believe there is a material credit quality issue with the remaining trade receivables balance.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management of liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting date:

	2015 $'000	2014 $'000
Revolving facility including bank guarantees	**24,041**	**54,329**

Note 26. Financial instruments – Fair values and risk management (continued)

(c) Liquidity risk (continued)

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities, net and gross settled derivative financial instruments in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the reporting date.

Consolidated	31 December 2015			
	Carrying amount $'000	Contractual cash flows $'000	12 months or less $'000	Between 1 and 5 years $'000
Non-derivatives				
Bank debt	105,000	(112,923)	(3,961)	(108,962)
Lease liabilities	129	(143)	(124)	(19)
Trade payables	38,618	(38,618)	(38,618)	-
Deferred acquisition consideration	1,952	(1,952)	(1,952)	-
Total non-derivatives	**145,699**	**(153,636)**	**(44,655)**	**(108,981)**
Derivatives				
Interest rate swaps used for hedging	186	(186)	-	(186)
	31 December 2014			
Non-derivatives				
Bank debt	82,000	(93,165)	(3,722)	(89,444)
Lease liabilities	293	(324)	(239)	(85)
Related party borrowings	-	-	-	-
Trade payables	28,749	(28,749)	(28,749)	-
Deferred acquisition consideration	2,323	(2,323)	(2,323)	-
Total non-derivatives	**113,365**	**(124,561)**	**(35,033)**	**(89,529)**
Derivatives				
Interest rate swaps used for hedging	93	(93)	-	(93)

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Note 26. Financial instruments – Fair values and risk management (continued)

(e) Currency risk

Management of currency risk

The Group operates internationally and is exposed to foreign exchange transaction risks arising from currency exposures, primarily with respect to the New Zealand dollar. Foreign exchange transaction risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The risk is measured using cash flow forecasting. The Group has an accounting exposure to movements in the AUD/NZD exchange rate in consolidating the NZD net assets of oOh!media New Zealand Holdings Limited and its subsidiaries at each balance date. The current Australian Accounting Standards require that any such movements be booked to the Group's Foreign Currency Translation Reserve (FCTR).

No hedging of this exposure is undertaken for the following reasons:

- the exchange rate movements do not impact the Group's profit and loss;
- the movements in the FCTR are limited as the level of NZD assets is largely offset by the NZD liabilities (i.e. there is a natural hedge); and
- the NZ operations are core to the Group's business and it is not expected to be disposed of and any balance in the FCTR is not expected to be realised within the foreseeable future.

(f) Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group's interest rate policy is to fix estimated interest rate risk exposure at a minimum of 50% for a period of at least 12 months or as otherwise determined by the Board.

The Group manages its cash flow interest rate risk by using floating to fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, monthly or quarterly, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group was as follows:

	2015 $'000	2014 $'000
Fixed rate instruments		
Financial liabilities	(129)	(293)
Variable rate instruments		
Financial assets	18,527	20,197
Financial liabilities	(105,000)	(82,000)

Note 26. Financial instruments – Fair values and risk management (continued)

(f) Interest rate risk (continued)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2014.

	31 December 2015			
	Profit or loss		Equity	
	100 BP increase	100 BP decrease	100 BP increase	100 BP decrease
Variable rate instruments	(1,050)	1,050	-	-
Interest rate swaps	-	-	(410)	410
Cash flow sensitivity (net)	**(1,050)**	**1,050**	**(410)**	**410**

	31 December 2014			
	Profit or loss		Equity	
	100 BP increase	100 BP decrease	100 BP increase	100 BP decrease
Variable rate instruments	(820)	820	-	-
Interest rate swaps	-	-	(410)	410
Cash flow sensitivity (net)	**(820)**	**820**	**(410)**	**410**

Note 27. List of subsidiaries and equity-accounted investees

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 3(a):

		Consolidated entity	
Name of entity	**Country of incorporation**	**2015 %**	**2014 %**
Outdoor Media Investments Limited	Cayman Islands	100%	100%
Outdoor Media Holdings Pty Limited	Australia	100%	100%
Outdoor Media Operations Pty Limited	Australia	100%	100%
Outdoor Media Exchangeable Finco Pty Limited	Australia	100%	100%
oOh!media Group Pty Limited	Australia	100%	100%
oOh!media Operations Pty Limited	Australia	100%	100%
oOh!media Produce Pty Limited	Australia	100%	100%
oOh!media Assets Pty Limited	Australia	100%	100%
oOh!media Factor Pty Limited	Australia	100%	100%
oOh!media Digital Pty Limited	Australia	100%	100%
oOh!media Place Based Pty Limited	Australia	100%	100%
oOh!media Retail Pty Limited	Australia	100%	100%
oOh!media Lifestyle Pty Limited	Australia	100%	100%
oOh!media Shop Pty Limited	Australia	100%	100%
oOh!media Roadside Pty Limited	Australia	100%	100%
oOh!media MEP Pty Limited	Australia	100%	100%
oOh!media Regional Pty Ltd	Australia	100%	100%
Red Outdoor Pty Ltd	Australia	100%	100%
Closebuys Pty Limited	Australia	82.75%	82.75%
oOh!media Café Screen Pty Limited	Australia	100%	70%
oOh!media Social Sports Pty Limited	Australia	70%	70%
Social Sports Media Pty Ltd	Australia	70%	70%
In 2 Indoor Pty Ltd	Australia	70%	70%
World Indoor Soccer Federation Pty Ltd	Australia	70%	70%
Eye Corp Pty Limited	Australia	100%	100%
Eye Corp Australia Pty Limited	Australia	100%	100%
oOh!media Fly Pty Limited	Australia	100%	100%
Eye Drive Sydney Pty Limited	Australia	100%	100%
Eye Outdoor Pty Limited	Australia	100%	100%
Eye Mall Media Pty Limited	Australia	100%	100%
Eye Drive Melbourne Pty Limited	Australia	100%	100%
oOh!media Study Pty Limited	Australia	100%	100%
Outdoor Plus Pty Limited	Australia	100%	100%
Eye Shop Pty Limited	Australia	100%	100%
Homemaker Media Pty Limited	Australia	100%	100%
Inlink Group Pty Ltd	Australia	100%	-
Inlink Office Pty Ltd	Australia	100%	-
Inlink Café Pty Ltd	Australia	100%	-
Inlink Fitness Pty Ltd	Australia	100%	-
oOh!media New Zealand Holdings Limited	New Zealand	100%	100%
oOh!media New Zealand Limited	New Zealand	100%	100%
oOh!media Retail New Zealand Limited	New Zealand	100%	100%
oOh!media Study New Zealand Limited	New Zealand	100%	100%

As of 17 December 2014, the ultimate parent entity of the Group became oOh!media Limited, which is domiciled and incorporated in Australia.

Prior to 17 December 2014, the ultimate controlling party of the Group was Outdoor Media Investments Limited domiciled in the Cayman Islands.

Note 27. List of subsidiaries and equity-accounted investees (continued)

(b) Equity-accounted investees

During 2014 oOh!media Factor Pty Limited (a wholly-owned subsidiary of oOh!media Limited) entered into a joint venture agreement with Driving Edge Marketing Pty Limited to establish a joint venture for the purposes of engaging in activities similar to that of the Group (provision of Out Of Home advertising solutions). This resulted in the incorporation of a new legal entity (oOh!Edge Pty Limited) of which both joint venture partners hold a 50% interest. The carrying value of the Group's investment in this joint venture at 31 December 2015 was $214,000, which represents the Group's share of profit for the period since inception of the joint arrangement (31 December 2014: $304,000). The Group made no initial monetary investment in the joint venture.

Note 28. Business combinations

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

(i) Inlink Group Pty Ltd

The Group agreed to acquire 100% of the share capital of Inlink Group Pty Ltd (Inlink) on 5 November 2015 for consideration of $45.2 million. The transaction was completed on 11 December 2015.

Inlink is the market leader in premium CBD Digital Out Of Home market, with a network of more than 2,800 digital screens located in office towers, café and fitness centres. The acquisition is in line with oOh!media's digital strategy of driving engagement with audiences through digital screens in high dwell time locations and will further drive oOh!media's digital market leadership.

Purchase consideration	**2015** **$'000**
Cash paid during the year ended 31 December 2015	45,215
	45,215

The provisional fair values of the identifiable assets and liabilities acquired by the Company are as follows:

	$'000
Cash and bank balances	132
Trade and other receivables	3,394
Inventories	634
Property, plant and equipment	1,221
Deferred tax assets	160
Intangible assets (1)	15,313
Development costs	3
Trade creditors and accruals	(1,085)
Provision for income tax	(86)
Provisions	(1,707)
Net identifiable assets acquired	**17,979**
Add:	
Goodwill (2)	27,236
Net identifiable assets acquired after goodwill	**45,215**

(1) The multi-period excess earnings model (MEEM) was used to value the intangible licences. The MEEM approach establishes a value of the Licences based on the additional profits achieved through the use of the asset as compared to the profits achieved without its use.

(2) Goodwill of $27.2 million includes the expected synergies and future growth opportunities.

Revenue booked to the statement of profit or loss for the year ended 31 December 2015, for the period since acquisition of Inlink on 11 December 2015 is $335,000. Inlink revenues for the 12 month period to December 2015 (including the period prior to acquisition) amounted to $13,619,000.

The Group incurred acquisition-related costs on legal fees and due diligence costs. These costs have been included in 'Acquisition-related expenses' in the profit or loss statements.

Note 28. Business combinations (continued)

(ii) Independent Outdoor Media Pty Limited

The Group agreed to acquire certain assets from Independent Outdoor Media Pty Limited (IOM) on 2 October 2014 for consideration of $5,900,000. This transaction was completed on 1 January 2015.

The IOM business combination resulted in the addition of key strategic billboard assets in the Road division.

Details of the purchase consideration and the net assets acquired are as follows:	**2015** **$'000**
Cash paid during the previous year	5,450
Cash paid during the year ended 31 December 2015	450
	5,900

The fair values of the identifiable assets and liabilities acquired by the Company are as follows:	**$'000**
Property, plant and equipment	1,968
Intangible assets	3,932
Net identifiable assets acquired	**5,900**

Revenue recognised in the Statement of Profit or Loss in the year ended 31 December 2015, for the twelve month period since the completion of the acquisition of the assets of Independent Outdoor Media Pty Limited is $3,230,000.

(iii) Fox Media Pty Limited

The Group agreed to acquire certain assets from Fox Media Pty Limited on 7 September 2015 for consideration of $950,000. The transaction was completed on 30 October 2015.

Details of the purchase consideration and the net assets acquired are as follows:	**2015** **$'000**
Cash paid during the year ended 31 December 2015	750
Deferred consideration	200
	950

The fair values of the identifiable assets and liabilities acquired by the Company are as follows:	**$'000**
Property, plant and equipment	254
Intangible assets	696
Net identifiable assets acquired	**950**

Revenue recognised in the statement of profit or loss in the year ended 31 December 2015, for the period since the completion of the acquisition of the assets of Fox Media Pty Limited is $33,000.

The revenues and profits and loss of the Group for the year as if all business combinations had occurred at the beginning of the reporting period are as follows:

	$'000
Revenue	293,153
Profit before tax	32,981

The profit before tax of all business combinations since their respective acquisition dates amounts to $1,270,000.

Notes to the consolidated financial statements (continued)

Note 29. Acquisition of Non-Controlling Interest (NCI)

In August 2015, the Group acquired the remaining 30% of oOh!media Café Screen Pty Limited (Café) for consideration of $1,750,000 in cash, increasing its ownership from 70% to 100%. The carrying amount of Café's net assets in the Group's financial statements on the date of the acquisition was $317,000. The Group recognised a decrease in NCI of $1,364,000 and a decrease in retained earnings of $386,000.

	2015 $'000
Carrying amount of NCI acquired	1,364
Cash consideration paid to NCI	(1,750)
A decrease in equity attributable to owners of the Group	**(386)**

Note 30. Operating leases

Future minimum lease payments

	2015 $'000	2014 $'000
Commitments in relation to non-cancellable operating leases contracted for at the reporting date are payable as follows:		
Within one year	64,555	61,779
Later than one year but not later than five years	164,864	128,383
Later than five years	67,675	22,999
	297,094	**213,161**

Amounts recognised in profit and loss	2015 $'000	2014 $'000
Lease expense	80,853	85,671
Contingent lease expense	25,579	20,791
Sublease income	(13)	(13)
	106,419	**106,449**

Note 31. Capital commitments

During 2015, the Group entered into contracts to purchase plant and equipment in 2016 for $1,705,000 (2015: $3,024,000).

Note 32. Contingencies

Details and estimates of maximum amounts of contingent liabilities are as follows:

	2015 $'000	2014 $'000
Bank guarantees	**10,959**	**9,728**

Note 33. Related parties

(a) Parent entity and ultimate controlling party

The parent entity within the Group is oOh!media Limited as at 31 December 2015. Prior to the IPO on 17 December 2014 the CHAMP III Funds collectively owned 75.7% and WPP owned 20.3% of OMI. As at 31 December 2015, the CHAMP III Funds collectively owned 24.2% of oOh!media Limited and WPP owned 8.6% of oOh!media Limited.

(b) Subsidiaries

Interest in subsidiaries is set out in Note 27.

(c) Transactions with the shareholder-related parties

	Transaction value for the 12 months ended		Balance outstanding	
	2015	2014	2015	2014
	$	$	$	$
Sale of media and services				
WPP				
Revenue (i)	41,469,240	42,327,660	-	-
Receivables (i)	-	-	6,708,048	7,638,955
Expenses				
CHAMP III Funds				
Interest expense (ii)	-	6,184,268	-	-
Management fees	-	791,561	-	-
WPP				
Interest expense (ii)	-	1,565,441	-	-
Management fees	-	208,439	-	-

(i) All sales with related parties are on an arm's length basis and are subject to commercial trading terms and conditions. Outstanding balances with these related parties are to be settled in cash within two months of the end of the reporting period. None of the balances are secured.

(ii) All loans with related parties are subject to interest charges. On 18 December 2014 loans payable to related parties were paid out in full.

(d) Transactions with Key Management Personnel

(i) Key Management Personnel compensation

The Key Management Personnel compensation comprised:

	2015	2014
	$	$
Short-term employee benefits	1,783,603	1,561,354
Post-employment benefits	86,552	99,658
Share-based payments	213,516	3,235,524
	2,083,671	**4,896,536**

(ii) Directors' related party transactions

There are no other related party transactions with the Directors or Key Management Personnel.

Key Management Personnel also participate in the Group’s share plans details of which are discussed in Note 12.

Note 33. Related parties (continued)

(e) Transactions with equity-accounted investees

oOh!Edge Pty Limited

	Transaction value for the 12 months ended		Balance outstanding	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Receivables	-	-	1,612,245	520,608
Management fees	340,877	376,390	-	-

Note 34. Subsequent events

Since the end of the financial year, the Board has declared a fully franked final dividend of 6.7 cents per ordinary share amounting to $10,042,130 in respect of the year ended 31 December 2015 (31 December 2014: Nil). This dividend is payable on 22 March 2016. The financial effect of this dividend has not been brought to account in the consolidated financial statements for the year ended 31 December 2015 and will be recognised in the subsequent financial reports. No dividends were paid to members or determined by the Company in respect to the previous year ended 31 December 2014.

Subsequent to the end of the reporting period, the Group has secured an agreement for an additional $50 million banking facility to the existing $140 million facility.

Apart from the matters referred to above, no other matter or circumstance at the date of this report has arisen since 31 December 2015 that has significantly affected or may affect:
(a) the operations of the Group;
(b) the results of those operations in future financial years;
(c) the Group's state of affairs in the future financial years.

Note 35. Earnings per share

The table below shows the calculation of basic and diluted earnings per share for 2015 and 2014.

	2015	**2014**
	$'000	**$'000**
Profit/(loss) attributable to ordinary shareholders		
Net profit/(loss) after income tax attributable to equity holders of the parent	18,394	(24,787)
	18,394	**(24,787)**

	Number of shares	
Weighted average number of shares outstanding - basic		
Opening issued ordinary shares balance	149,882,534	63,207,681
Effect of allotment and issuances	-	3,653,236
Weighted average number of ordinary shares at 31 December	**149,882,534**	**66,860,917**
Weighted average number of shares outstanding - diluted		
Weighted average number of ordinary shares-basic	149,882,534	66,860,917
Effect of performance rights on issue	1,056,995	-
Weighted average number of ordinary shares at 31 December	**150,939,529**	**66,860,917**

As a result of the net loss for the period ended 31 December 2014, the potential effect of the exercise of stock-options and performance rights was anti-dilutive. Therefore, all the options on issue during 2014 were excluded from the computation of weighted average number of dilutive shares outstanding in 2014 as their inclusion would be anti-dilutive.

Earnings per share	**2015**	**2014**
Basic profit/(loss) earnings per share (cents)	0.12	(0.37)
Diluted profit/(loss) earnings per share (cents)	0.12	(0.37)

Note 36. Reconciliation of cash flows from operating activities

	2015 $'000	2014 $'000
Cash flows from operating activities		
Profit/(loss) after income tax for the year	18,355	(24,785)
Adjustments for:		
Depreciation	12,886	13,492
Amortisation	9,383	8,941
Straight-lining of site rents	1,211	363
Impairment losses on intangible assets and goodwill	-	4,725
Impairment loss on property, plant and equipment	-	6,393
IPO-related expenses	(372)	1,221
Transaction costs related to acquisitions	1,747	-
Mark to market gain on interest rate swaps	-	108
Net finance costs	155	14,250
Share of profit of equity-accounted investees, net of tax	(90)	304
Net loss on sale of non-current assets	581	886
Net exchange differences	(2)	-
Equity-settled share-based payment transactions	797	4,125
Other items	(331)	-
	44,320	**30,023**
Changes in:		
Trade receivables	(3,742)	(3,539)
Deferred tax balances	185	(2,343)
Other operating assets	(574)	389
Trade payables	7,544	2,659
Other provisions	(3,061)	2,115
Provision for income taxes payable	10,686	288
Other operating liabilities	-	(1,958)
Cash generated from operating activities	**55,358**	**27,634**

Note 37. Auditors' remuneration

	2015 $	2014 $
Audit and assurance services		
KPMG Australia		
Audit and review of financial statements	371,350	334,000
Other regulatory audit services	-	-
Total audit and assurance services	**371,350**	**334,000**
Other services		
KPMG Australia		
IPO-related transaction services	-	1,544,000
Taxation compliance and advisory services	84,530	62,000
Acquisition-related services	220,965	-
Other services	119,100	23,000
Total other services	**424,595**	**1,629,000**
Total auditors' remuneration	**795,945**	**1,963,000**

Note 38. Parent entity disclosures

As at and throughout the financial year ended 31 December 2015 the parent entity of the Group was oOh!media Limited. Prior to 17 December 2014 the parent entity of the Group was Outdoor Media Investments Limited.

	2015 $'000	2014 $'000
(a) Financial position		
Financial position of parent entity at year end		
Current assets	99,465	75,993
Non-current assets	317,411	307,620
Total assets	**416,876**	**383,613**
Current liabilities	9,329	-
Non-current liabilities	104,909	81,679
Total liabilities	**114,238**	**81,679**
Net assets/(liabilities)	**302,638**	**301,934**
Total equity of parent entity comprising of:		
Contributed equity	283,585	283,585
Reserves	19,053	18,349
Retained earnings	-	-
Total equity	**302,638**	**301,934**
(b) Comprehensive income		
Result of parent entity		
Profit/(loss) for the year:		
Dividends received from subsidiary	4,197	-
Other comprehensive loss	(93)	(94)
Total comprehensive income/(loss) for the year	**4,104**	**(94)**

(c) Parent entity capital commitments for acquisition of property, plant and equipment

The parent entity did not have any capital commitments for the acquisition of property, plant or equipment as at 31 December 2015 (2014: Nil).

(d) Guarantees and contingent liabilities

Please refer to Note 32 for information on the guarantees and contingent liabilities of the parent entity.

Directors' Declaration

In accordance with a resolution of the Directors of oOh!media Limited ('the Company'), we state that:

(1) In the Directors' opinion:

(a) the consolidated financial statements and notes of the Group that are set out on pages 51 to 95 and the Remuneration report on pages 37 to 49 in the Directors' Report, are in accordance with the *Corporations Act 2001 (Cth)* , including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001 (Cth)* ; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(2) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 31 December 2015.

(3) The Directors draw attention to Note 2(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

On behalf of the Board

Michael Anderson
Chairman

22 February 2016
Sydney

Independent auditor's report to the members of oOh!media Limited

Report on the financial report

We have audited the accompanying financial report of oOh!media Limited (the company), which comprises the consolidated statement of financial position as at 31 December 2015, and consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 38 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 2(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent auditor's report to the members of oOh!media Limited (continued)

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a).

Report on the remuneration report

We have audited the Remuneration Report included on pages 38 to 49 of the directors' report for the year ended 31 December 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of oOh!media Limited for the year ended 31 December 2015, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

John Wigglesworth
Partner

Sydney

22 February 2016

Corporate directory
oOh!media Limited ACN 602 195 380

Directors	Michael Anderson Chairman and Independent Non-executive Director
	Brendon Cook Chief Executive Officer and Managing Director
	Tony Faure Independent Non-executive Director
	Debra Goodin Independent Non-executive Director
	Geoffrey Wild AM Non-executive Director
	Darren Smorgon Non-executive Director
	Patrick Rodden Alternate Non-executive Director for Darren Smorgon
Company Secretary	Michael Egan (7 October 2014 - 31 August 2015)
	Katrina Eastoe (appointed 1 September 2015)
Principal registered office	Level 2, 76 Berry Street North Sydney NSW 2060 Ph: +61 2 9927 5555
Share register	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 Ph: 1300 554 474
Auditors	KPMG 10 Shelley Street Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Westpac Banking Corporation National Australia Bank
Stock exchange listing	The shares of oOh!media Limited are listed by ASX Ltd on the Australian Securities Exchange trading under the ASX Listing Code "OML".
Website	www.oohmedia.com.au

oOh!® Unmissable

Glossary

Term	Meaning/definition
AASB	Australian Accounting Standards Board
Adjusted NPAT	Net Profit After Tax before acquired amortisation (after tax) and non-cash items such as impairments
AGM	Annual General Meeting
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange, as operated by ASX Limited ABN 98 008 624 691
AUD, A$, $ or Australian dollar	The lawful currency of the Commonwealth of Australia
Auditor	KPMG
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations
BBL	Big Bash League
Board or Board of Directors	The board of Directors of oOh!media
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CF&OO	Chief Financial and Operating Officer
CFO	Chief Financial Officer
CGU	Cash Generating Unit
CHAMP Funds	CHAMP Buyout III Pte Limited and certain funds managed by CHAMP III Management Pty Limited, being P.T. Limited as trustee of the CHAMP Buyout III (WW) Trust, Perpetual Trustee Company Limited as trustee of the CHAMP Buyout III Trust; and Perpetual Corporate Trust Limited as trustee of the CHAMP Buyout III (SWF) Trust
Company	oOh!media Limited ACN 602 195 380
Company Secretary	The Company Secretary of oOh!media as appointed from time-to-time
Constitution	The constitution of the Company
Corporations Act	Corporations Act 2001 (Cth)
CY2004	Financial year ended 31 December 2004
CY2014	Financial year ended 31 December 2014
CY2015	Financial year ended 31 December 2015
CY2016	Financial year ended 31 December 2016
CY2017	Financial year ended 31 December 2017
CY2018	Financial year ended 31 December 2018
Digital revenue	Revenue from digital advertising display panels
Director	Each of the Directors of oOh!media as appointed to the position from time-to-time
EBIT	Earnings before interest and taxation
EBITA	Earnings before interest, taxation and amortisation
EBITDA	Earnings before interest, taxation, depreciation and amortisation
EPS	Earnings Per Share
Escrow	An 'escrow' is a restriction on sale, disposal, or encumbering of, or certain other dealings in respect of, the shares concerned for the period of the escrow, subject to exceptions set out in the escrow arrangement
Eye Corp	Eye Corp Pty Limited ACN 064 564 496
FAR	Fixed annual remuneration
FCTR	Foreign Currency Translation Reserve
FCTR	Foreign Currency Transaction Reserve
FMCG	Fast moving consumer goods
Forecast	Forecast per the Prospectus document issued by the Company
Group	oOh!media Limited and its subsidiaries
GST	Goods and services or similar tax imposed in Australia and New Zealand
IASB	International Accounting Standards Board

Glossary (continued)

Term	Meaning/definition
IFRS	International Financial Reporting Standards
Inlink	Inlink Group Pty Ltd ABN 98 089 615 814
IPO	Initial Public Offering
KMP	Key Management Personnel
KPI	Key Performance Indicator
KPMG	KPMG ABN 51 194 660 183
Legacy Management Equity Plan (MEP)	The Outdoor Media Investments Limited management equity plan as described in the Management Equity Plan Rules adopted 28 September 2012
Listing	The admission of oOh!media to the Official List of the ASX
Listing Rules	The Official Listing Rules of ASX
LTI	Long term incentive as payable under the LTI Plan
LTI Plan	oOh!media's long-term incentive plan, as amended by oOh!media from time-to-time
Management	The management of oOh!media
MD	Managing Director
MOVE	Measurement of Outdoor Visibility and Exposure, Australia's first national Out of Home audience measurement system
n/a	Not applicable
NCI	Non-controlling Interest
NED	Non-executive Director
NPAT	Net profit after tax
NZD	New Zealand Dollars
OCI	Other Comprehensive Income
OFR	Operating and Financial Review
OMA	Outdoor Media Association, the peak national industry body that represents most of Australia's traditional and digital outdoor media display companies and production facilities, as well as some media display asset owners
Officer	An Officer of the Company
OMI	Outdoor Media Investments Limited ABN 32 156 446 187
OML	oOh!media Limited ACN 602 195 380
oOh!media	oOh!media Limited ACN 602 195 380
Out Of Home	Out Of Home, also commonly referred to as Out of Home or outdoor advertising, represents the media sector of the advertising industry that communicates with people when they are out of their home
Pro Forma	Financial measure which reflects adjustments to normalise for certain non-operating items
Pro Forma EBITDA	EBITDA adjusted for non operating items including Impairment, acquisition related expenses and IPO costs
Prospectus Forecast	Forecast per the Prospectus document issued by the Company 5 December 2014
Registry	Link Market Services Limited ABN 54 083 214 537
Rights	Rights to shares granted pursuant to the LTI Plan
RMS	Roads and Maritime Services NSW
Senior executive	The senior executive management of oOh!media
Share of security	A fully paid ordinary share in oOh!media
Share registry	Link Market Services Limited ABN 54 083 214 537
Shareholder	The registered holder of a Share
Special incentive	A one-off award of Performance Rights to management
STI	oOh!media's short term incentive plan, as amended by oOh!media from time-to-time
STI Plan	Short term incentive payable under the STI Plan
UIG Interpretation	Urgent Issues Group
VWAP	Volume weighted average price
WPP	Cavendish Square Holding BV