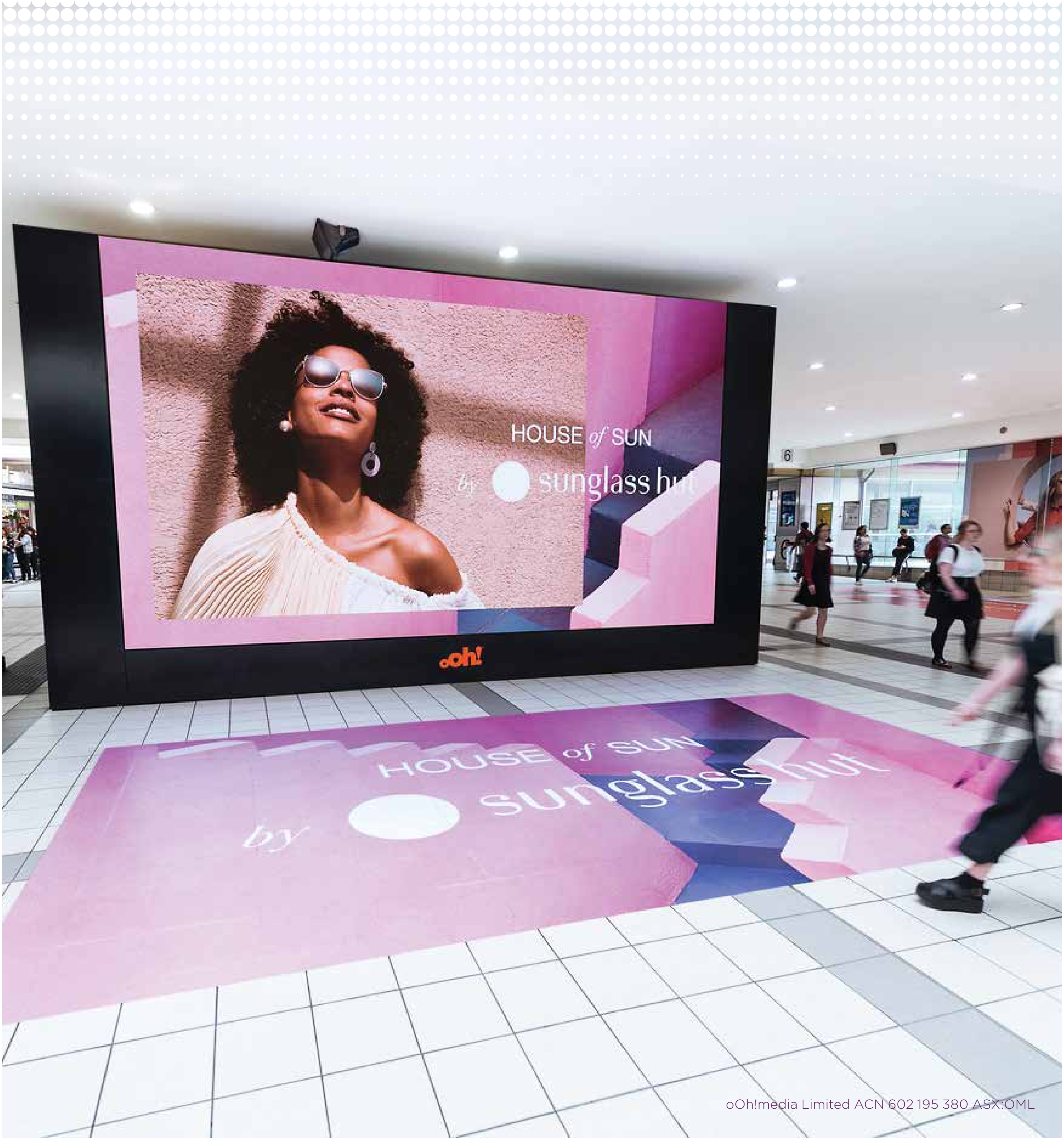
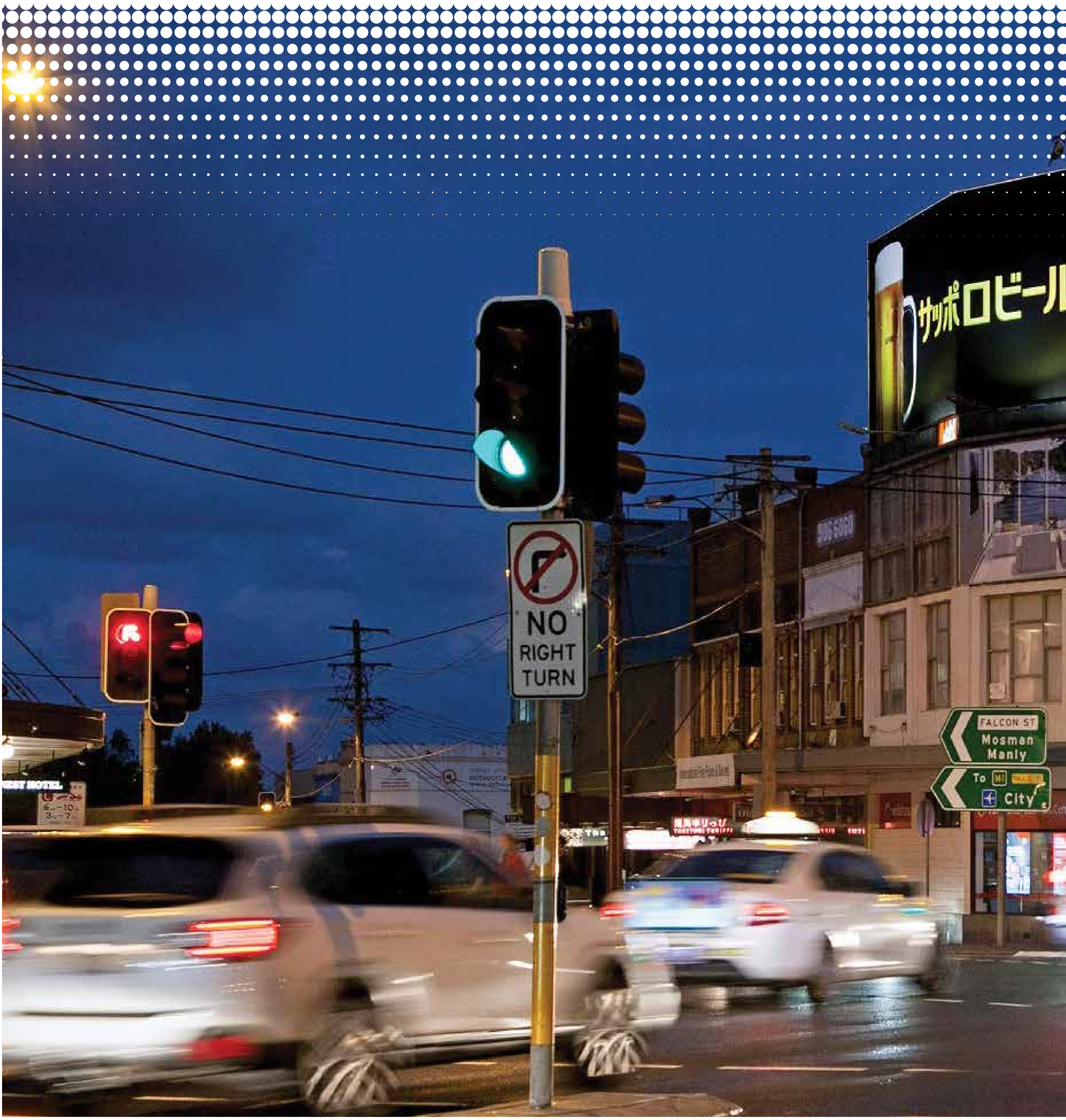
ANNUAL REPORT 2018



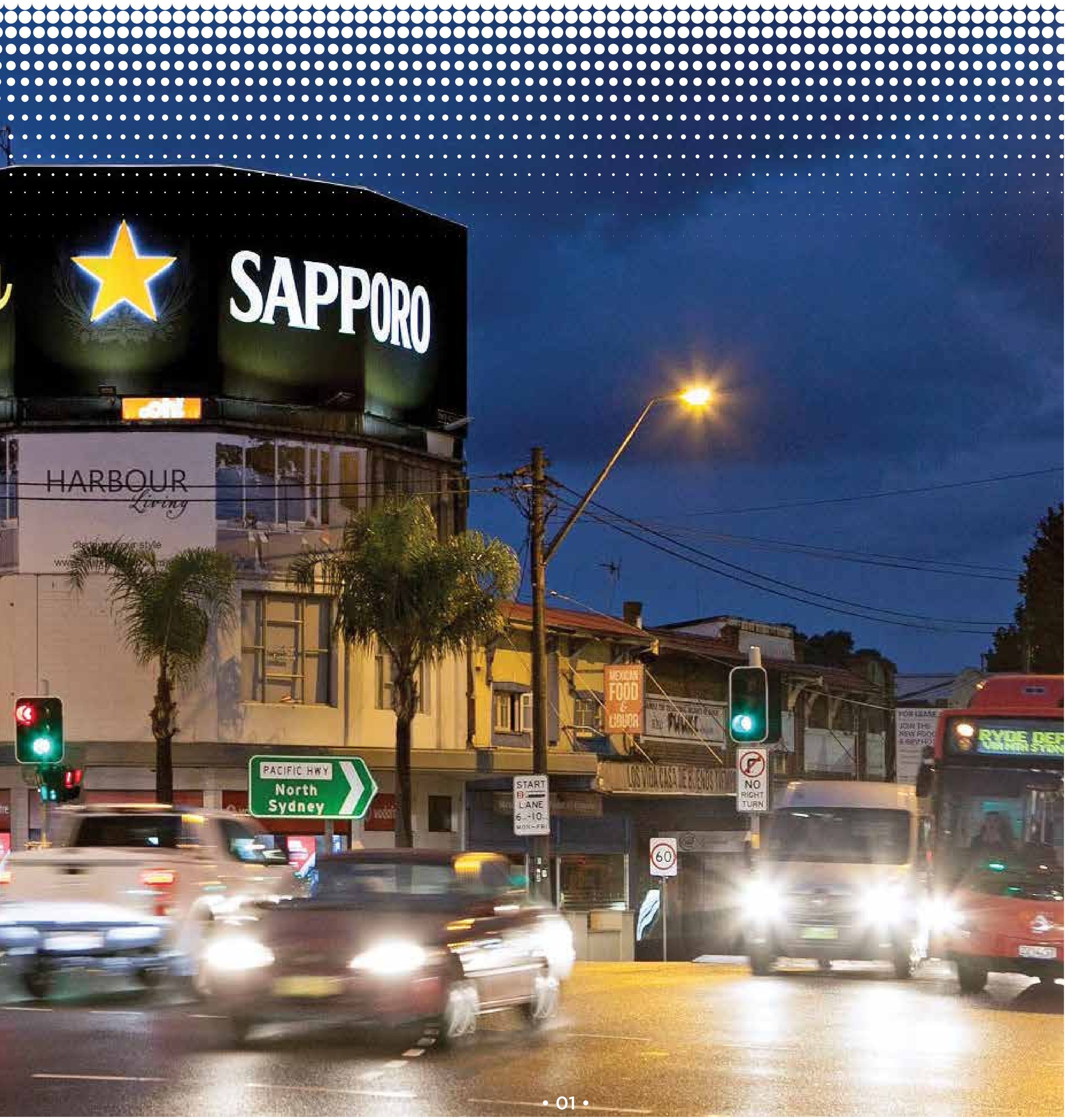
oOh!media Limited ACN 602 195 380 ASX:OML

CONTENTS



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



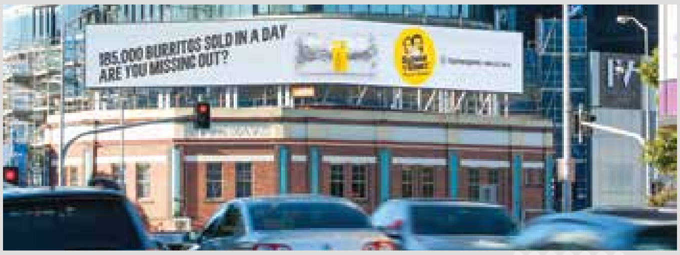
COMPANY OVERVIEW

oOh!media is a leading media company across Australia and New Zealand that creates deep engagement between people and brands through Unmissable Out of Home advertising solutions. Our connected offline and online ecosystem makes brands Unmissable across our diverse network of over 30,000+ locations across Australia and New Zealand helping brands connect with their audiences through powerful and integrated, cross format campaigns. Our unparalleled reach combined with industry best data, insights, media planning tools and technological innovation gives advertisers an added layer of campaign intelligence. oOh! delivers the reach, optimisation, engagement and impact to connect and influence audiences anytime and anywhere.

8 ONLINE
Platforms

20,600
Classic signs

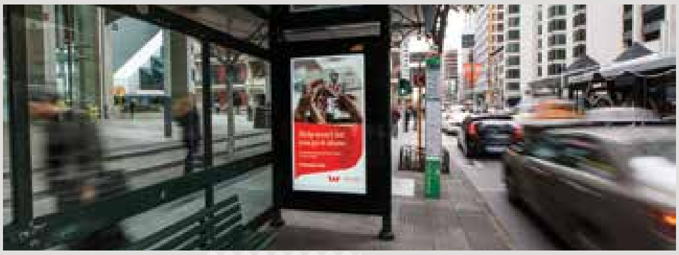
9,500
Digital signs



ROAD

FLY

VENUE



STREET FURNITURE

RETAIL

RAIL

OFFICE

UNIVERSITY

CAFÉ

2018 HIGHLIGHTS

FINANCIAL HIGHLIGHTS

oOh!media's financial results for the year ended 31 December 2018 included robust organic revenue growth across its product portfolio, together with a strong contribution from the Commute business which was acquired on 28 September 2018.

REVENUE
$482.6 million
▲ 27%

DIGITAL REVENUE
$288.1 million
▲ 27%

UNDERLYING[1] EBITDA
$112.5 million
▲ 25%

UNDERLYING[1] NPATA[2]
$51.1 million
▲ 18%

NPAT
$31.6 million
▼ 4%

FY DIVIDEND[3]
11.0 cents
▼ 27%

1. Underlying EBITDA and NPATA reflect adjustments for certain non-operating items including impairment and acquisition-related expenses. Non-operating items of $11.5 million (pre tax) relate predominantly to legal and advisory, and integration costs associated with the acquisition of Adshel. The Directors believe Underlying provides a better representation of financial performance in the ordinary course of business.
2. Net profit after tax before acquired amortisation (after tax) and non-cash items such as impairments. The Directors believe Underlying NPATA 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.

   The CY2017 NPATA has been restated for a change in policy relating to the tax treatment of intangibles on acquisitions.
3. The full year dividend reflects the 71.7m increase in the number of shares issued under the Entitlement Offer in July 2018. On a like-for-like equity basis, the annual dividend payment represents an increase in the total dividend paid by 5 per cent.

OPERATIONAL HIGHLIGHTS

We continued to implement our strategy to build the most diverse and integrated Out Of Home network to connect audiences and advertisers. This was enhanced through the acquisition of the Commute business and our investment in data and technology as we build an industry-leading technology platform to revolutionise the way advertisers plan and execute their media spend to reach targeted audiences.

ACQUISITION OF COMMUTE

The acquisition of the Commute business adds the highly complementary segments of street furniture and rail to oOh!'s product portfolio and ensures that we can provide advertisers with the most diverse and integrated audience offering across Australia/New Zealand to meet their needs. Commute performed strongly in the fourth quarter and we have successfully completed the early integration of the business into the wider oOh! business as we create a very strong platform for the future.

GROUND-BREAKING CAMPAIGNS

oOh! delivered a number ground-breaking campaigns during 2018, using different levels of creative content and data across multiple formats which demonstrates the diversity, reach and effectiveness of our portfolio. Over two thirds of campaigns involved multiple products, representing over 80 per cent of expenditure by our largest clients.

QANTAS INFLIGHT

oOh! was awarded the advertising rights for Qantas' Inflight Entertainment. This transforms the way marketers can reach Qantas flyers, and enables us to provide advertisers with exposure to more than 28 million domestic and international passengers annually. This was the first time (in the world) an Out of Home company has been contracted by an airline to provide advertising and content both at the airport and in the air.

BALANCED, DIVERSE AND LONG TERM LEASE MATURITY PROFILE

oOh! continues to maintain a balanced and diverse lease maturity profile with 60 per cent of 2018 revenue by concession (including Commute) attached to contracts that expire beyond 2021.

During CY2018, oOh! continued to implement its strategy of building the most diverse portfolio backed by data-led innovation in the Out of Home industry.

CHAIR REVIEW

Tony Faure

2018 was a transformational year for oOh!media.

Our strategy to build the most diverse and integrated Out Of Home network to connect audiences and advertisers was enhanced through the acquisition of the Adshel business which has since been rebranded to Commute in Australia and oOh!media in New Zealand.

This acquisition is highly complementary to our existing portfolio and has enabled oOh! to enter the segments of street furniture and rail to further broaden our service and product offering to clients.

Meanwhile, we continued our investment in data and technology as we build an industry-leading technology platform that will revolutionise the way advertisers plan and execute their media spend to reach targeted audiences.

Taken together, these initiatives are fundamental to our strategy to deliver sustainable shareholder returns for the medium to longer term.

OVERVIEW OF FINANCIAL RESULTS

In 2018 oOh! continued to deliver revenue growth while maintaining our ongoing investment in products, people and infrastructure for future earnings growth.

Total revenue increased by 27 per cent to $482.6 million. The increase reflects organic growth across the oOh! business and also three months' revenue contribution from the Commute business. On a like-for-like basis (excluding Commute) revenue increased by 10 per cent.

Total Underlying EBITDA for CY2018 was $112.5 million. Underlying EBITDA (ex-Commute) increased by 5 per cent to $94.2 million, which was at the low end of the guidance range provided to the market at the half year result.

Total Underlying NPATA increased by 18 per cent to $51.1 million, reflecting organic growth and three months' profit contribution from the Commute business, partially offset by the Company's investment in our people and systems as part of our strategy to deliver sustainable growth for the future.

The Company declared a fully franked final dividend of 7.5 cents per share, bringing the full year dividend to 11.0 cents per share fully franked, which is in line with the Board's policy to pay 40-60 per cent of Underlying NPATA as dividends. The dividend per share also reflects the increased number of shares on issue following the successful equity raising completed in July 2018.

The Company has implemented a dividend reinvestment plan (DRP) which will operate for the final dividend payable on 26 March 2019. This is part of our ongoing commitment to reduce the Company's leverage, following additional debt associated with the acquisition of the Commute business and also recognising additional short-term cash commitments in relation to certain contract renewals within the Commute business in 2018.

A more detailed discussion of the Company's financial results is contained within the Operating and Financial Review in this Annual Report.

STRATEGY

oOh! has a history of successfully completing acquisitions as part of our strategy to deliver the industry's broadest product portfolio. In 2018, we executed against this strategy with the $570 million acquisition of the Commute business which was completed on 28 September 2018. This acquisition is strategically compelling on a number of levels:

- The segments of street furniture and rail are highly complementary to our existing portfolio of products, assets and audiences which further diversifies and improves oOh!'s network reach and frequency in key metropolitan and some regional areas.
- It positions oOh! as the largest Out Of Home company across both Australia and New Zealand, providing our clients with an unrivalled trans-Tasman offering.

- The transaction aligns with our digital strategy and we believe there are significant opportunities to digitise the Commute network to drive improvements in both revenue and yield.
- It is expected to generate significant cost synergies through labour, systems and operational savings.

The acquisition was funded through a combination of new debt and an equity raising which was successfully completed in July 2018. I would like to acknowledge and thank shareholders for their support of the equity raising.

The integration of the Commute business is progressing well and we have now finalised the implementation of the new Executive Leadership Team which will be responsible for driving the continued growth of the combined business.

We have also successfully renewed a long term agreement with Brisbane City Council for their street furniture contract – a network of more than 800 bus shelters for a period of ten years with a further two year option, commencing on 1 March 2019.

We are excited about the significant opportunities the full integration of the Commute business will deliver for oOh!, our advertisers and our shareholders.

The other key driver of our strategy is our investment in data and our data-led operating platform and business model.

oOh! has repeatedly led the industry – we were the first to digitise on scale, the first to create interactive panels, and the first to offer a planning tool led by world-first buyer graphic data, powered by Quantium.

In 2018, we continued to invest in our data and technology capability. We are creating an online planning, buying and placement platform which combines oOh!'s audience environments and our extensive audience data sets (such as Quantium) with machine learning models to determine the best inventory to use and when to reach and engage with the desired audience.

The investments we are making in our people, our systems and our network ensure that oOh! is at the forefront of the Out Of Home industry in creating a unique platform that delivers the next phase of revenue growth and sustainable value creation for shareholders.

BOARD AND GOVERNANCE

The Board continues its focus on ensuring a strong corporate governance framework which underpins our business. Equally, it maintains a highly complementary set of skills and experience across a wide variety of backgrounds to support the management team in establishing and executing the Company's strategy to create sustainable value for shareholders.

This collective experience includes audit and compliance, strategy, M&A, traditional and digital media, disruptive innovation and technology, and advertising and marketing.

Michael Anderson resigned from the Board in September 2018. On behalf of my fellow Directors, I would like to personally acknowledge the significant contribution he made to the Board, particularly in his role as Chairman from the Company's listing in 2014 through to 2017.

As indicated in last year's Annual Report, my consultancy support agreement to Junkee Media means that I am not classified as an Independent Director. As part of our ongoing corporate governance procedures, Debbie Goodin remains as Lead Independent Director. In this role, she can assume the role of Chair as required. The Company's Non-Independent Chair Protocol is available on the Investor section of our website.

CONCLUSION

In a transformational year for our Company, oOh! continues to lead the Out Of Home industry while building an unrivalled platform to create sustainable growth opportunities across our business.

On behalf of the Board, I want to thank Brendon and his management team and all our employees across Australia and New Zealand for their hard work in 2018. In particular, I would like to welcome our new colleagues in the Commute business to oOh! and we look forward to their contribution to the Company.

I also want to acknowledge the ongoing support of our shareholders and assure you of the Board's ongoing commitment to maximise sustainable value creation over the longer term.

Tony Faure
Chair

$482.6m

Total Revenue up 27%

$51.1m

Underlying NPATA up 18%

$112.5m

Underlying EBITDA up 25%

CEO'S REVIEW

Brendon Cook

Q. What were the key highlights in CY2018?

A. There were several highlights over the past year. Each of these has contributed to the stronger and more competitive business that we are building for a sustainable and growing Out Of Home business for the future.

The acquisition of the Commute business adds the segments of street furniture and rail to our product portfolio and ensures that oOh! can provide advertisers with the most diverse and integrated audience offering across Australia/New Zealand. Commute performed strongly in the fourth quarter and we are successfully integrating the business into the wider oOh! business as we create a very strong platform for the future.

Our content amplification plans are successfully being achieved through Junkee Media. This is another highlight that demonstrates what campaigns can achieve using a combination of native content and social media. We now have the neuroscience data that proves the effectiveness of Out Of Home with relevant content. Given our strengths in full motion and mass spread digital networks, we are uniquely placed to harness the power of Out Of Home with content amplification.

Two campaigns developed for Contiki and Qantas Assure during the year are examples of the value that we can create for our clients by leveraging this content-led approach. And we now have the science and sales data to demonstrate the effectiveness of this medium to advertisers.

Another highlight was being awarded the advertising rights for Qantas' Inflight Entertainment. This transforms the way marketers can reach Qantas flyers, and enables us to provide advertisers with exposure to more than 28 million domestic and international passengers annually. This was the first time (in the world) an Out Of Home company has been contracted by an airline to provide advertising and content both at the airport and in the air and the results to date are above performance expectations.

On a personal level, one of the key highlights for me is the way our people continue to deliver results for our clients through some of the most innovative campaigns, while leveraging our portfolio of products and data sets. With the significant acquisition and integration of Commute it was a busy year. However, our people right across the business continued to focus on what matters – delivering results for advertisers and property owners – and that's a great testament to the people and culture we have developed at oOh!

Q. What have been the stand-out campaigns oOh! has delivered during the year?

A. We had a number of ground-breaking campaigns during 2018. Importantly, many of these campaigns used different levels of creative content and data across multiple formats. This demonstrates the diversity, reach and effectiveness of our portfolio.

Indeed, over two thirds of campaigns involved multiple products which represented over 80 per cent of expenditure by our largest clients. This is a strong platform which we continue to leverage.

Some of the stand-out campaigns included:

- Tourism Tasmania's Feed your curious campaign featured across oOh!'s assets in Road, Fly, Locate and Retail. In addition, oOh!'s experiential arm oOh! Edge and our content publication, The Upsider, provided curated content inspired by Tourism Tasmania which was contextually relevant to CBD office workers. Mobile EXCITE panels were also placed in office towers featuring the map of Tasmania in digital format, coming to life with sound and video with touch, offering the user the opportunity to register and win prizes.

The campaign had unique oOh! reach of over 5 million, 20,000 experiential engagements, nearly 900,000 social and video views on oOh! led online platforms and 12,000 consumer entrants.

- The Lion Dairy Yoplait campaign targeted consumers already buying in the category, to promote the brand and drive switching behaviour. By leveraging Quantium data, Yoplait was able to develop a more targeted approach based on actual category behaviour. This opened up the potential to reach an incremental 2.8 million buyers who would not have been reached using a traditional main grocery buyer target audience.
- The Contiki 2018 European packages campaign utilised a combination of time of day creative, special offers and fear of missing out content on oOh! digital screens (and classic screens) in environments where university students frequently congregate. The campaign also included engaging content on Uni. Junkee.com. The result from this approach saw Contiki generate a 300 per cent uplift in student bookings for the campaign.
- The Tasmanian Heritage cheese brands campaign used Quantium buyer graphic data to target the Entertainer Q-segment, as opposed to the traditional approach of targeting main grocery buyers, which was found to have high wastage as it did not qualify Entertainers as efficiently. As a result of the campaign, an extra 24 per cent of customers were reached for the same budget than traditionally targeted to the main grocery buyer.

Q. What major contracts have you won over the past year?

A. We have successfully renewed and also won a range of contracts in 2018. Some of the larger contracts include: Brisbane City Council, Brisbane Airport and The Silo's, one of Australia's leading iconic locations which is facing Sydney's Anzac bridge.

Of course a strength of oOh! Is the thousands of commercial arrangements we have in place and the diversity of our portfolio.

This balanced and diverse contract renewal profile allows us to continue to pursue a number of growth initiatives and revenue opportunities. This also demonstrates our ability to manage contract renewal risk across our product portfolio, with 60 per cent of our media revenue in 2018 earned on sites that are secured until 2022 and beyond.

Q. What specific advantages does the acquisition of Commute bring to oOh!?

A. The acquisition is a significant development for our business and brings the new segments of street furniture and rail to our portfolio. It now ensures oOh! has the most diverse and integrated national audience delivery network in the industry with all of the products by 2019 backed by our unrivalled data and technological capability and an integrated content offering.

The transaction means we have extended our audience reach to well above 90 per cent of the Australian population (metropolitan and regional). This is unmatched by any other Out Of Home company. It also means oOh! is the largest Out Of Home company in New Zealand, creating a significant trans-Tasman offering.

This is part of our strategy to offer a diverse portfolio of media and advertising opportunities to reach the right audiences, at the right time, with contextually relevant creative.

With the added environments, we can help brands reach their audiences wherever they are; be it while they are commuting, (by road, air or rail), shopping, at work, studying, having a coffee or out to be entertained.

Tourism Tasmania's 'Feed your Curious' campaign utilised oOh!'s 360-degree Out Of Home ecosystem to effectively reach and engage meaningful audiences across Road, Fly, Office and Retail.

CEO'S REVIEW (continued)

Q. How has the integration of Commute progressed in the 4QCY2018?

A. We are very pleased with the way the integration has progressed in the fourth quarter of 2018. During the transaction and due diligence, we had completed the work to understand the opportunity and benefits of bringing the two businesses together and I am pleased to say we are realising those benefits already.

We have implemented a new structure centred on serving our customers with a new executive leadership team and together this talented leadership team will drive our business for future growth.

We are also on track to capture the cost synergies which we outlined at the time of the acquisition, including approximately $9 million in 2019.

Q. How has the Commute business performed in its first three months of oOh! ownership?

A. We are very pleased with the performance in the fourth quarter.

From a financial perspective, the Commute business delivered strong revenue and earnings in the fourth quarter.

From an operational perspective, we're also pleased with how the business is performing. The successful renewal of the Brisbane City Council contract is an important part of our expanded Out of Home offering for advertisers.

This contract has been one of the Commute business' key strategic contracts for the past 20 years and we continue to have a strong platform to build upon and further leverage. We will also be investing in growing the number of street furniture digital screens within the next few years, from the circa 360 digital screens in the Australian street furniture network.

Q. What is the value proposition for the investment in the Operating Technology Platform ?

A. Out Of Home is going through a transformation led by technology and audience behaviour changes.

We recognised that this transformation in digital signs, data, location creative, content and social media, delivers product transformation, and to unlock this powerful new OOH environment, required an operating platform and client connectivity, never designed or envisaged in Out of Home.

So, our investment was predicated on the simple basis that we could not find a platform that delivered all of our business needs which we had defined via specific objectives as;

1 Unlocking human capital by providing more time for teams in all areas of the oOh! business to do the things that deliver greater revenue and more business functions;

2 Allow our clients to use more data and creative options, to leverage the creative uses of the medium around content and contextuality at location, without adding to their or our operating core cost, and deliver this at speed;

3 Have machine learning to drive advanced capability in data, pricing, and all the other business systems intelligent information, that directly leads to optimised property retention, higher sales and margin and importantly better outcomes for our advertising clients.

This work over the last two years is materially complete and the sales front end is now in final full-scale use development.

We have delayed some projects to focus on integrating all Commute street furniture and rail products in Australia/New Zealand, to be developed into the new systems' structure to allow one platform for the company within 2019. This will again unlock our capability to match our objectives faster than we planned at acquisition, particularly improving our staff to revenue ratio.

Q. What has been the level of digitisation across your portfolio in CY2018? Where are the next areas of focus for digitisation?

A. We have continued to digitise our asset base in a consistent and disciplined manner.

Across the portfolio, digital revenue increased by 27 per cent to $288.1 million, equating to 60 per cent of total revenue.

During the year we converted 9 classic signs to digital across metropolitan areas, bringing the total number of owned metropolitan billboards to 84.

Qantas Inflight Entertainment – reaching more audiences and transforming the end to end journey

However, our digital conversion strategy is more than just the quantity of screens. It continues to be focused on the quality of locations and quality of audience reach and distribution which are important drivers of maximising performance across the portfolio for clients and our business.

The Commute street furniture product represents a significant opportunity for further digitisation with around four per cent of the street furniture estate digitised to date. This should grow to 10 – 12 per cent in the coming years.

Q. What benefits have the investment in data and the relationship with Quantium delivered in CY2018?

A. Our investment in data continues to be reflected in our results.

Specifically, we had significantly improved performance in our Locate and Fly segments with revenue up 25 and 23 per cent respectively.

We have successfully integrated Qantas inflight into our Fly business leveraging our data capability and analysis to transform marketing to passengers using a more targeted approach. For example, our offering is underpinned by transactional data from more than 300 Quantium buyer segments which makes it easier for leading brands to engage with Qantas flyers.

The other oOh! products had $60 million of campaigns planned and 16 clients who had not used Out Of Home for two years re-entered the market on the back of the data.

Critically, our staff have been trained to sell with data and this was acknowledged in an independent survey of agency and clients, when asked the question,"in your opinion, which Out Of Home operator is the leader in Data and Insights?" oOh! was nearly 3 times higher than the nearest competitor.

By the end of 2019 we will have all our new Commute products on the same platform as oOh! existing products. This will deliver over 90 per cent of Australians to a world leading location specific, buyergraphic data platform.

We are also continuing to develop mobile data stories, similar to our successful data-led campaign focused on Chinese travellers to Australia, to provide other compelling reasons for clients to buy Out Of Home and oOh! inventory.

Q. How has oOh! contributed to the community over the past year?

A. We have a history of strong community support for over 20 years which has continued again this year. Our dedicated function, oOh! Community, supports our vision to create deeper engagement between not-for-profit initiatives and the community through Unmissable creative across our diverse portfolio of location-based media. During the year we responded to nearly 75 requests for support, amplified 12 advertising campaigns, donated 21 media packages at a value of $800,000, and provided over $23 million in media space to charity and community causes.

Q. What is the longer-term outlook for the Out Of Home sector and how does oOh! capitalise on the growing opportunity?

A. I remain very optimistic for the sector particularly as our long term business vision for oOh! 2020 is on track. Out Of Home is the one medium that is undeniably unmissable – unlike other mediums it can't be switched off, skipped or blocked. As a result of its physical presence it's also the most transparent of all mediums.

The industry consolidation that occurred in 2018, the investment in data and new operating platforms will allow oOh! to demonstrate and deliver to advertisers the benefits of the new Out Of Home industry and the vast array of capabilities it offers, including content opportunities and the display of advertising in more contextually relevant ways.

We will continue to see Out Of Home become even more data rich and this makes the industry a compelling one for advertisers. At oOh!, we are uniquely placed to leverage that capability by providing advertisers with a world-first, leading data platform built on buyer behaviour by location, enabling buyers to better plan and amplify their media spend by reaching more targeted buyer audiences beyond the traditional demographic spend. We are also working on other initiatives around mobile data for other location concepts, such as our analysis on Chinese travellers to Australia, which delivers more opportunities for clients to understand the value of our inventory.

Lion Dairy and Drinks leveraged the Quantium buyergraphic data for their Yoplait brand to reach more of the right customers.

OPERATING AND FINANCIAL REVIEW 2018

BASIS OF PREPARATION

oOh!media Limited ("oOh!") is a leading Out Of Home media company, offering advertisers the ability to create deep engagement between people and brands across one of the largest and most diverse Out Of Home location-based portfolios in Australia and New Zealand. Further details about the Company's organisational profile and business model are disclosed in the Directors' and Sustainability Reports of this Annual Report.

On 28 September 2018, oOh! completed the acquisition of 100 per cent of the share capital in Adshel from HT&E Limited. On 10 December 2018, the former Adshel offering was re-branded as Commute by oOh! in Australia, and oOh!media in New Zealand. Unless specified, for the purposes of this Operating and Financial Review, "Commute" refers to the former Adshel operations in Australia and New Zealand.

OVERVIEW

During CY2018, oOh! continued to implement its strategy of building the most diverse portfolio backed by data-led innovation in the Out of Home industry.

Organic revenue growth reflected oOh!'s ongoing strength in Road, together with continued significant improvements in the Fly and Locate businesses from the first half, partially offset by reduced spend in the Retail category.

Meanwhile, the Company continued its investment in building its operating model and platform to lead the industry in creating a new media business driven by data, content and innovation and delivering long term sustainable business efficiencies.

Commute is being successfully integrated and delivered strong revenue and earnings in the fourth quarter, creating a solid platform to continue to build oOh!'s competitive position for sustainable growth over the medium term.

GROUP FINANCIAL RESULTS

A$m unless specified	CY2018	CY2017[3]	Variance ($)	Variance (%)
Revenue	**482.6**	380.3	102.4	27
Gross Profit	**225.7**	175.5	50.2	29
Gross Profit Margin (%)	***46.8%***	*46.2%*	n/a	+1ppts
Total operating expenditure	**113.2**	85.5	27.7	32
Underlying[1] EBITDA	**112.5**	90.1	22.5	25
Underlying EBITDA Margin (%)	***23.3%***	*23.7%*	n/a	-0ppts
Non-Operating Items	**(11.5)**	(2.1)	(9.5)	452
EBITDA	**101.0**	87.9	13.1	15
Depreciation and Amortisation	**(42.9)**	(33.5)	9.5	28
EBIT	**58.1**	54.5	3.7	7
Net finance costs	**(8.3)**	(5.5)	(2.8)	50
Profit Before Tax	**49.5**	49.0	0.5	1
Income Tax Expense	**(17.9)**	(16.0)	(1.9)	12
Net Profit After Tax	**31.6**	33.1	(1.4)	(4)
Underlying NPATA[1 2 3]	**51.1**	43.4	7.7	18
EPS (cps)[4]	**15.5**	19.4	(3.8)	(20)
Full year dividend fully franked (cps)	**11.0**	15.0	(4.0)	(27)

1. Underlying EBITDA and NPATA reflect adjustments for certain non-operating items including impairment and acquisition-related expenses. Non-operating items of $11.5 million (pre tax) relate predominantly to legal and advisory, and integration costs associated with the acquisition of Adshel. The Directors believe Underlying provides a better representation of financial performance in the ordinary course of business.
2. Net profit after tax before acquired amortisation (after tax) and non-cash items such as impairments. The Directors believe Underlying NPATA 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.
3. The CY2017 NPATA has been restated for a change in policy relating to the tax treatment of intangibles on acquisitions.
4. Earnings per share for 2017 have been restated for the bonus share component of the rights issue in 2018.

OPERATING AND FINANCIAL REVIEW 2018
(continued)

REVENUE – DIVERSE PRODUCT PORTFOLIO DELIVERS GROWTH WHILE MITIGATING LOWER ADVERTISING SPEND IN SPECIFIC CATEGORIES

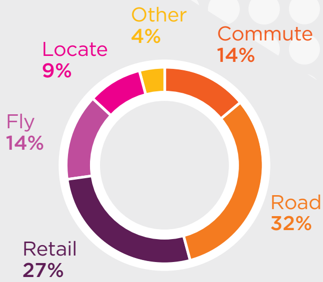
oOh!'s diversified asset portfolio provides exposure to a broad range of Out Of Home segments and underlying lease contracts. During the year oOh! further enhanced this diversity with the acquisition of Adshel which adds the highly complementary segments of Street Furniture and Rail to oOh!'s product portfolio, ensuring oOh! provides the most diverse and integrated network to connect advertisers with audiences. oOh!'s presence in the New Zealand market was also increased substantially as a result.

This scale and diversity enables the Company to deliver sustainable revenue growth while also mitigating periodic fluctuations in advertiser spend in specific segments and products.

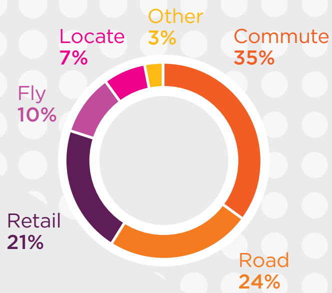
The Out Of Home market grew steadily during CY2018, however weaker total advertising spend in July and October 2018 impacted overall revenue growth in the second half of the year compared to the prior corresponding period.

Total revenue increased by 27 per cent, including three months' contribution of the Commute business in CY2018.

A$m unless specified	CY2018	CY2017	Variance ($)	Variance (%)
Commute	**65.9**	0.0	65.9	n/a
Road	**154.8**	137.2	17.7	13
Retail	**132.9**	135.7	(2.8)	(2)
Fly	**67.8**	55.0	12.8	23
Locate by oOh!	**42.8**	34.2	8.6	25
Other	**18.5**	18.3	0.2	1
TOTAL	**482.6**	380.3	102.4	27



FY18 REVENUE BY PRODUCT %



FY18 PRO-FORMA REVENUE BY PRODUCT %

On a like-for-like basis, (ex Commute) revenue for CY2018 increased by 10 per cent to $416.8 million, reflecting strong organic growth across the existing portfolio. New Zealand's contribution is reflected within the operating formats.

- **Commute** revenue in the fourth quarter performed strongly, demonstrating the value of the street furniture and rail categories to oOh!'s portfolio.
- **Fly** continued its strong momentum from the first half of the year, with revenue lifting by 23 per cent, including the revenue contribution from QANTAS In-Flight which was ahead of expectations and demonstrates the value of this innovation.
- **Road** continued to deliver strong double digit sales growth through its portfolio of high quality digital and classic assets in key locations. Revenue increased by 13 per cent.
- **Locate by oOh!** delivered strong double-digit growth, reflecting the continued momentum in this business from new positioning of the combined sector following consolidation and integration in the prior year and also reflects oOh!'s ability to target audiences in the office segment. Revenue increased by 25 per cent on the prior year.
- **Retail** revenue declined by 2 per cent. An overall reduction in advertiser spend in this category in Australia of 3 per cent was partially offset by double digit growth in New Zealand. However, the second half performance in Australia improved on the first half, (where revenue declined 5 per cent) despite continuing soft conditions in the segment.
- **Other** revenue represents the contribution from Junkee Media and Cactus Imaging. Junkee's contribution continues to grow, demonstrating oOh!'s ability to target millennial audiences with a combination of platforms.

oOh!media continues to maintain a balanced and diverse lease maturity profile with 60 per cent of 2018 revenue by concession (including Commute) attached to contracts that expire beyond 2021.

oOh! remains at the forefront of digital transformation in the Out Of Home industry, while maintaining a disciplined approach to digitisation of assets in premium locations across the Company's network.

Digital revenue increased to $288.1 million, an increase of 27 per cent on the prior period. Digital revenue as a percentage of total revenue was flat at 60 per cent, with the organic growth during the year being offset through Commute having a lower digital base.

OPERATING AND FINANCIAL REVIEW 2018 (continued)

EARNINGS – YEAR OF TRANSFORMATION WITH INCREASED INVESTMENT IN PEOPLE, DATA AND SYSTEMS TO DRIVE SUSTAINABLE EARNINGS GROWTH

oOh! continues to focus on investing in its people, data and systems. This will ensure the Company remains at the forefront of the industry and can adapt to the changing Out Of Home media landscape to deliver the next phase of revenue growth and sustainable earnings over the medium term.

Revenue growth of 27 per cent translated to gross profit of $225.7 million, an increase of 29 per cent, as revenue increased faster than direct costs.

Gross margin was 46.8 per cent, compared to 46.2 per cent in the prior year. Gross margin, while improving with revenue volumes, was constrained by product mix, with lower sales in the Retail segment as well as Commute generating slightly lower margins compared to the rest of the oOh! business.

As detailed at the first half results, CY2018 was a transformational year as the business continues to build its company-wide operating platform to the required level. This investment and acquired operational expenditure from Commute resulted in a 32 per cent increase in operational expenditure excluding depreciation, amortisation and non-operating items for the full year to $113.2 million. Excluding the impact of Commute, operational expenditure grew by 18 per cent for the year, The rate of increase moderated in the second half of CY2018 with operational expenditure increasing by 3 per cent compared to the first half CY2018.

Operational expenditure includes investment in talent and skills in the core areas of data science, content and client partnerships in building the company's new operating platform model, increased marketing and sales to support higher revenue and additional investment to meet the Company's cyber security responsibilities. The business transitioned its IT infrastructure to third party Software as a Service (SaaS) products to increase its scalability and security. This expense was previously mostly captured in depreciation.

The increased investment in people and systems supports the strategy to drive revenue and earnings growth for the future, generating strengthening and sustainable margins over the medium term.

In CY2018, the impact of increased operating expenditure moderated the underlying like-for-like EBITDA (ex Commute) growth to 5 per cent to $94.2 million.

Total Underlying EBITDA (including Commute) was $112.5 million. Underlying EBITDA margin was 23.3 per cent compared to 23.7 per cent for the prior year.

Non-operating items of $11.5 million (pre-tax) are excluded from underlying trading results and relate predominantly to legal and advisory costs associated with the acquisition of the Commute business.

As indicated in previous Annual Reports, the increase in capital expenditure in prior periods to expand the Company's digital network to drive future revenue and yield growth has resulted in an increase in depreciation expense in CY2018. Combined with the contribution from Commute, depreciation and amortisation increased by 28 per cent to $42.9 million.

Net finance costs reflect the increased borrowings to fund completion of the acquisition of the Commute business on 28 September 2018. As a result finance costs increased by 50 per cent.

Underlying NPATA increased by 18 per cent to $51.1 million. The Company reported NPAT of $31.6 million compared to $33.1 million in the prior year, with the decline attributed to the non-operating items identified above.

Dividend in line with ongoing Dividend Policy

The Company declared a fully franked final dividend of 7.5 cents per share, bringing the full year dividend to 11.0 cents per share fully franked, compared to 15.0 cents for the prior year. This is in line with the Board's policy to pay 40-60 per cent of Underlying NPATA as dividends.

The full year dividend also reflects the 71.7m increase in the number of shares issued under the Entitlement Offer in July 2018.On a like-for-like equity basis, the annual dividend payment represents an increase in the total dividend paid by 5 per cent.

The record date for entitlement to receive the final dividend is 5 March 2019 with a schedule dividend payment date of 26 March 2019.

The company has implemented a dividend reinvestment plan (DRP) which will operate for the final dividend. The last date for receipt of the election notice for participation in the DRP is the day after the dividend record date 5 March 2019. Terms and conditions of the Company's DRP are available on the oOh! investor website.

CASH FLOW GENERATION

A$m unless specified	CY2018	CY2017	Variance ($)	Variance (%)
EBITDA	**101.0**	87.9	13.1	15
Net change in working capital	**0.7**	(4.2)	5.0	118
Interest and Income Tax (included in net cash from operating activities)	**(30.6)**	(33.3)	2.7	8
Net cash from operating activities	**71.2**	50.4	20.8	41
Capital expenditure	**(40.8)**	(33.9)	(6.9)	(20)
Acquisitions	**(574.3)**	(1.0)	(573.3)	(55,065)
Concession development payments/other	**0.7**	0.1	0.6	386
Net Cash flow before financing	**(543.2)**	15.5	(558.8)	(3,595)

The Company continues to generate strong cash flow with operating cash flows improving by 41 per cent and representing 70 per cent of EBITDA. Included in operating cash flows is a $20.0 million upfront payment to the Brisbane City Council for the renewal of the Bus Shelter contract in lieu of upgrading the bus shelters on its renewal. Strong revenue with only a modest increase in working capital, together with a reduction in tax paid were the main drivers of the improved operating cashflow performance. The reduction in tax paid was partially a timing difference as the tax on Commute's Australian earnings will be paid in 2019.

Reported capital expenditure of $40.8 million was 20 per cent higher than the prior year. On a like-for like basis (excluding Commute) capital expenditure increased by $0.7 million (2 per cent) versus the prior year.

The main components of capital expenditure comprised continued investments in the digitisation of the group's assets and investment in systems capability to create an Out Of Home operating system built on advanced, machine learning capability with enhanced technological infrastructure to enable clients to take advantage of the digital sign transformation and therefore engage their targeted audiences more effectively and efficiently whilst delivering significant operating scale efficiencies to oOh!.

FINANCIAL POSITION

A$m unless specified	CY2018	CY2017	Variance ($)	Variance (%)
Borrowings	**405.6**	138.8	266.8	192
Cash and Cash equivalents	**(33.0)**	(15.9)	(17.1)	107
Net Debt	**372.5**	122.8	249.7	203
Leverage Ratio (Net Debt/Underlying EBITDA)[5]	**2.6X**	1.4x	1.2X	n/a

5. Proforma EBITDA for CY2018.

oOh! successfully arranged fully underwritten $450 million in new debt facilities during the year to refinance existing debt and part fund the acquisition of the Commute business. This facility was increased by $70 million to $520 million in February 2019 to provide further financial capacity to the group. As at 31 December 2018, $410 million was drawn from this facility.

As a result, net debt/Pro Forma Underlying EBITDA ratio was 2.6 times as at 31 December 2018 compared to 1.4 times at December 2017. This level of gearing remains well within the Company's banking covenants, and oOh! is targeting a return to a leverage ratio below 2 times in 2020.

BOARD OF DIRECTORS

Board of directors from left to right:

Darren Smorgon, Debra Goodin, Brendon Cook, Tony Faure, Joanne Crewes, Geoffrey Wild

TONY FAURE

Chair and Non-executive Director

Tony Faure has been a Director of the parent company of the oOh!media group since February 2014, was appointed to oOh!media Limited on 28 November 2014, and appointed Chair on 22 September 2017.

Skills and experience:

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 and Chief Executive Officer and Founder of Home Screen Entertainment, and positions at Yahoo! including Regional Vice President, South Asia and Managing Director of Yahoo! Australia and New Zealand. Tony was also an advisor to the Board of seek.com.

Other directorships (current and recent):

Non-executive Director of biNu Pty Ltd (23 April 2013 to 5 September 2016), Non-executive Director of Dealised Pty Ltd (10 December 2011 to 12 August 2016), Non-executive Director of Planwise AU Pty Limited from 29 August 2016, Chair of Predict HQ Limited (New Zealand) from 7 November 2016, Chairman of Junkee Media Pty Ltd (12 December 2012 to 1 July 2016). Director of Medical Media Group Pty Ltd (9 September 2015 to 15 February 2019), Non-executive Director of Stackla Pty Ltd (5 November 2014 to 14 November 2018).

BRENDON COOK

Chief Executive Officer and Managing Director

Brendon founded oOh!media in 1989 and was appointed to oOh!media Limited on 7 October 2014 immediately prior to oOh!media's listing in December 2014.

Skills and experience:

Brendon Cook founded oOh!media in 1989. With over 40 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 continues to deliver strong organic growth, strategic acquisitions and the development and introduction of several new environments to capitalise on the growth in digital and people's media 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 also the International Vice President of the Federation European Publicite Exterieur (FEPE), a global Out Of Home industry body, that now champions the connection of country industry bodies and OOH leaders around the world, to develop learnings and strategies that assist OOH to become a world leading new media. Brendon is the first Australian to sit on the Board in the organisation's nearly 60 year history.

Other directorships (current and recent):

International Vice President of Federation European Publicite Exterieur (FEPE) (since June 2015), Non-executive Director of Measurement of Outdoor Visibility and Exposure (MOVE) Pty Ltd (since 22 February 2007), Non-executive Director of Outdoor Media Association (since 27 November 2003).

DEBRA GOODIN

Independent Non-executive Director and Lead Independent Director, Chair of Audit, Risk & Compliance Committee

Debra has been a Director of oOh!media and Chair of the Audit, Risk & Compliance Committee since 28 November 2014 and was appointed Lead Independent Director on 22 September 2017.

Skills and experience:

Debra 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. Debra is an experienced Non-executive Director and Audit Committee Chair.

Debra has executive experience in finance, operations, corporate strategy and 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. Debra holds a Bachelor of Economics from the University of Adelaide and is a Fellow Chartered Accountant.

Other directorships (current and recent):

Non-executive Director of Atlas Arteria Limited (formerly Macquarie Atlas Roads Limited) (since 1 September 2017), Non-executive Director of APA Group (since 1 September 2015), Non-executive Director of Senex Energy Limited (since 26 May 2014), Non-executive Director of TEN Network Limited (17 August 2016 to 16 November 2017).

GEOFFREY WILD AM

Non-executive Director

Geoff has been a Director of the parent company of the oOh!media group since July 2007 and was appointed to oOh!media Limited on 7 October 2014 immediately prior to oOh!media's listing in December 2014.

Skills and experience:

Geoff has enjoyed a long and distinguished career in marketing and advertising, originally with the Clemenger Group where he helped establish their Sydney operation and went onto become Deputy Chairman of the Group in ANZ.

Upon Clemenger Group's merger with the US-based BBDO Group, Geoff oversaw the Pan-Asian expansion strategy through acquisition and start-up, joining the BBDO International Board and was subsequently appointed as Chairman of ASIA/Pacific operations.

Geoff was appointed Chairman of the NSW Tourism Commission and also became a Vice President and Director of the successful Sydney 2000 Olympic Bid Committee. He was awarded the Order of Australia (AM) in the Queen's Birthday Honours Listing 2000, is a Fellow of the Advertising Institute of Australia (by examination), a Fellow of the Australian Institute of Company Directors and a Fellow of the Royal Society of the Arts.

Other directorships (current and recent):

Chairman of WPP Australia Holding Pty Ltd (since 8 April 2016), Non-executive Director of WPP AUNZ Limited (since 8 April 2016), Chairman and Director of Arab Bank Australia Limited (Director since 2 November 1995, Chairman since 19 July 2011), Non-executive Director of Ibisworld Pty Ltd (since 19 December 1991).

DARREN SMORGON

Independent Non-executive Director Chair of Remuneration & Nomination Committee

Darren has been a Director of the parent company of the oOh!media group since March 2012 and was appointed to the Board of oOh!media Limited on 7 October 2014.

Skills and experience:

Darren is the Managing Director of Sandbar Investments, a private investment company. Darren was previously a Director of CHAMP Private Equity where he spent 16 years. While at CHAMP he oversaw the oOh!media privatisation and relisting on the ASX.

Darren holds a Bachelor of Economics (with Merit) and Master of Commerce (with Merit) from the University of New South Wales, and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

Other directorships (current and recent):

Managing Director of Sandbar Investments (since 20 May 2016), Non-executive Chairman of Hub Australia Pty Ltd (since 31 October 2017), Non-executive Director of Total Drains Group Pty Ltd (since 10 October 2017), Director of Swift Media Limited (since 15 February 2019), Non-executive Director of Medical Media Group Pty Ltd (21 September 2016 to 15 February 2019), Director of CHAMP Private Equity (1 October 2011 to 25 August 2015).

JOANNE CREWES

Independent Non-executive Director

Joanne was appointed to the Board of oOh!media on 22 September 2017.

Skills and experience:

Joanne is the former President of Procter & Gamble's Global Prestige business unit, having held various senior leadership roles globally with Procter & Gamble over her 27-year career with the company. Joanne brings deep experience and insights across consumer value propositions, data-driven insights, brand positioning and client-side marketing perspectives.

Joanne is, among other roles, a strategic adviser to the LVMH-backed private equity firm L Catterton, a Non-executive Director on the Dulux Group Limited Board and a mentor and coach to various senior executives and C-suite leaders.

Other directorships (current and recent):

Non-executive Director of R.M. Williams Proprietary Limited (since 26 Feb 2018), Director of Swimwear Holdings Pte Ltd (since 15 October 2018), Member of University of Technology Sydney Industry Advisory, previously a Director of Global Advance Australia.

DIRECTORS' REPORT

INTRODUCTION

The Directors of oOh!media Limited (oOh!media or the Company) present their report of the consolidated entity consisting of oOh!media Limited and the entities it controlled (the Group) at the end of, or during, the year ended 31 December 2018 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 2018, together with their qualifications, experience and further details, are set out on pages 18 to 19 of this Annual Report (for the Directors) and on page 45 of the Corporate Governance Statement (for the Company Secretaries).

The Directors' Report has been prepared in accordance with the requirements of the Corporations Act 2001 (Cth). The information below forms part of this Directors' Report.

CORPORATE STRUCTURE

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

PRINCIPAL ACTIVITIES

oOh!media is a leading Out Of Home media company, offering advertisers the ability to create deep engagement between people and brands across one of the largest and most diverse Out Of Home location-based portfolios in Australia and New Zealand. oOh!media's portfolio includes:

- large format classic and digital roadside screens;
- large and small format classic and digital signs located in retail precincts such as shopping centres;
- large and small format classic and digital signs in airport terminals and lounges;
- classic and digital signs in high dwell time environments such as cafés, pubs, universities, office buildings and gyms;
- classic and digital street furniture signs;
- classic and digital rail and classic format advertising in public transport corridors including rail; and
- online sites for millennials, students, flyers and small businesses and city-based audiences.

oOh!media also owns a leading native content production company and digital printing operations.

OPERATING & FINANCIAL REVIEW

The consolidated profit attributable to the owners of the parent entity for the financial year ended 31 December 2018 was $31,598,907 (2017: $33,206,089). A review of operations and results of the Group for the year ended 31 December 2018 is set out in the Operating and Financial Review, which forms part of this Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 28 September 2018, oOh!media completed the acquisition of 100% of the share capital in Adshel (comprising the Australian and New Zealand entities, Adshel Street Furniture Pty Limited ACN 000 081 872 and Adshel New Zealand Limited, CN 902243, respectively) from HT&E Limited and commenced the integration of Adshel into oOh!media. On 10 December 2018, the former Adshel offering was re-branded as Commute by oOh! in Australia, and as oOh!media in New Zealand.

LIKELY DEVELOPMENTS & EXPECTED RESULTS

The Group's prospects and strategic direction are discussed in various sections of this Annual 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.

RISK MANAGEMENT

The Company takes a proactive approach to risk management and actively manages risks such as project risk, contract risk, compliance risk and finance risk. The Board of oOh!media (the Board) has mechanisms in place to ensure management's objectives and activities are in line with those determined by the Board including:

- Board approval of:
  - the Group's strategic plan and objectives;
  - the Group's annual financial forecasts and operating budgets;
  - all contracts and agreements which exceed the level of delegation to Management in the Delegation of Authority policy approved by the Board; and
  - all project developments which exceed the level of delegation to Management in the Delegation of Authority policy approved by the Board;
- regular review by the Board of the Group's adherence to and performance against the above items; and
- regular review by the Audit, Risk and Compliance Committee of the Group's risk management process, with improvements introduced where appropriate.

The Company has identified the following as being the most relevant risks to the business achieving its operational and financial targets:

Business Element	Description of risk and the Company's mitigation
Adapting to change	The outdoor advertising industry has outperformed the advertising industry as a whole, continuing to grow strongly in 2018 after five years of sustained year-on-year growth (SMI data). Growth in outdoor advertising will be dependent on continued ability to adapt to changes in the media landscape, including meeting evolving customer advertising requirements, competitive and legislative changes. Further, a general disruption to or downturn in economic conditions in one or more of oOh!media's environments or geographic regions may reduce revenues. This may have a significant impact on operating profit as a large proportion of oOh!media's costs have a fixed component. The Board oversees key changes in the media landscape and the appropriateness of Management's response to such changes. oOh!media has developed a diversified portfolio to mitigate this risk, with diversity and scale across a number of different environments that produce quality Out Of Home margins and return on investment for advertisers. oOh!media has also invested in audience data, scalable systems and operating models to manage this risk in the future.
Business partners	oOh!media is dependent on relationships with concession holders to manage its lease and licence portfolio, media agencies to represent this portfolio to their advertiser clients, and customers who desire the portfolio to advertise their goods and services. Many concession contracts require oOh!media to participate in competitive processes ahead of or at each renewal. Loss of relationships with media agencies, a change in the size or structure of the media agency market, or loss of relationships with key customers could impact the Group's future operating and business performance. oOh!media has developed a diversified portfolio of relationships with numerous individual concession holders and with different contract maturity dates to mitigate the impact of loss of individual concession relationships, and has invested in data and insights to give agencies and customers more focus and reach for their desired audience using oOh!media's unique portfolio.
Acquisitions & integration	Acquisitions may not deliver projected benefits or value, and integrations may not be successful, resulting in interruptions to the achievement of business strategy. oOh!media has deep experience managing business integrations and where appropriate, appoints full time project managers to assist with the management and delivery of integration programs. oOh!media regularly reports against the performance of the integration and the new business to the Board. After its acquisition of the Adshel business from HT&E Limited in September 2018, oOh!media's focus is on its successful integration into the Group.

Projects & Governance	
Project Management	Key projects, including migration to cloud platforms and implementation of new system modules, may not be managed effectively resulting in loss of business, intellectual property or business functionality. oOh!media engages dedicated project managers for key projects to ensure focus and delivery against objectives and budget, and introduces additional specialised resources where required. The oOh!media Project Management Office provides a consolidated overview of project performance and strategic priority of projects.
Governance	The rapid growth of the Group in scale and diversity could result in governance systems being unable to manage the increased complexity of the business, impacting the quality of performance of the Group. oOh!media engages professional in-house and where required, external, governance experts across its corporate, finance, legal and operations functions to provide advice and support, and to manage and review governance systems.

IT & Cybersecurity	
IT security & resilience	Failure to appropriately address security risks around external threats to the digital network, IT systems and data (including personal information) through physical breaches or hacking, could result in system suspension or failure, the potential loss of intellectual property or a personal information data breach. In addition to internal and external site level security controls, oOh!media proactively tests the controls against internal and external threats. Internally, the site controls limit access to key information, with a number of systems having an internalised auditing function to track usage and breach. This is complemented by monitoring of medium and high-risk systems. oOh!media has invested in new cloud-based systems with enhanced capabilities to replace ageing systems to manage the complex nature of oOh!media's diverse business. oOh!media has disaster recovery and business continuity plans, tested and reviewed regularly.

People & Capability

WHSE&Q	Work, health, safety, environmental and quality (WHSE&Q) risks could occur causing physical injury or death to employees or others, damage to property or the environment, damage to reputation and involve regulatory breach. oOh!media has a dedicated WHSE&Q function, complemented by a WHSE&Q management system that is rigorously enforced. This team conducts Quality Assurance on providers to ensure compliance with policies, induction, licensing requirements, insurance and WHS policies. oOh!media has a Group-wide training program for WHSE&Q, including specific training on bullying and harassment. oOh!media conducts third party independent audits of its WHSE&Q system to identify any areas for continuous improvement, and reports to the CEO and Board at least monthly on WHSE&Q-related matters.
Key management retention & succession	Key management succession planning may not be successful, whether seeking internal or external candidates, which may impact the business strategy and ability to achieve sustained EBITDA performance and growth. oOh!media has both a short-term and long-term succession and organisational structure plan for key management roles, complemented by both STI and LTI remuneration programs. The matter is regularly reviewed by the Board and the Senior Executive team has been specifically created to share responsibility and accountability for sustainable leadership and business performance.
Structure, capability & culture	Business structure and staff capability may not continue to evolve to meet the growing changes and complexity in the products, market, agencies and emerging digital environment. This failure may negatively impact the innovative and entrepreneurial culture of the organisation and the ongoing relevance and performance of oOh!media within the market. oOh!media has a dedicated and national award-winning people function that has a three-year people and culture plan. Before any major initiative, structure, culture and capability is carefully assessed to ensure the best of the culture and capability is maintained, whilst adapting to new favourable opportunities. oOh!media has Group-wide induction and continuous training programs, a mentoring program, recognition programs beyond remuneration, and a Head of Talent to focus on finding and retaining the right talent for oOh!media.

MATTERS SUBSEQUENT TO REPORTING DATE

Apart from the dividend declared as discussed a contract termination payment of $7 million and an increase to the Group's existing debt facility to $520 million (refer to Note 28 in the Financial Statements) in this report, no other matter or circumstance at the date of this report has arisen since 31 December 2018 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 future financial years.

ENVIRONMENTAL & WHS REGULATION

The Directors recognise the importance of environmental and workplace 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, contractors and the community. The operations of the consolidated entity 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. The Group has not incurred any significant environmental liabilities.

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).

ROUNDING OF AMOUNTS

The Company is a kind referred to in *ASIC Corporations Instrument 2016/191* (Instrument) issued by the Australian Securities and Investments Commission (ASIC), relating to the "rounding off" of amounts in the Directors' Report.

Amounts in the Directors' Report have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

DIRECTORS' MEETINGS

The record below shows the number of Directors' meetings held during the year, the number of meetings the Directors were eligible to attend and the number of meetings attended.

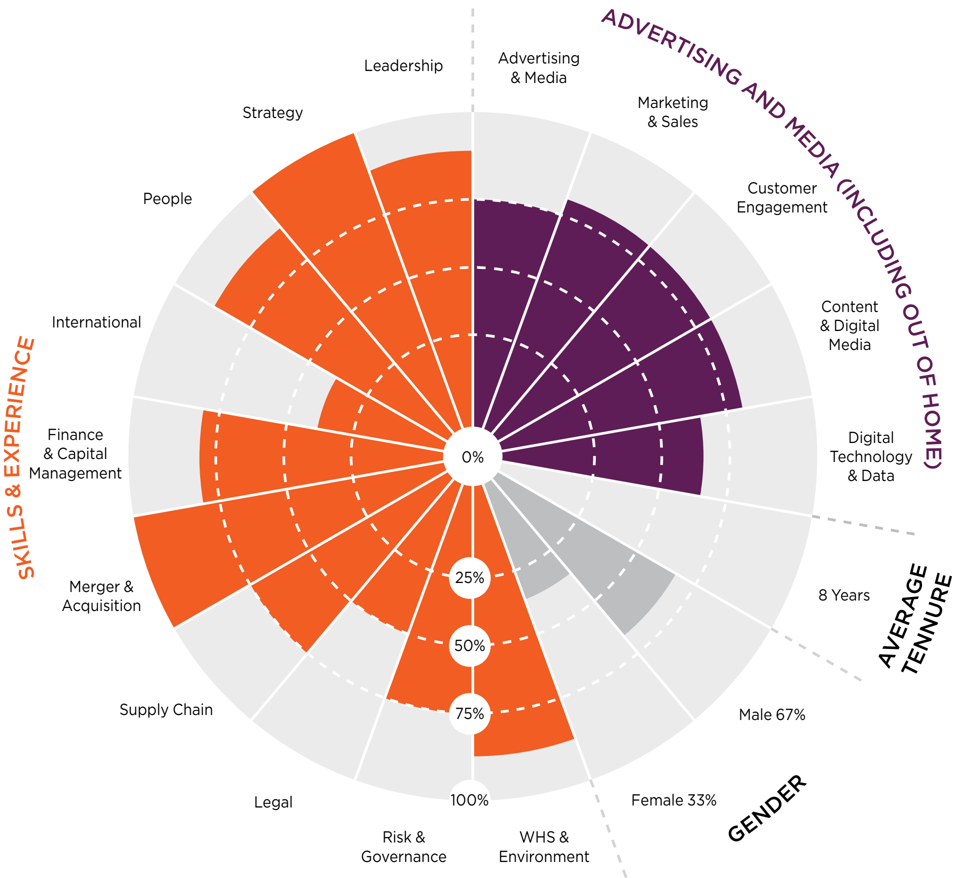
Name of Director	Board		Audit, Risk & Compliance Committee		Remuneration & Nomination Committee	
Number of meetings held	7 Ordinary	10 Special	4		5	
	Attended		Chair/Member	Attended	Chair/Member	Attended
Michael Anderson[1]	5	4	–	–	Member	4
Brendon Cook	7	9	–	–	–	–
Joanne Crewes	7	10	–	–	Member	3[2]
Tony Faure	7	10	–	–	Member	5
Debra Goodin	7	10	Chair	4	–	–
Darren Smorgon	7	10	Member	4	Chair	5
Geoffrey Wild AM	7	8	Member	4	–	–

1. Michael Anderson resigned on 21 September 2018
2. Three Remuneration and Nomination Committee **(RNC)** Meetings were held after Joanne Crewes was appointed as a member of the RNC

BOARD SKILLS, EXPERIENCE & DIVERSITY

The Board, together with the Remuneration & Nomination Committee, review the skills, experience and diversity represented by Directors on the Board and determine whether the composition and mix of these factors remain appropriate for the Company's strategy, subject to limits imposed by the Constitution and the terms served by existing Non-executive Directors.

We are confident the current Board composition provides a strong combination of skills, experience and diversity to allow oOh!media to execute its long-term strategy to drive sustainable growth and maximise shareholder value.



SHARES ISSUED & EXERCISE OF RIGHTS

Ordinary shares of oOh!media Limited

To assist in financing the acquisition of the share capital of Adshel, 71,709,994 fully paid ordinary shares were issued in 2018.

At 31 December 2018, there were 2,112,730 (2017: 2,083,324) unissued ordinary performance rights. In 2018, 792,746 fully paid ordinary shares were issued for performance rights. The total number of fully paid shares on issue at 31 December 2018 is 236,640,748 (2017: 164,138,049).

Refer to Note 8 of the Financial Statements for further details of the performance rights.

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.

SHAREHOLDER RETURNS

	2018	2017[1]	2016	2015
Profit attributable to the owners of the Company ($'000)	**31,599**	33,206	24,481	21,046
Basic earnings per share (cents)	**16**	19	16	12
Dividends – interim paid and final declared ($'000)	**26,030**	24,704	22,420	14,239
Dividends per share – interim paid and final declared (cents)	**11.0**	15.0	14.0	9.5
Share price – closing at balance date ($)	**3.42**	4.50	4.57	4.72

Shareholder returns per share reflect the issuance of 71,709,994 additional fully paid ordinary shares issued in July 2018 to assist in financing the acquisition of the share capital of Adshel on 28 September 2018.

Net profit amounts have been calculated in accordance with the Australian Accounting Standards. Dividends for 2018 were fully franked and it is expected that dividends in future years will continue to be fully franked.

1. Prior year comparative basic earnings per share have been adjusted to reflect the effect of the bonus element of the July 2018 rights issue. Refer to Note 29 of the Financial Statements.

DIVIDENDS

The following fully franked dividends have been paid to date:

Dividends paid during 2018	Amount per share (cents)	Total paid ($)
Final 2017 dividend (paid 16 March 2018)	10.5	17,317,732
Interim 2018 dividend (paid 21 September 2018)	3.5	8,282,424
		25,600,156

Dividends paid during 2017		
Final 2016 dividend (paid 28 March 2017)	10.0	16,413,805
Interim 2017 dividend (paid 4 September 2017)	4.5	7,386,212
		23,800,017

After the reporting date, the Board has declared a fully franked final dividend of 7.5 cents per ordinary share amounting to 11.0 cents in respect of the year ended 31 December 2018. This dividend is payable on 26 March 2019. The financial effect of this dividend has not been brought to account in the consolidated Financial Statements for the year ended 31 December 2018 and will be recognised in subsequent financial reports.

INDEMNIFICATION & 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 against all losses, liabilities, 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 that 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 2018 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 liability and premium paid.

NON-AUDIT SERVICES

During the year, KPMG, the Company's auditor, 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 & 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 requirement 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 auditor independence as set out in APES 110 Code of Ethics for Professional Accountants as they did not involve the auditor reviewing or auditing its own work, acting in a management or decision-making capacity for the Group, acting as an advocate to the Group or jointly sharing the risks and rewards.

Details of the audit and non-audit service fees paid or payable to the Company's auditor during the year are disclosed in Note 31 of the Financial Statements.

Audit and assurance services	2018 $	2017 $
KPMG Australia		
Audit and review of Financial Statements	**585,780**	279,025
Other assurance services	**85,339**	56,331
Total audit and assurance services	**671,119**	**335,356**

Other services		
KPMG Australia		
Taxation compliance and advisory services	**253,483**	197,528
Acquisition-related services	**641,161**	54,819
Merger-related services	**–**	568,950
Total other services	**894,644**	**821,297**
Total auditor's remuneration	**1,565,763**	**1,156,653**

AUDITED REMUNERATION REPORT

The Remuneration Report is attached and forms part of this Directors' Report.

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 of oOh!media Limited for the financial year ended 31 December 2018 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

Trent Duvall
Partner

Sydney
25 February 2019

OTHER INFORMATION

The following information, contained in this Annual Report, forms part of this Directors' Report:

- Operating and Financial Review
- Board of Directors

This 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.

Tony Faure
Chair

25 February 2019, Sydney

REMUNERATION REPORT
Audited

The Directors are pleased to present the 2018 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).

INTRODUCTION

Dear shareholder,

On behalf of the Board and as Chair of the Remuneration & Nomination Committee, I am supportive and proud of the principles and practices applied to remuneration at oOh!media.

We have been focused on creating a performance driven culture that delivers for shareholders, customers and employees alike, with executive short and long-term rewards tied to financial results as well as long-term contribution to the business.

Our philosophy has been consistent over the last four years, which in turn provides consistency and transparency in delivery of results for shareholders. For 2018, we have provided extra detail around alignment of goals to incentives as well as CEO achievement against these goals, given the ever-increasing focus on Remuneration policies.

2018 was a year of industry consolidation and vigorous competition and our remuneration across the Group and for key executives appropriately balanced reward against organisational performance, whilst acknowledging the individual contributions each key executive made to the Company.

As with past years, we set challenging targets for short-term and long-term incentives with stretch goals for exceptional performance, relating to both financial and non-financial objectives.

It is important to note that the impact of the acquisition of Adshel in late 2018 was excluded for the purposes of calculating Underlying EBITDA in relation to the calculation of 2018 STI payments and CAGR EPS in relation to vesting of Rights under the 2016 LTI program to align to the initial intent of growing profitability over the related performance periods. The Remuneration and Nomination Committee believe that exclusion of both the profit for the period from acquisition as well as the associated transaction costs is appropriate given the size of the transaction.

Darren Smorgon
Chair, Remuneration & Nomination Committee

Sydney

REPORTING PRINCIPLES

The Remuneration Report refers to a range of non-IFRS (International Financial Reporting Standards) financial information including Underlying EBITDA[1]. oOh!media believes this non-IFRS financial information provides useful insight to users of this report in measuring the financial performance and condition of oOh!media.

KEY MANAGEMENT PERSONNEL

The key management personnel (KMP) for 2018 are the six Non-executive Directors and two Executives who have specific responsibility for planning, directing and controlling the material activities of oOh!media. There is also an Executive leadership team that supports the KMP. There were two changes to the KMP during 2018:

- Sheila Lines was appointed as the Chief Financial Officer, commencing on 1 March 2018; and
- Michael Anderson, resigned as Non-executive Director on 21 September 2018.

The Remuneration Report has been prepared on a basis consistent with the Financial Statements and accordingly includes total remuneration details for the year ended 31 December 2018. oOh!media's remuneration framework is structured to ensure it is market competitive, and supports and motivates the Senior Executive and the broader team to work toward both short and long-term strategic objectives that align to sustainable value creation for shareholders.

1. Underlying EBITDA is the equivalent of 'Segment operating profit before depreciation and amortisation expense' referred to in Note 4 of the Financial Statements.

LIST OF KMP

Non-executive Directors	
Michael Anderson[1]	Independent Non-executive Director
Joanne Crewes	Independent Non-executive Director
Tony Faure[2]	Chair and Non-executive Director
Debra Goodin	Independent Non-executive Director and Lead Independent Director
Darren Smorgon	Independent Non-executive Director
Geoffrey Wild AM	Non-executive Director
Executives	
Brendon Cook	Chief Executive Officer and Managing Director
Sheila Lines[3]	Chief Financial Officer

1. Michael Anderson resigned as Non-executive Director on 21 September 2018.
2. Tony Faure was appointed as a consultant to Junkee Media following the acquisition by oOh!media in July 2016. As a consequence, the Board determined Tony Faure was not considered to be an Independent Director of oOh!media.
3. The Company appointed Sheila Lines as the Chief Financial Officer, commencing from 1 March 2018. This role is considered Executive KMP from the date of appointment.

REMUNERATION PHILOSOPHY

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

Remuneration principles and strategy

The success of oOh!media can be attributed to attracting and retaining talented individuals which represents one of the pillars in our long-term growth strategy. oOh!media's remuneration framework focuses on a competitive fixed annual remuneration (FAR) combined with short-term incentives (STI) and long-term incentives (LTI).

All incentives are "at-risk" and reward achievement of oOh!media's annual objectives and individual KPIs as well as long-term growth in shareholder value.

ATTRACT AND RETAIN	REWARD ACHIEVEMENT OF GOALS AND KPI	LONG-TERM ALIGNMENT TO SHAREHOLDERS
FAR	STI	LTI
Cash		Equity
• Benchmarked against comparable independent remuneration data and advice • Set competitively to relevant industry peer groups	• STI outcomes based on earnings performance and achievement on individual KPIs • Set each year and linked to group performance against organisation strategy	• Based on Compound Annual Growth Rate of oOh!media's Earnings per Share and Relative Total Shareholder Return • Three year performance period • Board retains right to alter target or clawback as necessary
Market competitive fixed annual remuneration	Set challenging short and long term incentives linked to the creation of sustainable shareholder returns	

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 interlinked goals.

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 in agreement with management and in alignment with the overall strategic priorities. These goals are reviewed and measured quarterly to ensure employees are rewarded for overall company achievement as well as their individual contribution to oOh!media's success.

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

COMPONENTS OF REMUNERATION

Component	Performance measures	Link to strategy and performance
Fixed Annual Remuneration (FAR) Salary and other benefits including superannuation.	Multiple measures are used to determine yearly fixed remuneration changes including individual performance and contributions during the previous year.	oOh!media ensures employees are rewarded fairly for their contribution to the success of the Company by benchmarking against comparable independent remuneration data and advice. Fixed remuneration is set competitively 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 1 October in the year to be eligible for a bonus that year.	STI performance targets are: • 70% on achievement of full year Underlying EBITDA (derived from oOh!media's audited results); and • 30% on achievement of individual goals. A threshold hurdle of 90% of budgeted EBITDA must be achieved before any entitlement to an STI payment occurs. All employees, including the Senior Executives, have the same STI mix of 70% Underlying EBITDA and 30% individual goals.	Full year Underlying 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 performance target is based on budget expectations as set by the Board for 2018. The Board retains the right to alter the target during the performance period to account for significant acquisitions or divestments. Goals are set each year and linked to the organisational strategy and are cascaded through the organisation to ensure alignment of all employees to the strategy. Performance against these goals 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 Underlying EBITDA or individual goals, there is the opportunity for greater than a 100% STI payment. In the case of under achievement on either Underlying EBITDA or individual goals, the STI payable will be less than 100%.
Long-Term Incentive (LTI) An allocation of performance rights granted, by invitation, to a defined set of senior leaders as approved by the Board and aligned to long-term shareholder value creation.	There are two LTI performance hurdles. The first 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), and represents 75% of the award. The second hurdle based on Relative Total Shareholder Return (TSR) over a three-year performance period assessed against the ASX200 index (excluding Financials, Industrials and Materials), representing 25% of the award.	Aligns the interests of executives and shareholders by focusing on long-term growth. CAGR of EPS was chosen as the most relevant long-term measure as it aligns to our key reporting metrics and internal metrics for Senior Executives. Relative TSR is seen as having objectivity and transparency with a multi-year measurement of performance. These hurdles are 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 is a percentage of those allocated, based on the CAGR of oOh!media's EPS and Relative TSR over the performance period.

REMUNERATION GOVERNANCE

Remuneration & Nomination Committee and Board oversight

A Remuneration & Nomination Committee (RNC) was established in 2014 with a clear charter and set of responsibilities.

The RNC has been delegated responsibility to review and make recommendations to the Board, with the Board maintaining overall responsibility as outlined below.

oOh!MEDIA BOARD

The Board maintains overall responsibility for oversight of the Company's remuneration policy and the principles and processes which give effect to that policy. The Board approves, having regard to the recommendations of the Remuneration & Nomination Committee, the:

- Size, composition and criteria for membership of the Board, including review of Board succession plans, performance evaluation and the succession of the Chair, CEO and CFO, as well as Senior Executive performance assessment processes and results;
- Company's remuneration, recruitment, retention and termination policies and procedures for senior management;
- Short-term incentive strategy, performance targets and bonus payments, including major changes and developments to the Company's LTI plans; and
- Effectiveness of the Board Diversity Policy.

REMUNERATION & NOMINATION COMMITTEE (RNC)

The RNC has delegated authority to assist the Board and make recommendations on matters relating to the operation, nomination and remuneration of the Board, KMP and Senior Executives.

The key responsibilities of the committee in relation to remuneration and nomination activities are to:

- Develop a board skills matrix setting out the mix of skills and diversity that is required by the business, and compare and assess this to what the Board currently has or is looking to achieve in its membership;
- Review and recommend remuneration arrangements for Non-executive Directors and Executive Directors including the CEO, and approve the remuneration of the 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.

EXTERNAL ADVISORS

- The committee has rights of access to management and to external auditors/resources without management present, and rights to seek explanations and additional information from management, advisers and auditors.
- The committee may seek the advice of the Company's auditor, solicitor or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the committee or the responsibilities of the committee, as the committee may require.

Use of advisers

Since 2016, oOh!media has engaged Aon Hewitt to provide benchmarking data on an ongoing basis. oOh!media subscribes to Aon Hewitt's Media and General Industry Salary Surveys, as well as participating in its Policy and Practice reviews. This allows oOh!media to access insight, expertise and benchmarking data as they relate to both individual positions and overall remuneration within oOh!media.

During 2018, oOh!media engaged Aon Hewitt to provide benchmarking data for Senior Executives and Non-executive Directors and Guerdon & Associates to provide benchmarking data for Non-executive Directors with a view to reviewing Executive and Board fees for 2018.

Share trading

In 2014, oOh!media adopted a Policy for Dealing in Securities, the purpose of which is to explain the types of conduct in dealings in securities that are prohibited under the *Corporations Act 2001* (Cth). This policy was reviewed by the Board and management in 2019 with refreshed amendments adopted by the Board in February 2019.

The policy is designed to establish best practice procedures for the buying and selling of securities that protect oOh!media, 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 oOh!media's securities:

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

Trading is only 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 & Compliance Committee; and
- Senior Executives, with the prior approval of the CEO.

The policy can be found under Corporate Governance of the Investors section of the oOh!media website – www.oohmedia.com.au/investors.

Diversity & remuneration

oOh!media recognises the value of a diverse and inclusive workforce reflective of the markets where we operate.

Accordingly, the Board and management of oOh!media are focused on diversity, inclusion and belonging as key business goals. oOh!media is committed to addressing and promoting gender equality. Gender pay analysis commenced in 2016 and continues annually, to identify any underlying disparity between male and female pay. Since 2016, oOh!media has continually reduced disparities in pay by prioritising any female remuneration that was below the peer average.

Remuneration linked to performance and shareholder wealth

The Remuneration & Nomination Committee considers Underlying EBITDA to be the most relevant measure of short-term performance to link executive remuneration. Management believes the Underlying measure provides a better representation of financial performance in the ordinary course of business.

In 2018 the Remuneration & Nomination Committee approved a LTI program comprising a combination of CAGR of EPS and Relative TSR. For LTI purposes as a listed company, CAGR of EPS is seen as an appropriate measure by linking remuneration to the impact on long-term shareholder value, and Relative TSR is seen as having objectivity and transparency with multi-year measurement of performance. Relative TSR is measured against the ASX200 index (excluding Financials, Industrials and Materials).

Information on the Company's performance is shown below[1]:

	2018	2017	2016	2015	2014
Underlying EBITDA ($'000)	**112,500**	90,070	73,500	57,700	42,100
Profit/(loss) attributable to the owners of the Company ($'000)	**31,599**	33,206	24,481	21,046	(24,995)
Basic earnings/(loss) per share (cents)	**16**	19	16	12	(37)
Dividends – interim paid and final declared ($'000)	**26,030**	24,704	22,420	14,239	–
Dividends per share – interim paid and final declared (cents)	**11.0**	15.0	14.0	9.5	–
Share price – closing at balance date ($)	**3.42**	4.50	4.57	4.72	2.00
Change in share price over the year ($)	**-1.08**	-0.07	-0.15	2.72	N/A

1. The CY2016 accounts have been restated for a change in policy relating to the tax treatment of intangibles on acquisitions.

EXECUTIVE KMP REMUNERATION

Executive KMP	FAR for 2018
Brendon Cook	$867,872
Sheila Lines	$412,112[1]

1. Note Sheila Lines' FAR for 2018 reflects start date of 1 March 2018.

2018 STI outcomes

The Board set an STI scheme target for 2018, aligned to a 7 per cent increase in Underlying EBITDA from CY2017. Strong revenue growth in our key strategic products, resulted in actual Underlying EBITDA achieving 97.25 per cent of the STI scheme target. Based on the STI payout schedule the 70 per cent Underlying EBITDA component was paid at 80.75 per cent to target and the 30 per cent individual component was paid based on personal performance against key goals and measures.

Target STI for 2018

The table below outlines the Target STI for the Executive KMP for CY2018.

Executive KMP	Min STI	Target STI opportunity[1]	As a % of FAR	Max STI opportunity[2]	Max as a % of FAR
Brendon Cook	$0	$400,000	46%	$1,080,000	124%
Sheila Lines	$0	$167,671[3]	41%	$452,712	110%

1. Target STI represents the amount payable at 100 per cent of Underlying EBITDA plus 100 per cent on personal goals.
2. Maximum STI is available on achievement of 150 per cent of Underlying EBITDA and 200 per cent of the Individual Component.
3. Note Sheila Lines' STI for 2018 is prorated to reflect start date of 1 March 2018.

The Board exercised its right to alter performance targets during the 2018 performance period to take account of the significant acquisition. The CEO and key management personnel STI target was determined based on Underlying EBITDA of pre-existing oOh!media Group as disclosed in the segment note in the Annual financial report (ie excluding Commute) and excluding transaction costs associated with the acquisition of Commute. The CEO and certain executives did have non-financial integration goals against which they were assessed in their 30% individual goal component. This was considered appropriate as it rewards management for performance against the current period goals of the business. The net effect of excluding the acquisition resulted in lower EBITDA performance and therefore lower STI payments than if it was included. The Commute acquisition will be included in the financial targets for the 2019 STI as well as in the achievement of future LTI arrangements which will align management reward with shareholder value.

Final 2018 STI payments

The STI payments to the Executive KMP for the calendar year ended 31 December 2018, based on the 2018 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)
Brendon Cook	46%	40%	$346,100 (86.5% of target)
Sheila Lines	41%	41%	$170,228 (101.5% of prorated target)

Components of remuneration

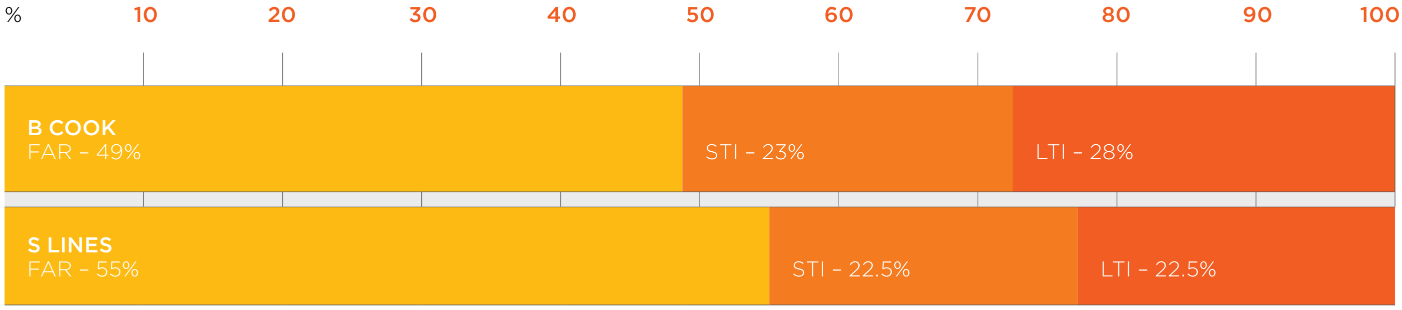
The following table shows the target remuneration mix as a percentage of total remuneration for each of the Executive KMP in 2018. The STI amount reflects the Target STI opportunity and the LTI amount is based on the total face value of the number of performance rights granted in February 2018 related to the 2018 LTI program.

CEO STI Performance Scorecard

Goal	Overall Rating	Weight	% STI payable	% Total STI payable	$ Total STI payable
Ensure sustainable long-term business growth	3	30%	100%	86.5%	346,100
Build our reputation as market leader					
Transform our culture, capability, systems and processes for the future					
Ensure the safety and integrity of our brand and people					
Identify and integrate acquisitions that deliver on the strategy					
Deliver EBITDA		70%	80.8%		

CFO STI Performance Scorecard

Goal	Overall Rating	Weight	% STI payable	% Total STI payable	$ Total STI payable
Ensure investments are informed by robust commercial criteria	4	30%	150%	101.5%	$170,228
Build on our reputation for delivering on financial outcomes as a market leading corporate citizen					
Align the organisation's efforts to transform culture, capability, systems and processes with financial outcomes					
Protect the business through good corporate governance and management of operational and statutory risk					
Manage acquisition planning, bid, DD, financing and completion processes and support effective integration of acquired businesses					
Deliver EBITDA		70%	80.8%		



The rights over ordinary shares granted in the period were:

Executive KMP and Officers	Plan	Number of rights granted during 2018	Vesting condition	Grant Date	Face Value at grant date	Fair value at grant date	Vesting date
Brendon Cook	LTI Plan	112,933	CAGR EPS and TSR	May 2018	$500,000	$386,459	February 2021
Sheila Lines	LTI Plan	45,173	CAGR EPS and TSR	March 2018	$200,000	$154,583	February 2021

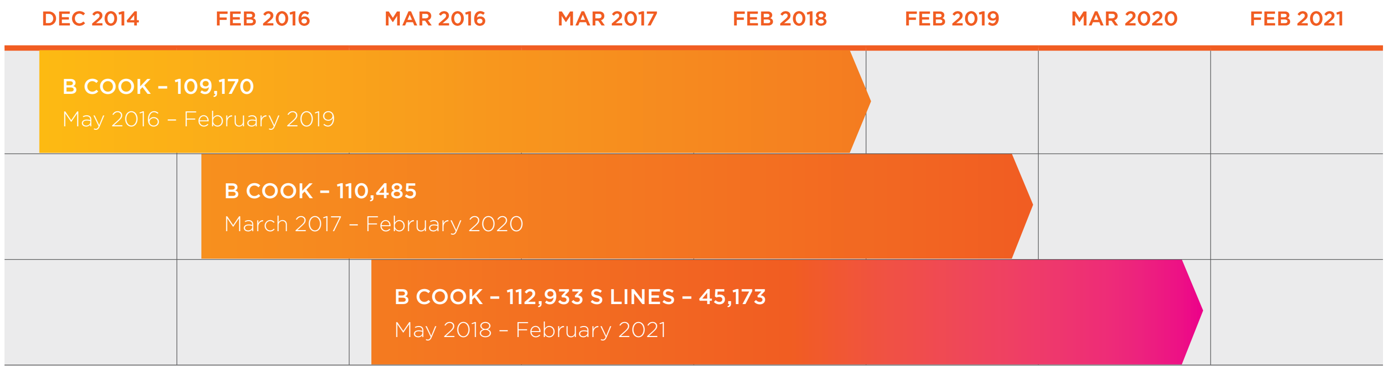
2019 LTI Plan

Since the reporting period, the Board has approved the granting of rights over ordinary shares in oOh!media as part of the 2019 LTI Plan to KMP and nominated employees, with the grant to occur on or about 1 March 2019 and the Company recommending the LTI grant for Brendon Cook to the shareholders at the Annual General Meeting (AGM) in accordance with the ASX Listing Rule 10.14. These rights have not been included in this Annual Report on the basis that the accounting expense has not yet been incurred. The details of the rights approved to be issued to Executive KMP and Officers are listed below.

Executive KMP and Officers	Plan	Number of rights granted during 2019	Vesting condition	Proposed grant date	Face value at grant date	Vesting date
Brendon Cook	LTI Plan	192,940	CAGR EPS and TSR	May 2019[1]	$750,000	February 2022
Sheila Lines	LTI Plan	70,745	CAGR EPS and TSR	1 March 2019	$275,000	February 2022

1. Subject to shareholder approval.

The table below sets out the details of each tranche of rights issued or approved to be issued to Executive KMP and Officers over the last three years, together with their respective vesting dates.



The 2016 grant vests on 28 February 2019. The vesting condition was a CAGR Earnings per share (EPS) growth for the period 1 January 2016 to 31 December 2018. The EPS is based on the statutory profit after tax of the Group. The Board exercised its right to alter performance targets during the performance period to take account of the significant acquisition. The statutory profit after tax has been adjusted to exclude the profit contribution of the Commute business from the date of its acquisition as well as the transaction costs related to the acquisition. This was considered appropriate as it rewards management for performance against the organic profit growth of the business over the 3 year period. The impact of excluding the Commute acquisition meant that the Rights vested at greater than 100% versus not meeting the minimum threshold if Commute was included. The impact of Commute acquisition will be included in the EPS calculations used when determining the achievement of future LTI arrangements. This is considered to align management reward with shareholder value.

NON-EXECUTIVE DIRECTOR REMUNERATION

Overview & arrangements

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

Changes to Board fees were made in 2019 to remain competitive with market benchmarks. The changes were recommended after a review was undertaken in 2017 and 2018 using benchmarking data of non-executive directors' remuneration from a range of comparable companies.

Guerdon & Associates provided the data and guidance on market practices to inform changes to Board fees but did not provide any recommendations. The Board is satisfied that the remuneration benchmarking provided by Guerdon & Associates 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, as fixed by oOh!media, must not exceed $1,000,000 in aggregate in any financial year. For 2019 the total available pool will be increased to $1,300,000, subject to shareholder approval.

Non-executive Director fees

Between 1 January and 31 December 2018, the Directors' annual fee structure was as follows:

	Chair fee[1,2]	Member fee[1,2]
Board	$225,000[3]	$112,000
Audit, Risk & Compliance Committee	$25,000	$12,500
Remuneration & Nomination Committee	$20,000	$10,000

From 1 January 2019, the Directors' annual fee structure is as below:

	Chair fee[1]	Member fee[1]
Board	$245,000	$135,000
Audit, Risk & Compliance Committee	$25,000	$12,500
Remuneration & Nomination Committee	$20,000	$10,000
Per diem fee[3]		$1,750

1. Inclusive of superannuation.
2. The Chair of the Board receives no extra member fees in addition to Chair fee.
3. To recognise excessive additional responsibility or time commitments, where relevant. Application of per diem is subject to oOh! Board Chair and RNC Chair approval.

STATUTORY DISCLOSURE

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 oOh!media's Financial Statements in respect of the LTI grant. The amounts disclosed do not reflect the actual cash amount received this year or in future years.

	Short Term			Post Employment	Share based	Total	
Name	Salary	Cash Bonus	Non-monetary	Super	LTI[1]	Total	Performance related %[2]
Michael Anderson[3]	81,242	–		7,718		**88,960**	–
Brendon Cook	750,014	316,073	50,153	97,732	364,092	**1,578,064**	43%
Tony Faure[4]	295,484	–		19,521		**315,004**	–
Debra Goodin[5]	144,032	–		13,683		**157,715**	–
Geoffrey Wild	113,701	–		10,802		**124,502**	–
Darren Smorgon	131,966	–		12,537		**144,502**	–
Sheila Lines	375,008	155,459		50,394	43,199	**624,060**	32%
Joanne Crewes	109,896	–		10,440		**120,336**	–

1. Fair value of performance rights related to the LTI grants scheduled to vest in 2018, 2019 and 2020 respectively.
2. 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.
3. Michael Anderson resigned as Non-executive Director on 21 September 2018.
4. Tony Faure, Chairman of oOh!media, was engaged as a consultant by Junkee Media Pty Limited for $90,000 from the period 1 January to 31 December 2018. Junkee Media Pty Limited is a subsidiary of the Company.
5. Debra Goodin was appointed Lead Independent Director on 22 September 2017. There is no additional remuneration for this role.

Shares

The following table sets out the movement during the reporting period in the number of ordinary shares in oOh!media held directly, indirectly, or beneficially by KMP including their related parties. These changes are also reflective as at the date of this report. The Board has adopted a minimum shareholding policy for Non-Executive Directors on 22 February 2019 requiring them to reach a minimum shareholding of one times the base fee that is paid to Non-Executive Directors within three years following the date of their appointment or the adoption of the policy.

Name of Director	Held at 1 January 2018	Granted as remuneration	Vesting of rights	Net change other	Held at 31 December 2018
Michael Anderson[1]	101,703	–	–	–	101,703
Brendon Cook	715,543	–	181,347	89,057	985,947
Joanne Crewes	Nil	–	–	–	Nil
Tony Faure[2]	88,888	–	–	21,740	110,628
Debra Goodin	16,785	–	–	4,348	21,133
Darren Smorgon	45,708	–	–	19,875	65,583
Geoffrey Wild AM	Nil	–	–	–	Nil

1. Michael Anderson resigned as a Non-Executive Director of the Company on 21 September 2018. Shareholding reflects holdings at that date.
2. In addition to the above shares in oOh!media, Tony Faure holds 13,098 shares (5 per cent of total shares) in Junkee Media Pty Limited (a subsidiary of the Company acquired on 1 July 2016). These shares are subject to an option which may require the Company to purchase the shares in future periods. The estimated value of the liability attributable to the option recognised by oOh!media at 31 December 2018 is $600,000.

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, held directly, indirectly or beneficially, by KMP or officers in oOh!media, including their related parties.

Executive KMP and Officers	Number held at 1 Jan 2018	Number granted as remuneration	Vesting condition	Number and value – vested and exercised	Held at 31 December 2018	Not vested
Brendon Cook	401,002	112,933	CAGR EPS and Relative TSR	181,347 $818,601	332,588	332,588
Sheila Lines	–	45,173	CAGR EPS and Relative TSR	–	45,173	45,173
Katrina Eastoe[1]	42,891	–	–	–	42,891	42,891

1. Katrina Eastoe was Company Secretary and her service ceased on 20 February 2018. Shareholding reflects holdings at that date.

FURTHER INFORMATION

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 & Nomination Committee reviews compensation each year to take into account any changes in scope or nature of role or agreed objectives to determine and recommend any changes in line with the remuneration strategy and principles.

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

			Notice of termination		
Name	Agreement commenced	Agreement expires	By Company	By Employee	Termination payments under the contract
Brendon Cook	1 Oct 2014	No expiry	12 months	12 months	12 Months FAR
Sheila Lines	1 Mar 2018	No expiry	6 months	6 months	6 Months FAR

Non-executive Directors' terms of appointment 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.

Composition of the Board and independence of Directors is set out in the Corporate Sustainability report on page 44.

Detailed information on STI and LTI granted in CY2018

<table>
<tr><th></th><th>Annual bonus short-term incentive</th><th>Long-term incentive</th></tr>
<tr><td>Description</td><td>Annual Incentive plan delivered in cash with a Company Underlying EBITDA payment threshold.</td><td>Award of performance rights with a three-year performance period.</td></tr>
<tr><td>Conditions</td><td>Individual goals are set at the beginning of the performance period and are aligned to business level strategic priorities. For 2018, these included:

growing Underlying EBITDA;
delivering digital growth;
aligning leaders around a shared vision and building a performance-based culture; and
developing audience-led solutions.
</td><td> A combination of CAGR of EPS and Relative TSR as performance measures were 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 are advised in the Remuneration Report of oOh!media 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 2018 to 31 December 2020.</td></tr>
<tr><td>Amount that can be earned</td><td> Underlying EBITDA component:
<table>
<tr><th>Underlying EBITDA achieved</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%[1] (capped)</td></tr>
</table>
1. For 2019, a change to STI payable has been made to cap the Underlying EBITDA component at 200% (reduced from 300%)
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 Chair 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 & 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 20 trading day VWAP price as at 29 December 2017 ($4.4274). Rights were granted for nil consideration.
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>112,933</td><td>$500,000</td><td>May 2018</td></tr>
<tr><td>Sheila Lines</td><td>45,173</td><td>$200,000</td><td>March 2018</td></tr>
</table></td></tr>
</table>

<table>
<tr><th></th><th>Annual bonus short-term incentive</th><th>Long-term incentive</th></tr>
<tr><td>Vesting</td><td>n/a</td><td>
For the 2018 LTI, granted in 2018, the performance rights will vest, or not, following the publication of the 31 December 2020 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. 75% of rights vest subject to achieving the EPS hurdle, and 25% of rights vest subject to achieving the TSR hurdle.
<table>
<tr><th>Company’s CAGR of EPS over the performance period</th><th>% of rights that vest</th></tr>
<tr><td>Less than 6% CAGR</td><td>Nil</td></tr>
<tr><td>6% CAGR (threshold performance target)</td><td>50%</td></tr>
<tr><td>Between 6% and 9% CAGR</td><td>Straight line pro rata vesting between 50% and 100%</td></tr>
<tr><td>9% CAGR (stretch performance target)</td><td>100%</td></tr>
<tr><td>Between 9% and 14% CAGR</td><td>Straight line pro rata vesting between 100% and 150%</td></tr>
<tr><td>14% CAGR or above (exceptional performance target)</td><td>150%</td></tr>
</table>
<table>
<tr><th>Company’s Relative TSR over the performance period</th><th>% of rights that vest</th></tr>
<tr><td>Less than 50% Relative TSR</td><td>Nil</td></tr>
<tr><td>50% Relative TSR (threshold performance target)</td><td>50%</td></tr>
<tr><td>Between 50% and 75% Relative TSR</td><td>Straight line pro rata vesting between 50% and 100%</td></tr>
<tr><td>At or above 75% Relative TSR</td><td>100%</td></tr>
</table>
The threshold and stretch targets for oOh!media’s CAGR of EPS and Relative TSR 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>

End of Remuneration Report – Audited.

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board of oOh!media is responsible for the overall governance of the Group.

The Board has created a framework for overseeing oOh!media's corporate governance, having regard to corporate governance principles and recommendations, including those published by the Australian Securities Exchange (ASX) Corporate Governance Council. The framework includes:

- corporate governance policies and practices;
- risk management processes; and
- internal controls.

The framework is considered appropriate for oOh!media's business and designed to promote responsible governance. This Corporate Governance Statement outlines oOh!media's compliance between 1 January 2018 and 31 December 2018, following the third edition of the ASX Corporate Governance Council Principles and Recommendations (the ASX CGC Principles and Recommendations).

This Corporate Governance Statement is current as 25 February 2019 and has been approved by the Board.

All charters and policies referred to in this Corporate Governance Statement are available at https://investors.oohmedia.com.au/investor-centre/?page=governance.

The 2018 Annual Report is available at https://investors. oohmedia.com.au/Investor-Centre/?page=Results--- Reports.

ROLE & RESPONSIBILITIES OF THE BOARD

The Board is responsible for overseeing oOh!media's overall direction and good governance. The Board's role, responsibilities and functions have been captured in the Board Charter, adopted by the Board on 28 November 2014 and reviewed annually. The Board Charter is available on the oOh!media website under "Governance".

The Board's role is to:

- represent and serve the interests of shareholders;
- protect and optimise Company performance and build sustainable value for shareholders;
- set, review and ensure compliance with oOh!media's values and governance framework; and
- ensure shareholders are kept informed of oOh!media's performance and major developments affecting its state of affairs.

Responsibilities and functions specifically reserved for the Board include:

- appointment of a Chair;
- appointment and removal of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO);
- appointment of Directors to fill a vacancy or as an additional Director;
- establishment of Board committees, their membership and delegated authorities;
- approval of dividends;
- approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- calling of meetings of shareholders; and
- any other specific matters nominated by the Board from time-to-time.

For further detail regarding the responsibilities and delegations to management, please refer to "Board's relationship with Management" on page 45 of this Annual Report.

MEETINGS OF THE BOARD

The Board holds regular meetings and has diarised a minimum of eight meetings a year, with additional unscheduled meetings as frequently as may be required to deal with other matters. In addition, the Non-executive Directors meet periodically in the absence of the CEO and management. The Independent Directors may also meet on their own as they determine appropriate.

INDEPENDENT PROFESSIONAL ADVICE

To support proper discharge of duties, the Board collectively, and each Director individually, has the right to seek independent professional advice at the Company's expense. This has been captured clearly in each Director's letter of appointment.

COMMITTEES OF THE BOARD

While at all times the Board maintains full responsibility for guiding and monitoring oOh!media, it has delegated certain responsibilities and functions to committees and management.

The Board has established the following committees to assist it in discharging its functions:

- Remuneration & Nomination Committee; and
- Audit, Risk & Compliance Committee.

Each committee was appointed by the Board, and each of its charters adopted, on 28 November 2014 and reviewed periodically. The charter of each Committee are available on the oOh!media website under "Governance".

The Board, at least once in each year, reviews the membership and, Composition of each committee, to determine its adequacy for current circumstances.

Each Committee:

- may make recommendations to the Board in relation to its membership, responsibilities, functions or otherwise;
- meets as often as its members deem necessary in order to fulfil their role;
- normally meets at least four times a year with additional meetings scheduled as required; and
- consists of a minimum of three members comprising Non-executive Directors (a majority of whom are independent) and an independent Chair.

The membership and attendance records of each Director are set out on page 23 of the Annual Report, and the relevant qualifications and experience of the members of each committee are set out on pages 18 and 19 of this Annual Report.

REMUNERATION & NOMINATION COMMITTEE

oOh!media has established a Remuneration & Nomination Committee to assist the Board, and make recommendations on matters relating to Board size, composition, succession planning, nomination of the Directors, CEO and CFO, and remuneration of the Directors, CEO and Senior Executives.

Responsibilities of this committee include:

- providing assistance to the Board to develop a board skills matrix setting out the mix of skills and diversity that is required by the business, compare and assess this to what the Board currently has or is looking to achieve in its membership;
- in accordance with the Board Diversity & Inclusion Policy, annually reviewing the relative proportion of women and men on the Board, in senior management positions and in the workforce at all levels of the Group; and

- ensuring that the committee, the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration.

The Remuneration and Nomination Committee is chaired by independent non-executive director Darren Smorgon.

APPOINTMENT OF DIRECTORS & SUCCESSION PLANNING

In appointing Non-executive Directors, the Board seeks to ensure that candidates have the appropriate skills, expertise and experience to complement the existing members of the Board.

Factors considered when reviewing a potential candidate for Board appointment, include (without limitation):

- the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- the existing composition of the Board, having regard to the factors outlined in the Diversity & Inclusion Policy and the objective of achieving a Board comprising Directors from a diverse range of backgrounds;
- the capability of the candidate to devote the necessary time and commitment to the role; and
- potential conflicts of interest and independence.

The Remuneration & Nomination Committee advises the Board annually, capturing the following details:

- the process by which candidates are identified and selected, including whether external search organisations are used;
- the steps taken to ensure that a diverse range of candidates is considered; and
- the factors taken into account in the selection process, including the board skills matrix used to identify any 'gaps' in the skills and experience of the Directors on the Board.

External search organisations may be engaged (as appropriate) to assist the Board to identify potential Director candidates. With regard to the current Directors, no material adverse information was revealed in respect of any Director, nor was any matter identified that might influence a Director's ability to act in the best interests of the Company and its shareholders.

As at the date of this Corporate Governance Statement, no external candidate had been put before shareholders for appointment or election. In accordance with previous appointments of Non-executive Directors of the Board of oOh!media Limited, oOh!media has and will continue to follow a formal selection process, including:

- conducting appropriate checks before putting forward to shareholders a candidate for election as a Director;
- consulting with all Directors, with any recommendations from the Remuneration & Nomination Committee; and
- following election/approval, an offer of a Board appointment to be made by the Chair and confirmed by a letter of appointment in the standard format approved by the Board or the Remuneration & Nomination Committee from time-to-time.

In accordance with oOh!media's Constitution, no Director, except the CEO, shall hold office without re-election beyond the third Annual General Meeting at which the Director was last elected or re-elected. Directors available for re-election at a General Meeting are reviewed by the Remuneration & Nomination Committee after consultation with the Board.

Any external or internal candidate to be put to the shareholders for appointment or election will be notified to shareholders in the relevant Notice of Meeting and shareholders will be provided with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect the director.

BOARD, COMMITTEE & DIRECTOR PERFORMANCE

The Remuneration & Nomination Committee is further tasked with assisting the Board, as required, in relation to the performance evaluation of the Board, its committees and individual Directors, and in developing and implementing plans for identifying, assessing and enhancing Director competencies.

The Remuneration & Nomination Committee engages in the following process:

- on an annual basis, Directors provide written feedback to the committee in relation to the performance of the Board and its committees;
- the CEO provides feedback to the Remuneration & Nomination Committee from senior management in connection with any issues that may be relevant in the context of the Board performance review;
- each committee of the Board reviews, and provides feedback on its own performance to the Remuneration & Nomination Committee; and
- feedback is provided by the Remuneration & Nomination Committee to the Chair of each committee and the Board, or an external facilitator, and discussed by each committee and the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its committees.

Where appropriate to facilitate the performance evaluation process, assistance may be obtained from a third party adviser.

The performance evaluation for each of the Board and committees was conducted in the fourth quarter of 2018. In 2018, an externally facilitated board performance evaluation was undertaken.

POLICIES IN RELATION TO REMUNERATION OF NON-EXECUTIVE DIRECTORS & SENIOR EXECUTIVES

To ensure the independence of Non-executive Directors, Non-executive Directors are paid fees but are not invited to participate in oOh!media's performance-based remuneration plans.

Senior Executives are generally entitled to a remuneration package that contains a mix of base salary and performance-related incentives.

The Remuneration & Nomination Committee engages a range of services from external consultants to provide information, data and advice, where appropriate, in relation to remuneration quantum and structure and industry practice, and subsequently approves and recommends remuneration and reviews to the Board.

The Remuneration & Nomination Committee has approved the practices developed for selection and engagement of consultants to ensure their independence from management.

Further details of remuneration for Non-executive Directors and Senior Executives are set out on pages 28 to 40 of the Remuneration Report.

AUDIT, RISK & COMPLIANCE COMMITTEE

The Board has established the Audit, Risk & Compliance Committee to assist the Board in:

- carrying out its accounting, auditing and financial reporting responsibilities;
- reviewing ethical and legal compliance; and
- carrying out its risk management responsibilities, including the identification of the main risks associated with oOh!media's businesses, the review and implementation of oOh!media's risk management framework, systems and procedures, and making recommendations to enhance the effectiveness of the risk management framework.

The Audit, Risk & Compliance Committee's primary role with respect to accounting and financial oversight includes:

- overseeing oOh!media's relationship with the external auditor and the external audit function generally;
- overseeing oOh!media's relationship with the internal auditor and the internal audit function generally;
- overseeing the preparation of the Financial Statements and reports; and
- overseeing oOh!media's financial controls and systems.

The Audit, Risk & Compliance Committee's primary roles with respect to risk management and compliance are to review and report to the Board that:

- the Audit, Risk & Compliance Committee has, at least annually, reviewed oOh!media's risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk;
- adequate policies and processes have been designed and implemented to manage identified risks;
- oOh!media has the necessary level of insurance;
- tax compliance and tax risk management are being overseen;
- at least annually an audit is being undertaken to test the adequacy of, and compliance with, prescribed policies; and
- proper remedial action is being undertaken to redress areas of weakness.

The Audit, Risk & Compliance Committee also approves policies, processes and frameworks for identifying, analysing and addressing complaints, and reviews material complaints and their resolution.

The Audit, Risk and Compliance Committee is chaired by independent Non-executive director Debra Goodin.

RISK MANAGEMENT FRAMEWORK

Risk management is viewed by oOh!media as integral to its objective of creating and maintaining shareholder value. oOh!media is committed to embedding risk management practices through all levels of the organisation to support the achievement of business objectives and to fulfil its corporate governance obligations.

oOh!media has a Risk Management Policy and a documented risk assessment process, scheduled for review at least annually by management and the Audit, Risk & Compliance Committee. The Audit, Risk and Compliance Committee conducted reviews of the risk assessment process and progress on remedial actions by management in June and November 2018.

INTERNAL AUDIT

The Audit, Risk & Compliance Committee is responsible for overseeing processes to ensure there is an adequate system of internal control, reviewing the internal control systems and the operational effectiveness of the policies and procedures related to risk and control, monitoring breakdowns of internal controls, and reviewing the effectiveness of oOh!media's internal control framework.

In 2018, reflecting the increased size and complexity of oOh!media, the Audit, Risk & Compliance Committee established an internal audit function reporting directly to the Committee. Prior to 2018, a shared services function, working with external advisers as appropriate, oversaw the adequacy and effectiveness of oOh!media's systems for risk management, internal control and governance, and provided recommendations to improve the efficiency and effectiveness of these systems and processes. The Audit Risk & Compliance Committee selected an external accounting firm with access to a wide range of relevant specialist resources to provide the internal audit function for oOh!media. The Audit, Risk & Compliance Committee is responsible for the appointment and overseeing the relationship with the internal auditor including approving the annual internal audit plan, receiving all internal audit reports and recommendations.

ENVIRONMENT & SOCIAL SUSTAINABILITY RISKS

oOh!media considers material economic, environmental and social sustainability risks as part of its formal risk review process. Together with the Audit, Risk & Compliance Committee, oOh!media identifies further measures to improve its reporting process for material economic, environmental or social sustainability risks so that it can adequately communicate how it manages and intends to manage identified risks.

oOh!media has also prepared a Sustainability Report, reporting against economic, environmental and social sustainability consideration. The Sustainability Report is set out on pages 52 to 61 of this Annual Report.

Further details of key risks and risk management at oOh!media are set out on pages 21 and 22 of the Directors' Report within the Annual Report.

CEO & CFO DECLARATION

Before the Board approves oOh!media's half-year and full-year financial reports, the CEO and CFO provide the Board with declarations that, in their opinion, the financial records of the Group have been properly maintained and that the Financial Statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Board received declarations of this kind in respect of the half year ended 30 June 2018 on the 20 August 2018 from the Chief Executive Officer and the Chief Financial Officer, and in respect of the full financial year ended 31 December 2018 from the Chief Executive Officer and the Chief Financial Officer on 25 February 2019 prior to approving the full-year financial reports.

AUDITOR AT THE ANNUAL GENERAL MEETING

The external auditor attended the 2018 Annual General Meeting and was available to answer questions from shareholders relevant to the audit. oOh!media's external auditor will attend the 2019 Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report. The external auditor is also given a reasonable opportunity to answer written questions submitted by shareholders.

INCLUSION, DIVERSITY & BELONGING

oOh!media is committed to unlocking the innovative potential of the Company by creating and supporting an environment where all ideas are heard, inspiring our people to harness their creativity to generate value and growth in an inclusive and diverse culture.

The oOh!media Diversity and Inclusion Policy recognises workplace diversity and inclusion as being an integral part of how oOh!media operates and is key to the Company's success. The Diversity and Inclusion Policy is available on the oOh!media website under "Governance". The measurable objectives and progress towards achieving them is on pages 57 to 59 of this Annual Report.

To do this, we:

- create a workplace where every individual can shine regardless of gender, cultural identity, age, sexual orientation, disability, work style or approach;
- leverage the value of diversity and inclusion for all stakeholders to deliver innovation, the best customer experience, and improved financial performance; and
- maintain and build on our "family" culture to ensure a sense of identity and belonging amongst all people at oOh!media.

oOh!media has implemented a range of programs and initiatives to support the achievement of its innovation, diversity and inclusion goals during 2018. This includes:

- the continued implementation of the oOh!media Inclusion, Diversity and Belonging strategy;
- the maintenance of measurable objectives for gender diversity and an inclusive and innovative workforce; and
- the Inclusion, Diversity and Belonging Committee.

The proportion of male and female employees in key senior leadership within oOh!media, and members of the Board, are set out in the table below.

Level	Male (%)	Female (%)
Employees	54.5%	45.5%
Key leadership[1]	58.6%	41.4%
Board	66.7%	33.3%

1. For these purposes, key senior leadership includes the Senior Executives (as defined in the Glossary) and their senior direct reports.

For further information regarding oOh!media's diversity measures, please refer to pages 57 to 59 of the Sustainability Report.

COMPOSITION OF THE BOARD & INDEPENDENCE OF DIRECTORS

Responsibility for the composition and succession planning of the Board rests with the Directors.

The Board of oOh!media currently comprises six Directors including a Managing Director. The names of current Directors and the dates they were appointed to the Board are set out below.

Director	Independent	Date of Appointment
Brendon Cook – Managing Director and Chief Executive Officer	No	7 October 2014
Joanne Crewes – Non-executive Director	Yes	22 September 2017
Tony Faure – Non-executive Chair	No	28 November 2014
Debra Goodin – Non-executive Director and Lead Independent Director	Yes	28 November 2014
Darren Smorgon – Non-executive Director	Yes	7 October 2014
Geoffrey Wild AM – Non-executive Director	No	7 October 2014

The Board has adopted guidelines in the Board Charter to assist in assessing the independence of Directors. These guidelines are consistent with the factors relevant to assessing the independence of a Director as set out in the ASX CGC Principles and Recommendations. The Board regularly reviews the independence of each Non-executive Director in light of information relevant to this assessment (as disclosed by each Non-executive Director to the Board). Mr Faure retains a 5% shareholding in a subsidiary of the Company, Junkee Media and separately acts as a consultant to Junkee Media; Mr Wild AM is Chair of a subsidiary which was, until 29 August 2018, a substantial shareholder of the Company. Accordingly the Board has determined neither Mr Faure nor Mr Wild AM to be independent for 2018.

Mr Faure was appointed Chair of oOh!media on 22 September 2017. As Mr Faure is not considered to be an Independent Director, the Board has appointed Ms Goodin as Lead Independent Director, also effective from 22 September 2017. The Lead Independent Director can assume the role of Chair when the Chair is unable to act in that capacity due to unavailability or lack of independence. The Non-independent Chair Protocol is available on oOh!media's website.

Subject to comments below regarding the Company's recruitment of an additional Non-executive Director, the Board considers that its overall composition is appropriate in oOh!media's circumstances, and that it is well placed to fulfil its responsibilities. There is a clear division of responsibility between the Chair and the Chief Executive Officer. The Board does not believe that it should establish an arbitrary limit on tenure. While tenure limits can help to ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight in oOh!media and its operation and an increasing contribution to the Board as a whole.

The ASX CGC Principles and Recommendations provides that the majority of the board of a listed entity should be independent Non-executive Directors. For most of the 2018 year, the Board was comprised of a majority of independent directors. However, following the resignation of Michael Anderson in September 2018, the Board is currently comprised of an even number of independent and non-independent directors, with three of the six directors being independent non-executive directors. The Board is also comprised of three non-independent directors, having regard to the ASX Recommendations and Board Charter. However the Board believes that the non-independent directors bring significant experience and skills which are highly valuable to oOh!media. Following the resignation of Michael Anderson, the Board commenced the search for an additional independent Non-executive Director and intends to appoint a suitable additional independent Non-executive Director in the near future. Going forward, the Board intends to be comprised of a majority of independent Non-executive Directors and to comply with the ASX CGC Principles and Recommendations.

BOARD SKILLS MATRIX

The Board seeks to ensure that its membership includes an appropriate balance of skills, diversity, experience and independence in order to enhance Board performance and maximise value for shareholders.

It is not expected that all Directors will have skills and experience in all areas. Rather, the Board as a whole needs to have the skills and experience identified as being necessary. The Board considers that this is the case.

The graph on page 23 of this Annual Report captures the skills and experience represented on the Board.

JOINT COMPANY SECRETARIES

Katrina Eastoe stepped down as Company Secretary on 20 February 2018.

The Board appointed Ms Melissa Jones as Company Secretary for oOh!media on 20 February 2018, and Ms Maria Polczynski as Joint Company Secretary on 3 October 2018. Ms Jones and Ms Polczynski act as Joint Company Secretaries of the Board and Committees.

Ms Jones is the General Manager of Company Matters, Link Group's company secretarial and governance team, and holds a Bachelor of Law (Hons), with over 15 years' experience as a lawyer and governance professional.

Ms Polczynski is General Counsel and has over 30 years' legal and leadership experience including as the senior legal officer of Bendigo and Adelaide Bank and partner of Sydney-based law firm, Henry Davis York (now part of Norton Rose Fulbright). Ms Polczynski holds a Bachelor of Jurisprudence/Bachelor of Laws UNSW and a Master of Laws UTS.

Ms Eastoe has over 18 years' experience in senior leadership positions in legal and governance roles across media, FMCG and manufacturing industries in Australasia and Asia-Pacific.

The Joint Company Secretaries are responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, including the ASX, and all statutory and other filings.

The Joint Company Secretaries are accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board. All Directors have direct access to the Joint Company Secretaries.

BOARD'S RELATIONSHIP WITH MANAGEMENT

The Board has delegated the day-to-day management of oOh!media and the implementation of oOh!media's strategic objectives to the Senior Executives of oOh!media. The Board approves corporate objectives for the CEO to satisfy and, jointly with the CEO, develops the duties and responsibilities of the CEO.

The CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board. The management function is conducted by, or under the supervision of, the CEO as directed by the Board and by other Officers to whom the management function is delegated by the CEO.

CORPORATE GOVERNANCE STATEMENT (continued)

The Board, CEO and Senior Executives (as applicable) have established the following committees to assist the CEO in discharging the CEO's responsibilities:

- Disclosure Committee, formally appointed by the Board, responsible for compliance with oOh!media's continuous disclosure obligations;
- Inclusion & Diversity Committee, responsible for recommending strategies to maintain and improve an inclusive, diverse and supportive workplace; and
- Workplace Health & Safety Committee, responsible for reviewing and recommending WHS compliance strategies.

AGREEMENTS WITH DIRECTORS & SENIOR EXECUTIVES

Non-executive Directors are engaged through a letter of appointment that sets out the Director's roles and responsibilities and oOh!media's expectations, including in respect of the requirement to comply with company policies and oOh!media's Code of Conduct. The letter also addresses Non-executive Directors' indemnity and insurance arrangements, ongoing rights to access company information and confidential obligations that apply on an ongoing basis.

oOh!media enters into a service contract with each Senior Executive, which sets out their individual roles and responsibilities, as well as their KPIs and corporate obligations in respect of adherence to oOh!media's Code of Conduct and company policies.

INDUCTION & CONTINUING EDUCATION OF DIRECTORS

oOh!media has resources to induct new Directors and a continuing development program for Directors to ensure they are equipped with opportunities to develop and maintain the skills and knowledge necessary to perform their role effectively:

- all induction materials are made available to each Director on appointment, confirmed in writing in their letter of appointment; and
- a training and continuing education program is built into the Board agenda over the calendar year.

All induction and training materials remain accessible to the Board at all times.

PERFORMANCE OF SENIOR EXECUTIVES

The Remuneration & Nomination Committee recommends the goals for the CEO to the Board for approval, and formally evaluates the achievement of those objectives each year.

The Senior Executives' goals are set annually. They are recommended by the CEO to the Remuneration & Nomination Committee and the Board. The CEO conducts multiple one-on-one performance evaluations with individual Senior Executives to assess whether they have met their goals set in the preceding year.

During 2018, performance evaluations for the CEO and each of the Senior Executives were undertaken and conducted in accordance with the process outlined above.

oOh!media has procedures in place to ensure that the Senior Executive is able to participate fully and actively in decision-making at the earliest opportunity, including:

- induction of core policies and procedures, located on oOh!media's intranet for ease of reference; and
- a Delegation of Authority Policy to promote good governance practices for payments and commitments of oOh!media.

CODE OF CONDUCT

oOh!media is committed to a high level of integrity and ethical standards in all business practices. Employees must conduct themselves in a manner consistent with current community and Company standards and in compliance with all relevant legislation. On 28 November 2014, the Board adopted a formal Code of Conduct, which outlines how oOh!media expects its representatives to behave and conduct business in the workplace. This Code of Conduct was last reviewed and revised by the Board on 22 February 2019 to ensure that commitments remain relevant, effective and consistent with stakeholders' expectations. All employees (including temporary employees and contractors) and Directors must comply with the Code of Conduct.

The Code of Conduct is designed to:

- provide a benchmark for professional behaviour throughout oOh!media;
- support oOh!media's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences if they breach the code.

The Code of Conduct's available on the oOh!media website under "Governance".

DEALING IN SECURITIES POLICY

The Company aims to achieve the highest possible standards of corporate conduct and governance. On 28 November 2014, the Board adopted the Dealing in Securities Policy. This policy was last reviewed and revised by the Board on 22 February 2019.

The purpose of the Dealing in Securities Policy is to:

- explain the types of conduct in dealing in securities that are prohibited under the *Corporations Act 2001* (Cth). Such prohibitions apply to all Directors and employees of the Company and its related bodies corporate (collectively the Group) as defined in the *Corporations Act 2001* (Cth); and
- establish a best practice procedure for the buying and selling of securities that protects the Company, its Directors and employees against the misuse of unpublished information that could materially affect the value of securities.

The policy applies to all Directors and Officers of the Group, Senior Executives, employees of the Group, and connected persons of these parties, and raises awareness of the insider trading laws.

MINIMUM SHAREHOLDING POLICY

The Board has adopted a minimum shareholding policy for Non-Executive Directors on 22 February 2019. Non-Executive Directors are required to reach a minimum shareholding of one times the base fee that is paid to Non-Executive Directors, within three years following the date of their appointment or the adoption of the policy. Progress against these requirements is monitored annually and details of shares held by Directors is set out on page 37 of this Annual Report.

CONTINUOUS DISCLOSURE POLICY

On 28 November 2014, oOh!media adopted a Continuous Disclosure Policy, which establishes procedures to ensure compliance with its obligations under the *Corporations Act 2001* (Cth) and ASX Listing Rules to disclose material price-sensitive information to the market in a timely manner. This policy was last reviewed and revised by the Board on 22 February 2019.

The Board has appointed the Disclosure Committee, which is responsible for compliance with oOh!media's continuous disclosure obligations. The Disclosure Committee comprises key management – the CEO, CFO and the Joint Company Secretaries (or their delegates). The Disclosure Committee reviews all material before it is released publicly. This committee manages the day-to-day continuous disclosure issues and operates flexibly and informally. It is responsible for compliance, coordinating disclosure and ensuring that principles of the Continuous Disclosure Policy are understood by employees.

Information is communicated to shareholders through the lodgement of all relevant financial information and other information with the ASX, with continuous disclosure announcements also made available on oOh!media's website.

The Continuous Disclosure Policy is available on the oOh!media website under "Governance".

INVESTOR RELATIONS AND SHAREHOLDER ENGAGEMENT AND PARTICIPATION

oOh!media communicates important information regularly to shareholders and other stakeholders through a range of forums and publications including:

Announcements lodged with the ASX: All ASX announcements, including annual and half-year financial results, are released via the ASX and are also on the Company's website as soon as they have been released to ASX.

Annual Report: oOh!media's Annual Report contains important information about oOh!media's activities and results for the previous financial year. Shareholders can elect to receive oOh!media's Annual Report as an electronic copy or in hard copy through the mail.

Presentations: Copies of all investor presentations made to analysts and media briefings are made available on the investor section of the website, and where appropriate, oOh!media uses web-casting or teleconferencing.

Notices of Meetings: oOh!media encourages shareholders to provide email addresses so that notices of meetings and explanatory material can be sent via email, otherwise these are sent by mail.

Annual General Meeting (and other shareholder meetings): oOh!media encourages attendance and full participation of shareholders at its Annual General Meeting and full transcripts of the Chair's and the CEO's addresses are lodged with the ASX. Shareholders unable to attend the AGM in person are encouraged to appoint a proxy in accordance with instructions on the proxy form. Shareholders have the opportunity to submit written questions to oOh!media and its independent external auditor, make comments on the management of the Company and access presentations and speeches prior to the commencement of the meeting. oOh!media releases its AGM results to ASX following the meeting

Media releases: All media releases are collated and centrally published on the investor section of the Company website.

Communications: oOh!media has an investor relations program to facilitate two-way communication with investors, incorporating a telephone helpline facility and an online email inquiry service to assist shareholders with any queries. Shareholders are given the option of receiving communications from oOh!media, and sending communications to oOh!media, electronically.

All of the above can be found on the Company's website.

INFORMATION ABOUT OOH!MEDIA

oOh!media aims to ensure that shareholders are kept informed of all major developments affecting the state of affairs of oOh!media. Additionally, oOh!media recognises that potential investors and other interested stakeholders may wish to obtain information about oOh!media from time-to-time.

An overview of oOh!media's profile, businesses and corporate governance framework is available at oOh!media's website at http://www.oohmedia.com.au.

REMUNERATION POLICIES AND PRACTICES

Details about oOh!media's remuneration strategy, framework, policies and practices are set out in the Remuneration Report which clearly distinguishes the structure of Non-executive Directors' remuneration from that of the Executive Key Management Personnel.

The Remuneration Report is set out on pages 28 to 40 of the Annual Report.

POLICY ON HEDGING EQUITY-BASED INCENTIVE SCHEMES

oOh!media's Dealing in Securities Policy prohibits those employees who participate in any employee or executive incentive plans from hedging the value of restricted shares and unvested securities granted under such plans.

CORPORATE GOVERNANCE PRACTICES

The extent to which oOh!media's corporate governance practices satisfy the ASX Corporate Governance Council (CGC) Principles and Recommendations are detailed in the following table for 2018.

Recommendation		Comply	Reference
Principle 1 – Lay solid foundations for management and oversight			
1.1	A listed entity should disclose:		
	(a) the respective roles and responsibilities of its board and management; and	Yes	41 + 45
	(b) those matters expressly reserved to the board and those delegated to management.	Yes	41 + 45 + 46
1.2	A listed entity should:		
	(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and	Yes	42
	(b) provide security holders with all material information in its possession in relation to a decision on whether or not to elect or re-elect a director.	Yes	42
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	46
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with proper functioning of the board.	Yes	45
1.5	A listed entity should:		
	(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;	Yes	44
	(b) disclose that policy or a summary of it; and	Yes	44
	(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:	Yes	44
	(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined 'senior executive' for these purposes); or	Yes	44
	(2) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined and published under that Act.	n/a	n/a
1.6	A listed entity should:		
	(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and	Yes	42
	(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	42
1.7	A listed entity should:		
	(a) have and disclose a process for periodically evaluating the performance of its senior executives; and	Yes	46
	(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	46

Recommendation		Comply	Reference
Principle 2 – Structure the board to add value			
2.1	The board of a listed entity should:		
	(a) have a nomination committee which:		
	(1) has at least 3 members, a majority of whom are independent directors;	Yes	41
	(2) is chaired by an independent director;	Yes	41
	and disclose:		
	(3) the charter of the committee;	Yes	41
	(4) the members of the committee; and	Yes	41
	(5) as at the end of each reporting period, the number of times the committees met throughout the period and the individual attendances of the members at those meetings; or	Yes	41
	(b) if it does not have a nomination committee, disclose that fact and the process it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	n/a	n/a
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	45
2.3	A listed entity should disclose:		
	(a) the names of the directors considered by the board to be independent directors;	Yes	44
	(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and	Yes	45
	(c) the length of service of each director.	Yes	44
2.4	A majority of the board of a listed entity should be independent directors.	No	44/45
2.5	A chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	44/45
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	46
Principle 3 – Act ethically and responsibly			
3.1	A listed entity should:		
	(a) have a code of conduct for its directors, senior executives and employees; and	Yes	46
	(b) disclose that code or a summary of it.	Yes	46

CORPORATE GOVERNANCE STATEMENT (continued)

Recommendation		Comply	Reference
Principle 4 – Safeguard integrity in corporate reporting			
4.1	The board of a listed entity should:		
	(a) have an audit committee which:		
	(1) has at least 3 members, all of whom are non-executive directors and a majority of whom are independent directors;	Yes	43
	(2) is chaired by an independent director, who is not the chair of the board;	Yes	43
	and disclose:		
	(3) the charter of the committee;	Yes	41
	(4) the relevant qualifications and experience of the members of the committee; and	Yes	41
	(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members of those meetings; or	Yes	41
	(b) if it does not have an audit committee, disclose that fact and the process it employs to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	n/a	n/a
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	43
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	44
Principle 5 – Make timely and balanced disclosure			
5.1	A listed entity should:		
	(a) have a written policy for complying with its continuous disclosure obligations under the listing rules; and	Yes	47
	(b) disclose that policy or a summary of it.	Yes	47
Principle 6 – Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	47
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	47
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	47
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	47

Recommendation	Comply	Reference
Principle 7 – Recognise and manage risk		
7.1 The board of a listed entity should:		
(a) have a committee or committees to oversee risk, each of which:		
(1) has at least 3 members, a majority of whom are independent directors;	Yes	43
(2) is chaired by an independent director;	Yes	43
and disclose:		
(3) the charter of the committee;	Yes	41
(4) the members of the committee; and	Yes	41
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	Yes	41
(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	n/a	n/a
7.2 The board or a committee of the board should:		
(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and	Yes	43
(b) disclose in relation to each reporting period, whether such a review has taken place.	Yes	43
7.3 A listed entity should disclose:		
(a) if it has an internal audit function, how the function is structured and what role it performs; or	Yes	43
(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	n/a	n/a
7.4 A listed entity should disclose whether it has any material disclosure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	43
Principle 8 – Remunerate fairly and responsibly		
8.1 A board of a listed entity should:		
(a) have a remuneration committee which:		
(1) has at least 3 members, a majority of whom are independent directors;	Yes	41
(2) is chaired by an independent director;	Yes	42
and disclose:		
(3) the charter of the committee;	Yes	41
(4) the members of the committee; and	Yes	41
(5) as at the end of each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	Yes	41
(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	n/a	n/a
8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and other senior executives.	Yes	47
8.3 A listed entity which has an equity-based remuneration scheme should:		
(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and	Yes	47
(b) disclose that policy or a summary of it.	Yes	47

SUSTAINABILITY REPORT

INTRODUCTION

I am pleased to present the 2018 Sustainability Report.

The outcomes of conscious and responsible corporate behaviour are inextricably linked to financial performance and lead to long-term sustainable growth. oOh!media has created a framework for overseeing long-term sustainable growth and the reporting of the same. That framework includes:

- operational and governance policies and practices;
- risk management processes; and
- internal controls.

The framework is considered appropriate for oOh!media's business and designed to promote sustainable and ethical behaviour.

This Sustainability Report outlines oOh!media's core sustainability activities between 1 January 2018 and 31 December 2018 (the reporting period).

Tony Faure
Chair

25 February 2019, Sydney

CURRENCY AND QUESTIONS

This Sustainability Report is current as at 25 February 2019 and has been approved by the Board. Any questions regarding this report can be directed to the Joint Company Secretaries of oOh!media Limited.

On 28 September 2018, oOh!media completed the acquisition of 100% of the share capital in Adshel which has since been re-branded as Commute by oOh! in Australia, and as oOh!media in New Zealand. This Sustainability Report includes various data for this business which is not included in the prior year's Sustainability Report.

ORGANISATIONAL PROFILE

oOh!media Limited, a publicly listed company on the Australia Securities Exchange (ASX), operates across Australia and New Zealand, with headquarters located in North Sydney, NSW, Australia.

oOh!media provides its products and services for the benefit of both media agencies and clients wishing to advertise their own products and services.

As at 31 December 2018, oOh!media has 808 permanent employees and 32 casual employees working across Australia and New Zealand. Most of oOh!media's activities are performed by employees of oOh!media. Of these employees, none are covered by collective bargaining agreements.

In more detail:

Total number of employees by contract and gender

Contract type	Female	Male	Total
Permanent	368	440	808
Casual	10	22	32
Fixed Term Contractors	21	18	39
Total	399	480	879

Number of permanent employees by employment type and gender

Employment type	Female	Male	Total
Full time	312	434	746
Part time	56	6	62
Total	368	440	808

Total workforce by region and gender

Location	Female	Male	Total
New South Wales	269	280	549
Australian Capital Territory	0	5	5
Victoria	72	113	185
Queensland	20	37	57
South Australia	11	11	22
Western Australia	2	14	16
New Zealand	25	20	45
Total	399	480	879

The ratio of annual compensation for the highest paid individual against the median annual total compensation is 13.4:1. The ratio of percentage increase in annual total compensation for the highest paid individual against the median percentage increase in annual total compensation is 3.8:1.

oOh!media's supply chain can be broken down into the following categories:

Commercial: oOh!media engages with commercial partners to secure properties, generally by exclusive rights under lease or licence, on which oOh!media can in turn install advertising media (and associated infrastructure) for sale to third parties. This involves all parties referred to in the overview of principal activities on page 20 of this Directors' Report. The majority of these activities are operated from within oOh!media.

Operations: oOh!media's operations include the procurement, installation, monitoring and maintenance of manufactured goods including digital screens and classic faces and the supporting structures, the printing of classic skins, creation and procurement of content, data and insights, the development and maintenance of information technology systems and processes and the management of all workplace health, safety and environmental elements associated with same. The majority of these activities are led by oOh!media employees with support from specialist manufacturers, installers and service providers.

Sales and marketing: oOh!media has a dedicated sales and marketing and delivery team to assist media agencies and advertisers source the most effective locations for their advertising and engagement needs.

The majority of these activities are operated by oOh!media employees.

Support services: oOh!media operates a suite of support services to ensure quality management and effective governance. These include human resources, finance and legal functions. The majority of these activities are undertaken by oOh!media employees.

No significant changes to the supply chain have occurred during the reporting period.

oOh!media was also a member of the following associations and organisations in the reporting period:

- Outdoor Media Association (Australia);
- Outdoor Media Association of New Zealand;
- Founding member and shareholder of Measurement of Outdoor Visibility and Exposure (MOVE);
- Media Federation of Australia (MFA) and Next Generation (ngen);
- Association for Data-driven Marketing and Advertising (ADMA);
- Australian Association of National Advertisers (AANA);
- Property Council of Australia (PCA); and
- Federation European Publicite Exterieur (FEPE). oOh!media's CEO, Brendon Cook, holds the role of Vice President.

STAKEHOLDERS

oOh!media's stakeholders are an essential part of oOh!media's operations, and planning and engagement with stakeholders is a key element of effective risk management and opportunity development. The following is a list of stakeholders that oOh!media believes have the greatest potential impact on sustainability risks.

Investors: oOh!media communicates important information regularly to investors through a range of forums and publications in accordance with oOh!media's Continuous Disclosure Policy and Media Communications Policy as further detailed in the Investor Relations section on page 47 of the Corporate Governance Statement. An overview of oOh!media's profile, businesses and corporate governance framework is also available under the Investors tab on oOh!media's website at http://www.oohmedia.com.au. oOh!media's investor relations program is led by the CEO and CFO with support from an external investor relations consultant.

For deeper insight, the Board commissioned a second confidential investor perception audit during the reporting period, seeking feedback on the quality of the Company's investor relations activities. Whilst the results were above peer benchmarks on most metrics, identified opportunities for further improvement have been adopted in investor relations activities.

The Chair, the Lead Independent Director and the Chair of the Remuneration & Nomination Committee also make themselves available for meetings with investors, analysts and proxy advisers over the year to ensure two-way engagement.

Employees: oOh!media's aim is to create a thriving workplace where people find meaning and belonging and can contribute to something bigger and better. This culture promotes high performance, employee retention, and attracts high calibre talent. Each business unit has access to a People and Culture business partner for specialised support, with dedicated resources for recruitment, talent management, organisational change and development, and continuous improvement.

All new employees participate in an online onboarding and induction program, with feedback from the new employee at multiple stages along the way. Once settled, employees set goals with their managers, linked to the Company's strategic priorities and aspiration. Managers check-in with employees regularly to support their progress, and employees and managers are able to provide feedback to each other at any time, including as part of the quarterly check-ins and annual performance review process.

Each employee participates in in-house learning programs, designed to suit their particular role in oOh!media. Online training is provided on relevant topics, complemented by face-to-face programs.

oOh!media also conducts regular employee engagement activities and in 2018 continued the oOh! lyf and culture programs focused on enhancing employee and customer experiences and achieving strategic goals.

Commercial partners: oOh!media is dependent on relationships with concession holders to manage its lease and licence portfolio. oOh!media has deep experience working with commercial partners, with dedicated account managers to facilitate meaningful and successful relationship outcomes, particularly when managing risks in the portfolio environment such as safety, data protection and advertising regulatory compliance.

Commercial partners can be private landlords, government bodies, local councils and regulatory authorities.

Service providers: oOh!media selectively secures the services of specialists where required. Service providers are required to enter into and comply with oOh!media's standard WHSE Agreement to ensure oOh!media's standards are maintained across all environments. Safety management plans are required by service providers, bespoke to the services provided. oOh!media and the respective service providers review performance during the relationship and at times of contract review.

Media agencies: oOh!media is dependent on relationships with media agencies to represent oOh!media's products and services to their advertiser clients. oOh!media has invested in data and insights to give agencies a greater understanding of the performance of advertiser client campaigns using oOh!media's unique portfolio, and the opportunities presented with technological advancements. Each agency has a dedicated oOh!media relationship manager to ensure feedback is received and distributed across the business.

Advertisers: oOh!media is also dependent on relationships with customers who advertise their goods and services. Whilst a smaller proportion of revenue than that sourced through media agencies, oOh!media's digital footprint and operational support has allowed advertisers to engage direct for bespoke campaigns.

Government and local councils: Planning laws continue to develop alongside commercial property opportunities and technological advancements. Similarly, federal, state and local safety regulations and advertising standards develop alongside community expectations. oOh!media has always and will continue to engage directly and through industry with regulatory bodies to ensure Out Of Home advertising activity is of high quality, conducted with safety as an absolute priority for all stakeholders.

Communities: oOh!media is passionate about our community and our ability to operate in a way that benefits the wider population. Where required, oOh!media engages with individuals, business alliances and resident groups to seek feedback on proposed development activities. oOh!media also regularly engages specialists to provide assessments of the impact of its proposed activities on local community environments, particularly regarding any potential heritage, lighting or traffic issues.

ETHICS & INTEGRITY

oOh!media has 3 core values:

- **Bold Dreams:** We dream big and inspire others with our ideas and passion. We are bold and push boundaries to create Unmissable moments. In other words, we ensure we are always clear on what we want to create and look for ways to make things better for our clients and ourselves.
- **Big Impact:** We do our best for the customer and oOh!media as a whole, always striving to be better. We are curious, looking for diverse ideas and ways to continuously learn. In other words, we make sure everything we do is meaningful for our audience and always bring our best selves to work.
- **Deep Connection:** We have a genuine care and respect for ourselves and each other as individuals. We have fun together and celebrate our camaraderie as much as our success. In other words, we are one team with shared goals and always look after our work family and mates.

These values are represented in oOh!media's policies, including the Code of Conduct.

The Code of Conduct is designed to ensure that oOh!media and all people employed, contracted by, associated with, or acting on behalf of oOh!media. maintain a reputation for the highest standards of business conduct, professionalism and integrity. The key components of the Code of Conduct include:

- Our actions must be governed by the highest standards of integrity and fairness;
- Our decisions must be made in accordance with the spirit and letter of applicable law; and
- Our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and oOh!media alike.

oOh!media supports these policies with a Whistleblower Policy, which together with the Code of Conduct, sets out the process for seeking advice on ethical and lawful behaviour, and for reporting concerns about unethical or unlawful behaviour. Employees have access to an in-house legal team comprising qualified solicitors, in addition to an independent counselling service operated by the St James Ethics Centre. Concerns can be reported to key management including the CEO, CFO, Chief People and Culture Officer or General Counsel, the Audit, Risk & Compliance Committee, or where required, to an independent external whistleblower service at no cost and with the guarantee of anonymity.

SUSTAINABILITY REPORT (continued)

KEY IMPACTS, RISKS & OPPORTUNITIES

The most relevant risks to the business achieving its operational and financial targets are captured under risk management on pages 21 and 22 of this Annual Report. The summary below describes the key sustainability risks and associated challenges and opportunities, together with mitigation strategies and actions undertaken by the Company.

There continues to be change with technological advancement, regulatory development and innovation in our competitive environment, oOh!media continues to implement strategies that allow it to take advantage of these challenges for long-term business growth. It is this approach that has resulted in sustained year-on-year revenue growth and allowed the Company to transform from an Out Of Home media property business to a location-based new-media business delivering industry leading insights and technological advancements.

oOh!media has collated these risks that reflect oOh!media's significant economic, environmental and social impacts or those elements that substantively influence the assessments and decisions of oOh!media's stakeholders. In this Sustainability Report, these have been captured under four headings:

- **People:** maintaining an innovative, engaged and safe workforce is essential for oOh!media's continued performance.
- **Operations, economic impacts and governance:** oOh!media is committed to acting professionally, fairly and with integrity in all activities and with all stakeholders.
- **Environment and sustainability:** managing business in an environmentally responsible manner, considering and caring for the environment, now and for the future.
- **Community:** consulting with local communities as part of our everyday business activities, and working with community partners to invest time, resources and money where we can make a positive difference.

There are a number of governance mechanisms in place to manage these risks:

- **Capable people:** Senior management and dedicated teams trained in relevant regulatory and legal requirements, to specialist internal and external advisers across the areas of finance, law, WHSE and supply chain management.
- **Systems and processes:** a framework of policies, systems and processes to guide the business.
- **Documentation:** standard template contracts to ensure compliance to standards and allocate risk appropriately amongst parties.

PEOPLE

oOh!media is committed to being an employer of choice through our exceptional culture and leading people practices. Beyond the foundation of providing a safe working environment for all people across our business, we aim to engage, develop and support our people to be their best self and to contribute fully in their careers and life. As innovation leaders, we recognise that our differences as individuals are key to our success and promote diversity, inclusion and belonging as a core operating principle.

Safety: oOh!media strives to create a safe and healthy workplace for all employees, contractors and visitors. oOh!media maintains high standards in WHS for its outdoor operations, warehouse, printing and office environments and has a comprehensive WHS management framework and plan in place.

- Ongoing commitment to a comprehensive policy and framework for WHS supported by our WHS Management System.
- A WHS Committee with representatives from across the business that meets bi-monthly to review the WHS framework, initiatives, incidents, learnings, communication and training programs.
- Accreditation to AS/NZS4801:2015/ Occupational Health and Safety Management Systems maintained since 2015.
- Regular reporting of WHS initiatives, issues and opportunities to the Senior Executive, the Audit, Risk & Compliance Committee and the Board.

oOh!media did not receive any fines or grievances for non-compliance with safety laws and regulations over the reporting period.

Talent acquisition, management & retention: oOh!media has a formal talent acquisition and management process to ensure the best talent is retained for the benefit of oOh!media and its stakeholders.

oOh!media supports new employees with a mobile onboarding experience. This experience commences 30 days prior to a new employee commencing and continues until the end of their first 12 months. During this time, the Company measures its Employee Net Promoter Score – how likely the new employee is to refer oOh!media as a place to work. At the end of the reporting period, oOh!media's average Employee Net Promoter Score was 90.

Employer branding was launched in 2017, incorporating an external careers website and talent community where existing and potential employees can submit their profiles and be considered for future opportunities. In 2018 our top sources of hire were existing employees and candidates from our talent community. Candidate experience has also been a huge focus, ensuring we communicate, engage and excite our candidates throughout the recruitment experience. We have been fortunate to be awarded a winner of the APAC Candidate Experience Awards as voted by our candidates for the second year running.

During the reporting year:

- 68 per cent of top talent at oOh!media received an increase in role responsibility and 47 per cent were mobilised into new opportunities;
- top talent was seen to be concentrated around 1-2 years and 2-5 years of tenure, indicating the enhanced recruitment and attraction strategies are having a positive impact; and
- overall employee turnover was 19 per cent, with voluntary turnover at 13 per cent, well below industry benchmarks.

These retention results are a positive confirmation of oOh!media's investment in this area.

oOh!media also has a long-term incentive plan (LTI Plan) (share ownership) for senior leaders and talented individuals to further promote retention of key people. Further details on the LTI Plan is set out on pages 30 and 35 of the Remuneration Report.

People development: oOh!media has a comprehensive people development agenda, and over the reporting period related activities included culture and engagement, leadership, employee development and performance.

- Supporting the innovative culture of the Company through the physical environment by continuing a multi-year facilities refresh, introducing collaborative, flexible and future-focused workplaces aligned with the principles of activity-based working.
- Facilitating the refresh and relaunch of the oOh! aspiration and strategy, with a variety of methods (workshops, goals setting, communications) used to increase alignment, collaboration and results orientation.
- Continuing our "LEAD" leadership development program, which includes all people leaders at oOh!media. The program builds inspirational leaders and includes face-to-face workshops, online content and learning cohorts. It builds from a core of self-awareness and personal effectiveness through to skills and mindsets for leading teams and culture, and a focus on building personal and organisational capabilities for the future of oOh!media.
- Maintaining a talent management program, ensuring we have the right people to meet our longer-term strategy and that we deploy our best people into roles that can maximise their contribution to the business.

Diversity, inclusion & belonging: oOh!media is committed to unlocking the innovative potential of the Company by creating and supporting an environment where all ideas are heard, inspiring our people to harness their creativity to generate value and growth in an inclusive and diverse culture. Further details of oOh!media's diversity, inclusion and belonging framework is set out on pages 32, 44 and below.

Over the reporting period, oOh!media's continued focus on gender diversity and inclusion. Including the Acquisition of Adshel a number of outcomes were achieved:

- Women in leadership roles increased from 27 per cent in 2015 to 44 per cent in 2018, with women filling 50 per cent of our high-talent leadership pipeline.
- Pre Adshel acquisition, female representation was 52.2%. Post the acquisition and integration of Adshel, this number is 47%.
- 81% of oOh!media employees returned from parental leave in 2018.
- Females now represent 40% of Non-executive Directors on the Board.

2018 marked year three of our three year diversity, inclusion and belonging strategy.

Objective	Goal at 2018	Outcome
Increase the percentage of women in leadership roles	40% of all managers	44% of all managers
Increase female participation rates	Ensure female interviewers and candidates in all possible selection and interview processes	Yes – proactively managed by Talent Acquisition team
	Targeting external female talent for key roles and any new Board appointments	50% of new hires to C-suite in 2018 (one of two) was female Diversity is a key measure for all executive and senior leadership team appointments
Increase targeted leadership development for women	Introduce targeted leadership development through formal mentoring, development plans and Women in Leadership program	LEADing Ladies community formed in 2018 with Women in Leadership development and networking Women fill 50% of the high-talent leadership pipeline Women form 65% of oOh!media formal mentoring program
Demonstrate commitment to inclusive behavioural practices	Introduce and tailor development that deliberately fosters a culture of inclusion and builds awareness of inherent biases Build supporting processes and programs that build inclusive behavioural practices	Included as part of our LEAD program with a focus on inclusive leadership and growth mindsets
Demonstrate an appreciation for all employees regardless of gender, cultural identity, age, sexual orientation, disability, work style or approach	Celebrate the diversity of our company and ensure it is reflected at internal and external events.	Yes – diversity is considered through all of our internal communications including team meetings, conferences and training events. We aim to ensure all employees not only feel represented but that they belong and can be themselves.
	Participate in government or industry initiatives that are designed to improve diversity or promote inclusive cultures	Marriage equality support Nominating women for appropriate industry awards and actively seeking public recognition of their achievements, including through the Women in Media Power List.
Create an environment to ensure all employees can shine	Review, refine and introduce policies and practices that support inclusion and diversity, such as: • Flexible working arrangements • Parental leave policies and "stay in touch" programs • Gender pay equity reviews • Formal innovation incubation processes	Informal and formal flexible working options are available to all employees New parental leave policies were introduced in 2018, increasing total benefit from 12 to 16 weeks for primary carers and from one to two weeks for non-primary carers Parental leave "stay in touch" program refreshed to provide increased support and engagement for new parents Gender pay equity reviews continue on a yearly basis, with oOh!media reporting a lower than industry average gender pay gap that is also steadily reducing year on year

oOh!media did not receive any fines or grievances for non-compliance with discrimination laws and regulations over the reporting period.

Flexible working & parental leave: All employees have access to flexible working arrangements, either on an ad hoc basis or through a formal arrangement. The introduction of activity-based working in many of our offices, combined with technology improvements, has made flexible working a normal workplace activity. Primary caregivers can access 16 weeks' parental leave as a combination of upfront payments, return to work bonuses and additional leave and receive $1,000 worth of vouchers to put towards essential services upon commencing parental leave. Combined with "keep in touch" and "return to work" programs, this helped ensure high rates of employees returning from Parental leave.

OPERATIONS, ECONOMIC IMPACTS & GOVERNANCE

oOh!media conducts all its business operations in an honest and ethical manner. We believe corporate governance helps build an environment of trust, transparency and accountability. Not only does this align with our strategy to build a sustainable business, to deliver long-term value for our shareholders, and to behave as would be expected of the best leaders in the industry, it also aligns with our values.

Suppliers: When oOh!media selects suppliers, it consider their capability, quality, innovation, good governance and ethical behaviour and regulatorily compliant work practices. Suppliers are required to comply with oOh!media's Code of Conduct, Workplace Behaviour Policy, WHSE & Sustainability Policy and Privacy Policy as a minimum. Local suppliers are required to provide a detailed safety management plan, or agree to oOh!media's WHS Agreement stipulating the minimum safety standards. Offshore suppliers may be subjected to additional due diligence, whether requiring compliance with Australian standards, demonstrating good governance regarding privacy and people management, or hosting oOh!media for site inspections of manufacturing and distribution facilities. No negative labour or environmental practices have been identified with any current suppliers in oOh!media's domestic or international supply chains.

Data protection & privacy management: A core feature of oOh!media's strategy is the use of data to develop insights for the benefit of advertisers. The bulk of data used is de-identified and anonymous, however we also manage personal information from time-to-time. In all cases, oOh!media takes data and privacy management obligations seriously, and has an established governance and data management framework to ensure application of industry best practices in ingesting, processing, storing and purging data, including:

- "Acceptable Encryption Policies", being industry standard encryption policies;
- data protection policies mandating standards for encryption in transit and at rest;
- extensive monitoring of all critical systems;
- offsite encrypted backups;
- implementation of multiple audit points to cover full stages of data lifecycles;
- privacy policies for oOh!media's general operations, and co-operative policies where collecting information on behalf of an advertiser or commercial partner;
- privacy management plans with suppliers of data;
- review of personal information collection by the oOh!media legal team; and
- a structured mandatory data breach reporting process.

Modern Slavery Act: As our business expands and governments and regulators introduce and update laws and regulations, we face new reporting requirements. An Australian Modern Slavery Act was legislated in late 2018. While this Report is not affected, we are setting up our data capture processes to report under these frameworks as required in future years.

Compliance with regulations & standards: oOh!media operates within a number of regulatory frameworks. In addition to those applied to most businesses, all content displayed via oOh!media assets is governed in Australia by the standards set by the Advertising Standards Bureau (ASB), the Australian Association of National Advertisers (AANA), and in New Zealand by the Advertising Standards Authority (ASA). oOh!media is diligent in adhering to these standards, providing clients and employees with Advertising Standard Guidelines as well as having developed its own Policy and Content Review Committee for the review of creative content.

oOh!media is a foundation member of the Out Of Home industry body, the Outdoor Media Association (OMA), which is a self-regulating body to whose standards oOh!media adheres.

Corporate governance framework: oOh!media has a corporate governance framework approved by the Board, supported by core functions and registers across the business. oOh!media has a program to review and audit sections of the corporate governance framework from time-to-time to ensure currency with best practice.

Corporate Governance Statement: oOh!media has prepared a Corporate Governance Statement for the reporting period, following the third edition of the ASX Corporate Governance Council (ASX CGC) Principles & Recommendations, which is available on pages 41 to 51 of this Annual Report.

ENVIRONMENT & SUSTAINABILITY

oOh!media is committed to managing its business in an environmentally responsible manner and believes that caring for and considering the environment, now and for the future, is crucial to our continued success.

Carbon emissions: oOh!media has minimal carbon or energy intensive business activities, and is a relatively low emitter of greenhouse gas emissions compared to other activities or other industries. In general, oOh!media's activities and geographic distribution present limited exposure to potential costs associated with carbon pricing or regulatory caps, and oOh!media is not considered to be exposed to environmental or climate-related risks that could materially affect its operations or stakeholders. Regardless, oOh!media does have a continuous improvement objective to reduce carbon emissions from activities.

Commercial development: All our commercial developments comply with environmental and planning legislation of the relevant state or council jurisdiction, supported by a Statement of Environmental Effects (or equivalent), which sets out the current operational state of our assets and details any planning or environmental consequences of the proposed future development. This process ensures the consent authority can fully consider any impact/s attributable to the development proposal prior to making its determination.

We aim to incorporate environmentally friendly or sustainable products into all our commercial developments. This includes LED lighting on classic billboards, being more environmentally friendly than traditional lighting practices, as well as ensuring our digital billboards are equipped so their brightness adjusts to ambient lighting levels, meaning that power reductions occur automatically as the operational need for energy reduces.

Recycling & waste: oOh!media's intent is to recycle, reuse, refurbish or repurpose our assets where feasible, including static sign housing, advertising skins, digital screens, light box advertising panels and safety glass. We set out examples below.

We have a goal to have 100 per cent of skins either supplied to charities for disaster relief, repurposed in farming or other environments, or where possible, recycled. Over the reporting period, oOh!media repurposed approximately 70 per cent of skins, and continues to work with contract installers to set strategies and targets for repurposing or recycling of skins.

oOh!media operates a printing company – Cactus Imaging. All street furniture posters are printed on synthetic paper with 100 per cent of waste sent to recycling. Cactus Imaging has also initiated the introduction of a lighter weight material used to print for billboards, resulting in almost 40 per cent less PVC in production and consequential waste. Over the reporting period, more than 75 per cent of billboard skins used the lighter material, resulting in 25 per cent less materials used.

Wherever possible, in street furniture assets, a 'reuse' principle is applied. For example where the Polycarbonate products used for light box advertising panels that over time can be subject to marking or scratching, are removed and resurfaced through a precision polishing process to remove scratches and blemishes that makes them available for re-use. This ensures the potential lifecycle of these panels are fully utilised and reused throughout the product's life cycle.

Current recycle technology precludes the ability to recycle the safety glass used in our street furniture. In order to prevent this product being deposited in landfill, Commute by oOh! have partnered with Suez Australia in a glass reuse pilot project. It involves repurposing shattered safety glass for use in road base construction products.

The environmental benefits of this pilot project are:

- finding a use for a currently non-recyclable glass product;
- reducing by-product landfill waste disposal; and
- this project is being extended nationally to achieve a target of zero glass waste disposal.

An end of product life recycling approach is used with all our street furniture products that can no longer be reused. Our national recycle programs include steel and aluminum recycling and our national paper and poster-recycling program.

With more than 350,000 street furniture posters managed annually by Commute by oOh!, we support and promote the recycling of all poster materials at the completion of each campaign.

Commute by oOh! completed the final stage of a three year program to deploy an ionic water cleaning system. The environmental and economic benefits of this system include:

- eliminating the need for, and use of, cleaning detergents;
- significantly reducing our national water consumption by replacing high pressure with low pressure water cleaning; and
- minimising water runoff into storm water systems.

Energy: New digital assets installed by oOh!media are fitted with LED lighting that extends usage life and reduces energy consumption by half compared to alternate forms of lighting. Since 2013, oOh!media has proactively reduced the energy consumption of over 5000 classic shopping centre panels from 550kW to 75kW, and since 2015 has refurbished nearly 1000 retail units with resultant savings in costs and carbon. Commercial operations have reduced the energy usage in our top 100 large format road sites by 50 per cent by changing existing lights to LED, and on certain large format road sites we use solar power. We also make sure energy is used efficiently, with panels in shopping centres switched off overnight, and road sites including dimming functions to only use as much energy is required during daylight hours. Since late 2016, Cactus Imaging has initiated energy reduction initiatives in its factory including conversion of all lighting to LED and amended energy efficient machine start up and operational procedures, resulting in a progressive energy usage reduction of 2 per cent over the reporting period. Our head office building is powered by green power, with all offices having energy saving initiatives in place.

Commute by oOh! continues to implement national energy initiatives for the reduction of energy usage with out of home street furniture and advertising assets. Energy reduction initiatives implemented include:

- development of a low energy LED advertising display, reducing the energy requirements by more than 80%. This new technology has been rolled out as an annual program reducing or minimising the reliance on mains power supply; and
- Commute by oOh! has deployed solar energy usage with more than 28% of its Commute assets fully operational solar-powered sites.

Sustainable printing: Different printing products have different safety qualities and consequential impacts on the environment across the product life cycle. Cactus Imaging elects to use less aggressive latex and UV ink products for the favourable safety and environmental benefits for Cactus Imaging and its stakeholders.

Quality control: the oOh!media Environmental Management System has maintained accreditation to ISO14001:2015 Environmental Management Systems since first achieved in 2015.

Regulatory compliance: oOh!media did not receive any fines or grievances for non-compliance with environmental laws and regulations over the reporting period.

COMMUNITY

oOh!media has a history of community support for over 20 years, evolving from the origins of the oOh!media business as a family operation. During the reporting period, oOh!media further developed oOh! Community, a dedicated function to activate oOh!media's vision to create deeper engagement between not-for-profit initiatives and the community through Unmissable creative across our diverse portfolio of location-based media.

Contribution: oOh!media supports a number of charities by providing free of charge advertising space, amplifying advertising campaigns through oOh!media's network, providing media packages to auction for charity events, and by entering formal sponsorship arrangements. Over the reporting period, oOh!media responded to nearly 75 requests for support, amplified 12 advertising campaigns, donated 21 media packages at a value of $800,000, and provided over $23.8 million in media space to charity and community causes.

Charities and causes we actively support include:

- Pink Hope;
- Humpty Dumpty Foundation;
- Ovarian Cancer Research Foundation;
- Sony Foundation;
- Make-A-Wish Australia;
- UnLtd;
- Taronga Conservation Society Australia;
- Australian Children's Music Foundation;
- Tour de Cure;
- CureCancer Australia;
- Lifeline;
- The Brotherhood of St Laurence;
- Movember;
- CanTeen;
- Breast Cancer Network;
- RUOK;
- local Women's shelters; and
- Cerebral Palsy Alliance.

Industry support: Through the OMA, oOh!media also supported:

- the donation of used advertising skins to be converted into tarpaulins for use as shelter for disaster relief;
- National Missing Persons Week – In conjunction with other OMA members, approximately $1.6 million was donated in advertising space and production costs to highlight the profiles of missing persons cases;
- DrinkWise – a campaign that encouraged parents to reflect on the way they consume alcohol in front of their children. This was another industry-wide initiative that featured on more than 600 signs nationally with a campaign value of approximately $1 million; and
- National Geographic Society Endangered Species – this campaign was part of a global partnership with the National Geographic Society and OOH industry bodies from 20 countries around the world to bring attention to species at risk of extinction.

Employee giving: oOh!media offers employees a paid work day a year to volunteer for a registered charity, in addition to extra time off for people participating in special charity event. In addition we support various fundraising initiatives for causes that are close to employees' hearts. In 2018 this included Pink Hope, HeartKids, Women's Health Week and fundraising for Humpty Dumpty and Fiver for a Farmer. We also regularly organise blood donations with the Red Cross through the Red 25 program.

FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2018

		Consolidated	
	Notes	2018 $'000	2017 $'000
Revenue from continuing operations	5	**482,647**	380,276
Cost of media sites and production		**(256,948)**	(204,747)
Gross profit		**225,699**	**175,529**
Operating expenditure			
Employee benefits expense		**(79,951)**	(61,690)
Depreciation and amortisation expense	11,12	**(42,932)**	(33,468)
Legal and professional fees		**(3,477)**	(3,280)
Other property-related expenses		**(4,399)**	(3,670)
Advertising and marketing expenses		**(7,594)**	(5,147)
Acquisition-related expenses		**(11,488)**	(175)
Merger-related expenses		**–**	(1,968)
Other expenses	6	**(17,754)**	(11,672)
Total operating expenditure		**(167,595)**	**(121,070)**
Operating profit		**58,104**	**54,459**
Finance income		**1,039**	53
Finance costs		**(9,327)**	(5,571)
Net finance costs	7	**(8,288)**	**(5,518)**
Share of (loss)/profit of equity-accounted investees, net of tax		**(310)**	68
Profit before income tax		**49,506**	**49,009**
Income tax expense	9	**(17,887)**	(15,955)
Profit after income tax		**31,619**	**33,054**
Attributable to:			
Owners of the Company		**31,599**	33,206
Non-controlling interest		**20**	(152)
Profit		**31,619**	**33,054**
Other comprehensive income/(loss)			
Profit		**31,619**	**33,054**
Items that may be subsequently classified to profit or loss:			
Effective portion of changes in fair value of cash flow hedges, net of tax		**(1,397)**	65
Foreign currency translation differences		**214**	(156)
Fair value movement in put option, net of tax		**(1,080)**	40
Total comprehensive income		**29,356**	**33,003**
Attributable to:			
Owners of the Company		**29,336**	33,155
Non-controlling interest	19(c)	**20**	(152)
Total comprehensive income		**29,356**	**33,003**
Earnings per share attributable to the ordinary equity holders of the Company		**2018**	2017 restated*
Basic earnings per share (cents)	29	**16**	19
Diluted earnings per share (cents)	29	**15**	19

* Prior year comparatives have been restated following the Group's bonus issue during 2018.

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Notes	Consolidated 31 December 2018 $'000	Consolidated 31 December 2017 $'000
Current assets			
Cash and cash equivalents		**33,027**	15,919
Trade and other receivables	10	**124,814**	81,348
Inventories		**5,739**	673
Other assets	14	**30,069**	12,699
Total current assets		**193,649**	**110,639**
Non-current assets			
Property, plant and equipment	11	**179,414**	107,606
Intangible assets and goodwill	12	**852,404**	372,203
Other assets	14	**21,893**	–
Equity-accounted investees		**–**	275
Total non-current assets		**1,053,711**	**480,084**
Total assets		**1,247,360**	**590,723**
Current liabilities			
Trade and other payables	16	**93,073**	44,241
Loans and borrowings	15	**59**	65
Deferred consideration		**120**	473
Provisions	17	**9,903**	1,531
Employee benefits		**6,797**	4,125
Income tax payable		**10,726**	6,913
Total current liabilities		**120,678**	**57,348**
Non-current liabilities			
Loans and borrowings	15	**405,511**	138,701
Provisions	17	**25,093**	19,369
Employee benefits		**3,554**	2,661
Derivative liabilities	18	**3,882**	680
Deferred tax liability	9	**7,733**	21,670
Total non-current liabilities		**445,773**	**183,081**
Total liabilities		**566,451**	**240,429**
Net assets		**680,909**	**350,294**
Equity			
Share capital	19(a)	**675,371**	349,510
Reserves	19(b)	**26,686**	27,951
Accumulated losses		**(20,364)**	(26,363)
Equity attributable to the owners of the Company		**681,693**	**351,098**
Non-controlling interest	19(c)	**(784)**	(804)
Total equity		**680,909**	**350,294**

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 2018

	Note	Consolidated 2018 $'000	Consolidated 2017 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**524,685**	418,555
Payments to suppliers and employees (inclusive of goods and services tax)		**(422,909)**	(331,903)
Cash generated from operations		**101,776**	86,652
Merger-related payments		**–**	(2,957)
Interest paid		**(7,637)**	(5,464)
Interest received		**1,032**	52
Income tax paid		**(24,018)**	(27,854)
Net cash from operating activities	30	**71,153**	**50,429**
Cash flows from investing activities			
Acquisition of property, plant and equipment	11	**(28,103)**	(26,023)
Acquisition of intangible assets	12	**(12,717)**	(7,918)
Acquisition of subsidiaries, net of cash acquired	23	**(564,495)**	–
Acquisition of non-controlling interest		**–**	(300)
Disposal of subsidiary		**400**	–
Transaction costs related to acquisitions		**(9,800)**	(1,139)
Acquisition refunds		**–**	398
Proceeds from sale of property, plant and equipment		**323**	450
Concession development advances		**–**	(353)
Net cash used in investing activities		**(614,392)**	**(34,885)**
Cash flows from financing activities			
Proceeds from issue of shares		**329,866**	–
Transaction costs related to issue of shares		**(7,630)**	–
Proceeds from loans and borrowings		**482,000**	102,000
Repayment of loans and borrowings		**(211,000)**	(86,000)
Payment of transaction costs related to borrowings and derivatives		**(7,224)**	–
Payment of finance lease liabilities		**(65)**	(18)
Dividends paid	19(d)	**(25,600)**	(23,800)
Net cash from/(used in) financing activities		**560,347**	**(7,818)**
Net increase in cash and cash equivalents		**17,108**	7,726
Cash and cash equivalents at 1 January		**15,919**	8,193
Cash and cash equivalents at 31 December		**33,027**	**15,919**

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 2018

Consolidated	Contributed equity $'000	Foreign currency translation reserve $'000	Other equity reserve $'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 2017	349,510	226	17,648	(26)	7,915	(34,743)	(1,378)	339,152
Total comprehensive income for the period:								
Profit/(loss) for the period after income tax	–	–	–	–	–	33,206	(152)	33,054
Other comprehensive income/(loss):								–
Effective portion of changes in fair value of cash flow hedges	–	–	–	65	–	–	–	65
Exchange differences on translation of foreign operations	–	(156)	–	–	–	–	–	(156)
Fair value movement in put option	–	–	40	–	–	–	–	40
Total comprehensive income/ (loss) for the period	**-**	**(156)**	**40**	**65**	**-**	**33,206**	**(152)**	**33,003**
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Dividends paid	–	–	–	–	–	(23,800)	–	(23,800)
Equity-settled share-based payment transactions	–	–	–	–	2,239	–	–	2,239
Changes in ownership interests								
Acquisition of subsidiary with non-controlling interest	–	–	–	–	–	(1,026)	726	(300)
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**2,239**	**(24,826)**	**726**	**(21,861)**
Balance at 31 December 2017	**349,510**	**70**	**17,688**	**39**	**10,154**	**(26,363)**	**(804)**	**350,294**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2018

Consolidated	Contributed equity $'000	Foreign currency translation reserve $'000	Other equity reserve $'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 2018	349,510	70	17,688	39	10,154	(26,363)	(804)	350,294
Total comprehensive income for the period:								
Profit for the period after income tax	–	–	–	–	–	31,599	20	31,619
Other comprehensive income/(loss):								
Effective portion of changes in fair value of cash flow hedges, net of tax	–	–	–	(1,397)	–	–	–	(1,397)
Exchange differences on translation of foreign operations	–	214	–	–	–	–	–	214
Fair value movement in put option	–	–	(1,080)	–	–	–	–	(1,080)
Total comprehensive income/(loss) for the period	**–**	**214**	**(1,080)**	**(1,397)**	**–**	**31,599**	**20**	**29,356**
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Issue of ordinary shares	331,241	–	–	–	(1,375)	–	–	329,866
Share issue costs, net of tax	(5,380)	–	–	–	–	–	–	(5,380)
Dividends paid	–	–	–	–	–	(25,600)	–	(25,600)
Equity-settled share-based payment transactions	–	–	–	–	2,373	–	–	2,373
Total transactions with owners of the Company	**325,861**	**–**	**–**	**–**	**998**	**(25,600)**	**–**	**301,259**
Balance at 31 December 2018	**675,371**	**284**	**16,608**	**(1,358)**	**11,152**	**(20,364)**	**(784)**	**680,909**

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

NOTE 1. REPORTING ENTITY

oOh!media Limited is a company domiciled in Australia. The Company was incorporated on 7 October 2014 and listed on the Australian Securities 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 Group is a for-profit entity and is primarily involved in outdoor media, production and advertising in Australia and New Zealand.

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 gain 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 2017.

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 25 February 2019.

(b) Basis of measurement

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

- Derivative financial instruments and the put option 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 Corporations Instrument 2016/191 dated 1 April 2016 and in accordance with that instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

(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 2017.

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) and 23 – Business combinations;
- Note 17 (ii) – Onerous lease provisions; and
- Note 13 – 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 2019 are included in the following notes:

- Notes 3(a)(iv) and 23 – Business combinations; fair value measured on a provisional basis; and
- Note 13 – Impairment test: key assumptions underlying recoverable amounts.

iii. 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, and which reports 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 & 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 note:

- Note 21 – Financial risk management.

(e) 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, with the exception of new standards AASB9 and AASB15 discussed below.

(f) New standards and interpretations

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

i. AASB 15 Revenue from Contracts with Customers

The Group has implemented AASB 15 Revenue from Contracts with Customers effective 1 January 2018. The cumulative transition method was adopted. There was no adjustment to opening retained earnings at 1 January 2018 and there was no material impact to reported revenues in either the current or prior periods. Deferred and accrued revenue have been reclassified to contract liabilities and contract assets respectively, as disclosed in notes 14 and 16.

ii. AASB 9 Financial Instruments (2014)

The Group has implemented AASB 9 Financial Instruments (2014) effective 1 January 2018. Following an assessment of the impact of the new standard, the Group determined that no retrospective adjustment was required for the prior period and there is no material impact on the results for the current period.

iii. AASB 16 Leases

On 1 January 2019, AASB16: Leases replaced the accounting requirements for leases which were previously prescribed under AASB 117: Leases. Early adoption of AASB16 was permitted, however the Group chose not to adopt the standard prior to 1 January 2019.

Definition of a lease

The Group determines whether a contract or arrangement constitutes a lease, at the time of inception. Judgement is required to make this determination and the following criteria are taken into consideration:

- Whether the Group receives substantially all of the economic benefits derived from the arrangement
- The ability to direct the manner in which the asset is utilised
- Whether control passes to the Group, for a pre-determined period of time, in exchange for payment of consideration

Accounting model

The new accounting standard provides a single lessee accounting model. This model requires lessees to recognise a right-of-use (ROU) asset and a corresponding lease liability, for those leases which meet the enhanced definition of a finance lease, in accordance with the standard.

The Group's accounting for leases as a lessor remains substantially unchanged under AASB16 and therefore no adjustments will be required upon initial transition.

Initial adoption

From 1 January 2019, the Group will recognise:

- on the consolidated statement of financial position – ROU asset and lease liability
- on the consolidated statement of profit or loss and other comprehensive income – Depreciation on the ROU asset and interest on the lease liability
- on the consolidated statement of cash flows – Cash paid, separated into:
    - a principal portion (presented within financing activities); and
    - an interest portion (presented within operating activities)

Measurement

As a lessee, the lease liability is initially measured by taking into consideration:

- the present value of the minimum lease payments over the remaining term of the lease, discounted at the incremental borrowing rate applicable to each lease, when there is no implicit rate within the lease;
- where a lease contains an extension option and the Group is reasonably certain that the option will be exercised, the initial measurement of the lease liability also includes the present value of the minimum lease payments during the option period (current practice indicates that the option to extend meets the 'reasonably certain' criteria for substantially all leases);
- the inclusion of variable lease payments which depend only on an index or rate; and
- the exclusion of other variable lease payments, which cannot be readily determined upon initial measurement.

As a lessee, the ROU asset is initially measured with reference to the lease liability, adjusted for:

- initial direct costs;
- any lease payments made before the commencement date of the lease; and
- less any lease incentives received.

The ROU asset values will not be adjusted for the projected costs of dismantling and restoration of assets. Such costs are accounted for within the 'make-good provision', in accordance with the requirements of AASB137.

The lease liability will be re-measured under certain circumstances, such as a change in the lease term. The value of the re-measurement of the lease liability is offset by a corresponding adjustment to the ROU asset.

Transition

The Group will adopt the modified retrospective approach and therefore the comparative information will not be re-stated. The Group has elected to apply the following practical expedients, upon adoption of AASB 16:

- the same discount rate will be applied to a portfolio of leases with similar characteristics (eg. lease term);
- any contract classified as a lease under AASB117 will continue to be treated as a lease under AASB 16; and
- reliance has been placed on the review of the 'onerous contracts' provision, to determine whether any ROU assets have been impaired. As a result, no further impairment review will be undertaken at inception date.

Impact on the financial statements

As at the end of the reporting period, the Group had non-cancellable, undiscounted operating lease commitments of $643 million (2017: $318million) as disclosed in Note 24.

As at 1 January 2019, the Group will recognise the following approximate figures upon initial application:

Consolidated Statement of Financial Position	$'000
Right-of-use asset	$745,000
Lease liability	($746,000)
Equity adjustment	$13,000
Reclassified from other balance sheet accounts	($12,000)

As at 1 January 2019, the weighted average incremental borrowing rate was 4.8%.

NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

With the exception of newly adopted accounting policies, the Group has consistently applied its accounting policies to all periods presented in these consolidated financial statements. Where applicable, accounting policies can be found throughout the notes to these financial statements, beneath the appropriate note disclosure.

(a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of oOh!media Limited 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 associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or 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 consolidated 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.

(b) Income tax – see 'Note 9. Income tax'

(c) Receivables and revenue recognition – see 'Note 10. Trade and other receivables' and 'Note 5. Revenue'

(d) Plant and equipment – see 'Note 11. Property, plant and equipment'

(e) Intangibles – see 'Note 12. Intangible assets and goodwill'

(f) Financial instruments – see 'Note 21. Financial risk management'

(g) Leases – see 'Note 24. Leases'

(h) Trade and other payables – see 'Note 16. Trade and other payables'

(i) Employee benefits – see 'Note 8. Share-based payments'

(j) Cash and cash equivalents – see 'Note 30. Reconciliation of cash flows from operating activities'

(k) Impairment of assets – see 'Note 13. Impairment of non-current assets'

(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 – see 'Note 15. Loans and borrowings'

(n) Finance income and finance costs – see 'Note 7. Net finance costs'

(o) Maintenance and repairs – see 'Note 11. Property, plant and equipment'

(p) Provisions – see 'Note 17. Provisions'

(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 that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

(r) Share capital – see 'Note 19. Capital and reserves'

(s) Glossary – Refer to pages 114 to 115 for glossary of defined terms.

NOTE 4. OPERATING SEGMENTS

(a) Basis for segmentation

On 28 September 2018, oOh!media completed the acquisition of 100% of the share capital in Adshel from HT&E Limited and commenced the integration of Adshel into the Group. On 10 December 2018, the former Adshel offering was re-branded as Commute by oOh! (Commute). For the period since its acquisition, Commute has been presented as a separate segment reflecting the separate reporting against financial targets of the Group and Commute for 2018. It is anticipated that the Commute business will become part of the Group segment once integration and reporting against finance targets is complete in early 2019.

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

	2018 OML Group $'000	2018 Commute $'000	2018 Total $'000	2017* Total $'000
Revenue and other income	**416,785**	**65,862**	**482,647**	**380,276**
Result				
Segment operating profit before depreciation and amortisation expense	94,234	18,288	**112,522**	90,070
Merger-related costs	–	–	**–**	(1,968)
Acquisition-related expenses	(9,801)	(1,687)	**(11,488)**	(175)
Statutory operating profit before depreciation and amortisation expense	**84,433**	**16,601**	**101,034**	**87,927**
Share of (loss)/profit of equity-accounted investees, net of tax	(310)	–	**(310)**	68
Amortisation	(15,638)	(302)	**(15,940)**	(14,552)
Depreciation	(22,606)	(4,384)	**(26,990)**	(18,916)
Net finance costs	(7,965)	(323)	**(8,288)**	(5,518)
Profit before income tax	**37,914**	**11,592**	**49,506**	**49,009**

* 2017 comparatives represent OML Group only.

NOTE 5. REVENUE

	2018 $'000	2017 $'000
Sale of media, production and installation services	**474,515**	379,338
Maintenance and other services	**8,132**	938
	482,647	**380,276**

Revenue by product

Key information relating to the Group's financial performance is detailed below. In accordance with AASB15, the table disaggregates revenue by operating segments that correspond to the internal reports reviewed by the Group's chief operating decision maker (the Board).

	2018 $'000	2017 $'000
Commute	**65,862**	–
Road	**154,819**	137,109
Retail	**132,910**	135,708
Fly	**67,785**	55,011
Locate	**42,813**	34,165
Other[1]	**18,458**	18,283
External Revenues	**482,647**	**380,276**

1. Other revenues include Cactus and Junkee Media.

Accounting policy: 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. Revenue is recognised on a gross basis with commissions payable to advertising and media agencies recognised as expenses in 'Cost of media sites and production'.

The Group has elected to apply the following practical expedient under AASB 15.121:

- information on future performance obligations has not been disclosed as performance obligations form part of a contract that has an original expected duration of one year or less.

Contract balances

The timing of revenue recognition, invoicing and cash collections results in accounts receivable, uninvoiced receivables (contract assets), and customer advances (contract liabilities) on the consolidated statement of financial position. Media contracts are billed in accordance with agreed-upon contractual terms, either upfront, at periodic intervals (e.g. lunar period) or upon achievement of contractual milestones. These assets and liabilities are reported on the consolidated statement of financial position on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances were not materially impacted by any other factors during the year ended 31 December 2018.

Revenue recognised in 2018 that was included in the contract liability balance at the beginning of the year was $5,239,000.

NOTE 6. OTHER EXPENSES

	2018 $'000	2017 $'000
Office expenses	**2,913**	2,280
Information technology and communications expenses	**5,444**	2,599
Taxes and charges	**3,643**	2,623
Loss on sale of assets	**100**	75
Other expenses	**5,654**	4,095
	17,754	**11,672**

NOTE 7. NET FINANCE COSTS

	2018 $'000	2017 $'000
Finance income	**(1,039)**	**(53)**
Interest expense on bank borrowings	**7,785**	5,328
Amortisation of debt facility establishment costs	**899**	209
Finance leases	**9**	18
Other finance costs	**634**	16
Finance costs	**9,327**	**5,571**
Net finance costs	**8,288**	**5,518**

Accounting policy: Finance income and finance costs

i. Finance costs

Finance costs are recognised as expenses in the period in which they are incurred using the effective interest method. Finance costs include interest on bank borrowings, 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 8. SHARE-BASED PAYMENTS

Description of the share-based payment arrangements

As at 31 December 2018 the Group had the following share-based payment arrangements:

Long-term incentive plan – performance rights

A total of 792,746 Tranche #1 performance rights vested in February 2018, with vesting conditions satisfied. The share price on the vesting date was $4.20. The Company issued a further 822,152 performance rights that entitle senior executives and managers to receive shares in the Company. Details in relation to grants issued in the year ended 31 December 2018 and in respect of grants of performance rights to employees in prior periods, are detailed in the table below. 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.

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

i. Performance rights granted to senior executives are as follows[1] :

	Grant date	Vesting date	Number granted
Tranche #1	17-Dec-14	15-Feb-18	839,378
Tranche #3	1-Feb-16	15-Feb-19[(a)]	610,714
Tranche #4	1-Mar-17	15-Feb-20	712,615
Tranche #5	1-Feb-18	15-Feb-21	822,152
Total performance rights			**2,984,859**

(a) Expected vesting date 28 February 2019.

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).

Tranche #3 – 3 years' service from grant date and 14% CAGR EPS.

Tranche #4 – 3 years' service from grant date and (i) 75% of rights subject to 12% CAGR EPS and (ii) 25% subject to achieving a Relative Total Shareholder Return (TSR) performance hurdle[2].

Tranche #5 – 3 years service from grant date and (i) 75% of rights subject to EPS achieving 10% CAGR EPS and (ii) 25% subject to achieving a Total Shareholder Return (TSR) performance hurdle[2].

1. In March 2016, 264,249 Tranche #2 performance rights vested and were exercised. No further Tranche #2 performance rights remain outstanding.
2. There are two LTI performance hurdles. The first is based on the Compound Annual Growth Rate (CAGR) of oOh!media's Earnings Per Share (EPS) over a three-year performance period and represents 75% of the award. A second hurdle is based on Relative Total Shareholder Return (TSR) over a three-year performance period assessed against the ASX200 index (excluding Financials & Industrials), representing 25% of the award.

ii. Reconciliation of performance rights

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

	Number of rights #	Fair value $
Outstanding at 1 January 2018	2,083,324	7,402,009
Exercised during the period	(792,746)	(1,374,622)
Granted during the period	822,152	2,813,421
Outstanding at 31 December 2018	**2,112,730**	**8,840,808**
Exercisable at 31 December 2018	**–**	**–**

A share-based payment expense of $2,373,000 relating to the performance rights was expensed in the year to 31 December 2018 (2017: $2,239,000) and is included in the 'Employee benefits' expense line in the consolidated statement of profit or loss and other comprehensive income.

iii. Measurement of fair values

The fair value of the share-based payment plans was measured based on the Monte Carlo and Binomial models. 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	Tranche #3	Tranche #4	Tranche #5
Share price at grant date	$1.93	$4.58	$4.29	$4.58
5-day VWAP at grant date	–	$4.55	$4.54	$4.54
Fair value at grant date (EPS hurdle)	$1.73	$4.23	$3.91	$4.15
Fair value at grant date (TSR hurdle)	–	–	$2.20	$2.80
Exercise price	Nil	Nil	Nil	Nil
Expected volatility	20% to 25%	33.9%	36.3%	33.0%
Expected life	3 years	3 years	3 years	3 years
Expected dividends	3.0% to 3.5%	2.50%	3.31%	3.40%
Risk-free interest rate (based on government bonds)	2.74%	1.90%	1.99%	2.13%

Accounting policy: 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 corporate 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.

iii. Shared-based payment transactions

The Group currently engages in the practise 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.

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.

Employee benefits expense includes contributions to defined contribution plans of $5,535,000 for the current reporting period (2017: $3,876,000).

NOTE 9. INCOME TAX

(a) Tax recognised in profit or loss

	2018 $'000	2017 $'000
Current tax expense		
Current tax expense	**26,587**	20,268
Adjustment for prior periods	**(652)**	(432)
Total current income tax expense	**25,935**	**19,836**
Deferred tax expense		
Origination and reversal of temporary differences	**(8,048)**	(3,881)
Total deferred income tax expense	**(8,048)**	**(3,881)**
Total tax expense	**17,887**	**15,955**

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)

	2018			2017		
	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	**(1,996)**	**599**	**(1,397)**	65	–	65

(c) Reconciliation between income tax expense and pre tax profit

	2018 $'000	2017 $'000
Profit after income tax for the year	**31,619**	33,054
Total tax expense	**17,887**	15,955
Profit/(loss) before income tax	**49,506**	**49,009**
Tax using the Company's domestic tax rate 30% (2017: 30%)	**14,852**	14,703
Effect of tax rates in foreign jurisdictions	**(104)**	(21)
Non-deductible expenses	**3,698**	1,493
Effect of share of loss/(profit) of equity-accounted investees	**93**	20
Current year losses for which no deferred tax asset was recognised	**–**	192
Over provided in prior years	**(652)**	(432)
Total tax expense	**17,887**	**15,955**

The effective tax rate is calculated as company income tax expense divided by profit before income tax, adjusted for post-tax share of results of equity-accounted investees.

	OML Group	
	2018 $'000	2017 $'000
Profit from ordinary activities before income tax expense	**49,506**	49,009
Add/(Less): Post-tax share of results of equity-accounted investees	**310**	(68)
Adjusted profit before income tax expense	**49,816**	48,941
Income tax expense	**17,887**	15,955
Effective tax rate	**35.9%**	32.6%

(d) Recognised deferred tax assets and liabilities

Movement in deferred tax balances during the year

	Balance 1 January 2018 $'000	Recognised in profit or loss $'000	Recognised on acquisitions $'000	Recognised in OCI $'000	Recognised directly in equity $'000	Balance 31 December 2018 $'000
Plant and equipment	(1,620)	(183)	(2,791)	–	–	(4,594)
IPO transaction costs	147	(147)	–	–	–	0
Transaction costs related to acquisitions	1,125	(1,457)	–	–	2,289	1,957
Cash flow hedges	(12)	82	–	599	–	669
Capital costs deductible over 5 years	492	468	–	–	–	960
Accrued expenses	1,926	1,537	463	–	–	3,926
Provisions	6,390	5,310	4,521	–	–	16,221
Employee benefits provision	1,788	426	644	–	–	2,858
Licences acquired	(31,906)	3,133	–	–	–	(28,773)
Other intangibles	–	(1,134)	(407)	–	–	(1,541)
Unearned revenue	–	102	600	–	–	702
Other	–	(89)	(29)	–	–	(118)
Total tax assets/ (liabilities)	**(21,670)**	**8,048**	**3,001**	**599**	**2,289**	**(7,733)**

	Balance 1 January 2017 $'000	Recognised in profit or loss $'000	Recognised on acquisitions $'000	Recognised in OCI $'000	Recognised directly in equity $'000	Balance 31 December 2017 $'000
Plant and equipment	(1,537)	(83)	–	–	–	(1,620)
IPO transaction costs	147	–	–	–	–	147
Transaction costs related to acquisitions	1,010	115	–	–	–	1,125
Cash flow hedges	8	(20)	–	–	–	(12)
Capital costs deductible over 5 years	1,181	(689)	–	–	–	492
Accrued expenses	1,680	246	–	–	–	1,926
Provisions	5,955	435	–	–	–	6,390
Employee benefits provision	1,505	283	–	–	–	1,788
Licences acquired	(35,500)	3,594	–	–	–	(31,906)
Total tax assets/ (liabilities)	**(25,551)**	**3,881**	**-**	**-**	**-**	**(21,670)**

Recognised in the statement of financial position as follows:

	2018 $'000	2017 $'000
Deferred tax assets	**-**	–
Deferred tax liabilities	**(7,733)**	(21,670)
Deferred tax liability at 31 December 2018	**(7,733)**	(21,670)
Net deferred tax liability	**7,733**	**21,670**

Accounting policy: Income tax

Income tax expense comprises current and deferred tax. It is recognised in 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 differences will not reverse in the foreseeable future.

With regards to measuring deferred tax consequences on licences, management considers the tax consequences of recovery through use and then disposal separately. Under this approach the tax base from use (nil as the licences are not depreciable for tax) is considered separate from the tax from disposal (capital gains tax value). This results in a taxable temporary difference (deferred tax liability) on revenue account and a deductible temporary difference (deferred tax asset) on capital account. As it is not currently probable that future capital gains will be made, the deferred tax asset has not been recognised.

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 Limited, 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.

NOTE 10. TRADE AND OTHER RECEIVABLES

	2018 $'000	2017 $'000
Trade receivables	**123,315**	81,120
Allowance for impairment of receivables	**(1,109)**	(991)
	122,206	80,129
Other receivables	**2,608**	1,219
Total trade and other receivables	**124,814**	**81,348**

Information on the Group's exposure to credit and market risks and impairment losses for trade and other receivables are included in Note 21.

Accounting policy: Trade 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 calculated using an expected credit losses provision matrix. The provision matrix is based on the Group's historical observed default rates, adjusted for forward looking estimates. The historical observed default rates are updated to reflect current and forecast credit conditions on each reporting date. Provisions for specific receivables are recognised in addition to the general provision originating from the expected credit losses matrix.

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

NOTE 11. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

Consolidated	2018 Leasehold improvements $'000	Plant & equipment $'000	Leased plant & equipment $'000	Total $'000
Cost				
At 1 January 2018	8,045	186,271	10,571	204,887
Business combinations	595	70,527	–	71,122
Additions	215	27,888	–	28,103
Disposals	–	(12,113)	–	(12,113)
Effects of movements in exchange rates	–	672	–	672
At 31 December 2018	**8,855**	**273,245**	**10,571**	**292,671**
Accumulated depreciation				
At 1 January 2018	(3,322)	(84,865)	(9,094)	(97,281)
Depreciation for the year	(1,274)	(25,255)	(462)	(26,991)
Disposals	–	11,543	–	11,543
Reclassification	90	(233)	–	(143)
Effects of movements in exchange rates	–	(385)	–	(385)
At 31 December 2018	**(4,506)**	**(99,195)**	**(9,556)**	**(113,257)**
Carrying amount at 31 December 2018	**4,349**	**174,050**	**1,015**	**179,414**

Consolidated	2017 Leasehold improvements $'000	Plant & equipment $'000	Leased plant & equipment $'000	Total $'000
Cost				
At 1 January 2017	7,881	169,130	10,332	187,343
Additions	164	25,620	239	26,023
Reclassification to software intangibles	–	(1,530)	–	(1,530)
Disposals	–	(6,241)	–	(6,241)
Effects of movements in exchange rates	–	(708)	–	(708)
At 31 December 2017	**8,045**	**186,271**	**10,571**	**204,887**
Accumulated depreciation				
At 1 January 2017	(2,338)	(73,523)	(8,660)	(84,521)
Depreciation for the year	(984)	(17,498)	(434)	(18,916)
Disposals	–	5,716	–	5,716
Effects of movements in exchange rates	–	440	–	440
At 31 December 2017	**(3,322)**	**(84,865)**	**(9,094)**	**(97,281)**
Carrying amount at 31 December 2017	**4,723**	**101,406**	**1,477**	**107,606**

Accounting policy: 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.

Accounting policy: 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.

NOTE 12. INTANGIBLE ASSETS AND GOODWILL

Reconciliation of carrying amount

	2018				
Consolidated	Brands $'000	Goodwill $'000	Licences $'000	Software* $'000	Total $'000
Cost					
At 1 January 2018	9,783	249,645	161,425	17,880	438,733
Acquisitions through business combinations	–	477,856	1,357	4,434	483,647
Additions	–	–	484	12,233	12,717
Disposals	–	(360)	(1)	(439)	(800)
At 31 December 2018	**9,783**	**727,141**	**163,265**	**34,108**	**934,297**
Accumulated amortisation and impairment					
At 1 January 2018	(4,102)	(2,638)	(52,966)	(6,824)	(66,530)
Amortisation for the year	(780)	–	(12,273)	(2,888)	(15,941)
Disposals	–	–	–	435	435
Reclassification	–	–	143	–	143
At 31 December 2018	**(4,882)**	**(2,638)**	**(65,096)**	**(9,277)**	**(81,893)**
Carrying amount at 31 December 2018	**4,901**	**724,503**	**98,169**	**24,831**	**852,404**

* 2018 software includes work-in-progress of $15,500,000 (2017: $6,359,000).

Consolidated	2017 Brands $'000	Goodwill $'000	Licences $'000	Software $'000	Total $'000
Cost					
At 1 January 2017	9,783	249,864	159,325	10,179	429,151
Additions	–	–	2,100	6,171	8,271
Reclassification from plant & equipment	–	–	–	1,530	1,530
Adjustment	–	(219)	–	–	(219)
At 31 December 2017	**9,783**	**249,645**	**161,425**	**17,880**	**438,733**
Accumulated amortisation and impairment					
At 1 January 2017	(3,250)	(2,638)	(41,962)	(4,128)	(51,978)
Amortisation for the year	(852)	–	(11,004)	(2,696)	(14,552)
Reclassification	–	–	–	–	–
At 31 December 2017	**(4,102)**	**(2,638)**	**(52,966)**	**(6,824)**	**(66,530)**
Carrying amount at 31 December 2017	**5,681**	**247,007**	**108,459**	**11,056**	**372,203**

Accounting policy: 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 13 for further information.

ii. Licences

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

iii. Software

Software that is acquired by the Group and has a finite useful life is 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 consolidated statement of profit or loss and comprehensive income. The estimated useful lives are as follows:

- Licences 15 years;
- Brands 2-15 years; and
- Software 3 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. There have been no changes in the current year.

NOTE 13. IMPAIRMENT OF NON-CURRENT ASSETS

Cash generating units (CGUs) have been identified as follows for the year ended 31 December 2018: Australia, New Zealand, Commute, Cactus and Junkee Media. The independence of cash inflows is assessed in identifying CGU's. The carrying value of assets allocated to each CGU is supported by their recoverable amount.

	Australia $'000	Cactus $'000	Junkee $'000	New Zealand $'000	Commute[2] $'000	Total $'000
Goodwill[1]	239,545	2,561	4,541	–	477,856	724,503

1. Purchase Price Allocation accounting on the Adshel acquisition is to be completed in 2019. The outcome of this may impact the carrying values of goodwill in both the Australian and New Zealand CGU's.
2. As per note 4, it is anticipated that the Commute business will be merged into the Australian and New Zealand CGU's once integration is complete in early 2019.

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 2018 was determined similarly to the 31 December 2017 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 the subsequent 4 years with the exception of Junkee Media where higher growth rates were used reflective of the forecast.
- Terminal growth rate: 3.0%
- Discount rate post-tax: Australia 10.1% (2017: 9.7%) and New Zealand 11.2% (2017: 11.8%), Cactus 12.7% (2017: 12.4%) and Junkee Media 15.0% (2017: 15.0%).

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. There is no reasonably possible change to assumptions that would indicate an impairment.

Given the proximity of the acquisition of Commute to balance date and as it has achieved forecast targets since acquisition, no impairment indicators were identified for this CGU. No impairment was recognised in 2018 (2017: Nil).

Accounting policy: 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 CGUs. 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 post-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 14. OTHER ASSETS

	2018 $'000	2017 $'000
Current		
Prepaid site rent[1]	**11,339**	1,021
Other prepayments	**4,517**	3,071
Contract assets	**11,595**	6,820
Other assets	**2,618**	1,787
Total current other assets	**30,069**	**12,699**
Non-current		
Prepaid site rent[1]	**19,904**	–
Other prepayments	**1,989**	–
Total non-current other assets	**21,893**	**–**
Total other assets	**51,962**	**12,699**

1. For certain lease agreements an upfront rental payment has been made, which is amortised over the term of the lease.

NOTE 15. LOANS AND BORROWINGS

	2018 $'000	2017 $'000
Current		
Finance lease liabilities	**59**	65
Total current borrowings	**59**	**65**
Non-current		
Bank loan	**410,000**	139,000
Unamortised borrowing costs	**(4,592)**	(467)
Finance lease liabilities	**103**	168
Total non-current borrowings	**405,511**	**138,701**
Total loans and borrowings	**405,570**	**138,766**

In June 2018, the Group arranged new fully underwritten 3 year debt facilities from a syndicate of lending banks, with a facility limit of $450 million. As a result of this significant modification to the Group's debt facilities, any remaining unamortised borrowing costs from the previous facility were expensed to the consolidated statement of profit and loss. The banking syndicate has security over the assets of the Company and its subsidiaries.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 21.

Accounting Policy: 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.

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.

NOTE 16. TRADE AND OTHER PAYABLES

	2018 $'000	2017 $'000
Trade payables	**5,506**	3,964
Accrued expenses	**74,169**	30,902
Contract liability	**9,858**	5,239
Other payables	**3,540**	4,136
Total trade and other payables	**93,073**	**44,241**

Information about the Group's exposure to currency and liquidity risks is included in Note 21.

Accounting policy: 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. Contract liabilities are recognised within trade payables where invoices are issued in advance of the period in which the revenue is earned.

NOTE 17. PROVISIONS

Reconciliation of movements in provisions

	2018			
	Onerous contracts $'000	Make good $'000	Straight-lining of site rents $'000	Total $'000
Balance at 1 January 2018	–	12,010	8,890	20,900
Provisions acquired through business combination	7,414	4,150	814	12,378
Provisions used during the year	(245)	(256)	(1,631)	(2,132)
Provisions made during the year	–	1,578	4,324	5,902
Provisions released during the year	–	(822)	(1,182)	(2,004)
Effects of movements in exchange rates	–	(24)	(24)	(48)
Balance at 31 December 2018	**7,169**	**16,636**	**11,191**	**34,996**
2018				
Current provisions	7,169	677	2,057	9,903
Non-current provisions	–	15,959	9,134	25,093
	7,169	16,636	11,191	34,996
2017				
Current provisions	–	318	1,213	1,531
Non-current provisions	–	11,692	7,677	19,369
	–	**12,010**	**8,890**	**20,900**

Accounting policy: 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 a 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

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. 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 consolidated 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.

NOTE 18. DERIVATIVE LIABILITIES

	2018 $'000	2017 $'000
Interest rate derivatives liability/(asset)	**2,082**	(40)
Put option liability on NCI	**1,800**	720
Total derivative liabilities	**3,882**	**680**

Information about the fair value of derivative instruments is included in Note 20.

Accounting policy: Written put options on NCI

Written put options entered into with non-controlling shareholders in an acquiree as part of a business combination are accounted for in accordance with the present access method. The fair value of the Level 3 option is recognised as a financial liability and in other equity as a component of the non-controlling interest. Subsequent changes in the fair value of the financial liability are recognised directly in other equity.

NOTE 19. CAPITAL AND RESERVES

(a) Contributed equity

	2018 number	2017 number	2018 $'000	2017 $'000
Issued and paid up share capital	**236,640,789**	**164,138,049**	**675,371**	**349,510**

	2018 number of shares	2017 number of shares
Escrow fully paid ordinary shares	**–**	–
Fully paid ordinary shares	**236,640,789**	164,138,049
Number of shares as at 31 December 2018	**236,640,789**	**164,138,049**

Movements in contributed equity

	2018 number	2017 number	2018 $'000	2017 $'000
Balance at 1 January	**164,138,049**	164,138,049	**349,510**	349,510
Transaction costs arising from issue of shares	**–**	–	**(5,380)**	–
Issuance of performance rights – Tranche #1	**792,746**	–	**1,375**	–
Capital raising – shares issued	**71,709,994**	–	**329,866**	–
Balance at 31 December	**236,640,789**	**164,138,049**	**675,371**	**349,510**

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.

(b) Reserves

	2018 $'000	2017 $'000
Reserves		
Foreign currency translation reserve	**284**	70
Other equity reserve	**16,608**	17,688
Cash flow hedge reserve	**(1,358)**	39
Share-based payments reserve	**11,152**	10,154
Total reserves	**26,686**	**27,951**

Nature and purpose of reserves

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)).

Other equity reserve – The other equity reserve mostly 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 oOh!media Limited (OML) owners. It also includes $1,800,000 in relation to the put option on the NCI in the Junkee Media acquisition (see Note 18).

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 21).

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 and managers. A portion of this reserve may be reversed against contributed equity if the underlying rights are exercised and results in shares being issued.

(c) Non-controlling interests (NCI)

	2018 $'000	2017 $'000
Balance at beginning of the year	**(804)**	(1,378)
Share of operating profit/(loss) for the period after income tax	**20**	(152)
Acquisition of non-controlling interest	**–**	726
Balance at end of the year	**(784)**	**(804)**

During 2018, the Group's equity interest in Junkee Media and CloseBuys Pty Limited remained the same as in the previous reporting period.

(d) Equity – dividends

Dividends

The following fully franked dividends have been paid to date:

	Amount per share cents	Total paid ($)
Dividends paid during 2018		
Final 2017 dividend (paid 16 March 2018)	10.5	17,317,732
Interim 2018 dividend (paid 21 September 2018)	3.5	8,282,424
		25,600,156
Dividends paid during 2017		
Final 2016 dividend (paid 23 March 2017)	10.0	16,413,805
Interim 2017 dividend (paid 4 September 2017)	4.5	7,386,212
		23,800,017

After the reporting date, a final dividend of 7.5 cents per qualifying ordinary share amounting to $17,748,059 has been declared by the Board of Directors. The dividends have not been recognised as liabilities and there are no tax consequences.

Dividend franking account

	2018 $'000	2017 $'000
Franking account balance	**56,982**	44,083
Impact on franking account balance of dividends proposed after the reporting date but not recognised as a liability	**(7,625)**	(7,422)
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 30%	**49,357**	**36,661**

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 $49,357,000 (2017: $36,661,000) franking credits.

(e) Capital management policy

The Board's policy is to retain 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 the 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.

Accounting policy: 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 AASB 112 Income Taxes.

NOTE 20. FAIR VALUES

Accounting classifications and fair values

(a) Fair values vs carrying amounts

The fair values of financial assets and liabilities equals the carrying amounts shown in the statement of financial position. The fair value of interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments.

(b) 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:

	2018	2017
Interest rate derivatives	**1.8% – 2.8%**	1.8% – 2.0%
Bank loan	**3.1% – 3.9%**	3.1% – 3.5%
Leases	**5.1% – 8.7%**	5.1% – 8.7%

(c) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy referred to at Note 2(d). The different levels have been defined as follows. The table 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.

	31 December 2018		
	Carrying value	Fair value	
Consolidated	Hedging instruments $'000	Level 2 $'000	Level 3 $'000
Financial assets measured at fair value			
Interest rate derivatives used for hedging	614	614	–
Total	**614**	**614**	**–**
Financial liabilities measured at fair value			
Interest rate derivatives used for hedging	(2,696)	(2,696)	–
Put option liability on NCI	(1,800)	–	(1,800)
Total	**(4,496)**	**(2,696)**	**(1,800)**
Interest rate derivatives (liability)/asset	**(3,882)**	**(2,082)**	**(1,800)**

	31 December 2017		
	Carrying value	Fair value	
	Hedging instruments $'000	Level 2 $'000	Level 3 $'000
Interest rate derivatives used for hedging	40	40	–
Put option liability on NCI	(720)	–	(720)
Interest rate derivatives (liability)/asset	**(680)**	**40**	**(720)**

(d) Valuation techniques

The fair value of Level 2 interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments. The fair value of the Level 3 put option liability is determined based on a contractual cashflow multiple. Cash flows for both are discounted using standard valuation techniques at the applicable market yield, having regard to the timing of the cash flows.

NOTE 21. FINANCIAL 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.

(a) 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.

(i) 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. Primarily 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 appropriate credit histories 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 provided under the Group's banking facilities.

(ii) Cash and cash equivalents

The Group held cash and cash equivalents of $33.0 million at 31 December 2018 (31 December 2017: $15.9 million). The cash and cash equivalents are held with credit worthy counterparties that are large banks, primarily members of the Group's syndicated debt facility.

Interest rate derivatives 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 derivative contracts is limited to the net amount to be received from counterparties on contracts that are favourable to the consolidated entity.

(iii) 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:

	2018 $'000	2017 $'000
Financial assets		
Cash and cash equivalents	**33,027**	15,919
Trade receivables	**123,315**	81,120
Total financial assets	**156,342**	**97,039**

(iv) Receivables

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

	2018 $'000	2017 $'000
Neither past due nor impaired	**113,524**	76,650
Past due 0-30 days	**5,096**	1,986
Past due 31-60 days	**1,627**	740
Past due 61-90 days	**1,568**	641
Past due 91 days	**1,500**	1,103
	123,315	**81,120**

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

	2018 $'000	2017 $'000
Balance at 1 January	**991**	688
Doubtful debts on acquisition	**155**	–
Impairment loss recognised	**249**	399
Amounts written off	**(286)**	(96)
Balance at 31 December	**1,109**	**991**

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

(b) 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 that, as far as possible, 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.

(i) 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.

(ii) Financing arrangements

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

	2018 $'000	2017 $'000
Revolving facility including bank guarantees	**3,854**	**70,744**

(iii) Maturities of financial liabilities

The table below analyses 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 derivatives, the cash flows have been estimated using forward interest rates applicable at the reporting date.

	31 December 2018			
Consolidated	Carrying amount $'000	Contractual cash flows $'000	12 months or less $'000	Greater than 1 year $'000
Non-derivatives				
Bank debt	410,000	(455,336)	(16,486)	(438,850)
Lease liabilities	162	(175)	(61)	(114)
Trade and other payables	93,073	(93,073)	(93,073)	–
Deferred acquisition consideration	120	(120)	(120)	–
Total non-derivatives	**503,355**	**(548,704)**	**(109,740)**	**(438,964)**
Derivatives				
Interest rate derivatives used for hedging	(2,082)	2,082	297	1,785
Put option liability on NCI	1,800	(1,800)	(1,800)	–

Consolidated	31 December 2017			
Non-derivatives				
Bank debt	139,000	(149,963)	(5,212)	(144,751)
Lease liabilities	233	(245)	(68)	(177)
Trade and other payables	44,241	(44,241)	(44,241)	–
Deferred acquisition consideration	473	(473)	(473)	–
Total non-derivatives	**183,947**	**(194,922)**	**(49,994)**	**(144,928)**
Derivatives				
Interest rate derivatives used for hedging	(40)	40	40	–
Put option liability on NCI	720	(720)	–	(720)

The Group's banking facilities loan agreement includes a change of control clause that triggers a review in the event of a change of control. The banking syndicate could cancel the facility as a result of such review. As at 31 December 2018 balance date, no change of control event is anticipated and therefore the bank debt is assessed as non-current in line with the existing maturity dates of the facility.

(c) 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.

(i) Management of currency risk

The Group operates in New Zealand and therefore is exposed to foreign exchange transaction risks 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 through 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 Street Furniture New Zealand Limited, 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).

Given the immaterial nature of the New Zealand operations to the overall Group, no hedging of this exposure was undertaken, in the period or in the prior period.

(ii) 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 derivatives. Such interest rate derivatives 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 derivatives, 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:

	2018 $'000	2017 $'000
Fixed rate instruments		
Financial liabilities	**(162)**	(233)
Variable rate instruments		
Financial assets	**33,027**	15,919
Financial liabilities	**(410,000)**	(139,000)

Cash flow hedges

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Change in value used for calculating hedge ineffectiveness $'000
Interest rate risk	
Variable-rate instruments	(1,996)

During the year, the Group entered into interest rate derivative transactions totalling $280 million. The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	31 December 2018 Carrying amount			During the period – 2018	
	Nominal amount $'000	Assets $'000	Liabilities $'000	Changes in the value of the hedging instrument recognised in OCI $'000	Hedge ineffectiveness recognised in profit and loss $'000
Interest rate risk					
Interest rate derivatives	280,000	614	(2,696)	(1,996)	(104)

(iii) 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 was performed on the same basis as 2017.

	31 December 2018			
	Profit or loss		Equity	
	100 BP increase $'000	100 BP decrease $'000	100 BP increase $'000	100 BP decrease $'000
Variable rate instruments	(4,100)	4,100	(4,100)	4,100
Interest rate derivatives	–	–	(2,800)	2,800
Cash flow sensitivity (net)	**(4,100)**	**4,100**	**(6,900)**	**6,900**

	31 December 2017			
	Profit or loss		Equity	
	100 BP increase $'000	100 BP decrease $'000	100 BP increase $'000	100 BP decrease $'000
Variable rate instruments	(1,390)	1,390	(1,390)	1,390
Interest rate derivatives	–	–	(620)	620
Cash flow sensitivity (net)	**(1,390)**	**1,390**	**(2,010)**	**2,010**

Accounting policy: Financial instruments

AASB139 Financial Instruments: Recognition and Measurement has been replaced by AASB9: Financial Instruments, which sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

a. Initial recognition and measurement

Trade receivables and debt securities are initially recognised when they are originated. Other financial assets/liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables are initially measured at the transaction price. Financial assets/liabilities are initially measured at fair value (together with any transaction costs which are directly attributable to the acquisition of the asset, or cost of the liability).

b. Classification and subsequent remeasurement

The categories of 'held to maturity', 'loans and receivables' and 'available for sale' which existed under AASB139, are no longer relevant. AASB9 contains three principal classification categories for financial assets:

(i) measured at amortised cost

(ii) Fair value other comprehensive income (FVOCI); and

(iii) Fair value to the consolidated statement of profit or loss (FVTPL)

Financial assets are classified according to the business model in which the asset is managed and according to its contractual cash flow characteristics. They will not subsequently be reclassified unless the Group changes its business model for managing financial assets. If the business model changes, all financial assets would be reclassified on the first day of the reporting period after which the change took place.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and contractual terms give rise to cash flows of principal and interest on specific dates. When assessing whether cash flows represent solely principal and interest, the Group considers factors which may affect the timing and amount of the cash flows, such as contingent events, contractual terms and prepayment or extensions features.

All derivative financial assets are measured as FVTPL. At inception, the Group may also irrevocably designate that a financial asset be measured as FVTPL, even though it would otherwise be measured as amortised cost or FVOCI, if such an election eliminates (or significantly reduces) an accounting mismatch which would otherwise occur.

Subsequent remeasurement of	Remeasured at	Gains/losses	Other considerations
Financial assets at FVTPL	Fair value	Profit or loss	Does not apply to hedging instruments (refer to 'e.' below)
Financial assets at amortised cost	Amortised cost using the effective interest method	Profit or loss	Amortised cost is reduced by any impairment losses
Debt investments at FVOCI	Fair value	Interest income to Profit or loss; other gains/ losses to OCI	On derecognition, OCI balance reclassified to the profit or loss
Equity instruments at FVOCI	Fair value	Dividends to Profit or loss; other gains/losses to OCI	OCI balance is never reclassified to the Profit or loss
Financial liabilities at FVTPL	Fair value	Profit or loss	Does not apply to hedging instruments (refer to 'e.' below)
Financial liabilities at amortised cost	Amortised cost using the effective interest method	Profit or loss	-

c. Derecognition

Financial assets

The Group will de-recognise a financial asset when any of the following occur:

- expiration of the contractual right to receive cash flow from the asset; or
- a transaction occurs which results in the Group transferring substantially all of the risks and rewards of ownership of the asset and therefore it also transfers the right to receive cash flows from the asset; or
- although the Group does not transfer the risks and rewards of ownership, it no longer retains control of the asset.

Financial liabilities

The Group will derecognise a financial liability when any of the following occur:

- contractual obligations are discharged, cancelled or expire; or
- the terms are modified, such that the cash flows are also modified. In this situation, a new financial liability would be recognised, at fair value, based on the modified terms.

On derecognition, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities extinguished) would be recognised in the consolidated statement of profit or loss.

d. Offsetting

The Group may only offset financial assets and liabilities (or present them on a net basis) in circumstances where there is a legally enforceable right to do so and the Group intends to settle the asset and liability on a net basis, or simultaneously.

e. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposure. Derivatives are initially measured at fair value. Subsequent changes in fair value are recognised in OCI.

The Group designates certain instruments as cash flow hedges to minimise the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

The risk management objective and strategy for undertaking a hedge, are documented at the inception of the hedging relationship. The Group also documents the economic relationship between the hedged item and the hedging instrument (including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset).

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.

The adoption of AASB9 has not had a significant effect on the Group's accounting policies for financial liabilities and derivative financial instruments.

NOTE 22. 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	2018	2017
Outdoor Media Investments Limited	Cayman Islands	0%	100%
Outdoor Media Holdings Pty Limited	Australia	0%	100%
Outdoor Media Operations Pty Limited	Australia	100%	100%
Outdoor Media Exchangeable Finco Pty Limited	Australia	0%	100%
oOh!media Group Pty Limited	Australia	100%	100%
oOh!media Street Furniture Pty Ltd	Australia	100%	0%
oOh!media Street Furniture New Zealand Limited	New Zealand	100%	0%
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%

	Consolidated entity		
Name of entity	Country of incorporation	2018	2017
Red Outdoor Pty Ltd	Australia	100%	100%
Closebuys Pty Limited	Australia	82.75%	82.75%
oOh!media Café Screen Pty Limited	Australia	100%	100%
oOh!media Social Sports Pty Limited	Australia	0%	100%
Social Sports Media Pty Ltd	Australia	0%	100%
In 2 Indoor Pty Ltd	Australia	0%	100%
World Indoor Soccer Federation Pty Ltd	Australia	0%	100%
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%	100%
Inlink Office Pty Ltd	Australia	100%	100%
Inlink Café Pty Ltd	Australia	100%	100%
Inlink Fitness Pty Ltd	Australia	100%	100%
Executive Channel International Pty Ltd	Australia	100%	100%
Executive Channel Pty Ltd	Australia	100%	100%
Junkee Media Pty Limited	Australia	85%	85%
InTheMix dot com dot au Pty Ltd	Australia	85%	85%
Thought By Them Pty Ltd	Australia	85%	85%
Qjump Australia Pty Limited	Australia	85%	85%
Faster Louder Pty Ltd	Australia	85%	85%
Sound Alliance Nominees Pty Ltd	Australia	85%	85%
InTheMix Inc Fein	Australia	85%	85%
Cactus Imaging Pty Limited	Australia	100%	100%
Cactus Holdings Pty Limited	Australia	100%	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%

(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. Based on the operating results of the joint venture since inception, the carrying value of the Group's investment is $0 (31 December 2017: $275,000). The Group made no initial monetary investment in the joint venture.

NOTE 23. BUSINESS COMBINATIONS

On 28 September 2018, the Group acquired Out of Home street furniture specialist Adshel from HT&E Limited (HT&E) for cash consideration of $572.8 million (the acquisition). The acquisition was funded through a combination of debt and equity. In July 2018, the Group completed a fully underwritten 1 for 2.3 pro rata accelerated non-renounceable capital raise for $329.9 million. The remaining consideration was funded through the Group's $450 million syndicated debt facility secured in June 2018.

Details of the purchase consideration, the net assets acquired and goodwill attributed to the acquisition are summarised in the table below:

(i) Summary of business combinations for year ending 31 December 2018

Purchase consideration	Adshel 2018 $'000
Cash paid during the year ended 31 December 2018	578,612
Working capital adjustment received	(5,858)
	572,754

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

	$'000
Cash and bank balances	8,259
Trade and other receivables	46,977
Inventories	5,736
Property, plant and equipment	71,122
Deferred tax assets	3,001
Identified intangible assets	5,791
Trade creditors and accruals	(33,610)
Provisions	(12,378)
Net assets acquired	**94,898**
Goodwill acquired[1]	**477,856**
Net assets acquired	**572,754**

1. Goodwill represents the value attributed to the commercial relationships, market reputation and business acumen acquired as part of the business combination. Given the timing of the acquisition, Purchase Price Allocation accounting has yet to be completed and will be finalised before the next reporting period at 30 June 2019.

Revenue booked to the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018, for the period since acquisition of Adshel on 28 September 2018 is $65,862,000. Adshel revenues for the 12 month period to December 2018 (including the period prior to acquisition) amounted to $223,305,000. The profit before tax of the business combination since the respective acquisition date amounts to $11,592,000 and for the 12 month period to December 2018 (including the period prior to acquisition) amounted to $40,910,000.

For the acquisition, 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 statement.

NOTE 24. LEASES

Operating leases

Future minimum lease payments

	2018 $'000	2017 $'000
Commitments in relation to non-cancellable operating leases contracted for at the reporting date are payable as follows:		
Within one year	**152,855**	71,138
Later than one year but not later than five years	**341,903**	183,776
Later than five years	**148,695**	63,179
	643,453	**318,093**

Amounts recognised in profit and loss

	2018 $'000	2017 $'000
Lease expense	**113,679**	91,374
Contingent lease expense	**42,785**	33,291
	156,464	**124,665**

Accounting policy: 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.

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.

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.

From 1 January 2019, the above accounting policy will undergo significant change following the implementation of AASB16: Leases which will replace the accounting requirements for leases which were previously prescribed under AASB 117. Refer to note 2(f) for further details.

NOTE 25. CAPITAL COMMITMENTS

During 2018, the Group entered into contracts to purchase plant and equipment in 2019 for $10,440,000 (2018: $2,377,000).

NOTE 26. CONTINGENCIES

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

	2018 $'000	2017 $'000
Bank guarantees	**36,146**	10,256

NOTE 27. RELATED PARTIES

(a) Parent entity and ultimate controlling party

As at 31 December 2018, the parent entity of the Group is oOh!media Limited.

(b) Subsidiaries

Interest in subsidiaries is set out in Note 22.

(c) Transactions with the shareholder-related parties

	Transaction value for the 12 months ended		Balance outstanding	
	2018 $	2017 $	2018 $	2017 $
Sale of media and services				
WPP				
Revenue[1]	**50,972,202**	44,534,059	**–**	–
Receivables[1]	**–**	–	**17,764,942**	10,060,163

Notes to transactions with shareholder-related parties

1. 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.

(d) Transactions with Key Management Personnel

(i) Key Management Personnel compensation

The Key Management Personnel compensation comprised:

	2018 $	2017 $
Short-term employee benefits	**1,646,708**	1,883,482
Post-employment benefits	**148,126**	164,985
Share-based payments	**407,291**	799,679
	2,202,125	2,848,146

Key Management Personnel also participate in the Group's share plans, details of which are discussed in Note 8.

In addition to the above, Non-executive Director compensation included short-term employee benefits of $876,319 (2017: $687,848) and post-employment benefits of $74,700 (2017: $56,796).

(ii) Directors' related party transactions

Current directorships and shareholdings held by oOh!media Limited's Chairman Tony Faure and Non-executive Director Geoffrey Wild have given rise to two related party conflicts in the period. As at 31 December 2018, Tony Faure holds a 5.0% interest in Junkee Media with a right to sell this to the Company in future periods, and received $90,000 in consulting fees from Junkee Media in 2018. Given his shareholding in Junkee Media and ongoing consultancy support, the Board has appointed Debra Goodin as Lead Independent Director, effective from 22 September 2017. The Lead Independent Director can assume the role of Chair when the Chair is unable to act in that capacity due to unavailability or lack of independence. The position also offers an alternative point of contact for shareholders.

Geoffrey Wild holds the position of Chairman at WPP Australia. Prior to 29 August 2018, WPP Australia was a signifcant shareholder in the Group.

To mitigate any potential conflicts arising, there is a Board protocol in place whereby either of the aforementioned Board members are asked to exit a Board meeting should any matters arise that may impact their independence.

(e) Transactions with equity-accounted investees

oOh!Edge Pty Limited

	Transaction value for the 12 months ended		Balance outstanding	
	2018 $	2017 $	2018 $	2017 $
Receivables	**–**	–	**2,592,351**	1,190,387
Management fees	**98,800**	158,000	**–**	–

NOTE 28. SUBSEQUENT EVENTS

Since the end of the financial year, and after approval of these consolidated financial statements, the Board has declared a fully franked final dividend of 7.5 cents per ordinary share, amounting to $17,748,059 in respect of the year ended 31 December 2018 (31 December 2017: $17,317,732). This dividend is payable on 26 March 2019. The financial effect of this dividend has not been brought to account in the consolidated financial statements for the year ended 31 December 2018 and will be recognised in subsequent financial reports.

In January 2019, oOh!media Street Furniture Pty Limited signed a termination deed with Phoenix Outdoor Pty Ltd to cease representing 7-Eleven petro-convenience sites. Under the requirements of the termination deed, oOh!media Street Furniture Pty Limited paid a settlement fee of $7,000,000 to Phoenix Outdoor Pty Ltd.

In February 2019, the Group arranged an increase of $70 million to its existing debt facility, bringing the Group's total facility limit to $520 million.

Apart from the matters referred to above, no other matter or circumstance at the date of this report has arisen since 31 December 2018 that has significantly affected or may affect:

(a) the operations of the Group;

(b) the results of those operations in future financial years; and

(c) the Group's state of affairs in future financial years.

NOTE 29. EARNINGS PER SHARE

The table below shows the calculation of basic and diluted earnings per share for 2018 and 2017.

	2018 $'000	2017 $'000
Profit attributable to ordinary shareholders	**31,599**	33,206
Net profit after income tax attributable to equity holders of the parent	**31,599**	33,206

	Number of shares	
Weighted average number of shares outstanding – basic		
Opening issued ordinary shares balance	**164,138,049**	164,138,049
Effect of allotment and issuances	**31,932,295**	–
Effect of bonus issue from 2018 share capital raising	**7,316,139**	7,316,139
Weighted average number of ordinary shares at 31 December	**203,386,483**	171,454,188
Weighted average number of shares outstanding – diluted		
Weighted average number of ordinary shares – basic	**203,386,483**	171,454,188
Effect of performance rights on issue	**1,634,639**	1,625,813
Weighted average number of ordinary shares at 31 December	**205,021,122**	173,080,001

	2018	2017 restated*
Earnings per share		
Basic profit earnings per share (cents)	**16**	19
Diluted profit earnings per share (cents)	**15**	19

* Prior year comparatives have been restated following the Group's bonus issue during 2018.

NOTE 30. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2018 $'000	2017 $'000
Cash flows from operating activities		
Profit after income tax for the year	**31,619**	33,054
Adjustments for:		
Depreciation	**26,991**	18,916
Amortisation	**15,941**	14,552
Transaction costs related to acquisitions	**9,800**	1,139
Net finance costs	**1,156**	16
Share of (loss)/profit of equity-accounted investees, net of tax	**(310)**	68
Net loss on sale of non-current assets	**100**	75
Net exchange differences	**341**	4
Equity-settled share-based payment transactions	**2,373**	2,239
	88,011	**70,063**
Changes in:		
Trade receivables	**(11,115)**	(1,937)
Deferred tax balances	**(10,936)**	(3,881)
Other operating assets	**(22,559)**	(4,703)
Trade payables	**12,882**	(5,837)
Other provisions	**9,145**	2,132
Provision for income taxes payable	**2,712**	(8,052)
Other operating liabilities	**3,013**	2,644
Cash generated from operating activities	**71,153**	**50,429**

Accounting policy: 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.

NOTE 31. AUDITOR'S REMUNERATION

	2018 $	2017 $
Audit and assurance services		
KPMG Australia		
Audit and review of financial statements	**585,780**	279,025
Other assurance services	**85,339**	56,331
Total audit and assurance services	**671,119**	**335,356**
Other services		
KPMG Australia		
Taxation compliance and advisory services	**253,483**	197,528
Acquisition-related services	**641,161**	54,819
Merger-related services	**–**	568,950
Total other services	**894,644**	**821,297**
Total auditor's remuneration	**1,565,763**	**1,156,653**

NOTE 32. PARENT ENTITY DISCLOSURES

As at and throughout the financial year ended 31 December 2018 the parent entity of the Group was oOh!media Limited (2017: oOh!media Limited).

	2018 $'000	2017 $'000
(a) Financial position		
Financial position of parent entity at year end		
Current assets	**428,491**	165,426
Non-current assets	**699,407**	373,546
Total assets	**1,127,898**	**538,972**
Current liabilities	**10,726**	6,913
Non-current liabilities	**419,815**	160,164
Total liabilities	**430,541**	**167,077**
Net assets	**697,357**	**371,895**
Total equity of parent entity comprising of:		
Contributed equity	**675,371**	349,510
Reserves	**21,986**	22,385
Retained earnings	**–**	–
Total equity	**697,357**	**371,895**

	2018 $'000	2017 $'000
(b) Comprehensive income		
Result of parent entity		
Profit for the year:		
Dividends received from subsidiary	**25,600**	23,800
Other comprehensive (loss)/profit	**(1,397)**	65
Total comprehensive income for the year	**24,203**	**23,865**

(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 2018 (2017: Nil).

(d) Guarantees and contingent liabilities

Please refer to Note 26 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 63 to 107 of this Annual Report and the Remuneration Report on pages 28 to 40 in the Directors' Report within the Annual 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 2018 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 2018.
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.

Signed on behalf of the Board

Tony Faure
Chair

25 February 2019, Sydney

INDEPENDENT AUDITOR'S REPORT

To the shareholders of oOh!media Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the *Financial Report* of oOh!media Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the *Group's* financial position as at 31 December 2018 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards and the Corporations Regulations 2001*.

The *Financial Report* comprises:

- Consolidated statement of financial position as at 31 December 2018
- 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 then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The *Group* consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

KPMG

Recoverable amount of goodwill and intangible assets ($852 million)

Refer to Note 12 to the financial report

The key audit matter	How the matter was addressed in our audit
A key audit matter for us was the Group's annual testing of goodwill and intangible assets for impairment, given the size of the balance (being 68% of total assets). We focussed on the significant forward-looking assumptions the Group applied in their value in use models, including: • forecast cash flows – specific attention has been paid to CGUs with high growth assumption due to the risk of inaccurate forecasts or a wider range of possible outcomes for us to consider. A CGU in the Group did not meet prior forecasts, raising our concern for reliability of current forecasts. This drives additional audit effort specific to the Group's strategy. • discount rate – these are complicated in nature and vary according to the conditions and environment the specific Cash Generating Unit (CGU) is subject to from time to time, and the models approach to incorporating risks into the cash flows or discount rates. We involve our valuations specialists with the assessment.	Our procedures included: • We considered the appropriateness of the value in use method applied by the Group to perform the annual test of goodwill for impairment against the requirements of the accounting standards. • We assessed the integrity of the value in use models used, including the accuracy of the underlying calculation formulas. • We compared the forecast cash flows contained in the value in use models to Board approved forecasts. • We challenged the Group's significant forecast cash flows for CGUs with high growth forecasts. We compared key events to the Board approved plan and strategy. We assessed the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the models. We applied increased scepticism to forecasts in the areas where previous forecasts were not achieved. We compared forecast growth rates to published studies of industry trends and expectations of forecast advertising spend, and considered differences for the Group's operations. We used our knowledge of the Group, their past performance, business and customers, and our industry experience. • Working with our valuation specialists we independently developed a discount rate range considered comparable using publicly available market data for comparable entities, adjusted for risk factors in certain CGUs relating to achievement of forecasts and concentration of revenue. • We considered the sensitivity of the models by varying key assumptions, such as forecast growth rates and discount rates, within a reasonably possible range. We did this to identify any CGU at higher risk of impairment and to focus our further procedures. • We assessed the disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in oOh!media Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

KPMG

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of oOh!media Limited for the year ended 31 December 2018, complies with *Section 300A of the Corporations Act 2001*.

Directors' responsibilities

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 responsibilities

We have audited the Remuneration Report included in pages 28 – 40 of the Directors' report for the year ended 31 December 2018.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG
Partner

Trent Duvall

Sydney
25 February 2019

SHAREHOLDER INFORMATION

VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares: On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. There are no other classes of equity securities.

Share rights: Share rights holders do not have any voting rights on the share rights held by them. The shareholder information set out below is applicable as at 23 January 2019.

DISTRIBUTION OF EQUITY SECURITIES

Analysis of number of equity security holders by size of holding:

Range	Number of holders	% of holders	Number of shares	% of shares
1 – 1,000	1,345	43.07	586,225	0.25
1,001 – 5,000	1,155	36.99	2,896,455	1.22
5,001 – 10,000	355	11.37	2,584,851	1.09
10,001 – 100,000	232	7.42	5,599,326	2.37
100,001 and over	36	1.15	224,973,932	95.07
Total number of security holders	**3,123**	**100.00**	**236,640,789**	**100.00**
Holders holding less than a marketable parcel of shares	300	9.60	14,482	–

RESTRICTED SECURITIES

There are currently no restricted securities on issue.

ON-MARKET BUY BACK

There is no current on-market buy back.

UNQUOTED EQUITY SECURITIES

Range	Number of rights holders	Number of rights	% of rights
1 – 1,000	0	0	0
1,001 – 5,000	0	0	0
5,001 – 10,000	4	27,100	1.41
10,001 – 100,000	32	1,424,578	74.08
100,001 and over	3	471,302	24.51
Total	**39**	**1,922,980**	**100.00**

TOTAL OF QUOTED AND RESTRICTED SECURITIES

Ordinary shares not subject to voluntary escrow (quoted securities)	236,640,789
Ordinary shares subject to voluntary escrow (restricted securities)	0
Total Number of Shares	236,640,789

TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

Range	Number of ordinary shares held	Percentage of ordinary shares %
HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	96,614,671	40.83
J P MORGAN NOMINEES AUSTRALIA PTY LTD	60,856,418	25.72
NATIONAL NOMINEES LTD	18,417,358	7.78
CITICORP NOMINEES PTY LTD	17,039,639	7.20
BNP PARIBAS NOMS PTY LTD	7,142,402	3.02
UBS NOMINEES PTY LTD	7,073,739	2.99
BNP PARIBAS NOMINEES PTY LTD	4,990,549	2.11
UBS NOMINEES PTY LTD	3,143,131	1.33
CITICORP NOMINEES PTY LTD	1,765,113	0.75
AMP LIFE LIMITED	770,859	0.33
AUSTRALIAN EXECUTOR TRUSTEES LIMITED	551,883	0.23
BNP PARIBAS NOMINEES PTY LTD	533,500	0.23
HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	519,681	0.22
AUSTRALIAN UNITED INVESTMENT COMPANY LTD	500,000	0.21
DEBRA COOK	500,000	0.21
HSBC CUSTODY NOMINEES (AUSTRALIA) LTD – A/C 2	475,949	0.20
INVESTMENT CUSTODIAL SERVICES LTD	456,032	0.19
BNP PARIBAS NOMINEES PTY LTD HUB 24 CUSTODIAL SERV LTD DRP	379,712	0.16
BNP PARIBAS NOMS (NZ) LTD	308,354	0.13
OUTDOOR NOMINEES PTY LTD	255,072	0.11
Total held by top 20 largest holders	**222,293,982**	**93.94**
Other	**14,346,727**	**6.06**
Total	**236,640,789**	**100.00**

SUBSTANTIAL HOLDERS

Range	Number of ordinary shares held	Percentage of ordinary shares %
HMI CAPITAL LLC	24,409,222	10.71
YARRA FUNDS MANAGEMENT LTD	21,540,828	9.10
T. ROWE PRICE ASSOCIATES INC	15,096,923	6.37

GLOSSARY

Term	Meaning/definition
AASB	Australian Accounting Standards Board
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
Board or Board of Directors	The board of Directors of oOh!media Limited
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)
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
EBITDA	Earnings before interest, taxation, depreciation and amortisation
EPS	Earnings Per Share
ECN	Executive Channel Pty Ltd ABN 78 111 937 234
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
FAR	Fixed annual remuneration
FCTR	Foreign Currency Translation Reserve
FMCG	Fast moving consumer goods
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
IFRS	International Financial Reporting Standards

Term	Meaning/definition
Inlink	Inlink Group Ltd ABN 98 089 615 814
KMP	Key Management Personal
KPI	Key Performance Indicator
KPMG	KPMG ABN 51 194 660 183
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 national Out of Home audience measurement system
n/a	Not applicable
NCI	Non-controlling Interest
NED	Non-executive Director
NPAT	Net profit after tax
NPATA	Net profit after tax before amortisation of acquired intangibles
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
Registry	Link Market Services Limited ABN 54 083 214 537
Rights	Rights to shares granted pursuant to the LTI Plan
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
SMI	Standard Media Index
STI	oOh!medi's short term incentive plan, as amended by oOh!media from time-to-time
STI Plan	Short term incentive payable under the STI Plan
TSR	Total Shareholder Return
VWAP	Volume weighted average price
WHS	Workplace health & safety
WHSE&Q	Work, health, safety, environment & quality
WPP	Cavendish Square Holding BV

CORPORATE DIRECTORY

Directors	**Tony Faure** Chairman and Non-executive Director **Brendon Cook** Chief Executive Officer and Managing Director **Debra Goodin** Independent Non-executive Director and Lead Independent Director **Darren Smorgon** Independent Non-executive Director **Geoffrey Wild AM** Non-executive Director **Joanne Crewes** Independent Non-executive Director
Company Secretaries	**Melissa Jones, Maria Polczynski**
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 Tower Three International Towers Sydney 300 Barangaroo Avenue Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Westpac Banking Corporation National Australia Bank ING Bank (Australia) Limited Sumitomo Mitsui Banking Corporation Bank of China Limited Agricultural Bank of China Limited
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

oohmedia.com.au

oOh! Unmissable