

ASX RELEASE

VOCUS REPORTS RECORD HALF-YEAR RESULTS

Friday, 26th February, 2016: Vocus Communications Limited ('Vocus', ASX: VOC) is pleased to report its results for the half-year ended 31 December 2015.

Highlights

- ✓ Revenue of \$176.3m, up 181%
- ✓ Underlying EBITDA¹ of \$62.3m, up 188%
- ✓ Underlying NPAT² of \$27.4m, up 203%
- ✓ Underlying diluted EPS³ of 12.07c, up 39%
- ✓ Interim fully franked dividend of 7.6 cents per share, up 533%
- ✓ Special fully franked dividend of 1.9 cents per share

The outstanding result was achieved through strong organic growth combined with the acquisition of Amcom which completed in July 2015. This result represents a 68% 5-year compound annual growth rate in EBITDA.

All core product groups recorded strong organic growth. The fibre network expansion continued, and now connects to over 3,600 buildings.

On 22 February 2016 Vocus merged with M2 Group Ltd. As part of the merger, M2 CEO Geoff Horth was appointed CEO of the combined group and Vocus CEO, James Spenceley moved into the new role of Executive Director, focusing on infrastructure strategy.

M2

As the merger completed subsequent to 31 December 2015, the results of M2 did not form part of the Vocus results for the half-year.

M2's results for the half-year were as follows:

- ✓ Revenue of \$707.4m, up 29%
- ✓ EBITDA of \$104.7m, up 22%
- ✓ Underlying NPAT⁴ of \$55.1m, up 17%
- ✓ Net growth of 72,000 services in operation

¹ Underlying EBITDA excludes gains on total return swaps, early repayment of borrowings, acquisition and integration costs and other gains/losses

² Underlying NPAT excludes amortisation of acquired customer contracts in addition to the above items

³ Underlying diluted EPS calculated on underlying NPAT

⁴ Underlying NPAT excludes one-off tax benefit in relation to prior years and the amortisation of acquired customer contracts

M2 had strong organic growth, supported by the acquisition of CallPlus in New Zealand which completed in June 2015. The business is on track to achieve its previously provided FY16 earnings guidance.

Dividends

Following the successful implementation of the merger with M2 and per the M2 Scheme Booklet, a fully franked interim dividend of 7.6 cents per share will be paid on 6 April 2016. A fully franked special dividend of 1.9 cents per share will be paid on the same date.

Comments

Executive Director and outgoing CEO, James Spenceley, said: 'I am pleased to report these results to both original Vocus shareholders and to those who have joined the register as part of the merger with M2.

'We have combined two successful companies into a vertically integrated full-service telecommunications company and I am confident that under Geoff's stewardship the company will continue to go from strength to strength.'

Geoff Horth, incoming Vocus CEO, said: 'The interim results are particularly pleasing given that transactional activity can often distract from business operations. I would like to thank both teams who remained focused on executing on our strategies during this busy time to deliver returns to shareholders.'

ENDS

Media & Investor Contact Details

Debra Mansfield
Corporate Communication Manager
P: +61 3 9674 6569
E: investor@vocus.com.au
W: www.vocus.com.au