



Vocus Communications Limited Capital Raising Presentation

12 March 2014



Capital Raising Overview

- Underwritten institutional placement (“**Placement**”)
 - Approximately 11.9 million shares issued (14.7% of issued capital)
 - Raise a minimum of approximately A\$48.7m¹
 - Final Placement price to be determined via a bookbuild with underwritten floor price of A\$4.10
- Improve balance sheet flexibility
- Take advantage of future growth opportunities
- Consider potential acquisitions that would expand or complement its existing product set and network reach

1. Based on underwritten price of \$4.10 per share

Capital Raising Overview

Placement offer size	<ul style="list-style-type: none"> • Approximately 11.9m shares • Approximately 14.7% of issued share capital • Will raise a minimum of approximately A\$48.7m¹
Placement offer price	<ul style="list-style-type: none"> • Final offer price to be determined via bookbuild with an underwritten price of A\$4.10 per share • 10.3% discount¹ to share price on 11 March 2014 (A\$4.57) • 7.0% discount¹ to 5 day VWAP (A\$4.41)
Timing	<ul style="list-style-type: none"> • 1-day trading halt on 12 March 2014 • Books open on 12 March 2014 at 10:00am (Sydney time) • Books close on 12 March 2014 at 4:00pm (Sydney time)²
Ranking	<ul style="list-style-type: none"> • New shares will be fully paid and will rank equally with existing issued shares
Underwriting	<ul style="list-style-type: none"> • Fully underwritten by Credit Suisse (Australia) Limited
Settlement & Allotment of Placement shares	<ul style="list-style-type: none"> • Settlement: 18 March 2014 • Allotment: 19 March 2014

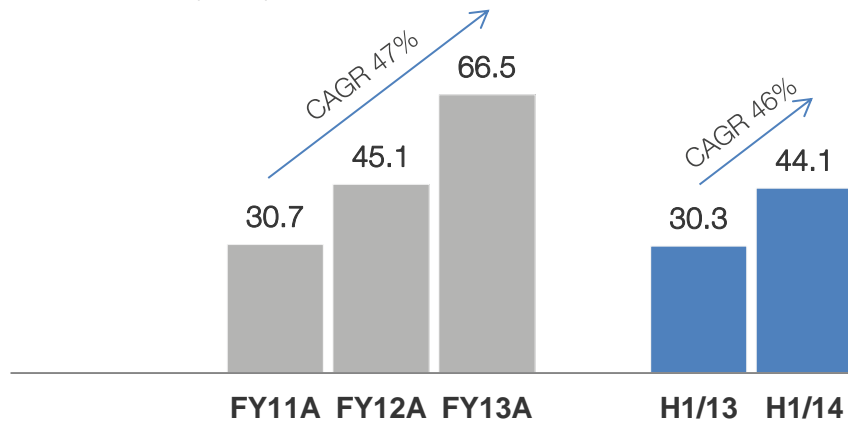
1. Based on underwritten price of \$4.10 per share

2. Underwriter reserves the right to change the timetable without notice

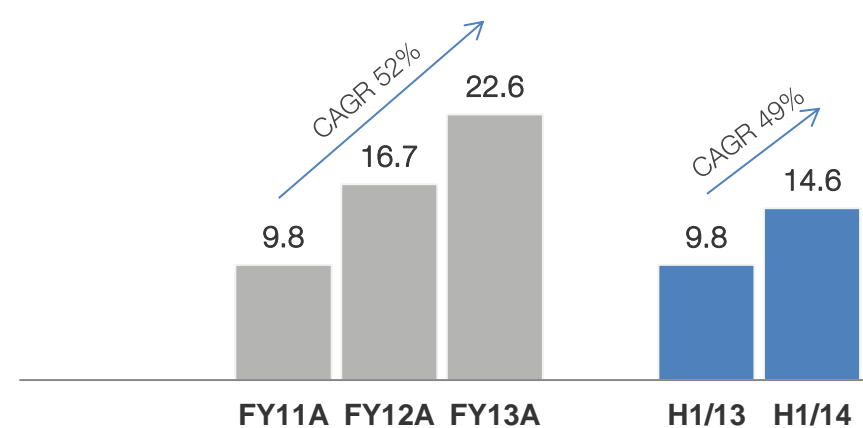
Company Overview

- Leading independent provider of wholesale and corporate telecommunications services in Australia and New Zealand
- Provides Internet, Fibre & Ethernet and Data Centre services
- Revenue and Underlying EBITDA¹ CAGR² of 47% and 52%, respectively, since listing

Revenue (A\$m)



Underlying EBITDA¹ (A\$m)



1. Underlying EBITDA excludes the effects of foreign exchange gains and losses
 2. Compound annual growth rate ("CAGR") from FY11A – FY13A

Company Overview

Internet

Data Centre

Fibre & Ethernet

Voice

CY13A Revenue

A\$32.2m

A\$17.2m

A\$22.5m

A\$8.3m

% of CY13A Revenue

40.1%

21.5%

28.0%

10.4%

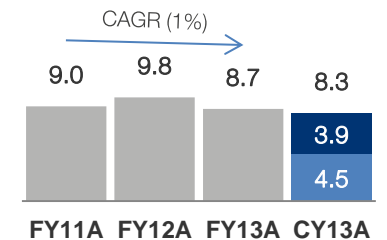
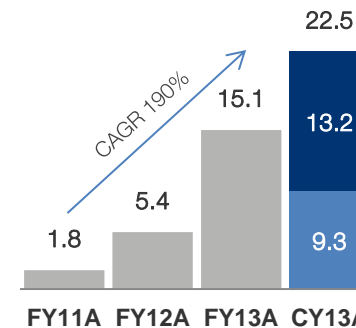
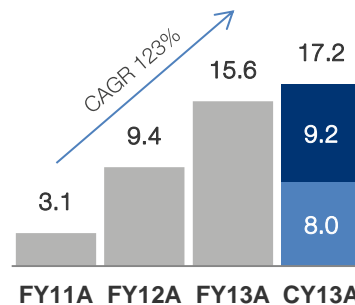
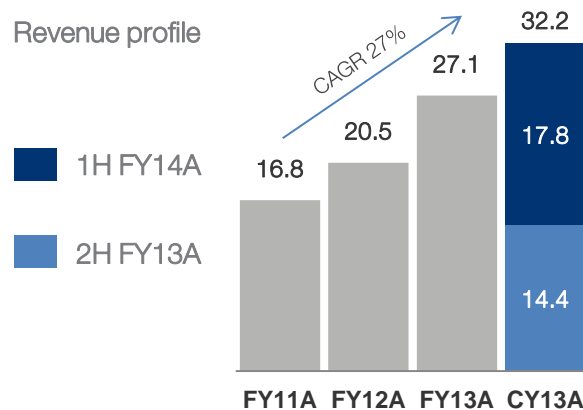
- International network connecting Australia and New Zealand to Singapore, Hong Kong and the US
- Wholesale internet services to ISPs and Telcos
- Internet offering to the Corporate sector

- 12 facilities across 8 sites
- Melbourne, Sydney, Perth, Newcastle, Auckland and Christchurch

- Metropolitan, national and international connectivity to customers
- 504km of metropolitan fibre optic network across Australia
- 814 on-net buildings

- Call termination, porting voice to VOIP for ISPs, wholesale phone numbers to ISPs
- Valuable bundled product

Revenue profile

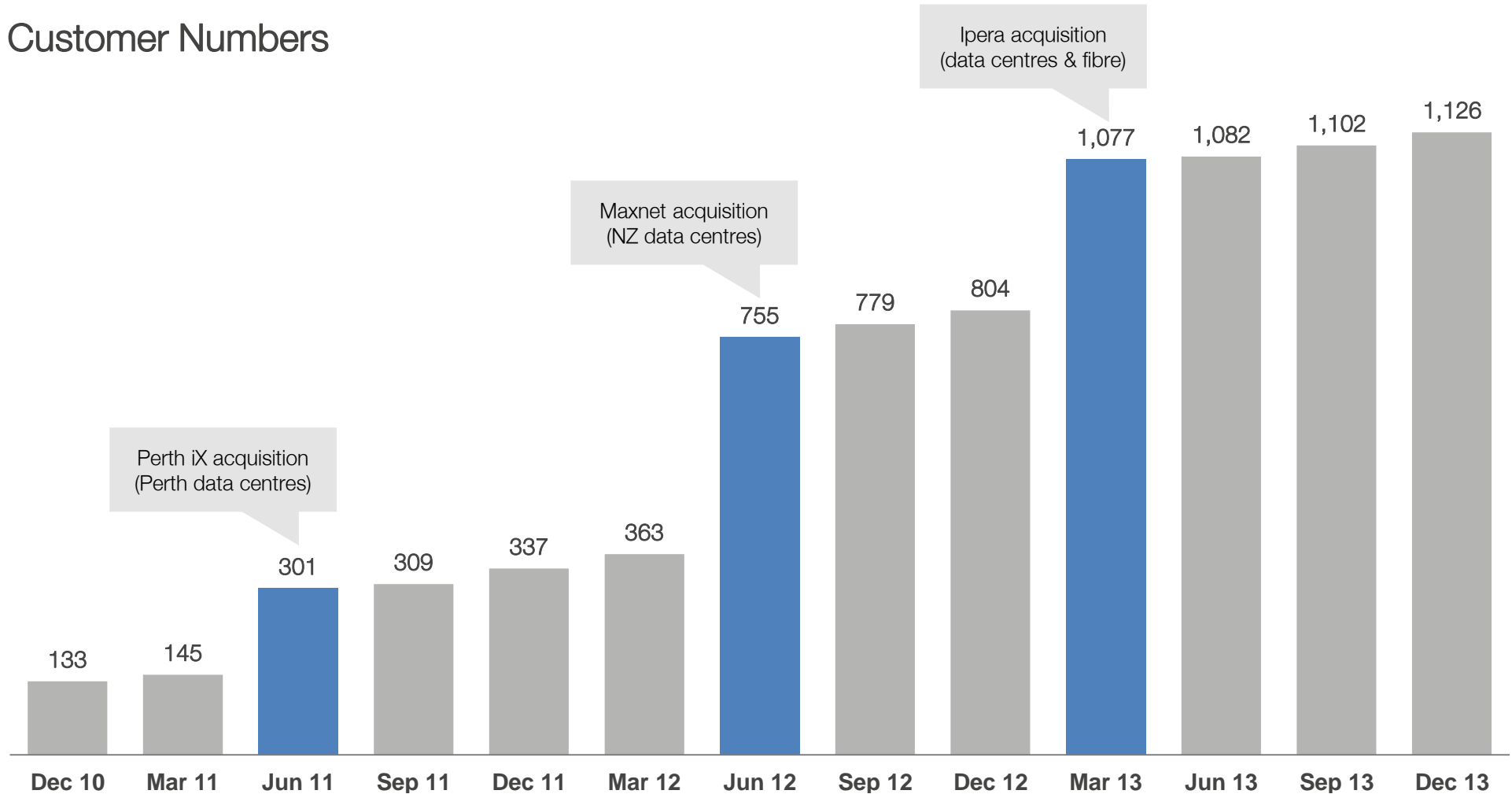


The Way Forward

- Clearly developed growth strategy, aligned to data demand, IT outsourcing and cloud computing trends
- Strong customer growth in existing business
- Strong on-net sales leading to higher yields
- Strategic acquisitions where complementary to current business
- Increasing operational leverage and asset utilisation with largely fixed cost base

Strong Customer Growth

Customer Numbers

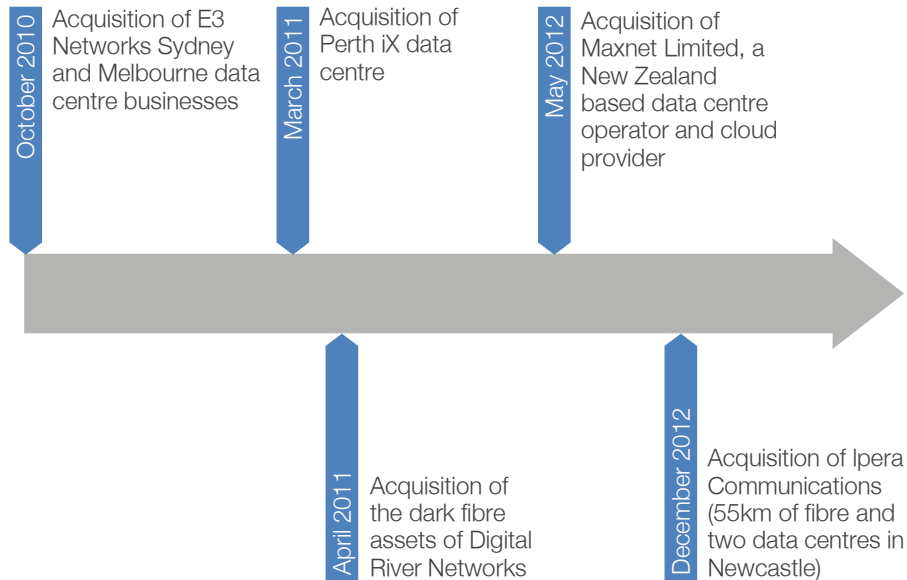


Note: June 2013 customer number corrected to 1,082 (previously disclosed as 1,157)

Organic and Acquisition Growth

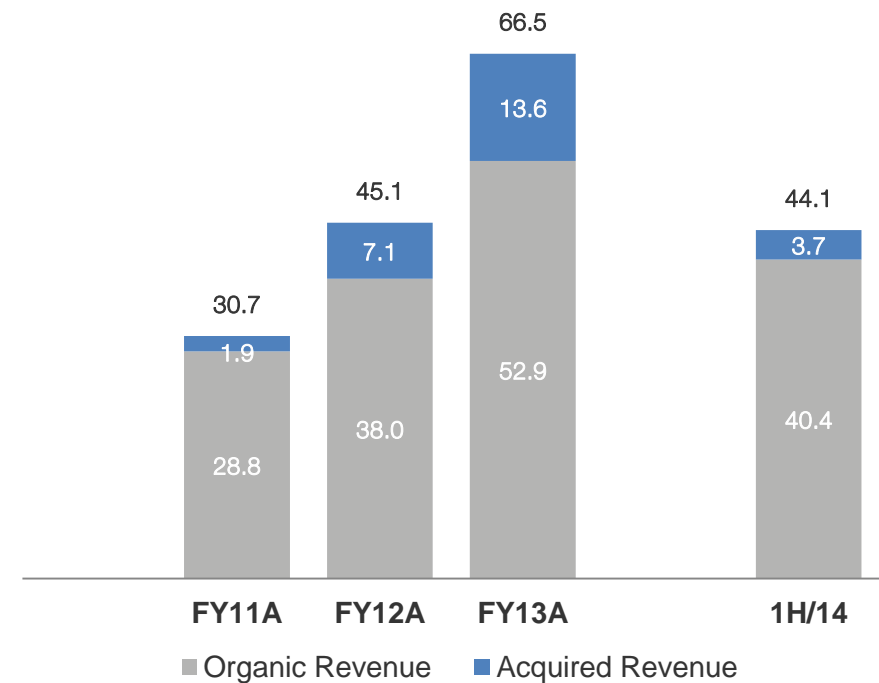
- Ability to integrate, expand and leverage acquired businesses

Acquisition timeline



Organic vs. Acquired Revenue (A\$m)

Organic Revenue CAGR of 36% FY11A – FY13A



Balance Sheet Post Capital Raising

	31 Dec 13	Pro forma
Interest-bearing debt ¹	A\$62.6m	A\$25.0m
Finance leases	A\$2.3m	A\$2.3m
<i>less</i> Cash	(A\$7.7m)	(A\$17.1m)
Net debt	A\$57.2m	A\$10.2m
Gearing ²	41%	7%
Net leverage ³	2.09x	0.37x

1. Bank debt and Southern Cross vendor finance liability (A\$36.4m and A\$26.2m, respectively)

2. Net Debt / Net Debt + Equity

3. Underlying Last Twelve Months EBITDA / Net Debt

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