

## **Facilitate Digital Acquires Digital Direct Marketing Provider**

**Sydney, Australia (26<sup>th</sup> July, 2007):** Facilitate Digital Holdings Ltd (FAC) today reached a conditional agreement to acquire 100 per cent of leading direct marketing technology provider, Impact Data Pty Ltd. This acquisition will allow Facilitate Digital, already the leading Australian provider of digital marketing technology in the media sector, to provide an integrated service to companies operating sophisticated digital marketing campaigns that extend from online advertising through to email, SMS and wireless communications strategies.

Impact Data is a profitable, strongly growing business that has developed a range of proprietary direct marketing solutions that assists clients in maximising the inherent value of their database. Email and SMS marketing is a rapidly growing sector of the marketing industry and Impact Data has achieved great success in developing innovative solutions to meet clients' specific circumstances and needs. Impact Data's client base includes Fosters Brewing Group, KFC, Coca-Cola, Nike, Armani, Medibank Private and Billabong.

Facilitate Digital will acquire Impact Data in a combined cash and scrip offer and the agreement is subject to a capital raising and other usual commercial conditions. The final purchase price will be determined by a variable multiple of Impact Data's net earnings before interest and tax (EBIT) for the year ended 30 June 2008 and will be paid in equal amounts of cash and ordinary shares. \$6.25m of the final purchase price (half in shares and half in cash) is payable up front.

The acquisition will be immediately earnings per share positive for Facilitate Digital.

"This deal significantly furthers our capability to provide integrated, holistic technology solutions for media agencies, creative agencies, direct marketing agencies and corporates alike," said Ian Lowe, Facilitate Digital CEO.

"Facilitate Digital's product strategy centres around making digital marketing simpler and more flexible for clients. This acquisition adds weight to this direction by allowing our clients to engage a single technology provider encompassing all aspects of digital marketing. This greater level of integration will position Facilitate Digital strongly with large regional and global companies looking to achieve more efficiency in their digital strategies."

"Over the last five years Impact Data has built a strong business underwritten by scalable technology, customer advocacy and dynamic growth. Its focus on working with clients to leverage the inherent value of data derived from the Impact Data platform is absolutely consistent with our own strategy. In the end our role is simple - to provide marketers with the tools to build data assets, then leverage this value to drive an increasingly informed marketing agenda. Through this acquisition we are able to offer implementation and data intelligence benefits that rapidly escalate our combined value proposition. This has immediate and scalable upside for our growing global client base", said Lowe.

The Impact Data business is currently experiencing tremendous growth. The management of Impact Data is very strong, has an in-depth knowledge of its markets and has a track record of delivering profitable growth. Based on unaudited accounts, for the financial year ending 30 June 2006, Impact Data more than doubled its revenue over the previous year (an increase to \$3.1m from \$1.5m) and increased profit (unaudited) to \$681,000 from a loss of \$214,000 in the previous year. Impact Data is expected to produce EBIT of more than \$2m for the current financial year.

Tim Stroh, Managing Director of Impact Data also sees great strategic benefits in this transaction.

"Having built a successful business in Australia off the back of strong year on year growth, Facilitate Digital's technical pedigree and global footprint provides the basis on which to secure further growth locally and offshore for Impact Data," said Stroh.

"Furthermore, our ability to collectively enhance the client's understanding of their customer presents a number of integration and new product opportunities. The Impact Data team are enthusiastic about the possibilities this deal creates and are very excited by the prospects ahead for our combined business."

The Impact Data vendors have agreed to have half of their FAC shares subject to voluntary escrow for a period of 12 months from the date of issue, indicating their confidence in the company's future.

The current management of Impact Data has committed to maintaining their current roles with the business.

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## **MEDIA RELEASE**

**For Immediate Release**

Directors of Facilitate Digital are proposing that a placement of shares to the value of \$4m will be made in the short term to finance the immediate cash payment. Further details will be announced to the ASX when this has been arranged.

### **About Facilitate Digital**

Facilitate Digital creates digital advertising solutions that emphasize simplicity, integration and flexibility for agencies, web publishers and marketers worldwide. As the only global provider that offers a purpose built single platform solution across both marketing and business intelligence, our clients include global agencies such as Universal McCann, Zenith Optimedia, Starcom, Carat, Mediaedge and OMD, and large scale national and international advertisers including CBA, Foxtel, Hewlett Packard, NAB and Citibank. Our proven products and expertise in display advertising, search marketing, site analytics, agency workflow and lead generation empower clients to produce measurable results that increase their return on investment. With offices in Australia, Asia and Europe, Facilitate Digital works across cultures as well as digital marketing channels.

### **For more information:**

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