



Market Briefing

March 2008

Faciliate Digital Holdings Limited (ASX: FAC)



Facilitate Digital - Board

Robert Hunwick

Non Executive Chairman

Former MD Tyndall Australia Limited, former CEO CIC Insurance Limited. Current Chairman DKN Financial Group Limited

Ian Lowe

Chief Executive Officer & Executive Director

Media and marketing background with George Patterson Bates, Thompson Media and PMP Limited. Former Managing Director of Red Sheriff Limited.

Ben Dixon

Chief Operating Officer & Executive Director

Advertising background with DDB Needham and Mojo Partners. Co-founder of Facilitate Digital.

Timothy Norton

Non Executive Director

Co-founder and executive director of Oakton Limited. Also a Director of IWL Limited.

Charles Sweeney

Non Executive Director

Co-founded Facilitate Digital. Lawyer with Brisbane commercial law firm Cooper Grace Ward, specialising in mergers & acquisitions, IP and corporate advisory work.

Peter Vial

Non-Executive Director

Ex-chairman of Purus Energy Limited. Founder and Managing Director of Country Road Limited and former founding shareholder and Chairman of Bendigo Mining NL.

Facilitate Digital – Business Overview

2. Marketers conduct advertising campaigns to drive qualified leads to the website

3. Facilitate Digital provide the technology to:

- target & deliver the advertising message
- track interaction and response
- track through to a sale, application, download...
- analyse ROI in real time

Display Advertising

Search

Email

Mobile



Home | Bookings | Flight Info | Services | Specials and Offers | Travel Extras | Our Destinations

Bonus Points Offer

GIMME FIVE!

EARN 5 MEMBERSHIP REWARDS* BONUS POINTS PER DOLLAR WHEN YOU PAY FOR YOUR VIRGIN BLUE FLIGHT ON YOUR AMERICAN EXPRESS® CARD*

Watch your Membership Rewards points multiply simply by using your American Express Card to pay for any flight within Australia on Virgin Blue. You'll earn 5 Bonus Points for every dollar you spend on Virgin Blue airfares. The Bonus Points are in addition to the Membership Rewards points you normally receive!

*Offer available on all Virgin Blue airfares purchases within Australia from 2 - 16 March 2008 inclusive. Applies only to purchases in AUD in Australia either online at www.virginblue.com.au/amerex, through the Virgin Blue Guest Contact Centre or via Transborder American Express Travel Agents where Virgin Blue is identified as the merchant for the transaction. This Bonus Points offer is available to American Express Cardmembers enrolled in the American Express Membership Rewards program. All Qantas American Express Card Cards not issued by American Express are excluded from this promotion. Enrolment in Membership Rewards is required (an annual fee applies). Subject to terms and conditions of the program.



Your Itinerary

All Fares quoted in AUD

Departing	Arrival	Flight	Fare Type	Passenger Prices
07:00 am Sydney 10 Mar '08 Operated by: Virgin Blue	07:25 am Brisbane 10 Mar '08	03 207 Blue Saver	1 Adult @ \$179.00	
Departing Flight Total				\$179.00
Returning Flight - Brisbane to Sydney - Mon 10 Mar				
Departing	Arrival	Flight	Fare Type	Passenger Prices
14:00 Brisbane 10 Mar '08 Operated by: Virgin Blue	16:30 Sydney 10 Mar '08	03 242 Blue Saver	1 Adult @ \$139.00	
Returning Flight Total				\$139.00

Extras

Optional Travel Insurance

Don't forget Travel Insurance - guests travelling with us can purchase Ticket & Baggage Protection insurance by having the 'Ticket & Baggage Protection' option pre-selected. Before choosing to purchase the real final price, you should read the [Frequently Asked Questions](#), [Travel Insurance Statement](#) to decide if this product is right for you. You can review the full range of travel insurance products at [insure.virginblue.com.au](#)

Yes, I agree to purchase the Ticket & Baggage Protection for \$9.00

No, I do not want to purchase Ticket & Baggage Protection

\$9.00

IMPORTANT - Ticket & Baggage Protection option has been pre-selected for you. If you do not want to purchase this insurance, you must select 'No, I do not want to purchase Ticket & Baggage Protection' before proceeding further.

1. Companies build websites to communicate with stakeholders and drive business outcomes

Facilitate Digital – Business Overview

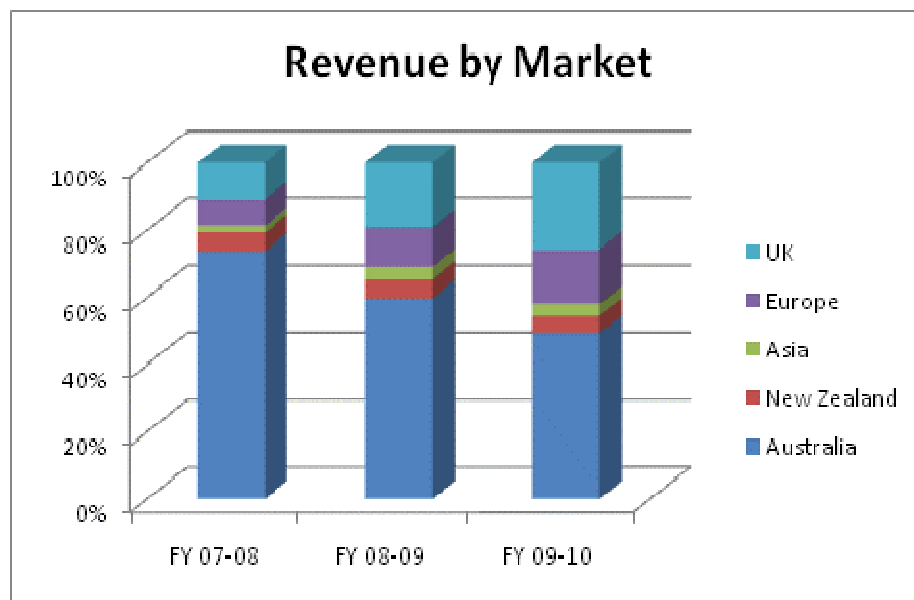
- ◆ We sell access to our software platform to corporates, advertising agencies, publishers and SME's
- ◆ Revenues are secured via 2-3 year rolling contracts
- ◆ A hybrid of fixed and variable revenues are generated
- ◆ Variable revenues are driven by activity volumes, ensuring strong organic growth from existing clients
- ◆ ASP model – build it once, sell it multiple times

HY08 Results & FY08 Guidance

- ◆ FDH Group revenue grew 208% to \$4.45m versus the same period last year, including like for like revenue growth of 71%
- ◆ Online media technology revenue delivered like for like revenue growth of 44% versus the same 6 month period last year, a growth rate nearly double that of industry growth over the same period
- ◆ Wholly owned group subsidiary Impact Data (acquired 1 July 07) delivered like for like revenue growth of 91% versus the same 6 month period last year contributing to group profit for first time
- ◆ Pleasing sales progress established in UK despite 3-4 month delay due to headcount procurement
- ◆ Further announcements regarding progress in UK imminent
- ◆ Group profit of \$35K for HY 07/08, despite expense of \$922K in offshore market development

- ◆ FY08 forecast is revenue of \$10M (growth of 257% versus \$3.9M in FY07) whilst retaining a net profit after tax
- ◆ Strong local and UK contribution are expected to deliver growth in second half revenues of 25% versus the first half
- ◆ Group growth will continue to outpace industry growth of 25-30%

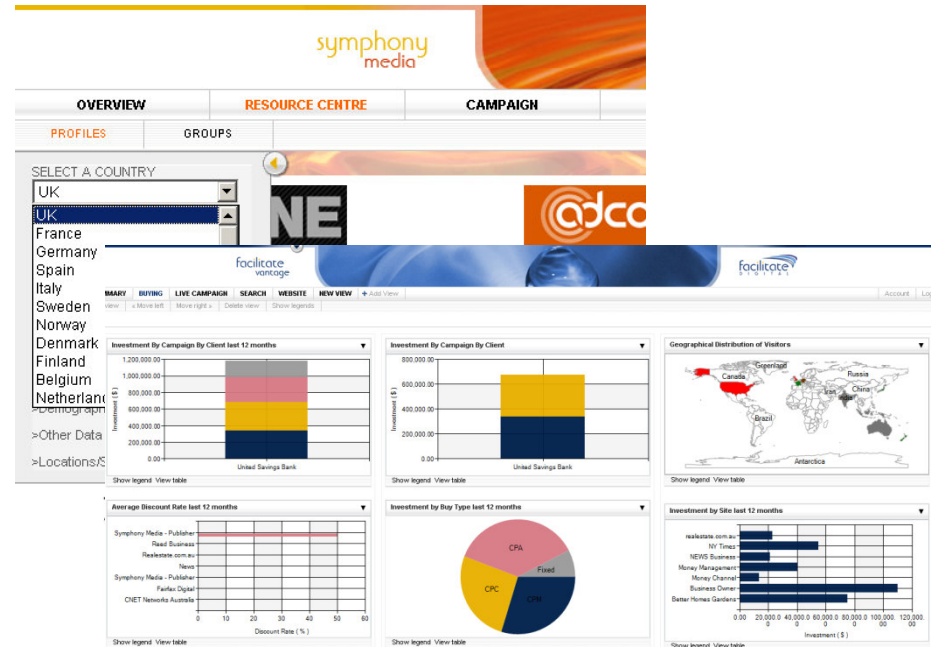
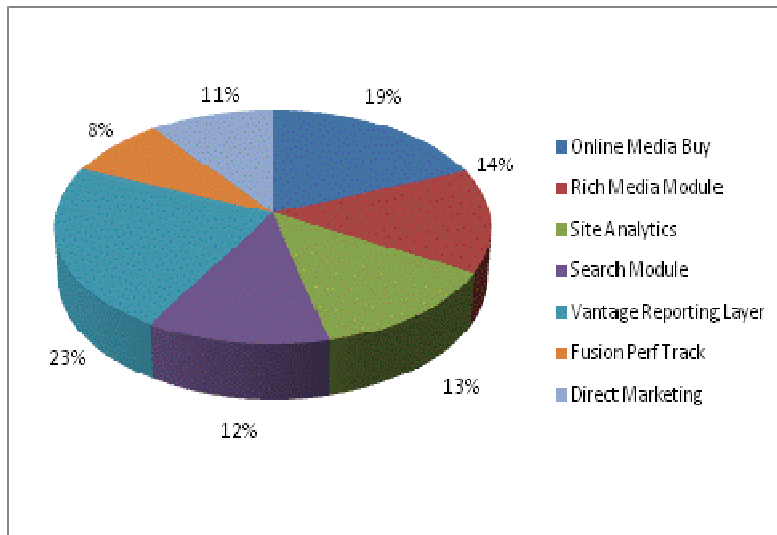
International operations to contribute strong growth



- ◆ UK to become UK-EU regional headquarters
- ◆ Strong and growing UK sales pipeline already established
- ◆ Secured world class talent in key management roles:
 - ◆ Julian Baring - MD
 - ◆ Damian Healy - Head of Operations
 - ◆ Sheila Williams - Head of Sales
- ◆ International sales to contribute more than 55% of total revenue by FY10
- ◆ UK and Europe to contribute 44% of total revenue by FY10
- ◆ Announcements to be made shortly regarding progress in UK

Underwritten by investment in IP & technology

- ◆ Invested \$1.25M YTD to build global platform, now substantially complete
- ◆ Established technology hubs in Europe and Asia (\$300K)
- ◆ To underwrite cross selling the largest project is a united reporting platform encompassing media & direct marketing products
- ◆ Design & build phases are complete
- ◆ Move to maintenance phase will see development costs reduced by 30%+ across the group



...and management of capital

- ◆ Terms of Impact Data restructured to:
 - ◆ X 7.5 average of FY08 & FY09 earnings
 - ◆ Share volume calculated on June 30 '09 30 day VWAP
- ◆ Variable costs have been reduced to less than 4% of total ongoing
- ◆ Profitability maintained
- ◆ Investment in new operations to contribute cash this calendar year:
 - ◆ Australia – cash flow positive
 - ◆ New Zealand – cash flow positive
 - ◆ Europe – cash flow positive by March 2008
 - ◆ Asia – cash flow positive by July 2008
 - ◆ UK – cash flow positive by September 2008

Facilitate Digital – capital structure

Item	Securities	Market Cap. ¹
Ordinary shares ²	110.9m	\$29.9m
Options ³	47.6m	\$1.6m
Fully diluted as at 4 March 2008	158.5m	\$31.5m
Shares to be issued to Impact Data ⁴	37.1m	\$9.3m
Fully diluted post Impact Data settlement	195.6m	\$40.8m

Notes:

¹ Market cap based on share price as at 4 March 2008 (\$0.27).

² Directors' /associates interests ~56% of shares & ~64% of total securities with 12 month voluntary escrow expiring April 2008.

³ Total options of 47.6m made up: 23.7m issued as consideration for the Facilitate Digital business; 17.8m performance options (NPAT targets); 4.1m ESOP and 2.0m existing pre-merger options. NB: 41.5m options with an exercise price of 21.2cents expire 2012.

⁴ Using the NPV of final payment in October 2090 as required by AASB 133 for EPS calculations and share price as above. (Assumes equity issue not cash payment as is Company's choice).

Continued growth of digital media is assured...

- ◆ Digital media is a global market worth AUD \$35B p.a. and is expected to grow to AUD \$49B¹ in CY 2008
- ◆ Digital media spend is worth over \$1.3B p.a.² in Australia alone (12% of total media spend), is larger than radio, and growing at 25% p.a.
- ◆ Global spend on advertising into mobile devices is forecast to grow 9 times between 2006-2011, to AUD \$15.5B³ as advertisers seek to tap into 2.7B mobile phone subscribers.
- ◆ Digital media growth will weather economic conditions as marketers opt for the superior accountability of online

¹ Zenith Optimedia Global Adspend Outlook 2007

² IAB Online AdSpend Market Report 2007

³ Mobile Marketing Association

Advertising Spending Worldwide, by Media, 2005-2009 (% of total ad spending)

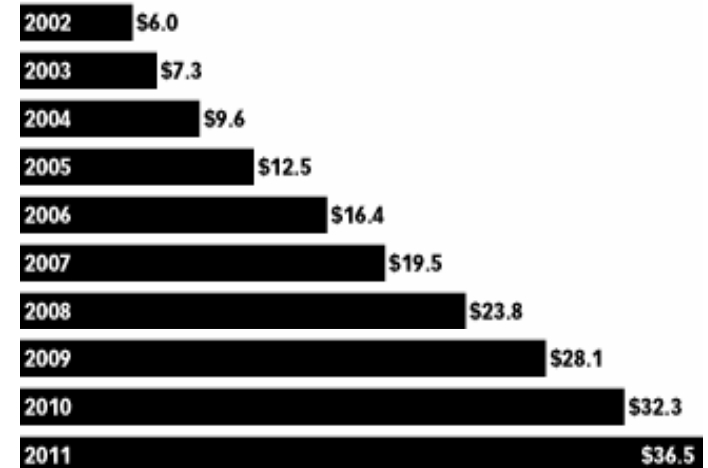
	2005	2006	2007	2008	2009
Television	37.8%	37.8%	37.5%	37.5%	37.2%
Newspapers	29.8%	29.1%	28.5%	27.8%	27.3%
Magazines	13.3%	12.9%	12.8%	12.6%	12.5%
Radio	8.6%	8.4%	8.2%	8.0%	8.0%
Outdoor	5.4%	5.5%	5.6%	5.7%	5.9%
Internet	4.7%	5.8%	7.0%	7.8%	8.6%
Cinema	0.4%	0.4%	0.4%	0.4%	0.5%

Source: ZenithOptimedia, December 2006

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www.eMarketer.com

US Online Advertising Spending, 2002-2011 (billions)



Note: eMarketer benchmarks its US online advertising spending projections against the Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2005; online ad data includes categories as defined by the IAB/PwC benchmark—display ads (such as banners), paid search ads (including contextual text links), rich media (including video), classified ads, sponsorships, referrals/lead generation, e-mail (embedded ads only) and slotting fees

Source: eMarketer, February 2007

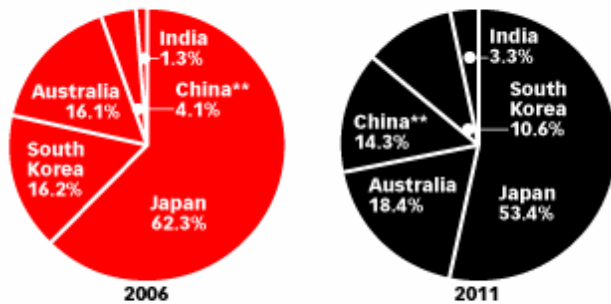
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www.eMarketer.com

Continued growth of digital media is assured...

- ◆ The trend is global, reinforced by:
 - ◆ Internet usage is ubiquitous in developed economies such as Europe, UK, US and Australia
 - ◆ Broadband is becoming more available, faster and increasingly affordable
 - ◆ Feature rich ad formats such as expanding ads, interactive ads and TVC ads are increasing
 - ◆ The value of eCommerce continues to grow dramatically

Distribution of B2C E-Commerce Sales* in Select Countries in the Asia-Pacific Region, 2006 & 2011 (% of total)



Note: converted at average annual exchange rates (projected for future years); total B2C e-commerce sales include all purchases made on a retail Web site, regardless of device used to complete the transaction; *includes online travel, event ticket and digital download sales; **excludes Hong Kong
Source: eMarketer, January 2008

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www.eMarketer.com

B2C E-Commerce Sales* in Select Countries in the Asia-Pacific Region, 2006-2011 (billions and % change)**

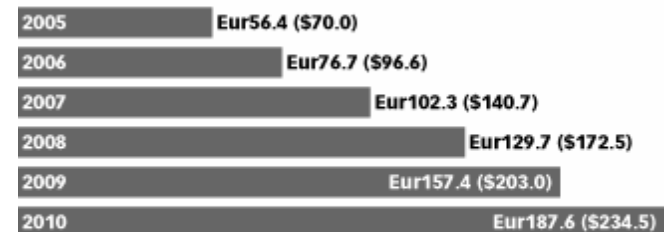


Note: converted at average annual exchange rates (projected for future years); total B2C e-commerce sales include all purchases made on a retail Web site, regardless of device used to complete the transaction; *includes online travel, event ticket and digital download sales; **Australia, China (excludes Hong Kong), India, Japan and South Korea
Source: eMarketer, January 2008

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www.eMarketer.com

B2C E-Commerce Sales* in Western Europe, 2005-2010 (billions)**



Note: Converted at annual average exchange rates (projected for future years); *includes online travel, event ticket and digital downloads sales; **countries included are the UK, Germany, France, Italy and Spain
Source: eMarketer, September 2006

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www.eMarketer.com

Growth Agenda



- ◆ Continue to diversify and integrate the offering
 - ◆ Direct Marketing Technology (Impact Data)
 - ◆ Rich media and mobile platform development
 - ◆ SME packaged offering
 - ◆ Cross sell and up sell
 - ◆ Bundled solutions
- ◆ Dominate Australasia
- ◆ Establish an Asian base to secure regional business
 - ◆ Singapore - a decision making hub for APAC
 - ◆ Tap into key markets in Northern Asia
- ◆ Target high growth, high value international markets

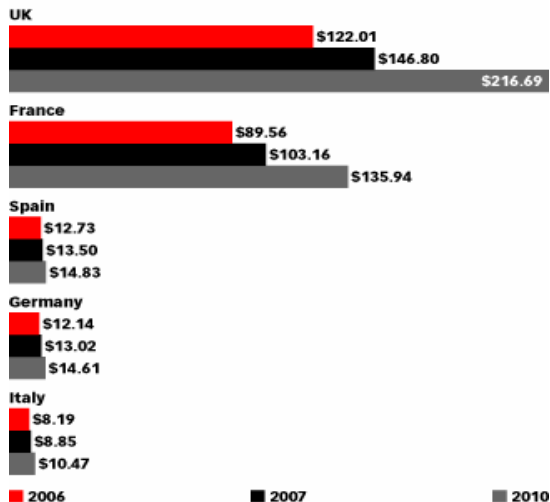
The opportunity is global

- ◆ The UK market exhibits the highest penetration of online media spend with 18% in 2007, or (£2.6B) ¹
- ◆ Online ad spend in UK is projected to account for more than 50% of total media spend for Western Europe by 2010 ²

¹ *Internet Advertising Bureau*

² *eMarketer*

Online Advertising Spending per User in Select Countries in Western Europe, 2006, 2007 & 2010 (US \$)



Note: Based on online ad spending figures from PricewaterhouseCoopers/Wilkofsky Gruen Associates, June 2006
Source: eMarketer, December 2006

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www.eMarketer.com

Internet Users and Penetration in Select Countries in Europe, 2007-2012 (millions and % of population)

	2007	2008	2009	2010	2011	2012
Denmark	4.1	4.3	4.4	4.5	4.6	4.6
% of population	74.9%	77.8%	80.4%	82.0%	83.5%	84.4%
Finland	3.8	4.0	4.2	4.3	4.3	4.4
% of population	73.1%	76.5%	78.3%	80.9%	81.9%	82.3%
France	33.3	36.1	38.8	41.2	43.3	45.1
% of population	52.3%	56.6%	60.2%	63.6%	66.5%	68.9%
Germany	48.1	50.4	52.5	54.5	56.3	57.9
% of population	58.4%	61.2%	63.8%	66.2%	68.5%	70.4%
Italy	24.2	25.3	26.4	27.5	28.5	29.6
% of population	41.7%	43.5%	45.4%	47.3%	49.1%	51.0%
Netherlands	13.3	13.6	13.9	14.1	14.2	14.3
% of population	80.1%	81.9%	83.2%	83.9%	84.5%	84.6%
Norway	3.7	3.8	3.9	3.9	3.9	4.0
% of population	80.4%	82.6%	82.3%	83.0%	83.8%	84.3%
Poland	15.0	16.7	18.0	19.0	20.0	20.7
% of population	39.0%	43.2%	46.8%	49.4%	52.1%	53.9%
Russia	35.0	40.3	45.4	50.4	54.9	59.0
% of population	24.8%	28.6%	32.4%	36.2%	39.6%	42.7%
Spain	19.4	21.0	22.4	23.5	24.6	25.5
% of population	47.9%	51.9%	55.3%	58.0%	60.6%	62.8%
Sweden	7.0	7.1	7.3	7.4	7.4	7.5
% of population	77.8%	79.3%	79.9%	81.0%	81.8%	82.2%
UK	36.8	38.1	39.4	40.6	41.7	42.8
% of population	60.5%	62.6%	64.5%	66.2%	67.8%	69.5%
Europe total	325.0	347.5	368.7	387.8	405.1	420.5

Note: eMarketer defines an Internet user as any person who uses the Internet from any location at least once per month; penetration rates calculated from unrounded data

Source: eMarketer, January 2008

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www.eMarketer.com

Our global footprint



- ◆ Regional and global contracts available with global agency groups
- ◆ Footprint mirrors headquarter centric client decision making
- ◆ Relatively modest capital investment to enter new markets
- ◆ Focusing on contained markets with mid to high levels of marketer sophistication

Facilitate Digital - background

- ◆ Leading provider of digital marketing technology
- ◆ Established in 2000 - HQ in Sydney, Australia
- ◆ Listed on ASX in April 2007
- ◆ Proven technology and business model:
 - ◆ FDH dominate the Australian media agency market
 - ◆ FDH dominate the Australian SME market
- ◆ Proprietary technology
- ◆ FD clients include some of the worlds leading corporations and agency groups



Credentials



'Facilitate Digital's integration of planning, buying and optimisation is way ahead of the competition'.

David Holmes – Managing Director
One Digital Pty Limited (an Aegis Company)

'Having reviewed alternative offerings, it has reinforced our confidence in and complete satisfaction with Facilitate Digital.'

Belinda Rowe – Managing Director
Zenith-Optimedia (a Publicis Groupe Company)

'Facilitate Digital provide us with world class data and ad-serving solution tailored to market, company and client. They provide us with a level of service that exceeds expectation'.




Jemma Enright – Communications Director
Da-Vinci Selectwork (an Omnicom Company)

Facilitate Digital – complimentary product family



Simplicity. Integration. Flexibility.

Viral group sales model...

 Primary
 Secondary
 N/A

	Agency	Corporate	Publisher	SME's
Resellers	<ul style="list-style-type: none"> Traffickers Search agencies Media consultants Technical & data consultants 	<ul style="list-style-type: none"> Agencies Web Developers & usability Search agencies Researchers 	<ul style="list-style-type: none"> Web Developers & usability Search agencies Researchers & consultants Agencies 	
Viral	1. Engage with corporate and work back to agency	2. Engage with agency and work back to corporate	3. Engage with agency and work back to publisher	
Vantage				
Adserving & VRM	 1 			
Symphony	 3  		 3  	
Search	 1 	 1 		
Analytics	 2 	 1  2 		
Email (ID)	 2 	 1 		
Mobile (ID)	 2 	 1 		
Services (ID)				

Group Structure

A transition towards a more transparent and efficient divisional group structure is already in progress...

CURRENT STRUCTURE

FD	ID
Stand Alone Revenue	Stand Alone Revenue
Shared Revenue	
Stand Alone Expense	Stand Alone Expense
Corporate Costs	
Shared Expense	

- ◆ Complex revenue adjustments
- ◆ Complex expense adjustments
- ◆ Non distributed corporate cost

NEW STRUCTURE

FDH		
Agency	Corporate	SME
Stand Alone Expense	Stand Alone Expense	Stand Alone Expense
Corporate Costs		

- ◆ Three business divisions – removes numerous accounting complexities
- ◆ True picture of divisional performance
- ◆ Operational efficiencies and cost savings
- ◆ Greater focus on cross sell and up sell
- ◆ Transparency across the group
- ◆ Homogenous business focused on market opportunity

Market Dynamics



- ◆ Digital advertising is fragmenting, is complicated and doesn't scale well – the need for tools to manage this complexity has never been greater
- ◆ Marketers are more focused on ROI than ever before, and will continue to be
- ◆ Operating multiple disconnected technologies is inefficient and unscalable
- ◆ Marketers will pay a premium for data integration via one supplier
- ◆ FDH is the only provider offering purpose built solutions that successfully address both workflow efficiency and data integration
- ◆ FDH is well positioned
- ◆ FDH will continue to exceed industry growth



THANKYOU

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