

ASX Announcement

30th January 2017

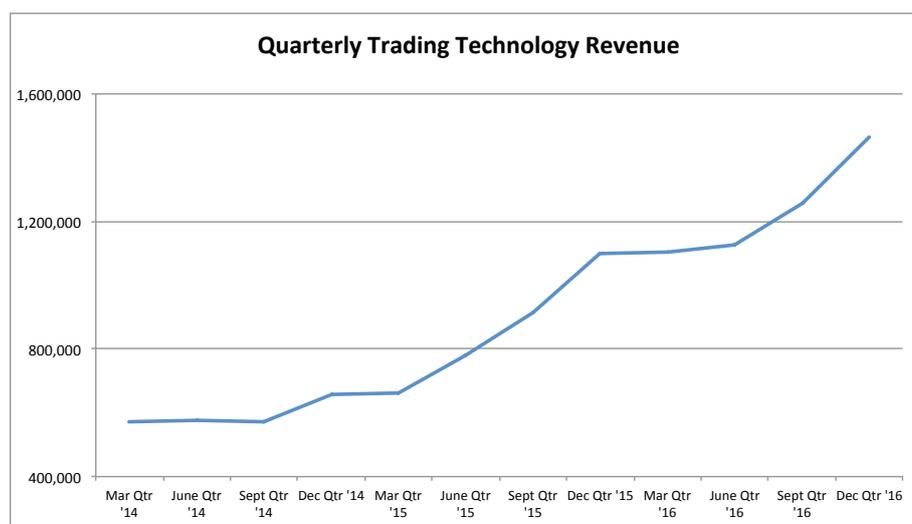
Trading Update

- **Trading Technology revenue growth continues, accelerates**
- **Progress made with groupm, multiple new markets in deployment**
- **Strong growth in cash receipts**
- **Company successfully executing Operating Plan post \$18m capital raising**
- **Growth in Trading Technology revenues expected to continue**

Trading Technology revenue growth continues, accelerates

The December quarter saw continued growth in Trading Technology revenues and an acceleration in revenue growth both quarter on quarter and half on half:

- Trading Technology revenue (unaudited) for the December quarter grew to \$1.464m, an increase of 16% versus the prior (September) quarter, an increase of 35% versus the same (December) quarter for the year prior, and the ninth consecutive quarter of growth.
- Trading Technology revenue (unaudited) for the December half grew to \$2.722m, an increase of 22% versus the prior (June) half, and an increase of 36% versus the same (December) half for the year prior.



Licence Fees and Trading Fees both contributed to quarter on quarter and year on year growth in Trading Technology revenues. Total Group unaudited revenue grew to \$2.43m for the December quarter and \$4.56m for the December half.

Adslot.

Progress made with groupm, multiple new markets in deployment

The Company has been working closely with groupm and has made good progress towards deploying Symphony into multiple new markets (see groupm global contract announcement 19th August, 2016). Fully deployed into one EMEA market already, the Company is on track to complete deployments into multiple new markets across APAC and EMEA in 2H FY17.

The cadence of new market deployments for FY17 is broadly in line with expectation and will accelerate throughout CY17 as teams within Adslot and groupm become increasingly proficient.

Strong growth in cash receipts

Cash receipts from customers for the December quarter were \$3.16m, an increase of 35% on the previous quarter of \$2.34m.

Cash outflows of \$4.59m for the December quarter were broadly in line with the previous quarter of \$4.49m. Staff costs and Research and Development costs increased in the December quarter as anticipated and in line with the objectives of the recent \$18m capital raising.

The increase in receipts and flat cash outflows gave rise to a reduction in net cash outflows used of \$1.41m compared to \$2.12m in the prior quarter.

For further detail relating to cashflows in the December quarter see refer to the Company's December Qtr 4C Cashflow Statement.

Company successfully executing Operating Plan post \$18m capital raising

In the three months following the announcement of an \$18m capital raising, the Company has commenced execution of its Operating Plan. The primary objective of the capital raising is to capitalise on the strategic position the Company has established by accelerating product development, and increasing the scale of the sales organisation in key growth markets.

The Company continues to successfully execute against its Operating Plan:

- Secured an additional 11 product development resources in the December quarter (Australia)
- Secured an additional 3 sales resources in the December quarter in US (New York) and Australia (Sydney)
- Secured additional resource to support new market deployments of Symphony for groupm in APAC and EMEA

The impact of this investment is becoming evident, as priority projects are completed and released. In the December quarter the Company announced:

- Integration with Integral Ad Science (see ASX announcement 21st December 2016)
- Adslot Launches Video Advertising via Symphony (see ASX announcement 22nd December 2016)

A further major integration project is substantially complete and is expected to be announced in the current (March) quarter.

Adslot.

Growth in Trading Technology revenues expected to continue

The Company anticipates continued growth in Trading Technology revenue in coming quarters. Whilst the March quarter is a seasonally soft period for the industry, Licence Fee revenues are expected to continue to grow as the momentum of new market deployments for groupm builds, and Trading Fees are also expected to contribute growth as more significant adoption from within some of the larger media agencies in US, UK and Australia emerges.

- END -

For further enquiries, please contact:

Ian Lowe
Managing Director
Adslot Limited
investor.relations@adslot.com

Brendan Maher
Chief Financial Officer
Adslot Limited
investor.relations@adslot.com

About Adslot

Adslot's mission is to automate the trading of forward guaranteed display advertising, referred to as automated guaranteed. Our leading technology is a purpose built, global media trading platform. Adslot benefits a global community of media buyers and sellers, including media agencies, publishers and advertisers, by providing trading efficiencies and effectiveness made possible only via technology, and by doing so the basis on which the \$50B online display industry will realise its full growth potential.

Adslot is a global organisation with operations in North America, Europe and Asia Pacific and is headquartered in Australia.