

ASX Release
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VOCUS expands Fibre and Data Centre operations with IPERA acquisition

VOCUS Communications Limited (ASX: VOC) today announced it has entered into a binding agreement to acquire Ipera Communications Pty. Ltd the leading Fibre and Data Centre operator in the Newcastle region of NSW.

The acquisition will see Vocus expand its fibre network by 55 kms in Newcastle with an additional 81 buildings added to the already growing number of Vocus on-net fibre buildings. Continuing the strategy of combining Data Centres and Fibre, the acquisition adds two geographically diverse data centres in Newcastle.

James Spenceley, CEO of Vocus said "With a mix of fibre and data centres, the acquisition of Ipera is very complementary. Ipera's combination of large corporate and wholesale customers fits very nicely with the existing business. Vocus will now be able to service the national requirements of Newcastle based businesses as well as expand the services Ipera already successfully provides locally in Newcastle."

Newcastle is one of the fastest growing economic regions in Australia and the 7th largest population centre. It has a large base of both regional and national businesses.

Ipera was an early leader in fibre based services and has been in operation since 2000. Over that time it has built one of the most extensive Dark Fibre networks in the Newcastle area and more recently added Data Centres as a complementary product to that fibre network. The company services the Newcastle requirements of a number of other telecommunications carriers as well as boasting some of Newcastle's largest corporates such as NIB Health Funds, Hunter Water Corporation, Port Waratah Coal and Macquarie Generation.

The purchase price of the business is \$9.8 million with 50% of the purchase price subject to a 12 month earn out. Initial consideration of \$4.9 million will be funded 75% from existing cash, with the remaining 25% paid in Vocus shares.

Once the transaction completes and after transaction costs, there is expected to be minimal contribution to FY13 earnings however the business is expected to contribute EBITDA of between \$2.3m and \$2.5m in its first full financial year (FY14).

Chris Deere founder and MD of Ipera will take on an initial role managing the Newcastle business for the combined entity and later accept broader responsibilities within the group.

Chris Deere, MD of Ipera said "Having been a customer of Vocus since the beginning, I know the vision and culture of our companies are in perfect alignment and this transaction will now



allow us to compete for the national business of our Newcastle clients as well as to continue to capture local market share in Newcastle. This acquisition has significant benefits to customers of both organisations.”

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About Vocus

(ASX:VOC) Vocus Communications is an ASX listed leading telecommunications provider of Data Centre, Dark Fibre, Voice and International Internet connectivity across Australia, NZ, Singapore, Hong Kong and the US. The company provides high performance, high availability, and highly scalable communications solutions, which allow service providers to quickly and easily deploy new services for their own customer base.