

## Macquarie Media Limited

**Thursday, 15 February 2018:** Macquarie Media Limited (ASX code: "MRN") today announced its financial results for the year ended 31 December 2018 as follows:

### MACQUARIE MEDIA LIMITED HY2018 RESULTS

\$000s	REPORTED			UNDERLYING		
	HY2018	HY2017	Variance %	HY2018	HY2017	Variance %
Revenue	68,476	67,265	2%	68,476	67,265	2%
Expenses	(61,757)	(55,857)	11%	(54,881)	(56,101)	-2%
EBITDA	9,236	13,607	-32%	16,112	13,363	21%
EBIT	7,460	12,114	-38%	14,336	11,870	21%
Profit before tax	6,719	11,408	-41%	13,595	11,164	22%
Profit after tax	4,859	7,959	-39%	8,622	7,788	11%

**Notes:**

- Underlying figures exclude discontinued operations (ie Satellite Music Australia results including \$3.9m gain on sale in HY18; and 2CH in HY17) and the following significant items:

	HY18	HY17
Loss on disposal of PPE	(368)	-
ACMA fee costs writeback	-	941
Radio licence impairment	(6,500)	-
Redundancy and restructure	(8)	(697)
	(6,876)	244

- Reported figures exclude discontinued operations but include significant items.

- HY2017 results were restated to reflect the move of Satellite Music Australia to discontinued operations and for an accounting policy change with respect to One Big Switch/FiftyUp Club commission revenue

### HIGHLIGHTS

- HY2018 Underlying EBITDA up 21% on prior year. Underlying Profit after tax up 11% on prior year.
- In accordance with accounting standards, HY2018 reported results exclude the earnings of Satellite Music Australia Pty. Ltd ("SMA") – this includes the \$3.9m gain on sale. This treatment, together with the significant items detailed above, account for the 32% downturn in reported EBITDA against prior year.
- 2% increase in total revenue largely driven by an increase in core radio revenue
- 3% increase in core radio revenue
- Directors declare an interim dividend of 3.0 cents per share, fully franked and payable on 8 March 2018 to all shareholders registered at 23 February 2018. This is in addition to the 3.0 cents per share special dividend that was paid on 3 October 2017.

Commenting on the results, Macquarie Media Limited (MML) Executive Chairman, Russell Tate, said that underlying earnings (EBITDA) grew for the fifth consecutive half-year since the formation of MML following the merger of Macquarie Radio Network (MRN) and Fairfax Radio Network (FRN) in 2015. "Our HY2018 earnings (EBITDA) growth of 21% over the prior corresponding period maintains the earnings momentum we've enjoyed since the merger, and which in FY2017 had increased annual earnings (EBITDA) by 97% over pre-merger levels", said Tate. "We have continued to realise cost saving and efficiency opportunities across the business but we have also seen strong and sustained growth in our core radio revenues from late in the first quarter of FY18."

"Accordingly the outlook for the second half is quite positive and we will continue to explore new opportunities for revenue generation from our core radio output, particularly in the digital space where we will be trialling new initiatives during the second half. We will also complete over the next few weeks an operational review of the Talking Lifestyle format which was introduced onto our Sydney station 2UE in September 2016 and subsequently networked onto our "Magic" music stations in Melbourne and Brisbane in March 2017. The ratings performance of these stations, particularly in Melbourne and Brisbane, has not met expectations in the first half of FY18. The stations contributed around 7% of MML core radio revenues in HY18 and any format changes will not materially impact FY2018 earnings."

\*The pre-merger comparison year is FY2014 which reflects the separately audited results of MRN and FRN for that period, and is the last year for which meaningful figures for the separate companies are available.

**-ENDS-**