25 August 2020

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

2020 FULL YEAR RESULTS – PRESENTATION SLIDES

Seven West Media Limited (ASX: SWM) attaches the results presentation slides for the full year ended 27 June 2020.

Ends.

This release has been authorised to be given to ASX by the Board of Seven West Media Limited.

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Seven West Media

Closer to the moments that move us

FY20 Full Year Results / 25 August 2020

Disclaimer

Basis of preparation

Data included in this presentation is prepared for the management of Seven West Media Limited and its associated entities (together, 'SWM'). This data is included for information purposes only and has not been audited or reviewed or subject to the same level of review by SWM as the statutory accounts and so is merely provided for indicative purposes. SWM and its employees do not warrant the accuracy or reliability of this data and disclaim any liability flowing from the use of this data by any party.

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1

FY20 Highlights

Transformation underway

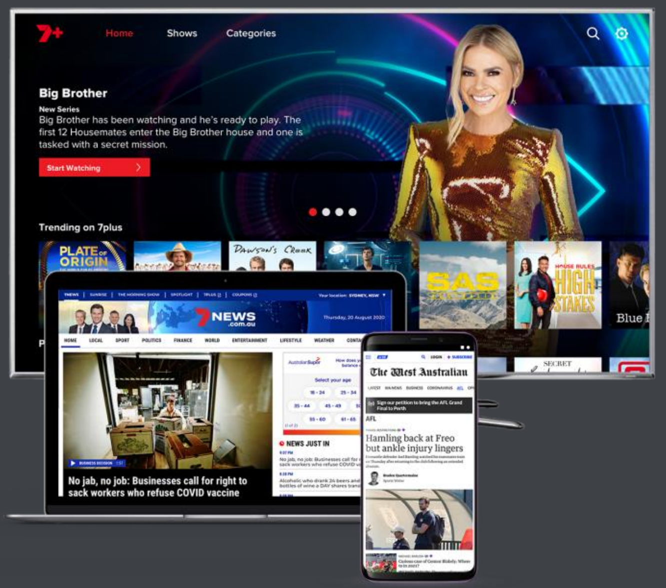
FY20 Highlights

August 2019

- Challenging market with material headwinds
- Losing ratings with stale and stagnant entertainment line up in prime time
- Distant #2 BVOD share
- Uneconomic contracts
- Growing cost base with layers of middle management
- Significant debt burden limiting growth initiatives and M&A options

August 2020

- 12 months into a three-year transformation plan
- Momentum to win the content battle across all platforms
- Resetting the cost base including uneconomic contracts
- Plan set to work down debt
- Paving the way to pursue M&A



FY20 Overview

Transformation during challenging markets

- Advertising markets severely impacted by COVID-19
  - Advertising market declined 15.2% in FY20, (4Q down 40.8%)[1];
  - Metro FTA advertising market down 14.1% in FY20, (4Q down 33.7%)[2]
  - BVOD market growth of 30.4%[2] in FY20 (4Q up 14.7%)
- Group revenue from continuing operations declined 14.0% to $1,227.1m, predominantly due to weaker advertising market conditions
  - 4Q revenue declined 33%
- Continuing operations costs declined 7.1% to $1,129.6m
- EBIT[3] of $98.7m, a decrease of 53.6%
- Net debt of $398m; facilities amended
- Significant items of $352m before tax, $186m recorded in 2H

1. SMI, 2. FreeTV, 3. from continuing operations and before significant items

2

Strategic Priorities & milestones

Strategic Milestones in FY20

Strategic Priorities

1. Content Led Growth

- New content strategy launched June 8th to significantly improved result
- 3 further new tentpoles this year – Farmer Wants a Wife, Plate of Origin, SAS Australia
- Spine retains dominant #1 position – Sunrise, The Morning Show, The Chase, Home and Away, Better Homes and Gardens, 7NEWS and 7Sport
- BVOD leadership growth to dominant No.1 position with 46% commercial audience share in 4Q20

2. Transformation

- ~$170m of gross cost savings actioned, (incl. annualised AFL saving)
- AFL renegotiated ($87m saving across 2020-2022) and extended to 2024
- Seven Studios repositioned to maximize profitability and support Seven Network to capitalize on the best external formats
- Ending FY20 with the lowest television cost base since 2007
- Lowest headcount since 2003, 20% reduction on FY19

3. Capital Structure and M&A

- $150m gross proceeds from asset sales
- Amended SWM's debt facilities providing certainty, liquidity and flexibility to execute the transformation strategy

Positioned to Capitalise on Market Recovery and Consolidation

Strategic Priorities

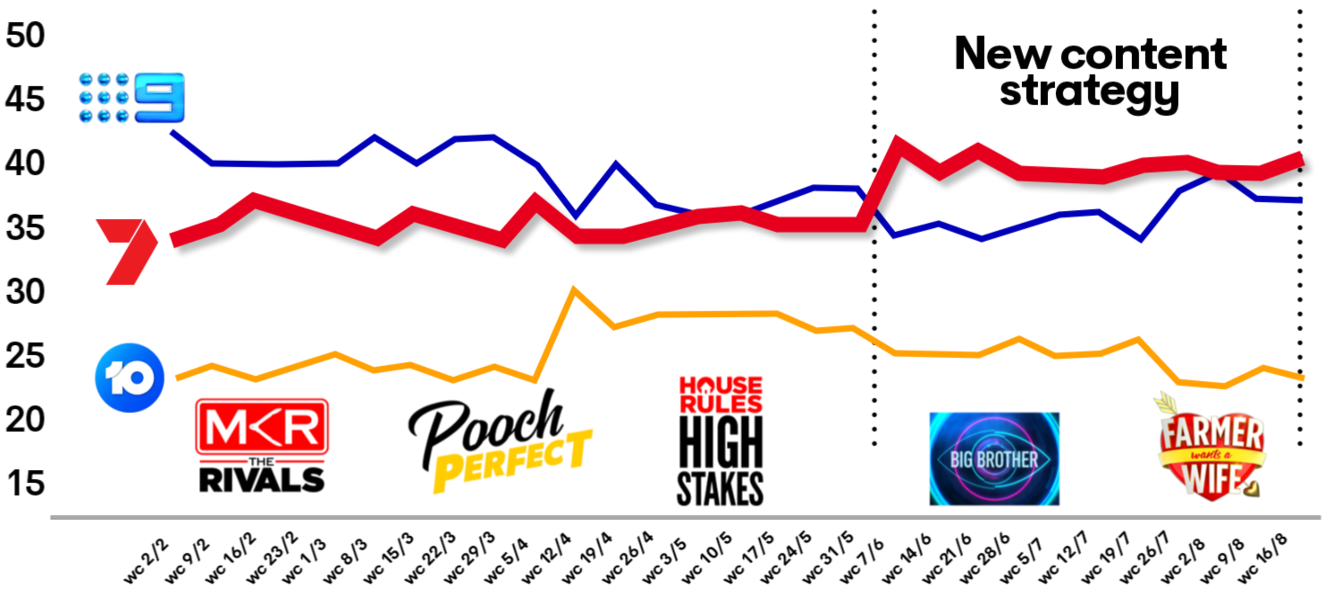
In Progress

- Four new tentpoles commissioned (external) for 2021; Big Brother and Farmer Wants a Wife renewed
- Sports rights negotiations ongoing
- Establishing key strategic partnerships to enhance our first-party data
- Reducing costs – further initiatives underway, targeting $30-50 million gross savings
- WAN accelerating transformation, Greg Hywood review concluded
- Divestment processes underway
    - TXA sale process proceeding via Goldman Sachs
    - SWM Ventures sale process underway
    - Seven Studios continue to explore options

1. Content Led Growth

Strategic Priorities / **Winning Key Demographics**

Broadcast Share Total People

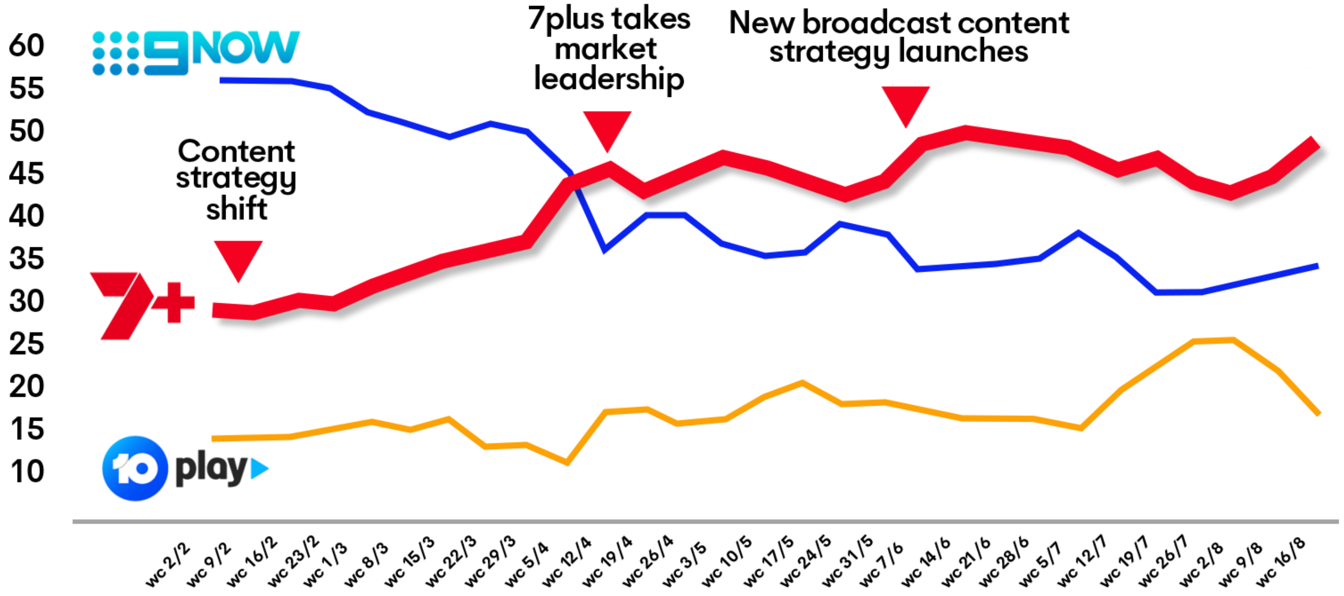


- **Absolute focus on winning the week**
  - P25-54, Total People and all platforms
  - Content spine maintains long term dominance, News and Sport #1
  - Concentrating production investment Sun-Tues 7:30pm
  - Proven international tentpole formats outsourced
- **Shifting focus: reaching advertiser-valued audiences**
  - Big Brother – highest 25-54 reach since 2016 Olympics
  - Farmer – biggest launch since 2018, #1 national
  - Refreshed content schedule with outward focus

1. Content Led Growth

Strategic Priorities / **BVOD Leadership**

BVOD Commercial Share by week



- **BVOD amplifies broadcast, production investment and content library**
- **7plus secured #1 position**, outpacing market from April
  - 46.3% avg audience share across April to July
  - 103% minute consumption growth in June YoY
  - Growth accelerated by Big Brother which was the most streamed series in June and July
  - Farmer Wants a Wife 2nd highest show on BVOD post launch
- **No reliance on single show;** consumption tracking at 50/50 between broadcast and library content

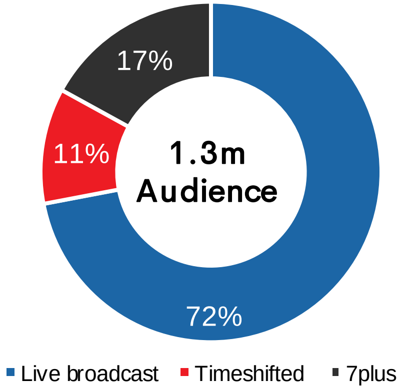
Big Brother Delivers Results

Strategic Priorities

Big Brother delivered content led growth. It has shifted Seven's audience profile and won in key demographics; 25-54s and 16-39s

Big Brother's success has extended beyond broadcast

- #1 live streamed entertainment show
- Most popular show on 7plus
- >2.3 million viewers of The Big Bro Show on 7NEWS.com.au
- Over 100 million social media impressions



49.6%

June BVOD Share

Massive year on year growth

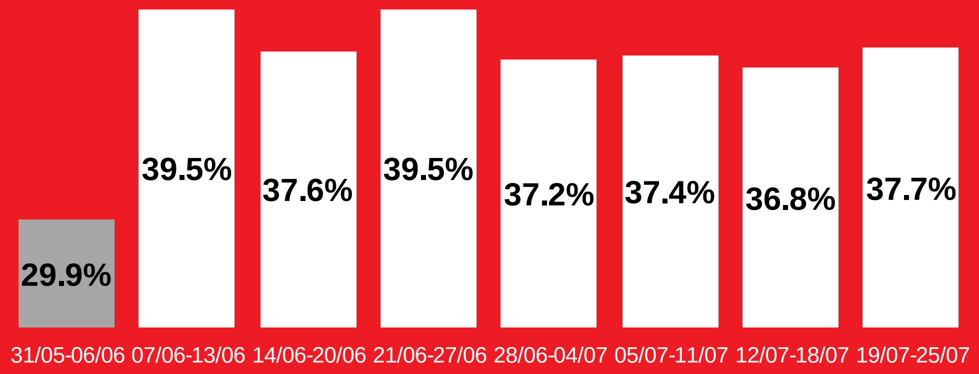
+67%

25-54s

+88%

16-39s

Seven's share of 25-54s



Source: OzTAM

2. Transformation

Strategic Priorities / **Redefining for a sustainable future**

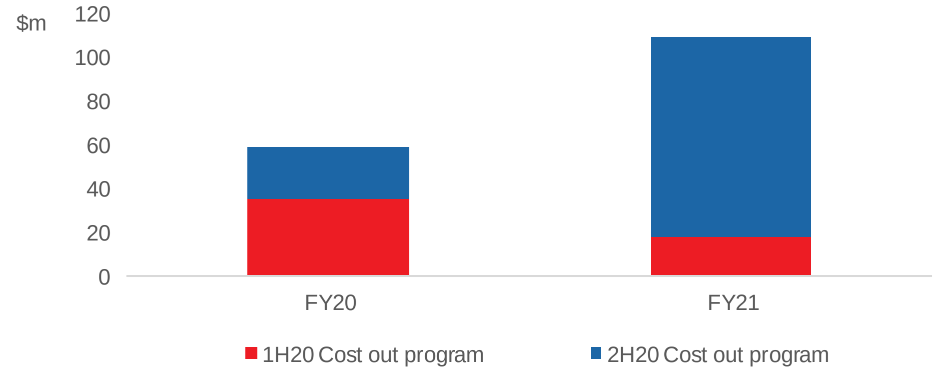
Permanent Initiatives

- ~$170m gross cost out in FY20
  - $135m TV; $33m Publishing[1]
  - Rebased AFL Sport Rights deal with $87m saving over 3 years
  - Review of all sports rights contracts ongoing
  - WAN savings of $15m realised in FY20
- FY21 focus – Further operating efficiencies and savings, targeting $30m-$50m.
- Cost reduction net of "normal" 1-2% cost inflation in Broadcast/Newspaper divisions

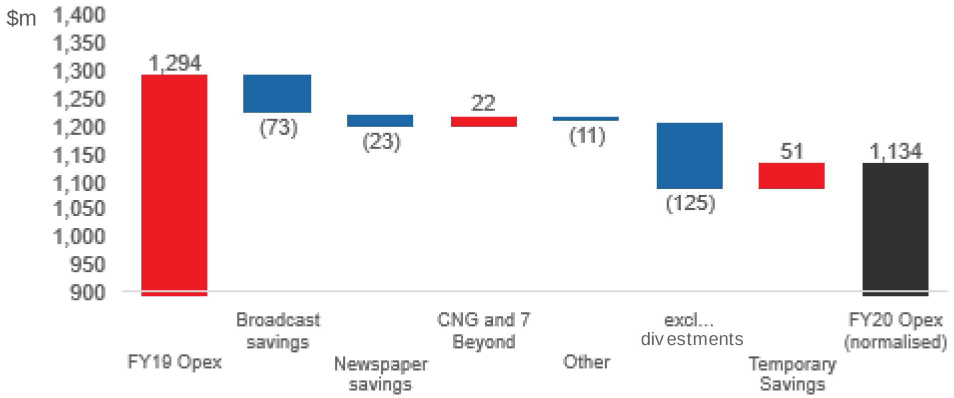
Interim COVID Measures

- Incremental $51m of temporary cost savings achieved in FY20:
  - Production disruptions leading to content delay & cash cost deferral
  - Spectrum fee waiver Feb 20 to Jan 21; cash benefit in FY21
  - $30m saving from 3 month salary reduction and JobKeeper
  - FY20 Sports rights payments deferred / avoided, with AFL representing the largest cost deferral

Realisation timing, $170m gross cost savings



FY20 Normalised operating expenses

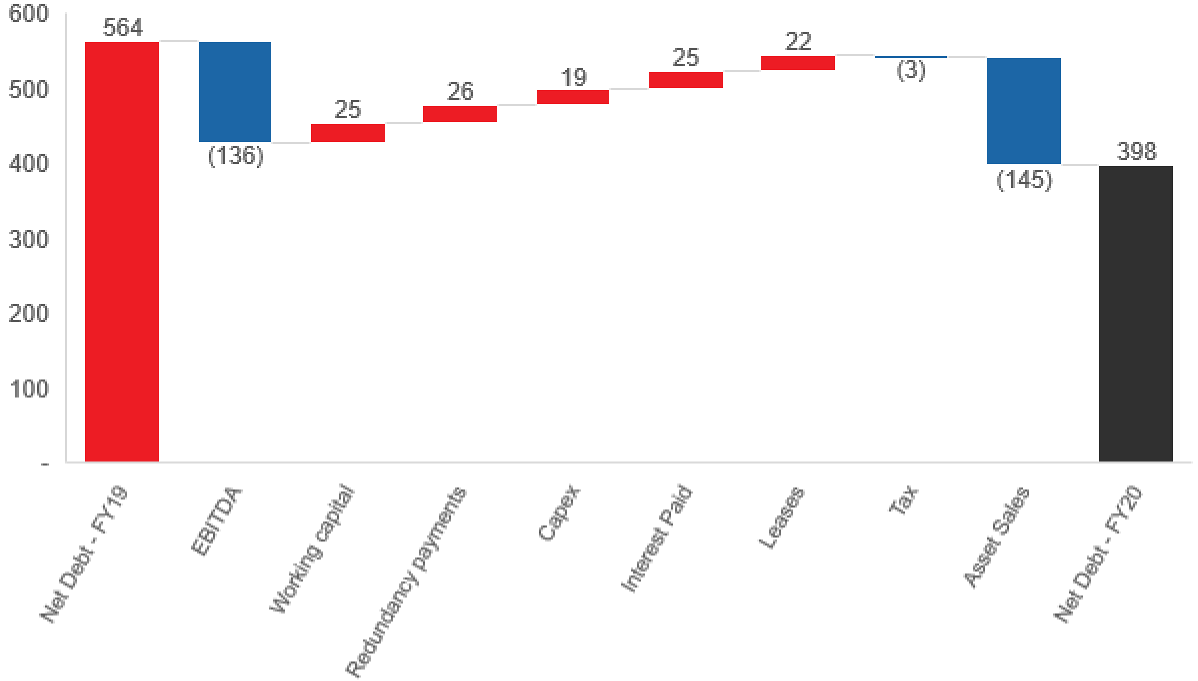


1. Includes $12m cost saving implemented in Pacific Magazines in FY20 prior to sale

3. Capital Structure and M&A

Strategic Priorities / **Deleveraging the business for optionality**

FY19 to FY20 Net Debt



Targeting material asset sales over next 12-18 months to offset FY21 working capital and Olympic outflows and drive net debt reduction

- Significant COVID-19 impact on content and cash flow
  - Asset sales underpin liquidity for foreseeable recovery scenarios
  - Cost out to deliver sustainable cash generating business post recovery
- Asset sales delivered $150m
  - Redwave Radio ($28m)
  - Pacific Magazines ($40m)
  - WA Property ($75m, sale and leaseback)
  - Maroochydore ($7m, sale and leaseback)
- Amended debt facilities ensuring liquidity, flexibility & certainty
  - $450m maturity deferred to July 2022
  - New covenants (min liquidity and EBITDA) to Dec 21
  - Existing covenants reinstated from Dec 21
  - Margin increase to 4.5% plus upfronts

3

FY20 Results

Income Statement

FY20 Results

$1,227.1m	$40.8m	2.7cps	$352.0m	$98.7m
Revenue	Underlying Group net profit after tax	Basic EPS excl. significant items	Significant items before tax	Underlying Group EBIT

	FY20 $m	FY19[1] $m	Inc/(Dec) %
Revenue and other income	1,227.1	1,427.0	(14.0%)
Share of net profit of equity accounted investees	1.2	1.1	9.1%
Expenses (including depreciation)	(1,129.6)	(1,215.3)	(7.1%)
Profit before significant items, net finance costs and tax	98.7	212.8	(53.6%)
Net finance costs	(40.6)	(48.1)	(15.7%)
Profit before significant items and tax	58.1	164.7	(64.7%)
Significant items before tax	(352.0)	(609.2)	(42.2%)
Profit / (loss) before tax	(293.9)	(444.5)	(33.9%)
Tax benefit	93.9	116.9	(19.7%)
Profit / (loss) after tax	(200.1)	(327.6)	(38.9%)
Net profit after tax excluding significant items	40.8	120.3	(66.1%)

1. Prior year figures have been restated for AASB 16 Leases standard
Note: Statutory reconciliation included in Appendix

Segments

FY20 Results / Seven and Digital

Broadcast and Studios

- Metro FTA market decline 14.1% in FY20; –21.9% in 2H20; -33.7% in Q4
    - Metro revenue share of 37.4% in FY20 (38.8% FY19)
- New entertainment schedule materially improving primetime audiences and demographic mix
- News pillar incredibly resilient with audience up 11%, increasing share
- Seven Studios 3rd party production and distribution revenue flat YoY

Digital

- BVOD market growth of 30.5% in FY20 to $163m
    - 32.2% revenue share in FY20 vs 36.6% VPM share[1]
- Digital revenue growth of 39.6% driven by BVOD
- 7plus minute consumption growth of 53% in FY20
- 7NEWS.com.au reached the #2 most viewed commercial news site in Australia[2] within twelve months of launch

1. Video Player Measurement - OzTam; 2. Nielsen

Seven*	FY20 $m	FY19[3] $m	Inc/(Dec) %
Revenue	1041.9	1227.8	(15.1%)
Costs	(924.9)	(989.1)	(6.5%)
EBITDA	**117.0**	**238.7**	**(51.0%)**
EBIT	**89.3**	**210.3**	**(57.5%)**

Digital	FY20 $m	FY19 $m	Inc/(Dec) %
Revenue	55.4	39.7	39.6%
Costs	(25.8)	(23.2)	11.1%
EBITDA	**29.6**	**16.5**	**79.5%**
EBIT	**26.0**	**13.5**	**92.4%**

3. Prior year figures have been restated for AASB 16 Leases standard
Note: Seven includes broadcast, Seven Studios and Seven Digital

Segments

FY20 Results / WAN & Other

WAN

- Advertising conditions in WA remained challenged with advertising revenue down 9.8%* year on year;
- Circulation revenue declined 7.2%; readership flat YoY
- WAN digital subscribers grown to 60k
- Paywall rolled out to regional mastheads in February; promising early adoption
- $21m of gross savings actioned in FY20 with $15m delivered in the period
- WA property sold for $75m, lease ~$4m p.a.

Other

- Other includes $2.5m EBITDA contribution from Redwave for the 6 months to 31 December 2020
- Live Events contributed $3.2m EBITDA after adjusting for the related onerous contract

**Note: WAN includes benefit from consolidation of Community News Group*

WAN	FY20 $m	FY19[1] $m	Inc/(Dec) %
Revenue	167.1	185.8	(10.1%)
Costs	(146.7)	(158.8)	(7.6%)
EBITDA	20.4	27.0	(24.5%)
EBIT	**17.7**	**15.7**	**12.7%**

Other Business	FY20 $m	FY19[1] $m	Inc/(Dec) %
Revenue	19.2	14.5	32.2%
Costs	(11.3)	(12.9)	(12.5%)
EBITDA	**7.9**	**1.6**	**nm**
EBIT	**7.5**	**1.2**	**nm**

1. Prior year figures have been restated for AASB 16 Leases standard

Financials

FY20 Results / Statutory results (continuing operations)

Statutory results

	FY20 $m	FY19[1] $m	Inc/(Dec) %
Continuing operations			
Profit/(loss) after tax	(200.1)	(327.6)	(38.9%)
Basic EPS	(13.1 cents)	(21.7 cents)	(39.7%)
Diluted EPS	(13.1 cents)	(21.7 cents)	(39.7%)
Including discontinued operations			
Profit/(loss) after tax	(162.1)	(324.3)	(50.0%)
Basic EPS	(10.6 cents)	(21.5 cents)	(50.7%)
Diluted EPS	(10.6 cents)	(21.5 cents)	(50.7%)

Additional information (continuing operations)

Earnings per share based on net profit excl. significant items (net of tax)

	FY20 $m	FY19[1] $m	Inc/(Dec) %
Underlying EBIT	98.7	212.8	(53.6%)
Profit after tax excluding significant items	40.8	120.3	(66.1%)
Significant items (net of tax)	(240.7)	(572.5)	(57.9%)
Profit / (loss) after tax	(200.1)	(327.6)	(38.9%)
Underlying Basic EPS[2]	2.7 cents	8.0 cents	(66.1%)
Underlying Diluted EPS[2]	**2.7 cents**	**8.0 cents**	**(66.1%)**

A reconciliation to our statutory net profit after tax including discontinued operations is outlined in the appendix on slide 22

Significant items

	FY20 $m	FY19[1] $m
Impairment of licences, mastheads , goodwill and other intangibles	(67.6)	(478.0)
Impairment of right of use assets	(56.0)	-
Impairment of other assets	(81.3)	(64.5)
Write-off of unamortised refinancing costs	-	(8.6)
Total impairments and write-offs	(204.9)	(551.1)
Redundancy and restructure costs	(12.0)	(20.4)
Net gain on sale of other assets	9.4	(16.8)
Net gain on disposal of investments and controlled entities	11.0	-
Onerous contracts	(136.9)	(21.0)
Costs related to investments	(9.2)	-
Other significant items	(9.4)	-
Total significant items before tax	**(352.0)**	**(609.2)**

1. Prior year figures have been restated for AASB 16 Leases standard
2. Underlying EPS is calculated by excluding discontinued operations and significant items then dividing by the weighted average number of shares outstanding

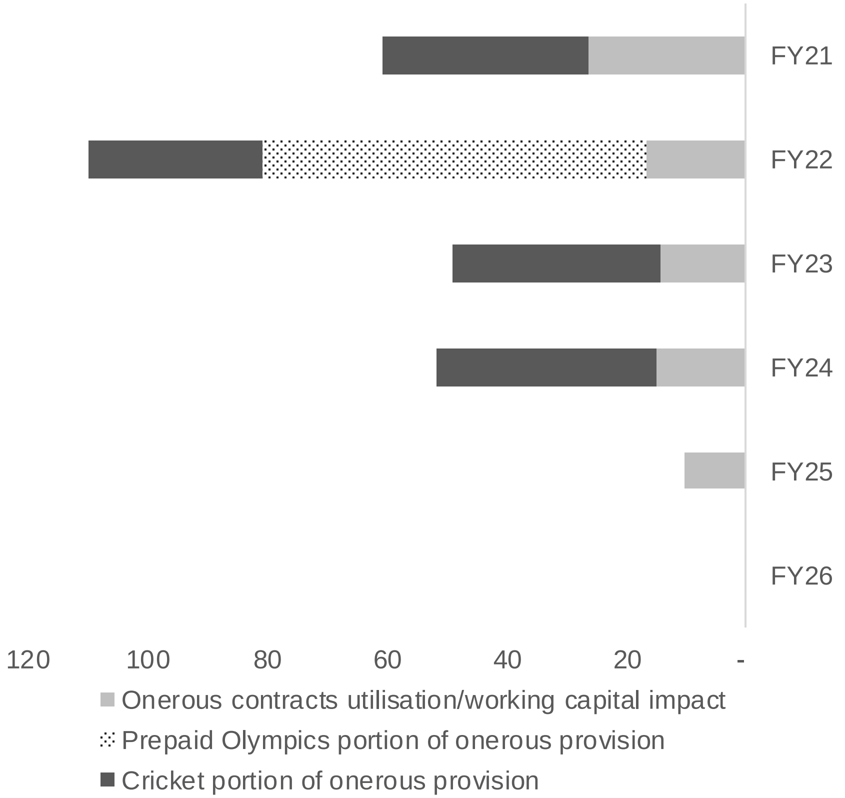
Financials

FY20 Results / Cash flow (including discontinued operations)

	FY20 $m	FY19[1] $m	Inc/(Dec) %
EBITDA	**133.9**	**263.5**	**(49.2%)**
Working capital and other movements	(26.9)	(74.5)	(63.9%)
Redundancy and employee entitlements	(25.6)	(15.3)	67.3%
Dividends received net of share of associates profit / (loss)	3.9	(0.3)	nm
Operating cash flow before interest and tax	**85.3**	**173.4**	**(50.8%)**
Tax paid, net of refund	2.6	(15.2)	(117.1%)
Net finance costs paid	(25.4)	(28.7)	(11.5%)
Net payment for property, plant & equipment and software	(19.1)	(42.1)	(54.6%)
Loans issued, proceeds and payments for investments	145.4	5.5	nm
Lease liability	(22.0)	(20.3)	8.4%
Net increase / (decrease) in cash and cash equivalents	**166.8**	**72.6**	**nm**
Opening net (debt) cash	(564.4)	(627.7)	(10.1%)
Change in unamortised refinancing costs	(0.4)	(9.0)	(95.6%)
Closing net (debt) cash	**(398.0)**	**(564.1)**	**(29.4%)**

- Net debt at end of July $481m increased due to working capital outflows
- FY21 working capital outflows to include onerous, redundancies and Olympics payments
- FY21 Capex slightly up on FY20
- Olympics cancellation would refund SWM $50m in prepaid rights fees

Onerous contracts utilisation by year ($m)



1. Prior year figures have been restated for AASB 16 Leases standard

4

Trading Update

Trading Update

FY20 Results

- Advertising market conditions remain volatile and unpredictable in 1QFY21
  - Rate of decline has slowed since 4QFY20
  - July FTA market –15.8% YoY
  - Improved revenue share outcome in July with 39% on stronger content schedule
- SWM not in a position to guide on FY21 earnings due to market uncertainty
- Refreshed content line-up: opportunity to capture stronger audience/revenue share
- Divestment processes ongoing for TXA, Ventures and Studios

Appendix

SAS
AUSTRALIA
THE MORNING SHOW
PLATE OF ORIGIN
THE WORLD CUP OF COOKING
BIG BROTHER
FARMER wants a WIFE
NEWS
SEVEN NEWS SEVEN NEWS SEVEN NEWS
sunrise
Home and
THE ALL NEW MONTY
GUYS & GALS

Divisional statutory reconciliation

Appendix

	Seven $m	The West $m	Other $m	Corporate $m	Total Continuing Operations $m	Magazines $m	Total Including Discontinued Operations $m
Revenue	**1,041.9**	**167.1**	**19.3**	**0.0**	**1,228.3**	**93.5**	**1,321.8**
Expenses	(924.9)	(146.7)	(11.3)	(15.8)	(1,098.7)	(89.2)	(1,187.8)
EBITDA	117.0	20.4	8.0	(15.8)	129.6	4.3	133.9
Depreciation and amortisation	(27.7)	(2.7)	(0.5)	0.0	(30.9)	(2.1)	(33.0)
EBIT	**89.3**	**17.7**	**7.5**	**(15.8)**	**98.7**	**2.2**	**100.9**
Significant items before tax	(318.8)	(20.0)	(6.8)	(6.4)	(352.0)	38.0	(314.0)
Finance Costs					(40.6)	(2.1)	(42.7)
Tax Expense					93.9	(0.2)	93.7
Net profit (loss) after finance costs, tax and significant items					**(200.1)**	**37.9**	**(162.1)**

AASB16

Appendix / Divisional reconciliation of AASB16 Leases

FY20	Seven $m	The West $m	Other $m	Corporate $m	FY20 continuing operations $m	Magazines $m	FY20 total $m
EBITDA (pre-AASB16)	**100.9**	**19.2**	**8.0**	**(15.8)**	**112.3**	**(0.5)**	**111.8**
Lease expense - AASB 16	16.1	1.2	-	-	**17.3**	4.8	**22.1**
EBITDA Reported	**117.0**	**20.4**	**8.0**	**(15.8)**	**129.6**	**4.3**	**133.9**
Other D&A	(17.9)	(2.2)	(0.3)	-	**(20.4)**	(1.2)	**(21.6)**
Depreciation - AASB 16	(9.8)	(0.5)	(0.2)	-	**(10.5)**	(0.9)	**(11.4)**
EBIT Reported	**89.3**	**17.7**	**7.5**	**(15.8)**	**98.7**	**2.2**	**100.9**

FY19	Seven $m	The West $m	Other $m	Corporate $m	FY19 continuing operations $m	Magazines $m	FY19 total $m
EBITDA (pre-AASB16)	**223.3**	**26.8**	**1.6**	**(14.4)**	**237.3**	**6.0**	**243.3**
Lease expense - AASB 16	15.4	0.2	-	-	**15.6**	4.6	**20.2**
EBITDA Reported	**238.7**	**27.0**	**1.6**	**(14.4)**	**252.9**	**10.6**	**263.5**
Other D&A	(18.9)	(11.2)	(0.3)	-	**(30.4)**	(1.1)	**(31.5)**
Depreciation - AASB 16	(9.5)	(0.1)	(0.1)	-	**(9.7)**	(0.9)	**(10.6)**
EBIT Reported	**210.3**	**15.7**	**1.2**	**(14.4)**	**212.8**	**8.6**	**221.4**

Seven West Media

Closer to the moments that move us

FY20 Full Year Results / 25 August 2020