

18 February 2015

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

By electronic lodgment

Total Pages: 30 (including covering letter)

Dear Sir / Madam

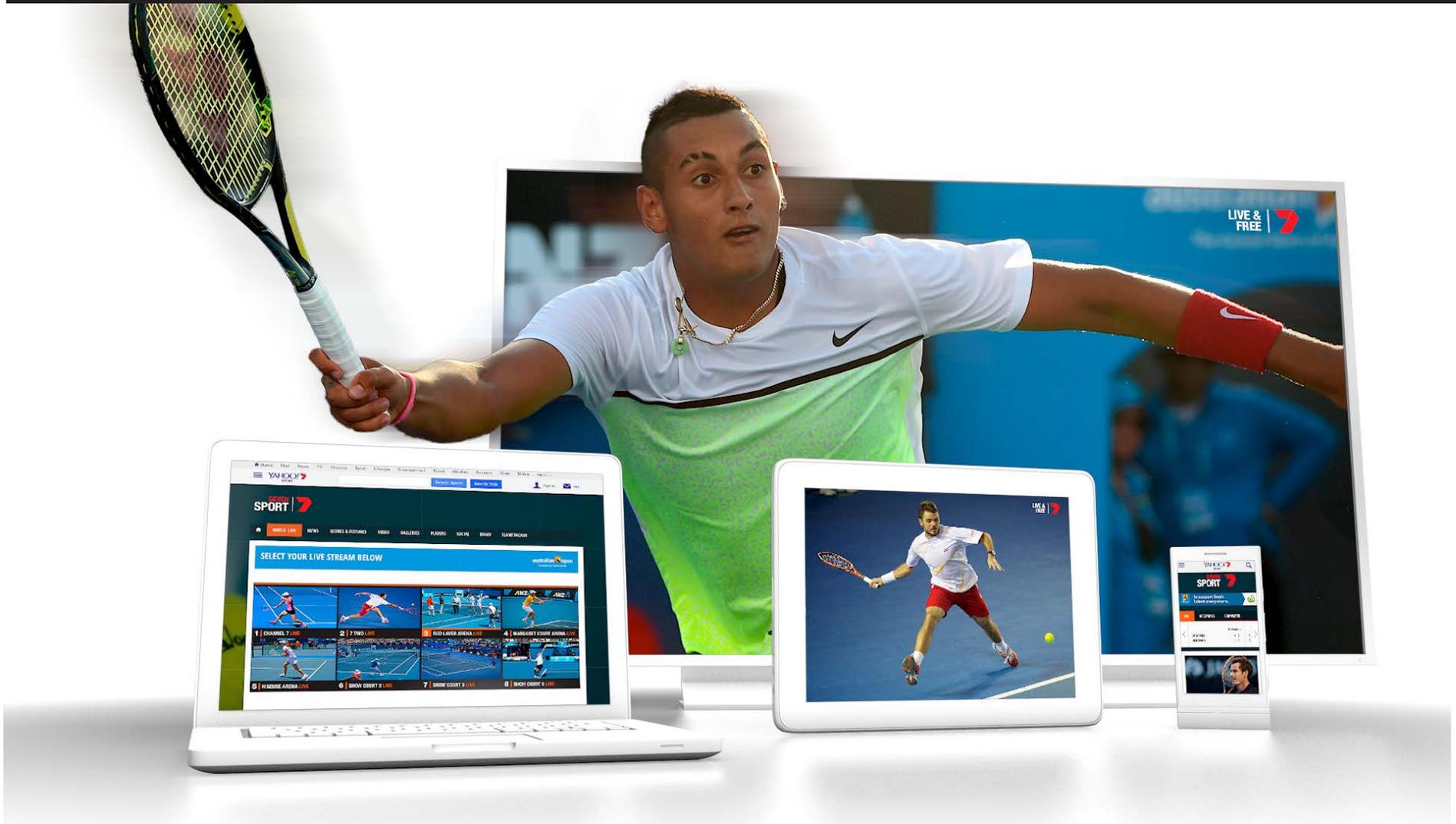
PRESENTATION OF RESULTS TO ANALYSTS

Following is a copy of the Presentation of Results for the financial half-year ended 27 December 2014.

Yours faithfully



Warren Coatsworth
Company Secretary



  SEVEN WEST MEDIA

Results for the Half Year Ended 27 December 2014

Disclaimer. **Basis of Preparation of Slides**

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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Agenda

- FY15 Half Year Highlights
- Performance and Outlook
- Financials
- Operating Divisions
 - Television
 - Digital
 - Yahoo7
 - Newspapers
 - Magazines
- Strategy
- Questions



TELEVISION • DIGITAL • PUBLISHING

FY15 Half Year. **Highlights**

Operational

- Maintained leadership
- Digital transformation milestones delivered
- Secured long term sports rights

Financial

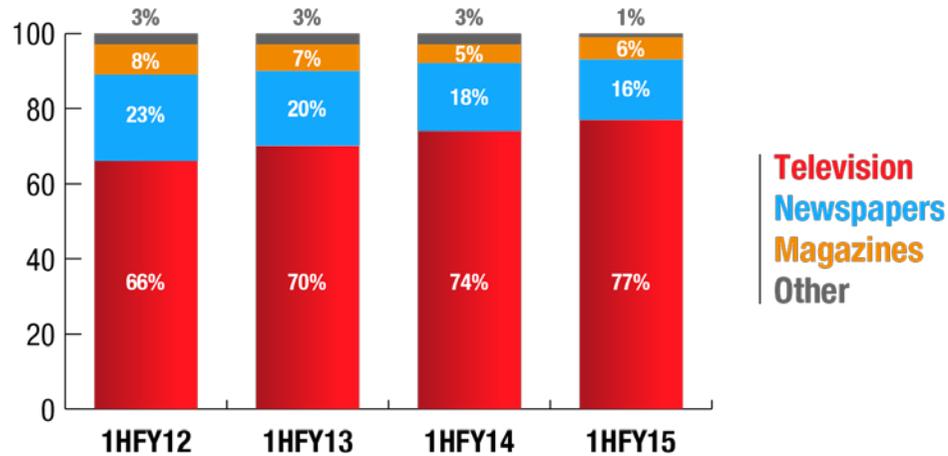
- Profit after tax of \$137.5m (excl. significant items) down 8.4% YoY.
- Loss after tax of \$993.6m (incl. significant items).
- Tight operating cost control delivered a 1.3% reduction YoY.
- \$1,148m of significant items (before tax) predominantly due to the impairment of goodwill.
- 1HFY15 underlying EBIT of \$226.9m down 9.3% YoY.
- Group underlying EBITDA margin of 26.6%.
- Strong operating cashflows (before interest and tax) of \$252m.
- Interim dividend of 6 cents per share fully franked.
- Net debt position improved.
- Review options on Convertible Preference Shares

The information contained on this page may not necessarily be in statutory format. A full reconciliation of EBIT is provided in the Appendix 4D.

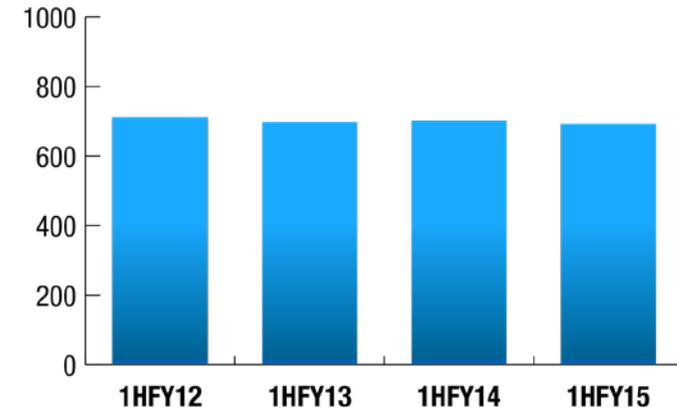


FY15 Half Year. Group Highlights (continued)

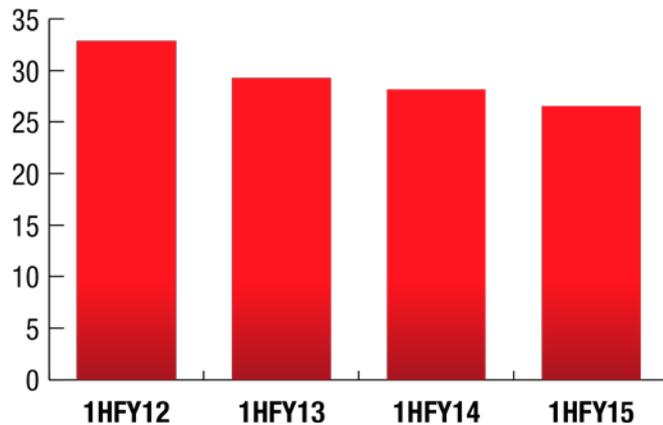
EBITDA as a % of the Group



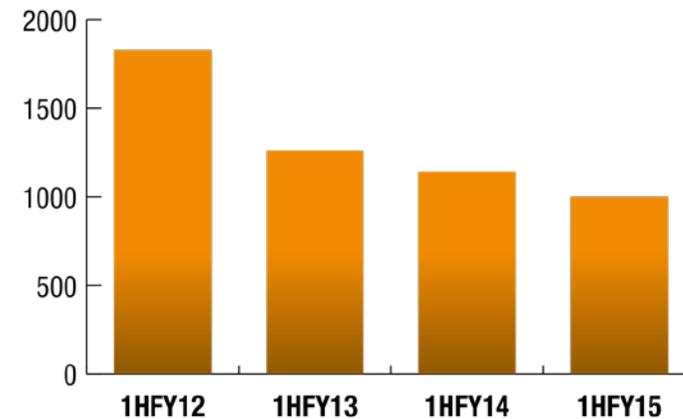
Total Group Costs (\$m's)



Group EBITDA Margin (%)



Net Debt (\$m's)



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Performance & Outlook. **Strong revenue performance versus market**

Total Advertising Market: July 2014 - Dec 2014 -0.3%²

Year on year	TV Metro ¹	Newspapers ²	Magazines ²
Jul 13 - Dec 13	5.0%	-17.8%	-17.3%
Jan 14 - Jun 14	1.7%	-20.7%	-16.7%
Jul 14 - Dec 14	-3.0%	-12.4%	-9.5%

Seven West Media:

Year on year	TV Metro	Newspapers	Magazines
Jul 14- Dec 14	-1.5%	-12.5%	-3.0%

Advertising Market Outlook for FY15

- TV - Slight decline
- Newspapers - Continuation of current trend
- Magazines - Trend to continue to improve

Divisional Performance and Outlook

- Television maintained leadership with half year market share of 40.4%
- Advertising market share in Digital and Magazines continues to grow
- Reaffirm guidance for group cost growth of around 1% in FY15
- Remain confident full year underlying net profit to be within current market estimates
- Based on current outlook, the Board intends to maintain the dividend at 12cps for the full financial year

Note: 1. FreeTV 2. SMI





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FINANCIALS

Financials. Key Group Results

Statutory Results

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
(Loss)/profit before tax	(952.7)	210.0	-
(Loss)/profit after tax	(993.6)	150.1	-
Basic EPS	-99.6 cents	15.0 cents	-
Diluted EPS	-79.6 cents	13.2 cents	-
Proposed April 2015 interim dividend	6 cents	6 cents	-

Additional Information

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

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Profit after tax excluding significant items	137.5	150.1	(8.4)
Significant items (net of tax)	(1,131.1)	-	-
Profit after tax	(993.6)	150.1	-
Basic EPS	13.8 cents	15.0 cents	(8.2)
Diluted EPS	11.0 cents	13.2 cents	(16.6)

Amounts, totals and change percentages calculated on whole numbers and not the rounded amounts presented.

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FINANCIALS (CONTINUED)

Consolidated SWM. Income Statement

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue, other income and share of equity accounted investees	943.0	975.8	(3.4)
Expenses	(716.1)	(725.5)	(1.3)
Profit before significant items, net finance costs and tax	226.9	250.3	(9.3)
Net finance costs	(31.5)	(40.3)	(21.8)
Profit before significant items and tax	195.4	210.0	(7.0)
Significant items	(1,148.1)	-	-
(Loss)/profit before tax	(952.7)	210.0	-
Tax expense	(40.9)	(59.9)	(31.7)
(Loss)/profit after tax	(993.6)	150.1	-

Reconciliation of EBIT to statutory (loss) profit before tax:

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
EBIT	226.9	250.3	(9.3)
Net finance costs	(31.5)	(40.3)	(21.8)
Significant items	(1,148.1)	-	-
(Loss)/profit before tax	(952.7)	210.0	-

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FINANCIALS (CONTINUED)

Consolidated SWM. Significant Items

	1HFY15 \$m	1HFY14 \$m
Impairment of Television goodwill	(960.9)	–
Impairment of Newspapers and Magazines goodwill	(65.7)	–
Impairment of Newspapers and Magazines mastheads and licences	(38.4)	–
Impairment of equity accounted investees	(26.5)	–
Total impairment	(1,091.5)	–
Restructure costs and onerous contracts	(56.6)	–
Total significant items before tax	(1,148.1)	–
Tax benefit	17.0	–
Net significant items after income tax	(1,131.1)	–

- The impairment is an accounting adjustment that reflects a reassessment of the market outlook for growth.
- \$1,091.5m total impairment is non-cash in nature.
- No impact on ability to pay franked dividends.

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FINANCIALS (CONTINUED)

Consolidated SWM. Cash flow

	1HFY15 \$m	1HFY14 \$m
EBITDA	250.7	275.4
Working capital and other movements	8.0	(11.6)
Dividends received net of share of associates profit	(6.3)	(7.5)
Operating cash flows before interest and tax	252.4	256.3
Tax received/(paid)	17.7	(46.5)
Net finance costs paid	(28.8)	(35.7)
Net payment for property, plant & equipment and software	(22.4)	(13.7)
Dividends paid	(59.9)	(59.9)
Loans issued, proceeds and payments for investments	(1.2)	0.2
Payments for own shares	–	0.1
Net increase in cash and cash equivalents	157.8	100.8
Opening net cash/(debt)	(1,158.5)	(1,240.8)
Change in unamortised refinancing costs	(1.2)	(1.8)
Closing net cash/(debt)	(1,001.9)	(1,141.8)

Note: Closing net debt, excluding unamortised refinancing costs, is \$1,008.4m (Dec 13: \$1,150.4m). Closing unamortised refinancing costs are \$6.5m (Dec 13: \$8.6m).

Amounts, totals and change percentages calculated on whole numbers and not the rounded amounts presented.

FINANCIALS (CONTINUED)

SWM. Net Debt

	Dec 14 \$m	Dec 13 \$m
Bank facilities⁽¹⁾	1,223.5	1,499.9
Cash	(221.6)	(358.1)
SWM total net debt	1,001.9	1,141.8
SWM LTM EBITDA	433.4	466.7
SWM Total leverage ratio	2.3x	2.4x
SWM Interest cover ratio	6.7x	5.3x

Note: 1. Bank facilities are net of \$6.5m (Dec 13: \$8.6m) of unamortised refinancing costs

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FINANCIALS (CONTINUED)

Revenue Performance. Softer advertising market impacts revenue

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue			
Television	677.2	683.7	(1.0)
Newspapers	125.0	139.4	(10.3)
Magazines	114.1	123.8	(7.8)
Other ⁽¹⁾	26.7	28.9	(7.6)
	943.0	975.8	(3.4)

Revenue as a % of Group		
Television	72%	70%
Newspapers	13%	14%
Magazines	12%	13%
Other	3%	3%

Note: 1. Includes share of profit of equity accounted investees

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FINANCIALS (CONTINUED)

Group Costs and EBIT. **Cost control focus retained**

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Costs ⁽¹⁾			
Television	495.5	493.2	0.5
Newspapers	96.6	100.6	(4.0)
Magazines	102.1	110.5	(7.6)
Other	21.9	21.2	3.3
	716.1	725.5	(1.3)

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
EBIT			
Television	181.7	190.4	(4.6)
Newspapers	28.4	38.8	(26.8)
Magazines	12.0	13.3	(9.8)
Other	4.8	7.8	(38.5)
	226.9	250.3	(9.3)

Note: 1. Costs include licence fees and depreciation (excluding significant items).

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FINANCIALS (CONTINUED)

Divisional Performance. Television

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue ⁽¹⁾			
Advertising	596.8	606.1	(1.5)
Other	80.4	77.6	3.6
	677.2	683.7	(1.0)
Costs			
Revenue variable costs ⁽²⁾	46.0	46.3	(0.7)
Other costs	449.5	446.9	0.6
	495.5	493.2	0.5
EBIT	181.7	190.4	(4.6)

Ratings and Revenue Share

Total free to air television audience (total individuals) ⁽³⁾	3,119.1	3,118.0	0.0
Network Seven revenue share ⁽⁴⁾	40.4	39.7	0.7 pts

Note: 1. Advertising revenue includes advertorial revenue. Other revenue includes affiliate fees, program sales and other sundry revenue.

2. Revenue variable costs include licence fees, contra and advertorial costs which are directly variable to revenue streams.

3. Source: Oztam ratings for primetime 18:00 to 22:30 (July to December)

4. Source: Free TV (July to December)

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FINANCIALS (CONTINUED)

Divisional Performance. Newspapers

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue			
Advertising	88.0	100.6	(12.5)
Circulation	30.3	32.2	(5.9)
Other	6.7	6.6	1.5
	125.0	139.4	(10.3)
Costs			
Depreciation & amortisation	10.7	10.6	0.9
Other costs	85.9	90.0	(4.6)
	96.6	100.6	(4.0)
EBIT	28.4	38.8	(26.8)
Metro Circulation and readership			
Average daily issues (000's) ⁽¹⁾	158	169	(6.8)
Average weekend issues (000's)	258	279	(7.6)
Average daily readership (000's) ⁽²⁾	625	634	(1.4)
Average weekend readership (000's)	665	701	(5.1)

Note: 1. Source: ABC

2. EmmaTM conducted by Ipsos MediaCT for the 12 months ending December 2014

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FINANCIALS (CONTINUED)

Divisional Performance. Magazines

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue			
Circulation	71.2	78.6	(9.4)
Advertising	38.9	40.1	(3.0)
Other	4.0	5.1	(21.6)
	114.1	123.8	(7.8)
Costs			
Depreciation & amortisation	1.9	2.0	(5.0)
Other costs	100.2	108.5	(7.6)
	102.1	110.5	(7.6)
EBIT	12.0	13.3	(9.8)
Circulation and readership			
Total circulation ⁽¹⁾ (m's)	21.2	23.2	(8.3)
Readership ⁽²⁾ (m's)	292.3	298.5	(2.1)

Note: 1. Source: ABC

2. Source: EmmaTM conducted by Ipsos MediaCT for the 12 months ending December 2014

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FINANCIALS (CONTINUED)

Divisional Performance. Yahoo7

	1HFY15 \$m	1HFY14 \$m	Inc/(dec) %
Revenue			
Total Revenue	50.8	49.3	3.2
Costs			
Depreciation & amortisation	2.3	2.4	(3.5)
Other costs	33.5	28.7	16.8
	35.8	31.1	(15.2)
EBIT	15.0	18.2	(17.4)
SWM share of NPAT	6.4	6.2	2.4
Monthly unique users (m's)	10.0	8.6	16.1
Total video streams (m's)	68.2	53.3	28.0

Note: The above result is based on 100% of the business. Seven West Media's share is 50%

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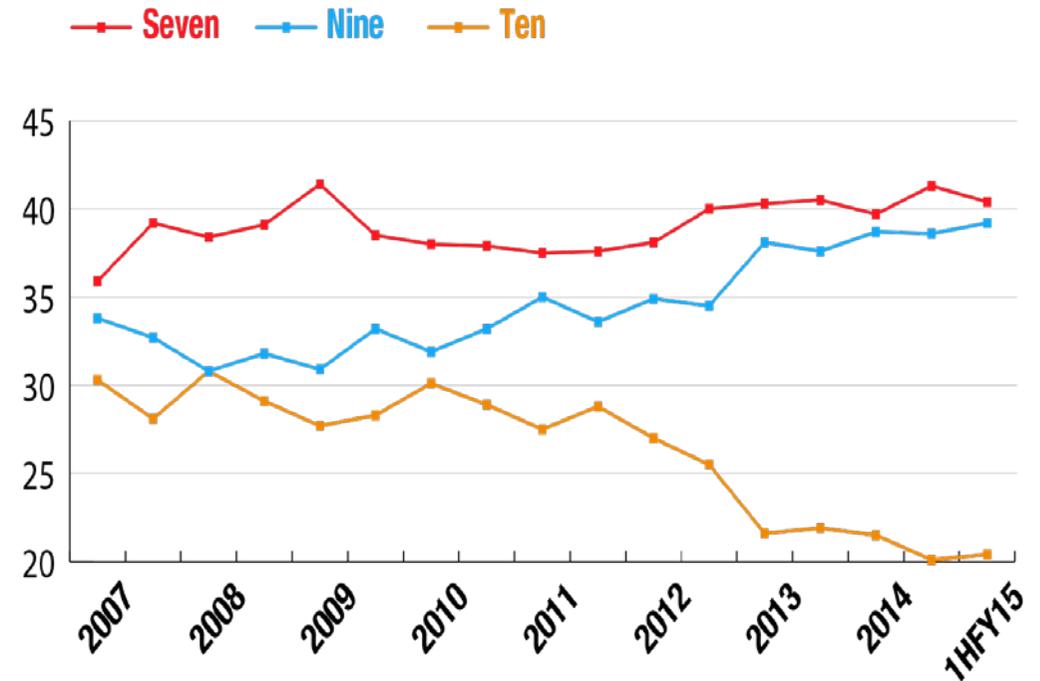
OPERATING DIVISIONS

TELEVISION

TV. 1HFY15 Review

- 16th consecutive half of ratings and revenue leadership
- 40.8% revenue share in CY14
- Revenue share increased in every market
- Broadcast television audiences in Australia robust
- Seven leads in drama and reality franchises
- AFL Grand Final delivers 4% audience growth YoY
- NFL audiences up 28% on 7mate
- Extended rights for Wimbledon to 2020
- Execution of Olympics strategy underway
- ESPN deal extends reach to sell male demographic and targets new revenue streams
- Maximising the value of our airtime through sponsorships, interactivity and brand extensions

Metro FTA TV advertising revenue market share



Source: Free TV



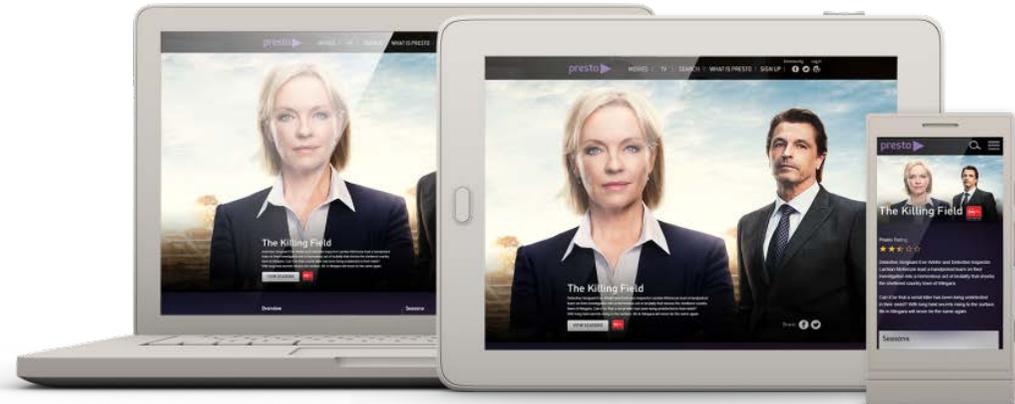
OPERATING DIVISIONS | TELEVISION

Digital

Content. **Anytime, anywhere, any device**

- Launched SVOD service – Presto*
- Joint venture with Foxtel
- Premium domestic and international content offering
- Significant promotional support
- Existing technology platform and CRM
- Cost effective market entry strategy
- Extensive device and distribution roadmap in place

presto



* Subject to ACCC approval

Digital

Content. Anytime, anywhere, any device

- Hybrid Television in market with Freeview Plus
- Monetisation of tennis digital rights across Plus7 desktop/mobile/tablet and HbbTV
 - FTA broadcast audience up 2% YoY
 - 4.1 million streams
 - 4 out of every 5 streams live
 - 70% of viewing mobile
- Commercialisation of Red Fusion big data program
- Native advertising and programmatic driving new revenue streams
- Early stage investments completed
- New Chief Digital Officer started

HYBRID TV



Yahoo7

1HFY15 Review

- Growing revenue share +5% versus publishing peers¹
- VOD revenue up 89%, driven by high demand from audiences, platforms and advertisers
- Plus7 penetration growing with 1.5m downloads
- Extended Plus7 distribution, now available on 10 platforms
- Leveraging Yahoo's technology to grow new revenue streams
- Mobile audiences grew 35%
- Social media traffic driving increased engagement

YAHOO! 7



1: SMI data

OPERATING DIVISIONS | PUBLISHING

Newspapers

HYFY15 REVIEW

- Co-location of 7Perth and The West's newsroom on track to go live in 2H
- Western Australia's #1 news source in Print and Online, reaching 3 in 4 West Australians every month
- Advertising market impacted by challenging economic conditions in WA
- Newsgate CMS platform rolled out, beginning to yield operational efficiencies
- Integrated sales strategy launched, targeting increase share of customer wallet
- Cost program to deliver further savings in 2H



TELEVISION

SEVEN WEST MEDIA

NEWSPAPER

oneplace

Magazines

HYFY15 REVIEW

- Total Audience across all platforms up 30% YoY
- Advertising trend improving, decline in advertising slowed significantly
- Social and Native driving digital revenue growth at over 3x market growth
- Improved advertising market share
- Maintained category leadership
- Reviewing circulation strategy in light of softer market
- TV and Magazine integration continues to yield positive results
- Developing new revenue streams that leverage our audiences passion points
- Cost program to deliver further savings in 2H



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STRATEGY UPDATE

STRATEGY & OUTLOOK

Strategic focus. **Outlook for H2FY15**

Maintain leadership

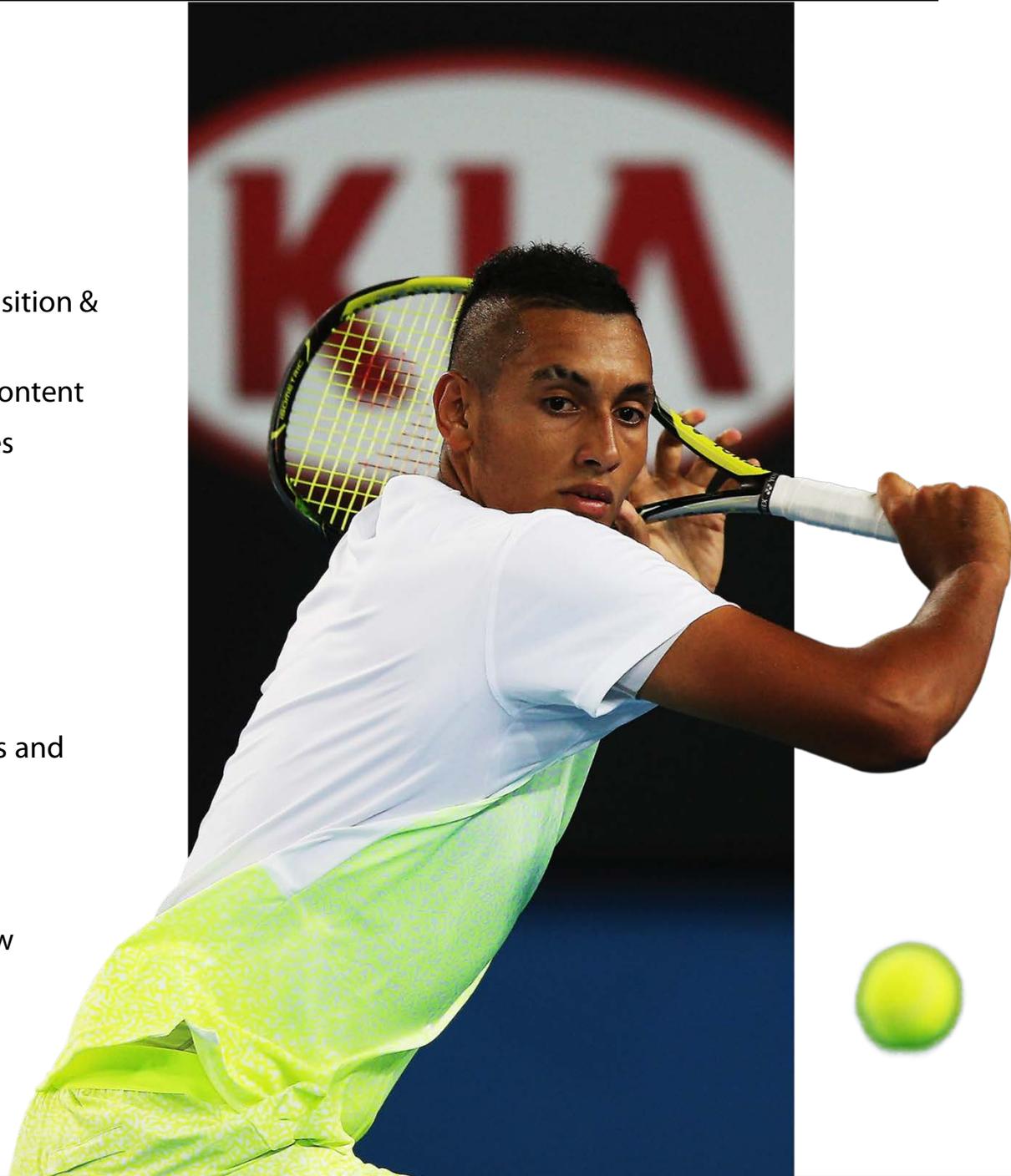
- Create the best content through production scale, acquisition & partnership
- Optimise platforms and data to drive audiences to our content
- Enhance digital offerings across all platforms and devices

Redefine operating model

- New management structure in place
- Director of TV Operations appointed

Fuel new growth

- Extend distribution of content through owned platforms and partnerships
- Invest in digital adjacencies
- Build live events portfolio
- Leverage promotional power of SWM assets to build new revenue streams





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QUESTIONS