PRIME MEDIA GROUP

Investor briefing
Full year result
Year ended 30 June 2015

Highlights: 2015 Financial Year

- Revenue from continuing operations of $258.8 million down 0.6% on prior year.
  - Audience growth: 1.7PP to 41.7 share*; and
  - Advertising revenue back 0.7% compared to market decline of 4.2%^.
- COST CONTROL: operating costs down $4.3 million or 7.4% on prior year.
- EBITDA of $66.9 million up 3.2% on prior year.
- Statutory net profit after tax : $35.6 million up 14.2% on prior year.
- NET DEBT continues to be a focus: $78.9M, down 26.2% on prior year.
- FINAL DIVIDEND: 3.0 cents per share fully franked.
  - * Source: Regional TAM All People 0600-2359 financial year survey
  - ^ Source: KPMG three aggregated markets of Northern New South Wales, Southern New South Wales and Victoria industry data.

PRIME MEDIA GROUP

Group Results – Statutory Net Profit After Tax

	FY15 $000	FY14 $000	Variance $000	Variance (%)
Revenue from continuing operations	258,813	260,277	(1,464)	(0.6%)
EBITDA	66,865	64,774	2,091	3.2%
Net Profit After Tax - Continuing operations	35,621	31,188	4,433	14.2%
Discontinuing operations (net of tax)	-	2,664	(2,664)	(100.0%)
Net profit after tax attributable to members	35,621	33,852	1,769	5.2%
Statutory earnings per share	9.7	9.2		
Final dividend cents per share (fully franked)	3.0	2.8		

PRIME MEDIA GROUP

Group Results – Core Earnings

	FY15 $000	FY14 $000	Variance $000	Variance (%)
Statutory NPAT continuing operations	35,621	31,188	4,433	14.2%
Statutory NPAT discontinued operations	-	2,664	(2,664)	(100.0%)
STATUTORY NPAT ATTRIBUTABLE TO MEMBERS	**35,621**	**33,852**	**1,769**	**5.2%**
SPECIFIC ITEMS				
Digital Restack Program non-cash revenue	(1,501)	-	(1,501)	(100.0%)
Gain on sale of surplus assets	(1,157)	(2,302)	1,145	49.7%
Redundancies	78	626	(548)	(87.5%)
Derecognise deferred tax assets – NZ Tax Losses	-	1,296	(1,296)	(100.0%)
Depreciation of decommissioning costs	-	604	(604)	(100.0%)
Fair value change in receivable – deferred contingent consideration	-	(493)	493	100.0%
Income tax benefit related to specific items	427	(188)	615	327.1%
Total non-core specific items after tax	**(2,153)**	**(457)**	**(1,696)**	**(371.1%)**
CORE NPAT	**33,468**	**33,395**	**73**	**0.2%**

PRIME MEDIA GROUP

TV Power Ratio

	FY15	FY14	Variance (PP)
Total revenue share*	42.2%	40.8%	1.4
Audience share^	41.7%	40.0%	1.7
Power ratio	**1.01**	**1.02**	0.01

** Total advertising 3AGG market - KPMG monthly shares*

^ Regional TAM: All people 6am to midnight for the period 1 July 2014 to 30 June 2015

PRIME MEDIA GROUP

Net Debt and Gearing

	June 15 $000	June 14 $000	Variance $000	Variance (%)
Net Debt	78,899	106,923	28,024	26.2%
EBITDA*	66,865	64,774	2,091	3.2%
Net interest expense	4,742	6,209	1,467	23.6%
Gearing Ratio	1.4	1.8	0.4	
Interest Cover	13.0	10.4	2.6	

*EBITDA based on last 12 months result

PRIME MEDIA GROUP

Outlook

- Audience share calendar year to 31 July 2015: 40.6 share points, up 0.6 share points*.
- Revenue share calendar year to 31 July 2015: 41.2 share points, up 0.8 share points^.
- National and local revenue both back in month of July 15.
- Subdued trading conditions for Q1 FY16.
- Underlying operating costs expected to be in line with CPI.
- One-off marketing costs to be incurred in the second half of FY16 in the lead up to the Rio Olympics.

* Source: Regional TAM All People 1800-2359 calendar year survey

^ Source: KPMG three aggregated markets of Northern New South Wales, Southern New South Wales and Victoria industry data calendar year 2015.