

TRADING UPDATE

Sydney, 1 November 2016

Prime Media Group Limited (ASX:PRT) provides the following trading update to the market:

The Company's total advertising revenue for the first quarter of the 2017 financial year in the three aggregated regional markets of New South Wales and Victoria¹ has improved 16.0% on the prior year quarter, compared to the regional market, which was flat during the same period.

PRIME Chief Executive Officer, Ian Audsley said:

"According to SMI data, Prime's national agency revenue share for the first quarter of the 2017 financial year peaked at 49.5%, following a successful Olympic broadcast. Prime's national sales team have once again delivered a strong result, particularly given the national advertising market was back 4.0% during the same period".

"While the first quarter result is encouraging, the combined one-off effect of both the Olympics broadcast in August and our competitors changing affiliations from 1 July has benefited Prime in this quarter. Prime's forward bookings for October through to December are also tracking above prior year levels, however we do not expect the trend to continue for the full year. History tells us that national advertisers bring forward their advertising campaign budgets in an Olympic calendar year and as a result we expect a softer second half result".

Mr Audsley added, "We continue to experience a decline in regional viewership, particularly viewers aged 25-54, which overall declined 9.0%² on the prior year quarter despite the Olympic broadcast".

"Prime expects its core net profit after tax for the half-year to 31 December 2016 to be between \$15.3 million and \$16.3 million. However, while it is too early to forecast the full-year result, the Company does not expect similar gains in the second half of the 2017 financial year."

The Company will further update the market in regard to the trading outlook at its Annual General Meeting on 22 November 2016.

For further information, please contact:

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¹ The 3 aggregated markets include northern NSW, southern NSW and regional Victoria

² RegTAM