

**Macquarie Media Management Limited**  
A Member of the Macquarie Group of Companies  
ABN 16 115 524 019  
AFS Licence No. 292297

**Macquarie Media Holdings Limited**  
ABN 91 116 024 536

**Macquarie Media International Limited**  
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28 October 2009

## **ASX RELEASE / MEDIA RELEASE**

### **Macquarie Media Group<sup>®1</sup> - 2009 Annual General Meeting**

Please find attached the presentation to be given by Macquarie Media Group (MMG) Chairman, Max Moore-Wilton and MMG Chief Executive Officer, Mark Dorney, at the MMG Annual General Meeting which will be held at 11:00am today in Sydney.

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<sup>1</sup> Registered trademark of Macquarie Group Limited

None of the entities noted in this document is an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities.



**Macquarie Media Group** <sup>®1</sup>  
**2009 Annual General Meeting Presentation**



<sup>1</sup>Registered trademark of Macquarie Group Limited

28 October 2009



# DISCLAIMER

## DISCLAIMER

Macquarie Media Group (MMG) comprises Macquarie Media Trust (ARSN 116 151 467) (MMT), Macquarie Media Holdings Limited (ABN 91 116 024 536) (MMHL) and Macquarie Media International Limited (EC 37694, ARBN 118 577 423) (MMIL). Macquarie Media Management Limited (ABN 16 115 524 019) (AFS Licence No. 292297) (MMML) is the responsible entity of MMT and manager of both MMHL and MMIL. MMML is a member of the Macquarie Group of companies.

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# Agenda



Chairman's Overview



CEO's Report



Resolutions



Closure of Meeting



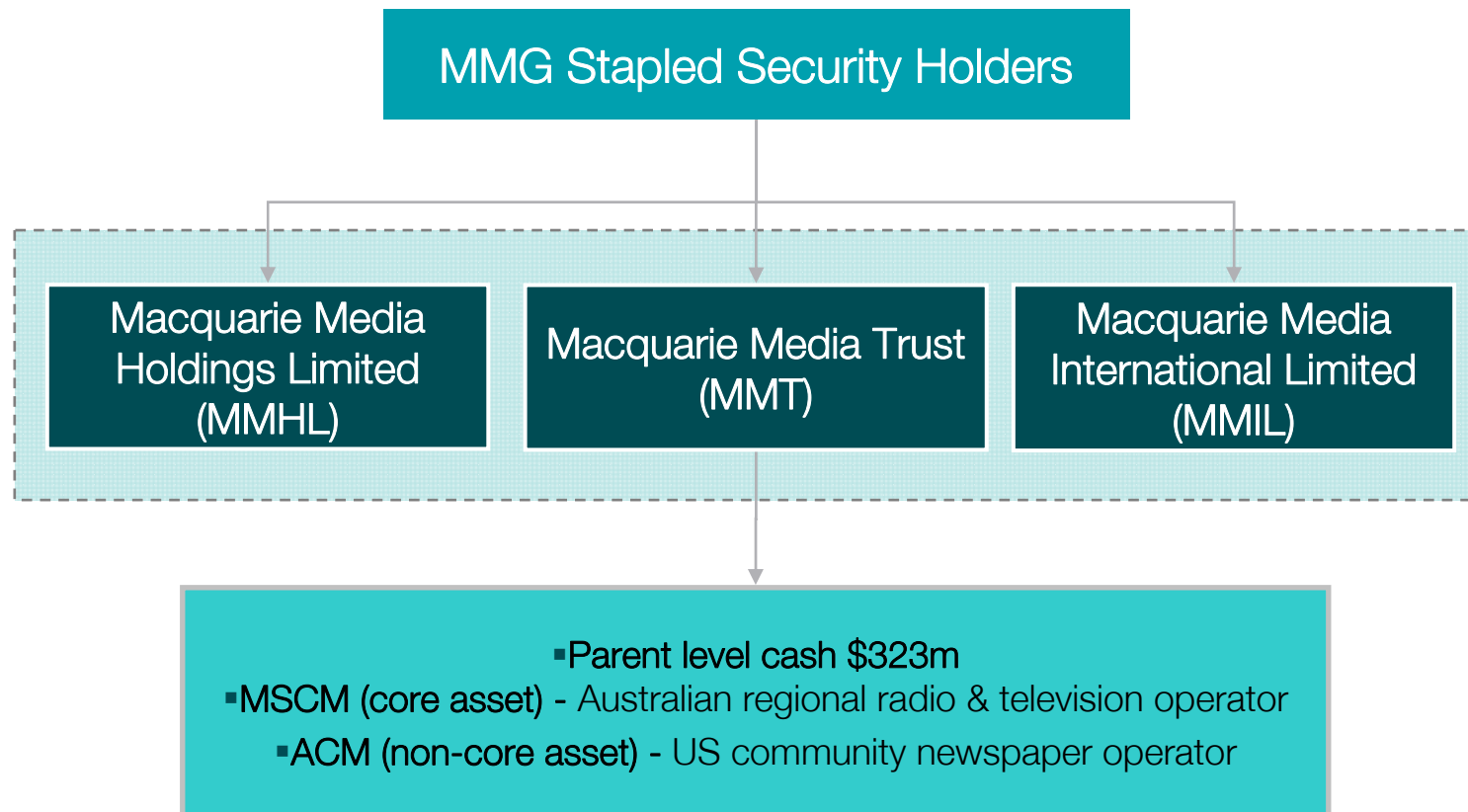
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# Chairman's Overview

Max Moore-Wilton  
Chairman



# MMG's Stapled Security Structure





# MMG Board and Management

- **Macquarie Media Holdings Limited (MMHL) and Macquarie Media Management Limited (MMML) Board:**

Max Moore-Wilton

Chairman

Leon Pasternak

Independent Director

Tony Bell

Independent Director (Lead)

Chris de Boer

Independent Director

Michael Carapiet

Executive Director (MMML only)

- **Macquarie Media International Limited (MMIL) Board:**

Michael Hamer

Independent Chairman

Bob Richards

Independent Deputy Chairman

Max Moore-Wilton

Director

Michael Leverock

Independent Director

- **MMG Management:**

Mark Dorney

Chief Executive Officer

Liam Buckley

Chief Financial Officer



## Summary

- FY09 Proportionate Earnings per security 30.2c
  - Media Operations Revenues down 6.7% vs pcp (ex licence rebates)<sup>1</sup>
  - Media Operations EBITDA down 12.4% vs pcp (ex licence rebates)<sup>1</sup>
- FY09 Underlying Business Performance
  - Macquarie Southern Cross Media (MSCM) (83% of media operations EBITDA)
    - FY09 operating revenues down 6.1% and EBITDA down 9.3% vs pcp (ex licence rebates)<sup>1</sup>
  - American Consolidated Media (ACM) (17% of media operations EBITDA)
    - FY09 operating revenues down 8.6% and EBITDA down 24.8% vs pcp
  - Challenging advertising environment in Australia and the US impacted businesses in FY09, yet continued to outperform metropolitan peers in key categories
- Repositioning of MMG announced on 28 October 2009 which includes:
  - Entitlement offer with net proceeds and available parent level cash to be applied to reduce net debt in MSCM
  - Proposal to internalise the management of MMG
  - Proposal to simplify the corporate structure of MMG by converting into a single holding company

1. Television revenues recorded above excludes the accounting impact of government licence fee rebates provided in connection with the conversion to digital television broadcasting. Rebates were \$2.2 million for the 12 months ended 30 June 2009 and \$12.2 million for the 12 months ended 30 June 2008





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# CEO's Report

Mark Dorney  
Chief Financial Officer



# Repositioning Australia's largest regional radio and television business

## Equity Capital Raising

### 1

- Announced underwritten \$294 million capital raising by way of a 1 for 1 single bookbuild accelerated renounceable entitlement offer
- 1 new MMG stapled security for every 1 existing MMG stapled security held at the Record Date (7.00pm AEST, Monday 2 November 2009)
- Entitlement Offer price of \$1.55 per stapled security
  - 38% discount to last closing price<sup>1</sup> of \$2.50 per security
  - 23% discount to Theoretical Ex-Rights Price<sup>2</sup> of \$2.03 per security
- Net proceeds of Entitlement Offer and available parent level cash will be applied to reduce MSCM debt and fund Internalisation payment (should it proceed)
  - MSCM debt to be reduced from \$873m to \$318m assuming Internalisation occurs
- Macquarie has committed to take up its entitlement in respect of its 24.8% principal holding in full<sup>3</sup>
- Further details regarding the MMG initiatives described are set out in the Investor Information Booklet lodged by MMG with ASX
- All buy-back programs have been terminated

1. As at 27 October 2009

2. Theoretical Ex-Rights Price is the theoretical security price post the Entitlement Offer which is weighted for MMG's market capitalisation immediately before the announcement and the value of the new MMG securities to be issued under the Entitlement Offer which are issued at a discount

3. Macquarie has a principal holding of 47.0 million MMG securities (24.8% of MMG securities on issue as at 23 October 2009). This principal holding is held by the Macquarie Capital business division of Macquarie (through MMML and Macquarie Capital Group Limited)



# Repositioning Australia's largest regional radio and television business

Equity  
Capital  
Raising

Internalisation

2

- MMG and Macquarie have agreed terms to internalise the management of MMG for total cash consideration of \$40.5 million subject to certain conditions being satisfied
  - Termination of all management rights including MSCM asset advisory agreement
  - Transitional services to be provided by Macquarie until December 2010 and, if MMG elects, on a cost-plus 15% basis for up to 3 months thereafter
  - Management fees continue to be payable up to completion of Internalisation
- The Independent Expert (Ernst & Young Transaction Advisory Services Limited) has concluded that the proposal is fair and reasonable to MMG security holders other than Macquarie and its associates
- Independent Directors of MMG intend to unanimously recommend that security holders vote for the Internalisation subject to the Independent Expert not withdrawing or changing its recommendation and no superior proposal arising
- Consideration evaluated by Independent Board Committees (IBC) and its Financial Adviser (RBS Corporate Finance (Australia) Limited) against a range of benchmarks and reflects negotiations on the value to both parties of the management fees and the costs of supplying management services
- Explanatory Memorandum and Notices of Meeting expected to be sent to security holders in November 2009 for security holders to vote at Special General Meetings in late December 2009. MMG reserves the right to vary the timetable.



# Repositioning Australia's largest regional radio and television business

Equity  
Capital  
Raising

Internalisation

Corporati-  
sation

3

- MMG proposes to simplify its corporate structure by converting from a triple stapled structure to a single holding company
- Rationale for proposed Corporatisation includes:
  - Creating a simplified structure that may have greater appeal to a broader range of investors
  - Potential to reduce head office costs due to reduced administrative complexity
  - Unification under one Board of Directors, providing for a simpler governance structure
  - Simplified financial reporting requirements
- Proposed post-Corporatisation dividend payout ratio of approximately 40% to 60% of Adjusted NPAT (subject to prevailing circumstances, board discretion and available profits)
- MMG Boards intend to unanimously recommend security holders vote in favour of the Corporatisation



# Macquarie Southern Cross Media

## September quarter trading update

- Preliminary management estimates of the financial performance of MSCM for the quarter ended 30 September 2009 indicate that MSCM's revenue and EBITDA declined at a lower rate than experienced in the 6 months to 30 June 2009
- MSCM TV national advertising revenues have declined at a lower rate than experienced in 2HFY09
- MSCM Radio national advertising revenues yet to recover
- 1Q FY10 MSCM Revenues down 5.6% and EBITDA down 5.1% vs pcp



# American Consolidated Media

## September quarter trading update

- 1Q FY10 Revenue down 15.8% and EBITDA down 21.1% on pcp
- As announced on 13 October 2009, based on preliminary management estimates, it is expected that ACM will not comply with the leverage covenant when it files its unaudited management accounts for the trailing twelve months to 30 September 2009 with ACM's lenders on or before 30 November 2009
- While US audit procedures on the accounts for ACM for the year to 30 June 2009 are still being finalised, based on ACM's expected non-compliance with the September 2009 leverage covenant and the uncertainty around its ability to extend or refinance the ACM Facility which matures on 29 June 2010, management expects that any audit report issued on the US GAAP accounts will include a "going concern" or like qualification which would also not comply with covenants under the ACM Facility, when filed with ACM's lenders on or about 28 October 2009 (US time).
- MMG has no plans to provide any parent level cash injections or other financial support or guarantee to ACM or its lenders.
- Discussions are ongoing with ACM's lenders in relation to ACM's request for the necessary amendments or waivers of the existing covenants and for an extension to the maturity date of the ACM Facility
- ACM comprised less than 17% of MMG's operating EBITDA in the year to June 2009 and is considered a non-core investment.



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Resolutions



## Business Summary of Resolutions

- Resolutions:
  - adoption of Financial Accounts and Reports (MMIL)
  - adoption of Remuneration Report (MMHL)
  - re-appointment of auditor (MMIL)
  - re-election of directors (MMHL and MMIL)
  - approval of issues of stapled securities in the last 12 months (MMHL, MMIL and MMT)
  - approval of amendment to the bye-laws of MMIL (MMIL)





# Adoption of 2009 Financial Accounts and Reports

## MMIL Resolution 1:

- To receive, consider and adopt the Financial Report of MMIL and the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2009



# Remuneration Report

## MMHL Resolution 1:

- That MMHL adopt the Remuneration Report included in MMHL's Directors' Report for the financial year ended 30 June 2009



# Re-appointment of auditor

## MMIL Resolution 2:

- That PricewaterhouseCoopers be re-appointed as auditor of MMIL and that the directors be authorised to determine the auditor's remuneration



# Re-election of Anthony Edward Bell

## MMHL Resolution 2:

- That Anthony Edward Bell be re-elected as a director of MMHL
  - Managing Director of Southern Cross Broadcasting (Australia) Limited from 1993 to 2007
  - Former Chairman and Director of Commercial Radio Australia
  - Former Director of Free TV Australia
  - Former Chairman of Regional Broadcasters Australia



# Re-election of E. Michael Leverock

## MMIL Resolution 3:

- That E. Michael Leverock be re-elected as a director of MMIL
  - Director and Chief Operating Officer of Bermuda Digital Communications Ltd
  - Founder of Global Access Bermuda



## Approval of issues of stapled securities in the last 12 months

### MMHL Resolution 3 / MMIL Resolution 4 / MMT Resolution 1:

- That approval be given for all purposes (including ASX Listing Rule 7.4 and, in the case of MMT, ASIC Class Order 05/26), to issues of stapled securities (including shares in MMHL and MMIL, and units in MMT) which have occurred in the 12 months prior to the date of this meeting



# Approval of amendment to the bye-laws of MMIL

## MMIL Resolution 5:

- That Articles 63 and 64 of the bye-laws of MMIL be deleted in their entirety and replaced with new Articles 63 and 64 in the form set out in the Notices of Meeting



# Proxy Votes

## MMHL

	FOR	AGAINST	OPEN	ABSTAIN
Resolution 1	67,113,139	22,898,660	926,510	613,280
Resolution 2	82,614,857	7,369,219	923,237	644,276
Resolution 3	89,252,135	478,493	934,967	648,837

## MMIL

	FOR	AGAINST	OPEN	ABSTAIN
Resolution 1	89,873,533	114,497	926,115	637,444
Resolution 2	90,012,918	45,884	920,237	572,550
Resolution 3	88,601,948	1,380,071	923,377	646,193
Resolution 4	89,254,401	469,274	916,237	674,520
Resolution 5	89,754,270	185,542	925,470	686,307

## MMT

	FOR	AGAINST	OPEN	ABSTAIN
Resolution 1	88,882,265	465,564	1,244,820	719,683





**Macquarie Media Group** <sup>® 1</sup>  
**2009 Annual General Meeting Presentation**



<sup>1</sup>Registered Trademark of Macquarie Group Limited

28 October 2009