ASX / MEDIA RELEASE
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FY2010 OPERATING NPAT RESULT OF $89.5 MILLION

SYDNEY: Consolidated Media Holdings Limited (CMH) (ASX: CMJ) announces today an Operating Net Profit After Tax (**NPAT**) result for the 2010 financial year of $89.5 million, up 27.2 per cent or $19.1 million on the Operating NPAT result for the 2009 financial year ($70.4 million).

The 2010 and 2009 Operating NPAT results have been adjusted to exclude the non-recurring items relating to the non-core assets sold during the year (SEEK, the investment property) and the comparative result for PBL Media from the 2009 financial year. Including these abnormal items, CMH reports a Statutory NPAT result this year of $392.0 million, down 8.2 per cent on the 2009 result ($427.0 million).

The adjusted CMH NPAT result is the best indicator of the company's continuing business and reflects the improvement in the equity accounted contributions from the company's subscription television investments; the solid interest revenue result from the company's substantial cash holdings; the company's relatively low corporate head office costs; and a reduced income tax expense.

CMH's subscription television investments – FOXTEL and Premier Media Group (**PMG**) – contributed $84.0 million to the NPAT result this year, an improvement of 8.3 per cent on the 2009 result ($77.5 million). FOXTEL's contribution of $29.9 million reflects a $5.1 million improvement on its contribution in 2009 ($24.8 million), driven again this year by a strong average revenue per user (or **ARPU**) result. PMG's contribution of $54.0 million reflects a $1.2 million improvement on its contribution in 2009 ($52.8 million).

CMH received cash distributions from its subscription television investments of $65 million during the year (FY2009: $70 million). FOXTEL declared a further dividend in June 2010, which will see CMH receive $30 million in cash from FOXTEL before the end of September 2010.

The cash distributions added to the company's already significant cash reserves during the year, following the sale of the company's non-core assets announced in August 2009.

CMH has focused this year on its capital management initiatives, to maximise the interest earnings on its cash holdings and to distribute its surplus cash to shareholders in an efficient and effective manner.

CMH earned $12.0 million of interest revenue on its cash holdings during the year (FY2009: $4.5 million).

To distribute surplus cash to shareholders, CMH completed an on-market share buy-back during the first half of the 2010 financial year. CMH used $210.9 million of its surplus cash to buy-back 10 per cent of its shares, reducing the company's shares on issue to 620.7 million shares at December 1, 2009.

After obtaining the approval of shareholders at a specially convened general meeting of the company on Friday May 28, 2010, CMH commenced a second buy-back (the **2010 Buy-Back Program**) on June 25, 2010. CMH has committed to spend only its Surplus Cash, or $225 million, on purchasing shares under the 2010 Buy-Back Program, and is permitted to buy back up to a maximum number of 73,770,492 of its shares on issue with the Surplus Cash.

As CMH bought back almost 24 million in June 2010 for $77.8 million (excluding brokerage and other costs), CMH has shareholder approval to purchase up to 49,819,730 shares with the remaining balance of its Surplus Cash of just over $147 million.

Subject to market conditions, and in the absence of an acquisition opportunity, CMH may resume buying back shares under the 2010 Buy-Back Program once the blackout period under its Securities Trading Policy lifts next Monday August 23.

Executive Chairman Mr John Alexander said of CMH's performance this year:

> *"Today CMH reports another solid Operating NPAT result in what has certainly been an active year for the company.*
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> *The equity accounted contribution this year from our subscription television investments improved 8.3 per cent year-on-year to $84.0 million.*
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> *The underlying performance of each of our subscription television investments was pleasing, with FOXTEL and PMG both reporting improvements in earnings for the 2010 financial year in a challenging retail environment. FOXTEL released its results to the market on August 12, and reported an EBITDA result of $477 million, up 17.5 per cent on the 2009 result ($406 million). PMG EBITDA improved to $153 million (FY2009: $152 million).*
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> *FOXTEL's profit before tax (**PBT**) result reflected a 17.5 per cent improvement to $159 million, with PMG's PBT flat on FY2009 at $144 million.*
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> *The sale of our non-core assets provided the company with a substantial cash balance and considerable flexibility this year.*
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> *Our capital management initiatives to maximise the returns from our cash holdings this year has resulted in interest revenue of $12.0 million for the year.*
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> *We have also acted to distribute our surplus cash this year in the most efficient and effective manner for both the company and our shareholders via two on-market share buy-backs. We have bought-back on market nearly 93 million of our shares this year and, in the absence of an acquisition opportunity and subject to market conditions, we will resume the 2010 Buy-Back Program until we have utilised our remaining surplus cash balance of $147 million.*
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> *I am pleased to report that our operating earnings per share this year improved by 3.74 cents per share to 13.95 cents per share. Total shareholder returns, including dividends paid on pay date and reinvested in CMH shares - were 47.6 per cent.*
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> *The directors have declared an unfranked dividend of 6 cents per share, payable to shareholders on our register at the record date – or October 1, on Friday October 15. This takes total dividends declared for the 2010 financial year to 16.5 cents per share, in line with the dividends declared for the 2009 year.*
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> *For the majority of our shareholders, this reflects a dividend yield at June 30 of well over 5 per cent, better than many of our media peers."*

An overview of the performance of each of CMH's investments follows.

FOXTEL

CMH has a 25 per cent interest in FOXTEL. CMH's partners in FOXTEL are Telstra Corporation (with 50 per cent) and News Corporation (with 25 per cent).

For the year ended June 30, 2010, FOXTEL reported a 17.5 per cent increase in EBITDA to $477 million (FY2009: $406 million).

The solid EBITDA result was supported by the continued uptake by existing and new subscribers of the varied FOXTEL innovative offerings (iQ, High Definition, Multi-Room). At June 30, 2010 ARPU exceeded $92, up $6 on ARPU at June 30, 2009.

At June 30, 2010 FOXTEL had a subscriber base of over 1.63 million householders. Around 60 per cent of these households (or more than 950,000 homes) had upgraded to an IQ box.

FOXTEL churn for the full year to June 30 of 13.5 per cent was largely in line with FY2009 (13.3 per cent), with the rate of churn improving in the second half of the 2010 financial year by 0.4 per cent to an annualised rate of 13.3 per cent.

The FOXTEL PBT result of $159 million for the 2010 financial year also improved by more than 17 per cent on FY2009 ($135 million).

Total revenue increased by $181 million to $2.02 billion in FY2010, and included a 9.5 per cent increase in subscriber revenue to $1.71 billion (FY2009: $1.56 billion).

FOXTEL continues to innovate and develop its product offering to consumers and subscribers. FOXTEL has confirmed that by the end of the 2010 calendar year, it will be providing around 780,000 of its IQ customers with access to a library of on-demand movies and television shows via deployed internet-enabled IQ boxes.

FOXTEL is available on Telstra Mobile FOXTEL, online via FOXTEL Download, on the Virgin Blue Jet Fleet, and will be available on Xbox later this calendar year.

PREMIER MEDIA GROUP

CMH has a 50 per cent investment in PMG. PMG is jointly owned by CMH and News Limited.

PMG's EBITDA result this year grew to $153 million, a 1.2 per cent or more than $1 million improvement on 2009 ($152 million). PMG's PBT was flat year-on-year at $144 million (FY2009: $144 million). PMG's year-on-year EBITDA result includes the impact of $6 million non-recurring gains recorded in FY2009.

PMG's Total Revenue result of $447 million was up 2.9 per cent on the 2009 result ($434 million), reflecting an improvement in subscriber revenues of 1.5 per cent to $320 million (FY2009: $315 million) and an improvement in net advertising revenues of 9.4 per cent to $70 million (FY2009: $64 million).

The comparison of PMG's FY2010 revenue and EBITDA result to the FY2009 results is adversely impacted by movements in exchange rates.

PMG continued this year to acquire, produce and offer a compelling range of sporting content to subscription television subscribers. PMG continues to focus on acquiring compelling sporting content to offer viewers, and this year renewed the exclusive broadcast rights for a number of popular sports including the English Premier League and SANZAR Rugby.

CMH recorded a $54.0 million equity accounted profit on its investment in PMG, an improvement of $1.2 million on the 2009 result ($52.8 million).

CMH received $40 million in cash distributions from PMG during the year, down slightly on 2009 ($45 million).

DIVIDEND

The directors have declared a full year FY2010 dividend of 6.0 cps, unfranked, which will be paid to those shareholders on the company's register on the record date of October 1, 2010.

The dividend will be paid to shareholders on October 15, 2010, taking total dividends declared for the 2010 financial year to 16.5 cps (FY2009: 16.5 cps).

There is no conduit foreign income component to the unfranked portion of the full year dividend.

ENDS

COPIES OF RELEASES

Copies of previous media and ASX announcements issued by CMH are available at CMH's website at www.cmh.com.au.