

## Announcement to the Australian Securities Exchange 18 June 2010

### World Wide Entertainment Group Limited trading update

World Wide Entertainment Group Limited today issued a forecast trading result for the financial year ending June 30, 2010. The forecast revenue, EBITDA and profit figures are shown in the table below. Included in the table are comparatives from the previous financial year.

	<b>2009 Actual</b>	<b>2010 Forecast</b>
Revenue	8.92	5.50 - 5.60
EBITDA	4.07	1.20 - 1.30
Profit for the year	0.47	(4.30 - 4.40)

*\* all values in millions of Australian dollars*

The key reasons for the fall in revenue and profitability are:

- unfavourable trading conditions in the world's media markets directly impacting sales;
- reducing the balance sheet value of the programming library by \$1.7 million through an impairment charge included in the loss above; and
- increasing the provision for doubtful debts of \$1.1 million included in the loss above.

In March 2009, sales volumes for the Company fell dramatically. Investment in programming by the Company's clients continues to be conservative and at lower levels than experienced before the financial crisis. Furthermore, as a result of tight credit conditions in many countries, World Wide experienced a higher level of bad debts during the year and will accrue a larger provision in this financial year than in previous years.

Following the fall in sales, the Directors and Management of the Company moved quickly to reduce costs as a result of the downturn in trading conditions. Costs were reduced by approximately 30%.

As a result of trading conditions, the Company is in breach of the interest cover banking covenant. The banking facilities were renewed in May 2010.

With increased investment in the sales team and growth returning to world media markets, Directors and Management are hopeful of a return to growth over the next 12 months. Due to uncertainty in the speed of the recovery in its markets, World Wide will not release forecasts for next financial year.

All enquiries should be directed to Jonathan Hutchings, Managing Director on 03 52255400.



Jonathan Hutchings  
Managing Director