



**CONSOLIDATED
MEDIA
HOLDINGS**

2012 Full Year Results

Consolidated Media Holdings Limited
ABN 52 009 071 167

(ASX:CMJ)

FOXTEL

FOXSPORTS
AUSTRALIA'S SPORTS LEADER

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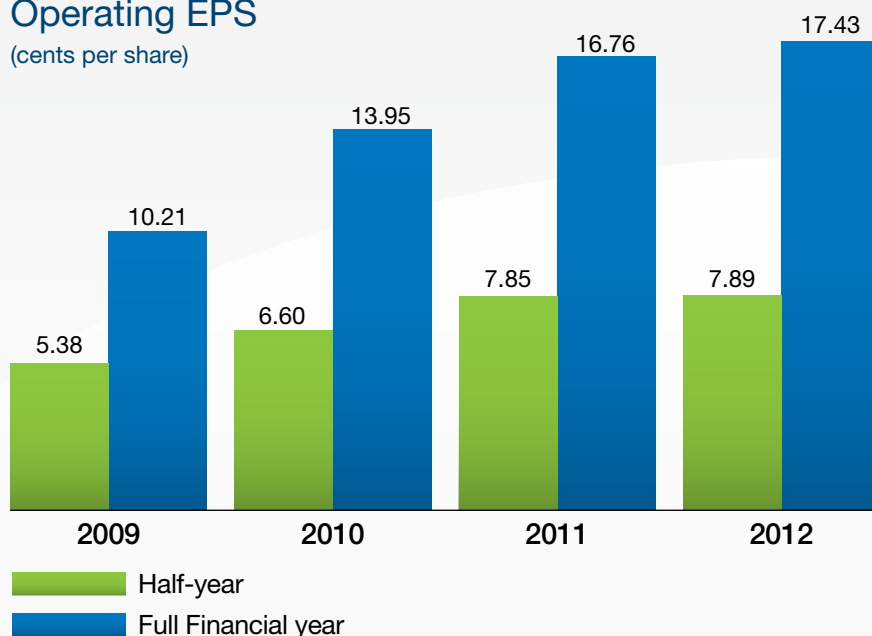
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21 August 2012

CMH – FY12 highlights

Operating EPS

(cents per share)



Statutory EPS from Continuing Operations

	2009	2010	2011	2012
Half-year	55.46	5.63	7.82	7.50
Financial year	60.28	12.96	17.83	15.27

Operating EPS is calculated by dividing Operating NPAT by the EPS number of shares. Operating NPAT provides the best reflection of the Company's underlying assets and structure. Statutory NPAT and Statutory EPS includes the impact of the Company's specific items, and in FY12 the impact of the AUSTAR transaction late in the year.

- > Operating EPS of 17.43 cents per share up 4 per cent (FY11: 16.76 cents per share).
- > Statutory EPS of 15.27 cents per share down 14 per cent (FY11: 17.83 cents per share).
- > Operating NPAT of \$97.9m up 2 per cent (FY11: \$95.6m).
- > Statutory NPAT of \$85.8m down 16 per cent (FY11: \$101.7m).

Overview of the FY12 results

Operating NPAT of \$97.9m up 2 per cent

- > Reported NPAT of \$85.8m reflects a decline of 16 per cent on FY11 (\$101.7m) and includes:
 - A net loss of \$5.1m being CMH's share of the AUSTAR related items for the period Foxtel owned it;
 - The \$4.8m cost of the financing facility CMH used to fund its share of Foxtel's acquisition of AUSTAR; and
 - \$2.3m of costs arising from contractual matters put in place when PBL demerged in 2007 (FY11: \$0.9m)
- > The Operating NPAT variance to FY11 is predominantly due to improved profit from Foxtel, with a higher accounting tax benefit offsetting the fall in interest income.

Pay-TV assets FY12 performance impacted by tough consumer conditions

- > Solid profit improvements for Foxtel for the year reflecting the strength of the subscription business model.
- > AUSTAR transaction completed in May 2012, with significant costs savings already realised.
- > Small increase in subscriber numbers during the year with net subscriber additions a key focus for Foxtel's management team.
- > FSA's investment in key sports content and broadcast quality is targeted at stimulating subscriber interest.

Investments and cash

- > CMH has announced a final dividend of 6 cents per share fully franked (FY11: 6 cents per share unfranked), to be paid to those shareholders on the register on Friday September 28, on Friday October 5, 2012.
- > CMH received its first cash distribution from SEEKAsia in February 2012 of \$0.2m, with a further \$0.5m declared in June 2012 and received in July 2012.
- > At 30 June 2012, CMH has \$86m of cash on hand and net debt of \$141m.

Foxtel's acquisition of AUSTAR

- > Had it been in existence throughout FY12, the combined Foxtel and AUSTAR group would have generated revenues of almost \$3.0 billion and EBITDA (before one-off items) of almost \$0.9 billion.
- > The combined Foxtel and AUSTAR group finished the year with 2.30 million subscribers.
- > Foxtel has already delivered over \$40 million in annualised cost savings from the acquisition with more cost savings expected.

Pro forma Foxtel results (includes AUSTAR and XYZ Networks for full year)

\$millions	Foxtel (metro)	AUSTAR	XYZ Networks	Eliminations	Sub-Total	Transaction & Integration costs	Total
Revenue	2,220	721	158	(145)	2,954	—	2,954
Expenses	(1,622)	(455)	(157)	145	(2,089)	—	(2,089)
EBITDA (before one-off items)	598	266	1	—	865	—	865
One-off items	(30)	(6)	—	—	(36)	(56)	(92)
EBITDA	568	260	1	—	829	(56)	773

The pro forma Foxtel results include the results of the AUSTAR and XYZ Networks businesses for the full year.

Transaction and integration costs include costs incurred by both Foxtel and AUSTAR.

No other pro forma adjustments have been made.

Impact of AUSTAR in FY12

Foxtel FY12 results (includes AUSTAR for five weeks)

\$millions	Foxtel (metro)	AUSTAR (inc XYZ)	Eliminations	Transaction & Integration Costs	Total
Revenue	2,220	95	(14)	—	2,301
Expenses	(1,622)	(64)	14	—	(1,672)
EBITDA (before one-off items)	598	31	—	—	629
One-off items	(30)	(6)	—	(35)	(71)
EBITDA	568	25	—	(35)	558
Depreciation & Amortisation	(299)	(10)	—	(8)	(317)
EBIT	269	15	—	(43)	241

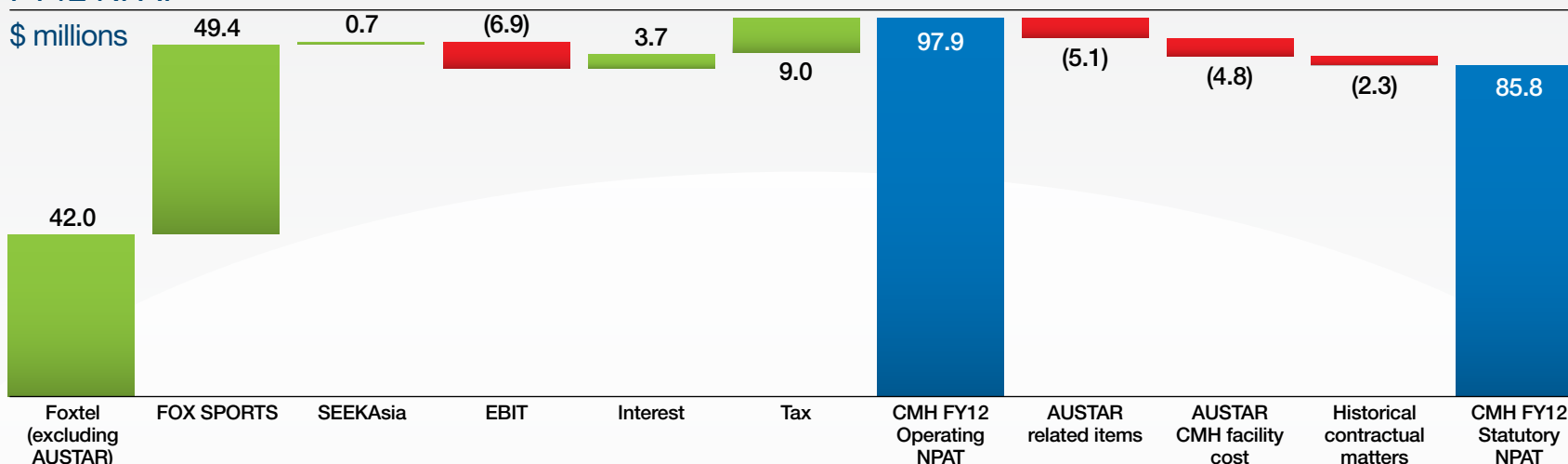
The Foxtel FY12 result includes AUSTAR for the period from completion (23 May 2012) until 30 June 2012 only.

Transaction and integration costs include transaction costs incurred by Foxtel and integration costs incurred after completion only.

- > In FY12, Foxtel included AUSTAR's result for five weeks only, from completion of the transaction on 23 May 2012 until 30 June 2012.
- > Foxtel was required to expense \$35m in transaction and integration costs in relation to the AUSTAR transaction.
- > Foxtel's provisional accounting identified \$271m of amortising intangibles, of which \$8m was amortised in the five week period Foxtel owned AUSTAR in FY12.
- > Foxtel's net debt is now \$2.2 billion, with interest on the incremental debt for the five weeks Foxtel owned AUSTAR, as well as facility availability fees prior to completion also affecting the combined result.
- > CMH picked up its after-tax share of these items in its Statutory NPAT, but excluded them from its Operating NPAT to facilitate comparison of the Foxtel metro results with prior years.
- > In the following slides Foxtel refers to the Foxtel metro business only.

Pay TV assets contribution formed the bulk of the FY12 results

FY12 NPAT



FOXTEL

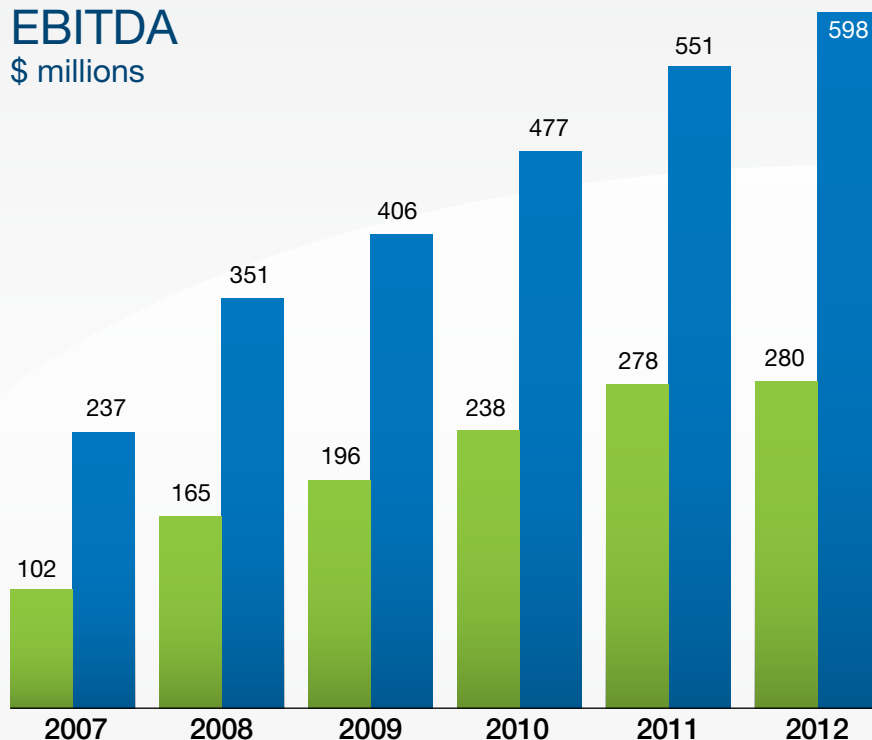
- > CMH equity accounted result of \$42.0m (post-tax).
- > Up 12 per cent on FY11 (\$37.6m).
- > \$60m cash distributions received in FY12, including over \$5.7m in Subordinated Note interest.
- > FY11 cash distributions received of \$65m included \$30m declared in FY10.

FOX SPORTS Australia

- > CMH equity accounted result of \$49.4m (post-tax).
- > Down 4 per cent on FY11 (\$51.5m).
- > \$45m in distributions received in FY12 (FY11: \$60m)

Foxtel results – EBITDA growth continues

EBITDA
\$ millions



EBITDA is for the Foxtel metropolitan business only and excludes one-off items

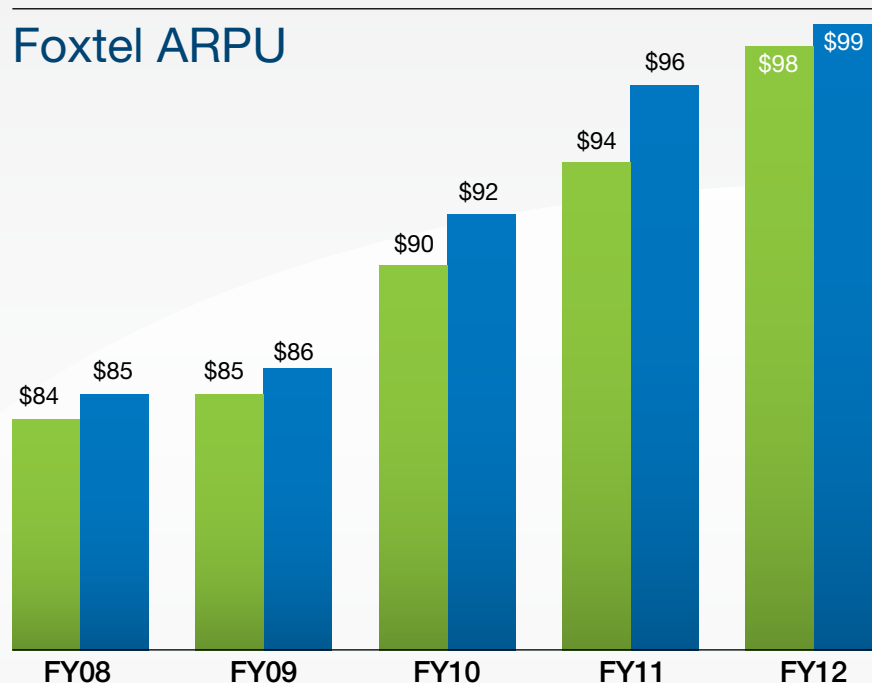
Half-year
Full Financial year

- > Total revenues of \$2,220.3m up 4 per cent (FY11: \$2,142.4m).
- > Subscription revenues of \$1,907.4m up 5 per cent (FY11: \$1,808.6m).
- > EBITDA of \$597.7m up 9 per cent (FY11: \$550.6m). EBITDA including one-off items was \$567.7m, up 3 per cent FY11.
- > PBT (including one-off items) of \$227.5m up 14 per cent (FY11: \$200.0m).

Information on this slide excludes the impact of Austar.

Foxtel results – KPIs improve

Foxtel ARPU



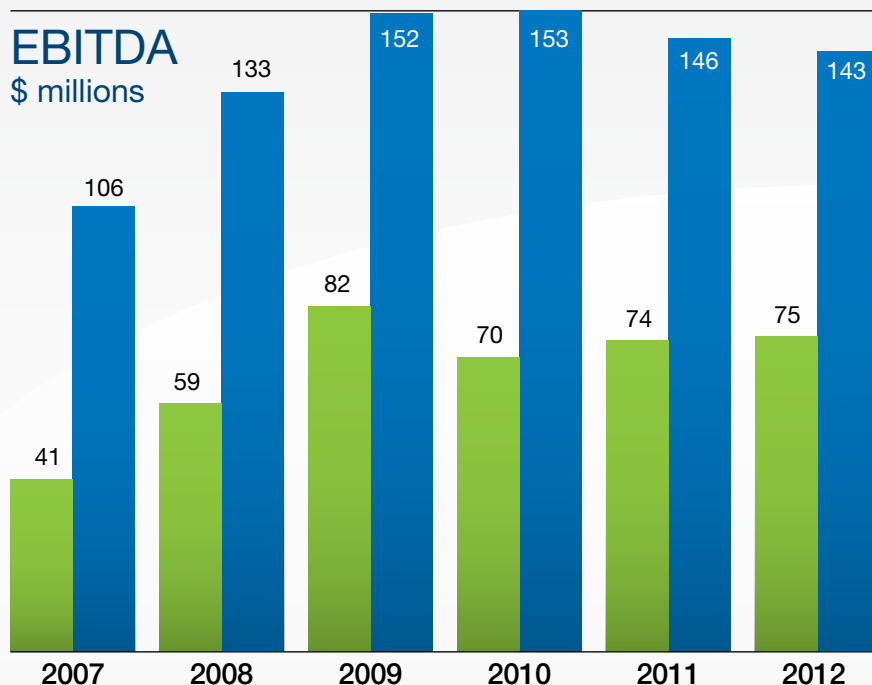
Recurring monthly average revenue per user per month as at



- > Recurring monthly ARPU at 30 June 2012 reached \$99 per user, up from \$96 at 30 June 2011.
- > Subscriber quality remained high for the year:
 - 41 per cent of subscribers have subscribed to Foxtel's premium offering – Platinum (FY11: 42 per cent).
 - 43 per cent of subscribers have subscribed for the Multi-Room product (FY11: 40 per cent).
 - 79 per cent of subscribers now have the iQ (FY11: 73 per cent).
 - 42 per cent of subscribers have HD (FY11: 31 per cent)
- > Foxtel's subscriber base of 1.68m grew modestly during the year (FY11: 1.65m).
- > Churn of 13.2 per cent for the year back to historical levels, but up on FY11 (12.5 per cent).

Information on this slide excludes the impact of Austar.

FSA results - EBITDA under pressure

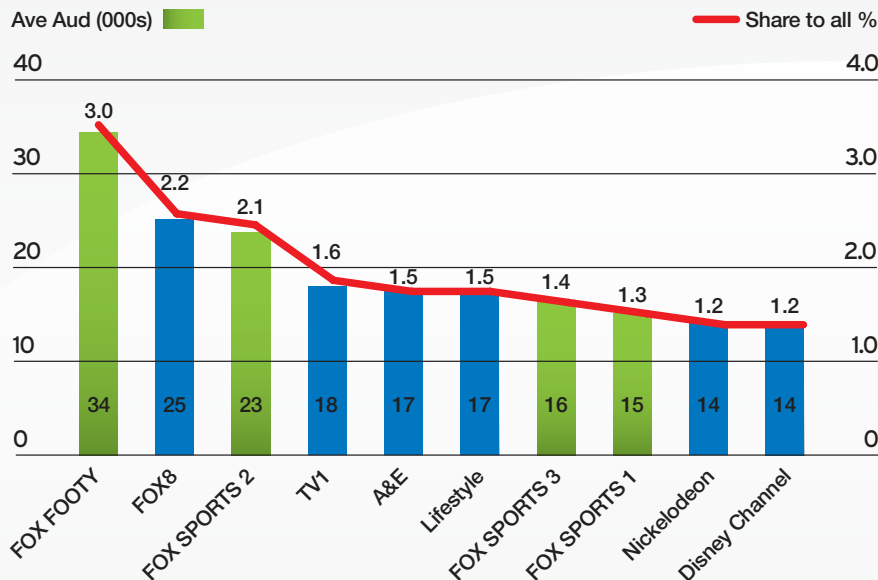


- > Total revenues of \$498.1m up 5 per cent (FY11: \$475.1m).
- > Subscriber revenues of \$348.8m up 2 per cent (FY11: \$340.3m).
- > Advertising revenues \$87.1m up 17 per cent (FY11: \$74.5m).
- > Other revenues \$62.1m up 3 per cent (FY11: \$60.2m).
- > Operating expenses \$354.7m up 8 per cent (FY11: \$329.2m).
- > EBITDA of \$143.4m down 2 per cent (FY11: \$145.9m).
- > PBT of \$134.0m down 2 per cent (FY11: \$136.9m).

Half-year
Full Financial year

FSA results – Broadcast quality to drive subscriptions

FOX SPORTS Australia accounts for 4 of the top 10 rating STV channels



Top 10 STV Channels 25/3/2012 – 5/8/2012

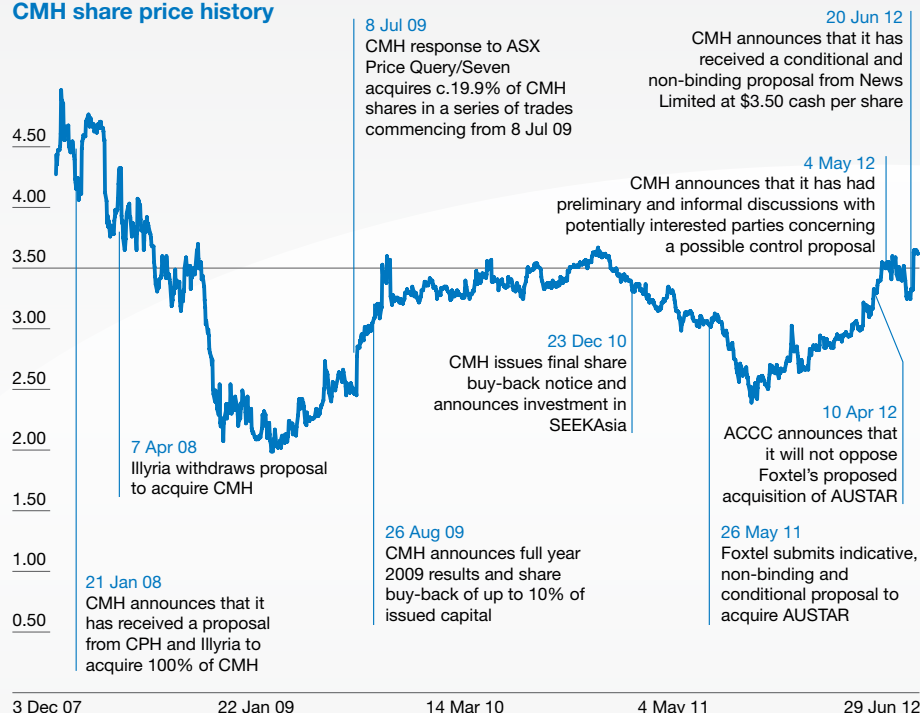
- > Over 80 per cent of Foxtel subscribers take FOX SPORTS
- > FOX SPORTS' programming filled all 100 of the top 100 rating programs on Foxtel during the year
- > The FOX FOOTY channel has consistently been the top rating channel on the Foxtel platform since its launch

During the year FSA has:

- > launched the FOX FOOTY channel
- > broadcast every game of the 2011 Rugby World Cup and the Super 15 competition
- > enhanced its NRL coverage, including signing Matty Johns to the team
- > broadcast the inaugural Domestic Cricket Big Bash League
- > broadcast every Socceroos game
- > made the FOX SPORTS NEWS iPad app available to all Foxtel subscribers

News' Indicative Proposal

CMH share price history



- > CMH announced a final dividend of 6 cents per share on 21 August 2012, to be paid on 5 October 2012 to shareholders on the register on 28 September 2012. The extent to which this dividend reduces the consideration that is payable under the Indicative Proposal, if it proceeds, has yet to be determined.

- > On 20 June 2012 CMH announced it had received a conditional, non-binding proposal from News to acquire CMH at a price of \$3.50 cash per share by way of scheme of arrangement on a CMH board-recommended basis **(the Indicative Proposal)**.
- > News' remaining conditions include:
 - FIRB approval
 - Completion of confirmatory due diligence
 - News Corporation board approval
- > News' Indicative Proposal contemplates that a Scheme Implementation Deed will be signed following the satisfaction of these conditions.
- > CMH can give no assurance that a Scheme Implementation Deed will be signed or that the Indicative Proposal will proceed.



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