



mcm entertainment group limited

ASX code: MEG
Investor Presentation
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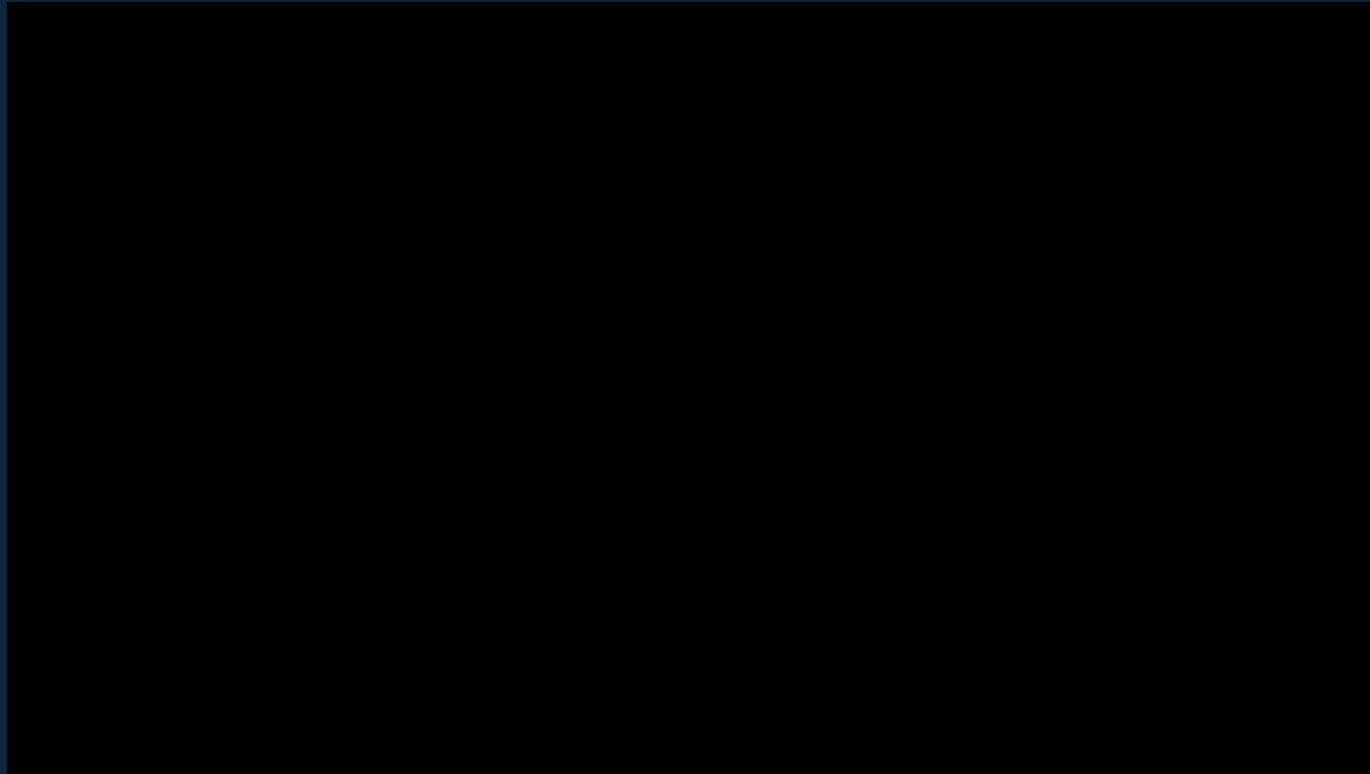
mcm entertainment group limited

Unique listed company that passionately delivers innovative solutions in content, digital technology and design



mcm'entertainment group limited

Sizzle Reel





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Financial Results Recap
Period ending 31 December 2011

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Half Year Results

	1H 2012 (\$M)	1H 2011 (\$M)	%
Revenue	16.35	11.41	43%
EBITDA*	1.05	(0.61)	273%
EBIT**	0.75	(0.99)	176%
NPAT	0.80	(0.78)	202%
EPS	1.11c	(1.09c)	n/a

* Earnings before Interest, Tax, Depreciation & Amortisation
** Earnings before Interest & Tax

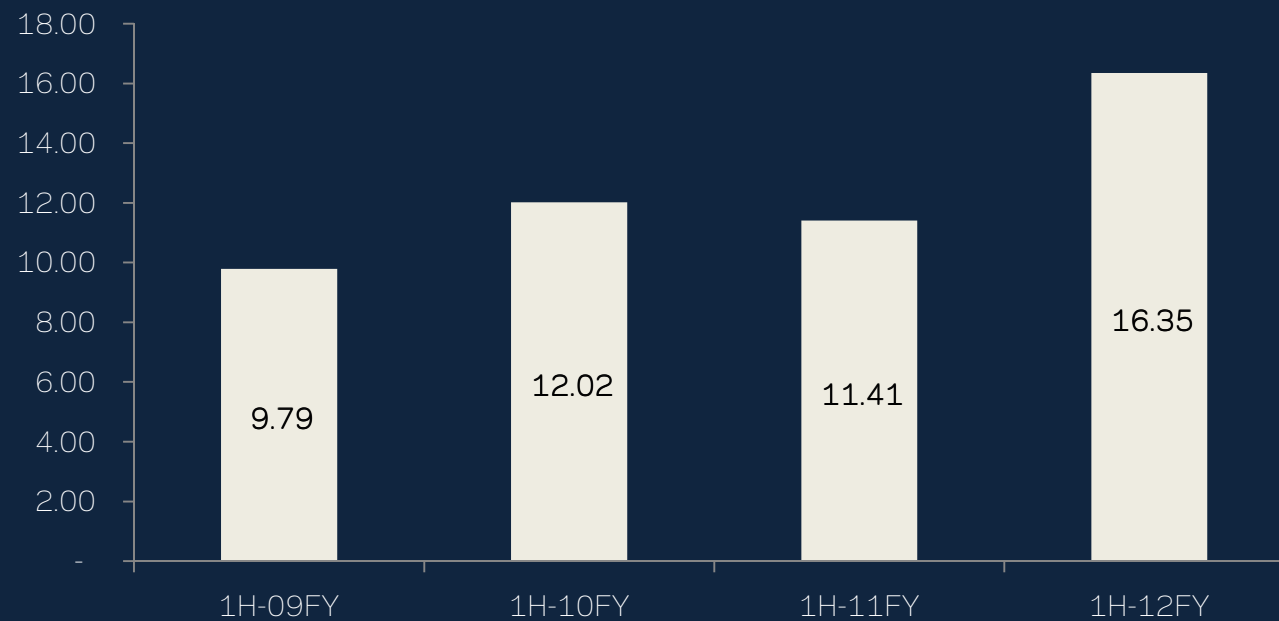
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Period ending 31 December 2011

- Revenue up 43% year on year (YOY)
- Gross Profit up 39% YOY
- EBITDA up 273% YOY
- EBIT up 176% YOY
- NPAT up 202% YOY
- Cash inflows for the half = \$432K
- Overdraft = \$806K
- Total debt = \$1.07m

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Revenue \$M





A leading Australian media entertainment
production and distribution company



1st half highlights

- Signed a 4 year programme supply agreement with Southern Cross Austereo
- take40.com and thehothits.com rated the Number 1 and 2 music websites respectively in December 2011 (source: Nielsen NetRatings)
- 36 million audio and video streams across the Digital Entertainment Network
- Digital revenue up 79% YOY
- New TV properties with TV revenue up 326% YOY



Growth opportunities - Digital

- Australian Digital Landscape
 - By 2014, internet advertising spend expected to supersede Newspaper & FTA Television*
 - More devices, screens, browsers and applications than ever before
 - 70% of online Australian's now access audio-visual content**
 - 250% growth forecasted for digital video ad spending over next four years***
- Mobile Advertising
 - Consumers are leading the mobile revolution. By 2014 mobile users are expected to out number desktop internet users****

* 9th AIMIA & IAB AU Future of Digital Advertising, Feb 12

** 2011 AU Online Consumer Report

*** Digital Video Ads expected too hit \$5B by 2016 – Online Media Daily

**** Morgan Stanley Research



Growth opportunities - Digital (cont)

- MCM Media well positioned to increase share of online revenue given unique music rights in ad funded music videos
 - Digital Entertainment Network (DEN) expansion
 - Four year ARIA partnership
 - Re-launch of existing sites with improved social functionality



Growth opportunities – Radio and Television

- Radio
 - Increase radio catalogue
 - Digital radio
 - Brand extensions across other platforms
- Television production
 - Branded content a focus for marketers
 - Proliferation of FTA digital channels and the need for cost effective content
 - Need for bespoke online video ad production
 - Existing brands extended into Television

igloo™

A digital agency that plans, designs,
builds and maintains digital solutions for
major marketers



1st half highlights

- Increased client base
- Group synergy focussed via Movideo integration and leveraging MCM Media clients
- Mobile growth including the roll out of the Take40 App – named one of 2011's best apps by the 'App Store'
- Revenue up by 88% YOY



Growth opportunities

- Expansion into the Sydney market
- Social media marketing and social media content are becoming key drivers of growth in digital services
- Mobile applications
- Mobile websites
- Annuity streams via investing development resources into web based products in return for an equity stake

movideoTM

An end to end online video management platform designed for the media industry throughout APAC



1st half highlights

- Signed 4 year strategic agreement with Microsoft
- 24 Clients at 31 December 2011 (8 clients at 30 June 2011)
- 9 Clients in the Asian region
- Enhanced product features with focus on real time analytics
- Revenue up 108% YOY



Growth Opportunities

- Booming global online video market forecasted to grow from US\$4.4B in 2011 to over \$10B by the end of 2014*
 - Movideo well positioned to increase share of revenue across APAC
- Microsoft Alliance – Movideo will migrate its digital media content platform to Microsoft Windows Azure
 - Benefits include:
 - Long term pricing agreement;
 - Window/ Azure's strong product development roadmap;
 - Infrastructure allowing scalability;
 - Technical support; and
 - Microsoft sales and marketing commitment to Movideo
- Strategic investment directly into Movideo

* Accustream January 2012 Video Value Chain Report



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Outlook & Summary

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Outlook

- Board and management team with wealth of media and entertainment experience
- Larger sales teams engaging more clients
- Group synergies being realised through combination of content, technology and design
- Group focussed on capturing increased share of growing ad funded online/mobile video market
- Short term advertising market, however MEG remains on target to deliver full year profit

The logo for mcm entertainment group limited features the letters 'mcm' in a bold, white, sans-serif font, followed by a white chevron symbol pointing to the right. To the right of the chevron, the words 'entertainment group limited' are written in a smaller, white, sans-serif font. The entire logo is set against a dark blue background.

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