



## **MACQUARIE RADIO NETWORK LIMITED (MRN) COMPANY UPDATE**

**Friday 30 January 2014**

Macquarie Radio Network ( "MRN") today advised that it expects, based on unaudited management accounts, to report a drop of around 25% in underlying earnings before interest, tax, depreciation and amortisation ("EBITDA") for the half year ended 31 December 2014 as compared to the prior corresponding period. Abnormal charges of around \$2 million for the half year are expected to reduce reported EBITDA by around 56% as compared to the prior corresponding period. Underlying net profit after tax ("NPAT") is expected to drop by 28%, whilst reported NPAT is expected to drop by 65% as compared to the prior corresponding period.

MRN Executive Chairman, Russell Tate, commented that revenue gains of 3.7% from Sydney radio operations were outweighed by operating cost increases, in particular by costs associated with the relaunch of 2CH, costs associated with restructuring of the company's sales force, talent contract renewals, and increases in administration costs.

Tate noted that cost increases in part reflected the Company's focus during the period on the facilitation of a merger proposal with Fairfax Radio Network, details of which were announced to the market on 22 December 2014, and which, subject to satisfaction of the conditions precedent for the transaction, will complete in late March 2015.

MRN is scheduled to announce its half year results for the period ended 31 December 2014 on 18 February 2015.

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