

MACQUARIE MEDIA LIMITED 2019 HALF-YEAR RESULTS ANNOUNCEMENT

Sydney, 15 February 2019: Macquarie Media Limited (ASX:MRN) (“**Macquarie Media**” or “**Company**”) today announced its results for the half year to December 2018.

| \$m | HY18 Underlying | HY19 Statutory | HY19 Significant Items ^[1] | HY19 Underlying | Change % |
|------------------------|--------------------|-------------------|---|--------------------|-------------|
| Revenue | 68.5 | 68.2 | | 68.2 | -0.4% |
| Operating costs | (52.4) | (61.0) | (8.1) | (52.9) | 1.0% |
| EBITDA | 16.1 | 7.2 | (8.1) | 15.3 | -4.9% |
| EBIT | 14.3 | 5.4 | (8.1) | 13.5 | -6.0% |
| PBT | 13.6 | 4.6 | (8.1) | 12.7 | -6.6% |
| NPAT | 8.6 | 2.2 | (5.9) | 8.1 | -6.0% |

^[1] Refer to Note 3 of the December 2018 Interim Report

Summary of HY19 Financial Outcomes

- Group Underlying EBITDA of \$15.3 million represents a \$0.8 million, or 4.9% decrease on prior year.
- Group Underlying Net Profit After Tax (“NPAT”) of \$8.1 million represents a \$0.5 million, or 6% decrease on prior year.
- Group Revenues, excluding discontinued operations, fell to \$68.2 million, a decrease of \$0.3 million or 0.4% on prior year. Advertising revenues were flat year on year.
- Group Underlying Operating Costs increased by \$0.5 million, or 1.0% on prior year.
- Directors have declared an interim fully franked dividend for HY19 of \$0.03 cents per share payable on 8 March 2019 to all shareholders registered on 22 February 2019.
- Statutory EBITDA of \$7.2 million represents a \$6.0 million, or 45% decline on prior year.
- HY19 Statutory results are impacted by the following Significant Items which are excluded from Underlying results:

| \$m | EBITDA | EBIT | NPAT |
|-----------------------------------|------------|------------|------------|
| Impairment | 3.6 | 3.6 | 2.7 |
| Legal claims | 4.4 | 4.4 | 3.0 |
| Doubtful debt on sale transaction | 0.2 | 0.2 | 0.1 |
| Total significant items | 8.1 | 8.1 | 5.9 |

HY19 Results Commentary

Commenting on the results, Macquarie Media Limited (MML) Chief Executive Officer, Adam Lang, said:

“The six months to 31 December 2018 featured the delivery of sustained audience leadership by our top rating stations 2GB in Sydney and 3AW in Melbourne. 4BC finished the year with the best audience result since 2013 and, in 2018, 6PR has proven to be capable of leading the Talk radio audience in Perth. We are well set up to build on that success in 2019.

Our Macquarie Sports Radio network was launched in April 2018 and has been refined throughout the year. We are pleased with the development of the format to date and confident that our audience and revenue will continue to grow as we head into the football season.

Our Sales team has improved customer service to advertisers by connecting our large and affluent audience with an increased range of solutions on our broadcast and digital assets. We have grown revenue on our News Talk network of stations by 4% over the prior period. We also continue to see the benefit of our advertisers connecting with both the News Talk and Macquarie Sports Radio audiences through live sport.

We have seen a contraction, below prior year period, of advertising spends in the December, January and February months and a shortening of booking cycles. Whilst we are now seeing more positive signs for March to June revenues, it is extremely difficult to forecast the impacts of the NSW election in March and the expected federal election in May, a subdued housing market, and variable business and consumer confidence.

Our HY 2019 earnings (underlying EBITDA) were 4.9% below the prior year result driven by a 0.4% decline in revenue and a 1% increase in costs. We maintain a very high focus on cost saving and efficiency opportunities in order to consistently deliver a strong return to our shareholders in this fiscal year.

Based on current forward estimates and given the outlook for the radio advertising market, we expect our underlying FY 2019 EBITDA to be in the range of \$29 - \$32 million.”

Ends

Disclaimer

This document has been reviewed, which is not an audit, by Ernst & Young; however, IFRS data has been derived from the audited interim consolidated financial statements as at December 2018.

This document should be read in conjunction with the Group’s Appendix 4D and Interim Financial Report for the period ended 31 December 2018.

Nothing contained in this document constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information contained in this document and any action taken on the basis of that information.

Definitions

Significant items: items of income or expense which are, either individually or in aggregate, material to the Group and are part of the ordinary activities of the business but unusual due to their size or nature.

Underlying Performance: is a non-statutory measure that excludes discontinued operations and significant items.