



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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PRESENTATION BY THE EXECUTIVE CHAIRMAN TO THE CMH SCHEME MEETING

Before we move to the formal business, I would like to take the opportunity to outline the events leading up to this meeting, and re-iterate the key features of News' proposal.

On Friday September 7, CMH announced that it had entered into a Scheme Implementation Deed with News Limited and News Pay TV Financing Pty Ltd.

News is, of course, an existing Partner of CMH in Foxtel and FOX SPORTS.

The Scheme Implementation Deed outlines how the Scheme will progress if various conditions are satisfied, one of which is your approval of the Scheme today, as well as the approval of the Federal Court at the second Court hearing this Friday.

If all the conditions to the Scheme are satisfied, or where applicable waived, and the Scheme becomes Effective, the shareholders of CMH that are on our register at 7pm (Sydney time) on the Scheme Record Date of Monday November 12, will receive \$3.45 cash for each share held on that date.

Under the terms of the Scheme, News is required to pay to CMH, which it will hold on trust for CMH shareholders, the aggregate Scheme Consideration of approximately \$1.94 billion, by 11am (Sydney time) on Monday November 19.

The Scheme Consideration will be paid to shareholders by CMH by direct credit or by cheque in accordance with each shareholder's election, by Friday November 23.

Shareholders who were on the CMH register on September 28, being the record date set for CMH's 2012 full year dividend, will have already received a fully-franked dividend of 6 cents per share they held on that date.

Therefore, those shareholders on our register on September 28 and, if the Scheme is approved and implemented, on November 12, will receive a total of \$3.51 cash per share since June 30, 2012 – being the full year dividend of 6 cents per share paid on October 5, and the Scheme Consideration of \$3.45 cash per share, which as I mentioned earlier will be paid by November 23.

The Recommending Directors – Guy Jalland, Rowena Danziger, Christopher Corrigan, James Packer, Christopher Mackay, Ashok Jacob, Geoff Dixon and myself - unanimously recommend that you approve the Scheme by voting in favour of the Scheme Resolution in the absence of a superior proposal.

No superior proposal has been received by CMH since it first announced on May 4 that it had had very preliminary discussions about a potential control transaction.

Following the announcement by the ACCC that it will oppose a potential acquisition by Seven Group Holdings of CMH, Seven Group Holdings announced on October 11 that it will vote in favour of the Scheme Resolution to approve the News proposal.

The Executive Chairman of CMH's largest shareholder Consolidated Press Holdings, James Packer, has indicated his support for the Scheme in the absence of a superior cash proposal.

In addition, Mrs Rowena Danziger, Mr Christopher Mackay and myself will vote our shares in favour of the Scheme Resolution.

The Scheme Consideration of \$3.45 per share represents an implied multiple of 9.4x EV/EBITDA on a 2012 pro forma basis, based on a proportional consolidation of CMH's main investments in Foxtel and FOX SPORTS.

The Scheme Consideration also represents a premium of approximately 15 per cent to the volume weighted average price of CMH shares over the three month period to May 3, 2012, which was the day before we announced that we had had very preliminary discussions concerning a potential control transaction.

Earlier this month, you will have received the CMH Scheme Booklet and Proxy Form.

The Scheme Booklet contains further detail on the Scheme as well as an Independent Expert's Report prepared by KPMG Corporate Finance. We also have additional copies of the Scheme Booklet available here today.

As set out in the Scheme Booklet:

- The Independent Expert has concluded that the proposed transaction is fair and reasonable, and is therefore in the best interests of the CMH shareholders in the absence of a superior proposal.
- The Independent Expert has assessed the control value of a CMH share to be in the range of \$3.22 to \$3.56 per share, on an ex-dividend basis. The Scheme Consideration of \$3.45 is in the upper half of this range.
- The Scheme Consideration of \$3.45 in cash for each CMH share provides shareholders with certainty of value and liquidity for your CMH shares.
- CMH Shareholders will not pay any brokerage on the transfer of their CMH Shares under the Scheme.

It is for these reasons that the Recommending Directors have unanimously recommended that CMH shareholders approve the Scheme by voting in favour of the Scheme Resolution at today's meeting.

ENDS

COPIES OF RELEASES

Copies of previous media and ASX announcements issued by CMH are available at CMH's website at www.cmh.com.au.