

**MEDIA RELEASE****PRIME MEDIA GROUP (ASX: PRT) ANNOUNCES 73 PER CENT INCREASE  
IN CORE NET PROFIT AFTER TAX**

17 February, 2011

Prime Media Group (ASX: PRT) today announced consolidated net profit after tax for the six months to December 31, 2010 of \$15.4 million, an increase of \$18.6 million over the prior comparative period.

Strong television revenue performance, combined with the company's restructure of operations and sale of non-profitable assets in 2010, has contributed to a \$6.6 million or 73 per cent increase in core net profit after tax in the half year.

EBITDA increased by 39.4 per cent in the half year to \$32.9 million and revenue increased 10 per cent to \$133.5 million.

Prime Media Group began a company-wide review and cost reduction process during 2010 resulting in a change in management and the completion of the sale of non-core, non-performing assets, including its outside broadcast production and outdoor cinema interests.

Prime Media Group CEO Ian Audsley said: "The robust turnaround in our business in the latest reporting period demonstrates the effectiveness of the steps we've taken to return the company to profitability and bring Prime's focus back to regional broadcasting.

"The company is still on track to report a full year NPAT of \$25 million".

PMG's revenue growth stemmed from its television operations in NSW, Victoria and Western Australia. Advertiser confidence in digital channels, 7TWO and 7mate, has contributed to the strong revenue result. Additionally Prime Radio Group, which operates in regional Queensland, also experienced revenue growth of 6% in the first half of FY 11.

Broadcasting and transmission expenses increased 5 per cent, or \$3.304 million, over the previous corresponding period. An increase in the contract rate under the program supply agreement with Seven Network was partly offset by a reduction in ACMA license fees of 29 per cent in the current period.

The directors have declared a fully franked interim dividend of 2.1 cents a share for this period.

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