



**Financial Results**  
**Half Year Ended**  
**31 December 2013**

# Group Highlights

- Revenue from continuing operations (excluding radio) of \$135.6 million – up 1.4% on pcp
- EBITDA of \$35.4 million – up 5.9% on pcp
- Statutory net profit after tax from continuing operations of \$18.3 million down 2.2% on pcp
- Core net profit after tax<sup>1</sup> of \$18.5 million – down 4.2%
- Statutory EPS 5.7 cents
- Core EPS from continuing operations of 5.1 cents
- Interim fully franked dividend 4.0 cents per share
- Gearing ratio of 1.8 times (June 2013: 2.0 times)

1. Including radio discontinuing operations and before specific non-core items

# Half Year Overview

- **PRIME 3AGG audience ratings: a strong performance against the Ashes series and Big Bash.**
  - All People audience share 6am to midnight of 39.6 – up 0.7 share points on pcp\*
  - All People audience share 6pm to midnight stable at 40.1 share and consistent with pcp\*
- **Revenue share continues to increase**
  - 3AGG revenue share of 40.7 - up 0.5 share points on pcp^
- **Operating expenses flat (excluding specific items)**

\* Source – Regional TAM: 1 July 2013 – 31 December 2013

^ Source – KPMG industry data

# Group Results - Core Earnings

	1H14	1H13	Variance \$000	Variance (%)
<b>Core NPAT</b>	<b>18,552</b>	<b>19,367</b>	<b>(815)</b>	<b>(4.2%)</b>
<b>Non Core Specific Items after tax</b>	<b>(2,411)</b>	<b>14,748</b>	<b>(17,159)</b>	<b>(116.3%)</b>
Statutory NPAT continuing operations	18,299	18,710	(411)	(2.2%)
Statutory NPAT discontinuing operations	2,664	(14,091)	16,755	(118.9%)
<b>Statutory NPAT attributable to members</b>	<b>20,963</b>	<b>4,619</b>	<b>16,344</b>	<b>353.8%</b>
<b>Specific Items</b>				
Fair value change in derivatives	-	2	(2)	(100.0%)
Fair value change in deferred contingent consideration	(493)	(254)	(239)	94.1%
Impairment of radio broadcast licences	-	15,000	(15,000)	(100.0%)
Gain on sale of radio segment	(2,302)	-	(2,302)	100.0%
Redundancies	548	-	548	100.0%
Income tax benefit related to specific items	(164)	-	(164)	100.0%
<b>Total Non-core specific items after tax</b>	<b>(2,411)</b>	<b>14,748</b>	<b>(17,159)</b>	<b>(116.3%)</b>

# Group Results - Statutory Net Profit After Tax

	1H14	1H13	Variance \$000	Variance (%)
Revenue from continuing operations	135,646	133,759	1,887	1.4%
EBITDA	35,407	33,448	1,959	5.9%
Net Profit After Tax – Continuing Operations	18,299	18,710	(411)	(2.2%)
Discontinuing Operations (net of tax)	2,664	(14,091)	16,755	118.9%
Net profit after tax attributable to members	20,963	4,619	16,344	353.8%
Basic EPS from continuing operations	5.0	5.1		
Interim dividend cents per share (fully franked)	4.0	4.0		

# TV Results

	1H14	1H13	Variance \$000	Variance (%)
Advertising revenue - 3AGG market*	112,188	110,083	2,105	1.9%
Other external sales and customers	22,655	23,169	(514)	(2.2%)
Total segment revenue	134,843	133,252	1,591	1.2%
Total expenses	(94,403)	(94,868)	465	0.5%
EBITDA	40,440	38,384	2,056	5.4%
EBITDA %	30%	29%		
Depreciation and Amortisation	(5,937)	(3,954)	(1,983)	(50.2%)
EBIT	34,503	34,403	73	0.2%
EBIT %	26%	26%		

\* 3 Aggregated markets consists of Northern New South Wales, Southern New South Wales and Victoria.

# TV Power Ratio

	1H14	1H13	Variance (%)
Total revenue share	40.7%	40.2%	0.5
Audience share	39.6%	38.9%	0.7
<b>Power ratio</b>	<b>1.0</b>	<b>1.0</b>	

Note 1: Total advertising 3AGG market - KPMG monthly shares

Note 2: Audience Share 3AGG market sourced from Regional TAM (All people, 06:00-23:59)

# Corporate Results

	1H14	1H13	Variance \$000	Variance (%)
Other revenue	653	323	330	102.2%
Total revenue	653	323	330	102.2%
Total expenses	(5,686)*	(5,259)	(427)	8.1%
EBITDA	(5,033)	(4,936)	(97)	(2.0%)
Depreciation and Amortisation	(104)	(108)	4	3.9%
EBIT	(5,137)	(5,044)	(93)	(1.8%)

\* 1H14 total expenses include one off redundancy costs of \$548K.



# Net Debt and Gearing

	Dec 13 \$000	June 13 \$000	Variance \$000	Variance (%)
Net Debt	118,105	131,949	(13,844)	(10.5%)
EBITDA	35,407	33,448	1,959	5.9%
LTM EBITDA	64,633*	65,287	(654)	(1.0%)
Net interest expense	3,292	3,923	(631)	(16.1%)
Gearing Ratio (Based on LTM EBITDA)	1.8	2.0	(0.6)	(15.4%)
Interest Cover	10.8	8.5	2.2	26.1%

\*LTM EBITDA relates to the 2013 calendar year.

# Outlook

## ➤ TV Revenue & Audience

- National market: short but forward bookings improving;
- Visibility at local level is particularly short. Market appears cautious in the lead up to the Federal budget in May;
- No change to Core NPAT guidance of between \$31M to \$33M given at 2013 Annual General Meeting in November last year.