

PRIME
MEDIA GROUP
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PRIME MEDIA PROVIDES TRADING UPDATE

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Prime Media Group Limited (ASX:PRT) has today advised the market that while it previously had modest expectations for the 2016 financial year, the first 2 months has seen the Company's total advertising revenue decline 6.9% compared to the prior year, and although there are four days of September trading remaining, it looks to be similarly disappointing.

PRIME Chief Executive Officer, Ian Audsley said:

"According to SMI data, PRIME's national agency revenue for the three aggregated markets¹ fell 2.6%, compared to the market decline of 3.4%. The national agency revenue result is disappointing, particularly given that metropolitan TV's national agency revenue grew by 2% in July and was back only 0.7% in August. September is somewhat impacted by the AFL Grand Final being scheduled in October this year.

Notwithstanding the decline in national agency spend, PRIME has maintained its revenue share lead.

The local regional advertising market is also challenging. While KPMG industry data is not available at this time, PRIME's local advertising revenue declined 9.6% in the first two months of FY16."

Mr Audsley added, "There is a lack confidence among regional advertisers due to poor consumer sentiment, which in turn has resulted in a very short market with limited visibility. Markets dependent upon mining activity are the most affected, particularly regional Western Australia."

PRIME Chairman, John Hartigan said: "There is no doubt that all regional broadcasters are facing significant challenges as a result of the communications revolution in which we find ourselves."

"We have been telling the Government for quite some time now that regulatory reform is urgently needed. We are hopeful that Prime Minister Turnbull, who in his previous role as Minister for Communications had a deep understanding of our issues, will continue to support the reform of out-dated rules and regulations," Mr Hartigan added.

PRIME will provide the market with a trading update and outlook for the first half of the financial year at its Annual General Meeting on 10 November.

¹ The 3 aggregated markets include northern NSW, southern NSW and regional Victoria.