

MEDIA RELEASE



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Seven West, Prime Media deal not opposed

The ACCC will not oppose Seven West Media's (ASX: SWM) proposed acquisition of Prime Media Group (ASX: PRT).

Seven West Media, a national media company with commercial television, publishing, radio and digital operations, is proposing to acquire Prime, its main regional television broadcasting affiliate. The ACCC notes recent media speculation that Prime's shareholders may not vote in favour of the deal at their vote scheduled for Thursday 19 December.

The ACCC's approval of the deal is made on the basis that Seven West Media will divest its Spirit and RedFM radio networks in regional WA to a third party to meet requirements of the Broadcasting Services Act 1992.

The ACCC's investigation focused on regional WA, where Prime's television broadcasts overlap with the distribution of Seven West Media's print/online newspapers, including *The West Australian* and regional mastheads.

"In assessing this proposed deal, we considered the likely impact on competition in providing local news and content to audiences in regional WA," ACCC Chair Rod Sims said.

"We found that Seven West Media's largely weekly regional newspapers and Prime's weeknightly TV bulletins generally cover different news stories."

"We also looked at the likely impact on advertisers and news consumers across a number of different media markets, and concluded that the proposed acquisition was unlikely to substantially lessen competition or choice for advertisers and consumers," Mr Sims said.

"Feedback from advertisers and advertising agencies suggests that Prime's television and Seven West Media's newspapers don't compete closely for advertising revenue, and most advertisers have alternative ways of reaching their target audiences."

The majority of Prime's broadcast content is currently supplied by Seven West Media, but Prime produces its own regional news broadcasts in some areas, including regional WA where it broadcasts the GWN7 News on weeknights.

Further information is available on the ACCC's public register:

<https://www.accc.gov.au/public-registers/mergers-registers/public-informal-merger-reviews/seven-west-media-limited-prime-media-group-limited>

Background

Seven West Media proposes to acquire all of Prime's issued shares through a scheme of arrangement.

Seven West Media and Prime broadcast free to air television to different parts of Australia.

Seven West Media's Seven Network is one of Australia's three metropolitan commercial free to air television networks, operating channels including 7, 7TWO, 7mate, 7Flix and 7Food. It

also supplies a number of metropolitan and regional print/online news publications in Western Australia.

Seven West Media currently has radio assets in regional Western Australia, but is divesting these to a third party to meet the requirements of the Broadcasting Services Act 1992. This divestment is the subject of an undertaking to the Australian Media and Communications Authority. Seven West Media's other assets include digital services on 7plus and 7NEWS, Seven Studios and Pacific Magazines (which is also the subject of a separate proposed sale).

Prime is an Australian television network with commercial free to air TV broadcasting licences covering regional northern and southern New South Wales, the Australian Capital Territory, regional Victoria, the Gold Coast area of Queensland and all of regional Western Australia. In regional Western Australia it operates the GWN7 network, and jointly owns the Western Digital Television network.

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