



Financial Results

Half Year Ended 31 December 2014

HIGHLIGHTS

- CONTINUED AUDIENCE GROWTH: 1.6PP to 41.2 share.*
- ADVERTISING REVENUE SHARE OUTPERFORMS THE MARKET - SIX CONSECUTIVE MONTHS:
 - Total revenue share 42.1, up 1.4PP.^
 - Industry-leading Agency revenue share, up 1.2PP to 46.2 share.^
 - Total advertising revenue back 0.8% compared to market decline of 4.2%.^
- CONTINUED FOCUS ON COST CONTROL: operating costs down \$2.0 million or 6.8% .
- EBITDA: \$36.0 million up 1.8%.
- NET DEBT CONTINUES TO IMPROVE: \$95.1 million, down 11.1%.
- INTERIM DIVIDEND: 3.8 cents per share fully franked.

* Source: Regional TAM All People 0600-2359 financial year survey period

^ Source - KPMG three aggregated markets of Northern New South Wales, Southern New South Wales and Victoria industry data.

Group Results – Statutory Net Profit After Tax

	1HFY15 \$000	1HFY14 \$000	Variance \$000	Variance (%)
Revenue from continuing operations	135,266	135,646	(380)	(0.3%)
EBITDA	36,036	35,407	629	1.8%
Net Profit After Tax - Continuing Operations	19,587	18,299	1,288	7.0%
Discontinuing Operations (net of tax)	-	2,664	(2,664)	(100.0%)
Net profit after tax attributable to members	19,587	20,963	(1,376)	(6.6%)
Statutory earnings per share	5.3	5.7		
Interim dividend cents per share (fully franked)	3.8	4.0		

Group Results – Core Earnings

	1HFY15 \$000	1HFY14 \$000	Variance \$000	Variance (%)
Statutory NPAT continuing operations	19,587	18,299	1,288	7.0%
Statutory NPAT discontinued operations	-	2,664	(2,664)	(100.0%)
STATUTORY NPAT ATTRIBUTABLE TO MEMBERS	19,587	20,963	(1,376)	(6.6%)
SPECIFIC ITEMS				
Fair value change in deferred contingent consideration	-	(493)	493	
Gain on sale of real property	(1,157)	-	(1,157)	
Gain on sale of radio segment	-	(2,302)	2,302	
Redundancies	16	548	(532)	
Income tax benefit related to specific items	(5)	(164)	159	
Total non-core specific items after tax	(1,146)	(2,411)	1,265	
CORE NPAT	\$18,441	18,552	(111)	(0.6%)

TV Segment Result

	1HFY15	1HFY14		Variance
Advertising revenue share – All Revenue	42.1	40.7		1.4PP
Advertising revenue share - Agency	46.2	45.0		1.2PP
	1HFY15 \$000	1HFY14 \$000	Variance \$000	Variance
Total segment revenue	135,063	134,843	220	0.2%
Total segment expenses	(93,938)	(94,403)	465	0.5%
EBITDA	41,125	40,440	685	1.7%
EBITDA %	30.4%	30.0%		
Depreciation and Amortisation	(5,383)	(5,937)	554	9.3%
EBIT	35,742	34,503	1,241	3.6%
EBIT %	26.5%	25.6%		

TV Power Ratio

	1HFY15	1HFY14	Variance (PP)
Total revenue share ¹	42.1	40.7	1.4
Audience share ²	41.2	39.6	1.6
Power ratio	1.0	1.0	

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

Note 2: Regional TAM: All people 6am to midnight for the period 1 July 2014 to 31 Dec 2014

Corporate Results

	1HFY15 \$000	1HFY14 \$000	Variance \$000	Variance (%)
Other revenue	71	653	(582)	(89.1%)
Total revenue	71	653	(582)	(89.1%)
Total expenses	(5,160)	(5,686)	526	9.3%
EBITDA	(5,089)	(5,033)	(56)	(1.1%)
Depreciation and amortisation	(105)	(104)	(1)	(0.1%)
EBIT	(5,194)	(5,137)	(57)	(1.1%)

- *FY14 total revenue included deferred contingent consideration of \$493K.*
- *FY14 total expenses include one off corporate redundancy costs of \$468K.*

Net Debt and Gearing

	31 Dec 14 \$000	30 June 14 \$000	Variance \$000	Variance (%)
Net Debt	95,080	106,923	11,843	11.1%
EBITDA from continuing operations*	65,403	64,774		
Net interest expense*	5,698	6,209		
Gearing Ratio	1.5	1.8		
Interest Cover	11.5	10.4		

*FY15 EBITDA and interest are based on the 12 month period ended 31 December 2014.

Outlook

Market conditions remain subdued and bookings short. February saw an uplift in activity related to the Australian Open Men's Final and the launch of My Kitchen Rules, both of which moved from January into February this year.

March pace is consistent with the prior corresponding period and we expect that the NSW state election will provide minor stimulus in the month.

Based on the current level of advertiser briefings, we believe the current quarter will be flat.

It is too early to make a full year call, although we're confident of maintaining our leading revenue share position in H2 and the first weeks of the official survey leave us confident that we can maintain our audience position for the remainder of this financial year.