



## MEDIA RELEASE

### PRIME MEDIA GROUP ANNOUNCES

#### 22.1% INCREASE IN CORE NET PROFIT AFTER TAX

- Core net profit after tax<sup>1</sup> of \$33.2 million – up 22.1%
- Reported statutory net profit after tax of \$27.7 million up 1.9% on pcp<sup>2</sup>
- Core EPS of 9.1 cents – up 21.2% on pcp
- Statutory EPS 7.6 cents - up 1.9% on pcp
- Group revenue of \$273.5 million – up 6.4% on pcp
- EBITDA of \$67.4 million – up 10.3% on pcp
- EBIT of \$50.7 million – up 1.3% on pcp
- Non-core items of \$5.5 million includes radio impairment charge
- Final dividend 3.3 cents per share fully franked (pcp: 2.4 cents)
- Improved gearing ratio of 1.7 times (30 June 2011: 2.2 times)

**Sydney, 30 August 2012:**

Prime Media Group (ASX:PRT) today reported a core net profit after tax of \$33.2 million (excluding non-core items of \$5.5 million) for the financial year ended 30 June 2012, an increase of \$6.0 million or 22.1% on the prior year result.

Statutory net profit after tax inclusive of non-core items was \$27.7 million, an increase of \$0.5 million or 1.9% on the prior year result.

Non-core items included a non-cash write down of the company's radio assets of \$5.3 million.

Group revenue of \$273.5 million grew by \$16.5 million or 6.4% on the prior year, resulting in a \$6.3 million or 10.3% increase in EBITDA.

Prime Media Group CEO Ian Audsley said: *"The core earnings result is a tremendous achievement. PRIME's television business grew its all-station audience share by 3.7 points in*

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<sup>1</sup> Before non-core items

<sup>2</sup> Statutory net profit after tax includes continuing and discontinuing operations

*calendar year 11 and revenue share growth in FY 2012 of 2.8 share points in an advertising market that went backward 1.8%.*

*In calendar 11, for the first time, PRIME took out the television rating year in its 3 aggregated markets of NNSW, SNSW & Victoria (on a combined total audience basis) and its Western Australian television operation GWN took out the ratings year with a 40.8 share of the all station audience.*

*PRIME led the television industry in the establishment of Australia's first datacasting channel, TV4me, which has increased advertiser touch points and created new revenue opportunities".*

PRIME's Queensland radio business had a challenging year with total radio revenue of \$20.7 million down \$0.4 million or 1.9% on the previous corresponding period and core EBITDA down 13.1% to \$4.2 million.

The soft trading environment in regional Queensland continues to be affected by a number of issues including the continuing impact of a high Australian dollar on tourism, and poor consumer and advertiser sentiment.

On a more positive note, radio management and its team kept cost growth to 1% year on year; continuing a practice of tight cost control in the business.

Mr Audsley said: *"The Board of Directors of PRIME annually reviews and considers the carrying value of the company's broadcasting assets. This non-cash accounting charge reflects the uncertainty of the advertising market in regional Queensland over the near to medium term. Management continues to look for new revenue opportunities and cost initiatives to improve the radio division's performance. We remain committed to the radio business and are confident that its performance will improve with any positive change in the advertising market".*

Prime Media Group Directors declared a fully franked final dividend of 3.3 cents per share.

- Ends -

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