



ASX Announcement: 24 August 2017

2017 RESULTS ANNOUNCEMENT

PRIME MEDIA GROUP (ASX:PRT) today announced its results for the financial year 2017 and lodged its 2017 Annual Report.

Statutory Results Summary:

- Revenue \$240.1 million, up 0.5% on the prior corresponding period
- EBITDA \$64.1 million, up 15.6% on the prior corresponding period
- Net profit of \$36.2 million

Core NPAT:

- \$35.6 million, up 30% on the prior corresponding period

Capital Management:

- Net debt of \$36.9 million, down from \$65.6 million
- Final dividend of 1.7c per share (fully franked), resulting in full year dividend of 3.4c per share (fully franked)

PRIME MEDIA GROUP's Chief Executive Officer, Ian Audsley said:

"This is a pleasing result, especially given the continuing challenges in the regional television advertising market."

"We were able to successfully monetise the 2016 Rio Olympic and Paralympic Games and of course, like all commercial broadcasters, we were beneficiaries of the Federal Government's use of its regulatory powers to remove licence fees payable as a one-off relief measure."

"As a result of the licence fee relief in FY17, Core NPAT was \$35.6 million, exceeding our expectations for this financial year."

"Reported revenue of \$240.1 million for the full year was up slightly on the previous corresponding period."

"We continue to focus on lowering debt, which was reduced during the year by \$28.6 million to \$36.9 million. The Company continues to operate comfortably within bank covenants."

"Our operating expenses, which were tightly controlled in the difficult revenue environment, are down by 1.8% on the prior year, mainly due to a reduction in employee costs."



Dividend

Mr Audsley said: "Today we have announced that we will pay a dividend of 1.7 cents per share, fully franked. This is consistent with the decision made by the Board at the half year to reduce the dividend payout ratio, resulting in a full year dividend 3.4 cents per share."

FY18 Outlook

Mr Audsley said: "Regional television remains under revenue pressure at both national agency and local sales levels."

"We expected the full year earnings outlook to be 25% to 30% down on the 2017 financial year, given we don't have the benefits of the Rio Olympics and licence fee relief in the current year. However, our July 2017 trading results were 10% below expectations and the outlook for the remainder of the calendar year remains challenged."

"We have high expectations for the Commonwealth Games in April 2018 but it is too early forecast."

"The 5.8% decline in the regional television audiences in the 2017 financial year highlights top line pressures."

"Given the current limited visibility in the market, we will provide an update in October 2017."

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Investor Briefing

A telephone briefing will be held for shareholders and the investment community at 9:00am (AEST) on Friday 25 August 2017. The teleconference details are as follows:

Sydney: (02) 9193 3706

Toll free Australia: 1800 573 793

Conference code: 8386853

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