



MEDIA RELEASE

PRIME MEDIA GROUP (ASX: PRT) ANNOUNCES 5% INCREASE IN NET PROFIT AFTER TAX FOR HALF YEAR ENDED 31 DECEMBER 2011

- **Net Profit After Tax of \$16.1M – up 5%**
- **Revenue of \$138.7M – up 5%**
- **EBITDA of \$33.6M – up 3%**
- **EPS of 4.4 cents – up 5%**
- **Interim Dividend per Share of 3.3 cents –(pcp: 2.1 cents)**
- **Improved Gearing ratio of 2.1 times (30 June 2011: 2.3)**

28TH FEBRUARY, 2011

Prime Media Group (ASX:PRT) today announced consolidated net profit after tax for the half year ended 31 December 2011 of \$16.1 million, an increase of \$0.75 million, or 5%, over the prior period.

Excluding Discontinuing Operations and Significant Items, the group delivered a core NPAT of \$16 million, an increase of \$0.4 million, or 2.8%, on the prior period.

EBITDA increased by 2.9% to \$33.6 million and Revenue increased 4.9% to \$138.7 million.

Prime Media Group CEO Ian Audsley said: *“PRIME has delivered on its strategy to grow television audiences in order to improve its revenue position. We focused on that plan in 2011 and it has delivered an exceptional, even enviable, result. We are working hard to extract optimal performance from the Seven Network’s programming schedule, and the strong growth in audiences and revenue is very pleasing. The PRIME team has done an outstanding job in a challenging market. This performance also demonstrates the successful implementation of the company’s strategy to focus PRIME on its regional media assets and put it on a stable footing.”*



Revenue from continuing operations of \$138.7 million represents growth of \$6.5 million, or 5%, on the previous corresponding period. The company's revenue growth in its Television "three Aggregate market" of Northern NSW, Southern NSW and Victoria of 2.95%, is significantly ahead of the total market growth rate released by KPMG of (1.97%), a differential of 4.92 share points above market.

Mr Audsley said: *"Concurrent to our plan to grow our audience was a focus on maintaining our power ratio in a tough market, which we did! The strengthening of PRIME's sales organisation, and Seven Affiliate Sales in particular, has delivered this result."*

Additionally improved sales representation fees earned from the Seven Network in regional Queensland, the growth in digital multi-channels, and the introduction of the datacasting channel in September 2011 have all contributed to additional revenue growth in the period.

Television EBITDA increased by 2% over the prior period.

Radio continues to struggle in a depressed market still recovering from the effects of tropical cyclone Yasi and wide-spread flooding that occurred early in calendar year 2011. Radio revenue declined by 6% on the prior period and EBITDA declined by 3%.

The Online business reported increased revenues of \$0.3M, or 41%, with a significant improvement in EBITDA from a loss of \$0.58M to a loss of \$0.07M, primarily as a result of the execution of the content agreement with Yahoo!7 and a more focussed sales strategy.

Prime Media Group Directors declared a fully franked interim dividend of 3.3 cents a share, up from 2.1 cents in the prior period reflecting the increased payout rate of 75% and improved profitability.

- Ends -

For further information, please contact:

Lesley Kennedy

Chief Financial Officer

Prime Media Group

Tel: 02 8514 5734

Email: Lesley.Kennedy@primemedia.com.au

