



**PRIME MEDIA GROUP LIMITED
ANNUAL GENERAL MEETING
CHAIRMAN'S ADDRESS**

SYDNEY, 28 NOVEMBER 2012: Prime Media Group Limited (ASX:PRT)

Good morning and welcome to the PRIME Media Group Annual meeting. We have a quorum present so I'll declare the meeting open.

The directors are all present this morning, along with Company Secretary Emma McDonald who has taken over from Lesley Kennedy – welcome Emma.

I'd like now to acknowledge the tremendous contribution Ms Siobhan McKenna, Mr Murdoch's representative, made to the board. Siobhan resigned her directorship in March of this year and we wish her all the very best for the future. As you know, Mr Murdoch sold his shares earlier this year, as he has other interests to look after.

And I welcome Mr John Palisi as PRIME's new Chief Financial Officer. John was formerly PRIME's financial controller. Welcome John.

I am very pleased to tell you that PRIME was among the best-performing traditional media company in Australia in the financial year – outperforming the advertising market and its industry peers.

In contrast to steep declines experienced by other media companies in a very tough advertising market, PRIME posted both revenue growth and earnings growth.

Of course much of this comes off the back of a terrifically strong program schedule from our partners at the Seven Network, but as Ian says, it takes good executives to turn good luck into good fortune and they've certainly done that at every opportunity this year, delivering growth in revenue, profit, earnings per share, and most importantly, dividend.

It's an outstanding set of numbers compared to other broadcasting companies in Australia.

I want to take this opportunity to recognise the efforts of Ian Audsley and his team. Ian has been here for 2½ years now, and in that period he has transformed the company by selling off or closing down the non-core businesses and concentrating on broadcasting.

He has continued to fine tune the business to ensure it continues to perform at optimal levels and deliver the best possible outcome for us, the shareholders.

Sometimes that requires difficult decisions and this year we had to say goodbye to some long term employees who had given terrific service to PRIME and I'd like to take a moment to thank Doug Edwards, Maureen Jack, Ross Howarth and Trevor Sutherland and wish them every success for the future. Ian went about this in a very sympathetic way, and I think that everyone left on good terms.

Ian is a very good broadcasting executive, and we are lucky to have him.



Our television business won the official ratings in calendar 2011 for the first time and we're hoping to repeat that performance this year.....we'll know in 3 days! PRIME's Television business also led the regional industry in revenue growth.

But we still have our challenges and our radio business has plateaued due to difficult trading conditions in the regional Queensland market which saw revenue decline. Accordingly, directors reviewed the carrying value of the radio business and took the decision to take a write-down due to the uncertain economic outlook in Queensland.

Despite the difficulties, management continues to work on improving the underlying business fundamentals in anticipation of the market returning to strength.

Notwithstanding the challenges of a very short and difficult advertising market that's affecting all traditional media companies in Australia, PRIME continues to grow, and we continue to identify opportunities to innovate and bring new and added value to your shareholding in our company.

I want to take this opportunity to thank all our staff who do such a wonderful job, and also all our advertisers who continue to support us, and again our partner Channel 7 for their great programming and assistance. Even though Mr Leckie has resigned, I think he's still there in the background.

So thank you, and I'll now hand you over to our CEO Ian Audsley.

Paul Ramsay AO

Chairman

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