APN
NEWS & MEDIA

APNext 2015

20 May, 2015

Investor Day

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APNext - 2015
APN News & Media Investor Day

Michael Miller

2015

APN NEWS & MEDIA

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APNEXT 2015 – INVESTOR DAY

APN NEWS & MEDIA

You must always be able to predict what's next and then have the flexibility to evolve

– Marc Benoiff

APN'S STRATEGY

APN ANNOUNCEMENTS

Investment in digital

APN INVESTMENT

Australian Radio

Adshel

Digital

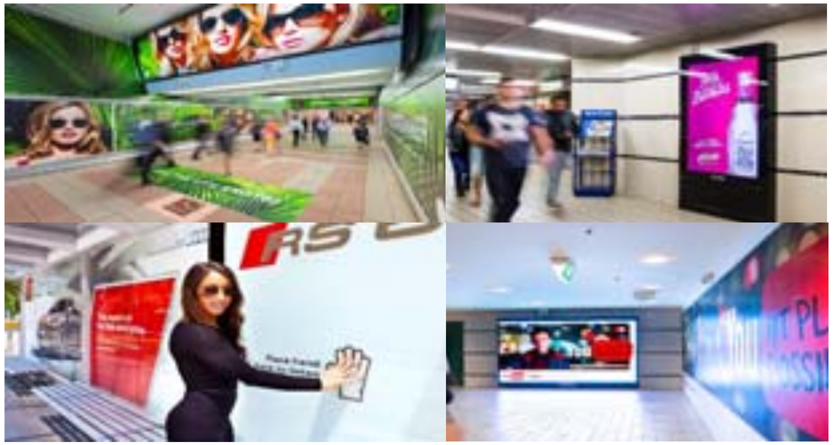
35%

10%

24%

*YTD Revenue Growth 2014 v2015

MAXIMISING THE CHANGES WE MADE IN 2014



TRADING UPDATE

- In terms of trading, the positive start to 2015 that we reported at the time of our 2014 full year results has continued.
- Group revenues year to date are six per cent ahead of prior year. This includes the additional revenues from the acquisition of Perth's 96FM that completed in late January.
- Advertising market conditions have softened somewhat in April, and comparatives were improving this time last year. We remain focused on share growth in all our markets.
- Costs have increased, primarily due to revenue growth in ARN, the acquisition of 96FM, and NZME's integration.
- Group EBITDA is tracking ahead of last year.
- NPAT is therefore consistent with prior year, with interest savings from last year's refinancing being offset by increased depreciation and amortisation following 2014 investments, and a higher effective tax rate.

AGENDA

Time	Topic	Presenter
9.15am	Integrated campaigns – An Agency Perspective	Mat Baxter, CEO, UM
9.45am	Moving into the Subscriber Economy NZME Digital Audience Strategy	Clayton Cooke, ARM Laura Maxwell-Hansen, NZME
10.15am	The local evolution	Neil Monaghan, ARM
10.40am	BREAK	
11.00am	Transforming to NZME	Jane Hastings, NZME
11.45am	Out of Home – More than meets the eye	Rob Atkinson, Adshel
12.25pm	Asia growth opportunities	Jeff Howard, APN
12.30pm	LUNCH – Entertainment from Dave Hughes	
1.30pm	ARN. Re-imagining Radio for today's world	Ciaran Davis, ARN
2.15pm	iHeartRadio	Ciaran Davis, ARN
2.45pm	Emotive - Effective content marketing	Simon Joyce, Emotive
3.00pm	CLOSE	

THE AGENCY
PERSPECTIVE.

MAT BAXTER

CEO.

Coca-Cola

SONY

coles

CATHAY PACIFIC

AMP

NSW GOVERNMENT

LEGO

ING DIRECT

WHOLESALE
DISRUPTION.

ADVERTISERS MUST KEEP PACE.

CAMPAIGNS. (MEASURE AND OPTIMISE AFTER)	→	ALWAYS ON. (MEASURE AND OPTIMISE DURING)

RECALIBRATE
ASSESSMENT.

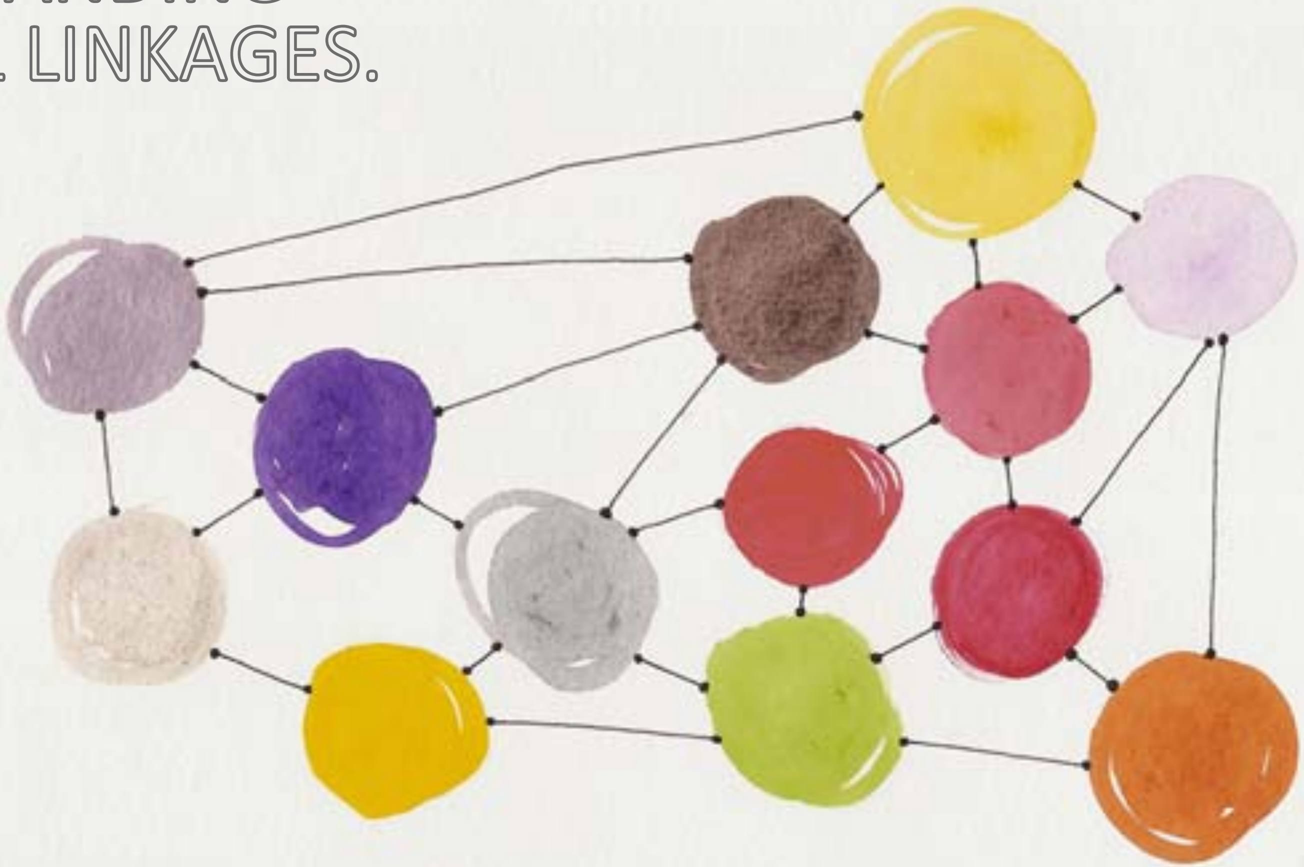
THE OLD WAY

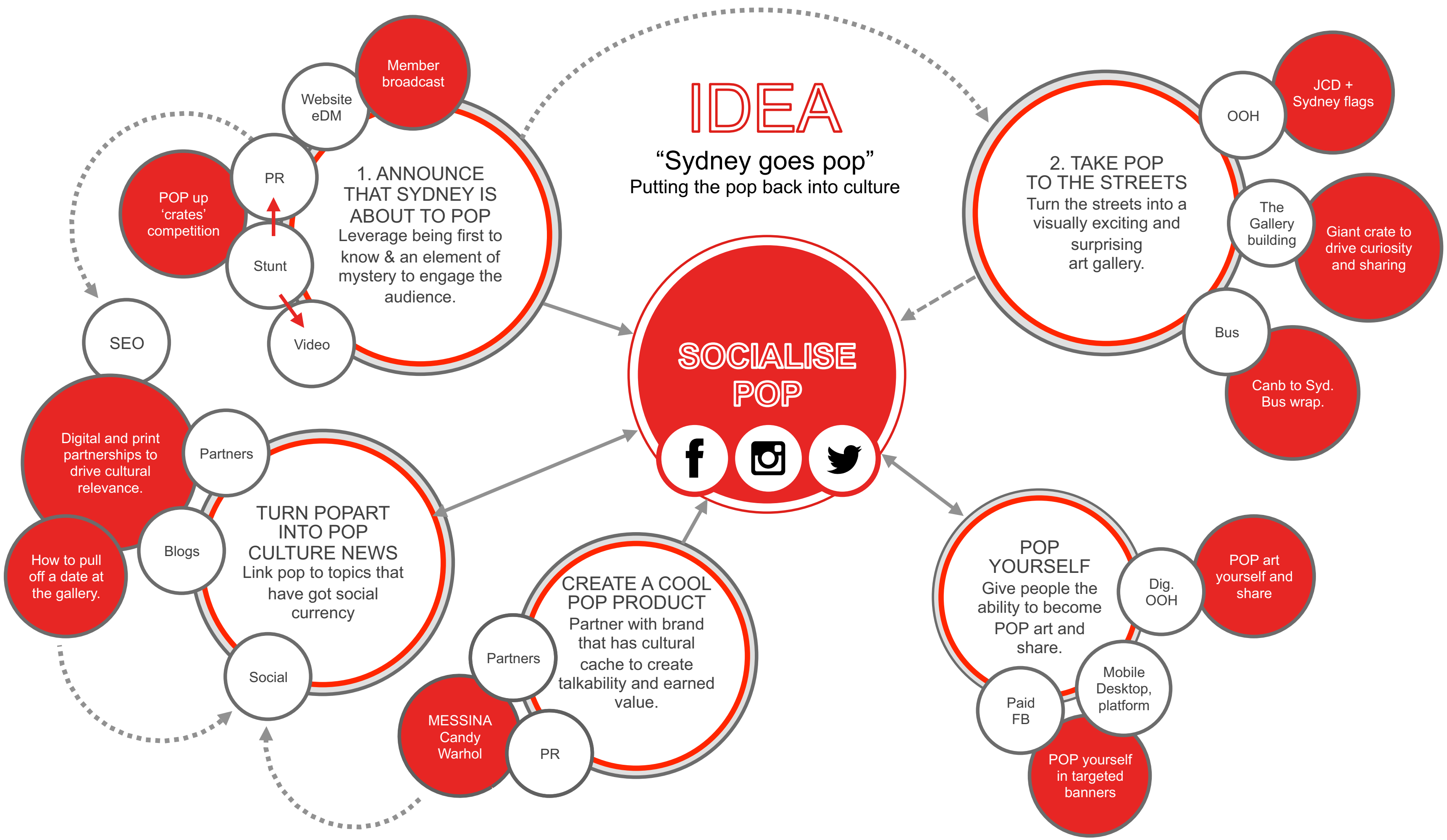
THE NEW WAY

THE POWER OF INDIVIDUAL CHANNELS.

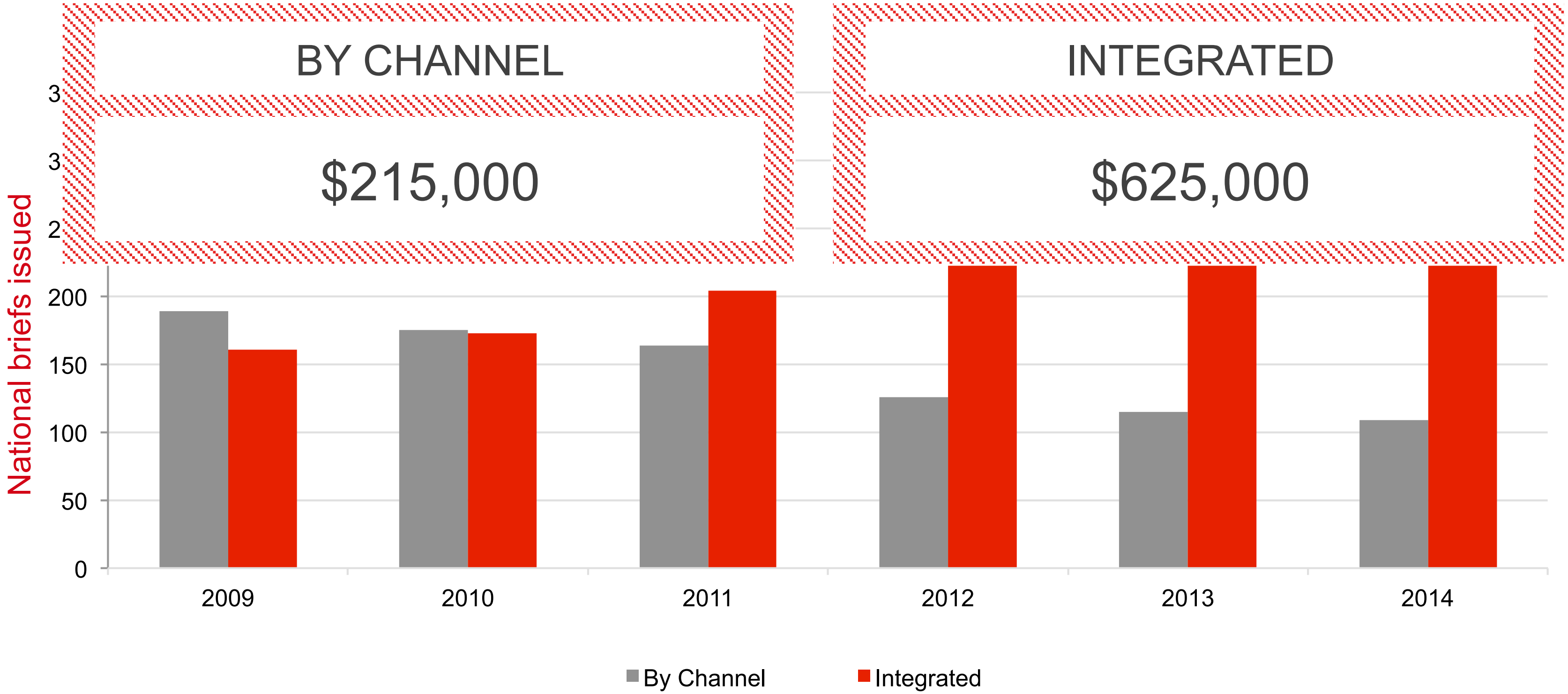
THE POWER OF AN INTEGRATED SYSTEM.

UNDERSTANDING NATURAL LINKAGES.




IDEA
“Sydney goes pop”
Putting the pop back into culture
SOCIALISE POP
1. ANNOUNCE THAT SYDNEY IS ABOUT TO POP
Leverage being first to know & an element of mystery to engage the audience.
Member broadcast
Website eDM
PR
POP up ‘crates’ competition
Stunt
Video
SEO
2. TAKE POP TO THE STREETS
Turn the streets into a visually exciting and surprising art gallery.
OOH
JCD + Sydney flags
The Gallery building
Giant crate to drive curiosity and sharing
Bus
Canb to Syd. Bus wrap.
TURN POPART INTO POP CULTURE NEWS
Link pop to topics that have got social currency
Digital and print partnerships to drive cultural relevance.
Partners
Blogs
How to pull off a date at the gallery.
Social
CREATE A COOL POP PRODUCT
Partner with brand that has cultural cache to create talkability and earned value.
Partners
MESSINA Candy Warhol
PR
POP YOURSELF
Give people the ability to become POP art and share.
Dig. OOH
POP art yourself and share
Mobile Desktop, platform
Paid FB
POP yourself in targeted banners

THE RISE OF THE INTEGRATED BRIEF.



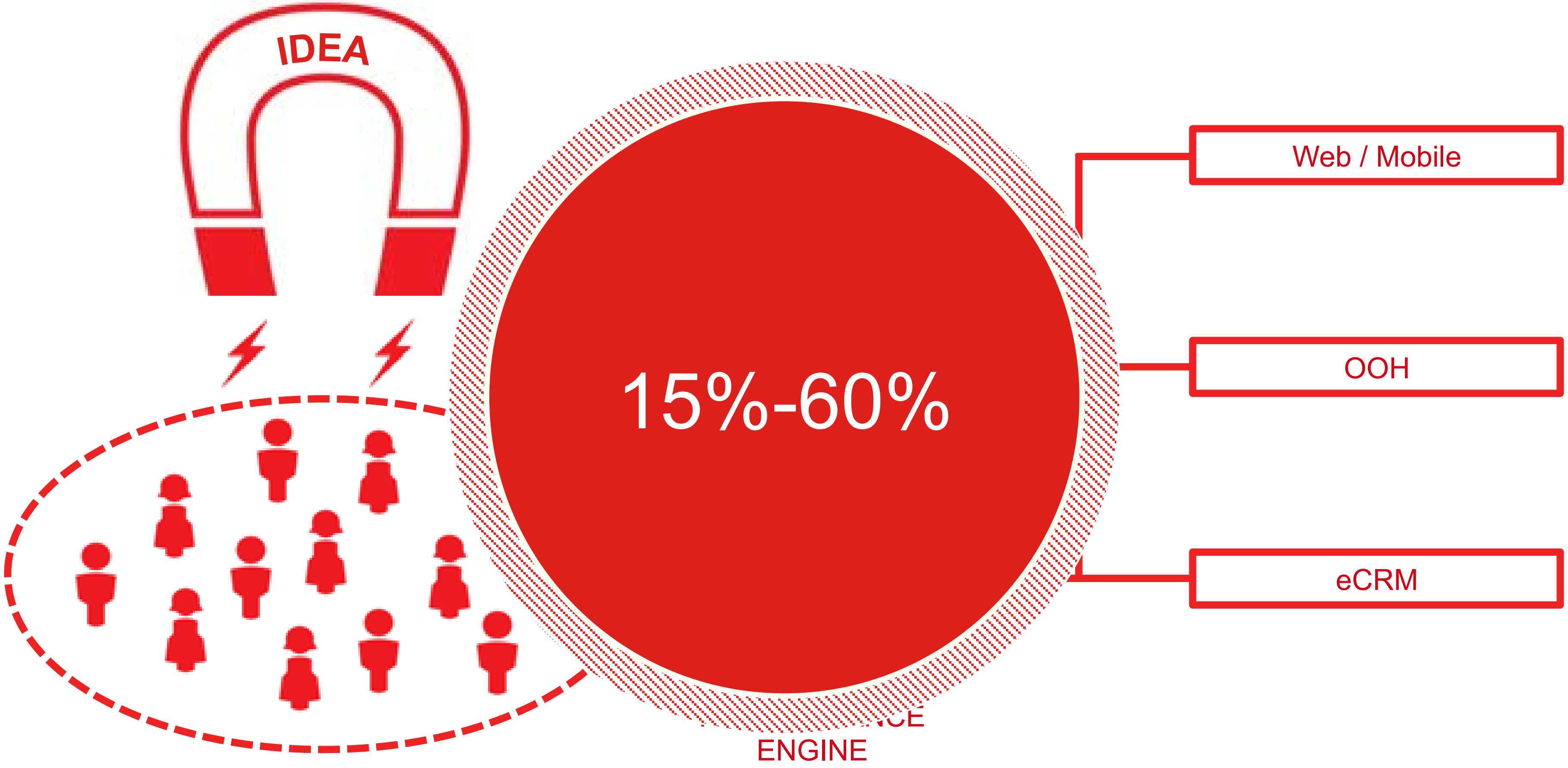
Source: UM Australia, National "outbound" briefs, 2009-2014

THE BENEFITS.

EASE.

EFFICIENCY.

EFFICACY.



IDEA
15%-60%
ENGINE
Web / Mobile
OOH
eCRM

THANK

YOU

Moving into the Subscriber Economy

Clayton Cooke

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THE SUBSCRIBER ECONOMY

Digital Subscription Businesses Building Momentum

Businesses going direct to consumer with digital "as a service" subscriptions

Consumers conditioned to this way of buying

Increasing number of success stories

It starts with relevance & great value

Key Growth Drivers

- Acquire New Members
- Increase Subscriber Lifetime Value
- Minimise Churn

*Consumer Intelligence Research Partners (Q4 2014)

EVOLUTION FOR PUBLISHERS

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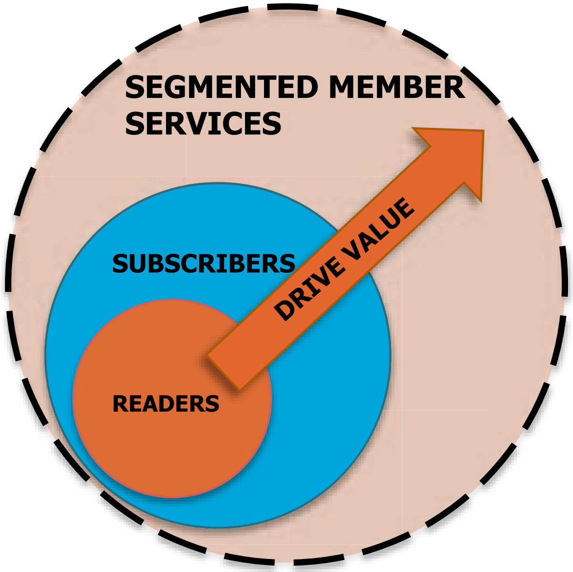
Publishers pioneered subscriptions…

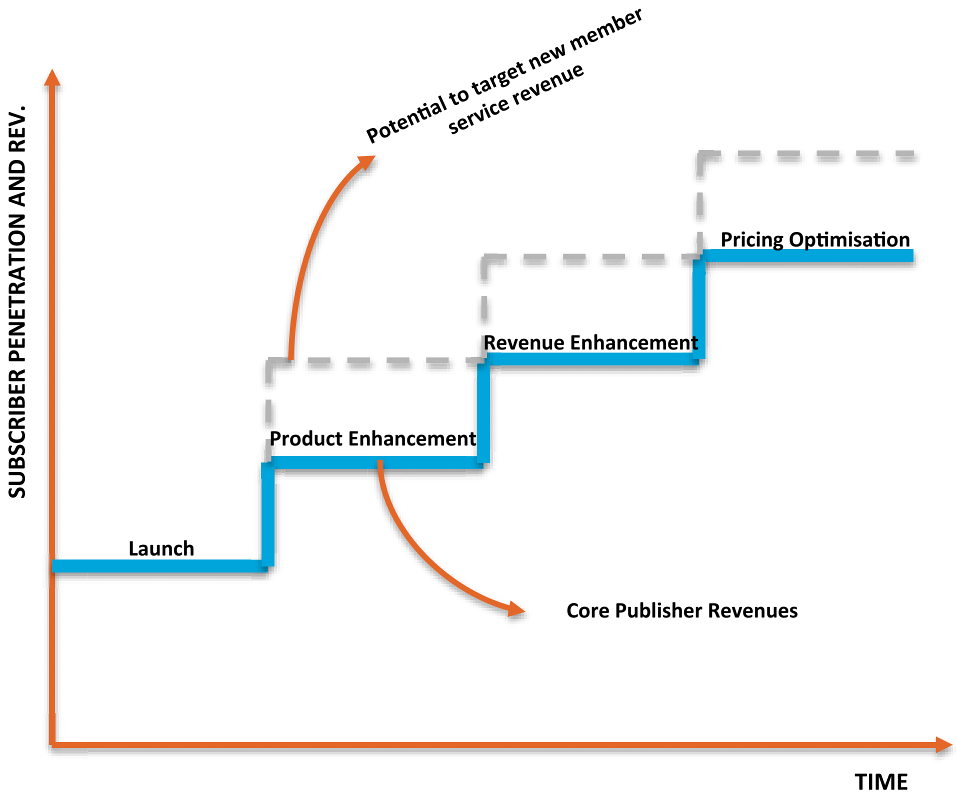


…now evolving it

Moving from…	To
Casual Transactions	Recurring Revenue
Product Purchase	Recurring "as a Service"
Engaged Readers	Loyal Members
Address Based Data	Rich Member Data
	Cross Selling & Upselling
	Subscriber Lifetime Value

A model where we are incentivized to innovate

THE PUBLISHER JOURNEY



Get to Base Camp

- Launch Digital Subscriptions
- Simple pricing & plans
- Targeting most engaged reader segments

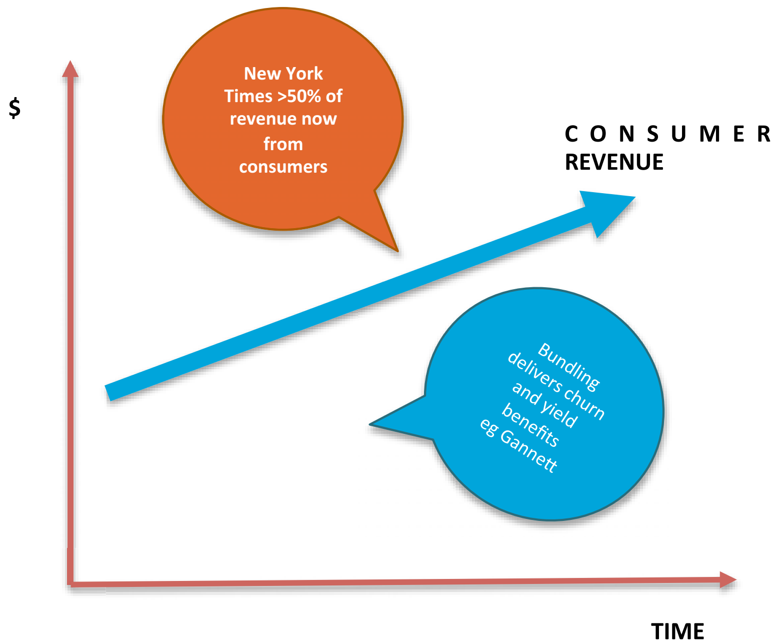
Drive Subscriber Penetration

- Target broader segments
- Member benefits & added value
- Additional products & product bundles
- Introduce new pricing tiers

Drive Lifetime Value

- Focus on value creation per subscriber
- Introduce upgrades & buy through
- Layer on new non-traditional products & service revenue

PUBLISHER BENEFITS



New Revenue Stream

- Digital Subscriptions

Broaden Revenue Base

- Consumer Revenue vs Ad Revenue

Benefits to Core Through Effective Bundling:

- Lowers print churn
- Opportunities to Optimise yield
- Anchor pricing can deliver circ upside (weekend + Dig)

Rich Data

- Advertiser yield opportunities
- New product & services identification & optimisation

Subscriber Platform & Relationship

- Lifetime value enhancement opportunities

KEY SUCCESS FACTORS

Who Has the Right to Play

- Brand Trust
- Unique Content
- Loyal & Engaged Audience

Execution Excellence

- Laser focus on satisfying targeted Customer Segments
- Packaging and Pricing
- Customer Relationship Management & Marketing
- Audience & Product Development

Unique Content + Loyal Audiences

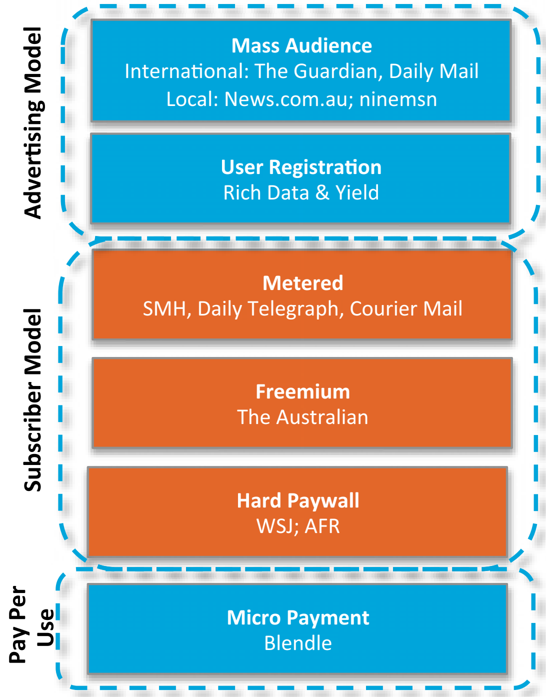
ARM'S RIGHT TO PLAY

Our Purpose: To connect and enrich the communities we serve

- Being at the centre of the flow of community, creates value opportunities
- Unique local content & deep community affinity
- Driving a loyal & exclusive audience
  - 8 out of 10 website visitors are exclusive
  - 9 out of 10 print readers are exclusive
- And, this loyal audience is growing
  - Largest audience in history
  - Audience growth 13% YoY

Unique Content + Loyal Audiences

THE DOMESTIC LANDSCAPE



Models range from free to paid

- International entrants focused on mass audience, ubiquitous content with advertising models.
- Conditioned market with Fairfax, News both pursuing subscription models
- Australia local publishers are dominated by metered model

OUR APPROACH

METERED

Unlimited Digital

Weekend Paper & Digital

6 Day Paper & Digital

- Metered model offers best of both worlds
- Simple packages & pricing – with compelling value packaging
- Ubiquitous access across any device
- Launch H2 2015
- Initial launch in single daily market & then progressive roll-out
- Build subscriber beachhead targeting our most engaged readers
- Evolve and extend member service offering to drive penetration and subscriber revenues

Incentive to Drive Subscriber Value

NZME DIGITAL AUDIENCE STRATEGY

Laura Maxwell-Hansen

BEHIND THE PAYWALL – GLOBAL LEARNINGS

Factors for success:

1. Strong brands with unique content
2. Large and scalable market size
3. G-local audience appeal
4. All-in environment
5. Understand our audience through data capture

NZME.

BEHIND THE PAYWALL – GLOBAL LEARNINGS

What doesn't work?

1. Low differentiation of content in a competitive market; and
2. Small and limited market size
3. Launch before customer knowledge and scale
4. Millennial Challenge

NZME.

NZME STRATEGY

EXPAND

Grow audience– be number 1

News
- Election 2014
- NewstalkZB news video

Sport
- Cricket World Cup #cricketfever

Entertainment
- ZM – 52-hour challenge
- Viva.co.nz
- Driven.co.nz

NZME STRATEGY

EXPLORE

Convert audience to registered users

- Reasons to register
- Customer lifecycle programmes
- Data aggregation
- Member benefits

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NZME STRATEGY

EXPLOIT

Monetise audience

- DMP advertising segments
- Memberships
- Subscriptions
- Locked content
- Pay-per-view
- Personalised content

NZME.

THANK YOU

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AUSTRALIAN REGIONAL MEDIA

The Local Evolution

Presented by Neil Monaghan

THE LOCAL EVOLUTION…ONE LOCAL TO ANOTHER

"

IT IS NOT THE STRONGEST OF THE SPECIES THAT SURVIVES, NOR THE MOST INTELLIGENT THAT SURVIVES.

IT IS THE ONE THAT IS MOST ADAPTABLE TO CHANGE.

- Charles Darwin


THE STORY
1
STRONG LOCAL
FOUNDATION
2
ONGOING
DIVERSIFICATION
3
Future
OPPORTUNITY

1. STRONG LOCAL FOUNDATION

LOCAL NEWS MEDIA IS

STILL RELEVANT AND NEEDED

STRONG LOCAL FOUNDATION

76%
OF ALL QUEENSLANDERS LIVE OUTSIDE OF BRISBANE.

REGIONAL AREAS THROUGHOUT QUEENSLAND ARE GROWING FASTER THAN THEIR METRO COUNTERPARTS.

REGIONAL QUEENSLAND ACCOUNTS FOR 72% OF HOUSEHOLD DISPOSABLE INCOME*

Source: Regional Population Growth Australia, 2012-13; Brisbane based on LGA *geoTribes Explorer June 2014 ^emma™ conducted by Ipsos MediaCT, People 14+ for the 12 months ending April 2014; APN total distribution areas

STRONG LOCAL FOUNDATION

LOCAL BRANDS

TRUSTED AND RELIABLE

UNIQUELY LOCAL

LOCAL CONTENT

EXCLUSIVE CONTENT

UNIQUE AND EXCLUSIVE,
CHANNEL AGNOSTIC CONTENT

LOCAL AUDIENCE

WE DELIVER AN
AGGREGATED AUDIENCE IN
A FRAGMENTED MARKET

8 OUT OF 10
WEBSITE USERS
ARE UNIQUE

9 OUT OF 10
PRINT CUSTOMERS
ARE UNIQUE

STRONG LOCAL FOUNDATION

DAILY MASTHEADS - REGIONAL QUEENSLAND

Daily Mercury | The Bulletin | The Observer | NewsMail | Gympie Times | Daily News | Sunday | The Chronicle | QT | Chronicle

DAILY MASTHEADS - NORTHERN NSW

Northern Star | The Daily Examiner

COMMUNITIES - QUEENSLAND

Times | Mirror | Herald | CQNews | News | Star | Guardian | Recorder | Times | Observer | Herald | Times | Times | Reporter | Advertiser | Life | Lifestyle | Weekly

COMMUNITIES - NORTHERN NSW

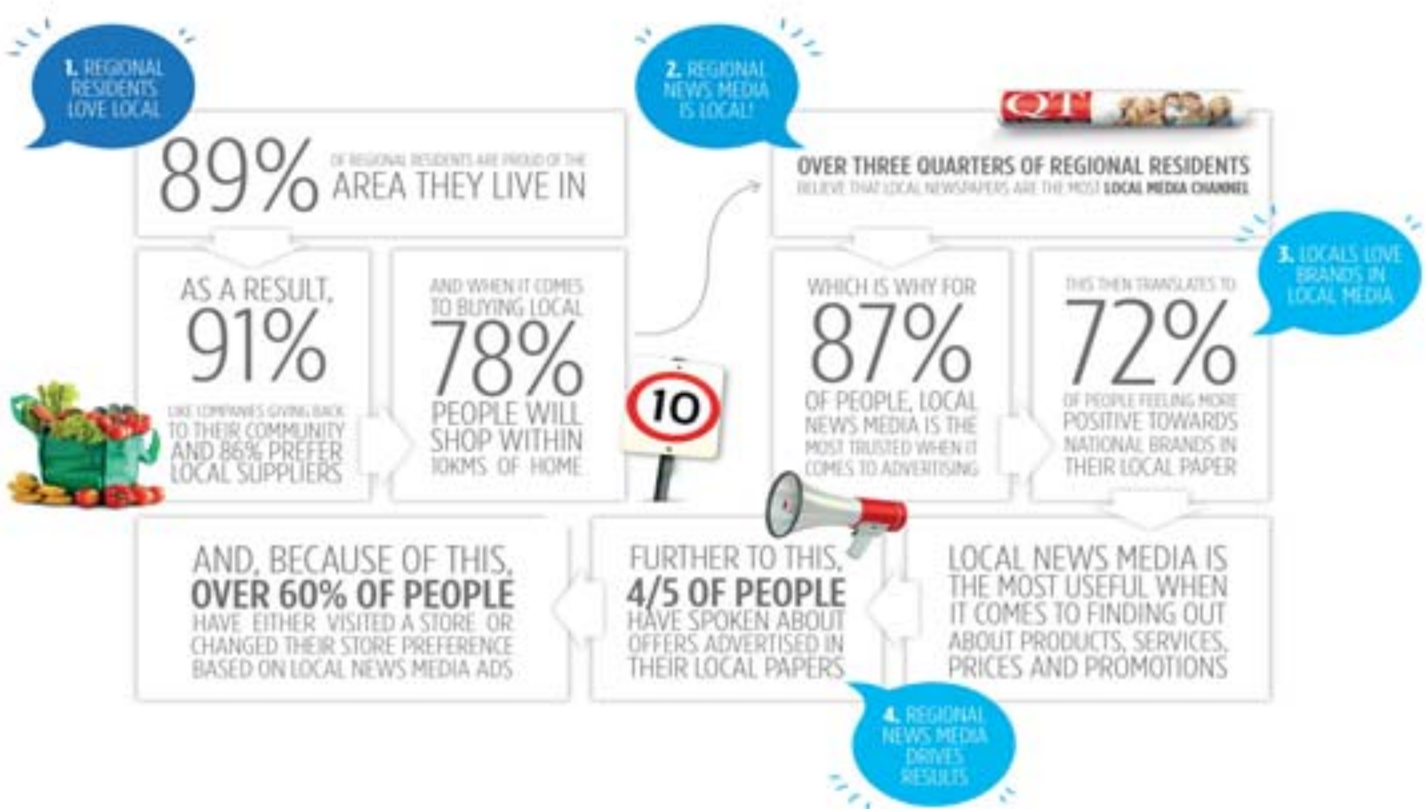
Daily News | Advocate | Advocate | Echo

SPECIALTY

STRONG LOCAL FOUNDATION

WE ASKED 4,000 LOCALS AND THIS IS WHAT THEY SAID…

1. WE LOVE OUR LOCAL COMMUNITY
2. WE LIKE NATIONAL BRANDS IN LOCAL MEDIA
3. OUR BUYING HABITS ARE INFLUENCED BY LOCAL NEWS MEDIA



2. ONGOING DIVERSIFICATION

WE ARE EVOLVING TO MEET THE MARKETS NEEDS

ONGOING DIVERSIFICATION

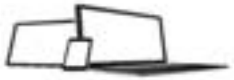
DIGITAL REVENUES

38% UP YEAR ON YEAR IN 2014 FOLLOWING SIMILAR TRAJECTORY IN 2015.

AUDIENCE

RETAIN / GROW / COMMERCIALISE

WE ARE EVOLVING TO MEET THE MARKET NEEDS.



DIGITAL MARKETING SERVICES

RECURRING REVENUE STREAM THROUGH WEBSITE.

BUILD/HOST/SEO/SEM.

EVENTS

LOCAL AUDIENCE ENGAGEMENT AND CROSS PROMOTE BRAND E.G. PRO BULL RIDING.

PRINT

EXPAND INTO OTHER VERTICALS AND GEOGRAPHIES.

DIGITAL SUBSCRIPTIONS

54% OF OUR AUDIENCE NOW CONSUME OUR CONTENT ON MOBILE/ ONLINE.

3. FUTURE OPPORTUNITY

FOR THOSE WHO EVOLVE

GROWTH OPPORTUNITY

QUEENSLAND

MARKET REMAINS

STRONG

COST MANAGEMENT

ONGOING COST MANAGEMENT;
TECHNOLOGY AND INDUSTRY
COLLABORATION KEY DRIVERS

COLLABORATION

APN INTERNAL

AND OTHER MEDIA
COMPANIES

PRINT PRODUCTS
ARE FOR SALE AT GOOD
MULTIPLES PARTICULARLY
WITH SYNERGIES

DIGITAL PRINT
TECHNOLOGY

ARM LEADING THE
INDUSTRY ON

DEVELOPING PERSONALIZED
PRINT PRODUCTS

4. SUMMARY

LOCAL EVOLUTION: BALANCED STRATEGY

BALANCED STRATEGY

1 STRONG LOCAL FOUNDATION

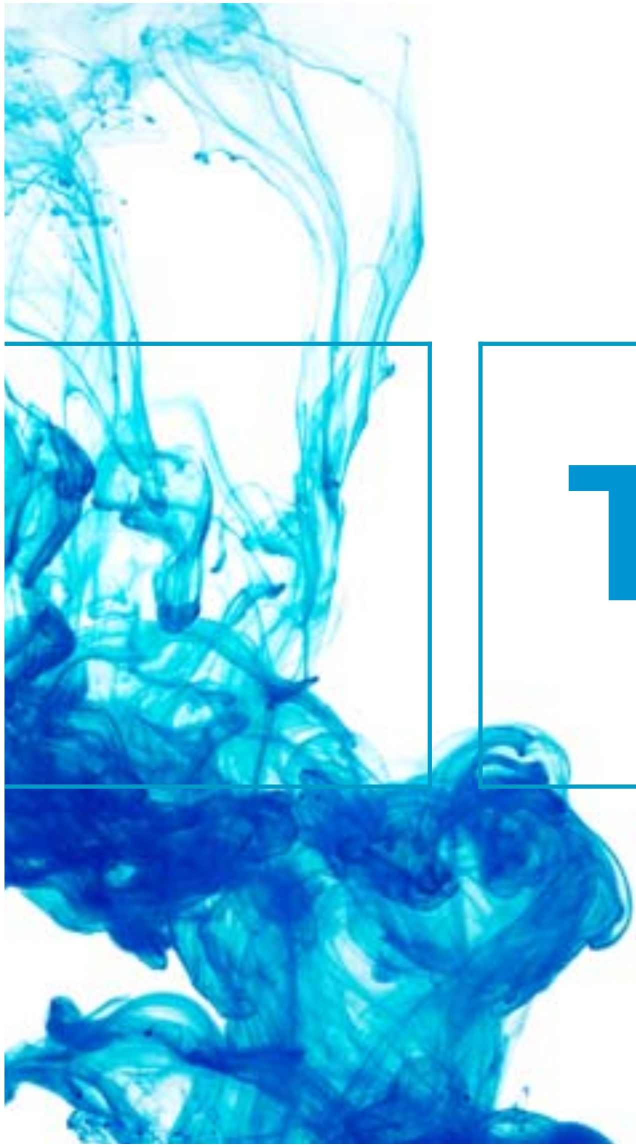
CONTINUE TO
MAINTAIN A STRONG
LOCAL PRESENCE

2 ONGOING DIVERSIFICATION

NEW PRODUCTS,
NEW CONTENT, NEW VERTICALS,
NEW GEOGRAPHIES

3 GROWTH OPPORTUNITY

FURTHER LEVERAGE
AND COMMERCIALISE
LOCAL AUDIENCES



Thank you

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TRANSFORMING TO NZME

Jane Hastings

BUSINESS HIGHLIGHTS

1 We are in the business of **selling audiences** and our audience is **strong** and **growing**.

2 2015 / 16 is focused on **merging 3 businesses into 1** centred around News, Sport and Entertainment.

3 We are **investing in new technology** to enable efficiencies and to better monetise our data assets.

4 We have already **delivered cost savings**, with more planned.

5 We are **realising benefits** in audience share and revenue from core and new streams.

NZME TODAY

NZME. PUBLISHING

THE NEW ZEALAND HERALD IS THE LARGEST METROPOLITAN DAILY IN NZ

6 DAILY PAPERS AND 26 COMMUNITY TITLES REGIONALLY REACHING MORE THAN 788,000 KIWIS [1]

OUR TOTAL DAILY CIRCULATION IS 215,000[1]

- NZME represents 40% of newspaper advertising market share
- Print circulation has stabilized and the rate of print advertising decline has reduced.
- NIMs represent ~40% of total Herald advertising revenue
- Verticals enable extensions into radio, digital and e-commerce
- Agreement with Fairfax Media to leverage NZME printing facility in Ellerslie.

The New Zealand Herald

(1) Nielsen Consumer and Media Insights Readership Release Q1-4 2014

NZME.

NZME. RADIO

WE ARE NUMBER 1 IN NEWS, SPORT AND MUSIC[1]

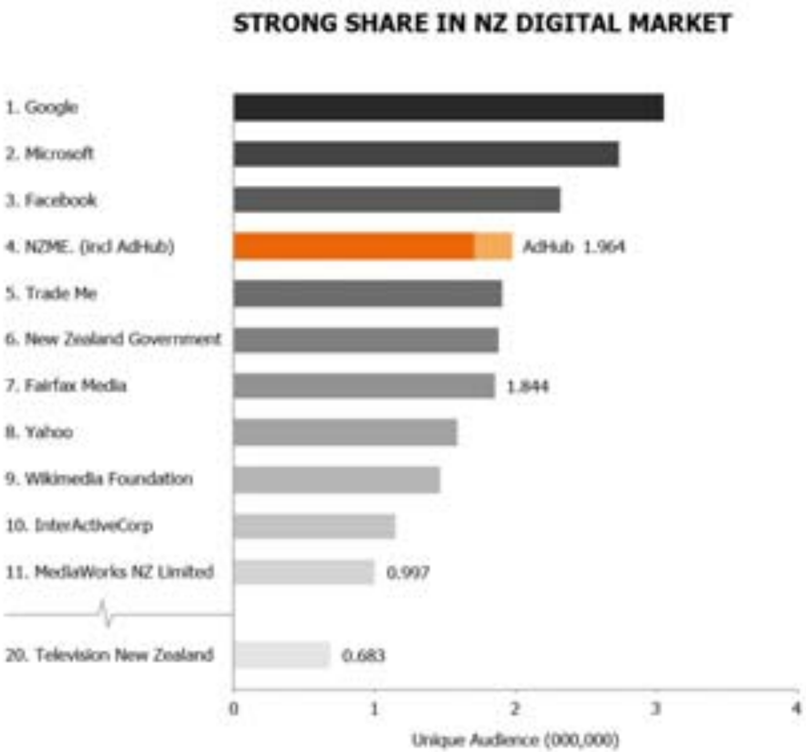
WE HAVE 3 OF THE TOP 5 RADIO STATIONS IN NZ[1]

IHEART RADIO IS GROWING

NZME REPRESENTS 41% OF THE TOTAL RADIO MARKET IN NZ[1]

(1) Source: Radio Survey undertaken by TNS New Zealand Feb-Apr 2015, National, Share (%), Mon-Sun 12mn-12mn, All 10+, unless otherwise stated.Three of the top five stations are based on cumulative audience

DIGITAL



Source: Nielsen Netview: March 2015 (monthly unique audience – domestic audience only).
(1) Source:"IAB Monthly Online Reporting of media contributors.

ONLINE DISPLAY MARKET SHARE REVENUE INCREASED FROM 16.4% IN 2014 Q1 TO 19.9% IN 2015 Q1[1]

- NZME has a unique domestic audience of 1.964m including AdHub
- YoY nzherald.co.nz is up 23% to a 1.4 million unique audience each month, with over 92 million page views
- New truecommercial.co.nz, viva.co.nz, driven.co.nz and dreamteam.co.nz websites launched

E-COMMERCE

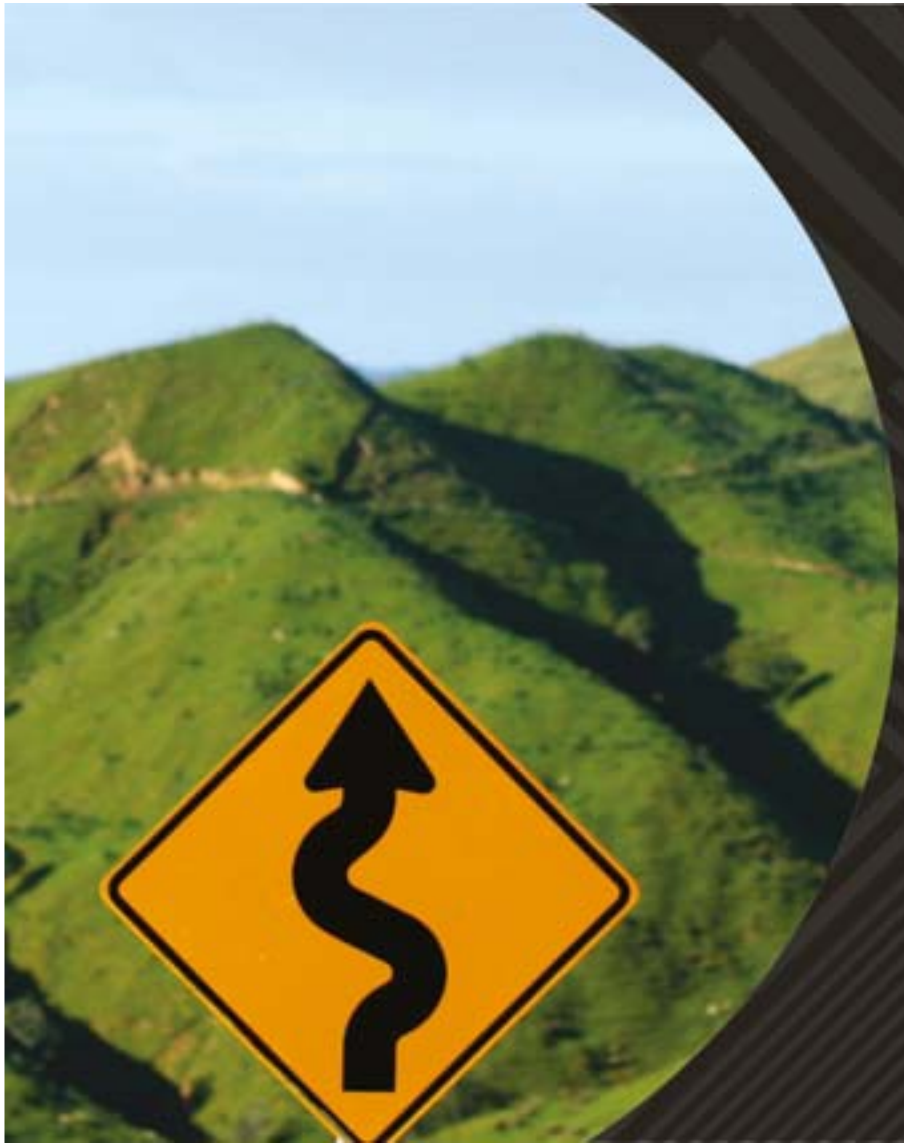
NEW ZEALAND'S LEADING MARKET PLACE FOR DEALS

MONTHLY UNIQUE VISITORS OF 524,000[1]

- Over 2 million impressions every week
- Monthly unique visitors are over 200,000 more than the closest competitor 1-day[1]
- 320,000 mobile app downloads
- GrabOne is focused on a g-local strategy

(1) Nielsen Online Ratings March 2015

NZME.



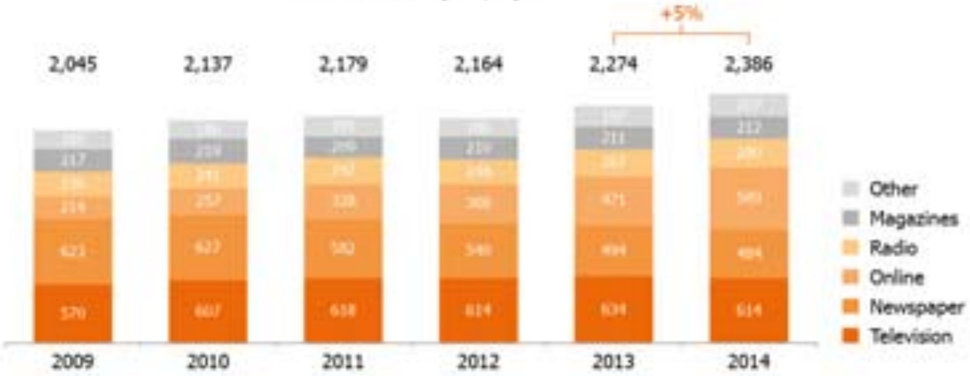
NZME MEDIA LANDSCAPE

NEW ZEALAND ADVERTISING LANDSCAPE

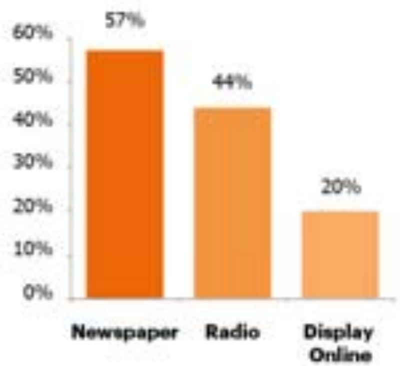
DIFFERENCES BETWEEN NEW ZEALAND AND AUSTRALIAN MEDIA LANDSCAPES

	NEW ZEALAND	AUSTRALIA
METRO NEWSPAPER MARKET	1 major daily newspaper per metro market	Usually 2+ major daily newspapers per metro market
COMMERCIAL RADIO MARKET	2 major broadcasters	4 major broadcasters

NEW ZEALAND HISTORICAL ADVERTISING EXPENDITURE
2009-2014 (NZ$M)1

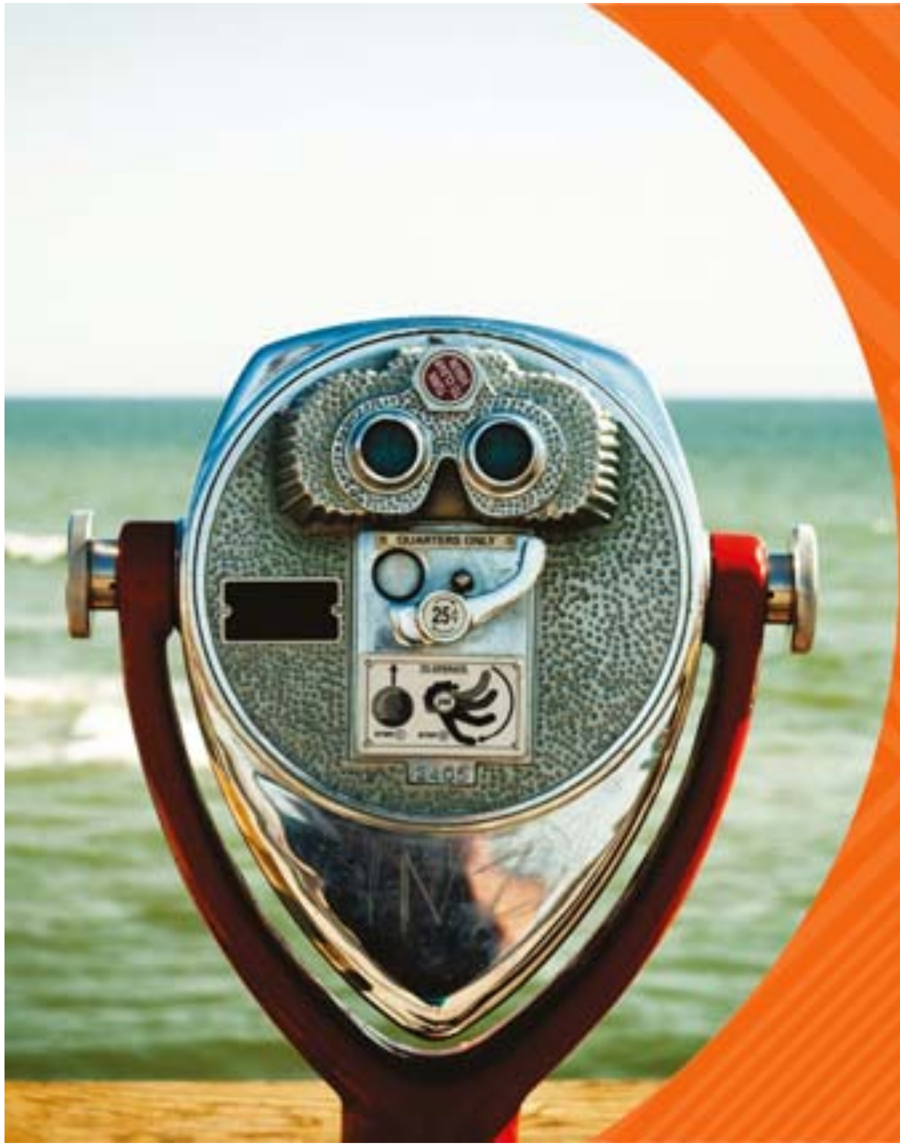


NZME % of FY14 Market [2]



(1) Advertising Standards Authority. (2)Newspaper and Radio are a comparison of NZME. revenue against the Advertising Standards Authority 2014 advertising expenditure, Display Online is a comparison of NZME. Digital revenue against comparative competitors for Q1 FY15. IAB monthly online reporting of reading contributors.

NZME.



NZME TOMORROW

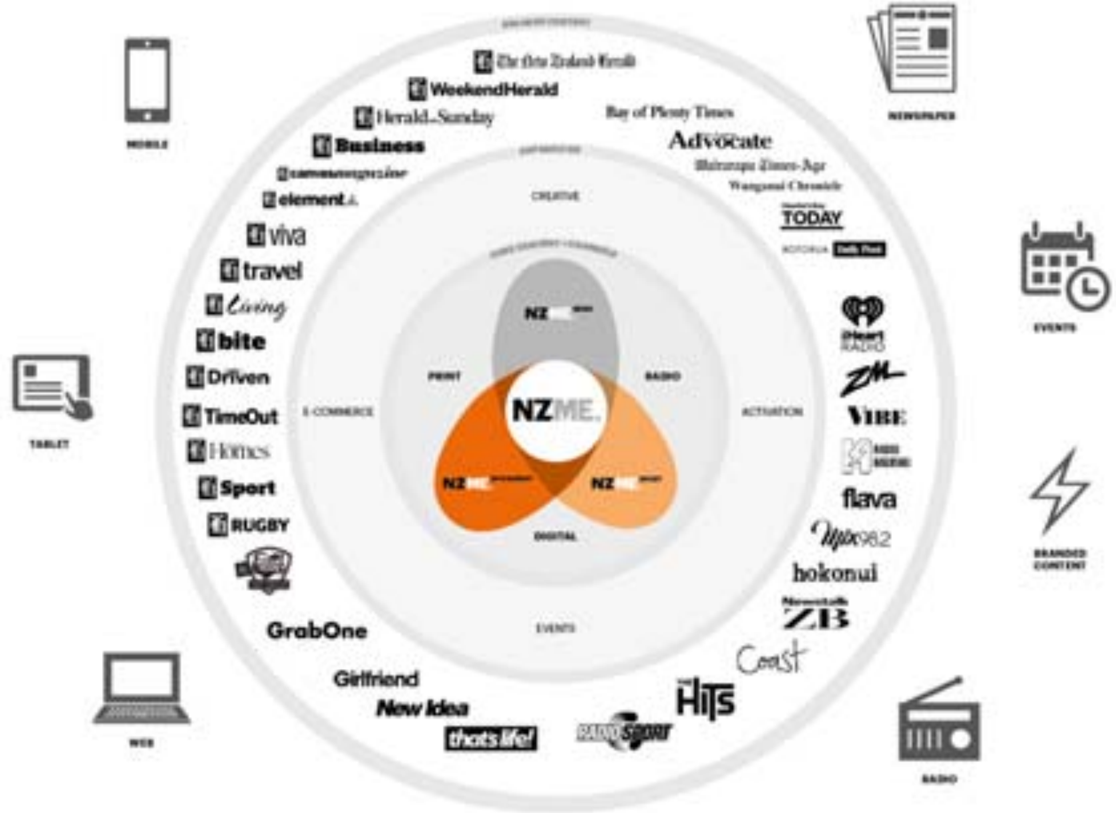
BECOMING NZME - ENGAGING AUDIENCES ACROSS NEWS, SPORT AND ENTERTAINMENT

Note: Monthly statistics.Source: Nielsen CMI, fused database: February 2014 (based on population 10 years+). Based on unduplicated weekly reach of NZME newspapers, magazines, radio stations, and monthly domestic unique audience for NZME digital channels.

MERGER PROVIDES OPPORTUNITY

LEVERAGE TALENT + CONTENT

CROSS-SELL TO INCREASE SHARE OF WALLET



NZME WORKSTREAMS

3

TRANSFORMATION WORKSTREAMS

- CO-LOCATION
- SALES TEAM INTERGRATION
- NEW TECHNOLOGY-DIGITAL ECOSYSTEM
- ONE NEWSROOM
- LEVERAGING OUR PRODUCT SETS
- CULTURE PROGRAMME
- NEW BUSINESS STREAMS

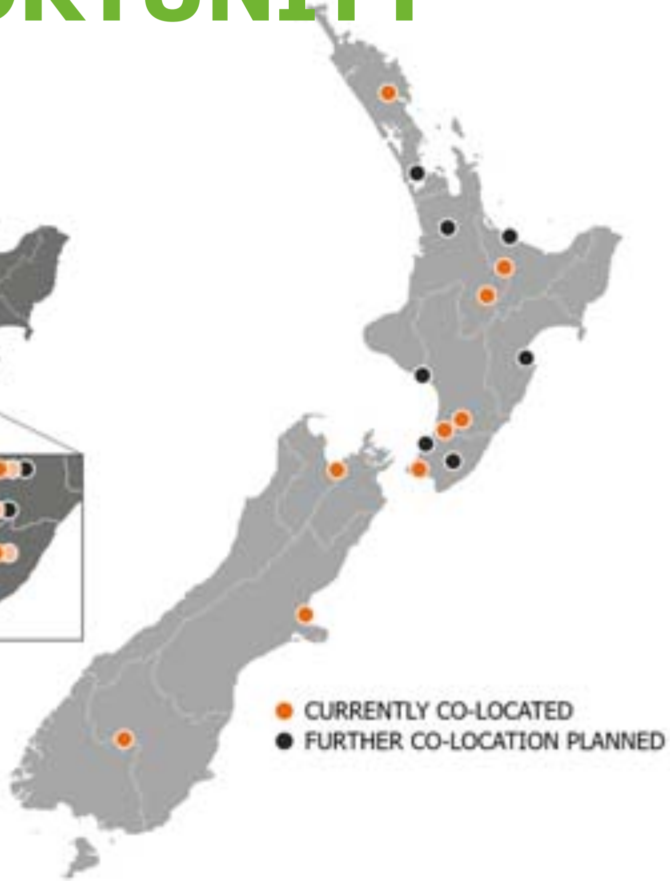
1

NZME.

MERGER PROVIDES OPPORTUNITY TO CROSS-SELL

MERGER PROVIDES OPPORTUNITY

9 REGIONAL CO-LOCATION UNDERWAY, AUCKLAND COMMENCES Q4



NZME.

WHAT WE ARE DOING DIFFERENTLY

ONE NEWSROOM: ALL MEDIA

Pictured: Die Welt Newsroom in Berlin

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CONTENT INTEGRATION

SALES INTERGRATION

NZME.

BRANDED CONTENT

- Talent Integration
- Activation
- Brand Insight
- Authentic Creative Content
- Promotional teams throughout NZ

NZME.

EVENTS

- Events concepts & design
- Event management
- From concerts to customised consumer and corporate experiences
- iHeartRadio concerts, Viva Sessions, Deloitte Top 200, Mood of the Boardroom, Regional Homeshows

OUR DIGITAL ONLINE PRESENCE IS GROWING WITH E-MARKETPLACE TRIALS

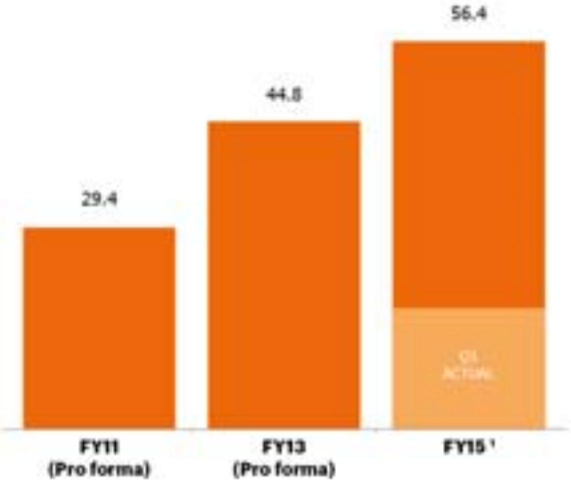
DIGITAL MARKETPLACE

- **ShopViva**, **Viva.co.nz**, **Driven.co.nz** and **True Commercial.co.nz** have launched in the past year.
- ShopViva has **184 brands onsite** providing approximately 5,500 products in the store.
- Since its April launch, **Driven.co.nz** has received up to **154,000 PVs** and **42,000 UBs a week**.

NZME.

NEW REVENUE STREAMS

INCREASINGLY IMPORTANT NEW INITIATIVES AND DIGITAL REVENUE CONTRIBUTIONS EXPECTED TO CONTINUE



Total NZME. New Initiative & Digital Revenue (NZ$m)

(1) As per November 2014 Business updates

SUMMARY

1 We are in the business of **selling audiences.**

2 Our audience is **strong** and **growing.**

3 Q1 total **revenue is +3%.**

4 2015 / 2016 is focused on **merging 3 businesses into 1** and is well underway.

5 We are **investing in new technology platforms** to enable merger efficiencies and better monetise our data assets.

6 We have already delivered **cost savings**, with more planned.

Thank you

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More Than Meets The Eye

Rob Atkinson

Adshel, Our Evolution

"Change is the law of life. And those who look only to the past or present are certain to miss the future"

John F. Kennedy

Out-of-home: Continual Growth


2014 - RESULTS
SHARE BY MEDIA
OOH IS ONE OF ONLY
3 MEDIUMS SHOWING
CONTINUAL GROWTH
Out-of-home advertising revenue has grown **20.8%**
(Source: SMI 2014 vs 2010)
Out-of-home share has grown **1.7%**
(Source: SMI 2014 vs 2010)
Out-of-home audiences has grown **49%**
(Source: MOVE 2014 vs 2010)
Adshel revenue has grown **65%**
(Source: Adshel Revenue, 2010 vs 2014)

MACRO TRADE-WINDS IN OUR FAVOUR

- Investment in urban infrastructure
- Population increases from rural to urban
- Measurement in OOH becoming more dynamic
- Mobile turning OOH into a transactional medium
- Audience fragmentation

Trends driving Adshel's future growth…


TRENDS DRIVING ADSHEL'S FUTURE GROWTH
ADSHEL
SEIKO
Digitisation
Convergence
Data
Automation

Digitisation

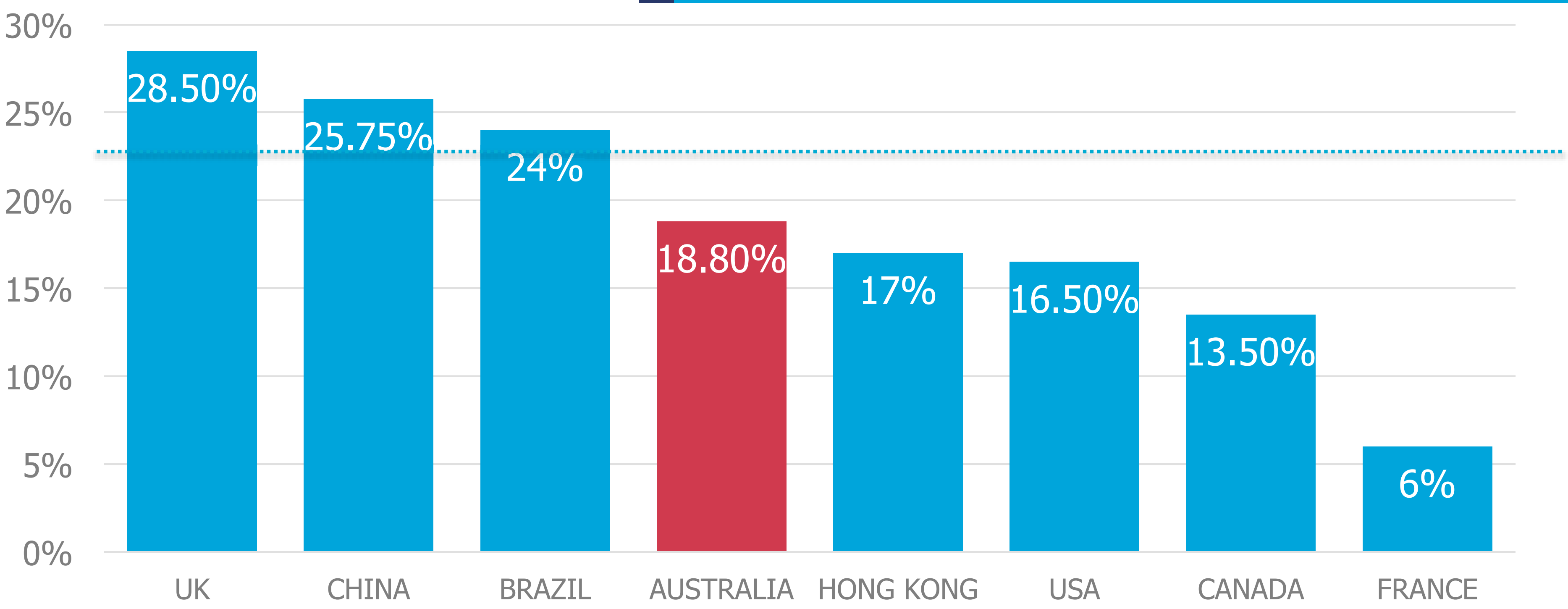
Digital Out-Of-Home

DIGITISATION

GROWING SHARE IN MOST MARKETS BUT AUSTRALIA LAGS

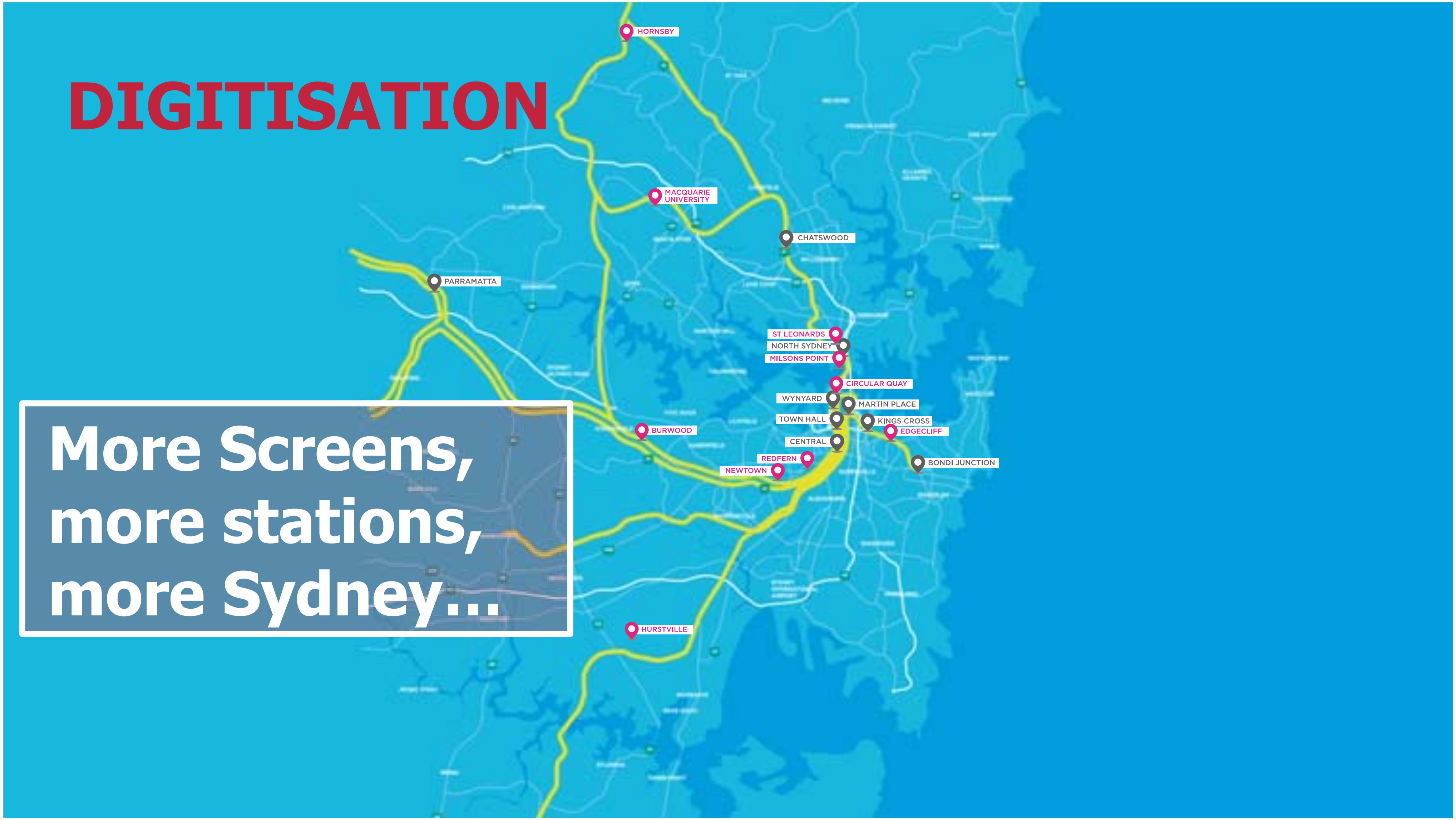
DIGITISATION

AUSTRALIAN DIGITAL OUT-OF-HOME REVENUES GREW 66% YOY IN 2014



Source: MagnaGlobal Global Model December 2014
^ Outdoor Media Centre (OMC)
* Outdoor Media Association, Australia

DIGITISATION



More Screens, more stations, more Sydney…

DIGITISATION

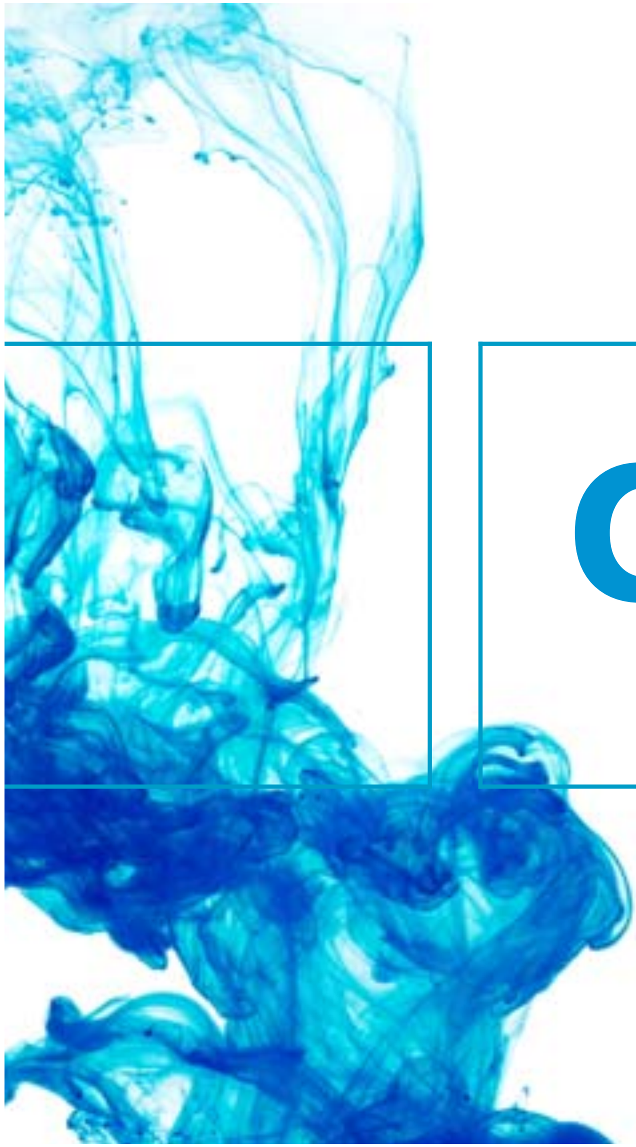
What’s next for Adshel?


You Tube / troye
ADSHEL Live

DIGITISATION

ADSHEL LIVE
Igniting Auckland

Transforming out-of-home advertising across New Zealand's largest urban city



Convergence

CONVERGENCE

Geo services to bring OOH & mobile together

Use of real-time mobile location data & OOH audience data

Mobile purchase is rapidly rising with OOH

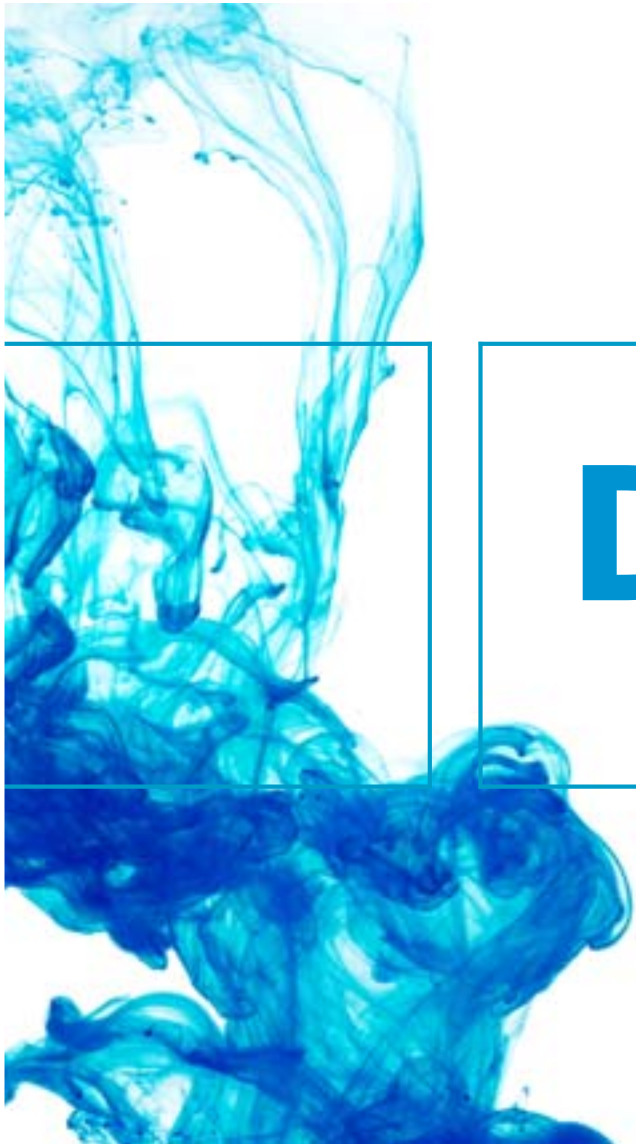
CONVERGENCE

What’s next for Adshel?

Beacons

CONVERGENCE

DASHBOARD EXAMPLE



Data

DATA

Audience owners gather and profile audience behaviour to improve marketing and / or resell to partners

Clients to use own 1st party data to plan and buy OOH

Improved performance and accountability to improve value

Data informs greater contextual relevance which leads to greater engagement and campaign effectiveness

DATA

"It is the broadcast nature of the medium that continues to offer real media value. We expect smart brands to use OOH to reach audiences, but overlaying innovation, context and location to reach them in the right way to deliver real effectiveness, impact and a formula for success"

Eric Newnham, Talon


DATA
THE SCALE TO BE PRECISE
Geo-Targeting solutions. New ways
to plan and buy media with Adshel

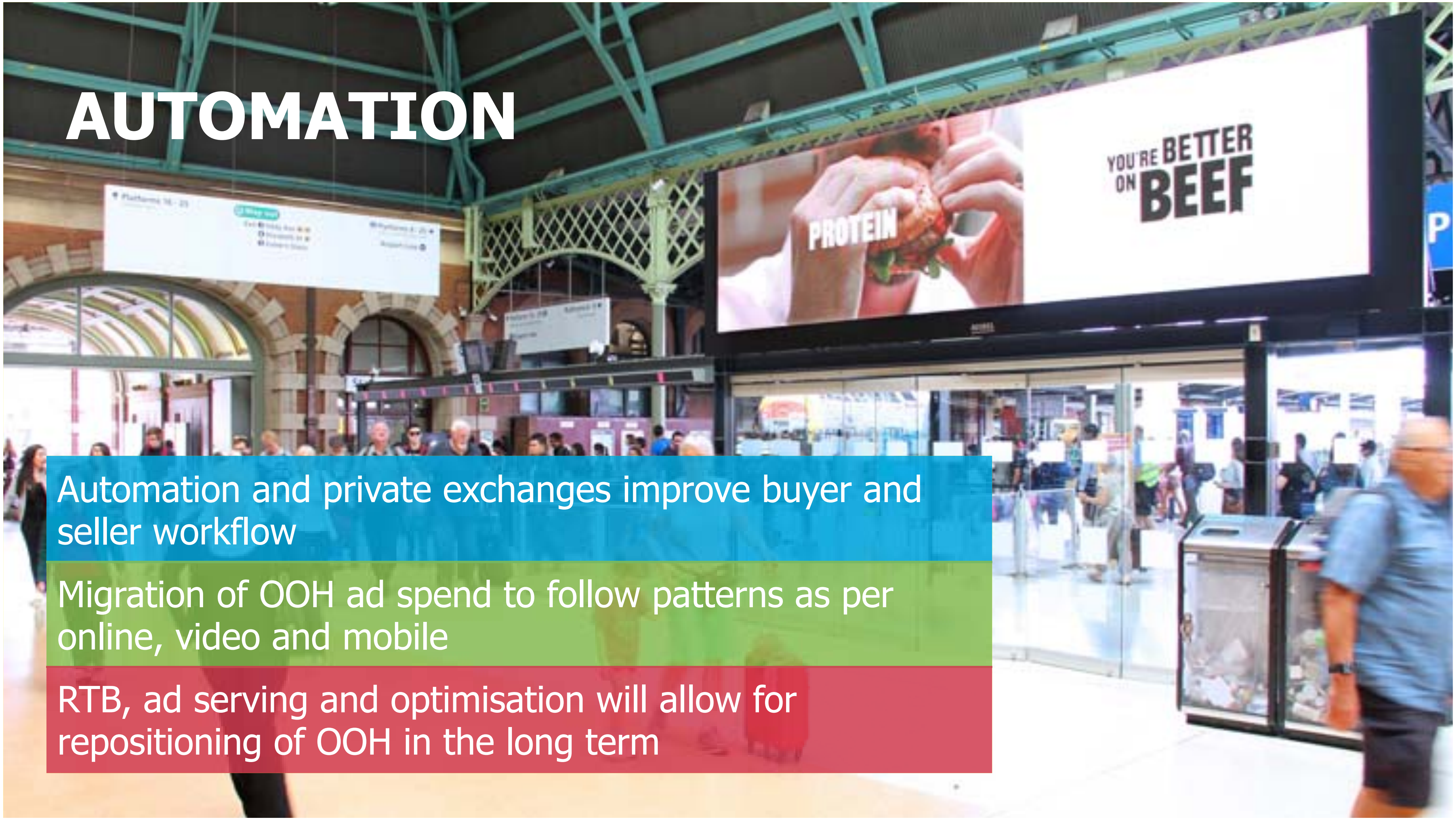
DATA

What's next for Adshel?


DATA
16,000 HELIXED UP ADSHEL PANELS
THE ONLY OUT-OF-HOME PROVIDER TO PARTNER WITH
Helix Personas®
By Roy Morgan Research

Automation

AUTOMATION



Automation and private exchanges improve buyer and seller workflow

Migration of OOH ad spend to follow patterns as per online, video and mobile

RTB, ad serving and optimisation will allow for repositioning of OOH in the long term

WHAT WE HAVE LEARNT

Greater share
of media spend

Incremental revenue
at higher yields

Minimised unsold inventory

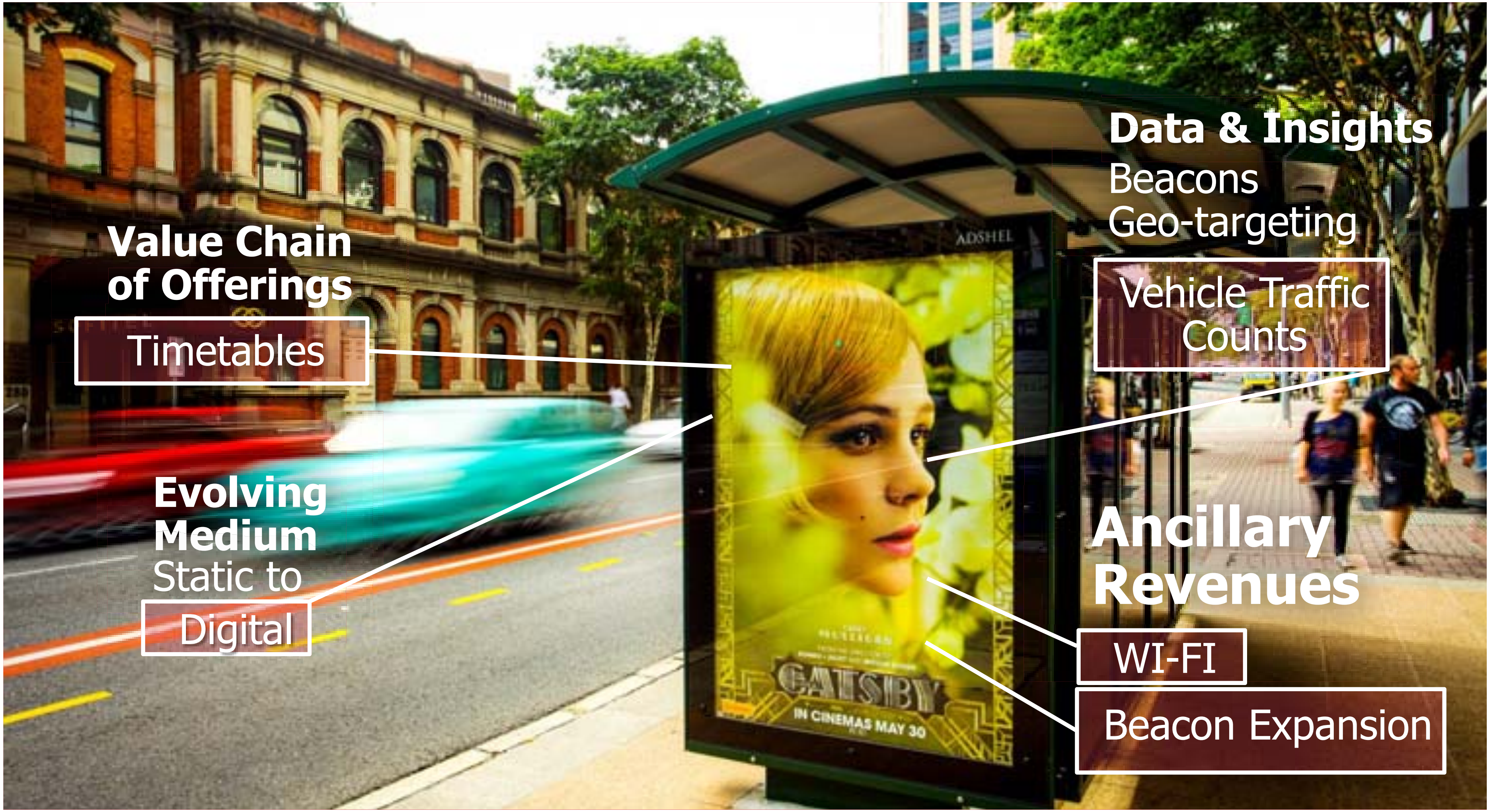
Positioned Adshel
as innovators

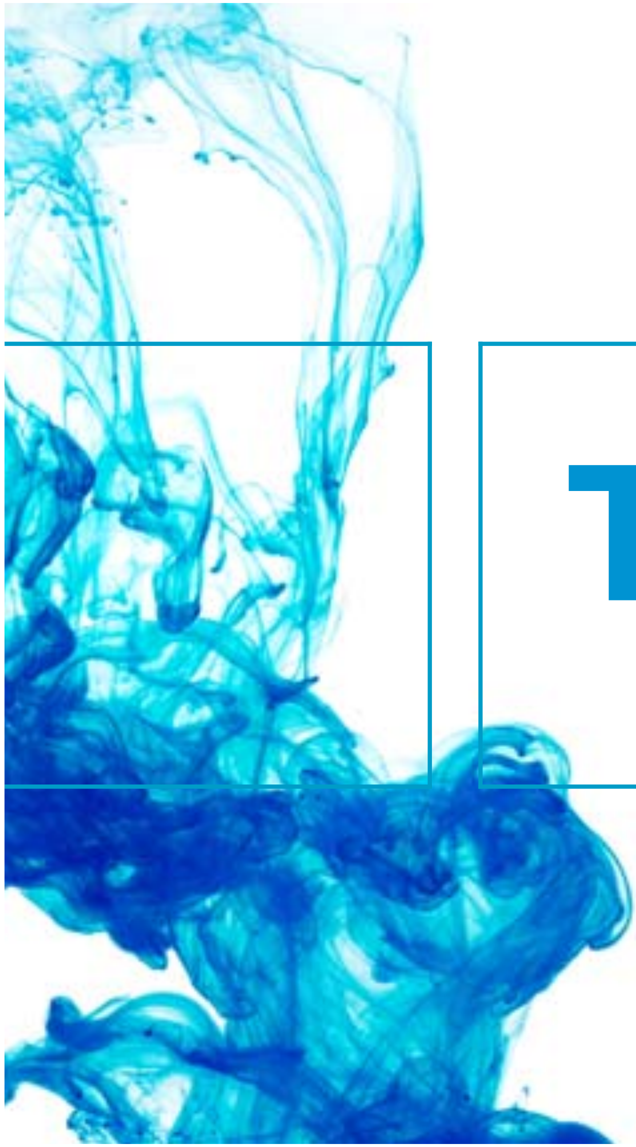
AUTOMATION

What’s next for Adshel?

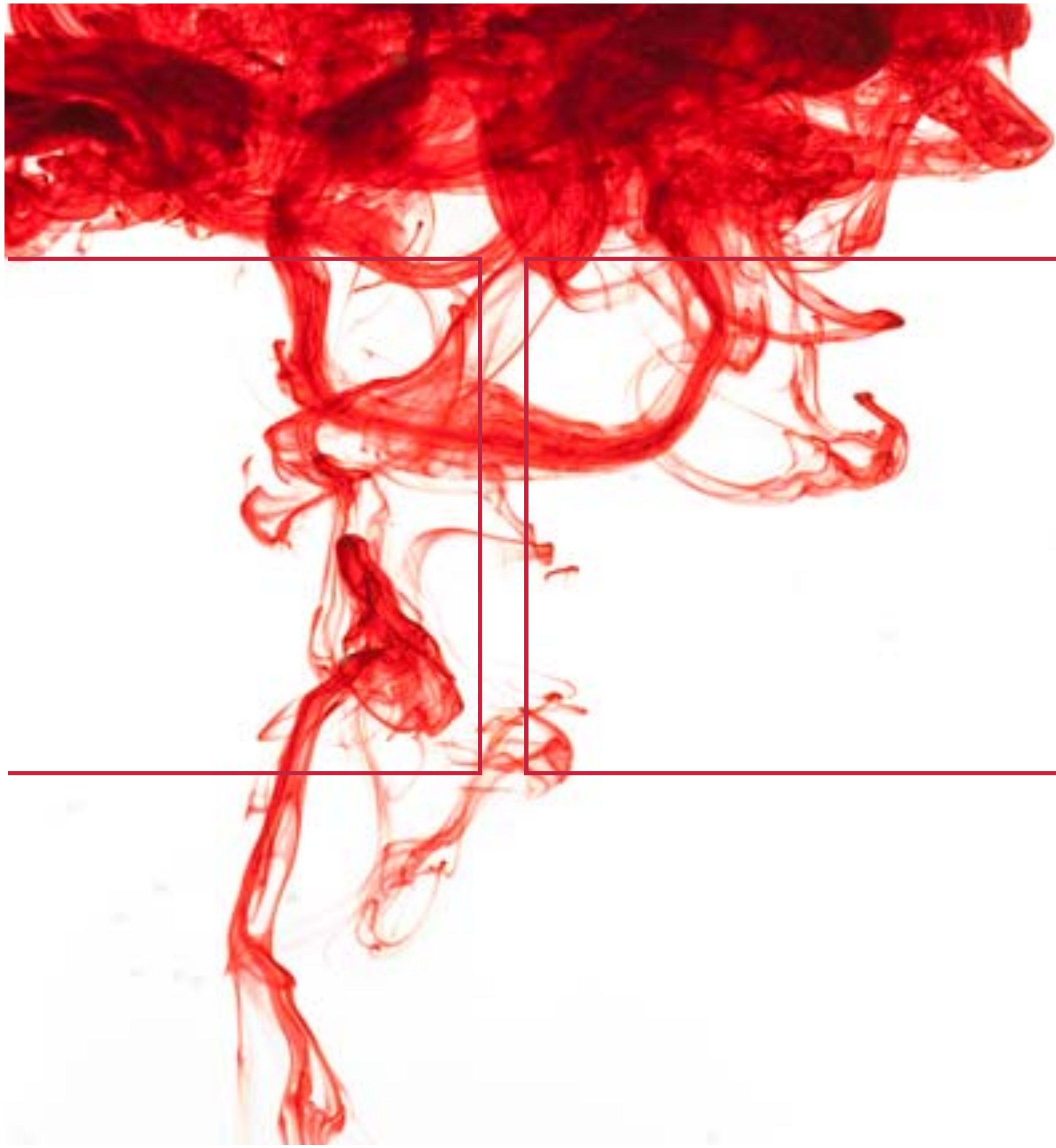
AUTOMATION


MASS-PRODUCTION
One-size-fits-all
From buying inventory to
buying audience
MASS-CUSTOMISATION
Design-your-own
YIELD
ROI


Value Chain of Offerings
Timetables
Evolving Medium
Static to
Digital
Data & Insights
Beacons
Geo-targeting
Vehicle Traffic Counts
Ancillary Revenues
WI-FI
Beacon Expansion
ADSHEL
GATSBY
IN CINEMAS MAY 30



Thank you



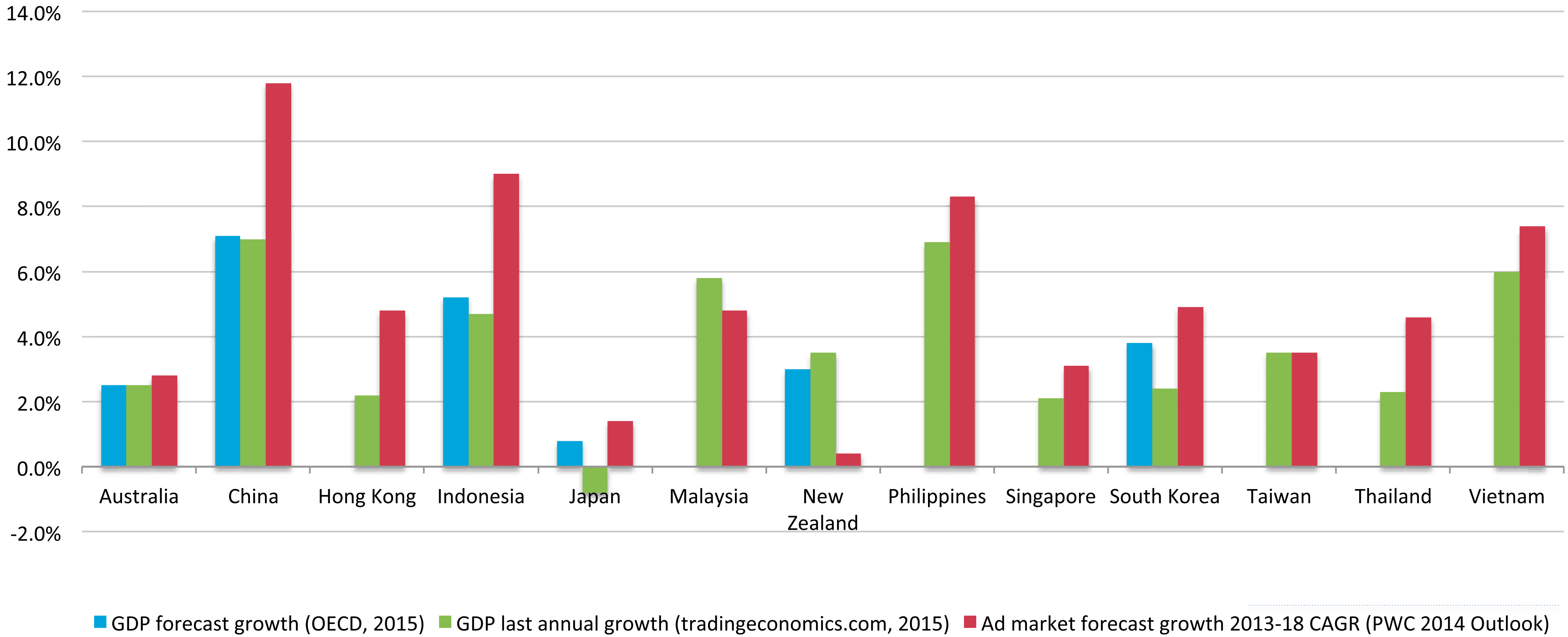
Asia

Jeff Howard

OPPORTUNITY IN ASIA

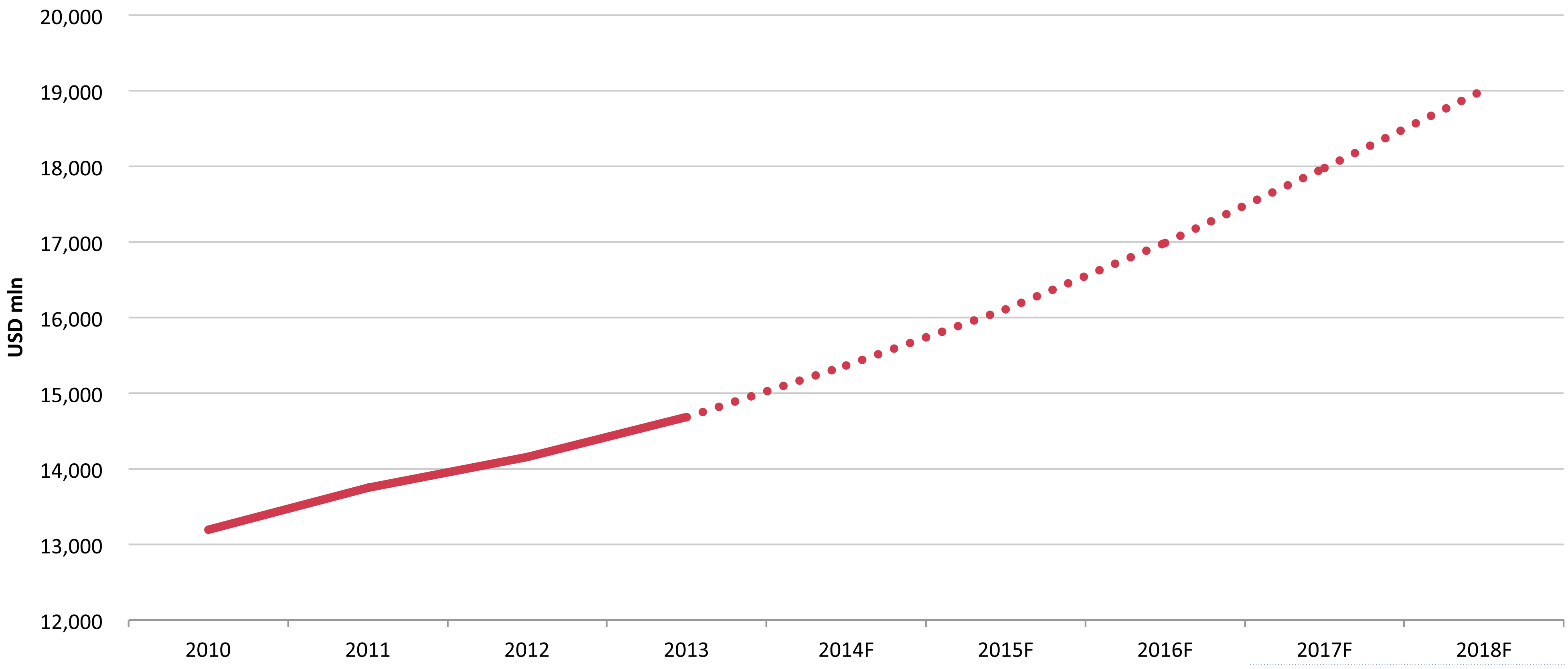
- APN has a long history in Asia
- Successful operations in Hong Kong where we remain the premium large format operator
- Our ambition is to find growth opportunities in our core growth competencies – out of home and radio
- There are market gaps in high growth Asian markets worth exploring

ASIA GDP AND ADVERTISING MARKET GROWTH RATES



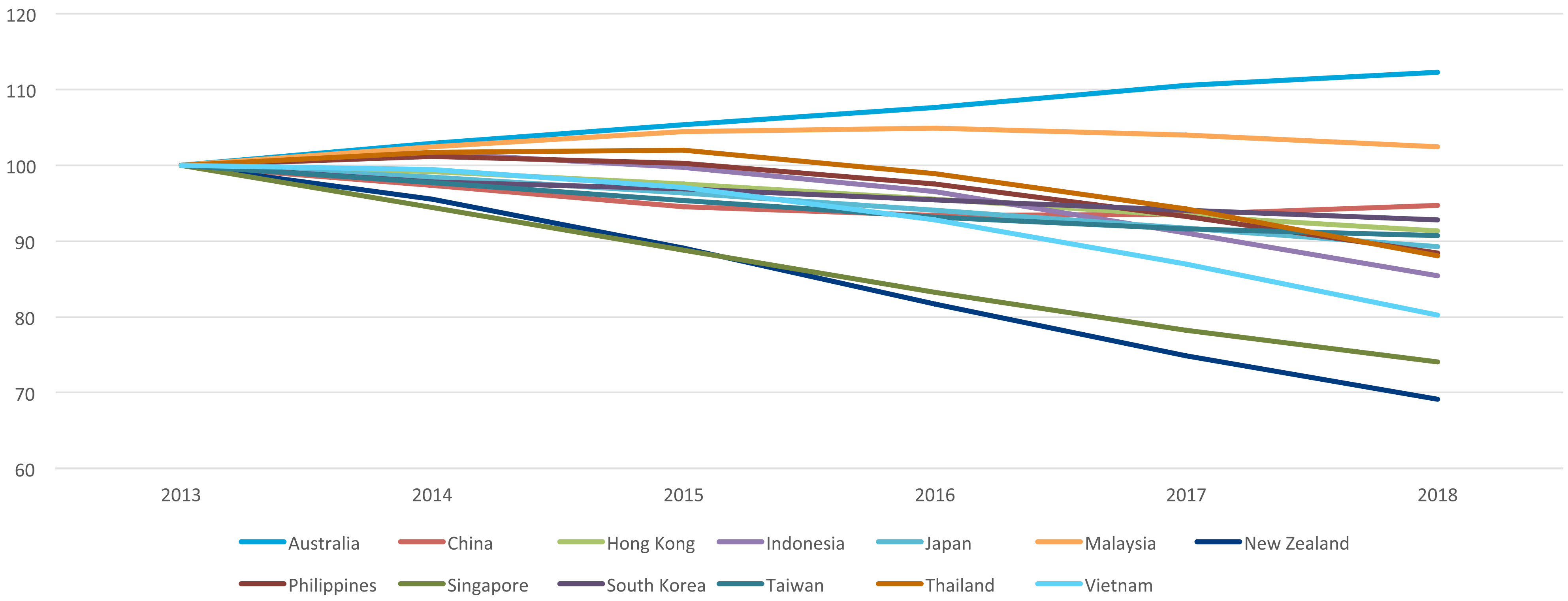
ASIA OUT OF HOME GROWTH FORECAST

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



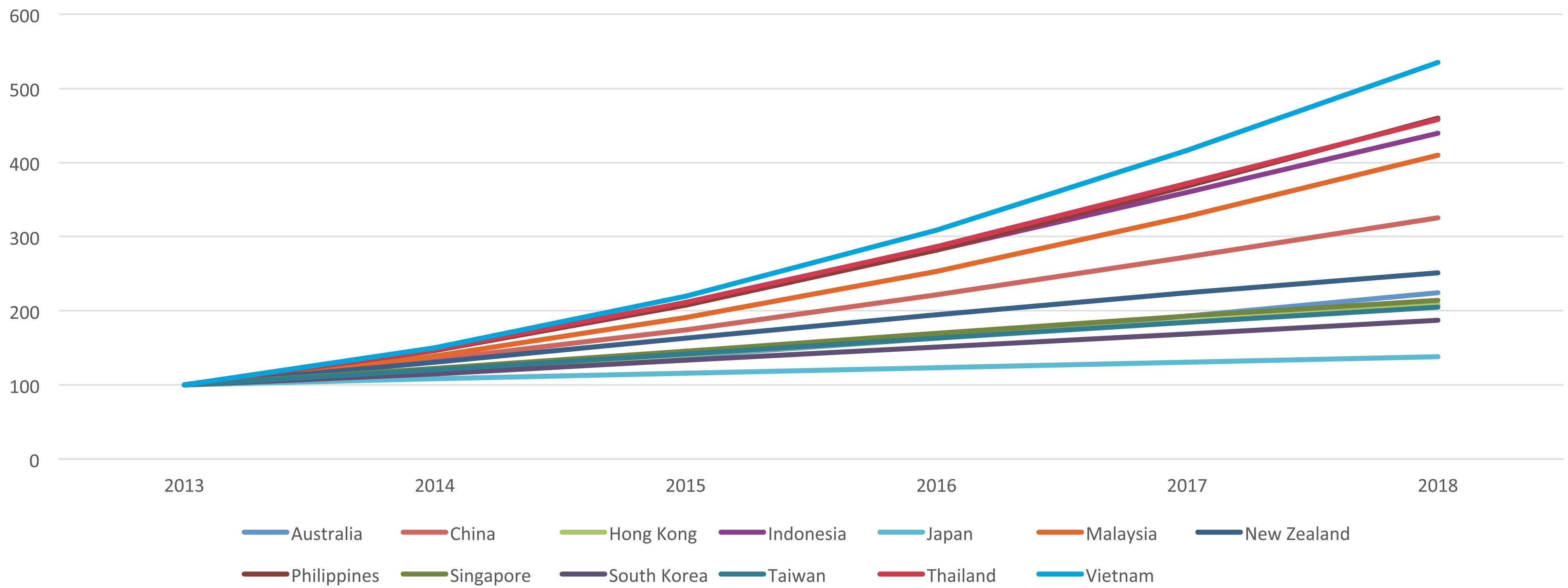
ASIA OUT OF HOME MEDIA GROWTH FORECAST - STATIC OOH INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



ASIA OUT OF HOME MEDIA GROWTH FORECAST - DIGITAL OOH INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014

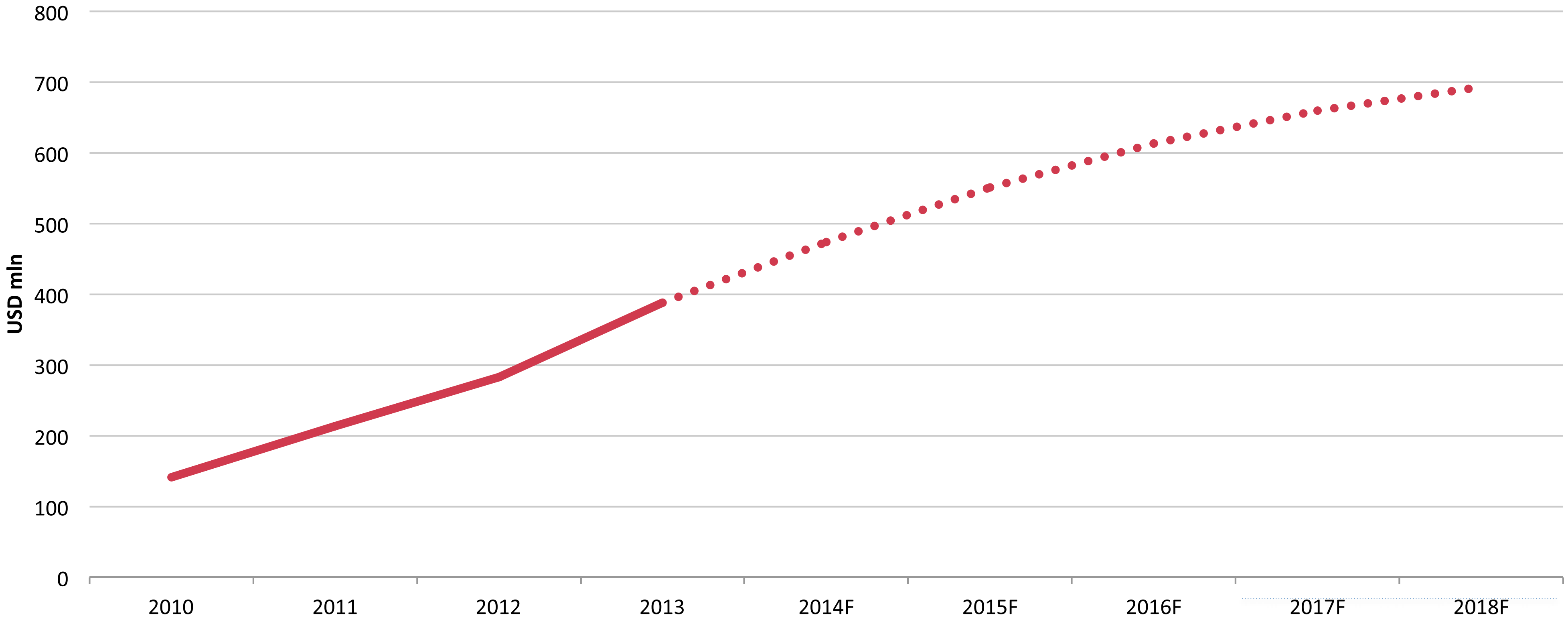


ASIA OOH APPROACH

- **OOH operators are a mix of traditional media companies (eg JCD) and concession / property owners**
  - Property owners control the “space” and can command attractive incremental asset yield when media outsourced
  - However property owner OOH operators competitively disadvantaged by lack of “media skillset”
  - Traditional media operators outperform in asset media utilisation and yield management disciplines
  - Non-traditional OOH operators therefore looking for western partners to level the playing field
- **Surprising number of approaches via network of in-house and external resources to partner in Asia OOH**
  - Undertaking rigorous partner assessment process on attractive opportunities
  - Partnering commercially and/or modest investment
  - Would not rule out potential game changer opportunities
- **Value add opportunity essential**
  - Needs to be more than just a site / licence
  - Active rather than passive investment
  - Openness to implementation of best practice sales and operating capabilities
  - Network effects also being considered
- **Strict risk-based return hurdles will be applied to any opportunity**
- **Invest with conviction**

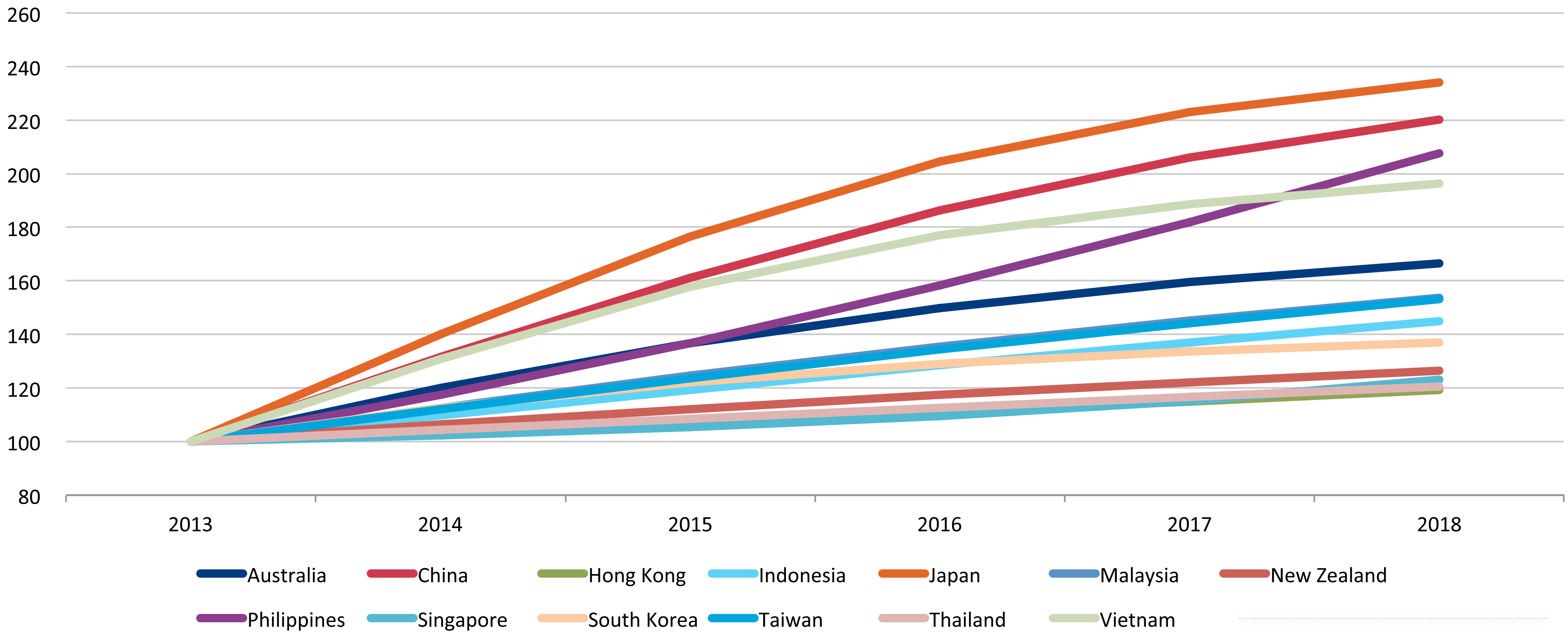
ASIA DIGITAL MUSIC STREAMING (CONSUMER SPEND) GROWTH FORECAST

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



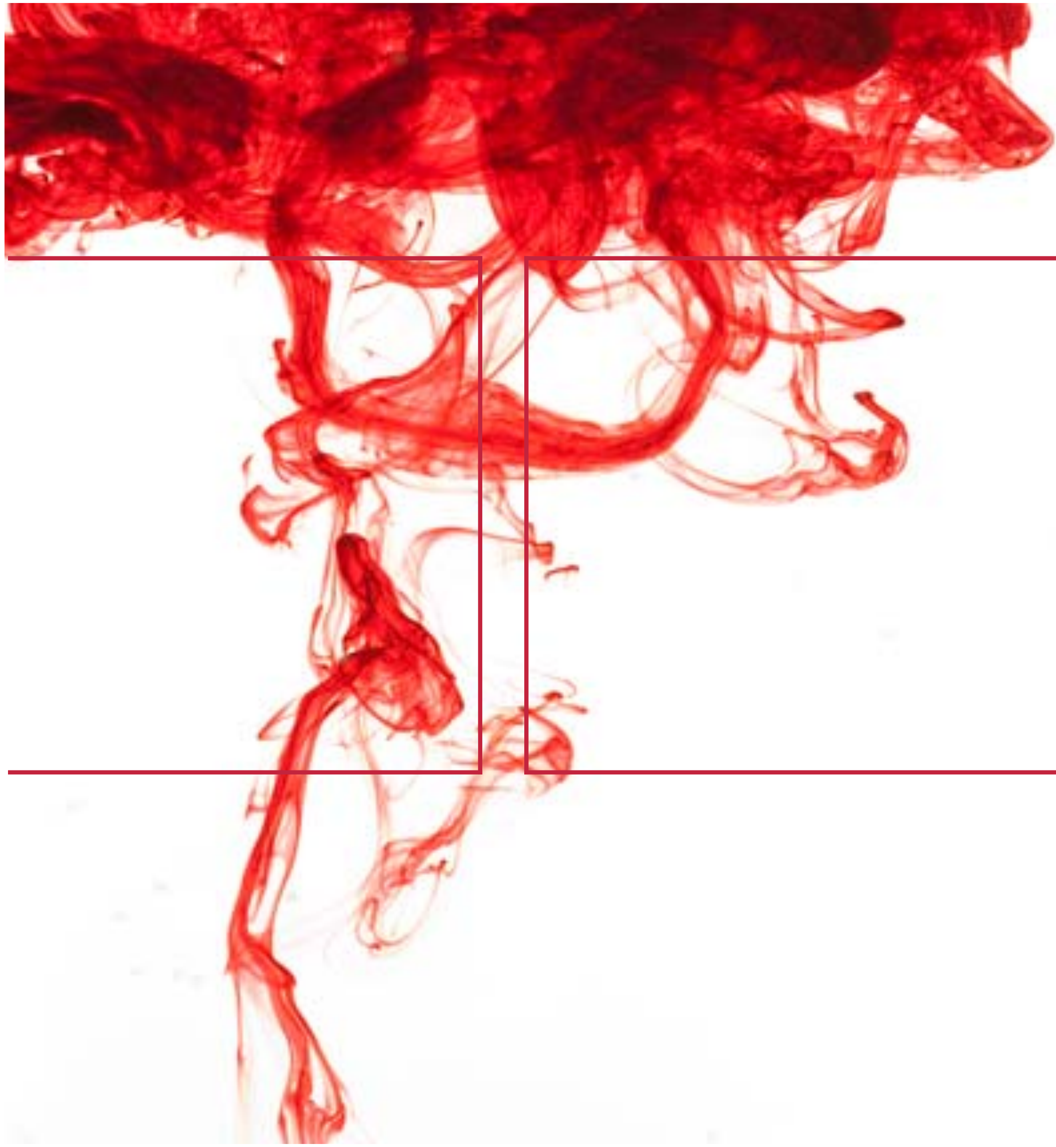
ASIA DIGITAL MUSIC STREAMING GROWTH FORECAST - INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



IHEARTRADIO ASIA

- **Approach not dissimilar to out of home**
- **Being approached by established radio operators who have limited / no digital or streaming services looking for:**
  - access to iHeartRadio brand
  - experience in monetising existing platforms beyond traditional radio advertising flows
  - new adjacent potential earnings streams
- **10 year licence to implement iHeartRadio in Asia.**
  - Working with iHeartMedia to modify platform to suit local market conditions and localise content
- **Partnership approach – be more than just a platform provider**
- **More detail to be provided after lunch.**



Thank you

APN
NEWS & MEDIA

RE-IMAGINING RADIO FOR TODAY'S WORLD

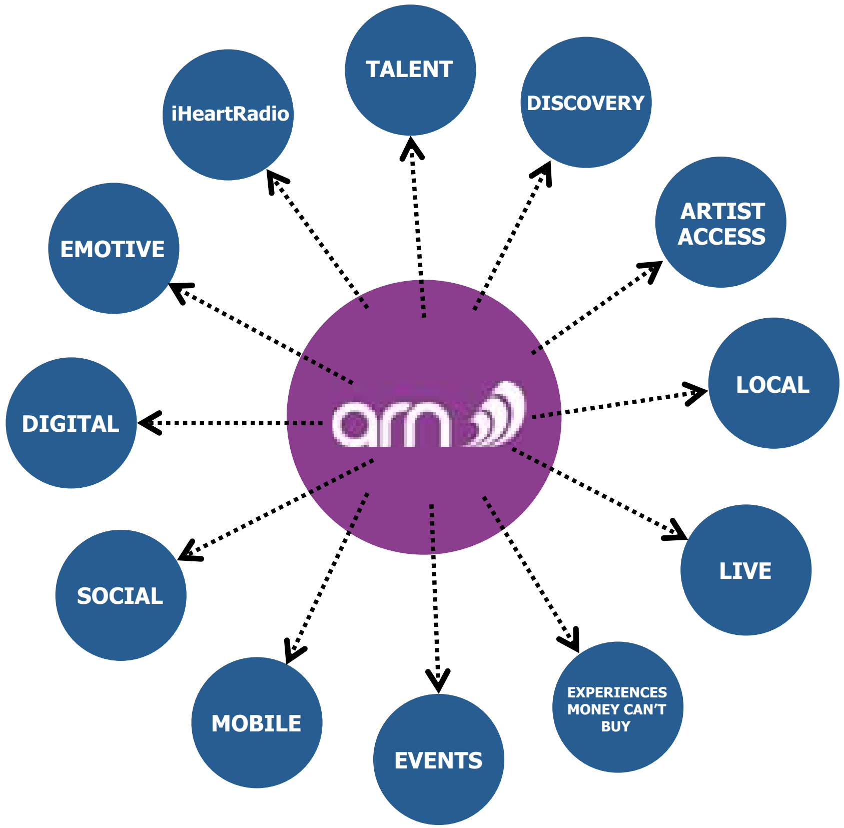
Ciaran Davis

RADIO TODAY

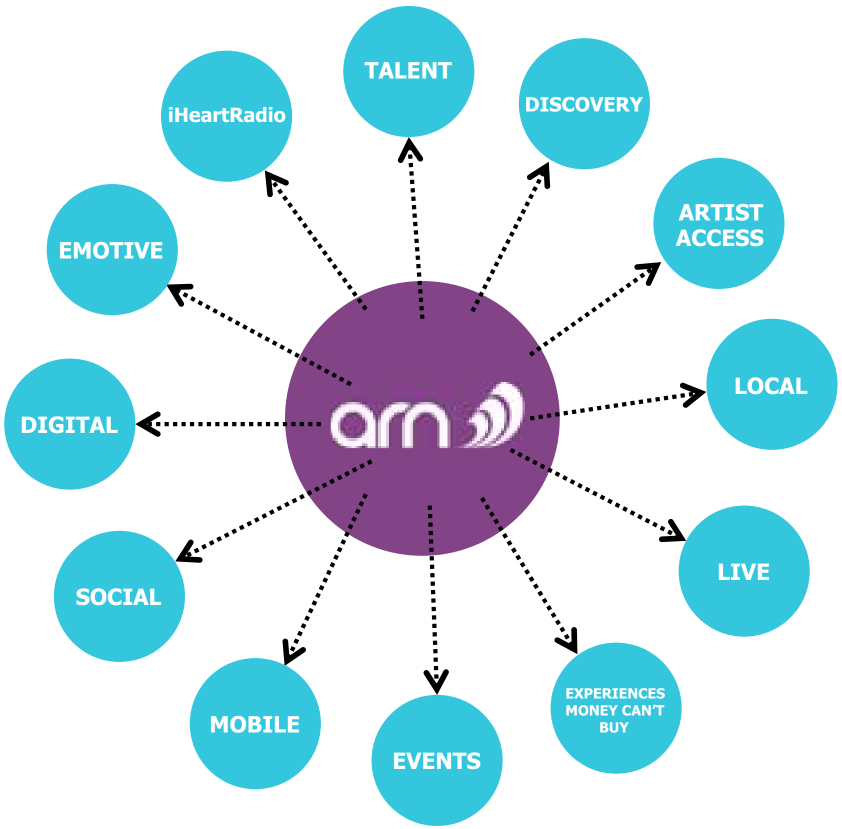
APN NEWS & MEDIA

RADIO ISN'T THIS...

RADIO IS...


TALENT
DISCOVERY
ARTIST ACCESS
LOCAL
LIVE
EXPERIENCES MONEY CAN'T BUY
EVENTS
MOBILE
SOCIAL
DIGITAL
EMOTIVE
iHeartRadio
arn

RADIO IS...


arn
TALENT
iHeartRadio
DISCOVERY
EMOTIVE
ARTIST ACCESS
LOCAL
DIGITAL
LIVE
SOCIAL
MOBILE
EVENTS
EXPERIENCES MONEY CAN'T BUY

AND IT'S GROWING

10.2 MILLION
People listen to commercial radio each week*

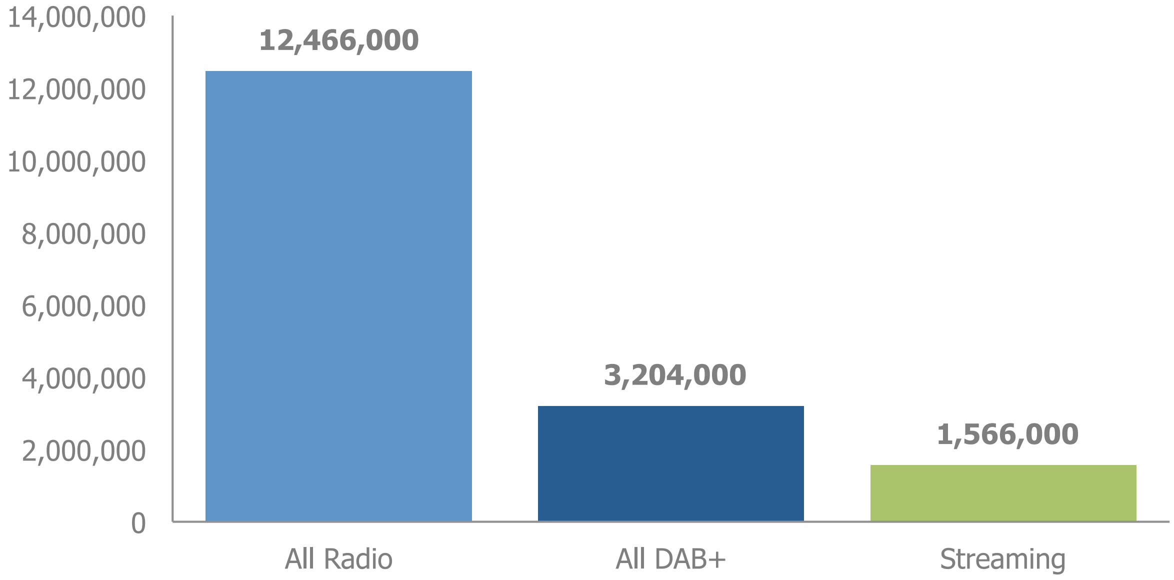
3.2 MILLION
People listen to DAB* digital radio each week across the five major capitals*

9.81% INCREASE
In commercial radio listeners since 2010

Source: Commercial Radio Australia

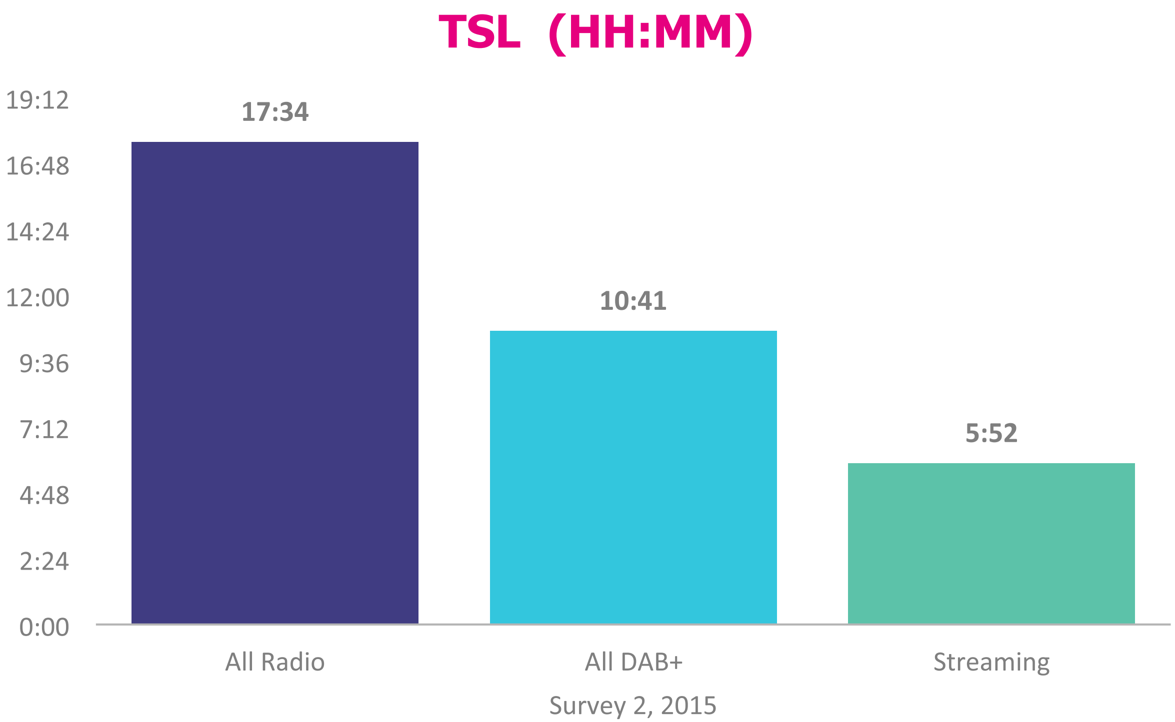
ACROSS MULTIPLE PLATFORMS

PLATFORM OF LISTENING (CUME)



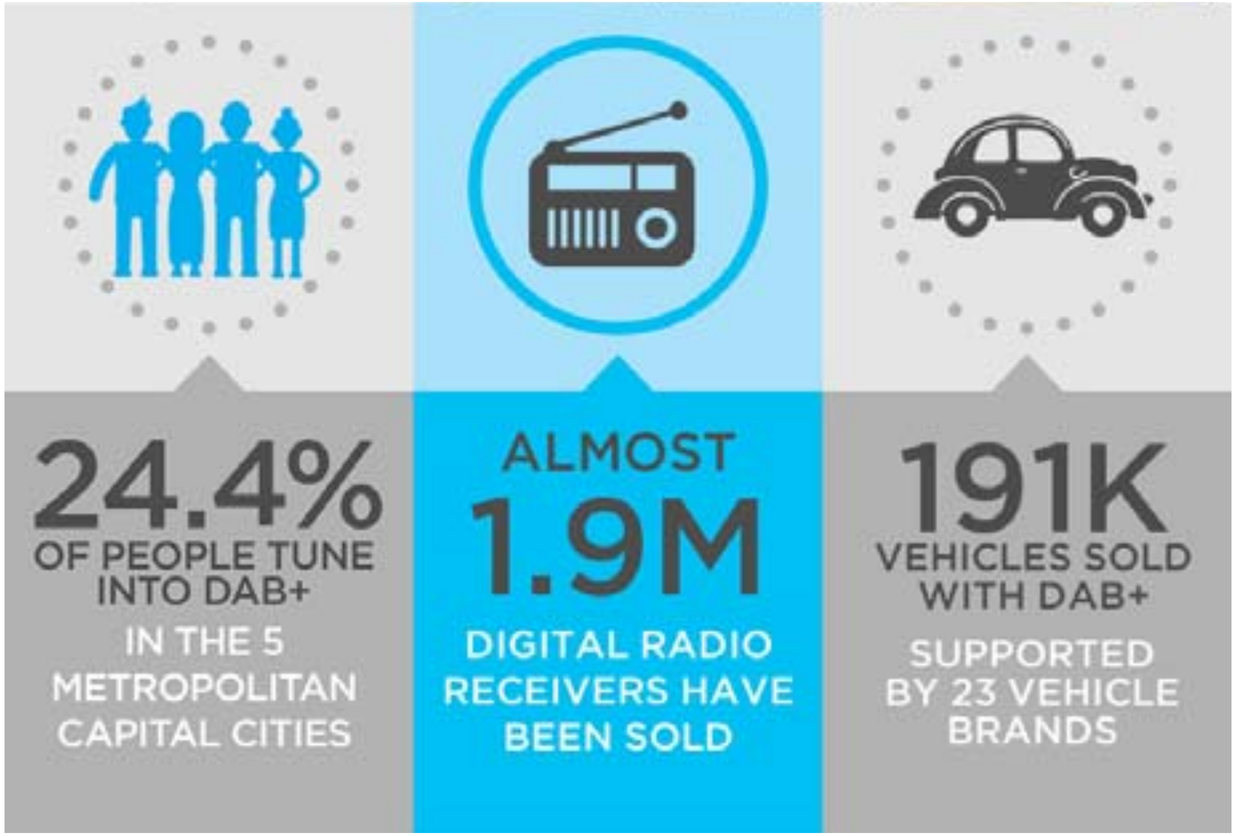
Source: GfK Radio Ratings Survey 2 2015, Monday to Sunday, 5.30am to midnight, All people 10+, DAB+ listening

FOR LONGER



Source: GfK Radio Ratings Survey 2 2015, Monday to Sunday, 5.30am to midnight, All people 10+, DAB+ listening

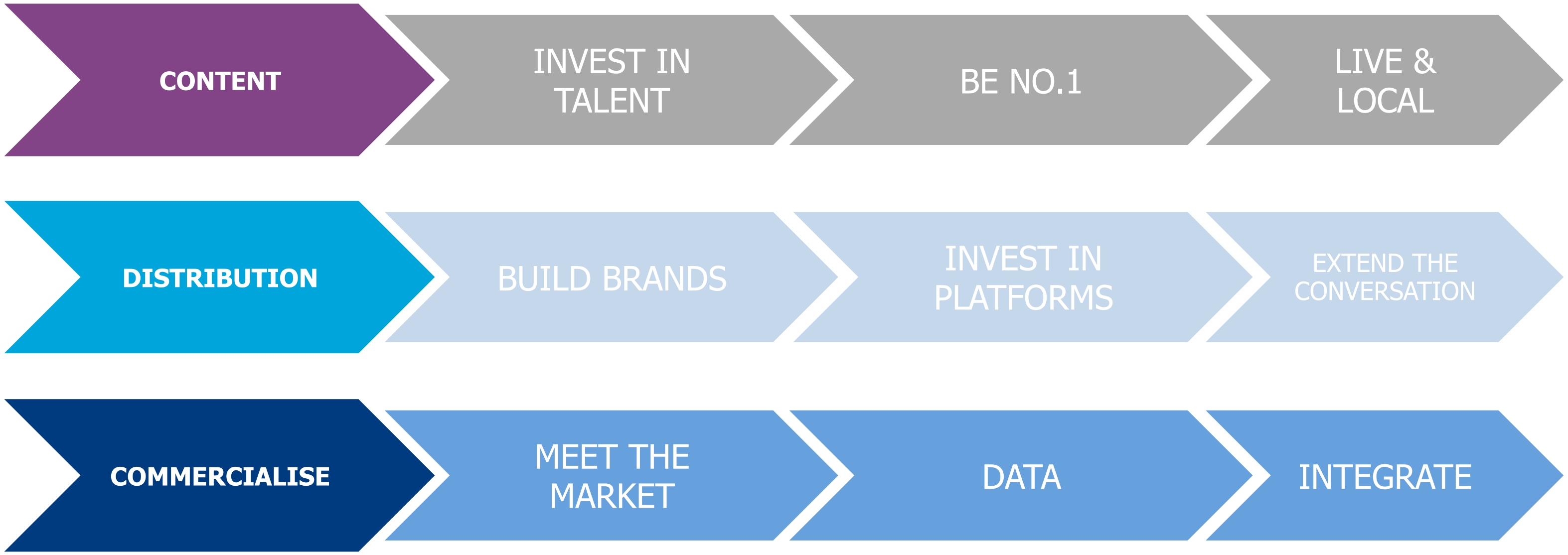
DAB+ GROWING MORE INFLUENTIAL



Source: Commercial Radio Australia

SIMPLE BUSINESS

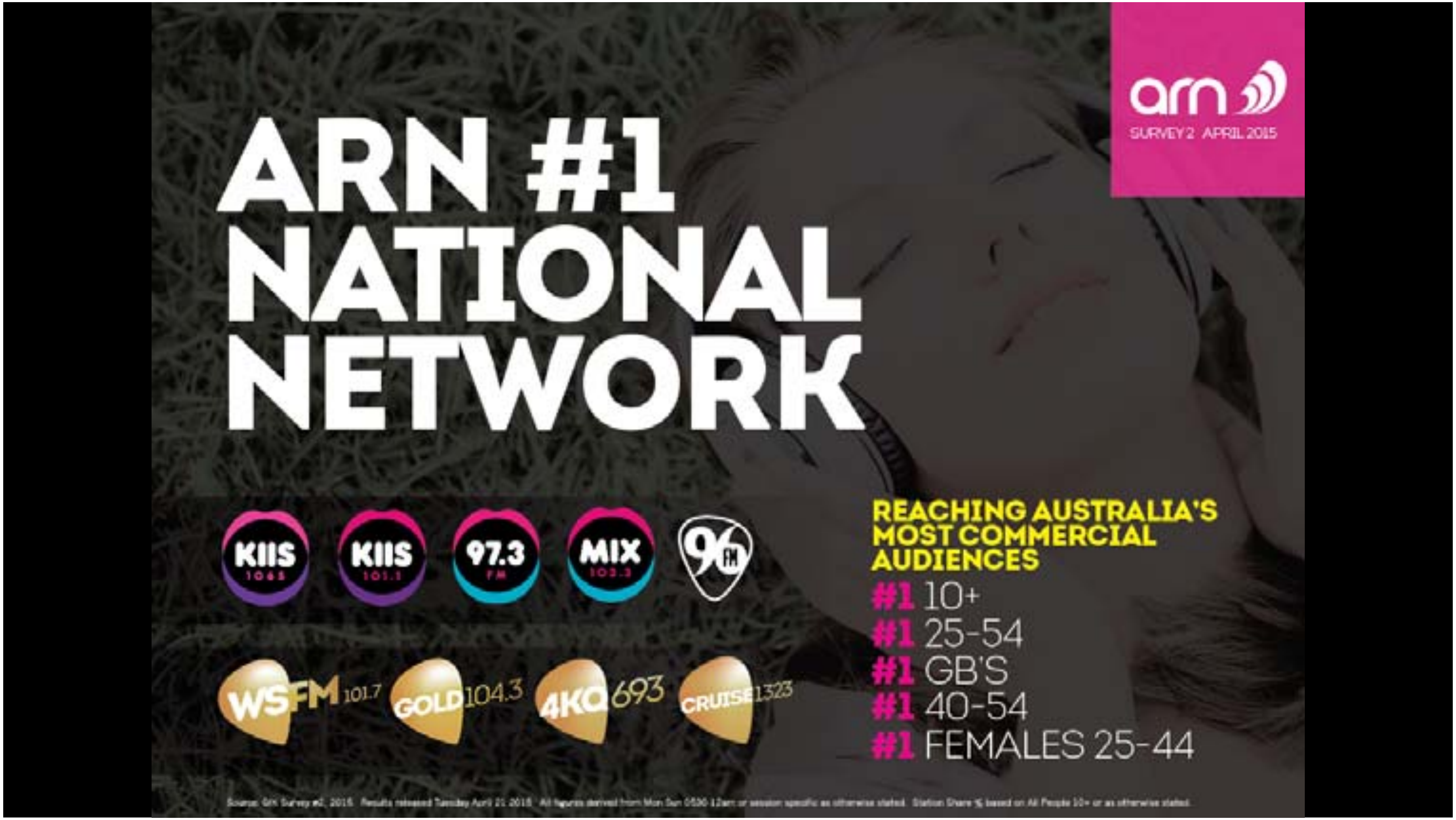
ARN'S MODEL


CONTENT
INVEST IN TALENT
BE NO.1
LIVE & LOCAL
DISTRIBUTION
BUILD BRANDS
INVEST IN PLATFORMS
EXTEND THE CONVERSATION
COMMERCIALISE
MEET THE MARKET
DATA
INTEGRATE


'You have to understand that nothing appeals to everybody'
- Gene Simmons (KISS)

INVEST IN TALENT

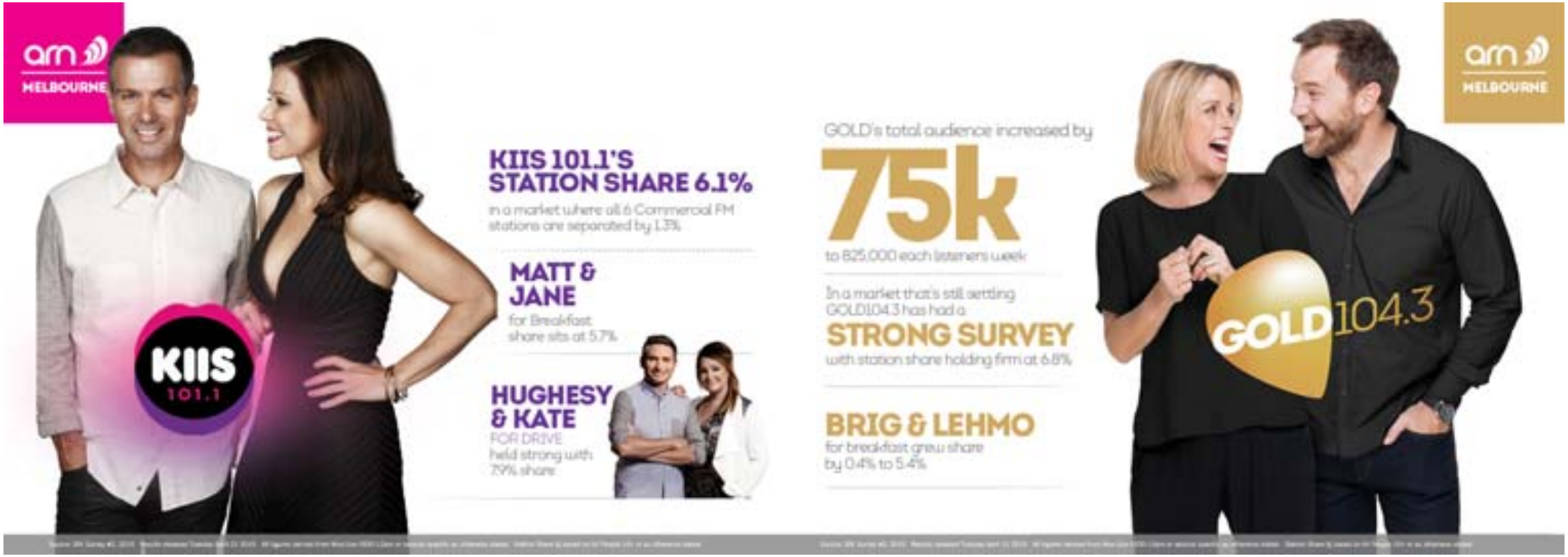
KYLE & JACK GIVE BACK


arn
SURVEY 2 APRIL 2015
ARN #1 NATIONAL NETWORK
KIIS 1065
KIIS 101.1
97.3 FM
MIX 102.3
96FM
WSFM 101.7
GOLD 104.3
4KQ 693
CRUISE 1323
REACHING AUSTRALIA'S MOST COMMERCIAL AUDIENCES
#1 10+
#1 25-54
#1 GB'S
#1 40-54
#1 FEMALES 25-44
Source: GfK Survey #2, 2015. Results released Tuesday April 21 2015. All figures derived from Mon-Sun 0530-12am or session specific as otherwise stated. Station Share % based on All People 10+ or as otherwise stated.

SYDNEY

arn
SYDNEY
KIIS
1065
#1
FM STATION IN SYDNEY
with 8.9% share
KYLE & JACKIE O
#1
FM Breakfast show held steady on 10.4% share
HUGHESY & KATE
increase share to 10%
#2
DRIVE SHOW
#2
FM STATION
with an increased share of 0.3 to 8.2% and increased cume of 23,000 to 746,000
JONESY & AMANDA
#2
FM BREAKFAST SHOW
up 0.3 to 8.7%
#1
STATION
for 40-54's, increasing share 0.6 to 13.8%
WSFM 101.7
arn
SYDNEY

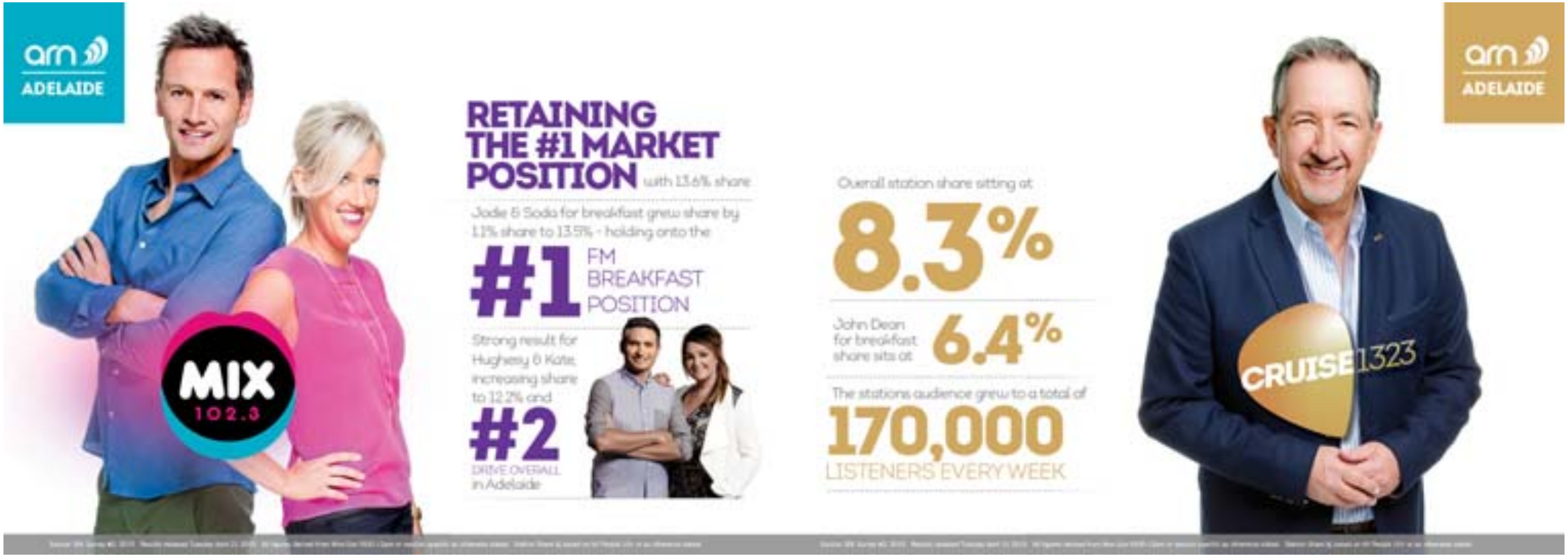
MELBOURNE


arn
MELBOURNE
KIIS 101.1
KIIS 101.1'S STATION SHARE 6.1%
in a market where all 6 Commercial FM stations are separated by 1.3%
MATT & JANE
for Breakfast share sits at 5.7%
HUGHESY & KATE
FOR DRIVE
held strong with 7.9% share
GOLD's total audience increased by
75k
to 825,000 each listeners week
In a market that's still settling GOLD104.3 has had a
STRONG SURVEY
with station share holding firm at 6.8%
BRIG & LEHMO
for breakfast grew share by 0.4% to 5.4%
GOLD 104.3
arn
MELBOURNE

BRISBANE

arn BRISBANE
97.3 FM
BRISBANE'S FAVOURITE
#1 with 14.3% share
ROBIN, TERRY & BOB
#1 BREAKFAST SHOW on 13.6% share
HUGHESY & KATE
#1 DRIVE SHOW in Brisbane, increasing share 0.3 to 14.2%
#1 COMMERCIAL AM With an increased share to 8.7% and #3 commerical station overall
#1 COMMERCIAL AM Breakfast show with Laurel, Gary & Mark 8.0% share
#1 COMMERCIAL AM with core 40-54 audience and 8.3% share
4KQ 693
arn BRISBANE

ADELAIDE



arn
ADELAIDE
MIX
102.3
RETAINING THE #1 MARKET POSITION with 13.6% share
Jodie & Soda for breakfast grew share by 1.1% share to 13.5% - holding onto the
#1 FM BREAKFAST POSITION
Strong result for Hughesy & Kate, increasing share to 12.2% and
#2 DRIVE OVERALL in Adelaide
Overall station share sitting at
8.3%
John Dean for breakfast share sits at
6.4%
The stations audience grew to a total of
170,000
LISTENERS EVERY WEEK
CRUISE1323
arn
ADELAIDE

PERTH

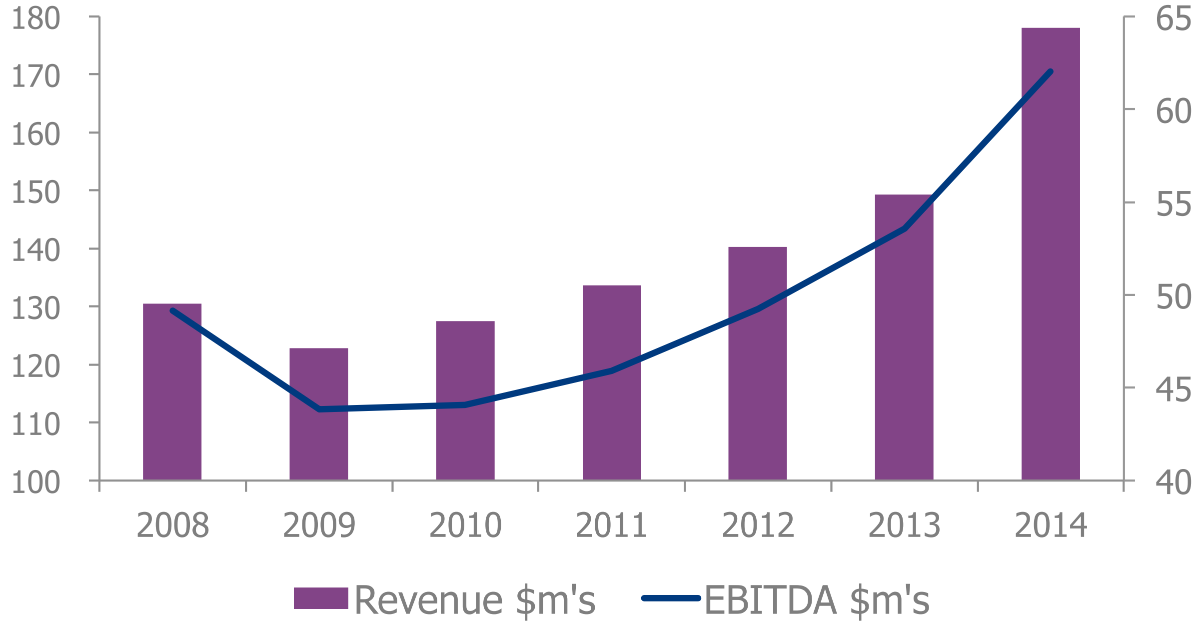

arn
PERTH
96FM
KEEP REAL MUSIC ALIVE
#2 STATION OVERALL
in Perth on
11.3% share
324,000
listeners tuning in each week
#2 FM WITH 25-54'S
on 15.5% share

ONLY NETWORK WITH 4 YEARS CONSECUTIVE GROWTH

Source: 2010-2013 AC Nielsen Ratings Mon-Sun 0530-12mn. 2014 GfK Mon-Sun 0530-12mn

RATINGS POSITION DRIVING REVENUE

2008-2014



BUILDING BRANDS

CASE STUDY

SO SYDNEY

KIIS NETWORK


PURE GOLD NETWORK
WSFM 101.7
GOLD 104.3
4KQ 693
CRUISE 1323

MEET THE MARKET

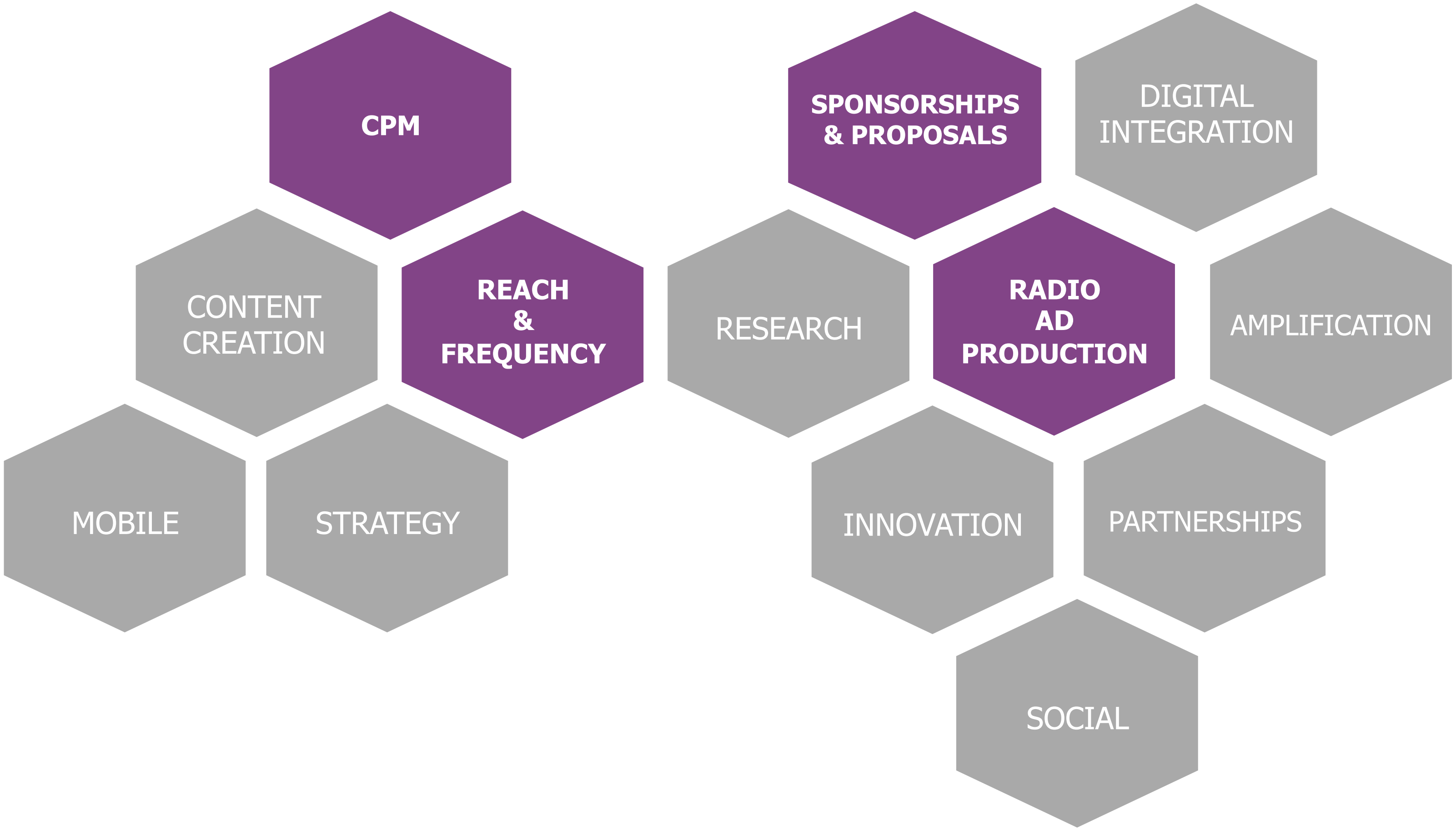
CPM

SPONSORSHIPS
& PROPOSALS

REACH
&
FREQUENCY

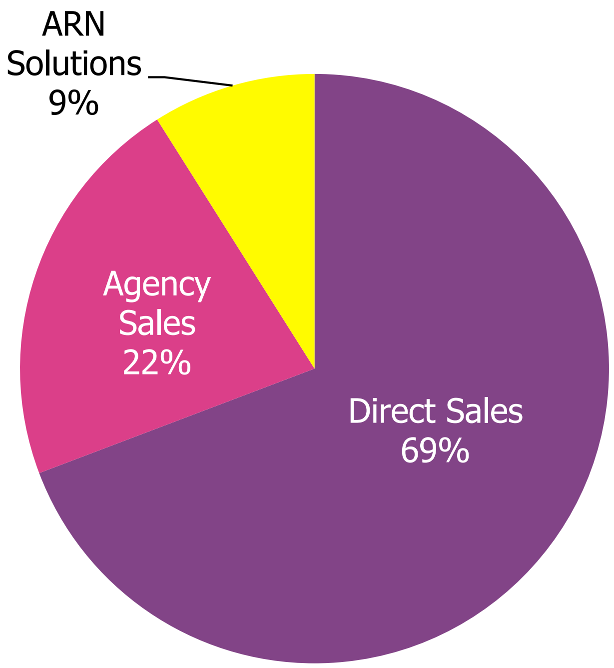
RADIO
AD
PRODUCTION

TODAYS WORLD

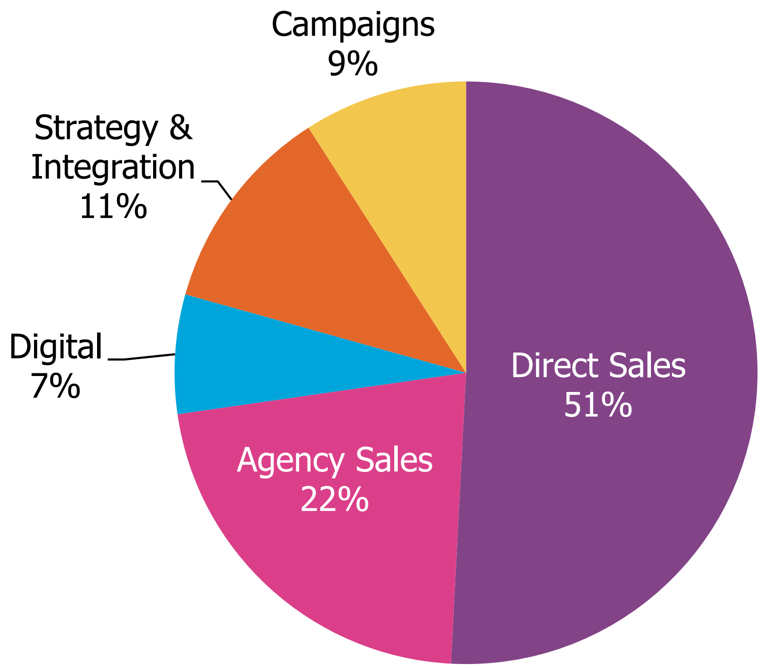


MIX OF SALES TEAM 2010-2014

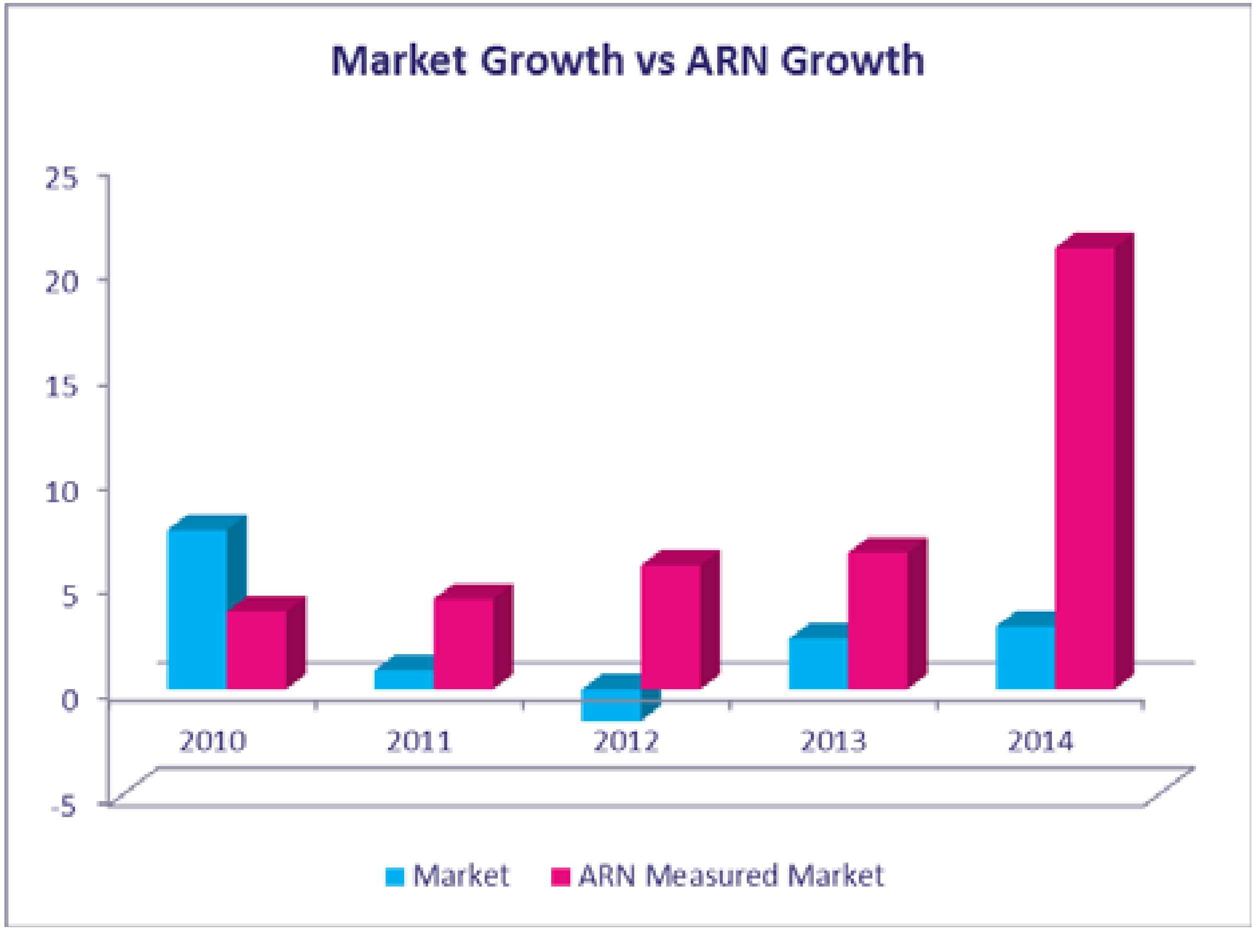
2010 Head Count by Function



2015 Target Sales Head Count



ARN VS MARKET GROWTH 2010-2014

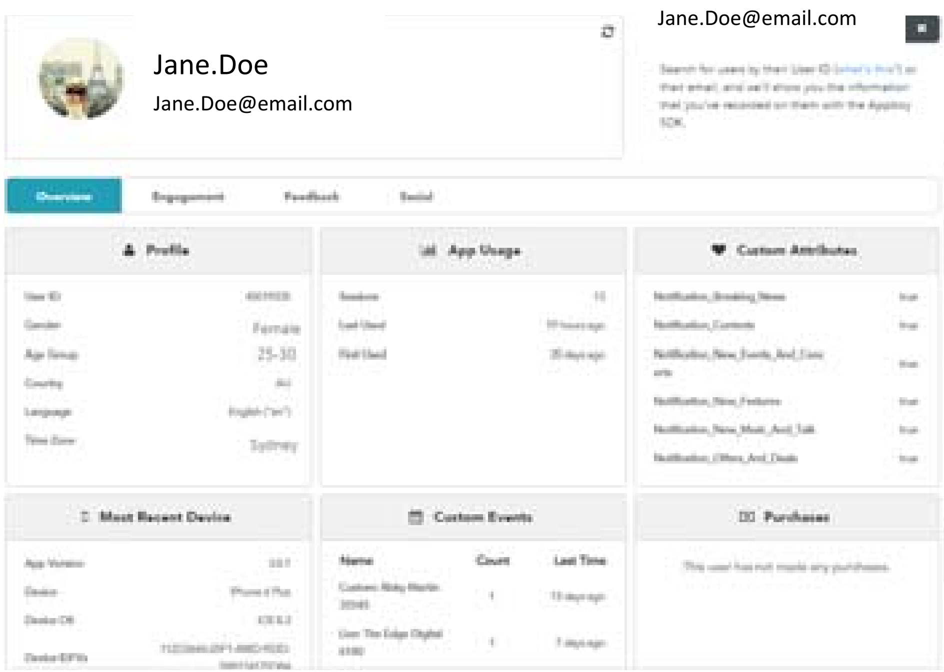


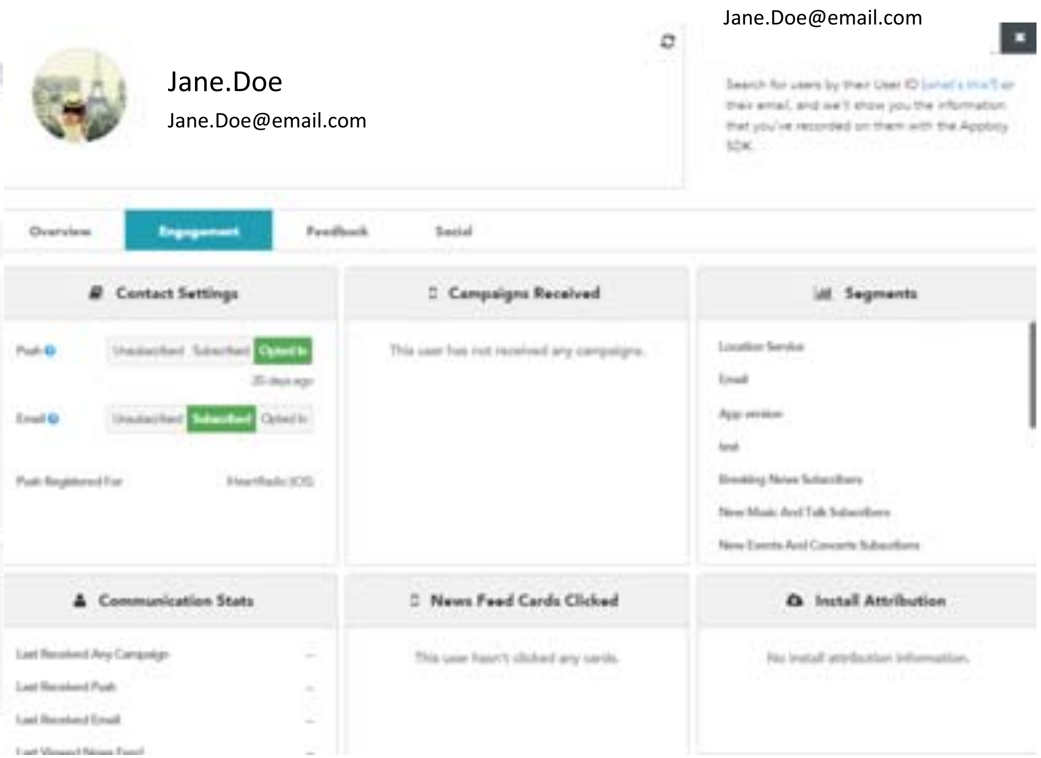
KFC

DATA & APPS


LIFETIME USERS
251,316
41.43% MAU
LIFETIME SESSIONS
9,176,264
SHOW BREAKDOWN
DISPLAY DATA FOR:
Apr 14, 2015 - May 13, 2015
All Apps
MONTHLY ACTIVE USERS
(ON MAY 13, 2015)
105.7K -0.8%
DAILY ACTIVE USERS
(AVERAGE)
16.8K 1.3%
NEW USERS
(TOTAL)
32.8K -14.1%
125K
25K
2,000
04/14 106.6K
04/15 106.8K
04/16 107.1K
04/17 107.4K
04/18 107.9K
04/19 108.3K
04/20 108.1K
04/14 17K
04/15 17K
04/16 17.3K
04/17 17.6K
04/18 15.1K
04/19 13.4K
04/20 16.9K
04/14 1,160
04/15 1,040
04/16 1,087
04/17 1,149
04/18 1,370
04/19 1,082
04/20 1,157

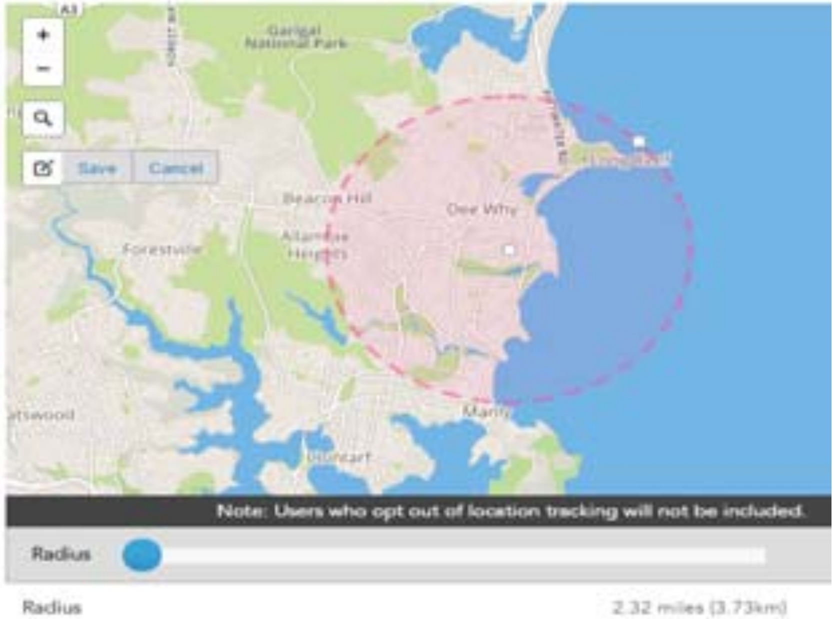
DATA & APPS

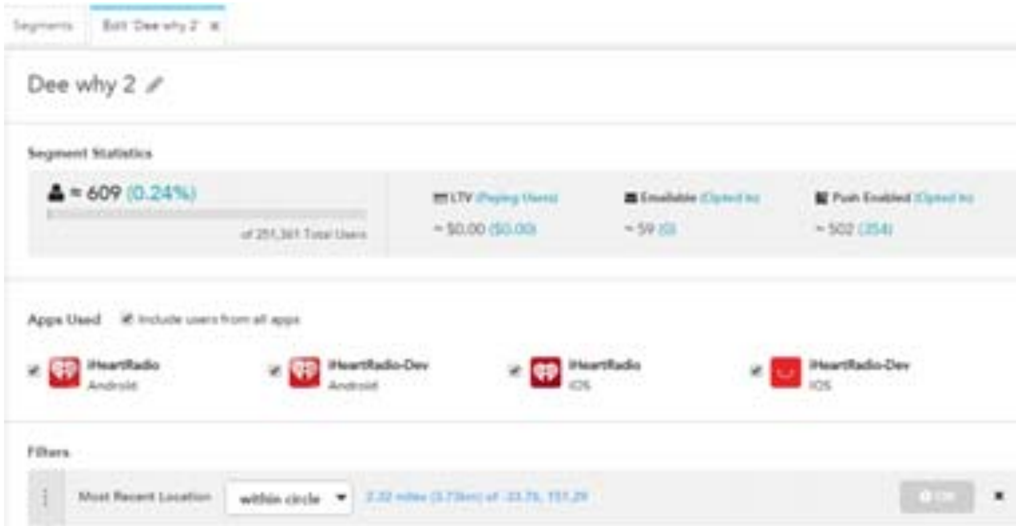

Jane.Doe@email.com
Jane.Doe
Jane.Doe@email.com
Female
25-30
Sydney


Jane.Doe@email.com
Jane.Doe
Jane.Doe@email.com

GEOGRAPHIC TARGETING

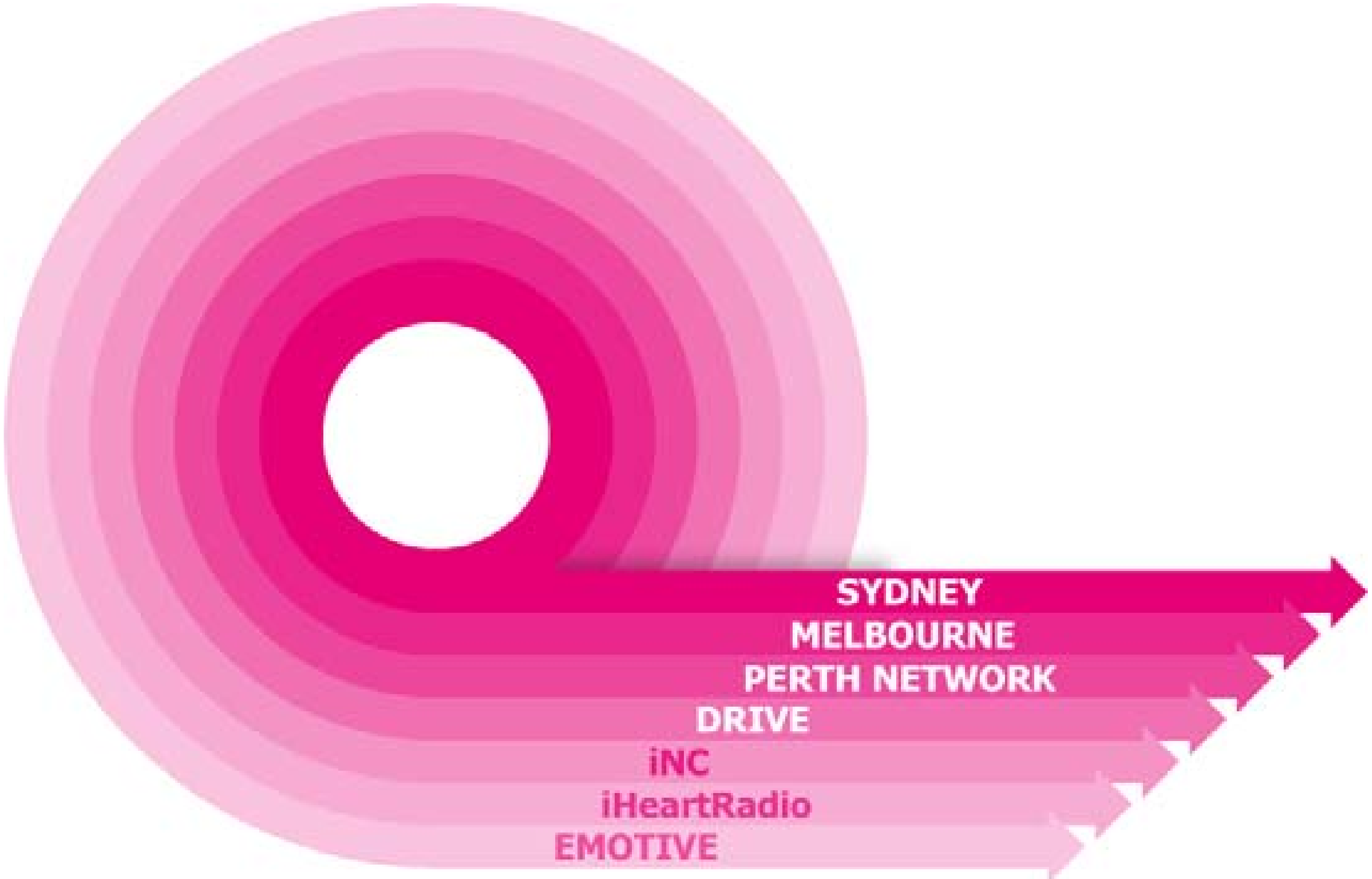
Select Location





ARN GROWTH

ARN GROWTH INITIATIVES



SYDNEY

#1 & #2 FM IN SYDNEY

- Strength of duopoly has seen improvement in both audience ratings and revenue.

- KIIS1065 66% growth in audience ratings share
  64% growth in revenue

- WSFM 25% growth in audience ratings share
  17% growth in revenue

Source: Revenue Deloittes Market Growth / Ratings GfK 10+ Mon-Sun 0530-12mn

MELBOURNE

WHY MELBOURNE?

1. Total radio value is similar to Sydney

	2010	2011	2012	2013	2014
Sydney	$211m	$212m	$208m	$212m	$220m
Melbourne	$203m	$204m	$202m	$211m	$217m

2. ARN ratings below other markets

	2013	2014
Sydney	12.3%	17.4%
Melbourne	14.2%	14.3%
Brisbane	19.8%	20.9%
Adelaide	23.3%	23.5%

3. Competitive ratings market with opportunity to lead

	Overall	Breakfast	Drive
Gold	7.9%	6.5%	7.5%
FoxFM	7.8%	7.4%	9.4%
Nova100	7.3%	6.8%	9.5%
3MMM	7.0%	8.0%	7.4%
Smooth 91.5	6.8%	5.0%	6.7%
Mix 101.1	6.5%	6.5%	7.1%

Source: GFK Avg Surveys 1-8 2014, Mon-Sun 05.30am – 12mn, All People 10+ Revenue Source: Deloittes


M E L
B U
R E
N O W
KIIS
101.1

PERTH & NETWORK

PERTH UPDATE

- 96FM acquisition completed 30 January 2015
- Integration progressing in line with expectations
- **Highlights include:** Traffic and on-air systems integrated successfully
Revenue ahead of budget
Strategic market study completed
- Commencement of KIIS National Network underway

KIIS NETWORK

DRIVE

DRIVE

- Very different competitive landscape from 2010
- Drive only accounts for 12% of overall listenership
- Strength of Drive Show dictated by Breakfast
- KIIS Network Drive Show – very strong start to the year
- Major Sponsorships secured


HUGHESY
& KATE
ON
DRIVE
KIIS
1065
KIIS
101.1
97.3
FM
MIX
102.3
2 SURVEYS
1.36 MILLION AUDIENCE
10.1% SHARE
Source: Gfk Survey 2 2015 Mon-Fri 4-7pm SMBA

iNC

DIGITAL MEDIA

Inhouse Search Specialists – ARN owns a specialist inhouse digital marketing division with experience running thousands of search and digital campaigns utilising sophisticated technology

Radio ROI – uniquely, ARN tracks the uplift in both phone calls and website traffic from consumers who search on Google after hearing a radio ad and take action

Close Alignment – under the one roof, ARN co-ordinates radio scripts with search terms, optimises towards calls and web traffic and provides a feedback loop on radio scripts

Integrated Reporting – ARN provides unified reporting showing the combined impact of radio +search to eliminate siloed decision-making and demonstrate ROI

Advanced Digital Marketing – clients have the ability to request further digital marketing activity from ARN as their needs progress (Social, Display, Video, Performance)

RADIO BOOSTS DIGITAL ACTIVITY 6 TIMES

6 TIMES MORE PEOPLE

on average are likely to visit a website, browse for more brand information or search a category, to discover more about a brand advertised on radio.

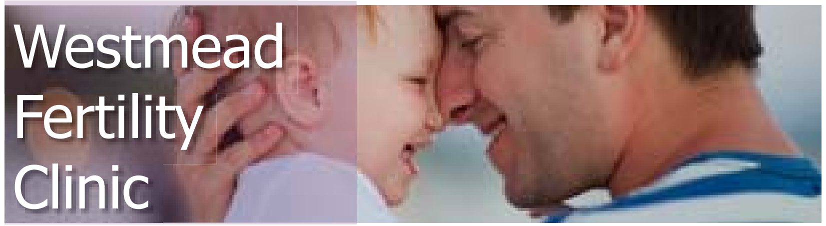
24 HOURS

Digital search was fast and immediate. Over 78% of those that responded with online activity, did so within 24 hours.

Source: Commercial Radio Australia, People Connect with Radio, 2012

RADIO ROI THROUGH DIGITAL

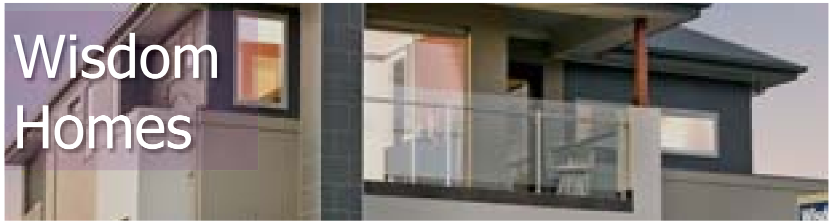
CASE STUDIES



The digital optimisation process combined with radio is impressive, exceeding our ROI expectations.” Don Leng, gm

43% UPLIFT IN QUALIFIED CALLS

65% OF WEBSITE TRAFFIC FROM NEW VISITORS



“This proved to be a wise choice, with a sizeable uplift in our major KPI of qualified phone leads.” Domenic Vitalone, Director

55% UPLIFT IN QUALIFIED CALLS

76% OF WEBSITE TRAFFIC FROM NEW VISITORS

“We are certainly convinced of the power of ARN search marketing combined with radio!” Mark Dempsey, Branch Manager

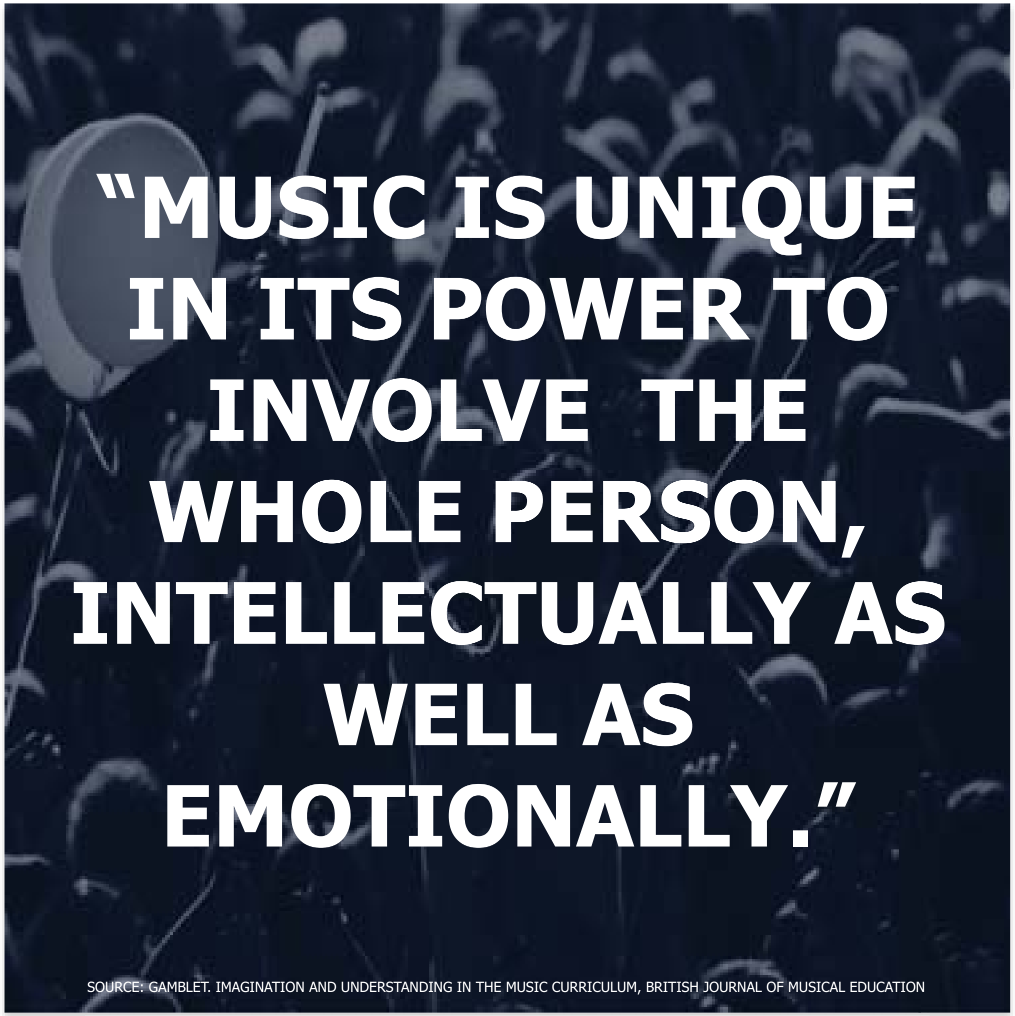
22% UPLIFT IN QUALIFIED CALLS

109% INCREASE IN TOTAL WEBSITE TRAFFIC

IHEARTRADIO

iHeart RADIO

APN NEWS & MEDIA



APN NEWS & MEDIA

APN NEWS & MEDIA

THAT'S WHY **97% OF MARKETERS** BELIEVE THAT **MUSIC CAN STRENGTHEN THEIR BRAND**

Source: Frukt Music Research 2012

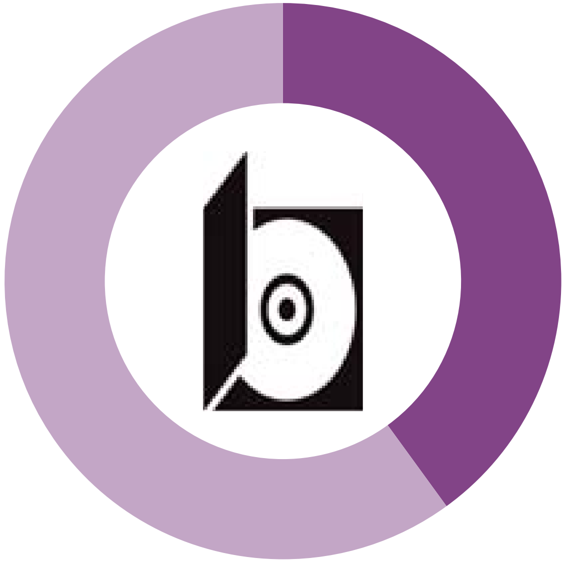
97% OF PEOPLE LIKE OR LOVE MUSIC

85% OF ADULTS LISTEN TO MUSIC FOR AN AVERAGE OF 4 HOURS EVERY DAY

68% OF PEOPLE SAY THAT MUSIC IS AN INTEGRAL PART OF THEIR LIVES

Source: Frukt Music Research 2012 / Simmons Summer 2008 Study, RIA 2003 Consumer Trends Study, Marrakesh Records & Human Capita, UK


MUSIC
STREAMING
STATISTICS



PHYSICAL REVENUE IS EXPECTED TO **DECLINE BY 44%** BY 2019

PEOPLE SPEND **79% MORE TIME ON MUSIC APPS** VERSUS 2013

67% OF MUSIC CONSUMERS **LISTEN TO MUSIC ONLINE** (VIA SOME FORM OF STREAMING/DOWNLOADS)

SOURCE: 2014 NIELSEN MUSIC U.S REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY;S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S SHARE OF EAR STUDY (08/2014)

STREAMING CONTINUES ITS SURGE…

164 BILLION SONGS STREAMED ON-DEMAND IN 2014 – UP 54% FROM 2013

THE NUMBER OF STREAMING USERS IS EXPECTED TO **GROW BY 192%** BY 2019

30% OF MUSIC CONSUMERS **ARE MUSIC STREAMERS** (KEY AUDIO ONLY STREAMING SERVICES)

SOURCE: 2014 NIELSEN MUSIC U.S REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY;S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S SHARE OF EAR STUDY (08/2014)

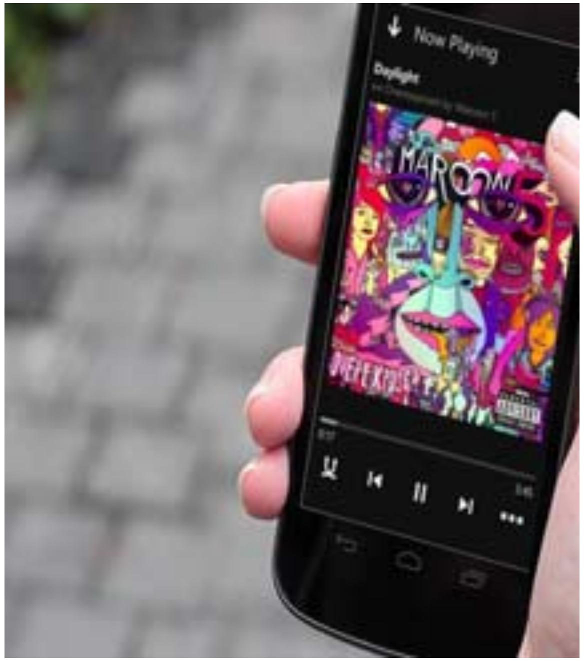
... BUT STREAMERS DON'T WANT TO PAY FOR MUSIC!

APN NEWS & MEDIA

92% OF MUSIC STREAMERS **WANT TO STREAM AUDIO FOR FREE**

63% OF MUSIC STREAMERS USE A MOBILE APP OR P2P TO **DOWNLOAD FREE MUSIC**

ONLY **25% OF MUSIC LISTENERS SPEND MORE THAN $10** EVERY 3 MONTHS FOR MUSIC

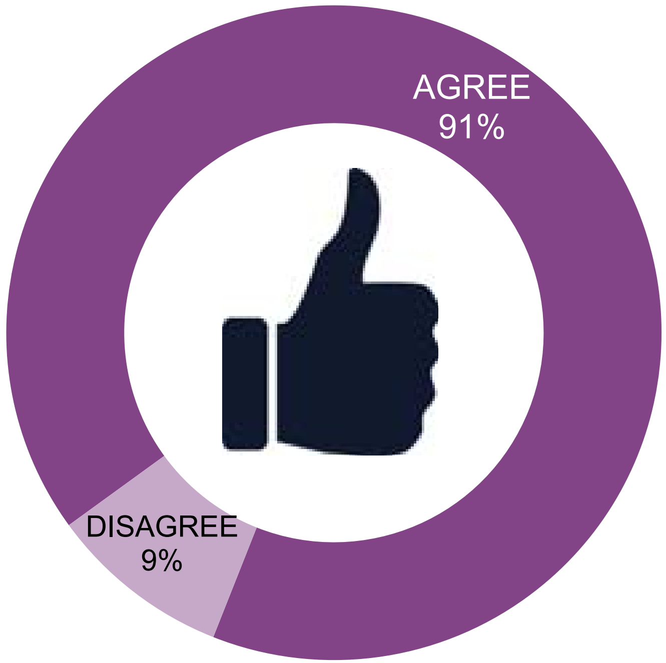


SOURCE: 2014 NIELSEN MUSIC U.S REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY;S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S SHARE OF EAR STUDY (08/2014)

AND CONSUMERS VIEW RADIO AND STREAMING DIFFERENTLY

PERCENTAGE STRONGLY/SOMEWHAT AGREE:

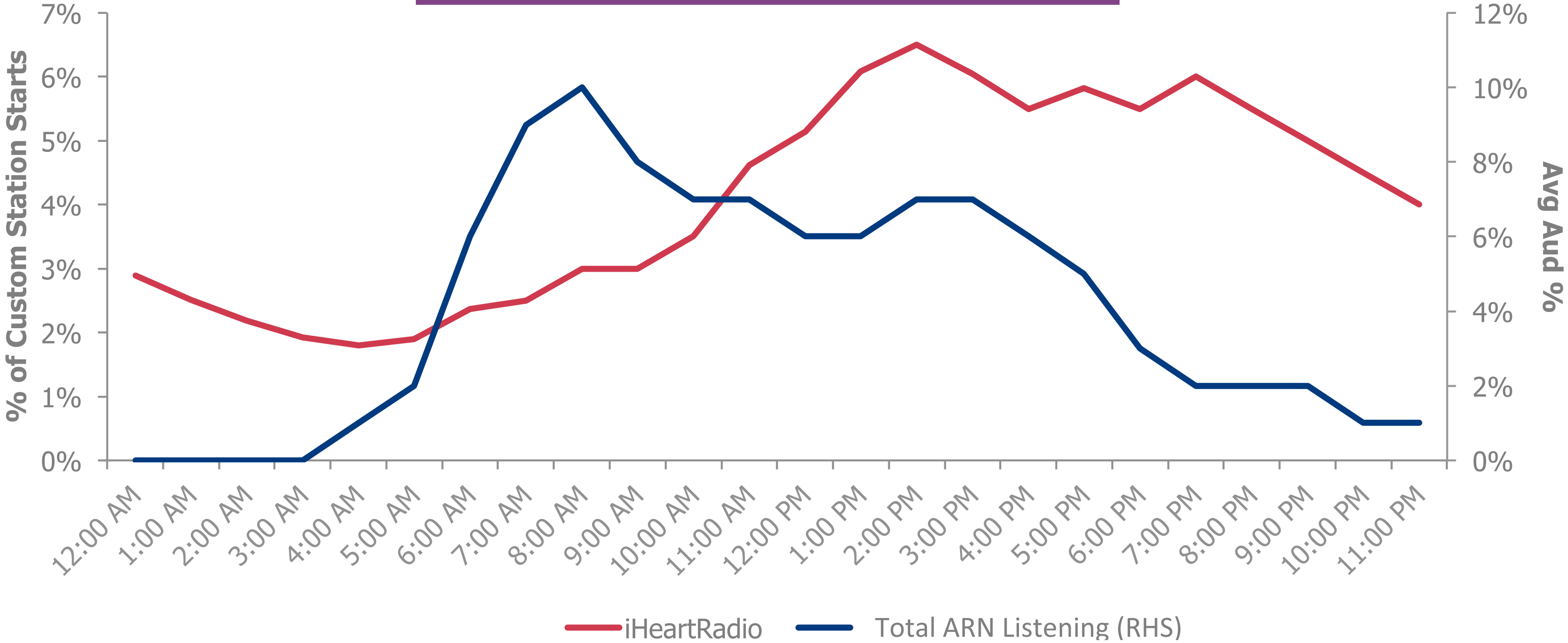
"I LISTEN TO BOTH FM RADIO AND MUSIC STREAMING SERVICES, BUT AT DIFFERENT TIMES, FOR DIFFERENT REASONS"



SOURCE: ROLE OF RADIO IN MUSIC INDUSTRY" STUDY; IHEARTMEDIA AUGUST 2013
BASE: AMERICANS, AGED 18-44, WHO LISTEN WEEKLY TO AM/FM RADIO VIA REGULAR RADIO OR STREAMING
Q10. TO WHAT EXTENT DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS ABOUT MUSIC AND FM RADIO?

COMPLEMENTARY IN NATURE

iHeartRadio VS RADIO



SOURCE: INTERNAL DATA, AUSTRALIA APRIL 2014 AVERAGE . STATION STARTS BY HOUR AS A % OF TOTAL STATION STARTS. BASED ON IHEART.COM AND IHEART APP., GFK

WHAT IS iHeartRadio?

THE BEST OF LIVE RADIO

MUSIC CONTROLLED BY **YOU**

CUSTOMISED STATIONS

FREE, NO ADS AND **UNLIMITED**

PERFECT FOR ANY MOOD OR TIME OF DAY

ANYTIME, **ANYWHERE**

CULTURE DEFINING LIVE EVENTS

EXTRAORDINARY MONEY CAN'T BUY **EXPERIENCES**

DELIVERED VIA DESKTOP AND MOBILE

USA

92 MILLION
MONTHLY USERS

168 MILLION
LISTENING HOURS

iHeart Radio APP:

FASTEST TO REACH 50 MILLION REGISTERED USERS

SOURCE: TWITTER: HTTP://CREATIVITYANDINNOVATION.BLOGSPOT.COM/2011/09/CAN-GOOGLE-PLUS-DISRUPT-FACEBOOK-AND.HTML; FACEBOOK: HTTP://FINANCE.YAHOO.COM/NEWS/NUMBER-ACTIVE-USERS-FACEBOOK-OVER-YEARS-214600186--FINANCE.HTML ; NETFLIX: Q2'14 FINANCIAL STATEMENT ;PANDORA: HTTP://BLOG.PANDORA.COM/2010/04/01/50000000/

CULTURE – DEFINING LIVE EVENTS

MAJOR BRAND SUPPORT

JUSTIN TIMBERLAKE, TARGET AND CLEAR CHANNEL CREATE MUSIC HISTORY

Your Challenge:

- Leverage Target's groundbreaking relationship with Justin Timberlake
- Generate excitement among existing and new Target consumers for the CD and your brand
- Reinforce Target as a pop-culture brand
- Drive CD sales of the Exclusive Deluxe version of The 20/20 Experience

Our Response:

Clear Channel Media and Entertainment created an integrated multi-platform campaign that:

- Utilized our unmatched reach
- Leveraged our music industry credibility
- Capitalized on our programming expertise
- Created a brand halo for Target that moved millions of fans into action

MACY'S iHeartRadio RISING STAR

- Now in it's third year A national contest featuring 25 top up-and-coming artists selected across formats/genres to win the opening act at the iHeartRadio Music Festival
- 7 million votes were cast in 2014
- More than 500 million impressions were delivered across the integrated campaign, including in-studio appearances across the country

AMEX SMALL BUSINESS SATURDAY

- iHeartRadio and American Express partnered to execute an integrated media campaign to support the second annual Small Business Saturday.
- 150 markets, 850 stations, 500+ personalities, 565 pieces of unique copy, 15 million social followers
- Small Business Saturday awareness tripled throughout the course of the campaign
- 200,000+ tweets with hash tag #smallbizsat and 1.5 million new "likes" for Small Business Saturday's Facebook page in 4 weeks
- Display and streaming audio on 500+ station sites on iHeartRadio

iHeartRadio THE NUMBERS

APN NEWS & MEDIA

AU/NZ SNAPSHOT

ACROSS AUSTRALIA & NEW ZEALAND

742,000 REGISTERED USERS

1.03 MILLION + APP DOWNLOADS

Source: ARN iHeart Media. NZ to march 2015 AU to May 2015 App Data Google/App Store

AU/NZ SNAPSHOT

USER SESSIONS
3.7 MILLION

MONTHLY PAGE VIEWS
15.5 MILLION

MONTLY AV LISTENING HOURS
Custom – AU 6.9/ NZ 5.9
Live – AU 9/NZ 7

REGISTERED USERS
742,000+

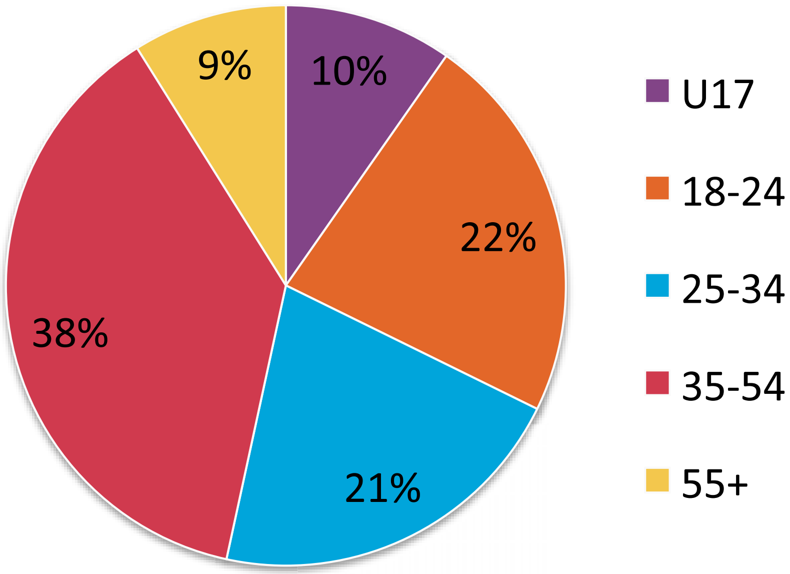
APP DOWNLOADS
1.03 MILLION

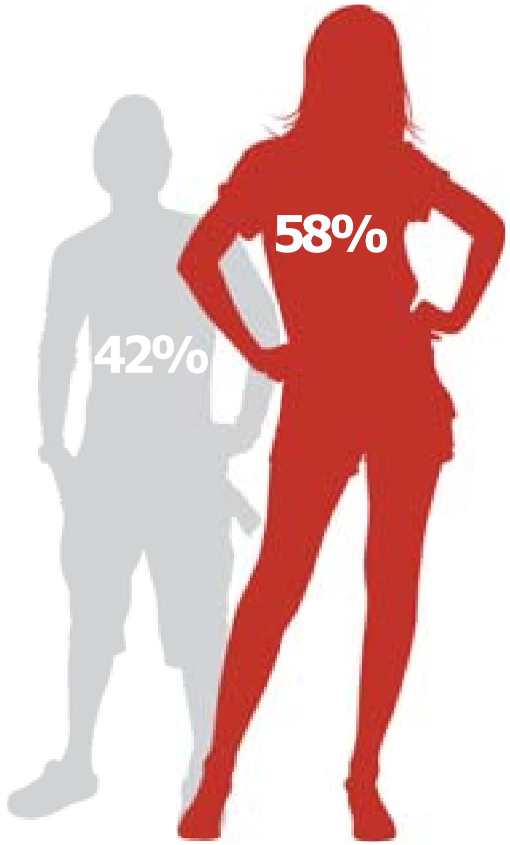
MONTHLY MOBILE SESSIONS
2.82 Million
Av Duration = 26-28 min

These figures represent a foundation, before greater strategic focus & marketing support

Source: ARN, NZME, iHeartMedia, Omniture, Localytics

DEOMOGRAPHICS



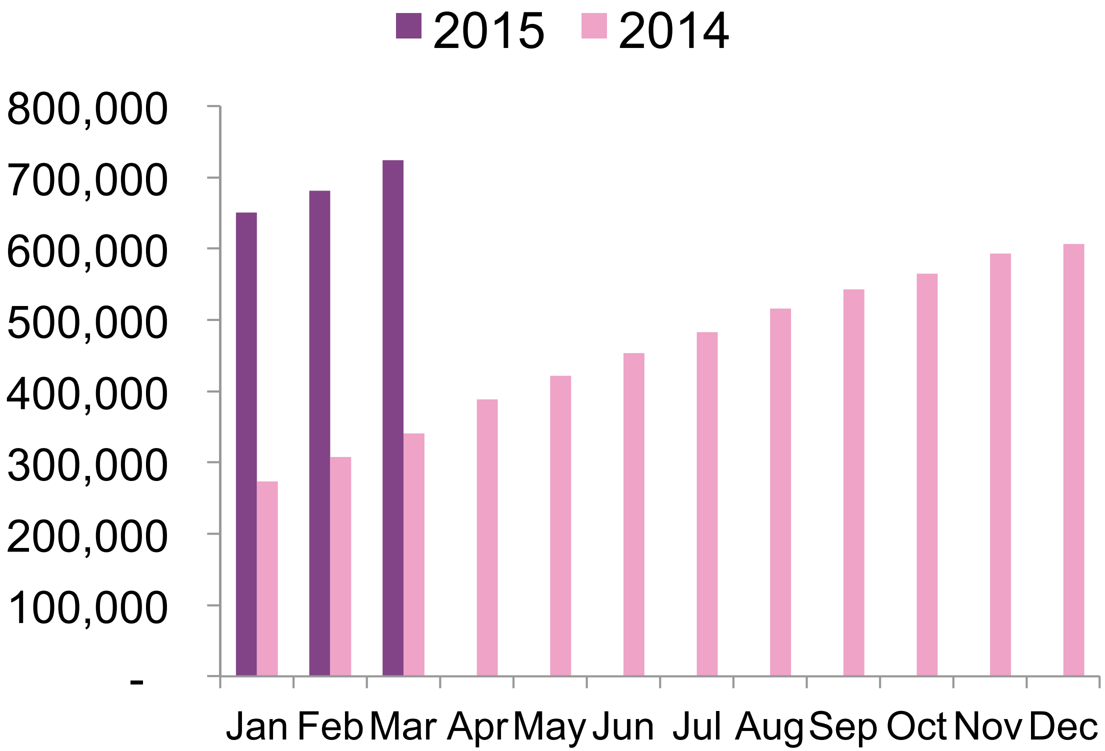


A youthful audience – **53%** of the registered users are aged under 34.

Female skew **58%** female across all demos

Source: ARN iHeart Media

REGISTERED USERS



113% YOY registered user growth

Source: ARN iHeart Media

IHEARTRADIO – EVENT SPONSORSHIP

SPONSORSHIP

STRONG REACH

EARNED MEDIA

THE RESULTS

- 35,000 iHeartRadio Ticket Entries
- 18,000 2degrees Ticket Entries
- 2,000 concert goers
- 6,500 Live Streams
- 3,000 + Tweets

"Over 18,000 entries over a 1.5 week promo period... we had our highest selling week of Freedom Plans since launch"
2degrees

IHEARTRADIO – EXPERIENTIAL

IHEARTRADIO – RETAIL

"Paper Plus' in-store radio provides rich content for customers with music, interviews, book reviews and promotions to engage customers while they shop with us."
Paper Plus

Paper Plus Radio is live in 100 + stores across NZ and streams continue to grow month on month

- Contemporary music tailored to key events and themes; summer, Christmas, mother's day, NZ music month
- Exclusive commercial environment with weekly promotion and Paper Plus brand imaging
- Book reviews and author interviews to bring the products to life in store

IHEARTRADIO – 2015 INITIATIVES

2015 focus is on growing audience and engagement via;

Unique Content

Partnerships

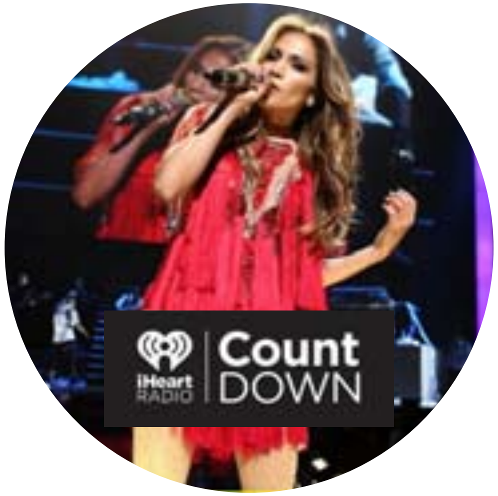
Events

UNIQUE POSITIONING IN MARKET

PRIMARY CHARACTERISTIC	iHeart RADIO	tunein	PANDORA	iTunes Radio	Spotify	rdio	MILK
LIVE RADIO	✓	✓	✗	✗	✗	✗	✗
ADVERTISING	✓	✓	✓	✓*	✓*	✗	✗
CUSTOMISED RADIO	✓	✗	✓	✓	✗*	✗*	✓
MUSIC PURCHASE	✓	✗	✗	✓	✓	✓	✓
LIVE MUSIC PROGRAM	✓	✗	✗	✗	✗	✗	✗
ORIGINAL CONTENT AMPLIFICATION	✓	✗	✗	✗	✗	✗	✗
SUBSCRIPTION	✗	✗	✓*	✗	✓*	✓	✓
TV SYNDICATION	✓	✗	✗	✗	✗	✗	✗
US ORIGINAL CONTENT ACCESS	✓	✗	✗	✗	✗	✗	✗
RADIO NETWORK PARTNERSHIP	✓	✗	✗	✗	✗	✗	✗
NEWS DESK PUBLISHING	✓	✗	✗	✗	✗	✗	✗
LIVE STREAMING	✓	✗	✗	✗	✗	✗	✗
INFLUENCER PROGRAM	✓	✗	✗	✗	✗	✗	✗


iHeartRADIO
GIVING YOU MORE
OF WHAT YOU LOVE

NEW FM BROADCAST SHOWS



iHeartRadio Countdown
- Hosted by Matty Acton
- Superstar Co-Host each week
- KIIS Sydney, Melbourne & Brisbane
- 45 regional stations
- Sunday 4pm-6pm
- On Demand via iHeartRadio
- Launched April

iHeartRadio Journey to Now
- Album show
- Pure Gold 5 capital cities
- 50 regional stations
- Sunday 4pm-6pm
- On Demand via iHeartRadio
- Launching July

NEW CHANNELS

iHeartRadio Dance
- A new spin on Dance
- Real enthusiast channel
- Programmed with a human touch
- iHeartRadio platform only
- Launching July

iHeartRadio Country
- Passion point Country channel
- Big name host
- Dialling into iHeartRadio US Country assets
- iHeartRadio platform only
- Launching August

iHeartRadio Live Radio Stations
- Agnostic platform
- Aggregate more radio stations
- Metro and regional focus
- Increases live radio footprint
- Attracts new niche audiences

INCREASED MARKETING INVESTMENT

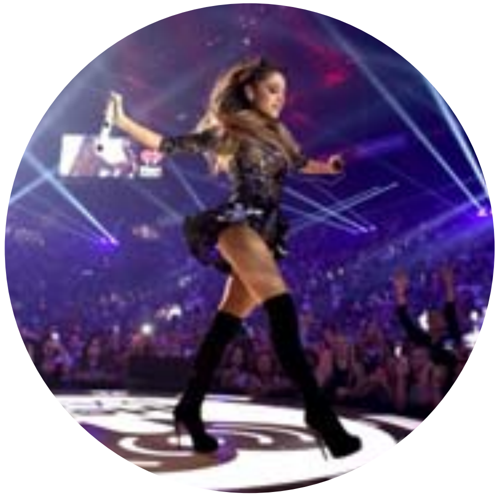
Radio Campaign

Paid Digital Media

Adshel Campaign

IN EXCESS OF $3.5 MILLION IN TARGETED BRAND AND ACQUISITION MARKETING FOR IHEARTRADIO'S EVOLUTION

MORE LIVE EVENTS



iHeartRadio Live
- Extraordinary money can't buy experiences
- 'Category A artists'
- National promotions
- Video / audio output
- Loop TV partnership

iHeartRadio US Events
- Activation of four iconic US events
- National promotions
- Access to the biggest stars on the planet
- Plus weekly access to iHeartRadio Live US Events

iHeartRadio On The Verge
- A platform to jumpstart new talent
- Launching February 2016
- Video / audio output

MORE CONVERSATIONS

NEWS ROOM APPROACH - 7 DAYS PER WEEK DELIVERING BREAKING NEWS, REACTING TO STORIES & CREATING TRENDS

VIDEO SERIES – WEEKLY SOCIAL VIDEO SEGMENTS DRIVING DEEPER BRAND ENGAGEMENT

LEVERAGE PERSONALITIES

Influencer Program
- 6 social ambassadors
- Always on approach
- Additional support for iHeartRadio Live

Talent Program
- Matty Acton – iHeartRadio ambassador
- Weekly social video segments
- Hosting iHeartRadio Live events

CONTENT MARKETING

Simon Joyce

AGENDA

Content Marketing Revolution

1. Market Dynamics
2. Research Insights

Introducing Emotive

1. Business Overview
2. Our products

Case Study

Optus Netflix

Content Marketing Revolution

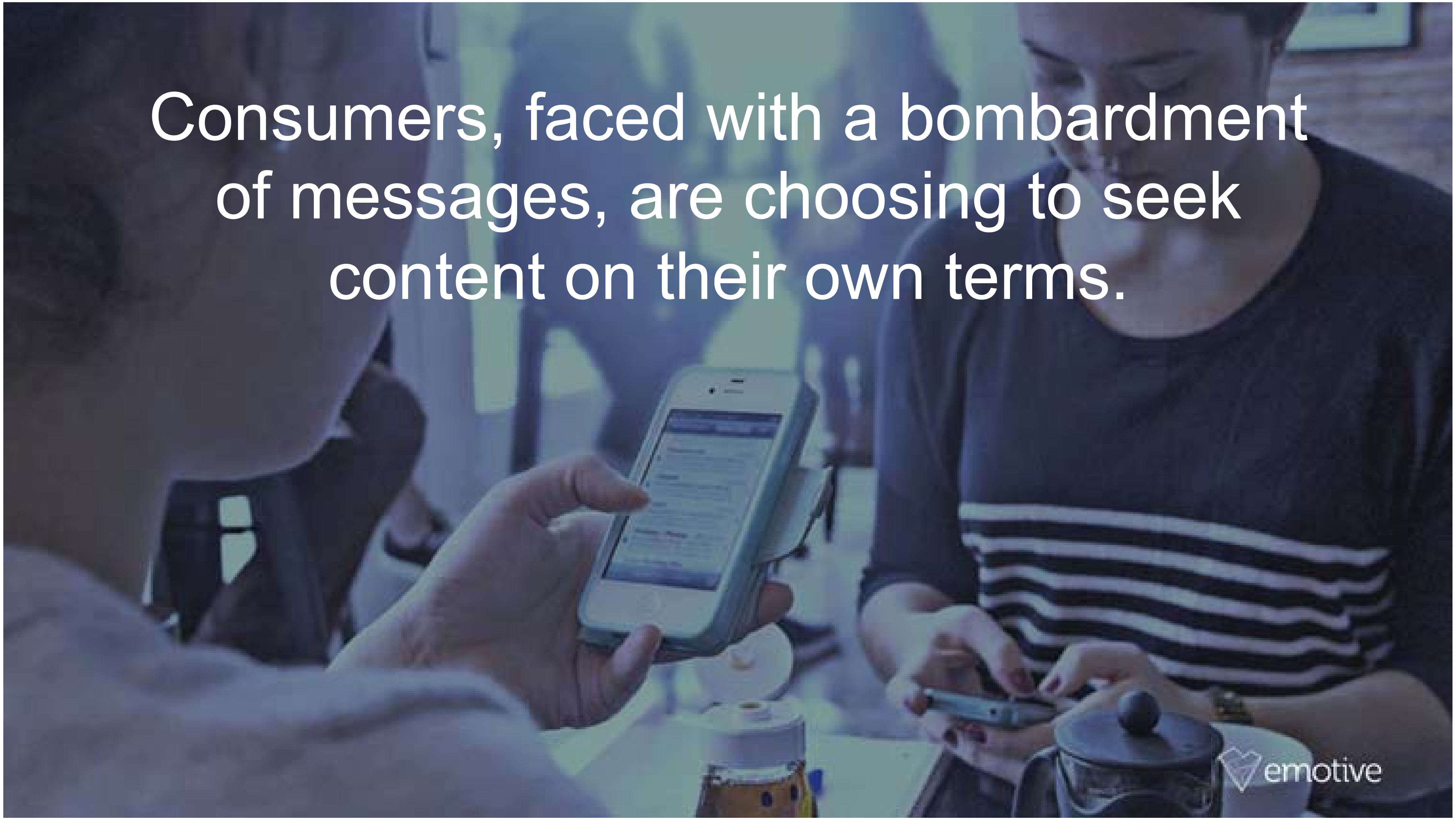
emotive

emotive

Defining Content Marketing

Content Marketing is a non-interruptive marketing process. It occurs when the consumer chooses to engage with a brand's content because they find it of value.

emotive


Consumers, faced with a bombardment of messages, are choosing to seek content on their own terms.
emotive


We are entering an age where the only messages anyone will see and hear are the messages they choose to.
emotive


These dynamics are forcing brands to fundamentally rethink their marketing strategy
emotive

EMOTIVE INSIGHTS

APN NEWS & MEDIA

Brands Must Adapt

Like it or not, brands have to become publishers – and they all have the opportunity to communicate directly with their audience.

Brands Need Emotive Content

Brands must create desired ‘owned’ content that is engaging, informing, entertaining, on-brand….and ‘always on’.

Paid & Owned in Harmony

Paid and owned media work together. A combination of organic and paid media accelerate content distribution.

CONTENT MARKETING RESEARCH AUSTRALIA

APN
NEWS & MEDIA

89%

Australian marketers now use content marketing

27%

of total marketing budget is spent on content marketing

Content Marketing Institute, 2015 (Australia)

CONTENT MARKETING RESEARCH AUSTRALIA

29%

believe they are using it effectively

63%

of marketers will increase spend in 2015

Content Marketing Institute, 2015 (Australia)

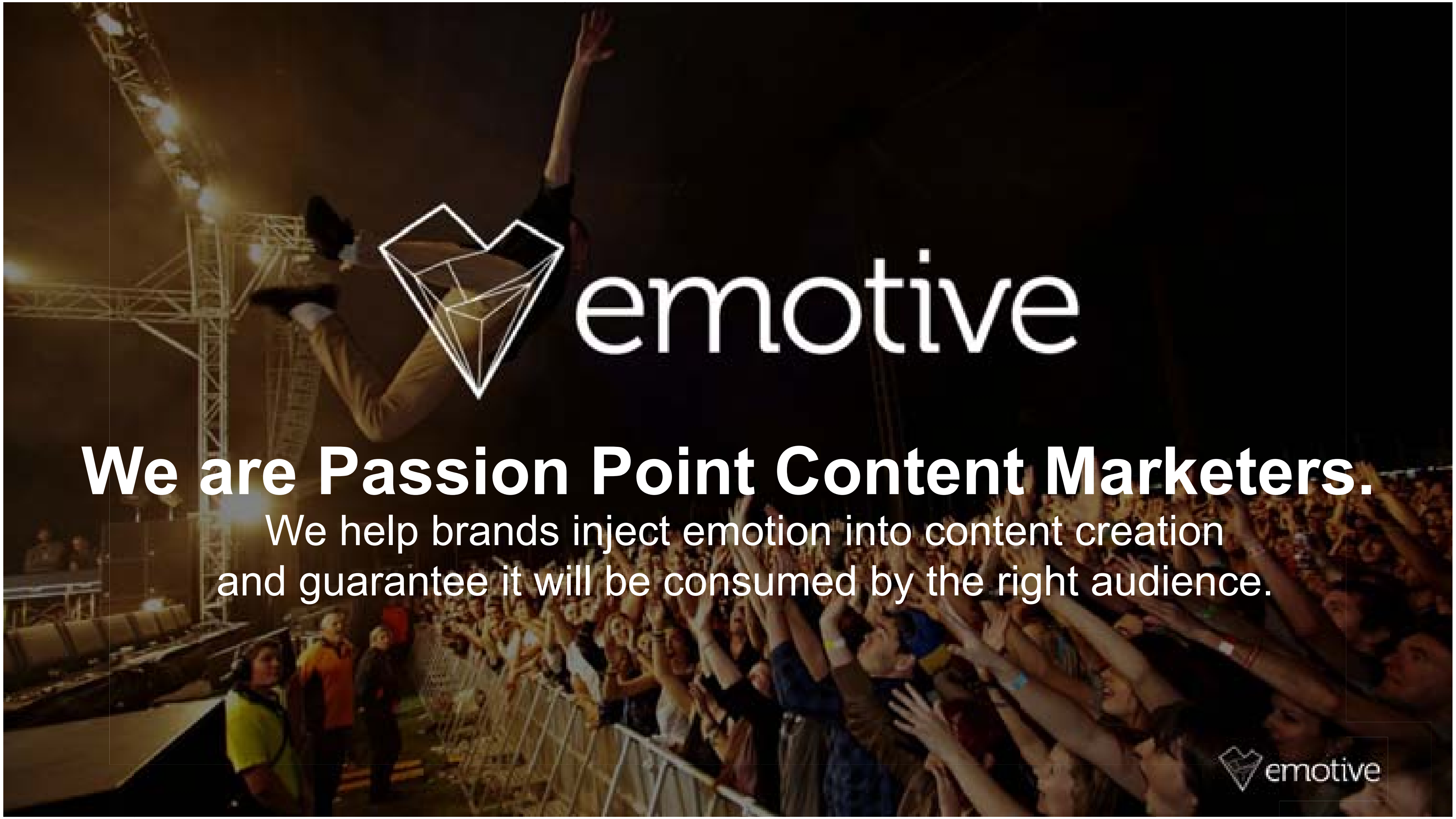
THE OPPORTUNITY

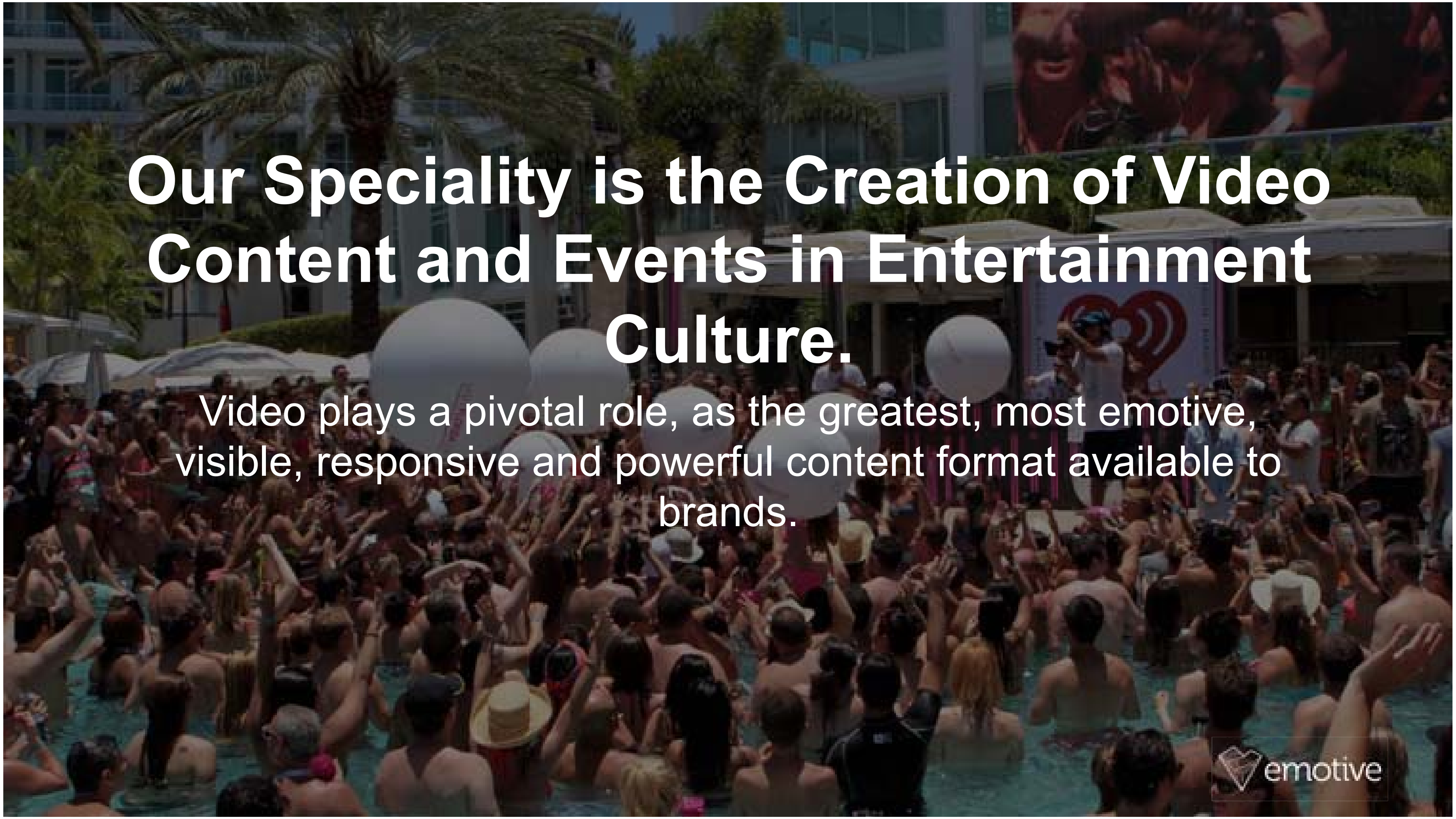
Brands need help creating content and finding audiences. The opportunity exists to deliver exactly that, via an end to end content marketing business…..with a difference

Introducing

emotive

emotive

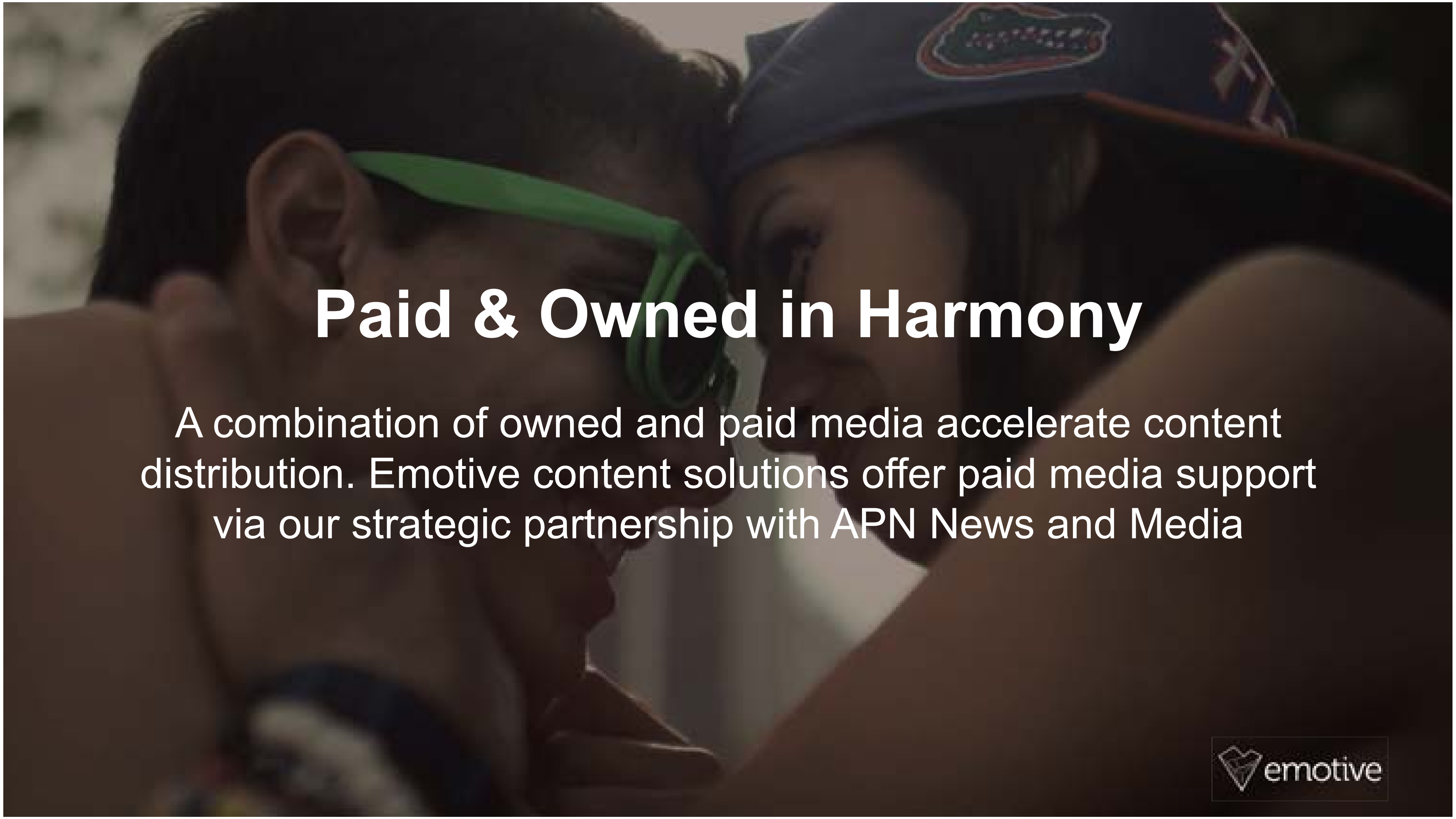

emotive
We are Passion Point Content Marketers.
We help brands inject emotion into content creation
and guarantee it will be consumed by the right audience.
emotive

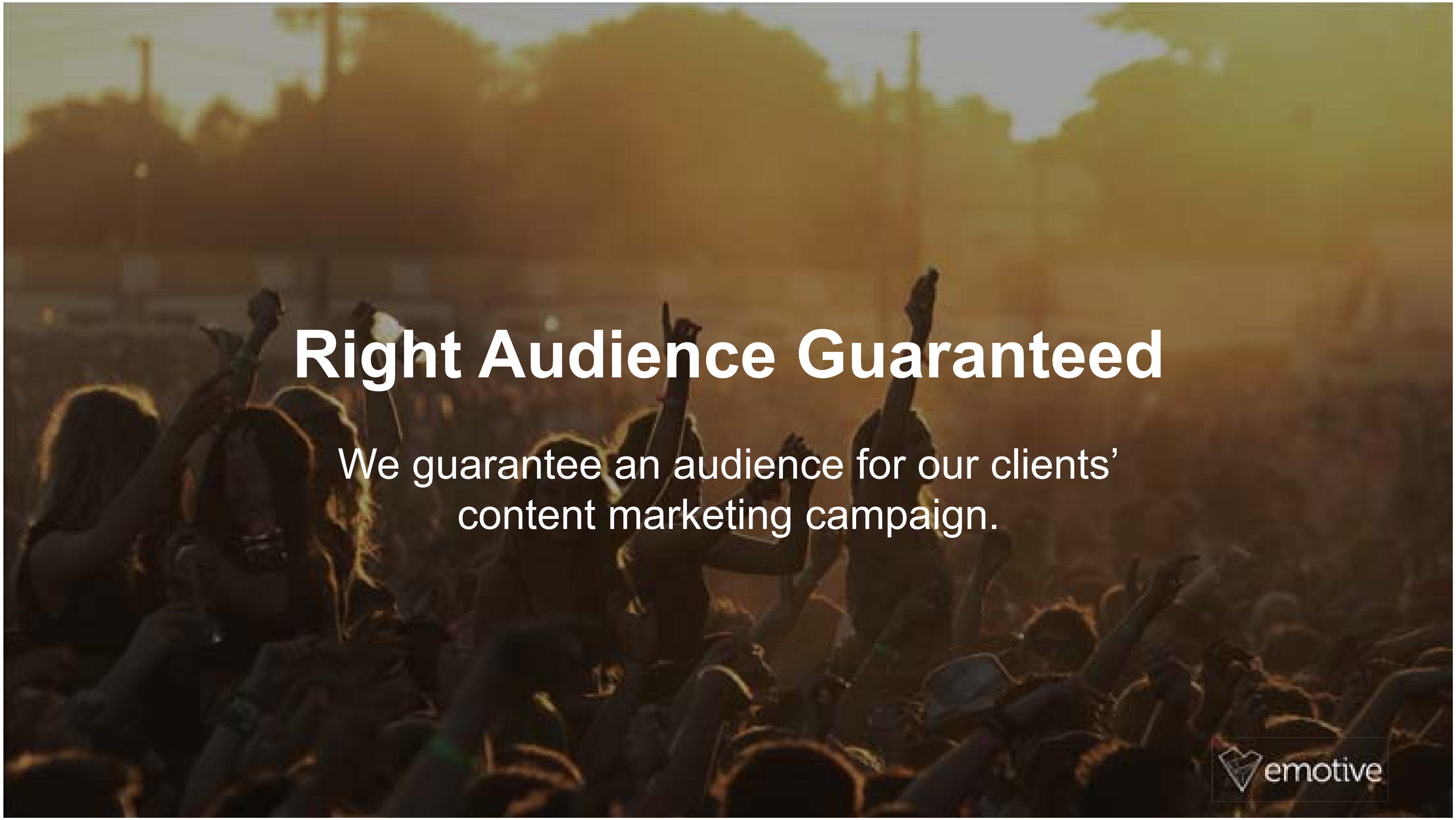

Our Speciality is the Creation of Video Content and Events in Entertainment Culture.
Video plays a pivotal role, as the greatest, most emotive, visible, responsive and powerful content format available to brands.
emotive

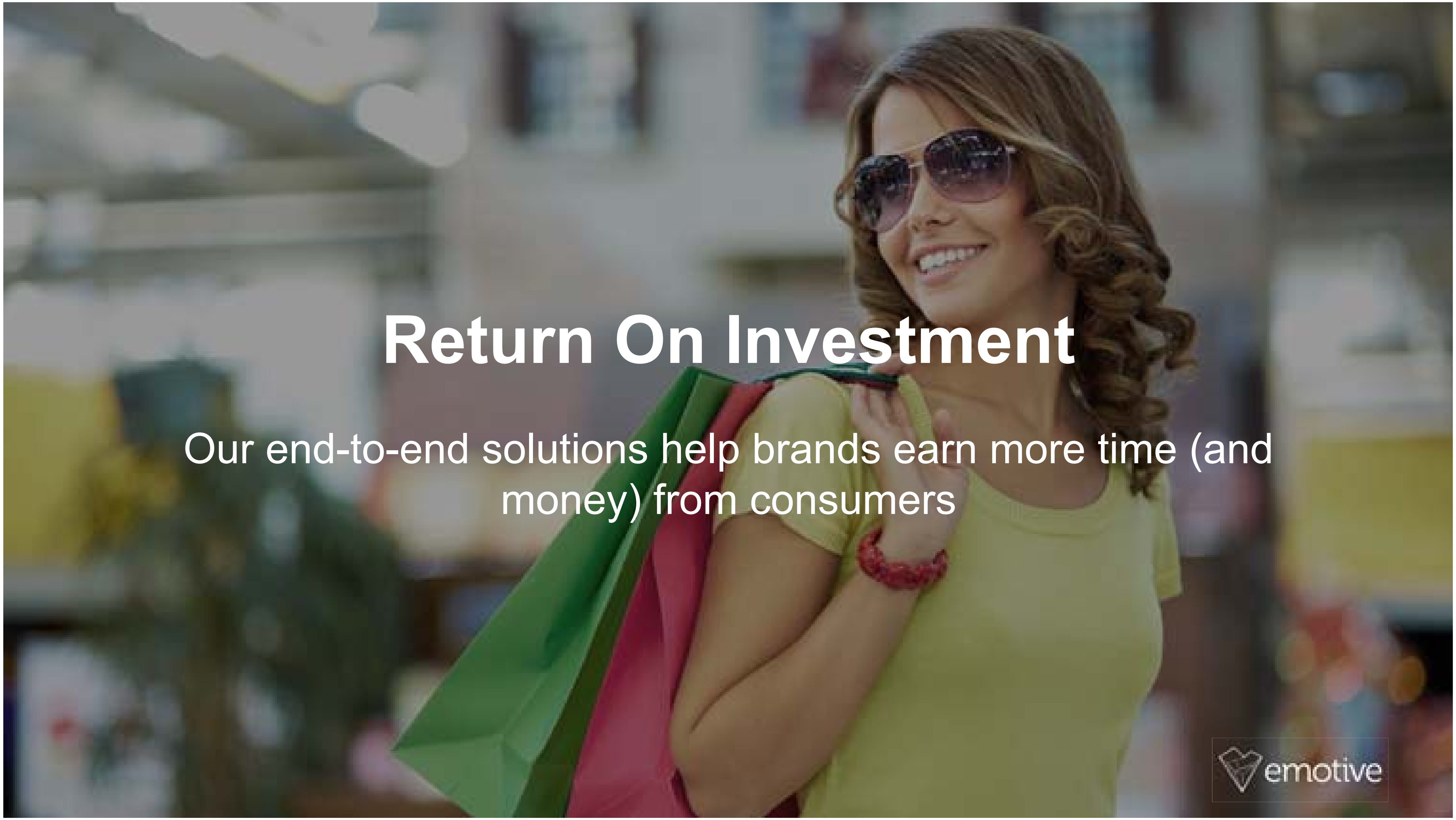

Finding The Right Audience
We challenge the notion that content marketing requires luck to reach an audience.
emotive

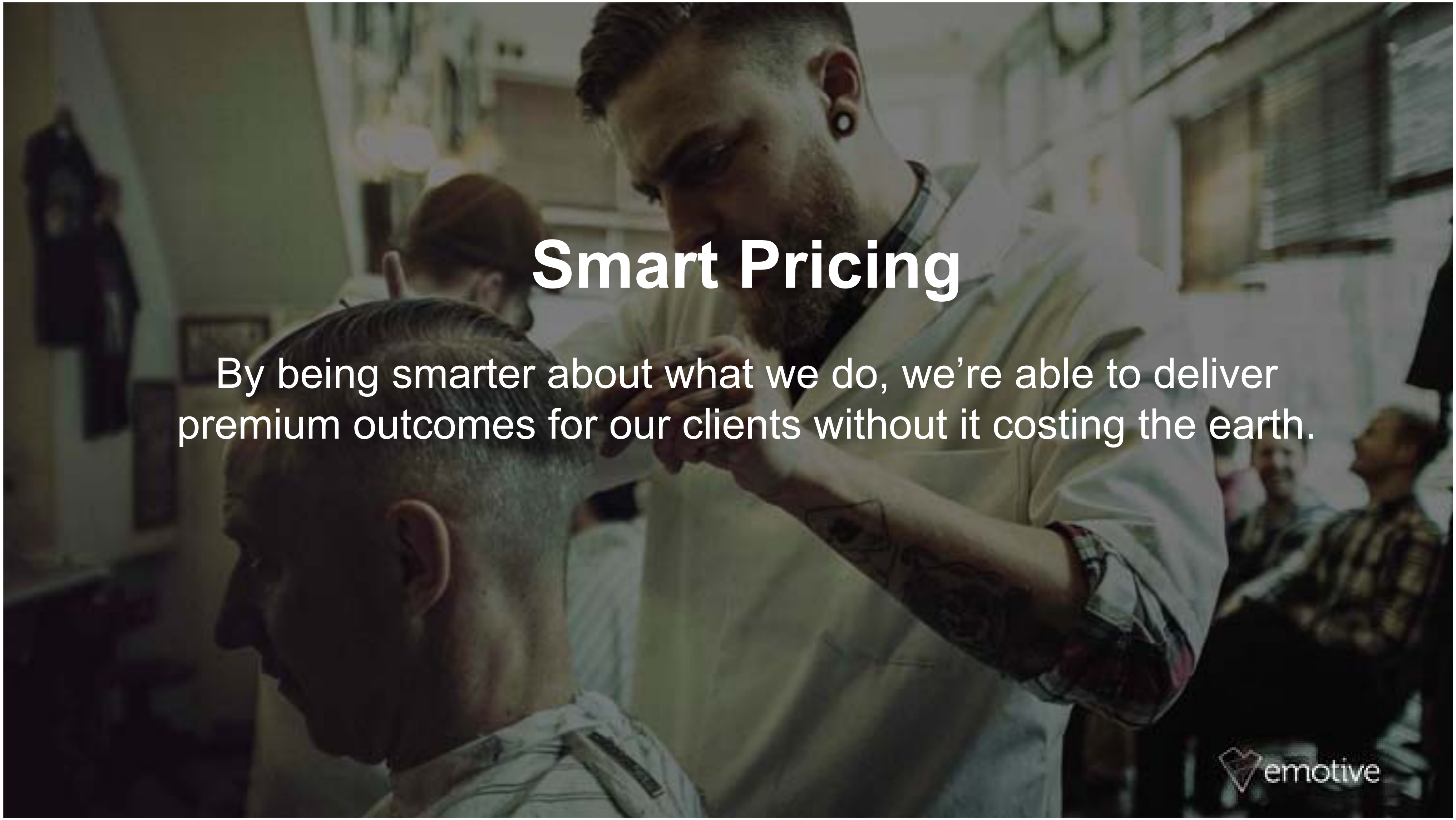
Video Amplification

Combining a range of audience development tools, techniques, relationships and processes we'll ensure your content leverages your 'owned assets' and reaches the most receptive & relevant audience possible.


Paid & Owned in Harmony
A combination of owned and paid media accelerate content distribution. Emotive content solutions offer paid media support via our strategic partnership with APN News and Media
emotive


Right Audience Guaranteed
We guarantee an audience for our clients' content marketing campaign.
emotive


Return On Investment
Our end-to-end solutions help brands earn more time (and money) from consumers
emotive


Smart Pricing
By being smarter about what we do, we're able to deliver premium outcomes for our clients without it costing the earth.
emotive

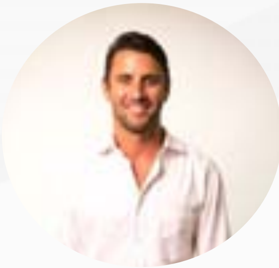

We add a content marketing layer to APN News and Media integrated solutions
We are in the privileged position to be working with APN to deliver market leading integrated content solutions for brands.
APN
emotive

Management Team

Jamie Crick
Strategic Partnerships & Audience Director

Charlie Leahy
Executive Creative Director

Simon Joyce
Founder & CEO



Andy Sinn
Commercial Director

Ben Keep
Chief Operating Officer

emotive

Our Products

create

Video & Film Creation
Events & Experiences
Talent Partnerships

amplify

Influencer Activation
Boosted Distribution
Analytics & Reporting

advertise

ARN content distribution
Adshel content distribution
iHeartRadio digital

emotive

Case Study – Optus Netflix

emotive

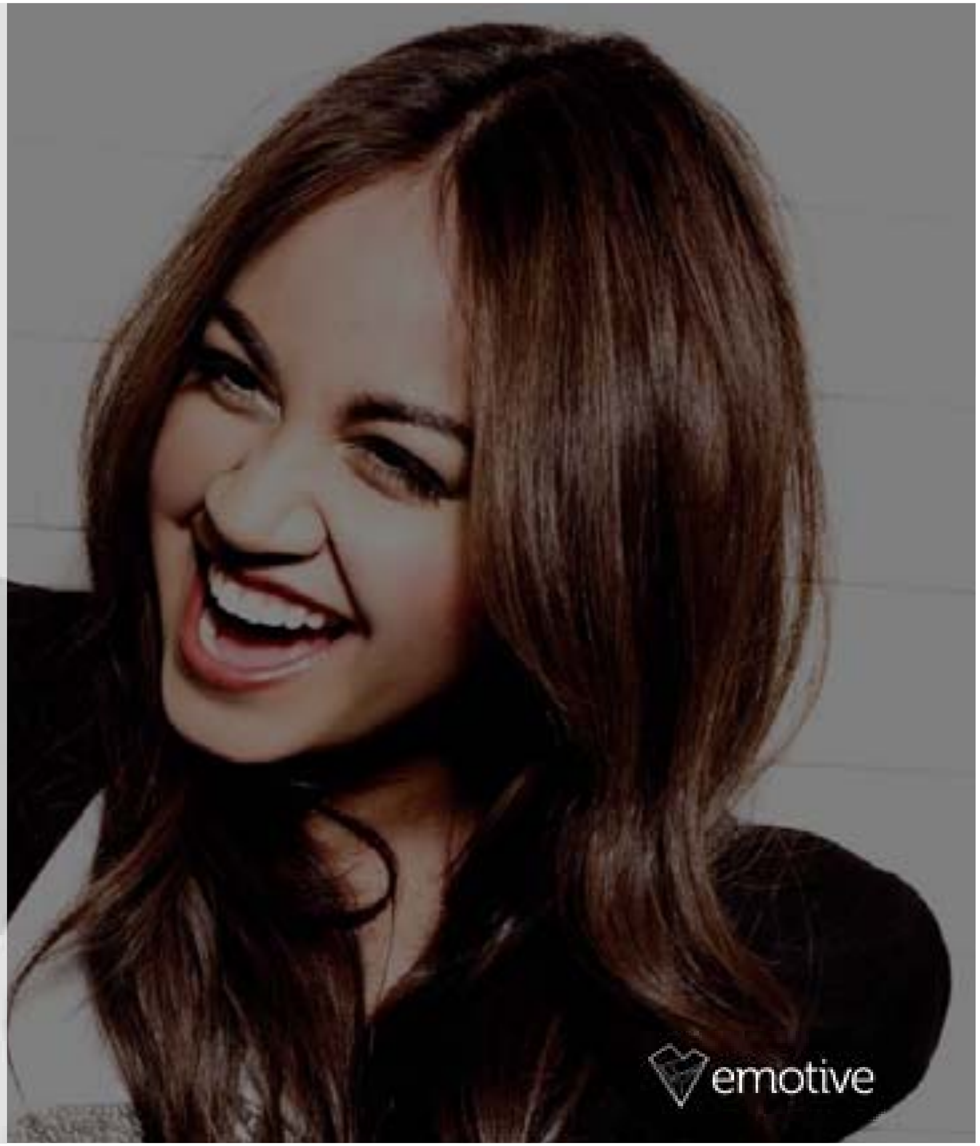
emotive

The Challenge

- Announce Optus Netflix partnership
- Position Optus as an enabler of entertainment
- Dominate discussion of streaming services in a cluttered market
- Communicate via social media

Summary

- Accountable content marketing
- Upscaling APN News and Media integrated solutions driving incremental share
- Right audience guaranteed
- An unrivalled team in entertainment marketing



emotive

content that moves you

emotive

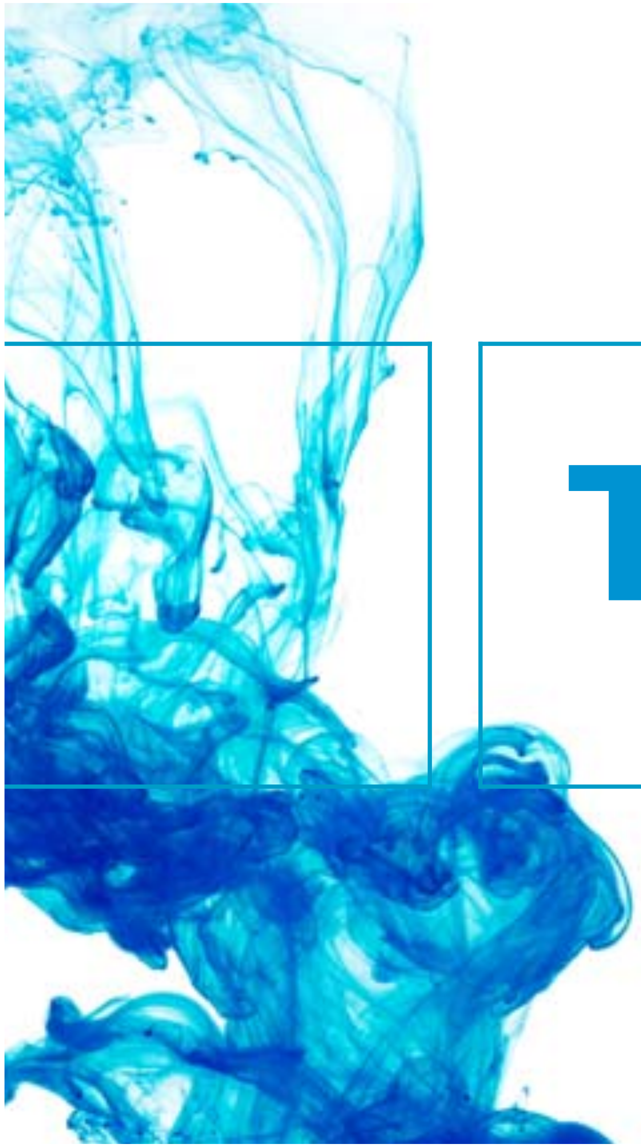
ARN. RE-IMAGINING RADIO FOR TODAY'S WORLD

APN NEWS & MEDIA

APNext 2015 Investor Day

APNEXT – INTO THE FUTURE

If you do something and it turns
out pretty good, you should go out
and do something else wonderful.
Don’t dwell on it for too long, just
figure out what’s next.
- *Steve Jobs*



Thank you

APN
NEWS & MEDIA

Questions

Please email your questions to: investorday@apn.com.au