



Annual General Meeting 2016



APN NEWS & MEDIA LIMITED  
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# APN GROUP HIGHLIGHTS



**#1** METROPOLITAN NETWORK  
RADIO BRAND - KIIS  
SYDNEY FM STATION  
BRISBANE FM STATION  
ADELAIDE FM STATION

**iHeart RADIO** 52% INCREASE IN REGISTRATIONS  
49% INCREASE IN REVENUE

AWARDED BRONZE CANNES LION

**87%** MARKET PENETRATION

LAUNCHED REGIONAL  
DIGITAL SUBSCRIPTION  
PROGRAM



LAUNCHED DIGITAL STREET  
FURNITURE NETWORK IN  
AUSTRALIA AND NEW  
ZEALAND, WITH MORE TO  
COME

THE NEW ZEALAND HERALD  
NEWSTALK ZB  
RADIO SPORT **#1**

DELIVERED ON TRANSFORMATION

RE-POSITIONED

DIVERSIFYING OFFERING

SECURING NEW CONTRACTS

# 2015 FINANCIAL HIGHLIGHTS



**Revenue** \$850.0m\*

**1%**

**EBITDA** \$166.2m\*\*

**1%**

**Cash flows** \$78.2m\*\*\*

**2.74x**

\* From continuing operations

\*\* From continuing operations and before exceptional items

\*\*\* Before the impact of acquisitions and divestments

# STRATEGIC PRIORITIES



Investment in growth areas



Demerger



Potential



divestment



A leading Australian-focused, growth orientated media and entertainment company

# ARN GROUP

# RATINGS SUCCESS



#1 metropolitan radio network in Australia



#1FM in Sydney



#2FM in Sydney



#1 in Brisbane



#1 in Adelaide



#1 radio brand



Kyle & Jackie O and Jonesy & Amanda  
- #1 & #2FM breakfast positions in Sydney for 16 straight surveys



Robin, Terry & Bob - #1FM Breakfast in Brisbane

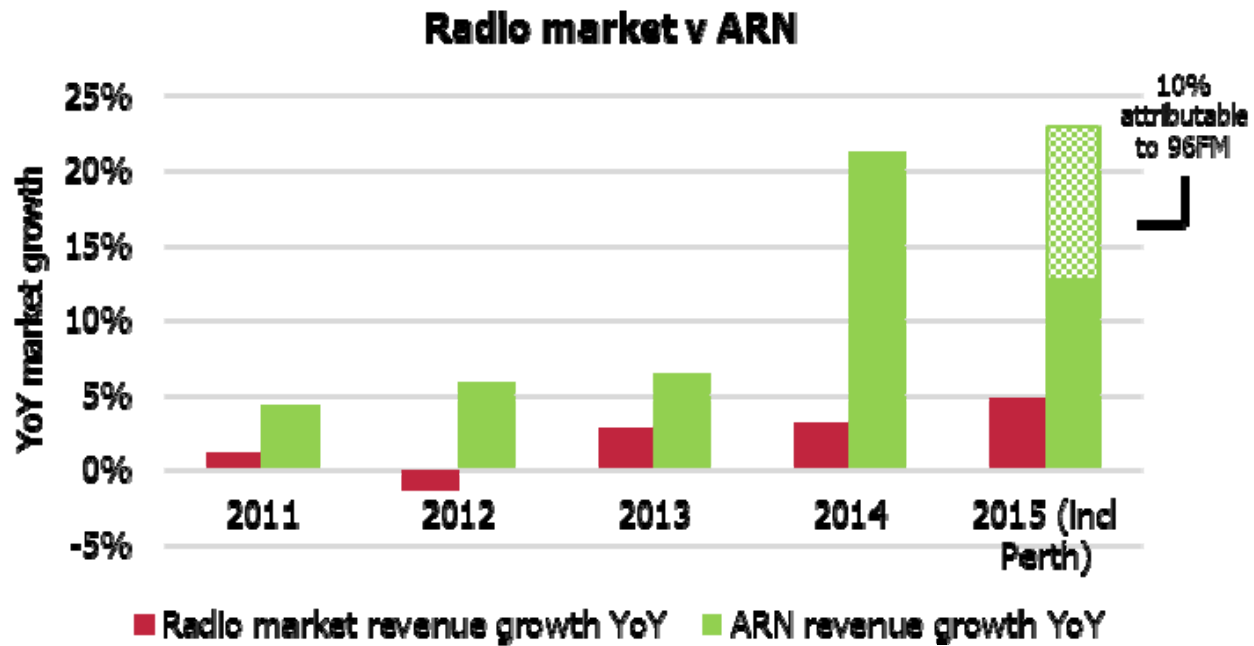


Jodie & Soda - #1FM breakfast for 42nd consecutive survey in Adelaide



'Hughesy & Kate' national drive program – National #2 position within year of launch

# OUTPERFORMING THE MARKET



\* Source: Deloitte / CRA 12 months to December

# I HEARTRADIO – MULTI-PLATFORM



527,000 registered users

803,000 app downloads

2,400,000 streaming hours

## Custom radio stations



## Events



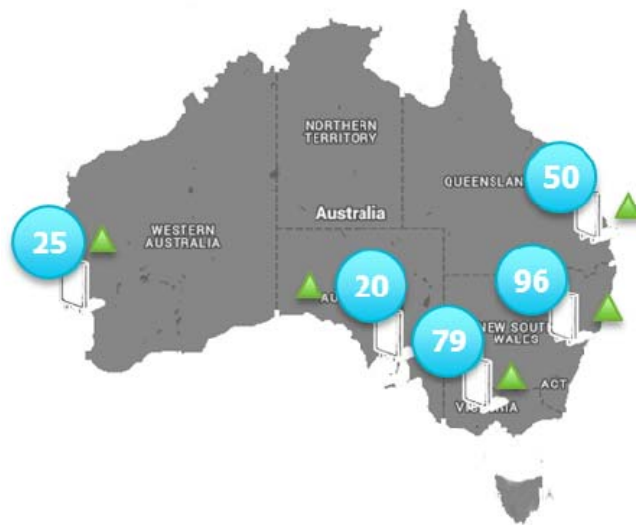
## Partnerships





**Adshel**

# LAUNCH OF ADSHEL LIVE



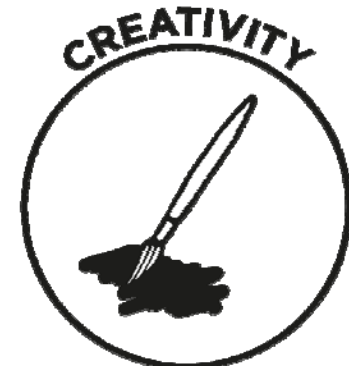
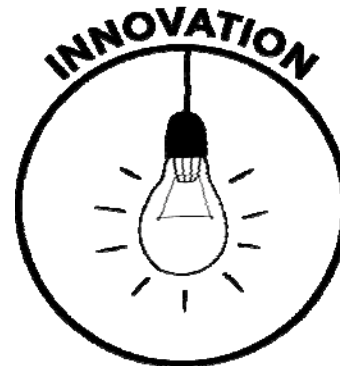
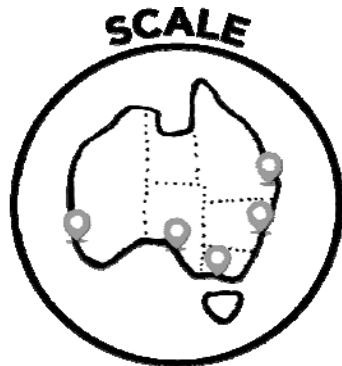
**270 digital panels in Australia with an additional 250 planned**



**35 digital panels in NZ with an additional 115 planned**

Digital expansion sites

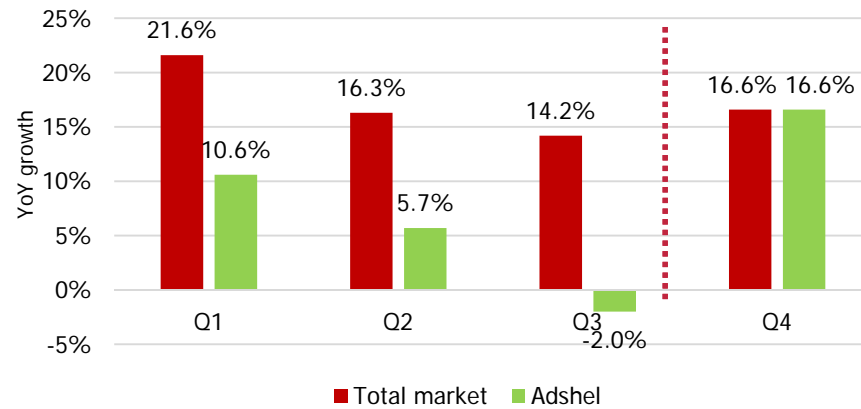
# BENEFITS OF ADSHEL LIVE



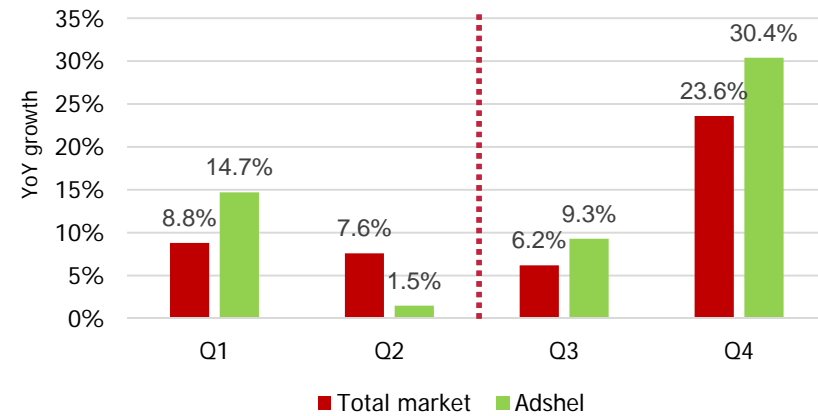
# INVESTMENT DRIVING GROWTH



Total AU OOH ad market v Adshel



Total NZ OOH ad market v Adshel



Source: OMA AU & NZ

..... Launch of Adshel LIVE

# HONG KONG OUTDOOR

# CODY OUT-OF-HOME



- Onerous contract
- New management team
- Rebranded
- Diversified offering
- Securing new contracts

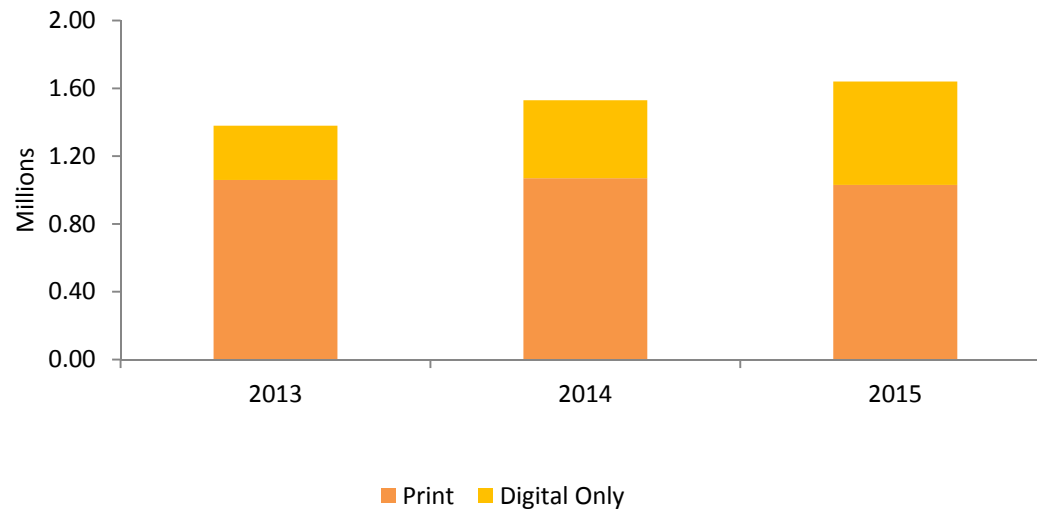


# Australian Regional Media

# LOCAL AUDIENCES CONTINUE TO GROW



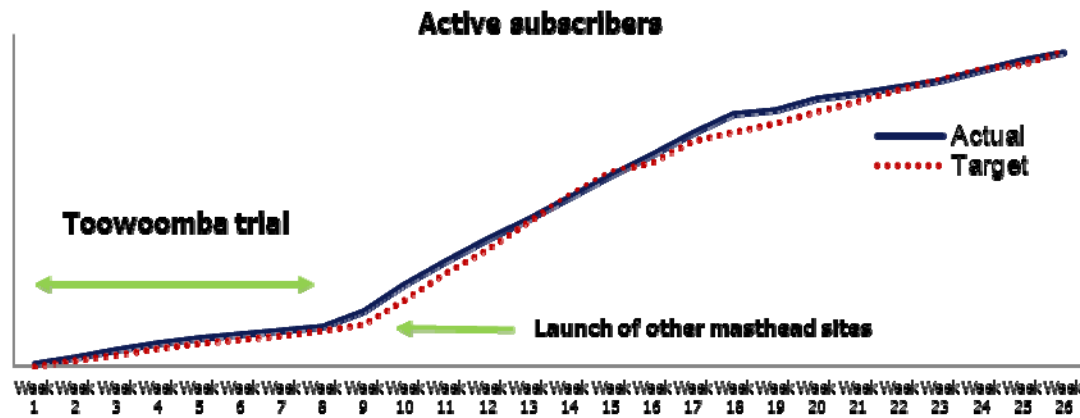
Weekly ARM Audience



Source: ARM weekly aggregate audience as developed with Nielsen; 12 months to December 2013, 2014 & 2015



# DIGITAL SUBSCRIPTION PROGRAM



**NZME**

# TRANSFORMATION ON-TRACK



Target	Achieved
Deliver FY15 EBITDA of \$70.8m*	\$74.9m delivered
Deliver cost savings of \$18m	Over \$20m secured
Merge three businesses into one	Merged business – one newsroom, merged commercial teams  Auckland and eleven regions co-located
Generate over \$55m of annual revenue from digital and other growth channels in FY15	Over \$59m generated  33% growth in digital publishing revenues



\*\$4m of listed costs were included in the November 2014 market forecast of \$70.8m, like for like comparison therefore \$74.8m



# NEW REVENUE INITIATIVES



- Focus on new revenue initiatives driving growth

DRIVEN

WatchMe.



NZME. VISION

THE COUNTRY

NZME. CREATE ME



# APN STRATEGY

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Australian-focused media and entertainment company concentrated on the growth sectors of radio and outdoor



# TRADING UPDATE





# TRADING UPDATE



- In Australia, the Radio and Outdoor sectors continue to outperform a relatively weak advertising market. ARN revenues were up in line with the strong market growth of 9% in Q1. In Outdoor, the strong performance of the Adshel LIVE digital panels has delivered overall revenue growth in line with the market at 17% year to date
- In ARM the revenue trend has been consistent with 2015, with local revenues in line with prior year and National revenues remaining weak. Digital subscriptions have helped to deliver total audience revenues in line with prior year. Cost savings have offset more than half the revenue decline
- In New Zealand, market conditions have been challenging and revenues were down 10% to the end of Q1. We have seen some improvement in April and bookings data suggests this will continue into May. The significant cost savings delivered as a result of the integration have offset most of the revenue shortfalls
- At the end of April, Group revenues are down 4% on prior year while cost savings have delivered a flat EBITDA



**THANK YOU**