

ARN – RADIO FOR A NEW WORLD

JP Morgan Investor Presentation

12th June 2014



ARN - RADIO FOR A NEW WORLD



Killer talent



Ratings Growth



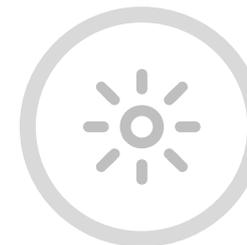
New & innovative platforms



Social and Digital Engagement



Established relationships



New Commercial Opportunities

INTRODUCING ARN

**CONTEMPORARY
ENTERTAINMENT
BUSINESS**

**AUSTRALIA'S MOST
COMMERCIAL
AUDIENCES**

**WITH
'NEW WORLD'
CONNECTIVITY**



**WE HAVE THE ASSETS TO
CREATE REAL INFLUENCE
FOR OUR ADVERTISERS**



KIIS 1065 SYDNEY



Kyle & Jackie O, Rosso & Ryan Seacrest

KIIS + MIX NETWORK

FEMALES 25-44

MIX 101.1 MELBOURNE



Chrissie & Jane, Rosso & Ryan Seacrest

97.3 BRISBANE



Robin, Terry & Bob, Campo & Ryan Seacrest



MIX 102.3 ADELAIDE



Jodie, Soda & Snowy & Ryan Seacrest



iHeartRadio

Connecting audiences with music & artists they love

iHeartRadio LIVE

Live events

ENGAGEMENT WITH A BROAD AUDIENCE



THE EDGE 96.1

Hits That Move You

Mike E & Emma



18-29



CLASSIC HITS NETWORK

40-54 A GEN X AUDIENCE

WSFM 101.7 SYDNEY

Jonesy & Amanda, Ron E Sparks



GOLD 104.3 MELBOURNE

Brig & Lehmo, Craig Huggins



4KQ 693 BRISBANE

Laurel, Gary & Mark



CRUISE 1323 ADELAIDE

John Dean



HOME TO SOME OF AUSTRALIA'S MOST LOVED ENTERTAINMENT BRANDS AND PERSONALITIES



We are building a more innovative, connected and multi-faceted media and entertainment network
around the audiences that drive brands success.

The logo for KIIS 1065, featuring the call letters 'KIIS' in white, bold, sans-serif font inside a black circle with a pink-to-purple gradient border.

KIIS

1065

A pink banner with the text 'SO SYDNEY' in white, bold, sans-serif font.

SO SYDNEY



WSFM AND GOLD REBRAND



RATINGS MOMENTUM



	SURVEY 1-8/2013	SURVEY 1-3/2014	CHANGE +/-
ARN	15.3%	17.6%	↑ +2.3
SCA	16.4%	13.4%	↓ -3.0
NOVA	14.0%	14.8%	↑ +0.8



	SURVEY 1-8/2013	SURVEY 1-3/2014	CHANGE +/-
ARN	17.7%	22.0%	↑ +4.3
SCA	22.2%	18.5%	↓ -3.7
NOVA	15.8%	17.1%	↑ +1.3

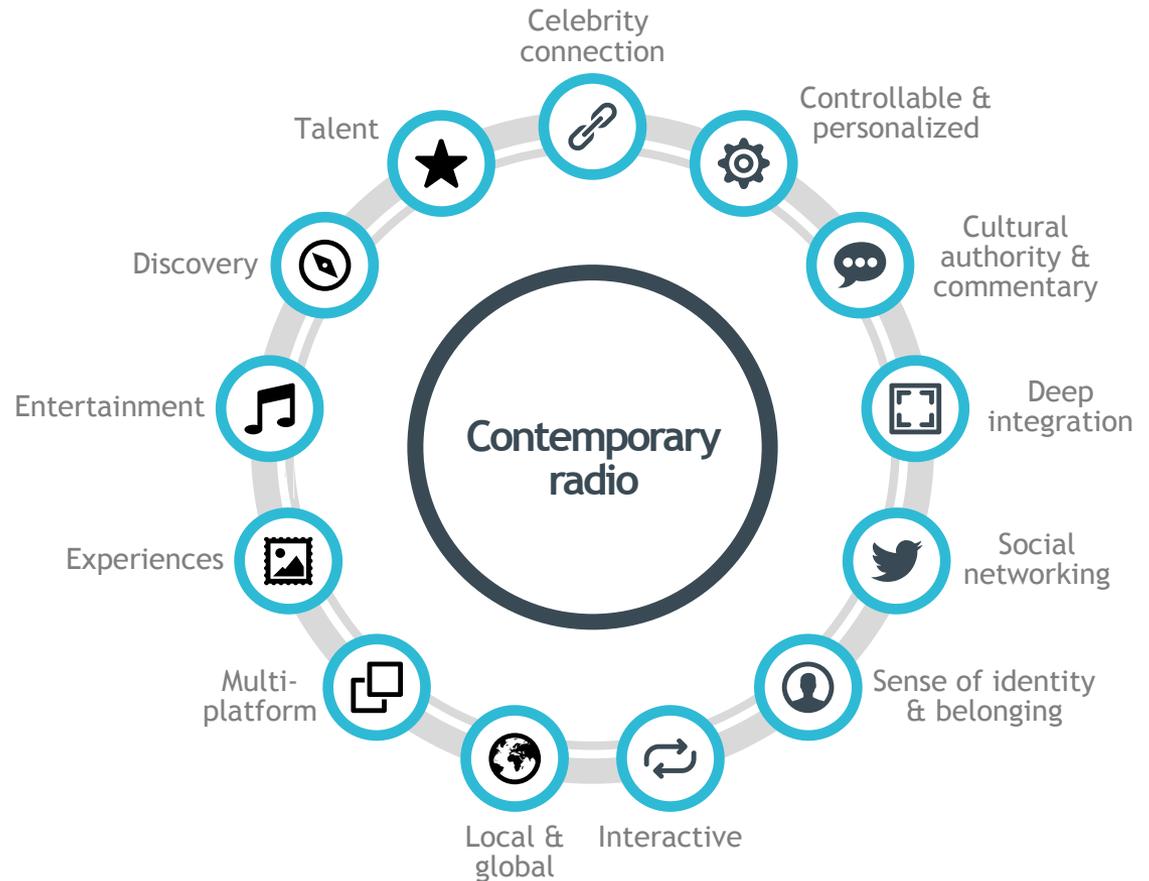
MORE PEOPLE LISTENING

		AVERAGE CUME #1-8, 2013	AVERAGE CUME #1-3, 2014	CHANGE	
SYDNEY	ARN	1,125	1,422	297	26%
	SCA	1,253	1,031	-222	-18%
	NOVA	1,243	1,388	145	12%
MELBOURNE	ARN	1,382	1,495	113	8%
	SCA	1,437	1,436	-1	0%
	NOVA	1,297	1,399	102	8%
BRISBANE	ARN	635	711	76	12%
	SCA	704	698	-6	-1%
	NOVA	511	512	1	0%
ADELAIDE	ARN	428	440	12	3%
	SCA	386	385	-1	0%
	NOVA	295	320	25	8%

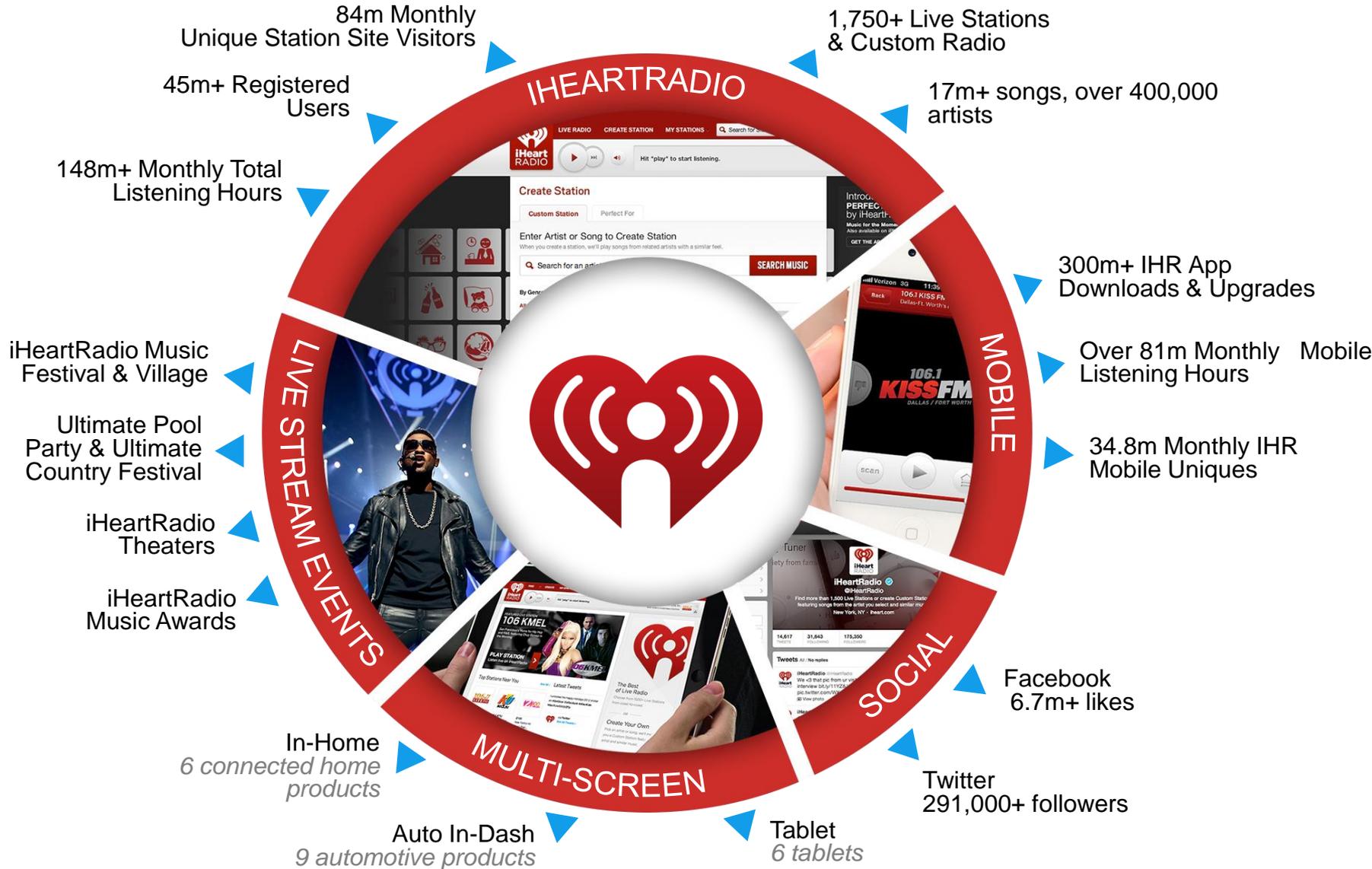
RADIO'S INFLUENCE IS EXPANDING

Radio has always had an interactive, community based connection.

New social platforms are helping us expand our brand's influence.



THE WORLDS FASTEST GROWING DIGITAL ENTERTAINMENT PLATFORM

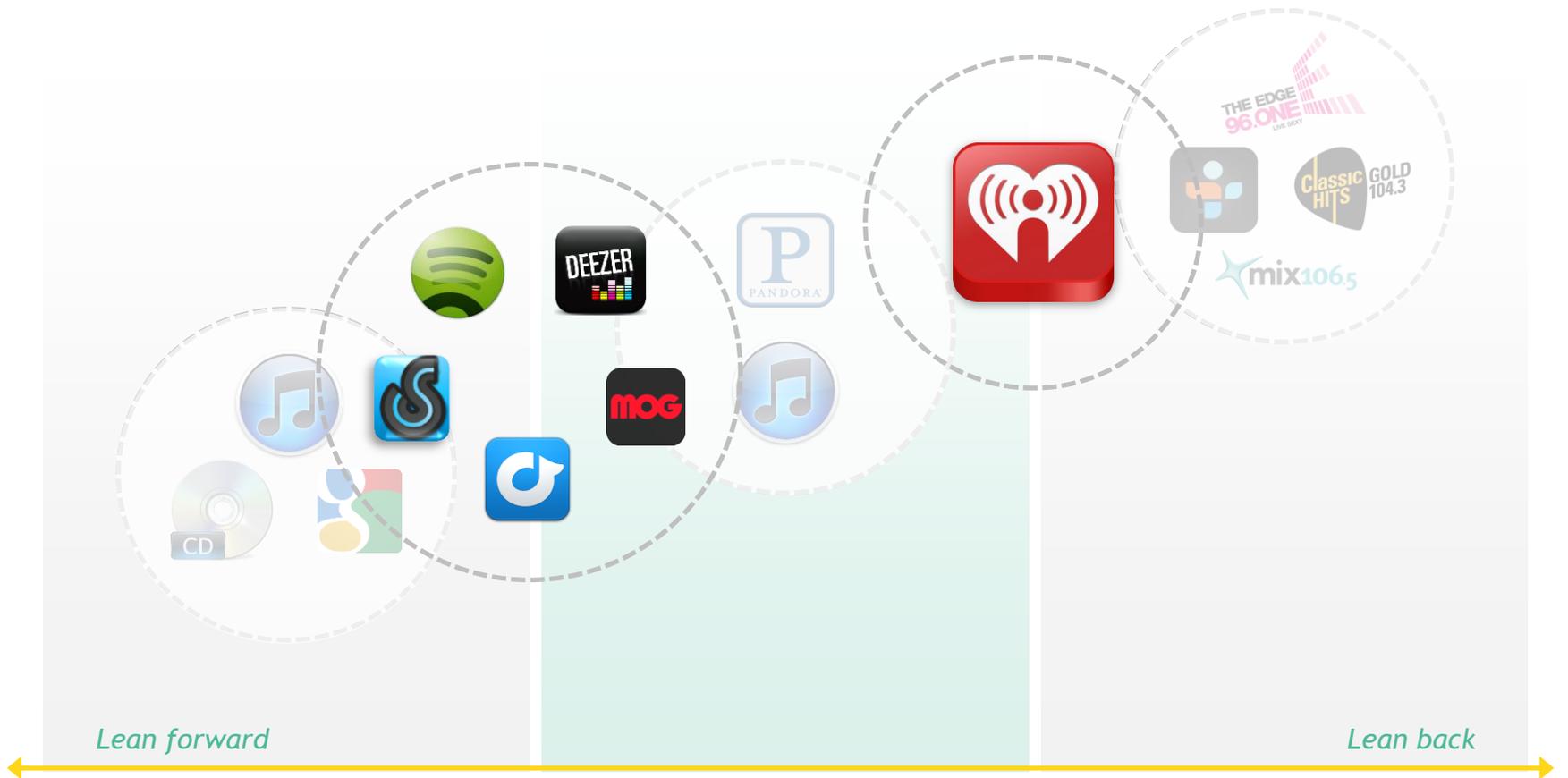


UNIQUE POSITIONING

On-Demand Music

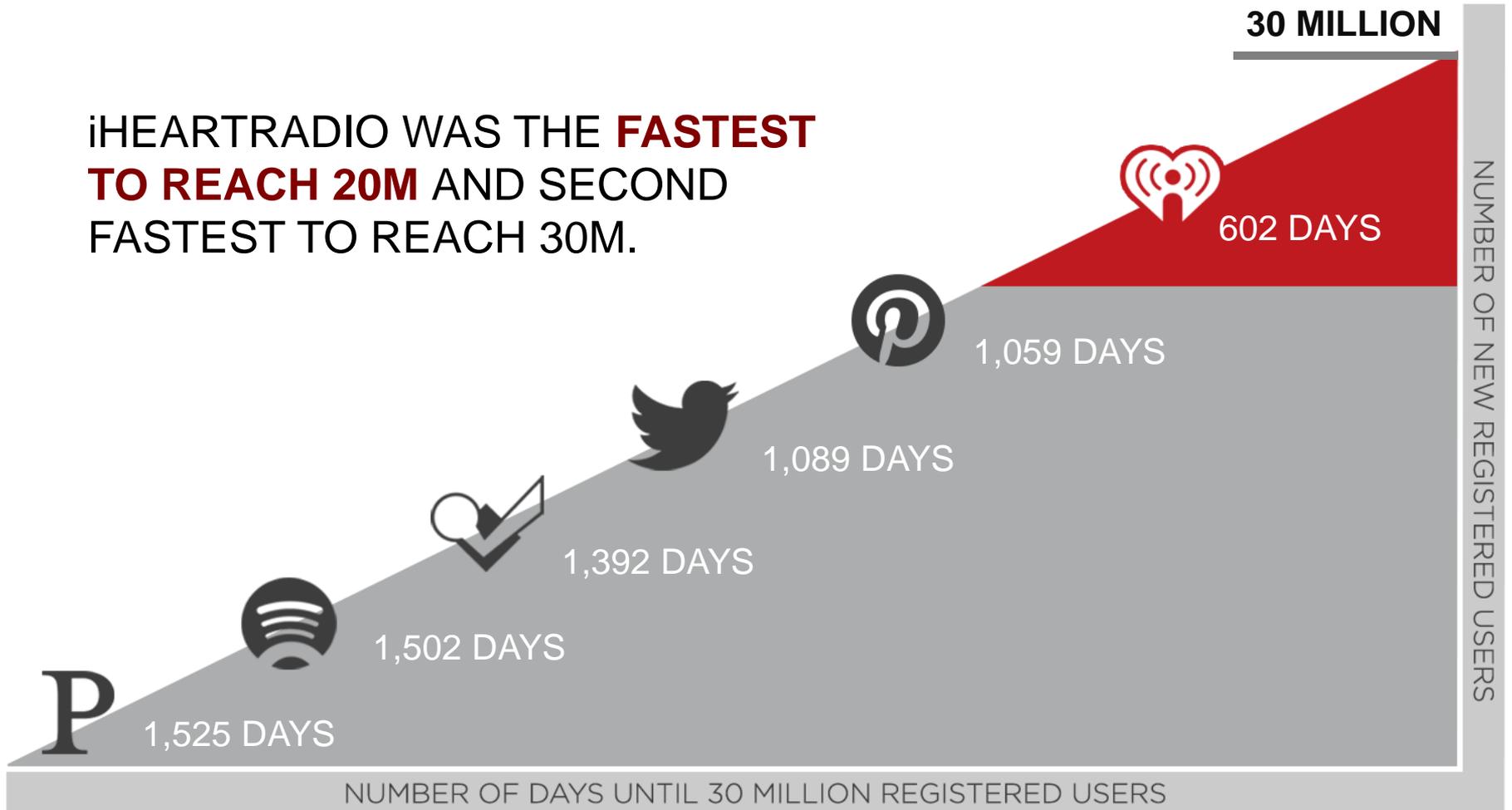
Custom Radio

Live Radio



UNMATCHED MOMENTUM

iHEARTRADIO WAS THE **FASTEST TO REACH 20M** AND SECOND FASTEST TO REACH 30M.



*Source: Comscore Media Metrix, March 2013; **Source: Comscore Media Metrix, March 2013, Multi-platform



COMMERCIAL OPPORTUNITIES



*Custom
radio stations*



*Content
Marketing*



*Audio and
Video
Pre-roll*



*Digital
Display*



*Building
rich data*



*Event
activation*

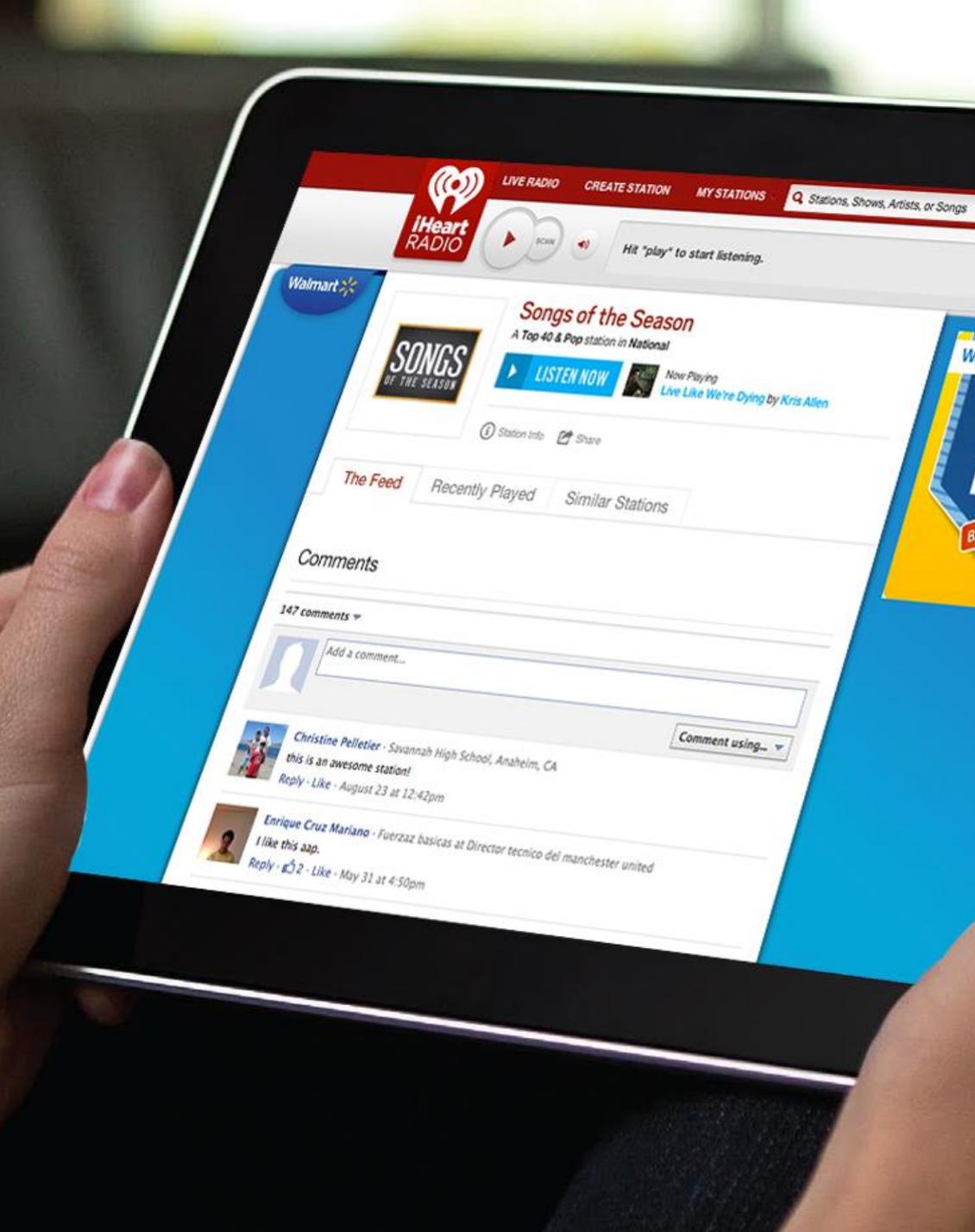




WALMART SONGS OF THE SEASON

Walmart partners with iHeartRadio on a year-long campaign featuring a continuously evolving custom station on iHeartRadio, providing listeners relevant seasonal content around key shopping holidays and occasions.

- “Songs of the Season” brings listeners 7 themed stations including:
 - Workout music in January (New Year’s Resolutions)
 - Love songs in February (Valentines Day)
 - Summer hits in July (BBQ)
 - Holiday favorites in December
- Custom iHeartRadio digital station and custom skin
- High level of social engagement and as many as 100,000+ unique listeners per month





TARGET + JUSTIN TIMBERLAKE ALBUM RELEASE

An integrated multi-platform campaign to leverage Target's groundbreaking relationship with Justin Timberlake, generate excitement for the Exclusive Deluxe Version of the "20/20 Experience" album, reinforce Target as a pop-culture brand, and drive album sales.

- National network roadblock for album premiere with dedicated JT custom digital station on iHeartRadio
- Album Release Party featuring a live audio and web broadcast, including special airing on The CW Network
- JT takeover hour on 175 stations in 164 markets
- More than 600 million impressions generated by the campaign
- 968,000 album copies sold in the first week and was one of Target's top three best-selling albums in the last decade





AUSTRALIAN MONTHLY AUDIENCE

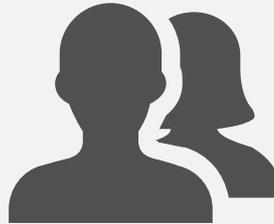
MONTHLY

TO DATE



7.3M
page
impressions

260,000
unique visitors



308,000
app downloads
iOS **70%**
Android **30%**

207,000
registered
users



7.1M
page
impressions

249,000
unique
visitors

274,000
app downloads
iOS **70%**
Android **30%**

186,000
registered
users

Source: Omniture



Source: App store, Google Play & Clear Channel

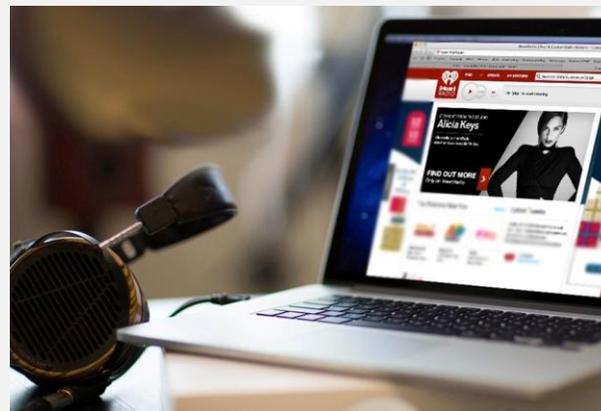
LISTENING STATS - APRIL

**TOTAL MOBILE
STREAMING HOURS**
2.2M



95% Live Radio Listening
5% Custom Radio Listening

**TOTAL WEB
STREAMING HOURS**
1.5M



98% Live Radio Listening
2% Custom Radio Listening

TOTAL HOURS STREAMED IN THIS MONTH: 3.7M
TOTAL TRACKS STREAMED IN THE MONTH: 45.5M



ENGAGING A YOUTHFUL AUDIENCE

8%
over 55

30%
under 25



40%
male



60%
female

1 IN 3 IS
UNDER 25

62%
25-54 yrs



SOCIALLY ENGAGED

Monthly unique visitors to
ARN websites up 377% to
1.7 million

Page impressions 
up 232% to 16.7m
across web and mobile

facebook
ENGAGEMENT UP
221% TO 124%

ARN'S 15 FACEBOOK PAGES
537k 

446,000 
FOLLOWERS

Connecting with local audiences



Strongest social media engagement

DRIVING SOCIAL ENGAGEMENT



Inside Radio

ARN SALES is always kept busy working on projects for clients, said the EP of ARN 107.5. Kyle and Jackie O Show. KISS 107.5 says the show's success is a result of the fact that the show is being set-up in the right way to get on air. We haven't heard of any other stations in the area that have this good piece of history. **By Edie McGuire or Christy Craig**

KYLE & JACKIE O ON LOCATION IN DUBAI

EP Simon Greally notes everyone's a winner: ARN, K&J, clients and listeners

BY JAMES MANNING

The executive producer of 835 FM's Kyle and Jackie O Show Simon Greally said that his recent visit to Dubai last week was just another on a relatively short notice. The ARN station signed a deal with sponsor Dubai Tourism and a few weeks later Sydney's #1 FM show was in the air to the United Arab Emirates. "We have broadcast from many places before here-ARN including many shows from Los Angeles so it wasn't a big deal for the show to go on the road," said Greally. Although the former 2Day FM breakfast show has only been at its new home for a few months, Greally added: "We really found our feet on day one. We always thought the audience would follow us, but it was reassuring when the ratings came out that we were number one. Not unexpected, but a nice feeling when it happened."

"The trip was a great opportunity for us to also take away some of our listeners as a reward to them."

"The hosting party was largely made up of 835 FM breakfast winners, the hosts, and a team of about five other including Greally and the show's secret weapon - Simon Peter (Peter Deppeler)."

KISS FM used a local broadcaster to help them on location with the show setting up a studio in the two hotels they stayed at. "We expected a few technical challenges, but it all went pretty smoothly. There was a few local hiccups, but for the listeners it all went well and was seamless on. We didn't schedule anything. We worked with the Arab Radio Network who set up the broadcast locations for us. We were in the most amazing venues overlooking some great views."

The client, Dubai Tourism, must be pretty happy given how the hosts warmed up to the location during the four-day visit.

"He absolutely loved it," said Greally of Sandilands's reaction. "Kyle calls it his second home now. He was on the show every day from 9am until about 2am the next day. He was every-where and cannot get enough of the show. He really is an amazing opportunity. Jackie loved it too and she and the listeners went on a shopping spree together. We don't often get an opportunity to give back to the listeners and it was good to be able to do this time."

The team in Dubai didn't have any trouble getting around - Sandilands was behind the wheel of a Lamborghini with his own green one and dress. Greally explained that when he was in public, Sandilands was recognized



not only by Australians on holiday, but by locals who had seen his work on Australia's first 24-hour broadcast on a local Dubai channel.

One of the locals the show interviewed was former Sydney boy Kris Pade who co-hosts breakfast on 107.5. "It's a bit of a Dubai thing. I did a radio on a driver for ARN's The Edge before winning an AJCCA when he moved on air. He arrived in Dubai in 2008 when Virgin Dubai launched. Pade told 835 breakfast that he was envious of the creative freedom the hosts have. If he broadcast some of the content they did, he would be thrown off air. The breakfast team left their contact back in Sydney where they mentioned the show from afar."

Helping listeners back in Sydney get a feel for Dubai were the hosts who were fearlessly flooding social media with images of every moment of their trip. "Some Aussies in Dubai were able to work out where we were from the photos and they tracked us down to hang out, which was nice."

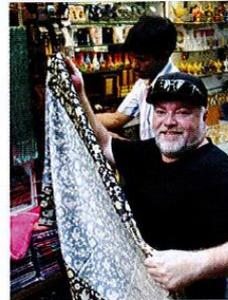
The show's biggest guest during their visit was Ronan Keating who Greally said was

good enough to take three hours out of his Dubai schedule to visit the show and hang out with his former X Factor judge. They mostly also got Justin Timberlake who was 40 minutes away, but they weren't able to facilitate a time that worked for both parties. Greally noted some people had asked about returning to North Ryde after the glamorous life in Dubai. "We actually enjoy working where we are now. Jackie has a little trouble there each day, but Kyle is just a few minutes up the road."

When the K&J show to ARN was first recorded, some people thought they might have trouble getting guests to North Ryde, but so far that hasn't been a problem. "It's a show as if the survey 95% will make sure they find time to get their talent to where they need to be, wherever it is."

Greally has spent two separate stints working with Sandilands and Jackie O. He is out among when he suggests you only have to listen to the show to hear how committed the hosts are to making this program a success at their new home. "It's all about unique content, having something that other stations can't execute as well as we can."

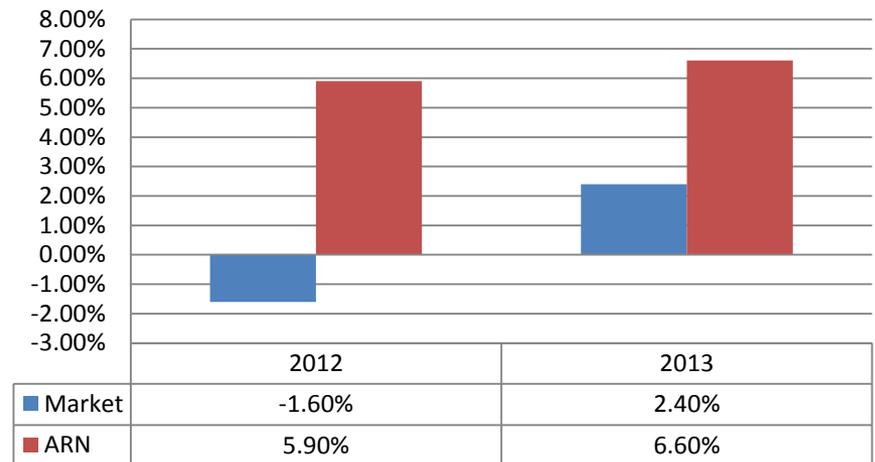
Kyle and Jackie O out and about in Dubai, catching up with Ronan Keating, riding a camel and shopping with competition winners



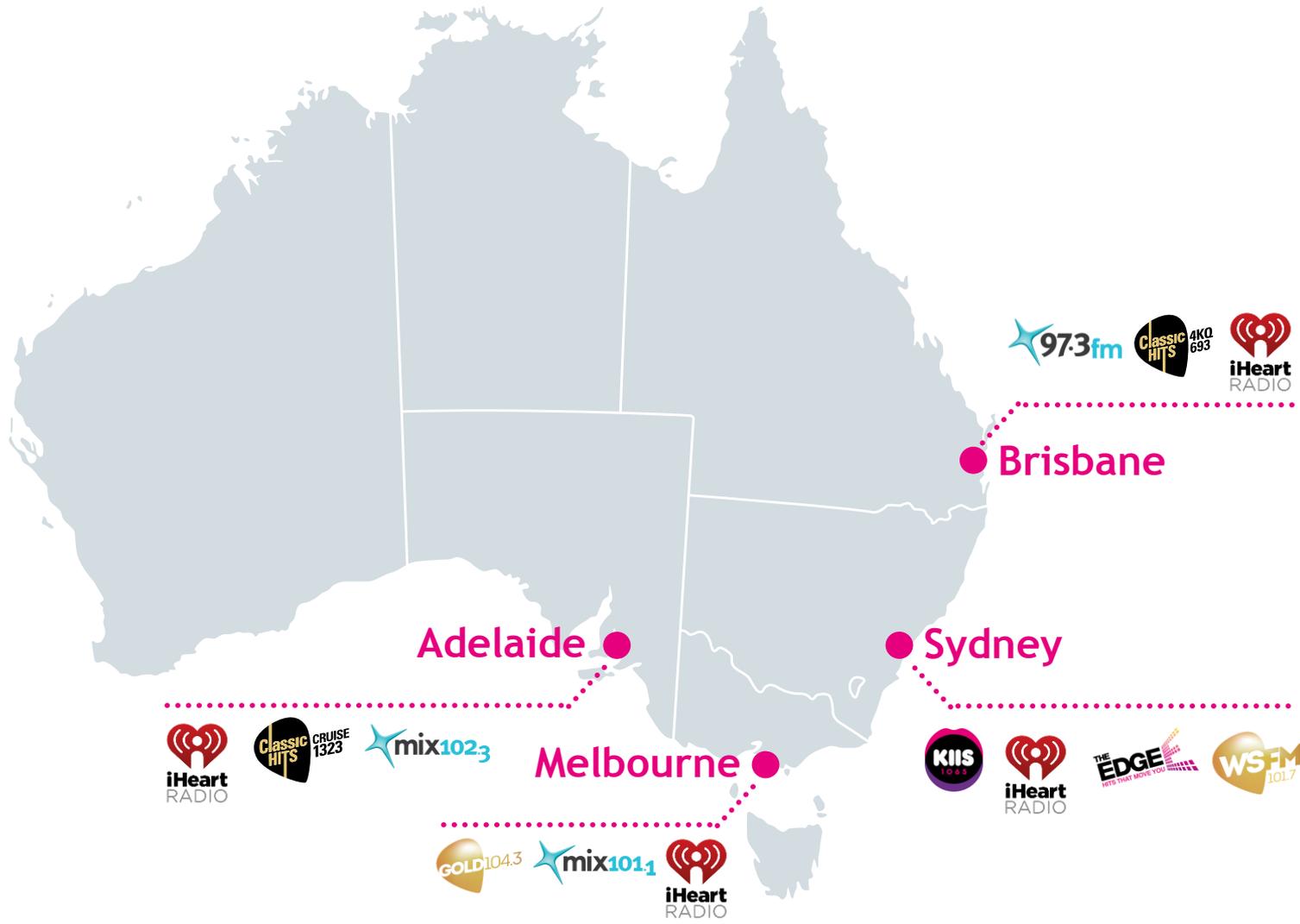
COMMERCIALISING THE GROWTH

- Total value of radio metro market - \$690m
- ARN outperforming market and growing share
- Driving ratings in major markets
 - Sydney (\$214m) - No. 1 & No. 2
 - Melbourne (\$212m) - No. 1 & No. 2
 - Brisbane (\$108m) - No. 1
 - Adelaide (\$64m) - No. 1
- Mix of revenue focusing on higher yielding agency clients
- Investment in sales capability to support growth strategy

Market Growth V ARN



CROSS PLATFORM SELLING IN ALL MARKETS



ARN - RADIO FOR A NEW WORLD



Killer talent



Ratings Growth



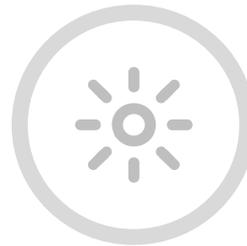
New & innovative platforms



Social and Digital Engagement



Established relationships



New Commercial Opportunities

THANK YOU

