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# Macquarie Australia Conference

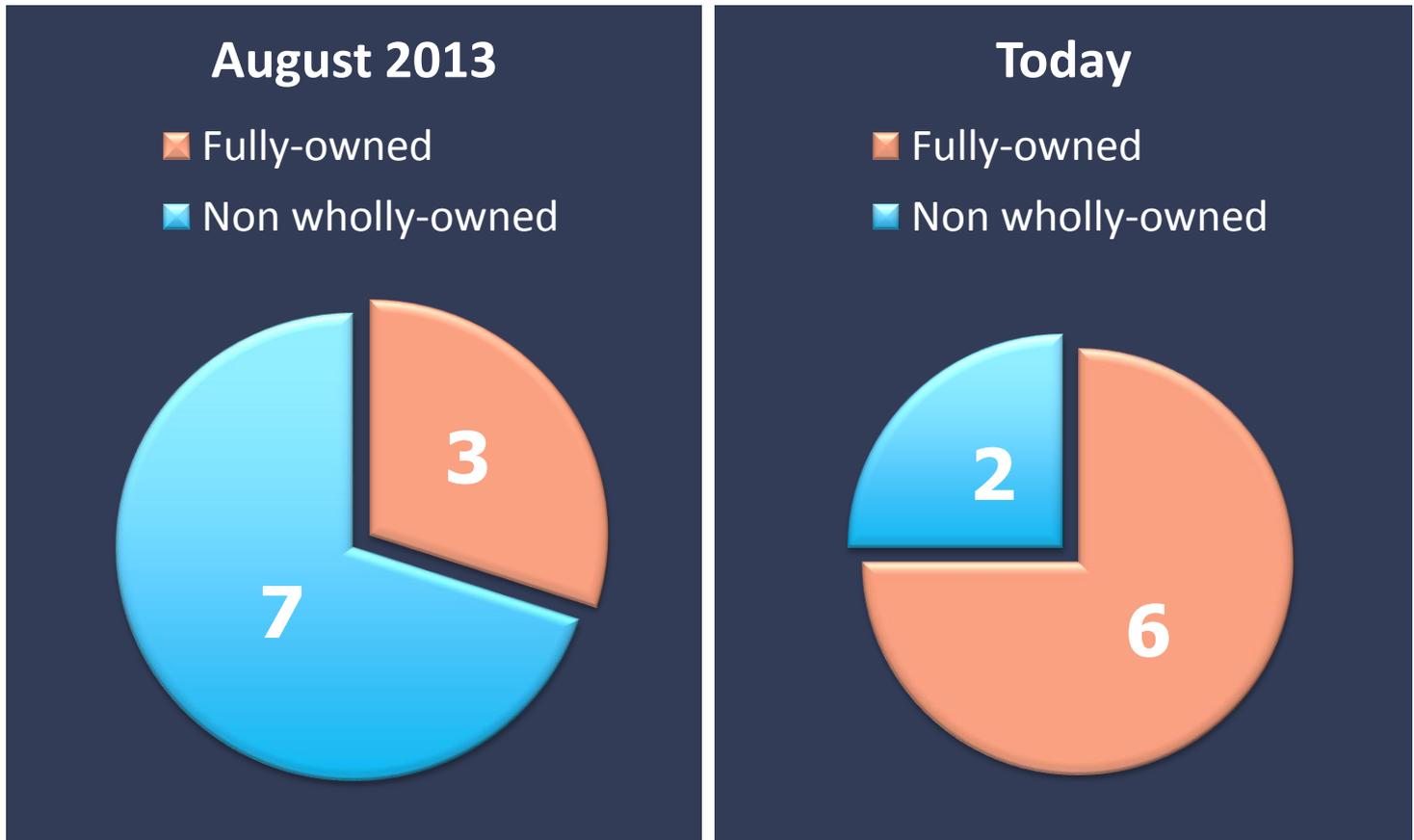
9 May 2014

Michael Miller, Chief Executive Officer

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# MORE WHOLLY-OWNED GROWTH ASSETS

APN now wholly-owns six out of eight businesses



# KEY TRANSACTIONS

## Divested

- Remaining interest in APN Outdoor
- brandsExclusive
- South Island and Wellington newspapers
- New Zealand Magazines

## Acquired

- Remaining 50% interest in ARN and TRN
- Remaining interest in iNC Digital Media

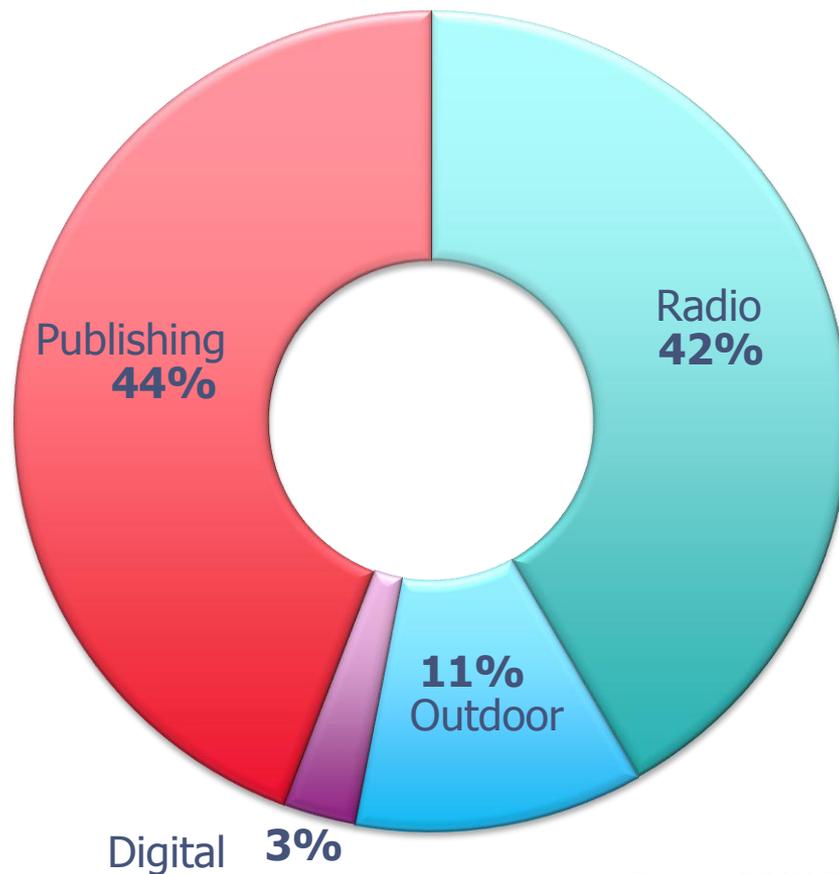


*radio*network



# REBALANCED EARNINGS

Over 55% of APN's EBITDA to come from growth assets



# ARN: THE #1 FM NETWORK IN AUSTRALIA

## Sydney

- KIIS 1065: #1 FM station
- Kyle & Jackie O: #1 FM Breakfast
- Rosso: #1 FM Drive
- WSFM's Jonesy & Amanda: #2 FM Breakfast

## Melbourne

- Gold 104.3: #1 FM station

## Brisbane

- 97.3FM: #1 station overall
- Robin, Terry & Bob: #2 Breakfast

## Adelaide

- Mix 102.3: #1 station overall
- Jodie, Soda & Snowy #1 Breakfast



# TRN: LEADING NEW ZEALAND BROADCASTER

## National

- NewstalkZB: #1 station overall and Talk station
- Mike Hosking: #1 Breakfast
- Coast: #1 Music station
- Flava : #1 Hip-hop station
- Classic Hits: #1 all people (35-54)

## Auckland

- TRN 44.3% overall share
- Radio Sport: #1 Sports station
- ZM: #1 all people (25-44)
- Classic Hits: #1 female daytime listening

## Wellington

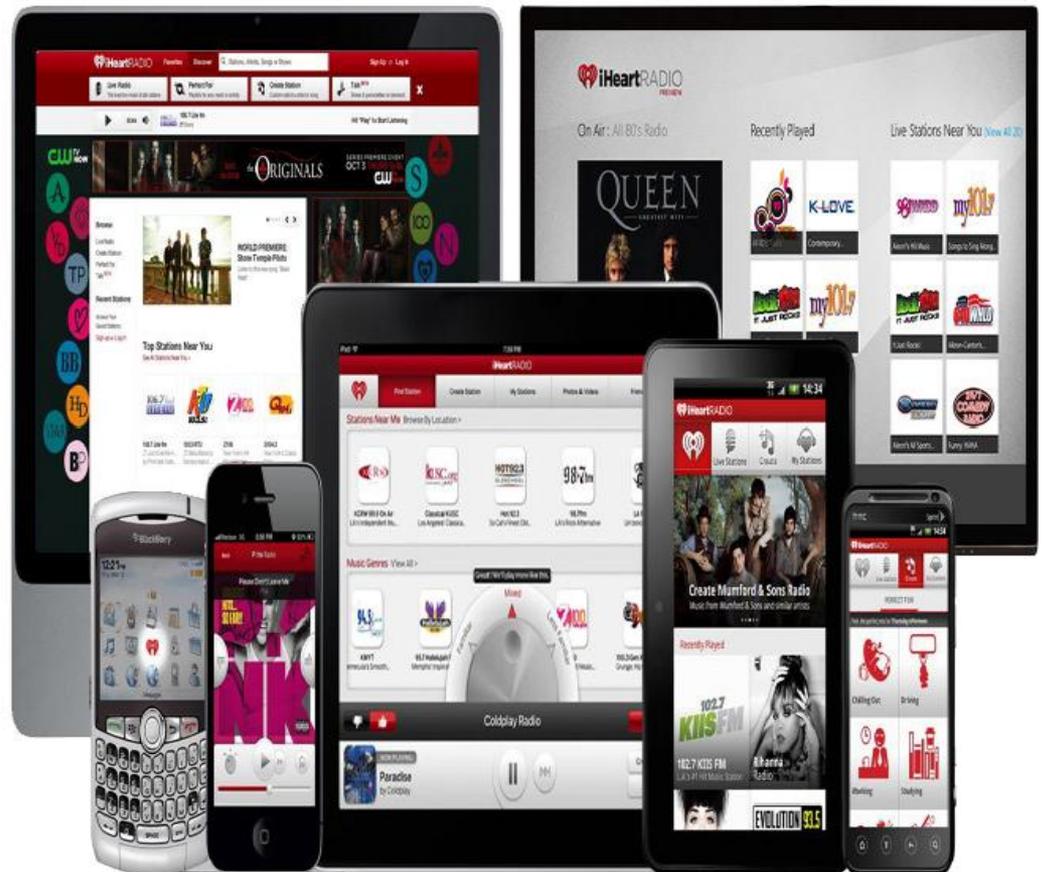
- TRN 45.8% overall share
- ZM: #1 Music station with the #1 Music breakfast show



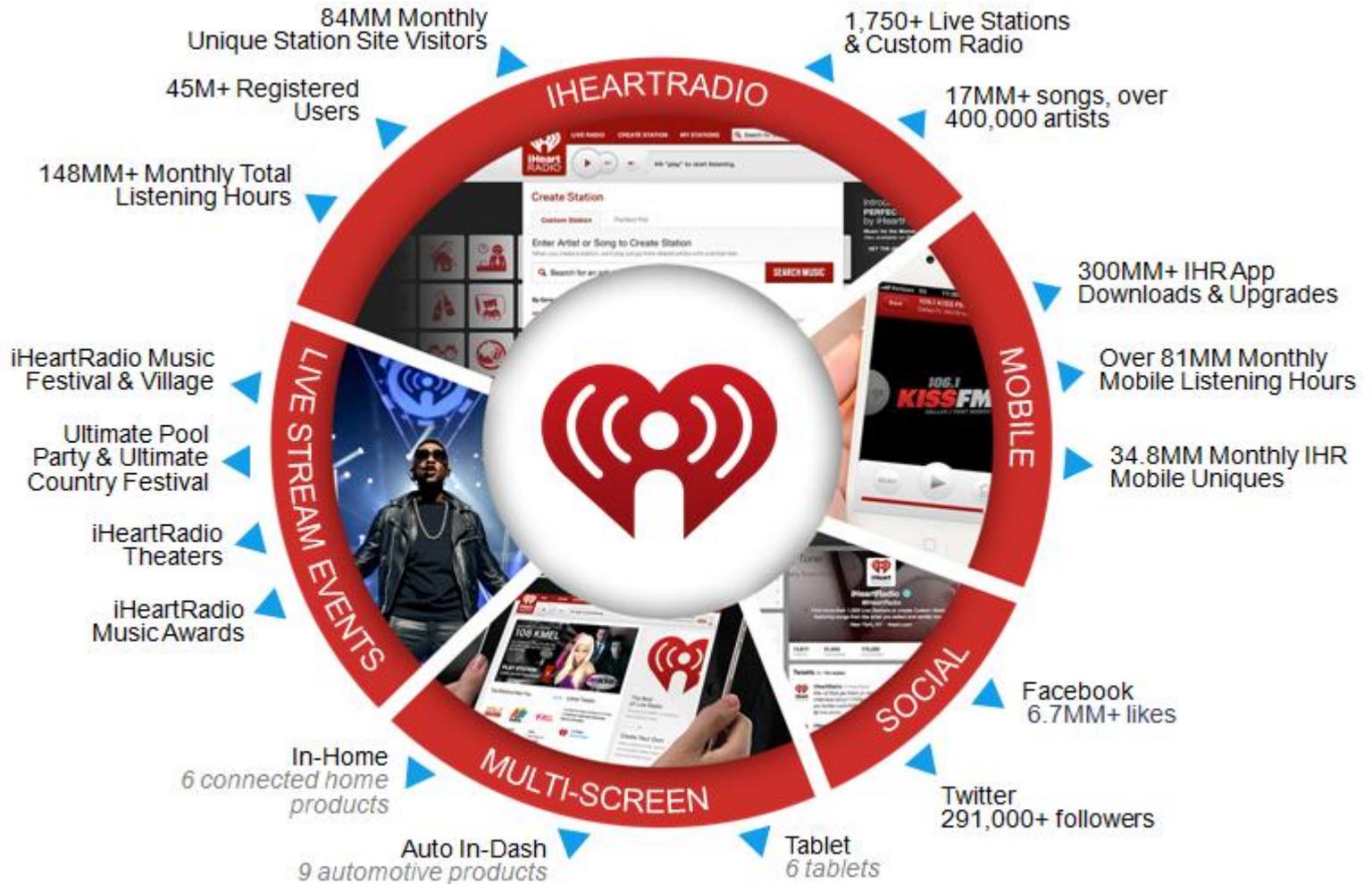
# WELCOME TO IHEART RADIO

## APN has an exclusive licence to operate and broadcast iHeartRadio

- 10 year licence in Australia and NZ
- Opportunities in Asia
- The fastest growing digital music platform in the world
- Free and unlimited
- Customised radio
- Live radio
- Multi-platform



# THE IHEARTRADIO ECOSYSTEM



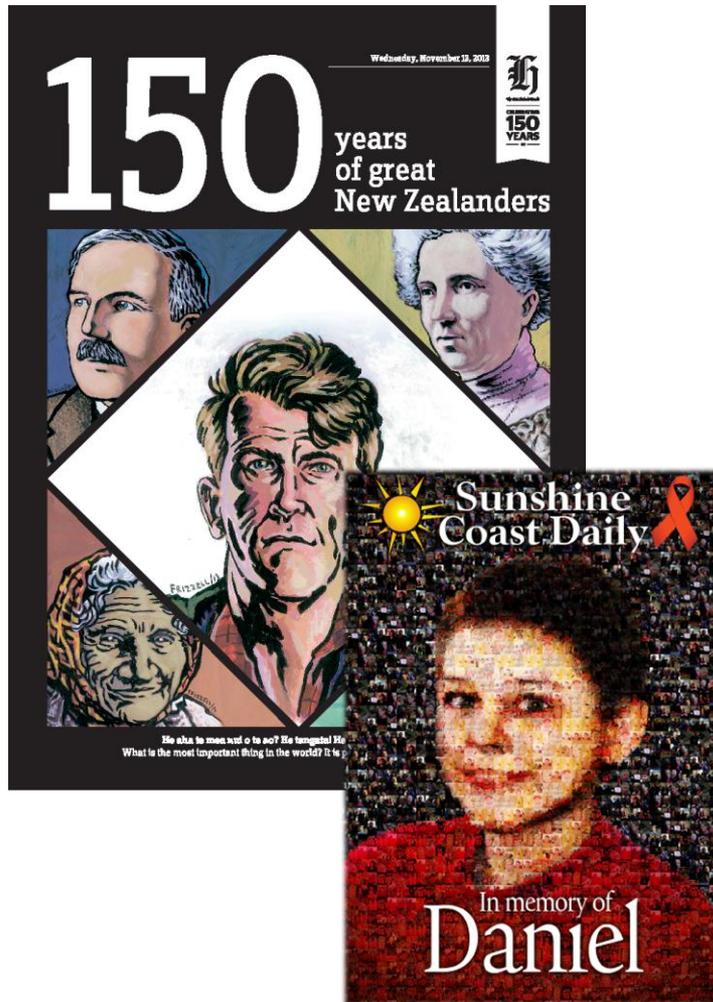
# ADSHEL: SYDNEY TRAINS

## Sydney's first large scale digital network

- The largest deployment of Out-of-Home digital advertising screens in Australia
- In March 2014, the network went live with 66 portrait and large format digital screens
- By March 2016, this number is set to almost triple with 186 digital screens installed across:
  - premium concourse precincts at key Sydney CBD stations
  - the breadth of the Sydney suburban network
- Large broadcast campaigns through to highly engaging touch screen one-on-one interactions



# ARM AND NZM: EXTENSIVE COMMUNITY CONNECTIONS



## ARM connects with more than 1.3 million people every week

- This equates to 76% of people living in its publishing footprint
- 70 newspapers
- 35 web and mobile sites
- Many of ARM's newspapers have been a vital source of local news and community conversations for over 150 years

## NZM connects with over 2.1 million people every week

- 32 newspapers
- 15 web and mobile sites
- The New Zealand Herald's total audience is now over 1.4 million people
- The New Zealand Herald celebrated its 150<sup>th</sup> anniversary in November 2013

# COST AND REVENUE INITIATIVES

- We are adapting to be more efficient, respond to changes in consumer behaviour and develop new revenue streams
- In 2013, ARM and NZM delivered over \$40m in cost savings
- We are in positive discussions regarding collaboration and partnerships with other publishing businesses
- In 2013, NZM introduced compact format and morning delivery across its newspaper portfolio
- We are committed to implementing a world-class digital subscription model for The New Zealand Herald



# CLOSER COLLABORATION



# 2013 RESULTS

AUD million (Δ% local currency)	Business revenue	YoY change	Business EBITDA	YoY change	Ownership	Accounting treatment	APN revenue	APN EBITDA	
ARM	217.0	(13%)	29.7	(23%)	100%	Consolidated	217.0	29.7	
NZM	282.6	(9%)	53.0	2%	100%	Consolidated	282.6	53.0	
<b>Publishing</b>	<b>499.6</b>	<b>(11%)</b>	<b>82.7</b>	<b>(9%)</b>			<b>499.6</b>	<b>82.7</b>	
ARN	148.9	6%	58.0	14%	50%	Consolidated	148.9	58.0	
TRN	102.3	9%	20.0	22%	50%	Consolidated	102.3	20.0	
<b>Radio</b>	<b>251.2</b>	<b>7%</b>	<b>77.9</b>	<b>16%</b>			<b>251.2</b>	<b>77.9</b>	
Adshel	149.3	5%	40.2	14%	50%	Associate	-	10.6	
Hong Kong Outdoor	44.1	5%	1.8	(55%)	50%	Consolidated	44.1	1.8	
<b>Outdoor</b>	<b>193.4</b>	<b>5%</b>	<b>42.0</b>	<b>7%</b>			<b>44.1</b>	<b>12.3</b>	
GrabOne	18.2	13%	4.8	0%	100%	Consolidated	18.2	4.8	
iNC Digital Media	4.1	(22%)	0.5	(66%)	100%*	Consolidated	4.1	0.5	
<b>Digital</b>	<b>22.4</b>	<b>0%</b>	<b>5.3</b>	<b>166%</b>			<b>22.4</b>	<b>5.3</b>	
							<b>817.2</b>	<b>178.2</b>	
This table reconciles business performance with APN's reported results.							Corporate	-	(15.4)
							<b>APN result</b>	<b>817.2</b>	<b>162.8</b>

\* The final 21% of iNC Digital Media was acquired on 11 October 2013

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9 May 2014

Michael Miller, Chief Executive Officer

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