

Macquarie Radio Network Ltd

Wednesday, 21 August 2013: Macquarie Radio Network ("MRN") today announced its financial results for the year ended 30 June 2013.

Total revenues and other income of \$60.8 million were slightly ahead of prior year (excluding MTR cost recoveries). Operating revenues were down 5% on the prior year (excluding MTR cost recoveries) largely as a result of the events surrounding Alan Jones in September 2012. This shortfall was offset by one-off net revenues totalling \$3.1 million primarily from royalty income and the reversal of a provision relating to the purchase of Smart Radio Network in the prior year.

- Sydney radio market revenue was flat across the reporting period. MRN's share of Sydney radio market revenue was down from 25% to 23%.
- Reported EBITDA increased by 110% to \$14.2 million.
- Underlying EBITDA, which excludes the one-off items referred to above and MTR residual costs of \$0.3m, decreased by 25% to \$11.3 million.
- Reported NPBT increased by 184% to \$12.3 million
- Underlying NPBT decreased by 27% to \$9.6 million.
- Reported NPAT increased by 302% to \$9.1 million.
- Underlying NPAT decreased by 24% to \$6.7 million.

The Directors have declared a final dividend of 5 cents per share fully franked, up from 1.5 cents per share in the prior year, and payable on 20 September 2013 to all shareholders registered as at 6 September 2013. Total dividends for the financial year ended 30 June 2013 are 10 cents per share, fully franked, the highest annual dividend the Company has ever paid.

Commenting on the results, MRN Executive Chairman, Russell Tate said that the significant improvement in reported results reflected on the one hand prior year inclusion of MRN's share of operating losses and costs associated with its Melbourne MTR joint venture (disposed of in May 2012), transaction costs associated with MRN's bid for Fairfax Radio and its acquisition of Smart Regional Radio Network, and a non-recurring employee options expense. At the same time 2012/13 year reported results include one-off net revenues of \$3.1 million as outlined above.

Tate said that the underlying results reflected the impact of the events surrounding Alan Jones in the first half of the year, a disappointing financial result from the London Olympics, and a flat Sydney radio market across the full year.

"We had hoped for stronger market spend levels in the second half of 2012/13 following a weak first half", he said. "The market did show some slight growth to help us get close to our underlying earnings guidance but we are now not expecting any significant market movement until after the September federal election. The extent of the post-election lift in consumer and business confidence will to a very large extent determine our 2013/14 financial performance, as it will for so many of our advertisers."

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