



ASX RELEASE

18 October 2019

Southern Cross Austereo to acquire Redwave Media

Southern Cross Austereo (SCA) (ASX:SXL) announces that it proposes to acquire the Western Australian regional radio business (Redwave Media) of Seven West Media Group Limited (Seven) (ASX:SWM).

Redwave Media comprises:

- Red FM, with licences in Broome, Geraldton, Karratha and Port Hedland and including greater western regional mine sites
- Spirit AM, with licences in Broome, Geraldton, Karratha, Port Hedland and Southwest/Bunbury.

The transaction is subject to regulatory approvals from the Australian Communications and Media Authority and the Australian Competition and Consumer Commission in relation to the proposed acquisition of the Spirit 621 licence in Southwest/Bunbury, where SCA already operates Hit and Triple M radio licences.

The purchase price of \$28 million is payable in cash on completion and represents an FY19 Enterprise Value/EBITDA multiple of eight times.

The acquisition is expected to be earnings per share accretive for SCA in the current year and to generate a return on invested capital above SCA's hurdle rate of 8.9%.

Southern Cross Austereo Chief Executive Officer, Grant Blackley said: "Redwave Media is a logical acquisition for SCA, which already has Australia's largest regional radio network. Combined with our existing operations in Perth and to the south, the acquisition will provide SCA with comprehensive radio coverage in Western Australia and will further expand our reach and connection with local communities."

For further information, please contact:

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Southern Cross Austereo (SCA) is one of Australia's leading media companies reaching more than 95% of the Australian population through its radio, television and digital assets. Under the Triple M and Hit network brands, SCA owns 76 analogue radio stations across metropolitan and regional Australia plus an additional 10 digital radio brands in Australia's capital cities. SCA provides national sales representation for a further 34 regional radio stations. SCA broadcasts 92 free to air TV signals across regional Australia with Nine Network programming and advertising representation across Australia's East Coast, Seven Network programming in Tasmania and Darwin, and Seven, Nine and Ten programming in Spencer Gulf. SCA operates Australia's leading premium podcasting network - PodcastOne Australia – and provides Australian sales representation for global open audio platform SoundCloud. SCA's premium brands are supported by social media, live events, video, online and mobile assets that deliver national and local entertainment and news content. <https://www.southerncrossaustereo.com.au/>