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ASX RELEASE / MEDIA RELEASE

CHAIRMAN'S ADDRESS TO SHAREHOLDERS AND AGM PRESENTATION

Attached is the Chairman's address to shareholders and AGM presentation being presented today at 10 am in Melbourne at Southern Cross Media Group Limited's (**ASX: SXL**) Annual General Meeting.

For further information, please contact:

Rhys Holleran
Chief Executive Officer
Tel: 03 9922 2001

Stephen Kelly
Chief Financial Officer
Tel: 03 9252 1020

CHAIRMAN'S ADDRESS

The 2013 financial year saw no respite from the difficult trading conditions that has characterised the advertising sector for the last few years. The headwinds of uncertainty manifested themselves in short and choppy market behaviour, albeit abating in the second half of the year as visibility began to improve on the political front resulting in some improvements in consumer sentiment. The result of these difficult conditions saw our revenue fall a further 5% to $653 million.

Despite the revenue fall, I am pleased to report to shareholders we achieved a rise in net profit after tax to $96.1 million – 13.6 cents per share. The ability of the Group to continue to adjust the cost base and maintain earnings further highlights the value of acquiring the metropolitan radio business in 2011. The success of the continuing evolution of the newly merged business model has resulted in the Board declaring a final fully franked dividend to shareholders of 4.5 cents per share, taking the full year dividend to 9 cents per share fully franked. The payout ratio of 66% sits right within the 60% to 70% payout range the Board has been maintaining over the last few years.

Importantly the Groups Net Debt has reduced to $600m. Over the last 2 years since the acquisition of Austereo, we have reduced our debt levels by $94 million whilst maintaining strong dividend payout ratios. Over the last year we have forecast to the market that it is the intention of the Group to reduce debt levels to a gearing level below 2.5 times over the coming 12 to 18 months and we are well on track to achieve this objective.

As we have forecast to the market, we will be working with our banks to re-finance our balance before 30 June 2014.

The second full year of operation for our National media network resulted in a number of significant achievements.

We have had continuing radio ratings success right across the country with the number 1 and 2 FM breakfast shows in Melbourne and the number 1 breakfast shows in Sydney, Perth, the Gold Coast and Newcastle.

The Triple M rock, sport and comedy format is continuing to attract greater audience numbers improving a full share point to 11.9 share, dominating male audiences in the 25 to 54 age band.

The all new NRL call has been a big success in its' first year.

We are the number 1 and 2 radio brands on Web, mobile and social platforms, and our Group wide Facebook communities ranks in the top three in the ASX 200 and commands a 70% share of all fans on Facebook within radio.

We renewed affiliation agreements with TEN and SEVEN and look forward to working with our television partners with enhanced co-operation over the life of these agreements.

Two significant senior appointments were made during the second half of the year. A new Group National Sales Director with vast experience in both radio and television sales joined us from the Nine Group. The Group also appointed a Director of Digital and Innovation to lead the development of our considerable array of digital assets. It is important that the Group continues to innovate in this area by finding new, creative and engaging ways of bringing advertisers messages to our legion of fans.

Whilst we have made great strides on many fronts, the fact remains that market conditions remained challenging over the year. Our regional revenues reduced by 5.6% on the back of continuing struggles with ratings for our TEN product. Regional radio remained resilient at the revenue line and showed marginal improvement.

A residual effect of the Austereo acquisition was the determination by the ACMA that we had to divest the two commercial FM radio broadcasting licences in the Sunshine Coast. The sale occurred in March 2013 and resulted in a profit on disposal of $10.4 million.

Our metropolitan business suffered some slight share loss on the back of poorer Today network ratings which was exacerbated by the residual effects of some on-air incidents. The Triple M network performed exceptionally well over the year improving ratings and revenue performance. Overall revenues for the metropolitan business were down 4%.

Whilst maintaining a strong focus on our investment in the talented people who are on-air every day and our sales effort, cost control remains a strong mantra of the Group during these times. Overall expenses came down 3.7% which coupled with tight management of our capital commitments and cash flows resulted in return to shareholders being improved slightly.

As Australia’s largest reaching electronic broadcast media organisation we are very proud of being intimately connected and engaged in the communities where we operate. Our media assets support our communities via the thousands of community announcements made every year. In addition the charitable work we continue to do is an area of great pride for all our staff. This year the “Give Me 5 For Kids” fund raising for local regional hospitals raised a record $2.3 million bringing the total amount raised since the inception of this initiative to over $12 million for local regional hospitals.

Before I ask the Chief Executive, Rhys Holleran to address you, I would like to sincerely express the Board's thanks to the staff of your organisation. Change is always challenging and can be personally difficult at times particularly when continually battling into market headwinds yet our staff continue to show passion and commitment to their task every day – not only so they can be the best they can be but also so this organisation can be the best it can be. To all our people I express sincere thanks on behalf of all shareholders.

I would now like to ask Rhys Holleran to address you about the current environment.

CEO REPORT

Thank you Chairman.

This is our first report back to the market since our results' presentation in August.

At the time it was fair to say sentiment was improving as Australia was anticipating a change to more political certainty. Advertising markets in the first two months of the financial year were up, driven almost entirely by political spend. We advised investors in August that the first quarter of this year could not be taken as a surrogate for the remainder of the year.

To date, this has proven to be the case. It is fair to say that current trading conditions are not much different to those that existed pre-election. Whilst consumer and business confidence indices are trending positively, retail spending is still very subdued and advertising markets are still short.

The first quarter has traded positively compared to last year. Whilst July and August produced strong results, September was somewhat subdued and pulled back performance a little.

1. Metro radio revenues are up 5.4%
2. Regional radio is up 2%; and
3. Television is flat.

Whilst these figures are only modestly positive it is pleasing to see we are in positive territory after the last few years where conditions have been a little more challenging. In particular the changes being made at our affiliate partner TEN are most welcome and we are very supportive. Indications are that the revenue declines for the TEN product have stabilised somewhat and we continue to work hard at the local and national level to promote the new look TEN. We are particularly excited by the summer schedule which includes the Big Bash League.

In our metropolitan radio business we have had some challenges with our ratings share which has been eroding slightly on the Today Network. Over recent months our talented content leadership has been putting the final touches on some exciting new line-up changes which will be announced over the coming weeks. We expect that over time these line-ups will continue the strong tradition of success the networks have become accustomed to. The Triple M brand has had a great year and is the dominant force in its male demographic.

Finally to Outlook. Presently we still see little visibility and markets continue to be short. What is different is there presently seems to be more positivity surrounding consumer sentiment and when that will translate in to the broader retail economy. Whilst forever hopeful, we are yet to see this positivity translate into our business activity.

Regional radio remains ever reliable and in good shape. Metropolitan radio has seen positivity in the first quarter, a first for a couple of years and is in good shape to take advantage of the market when it moves.

Whilst we have had a good start to the year and sentiment is more positive we are acutely conscious that markets remain short and very similar to pre-election behaviours. Our focus continues to be careful management of costs whilst continuing to invest in engaging our fans. The exciting growth in activity in our digital assets is an area of promise and we will continue to invest in opportunities in this area.

Thank you for your attention. I will now hand back to the Chairman

SOUTHERN CROSS MEDIA GROUP ANNUAL GENERAL MEETING 2013

SOUTHERN CROSS AUSTEREO

SCMG BOARD & MANAGEMENT

SCMG Board

Max Moore Wilton, *Chairman*

Leon Pasternak, *Deputy Chair*

Chris de Boer, *Non-executive Director*

Tony Bell, *Non-executive Director*

Michael Carapiet, *Non-executive Director*

Peter Harvie, *Non-executive Director*

Marina Darling, *Non-executive Director*

SCMG Management

Rhys Holleran, *Chief Executive Officer*

Steve Kelly, *Chief Financial Officer*

Louise Bolger, *Company Secretary*

AGENDA

1. Chairman's address
2. CEO's report
3. Formal business
4. Closure of meeting

MAX MOORE-WILTON
CHAIRMAN'S ADDRESS

SOUTHERN CROSS AUSTEREO

RHYS HOLLERAN
CEO'S REPORT

SOUTHERN CROSS AUSTEREO

THE FIRST QUARTER FY14

- Metro radio revenues – up 5.4%
- Regional radio revenue – up 2%
- Television revenue - flat
- Political spend drove first quarter markets
- Retail still subdued
- Market conditions remain short

MAX MOORE-WILTON
FORMAL BUSINESS

SOUTHERN CROSS AUSTEREO

PROXIES

- Proxies received for 553,820,213 shares
- Number of shareholders 477
- Representing 78.41% of the company's issued voting capital

FORMAL BUSINESS

Resolution 1: Adoption of Remuneration Report

That SCMGL adopt the Remuneration Report included in the SCMG L Directors’ Report for the financial year ended 30 June 2013.

FORMAL BUSINESS

Resolution 2: Re-election of Chris de Boer as a Director

That Chris de Boer be re-elected as a Director of SCMGL.

FORMAL BUSINESS

Resolution 3: Re-election of Tony Bell as a Director

That Tony Bell be re-elected as a Director of SCMGL.

FORMAL BUSINESS

Resolution 4: Re-election of Peter Harvie as a Director

That Peter Harvie be re-elected as a Director of SCMGL.

MEETING CLOSE

SOUTHERN CROSS AUSTEREO