SOUTHERN CROSS AUSTEREO
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# SOUTHERN CROSS AUSTEREO ANNOUNCES REVENUE GROWTH ACROSS ALL MEDIA ASSETS

Southern Cross Media Group Limited (ASX: SXL) today announced its first half results for the six months to 31 December 2015, including the following comparisons to the prior corresponding period:

| | H1 FY16 | Comparison to H1 FY15 | |
|---|---|---|---|
| Revenue | $322.0m | 4.7% | ↑ |
| EBITDA | $91.4m | 6.5% | ↑ |
| NPAT | $43.4m | 25.1% | ↑ |
| EPS | 5.7 cps | 16.3% | ↑ |
| Net Debt | $472.6m | (17.5%) | ↓ |
| Pro Forma Net Debt [1] | $372.6m | (35.0%) | ↓ |

Highlights of the results included:

- Advertising revenue grew across metropolitan and regional media assets, with metropolitan radio and regional television revenues outperforming the market and improving share.
- Net Debt reduced by 17.5% to $472.6 million, and has further reduced to $372.6 million after execution of the contract with the Australian Traffic Network (**ATN**) on 9 February 2016.
- Balance sheet repair has been completed with the leverage ratio now at the lower end of the targeted range of 2.0 – 2.5x EBITDA (after execution of the contract with ATN).
- Interim dividend increased from 3.00 cents per share to 3.25 cents per share. The dividend will be fully franked and fully paid in cash, with suspension of the dividend reinvestment plan.

Southern Cross Austereo CEO Grant Blackley said:

"These results demonstrate material progress in the operational turnaround of Southern Cross Austereo.

[1] Pro forma includes $100m in cash from renewal of agreement with Australian Traffic Network. Refer ASX release dated 9th February 2016.

"We have been heavily investing in our strong radio business, particularly on talent and marketing. We expect to derive increasing benefit from those investments in future periods.

"We have focussed on monetising all of the group's assets, improving our commercial market share and yield, while improving efficiency as part of an ongoing review of business functions and non-core assets."

Southern Cross Austereo's guidance for the full year includes:

- Further revenue growth across metro radio.
- Regional revenues continuing to be supported by strong performance from local sales teams. Regional radio markets are expected to remain consistent while regional TV markets are likely to be subdued.
- EBITDA to be up on prior year at $163-$166 million.
- NPAT to be 16-20% higher than adjusted prior year NPAT at $75-$78 million.

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