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ADDRESSES OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER AT THE ANNUAL GENERAL MEETING OF PRIME MEDIA GROUP LIMITED (ASX:PRT)

Please find attached copies of the Chairman's address and the Chief Executive Officer's address (and accompanying presentation) to be made at the Annual General Meeting commencing at 11:30am today.

Yours faithfully

A handwritten signature in black ink, appearing to read "Emma McDonald", written over a light blue horizontal line.

Emma McDonald
Company Secretary



ANNUAL GENERAL MEETING CHAIRMAN'S ADDRESS

SYDNEY, 20 November 2014: Prime Media Group Limited (ASX:PRT)

Good morning and welcome to the Prime Media Group Annual General Meeting. All the directors are present this morning. We also have with us our Chief Executive Officer, Ian Audsley, the Chief Financial Officer John Palisi, and Company Secretary Emma McDonald.

As many of you would know, I joined the Board in May this year, close to the conclusion of the 2014 financial year.

Before then, much work had been undertaken by the Board and management to ensure that the company delivered steady audience and revenue growth. This has resulted in us being able to render to shareholders a full year fully franked dividend of 6.8 cents per share; a yield of 6.6%.

Our enduring partnership with the Seven Network was reaffirmed with the extension of the affiliation agreement until June 2019. And we would like to thank the ANZ for renegotiating our banking facility, through to the end of 2018, with the facility limit reduced to \$175 million.

As you are aware, our long serving Chairman, Paul Ramsay passed away earlier this year, not long after he had stepped down as Chairman. I would like to acknowledge Paul's outstanding contribution to Prime. We were all deeply saddened by his passing.

The Board is presently undertaking a process of renewal. Peter Evans and Pat Grier, who are here with us today, are retiring at the conclusion of this meeting. Between them, they have served on the Prime board for almost thirty years and during that time have provided great support and wise counsel. I would like to thank them for their contribution and I know the whole board joins me in wishing them well in their future.

I am pleased that we have a new independent non-executive director, who joined the board on 1 September, and who is standing for election today. Peter Macourt brings a wealth of experience and I strongly recommend that you support his appointment today. I am also gratified that Ian Neal and Alex Hamill have agreed to stand for re-election and I endorse their re-appointment.

Last year Paul Ramsay advised shareholders at the AGM that Prime supports the removal of the 75% audience reach rule. This is still the case. Paul also made reference to the anticipated review of media regulation by the new Minister for Communications, Malcolm Turnbull.

While the review did take place, regrettably the Abbott government has yet to introduce any substantive reforms to address the problems inherent in broadcasting legislation, and the media industry more widely. This is in spite of the fact that genuine concerns are being expressed broadly – and loudly – within the industry.



“Reach” is an out-dated concept in the internet age, when audiences can access and “catch-up” on content from an endless array of Australian and international sources at a time of their choosing. Concerns about “diversity” of ownership and “voices” are completely at odds with the reality of the competitive media environment. Consequently, it is the so-called “traditional” Australian media companies who are at an increasing disadvantage. To put it bluntly, the Federal government must find the courage to dismantle the current legislative framework sooner rather than later, or risk being the architect of a public policy failure.

I am particularly heartened by the comments last week by deputy chairman of Seven West Media, Don Voelte. Mr Voelte joined the chorus of media executives in voicing support for an overall review of media regulation.

Communications Minister, Malcolm Turnbull, is on the public record saying he will only push ahead with the media reform if there is industry consensus. That consensus now appears to be a given. We look forward to a future free from being shackled by regulation conceived a generation ago.

This morning our CEO, Ian Audsley, will outline the remarkable advertising gains our team has achieved over the past 12 months. In a difficult market we have achieved record share of national advertising revenue. The largest percentage share in the Australian television industry.

Before I hand over to Ian I’d like to thank the management and staff of Prime, many of whom are based in offices located in regional Australian cities and towns, from Bunbury to Ballarat, Tamworth to Traralgon and Canberra to Coffs Harbour. These committed teams do a wonderful job for shareholders. I’d also like to acknowledge the tremendous support of all our advertisers – we thank you.

I’ll now hand you over to Ian.

John Hartigan
Chairman



ANNUAL GENERAL MEETING

CEO'S ADDRESS

SYDNEY, 20 November 2014: Prime Media Group Limited (ASX:PRT)

Thank you John - good morning ladies and gentlemen, and I'd also like to welcome members of Prime's executive team who are present today.

The 2014 financial year was one of change for Prime, starting with the sale of our radio business in August 2013, completion of the sale of our New Zealand operations in the first half and finally the change in share register and Board renewal process that has evolved this calendar year.

On that note I would like to welcome John as Prime's new Chairman and Peter Macourt as a non-executive director.

For those of you who have joined us for the past couple of Annual General Meetings, you will recall that I have made special mention of the work of our head of Sales, Dave Walker and his team for their efforts in taking market share from our competitors. I'm pleased to 'out' him again as his team delivered a 45.6 share of national agency revenue in FY14 – an exceptional performance. Once again, congratulations to you Dave, and to your team. Another performance worth mentioning up front is that of our Western Australian business GWN7. It delivered a total revenue share of just over 64% off the back of an audience share of 51.2%.

In our east coast markets, total television advertising revenue grew less than 1% in FY14 – with all that growth coming from the first half - as a direct result of the Federal election.

While the election delivered Prime strong national revenue growth, local advertisers across regional Australia were taking a cautious approach to advertising spending as consumer sentiment softened with uncertainty around the election result and with commentators forecasting a tough Federal Budget, promising, amongst other things, wide-spread public service job losses, direct advertisers recoiled and local markets suffered, with Canberra suffering the most. As a result the local market fell 3.7% compared to the prior period.

As I've discussed with you previously, a key strength of Prime's revenue base is the balance between national sales revenue and local direct sales revenue. While local regional markets struggled in FY14, that tremendous 45.6 share, or 4.9% growth in national advertising revenue over the prior year offset the fall in local advertiser spends.

National revenue growth was in part due to activity associated with the Federal election, but it was also the result of strong audience performances off the back of another year of solid programming from the Seven Network.

We delivered audience growth across the schedule generally and particularly in the all-important prime time zone, where audiences grew by half a share point to a 40.8 share to retain our crown as the number one regional audience share network across the 3 aggregated markets.



And as we always do, we renewed our efforts to optimise costs to mitigate the soft conditions in the local advertising market.

Although we had a fee step up, with the new affiliation agreement with our partner the Seven Network, we managed to keep costs flat year on year to deliver 3.4% EBITDA growth for the TV business – resulting in an improved EBITDA margin of 29%.

Enter FY15, and while the television advertising market is back on same time last year, Prime continues to take revenue share from its competitors. We're experiencing a reversal of fortune in our respective markets; at national level we've encountered softer and more challenging trading conditions, while local markets show signs of improvement. The national softness is due to there being no Federal Election spend in this fiscal year, combined with a general reduction in Federal Government advertising activity as part of tough federal budget measures.

National advertiser commitments continue to be short and inconsistent, with low visibility into forward commitments. According to industry revenue data compiled by KPMG, the national advertising market relevant to Prime (3 aggregated markets) was back 8.5% year on year in the first quarter, demonstrating the one-off effect of a federal election in FY14, but despite the challenge Prime lifted its first quarter FY15 share of national revenue by 2 share points to a 43.3 share.

At local level we're seeing a rebound in regional advertising spends with more consistent local performances across our key markets than what we experienced in FY14, and financial year to date Prime's local sales force has strongly outperformed the market and grown its share of local revenues by almost 2 share points on same time last year. Total television advertising revenue in the first quarter was back 5.8, but Prime strongly outperformed the market, being back just 1.7%.

The lead up to Christmas traditionally sees strong advertiser demand but we forecast soft trading conditions in November and December and though the pace of bookings for January and February are currently ahead of last year and renewals with advertisers are encouraging but – it is too early to understand where the market might go in Q3 or the second half.

Over the past four years we have grown our audience share by 9% or more than 3 share points. Audience share point gains don't come easily in television and we've worked hard for it but the growth has brought Prime's audience performance on par with that of the Seven Network and provided for the industry leading revenue shares we have today.

With a new affiliation agreement stretching out to June 2019, leveraging off Seven's commitment to maintain its leadership position in free to air television, gives us confidence that we can continue to outperform our competitors. Seven's continuing investment in Australian content and particularly major sporting events underpins our performance and Seven's Olympic Games coverage will provide Prime with tremendous additional opportunity over the next 5 years.

In closing, everything that can be said about Paul Ramsay has already been said – but I salute the man, his life and his achievements. I'd also like to thank retiring directors Peter Evans and Pat Grier for their tremendous contributions. I wish them both all the very best for the future and thank them for their counsel and support over my four years working with the Board.

Thank you.

**PRIME7 SHARE OF NATIONAL AGENCY REVENUE
CONTINUES TO GROW**

45.6
share

↑ 1.3
share points

**GWN7 SHARE OF TOTAL NATIONAL & LOCAL
REVENUE CONTINUES TO GROW**

64.1*

Revenue share

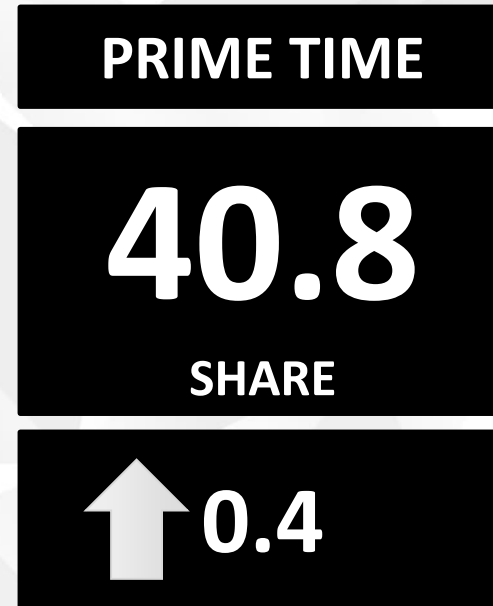
51.2^

Audience share

FY14 NATIONAL AGENCY REVENUE GAINS OFFSET BY SOFT REGIONAL CONDITIONS

NATIONAL REVENUE GROWTH	4.9%
LOCAL REVENUE DECLINE	-3.7%
PRIME TOTAL AD REVENUE GAIN	2.3%
MARKET TOTAL AD REVENUE GAIN	0.8%

**PRIME7 CHANNELS CONTINUE TO
TAKE AUDIENCE SHARE**



**Q1 FY15 – CHALLENGING CONDITIONS
IN PRIME MARKETS**

**NATIONAL TV AD MARKET BACK 8.5%
DUE TO FEDERAL ELECTION SPEND IN FY14**

PRT OUTPERFORMING THE MARKET – BACK 4.0%

PRIME SHARE LIFTS 2 POINTS - 43.3 SHARE

**Q1 FY15 – CHALLENGING CONDITIONS
IN PRIME MARKETS**

LOCAL TV AD MARKET FLAT

PRT OUTPERFORMING THE MARKET – UP 4.5%

UP 2 SHARE POINTS

**Q1 FY15 – CHALLENGING CONDITIONS
IN PRIME MARKETS**

TOTAL TV AD MARKET BACK 5.8%

PRT BACK 1.7%

**PRIME STRONGLY OUTPERFORMING
THE MARKET**

**FY15 – CHALLENGING CONDITIONS
PERSIST IN Q2**

TOTAL TV AD MARKET

SOFT TRADING CONDITIONS CONTINUE

POOR MARKET VISIBILITY

3 YEARS OF CONSECUTIVE REVENUE & AUDIENCE SHARE GROWTH

