

2 August 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

By electronic lodgment

Total Pages: 9 (including covering letter)

Dear Sir / Madam

APPENDIX 4E AND YEAR END RESULTS ANNOUNCEMENT

Following is a copy of the Appendix 4E and the Year End Results Announcement for the financial year ended 25 June 2016.

Yours faithfully
For and on behalf of Seven West Media



Warren Coatsworth
Company Secretary

Seven West Media Limited
Appendix 4E
Preliminary Final Report
Under ASX Listing Rule 4.3A

Year Ended 25 June 2016

Results for announcement to the market

	2016 \$'000	2015 \$'000	Movement
Reported			
Revenue from ordinary activities	1,720,541	1,770,295	-2.8%
Other income	6,142	941	552.7%
Revenue and other income	1,726,683	1,771,236	-2.5%
Profit (loss) from ordinary activities after tax attributable to members	184,289	(1,887,377)	109.8%
Net profit (loss) for the period attributable to members	184,289	(1,887,377)	109.8%
Additional information			
Significant items before tax	(32,933)	(2,122,791)	-98.4%
Profit before tax excluding significant items	280,346	295,624	-5.2%
Profit after tax excluding significant items net of tax	207,343	209,145	-0.9%

The current reporting period relates to the period from 28 June 2015 to 25 June 2016 and the previous reporting period relates to the period from 29 June 2014 to 27 June 2015.

Dividends	Amount per security	Franked amount per security
Final dividend 2015 (paid during current reporting period)	4 cents	4 cents
Interim dividend 2016 (paid during current reporting period)	4 cents	4 cents
Final dividend 2016 (not yet paid)	4 cents	4 cents

The record date for determining entitlements to the final 2016 dividend is 15 September 2016 and the payment date is 7 October 2016. The final dividend for 2016 has not been recognised as a liability at year end.

Audit

This report is based on financial statements which have been audited by KPMG. Refer to the 25 June 2016 Seven West Media Limited and controlled entities Financial Report for the independent auditor's report to the members of Seven West Media Limited.

Net Tangible Assets

Net tangible asset backing per ordinary share (cents)	-	-
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Seven West Media Releases Annual Financial Results

- Seven West Media delivers underlying net profit after tax of \$207.3 million.
- Seven West Media delivers strong operating cashflows (before interest and tax) of \$274.7 million.
- Seven West Media accelerates the transformation of its business across all platforms.
- Seven West Media delivers leadership in broadcast television for the tenth consecutive television year and is number one for total viewers, 16-39s, 18-49s and 25-54s this calendar year.
- Seven West Media rapidly expands its presence in the creation of content in international markets with an investment in a British drama production company, expanding production into New Zealand and currently progressing several opportunities in other territories.
- Seven's production portfolio continues to grow, securing major commissions including My Kitchen Rules for the UK and US and Border Security for the US.
- Seven West Media expands its presence in the delivery of content anywhere, anytime, on any screen with the launch of live-streaming and rapidly expanding digital portfolio.

Results

2 August 2016 --- Seven West Media – Australia's leading integrated media and content creation company - today reported the company's financial results for the 2015-2016 financial year. Profit before significant items, net finance costs and tax (EBIT) is \$318.1 million. Profit before significant items, net finance costs, tax, depreciation and amortisation (EBITDA) is \$363.5 million. The company delivered underlying net profit after tax (excluding significant items) of \$207.3 million, down 0.9 per cent on prior year.

Financial Results	Year Ended 25 June 2016	Year Ended 27 June 2015
Total Revenue*	\$1,713.8m	\$1,774.7m
EBITDA	\$363.5m	\$407.0m
EBIT	\$318.1m	\$356.3m
Reconciliation to statutory results:		
Profit before significant items, net finance costs and tax	\$318.1m	\$356.3m
Net finance costs	(\$37.8m)	(\$60.7m)
Profit before tax excluding significant items	\$280.3m	\$295.6m
Significant Items before tax	(\$32.9m)	(\$2,122.8m)
Profit/(loss) before tax	\$247.4m	(\$1,827.2m)
<i>*Revenue includes share of equity-accounted investees and other income</i>		

Commenting, the Managing Director and Chief Executive Officer of Seven West Media, Tim Worner, said: "We are now a company delivering content to our audiences, anywhere, anytime. We are committed to deriving more value than ever from those audiences. We are also a premium content company and increasingly a digital and mobile delivery company. We are transforming our businesses while continuing to deliver market-leading performances. Our strong balance sheet, our focus on efficiently managing our businesses and driving new opportunities for growth, in particular in the creation of content, provides a solid framework for Seven West Media over the coming twelve months."

Outlook

The advertising market remains short, particularly given the impact of the Olympic Games. At this stage, Seven West Media believes the overall outlook for the advertising market over the coming twelve months will see the television advertising market to be flat to down in the low single digits, while the advertising trends experienced by the publishing assets will continue in the coming year. The company, driven by the Olympic Games and its underlying strengths in content, is again targeting leadership in audiences and advertising revenue. Seven's moves into live-streaming and the further expansion of its PLUS7 offering on Yahoo, coupled with further development of the digital initiatives within its publishing divisions is expected to underpin further significant growth in digital revenues. Operating cost growth across Seven West Media for the 2016-2017 financial year is expected to be in line with CPI including AFL (excluding Olympics and 3rd party commissions). Impacted by the combination of softer market conditions and increased content costs from the Olympics and AFL, underlying Group EBIT is expected to be down 15-20 per cent in the coming year.

Statutory Results

Excluding significant items (net of tax), the current year net profit after tax of \$207.3 million is down 0.9 per cent on the previous year profit of \$209.1 million. This result was delivered on revenues of \$1,713.8 million, down 3.4 per cent versus the previous year, and profit before significant items, net finance costs and tax (EBIT) of \$318.1 million, down 10.7 per cent on the previous year.

Financial Results	Year Ended 25 June 2016	Year Ended 27 June 2015
Profit/(loss) before tax	\$247.4m	(\$1,827.2m)
Profit/(loss) after tax	\$184.3m	(\$1,887.4m)
Profit/(loss) attributable to shareholders	\$184.3m	(\$1,887.4m)
Basic EPS	12.2 cents	(181.1 cents)
Diluted EPS	12.2 cents	(181.1 cents)
Final Dividend per Ordinary Share	4 cents	4 cents
Additional Information:		
Significant items before tax	(\$32.9m)	(\$2,122.8m)
Profit before tax excluding significant items	\$280.3m	\$295.6m
Profit after tax excluding significant items	\$207.3m	\$209.1m

For the full year to 25 June 2016, Seven West Media has booked significant items of \$32.9 million relating to restructuring costs. Prior year significant items of \$2,122.8 million include the impairment of intangibles and equity accounted investees, restructuring costs, impairment of onerous contracts and transaction costs in relation to the conversion of convertible preference shares.

After significant items net of tax, the company reports a statutory net profit of \$184.3 million for the twelve months to 25 June 2016.

Significant items for the period	Year Ended 25 June 2016	Year Ended 27 June 2015
Impairment of Television goodwill	-	(\$960.9m)
Impairment of Television Licences	-	(\$929.3m)
Impairment of Newspapers and Magazines goodwill	-	(\$65.7m)
Impairment of Newspapers and Magazines mastheads and licences	-	(\$38.4m)
Impairment of equity accounted investees	-	(\$71.0m)
Restructure costs and onerous contracts	(\$32.9m)	(\$56.6m)
Transaction costs on conversion of CPS	-	(\$0.9m)
Total significant items before tax	(\$32.9m)	(\$2,122.8m)

Balance Sheet

Group net debt has been reduced to \$716 million and is at 2x net debt/EBITDA levels with 11x interest cover. The current debt arrangements are secured until October 2018 and provide the group with significant covenant headroom.

Cost Management

Total Group costs (including depreciation and amortisation) decreased 1.6 per cent in the period to \$1,395.7 million, demonstrating strong discipline and a commitment to cost control across the Group. Seven, The West and Pacific recorded cost reductions of 1.6 per cent, 9.5 per cent and 3.8 per cent respectively, while continuing to invest in growth initiatives.

Dividend

A final dividend of 4 cents per share (fully franked) has been declared, taking the total dividend for the financial year to 8 cents per share.

Advertising Market and Revenue Performance

The Australian advertising market increased 3.4 per cent in the financial year to 30 June 2016, based on SMI data.

During this time Seven West Media has continued to build on its momentum in reaching audiences anytime, anywhere and on any device they wish to consume content. In addition to its strong position in its traditional markets, these moves provide the group opportunities to capture a share of advertising in digital, social and online video as well as live streaming, all of which are strongly growing revenue streams for the company.

Metropolitan television advertising decreased 2.0 per cent in the same period, based on Free TV data. Seven captured a 38.9 per cent share of advertising in the metro market, marking a decade of revenue leadership. The trend in print advertising markets eased during the current year. SMI reported a decline of 14.6 per cent in Newspapers. The West Australian reported a decline of 16.5 per cent exacerbated by current economic

challenges in that state. The magazine advertising market declined 15.7 per cent based on SMI data. Pacific grew share versus its largest competitor, but recorded a decline of 16.8 per cent, which was partly impacted by the rationalisation of its portfolio.

Advertising market growth in digital continued with an increase of 18.7 per cent. Seven West Media recorded digital revenue growth of 55.6 per cent excluding Yahoo7. Yahoo7 experienced strong growth in native and video advertising but was impacted by softer conditions in display. Seven West Media continues to develop new technologies both in delivery of content and delivery of advertising value to enhance the revenue proposition for future years.

Business Performance

Live Streaming

In the 2016 financial year, Seven was the first network to commence live-streaming of its broadcast television channels across all delivery platforms and in all capital cities and regions. The launch of this new initiative builds on Seven's market-leading AVOD service, PLUS7. PLUS7 now delivers Live and Catchup, complementing the company's presence in SVOD with its Presto partnership with Foxtel.

Sports Rights

All the way through to April 2018 Seven has secured an unbeatable line-up of major, live sporting events including the AFL Grand Final and Finals Series, the Melbourne Cup Carnival, the Rugby League World Cup 2017 in Australia and New Zealand, the 2018 Winter Olympics in Pyeong Chang and the 2018 Commonwealth Games on the Gold Coast, all in time zones beneficial for Australian audiences and advertisers. These events will be showcased across our continually growing distribution channels, driving ever greater monetisation opportunities. These rights form a key part of the company's strategy to maintain its dominant position and build on its media presence over the coming decade.

The Olympic Games

Seven will shortly undertake its coverage of The Games of the XXXI Olympiad in Rio. Seven's agreement with the International Olympic Committee delivers free broadcast television and subscription television rights, and expands beyond television to Seven's digital platforms, including social, mobile and online. The Olympic Games is a second-to-none platform for Seven as it moves forward as a media company, launching new programming and content and building new businesses which will drive its future as Australia's leading integrated media and communications business.

Seven

Seven delivered EBIT of \$291.7 million on revenues of \$1,259.5 million. EBIT margin is 23.2 per cent and EBITDA margin is 24.9 per cent. Seven's costs declined by 1.6 per cent on last financial year, reflecting tight cost controls and implementation of operating efficiencies, while continuing its significant investment in Australian programming.

Seven is number one in Australian television. Across the 2016 television season, Seven continues to lead in primetime, building on its market-leading performance over the past decade and closing in on its best ratings performance in history. Seven is number one for total viewers, 16-39s, 18-49s and 25-54s this calendar year. This leadership sees Seven securing a market-leading share of the television advertising market across the 2015 and 2016 television seasons. Seven expects to finish the 2016 ratings season, excluding the Olympics, with a bigger market-leading share than in 2015.

Seven is the largest producer of premium video content in Australia and continues to extend its capabilities in this area. Seven's demonstrated ability to develop and produce quality content has driven 91.9 per cent growth in program sales and 3rd party productions for the financial year, to \$87.6 million. The production slate for Seven's production assets continues to grow, securing 23 commissions and producing over 750 hours of content per annum. Building on this success, Seven has expanded its presence internationally, investing in a British drama production company, expanding production into New Zealand and is currently progressing new production ventures in other territories.

The West

Approximately three in four West Australians connect with The West Australian each month across print and online. Both the Monday-Friday edition and the Weekend West deliver amongst the highest market penetration of any Australian major metropolitan newspaper and The West Australian's online site, thewest.com.au is the leading Western Australian news site (Nielsen online ratings June 2016). The West is now leveraging social audiences to drive engagement with significant growth in its social footprint in the last 12 months.

In a fully integrated newsroom, the only one in Australia, Seven West Media produces a daily newspaper, commercial TV news bulletins, a public affairs show, websites and a growing number of digital products.

The West revenue declined 12.4 per cent to \$228.5 million while EBIT declined 24.3 per cent to \$39.2 million. Economic conditions in Western Australia's economy have remained soft over the last 12 months, particularly in retail sales, employment and auto sales, which are all key revenue categories for The West. The newspaper division has maintained strong operating margins despite current revenue trends with an EBITDA margin of 26.5 per cent achieved during the financial year. Cost management continues to be a focus with operating costs down 9.5 per cent in the period.

Seven West Media has agreed terms with News Corporation to acquire The Sunday Times newspaper masthead and perthnow digital products. The agreement is currently subject to regulatory approval from the Australian Competition and Consumer Commission. A successful outcome will see management focus on growing the Sunday Times and perthnow brand. In addition to the scale benefits and print and digital synergies, the proposal will also allow the combined businesses to better compete with the increasing presence of global content and platform businesses in the delivery of news and information. Advertisers will also benefit from a combined sales platform across both mastheads and brands.

Pacific

Seven West Media's magazine publishing business, Pacific, has delivered EBIT of \$9.0 million on revenues of \$201.2 million. EBITDA margin is 5.2 per cent. EBIT margin is 4.5 per cent.

The company delivered a 3.8 per cent decrease in costs to \$192.2 million, however there were changes made part way through 2016 which will deliver greater reductions in the coming financial year.

Pacific continues to be one of the leading forces in the traditional magazine print market, making up 48 per cent of total weekly circulation (ABC Audits March 2016). More than one in four magazine titles in Australia are published by Pacific, including two of the three largest selling weekly titles, *New Idea* and *That's Life!*. Pacific brands reach a combined audience of approximately 24.2 million consumers per month via print, social and digital platforms – an increase of 90 per cent year on year. Pacific brands continue to gather momentum across platforms and social media with more than 13 million followers. The company's share of magazine market advertising revenue is 30.1 per cent.

In March 2016, Pacific took control of its digital publications, including sales and editorial for the digital elements of its magazine titles. This will allow the business to enhance the consumer experience and achieve better outcomes for its commercial partners. In the last 3 months, Pacific has grown average audiences by 43 per cent in total across all brand titles. Pacific also continues to grow its online transaction businesses with new and growing digital initiatives which include foodiful.com.au, beautycrew.com.au, bhgshop.com.au, theparcel.com.au and styledbymarieclaire.com.au. These will provide additional revenue streams in the year ahead.

Digital Media

Seven West Media is strengthening and expanding its leadership in content creation and distribution across new delivery platforms. The company is driving its development of multi-channelling on broadcast television and broadening its connection with Australians through new communications platforms and IP delivery mechanisms.

Since the launch of Seven's live streaming platform, 7Live, the Seven Network has led the market with its channels available anywhere and on any mobile device, with over 14 million live streams.

Seven West Media including Yahoo7 has continued its strong growth in audience, attracting a monthly unique audience of over 10.7 million people, according to Nielsen industry data. Yahoo7 internal data sources indicate a 1.9 per cent growth in overall audiences, with mobile and tablet users now representing over half of the total unique audience. Yahoo7 streamed 207 million videos over the past year, comprising 69 per cent short form streams and 31 per cent long form. The company has dramatically expanded its PLUS7 premium streaming video service, creating new content and distribution partnerships as it leverages the success of Seven's primetime programming. PLUS7 delivered 65 million streams of long-form content over the past year.

Yahoo7 delivered total revenue of \$91.7 million. This is based on 100 per cent of the business. Seven West Media's share in Yahoo7 is 50 per cent.

Seven West Media Limited acknowledges announcements from Yahoo, Inc concerning its proposed transaction with Verizon Communications, Inc. Once the change of control is close to being effectuated with the completion of the proposed transaction (estimated Q1 2017), Seven West Media has various options under the Yahoo7 joint venture agreement and documentation. Seven West Media will have an opportunity, in the period between being

formally notified of a transaction and final completion, to consider which options it selects or a combination as may be negotiated with the new owners of Yahoo, Inc that creates the most value for Seven West Media shareholders.

Other Business and New Ventures

Seven West Media has committed to investing in early stage businesses where it can use the power of its audiences to help build brands. These investments include: Startsat60.com, Airtasker.com.au, Newzulu.com.au, Societyone.com.au. These investments are added to a portfolio which includes HealthEngine, Presto, Nabo and Mediabeach. Other Business and New Ventures assets also include Yahoo7, Australian News Channel (Sky News), Community Newspapers and regional radio licences in Western Australia as well as the Group's live event businesses. The standout result is the debut performance of our Red Events business which generated \$24 million in the year and with total costs of \$19 million, outperformed expectations. This business was responsible for the very successful Royal Edinburgh Tattoo tour in February this year.

Other Business and New Ventures contributed an EBIT loss of \$5.6 million. Excluding early stage investments, EBIT increased 13 per cent to \$18.3 million. Losses from early stage investments reflect new businesses such as Presto and our portfolio of digital investments. These businesses are all investing heavily for growth which will limit their contribution to the group in the near term.