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Dear Sir / Madam

HALF-YEAR RESULTS PRESENTERS' NOTES

Please find attached Presenters' Notes for the financial half-year ended 27 December 2014.

Yours faithfully



Warren Coatsworth
Company Secretary



Half Year 2015 Results Presentation

Opening slide – Tim Worner

Welcome to the Seven West Media 2015 half year results and thank you for joining us on this conference call.

I'm Tim Worner,

Joining me here today for this presentation are:

- a. our acting Chief Financial Officer, Warwick Lynch
- b. Kurt Burnette – Chief Revenue Officer
- c. Clive Dickens – Chief Digital Officer
- d. Chris Wharton – Chief Executive Officer of SWM WA
- e. And Peter Zavec, CEO of Pacific Magazines

We will take questions at the end of the presentation.

Slide 1

Disclaimer – Tim Worner

Now to slide 1, which is our disclaimer, customary for presentations of financial results.

Slide 2

Agenda - Tim Worner

On slide 2 is the agenda. I'll run through our interim result for the 2015 financial year and give you an update on our outlook.

Warwick will take you through the financial results in more detail before I review the business performance in Television, Digital, Newspapers and Magazines. To finish, we'll discuss how we are tracking in the key areas of our strategy.

Slide 3

FY15 Half Year Financial Highlights

Slide 3 outlines our key operating and financial highlights.

We've maintained our leadership position in the Television business where five of the last six periods produced an advertising revenue share which exceeded 40%. That is a now very well sustained, very strong performance in a highly competitive market. Our publishing assets continue to outperform the market even while we focus on adapting these businesses models to changing times.

Maintaining that leadership position and at the same time maintaining the pace of transforming the business is no easy task, but we are gaining momentum.

We operate in an ever changing environment. We know we have to constantly adapt to meet these changes. This past half is no exception and we have reached several key milestones.

These include the launch of Hybrid TV, the establishment of the Subscription Video on Demand joint venture with Foxtel, new digital investments plus the most extensive coverage of the Australian Open ever delivered over all platforms as a result of our new digital rights.

We have secured all rights to long term sports events such as the Olympic Games and the Commonwealth Games, which we finalized this half, and our new all rights Australian Open tennis deal – they all tie into our strategy around delivering the best content anytime, anywhere on any device. This gives us an unbeatable long term offering for advertisers out to 2020 and beyond. We are in the market with that right now.

In terms of financials.

Seven West Media delivered underlying net profit after tax of \$137.5 million, excluding significant items. This result is down 8.4% on the prior comparative period mainly due to softer advertising trends weighing on group revenue. This is within the market guidance we called out at our AGM. Despite this result, our businesses are still winning in the spaces where they compete.

Ongoing tight cost control has delivered a 1.3% reduction in operating costs to \$716.1 million versus the prior corresponding period.

This period, we have booked an impairment of intangible assets of \$1.1 billion, most of which relates to Television goodwill recognised as part of the WAN/SMG transaction in 2011. This adjustment reflects the revision of future growth rates given recent subdued advertising conditions in the overall market. This is an evidence-based measure that must be used under accounting standards. But we reiterate our guidance for growth in the second half of this financial year. This does not diminish our belief in the future of FTA television or our ability to maintain leadership, revenue share and cost control in the business. Warwick will talk further on the significant items later.

We continue to generate strong operating cashflow at over \$250 million this financial period.

The Board has declared an interim dividend of 6 cents per share fully franked to be paid in April.

Our leverage has reduced and our net debt position has again improved.

We are now actively reviewing options in relation to our Convertible Preference Shares. We're aware of it, we're working through it and we expect to resolve it within the year. Our Board is committed to finding the best outcome for our shareholders.

Slide 4

EBITDA Margin Graphs - Tim Worner

On slide 4 you can see the earnings contribution to the Group from the different businesses. Television accounts for the majority of earnings at 77% of EBITDA.

With what has become a sustained record of tight cost management, our operating costs have now remained flat for the past four December halves.

As you can see we have maintained the approach we have had in place since 2011, using our strong cashflow generation to reduce net debt.

Moving on to slide 5.

Slide 5

Performance and Outlook - Tim Worner

Compared to last year total advertising expenditure was relatively subdued in the December half, impacted by there being no Federal Election spend. Overall, based on SMI data, the market declined 0.3% in the second half of the 2014 calendar year.

The metro Television market declined 3%, impacted by that lack of election spending and lower automotive spend. It should be said we have seen an improvement in retail spend after 4 consecutive halves of decline.

Print advertising faced further downward pressure although we have seen a slight improvement in market trends.

As you can see Seven West Media's businesses continue to outperform the majority of these national advertising markets, with the exception of Newspapers, but that business has been impacted by what are decidedly softer economic conditions in WA.

Television has maintained leadership with a half year market share of 40.4% and an impressive 40.8% for the calendar year. Magazines and Digital have also performed strongly relative to peers, both capturing additional advertising market share.

In terms of our outlook for this financial year, our advertising market growth expectations for television are for a slight decline. We have maintained our outlook on the Newspaper market for a continuation of the current trend and we expect the rate of decline in the magazines market to lessen once again.

We reaffirm our cost guidance for group cost growth to be around 1% in FY15 and we remain confident the full year underlying net profit will be within current market estimates. Based on the current market outlook, the board intends to maintain the dividend at 12 cents per share for the 2015 financial year.

I will now ask Warwick Lynch to take you through the financials in more detail.

Slide 7

Financials – Warwick Lynch

Thanks Tim.

Turning to slide 7 and the Group Financial Results.

Seven West Media reported a statutory loss after tax for the first half of the year of \$993.6 million but this result included net significant items of \$1.13 billion. Excluding significant items underlying net profit after tax was \$137.5 million. This underlying result is a decline of 8.4% on the prior year and, as Tim mentioned, within the market guidance we provided at our AGM.

Our Basic earnings per share declined 8.2% to 13.8 cents per share excluding significant items, while our diluted EPS declined 16.6%. Significant items are covered in more detail on slide 9.

Slide 8

Income Statement – Warwick Lynch

Slide 8 shows the income statement for the year and a reconciliation of EBIT to the statutory outcome.

Total group revenue was 3.4% lower than the same period last year, at \$943 million.

Group operating costs decreased by 1.3% to \$716.1 million, delivering EBIT at \$226.9 million, which is down 9.3% on the prior period.

Finance costs reduced 21.8% compared to last year. This reduction is due to lower borrowing costs following the February 2014 refinancing and the continued improvement in our net debt position.

I will discuss the significant items on the next slide.

Tax expense of \$40.9 million includes a tax benefit arising from the significant items.

Slide 9

Significant Items – Warwick Lynch

Slide 9 sets out the breakdown of the significant items.

For accounting purposes we are limited as to what assets can be carried and how they are measured. The majority of significant items relates to an impairment charge to Goodwill recognised at the time of the West Australian Newspaper/Seven Media Group transaction in 2011. The impairment is non cash in nature. This impairment

calculation is an evidence based measure, it takes into account historical market performance as well current market forecasts and sentiment.

We have made adjustments to the carrying values of some of our investments in associates including Yahoo7. The Yahoo7 impairment reflects the new royalty arrangement that Seven has negotiated for its content.

We have also identified one-off restructuring costs relating to our cost out initiatives and some onerous program contracts related to legacy programming arrangements.

Again, these adjustments are non-cash in nature and do not impact our debt arrangements, nor do they affect our ability to pay fully franked dividends.

Slide 10

Cash Flow – Warwick Lynch

Slide 10 sets out our strong operating cashflow performance at over \$250 million for the period, and I would like to highlight a few things.

Working capital shows a cash inflow for the period of \$8 million which relates to the timing of some receipts as well as our investment in both production and purchased program payments.

This financial period we reported net tax receipts of \$17.7 million having received a tax refund relating to the acquisition of sporting rights.

Net finance payments of \$28.8 million have reduced in the period due to improved borrowing costs and lower net debt.

Capex has increased from the previous year as we implement our strategic initiatives as well as the 2.5 GHz spectrum migration, which is fully Government funded.

Slide 11

Net Debt – Warwick Lynch

Turning to net debt on slide 11.

As previously mentioned we have continued to use our strong operating cashflows to improve the net debt position. Year-on-year Group net debt declined 12.3% to just over \$1 billion, bringing the group's leverage ratio to 2.3 times EBITDA. The interest cover ratio has also improved, up to 6.7 times.

There are some favourable movements in terms of timing of payments, including net tax receipts in the current half, which will be partially unwound in the second half.

Turning to performance levels.

Slide 12

Group Revenue Performance – Warwick Lynch

On slide 12.

Group revenue has seen a slight decline of 3.4% in a challenging market. Significantly, television revenue is down just 1% - a strong result that reflects our leading ratings and market share performance with a 40.4% share of the metro television advertising market.

In terms of revenue contribution to the Group, the proportion related to Television continues to increase, growing to 72%. Revenue from the publishing businesses still contributed over \$240 million for the half year.

Slide 13

Group Costs and EBIT – Warwick Lynch

Slide 13 shows the breakdown of total group costs and EBIT by division. Total costs declined 1.3%, or \$9.4 million, as a result of our ongoing discipline in this area. Television costs increased by 0.5% (or \$2.3 million), reflecting additional investment in content. EBIT for television was \$181.7 million, a decline of 4.6%.

Newspaper and Magazine costs reduced by 4.0% and 7.6% respectively, while EBIT for the divisions was impacted by revenue pressures.

The other segment includes WA publishing, our regional radio in Western Australia as well as earnings from associates, including Yahoo7. 'Other' EBIT is impacted by declining WA publishing revenues and contribution of early stage investments and new business initiatives.

Slide 14

Television Divisional Performance – Warwick Lynch

Slide 14 covers the specific performance of the Television division and the disclosure is consistent with previous presentations.

Total television revenue is down just 1% equivalent to \$6.5 million, with the prior period including the Federal Election.

Advertising revenue includes all metro and regional advertising revenues, the outcome delivered a small decline of 1.5% for the half year.

It is noted the metro advertising market declined 3% in the half. Seven's share of the market grew to 40.4%, partially offsetting this decline.

Other revenue includes affiliation fees and program sales, which grew 3.6%, with program sales delivering growth of 19% for the half, another great result after double digit growth in the prior year.

Television costs were maintained at a similar level to last year, up only 0.5% or \$2.3 million, due to the ongoing focus on cost management. Television EBIT decreased 4.6% year on year.

Slide 15

Newspapers Divisional Performance – Warwick Lynch

Moving onto Newspapers on slide 15.

Continued weaker cyclical conditions as well as some structural pressures in the newspaper sector impacted advertising revenue, a decline of 12.5%. This compares to a relative market decline of 12.4%. Weaker employment, auto and property market conditions impacted classifieds, while softer retail conditions weighed on local display advertising.

The softer retail environment also impacted our distribution platform. Circulation revenue declined 5.9% with circulation volume declines down 6.8% on weekdays and 7.6% on Saturday.

Cost performance at the Newspaper division showed a reduction of 4.6%, driven by the continued focus on cost management including the implementation of cost-out programs. This enabled the newspaper business to deliver a strong EBITDA margin, reporting 31.3% for the half year.

Newspapers EBIT declined by \$10.4 million or 26.8% year on year.

Slide 16

Magazines Divisional Performance – Warwick Lynch

On slide 16, we show the financial performance of the magazines division.

As expected, the rate of decline in advertising revenue lessened, declining only 3%. This was an improvement on the 6% decline reported at the last full year results presentation. It should also be seen in the context of a market decline of 9.5%.

Financial performance was impacted by weakness in circulation revenue showing a 9.4% decline, with volumes reducing by 8.3%.

Costs are down 7.6% reflecting savings in almost all operating areas of the business.

Magazines EBIT declined by \$1.3 million or 9.8% year on year.

Slide 17

Yahoo7 Divisional Performance – Warwick Lynch

On slide 17 total revenue at Yahoo7 increased 3.2%.

We have seen significant increases in revenues from video, which grew by over 100%, as a result of a 28% increase in content-on-demand streams offsetting softness in search and display. User engagement continued to grow, with users up 16% on last year and total number of video streams over 68 million for the half year. Revenue in the period was impacted by the new Google search agreement established in late 2013.

Costs were impacted by the new royalty stream agreement payable to Seven West Media on Plus7 product, and the introduction of a new management team. EBIT for the period is down 17.4%. The SWM share of NPAT was \$6.4 million for the half.

Now back to Tim, for the operating highlights.

Slide 18

Operating Highlights – Tim Worner

Thanks Warwick

Slide 19

Television – Tim Worner

We now go to slide 19 and look at our television business.

We are proud to say, the Seven Network has delivered its 16th consecutive half of ratings and revenue leadership in what continues to be a highly competitive market.

In the half we secured a 40.4% revenue share and 40.8% for the 2014 calendar year. Now that's a result that has not been witnessed in almost 20 years. Producing this sort of result whilst transforming our business to become more efficient and more effective in what is a rapidly changing media landscape is a remarkable testament to everyone at Seven.

And despite greatly increased investment from some of our peers, Seven is the network that has grown revenue share in every capital city, including Adelaide and Perth.

Live sport, one of the core pillars in our programming strategy, has worked well again. The AFL Grand Final audience grew 4% year on year while our new NFL contract delivered significant audience gains when aired on 7mate, the Super Bowl up 28% on Seven.

This half we have taken steps to reinforce that Sports pillar for the long term. We've secured the biggest sports event on the planet with our Olympic Games deal encompassing all rights through to 2020, with an option to continue. In the middle of that period we have the Commonwealth Games in 2018 on the Gold Coast... and we know from experience nothing rates like a Games on Australian soil. We're pleased to say the execution of our Olympics strategy under Kurt Burnette is well advanced and so are our discussions with our sponsor partners.

The Australian Open has again proved that it is the best launch platform on Australian television. My Kitchen Rules started with great power and out rated both of our competitors major franchises combined. Great content and great curation led by Brad Lyons and Angus Ross respectively.

To supplement our Australian Tennis rights to 2020, we've just extended our Wimbledon Tennis rights over the same period, just in time to take advantage of what promises to be an exciting new era in Aussie tennis. But I will come back to the Tennis, particularly on just how we delivered it and what that means for us in future.

With all of this sport, distributed via television and increasingly via mobile, we have phenomenal reach in the elusive 25-54 year old male demographic. To leverage this and develop new revenue streams we've entered into a deal with ESPN to sell its television sports audience in Australia in combination with ours.

Slide 20

Television – Tim Worner

Moving to slide 20.

We have been at pains to point out we are not just a content company; we are a quality content company. And that quality of our content is one of our biggest competitive advantages. This financial period, eleven of the top twenty regular programs were broadcast on Seven.

Demand for our content is strong, not only domestically but globally. Content sales were up 19% on the prior year with key title sales including some of our biggest franchises, Home and Away, MKR, House Rules, A Place to Call Home, Winners and Losers and Border Security.

My Kitchen Rules continues to create significant revenue through finished program sales into over 100 countries. In addition the format has been sold into eight territories, with the Canadian version now in its third season. Seven retains rights in all format licenses and these internationally produced formats create a continuous flow of new content rights and revenues for Seven...on a zero cost base.

We recently announced that we're producing content here in Australia for other local networks with Foxtel commissioning A Place to Call Home.

This half we have increased our investment in Drama. Hours produced are up 6.1% in the period, including the new series Winter, which launched this month.

Both our production joint ventures, 7Wonder and 7Beyond, have secured further commissions and are gaining momentum.

7Wonder has delivered its first series to BSkyB and this program has already been renewed for a second series.

Slide 21

Digital – Tim Worner

Moving on to slide 21.

Subject to ACCC approval, we will finalise our SVOD joint venture arrangement with Foxtel, Presto, which has already launched to market. This venture leverages programming expertise from the leading free to air television network and Foxtel, the dominant subscription television provider. We believe the platform offers the best value streaming service with the broadest programming offering, some of which is our own. Again, this further extends our powerful home grown content into a new range of connected devices.

When considering our options in this space, we looked at the investment costs, the technology platform and the operational requirements.

Presto had an existing technology platform built, as well as the billing and customer service operations already in place. The investment case offered a lower risk and more cost effective entry into the SVOD space.

Foxtel has already established an agreement for unmetered access for Foxtel broadband customers using Presto. There is also an extensive device and distribution roadmap in place and we are excited about this opportunity.

Slide 22

Digital – Tim Worner

On Slide 22.

We are continuing to build our digital momentum for audiences and clients...

Our Hybrid Television service is in market with the PLUS7 catch-up service – again our Australian content on a new platform.

This year, at the Australian Open, we delivered a GLOBAL commercial television first. Our unprecedented tennis coverage across free-to-air, Hybrid TV and mobile meant that audiences were able to view every match on every court, all LIVE ... all FREE. We increased reach, the men's final television audience was up 12% YoY and the tournament delivered 4.1 million streams over the two weeks of coverage.

We brought the tennis to the new, mobile generation with over 70% of our online audience watching on smartphones or tablets. This is just the beginning.

You can expect more...and we will deliver more.

We have started to commercialise our investment in the Red Fusion Big Data program, offering our advertisers the ability to target audiences in new ways and we're responding to their needs around native advertising and programmatic buying.

We've also completed investments in early stage businesses, including a neighbourhood social network, Nabo, which was a co-investment alongside Westpac. There are several other investments currently under consideration.

Finally, I'm pleased to formally introduce Clive Dickens, who has joined us as Chief Digital Officer. Clive brings a wealth of experience across digital media and we are confident he will challenge us to keep up the pace on our rate of change.

Slide 23

Yahoo7 – Tim Worner

On slide 23 we cover Yahoo7.

Yahoo7, our joint venture with Yahoo Inc., continues to thrive, this year growing revenue share versus its publishing peers.

Our catch up service, Plus7 has seen growth in revenue, up 89% YoY, all powered by the likes of My Kitchen Rules, Home & Away and other Seven – originated programs.

Plus7 has been downloaded by over 1.5m Australians, but we're not stopping there. In line with the rollout of our multi-platform strategy, we've extended Plus7 to more and more platforms including connected TVs and games consoles were invested to further improve the user experience and data insights.

Yahoo Inc. under Marissa Mayer has been highly acquisitive over the last couple of years and we are continually looking at the relevance of those acquired technologies for Australian audiences, deploying them locally via Yahoo7 where it makes sense.

The accelerating market trends around content consumption and engagement on smarter, faster and even more beautiful Mobile devices presents a significant growth opportunity for our Company. Mobile for some is not just the second screen. Increasingly it is 'the' screen, and our content production teams have this uppermost in their minds.

Slide 24

Newspapers – Tim Worner

To slide 24 and our Newspaper Business.

At The West Australian the big story at the moment is integration and Chris Wharton is leading the charge.

The newspaper remains the primary source of news and information for the state and continues to be an important part of the daily life of West Australians.

This position will be significantly strengthened with the integration of TVW 7 Perth and The West Australian newsrooms starting from next week.

The project is a true revolution. It will be the only newsroom in Australia that produces a daily newspaper, commercial TV news bulletins, a public affairs show, as well as websites and other digital products. We will also produce radio news. This is a ground breaking event in the Australian media and something that is rare globally.

Our ability to publish seamlessly across platforms has been enhanced by the introduction of our upgraded publishing system Newsgate, which is now up and running.

Collaborating is not confined to content. The Sales teams are working towards providing a fully integrated solution for the WA market.

The West maintains its position as one of the strongest performing newspapers in the country with 1.9 million people accessing the publication every month through either print or digital.

Economic conditions in Western Australia have continued to be challenging, particularly in employment, retail and auto sales, which are all key revenue categories for The West. These adverse cyclical conditions have impacted revenue in addition to the pressures from some of the structural challenges facing the newspaper industry.

Nevertheless the newspapers division has maintained market leading operating margins.

Moving to Slide 25.

Slide 25

Magazines – Tim Worner

Pacific Magazines is actively repositioning its business as an audience company under its new CEO Peter Zavec. It is extending beyond the printed product and leveraging all of the touch points that its brands have. If you look across the group, the total audience has grown 30% year on year to 16.5 million touch points. That's through print, digital, social media, mobile, e-commerce and branded events, all driving deeper engagement with our titles which are targeted at the heart of people's passions.

No better example of this than Better Homes and Gardens. As you all know this is one of our flagship brands and it's a poster child for integration across the group. Through this title alone we have over 4.8 million audience touch points, that's 2.5 million readers of the magazine, 1.3 million watching 90 minutes of primetime Television each week, our rapidly growing digital and social presence with over 1 million interactions and our live events attracting over fifty thousand fans. This is the new proposition that we're now selling to our clients, a fully integrated offering that allows them to reach audiences wherever we are delivering our content.

We're seeing strong growth in our digital services with revenues in this area growing at over 3 times faster than the overall market.

We are continuing to see clients return to magazines, which have historically delivered results for them. Through leadership in the categories in which we've chosen to compete Pacific Magazines has grown market share again versus its peers. This half also saw the rate of decline in advertising improve again.

The integration of titles into our television franchises is a core part of our strategy and continues to yield results.

We are working on more e-commerce related digital revenue opportunities which I look forward to updating you on in the coming year. We are also actively recruiting even more senior experience in our growing digital teams. In general, we are developing more ideas that resonate well beyond the pages of the magazines.

As with all of our business units, we retain our focus on costs at Pacific. This half we delivered 8% in cost savings with further benefits to flow through in the second half.

Slide 27

Strategic & Outlook – Tim Worner

Turning to slide 27.

Creating and owning more of our own quality content is the cornerstone of our strategy. We are uniquely placed to launch that premium content in Australia on our channels and distribute it across multiple digital platforms domestically and overseas.

As we have shown with our extraordinary coverage of the Tennis, we can deliver compelling digital experiences across all platforms and mobile devices. As I mentioned previously, we are the network that can better engage the fast growing mobile generation.

We remain committed to redefining the operating model. A new management structure has been put in place that better aligns reporting heads to business units, providing a better structure to manage continued transformation. As part of this we have appointed David Porter as the Director of Television Operations.

As the distribution and device landscape continues to fragment we can and will have to be nimble and agile. We will respond to ensure our content is available wherever it is profitable.

As always, we are looking for further opportunities to use our huge audiences to build new businesses and grow new revenue streams. Our micro-investments pipeline is full and we have many opportunities under active consideration.

We have made some exciting developments in building our live events business, with several major events planned for FY16. Many of these are “under-wraps”, but I look forward to updating you in the coming year.

Slide 28

Our industry is evolving. Consumers are now expecting more and consumption habits are changing especially on mobile. As the leading premium content company in Australia, we are best placed to meet these changes head on.

We are committed to accelerating our digital growth by investing in bringing our content faster to market whether via AVOD, SVOD, TVOD or even live online streams. We believe this will continue to drive shareholder value.

We’ve highlighted a wide range of initiatives we’ve delivered this half and if you go back and look at our ‘to do’ list from our 2013 Investor Day, you will see that every one of those boxes is ticked.

Maintain leadership, check

Redefine the operating model, check

Build our scale in the production of Australian content.

Make more of our content available where and when people want it, check.

Launch big data capability, check.

Deliver audience growth for magazines, check.

Develop new revenue streams, check.

Integrate our businesses in the West, check.

Launch live events business, check.

Investment in early stage businesses, check.

We look forward to updating you further in the coming year, but rest assured the moves we are making are exciting and we're confident will better position our company for the future.

That's it. Now we open up for questions.

Ends.