

Ground-breaking deal with CBS heralds next step in Network Ten's multi-channel strategy – ELEVEN TEN's early evening news boost

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Ten Network Holdings Limited (Ten Holdings) today announced that Network Ten will launch ELEVEN, the third channel in its multi-channel strategy, in early 2011. Network Ten has also announced the proposed formation of a joint venture with prolific US studio partner CBS Studios International (CBS), to provide content to ELEVEN.

ELEVEN will have a clear and highly targeted appeal for the 'distinctly youthful' market. ELEVEN will broadcast bold, fun and entertaining content targeting the 13-29 demographic. Its format and offering will be highly engaging and fresh, creating a community that advertisers can interact with on a daily basis in a deep and creative manner.

ELEVEN will complement and expand on the offerings of TEN and ONE. Together, this three-channel platform will create a unique, holistic and sustainable offering that is unrivalled in the Australian free-to-air commercial television market.

From early 2011, Network Ten's offer for consumers and advertisers will be:



- Australia's only 24-hour free-to-air digital sports channel
- Targeted audience of Australia's sports lovers
- Extensive local and international rights
- Long term rights
- Multiple platforms
- Deep and targeted integration in a highly contextualised advertising environment
- Unique channel marketing
- High definition (HD) digital



- Broad entertainment – mass appeal
- Prized 18-49 demographic
- Major Australian and International franchises
- Comprehensive news and public affairs
- Extensive online engagement
- ten.com.au/watchtv
- Long term partnerships with leading, prolific US studios CBS Paramount International Television and 20th Century Fox Television
- Long term partnerships with Australia's best independent content producers
- Standard definition (SD) digital (Also in analogue pending digital switchover)



- 'Distinctly youthful'
- Key 13-29 demographic focus.
- First-run targeted domestic and international programming
- Long term quality content supply from Network Ten and leading US studio, CBS – including access to CBS content library with more than 70,000 hours of programming
- The Simpsons* – exclusive free-to-air home on ELEVEN
- Neighbours* – prime-time home on ELEVEN
- Standard definition (SD) digital from early 2011

Network Ten CEO Grant Blackley said: "Our path to unlocking the value of multi-channelling commenced more than two years ago. Considerable due diligence has been applied to this watershed strategic opportunity, leading to the first commercial free-to-air multi-channel, ONE, launched in March 2009. That due diligence, combined with our ongoing evaluation of the market, has enabled a robust process of channel planning, culminating in the careful consideration and crafting of ELEVEN."

“Discussions with our proposed joint venture partner, CBS, commenced in late 2009. Network Ten and CBS have significant and complementary assets that, together, will ensure a compelling and successful offering,” Mr Blackley said.

“Importantly, the business model for ELEVEN meets our stringent investment criteria and reflects our philosophy that success is borne from a sound strategic proposition that builds on our established digital architecture and delivers long term and cost-effective content supply, ensuring a profitable, scalable and enduring business,” he said.

“Network Ten is the most strategically targeted network. Our three multi-channels create a suite of highly appealing and clearly distinguished offerings, with each channel presenting a real point of difference in the Australian free-to-air commercial television market,” Mr Blackley said.

“Together, TEN, ONE and ELEVEN will attract a broader range of consumers and advertisers who are seeking fresh, quality and – most importantly – truly entertaining content, now and in the future. It will also attract advertisers seeking efficient delivery of distinct audience groups on ONE and ELEVEN, as well as mass audiences in key advertiser demographics on TEN,” he said.

TEN's proposed joint venture is subject to approval by FIRB in accordance with the usual obligations associated with investment by overseas investors in Australian media-related activities.

The early evening strategy

Iconic program brands *The Simpsons* and *Neighbours* are perfectly suited to ELEVEN's audience strategy.

Co-inciding with the launch of ELEVEN in early 2011, TEN – already the most prolific commercial free-to-air network in presenting News bulletins – will launch significantly enhanced and innovative news and public affairs content in prime time.

Flowing from TEN's dominant *News at Five* bulletins, the Network will introduce a new half-hour national news-based program at 6.00 pm weeknights targeting viewers seeking a smarter, more informed, considered and insightful approach to the stories, issues, events and news-makers of the day.

Then at 6.30pm weeknights and at 6.00pm weekends, TEN will present a half-hour locally-presented and produced news service in all markets, focussing on the key issues in each State, whilst continuing to break news and further develop the leading national and international news stories of the day.

Network Ten CEO Grant Blackley said: “We see the provision of more quality local, national and international news-based content as the ideal bridge between our top-rating local *News at Five* bulletins and the increasingly popular *The 7PM Project*.”

“This is a big commitment to news involving the employment of 100 additional staff, from leading reporters to expert camera crews, operators for new and efficient digital transfer technology, and an increased international presence bringing news from the key territories around the globe – notably Europe, the United States and Asia. This will ensure TEN has the people and technical resources to bring breaking and major news events to all Australians as they happen,” Mr Blackley said.

“These two new formats will complement TEN's timeslot-winning *News at Five* and provide valuable further news resources for *The 7PM Project*, as well as for TEN's *Early News* at 6am, *Morning News* at 9am and the long-standing *Late News With Sports Tonight*,” he said.

The presenting and reporting teams for each of the TEN News bulletins will be announced in coming weeks.

Mr Blackley said: “The new early evening strategy on TEN will provide a highly appealing, fresh alternative to viewers in these timeslots. It delivers a seamless and comprehensive package of quality news and public affairs, unparalleled on Australian free-to-air commercial television and catering to all segments of the market – from breaking news of national significance, to highly localised news, sport and weather, to intelligent and insightful discussion of the issues affecting Australians each day.”

“Our multi-channel and News initiatives are not only an effective use of our broadcast spectrum and an efficient deployment of Network Ten’s established infrastructure, team and resources, but a sound investment in building further long term, sustainable growth for our business,” Mr Blackley said.

“Network Ten has enjoyed a successful year with expanding, quality content on TEN and ONE and across all our digital media assets. In October, we will broadcast the biggest event of the year for Australian audiences in the Commonwealth Games, on TEN and ONE, followed early in 2011 with the launch of ELEVEN and our greatly enhanced commitment to news and public affairs on TEN,” he said.

“These measures represent a significant reinvestment in the business in the year ahead based on sound underlying investment principles. They include the commitment of an additional 100 employees and associated infrastructure to strengthen our News credentials and services through an investment in the order of \$20 million per annum, as well as our budgeted investment of \$25 million in the 2010 Commonwealth Games being broadcast in October,” he said.

“These initiatives clearly demonstrate our belief in and commitment to Free TV and the Digital Switchover transition of all Australians, and will ensure continued high levels of quality Australian content with greater diversity and choice for Australian consumers,” Mr Blackley said.

– Ends –

Please note separate releases from Ten Holdings today in relation to: 1) the proposed formation of a joint venture company between Network Ten Pty Limited and CBS Studios Inc. to create ElevenCo, the content provider to Network Ten’s new digital multi-channel ELEVEN to commence in 2011, and 2) a Ten Holdings trading update for FY2010.

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