

## TEN HOLDINGS UPDATES MARKET ON FIRST HALF RESULTS TO FEBRUARY 2012

22 February 2012

Ten Network Holdings Limited ('Ten Holdings' or the Company) considers it appropriate to provide an update to the market in relation to the Company's results for the half year to 29 February 2012.

The final results for the period will be released to the market on 12 April 2012.

### Forecast Half Year Results to February 2012 – Market Update

The updated market guidance for the half year to February 2012 is as follows:

- Group EBITDA\* of approximately \$64m (2011 \$106.0m)
- Television EBITDA\* of approximately \$57m (2011 \$ 94.9m)
- Out of Home EBITDA\* of approximately \$ 7m (2011 \$ 11.0m)
  
- Television – Revenue ↓ 12%
- Television – Costs (ex selling) ↓ 2%
- Out of Home – Revenue ↓ 7%
- Out of Home – Costs ↓ 3%
  
- Full Year 2012 television costs (ex selling) ↓ 5% (down \$30m)
  
- No interim dividend

The metropolitan advertising market remains short, with limited visibility.

Continuing cost-saving initiatives will result in a decrease in television costs (ex selling) for the full year 2012\*\*. While some of these savings will be reinvested back into programming in order to continue to drive ratings improvements, television costs (ex selling) for FY 2012 are now expected to be approximately 5% or \$30m below the prior year.

Chief Executive Officer, James Warburton said: "The first-half results reflect tough trading conditions and a difficult final quarter of calendar 2011 as the Company re-set its cost base and focused on creating a more sustainable business."

"The success of our Super Sunday line-up and our performance in the 5pm to 8pm timeslot, including **The Project**, this year has been pleasing. Many of the new programs we announced last year for 2012 will start to appear over the next few months, including **Breakfast** – which starts on Monday – **Bikie Wars: Brothers in Arms** and the return of **Offspring** and **MasterChef Australia**.

Our multi-channels, ONE and ELEVEN, have posted strong growth this year and are the most-watched multi-channels among people under 50.”

## **Interim Dividend**

The Board has decided that due to the difficult market conditions it is prudent that no interim dividend for the current period will be paid.

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*\* Before Non Recurring Items for the 2011 comparatives*

*\*\* The cost savings for FY12 are inclusive of a \$14m reduction in program costs due to onerous contract provisions incurred as at 31 August 2011.*

Ratings are sourced OzTAM, 5 City Metro, Ppl Under 50, Sun-Sat 1800-2230, YTD: Wk 1-7 2012. Summer 2011/2012: Wk 49 2011 - Wk 6 2012. Mon-Sat of week 7 are Overnights, all other weeks are Consolidated.