

ten

Concise financial report

CONTENTS

Directors' Report	34
Profit and Loss Statement	38
Balance Sheet	39
Statement of Cash Flows	40
Notes to the Financial Statements	41
Directors' Declaration	43
Independent Auditors' Report	44

The Directors of Ten Network Holdings Limited present their report on the consolidated entity, consisting of Ten Network Holdings Limited ("The Company") and its controlled entities, for the year ended 31 August 2000.

Directors

The Directors that have been in office during the year and since year end are:

Mr JB Studdy (Chairman)

Mr GE Chapman * (Alternate Mr PV Gleeson)

Mr JJ Cowin

Mr LS Freedman (Alternate Mr BG Sechos)

Mr PV Gleeson

Mr PPA Harris

Mr GH Levy

Mr R Magid

Mr AJ Peschar (Alternate Mr BG Sechos)

Mr BM Sherman (Alternate Mr BG Sechos)

Mr PD Viner (Alternate Mr L Asper and Mr T Strike)

* Mr GE Chapman resigned on 10 September 1999.

Principal Activities

The principal activity of Ten Network Holdings Limited is the investment in The Ten Group Pty Limited and controlled entities which operate commercial television licences TEN-10 (Sydney), ATV-10 (Melbourne), TVQ-10 (Brisbane), ADS-10 (Adelaide) and NEW-10 (Perth). This activity was enhanced by the addition of a new activity in October 1999 involving investments in the internet sector.

Profit

The consolidated profit after income tax for the year ended 31 August comprises:

	2000 \$'000	1999 \$'000
Earnings before interest and taxes	190,204	178,241
Subordinated debenture interest	81,998	74,849
Earnings after debenture interest before other interest and taxes	108,206	103,392
Net interest expense – other	2,137	1,497
Operating profit before income tax	106,069	101,895
Income tax expense	33,555	36,043
Operating profit after income tax	72,514	65,852
Profit attributable to outside equity interests	12,032	11,864
Profit attributable to members of Ten Network Holdings Limited	60,482	53,988

Dividends

Since the end of the previous financial year:

- A fully franked ordinary dividend of 14.40 cents per share and in total \$53,983,077 was paid on 4 January 2000 in respect of the results for the year ended 31 August 1999.
- A fully franked ordinary dividend of 15.88 cents per share and in total \$60,473,278 was declared by Directors on 12 October 2000 in respect of the results for the year ended 31 August 2000. The dividend will be payable on 2 January 2001.

Review of Operations

The Directors were satisfied with the results of the consolidated entity for the year.

Significant Changes in the State Of Affairs

Significant changes in the state of affairs of the consolidated entity during the financial year were as follows:

(a) Village Ten Online Joint Venture

On 6 October 1999 a joint venture with a controlled entity of Village Roadshow Limited was established to develop Scape, an online entertainment and leisure-based business.

(b) AMP Share Exchange

During the year, AMP Life Limited exchanged 5,931,610 shares it held in The Ten Group Pty Limited for an equivalent number of shares in Ten Network Holdings Limited pursuant to the exchange deeds put in place at the time of the restructure and public listing of Ten Network Holdings Limited in April 1998. This exchange increased Ten Network Holdings Limited beneficial interest in The Ten Group Pty Limited to 83.70% (1999 – 82.39%) and its economic interest to 41.85% (1999 – 41.20%).

Except for the matters noted above or otherwise disclosed in the financial report, there were no other significant changes in the state of affairs of the consolidated entity during the year.

Events Subsequent to Balance Date

At the date of this report, no matter or circumstance has arisen since balance date that has significantly affected or may significantly affect:

- the operations in financial years subsequent to 31 August 2000 of the consolidated entity and the entities it controls from time to time; or
- the results of those operations; or
- the state of affairs in financial years subsequent to 31 August 2000 of the consolidated entity.

Likely Developments

Information as to likely developments in the operations of the consolidated entity and the expected result of those operations in subsequent financial years has not been included in this report because, in the opinion of the Directors, it would prejudice the interests of the consolidated entity.

Information on Directors

Director	Responsibility	Appointed/Resigned	Particulars of Directors' Interests in Shares of The Company Ordinary Shares
JB Studdy <i>AM, BEc, FCA</i>	Non Executive Chairman of Board of Directors Member of Audit Committee	Continuing	50,000
GE Chapman <i>BSurv</i>	Non Executive Director	Resigned 10/09/99	–
JJ Cowin <i>BA</i>	Non Executive Director	Continuing	1,000,000
LS Freedman <i>ASA, ASIA, MAus/IMM</i>	Non Executive Director	Continuing	39,911,991
PV Gleeson <i>BEcon, ACA</i>	Non Executive Director Chairman of Audit Committee	Continuing Continuing	15,625,328
PPA Harris <i>MA, ASIA</i>	Non Executive Director	Continuing	15,428
GH Levy <i>BComm, LLB, ASIA</i>	Non Executive Director Member of Audit Committee	Continuing Continuing	33,000
R Magid <i>BSc, BA(Maths), MA(Econ)</i>	Non Executive Director	Continuing	150,000
AJ Peschar	Non Executive Director	Continuing	24,499,866
BM Sherman <i>BComm, CTA, SIA, (Aff)</i>	Non Executive Director	Continuing	39,911,991
PD Viner	Non Executive Director	Continuing	–

Directors' Meetings

Director's Name, Alternate name (if applicable)	Date appointed	Date resigned	No. of meetings of Directors held/attended		No. of meetings of committees held/attended	
GE Chapman	16/02/98	10/09/99	–	–	–	–
PV Gleeson	16/02/98	10/09/99	–	–	–	–
JJ Cowin	03/04/98	Continuing	4	3	–	–
LS Freedman	16/02/98	Continuing	4	2	–	–
BG Sechos	16/02/98	Continuing	–	–	–	–
PV Gleeson	16/02/98	Continuing	4	4	4	4
PPA Harris	16/02/98	Continuing	4	3	–	–
GH Levy	03/04/98	Continuing	4	2	4	4
R Magid	03/04/98	Continuing	4	3	–	–
AJ Peschar	16/02/98	Continuing	4	2	–	–
BG Sechos	16/02/98	Continuing	–	–	–	–
BM Sherman	16/02/98	Continuing	4	3	–	–
BG Sechos	16/02/98	Continuing	–	–	–	–
JB Studdy	04/06/98	Continuing	4	4	4	4
PD Viner	03/04/98	Continuing	4	3	–	–
GR Noble	03/04/98	30/06/00	–	–	–	–

The number of meetings held refers to the period whilst a Director.

Director's Holdings of Shares

The relevant aggregate interests of Directors of the Company and their Director-related entities in shares of the ultimate parent entity within the consolidated entity at the year end are set out below:

	2000 '000	1999 '000
Ten Network Holdings Limited		
Ordinary shares	56,785,747	64,682,393

Directors' and Officers' Emoluments

The Remuneration Committee of The Ten Group Pty Limited, consisting of four non-executive directors and one executive director, advises the Board on remuneration policies and practices generally, and makes specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors of the consolidated entity.

Remuneration consists of annual fees and superannuation contributions made in accordance with superannuation guarantee legislation for the Directors performing their duties on the board of Ten Network Holdings Limited and The Ten Group Pty Limited and on various committees. The non-executive Directors do not participate in any option plans.

Currently the maximum amount that may be paid to the Directors in relation to the performance of their duties as non-executive directors of the Company is \$600,000. Directors' fees have been determined on the basis that it will be attractive to proposed board members and so ensure that the Company's board is comprised of skilled and well qualified directors.

Executive remuneration and other terms of employment are reviewed annually by the Committee having regard to performance against goals set at the start of the year and relative comparative information. Remuneration packages are set at levels that are intended to attract and retain skilled and qualified executives.

Details of the nature and amount of each element of the emoluments of each Director of Ten Network Holdings Limited and each of the 5 officers of the consolidated entity receiving the highest emoluments are set out in the following tables. The only officers of Ten Network Holdings Limited are the Company's secretary and Directors.

Non-executive Directors of Ten Network Holdings Limited

Name	Directors' Base	Committee	Superannuation	Total
	Fee/Salary	Fees		
	\$	\$	\$	\$
JB Studdy, Chairman	183,926	–	1,635	185,561
GE Chapman	1,389	–	972	2,361
JJ Cowin	62,000	4,500	–	66,500
LS Freedman	58,729	6,500	4,751	69,980
PV Gleeson	58,729	4,000	4,551	67,280
PPA Harris	62,000	–	–	62,000
GH Levy	58,729	4,000	4,551	67,280
R Magid	62,000	–	–	62,000
AJ Peschar	50,000	–	–	50,000
BM Sherman	58,729	–	4,231	62,960
PD Viner	50,000	–	–	50,000
BG Sechos	–	4,000	320	4,320
<i>Alternate for LS Freedman, AJ Peschar and BM Sherman</i>				
GR Noble	–	–	–	–
<i>Alternate for PD Viner</i>				

Other Executives of the Consolidated Entity

Name	Base Salary	Motor Vehicle	Bonus	Other	Superannuation	Total
	\$	\$	\$	\$	\$	\$
J McAlpine <i>Chief Executive Officer</i>	683,526	29,000	206,505	48,750	7,292	975,073
P O'Connell <i>Chief Executive Officer, Ten Ventures</i>	536,238	–	–	150,000	6,703	692,941
P Myers <i>General Manager Corporate Development</i>	384,403	47,795	147,004	50,000	7,292	636,494
G Thorley <i>General Manager Network Operations</i>	381,048	54,188	147,004	30,000	7,292	619,532
G Blackley <i>General Manager Network Sales</i>	305,143	18,012	125,548	17,915	11,001	477,619

Share Options Granted to Directors and Most Highly Remunerated Officers

Options over unissued ordinary shares of Ten Network Holdings Limited granted during or since the end of the financial year to any of the 5 most highly remunerated officers of Ten Network Holdings Limited and the consolidated entity as part of their remuneration were as follows:

Executive Officers	Options Issued
J McAlpine, Chief Executive Officer	500,000
P O'Connell, Chief Executive Officer, Ten Ventures	250,000
P Myers, General Manager Corporate Development	120,000
G Thorley, General Manager Network Operations	120,000
G Blackley, General Manager Network Sales	220,000

The options were granted to J McAlpine on 9 February 2000, and to P O'Connell, P Myers, G Thorley and G Blackley on 15 March 2000 under the Ten Executive Option Plan. Options granted to J McAlpine are exercisable, subject to performance hurdles, at a price of \$2.09 per share, over the next five years. Options granted to each of P O'Connell, P Myers, G Thorley and G Blackley are exercisable, subject to performance hurdles, at a price of \$2.41 per share, over the next five years.

As the options are subject to performance hurdles, the performance of which has not yet been achieved, the amount included as executive remuneration is nil. At year end the share price of Ten Network Holdings Limited was \$2.63. As at 9 October 2000 the share price of Ten Network Holdings Limited was \$2.53.

Shares under Option

Unissued ordinary shares of Ten Network Holdings Limited under option at the date of this report are as follows:

	Number	Issue Price of Shares	Expiry Date
Ten Executive Option Plan	3,275,000	\$1.92	12 August 2003
	4,475,000	\$2.11	24 November 2003
	500,000	\$2.09	9 February 2005
	1,755,000	\$2.41	15 March 2005

Shares Issued on the Exercise of Options

No shares were issued during the year ended 31 August 2000 on the exercise of options granted under the Ten Executive Option Plan.

Contracts with Directors

During the financial year, Competitive Foods Australia Limited entered into agreements in respect of the purchase of television airtime (through an advertising agency) from a controlled entity on normal commercial terms and conditions. Mr JJ Cowin, a Director of the Company, is Chairman of, and has a substantial interest in, Competitive Foods Australia Limited.

Also during the financial year, Wentworth Associates Pty Limited provided the consolidated entity with corporate consultancy services on normal commercial terms and conditions. Mr GH Levy, a Director of the Company, is a director of Wentworth Associates Pty Limited.

Insurance of Officers

During the financial year, a controlled entity arranged for directors and officers liability insurance cover for officers of the Company and related parties. An insurance premium was paid in relation thereto. The officers of the Company covered by this insurance include all Directors and all employees in positions of responsibility.

Indemnification of Officers

During the financial year, Ten Network Holdings entered into deeds to indemnify each Director of the Company in accordance with the approval given at the Annual General Meeting of the Company held on 7 December 1999.

In broad terms, the deeds of indemnity entrench a Director's rights to:

- access the books and records of the Company which relate to the period the Director acted as a Director of the Company;
- be indemnified by the Company to the maximum extent permitted by law; and
- require the Company to take out an appropriate directors' and officers' insurance policy to protect the Director from liability (to the maximum extent permitted by law).

Separately, a deed of indemnity has been provided by The Ten Group Pty Limited to Directors and officers of that company and its controlled entities.


Additionally, separate deeds of indemnity cover Messers Peter Myers and Gerry Thorley.

No liability has arisen under these indemnities at the date of this report.

Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in Class Order 98/0100 and accordingly the financial report has been rounded to the nearest thousand dollars.

Signed at Sydney on 12 October 2000 in accordance with a resolution of the Directors.



JB Studdy

Director



PV Gleeson

Director

DISCUSSION AND ANALYSIS OF THE PROFIT AND LOSS STATEMENT

The consolidated entity's sales revenue for the year ended 31 August 2000 increased by 6.9% to \$602.6m.

Earnings before interest and taxation (EBIT) of \$190.2m was 6.7% above the previous year. The major factors contributing to the consolidated result were:

- growth in advertising revenues
- reinvestment in programming
- continued focus on operating cost control.

The operating profit after income tax of \$60.5m was 12.0% above the previous year.

FOR THE YEAR ENDED 31 AUGUST 2000

	Note	2000 \$'000	Consolidated 1999 \$'000
Total revenue	2	608,241	568,177
Operating profit before debenture interest		188,067	176,744
Subordinated debenture interest		81,998	74,849
Operating profit before income tax		106,069	101,895
Income tax expense attributable to operating profit		33,555	36,043
Operating profit after income tax		72,514	65,852
Outside equity interests in operating profit after income tax		12,032	11,864
Operating profit after income tax attributable to members of Ten Network Holdings Limited		60,482	53,988
Retained earnings at the beginning of the financial year		23	18
Available for appropriation		60,505	54,006
Dividend proposed	3	60,473	53,983
Retained earnings at the end of the financial year		32	23
		2000 cents	1999 cents
Earnings Per Share			
Shareholding earnings per share		16.08	14.82
Economic earnings per share		16.62	15.09
Fully diluted earnings per share		13.44	12.16

The above profit and loss statement should be read in conjunction with the discussion and analysis of the profit and loss statement and the accompanying notes.

**DISCUSSION AND ANALYSIS OF THE
BALANCE SHEET**

The net assets of the consolidated entity of \$965.5m are the same as the previous year due to the current year distribution of 100% of consolidated net profit after tax.

Total assets of \$1,465.3m are \$79.2m higher than the previous year mainly due to:

- increased cash at year end
- increased receivables due to improved sales revenue and the impact of the GST
- increased investments relating mainly to the Village Ten Online joint venture
- the acquisition of digital television plant and equipment
- increase in Future Income Tax Benefits.

Total liabilities of \$499.8m are \$79.2m higher than the previous year mainly due to:

- increased provision for dividend and debenture interest payable
- increased income tax payable predominantly due to the timing of income tax instalment payments
- increase in bank loans.

Net debt (borrowings less cash) of \$11.4m is \$33.0m higher than the previous year.

The increase in share capital is due to the exchange by AMP Life Limited of shares it held in The Ten Group Pty Limited, a controlled entity, for an equivalent number of shares in Ten Network Holdings Limited, pursuant to the exchange deeds put in place at the time of the restructure and public listing of Ten Network Holdings Limited in April 1998.

AS AT 31 AUGUST 2000

	2000 \$'000	Consolidated 1999 \$'000
Current Assets		
Cash	38,562	21,570
Receivables	91,067	69,310
Program rights	89,636	87,703
Other	3,728	1,201
Total Current Assets	222,993	179,784
Non-Current Assets		
Receivables	7,483	4,350
Investments	87,946	74,121
Program rights	548	4,960
Property, plant and equipment	48,782	37,352
Television licences	1,077,822	1,077,822
Other	19,732	7,709
Total Non-Current Assets	1,242,313	1,206,314
Total Assets	1,465,306	1,386,098
Current Liabilities		
Accounts payable	230,521	229,513
Provisions	150,440	117,380
Total Current Liabilities	380,961	346,893
Non-Current Liabilities		
Accounts payable	21,348	26,223
Borrowings	95,841	45,545
Provisions	1,665	1,934
Total Non-Current Liabilities	118,854	73,702
Total Liabilities	499,815	420,595
Net Assets	965,491	965,503
Equity		
Parent entity interest		
Share capital	808,058	795,472
Retained earnings	32	23
Equity attributable to members of Ten Network Holdings Limited	808,090	795,495
Outside equity interests in controlled entities	157,401	170,008
Total Equity	965,491	965,503

The above balance sheet should be read in conjunction with the discussion and analysis of the balance sheet and the accompanying notes.

DISCUSSION AND ANALYSIS OF THE STATEMENT OF CASH FLOWS

Total cash and its equivalents of \$38.6m as at 31 August 2000 was \$17.0m higher than the previous year.

Cash flows from operating activities of \$137.1m was \$0.7m lower than the previous year. Increased sales revenue and a decrease in net income tax remitted in the year, due to the timing of income tax installment payments, was offset by increased payments to suppliers and employees.

Cash outflows from financing activities of \$90.0m was \$35.0m lower than the previous year. The increased dividend payments, arising through the payment of a full year's dividend in the current year, were more than offset by a net inflow of bank loan funds of \$50.0m compared to an outflow of \$30.0m in the previous year.

Cash outflows from investment activities of \$30.1m was \$23.1m higher than the previous year. The increase was due to digital television capital expenditure and increased investments mainly relating to the Village Ten Online joint venture.

FOR THE YEAR ENDED AUGUST 2000

	Consolidated	
	2000	1999
	\$'000	\$'000
Cash and its Equivalents		
Cash at hand	59	57
Cash at bank	38,503	21,513
At end of the financial year	38,562	21,570
At commencement of the financial year	21,570	15,800
Net Cash Inflow for the financial year	16,992	5,770
Represented by:		
Cash Flows from Operating Activities		
Receipts from customers	579,489	568,247
Payments to suppliers and employees	(420,183)	(379,674)
Dividend received	1,868	1,573
Interest received	1,250	821
Interest paid	(3,094)	(1,753)
Income tax (paid)/refunds received	(22,277)	(51,463)
Net cash flow from operating activities	137,053	137,751
Cash Flows from Financing Activities		
Dividend paid	(65,845)	(28,455)
Debenture interest paid	(67,370)	(59,820)
Debenture interest – withholding tax	(6,737)	(6,647)
Bank loan		
Drawdown	120,000	100,000
Repayment	(70,000)	(130,000)
Net cash flow used in financing activities	(89,952)	(124,922)
Cash Flows from Investment Activities		
Acquisition of property, plant and equipment	(20,027)	(4,435)
Proceeds on disposal of property, plant and equipment	1,313	175
Payments for purchases of equity investments	(8,601)	–
Proceeds from sale of equity investments	134	–
Advances/(repayments)		
Associated companies	–	41
Other	(2,928)	(2,840)
Net cash flow used in investment activities	(30,109)	(7,059)
Net Cash Inflow for the financial year	16,992	5,770

The above statement of cash flows should be read in conjunction with the discussion and analysis of the statement of cash flows and the accompanying notes.

FOR THE YEAR ENDED AUGUST 2000

1 BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The Concise Financial Report has been prepared in accordance with the requirements of the Corporations Law, Accounting Standard AASB 1039: Concise Financial Reports and applicable Urgent Issues Group Consensus Views.

The accounting policies adopted are consistent with those of the previous year.

	2000 \$'000	Consolidated 1999 \$'000
2 SALES REVENUE		
Sales revenue recognised and included in operating revenue		
Network fees – other	24,184	21,480
Television related activities	578,382	542,149
	602,566	563,629
3 DIVIDENDS PROVIDED AND/OR PAID		
Dividends proposed (expected to be paid 2 January 2001)	60,473	53,983
Fully franked @ 34% (1999: 36%) ordinary 15.88 cents per share (1999: 14.40 cents per share)		
Dividends paid during the year (paid 4 January 2000)	53,983	22,261
Fully franked @ 36% ordinary 14.40 cents per share (1999: 6.25 cents per share)		
4 SEGMENT INFORMATION		
Industry Segments		
Segment Revenue – external parties		
Television	608,241	568,177
Ventures	–	–
	608,241	568,117
Segment Results		
Earnings Before Interest and Tax		
Television	194,617	178,241
Ventures	(4,413)	–
	190,204	178,241
Consolidated Operating Profit Before Tax		
Television	110,482	101,895
Ventures	(4,413)	–
	106,069	101,895

FOR THE YEAR ENDED 31 AUGUST 2000

	Consolidated	
	2000 \$'000	1999 \$'000
4 SEGMENT INFORMATION (CONTINUED)		
Segment Assets		
Television	1,452,701	1,386,098
Ventures	12,605	–
Total Assets	1,465,306	1,386,098

Geographical Segments

The economic entity operates principally within Australia.

5 SUBSEQUENT EVENTS

No matter or circumstance has arisen since balance date that has significantly affected or may significantly affect:

- the operations in financial years subsequent to 31 August 2000 of the consolidated entity and the entities it controls from time to time; or
- the results of those operations; or
- the state of affairs in financial years subsequent to 31 August 2000 of the consolidated entity.

6 CONTINGENT LIABILITIES**Australian Taxation Office Review**

The Australian Taxation Office's ("ATO") review of certain aspects of the affairs of the economic entity, which commenced in 1995, has not yet concluded.

The economic entity continues to exchange information with the ATO in relation to the treatment of interest on the subordinated debentures with a view to obtaining a resolution in the near future. No assessment has been issued by the ATO in relation to the matter.

If a dispute were to arise in relation to the treatment of interest on the subordinated debentures, the tax deductibility of the interest in respect of the subordinated debentures or any penalties which may be imposed, The Ten Group Pty Limited, the relevant controlled entity, would vigorously defend its position. The Ten Group Pty Limited considers that its current tax treatment is appropriate and that the matter is therefore not likely to have a material effect on the financial position of the economic entity.

Interest paid or payable to date pursuant to the subordinated debentures in respect of which tax deductions have been or will be claimed since inception is \$384m. A change in the tax treatment of interest in respect of the subordinated debentures is likely to impact the amount available for distribution as dividends.

General

As part of its normal operations as a television broadcaster, the consolidated entity has received writs for defamation and various claims for damages. At balance date, the aggregate of all such claims will not give rise to any material liability.

Details and estimates of other maximum amounts of contingent liabilities are as follows:

	Consolidated	
	2000 \$'000	1999 \$'000
Unsecured guarantees by the consolidated entity in respect of leases of controlled entities	54,186	56,097

No material losses are anticipated in respect of any of the above contingent liabilities.

In the opinion of the Directors of Ten Network Holdings Limited the accompanying Concise Financial Report of the consolidated entity, comprising Ten Network Holdings Limited and its controlled entities, for the year ended 31 August 2000, set out on pages 38 to 42:

- (a) has been derived from or is consistent with the Full Financial Report for the financial year; and
- (b) complies with Accounting Standard AASB 1039: Concise Financial Reports.

Signed at Sydney on 12 October 2000 in accordance with a resolution of the Directors.



JB Studdy

Director



PV Gleeson

Director

TO THE MEMBERS OF TEN NETWORK HOLDINGS LIMITED

Scope

We have audited the Concise Financial Report of Ten Network Holdings and its controlled entities for the year ended 31 August 2000 as set out on pages 38 to 42 in order to express an opinion on it to the members of the Company. The Company's Directors are responsible for the Concise Financial Report.

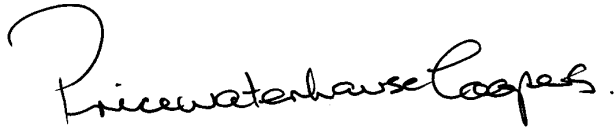
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the Concise Financial Report is free of material misstatement. We have also performed an independent audit of the Full Financial Report of the company for the year ended 31 August 2000. Our audit report on the Full Financial Report was signed on 12 October 2000, and was not subject to any qualification.

Our procedures in respect of the Concise Financial Report included testing that the information in the Concise Financial Report and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the Full Financial Report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the Concise Financial Report is presented fairly in accordance with Accounting AASB 1039: Concise Financial Reports.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the Concise Financial Report of the Company is in accordance with Accounting Standard AASB 1039: Concise Financial Reports.



PricewaterhouseCoopers
Chartered Accountants



EP Maltby
Partner
SYDNEY
12 October 2000

FOR THE YEAR ENDED 31 AUGUST 2000

VOTING RIGHTS

On a show of hands, ordinary shareholders present or by proxy at a general meeting of the Company have one (1) vote each. On a poll, shareholders have one (1) vote for each share held.

At general meetings of TEN, shareholders of the Company are entitled to attend or be represented by proxy as if they were shareholders of TEN.

Shareholders must complete a Notice of Appointment of See Through Representative (if attending in person) or a Notice of Appointment of See Through Proxy (where attending by proxy).

Shareholders of the Company will be entitled to one (1) vote on a show of hands and one (1) vote for each share held in the Company, on a poll in respect of most resolutions to be considered at general meetings of TEN.

MAXIMUM SHAREHOLDER LIMITATIONS

There is no maximum limitation on shareholdings under the Company's Constitution but the Broadcasting Services Act ("BSA") provides that Foreign Persons (as defined by BSA) may not hold Company Interests in aggregate of more than 20% in TEN.

SHARE REGISTRY

Registries Limited
Level 2
28 Margaret Street
SYDNEY NSW 2000

PO Box R67
Royal Exchange
SYDNEY NSW 1223

Tel 02 9279 0677
Fax 02 9279 0664

SERVICES FOR SHAREHOLDERS

For services or any information on your shareholding including direct payment of dividends, please telephone the Share Registry.

STOCK EXCHANGE LISTING

The Company's ordinary shares are listed on the Australian Stock Exchange under code TEN.

DIVIDEND REINVESTMENT PLAN

The Company does not operate a dividend reinvestment plan as at the date of this report.

HISTORY OF DIVIDEND PAYMENTS

Date Paid	Amount	Franked
4 January 1999	6.25 cents	Fully
4 January 2000	14.4 cents	Fully
Proposed		
2 January 2001	15.88 cents	Fully

AS AT 13 OCTOBER 2000

TOP 20 SHAREHOLDER

Holder Name	No. of Share	%
Susprium Pty Limited	24,496,193	6.433
PTA Nominees Limited	23,849,161	6.263
Perpetual Nominees Limited	17,541,634	4.606
Chase Manhattan Nominees Limited	13,747,632	3.610
Allard Services Pty Ltd	12,184,563	3.200
Equitilink International Ltd	11,082,124	2.910
National Nominees Limited	10,941,475	2.873
Westpac Custodian Nominees Limited	10,632,181	2.792
Queensland Investment Corporation	9,193,901	2.414
Westpac Financial Services Limited	8,205,818	2.155
Westpac Life Insurance Services Limited	6,866,759	1.803
Westpac Custodian Nominees Limited (Foreign Account)	6,689,114	1.757
GE Chapman Pty Ltd	5,725,959	1.504
WIN Television NSW Pty Ltd	5,675,965	1.490
National Australia Financial Management Limited	5,594,923	1.469
Mercantile Mutual Life Insurance Company Limited	4,174,394	1.096
MLEQ Nominees Pty Limited	4,000,000	1.050
NRMA Nominees Pty Limited	3,779,458	.991
AMP Life Limited	3,451,870	.906
Amcil Limited	3,420,068	.898
Totals for Top 20	191,253,192	50.221

Total Issued Ordinary

Fully Paid Shares **380,814,092**
Number of Holders **20,266**

DISTRIBUTION OF HOLDINGS

Security Class	Holding Range	No. of Holders	No. of Shares
Ordinary Fully Paid	1- 1,000	2,982	2,359,660
	1001- 5,000	12,400	36,134,415
	5,001- 10,000	2,995	24,140,029
	10,001- 100,000	1,696	40,932,936
	100,001-	193	277,247,052
Total		20,266	380,814,092
Less than a marketable parcel		88	5,401

LOCATION OF SHAREHOLDERS

State	No. of Shareholders	No. of Shares
New South Wales	6571	220,201,616
Victoria	5594	67,847,314
Queensland	3470	64,557,442
South Australia	1808	13,973,137
West Australia	2213	10,991,115
Tasmania	392	1,704,939
Northern Territory	43	133,309
Overseas	175	1,405,220
Total	20266	380,814,092

SUBSTANTIAL SHAREHOLDERS

Name	Interest*	Extent of Holdings*	Date of Notification
EquitiLink Australia Limited & others	11.95%	42,574,047	11 June 1998
Westpac Investment Management Pty Limited	6.72%	25,174,176	19 July 1999
Maple-Brown Abbott Limited	6.09%	22,821,161	26 May 2000
Perpetual Trustees Australia Limited	9.80%	36,746,401	7 June 2000

*as at date of last notification