For Immediate Release
August 22, 2012

MACQUARIE RADIO NETWORK LTD

Wednesday, 22 August 2012; Macquarie Radio Network ("MRN") today announced its financial results for the year ended 30 June 2012.

During the year ended 30 June 2012 MRN disposed of its interest in the joint venture controlling Melbourne radio station MTR (on 18 May 2012), acquired Queensland regional network, Smart Regional Network (on 1 Sep 2011), and bid unsuccessfully for the Fairfax Radio Network. The share of operating losses and costs associated with MTR ($5.5 million in 2011/2012), and the transaction costs associated with Fairfax Radio bid and the acquisition of Smart Radio Network (total of $1.3 million in 2011/2012) are included in the "reported" earnings and profit numbers below but excluded from "underlying" numbers. "Underlying" numbers also exclude non-recurring employee options expense and net costs associated with Olympic broadcasting rights.

SUMMARY

- Core radio revenues, attributable to 2GB and 2CH, declined by 4% on prior year levels to $52.6m. Total Sydney market radio revenue decreased by 2.1%. MRN share of Sydney radio market revenue decreased slightly from 25.5% to 25.0%.
- Reported EBITDA decreased by 35% on pcp to $6.7 million.
- Underlying EBITDA decreased by 12% on pcp to $15.2 million.
- Reported NPBT decreased by 49% on pcp to $4.3 million.
- Underlying NPBT decreased by 16% on pcp to $13.1 million.
- Reported NPAT decreased by 62% on pcp to $2.3 million.
- Underlying NPAT decreased by 18% on pcp to $8.8 million
- Directors declare a final dividend of 1.5 cent per share fully franked, a 0.5 cent decrease on prior year final dividend and payable on 4 October 2012 to all shareholders registered as at 12 September 2012. Total dividends relating to the financial year ended June 30 2012 are 4.0 cents per share fully franked, a 4.0 cent decrease on prior year.

Commenting on the results MRN Executive Chairman, Russell Tate, said that the financial performance of MRN's controlled operations was satisfactory given the softness of the Sydney radio market and the dual distractions to management during the year of an under-performing Melbourne joint venture and the Fairfax Radio bid. "MTR in Melbourne was always going to be challenging, but by late 2011 its financial performance and the relationship with our joint venture partner had reached a point where it was clearly unsustainable and we had no choice but to withdraw funding and cause the appointment of an administrator. We are confident that all exposure to costs arising from this venture has now been covered. The Fairfax bid process extended over almost a full year and was terminated in late 2011. The process demanded significant senior management attention and cost, and the prospect of a positive outcome slowed down considerably the momentum in our core businesses."

With regard to the 2012/2013 year, Tate said that market revenues in the first half were unlikely to reach prior year levels. "Forward bookings are about as short as we've seen them, so we have very limited visibility. Our best guess at this stage is that the market could start to see some year on year growth in the second half to balance a first half shortfall. If that happens we are confident that we can report 2012/2013 EBITDA of around $15 million."

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