



APN**Next** **2015**

20 May, 2015

**Investor
Day**

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APNNext - 2015 APN News & Media Investor Day

Michael Miller

**20
15**



NEWS & MEDIA

APN NEWS & MEDIA LIMITED
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 - Titled APN Investor Day

APNEX 2015 – INVESTOR DAY



***You must always be able to
predict what's next and then
have the flexibility to evolve***

— Marc Benoiff

APN'S STRATEGY



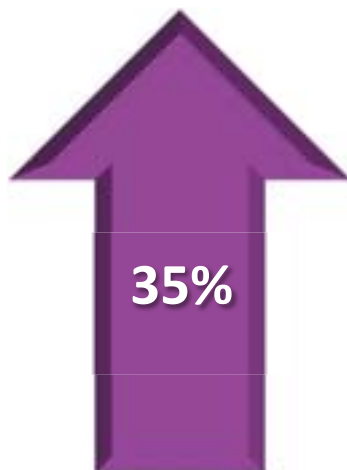
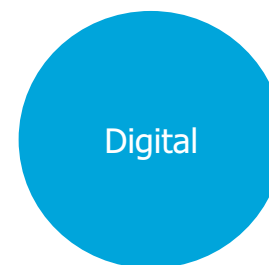
APN ANNOUNCEMENTS



Investment in digital



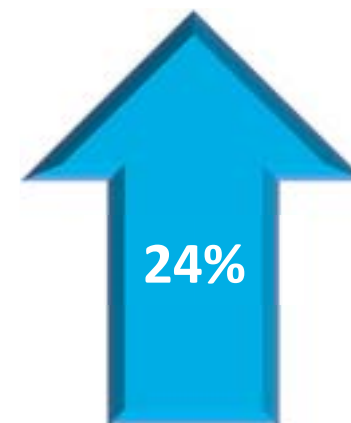
APN INVESTMENT



35%



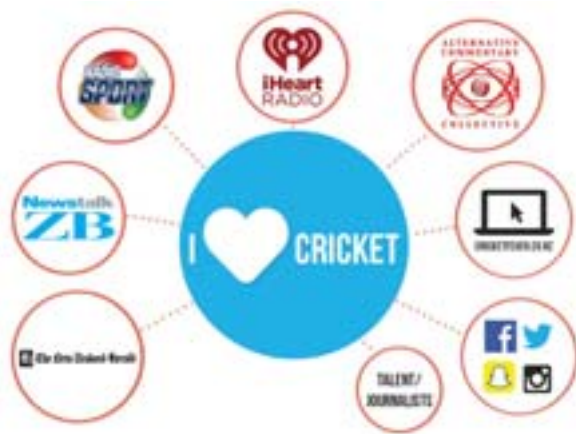
10%



24%

*YTD Revenue Growth 2014 v2015

MAXIMISING THE CHANGES WE MADE IN 2014



TRADING UPDATE



- In terms of trading, the positive start to 2015 that we reported at the time of our 2014 full year results has continued.
- Group revenues year to date are six per cent ahead of prior year. This includes the additional revenues from the acquisition of Perth's 96FM that completed in late January.
- Advertising market conditions have softened somewhat in April, and comparatives were improving this time last year. We remain focused on share growth in all our markets.
- Costs have increased, primarily due to revenue growth in ARN, the acquisition of 96FM, and NZME's integration.
- Group EBITDA is tracking ahead of last year.
- NPAT is therefore consistent with prior year, with interest savings from last year's refinancing being offset by increased depreciation and amortisation following 2014 investments, and a higher effective tax rate.

AGENDA



Time	Topic	Presenter
9.15am	Integrated campaigns – An Agency Perspective	Mat Baxter, CEO, UM
9.45am	Moving into the Subscriber Economy NZME Digital Audience Strategy	Clayton Cooke, ARM Laura Maxwell-Hansen, NZME
10.15am	The local evolution	Neil Monaghan, ARM
10.40am	BREAK	
11.00am	Transforming to NZME	Jane Hastings, NZME
11.45am	Out of Home – More than meets the eye	Rob Atkinson, Adshel
12.25pm	Asia growth opportunities	Jeff Howard, APN
12.30pm	LUNCH – Entertainment from Dave Hughes	
1.30pm	ARN. Re-imagining Radio for today's world	Ciaran Davis, ARN
2.15pm	iHeartRadio	Ciaran Davis, ARN
2.45pm	Emotive - Effective content marketing	Simon Joyce, Emotive
3.00pm	CLOSE	

THE AGENCY
PERSPECTIVE.

MAT BAXTER
CEO.

Coca-Cola

SONY

coles



WHOLESALE
DISRUPTION.

ADVERTISERS MUST KEEP PACE.

CAMPAIGNS.
(MEASURE AND OPTIMISE AFTER)



ALWAYS ON.
(MEASURE AND OPTIMISE DURING)

RECALIBRATE
ASSESSMENT.

THE OLD WAY

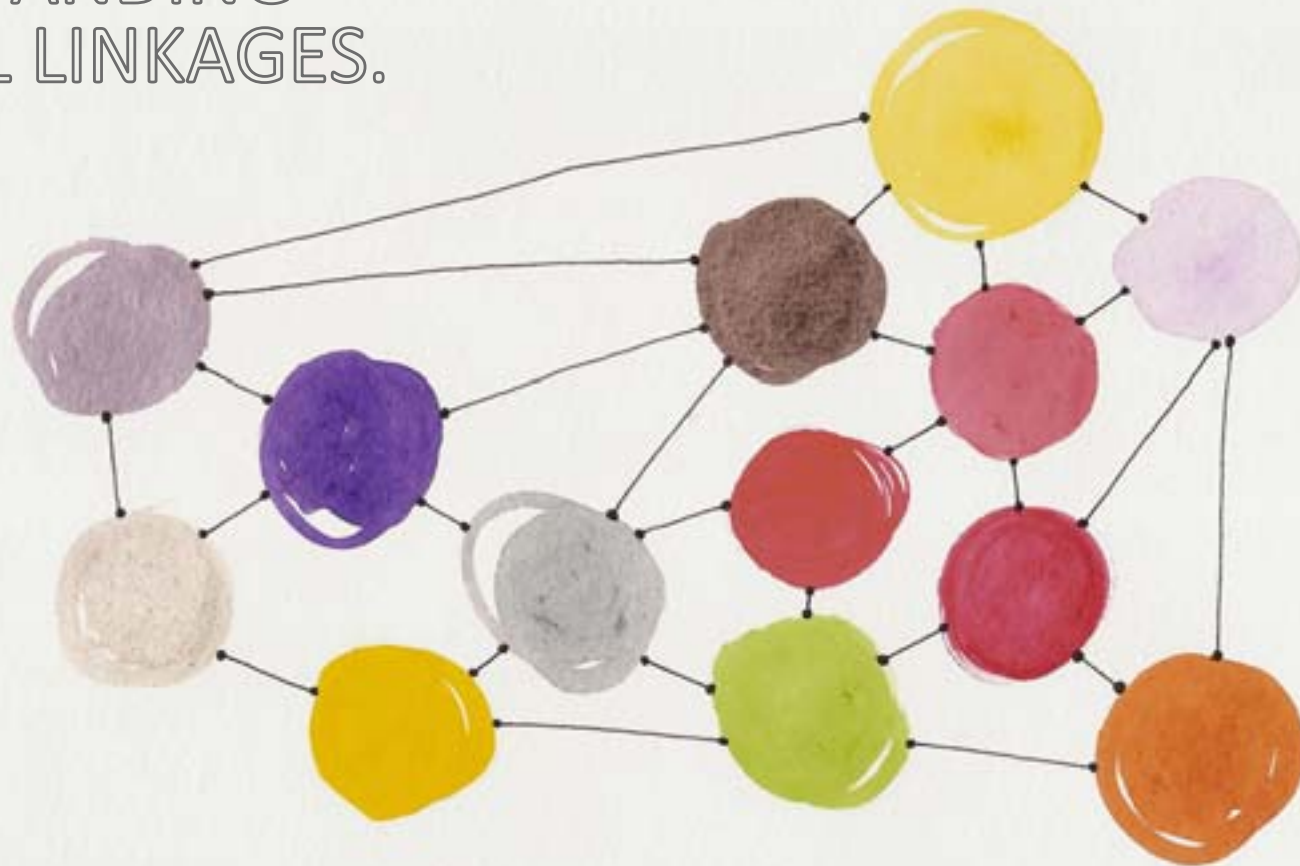
THE POWER OF
INDIVIDUAL
CHANNELS.

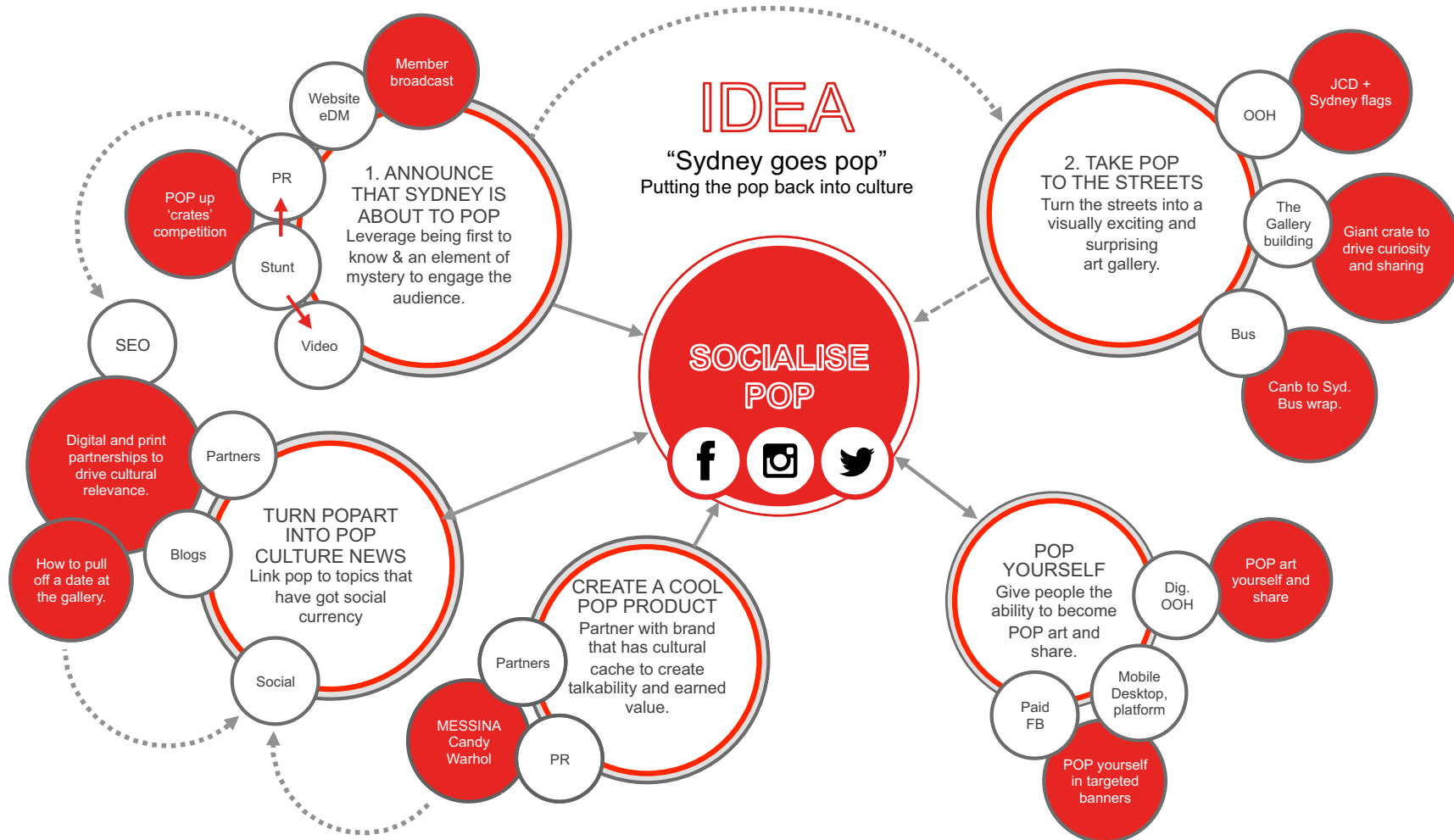


THE NEW WAY

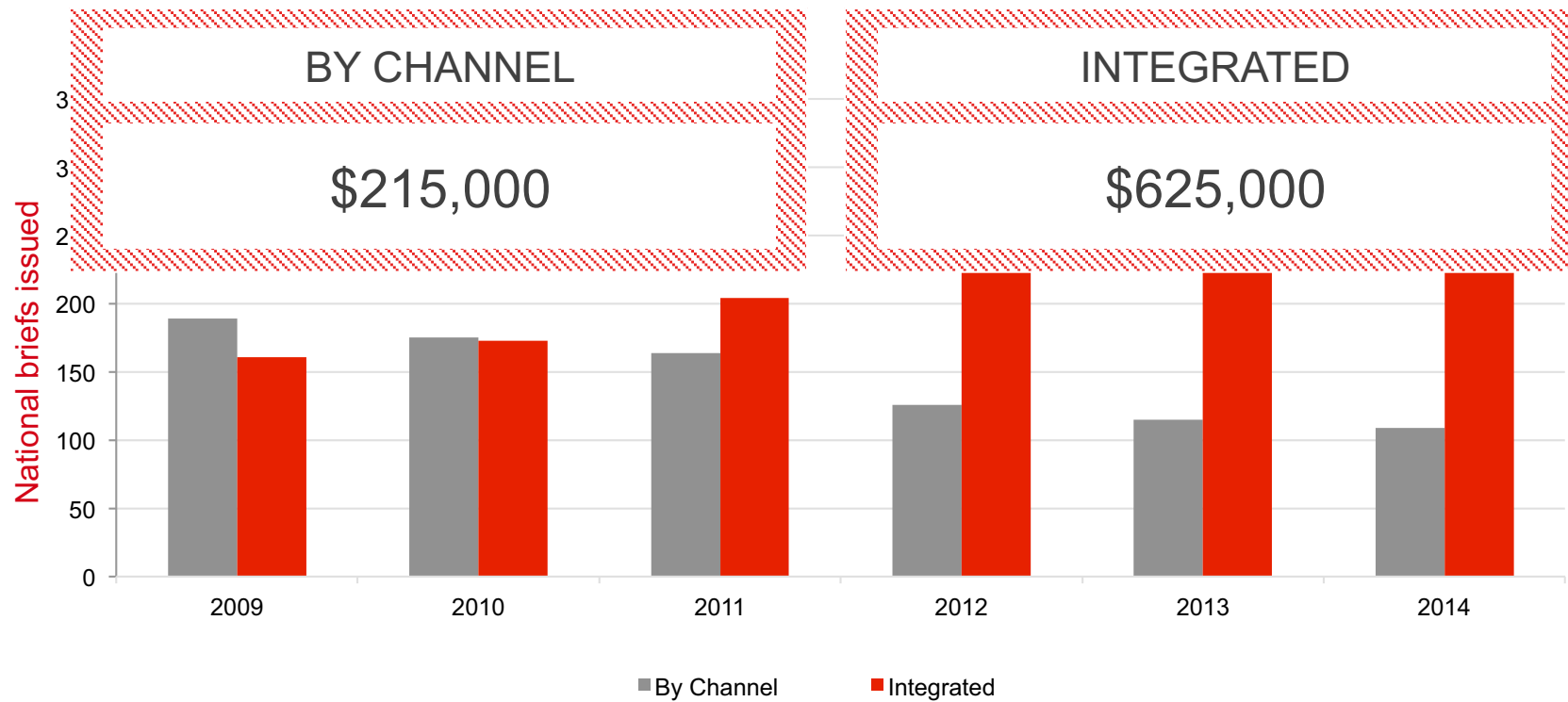
THE POWER OF AN
INTEGRATED SYSTEM.

UNDERSTANDING NATURAL LINKAGES.





THE RISE OF THE INTEGRATED BRIEF.



Source: UM Australia, National "outbound" briefs, 2009-2014

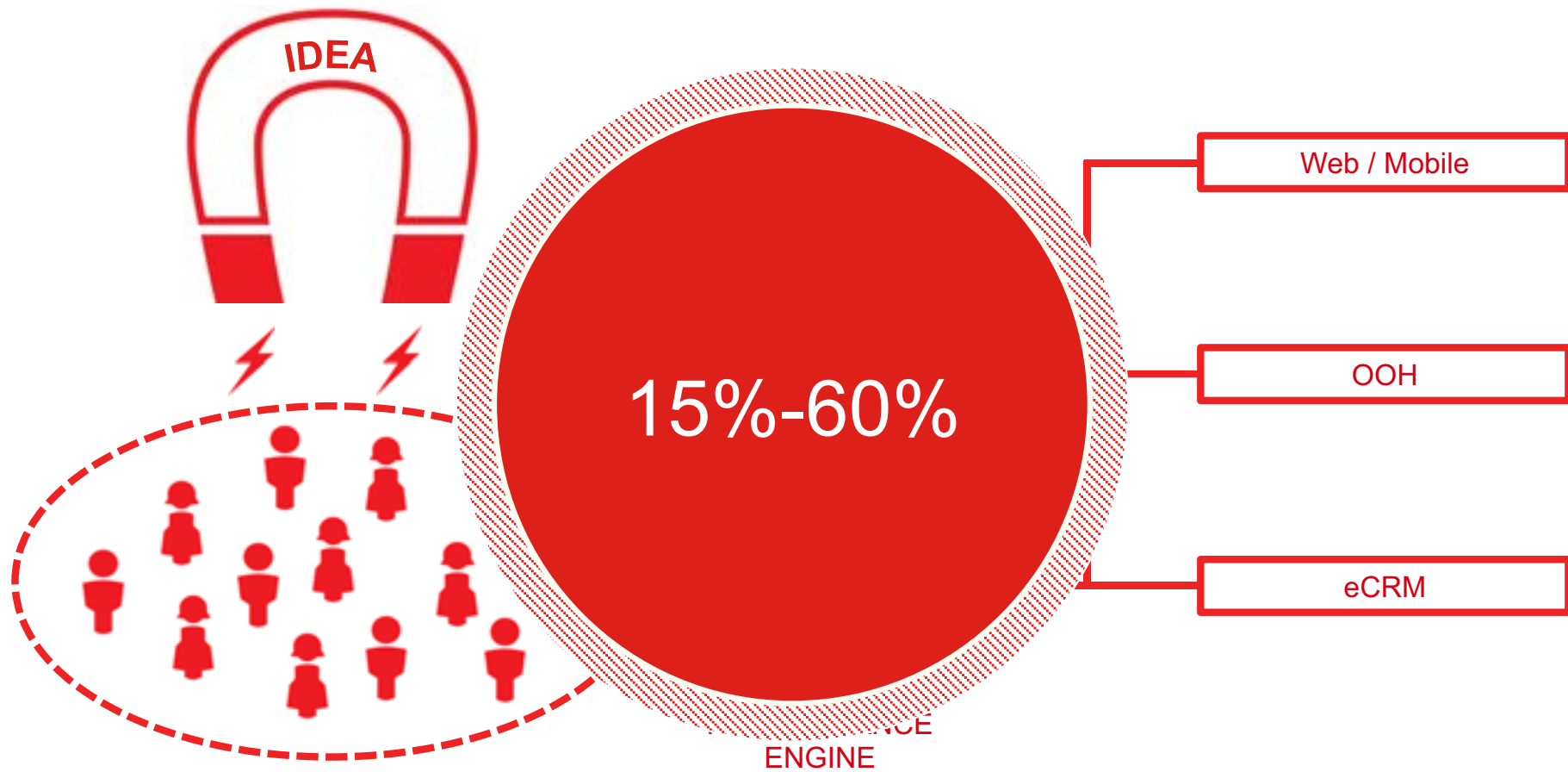
THE BENEFITS.



EASE.

EFFICIENCY.

EFFICACY.



THANK
YOU



Moving into the Subscriber Economy

Clayton Cooke

THE SUBSCRIBER ECONOMY

Digital Subscription Businesses Building Momentum



Businesses going direct to consumer with digital "as a service" subscriptions

Consumers conditioned to this way of buying

Increasing number of success stories

It starts with relevance & great value

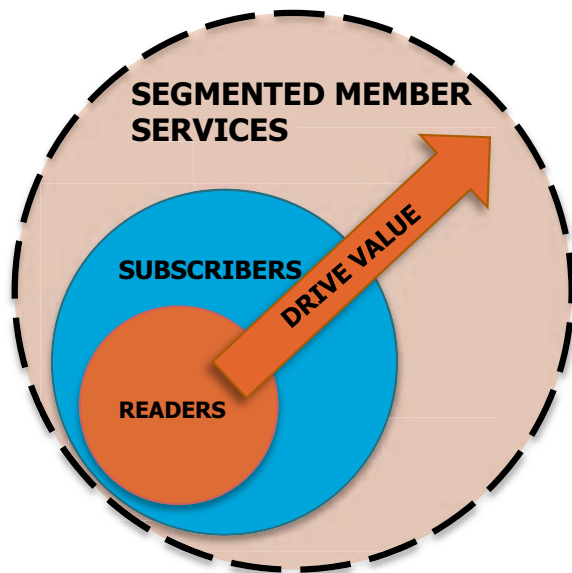
Key Growth Drivers

- Acquire New Members
- Increase Subscriber Lifetime Value
- Minimise Churn

*Consumer Intelligence Research Partners (Q4 2014)

EVOLUTION FOR PUBLISHERS

Publishers pioneered subscriptions...



...now evolving it

Moving from...

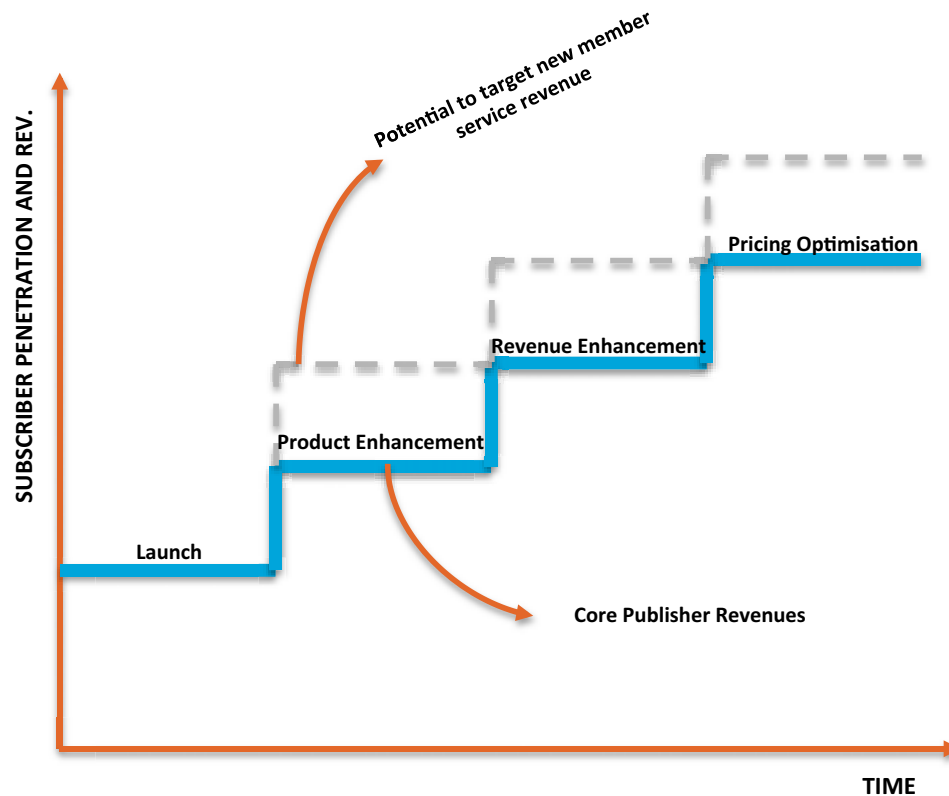
To

Casual Transactions	→	Recurring Revenue
Product Purchase	→	Recurring “as a Service”
Engaged Readers	→	Loyal Members
Address Based Data	→	Rich Member Data
	→	Cross Selling & Upselling
		Subscriber Lifetime Value



A model where we are incentivized to innovate

THE PUBLISHER JOURNEY



Get to Base Camp

- Launch Digital Subscriptions
- Simple pricing & plans
- Targeting most engaged reader segments

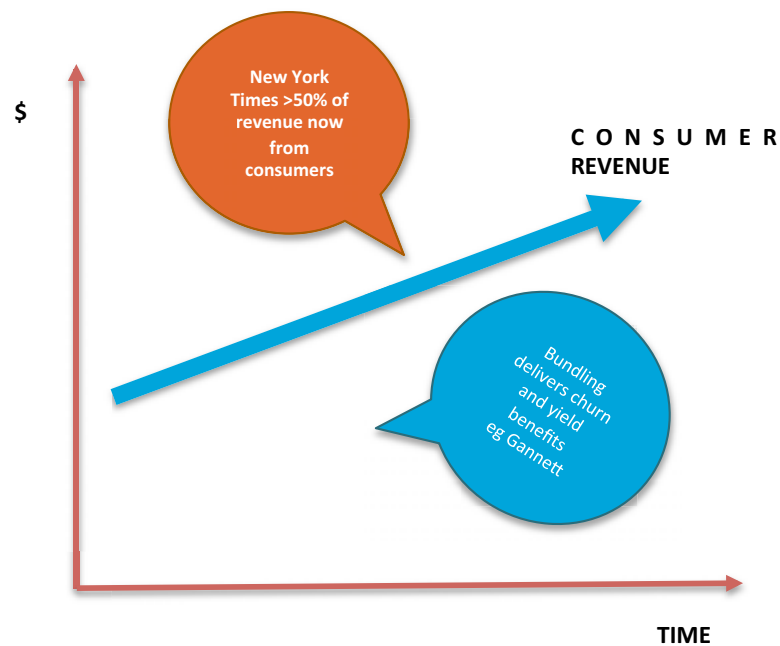
Drive Subscriber Penetration

- Target broader segments
- Member benefits & added value
- Additional products & product bundles
- Introduce new pricing tiers

Drive Lifetime Value

- Focus on value creation per subscriber
- Introduce upgrades & buy through
- Layer on new non-traditional products & service revenue

PUBLISHER BENEFITS



New Revenue Stream

- Digital Subscriptions

Broaden Revenue Base

- Consumer Revenue vs Ad Revenue

Benefits to Core Through Effective Bundling:

- Lowers print churn
- Opportunities to Optimise yield
- Anchor pricing can deliver circ upside (weekend + Dig)

Rich Data

- Advertiser yield opportunities
- New product & services identification & optimisation

Subscriber Platform & Relationship

- Lifetime value enhancement opportunities

KEY SUCCESS FACTORS



Who Has the Right to Play

- Brand Trust
- Unique Content
- Loyal & Engaged Audience

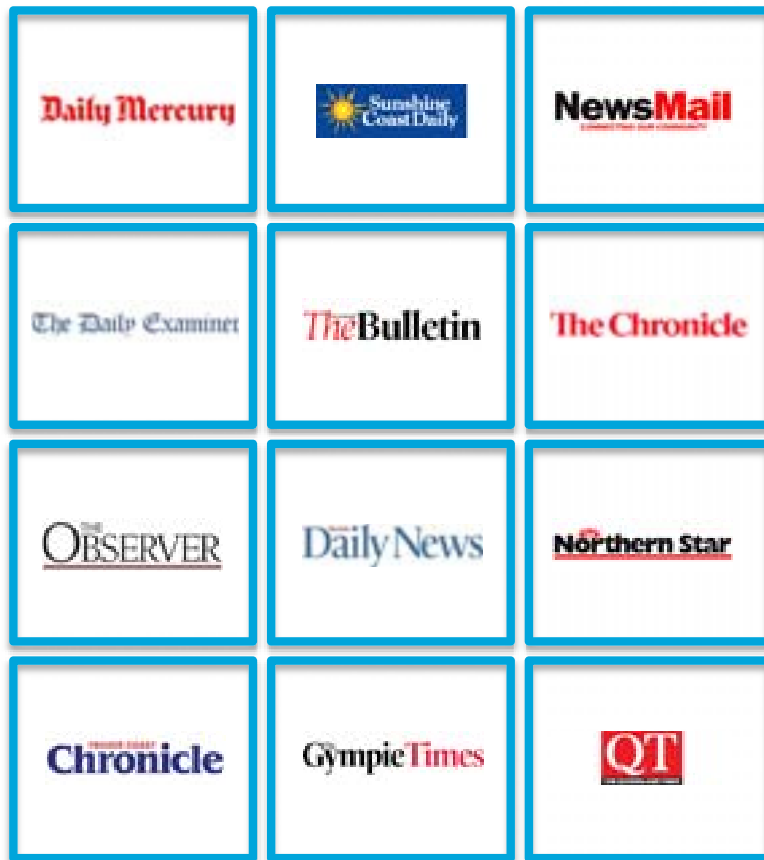
Execution Excellence

- Laser focus on satisfying targeted Customer Segments
- Packaging and Pricing
- Customer Relationship Management & Marketing
- Audience & Product Development



**Unique Content +
Loyal Audiences**

ARM'S RIGHT TO PLAY



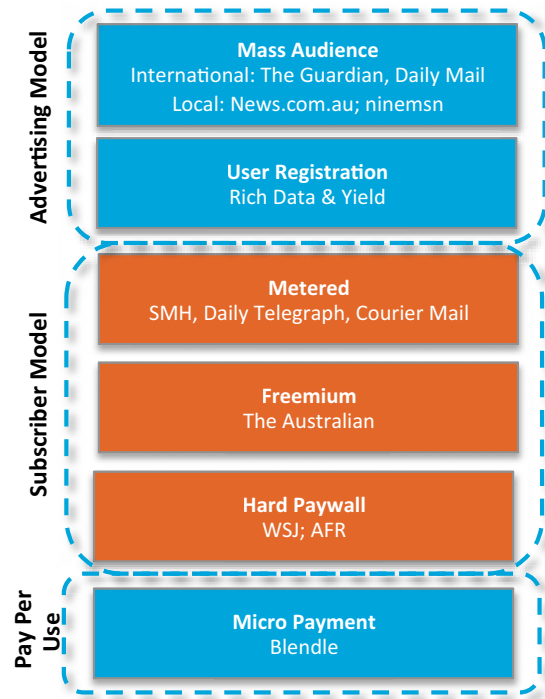
Our Purpose: To connect and enrich
the communities we serve

- Being at the centre of the flow of community, creates value opportunities
- Unique local content & deep community affinity
- Driving a loyal & exclusive audience
 - 8 out of 10 website visitors are exclusive
 - 9 out of 10 print readers are exclusive
- And, this loyal audience is growing
 - Largest audience in history
 - Audience growth 13% YoY



Unique Content + Loyal Audiences

THE DOMESTIC LANDSCAPE



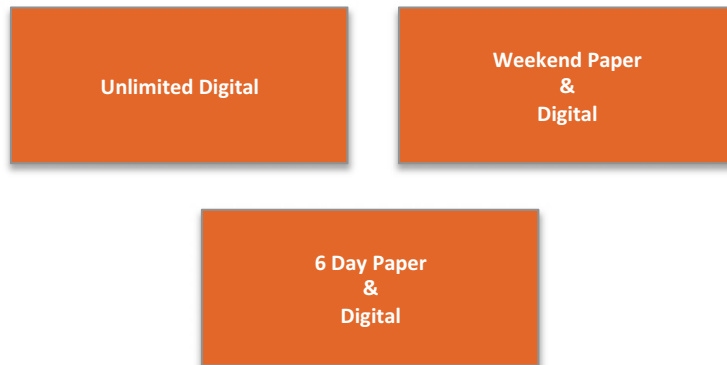
Models range from free to paid

- International entrants focused on mass audience, ubiquitous content with advertising models.
- Conditioned market with Fairfax, News both pursuing subscription models
- Australia local publishers are dominated by metered model

OUR APPROACH



METERED



- Metered model offers best of both worlds
- Simple packages & pricing – with compelling value packaging
- Ubiquitous access across any device
- Launch H2 2015
- Initial launch in single daily market & then progressive roll-out
- Build subscriber beachhead targeting our most engaged readers
- Evolve and extend member service offering to drive penetration and subscriber revenues



Incentive to Drive Subscriber Value



NZME DIGITAL AUDIENCE STRATEGY

Laura Maxwell-Hansen

BEHIND THE PAYWALL – GLOBAL LEARNINGS

Factors for success:

1. Strong brands with unique content
2. Large and scalable market size
3. G-local audience appeal
4. All-in environment
5. Understand our audience through data capture



BEHIND THE PAYWALL – GLOBAL LEARNINGS

What doesn't work?

1. Low differentiation of content in a competitive market; and
2. Small and limited market size
3. Launch before customer knowledge and scale
4. Millennial Challenge



NZME STRATEGY

EXPAND

Grow audience— be number 1

News

- Election 2014
- NewstalkZB news video

Sport

- Cricket World Cup
#cricketfever

Entertainment

- ZM – 52-hour challenge
- Viva.co.nz
- Driven.co.nz



NZME.

NZME STRATEGY

EXPLORE

Convert audience to registered users

- Reasons to register
- Customer lifecycle programmes
- Data aggregation
- Member benefits



NZME.

NZME STRATEGY

EXPLOIT

Monetise audience

- DMP advertising segments
- Memberships
- Subscriptions
- Locked content
- Pay-per-view
- Personalised content



NZME.

The background of the slide features abstract, organic green ink splashes and swirls on a white background. These splashes are concentrated in the upper half of the image, with some extending down towards the center. A thin green horizontal line runs across the middle of the slide, just above the 'THANK YOU' text. Another thin green horizontal line runs across the bottom of the slide, just above the APN logo.

THANK YOU

AUSTRALIAN REGIONAL MEDIA

The Local Evolution

Presented by Neil Monaghan



THE LOCAL EVOLUTION...ONE LOCAL TO ANOTHER



IT IS NOT THE STRONGEST OF THE SPECIES THAT SURVIVES, NOR THE MOST INTELLIGENT THAT SURVIVES.

IT IS THE ONE THAT IS MOST ADAPTABLE TO CHANGE.

- Charles Darwin

THE STORY

1 STRONG LOCAL
FOUNDATION



2

ONGOING
DIVERSIFICATION



3 Future
OPPORTUNITY



1. STRONG LOCAL FOUNDATION
LOCAL NEWS MEDIA IS
STILL RELEVANT AND NEEDED

STRONG LOCAL FOUNDATION



76%
OF ALL
QUEENSLANDERS
LIVE OUTSIDE
OF BRISBANE.



REGIONAL AREAS THROUGHOUT
QUEENSLAND ARE GROWING
**FASTER THAN THEIR
METRO COUNTERPARTS.**

REGIONAL QUEENSLAND
ACCOUNTS FOR 72%

**OF HOUSEHOLD
DISPOSABLE INCOME***

Source: Regional Population Growth Australia, 2012-13; Brisbane based on LGA *geoTribes Explorer June 2014 ^emma™ conducted by Ipsos MediaCT, People 14+ for the 12 months ending April 2014; APN total distribution areas

STRONG LOCAL FOUNDATION



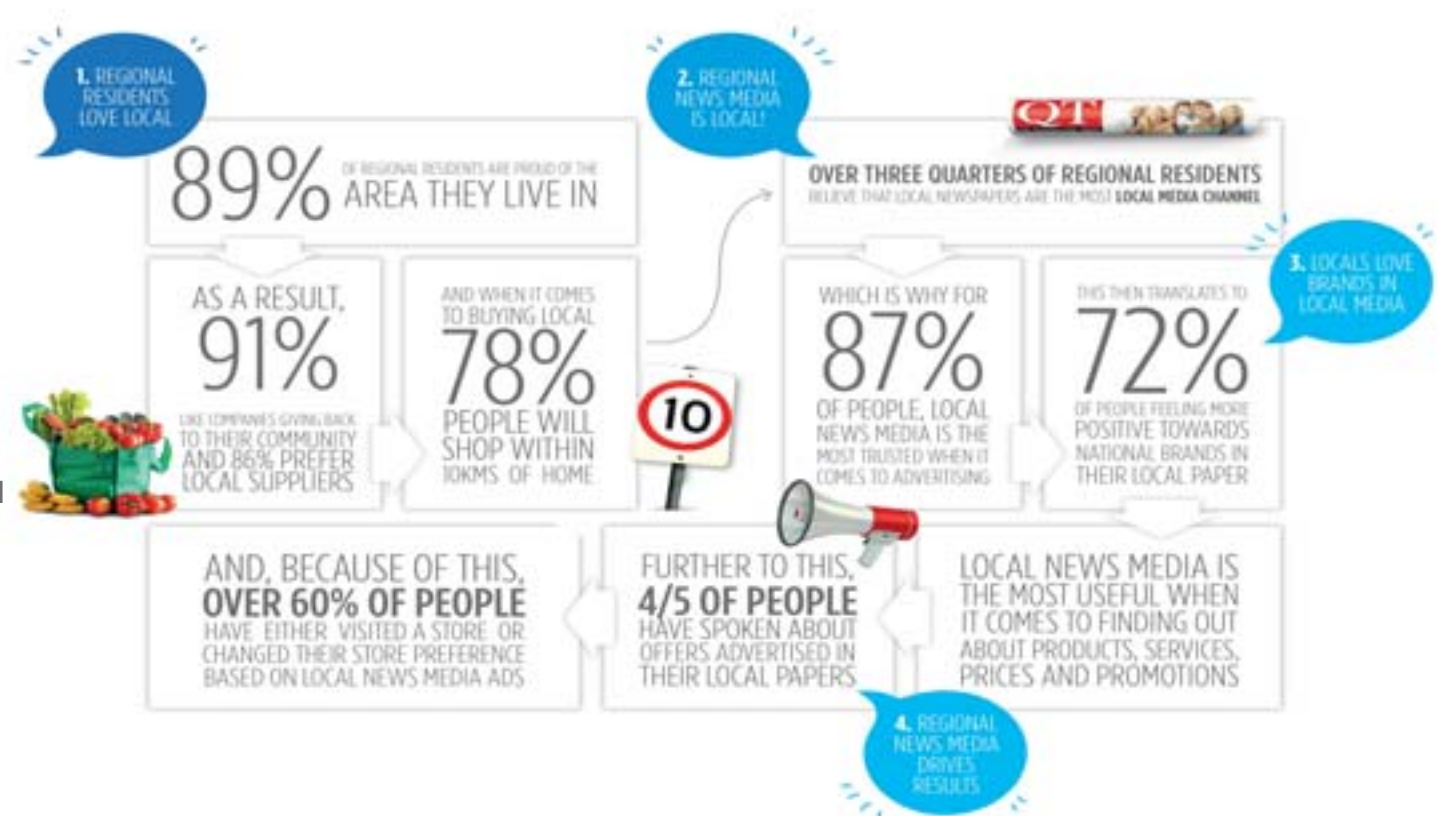
Northern Star
The Daily Examiner

[illegible]

STRONG LOCAL FOUNDATION

WE ASKED 4,000 LOCALS
AND THIS IS WHAT THEY
SAID...

1. WE LOVE OUR LOCAL COMMUNITY
2. WE LIKE NATIONAL BRANDS IN LOCAL MEDIA
3. OUR BUYING HABITS ARE INFLUENCED BY LOCAL NEWS MEDIA



The background of the slide is a solid blue color with a complex, abstract network pattern. This pattern consists of numerous small black dots connected by thin, light blue lines, creating a web-like structure that is denser on the right side and more sparse on the left. The overall effect is one of connectivity and digital complexity.

2. ONGOING DIVERSIFICATION

WE ARE EVOLVING TO
MEET THE MARKETS NEEDS

ONGOING DIVERSIFICATION



DIGITAL REVENUES

38% UP YEAR ON YEAR IN 2014
FOLLOWING SIMILAR
TRAJECTORY IN 2015.



DIGITAL MARKETING SERVICES

RECURRING REVENUE
STREAM THROUGH
WEBSITE.
BUILD/HOST/SEO/SEM.



DIGITAL SUBSCRIPTIONS

54% OF OUR AUDIENCE
NOW CONSUME OUR
CONTENT ON MOBILE/
ONLINE.



AUDIENCE

RETAIN / GROW /
COMMERCIALISE



EVENTS

LOCAL AUDIENCE
ENGAGEMENT
AND CROSS
PROMOTE BRAND
E.G. PRO BULL
RIDING.



PRINT

EXPAND INTO OTHER
VERTICALS AND
GEOGRAPHIES.

WE ARE
EVOLVING
TO MEET
THE MARKET
NEEDS.

The background is a solid blue color. Overlaid on this is a complex network of small black dots connected by thin, light blue lines. The dots are scattered across the upper half of the image, with a higher density in the top right corner. The lines form a web-like structure, suggesting a network or a system of interconnected nodes.

3. FUTURE OPPORTUNITY

FOR THOSE WHO EVOLVE

GROWTH OPPORTUNITY



An abstract graphic in the top right corner of the slide. It consists of a dense network of small black dots connected by thin, light blue lines, forming a complex, interconnected web that resembles a molecular structure or a data network. The background of the entire slide is a solid blue color with a subtle gradient.

4. SUMMARY

LOCAL EVOLUTION: BALANCED STRATEGY

BALANCED STRATEGY



1 STRONG LOCAL FOUNDATION



CONTINUE TO
MAINTAIN A STRONG
LOCAL PRESENCE



2 ONGOING DIVERSIFICATION



NEW PRODUCTS,
NEW CONTENT, NEW VERTICALS,
NEW GEOGRAPHIES

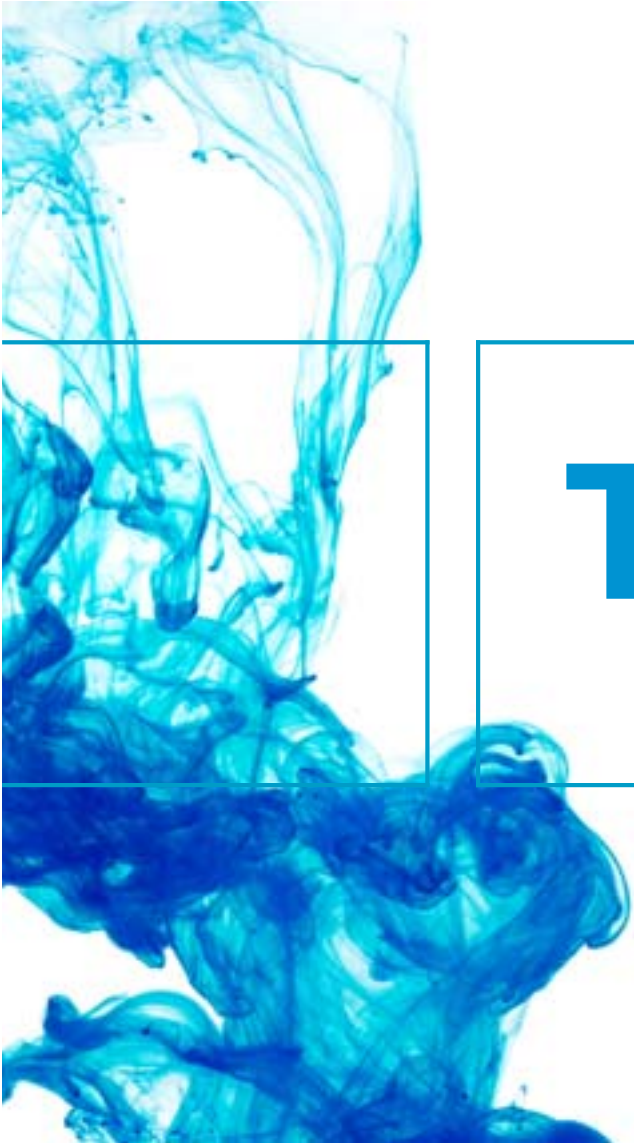


3 GROWTH OPPORTUNITY



FURTHER LEVERAGE
AND COMMERCIALISE
LOCAL AUDIENCES



An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

Thank you



TRANSFORMING TO NZME

Jane Hastings

BUSINESS HIGHLIGHTS

- 1 We are in the business of **selling audiences** and our audience is **strong** and **growing**.
- 2 2015 / 16 is focused on **merging 3 businesses into 1** centred around News, Sport and Entertainment.
- 3 We are **investing in new technology** to enable efficiencies and to better monetise our data assets.
- 4 We have already **delivered cost savings**, with more planned.
- 5 We are **realising benefits** in audience share and revenue from core and new streams.

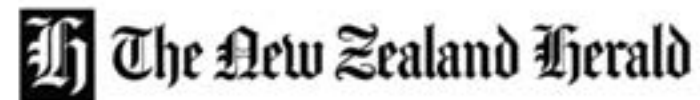


**NZME
TODAY**

NZME. PUBLISHING

**THE NEW ZEALAND HERALD
IS THE LARGEST
METROPOLITAN DAILY IN NZ
6 DAILY PAPERS AND 26
COMMUNITY TITLES
REGIONALLY REACHING
MORE THAN 788,000 KIWIS ¹
OUR TOTAL DAILY
CIRCULATION IS
215,000¹**

- NZME represents 40% of newspaper advertising market share
- Print circulation has stabilized and the rate of print advertising decline has reduced.
- NIMs represent ~40% of total Herald advertising revenue
- Verticals enable extensions into radio, digital and e-commerce
- Agreement with Fairfax Media to leverage NZME printing facility in Ellerslie.



(1) Nielsen Consumer and Media Insights Readership Release Q1-4 2014

NZME. RADIO

**WE ARE NUMBER 1 IN
NEWS, SPORT AND MUSIC¹**

**WE HAVE 3 OF THE TOP 5
RADIO STATIONS IN NZ¹**

IHEART RADIO IS GROWING

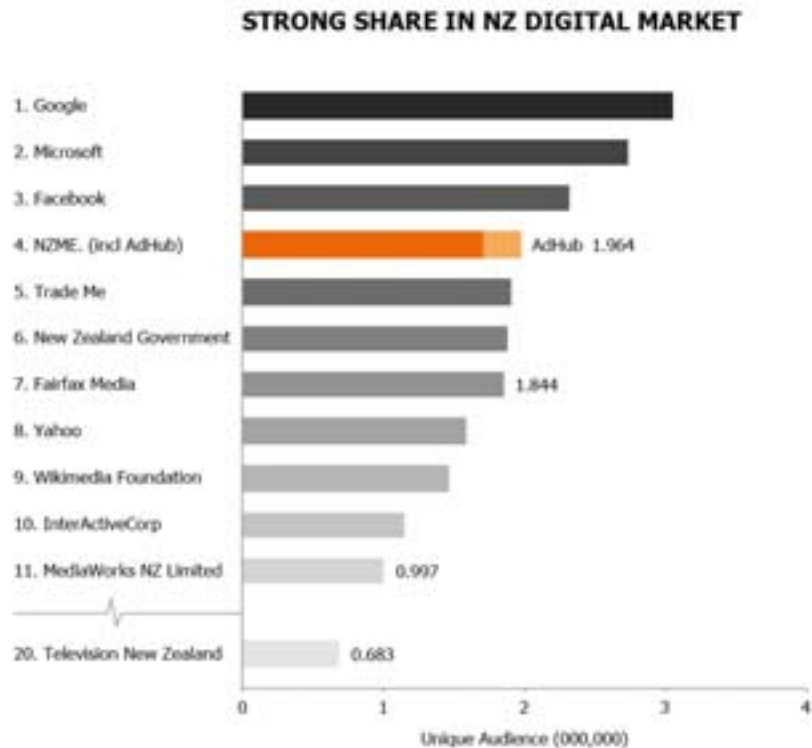
**NZME REPRESENTS 41%
OF THE TOTAL RADIO
MARKET IN NZ¹**



(1) Source: Radio Survey undertaken by TNS New Zealand Feb-Apr 2015, National, Share (%), Mon-Sun 12mn-12mn, All 10+, unless otherwise stated. Three of the top five stations are based on cumulative audience

NZME.

DIGITAL



Source: Nielsen Netview: March 2015 (monthly unique audience – domestic audience only).
(1) Source: "IAB Monthly Online Reporting of media contributors.

ONLINE DISPLAY MARKET SHARE REVENUE INCREASED FROM 16.4% IN 2014 Q1 TO 19.9% IN 2015 Q1¹

- NZME has a unique domestic audience of 1.964m including AdHub
- YoY nzherald.co.nz is up 23% to a 1.4 million unique audience each month, with over 92 million page views
- New truecommercial.co.nz, viva.co.nz, driven.co.nz and dreamteam.co.nz websites launched

NZME.

E-COMMERCE



**NEW ZEALAND'S
LEADING MARKET
PLACE FOR DEALS**

**MONTHLY UNIQUE
VISITORS OF 524,000¹**

- Over 2 million impressions every week
- Monthly unique visitors are over 200,000 more than the closest competitor 1-day¹
- 320,000 mobile app downloads
- GrabOne is focused on a g-local strategy

(1) Nielsen Online Ratings March 2015



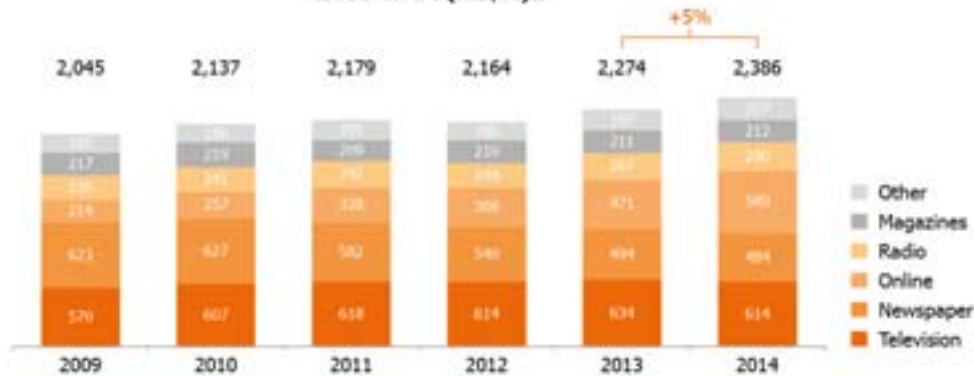
NZME MEDIA LANDSCAPE

NEW ZEALAND ADVERTISING LANDSCAPE

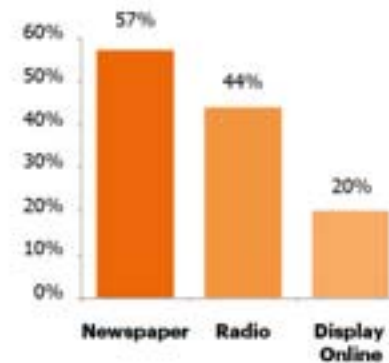
DIFFERENCES BETWEEN NEW ZEALAND AND AUSTRALIAN MEDIA LANDSCAPES

	NEW ZEALAND	AUSTRALIA
METRO NEWSPAPER MARKET	1 major daily newspaper per metro market	Usually 2+ major daily newspapers per metro market
COMMERCIAL RADIO MARKET	2 major broadcasters	4 major broadcasters

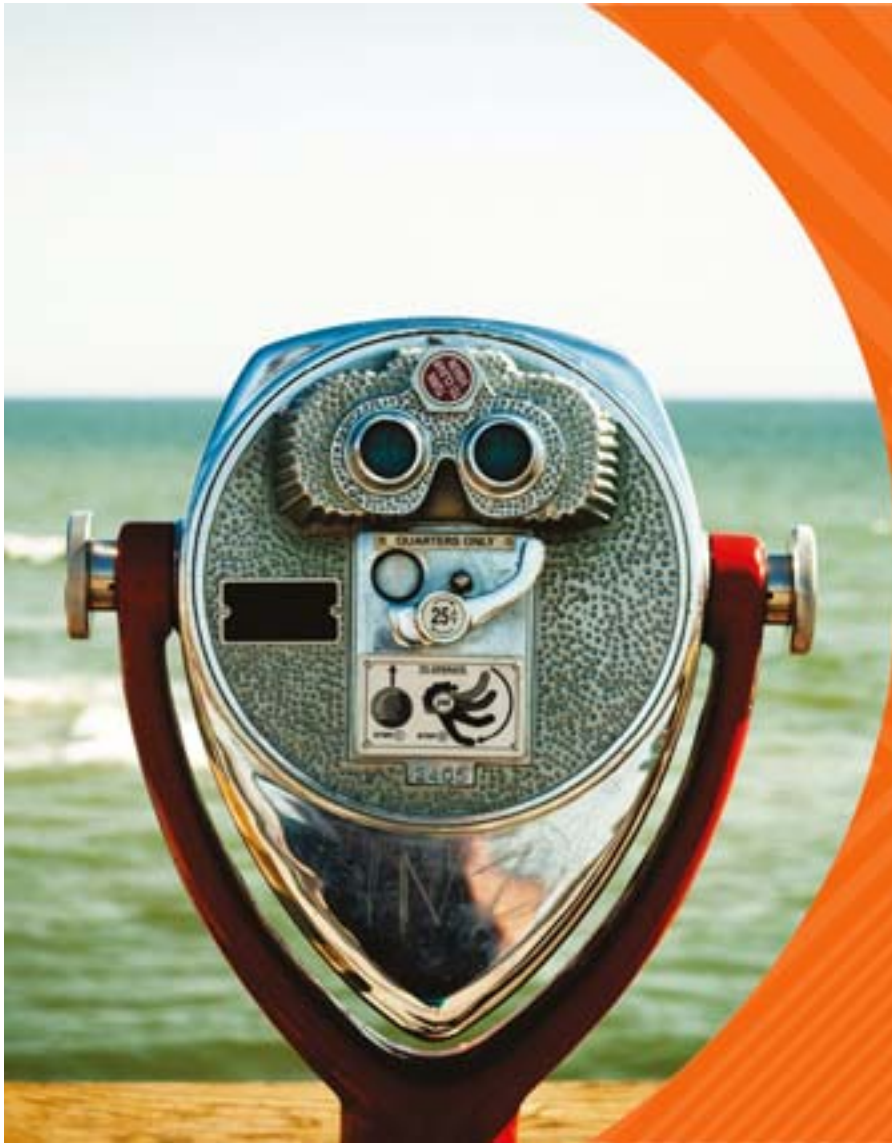
NEW ZEALAND HISTORICAL ADVERTISING EXPENDITURE
2009-2014 (NZ\$M)¹



NZME % of FY14 Market ²



(1) Advertising Standards Authority. (2) Newspaper and Radio are a comparison of NZME. revenue against the Advertising Standards Authority 2014 advertising expenditure, Display Online is a comparison of NZME. Digital revenue against comparative competitors for Q1 FY15. IAB monthly online reporting of reading contributors.



NZME
TOMORROW

BECOMING NZME - ENGAGING AUDIENCES ACROSS NEWS, SPORT AND ENTERTAINMENT



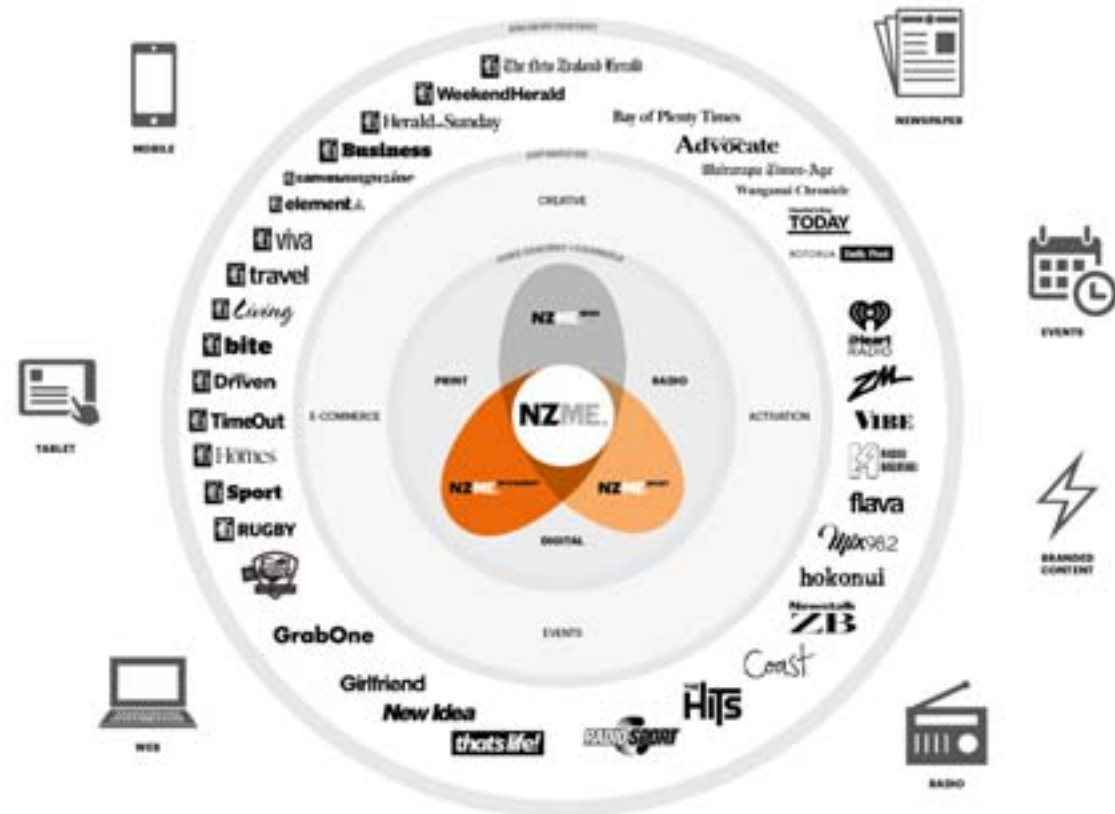
Note: Monthly statistics. Source: Nielsen CMI, fused database: February 2014 (based on population 10 years+). Based on unduplicated weekly reach of NZME newspapers, magazines, radio stations, and monthly domestic unique audience for NZME digital channels.

NZME.

MERGER PROVIDES OPPORTUNITY

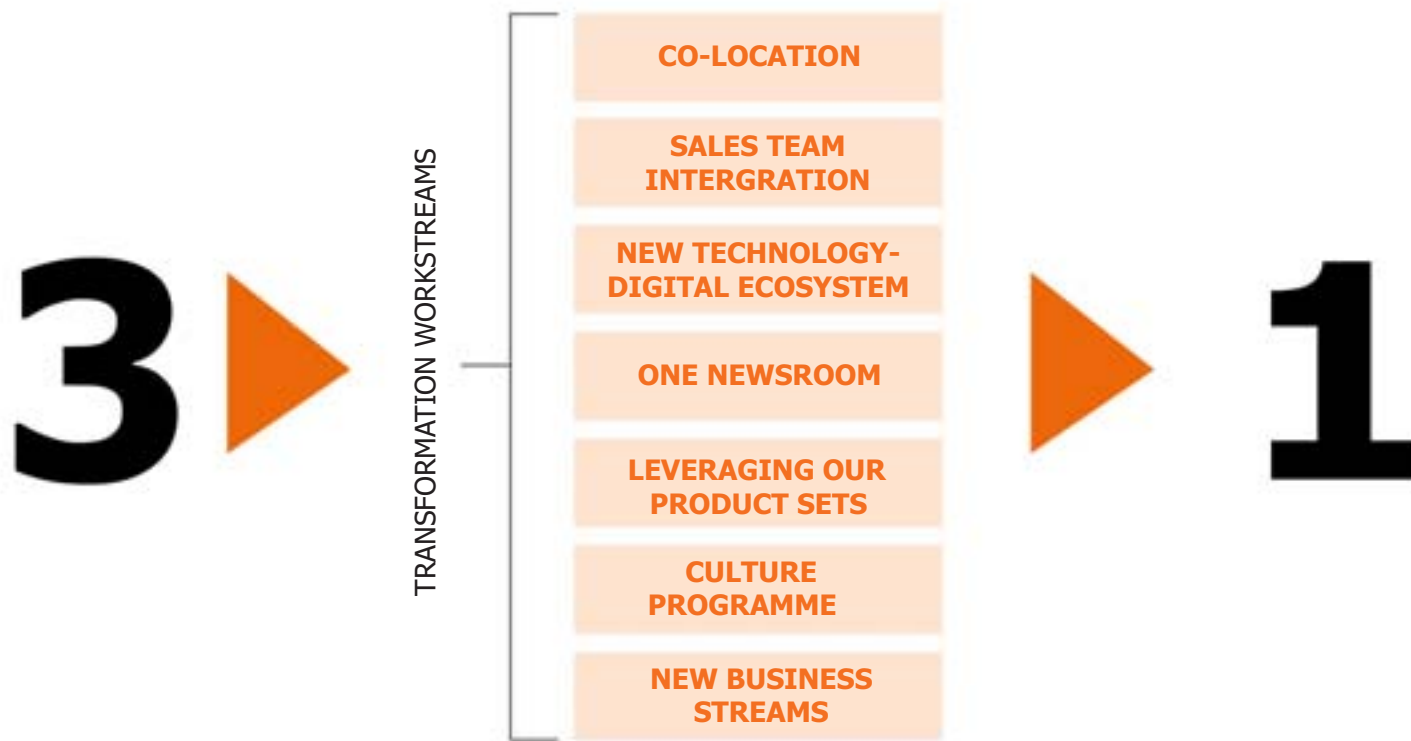
LEVERAGE TALENT
+ CONTENT

CROSS-SELL TO
INCREASE SHARE
OF WALLET



NZME.

NZME WORKSTREAMS



MERGER PROVIDES OPPORTUNITY TO CROSS-SELL



NZME.

MERGER PROVIDES OPPORTUNITY

9 REGIONAL CO-LOCATION UNDERWAY,
AUCKLAND COMMENCES Q4



NZME.



**WHAT WE ARE
DOING
DIFFERENTLY**

ONE NEWSROOM: ALL MEDIA



Pictured: Die Welt Newsroom in Berlin

CONTENT INTEGRATION



SALES INTERGRATION

**ALL THE GOOD
STUFF, IN ONE
PLACE, WITH
ONE POINT OF
CONTACT**



NZME.

BRANDED CONTENT



- Talent Integration
- Activation
- Brand Insight
- Authentic Creative Content
- Promotional teams throughout NZ

EVENTS



- Events concepts & design
- Event management
- From concerts to customised consumer and corporate experiences
- iHeartRadio concerts, Viva Sessions, Deloitte Top 200, Mood of the Boardroom, Regional Homeshows

OUR DIGITAL ONLINE PRESENCE IS GROWING WITH E-MARKETPLACE TRIALS

DIGITAL MARKETPLACE

- **ShopViva, Viva.co.nz, Driven.co.nz** and **True Commercial.co.nz** have launched in the past year
- ShopViva has **184 brands onsite** providing approximately 5,500 products in the store.
- Since its April launch, **Driven.co.nz** has received up to **154,000 PVs** and **42,000 UBs a week**.



TRADE ME, TRUE COMMERCIAL LISTINGS



NZME.

NEW REVENUE STREAMS

INCREASINGLY IMPORTANT NEW INITIATIVES AND DIGITAL REVENUE CONTRIBUTIONS EXPECTED TO CONTINUE



(1) As per November 2014 Business updates

NZME.

SUMMARY

- 1 We are in the business of **selling audiences**.
- 2 Our audience is **strong** and **growing**.
- 3 Q1 total **revenue is +3%**.
- 4 2015 / 2016 is focused on **merging 3 businesses into 1** and is well underway.
- 5 We are **investing in new technology platforms** to enable merger efficiencies and better monetise our data assets.
- 6 We have already delivered **cost savings**, with more planned.

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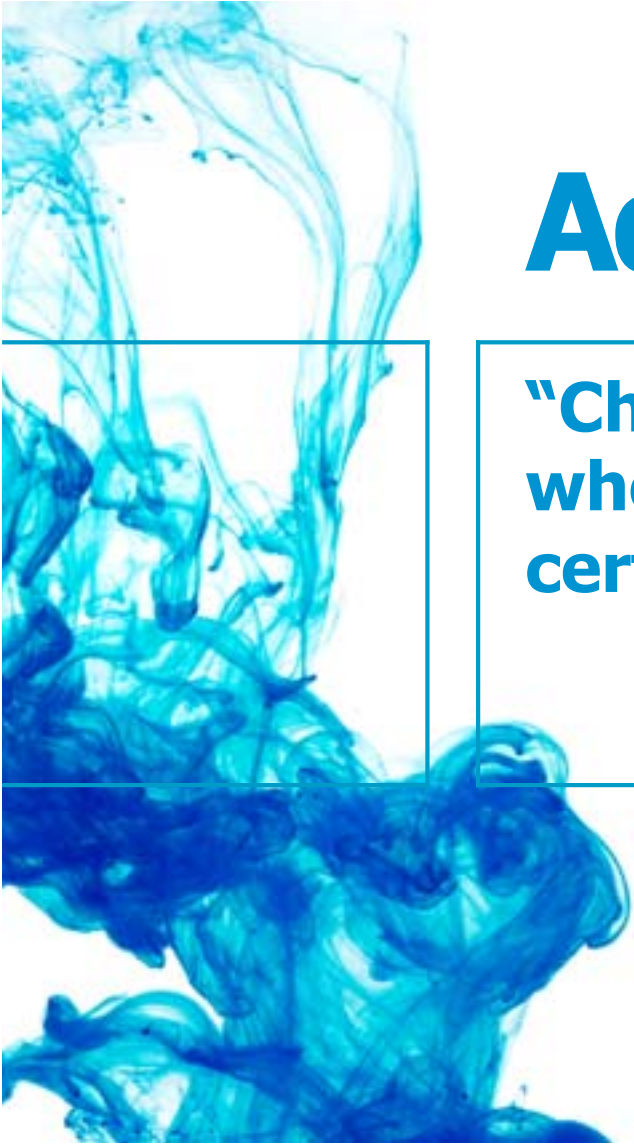
Thank you



More Than Meets The Eye

Rob Atkinson



An abstract graphic of blue ink splashing and swirling, located on the left side of the slide.

Adshel, Our Evolution

“Change is the law of life. And those who look only to the past or present are certain to miss the future”

John F. Kennedy



Out-of-home: Continual Growth



2014 - RESULTS SHARE BY MEDIA

**OOH IS ONE OF ONLY
3 MEDIUMS SHOWING
CONTINUAL GROWTH**

Out-of-home advertising revenue has grown **20.8%**

(Source: SMI 2014 vs 2010)

Out-of-home share has grown **1.7%**

(Source: SMI 2014 vs 2010)

Out-of-home audiences has grown **49%**

(Source: MOVE 2014 vs 2010)

Adshel revenue has grown **65%**

(Source: Adshel Revenue, 2010 vs 2014)

MACRO TRADE-WINDS IN OUR FAVOUR

Investment in urban infrastructure

Population increases from rural to urban

Measurement in OOH becoming more dynamic

Mobile turning OOH into a transactional medium

Audience fragmentation





TRENDS DRIVING ADSHEL'S FUTURE GROWTH

Digitisation

Convergence

Data

Automation



Digitisation

Digital Out-Of-Home

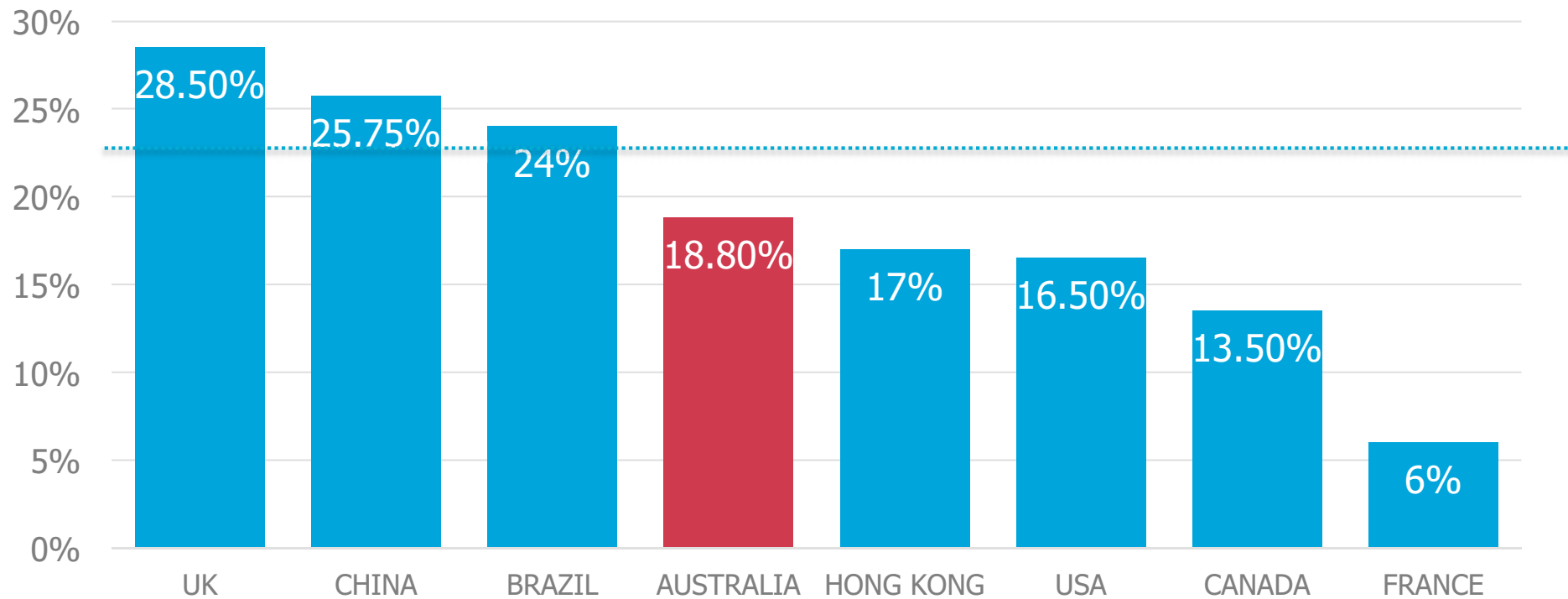
DIGITISATION

**GROWING SHARE
IN MOST MARKETS
BUT AUSTRALIA LAGS**



DIGITISATION

**AUSTRALIAN DIGITAL
OUT-OF-HOME REVENUES
GREW 66% YOY IN 2014**



Source: MagnaGlobal Global Model December 2014

^ Outdoor Media Centre (OMC)

* Outdoor Media Association, Australia

DIGITISATION

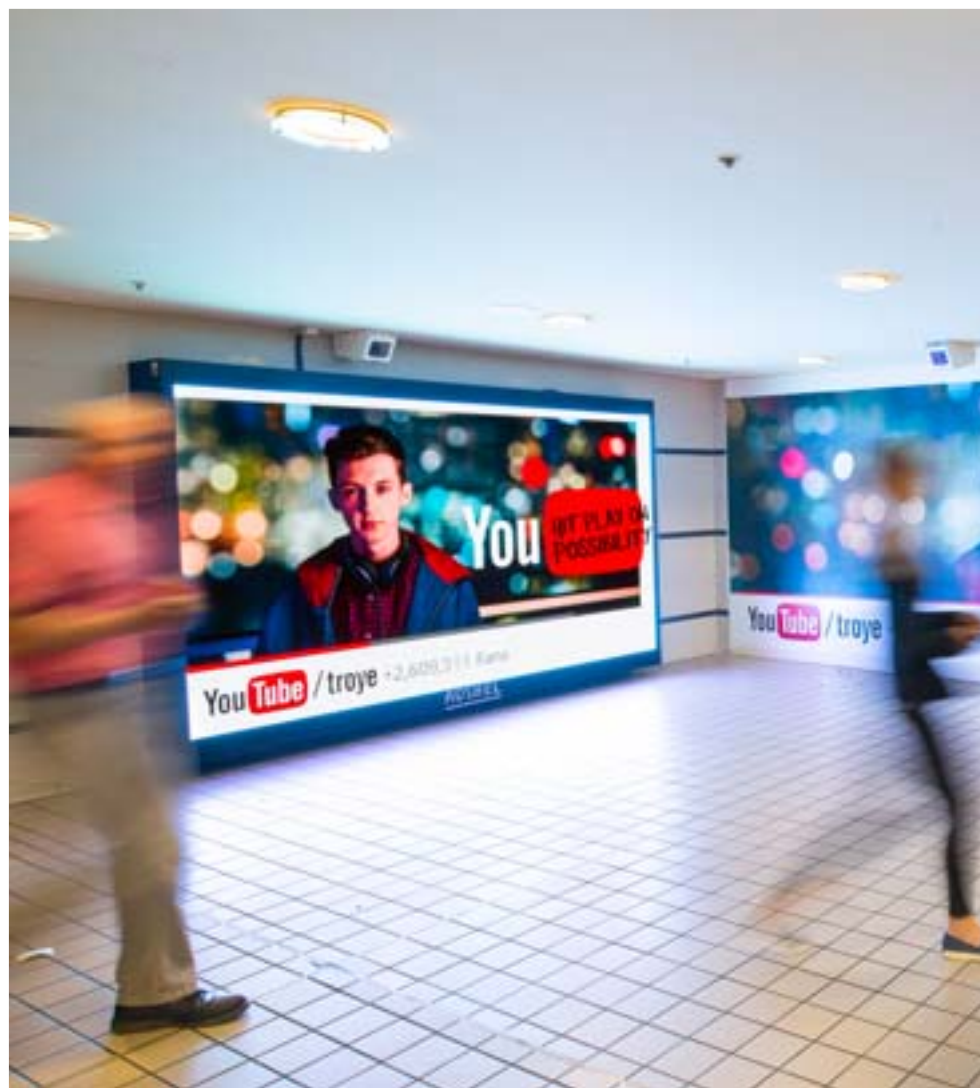
More Screens,
more stations,
more Sydney...



DIGITISATION

What's next
for Adshel?



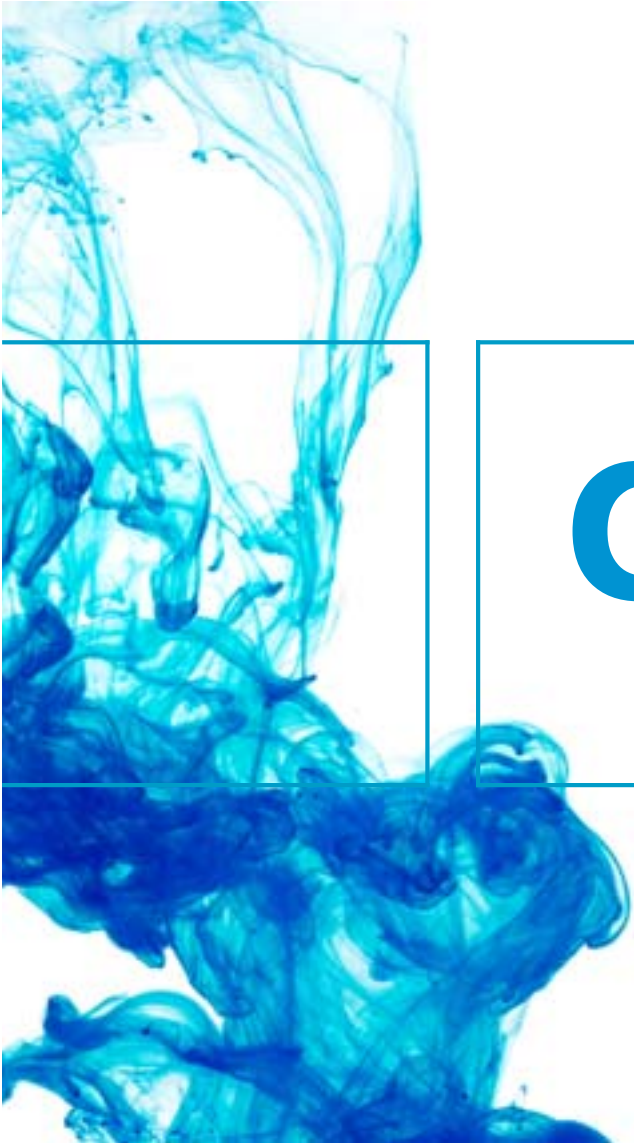


DIGITISATION

ADSHEL LIVE Igniting Auckland

Transforming out-of-home advertising
across New Zealand's largest urban city



An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

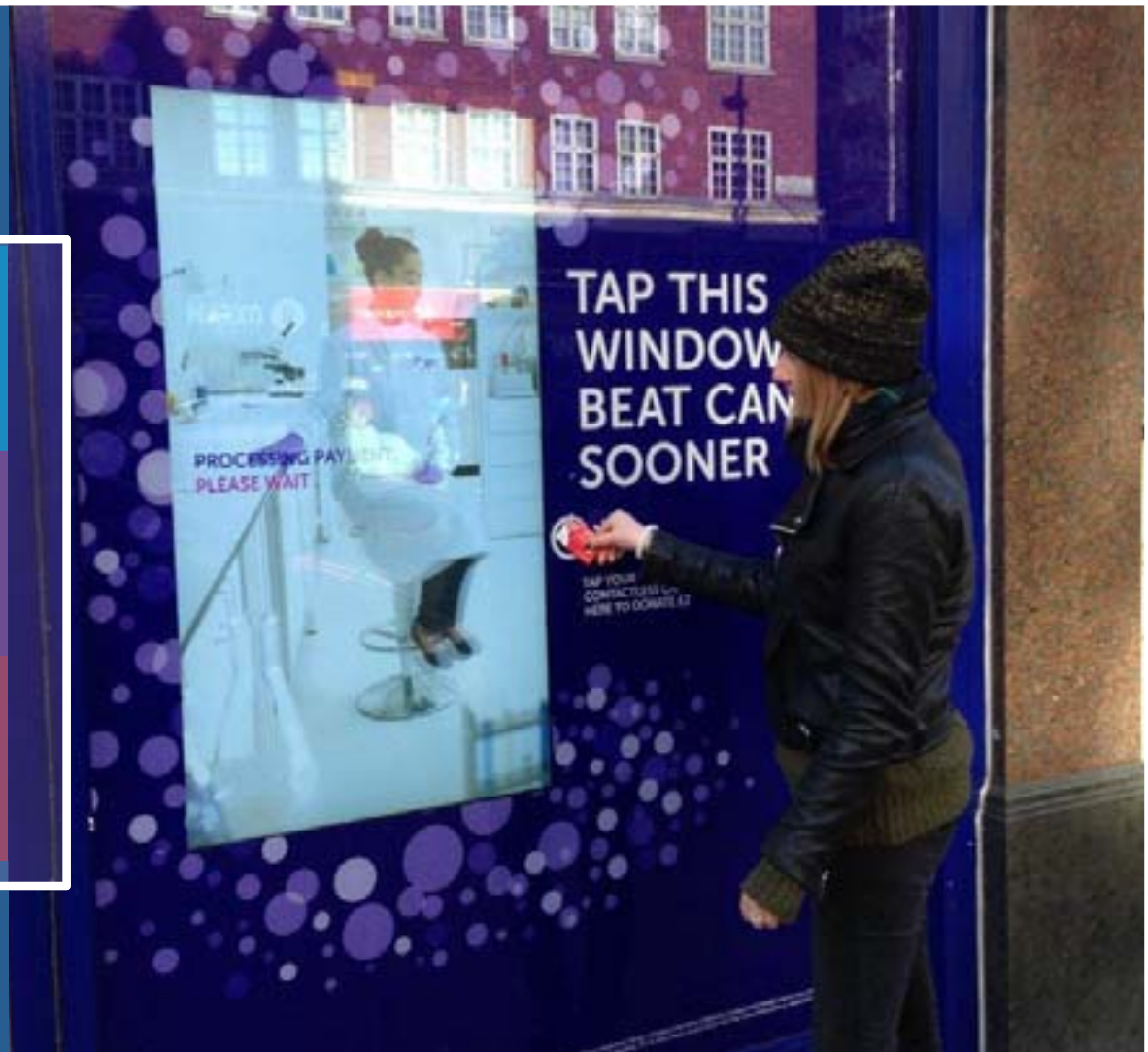
Convergence

CONVERGENCE

Geo services to bring OOH & mobile together

Use of real-time mobile location data & OOH audience data

Mobile purchase is rapidly rising with OOH

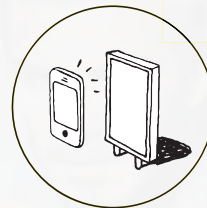


CONVERGENCE

The image is a collage of three photographs. The largest, on the left, shows a massive sneaker mounted on a wall, with a person in a black shirt and blue shorts running past it on a staircase. The top right photo shows a person in a black shirt standing in a hallway. The bottom right photo shows a person in a yellow shirt and grey cardigan walking in a hallway. A semi-transparent red box with white text is overlaid on the right side of the collage.

What's next
for Adshel?

Beacons

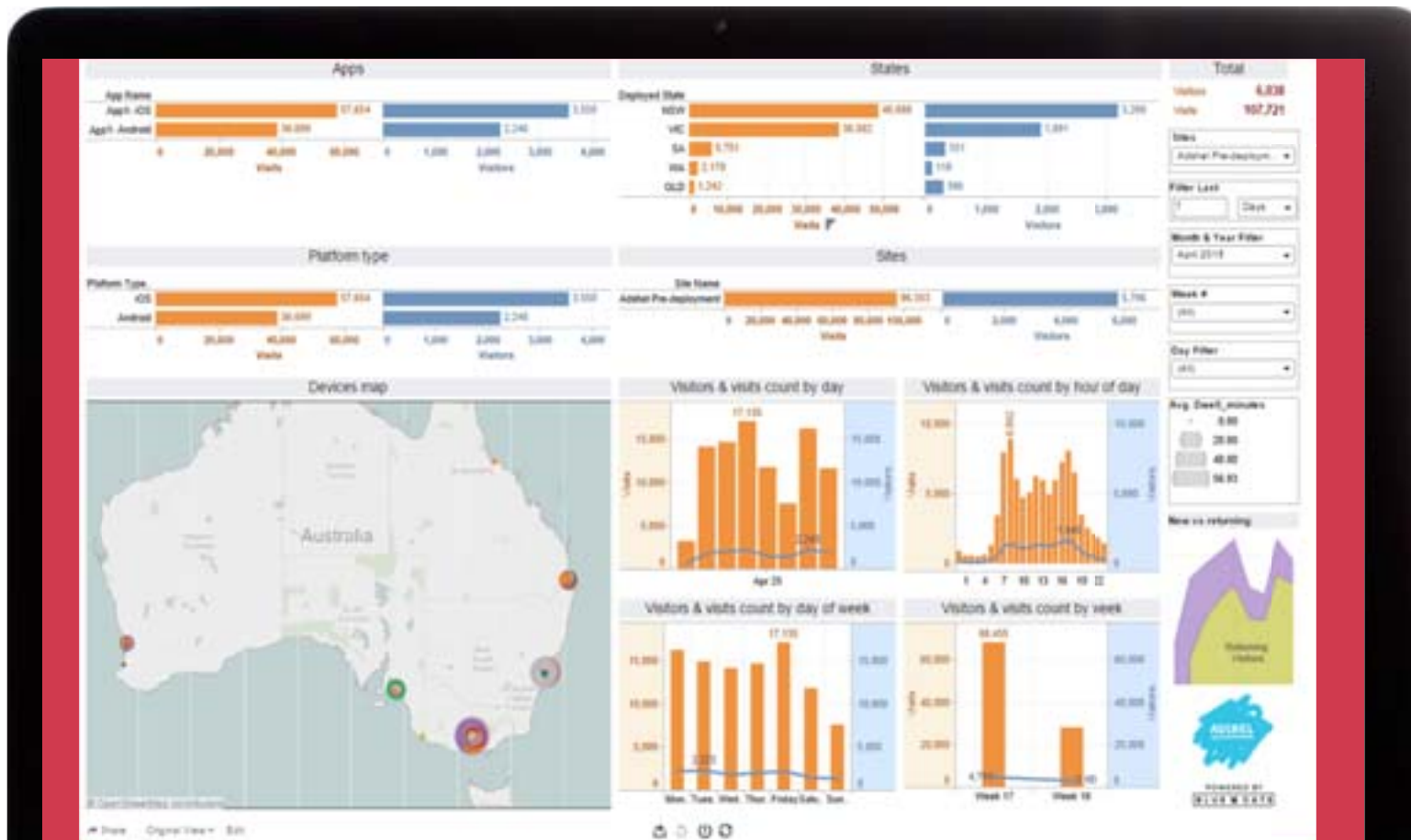


ADSHEL Connect

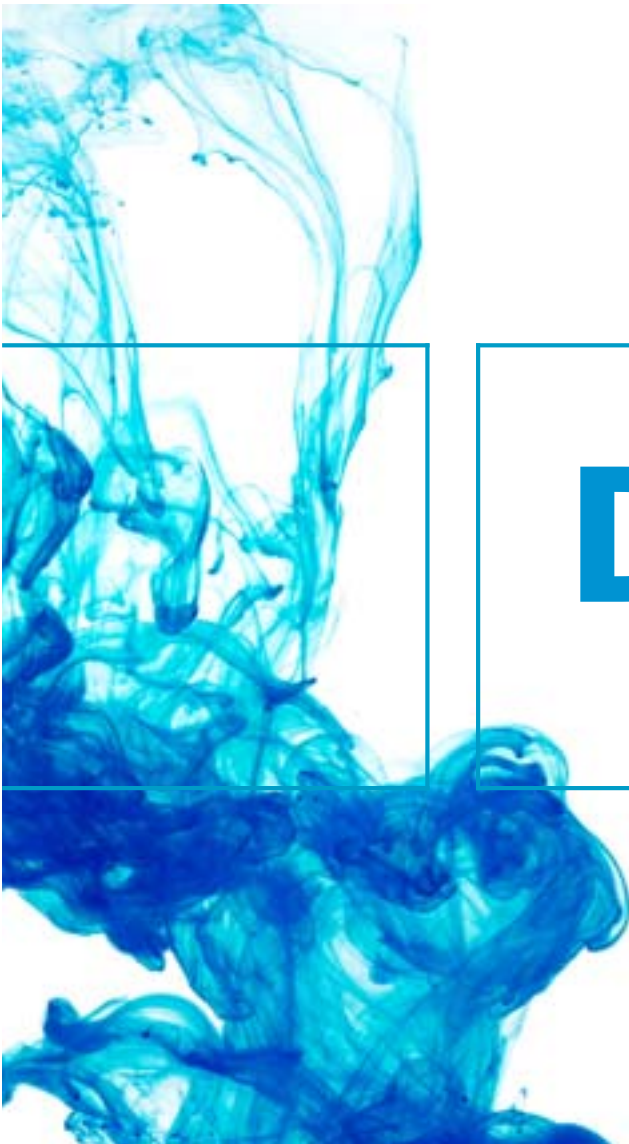


CONVERGENCE

DASHBOARD EXAMPLE



ADSHL

An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

Data

DATA

A photograph of a man in a blue t-shirt walking past a bus stop. The bus stop has a large advertisement for 'The Perfect Aussie Christmas' featuring Santa Claus. The background shows a city street with trees and buildings.

Audience owners gather and profile audience behaviour to improve marketing and / or resell to partners

Clients to use own 1st party data to plan and buy OOH

Improved performance and accountability to improve value

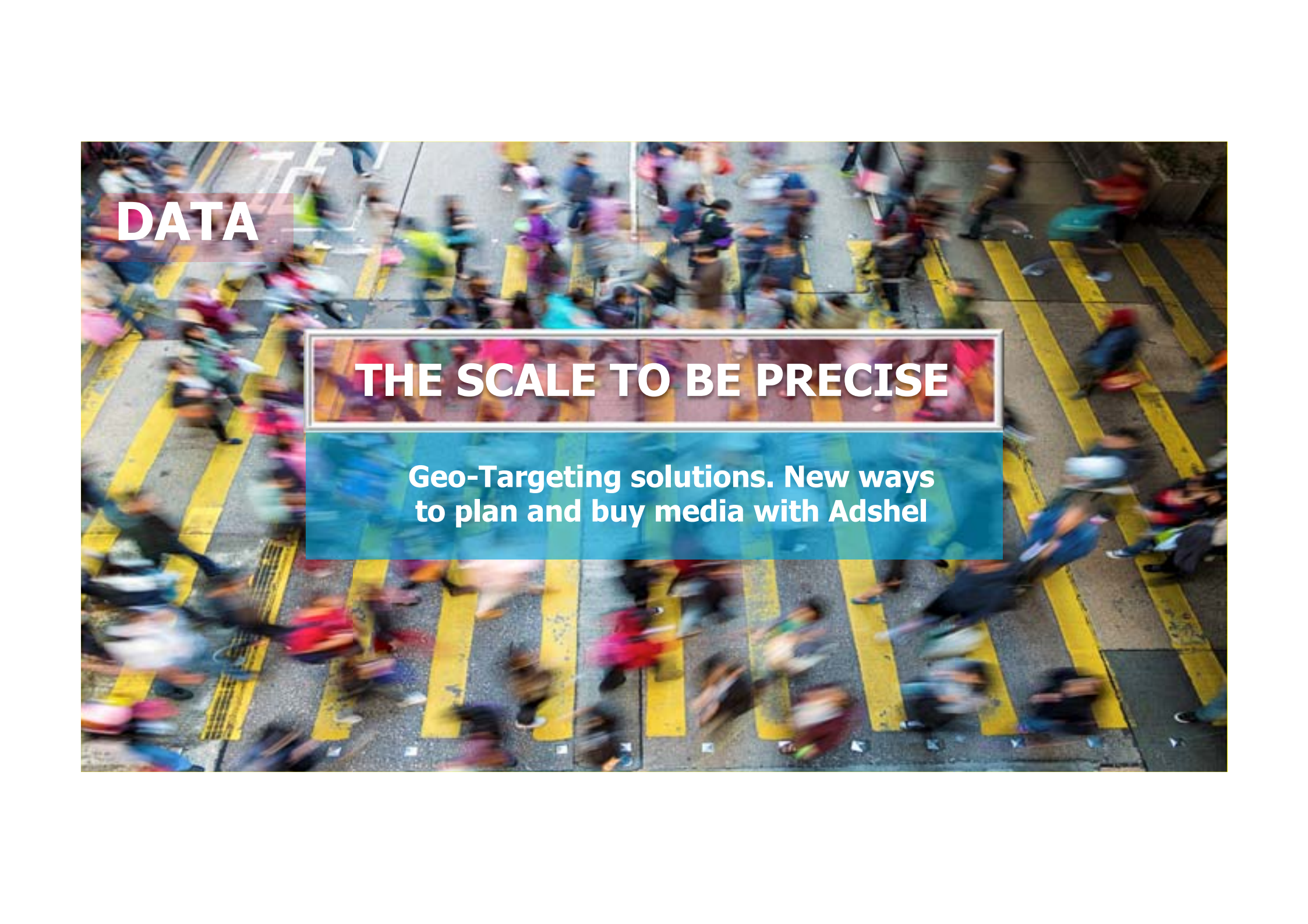
Data informs greater contextual relevance which leads to greater engagement and campaign effectiveness

DATA

"It is the broadcast nature of the medium that continues to offer real media value. We expect smart brands to use OOH to reach audiences, but overlaying innovation, context and location to reach them in the right way to deliver real effectiveness, impact and a formula for success"

Eric Newnham, Talon





DATA

THE SCALE TO BE PRECISE

**Geo-Targeting solutions. New ways
to plan and buy media with Adshel**

DATA

**What's next
for Adshel?**

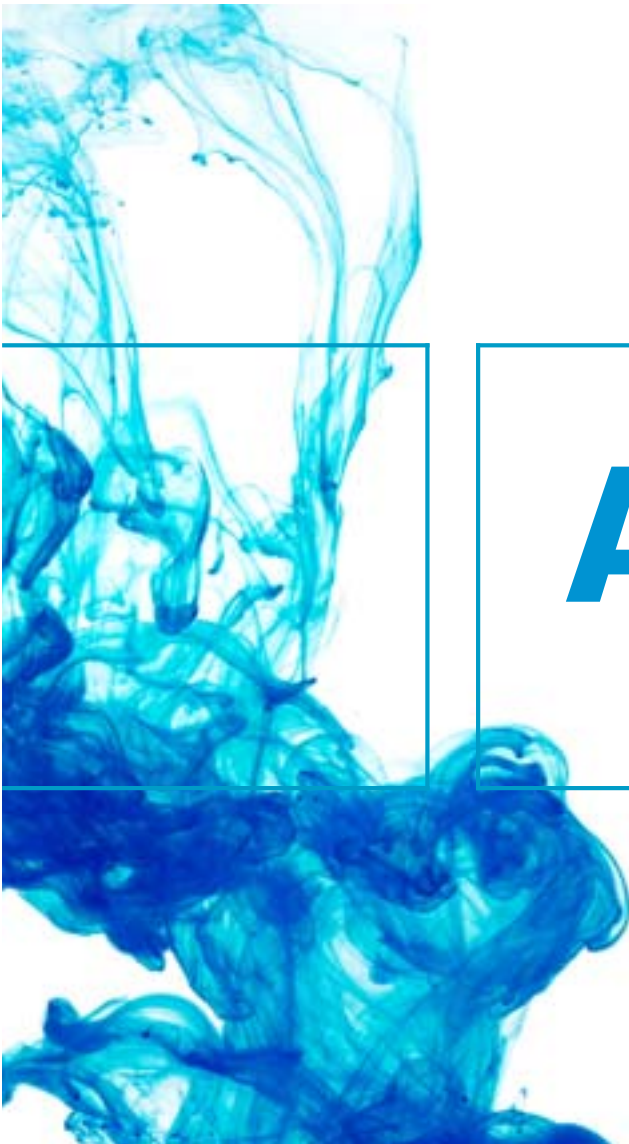


DATA

**16,000 HELIXED UP
ADSHEL PANELS**

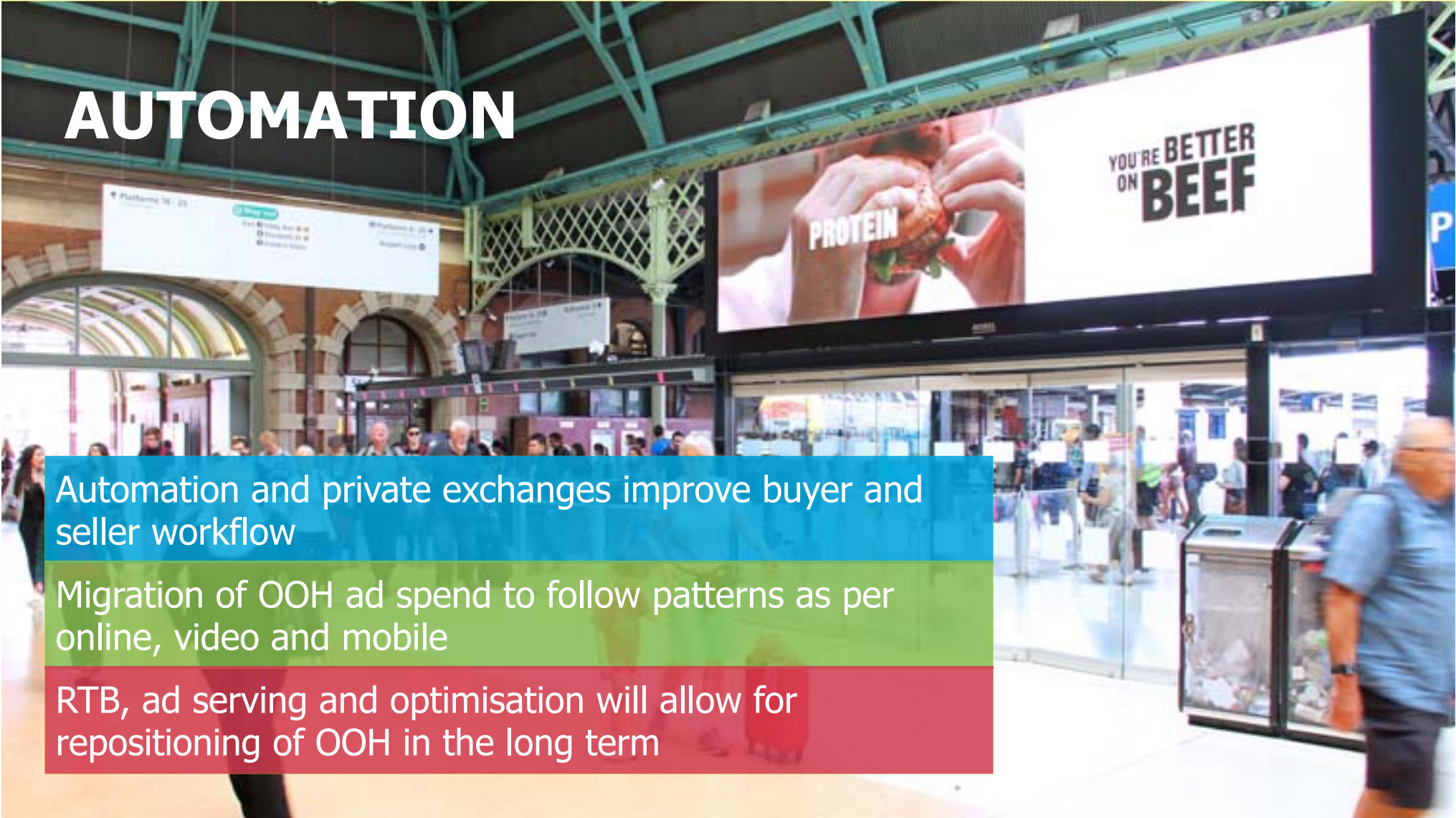
THE ONLY OUT-OF-HOME
PROVIDER TO PARTNER WITH



An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

Automation

AUTOMATION

A photograph of a busy train station interior. A large digital billboard is mounted on the wall, displaying an advertisement for beef. The billboard is split into two sections: the left section shows a close-up of hands holding a burger with the word 'PROTEIN' overlaid, and the right section has the text 'YOU'RE BETTER ON BEEF'. Below the billboard, people are walking through the station. In the background, there are platform signs and the station's architecture, including a large arched window and a green metal structure.

Automation and private exchanges improve buyer and seller workflow

Migration of OOH ad spend to follow patterns as per online, video and mobile

RTB, ad serving and optimisation will allow for repositioning of OOH in the long term

WHAT WE HAVE LEARNT

Greater share
of media spend



Incremental revenue
at higher yields



Minimised unsold inventory



Positioned Adshel
as innovators



AUTOMATION

What's next
for Adshel?



AUTOMATION







Value Chain of Offerings

Timetables

Evolving Medium
Static to

Digital

Data & Insights

Beacons

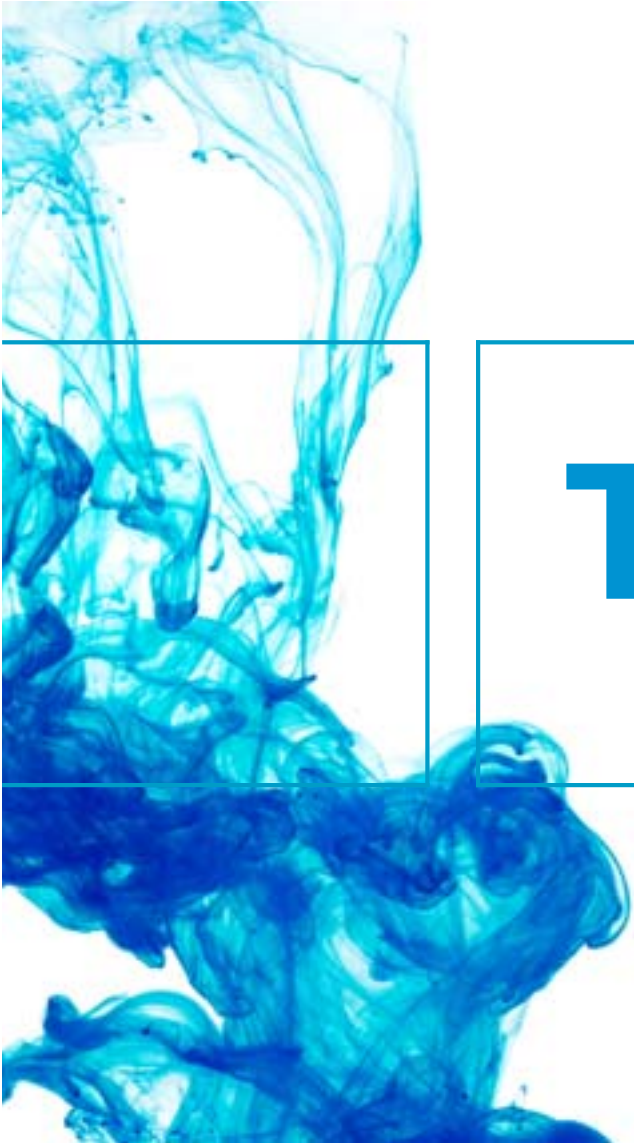
Geo-targeting

Vehicle Traffic
Counts

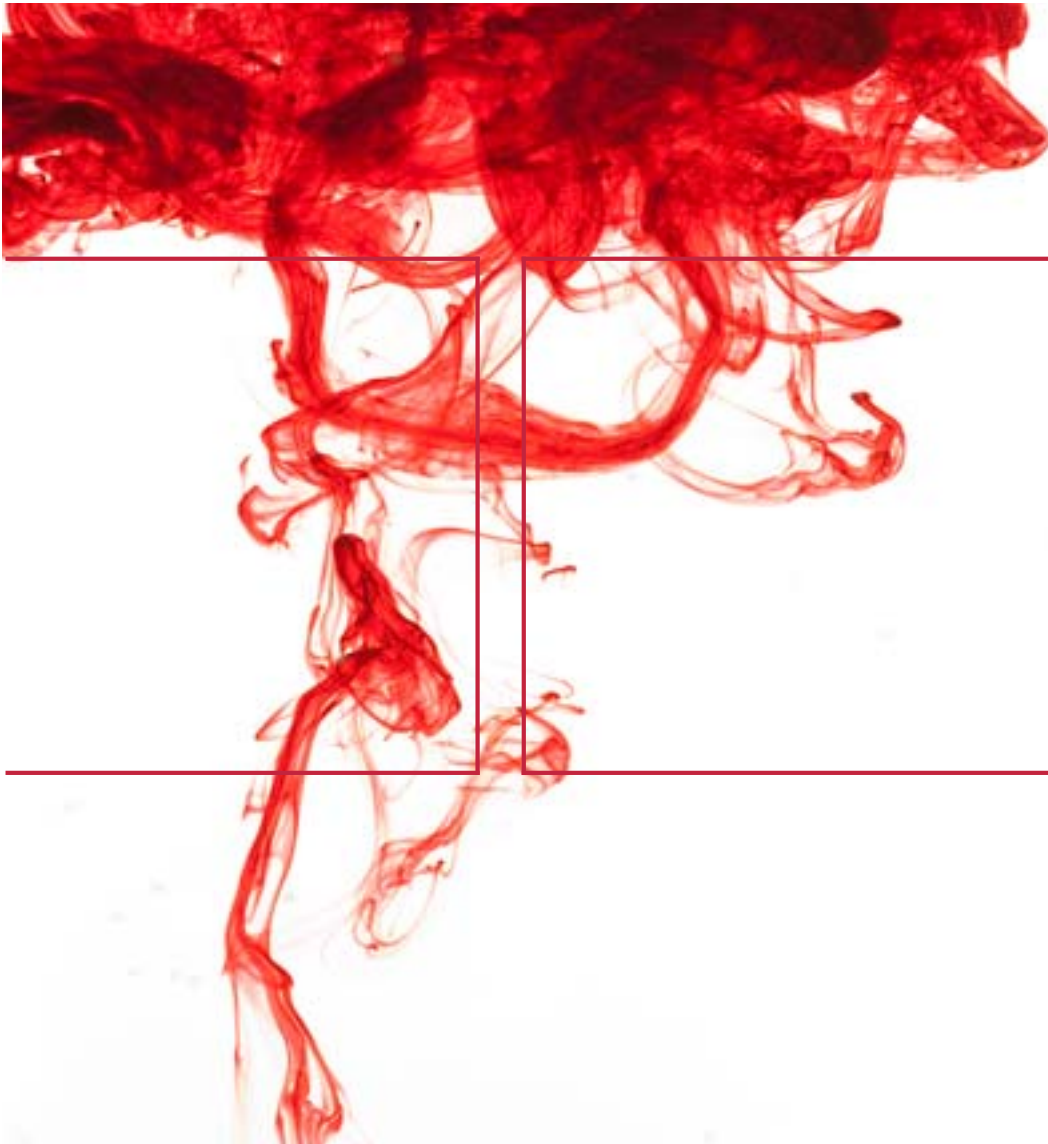
Ancillary Revenues

WI-FI

Beacon Expansion

An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

Thank you



Asia

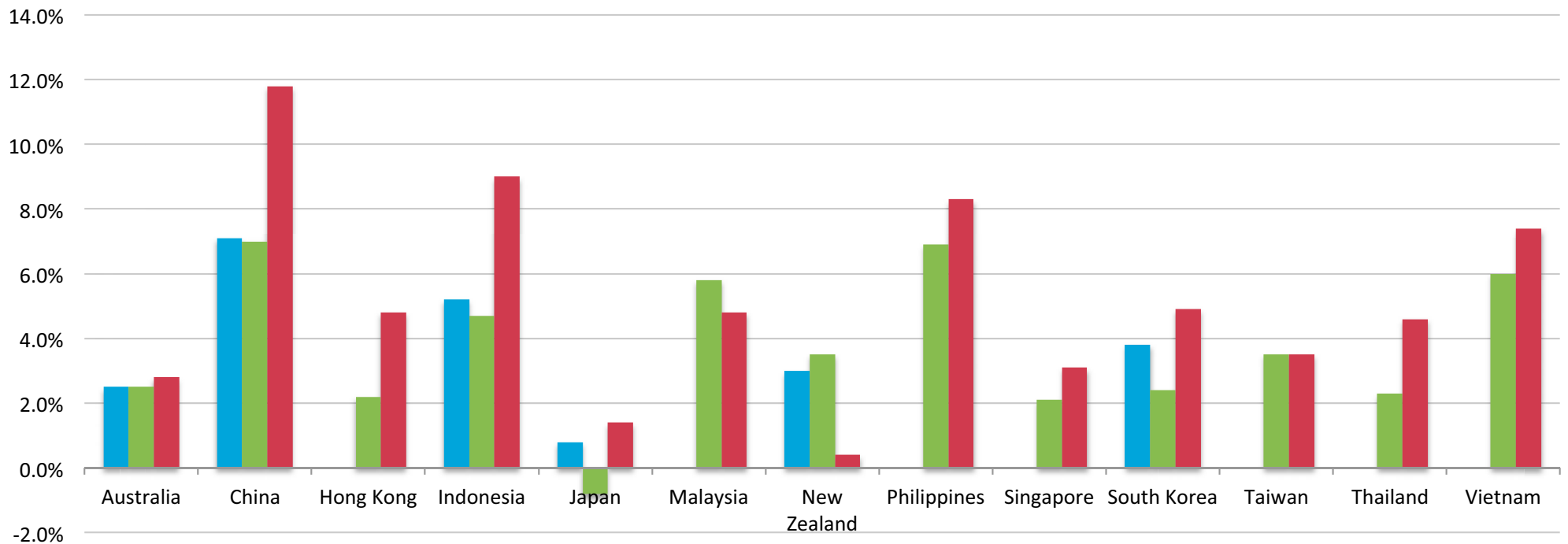
Jeff Howard

OPPORTUNITY IN ASIA

- APN has a long history in Asia
- Successful operations in Hong Kong where we remain the premium large format operator
- Our ambition is to find growth opportunities in our core growth competencies – out of home and radio
- There are market gaps in high growth Asian markets worth exploring



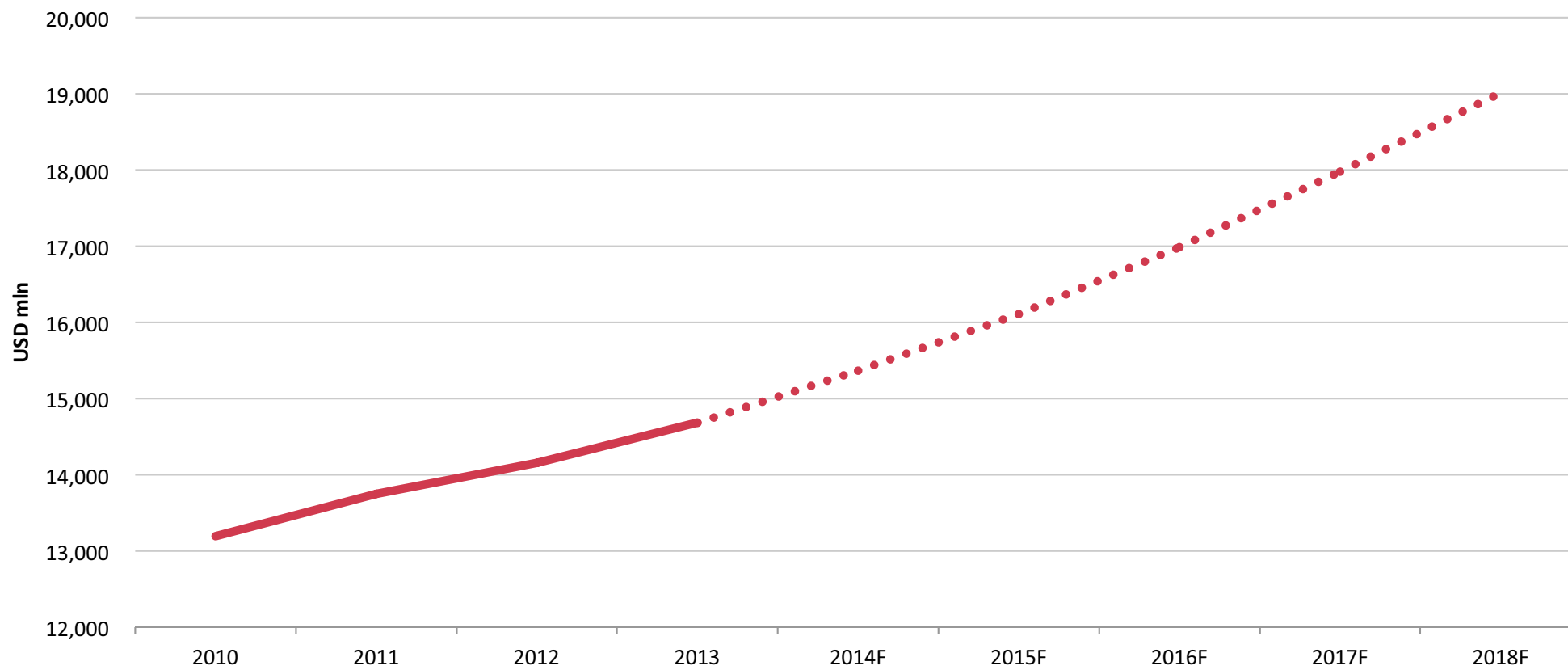
ASIA GDP AND ADVERTISING MARKET GROWTH RATES



■ GDP forecast growth (OECD, 2015) ■ GDP last annual growth (tradingeconomics.com, 2015) ■ Ad market forecast growth 2013-18 CAGR (PWC 2014 Outlook)

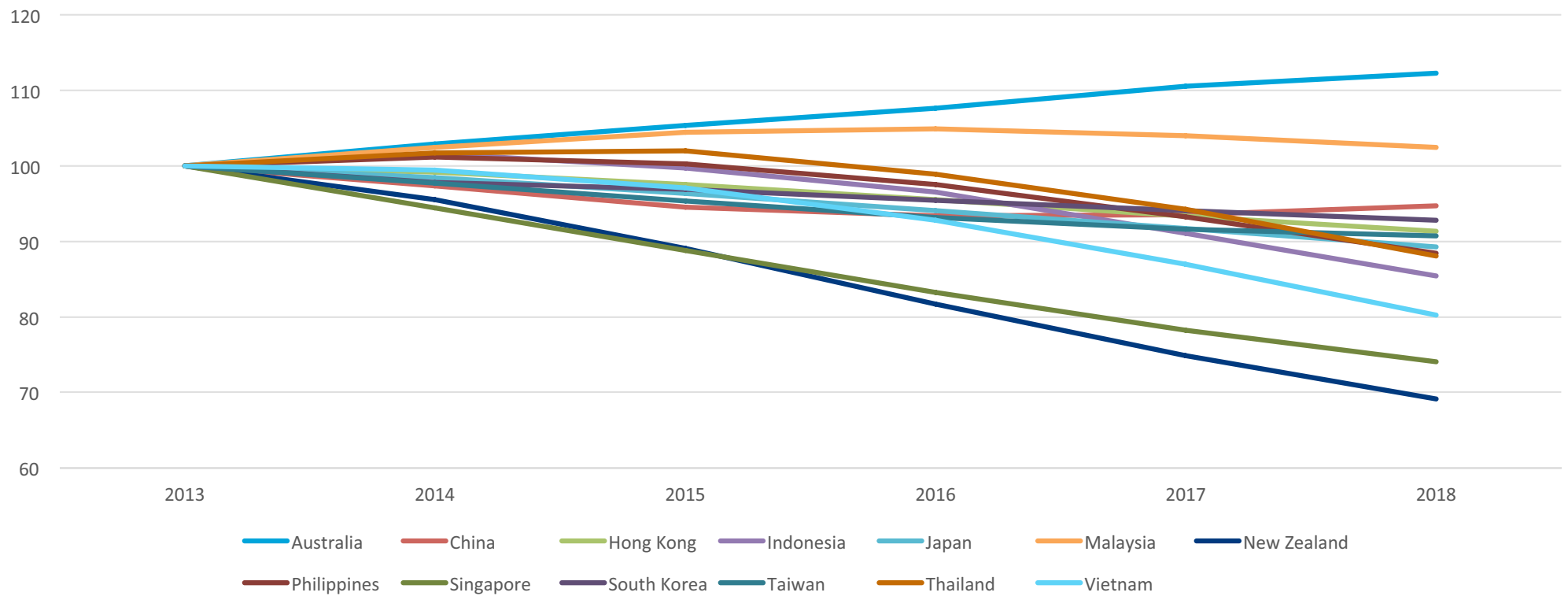
ASIA OUT OF HOME GROWTH FORECAST

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



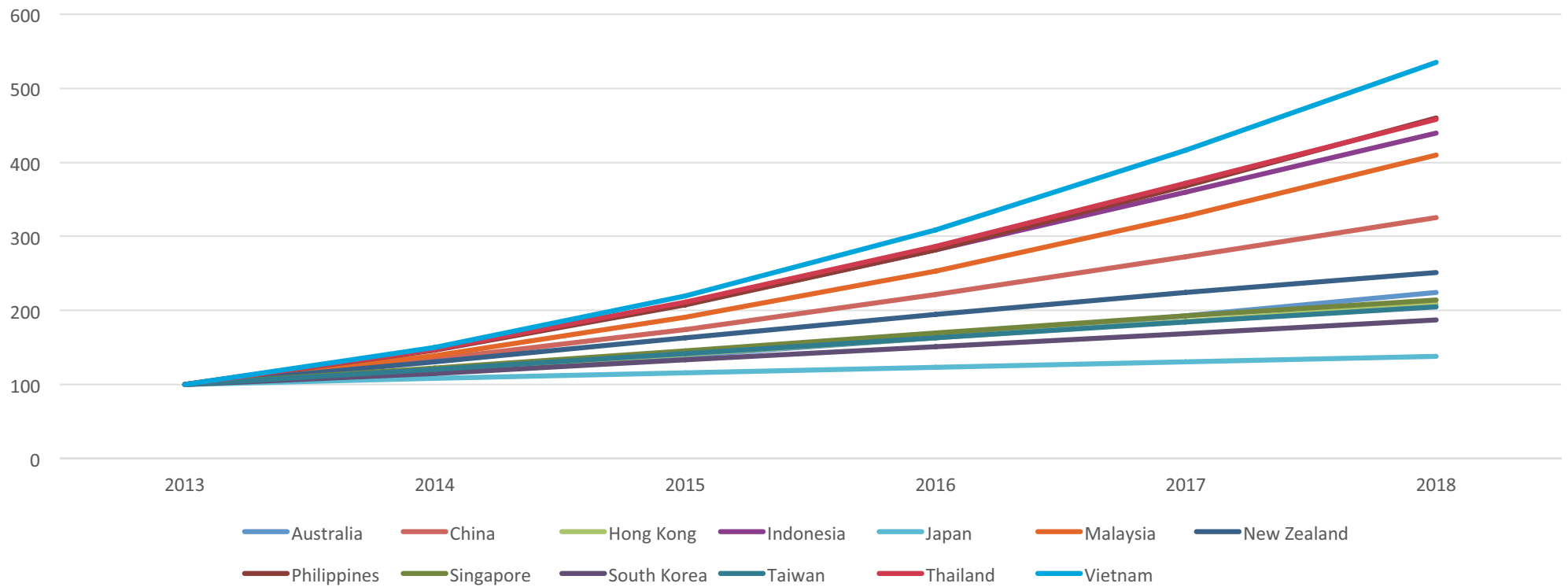
ASIA OUT OF HOME MEDIA GROWTH FORECAST - STATIC OOH INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



ASIA OUT OF HOME MEDIA GROWTH FORECAST - DIGITAL OOH INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



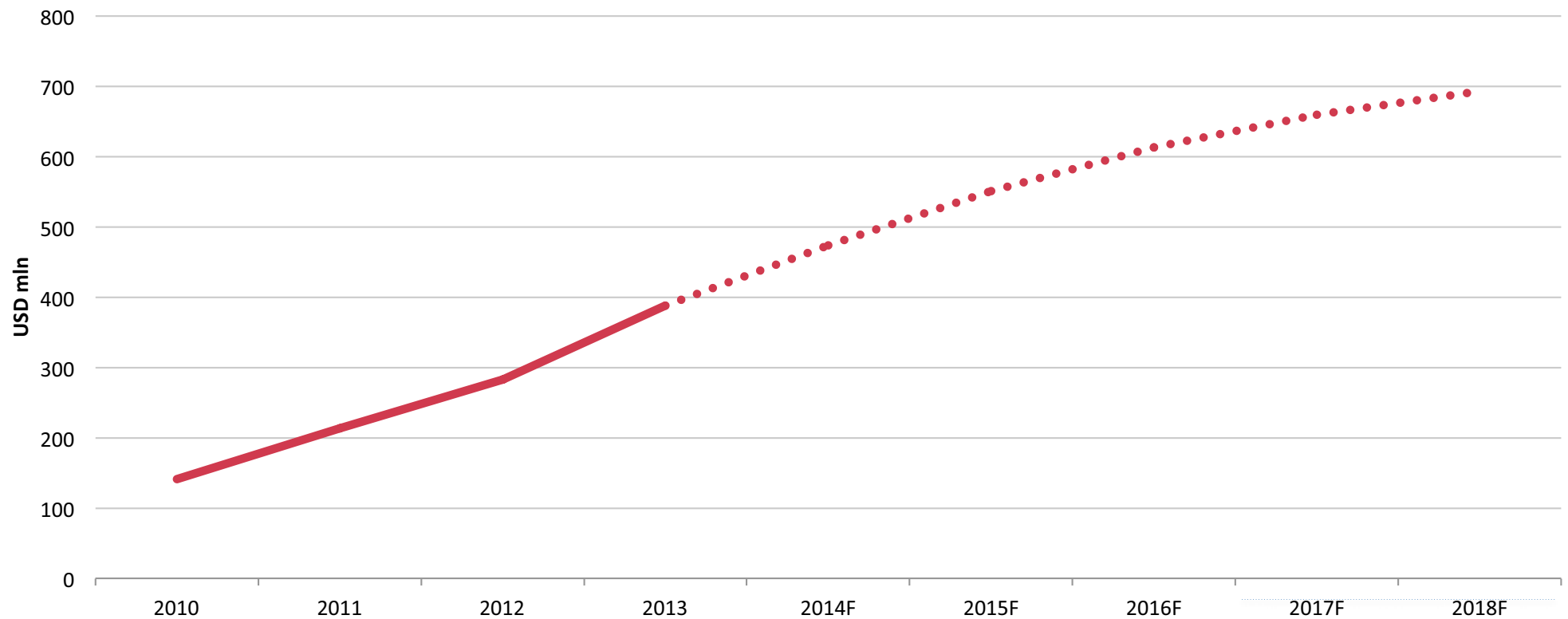
ASIA OOH APPROACH

- **OOH operators are a mix of traditional media companies (eg JCD) and concession / property owners**
 - Property owners control the “space” and can command attractive incremental asset yield when media outsourced
 - However property owner OOH operators competitively disadvantaged by lack of “media skillset”
 - Traditional media operators outperform in asset media utilisation and yield management disciplines
 - Non-traditional OOH operators therefore looking for western partners to level the playing field
- **Surprising number of approaches via network of in-house and external resources to partner in Asia OOH**
 - Undertaking rigorous partner assessment process on attractive opportunities
 - Partnering commercially and/or modest investment
 - Would not rule out potential game changer opportunities
- **Value add opportunity essential**
 - Needs to be more than just a site / licence
 - Active rather than passive investment
 - Openness to implementation of best practice sales and operating capabilities
 - Network effects also being considered
- **Strict risk-based return hurdles will be applied to any opportunity**
- **Invest with conviction**



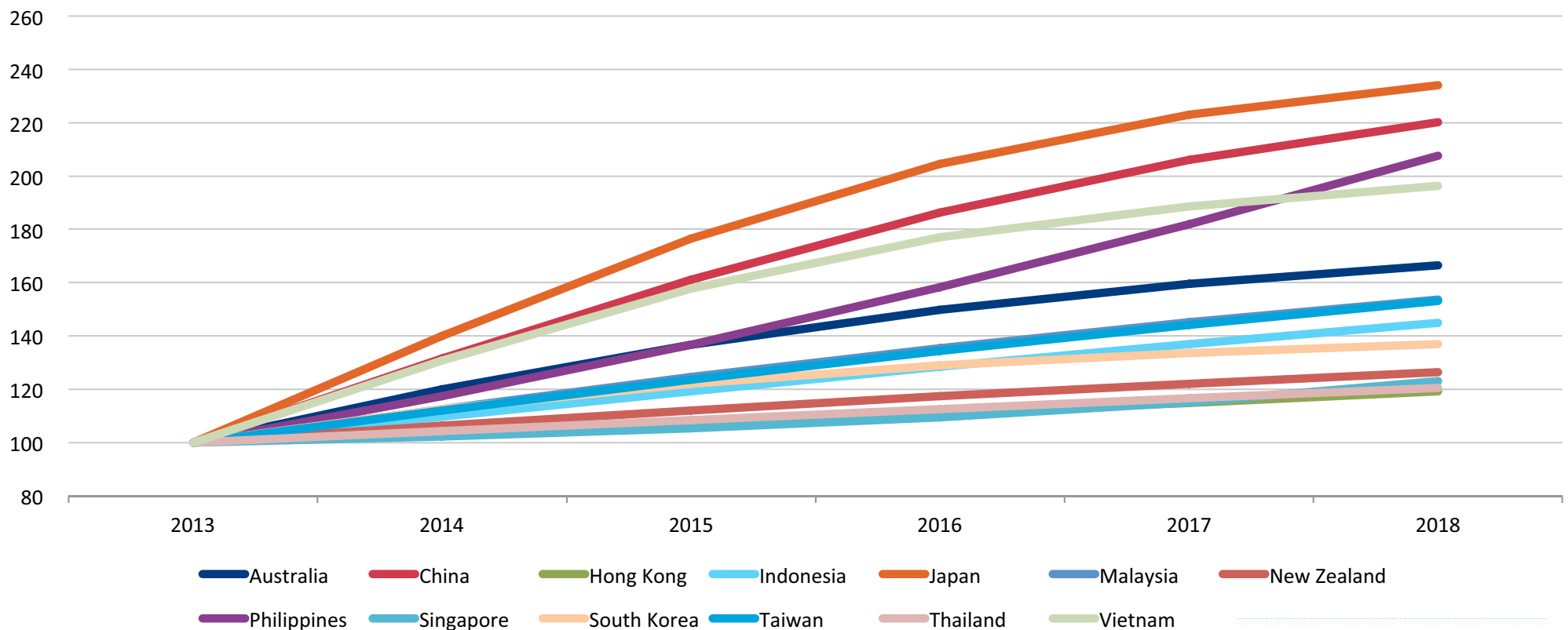
ASIA DIGITAL MUSIC STREAMING (CONSUMER SPEND) GROWTH FORECAST

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014



ASIA DIGITAL MUSIC STREAMING GROWTH FORECAST - INDEXED TO 2013

PWC ENTERTAINMENT AND MEDIA OUTLOOK, 2014

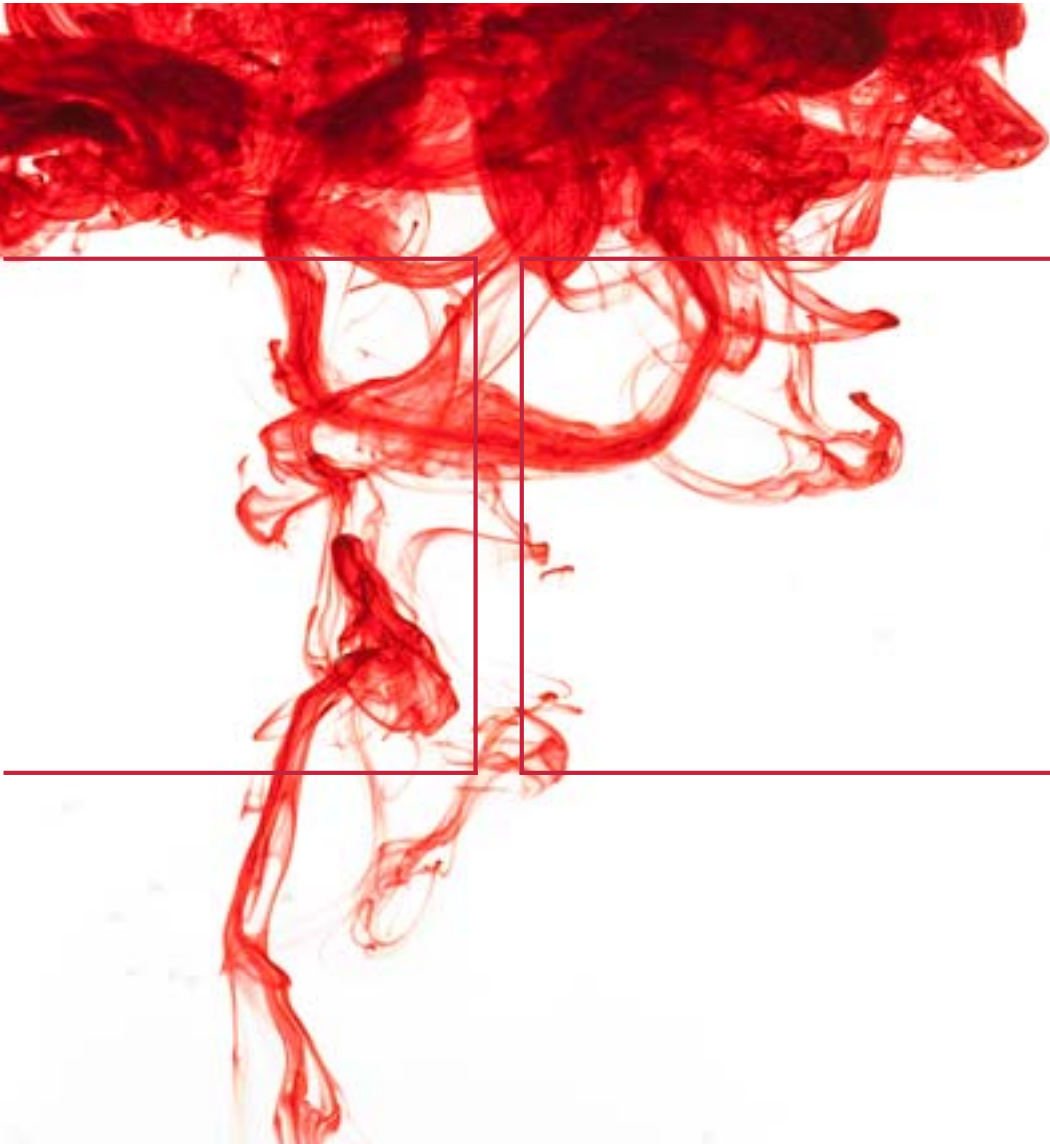


IHEARTRADIO ASIA



- **Approach not dissimilar to out of home**
- **Being approached by established radio operators who have limited / no digital or streaming services looking for:**
 - access to iHeartRadio brand
 - experience in monetising existing platforms beyond traditional radio advertising flows
 - new adjacent potential earnings streams
- **10 year licence to implement iHeartRadio in Asia.**
 - Working with iHeartMedia to modify platform to suit local market conditions and localise content
- **Partnership approach – be more than just a platform provider**
- **More detail to be provided after lunch.**



A large, artistic splash of red ink or paint, resembling a stylized 'T' shape, occupies the left side of the slide. It has a dense, textured appearance with various shades of red and orange.

Thank you



RE-IMAGINING RADIO FOR TODAY'S WORLD

Ciaran Davis



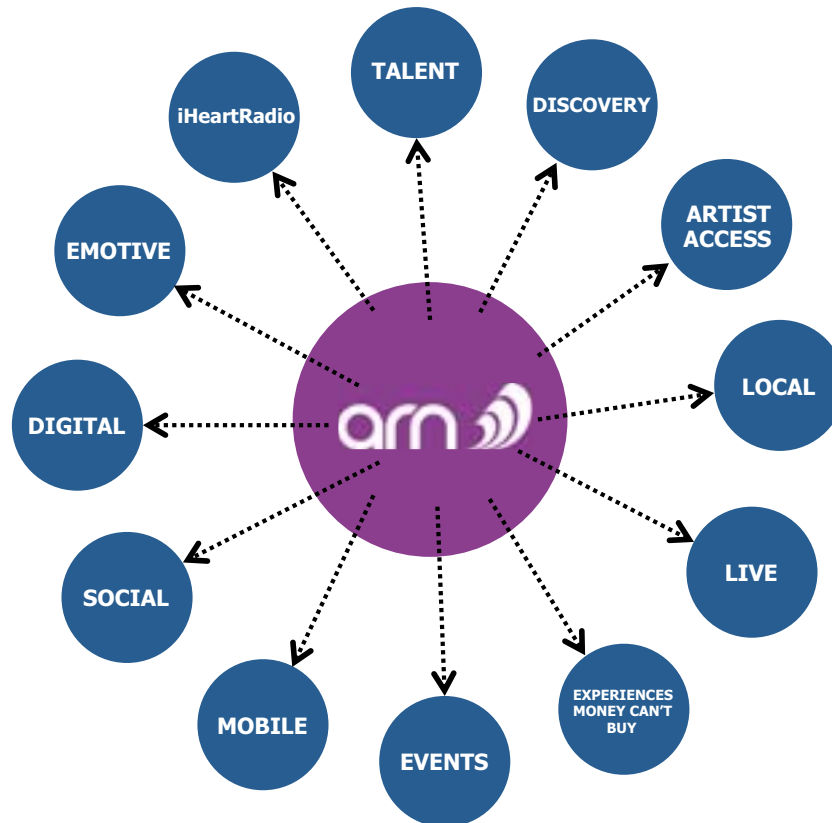
A large, vibrant purple ink splash or smoke plume rises from the bottom left corner, filling the left side of the frame with intricate, swirling patterns. It is partially enclosed by a thin purple rectangular border.

RADIO TODAY

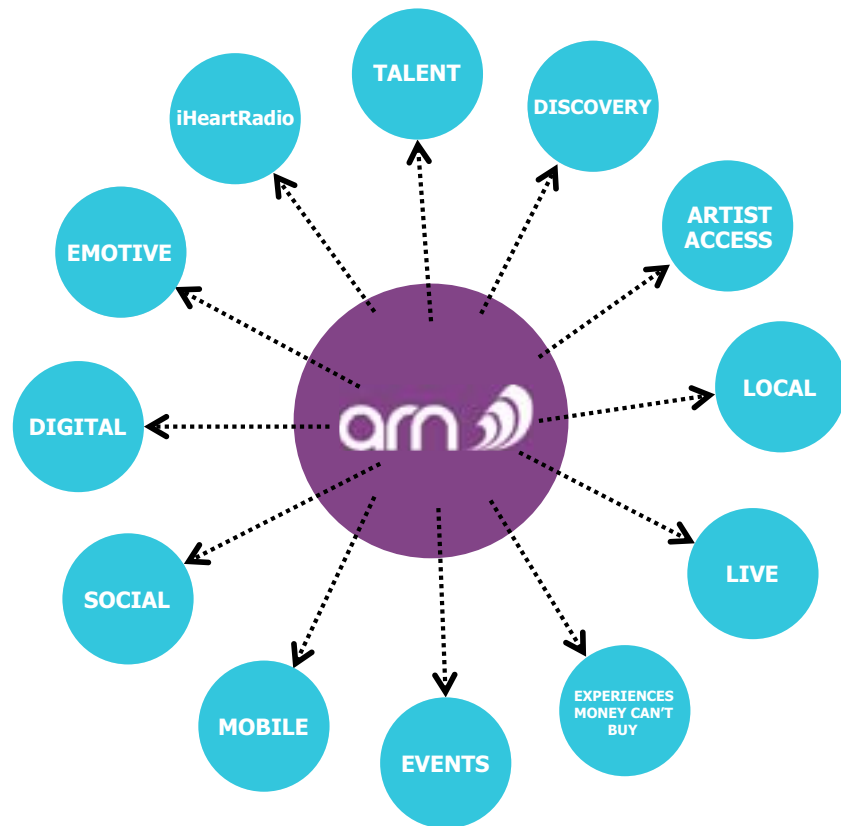
RADIO ISN'T THIS...



RADIO IS...



RADIO IS...



AND IT'S GROWING

10.2
MILLION

People listen to commercial
radio each week*

3.2
MILLION

People listen to DAB* digital
radio each week across the
five major capitals*

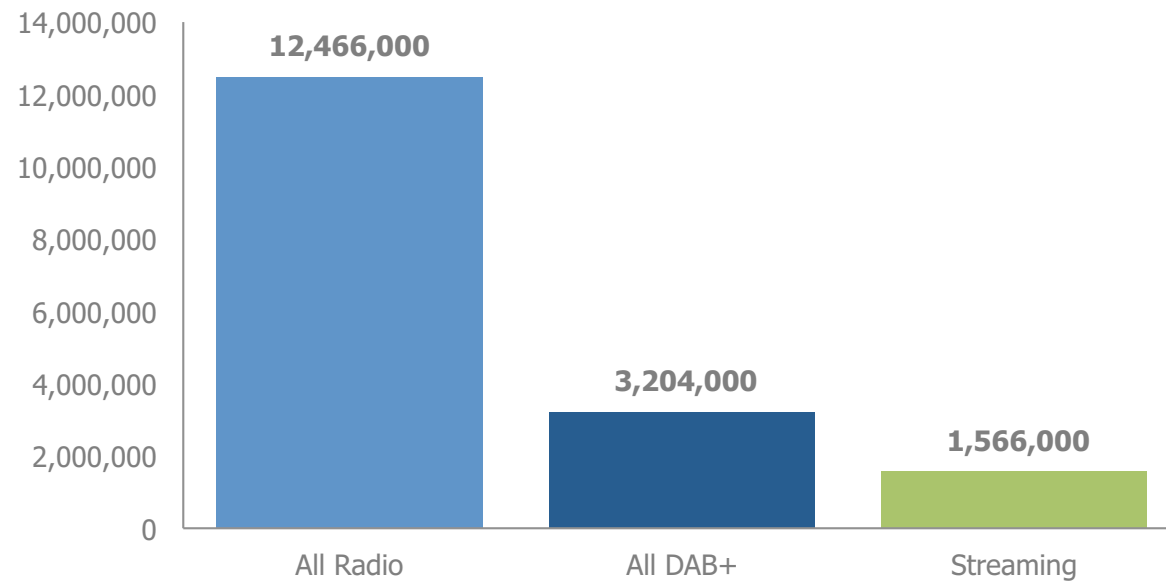
9.81%
INCREASE

In commercial radio
listeners since 2010

Source: Commercial Radio Australia

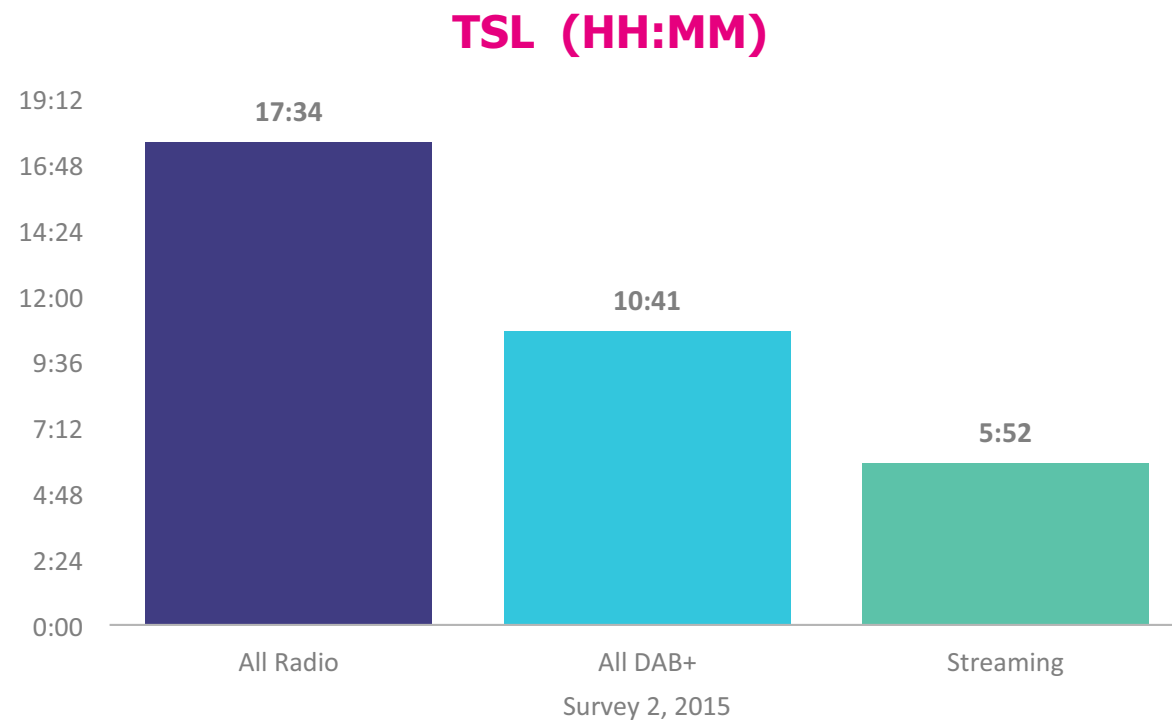
ACROSS MULTIPLE PLATFORMS

PLATFORM OF LISTENING (CUME)



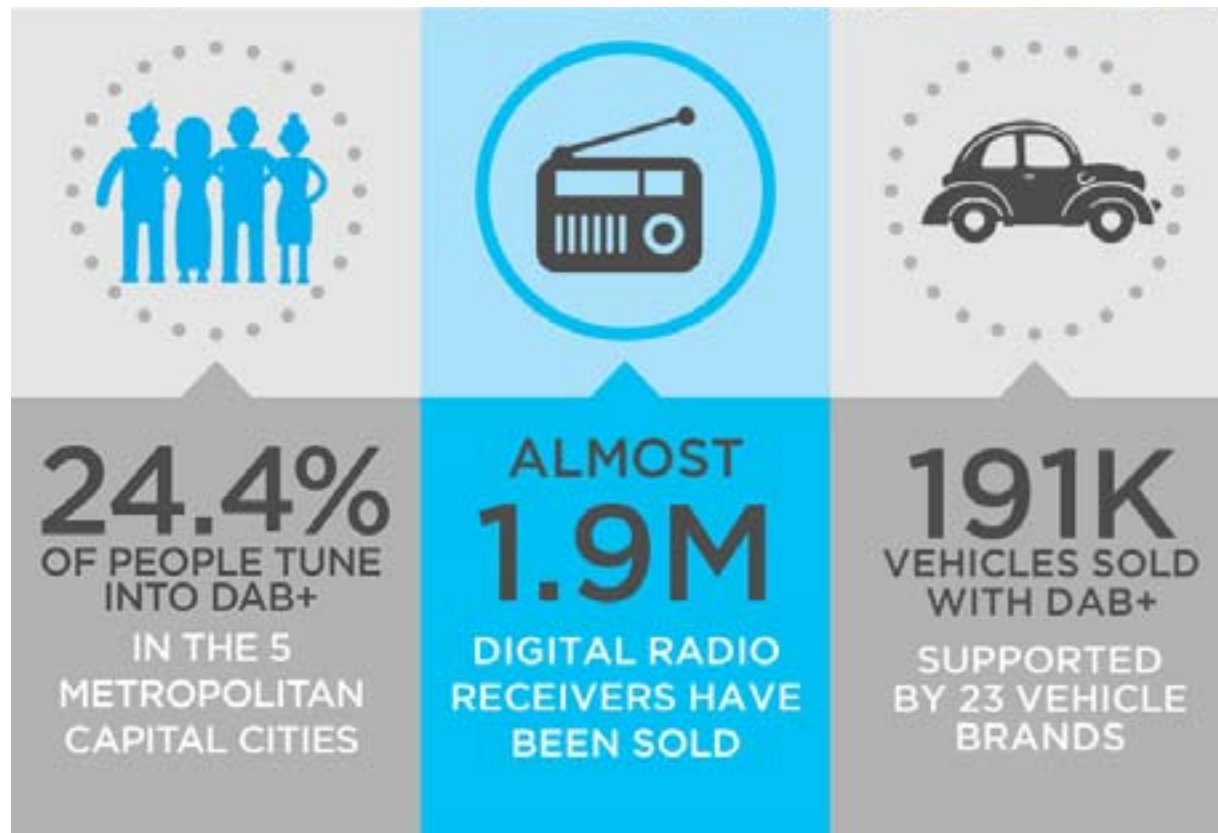
Source: GfK Radio Ratings Survey 2 2015, Monday to Sunday, 5.30am to midnight, All people 10+, DAB+ listening

FOR LONGER



Source: GfK Radio Ratings Survey 2 2015, Monday to Sunday, 5.30am to midnight, All people 10+, DAB+ listening

DAB+ GROWING MORE INFLUENTIAL

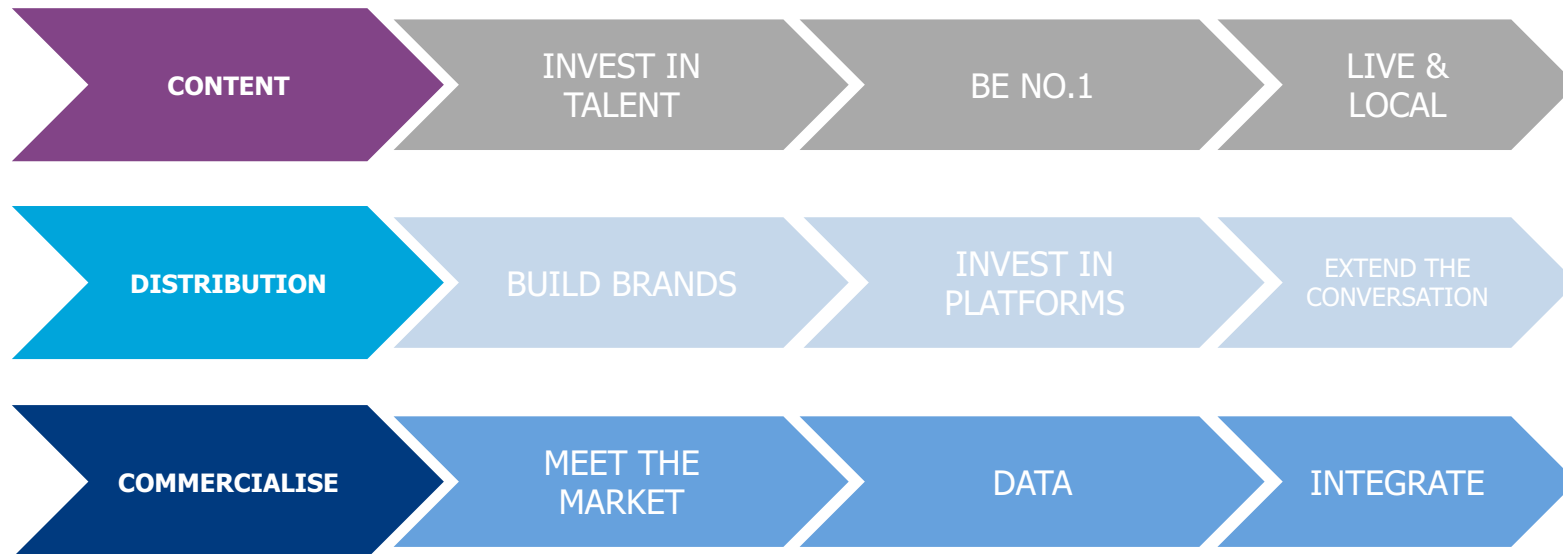


Source: Commercial Radio Australia

A large, vibrant purple ink splash or smoke plume rises from the bottom left, filling the left side of the frame with intricate, swirling patterns.

SIMPLE BUSINESS

ARN'S MODEL



**✓ You have to understand
that nothing appeals to
everybody ✓**

- Gene Simmons (KISS)



INVEST IN TALENT



KYLE & JACK GIVE BACK



ARN #1 NATIONAL NETWORK

arn 
SURVEY 2 APRIL 2015



**REACHING AUSTRALIA'S
MOST COMMERCIAL
AUDIENCES**

#1 10+

#1 25-54

#1 GB'S

#1 40-54

#1 FEMALES 25-44

Source: GfK Survey #2, 2015. Results released Tuesday April 21, 2015. All figures derived from Mon-Sun 0530-12am or session specific as otherwise stated. Station Share % based on All People 10+ or as otherwise stated.

SYDNEY



MELBOURNE





**KIIS 101.1'S
STATION SHARE 6.1%**
in a market where all 6 Commercial FM
stations are separated by 1.3%

**MATT &
JANE**
for Breakfast
share sits at 5.7%

**HUGHESY
& KATE**
FOR DRIVE
held strong with
79% share



GOLD's total audience increased by
75k
to 825,000 each listeners week

In a market that's still setting
GOLD104.3 has had a
STRONG SURVEY
with station share holding firm at 6.8%

BRIG & LEHMO
for breakfast grew share
by 0.4% to 5.4%





Source: 24 Survey 4Q 2015. Weekly average Sunday 04/11/2015. All figures derived from Broadcast 100+1. Data is based on weekly average as indicated above. Station Share is based on 100% of the 100+1. Data is as indicated above.

Source: 24 Survey 4Q 2015. Weekly average Sunday 04/11/2015. All figures derived from Broadcast 100+1. Data is based on weekly average as indicated above. Station Share is based on 100% of the 100+1. Data is as indicated above.

BRISBANE



BRISBANE'S FAVOURITE

#1 with 14.3% share

ROBIN, TERRY & BOB

#1 BREAKFAST SHOW on 13.6% share

HUGHESY & KATE

#1 DRIVE SHOW in Brisbane, increasing share 0.3 to 14.2%



#1 COMMERCIAL AM With an increased share to 8.7% and #3 commercial station overall

#1 COMMERCIAL AM Breakfast show with Laurel, Gary & Mark 8.0% share

#1 COMMERCIAL AM with core 40-54 audience and 8.3% share







Source: MRS Nielsen AC, 2015. Brisbane, Australia. Figures from 12/12/2014 to 11/11/2015. All figures are estimates based on data from Nielsen's household panel. All figures are estimates based on data from Nielsen's household panel. All figures are estimates based on data from Nielsen's household panel.

ADELAIDE



RETAINING THE #1 MARKET POSITION

with 13.6% share

Jade & Soda for breakfast grew share by 1.1% share to 13.5% - holding onto the

#1 FM BREAKFAST POSITION

Strong result for Hughesy & Kate, increasing share to 12.2% and

#2 DRIVE OVERALL in Adelaide



Overall station share sitting at

8.3%

John Dean for breakfast share sits at

6.4%

The stations audience grew to a total of

170,000 LISTENERS EVERY WEEK



Source: 94.9 Survey 4Q 2015. Results released Tuesday, April 13, 2016. All figures derived from Nielsen 100% Data in Adelaide, Adelaide, as referenced herein. Station share is based on 100% of the Adelaide market. Station share is based on 100% of the Adelaide market.

Source: 94.9 Survey 4Q 2015. Results released Tuesday, April 13, 2016. All figures derived from Nielsen 100% Data in Adelaide, Adelaide, as referenced herein. Station share is based on 100% of the Adelaide market. Station share is based on 100% of the Adelaide market.

PERTH



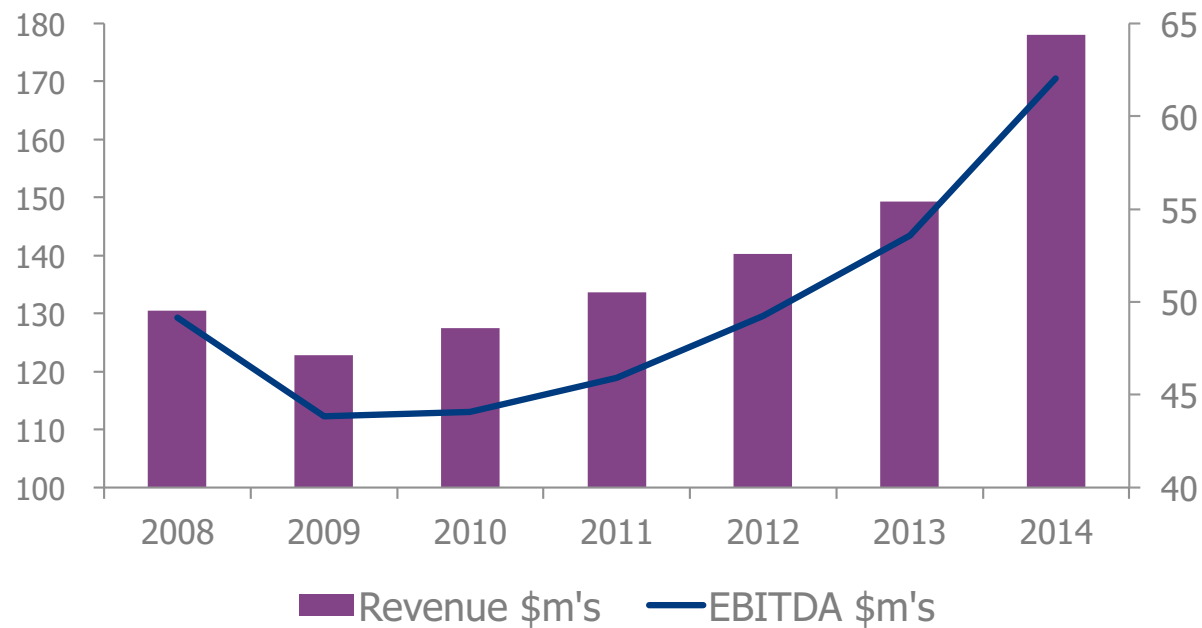
ONLY NETWORK WITH 4 YEARS CONSECUTIVE GROWTH



Source: 2010-2013 AC Nielsen Ratings Mon-Sun 0530-12mn. 2014 GfK Mon-Sun 0530-12mn

RATINGS POSITION DRIVING REVENUE

2008-2014



BUILDING BRANDS



CASE STUDY

SO SYDNEY

KIIS NETWORK



PURE GOLD NETWORK



MEET THE MARKET

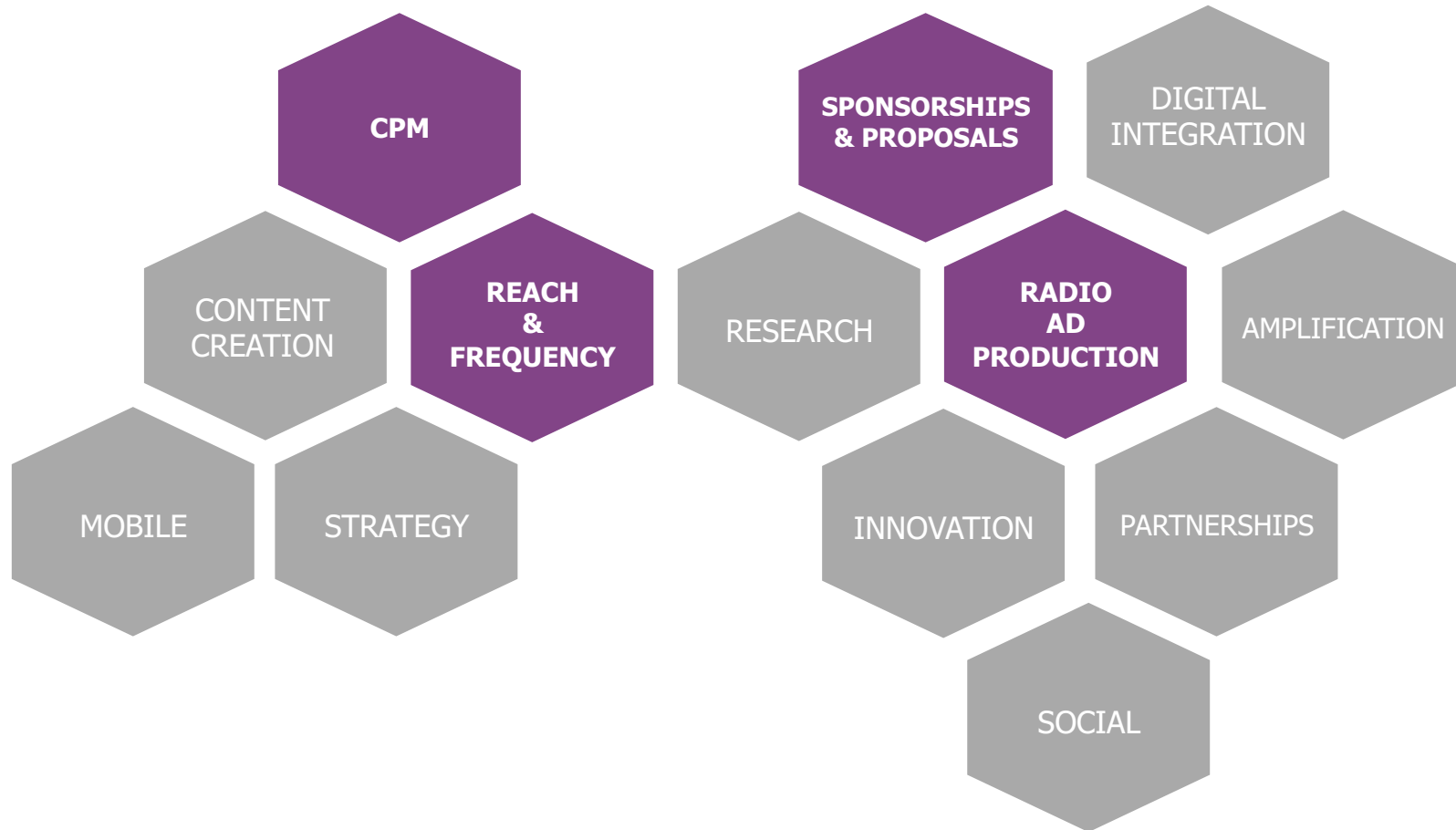
CPM

**SPONSORSHIPS
& PROPOSALS**

**REACH
&
FREQUENCY**

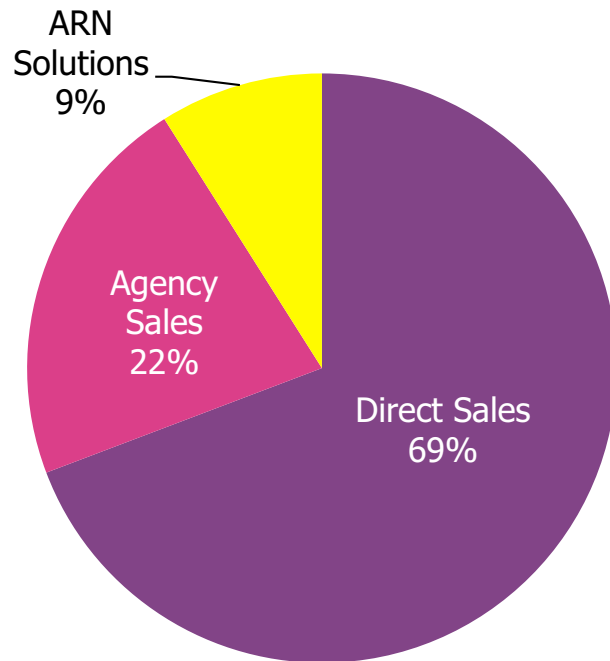
**RADIO
AD
PRODUCTION**

TODAYS WORLD

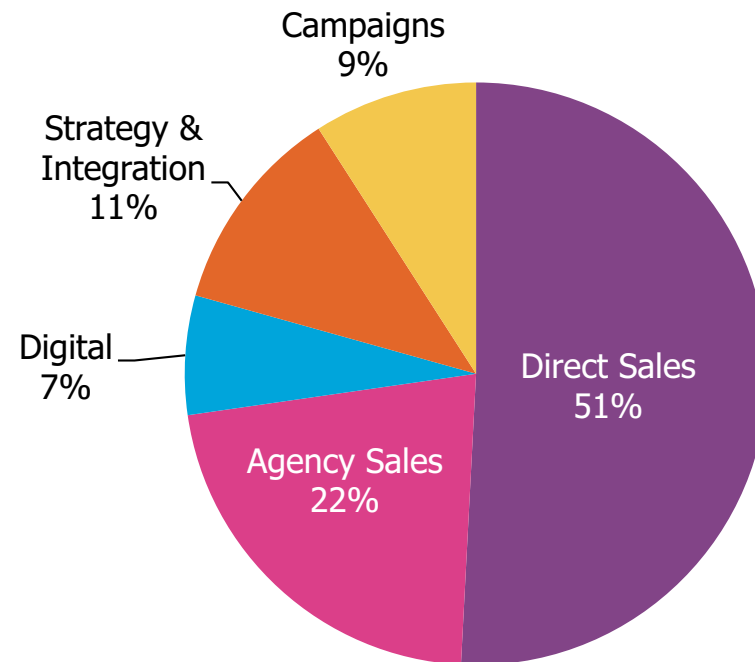


MIX OF SALES TEAM 2010-2014

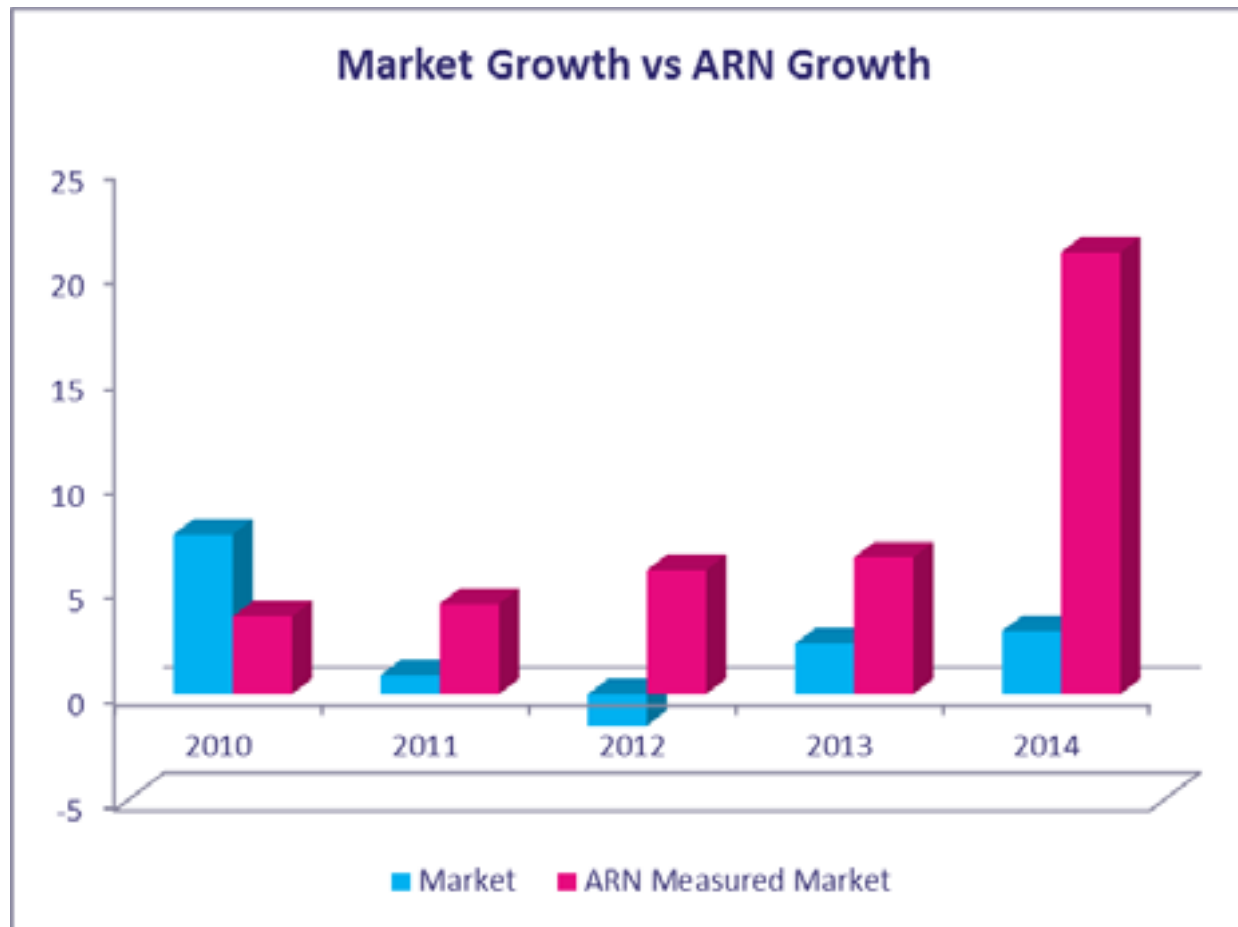
2010 Head Count by Function



2015 Target Sales Head Count



ARN VS MARKET GROWTH 2010-2014



KFC



DATA & APPS



DATA & APPS



Jane.Doe
Jane.Doe@email.com

Jane.Doe@email.com

Search for users by their User ID (Jane's ID) or their email, and we'll show you the information that you've recorded on them with the Apply SDK.



Jane.Doe
Jane.Doe@email.com

Search for users by their User ID (Jane's ID) or their email, and we'll show you the information that you've recorded on them with the Apply SDK.

Overview

Engagement

Feedback

Social

Overview

Engagement

Feedback

Social

Profile

User ID	6019100	Gender	Female
Age Group	25-30	Country	US
Language	English (en)	Time Zone	TyOrinly

App Usage

Session	10
Last Used	10 hours ago
First Used	20 days ago

Custom Attributes

Notification_Breaking_News	True
Notification_Content	True
Notification_New_Events_And_Conc	True
Notification_New_Features	True
Notification_New_Music_And_Talk	True
Notification_Offers_And_Deals	True

Contact Settings

Push	Unsubscribed	Subscribed	Opted In
Email	Unsubscribed	Subscribed	Opted In
Push Registered For	Heartbeats (iOS)		

Campaigns Received

This user has not received any campaigns.

Segments

- Location Segments
- Email
- App version
- Age
- Breaking News Subscribers
- New Music And Talk Subscribers
- New Events And Concerts Subscribers

Most Recent Device

App Version	10.0
Device	iPhone 12 Pro
Device OS	iOS 15.0
Device ID	7123456789-ABC-DEF-12345678901234567890

Custom Events

Name	Count	Last Time
Custom_Risky_Martin	1	10 days ago
User_Tier_Edge_Digital	1	7 days ago

Purchases

This user hasn't made any purchases.

Communication Stats

Last Received Any Campaign	—
Last Received Push	—
Last Received Email	—
Last Viewed News Feed	—

News Feed Cards Clicked

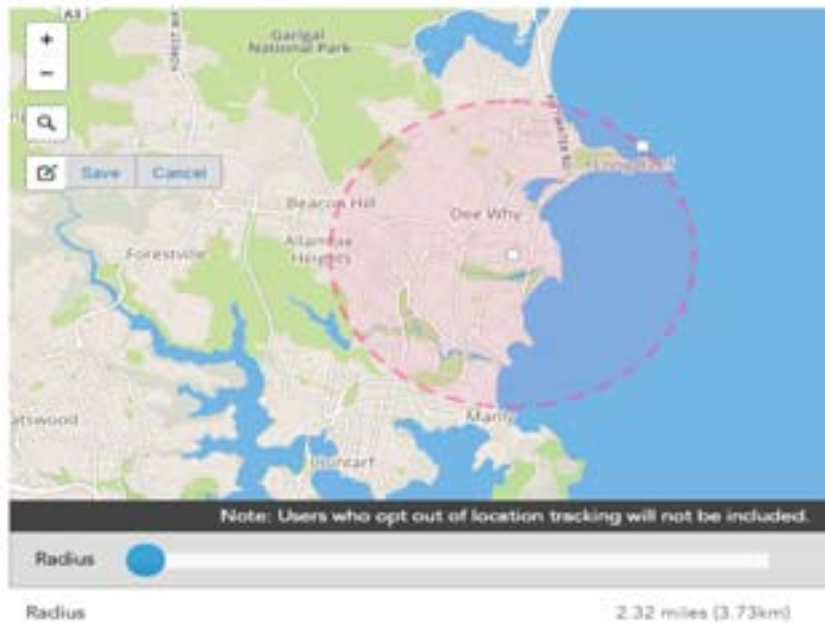
This user hasn't clicked any cards.

Install Attribution

No install attribution information.

GEOGRAPHIC TARGETING

Select Location



Segments: **Dee why 2**

Dee why 2

Segment Statistics

609 (0.24%) of 251,361 Total Users	LTV (Paying Users) ~ \$0.00 (\$0.00)	Enabled (Opted In) ~ 59 (2)	Push Enabled (Opted In) ~ 502 (254)
--	--	---------------------------------------	---

Apps Used: ☒ Include users from all apps

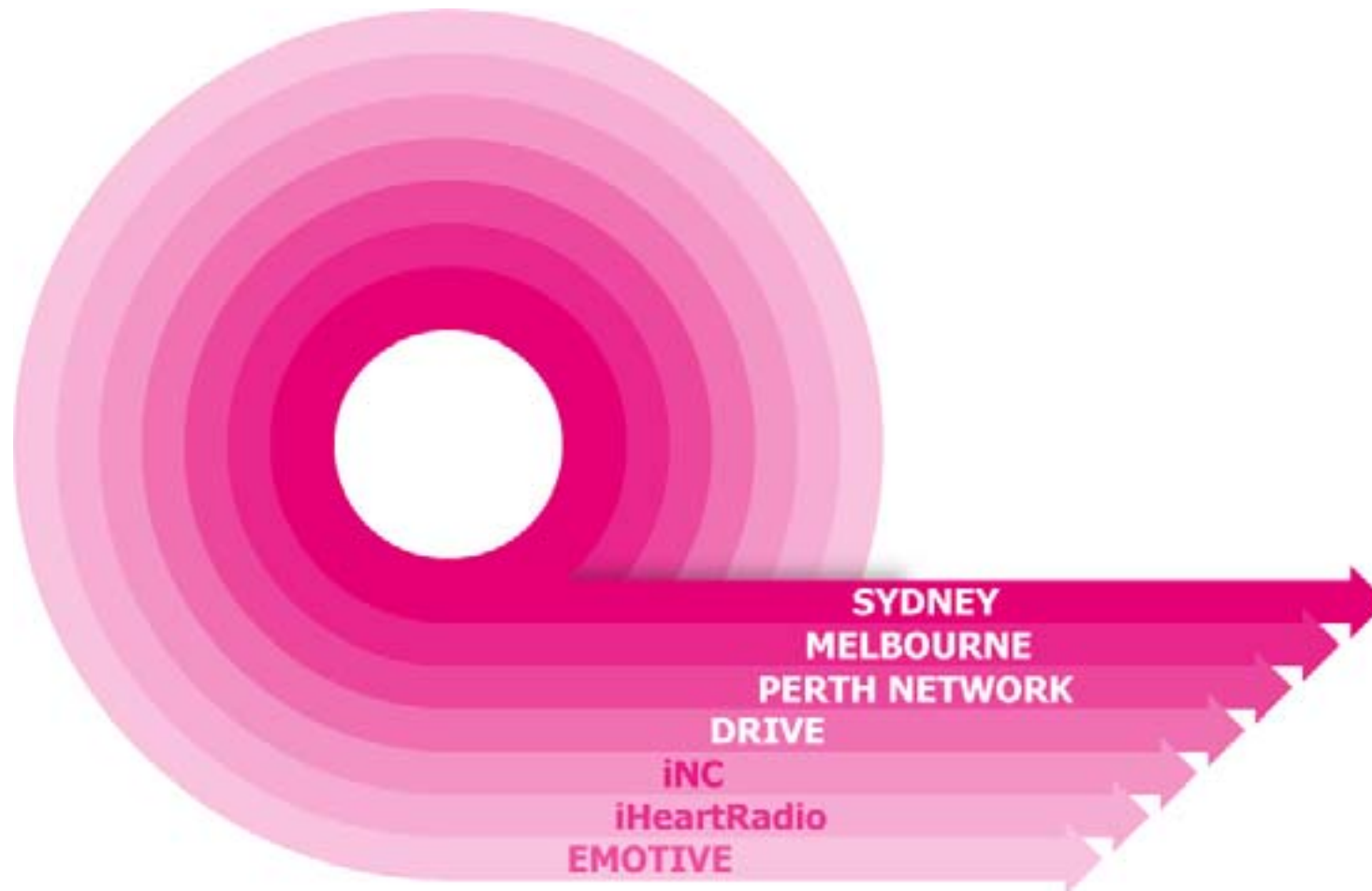
- ☒ iHeartRadio Android
- ☒ iHeartRadio-Dev Android
- ☒ iHeartRadio iOS
- ☒ iHeartRadio-Dev iOS

Filters: Most Recent Location **within circle** 2.32 miles (3.73km) of -33.75, 151.26

A large, vibrant purple ink splash or smoke plume rises from the bottom left corner, filling the left side of the frame with intricate, swirling patterns. It is partially enclosed by a thin purple rectangular border.

ARN GROWTH

ARN GROWTH INITIATIVES





SYDNEY

#1 & #2 FM IN SYDNEY



- Strength of duopoly has seen improvement in both audience ratings and revenue.
- KIIS1065 66% growth in audience ratings share
 64% growth in revenue
- WSFM 25% growth in audience ratings share
 17% growth in revenue

Source: Revenue Deloitte Market Growth / Ratings GfK 10+ Mon-Sun 0530-12mn



MELBOURNE

WHY MELBOURNE?

1. Total radio value is similar to Sydney

	2010	2011	2012	2013	2014
Sydney	\$211m	\$212m	\$208m	\$212m	\$220m
Melbourne	\$203m	\$204m	\$202m	\$211m	\$217m

2. ARN ratings below other markets

	2013	2014
Sydney	12.3%	17.4%
Melbourne	14.2%	14.3%
Brisbane	19.8%	20.9%
Adelaide	23.3%	23.5%

3. Competitive ratings market with opportunity to lead

	Overall	Breakfast	Drive
Gold	7.9%	6.5%	7.5%
FoxFM	7.8%	7.4%	9.4%
Nova100	7.3%	6.8%	9.5%
3MMM	7.0%	8.0%	7.4%
Smooth 91.5	6.8%	5.0%	6.7%
Mix 101.1	6.5%	6.5%	7.1%

Source: GFK Avg Surveys 1-8 2014, Mon-Sun 05.30am – 12mn, All People 10+ Revenue Source: Deloitte





PERTH & NETWORK

PERTH UPDATE

- 96FM acquisition completed 30 January 2015
- Integration progressing in line with expectations
- **Highlights include:** Traffic and on-air systems integrated successfully
Revenue ahead of budget
Strategic market study completed
- Commencement of KIIS National Network underway

KIIS NETWORK





DRIVE

DRIVE

- Very different competitive landscape from 2010
- Drive only accounts for 12% of overall listenership
- Strength of Drive Show dictated by Breakfast
- KIIS Network Drive Show – very strong start to the year
- Major Sponsorships secured

HUGHESY & KATE ON DRIVE



2 SURVEYS
1.36 MILLION AUDIENCE
10.1% SHARE

Source: Gfk Survey 1 2015 Mon-Fri 4-7pm SHBA



iNC



Inhouse Search Specialists – ARN owns a specialist inhouse digital marketing division with experience running thousands of search and digital campaigns utilising sophisticated technology

Radio ROI – uniquely, ARN tracks the uplift in both phone calls and website traffic from consumers who search on Google after hearing a radio ad and take action

Close Alignment – under the one roof, ARN co-ordinates radio scripts with search terms, optimises towards calls and web traffic and provides a feedback loop on radio scripts

Integrated Reporting – ARN provides unified reporting showing the combined impact of radio +search to eliminate siloed decision-making and demonstrate ROI

Advanced Digital Marketing – clients have the ability to request further digital marketing activity from ARN as their needs progress (Social, Display, Video, Performance)

RADIO BOOSTS DIGITAL ACTIVITY 6 TIMES



6 TIMES MORE PEOPLE

on average are likely to visit a website, browse for more brand information or search a category, to discover more about a brand advertised on radio.



24 HOURS

Digital search was fast and immediate. Over 78% of those that responded with online activity, did so within 24 hours.

RADIO ROI THROUGH DIGITAL



CASE STUDIES

Westmead Fertility Clinic



The digital optimisation process combined with radio is impressive, exceeding our ROI expectations." [Don Leng, gm](#)

43%
UPLIFT IN
QUALIFIED
CALLS

65% OF WEBSITE TRAFFIC
FROM NEW VISITORS

"This proved to be a wise choice, with a sizeable uplift in our major KPI of qualified phone leads." [Domenic Vitalone, Director](#)

Wisdom Homes



55%
UPLIFT IN
QUALIFIED
CALLS

76% OF WEBSITE TRAFFIC
FROM NEW VISITORS

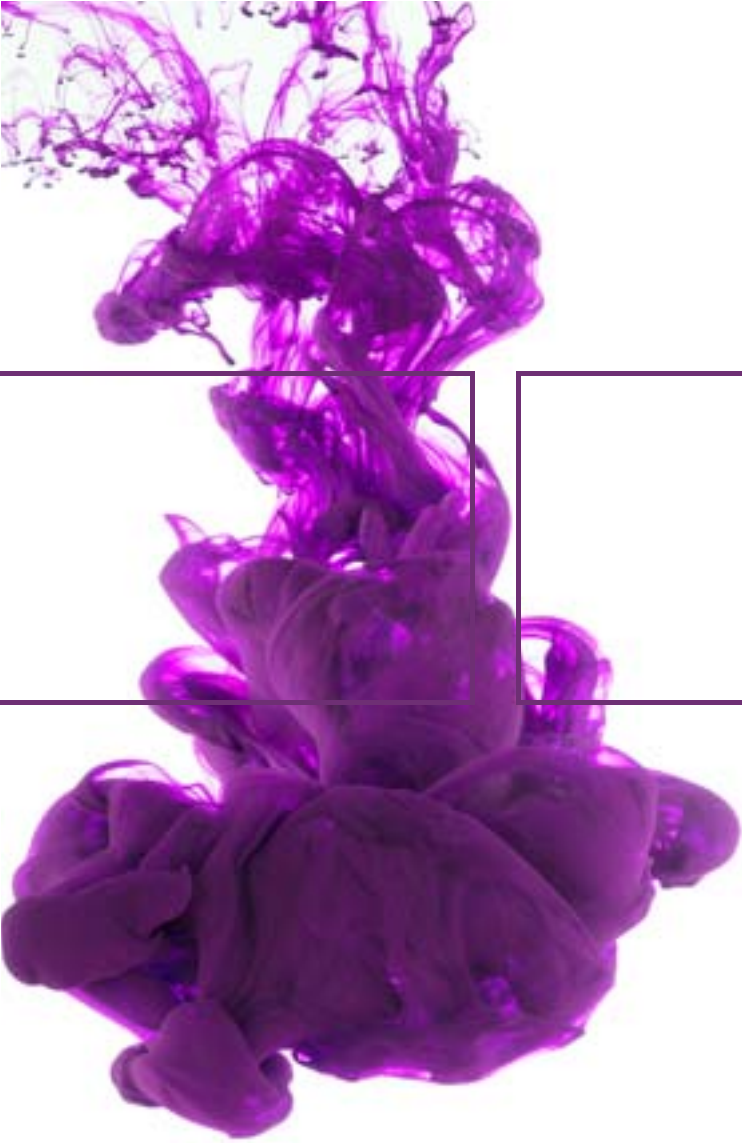
"We are certainly convinced of the power of ARN search marketing combined with radio!" [Mark Dempsey, Branch Manager](#)

CMI Hino Trucks



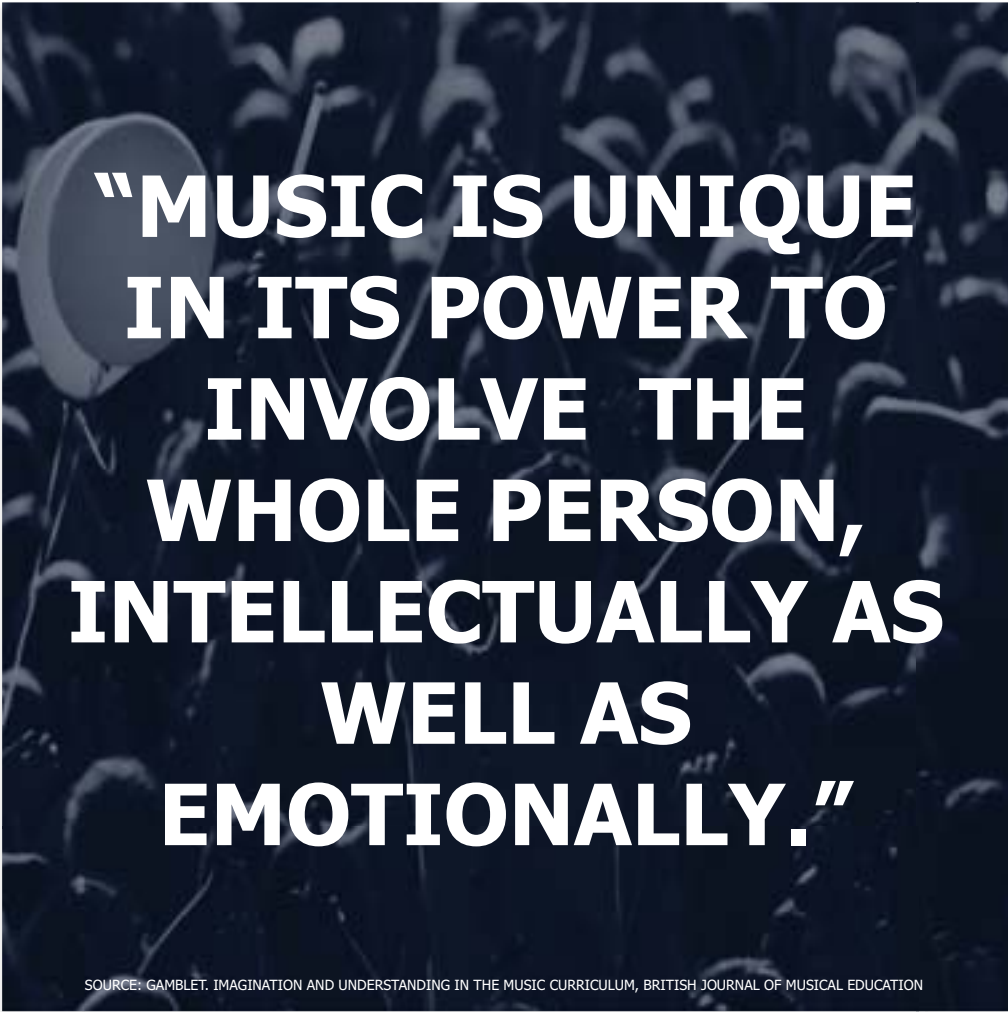
22%
UPLIFT IN
QUALIFIED
CALLS

109% INCREASE IN TOTAL
WEBSITE TRAFFIC

A large, vibrant purple ink splash or smoke plume rises from the bottom left corner, filling the left side of the frame with intricate, swirling patterns.

IHEARTRADIO





**“MUSIC IS UNIQUE
IN ITS POWER TO
INVOLVE THE
WHOLE PERSON,
INTELLECTUALLY AS
WELL AS
EMOTIONALLY.”**

SOURCE: GAMBLET. IMAGINATION AND UNDERSTANDING IN THE MUSIC CURRICULUM, BRITISH JOURNAL OF MUSICAL EDUCATION



THAT'S WHY
**97% OF
MARKETERS**
BELIEVE THAT
**MUSIC CAN
STRENGTHEN
THEIR BRAND**

Source: Frukt Music Research 2012

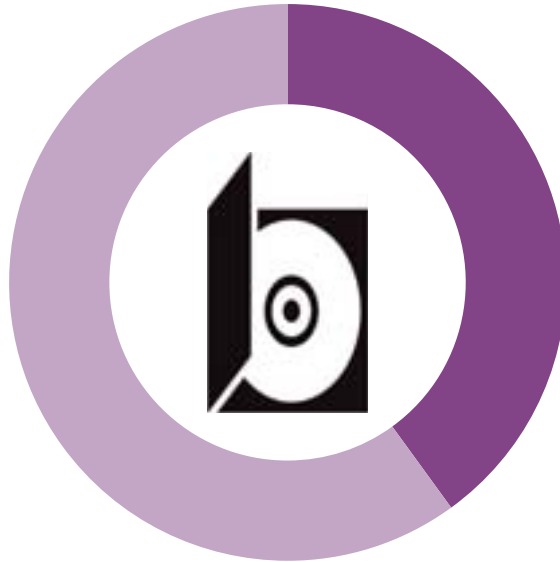
97% OF PEOPLE LIKE OR LOVE MUSIC

85% OF ADULTS LISTEN TO MUSIC FOR AN AVERAGE OF 4 HOURS EVERY DAY

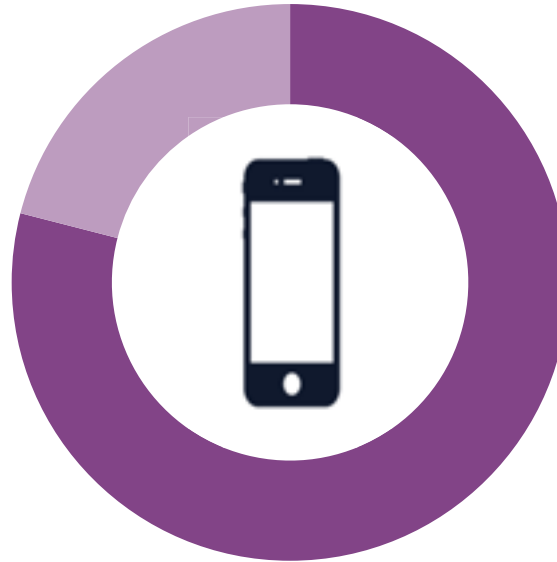
68% OF PEOPLE SAY THAT MUSIC IS AN INTEGRAL PART OF THEIR LIVES







PHYSICAL REVENUE
IS EXPECTED TO
**DECLINE BY
44%**
BY 2019



PEOPLE SPEND **79%**
**MORE TIME ON
MUSIC APPS**
VERSUS 2013



67% OF MUSIC
CONSUMERS **LISTEN
TO MUSIC ONLINE**
(VIA SOME FORM OF
STREAMING/DOWNLOADS)

SOURCE: 2014 NIELSEN MUSIC U.S REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY'S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S
SHARE OF EAR STUDY (08/2014)

STREAMING CONTINUES ITS SURGE...



164 BILLION SONGS STREAMED ON-DEMAND IN 2014 – UP 54% FROM 2013

THE NUMBER OF STREAMING USERS IS EXPECTED TO **GROW BY 192%** BY 2019

30% OF MUSIC CONSUMERS **ARE MUSIC STREAMERS** (KEY AUDIO ONLY STREAMING SERVICES)

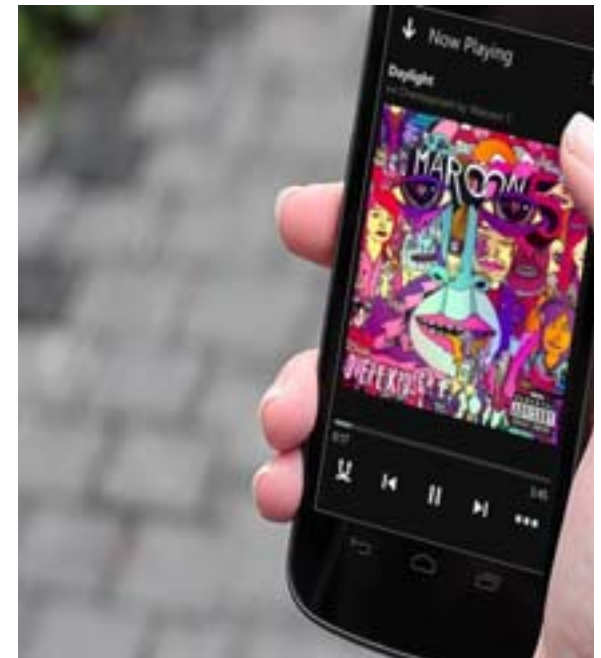
SOURCE: 2014 NIELSEN MUSIC U.S. REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY'S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S SHARE OF EAR STUDY (08/2014)

... BUT STREAMERS DON'T WANT TO PAY FOR MUSIC!

92% OF MUSIC STREAMERS **WANT TO STREAM AUDIO FOR FREE**

63% OF MUSIC STREAMERS USE A MOBILE APP OR P2P TO **DOWNLOAD FREE MUSIC**

ONLY **25% OF MUSIC LISTENERS SPEND MORE THAN \$10** EVERY 3 MONTHS FOR MUSIC

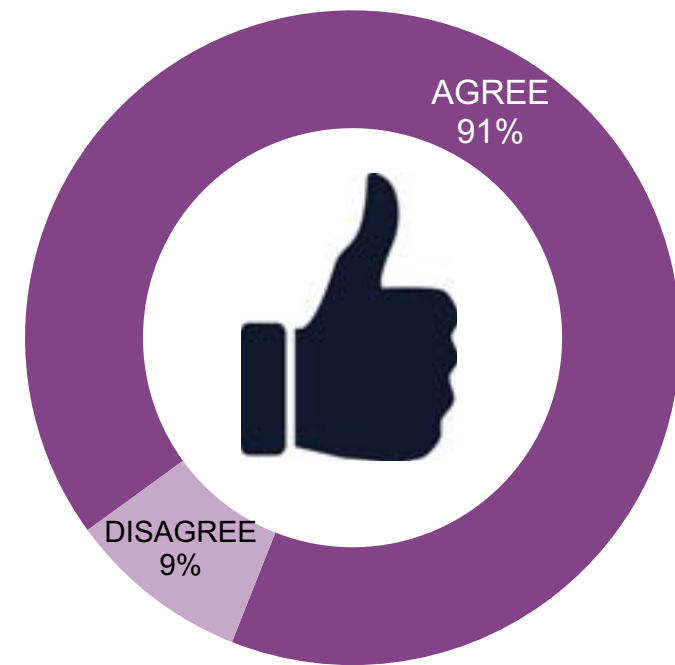


SOURCE: 2014 NIELSEN MUSIC U.S. REPORT (12/2014), NIELSEN – BRANDS AND THE BIG STAGE (11/2013)
THE SPOTIFY'S AND COMSCORE'S BRAND IMPACT STUDY 2014, MIDIA RESEARCH GLOBAL MUSIC FORECASTS 2014 TO 2019 (07/2014), MIDIA RESEARCH THE STREAMING EFFECT, EDISON RESEARCH'S
SHARE OF EAR STUDY (08/2014)

AND CONSUMERS VIEW RADIO AND STREAMING DIFFERENTLY

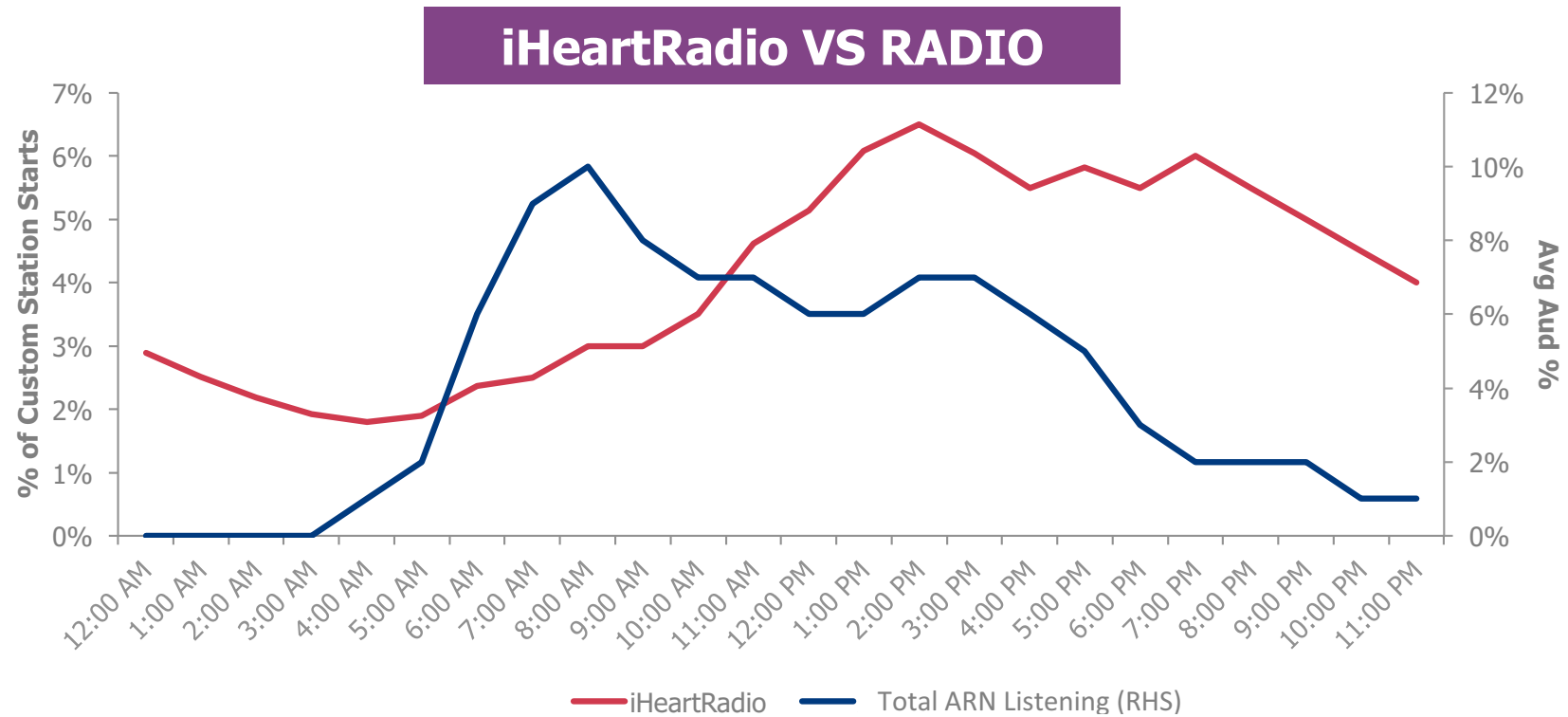


PERCENTAGE STRONGLY/SOMEWHAT AGREE:
*"I LISTEN TO BOTH FM RADIO AND MUSIC
STREAMING SERVICES, BUT AT DIFFERENT
TIMES, FOR DIFFERENT REASONS"*



SOURCE: "ROLE OF RADIO IN MUSIC INDUSTRY" STUDY; IHEARTMEDIA AUGUST 2013
BASE: AMERICANS, AGED 18-44, WHO LISTEN WEEKLY TO AM/FM RADIO VIA REGULAR RADIO OR STREAMING
Q10. TO WHAT EXTENT DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS ABOUT MUSIC AND FM RADIO?

COMPLEMENTARY IN NATURE



SOURCE: INTERNAL DATA, AUSTRALIA APRIL 2014 AVERAGE . STATION STARTS BY HOUR AS A % OF TOTAL STATION STARTS. BASED ON IHEART.COM AND IHEART APP, GFK

WHAT IS iHeartRadio?

THE BEST OF
LIVE RADIO

MUSIC
CONTROLLED
BY **YOU**

CUSTOMISED
STATIONS

FREE, NO ADS
AND
UNLIMITED

PERFECT FOR
ANY MOOD OR
TIME OF DAY

ANYTIME,
ANYWHERE

CULTURE
DEFINING
LIVE EVENTS

EXTRAORDINARY
MONEY
CAN'T BUY
EXPERIENCES



DELIVERED VIA DESKTOP AND MOBILE



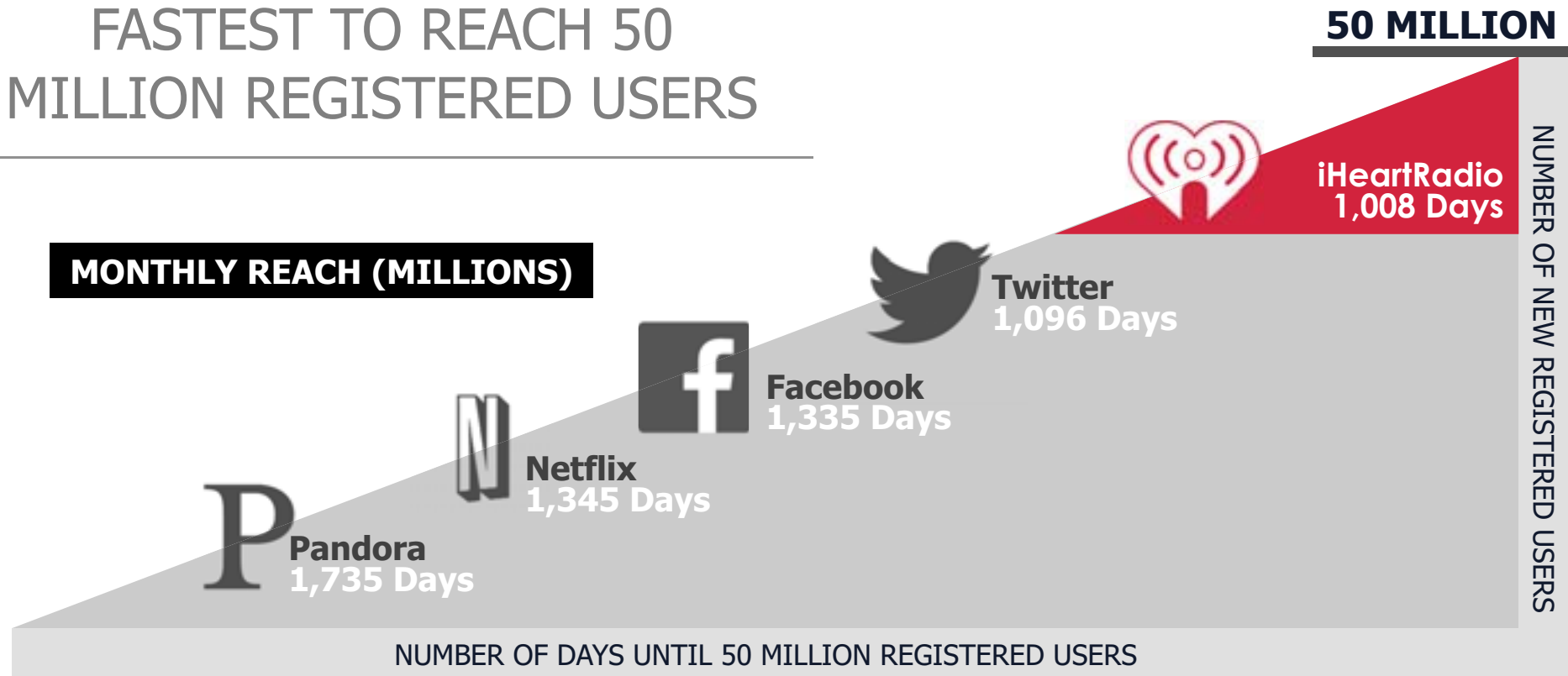
USA

92 MILLION
MONTHLY USERS

168 MILLION
LISTENING HOURS

iHeart Radio APP:

FASTEST TO REACH 50 MILLION REGISTERED USERS



SOURCE: TWITTER: [HTTP://CREATIVITYANDINNOVATION.BLOGSPOT.COM/2011/09/CAN-GOOGLE-PLUS-DISRUPT-FACEBOOK-AND.HTML](http://creativityandinnovation.blogspot.com/2011/09/can-google-plus-disrupt-facebook-and.html); FACEBOOK: [HTTP://FINANCE.YAHOO.COM/NEWS/NUMBER-ACTIVE-USERS-FACEBOOK-OVER-YEARS-214600186--FINANCE.HTML](http://finance.yahoo.com/news/number-active-users-facebook-over-years-214600186--finance.html) ; NETFLIX: Q2'14 FINANCIAL STATEMENT ; PANDORA: [HTTP://BLOG.PANDORA.COM/2010/04/01/50000000/](http://blog.pandora.com/2010/04/01/50000000/)

CULTURE – DEFINING LIVE EVENTS



MAJOR BRAND SUPPORT



Elizabeth Arden
NEW YORK



JUSTIN TIMBERLAKE, TARGET AND CLEAR CHANNEL CREATE MUSIC HISTORY

Your Challenge:

- Leverage Target's groundbreaking relationship with Justin Timberlake
- Generate excitement among existing and new Target consumers for the CD and your brand
- Reinforce Target as a pop-culture brand
- Drive CD sales of the Exclusive Deluxe version of The 20/20 Experience

Our Response:

Clear Channel Media and Entertainment created an integrated multi-platform campaign that:

- Utilized our unmatched reach
- Leveraged our music industry credibility
- Capitalized on our programming expertise
- Created a brand halo for Target that moved millions of fans into action





MACY'S iHeartRadio RISING STAR

- Now in its third year A national contest featuring 25 top up-and-coming artists selected across formats/genres to win the opening act at the iHeartRadio Music Festival
- 7 million votes were cast in 2014
- More than 500 million impressions were delivered across the integrated campaign, including in-studio appearances across the country



AMEX SMALL BUSINESS SATURDAY

- iHeartRadio and American Express partnered to execute an integrated media campaign to support the second annual Small Business Saturday.
- 150 markets, 850 stations, 500+ personalities, 565 pieces of unique copy, 15 million social followers
- Small Business Saturday awareness tripled throughout the course of the campaign
- 200,000+ tweets with hash tag #smallbizsat and 1.5 million new “likes” for Small Business Saturday’s Facebook page in 4 weeks
- Display and streaming audio on 500+ station sites on iHeartRadio



iHeartRadio THE NUMBERS

AU/NZ SNAPSHOT

ACROSS AUSTRALIA & NEW ZEALAND

742,000 REGISTERED USERS

1.03 MILLION + APP DOWNLOADS



Source: ARN iHeart Media. NZ to march 2015 AU to May 2015 App Data Google/App Store

AU/NZ SNAPSHOT

USER SESSIONS
3.7 MILLION

**MONTHLY PAGE
VIEWS**
15.5 MILLION

**MONTHLY
AV LISTENING
HOURS**
Custom – AU 6.9/ NZ 5.9
Live – AU 9/NZ 7

**REGISTERED
USERS**
742,000+

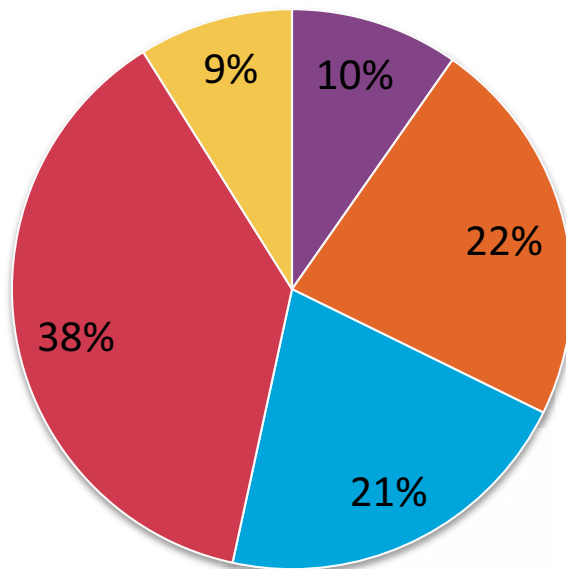
**APP
DOWNLOADS**
1.03 MILLION

**MONTHLY MOBILE
SESSIONS**
2.82 Million
Av Duration =
26-28 min

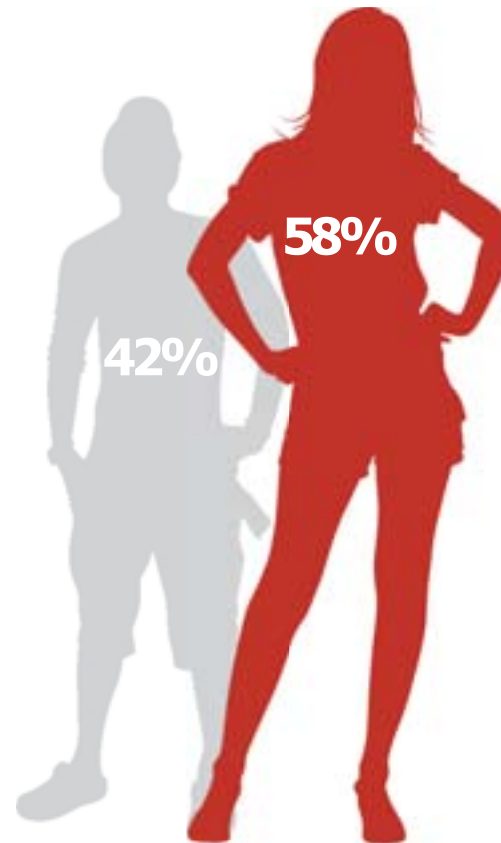
These figures represent a foundation, before greater strategic focus & marketing support

Source: ARN, NZME, iHeartMedia, Omniture, Localytics

DEMOGRAPHICS



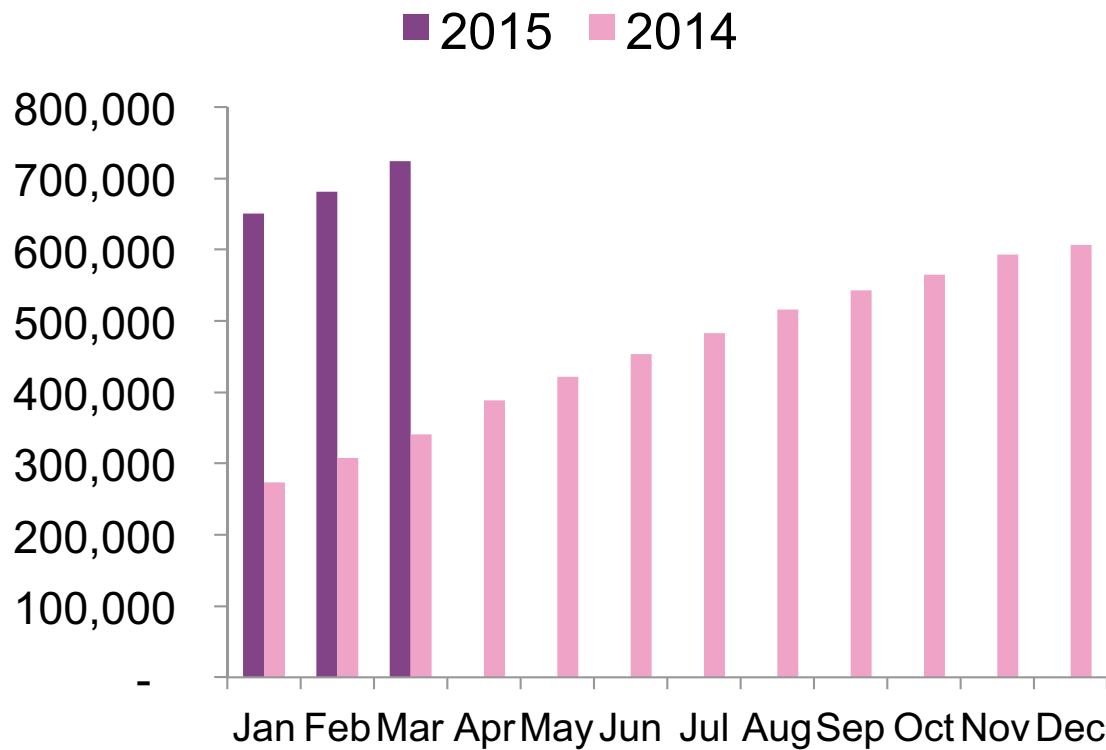
- U17
- 18-24
- 25-34
- 35-54
- 55+



A youthful audience – **53%** of the registered users are aged under 34. Female skew **58%** female across all demos

Source: ARN iHeart Media

REGISTERED USERS



**113% YOY
registered user
growth**

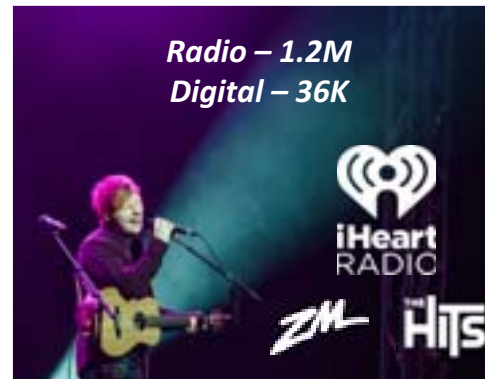
Source: ARN iHeart Media

IHEARTRADIO – EVENT SPONSORSHIP

SPONSORSHIP



STRONG REACH



EARNED MEDIA



THE RESULTS

- 35,000 iHeartRadio Ticket Entries
- 18,000 2degrees Ticket Entries
- 2,000 concert goers
- 6,500 Live Streams
- 3,000 + Tweets

"Over 18,000 entries over a 1.5 week promo period... we had our highest selling week of Freedom Plans since launch"
2degrees

IHEARTRADIO – EXPERIENTIAL



IHEARTRADIO – RETAIL



"Paper Plus' in-store radio provides rich content for customers with music, interviews, book reviews and promotions to engage customers while they shop with us."
Paper Plus

Paper Plus Radio is live in 100 + stores across NZ and streams continue to grow month on month



- Contemporary music tailored to key events and themes; summer, Christmas, mother's day, NZ music month



- Exclusive commercial environment with weekly promotion and Paper Plus brand imaging



- Book reviews and author interviews to bring the products to life in store

IHEARTRADIO – 2015 INITIATIVES

2015 focus is on growing audience and engagement via;

Unique
Content



Partnerships



Events



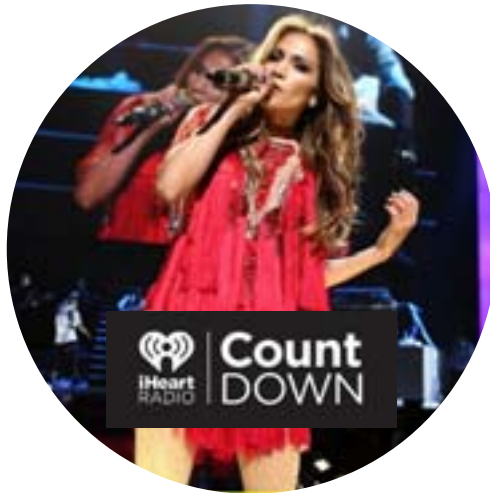
UNIQUE POSITIONING IN MARKET

PRIMARY CHARACTERISTIC							
LIVE RADIO	✓	✓	X	X	X	X	X
ADVERTISING	✓	✓	✓	✓*	✓*	X	X
CUSTOMISED RADIO	✓	X	✓	✓	X*	X*	✓
MUSIC PURCHASE	✓	X	X	✓	✓	✓	✓
LIVE MUSIC PROGRAM	✓	X	X	X	X	X	X
ORIGINAL CONTENT AMPLIFICATION	✓	X	X	X	X	X	X
SUBSCRIPTION	X	X	✓*	X	✓*	✓	✓
TV SYNDICATION	✓	X	X	X	X	X	X
US ORIGINAL CONTENT ACCESS	✓	X	X	X	X	X	X
RADIO NETWORK PARTNERSHIP	✓	X	X	X	X	X	X
NEWS DESK PUBLISHING	✓	X	X	X	X	X	X
LIVE STREAMING	✓	X	X	X	X	X	X
INFLUENCER PROGRAM	✓	X	X	X	X	X	X



**GIVING YOU MORE
OF WHAT YOU LOVE**

NEW FM BROADCAST SHOWS



iHeartRadio Countdown

- Hosted by Matty Acton
- Superstar Co-Host each week
- KIIS Sydney, Melbourne & Brisbane
- 45 regional stations
- Sunday 4pm-6pm
- On Demand via iHeartRadio
- Launched April



iHeartRadio Journey to Now

- Album show
- Pure Gold 5 capital cities
- 50 regional stations
- Sunday 4pm-6pm
- On Demand via iHeartRadio
- Launching July

NEW CHANNELS



iHeartRadio Dance

- A new spin on Dance
- Real enthusiast channel
- Programmed with a human touch
- iHeartRadio platform only
- Launching July



iHeartRadio Country

- Passion point Country channel
- Big name host
- Dialling into iHeartRadio US Country assets
- iHeartRadio platform only
- Launching August



iHeartRadio Live Radio Stations

- Agnostic platform
- Aggregate more radio stations
- Metro and regional focus
- Increases live radio footprint
- Attracts new niche audiences

INCREASED MARKETING INVESTMENT



Radio Campaign



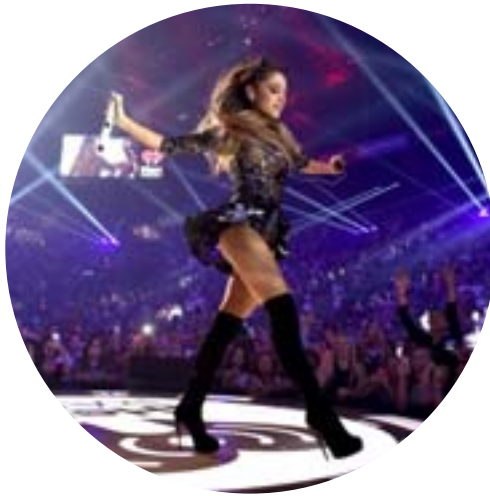
Paid Digital Media



Adshel Campaign

IN EXCESS OF \$3.5 MILLION IN TARGETED BRAND AND ACQUISITION MARKETING
FOR IHEARTRADIO'S EVOLUTION

MORE LIVE EVENTS



iHeartRadio Live

- Extraordinary money can't buy experiences
- 'Category A artists'
- National promotions
- Video / audio output
- Loop TV partnership



iHeartRadio US Events

- Activation of four iconic US events
- National promotions
- Access to the biggest stars on the planet
- Plus weekly access to iHeartRadio Live US Events



iHeartRadio On The Verge

- A platform to jumpstart new talent
- Launching February 2016
- Video / audio output

MORE CONVERSATIONS



NEWS ROOM APPROACH - 7 DAYS PER WEEK DELIVERING BREAKING NEWS, REACTING TO STORIES & CREATING TRENDS

VIDEO SERIES – WEEKLY SOCIAL VIDEO SEGMENTS DRIVING DEEPER BRAND ENGAGEMENT

LEVERAGE PERSONALITIES



Influencer Program

- 6 social ambassadors
- Always on approach
- Additional support for iHeartRadio Live



Talent Program

- Matty Acton – iHeartRadio ambassador
- Weekly social video segments
- Hosting iHeartRadio Live events



CONTENT MARKETING

Simon Joyce



AGENDA

Content Marketing Revolution

1. Market Dynamics
2. Research Insights

Introducing Emotive

1. Business Overview
2. Our products

Case Study

Optus Netflix

Content Marketing Revolution



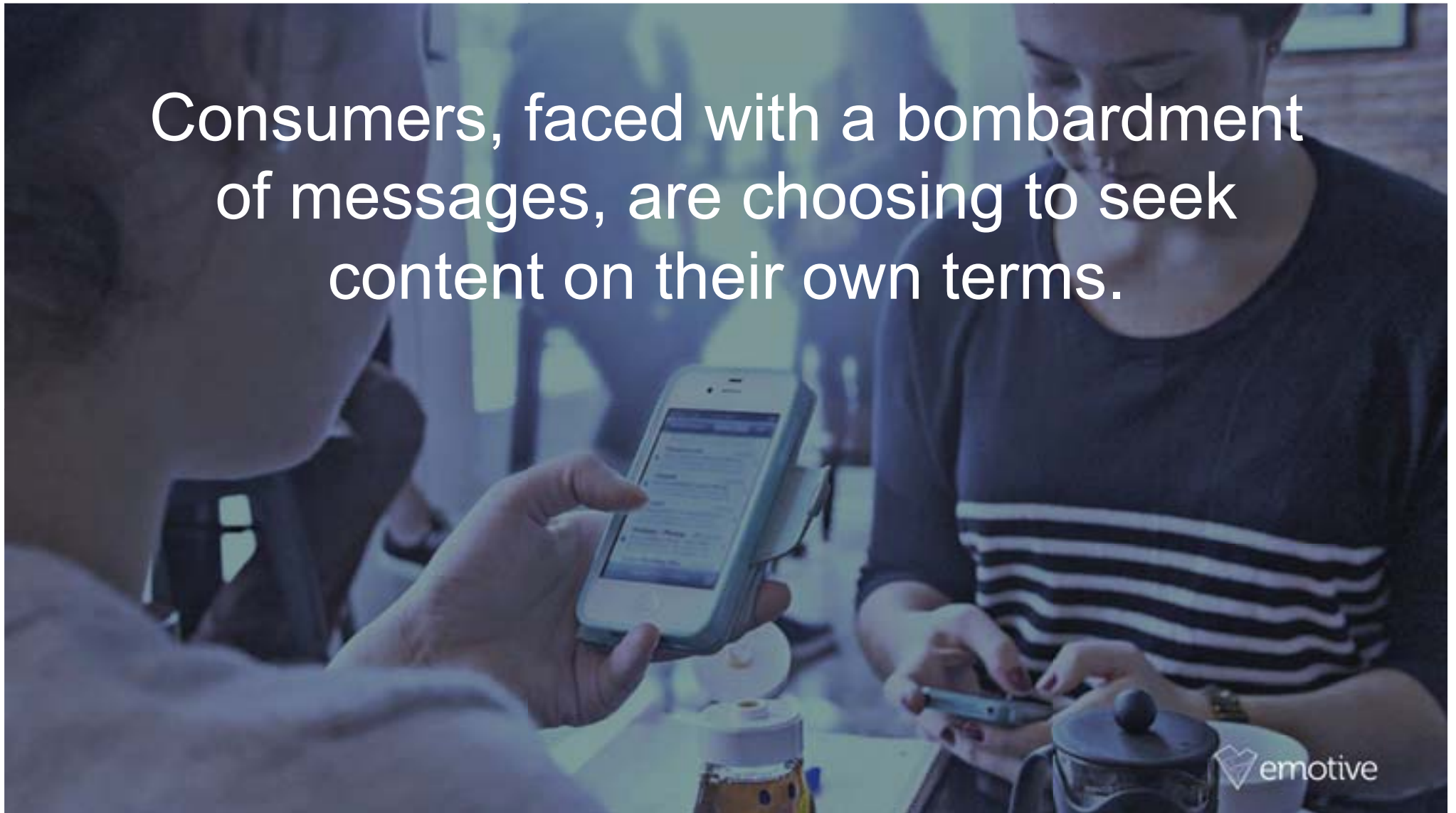
emotive

Defining Content Marketing

Content Marketing is a non-interruptive marketing process. It occurs when the consumer chooses to engage with a brand's content because they find it of value.



Consumers, faced with a bombardment of messages, are choosing to seek content on their own terms.



We are entering an age where the only messages anyone will see and hear are the messages they choose to.





These dynamics are forcing brands to fundamentally rethink their marketing strategy

EMOTIVE INSIGHTS



Brands Must Adapt

Like it or not, brands have to become publishers – and they all have the opportunity to communicate directly with their audience.

Brands Need Emotive Content

Brands must create desired 'owned' content that is engaging, informing, entertaining, on-brand....and 'always on'.

Paid & Owned in Harmony

Paid and owned media work together. A combination of organic and paid media accelerate content distribution.

CONTENT MARKETING RESEARCH AUSTRALIA



89%

Australian marketers now
use content marketing

27%

of total marketing budget is spent on
content marketing

Content Marketing Institute, 2015 (Australia)

CONTENT MARKETING RESEARCH AUSTRALIA



29%

believe they are using it
effectively

63%

of marketers will increase
spend in 2015

THE OPPORTUNITY

Brands need help creating content and finding audiences.

The opportunity exists to deliver exactly that, via an end to end content marketing business.....with a difference

Introducing



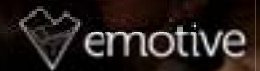
emotive

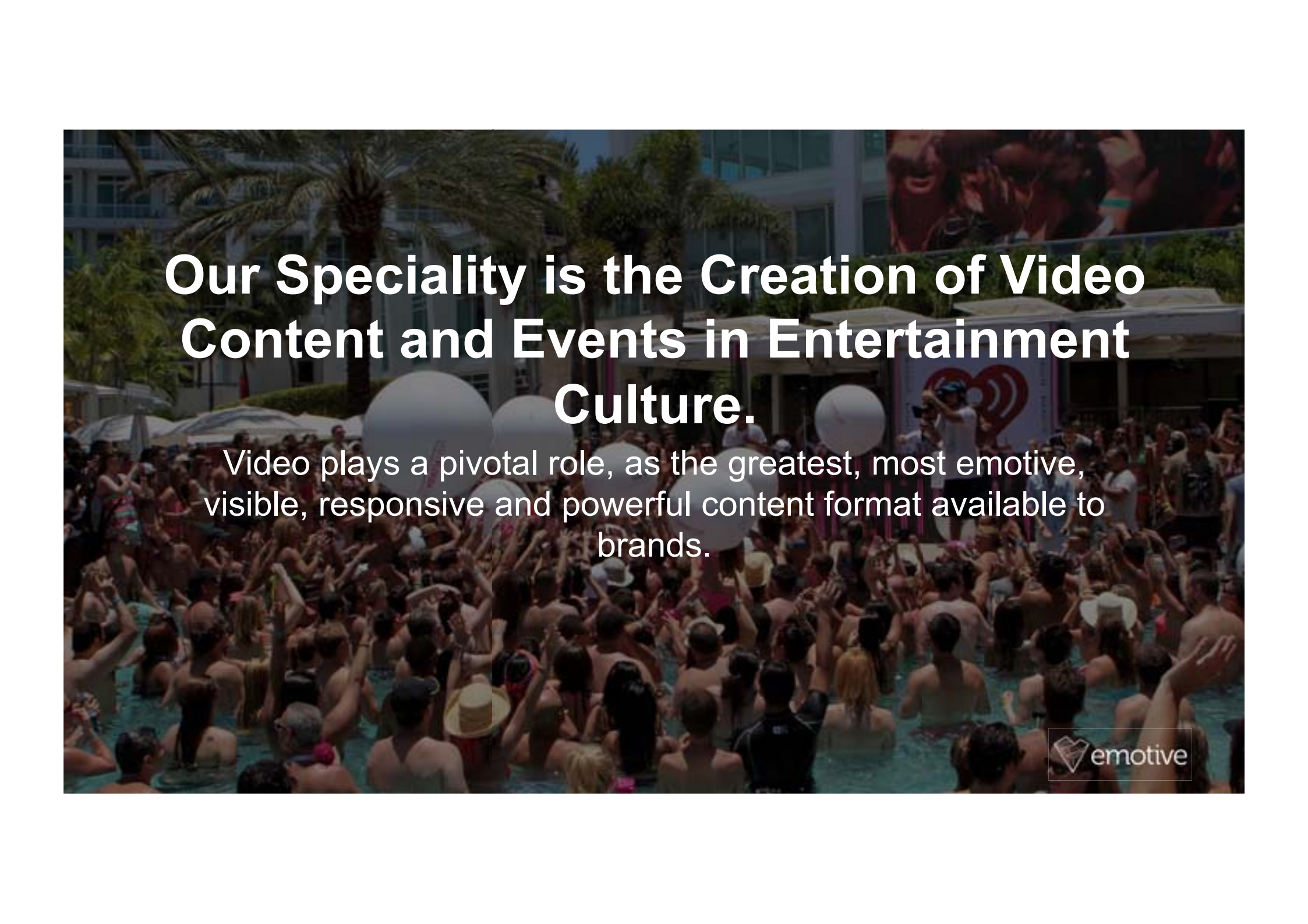


emotive

We are Passion Point Content Marketers.

We help brands inject emotion into content creation
and guarantee it will be consumed by the right audience.





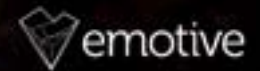
Our Speciality is the Creation of Video Content and Events in Entertainment Culture.

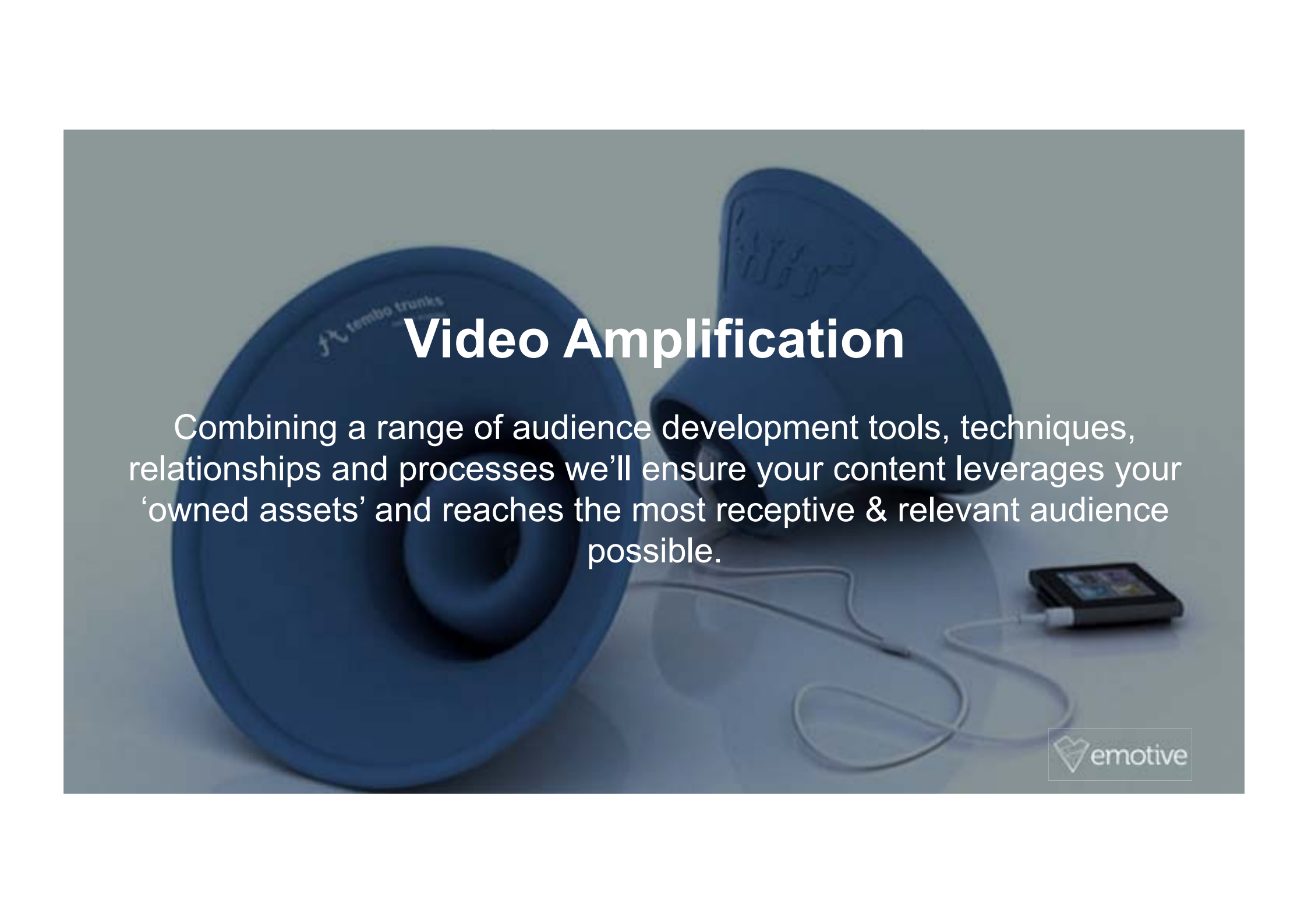
Video plays a pivotal role, as the greatest, most emotive, visible, responsive and powerful content format available to brands.



Finding The Right Audience

We challenge the notion that content marketing requires luck to reach an audience.

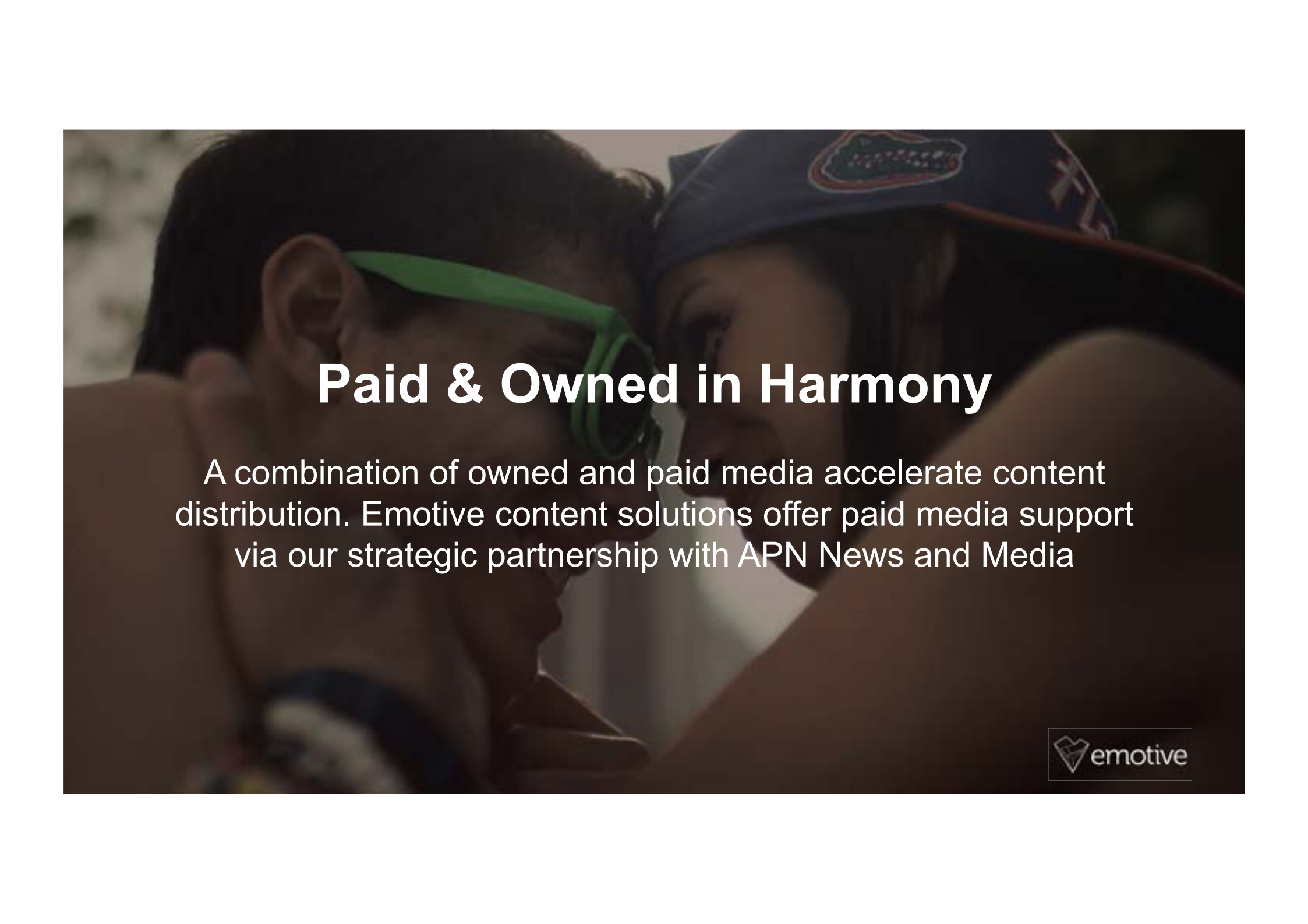


The background of the slide features a photograph of two blue megaphones and a black smartphone. One megaphone is in the foreground, angled towards the left, with the text 'tembo trunks' visible on its side. The other megaphone is behind it, angled towards the right. A white charging cable is plugged into the bottom of the smartphone, which is lying flat on a light-colored surface. The entire scene is overlaid with a semi-transparent dark blue filter.

Video Amplification

Combining a range of audience development tools, techniques, relationships and processes we'll ensure your content leverages your 'owned assets' and reaches the most receptive & relevant audience possible.

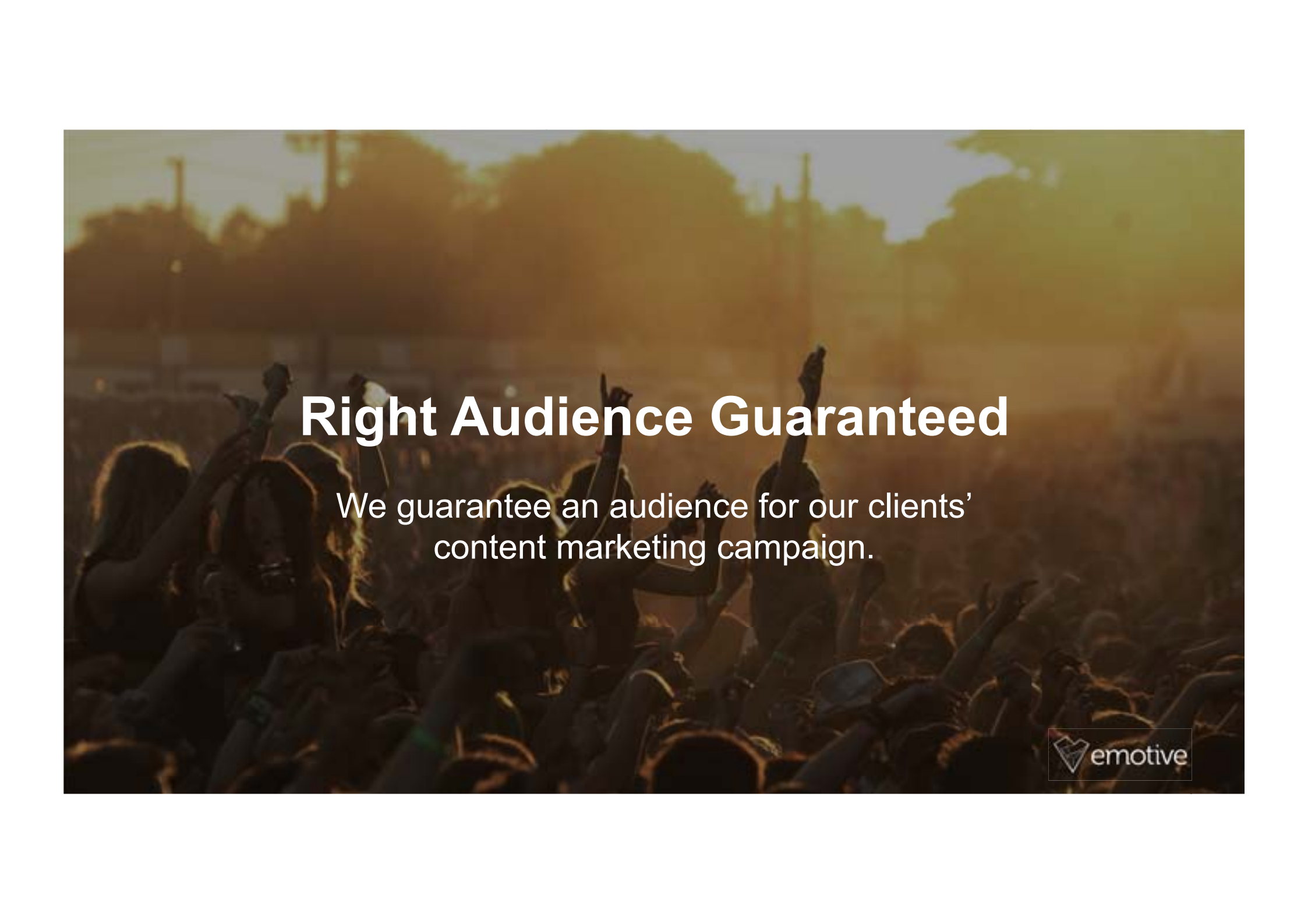


A romantic couple in swimwear embracing. The man is wearing green swim goggles and the woman is wearing a blue swim cap with a logo. The background is a soft-focus outdoor setting.

Paid & Owned in Harmony

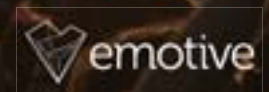
A combination of owned and paid media accelerate content distribution. Emotive content solutions offer paid media support via our strategic partnership with APN News and Media

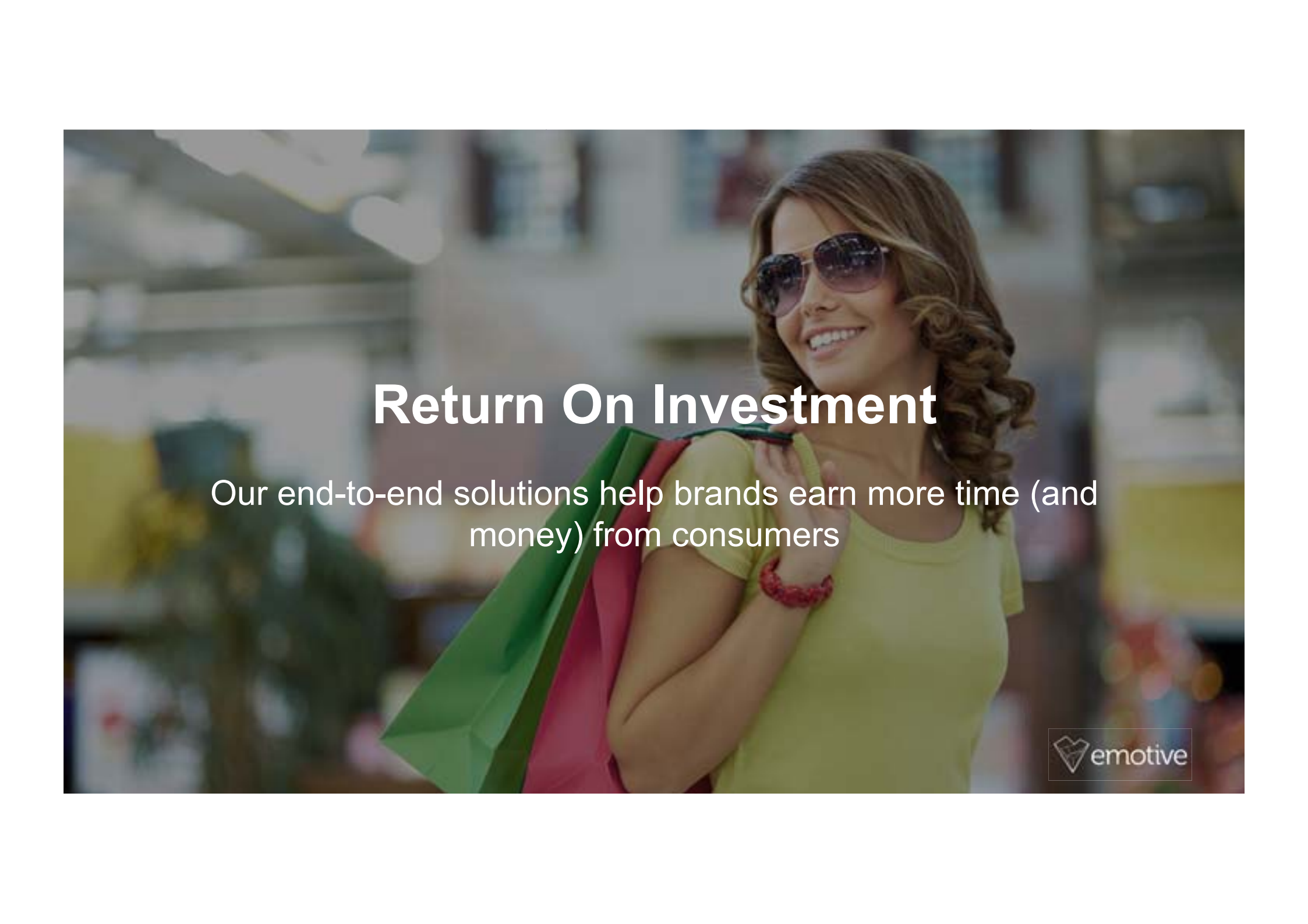




Right Audience Guaranteed

We guarantee an audience for our clients' content marketing campaign.

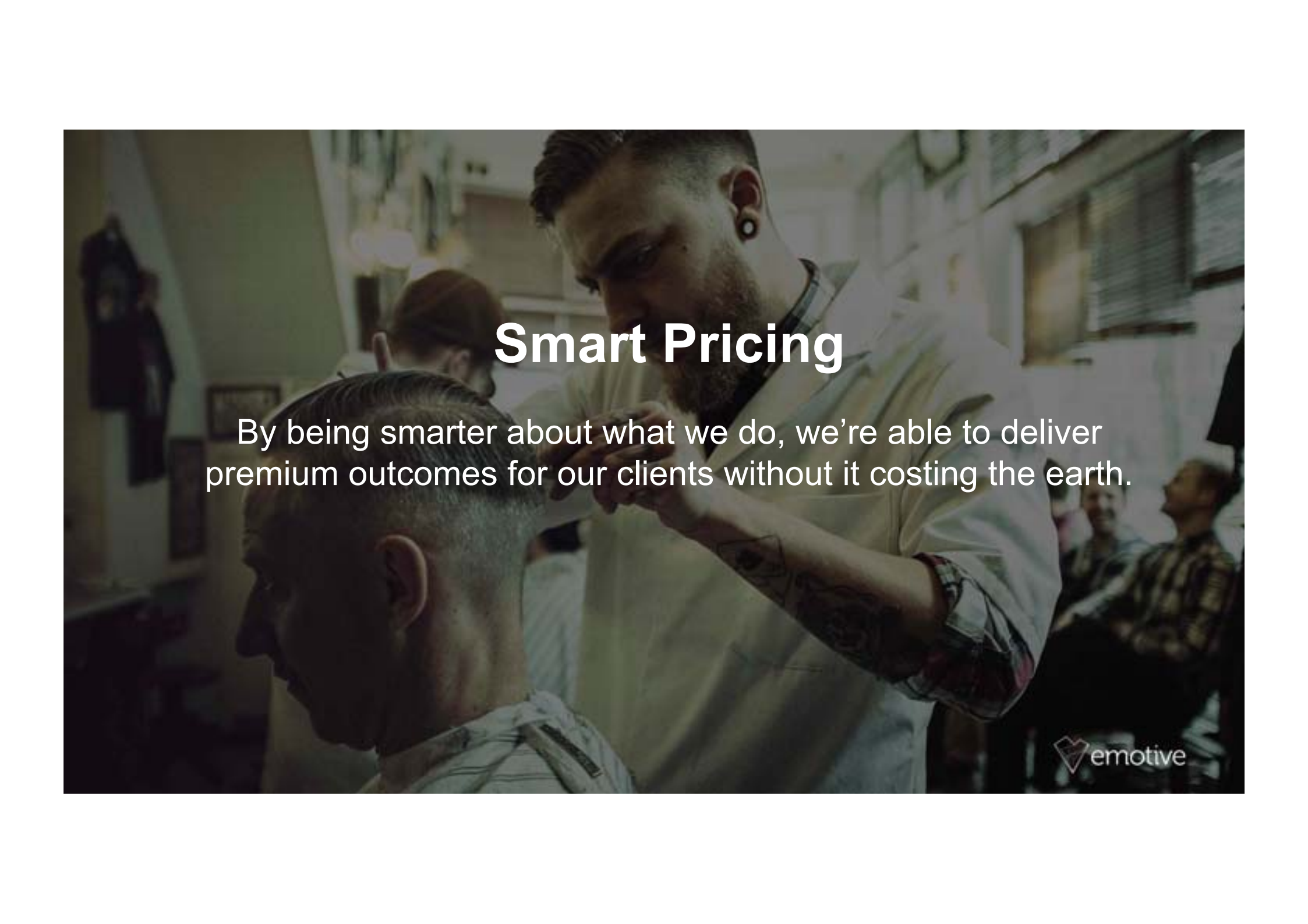


A woman with long, wavy brown hair, wearing sunglasses and a yellow t-shirt, is smiling and carrying two large shopping bags (one green, one pink) over her shoulder. She is standing in a brightly lit store with shelves of products in the background.

Return On Investment

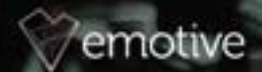
Our end-to-end solutions help brands earn more time (and money) from consumers



A photograph of a barber with a beard and tattoos, wearing a white apron, cutting a man's hair in a shop. The background shows other people and shop decor. The image is dimmed to serve as a background for text.

Smart Pricing

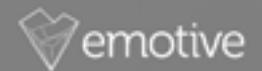
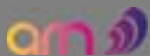
By being smarter about what we do, we're able to deliver premium outcomes for our clients without it costing the earth.



A photograph of Snoop Dogg, a well-known rapper, smiling and giving two thumbs up. He is wearing his signature black-rimmed glasses, a goatee, and a white patterned shirt. He has multiple gold chains and beaded bracelets on his wrists. The background is a plain, light-colored wall.

We add a content marketing layer to APN News and Media integrated solutions

We are in the privileged position to be working with APN to deliver market leading integrated content solutions for brands.



Management Team



Jamie Crick
Strategic Partnerships &
Audience Director



Charlie Leahy
Executive Creative
Director



Simon Joyce
Founder & CEO



Andy Sinn
Commercial Director



Ben Keep
Chief Operating Officer

Our Products



Video & Film Creation
Events & Experiences
Talent Partnerships



Influencer Activation
Boosted Distribution
Analytics & Reporting



ARN content distribution
Adshel content distribution
iHeartRadio digital

Case Study – Optus Netflix



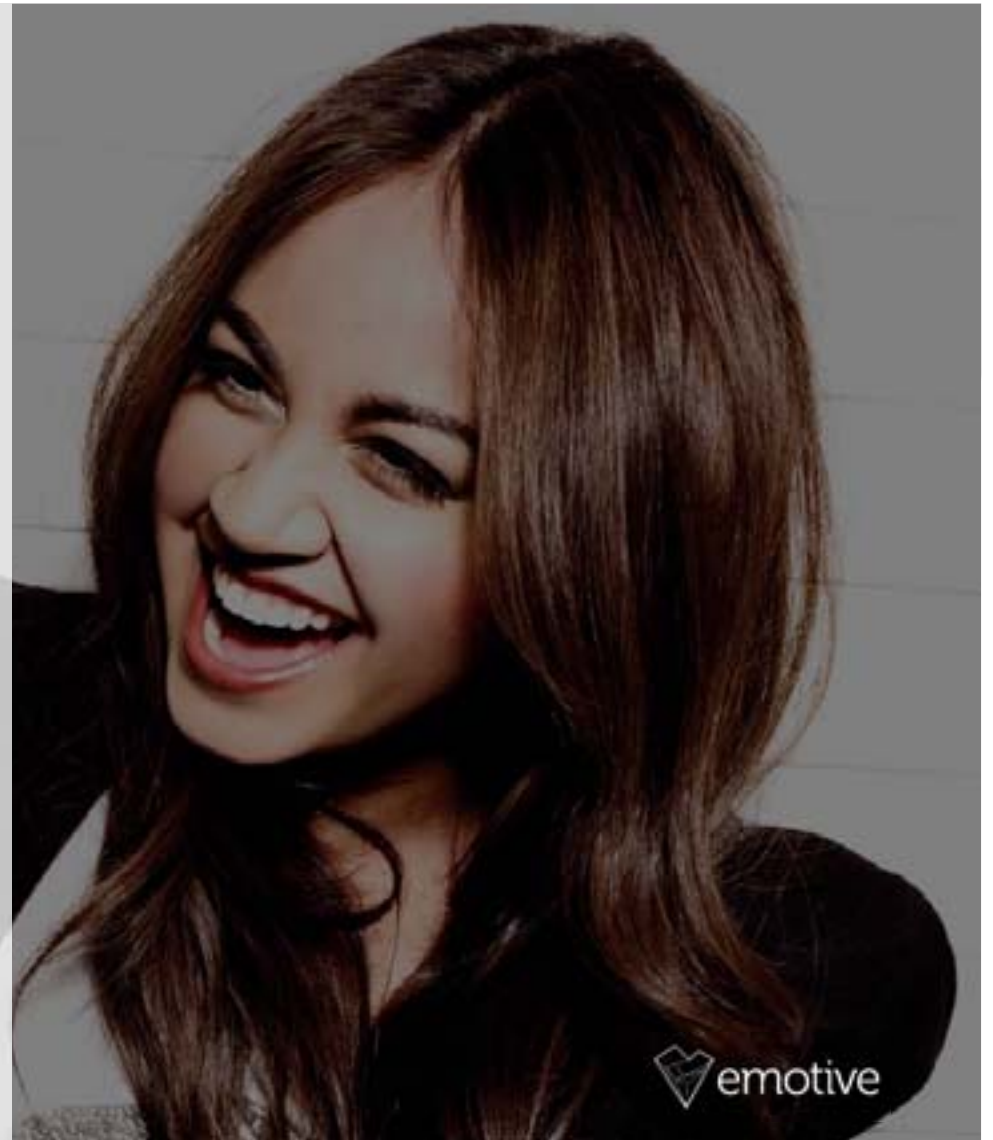
The Challenge

- Announce Optus Netflix partnership
- Position Optus as an enabler of entertainment
- Dominate discussion of streaming services in a cluttered market
- Communicate via social media



Summary

- Accountable content marketing
- Upscaling APN News and Media integrated solutions driving incremental share
- Right audience guaranteed
- An unrivalled team in entertainment marketing



emotive

content that moves you

ARN. RE-IMAGINING RADIO FOR TODAY'S WORLD



Building a more innovative, connected and multi-faceted media and entertainment network around the audiences that drive your brands success.



APNNext 2015

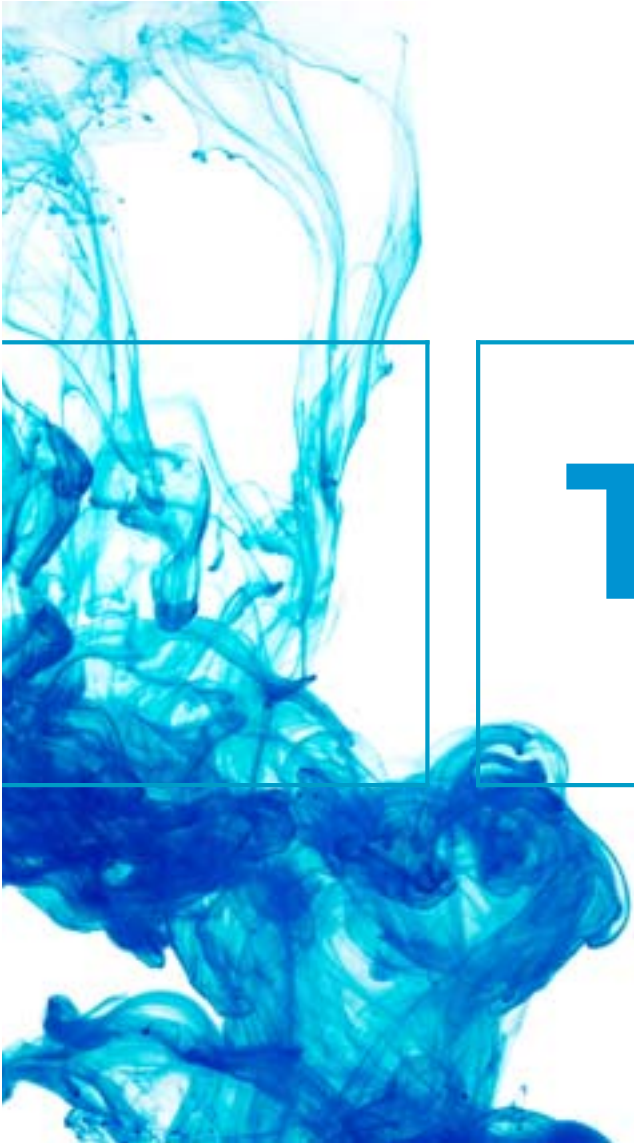
Investor
Day

APNEX – INTO THE FUTURE

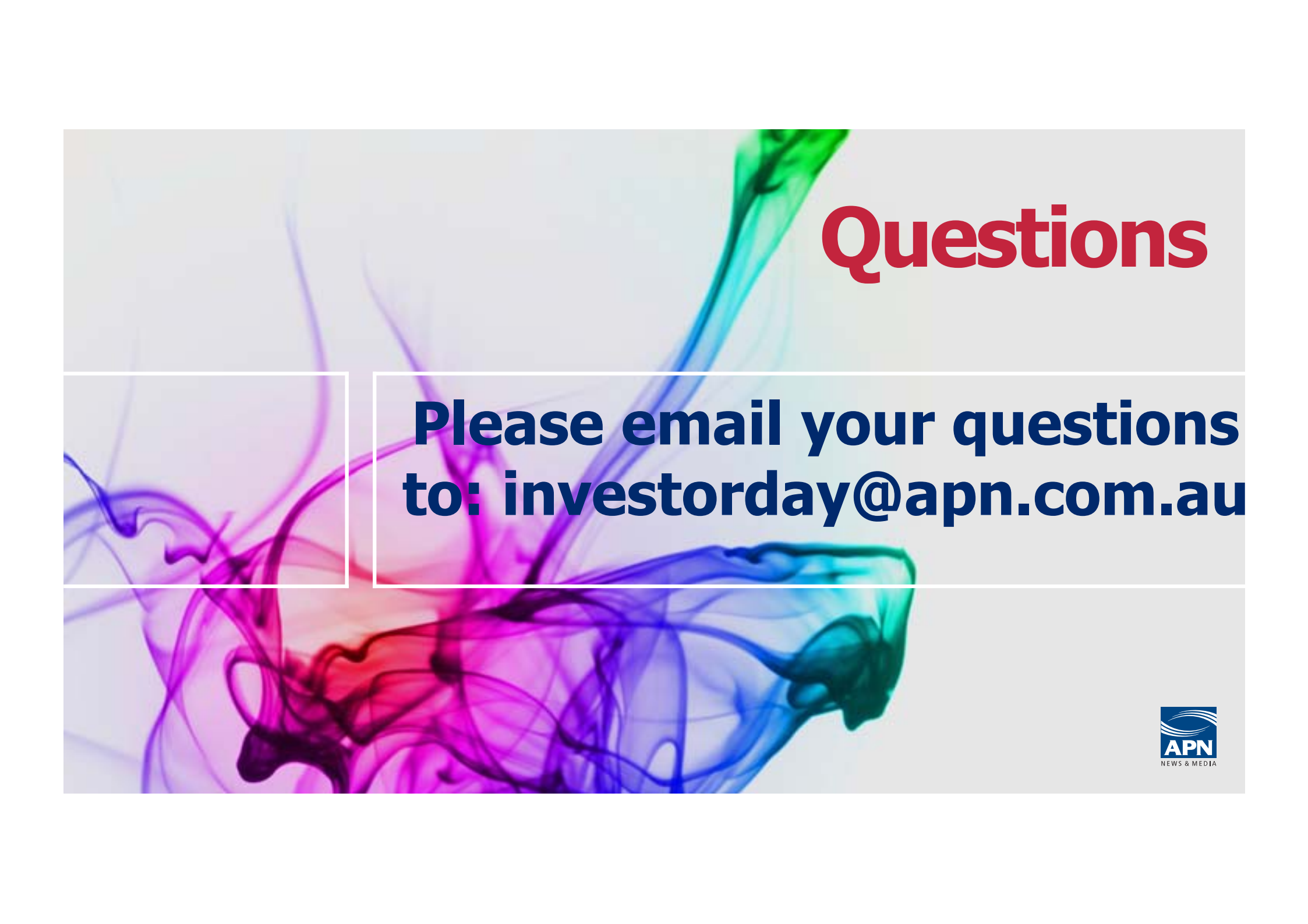
If you do something and it turns out pretty good, you should go out and do something else wonderful. Don't dwell on it for too long, just figure out what's next.

- Steve Jobs



An abstract graphic of blue ink splashing and swirling, located on the left side of the slide. It features various shades of blue, from light to dark, creating a dynamic, fluid shape.

Thank you



Questions

**Please email your questions
to: investorday@apn.com.au**