



WE ARE  
**PASSIONATE**

1  
2  
3  
4  
5  
6  
7  
8  
9

WE ARE  
**CONTENT  
CREATORS**



WE ARE  
**ONE TEAM**

**WWOS**



**BIG IDEAS**

**NEWS**

**Nine**

**WHERE AUSTRALIA CONNECTS**



**ONE TEAM**

**FY20 FINAL RESULTS | 27 AUGUST, 2020**



WE SHARE  
VOICES  
AND SHAPE  
OPINION

WE ARE  
**AMBITIOUS**



WE ARE  
**STORY TELLERS**

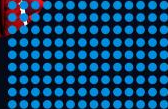
**Dad funds  
on hit-list  
in super  
reforms**



WE BELIEVE  
IN OUR  
BRANDS

WE ARE  
**CREATIVE**

**SPORT**





# IMPORTANT NOTICE AND DISCLAIMER

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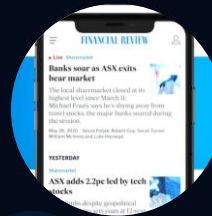
## Pro Forma Financial Information

The Company has set out in this presentation certain non-IFRS financial information, in addition to information regarding its IFRS statutory information.

The Company considers that this non-IFRS financial information is important to assist in evaluating the Company's performance. The information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business.

For a reconciliation of non-IFRS financial information contained in this presentation to IFRS-compliant comparative information, refer to the Appendices of this presentation.

All dollar values are in Australian dollars (A\$) unless otherwise stated.



DIGITAL



FY20



# HUGH MARKS CHIEF EXECUTIVE OFFICER

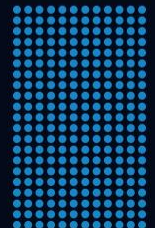


WE ARE  
ONE TEAM



WE ARE NINE

PUBLISHING



RADIO



# OPERATIONAL HIGHLIGHTS

## Audiences

- Growth in audiences across all mediums
- Expansion of data opportunities

## Revenue Share

- Growth in revenue share at FTA, BVOD and Metro Media, and from April, clear improvement at Radio

## Costs

- \$225m CY20 cash cost out program (March)
- H2 cost out across FTA, Metro Media and Radio
- Renegotiation of NRL broadcast contract

## Migration to Digital

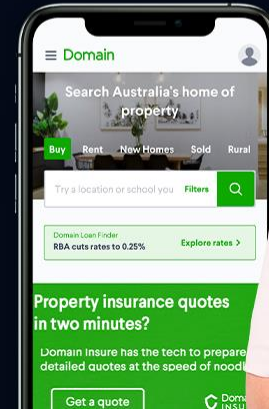
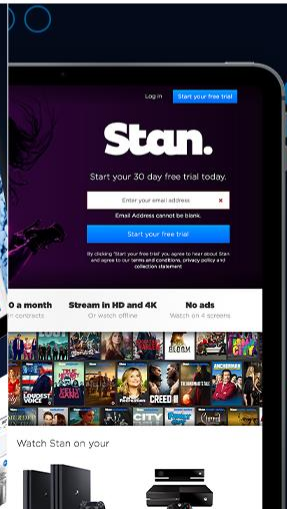
- Digital comprising almost half of Group EBITDA (Growth of 38% in FY20)

## Stan

- Strong growth in active subscribers and profitability

## Strong cash flow & balance sheet

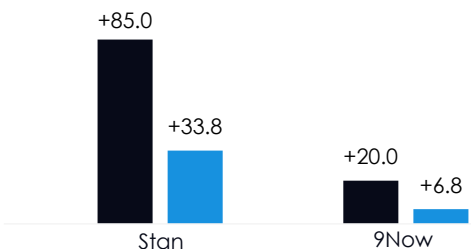
- Strong cash generation
- Wholly owned net debt at year end of \$291m (ex leases) equating to ~0.9X leverage, AASB16 basis



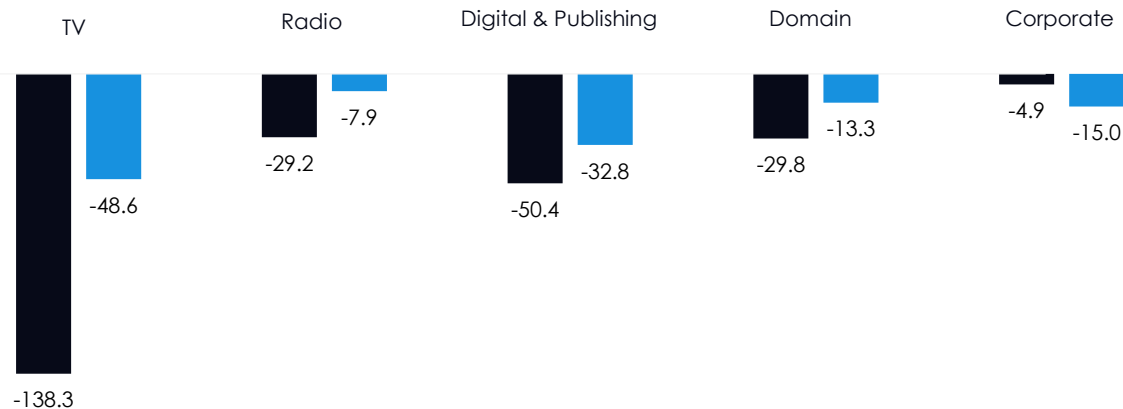


# THE BENEFITS OF A PORTFOLIO

## Investment in Business Growth



## Cost Savings in COVID-Impacted Divisions



■ Revenue<sup>1</sup>  
■ Costs<sup>1</sup>

EBITDA  
Impact \$M

+51.2

+13.2

-89.6

-21.2

-17.6

-16.4

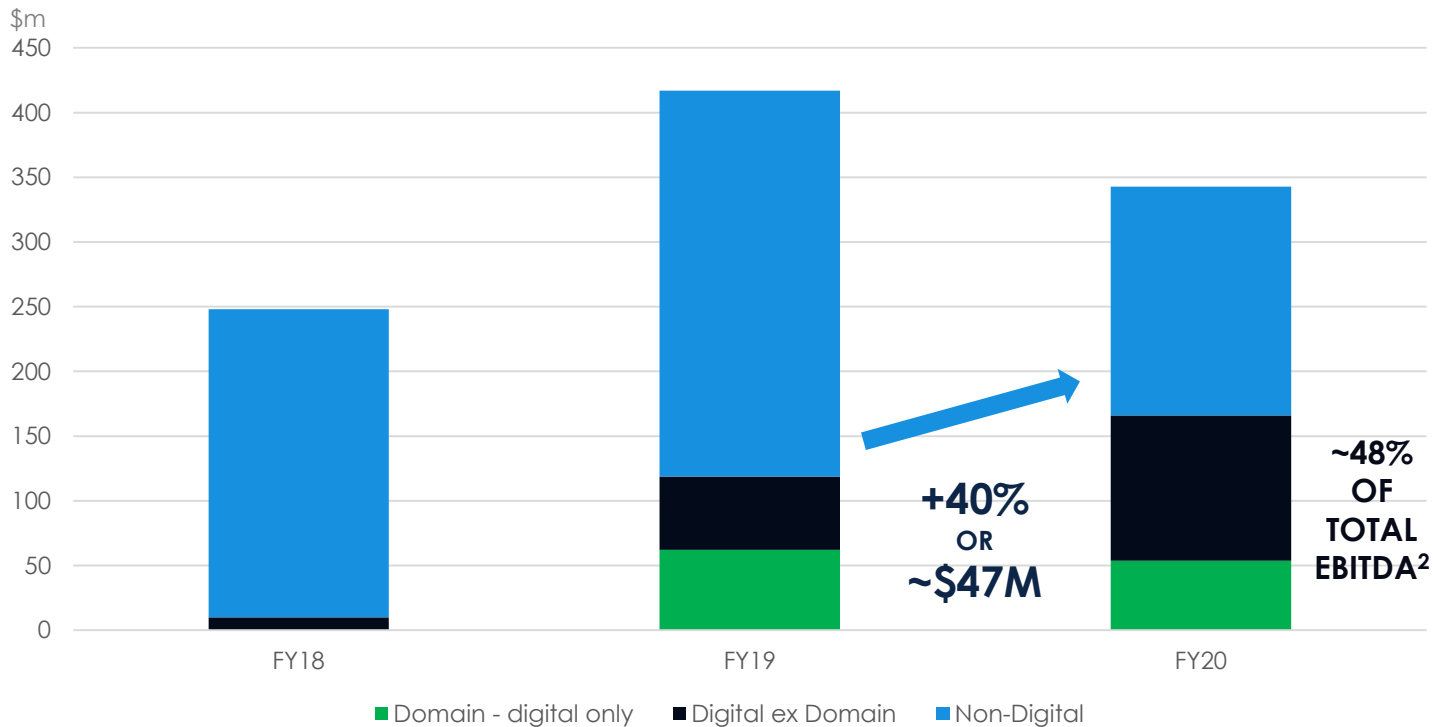
+10.1





ANNUAL RESULTS FY20

# DIGITAL<sup>1</sup> TRANSFORMATION ACCELERATING





D I G I T A L



FY20

# GRAEME CASSELLS ACTING CHIEF FINANCIAL OFFICER



WE ARE  
ONE TEAM

WE ARE NINE

P U B L I S H I N G



R A D I O



## ACCOUNTING BASIS

The Reported/Statutory results include the contribution from Fairfax Media and Stan from 7 December 2018.

The Reported/Statutory results include additional amortisation arising from Purchase Price Accounting for the merger with Fairfax as well as the impact of AASB16, accounting for leases. Full details of these impacts are shown in Appendix 1.

The Pro Forma results for FY19 consolidate the results for the former Nine and Fairfax businesses for the full 12 months in FY19 and exclude the impact of AASB16. Results include synergies realised since the transaction was completed. Interest costs associated with the transaction are also for the period from completion.

Pro Forma results are presented for Continuing Operations and exclude Australian Community Media and Printing (ACM), part of Events and Stuff New Zealand, which are separately classified as Discontinued operations and have subsequently been sold. The remaining Events businesses have been moved into Digital and Publishing from 1 July 2019.

All results (ex Statutory) exclude Purchase Price Accounting and Specific Items to best illustrate Nine's performance for the period, consistent with guidance given to the market. All variances are calculated on a pre AASB16 (like-for-like) basis.

For the purposes of this presentation,

and the ASX release dated 27 August 2020, the operations of 9Now are included in Broadcast.





ANNUAL RESULTS FY20

## REPORTED RESULTS<sup>1</sup>

**GROUP REVENUE**  
**\$2.2B**

**GROUP EBITDA**  
**\$397M**

**STAT. LOSS**  
**\$509M**

A\$M	FY20	FY19	VARIANCE
REVENUE <sup>2</sup>	2,170.6	1,848.1	+17%
<b>GROUP EBITDA<sup>2</sup></b>	<b>396.7</b>	<b>349.9</b>	<b>+13%</b>
EBIT <sup>2</sup>	246.8	276.2	-11%
GROUP NPAT, PRE MINORITIES <sup>2</sup>	155.9	187.1	-17%
SPECIFIC ITEMS (NET OF TAX)	(664.7)	29.5	NM
<b>STATUTORY NET PROFIT, CONTINUING OPERATIONS, INCLUDING SPECIFIC ITEMS</b>	<b>(508.8)</b>	<b>216.6</b>	<b>NM</b>
DISCONTINUED BUSINESSES (INCL SPECIFIC ITEMS)	(66.2)	17.3	NM
TOTAL STATUTORY NET PROFIT, INCLUDING DISCONTINUED AND SPECIFIC ITEMS	(575.0)	233.9	NM
GROUP NPAT, AFTER MINORITIES <sup>2,3</sup>	140.8	192.0	-27%
<b>BASIC EARNINGS PER SHARE<sup>2,3</sup> - CENTS</b>	<b>8.3</b>	<b>13.1</b>	<b>-37%</b>

Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding.

<sup>1</sup> FY19 includes contribution from Fairfax from implementation and the part-year impact of PPA. FY20 includes the impact of AASB16 <sup>2</sup> Before Specific Items, Continuing businesses <sup>3</sup> After minorities



ANNUAL RESULTS FY20

## IMPACT OF COVID-19

**Advertising markets:** Advertising markets, across all mediums, were significantly impacted by COVID-19 from March 2020.

**Costs:** In March 2020, Nine responded to the advertising downturn with a \$266m cash cost out program over CY20. Post the return of the NRL and other subsequent initiatives, this was adjusted to \$225m. Further details of Nine's cost out program is included on page 15.

**Spectrum charge:** The Government waived payment of Nine's annual spectrum charges across CY20. Timing of the benefit is complicated by the number of licences applied. P&L benefits are expected to total \$11.8m – split \$1.3m (FY20); \$9.5m (FY21); and \$1m (FY22).

**Tax payments:** PAYG tax instalment rate varied downwards to nil during the period. Final tax payment for FY20 tax liability (due December) is estimated to be c\$1.4m (wholly owned companies only)

**JobKeeper:** The JobKeeper allowance was received for Pedestrian TV, CarAdvice, Nine Events and Domain. These payments were accounted as an offset to expenses.

JobKeeper p&l impact, \$m, CY20	June half (actual)	December half (expected)	TOTAL
Pedestrian Group	0.8	0.9	1.7
CarAdvice	0.4	0.4	0.8
Events	0.2	0.2	0.4
Domain	4.6	4.6	9.2
TOTAL	6.1	6.1	12.1



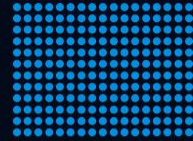
ANNUAL RESULTS FY20

## SPECIFIC ITEMS

A\$M, CONTINUING BUSINESS BASIS	H1 FY20	H2 FY20	FY20
DOMAIN – IMPAIRMENT OF INTANGIBLES	-	(188.2)	(188.2)
DOMAIN – OTHER, REFER DOMAIN ACCOUNTS (ASX:DHG), 20 <sup>th</sup> AUG 2020	7.9	(1.1)	6.8
ASSET IMPAIRMENT	-	(61.4)	(61.4)
IMPAIRMENT OF INTANGIBLES	-	(403.6)	(403.6)
RESTRUCTURING & TERMINATION-RELATED COSTS	(9.4)	(39.0)	(48.4)
ACQUISITION/DIVESTMENT-RELATED COSTS – FXJ, MRN, ACM, WZ	(8.5)	(0.7)	(9.2)
OTHER	(8.5)	10.5	2.0
<b>TOTAL SPECIFIC ITEMS BEFORE TAX</b>	<b>(18.4)</b>	<b>(683.4)</b>	<b>(701.9)</b>
TOTAL TAX RELATING TO SPECIFIC ITEMS	6.0	31.2	37.2
<b>NET SPECIFIC ITEMS AFTER TAX</b>	<b>(12.4)</b>	<b>(652.2)</b>	<b>(664.7)</b>



D I G I T A L



FY20



# GROUP RESULTS

CONTINUING BUSINESS BASIS



WE ARE  
ONE TEAM

WE ARE NINE

P U B L I S H I N G





ANNUAL RESULTS FY20

## GROUP RESULTS

**GROUP  
EBITDA  
\$397M<sup>1</sup>**

**LIKE BASIS EBITDA  
DOWN 16%**

**GROUP  
NPAT<sup>1,2</sup>  
\$141M**

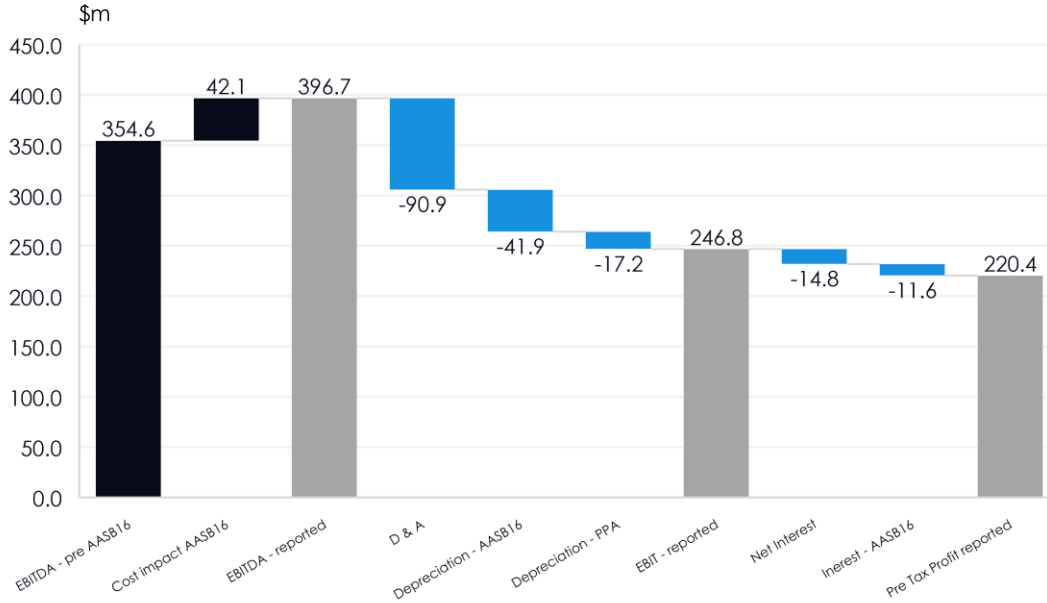
**DIVIDEND  
7 CENTS, FULLY  
FRANKED**

A\$M, CONTINUING BUSINESS BASIS	FY20 REPORTED <sup>1,2</sup>	FY20 EX AASB16/PPA <sup>2</sup>	FY19 PRO FORMA <sup>2</sup>	VARIANCE
REVENUE	2,170.6	2,171.6	2,341.7	-7%
<b>GROUP EBITDA</b>	<b>396.7</b>	<b>354.6</b>	<b>423.8</b>	<b>-16%</b>
DEPRECIATION	149.9	90.9	85.3	+7%
EBIT	246.8	263.7	338.5	-22%
NPAT	155.9	176.0	224.8	-22%
<b>GROUP NPAT (AFTER MINORITIES)</b>	<b>140.8</b>	<b>160.4</b>	<b>198.3</b>	<b>-19%</b>
EARNINGS PER SHARE - CENTS	8.3	9.4	11.6	-19%
DIVIDEND PER SHARE - CENTS	7.0	7.0	10.0	-30%



ANNUAL RESULTS FY20

## RECONCILIATION OF ACCOUNTING CHANGES



### P&L impact – AASB16 (from 1 July 2019)

- Rental costs (\$42.1m) recategorized as depreciation (\$41.9m) and financing costs (\$11.6m)

### P&L impact – PPA

- Increase in D&A of \$17.2m
- Combined net impact of PPA and AASB 16 on Pre Tax Profit of -\$28.6m

### Balance sheet impact – AASB16

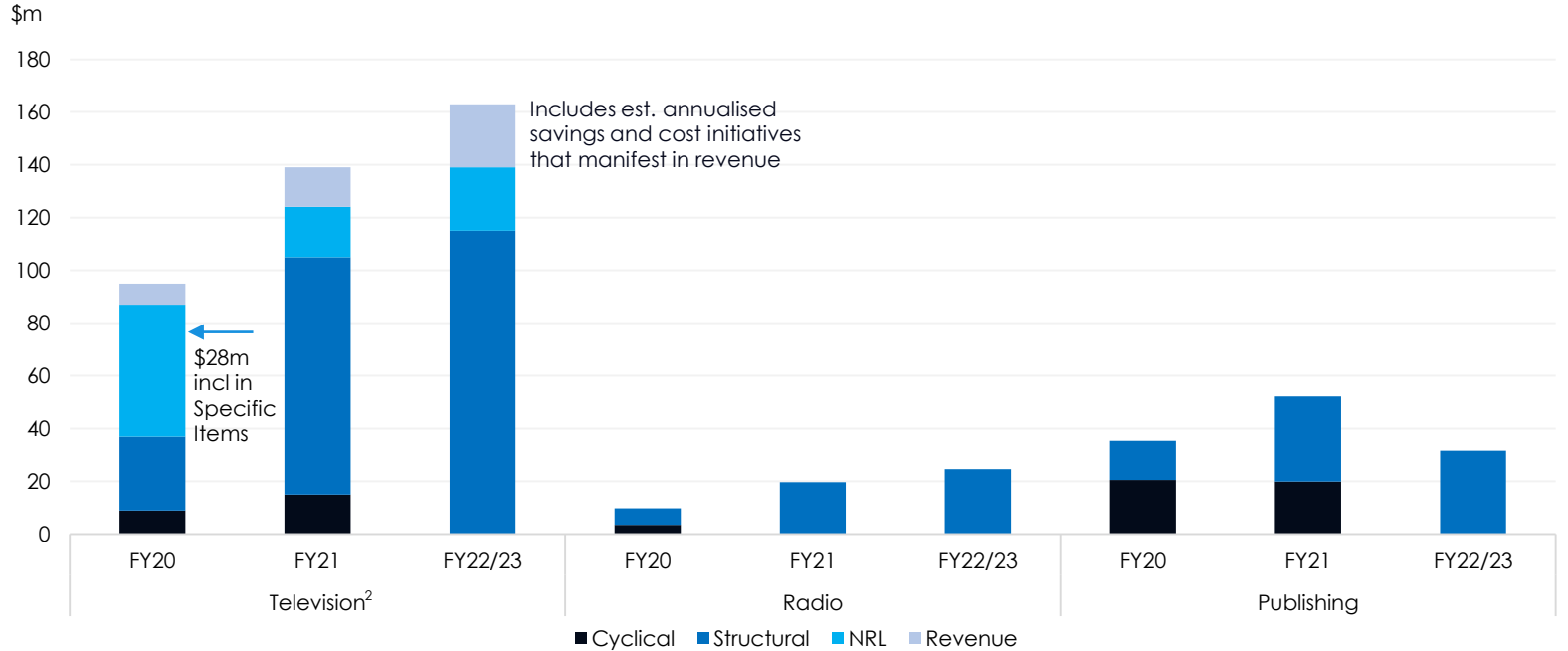
- Recognition of lease liability (\$272m) and right-of-use asset (\$226m) as at 30 June 2020





ANNUAL RESULTS FY20

## SIGNIFICANT COST INITIATIVES (NET P&L IMPACT) ACROSS THE BUSINESS<sup>1</sup>





ANNUAL RESULTS FY20

## CASH FLOW

**\$95M REDUCTION IN WORKING CAPITAL**

**CASH CONVERSION  
137%**

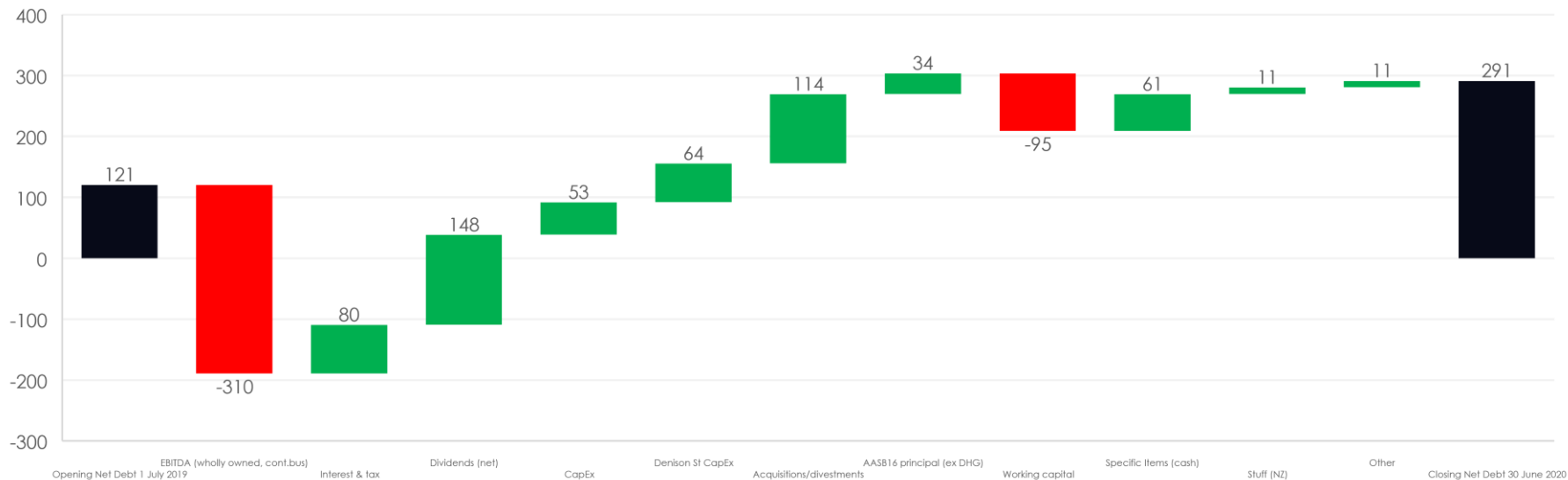
\$M, WHOLLY-OWNED, CONTINUING BUSINESS BASIS	FY20 REPORTED	ADJUST <sup>1</sup>	ADJUST AASB16	FY20 ADJUSTED	FY19 PRO FORMA
<b>EBITDA (BEFORE ASSOCIATES)</b>	<b>395.8</b>	<b>(91.1)</b>	<b>(32.3)</b>	<b>272.3</b>	<b>301.5</b>
WORKING CAPITAL	157.3	(50.7)	(11.5)	95.1	(21.2)
LICENCE/SPECTRUM FEE TIMING	-	-	-	-	(12.3)
ASSOCIATES	5.5	-	-	5.5	0.6
<b>OPERATING CASH FLOW, PRE SPECIFIC ITEMS, TAX AND INTEREST</b>	<b>558.5</b>	<b>(141.8)</b>	<b>(43.8)</b>	<b>372.9</b>	<b>268.7</b>
CASH IMPACT OF WARNER ONEROUS PROVISION	-	-	-	-	(33.0)
OTHER SPECIFIC ITEMS	(66.9)	6.3	-	(60.6)	(20.4)
<b>OPERATING CASH FLOW PRE INTEREST &amp; TAX</b>	<b>491.6</b>	<b>(135.5)</b>	<b>(43.8)</b>	<b>312.3</b>	<b>215.2</b>
INTEREST & TAX	(114.3)	23.7	10.2	(80.4)	(64.2)
<b>PRO FORMA CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>377.3</b>	<b>(111.8)</b>	<b>(33.6)</b>	<b>231.9</b>	<b>151.0</b>
CASH CONVERSION (STAT. BASIS)	141%				89%
CASH CONVERSION (ADJUSTED)				137%	89%

<sup>1</sup> Adjusts for non-wholly owned assets and Stuff  
Refer to glossary in Appendix 5 for definitions



ANNUAL RESULTS FY20

## BALANCE SHEET REMAINS STRONG WITH LEVERAGE ~0.9X<sup>1</sup>

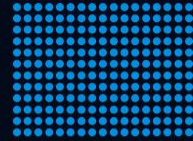


A\$M	WHOLLY OWNED GROUP	DOMAIN	CONSOLIDATED GROUP
INTEREST BEARING LOANS AND BORROWINGS	413.1	171.3	584.3
LESS: CASH AND CASH EQUIVALENTS	121.9	65.5	187.4
<b>NET DEBT/(CASH)</b>	<b>291.2</b>	<b>105.8</b>	<b>396.9</b>
<b>NET LEVERAGE</b>	<b>0.9X</b>	<b>1.3X</b>	<b>1.0X</b>

Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding



D I G I T A L



FY20



# DIVISIONAL RESULTS

CONTINUING BUSINESS BASIS



WE ARE  
ONE TEAM



WE ARE NINE

P U B L I S H I N G



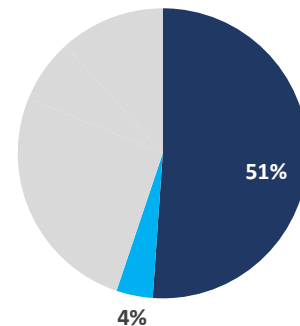
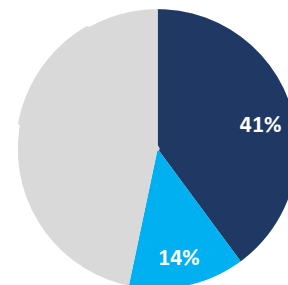
R A D I O



ANNUAL RESULTS FY20

# BROADCAST

A\$M		FY20 REPORTED	FY20 EX AASB16	FY19 PRO FORMA	VARIANCE
<b>REVENUE</b>	FTA TELEVISION	951.8	951.8	1,090.0	-13%
	9NOW	81.7	81.7	61.7	+32%
	RADIO	102.6	102.6	131.7	-22%
<b>BROADCAST REV</b>		<b>1,136.0</b>	<b>1,136.0</b>	<b>1,283.5</b>	<b>-11%</b>
<b>COSTS</b>	FTA TELEVISION	813.9	828.0	876.6	+6%
	9NOW	32.0	32.3	25.5	-27%
	RADIO	92.8	96.6	104.6	+8%
<b>BROADCAST COSTS</b>		<b>938.7</b>	<b>956.9</b>	<b>1006.7</b>	<b>+5%</b>
<b>EBITDA</b>	FTA TELEVISION	137.8	123.8	213.4	-42%
	9NOW	49.7	49.4	36.2	+36%
	RADIO	9.8	5.9	27.2	-78%
<b>BROADCAST EBITDA</b>		<b>197.3</b>	<b>179.1</b>	<b>276.8</b>	<b>-35%</b>

Revenue contribution<sup>1</sup> – FY20EBITDA contribution<sup>1,2</sup> – FY20

■ FTA + Radio ■ 9Now



ANNUAL RESULTS FY20

## FREE TO AIR TELEVISION

**39.8% SHARE OF  
MARKET DOWN  
14.1%<sup>1</sup>**

**H2 METRO FTA  
MARKET  
-21.9%<sup>2</sup>**

**H2 REVENUE  
SHARE  
41.4%**

**H2 FTA COSTS<sup>3</sup>  
DOWN  
16%**

\$M		FY20 REPORTED	FY20 EX AASB16	FY19 PRO FORMA	VARIANCE
TELEVISION REVENUE	PREMIUM AD REVENUE	161.4	161.4	161.0	-
	OTHER <sup>4</sup>	790.4	790.4	929.0	-15%
<b>TOTAL TELEVISION REVENUE</b>		<b>951.8</b>	<b>951.8</b>	<b>1,090.0</b>	<b>-13%</b>
TELEVISION COSTS		813.9	828.0	876.6	+6%
<b>TELEVISION EBITDA</b>		<b>137.8</b>	<b>123.8</b>	<b>213.4</b>	<b>-42%</b>
MARGIN		14.5%	13.0%	19.6%	-6.6 PTS

Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding.

<sup>1</sup> Think TV, 12 months to June 2020

<sup>2</sup> Think TV, 6 months to June 2020

<sup>3</sup> Pre AASB16

<sup>4</sup> Includes traded ad revenue, affiliates, sub-licences and other revenues

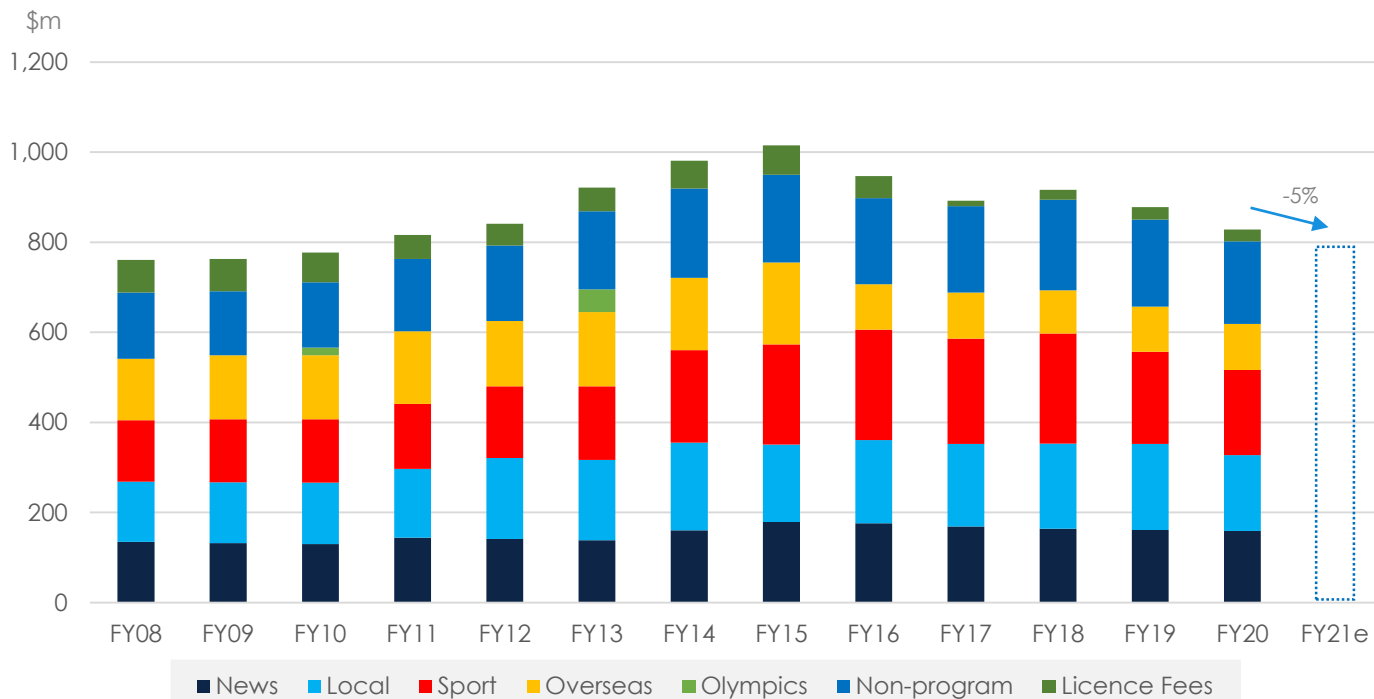




ANNUAL RESULTS FY20

## FREE TO AIR COSTS TRENDS CONTINUE TO IMPROVE

TOTAL FREE TO AIR COSTS<sup>1</sup>





ANNUAL RESULTS FY20

# 9NOW

**FY20  
50% SHARE OF BVOD  
MARKET UP 31%<sup>1</sup>**

**H2 METRO BVOD  
MARKET  
+20%<sup>1</sup>**

**H2 REVENUE  
SHARE 51%  
+0.8pts**

A\$M	FY20 REPORTED	FY20 EX AASB 16	FY19 PRO FORMA	VARIANCE
<b>REVENUE</b>	<b>81.7</b>	<b>81.7</b>	<b>61.7</b>	<b>+32%</b>
COSTS	32.0	32.3	25.5	-27%
<b>EBITDA</b>	<b>49.7</b>	<b>49.4</b>	<b>36.2</b>	<b>+36%</b>
MARGIN	60.8%	60.4%	58.6%	+1.8 PTS

- NBC Universal content investment rolled out from 1 December 2019
- 24% increase in monthly active users<sup>2</sup>

- Strong growth in minutes +42%<sup>3</sup>
- Market leading share of revenue and BVOD minutes (VOD + live)





ANNUAL RESULTS FY20

## NINE RADIO

**RADIO MARKET<sup>1</sup>  
-20%**

**MRN REV -22%  
REFLECTS  
SHARE DECLINE**

**FY20 COSTS  
DOWN 8%**

**FURTHER COST  
DECLINES  
IN FY21<sup>e</sup>**

A\$M	FY20 REPORTED	FY20 EX AASB 16	FY19 PRO FORMA	VARIANCE
<b>REVENUE</b>	<b>102.6</b>	<b>102.6</b>	<b>131.7</b>	<b>-22%</b>
COSTS	92.8	96.6	104.6	+8%
<b>EBITDA</b>	<b>9.8</b>	<b>5.9</b>	<b>27.2</b>	<b>-78%</b>
MARGIN	9.5%	5.8%	20.6%	-14.8 PTS

- Completion of acquisition from 21 November
- Significant restructuring of talent, formats and sales already reflected in improved share, with further leverage as ad markets recover
- FY20 (annualised) synergies on consolidation of ~\$9m
- Impacted by soft market and MRN-specific Sydney breakfast issues

<sup>1</sup> Commercial Radio Australia data. 12 months to June 2020  
Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding.

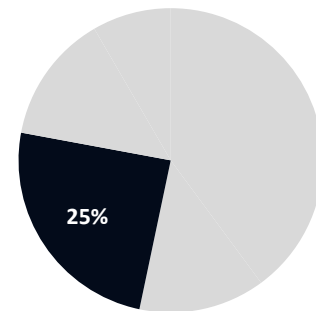


ANNUAL RESULTS FY20

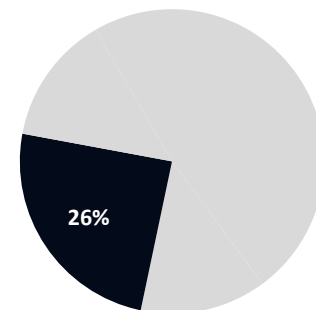
## NINE DIGITAL & PUBLISHING

A\$M		FY20 REPORTED	FY20 EX AASB 16	FY19 PRO FORMA	VARIANCE
<b>REVENUE</b>	METRO MEDIA	426.3	426.3	454.4	-6%
	9 DIGITAL PUBLISHING	98.9	98.9	121.2	-18%
<b>TOTAL REV</b>		<b>525.2</b>	<b>525.2</b>	<b>575.6</b>	<b>-9%</b>
<b>COSTS</b>	METRO MEDIA	338.1	351.8	371.7	-5%
	9 DIGITAL PUBLISHING	95.2	97.2	110.0	-12%
<b>D &amp; P COSTS</b>		<b>433.2</b>	<b>449.0</b>	<b>481.7</b>	<b>-7%</b>
<b>EBITDA</b>	METRO MEDIA	88.2	74.5	82.7	-10%
	9 DIGITAL PUBLISHING	3.7	1.7	11.1	-84%
<b>TOTAL EBITDA</b>		<b>92.0</b>	<b>76.2</b>	<b>93.9</b>	<b>-19%</b>

Revenue contribution<sup>1</sup> – FY20



EBITDA contribution<sup>1,2</sup> – FY20





ANNUAL RESULTS FY20

# METRO MEDIA

**READER REVENUE**  
~59c OF EVERY  
\$1 RECEIVED

**DIGITAL  
REVENUE**  
~41% OF TOTAL

**>20% GROWTH IN  
DIGITAL  
SUBSCRIPTIONS<sup>1</sup>**

**COSTS  
DOWN 8%, EX WZ,  
EVENTS**

A\$M		FY20 REPORTED	FY20 EX AASB16	FY19 PRO FORMA	VARIANCE
DIGITAL REVENUE	SUBSCRIPTION	77.3	77.3	70.6	+9%
	ADVERTISING	67.7	67.7	65.1	+4%
	WEATHERZONE (SOLD SEPT)	2.9	2.9	13.4	NM
	OTHER <sup>2</sup>	28.2	28.2	18.2	+55%
PRINT REVENUE	SUBSCRIPTION	54.7	54.7	55.2	-1%
	RETAIL CIRCULATION	88.0	88.0	98.7	-11%
	ADVERTISING	107.7	107.7	133.1	-19%
<b>TOTAL REVENUE</b>		<b>426.3</b>	<b>426.3</b>	<b>454.4</b>	<b>-6%</b>
COSTS		338.1	351.8	371.6	+5%
<b>EBITDA</b>		<b>88.2</b>	<b>74.5</b>	<b>82.7</b>	<b>-10%</b>
MARGIN		20.7%	17.5%	18.2%	-0.7 PTS

Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding

<sup>1</sup> SMH, Age, AFR, Brisbane Times, WA Today<sup>2</sup> Includes syndication, contra and residual Events from FY20

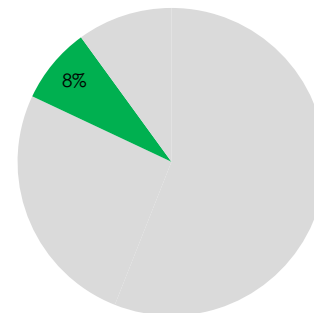


ANNUAL RESULTS FY20

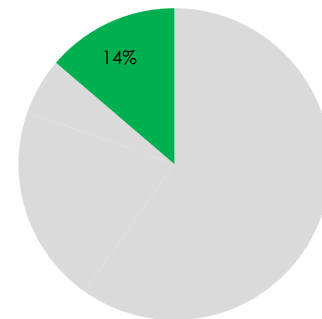
# DOMAIN

A\$M, CONTINUING BUSINESS BASIS		FY20 REPORTED	FY20 EX AASB 16	FY19 <sup>3</sup> PRO FORMA	VARIANCE
<b>REVENUE</b>	RESIDENTIAL	161.6	161.6	173.3	-7%
	MEDIA, DEVELOPERS & COMMERCIAL	43.0	43.0	47.1	-9%
	AGENT SERVICES	22.4	22.4	22.2	+1%
	<b>CORE DIGITAL</b>	<b>227.0</b>	<b>227.0</b>	<b>242.6</b>	<b>-6%</b>
	CONSUMER SOL'NS	5.6	5.6	3.1	+83%
	<b>TOTAL DIGITAL</b>	<b>232.6</b>	<b>232.6</b>	<b>245.6</b>	<b>-5%</b>
	PRINT	26.5	26.5	44.8	-41%
	CORPORATE	2.5	3.5	1.9	+79%
<b>TOTAL REVENUE</b>		<b>261.6</b>	<b>262.6</b>	<b>292.4</b>	<b>-10%</b>
COSTS		177.2	184.8	198.1	+7%
<b>EBITDA</b>	<b>CORE DIGITAL</b>	<b>99.4</b>	<b>93.8</b>	<b>106.4</b>	<b>-12%</b>
	CONSUMER SOL'NS	(3.6)	(3.8)	(8.6)	+56%
	<b>TOTAL DIGITAL</b>	<b>95.7</b>	<b>90.1</b>	<b>97.8</b>	<b>-8%</b>
	PRINT	6.1	5.6	14.0	-60%
	CORPORATE	(17.4)	(17.9)	(17.5)	+2%
<b>TOTAL EBITDA - REPORTED</b>		<b>84.4</b>	<b>77.8</b>	<b>94.2</b>	<b>-16%</b>
ADJUSTED <sup>3</sup>		1.6	1.2	3.8	-70%
<b>ADJUSTED EBITDA<sup>4</sup></b>		<b>86.0</b>	<b>79.0</b>	<b>98.0</b>	<b>-19%</b>

Revenue contribution<sup>1</sup> – FY20



EBITDA contribution<sup>1,2</sup> – FY20



Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding.

<sup>1</sup> Economic interest adjusted basis <sup>2</sup> Excludes corporate <sup>3</sup> Pro-Forma adjustment for assets sold during the period, as reported by Domain.

<sup>4</sup> As per Nine's result





ANNUAL RESULTS FY20

# STAN

**GROWTH IN ACTIVE  
SUBSCRIBERS TO  
2.2M CURRENTLY**

**STRONG USER  
ENGAGEMENT  
~+20%<sup>1</sup>**

**REVENUE  
GROWTH  
+54%  
COSTS UP 19%**

**EBITDA (AND  
CASH)  
IMPROVEMENT  
~\$50M**

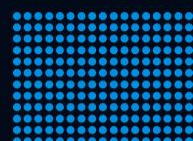
A\$M	FY20 REPORTED	FY20 EX AASB16	FY19 PRO FORMA	VARIANCE
<b>REVENUE</b>	<b>242.1</b>	<b>242.1</b>	<b>157.1</b>	<b>+54%</b>
COSTS	211.1	212.2	178.4	-19%
<b>EBITDA</b>	<b>31.0</b>	<b>29.9</b>	<b>(21.3)</b>	<b>NM</b>
MARGIN	12.8%	12.4%	NM	NM

- Acceleration of subscriber growth through second half, driven by strong programming line-up and boosted by impact of COVID-19
- Broadening of long-term content supply with increased commitment to Stan originals/co-productions, as well as completion of major output deal with NBCU
- Strong growth in total streams (>50%) and user engagement

Refer to glossary in Appendix 5 for definitions. Totals may not add due to rounding.  
<sup>1</sup> growth in average weekly viewing hours per subscriber in H2 on pcp



D I G I T A L



FY20



# OUTLOOK



WE ARE ONE TEAM



WE ARE NINE

P U B L I S H I N G



R A D I O



# THREE KEY OPERATING PLATFORMS



## TELEVISION

Investing in the premium content that drives profitability

Focusing on the efficient, and digital delivery of premium video content



## PUBLISHING

Cross platform publisher of digital content, primarily news

Focusing on reader revenues, specifically digital subscriptions

Expect future contribution from Digital platforms



## CLASSIFIEDS

Customer-centric, market-place model

Focus on differentiation through innovatively broadening offering to both agents and consumers





ANNUAL RESULTS FY20

## BY FY24, NINE IS FOCUSED ON ACHIEVING

~\$230M

**STRUCTURAL (P&L)  
COST OUT FROM  
FY19 (NET ACROSS  
FTA, RADIO AND  
METRO MEDIA)**

~60%

**OF EBITDA<sup>1</sup> FROM  
DIGITAL BUSINESSES**

>35%

**OF GROUP  
REVENUES<sup>1</sup>  
FROM  
SUBSCRIPTION**

~30%

**OF NINE'S  
REVENUE<sup>1</sup> FROM  
VOD**

<sup>1</sup> Includes 59% of Domain revenue and EBITDA, excludes corporate



# TRADING UPDATE AND OUTLOOK



## BROADCAST

### FTA market conditions

remain weak with Nine's Q1 FTA revs est -15%

### FY21 cost -5% est

**Share growth** and **Cost initiatives** (-11% in FY21) to boost Radio



## 9NOW

### BVOD market

continues to grow with Q1 est c30%. Nine's share to remain strong (c50%)

Further **incremental investment** in content through FY21

Commitment to expedite expansion into broader **Digital Video** market



## METRO MEDIA

**Growing digital** and subscription base (Q1 digital subscription revenue up 20%-plus)

Reworked **printing contracts** to save >\$10m pa

Establishment of **commercial, co-existence arrangements** with Google, Facebook & YouTube



## STAN

Expect **positive subscriber momentum** to continue, albeit at a reduced rate

Focus on **subscriber building content opportunities**

**Increased focus** on Stan Originals

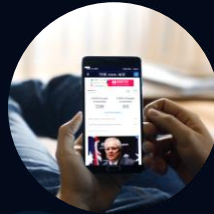


## DOMAIN

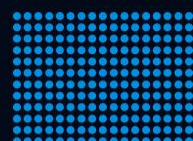
**July trading** benefited from unseasonally strong activity and weak comparables

**Limited visibility** re spring selling season

**Agent services initiatives** to cement competitive position



D I G I T A L



FY20



# APPENDICES



WE ARE ONE TEAM

WE ARE NINE

P U B L I S H I N G



R A D I O



ANNUAL RESULTS FY20

## APPENDIX 1. COMBINED GROUP DIVISIONAL RESULTS

FY20, A\$M	BROADCAST (INCL 9NOW)	DIGITAL & PUBLISHING	DOMAIN	STAN	CORPORATE	ASSOCIATES	INTERSEGMENT	TOTAL CONTINUING BUSINESS
<b>REVENUE - REPORTED</b>	<b>1,136.0</b>	<b>525.2</b>	<b>267.8</b>	<b>242.1</b>	<b>14.2</b>	-	<b>(14.9)</b>	<b>2,170.6</b>
PCP	1,283.5	575.6	335.6	157.1	19.1	-	(29.2)	2,341.7
% CHG	-11%	-9%	-20%	+54%	-26%	-	+49%	-7%
<b>EBITDA – REPORTED</b>	<b>197.3</b>	<b>92.0</b>	<b>86.0</b>	<b>31.0</b>	<b>(10.6)</b>	<b>0.9</b>	-	<b>396.7</b>
AASB16	(18.2)	(15.7)	(7.0)	(1.1)	-	-	-	(42.1)
<b>EBITDA – EX AASB16</b>	<b>179.1</b>	<b>76.2</b>	<b>79.0</b>	<b>29.9</b>	<b>(10.6)</b>	<b>0.9</b>	-	<b>354.6</b>
PCP	276.8	93.9	98.0	(21.3)	(20.7)	(2.9)	-	423.8
% CHG	-35%	-19%	-19%	NM	+49%	NM	-	-16%





ANNUAL RESULTS FY20

**COMBINED GROUP DIVISIONAL RESULTS (CONTINUED)**

<b>FY20, A\$M</b>	<b>BROADCAST (INCL 9NOW)</b>	<b>DIGITAL &amp; PUBLISHING</b>	<b>DOMAIN</b>	<b>STAN</b>	<b>CORPORATE</b>	<b>ASSOCIATES</b>	<b>TOTAL CONTINUING BUSINESS</b>
<b>EBITDA – REPORTED</b>	<b>197.3</b>	<b>92.0</b>	<b>86.0</b>	<b>31.0</b>	<b>(10.6)</b>	<b>0.9</b>	<b>396.7</b>
<i>D, A (EX AASB16 &amp; PPA)</i>	<i>(27.9)</i>	<i>(25.6)</i>	<i>(33.5)</i>	<i>(3.2)</i>	<i>(0.5)</i>	<i>-</i>	<i>(90.9)</i>
<i>AASB16&amp; PPA ADJ</i>	<i>(16.0)</i>	<i>(22.4)</i>	<i>(10.8)</i>	<i>(9.9)</i>	<i>-</i>	<i>-</i>	<i>(59.1)</i>
<b>EBIT – REPORTED</b>	<b>153.4</b>	<b>44.0</b>	<b>41.7</b>	<b>17.9</b>	<b>(11.1)</b>	<b>0.9</b>	<b>246.8</b>
<i>EBIT – EX AASB16 &amp; PPA</i>	<i>151.2</i>	<i>50.6</i>	<i>45.5</i>	<i>26.7</i>	<i>(11.1)</i>	<i>0.9</i>	<i>263.7</i>
<i>PCP</i>	<i>250.3</i>	<i>72.3</i>	<i>66.0</i>	<i>(24.1)</i>	<i>(23.0)</i>	<i>(2.9)</i>	<i>338.5</i>
<i>% CHG</i>	<i>-40%</i>	<i>-30%</i>	<i>-31%</i>	<i>NM</i>	<i>+52%</i>	<i>NM</i>	<i>-22%</i>



## APPENDIX 2. RECONCILIATION – DIVISIONAL SPLIT

A\$M		FY20 STATUTORY	9NOW	FY20 REPORTED	FY19 STATUTORY	9NOW	ADJUSTMENT <sup>1</sup>	FY19 PRO FORMA
REVENUE	BROADCAST	1,054.3	(81.7)	1,136.0	1,160.3	61.7	61.5	1,283.5
	DIGITAL & PUBLISHING	606.9	81.7	525.2	425.6	(61.7)	211.8	575.6
	STAN	242.1	-	242.1	100.1	-	57.0	157.1
	DOMAIN	267.8	-	267.8	168.1	-	167.5	335.6
EBITDA	BROADCAST	147.6	(49.7)	197.3	225.9	36.2	14.7	276.8
	DIGITAL & PUBLISHING	141.7	49.7	92.0	100.1	(36.2)	29.9	93.9
	STAN	31.0	-	31.0	(4.9)	-	(16.4)	(21.3)
	DOMAIN	86.0	-	86.0	48.2	-	49.8	98.0

1 Adjustment relating to full period of consolidation of Fairfax acquisition



## APPENDIX 3. MINORITY INTERESTS

A\$M	FY20 REPORTED	FY20 EX AASB16	FY19 PRO FORMA
MACQUARIE RADIO (54.4% UNTIL COMPLETION)	1.3	1.2	6.1
DOMAIN (59%)	13.8	14.4	20.5
<b>TOTAL MINORITIES, CONTINUING BUSINESSES (PRO FORMA)</b>	<b>15.1</b>	<b>15.6</b>	<b>26.5</b>



## APPENDIX 4. FORWARD ESTIMATES

	FY21	FY22
CORPORATE COSTS – WHOLLY OWNED	~\$20M TO 25M	~\$25-30M
DEPRECIATION & AMORTISATION - REPORTED	~\$160M TO 165M	~\$175M TO 180M
INTEREST EXPENSE - REPORTED	~\$30M TO \$35M	
TAX RATE - REPORTED	~30%	~30%
CAPITAL EXPENDITURE – WHOLLY OWNED	~\$90M TO \$95M	~\$50-55M
DIVIDEND	60-80% OF NET PROFIT AFTER TAX, BEFORE SPECIFIC ITEMS	



## APPENDIX 5

**AASB16** – The recently updated accounting standard for leases, which applies to reporting periods beginning on or after 1 January 2019 (from FY20 for Nine)

**Broadcast** – For the purposes of this presentation, Broadcast comprises Nine Network, 9Now and Nine Radio. For the purposes of the Statutory Accounts, 9Now is included in Digital & Publishing.

**BVOD** – Broadcast Video on Demand

**Cash conversion** – Refers to operating cash pre Specific Items, tax and interest, divided by EBITDA, AASB16 adjusted

**Continuing Businesses** – excludes those businesses sold during the period or prior period, specifically Australian Community Media and Printing (ACM), Events and Stuff New Zealand

**Costs** – Defined as revenue – EBITDA

**Digital & Publishing** – For the purposes of this presentation, Digital & Publishing comprises Metro Media and Nine Digital. For the purposes of the Statutory Accounts, Digital & Publishing also includes 9Now.

**Digital EBITDA** - Stan, 9Now, 9Digital plus the digital components of Metro Media and Domain (59%)

**Discontinued businesses** – Assets sold during the period or prior period

**EBITDA** – Earnings before interest, tax, depreciation and amortisation, before Specific Items

**Economic Interest adjusted basis** – includes only proportion of asset held by Nine

**FTA** – Free-to-air

**FY** – Full year

**Group EBITDA** – EBITDA plus share of Associates' net profit

**H1** – First half

**Key demographics** - All People 25-54, 16-39, 18-49 and Grocery Buyers with Children

**Metro** – Sydney, Melbourne, Brisbane, Adelaide and Perth

**Net Debt** – Cash less interest bearing loans and borrowings, excluding leases

**Net Debt (combined Group)** – Net Debt attributed to wholly owned entities plus Net Debt attributed to controlled, but not wholly owned entities (Domain, MRN in previous results)

**Net Debt (wholly owned)** – Net Debt of wholly owned entities

**Net Leverage (combined Group)** – Net Debt (combined Group) divided by Group EBITDA (last 12 months), post AASB16

**Net Leverage (wholly owned)** – Net Debt (wholly owned) divided by wholly owned Group EBITDA plus dividends received (last 12 months), post AASB16

**NM** – Not meaningful

**Net Profit after Tax (NPAT)** – Net profit after tax, before Specific Items

**Network** – Combination of Channels 9, 9Go!, 9Gem and 9Life

**Operating Cash Flow** – EBITDA adjusted for changes in working capital and other non-cash items plus dividends received from Associates. Excludes cash relating to the Specific Items

**Premium Ad Revenue** – premium ad revenue includes branded content, product and brand integration, the use of IP, talent and social, primarily linked to key content franchises

**Pro Forma** – The Pro Forma results consolidate the results for the former Nine and Fairfax businesses for the full 12 months in the prior period, including the consolidation of

Stan, which is now wholly owned. Results include synergies realised since the transaction was completed. Interest costs associated with the transaction are also for the period from completion.

Pro-Forma results exclude Purchase Price Accounting and the impact of AASB16.

Pro-forma results are presented for Continuing Operations and exclude Australian Community Media and Printing (ACM), Stuff New Zealand and Events, which are separately classified as Discontinued operations

**Reader revenue** - refers to Metro Media's revenues sourced directly from its audiences – includes subscription/circulation as well as syndication and events

**Revenue** – Operating revenue, excluding interest income and Specific Items

**Specific Items** – Amounts as set out in Note 2.4 of the 30 June 2020 Statutory Accounts

**Statutory Accounts** – Audited or auditor reviewed, consolidated financial statements

**Statutory Net Profit/(Loss)** – Net Profit/(Loss) for the period before other comprehensive income/loss

**Statutory Reported** – Extracted from the Statutory Accounts

**SVOD** – Subscription Video On Demand

**Total Costs** – Defined as Revenue – EBIT

**TV Combined** – Nine Network + 9Now

 **Nine**