



QMS Media Limited
214 Park Street
South Melbourne, VIC 3205
T +61 3 9268 7000
www.qmsmedia.com

ASX Release

18 October 2019

MEDIAWORKS TO PURSUE A SALES PROCESS FOR NZ TELEVISION ASSETS

QMS Media Limited (ASX:QMS) (QMS or the Company) announced today that MediaWorks New Zealand has commenced a process to sell MediaWorks TV as well as the real estate associated with the TV business including its head office and studios.

MediaWorks is the multi-platform New Zealand media company in which QMS holds a 40% interest following the merger of QMS NZ and MediaWorks that was completed in early September 2019.

The press release issued by MediaWorks today in relation to the TV assets is attached for reference.

The proposed sale of the MediaWorks TV business is not expected to have any material impact on the financial results of QMS in CY2019.

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For further information:

Investor Relations

Malcolm Pearce
QMS Media Ltd
T: +61 3 9268 7000
malcolm.pearce@qmsmedia.com

QMS Media Limited is a publicly listed company on the Australian Stock Exchange. QMS is a leading outdoor media company in Australia, New Zealand and Indonesia, specialising in premium landmark digital and static billboards, street furniture, sport and transit media.

MEDIAWORKS MEDIA RELEASE

FOR IMMEDIATE RELEASE



18 October 2019

MEDIAWORKS TO PURSUE A SALES PROCESS FOR ITS TELEVISION BUSINESS

MediaWorks has today announced that it intends to sell MediaWorks TV as well as its Flower Street property which includes its television head office and studios.

The intention is for MediaWorks to sell the television side of the business while retaining ownership of radio and QMS. The Flower Street property will also be put up for sale with a lease back option for a buyer to continue to operate television from that location.

MediaWorks Chairman Jack Matthews said that MediaWorks is committed to continuing to grow its business in New Zealand while recognising that free-to-air television operates in a challenging environment.

"The ongoing success of our radio business and recent merger with QMS demonstrates that MediaWorks has a very bright future. We are in the fortunate position of having two very strong growth platforms in Radio and Outdoor that deliver both revenue and margin growth. Our focus now is to accelerate the opportunities that exist for those platforms.

"We are in a commercial environment and have to face commercial realities. The market that free-to-air television operates in is tough and has been exacerbated this year. This is reflected in the performance of all free-to-air television operators in New Zealand, not just us. Clearly the market - alongside the structural hindrances we operate under - has a larger impact on Three given its genuine commercial imperative."

MediaWorks CEO Michael Anderson said: "We are very pleased with the progress that Three has made over the past five years. This year we have had record ratings and revenue share highs and we are very proud of our stellar local content.

"The role Three plays in New Zealand society is significant, from Newshub through to investment in local comedy and drama. We believe MediaWorks TV is now in a place where it can be separated from the radio and outdoor business to be operated under a new owner in a more sustainable fashion - and, ultimately, for profit."

MediaWorks has engaged an advisor who will work with it to identify a list of potential purchasers and commence initial discussions. Any interested parties will then head into a due diligence process which will be confidential

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For further information please contact:

Charlotte McLauchlan

Communications Director

charlottemclauchlan@mediaworks.co.nz

+64 21 575 805

MediaWorks is New Zealand's largest independent broadcaster, reaching 4.29 million Kiwis through its TV, Radio and Digital platforms. The company owns and operates television channels Three, ThreeLife and The Edge TV; radio brands The Edge, The Rock, More FM, The Breeze, The Sound, Mai FM, George FM, Magic Music, Magic Talk and rova; a network of websites including newshub.co.nz and ThreeNow, and a family of mobile and tablet apps. MediaWorks' entertainment and news brands and people are household names, with loyal, highly engaged audiences. www.mediaworks.co.nz