

NZ ME.

NEW ZEALAND
**MEDIA AND
ENTERTAINMENT**

ANNUAL SHAREHOLDERS MEETING
21 JUNE 2018

Disclaimer

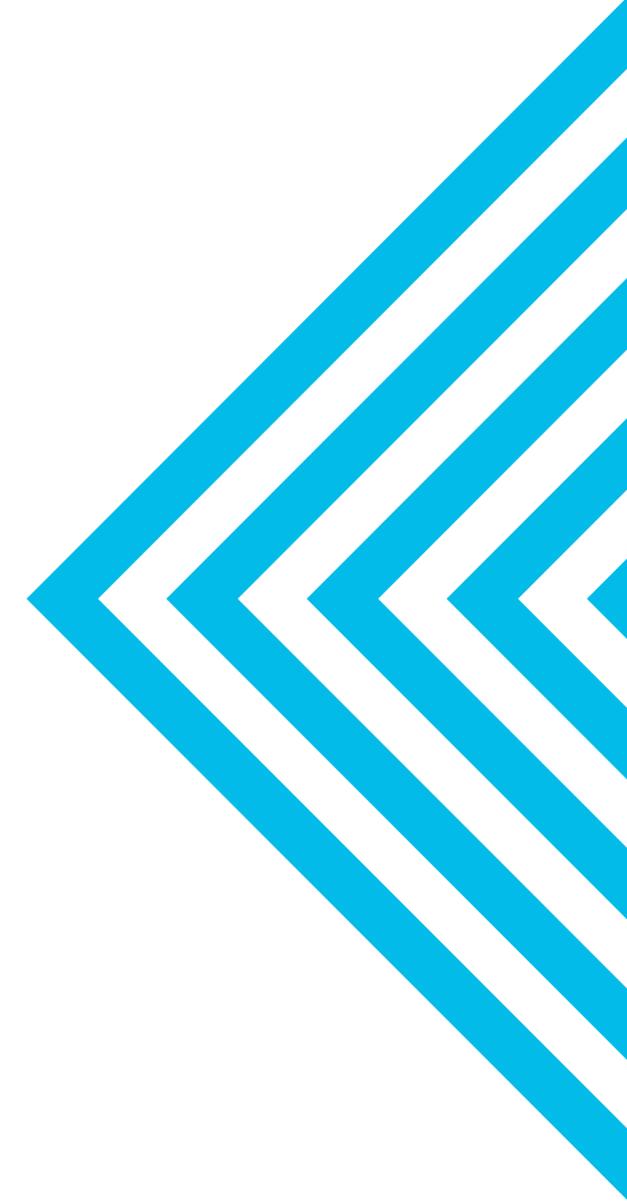
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Welcome

PETER CULLINANE

Independent Chair





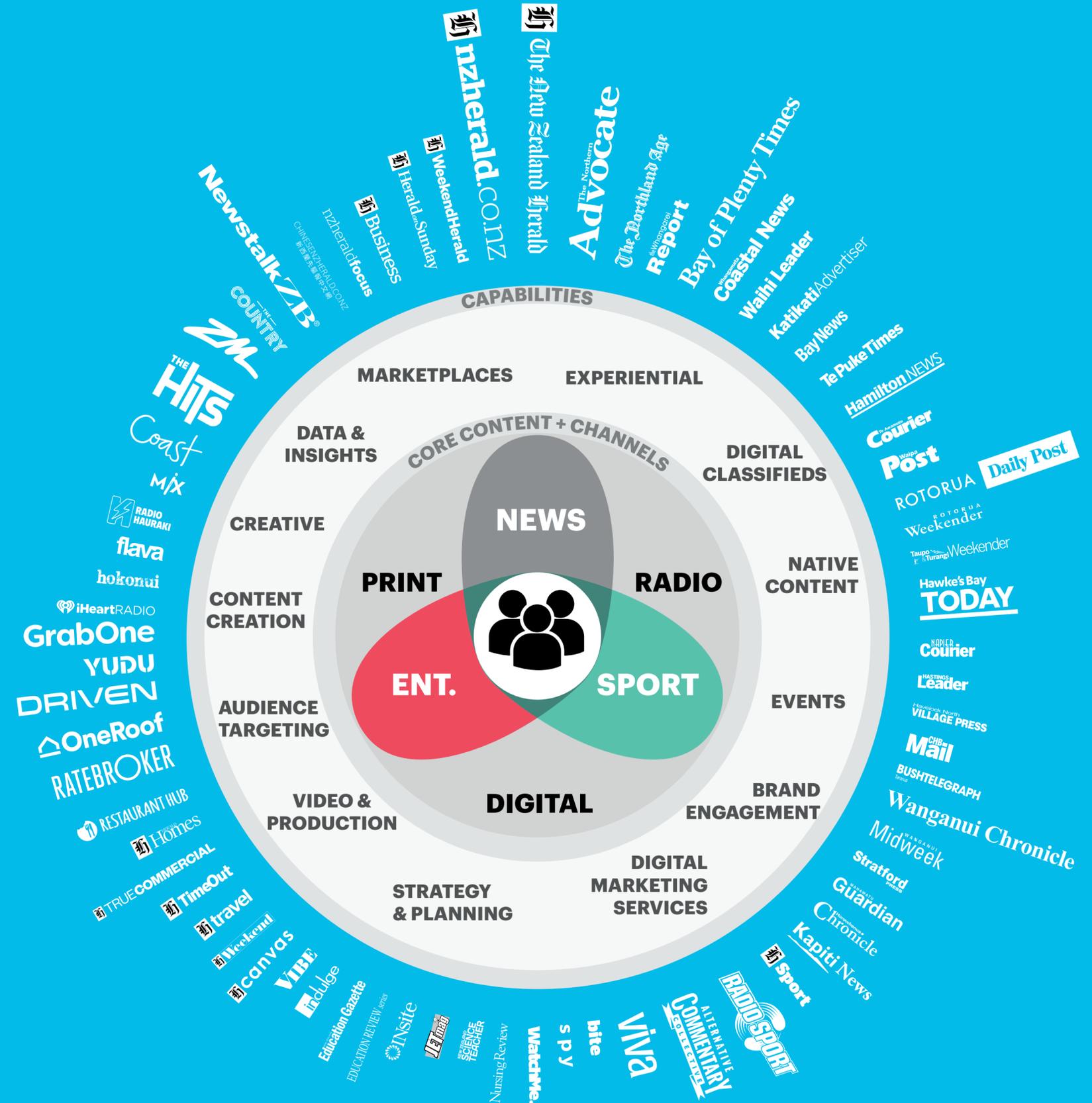
Agenda

1. Chairperson's address
2. Chief Executive Officer's address
3. Ordinary resolutions
 1. Re-election of Director – **Carol Campbell**
 2. Election of Director – **David Gibson**
 3. Election of Director – **Barbara Chapman**
 4. **Auditor's remuneration**
4. General business and shareholder discussion

NZME.

A LEADING NEW ZEALAND MEDIA AND ENTERTAINMENT BUSINESS

NZME offers advertisers a unique opportunity to access a growing audience via its fully integrated multi-platform brands.



NZME FY17

Results Summary

Statutory NPAT¹

\$20.9m

10.7cps

Statutory Earnings Per Share

Trading Revenue²

\$387.7m

▼ 4%

FY16 Pro forma² \$404.7m

Trading EBITDA²

\$66.2m

▼ 2%

FY16 Pro forma² \$67.2m

Trading NPAT²

\$26.7m

▼ 4%

FY16 Pro forma² \$27.8m

Trading Earnings Per Share²

13.6cps

▼ 4%

FY16 Pro forma² 14.2cps

Full Year Dividends Totalled³

9.5cps

(Interim 3.5cps, Final 6.0cps³)

(1) The FY16 Statutory NPAT of \$74.5m was impacted by the demerger from HT&E (formerly APN), discontinued businesses and tax payments, and is therefore not comparable with the FY17 results that are fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (2) All Trading and Pro forma measures shown here are non-GAAP measures that are fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (3) A supplementary final dividend of 1.06 cents per share was paid to shareholders who were not tax resident in New Zealand and who held less than 10% of the shares in NZME Limited prior to the ex-dividend date of 17th April 2018.

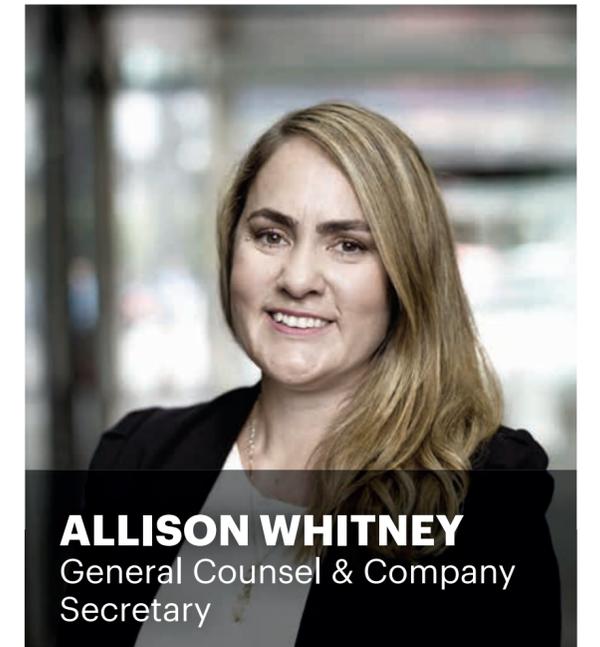
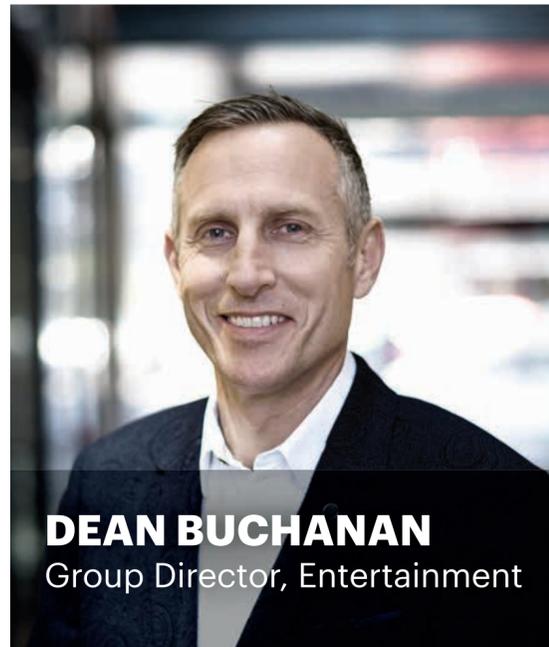
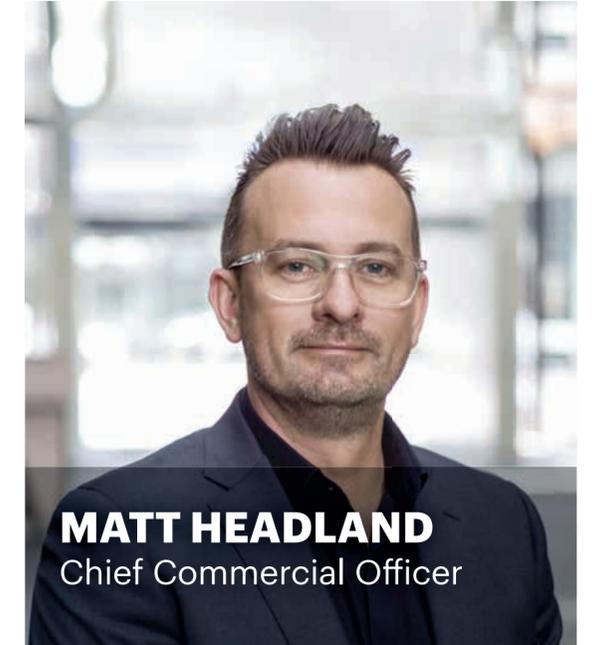
NZME

Board



NZME

Executive Team





MICHAEL BOGGS
Chief Executive Officer

New Zealand 2017 General Election

NZME's Multi-Platform Content Distribution

OVER **3.8M** UNIQUE BROWSERS¹

OVER **16.7M** PAGE VIEWS¹

OVER **1M 33 SECS** PER AVERAGE SESSION¹



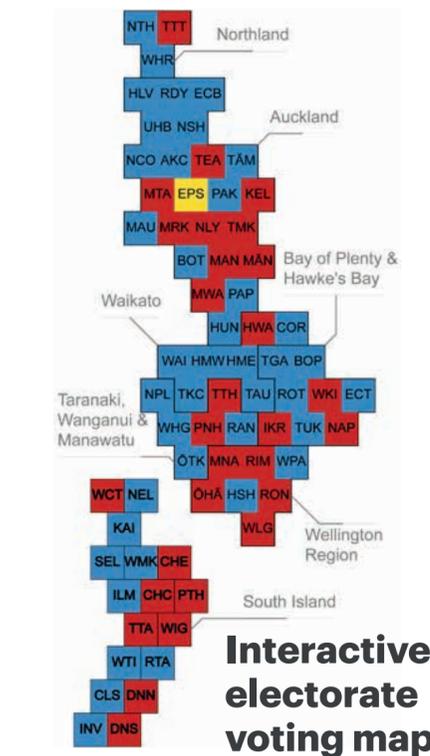
Pre-election campaign coverage:

- The PM Job Interview: Bill English and Jacinda Ardern grilled live by our panel of experts
- Expert analysis from NZ Herald, Newstalk ZB political teams and former MPs'
- Election 2017: "The Great Together" podcast
- Online interactive feature allowed voters to compare main parties' campaign policies



LIVE BROADCAST LEADERS' DEBATES

EXPLORE ELECTORATE RESULTS



Election night live stream:

The New Zealand Herald **Newstalk ZB**
iHeartRADIO Over 470k views across Digital and social channels¹

5 HOURS OF LIVE TV

Broadcast from NZME and Party HQs



Day after the election:

- Second best day for nzherald.co.nz in 2017
- 1.2m+ unique browsers, 55% above usual traffic¹

NZME REACHES AN IMPRESSIVE 3.2 MILLION NEW ZEALANDERS¹

who read, watch, listen to or otherwise engage with our brands.

NZME reaches:



Our growing national and local presence allows us to offer advertisers broader access to their target markets through our integrated multi-platform presence

(1) Nielsen CMI, January 2018 fused database: Q1 17 – Q4 17 (population 10 years +). Based on unduplicated weekly reach of NZME newspapers, radio stations, and monthly domestic unique audience of NZME’s digital channels.

Trading Result

NZME Trading Result ¹ (\$m)	FY17	FY16 Pro forma ¹	% Change
Trading Revenue ¹	387.7	404.7	(4%)
Other Income	3.7	4.0	(6%)
Costs	(325.3)	(341.5)	(5%)
Trading EBITDA¹	66.2	67.2	(2%)

Trading NPAT¹

\$26.7m

▼ 4%

FY16 Pro forma¹ \$27.8m

Trading Earnings Per Share¹

13.6cps

▼ 4%

FY16 Pro forma¹ 14.2cps

Full Year Dividends Totalled²

9.5cps

(Interim 3.5cps, Final 6.0cps²)

(1) All Trading and Pro forma measures shown here are non-GAAP measures that are fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (2) A supplementary final dividend of 1.06 cents per share was paid to shareholders who were not tax resident in New Zealand and who held less than 10% of the shares in NZME Limited prior to the ex-dividend date of 17th April 2018.



voyager.

Media Awards 2018

— NEW ZEALAND —
JOURNALISM
— AT ITS BEST —

 **WeekendHerald**

- **Newspaper of the Year**
- **Best Weekly Newspaper**

-
- 'Break the Silence' youth suicide campaign: **Best Editorial Campaign**
 - Investigative Reporter Matt Nippert: **Business Journalist of the Year and Winner of the Supreme Prize**
 - NZ Herald Editor Murray Kirkness: **Editorial Executive of the Year**

 **Herald_{on}Sunday**

- **#1 read Sunday Newspaper³**

TRADING REVENUE¹

\$221.3m
in FY17

-7% vs FY16

NZ HERALD AVERAGE
ISSUE READERSHIP

+8%

vs Q1 17²

NZME
Print

(1) Trading revenue shown here is a non-GAAP measure that is fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (2) Nielsen CMI Q2 16 – Q1 18 (population 15 years +). Based on unduplicated weekly reach of NZME newspapers. (3) ABC Circulation 2017.





NZME Radio & Experiential

The NZ Radio Awards 2018 WINNERS

Newstalk
ZB

- **Best Talk Presenters;**
Mike Hosking & Marcus Lush



- **Best Music Breakfast Show**
& Best Digital Content



- **Best Videos**

PLUS NUMEROUS OTHER AWARDS

TRADING REVENUE¹

\$114.8m

in FY17

-4% vs FY16



**T1 2018
RADIO SURVEY²**

- **NZME total market share**
+2.0% since the start of 2017
- **5% share growth in Christchurch market**
- **NewstalkZB #1 commercial radio station**

(1) Trading revenue shown here is a non-GAAP measure that is fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (2) GfK - Radio Trended Network Data, Total NZ Commercial Survey, T1 2018. All 10+ Mon-Sun 12mn-12mn.

NZME Digital & e-Commerce



- NZ Herald's 'Break the Silence' investigation: **Second Place, Best Public Relations or Community Service Campaign**
- nzherald.co.nz redesign: **Third Place, Best Use of Mobile**
- 'Discover More': nzherald.co.nz relaunch campaign: **Honourable Mention, Best Brand Awareness Campaign**

(1) Trading revenue shown here is a non-GAAP measure that is fully explained and reconciled on pages 30 to 34 of the NZME Full Year 2017 Results Presentation available on the Company's website. (2) Nielsen Online Ratings, Domestic Unique Audience, 2016 - 2017.

TRADING REVENUE¹

\$56.3m
in FY17

+8% vs FY16



AVERAGE UNIQUE AUDIENCE

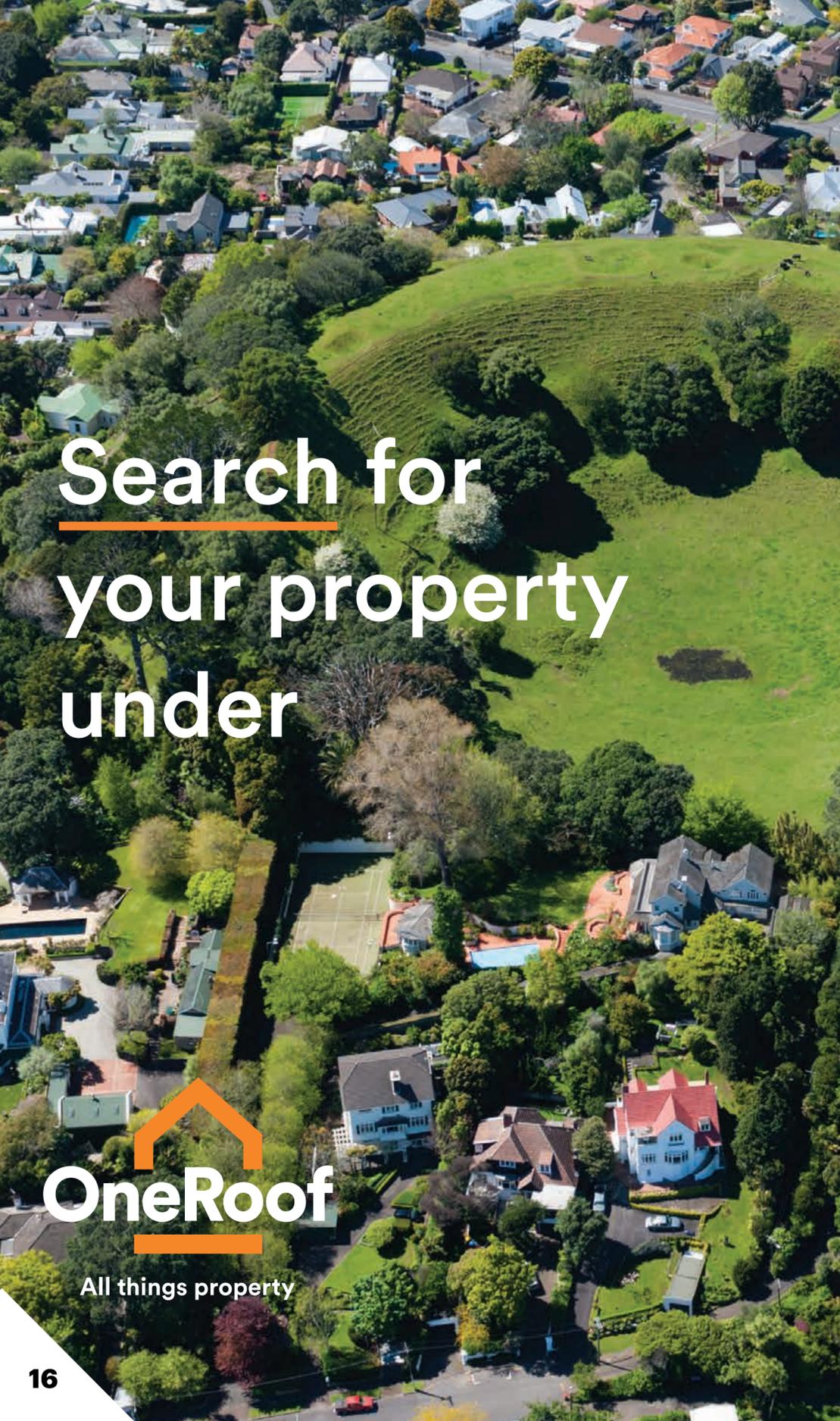
+6%
vs Q1 17²

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— NEW ZEALAND —
JOURNALISM
— AT ITS BEST —

Best News Website WINNER





Search for
your property
under



YUDU

**WE'RE
ALL ABOUT
WHAT
YOU DO.**

DRIVEN.CO.NZ

**SEARCH
OVER
30,000
LISTINGS**



**FIND YOUR
NEXT CAR NOW 🔍**

FY18 Strategic Plan

Horizon 1: Optimising the Core

Offsetting declines in Print advertising with growth in Radio and Digital advertising, and streamlining the cost base.

Horizon 2: Beyond Advertising

Growing new revenue streams that leverage our audiences to generate new revenue opportunities - Digital classifieds and paid content.

Horizon 3: Re-imagining

Identifying opportunities to develop new business models that grow audience engagement and deliver new revenue streams.

- 1. Grow audience and engagement** through amplification of NZME's brands and increased focus on planned, unique, local and premium content, supported by continued implementation of the Washington Post arc roadmap.
- 2. Return advertising revenue to growth** by continuing to retain Print revenues, drive Digital revenue growth and capitalise on Radio coverage, content and talent enhancements.
- 3. Effective cost and capital management** through exploring opportunities to leverage our existing fixed cost base and continued focus on improving balance sheet strength.
- 4. Engage and develop our people** by continuing to focus on improving leadership and talent succession planning.
- 5. Grow new revenue streams** through the launch of *DRIVEN*, *YUDU* and *OneRoof*, improved data monetisation and developing a paid content proposition. Identify and develop new business models.
- 6. Progress the Stuff merger** to further improve our efficiency and underwrite the competitiveness of New Zealand content generation and delivery.



Ordinary
RESOLUTIONS



CAROL CAMPBELL
Independent Director

Ordinary Resolutions

RESOLUTION 1

To consider and, if thought fit, to pass the following ordinary resolution:

Resolution 1: Re-election of Director

It is hereby resolved, as an ordinary resolution, that Carol Campbell, who retires by rotation and is eligible for re-election, be re-elected as a Director of NZME.

Proxies & postal votes received	For	Against	Discretionary	Abstain
Number of shares voted by proxy or postal vote	86,919,642	243,238	720,822	97,602



DAVID GIBSON
Independent Director

Ordinary Resolutions

RESOLUTION 2

To consider and, if thought fit, to pass the following ordinary resolution:

Resolution 2: Election of Director

It is hereby resolved, as an ordinary resolution, that David Gibson, who joined the Board after the last Annual Shareholders' Meeting, be elected as a Director of NZME.

Proxies & postal votes received	For	Against	Discretionary	Abstain
Number of shares voted by proxy or postal vote	87,027,192	131,020	721,822	101,270



BARBARA CHAPMAN
Independent Director

Ordinary Resolutions

RESOLUTION 3

To consider and, if thought fit, to pass the following ordinary resolution:

Resolution 3: Election of Director

It is hereby resolved, as an ordinary resolution, that Barbara Chapman, who joined the Board after the last Annual Shareholders' Meeting, be elected as a Director of NZME.

Proxies & postal votes received	For	Against	Discretionary	Abstain
Number of shares voted by proxy or postal vote	87,021,249	140,248	721,822	97,985



Ordinary Resolutions

RESOLUTION 4

To consider and, if thought fit, to pass the following ordinary resolution:

Resolution 4: Auditor’s remuneration

It is hereby resolved, as an ordinary resolution, that the Directors of NZME are authorised to fix the auditor’s remuneration.

Proxies & postal votes received	For	Against	Discretionary	Abstain
Number of shares voted by proxy or postal vote	87,131,069	79,605	720,822	49,808



Shareholder **DISCUSSION**

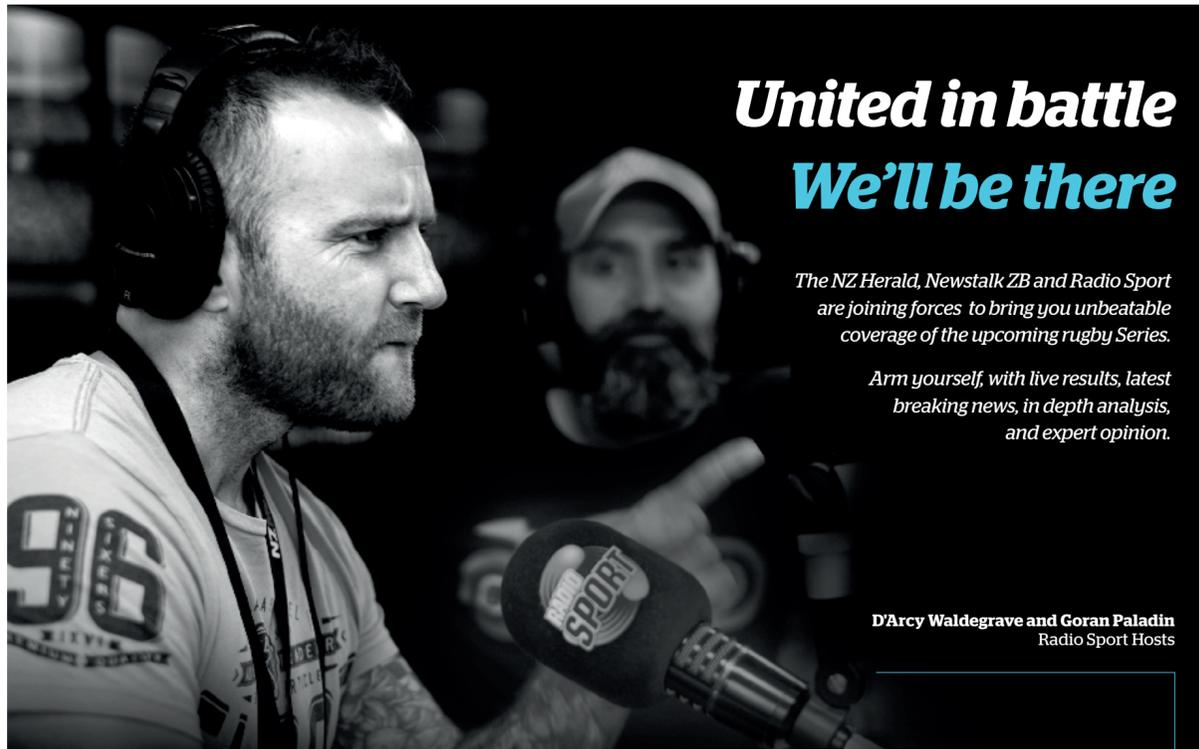


We've been here before
We've shared the battle
We've heard that roar

The NZ Herald, Newstalk ZB and Radio Sport are joining forces to bring you unbeatable coverage of the upcoming Series.

Arm yourself, with live results, latest breaking news, in depth analysis, and expert opinion.

Greg Bowker
NZ Herald Photographer



United in battle
We'll be there

The NZ Herald, Newstalk ZB and Radio Sport are joining forces to bring you unbeatable coverage of the upcoming rugby Series.

Arm yourself, with live results, latest breaking news, in depth analysis, and expert opinion.

D'Arcy Waldegrave and Goran Paladin
Radio Sport Hosts

THANK YOU



THEY'RE COMING: ARM YOURSELF.



THEY'RE COMING: ARM YOURSELF.



Our wisdom is our strength
The team is our courage

The NZ Herald, Newstalk ZB and Radio Sport are joining forces to bring you unbeatable coverage of the upcoming Series.

Arm yourself, with live results, latest breaking news, in depth analysis, and expert opinion.

Patrick McKendry and Gregor Paul
The New Zealand Herald



THEY'RE COMING: ARM YOURSELF.



We'll be there
Come, join us

The NZ Herald, Newstalk ZB and Radio Sport are joining forces to bring you unbeatable coverage of the upcoming rugby Series.

Arm yourself, with live results, latest breaking news, in depth analysis, and expert opinion.

Laura McGoldrick
NZ Herald Focus Host



THEY'RE COMING: ARM YOURSELF.