

Seven Group Holdings Limited announces interim financial results.

	Six month period to 31 December 2010
Profit before tax	\$165m
Profit after tax	\$128m
Profit attributable to shareholders	\$124m
EPS	35 cents
Interim Dividend per Ordinary Share	18 cents

6 month pro forma results (excluding National Hire)	31 December 2010	Variance to 31 December 2009 Scheme Booklet pro forma
Total Revenue	\$1,578m	42%
EBITDA	\$208m	68%
EBIT	\$177m	88%
Profit before tax	\$154m	104%

21 February 2011 --- Seven Group Holdings Limited (SGH) today reported a profit before taxation of \$164.9 million and a net profit after taxation of \$127.6 million for the first half of the financial year.

The result was underpinned by total revenue (including share of results from equity accounted investees and other income) of \$1,645.3 million, with earnings before interest, taxation, depreciation and amortisation (EBITDA) of \$220.0 million and earnings before interest and taxation (EBIT) of \$187.8 million across the first six months of the current financial year.

The result has been driven by Seven Group's two strongly performing core businesses – with WesTrac and Seven Media Group both delivering results ahead of forecasts. Excluding National Hire, SGH delivered six month revenues of \$1,577.7 million, up 42 per cent on the pro forma prior corresponding period (pcp) contained in the merger scheme documentation for the formation of Seven Group Holdings. SGH recorded EBITDA of \$208 million, up 68 per cent on merger scheme documentation pcp, EBIT of \$176.5 million, up 88 per cent on pcp in the merger scheme documentation, and profit before taxation of \$153.8 million, up 104 per cent on merger scheme documentation pcp.





Media, Industrial Services and Investments

SGH was formed in April 2010 following shareholder approval for the merger of Seven Network Limited and WesTrac Holdings Pty Limited to create a new diversified operating and investment group listed on the Australian Securities Exchange. The new company focuses on media, industrial equipment and investments and is an operating group with diversity, scale and strong prospects for growth with market-leading businesses.

SGH has net assets of \$2,818.6 million, a listed securities portfolio of \$643.1 million, significant stakes in Consolidated Media Holdings and West Australian Newspaper Holdings, and \$796.3 million in available undrawn facilities at 31 December 2010.

Dividend

An interim dividend of 18 cents per share (fully franked) has been declared – up from the 17 cents per share (fully franked) forecast in the merger scheme documentation.

Seven Group Holdings Outlook

Today, Seven Group Holdings and Kohlberg Kravis Roberts & Co announced that both had reached an agreement with West Australian Newspaper Holdings to acquire Seven Media Group. Seven Media Group includes Australia's most-watched broadcast television platform, the Seven Network, one of the two biggest magazine publishing companies in Australia, Pacific Magazines, and Seven Media Group's 50 per cent shareholding in Yahoo!7, a joint venture with Yahoo! Inc.

Following the transaction which is subject to approval by shareholders in West Australian Newspapers, Seven Group Holdings will have a 29.6 per cent shareholding in West Australian Newspapers which will be known as Seven West Media and will be one of the largest media companies listed on the Australian Securities Exchange.

In addition to its 29.6 per cent shareholding in Seven West Media, Seven Group Holdings will retain its current 24 per cent shareholding in Consolidated Media Holdings (which owns 25 per cent of Foxtel and 50 per cent of Premier Media Group), 100 per cent of industrial equipment business, WesTrac, 66 per cent of National Hire Limited (which owns 46 per cent of Coates Hire), and other existing Seven Group investments.

Today's agreement sees Seven Group crystallise the value of the company's holding in Seven Media Group, at an attractive premium to book value and allows Seven Group to become the largest shareholder in what will be Australia's leading diversified media business.

Review of Operations

Seven Media Group

SGH's investment in Seven Media Group, a joint venture with Kohlberg Kravis Roberts & Co encompassing broadcast television, magazines and online, has delivered a strong performance over the past six months.

Seven Media Group delivered revenue of \$833.3 million and EBITDA of \$268.6 million. EBITDA is up 26 per cent on 10 per cent growth in revenues vs the corresponding half. EBITDA margin is 32.2 per cent.

Seven Media Group's broadcast television business, the Seven Network, delivered market leadership in breakfast television, morning television, news and public affairs, primetime and overall across the 6:00am-midnight broadcast day in the 2010 television year.

The Seven Network delivered EBITDA of \$237.2 million – a 33 per cent increase on the corresponding half on a 14 per cent climb in revenues to \$664.8 million. The Seven Network continues to lead the market in advertising revenue share. Recent industry figures put Seven's share of the advertising revenue market at 38 per cent.

Seven's broadcast platform has expanded over the past twelve months following the successful launches of two digital channels complementing Seven's primary channel. Seven + 7TWO + 7mate (successfully launched last September) combined to deliver Seven's broadcast platform market leadership in primetime and overall across the 6:00am-midnight broadcast day in the 2010 television year.

The opening weeks of the 2011 television year see the Seven Network building on its leadership in breakfast television, morning television, news and public affairs, primetime and overall across the 6:00am-midnight broadcast day.

Seven Media Group's magazine publishing business, Pacific Magazines has delivered a positive performance in a competitive and challenging market.

The company dominates in circulations in the key categories in which it publishes, including a 49 per cent share of the home and garden category, a 45 per cent share of the fashion category, a 22 per cent share of the women's lifestyle category, a 46 per cent share of the men's lifestyle category, a 46 per cent share of the health category, a 48 per cent share of the women's weeklies category and a 49 per cent share of the youth category.

According to recent industry audit figures, Pacific Magazines' has delivered the largest year-on-year share increase of all major publishers to deliver a 30.0 per cent overall share of gross copies of magazines in Australia - up from 29.1 per cent twelve months ago.

Pacific Magazines delivered EBITDA of \$27.2 million on revenues of \$159.8 million. EBITDA margin is 17 per cent. The 3 per cent decline in revenues vs the corresponding half reflect a change in the company's New Zealand business and the current market impacting the overall magazine publishing sector.

The company's New Zealand business is now outsourced as a licensing arrangement to APN News and Media. This change sees Pacific Magazines receiving a licensing fee rather than consolidating all revenues and expenses in New Zealand as in the corresponding half.

Seven Media Group's online and new media presence through Yahoo!7, a joint venture with Yahoo! Inc continues its positive momentum – with one in two Australians online visiting Yahoo!7 every month. Yahoo!7 now has more than seven million unique users and delivers the number one television, entertainment, finance and lifestyle online sites in Australia.

The joint venture has expanded into local and marketplace through its Yellow Pages New Zealand partnership and Yahoo!7's recent acquisition of Spreets. The joint venture is also continuing to invest in new products and verticals, such as Banzai.

Yahoo!7 has delivered an EBITDA margin of more than 40 per cent over the past six months and EBITDA is forecast to grow by 31 per cent year-on-year in the current financial year.

WesTrac

WesTrac has out-performed on all key measurements outlined in the merger scheme documents for the formation of Seven Group Holdings. WesTrac (excluding National Hire) delivered an EBITDA of \$131 million and EBIT of \$109 million on revenues of \$1,440 million across the first six months of the current financial year. The strong performance saw revenues up 37 per cent, EBITDA up 44 per cent and EBIT up 45 per cent on the pro forma pcip in the merger scheme documentation for the formation of Seven Group Holdings.

In Australia, the company delivered revenues of \$1,171 million – up \$369 million on the merger scheme documents pcip. EBITDA was \$116 million. The company's growth in Australia is being driven by expansion in coal and iron ore mining – with an 81 per cent growth in capital sales and a 41 per cent climb in EBITDA on the corresponding 2009-10 half year.

In China, the company delivered an EBITDA of \$15 million on revenues of \$269 million. This result was impacted by changes in the Australian and US dollar exchange rate. The company is on track to achieve earnings guidance for the financial year outlined in the merger scheme documentation with sales in China heavily weighted to the 'peak selling season' across February – June.

National Hire Group

Seven Group Holdings – through WesTrac Group – has a 66.2 per cent shareholding in National Hire Group. National Hire Group has reported NPAT of \$10.3 million for the six months to December 2010. This includes an \$11.4 million share of profit from equity accounted investments (Coates Group). Coates Group delivered revenues of \$497.3 million, up 15 per cent on the prior corresponding period

Agricultural Bank of China

The company's future development in China is underlined by a memorandum of understanding and an investment agreement with the Agricultural Bank of China, one of the four biggest national banks in China – with SGH one of a number of cornerstone investors in the bank's successful initial public offering in Hong Kong and Shanghai. As part of the investment agreement, WesTrac invested \$293 million as a cornerstone investor in the Agricultural Bank of China initial public offering in July 2010. The investment has a carrying value at 31 December 2010 of \$300 million.



Media, Industrial Services and Investments

Consolidated Media Holdings

SGH's current shareholding in Consolidated Media Holdings is 24 per cent. Consolidated Media owns 50 per cent of subscription television programming company, The Premier Media Group, which owns and operates Fox Sports, Fox Sports News, Speed, Fuel TV and the How To Channel as well as 25 per cent of pay television company Foxtel. Consolidated Media Holdings has reported NPAT of \$45.3 million.

West Australian Newspapers

SGH currently has a 24 per cent shareholding in West Australian Newspapers Holdings Limited. West Australian Newspapers has announced a trading profit of \$50.1 million for the six months to 31 December – up 1.2 per cent on the same period last year. The result reflects a 3.8 per cent increase in consolidated advertising revenue.

vividwireless

vividwireless' first phase of development in Perth was successfully launched as the first 4G network in Australia, providing high-speed and affordable wireless broadband, and the company has now completed the next stage in its development with a phased rollout of its business with metropolitan networks in Sydney and Melbourne. Similar developments are planned for Canberra, Adelaide and Brisbane. In December, vividwireless commenced trials of new TD-LTE technology achieving download speeds in excess of 100Mbps.

Note:

Included in this presentation is data prepared for the management of Seven Group Holdings Limited and associated entities and investments. This data is included for information purposes only and has not been subject to the same level of review by the company as the statutory accounts and so is merely provided for indicative purposes. The company and employees do not warrant the data and disclaim any liability flowing from the use of this data by any party.

Disclaimer:

The numbers relating to the proposed transaction are a best estimate only, and final numbers are subject to completion of the transaction and associated issues arising under the definitive document and the prospectus to be issue by WAN in connection with the transaction.