



GTN Limited

AGM Presentation

November 2016

Contents

01	Chairman's Address – Gary Miles	4
02	CEO's address – Bill Yde	5
03	Formal Business – Gary Miles	14

Today's presenters



Gary Miles (Chairman)



Bill Yde (Managing Director and CEO)

Our Board of Directors



Gary Miles
Chairman

- Over 50 years of experience in the radio industry
- Currently a Director of Vista Radio
- Previously held the position of CEO of Rogers Radio and President at the Radio Bureau of Canada



William Yde III ("Bill")
Managing Director and CEO

- Over 33 years of experience in the radio and media industry
- Co-founded ATN in 1997 and later co-founded Global Traffic Network and served as Chairman, CEO and President since its inception in 2005
- Previously founded Wisconsin Information Systems



Mark Anderson
Director

- Over 15 years of experience in the private equity and finance industry
- Currently a Managing Director of GTCR
- Currently a Director of CAMP Systems, Cision, IQNavigator, Lytx and XFIN



David Ryan AO
Director

- Over 40 years of experience in commercial banking, investment banking and operational business management
- Currently a Director of Lend Lease, First American Title Insurance Company of Australia, First Mortgage Services and Sunshine Coast Destination
- Previously held positions as Director of Aston Resources and Transurban

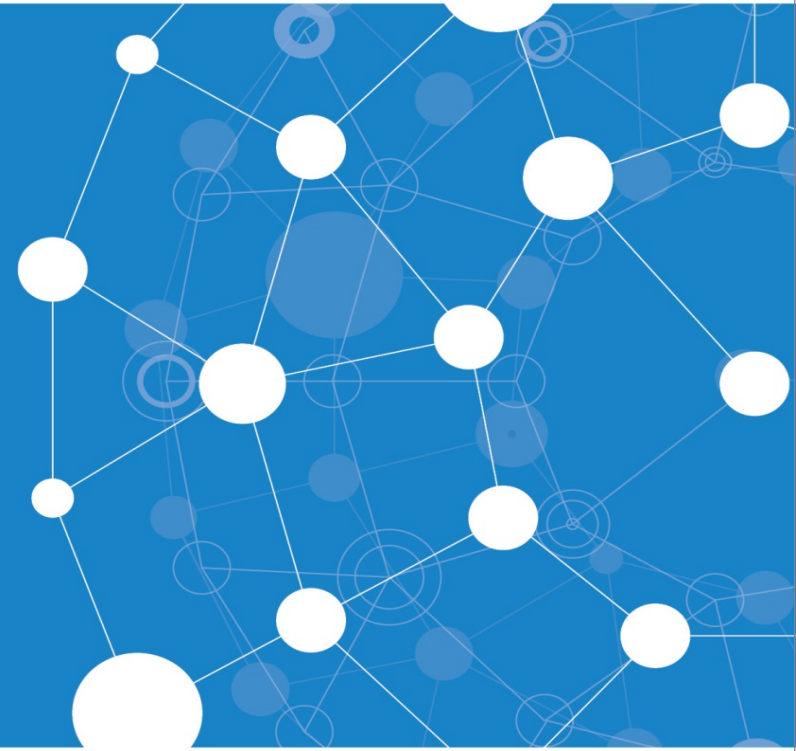


Robert Loewenthal
Director

- Over 10 years of experience in the radio industry
- Currently operates private corporate advisory and consulting business, Free Trade Hall and is the founder of Whooshkaa Podcasting Platform
- Previously held the role of Managing Director of Macquarie Radio Network, where he also acted as Chief Operating Officer and company secretary

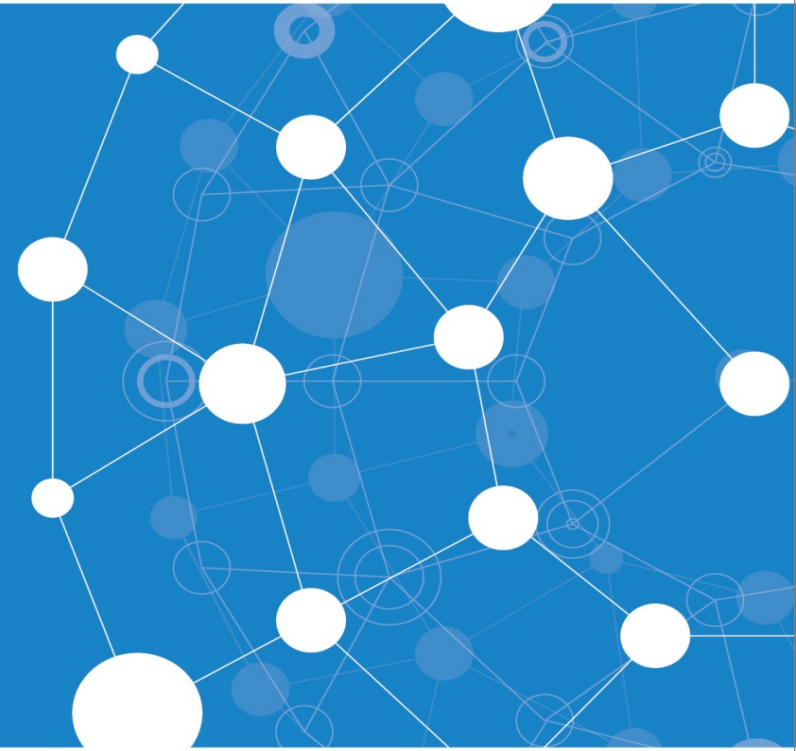
Section 01

Chairman's Address – Gary Miles



Section 02

CEO's address – Bill Yde



FY2016 recap – Financial information

GTN's FY2016 results exceeded Prospectus forecast

Key Highlights

- ➔ IPO successfully completed without significant disruption to normal operations
- ➔ FY16 results exceeded Prospectus forecast
- ➔ FY16 revenue result underpinned by positive operating results across key geographies
- ➔ Strong balance sheet and liquidity position with net debt of \$50.9m including cash balance of \$49.1m
— Pro forma gearing ratio of 1.5x (based on net debt / FY16 Pro forma Adjusted EBITDA)
- ➔ Strategically and financially positioned to take advantage of short and medium term organic and inorganic growth opportunities
- ➔ GTN reaffirms FY17 forecast provided in the IPO Prospectus (excluding potential Radiate acquisition)

Pro forma results⁽¹⁾

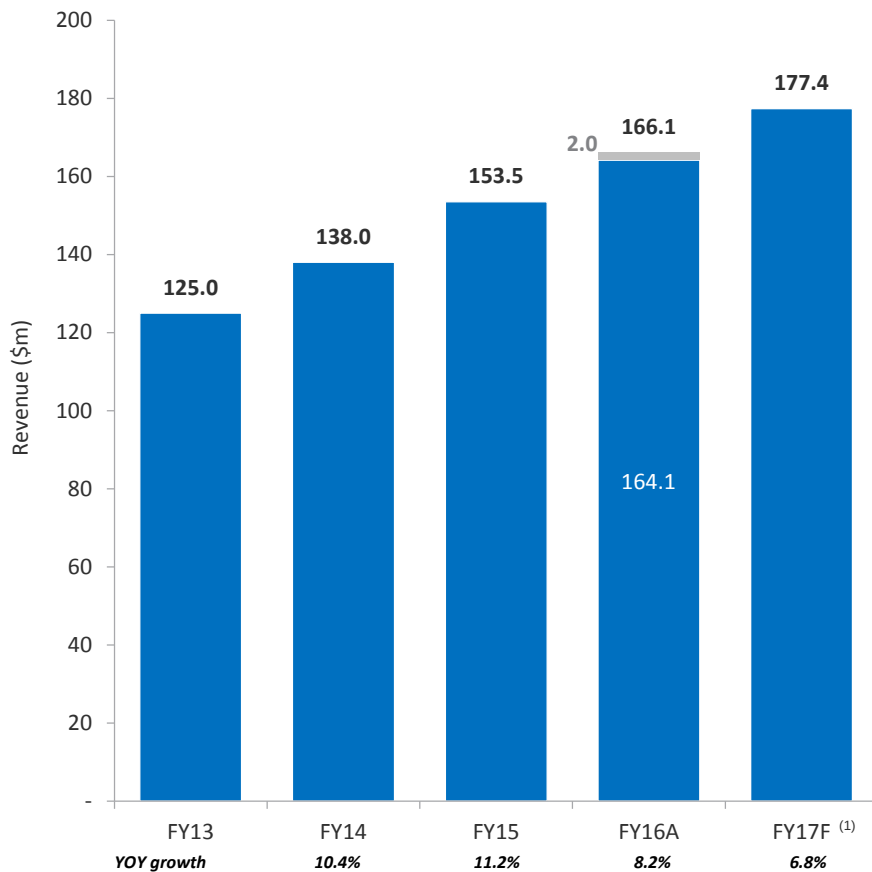
\$m	Pro forma FY16 Actual	Pro forma FY16 Prospectus	vs. Prospectus	vs. Pro forma FY2015
Revenue	166.1	164.1	1.2%	8.2%
EBITDA	31.1	28.8	7.9%	8.6%
Adjusted EBITDA ⁽²⁾	34.6	32.3	7.1%	21.1%
NPAT	5.8	3.3	74.7%	nmf
NPATA	18.8	15.8	18.7%	49.6%
NPATA per share (\$) ⁽³⁾	\$0.09	\$0.08	18.7%	49.6%

Notes: (1) A reconciliation of the Pro forma to Statutory results is provided in Appendix A. (2). Adjusted EBITDA is EBITDA adjusted to include the non-cash interest income arising from the Southern Cross Austereo Affiliate Contract; (3). NPATA per share is calculated based on NPATA and 201.2 million total shares on issue

FY2016 recap – Revenue drivers

GTN group revenue exceeded FY16 Prospectus forecast by \$2.0m (+1.2%) and was up 8.2% year on year

GTN revenue profile



(1) Consistent with FY17 forecast provided in IPO prospectus.

Commentary

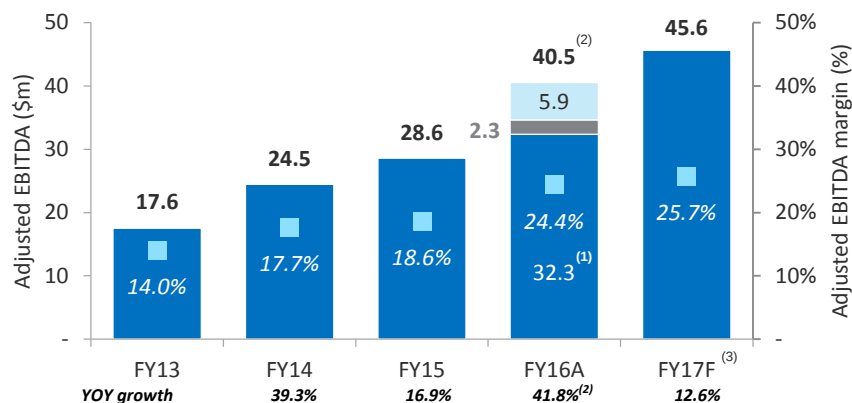
- Revenue growth led by Australia and Canada, both of which exceeded FY16 Prospectus forecast by 4%
 - United Kingdom exceeded revenue in local currency but was impacted by unfavourable foreign exchange movements
- Canada (+12%), United Kingdom (+9%) and Australia (+8%) contributed to 8% overall growth compared to FY15
 - All geographies exceeded FY15 revenue in local currency

 = above FY16 prospectus forecast

FY2016 recap - Earnings drivers

GTN group Pro forma Adjusted EBITDA exceeded FY16 Prospectus forecast by \$2.3m (+7.1%). FY16 Pro forma NPATA was \$18.8m, exceeding Prospectus forecast by ~\$3.0m (+18.7%)

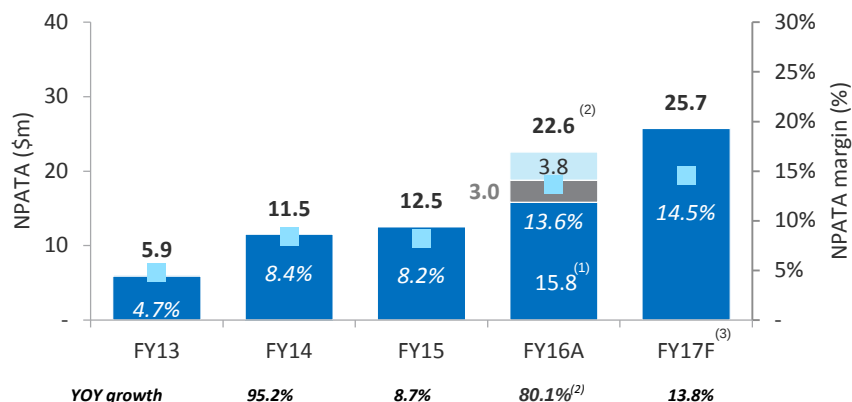
GTN Pro Forma Adjusted EBITDA profile



Commentary

- Main driver of out-performance was revenue exceeding Prospectus forecast
- Operating model generates high contribution margin on incremental revenue

GTN NPATA profile



Commentary

- Revenue also the key driver of NPATA over-performance vs. Prospectus forecast

■ = Additional 7 months impact of SCA contract
■ = above FY16 prospectus forecast

(1) Includes only 5 months impact of Southern Cross Austereo Affiliate Contract; (2) Includes a full year adjustment for the Southern Cross Austereo Affiliate Contract (i.e. Impact for the additional 7 months); (3) Consistent with FY17 forecast provided in IPO prospectus.

FY2016 recap – KPIs

GTN's FY16 revenue result was underpinned by positive operating results across key geographies

GTN operational KPIs (by geographic segment)

	FY2016 Actual	FY2016 Prospectus	vs. FY2015	vs. Prospectus
Australia (ATN)				
Radio spots inventory ('000s) ⁽¹⁾	789	750	7.2%	5.2%
Radio sell-out rate (%) ⁽²⁾	81%	80%	4.0% pts	1.0% pts
Average radio spot rate (AUD) ⁽³⁾	133	138	(6.3%)	(3.6%)
Canada (CTN)				
Radio spots inventory ('000s) ⁽¹⁾	558	550	4.5%	1.5%
Radio sell-out rate (%) ⁽²⁾	59%	58%	(1.0%) pts	1.0% pts
Average radio spot rate (CAD) ⁽³⁾	64	61	8.5%	4.9%
United Kingdom (UKTN)				
Total radio Impacts ⁽⁴⁾ available ('000) ⁽⁵⁾	18,885	18,658	2.2%	1.2%
Radio sell-out rate (%) ⁽⁶⁾	94%	93%	1.0% pts	1.0% pts
Average radio net Impact rate (GBP) ⁽⁷⁾	1.3	1.3	-%	-%
Brazil (BTN)				
Radio spots inventory ('000s) ⁽¹⁾	110	92	18.3%	19.6%
Radio sell-out rate (%) ⁽²⁾	45%	60%	(7.0%) pts	(15.0%) pts
Average radio spot rate (BRL) ⁽³⁾	273	281	5.8%	(2.8%)

(1) Available radio advertising spots adjacent to traffic, news and information reports; (2) The number of radio spots sold as a percentage of the number of radio spots available. (3) Average price per radio spot sold net of agency commission; (4) An Impact is a thousand listener impressions; (5) The UK market measures inventory and volumes based on Impacts instead of spots; (6) The number of impressions sold as a percentage of the number of impressions available; (7) Average price per radio Impact sold net of agency commission.

1Q17 trading update

GTN has performed strongly across all key financial metrics in 1Q17

1Q17 trading update

- GTN remains on track to achieve its FY17 Prospectus forecast (excludes potential Radiate acquisition)
- **Revenue:** GTN has locked in 24% of its FY17 Prospectus revenue forecast in 1Q FY2017
 - Trading is broadly in line with 1Q FY2016 which constituted 22% of FY2016 full-year revenues
- **EBITDA:** In the 1Q of FY2017, GTN achieved an EBITDA result of \$8.8 million, accounting for 24% of its FY2017 Prospectus EBITDA forecast
 - This performance is a substantial improvement from that achieved in 1Q FY2016 where EBITDA only accounted for 14% of the FY2016 full-year result
- Importantly, GTN was able to achieve significant growth despite unfavourable foreign exchange rates

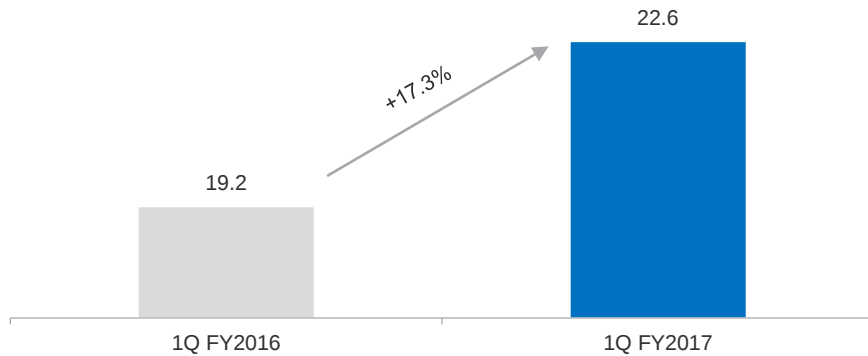
GTN 1Q FY2017 financial performance

	1Q17	FY17F	% of FY17F
Revenue	42.3	177.4	23.8%
EBITDA	8.8	37.2	23.7%
Adjusted EBITDA	10.9	45.6	24.0%
NPAT	5.0	21.1	23.7%
NPATA	6.2	25.7	24.0%

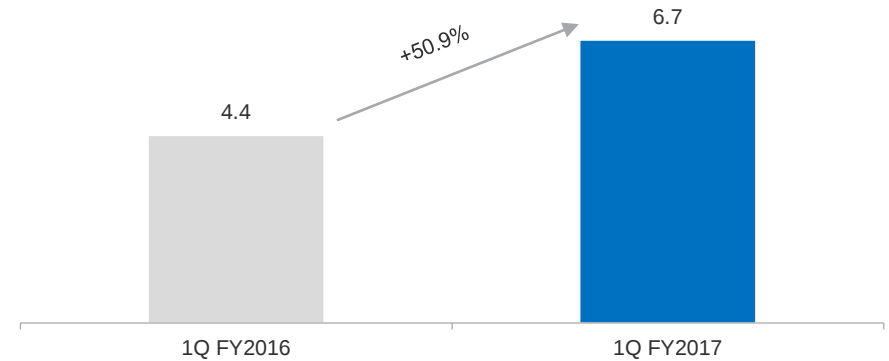
1Q17 trading update – Revenue performance by segment

GTN achieved YoY revenue increases in each segment except UKTN which was up in local currency but was impacted by adverse FX rates

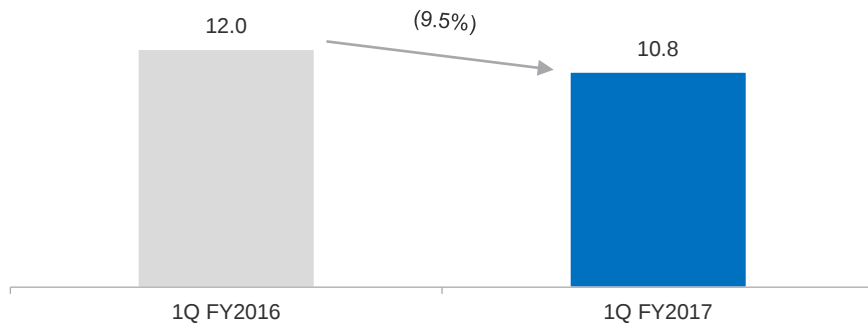
ATN revenue (A\$m)



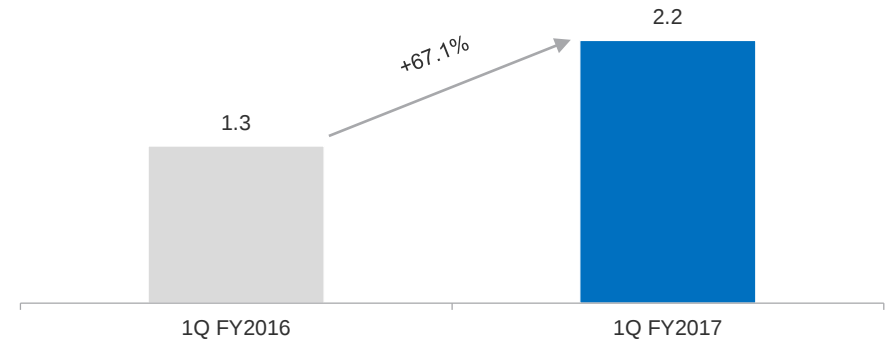
CTN revenue (A\$m)



UKTN revenue (A\$m)



BTN revenue (A\$m)



1Q17 trading update - KPIs

GTN achieved YoY increases in all KPIs across all segments

- ➔ **GTN achieved an increase in spots inventory across all its operating geographies in 1Q FY2017 vs. pcg**
—Inventory at or in excess of 25% of the forecast inventory for the year
- ➔ **Inventory utilisation (percentage of spots sold) also increased in all operating geographies in 1Q FY2017 vs. pcg**
- ➔ **Spot rates (in local currency) either increased or remained flat in all operating geographies in 1Q FY2017 vs. pcg**

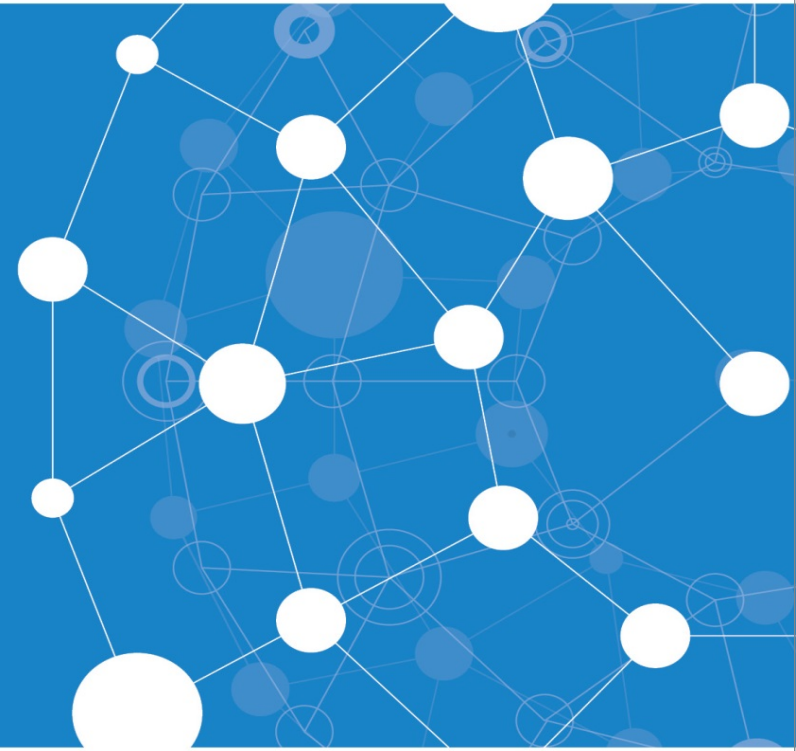
GTN growth strategy and outlook for FY17

GTN continues to pursue a number of channels to drive both organic and inorganic growth and re-affirms its FY17 forecast as per the IPO Prospectus

- ➔ **GTN affirms the FY17 forecast as per its IPO Prospectus assuming the continuation of current market conditions, including no further adverse movements in FX rates and excluding potential Radiate acquisition**
- ➔ **GTN continues to evaluate the decision to acquire Radiate and has exercised its right to extend the option to 31 December 2016**
 - Radiate Media operates a leading radio advertising platform in the United States and holds an affiliate agreement with the second largest broadcaster in the United States
 - With a large existing footprint, the acquisition of Radiate Media represents an exciting opportunity for GTN to meaningfully expand its North American presence and make a disciplined entry into the largest media market in the world
 - CBS Radio recently announced Radiate will be its traffic service provider effective 1 April 2017
 - Management continues to undertake due diligence in respect to the acquisition
 - No final decision on whether to exercise its option will be made until completion of due diligence
 - GTN will update the market once a final decision with respect to the option has been made
- ➔ **The business will continue to execute its growth strategy in each of its operating regions**

Section 03

Formal Business – Gary Miles



Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2016.

Questions and Comments



Resolution 1 – Election of Director – Gary Miles

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That Gary Miles, who retires in accordance with clause 10.3(b) of the Company’s Constitution and being eligible for election, is re-elected as a Director of the Company.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
158,040,002 (95.90%)	6,151,281 (3.73%)	0	605,000 (0.37%)

Resolution 2 – Election of Director – David Ryan

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That David Ryan, who retires in accordance with clause 10.3(b) of the Company’s Constitution and being eligible for election, is re-elected as a Director of the Company.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
164,154,896 (99.61%)	36,387 (0.37%)	0	605,000 (0.02%)

Resolution 3– Election of Director – Mark Anderson

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That Mark Anderson, who retires in accordance with clause 10.3(b) of the Company’s Constitution and being eligible for election, is re-elected as a Director of the Company.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
163,931,476 (99.48%)	259,807 (0.15%)	0	605,000 (0.37%)

Resolution 4 – Election of Director – Robert Loewenthal

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That Robert Loewenthal, who retires in accordance with clause 10.3(b) of the Company’s Constitution and being eligible for election, is re-elected as a Director of the Company.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
164,191,283 (99.63%)	0	0	605,000 (0.37%)

Resolution 5 – Remuneration Report

To consider and, if thought fit, pass the following as a non-binding ordinary resolution of the Company:

“That the Company’s Remuneration Report for the financial year ended 30 June 2016, as set out in the Directors’ Report, is adopted.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
164,044,873 (99.63%)	0	2,200	605,000 (0.37%)

Resolution 6 – Appointment of PricewaterhouseCoopers as Auditor

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, in accordance with section 327B(1)(a) of the Corporations Act 2001 (Cth) and for all other purposes, PricewaterhouseCoopers, having been nominated by a shareholder and consented in writing to act in the capacity of Auditor, be appointed as the Auditor of GTN Limited.”

 Proxies have been received in respect of the resolution as follows:

For	Against	Abstain	Proxy’s Discretion
164,154,896 (99.61%)	36,387 (0.02%)	0	605,000 (0.37%)

Resolution 7 – Approval of GTN US Incentive Plan and termination benefits

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That for the purposes of ASX Listing Rule 7.2 Exception 9(b) and sections 200B and 200E of the Corporations Act and for all other purposes, approval is given to the terms of, and the issue of securities under, the GTN US Incentive Plan”.



Proxies have been received in respect of the resolution as follows:

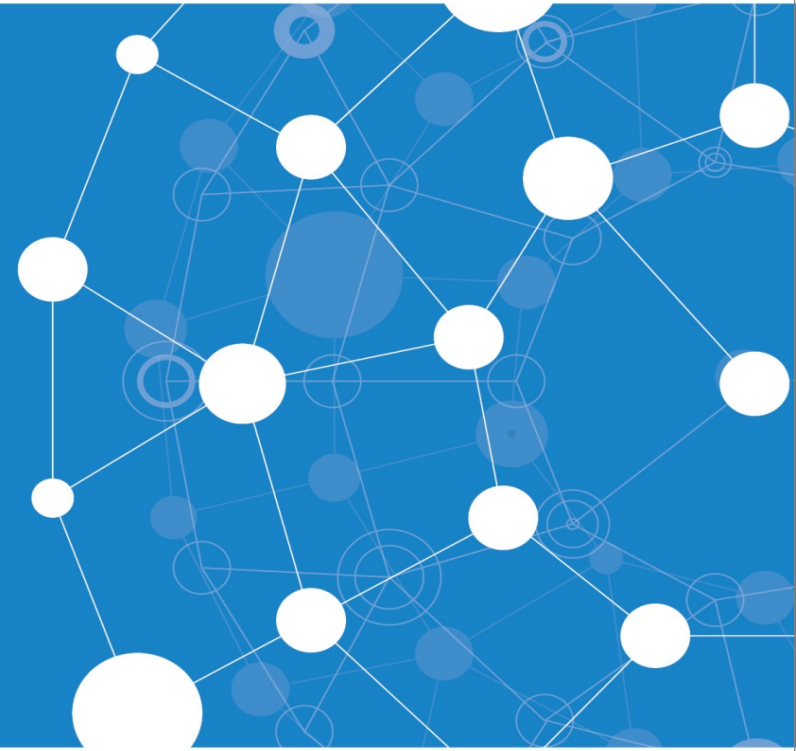
For	Against	Abstain	Proxy’s Discretion
164,191,283 (99.63%)	0	0	605,000 (0.37%)



GTN

Appendix A

Reconciliation of financial information



Annual Pro Forma and Statutory Income Statement FY2013-FY2017F

Pro Forma Historical Results for FY2013 – FY2017

A\$'000s	Pro Forma Historical Results			Pro Forma Result			Statutory Result		
	FY2013	FY2014	FY2015	FY2016A	FY2016F	FY2017F	FY2016A	FY2016F	FY2017F
Revenues	125,004	138,049	153,484	166,136	164,142	177,353	166,136	164,142	177,353
Network operations and station compensation	(82,391)	(85,916)	(93,950)	(101,919)	(102,659)	(106,885)	(101,919)	(102,659)	(106,885)
Selling, general and administrative expenses	(25,050)	(27,666)	(30,936)	(33,152)	(32,683)	(33,296)	(46,726)	(46,467)	(33,296)
Net FX losses on borrowings	-	-	-	-	-	-	(5,461)	(8,895)	-
Operating expenses	(107,441)	(113,582)	(124,886)	(135,071)	(135,342)	(140,181)	(154,106)	(158,021)	(140,181)
EBITDA	17,563	24,467	28,598	31,065	28,800	37,172	12,030	6,121	37,172
Interest income on SCA Supply Agreement	-	-	-	3,581	3,542	8,472	3,581	3,542	8,472
Adjusted EBITDA	17,563	24,467	28,598	34,646	32,342	45,644	15,611	9,663	45,644
Depreciation	(2,645)	(2,485)	(2,494)	(2,549)	(2,365)	(2,633)	(2,549)	(2,365)	(2,633)
Amortisation	(20,353)	(20,743)	(20,897)	(17,382)	(17,628)	(6,456)	(17,382)	(17,628)	(6,456)
Adjusted EBIT	(5,435)	1,239	5,207	14,715	12,349	36,555	(4,320)	(10,330)	36,555
Other interest income	358	463	514	244	307	286	244	307	286
Interest expense	(6,827)	(5,822)	(5,162)	(5,164)	(5,532)	(5,695)	(8,160)	(7,915)	(5,695)
Net profit/(loss) before tax	(11,904)	(4,120)	559	9,795	7,124	31,146	(12,236)	(17,938)	31,146
Tax (expense)/benefit	2,742	755	(3,523)	(4,043)	(3,831)	(10,027)	(4,998)	(5,921)	(10,027)
NPAT	(9,162)	(3,365)	(2,964)	5,753	3,293	21,119	(17,234)	(23,859)	21,119
Amortisation (tax effected)	15,075	14,907	15,511	13,013	12,522	4,603	13,013	12,522	4,603
NPATA	5,913	11,542	12,547	18,766	15,815	25,722	(4,221)	(11,337)	25,722

Disclaimer and important information



The information contained in this document is general background information about GTN Limited (ACN 606 841 801) (the “**Company**”) and its activities as at the date of this document. It is in summary form and does not purport to be complete. It should be read in conjunction with the Company’s other periodic and continuous disclosure announcements. It is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of individual investors. These should be considered, with or without professional advice, before deciding if an investment in the Company is appropriate.

The information contained in this document may include information derived from publicly available sources that has not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information in this document or any assumptions on which it is based.

All amounts are in Australian dollars unless otherwise indicated.

This document may contain forward-looking statements, including the Company’s expectations about the performance of its business. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believe”, “estimate”, “plan”, “project”, “anticipate”, “expect”, “intend”, “likely”, “may”, “will”, “could” or “should” or, in each case, their negative or other variations or other similar expressions, or by discussions of strategy, plans, objectives, targets, goals, future events or intentions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and which may cause actual results to differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on any forward-looking statements. Actual results or performance may vary from those expressed in, or implied by, any forward-looking statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements. The Company does not undertake to update any forward-looking statements contained in this document, to the maximum extent permitted by law.

Certain financial information in this document is prepared on a different basis to the Company’s Annual Financial Report, which is prepared in accordance with Australian Accounting Standards. Where financial information presented within this document does not comply with Australian Accounting Standards, a reconciliation to the statutory information is provided.

This presentation may contain certain unaudited financial information in relation to the Company. As such, it has not been subject to an audit or an audit process or otherwise independently verified.