



20 December 2018

Pre-announcement of 1H19 results

GTN Limited (ACN 606 841 801) (**ASX: GTN**) advises that it anticipates its Adjusted EBITDA¹ (as defined below) for the half-year ended 31 December 2018 will be approximately 10% to 15% less than the comparable half-year period ended 31 December 2017. The primary reason for the anticipated shortfall is a low mid-single digit decrease in revenue coupled with a low single digit increase in expenses at the Company's Australia segment which is the Company's largest operating segment. This forecast is subject to a number of uncertainties, including, but not limited to, ultimate foreign exchange rates for the period, final December 2018 revenue and expenses and potential review adjustments.

Absent a material deviation from the above forecast, the Company does not plan to update its guidance prior to the release of its Appendix 4D/Results for Announcement to the Market.

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This document contains 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 a guarantee 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. ⁱ

- ¹ ● **EBITDA** is earnings before interest, tax, depreciation, amortisation and non-cash impairment charges which exclude the results of discontinued operations.

Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation and amortisation and before interest and tax charges, which are significantly affected by the capital structure and historical tax position of the Company.

EBITDA can be useful to help understand the cash generation potential of the business because it does not include the non-cash charges for depreciation and amortisation. However, management believes that it should not be considered as an alternative to net free cash flow from operations and investors should not consider EBITDA in isolation from, or as a substitute for, an analysis of the Company's results of operations;

- **Adjusted EBITDA** is EBITDA adjusted to include the non-cash interest income arising from the long-term prepaid Southern Cross Austereo Affiliate Contract and excludes foreign exchange gains or losses and transaction costs.

Management considers that Adjusted EBITDA is an appropriate measure of GTN's underlying EBITDA performance. Otherwise, the EBITDA would reflect significant non-cash station compensation charges without offsetting non-cash interest income arising from the treatment of the contract as a financing arrangement.