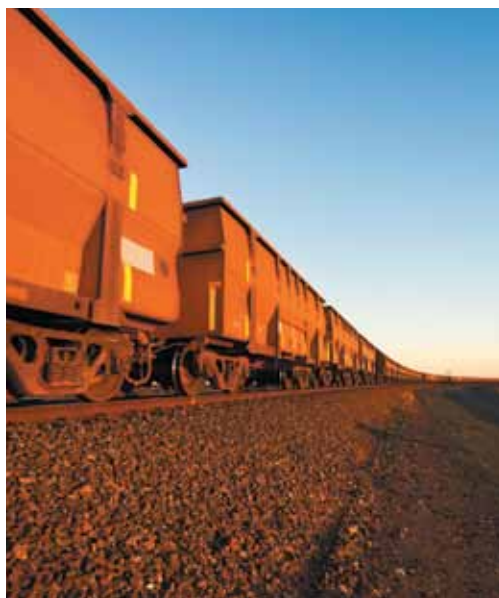




REGIONAL | 20 TV GUIDE | 11

Coverage maps | Population potentials | Consumer profile | Economic trends | Media essentials





“REGIONAL TV IS PROVEN TO BE AMONG THE MOST EFFECTIVE AND COST EFFICIENT MEDIA AVAILABLE TO ADVERTISERS”

Tracie Michael, CEO Initiative

A CONSTANT IN A CHANGING WORLD

Free to air TV continues to be the most popular mass medium in regional Australia with the potential to reach an audience of over eight million people every day.

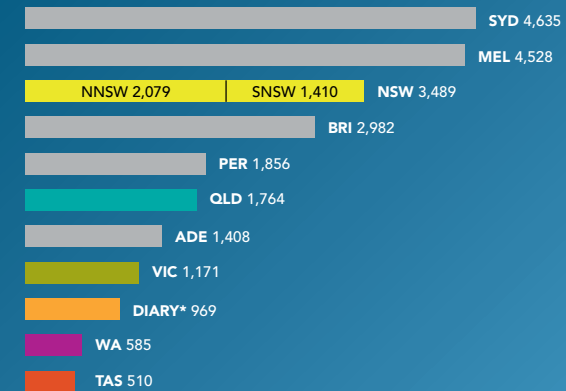
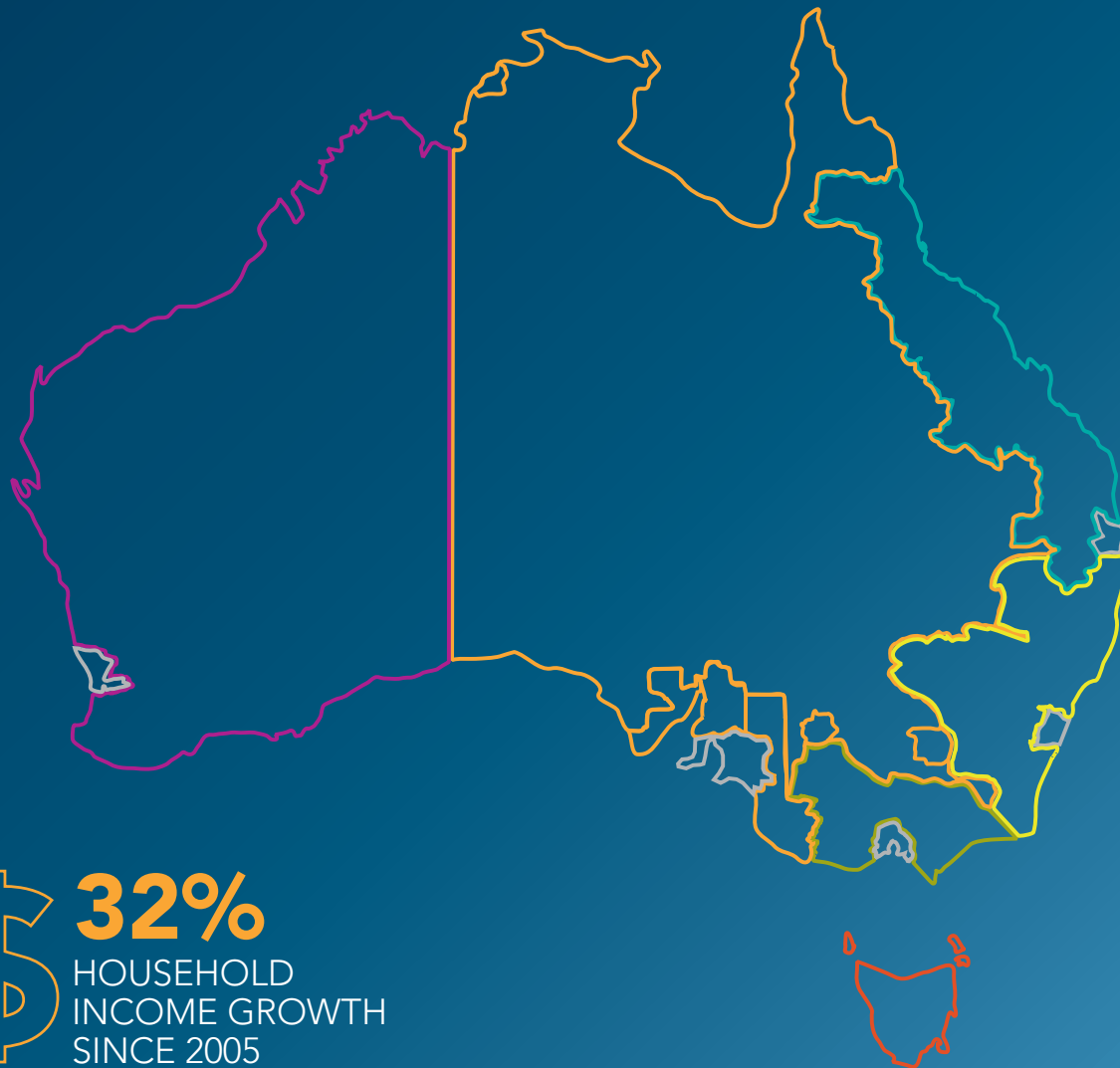
The introduction of new regional free to air digital TV channels will further increase viewing in 2011 and offer even more opportunities for advertisers to engage with valuable regional consumers.

Regional TV is proven to be among the most effective and cost-efficient media for delivering sales and marketing outcomes to all Australian advertisers from large and medium to small.

Over the past 10 years regional Australia has undergone dramatic change. Rapid population growth along with increased urbanisation and affluence on the eastern seaboard have been the most obvious changes.

Regional consumers typically account for around 36% of Australian sales of most goods and services. TV advertising in regional markets costs around 40% below the national average. Value for money is a compelling reason to explore the Regional Television advertising opportunity thoroughly.

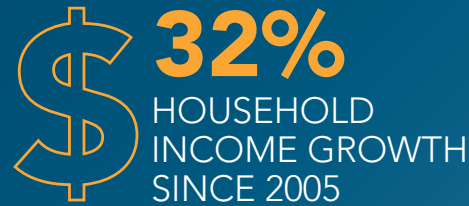
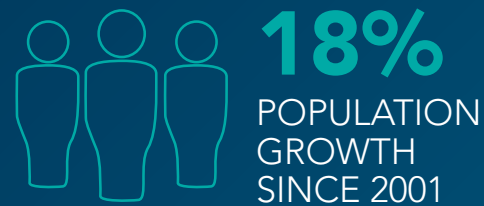
POPULATION GROWTH & ECONOMIC DIVERSITY DRIVE REGIONAL PROSPERITY



AUSTRALIAN TV MARKET POPULATION POTENTIALS (000s)

Source: OzTAM & AGB Nielsen Media Research 2011, Nielsen Media Research 2010

* Diary is the total population of Port Pirie/Broken Hill, Loxton/Mt Gambier, Satellite, Darwin, Griffith and Mildura.



POPULATION SHIFT

Increasing numbers of Australians are moving to regional cities and coastal areas, attracted by the lower cost of living, buoyant economic conditions and the opportunity to live the Australian dream.

The majority of new regional residents are young families that typically choose an urban area within an hour or two of a capital city. Favoured destinations include the Central Coast and Illawarra regions of NSW and the Tweed Heads/ Gold Coast conurbation. It is estimated that 80% of the eastern states' regional population now live an essentially urbanised lifestyle.

The greater affordability of housing means regional people tend to start families at a younger age than in the capital cities and are 35% more likely to have two or more children before they are 40 years old.

The combination of a higher birth rate and capital city residents relocating has resulted in over 39% of young Australian families now living in regional TV markets.

RURAL RESOURCES

A population shift has also occurred in Australia's rural areas with residents leaving small country towns and moving to regional centres for access

to education, healthcare and other services. Inland cities including Dubbo, Orange, Albury and Ballarat have been revitalised by this trend and offer greater employment opportunities for local young people as a result.

Less than 4% of regional households derive their primary income from farming yet the value of agriculture to regional economies continues to grow, demonstrating the improvements in production in this sector.

The rapid and continuing expansion of Australia's resource sector is having its biggest impact on the ground in regional QLD and WA. Mackay and Rockhampton are particular QLD magnets for high spending resources workers and their families.

SPENDING GROWTH

The immediate economic outlook for regional Australia will continue to be above the national trend. Higher population growth generates expansion in the construction, housing, finance and retail sectors as well as increased employment in white-collar jobs.

Together these trends have resulted in 32% growth in regional household income over the past five years and a 20% increase in professional and managerial occupations.

The respected *Foreseechange* survey has found that more than half of all regional consumers consider

themselves to be affluent. One in four describes themselves as "having few financial concerns, being able to both save and buy what I like" (No Worries). Almost a third believes they can "afford to spend on the extras that make life worthwhile" (Comfortable).

LOWER COST OF LIVING

| | REGIONAL AVG | 5 CAP CITY AVG |
|--------------------------|--------------|----------------|
| MEDIAN HOUSE PRICE | \$344,375 | \$549,549 |
| AVERAGE HOUSEHOLD INCOME | \$93,070 | \$104,950 |

Source: Residex September 2010, Roy Morgan Single Source June 2010

NSW

The essential market

The NSW regional TV markets have a combined population potential of over 3.6M people making them a greater collective market than Brisbane and capable of reaching 40% of the NSW state population.

Regional NSW has two aggregated TV markets in Northern NSW and Southern NSW covering 95% of the regional population. Griffith is a distinct Regional TV market. Broken Hill and much of outback NSW are included in the Regional TV Diary Markets (see page 11 and 12).

NORTHERN NSW

Northern NSW is the fourth largest TV market in Australia with a population of over 2M and includes Australia's sixth and seventh largest cities, Gold Coast and Newcastle. Surprised that Queensland's Gold Coast is part of the NNSW TV market? It was once a relatively undeveloped part of the NSW Tweed Valley area when TV licence areas were drawn up in the mid-1950s, so see how Regional TV has grown!

The Northern NSW TV market increased in population by 19% in just 10 years since 2001. The two main growth areas have been the Northern Rivers/Gold Coast area (+28%) and the Central Coast area north of Sydney.

Northern NSW is now a highly urbanised market with an employment and demographic profile very similar to the national average and therefore an ideal test market for advertising.

SOUTHERN NSW

The Southern NSW TV market includes Canberra and Wollongong, the eighth and ninth largest cities in Australia. The population of the Canberra TV market has the highest average income in Australia and highest proportion of professional and white-collar employment.

Wollongong and the Illawarra coastal conurbation have recently enjoyed high population growth due to large-scale new housing developments and excellent transport infrastructure allowing commuting to the capital city.

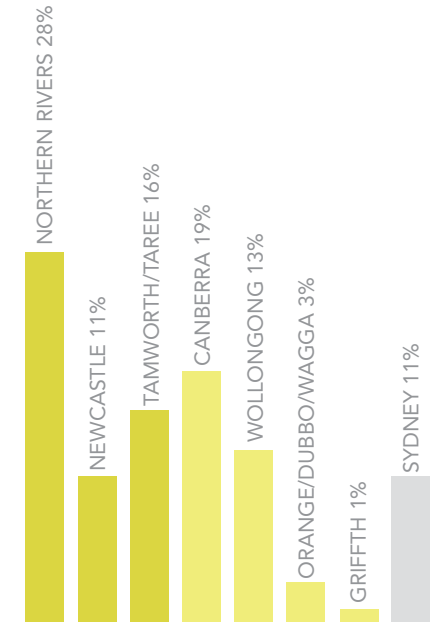
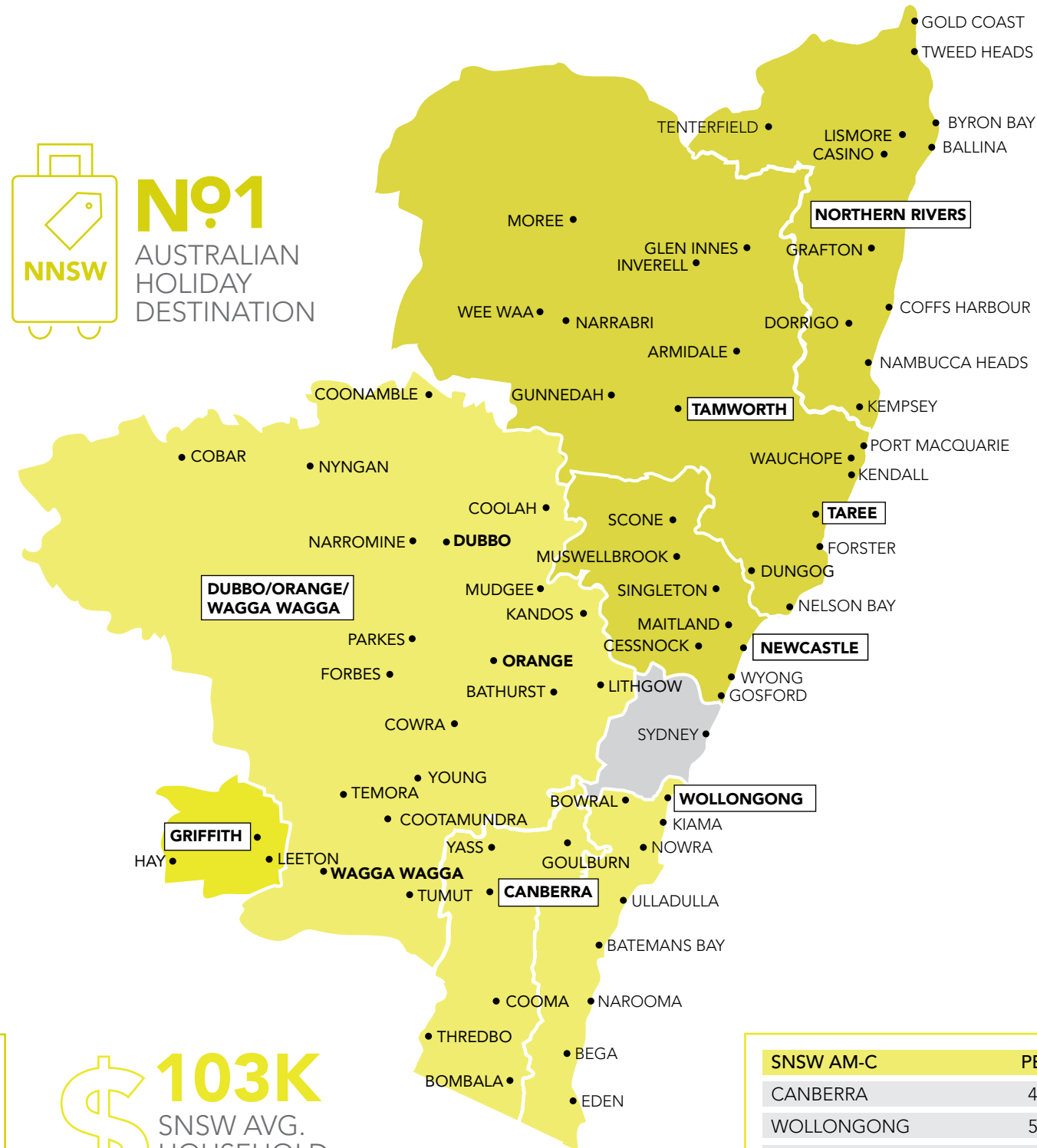
Orange, Dubbo and Wagga Wagga are inland cities acting as administrative, education, healthcare and retail hubs for catchment populations in excess of 100,000 each. These cities have diverse economies and have grown over the past 10 years, attracting residents from smaller rural communities as well as capital city "tree-changers."

| NNSW AM-B | PEOPLE | HOUSEHOLDS | NETWORKS: |
|-----------------|------------------|----------------|-------------------------|
| NORTHERN RIVERS | 963,000 | 395,000 | NBN (9, GO!, GEM) |
| NEWCASTLE | 768,000 | 298,000 | PRIME7 (7, 7TWO, 7MATE) |
| TAMWORTH/TAREE | 348,000 | 140,000 | SOUTHERN CROSS |
| TOTAL | 2,079,000 | 833,000 | TEN (10, ONE, 11) |

Source: Regional TAM 2011



Nº1
AUSTRALIAN
HOLIDAY
DESTINATION



NSW POPULATION INCREASE 2001 VS. 2011

Source: OzTAM 2011, Regional TAM 2011, Nielsen Media Research 2010

| GRIFFITH | PEOPLE | H' HOLDS |
|--------------|---------------|---------------|
| TOTAL | 68,800 | 26,800 |

NETWORKS:
WIN (7), WIN (9), WIN TEN (10)

Source: Nielsen Media Research 2010

\$ 103K
SNSW AVG.
HOUSEHOLD
INCOME

PEOPLE 25-54

| SNSW AM-C | PEOPLE | HOUSEHOLDS | NETWORKS: |
|--------------------|------------------|----------------|-------------------------|
| CANBERRA | 489,000 | 190,000 | WIN (9, GO!, GEM) |
| WOLLONGONG | 515,000 | 205,000 | PRIME7 (7, 7TWO, 7MATE) |
| ORANGE/DUBBO/WAGGA | 406,000 | 159,000 | SOUTHERN CROSS |
| TOTAL | 1,410,000 | 554,000 | TEN (10, ONE, 11) |

Source: Regional TAM 2011

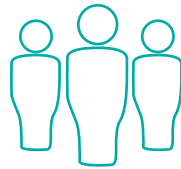
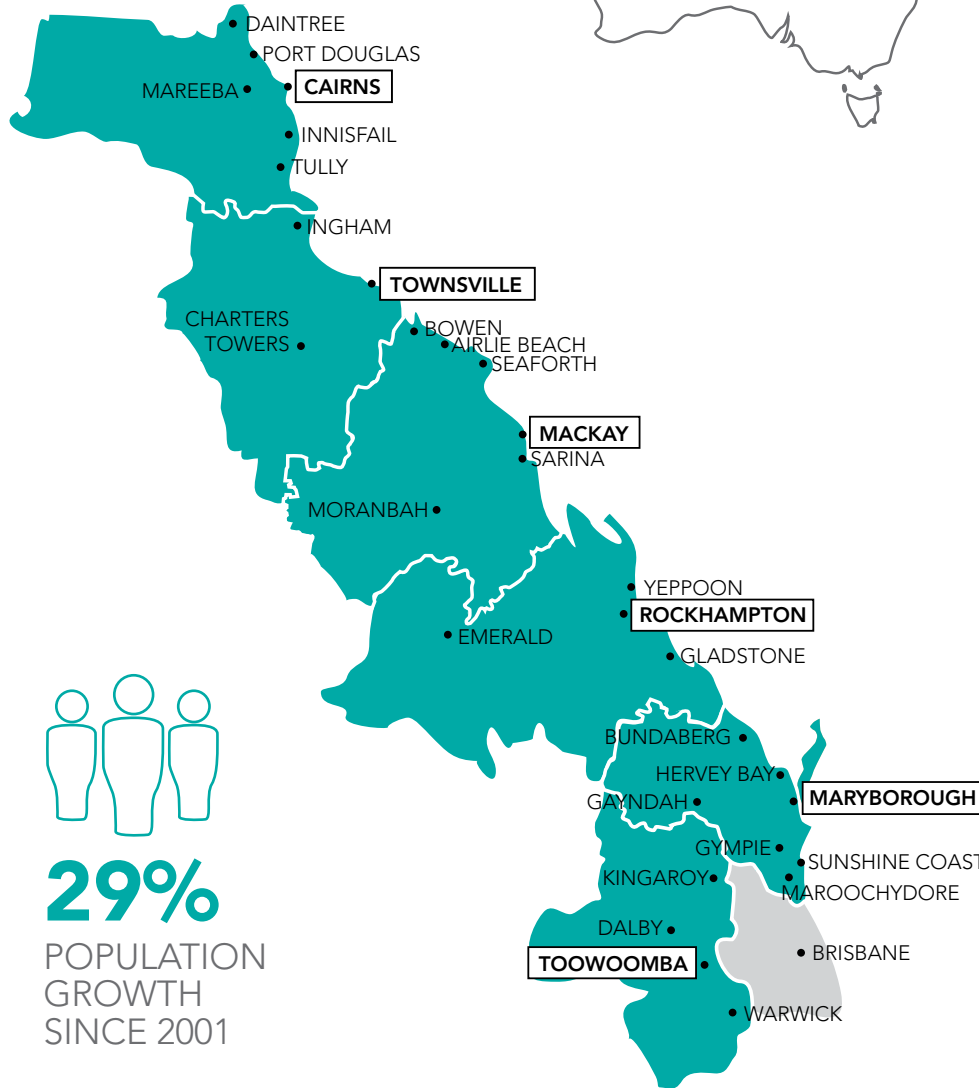
QUEENSLAND

The fastest growing market in Australia

A larger proportion of Queensland's population lives outside its capital city than in any other mainland state, with the regional population currently estimated at 56%. The Queensland aggregated TV market reaches 1.8M people, the satellite TV market reaches an estimated 170,000 people in central and western QLD and around 600,000 Gold Coast residents are covered by NSW regional TV.

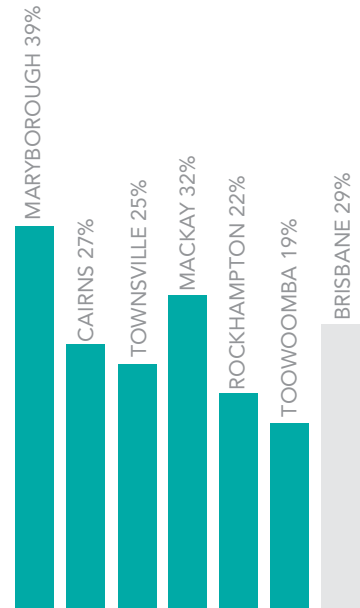
Queensland has been the fastest growing state in Australia over the past 10 years in terms of population and the economy. The boom in tourism and resources has driven much of the state's employment and income growth, and both of these key national industries are primarily based in regional QLD.

The high rate of growth in regional Queensland offers advertisers opportunities unlike any other market, especially in categories such as finance, car sales, housing, appliances, travel and communications.



29%

POPULATION GROWTH SINCE 2001



QLD POPULATION INCREASE 2001 VS. 2011

Source: OzTAM 2011, Regional TAM 2011

| QLD AM-A | PEOPLE | HOUSEHOLDS | NETWORKS: |
|--------------|------------------|----------------|----------------------------------|
| CAIRNS | 253,000 | 104,000 | WIN (9, GO!, GEM) |
| TOWNSVILLE | 232,000 | 89,000 | SEVEN QLD (7, 7TWO, 7MATE) |
| MACKAY | 183,000 | 70,000 | SOUTHERN CROSS TEN (10, ONE, 11) |
| ROCKHAMPTON | 223,000 | 86,000 | |
| MARYBOROUGH | 603,000 | 249,000 | |
| TOOWOOMBA | 270,000 | 105,000 | |
| TOTAL | 1,764,000 | 703,000 | |

Source: Regional TAM 2011

VICTORIA

Regional heartland



Regional TV reaches 21% of the total state population of Victoria. The vast majority of Victoria's regional population is covered by the Victoria aggregated TV market with around 5% being in the Mildura rural TV market.

The Victoria regional TV market also includes the NSW city of Albury, which together with its partner Wodonga in Victoria has a combined urban population of 105,000.

Of all the aggregated regional TV markets Victoria retains the most traditional regional profile with over 8% of the workforce employed in agriculture.

Ballarat, Bendigo and Shepparton are historic Victorian towns that grew rapidly in the gold rush of the 1850s. They now serve as retail and administrative centres for the surrounding rural areas and have diverse food processing, manufacturing and tourism industries.

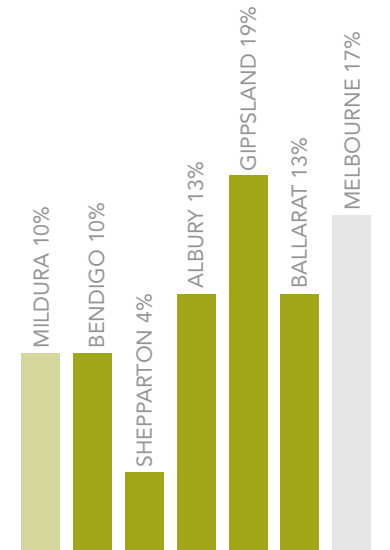
Regional Victoria is one of the most affordable places to live in Australia with an average house costing only 3.2 times the average household income. Younger regional Victorians (18-39) are almost twice as likely as their Melbourne counterparts to have a family of two or more children.

| VIC AM-D | PEOPLE | HOUSEHOLDS | NETWORKS: |
|--------------|------------------|----------------|----------------------------------|
| BENDIGO | 234,000 | 95,000 | PRIME7 (7, 7TWO, 7MATE) |
| SHEPPARTON | 173,000 | 69,000 | WIN (9, GO!, GEM) |
| ALBURY | 187,000 | 76,000 | SOUTHERN CROSS TEN (10, ONE, 11) |
| GIPPSLAND | 228,000 | 89,000 | |
| BALLARAT | 349,000 | 136,000 | |
| TOTAL | 1,171,000 | 465,000 | |

Source: Regional TAM 2011



AFFORDABLE HOUSING



VIC POPULATION INCREASE 2001 VS. 2011

Source: OzTAM 2011, Regional TAM 2011, Nielsen Media Research 2010

| MILDURA PEOPLE | HOUSEHOLDS |
|----------------|-------------------------------|
| TOTAL | 65,500 / 25,600 |

NETWORKS: PRIME7 (7, 7TWO, 7MATE), WIN (9, GO!, GEM), MILDURA DIGITAL TV (10, ONE, 11)

Source: Nielsen Media Research 2010

TASMANIA

100% regional

Tasmania is the only Australian TV market to include a state's capital, Hobart, and its entire population.

Since 2001 the Tasmanian economy has performed well. Its population grew by 9% and currently has the highest fertility rate in Australia with 2.4 children per family.

It is reinventing itself as a centre for high-tech manufacturing and GM-free (non-genetically modified) agricultural and food products. Employment in Tasmania skews to the public sector, tourism, seafood production and forestry resources, as well as being the world's largest producer of opium for the pharmaceutical industry.

Tasmania's affordable lifestyle and beautiful scenery attracts holiday makers from around the world as well as retirees from all over Australia. Tourism is the second largest contributor to the Tasmanian economy with an annual influx of more than 900,000 visitors.



| TAS AM-E | PEOPLE | HOUSEHOLDS | NETWORKS: |
|--------------|----------------|----------------|------------------------------------|
| LAUNCESTON | 251,000 | 101,000 | SOUTHERN CROSS TV (7, 7TWO, 7MATE) |
| HOBART | 259,000 | 104,000 | WIN (9, GO!, GEM) |
| TOTAL | 510,000 | 205,000 | TEN TASMANIA (10, ONE, 11) |

Source: Regional TAM 2011

WESTERN AUSTRALIA

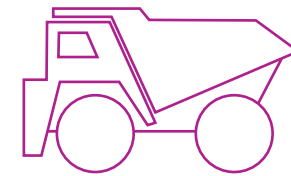
Driving the resources boom



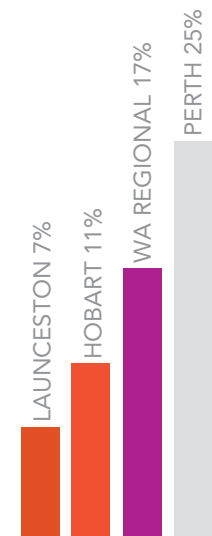
Regional TV reaches 24% of the total WA state population. Around half the 500,000 regional WA population live in the south-western coastal corner around Bunbury, Busselton, Albany and Mandurah.

Bunbury is an export centre for the region's agricultural products including wheat, wool and timber and was once WA's second largest city. Now Mandurah is the fastest growing city in Australia as well as the second-largest in WA, attracting sea-changers and commuters from Perth, 75km north.

After agriculture and tourism, the regional WA economy is dominated by the resources industry. Employment in resources in regional WA has increased by 77% since 2001 and in construction by 88%, driving rapid population and investment growth in the state's north. The recent commitment to expand massively the LNG (liquid natural gas) industry underwrites the continuing growth of regional WA's economic future for many years.



\$169K
AVERAGE HHI*
FROM MINING
* HOUSEHOLD INCOME



TAS/WA POPULATION INCREASE 2001 VS. 2011

Source: OzTAM 2011, Regional TAM 2011, Nielsen Media Research 2010

| REGIONAL WA | PEOPLE | HOUSEHOLDS | NETWORKS: GWN7 (7), WIN (9, 10) |
|--------------|----------------|----------------|-------------------------------------|
| TOTAL | 584,600 | 228,100 | Source: Nielsen Media Research 2010 |

DIARY MARKETS

From downtown to desert

Regional TV licence areas known as "Diary" markets utilise TV ratings surveys based on data from viewers' personal diaries. Diary markets have a total population of 968,500 and are highly diverse, ranging from the mini-metropolis of Darwin to small outback communities.

Most people in the vast geographical spread of the Diary markets live in urbanised and regional commercial centres.

The regional markets of South Australia are largely urbanised, reflecting the roles of Whyalla, Port Lincoln and Mt Gambier as commercial and industrial centres.

In the eastern states, both Mildura and Griffith are regional commercial centres for the predominantly agricultural local economy with a combined population of 134,000, most of whom are within an hour's drive of the CBD.

Darwin is the youngest city in Australia, having the highest proportion of its population aged 25-39. It also has the highest proportion of the total workforce employed in the government and public sector and therefore average income is well above the national average.

The satellite TV market is the largest TV licence area in Australia and the largest in the world! It is the least urbanised with the majority of the population (85%+) living in small towns of less than 2,000 people, the archetypal images of Australian outback life.

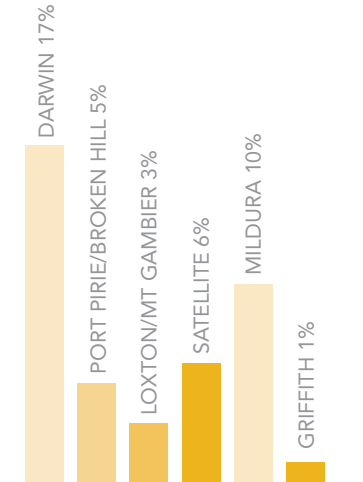
Alice Springs NT and Mt Isa QLD are the only towns with a population over 20,000 in the satellite TV area. Over 40% of the satellite TV market population lives in central and western Queensland. Two networks broadcast across the satellite area, notably Imparja Television owned by Aboriginal people – its Arrernte name means 'footprints.'

With major resource industries located in rural and remote Australia, these Diary markets are home to some of Australia's highest paid workers. Across the Diary markets as a whole, an above average proportion of the workforce is employed in public and community services, reflecting the lower population density.



3469KMS
FROM DARWIN TO
MOUNT GAMBIER

See www.regionaltvmarketing.com.au for detailed satellite coverage area map. The TV market coverage areas in this guide are estimated and may overlap with adjacent TV market coverage areas.



DIARY POPULATION INCREASE 2001 VS. 2011

Source: Nielsen Media Research 2010

| WORKERS 18+ EMPLOYMENT SECTOR | SATELLITE | DARWIN | PORT PIRIE/ BROKEN HILL | LOXTON/ MT GAMBIER | MILDURA | GRIFFITH |
|-------------------------------------|-----------|--------|-------------------------|--------------------|---------|----------|
| AGRICULTURE | 11% | 2% | 8% | 24% | 18% | 35% |
| MINING | 7% | 3% | 3% | - | 2% | 1% |
| MANUFACTURING | 2% | 2% | 10% | 11% | 4% | 5% |
| PUBLIC, DEFENCE, COMMUNITY SERVICES | 45% | 52% | 33% | 24% | 29% | 23% |
| RECREATION & PERSONAL | 5% | 8% | 5% | 5% | 15% | 1% |

Source: Roy Morgan Single Source September 2010

| DIARY MARKETS | PEOPLE | HOUSEHOLDS | NETWORKS |
|-------------------------|----------------|----------------|---|
| SATELLITE | 438,600 | 155,800 | LOXTON/MT GAMBIER WIN SA (9,7), WIN TEN (10, 11) GRIFFITH WIN 7 (7), WIN 9 (9), WIN TEN (10) PORT PIRIE/ BROKEN HILL GTS/BKN (7), SOUTHERN CROSS TEN (10, 11) WIN 9 (9) MILDURA PRIME7 (7, 7TWO, 7MATE), WIN (9, GO!, GEM), MILDURA DIGITAL TV (10, ONE, 11) DARWIN SOUTHERN CROSS TV (7, 7TWO, 7MATE), NINE (9, GO!, GEM), DARWIN DIGITAL TV (10, ONE) SATELLITE SOUTHERN CROSS CENTRAL (7, 7TWO), IMPARJA (9, GO!, GEM) |
| PORT PIRIE/ BROKEN HILL | 138,700 | 59,700 | |
| LOXTON/ MT GAMBIER | 127,300 | 53,000 | |
| GRIFFITH | 68,800 | 26,800 | |
| DARWIN | 129,600 | 47,900 | |
| MILDURA | 65,500 | 25,600 | |
| TOTAL | 968,500 | 368,800 | |

Source: Nielsen Media Research 2010

2011 TELEVISION POPULATION

TV market universe estimates (000s)

| Demographic | SYD | MEL | BRI | ADE | PER | Metro Total | NNSW | SNSW | VIC | QLD | TAS | Agg Reg. Total | Regional WA | Darwin | Port Pirie/ Broken Hill | Loxton/ Mt Gambier | Satellite | Mildura | Griffith | Regional Total |
|---------------------|-------|-------|-------|-------|-------|-------------|-------|-------|-------|-------|-----|----------------|-------------|--------|-------------------------|--------------------|-----------|---------|----------|----------------|
| Households | 1,662 | 1,637 | 1,127 | 565 | 711 | 5,702 | 833 | 554 | 465 | 703 | 205 | 2,760 | 228 | 48 | 60 | 53 | 156 | 26 | 27 | 3,357 |
| Total People | 4,635 | 4,528 | 2,982 | 1,408 | 1,856 | 15,409 | 2,079 | 1,410 | 1,171 | 1,764 | 510 | 6,934 | 585 | 130 | 139 | 127 | 439 | 66 | 69 | 8,487 |
| Children 0-4 | 306 | 297 | 208 | 84 | 123 | 1,019 | 124 | 87 | 71 | 121 | 35 | 439 | 43 | 10 | 9 | 8 | 35 | 5 | 5 | 553 |
| Children 5-12 | 445 | 423 | 296 | 128 | 180 | 1,471 | 203 | 141 | 118 | 189 | 50 | 702 | 66 | 14 | 15 | 13 | 54 | 7 | 8 | 879 |
| Teens 13-17 | 292 | 282 | 201 | 90 | 124 | 989 | 140 | 97 | 82 | 124 | 35 | 477 | 40 | 9 | 10 | 9 | 30 | 5 | 5 | 584 |
| Men 16-24 | 308 | 310 | 201 | 90 | 129 | 1,039 | 127 | 93 | 70 | 109 | 31 | 429 | 34 | 10 | 8 | 7 | 27 | 4 | 4 | 522 |
| Men 18+ | 1,758 | 1,732 | 1,118 | 538 | 716 | 5,864 | 790 | 538 | 443 | 667 | 190 | 2,628 | 228 | 52 | 53 | 49 | 166 | 24 | 25 | 3,224 |
| Men 18-24 | 246 | 250 | 158 | 71 | 103 | 828 | 98 | 72 | 53 | 83 | 23 | 329 | 25 | 8 | 6 | 5 | 21 | 3 | 3 | 400 |
| Men 25-39 | 551 | 524 | 332 | 142 | 211 | 1,759 | 195 | 139 | 100 | 176 | 44 | 654 | 65 | 17 | 12 | 12 | 47 | 6 | 6 | 818 |
| Men 40-54 | 463 | 457 | 296 | 144 | 193 | 1,554 | 206 | 142 | 119 | 183 | 53 | 703 | 66 | 15 | 15 | 14 | 48 | 7 | 7 | 876 |
| Men 55+ | 498 | 502 | 333 | 181 | 209 | 1,723 | 291 | 185 | 170 | 225 | 70 | 942 | 72 | 12 | 21 | 18 | 50 | 8 | 9 | 1,131 |
| Women 16-24 | 296 | 291 | 195 | 87 | 120 | 988 | 121 | 85 | 67 | 101 | 29 | 403 | 30 | 8 | 7 | 6 | 25 | 4 | 4 | 486 |
| Women 18+ | 1,834 | 1,793 | 1,159 | 568 | 712 | 6,067 | 823 | 548 | 457 | 662 | 200 | 2,689 | 208 | 45 | 53 | 48 | 154 | 25 | 25 | 3,247 |
| Women 18-24 | 237 | 233 | 154 | 69 | 95 | 787 | 93 | 65 | 50 | 77 | 22 | 308 | 23 | 6 | 5 | 5 | 19 | 3 | 3 | 371 |
| Women 25-39 | 557 | 520 | 331 | 139 | 198 | 1,744 | 194 | 137 | 101 | 172 | 46 | 649 | 58 | 16 | 12 | 11 | 46 | 6 | 6 | 804 |
| Women 40-54 | 475 | 469 | 306 | 148 | 192 | 1,590 | 215 | 144 | 122 | 184 | 55 | 721 | 60 | 14 | 14 | 13 | 44 | 7 | 7 | 879 |
| Women 55+ | 566 | 572 | 368 | 212 | 228 | 1,947 | 320 | 201 | 183 | 229 | 78 | 1,012 | 68 | 10 | 22 | 19 | 46 | 9 | 10 | 1,194 |
| Grocery Buyers (GB) | 1,662 | 1,637 | 1,127 | 565 | 711 | 5,702 | 833 | 554 | 465 | 703 | 205 | 2,760 | 228 | 48 | 60 | 53 | 156 | 26 | 27 | 3,357 |
| GBs + Children | 549 | 509 | 357 | 162 | 214 | 1,791 | 252 | 181 | 148 | 225 | 67 | 873 | 75 | 19 | 15 | 17 | 49 | 8 | 10 | 1,065 |
| GBs + Ch (5-12) | 299 | 267 | 196 | 86 | 114 | 962 | 138 | 100 | 82 | 124 | 35 | 480 | | | | | | | | 480 |
| GBs + Ch (5-17) | 430 | 392 | 282 | 130 | 169 | 1,403 | 204 | 145 | 119 | 184 | 52 | 705 | | | | | | | | 705 |
| People 16-39 | 1,712 | 1,644 | 1,058 | 458 | 658 | 5,530 | 637 | 452 | 338 | 558 | 150 | 2,135 | 186 | 50 | 38 | 36 | 145 | 20 | 20 | 2,630 |
| People 25-54 | 2,046 | 1,969 | 1,265 | 573 | 794 | 6,647 | 810 | 562 | 442 | 715 | 198 | 2,727 | 248 | 61 | 53 | 50 | 184 | 26 | 26 | 3,376 |
| People 40+ | 2,003 | 1,999 | 1,303 | 686 | 822 | 6,813 | 1,032 | 673 | 595 | 822 | 255 | 3,377 | 265 | 50 | 72 | 64 | 187 | 30 | 33 | 4,079 |
| 2 TV H/Holds | 604 | 584 | 411 | 213 | 260 | 2,071 | 314 | 214 | 171 | 255 | 74 | 1,028 | | | | | | | | 1,028 |
| 3+ TV H/holds | 469 | 524 | 343 | 189 | 212 | 1,737 | 267 | 180 | 150 | 186 | 70 | 852 | | | | | | | | 852 |

Source: OzTAM & AGB Nielsen Media Research 2011, Nielsen Media Research 2010 Note: Numbers are subject to rounding.

REGIONAL TV ESSENTIALS

- REACHES 36% OF AUSTRALIAN POPULATION
- TOTAL REACH POTENTIAL 8.5M PEOPLE
- TV CPM 40% LESS THAN NATIONAL AVERAGE
- ADVERTISING ROI DOUBLE THE CAPITAL CITY AVERAGE
- HIGH SPENDING CONSUMERS
- HIGHER GROWTH LOCAL ECONOMIES

REGIONAL MEDIA CONSUMPTION

Digital revolution

In the past year regional free to air TV has undergone its biggest expansion since the aggregation of regional TV markets in 1989 introduced three regional commercial networks.

Six new commercial free to air TV channels have been launched in regional markets along with four new free to air channels from the ABC and SBS.

Regional Australia is leading the change to digital TV broadcasting with over three-quarters of regional households already equipped to receive the new digital channels.

Only the regional commercial TV networks can offer advertisers geographic targeting of content down to the truly local level of regional sub-markets.

Regional consumers watch slightly more free to air TV each day. All other

media habits are broadly similar to those of capital city consumers.

Pay TV viewing remains low in regional areas, with fewer than 1 in 4 people watching Pay TV each day. Even the highest rating shows on Pay TV in regional markets deliver audiences of less than 35,000. Free to air TV's most popular shows deliver regional audiences in excess of one million viewers.

Other mainstream commercial media including radio, cinema, out of home and national newspapers deliver lower share of people's media consumption in regional markets than they do in metro markets.

The roll out of the National Broadband Network has already begun in regional Australia. Already over 50% of regional households have signed up in the early release areas of the NBN in regional Australia.



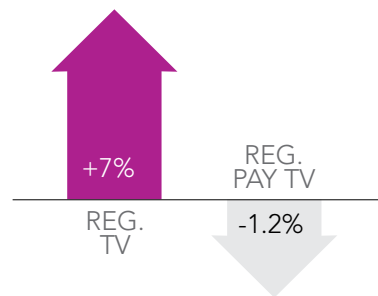
FREE TV CHANNELS



WATCH TV PAST WEEK (P18+)

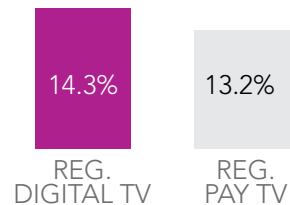
Source: Roy Morgan Single Source September 2010

AUDIENCE GROWTH



Source: RegTam Survey 1-10 2010 vs. 2009

AUDIENCE SHARE



Source: RegTam 2010: Survey 10

CONSUMERS CHOOSING MORE FOR FREE

Total commercial TV viewing in regional Australia grew by 7% over the course of 2010 as the new digital channels provided increased choice and generated renewed consumer interest in free TV.

Time delayed viewing has barely grown at less than 2% despite widespread acquisition of digital TV sets.

Total viewing of the new commercial digital channels in regional Australia by the end of 2010 was greater than the combined total viewing of Pay TV channels by regional consumers.

We expect that the fifteen free to air Regional TV channels will grow in viewers this year as consumers across regional and capital city Australia adjust to a tightening of discretionary spending during 2011 and embrace the explosion of new entertainment content available at home.

"I reckon TV should be free, we watch the ads and that should pay for it."

Johno, Townsville



“High consumer spending power and growing population make regional Australia an attractive opportunity for our clients.”

Mark Pejic, Chief Operating Officer, MediaCom

VALUABLE CONSUMERS, EFFICIENT MEDIA

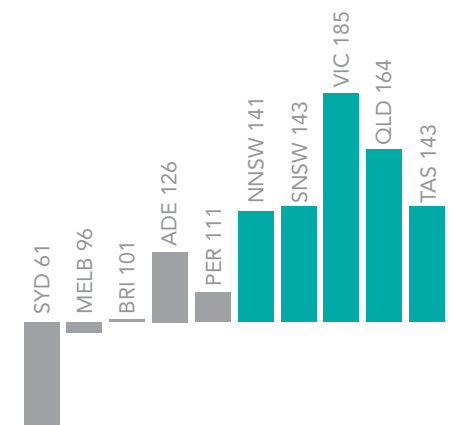
Double the return on investment

Australian consumers have fully embraced mobile and digital media and yet the role of television as the primary communications platform in the home remains unchallenged and far from diminishing, is increasing its dominance.

Regional free to air TV is 50% more cost-efficient for advertisers than the capital city markets, while offering an audience of consumers with similar levels of spending power. Regional TV delivers double the rate of return on investment per advertising dollar compared to similar campaigns in the metros.

Research proves the effectiveness and return on investment of Regional TV advertising. Case studies consistently find that regional markets typically contribute between 35% and 40% of national campaign response or sales growth. Funded by RTM, all case studies apply retail sales data as the primary metric.

In the past five years Regional TV has gained 2.5% share of national TV advertising revenue providing the ultimate endorsement of the effectiveness and value of regional TV.



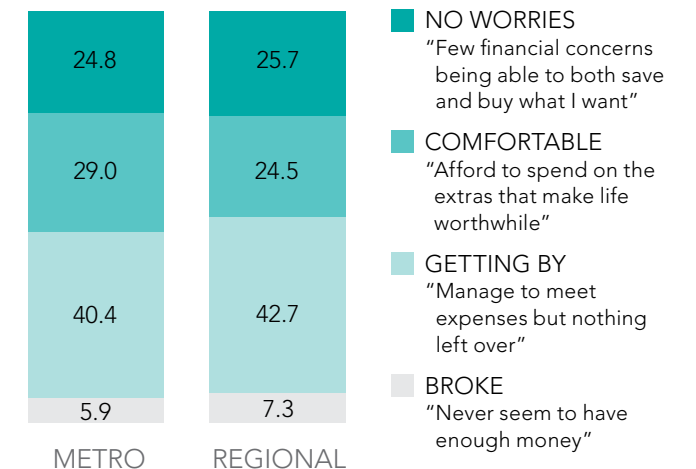
TV MARKET COST EFFICIENCY INDEX
Source: Regional TV Marketing Agency Survey 2010

CONSUMER SPENDING

The mood of Australian consumers looking ahead to 2011 is one of cautious optimism. Having weathered the global financial crisis most households have increased their saving and reduced their levels of debt and adopted a more considered approach to spending.

In regional Australia the outlook for consumer confidence and spending is likely to be above the national trend. At a household level, regional consumers enjoy a significantly lower cost of housing but a relatively small gap in average income.

Regional economies are benefitting from high population growth and massive investment in infrastructure and the resources sector bringing above average growth in employment and income levels.



Source: forseechange June 2010 & October 2010

YOU'RE A LEGEND MUM

Gatekeeper and guardian

Picture a busy mum carrying in the groceries before heading off to fetch the kids from school, racing home for a quick snack and then off to soccer and ballet, then back home to prepare a nutritious dinner for the whole family.

Life for regional mothers is certainly as busy as for any in Australia, all juggling many different roles and responsibilities.

Grocery buyers with children are a key demographic for many advertisers and 37% of this important group reside in regional TV markets.

For the most part regional grocery buyers share the attitudes and demographic profile of those in the capital cities but there are some significant differences. Regional mothers are 15% more likely to have a larger family of three or more children and consequently spend more on

groceries each week. She is 20% less likely to work full time and therefore has more time to focus on her homemaker role and to be involved with community and neighbours.

Regional mums are optimistic about the outlook for their family and economic future and have a pragmatic approach to shopping, balancing the desire for quality with the need for value.



\$214
AVERAGE WEEKLY GROCERY SPEND

| ATTITUDES TO SHOPPING: GBs + CHILDREN | REGIONAL | METRO |
|---|----------|-------|
| I believe quality is more important than price | 70% | 68% |
| I have favourite brands and tend to stick to them | 65% | 67% |
| I try to buy Australian as often as possible | 71% | 67% |
| I am always ready to try new and different products | 65% | 64% |

Source: Roy Morgan Single Source September 2010

FOOD ADVERTISERS REAPING REWARDS

RTM case studies have consistently shown advertising by food brands on regional TV delivers approximately 10% higher response and a rate of return on advertising investment two to three times greater than the capital city average.

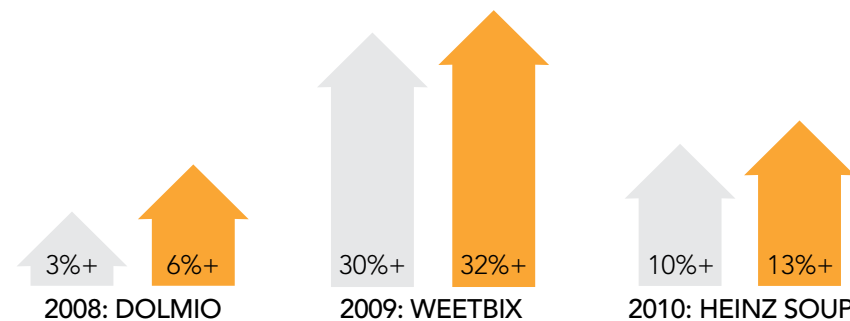
Findings from RTM case studies for leading brands in cereal, pasta and soup over the past three years demonstrate that higher category development and higher response to advertising mean that up to 40% of total national growth in brand sales comes from regional markets.

Investment in regional TV advertising by food brands has grown by 48% in the past five years, well beyond the growth in capital cities of 8%. Most leading food brands now allocate around 20% of their national TV budget to regional markets as do food retailers Woolworths and Coles. Food advertising is now one of the most competitive and well supported categories in regional markets.

■ METRO
■ REGIONAL

Brand growth shown represents percentage increase in value share of product category. Growth is measured from month prior to month post TV advertising for campaigns that have approximately equal weight and scheduling in regional and metro markets. Further details available on request.

Source: Synovate Aztec and Nielsen Data Agency. Share of category sales in Coles, Woolworths and BiLo.



"We have access to everything you'd expect in the city but still have a sense of community."

Carol, Bendigo





“REGIONAL CONSUMERS CAN MAKE A REAL DIFFERENCE TO A BRAND.”

Think of a market with greater consumer sales than Sydney and Melbourne combined but where TV advertising is half the cost; a market of high spending consumers who are early adopters of new products; a media landscape where free to air TV retains its dominance and still delivers the highest response and ROI of any medium.



**REGIONAL TV
MARKETING** RTM

Regional TV. Effective TV.