



MACQUARIE
ACN 002 574 923

Macquarie Private Wealth

Snapshot

Consolidated Media Holdings

Business Description

Consolidated Media Holdings Limited (CMJ, formerly PBL) is a media investment company, investing in the pay television sector. The company has investment stakes in two leading media businesses, including: Foxtel and The Premier Media Group.

Strategy Analysis

CMJ is focused on investments in new media businesses, reducing its exposure in traditional media assets and disposing of its gaming assets. CMJ's interests include Foxtel (25%), The Premier Media Group (50%) and Seek (26%). The company is positioning itself to capitalise on the continued growth of subscription television, and limit exposure to any potential downturn in advertising markets. CMJ believe solid continued growth in subscribers will continue to drive the performance of Foxtel and The Premier Media Group. The company expects growth to continue in Seek with strength in all key operating metrics and continual migration from off-line to on-line. Consolidated Media Holdings announces NPAT of \$83.6m for the full year to 30 June 2009. The company reported that abnormal items resulted from a gain on PBL Media of \$345m, after the company ceased to have significant investment in October 2008, offset by a \$3.1m loss from the Park Street building. CMH reported a statutory NPAT of \$427m including the abnormal items. Operating Cashflow from the pay television assets was \$70m in fiscal year 2009, consistent with the cash distribution in fiscal year 2008. The company had \$37.5m in cash and no bank debt at the end of the 2009 financial year. CMH also announced that it will hold an on-market buy back of up to 68,967,692 shares. This one for one buy back is a part of the company's capital management program.

28 July 2010

Recommendation

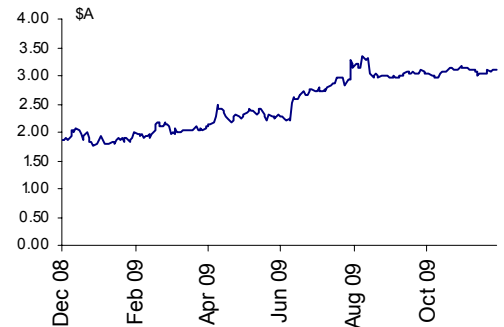
Recommendation: Outperform
Relative to: All Ind (ex Fins)

Investment Fundamentals

ASX code: CMJ
Stock price: \$3.10
Market cap: \$1,850m

Y/E	30/06/2010	2010e	2011e	2012e	2013e
Reported e	\$m	386.2	82.0	83.3	90.8
Adjusted e	\$m	77.2	82.0	83.3	90.8
EPS adjusted	¢	12.1	13.2	13.4	14.6
EPS growth	%	-0.5	9.5	1.5	9.0
PE	x	25.7	23.5	23.1	21.2
PE relative	x	1.3	1.8	2.2	2.1
DPS	¢	16.3	11.9	12.1	13.2
Yield	%	5.3	3.8	3.9	4.2
Franking	%	56.0	56.0	56.0	56.0

Share Price



Source: ASX and Company accounts

Segment Performance

Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	Annual Shareholders' Return	
				1 year	19.0%
Media Investments	100.0	115.0	126.2	3 year	1.0%
Total	100.0	115.0	126.2	5 year	5.0%
				10 year	5.0%
Results by Geography				Dividend Reinvestment Plan	No
Australia	100.0	100.0	100.0	Shareholder Discounts	No
Total	100.0				

Company contact details:

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