



Television New Zealand	
Annual results announcement – 4 September 2013	
Reporting Period	Year ended 30 June 2013
Previous Reporting Period	Year ended 30 June 2012

Amount (000's)	Year ended 30 June 2013	Year ended 30 June 2012	% change
Revenue from ordinary activities	\$362,110	\$381,837	5% decrease
Profit before income tax	\$26,285	\$27,924	6% decrease
Profit for the period	\$14,440	\$14,207	2% increase

Final Dividend	\$0	\$11,287	
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Comments:	<p>TVNZ Achieves Profit Forecast</p> <p>TVNZ today reported an After Tax Profit of \$14.4 million for the year ended 30 June 2013, \$0.4 million ahead of its Statement of Intent forecast.</p> <p>Chief Executive Kevin Kenrick says the result was satisfactory in a year characterised by an on-going focus on aligning the cost structure of the business to market reality, coupled with a slower than expected advertising market.</p> <p>Compared with the prior year, total operating revenue was down by \$19.7 million, in part reflecting the absence of government funding formerly applied to public service channel TVNZ 7. Television advertising revenue dropped by \$6.6 million (2.1%).</p> <p>Operating expenses were reduced by \$18.1 million through rigorous cost-saving which was achieved in spite of rising international programme costs and the decision to invest in the year's biggest hit – <i>New Zealand's Got Talent</i> – and the new early evening show <i>Seven Sharp</i>.</p>
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During the year TVNZ completed the sale of the Avalon studios complex in Wellington and closed the Teletext service as part of a programme of work to discontinue non-core activities.

TVNZ scored a clean sweep in the annual Top 20 programme lists – all 20 of the 20 most popular shows for the year came from TVNZ\*.

*New Zealand's Got Talent*, *MasterChef NZ*, and *My Kitchen Rules* all broke records for audience numbers during the year.

TVNZ was named Media Brand of the Year by CAANZ – the industry body representing Communications Agencies of New Zealand.

Mr Kenrick says the standout performance for the year was TVNZ Ondemand and the 21% growth in digital media revenue.

“Consumer demand for greater viewing choice and flexibility has been the driver for this, boosted by the launch of our Ondemand app for Apple devices in February, which immediately translated into a step change in viewership.”

The after-tax profit of \$14.4 million for the year, after accounting for TVNZ's share of the start up losses of Igloo Limited, is an increase of \$0.2million on the prior year.

TVNZ's Annual Report is expected to be tabled in Parliament in early October.

\*source: Nielsen TAM Consolidated July 2013

## Financial Highlights Summary – Year ended

	30/06/13 000's	30/06/12 000's
Revenue	362,110	381,837
<i>Television revenue</i>	<i>311,607</i>	<i>318,259</i>
<i>Digital Media revenue</i>	<i>9,925</i>	<i>8,237</i>
Operating Expenses	(335,825)	(353,913)
<b>Operating Earnings</b>	<b>26,285</b>	<b>27,924</b>
Interest Expense	(1,118)	(1,618)
Asset impairment and remediation expenses	1,074	(5,663)
Financial Instruments/foreign currency gains	394	856
Share of Associates	(4,969)	(2,050)
Income Tax expense	(7,226)	(5,242)
<b>After Tax Profit</b>	<b>14,440</b>	<b>14,207</b>