17 February 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

By electronic lodgment

Total Pages: 34 (including covering letter)

Dear Sir / Madam

HALF-YEAR FINANCIAL REPORT

In accordance with the Listing Rules, following are the Half-Year Report Appendix 4D and the Half-Year Financial Report at 26 December 2015.

Yours faithfully

Warren Coatsworth
Company Secretary

Seven West Media Limited
Appendix 4D
Half Year Financial Report
for the half year ended 26 December 2015

Results for announcement to the market

	Dec 2015 $'000	Dec 2014 $'000	Movement
Reported			
Revenue from ordinary activities	**895,704**	933,859	Down 4.1%
Other income	**1,000**	803	Up 24.5%
Revenue and other income	**896,704**	934,662	Down 4.1%
Profit (loss) from ordinary activities after tax attributable to members	**135,209**	(993,634)	N/A
Net profit (loss) for the period attributable to members	**135,209**	(993,634)	N/A
Additional information			
Significant items before tax (refer note 4)	**(7,318)**	(1,148,088)	Down 99.4%
Profit before tax excluding significant items (refer note 1.3)	**185,971**	195,346	Down 4.8%
Profit after tax excluding significant items net of tax (refer note 1.3)	**140,331**	137,468	Up 2.1%

The current reporting period relates to the period from 28 June 2015 to 26 December 2015 and the previous reporting period relates to the period from 29 June 2014 to 27 December 2014.

Dividends	Amount per security	Franked amount per security
Final dividend 2015 (paid during current reporting period)	4 cents	4 cents
Interim dividend 2016 (not yet paid)	4 cents	4 cents

The record date for determining entitlements to the interim 2016 dividend is 18/3/2016 and the payment date is 11/4/2016. The interim dividend for 2016 has not been recognised as a liability at half year end. Refer note 10 for additional information on dividends.

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SEVEN WEST MEDIA

ABN 91 053 480 845

Delivering the future of content. Anywhere. Any screen. Anytime.

26 DECEMBER 2015
HALF YEAR FINANCIAL REPORT

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Directors' Report

Seven West Media Limited
ABN 91 053 480 845

FOR THE HALF YEAR ENDED 26 DECEMBER 2015

The Directors of Seven West Media Limited (the Company) are pleased to present their report together with the consolidated financial statements for the half year ended 26 December 2015 and the review report thereon.

Directors

The Directors of Seven West Media Limited at any time during or since the end of the half year are:

Name	Period of Directorship
Non-Executive	
Kerry Matthew Stokes AC (Chairman)	Director since September 2008 and Chairman since December 2008
John Henry Alexander	Director since May 2013
Dr Michelle Elizabeth Deaker	Director since August 2012
David Evans	Director since August 2012
Peter Joshua Thomas Gammell	Director since September 2008
The Hon. Jeffrey Gibb Kennett AC	Director since June 2015
Michael Malone	Director since June 2015
Sheila Clare McGregor	Director since June 2015
Ryan Kerry Stokes	Director since August 2012
Executive	
Timothy Worner (Managing Director & Chief Executive Officer)	Managing Director & Chief Executive Officer since June 2015

Review of results and operations

A review of operations and of the results of those operations is set out in pages 2 to 8.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 9 and forms part of the Directors' Report for the half year ended 26 December 2015.

Rounding

The Company is of a kind referred to in ASIC Class Order 98 / 100 dated 10 July 1998 and in accordance with that Class Order, amounts in the consolidated financial statements and Directors' Report have been rounded off to the nearest one thousand dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors.

KM Stokes AC
Chairman

17 February 2016

Seven West Media

Review of Operations

Group Performance

Summary Financial Performance

	1HFY16 $m	1HFY15 $m	Change %[3]
Revenue	895.7	933.9	-4.1
Other income	1.0	0.8	24.5
Share of net (loss)/ profit of equity accounted investees	(3.8)	8.3	-145.2
Revenue, other income and equity accounted profits	892.9	943.0	-5.3
Operating expenses excluding depreciation and amortisation	(663.6)	(692.3)	-4.1
EBITDA [1]	**229.3**	**250.7**	**-8.5**
Depreciation and amortisation	(23.9)	(23.8)	0.1
EBIT [2]	**205.4**	**226.9**	**-9.4**
Net finance costs	(19.5)	(31.5)	-38.3
Profit before significant items and tax	**185.9**	**195.4**	**-4.8**
Significant items excluding tax	(7.3)	(1,148.1)	-99.4
Profit/ (Loss) before tax	**178.6**	**(952.7)**	**118.6**
Tax expense	(43.4)	(40.9)	6.2
Profit/ (Loss) after tax	**135.2**	**(993.6)**	**113.6**
EBITDA margin	25.7%	26.6%	
Basic EPS [4]	9.0 cents	-98.6 cents	
Basic EPS excluding significant items net of tax	9.3 cents	13.6 cents	
Diluted EPS [4]	8.9 cents	-98.6 cents	
Diluted EPS excluding significant items net of tax	9.3 cents	10.9 cents	

[1] EBITDA relates to profit before significant items, net finance costs, tax, depreciation and amortisation.
[2] EBIT relates to profit before significant items, net finance costs and tax.
[3] Change percentages are calculated on whole dollars and not the rounded amounts presented.
[4] Statutory EPS and diluted EPS for December 2015 does not assume conversion of the CPS as this would have an anti-dilutive effect on EPS.

Reconciliation of EBIT to statutory profit before tax

	1HFY16 $m	1HFY15 $m	Change %
EBIT	**205.4**	**226.9**	-9.4
Net finance costs	(19.5)	(31.5)	-38.3
Significant items excluding tax	(7.3)	(1148.1)	-99.4
Profit/ (Loss) before tax	**178.6**	**(952.7)**	**118.6**

Seven West Media Limited reported a statutory net profit of $135.2 million (including significant items) for the half year ended 26 December 2015. This compares to the previous corresponding half year statutory net loss of $993.6 million (including significant items). Significant items (net of tax) of $5.1 million in the current period relate to one-off redundancy costs as part of our transformation program across all operating businesses.

Underlying net profit after tax of $140.3 million is up 2.1 per cent on the previous half year profit after tax of $137.5 million.

The group delivered revenue of $892.9 million (including share of associates), down 5.3 per cent versus the previous year, and profit before significant items, net finance costs and tax (EBIT) of $205.4 million, down 9.4 per cent on the previous year. A fully franked interim dividend of 4 cents per share has been declared and will be paid in April 2016 (2015 interim dividend: 6 cents per share fully franked).

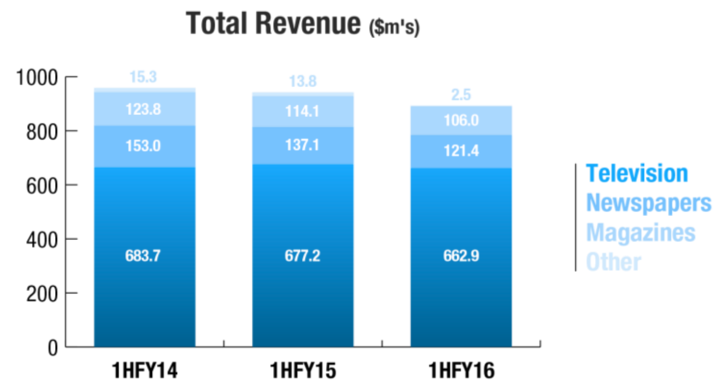
Advertising Market and Revenue Performance

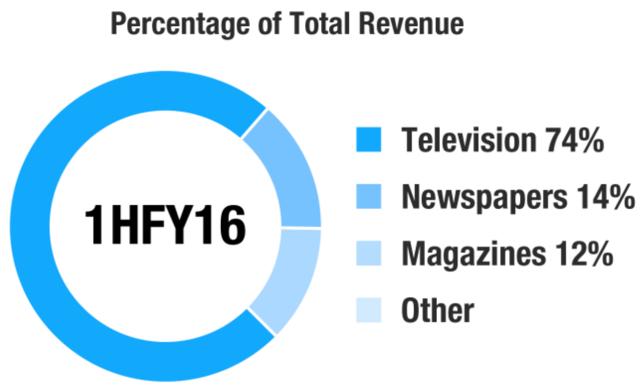
SMI data reported that the Australian advertising market increased 3.4 per cent in the 6 months to 31 December 2015 compared to the same period in the previous year. Metropolitan television advertising growth was relatively flat for the same period. Seven continues to lead all commercial networks with a 38.5 per cent share, based on KPMG Free TV data.

While the print advertising markets continued to face challenges, both The West Australian Newspaper and Pacific Magazines outperformed their closest peers, growing advertising revenue share. SMI data reported that Newspaper advertising in the financial year to date has seen a decline of 20.0 per cent against prior year. Seven West Media mastheads, including The West Australian, compare favourably with only a 14.8 per cent decline for the period. This is in a context of continuing economic challenges in Western Australia. Pacific advertising revenue declined 15.5 per cent for the 6 month period to 31 December 2015, but continued to gain ground towards being the leading publisher in advertising share.

Advertising in the digital market maintained its strong growth, with SMI data indicating an increase of 19.1 percent for the 6 month period to 31 December 2015 against the prior year. Over half of this growth comes from global providers. In the domestic market, Yahoo7 has delivered strong growth in video and native advertising while adapting to softer traditional display advertising revenues.

Group revenue of $892.9 million was 5.3 per cent lower than the prior half year with advertising revenue of $677.5 million. Television revenue represents 74 per cent of group revenue.

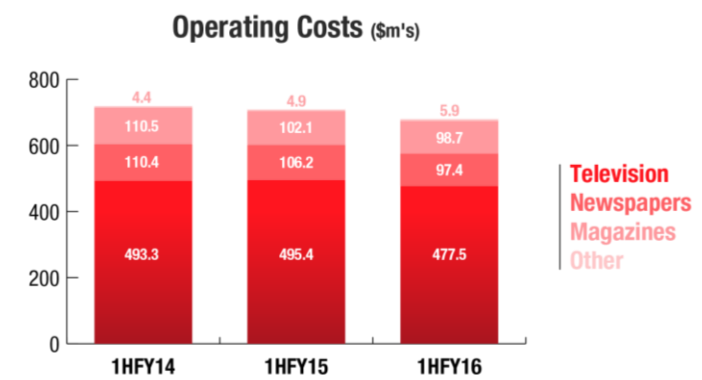


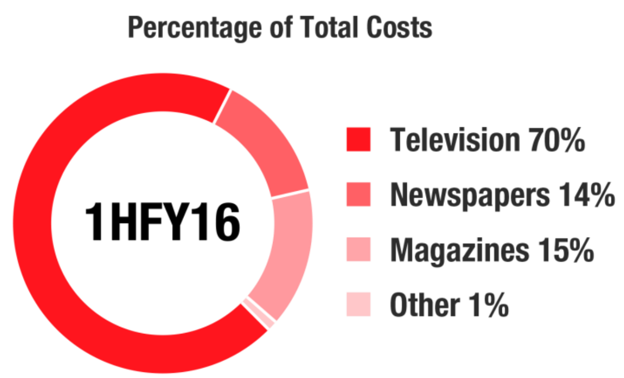


The charts above exclude Corporate revenue.

Cost Management

Excluding significant items, total Group costs (including depreciation and amortisation) for the 6 months to 26 December 2015 decreased 4.0 per cent against the same prior year period, to $687.5 million. This demonstrates the Group's ongoing disciplined approach to cost control. Television, Newspapers and Magazines recorded cost reductions of 3.6 per cent, 8.3 per cent and 3.3 per cent respectively.

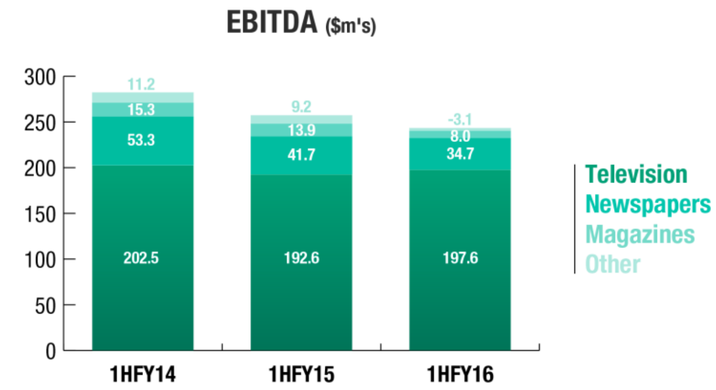


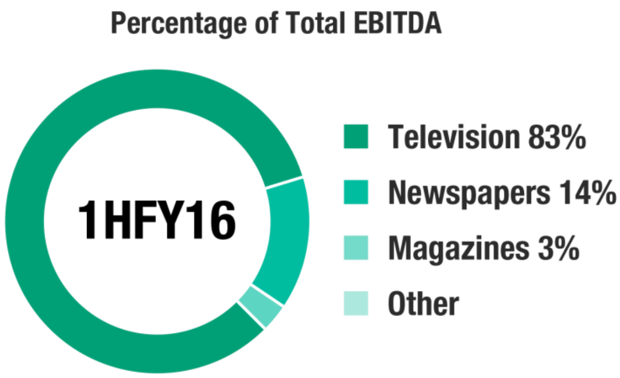


The charts above exclude the impact of significant items and Corporate costs.

EBITDA and Operating Margins

Seven West Media delivered EBITDA for the 6 month period to 26 December 2015 of $229.3 million, 8.5 per cent lower than the prior year at an EBITDA margin of 25.7 per cent. Market leading EBITDA margins were retained throughout the Group's business segments with Television EBITDA margin at 29.8 per cent, Newspapers EBITDA margin of 28.6 per cent and Magazines EBITDA margin of 7.6 per cent. Television EBITDA accounted for 83 per cent of total group EBITDA for the period.





All EBITDA margin percentages exclude the impact of significant items and Corporate costs.

Balance Sheet

At 26 December 2015 Seven West Media had net assets of $1,266 million.

Group net debt reduced to $655 million. The board retained its approach of paying out approximately 50 per cent of profits annually in dividends and use the remaining cash flow to pay down debt. The group's debt leverage ratio at 26 December 2015 was 1.7x EBITDA, down from 1.8x EBITDA in June 2015.

On 15 September 2015, Seven West Media announced an on-market share buy-back of up to $75m of which to date, $3.8m worth of SWM shares has been bought back on market.

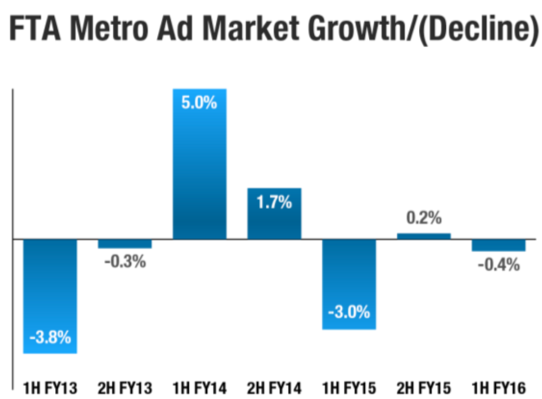
Review of Businesses

A summary of the performance of Seven West Media's key business units for the half year ending 26 December 2015 is set out below.

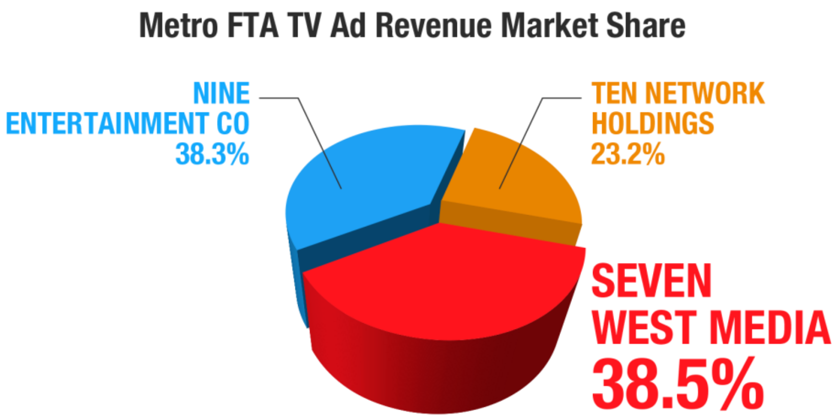
Television

In the critical 6pm to midnight timeslot, the Seven Network achieved a total individual rating share in primetime of 38.5 per cent for the 2015 calendar year and delivered the most watched program (AFL Grand Final), top entertainment program (My Kitchen Rules) and top regular drama (800 Words). This is Seven's ninth consecutive year of leadership in primetime. The network also continues to lead in breakfast and morning television.

From KPMG Free TV data, Seven continues to lead the market in television advertising revenue share, delivering a 38.5 per cent share for the 6 months to 31 December 2015 in what continues to be a tough and competitive advertising market. This outcome has been achieved against a backdrop of significant events on other networks including Ashes cricket and the Rugby World Cup. These events will not be repeated in the coming year but replaced by the Rio 2016 Olympics on Seven.



Source: KPMG Free TV, 6 months to December 2015



Source: KPMG Free TV, 6 months to December 2015

Financial Performance: Television

	1HFY16 $m	1HFY15 $m	Change %
Revenue			
Advertising	562.3	596.8	-5.8
Affiliation Fees, Program Sales and Other	100.6	80.4	25.1
Total Revenue	**662.9**	**677.2**	**-2.1**
Costs			
Revenue variable costs	39.0	46.0	-15.2
Depreciation and amortisation	12.2	10.8	12.7
Other costs	426.3	438.6	-2.8
Total Costs	**477.5**	**495.4**	**-3.6**
EBIT	**185.4**	**181.8**	**2.0**

Television revenue decreased 2.1 per cent to $662.9 million accounting for 74 per cent of group revenue (72 per cent in 1HFY15). EBIT (Profit before significant items, net finance costs and tax) increased 2.0 per cent to $185.4 million making up 87 per cent of group EBIT (excluding Corporate costs).

Seven maintained a disciplined approach to cost management with total costs decreasing by 3.6 per cent compared to last year. The result was an EBITDA of $197.6 million, up 2.6 per cent on the prior year with an EBITDA margin of 29.8 per cent.

Leadership in Australian Television

Seven is Australia's most-watched broadcast television platform. Seven – through its broadcast channels including 7, 7TWO and 7mate - continues to lead in primetime and dominate across breakfast and morning television. This performance will be enhanced in 2016 through the introduction of our new broadcast channel, 7flix, in the coming weeks.

In 2015, Seven won more weeks (30/52) than any other network and had 11 of the top 20 programs for the year. This was achieved through execution of a clear strategy to provide premium content via event television, including the AFL (2.6 million for Grand Final), the Melbourne Cup (2.1 million), the grand final of My Kitchen Rules (2.1 million) and the Australian Open. Seven extended its agreement with the AFL though to 2022, and having just completed a successful Australian Open is now looking towards Rio in August 2016.

Seven launched a number of new programmes in late 2015, including The Chase Australia and 800 Words. The Chase Australia continues to deliver a strong performance. Seven's continuing focus on news and public affairs sees the network delivering positive audience growth at 6:00pm and leadership across breakfast and morning television.

Program sales and third party productions grew revenue 98.9 per cent in the period driven by sustained international demand for Seven's productions and new third party commissions. Seven's commitment to producing quality drama continued through 2015 with productions such as Winter, Catching Milat, Peter Allen: Not the Boy Next Door, 800 Words and Home & Away. Program sales of Seven content and third party production activities continue to be strong. Highlights of the period include the sale of the MKR format into the US and also the UK (Channel 4), to be produced by 7Beyond and 7Wonder respectively. Both of these joint ventures have achieved independent commissions in their own markets. 7Productions also produced A Place to Call Home for Foxtel in the half.

During the year, Seven launched racing.com, a partnership with Racing Victoria. This partnership has exceeded original expectations in both audience and advertising revenues, underlining the continuing strengths of broadcast television and Seven's strategy of delivering content everywhere across any device.

Leadership in Innovation

Seven has delivered a significant milestone in its strategic focus to make its content available anywhere, anytime and on any device with the launch of live streaming. This is in addition to existing digital distribution platforms including PLUS7, the leading catchup service, Presto (subscription video on demand) and Freeview Plus (broadcast and digital integrated platform).

The launch of Seven's live streaming service for the Melbourne Cup was a major success attracting video streams of over 488,000, including 350,000 concurrent streams during the race. The launch of Seven's latest all-encompassing live tennis coverage for the Australian Open has built on and exceeded its prior successes. 7tennis has achieved over 500k downloads across iOS and android and had over 7.4 million streams during the event. Importantly, the project exceeded its revenue targets successfully delivering and monetising the new combined broadcast, digital and social ecosystem for Tennis. This sets a new benchmark for Seven's digital delivery of the Rio 2016 Olympics.

PLUS7, the leading catchup service in the market, continues to see strong growth in demand for Seven content with video streams up 34 per cent year on year and revenue also up double digit growth. PLUS7 recorded its best month ever in November with over 17m stream starts delivered. Presto is performing strongly and has benefited not only from Seven's promotional power but also the quality of Seven's content with Home and Away's Eye for an Eye special attracting a significant volume of new subscribers. This is an important development as Presto represents a new window for original Seven productions. Freeview Plus take-up is gaining momentum with now over 83 per cent of all smart TV sales Freeview Plus enabled.

The company is also innovating how it sells, delivering the first programmatic TV transaction in late 2015, while continuing to explore new advertising trading opportunities. Seven significantly increased its data, analytic and insight capabilities in the year through new and evolving systems and expertise, enhancing the overall sales proposition. This provides new trading methods, delivering detailed measurement of the new broadcast and digital environment to better understand, connect and monetise the audience as our content moves across screens and devices.

In the period Seven commissioned The Share of Eye report (www.shareofeye.com.au) together with Yahoo7 and Presto to get a better understanding on how Australians are consuming content. The study highlighted the growing video consumption in Australia with over 4 hours of video consumed a day. The Share of Eye report also reinforced the importance and the power of broadcast television with over 85 per cent of Australians watching some form of Linear TV in their viewing day with 61 per cent of millennials (14-24) daily viewing minutes on linear, 78 per cent (25-39) and 88 per cent for the demographic between 40-54.The findings from this report has proven the importance of engaging with audience with premium content on any device at any time. The strategy of providing this content everywhere and, importantly, being able to measure our audiences will lead to further innovations for advertising partners in the future.

Newspaper Publishing

The West Australian has performed well in the context of challenging economic conditions in the state. Local market conditions have been difficult, particularly for retailers which have had to adapt to volatile trading conditions, resulting in a very short advertising market. This placed pressure on both local and national display advertising revenue. Despite this, the newspaper outperformed its peers in advertising revenue, experiencing a 14.8 per cent decline in advertising revenues for the financial year to date against a decline of 20 percent across all major publishers (per SMI).

From the latest emma data conducted by IPSOS, The West Australian is one of the nation's strongest metro dailies with 71 per cent of the state population (14+) accessing our masthead in an average month. The West Australian publishes Australia's best performing newspaper inserted magazines. Readership for Seven Days and West Weekend Magazines deliver greater reach in their state market than any other newspaper inserted magazine in a major metro newspaper. Seven Days is the best read magazine in Western Australia (followed by West Weekend magazine).

The West's circulation performance was the best performing newspaper nationally relative to its peers. Circulation volumes stabilised in the period when factoring in the digital replica sales, which now account for 10,000 daily subscribers. The West's online portal continues to grow in demand, particularly via mobile platforms, which recorded 39 per cent growth in consumers accessing via mobile.

Financial Performance: Newspapers

	1HFY16 $m	1HFY15 $m	Change %
Revenue			
Advertising	78.0	91.6	-14.8
Circulation	28.6	31.5	-9.3
Other	14.8	14.0	5.7
Total Revenue	**121.4**	**137.1**	**-11.4**
Costs			
Depreciation and amortisation	10.7	10.8	-0.4
Other costs	86.7	95.4	-9.2
Total Costs	**97.4**	**106.2**	**-8.3**
EBIT	**24.0**	**30.9**	**-22.3**

Newspaper revenue declined 11.4 per cent to $121.4 million while EBIT fell 22.3 per cent to $24.0 million. The business has maintained strong operating margins despite current revenue trends with an EBITDA margin of 28.6 per cent achieved during the financial half year. Cost management remains an ongoing focus for the business with all processes under review to achieve greater efficiencies. Operating costs declined 8.3 per cent in the period.

This period the Group undertook several initiatives including the centralisation of its regional production department. The West also commenced the rollout of digital editions for all regional publications. New digital initiatives are underway, as well as new commercial opportunities to further monetise the West's audience. The business will continue to reduce its cost base in the coming year and will be looking to achieve some significant momentum in the digital space.

Magazines Publishing

In what has been a soft six months for the magazine market, Pacific has increased its share of circulation (to 36 per cent) and has significantly narrowed against its closest peer in total advertising revenue. The company continues to publish leading titles such as New Idea, Better Homes & Gardens and Marie Claire, but is also undertaking significant transformation across the business. Pacific is delivering on its strategy to create new revenue opportunities through our brands across e-commerce, services, brand extensions, events, and strategic partnerships.

The transformation of Pacific Magazines from a print to a total audience business (centred on key consumer passion points) has seen major investment in new digital assets in 2H16. In the beauty category, beautycrew.com.au will launch in February followed by styledbymarieclaire.com.au (fashion category) and new digital assets in the food category i.e. foodiful.com.au, pepperleaf.com.au and allrecipes.com.au coming online 2H16.

Financial Performance: Magazines

	1HFY16 $m	1HFY15 $m	Change %
Revenue			
Circulation	67.1	70.9	-5.4
Advertising	32.8	38.9	-15.5
Other	6.1	4.3	41.9
Total Revenue	**106.0**	**114.1**	**-7.1**
Costs			
Depreciation and amortisation	0.7	1.9	-63.2
Other costs	98.0	100.2	-2.2
Total Costs	**98.7**	**102.1**	**-3.3**
EBIT	**7.3**	**12.0**	**-39.1**

The rate of decline in Pacific revenue reduced against prior year comparative. Falls in advertising revenue are partially offset by growth in social media revenue and other projects, including e-commerce. Pacific has reduced overall operating costs (by 3.3 per cent year on year) including both the restructure of NZ operations and some additional expenditure on new ventures.

In the second half of this financial year, Pacific will focus on both progressing new ventures, as well as the potential for rationalising its print portfolio.

Other Business and New Ventures

	1HFY16 $m	1HFY15 $m	Change %
Revenue			
Radio and other revenue	8.5	8.1	4.8
Yahoo7 Share of NPAT	5.7	6.4	-11.6
Total Revenue	**14.2**	**14.5**	**-2.1**
Costs			
Depreciation and amortisation	0.3	0.4	-35.5
Other costs	5.6	4.5	25.4
Total Costs	**5.9**	**4.9**	**20.5**
EBIT	**8.3**	**9.6**	**-14.2**
Early stage investments share of net losses	(11.7)	(0.7)	-
EBIT	**(3.4)**	**8.9**	**(137.5)**

Other Business and New Ventures assets include Yahoo7, Australian News Channel (Sky News), Community Newspapers, Western Australia Radio business, Red Live as well as our investments in early stage businesses including: Presto, Health Engine and Nabo.

Yahoo7, which combines Seven West Media content with Yahoo Inc digital assets, has seen strong double digit growth in revenues in the current year especially in video and native advertising. Traditional display advertising revenues were softer in the period, resulting in flat overall growth in total revenue.

Yahoo7 has been undertaking its strategy to focus on MAVENS (Mobile Video Native Social). These revenue streams now represent greater than 50 per cent of the company's revenue. Native advertising has been a very strong area of growth for the company, which has grown 469% from 1H15. Yahoo7 now partners with over 30 leading publishers in Australia (both international and domestic) to provide them native advertising serving. Video streams grew 40 per cent on the prior corresponding period driven by increased volumes in short and long form.

The company continues to fuel new growth which is one of three strategic pillars. A wide number of initiatives are underway across the business, including expanding our production capabilities globally, building our events business and developing new digital/ecommerce businesses. Significant progress has been made with several of these initiatives, which the company will provide detail on in the coming year.

The group has bolstered its events capabilities in Western Australia. The Group's live events business is on track to deliver a highly successful execution of the Royal Edinburgh Military Tattoo. This event has set a new record for ticket sales for a single show at Etihad Stadium, delivering a significant profit margin.

In addition to these organic growth initiatives, the company has made further investments in early stage businesses, including a recent investment in Starts at 60 (fast growing online community for active over 60s).

Financial Performance

Other Business and New Ventures contributed negative EBIT of $3.4 million, down 137.5 per cent compared to the prior year. The accounting requirement for the group's investment in various early stage investments (including our Presto SVOD joint venture with Foxtel) are equity accounted and contributes significantly to this result for the half but is reflective of an investment in future growth for the Group.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Seven West Media Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 26 December 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Bruce Phillips
Partner

Sydney

17 February 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 26 December 2015

	Notes	**Dec 2015 $'000**	Dec 2014 $'000
Revenue	2	**895,704**	933,859
Other income	2	**1,000**	803
Revenue and other income		**896,704**	934,662
Expenses	3	**(694,819)**	(772,740)
Share of net (loss) profit of equity accounted investees	7	**(3,765)**	8,335
Impairment of equity accounted investees	4	**-**	(26,506)
Impairment of intangible assets	4	**-**	(1,064,964)
Profit (loss) before net finance costs and tax		**198,120**	(921,213)
Finance income	1	**2,044**	1,398
Finance costs	1	**(21,511)**	(32,927)
Profit (loss) before tax		**178,653**	(952,742)
Tax expense	5	**(43,444)**	(40,892)
Profit (loss) for the half year		**135,209**	(993,634)
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges		**(241)**	(2,830)
Exchange differences on translation of foreign operations		**(2)**	89
Tax relating to items that may be reclassified subsequently to profit or loss		**72**	849
Other comprehensive (expense) for the half year, net of tax		**(171)**	(1,892)
Total comprehensive income (expense) for the half year attributable to owners of the Company		**135,038**	(995,526)
Earnings per share for profit (loss) attributable to the ordinary equity holders of the Company			**Restated**
Basic earnings per share	6	**9.0 cents**	-98.6 cents
Diluted earnings per share	6	**8.9 cents**	-98.6 cents

Consolidated Statement of Financial Position

As at 26 December 2015

	Notes	Dec 2015 $'000	Jun 2015 $'000
ASSETS			
Current assets			
Cash and cash equivalents		**155,935**	141,845
Trade and other receivables		**262,242**	271,918
Current tax receivable		**-**	2,225
Program rights and inventories		**241,540**	152,049
Other assets		**7,205**	6,096
Total current assets		**666,922**	574,133
Non-current assets			
Program rights		**23,020**	35,600
Equity accounted investees	7	**219,938**	214,321
Other investments		**3,777**	3,777
Property, plant and equipment		**212,478**	219,307
Intangible assets	8	**1,551,519**	1,555,198
Other assets		**6,694**	3,656
Total non-current assets		**2,017,426**	2,031,859
Total assets		**2,684,348**	2,605,992
LIABILITIES			
Current liabilities			
Trade and other payables		**308,202**	297,682
Provisions		**81,085**	80,433
Deferred income		**28,139**	33,471
Current tax liabilities		**23,494**	-
Total current liabilities		**440,920**	411,586
Non-current liabilities			
Trade and other payables		**61,100**	23,406
Provisions		**35,255**	37,771
Deferred income		**11,554**	14,689
Deferred tax liabilities		**59,554**	48,883
Borrowings	11	**809,870**	874,665
Total non-current liabilities		**977,333**	999,414
Total liabilities		**1,418,253**	1,411,000
Net assets		**1,266,095**	1,194,992
EQUITY			
Share capital	9	**3,393,145**	3,396,847
Reserves		**(2,737)**	(2,833)
Accumulated deficit		**(2,124,313)**	(2,199,022)
Total equity		**1,266,095**	1,194,992

Consolidated Statement of Changes in Equity

For the half year ended 26 December 2015

	Notes	Share capital $'000	Cash flow hedge reserve $'000	Equity compensation reserve $'000	Reserve for own shares $'000	Foreign currency translation reserve $'000	Accumulated deficit $'000	Total equity $'000
Balance at 28 June 2014		**3,090,474**	**(2,755)**	**2,819**	**(1,517)**	**-**	**(191,861)**	**2,897,160**
Loss for the half year		-	-	-	-	-	(993,634)	(993,634)
Cash flow hedge gains taken to equity		-	(2,830)	-	-	-	-	(2,830)
Foreign currency translation differences			-	-	-	89	-	89
Tax on other comprehensive income		-	849	-	-	-	-	849
Other comprehensive income for the half year, net of tax		-	(1,981)	-	-	89	-	(1,892)
Total comprehensive income for the half year		-	(1,981)	-	-	89	(993,634)	(995,526)
Transactions with owners in their capacity as owners								
Dividends paid	10	-	-	-	-	-	(59,894)	(59,894)
Share based payment expense		-	-	443	-	-	-	443
Total transactions with owners		-	-	443	-	-	(59,894)	(59,451)
Balance at 27 December 2014		**3,090,474**	**(4,736)**	**3,262**	**(1,517)**	**89**	**(1,245,389)**	**1,842,183**
Balance at 27 June 2015		**3,396,847**	**(5,182)**	**3,771**	**(1,517)**	**95**	**(2,199,022)**	**1,194,992**
Profit for the half year		-	-	-	-	-	135,209	135,209
Cash flow hedge losses taken to equity		-	(241)	-	-	-	-	(241)
Foreign currency translation differences		-	-	-	-	(2)	-	(2)
Tax on other comprehensive expense		-	72	-	-	-	-	72
Other comprehensive (expense) for the half year, net of tax		-	(169)	-	-	(2)	-	(171)
Total comprehensive income for the half year		-	(169)	-	-	(2)	135,209	135,038
Transactions with owners in their capacity as owners								
Shares bought back on market		(3,805)	-	-	-	-	-	(3,805)
Shares issued pursuant to executive and employee share plans		103	-	-	-	-	-	103
Dividends paid	10	-	-	-	-	-	(60,500)	(60,500)
Share based payment expense		-	-	267	-	-	-	267
Total transactions with owners		(3,702)	-	267	-	-	(60,500)	(63,935)
Balance at 26 December 2015		**3,393,145**	**(5,351)**	**4,038**	**(1,517)**	**93**	**(2,124,313)**	**1,266,095**

Consolidated Statement of Cash Flows

For the half year ended 26 December 2015

	Notes	**Dec 2015 $'000**	Dec 2014 $'000
Cash flows related to operating activities			
Receipts from customers		**1,019,015**	1,068,112
Payments to suppliers and employees		**(834,930)**	(818,147)
Dividends received from equity accounted investees	7	**2,375**	2,083
Dividend received other	2	**737**	-
Interest and other items of similar nature received		**2,044**	1,393
Interest and other costs of finance paid		**(19,212)**	(30,162)
Income taxes paid, net of tax refunds		**(6,981)**	17,670
Net operating cash flows		**163,048**	240,949
Cash flows related to investing activities			
Payments for purchases of property, plant and equipment		**(10,612)**	(13,270)
Proceeds from sale of property, plant and equipment		**133**	112
Payments for software		**(2,254)**	(8,883)
Payments for equity accounted investees		**-**	(1,000)
Cash acquired on acquisition of controlled entity		**(301)**	9
Loans issued to related parties		**(6,154)**	(228)
Net investing cash flows		**(19,188)**	(23,260)
Cash flows related to financing activities			
Payment for share buy back	9	**(3,805)**	-
Payments for transaction costs arising on share issues		**(1,641)**	-
Proceeds from borrowings		**31,176**	45,000
Repayment of borrowings		**(95,000)**	(50,000)
Dividends paid	10	**(60,500)**	(59,894)
Net financing cash flows		**(129,770)**	(64,894)
Net increase in cash and cash equivalents		**14,090**	152,795
Cash and cash equivalents at the beginning of the half year		**141,845**	68,833
Cash and cash equivalents at the end of the half year		**155,935**	221,628

SEVEN WEST MEDIA

1. SEGMENT INFORMATION

1.1 Description of Segments

For management purposes, the Group is organised into business units based on its products and services and has four reportable segments, as follows:

Reportable segment	Description of Activities
Television	Production and operation of commercial television network.
Newspapers	Publishers of newspapers and insert magazines in Western Australia; Quokka (weekly classified advertising publication); Colourpress, Digital publishing and West Australian Publishers.
Magazines	Publisher of magazines and digital editions.
Other Business and New Ventures	Includes equity accounted investees including Yahoo7, Presto, Australian News Channel and Community Newspapers; Radio (radio stations broadcasting in regional areas of Western Australia) and other minor operating segments.

The chief operating decision makers, responsible for allocating resources and assessing performance of the operating segments, have been identified as the Chief Executive Officer, the Acting Chief Financial Officer, Business Unit Chief Executive Officers and other relevant members of the executive team.
Segment performance is evaluated based on a measure of profit / (loss) before significant items, net finance costs and tax.
Revenue from external sales is predominantly to customers in Australia and total segment assets are predominantly held in Australia.
Total assets and liabilities by segment are not provided regularly to the chief operating decision makers and as such, are not required to be disclosed.

1.2 Segment information

Half year ended 26 December 2015	REF	Television $'000	Newspapers $'000	Magazines $'000	Other Business and New Ventures $'000	Corporate [A] $'000	Total $'000
Revenue from continuing operations		662,888	120,645	106,018	6,153	-	895,704
Other revenue		33	784	-	2	181	1,000
Share of net profit equity accounted investees		-	-	-	(3,765)	-	(3,765)
Revenue, other income and share of net profit of equity accounted investees		**662,921**	**121,429**	**106,018**	**2,390**	**181**	**892,939**
Expenses		(465,330)	(86,710)	(98,012)	(5,610)	(7,976)	(663,638)
Profit before significant items, net finance costs, tax, depreciation and amortisation		**197,591**	**34,719**	**8,006**	**(3,220)**	**(7,795)**	**229,301**
Depreciation and amortisation	[B]	(12,148)	(10,721)	(718)	(276)	-	(23,863)
Profit before significant items, net finance costs and tax		**185,443**	**23,998**	**7,288**	**(3,496)**	**(7,795)**	**205,438**
Half year ended 27 December 2014 (Restated)							
Revenue from continuing operations		677,168	137,086	114,071	5,534	-	933,859
Other revenue		19	13	-	-	771	803
Share of net profit equity accounted investees		-	-	-	8,335	-	8,335
Revenue, other income and share of net profit of equity accounted investees		**677,187**	**137,099**	**114,071**	**13,869**	**771**	**942,997**
Expenses		(484,654)	(95,455)	(100,206)	(4,450)	(7,511)	(692,276)
Profit before significant items, net finance costs, tax, depreciation and amortisation		**192,533**	**41,644**	**13,865**	**9,419**	**(6,740)**	**250,721**
Depreciation and amortisation	[B]	(10,776)	(10,769)	(1,906)	(395)	-	(23,846)
Profit before significant items, net finance costs and tax		**181,757**	**30,875**	**11,959**	**9,024**	**(6,740)**	**226,875**

[A] Corporate is not an operating segment. The amounts presented above are unallocated revenue and costs.
[B] Excludes program rights amortisation which is treated consistently with Media Content (refer note 3).

Following a review of the internal reporting structure of each business unit, the revenue and cost items relating to Quokka, Colourpress, Newspapers digital publishing and West Australian Publishers was reclassified from Other Business and New Ventures segment to Newspapers. Comparative results for the half year ended 27 December 2014 have been restated to reflect this change.

1. SEGMENT INFORMATION (continued)

1.3 Other segment information

The chief operating decision makers assess the performance of the operating segments based on a measure of earnings before net finance costs and tax. This measurement basis excludes the effects of significant items from the operating segments.

	Notes	**Dec 2015 $'000**	Dec 2014 $'000
Reconciliation of profit before significant items, net finance costs and tax			
Profit before significant items, net finance costs and tax		**205,438**	226,875
Finance income		**2,044**	1,398
Finance costs		**(21,511)**	(32,927)
Profit before tax excluding significant items		**185,971**	195,346
Significant items	4	**(7,318)**	(1,148,088)
Profit (loss) before tax		**178,653**	(952,742)

2. REVENUE AND OTHER INCOME

Sales revenue			
Advertising revenue		**677,502**	732,262
Circulation revenue		**95,743**	102,825
Program sales and fees		**94,597**	75,597
Rendering of services		**11,885**	11,986
Other revenue		**15,977**	11,189
Total revenue		**895,704**	933,859
Other income			
Foreign exchange gain		**181**	772
Net gain on disposal of property, plant and equipment and computer software		**82**	31
Dividends received		**737**	-
Total other income		**1,000**	803

3. EXPENSES

Expenses			
Depreciation and amortisation (excluding program rights amortisation)		**23,863**	23,846
Advertising & marketing expenses		**25,890**	26,954
Printing, selling & distribution (including newsprint and paper)		**54,086**	57,932
Media content (including program rights amortisation)		**270,630**	292,465
Employee benefits expense (excluding significant items)		**202,836**	204,693
Raw materials and consumables used (excluding newsprint and paper)		**4,297**	4,585
Repairs and maintenance		**8,391**	8,454
Licence fees		**37,007**	36,743
Onerous contracts (significant item)	4	**-**	42,683
Redundancy and restructure costs (significant item)	4	**7,318**	13,935
Other expenses from ordinary activities		**60,501**	60,450
Total expenses		**694,819**	772,740
Depreciation and amortisation			
Property, plant and equipment and intangible assets		**23,863**	23,846
Television program rights amortisation		**65,035**	66,667
Total depreciation and amortisation		**88,898**	90,513

4. SIGNIFICANT ITEMS

	REF	Dec 2015 $'000	Dec 2014 $'000
Profit (loss) before tax expense includes the following specific expenses for which disclosure is relevant in explaining the financial performance of the Group:			
Impairment of Television goodwill	[A]	**-**	(960,875)
Impairment of Magazines and Newspapers goodwill	[A]	**-**	(65,709)
Impairment of Magazines and Newspapers mastheads and licences	[A]	**-**	(38,380)
Total impairment of intangible assets		**-**	(1,064,964)
Impairment of equity accounted investees	[B]	**-**	(26,506)
Total impairment of intangible assets and equity accounted investees		**-**	(1,091,470)
Redundancy and restructure costs	[C]	**(7,318)**	(13,935)
Onerous contracts	[D]	**-**	(42,683)
Total significant items before tax		**(7,318)**	(1,148,088)
Tax benefit		**2,196**	16,986
Total significant items net of tax		**(5,122)**	(1,131,102)

[A] At December 2014, an impairment review of the Group's assets was performed. The value-in-use calculation resulted in an impairment of $1,064,964,000 for the period. The impairment was a consequence of:

- Reduction in SWM share price over the six month period since June 2014 resulting in a significant gap emerging between the group's market capitalisation and the group's net assets (pre impairment).
- A decline in the free-to-air television advertising market for the 6 months to December 2014.
- Lower than expected growth forecast in the free-to-air television advertising market.
- Further decline in circulation and advertising revenue in print publishing businesses.

[B] At December 2014, an impairment review of the Group's equity accounted investees was performed, resulting in an impairment of $26,505,700.

[C] The redundancy and restructure costs recognised for December 2014 and 2015 relate to transformation programs across the Group.

[D] At December 2014, onerous contracts represent the minimum unavoidable net cost of the Group's discontinued and unprofitable program rights.

5. TAX EXPENSE

Reconciliation of tax expense to prima facie tax payable

	Dec 2015 $'000	Dec 2014 $'000
Profit (loss) before tax	**178,653**	(952,742)
Tax at the Australian tax rate of 30% (2014: 30%)	**(53,596)**	285,823
Tax effect of amounts which are not (deductible) taxable in calculating taxable income:		
Share of net (loss) profit of equity accounted investees	**(1,129)**	2,501
Deferred tax assets not recognised in relation to impairment of equity accounted investees	**-**	(7,952)
Deferred tax assets not recognised in relation to impairment of assets	**-**	(319,489)
Other changes in recognition of deferred tax assets and liabilities	**(55)**	(109)
Other non-assessable (non-deductible) items	**10,052**	602
Adjustments for current tax for prior periods	**1,284**	(2,268)
Tax expense	**(43,444)**	(40,892)

6. EARNINGS PER SHARE

	REF	Dec 2015	Restated Dec 2014
Basic earnings per share			
Profit (loss) attributable to the ordinary equity holders of the Company	[A]	**9.0 cents**	-98.6 cents
Diluted earnings per share			
Profit (loss) attributable to the ordinary equity holders of the Company	[A]	**8.9 cents**	-98.6 cents

		$'000	$'000
Earnings used in calculating earnings per share			
Profit (loss) attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share.		**135,209**	(993,634)

		Number	Number
Weighted average number of shares used as the denominator			
Weighted average number of ordinary shares outstanding during the half year used in the calculation of basic earnings per share		**1,510,678,634**	1,007,498,111
Adjustments for calculation of diluted earnings per share:	[B]		
- Shares issued pursuant to the suspended executive and employee share plans treated as options deemed to have been converted into ordinary shares at the beginning of the half year		**901,250**	-
- Share rights issued pursuant to equity incentive plan		**398,801**	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share		**1,511,978,685**	1,007,498,111

[A] AASB 133: Earnings per Share requires the calculation of basic and diluted earnings per share for all periods presented to be adjusted retrospectively for shares issued under a rights issue. Accordingly, the prior corresponding half year weighted average number of ordinary shares includes an adjustment relating to the shares issued pursuant to the 2.27 for 3 conditional, accelerated, non-renounceable entitlement offer completed in June 2015.

[B] Diluted earnings per share for December 2014 does not assume conversion of the CPS prior to 2 June 2015 or other adjustments as this would have an antidilutive effect on earnings per share. This is in line with requirements of AASB 133: Earnings per Share. If required to be calculated the following would have been calculated:
- The total number of shares converted to ordinary shares as a result of the CPS was 250,890,402.
- Shares issued pursuant to the suspended executive and employee share plans treated as options was 1,152,759.
- Shares rights issues pursuant to the equity incentive plan was 444,143.

Additional information:		
Earnings per share based on net profit excluding significant items net of tax		
Basic earnings per share	**9.3 cents**	13.6 cents
Diluted earnings per share	**9.3 cents**	10.9 cents

	Dec 2015 $'000	Dec 2014 $'000
Earnings used in calculating earnings per share based on profit excluding significant items		
Profit (loss) attributable to the ordinary equity holders of the Company	**135,209**	(993,634)
Add back significant items net of tax (refer note 4)	**5,122**	1,131,102
Profit after tax excluding significant items net of tax	**140,331**	137,468

7. EQUITY ACCOUNTED INVESTEES

Name of entity	REF	Principal activities	Reporting date	Ownership interest Dec 2015 %	Ownership interest Dec 2014 %
Airline Ratings Pty Limited		Ratings service provider	30 June	**50.0**	50.0
Australian News Channel Pty Limited		Pay TV channel operator	30 June	**33.3**	33.3
7Beyond Media Rights Limited		Television production	30 June	**50.0**	50.0
Community Newspaper Group Limited		Newspaper publishing	30 June	**49.9**	49.9
Epicfrog Pty Limited	[A]	Online social network	30 June	**25.2**	40.0
Health Engine Pty Limited	[B]	Online health directory	30 June	**24.0**	30.8
Oztam Pty Limited		Ratings service provider	31 December	**33.3**	33.3
Presto TV Pty Limited	[C]	SVOD service provider	30 June	**50.0**	-
TX Australia Pty Limited		Transmitter facilities provider	30 June	**33.3**	33.3
Yahoo! Australia and New Zealand (Holdings) Pty Limited		Internet content provider	31 December	**50.0**	50.0

The above entities are incorporated in Australia.

[A] Seven West Media acquired 40% shareholding in Epicfrog Pty Limited (trading as Nabo) on 30 October 2014 for $1,000,000. An additional $1,500,000 was provided in May 2015 and a result of subsequent contributions by other partners, has diluted the shareholding to 25.2%.

[B] Following a capital raising by Healthengine Pty Limited in December 2014, the shareholding in this investment was diluted from 30.8% to 24.0%.

[C] Seven West Media completed the acquisition of Presto TV Pty Limited on 14 May 2015 in a 50:50 joint venture agreement with Foxtel Management Pty Limited.

7.1 Significant Equity Accounted Investees

	Yahoo Australia and New Zealand (Holdings) Pty Limited
Investment	A jointly controlled entity with Yahoo Inc of which the Group has a 50% interest shareholding. Yahoo7 is a digital platform providing e-mail, online news, lifestyle content, video, catch up TV services as well as weather, travel and retail comparison services.
Principal place of business/ Country of incorporation	Australia
Accounting treatment	Equity method

The following is summarised financial information of the investment, and reconciliation with the carrying amount of the investment in the consolidated financial statements. All amounts shown are 100% unless otherwise stated. There is no other comprehensive income recognised in the below numbers.

	REF	Dec 2015 $'000	Dec 2014 $'000
Revenue		**49,959**	50,917
Net profit for the half year	[A]	**11,384**	12,879
Group's 50% share of profit for the year		**5,692**	6,440

[A] Includes depreciation and amortisation of $2,219,000 (Dec 2014: $2,316,000) and income tax expense of $5,017,000 (Dec 2014: $3,285,000) Interest expense and income for both reporting periods is not significant.

	REF	Dec 2015 $'000	Jun 2015 $'000
Current assets	[B]	**50,181**	33,767
Non current assets		**76,009**	76,128
Current liabilities		**21,639**	18,713
Non current liabilities		**2,568**	2,492
Net assets		**101,983**	88,690

[B] Includes cash and cash equivalents of $20,373,000 (Jun 2015: $9,251,000).

There are no current or non current financial liabilities (excluding trade and other payables and provisions).

7. EQUITY ACCOUNTED INVESTEES (continued)

	Dec 2015 $'000	Jun 2015 $'000
Movements in carrying amount of the investment in Yahoo7		
Carrying amount at the beginning of the half year	**200,002**	275,238
Impairment of equity accounted investees (note 4)	**-**	(66,309)
Share of profit of investees after tax	**5,692**	11,073
Dividends received	**-**	(13,500)
Return of capital received	**-**	(6,500)
Carrying amount at the end of the half year	**205,694**	200,002

The carrying amount of the investment is based on the fair value of investees at acquisition date adjusted for equity accounted profits, dividends, impairments and any other movement since acquisition.
Valuation of this investment is performed using an EBITDA multiple approach, based on current and projected performance and a multiple which is assessed against a range of comparable companies. This is categorised as level 3 under the accounting standard AABS 13 Fair Value Measurement.

Following an impairment analysis of Yahoo7, the recoverable amount equals the carrying amount. Any movements in key assumptions will lead to changes in the carrying amount.

	Dec 2015 $'000	Jun 2015 $'000
Groups share of net assets (50%)	**50,992**	44,345
Fair value adjustment of acquisition and subsequent impairment	**154,702**	155,657
Carrying amount of the investment at end of the half year	**205,694**	200,002

There are no significant capital commitments or contingent liabilities held by or owed by this equity accounted investee as at reporting date.

7.2 Other Equity Accounted Investees

Below is the summarised financial information for the Group's remaining associates and jointly controlled investments.

All amounts shown are 100% unless otherwise stated.

	REF	Dec 2015 $'000	Dec 2014 $'000
Revenue		**53,442**	77,846
Net (loss) profit for the year (continuing operations)		**(3,458)**	5,569
Group's share of (loss) profit for the half year	[A]	**(9,457)**	1,895

[A] Share of (loss) profit is based on ownership percentage ranging from 25% to 50% for each equity accounted investee.

	Dec 2015 $'000	Jun 2015 $'000
Movements in carrying amounts of other investments		
Carrying amount at the beginning of the half year	**14,319**	19,467
Impairment of equity accounted investees (note 4)	**-**	(4,682)
Acquisitions/disposals and other movements	**11,757**	12,244
Share of (loss) of investees after tax	**(9,457)**	(7,627)
Dividends received	**(2,375)**	(5,083)
Carrying amount at the end of the half year	**14,244**	14,319

The carrying amount of each investment is based on the fair value of investments at acquisition date adjusted for equity accounted profits, dividends, impairments and any other movement since acquisition.

The Group has not recognised losses in relation to its interests in equity accounted investees as the Group has no obligation in respect of these losses.

8. INTANGIBLE ASSETS

	Licences $'000	Mastheads $'000	Program copyrights $'000	Computer software $'000	Goodwill $'000	Total $'000
Half year ended 26 December 2015						
Net carrying amount at the beginning of the half year	1,388,048	97,542	4,000	35,928	29,680	1,555,198
Additions	-	-	-	2,254	-	2,254
Amortisation charge	-	-	(2,000)	(2,267)	-	(4,267)
Impairment loss	-	-	-	-	-	-
Acquisition of controlled entity	-	-	-	-	266	266
Transfer	-	-	-	(1,931)	-	(1,931)
Net carrying amount at the end of the half year	1,388,048	97,542	2,000	33,983	29,946	1,551,519
Comprised of:						
Cost	2,355,396	230,289	20,848	72,527	1,250,457	3,929,517
Accumulated amortisation and impairment	(967,348)	(132,747)	(18,848)	(36,612)	(1,220,511)	(2,376,066)

	Licences $'000	Mastheads $'000	Program copyrights $'000	Computer software $'000	Goodwill $'000	Total $'000
Year ended 27 June 2015						
Net carrying amount at the beginning of the half year	2,324,765	128,838	8,000	26,215	1,057,403	3,545,221
Additions	-	-	-	17,296	-	17,296
Amortisation charge	(365)	-	(4,000)	(7,583)	-	(11,948)
Impairment loss	(936,352)	(31,296)	-	-	(1,026,584)	(1,994,232)
Goodwill adjustment on acquisition of controlled entity	-	-	-	-	(1,139)	(1,139)
Net carrying amount at the end of the half year	1,388,048	97,542	4,000	35,928	29,680	1,555,198
Comprised of:						
Cost	2,355,396	230,289	20,848	70,273	1,250,191	3,926,997
Accumulated amortisation and impairment	(967,348)	(132,747)	(16,848)	(34,345)	(1,220,511)	(2,371,799)

The Group performs its impairment testing at least annually at June for intangible assets with indefinite useful lives. At each reporting date reviews are performed for indications of impairment for the Group's assets with indefinite lives. Where an indication of impairment is identified, a formal impairment assessment is performed.

The Group assessed the recoverable amount for each of the Cash Generating Units ('CGUs') and groups of CGUs being Television, Newspapers (Metro and Regional) and Magazines businesses. A CGU is the group of assets at the lowest level for which there are separately identifiable cash inflows. CGU groups are an aggregation of CGUs which have similar characteristics.

Management and the Directors reviewed the carrying values of all intangible assets at reporting date to ensure that no amounts were in excess of their amounts. No impairment losses for intangible assets have been incurred or reversed during the current half year.

At June 2015, impairment losses on intangible assets were recognised following an assessment of their recoverable amounts. The impairments were recognised as a result of changes to key assumptions in the Group's cash flow forecasts, these include:

Television

- Lower revenue growth rates from free-to-air television advertising.
- Expected increases in key costs based on current market conditions.

Newspapers and Magazines

- Further declines in circulation and advertising revenue in print publishing businesses.

8. INTANGIBLE ASSETS (continued)

8.1 Impairment of cash generating units ('CGUs') including goodwill and indefinite life assets

In accordance with the Group's accounting policies, the Group has evaluated whether the carrying amount of a CGU or group of CGUs exceeds its recoverable amount. The recoverable amount is determined to be the higher of its fair value less cost to sell and value-in-use.

In calculating the value-in-use, the cash flows include projections of cash inflows and outflows from continuing use of the Group's assets making up the CGU. The cash flows are estimated for the assets of the CGU in their current condition and discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the risks specific to the CGU. The Group uses a 5 year discounted cash flow model based on board approved budgets and forecasts with a terminal growth rate for years beyond the 5 year period.

The identification of impairment indicators and the estimation of future cash flows require management to make significant estimates and judgement Key components of the calculation and the basis for each CGU are detailed below:

8.1.A. Cash flows

Year 1 cash flows are based upon forecasts for the next 12 months. Year 2 to 5 cash flows are based on the following assumptions:

Television

- The advertising market growth rates are assumed to be consistent with industry market participant expectations and long-term industry growth rates.
- SWM's share of Metro Free to Air advertising market is assumed to remain stable.
- Expenses are assumed to increase by CPI and known fixed increases for specific program rights.

Newspapers (Metro and Regional) and Magazines:

- Publishing revenue has been assumed to decline as management expect a cyclical downturn and structural changes to continue. Assumptions have been made in line with past performance and management's expectation of market development.
- Digital revenue has been assumed to grow based on market maturity and new initiatives. These assumptions are in line with industry trends and management's expectations of market development.
- Expenses are expected to decrease based ongoing cost reduction initiatives and volume assumptions.

8.1.B. Terminal growth factor

A terminal growth factor that estimates the long term growth for that CGU is applied to the year 5 cash flows into perpetuity. These terminal growth rates do not exceed long term expected industry growth rates. The terminal growth factor for each CGU is detailed below.

8.1.C. Discount rate

The discount rate is an estimate of the pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the CGU. The pre-tax and post-tax discount rates applied to the CGU's cash flows projections are detailed below.

	Terminal growth factor		Discount rate (pre-tax)		Discount rate (post-tax)	
	Dec-15	Jun-15	Dec-15	Jun-15	Dec-15	Jun-15
Television	1.5%	1.5%	13.9%	14.2%	9.8%	9.8%
Newspapers - Metro	0.5%	0.5%	12.8%	13.0%	11.0%	11.0%
Newspapers - Regional	0.5%	0.5%	17.5%	17.7%	11.0%	11.0%
Magazines	0.0%	0.0%	18.4%	19.6%	12.0%	12.0%

8. INTANGIBLE ASSETS (continued)

8.2 Impairment of Magazines masthead and licences

Key components of the calculation and the basis for each of Magazines mastheads and licences are detailed below:

Relief from Royalty Method over magazine mastheads' useful lives based on the following assumptions:

- Future maintainable revenue forecasts which are based on historical actual results as well as financial budgets and forecasts approved by management;
- Royalty rates between 10.0% and 11.0% (June 2015: 10.0% and 11.0%);
- Earnings multiples between 3x and 5x (June 2015: 3x and 5x).

Multi Period Excess Earnings Methodology over magazine licences' useful lives based on the following assumptions:

- Five year forecast based on financial budgets and forecasts approved by management;
- Discount rates between 13.25% and 14.25% (June 2015: 13.25% and 14.25%);
- Terminal growth rate of 0% (June 2015: 0%). This terminal rate does not exceed long term expected industry growth rates.

As a result of this analysis and assumptions, there is no requirement for an impairment as at the current half year.

8.3 Impact of possible changes in key assumptions

The values assigned to the key assumptions represent management's assessment of future performance in each CGU based on historical experience and internal and external sources. The estimated recoverable amounts are highly sensitive to key assumptions.

Following an impairment analysis of Television, Newspapers (Regional) and Magazines CGUs, the recoverable amounts are equal to the carrying amounts. Therefore any adverse movements in key assumptions would lead to changes in carrying amount.

The estimated recoverable amount for Newspapers (Metro) exceeds its carrying amount by approximately $20,300,000. A decrease of 0.5 per cent in the revenue growth rate used for the cash flows would result in there being no headroom as at 26 December 2015. We consider this to be a reasonably possible change to the assumptions used in our forecasts.

8.4 Allocation of goodwill and indefinite life assets

For the purpose of impairment testing, intangible assets with indefinite lives, including goodwill, are allocated to the Group's operating divisions which represent the lowest level within the Group at which the assets are monitored for internal management purposes.

Allocation of CGU Groups	Goodwill $'000	Licences, masthead $'000	Total $'000
Half year ended 26 December 2015			
Television	-	1,370,732	1,370,732
Newspapers (Metro and Regional)	-	68,629	68,629
Magazines	28,754	28,913	57,667
Other Business and New Ventures	1,192	17,316	18,508
Total goodwill and indefinite life assets	29,946	1,485,590	1,515,536
Year ended 27 June 2015			
Television	-	1,370,732	1,370,732
Newspapers (Metro and Regional)	-	68,629	68,629
Magazines	28,754	28,913	57,667
Other Business and New Ventures	926	17,316	18,242
Total goodwill and indefinite life assets	29,680	1,485,590	1,515,270

9. SHARE CAPITAL

	Dec 2015 $'000	Jun 2015 $'000
1,507,133,118 (June 2015:1,512,536,488) Ordinary shares fully paid	**3,393,145**	3,396,847

Ordinary shares

	Dec 2015 Shares	Jun 2015 Shares	Dec 2015 $'000	Jun 2015 $'000
Balance at the beginning of the half year	**1,512,536,488**	998,004,222	**3,396,847**	2,840,474
Movements during the half year:				
Conversion of CPS	**-**	265,749,570	**-**	250,000
Shares issued pursuant to 2.27-for-3 entitlement offer	**-**	248,553,896	**-**	310,678
Transaction costs arising on share issues	**-**	-	**-**	(4,367)
Shares issued pursuant to executive and employee share plans	**26,600**	228,800	**103**	62
Shares bought back on market	**(5,429,970)**	-	**(3,805)**	-
	(5,403,370)	514,532,266	**(3,702)**	556,373
Balance at the end of the half year	**1,507,133,118**	1,512,536,488	**3,393,145**	3,396,847

	REF	Dec 2015 Shares	Jun 2015 Shares	Dec 2014 Shares
The total number of shares issued by the Company is 1,507,133,118 and differs from the amount included in share capital as follows:				
Total shares issued by the Company		**1,508,034,368**	1,513,464,338	999,160,872
Executive and employee share plans treated as options	[A]	**(901,250)**	(927,850)	(1,141,700)
Balance included in share capital		**1,507,133,118**	1,512,536,488	998,019,172

[A] Outstanding loans pursuant to the executive and employee share plans are treated as options.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

10. DIVIDENDS

	Dec 2015 $'000	Dec 2014 $'000
Final ordinary dividend for the year ended 27 June 2015 of 4 cents per share (28 June 2014: 6 cents), fully franked based on tax paid at 30%, paid on 9 October 2015 (28 June 2014: 10 October 2014)	**60,500**	59,894
Dividends not recognised at half year end		
In addition to the above dividends, since half year end the directors have declared a 2016 interim dividend of 4 cents per ordinary share (2015 interim: 6 cents), fully franked based on tax paid at the rate of 30%. The aggregate amount of the dividend payable on 11 April 2016 (2015 interim: 1 April 2015), but not recognised as a liability at year end, is estimated at	**60,285**	59,890

11. BORROWINGS	REF	Dec 2015 $'000	Jun 2015 $'000
NON-CURRENT			
Bank loans – unsecured	[A]	**809,870**	874,665
Total non-current borrowings		**809,870**	874,665

[A] The unsecured bank loans are net of $5.1 million (June 2015: $5.3 million) unamortised refinancing costs.

12. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying amounts of financial instruments disclosed in the statement of financial position approximate to their fair values. AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Assets or liabilities measured and recognised at fair value through profit and loss are the assets/liabilities recognised in relation to interest rate cash flow hedges and foreign exchange cash flow hedges amounting to $7,960,624 (June 2015: $7,969,990). The fair values of these derivatives (classified as level 2 in the fair value measurement hierarchy) are measured with reference to forward interest rates and exchange rates and the present value of the estimated future cash flows. Investments of some equity accounted investees are measured at fair value (level 3) refer note 7.1.

13. CONTINGENT LIABILITIES

Seven West Media's tax liabilities have been calculated based on currently enacted legislation. Any changes to the tax law or interpretations (including proposed changes already announced) may require changes to the calculation of the tax balances shown in the financial statements.

Participation in media involves particular risks associated with defamation litigation and litigation to protect media rights. The nature of the Group's activities is such that, from time to time, claims are received or made by the Group. The directors are of the opinion that there are no material claims that require disclosure of such a contingent liability.

14. NET TANGIBLE ASSET (NTA) BACKING	Dec 2015	Dec 2014
Net tangible asset backing per ordinary share (cents)	**-**	-

15. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This half year financial report is for the Group consisting of Seven West Media Limited (the “Company”) and its subsidiaries. The half year financial report is a general purpose financial report and is to be read in conjunction with the annual report for the year ended 27 June 2015 and any public announcements made by Seven West Media Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

15.1 Basis of preparation

This half year financial report is for the reporting period ended 26 December 2015 and has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Act 2001 and with IAS 34 Interim Financial Reporting.

It does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The accounting policies, standards and methods of computation adopted in the half year financial report are consistent with those applied by the Group in the consolidated financial statements for the year ended 27 June 2015.

This half year financial report has been prepared on the basis of historical cost except for derivative financial instruments which are stated at their fair value.

15.2 Use of estimates and judgements

The preparation of the half year financial report requires the use of certain accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the preliminary half year financial report, are disclosed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the remainder of this financial year are discussed below.

15.2.A. Recoverable amounts of intangible assets and investments

The Group tests annually whether investments, goodwill and intangibles with indefinite useful lives have suffered any impairment in accordance with the Group accounting policy. The recoverable amounts of cash-generating units have been determined based on value in use and fair value less costs to sell approaches. These calculations require the use of assumptions.

15.2.B. Recoverable amounts of Property, Plant and Equipemtn

The estimation of useful lives, residual value and depreciation methods require some judgement and are reviewed at least annually.

15.2.C. Onerous contracts

Recognition and measurement of provisions include key assumptions about the likelihood and magnitude of future cash outflows. In the reporting period ended 26 December 2015 the Group has provided for onerous contracts relating to the minimum unavoidable net cost of discontinued and unprofitable program rights deals. In measuring these provisions there is uncertainty over the actual costs to be incurred and future revenues which may be achieved for the program rights compared to the estimated cash flows included in the provision.

15.2.D. Restructuring and redundancy provisions

The provisions for restructuring and redundancy has been recorded as a result of the group having a constructive obligation and a detailed formal plan for restructuring.

15.2.E. Current and Deferred taxes

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will impact tax expense in the period that such a determination is made.

15.2.F. Other Assets

The Group also tests other assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

15.2.G. Share-Based Payments

The Group measures the cost of equity transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a valuation model. The most appropriate valuation model used is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs into the valuation model including the expected life of the share options, volatility and dividend yield and making assumptions about them.

15. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

15.3 Comparatives

Comparative information is reclassified where appropriate to enhance comparability.

15.4 Significant accounting policies

A number of new or amended standards became applicable for the current reporting period, however the Group did not have to amend or change it's accounting policies or make retrospective adjustments as a result of adopting these standards. It is not expected that any of these changes will significantly affect the disclosures in the 27 June 2015 annual report.

16. SUBSEQUENT EVENTS

In the interval between the end of the half year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of these operations, or the state of affairs of the Group, currently or in future financial years.

Directors' Declaration

Seven West Media Limited
ABN 91 053 480 845

FOR THE HALF YEAR ENDED 26 DECEMBER 2015

In the opinion of the Directors of Seven West Media Limited (the Company):

1. the consolidated financial statements and notes set out on pages 10 to 26 are in accordance with the Corporations Act 2001, including:

   (a) giving a true and fair view of the Group's financial position as at 26 December 2015 and of its performance for the half year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors

KM Stokes AC
Chairman

17 February 2016

Independent auditor's review report to the members of Seven West Media Limited

We have reviewed the accompanying half-year financial report of Seven West Media Limited, which comprises the consolidated statement of financial position as at 26 December 2015, consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 16 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 26 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Seven West Media Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Seven West Media Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 26 December 2015 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Bruce Phillips
Partner

Sydney

17 February 2016