

TELEVISION INDUSTRY REPORT

About this report

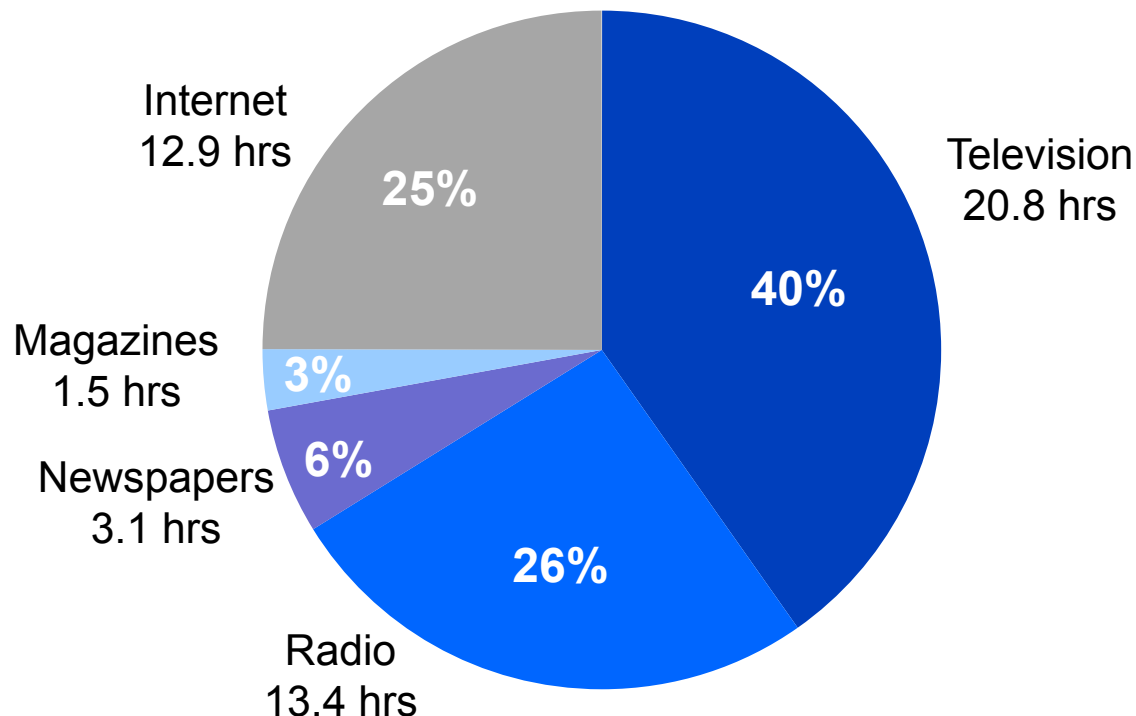
This report provides key facts and figures about television viewing including year-to-date ratings for the period ending July 2011 (weeks 1 to 31).

The report includes references to both Free TV and free-to-air TV. Free TV figures reflect ratings for the commercial free-to-air television broadcasters. Free-to-air figures include both the commercial free-to-air television broadcasters (Free TV), as well as the public broadcasters (ABC and SBS).

The majority of people's time is spent with TV

Despite the plethora of entertainment and information options now available to consumers, Australians still spend more time with television than any other media. Television dominates media consumption, accounting for 40 per cent of people's media time.

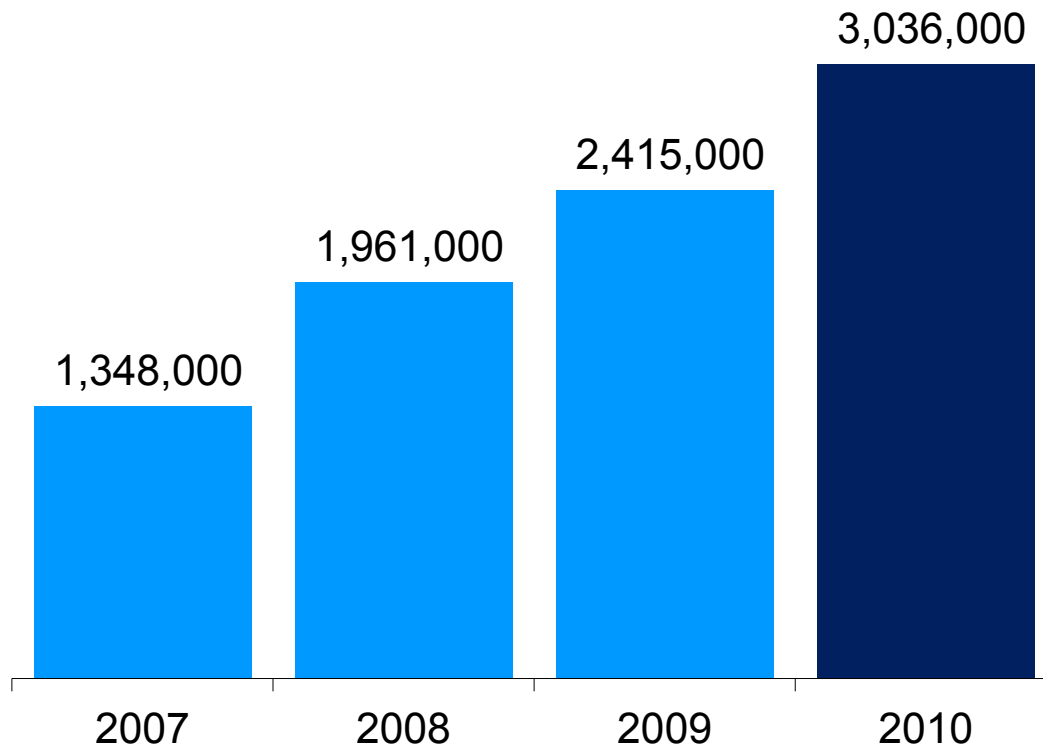
Time Spent With Media – Average Hours Per Week



Sales of TVs have hit an all-time high

Despite the soft retail environment, Australians are continuing to invest in their television viewing experience within the home. According to Canon's Digital Lifestyle Index, 2010 saw record sales of both LCD and plasmas - up 27 per cent and 21 per cent respectively.

Australian Unit Sales of LCD and Plasma TVs – YOY Comparison

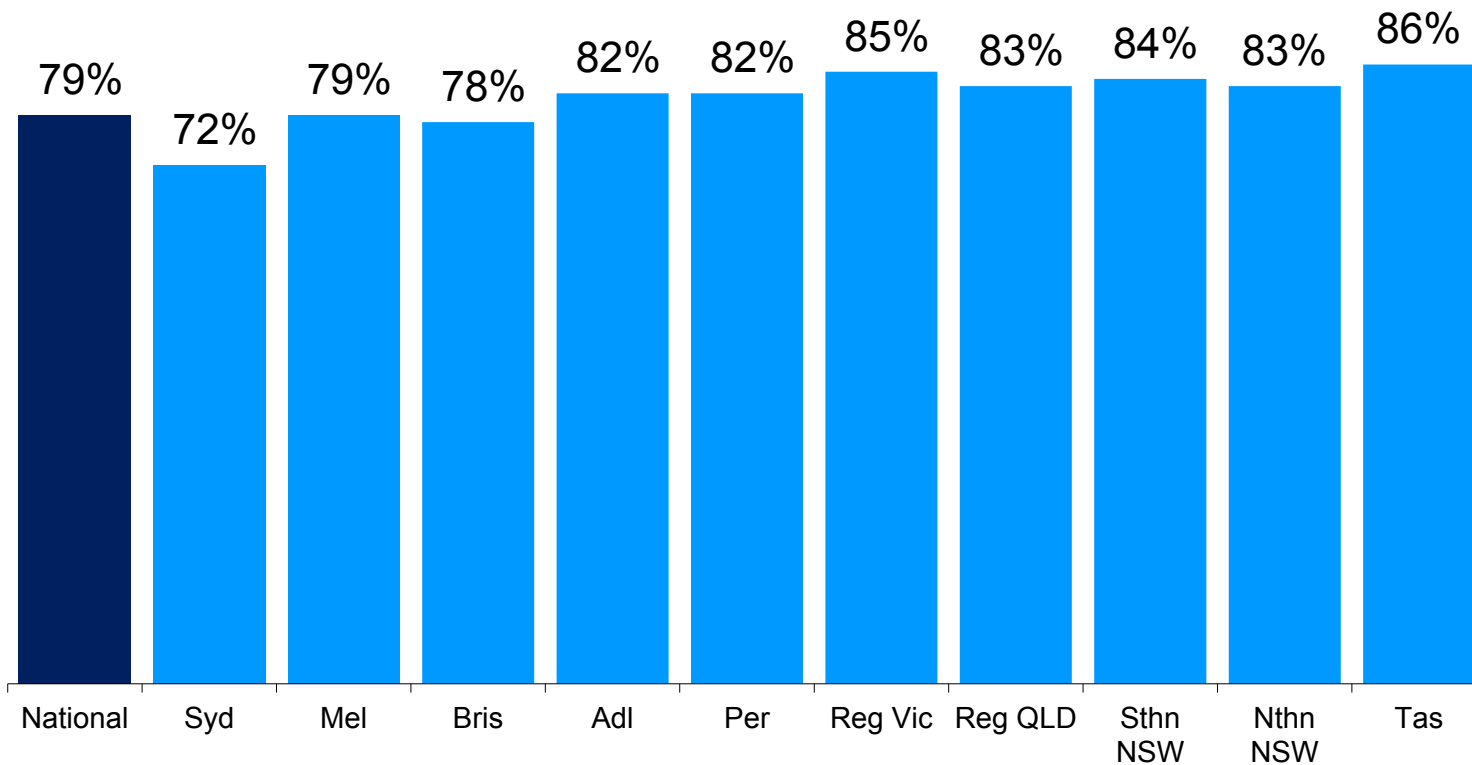


Source: Canon Digital Lifestyle Index half yearly reports 2007-2010, figures are rounded

The majority of homes now enjoying digital TV

More than 8 in 10 Australian households have already converted their main television set within the home to digital. What's more, nearly 60 per cent of these homes have converted *all* TVs in the household to digital.

Penetration of Digital TV – Australian Households – Digital Tracker Q1 2011

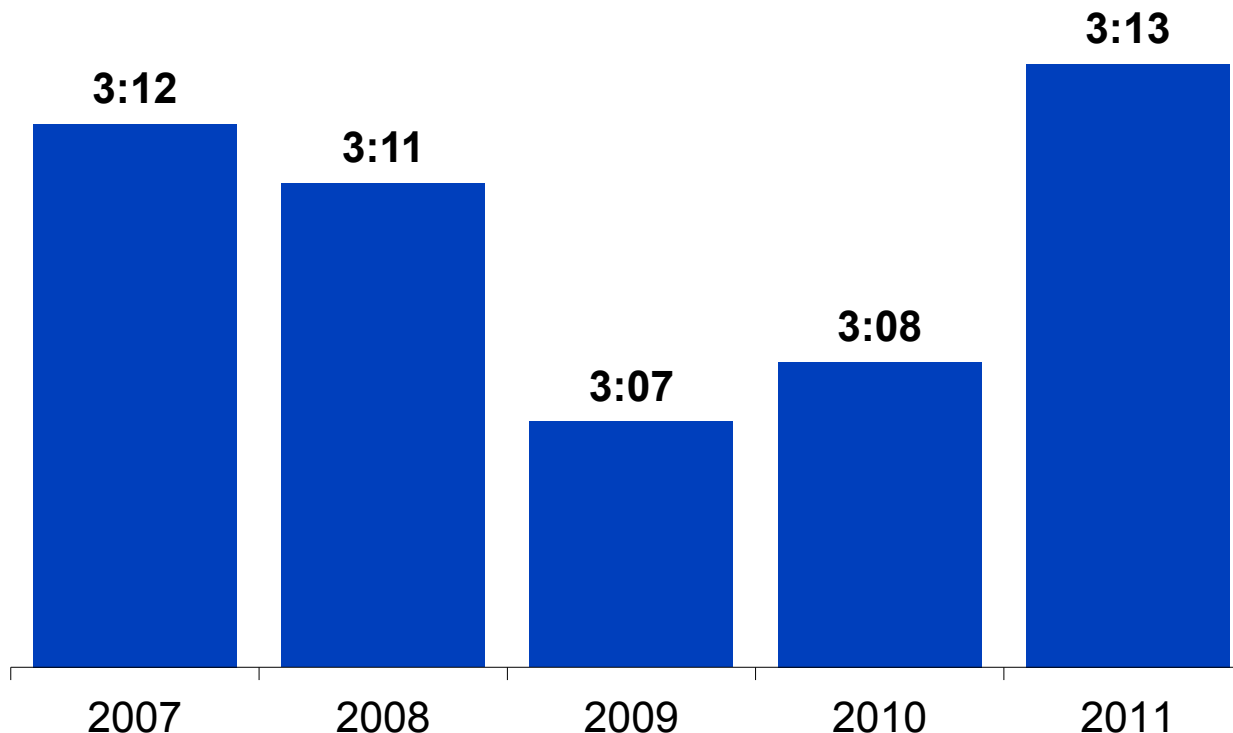


Source: DBCDE Digital Tracker Q1 2011, chart excludes converted markets and Remote WA and Remote Central; 'converted all'

Traditional TV viewing has hit a five-year high

Official ratings data shows that Australians are watching more TV in 2011. On average, Australians are watching 3 hours and 13 minutes of total TV a day in metro areas – a 5-year high! Regional TV viewing is also up – up from 3 hours and 11 minutes in 2010 to 3 hours and 26 minutes in 2011. Viewing of Free TV networks is driving the overall increase.

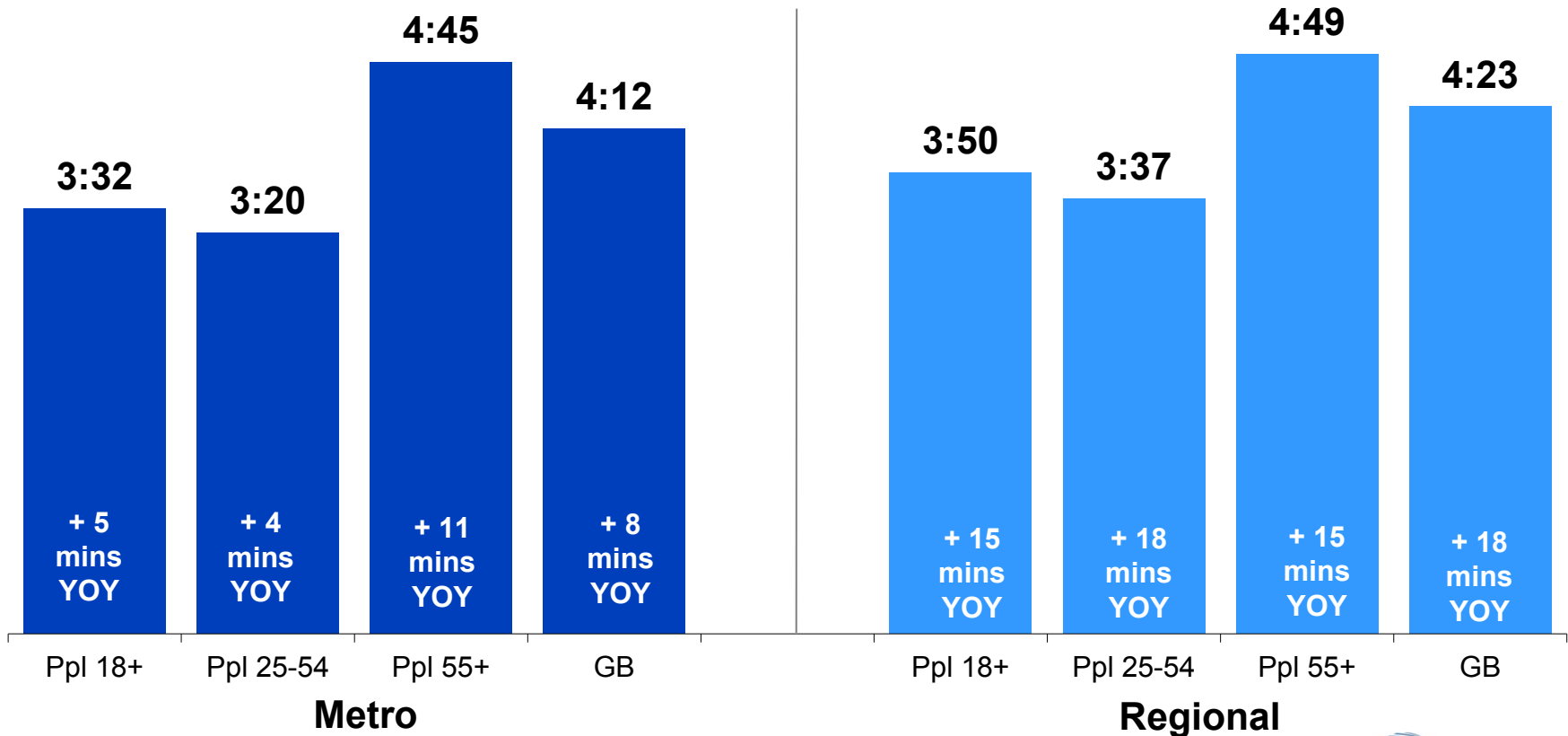
Time Spent Watching Total TV Per Day – YTD Comparison – Metro (All People)



TV viewing increasing across key demos

In fact, viewing of traditional television is increasing across key demographics. People 55+ and Grocery Buyers are watching more than 4 hours of TV a day.

Time Spent Watching Total TV Per Day – YTD Comparison – By Demographic

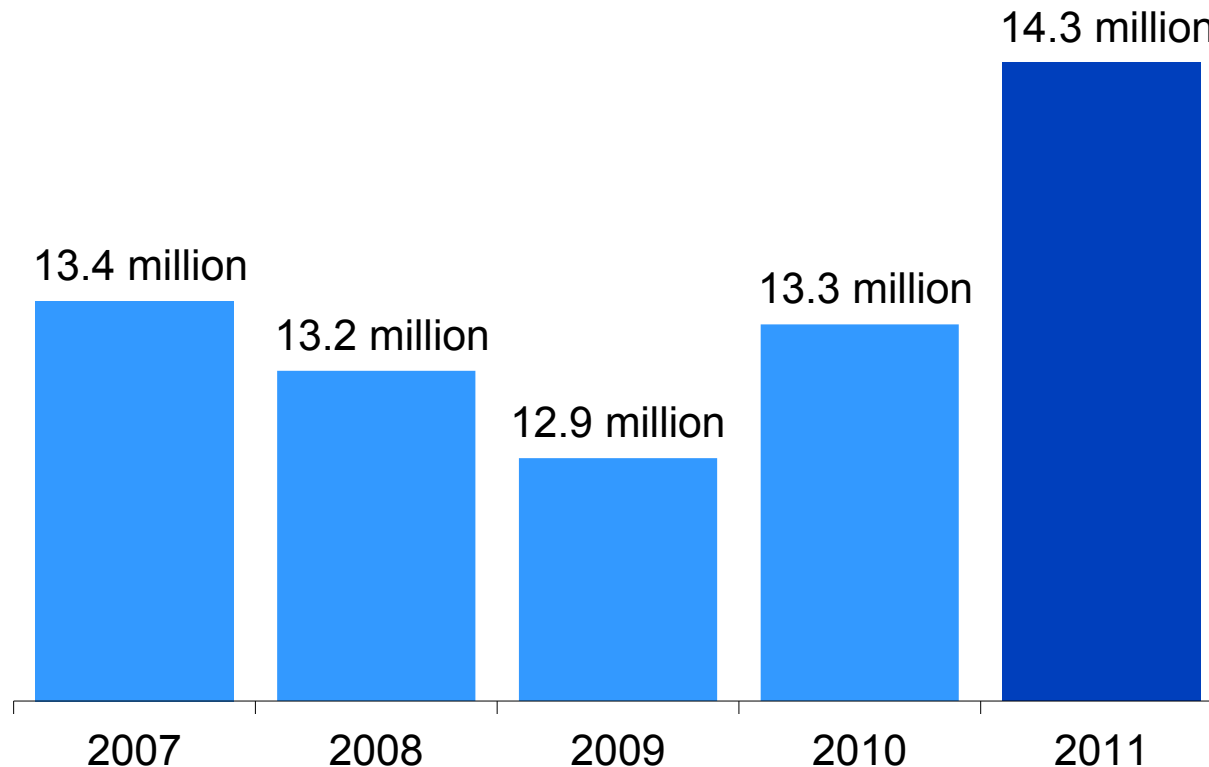


Source: OzTAM and RegionalTAM, 5 cap cities, 4 aggregated markets (ex Tas), weeks 1-31 2011 v 2010, 2am-2am, total TV, average time viewed (ATV), based on Consolidated data

14.3 million are tuning into Free TV every day

Every day, 14.3 million Australians tune into commercial free-to-air television (Free TV). The number of people watching the commercial television networks this year has hit a 7-year high! Free TV's must-watch programming and the new channels are driving this unprecedented increase.

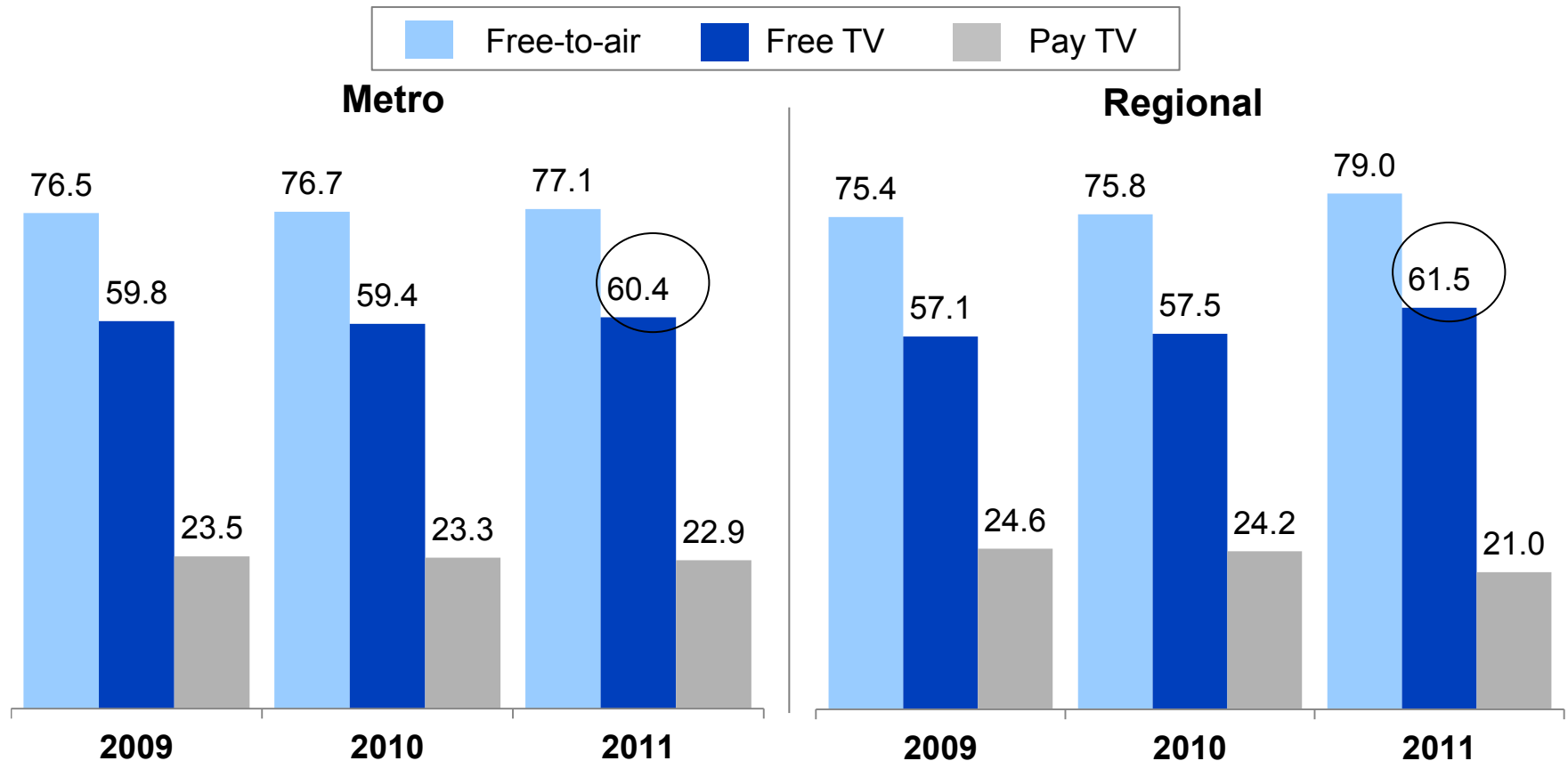
Free TV's Average Daily Reach – YOY Comparison – National



Free TV is garnering a greater share of viewing

In 2011, Free TV's share of daily viewing is increasing in both metro and regional markets. While Free TV's share of television viewing is increasing, pay TV's share is continuing to decline.

Share of TV Viewing – YOY Comparison – 2am - 2am

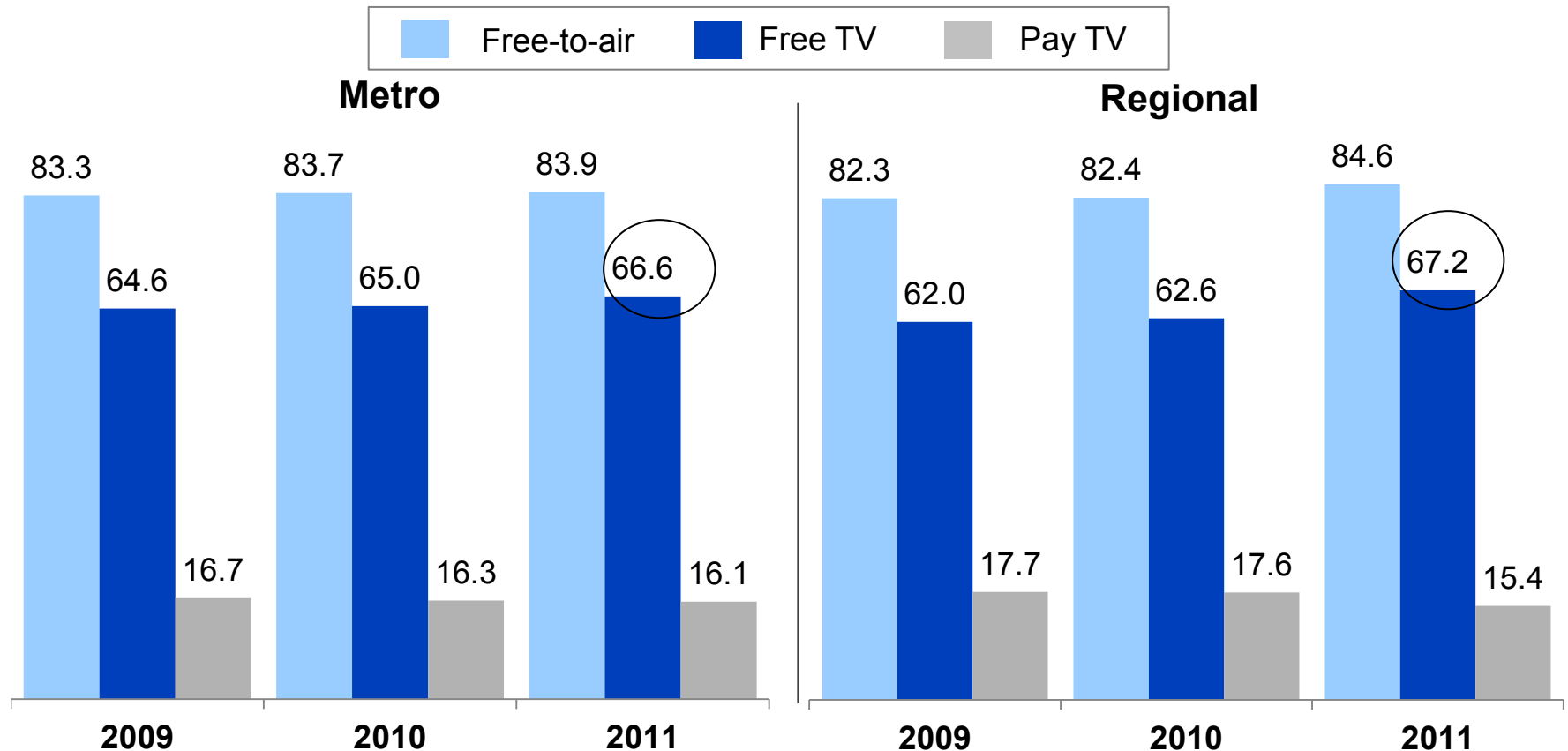


Source: OzTAM and RegionalTAM, 5 cap cities, 4 aggregated markets (ex Tas), weeks 1-31 2009-2011, 2am-2am, metro share includes spill, regional share excludes spill, total individuals, 2010 and 2011 data is Consolidated, note panel change 27 December 2009

And Free TV's prime-time share is also up

In 2011, Free TV's share of evening viewing in both metro and regional markets has reached a five-year high accounting for the majority of TV viewing. Pay TV's share of evening viewing continues to decline.

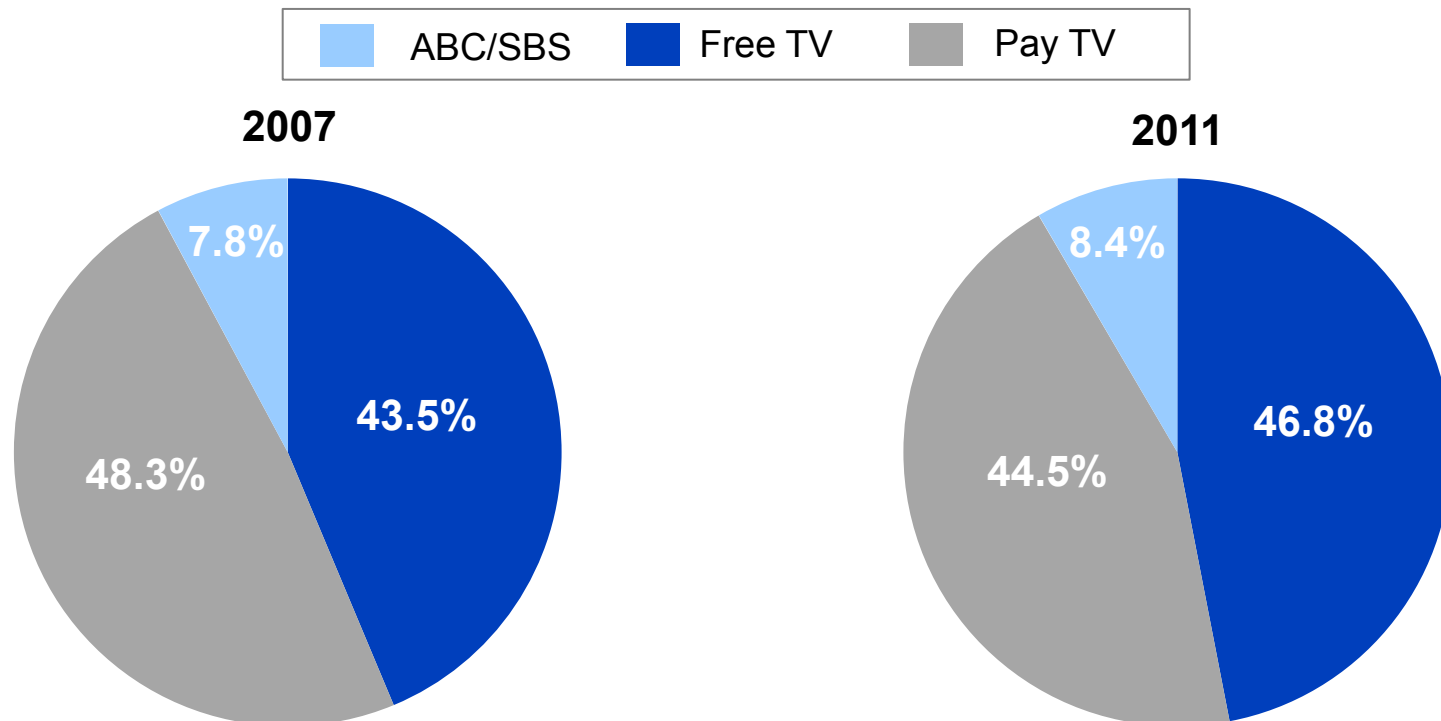
Share of TV Viewing – YOY Comparison – 6pm to midnight



Pay TV homes watching more Free TV

During the evening, people with pay TV are actually now watching more Free TV than pay TV, thanks to the popularity of the new Free TV multi-channels. Free TV's share of evening viewing has increased from 43.5 per cent in 2007 to 46.8 per cent in 2011. Free TV's daily share of viewing in pay TV households has also increased in 2011, accounting for over a third of viewing in pay TV homes.

Share of Evening TV Viewing – YOY Comparison – National Pay TV Households



Free TV's audiences up across all demos in 2011

So far this year, Free TV has seen average audience increases across all demographics in both metro and regional markets when compared with the corresponding period in 2010. So far this year, average audiences are up 8.2 per cent in metro and 17.5 per cent in regional.

Free TV's Average Audience Increases – YOY Comparison – Metro & Regional

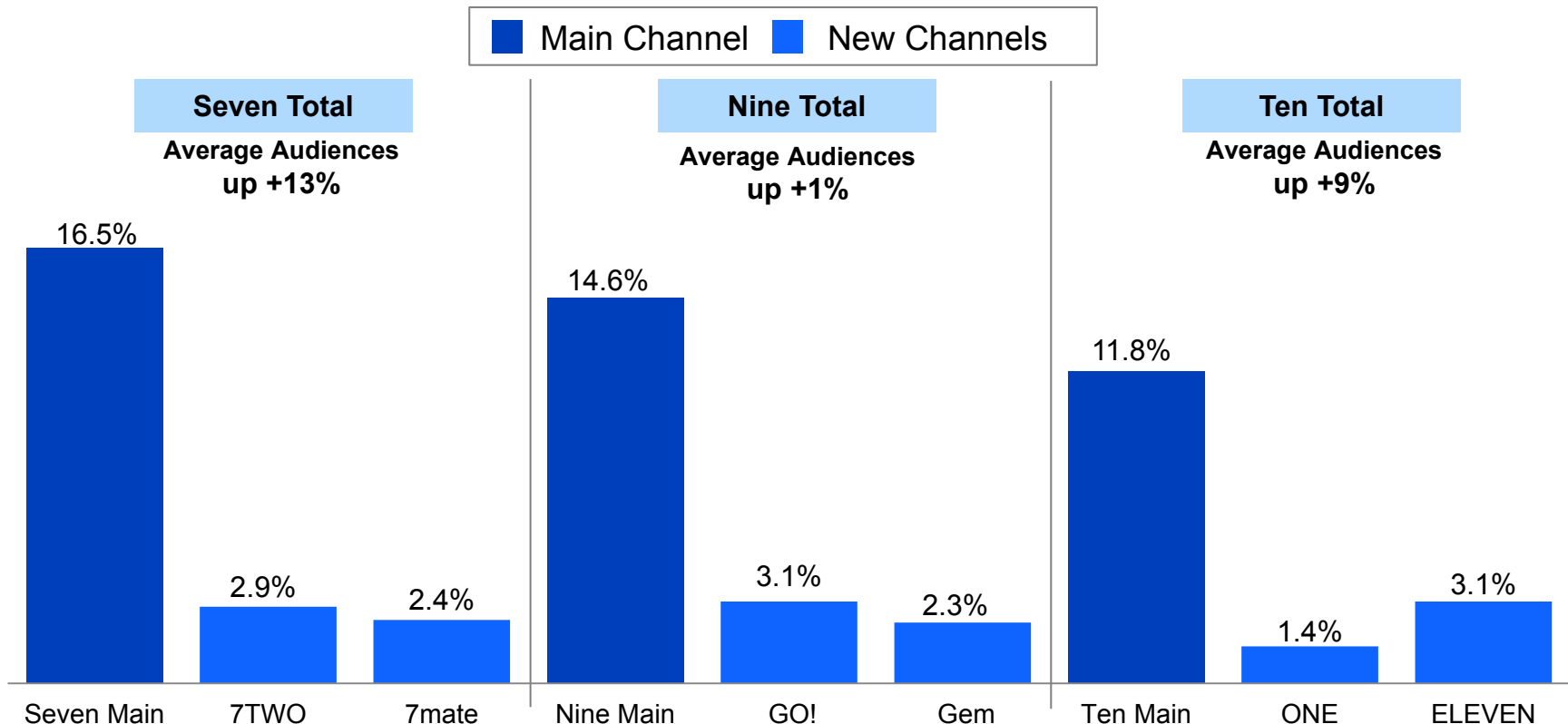
	Metro		Regional	
	2am-2am	6pm-midnight	2am-2am	6pm-midnight
Total People	8.2 %	8.4 %	17.5 %	19.2 %
Ppl 0-17	5.4 %	4.1 %	14.5 %	13.6 %
Ppl 13-17	10.1 %	8.0 %	6.1 %	7.9 %
Ppl 18-24	3.2 %	5.8 %	20.4 %	20.7 %
Ppl 18-39	5.3 %	5.9 %	21.1 %	22.5 %
Ppl 25-39	5.8 %	5.9 %	21.2 %	22.9 %
Ppl 25-54	7.4 %	7.2 %	18.7 %	19.8 %
Ppl 40-54	8.9 %	8.4 %	16.8 %	17.5 %
Ppl 55+	11.1 %	12.3 %	16.7 %	20.0 %
GB	8.8 %	9.9 %	18.1 %	19.5 %
GB + Child	7.9 %	6.1 %	12.7 %	12.1 %
Ppl OG1	8.3 %	8.0 %	17.2 %	20.6 %

Source: OzTAM and RegionalTAM, 5 cap cities, 4 aggregated markets (ex Tas), weeks 1-31 2011 v 2010, 2am-2am and 6pm to midnight, Free TV average audiences (000s) percentage increase, based on Consolidated data

New channels fuelling growth for Free TV

The new channels are proving extremely popular with Australian audiences and now collectively account for a 15 per cent share of daily viewing and 16.2 per cent of evening viewing in metro markets. The new channels are driving overall audience growth for each of the Free TV networks.

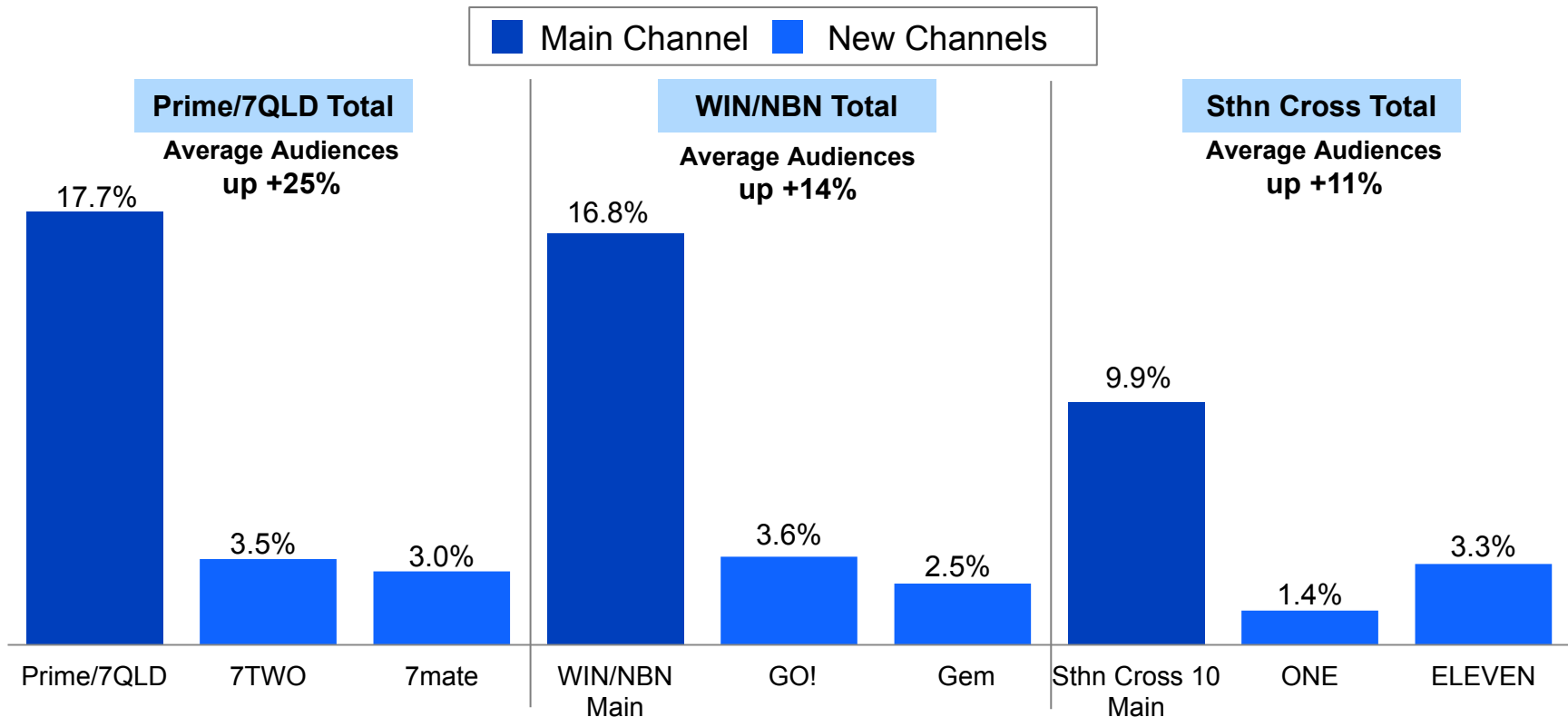
Free TV YTD Channel Shares & YOY Audience Increases - 2am to 2am - Metro



New channels driving regional audiences too

The same trend can be seen in regional markets with the new channels accounting for 17.1 per cent share of daily viewing and an 18.1 per cent share of evening viewing.

Free TV YTD Channel Shares & YOY Audience Increases - 2am to 2am - Regional



Free TV continues to attract mass audiences

Free TV continues to aggregate huge audiences with each of the top 40 programs in 2011 attracting a combined average consolidated audience of more than 2 million viewers.

Visit www.thinktv.com.au or [click here](#) for Free TV's weekly top program lists.

PVR viewing driving incremental audiences

Free TV's top 20 time-shifted programs so far this year have delivered incremental audiences of up to 277,000 additional viewers.

Visit www.thinktv.com.au or [click here](#) to view Free TV's top time-shifted programs.

Summary

So far this year, Free TV has seen increases across all key measures including time spent viewing, share of viewing, average audiences and average daily reach.

The data shows that:

- Television continues to dominate Australians' media consumption
- Sales of LCD and plasmas have hit record highs
- Digital TV is in the vast majority of Australian households
- Viewing of "traditional TV" is on the rise
- Free TV's daily reach has hit a 7-year high
- Free TV's share of daily and evening viewing is increasing
- Free TV is seeing audience increases across all major demographics
- Free TV's new channels are proving extremely popular with Australian audiences
- Free TV continues to aggregate mass audiences for advertisers
- PVR viewing is driving incremental audiences