

TRADING UPDATE

Nine Entertainment Co. (ASX:NEC) has today advised that it expects Group EBITDA (before Specific Items, and inclusive of Nine Live) for the year ended 30 June 2015 to be in the range of \$285m to \$290m. This compares with guidance provided at the AGM in November 2014 of a result in line with the \$311m reported in the prior corresponding period.

This reduction in earnings outlook reflects a softer than anticipated Free-To-Air advertising market in the second half which is now expected to be in low single digit decline, driven by particularly soft conditions in May and June. Previous guidance assumed Free-To-Air market growth of c2% in the period.

This guidance remains subject to market conditions over the balance of the year and usual year end close procedures, including Board and external audit verification.

In accordance with the Company's previously stated dividend policy, a final dividend of approximately 5 cents per share fully franked is expected to be declared following release of the full year results on 27 August 2015.

As previously announced, following the sale of Nine Live which is expected to complete on 31 July 2015, and with effect from the FY16 interim dividend, the Company intends to increase its annual dividend payout ratio to 80-100% of Net Profit After Tax (pre Specific Items), the majority of which will be fully franked. The Company's ongoing program of on-market share buybacks also remains active.

Sydney, Australia
5 June 2015

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