

Why are we providing this information?

The Australian Taxation Office is publishing taxation details for companies that generate more than \$100 million in revenues. The most recent available data being published relates to the 2013-2014 financial year.

In the interests of transparency and communication with shareholders and stakeholders, Seven West Media is also publishing these details. The lower tax payable in the 2013-2014 financial year relates to an ATO confirmation on a deferral of tax payable on future international content and programming commitments.

Seven West Media is an Australian company committed to managing all taxes with regard to the commercial and social imperatives of our business and our stakeholders. Seven West Media takes its tax obligations seriously. The Board has a long established Tax Corporate Governance Policy and reporting framework that outlines how Seven West Media should manage its taxes in compliance with both the tax laws and its core values. The Board is committed to reviewing and updating the policy and frameworks as appropriate and no less than bi-annually.

What are the details?

The ATO's Tax Transparency Report disclosed the following tax return information for Seven West Media.

Total Income	\$1,890,230,324
Taxable/net income or (loss)	\$127,690,180
Tax Payable	\$28,774,505

What does it mean?

With regard to these figures we note:

- In 2014 Seven West Media's underlying accounting profit before tax was \$243.8m and its income tax expense was \$94.2m.
- Seven West Media's effective tax rate (calculated as underlying income tax expense divided by underlying accounting profit before tax) is 28.5%.
- Taxable income in relation to the 2014 financial year is significantly lower than underlying accounting profit before tax due to a deferral (and not a permanent reduction) of tax payable to future years under an application of tax law that has been confirmed by the ATO via a private ruling obtained by Seven West Media.

The Income Tax Return is based on tax law and the Annual Report complies with Australian accounting standards. The Income Tax Return (which is a consolidated tax return) includes only wholly owned Australian subsidiaries while Seven West Media's 2014 Annual Report must also include all foreign subsidiaries as well as associates and companies Seven West Media controls but does not wholly own. As a result the figures reported in the Income Tax Return differ slightly to those disclosed in the Annual Report.