

Why are we providing this information?

The Australian Taxation Office is publishing taxation details for companies that generate more than \$100 million in revenue. The most recent available data being published relates to the 2014-2015 financial year.

In the interests of transparency and communication with shareholders and stakeholders, Seven West Media is also publishing these details.

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 biennially.

What are the details?

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

| | |
|------------------------------|-----------------|
| Total Income | \$1,778,099,648 |
| Taxable/net income or (loss) | \$221,739,017 |
| Tax Payable | \$57,571,474 |

What does it mean?

With regard to these figures we note:

- In 2015 Seven West Media's accounting loss before tax was \$1.827bn. The accounting loss before tax includes expenses for impairments which are not deductible for tax purposes.
- Accounting profit before tax excluding impairment expenses was \$206.97m and income tax expense was \$60.2m.
- Seven West Media's effective tax rate (calculated as income tax expense divided by accounting profit before tax excluding impairment expenses) was 29%.
- Tax payable is less than 30% of taxable income due to tax offsets including franking credits in relation to franked dividends received.
- 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 2015 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.