



Sky New Zealand
PO Box 9059
Newmarket
Auckland 1149
New Zealand

10 Panorama Road
Mt Wellington
Auckland 1060
New Zealand

T. +64 9 579 9999

sky.co.nz

SKT Market Update
for immediate release, 18 November 2019

Last week's launch of the Sky Sport Next initiative highlights Sky's investment in grassroots and local sport in New Zealand.

It was the latest in a number of initiatives and announcements on Sky's transformation programme.

They all represent significant investments and we highlight them again today to ensure they are considered in analysts' views of our near-term financial performance. There is a wide range of forecasts that may not have appropriately reflected the change in accounting standards under IFRS-16, our acquisition of RugbyPass and our investment in:

1. **New content and production**, including establishing our news service Sky Sport News, enhancing the breadth, depth and quality of production, and investing in more local content.
2. Sky's commitment to **sustaining and growing New Zealand sport at all levels**, including targeted sponsorships¹ and the Sky Sport Next initiative.
3. Reshaping our organisation to **do what our customers and investors need**, including development of our streaming services, communicating the choices available to customers, repositioning our brand and putting in place the capabilities and teams that will set up Sky for success in the future.

The cumulative impact of these investments and the adjustments for IFRS-16 mean that, following a detailed review by management over the last week, we now expect revenues in the range of \$750m-\$770m, and EBITDA of \$170m-\$190m for FY20.

As we signalled at our recent AGM and in various reports to the market, the ways that customers want to view content are changing. We are focused on delivering our great content to every New Zealander in ways that work for them.

A more detailed explanation of Sky's strategy and how our investments will create value for customers, partners and investors will be set out in our Strategy Day following the Interim Results in February 2020.

ENDS

For further information, please contact:

Sophie Moloney
Chief Legal Officer and Company Secretary
Phone: (09) 579 9999
Email: sophie.moloney@sky.co.nz

¹ Including Kiwi Ferns, Tall Ferns, White Sox, NZ Warriors Women, Sky Sport Breakers, Wellington Phoenix, Sky Stadium