ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
23 August 2006

PBL ANNOUNCES FULL YEAR NORMALISED NET PROFIT +11.9%

- **Normalised NPAT +11.9%**
- **Reported NPAT +25.7%**
- **Cash flow generated by businesses $746 million**
- **Full Year Dividend of 59 cents per share; +13.5%**

SYDNEY: Publishing and Broadcasting Limited (ASX: PBL) today announced a Normalised Net Profit after Tax (i.e. 'NPAT' at theoretical and before non-recurring items) for the year to 30 June 2006 of $611.5 million (last year $546.3 million); an increase of 11.9%.

Reported NPAT of $610.0 million is up 25.7% (last year $485.5 million) and has been positively impacted by $7.7 million from an above theoretical win rate and negatively impacted by non-recurring losses of $9.2 million, whereas the prior year was negatively impacted by $60.8 million from a below theoretical win rate and from non recurring losses.

Operating cash flow generated by PBL's businesses was $746 million for the year (prior year $763 million) and net debt decreased by $7 million to $1737 million at June 2006.

Executive Chairman of PBL, Mr James Packer said:

"I am pleased that PBL has recorded double digit normalised earnings growth with an 11.9% increase in net profit after tax."

"As anticipated, a highlight of this result is the $60 million increase in equity accounted earnings, to $78 million. The major drivers have been a $44 million improvement in our Pay TV businesses, a $14 million improvement in our internet businesses, and a $10 million improvement in Hoyts."

"The other highlight has been our gaming businesses which delivered strong double digit growth with a particularly impressive performance from Burswood."

"Our media businesses delivered mixed results. ACP delivered solid growth, but the Nine Network's profit was down with a reduced share of the falling F.T.A television market. Both Nine and ACP have launched a renewed attack on their cost bases in order to protect margins in an uncertain revenue environment."

"Consequently, the great strength of the Company is the diversity of its earnings base."

"During the twelve months PBL continued to invest for the future, with Betfair commencing operations in Australia; the formation of the Carsales joint venture; commitment to further equity contribution into our Macau Joint Venture partly to acquire the last remaining subconcession in Macau, and with the launch of a new weekly title by our UK publishing Joint Venture."

"I am pleased to announce the final dividend for the year is 29 cents per share, which brings the dividend distribution for fiscal 2006 to 59 cents per share, and maintains a payout ratio of approximately 65% of fiscal 2006 normalised earnings. This compares with a dividend distribution for fiscal 2005 of 52 cents per share; a 13.5% increase."

Chief Executive Officer of PBL, Mr John Alexander, said:

"Normalised revenue grew 6.7% (with only ten months of Burswood included in fiscal 2005), and with cost increases of 8.5% (with only ten months of Burswood included in fiscal 2005), normalised margins for the group were 27.1%."

"The Nine Network experienced a difficult year with total revenue down by 3.7%, driven by the East Coast market down 1.4% and Nine's market share levelling off to 37%. As foreshadowed the Network continues to attack its cost base. Nine's EBITDA fell by $55 million to $215 million for the year."

"ACP increased its EBITDA by 6.8% to $261 million with 30% margins. This is a strong result in a very competitive market."

"The gaming division increased normalised EBITDA by 14.7% to $524 million at an improved margin of 30.6%. The result was underscored by solid growth at Crown and excellent growth at Burswood. The win rate was above theoretical by $11 million versus a below theoretical win of $37.5 million last year delivering reported EBITDA of $535m up 27.5%."

"Within the context of an uncertain revenue environment, cost control has become a major focus as evidenced by a slowdown in cost growth to below 3% (excluding the Commonwealth Games) in the second half of fiscal 2006 compared with 12% in the first half."

OPERATIONS

TELEVISION

The television division reported an EBITDA of $215 million, a decrease of $55 million on the prior year, reflecting a 3.7% decline in revenue and a 3.4% cost increase. However, if the Commonwealth Games are excluded, costs were lower than in the prior year.

With industry revenue growth proving challenging, and with a very competitive industry landscape, Nine's management is focused on quality programming and cost and efficiency improvements in order to restore operating margins.

Total revenue decreased to $870 million, with gross advertising revenue for Nine's three East Coast television stations decreasing by 5.7%. The Network's East Coast market share was 37.0% for the fiscal year, compared with 38.7% in the prior year, while the East Coast market declined 1.4%.

MAGAZINES

ACP magazines increased EBITDA by 6.8% to $261 million for the year. Total revenue in ACP has increased 6.7%, while costs grew 6.7%. The operating margin increased to 29.8%, with advertising revenue increasing by 9%, while circulation revenue increased by 4%. The company's flagship weekly magazines in Australia – *Woman's Day, Take 5, NW and TV Week* – all performed well. So too did a number of other monthly titles including *madison, Cleo* and *Cosmopolitan*. Our New Zealand publishing operations again recorded solid growth led by the big weekly title, *Woman's Day*.

There were also pleasing results from Singapore and the UK joint venture business ACP-Natmag, which publishes three weekly magazines – *Best, Reveal* and *Real People*.

There were signs of a slowdown in retail activity in the last quarter and cost control has become a major focus. The company has been active in building its online revenues through a broad range of websites and believes it is well placed with its spread of media assets.

GAMING

Crown/Burswood

PBL's normalised gaming EBITDA of $524 million was $67 million, or 14.7% higher than last year, reflecting the growth at Crown and Burswood and the impact of including a full year's trading at Burswood for the first time (ten months in fiscal 2005). Reported EBITDA for the period increased 27.5% to $535 million, reflecting an above theoretical win rate of 1.40% (a positive impact of $11 million), whereas last year's reported EBITDA reflected a below theoretical win rate of 1.17% (a negative impact of $38 million).

Normalised gaming revenue increased by 12.7% over the prior year to $1712 million and incorporated Burswood for a full year (ten months in fiscal 2005). Reported revenue increased to $1725 million. VIP Program turnover of $25 billion increased by $2.4 billion compared with the prior year (only 10 months trading for Burswood), with particularly strong interstate play.

Controllable costs at Crown and Burswood were tightly managed with both properties improving margins.

The normalised EBITDA margin for the gaming division increased from 30.1% to 30.6%.

INVESTMENTS

Foxtel

Foxtel's revenues for the year grew 17% to $1269 million. PBL has included an equity accounted profit of $1.0 million (no tax) for the year, compared to a loss of $28.2 million (tax effected at 30%) in the last financial year. Foxtel currently has around 1.27 million subscribers (including wholesale).

Premier Media Group (Fox Sports)

Premier Media Group has approximately 1.8 million subscribers and grew pre tax earnings by 19% for the year on the back of 14% revenue growth. PBL has included an equity accounted profit of $36.3 million (no tax) for the year compared to $21.3 million (tax effected at 30%) in the prior year. PMG paid a $33 million unfranked dividend to PBL for the year.

Ninemsn

PBL has recorded an equity accounted profit of $19.9 million from ninemsn (including a $5.1 million non recurring gain on sale of investment in realestate.com) compared with $11.2 million in the prior year. Revenue grew by 36%, to $87 million. Ninemsn paid a $16 million unfranked dividend to PBL for the year.

SEEK

PBL has included an after tax equity accounted profit for SEEK of $8.5 million compared with $4.8 million in the prior year. Seek paid a $3.3 million franked dividend to PBL for the year.

HOYTS

PBL has recorded an equity accounted profit of $12.8 million compared with $2.8 million for the prior year (six months in fiscal 2005). The result was impacted by a decline in admissions for the first half of the fiscal year with a solid recovery in the second half and a focus on managing costs more tightly helped drive the profit lift.

MACAU

Non recourse bank financing for the City of Dreams project and the subconcession acquisition is expected to be signed in early September with syndication targeted for the first half of 2007. A high yield bond offering is also being considered.

It is anticipated that the subconcession will be issued by the Macau government in September.

The opening of Crown Macau is currently targeted for April 2007 and stage one of City of Dreams is expected to open late calendar 2008.

The third site is at an early stage of development with completion not expected until 2009.

NON-RECURRING ITEMS

During the year the Group recorded a non-recurring after tax loss of $9.2 million comprising:

	Gross $m	Tax $m	After Tax $m
Gain on sale of Investment	16.8	-	16.8
Redundancy Costs	(37.1)	11.1	(26.0)
	(20.3)	11.1	(9.2)

Gain on sale of investment reflects sale of the “dot point” business into the Carsales.com joint venture. The redundancy costs have been incurred in the Nine Network, ACP and Head Office.

FINANCIAL

Net operating cash flow for this year was $746 million, a decline of $18 million from the previous year. Earnings growth, and effective working capital management contributed positively but were more than offset by increased tax instalments.

After net capital expenditure of $141 million, dividend payments of $370 million and net investment activity of $220 million, group net debt decreased by $7 million to $1737 million at 30 June 2006.

DIVIDEND

The Directors have announced today a fully franked dividend on ordinary shares of 29 cents per share payable on 13 October, 2006 to shareholders registered on the books close date, at 5.00pm on 29 September, 2006. The full year dividend is therefore 59 cents per share compared with 52 cents per share last year; a 13.5% increase.

OTHER

In February 2006, the Directors reactivated the PBL Executive Share Plan (ESP). The ESP had previously been suspended following an allotment in May 2003.

ENDS

COPIES OF RELEASES

Copies of previous media releases and ASX announcements issued by PBL are available on PBL’s website at www.pbl.com.au.

Attachment A

PBL GROUP RESULT
Twelve Months ended 30 June 2006

Normalised Results[1] 12 mths ended June 2005 [3] $ M	12 mths ended June 2006 $ M	% movement on Normalised		Actual Results 12 mths ended June 2005 [3] $ M	12 mths ended June 2006 $ M	% movement on Actual
3,343.5	3,566.1	6.7%	OPERATING REVENUE	3,301.4	3,579.2	8.4%
948.1	966.7	2.0%	EARNINGS BEFORE INTEREST, TAX & DEPRECIATION	910.6	977.7	7.4%
(152.9)	(161.5)		Depreciation & Amortisation	(152.9)	(161.5)	
795.2	805.2	1.3%	EARNINGS BEFORE INTEREST & TAX	757.7	816.2	7.7%
(123.4)	(117.4)		Net Interest	(123.4)	(117.4)	
671.8	687.8	2.4%	PROFIT BEFORE TAX	634.3	698.8	10.2%
(133.9)	(142.7)		Taxation	(122.7)	(146.0)	
537.9	545.1	1.3%	PROFIT AFTER TAX	511.6	552.8	8.1%
17.8	78.3		Equity Accounted Profit[2]	17.8	78.3	
(9.4)	(11.9)		Minority Interests	(9.4)	(11.9)	
546.3	611.5	11.9%	NET PROFIT BEFORE NON RECURRING ITEMS	520.0	619.2	19.1%
			Non-Recurring (Loss) after tax	(34.5)	(9.2)	
			NET PROFIT AFTER NON RECURRING ITEMS	485.5	610.0	25.6%

(1) Adjusted to show underlying NPAT, ie. excluding the impact of the above theoretical win rate on VIP Program Play of $7.7 million ($11.0 million pre tax less income tax of $3.3 million) in FY 2006 and the below theoretical win rate of $26.3 million ($37.5 million pre tax less income tax of $11.2 million) in FY 2005. With theoretical win rate calculated at 1.35% in both years.

(2) Includes:
25% of Foxtel
50% of Premier Media Group
50% of ninemsn
25% of AFIG (for five months in 2005)
24% of TMS
50% of magazine UK JV (for six months in 2005)
50% of Hoyts (for six months in 2005)
40% of Melco (for six months in 2005)
41% of CarSales (for two months in 2005)
50% of Betfair (for four months in 2006)

(3) 2005 results include Burswood for ten months

Attachment B

PBL DIVISIONAL RESULTS
Twelve Months ended 30 June 2006

Normalised Results[1] 12 mths ended June 2005 [2] $ M	12 mths ended June 2006 $ M	% movement on Normalised		Actual Results 12 mths ended June 2005 [2] $ M	12 mths ended June 2006 $ M	% movement on Actual
			REVENUE			
903.9	870.4	(3.7)%	Television	903.9	870.4	(3.7)%
823.5	878.6	6.7%	Magazines	823.5	878.6	6.7%
1,519.0	1,711.7	12.7%	Gaming	1,476.9	1,724.8	16.8%
97.1	105.4	8.5%	Other	97.1	105.4	8.5%
3,343.5	3,566.1	6.7%		3,301.4	3,579.2	8.4%
			EXPENDITURE			
633.8	655.2	3.4%	Television	633.8	655.2	3.4%
578.7	617.2	6.7%	Magazines	578.7	617.2	6.7%
1,062.4	1,188.2	11.8%	Gaming	1,057.8	1,190.3	12.5%
120.5	138.8	15.2%	Other	120.5	138.8	15.2%
2,395.4	2,599.4	8.5%		2,390.8	2,601.5	8.8%
			EBITDA			
270.1	215.2	(20.3)%	Television	270.1	215.2	(20.3)%
244.8	261.4	6.8%	Magazines	244.8	261.4	6.8%
456.6	523.5	14.7%	Gaming	419.1	534.5	27.5%
(23.4)	(33.4)	-	Other	(23.4)	(33.4)	-
948.1	966.7	2.0%		910.6	977.7	7.4%
28.4%	27.1%		EBITDA / REVENUE	27.6%	27.3%	

(1) Adjusted to show underlying EBITDA; ie. excluding any variance from the theoretical win rate on VIP Program Play at Crown and Burswood, with theoretical win rate calculated at 1.35% for both years.

(2) 2005 results include Burswood Casino for ten months

Attachment C

PBL GROUP RESULT
Twelve Months ended 30 June 2006

NON - RECURRING ITEMS

	Gross	Tax	Net
	$ M	**$ M**	**$ M**
Profit on Sale of Investment [1]	16.8	0.0	16.8
Redundancy Payments [2]	(37.1)	11.1	(26.0)
Net Non-Recurring Loss	**(20.3)**	**11.1**	**(9.2)**

[1] Profit on sale of "points online business" into Car Sales

[2] Principally at Nine, ACP and head office

APPENDIX 4E

PRELIMINARY FINAL REPORT

PUBLISHING AND BROADCASTING LIMITED

A.B.N. 52 009 071 167

YEAR ENDED: 30 JUNE 2006

PREVIOUS CORRESPONDING PERIOD: 30 JUNE 2005

Publishing and Broadcasting Limited

A.B.N. 52 009 071 167

Appendix 4E

Financial year ended 30 June 2006

(Previous corresponding period: financial year ended 30 June 2005)

Results for announcement to the market

				$A'000
Revenue from continuing operations	up	**8.1%**	to	**3,633,425**
Profit from continuing operations after tax attributable to members	up	**25.7%**	to	**610,053**
Net profit for the period attributable to members	up	**25.7%**	to	**610,053**

Dividends	Amount per security	Franked amount per security
Final dividend:	**29 cents**	**29 cents**
Previous corresponding period	**25 cents**	**25 cents**
Record date for determining entitlements to the dividend	**29 September 2006**	
Final dividend payment date	**13 October 2006**	

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Refer attached Media Release

Condensed Income Statement

for the financial year ended 30 June 2006

	Note	Consolidated 30 June 2006 $'000	Consolidated 30 June 2005 $'000
Continuing Operations			
Revenues	1	**3,633,425**	3,362,429
Other income	1	**22,822**	70,159
Expenses	1	**(2,789,543)**	(2,677,966)
Share of net profits of associates and joint venture	9	**78,327**	17,835
Profit from continuing operations before tax and finance costs		**945,031**	772,457
Finance costs		**(188,214)**	(196,952)
Profit before income tax		**756,817**	575,505
Income tax expense		**(134,894)**	(80,615)
Net profit for the period		**621,923**	494,890
Profit attributable to minority interests		**11,870**	9,381
Net profit attributable to members of the parent		**610,053**	485,509

Earnings per security (EPS)

	2006	2005
Basic EPS (cents per share) [1]	**90.44**	72.97
Diluted EPS (cents per share) [1]	**90.44**	72.97

[1] Basic/diluted EPS excluding the effect of specific items is 91.81 cps (2005: 78.15 cps)

Condensed Balance Sheet
as at 30 June 2006

	Consolidated	
	30 June 2006 $'000	30 June 2005 $'000
Current Assets		
Cash and cash equivalents	**1,185,135**	1,232,638
Trade and other receivables	**394,180**	380,929
Inventories	**40,946**	36,466
Program rights	**96,879**	85,536
Prepayments	**22,106**	31,852
Other assets	**9,077**	13,173
Derivatives	**375,018**	55,844
Total Current Assets	**2,123,341**	1,836,438
Non-Current Assets		
Receivables	**28,139**	31,897
Program rights	**32,728**	41,527
Available-for-sale financial assets	**238,375**	249,830
Other financial assets	**17,273**	26,580
Investments in associates accounted for using the equity method	**1,026,325**	726,392
Property, plant and equipment	**1,910,182**	1,909,958
Licences and mastheads	**2,422,978**	2,439,509
Other intangible assets	**616,612**	620,335
Deferred income tax asset	**220,957**	179,082
Prepaid casino tax	**76,575**	79,310
Other	**3,571**	5,377
Defined benefit superannuation plan asset	**4,456**	3,704
Total Non-Current Assets	**6,598,171**	6,313,501
Total Assets	**8,721,512**	8,149,939
Current Liabilities		
Trade and other payables	**685,118**	677,119
Interest-bearing loans and borrowings	**827,525**	524,716
Income tax payable	**59,737**	38,290
Provisions	**155,839**	134,596
Total Current Liabilities	**1,728,219**	1,374,721
Non-Current Liabilities		
Payables	**70,265**	91,133
Interest-bearing loans and borrowings	**2,094,608**	2,451,959
Deferred income tax liabilities	**616,224**	529,064
Provisions	**81,741**	76,952
Total Non-Current Liabilities	**2,862,838**	3,149,108
Total Liabilities	**4,591,057**	4,523,829
Net Assets	**4,130,455**	3,626,110
Equity		
Issued capital	**2,359,614**	2,356,351
Reserves	**268,511**	6,932
Retained earnings	**1,498,996**	1,258,959
Parent interests	**4,127,121**	3,622,242
Minority interests	**3,334**	3,868
Total Equity	**4,130,455**	3,626,110

Condensed Cash Flow Statement

for the financial year ended 30 June 2006

	Consolidated 30 June 2006 $'000	Consolidated 30 June 2005 $'000
Cash flows from operating activities		
Receipts from customers	**3,773,573**	3,498,261
Payments to suppliers and employees	**(2,788,201)**	(2,533,420)
Dividends received	**58,120**	25,232
Interest received	**71,754**	69,562
Borrowing costs	**(192,167)**	(186,302)
Income tax paid	**(177,233)**	(109,899)
Net operating cash flows	**745,846**	763,434
Cash flows from investing activities		
Purchase of property, plant and equipment	**(142,002)**	(119,454)
Proceeds from sale of property, plant and equipment	**925**	817
Payment for purchases of equity investments	**(241,934)**	(281,101)
Payment for the acquisition of controlled entities	**(2,017)**	(543,082)
Net proceeds from sale of equity investments	**14,754**	103,507
Payment for mastheads	**-**	(12,985)
Loans to associated entities	**(4,750)**	-
Repayment of loans to associated entities	**16,866**	-
Other (net)	**(2,646)**	(7,394)
Net investing cash flows	**(360,804)**	(859,692)
Cash flows related to financing activities		
Issue of shares	**3,263**	-
Proceeds from borrowings	**150,182**	1,233,142
Repayment of borrowings	**(204,050)**	(804,959)
Dividends paid	**(369,998)**	(367,490)
Dividends/distributions paid to outside equity interests	**(12,349)**	(8,502)
Net financing cash flows	**(432,952)**	52,191
Net (decrease) in cash held	**(47,910)**	(44,067)
Cash at beginning of period	**1,232,638**	1,276,705
Effects of exchange rate changes on cash	**506**	-
Cash at end of period	**1,185,234**	1,232,638

Condensed Statement of Changes in Equity

for the financial year ended 30 June 2006

Consolidated	Attributable to equity holders of the parent				Minority Interest	Total Equity
	Issued Capital	Retained Earnings	Reserves	Total		
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2004 (AGAAP)	2,182,838	1,593,446	442,326	4,218,610	2,782	**4,221,392**
Adjustment on transition to all AIFRS, excluding AASB 132[1] and AASB 139[1]		(452,930)	(427,140)	(880,070)		**(880,070)**
At 1 July 2004 - adjusted	2,182,838	1,140,516	15,186	3,338,540	2,782	**3,341,322**
Movement in unrealised gains reserve			3,704	3,704		**3,704**
Currency translation differences			(11,958)	(11,958)		**(11,958)**
Total of transaction recognised directly in equity			(8,254)	(8,254)		**(8,254)**
Profit for the period		485,509		485,509	9,381	**494,890**
Total changes in equity other than those arising from transactions with equity holders		485,509	(8,254)	477,255	9,381	**486,636**
Transactions with equity holders -						
Movement in ordinary shares	173,513			173,513		**173,513**
Equity dividends		(367,066)		(367,066)	(8,030)	**(375,096)**
Acquisition of outside equity interest					(265)	**(265)**
Total of transactions with equity holders	173,513	(367,066)		(193,553)	(8,295)	**(201,848)**
At 30 June 2005	**2,356,351**	**1,258,959**	**6,932**	**3,622,242**	**3,868**	**3,626,110**
At 1 July 2005	2,356,351	1,258,959	6,932	3,622,242	3,868	**3,626,110**
Movement in derivatives			262,512	262,512		**262,512**
Movement in unrealised gains reserve			(468)	(468)		**(468)**
Currency translation differences			(1,296)	(1,296)		**(1,296)**
Movement in share based remuneration plan			831	831		**831**
Total of transaction recognised directly in equity			261,579	261,579		**261,579**
Profit for the period		610,053		610,053	11,870	**621,923**
Total changes in equity other than those arising from transactions with equity holders		610,053	261,579	871,632	11,870	**883,502**
Transactions with equity holders -						
Movement in ordinary shares	3,263			3,263		**3,263**
Equity dividends		(370,016)		(370,016)	(12,404)	**(382,420)**
Total of transactions with equity holders	3,263	(370,016)		(366,753)	(12,404)	**(379,157)**
At 30 June 2006	**2,359,614**	**1,498,996**	**268,511**	**4,127,121**	**3,334**	**4,130,455**

There was no buy back of shares during the reporting period under PBL's share buy back program.

(1) AASB 132 and AASB 139 were not adopted until 1 July 2005 - refer note 11

Notes to Appendix 4E
for the financial year ended 30 June 2006

	Consolidated	
	30 June 2006 $'000	30 June 2005 $'000
1. REVENUE AND EXPENSES		
Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:		
(i) Revenue		
Revenue from services	**2,901,657**	2,679,920
Revenue from sale of goods	**650,156**	596,312
Interest received	**70,849**	73,583
Dividends received	**5,182**	9,471
Other operating revenue	**5,581**	3,143
	3,633,425	3,362,429
(ii) Other Income		
Profit on disposal of non-current assets	**22,822**	70,159
(iii) Expenses		
Cost of sales	**581,586**	535,855
Television activities	**689,898**	788,684
Publishing activities	**138,771**	119,639
Gaming activities	**1,227,256**	1,100,698
Other ordinary activities	**152,032**	133,090
	2,789,543	2,677,966
Depreciation of non-current assets (included in Expenses above)		
Buildings	**38,424**	37,599
Plant and equipment	**93,567**	85,483
	131,991	123,082
Amortisation of non-current assets (included in Expenses above)		
Casino licence fee and management agreement	**14,417**	15,652
Ticketing rights	**3,769**	2,220
Plant and equipment under finance lease	**3,302**	3,164
Leasehold property	**2,084**	1,737
Other assets	**5,920**	7,011
	29,492	29,784
Total depreciation and amortisation expense	**161,483**	152,866
(iv) Specific Items		
Net profit on disposal of investments (included in other income above)	**(16,764)**	(68,600)
Restructure costs	**37,096**	31,384
Program costs written down	-	113,727
	20,332	76,511

Notes to Appendix 4E
for the financial year ended 30 June 2006

2. SEGMENT REPORTING

Continuing operations

	Television		Magazines		Gaming		Unallocated		PBL Group	
Business segments	**30 June 2006 $'000**	30 June 2005 $'000	**30 June 2006 $'000**	30 June 2005 $'000	**30 June 2006 $'000**	30 June 2005 $'000	**30 June 2006 $'000**	30 June 2005 $'000	**30 June 2006 $'000**	30 June 2005 $'000
Operating revenue										
Total	**873,901**	907,981	**882,192**	825,192	**1,724,311**	1,476,054	**100,868**	96,200	**3,581,272**	3,305,427
Intersegment	**(7,962)**	(6,592)	**(2,674)**	(1,802)	**(4,100)**	(4,205)	**(3,960)**	(3,982)	**(18,696)**	(16,581)
External customers	**865,939**	901,389	**879,518**	823,390	**1,720,211**	1,471,849	**96,908**	92,218	**3,562,576**	3,288,846
Other income	**714**	-	**16,764**	-	**23**	528	**5,321**	69,631	**22,822**	70,159
Interest revenue									**70,849**	73,583
Total revenue from continuing operations	**866,653**	901,389	**896,282**	823,390	**1,720,234**	1,472,377	**102,229**	161,849	**3,656,247**	3,432,588
Segment result										
Earnings before interest, tax, depreciation and amortisation "EBITDA"	**215,188**	270,125	**261,351**	244,791	**534,482**	419,023	**(33,351)**	(23,523)	**977,670**	910,416
Depreciation and amortisation	**(23,185)**	(19,652)	**(8,754)**	(8,430)	**(119,592)**	(115,809)	**(9,952)**	(8,975)	**(161,483)**	(152,866)
Earnings before interest and tax "EBIT"	**192,003**	250,473	**252,597**	236,361	**414,890**	303,214	**(43,303)**	(32,498)	**816,187**	757,550
Specific items	**(15,248)**	(137,768)	**1,416**	-	**-**	-	**(6,500)**	61,257	**(20,332)**	(76,511)
Equity accounted share of associates' net profit									**78,327**	17,835
Net interest (expense)									**(117,365)**	(123,369)
Profit from operating activities before income tax and minority interests	**176,755**	112,705	**254,013**	236,361	**414,890**	303,214	**(49,803)**	28,759	**756,817**	575,505
Income tax expense									**(134,894)**	(80,615)
Profit after tax from continuing operations	**176,755**	112,705	**254,013**	236,361	**414,890**	303,214	**(49,803)**	28,759	**621,923**	494,890

Notes to Appendix 4E
for the financial year ended 30 June 2006

	Consolidated	
	30 June 2006 $'000	30 June 2005 $'000
3. DIVIDENDS PAID AND PROPOSED		
Equity dividends on ordinary shares:		
(a) Dividends paid during the financial year		
Final franked dividend for the financial year 30 June 2005: 25 cents per share paid on 14 October 2005 (2004: 28 cents per share)	**168,265**	185,339
Interim franked dividend for financial year 30 June 2006: 30 cents per share paid on 13 April 2006 (2005: 27 cents per share)	**201,751**	181,727
	370,016	367,066
(b) Dividends proposed and not recognised as a liability		
Final franked dividend for financial year 30 June 2006: 29 cents per share (2005: 25 cents per share)	**196,474**	168,265

The proposed final dividend has not been recognised as a liability for the financial year ended 30 June 2006.

No shareholders' dividend plans are in operation.

4. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

5. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to 30 June 2006, the directors of PBL declared a final dividend on ordinary shares in respect of the year ending 30 June 2006. The total amount of the dividend is $196.5 million, which represents a fully franked dividend of 29 cents per share. The dividend has not been provided for in the 30 June 2006 financial statements.

There has been no other matter or circumstance arising since 30 June 2006 that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity.

Notes to Appendix 4E

for the financial year ended 30 June 2006

	Consolidated	
	2006	2005
6. NET TANGIBLE ASSETS BACKING		
Net tangible asset backing per ordinary security	$1.61	$0.84

7. CONTROL GAINED OVER ENTITIES HAVING A MATERIAL EFFECT

N/A

8. LOSS OF CONTROL OF ENTITIES HAVING A MATERIAL EFFECT

N/A

9. EQUITY ACCOUNTED ASSOCIATES AND JOINT VENTURE ENTITIES

	Ownership interest		Contribution to net profit	
	2006	2005	**2006**	2005
Name of entity	**%**	%	**$'000**	$'000
Sky Cable Pty Ltd	**50.0%**	50.0%	**1,068**	(28,222)
Premier Media Group	**50.0%**	50.0%	**36,278**	21,272
ninemsn Pty Ltd	**50.0%**	50.0%	**19,911**	11,253
Hoyts Cinemas (1)	**50.0%**	50.0%	**12,764**	2,800
SEEK Ltd	**25.0%**	25.0%	**8,527**	4,813
Australian Financial Investment Group (2)	**0.0%**	0.0%	**-**	4,450
Other non-material interests			**(221)**	1,469
Total			**78,327**	17,835

(1) Previous corresponding period result for six months.

(2) Investment disposed of in November 2004.

10. CHANGES IN ACCOUNTING POLICIES

The Accounting policies adopted are consistent with those disclosed in Note 1 to Financial Report lodged with Appendix 4D for the half-year ended 31 December 2005.

Notes to Appendix 4E

for the financial year ended 30 June 2006

11. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

Reconciliation of equity as presented under AGAAP to that under AIFRS

	Notes	CONSOLIDATED	
		30 June 2005 [(2)]	1 July 2004 [(1)]
		$'000	$'000
Total Equity under AGAAP		4,497,060	4,221,392
Adjustments to retained earnings (net of tax)			
Impairment of assets	(i)	(171,765)	(171,765)
Write-back of goodwill amortisation	(ii)	2,893	-
Deferred taxes on adoption of balance sheet method	(iii)	(278,677)	(281,165)
		(447,549)	**(452,930)**
Adjustments to other reserves (net of tax)			
Recognition of defined benefit pension asset/(liability)	(iv)	3,704	(35)
Re-state previously revalued assets at cost	(v)	(423,400)	(423,400)
Deferred taxes on adoption of balance sheet method	(iii)	(3,705)	(3,705)
		(423,401)	**(427,140)**
Total equity under AIFRS		**3,626,110**	**3,341,322**

(1) This column represents the adjustments as at the date of transition to AIFRS

(2) This column represents the cumulative adjustments as at the date of transition to AIFRS and those for the year ended 30 June 2005

(i) Under AASB 136 *Impairment of Assets*, the recoverable amount of an asset is determined as the higher of its fair value less costs to sell and value in use. The group's current accounting policy is to determine the recoverable amount of an asset on the basis of discounted cash flows. The Group's assets including goodwill were tested for impairment on transition and each subsequent reporting date as part of the cash generating unit to which they belong. Where applicable, impairment losses have been recognised under AIFRS. The most significant component of the adjustment to retained earnings relates to Magazine mastheads. Mastheads were aggregated and tested for impairment under AGAAP as a group of assets because they work together to generate net cash inflows. However under the requirements of AIFRS, the recoverable amount is assessed for impairment for each cash generating unit. Following the determination of each cash generating unit, certain specific mastheads have been written down by a total of $168 million on transition to AIFRS.

(ii) Under AASB 3 *Business Combinations* goodwill is not permitted to be amortised but instead is subject to impairment testing on an annual basis or upon the occurrence of triggers which may indicate a potential impairment. PBL has elected not to apply AASB 3 retrospectively and hence, prior year amortisation has not been written-back as at the date of transition.

(iii) AASB 112 *Income Taxes* requires the Group to use a balance sheet liability method, rather the current income statement method which recognises deferred tax balances where there is a difference between the carrying value of an asset or liability and its tax base. For PBL, this results in the recognition of a deferred tax liability in relation to certain investments and certain identifiable intangible and other assets where a deferred tax liability has not previously been recorded. The deferred tax impact for the difference between the carrying value and tax base of PBL assets not previously tax-effected is $284.9 million at 1 July 2004. The major components of this adjustment are Licences, Mastheads and other Intangible assets comprising $216 million, Other Financial Assets $45 million and Investments in Associates $19 million.

Notes to the Financial Statements

for the financial year ended 30 June 2006

11. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS (CONTINUED)

(iv) Under AASB 119 *Employee Benefits*, PBL recognises the net surplus/(deficit) in its employer sponsored defined benefit funds as an asset/(liability). This resulted in a change in PBL's accounting policy which was a cash basis of accounting. Actuarial calculations were completed as at 30 June 2004 and 30 June 2005. PBL has elected to recognise actuarial gains and losses in equity. A reserve has been established for this purpose.

(v) Under AASB 138 Intangible Assets, no revaluation of intangible assets is permitted unless there exists an active market for the asset. With no active market for television licences, the increase that PBL recorded in carrying value above cost in a previous financial year has been reversed against the asset revaluation reserve.

(vi) Management has decided to apply the exemption provided in AASB 1 *First-time adoption of Australian Equivalents to International Financial Reporting Standards* which permits entities not to apply the requirements of AASB 132 *Financial Instruments: Presentation and Disclosures* and AASB 139 *Financial Instruments: Recognition and Measurement* for the financial year ended 30 June 2005. The standards have been applied from 1 July 2005 and the impact to opening retained earnings was nil.

Reconciliation of net profit under AGAAP to that under AIFRS

	Notes	CONSOLIDATED 12 mths to 30 June 2005 $'000
Net profit as reported under AGAAP		489,509
Amortisation of goodwill	(i)	2,893
Adjustment to income tax expense	(ii)	2,488
Net profit under AIFRS		**494,890**

(i) Under AASB 3 *Business Combinations* goodwill is not permitted to be amortised but instead is subject to annual impairment testing. Under the new policy, amortisation is no longer charged, but goodwill is written down to the extent it is impaired.

(ii) The adjustment to income tax expense relates to movements in DTL balances of intangibles and investments.

Restated AIFRS Statement of Cash Flows for the year ended 30 June 2005

There were no material impacts to the cash flows presented under AGAAP on adoption of AIFRS.

Reclassification within the Balance Sheet

PBL has elected not to retrospectively apply AASB 3 *Business Combinations*. In this situation, AASB 1 *First-time adoption of Australian Equivalents to International Financial Reporting Standards* requires a company to determine whether there were any identifiable intangibles recognised in a business combination that would not qualify for recognition under AIFRS. Where such assets are identified they should be adjusted against goodwill at the AGAAP carrying amount. PBL has identified $310.1 million previously included in magazine mastheads that does not relate to specific titles and so would not be recognised as a masthead under AIFRS. This amount was transferred to goodwill at 1 July 2004.

Appendix 4E - Additional Information

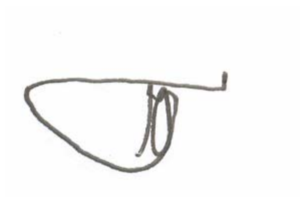
for the financial year ended 30 June 2006

Commentary on results

The commentary on the results is contained in the Media Release attached.

Audit

This report is based on accounts which are in the process of being audited.
It is not considered likely any audit qualification will arise.



Sign here: ______________________ 23 August 2006

Company Secretary Date

Print Name: Guy Jalland