



KordaMentha

17 June 2013

## MediaWorks to transition to new company via receivership

MediaWorks NZ Limited funders today appointed Brendon Gibson and Michael Stiassny of financial advisory firm KordaMentha to oversee the receivership of MediaWorks NZ Limited and its subsidiaries, including RadioWorks Ltd and TVWorks Ltd.

“We are working with a strong management team and assuring current employees, customers and suppliers that it is business as usual. We are in a fortunate position whereby MediaWorks’ funders have provided funding and are committed to the future of the business. This extends to a commitment that all those who have supplied goods or services to the companies before receivership, will be paid what they are due.

“Arrangements are well advanced with a proposal to transfer the business to new ownership suitable for the long term. We anticipate that this will be concluded quite soon,” Mr Gibson said.

MediaWorks Group Managing Director, Sussan Turner said that moving to a new structure was inevitable.

“For some time now, management has been working closely with our funders to settle on a structure that will enable MediaWorks to reduce its debt burden. The debt structure that was adopted when MediaWorks Limited changed hands in 2007 was unsustainable after the GFC. Our core business is strong and all divisions are trading well. We are confident that we can successfully build on this solid platform.

“Under receivership it will be business as usual as we transition to a new company with an appropriate, right-sized capital structure,” Ms Turner said.

Mr Gibson advised that the proposed new structure will provide certainty for staff, customers and external stakeholders.

“Everyone with an interest in MediaWorks can have confidence in the future. There is a genuine commitment to build on the promising performance MediaWorks has achieved in difficult trading conditions. The transition to the new structure, which is supported by the existing funders, will begin shortly and will be finalised once the necessary consents are received. A further announcement will be made in due course,” he said.

[Ends]

### For further information, please contact:

Mr Brendon Gibson, Partner, KordaMentha, (09) 307 7865

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Independent New Zealand  
firm internationally affiliated  
with the KordaMentha Group

nz@kordamentha.com  
www.kordamentha.com

#### New Zealand

Level 16, 45 Queen Street  
Auckland 1010

PO Box 982, Shortland Street  
Auckland 1140

Office: + 64 9 307 7865  
Fax: + 64 9 377 7794

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