

Annual Reports to the ACCC pursuant to section 118PN of the Radiocommunications Act

Financial Year 2012-2013

Digital Radio Joint Venture Companies

Adelaide, Brisbane, Melbourne, Perth and Sydney

29 August 2013

Contents

Executive Summary	1
Background	1
Overview of findings	2
Disclosure to ACMA	3
Annual Report	3
Attachment 1 – List of JVCs submitting this annual report	15
Attachment 2 – JVC membership for 2012-2013 financial year	16

Executive Summary

Background

This document constitutes the annual report by the digital radio multiplex transmission licensees in Adelaide, Brisbane, Melbourne, Perth and Sydney (**JVCs**) under section 118PN of the *Radiocommunications Act 1992* (Cth) (**Radiocommunications Act**) for the 2012-2013 financial year.¹

On 22 April 2009, the Australian Competition & Consumer Commission (**ACCC**) determined that an ACCC-modified access undertaking was to apply to multiplex transmission capacity services by the JVCs pursuant to section 118NF(5) of the Radiocommunications Act (the **access undertaking**).

Section 118PN of the Radiocommunications Act provides that, if an access undertaking is in force during the whole or part of a financial year, the JVCs must submit annual reports to the ACCC within 60 days of the end of the financial year, on the following:

- matters specified in the *Digital Radio Multiplex Transmitter Licence Procedural Rules 2008* made by the ACCC under section 118PO of the Radiocommunications Act (**Procedural Rules**); and
- matters that relate to:
 - compliance during that financial year with the access undertaking; or
 - compliance during that financial year with the standard access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the excess-capacity access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the distributed-capacity access obligations (if any) applicable to the licence; or
 - compliance during that financial year with the obligations that are applicable to the licence under section 118NP.

The Procedural Rules require the JVCs to cover the following matters within an annual report:

- compliance during that financial year with the access undertaking;
- compliance during that financial year with standard access obligations (if any) applicable to the licence;

¹ Further details about the entities that have lodged this annual report are set out in Attachment 1.

- compliance during that financial year with excess-capacity access obligations (if any) applicable to the licence;
- compliance during that financial year with obligations that are applicable to the licence under section 118NP of the Radiocommunications Act (i.e. the JVC's non-discrimination obligation);
- any non-compliance (including reasons) with the above;
- steps taken to rectify non-compliance;
- expected completion dates for matters requiring rectification;
- changes to the membership of the JVCs that have occurred during the financial year; and
- any authorisation of third party users.

This annual report covers the matters identified in section 118PN of the Radiocommunications Act and the Procedural Rules in respect of the 2012-2013 financial year.

Overview of findings

The 2012-2013 financial year was the fourth year in which the JVCs supplied multiplex transmission services to access seekers pursuant to the access undertakings.

Our review has concluded that the JVCs have been compliant with the legislative requirements of the Radiocommunications Act and the terms of the access undertaking and access agreement for the 2012-2013 financial year. The JVCs have supplied the multiplex transmission service to content service providers (including digital community broadcasters) in accordance with their legislative and regulatory obligations.

Some of the other key highlights of the 2012-2013 financial year included:

- the JVCs continued their rollout of on-channel repeaters (**OCRs**) in the course of the 2012-2013 financial year to address "black spots" in each BSA radio area. Site access agreements have been secured with various tower and facility owners to support the installation and operation of OCRs over the course of 2012-2013. Only the OCR site at the Melbourne CBD site (101 Collins Street) is currently operational, with Digital Radio Broadcasting Melbourne Pty Ltd providing OCR services to commercial, community and national broadcasters under a scientific licence granted by the Australian Communications and Media Authority (**ACMA**). The other sites proposed were not operational in the 2012-2013 financial year, but are expected to become operational in 2013-2014 once ACMA has licensed the transmission of OCR services; and
- the JVCs submitted to the ACCC a request for variation of the digital radio access undertaking made under section 118NH of the Radiocommunications Act. The request

for variation was submitted on 19 June 2013 and is currently being reviewed by the ACCC. The variations can be broadly categorised as follows:

- variations to reflect changes to the multiplex transmission service arising from the upcoming deployment of OCRs in each capital city to improve the coverage and quality of digital radio services;
- variations to allow the JVCs to put new access agreements in place with access seekers. While the access agreements technically expired on 31 December 2012, the JVCs have continued to supply standard access entitlements and excess capacity access entitlements in accordance with the terms of the existing access agreement;
- variations that seek to reflect the operational experience gained by the JVCs in the supply of the multiplex transmission service to access seekers since the official launch of digital radio services in July 2009; and
- variations to remove redundant provisions that no longer have effect or which are no longer required.

Disclosure to ACMA

The JVCs do not object to the disclosure of this annual report (including the attachments) in its entirety to ACMA in accordance with section 16(1)(f) of the Procedural Rules.

Annual Report

1 Compliance with digital radio access undertaking

1.1 Overview

This section sets out the extent to which the JVCs have complied with key aspects of the access undertakings, including the access agreement that forms part of the access undertakings and which has been entered into with access seekers.

We have not sought to cover all aspects of the access undertaking and access agreement within our report given there are many aspects of these documents that are non-substantive or which were not operative or relied upon during the 2012-2013 financial year (e.g. the liability and indemnity provisions under the access agreement).

This report does not consider those parts of the access undertaking or access agreement in which previous non-compliance has been identified in a previous annual report and subsequently rectified.

The areas of the access undertaking and access agreement covered in this section include:

- the supply obligations of the JVCs in respect of the multiplex transmission service under clause 9 of the access agreement;
- the obligations of the JVCs in respect of financial security under clause 14 of the access agreement; and
- the compliance by the JVCs with the pricing principles in Schedule 2 of the access agreement, including:
 - the efficient cost principle for the inclusion of capital expenditure, operating expenditure and overheads into the cost base of the JVCs under clause 3.3;
 - the determination of the weighted average cost of capital under clause 3.4;
 - the criteria for the calculation of access fees under clauses 4.1 and 4.2;
 - the criteria for adjustments to access fees based on changes to the amount of multiplex capacity being acquired under clause 4.4; and
 - the process for review of the access fees under clause 5.

This section does not explicitly consider the issue of compliance with the standard access obligations and excess capacity access obligations, which are covered in sections 2 and 3 below, respectively.

1.2 Supply obligations

Clause 9 of the access agreement:

- forbids the JVCs from preventing an access seeker from obtaining access to the multiplex transmission service in accordance with the access agreement;
- prohibits the JVCs from discriminating between access seekers to which it supplies the multiplex transmission service in relation to technical and operational quality of the service itself, and the technical and operational quality and timing of the fault detection, handling and rectification supplied in respect of the service – this requirement implements the non-discrimination requirement in section 118NP of the Radiocommunications Act; and
- requires that the JVCs make the standard access entitlements and excess-capacity access entitlements available to content service providers.

The JVCs are not aware of any non-compliance with clause 9 of the access agreement in the 2012-2013 financial year. In particular, the JVCs:

- did not prevent any access seeker from receiving the multiplex transmission service during that period;
- supplied the multiplex transmission service on an identical basis to all access seekers from a technical and operational quality perspective during that period; and

- allowed all holders of standard access entitlements and excess-capacity access entitlements to acquire those entitlements pursuant to their respective access agreements.

1.3 Financial security

The JVCs did not require a financial security from any commercial radio broadcasters or digital community broadcasters in the 2012-2013 financial year, nor did the JVCs alter the financial arrangements that were previously put in place between the JVCs and the Community Broadcasting Association of Australia (as described in the annual report for 2010-2011).

1.4 Efficient cost principle

Clause 3.1 of Schedule 2 of the access agreement limits the costs that the JVCs can recover from access seekers to those costs that have been efficiently incurred. Clause 3.2 and clause 3.3 of Schedule 2 of the access agreement set out the specific types and categories of costs that are recoverable in accordance with the “Efficient Costs” principle, including:

- capital expenditure;
- operating expenditure; and
- expenditure on corporate overheads.

While the JVCs have not engaged experts to express a definitive view on the efficiency of all JVCs costs, the JVCs consider that the costs that have been included within its cost base and which were partially recovered during the 2012-2013 financial year reflect the efficient costs incurred by the JVCs.

As the JVCs are currently undertaking a rollout of OCRs, the JVCs have incurred costs over the course of the 2012-2013 financial year in relation to this project.

The costs associated with the OCR rollout broadly comprise the following key elements:

- capital expenditure associated with the deployment of on-channel repeaters – these costs are being wholly covered through the auction revenues that were received by the JVCs as part of the auction of excess-capacity access entitlements and have not been recovered as part of the access fees charged to content services providers;
- operational expenditure associated with site access arrangements for the OCRs – these costs relate primarily to the cost of leasing tower or rooftop space (and associated facilities, such as co-location space) – these costs are recoverable as part of the access fees; and
- other operational expenditure, such as operations and maintenance services, electricity, air-conditioning and other related expenses, which together support the on-going supply of OCR services.

While the capital expenditure associated with the OCR project has been funded from auction revenue and therefore is not subject to the pricing principles in Schedule 2 of the access agreement (as these costs will not be included within access fees), the JVCs have nonetheless taken a prudent approach to incurring these categories of cost.

In particular, the JVCs have procured the OCR equipment and related services using a competitive tendering method, with the selection of vendor made having regard to the total cost of ownership over the economic life of the assets. For the initial eleven OCR sites, the RFP responses from potential suppliers were reviewed, with the Digital Technical Advisory Committee (**DTAC**) choosing the preferred supplier for each procurement category. Based on this process, contracts have been awarded to:

- Polar Electronics for transmit and receive antenna supply;
- to Omincast for the rack of equipment;
- BroadcastOne for the OCR installation works in Brisbane and Sydney;
- Agile Broadcast for the OCR installation works in Melbourne and Perth; and
- Clearbox for network management systems.

These contracts make up more than half of the \$3.2m OCR budget.

Therefore, even though the efficient cost principles are not directly applicable to the capital costs associated with the OCR project, the JVCs consider that these capital costs have been incurred in accordance with clause 3.3(a) of Schedule 2 of the access agreement.

The JVCs also submit that the operational costs associated with the OCR project have been incurred in accordance with clause 3.3(b) of Schedule 2 of the access agreement.

The OCR sites have been chosen on the basis of their location within or adjacent to identified black spots, using a combination of coverage planning tools, field measurements and anecdotal experience, so as to allow for infill coverage of these black spots and therefore meet expected demand and to maintain the quality, reliability and security of supply of the multiplex transmission service. The location of each OCR site has been approved by DTAC.

The site access arrangements between the JVCs and tower/rooftop owners have been entered into on an arm's length basis. Leasing costs for access to these sites have been commercially determined, using the prevailing market rate applicable to the relevant location and standard rent review mechanisms. Similarly, other items of operational expenditure, such as electricity costs, have been acquired using standard procurement methods to ensure that costs are kept to a minimum.

The following table summarises the site access agreements that have been entered into by the JVCs to date (or which will shortly be finalised):

Site location	Site owner
Mount Mee, Brisbane	MH and RN Couch (Landowner), Broadcast Australia Pty Ltd and Digital Distribution Australia Pty Ltd
Campbelltown, Sydney	Crown Castle Australia Pty Ltd
Collaroy, Sydney	Crown Castle Australia Pty Ltd and the Warringah Council
Centrepont, Sydney	Vertical Telecoms Pty Ltd
Newport, Sydney	Crown Castle Australia Pty Ltd (Sydney Water contract is pending)
Redfern, Sydney	Lawson Square Pty Ltd
Winmalee, Sydney	ARN Communications Pty Ltd
Bacchus Marsh, Melbourne	Crown Castle Australia Pty Ltd
Fishermans Bend, Melbourne	Crown Castle Australia Pty Ltd
Melbourne CBD (101 Collins St), Melbourne	JRD Rentals Pty Ltd
Central Park, Perth	Crown Castle Australia Pty Ltd
Mindarie, Perth	Crown Castle Australia Pty Ltd

In light of the above, the JVCs are not aware of any non-compliance with the efficient cost principle contained within the pricing principles in Schedule 2 of the access agreement.

1.5 Weighted Average Cost of Capital

During the 2012-2013 financial year, the JVCs used a post-tax weighted average cost of capital (**WACC**) of 8.17% for the purpose of determining access fees. This is the WACC that has been used since 1 October 2011.

The specific parameters used by the JVCs to calculate the WACC during the 2012-2013 financial year are summarised below:

Parameter	Value
Gearing	30%
Nominal risk free rate	5.56%
Inflation	2.52%
Real risk free rate	2.97%
Equity beta	0.83
Gamma	0.45
MRP	6.00%
Nominal return on equity (post-tax)	10.53%
Cost of debt	9.49%
Cost of equity	11.5%
Vanilla post-tax WACC	10.22%
Officer post-tax WACC	8.17%

1.6 Calculation of access fees

Clause 4.1 of Schedule 2 of the access agreement provides that the JVCs will levy fixed recurring charges based on the amount of multiplex capacity allocated to an access seeker, regardless of whether such capacity is used.

Clause 4.2 establishes a formula for the conversion of the JVCs annualised costs into an annual fixed recurring charge, based on the following formula:

$$\text{AFRC} = \text{AC} \times \text{BMC}/\text{TMC}$$

Where:

AFRC is the annual fixed recurring charge.

AC is the annualised costs derived under clause 3 of Schedule 2 of the access agreement.

BMC is the amount of multiplex capacity allocated to the relevant access seeker.

TMC is the total amount of multiplex capacity allocated to all access seekers by the JVC.

The access fees payable by access seekers for the 2012-2013 financial year for standard access entitlements is set out below.

Price changes in all of the BSA radio areas took effect at the beginning of 1 October 2012. The changes were made in accordance with clause 5.2(a) of Schedule 2 of the access agreement, which allows the JVCs to review the fees payable by access seekers to ensure consistency with the pricing principles established in Schedule 2 of the access agreement.

The adjustment in the fees payable reflects the increased operating costs incurred by the JVCs in the 2012-2013 financial year, particularly site access fees, leasing costs and maintenance costs for the operation of OCRs. Access seekers received notice of the changes in accordance with clauses 5.2(c) and 5.2(f) of Schedule 2 of the access agreement.

The figures below are the access fees paid by the access seekers for the 2012-2013 financial year.

The figures below are exclusive of GST.

BSA Radio Area	Access Seekers	Q3 2012 Access Fee (per 32 Kbps, per quarter)	Q4 2012 Access Fee (per 32 Kbps, per quarter)	Q1 2013 Access Fee (per 32 Kbps, per quarter)	Q2 2013 Access Fee (per 32 Kbps, per quarter)	Total Access Fee paid 2012-2013 financial year (per 32 Kbps)
1. Adelaide	5AD Broadcasting Company Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Austereo Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Festival City Broadcasting Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Nova 91.9 Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Southern State Broadcasters Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Triple M Adelaide Pty Limited	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
	Digital Community Broadcasters	\$5,811	\$5,451	\$5,451	\$5,451	\$22,163
2. Brisbane (Channel 9A and 9B)	ARN Communications Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Brisbane FM Radio Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Broadcasting Station 4IP Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Nova 106.9 Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Radio 4BH Brisbane Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Radio 4BC Brisbane Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270

BSA Radio Area	Access Seekers	Q3 2012 Access Fee (per 32 Kbps, per quarter)	Q4 2012 Access Fee (per 32 Kbps, per quarter)	Q1 2013 Access Fee (per 32 Kbps, per quarter)	Q2 2013 Access Fee (per 32 Kbps, per quarter)	Total Access Fee paid 2012-2013 financial year (per 32 Kbps)
	Today FM Brisbane Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Triple M Brisbane Pty Limited	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
	Digital Community Broadcasters	\$4,739	\$4,510	\$4,510	\$4,510	\$18,270
3. Melbourne (Channel 9A and 9B)	3UZ Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	ARN Broadcasting Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Austereo Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Double T Radio Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Malbend Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Nova 100 Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Radio 1278 Melbourne Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Radio 3AW Melbourne Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Triple M Melbourne Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Classic Rock 91.5FM Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
	Victorian Radio Network Pty Limited	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219

BSA Radio Area	Access Seekers	Q3 2012 Access Fee (per 32 Kbps, per quarter)	Q4 2012 Access Fee (per 32 Kbps, per quarter)	Q1 2013 Access Fee (per 32 Kbps, per quarter)	Q2 2013 Access Fee (per 32 Kbps, per quarter)	Total Access Fee paid 2012-2013 financial year (per 32 Kbps)
	Digital Community Broadcasters	\$4,477	\$5,247	\$5,247	\$5,247	\$20,219
4. Perth	Consolidated BC Sys WA	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	Perth FM Radio Pty Ltd	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	DMG Radio Perth Pty Ltd	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	Radio Perth Pty Ltd	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	Radio 96FM	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	Radio 6PR Perth Pty Ltd	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
	Digital Community Broadcasters	\$5,669	\$6,999	\$6,999	\$6,999	\$26,665
5. Sydney	2KY Broadcasters Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	ARN Communications Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Commonwealth Broadcasting Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Harbour Radio Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Nova 96.9 Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Radio 2CH Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Radio 2SM Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Radio 2UE Sydney Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512

BSA Radio Area	Access Seekers	Q3 2012 Access Fee (per 32 Kbps, per quarter)	Q4 2012 Access Fee (per 32 Kbps, per quarter)	Q1 2013 Access Fee (per 32 Kbps, per quarter)	Q2 2013 Access Fee (per 32 Kbps, per quarter)	Total Access Fee paid 2012-2013 financial year (per 32 Kbps)
	Today FM Sydney Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Triple M Sydney Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Classic Rock 95.3 FM Pty Limited	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512
	Digital Community Broadcasters	\$4,666	\$6,615	\$6,615	\$6,615	\$24,512

Accordingly, the JVCs are not aware of any non-compliance with clause 5 of Schedule 2 of the access agreement in the 2012-2013 financial year.

2 Compliance with standard access obligations

Section 118NL of the Radiocommunications Act imposes standard access obligations on the JVCs, which in turn require the JVCs to supply multiplex capacity to those content service providers that hold standard access entitlements.

The process for the implementation of standard access entitlements is set out in section 118NQ of the Radiocommunications Act. Clause 6.3 and 6.4 of the access agreement provides the contractual basis for the implementation of these legislative requirements.

The JVCs have made standard access entitlements available with the incumbent commercial broadcasters pursuant to section 118NQ of the Radiocommunications Act and clause 6.3 of the access agreement.

Section 118NR(2) of the Radiocommunications Act also requires that the JVCs reserve two-ninths of multiplex capacity under each digital radio multiplex transmitter licence for digital community broadcasters that are nominated by the digital community radio broadcasting representative company to claim the standard access entitlement. This requirement is reflected in clause 6.4(b) of the access agreement.

The JVCs have met this requirement by allocating standard access entitlements to digital community broadcasters in the 2012-2013 financial year pursuant to access agreements with digital community broadcasters nominated by the Representative Company, as executed in the 2010-2011 financial year. These access agreements expired on 31 December 2012 but the JVCs and all access seekers continue to comply with the access agreement on an informal basis.

The JVCs have made available standard access entitlements to all digital community broadcasters that have been nominated by the Representative Company as being eligible to acquire multiplex capacity in the designated BSA radio area.

The JVCs are not aware of any non-compliance with their standard access obligations for the 2012-2013 financial year.

3 Compliance with excess-capacity access obligations

3.1 Excess-capacity access obligation

Section 118NM of the Radiocommunications Act imposes excess-capacity access obligations on JVCs, which in turn require the JVCs to supply multiplex capacity to those content service providers that hold excess-capacity access entitlements acquired in accordance with section 118NT of the Radiocommunications Act.

Clause 7 of the access agreement provides the contractual basis for the implementation of the excess-capacity access entitlements.

The JVCs have made excess-capacity access entitlements available to incumbent commercial broadcasters pursuant to section 118NT of the Radiocommunications Act and clause 7 of the access agreement. Further details are available in the 2009-2010 annual report.

No further excess capacity access entitlements were allocated to content service providers in the 2012-2013 financial year.

The JVCs have made available excess-capacity access entitlements to all content service providers that are eligible to acquire the associated multiplex capacity in the designated BSA radio area.

The JVCs are not aware of any non-compliance with their excess capacity access obligations for the 2012-2013 financial year.

4 Compliance with non-discrimination obligation

Section 118NP of the Radiocommunications Act prohibits discrimination by the JVCs between content service providers that have access to multiplex capacity in relation to the following:

- the technical and operational quality of the services supplied to the content service providers; and
- the technical and operational quality and timing of the fault detection, handling and rectification supplied to the content service providers.

This obligation is also reflected in clause 9.3 of the access agreement.

The JVCs are not aware of any non-compliance with their non-discrimination requirements. In particular, the JVCs have supplied the multiplex transmission service on an identical basis to all

access seekers from a technical and operational quality perspective, including in respect of fault detection, handling and rectification.

This covers the supply of both standard access entitlements and excess-capacity access entitlements.

5 Changes to membership

There were no changes to the membership of any of the JVCs during the 2012-2013 financial year.

The membership of the JVCs (including the percentage of shareholdings) is set out in Attachment 2.

6 Authorisation of third party users

Section 114(1) of the Radiocommunications Act provides that the JVCs may, by written instrument, authorise a third party to operate radiocommunications devices under the licence.

During the 2012-2013 financial year, the JVCs have not authorised any third parties to operate radiocommunications devices under this section.

Attachment 1 – List of JVCs submitting this annual report

This annual report for 2012-2013 has been submitted by the following entities:

- Digital Radio Broadcasting Adelaide Pty Ltd (ACN 128 742 772) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901330
- Digital Radio Broadcasting Brisbane Pty Ltd (ACN 1280742 950) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901423 and 1901424
- Digital Radio Broadcasting Melbourne Pty Ltd (ACN 128 742 898) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901421 and 1901422
- Digital Radio Broadcasting Perth Pty Ltd (ACN 128 742 638) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901331
- Digital Radio Broadcasting Sydney Pty Ltd (ACN 128 742 978) – Foundation Category 1 Digital Radio Multiplex Transmitter Licence Number 1901419 and 1901420.

Attachment 2 – JVC membership for 2012-2013 financial year²

Digital Radio Broadcasting Adelaide Pty Ltd	Number of shares	Shareholding percentage
5AD Broadcasting Company Pty Limited	13,000	16.66%
Austereo Pty Limited	13,000	16.66%
Festival City Broadcasting Pty Limited	13,000	16.66%
Nova 91.9 Pty Limited	13,000	16.66%
Southern State Broadcasters Pty Limited	13,000	16.66%
Triple M Adelaide Pty Limited	13,000	16.66%
Total	78,000	100%

Digital Radio Broadcasting Brisbane Pty Ltd	Number of shares	Shareholding percentage
ARN Communications Pty Limited	10,000	12.50%
Brisbane FM Radio Pty Limited	10,000	12.50%
Broadcasting Station 4IP Pty Limited	10,000	12.50%
Nova 106.9 Pty Limited	10,000	12.50%
Radio 4BH Brisbane Pty Limited	10,000	12.50%
Radio 4BC Brisbane Pty Limited	10,000	12.50%
Today FM Brisbane Pty Limited	10,000	12.50%
Triple M Brisbane Pty Limited	10,000	12.50%
Total	80,000	100%

Digital Radio Broadcasting Melbourne Pty Ltd	Number of shares	Shareholding percentage
3UZ Pty Limited	7,000	9.09%

² Please note that shareholdings have been rounded to 2 decimal places.

Digital Radio Joint Venture Companies

ARN Broadcasting Pty Limited	7,000	9.09%
Austereo Pty Limited	7,000	9.09%
Double T Radio Pty Limited	7,000	9.09%
Malbend Pty Limited	7,000	9.09%
Nova 100 Pty Limited	7,000	9.09%
Radio 1278 Melbourne Pty Limited	7,000	9.09%
Radio 3AW Melbourne Pty Limited	7,000	9.09%
Triple M Melbourne Pty Limited	7,000	9.09%
Classic Rock 91.5FM Pty Limited	7,000	9.09%
Victorian Radio Network Pty Limited	7,000	9.09%
Total	77,000	100%

Digital Radio Broadcasting Perth Pty Ltd	Number of shares	Shareholding percentage
Consolidated Broadcasting System (W.A.) Pty Limited	13,000	16.67%
DMG Radio (Perth) Pty Limited	13,000	16.67%
Perth FM Pty Limited	13,000	16.67%
Radio 6PR Pty Limited	13,000	16.67%
Radio 96FM Perth Pty Limited	13,000	16.67%
Radio Perth Pty Limited	13,000	16.67%
Total	78,000	100%

Digital Radio Broadcasting Sydney Pty Ltd	Number of shares	Shareholding percentage
2KY Broadcasters Pty Limited	342,425	9.27%
ARN Communications Pty Limited	416,964	11.29%
Commonwealth Broadcasting Pty Limited	416,964	11.29%
Harbour Radio Pty Limited	7,000	0.19%
Nova 96.9 Pty Limited	416,964	11.29%

Digital Radio Joint Venture Companies

Radio 2CH Pty Limited	7,000	0.19%
Radio 2SM Pty Limited	416,964	11.29%
Radio 2UE Sydney Pty Limited	416,964	11.29%
Today FM Sydney Pty Limited	416,964	11.29%
Triple M Sydney Pty Limited	416,964	11.29%
Classic Rock 95.3 FM Pty Limited	416,964	11.29%
Total	3,692,137	100%