



MEDIA RELEASE

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SOUTHERN STAR ACQUIRES 75% OF UK PRODUCER DARRALL MACQUEEN

Southern Star Entertainment UK plc, a wholly owned UK subsidiary of Southern Cross Broadcasting (Australia) Limited, today announced that it has acquired 75% of the equity in prominent UK independent children's program producer, Darrall Macqueen Limited.

Darrall Macqueen's two current principals and respected program producers, Maddy Darrall and Billy Macqueen, will remain with the company as executive directors and will retain a joint 25% interest.

Darrall Macqueen supplies interactive children's programming to UK broadcasters including the BBC (*Smile and U Get Me*) and ITV (*Feel the Fear and Play the Game*).

Commenting on the acquisition, Southern Star Group Chief Executive, Hugh Marks, said:

"Darrall Macqueen has great people and a good reputation as a producer of quality children's programming. They have a strong production and development slate and, with our backing and international relationships, are well placed for growth within the UK and internationally."

"From Southern Star's perspective, this acquisition is consistent with our growth strategy of making small acquisitions of UK-based production houses to further diversify our production operations."

Billy Macqueen and Maddy Darrall said *"We are proud of the Darrall Macqueen business that we have built up over the last 5 years and believe that, with the support of Southern Star, we have the opportunity to explore more multi-platform opportunities, grow the business and expand into other genres and markets"*.

The acquisition will be funded out of cash reserves and is expected to be EPS accretive.

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