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MACQUARIE AUSTRALIA CONFERENCE PRESENTATION & TRADING UPDATE

SYDNEY, 6 May 2015: Fairfax Media Limited [ASX:FXJ] Chief Executive Officer Greg Hywood will today deliver a presentation at the Macquarie Australia Conference in Sydney.

Presentation slides are attached.

Commentary will be lodged separately with the ASX.

Trading Update

The presentation contains updated FY15 H2 revenue trends for the Company for the period 1 January 2015 to 26 April 2015 (versus same period in the prior year):

Overall group revenues for continuing businesses are up just under 1% for the 1 January 2015 to 26 April 2015 period compared to the prior corresponding period.

While this is pleasing, it is important to note that we continue to incur costs to take advantage of growth opportunities.

Continuing businesses (which is not like-for-like) includes 100% of MMP (from February 2015) and 100% of the Macquarie Radio Network (from April 2015). 96FM has been excluded from FY15 and FY14 results following its divestment.

Revenues across our current reporting segments:

- Metro Media, which includes Domain, is up around 7%.
    - Publishing revenues are down 7%.
    - Domain's overall revenue is up 54% including the benefit of acquisitions (MMP from February 2015 and Allhomes from October 2014), with its total digital business up around 32% and domain.com.au up around 27%.
- Australian Community Media is down around 8%.
- New Zealand is up less than 0.5% including currency benefit.
- Radio is up 9% on a continuing business basis which excludes 96FM (which has been sold) and includes four weeks of the combined Macquarie Radio Network.

– ENDS –

Contact:

Brad Hatch
Director of Communications
+61 2 9282 2168

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//6 MAY 2015

MACQUARIE AUSTRALIA CONFERENCE

GREG HYWOOD, CEO
DAVID HOUSEGO, CFO

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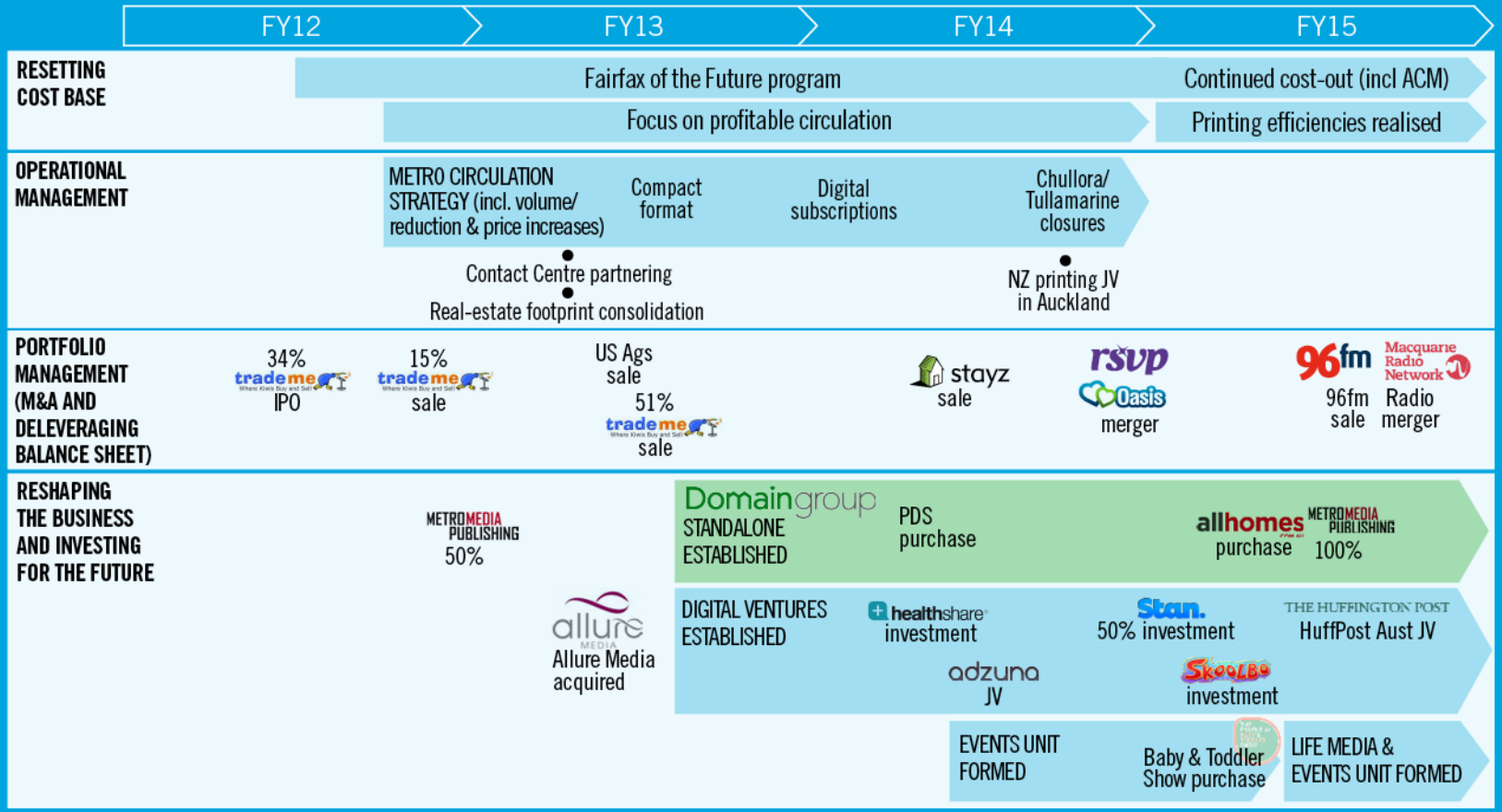
TRANSFORMATION MILESTONES



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FAIRFAX MEDIA TRANSFORMATION

Building a stronger, more diversified media business

COST BASE REDUCTION	EMPLOYEE NUMBERS	PRINTING CAPACITY UTILISATION	REDUCTION IN NET DEBT	INVESTMENT	TOTAL AUDIENCE
-20%	-26%	40% →90%	$1.16bn	$250m+	10.5m

Notes (L-R): **Image 1 –** Cost reduction initiatives (Fairfax of the Future and ACM transformation) as a percentage of FY12 cost base; **Image 2 –** December 2014 versus December 2011; **Image 3 –** Capacity utilisation of Sydney and Melbourne printing plants before and after the closure of Chullora and Tullamarine; **Image 4 –** December 2014 versus December 2011; **Image 5 –** January 2012-January 2014; **Image 6 –** emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+.

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“TRANSFORMING OUR BUSINESSES

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AUSTRALIAN METRO MEDIA

// LEADING METROPOLITAN NEWSPAPERS AND DIGITAL MEDIA

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AUSTRALIAN METRO MEDIA

Optimising print while growing core digital business and building value

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CIRCULATION REVENUE
+29%

DIGITAL SUBSCRIBERS
158k+

PUBLISHING OPERATING COSTS
-25%

ADJUSTED EBITDA
+29%

PRINT ADVERTISING % TOTAL REVENUE
34%

The Sydney Morning Herald
smh.com.au

AUSTRALIA'S NO.1 MASTHEAD AUDIENCE
5.2m

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – As at 9 February 2015; **Image 3** – Six months to December 2014 versus six months to December 2011; **Image 4** – Six months to December 2014 versus six months to December 2011; **Image 5** – Six months to December 2014; **Image 6** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+.

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DOMAIN GROUP

// REAL ESTATE MEDIA AND SERVICES

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DOMAIN GROUP

Investing to build a stronger real estate media and services business

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AGENT SUBSCRIBER PENETRATION	LISTINGS MARKET PENETRATION	MOBILE APP DOWNLOADS	TOTAL AUDIENCE	DIGITAL REVENUE GROWTH	DIGITAL EBITDA GROWTH
92%	82%	+268%	4m	99%	115%

Notes (L-R): **Image 1** – As at March 2015; **Image 2** – As at March 2015; **Image 3** – March 2015 versus March 2012; **Image 4** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+; **Image 5** – Six months to December 2014 versus six months to December 2011; **Image 6** – Six months to December 2014 versus six months to December 2011.

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LIFE MEDIA & EVENTS

// LIFESTYLE MEDIA ASSETS AND EVENTS

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LIFE MEDIA & EVENTS

Turbocharging travel, health, food, parenting and motoring products and events business

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EVENTS REVENUE
+79%

GROWTH IN NUMBER OF CONSUMER EVENTS
13→23

GROWTH IN PARTICIPANT NUMBERS
+2m

EMPLOYEE NUMBERS
210%

LIFE MEDIA AUDIENCE
4.6m

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – 12 months to June 2015 versus 12 months to June 2013; **Image 3** – 12 months to June 2015 versus 12 months to June 2013; **Image 4** – April 2015 versus April 2012; **Image 5** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+, Internal Social Media reports.

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DIGITAL VENTURES

// PORTFOLIO OF DIGITALLY-FOCUSED ASSETS

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DIGITAL VENTURES

Creating value through investment in digital opportunities and portfolio management

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stayz

SALE OF STAYZ FOR 16.8X EBITDA MULTIPLE

$220m

TOTAL INVESTMENTS

$32m

Stan.

STAN HAS THE LARGEST CONTENT LIBRARY

6,089

STAN HOURS STREAMING PER MONTH

1.5m+

STAN GROSS SIGN-UPS TRACKING TO

200k

TARGETED ACTIVE SUBSCRIBERS BY DECEMBER 2015

300k -400k

Notes (L-R): **Image 2** – Excludes investment in Stan; **Image 3** – Hours of TV series and movies, Gyde Benchmark April 2015.

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AUSTRALIAN COMMUNITY MEDIA

// LEADING RURAL AND REGIONAL NEWSPAPERS AND DIGITAL MEDIA

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AUSTRALIAN COMMUNITY MEDIA

Building a modern, stronger rural and regional media network

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ANNUALISED COST SAVINGS TARGET BY FY16	EMPLOYMENT ADVERTISING	OPERATING COST REDUCTION	PRINT READERSHIP	DIGITAL AUDIENCE	NEWSNOW DIGITAL AUDIENCE UPLIFT
$60m	-56%	-17%	2.5m	1.2m	+40%

Notes (L-R): **Image 2** – Six months to December 2014 versus six months to December 2011; **Image 3** – Six months to December 2014 versus six months to December 2011; **Images 4 and 5** – emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Feb 2015, Nielsen Online Ratings Feb 2015 people 14+ only. Last four weeks. Nielsen Online Ratings Feb 2015, Ppl 2+; **Image 6** – Average digital audience uplift achieved to date following implementation of NewsNow editorial system and processes.

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NEW ZEALAND MEDIA

// LEADING NZ NEWSPAPERS AND DIGITAL MEDIA

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NEW ZEALAND MEDIA

Investing to grow digital while maximising value in print

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COSTS	PRINT ADVERTISING MARKET SHARE	NZ AUDIENCE PENETRATION	STUFF.CO.NZ DIGITAL RANKING	STUFF.CO.NZ MOBILE RANKING	STUFF.CO.NZ AUDIENCE GROWTH
-13%	+0.5%	80%	No.5	No.1	+64%

Notes (L-R): **Image 1** – Six months to December 2014 versus six months to December 2011; **Image 2** – 12 months to December 2014 versus 12 months to December 2012, SMI Datamonitor; **Image 3** – New Zealanders 15+, Nielsen CMI Q1-Q4 2014; **Image 4** – Nielsen Online Ratings March 15 Monthly Unique Audience 2+ including applications; **Image 5** – Nielsen Market Intelligence Dec 14 (Mobile); **Image 6** – Nielsen Online Ratings March 15 versus March 12.

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MACQUARIE RADIO NETWORK

// LEADING NATIONAL NEWS, TALK, SPORT AND MUSIC RADIO NETWORK

RADIO

Creating stronger national News, Talk and Sport radio network with leading stations in Sydney and Melbourne

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2GB 873AM

SYDNEY RANKING

No.1

3AW693

MELBOURNE RANKING

No.1

TOTAL AUDIENCE

2.3m

ANNUALISED MERGER SYNERGY BENEFITS

up to $15m

CASH PROCEEDS FROM 96FM SALE

$78m

Notes (L-R): **Image 1** – GfK Survey 2, 2015; **Image 2** – GfK Survey 2, 2015; **Image 3** – GfK Survey 2, 2015.

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THE ROAD AHEAD

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THE ROAD AHEAD

Develop and build on core strengths, invest and continue transformation

GROW

- Strengthen Domain Group
- Grow verticals (e.g. Life Media & Events)
- Realise full potential of Radio business

TRANSFORM

- Continue the transformation of the publishing business on the print to digital journey
- Deliver efficiencies
- Maintain cost discipline

INVEST

- Develop new growth verticals (e.g. Stan)
- Leverage balance sheet strength

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TRADING UPDATE

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TRADING UPDATE

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Q&A

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THANK YOU

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