



MARKET ANNOUNCEMENT

APN ACQUIRES 96FM IN PERTH TO COMPLETE ARN'S NATIONAL KIIS FM NETWORK

SYDNEY, 22 December 2014 – APN News & Media Limited [ASX, NZX: APN] today advised it has reached agreement with Fairfax Media Limited [ASX: FXJ] to acquire Perth radio station 96FM for \$78 million.

The acquisition, which is subject to FIRB approval, will be funded by cash and existing debt facilities and is due to complete in February 2015. The company was advised by Grant Samuel.

96FM will be integrated into APN's Australian Radio Network (ARN) completing a five capital city offering, making ARN the number 1 Metropolitan Radio Network* in Australia. 96FM will become part of ARN's newly formed KIIS network and will open up even more national opportunities for advertisers and drive further growth, delivering the largest national audience in the commercially important 25-54 year old market.

APN chief executive officer Michael Miller said: "The acquisition of 96FM continues APN's emphasis on investing in growth assets and demonstrates our belief in radio as a growth medium. ARN's leadership team continues to deliver above market growth and we believe that they will deliver strong ratings and revenue growth for 96FM."

ARN chief executive officer Ciaran Davis said: "We are well positioned to benefit from the addition of 96FM as we know the business well, having represented its national sales for six years. Its integration into the KIIS network provides the perfect foundation for ARN to offer a truly unique national offering across all five metro markets, sitting alongside our successful Pure Gold network. As agencies and advertisers attempt to cope with the ever increasing diversification, fragmentation and sophistication of media campaigns, the KIIS network sales proposition will provide the largest listener reach and easy to implement integrated solutions."

ABOUT 96FM

96FM is a successful radio operator in the Perth market. It prides itself on being truly local and being the station that 'keeps real music alive'. Targeting 25-54 year olds provides an audience pool which is highly attractive to local and national advertisers.

ABOUT ARN

ARN is one of the leading broadcasters in Australia with ownership or investments in 12 radio stations nationwide. It has a very strong position in the commercially lucrative 25-54 year old demographic. Its brands KIIS, Pure Gold, iHeartRadio, and The Edge96.ONE entertain and influence over four million listeners across Australia.

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In 2014 KIIS 1065 was launched with Kyle & Jackie O in Sydney and immediately went to #1 (FM). In 2015 the KIIS network will be launched nationally with KIIS 101.1 in Melbourne with Matt Tilley & Jane Hall in Breakfast and Dave 'Hughesy' Hughes & Kate Langbroek in national Drive. The KIIS network will incorporate the Sydney and Melbourne stations, Adelaide's #1 FM Mix102.3, Brisbane's #1FM 97.3FM and Perth's 96FM.

ARN also launched iHeartRadio, the world's fastest growing digital service, to the Australian market in 2013 and the platform has had over 500,000 downloads. iHeartRadio is a free, all-in-one digital radio service and live events platform that lets audiences listen to their favourite live stations across Australia, New Zealand and the USA. Listeners can also create commercial-free custom stations, and find the best audio casts to create personalised daily custom talk stations.

-ENDS-

For further information:

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*Source: GFK Metro Radio Ratings, Surveys 1-7 2014, 10+ Share, M-S 05:30am-12 midnight (SMBAP)