



MARKET ANNOUNCEMENT

APN DIVESTS ITS AUSTRALIAN REGIONAL MEDIA DIVISION, ARM

Sydney, 21 June, 2016 – APN News & Media Limited [ASX, NZX: APN] today announced it had entered into binding documentation to divest its Australian Regional Media division (“ARM”) to News Corp Ltd for \$36.6 million.

ARM is a leading publisher in regional Queensland and Northern New South Wales that includes a portfolio of 12 daily newspapers, 60 community newspapers and non-daily publications, and over 30 regional news websites and mobile sites.

News Corp is an APN shareholder and currently holds 14.9% in APN. As a result APN shareholders will be required to vote on the proposed sale, which is anticipated to be held in August 2016. The transaction is also conditional on ACCC and FIRB approval, together with the consent of certain counterparties to the ARM business.

Net proceeds from the sale will predominantly be used to pay down existing APN debt.

The Chairman of APN, Mr Peter Cosgrove, described the divestment as another significant milestone in APN pivoting its future towards radio and outdoor media assets which hold great potential for the future.

“The divestment of ARM is an historic day for the company as APN has been the custodian of some wonderful newspapers whose community roots go back over 150 years. We are now passing that ownership onto another media group with deep publishing experience across regional Australia.

“The future of APN looks bright. On the back of the NZME demerger that was overwhelmingly supported by our shareholders last week, we will be a more nimble media company purely focused on growing our media assets of radio and outdoor,” Mr Cosgrove said.

CEO of APN, Mr Ciaran Davis, said the APN management team was executing on a clear strategy to own and invest in its highly successful radio business and growing outdoor division.

“Radio and Outdoor are terrific mediums for advertisers. The sectors are growing, they are complementary, and they have both led innovation in the media industry across the digital sector,” Mr Davis said.

Ends.

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