

Fairfax

New Zealand Ltd

Media Release

30TH July 2004

FAIRFAX NZ WELL PREPARED FOR COMPETITION

Fairfax NZ is delighted with the progress its business has made over the last year and is well-placed and well-prepared to meet new competition in Auckland.

Fairfax NZ Chief Executive Officer Brian Evans said: "We see significant opportunities for extending our franchises and growing our share of the Auckland advertising market and overall, and we will vigorously pursue them."

Mr Evans said the APN announcement was the worst-kept secret in New Zealand publishing history, and Fairfax was fully prepared.

Mr Evans added: "We have and continue to have the only major national newspapers. The Sunday Star-Times and Sundays News provide national readership, unlike the apparent aim of the APN publication, which appears to be an Auckland product."

Nearly one million New Zealanders 10 years plus read a Fairfax Sunday newspaper and of those nearly two thirds do not read the Weekend Herald, in a typical week.*

"The new publication will apparently be a tabloid circulated in Auckland and should not be compared with two truly national newspapers.

"Fairfax has an established, award-winning quality broadsheet in the Sunday Star-Times plus a stablemate in the Sunday News which has well-established support across the country."

He noted that readers had supported improvements to the Sunday Star-Times over the past year, including the recently-launched Sunday magazine, "which has added a fantastic new read and dimension to New Zealand's leading Sunday newspaper".

The Sunday Star-Times has increased markedly in circulation in recent years and has been vying with the Auckland-based Herald for the position of largest circulation in New Zealand.

Fairfax New Zealand Ltd is New Zealand's largest media company, publishing nine daily newspapers in New Zealand plus New Zealand's two Sundays newspapers and the news and information website www.stuff.co.nz. In addition Fairfax New Zealand Ltd publishes a range of other weeklies and national magazines, including TV Guide and NZ House & Garden, operates New Zealand's largest magazines distribution business and publishes over 50 community newspaper titles in New Zealand.

An Auckland section in the Sunday Star-Times, About Town, had grown dramatically and this weekend will comprise 48 pages, with more development to come.

“The Sunday Star-Times has increased its popularity to the point where it won Qantas Newspaper of the Year – beating all other newspapers including dailies – this year.

Mr Evans also said: “Our Suburban newspapers, which are very well-established local publications providing an excellent service to readers, have performed superbly since our purchase.

“We are the leading Suburban publisher in New Zealand and proud of our position in Auckland where we are by far the major provider of local news to communities right across the region.”

The Suburban publications had lifted significantly in performance in comparison to their failed rival, The Aucklander.

"We are committed to protecting and enhancing the value of our investment and publishing franchises," Mr Evans said.

Brian Evans CEO Fairfax New Zealand Ltd, (09) 358-0369 / 021-401-134

or

John Boyd Donovan Boyd Communications, (09)379-2121/021-733-561

*NMR National Readership Survey Jan-Dec 2003.