

John Fairfax Holdings Limited
Appendix 4E
Preliminary final report for the year ended 30 June 2004

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Results for announcement to the market for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

			Change \$' 000	to	2004 \$' 000
Revenue from ordinary activities	up	45%	556,999	to	1,782,966
Profit from ordinary activities after tax attributable to members	up	120%	150,489	to	276,014
Net profit for the period attributable to members	up	120%	150,489	to	276,014

	Amount per security	Franked amount per security
Dividends (distributions)		
30 June 2004		
Final dividend – ordinary securities	11.0¢	11.0¢
Final dividend – preference securities	3.6696¢	3.6696¢
Interim dividend – ordinary securities	5.5¢	5.5¢
Interim dividend – preference securities	3.6732¢	3.6732¢
Record date for determining entitlements to the dividend	28 September 2004	
30 June 2003		
Final dividend – ordinary securities	8.0¢	8.0¢
Final dividend – preference securities	3.3159¢	3.3159¢
Interim dividend – ordinary securities	5.0¢	5.0¢
Interim dividend – preference securities	3.3341¢	3.3341¢

Statement of Financial Performance for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	Note	2004 \$' 000	2003 \$' 000
Revenues from ordinary activities, excluding interest income	2	1,773,368	1,216,645
Share of net profits of associates and joint ventures	2	1,408	1,231
Expenses from ordinary activities, excluding depreciation and borrowing costs	3	(1,341,815)	(947,409)
Profit from ordinary activities before depreciation, interest income, borrowing costs and income tax		432,961	270,467
Depreciation and amortisation	3	(85,306)	(69,209)
Profit from ordinary activities before interest income, borrowing costs and income tax		347,655	201,258
Interest income	2	9,598	9,322
Borrowing costs	3	(81,492)	(32,811)
Profit from ordinary activities before income tax expense		275,761	177,769
Income tax benefit/(expense) relating to ordinary activities		1,012	(52,023)
Net profit		276,773	125,746
Net profit attributable to outside equity interest		(759)	(221)
Net profit attributable to members of the Company*	9	276,014	125,525
Net increase in asset revaluation reserve		523	1,885
Net exchange difference on translation of financial report of foreign controlled entities		18,783	272
Share issue costs	8	(1,806)	(7,943)
Total revenues, expenses and valuation adjustments attributable to members of the Company and recognised directly into equity		17,500	(5,786)
Total changes in equity other than those resulting from transactions with owners		293,514	119,739
Basic earnings per share (cents)**	10	29.07	14.38
Diluted earnings per share (cents)**	10	28.81	14.38

*** Net profit attributable to members of the Company comprises:**

Ongoing operations		207,644	125,525
Significant items net	4	68,370	-
		276,014	125,525

** The 30 June 2003 comparative has been restated in accordance with AASB 1027 "Earnings per Share" for the adjustment factor relating to the Dividend Reinvestment Plan (DRP) issue during the year ended 30 June 2004.

Statement of Financial Position as at 30 June 2004

John Fairfax Holdings Limited and controlled entities

	Note	2004 \$' 000	2003 \$' 000
Current assets			
Cash assets		28,105	19,446
Receivables		270,662	257,481
Inventories		42,079	40,903
Other financial assets		683	1,008
Tax assets		6,887	221
Total current assets		348,416	319,059
Non-current assets			
Receivables		3,268	2,239
Investments accounted for using the equity method	6	8,129	7,031
Other financial assets		24,538	34,745
Property, plant and equipment		780,416	819,726
Intangible assets		2,314,919	2,203,888
Tax assets		51,504	39,463
Total non-current assets		3,182,774	3,107,092
Total assets		3,531,190	3,426,151
Current liabilities			
Payables		255,017	278,634
Interest-bearing liabilities	11	43,289	645,608
Provisions		50,649	49,500
Total current liabilities		348,955	973,742
Non-current liabilities			
Non interest-bearing liabilities		109	972
Interest-bearing liabilities	11	1,074,352	574,154
Deferred tax liabilities		1,654	60,418
Provisions		37,372	35,103
Total non-current liabilities		1,113,487	670,647
Total liabilities		1,462,442	1,644,389
Net assets		2,068,748	1,781,762
Equity			
Contributed equity	8	1,357,668	1,229,492
Reserves		26,402	7,096
Retained profits	9	679,817	540,852
Total parent entity interest in equity		2,063,887	1,777,440
Total outside equity interest		4,861	4,322
Total equity		2,068,748	1,781,762

Statement of Cash Flows for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	2004 \$' 000	2003 \$' 000
Cash flows from operating activities		
Receipts from customers	1,926,595	1,337,086
Payments to suppliers and employees	(1,551,823)	(1,060,087)
Redundancy and severance payments	(16,925)	(17,578)
Dividends and unit trust income received	3,544	527
Interest received	9,598	9,322
Borrowing costs paid	(76,310)	(32,550)
Net income taxes (paid)/received	(75,978)	17,632
Net cash provided by operating activities	218,701	254,352
Cash flows from investing activities		
Payment for property, plant & equipment	(43,660)	(187,185)
Proceeds from sale of property, plant & equipment	4,567	5,813
Payment for investments	(643)	(4,632)
Proceeds from sale of investments	1,149	1,946
Purchase of The Text Media Group Limited (net of cash acquired)	(65,456)	-
Payment for mastheads and tradenames and working capital of the New Zealand publishing business of Independent Newspapers Limited	-	(938,693)
Payment for other mastheads and tradenames	(443)	-
Loans and deposits repaid	328	303
Net cash (used) in investing activities	(104,158)	(1,122,448)
Cash flows from financing activities		
Proceeds from issues of shares*	76,253	366,631
Transaction costs from issue of shares	(1,806)	(7,943)
Dividends paid*	(83,320)	(104,837)
Proceeds from borrowings	550,166	666,903
Repayment of borrowings and other financial liabilities	(647,177)	(40,511)
Net cash (used in)/provided by financing activities	(105,884)	880,243
Net increase in cash held	8,659	12,147
Cash at the beginning of the financial year	19,446	7,299
Cash at the end of the financial year	28,105	19,446

* Under the terms of the DRP, \$53.729 million (2003: nil) of dividends were paid via the issue of 16,079,597 shares (2003: nil). A cash dividend payment of \$64.963 million was made to shareholders that did not elect to participate in the DRP. 19,389,618 shares were issued to UBS Warburg Limited for the underwriting of this dividend payment.

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

1. Change in accounting policies

The accounting policies have been applied consistently by each entity in the consolidated entity and are consistent with those of the previous year.

Certain comparative figures have been restated to conform with changes in presentation for the current year.

	Note	2004 \$' 000	2003 \$' 000
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2. Revenue from ordinary activities

Revenue from operating activities

Revenue generated from sale of:

Newspapers	1,519,551	1,044,825
Magazines	168,862	114,652
Other	59,542	37,991

1,747,955 1,197,468

Revenue from rendering of services

17,942 10,891

Dividend income:

Other corporations 658 200

Distributions from unit trusts

1,097 327

Underlying operating revenue from ordinary activities

1,767,652 1,208,886

Revenue from non-operating activities

Proceeds from sale of property, plant and equipment

4,567 5,813

Proceeds from sale of investments and controlled entities

1,149 1,946

1,773,368 1,216,645

Interest income:

Other persons / corporations 9,598 9,322

Total revenue from ordinary activities

1,782,966 1,225,967

Share of associate's and joint ventures net profit accounted for using the equity method

6 1,408 1,231

3. Expenses from ordinary activities

a) Expenses by nature

Staff costs excluding staff redundancy costs	572,904	399,707
Newsprint and paper	252,494	201,013
Distribution and other production costs	207,978	131,562
Promotion and advertising costs	62,808	42,968
Write-down of non-current assets	1,089	4,745
Cost of disposals	4,771	5,642
Staff redundancy costs	18,113	8,012
Rent and outgoings	31,276	22,946
Repairs and maintenance	18,751	14,103
Communication costs	15,043	10,150
News services	10,654	7,080
Computer costs	10,872	7,445
Fringe benefits tax	7,315	4,838
Other expenses from ordinary activities	127,747	87,198

Total expenses before borrowing costs, depreciation and amortisation

1,341,815 947,409

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	2004 \$' 000	2003 \$' 000
3. Expenses from ordinary activities (cont)		
b) Detailed expense disclosures		
Interest expense:		
Other persons / corporations	74,816	26,009
Finance charges on capitalised leases	6,676	6,802
Total borrowing costs	<u>81,492</u>	<u>32,811</u>
Depreciation of freehold property	4,453	3,102
Depreciation of plant and equipment	79,312	64,505
Amortisation of leasehold property	1,315	1,602
Amortisation of goodwill	226	-
Total depreciation and amortisation	<u>85,306</u>	<u>69,209</u>
Cost of sales	574,330	454,336
Amounts provided for:		
Employee entitlements	47,978	38,133
Doubtful trade debts	2,182	(85)
Defamation	2,809	3,457
Total amounts set aside to provisions	<u>52,969</u>	<u>41,505</u>
Operating lease rental expense	20,701	16,791
c) Gains/(Losses)		
Net foreign exchange (loss)	(31)	-
Net profit on disposal of property, plant & equipment	1,008	2,020
Net (loss)/profit on disposal of other assets	(62)	97
4. Significant items		
Profit from ordinary activities before income tax includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the Consolidated entity:		
Editorial redundancies	(5,747)	-
Income tax benefit applicable	1,724	-
Staff redundancy and other items associated with the closure of Spencer Street printing operations	(14,794)	-
Income tax benefit applicable	4,438	-
Effect of entry into tax consolidations	82,749	-
Net significant items after tax	<u>68,370</u>	<u>-</u>
Significant items before income tax	(20,541)	-
Income tax benefit	88,911	-
	<u>68,370</u>	<u>-</u>

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	2004 \$' 000	2003 \$' 000
5. Dividends paid and proposed		
Dividends paid during the year		
Fully franked interim dividend of 5.5 cents per share / debenture paid 6 April 2004 (2003: 5.0 cents fully franked, paid 12 March 2003)	49,050	36,755
Fully franked final dividend of 8.0 cents per share / debenture paid 14 November 2003 (2003: 7.0 cents fully franked, paid 17 October 2002)	69,642	51,457
Fully franked PRESSES dividend of \$3.6732 per share paid 12 December 2003 (2003: \$3.3341 fully franked, paid 12 December 2002)	9,183	8,335
Fully franked PRESSES dividend of \$3.6696 per share paid 11 June 2004 (2003: \$3.3159 per share franked, paid 12 June 2003)	<u>9,174</u>	<u>8,290</u>
Total franked dividends paid	9 <u>137,049</u>	<u>104,837</u>

Dividends proposed and not recognised as a liability

Since the balance date the directors have declared a final dividend of 11.0 cents per fully paid ordinary share fully franked at the corporate tax rate of 30%. The aggregate amount of the final dividend to be paid on 21 October 2004 out of the retained profits at 30 June 2004, but not recognised as a liability at the end of the year is expected to be \$99.8 million.

Franking credits available

Franking credits available total approximately \$399.3 million. On a tax paid basis this results in a franking account balance of \$171.1 million. From this amount \$42.8 million franking credits will be used to pay a fully franked dividend of \$99.8 million on 21 October 2004.

Dividend reinvestment plan

John Fairfax Holdings Limited introduced a Dividend Reinvestment Plan (DRP) to eligible shareholders during the year ended 30 June 2004. The DRP commenced with the payment of the final dividend for the year ended 30 June 2003 made on 14 November 2003 and payment of the interim dividend for the year ended 30 June 2004 paid on 6 April 2004.

The DRP will include the payment of the final dividend for the year ended 30 June 2004 to be paid on 21 October 2004. The last date for the receipt of an election notice for participation in the plan for the final dividend is 28 September 2004.

Under the terms of the DRP eligible shareholders are able to reinvest their dividends in additional Fairfax shares, free of any brokerage or other transaction costs. Shares are issued and/or transferred to DRP participants at a predetermined price, less any discount that the directors may elect from time to time. The 2.5% discount applied to the two previous dividends will apply to the final dividend for the year ended 30 June 2004. Directors have resolved however, that the discount for subsequent dividends will be 0% unless otherwise determined by Directors in the future.

The DRP issue price in relation to the final dividend for the year ending 30 June 2004 will be based on the arithmetic average of the daily volume weighted average sale price of John Fairfax Holdings Limited shares traded on the stock exchange from 30 September 2004 to 14 October 2004 inclusive, excluding any trades that do not qualify under the terms of the DRP, less the 2.5% discount rounded to the nearest cent.

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

2004	2003
\$'000	\$'000

6. Investments accounted for using the equity method

Carrying amount of investment in associates	(a)	6,930	7,031
Carrying amount of investment in joint ventures	(b)	1,199	-
		8,129	7,031

(a) Interest in associates

Name	Ownership interest	
	2004	2003
Australian Associated Press Pty Limited (AAP)	44.7%	44.7%
Newspaper House Limited	45.5%	44.5%
New Zealand Press Association Limited	36.9%	36.9%
Times Newspapers Limited	50.0%	50.0%

Principal activities

The principal activities of AAP are operating the business of a news agency, disseminating news and information to media and business communities, providing and maintaining communications networks and facilities, and developing communications technology.

The principal activity of Newspaper House Limited is the owning of property.

The principal activities of New Zealand Press Association Limited are operating the business of a news agency and financial information service.

The principal activity of Times Newspapers Limited is newspaper publishing.

	2004	2003
	\$'000	\$'000
Share of associates' profit		
Share of associates' profit before income tax	1,624	1,759
Share of associates' income tax (expense) attributable to profit	(487)	(528)
Share of associates' net profit	1,137	1,231
Contribution to net profit	1,137	1,231

(b) Interest in joint ventures

Name	Ownership interest	
	2004	2003
Text Pacific Pty Limited	50.0%	-
Victorian Lifestyle Property Pty Limited	50.0%	-

Principal activities

The principal activities of Text Pacific Pty Limited are to publish custom, corporate and events publications.

The principal activity of Victorian Lifestyle Property Pty Limited is to publish a lifestyle and property magazine focusing on regional Victoria.

	2004	2003
	\$'000	\$'000
Share of joint ventures' profit		
Share of joint ventures' profit before income tax	389	-
Share of joint ventures' income tax (expense) attributable to profit	(118)	-
Share of joint ventures' net profit	271	-
Contribution to net profit	271	-

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	2004 \$' 000	2003 \$' 000
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7. Capitalised borrowing costs

During the year ended 30 June 2004, borrowing costs of \$nil (2003: \$10.9 million) were capitalised into capital works.

8. Contributed equity

Shares

906,856,578 (2003: 867,457,363) ordinary shares

Fully paid	1,115,717	987,541
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Preferred Reset Securities Exchangeable for Shares

2,500,000 (2003: 2,500,000)

	241,951	241,951
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Debentures

281 (2003: 281) debentures fully paid

	*	*
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Total issued capital

	<u>1,357,668</u>	<u>1,229,492</u>
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* Amount is less than \$1000

Movements in issued capital during the financial year

	2004 Number	2003 Number	2004 \$' 000	2003 \$' 000
Shares				
Balance at the beginning of the financial year	867,457,363	735,099,595	987,541	628,853
Shares issued – institutional placement	-	110,264,939	-	305,434
Shares issued – share purchase plan	-	21,944,829	-	60,787
Shares issued – dividend reinvestment plan	35,469,215	-	118,692	-
Shares issue costs	-	-	(1,806)	(7,943)
Converted from options (i)	3,930,000	148,000	11,290	410
Balance at the end of the financial year	<u>906,856,578</u>	<u>867,457,363</u>	<u>1,115,717</u>	<u>987,541</u>
Preferred Reset Securities Exchangeable for Shares (PRESSES)				
Balance at the beginning of the financial year	2,500,000	2,500,000	241,951	241,951
PRESSES issued	-	-	-	-
Issue costs	-	-	-	-
Balance at the end of the financial year	<u>2,500,000</u>	<u>2,500,000</u>	<u>241,951</u>	<u>241,951</u>
Debentures				
Balance at the beginning of the financial year	281	281	*	*
Converted to shares	-	-	-	-
Balance at the end of the financial year	<u>281</u>	<u>281</u>	<u>*</u>	<u>*</u>

* Amount is less than \$1000

(i) Options exercised and converted to shares during the year:

2004 Exercise Date	2004 Number	2004 Issue Price	2003 Exercise Date	2003 Number	2003 Issue Price
Sep 2003	30,000	\$2.76	Jun 2003	148,000	\$2.77
Oct 2003	240,000	\$3.08			
Oct 2003	2,800,000	\$2.85			
Nov 2003	160,000	\$3.08			
Dec 2003	700,000	\$2.85			
	<u>3,930,000</u>			<u>148,000</u>	

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

	Note	2004 \$' 000	2003 \$' 000
9. Retained profits			
Balance at the beginning of the financial year		540,852	468,707
Net profit attributable to members of the Company		276,014	125,525
Adjustment arising from the initial adoption of accounting standard AASB 1044 Provisions, Contingent Liabilities and Contingent Assets		-	51,457
Total available for appropriation		816,866	645,689
Dividends paid	5	(137,049)	(104,837)
Retained profits at the end of the financial year		679,817	540,852
10. Earnings per share			
Earnings reconciliation - basic			
Net profit attributable to members of the Company:			
Before significant items		207,644	125,525
Less dividend paid on PRESSES		(18,357)	(16,625)
Basic earnings before significant items and associate profits		189,287	108,900
Net profit attributable to members of the Company:			
After significant items		276,014	125,525
Less dividend paid on PRESSES		(18,357)	(16,625)
Basic earnings after significant items and associate profits		257,657	108,900
Earnings reconciliation – diluted			
Net profit attributable to members of the Company:			
Before significant items		207,644	125,525
Less dividend paid on PRESSES		(18,357)	(16,625)
Diluted earnings before significant items and associate profits		189,287	108,900
Net profit attributable to members of the Company:			
After significant items		276,014	125,525
Less dividend paid on PRESSES		-	(16,625)
Diluted earnings after significant items and associate profits		276,014	108,900
Weighted average number of ordinary shares used in calculating basic EPS before and after significant items (000's)			
		886,319	756,246
Options		208	227
Weighted average number of ordinary shares used in calculating diluted EPS before significant items (000's)		886,527	756,473
PRESSES		71,386	-
Weighted average number of ordinary shares used in calculating diluted EPS after significant items (000's)		957,913	756,473
Basic earnings per share (cents) based on net profit attributable to members of the Company			
Before significant items**		21.36	14.38
After significant items**		29.07	14.38

Statement of Financial Position as at 30 June 2004

John Fairfax Holdings Limited and controlled entities

	2004	2003
	\$' 000	\$' 000
10. Earnings per share (cont)		
Diluted earnings per share (cents) based on net profit attributable to members of the Company		
Before significant items**	21.35	14.38
After significant items**	28.81	14.38

As at 30 June 2004, all potential ordinary shares (PRESSES and options) are dilutive and included in the diluted EPS calculation after significant items. In accordance with AASB 1027 "Earnings per Share", the Company has 71,385,689 potential ordinary shares (PRESSES) which are not dilutive and are not included in the diluted EPS calculation before significant items.

As at June 2003, the Company had 86,761,599 potential ordinary shares (PRESSES) which were not dilutive and were not included in the diluted EPS calculation before and after significant items.

** The 30 June 2003 comparative has been restated in accordance with AASB 1027 "Earnings per Share" for the adjustment factor relating to the Dividend Reinvestment Plan (DRP) issue during the year ended 30 June 2004

11. Interest-bearing liabilities

Current

Bank borrowings (unsecured)	36,393	639,000
Other borrowings (unsecured)	6,896	6,608
Total current interest-bearing liabilities	43,289	645,608

Non-current

Bank borrowings (unsecured)	1,019,930	519,589
Lease liability (unsecured)	54,422	54,565
Total non-current interest-bearing liabilities	1,074,352	574,154

The consolidated entity has access to a A\$550 million committed Syndicated Facility. This facility can be drawn or utilised until April 2009. This facility is drawn to A\$175 million. The interest rate for drawings under this facility is the applicable bank bill rate plus a credit margin.

The Company issued Senior Notes in the US private placement market with a principal value of US\$230 million (A\$339 million) in January 2004 with a fixed coupon of between 4.74% p.a. and 5.85% p.a payable semi-annually in arrears. The interest and principal on the Senior Notes are payable in US dollars and were swapped into floating rate New Zealand and floating rate Australian dollars with cross-currency swaps and were used to part repay the Acquisition Bridging Financing Facility established to finance the acquisition of Independent Newspapers Limited's New Zealand publishing assets and liabilities as at 30 June 2003. This issue of Senior Notes comprises of maturities ranging from January 2011 to January 2019. The weighted average maturity of the issue is approximately 11 years. The applicable cross-currency swap credit margin includes the cost of hedging all currency risk and future interest and principal repayments on a quarterly basis.

The balance of the acquisition bridging facility was refinanced with the Syndicated Facility (see above).

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

12. Net tangible assets per security

Net tangible asset backing per ordinary security	(55.2)¢	(78.0)¢
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13. Control gained over entities during the period

The consolidated entity gained control over The Text Media Group Limited on 12 January 2004, by acquiring 100% of the voting share capital.

14. Loss of control of entities during the period

The consolidated entity lost control over Text Publishing Company Pty Limited on 31 May 2004. The Text Publishing Company Pty Limited was the book publishing business acquired by the consolidated entity as part of the acquisition of The Text Media Group Limited.

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

15. Segment reporting

The economic entity operates predominantly in two geographic segments, Australia and New Zealand.

	Australia		New Zealand		Eliminations		Consolidated	
	2004	2003	2004	2003	2004	2003	2004	2003
	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000
Revenue								
Sales to customers outside the economic entity	1,274,871	1,197,468	473,084	-	-	-	1,747,955	1,197,468
Other revenue from customers outside the economic entity	16,198	19,177	9,215	-	-	-	25,413	19,177
Inter-segment revenue	-	-	-	-	-	-	-	-
Share of equity accounted profits	1,317	1,231	91	-	-	-	1,408	1,231
Total segment revenue	1,292,386	1,217,876	482,390	-	-	-	1,774,776	1,217,876
Interest revenue							9,598	9,322
Total revenue from ordinary activities							1,784,374	1,227,198
Result								
Segment result	214,688	201,258	132,967	-	-	-	347,655	201,258
Unallocated expenses							(71,894)	(23,489)
Consolidated profit from ordinary activities before income tax expense							275,761	177,769
Income tax benefit/(expense)							1,012	(52,023)
Consolidated profit from ordinary activities after income tax expense							276,773	125,746
Assets								
Segment assets	3,383,866	3,291,402	1,193,841	1,138,653	(1,104,908)	(1,043,588)	3,472,799	3,386,467
Unallocated assets							58,391	39,684
Total assets							3,531,190	3,426,151
Liabilities								
Segment liabilities	256,089	270,040	925,962	871,753	(838,904)	(777,584)	343,147	364,209
Unallocated liabilities							1,119,295	1,280,180
Total liabilities							1,462,442	1,644,389
Other segment information:								
Equity method investments included in segment assets	7,397	6,419	732	612	-	-	8,129	7,031
Acquisition of property, plant and equipment, intangible assets and other non-current assets	103,631	74,709	6,571	1,055,801	-	-	110,202	1,130,510
Depreciation	71,224	67,607	12,541	-	-	-	83,765	67,607
Amortisation	1,541	1,602	-	-	-	-	1,541	1,602
Non-cash expenses other than depreciation and amortisation	42,881	46,250	11,177	-	-	-	54,058	46,250

Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

16. Underlying trading performance

	As reported		Adjustments		Underlying trading performance			
	Note	2004 \$'000	2003 \$'000	Note	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Revenue	(i)	1,773,368	1,216,645	(vi)	(2,699)	(7,759)	1,770,669	1,208,886
Associate profits	(ii)	1,408	1,231		-	-	1,408	1,231
Expenses	(iii)	1,341,815	947,409	(viii)	(23,240)	(7,759)	1,318,575	939,650
EBITDA		432,961	270,467		20,541	-	453,502	270,467
Depreciation & amortisation	(iv)	85,306	69,209		-	-	85,306	69,209
EBIT		347,655	201,258		20,541	-	368,196	201,258
Net interest expense	(v)	71,894	23,489		-	-	71,894	23,489
Profit before tax		275,761	177,769		20,541	-	296,302	177,769
Tax expense/(benefit)		(1,012)	52,023	(vii)	88,911	-	87,899	52,023
Net profit		276,773	125,746		(68,370)	-	208,403	125,746
Net profit attributable to outside equity interest		759	221		-	-	759	221
Net profit attributable to members of the company		276,014	125,525		(68,370)	-	207,644	125,525

Notes:

- (i) Revenue from ordinary activities excluding interest income (Note 2).
- (ii) Share of net profits of associates and joint ventures (Note 2).
- (iii) Expenses from ordinary activities excluding depreciation and borrowing costs (Note 3(a)).
- (iv) Depreciation and amortisation (Note 3(b)).
- (v) Interest income (Note 2) less borrowing costs (Note 3(b)).
- (vi) Proceeds from the sale of property, plant and equipment, investments and controlled entities (Note 2) of (\$5,716) and significant revenue items of \$3,017.
- (vii) Effect of entry into tax consolidations and income tax on other significant items (Note 4).
- (viii) Significant cost items (Note 4) of (\$17,524) and proceeds from the sale of property, plant and equipment, investments and controlled entities (Note 2) of (\$5,716).


Notes to the Preliminary final report for the year ended 30 June 2004

John Fairfax Holdings Limited and controlled entities

Compliance statement

1. This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
2. This report, and the accounts upon which the report is based use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. This report is based on accounts to which one of the following applies.

<input type="checkbox"/>	The accounts have been audited.	<input type="checkbox"/>	The accounts have been subject to review.
<input checked="" type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have not yet been audited or reviewed.
5. The entity does have a formally constituted audit committee.

Sign here: 
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(Director)

Date: 26 August 2004
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Print name: Frederick G. Hilmer
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Commentary on results for the period

Refer to press release.