RURAL PRESS LIMITED
ABN 47 000 010 382

ASX ANNOUNCEMENT

RURAL PRESS LIMITED ACQUIRES RIVERINA MEDIA GROUP

Thursday, 3 May 2007

Rural Press Limited announced today that it has agreed to purchase the publishing and printing business and assets of Riverina Media Group (RMG) for a consideration of $64.5 million. Rural Press Limited will merge with Fairfax Media Limited (ASX:FXJ) from 9 May 2007.

RMG publishes 5 paid newspapers, 2 free newspapers plus monthly publications targeted at the seniors/over-55 market. RMG's flagship publications include *The Daily Advertiser*, based in Wagga Wagga, New South Wales, and the Seniors mastheads in five states of Australia.

Managing Director of Rural Press, Mr Brian McCarthy, said he was delighted with the purchase of this significant regional media group which will enhance the stable of Rural Press publications in New South Wales. In addition, the Seniors mastheads will provide a strong point of entry into this growing market segment.

The Daily Advertiser, which has a daily week day circulation of 12,655 and a Saturday circulation of 17,047, has been published since October 1868. *The Senior* is a full colour newspaper with a monthly free distribution of 364,000 throughout New South Wales, Queensland, Victoria, South Australia and Western Australia.

The Chairman of Riverina Media Group, Mr Greg Miller, said "while our departure is in many ways a sad occasion, we remain proud of and hold full confidence in the future of the publications and communities we have served over our sixty year involvement in the 138 year history of this group".

The transaction will be financed via current Rural Press debt facilities.

The acquisition will be EPS accretive in its first year of ownership.

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