



Fairfax Media
Annual General Meeting
10 November 2006
Address of Ronald Walker AC CBE

Good morning, ladies and gentlemen.

My name is Ronald Walker and I have the honour of being Chairman of your company – Australia’s oldest media business, spanning more than 175 years of service to readers in Australia and New Zealand.

I welcome our shareholders, my fellow directors and our employees, to the world’s most liveable city.

Rather than stand here today and make a long speech on our future, I have asked David Kirk, our CEO, and his team, to show you our future up on the stage in a few short minutes.

But first let me introduce my fellow colleagues:

Peter Young was until recently Chairman of Investment Banking for ABN AMRO in Australia and New Zealand and is an outstanding leader, whose skills and expertise are of great value to the Board.

Roger Corbett - is well known to you all, having recently retired from the helm of Woolworths and is renowned as Australia’s pre-eminent retailer and one of the country’s finest business leaders, with over forty years of experience. He is also on the Board of the Reserve Bank of Australia.

Sankar Narayan, our outstanding CFO, has made a significant contribution to all aspects of the business, its strategic direction, our growth and our cost disciplines, and we thank him.

Our CEO David Kirk has been with Fairfax for just over a year, before which he was CEO of PMP Limited, the largest magazine and commercial printing and media services company in Australia. David has enjoyed an extremely impressive and diverse career in business, politics and sport, and we are very proud of his achievements since he joined us.

Gail Hambly is our Group General Counsel and Company Secretary. She is one of the most able and accomplished corporate counsels in Australia, and has been with the company for thirteen years.

Deputy Chairman Mark Burrows has been on the board since 1996 and has served Fairfax with great distinction. He is Chairman of Lazard Australia, Deputy Chairman of Brambles Industries and Director of Burns Philp and of Carter Holt in New Zealand. Mark has had a long and distinguished career in Australia and the United Kingdom and was one of the principal participants in the creation of the Australia Securities Commission, now ASIC.

Julia King - joined the board in July 1995. With 80% of our revenues coming from advertising, it is good to have a director with such extensive media advertising experience. During her career, she worked at J Walter Thompson and Leo Burnett, and was Managing Director of Lintas Advertising in Australia.

David Evans' career in the media industry spans more than three decades, in the areas of free to air television, pay television, and television programming in the US, the UK and Australia. He was previously Executive Vice President of News Corporation and President of Fox Television and Chairman of the Hallmark Channel in the US with 60 million viewers.

I would also like to recognise Joan Withers, seated in the front row, who is CEO of Fairfax Media in New Zealand - a former director on our Board and a lady we are very proud of.
Ladies and Gentlemen - Welcome to our 2006 Annual General Meeting.

This is the third time we have met in this great city of Melbourne.

We are proud to be back in the home of The Age, the oldest newspaper in the State, spanning some 152 years of service to our community.

The Age has flourished in the past two years.

It is now run independently of Sydney by a great team headed up by Don Churchill, our Managing Director, and by our very feisty Editor in Chief, Andrew Jaspan who has achieved so much in such a short time.

The Age sets the news agenda in Melbourne. Sales are up every day of the week and as a result The Age is the fastest-growing paper by circulation in Australia today.

The Age will move to a new, high-tech, "green" building in the Docklands – a suitable home for a dynamic Melbourne institution.

So thank you Don and Andrew for another year of success and growth for The Age in Melbourne.

Ladies and Gentlemen, I am pleased to report to you this morning that Fairfax Media is a stronger, more dynamic and more modern media company than at any time in its history, and that we have an extremely bright future as a leading and growing media company.

Fairfax Media is evolving into a truly digital media company, with our content available in print and online, and on mobile devices.

And we are exploring prospects to extend our content and brands in other markets worldwide.

Ladies and Gentlemen, 2006 was a very important year for Fairfax Media.

Notwithstanding difficult economic conditions in New South Wales and Victoria, we were still able to deliver to our shareholders the highest ever ordinary dividend in our history.

Over the past year, your Board, together with our excellent and capable management team, led by David Kirk, have been very busy.

David's first year with us has been one of achievement, capable management and success.

We acquired the most significant internet business in New Zealand, Trade Me, founded and developed by an exceptional entrepreneur, Sam Morgan, and also the Border Mail in Albury Wodonga.

We also grew circulation and readership in all of our major newspapers which was quite a feat.

And as you will see shortly, we are moving forward aggressively with our Fairfax Digital businesses.

Headed by the new CEO Jack Matthews, Fairfax Digital had excellent revenue and earnings growth.

With shareholder value paramount, the Board is especially pleased to have declared a final dividend of 11.5 cents per share, fully franked, bringing the total dividends for the year to 19.5 cents, fully franked.

Ladies and Gentlemen, this is an increase of 5% over the regular dividends paid last year.

This also represents a payout ratio of 80%, notwithstanding the cyclical downturn in trading conditions that the company experienced.

I am indeed proud to say that Fairfax's future is extremely bright, given the unlimited horizons of the digital world of the 21st century.

Last year I pledged that during my watch as Chairman, I was committed to enhancing Fairfax's leading position in the industry, and I now hand over to David Kirk and his team who will unveil the great future of our company.

- ENDS -

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