

February 23, 2006

### **FAIRFAX BUYS THE INDEPENDENT AS LAUNCH BASE FOR SIGNIFICANT BUSINESS PUBLICATION**

*Statement made by Joan Withers, Chief Executive Officer, Fairfax New Zealand*

Fairfax New Zealand has purchased The Independent business newspaper for an undisclosed sum.

Fairfax will continue to operate The Independent as a business weekly under the editorship of current editor, Jenni McManus.

Under Fairfax's ownership and Ms McManus' editorial leadership, we will be looking to make The Independent the foremost business publication in New Zealand.

Fairfax will enhance the editorial content of The Independent with contributions from its talented pool of business journalists throughout New Zealand who work on Business Day, published in daily newspapers.

While remaining strongly New Zealand business oriented, The Independent will also draw on editorial content from the Australian Financial Review specifically tailored to New Zealand business interests.

As such the new Independent will provide the business community with unrivalled New Zealand and relevant trans Tasman business coverage.

With Australia becoming an increasingly important and valuable market, The Independent will fill an information void for New Zealand business.

We've thought about what business people in New Zealand want from a weekly business publication.

We believe they want comprehensive business coverage, and news and analysis that is perceptive and insightful.

We are aiming to provide that from the best quality business journalists in Australasia.

The Independent will continue to be published on a Wednesday.

Ms McManus is rightly regarded as New Zealand's most authoritative investigative business journalist, and without the added responsibility for running the business side of The Independent, she will be able to devote her full attention to editorial content.

The addition of a weekly business publication to our stable of titles is a logical extension for Fairfax New Zealand, and one we have been building towards for some time.

It supplements our Business Day product, which provides the most in depth national New Zealand business news coverage, and will sit alongside the Australian Financial Review, owned by our Australian parent.

When the opportunity presented itself to purchase a long established, award winning business publication, with the ability to retain the services of editor Jenni McManus, we put aside thoughts of starting up a weekly business publication.

Given the limited financial resources at its disposal, the success of The Independent over the years is testimony to the quality of its investigative reporting. We will use The Independent's current standing as the base from which to transition it into New Zealand's weekly equivalent of the Australian Financial Review.

The business side of The Independent will be the responsibility of new appointment Bernard Hickey, who is to become the Managing Editor, Business Publishing, Fairfax New Zealand. Mr Hickey will oversee liaison between The Independent, Business Day, the Australian Financial Review and our Online division to maximize resources and editorial output.

Ms McManus and Mr Hickey will undertake a thorough review of The Independent in coming months with a view to revitalising layout, content and style. Readers can expect to see the new look Independent in the second quarter of this year.

The addition of The Independent will also improve our ability to package attractive national advertising offers across dailies, Sunday newspapers, a weekly business publication, a wide range of quality magazines and Online outlets.

The acquisition will result in no editorial positions being made redundant. However, some business administration positions will be rationalized as the business side of The Independent is integrated with that of Fairfax New Zealand.

***Statement made by David Kirk, Chief Executive Officer, John Fairfax Holdings Limited***

Our acquisition of The Independent reflects our continuing commitment to enhancing the quality of the journalism we provide throughout New Zealand, and we are proud to have The Independent join our stable of mastheads. Under Fairfax New Zealand's leadership, The Independent will move to the forefront of business coverage in the country.

***Statement made by Michael Gill, Publisher and Editor in Chief, Fairfax Business Media***

Fairfax New Zealand is extremely well placed to create a business publication that will improve substantially the news and information experience of their specialist business audience. We are on firm ground already with the co-operative arrangement that exists between the NZ Business Day team and The Australian Financial Review and look forward to deepening that relationship through the new title and with additional support from BRW, AFR Smart Investor, CFO, Asset and MIS magazines.

***Statement made by Jenni McManus, Editor, The Independent***

When we launched The Independent on 9 September 1992, founding managing editor Warren Berryman said we were putting a new masthead on some old ideals.

“Our aim: to fill a vacuum in our market for a quality weekly financial newspaper; one that's part of the business community yet fiercely independent; a paper that's serious yet entertaining, daring, provocative, avant garde, democracy's watchdog; a crusader and a critic; essential reading for those playing a part in this country's political, economic and business affairs.”

Two years after Warren's death, we have handed ownership of The Independent's business to Fairfax, confident in the knowledge that those "old ideals" will continue to underpin the paper's commitment to quality investigative and analytical journalism. As Warren himself put it once, Fairfax are "decent publishers".

Along the way, The Independent has won dozens of journalism awards, trained a heap of young journalists who are now footing it with the finest in British and Australian newspapers, provoked a major Commission of Inquiry and done battle in the High Court against those who prefer a docile and compliant press.

None of this would have happened without the unerring support of our founding financial backer, Tony Timpson. A true champion of the free press, Tony has supported us for 14 years, through good times and bad

New Zealand journalism owes him a huge debt.

Fairfax has a strong reputation for having a solid wall between its editorial side and its business operations. It understands the editorial freedom on which The Independent has built its reputation is the foundation for the business – and that won't change.

Since Warren's death, I have been both editor and CEO of The Independent. It has been a tough call. Today I am happy to relinquish the administrative part of the job and return to what I do best – writing and editing the paper.

Under Fairfax, readers can be assured of the same commitment to cutting-edge business news, analysis and investigation that have been hallmark of The Independent since its inception.

We're committed to exposing the scams that have made this newspaper a force to be reckoned with, and to digging beneath the surface of business activity. As always, we aim to keep the record straight and the market informed.

Ends

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*Issued on behalf of Fairfax New Zealand by Network PR (Dennis Lynch). Phone 09 379 3154, 021 963 733.*

**Please note:** photos available on request from Simon Kenny 09 379 3154, 021 739 974.

- Joan Withers, Chief Executive Officer, Fairfax New Zealand, Jenni McManus, Editor, The Independent and Tony Timpson, The Independent's founding financial backer, at the signing of the agreement.
- Portrait of Bernard Hickey.