



## SOUTHERN STAR ANNOUNCES SALE OF UK-BASED CARNIVAL TO NBC UNIVERSAL

SYDNEY, Date: 20 August 2008:

Australia's largest independent television production and distribution group, Southern Star, today announced an agreement for NBC Universal to acquire Carnival Film & Television Ltd.

Southern Star first invested in Carnival in 1997 with a 40 per cent stake, which increased to a controlling shareholding of 75 per cent four years ago. The remaining 25 per cent is owned by Gareth Neame, the CEO of Carnival. Under the terms of the agreement, NBC Universal will acquire 100 per cent of the company as well as library and distribution rights to Carnival productions currently held by Southern Star. Southern Star will receive proceeds of approximately £22.5 million as a result of the transaction (or \$48.3 million at today's exchange rate).

"Carnival has been a very worthwhile production investment for us with some outstanding results over the last few years. The NBC Universal deal represents an opportunity for Southern Star to realise value from this recent growth and provides new options for Carnival's future" Southern Star CEO Hugh Marks said.

Southern Star Entertainment in the UK also owns renowned natural history and factual producer Oxford Scientific Film and leading children's and interactive producers Darrall Macqueen.

Carnival is a producer of quality scripted drama, with a strong production line-up for 2008, including *Hotel Babylon 4* (BBC), *Harley Street* (ITV), *Whitechapel* (ITV) and *Midnight Man* (ITV).

Carnival was founded in 1978 and has produced 400 hours of popular drama for TV, cinema and theatre including prestigious titles such as *Whistleblowers*, *Hotel Babylon (Series 1-3)*, *Traffik*, *The Grid*, *Rosemary & Thyme*, *Poirot* (1988-2003) and *Jeeves and Wooster*. The company has received more than 70 national and international awards and nominations including Academy Awards, BAFTA and RTS Awards. Carnival's clients include major UK broadcasters such as the BBC, ITV, Channel 4 and Sky.

The acquisition of Carnival represents NBC Universal's first acquisitive move since forming an international TV production division, headed by Angela Bromstad (President International TV Production), and is part of NBC Universal's efforts to expand its international business by building a production presence outside the US.

Peter Smith, President, NBC Universal International, said: "This exciting agreement represents a further step towards our goal of complementing our quality brands with the capacity to produce quality, compelling local TV content with global appeal".

The signed agreement is expected to close following receipt of customary regulatory approvals.

ends

### **About Southern Star**

Southern Star is Australia's largest independent television production and distribution group and one of the fastest growing production and distribution companies in the world. Southern Star's production activities are based in Australia, the UK, Singapore and it has sales offices in Sydney, London and Paris. Southern Star is wholly-owned by Fairfax Media Limited (ASX: FXJ).

### **About NBC Universal**

NBC Universal is one of the world's leading media and entertainment companies in the development, production, and marketing of entertainment, news, and information to a global audience. Formed in May 2004 through the combining of NBC and Vivendi Universal Entertainment, NBC Universal owns and operates a valuable portfolio of news and entertainment networks, a premier motion picture company, significant television production operations, a leading television stations group, and world-renowned theme parks. NBC Universal is 80% owned by General Electric and 20% owned by Vivendi.

-- ENDS --

#### Contacts:

Bruce Wolpe  
Director Corporate Affairs  
+61 2 9282 3640

Frank Sufferini  
General Manager Investor Relations  
+61 2 9282 3846