



INVESTOR BRIEFING

2016 HALF-YEAR RESULTS

19 FEBRUARY 2016

Fairfax Media

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AGENDA

OVERVIEW & CEO COMMENTARY

Greg Hywood

CURRENT TRADING ENVIRONMENT & OUTLOOK

Greg Hywood

GROUP FINANCIALS

David Housego

Q&A

Greg Hywood & David Housego

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4. Corporate
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10. Fairfax Audiences (2)
11. Fairfax Audiences (3)



OVERVIEW & CEO COMMENTARY



GREG HYWOOD, CEO

GROUP TRADING PERFORMANCE

	Trading Performance excluding significant items	Operations Closed / Disposals	Trading Performance for continuing businesses	Trading Performance for continuing businesses	Change
	FY16 H1			FY15 H1	
27 December 2015	\$m	\$m	\$m	\$m	%
Total revenue	958.1	-	958.1	932.3	2.8%
Expenses	(799.7)	-	(799.7)	(775.1)	(3.2%)
Operating EBITDA	161.1	-	161.1	157.9	2.0%
EBIT	126.4	-	126.4	124.4	1.6%
Net profit/(loss) attributable to members of the Company	79.8	-	79.8	81.6	(2.2%)
Earnings per share	3.4	-	3.4	3.5	(2.0%)

- Group revenue for continuing operations increased 2.8% to \$958.1m.
- Group expenses for continuing operations increased 3.2% to \$799.7m.
- Underlying EBITDA of \$161.1m increased by 1% and increased by 2% for continuing business.
- Underlying EBIT of \$126.4m increased 0.5% and 1.6% for continuing business.
- Operations Closed and Disposals in FY15 H1 were the Chullora and Tullamarine printing sites and 96FM.
- Net profit for continuing businesses of \$79.8m, down 2.2%.
- Interim dividend of 2¢ per share (50% franked).

STRONG DIVERSIFIED MEDIA PORTFOLIO

DRIVING CONVERSATIONS THAT MATTER, CREATING CONNECTIONS THAT COUNT
ACROSS LARGE, DIVERSIFIED AND QUALITY AUDIENCE

AUSTRALIAN METRO MEDIA

Leading metropolitan newspapers and digital media

DOMAIN GROUP

Real estate media and services

LIFE MEDIA & EVENTS

Lifestyle media assets and events

DIGITAL VENTURES

Portfolio of digitally-focused assets

AUSTRALIAN COMMUNITY MEDIA

Leading rural and regional newspapers and digital media

NEW ZEALAND MEDIA

Leading NZ newspapers and digital media

MACQUARIE MEDIA LIMITED

Leading national news, talk, sport and music radio network

The Sydney Morning Herald

Domain

CITY2SURF

weatherzone^o

HERALD

stuff.co.nz

2GB
87.5 FM

GPR882
87.5 FM

THE AGE

allhomes
com.au

Drive

THE HUFFINGTON POST

MERCURY

THE PRESS

3AW
633

Magic1278

FINANCIAL REVIEW

apm | PriceFinder

goodfood

allure
MEDIA

THE LAND

THE DOMINION POST

2UE
554

Magic882

brisbanetimes
com.au

CommercialRealEstate

openair
cinemas

Stan.

The Canberra Times

Waikato Times
As Waikato As It Gets

4BC
116



7.4M

Australians across print, web, mobile/tablet

5.2M

Australians across print, web, mobile/tablet

3.8M

Australians across print, web, mobile/tablet

2.2M

Allure Media business

3.9M

Australians across print, web, mobile/tablet

2.7M

New Zealanders across print, web, mobile/tablet

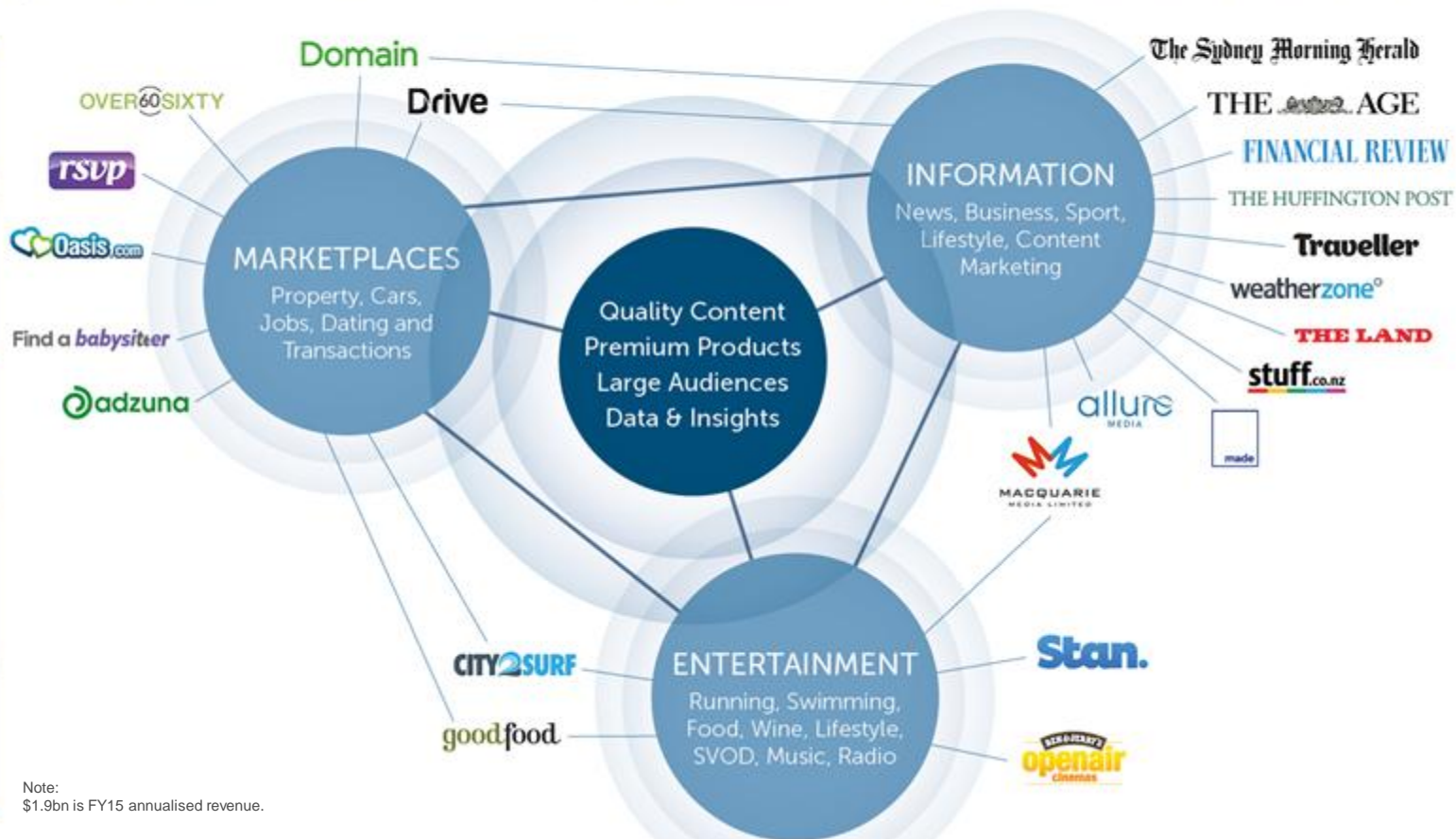
2.3M

Australian listeners

FAIRFAX MEDIA NETWORK

GENERATING \$1.9BN ACROSS MARKETPLACES, INFORMATION & ENTERTAINMENT ASSETS

- 11M AUSTRALIANS
- 2.5M EVENT PARTICIPANTS
- 3M NEW ZEALANDERS
- 2.3M AUSTRALIANS
- STAN SUBSCRIBERS



SEGMENT RESULT OVERVIEW

EXCLUDING SIGNIFICANT ITEMS

	Revenue			EBITDA		
	FY16 H1	FY15 H1	%	FY16 H1	FY15 H1	%
	A\$m	A\$m	change	A\$m	A\$m	change
Australian Metro Media	458.0	417.5	9.7%	97.2	84.7	14.7%
Australian Community Media*	257.1	282.6	(9.0%)	45.2	56.6	(20.1%)
New Zealand Media*	166.0	179.5	(7.6%)	27.6	31.3	(11.7%)
Radio	69.0	53.7	28.5%	12.0	8.8	35.9%
Corporate and Other	8.1	10.0	(19.7%)	(20.9)	(22.0)	4.9%
Total	958.1	943.3	1.6%	161.1	159.4	1.1%
New Zealand Media* \$NZD	182.4	197.0	(7.4%)	30.3	34.4	(11.9%)

- Reported group EBITDA increase of 1.1%, an increase of 2.0% on a continuing business basis.
- Reported group revenue increase of 1.6%, an increase of 2.8% on a continuing business basis:
 - Metropolitan Media revenues up 9.7%.
 - Domain digital revenue up 36.9%; Domain.com.au revenue up 38.2%.
 - Australian Community Media revenues down 9.0% (11.2% excluding external print revenue).
 - New Zealand (\$NZ) revenues down 7.4%.
 - Radio revenues up 28.5% (FY15 H1 includes FRN only, including six months of 96FM).

Note:
* Australian Community Media and New Zealand Media – Revenue includes external printing revenue (only included in the segment slide).

OUR STRATEGY

DEVELOP AND BUILD ON CORE STRENGTHS, INVEST AND CONTINUE TRANSFORMATION TO CREATE SHAREHOLDER VALUE



GROW

- Build and invest in Domain Group
- Grow verticals and leverage areas where we have competitive strengths and skills, e.g. Life Media & Events
- Realise full potential of restructured Radio business



TRANSFORM

- Continue the transformation of the publishing business on the print to digital journey
- Reshape the publishing model
- Continue to deliver efficiencies
- Maintain cost discipline



INVEST

- Develop new growth verticals (e.g. Stan)
- Pursue strategic opportunities
- Leverage balance sheet strength

DELIVERING OUR STRATEGY TO GROW

HIGHLIGHTS FROM FY16 H1 RESULT



DOMAIN GROUP

- 98% digital EBITDA growth (underlying +45%)
- 99% increase in average monthly visits
- 88% national listings penetration
- Acquisition of strategic stake in Homepass

LIFE MEDIA & EVENTS

- 16% revenue growth
- Drive.com.au JV with 112 Pty Ltd
- Acquisition of Openair Cinemas
- Investment in and development of fitness membership business Bodypass

MACQUARIE MEDIA

- Radio business realised cost efficiencies and implementing revenue synergies

GROW



DELIVERING OUR STRATEGY TO TRANSFORM

HIGHLIGHTS FROM FY16 H1 RESULT

GROUP DIGITAL REVENUE

- 20% growth

AUSTRALIAN METRO MEDIA

- 14% growth in digital subscription revenue
- 4% publishing cost improvement in H1
- \$61m cash from sale of Chullora & Tullamarine print sites

AUSTRALIAN COMMUNITY MEDIA

- 9% cost improvement in H1
- \$60m annualised cost reduction on track for FY16 delivery
- Well progressed with digital-first publishing roll-out
- 25% strategic stake in local social network Nabo

NEW ZEALAND MEDIA

- 43% digital revenue growth
- 7% cost improvement in H1
- 5% growth in Stuff.co.nz audience

TRANSFORM



DELIVERING OUR STRATEGY TO INVEST

HIGHLIGHTS FROM FY16 H1 RESULT



STAN

- Multi-year exclusive SHOWTIME deal
- 700,000+ households
- Approaching 400,000 active subscribers

DIGITAL PUBLISHING (DIGITAL VENTURES)

- Around 50% revenue growth
- Weatherzone 45% B2C revenue growth
- Allure Media launched new sites
- HuffPost Australia launch in August 2015

CAPITAL MANAGEMENT

- \$6.2m net cash balance sheet position at December 2015
- Completed on-market buy-back of 5% of FXJ issued capital for \$111.8m during calendar 2015

INVEST





SEGMENT RESULTS



GREG HYWOOD, CEO

AUSTRALIAN METRO MEDIA

INCLUDES THE AUSTRALIAN FINANCIAL REVIEW, THE SYDNEY MORNING HERALD, THE AGE AND PRINT CLASSIFIEDS (INCLUSIVE OF DOMAIN), ONLINE CLASSIFIEDS AND AUSTRALIAN NEWS AND TRANSACTION SITES

- Advertising revenue increased following acquisition of MMP and strong growth in Domain and Digital Ventures, somewhat offset by weak print advertising.
- Growth in digital subscriptions of 14.3% largely offset modest declines in print circulation.
- Increased costs reflect the consolidation of MMP costs and the ongoing operational investment in Domain, somewhat offset by publishing costs down 4%.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Advertising	287.3	248.6	15.6%
Circulation	113.8	115.2	(1.3%)
Other	56.9	53.7	6.1%
Total Revenue	458.0	417.5	9.7%
Associate profit (loss)	0.4	2.9	(87.7%)
Costs	(361.2)	(335.7)	(7.6%)
EBITDA	97.2	84.7	14.7%
EBIT	79.4	61.6	
EBITDA Margin	21.2%	20.3%	

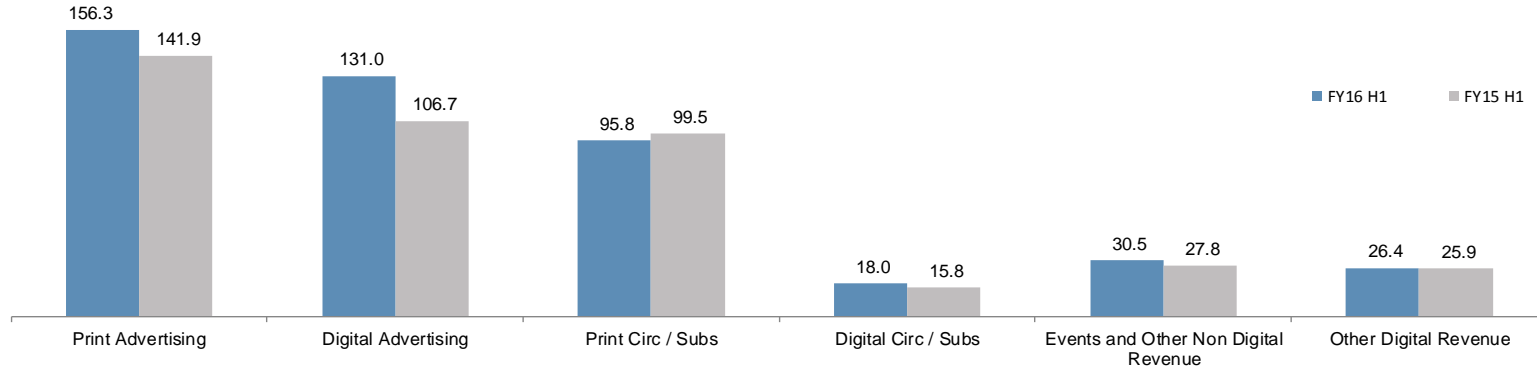
A

FY15 H1 \$0.6m moved from Other Revenue to Advertising Revenue.

Note:
1. Printing contribution nets off in costs.

AUSTRALIAN METRO MEDIA

REVENUE BREAKDOWN \$M



- Metro Print advertising revenue increased 10.1% reflecting acquisition of MMP, while Metro Digital advertising increased 22.8%.
- Digital Subscription revenue increased by 14.3% with around 162,000 paid digital subscribers across the SMH and The Age (as at 12 February 2016).
- Events / Other Non Digital Revenue includes growth in new events and the acquisition of Open Air Cinemas.

DOMAIN GROUP

DIGITAL INCLUDES DOMAIN ONLINE, APM PRICEFINDER, COMMERCE AUSTRALIA, COMMERCIAL REAL ESTATE, ALLHOMES AND REGIONAL. PRINT INCLUDES THE SYDNEY MORNING HERALD, THE AGE, THE CANBERRA TIMES AND MMP.*

- 37% digital revenue growth.
- Domain.com.au revenue growth of 38%. Depth revenue growth of 57% (75:25 depth/subscriber revenue split for FY16 H1).
- Continued investment in sales, product development and marketing. Excluding one-off costs in the prior period, underlying digital costs increased 30%.
- Digital EBITDA growth of 98% reflected strong revenue growth and investment in acquisitions; 45% growth excluding one-off costs in the prior period.
- Underlying print revenue decline of 5%.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Advertising - Print	54.8	22.1	147.5%
Advertising - Digital	99.1	72.4	36.9%
Total Revenue	153.9	94.5	62.8%
Associate profit (loss)	-	3.1	(100.0%)
Costs	(88.2)	(59.9)	(47.4%)
EBITDA	65.7	37.8	73.8%
EBITDA - Print	15.4	12.4	24.3%
EBITDA - Digital	50.3	25.4	97.9%
Margin - Print	28.1%	55.9%	
Margin - Digital	50.8%	35.1%	

Notes:

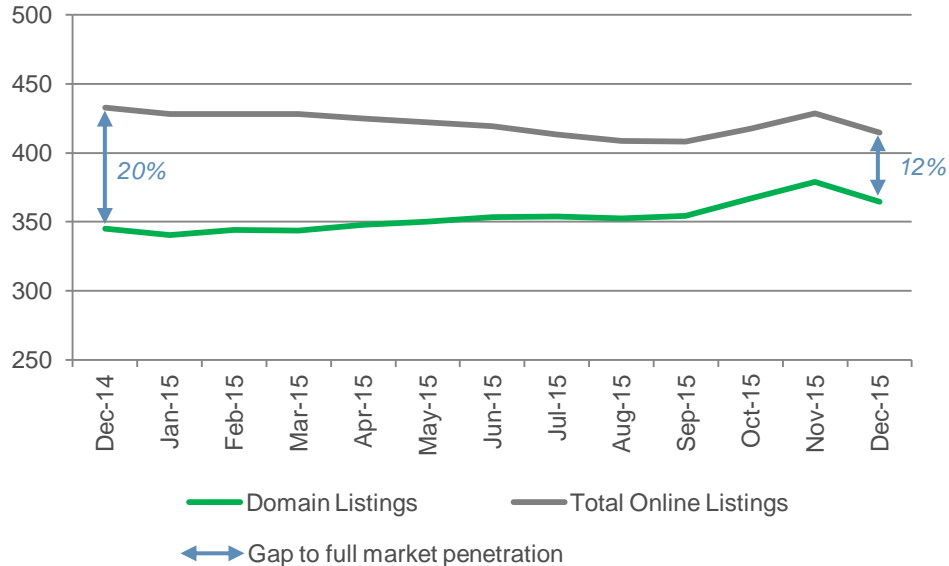
* Domain results are reported as part of the Metropolitan Media segment.

Domaingroup

DOMAIN GROUP

CONTINUED GROWTH IN AGENT SUBSCRIBERS AND ONLINE LISTINGS MARKET PENETRATION

Total Listings (k)



- 14% increase in Domain agent subscribers to 11,000.
- 6% increase in online listings to 364,000.
 - National online listings penetration at 88%, up from 80% in December 2014.
- Close to full listings market penetration in all key metro markets.
- Main listing gaps remain in regional Queensland and regional Victoria.

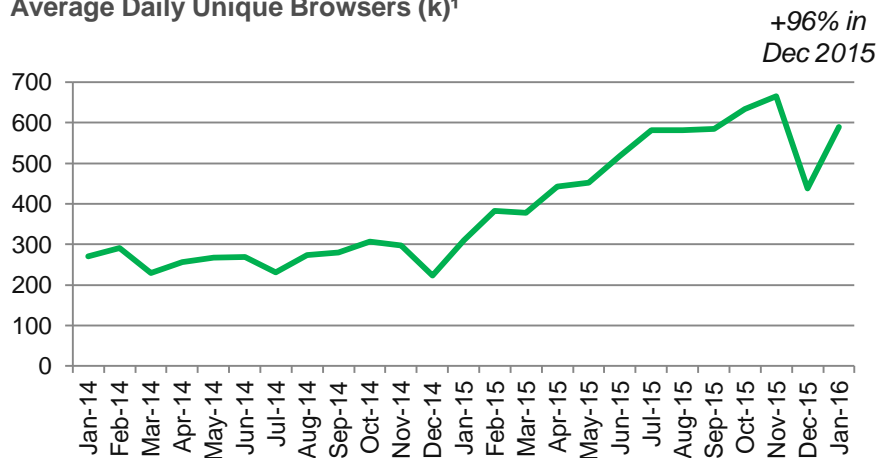
Note: ACT refers to Allhomes listings.
Source: Domain, Allhomes, APM PriceFinder.

Domaingroup

DOMAIN GROUP

DELIVERING SUSTAINED AND SUBSTANTIAL AUDIENCE GROWTH

Average Daily Unique Browsers (k)¹



- FY16 H1 saw step change in Domain's audience position with average daily UBs on main site and mobile site doubling from just under 300,000 in FY15 H1 to around 600,000.¹
- Highest average daily UBs on record in November 2015 at 665,000, up 124% on prior year.
- Domain is providing large, national audience reach, with exclusive audiences and growth in new digital channels. In November 2015²:
 - Domain reached 5.2 million people across its digital platforms and print publications.
 - Domain had an unique digital audience of 3.3 million people, of whom 1.1 million did not visit our main competitor's site.
- Domain has the highest number of followers on social media and highest engagement on Facebook of any property site in Australia.³

Notes:

1. Average Daily Unique Browsers for main site and mobile site for Domain (excludes apps). Source: Nielsen Online Market Intelligence (Home & Fashion Suite).

2. Source: emmaTM conducted by Ipsos MediaCT, people aged 14+ for the 12 months ending November 2015, Nielsen Online Ratings November 2015, people 14+ only. Includes allhomes.com.au.

3. Source: 466,000 followers across Facebook, Instagram, Twitter, Pinterest, LinkedIn, YouTube and Google+, as of 18 February 2016. Facebook engagement is Likes, Comments and Shares in the week to 17 February 2016 (source: Facebook Insights).

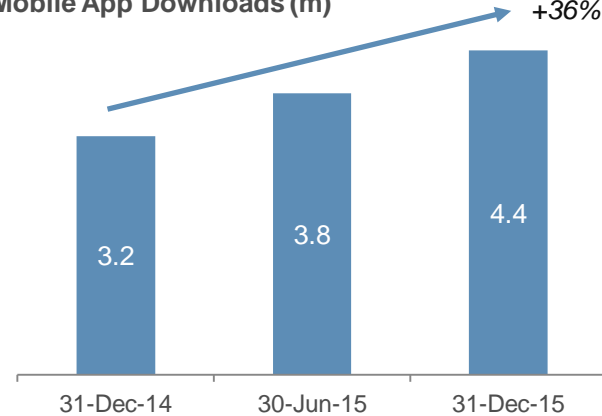
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DOMAIN GROUP

PRODUCT INNOVATION DRIVING SUBSTANTIAL AUDIENCE GROWTH

- Domain continues to have the highest consumer ratings for a property app in Australia.¹
- Investment in Homepass will provide the next evolution of Domain's consumer apps, with integration into agent CRM systems.
- Rebuild of Domain's iPad application.
- Launch of new mobile site for Allhomes, plus updated main site and mobile app.
- Full launch of Domain HomePriceGuide. More than 2 million people have used HomePriceGuide, helping them make more informed decisions about property.
- Integration of Google Now cards with suggested properties on Android.

Mobile App Downloads (m)



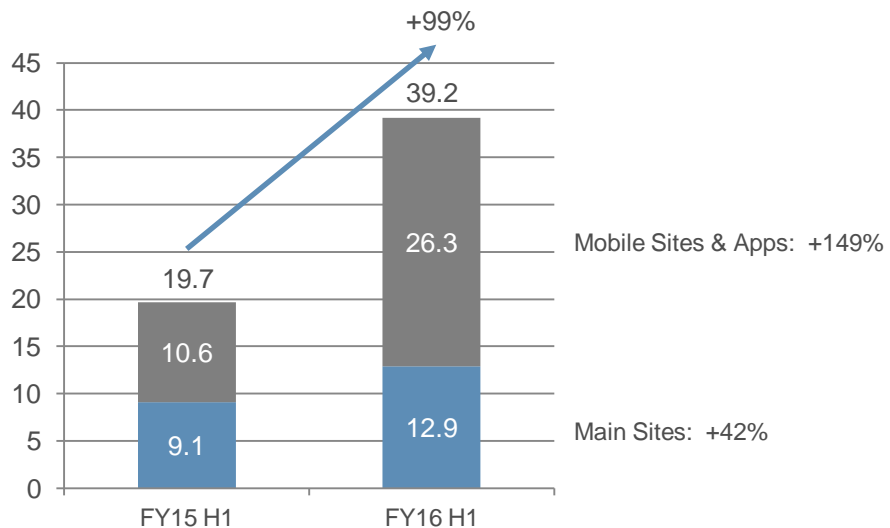
- Mobile app downloads increased 36% to 4.4 million at 31 December.²
- Additional 1.2 million app downloads during 2015.

Notes:
1. Based on consumer ratings in the App Store and Google Play for All Versions of property apps with more than 1,000 consumer reviews, as of 17 February 2016.
2. Mobile app downloads for Domain and Allhomes combined. Source: Appfigures.

DOMAIN GROUP

STEP CHANGE IN VISITS, DEMONSTRATING DEEP AUDIENCE ENGAGEMENT

Average Monthly Visits by Platform (m)¹



Notes:

1. Average monthly visits for domain.com.au, allhomes.com.au and commercialrealestate.com.au combined. Full six months of data included for Allhomes in FY15 H1 and FY16 H1 to provide like-for-like comparison. Data for Main Sites from Nielsen Online Market Intelligence Home & Fashion Suite (including international traffic to sites). Mobile Sites and Apps visits combined. Mobile Sites data from Nielsen Online Market Intelligence Home & Fashion Suite (including international traffic to sites). Mobile Apps data from Google Analytics (including international traffic to apps). FY15 H1 has been re-stated for Nielsen and Google Analytics changes.

2. Visits to Domain main site, mobile site and mobile app combined. Source: Google Analytics.

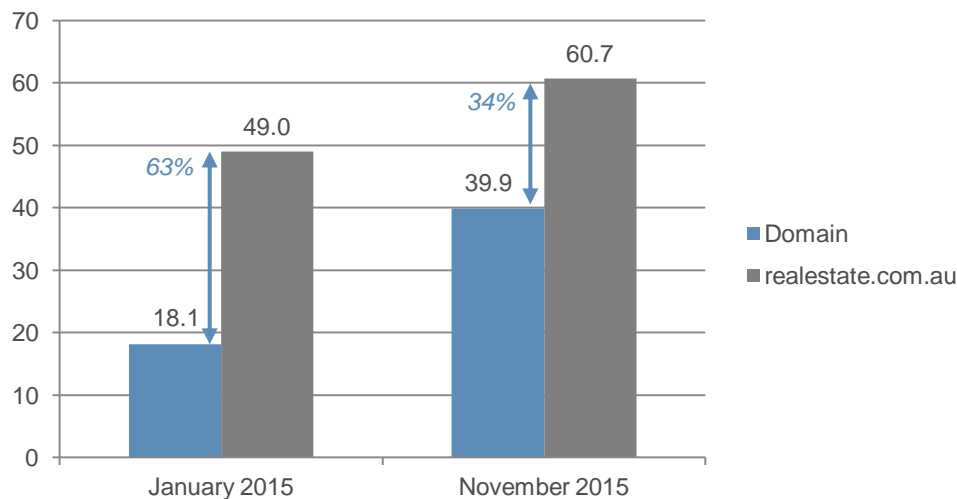
- Domain Group delivered an average of 39.2m visits each month in FY16 H1, up 99% on prior year. This represents significant engagement from a high-quality audience for our agent and media clients.
- Renewed growth in main site visits due to deeper integration with Fairfax digital mastheads (listings and content distribution).
- Strong growth in mobile visits, up 149%, primarily driven by greater volume of app users.
- Year-on-year growth in visits accelerated during FY16 H1.
- In December 2015²:
 - 78% of visits were to property listings;
 - visits to property listings were up 157% on prior year.

Domaingroup

DOMAIN GROUP

DOMAIN HAS SUBSTANTIALLY CLOSED THE GAP IN VISITS VERSUS ITS MAIN COMPETITOR

Total visits (millions)¹



- In January 2015 Domain delivered 18.1 million visits across main site, mobile site and mobile apps – a gap of 63% to its main competitor.
- In November 2015 Domain delivered 39.9 million visits, almost halving the gap to its main competitor to 34%.
- Domain's rapid increase in visits has been driven by growth in mobile app downloads and usage, an improved mobile site and deeper integration with the Fairfax digital mastheads.

Note:

1. Total monthly visits to main site, mobile site and mobile apps for domain.com.au and realestate.com.au.

Source: Domain visits from Nielsen Online Market Intelligence (Home & Fashion Suite) for main site and mobile site, and Google Analytics for mobile apps. Realestate.com.au visits from REA National Fast Fact Sheets for January 2015 and November 2015.

Domaingroup

DIGITAL VENTURES

TENDERLINK, WEATHERZONE, ALLURE MEDIA, RSVP/OASIS ACTIVE, HEALTHSHARE, ADZUNA AUSTRALIA, OVER 60, TVN, SKOOLBO, HUFFPOST AUSTRALIA*

- Digital Ventures continues to execute its strategy of value creation through investment in digital opportunities and managing our portfolio of digitally-focused assets.
 - Focus on building scale and value in current assets.
- Allure Media delivered strong revenue growth. Launched new sites including Clique titles: Who What Wear, Byrdie and MyDomaine.
- Weatherzone B2C revenue grew 45% with growth in advertising revenue particularly from the app.
- In Associate profits, RSVP/Oasis Active has seen an improvement in EBITDA through new subscription products and cost synergies.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Advertising	8.7	6.2	39.8%
Other	8.6	7.9	8.2%
Total Revenue	17.3	14.2	22.1%
Associate profit (loss)	0.3	(0.2)	246.8%
Costs	(13.1)	(11.5)	(14.4%)
EBITDA	4.5	2.5	79.5%
EBIT	4.1	2.2	84.1%
EBITDA Margin	25.9%	17.6%	

A FY15 H1 \$0.6m moved from Other Revenue to Advertising Revenue.

Note:

* The Digital Ventures businesses are reported as part of the Metropolitan Media segment.

AUSTRALIAN COMMUNITY MEDIA

AUSTRALIAN REGIONAL, COMMUNITIES, AGRICULTURAL AND ACT PUBLISHING

- Advertising revenue down 12.1% impacted by decline in supermarket-related print retail advertising, partially offset by an increase in print real estate.
- Circulation revenues declined reflecting lower retail volumes.
- Cost improvement of 8.7% with the benefit of the Transformation project.
- Transformation program on track to achieve annualised cost reduction target of \$60m by end of FY16.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Advertising	172.1	195.9	(12.1%)
Circulation	46.0	49.9	(7.8%)
Other	9.7	10.7	(9.8%)
Total Revenue	227.8	256.5	(11.2%)
Associate profit (loss)	1.1	1.3	(16.4%)
Costs	(183.6)	(201.2)	8.7%
EBITDA	45.2	56.6	(20.1%)
EBIT	36.7	44.6	(17.6%)
EBITDA Margin	19.9%	22.1%	

Note:
Printing contribution nets off in costs.

NEW ZEALAND MEDIA

NEWSPAPERS, MAGAZINES AND WEBSITES

- In \$AU, revenue is down 7.6% and EBITDA is down 11.7% from FY15 H1.
- Digital revenue growth of 43% driven largely from mobile and native advertising.
- Advertising revenue impacted by weak market conditions in New Zealand. Supermarket, retail and employment advertising declines offset by strong performance in real estate and health.
- Circulation revenue declined 3.3% with stable subscription revenue offset by continued pressure on retail sales.
- Strong cost management in publishing whilst investing in the digital business.

Note:
Printing contribution nets off in costs.

	FY16 H1	FY15 H1	%
	NZ\$m	NZ\$m	change
Advertising	119.8	131.9	(9.2%)
Circulation	55.6	57.5	(3.3%)
Other	6.2	6.7	(8.2%)
Total Revenue	181.5	196.1	(7.4%)
Associate Profits (Loss)	(0.6)	(0.3)	(140.3%)
Costs	(150.6)	(161.5)	6.7%
EBITDA	30.3	34.4	(11.9%)
EBIT	23.7	28.4	(16.5%)
EBITDA Margin	16.7%	17.5%	

STUFF.CO.NZ LEADING NZ WEBSITE

TOP 10 NZ WEBSITES – UNIQUE AUDIENCE

Brand	Unique Audience ('000)		% Change
	January 2016	January 2015	
Google	2,888	2,876	0.4%
MSN/Outlook/Bing/Skype*	2,442	-	nm
Facebook	2,396	2,298	4.3%
Microsoft	1,866	1,643	13.6%
YouTube	1,814	1,581	14.7%
Stuff.co.nz	1,768	1,690	4.6%
TradeMe	1,680	1,855	-9.4%
Nzherald.co.nz	1,500	1,225	22.4%
New Zealand Government	1,475	1,477	-0.1%
Yahoo!	1,181	1,462	-19.2%

Source: Nielsen Online Ratings monthly unique audience.

Note: * There was a trend break in December 2015 when MSN/Outlook/Bing also grouped Skype, therefore no meaningful change can be provided.



MACQUARIE MEDIA LIMITED

METROPOLITAN RADIO BUSINESS 54.5% OWNED BY FAIRFAX

- Fairfax Radio Network merged with Macquarie Radio Network on 31 March 2015:
 - FY15 H1 reported results includes FRN only including six months of 96FM.
- Cost and operational synergies have been implemented.
- Macquarie Media expects FY16 EBITDA will be in the range between \$20m and \$25m.
- Total metro market industry growth of 4.6% for the year to December 2015.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Advertising	64.9	50.4	29.0%
Other	4.0	3.3	20.9%
Total Revenue	69.0	53.7	28.5%
Costs	(57.0)	(44.9)	(27.0%)
EBITDA	12.0	8.8	35.9%
EBIT	10.7	7.4	44.6%
EBITDA Margin	17.3%	16.4%	





CURRENT TRADING ENVIRONMENT & OUTLOOK



GREG HYWOOD, CEO

CURRENT TRADING ENVIRONMENT & OUTLOOK

- Trading in the first seven weeks of FY16 H2 saw revenues 1% to 2% below last year, a solid performance in the context of continued weak print trends.
 - In the same period, Domain.com.au* continued to perform strongly with organic revenue growth of 25%.
- Our focus in the second half is on continuing Domain's strong growth, driving our emerging businesses, and delivering on our cost reduction programs.

* Domain.com.au includes digital listings and media and developer revenue across Domain main site, mobile sites and mobile apps and reflects organic growth.



GROUP FINANCIALS



DAVID HOUSEGO, CFO

GROUP TRADING PERFORMANCE

	Reported 4D FY16 H1	Less Significant items	Trading Performance excluding significant items	Less Operations Closed / Disposals	Trading Performance for continuing businesses	Trading Performance for continuing businesses*
27 December 2015	\$m	\$m	\$m	\$m	FY16 H1 \$m	FY15 H1 \$m
Total revenue	958.1	-	958.1		958.1	932.3
Associate profit/(loss)	2.7	-	2.7		2.7	0.7
Expenses	(862.3)	62.5	(799.7)		(799.7)	(775.1)
Operating EBITDA	98.6	62.5	161.1		161.1	157.9
Depreciation and amortisation	(34.7)	-	(34.7)		(34.7)	(33.5)
EBIT	63.9	62.5	126.4		126.4	124.4
Net interest expense	(7.0)	-	(7.0)		(7.0)	(8.6)
Net profit/(loss) before tax	56.9	62.5	119.4		119.4	115.7
Tax (expense)/benefit	(24.0)	(10.1)	(34.1)		(34.1)	(33.7)
Net Profit/(loss) after Tax from continuing operations	33.0	52.4	85.4		85.4	82.0
Net profit attributable to non- controlling interest	(5.6)	-	(5.6)		(5.6)	(0.4)
Net profit/(loss) attributable to members of the Company	27.4	52.4	79.8		79.8	81.6
Earnings per share	1.2		3.4		3.4	3.5

* FY15 H1 includes the disposal of 96FM and the closure costs of Chullora and Tullamarine.

SEGMENT RESULTS OVERVIEW

EXCLUDING SIGNIFICANT ITEMS

	Revenue			EBITDA		
	FY16 H1	FY15 H1	%	FY16 H1	FY15 H1	%
	A\$m	A\$m	change	A\$m	A\$m	change
Australian Metro Media	458.0	417.5	9.7%	97.2	84.7	14.7%
Australian Community Media*	257.1	282.6	(9.0%)	45.2	56.6	(20.1%)
New Zealand Media*	166.0	179.5	(7.6%)	27.6	31.3	(11.7%)
Radio	69.0	53.7	28.5%	12.0	8.8	35.9%
Corporate and Other	8.1	10.0	(19.7%)	(20.9)	(22.0)	4.9%
Total	958.1	943.3	1.6%	161.1	159.4	1.1%
New Zealand Media* \$NZD	182.4	197.0	(7.4%)	30.3	34.4	(11.9%)

Note:

* Australian Community Media and New Zealand Media – Revenue includes external printing revenue (only included in the segment slide).

CASHFLOW

- Proceeds from asset sales and investments in FY16 H1 of \$67m includes the sale of Chullora and Tullamarine Printing sites.
- Net investment of \$19m includes acquisition of Huffington Post, Open Air Cinema, Bodypass, Homepass and Nabo.
- FY16 capital expenditure expected in the vicinity of \$90m.

	FY16 H1	FY15 H1
	A\$m	A\$m
Cash from trading	153	139
Proceeds from asset sales and investments	67	9
Net other inc exchange movements	5	6
Cash In Flows	225	155
Net finance charges	9	7
Tax payments	35	17
Investment in acquired business/ventures	19	62
Investment in PP&E and software	42	30
Restructure/redundancy payments	35	21
Loans (repaid)/advanced	18	1
Market buy-back	74	-
Dividends paid	52	47
Cash Out Flows	283	186
Net Cash In / (Out) Flow	(58)	(31)
Net Debt at beginning of period	(64)	(68)
Net Debt / (Cash) At End of Period	(6)	(37)

FUNDING POSITION

AS AT DECEMBER 2015

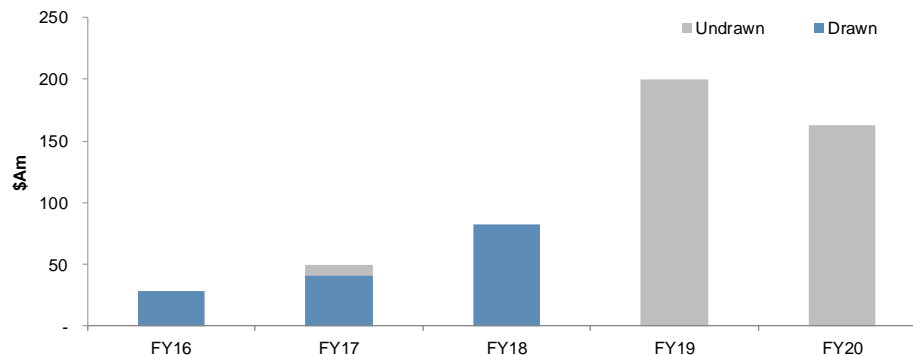
- Total interest bearing liabilities reduced to \$164m with early repayment of Syndicated Facility.
- FY16 net interest expense expected to be \$11m.

A\$m	Actual	Actual	Actual	Actual
	Dec 15	Jun 15	Dec 14	Jun 14
Total interest bearing liabilities	164	283	245	355
Debt related derivatives	(10)	(5)	3	30
Cash and cash equivalents	(160)	(343)	(285)	(453)
Net Debt/ (Cash)	(6)	(64)	(37)	(68)
EBITDA (last 12 months)	291	289	288	313
Net Debt / (Cash) to EBITDA	(0.0)	(0.2)	(0.1)	(0.2)
Net interest (last 12 months)	15	16	16	10
EBITDA to Net Interest	19.9	17.8	18.2	30.0

FACILITY MATURITY

AS AT DECEMBER 2015

- Net cash position of \$6.2m at December 2015.
- Standard & Poor's reviewed Fairfax's BB+ credit rating (stable).
- Chullora Lease repayment in FY16 H1.
- Repayment in FY16 H1 of \$125m on drawn Syndicated Facility.
- Repayment of \$28.2m on drawn USPP in January 2016.



Facilities as at December 2015		Limit	Usage
		\$m	\$m
Current			
USPP-2003 series		28.2	28.2
Non Current			
Bank Revolver Australia		325.0	0.0
Bank Revolver Macquarie Media		50.0	40.8
USPP 2007 series		82.1	82.1
Bank Revolver New Zealand		37.7	0.0
Total		523.0	151.1



Q & A





APPENDICES



APPENDIX 1

GROUP TRADING PERFORMANCE FY16 H1

	Reported 4D FY16 H1	Less Significant items	Trading Performance excluding significant items	Less Operations Closed / Disposals	Trading Performance for continuing businesses	Trading Performance for continuing businesses*
27 December 2015	\$m	\$m	\$m	\$m	FY16 H1 \$m	FY15 H1 \$m
Total revenue	958.1	-	958.1		958.1	932.3
Associate profit/(loss)	2.7	-	2.7		2.7	0.7
Expenses	(862.3)	62.5	(799.7)		(799.7)	(775.1)
Operating EBITDA	98.6	62.5	161.1		161.1	157.9
Depreciation and amortisation	(34.7)	-	(34.7)		(34.7)	(33.5)
EBIT	63.9	62.5	126.4		126.4	124.4
Net interest expense	(7.0)	-	(7.0)		(7.0)	(8.6)
Net profit/(loss) before tax	56.9	62.5	119.4		119.4	115.7
Tax (expense)/benefit	(24.0)	(10.1)	(34.1)		(34.1)	(33.7)
Net Profit/(loss) after Tax from continuing operations	33.0	52.4	85.4		85.4	82.0
Net profit attributable to non- controlling interest	(5.6)	-	(5.6)		(5.6)	(0.4)
Net profit/(loss) attributable to members of the Company	27.4	52.4	79.8		79.8	81.6
Earnings per share	1.2		3.4		3.4	3.5

APPENDIX 2

GROUP TRADING PERFORMANCE FY15 H1

	Reported 4D FY15 H1	Less Significant item	Trading Performance excluding significant items	Less Operations Closed / Disposals*	Trading Performance for continuing businesses
28 December 2014	\$m	\$m	\$m	\$m	FY15 H1 \$m
Total revenue	943.3	-	943.3	(11.0)	932.3
Associate profit/(loss)	0.7	-	0.7	-	0.7
Expenses	(858.8)	74.1	(784.7)	9.6	(775.1)
Operating EBITDA	85.3	74.1	159.4	(1.5)	157.9
Depreciation and amortisation	(33.7)	-	(33.7)	0.1	(33.5)
EBIT	51.7	74.1	125.7	(1.3)	124.4
Net interest expense	(8.6)	-	(8.6)	-	(8.6)
Net profit/(loss) before tax	43.0	74.1	117.1	(1.3)	115.8
Tax expense/(benefit)	(16.3)	(17.4)	(33.7)	-	(33.7)
Net Profit/(loss) after Tax from continuing operations	26.7	56.7	83.4	(1.3)	82.0
Net profit attributable to non- controlling interest	(0.4)	-	(0.4)	-	(0.4)
Net profit/(loss) attributable to members of the Company	26.3	56.7	83.0	(1.3)	81.6
Earnings per share	1.1		3.5		3.5

* Includes the disposal of 96FM and the closure costs of Chullora and Tullamarine..

APPENDIX 3

PRINTING OPERATIONS

- Change in Australian Printing allocation with all printing sites break-even at EBIT. All profits passed onto business units.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Total Revenue	133.2	156.2	(14.7%)
Internal Revenue	(103.2)	(129.2)	(20.2%)
Net Revenue	30.0	27.0	11.4%
Associate profit (loss)		0.0	
Costs	(18.4)	(1.0)	1,741.8%
EBITDA	11.7	26.0	(55.1%)
Segment allocation			
<i>Australian Metropolitan Media</i>	5.9	15.2	(61.5%)
<i>Australian Community Media</i>	3.7	9.7	(61.5%)
<i>New Zealand Media</i>	2.1	1.1	94.8%
EBITDA	11.7	26.0	(55.0%)
EBIT	0.3	6.6	(95.4%)
EBITDA Margin	8.8%	16.7%	

APPENDIX 4

CORPORATE

- Includes costs associated with closure of Chullora and Tullamarine printing sites.
- Tullamarine sold for \$16m in July 2015.
- Chullora sold for \$45m in August 2015.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Net Revenue	8.1	10.0	(19.7%)
Associate Profit (Loss)	1.9	(3.2)	160.7%
Costs	(30.9)	(28.8)	(7.3%)
EBITDA	(20.9)	(22.0)	4.9%
EBIT	(18.8)	(13.7)	(37.5%)

APPENDIX 5

NON-CONTROLLING INTEREST

- FY16 H1 includes six months of MRN post merger and six months of MMP post acquisition.

	FY16 H1	FY15 H1	%
	A\$m	A\$m	change
Macquarie Media	(3.0)	-	-
Domain Group	(2.0)	-	-
Other	(0.5)	(0.4)	28%
Total Non-Controlling Interest	(5.6)	(0.4)	1234%

Note:
Domain Group includes MMP.

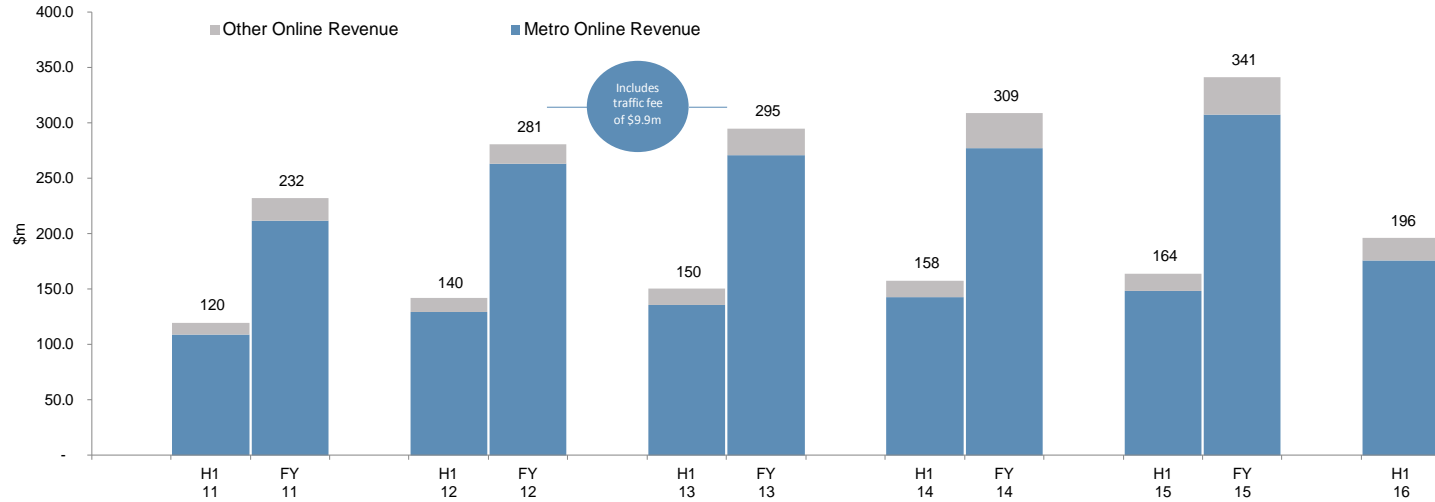
APPENDIX 6

SIGNIFICANT ITEMS

A\$m	FY16 H1	FY15 H1
Impairment of intangibles, investments and property, plant and equipment	(34.3)	(19.4)
Income tax benefit	1.8	1.1
Impairment of intangibles, investments, and property, plant and equipment, net of tax	(32.5)	(18.3)
Restructuring and redundancy charges	(28.2)	(54.7)
Income tax benefit	8.3	16.3
Restructuring and redundancy, net of tax	(19.9)	(38.3)
NET SIGNIFICANT ITEMS, NET OF TAX	(52.4)	(56.7)

APPENDIX 7

GROUP DIGITAL REVENUE



Digital %
total revenue

10%

13%

14%

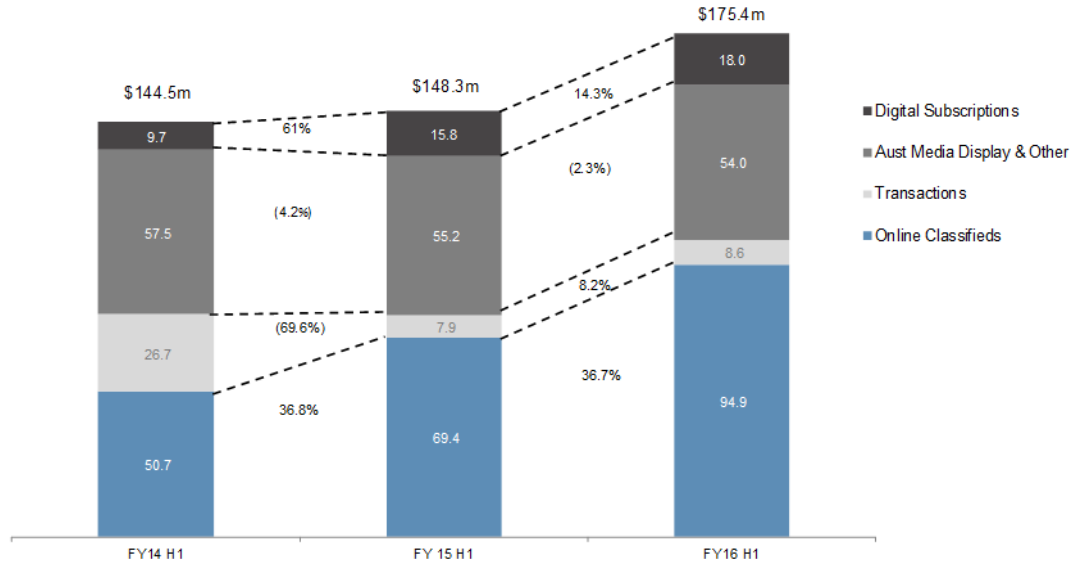
17%

19%

20%

APPENDIX 8

METROPOLITAN MEDIA DIGITAL REVENUE PROFILE



Note:
FY15 H1 and FY14 H1 restated, Transactions Advertising Revenue, Domain Display Advertising, Drive and Employment moved to Aust Media Display & Other.

- **Digital Subscriptions:**
Includes *The Sydney Morning Herald*, *The Age* and *The Australian Financial Review*.
- **Australian Media Display & Other:**
Impacted by increased competition and fragmentation. Allure and Weatherzone strong advertising growth.
- **Transactions:**
Includes Weatherzone, Allure and Tenderlink.
- **Online Classifieds:**
Strong growth from Domain.

APPENDIX 9

AUSTRALIANS CONSUMING FAIRFAX CONTENT ACROSS PLATFORMS

10.9 MILLION
DE-DUPLICATED
AUDIENCE

PRINT



6.2m
PRINT READERS

4.1m
READERS OF NATIONAL
AND METRO NEWSPAPERS

2.0m
READERS OF INSERTED
MAGAZINES

3.1m
READERS OF REGIONAL/
COMMUNITY NEWSPAPERS

WEB*



6.4m
VISIT WEBSITES

4.1m
NATIONAL AND METRO
NEWS WEBSITES

1.1m
REGIONAL WEBSITES

TABLET/MOBILE



2.1m
USE NEWS SITES OR APPS ON
TABLET OR MOBILE DEVICE

1.2m
ACCESS NEWS
ON TABLET

1.4m
ACCESS NEWS
ON MOBILE

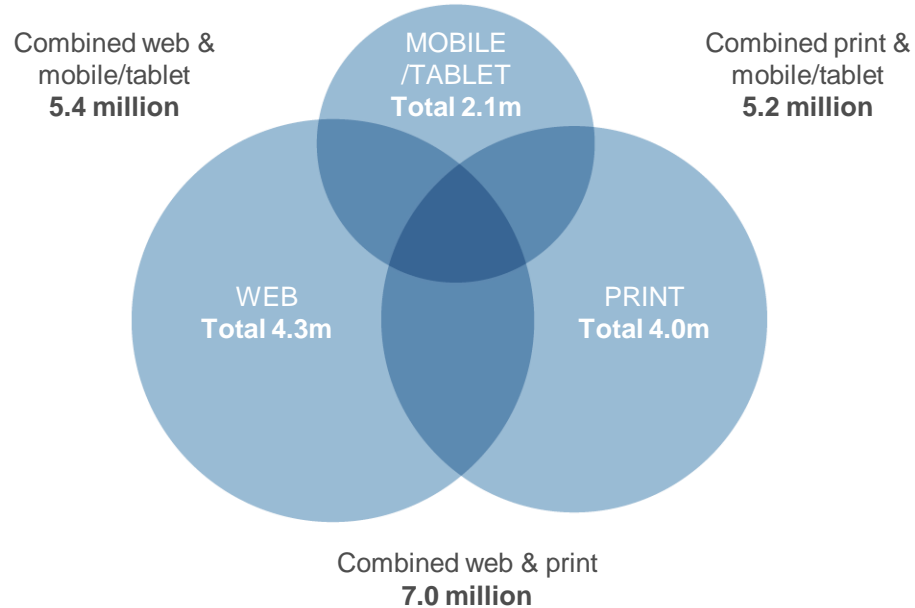
Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending November 2015, Nielsen Online Ratings November 2015 people 14+ only. Last four weeks.

* Nielsen Online Ratings November 2015, Ppl 2+.

THE NEXT GENERATION OF AUDIENCE INSIGHTS
emma
POWERED BY IPSOS

APPENDIX 10

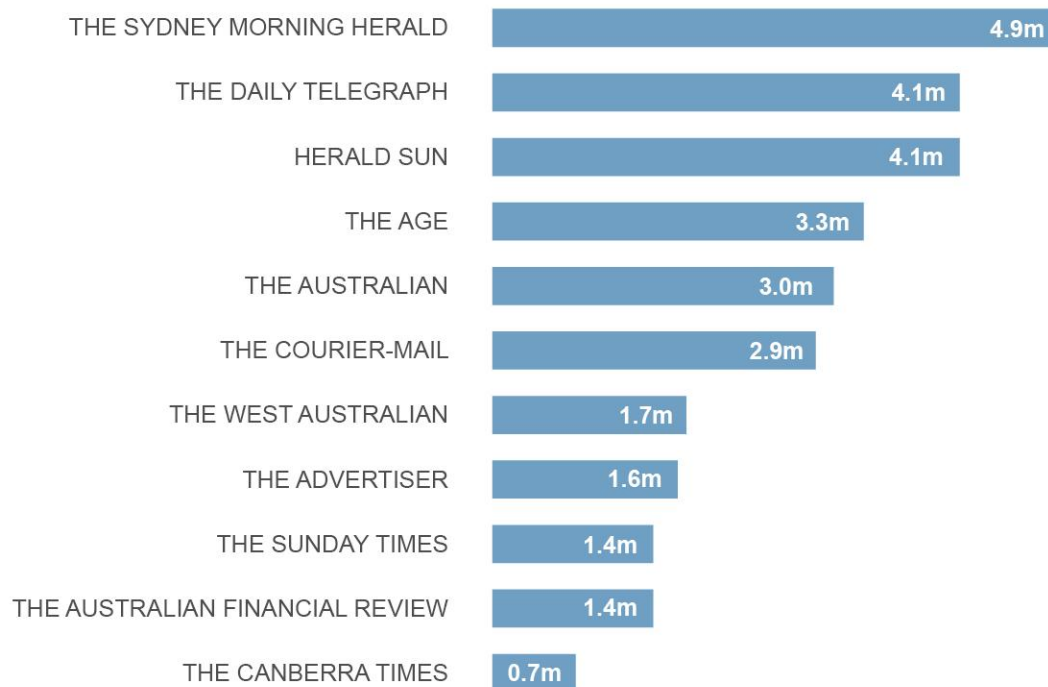
FAIRFAX'S NATIONAL AND METRO MASTHEADS REACH 7.5 MILLION AUSTRALIANS ACROSS PLATFORMS



Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending November 2015, Nielsen Online Ratings November 2015, people 14+ only. Last four weeks net. (Fairfax National and Metro mastheads = total masthead readership for AFR, SMH, The Age, web/mobile usage Brisbane Times, web usage WAToday). Last four weeks net.

APPENDIX 11

THE SMH IS NO.1 IN TOTAL MASTHEAD AUDIENCE



Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending November 2015, Nielsen Online Ratings November 2015, people 14+ only. Last four weeks. Total masthead audience numbers are de-duplicated last four weeks (L4W). Mastheads include Mon-Sun net Press L4W, Desktop/Mobile/tablet net L4W.

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THANK
YOU

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