//2015

INVESTOR BRIEFING

HALF-YEAR RESULTS

19 FEBRUARY 2015

INDEPENDENT. ALWAYS. Fairfax Media

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AGENDA

Overview & CEO Commentary	**Greg Hywood**
Current Trading Environment & Outlook	**Greg Hywood**
Group Financials	**Carla Webb-Sear**
Q&A	**Greg Hywood & Carla Webb-Sear**

Appendices

1. Group Trading Performance FY15 H1
2. Group Trading Performance FY14 H1
3. Printing Operations
4. Corporate
5. Significant Items
6. Group Digital Revenue
7. Metropolitan Media Digital Revenue Profile
8. Fairfax Audiences (1)
9. Fairfax Audiences (2)
10. Fairfax Audiences (3)

OVERVIEW & CEO COMMENTARY

//GREG HYWOOD, CEO

GROUP TRADING PERFORMANCE

	Trading Performance excluding significant items	Less Operations Closed	Trading Performance for continuing businesses	Trading Performance for continuing businesses	
	FY15 H1			FY14 H1	Change
	$m	$m	$m	$m	%
Total revenue	943.3	(1.6)	941.7	964.7	(2.4%)
Expenses	(784.7)	4.6	(780.1)	(789.4)	1.2%
Operating EBITDA	159.4	3.0	162.4	178.0	(8.7%)
EBIT	125.7	3.0	128.7	130.9	(1.7%)
Net profit/(loss) attributable to members of the Company	83.0	(3.0)	86.0	86.4	(0.6%)
Earnings per share	3.5		3.7	3.7	(0.6%)

- Group revenue for continuing operations declined 2.4% to $941.7m.
- Group expenses for continuing operations reduced 1.2% to $780.1m. Excluding investment in new opportunities and one-off expenses, Group expenses reduced around 4%.
- Underlying EBITDA of $159.4m and $162.4m for continuing businesses.
- Underlying EBIT of $128.7m for continuing businesses benefited from lower depreciation and amortisation due to print site closures.
- Operations Closed in FY15 were the Chullora and Tullamarine printing sites.
- Net profit for continuing businesses of $86.0m, down 0.6%.
- Continued cost reduction and Fairfax of the Future savings partially offset by investment in growth businesses and expenses involved in delivery of transformation initiatives.
- Dividend of 2¢ per share fully franked, consistent with the interim and H2 dividends in FY14, payout ratio of 57%.

SEGMENT RESULTS
EXCLUDING SIGNIFICANT ITEMS

	Revenue			EBITDA		
	FY15 H1 A$m	FY14 H1 A$m	% change	FY15 H1 A$m	FY14 H1 A$m	% change
Australian Metro Media	417.5	428.6	(2.6%)	84.7	81.5	4.0%
Australian Community Media*	282.6	305.5	(7.5%)	56.6	82.5	(31.4%)
New Zealand Media*	179.5	182.2	(1.5%)	31.3	37.3	(16.1%)
Radio	53.7	54.5	(1.5%)	8.8	9.2	(4.2%)
Corporate and Other	10.0	5.9	69.0%	(22.0)	(26.0)	15.4%
Total	**943.3**	**976.7**	**(3.4%)**	**159.4**	**184.4**	**(13.6%)**
New Zealand Media* $NZD	197.0	206.9	(4.8%)	34.4	42.3	(18.8%)

- Reported group EBITDA down 13.6%, a decline of 8.7% on a continuing business basis.
- Group revenue declined 3.4% or 2.4% on a continuing business basis:
  - Metropolitan Media revenues down 2.6%.
    - Domain digital revenue up 37.8%.
  - Australian Community Media revenues down 7.5%.
  - New Zealand ($NZ) revenues down 4.8% (like-for-like down 6.2%).
  - Radio revenues down 1.5%.
- Early FY15 H2 revenue run rate for Fairfax Media of 2% to 3% below prior year.

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

HIGHLIGHTS

- Domain Group delivered strong revenue growth:
  - Business delivering on its aggressive national expansion strategy.
  - Agent subscribers up by 20%; total listings up by 16%; total visits to Domain sites up 19%.
- Move to full ownership of Metro Media Publishing Holdings.
- Merger of Fairfax Radio Network and Macquarie Radio Network:
  - Creates a genuine national Talk radio network that was not previously available to advertisers.
  - Fairfax will hold 54.5% shareholding in the combined entity.
- Revenue in Events business up 35% year-on-year:
  - Strong organic growth and impact of acquisitions.
- Formed partnership with global digital news leader, The Huffington Post, in February 2015:
  - Local edition, HuffPost Australia, to launch in Q2 2015.

HIGHLIGHTS

- Streaming Video On Demand (SVOD) 50:50 joint venture, Stan, with Nine Entertainment Co:
  - Launched 26 January 2015 – with 5,000+ hours of quality content and strong pipeline.
  - $10 per month consumer proposition – unlimited viewing on demand and no contracts.
  - Subscriber numbers and trends running 3-4 months ahead of expectations.
  - On track for 100,000+ sign-ups by mid-March 2015.
  - Focus on broadening delivery mechanisms and technology – new accessibility options and distribution channels to be announced soon.
- Increased cost reduction target of up to $60m for Australian Community Media transformation program
  - Full run-rate coming through FY16.
- On-market buyback of up to 121 million shares (approximately 5% of issued capital) over the next 12 months. Buyback expected to commence on 23 March 2015.

METROPOLITAN 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

- Moderation in total revenue declines, reflecting strong growth in Domain, higher Digital Subscription revenue, and a lessening in print advertising declines.
- Investment in Domain somewhat offset the cost control in the publishing business. Cost benefits were derived from the closure of Chullora and Tullamarine print sites, operation of new printing arrangements, and a change to printing cost allocations.
- Depreciation and amortisation expense declined following the closure of Chullora and Tullamarine print sites.
- Merged RSVP/Oasis Active entity accounted in Associate profit (loss) in FY15 H1, whereas RSVP was consolidated in FY14 H1.

	FY15 H1 A$m	FY14 H1 A$m	% change
Advertising	**248.0**	250.2	(0.9%)
Circulation/Subscription	**115.2**	112.6	2.3%
Other	**54.3**	65.8	(17.5%)
Total Revenue	**417.5**	428.6	(2.6%)
Associate profit (loss)	**2.9**	2.1	39.8%
Costs	**(350.9)**	(361.9)	3.0%
EBITDA	**69.5**	68.8	1.1%
EBIT	**57.5**	50.9	13.0%
Printing Contribution	**15.2**	12.8	18.7%
Adjusted EBITDA	**84.7**	81.5	4.0%
Adjusted EBIT	**61.6**	51.6	19.4%
EBITDA Margin	**16.7%**	16.0%	
Adjusted EBITDA Margin	**20.3%**	19.0%	

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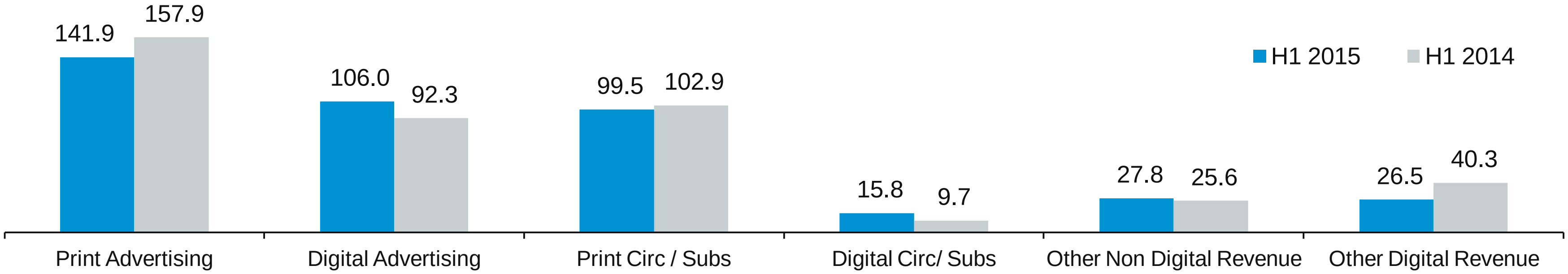
METROPOLITAN MEDIA

REVENUE BREAKDOWN $M



- Metro Print advertising revenue decreased 10% while Metro Digital advertising increased 14.8%.
- Print circulation revenue reflected volume declines, focus on profitable circulation at The Australian Financial Review, largely offset by yield improvements.
- Digital Subscription revenue increased by 61% with 158,000+ Digital Subscribers across the SMH and The Age (as at 9 February 2015).
- Other Non Digital Revenue includes growth in Events including the acquisition of The Baby and Toddler Show.
- Other Digital Revenue reflects disposal of Stayz and merger of RSVP and Oasis Active (revenues of $18m in FY14 H1).

DOMAIN

Domaingroup

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*

- 20% growth in Domain agent subscribers to 9,650+ representing approximately 88% market penetration. 16% growth in listings as at December 2014.
- 38% digital revenue growth for Domain continuing operations. Domain.com.au revenue up 26% on prior year.
- Depth revenue growth of 46% year-on-year (68:32 split between depth and subscriber revenue for the half).
- Significant investment in sales and product development supporting aggressive expansion of Domain. Costs include $2.4m of one-offs. Underlying costs up 27%.
- One-off costs include termination of APN reseller agreement in Queensland, allowing for Domain's expansion in Queensland with 600+ new agent subscribers.
- Digital EBITDA growth of 17.5% reflects increased investment and one-time items. 29% EBITDA growth excl. one-time items.
- Investor briefing on Domain planned for late March.

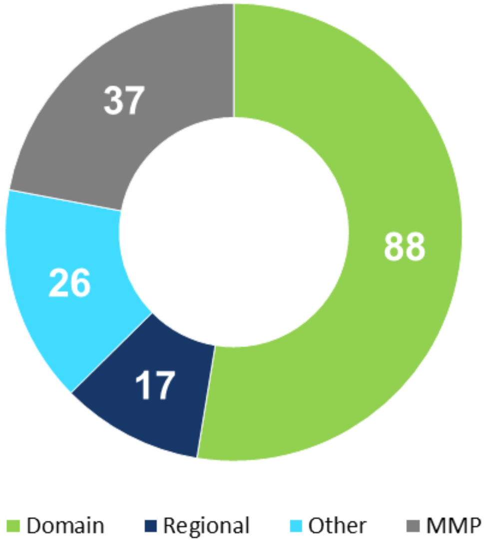
	FY15 H1 A$m	FY14 H1 A$m	% change
Advertising - Print	**22.1**	21.8	1.6%
Advertising - Digital	**72.4**	52.5	37.8%
Total Revenue	**94.5**	74.3	27.2%
Associate profit (loss)	**3.1**	2.0	56.5%
Costs	**(59.9)**	(45.2)	(32.3%)
EBITDA	**37.8**	31.1	21.7%
EBITDA - Print	**12.4**	9.5	30.9%
EBITDA - Digital	**25.4**	21.6	17.5%
Margin - Print	**55.9%**	43.4%	
Margin - Digital	**35.1%**	41.2%	

* Domain results are reported as part of the Metropolitan Media segment. FY14 H1 has been re-stated to include CRE online revenue, CRE print commission and Regional (digital).

DOMAIN

OPERATIONAL PERFORMANCE

Fairfax Media had exposure to $168m of real estate revenues in FY15 H1*



CORPORATE DEVELOPMENT

Allhomes

- Acquisition of Allhomes, the leading real estate portal in the ACT and surrounding areas in NSW, completed on 2 October 2014.
- Total cash consideration expected to be approximately $50m.
- Allhomes and Domain now run as a combined operation in Canberra, with single go-to-market strategy and sales force.

MMP

- Acquisition of remaining 50% of MMP Holdings completed on 22 January 2015 for $72m in cash and shares.
- Simplifies ownership structure and operations for Domain Group in Victoria and enhances the rollout of the agent ownership model nationally, pioneered by MMP in Victoria.
- Earnings from MMP will be reported on a consolidated basis from 22 January 2015.

* Domain includes metro digital and print revenues, Commercial Real Estate digital, APM PriceFinder and Commerce Australia; Regional includes digital and print revenues; Other includes Commercial Real Estate print revenue, FCN NSW and Ags; MMP adjusted for interrelated transactions and including some non-real estate revenues. The JV with MMP was not consolidated for revenue reporting in FY15 H1 – data shown for presentational purposes only.

DOMAIN

INVESTMENT IN SALES AND IMPACT ON SUBSCRIBER GROWTH

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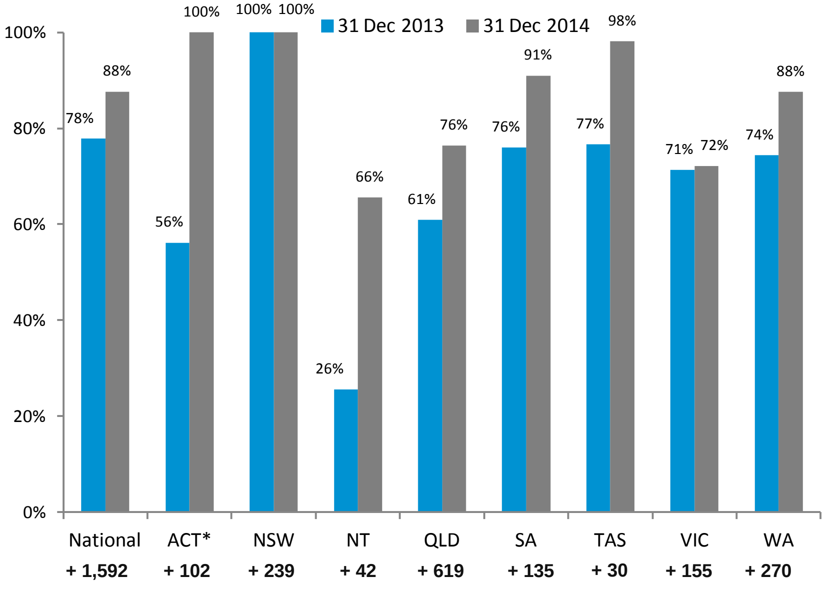
Domain.com.au – Market Penetration of Real Estate Agencies %



CY 2014	Q1	Q2	Q3	Q4	Total
Additional subscribers	282	246	249	815	1,592

* ACT as at 31 December 2013 is for domain.com.au. At 31 December 2014 this figure is for allhomes.com.au
Source: Domain, Allhomes, APM PriceFinder data

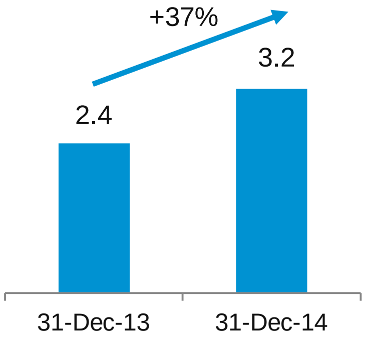
- There are approximately 11,000 addressable real estate agencies in Australia. At 31 December 2014 Domain had 88% market penetration, up 10ppts in 2014 through the addition of 1,592 new subscribers.
- The acquisition of Allhomes in October 2014 instantly increased market penetration in the ACT from 56% to 100%.
- Domain has invested significantly in sales during FY15 H1, particularly in Queensland. Of the 619 agencies added in Queensland, the vast majority became new subscribers in FY15 Q2. This momentum is expected to continue in FY15 H2.
- Achieving full market penetration will allow Domain to exploit its strengths in mobile apps and content, with listings parity encouraging consumer use of Domain.

DOMAIN

STRENGTH IN MOBILE APPLICATIONS AND AUDIENCE GROWTH

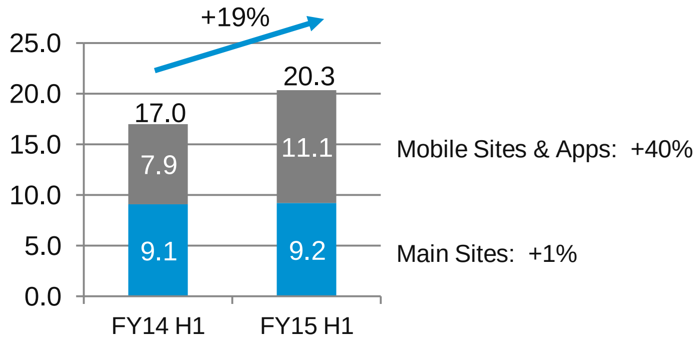
Domaingroup

Mobile app downloads (m)



- Domain invested early and significantly in mobile. As a result, our audience is rapidly migrating to usage of native mobile apps.
- Domain's mobile app downloads increased 37% to 3.25m at 31 December 2014, compared to our main competitor with 3.86m.[1]
- Domain's mobile apps continue to be the most highly rated in the real estate category by independent reviews from Australian consumers for iPhone, iPad and Android.[2]

Site visits by platform (m)[3]



- Significant growth in visits to mobile sites and apps, up 40%.
- 55% of visits came from mobile, up from 47% in FY14 H1.
- Total visits grew 19%, compared to our main competitor at 12%.[4]

1. Mobile app downloads for Domain, Review Property and Allhomes combined, compared to realestate.com.au (source: realestate.com.au National Fast Facts sheet December 2014).
2. Based on consumer ratings for Domain in the App Store and Google Play as at 18 February 2015. 3. Average monthly visits for domain.com.au, allhomes.com.au and commercialrealestate.com.au combined. Full six months of data included for Allhomes in FY14 H1 and FY15 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 Domestic Report Suite (July 2013 to December 2013) and Home and Fashion Suite (July 2014 to December 2014). Mobile Apps data from Google Analytics (including international traffic to Apps).
4. REA Group Investor Presentation HY2015, page 7.

DIGITAL VENTURES

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

- Digital Ventures continues to execute its strategy of value creation through investment in digital opportunities and managing our portfolio of digitally-focused assets.
  - Total investments of approximately $16m in FY15 H1 included publishing and online community business Over 60, game-based e-learning business for children Skoolbo, beauty sample subscription business Bellabox (part of Allure Media), and lightning data network business Kattron (part of Weatherzone)
- FY14 H1 includes RSVP and five months of Stayz (revenue of $20.3m and EBITDA of $9.0m).
- RSVP/Oasis Active now reported in Associate profit (loss) and continues to operate in a challenging market environment.
- Allure Media delivering strong growth and undertaking strategic expansion.

	FY15 H1 A$m	FY14 H1 A$m	% change
Advertising	**5.6**	6.6	(15.5%)
Other	**8.6**	27.5	(68.8%)
Total Revenue	**14.2**	34.2	(58.5%)
Associate profit (loss)	**(0.2)**	0.0	
Costs	**(11.5)**	(20.2)	43.1%
EBITDA	**2.5**	14.0	(82.2%)
EBIT	**2.2**	11.5	(80.5%)
EBITDA Margin	**17.6%**	41.0%	

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

AUSTRALIAN COMMUNITY MEDIA

AUSTRALIAN REGIONAL, COMMUNITIES, AGRICULTURAL AND ACT PUBLISHING

- Local and retail advertising revenues were in line with a year ago and national advertising was modestly lower. However, employment, print real estate and automotive categories remained under pressure.
- Circulation volumes have declined at a consistent rate while revenue has benefited from cover price increases.
- Production cost allocation change with closure of two metro print sites (see Appendix 3).
- Cost benefits from transformation program in FY16.
- Transformation program involves new operating model for editorial and sales teams to efficiently deliver strong local content and sales capability across 150+ newspapers and websites.

	FY15 H1 A$m	FY14 H1 A$m	% change
Advertising	**195.9**	215.2	(9.0%)
Circulation	**49.9**	51.4	(3.0%)
Other	**10.7**	10.3	4.2%
Total Revenue	**256.5**	276.9	(7.4%)
Associate profit (loss)	**1.3**	1.4	(9.0%)
Costs	**(210.9)**	(213.3)	1.1%
EBITDA	**46.9**	65.1	(28.1%)
EBIT	**41.9**	59.8	(30.0%)
Printing Contribution	**9.7**	17.4	(44.2%)
Adjusted EBITDA	**56.6**	82.5	(31.4%)
Adjusted EBIT	**44.6**	62.9	(29.2%)
EBITDA Margin	**18.3%**	23.5%	
Adjusted Margin	**22.1%**	29.8%	

Note:
1. Regional Online Real Estate now reported in Domain for FY15.

NEW ZEALAND MEDIA

NEWSPAPERS, MAGAZINES AND WEBSITES

- In $AU, revenue is down 1.3% and EBITDA is down 16.1% from FY14 H1.
- Advertising revenue outperformed a weak broader market affected by retail and employment declines offset by strong performance in real estate, motoring and house and home.
- Circulation revenue declined 2.9% with stable subscriptions offset by a decline in retail sales.
- Digital revenue growth of 25% with Stuff.co.nz the No.1 New Zealand media site with 1.690m unique audience at January 2015.
- Costs include investment in digital product development and marketing, as well as one-off transition expenses involved in moving to APN Auckland printing site.

	FY15 H1 NZ$m	FY14 H1 NZ$m	% change	
Advertising	**131.9**	140.5	(6.2%)	
Circulation	**57.5**	59.2	(2.9%)	
Other	**6.7**	5.7	18.6%	A
Total Revenue	**196.1**	205.4	(4.5%)	B
Associate Profits (Loss)	**(0.3)**	(0.0)		
Costs	**(161.5)**	(163.1)	1.0%	C
EBITDA	**34.4**	42.3	(18.8%)	
EBIT	**28.4**	35.0	(18.9%)	
EBITDA Margin	**17.5%**	20.6%		

A Like-for-Like Other (23.3%)

B Like-for-Like Revenue (5.9%)

C Like-for-Like Expenses 2.8%

Notes:
1. Change in contra treatment in FY15. In FY14 contra revenue and expenses offset each other. In FY15 revenue reported in Revenue Other and Expenses in Promotions.
2. Printing contribution nets off in costs.

STUFF.CO.NZ LEADING NZ WEBSITE

TOP 10 NZ WEBSITES – UNIQUE AUDIENCE

BRAND	UNIQUE AUDIENCE ('000)		% CHANGE
	JAN 2015	JAN 2014	
GOOGLE	2,876	2,900	-0.8%
FACEBOOK	2,298	2,496	-7.9%
MSNWINDOWSLIVE/BING	1,925	1,973	-2.4%
TRADE ME	1,855	1,962	-5.5%
STUFF.CO.NZ	**1,690**	**1,433**	**17.9%**
MICROSOFT	1,643	1,504	9.2%
YOUTUBE	1,581	2,136	-26.0%
NEW ZEALAND GOVT	1,477	1,349	9.5%
YAHOO!	1,462	1,895	-22.8%
WIKIPEDIA	1,402	1,310	7.0%

Source: Nielsen Online Ratings

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RADIO

METROPOLITAN RADIO STATIONS

- Total metro market industry growth of 5%.
- Improvement in ratings and audience share for Sydney, Melbourne and Brisbane in second half of calendar 2014.
- Fairfax Radio Network announced a merger with Macquarie Radio Network in December 2014. Following completion Fairfax will own 54.5% of an enlarged MRN, which will remain a listed entity.
- Following completion of the merger, the combined business will be consolidated. Considerable synergies are expected to be delivered in FY16.
- Proceeds from sale of Perth-based music station 96FM to APN News & Media's Australian Radio Network (ARN) received in January 2015. One-month earnings contribution from 96FM in FY15 H2.

	FY15 H1 A$m	FY14 H1 A$m	% change
Advertising	**50.4**	50.5	(0.2%)
Other	**3.3**	4.0	(17.7%)
Total Revenue	**53.7**	54.5	(1.5%)
Costs	**(44.9)**	(45.3)	1.0%
EBITDA	**8.8**	9.2	(4.2%)
EBIT	**7.4**	7.5	(2.4%)
EBITDA Margin	**16.4%**	16.9%	

CURRENT TRADING ENVIRONMENT & OUTLOOK

//GREG HYWOOD, CEO

CURRENT TRADING ENVIRONMENT & OUTLOOK

- Trading in the first seven weeks of FY15 H2 saw revenues 2% to 3% below last year. This is a solid performance. Print advertising started slowly in January.
- Our focus in the second half is on continuing Domain's momentum, delivering growth options across the business, both organic and acquired, while delivering further sustained cost reduction.

GROUP FINANCIALS

//CARLA WEBB-SEAR, FINANCIAL CONTROLLER

GROUP TRADING PERFORMANCE

A$m	Reported 4D FY15 H1	Less Significant item	Trading Performance excluding significant items	Less Operations Closed	Trading Performance for continuing businesses	Trading Performance for continuing businesses
28 December 2014	**$m**	**$m**	**$m**	**$m**	**FY15H1 $m**	**FY14H1 $m**
Total revenue	943.3	-	943.3	(1.6)	941.7	964.7
Associate profit/(loss)	0.7	-	0.7	-	0.7	2.7
Expenses	(858.8)	74.1	(784.7)	4.6	(780.1)	(789.4)
Operating EBITDA	85.3	74.1	159.4	3.0	162.4	178.0
Depreciation and amortisation	(33.7)	-	(33.7)	-	(33.7)	(47.1)
EBIT	51.7	74.1	125.7	3.0	128.7	130.9
Net interest expense	(8.6)	-	(8.6)	-	(8.6)	(3.3)
Net profit/(loss) before tax	43.0	74.1	117.1	3.0	120.1	127.6
Tax (expense)/benefit	(16.3)	(17.4)	(33.7)	-	(33.7)	(40.8)
Net Profit/(loss) after Tax from continuing operations	26.7	56.7	83.4	3.0	86.4	86.8
Net profit attributable to non-controlling interest	(0.4)	-	(0.4)	-	(0.4)	(0.4)
Net profit/(loss) attributable to members of the Company	26.3	-	83.0	3.0	86.0	86.4
Earnings per share	1.1		3.5		3.7	3.7

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SEGMENT RESULTS
EXCLUDING SIGNIFICANT ITEMS

	Revenue			EBITDA		
	FY15 H1 A$m	FY14 H1 A$m	% change	FY15 H1 A$m	FY14 H1 A$m	% change
Australian Metro Media	417.5	428.6	(2.6%)	84.7	81.5	4.0%
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New Zealand Media*	179.5	182.2	(1.5%)	31.3	37.3	(16.1%)
Radio	53.7	54.5	(1.5%)	8.8	9.2	(4.2%)
Corporate and Other	10.0	5.9	69.0%	(22.0)	(26.0)	15.4%
Total	**943.3**	**976.7**	**(3.4%)**	**159.4**	**184.4**	**(13.6%)**
New Zealand Media* $NZD	197.0	206.9	(4.8%)	34.4	42.3	(18.8%)

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

CASHFLOW

- Investment of $62m for the acquisition of Allhomes and Digital Ventures businesses.
- FY15 capital expenditure expected in the vicinity of $60m.
- Proceeds from asset sales and investments in FY14 H1 of $229m includes Stayz divestment.

	FY15 H1	FY14 H1
	A$m	A$m
Cash from trading	**139**	154
Proceeds from asset sales and investments	**9**	229
Net other inc exchange movements	**6**	7
Cash In Flows	**155**	390
Net finance charges	**7**	12
Tax payments	**17**	18
Investment in acquired business/ventures	**62**	38
Investment in PP&E	**30**	32
Restructure/redundancy payments	**21**	34
Loans (repaid)/advanced	**1**	(2)
Dividends paid	**47**	24
Cash Out Flows	**186**	157
Net Cash In / (Out) Flow	**(31)**	234
Net Debt at beginning of period	**(68)**	154
Net Debt at end of period	**(37)**	(80)

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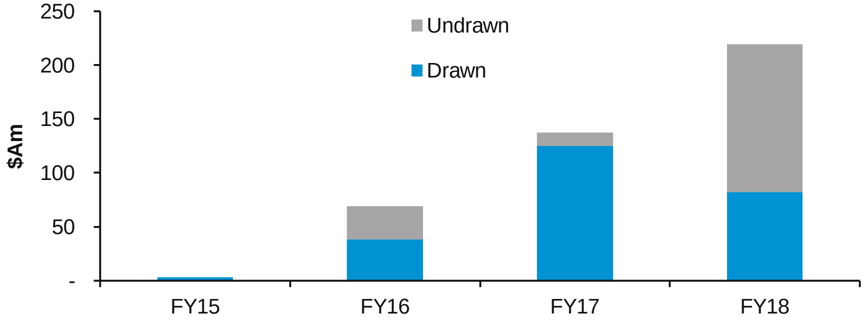
FUNDING POSITION AT DECEMBER

- Net interest expense for FY14 benefited from a $10m profit associated with the close-out of interest rate swaps ($4.6m net of tax).

A$m	Dec 14	Jun 14	Dec 13	Jun 13
Total interest bearing liabilities	245	355	404	638
Debt related derivatives	3	30	17	50
Cash and cash equivalents	**(285)**	**(453)**	**(500)**	**(534)**
Net debt (cash)	(37)	(68)	(80)	154
EBITDA (last 12 months)	**288**	**313**	**320**	**366**
Net debt to EBITDA	(0.1)	(0.2)	(0.2)	0.4
Net interest (last 12 months)	**16**	**10**	**23**	**57**
EBITDA to net interest	**18.2**	**30.0**	**14.1**	**6.4**

FACILITY MATURITY AS AT FEBRUARY 2015

- Net cash position of $37m at December 2014.
- Duration of Debt of 2.4 years at December 2014
- Standard & Poor's reviewed Fairfax's BB+ credit rating (stable).



Facilities as at January 2015	Limit	Usage
	$m	$m
Non Current		
Bank Revolver Australia	275.0	125.0
USPP 2007 series	82.1	82.1
Bank Revolver New Zealand	36.7	14.2
USPP-2003 series	28.3	28.3
Chullora Lease	9.8	9.8
Total	431.9	259.4

Q&A

APPENDICES

APPENDIX 1
GROUP TRADING PERFORMANCE FY15 H1

	Reported 4D FY15 H1	Less Significant item	Trading Performance excluding significant items	Less Operations Closed	Trading Performance for continuing businesses	Trading Performance for continuing businesses
28 December 2014	**$m**	**$m**	**$m**	**$m**	**FY15H1 $m**	**FY14H1 $m**
Total revenue	943.3	-	943.3	(1.6)	941.7	964.7
Associate profit/(loss)	0.7	-	0.7	-	0.7	2.7
Expenses	(858.8)	74.1	(784.7)	4.6	(780.1)	(789.4)
Operating EBITDA	85.3	74.1	159.4	3.0	162.4	178.0
Depreciation and amortisation	(33.7)	-	(33.7)	-	(33.7)	(47.1)
EBIT	51.7	74.1	125.7	3.0	128.7	130.9
Net interest expense	(8.6)	-	(8.6)	-	(8.6)	(3.3)
Net profit/(loss) before tax	43.0	74.1	117.1	3.0	120.1	127.6
Tax (expense)/benefit	(16.3)	(17.4)	(33.7)	-	(33.7)	(40.8)
Net Profit/(loss) after Tax from continuing operations	26.7	56.7	83.4	3.0	86.4	86.8
Net profit attributable to non-controlling interest	(0.4)	-	(0.4)	-	(0.4)	(0.4)
Net profit/(loss) attributable to members of the Company	26.3	-	83.0	3.0	86.0	86.4
Earnings per share	1.1		3.5		3.7	3.7

APPENDIX 2

GROUP TRADING PERFORMANCE FY14 H1

	Reported 4D FY14 H1	Less Significant item	Trading Performance excluding significant items	Less Entities Disposed FY14 H1	Trading Performance for continuing businesses
29 December 2013	**$m**	**$m**	**$m**	**$m**	**FY14H1 $m**
Total revenue	1,083.4	(106.7)	976.7	(12.0)	964.7
Associate profit/(loss)	2.7	-	2.7	-	2.7
Expenses	(795.0)	-	(795.1)	5.7	(789.4)
Operating EBITDA	291.1	(106.7)	184.4	(6.4)	178.0
Depreciation and amortisation	(48.6)	-	(48.6)	1.5	(47.1)
EBIT	242.5	(106.7)	135.8	(4.8)	130.9
Net interest expense	(3.3)	-	(3.3)	(0.0)	(3.3)
Net profit/(loss) before tax	239.2	(106.7)	132.5	(4.8)	127.6
Tax expense/(benefit)	(45.0)	6.0	(38.9)	(1.9)	(40.8)
Net Profit/(loss) after Tax from continuing operations	194.2	(100.7)	93.5	(6.7)	86.8
Net Profit after Tax from discontinued operations			-		
Net profit/(loss) after tax	194.2	(100.7)	93.5	(6.7)	86.8
Net profit attributable to non-controlling interest	(0.4)	-	(0.4)		(0.4)
Net profit/(loss) attributable to members of the Company	193.8	(100.7)	93.1	(6.7)	86.4
Earnings per share	8.2		4.0		3.7

Note:
FY14H1 Entities divested include FRG Asia, InvestSMART and Stayz.

APPENDIX 3
PRINTING OPERATIONS

- Change in New Zealand printing with no profit margin charged internally in FY15.
- Closure of Chullora and Tullamarine printing sites has changed the printing allocation between Australian Metropolitan Media and Australian Community Media.

	FY15 H1 A$m	FY14 H1 A$m	% change
Total Revenue	**156.2**	195.5	(20.1%)
Internal Revenue	**(129.2)**	(165.8)	(22.0%)
Net Revenue	**27.0**	29.8	(9.4%)
Associate profit (loss)	**0.0**	0.1	(39.1%)
Costs	**(1.0)**	5.7	(117.5%)
EBITDA	**26.0**	35.5	(26.8%)
Segment allocation			
Australian Metropolitan Media	*15.2*	*12.8*	18.7%
Australian Community Media	*9.7*	*17.4*	(44.1%)
New Zealand Media	*1.1*	*5.3*	(80.0%)
EBITDA	26.0	35.5	(26.8%)
EBIT	6.6	7.9	(16.6%)
EBITDA Margin	**16.7%**	18.2%	

APPENDIX 4
CORPORATE

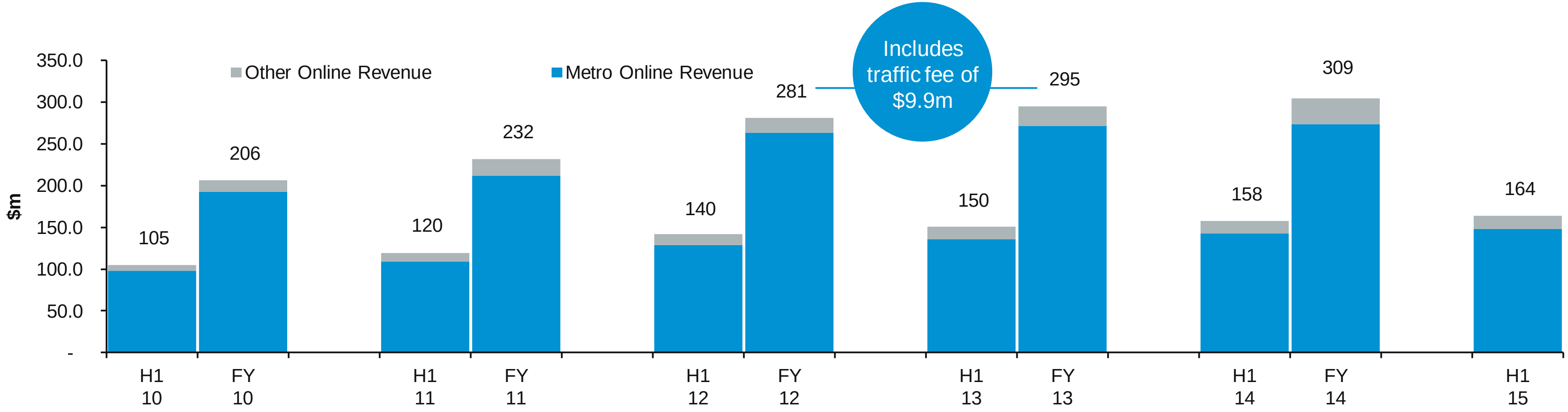
- Share of Profit includes investment in Stan and AAP results.
- Includes costs associated with closure of Chullora and Tullamarine printing sites.

	FY15 H1 A$m	FY14 H1 A$m	% change
Net Revenue	**10.0**	5.9	69.0%
Associate Profit (Loss)	**(3.2)**	(0.7)	(336.7%)
Costs	**(28.8)**	(31.2)	7.6%
EBITDA	**(22.0)**	(26.0)	15.4%
EBIT	**(13.7)**	(17.2)	20.4%

APPENDIX 5
SIGNIFICANT ITEMS

A$m	FY15 H1	FY14 H1
Impairment of intangibles, investments and property, plant and equipment	(19.4)	
Income tax benefit	1.1	
Impairment of intangibles, investments, and property, plant and equipment, net of tax	(18.3)	-
Restructuring and redundancy charges	(54.7)	
Income tax benefit	16.3	
Restructuring and redundancy, net of tax	(38.3)	-
Stayz business and other controlled entities		106.7
Income tax expense		(6.0)
Total gains on sale of controlled entities, net of tax	-	100.7
NET SIGNIFICANT ITEMS, NET OF TAX	**(56.7)**	100.7

APPENDIX 6
GROUP DIGITAL REVENUE



Digital % total revenue	**9%**	**10%**	**13%**	**14%**	**17%**	**17%**

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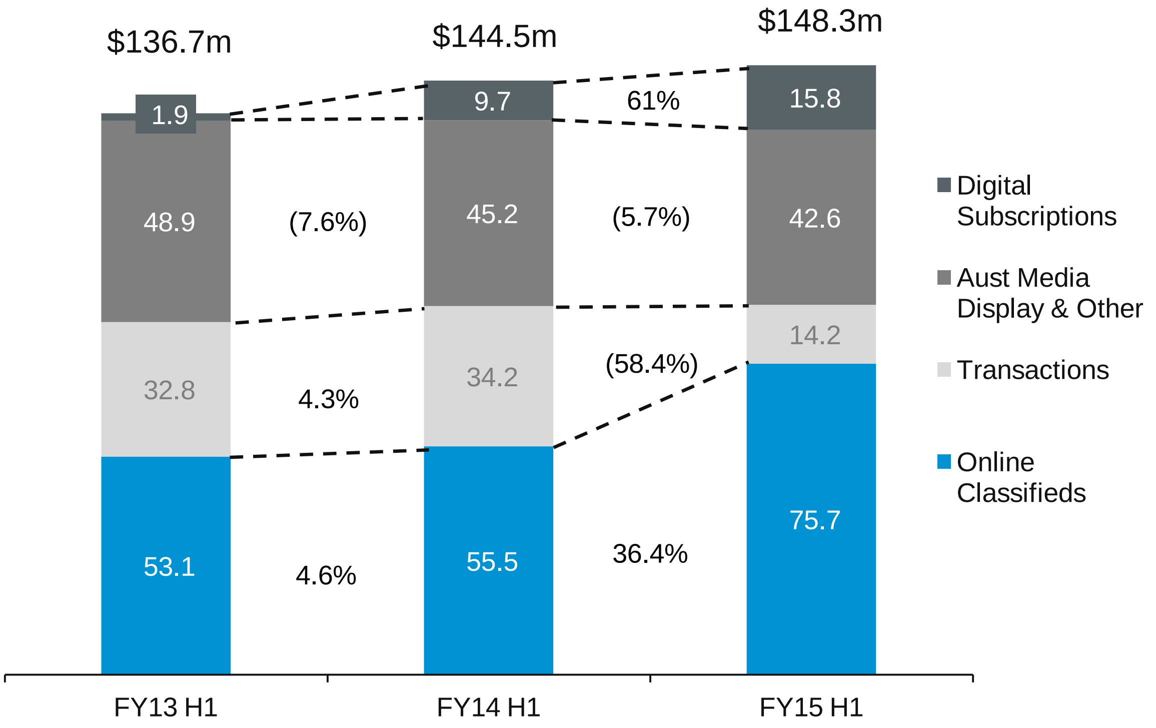
APPENDIX 7
METROPOLITAN MEDIA DIGITAL REVENUE PROFILE



- **Digital Subscriptions:** Includes The Sydney Morning Herald, The Age and The Australian Financial Review.
- **Australian Display Media:** Increased competition and fragmentation in display advertising. FY13 includes $5m of Internal Digital Traffic.
- **Transactions:** Sale of Stayz and JV between RSVP and Oasis Active.
- **Online Classifieds:** Strong growth from Domain.

Note:
FY14H1 and FY13H1 has been re-stated to include regional online. CRE online has moved from Aust Media Display to Online Classifieds.

APPENDIX 8

60% OF AUSTRALIANS CONSUME FAIRFAX CONTENT ACROSS PLATFORMS

10.7 MILLION DE-DUPLICATED AUDIENCE

PRINT

6.1m
PRINT READERS

4.5m
READERS OF NATIONAL AND METRO NEWSPAPERS

2.3m
READERS OF INSERTED MAGAZINES

2.2m
READERS OF REGIONAL/COMMUNITY NEWSPAPERS

WEB*

7.3m
VISIT WEBSITES

4.9m
NATIONAL AND METRO NEWS WEBSITES

1.3m
REGIONAL WEBSITES

TABLET/MOBILE

2m
USE NEWS SITES OR APPS ON TABLET OR MOBILE DEVICE

1.3m
ACCESS NEWS ON A TABLET

1.2m
ACCESS NEWS ON A MOBILE

THE NEXT GENERATION OF AUDIENCE INSIGHTS emma POWERED BY IPSOS

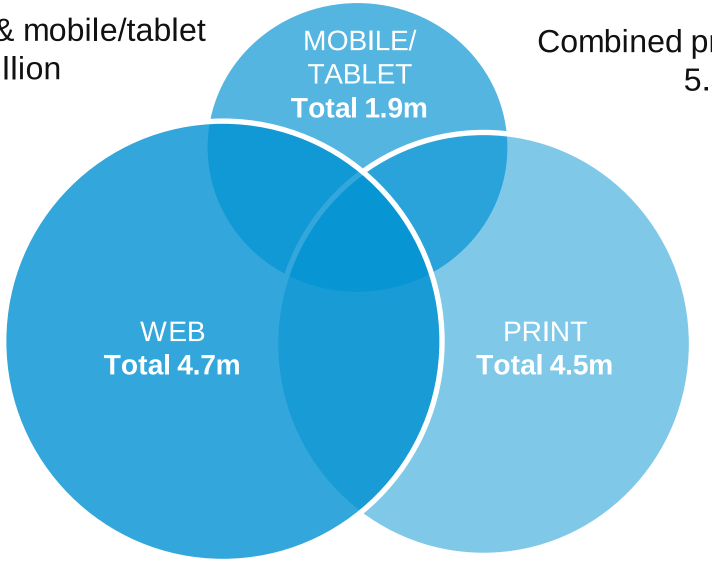
Source: emma[TM] conducted by Ipsos MediaCT, people 14+ for the 12 months ending Nov 2014, Nielsen Online Ratings Nov 2014 people 14+ only. Last four weeks. *Nielsen Online Ratings Nov 2014, Ppl 2+.

APPENDIX 9

FAIRFAX'S NATIONAL AND METRO MASTHEADS REACH ALMOST 8 MILLION AUSTRALIANS ACROSS PLATFORMS

Combined web & mobile/tablet
5.6 million

Combined print & mobile/tablet
5.3 million

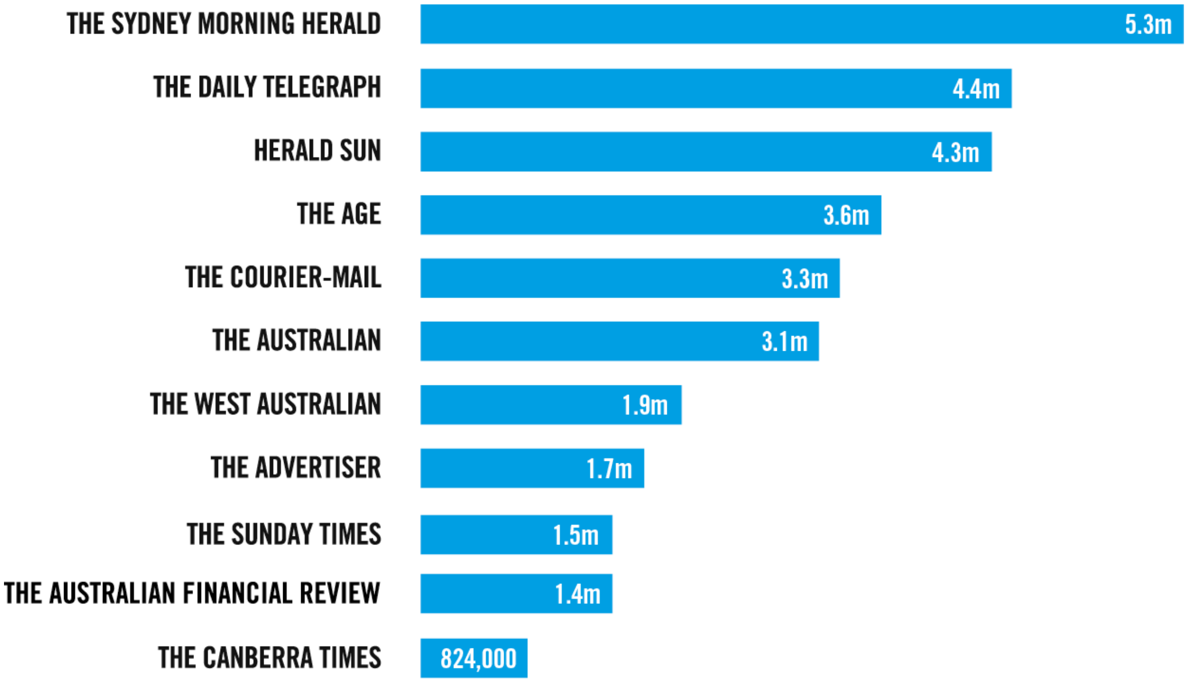


Combined web & print
7.5 million

Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending Nov 2014, Nielsen Online Ratings Nov 2014, 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 10

THE SMH IS NO. 1 IN TOTAL MASTHEAD AUDIENCE



Source: emma[TM] conducted by Ipsos MediaCT, people 14+ for the 12 months ending Nov 2014, Nielsen Online Ratings Nov 2014, 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.

THANK YOU