

## FAIRFAX MEDIA TO ALLOW TPG CONSORTIUM AND HELLMAN & FRIEDMAN TO CONDUCT DUE DILIGENCE

**SYDNEY, 18 May 2017:** Fairfax Media Limited (**Fairfax or Company**) (ASX:FXJ) on the evening of 17 May 2017 received an indicative, preliminary and non-binding proposal on behalf of funds affiliated with Hellman & Friedman LLC (together with affiliates, **Hellman & Friedman**) to acquire 100% of the shares in Fairfax (on a fully diluted basis) at a price between \$1.225 to \$1.250 per share, with all consideration being in cash. The proposal assumes no dividends are paid by Fairfax from the date of the proposal to completion (**H&F Indicative Proposal**).

The H&F Indicative Proposal follows the revised, indicative, preliminary and non-binding proposal from the TPG Consortium to acquire 100% of the shares in Fairfax (on a fully diluted basis) at a price of \$1.20 per share (reduced by any dividend paid by Fairfax between now and completion), as announced on 15 May 2017 (**TPG Indicative Proposal**) (together with the H&F Indicative Proposal, the **Indicative Proposals**).

The Fairfax Board has considered the Indicative Proposals and determined they will invite both Hellman & Friedman and the TPG Consortium to conduct due diligence in order to establish whether an acceptable binding transaction can be agreed.

Commenting on the Indicative Proposals, Fairfax's Chairman Nick Falloon said: "The Fairfax Board appreciates the support shareholders have demonstrated for Fairfax's current strategy and the potential separation of the Domain Group. We have carefully considered the Indicative Proposals and believe it is in the best interests of shareholders to grant both parties due diligence to explore whether a potential whole of company proposal is available."

The Indicative Proposals are subject to various conditions, including due diligence, Fairfax shareholder approval, and obtaining requisite regulatory approvals, including Australian Foreign Investment Review Board (**FIRB**) and New Zealand Overseas Investment Office (**OIO**) approval.

The Fairfax Board notes that there is no certainty that either of the Indicative Proposals will result in an acceptable offer for Fairfax, what the terms of any such offer would be, or whether there will be a recommendation by the Fairfax Board.

Fairfax shareholders do not need to take any action in response to the Indicative Proposals and the Fairfax Board will update shareholders as appropriate.

During the due diligence period Fairfax intends to continue progressing the announced potential separation of Domain Group.

Macquarie Capital and Herbert Smith Freehills are advising Fairfax.

– ENDS –

Contact:

Brad Hatch  
Director of Communications  
+61 2 9282 2168

## **BACKGROUND TO HELLMAN & FRIEDMAN**

- Hellman and Friedman (**H&F**) is a global private equity firm founded in San Francisco in 1984 with operations in San Francisco, New York and London
- H&F has raised and managed in excess of US\$35 billion of committed capital across eight funds and is currently investing from Hellman & Friedman Capital Partners VIII, L.P., an US\$11 billion fund
- Invested in over 80 companies across North America, Europe, Australia and Asia
- Current and prior investments in various media and digital classifieds markets, include Scout24 AG, Advanstar, Axel Springer, Digitas, DoubleClick, Eller Media, Formula One, Getty Images, Internet Brands, National Radio Partners, ProSieben Sat.1 AG and Young & Rubicam

## **BACKGROUND TO TPG CONSORTIUM**

### *TPG Group*

- TPG Group is a global private equity investment firm founded in 1992 with over US\$74 billion of assets under management
- Current and prior investments in new media, content and talent management include PropertyGuru, Rentpath, Uber, Airbnb, Creative Artists Agency, TES Global and STX Entertainment

### *Ontario Teachers' Pension Plan Board*

- Ontario Teachers' Pension Plan Board (**OTPP**) is an institutional investment management organisation with over C\$175 billion in assets under management
- Prior and existing investments include Sydney Airport, Sydney Desalination Plant, DTZ / Cushman & Wakefield, Aroona Farms, Metronode and OTPPNZ