



## FAIRFAX NEW ZEALAND

**SYDNEY, 8 December 2016:** As Fairfax Media Limited [ASX:FXJ] ("**Fairfax**") announced on 7 September 2016, the Company has entered into a binding merger implementation agreement ("**MIA**") to merge its New Zealand business, Fairfax New Zealand Limited ("**Fairfax NZ**"), with NZME Holdings Limited ("**NZME**"), by a sale of Fairfax NZ for a combination of cash and shares in NZME.

Fairfax notes that the transaction is subject to certain conditions including New Zealand regulatory approval and the parties are going through the approval process with the New Zealand Commerce Commission.

The merger agreement contains standard exclusivity provisions preventing the parties from entertaining any offer from a third party in relation to the business and assets the subject of the MIA and in any event the MIA is binding subject only to the conditions.

Following media speculation today, Fairfax confirms that it has recently received a letter from a third party claiming that it has a client that would be interested in considering the acquisition of the Fairfax New Zealand business. The name of the client is not disclosed. The letter contains no offer capable of acceptance and Fairfax is not engaged in any discussions in relation to the letter.

Consistent with its exclusivity obligations under the MIA, Fairfax is continuing to work with NZME to satisfy the conditions under the MIA and is not engaged with any third party.

– ENDS –

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