

8 May 2015

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

By electronic lodgment

Total Pages: 3 (including covering letter)

Dear Sir / Madam

INELIGIBLE RETAIL SHAREHOLDERS

Attached is a copy of a letter which will be dispatched today to shareholders ineligible for the Conditional Retail Entitlement Offer.

Yours faithfully

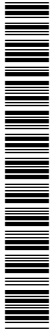


Warren Coatsworth
Company Secretary



SEVEN WEST MEDIA

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8 May 2015

Dear Shareholder

SEVEN WEST MEDIA LIMITED CONDITIONAL PRO RATA ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

On 29 April 2015, Seven West Media Limited (**SWM**) announced a proposed transaction consisting of two components:

- the conversion of all of the convertible preference shares (**CPS**) that SWM has on issue to Seven Group Holdings (**SGH**) at an issue price of \$1.28 per share; and
- a 2.27 for 3 conditional, pro-rata, accelerated, non-renounceable entitlement offer of new SWM shares (**New Shares**) to all eligible SWM shareholders at an offer price of \$1.25 per New Share (**Offer Price**) (**Pro-rata Offer**).

The Pro-rata Offer and conversion of the CPS is conditional on certain shareholder resolutions being passed. The Pro-rata Offer is being underwritten to \$150 million, meaning that the Pro-rata Offer will raise between \$150 million and \$612 million depending on the level of take up by SWM shareholders.

This letter is to inform you about the Pro-rata Offer, and to explain why you will not be able to subscribe for New Shares under the Pro-rata Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. You are not required to do anything in response to this letter.

Rationale for the Pro-rata Offer

SWM is undertaking the Pro-rata Offer to provide eligible shareholders with the opportunity to retain their percentage shareholding in SWM, and to raise proceeds to pay down debt.

Details of the Pro-rata Offer

The Pro-rata Offer comprises an institutional pro-rata offer (**Institutional Entitlement Offer**) and an offer to eligible retail shareholders (as described below, **Eligible Retail Shareholders**) to participate at the same Offer Price and offer ratio (**Retail Entitlement Offer**). The Pro-rata Offer is being made in accordance with section 708AA of the Corporations Act 2001 (Cth) (as modified by ASIC Class Order 08/35), meaning that no prospectus needs to be prepared.

Following completion of the Pro-rata Offer, SWM will have issued up to approximately 489,778,181 New Shares (in addition to converting the CPS into 265,749,570 ordinary shares) resulting in a maximum total number of SWM shares on issue of approximately 1,754,688,623.

Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Shareholders to subscribe for 2.27 New Shares for every 3 existing SWM ordinary shares held on the Record Date of 7.00pm (Sydney time) on 4 May 2015. An offer booklet in relation to the Retail Entitlement Offer (**Retail Offer Booklet**) will be despatched to Eligible Retail Shareholders on or around 8 May 2015. Further information in relation to the Pro-rata Offer has been disclosed on the Australian Securities Exchange.

Eligibility criteria

Eligible Retail Shareholders are those persons who:

- Are registered as a holder of existing SWM shares as at the Record Date, being 7.00pm (Sydney time) on 4 May 2015;
- Have a registered address on the SWM share register in Australia or New Zealand;
- Are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds SWM shares for the account or benefit of such person in the United States);
- Were not invited to participate (other than as nominee, in respect of other underlying holdings) in the Institutional Entitlement Offer and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- Are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. SWM reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

The restrictions upon eligibility to participate in the Retail Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to SWM of complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing SWM ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled. SWM has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3) of the Australian Corporations Act 2001 (Cth) (**Act**), that it would be unreasonable to make or extend offers to shareholders in certain countries under the Retail Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Act, SWM wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be send the documents relating to the Pro-rata Offer.

You are not required to do anything in response to this letter.

For further information on the Entitlement Offer or if you believe that you are an Eligible Retail Shareholder, you can call the SWM Offer Information Line on 1800 000 639 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

On behalf of the Board of SWM, I thank you for your continued support.

Yours faithfully



Kerry Stokes AC
Chairman

Important information

This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in SWM in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of SWM ordinary shares.

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, neither the entitlements nor the New Shares have been, and none of them will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements in the Retail Entitlement Offer may only be taken up by, and the New Shares in the Retail Entitlement Offer may only be offered or sold to, directly or indirectly, certain persons outside the United States in "offshore transactions" (as defined in Rule 902(h) of Regulation S under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual investment objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.