



Fairfax Media acquires TenderLink.com, the Southern Hemisphere's largest e-tendering service

Sydney, December 13, 2010 – Fairfax Media Limited (FXJ:AU) announced today the acquisition of the southern hemisphere's largest tender notification service provider, TenderLink.com for a maximum consideration of NZ\$21.6 million.

TenderLink is a tender notification service and provider of electronic tendering solutions using a Software-as-a-Service (SaaS) model. It is recognised as the clear leader in its fields in the Australian and New Zealand markets. TenderLink's service brings purchasers and suppliers together as well as streamlining the management of the tendering process from paper to electronic.

Jack Matthews, Fairfax Digital's Chief Executive Officer said *"TenderLink's digital solution improves the tendering process for both tenderers and suppliers. As the clear leader in its market, TenderLink fits our strategy of acquiring high growth transactional businesses that provide services to the SME market. Combining TenderLink with our digital network, this already profitable business has considerable further potential for growth."*

Philip Brown, TenderLink's Chief Executive Officer said *"Fairfax is an excellent place for TenderLink to continue its success, bringing considerable synergies and added value to TenderLink. Fairfax's reach into businesses in the Australian market and elsewhere will help TenderLink accelerate its growth."*

TenderLink's web-based technology enables purchasers to speed up the tendering process by efficiently engaging with suppliers electronically. Through subscription and advertising fees, procurement teams, particularly in construction, local government, utilities and universities, use the service to reach over 150,000 registered suppliers.

Suppliers subscribe to an electronic tender notification service that provides access to 99% of publicly advertised tenders throughout Australia and New Zealand.

TenderLink was established in 1994 by its founder and current CEO, Philip Brown. The business is headquartered in New Plymouth, New Zealand. It employs 38 staff in New Zealand and 9 in Australia.

Further information on TenderLink.com and the transaction is attached.

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FURTHER INFORMATION ON TENDERLINK.COM AND TRANSACTION DETAILS

- Acquiring TenderLink is consistent with Fairfax Media's stated acquisition strategy of pursuing high growth transaction-based businesses targeting the SME market. The business has solid and improving profit margins. TenderLink's trans-Tasman focus is also well aligned with Fairfax's current geographic focus.
- The acquisition will be completed within 45 days, subject to certain conditions precedent.
- Based upon the anticipated FY2011 EBITDA of TenderLink.com, the total maximum purchase consideration represents an earnings multiple of 8 times.
- The technology is a "one-for-all", web based, outsourced solution, currently licensed "software as a service" (SaaS) to governments and public and private sector businesses in Australia and New Zealand.
- TenderLink searches over 5,000 printed media sources and 1,000 industry websites daily for new tenders being published by all levels of government, councils and corporate procurers. The company also provides exclusive access to tenders that are published in various e-tendering website portals developed by Tenderlink for its clients. In addition to universities and councils throughout Australia and New Zealand, major corporate clients include Energy Australia, Brisbane Airport, Xstrata, LoyYang Power, Fletcher Construction, ADCO, Hansen Yuncken, Spotless, Boeing and Transfield.
- Revenue model: Subscription fee, Portal set-up fee, PAYG tender advertising fees.
- Visit the website www.tenderlink.com