



**ASX / MEDIA RELEASE**

**FOR IMMEDIATE RELEASE**

**11 JULY 2011**

**SYDNEY: Consolidated Media Holdings Limited (CMH)** (ASX:CMJ) announces today that an entity in which it has a 25 per cent investment, FOXTEL, has agreed definitive transaction documents with AUSTAR United Communications Limited (**AUSTAR**) (ASX:AUN) and Liberty Global, Inc (**Liberty**) to acquire 100 per cent of the issued shares of AUSTAR (the **Binding Agreement**).

The Binding Agreement remains subject to a number of conditions including a ruling from the IRS in the United States and approvals from the ACCC, FIRB, AUSTAR's minority shareholders and the Court.

CMH will fund its contribution of up to \$225 million to the transaction (with such final amount and the date of its contribution to be determined following the satisfaction of the conditions precedent) through the use of a newly arranged debt facility, fully underwritten by Australia and New Zealand Banking Group Limited and BNP Paribas.

A copy of FOXTEL's media release follows.

**ENDS**

**COPIES OF RELEASES**

Copies of previous media and ASX announcements issued by CMH are available at CMH's website at [www.cmh.com.au](http://www.cmh.com.au)



**Media Release: 11 July 2011**

## **FOXTEL AGREES DEFINITIVE TRANSACTION TO ACQUIRE AUSTAR**

FOXTEL notes the statement made by AUSTAR today announcing that it has entered into definitive agreements with FOXTEL and Liberty Global for FOXTEL to acquire all of the issued shares in AUSTAR.

FOXTEL confirms that a number of the conditions upon which its \$1.52 per share proposal was made, including due diligence, financing and final board approvals, have now been satisfied and that it has entered into definitive transaction agreements with AUSTAR and Liberty Global.

A merged FOXTEL and AUSTAR would bring together two of Australia's major subscription TV service providers, creating one of Australia's largest media businesses with more than 2,500 employees, anticipated revenue of more than \$2.8 billion and a combined investment in original Australian content of more than \$500 million per annum.

"A merged FOXTEL and AUSTAR would make compelling strategic sense and it would continue to invest and innovate in a superb digital service for consumers across Australia, including investing heavily in marvellous new original Australian content", said FOXTEL CEO Mr Kim Williams.

Mr Williams said the merger would also deliver value to AUSTAR shareholders.

FOXTEL's \$1.52 per share cash payment represents a 54% premium to AUSTAR's trading price on 17 February 2011 – the last trading day prior to AUSTAR's share price being affected by media speculation about a proposed transaction.

The transaction remains subject to regulatory approvals including from FIRB and the ACCC, approval by AUSTAR minority shareholders and the court. The minority shareholders in AUSTAR will meet to vote on the transaction following the clearance of the transaction by the ACCC.

The transaction will be funded by a combination of FOXTEL bank debt and shareholder capital contributions in the form of subordinated shareholder notes. FOXTEL has secured committed debt funding from ANZ, CBA, NAB and Westpac.

FOXTEL is being advised by AquAsia, UBS AG and Allens Arthur Robinson.

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For media inquiries call Adam Suckling on 0419 205 488 or Peter Ogden on 0414 376 229

### **About FOXTEL**

FOXTEL is Australia's leading subscription television provider and is connected to over 1.63 million homes on cable and satellite through retail and wholesale distribution. FOXTEL strives to ensure subscribers find TV they want to watch every time they switch on through delivery of more than 200 channels covering news, sport, general entertainment, movies, documentaries, music and children's programming. FOXTEL is owned by Telstra Corporation Ltd (50%), The News Corporation Ltd (25%), and Consolidated Media Holdings Ltd (25%).