



Fairfax sale of regional assets to Grant Broadcasters

SYDNEY, 7 October 2011: Fairfax Media Limited [ASX: FXJ] today announced it has agreed to sell its regional radio assets to Grant Broadcasters. The sale is expected to complete in late October 2011.

The company announced in May 2011 it was considering a divestment of its metropolitan and regional radio assets. This was in response to strong expressions of interest from prospective purchasers, and was part of an ongoing review of opportunities to maximise shareholder value.

Fairfax Radio's regional stations, comprising 5CC, 5AU, 5CS, 5RM and Magic FM across South Australia and 4BU, Hitz FM and Kix FM in Queensland, are prime assets that have performed consistently through the cycle.

Grant Broadcasters is a third-generation family-owned company and is one of the largest independent radio operators across Australia. Grant Broadcasters has a strong commitment to the communities it serves, having operated in regional Australia for over 70 years.

KPMG Corporate Finance advised Fairfax Media on the sale of the regional radio assets, and continues to assist with the sale process for the metropolitan radio assets. Any decision to sell the metropolitan radio assets will be subject to achieving an acceptable price and consideration of all options to maximise value.

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