



WEST AUSTRALIAN NEWSPAPERS HOLDINGS LIMITED
A.B.N. 91 053 480 845

Wednesday, 23 February 2011

Successful Completion of the Institutional Component of its \$653 million Entitlement Offer

West Australian Newspaper Holdings Limited (ASX:**WAN**) has successfully completed the institutional component of its 4 for 7 pro rata entitlement offer of Convertible Unsecured Loan Securities (**CULS**) ("**Institutional Entitlement Offer**") announced on 21 February 2011.

On settlement, the Institutional Entitlement Offer will raise gross proceeds of approximately \$325 million from the issue of approximately 62.6 million CULS at the issue price of \$5.20 per security. The Institutional Entitlement Offer was very well supported by WAN's existing institutional shareholders, who, excluding Seven Group Holdings (**SGH**), subscribed for approximately 90% of their entitlements. As announced on Monday, SGH did not take up its entitlement of CULS.

Commenting on the outcome, on behalf of the Independent Board Committee, Mr Doug Flynn, said, "*We are very pleased with the high level of support from existing institutional shareholders and their endorsement of WAN's proposed acquisition of Seven Media Group*".

Settlement of the Institutional Entitlement Offer is scheduled to take place on 2 March 2011, and CULS are expected to commence trading on ASX under the code "WANG" on 3 March 2011.

CULS will convert automatically into WAN ordinary shares on a one for one basis as soon as practicable following satisfaction or waiver of the conditions precedent to the agreement governing WAN's proposed acquisition of Seven Media Group. If these conditions are not satisfied or waived and the proposed acquisition does not proceed, then CULS will be redeemed and WAN shareholders will be repaid the money they have invested plus a redemption premium of between 2.5% to 4.5% of the CULS issue price, depending on when redemption occurs. The Maturity Date for CULS is 30 June 2011, and CULS will be redeemed on that date if they have not been converted or redeemed prior to then.



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Retail Entitlement Offer

The retail component of the pro rata entitlement offer of CULS ("**Retail Entitlement Offer**") is expected to open on 3 March 2011 and to close on 18 March 2011.

Eligible retail shareholders will be able to subscribe for 4 CULS for every 7 WAN shares held at 4:00pm (Perth time) / 7:00pm (Sydney time) on 24 February 2011 ("**Record Date**"), at \$5.20 per security, the same price as the Institutional Entitlement Offer. The Retail Entitlement Offer is expected to raise approximately \$327 million.

The Entitlement Offer prospectus is expected to be sent to eligible retail shareholders on 3 March 2011 and is also available at www.sevenwestproposal.com.au. Eligible retail shareholders who wish to acquire CULS under the Retail Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form that will accompany the Entitlement Offer prospectus sent to them.

Eligible retail shareholders may choose to take up their entitlements in whole, in part, or not at all. As the entitlement offer is non-renounceable, shareholders will not be paid any money in respect of any part of their entitlement they do not accept. Retail shareholders who do not take up their entitlements may have their shareholding diluted.

CULS offered under the Retail Entitlement Offer will be issued on the same terms as under the Institutional Entitlement Offer and are also expected to be quoted on ASX. Allotment of CULS under the Retail Entitlement Offer is expected to occur on 29 March 2011.

Retail shareholders in WAN who have questions regarding the Entitlement Offer should call the WAN Offer Information Line on 1800 133 562 (within Australia) or +61 3 9415 4603 (outside Australia) at any time between 6.00am and 5.00pm Perth time, equivalent to 9.00am and 8.00pm Sydney time, Monday to Friday.

Public Offer

The Public Offer is an offer of fully paid ordinary shares in WAN to raise approximately \$40 million. The application period for the Public Offer is expected to open on 3 March 2011 and to close on 13 April 2011.

The issue price for shares offered under the Public Offer is \$5.20 per new share.

The Public Offer is open to investors resident in Australia and New Zealand and otherwise eligible under all applicable securities laws to receive the Public Offer.



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The Public Offer will not be made unless the conditions precedent to the agreement governing WAN's proposed acquisition of Seven Media Group are satisfied or waived and the proposed acquisition proceeds.

Further information regarding the Public Offer is available in the prospectus issued by WAN on 21 February 2011, and currently available at www.sevenwestproposal.com.au

WAN requests that the trading halt on its shares be lifted upon the making of this announcement and for trading of WAN shares to recommence on an ex-entitlement basis.

For further information please contact:

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