



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

Wednesday, 23 March 2011

Completion of \$653 million Entitlement Offer

West Australian Newspapers Holdings Limited (ASX: WAN) has completed the retail component of its fully underwritten \$653 million 4 for 7 pro rata Entitlement Offer of Convertible Unsecured Loan Securities (CULS) at the issue price of \$5.20 per security. The Entitlement Offer consisted of an Institutional Offer of approximately \$325 million which closed on 23 February 2011 and a Retail Offer of approximately \$328 million which closed on 18 March 2011.

Notwithstanding volatile market conditions that led to a significant decline in equity markets and contributed to WAN shares trading close to, or below, the \$5.20 Entitlement Offer issue price for much of the offer period, WAN received applications from over 4,300 shareholders for approximately \$47 million under the Retail Offer, representing approximately 14% of entitlements.

As the Entitlement Offer is fully underwritten, the total amount that will be raised remains at \$653 million. The remaining CULS of approximately 54 million will be allotted under the terms of the underwriting agreement to the Company's underwriters and sub-underwriters.

Settlement of the Retail Offer is scheduled to take place on 28 March 2011, with allotment of the CULS due to occur the following day. New CULS are expected to commence trading on ASX under the code "WANG" on 30 March 2011. They will convert to WAN ordinary shares subject to approval of WAN's proposed acquisition of SMG at the EGM on April 11 2011 and the satisfaction or waiver of other conditions precedent to the agreement governing WAN's proposed acquisition of SMG.

The major shareholders of SMG, Seven Group Holdings Limited (SGH) and funds affiliated with Kohlberg Kravis and Roberts & Co. L.P. (KKR), SMG Management and mezzanine investors have agreed to subscribe for new shares in WAN at \$5.99 each as part of the consideration for their respective interests in SMG, a 15% premium to the \$5.20 per security WAN shareholders have paid under the Entitlements Offer.

Public Offer

The application period for the fully underwritten Public Offer of fully paid ordinary shares in WAN to raise approximately \$40 million at \$5.20 per new share 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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Settlement of the Public Offer will not occur unless the conditions precedent to the agreement governing WAN's proposed acquisition of SMG 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 Extraordinary General Meeting (EGM)

WAN is due to hold its EGM to approve the proposed acquisition of SMG at 10am (Perth time) on 11 April 2011, at the Hyatt Regency Hotel, 99 Adelaide Terrace, Perth, Western Australia.

Further information regarding the EGM is available in the Notice of Meeting and Explanatory Memorandum issued by WAN on 8 March, and currently also available at www.sevenwestproposal.com.au.

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