

FAIRFAX SELL-DOWN OF TRADE ME

SYDNEY, 17 December 2012: Fairfax Media Limited [ASX:FXJ] announced today it has executed an underwriting agreement for the sale of 202.0 million Trade Me Group Limited ("Trade Me") shares for gross proceeds of A\$616 million.

The shares are being sold at a price of A\$3.05 per share. The sale is fully underwritten by UBS New Zealand Limited. Following completion of the sale, Fairfax will no longer hold any shares in Trade Me.

Chief Executive and Managing Director Greg Hywood said: "Trade Me has been a great business for Fairfax and we have learned a great deal more about the successful operation of digital businesses over the years since we acquired Trade Me for NZ\$750 million in 2006."

"The proceeds from the sale will reduce Fairfax's net debt and will provide us with a very strong balance sheet and the financial flexibility to invest and to complete the company's structural transformation.

"Our decision, at this time, to sell our remaining shareholding in Trade Me in no way reflects on our view of Trade Me's future. Trade Me's strong performance has given rise to an opportunity now to reduce debt and provide greater financial flexibility. We have every confidence in Trade Me's ongoing strength and we wish it every success in the future."

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