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## Independent News & Media PLC

### Results of Rights Issue and Completion of Restructuring

Dublin/London – 15<sup>th</sup> December, 2009: Independent News & Media PLC (“INM” or the “Company”) today announces that 1,791,890,667 new ordinary shares of INM, representing approximately 97.17% of the total number of new ordinary shares (“New Ordinary Shares”) offered to Qualifying Shareholders pursuant to the 59 for 50 rights issue approved by INM Shareholders on 26<sup>th</sup> November, 2009 (the “Rights Issue”) have been subscribed pursuant to valid acceptances of the Rights Issue or applications by Bondholders. The balance of 2.83% has been placed in the market and no remaining shares will be allocated to the Underwriter.

Commenting on this final stage of the Company’s Restructuring, Gavin O’Reilly, Group Chief Executive, said: *“We are very pleased with the significant take-up of the Rights Issue and the significant support it has received from shareholders. This, combined with the completion of the Company’s asset disposal programme announced earlier this week, means that Net Debt has been reduced by approximately €350 million in 2009. With this new capital structure, the Company looks forward to focusing solely on its operational performance and driving operating profit growth as economic conditions recover.”*

Of the New Ordinary Shares subscribed for under the Rights Issue, 1,040,289,588 New Ordinary Shares have been subscribed for in cash, raising in aggregate €52.01 million and 751,601,079 New Ordinary Shares have been applied for by Bondholders by application of part of the residual Bond claim held by such Bondholders.

A total of 1,844,099,165 New Ordinary Shares were offered to Qualifying Shareholders in the Rights Issue, which closed at 11.00 a.m. on 14<sup>th</sup> December, 2009.

In accordance with the arrangements set out in Part 9 of the prospectus dated 11<sup>th</sup> November, 2009 (the “Prospectus”) relating to the Rights Issue, Davy, as broker to the Company, has also now procured subscribers for the remaining 52,208,498 New Ordinary Shares (“the Placing”). The price at which these New Ordinary Shares were placed was €0.10 per share.

The net proceeds from the Placing after deduction of the Rights Issue price of €0.05 per New Ordinary Share and relevant costs (including any commissions and taxes), will, save for amounts less than €7.00 per holding, be paid without interest to Shareholders who have not taken up their entitlements, *pro rata* to their lapsed provisional allotments.

The Rights Issue was fully underwritten by a special purpose company, Nomad Two Limited (the “Underwriter”), on behalf of the holders of the Bonds and in respect of the full amount of the Bond claim remaining after the First Equity Issue. As detailed in the Prospectus, 92,204,958 new Ordinary Shares will be allotted and issued to the Underwriter in full satisfaction of the underwriting fee due to the Underwriter in accordance with the terms of the Underwriting Agreement. Application has been made to the Irish Stock Exchange and the UK Listing Authority for the 92,204,958 Underwriting Shares to be admitted to the Official List of the Irish Stock Exchange and the Official List maintained by the UK Listing Authority and application has been made to the Irish Stock Exchange and the London Stock



Exchange for such Underwriting Shares to be admitted to trading on their respective regulated markets for listed securities. It is expected that such admission will become effective and that dealings will commence in the Underwriting Shares at 8.00 a.m. on 17 December 2009.

As a result of the Placing, no New Ordinary Shares will be allocated to the Underwriter.

The gross cash proceeds of the Rights Issue will in accordance with the terms of the Underwriting Agreement be transferred to the Underwriter. Following such transfer and the allotment of New Ordinary Shares under the Rights Issue, all of the remaining Bond claim will be discharged and the outstanding Bonds will be cancelled.

INM expects next week to drawdown under the INM Group's new senior bank facilities, which drawdown will fully complete the Restructuring.

Defined terms used in this announcement have the same meaning as contained in the Prospectus dated 11<sup>th</sup> November, 2009.

**For further information, please contact:**

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