



Agreement to Dispose of INM Outdoor

Ticker: (Bloomberg) INM.ID/ INM.LN and (Reuters) INME.I/ INME.L

Dublin – 28th August 2009: Independent News & Media PLC ('INM' or 'the Company') announces that it has conditionally agreed to dispose of its interest in INM Outdoor ('INMO'), its South African outdoor media company, to a pan-African private equity investor group led by Helios Investment Partners (the "Transaction").

The Transaction will realise gross cash proceeds of ZAR 1,100 million (approximately €98 million) for the Company. The Transaction is expected to close in Q4 2009 and is subject, *inter alia*, to approval by INM's shareholders as a Class 1 transaction and approval by the South African Competition Authority. In addition, in accordance with the terms of the prevailing standstill agreement entered into by INM with its senior banks and an ad hoc committee of bondholders, their approval to the Transaction is also required.

The proceeds of the disposal of INMO will be an important part in delivery of the Company's stated strategy to substantially reduce its debt.

INM Outdoor is South Africa's largest outdoor advertising operator and manages operations in an additional 13 countries in Sub-Saharan Africa. INM initially invested in INMO in 2001 and took full control of the business in March 2008 following the acquisition of a 50% interest held by Clear Channel Communications Inc.

For the year ended 31 December 2008, INMO generated operating profit of ZAR 157.8 million from revenues of ZAR 464.4 million and held gross assets of ZAR 1,372.5 million at that date.

A circular convening an Extraordinary General Meeting, at which the approval of the Transaction by INM's shareholders will be sought, will be issued in due course.

ENDS

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For further information, please contact:

Gavin O'Reilly

Chief Executive Officer

+353 1 466 3200

Dónal Buggy

Chief Financial Officer

+353 1 466 3200

Media

Pat Walsh

Rory Godson/Paul Durman

Murray Consultants (Dublin)

Powerscourt (London)

Tel: +353 1 498 0300

Tel: +44 20 7250 1446

Investors and Analysts

Mark Kenny/Jonathan Neilan

K Capital Source (Dublin)

Tel: +353 1 631 5500

Email: INM@kcapitalsource.com