

**FOR IMMEDIATE RELEASE**

11<sup>th</sup> December 2003

**INDEPENDENT NEWS & MEDIA PLC SELLS LONDON REGIONAL  
NEWSPAPER DIVISIONS TO ARCHANT**

Independent News & Media PLC [**'INWS.I'**] announced today, that its UK subsidiary, Independent News and Media Limited [**'Independent'**], has entered into agreements for the sale of its London regional newspaper operations to Archant Regional Limited [**'Archant'**] for a consideration of STG£62.0 million (approximately €88.7 million).

Independent today received cash of STG£52.0m (approximately €74.4 million) from Archant for three of the five newspaper divisions ("Post", "East London" and "North London"). Following statutory changes to the regulatory regime for newspaper transfers/mergers, the sale of the two remaining divisions ("Kent" and "North West") is expected to be completed on or after the 30th December 2003, pursuant to a put and call option agreement entered into today.

This follows the earlier announcement by Independent (26th March 2003) of the proposed disposal of its London regionals to Newsquest for STG£60.0 million, which was subject to approval by the Department of Trade and Industry [**'DTI'**]. That deal was subsequently referred to the UK Competition Commission, and following their report and the DTI's ruling (21st October 2003) that Newsquest would be precluded from acquiring certain titles/divisions as proposed, a number of other suitors expressed keen interest in buying the operations. Today's announcement of the disposal to Archant – on more favourable terms than previous - is the culmination of that process.

Ivan Fallon, chief executive of Independent News & Media (UK) Limited, said: *"Since October, when the DTI made its decision in relation to the original proposed Newsquest deal, a number of suitors, including private equity funds, expressed interest in either buying all or some of our London Regionals. Having considered the merits of alternative offers, we have reached agreement with Archant, who we believe to be an ideal new owner."*

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