



Financial Standstill Agreed and New Working Capital Facilities Procured

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

Dublin – 18th May 2009: Independent News & Media PLC (“INM” or the “Group”) and Independent News & Media (Finance) Limited (Issuer of the 5.75% €200 million guaranteed Bonds) are pleased to announce that they have entered into a financial standstill with their principal Banks and Bondholders. In addition, the Group has procured an additional €15 million working capital facility from its Banks for the standstill period, secured on certain agreed assets, and which sums are to be repaid from specified asset disposals. This will allow ongoing constructive discussions to continue between all key stakeholders in relation to the Group’s financial restructuring.

The standstill period will commence on Monday 18th May 2009 (being the maturity date of the Bonds) and run until 26th June 2009 (or any earlier date of termination under the standstill agreement). The standstill period may be extended beyond 26th June, but only with the consent of INM’s Bondholders and Banks who are party to the standstill agreement. Implementation of the standstill required agreement from all of INM’s principal Bank lenders and in excess of 75% of INM’s Bondholders by value, with 91.16% of the Bondholders by value now agreed.

The standstill is necessary to facilitate ongoing negotiations between the key stakeholders in relation to the Group’s financial restructuring. To aid these negotiations, an ad-hoc committee of Bondholders has appointed Bingham McCutchen (solicitors) and Houlihan Lokey (financial adviser). As advised previously, NM Rothschild and Davy are advising the Group.

During the standstill period, no financial creditor (i.e. Banks and/ or Bondholders) party to the standstill arrangements may take any action to enforce any claim for payment against the Group. The Group is subject to certain covenant restrictions during the standstill period. Payment of interest and principal on the Group’s Bank facilities the subject of the standstill arrangements and Bonds is suspended, but continues to accrue, for the duration of the standstill.

INM’s Banks continue to make existing credit facilities available to the Group.

Further announcements will be made in due course, as warranted.

ENDS