



Independent  
News & Media PLC

**INDEPENDENT NEWS & MEDIA PLC  
ANNUAL GENERAL MEETING  
FRIDAY 12<sup>TH</sup> JUNE 2009**

**Company Outlook Statement**

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

Dr Brian Hillery, Chairman of Independent News & Media PLC ("Group"), made the following comments at the Group's Annual General Meeting in Dublin today:

"The business environment remains extremely challenging for our Group in each of our markets with all major economies in recession and substantial reductions in advertising spend globally. However, our management have been relentlessly focussed on cost control and have led by example by taking substantial voluntary pay cuts. Your Group remains profitable and cash generative. Our operating discipline and strong media franchises leave us well-placed to benefit from a return to economic growth.

"On April 30th we advised the market that we expected Operating Profit before exceptionals for 2009 to be in the range of €200 million to €230 million while forecasting continues to be extremely difficult, assuming no further deterioration in advertising conditions, we are now forecasting Operating Profit before exceptionals for 2009 to be in the range of €180million to €210 million.

"We previously announced that we were in discussions with our banks and with our bondholders on a refinancing of our €200 million bond that matured on 18 May. I am happy to state that our discussions have shown a willingness on the part of all parties to reach consensus. Although the outcome is subject to material uncertainty, the Directors believe, based on discussions to date, that terms will be reached that will be acceptable to the Group and fair to all parties. To facilitate discussions, a standstill agreement is in place until June 26th. These discussions encompass a comprehensive restructuring of our bank facilities' maturities which currently mature in 2010. A comprehensive refinancing and extension of maturities will position us to benefit from the economic recovery in our markets when it occurs.

"As part of our deleveraging, we previously announced plans to dispose of certain non-core assets. I am pleased to state that before the end of September, we can expect to dispose of INM Outdoor, the largest outdoor advertising business in Sub Saharan Africa, and our stakes in Verivox, the leading German price comparison website and Cashcade,

a UK-based gaming business. We anticipate total proceeds to our Group of up to €150 million.

"This is a good company with excellent assets and a rigorously focussed management team, albeit operating in a tough industry at a time of almost unprecedented economic conditions. The timing of our bond maturity has accentuated the challenges. We look forward to completing our refinancing and focussing on our core business."

Ends.

Friday, 12<sup>th</sup> June 2009

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