



MARKET UPDATE

SUCCESSFUL COMPLETION TO NEW ZEALAND TAX AUDIT & UPDATE ON REFINANCING

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

Dublin/London – 20th March 2009: Independent News & Media PLC ('INM' or the 'Company') is pleased to confirm that APN News & Media Ltd. ['APN'], in which INM has a 39.1% shareholding, today announced the New Zealand Inland Revenue Department ('NZIRD') has advised that it has formally decided to discontinue the dispute in relation to the tax treatment of its Masthead Licensing Agreement ('MLA').

The decision confirms the taxation and accounting treatment adopted by both INM and APN in relation to the MLA and results in no additional tax being payable by either INM or APN.

This decision also means that INM no longer has any liability to APN under the warranties it granted to APN at the time of the sale of Wilson & Horton Limited to APN in 2001, and the tax indemnity falls away.

INM also announces that it has appointed advisers, Rothschild and Davy Stockbrokers, in respect of a proposed engagement with holders of the €200 million 5.75% Guaranteed Bonds ("Bonds") issued by Independent News & Media (Finance) Limited in relation to the maturity of the Bonds in May 2009.

This follows the cessation of the Company's recent marketing efforts – as announced on January 26th – of a possible private subordinated bond to meet the maturity of the Bonds in May, which will not proceed due to current negative conditions in credit markets.

ENDS

20th March 2009

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