



## Independent News & Media PLC

Independent House, 2023 Bianconi Avenue, Citywest Business Campus, Naas Road, Dublin 24, Ireland.  
Telephone: 353.1.4663200 Fax: 353.1.4663222 E-mail: mail@inplc.com

### INDEPENDENT NEWS & MEDIA PLC ISSUES PRE-CLOSE TRADING UPDATE

*Issued 28<sup>th</sup> June 2004*

*Dublin, 28<sup>th</sup> June 2004* -- The board of Independent News & Media PLC (ticker: INWS.I; INWS.L) [**“Independent”**] is today issuing a trading update in respect of the 6-month period up to 30<sup>th</sup> June 2004. This statement follows today’s Annual General Meeting and is intended to update investors on Independent’s operational progress in the current year, in advance of the Group’s interim results announcement planned for Wednesday, 15<sup>th</sup> September 2004.

#### **Trading**

Independent has enjoyed strong revenue growth across all its major markets (Australia, Ireland, New Zealand, South Africa and the United Kingdom) since the beginning of Quarter 1 and forward revenues continue to be positive. Group total revenues are comfortably ahead of 2003, with costs well managed. This strong trading performance is a combination of good advertising and circulation revenues, strong underlying economic performances across each of the Group’s markets, coupled with good cost management.

Like-for-like Group advertising revenues have been buoyant in the first 6 months of this year, and up over 6.0% in constant currency terms, and we expect advertising revenues will be in line with market forecasts for the full year. As noted last year, the Group has been focusing on further augmenting its underlying advertising yields in what has proved to be a firmer volume growth market. This growth strategy follows the launch of new products (both editorial and advertising) in 2003, which have since gained good market traction and acceptance, delivering market share advances particularly in the core categories of property, motors and retail, with financial recruitment showing some long overdue improvement.

Group circulation revenues - across each of the operations - continue to show solid advances on 2003 due to proactive volume and cover pricing strategies in all markets. Group circulation revenues for the six months are expected to be over 7.0% ahead of 2003 in constant currencies. Most notably, the new ‘compact’ *The Independent* format in the United Kingdom has proved very successful and is now firmly established after 8 months, delivering a YoY 25%+ increase in core UK newstrade sales and thus, recording its highest circulation market share since 1996.

The Group continues to focus on its operating cost base, and the worldwide cost restructuring plan – announced last December - is proceeding ahead of schedule. Accordingly, the Group is confident of achieving all the anticipated savings, as set out in the detailed announcement of last December, and is firmly on track to deliver the planned annualised savings of €18.9m – on a phased basis by end-2005.

## **Outlook**

Assuming a continuation of current trading, the Group’s uniquely strong brands, market-leading positions, geographic diversity and strong drive for improved margins, leaves Independent well-positioned to deliver a meaningful improvement in earnings for 2004, in line with market consensus forecasts.”

**Ends**

28<sup>th</sup> June 2004

*For further information:*

<i>Gavin K. O’Reilly – Chief Operating Officer</i>	<i>+353.1.466.3200</i>
<i>Donal J. Buggy – Chief Financial Officer</i>	<i>+353.1.466.3200</i>
<i>Pat Walsh – Murray Consultants</i>	<i>+353.1.498.0300</i>
<i>Richard Oldworth/ Mark Edwards – Buchanan</i>	<i>+44.207.466.5000</i>

---

## **GROUP PROFILE**

Independent News & Media PLC is a leading international media group, with primary operations in Australia, Ireland, New Zealand, South Africa and the United Kingdom. The Group publishes over 165 individual titles each week, circulating to over 13.5 million people per week. The Group manages turnover in excess of €1.5 billion and gross assets of €3.5 billion from its core business activities of newspaper publishing, radio and outdoor advertising.