



Independent News & Media PLC

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INDEPENDENT NEWS & MEDIA PLC

Sale of stake in iTouch plc for all-cash consideration of approx. €100 million

Dublin/London -- 28th April 2005: Independent News & Media PLC ('INM') (ticker: INWS.I ; INWS.L) is today very pleased to announce that it has agreed to sell its entire shareholding of 152,840,212 Ordinary Shares in iTouch plc to For-side.com Co. Ltd ('For-side') for an all-cash consideration. The sale of the Group's shareholding – which constitutes 37.44% of iTouch plc's issued share capital – has been agreed at Stg£0.44 per share (approx. €0.65 cent), as part of For-side's offer for the entire share capital of iTouch plc announced today ("the Offer").

This price represents a 26.6% premium to iTouch plc's closing middle market share price on 27 April 2005 and delivers a return for INM of over 300% on its original cash investment in iTouch plc.

Upon the Offer becoming wholly unconditional, the Group's sale of this non-core asset will result in total proceeds of Stg£67.25 million (approx. €100 million), equivalent to over €0.13 per INM share. The proceeds will be used by the Group for general corporate purposes and to further enhance the Group's market-leading publishing brands.

For-side has today confirmed that it either holds shares, or has received irrevocable undertakings to accept the Offer, in respect of approximately 53.5% of the issued share capital of iTouch plc.

Registered in Ireland No. 2936. Registered Office: Independent House, 2023 Bianconi Avenue, Citywest Business Campus, Naas Road, Dublin 24, Ireland.

Directors: Dr. BJ Hillery (Chairman), Sir Anthony O'Reilly (Chief Executive), LP Healy (Deputy Chairman), DJ Buggy, PM Cosgrove (Aust), VC Crowley, CU Daly (USA), JC Davy, IG Fallon, VA Ferguson, Dr. MN Hayes, BMA Hopkins (UK), Baroness M Jay (UK), Dr. IE Kenny, B Mulronev (Canada), F Murray, AC O'Reilly (Aust), AJ O'Reilly Jr., GK O'Reilly, BE Somers. Secretary: A Donagher

Commenting on the announcement, INM's chief executive, Sir Anthony O'Reilly said, "*We are happy that a small idea, started in South Africa, has worked to the benefit of the whole Group in such spectacular fashion. Having first identified and invested in this fledgling start-up back in 1997 and having listed it on the London Stock Exchange in August 2000, the receipt of €100 million in cash will represent a remarkable and most rewarding journey for all of our shareholders. This very attractive return on our investment reflects our stated objective of consistently delivering superior returns for our shareholders. The disposal of this non-core asset follows the recent announcement of the Group's expansion into the fast-growing Indian newspaper market and record 2004 results.*"

For full text of the announcement of the Offer issued this morning, please click here:

<http://www.inmplc.com/Rule2.5Announcement28Apr05.pdf>

-- ENDS --

28 April 2005

For further information:

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