



Independent News & Media PLC

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INDEPENDENT NEWS & MEDIA PLC ANNOUNCES RECEIPT OF INDIAN GOVERNMENT APPROVAL FOR NEWSPAPER INVESTMENT IN INDIA

Dublin/London -- 24th May 2005: Independent News & Media PLC [ticker: INWS.I; INWS.L] [‘Independent’] is pleased to announce today that it has received formal, statutory Indian Government approval for the purchase of 26% of Indian newspaper publisher, Jagran Prakashan Private Limited [‘JPPL’], for a consideration of Rupees 1,500 million (€27.3 million).

This follows recent changes to India’s foreign ownership legislation in the media sector and the earlier announcement (22nd December 2004) of Independent’s intention to invest in JPPL, which was subject to approval by both the Indian Ministry of Information and Broadcasting and the Indian Foreign Investment Promotions Board. Both of these formal approvals have now been received.

JPPL is the publisher of the Hindi-language newspaper, *Dainik Jagran*, selling over 2 million copies per day. *Dainik Jagran*, in its 63rd year, is the largest read newspaper in India and has one of the largest daily readerships of any newspaper worldwide (17.5 million readers), and publishes 25 editions from 25 printing centres across India. The remaining 74% shareholders are members of the founding Gupta family, who currently own 100% of JPPL.

The consideration will be financed from Independent’s existing cash balances and is expected to be immediately earnings enhancing.

Commenting on the announcement, Independent’s Chief Executive, Sir Anthony O’Reilly said:

“We are delighted that our new theatre of strategic investment, India, has finally been made possible by these approvals. The Indian market remains one of the most exciting and fastest growing media markets in the world, and we are naturally pleased to be able to partner in such a distinguished and growing title as Dainik Jagran.”

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