

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to be taken, you are recommended to consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser (being, in the case of Shareholders in Ireland, an organisation or firm authorised or exempted pursuant to the European Communities (Markets in Financial Instruments Nos. 1 to 3) Regulations 2007 (as amended) or the Investment Intermediaries Act 1995 as appropriate and, in the case of persons resident in the United Kingdom, an organisation or firm authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom (“FSMA”) or, in the case of Shareholders in a territory outside Ireland and the United Kingdom, from another appropriately authorised independent financial adviser).

If you have sold or otherwise transferred your entire holding of Ordinary Shares in Independent News & Media PLC, please forward this document, together with the enclosed Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee as soon as possible.



Independent News & Media PLC

(Incorporated and registered in Ireland, registered number 2936)

Notice of Second Requisitioned Extraordinary General Meeting

**THIS IS AN IMPORTANT CIRCULAR AND YOUR BOARD STRONGLY
URGES YOU TO VOTE AGAINST THE RESOLUTION AT THE
FORTHCOMING EGM**

Your attention is drawn to the letter from the Board of Independent News & Media PLC which is set out on pages 3 to 8 of this document and which contains the recommendation of the Board to Shareholders to vote AGAINST the Resolution proposed for consideration at the Extraordinary General Meeting referred to below. You should read this document in its entirety.

Notice of an Extraordinary General Meeting to be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland on 13 November, 2009 at 11.00 a.m. is set out at the end of this document. This Extraordinary General Meeting has been requisitioned by a nominee acting on behalf of Mr. Denis O’Brien. A Form of Proxy for use at the Extraordinary General Meeting is enclosed which, if you wish to validly appoint a proxy, should be completed and signed in accordance with the instructions printed thereon, and returned by post to the Company’s Registrars, Capita Registrars (Ireland) Limited, P.O. Box 7117, Business Reply, Dublin 2, Ireland or by hand to Capita Registrars (Ireland) Limited, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland as soon as possible but in any event so as to be received by the Company’s Registrars no later than 11.00 a.m. on 11 November, 2009. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting, or any adjournment thereof, should you wish to do so.

Electronic proxy appointment is available for the Extraordinary General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Registrars, Capita Registrars (Ireland) Limited: www.capitaregistrars.ie. Shareholders should select “Log onto shareholder services” from the online services menu. Additionally, for those who hold Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (Ireland) Limited (CREST participant ID 7RA08). In each case the proxy appointment must be received by no later than 11.00 a.m. on 11 November, 2009. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

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OUTLINE TIMETABLE

Date of issue of this document	5 October, 2009
Latest time and date for receipt of Forms of Proxy and CREST Proxy Instructions for the Extraordinary General Meeting	11.00 a.m. on 11 November, 2009
Time and date of Extraordinary General Meeting	11.00 a.m. on 13 November, 2009

Notes:

- (i) References to times and dates in this document are to times and dates in Dublin, Ireland.
- (ii) The Extraordinary General Meeting is being held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland.

PART I

LETTER FROM THE BOARD OF INDEPENDENT NEWS & MEDIA PLC

Independent News & Media PLC

(Incorporated and registered in Ireland, registered number 2936)

Directors

Dr Brian Hillery (*Chairman*)
GK O'Reilly* (*Chief Executive Officer*)
DJ Buggy* (*Chief Financial Officer*)
L Buckley
K Clarke (UK)
P Connolly
L Gaffney
Baroness M Jay (UK)
B Mulroney (Canada)
F Murray

* denotes executive director

Head and Registered Office

Independent House
2023 Bianconi Avenue
Citywest Business Campus
Naas Road
Dublin 24
Ireland

5 October, 2009

To the Shareholders of Independent News & Media PLC and, for information only, to Option Holders

Notice of Second Requisitioned Extraordinary General Meeting

Dear Shareholder,

1. Introduction

The Board of INM is convening an Extraordinary General Meeting for 11.00 a.m. on 13 November, 2009. This meeting is being convened as a result of a notice received on 14 September, 2009 from a nominee shareholder acting on behalf of Mr. Denis O'Brien.

Mr. O'Brien also requisitioned an extraordinary general meeting by way of a notice dated 3 September, 2009 and this First Requisitioned EGM has previously been convened by way of a circular dated 24 September, 2009 to be held at 11.00 a.m. on 3 November, 2009. Mr. O'Brien is interested in 221,327,367 Ordinary Shares representing approximately 26.36 per cent. of the existing issued share capital of the Company.

The recommendation of the Board to vote **AGAINST** the Resolution to be considered at the EGM is contained in this Circular. This Circular also contains summary information on the Restructuring, in respect of which an outline agreement in principle has been reached by the Company with the Ad Hoc Committee of Bondholders. INM's Banks have indicated that they are broadly supportive of the Company pursuing this Restructuring. Further documentation in relation to the Restructuring, including notice of an extraordinary general meeting necessary for the purposes of procuring approvals for the implementation of the Rights Issue which forms part of the Restructuring, will be sent to Shareholders in due course.

The three Directors nominated to the Board by Mr. Denis O'Brien, being Messrs. Paul Connolly and Leslie Buckley and Ms. Lucy Gaffney, have taken a position contrary to that of the Board with respect to the Resolution, consistent with that of the Shareholder they represent.

Since requisitioning the First Extraordinary General Meeting and the Second Extraordinary General Meeting, Mr. O'Brien has himself proposed an alternative restructuring solution involving, *inter alia*, the acquisition by a vehicle controlled by him of a controlling stake (67 per cent.) in the Company at a very significant discount to the current share price, and the dilution of all existing equity by 92 per cent. Information on the Board's response, and that of certain other key stakeholders, to this proposal is detailed in section (3) below.

2. Proposed Resolution

Mr. O'Brien has proposed one resolution for consideration at the Second Requisitioned EGM:

“That the Ordinary Resolution adopted by the members on 12 June, 2009 empowering the Directors to allot and issue relevant securities for the purposes of Section 20 of the Companies (Amendment) Act 1983, be and it is hereby revoked.”

3. Response

The Board believes that the Resolution is not in the best interests of the Company and its Shareholders as a whole and is recommending Shareholders to vote **AGAINST** the Resolution for the reasons set out below. Your attention is drawn to section (8) of this document for further information on the potential effect of the Resolution, if passed. For the reasons described in section (3) of this document the Company is committed to the implementation of the Restructuring. The Company is currently negotiating an agreement with the Ad Hoc Committee to formalise the terms on which the various steps of the Restructuring, including the making of the First Equity Issue, will be taken by the Company. There can be no certainty that such agreement will be in place prior to the EGM, in which case, if the Resolution were passed, the Board may not have the share issue authority required to make the First Equity Issue. As the Restructuring is conditional (as outlined under “Conditions of Restructuring” in section (3) of this document), neither can there be certainty that the Restructuring will be completed. In those circumstances, the Board believes that the effect of the Resolution, if passed, would be to hinder the Board’s ability to implement the Restructuring or, if the Restructuring were not to complete, to negotiate and implement swiftly a transaction for the benefit of the Company, its Shareholders and other stakeholders (including creditors).

Board Rationale for Recommending Rejection of the Resolution

The existing authority of the Board to issue shares was granted by Shareholders at the Company’s Annual General Meeting in June 2009. The resolution to grant the authority was unanimously proposed and recommended for approval by the Directors (including Mr. O’Brien’s three nominee Directors) and was duly passed at the AGM on a show of hands. An overwhelming majority of proxies received on this resolution were in favour (99.83 per cent. of the Shares represented by proxies received).

The Resolution would, if approved, have the effect of revoking this authority of the Board to issue shares. However, it should be noted that under the authority granted at the AGM (and based on legal advice received by the Board to this effect) the Directors may, notwithstanding revocation, issue shares pursuant to any offer or agreement made by the Company before revocation. Accordingly, Shareholders should note that the Resolution, if passed, would not invalidate a prior agreement of the Company to make the First Equity Issue or the making of the First Equity Issue at any time pursuant to such agreement. The Board is committed to the Restructuring, and therefore intends to enter into formal agreements for its implementation and to utilise the existing share issue authority to implement the First Equity Issue as an integral part of the Restructuring (as further referred to below).

Restructuring Background

As per previous announcements, due to the difficult credit markets and ongoing economic turbulence, the Group confirmed that it would be unable to meet its repayment obligations in relation to the maturity of the Bonds on 18 May, 2009. In addition, as at 30 June 2009, the Group has been unable to comply with certain covenant tests contained within its core bank debt facilities relating to Net Debt to EBITDA and EBITDA to Net Interest. Failure of a covenant test renders these facilities in default and repayable on demand at the option of the lenders unless an amendment or waiver is granted by the Group’s bank group (the “Banks”).

On 16 May, 2009, in advance of the maturity of the Bonds, and in advance of the covenant testing date in respect of the Group’s core debt facilities, the Company agreed a financial standstill with the Bondholders and its Banks, whereby all parties agreed to forbear from taking any action to enforce any claim for any payment during the financial standstill period. This initial financial standstill period ran until 26 June, 2009. It has subsequently been extended on a monthly basis and the current standstill period extends until 30 October, 2009.

During the period of the financial standstill, the Company has been engaged in discussions with its Banks and the Ad Hoc Committee of Bondholders with the objective of agreeing a consensual restructuring solution, capable of implementation outside of a court administered process, and which would recognise the economic interests of, and preserve value for, all stakeholders in the business.

These discussions have included representatives of both of the largest Shareholders in the Company (Sir Anthony O'Reilly and Mr. Denis O'Brien).

Outline Agreement on Restructuring Reached

On 28 September, 2009 the Company announced that it had reached an agreement in principle with the Ad Hoc Committee of Bondholders in relation to the proposed financial restructuring ("Restructuring") of the Group's balance sheet and that the Board had formally agreed to proceed with the Restructuring on the terms outlined in the Announcement (summarised below). INM's Banks have indicated that they are broadly supportive of the Company pursuing this Restructuring. The key features of the Restructuring (upon which further, more detailed, information will be sent to Shareholders in due course) include:

- Under the First Equity Issue, approximately €123 million of the outstanding principal amount of the Bonds to be exchanged for 723.2 million New Ordinary Shares at a price of €0.17 per share (being the amount of available authorised but unissued share capital of the Company) representing approximately 46 per cent. of the Then Issued Share Capital, with the balance of the Bondholders' claim (including accrued and accruing but unpaid interest) being applied to underwrite a subsequent Rights Issue;
- Subject to the necessary Shareholder resolutions being passed, INM existing Shareholders to be offered an opportunity to participate in the Restructuring by means of a Rights Issue of up to €94 million (based on implementation by no later than 31 December, 2009) at a Rights Issue Price of €0.05 per Rights Issue Share;
- INM existing Shareholders able to retain approximately 52 per cent. equity interest (assuming Shareholders take up their full rights entitlements);
- Proposed Senior Debt Facilities based upon a 4½ year maturity and revised financial covenants to provide adequate headroom to accommodate prevailing trading conditions and expectations; and
- As part of the foregoing, the parties to the Restructuring have consented to the disposal of certain businesses (as previously announced) for an aggregate sum of approximately €150 million. One of these disposals, INM Outdoor, will be subject to a vote at a specially convened extraordinary general meeting of shareholders, details of which will follow in due course.

Conditions of Restructuring

The Board intends to enter into formal agreements for the implementation of the Restructuring. The Restructuring is conditional, *inter alia*, upon Bondholder consent (approval by Bondholders representing at least 75 per cent. by value of the aggregate principal amount of Bonds held by persons attending a meeting (in person or by proxy) of Bondholders). The Ad Hoc Committee of Bondholders, whose holdings represent in aggregate 39 per cent. of the outstanding principal of Bonds, are supportive of the Restructuring and have agreed to it in principle. It is also conditional upon Bank credit committee approvals and subsequent facility agreements having been entered into, and requisite Shareholder approvals to, *inter alia*, implement the Rights Issue.

Board Decision on Restructuring and DOB Proposal

All proposals received by the Company in relation to the required restructuring of the Group's balance sheet have been properly considered by the Board. In particular, in making its decision to proceed with the Restructuring on the terms outlined in the Announcement, the Board has carefully considered the proposal recently received from Mr. Denis O'Brien ("DOB Proposal"). This proposal involves a vehicle controlled by Mr. O'Brien acquiring control of the Company by means of an investment of €100 million for 67 per cent. of the Company (an investment price of €0.0142 per share and a very significant discount of 95 per cent. to the closing share price on the Official List of the Irish Stock

Exchange on 28 September, 2009 (the date of the Announcement)). The response of key stakeholders whose support would be necessary to the implementation of the DOB Proposal has been a key factor in the Board's deliberations. In that context the Board took into account that, first, the Ad Hoc Committee has categorically stated to the Company that the DOB Proposal is unacceptable to it and, second, representatives of Sir Anthony O'Reilly, the largest Shareholder in the Company with 28.01 per cent. of the Existing Issued Share Capital have also stated that he would not be prepared to support the DOB Proposal. It is noted that Sir Anthony O'Reilly's shareholding would be capable of blocking special resolutions required for implementation of the DOB Proposal. Additionally, the significant competition law and media plurality issues associated with an assumption of control by Mr. O'Brien (who already holds significant media (radio) interests in Ireland) of Ireland's largest media group and, *inter alia*, significant differences in the value being attributed to the existing Shares (the DOB Proposal would dilute existing shareholders by 92 per cent., with their residual 8 per cent. holding having a value on Mr. O'Brien's investment terms of only €12 million) were taken into account by the Board in deciding to proceed with the Company's Restructuring.

The Board has therefore determined, supported by the financial and legal advice provided to it, that the Company's Restructuring delivers a superior outcome (specifically for existing Shareholders and Bondholders) with materially less execution risk compared to any other proposal received. No alternative proposal likely to be capable of securing the agreement of both the Banks and Bondholders and therefore to be capable of implementation outside a court administered process has to date been forthcoming.

The Restructuring represents, in the view of the Board, the best outcome having regard to the financial circumstances of the Company and the stated position of the stakeholders as ascertained over the past months in the restructuring discussions. The Company's continued existence outside of a formal insolvency process has been entirely dependent upon the forbearance of both the Banks and Bondholders from taking any enforcement action against the Company in relation to the defaults under their respective creditor claims. The Board would note that, absent a restructuring solution acceptable to both the Banks and Bondholders, such creditors may, in the opinion of the Board, seek to have an examiner appointed to the Company or to initiate another court administered insolvency process (receivership or liquidation). Any such process would be expected to severely impair Company and Shareholder value. The Board believes, based on the advice of its financial and legal advisers, that the Restructuring represents a substantially better outcome for Shareholders than they would receive in an examinership or other court administered insolvency process.

The Board would note that, following the implementation of the Restructuring, the Company will have a significantly reduced debt burden (the combination of the equitisation of the Bonds, the Rights Issue and the Group's previously-announced disposal programme resulting in deleveraging of approximately €350 million, with further debt reduction anticipated in 2010), and a stabilised financial position. With economic fundamentals expected to recover over the medium-term, the Board believes that the Restructuring (with the resulting simplified and minimised capital structure comprising only senior secured debt and ordinary equity), coupled with the significant operating cost reductions undertaken over the past 2 years and continuing business process improvements, will leave the Group well positioned to benefit from any cyclical economic recovery.

After many months of negotiation and taking account of the financial circumstances of the Company, the Board believes the Restructuring to be fair and reasonable, acknowledging the economic interests of all parties and providing the Group with the required debt facilities. It is therefore the view of the Board that the best prospect for the INM Group lies in concentrating all efforts on the timely implementation of the Restructuring, thereby providing the Group with a more appropriate capital structure and liquidity for the current climate and allowing management to renew its focus on its business and position itself for economic recovery across its geographic portfolio.

For the reasons explained above, the Board has concluded that the utilisation of the existing share issue authority to implement the First Equity Issue as an integral part of the Restructuring is in the best interests of the Company and its stakeholders, including Shareholders. The Board would note that the Restructuring preserves value for the existing Shareholders, provides Shareholders with the opportunity to re-invest in the discounted Rights Issue and will maintain the Company's listings and liquidity in the shares.

The Company is therefore committed to the implementation of the Restructuring, including the First Equity Issue, on the terms and subject to the conditions of the Restructuring, notwithstanding receipt of the notice of requisition of the EGM from a nominee shareholder acting on behalf of Mr. O'Brien.

4. Further Information on the Rights Issue

Details on the Rights Issue, and on the Share Capital Resolutions necessary to effect the launch of the Rights Issue, including a special resolution to disapply pre-emption rights in order to provide flexibility for dealing with overseas shareholders and fractional entitlements, will be contained in a document to be issued to Shareholders in due course for the purposes of convening the Share Capital EGM. The Rights Issue will also be conditional, *inter alia*, upon the First Equity Issue having been completed.

In the event that the special resolution necessary to effect the Rights Issue is not approved, the Rights Issue will not occur and (assuming the other Share Capital Resolutions are approved) the amount of the Bondholders' claim (including accrued interest) remaining after the First Equity Issue will be equitised at a price of €0.05. Together with the First Equity Issue, this would result in existing Shareholders being diluted by up to 76 per cent. without having the opportunity to re-invest under the Rights Issue. As noted in section (3) above, if the Rights Issue proceeds and existing Shareholders take up their full entitlements under the Rights Issue, they will retain an approximate 52 per cent. equity interest.

5. First Requisitioned EGM on 3 November, 2009

The First Requisitioned EGM is convened to be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland at 11.00 a.m. on 3 November, 2009. Information on the resolutions proposed for consideration at the First Requisitioned EGM was contained in the circular dated 24 September, 2009.

6. Second Requisitioned EGM on 13 November, 2009

A notice convening an extraordinary general meeting to be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland at 11.00 a.m. on 13 November, 2009 is set out at the end of this document.

At the Extraordinary General Meeting, Shareholders will be asked to consider the Resolution set out in the Notice of EGM, which the Board has been required by a nominee shareholder acting on behalf of Mr. O'Brien to propose.

The total number of issued Shares on the date of this document, 5 October, 2009, is 839,595,903 (excluding treasury shares). On a vote by show of hands every Shareholder who is present has one vote and every proxy has one vote (but no individual shall have more than one vote). On a poll every Shareholder who is present in person or by proxy has one vote for every Share of which he is the holder. The Resolution is an ordinary resolution and requires a simple majority of Shareholders voting in person or by proxy to be passed.

7. Action to be Taken

The EGM will be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland at 11.00 a.m. on 13 November, 2009. A Form of Proxy for use at the Extraordinary General Meeting is enclosed.

Whether or not you wish to attend the Extraordinary General Meeting, you should complete and sign the Form of Proxy and return it to the Company's Registrars, by post to Capita Registrars (Ireland) Limited, P.O. Box 7117, Business Reply, Dublin 2, Ireland or by hand to Capita Registrars (Ireland) Limited, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland so as to arrive no later than 11.00 a.m. on 11 November, 2009. The return of the Form of Proxy will not prevent you from attending the EGM, or any adjournment thereof, and voting in person should you wish to do so.

Electronic proxy appointment is available for the Extraordinary General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Registrars, Capita Registrars (Ireland) Limited: www.capitaregistrars.ie. Shareholders should select “Log onto shareholder services” from the online services menu. Additionally, for those who hold Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (Ireland) Limited (CREST participant ID 7RA08) so that it is received by no later than 11.00 a.m. on 11 November, 2009. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

If the Form of Proxy is not returned or the electronic proxy appointment notification or CREST Proxy Instruction is not submitted by 11.00 a.m. on 11 November, 2009, your vote will not count unless you attend in person at the Extraordinary General Meeting.

INACTION ON YOUR PART COULD RESULT IN THE RESOLUTION BEING PASSED BY DEFAULT AND YOU ARE THEREFORE URGED TO CONSIDER YOUR POSITION AND EXERCISE YOUR VOTE.

8. Importance of the Vote

Shareholders are strongly urged to vote **AGAINST** the Resolution.

The Board believes that, in the Company’s current financial circumstances, it is in the interests of the Company, its Shareholders and creditors that the Board should retain the authority to issue shares, including by way of equitisation of debt, where it considers that to be appropriate for the purposes of achieving a consensual restructuring solution. The effect of the Resolution, if passed, would be to materially restrict the power of the Board to agree any share issue or equitisation proposal after the passing of the Resolution.

For the reasons described in section (3) of this document the Company is committed to the implementation of the Restructuring. The Company is currently negotiating an agreement with the Ad Hoc Committee to formalise the terms on which the various steps of the Restructuring, including the making of the First Equity Issue, will be taken by the Company. There can be no certainty that such agreement will be in place prior to the EGM, in which case, if the Resolution were passed, the Board may not have the share issue authority required to make the First Equity Issue, which is an integral part of the Restructuring. As the Restructuring is conditional (as outlined under “Conditions of Restructuring” in section (3) of this document), neither can there be certainty that the Restructuring will be completed.

In those circumstances, the Board believes that the effect of the Resolution, if passed, would be to hinder the Board’s ability to implement the Restructuring or, if the Restructuring were not to complete, to negotiate and implement swiftly a transaction for the benefit of the Company, its Shareholders and other stakeholders (including creditors). The Company has, and is, facing exceptional and difficult circumstances, and continues to rely on the forbearance of the Banks and Bondholders for its continuation as a going concern. In these circumstances, the Board also believes that the Resolution, if passed, would undermine the authority of the Board at this critical time to the potential detriment of the Company and its Shareholders and other stakeholders and may impact on market confidence that the Restructuring can be implemented on a timely basis. Accordingly, the Board strongly believes that it would be detrimental to the interests of the Company and its stakeholders to revoke the Board’s existing authority to issue shares, thereby imposing significant limitations on the Board’s future ability to act.

Shareholders are strongly urged to participate in the future of INM, to support the Restructuring, and to vote AGAINST the Resolution.

9. Board Recommendation

The Board believes that the Resolution is not in the best interests of the Company and its Shareholders as a whole and recommends Shareholders to vote AGAINST the Resolution. The Directors, other than the O'Brien Directors, intend to vote AGAINST the Resolution in respect of their own respective beneficial holdings, which, at the date of this Circular, amount to, in aggregate, 1,480,110 Ordinary Shares representing approximately 0.18 per cent. of the Existing Issued Share Capital of INM.

Yours sincerely,

BOARD OF INDEPENDENT NEWS & MEDIA PLC

DEFINITIONS

In this document and in the Form of Proxy the following expressions have the following meanings, unless the context otherwise requires, or unless it is otherwise specifically provided herein:

“Act” or “Companies Act 1963”	the Companies Act 1963 of Ireland (as amended);
“Ad Hoc Committee of Bondholders”	the committee of Bondholders formed for the purposes of participating in the restructuring discussions whose interests represent in aggregate 39 per cent. of the outstanding principal of the Bonds;
“Annual General Meeting” or “AGM”	the Group’s annual general meeting which was held on 12 June 2009;
“Announcement”	the announcement of the Company entitled “Outline Agreement on Financial Restructuring” dated 28 September, 2009;
“Articles of Association”	the Articles of Association of the Company;
“Banks”	the eight banks providing senior debt facilities to the INM Group (excluding APN News & Media Limited);
“Board” or “Directors”	the board of directors of INM, whose names are set out on page 3;
“Bondholder(s)”	holders of the Group’s May 2009 €200m 5.75 per cent. Bond, or any one of them as the context may require;
“Bond(s)”	the Group’s May 2009 €200m 5.75 per cent. Bond;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (i.e. a share or other security which is not in CREST);
“Circular”	this document dated 5 October, 2009 which comprises a circular to Shareholders prepared in accordance with the Listing Rules and which has been approved for issue by the Irish Stock Exchange and the UK Listing Authority;
“Companies Acts”	the Companies Acts 1963 to 2009 of Ireland;
“Completion”	completion of the Restructuring;
“CREST”	the relevant system in respect of which CRESTCo is the operator (as defined in the Regulations);
“CRESTCo”	CRESTCo Limited;
“CREST Proxy Instruction”	the appropriate CREST message for a Shareholder holding Shares in CREST to appoint a proxy or proxies utilising the relevant procedures described in the CREST Manual;
“DOB Proposal”	a proposal received from Mr. Denis O’Brien relating to a proposed investment in the Company by a vehicle controlled by him, as referred to in Part I of this document;
“Existing Issued Share Capital”	839,595,903 Ordinary Shares in issue in INM (excluding treasury shares) as of the close of business on 2 October, 2009, being the latest practicable date prior to the publication of this document;

“Enlarged Issued Share Capital”	the Existing Issued Share Capital, the New Ordinary Shares to be issued under the First Equity Issue and the Rights Issue Shares;
“Extraordinary General Meeting” or “EGM” or “Requisitioned Extraordinary General Meeting” or “Second EGM” or “Second Extraordinary General Meeting”	the extraordinary general meeting of the Company, being the second extraordinary general meeting requisitioned by a nominee on behalf of Mr. O’Brien, convened for 11.00 a.m. on 13 November, 2009 and to be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland, including any adjournment thereof, and notice of which is set out at the end of this document;
“€” or “euro”	the single currency of member states of the European Communities that adopt or have adopted the euro as their currency in accordance with legislation of the European Union relating to European Economic and Monetary Union;
“Financial Regulator”	Irish Financial Services Regulatory Authority;
“First EGM” or “First Requisitioned EGM”	the extraordinary general meeting of the Company, being the first extraordinary general meeting requisitioned by a nominee on behalf of Mr. O’Brien, convened for 11.00 a.m. on 3 November, 2009 and to be held at the Normandy Suite, Green Isle Hotel, Dublin 22, Ireland including any adjournment thereof, notice of which was contained in the circular dated 24 September, 2009;
“First Equity Issue”	the proposed issue of 723.2 million New Ordinary Shares at the First Equity Issue Price in satisfaction of approximately €123 million of the Bond principal;
“First Equity Issue Price”	the price per New Ordinary Share under the First Equity Issue, being €0.17;
“First Requisition Notice”	the notice, dated 3 September 2009, from nominee shareholders acting on behalf of Mr. Denis O’Brien requisitioning an extraordinary general meeting under section 132 of the Companies Act 1963 dated 3 September, 2009;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the EGM;
“FSA”	the Financial Services Authority, acting in its capacity as the competent authority in the United Kingdom under Part VI of FSMA;
“FSMA”	Financial Services and Markets Act 2000 of the United Kingdom;
“Group” or “INM Group”	the Company and its subsidiaries;
“INM” or the “Company”	Independent News & Media PLC;
“Ireland” and “Republic of Ireland”	Ireland, excluding Northern Ireland, and the word “Irish” shall be construed accordingly;
“Irish Stock Exchange”	The Irish Stock Exchange Limited;
“Issuer”	the issuer of the Bonds, being Independent News & Media (Finance) Limited;

“Listing Rules”	the listing rules of the Irish Stock Exchange and/or where appropriate, of the UK Listing Authority;
“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	new ordinary shares to be issued as part of the Restructuring;
“Notice”	the notice of Extraordinary General Meeting set out at the end of this document;
“O’Brien Directors”	Messrs. Paul Connolly and Leslie Buckley and Ms. Lucy Gaffney, being the three Directors nominated to the Board by Mr. Denis O’Brien;
“Official Lists”	the official list of the Irish Stock Exchange and/or as appropriate the official list maintained by the UK Listing Authority;
“Option Holders”	holders of Options;
“Options”	options granted pursuant to the terms of the Share Option Schemes;
“Ordinary Shares” or “Shares”	ordinary shares of nominal value €0.05 each in the capital of the Company;
“Proposed Resolution” or “Resolution”	the ordinary resolution proposed by Mr. O’Brien for consideration at the EGM;
“Proposed Senior Debt Facilities”	the proposed senior debt facilities to be entered into by the INM Group with the Banks;
“Registrars”	Capita Registrars (Ireland) Limited, trading as Capita Registrars, being the Registrars of the Company;
“Regulations”	the Companies Act, 1990 (Uncertificated Securities) Regulations 1996 (S.I. No. 68 of 1996);
“Requisition Notice” or “Second Requisition Notice”	the notice, dated 14 September 2009, from nominee shareholders acting on behalf of Mr. Denis O’Brien requisitioning an extraordinary general meeting under section 132 of the Companies Act 1963 dated 14 September, 2009;
“Restructuring”	the restructuring as detailed in the Announcement, including the First Equity Issue and the Rights Issue;
“Rights Issue”	proposed issue by way of rights to raise up to approximately €94 million to be underwritten by Bondholders;
“Rights Issue Price”	€0.05 per Rights Issue Share;
“Rights Issue Share(s)”	the new ordinary shares to be issued under the Rights Issue, including shares which may be issued in discharge of related underwriting fees (5 per cent.);
“Shareholder(s)” or “INM Shareholders”	a holder or holders of Ordinary Shares;
“Share Capital EGM”	the extraordinary general meeting of Shareholders to be convened to consider the Share Capital Resolutions;

“Share Capital Resolutions”	resolutions for the increase of the authorised share capital of the Company and for the grant to the Directors of the share allotment authorities necessary to implement the Restructuring, including the dis-application of pre-emption rights to facilitate the Rights Issue and in connection with the discharge of the underwriting fee;
“Share Option Schemes”	the INM Share Option Scheme 1999 for the Directors and full time executives of INM and the INM Employee Share Scheme 2008;
“Standstill Agreement(s)”	the standstill agreement between the Banks, the Ad Hoc Committee of Bondholders and certain members of the INM Group dated 16 May, 2009 (as amended and restated on 26 June, 2009, 24 July, 2009, 27 August, 2009 and 25 September, 2009);
“Stock Exchanges”	together the Irish Stock Exchange and the London Stock Exchange;
“subsidiary”	shall be construed in accordance with the Act;
“subsidiary undertakings”	shall have the meaning given by the European Communities (Companies: Group Accounts) Regulations 1992 (S.I.No. 201 of 1992);
“Then Issued Share Capital”	the shares in issue following the First Equity Issue (assuming no other share issues);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland; and
“UK Listing Authority” or “UKLA”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 of the United Kingdom.

Notes:

- (i) Unless otherwise stated in this document, all references to statutes or other forms of legislation shall refer to statutes or forms of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, consolidation, re-enactment or extension thereof.
- (ii) Words importing the singular shall include the plural and vice versa, and words importing the masculine shall include the feminine or neutral gender.

INDEPENDENT NEWS & MEDIA PLC
(Incorporated and registered in Ireland - registered number 2936)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Independent News & Media PLC (“the Company”) will be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland at 11.00 a.m. on 13 November, 2009 for the purpose of considering and, if thought fit, passing the following resolution, which is being proposed as an ordinary resolution:

“That the Ordinary Resolution adopted by the members on 12 June, 2009 empowering the Directors to allot and issue relevant securities for the purposes of Section 20 of the Companies (Amendment) Act 1983, be and it is hereby revoked.”

BY ORDER OF THE BOARD

ANDREW DONAGHER
Company Secretary

Registered Office:

Independent House
2023 Bianconi Avenue
Citywest Business Campus
Naas Road
Dublin 24
Ireland

Dated: 5 October, 2009

Notes:

Entitlement to attend and vote

(i) Only those Shareholders registered on the Company’s register of members at:

- 6.00 p.m. on 11 November 2009; or
- if the Extraordinary General Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned Extraordinary General Meeting,

shall be entitled to attend and vote at the Extraordinary General Meeting, or, if relevant, any adjournment thereof.

Website giving information regarding the meeting

(ii) Information regarding the Extraordinary General Meeting, including the information required by section 133 A(4) of the Companies Act 1963, is available from www.inmplc.com.

Attending in person

(iii) The Extraordinary General Meeting will be held at The Normandy Suite, Green Isle Hotel, Newlands Cross, Dublin 22, Ireland. If you wish to attend the Extraordinary General Meeting in person, you are recommended to attend at least 15 minutes before the time appointed for holding of the Extraordinary General Meeting to allow time for registration. Please bring the attendance card attached to your Form of Proxy and present it at the shareholder registration desk before the commencement of the Extraordinary General Meeting.

Appointment of proxies

- (iv) A Shareholder who is entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote instead of him. A Shareholder may appoint more than one proxy to attend and vote at the Extraordinary General Meeting in respect of shares held in different securities accounts. A Shareholder acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees provided each proxy is appointed to exercise rights attached to different shares held by that Shareholder. A proxy need not be a Shareholder of the Company. If you wish to appoint more than one proxy then please contact the Company’s Registrars, Capita Registrars (Ireland) Limited, on +353 1 810 2400.
- (v) A Form of Proxy for use by Shareholders is enclosed with this Notice of Extraordinary General Meeting (or is otherwise being delivered to Shareholders). Completion of a Form of Proxy (or submission of proxy instructions electronically) will not prevent a shareholder from attending the Extraordinary General Meeting and voting in person should they wish to do so.

- (vi) To be valid, a Form of Proxy and any power or other authority under which it is executed (or a duly certified copy of any such power or authority) must be lodged with the Company's Registrar, Capita Registrars (Ireland) Limited, of Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland not later than 48 hours before the Extraordinary General Meeting or adjourned Extraordinary General Meeting or (in the case of a poll taken otherwise than at or on the same day as the Extraordinary General Meeting or adjourned Extraordinary General Meeting) at least 48 hours before the taking of the poll at which it is to be used.
- (vii) To appoint a proxy electronically log on to the website of the Registrars, Capita Registrars (Ireland) Limited: www.capitaregistrars.ie. Shareholders should select "*Log on to shareholder services*" from the online services menu. Shareholders will need their Shareholder Investor Code (or IVC) as printed on the face of the accompanying Form of Proxy. Full details of the procedures are given on the website.
- (viii) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting and any adjournment(s) thereof by following the procedures laid down in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST Members who have appointed a voting service provider(s) should refer to their CREST Sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
- (ix) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's Registrars, Capita Registrars (Ireland) Limited, as issuer's agent (CREST Participant ID 7RA08) by the latest time(s) for receipt of proxy appointments specified in this notice of Extraordinary General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita Registrars (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- (x) CREST members and where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or Sponsored Member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (xi) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996.

Issued shares and total voting rights

- (xii) The total number of issued Shares (excluding treasury shares) on the date of this notice of Extraordinary General Meeting is 839,595,903. On a vote by show of hands every Shareholder who is present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every Shareholder shall have one vote for every share carrying rights of which he is the holder. The Resolution is an ordinary resolution and requires a simple majority of Shareholders voting in person or by proxy to be passed.

Questions at the Extraordinary General Meeting

- (xiii) Under section 134C of the Companies Act 1963, the Company must answer any question you ask relating to the business being dealt with at the Extraordinary General Meeting unless:
 - answering the question would interfere unduly with the preparation for the Extraordinary General Meeting or the confidentiality and business interests of the Company;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it appears to the Chairman of the Extraordinary General Meeting that it is undesirable in the interests of good order of the meeting that the question be answered.

Other resolutions

- (xiv) The Extraordinary General Meeting is being convened on the requisition of a shareholder of the Company to consider a resolution put forward by that shareholder. As the requisitioner has proposed the specific resolution which is set out in this notice, Section 133B of the Companies Act 1963 (which provides that a member or members meeting the prescribed qualification criteria may table a draft resolution for an item on the agenda of an extraordinary general meeting) is accordingly inapplicable.

