



Independent News & Media PLC

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2005 FIRST HALF PRE-CLOSE TRADING UPDATE

(ticker: *INWS.I* and/ or *INWS.L*)

Dublin/London -- 29th June 2005: The Board of Independent News & Media PLC ['Independent' or the 'Group'] today issued a trading update in respect of the 6 month period to 30th June 2005. This is intended to provide investors and analysts with an overview of the Group's financial and operating progress and performance in advance of the Group's 2005 interim results announcement, which is currently scheduled for release on Wednesday, 14th September 2005.

REVENUES

The Group continues to enjoy sustainable revenue growth across each of its five primary markets - being Australia, Ireland, New Zealand, South Africa and the United Kingdom. Accordingly, Independent will report year-on-year volume and rate growth in both advertising and circulation revenues.

Advertising

Group advertising revenues, within the period, are expected to show a high single-digit increase in constant currency terms. Independent expects that first half 2005 advertising revenues will be in line with current market expectations. In addition – and in spite of some recent negative market commentary by some competitors in the UK market in particular - forward bookings remain positive in all five markets, reflecting the Group's uniquely broad-based strength and asset diversity across five primary markets.

Circulation

Group circulation revenues, within the period, are expected to show a low single-digit increase in constant currency terms. The increase reflects a continuing focus on profitable, proactive volume and cover price initiatives. Continuous product innovation, new product launches and increased marketing spend are contributing to the expected level of circulation growth.

OPERATING COSTS

The Group is dedicated to being the low cost operator in all the markets in which it operates. Consistent with that, Independent's stated objective is to sustain the highest operating margin of its peer group, and expects to report increased operating margins for the period. The expected benefits of the prior year cost reduction and re-structuring initiatives will be reflected in the Group's full year 2005 financial performance and beyond and will more than offset additional product development costs and increased marketing.

GROUP DEVELOPMENTS

On 24th May 2005, Independent received formal, statutory Indian Government approval for the acquisition of 26% of the leading Indian newspaper publisher, Jagran Prakashan Private Ltd ['JPPL']. JPPL publishes the Hindi-language newspaper *Dainik Jagran*, India's largest read daily newspaper (read by over 21.2 million people, as per the latest NRS survey, June 2005) representing one of the largest daily readerships of any newspaper worldwide.

On 8th June 2005, the Group concluded its disposal of its shareholding in iTouch plc to For.side.com Co. Ltd. of Japan for €100 million. Full cash proceeds from this disposal have already been received, with the consideration received being used for general corporate purposes and to further strengthen the Group's increasing financial flexibility.

On 16th June 2005, Independent entered into a 15-year contract print agreement with News International (the main UK subsidiary of News Corporation; NYSE ticker: NWS.N)

to print The Sun and the News of the World from the Group's major new printing facility in Belfast. The new agreement starts in 2007, with the existing print arrangements remaining in place until then. This Belfast print facility – which is part of the Northern Ireland division - is now the largest such newspaper printing and production operation on the island of Ireland, and will – in our view – be the most efficient operation of its type in Ireland.

OUTLOOK

Independent's chief executive, Sir Anthony O'Reilly added: ***“As we emphasised at our AGM on June 8th, Independent's compelling mix of strong franchises and leading market positions in diversified and growing markets will deliver a strong first half financial performance. The Group remains happy with current trading. Good revenue conditions prevail and costs remain well-managed.*”**

Assuming a continuation of these favourable trends, the Board remains confident of, and expects, a meaningful improvement in underlying profit for the full year of 2005, in line with current market expectations.”

-- Ends --

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Independent is a leading international media group with its primary operations in Australia, Ireland, New Zealand, South Africa and the United Kingdom in the areas of newspapers, radio and outdoor advertising. The Group manages turnover in excess of €1.8 billion and gross assets of €3.9 billion from its core business activities. Further information is available on our Group website www.inmplc.com.