



2007 Full Year Result

19 February, 2008

Chief Executive Brendan Hopkins
Chief Financial Officer Peter Myers

APN News & Media Portfolio

- Largest media company in New Zealand
- Largest Publisher in regional Queensland
- Largest Radio broadcaster in Australasia
- Largest Outdoor operator in Australasia
- Largest Online business directory in New Zealand

PUBLISHING

- The New Zealand Herald
- 23 regional daily newspapers
- 100+ community newspapers
- National and regional magazines

OUTDOOR

- Australasian market leader in all major categories
- Leading operator in Hong Kong, Malaysia & Indonesia

RADIO

- 12 metro stations in Australia, targeting 25-54 demographic
- 120+ stations in New Zealand over 8 networks

ONLINE

- Number 1 news website in New Zealand
- Number 1 business directory site in New Zealand

2007 Full Year Result (pre-NRI)

Record Net Profit

Underlying Revenue*	\$1,314.2m	↑4%
EBITDA	\$361.0m	↑6%
NPAT	\$169.4m	↑8%
Diluted EPS	34.4 cents	↑6%
Full Year Dividend	31.5 cents	↑6%

* Excludes finance and other income, businesses closed/sold and NRIs

2007 Key Outcomes

- Profit in line with guidance – NPAT and EBITDA
- Strong result for Outdoor and Australian Publishing
- Online continues rapid organic growth
- Business re-engineering marginally negative in 2007
- Early trading for 2008 ahead of pcp in Revenue and Profit in Australia and New Zealand

2007 Divisional Highlights

- Rapid growth in Outdoor
 - Major new contracts secured
 - Excellent results in Hong Kong
- Good growth for Australian Publishing while absorbing short-term cost of re-engineering projects. New Zealand regional publishing down in line with local economies
- New Zealand metro publishing marginally positive
- Radio outcome flat in competitive market
- Strong online organic revenue growth for nzherald.co.nz and Directories

2007 Full Year Result (pre-NRI)

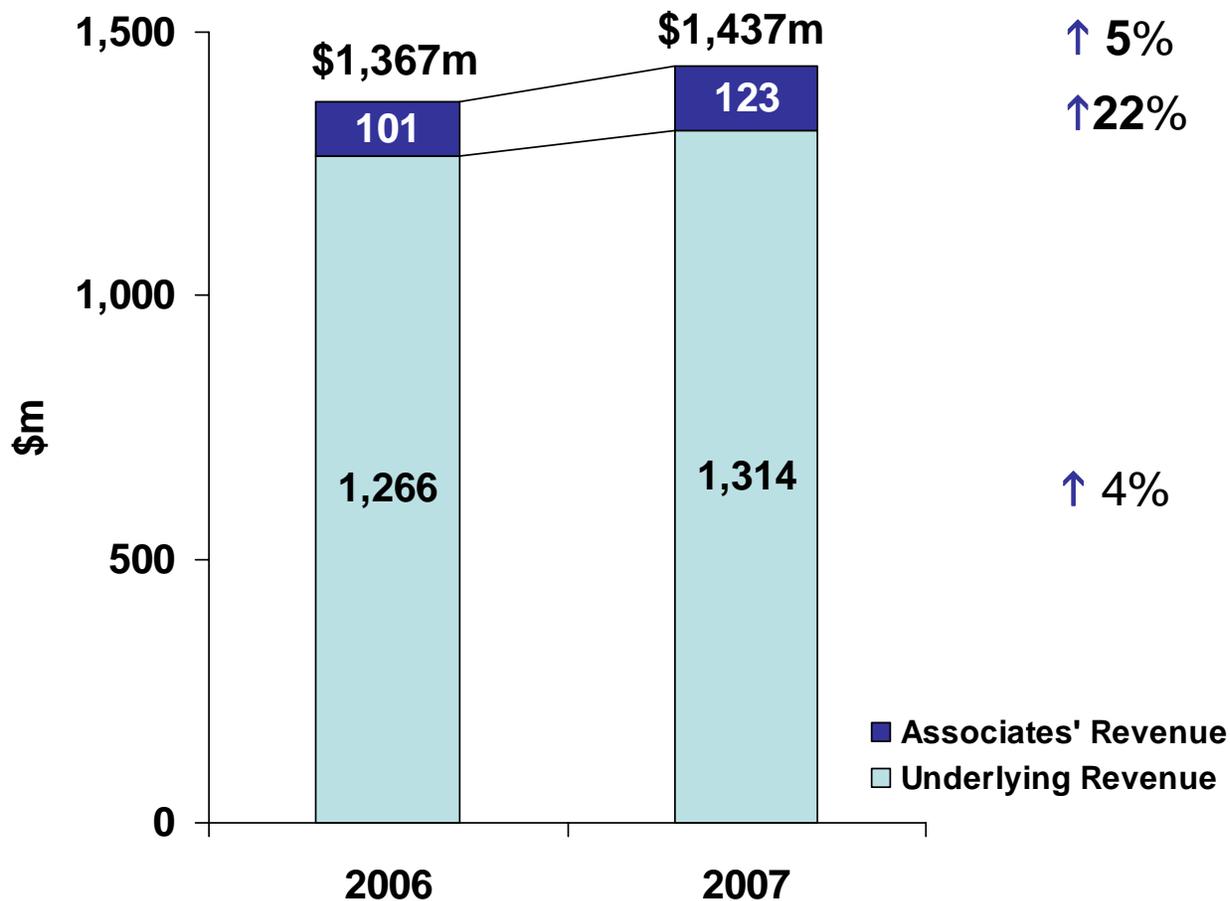
For personal use only

AUD millions	2007	2006	Growth
Underlying Revenue*	1,314.2	1,266.9	4%
EBITDA	361.0	342.0	6%
Depreciation/amortisation	(37.4)	(34.5)	(8%)
EBIT	323.6	307.5	5%
Net finance costs	(63.3)	(63.1)	0%
Profit before tax	260.3	244.4	6%
Tax	(54.1)	(49.4)	(10%)
Minorities	(36.8)	(37.5)	2%
Net Profit	169.4	157.5	8%
<i>Diluted Earnings Per Share</i>	34.4c	32.5c	6%
<i>Net Profit post NRI</i>	167.4	159.5	5%

* Excludes finance and other income, businesses closed/sold and NRIs

Revenue Growth

When revenue from Associates is included, group revenue grew 5%



Divisional Performance – H2 (pre-NRI)

AUD millions	Revenue			EBIT		
	H2 07	H2 06	Growth	H2 07	H2 06	Growth
Publishing	390.0	382.0	2%	116.1	110.7	5%
- <i>Regional Publishing</i>	222.8	214.9	4%	65.9	62.2	6%
- <i>NZ National Publishing</i>	167.2	167.1	0%	50.2	48.5	3%
Radio	133.6	129.5	3%	48.4	47.0	3%
Outdoor	152.4	133.5	14%	27.8	19.3	45%
Corporate & Other	6.6	(0.7)		(5.9)	(7.4)	
TOTAL pre NPI	682.6	644.3	6%	186.4	169.6	10%
New Product Initiatives	9.5	7.1	34%	(5.2)	(3.3)	
- <i>Online</i>	6.4	3.1	104%	(4.0)	(1.7)	
- <i>Other</i>	3.1	4.0	(21%)	(1.2)	(1.6)	
TOTAL	692.1	651.5	6%	181.2	166.3	9%
<i>Businesses disposed/closed</i>	<i>0.0</i>	<i>10.3</i>		<i>0.0</i>	<i>0.9</i>	
<i>As reported</i>	<i>692.1</i>	<i>661.8</i>		<i>181.2</i>	<i>167.2</i>	

Divisional Performance – FY (pre-NRI)

	Revenue			EBIT		
AUD millions	FY 07	FY 06	Growth	FY 07	FY 06	Growth
Publishing	769.5	743.7	3%	223.8	215.6	4%
- <i>Regional Publishing</i>	434.7	412.8	5%	125.4	119.1	5%
- <i>NZ National Publishing</i>	334.8	330.9	1%	98.4	96.5	2%
Radio	258.8	255.4	1%	84.9	82.9	2%
Outdoor	268.7	249.9	8%	37.0	26.1	42%
Corporate & Other	11.0	6.5		(10.6)	(12.5)	
TOTAL pre NPI	1,308.0	1,255.5	4%	335.1	312.1	7%
New Product Initiatives	17.3	14.7	18%	(10.8)	(7.0)	
- <i>Online</i>	11.1	6.9	61%	(8.2)	(3.6)	
- <i>Other</i>	6.2	7.8	(20%)	(2.5)	(3.4)	
TOTAL	1,325.4	1,270.2	4%	324.3	305.1	6%
<i>Businesses disposed/closed</i>	<i>0.3</i>	<i>31.5</i>		<i>(0.7)</i>	<i>2.4</i>	
<i>As reported</i>	<i>1,325.7</i>	<i>1,301.7</i>		<i>323.6</i>	<i>307.5</i>	

Business re-engineering

Customer Contact Centres

- Australia and NZ – single contact centres handling inbound and outbound publishing bookings
- Structured approach to outbound sales campaigns
- Deloitte Consulting developing new revenue collection model



Customer Contact Centre, Brisbane

Business re-engineering

Centralised production

- All Australian regionals online to centralised ad services bureau
- 150+ estate agents using self-service web interface
- NZ to adopt similar bureau system
- In Auckland, 80% of editorial production now outsourced to single facility
- Sharper page layouts and designs for regional titles
- Improved work flows deliver gains in productivity



Ad Services Bureau, Brisbane



Pagemasters, Auckland

Press Centre Upgrades



Bundaberg, QLD



Ballina, NSW



Toowoomba, QLD



Yandina, QLD

- 5.5 million gloss and coldset tabloid pages printed per week
- Rockhampton and Toowoomba press centres almost complete
 - Construction underway at Ballina in Northern NSW
 - Mackay upgrade complete
- Colour upgrades to Wanganui and Tauranga in New Zealand

Regional Publishing



Bay of Plenty Times
 OUR PEOPLE, OUR PLACE, OUR PEOPLE
HEY! GET YOUR NEW-LOOK FREE TIME TIMES TODAY
 LIFTOUT INSIDE

Terror as rapist bids for freedom
 I'm just not coping with it at all — inside I am just screaming.

Why Julie and this pen could save Troy's life

Land-swap scheme jettisoned

Just one vital minute if a bee stings

Nabbed again: Drink-drive woman who killed her child

IT WASN'T ALL BAD... BOOKS

COMMUNITY CENTRE OPEN DAY SUNDAY 1pm - 4pm

COPPER CREST TRAVEL SERVICE

LAUNCH COMMUNITY CENTRE OPEN DAY SUNDAY 1pm - 4pm

special introductory offer

Call Julie Cooper on 076 8244
 SALES OFFICE OPEN
 Tuesday - Sunday 10am - 4pm

FREE The complete guide to Northland property property guide

The Northern Advocate
 Thursday, October 11, 2007 \$1.10 (81 home delivery, 95c with direct debit)

Armed stand-off shatters rural quiet

Woman to appear in court today

Frigate sinking delayed as bad weather looms

Alpens CRICKET MATCH CHARITY FAUCION

Northland Masters XI vs NZCPA Masters XI

You could go home with a new house...

10th Anniversary 10 November

Sunshine Coast Daily Page 14 Tuesday, January 9, 2008

LIFEStyle
 NEXT WEEK: Is it time to quit? How to give up the smokes

SHEDDING sins of the season

SHEDDING sins of the season

REPORT TAGGERS
 430 4500

SHEDDING sins of the season

SHEDDING sins of the season

finally... not so

a perfect place to put that special gift

classifieds

Don't forget, all ads under \$500 are free to advertise!

Send a newspaper print and mail order form to: www.classifieds.com.au in the place you ad and make extra cash today! For all other ads, call us on 0800 556 191.

To be the number one regional publisher – print and online – in our Australian and New Zealand markets

2007: Revenue and EBIT up 5%

For personal use only

Regional Publishing

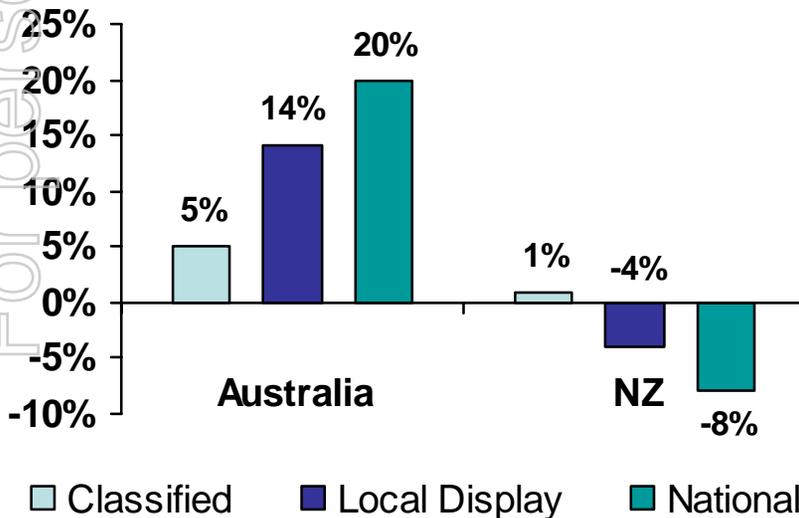
Australia

- Queensland market continues strong growth
- New systems installed and staff trained
- Continued strong demand for gloss colour products

New Zealand

- Property advertising continues good growth
- Indications of economic moderation in some markets

Ad revenue growth FY 2007



Regional Publishing



- Several strategic acquisitions, including moving to 100% of The Chronicle in Toowoomba
- Increased colour capacity lifts advertiser demand
- Property advertising continues good growth in Australia and New Zealand

Regional Magazines



- Largest magazine publisher in Queensland
- Style lifestyle magazine network completed
 - 14 editions, 570k copies, ~600 pages per month
- Footprint from Coffs Harbour to Cairns
 - High growth markets with focus on lifestyle
- Crave magazine targets high net cash mining communities
- Good growth for City Life in north Queensland

New Zealand National Publishing



To be the number one publisher – print and online – in Auckland

2007: EBIT up 2% to \$98m

The New Zealand Herald

NEWS BORN TO RICHES, HEADING FOR JAIL — THE SEX CASE ROCKING CANTERBURY NEWS 45 SATURDAY, DECEMBER 22, 2007 \$2.70

A very merry Noelle
 COOKING UP A STORM
 The UK chefs going global
 REVIEW: BIZ

Red-light runners and hoons in for shock
 NEWS: A1

The New Zealand Herald

Tears and chaos in quake city

GISBORNE QUAKE

An elderly woman's death is blamed on the clean-up starts

BY JAMES HANNA-MANDELA

The death of a 79-year-old woman who had a heart attack and died shortly after the quake, which occurred on the day that the city's clean-up started, has been blamed on the chaos of the clean-up.

The woman's relatives said she was killed by a falling object from the ceiling of her home, which was damaged by the quake. She was found in her home on the day that the city's clean-up started.

The woman's relatives said she was killed by a falling object from the ceiling of her home, which was damaged by the quake. She was found in her home on the day that the city's clean-up started.



OFF THE SHELF Gisborne's Elizabeth Fung-Wah faces the prospect of picking up thousands of books heaped to the ground by Thursday night's earthquake.

PHOTO: GUY LAWRENCE

TIME TO LOOK ON THE BRIGHT SIDE



The sun will soon be shining, the year's all but over. It's too late to panic, so sit back, relax and enjoy our bright book issue. Today we focus on stories to inspire and amuse about the spirit of the season, but it's not all good news.

Of course, we're not getting the best of the day of the big issues, but it's high time for a little seasonal cheer.

The Herald wishes all its readers a safe and happy Christmas. The Herald will be with you throughout the holidays, with a host of special reading. Here's a sample of today's menu.



Rallying around
 2-year-old Petra Hancock got cancer her family found a caring community helped them come back to health.
 NEWS: A2

Perse to poor
 A weather forecast is warning a blizzard.

One lucky break — and that was all

When the shaking started, the owner of a \$1m glasses collection shook too

BY YVONNE THAMMA

It was a stroke of good fortune for a man who had spent more than a million dollars on a collection of glasses. When the earthquake struck, the glasses were scattered everywhere, but one pair miraculously survived.

The man, who had spent more than a million dollars on a collection of glasses, was lucky to have one pair survive. The glasses were scattered everywhere, but one pair miraculously survived.

Ring of success

Blings, the Michael Hill International's 2007's best performer.

Business: C1

Champ kicks back

World's richest man, Katherine Parr, 39, is home for Christmas.

Sport: D1

Rattue's year

Chris Rattue hands out his points.

Sport: D5



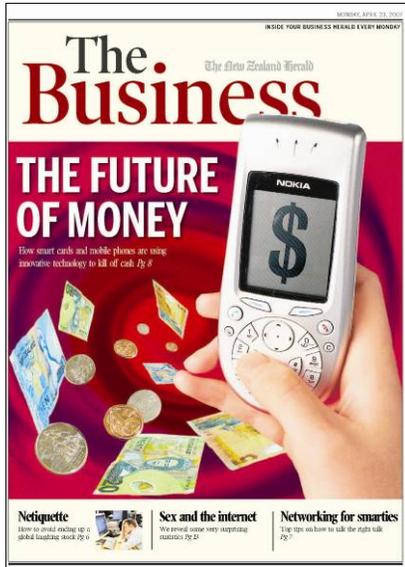
Farmers All stores open late today!
 See page A12 for store hours

- NZ Herald continues to grow readership
- New features driving growth in retail advertising category
- Property section innovations
- Canvas magazine at record pagination
- Circulation drivers — Time Out — The Business

Readership

- New Zealand Herald and Herald on Sunday the country's fastest growing paid newspapers*
- NZ Herald – 585,000 readers, up 3%
- Weekend Herald – 624,000 readers & most-read paper in New Zealand
- Herald on Sunday – 345,000 readers, up 6%

* Nielsen National Readership Survey, Jan–Dec 2007



New Zealand Magazines



- Woman's Weekly still New Zealand's most read consumer magazine
- Listener highest-circulating and most-read current affairs magazine; Creme is NZ's fastest-growing teen magazine
- Simply You fashion and lifestyle titles acquired in December; good fit with existing portfolio

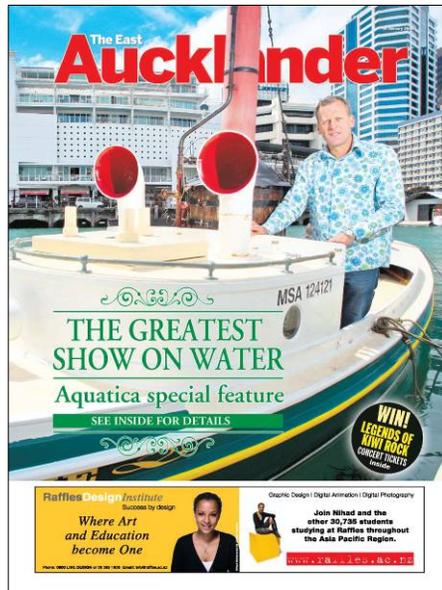
The New Zealand Herald

HERALD ON SUNDAY



- Herald on Sunday is now profitable
- Continues to grow circulation
- Best-read Sunday title in northern region
- Specialist sections expanded: Travel, Property, Social
- Strong Auckland focus

Aucklander



- Aucklander: seven editions across the district
- Reconfigured to allow for sharper local focus
- Reduced losses

APN Online

The screenshot shows the homepage of the New Zealand Herald website. At the top, there are navigation links for 'search4jobs', 'search4homes', 'sellmefree', 'Classifieds', 'Publications', 'Radio', 'Finda', and 'Wises'. A prominent blue banner features the text 'We've seen how a debt consolidation loan' and the GE Money logo. Below this, the site's name 'nzherald.co.nz' is displayed along with the date 'FRIDAY FEBRUARY 08, 2008' and the time '5:06PM NZT'. A search bar is located on the right. The main content area includes a featured story titled 'Woman who stole donations for sick daughter jailed' with a photo of a woman in custody. Other sections include 'Latest News' and 'FEATURED STORIES'.

The screenshot shows the homepage of the Daily Mail Online website. At the top, there are navigation links for 'News', 'Sport', 'Lifestyle', 'Entertainment', 'Business', 'Property', 'Blog Central', 'Photos', and 'Weather'. A prominent banner features the text 'House and land packages from \$688,000' and the doonella logo. Below this, the site's name 'thedaily.com.au' is displayed along with the date 'Thursday 14 February, 2008' and the time '2:23PM'. A search bar is located on the right. The main content area includes a featured story titled 'Chris Cummins 'considers' mayoral run' with a photo of Chris Cummins. Other sections include '348 drunks in 41 days!' and 'BOOT CAMP!'.

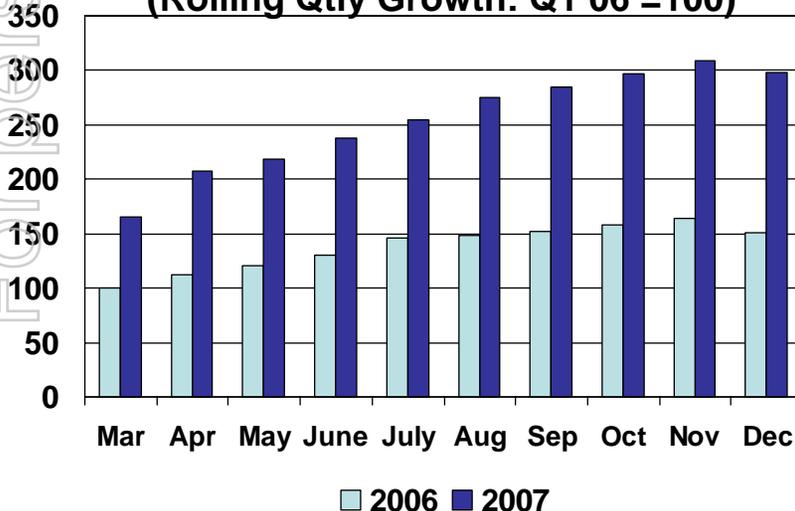
The screenshot shows the search results page for 'Plumbers, Auckland' on the finda.com.au website. The search bar contains the text 'Plumbers' and the location 'Auckland'. The results show 'Results 1-10 of 341 for Plumbers in Auckland'. The top result is 'Plumbers, Auckland' with a 'Refine by location' section. The location section lists various areas with the number of results for each: Auckland City (141), North Shore City (62), Waitakere City (48), Franklin-Auckland (16), Papakura (8), Manukau City (48), and Rodney (28). The finda logo is visible at the top left of the search results area.

To be the largest in online advertising in each of our local markets across Australia and New Zealand

2007: Revenue up 61%



**NZ Herald Display Advertising
(Rolling Qtly Growth: Q1 06 =100)**



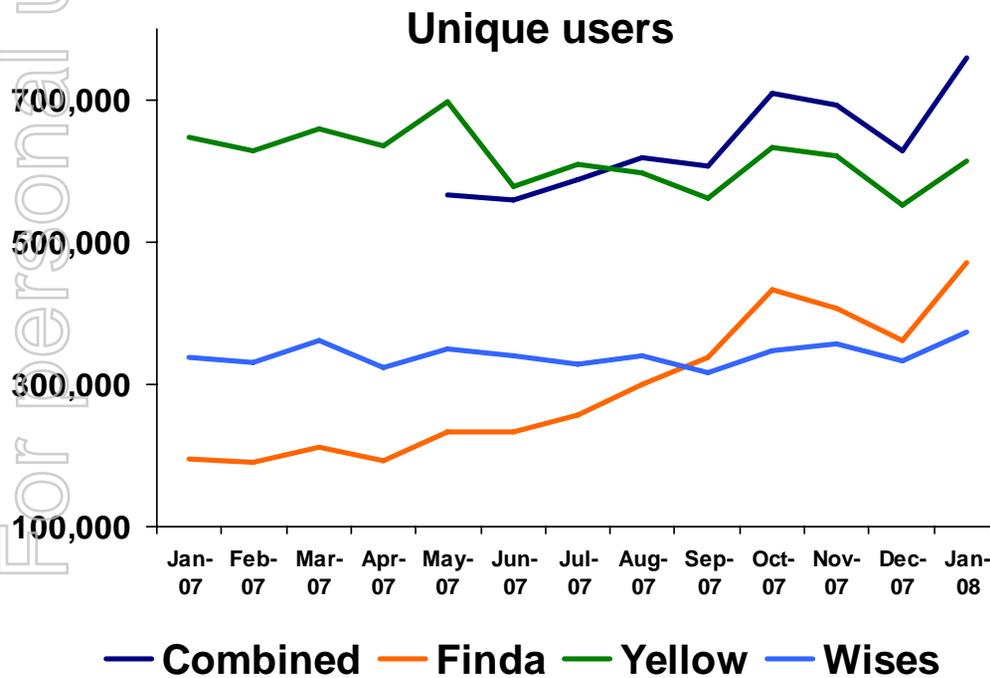
- Average 590K+ unique browsers; 9M+ page impressions per week
- Record traffic levels driven by coverage of events such as the Rugby World Cup
- Increased level of user engagement through comments on articles and blogs
- Strategic alliance with Microsoft
- Investment in technology platform to support growth

Directories – New Zealand



- Ownership taken to 100% since year-end
- Record traffic levels - combined traffic of Wises and Finda exceeding Yellow Pages
- Focus on delivering improved consumer experience – better navigation, key word search
- Product innovations in 2008 – enhanced listings, video
- Strategic alliance with Google

For personal use only

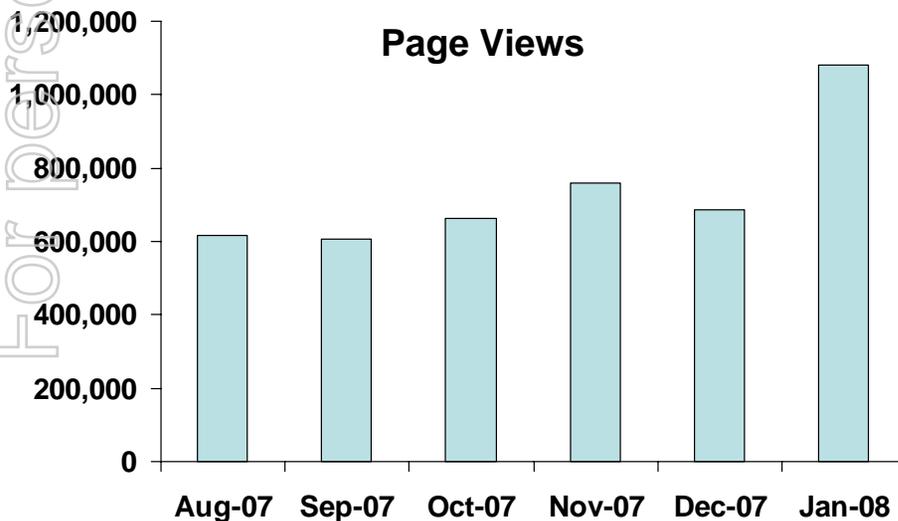


Source: Nielsen Netratings Market Intelligence

thedaily.com.au



- Regional community site launched on Sunshine Coast
- Traffic steadily building since launch
- Gaining traction with community participation on site through blogs and feedback



Source: Omniture

APN Online – Investments



eventfinder
.co.nz

- Holiday accommodation site rapidly growing listings
- Leisure market growing for short domestic vacations
- Eventfinder entertainment directory good strategic fit with community online project

Radio



To be the number one radio broadcaster 25-54 in Australia and the number one radio broadcaster overall in New Zealand

Radio – Australian Radio Network

- 12 stations in key metro markets; Mix & Classic Hits
- More than 4.4m listeners 10+ each week; core 25-54 demographic
- Since 2002, ARN has maintained advertising share despite a new competitor in every major market
- Competition remains tight in key Sydney market
- Exciting new programming changes

\$Am	2007	2006	Var
Revenue	141.3	143.2	(1%)
EBIT	56.9	55.1	3%
Margin	40.3%	38.5%	



Radio – Australian Radio Network

- Key breakfast 'prime time' teams in place
- Programming upgrade to provide lead-in for the day
- Improved commercial environment for advertisers
- Programming key to competing with digital alternatives



Jonesy & Amanda WFSM



Sonia Kruger & Todd McKenney Mix 106.5



Two Women & a Metro Mix 101.1



John, Jodie & Snowy Mix 102.3

Radio – New Zealand

- Leading radio broadcaster in NZ: 162 AM & FM licences, 8 networks
- #1 Talk and #1 Music stations in Auckland and Wellington
- Four of top five stations in Auckland
- Three new stations launched in 2007
 - Radio Hauraki in Nelson (straight to #1 in market)
 - Flava to Tauranga
 - Coast to Whangarei

\$NZm	2007	2006	Var
Revenue	133.8	130.3	3%
EBIT	31.9	32.2	(1%)
Margin	23.9%	24.7%	

Keep Up With
NewstalkZB®

ZM
Today's Hit Music

coast
Timeless Music

FLAVA

CLASSIC HITS

Hits of the 70's, 80's, 90's and Today

HAURAKI
CLASSIC ROCK THE 60S

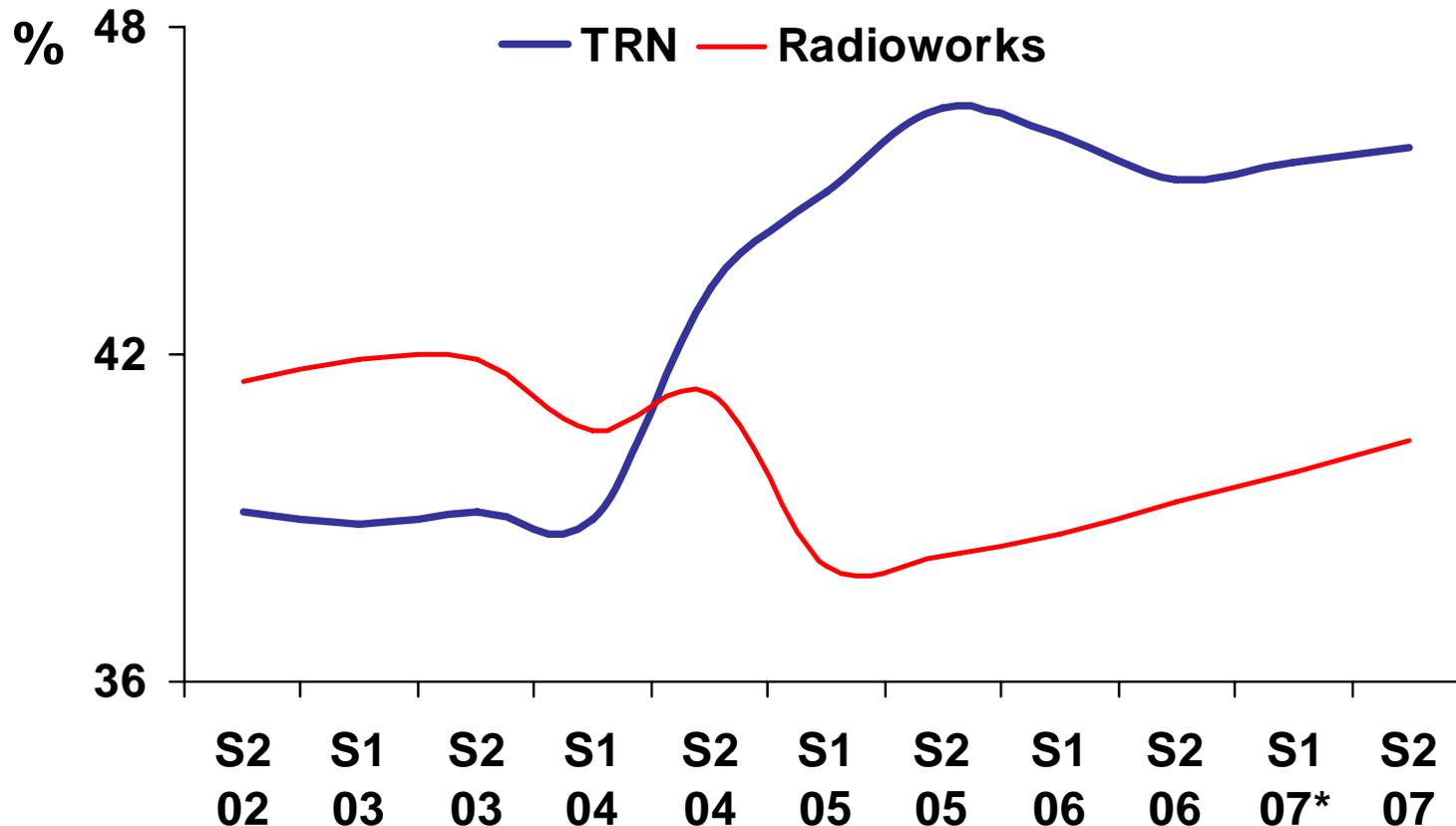
EasyMix
70s to today

RADIO SPORT
Just Sport.

NZ national audience share

TRN continues to be the clear market leader in NZ Radio

The Radio Network National 10+ Share



For personal use only

Source: Research International; National Database 2 2007; * No survey conducted for S1 2007

Radio – Developments

Australia

- Digital broadcasting from 1 January 2009
- Supplementary technology; analogue broadcasting to remain in place

New Zealand

- Licence renewals to be finalised before 1 April 2008
- Agreement covers all AM and FM licences to 2031
- Auction to be held for additional licences in H1

Outdoor



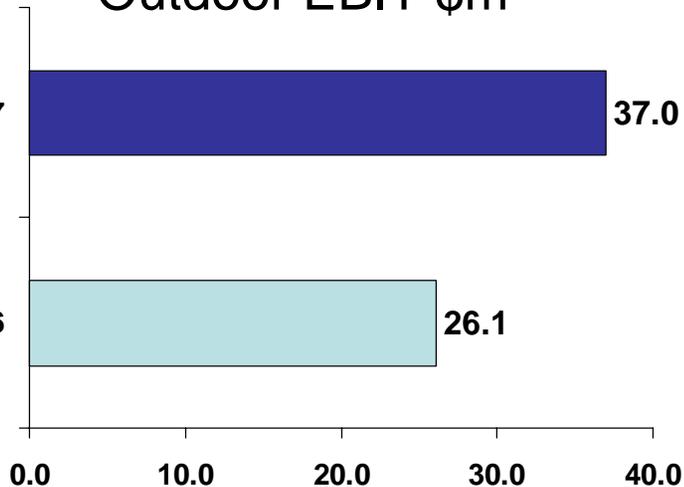
To strengthen our position as the number one Outdoor operator in Australia, New Zealand and our Asian markets

APN Outdoor

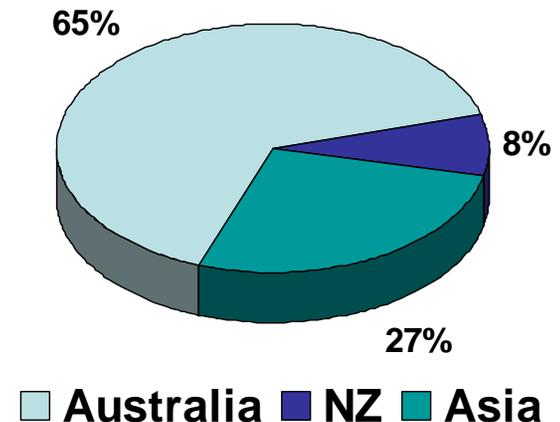
- Secured major contracts for Sydney, Melbourne street furniture, New Zealand rail network and Christchurch Airport
- Australian market continues strong performance
- Excellent growth in Hong Kong



Outdoor EBIT \$m



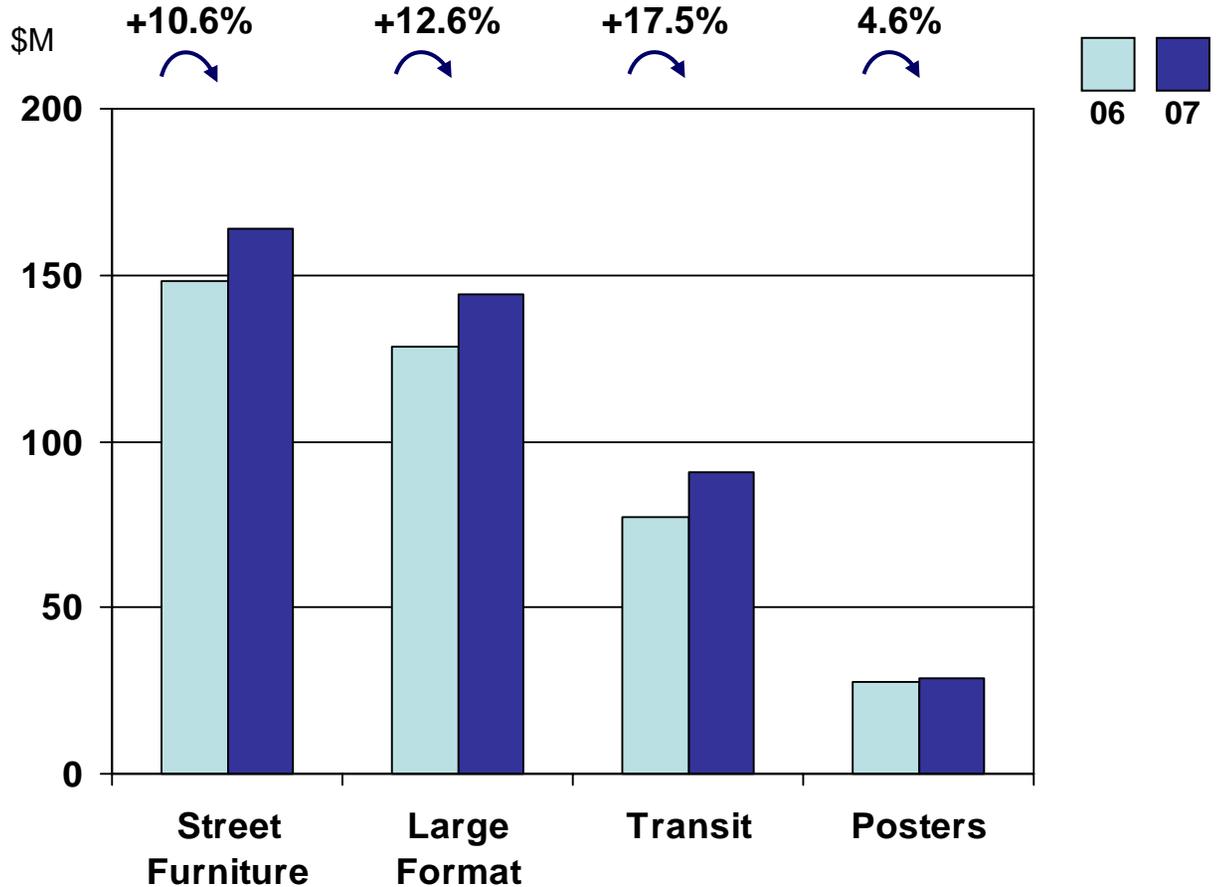
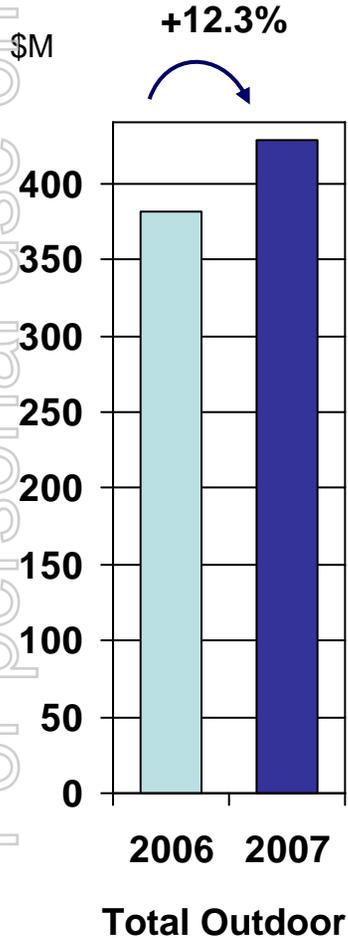
Outdoor Revenue by Geography



For personal use only

2007 Market Growth | Australia

YOY Total Market Growth Rates – Jan to Dec 2007



All Figures are for the Jan to Dec period, showing GMS \$M for the Australian Market

APN Outdoor – Market leaders



- All brands brought under APN Outdoor
- APN continues as market leader in all major categories
- Transit successfully repositioned with launch of new quality formats, broadening the category base
- Good growth in Large Format Billboard

APN Outdoor - Adshel



- Adshel extends market leadership in Street Furniture
- Innovative use of digital technology
- Secures Melbourne: largest Street Furniture contract in Australia

For personal use only

APN Outdoor - Asia



- Strong revenue result in Hong Kong for Transit and Large Format
- Some Olympic benefit expected for 2008
- Good quality markets in Malaysia and Indonesia

APN Outdoor – MOVE project



- Planned launch of audience measurement system in H2
- Significant investment in world-leading Outdoor audience measurement
- Benefits to flow from 2009
- All major industry players involved in development



APN Outdoor – Innovations

For personal use only



- Illumination upgrades being rolled out across Australia
- Digital sites for Christchurch Airport contract
- Research well advanced on a number of significant innovations



2007 Full Year Result – Financial Summary

19 February, 2008

Chief Financial Officer Peter Myers

2007 Full Year Result (pre-NRI)

Record Net Profit

Underlying Revenue*	\$1,314.2m	↑4%
EBITDA	\$361.0m	↑6%
NPAT	\$169.4m	↑8%
Diluted EPS	34.4 cents	↑6%
Full Year Dividend	31.5 cents	↑6%

* Excludes finance and other income, businesses closed/sold and NRIs

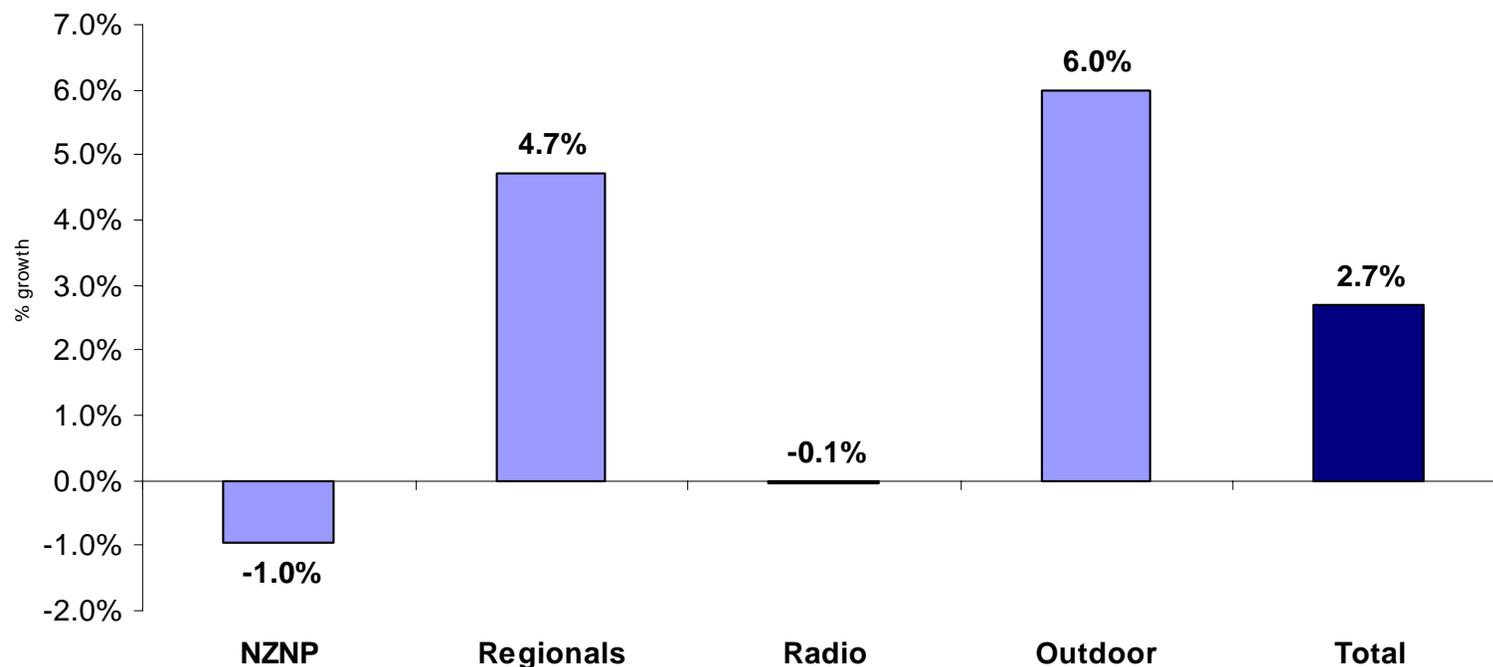
Finance Agenda

- Costs
- Cash Flow
- Debt & Financial Ratios
- Currency
- Taxation
- Capital Management
- Dividends

For personal use only

2007 Result – Cost analysis

Excludes NRIs, NPIs & discontinued businesses



Note: Constant currency basis

2007 Cash Flow

AUD millions	FY 07	FY 06
Gross operating cash flow exc NRI	320.3	329.9
Payments related to NRI	(27.2)	(20.1)
Net interest paid	(65.8)	(62.6)
Net tax paid	(15.9)	(47.6)
Capital expenditure/investment	(175.3)	(81.8)
Asset sales	29.8	62.7
Dividends – APN shareholders	(152.2)	(117.3)
Minority interests	(37.2)	(38.2)
Share buy-back	(58.5)	(139.6)
Share issues & other	7.3	23.0
Total cash generated	(174.7)	(91.6)

Free cash flow

AUD millions	FY 07	FY 06
EBITDA (pre NRI)	361.0	342.0
Operating cash flow (pre NRI)	320.3	329.9
% of EBITDA	89%	96%
Adjusted for Adshel	91%	97%

- Cash conversion rate impacted by 6% as a result of:
 - Increases in receivables in Outdoor and Australian Publishing \$14m
 - Payout of UBD working capital \$3m and \$5m of cut off adjustments re inventory related creditors and GST

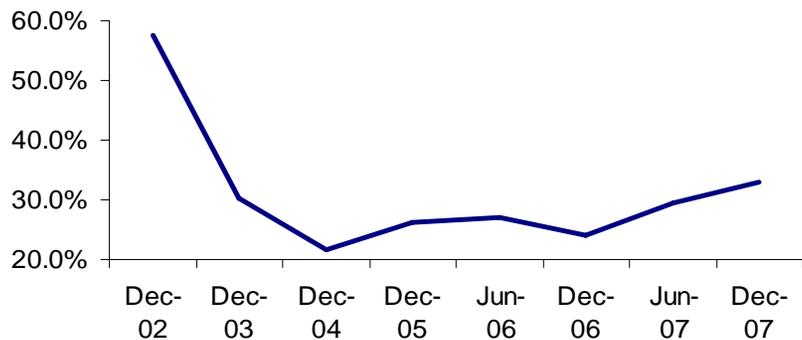
Debt

AUD millions	2007		2006	
	Senior Debt	inc. notes	Senior Debt	inc. notes
Core debt	858	858	597	597
Masthead licensing – AUD equiv	78	78	152	152
Convertible notes	-	-	-	149
Cash	(89)	(89)	(71)	(71)
Net Debt	847	847	678	827

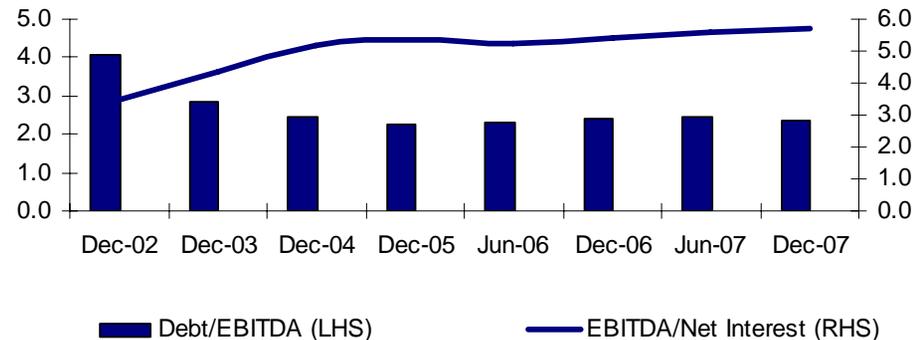
Financial Strength

For personal use only

Debt to Market Capitalisation



Debt Ratios



- Debt ratios remain comfortable
- APN Refinanced November 2006
- Mix of maturities around 2010 and 2012

Non-recurring items

AUD millions

Gain on disposal of businesses & properties

Business restructure

- Redundancy (5.2)
- Duplication of Ad Services (3.1)
- Duplication of Print Centres (2.0)
- Other (3.6)

Online development and launch costs

- New Zealand Classifieds and Portals (3.5)
- Australian Classifieds, Local Sites & Investments (2.9)

Scheme costs

NRI pre tax

Minority interest

Income tax

NRI after tax

FY 07

14.5

(13.9)

(6.4)

(2.7)

(8.5)

(1.7)

8.2

(2.0)

Currency and Tax

	AUD/NZD		AUD/HKD	
Exchange rates	2007	2006	2007	2006
June half average	1.125	1.153	6.32	5.76
Full year average	1.139	1.160	6.55	5.85
Period end rate	1.141	1.120	6.83	6.14

Average tax rate (pre NRI)	2006	Full Year	20.2%
	2007	Full Year	20.7%

- Audit of Masthead
- Indemnity regarding Masthead in place as detailed in EM
- 2008 tax rate to remain low with some increase thereafter

Capital Management

- Buy back suspended in first half due to scheme proposal
- During H2 11.2m shares bought back for total outlay \$59m
- Total buy back since inception 66.2m shares for \$333m
- Remaining convertible notes all converted or redeemed during the year
- Now that capital is diluted for notes – diluted EPS is best measure – up 6% YoY
- Number of shares on issue now 489.1 million

Dividend

- Final dividend increased to 21.0 cents per share
- Dividend for year 31.5 cents, up 6.1% on prior year
- Last year final dividend increased for scheme delay
- Payout ratio 91%



2007 Full Year Result – Summary

19 February, 2008

Chief Executive Brendan Hopkins

2007 Key Outcomes

- Profit in line with guidance – NPAT and EBITDA
- Strong result for Outdoor and Australian Publishing
- Online continues rapid organic growth
- Business re-engineering marginally negative in 2007
- Early trading for 2008 ahead of pcp in Revenue and Profit in Australia and New Zealand

Outlook

- Trading year to date is in line with expectations, and revenue and profit are ahead of the prior year in both Australia and New Zealand.
- Given the current turmoil in world markets, the Board believes it is inappropriate to give specific projections at this time. The Board remains of the view that APN's broad range of high quality media assets in diverse geographic markets will, once again, perform well in 2008.



2007 Full Year Result

19 February, 2008

Chief Executive Brendan Hopkins
Chief Financial Officer Peter Myers