

APN News & Media Limited 2016 General Meeting SYDNEY, 16 June 2016

Chief Executive's Address to Shareholders

Thank you Peter.

Good morning and thank you for joining us today on what is an important day in APN's history.

NZME success

The proposed demerger of NZME from APN follows the transformation and integration of our three New Zealand businesses – APN NZ Publishing, The Radio Network and GrabOne.

As I outlined in my AGM presentation last month, in 2015, NZME delivered on its transformation goals set in November 2014.

This included successfully merging commercial and editorial teams, exceeding EBITDA targets, the Auckland co-location, developing new revenue streams through video, events and experiential and expanding digital audiences and revenues.

The business' list of achievements continued in 2016.

To complement *The New Zealand Herald* being named 'Newspaper of the Year' at the 2015 PANPA Newspaper of the Year awards, Newstalk ZB was named Radio Station of the Year at the 2016 New Zealand Radio Awards.

The latest radio survey results saw Newstalk ZB continue its leadership position across the country, while Radio Sport proved once again to be New Zealand's number one sports radio station. We were also pleased to see Coast become the number one music and entertainment radio station. This means that NZME Radio is number one in news, sport and entertainment.

The New Zealand Herald was again the nation's number one read newspaper, according to the latest CMI results, and the Herald on Sunday was also the number one read Sunday newspaper in the country.

These 2016 successes, and the launch of multi-media platforms such as The Country and Herald Homes, demonstrates that NZME is well-placed to continue to operate and thrive independently from APN.

APN after the demerger

As you would have seen in the materials we have mailed out to you and uploaded onto APN's ASX and NZX pages, after the demerger APN will be focused on the growth industries of radio and outdoor, particularly through our ARN and Adshel assets which are strong performers well-positioned in their respective markets.

A demerger from NZME gives us the capital flexibility to invest in these businesses separately and independently, allowing them to succeed in their individual markets.

In radio, the strength of the medium continues and Australian Radio Network's FM stations lead in Sydney and Brisbane with the business' breakfast FM shows #1 in Sydney, Adelaide and Brisbane.

Street furniture and digital out-of-home advertising business Adshel continues to perform strongly in its category through continued investment in digital and data capabilities. The business is #1 in the street furniture category in Australia and New Zealand.

With increased flexibility and a focus on growth assets, APN can explore and invest in further growth opportunities, as we have done with content marketing company Emotive and iHeartRadio. This will ensure continued value for our shareholders.

I would like to thank you all for your support and commit to continuing to deliver success for APN in the future.

Ends.

For further information:

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