



Annual General Meeting of Shareholders

5 May, 2009

2008 Full Year Result (pre-exceptionals)

Satisfactory result in tough conditions

Underlying Revenue*	1,226.4	(5%)
EBITDA	319.5	(11%)
NPAT	140.1	(17%)
Earnings Per Share	28.6	(17%)
Full Year Dividend	22.5 cents	(29%)

* Currency adjusted

2008 Key Outcomes

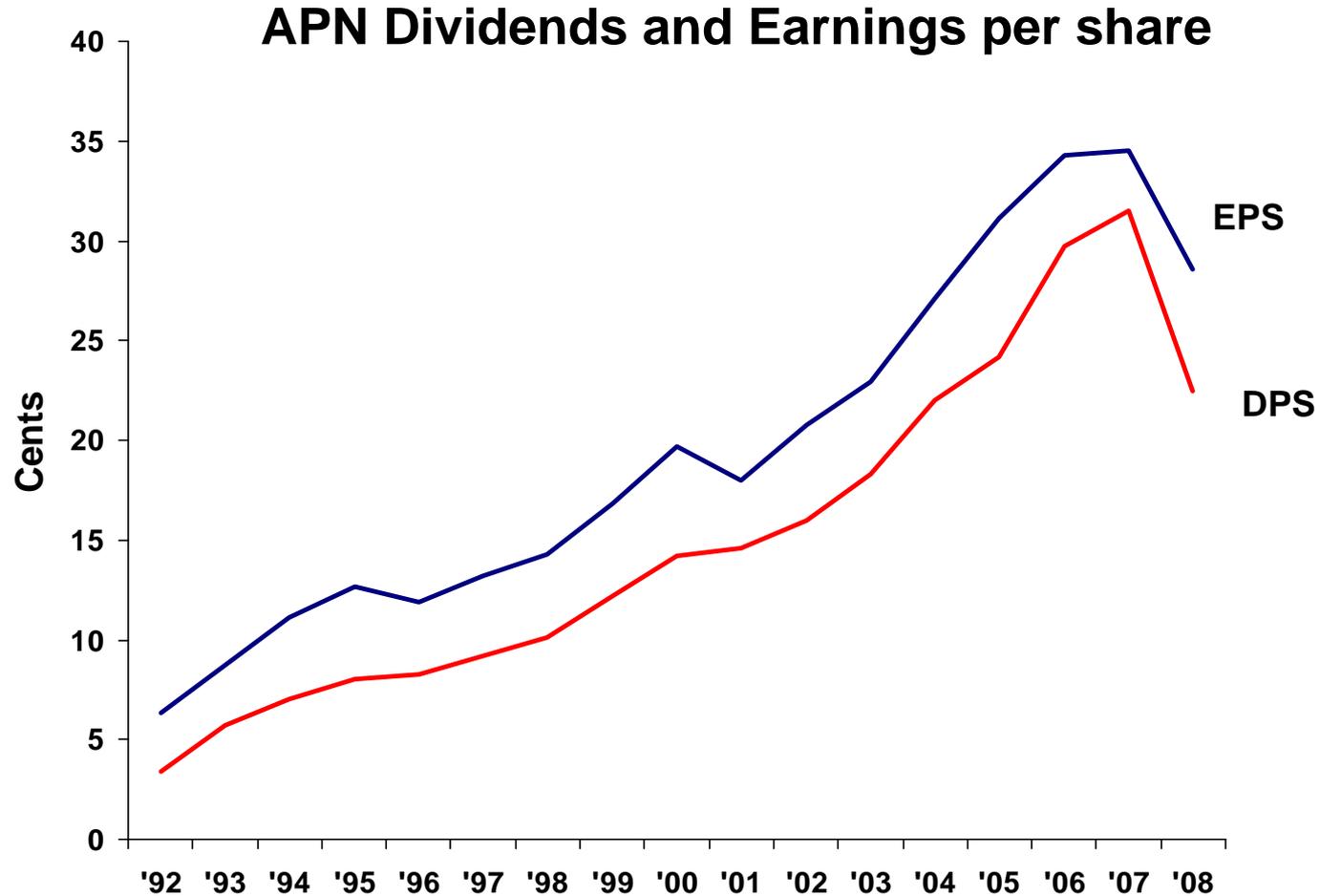
- Tough market conditions for entire media industry, particularly in Q4
- Costs down YoY through early start to restructuring; improved leverage
- Capital-intensive cost programme finalised
- Revenue challenge is cyclical; classified exposure minimal
- \$146.8m non-cash impairment charge relates to 2001 NZ acquisition; remaining asset valuations conservative
- Debt facilities extended; less than 25% matures inside two years

Divisional Performance – FY (pre-exceptionals)

AUD millions	Revenue		EBIT	
	FY 08	Reported Change	FY 08	Reported Change
Publishing	730.9	(7.2%)	170.9	(19.5%)
- Australian	303.4	0.1%	84.3	(11.3%)
- NZ Regional	117.9	(10.5%)	20.4	(32.8%)
- NZ National	291.9	(14.4%)	71.1	(25.8%)
- Online	17.7	54.6%	(4.9)	44.8%
Radio	235.2	(9.1%)	68.9	(18.8%)
Outdoor	264.9	(1.4%)	39.5	6.7%
Corporate & other	13.2	20.8%	(0.7)	(92.8%)
TOTAL	1,244.2	(6.1%)	278.6	(13.9%)
Interest	3.3			
Exceptionals	10.8			
As reported	1,258.3			

Note: On a constant currency basis the year-on-year performance of the NZ operations improves approx. 3%

APN Annual Results – Context



A leader in each of our markets

● Publishing ● Radio ● Outdoor ● Online

Australia

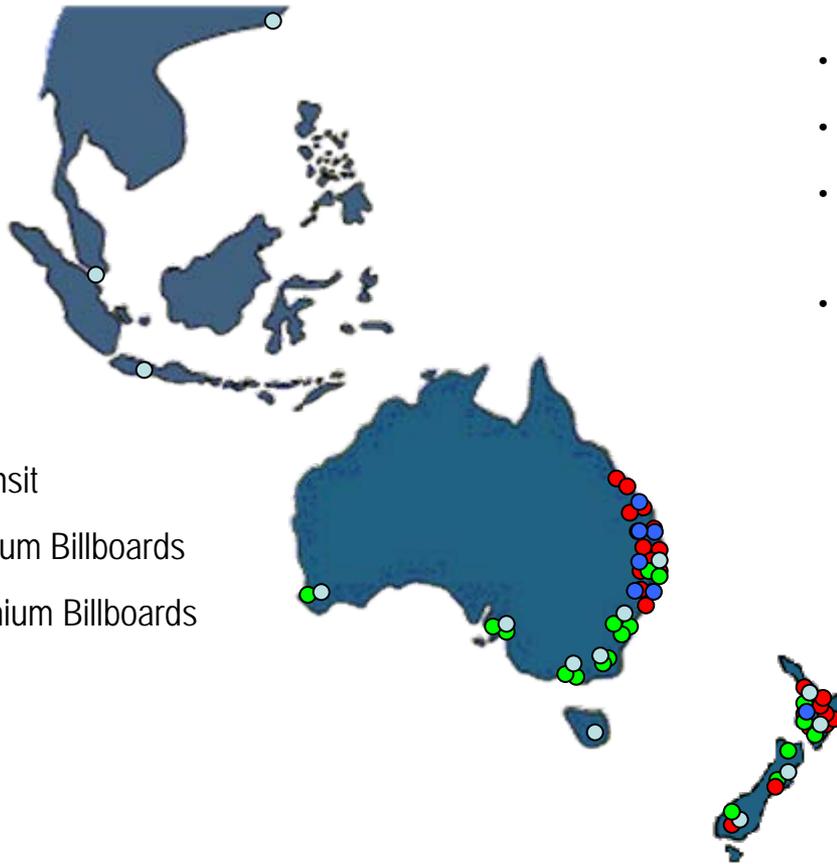
- Market leading daily newspapers
- 60 community and magazine titles
- 12 metropolitan radio stations
- Largest operator of transit, street furniture, posters and supersites
- Leading regional websites

New Zealand

- The New Zealand Herald and Herald on Sunday
- Market-leading magazine portfolio
- Nine regional dailies; >40 communities
- Market-leading radio network
- Largest transit, street furniture, posters and supersites operator
- Leading online news website

Asia

- Outdoor advertising
 - Hong Kong - Transit
 - Malaysia – Premium Billboards
 - Indonesia – Premium Billboards



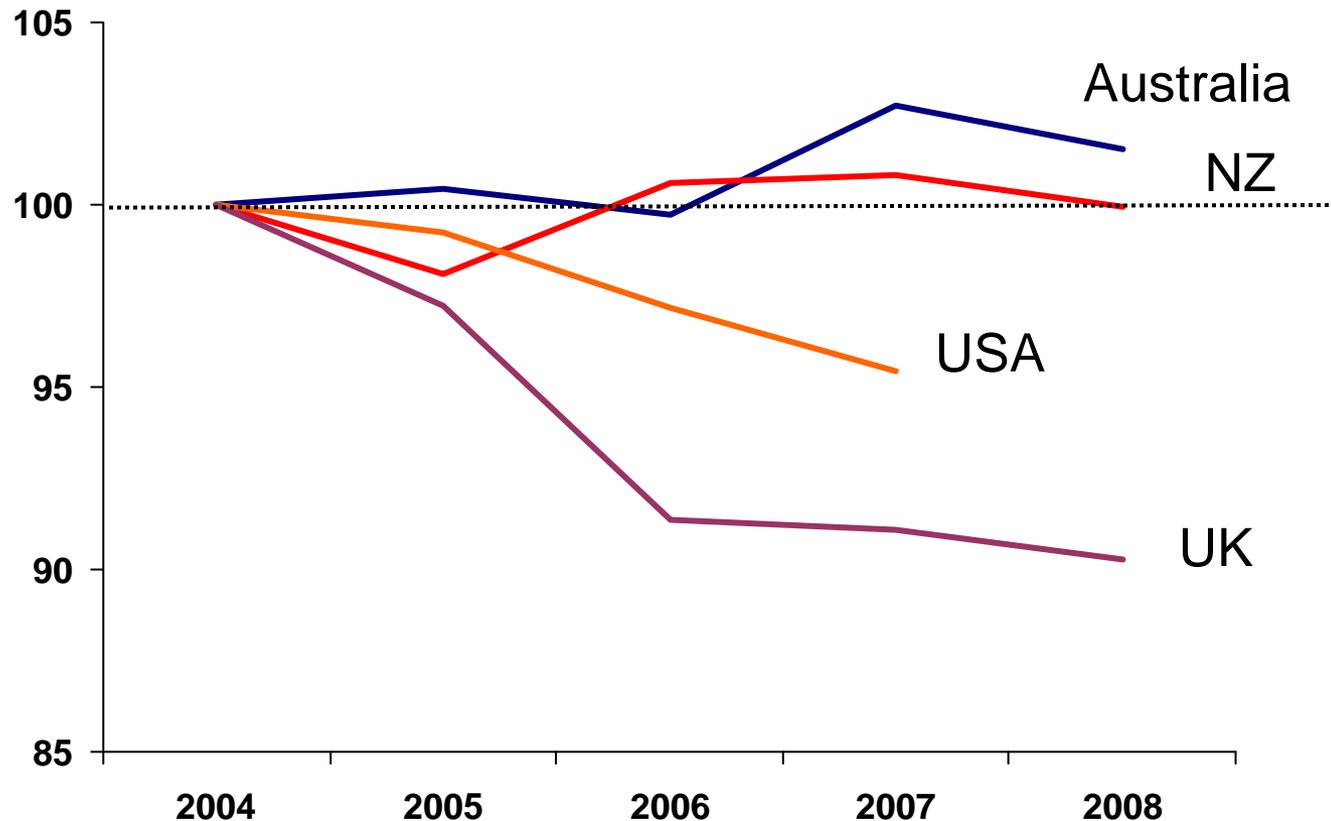
Unique Market Characteristics

Publishing in Australia & NZ is **not** the same as in UK and USA

	Aust/NZ	UK	US
Less dependence on classifieds	✓	✓ National/ X Reg.	X
Readership growth	✓	X	X
Discrete markets	✓	X	X
National advertising growth	✓	X	X
High subscription base	✓	X	✓
Modern plants/gloss capability	✓	✓	X

Unique Market Characteristics

Newspaper readership (Index: 2004 = 100)



Australia: Gross readership of metro and national dailies (Mon-Fri) - RMR Single Source; all data Jan-June

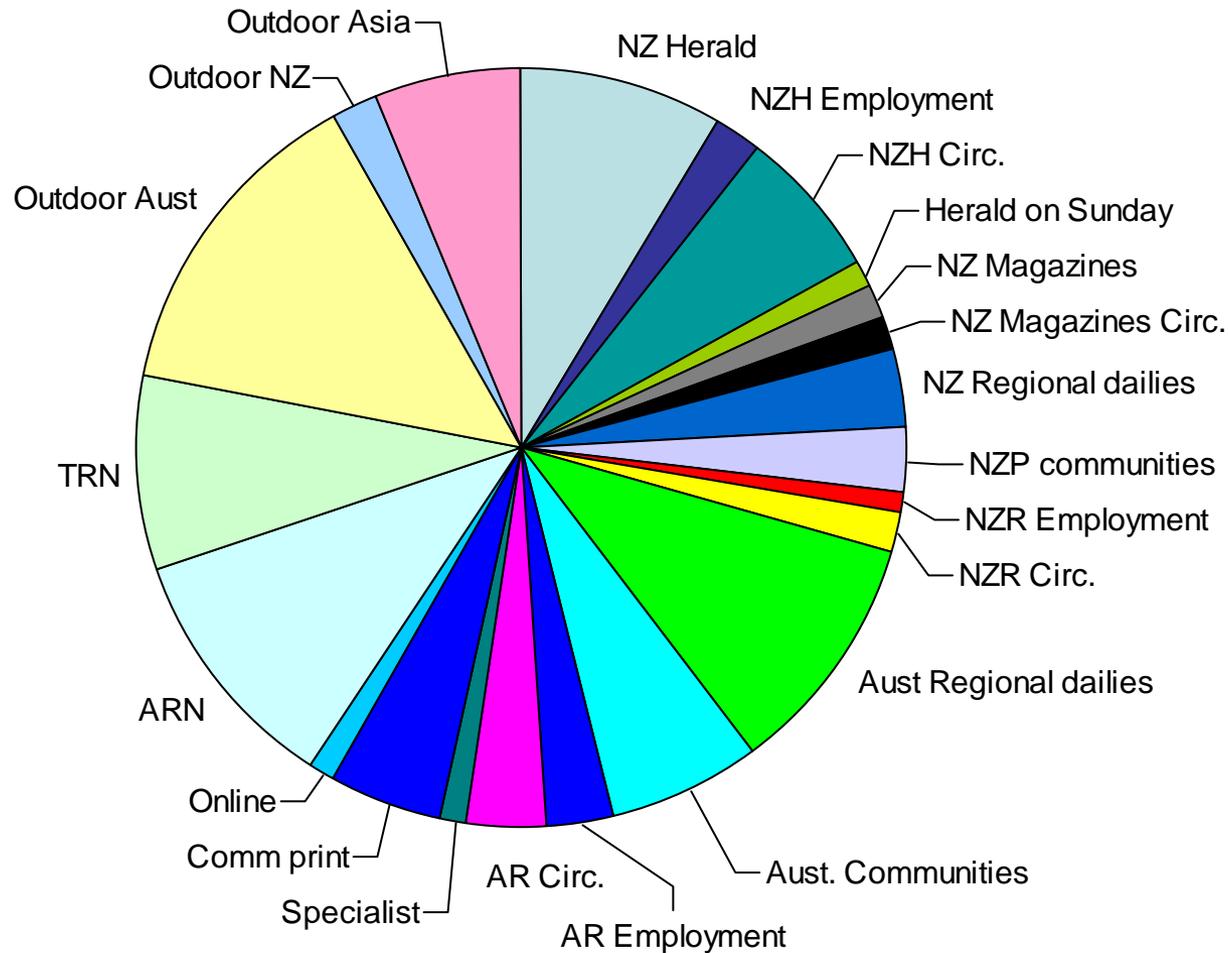
NZ: Total daily newspapers - National Readership Survey

USA: Readership of daily newspapers in top 50 markets - Scarborough Research

UK: Total readership of national daily newspapers - National Readership Survey

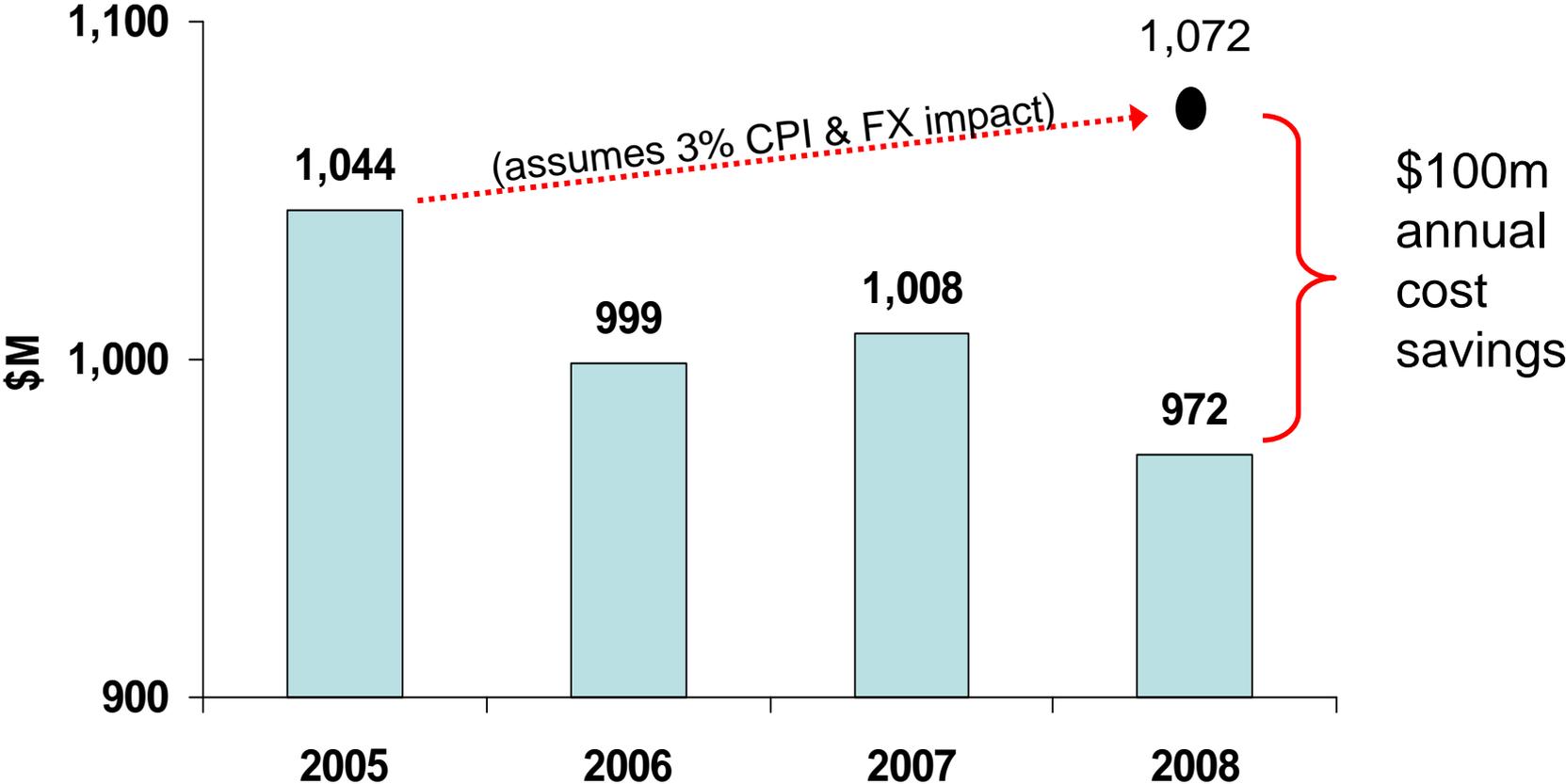
A diversified multi-media business

2008 Revenue: \$1.2bn



A Business in Transformation

Recurring costs



Australia – Publishing



- National advertising shows strength into Q1
- Retail & National almost 60% of advertising; less reliance on classified
- Solid readership results
- Almost 30% of editorial pages now shared across Australian dailies
- Advertisers increasing use of colour
- Dual focus on cost efficiency from new plant and revenue growth from new sales structures

Australia – Radio

- 12 stations in key metro markets; Mix & Classic Hits
- More than 4.2m listeners 10+ each week; core 25-54 demographic
- Since 2002, ARN has maintained advertising share despite a new competitor in every major market
- Encouraging share trends in key Sydney market

\$Am	2008	2007	Var
Revenue	130.7	141.3	(7.5%)
EBIT	48.2	56.9	(15.3%)
Margin	36.9%	40.3%	



Australia – Radio

- Finished 2008 as number 1 FM network in Sydney in both 10+ and target 25-54 demographic
- Sydney sales teams producing good results in Direct and Agency
- Investment in programming supported by renewed focus on sales systems and training
- Key management appointments to lift Melbourne sales



Jonesy & Amanda WSFM



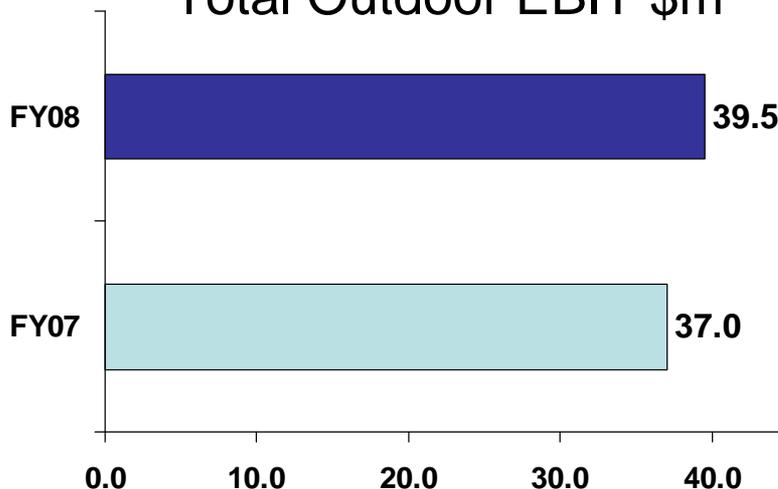
Sonia Kruger & Todd
McKenney Mix 106.5

Australia – APN Outdoor

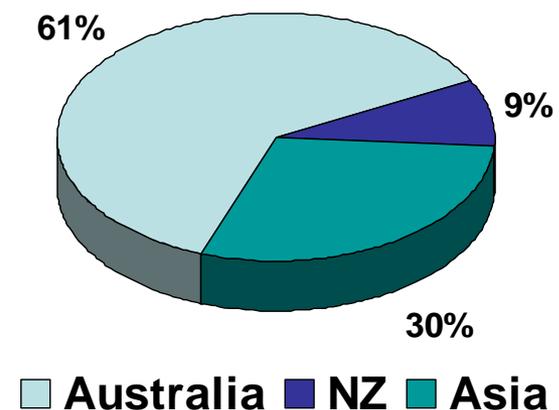
- Challenging Q4 impacted final result
- Improved Q1 2009, with forward bookings gaining momentum
- Built or maintained market share in all key categories
- Good cost performance as overheads cut



Total Outdoor EBIT \$m

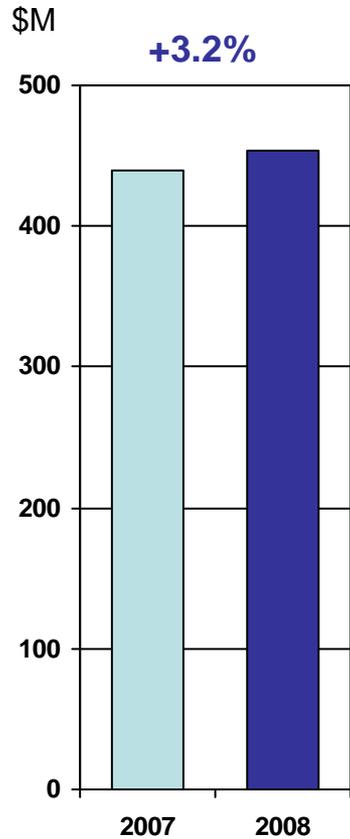


Outdoor Revenue by Geography

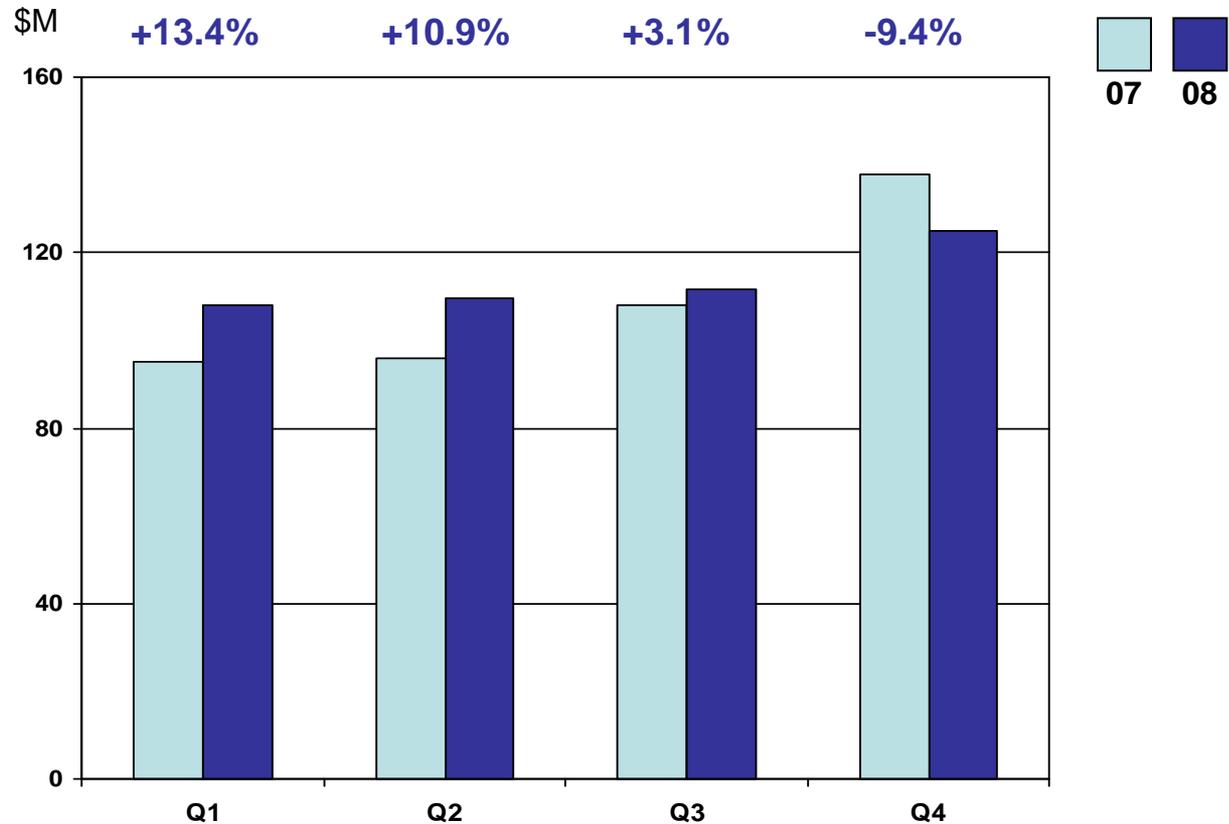


2008 Market Revenue | Australia

YOY Total Market Growth Rates – Jan to Dec 2008



Total Outdoor



Note: NMS \$M for the Australian Market

Australia – Online

finda.com.au

the daily .com.au

DELL "INSPIRON" 530 DESKTOP
AUS \$699*

News Sport Entertainment Lifestyle Money Blogs Photos Weather Search

CLASSIFIEDS

2:50 PM Tuesday 25 February, 2008

New map shows increased flood risk
New technology has redefined mapping of the Maroochy River Basin in placing focus areas of houses once thought to be above extreme flood events well inside the 100:1 zone.

'Wheels haven't fallen off', Abbot says
Mayor Bob Abbot said he had 'kicked some walls' but insisted the wheels had not fallen off his council.

D'Arcy case adjourned
Nick D'Arcy and Simon Cowley came back to face a Sydney courtroom on Friday for the first time since D'Arcy's shocking kiss that changed both of their lives forever.

Summer at the beach
I felt like a late summer heat wave struck the Sunshine Coast yesterday but relief is in sight in the next few days.

And Another Thing
with Peter Richardson

Monday 25 February 2008 | Home delivery

The Chronicle

DELL "INSPIRON" 530 DESKTOP
AUS \$699*

Home News Sport Entertainment Lifestyle Money TV guide Classifieds

CLASSIFIEDS

2:50 PM Tuesday 25 February, 2008

Sugar could save kids with Malaria
A SPOONFUL of moistened sugar under the tongue could save the lives of thousands of children suffering from hypoglycaemia caused by malaria, according to...

Dating
Men's intuition: how men read your signals.
WITH all the confusion surrounding the language of love, many men would find it easier to learn Japanese.

Midwives role expected to change
The Rudd Government's maternity services review has broad support from doctors and midwives but some birthing groups say it fails to put women first.

Fairytale finale to love match
THE only reason Peta and Andy Campbell spent about \$45,000 on their wedding was because they had it in Scotland.

Travel
Virgin opens up to PNG
YOU knew a destination is...

Visit the Toowoomba Regional Council website

TOOWOOMBA REGIONAL COUNCIL

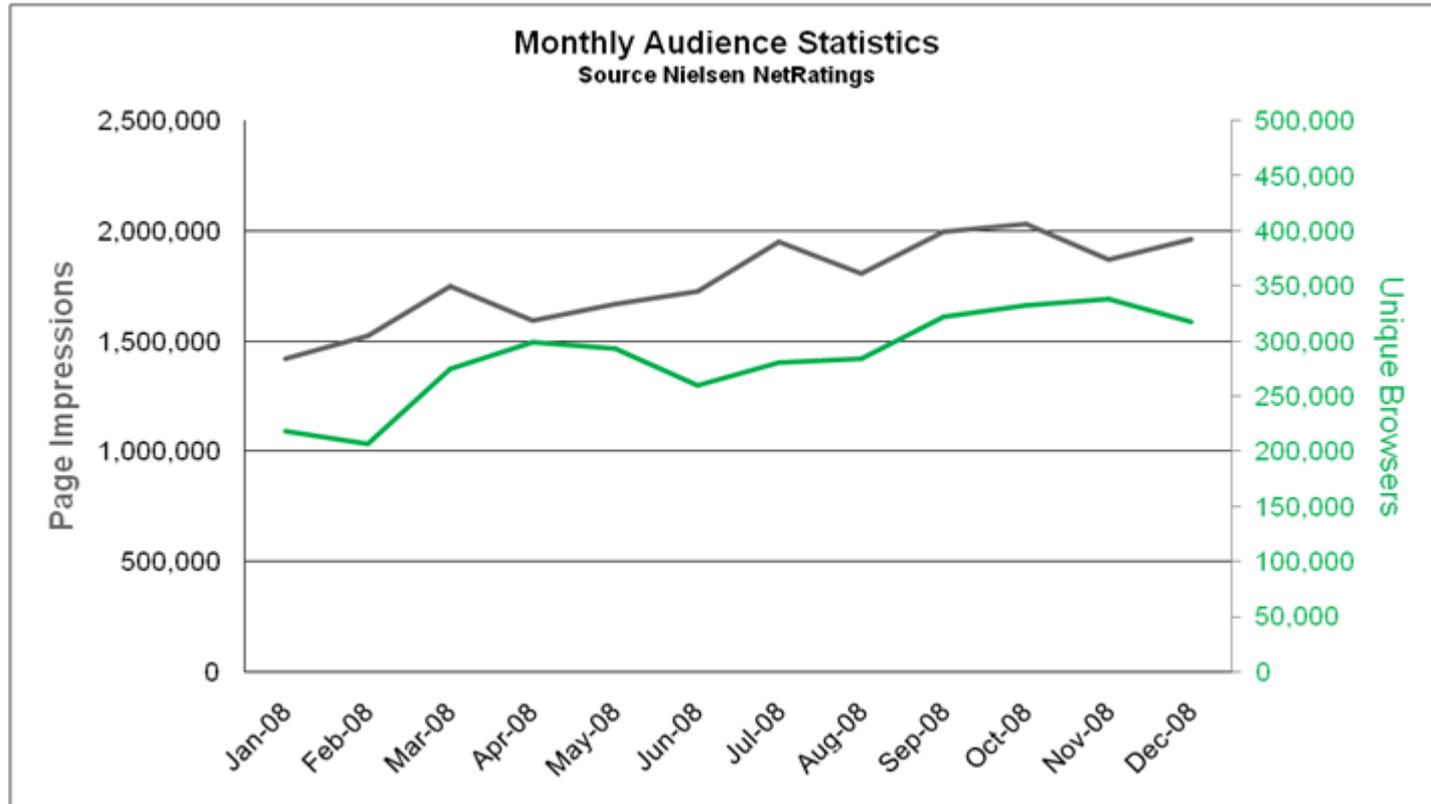
- Regional Australia represents big upside opportunity
- APN newspaper sites redeveloped and producing strong traffic and revenue growth
- finda.com.au being developed as local platform to increase revenue reach into new markets
- Growth and development of Radio online sites

Australia – finda communities



- A one stop shop of everything you need to live in your local area
- Focus on localised content, links and information
 - Local event listings
 - Local movie listings, television listings, restaurants, gigs etc
 - Local weather
 - Local bloggers
- Foster community and drive user-generated content

Regional & finda traffic growth in 2008



- Good growth in local display and National sales to local sites
- Revenue up 80% Q3 vs Q2

New Zealand – Publishing



- 8 out of 10 Aucklanders 15+ read an APN title each week
- National Display and Retail resilient; trending 65% of revenue
- Newspaper-inserted-magazine advertising up 13% and important readership driver
- Strong readership growth
- Good market share gains

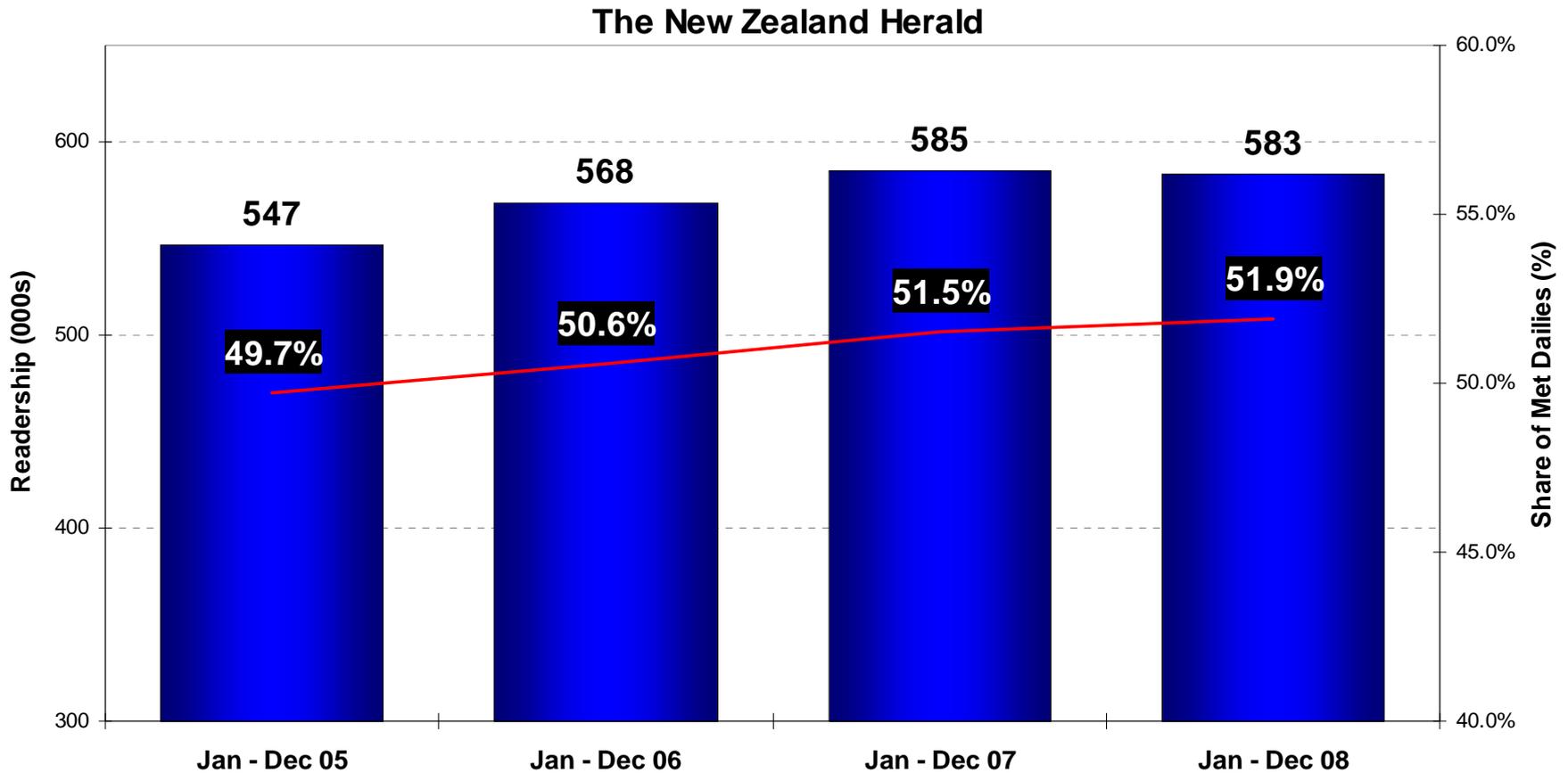
The New Zealand Herald



- Paper reconfigured to two section broadsheet, giving greater paging flexibility
- Aucklander inserted in four editions to main newspaper
- Accelerated business restructuring: centralised advertising production moved to Auckland; overall leverage improved
- Production of ~1000 pages outsourced each week

Readership Gains

The most read newspaper in New Zealand

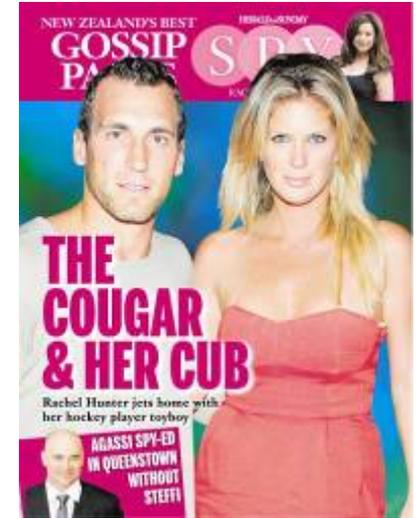


Source: Nielsen National Readership Survey. Based on Jan - Dec periods, AP 15+

■ Average Issue
— Share of Mets

The New Zealand Herald

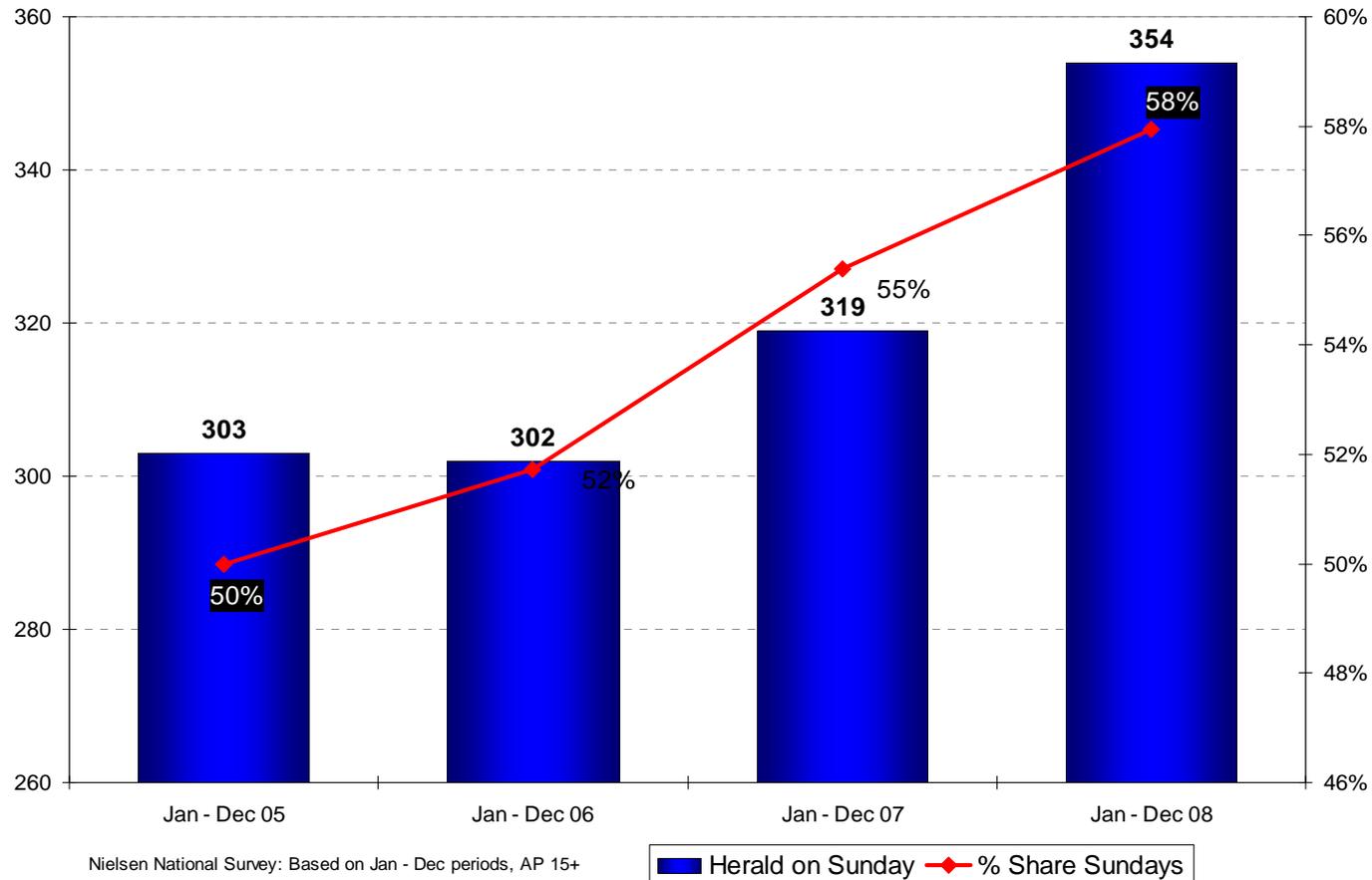
HERALD ON SUNDAY



- Readership continues to accelerate and is leading Sunday in commercially-important Northern Region
- 17% growth in 3 years and profitable
- 64,000 more readers than nearest competitor
- Auckland readership growth up 18% in 2008 – nine times the population growth

Fastest growing newspaper in New Zealand

Herald on Sunday



New Zealand – Magazines



- Package deals across NZ publishing portfolio drive advertising market share gains
- NZ Woman's Weekly most-read mass market title
- Listener Magazine No.1 selling current affairs title
- Crème No.1 teen title, with readership up 35% to 164,000
- Simply You circulation 42% higher than nearest competitor

New Zealand – Regional Publishing



- Retail and National 60% of total advertising
- Outsourcing of more NZ regional production improves quality and reduces costs
- Marketing and logistics centralised
- Significantly improved leverage

New Zealand – Radio

- Challenging market across the country
- Leading radio broadcaster in New Zealand
- NewstalkZB No.1 network
- Auckland: 4 of the top 5 stations, NewstalkZB No.1

\$NZm	2008	2007	Var
Revenue	124.6	133.8	(6.9%)
EBIT	24.7	31.9	(22.6%)
Margin	19.8%	23.8%	

Keep Up With
NewstalkZB®



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



Today's Hit Music



Timeless Music



CLASSIC ROCK TALK RADIO



70s to today



Just Sport.

New Zealand – Outdoor



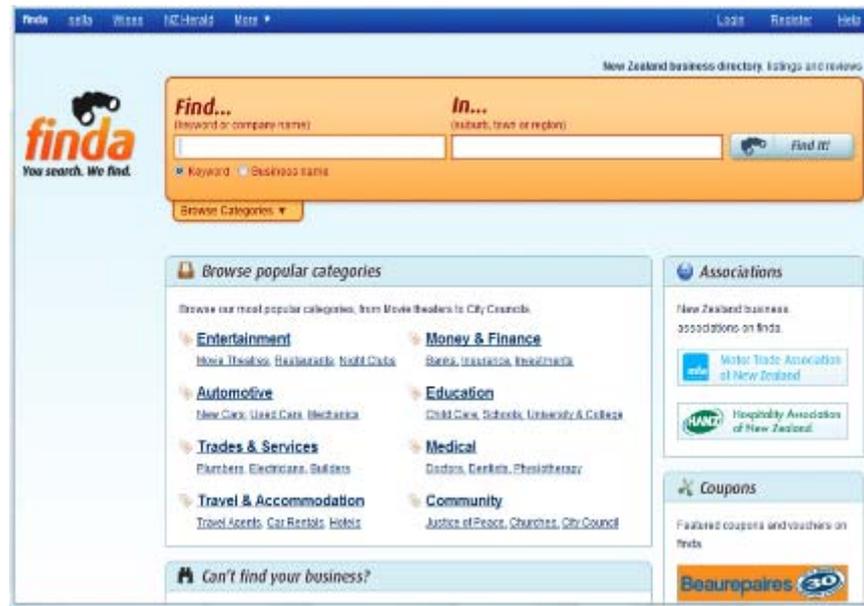
- Acquisition of #3 billboard company in New Zealand
- 130 additional premium sites covering all major markets
- Market steady but tightened in final quarter

New Zealand – Online



- Leading news website in New Zealand
- Record traffic:
 - 900k unique browsers per week
 - 14m page impressions
- Traffic drawn by new video and photo galleries, enhanced content distribution and release of mobile versions

New Zealand – Sale of finda.co.nz



- finda.co.nz was profitably sold to New Zealand Yellow™ Pages business, Yellow
- Different model to finda Australia; UBD-style directory

Asia – Hong Kong

- Solus transit operator in Hong Kong
- Transit clients typically take longer-term contracts
- Continued revenue growth in transit and supersite formats
- Some benefit from 2008 Beijing Olympics



Asia – Indonesia and Malaysia



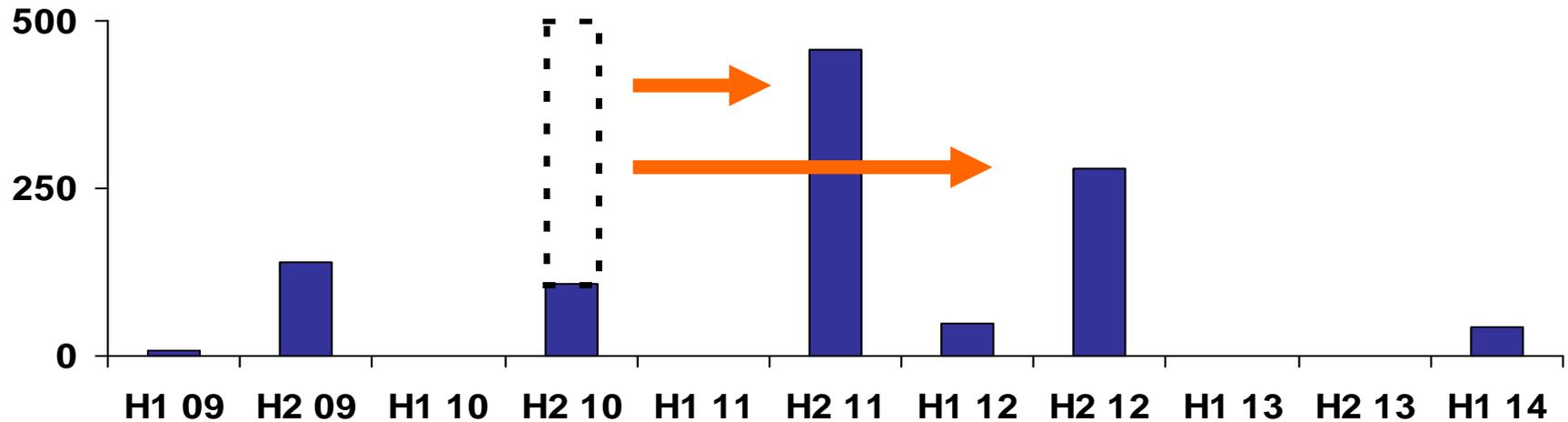
- Leading premium billboard operators
- Strong long-term client base
- Solid market revenues in reasonable economic climate

Cash Flow and Funding

- Strong cash generating capabilities
- Cost benefit from recently-completed capital programme
- Capex down from \$80m last year to \$25m for 2009 and beyond
- New Commonwealth Bank five-year \$50m asset finance offer accepted
- Upcoming maturity discussions progressing; substantial undrawn capacity \$120m and strong cash generation

Debt maturity profile

Debt maturities: May 09



Taxation and Dividends

- New Zealand masthead taxation issue resolved in APN's favour
- Final dividend 12 cents per share
- Full year dividend 22.5c vs. 31.5c in pcp
- Prudent approach to dividends; latest dividend down 43% YoY
- Unfranked - no NZ imputation

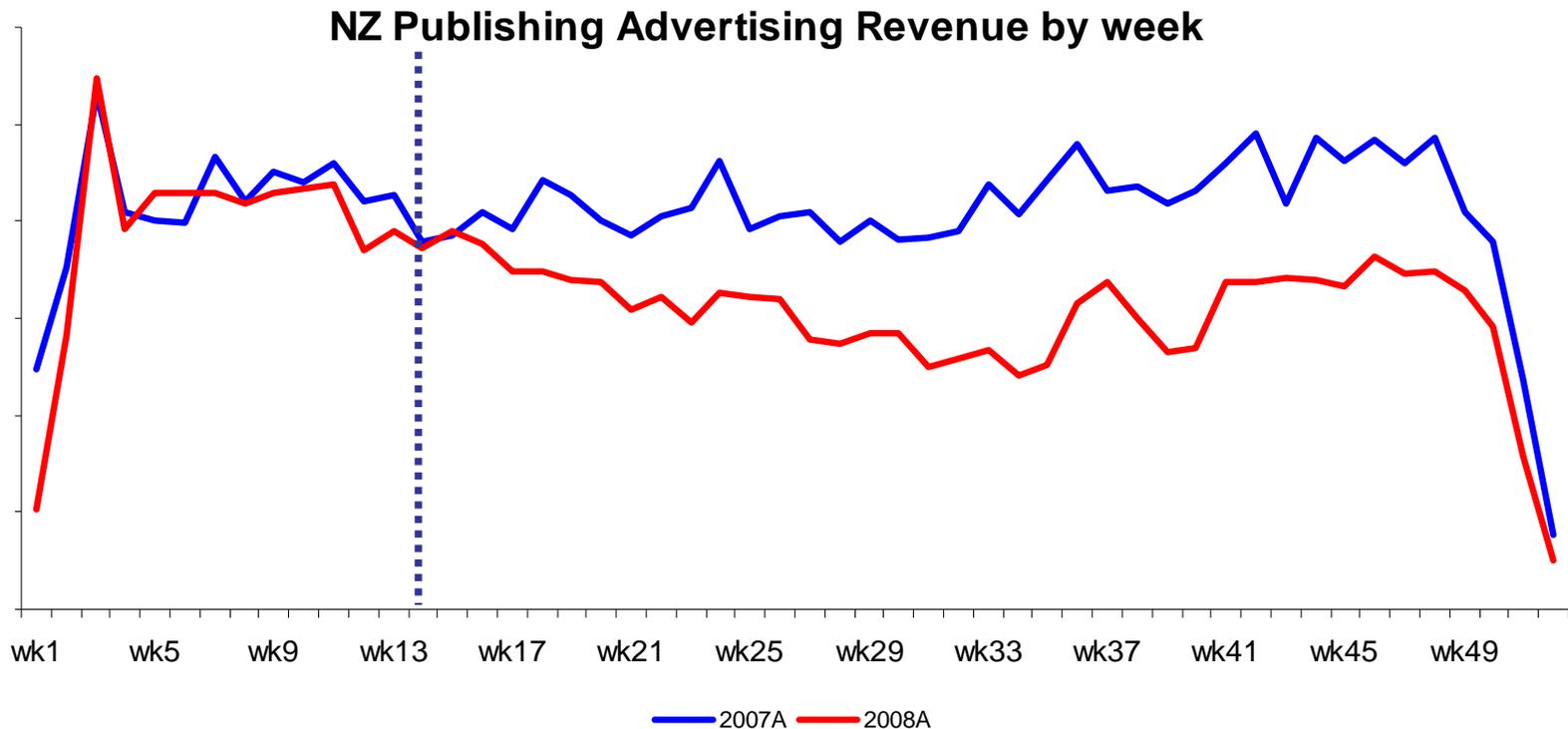
Summary

- A satisfactory outcome to a challenging year
- Restructuring programmes begun in 2005 have lowered cost base and improved leverage
- All material capital expenditure programmes finalised
- Multiple and diverse revenue sources with strong cash flows
- Portfolio of leading media assets in local markets

Trading – 1st Quarter 2009

- Tough market conditions for entire media industry in Q1
 - Outdoor market down 9.2%
 - Metro radio market down 2.8%
 - APN Publishing down but gaining market share
- APN costs down 10% Y-o-Y through early start to restructuring; improved leverage
- Revenue challenge is cyclical but is ongoing
- First half will be particularly challenging
- Second half pcp's look easier

Impact of global financial crisis



- Downturn hit NZ businesses from May 2008
- Australian businesses not affected until September 2008
- Difficult trading in H1 2009 must compete with near-record H1 2008

Outlook

- When releasing the 2008 full year results in February, the Board had already indicated that Net Profit After Tax (pre-Non Recurring Items) for 2009 was expected to be around \$20m lower than the 2008 result of \$140m, with the majority of the shortfall occurring in the first half.
- Whilst it is difficult to forecast with confidence due to the current market conditions, Directors now expect that, assuming advertising and credit markets do not deteriorate further, the full year NPAT (pre-NRI) to be in the range of \$100m to \$110m. Consistent with previous comments, the majority of the shortfall will occur in the first half of 2009 when results are being compared with a near record 2008 performance, with NPAT (pre-NRI) expected to be around \$40m.



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