

OVERVIEW

APN
2010
Results



Earnings
improvement

Strong
cash flow

Positive
second half

New CEO

Active development
agenda

Positioned
for growth



2010 FINANCIAL HIGHLIGHTS

APN
2010
Results

FY 2010 – Underlying *

AUD millions	2010	Δ% as reported
Revenue	1,059.1	3%
EBITDA	244.3	6%
EBIT	205.4	9%
NPAT	103.1	9%

Final Dividend Per Share: 7 cents (2 cents franked)

* pre Exceptionals and Discontinued operations

2010 DIVISIONAL PERFORMANCE – FULL YEAR

APN
2010
Results

FY 2010*

AUD millions	Revenue			EBIT		
	FY 2010	Δ% local currency	Δ% as reported	FY 2010	Δ% local currency	Δ% as reported
Australian Regional Media (ARM)	288.0	5.8%	5.8%	60.0	0.8%	0.8%
New Zealand Media	320.1	1.7%	(0.4%)	71.3	9.6%	7.3%
Australian Radio Network	127.3	3.5%	3.5%	42.9	(1.6%)	(1.6%)
The Radio Network (NZ)	85.7	3.3%	1.1%	12.8	(2.7%)	(4.6%)
Outdoor	238.0	7.2%	3.8%	28.9	85.8%	79.4%
Corporate	-	-	-	(10.5)	-	-
Total	1,059.1	4.4%	2.8%	205.4	9.6%	8.7%
Outdoor Like-for-like	238.0	20.1%	17.3%	28.9	261.9%	268.5%
Total Like-for-like	1,059.1	6.9%	5.5%	205.4	14.2%	13.7%

* pre Exceptionals and Discontinued operations

2010 DIVISIONAL PERFORMANCE – H2

APN
2010
Results

H2 2010*

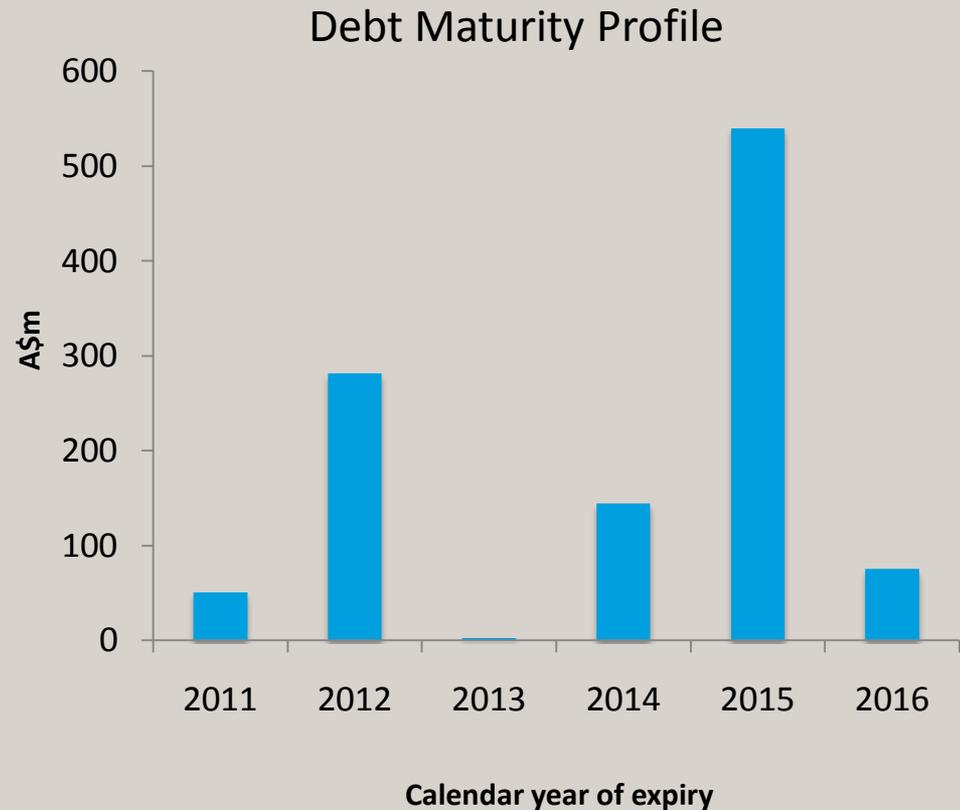
AUD millions	Revenue			EBIT		
	H2 2010	Δ% local currency	Δ% as reported	H2 2010	Δ% local currency	Δ% as reported
Australian Regional Media (ARM)	147.6	4.9%	4.8%	31.1	(7.8%)	(7.8%)
New Zealand Media	163.0	2.2%	(0.8%)	37.3	5.4%	2.5%
Australian Radio Network	66.4	4.6%	4.6%	21.7	0.9%	0.9%
The Radio Network (NZ)	45.6	8.8%	5.6%	8.3	10.1%	7.4%
Outdoor	128.7	14.1%	12.9%	22.0	81.6%	76.8%
Corporate	-	-	-	(2.1)	-	-
Total	551.3	6.3%	4.8%	118.3	8.5%	7.7%
Outdoor Like-for-like	128.7	22.2%	20.7%	22.0	126.4%	119.1%
Total Like-for-like	551.3	7.9%	6.3%	118.3	11.0%	10.1%

* pre Exceptionals and Discontinued operations

CREDIT PROFILE

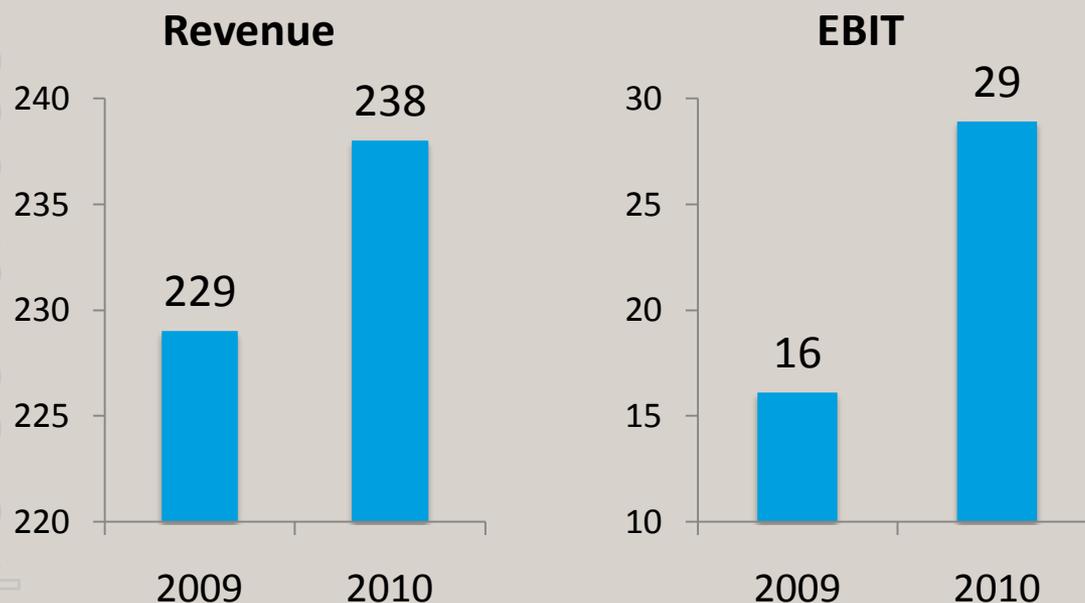
APN
2010
Results

- High cash conversion provides capital flexibility
- Dec 2010 net debt A\$657m down from A\$750m in 2009
- Undrawn facilities at year end of more than A\$300m
- Credit metrics continue to improve
- Net Debt/EBITDA: 2.7x



2010 DIVISIONAL PERFORMANCE – OUTDOOR

APN
2010
Results

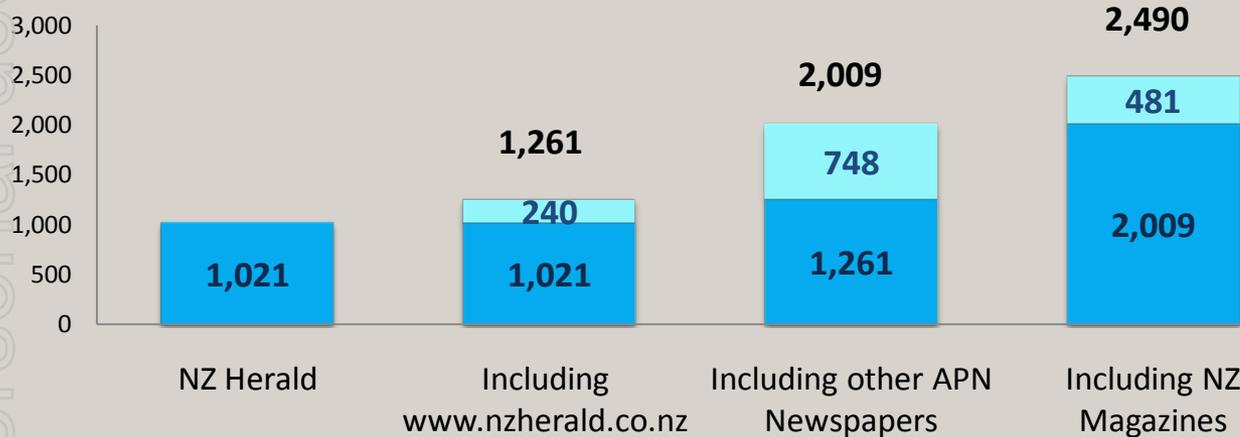


- Outdoor momentum strong – 79% EBIT growth in 2010
- High operating leverage business
- Significant adoption of MOVE audience measurement system
- Strong advertiser response to digital billboard innovations

2010 DIVISIONAL PERFORMANCE – NZ MEDIA

APN
2010
Results

APN NZ Publishing - Portfolio increases audience
Un-duplicated Weekly Coverage

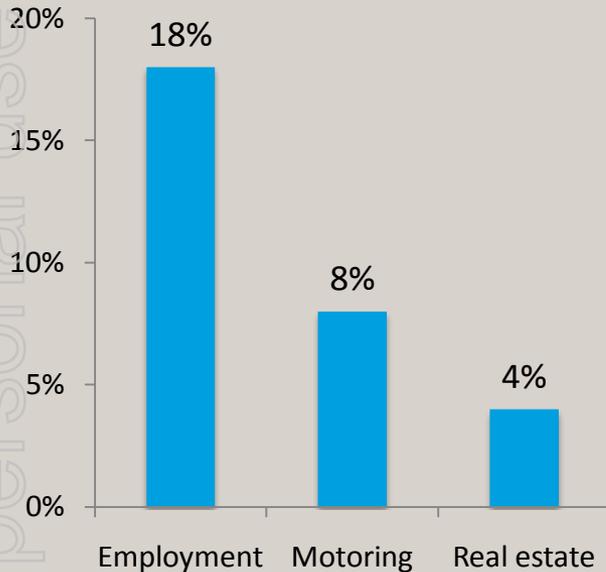


- New Zealand Herald extends brand reach with a 7-year high in readership, circulation improvements and digital extensions
- nzherald.co.nz traffic up 31% YoY
- Herald on Sunday advertising up 16% YoY; strong readership growth
- Continued 'best in class' cost performance

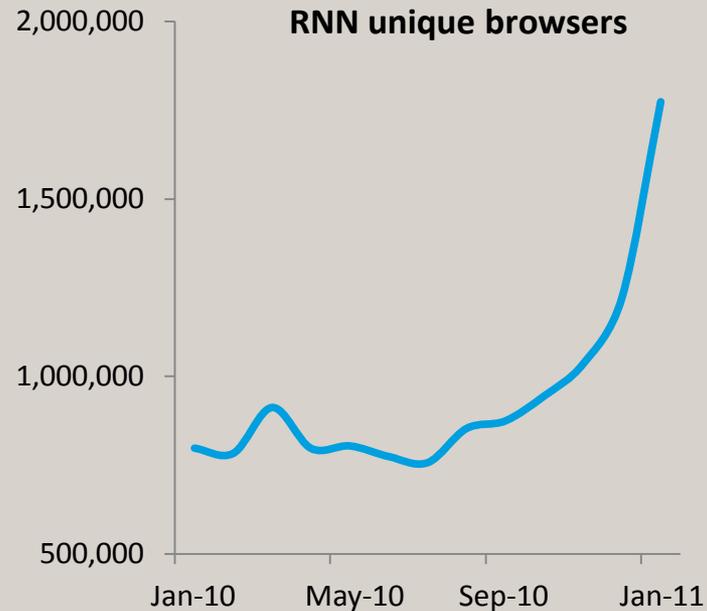
2010 DIVISIONAL PERFORMANCE – ARM

APN
2010
Results

Print classified pillar revenue growth



RNN unique browsers

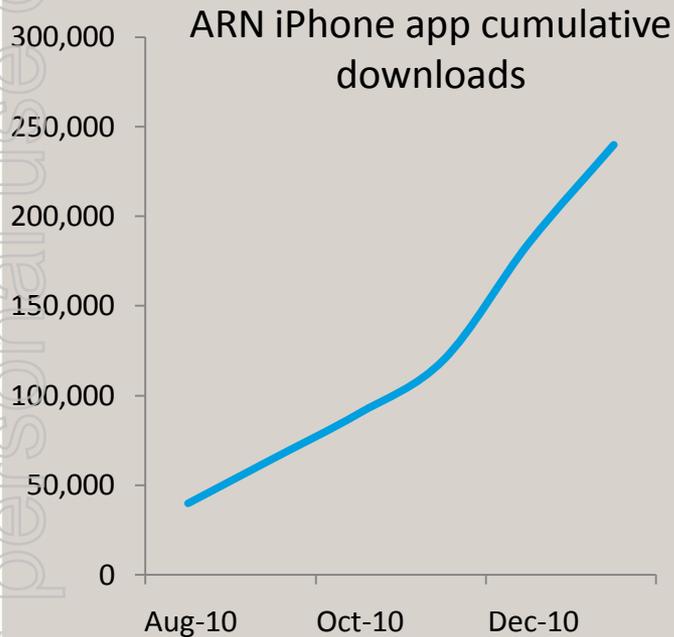


- Good revenue growth including online and classifieds
- Retail advertising weakened in Q4 – down 5% on pcp
- Investment in development agenda drives costs in H2
- Regional News Network (RNN) monthly traffic up 53%

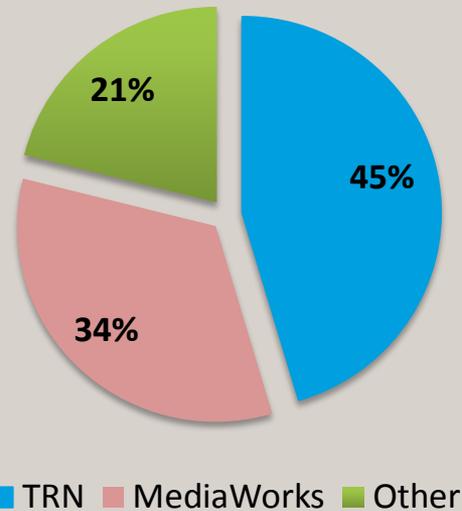


2010 DIVISIONAL PERFORMANCE – RADIO

APN
2010
Results



Auckland 10+ audience share



Source: Research International



Keep Up With
Newstalk ZB

- Australian Radio Network major restructuring
- NZ radio market recovering and TRN gaining share
- ARN smartphone app launched – 240,000 downloads in 6 months

NEW CEO – FIRST IMPRESSIONS

APN
2010
Results

- Unique portfolio of market leading assets
- Clear priorities being developed
 - Operational excellence to drive performance
 - Innovation and initiatives including digital to build momentum
 - Positioning APN for growth in emerging media value chain
- Funding base is sound – extended maturities demonstrate confidence
- Digital critical

ACTIVE DEVELOPMENT AGENDA

APN
2010
Results



- Launch of GrabOne in NZ and Australia - Clear market leader in NZ
- Content distribution via proliferation of mobile devices
- Domain, MyCareer and Drive classified deal launched in APN markets
- Sella and Finda continue to build subscribers and listings

ACTIVE DEVELOPMENT AGENDA

APN
2010
Results



- Magazine licensing deal expands NZ portfolio and reach
- 20 year radio licences in NZ renewed
- Outdoor digital billboards rolled out
- Closure of heatset plant and outsource of printing process

2011 TRADING TO DATE

APN
2010
Results

- Outdoor momentum delivers strong YoY growth for APN
- New Zealand publishing mixed: weak retail but balance in-line with pcp
- Flooding impacts Australian Regional Media – EBIT down \$3m in January but impact now easing
- APN's radio market share improving in Australia and NZ
 - Radio sector continues to grow in both markets
- Overall trading ahead of prior year, apart from Australian Regional Media

APPENDIX

APN
2010
Results



H2 vs. H1

Cash flow

Cash generation

Exceptional
items

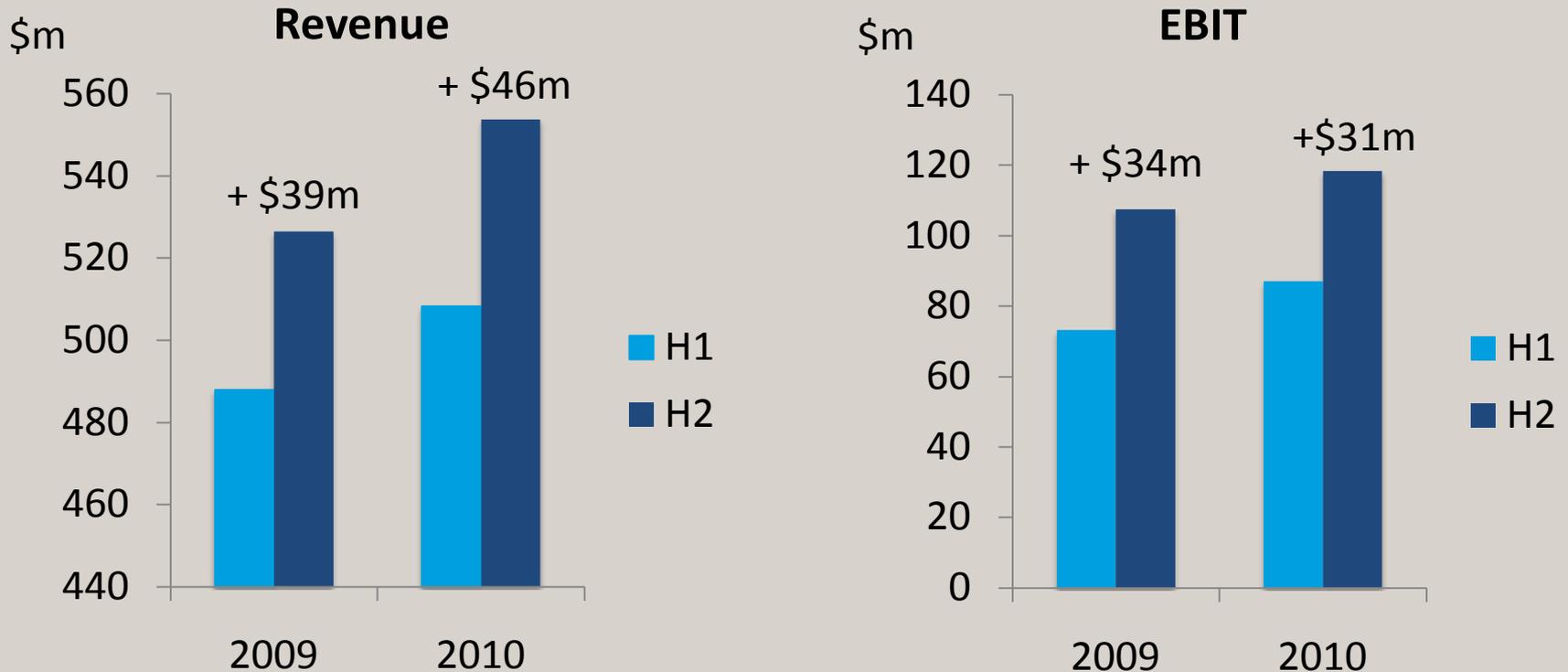
Currency

Dividends



DECEMBER HALF vs. JUNE HALF (LFL)

APN
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Results



- Revenue followed seasonal trends, but retail advertising weak at end Q4
- H2 EBIT affected by online development costs and Pacific Magazines

2010 CASH FLOW

APN
2010
Results

CASH FLOW

AUD millions	FY10	FY09
Operating cash flow excluding exceptionals	237.2	201.3
Payments related to exceptionals	(9.6)	(16.4)
Net interest paid	(46.5)	(46.7)
Net tax paid	(15.9)	(18.8)
Capital expenditure/investment	(24.9)	(20.6)
NZ radio licence renewal	(33.3)	-
Asset sales - exceptionals and other	8.4	31.0
Other	(4.8)	0.0
Total cash inflow before financing	110.7	129.8
Dividends – APN shareholders	(32.6)	(52.2)
Payments to minority interests	(11.7)	(28.4)
Share issues	0.0	97.2
Total cash inflow	66.4	146.4

CONTINUING STRONG CASH GENERATION

APN
2010
Results

AUD millions	H2 10	H1 10	FY10	FY09
EBITDA (pre exceptionals)	135.8	108.6	244.3	229.7
Operating cash flow (pre exceptionals)	116.9	120.3	237.2	201.3
% of EBITDA	86%	111%	97%	87%
Adjusted for Adshel	88%	111%	98%	89%

EXCEPTIONAL ITEMS & DISCONTINUED OPERATIONS

APN
2010
Results

EXCEPTIONAL ITEMS

AUD millions	FY 10
Gains on disposal of properties	1.1
Redundancies and associated restructuring costs	(3.3)
New Zealand music royalties	(1.9)
Corporate, legal & other	(3.2)
Multimedia restructure	(1.7)
Reversal of impairment of investment in associate	3.0
Net exceptional items (pre tax)	(6.0)
Income tax credit	0.4
Non-controlling interest	1.2
Net exceptional items (post tax)	(4.5)

- Discontinued relates exclusively to closure of Manukau heatset plant

CURRENCY

APN
2010
Results

	AUD/NZD		AUD/HKD	
Exchange rates	2010	2009	2010	2009
June half average	1.267	1.251	6.94	5.51
Full year average	1.273	1.246	7.14	6.13
Period end rate	1.326	1.238	7.92	6.94

DIVIDEND

- Final dividend 7 cents per share, 2 cents franked
- Total dividend for 2010 of 12 cents per share
- DRP to continue at 2.5% discount
- Dividend payment date 31 March 2011; record date 10 March 2011

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