

Fairfax Media and News Corp Australia Enter Printing Agreements

Sydney, 18 July 2018: Fairfax Media Limited [ASX:FXJ] (“**Fairfax**” or “**Company**”) today announced it has entered into agreements with News Corp Australia that will see the publishers use each other’s printing networks.

Fairfax Chief Executive Officer and Managing Director Greg Hywood said: “The printing arrangements make the production of newspapers more efficient for both publishers. These are landmark initiatives. They demonstrate a rational approach to the complex issues facing the industry.

“Better utilisation of existing print assets makes sense and will deliver economic benefits to Fairfax Media.”

News Corp will provide a range of printing services for Fairfax in New South Wales and Queensland. Fairfax will print publications for News Corp out of its North Richmond (NSW) plant.

Fairfax will transition work from its print centres in Beresfield (NSW) and Ormiston (Queensland). Once complete, those sites will close.

There will be no change to the availability of Fairfax newspapers.

Mr Hywood said: “The agreements deliver greater cost variabilisation, enabling us to produce newspapers well into the future.

“Our decision to rationalise some printing assets reduces capital intensity. We expect the combination of the new arrangements, and the changes to Fairfax’s printing network to result in an annualised full-year benefit of approximately \$15 million. The financial benefits are expected to begin towards the end of FY19 H1.

“From today we are consulting with staff at our printing centres affected by the new arrangements. Fairfax is committed to providing comprehensive assistance and support and will meet all our employment obligations.”

Fairfax and News Corp will continue to explore further opportunities.

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