



MARKET ANNOUNCEMENT

APN COMPLETES INSTITUTIONAL COMPONENT OF ENTITLEMENT OFFER WITH STRONG INVESTOR SUPPORT

SYDNEY, 21 February, 2014 – As announced on 19 February 2014, APN News & Media Limited [ASX, NZX: APN] has commenced a fully underwritten 5 for 9 pro rata accelerated non-renounceable entitlement offer of new APN ordinary shares ('New Shares') to raise gross proceeds of approximately \$132 million at a price of \$0.36 per New Share ('Entitlement Offer'). The Entitlement Offer is fully underwritten by CBA Equities Limited ('CBA Equities').

The proceeds of the Entitlement Offer will be used to part fund APN's acquisition of 100% of Australian Radio Network Pty Limited ('ARN') and The Radio Network Limited ('TRN') from Clear Channel Communications Inc ('Clear Channel').

The institutional component of the Entitlement Offer raised approximately \$112 million¹ (through the issue of approximately 313 million shares) and was well supported by existing institutional shareholders. Commitments of approximately 98% were received from eligible institutional investors in respect of their entitlements². There was strong demand from a broad base of new investors and existing institutional shareholders for the remaining shares not taken up by eligible institutional shareholders.

APN Chief Executive Officer, Michael Miller said "We are delighted with the support that we have received from our shareholders. In addition to the high take-up rate, we are also very encouraged by the significant interest from new institutional investors. This not only shows overwhelming support for APN's acquisition of ARN and TRN, but also for the broader strategic path that APN is taking."

The retail component of the Entitlement Offer will raise ('Retail Entitlement Offer') approximately \$20 million and will open on 27 February 2014. Eligible retail shareholders with a registered address in Australia, New Zealand or Ireland on the record date of 7:00pm (Sydney Time) on 24 February 2014 will be invited to participate in the Retail Entitlement Offer, and are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer. APN expects to lodge the Retail Offer Booklet with the ASX and NZX and dispatch to eligible retail shareholders on or about 27 February 2014. The Retail Entitlement Offer is fully underwritten by CBA Equities.

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¹ Amount raised includes the entitlement of Independent News & Media PLC ('INM') which was sub-underwritten by Baycliffe Limited (a company controlled by Denis O'Brien) – refer to the "Notice under section 708AA" released on 19 February 2014 for further details of the sub-underwriting and settlement arrangements.

² Take-up rate does not include the entitlement of INM which was sub-underwritten by Baycliffe.

Not for distribution or release in the United States

This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (“ASIC”). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or 'New Shares' or any other financial products.

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “US Securities Act”) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the US Securities Act (which APN has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements

This announcement contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of APN the outcome and effects of the Entitlement Offer and the use of proceeds. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of APN, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the key risks section of the Investor Presentation for a summary of certain general and APN specific risk factors that may affect APN.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the Investor Presentation. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to APN as at the date of this announcement.

Except as required by law or regulation (including the ASX Listing Rules), APN undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.