



NEWS & MEDIA

MARKET STATEMENT

Address to General Meeting

SYDNEY, June 2, 2005 – APN News & Media [ASX,NZX: APN] Joint Deputy Chairman Mr Ted Harris today chaired a General Meeting of Shareholders to vote on a buyback of ordinary APN shares.

Mr Harris told the meeting: "As part of APN's ongoing commitment to efficient capital management, your Company has announced its intention to proceed with an on-market buyback of up to 10% of its ordinary shares within the next 12 month period, equating to approximately 47 million shares.

"The APN Board believes that it is in the best interests of the Company and shareholders that steps be taken to optimise the Company's use of capital. The proposal recognises the near term likelihood of the conversion of convertible notes. The Company originally issued 63 million convertible notes in 2001 to fund the acquisition of Wilson and Horton. The last conversion date for these notes is 2008. However, the strong increases in the Group's profitability and dividends means that it is likely that noteholders will convert ahead of time. In fact, some conversions have already occurred and more are expected over the next 12 months.

"These conversions will significantly change the debt/equity balance of the Company and your Directors believe that buying back shares to offset the impact of conversions demonstrates that the Company is focused on efficient capital management resulting in enhanced returns to shareholders.

"It is intended that APN will fund the proposed buyback using existing facilities. The buyback will be accretive to earnings per share.

"Finally, I should make it clear that, under the Corporations Act, the Company may buy ordinary shares in itself subject to Article 44 of the Company's Constitution. Under that Article, the Company was authorised to buy-back ordinary shares in itself for a period of three years from the date of adoption of the Constitution on 10 March 1992. Article 44 provides for the authority to be renewed by a shareholders' ordinary resolution. That resolution may specify the period for which the authority remains effective. The resolution, which I shall put to the meeting, seeks approval for renewal for a period of 10 years."

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For Further Information:
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About APN

APN News & Media Ltd [ASX,NZX:APN] is the publisher of *The New Zealand Herald* and is the largest operator of regional newspapers, radio broadcasting and outdoor advertising in Australasia. APN has been listed on the Australian Stock Exchange since 1992 and on the New Zealand Stock Exchange since June 2004.

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