



8 May 2007



Dear Shareholder

**APN proposed acquisition - \$6.20 cash per share**

You should have recently received a Scheme Booklet detailing the proposed acquisition of APN through a scheme of arrangement under which, if the Scheme becomes effective, APN shareholders will receive \$6.20 cash per APN share, expected to be payable on 8 June 2007.

A Consortium comprising Independent News & Media PLC, Providence Equity Partners and The Carlyle Group through the acquisition vehicle Independent News & Media (Australia) Limited is seeking to acquire your APN shares.

An Independent Committee of the APN Board, formed specifically to consider the offer, has unanimously recommended that APN shareholders vote in favour of the Scheme in the absence of a superior proposal. The basis for the Committee's recommendation is set out in full in the Scheme Booklet. The APN Independent Committee recommends that you read the Scheme Booklet (which includes the Independent Expert's Report).

There are two shareholder meetings in connection with the proposal involving the Scheme. The Scheme Meeting is to be held at 11.00am on 25 May 2007 at the Intercontinental Hotel in Sydney and will be followed by a General Meeting relating to the proposal.

**How to Vote**

As an APN shareholder, your vote is important and the APN Independent Committee encourages all shareholders to attend the shareholder meetings and exercise their right to vote on the proposal. If you are unable to attend the meetings in person, we urge you to complete and return both Proxy Forms (one for the Scheme Meeting and one for the General Meeting). The Proxy Forms should be returned before 11:00am on 23 May 2007 for the Scheme Meeting and before 11.30am on 23 May 2007 for the General Meeting. For your convenience, a spare copy of each Proxy Form is attached to this letter together with a reply paid envelope.

If you have any questions about the Scheme or how to vote, please call the APN Information Line on 1800 830 977 (within Australia) and +612 8280 7492 (from outside Australia) during business hours. If you have not received a copy of the Scheme Booklet you can call the APN Information Line to obtain a copy or visit APN's website at [www.apn.com.au](http://www.apn.com.au).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Yvette Lamont', written in a cursive style.

**Yvette Lamont**  
Company Secretary

016790 - V2

**APN News & Media Limited**

ACN 008 637 643

Level 4 100 William Street Sydney NSW 2011 Australia Telephone 61 2 9333 4999 Facsimile 61 2 9333 4900

016790\_I\_1\_FRM:000001:000001