

Investor Presentation

2017 FULL-YEAR RESULTS

16 AUGUST 2017



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OVERVIEW & CEO COMMENTARY

GREG HYWOOD, CEO

Fairfax Media

GROUP TRADING PERFORMANCE

EXCLUDING SIGNIFICANT ITEMS

Trading Performance excluding significant items		Trading Performance excluding significant items		Change
FY17		FY16		
25 June 2017				%
	\$m		\$m	
Total revenue	1,732.6		1,830.5	(5.3%)
Expenses	(1,460.9)		(1,548.8)	5.7%
Operating EBITDA	271.1		283.3	(4.3%)
EBIT	230.3		213.2	8.0%
Net profit attributable to members of the Company	142.6		132.5	7.6%
Earnings per share	6.2		5.7	8.8%

- Group revenue for continuing businesses decreased 5.3% to \$1,732.6m.
- Group expenses for continuing businesses decreased 5.7% to \$1,460.9m.
- Underlying EBITDA of \$271.1m decreased by 4.3%.
- Underlying EBIT of \$230.3m increased 8.0%.
- Net profit of \$142.6m increased 7.6%.
- Statutory net profit of \$83.9m including significant items of \$58.7m after tax.
- Dividend of 2¢ per share (100% franked) payable on 12 September 2017.

SEGMENT RESULTS OVERVIEW

EXCLUDING SIGNIFICANT ITEMS

	Revenue			EBITDA		
	FY17	FY16	%	FY17	FY16	%
	A\$m	A\$m	change	A\$m	A\$m	change
Domain Group	320.3	296.3	8.1%	113.1	120.0	(5.7%)
Australian Metro Media	522.2	574.1	(9.0%)	49.1	39.0	25.9%
Australian Community Media	428.2	485.1	(11.7%)	73.0	90.4	(19.2%)
New Zealand Media	310.6	322.6	(3.7%)	52.4	55.2	(5.1%)
Macquarie Media Limited	137.0	138.6	(1.1%)	31.5	25.0	26.0%
Corporate and Other	14.3	13.8	3.5%	(48.0)	(46.2)	(3.8%)
Total	1,732.6	1,830.5	(5.3%)	271.1	283.3	(4.3%)
New Zealand Media \$NZD	329.1	352.2	(6.6%)	55.5	60.2	(7.7%)

- Reported group revenue decrease of 5.3%:
 - Domain revenue up 8.1% with digital revenue up 18.8%.
 - Metropolitan Media revenues down 9.0%.
 - Australian Community Media revenues down 11.7% (11.1% excluding external print revenue).
 - New Zealand (\$NZ) revenues down 6.6% (7.0% excluding external print revenue).
 - Radio revenues down 1.1%.
- Reported group EBITDA decrease of 4.3%.
- Trading in the first six weeks of FY18 saw revenues around 4% below last year.

Note: Australian Community Media and New Zealand Media – Revenue includes external printing revenue (only included in the segment slide).

STRATEGY TO BUILD SHAREHOLDER VALUE



GROWING

by building on core strengths and maximising opportunities



TRANSFORMING

Through cost efficiency and business model innovation



BUILDING VALUE

Through strategic decision-making and portfolio management

VALUABLE PORTFOLIO OF DOMAIN, PUBLISHING AND INVESTMENT ASSETS



DOMAIN SEPARATION UPDATE

- Preparation for the proposed separation and ASX listing of Domain Group is on track.
- Fairfax Media plans to retain 60% of Domain, with 40% distributed to Fairfax shareholders.
- Domain expected to draw \$150 million of net debt upon separation with proceeds to Fairfax as part of business transfers.
- Conditional on shareholder approval and receipt of regulatory clearances (including ASIC, ASX and ATO) which are well progressed.
- Nick Falloon will be Domain Chairman. The Board recruitment process is underway.
- Expected timetable:
 - Scheme booklet available including Independent Expert's Report – late September 2017.
 - Domain investor roadshow – October 2017.
 - Scheme shareholder vote at Extraordinary General Meeting – expected early November 2017.
 - Domain shares expected to commence trading – mid to late November 2017.

DOMAIN GROUP

19% depth (premium listings)
revenue growth

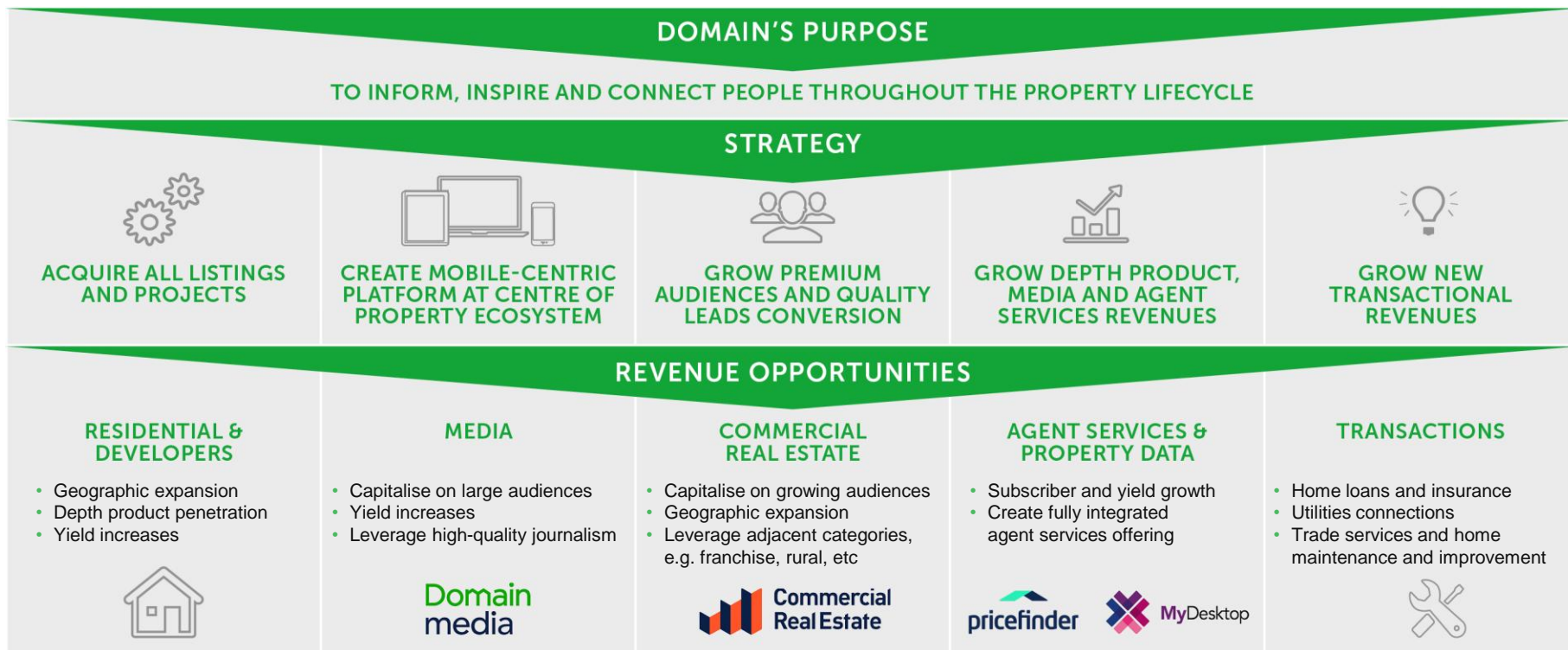
Strong digital revenue growth from
developers & commercial

18% increase in leads from mobile

FY18 first six weeks' digital revenue +26%

Domain

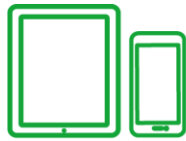
DOMAIN'S STRATEGY HAS CREATED A STRONG PLATFORM FOR REVENUE GROWTH



DOMAIN GROUP

Domain group

DOMAIN INFORMS, INSPIRES AND CONNECTS PEOPLE THROUGHOUT THE PROPERTY LIFECYCLE



STAGE 1
DREAMING

STAGE 2
SEARCHING

STAGE 3
BUYING

STAGE 4
SETTLEMENT

STAGE 5
POST MOVE-IN



Editorial content



Domain



Homepass



Connections



One Flare



Home Price Guide



Home loans



Insurance

DOMAIN GROUP

DIGITAL INCLUDES DOMAIN, PRICEFINDER, MYDESKTOP, COMMERCIAL REAL ESTATE, ALLHOMES AND REGIONAL. PRINT INCLUDES THE SYDNEY MORNING HERALD, THE AGE, THE AUSTRALIAN FINANCIAL REVIEW, THE CANBERRA TIMES AND THE WEEKLY REVIEW

- 19% digital revenue growth, supported by depth revenue growth of 19% (80:20 depth:subscriber revenue split for FY17).
- Strong developers & commercial revenue growth.
- Print revenue decline of 13%.
- Total expenses increased 17% (9% excluding acquisitions and one off costs).
 - Digital expenses increased 34% (19% excluding acquisitions and one off costs) reflecting continued investment in staff, technology and product.
 - Print expenses declined 6%.
- Loss from Associates reflects investment in early stage businesses Oneflare and Homepass.

	FY17	FY16	%
	A\$m	A\$m	change
Digital	232.1	195.3	18.8%
Print	88.3	101.0	(12.6%)
Total Revenue	320.3	296.3	8.1%
Associate profit (loss)	(1.2)	(0.6)	(92.8%)
Expenses	(206.0)	(175.7)	(17.3%)
EBITDA	113.1	120.0	(5.7%)
EBITDA - Digital	93.2	91.7	1.6%
EBITDA - Print	19.9	28.3	(29.6%)
Margin - Total	35.3%	40.5%	
Margin - Digital	40.2%	47.0%	
Margin - Print	22.6%	28.0%	

DOMAIN GROUP

BUSINESS PERFORMANCE DETAIL

Domain group

	REVENUE			EBITDA			EBITDA Margin	
	FY17	FY16	%	FY17	FY16	%	FY17	FY16
	A\$m	A\$m	change	A\$m	A\$m	change	A\$m	A\$m
Residential	143.9	129.8	10.8%					
Media, Developers & Commercial	48.6	39.7	22.6%					
Agent Services	25.6	23.5	8.9%					
Core Digital	218.1	193.0	13.0%	98.4	92.1	6.8%	45.1%	47.7%
Transactions & Other	14.0	2.3	498.5%	(0.7)	2.2	(130.0%)	-4.8%	95.4%
Digital	232.1	195.3	18.8%	97.7	94.3	3.6%	42.1%	48.3%
Print	88.3	101.0	(12.6%)	21.2	29.9	(29.3%)	24.0%	29.6%
Corporate				(5.7)	(4.2)	(35.3%)		
Domain Group	320.3	296.3	8.1%	113.1	120.0	(5.7%)	35.3%	40.5%

DOMAIN GROUP

DOMAIN IS AUSTRALIA'S #1 PROPERTY APP



HIGHEST RATED
CONSUMER APP FOR IOS
AND ANDROID IN THE
PROPERTY CATEGORY



HIGHEST TIME
ON APP



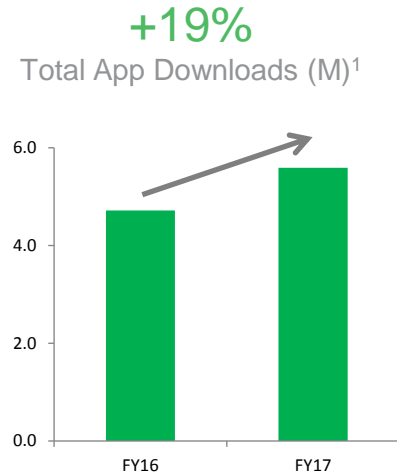
MOBILE INNOVATION
RECOGNISED BY



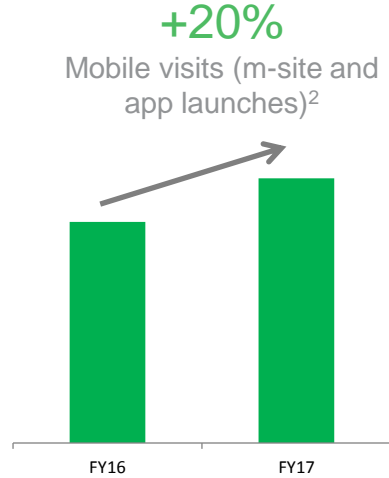
Source: Time on app - Nielsen average Digital Ratings Monthly.

DOMAIN GROUP

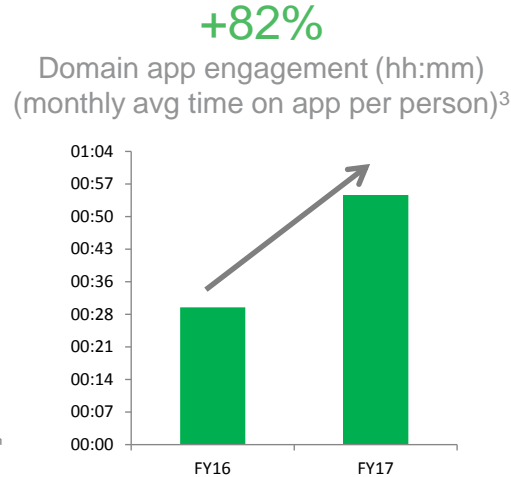
LARGE MOBILE-DRIVEN AUDIENCE WITH APPS DELIVERING MAJORITY OF LEADS AND GROWING



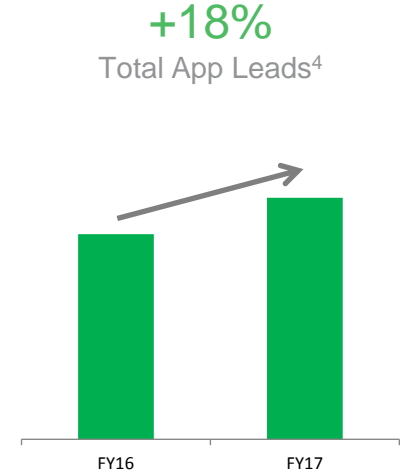
Reflects the success of Domain's marketing campaigns and high consumer ratings



Reflects the high-quality consumer experience and functionality of the Domain app and m-site



Reflects quality of audience engagement and is a key driver of leads growth

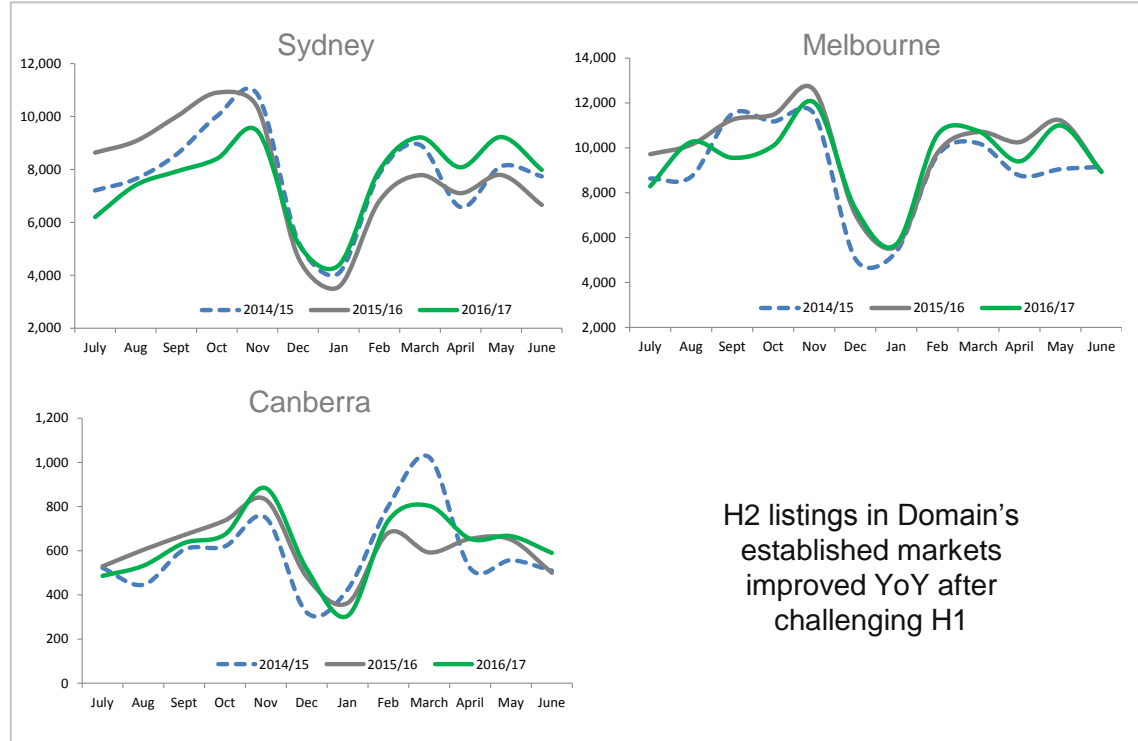
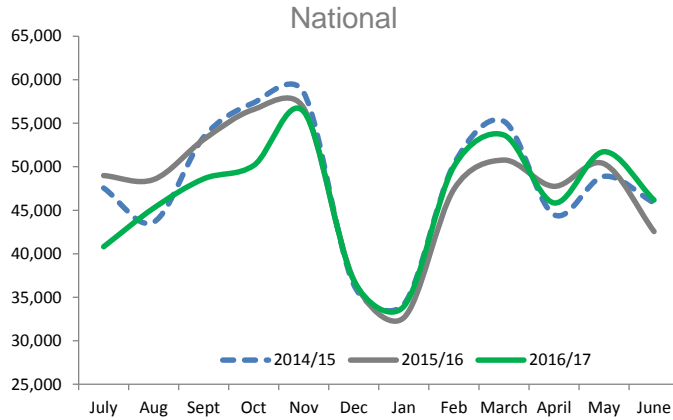


Reflects value delivered to agents and is a driver of yield opportunity

Source: 1. Domain and Allhomes, App Figures at June 2016 and June 2017; 2. Average monthly visits for Domain and Allhomes combined, mobile site visits Nielsen Market Intelligence (Home & Fashion Suite), Mobile app launches - Facebook Analytics; 3. Domain app, Nielsen average Digital Ratings Monthly; 4. Domain (internal).

DOMAIN GROUP

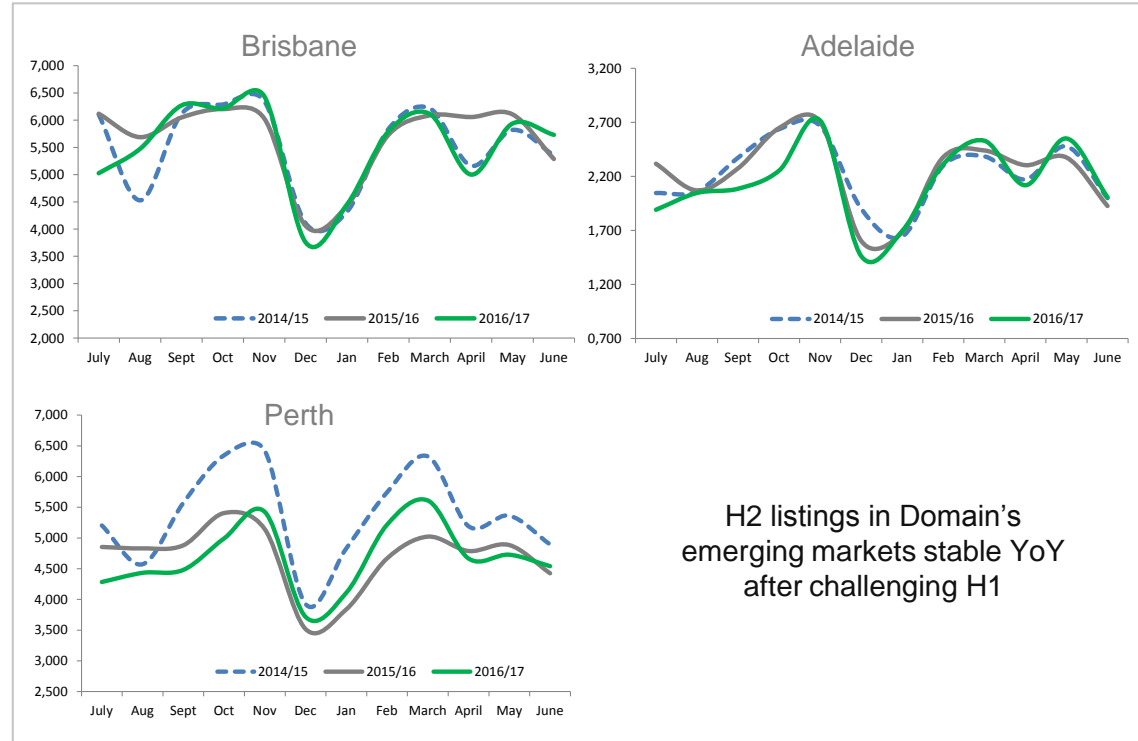
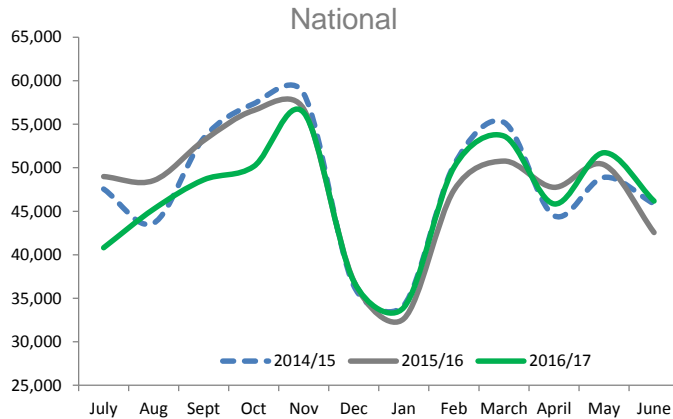
TOTAL MARKET NEW LISTINGS TRENDS – SYDNEY, MELBOURNE AND CANBERRA



H2 listings in Domain's established markets improved YoY after challenging H1

Source: Australian Property Monitors – New Listings (Total market)

TOTAL MARKET NEW LISTINGS TRENDS – BRISBANE, ADELAIDE AND PERTH



H2 listings in Domain's emerging markets stable YoY after challenging H1

Source: Australian Property Monitors – New Listings (Total market)

AGENT OWNERSHIP MODEL BENEFITS ALL PROPERTY STAKEHOLDERS



PROPERTY VENDORS

- Increased competition among property portals
- Product innovation resulting from collaboration between Domain and the real estate industry



AGENTS

- Greater input into development of consumer and agent products
- Protects agents' business by reducing the threat of a monopoly provider
- Identical Premium Plus rates for all agencies in the same area
- Allows agents to share in the value they create in the real estate marketing process



DOMAIN GROUP

- Deepens Domain's partnership with real estate agents
- Accelerates revenue growth in depth listings, providing additional funds for investment in product development and marketing

DOMAIN GROUP

AGENT OWNERSHIP MODEL - STRUCTURE

RESIDENTIAL DIGITAL

- State-based residential models relating only to Premium Plus digital listings covering 1370 agencies: NSW, Victoria (Review Property), Queensland, SA, WA, Tasmania, NT

RESIDENTIAL PRINT (MMP / WEEKLY REVIEW TITLES)

- Six residential magazines in Victoria covering 86 agencies

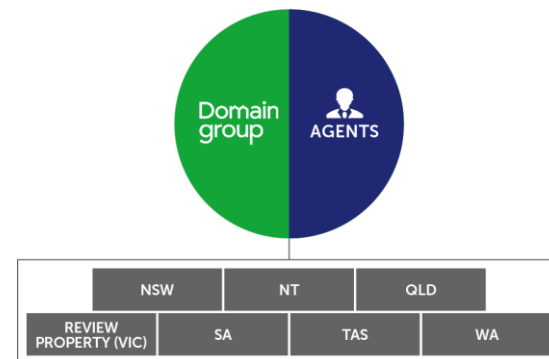
COMMERCIAL REAL ESTATE

- National model covering 240 agencies for digital subscription and listings; digital display advertising; and print advertising

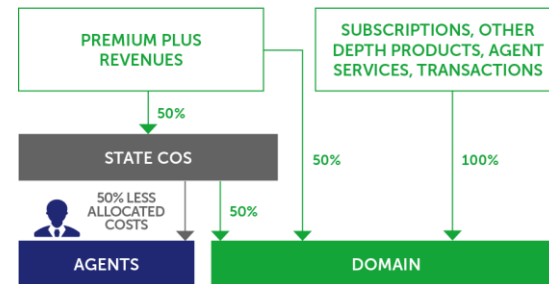
FLEXIBILITY AND OPTIONALITY

- No contractual obligations, or put/call options, around participant buy-outs
- Optionality to evolve arrangements over time

RESIDENTIAL DIGITAL AGENT OWNERSHIP STRUCTURE



RESIDENTIAL DIGITAL AGENT OWNERSHIP ECONOMICS



PUBLISHING

AUSTRALIAN METRO MEDIA

- 26% EBITDA growth and margin improvement
- 21% digital subscription revenue growth
- 236k paid digital subscribers (SMH/Age/Financial Review)
- 12% publishing cost improvement

AUSTRALIAN COMMUNITY MEDIA

- 9% cost improvement

NEW ZEALAND MEDIA

- 29% digital revenue growth
- 6% cost improvement



AUSTRALIAN METRO MEDIA

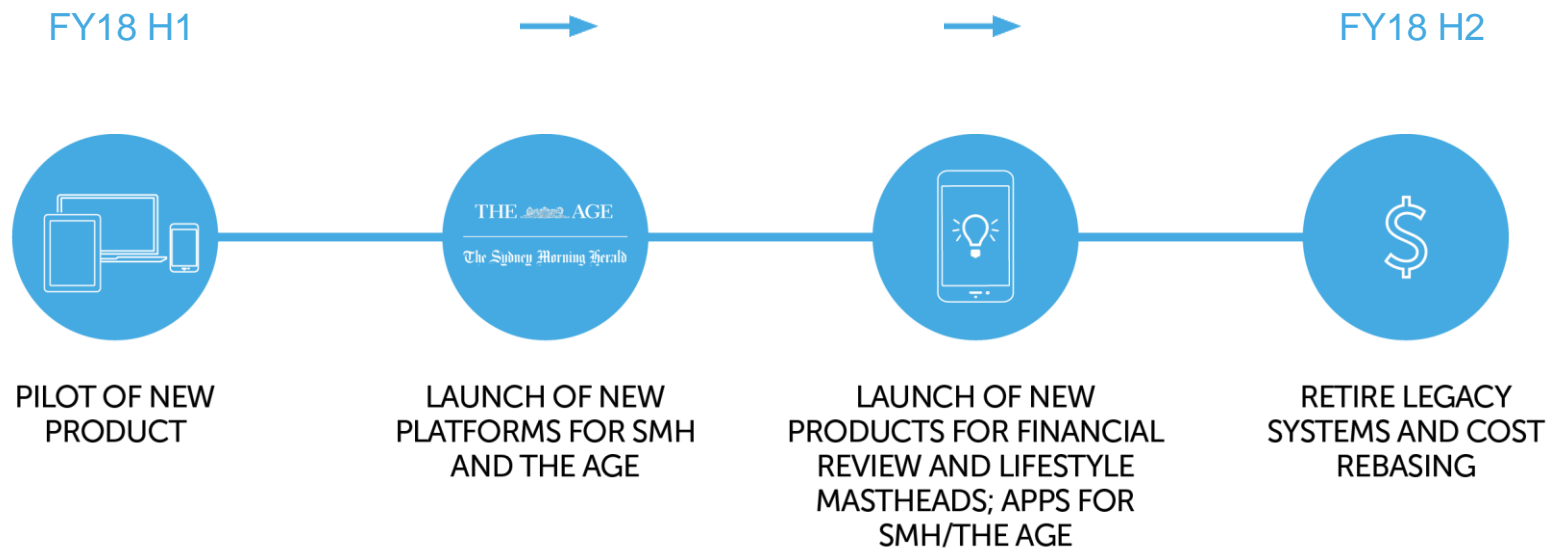
INCLUDES THE AUSTRALIAN FINANCIAL REVIEW, THE SYDNEY MORNING HERALD, THE AGE, DIGITAL VENTURES, LIFE AND EVENTS

- EBITDA growth of 26% and margin improvement.
- Reduction in Metro Media costs of 12% with publishing costs down 12% (H2 costs down 14%).
- Publishing cost savings in staff, technology and print production.
- Metro publishing advertising revenue decline of 17%.
- Growth in digital subscription revenue of 21% largely offset declines in print circulation revenue.
- Other revenue lower due to sale of Tenderlink in October 2016 (reflected in Digital Ventures).
- Introducing next-generation publishing model.

	FY17	FY16	%
	A\$m	A\$m	change
Advertising	225.5	269.5	(16.3%)
Circulation	226.8	227.7	(0.4%)
Other	69.9	76.9	(9.1%)
Total Revenue	522.2	574.1	(9.0%)
Associate profit (loss)	0.1	0.4	(68.0%)
Expenses	(473.3)	(535.6)	11.6%
EBITDA	49.1	39.0	25.9%
EBIT	44.1	13.8	218.9%
EBITDA Margin	9.4%	6.8%	

Note: Printing contribution nets off in costs.

DELIVERING PUBLISHING INNOVATION



AUSTRALIAN COMMUNITY MEDIA

AUSTRALIAN REGIONAL, COMMUNITIES, AGRICULTURAL AND ACT PUBLISHING

4.6M

TOTAL
DE-
DUPLICATED
AUDIENCE

- Cost improvement of 9% with the achievement of remaining transformation benefits and continued cost savings initiatives.
- Agriculture advertising revenue increased 2% year on year.
- Other revenue growth of 12% reflects strong digital marketing services performance.
- Circulation revenue declines reflected lower retail volumes.
- Revenue impacted by transformation program with exits and frequency changes across unprofitable titles.

	FY17	FY16	%
	A\$m	A\$m	change
Advertising	285.1	325.3	(12.3%)
Circulation	80.0	89.8	(10.9%)
Other	20.0	17.9	11.7%
Total Revenue	385.1	433.0	(11.1%)
Associate profit (loss)	1.3	1.7	(22.6%)
Expenses	(313.5)	(344.4)	9.0%
EBITDA	73.0	90.4	(19.2%)
EBIT	67.5	74.4	(9.2%)
EBITDA Margin	18.9%	20.9%	

Note: Printing contribution nets off in costs.

NEW ZEALAND MEDIA

NEWSPAPERS AND WEBSITES

- Strong cost management with 6% reduction in costs (underlying 8%) while investing in digital, events and acquisitions.
- Stable EBITDA margin year-on-year.
- In \$AU, revenue is down 3.7% and EBITDA is down 5.1% from FY16.
- Digital revenue growth of 29%.
- Advertising revenue decline of 9% with print advertising revenue down 11%.
- Neighbourly consolidated in H2 with a positive EBITDA contribution.
- Growing engaged audiences with Stuff New Zealand #1 local website reaching a monthly audience of 2.1m and Neighbourly reaching a monthly audience of 810k.

Note: Printing contribution nets off in costs.

	FY17	FY16	%
	NZ\$m	NZ\$m	change
Advertising	203.9	224.4	(9.1%)
Circulation	102.2	107.3	(4.8%)
Other	19.8	18.7	6.0%
Total Revenue	325.9	350.3	(7.0%)
Associate Profits (Loss)	0.1	(1.3)	105.8%
Expenses	(270.4)	(288.9)	6.4%
EBITDA	55.5	60.2	(7.7%)
EBIT	44.4	47.3	(6.0%)
EBITDA Margin	17.0%	17.2%	

NEW ZEALAND MEDIA

LARGE AND GROWING DIGITAL AUDIENCES

stuff IS NEW ZEALAND'S LEADING LOCAL WEBSITE

BRAND	UNIQUE AUDIENCE (000)		% CHANGE
	Jun 2017	Jun 2016	
Google	3,261	3,038	7.3%
Facebook	2,689	2,355	14.2%
MSN/Outlook/Bing/Skype	2,602	2,482	4.8%
YouTube	2,236	1,994	12.1%
Stuff	2,096	1,884	11.3%
Microsoft	2,084	1,899	9.7%
nzherald.co.nz	1,885	1,539	22.5%
Trade Me	1,782	1,690	5.4%
New Zealand Government	1,715	1,620	5.9%
Wikipedia	1,322	1,169	13.1%

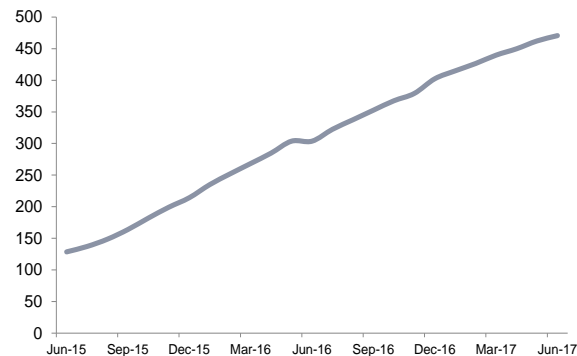
New Zealand Digital Audience Ranking

stuff IS DELIVERING 11% YOY GROWTH



Stuff Monthly Audience (000s)

Neighbourly IS ACHIEVING STRONG MOMENTUM



Neighbourly members (000s)

Source: Nielsen Online; Neighbourly.

INVESTMENTS

STAN

~800k active subscribers

MACQUARIE MEDIA LIMITED

EBITDA increase of 26%



Cast of hit TV show *Younger* on Stan

DIGITAL VENTURES

STAN, WEATHERZONE, HUFFPOST AUSTRALIA, ALLURE MEDIA, RSVP/OASIS,
ADZUNA AUSTRALIA, HEALTHSHARE, SKOOLBO, OVER60

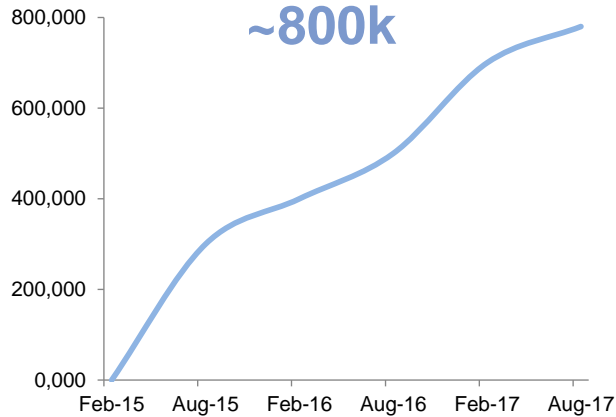
- Excluding Tenderlink (sold in October 2016) revenue growth of 4% and EBITDA growth of 8%.
- Gain on sale of Tenderlink of \$6.1m (included in significant items).
 - 2.4x return on investment including dividends.
- Challenging advertising market across digital publishing business.
- Growth in B2B of 14% in Weatherzone.

	FY17	FY16	%
	A\$m	A\$m	change
Advertising	15.9	17.1	(7.2%)
Other	13.1	17.5	(24.7%)
Total Revenue	29.0	34.6	(16.0%)
Associate profit (loss)	1.0	0.8	29.2%
Expenses	(23.3)	(26.9)	13.4%
EBITDA	6.7	8.4	(20.3%)
EBIT	6.0	7.7	(21.9%)
EBITDA Margin	23.2%	24.4%	

Note: Digital Ventures businesses are reported as part of the Australian Metro Media segment.

AUSTRALIA'S BIGGEST DEAL IN ENTERTAINMENT GOING FROM STRENGTH TO STRENGTH

CONTINUED STRONG SUBSCRIBER GROWTH



STRONG BUSINESS OPERATING PERFORMANCE



+150% YoY
Subscription Revenue



+25% YoY
Operating Costs

NEW PRICING TIERS DRIVING ARPU GROWTH

<p>PREMIUM</p> <p>4k/Ultra HD, 4 streams, 5 offline devices</p>	\$15
<p>STANDARD</p> <p>High Definition, 3 streams, 3 offline devices</p>	\$12
<p>BASIC</p> <p>Standard Definition, 1 stream, 1 offline device</p>	\$10

STAN'S SUBSCRIBER GROWTH MOMENTUM FUELLED BY STRONG CONTENT LINE-UP

	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER/JANUARY 2018	
ORIGINALS	<p>The Other Guys S1</p>		<p>Philip K. Dick's Electric Dreams S1 (DATE TBC)</p>	<p>No Activity (U.S.) S1 (DATE TBC)</p>	<p>Wolf Creek S2 (DATE TBC)</p>	<p>Romper Stomper S1 (DATE TBC)</p>
FY18 EXCLUSIVE PREMIERES	<p>The Last Ship S4</p>	<p>Will & Grace</p>	<p>White Famous S1</p>	<p>SMILF S1</p>	<p>Mozart in the Jungle S4</p>	<p>UnREAL S3</p>
	<p>Dice S2</p>	<p>Transparent S4</p>	<p>Good Behaviour S2</p>	<p>The Girlfriend Experience S2</p>		<p>Rise S1</p>
	<p>Swedish Dicks S1</p>			<p>Swedish Dicks S2</p>		

MACQUARIE MEDIA LIMITED

METROPOLITAN RADIO BUSINESS 54.5% OWNED BY FAIRFAX

2GB
87.5AM

3AW 693
NEWS TALK

#1

RADIO
STATION IN
SYDNEY

#1

RADIO
STATION IN
MELBOURNE

- EBITDA growth of 26%.
- 2CH sold in January 2017.
- Total metro market radio industry flat for the 12 months to June 2017.
- Cost and operational synergies have been implemented.
- Licence fee relief of \$2.8m reflected in H2.

	FY17	FY16	%
	A\$m	A\$m	change
Total Revenue	137.0	138.6	(1.1%)
Associate Profit (Loss)	0.2	0.0	n/a
Expenses	(105.7)	(113.6)	6.9%
EBITDA	31.5	25.0	26.0%
EBIT	28.2	22.4	26.2%
EBITDA Margin	23.0%	18.0%	





CURRENT TRADING ENVIRONMENT & OUTLOOK

GREG HYWOOD, CEO

Fairfax Media

CURRENT TRADING ENVIRONMENT & OUTLOOK

- Trading in the first six weeks of FY18 saw revenues around 4% below last year.
 - Domain's digital revenue growth was 26% and total revenue growth was 16%.
 - Year-on-year comparisons are affected by the unusually weak listings environment in July 2016 due to the Federal election.
 - FY18 revenue trends are expected to be more in line with FY17 H2 (i.e. digital revenue up 22%; print revenue decline 14%).
 - Publishing trends were broadly consistent with FY17 H2.
- For FY18, Domain's costs are expected to increase approximately 13% from FY17's \$206 million (10% like for like excluding acquisitions).
- Across the Fairfax Group we continue to implement cost savings measures.



GROUP FINANCIALS

DAVID HOUSEGO, CFO

Fairfax Media

GROUP TRADING PERFORMANCE

	Reported 4E FY17	Less Significant items	Trading Performance excluding significant items	Less Operations Closed / Disposals	Trading Performance for continuing businesses	Trading Performance for continuing businesses
25 June 2017	\$m	\$m	\$m	\$m	FY17 \$m	FY16 \$m
Total revenue	1,742.7	(10.1)	1,732.6		1,732.6	1,830.5
Associate profits	(0.6)	-	(0.6)		(0.6)	1.6
Expenses	(1,545.5)	84.6	(1,460.9)		(1,460.9)	(1,548.8)
Operating EBITDA	196.6	74.5	271.1		271.1	283.3
Depreciation and amortisation	(40.7)	-	(40.7)		(40.7)	(70.1)
EBIT	155.8	74.5	230.3		230.3	213.2
Net finance costs	(9.8)	-	(9.8)		(9.8)	(11.1)
Net profit/(loss) before tax	146.0	74.5	220.5		220.5	202.1
Tax (expense)/benefit	(48.9)	(15.5)	(64.3)		(64.3)	(59.2)
Net profit/(loss) after tax	97.2	59.0	156.2		156.2	142.9
Net profit attributable to non-controlling interest	(13.2)	(0.4)	(13.6)		(13.6)	(10.4)
Net profit/(loss) attributable to members of the Company	83.9	58.7	142.6		142.6	132.5
Earnings per share	3.6		6.2		6.2	5.7

SIGNIFICANT ITEMS

A\$m	FY17	FY16
Impairment of intangibles, plant and equipment and other assets	(15.8)	(1,091.7)
Impairment of intangibles, investments, and property, plant and equipment	(17.8)	(60.7)
<u>Income tax benefit</u>	<u>4.7</u>	<u>291.4</u>
Impairment of intangibles, investments, and property, plant and equipment, net of tax	(28.9)	(860.9)
Restructuring and redundancy charges	(43.8)	(62.7)
<u>Income tax benefit</u>	<u>10.9</u>	<u>18.4</u>
Restructuring and redundancy, net of tax	(32.8)	(44.4)
Gain on sale of controlled entities and investments	7.3	
Gain on investment at fair value	2.7	
Loss on disposal of controlled entities disclosed in other expenses	(0.3)	
Loss on revaluation of put option over subsidiary shares	(7.8)	
<u>Income tax benefit</u>	<u>0.1</u>	
Gains on controlled entities and investments, net of tax	2.1	
Other	0.9	
<u>Income tax expense</u>	<u>(0.3)</u>	
Other, net of tax	0.7	
<u>NET SIGNIFICANT ITEMS, NET OF TAX</u>	<u>(59.0)</u>	<u>(905.2)</u>

CASHFLOW/NET DEBT POSITION

- FY17 investment in PP&E and software mainly in Domain, Metro Publishing and NZ Publishing.

	FY17	FY16
	A\$m	A\$m
Cash from trading	261	245
Restructure/redundancy payments	(33)	(63)
Net finance charges	(13)	(14)
Dividends received	6	10
Tax payments	(28)	(51)
Net Cash Inflow from operating activities	193	128
Proceeds from asset sales and divestments	39	72
Investment in acquired business/ventures	(13)	(46)
Investment in PP&E and software	(107)	(95)
Loans (repaid) / advanced	(36)	(35)
On-market buy-back		(74)
Dividends paid	(104)	(101)
Net other	(2)	(2)
Net Cash Outflow from investing and financing activities	(222)	(281)
Net Cash In / (Out) Flow	(29)	(153)
Net Debt / (Cash) at beginning of period	89	(64)
Net Debt / (Cash) At End of Period	118	89

FUNDING POSITION

AS AT JUNE 2017

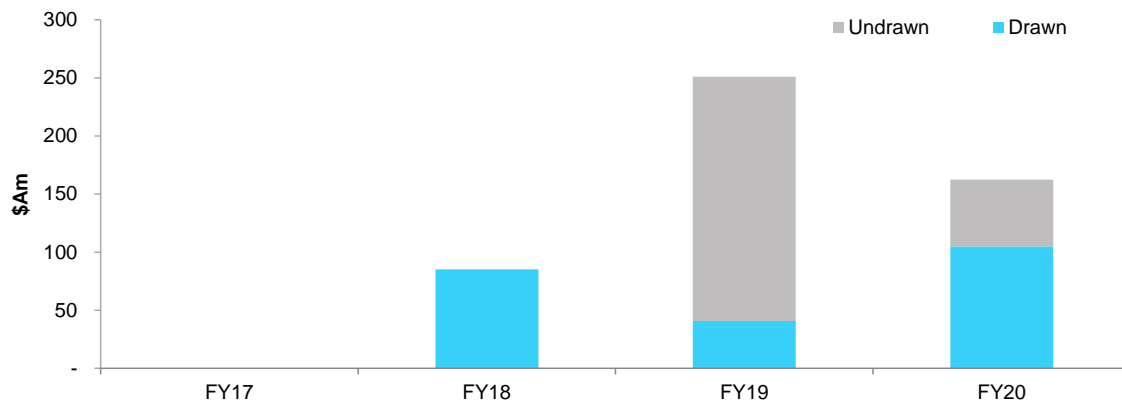
- FY17 includes \$24.6m of net debt from Macquarie Media.

A\$m	Jun 17	Jun 16	Jun 15
Total interest bearing liabilities	239.4	179.3	283.0
Debt related derivatives	(8.6)	(9.5)	(4.5)
Cash and cash equivalents	(112.9)	(81.1)	(342.8)
Net Debt/ (Cash)	118.0	88.7	(64.4)
EBITDA (last 12 months)	271.1	283.3	289.4
Net Debt / (Cash) to EBITDA	0.4	0.3	(0.2)
Net interest (last 12 months)	9.8	11.1	16.3
EBITDA to Net Interest	27.6	25.5	17.8

FACILITY MATURITY

AS AT JUNE 2017

- Net debt position of \$118m at June 2017.
- Repayment of US PP 2007 occurred in July.



Facilities as at June 2017		Limit	Usage
		\$m	\$m
Non Current			
Bank Revolver Australia		325.0	105.0
Bank Revolver Macquarie Media		50.0	40.8
USPP 2007 series		82.1	82.1
Weatherzone		3.1	3.1
Bank Revolver New Zealand		38.5	0.0
Total		498.6	231.0



Q & A

Fairfax Media



THANK YOU

Fairfax Media

A blue-tinted photograph of four diverse individuals sitting and using mobile devices. From left to right: a man in a beanie looking at a tablet, a woman with long curly hair looking at a smartphone, a man with glasses looking at a laptop, and a woman looking at a tablet. The background is a plain, light color.

APPENDICES

Fairfax Media

APPENDIX 1

GROUP TRADING PERFORMANCE FY17

	Reported 4E FY17	Less Significant items	Trading Performance excluding significant items	Less Operations Closed / Disposals	Trading Performance for continuing businesses	Trading Performance for continuing businesses
25 June 2017	\$m	\$m	\$m	\$m	FY17 \$m	FY16 \$m
Total revenue	1,742.7	(10.1)	1,732.6		1,732.6	1,830.5
Associate profits	(0.6)	-	(0.6)		(0.6)	1.6
Expenses	(1,545.5)	84.6	(1,460.9)		(1,460.9)	(1,548.8)
Operating EBITDA	196.6	74.5	271.1		271.1	283.3
Depreciation and amortisation	(40.7)	-	(40.7)		(40.7)	(70.1)
EBIT	155.8	74.5	230.3		230.3	213.2
Net finance costs	(9.8)	-	(9.8)		(9.8)	(11.1)
Net profit/(loss) before tax	146.0	74.5	220.5		220.5	202.1
Tax (expense)/benefit	(48.9)	(15.5)	(64.3)		(64.3)	(59.2)
Net profit/(loss) after tax	97.2	59.0	156.2		156.2	142.9
Net profit attributable to non-controlling interest	(13.2)	(0.4)	(13.6)		(13.6)	(10.4)
Net profit/(loss) attributable to members of the Company	83.9	58.7	142.6		142.6	132.5
Earnings per share	3.6		6.2		6.2	5.7

APPENDIX 2

GROUP TRADING PERFORMANCE FY16

	Reported 4E FY16	Less Significant item	Trading Performance excluding significant items	Less Operations Closed / Disposals	Trading Performance for continuing businesses
26 June 2016	\$m	\$m	\$m	\$m	FY16 \$m
Total revenue	1,830.5	-	1,830.5		1,830.5
Associate profits	1.6		1.6		1.6
Expenses	(2,763.8)	1,215.0	(1,548.8)		(1,548.8)
Operating EBITDA	(931.7)	1,215.0	283.3		283.3
Depreciation and amortisation	(70.1)	-	(70.1)		(70.1)
EBIT	(1,001.8)	1,215.0	213.2		213.2
Net finance costs	(11.1)	-	(11.1)		(11.1)
Net (loss)/profit before tax	(1,012.9)	1,215.0	202.1		202.1
Tax (expense)/benefit	250.6	(309.8)	(59.2)		(59.2)
Net profit/(loss) after tax	(762.3)	905.2	142.9		142.9
Net profit attributable to non-controlling interest	(10.3)	(0.2)	(10.4)		(10.4)
Net profit/(loss) attributable to members of the Company	(772.6)	905.1	132.5		132.5
Earnings per share	(33.3)		5.7		5.7

APPENDIX 3

PRINTING OPERATIONS

- Change in Australian printing allocation with all printing sites breakeven at EBIT. All profits passed on to business units.

	FY17	FY16	%
	A\$m	A\$m	change
Total Revenue	224.2	252.8	(11.3%)
Internal Revenue	(178.1)	(198.9)	(10.5%)
Net Revenue	46.1	53.8	(14.4%)
Associate profit (loss)	0.0	0.0	(1.6%)
Expenses	(36.5)	(34.3)	(6.4%)
EBITDA	9.6	19.6	(51.0%)
Segment allocation			
<i>Australian Metropolitan Media</i>	4.7	9.8	(51.4%)
<i>Australian Community Media</i>	3.0	6.2	(51.4%)
<i>New Zealand Media</i>	1.8	3.5	(48.9%)
EBITDA	9.6	19.6	(51.0%)
EBIT	3.9	(3.0)	227.8%
EBITDA Margin	4.3%	7.7%	

APPENDIX 4

CORPORATE

- FY16 includes gain on sale associated with closure of Chullora and Tullamarine printing sites.

	FY17	FY16	%
	A\$m	A\$m	change
Net Revenue	14.3	13.8	3.5%
Associate Profit (Loss)	(1.2)	1.2	(203.2%)
Expenses	(61.1)	(61.2)	0.2%
EBITDA	(48.0)	(46.2)	(3.8%)

APPENDIX 5

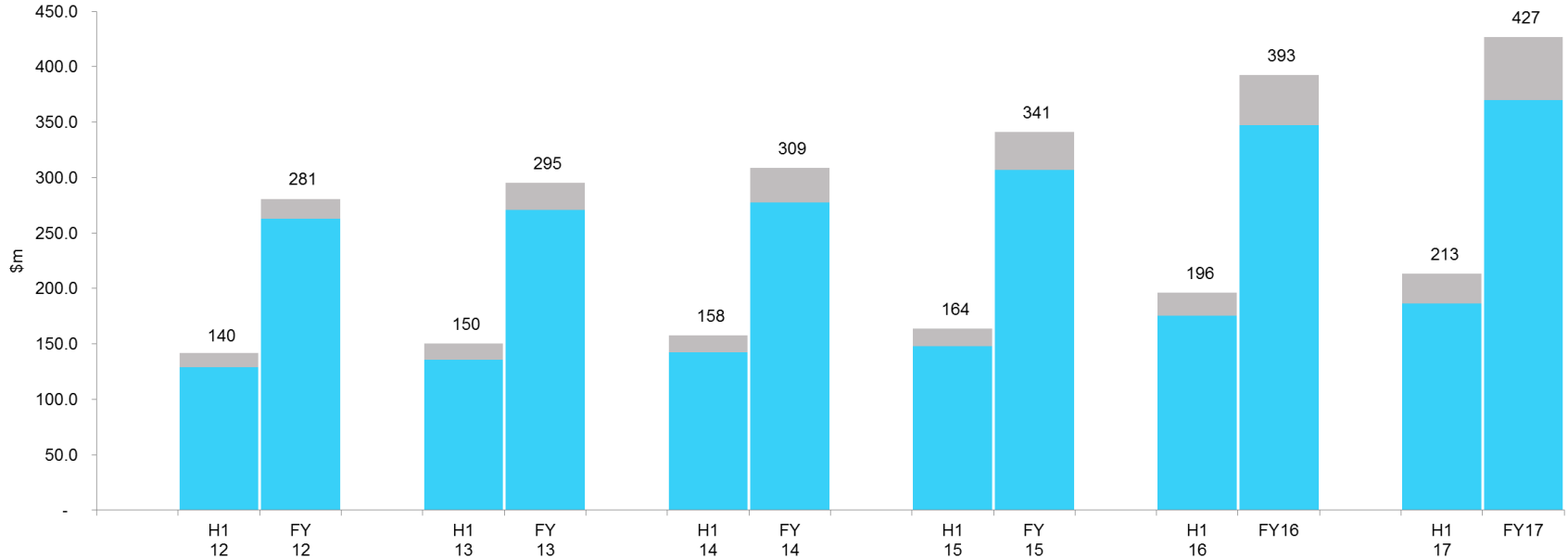
NON-CONTROLLING INTEREST

- Other includes Fibre Co (Stuff Fibre).

	FY17	FY16	%
	A\$m	A\$m	change
Macquarie Media	(8.5)	(6.2)	(36.5%)
Domain Group	(7.0)	(3.3)	(115.7%)
Other	1.9	(1.0)	293.2%
Total Non-Controlling Interest	(13.6)	(10.4)	(30.8%)

APPENDIX 6

GROUP DIGITAL REVENUE



**DIGITAL %
TOTAL REVENUE**

13%

14%

17%

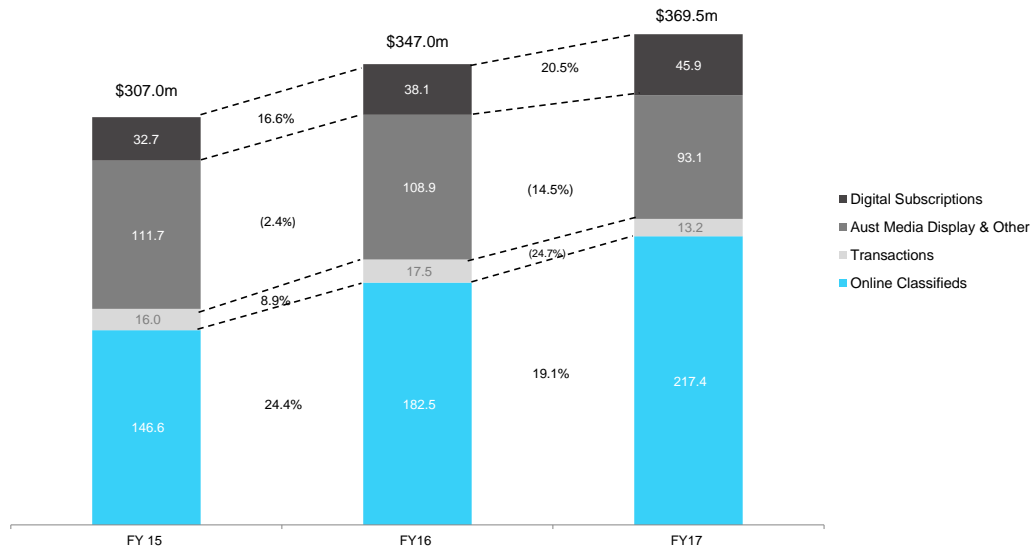
19%

21%

25%

APPENDIX 7

DOMAIN AND METROPOLITAN MEDIA DIGITAL REVENUE PROFILE



- Digital Subscriptions:**
 Includes *The Sydney Morning Herald*, *The Age* and *The Australian Financial Review*.
- Australian Media Display & Other:**
 Impacted by increased competition and fragmentation and Drive JV revenue not consolidated from FY16 H2. Strong Domain digital display advertising.
- Transactions:**
 Includes Weatherzone, Allure and Tenderlink (sold in October 2016).
- Online Classifieds:**
 Includes Domain.

APPENDIX 8

AUSTRALIANS CONSUMING FAIRFAX CONTENT ACROSS PLATFORMS

DIGITAL



10.3M total digital audience



6.1M access content on desktop/laptop



5.3M access content on smartphone



2.2M regional websites

PRINT



6.4M print readers



4.1M readers of national and metro newspapers



1.6M readers of inserted magazines

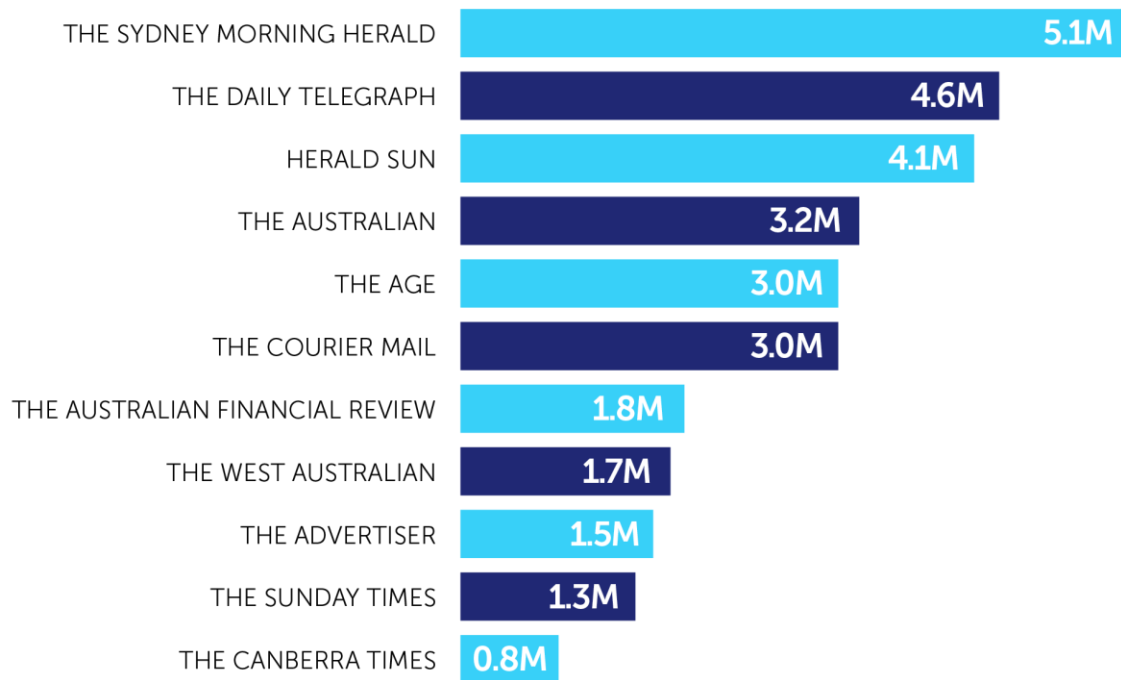


3.2M readers of regional/community newspapers

Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending May 2017, Nielsen Digital Ratings (Monthly) May 2017 people 14+ (computer), people 18+ (smartphone/tablet).

APPENDIX 9

THE SMH IS NO. 1 IN TOTAL MASTHEAD AUDIENCE



Source: emma™ conducted by Ipsos MediaCT, people 14+ for the 12 months ending May 2017, Nielsen Digital Ratings (Monthly) May 2017 people 14+ (computer), people 18+ (smartphone/tablet).