

FAIRFAX NEW ZEALAND FINANCE LIMITED TO ISSUE REDEEMABLE PREFERENCE SHARES IN NEW ZEALAND

SYDNEY, 23 March, 2005 – John Fairfax Holdings Limited (Fairfax) [ASX:FXJ] announced today that it proposes to issue up to NZ\$200 million of RPS (Redeemable Preference Shares) in Fairfax New Zealand Finance Limited through an offer to New Zealand investors. Fairfax New Zealand Finance Limited is a wholly owned subsidiary of Fairfax Corporation Pty Limited whose ultimate parent company is John Fairfax Holdings Limited.

It is intended that the proceeds raised under the offer will be used by Fairfax to repay existing debt, for general corporate purposes and to assist Fairfax in diversifying its funding base.

RPS holders will be entitled to receive quarterly dividend payments, which are expected to be fully imputed. If a dividend is not imputed or partially imputed, the cash dividend will be increased to compensate for the unimputed amount. The dividend return will be fixed until the first reset date on 15 June 2006. Thereafter, the dividend return will be set annually at a fixed margin over the relevant one year benchmark rate. The fixed dividend return for the first year and fixed margin for the subsequent years will be determined through a bookbuild process, which will be conducted prior to the launch of the RPS issue. The RPS will only be offered to New Zealand residents.

The RPS will be treated as debt for accounting purposes and will be redeemable on 15 June 2010. Full terms and conditions of the RPS (including redemption provisions) will be detailed in a combined prospectus and investment statement, which will be available to New Zealand investors in mid-April.

UBS New Zealand Limited will be the Arranger, Lead Manager and Organising Participant for the offer.

No money is currently being sought and no applications for the RPS will be accepted unless the subscriber has received the combined prospectus and investment statement.

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Fairfax corporate and financial announcements are posted on our website:

www.fxj.com.au