

FAIRFAX OFFERS TO ACQUIRE TEXT MEDIA FOR \$2.33 PER SHARE

SYDNEY, September 29, 2003 -- John Fairfax Holdings Limited [ASX:FXJ] announced today that it will make a conditional takeover offer for all the shares in Text Media [ASX:TXT] Fairfax does not currently own at a price of \$2.33 per share.

Fairfax has entered into pre-acceptance agreements signed today with the principal co-founders of Text, Mr Eric Beecher and Ms Diana Gribble, which have taken Fairfax's relevant interest and voting power in Text to 19.9%. Previously, in March 2003, Fairfax acquired approximately 10.5% of Text in on-market purchases.

Mr Beecher and Ms Gribble have indicated that in the absence of a higher offer, they intend to accept Fairfax's offer in relation to the balance of their shareholdings. The board of Text Media has also today released further earnings guidance and stated publicly that it intends to recommend that shareholders accept the bid in the absence of a higher offer.

The takeover offer is subject to the conditions set out in the annexure to this announcement.

Fairfax's offer values the equity in Text at \$64.7 million. The expected cost to Fairfax, including its existing 10.5% stake and net debt of \$3.5 million, is \$67.3 million. This is equivalent to an EBITDA multiple of approximately 10 times Text Media's expected 2004 earnings.

Fairfax will also consent to Text paying a dividend of 8 cents per share to existing shareholders once the Fairfax bid becomes unconditional. This reflects Text Media's profits before completion of the acquisition.

Fairfax is making a separate arrangement with Pacific Publications Pty Limited to ensure the continuation of its existing joint venture with Text Media.

Mr Fred Hilmer, Chief Executive Officer of Fairfax, said:

"This proposed acquisition is struck at a fair price for all involved and is earnings accretive for Fairfax from the outset.

"Text Media is a successful business built on quality publishing assets. We are pleased to bring the Text stable of publications and businesses under the umbrella of our growing family of publications in Australia and New Zealand.

“We have very high regard for the team that has run Text under the leadership of Eric Beecher, Diana Gribble and CEO Nick Chan, and look forward to working closely with management and staff to build further on the company’s strong foundations.

“Our acquisition of Text will increase Fairfax’s shareholder value in several respects. It broadens and strengthens Fairfax’s position in the Melbourne suburban publishing business. It thereby enhances our existing footprint in Melbourne. We will benefit from synergies in eliminating public company expenses and through operational improvements, which will add to the accretive nature of this transaction.”

Ms Diana Gribble, Chairman of Text Media, said, “The offer is attractive to shareholders. The price includes a premium that recognises the strategic and franchise value of the businesses.”

Mr Dean Wills, Chairman of Fairfax, said:

“Following on our very strong annual results just reported, and our completion of the acquisition of the publishing business in New Zealand, this is a further favourable development for Fairfax’s continuing growth. This acquisition adds immediately to the company’s earnings and advances our strategic objectives.”

Text Media’s publishing businesses include four strong local mastheads, including *Melbourne Weekly*, a real estate publication in Melbourne; a book publishing business; and a custom publishing business, which includes a joint venture with Pacific Publications.

-- ENDS --

Contact

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Annexure

Summary of Bid Conditions¹

1. Regulatory approval conditions

All necessary regulatory approvals being obtained and remaining in force on an unconditional basis, including ACCC clearance. No court, governmental, regulatory or similar decisions, order, investigations, or applications in relation to the offer which restrain, prohibit or impede or threaten to restrain, prohibit or impede the bid or its completion or the implementation of the intentions set out in the bidder's statement (other than exercises of discretions by ASIC or the Takeovers Panel).

2. Material adverse change conditions

No litigation on foot or pending which may reasonably give rise to a judgement against Text Media of \$2 million or more.

Other than previously announced, no acquisitions of businesses or assets over \$1,000,000, or disposals of all or any part of, or interest in, businesses assets with a book value of over \$1,000,000 being made or announced, and the business of the Text Media group being operated in the ordinary course of business.

The S&P ASX 200 Index not falling below 2,536 (a fall of 20% from the closing level on 26 September 2003).

No prescribed occurrences set out in section 652C of the Corporations Act 2001 occurring other than the issue of shares as a result of the exercise of options already on issue.

3. Minimum acceptance condition

Minimum acceptance condition of 90%.

¹ The following represents a summary only of the conditions to the offer and does not provide a comprehensive description of those conditions or their operation. The complete text and details of the conditions will be set out in the Bidder's Statement.