

1 March 2013

IMPORTANT ANNOUNCEMENT | COVER PRICE RISE & AGENT FEE REVIEW

Dear Newsagent,

The Financial Review Group would like to advise our newsagent partners of changes to the cover price of *The Australian Financial Review* and *Weekend Financial Review*, plus provide an update to the annual review of newsagent fees.

COVER PRICE RISE

Effective Monday, 11 March 2013, the cover price of *The Australian Financial Review* (both weekday and weekend editions) will increase:

- Commencing Monday, 11 March 2013 the weekday newspaper price will increase from \$3.00 to \$3.30 (incl GST)
- Commencing Saturday, 16 March 2013 the weekend newspaper price will increase from \$3.00 to \$3.30 (incl GST)

ANNUAL REVIEW OF NEWSAGENT FEES

In April 2012 Fairfax implemented a new newsagent fee model that would be subject to an annual review. Given the difficult retail environment and economic conditions affecting our newsagent partners' businesses we have decided to bring the retail component of this review forward for *The Australian Financial Review* to coincide with our cover price rise on March 11, 2013.

This will result in a **retail sales fee increase** ranging from 3.33% to 4% for newsagents. Please see the following tables which outline these fee changes. More detailed information, including new discretionary bonus and contract penalty rates, will be available on Connect shortly.

The Financial Review Group will review the Home Delivery Service Fee for *The Australian Financial Review* in April 2013 as originally announced, and any changes will be communicated following that review.

SUBSCRIPTIONS

Subscribers direct with Fairfax will not be affected by the cover price rise and we will honour their current subscription rate.

NEWSPAPER REDESIGN COMING SOON

We are excited to announce the redesign of *The Australian Financial Review* which will be coming soon. The modern classic redesign is aimed at continuing to improve our offering to our valued subscribers and readers. The new look will make the newspaper easier to read and add a new level of style to match our quality journalism.

We will be in touch to discuss how we can assist to maintain and maximise your sales (retail, direct delivery and subscriptions) after the cover price rise.

Yours Sincerely,



Brett Clegg
CEO and Publisher

Financial Review Group – AFR & WAFR Retail Sales Fees effective from Monday, 11 March 2013

SPECIALIST NEWSAGENT FEES

AFR & WAFR RETAIL SALES FEE	Current Retail Fee (GST Exc)	Current Retail Fee (GST Inc)	New Retail Fee (GST Exc)	New Retail Fee (GST Inc)	Increase to Agent %
Monday to Saturday	\$0.6818	\$0.7500	\$0.7091	\$0.7800	▲ 4.00%

NEWS RETAILER FEES

AFR & WAFR RETAIL SALES FEE	Current Retail Fee (GST Exc)	Current Retail Fee (GST Inc)	New Retail Fee (GST Exc)	New Retail Fee (GST Inc)	Increase to Agent %
Monday to Saturday	\$0.5455	\$0.6000	\$0.5636	\$0.6200	▲ 3.33%

GENERAL RETAILER/SUBAGENT FEES

AFR & WAFR RETAIL SALES FEE	Current Retail Fee (GST Exc)	Current Retail Fee (GST Inc)	New Retail Fee (GST Exc)	New Retail Fee (GST Inc)	Increase to Agent %
Monday to Saturday	\$0.3409	\$0.3750	\$0.3546	\$0.3900	▲ 4.00%

New standard wholesale and cover prices from Monday, 11 March 2013

SPECIALIST NEWSAGENTS

AFR & WAFR	Wholesale Price (GST excl)	Wholesale Price (GST incl)	Cover Price (GST incl)
Monday to Saturday	\$2.2909	\$2.5200	\$3.30

NEWS RETAILERS

AFR & WAFR	Wholesale Price (GST excl)	Wholesale Price (GST incl)	Cover Price (GST incl)
Monday to Saturday	\$2.4364	\$2.6800	\$3.30

GENERAL RETAILERS/SUBAGENTS

AFR & WAFR	Wholesale Price (GST excl)	Wholesale Price (GST incl)	Cover Price (GST incl)
Monday to Saturday	\$2.6454	\$2.9100	\$3.30