



15 May 2009

Citibank N.A., London Branch
in its capacity as Paying Agent and Trustee
21st Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Attention: Agency and Trust

Dear Sirs

Fairfax Media Group Finance Pty Limited - €350m 5.25% notes due 2012

Pursuant to condition 5.1 of the terms and conditions of the notes referred to above (**Notes**) we advise that on 14 May 2009 the Rating Agency (Standard & Poor's (Australia) Pty Ltd) decreased the senior unsecured debt rating of Fairfax Media Limited from BBB- to BB+. Accordingly, the Reset Rate of Interest in respect of the Notes will be the Step up Rate of Interest of 6.25 per cent per annum, which will apply to the Notes from the next Interest Payment Date (being 15 June 2009) in accordance with conditions 5.1 and 5.3 of the terms and conditions of the Notes.

We request that Citibank N.A., London Branch, in its capacity as Paying Agent in respect of the Notes, comply with its obligations under condition 5.1 of the Notes to notify any stock exchange or other relevant authority and all Noteholders of the Rating Change and the Reset Rate of Interest.

All terms not defined in this letter have the meaning that is given to them in the terms and conditions of the Notes.

Yours sincerely

A handwritten signature in black ink, appearing to read "Dale R. M." with a stylized flourish at the end.

Dale Bridle
Group Treasurer
Fairfax Media Limited
for and on behalf of Fairfax Media Group Finance Pty Limited