

APPENDIX 4E

Results for announcement to the market

				\$A'000
Revenues from ordinary activities	up	9.8 %	to	515,114
Profit/(loss) from ordinary activities after tax attributable to members	up	27.3 %	to	87,108
Net profit/(loss) for the period attributable to members	up	27.3 %	to	87,108
Dividends				
		Amount per security		Franked amount per security at 30%
Second interim dividend (2003: Special dividend)				
- Ordinary		10.00 ¢		10.00 ¢
- Preferred		11.00 ¢		11.00 ¢
Previous corresponding period				
- Ordinary		10.00 ¢		10.00 ¢
- Preferred		11.00 ¢		11.00 ¢
Final dividend				
- Ordinary		20.00 ¢		20.00 ¢
- Preferred		22.00 ¢		22.00 ¢
Previous corresponding period				
- Ordinary		16.00 ¢		16.00 ¢
- Preferred		17.60 ¢		17.60 ¢
Record date for determining entitlements to the dividend,	November 2, 2004			

Statement of Financial Performance
For the year ended June 30, 2004

	Notes	CONSOLIDATED	
		2004	2003
		\$'000	\$'000
REVENUES AND EXPENSES FROM ORDINARY ACTIVITIES			
Revenue from advertising, circulation and printing services		509,546	463,777
Other revenue from ordinary activities		5,568	5,197
		<u>515,114</u>	<u>468,974</u>
Employee salaries, wages and oncosts		(176,338)	(170,497)
Newsprint, plates, ink and consumables		(76,448)	(73,277)
Outside printing		(18,081)	(19,381)
Communications and postage		(12,718)	(13,211)
Freight and distribution		(13,736)	(12,214)
Promotion and sponsorship		(8,475)	(8,122)
Occupancy and utilities		(9,361)	(8,585)
Motor vehicle		(5,330)	(5,394)
News services and contributors		(6,049)	(5,087)
Travel and accommodation		(4,049)	(3,787)
Repairs and maintenance		(5,651)	(5,880)
Other expenses		(22,643)	(20,150)
		<u>(358,879)</u>	<u>(345,585)</u>
		156,235	123,389
Depreciation and amortisation		(18,802)	(14,919)
		<u>137,433</u>	<u>108,470</u>
Borrowing costs		(9,707)	(8,057)
Interest income		1,000	700
		<u>128,726</u>	<u>101,113</u>
Proceeds on sale of assets		3,087	1,584
Book value of assets sold		(2,970)	(1,041)
Profit From Ordinary Activities Before Income Tax Expense		<u>128,843</u>	<u>101,656</u>
Income tax (expense)		(39,674)	(30,760)
Profit From Ordinary Activities After Income Tax Expense		<u>89,169</u>	<u>70,896</u>
Net profit attributable to outside equity interests		<u>(2,061)</u>	<u>(2,491)</u>
Net Profit Attributable To Members Of The Parent Entity		<u>87,108</u>	<u>68,405</u>
EARNINGS PER SHARE (Cents)			
Basic (reflecting shares on issue)			
Ordinary shares		42.5	34.0
Preferred shares		46.7	37.4
Diluted (reflecting potential exercise of share options)			
Ordinary shares		41.7	33.3
Preferred shares		45.9	36.6

	Notes	CONSOLIDATED	
		2004 \$'000	2003 \$'000
NON-OWNER TRANSACTION CHANGES IN EQUITY			
Increase in asset revaluation reserve		10,563	(6,848)
Net exchange difference on translation of financial statements of self-sustaining foreign operations		2,089	2,130
Total revenues, expenses and valuation adjustments attributable to members of the parent entity recognised directly in equity		12,652	(4,718)
Net Profit Attributable To Members Of The Parent Entity		87,108	68,405
Total changes in equity from non owner related transactions attributable to members of the parent entity		99,760	63,687

Earnings per Share

Net Profit used for Basic and Diluted earnings			
Ordinary		50,212	39,483
Preferred		36,896	28,922
Net profit for the period attributable to the members		87,108	68,405
Weighted average number of shares on issue used in the calculation of basic earnings per share			
ordinary		118,241,511	116,187,668
Preferred		78,989,379	77,370,582
Weighted average number of shares on issue used in the calculation of diluted earnings per share			
Ordinary		118,241,511	116,187,668
Preferred		82,255,992	80,955,687

Options to purchase Preferred shares not exercised at balance date have only been included in the determination of diluted earnings per share.

Comparison of half year profits

Consolidated profit/(loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year		42,028	34,065
Consolidated profit/(loss) from ordinary activities after tax attributable to members for the <i>2nd</i> half year		45,080	34,340
		87,108	68,405

Statement of Financial Position

	Notes	CONSOLIDATED	
		2004	2003
		\$'000	\$'000
CURRENT ASSETS			
Cash assets		12,520	10,091
Receivables		79,896	75,075
Inventories		11,379	12,064
Other		1,770	1,891
Total Current Assets		105,565	99,121
NON-CURRENT ASSETS			
Other financial assets		9,007	8,211
Property, plant and equipment, and software		171,673	136,952
Mastheads		609,289	594,041
Radio licences		15,328	11,235
Deferred tax assets		9,508	9,242
Other		1,435	1,372
Total Non-Current Assets		816,240	761,053
Total Assets		921,805	860,174
CURRENT LIABILITIES			
Payables		44,821	35,507
Interest bearing liabilities		136	2,502
Current tax liabilities		20,911	20,409
Provisions		19,440	18,845
Total Current Liabilities		85,308	77,263
NON-CURRENT LIABILITIES			
Payables		938	1,931
Interest bearing liabilities		160,166	132,330
Deferred tax liabilities		5,179	5,659
Provisions		4,170	4,556
Total Non-Current Liabilities		170,453	144,476
Total Liabilities		255,761	221,739
Net Assets		666,044	638,435
EQUITY			
Contributed equity		320,464	304,611
Reserves		195,412	182,760
Retained profits	1	139,153	123,680
Total parent entity interest		655,029	611,051
Outside equity interests		11,015	27,384
Total Equity		666,044	638,435

Notes to and forming part of the Statement of Financial Position

	Notes	CONSOLIDATED	
		2004 \$'000	2003 \$'000
1. RETAINED PROFITS			
Retained profits at beginning of year		123,680	130,144
Net profit attributable to members of the parent entity		87,108	68,405
Dividend provided for or paid		(71,635)	(74,869)
		<u>139,153</u>	<u>123,680</u>

Ratios**Profit before tax / revenue**

Consolidated profit/(loss) from ordinary activities before tax as a percentage of revenue	25.0 %	21.7 %
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Profit after tax / equity interests

Consolidated net profit/(loss) from ordinary activities after tax attributable to members / as a percentage of equity (similarly attributable) at the end of the period	13.3 %	11.2 %
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NTA backing

Net tangible asset backing per ordinary security	\$5.46	\$5.17
Net tangible asset backing per share	\$3.27	\$3.10

Statement of cash flows

	Notes	CONSOLIDATED	
		2004	2003
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		555,775	502,979
Payments to suppliers and employees		(393,247)	(380,511)
Dividends received		107	157
Interest received		957	684
Interest and other costs of finance paid		(9,207)	(8,512)
Income tax paid		(39,903)	(28,508)
Net cash flow from operating activities	a)	114,482	86,289
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of businesses and controlled entities (net cash)	b)	(48,702)	(21,071)
Proceeds from sale of business and controlled entities (net cash)	b)	-	-
Purchase of investments		-	-
Purchase of mastheads		-	-
Purchase of radio licences		(164)	-
Purchase of outside equity interests		-	(7,450)
Purchase of property, plant, equipment and software		(30,989)	(24,146)
Proceeds from sale of property, plant and equipment, and software		3,087	1,584
Proceeds from sale of mastheads		-	200
Net cash flow from investing activities		(76,768)	(50,883)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		6,415	1,050
Proceeds from borrowings		92,000	63,000
Repayment of borrowings		(70,696)	(41,740)
Proceeds from share issue to outside equity interests		-	-
Payment of dividends		(61,697)	(55,642)
Payment of dividends to outside equity interests		(1,153)	(1,843)
Net cash flow from financing activities		(35,131)	(35,175)
NET (DECREASE)/INCREASE IN CASH HELD			
Cash at beginning of the financial year		9,924	9,753
Exchange variance on opening cash balance		13	(60)
CASH AT THE END OF THE FINANCIAL YEAR		12,520	9,924
Reconciliation of cash			
Cash		12,520	10,091
Bank overdraft		-	(167)
Cash at the end of the financial year		12,520	9,924

Notes to the Statement of cash flows

(a) Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities

	2004	2003
	\$'000	\$'000
Profit from ordinary activities after income tax	89,169	70,896
Add/(less) non-cash items:		
Depreciation	16,914	13,090
Amortisation	1,888	1,829
Provision for doubtful debts	1,623	1,993
Profit on sale of property, plant and equipment, and software	(515)	(648)
Loss on sale of property, plant and equipment, and software	398	105
Profit on sale of investments	-	(1)
Increase/(decrease) in income taxes payable	474	4,633
(Increase)/decrease in future income tax benefits	(228)	(1,983)
(Decrease)/increase in deferred taxes payable	(480)	(379)
Changes in assets and liabilities:		
(Increase)/decrease in debtors	(8,157)	(7,740)
(Increase)/decrease in other debtors	7,999	(4,663)
(Increase)/decrease in inventories	1,675	(1,377)
Decrease/(increase) in other	379	2,959
Increase/(decrease) in trade creditors and accruals	4,658	4,346
(Decrease) in lease liabilities	20	(13)
Increase/(decrease) in other provisions	(2,733)	1,609
Increase/(decrease) in employee leave provisions	1,398	1,633
Net cash provided by operating activities	<u>114,482</u>	<u>86,289</u>

	ACQUISITIONS		DISPOSALS	
	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000
(b) Businesses acquired/disposed of				
Consideration				
Cash	52,525	21,071	-	-
Outside equity interest at date of acquisition/disposal	7,363	-	-	-
	<u>59,888</u>	<u>21,071</u>	<u>-</u>	<u>-</u>
Fair value of net assets of businesses acquired/disposed				
Cash	3,823	-	-	-
Trade debtors	4,660	1,953	-	-
Other debtors	1,625	63	-	-
Inventories	989	352	-	-
Prepayments	258	-	-	-
Investments	28,916	-	-	-
Property, plant, equipment and software	19,120	4,972	-	-
Mastheads	8,996	14,433	-	-
Radio licences	3,930	-	-	-
Goodwill	303	200	-	-
Future income tax benefits	38	407	-	-
Trade creditors and accruals	(3,701)	-	-	-
Bank bills	(7,484)	-	-	-
Lease liabilities	(13)	-	-	-
Income tax payable	(27)	-	-	-
Employee leave provisions	(1,545)	(1,309)	-	-
	<u>59,888</u>	<u>21,071</u>	<u>-</u>	<u>-</u>
(Loss)/Profit on sale	-	-	-	-
	<u>59,888</u>	<u>21,071</u>	<u>-</u>	<u>-</u>
Outflow/inflow of cash, net of cash acquired/disposed				
Cash consideration	52,525	21,071	-	-
Less Cash at bank	(3,823)	-	-	-
	<u>48,702</u>	<u>21,071</u>	<u>-</u>	<u>-</u>

Dividends

Date the dividend is payable November 12, 2004

Record date to determine entitlements to the dividend (ie, on the basis of proper instruments of transfer received by 5.00 pm if securities are not CHESSE approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are CHESSE approved) November 2, 2004

If it is a final dividend, has it been declared? No

Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Final dividend: Current year ordinary	20.00 ¢	20.00 ¢	- ¢
Preferred	22.00 ¢	22.00 ¢	- ¢
Previous year ordinary	16.00 ¢	16.00 ¢	- ¢
Preferred	17.60 ¢	17.60 ¢	- ¢
Second Interim dividend (2003:Special dividend): Current year ordinary	10.00 ¢	10.00 ¢	- ¢
Preferred	11.00 ¢	11.00 ¢	- ¢
Previous year ordinary	10.00 ¢	10.00 ¢	- ¢
Preferred	11.00 ¢	11.00 ¢	- ¢
Interim dividend: Current year ordinary	9.00 ¢	9.00 ¢	- ¢
Preferred	9.90 ¢	9.90 ¢	- ¢
Previous year ordinary	7.60 ¢	7.60 ¢	- ¢
Preferred	8.36 ¢	8.36 ¢	- ¢

Total dividend per security (interim plus final)

(including Second Interim and 2003 Special Dividend)

	2004	2003
Ordinary shares	39.00 ¢	33.60 ¢
Preference shares	42.90 ¢	36.96 ¢

Final dividend on all securities

Based on the shares on issue at the date of this report.

	2004	2003
	\$'000	\$'000
Ordinary securities	23,729	18,824
Preferred securities	17,533	13,838
Total	41,262	32,662

Dividend reinvestment plan

The Company has a dividend reinvestment plan, however it only applies, at the discretion of the Directors, on any Special Dividends that may be paid from time to time.

Issued and quoted securities at end of current period

Category of ⁺ securities	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
Preference ⁺securities At end of period	79,681,433	79,681,433	N/A	N/A
Changes during current period				
(a) Increases through issues	1,674,095	1,674,095	N/A	N/A
(b) Decreases through returns of capital, buybacks, redemptions	-	-		
⁺Ordinary securities At end of period	118,647,877	117,273,870	N/A	N/A
Changes during current period				
(a) Increases through issues	1,374,007	1,374,007	N/A	N/A
(b) Decreases through returns of capital, buybacks	-	-		

Options			Exercise price	Expiry Date
Options granted under the Executive Option Plan, Approved by Shareholders On October 9, 1998	111,669	-	\$4.70	18/12/04
	138,236	-	\$4.83	17/12/05
	46,667	-	\$5.00	22/12/06
	170,000	-	\$4.60	21/12/07
As at end of period	1,335,000	-	\$4.70	10/5/08
	460,000	-	\$4.73	20/12/08
	200,000	-	\$5.56	13/6/09
	400,000	-	\$6.98	19/12/09
	890,000	-	\$7.62	11/6/10
Total	3,751,572	-	-	-
Issued during current period		-		
	400,000	-	\$6.98	19/12/09
	890,000	-	\$7.62	11/6/10
Exercised during current period		-		
	1,153,332	-	\$4.70	18/12/04
	88,431	-	\$4.83	17/12/05
	13,333	-	\$5.00	22/12/06
Expired/lapsed during current period		-		
	31,667	-	\$4.70	18/12/04
	15,000	-	\$5.00	22/12/06
	10,000	-	\$4.70	10/5/08

Details of entities over which control has been gained or lost having material effect

On December 31, 2003 the consolidated entity purchased 85.27% of the voting shares in Harris & Company Limited and since that date the operating results of \$1,986,000 has been included in the consolidated operating profit.

Segment report

Primary reporting Business segments

	External Segment revenue		Inter-segment revenue		Total revenue		Total result	
	2004	2003	2004	2003	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Newspaper publishing - Australasia	377,457	336,669	2,180	1,734	379,637	338,403	103,783	82,986
Printing - Australasia	90,797	79,972	75,868	70,912	166,665	150,884	26,940	23,731
Eliminations	-	-	(78,048)	(72,646)	(78,048)	(72,646)	-	-
Total Publishing and Printing - Australasia	468,254	416,641	-	-	468,254	416,641	130,723	106,717
Magazine publishing - United States	39,028	45,558	-	-	39,028	45,558	3,904	3,853
Broadcasting	7,749	6,168	-	-	7,749	6,168	(593)	(981)
	515,031	468,367	-	-	515,031	468,367	134,034	109,589
Other/unallocated	83	607	-	-	83	607	3,399	(1,119)
	515,114	468,974	-	-	515,114	468,974	137,433	108,470
Net interest expense							(8,707)	(7,357)
Net profit on sale of property, plant and equipment, and software							117	543
Profit from ordinary activities before income tax expense							128,843	101,656
Income tax (expense)							(39,674)	(30,760)
Profit from ordinary activities after income tax expense							89,169	70,896

Profit before tax is disclosed separately for the Newspaper publishing - Australasia and Printing - Australasia activities as required by Accounting Standard AASB 1005 Segment Reporting. The individually reported financial results for these two activities are determined after various internal charges, internal allocation of indirect costs and with internal revenues being based on historical pricing formulae for production activities. Inter-segment pricing is determined on an arm's length basis except for internal printing which is at cost plus a margin. The individually reported financial results do not therefore represent the financial performance of these activities as separate stand alone business segments.

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

Newspaper Publishing - Australasia	Agricultural, metropolitan, regional and community based publishing.
Printing - Australasia	Commercial web printing.
Magazine Publishing - United States	Agricultural magazine publishing.
Broadcasting	AM and FM radio broadcasting.

International Financial Reporting Standards

This financial report has been prepared in accordance with Australian accounting standards and other current financial reporting requirements (Australian GAAP). Commencing July 1, 2005, the financial report must be prepared in accordance with Australian equivalents to International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board. The first financial reports under Australian equivalents to IFRS will be the December 31, 2005 half-year report and June 30, 2006 annual report. Comparatives for the prior corresponding periods are to be restated within these reports for consistency.

The company has established a formal project, monitored by the Audit Committee of the Board, to achieve the required transition of the financial report to Australian equivalents to IFRS. In early 2004, the company completed a high level overview of the key implications and potential impacts of the transition to Australian equivalents to IFRS on existing business processes, procedures, systems, accounting and reporting policies, balances and staff. Work is progressing on formulating the changes required in order to transition to Australian equivalents to IFRS. Priority has been allocated to areas where systems and procedural changes were necessary to ensure that the required comparative information will be available from July 1, 2004. These priority areas have been addressed and the remainder of this activity is expected to be completed in full prior to December 31, 2004. Implementation of identified changes to enable generation of the required new disclosures and provision of staff training is expected to be substantially completed by June 30, 2005.

The differences between Australian GAAP and Australian equivalents to IFRS identified to date as potentially having a significant effect on the consolidated entity's financial performance and/or financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences and it does not identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events will be presented.

The effects of the differences discussed below have not yet been fully quantified. Accordingly, there can be no assurances that the consolidated financial performance and financial position as disclosed in this financial report would not be significantly different if determined in accordance with Australian equivalents to IFRS. Regulatory bodies that promulgate Australian and International accounting standards have significant ongoing projects that could result in additional differences between the financial reports prepared under Australian GAAP and the financial reports prepared under Australian equivalents to IFRS. Further, system upgrades and other implementation costs which may be incurred have not been quantified as at the transition date of July 1, 2004 as this process is continuing. Such costs are not anticipated to be material.

The key potential implications of the conversion to Australian equivalents to IFRS on the consolidated entity are as follows:

- Internally generated intangible assets currently recorded in the financial report at valuation cannot be recognised and purchased intangible assets cannot be revalued as there is no active market for these intangibles. Previous revaluations of the entity's mastheads will therefore be reversed. These adjustments will reverse the revaluation reserves currently recorded in the financial report in respect of masthead revaluations (\$168,876,000 as at June 30, 2004) and an additional residual amount to consolidated retained earnings. The full impact of these adjustments on the consolidated statement of financial position has not yet been determined, however this change is not anticipated to have a significant effect on either cash flows or the company's dividend policy;
- Impairments of assets will be determined on a discounted cash flow basis, with strict tests for determining whether goodwill and cash-generating units have been impaired. Any impairment is recognised in the statement of financial performance and must be allocated against the individual assets affected by the impairment conditions;
- As all goodwill and intangible assets held by the consolidated entity have indefinite useful lives, they will be tested for impairment annually, with any impairment recorded directly in the statement of financial performance in the period in which the impairment occurs. Goodwill will no longer be amortised and the current amortisation charge (\$142,000 in 2004) recognised by the consolidated entity will cease; and
- Revaluation increments and decrements relating to revalued property, plant and equipment are required to be recognised on an individual asset basis, not a class of assets basis as specified under existing Australian GAAP. The consolidated entity is considering taking advantage of the deemed cost exemption available for land and buildings currently held at valuation, thereby reverting back to cost and avoiding asset by asset assessments.

Proposed standards dealing with accounting for income tax, equity based compensation, hedge accounting and changes in accounting policy will impact the form and presentation of the financial statements but are not expected to have a material financial impact on reported assets, liabilities or results.

Annual meeting

The annual meeting will be held as follows:

Place

159 Bells Line of Road, North Richmond, NSW 2754

Date

October 22, 2004

Time

10:30am

Approximate date the annual report will be available

September 22, 2004

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
- 2 This report, and the accounts upon which the report is based, use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 The accounts have not been audited.
- 5 The entity has a formally constituted audit committee.



B. H. G. Stofberg
Company Secretary

Dated: August 26, 2004