

**TRINITY MIRROR PLC**  
**INTERIM MANAGEMENT STATEMENT**  
**17 weeks ending 26 April 2009**

Trinity Mirror plc is today issuing an Interim Management Statement covering the 17 weeks of trading to 26 April 2009 ('the period') and describing the Group's financial position and performance during the period, updated to the latest practicable date.

The economic slowdown continues to impact the Group and we remain cautious about the outlook. A combination of prudent cost reduction measures, the introduction of cutting edge IT systems driving new, more efficient ways of publishing, stable financing and relatively robust circulation revenue is, nevertheless, expected to deliver positive cash flow from our operations for 2009.

### **Outlook**

The trading conditions are impacting, to some extent, all our sources of revenue although we expect the rate of decline to ease as we go through the remainder of the year as we benefit from weaker comparatives.

We continue to appropriately manage our cost base through cost savings and operating efficiencies while ensuring that we are well positioned to take full advantage of the revenue and profit benefits that will result when market conditions improve. The Group remains on track to deliver the previously announced £25 million cost savings in 2009 and this coupled with continued stable cash flows and committed financing continues to provide the Board comfort that management actions will help to support profitability in an uncertain economic outlook for the economy.

### **Divisional performance**

Revenue performance in the first 17 weeks of the year was as follows:

<b>Year on Year Change</b>	<b>%</b>
Group revenue	(18)
Advertising	(30)
Circulation	(4)
Other	(10)
Group digital revenue included in above	(13)

Group revenues in the period have fallen by 18% driven by advertising shortfalls with circulation more resilient.

Group advertising revenues in the period have fallen by 30%, reflecting a decline of 30% for January and February and a decline of 29% for March and April.

For our Regionals division advertising revenues in the period have fallen by 36%, reflecting a decline of 37% for January and February and a decline of 35% for March and April. All advertising categories were down year on year with declines in the period of 24% for display (Jan/Feb 28%, Mar/Apr 21%), 50% for recruitment (Jan/Feb 50%, Mar/Apr 51%), 54% for property (Jan/Feb 54%, Mar/Apr 54%), 35% for motors (Jan/Feb 37%, Mar/Apr 33%) and 15% for other classified categories (Jan/Feb 13%, Mar/Apr 17%).

For our Nationals division advertising revenues for the period fell by 17%. This reflects a decline of 16% for January and February and a decline of 18% for March

and April. During March and April core display revenues fell by 11%, in line with the declines experienced in January and February. The rate of decline in classified and other advertising revenues increased marginally during the period reflecting the impact of the challenging economic environment.

Group digital revenues for the period have fallen by 13% with a fall of 14% for the Regionals and 11% for the Nationals. The economic downturn and the resulting reduction in demand for recruitment and property advertising, which we have seen in print, is also impacting our digital classified revenues. However we continue to see growth in digital display advertising across both Regionals and Nationals.

Group circulation revenues for the period have fallen by 4% with a decline of 8% for the Regionals and 3% for the Nationals. During the period we increased the cover prices of the Monday to Friday editions of the Daily Mirror and the Daily Record, the Saturday edition of the Daily Record, the Sunday Mirror and the Sunday Mail.

Other Group revenues for the period have fallen by 10%, reflecting a small decrease in contract print of 2% combined with significantly lower revenue from inserts and waste paper sales.

Early indications for May are that advertising revenues for the Nationals will fall by around 10% and for the Regionals by around 35%. Group circulation revenues are expected to fall by around 5% for May.

### **Capital expenditure**

The Group will incur capital expenditure of no more than £25 million for the 2009 in line with previous guidance.

During the period the Group received £2 million from the proceeds relating to land disposed of in 2008 in Cardiff and £1 million from the terminated sale of land in Birmingham.

### **Financing**

Net debt, assuming that the US\$ denominated private placement loan notes and related cross currency interest rate swaps are not terminated prior to their maturity, has remained stable during the period as follows:

	<b>£m</b>
Net debt as at 28 December 2008*	384
Pension Contributions**	16
Corporation tax payments	4
Interest	9
Other cash inflows***	(25)
<b>Net debt as at 26 April 2009</b>	<b>388</b>

\* assuming that the US\$ private placement loan notes and related cross currency interest rate swaps will not be terminated prior to their maturity

\*\* in excess of operating profit charge

\*\*\* operating cash flows, capex, working capital

As at 26 April 2009 the Group had a £5 million cash drawing and a £4 million guarantee drawing on the £178.5 million bank facility. The £5 million cash drawing was subsequently repaid on 30 April 2009. No new financing facilities were procured during the period and no debt facilities were repaid other than in accordance with their normal maturity date.

The fair value asset of the Group's cross currency interest rates swaps used to swap the principal and interest payments on the Group's US\$ private placement loan notes was £38.1 million at 26 April 2009 (28 December 2008: £41.7 million).

Net debt is expected to fall marginally over the remainder of 2009 and the Group continues to operate comfortably within its financial covenants.

### **Conference call**

Trinity Mirror will be holding a conference call this morning for analysts and investors at 8.00 am. For dial in details please contact Nick Fullagar, Director Corporate Communications on 020 7293 3622 or [nick.fullagar@trinitymirror.com](mailto:nick.fullagar@trinitymirror.com).

### **Enquiries:**

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