



## **MEDIA RELEASE**

### **RADIO JAMAICA AND THE GLEANER TO COMBINE MEDIA OPERATIONS**

The boards of Radio Jamaica Limited, (RJR) and The Gleaner Company Limited, (Gleaner) today announced that their directors have signed an agreement which will see the combination of their respective media businesses.

The transaction, which is to be pursued through a court approved scheme of amalgamation, will be a stock for stock deal where Radio Jamaica Limited will issue and exchange 1.2 billion shares on a one for one basis to shareholders of The Gleaner Company Limited for 100 percent of a newly formed subsidiary Gleaner Company (Media) Limited (GCML) which will hold the assets of the media entities of the Gleaner Company.

Simultaneous with the transaction, the remaining publicly traded Gleaner Company Limited, with non-media assets comprising mainly real estate and other investments will be renamed.

This will result in the shareholders of the Gleaner Company Limited owning 50 percent of Radio Jamaica Limited's common stock and existing RJR shareholders owning the remaining 50-percent of the combined business.

The coming together will create the country's leading Media Company, providing, print, online, radio, television, cable television and new media products and services.

"This is the most exciting development for media in over 50 years. The combination of RJR's and the Gleaner's leadership in print and electronic media, our track record of credibility, our commitment to high journalistic standards and excellent customer service are outstanding positives for stakeholders in both companies," said Gary Allen, Managing Director, Radio Jamaica Limited, "The companies have been the leaders in all of the industry's most important innovations in media over the last 180 years and this merger will accelerate the pace of that innovation to deliver superior products and services within the highly competitive and dynamic marketplace in which we operate", Allen said.

"This combination creates a stronger company that delivers maximum value for our shareholders, greater career opportunities for our employees and superior experience for our customers," said Christopher Barnes, Managing Director of Gleaner Company Limited. "Both management teams have built industry-leading suites of products and services, and we're excited to be part of delivering all of the possibilities to Jamaican consumers," He added.

The expanded media group which will be renamed once the transaction is complete, is to be led by Chief Executive Officer, Gary Allen with Christopher Barnes as Chief Operating Officer. J.A. Lester Spaulding is to be Chairman with Hon. Oliver Clarke as Deputy Chairman.

Chairman Spaulding expressed that in the current environment it is important that there is a strong, independent Jamaican media company. "The current market, with the amount of existing players, is saturated; especially where there is low economic growth. When added to the recent moves by local telecoms to enter the media space, heightened competition is sure to put increased pressure on the industry. It is therefore very important that Jamaican media look also to shore up their resources in order to engage in the fast changing landscape, as well as to preserve the independence required for our media to do its work on behalf of the Jamaican people"

The transaction close, subject to shareholder and court approval along with regulatory review and other customary procedures, is expected by the end of 2015.

Greystone Capital Partners, KPMG, PWC and Sierra Associates acted as financial advisors to the deal, while Myers, Fletcher and Gordon (MFG) are legal advisors.

***About RJR:*** *Radio Jamaica Limited is the longest serving electronic media company in Jamaica. It was listed on the Jamaica Stock Exchange (JSE) in 1994. The company is the parent entity in the RJR Communications Group. The members of the Group are RJR 94FM, FAME 95FM, HITZ 92FM, Television Jamaica (TVJ) and TVJ-Sports Network, Reggae Entertainment Television, RETV, and Jamaica News Network, JNN.*

***About Gleaner:*** *The Gleaner Company Limited, established in 1897, is the parent company of a group comprising media operations and investments in Jamaica, Canada, the United States and the United Kingdom. Publications include the 180 year old Gleaner Newspaper in continuous publication since 1834, The Sunday Gleaner, The Star and Weekend Star, the UK Weekly Gleaner, the Weekly Gleaner and Star in USA and Canada, Gleaner Online, Independent Radio Company (Power 106FM, Music 99FM), other print publications, websites and the Gleaner Archives. The company has annual revenues of J\$3.3 Billion and assets of J\$3.7 billion.*

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