TEN EXECUTIVE CHAIRMAN AGREES TO EXTEND TERM

22 July 2008

Ten Network Holdings Limited (ASX:TEN) today advised that it had completed negotiations with TEN's executive chairman Nick Falloon to extend his term and vary his existing service agreement.

Under the varied service agreement, Mr Falloon has agreed to remain as executive chairman for a minimum further term of 12 months commencing 1 September 2008 and will continue to hold office after that date unless either party notifies the other.

The new arrangements also reflect the confidence of the TEN Board in the current chief executives of each of the Network TEN television (Grant Blackley) and EYE Group out-of-home (Gerry Thorley) divisions in continuing to manage and grow their respective operations.

The varied service agreement permits Mr Falloon to undertake outside activities which do not compete with TEN and do not detract from or interfere with his duties and responsibilities as TEN's executive chairman.

As such, on and from 1 September 2008 Mr Falloon will reduce his time commitment to TEN by 50% and his existing fixed annual remuneration and short term cash incentive arrangements will also be reduced by 50% commensurate with the reduced time commitment.

The terms of the varied service agreement contain other components that are the same as those under his existing service agreement.

The deferred incentive (previously known as the long term incentive) and some of the termination components have been varied as follows:

Deferred Incentive:

During the financial year commencing 1 September 2008, the Company has agreed to contribute $750,000 (being 50% of the previous maximum long term incentive amount) on Mr Falloon's behalf to the Company's employee share savings plan. This amount will be used to acquire TEN shares on-market.

In subsequent years, subject to achieving a set of targets to be determined annually, Mr Falloon will be entitled to a maximum annual deferred incentive payment of $750,000, which will also be used, immediately following the close of the relevant financial year, to acquire TEN shares on-market on Mr Falloon's behalf via the Company's employee share savings plan.

During the term of his employment, Mr Falloon will not be able to dispose of shares acquired under these deferred incentive arrangements until 18 months after the last day of the relevant financial year in respect of which such shares were purchased.

Ten Network Holdings Limited ABN 14 081 327 068
1 Saunders Street, Pyrmont NSW 2009
GPO Box 10 Sydney NSW Australia 2001
Telephone 02 9650 1010 Facsimile 02 9650 1111 TTY 02 9650 1213
www.tencorporate.com.au
www.ten.com.au

Termination payments:

Should Mr Falloon's employment be terminated in circumstances where he resigns or if the Company terminates his employment on notice for any reason (other than for cause or for a breach of a material provision of the service agreement) or if Mr Falloon's employment ceases because of illness or death, Mr Falloon will be entitled to be paid fixed annual remuneration (plus his accrued statutory entitlements) to the date of termination, together with any pro rata cash short term incentive and deferred incentive up to the date of termination.

On termination of Mr Falloon's employment, any restriction on disposal associated with shares purchased under the deferred incentive arrangements, still current at the date of termination, will immediately lapse.

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