

A spokesperson for The Australian Financial Review:

“*The Australian Financial Review* is disappointed by the court’s decision, which we are still considering. Justice Lee found that there was a strong public interest in the *Financial Review* and Joe Aston reporting on the Blue Sky collapse and the conduct of its executives. They are the subject of three ongoing class actions.

“Justice Lee accepted that Mr Aston honestly held the opinions in his column and was an “impressive” witness. The *Financial Review* is proud of Mr Aston’s work, and we will continue to report on important corporate governance issues without fear or favour.

“Dr Stead sued on eight imputations. Justice Lee threw out four and recast three imputations to lower levels of seriousness.

“The damages awarded of \$280,000 are low compared to many other judgments in this area of law. They are dwarfed by both sides’ legal fees which exceed \$2 million.

“Expensive and disproportionate defamation cases like this have a chilling effect on freedom of speech. The proposed reforms to the Defamation Act should go some way toward correcting the imbalance.

“The Court has granted leave to appeal.”