

3 September 2010

The Manager

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**ELECTRONIC LODGEMENT**

Dear Sir or Madam

**SouFun Holdings Limited IPO process**

In accordance with the Listing Rules, I attach an announcement for release to the market.

Regards



**Carmel Mulhern**  
Company Secretary



## **FOR DISTRIBUTION IN AUSTRALIA ONLY**

### **SouFun Holdings Limited IPO process**

Reference is made to the announcements made by Telstra on 1 December 2009 and 13 August 2010.

Telstra advises that on 3 September 2010 SouFun filed with the U.S. Securities and Exchange Commission a Registration Statement on Form F-1 (including a preliminary prospectus) for an initial public offering of American Depositary Shares (ADS) representing the Class A ordinary shares of SouFun. It is currently anticipated that the initial public offering will be completed by 30 September 2010, subject to a final decision to proceed with the IPO.

Amongst other things, the registration statement contains an indicative price range per ADS of US\$40.50 to US\$42.50. This price range would value 100% of SouFun at approximately US\$810m to US\$850m, immediately prior to the IPO.

Telstra intends to sell down its 50.5% shareholding in SouFun as described in its announcement of 13 August 2010. Telstra purchased its stake in SouFun in 2006 for US\$254 million. Any accounting profit or loss for Telstra on the sale of its SouFun stake will be impacted by the foreign exchange currency movements since its acquisition and Telstra's share of post-acquisition profits.

This announcement is not an offer of securities for sale in the United States or any other jurisdiction. The securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer, and any such offering may be registered with the U.S. Securities and Exchange Commission. Such prospectus will contain detailed information about the issuer and its management, as well as financial statements.

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