

For Immediate Release – 25 July 2003

CEO's Quarterly Report for realestate.com.au – June 2003 Quarter

realestate.com.au Delivers Strong Growth in June Quarter

The June 2003 quarter saw **realestate.com.au** deliver significant financial performance growth, increase the number of agents subscribing to its service and continue to be the most visited real estate website in Australia.

According to Simon Baker, Chief Executive Officer of **realestate.com.au**, "The last quarter has seen significant growth on all dimensions of our business. What is particularly pleasing is continued strong take up of our core product, residential advertising subscriptions. This is highlighted by 253 new agents joining in June alone."

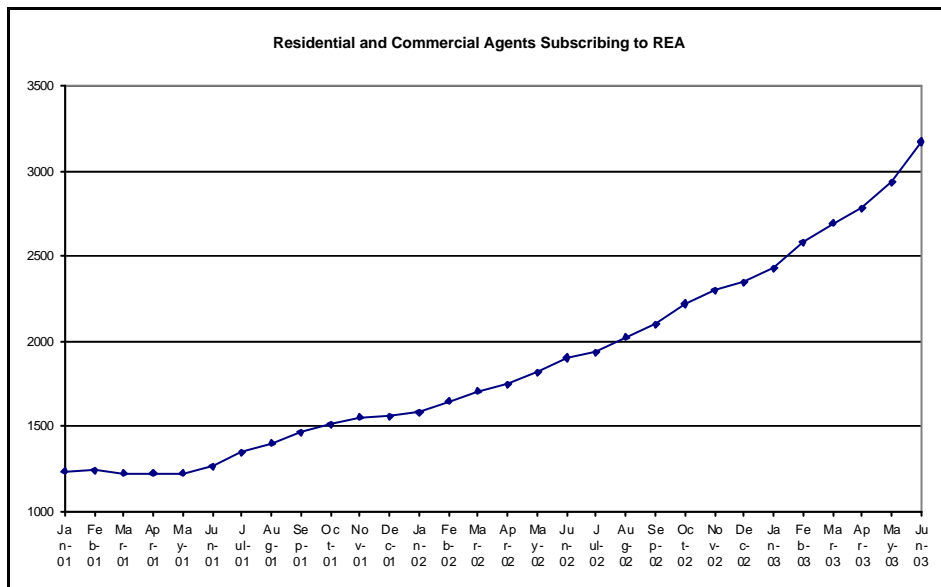
Significant Financial Performance Growth

The financial highlights for the June 2003 quarter include:

- Cash flow positive by \$535,200, an increase of 131% over the previous quarter
- Cash at bank increased to \$2.2 million at the end of the quarter
- Revenue increased by 23.8% over the previous quarter

Strong Increase in Agents¹ Advertising

Underlying **realestate.com.au's** strong financial performance has been a continued growth in the agents using the service. In the June quarter, 519 agents joined **realestate.com.au** and as at 30 June 2003, there are 3,174 agents subscribing. It is estimated that between 40% - 45% of agents now use **realestate.com.au** to advertise their vendors' properties and their brand to Australia's largest online real estate audience.



¹ Agents includes residential agents and commercial agents

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

realestate.com.au

ABN

54 068 349 066

Quarter ended ("current quarter")

30 June 2003

Consolidated statement of cash flows

| | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--|----------------------------|-------------------------------------|
| Cash flows related to operating activities | | |
| 1.1 Receipts from customers | 2,903.4 | 9,682.4 |
| 1.2 Payments for | | |
| (a) staff costs | (1,212.6) | (4,117.6) |
| (b) advertising and marketing | (256.6) | (1,006.5) |
| (c) research and development | - | - |
| (d) leased assets | (25.2) | (150.1) |
| (e) other working capital | (739.2) | (3,252.6) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 18.4 | 55.5 |
| 1.5 Interest and other costs of finance paid | (7.3) | (36.7) |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (Legal Settlement) | - | (123.3) |
| Net operating cash flows | 680.9 | 1,051.1 |

+ See chapter 19 for defined terms

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

| | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--|----------------------------|-------------------------------------|
| 1.8 Net operating cash flows (carried forward) | 680.9 | 1,051.1 |
| Cash flows related to investing activities | | |
| 1.9 Payment for acquisition of: | | |
| (a) businesses (item 5) | - | - |
| (b) equity investments | - | - |
| (c) intellectual property | - | - |
| (d) physical non-current assets | (145.7) | (258.7) |
| (e) other non-current assets | - | (39.6) |
| 1.10 Proceeds from disposal of: | | |
| (a) businesses (item 5) | - | - |
| (b) equity investments | - | 342.4 |
| (c) intellectual property | - | - |
| (d) physical non-current assets | - | - |
| (e) other non-current assets | - | - |
| 1.11 Loans to other entities | - | - |
| 1.12 Loans repaid by other entities | - | - |
| 1.13 Other (provide details if material) | - | - |
| Net investing cash flows | (145.7) | 44.1 |
| 1.14 Total operating and investing cash flows | 535.2 | 1,095.2 |
| Cash flows related to financing activities | | |
| 1.15 Proceeds from issues of shares, options, etc. | - | - |
| 1.16 Proceeds from sale of forfeited shares | - | - |
| 1.17 Proceeds from borrowings | - | - |
| 1.18 Repayment of borrowings | - | - |
| 1.19 Dividends paid | - | - |
| 1.20 Other (provide details if material) | - | - |
| Net financing cash flows | - | - |
| Net increase (decrease) in cash held | 535.2 | 1,095.2 |
| 1.21 Cash at beginning of quarter/year to date | 1,655.5 | 1,095.5 |
| 1.22 Exchange rate adjustments to item 1.20 | - | - |
| 1.23 Cash at end of quarter | 2,190.7 | 2,190.7 |

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 31.3 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11 | Nil |

1.26 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

| | | Amount available \$A'000 | Amount used \$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities | 1,550.0 | 750.0 |
| 3.2 | Credit standby arrangements | N/A | N/A |

+ See chapter 19 for defined terms

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank | 890.7 | 655.5 |
| 4.2 Deposits at call | 1,300.0 | 1,000.0 |
| 4.3 Bank overdraft | N/A | N/A |
| 4.4 Other (provide details) | N/A | N/A |
| Total: cash at end of quarter (item 1.22) | 2,190.7 | 1,655.5 |

Acquisitions and disposals of business entities

| | Acquisitions <i>(Item 1.9(a))</i> | Disposals <i>(Item 1.10(a))</i> |
|---|--------------------------------------|------------------------------------|
| 5.1 Name of entity | N/A | N/A |
| 5.2 Place of incorporation or registration | | |
| 5.3 Consideration for acquisition or disposal | | |
| 5.4 Total net assets | | |
| 5.5 Nature of business | | |

Compliance statement

- 1 This statement has been prepared under accounting policies that comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date:
(Director/Company secretary)

Print name:

Notes

+ See chapter 19 for defined terms.

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

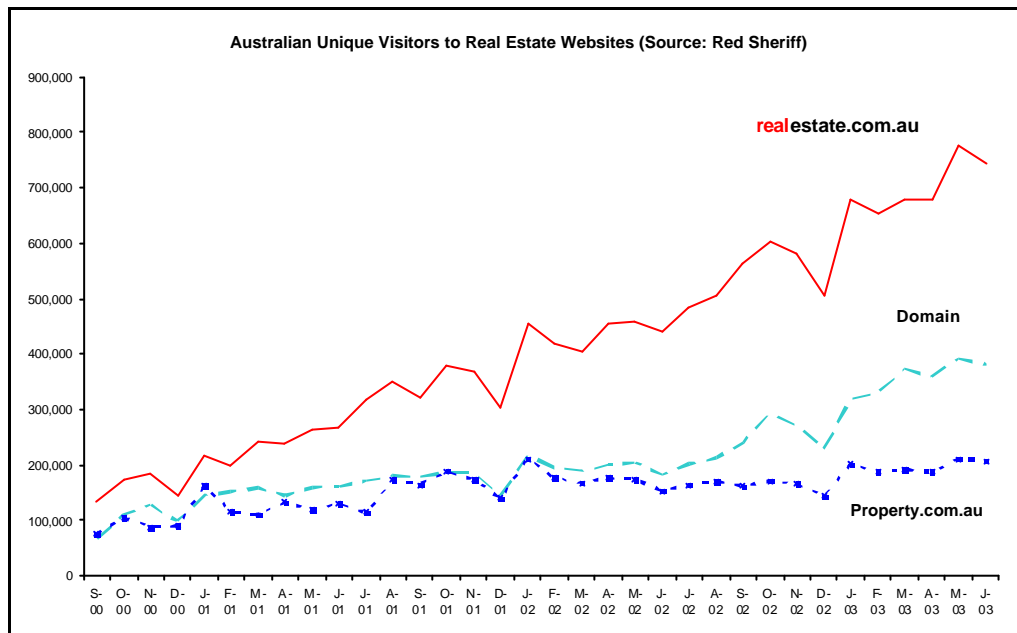
+ See chapter 19 for defined terms

Continuing to be Australia's Most Visited Real Estate Site

According to Red Sheriff, Independent Internet Auditors, **realestate.com.au** continues to be the most visited real estate site in the country.

Important information for the quarter includes:

- Visitors (readership) to **realestate.com.au** grew by 9.5% over the March 2003 quarter
- May was the most visited month ever for **realestate.com.au** with an estimated 2.9 million visits including 325,000 visits from overseas
- **realestate.com.au** continues to stretch its lead over the other portal sites in Australia with more visitors than its major portal competitors combined²



For further information contact:

Simon Baker
 Chief Executive Officer
 Tel: 1300 134 174
 sbaker@realestate.com.au

² Red Sheriff, Independent Internet Auditors