

11 August, 2005

**realestate.com.au REPORTS DOUBLE PROFITS FOR 2005  
AND EXPECTS REVENUE AND PROFIT GROWTH IN 2006**

In its market guidance statement in June this year, realestate.com.au indicated it expected net profit before tax of between \$5.0 million and \$5.2 million from revenues of between \$31 million and \$33 million for FY 2005.

realestate.com.au can now confirm that net profit before tax for FY 2005 is likely to be \$5.4 million, a growth of 119% over the \$2.5 million delivered in FY 2004.

Revenues for the FY 2005 financial year are likely to be \$33.6 million, a growth of 76% over the \$19.1 million delivered in FY 2004.

Both net profit before tax and revenue performance are, therefore, expected to be in excess of previous market guidance.

The full and final audited FY 2005 results will be released to the market before 31 August 2005.

realestate.com.au is expecting growth in revenues and profit in FY 2006.

Based on budgets approved by the Board in June, net profit before tax for FY 2006 is expected to be around \$14 million, a growth of 159% over FY 2005.

Underlying this profit growth is expected continued strong growth in revenues. FY 2006 revenues are expected to be around \$51 million, a growth of 52% over FY 2005.

Investigating Accountants have been appointed to express a view on the reasonableness of the 2006 budget. It is intended that a report prepared by the Investigating Accountants will be included in a Target's Statement to be issued by realestate.com.au in response to the recently announced takeover offer by News Limited.

For July, the first month of the 2006 financial year, management accounts indicate that REA is meeting these budgets.

At the end of July 2005, approximately 60% of the FY 2006 revenues were already locked in through contracts with real estate agents, developers and non-real estate industry advertisers.

Revenue growth will be driven by the continued strong up take of residential and commercial agent subscriptions, agents increasing their spend on additional advertising products including banner advertising, feature properties, guaranteed top spot and eBrochures, and the increasing use of the online advertising by developers and non-real estate industry advertisers.

**About realestate.com.au**

Founded in 1995, realestate.com.au is Australia's most popular and comprehensive source of real estate listings and information. It is locally and internationally recognized as Australia's number one property website with more than 75 per cent of all agents and developers marketing more than 350,000 properties for sale and for rent on the site every month.

According to Nielsen/NetRatings, in July 2005 the realestate.com.au website attracted more than 1.8 million unique visitors consisting of 1.5 million<sup>1</sup> Australians and more than 300,000<sup>1</sup> from overseas.

realestate.com.au is listed on the ASX (REA) and has five business units: realestate.com.au, realcommercial.com.au, realestate.com.au Publishing, realestate.com.au Web Design Services and realestate.com.au Home Loans.

<sup>1</sup>Source: Nielsen//NetRatings Market Intelligence