



REAGroup

REAGroup Limited Investor and Analyst presentation

For the half year ended
31 December 2015





RE Group

Tracey Fellows
Chief Executive
Officer



Delivering on our purpose

To empower people by
making property simple,
efficient and stress-free.

Strong growth in all financial metrics



EBITDA¹

\$185.9m
+29%

EPS¹

91.9¢
+28%

NPAT¹

\$121.0m
+28%

Interim dividend

36.0¢
+22%

1. From core operations (excludes share of losses from associates and gain from sale of business and investments).

Half year highlights

- realestate.com.au is **Clear #1**
- **iProperty Group** acquisition
- Australian depth revenue **+33%**
- **+38%** Developer top tier product
- **5m** App downloads¹

1. Source: Google Play and iTunes, Total Downloads to January 2016.

realestate.com.au - Clear market leader

- **More than twice the visits** of #2 site¹
- **Most popular** property app^{*}
- **4.7x** more Buy section visits²
- **95%** of properties for sale³
- **85%** share of time on site⁴

1. Source: Nielsen Online Market Intelligence Home and Fashion Suite average monthly visits for the audited sites of realestate.com.au compared to domain.com.au for the half year ended 31 December 2015, excludes apps. 2. Source: Experian Hitwise data December 2015 showing visits to Buy vs News section on realestate.com.au compared to domain.com.au. 3. Source: CoreLogic Online Market Analysis. Average of new properties listed for sale online, for the half year ended 31 December 2015, versus the nearest competitor nationwide. 4. Source: Nielsen Online Market Intelligence Home and Fashion Suite share of combined minutes for the audited sites of realestate.com.au compared to domain.com.au for the half year ended 31 December 2015, excludes apps. *Source: As at 5 February 2016, realestate.com.au is the most used property app in Australia (Nature Brand Tracking. Sample of 2,205 people. Sept-Dec 2015) and the only property app in Australia to report 5 million downloads.

realestate.com.au - Australia lives here

Largest and most engaged audience

	realestate.com.au	#2 Property Site	Outperforming the competition
 Visits Average monthly traffic to realestate.com.au ¹	42.0m	20.3m	2.1x
 Share of time Share of combined minutes spent on realestate.com.au and the #2 property site ²	85%	15%	5.6x
 Page Views Average monthly ¹	880.8m	164.4m	5.3x

1. Source: Nielsen Online Market Intelligence Home and Fashion Suite average monthly visits and average monthly page views for the audited sites of realestate.com.au compared to domain.com.au for the half year ended 31 December 2015, excludes apps. 2. Source: Nielsen Online Market Intelligence Home and Fashion Suite share of combined minutes for the audited sites of realestate.com.au compared to domain.com.au for the half year ended 31 December 2015, excludes apps.

realestate.com.au - Australia's most popular property app*

- **5 million** app downloads¹
- **49%** app visits growth YoY²
- **28%** app downloads growth YoY³

1. Source: Google Play and iTunes, Total Downloads to January 2016. 2. Source: Adobe SiteCatalyst average monthly visits for the audited app for realestate.com.au for the half year ended 31 December 2015. 3. Source: Google Play and iTunes downloads at 31 December 2015 and 31 December 2014. * Source: As at 5 February 2016, realestate.com.au is the most used property app in Australia (Nature Brand Tracking, Sample of 2,205 people, Sept-Dec 2015) and the only property app in Australia to report 5 million downloads.

Driving audience where it counts

More people looking¹

Site visits



realestate.com.au

42.0m

No.2 property site

20.3m

More properties²



realestate.com.au

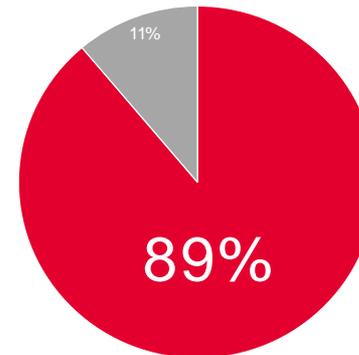
95%

No.2 property site

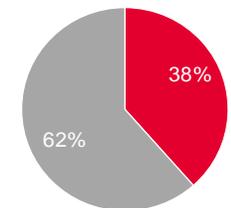
72%

More engaged audience³

realestate.com.au



No. 2 property site



■ For sale section

■ News section

1. Source: Nielsen Online Market Intelligence Home and Fashion Suite total traffic for Audited sites for the realestate.com.au compared to domain.com.au. for the half year ended 31 December 2015, excludes apps. 2. Source: CoreLogic Online Market Analysis. Average of new properties listed for sale online, for the half year ended 31 December 2015, versus the nearest competitor nationwide. 3. Source: Experian Hitwise data December 2015 showing visits to Buy vs News section on realestate.com.au compared to domain.com.au.

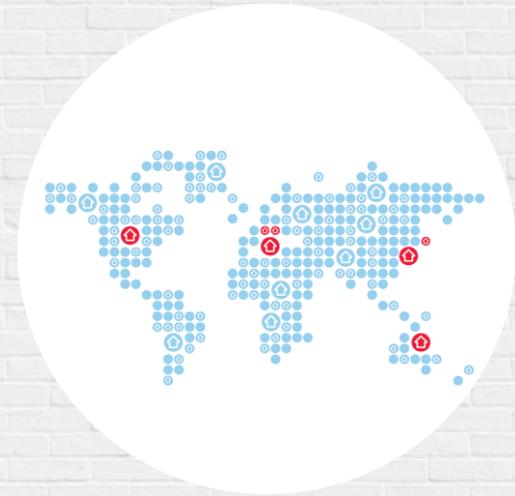
Strategy for continued growth



**Deliver the best
digital real estate
experience**

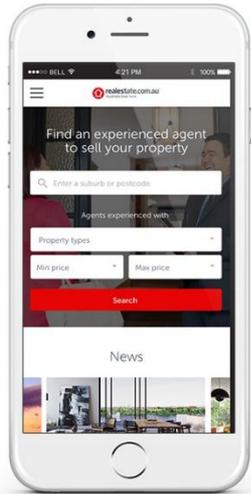


**Compete in
adjacent markets**



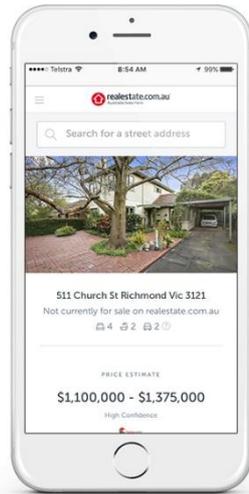
**Develop network
of world leading
property portals**

Innovation



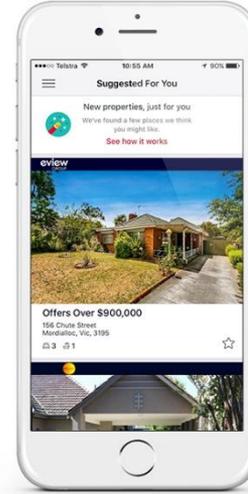
Agent Search

Showcasing agent and agency sales performance to prospective vendors



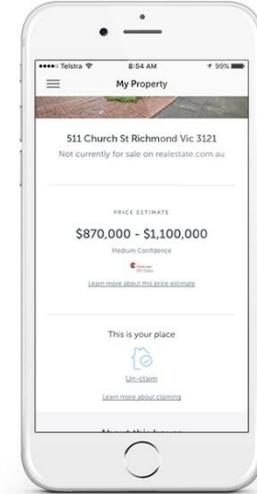
Price Lookup

Making it easy to search price estimates and sales history for any property in Australia



Suggested Properties

Suggesting properties to consumers based on their interests and search criteria



Claim My Property

Providing industry-leading data and insights to help property owners stay informed

International network



 **realestate.com.au**
Australia lives here

 **realcommercial.com.au**

 **iProperty Group**

22.7% investment



 **casa.it**

 **immoRegion.fr**

 **atHome.de**

 **atHome.lu**

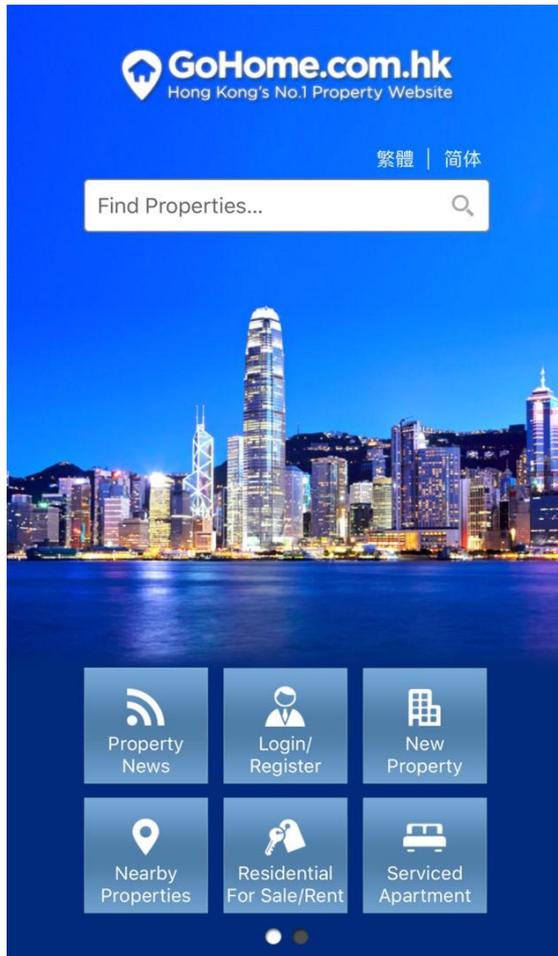
 **atOffice.lu**



move
20% investment

realtor.com

International highlights – South East Asia

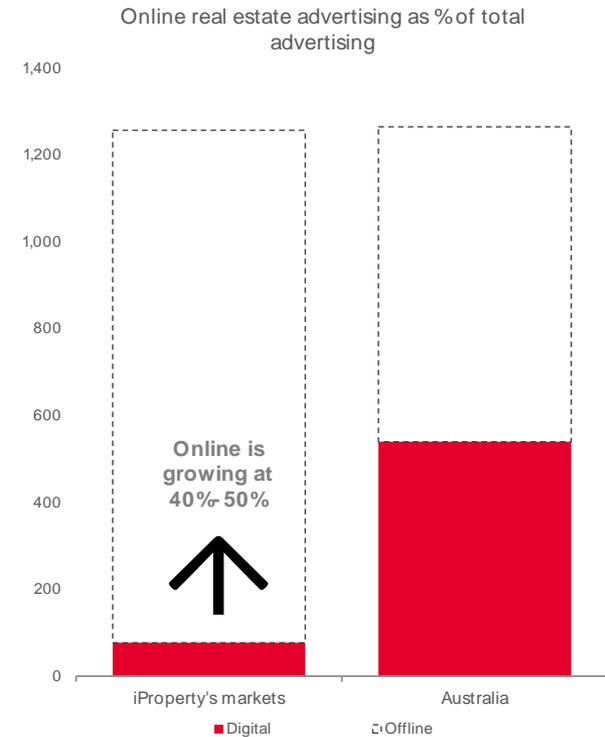
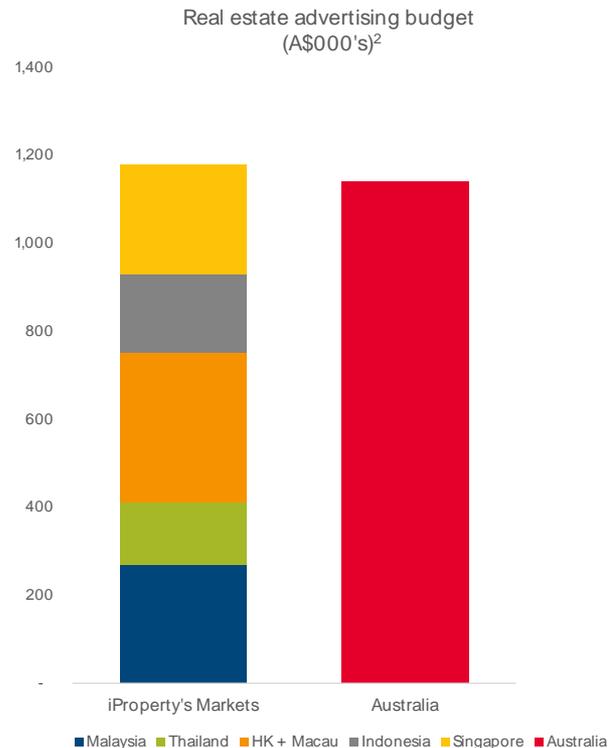
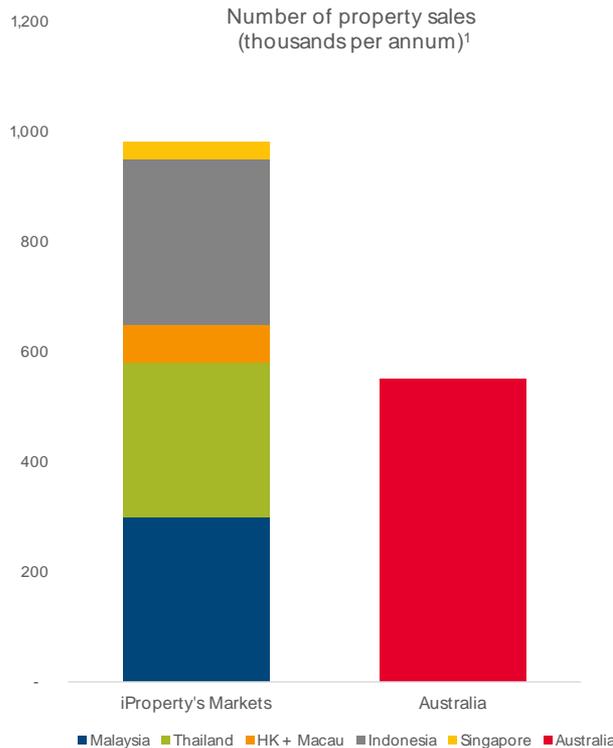


- Acquisition of iProperty - Asia's leading digital real estate advertising business
- #1 in Malaysia, the Hong Kong region, Indonesia and Thailand¹
- Excellent potential for long-term growth
- \$32 million revenue and \$2.5 million EBITDA expected for FY15¹
- Strong growth in customers, audience and listings²

1. Source: iProperty Group Ltd ASX announcement (14 December 2015 "Scheme Booklet"). 2. Source: iProperty Group Ltd ASX announcement (20 July 2015).

Market opportunity – South East Asia

- Real estate market underpinned by population and GDP per capita growth
- Property sales outpacing Australia
- Strong growth opportunity with shift to digital



1. Source: IPP, CoreLogic, SRX, REA, R123; 2. Source: Frost & Sullivan, IPP, DATT, REA.

iProperty integration – South East Asia



Experienced local management team led by CEO Georg Chmiel

Operates leading real estate portals in 4 Asian markets

Real estate expo specialist

Local market expertise & scale



Proven leadership in technology, product, sales, marketing

Multinational network

Scalable technology & infrastructure

Strong balance sheet



Leverage Group capabilities & resources to accelerate growth

Enhance customer & consumer value through differentiated experiences

Increase scale & efficiencies

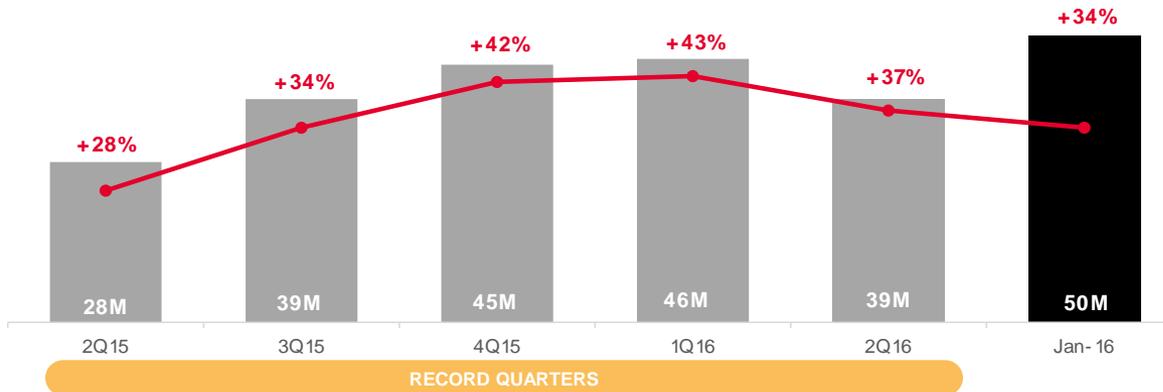
International highlights – North America

realtor.com[®] continues to deliver record consumer audience results in FY16

- Growth of 42% to 42.5m¹ web and mobile site users, driven by growth in mobile users
- Revenue of USD\$172m² driven by Connections for Co-Brokerage product and non-listing media revenues.



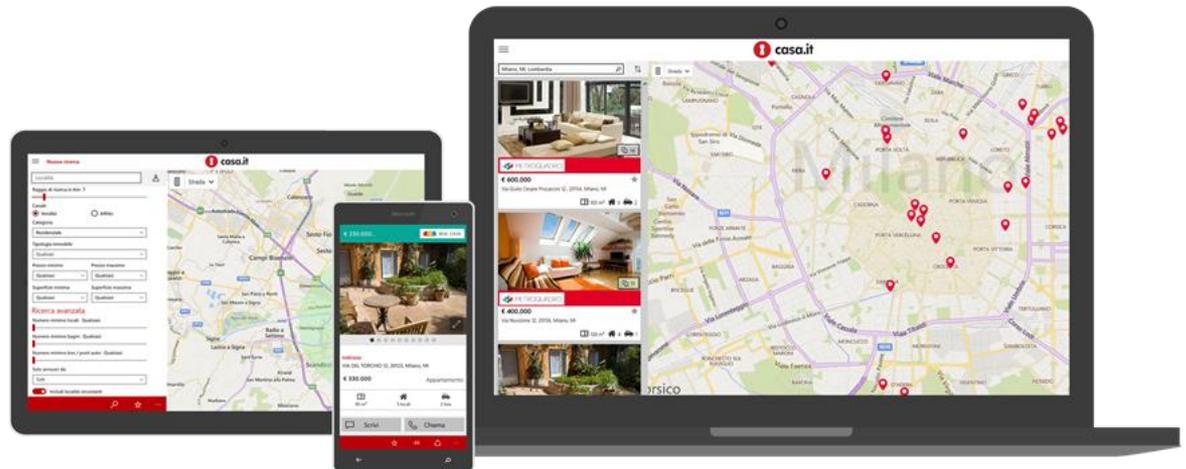
realtor.com[®] Unique Users
Average monthly UUs & Y/Y% Growth³



1. Source: Internal Move data includes web, mobile web and native apps for the 6 month periods ended 31 December 2015 and 31 December 2014. 2. Source: News Corp's Earnings Releases stated in US Dollars (5 November 2015 and 4 February 2016) for the quarters ended 30 September 2015 and 31 December 2015. 3. Source: Internal Move data includes web, mobile web and native apps for the 3 month periods ended 31 March, 30 June, 30 September and 31 December 2015 and 31 December 2014.

International highlights – Europe

- Growth in listings, agents, visits and page views
- Luxembourg - new “boost” feature helps agents move listing to top of search results
- Continued expansion into new regions of France
- Italy - launched new app for unified experience across phone, tablet, PC
- Strategic marketing initiatives in Italy





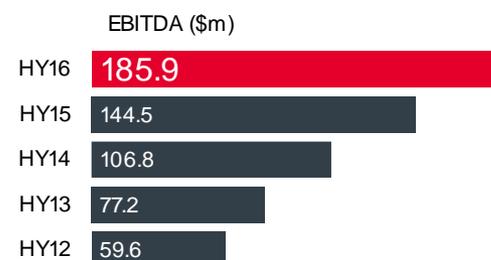
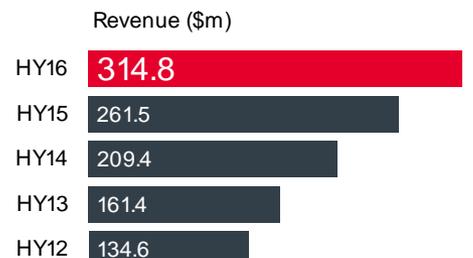
REAGroup

Owen Wilson
Chief Financial
Officer

Operating results

Performance (\$m)	HY 2016	HY 2015	Growth
Revenue			
Australia	289.4	236.4	22%
Europe	25.1	22.3	13%
Asia	0.3	2.8	(89%)
Group revenue	314.8	261.5	20%
EBITDA ^(1,2)			
Australia	190.2	145.0	31%
Europe	4.2	5.0	(17%)
Asia	(0.1)	0.4	(125%)
Corporate	(8.4)	(6.0)	41%
Group EBITDA ^(1,2)	185.9	144.5	29%
EBITDA Margin	59%	55%	
NPAT ⁽²⁾	121.0	94.7	28%
Cash balance	108.4	41.9	159%
Earnings per share (EPS) cents ⁽²⁾	91.9c	71.8c	28%
Dividends per share (DPS) cents	36.0c	29.5c	22%

Rec to Financial Statements (\$m)	HY 2016	HY 2015	Growth
NPAT from core operations	121.0	94.7	28%
Gain on sale of marketable securities	-	31.2	-
Tax on sale of marketable securities	-	(9.1)	-
Share of losses of associates	(5.9)	(0.3)	-
Gain on sale of discontinued business	-	9.8	-
Reported NPAT	115.1	126.4	(9%)

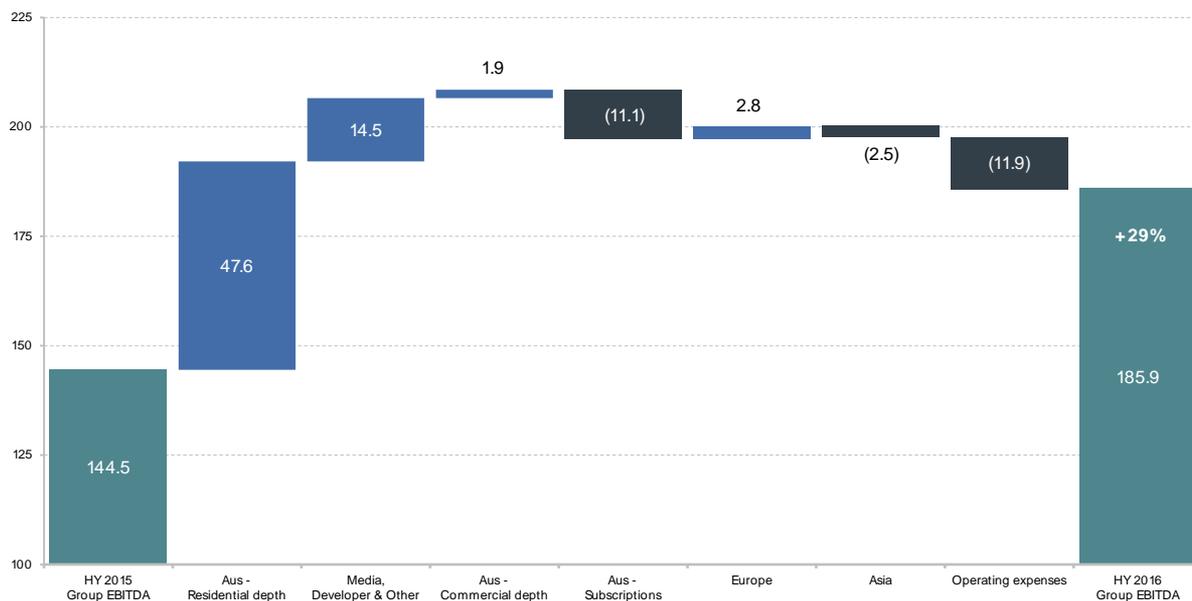


1. Information additional to IFRS measures contained in this presentation are derived from the financial report for the half year ended 31 December 2015.

2. From core operations (excludes associates and gain from sale of business and investments).

EBITDA growth

Group EBITDA Growth (\$m)

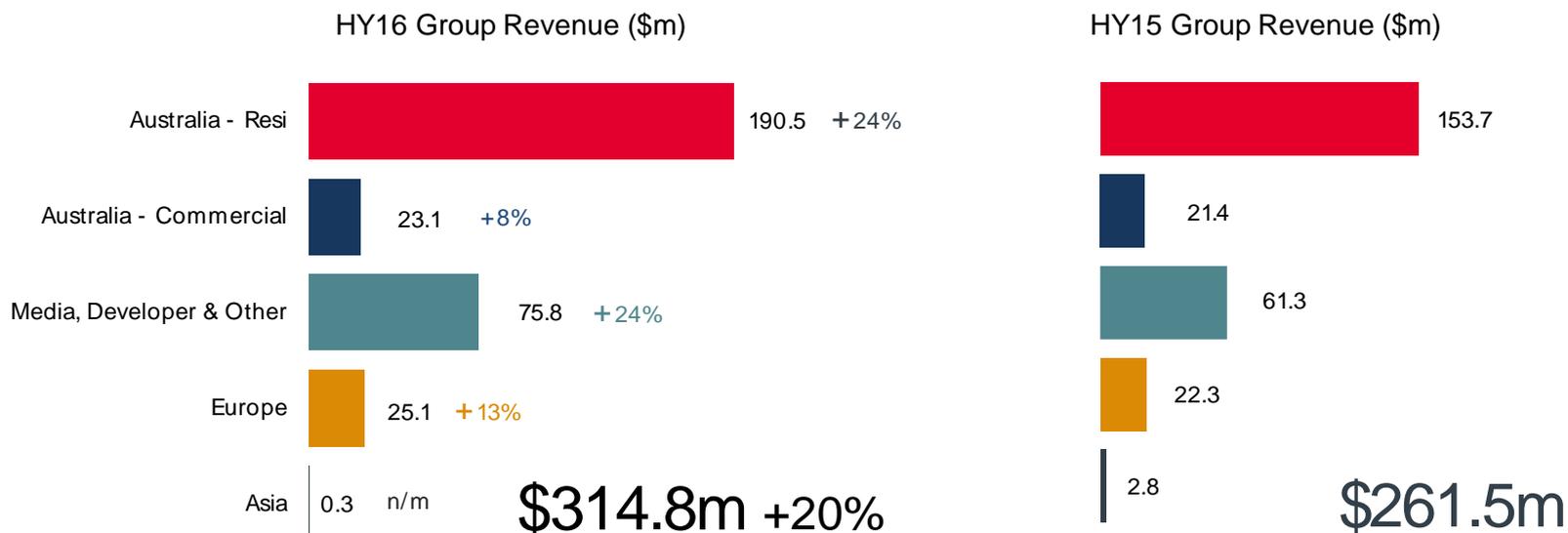


Strong EBITDA¹ growth driven by:

- Strong take up of premium listing products
- Robust developer market drove significant increase in Project Profiles and Advertising
- Operating costs grew 10%, well below revenue growth reflecting the different timing of some expenses compared to the prior year
- Revenue growth achieved despite flat listing volumes in the Australian market

1. From core operations (excludes associates and gain from sale of business and investments).

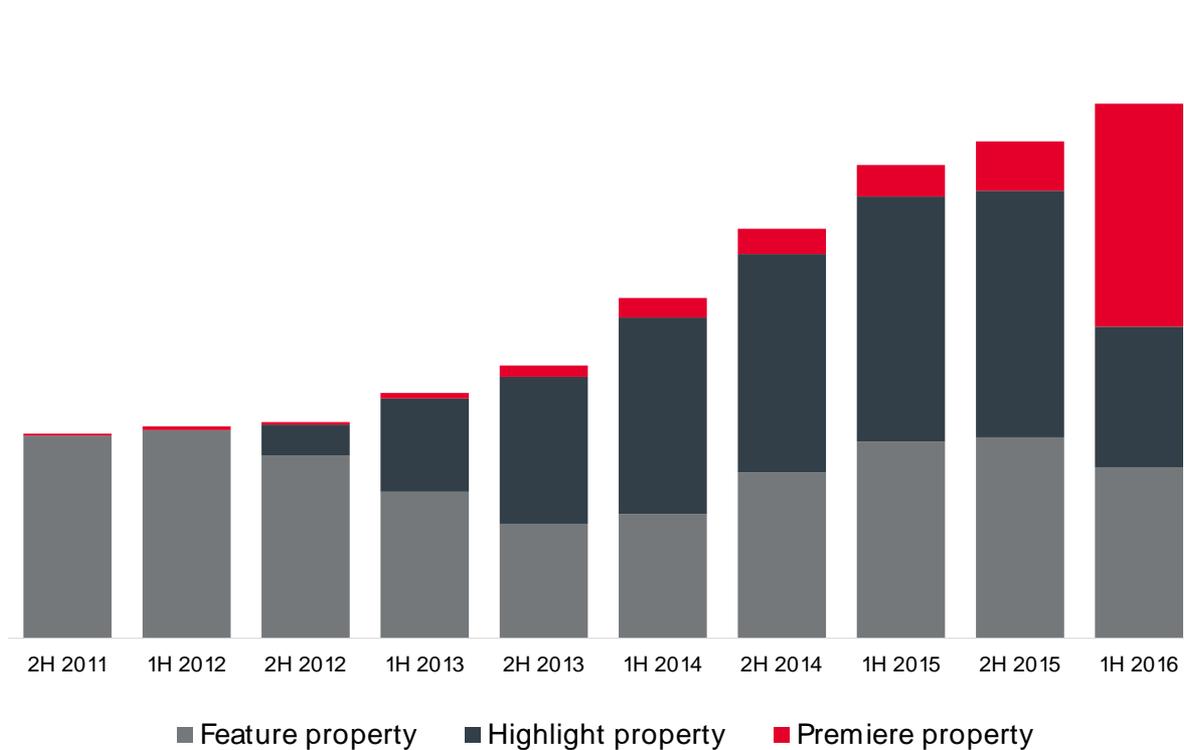
Premium listing products driving revenue growth



Revenue category (\$m)	HY 2016	HY 2015	Growth
Australia			
Listing depth revenue	251.6	188.6	33%
Subscription revenue	21.4	32.6	(34%)
Media display	15.6	14.6	7%
Other	0.8	0.7	14%
Australian revenue	289.4	236.4	22%
Europe	25.1	22.3	13%
Asia	0.3	2.8	(89%)
Total revenue	314.8	261.5	20%

Strong growth in premium listings

Premium Listing Penetration (depth)



- realestate.com.au experienced strong growth in premium listing products despite no change in listings¹ in the market from the prior year
- Success of highest yielding Premiere listing product providing increased return on investment to agents and vendors

1. Source: CoreLogic, Australian Residential Market new buy listings for the half year ended 31 December 2015 and 31 December 2014.

European results

Italian agents¹

+13%

Italian listings¹

+13%

Luxembourg and France visits²

+31%

Luxembourg and France listings²

+57%

- Good growth in agents, traffic and listings
- Continued success of expansion into new regions of France
- EBITDA results reflects investment in new regions in France and marketing initiatives in Italy

Metric	HY 2016	HY 2015	Growth
Total revenue (€m)	16.4	15.4	7%
EBITDA (€m)	2.7	3.5	(22%)
Agents ¹	13,884	12,177	14%
Average Monthly Visits (000's) ²	11,242	10,214	10%
Listings (000's) ¹	955	798	20%

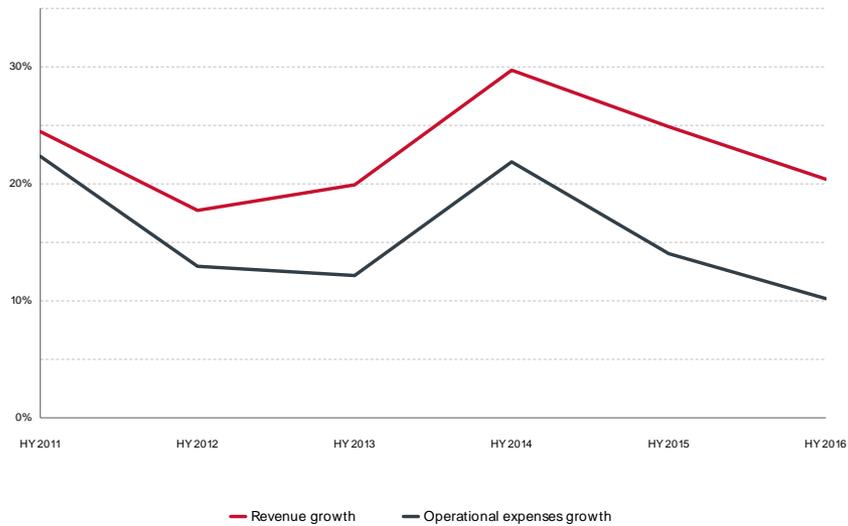


1. Source: REA internal data.

2. Source: Adobe SiteCatalyst average monthly visits for the half year ended 31 December 2015 for casa.it, atHome.lu, atHome.de, atOffice.lu and immoRegion.fr combined (main and mobile site visits, includes international traffic to site) compared to the half year ended 31 December 2014. Note: Due to the recent implementation of the Italian privacy legislation about cookies, consumers can opt out of being tracked by Adobe so these results are not an accurate representation of the total audience.

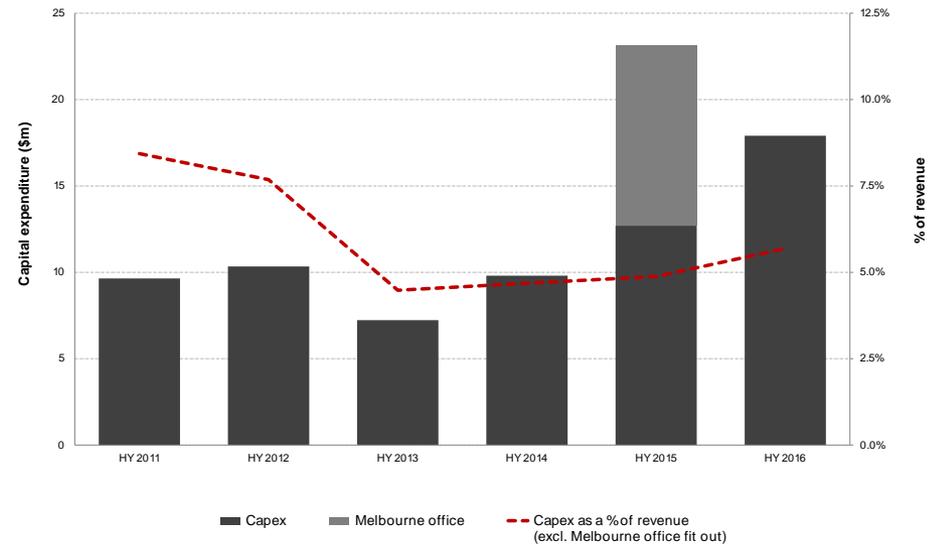
Operating results and capital expenditure

Group operating results growth (%)



EBITDA margin growth

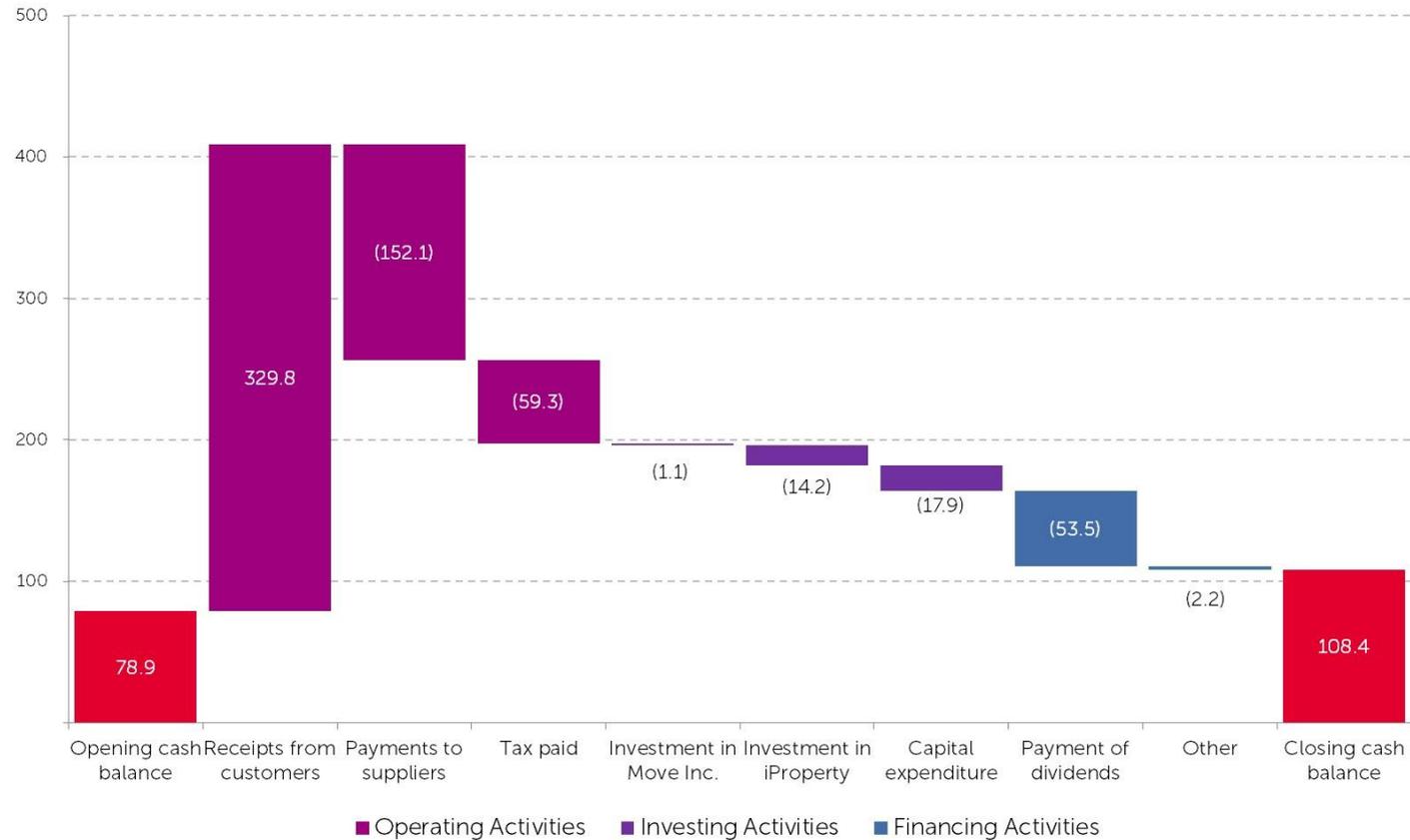
Capital expenditure as a % of revenue



Continued reinvestment in innovation

Group cash flow

Group Cashflow (\$m)





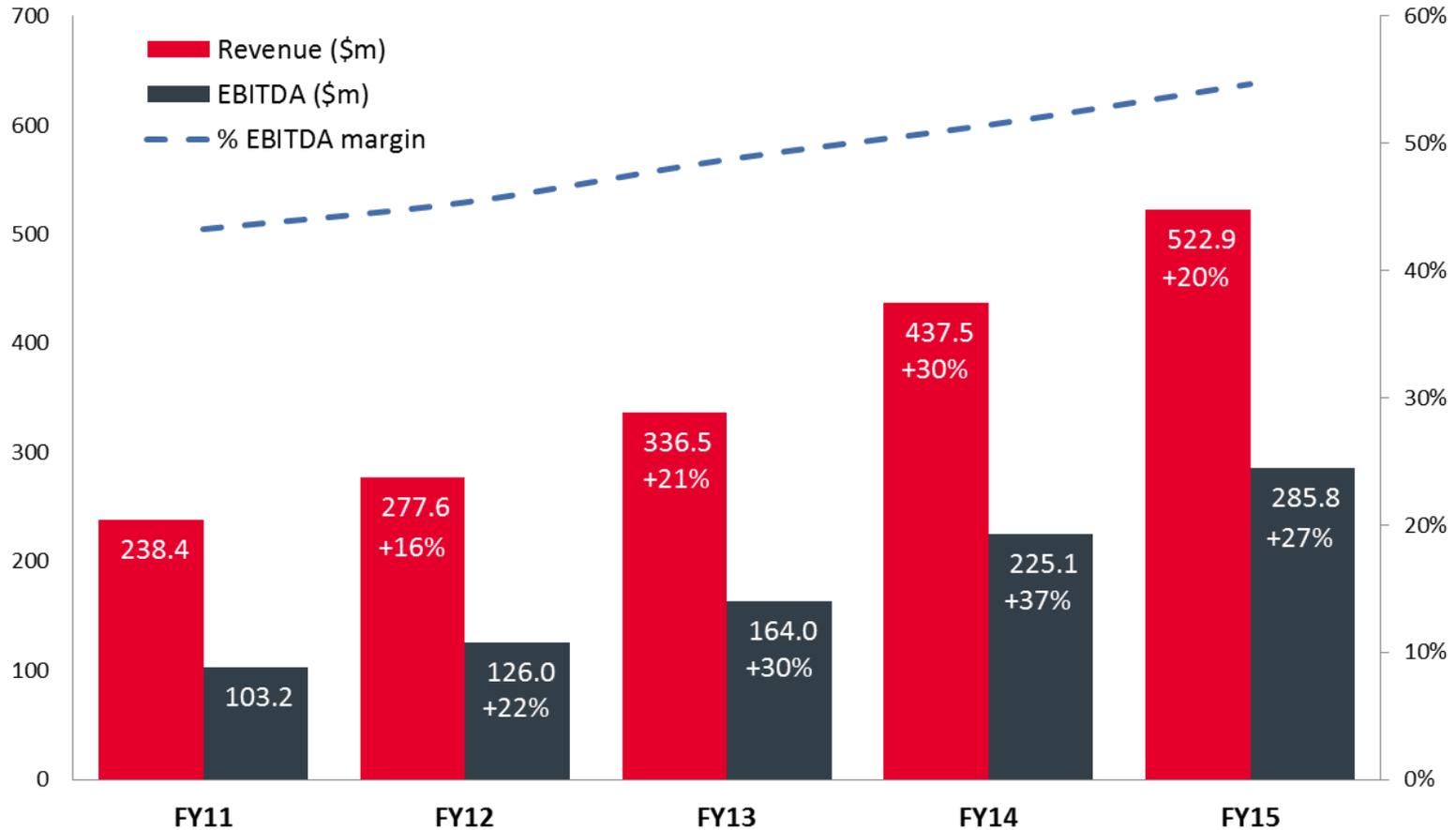
REA Group

Supplementary information



Historical Full Year Revenue and EBITDA

Revenue, EBITDA and margin
(core operations)



Financial comparatives

Group results	Core operations										Fin Stats
	HY 2012		HY 2013		HY 2014		HY 2015		HY 2016		HY 2016
	\$m	Grow th	\$m	Grow th	\$m	Grow th	\$m	Grow th	\$m	Grow th	\$m
Revenue from core operations	134.6	18%	161.4	20%	209.4	30%	261.5	25%	314.8	20%	314.8
Total revenue & other income	134.6	18%	161.4	20%	209.4	30%	261.5	25%	314.8	20%	314.8
Operating expenses	(75.1)	13%	(84.2)	12%	(102.6)	22%	(117.0)	14%	(128.9)	10%	(128.9)
Share of losses of associates	-		-		-		-		-		(5.9)
EBITDA	59.5	24%	77.2	30%	106.8	38%	144.5	35%	185.9	29%	180.0
<i>EBITDA Margin</i>	44%		48%		51%		55%		59%		
Depreciation and amortisation	(7.2)	60%	(9.1)	26%	(10.5)	16%	(13.1)	25%	(15.8)	20%	(15.8)
EBIT	52.3	20%	68.1	30%	96.3	41%	131.4	36%	170.1	29%	164.2
Net finance income	3.2		4.5		4.6		2.9		0.7		0.7
Earnings before tax	55.5	23%	72.6	31%	100.9	39%	134.3	33%	170.9	27%	165.0
Income tax expense	(14.4)		(21.1)		(30.2)		(39.6)		(49.8)		(49.8)
Net Profit from continuing operations	41.1	32%	51.5	25%	70.7	37%	94.7	34%	121.0	28%	115.1
Net Profit	41.1	32%	51.5	25%	70.7	37%	94.7	34%	121.0	28%	115.1
Dividend per share	12.5	25%	16.0	28%	22.0	38%	29.5	34%	36.0	22%	36.0
Earnings per share (EPS)	31.6	27%	39.2	24%	53.7	37%	71.8	34%	91.9	28%	87.3

Financial comparatives

Group results	Core operations									Fin Stats
	FY 2012		FY 2013		FY 2014		FY 2015		HY 2016	HY 2016
	\$m	Grow th	\$m	Grow th	\$m	Grow th	\$m	Grow th	\$m	\$m
Revenue from core operations	277.6	16%	336.5	21%	437.5	30%	522.9	20%	314.8	314.8
Total revenue & other income	277.6	16%	336.5	21%	437.5	30%	522.9	20%	314.8	314.8
Operating expenses	(151.6)	(12%)	(172.5)	(14%)	(212.4)	(23%)	(237.1)	(12%)	(128.9)	(128.9)
Share of losses of associates	-		-		-		-		-	(5.9)
EBITDA	126.0	22%	164.0	30%	225.1	37%	285.8	27%	185.9	180.0
<i>EBITDA Margin</i>	45%		49%		51%		55%		59%	
Depreciation and amortisation	(15.2)	(45%)	(18.7)	(23%)	(21.2)	(13%)	(26.9)	(27%)	(15.8)	(15.8)
EBIT	110.8	20%	145.3	31%	203.9	40%	258.9	27%	170.1	164.2
Net finance income	7.7		9.2		9.3		3.5		0.7	0.7
Earnings before tax	118.5	22%	154.5	30%	213.2	38%	262.4	23%	170.9	165.0
Income tax expense	(31.7)	(6%)	(44.8)	(41%)	(63.3)	(41%)	(76.9)	(21%)	(49.8)	(49.8)
Net Profit from continuing operations	86.8	29%	109.7	26%	149.9	37%	185.5	24%	121.0	115.1
Net Profit	86.8	29%	109.7	26%	149.9	37%	185.5	24%	121.0	115.1
Dividends per share (DPS)	33.0	27%	41.5	26%	57.0	37%	70.0	23%	36.0	36.0
Earnings per share (EPS)	66.2	25%	83.3	26%	113.7	36%	140.6	24%	91.9	87.3

Group cash flow reconciliation

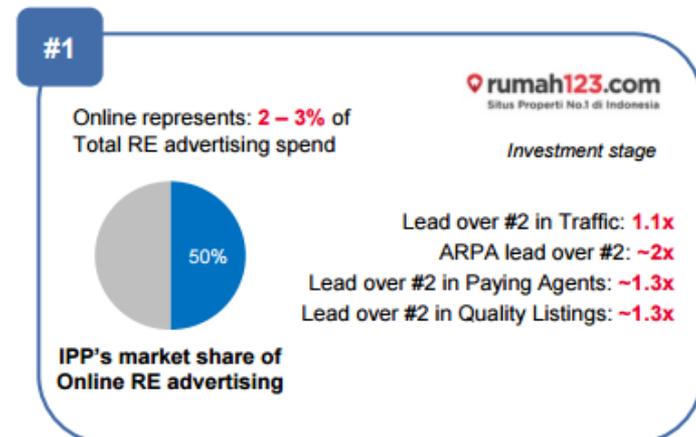
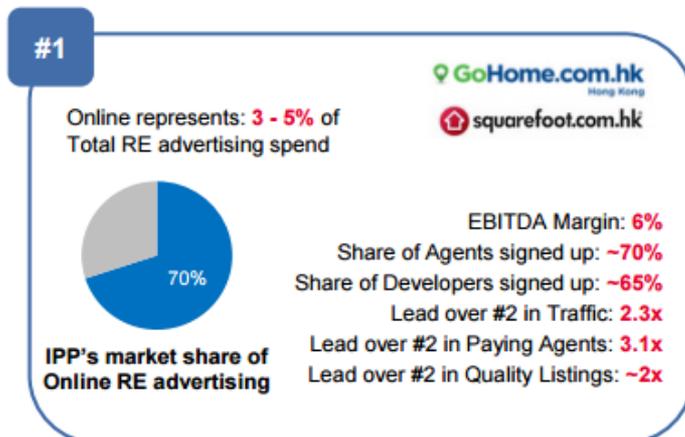
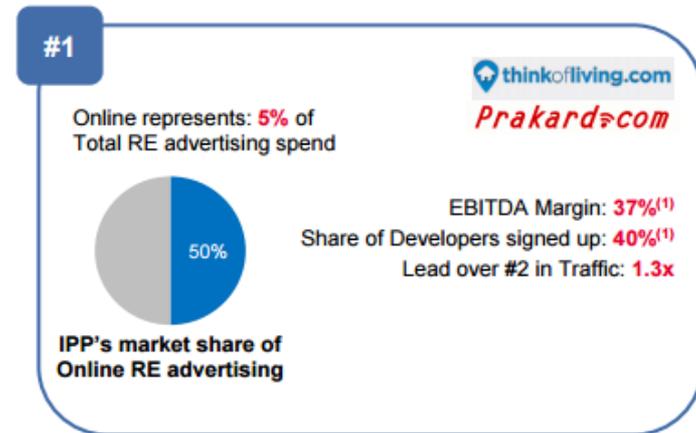
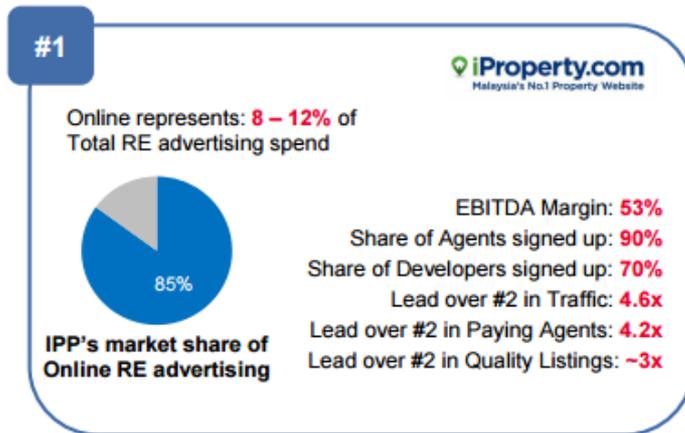
Cash flow reconciliation (\$m)	HY 2016	HY 2015	Growth
EBITDA ^{1,2}	185.9	144.5	29%
Working capital movement	(10.0)	(19.1)	(47%)
Tax paid	(59.3)	(40.3)	47%
Capital expenditure	(17.9)	(23.2)	(23%)
Other	6.7	3.6	86%
Free cash flow	105.3	65.6	61%
Sale/(purchase) of other investments	-	110.2	(100%)
Investment in M&A	(1.1)	(231.3)	(100%)
Investment in IPP	(14.2)	(108.7)	(87%)
Dividends paid	(53.5)	(46.2)	16%
Other	(1.0)	(1.7)	(41%)
Net cash inflow/(outflow)	35.5	(212.1)	(117%)

1. Information additional to IFRS measures contained in this presentation is derived from the financial report for the half year ended 31 December 2015.

2. From core operations (excludes associates and gain from sale of business and investments).

iProperty Group

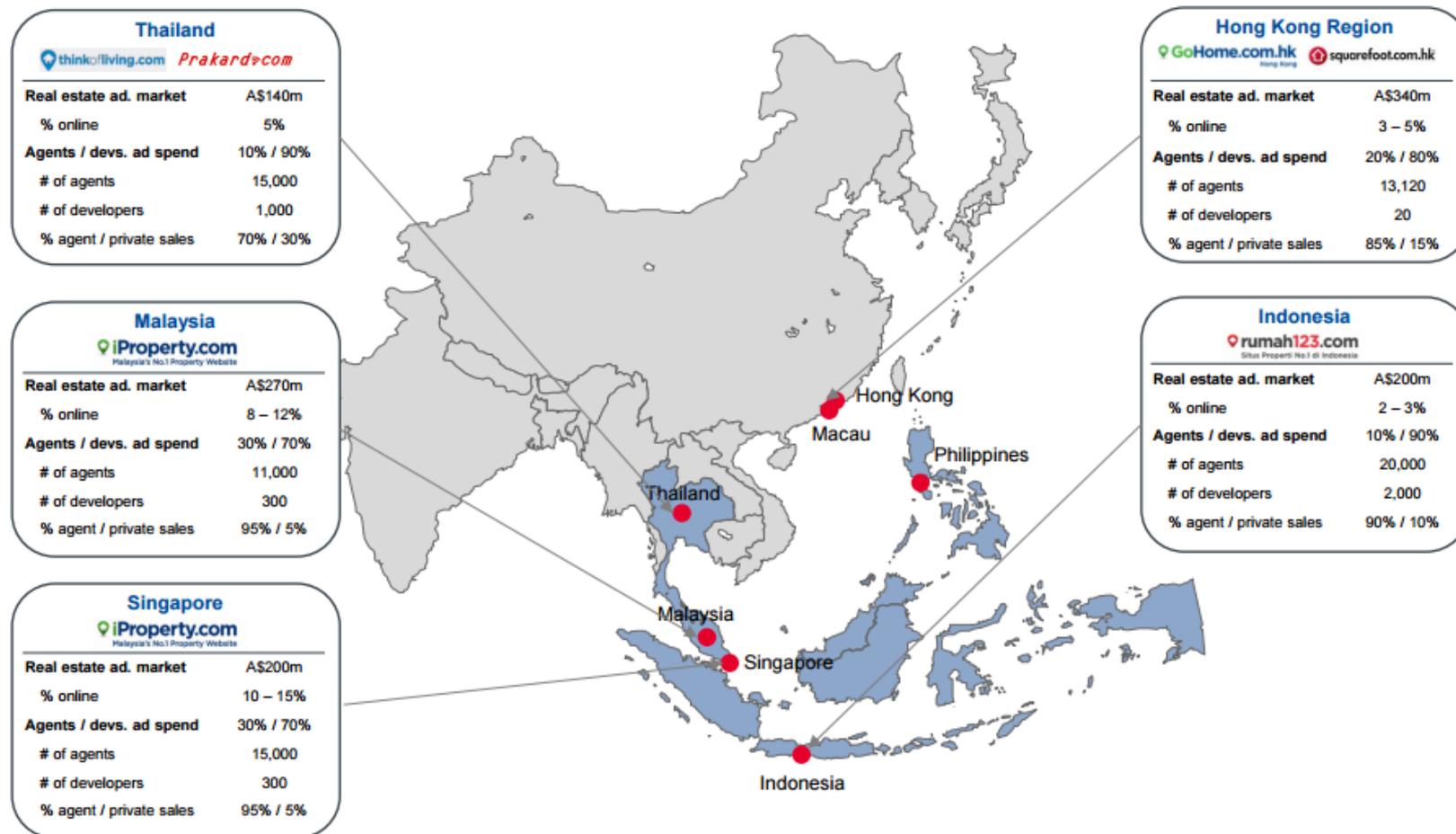
- iProperty Group holds the leading market position in key South East Asian online real estate markets



Source: Frost & Sullivan, IPP, DAAT, REA, Statista, Credit Suisse, Effective Measure, Google Analytics. (1) Think of Living only.

iProperty Group

- iProperty Group owns the #1 online property portals across South East Asia. The key brands include:



Source: Frost & Sullivan, IPP, DAAT, REA, Statista, Credit Suisse, Effective Measure, Google Analytics, MRIA.