



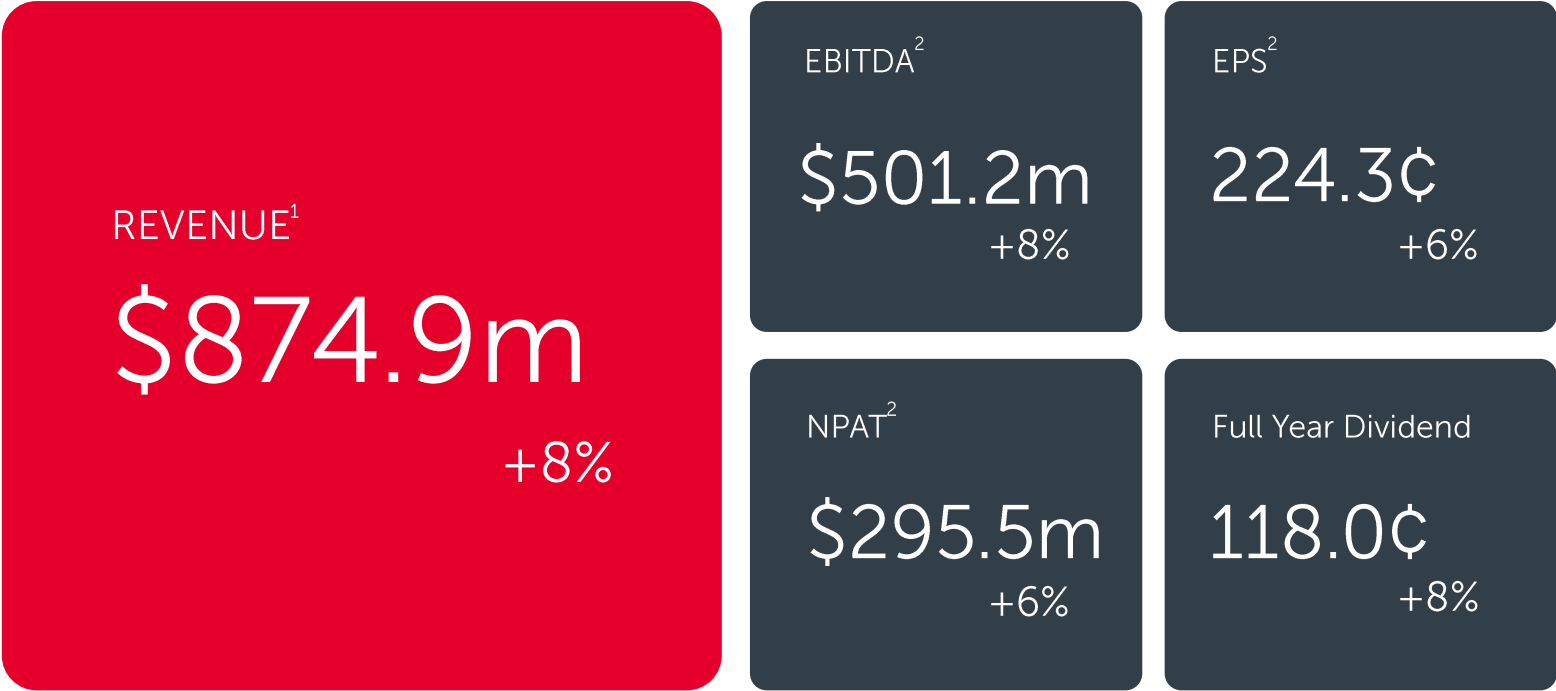
REA Group Limited

Investor & Analyst presentation

Full year results, 30 June 2019

Changing the way the world experiences property

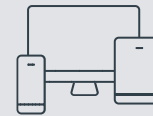
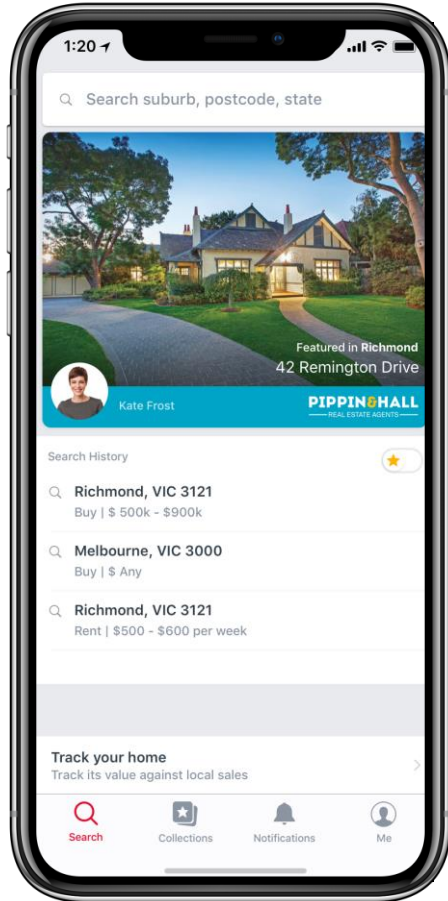
Full year financial metrics



1. Revenue is defined as revenue from property and online advertising and revenue from financial services less expenses from franchisee commissions as disclosed in the Consolidated Financial Statements as operating income. 2. Financial results from core operations excludes significant non-recurring items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions by associates and impairment charges. In the prior comparative period this excluded items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions, brand write-off and the impact of the change in US tax rates on the results of Move, Inc.

More than one million people visit realestate.com.au each day

The largest and most engaged audience



Total visits
76.8 million¹
2.98x more¹



Monthly searches
94 million²
19% growth²

Australia's best property app



Monthly app launches
29.4 million³
21% growth³



Time on app (minutes)
4.7x more⁴
17% growth⁴




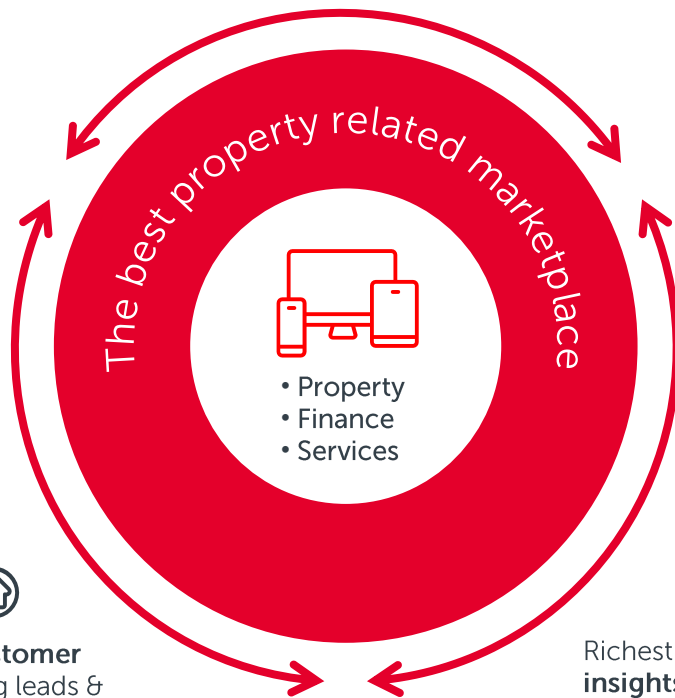
Total app downloads
9.1 million⁵
14% growth⁶

Sources: Heading: "more than one million" and "largest" - Nielsen Digital Content Ratings, tagged, people 2+, text, daily unique audience to realestate.com.au, mobile and app, Jul 18 - Jun 19. "most engaged" - Nielsen Digital Content Ratings, people 2+, text, computer & mobile, average time spent per person on realestate.com.au compared to the nearest competitor, Jul 18 - Jun 19. (1) Nielsen Digital Content Ratings, tagged, people 2+, text, total sessions and comparing total monthly sessions to the nearest competitor, Jul 18 - Jun 19. (2) Adobe Analytics, average number of searches on realestate.com.au web, mobile and app per month, Jul 18 - Jun 19 and as compared to the same period Jul 17 - Jun 18. (3) Nielsen Digital Content Ratings, tagged, people 2+, text, app launches, Jul 18 - Jun 19 and as compared to the same period Jul 17 - Jun 18. (4) Nielsen Digital Content Ratings, total time spent on the realestate.com.au app compared to the nearest competitor Jul 18 - Jun 19 and compared to the same period for realestate.com.au Jul 17 - Jun 18. (5) Google Play & iTunes App Store, total number of realestate.com.au app downloads at Jun 19. (6) Google Play & iTunes App Store, total number of realestate.com.au app downloads at Jun 19 compared to Jun 18.

Delivering on our strategy

Changing the way the world experiences property

 Individual, proactive & lifelong **consumer interactions**



Deepest **customer value** driving leads & ROI



Richest **content, data & insights** empowering decisions



Our global network:

AUSTRALIA



NORTH AMERICA



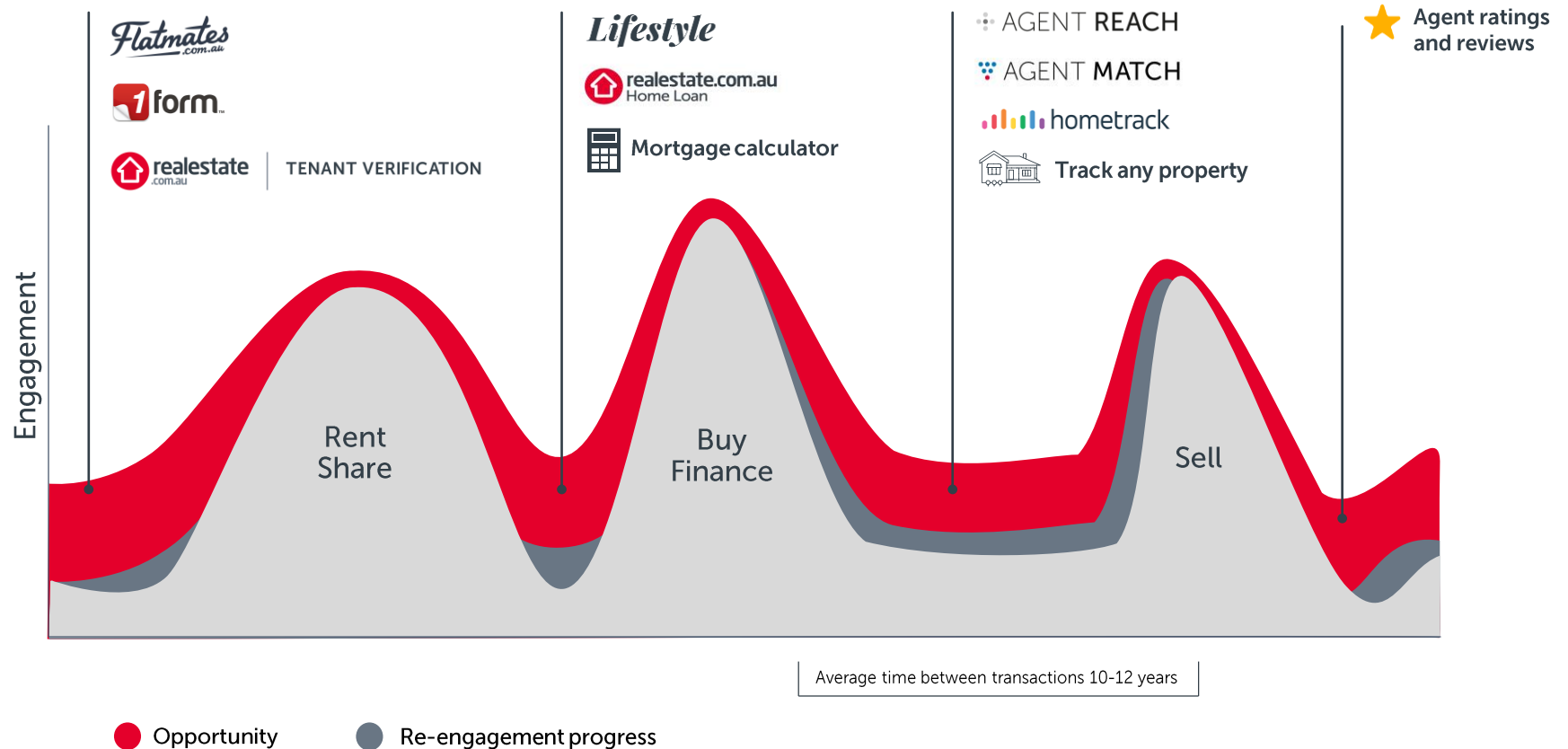
ASIA



Individual. Proactive. Lifelong.

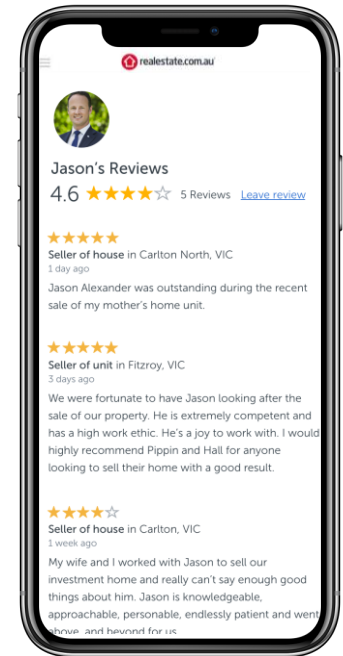
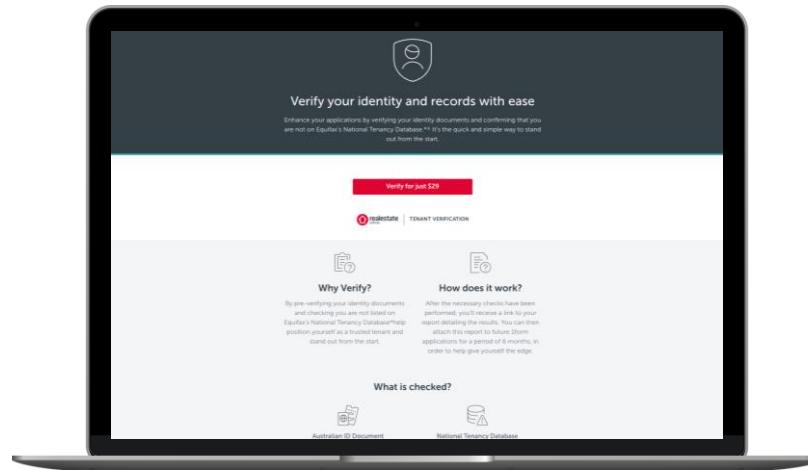
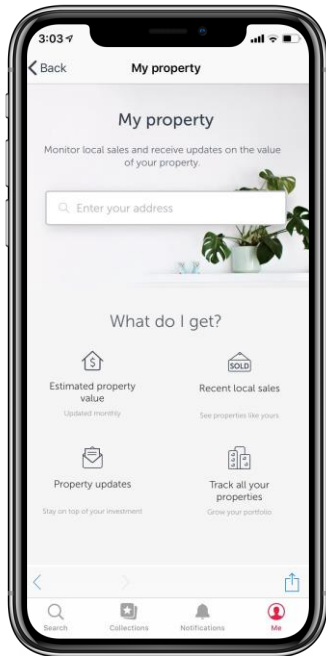
Engaging our audience

Our goal is to help people throughout their entire property journey.
We do this by providing an easy, stress-free and highly relevant experience.



Individual. Proactive. Lifelong.

Enhancing our consumer experience



Lifelong property partner

- Logged in users on realestate.com.au grew 9%.
- Consumers can now track multiple properties – more than 1.2 million properties tracked.¹
- Owners can now update their property details.

Supporting renters and sharers

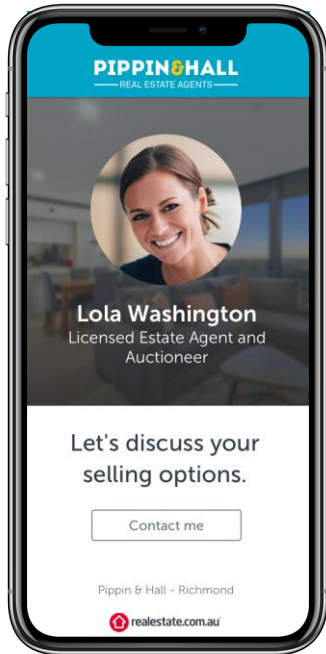
- 29,000 tenant verifications purchased since December 2018.
- More than 3 million applications received on 1form – 13% YoY growth.
- 457,000 new members welcomed to the Flatmates.com.au community.

Simplified seller experience

- More than 18,000 verified agent reviews published on realestate.com.au, helping consumers find the right agent for them when looking to sell.²
- More than 11 million visits from people specifically looking for an agent.³

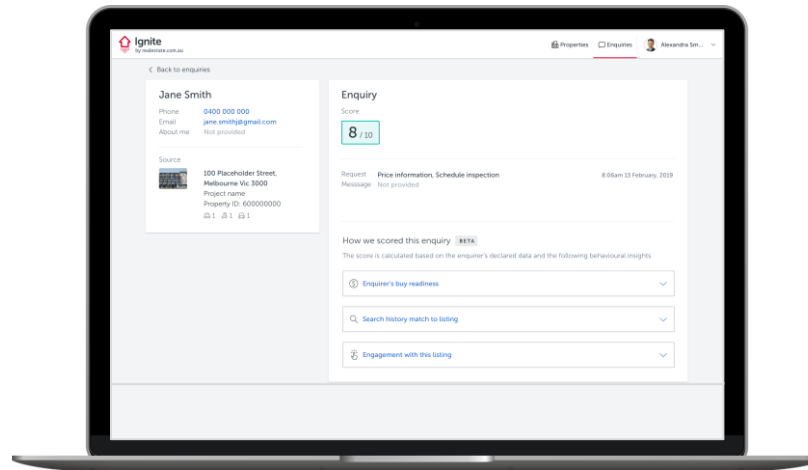
Strengthening our customer relationships

Delivering great leads and value



Supporting agents

- Agent Match now converting 20% of leads into listings.
- Launched Agent Reach, a new end-to-end digital marketing solution.
- Rebuilt agency search page, making it easier for vendors and landlords to find a tailored agency solution.



Creating new opportunities

- Launched Enriched Leads trial, providing Developer customers with deeper insights on when consumers are ready to buy.
- Enhanced Developer project profiles onsite to increase buyer engagement, including recommended listings and video functionality.
- 1 in 5 agencies signed up for a newly designed e-Brochure product.

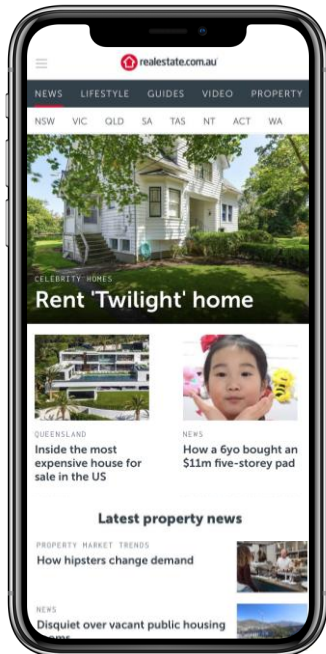


Making Business Easier

- More than 2,600 customers are now onboarded with Ignite.
- 80% of agents now using Ignite have enabled push notifications, providing campaign performance in real time and on-the-go.

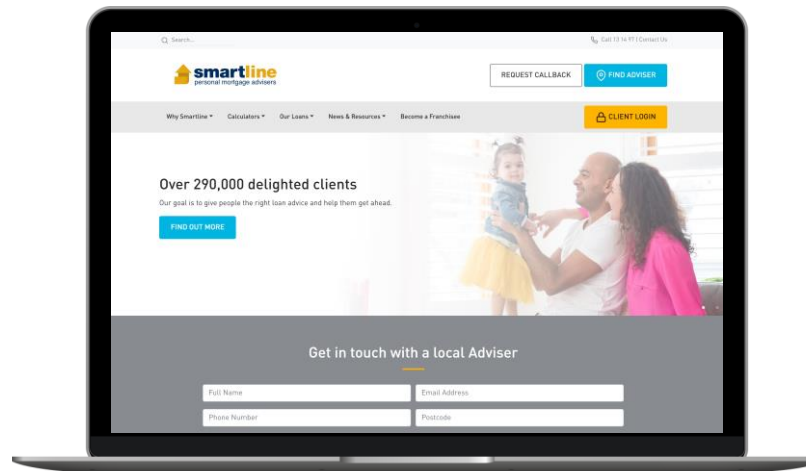
Richest content, data and insights

Reaching people beyond listings



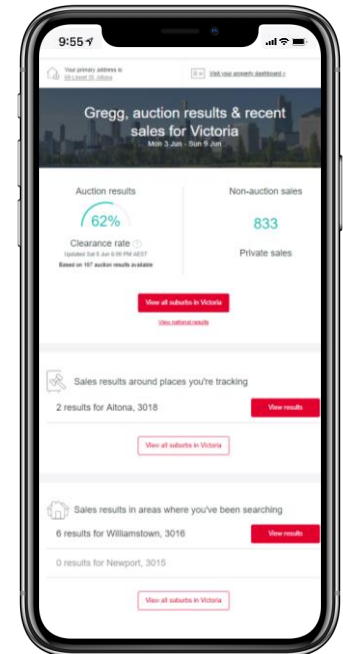
Inspiring content

- Exciting new partnership with the AFL, extending audience engagement.
- More than 14,000 new articles on realestate.com.au generating more than 52 million visits.¹
- Produced 1,300 new unique videos, driving 6.4 million video views and increasing traffic by 45% YoY.



Property finance

- More than \$1.8 billion in digital home loan applications since launching realestate.com.au Home Loans in 2017.²
- More than 12,500 unique visitors to our finance content hub daily.³
- Acquired remaining stake in Smartline, now 100% ownership.

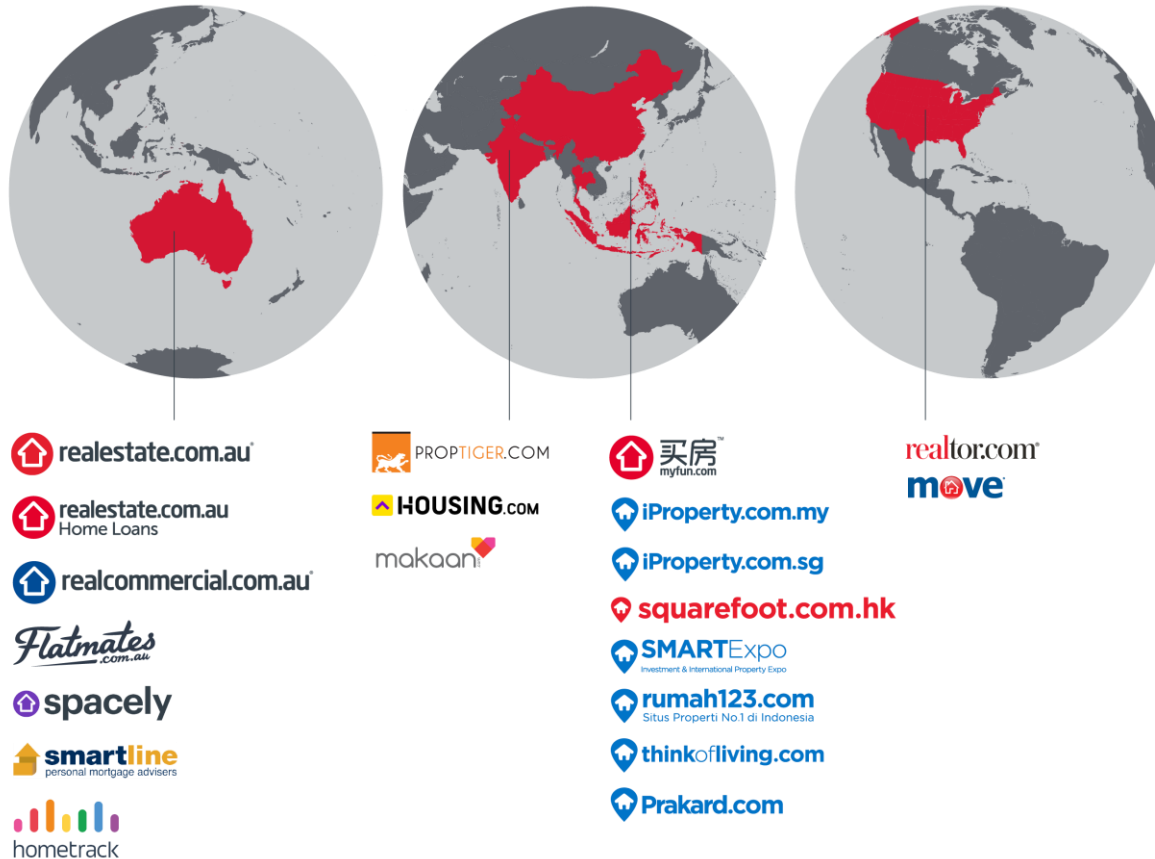


Personalised insights

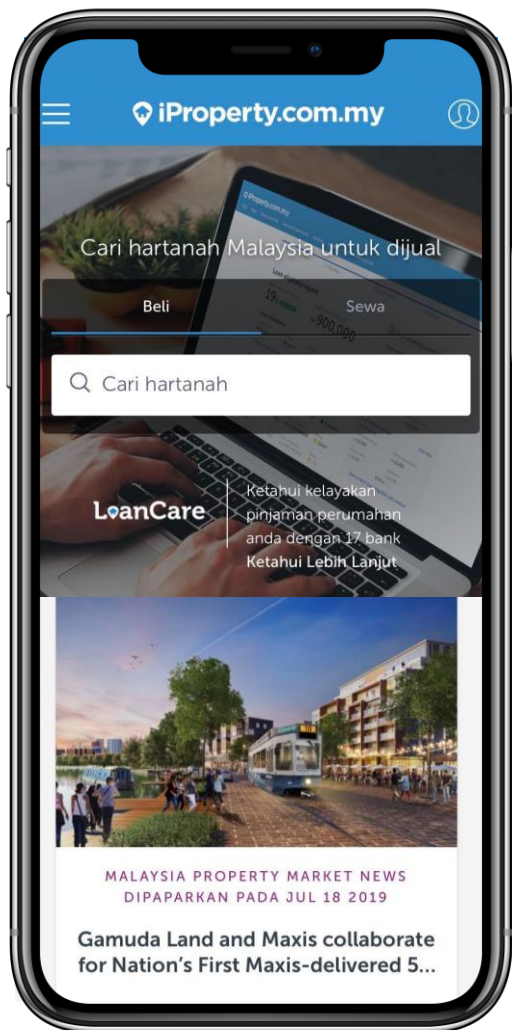
- Hometrack now the single-source of all property data on realestate.com.au.
- 1.4 million personalised Auction & Sales results emails sent to consumers weekly
 - 180% uplift on click through rates since personalisation introduced.

Our footprint spans three continents

REA's long-term growth strategy looks to extend our expertise to large and emerging markets. We have businesses in Australia, Asia and North America.



Growing our Asia business



Improving our audience position

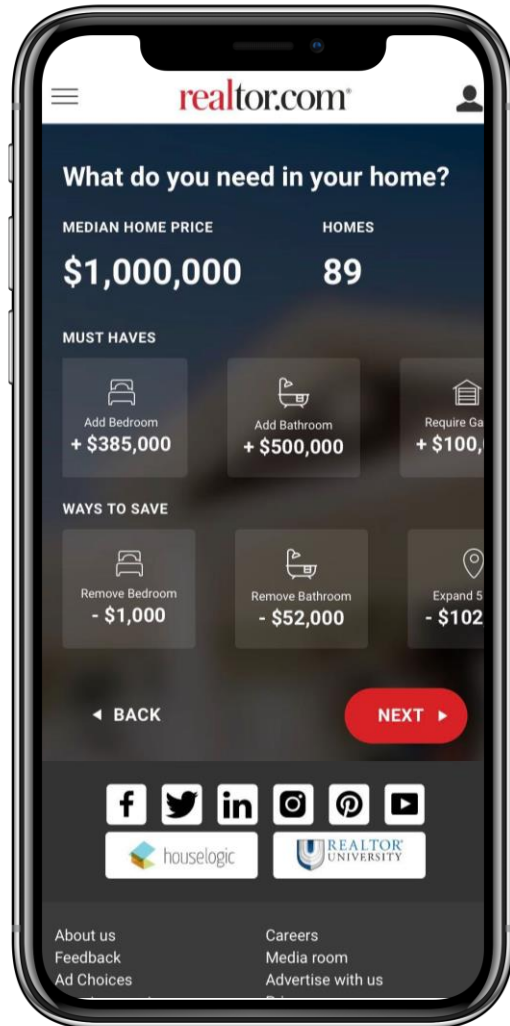
- Number one property site in Malaysia and Indonesia.¹
 - Malaysia increased visits by 56% and grew leads by 22% in the second half.²
 - Indonesia increased visits by 10% and grew leads by 7% in the second half.³
- Achieved leadership in Hong Kong in June.⁴

Innovating our experiences

- iproperty.com.my launched its first property search experience in Bahasa.
- LoanCare, Malaysia's home finance tool, has more than 320,000 visits since launch.⁵
- Integrated WhatsApp into our experiences across Malaysia, Indonesia and Hong Kong.
- Delivered major technology enhancements across all markets including a new single sign-on experience.
- More than 20,000 buildings added to 'A Page For Every Building' in Hong Kong.
- squarefoot.com.hk released a new content and lifestyle experience for the Hong Kong market.
- Integrated Hometrack data into myfun.com to power a new neighbourhoods section.

(1) SimilarWeb, monthly visits for iproperty.com.my site (Malaysia) compared to the nearest competitor and rumah123.com (Indonesia) compared to the nearest competitor at Jun 2019 Excludes app. (2) "Increased visits" SimilarWeb, monthly visits to iproperty.com.my Jan 19 – Jun 19 compared to Jul 18 – Dec 18; "Grew leads" REA Internal Data, Jan 19 – Jun 19 compared to Jul 18 – Dec 18. (3) "Increased visits" SimilarWeb, monthly visits to rumah123.com, Jan 19 – Jun 19 compared to Jul 18 – Dec 18; "Grew leads" REA Internal Data, Jan 19 – Jun 19 compared to Jul 18 – Dec 18. (4) SimilarWeb, monthly visits for squarefoot.com.hk compared to the nearest competitor at Jun 2019 Excludes app. (5) Google Analytics, total number of visits to LoanCare tool onsite between 29 Mar 19 – 30 Jun 19.

Our Global Investments



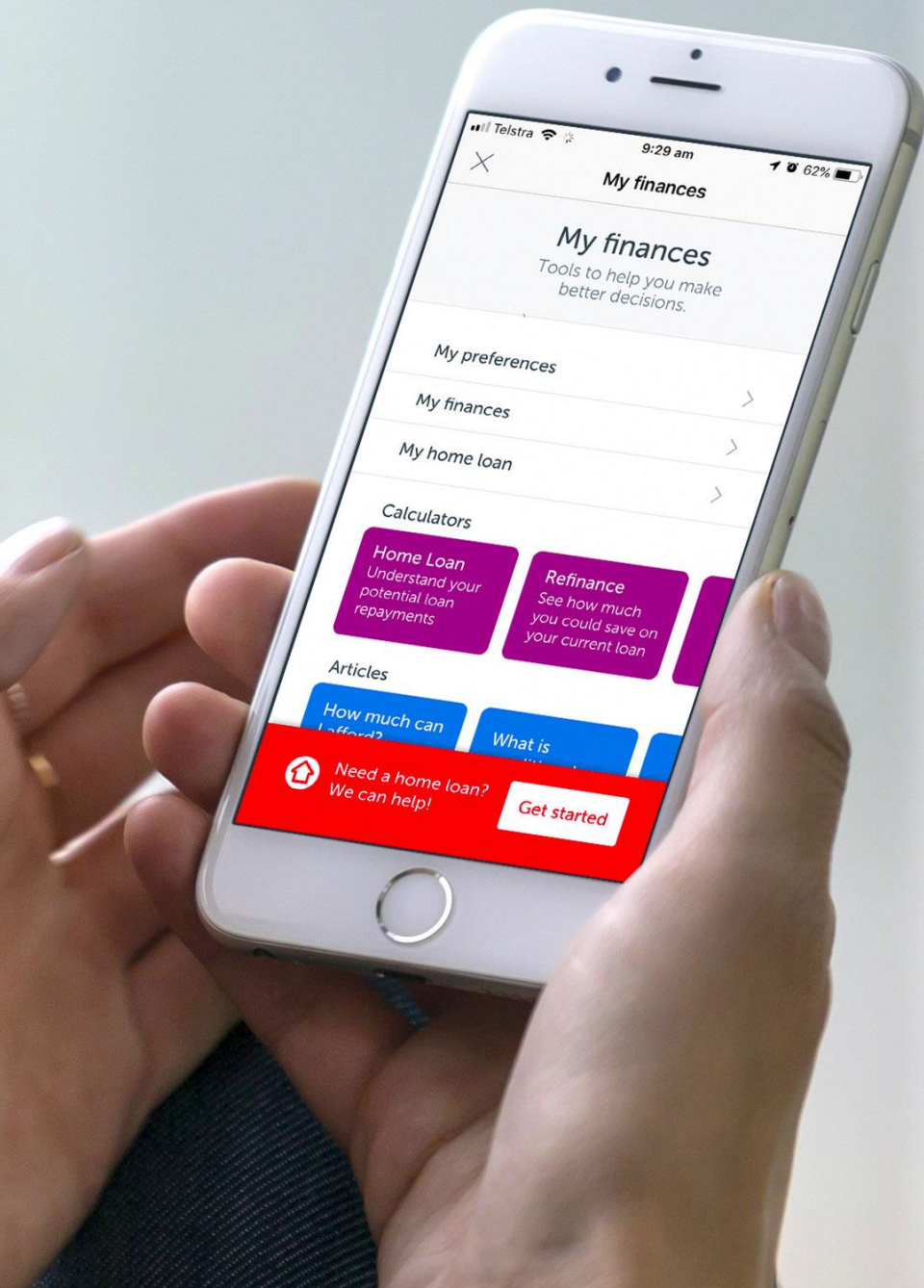
realtor.com[®]

- Revenue increased 7% to US\$484 million.¹
- More than 1.3 times total views per user.²
- Acquired Opcity Inc., in October 2018 – a lead generation technology platform.
- Launched Commute Time filter within listings experience.
- Launched Local Expert customer facing tool to help raise agent profiles.
- Price Perfect helps buyers find homes that match their needs.



- Revenue increased 54%.³
- Acquired FastFox in April 2019, a technology enabled rental brokerage offering end-to-end assistance to both landlords and tenants.
- Combined traffic to all three platforms increased 32%.⁴
- Housing.com grew listings by 81.5%.⁵
- Housing.com awarded best website at Realty+ PropTech Awards.
- First property portal in India to integrate WhatsApp into core experiences.

Source: (1) NewsCorp's Earning Release stated in US Dollars (8 August 2019) for the year ended 30 June 2019. (2) ComScore, total number of page views to realtor.com compared to its nearest competitor (Jul 18 - Jun 19).
Source: Elara Technologies Pte. Ltd. Internal Data (3) Revenue, for the period (Jun 18 - May 19) compared to same period (Jun 17 - May 18). (4) Average monthly visits to proptiger.com, housing.com and makaan.com (Jun 18 - May 19) compared to the same period (Jun 17 - May 18). (5) Average monthly active listings for housing.com for the period (Jun 18 - May 19) compared to same period (Jun 17 - May 18).

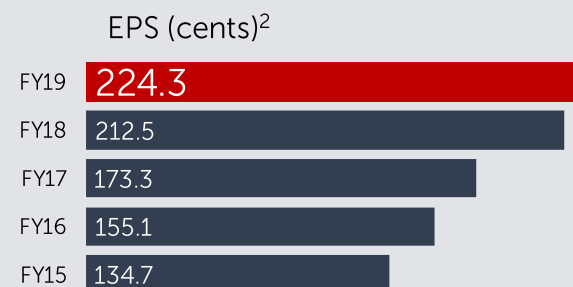
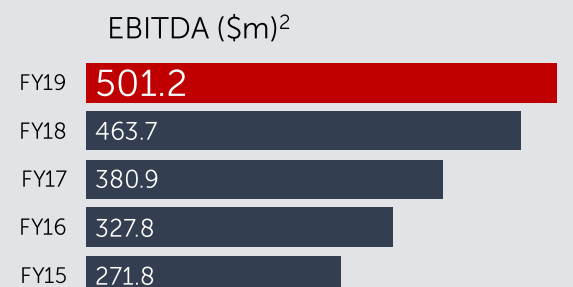
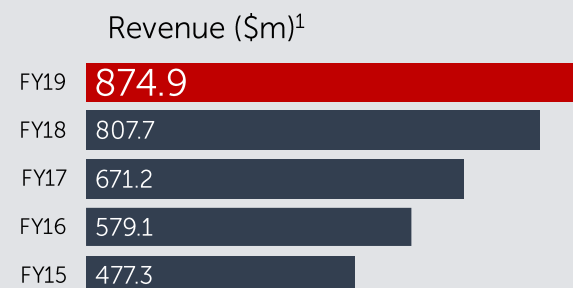


Financial Highlights

Full year results, 30 June 2019

Financial operating results

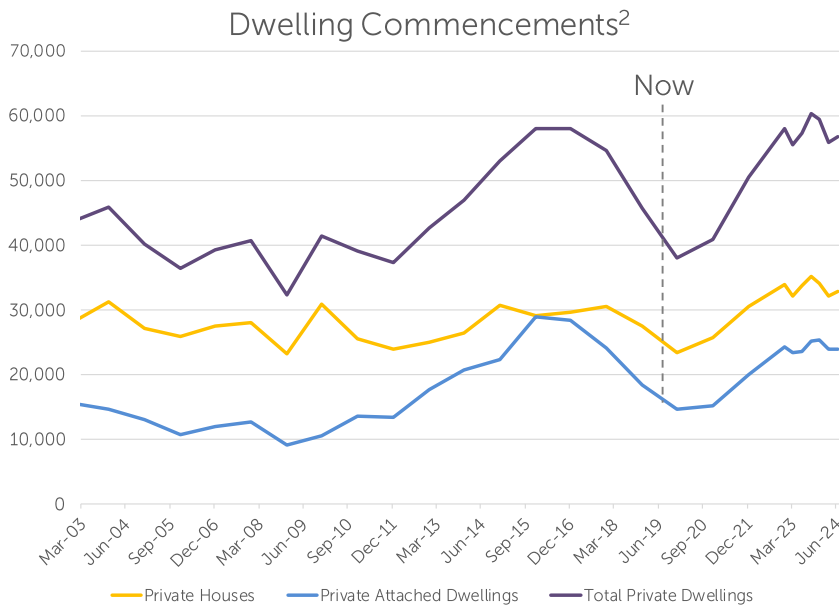
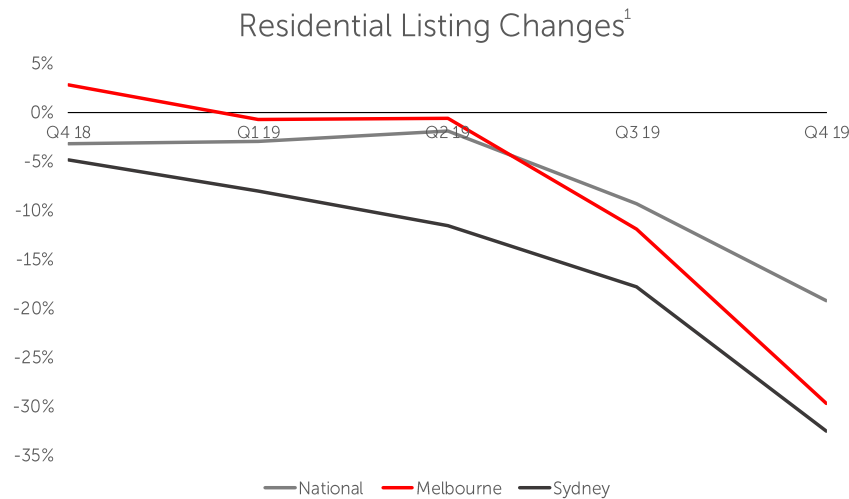
Performance (\$m)	FY 2019	FY 2018	Change
Revenue¹			
Australia	799.3	734.1	9%
Financial Services	27.0	29.3	(8%)
Asia	48.6	44.3	10%
Group Revenue	874.9	807.7	8%
EBITDA²			
Australia	518.2	473.1	10%
Financial Services	9.6	11.5	(16%)
Asia	7.4	8.3	(11%)
Associates	(14.1)	(7.8)	(81%)
Corporate	(19.9)	(21.4)	7%
Group EBITDA²	501.2	463.7	8%
<i>EBITDA Margin</i>	57%	57%	
NPAT²	295.5	279.9	6%
Cash Balance	137.9	115.8	19%
Earnings Per Share ('EPS') (cents) ²	224.3	212.5	6%
Dividend Per Share (cents)	118.0	109.0	8%
Reconciliation to Financial Statements (\$m)			
NPAT from Core Operations	295.5	279.9	6%
Unwind, revaluation & finance costs of contingent consideration	(1.2)	(2.5)	54%
Impairment charges/brand write-off, net of tax	(188.9)	(10.7)	n/m
Business combination transaction costs, net of tax ³	(0.1)	(2.1)	90%
US tax reform (revaluation of deferred tax balances)	-	(11.5)	n/m
Reported NPAT	105.3	253.1	(58%)



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Unfavourable market conditions



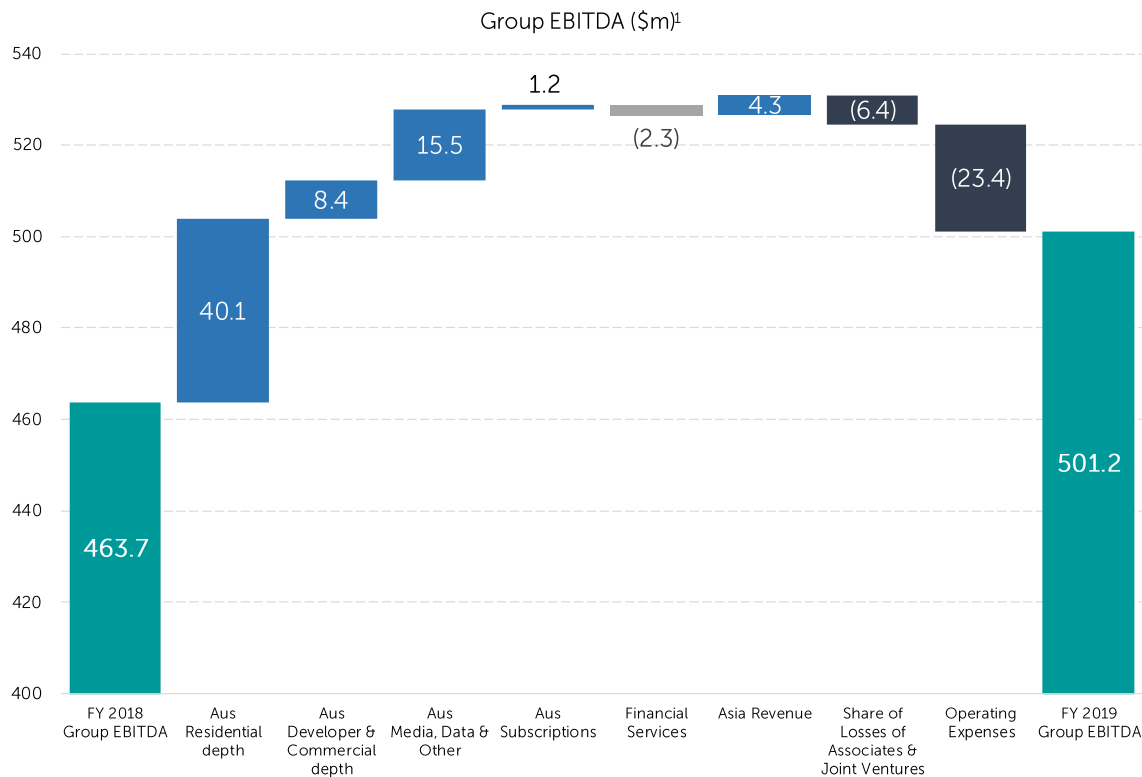
Residential listings

- Australian residential listings decreased 8% YoY, with significant declines in the second half of FY19.
- Sydney and Melbourne, the highest yielding states, drove the overall decline.
- Residential listing declines continued into July.

Developments

- Developer revenue continued to grow despite ongoing declines in dwelling commencements, particularly in the second half of FY19.
- BIS Oxford forecasts total new dwelling commencements to be 19% lower in FY20.

Continued EBITDA growth in challenging market conditions

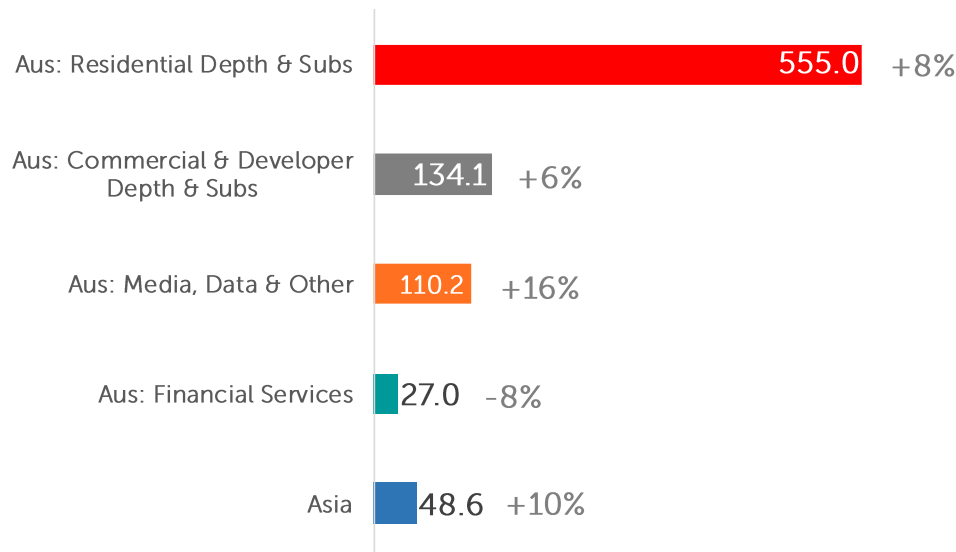


- Residential revenue growth reflects price changes from July 2018 and the continued success of Premiere All, despite declining listings.
- Developer and Commercial revenue grew due to an increase in project profile duration, acquisition of new customers and increased Commercial depth penetration.
- Full year contribution from Hometrack, acquired in June 2018 and included in Media, Data & Other.
- Operating expenses increased as a result of the continued investment in product innovation, the inclusion of Hometrack and variable costs associated with the higher volumes of Audience Maximiser.

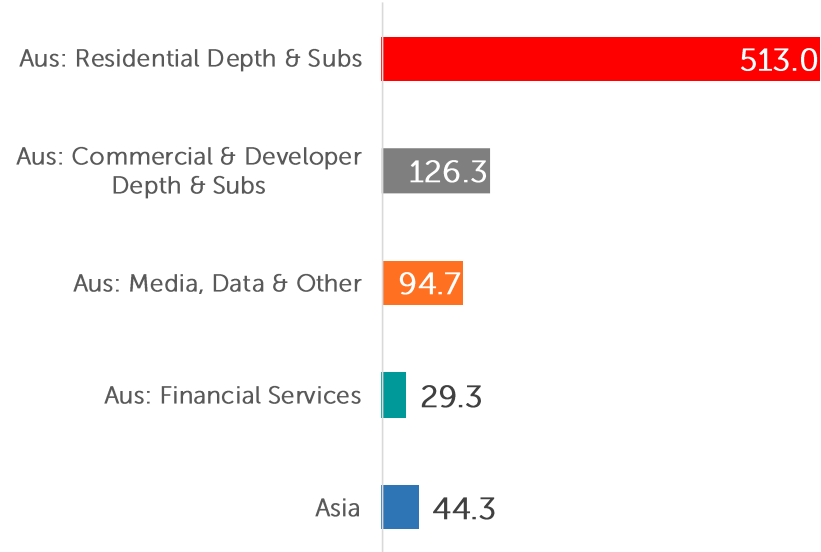
¹ Financial results from core operations excludes significant non-recurring items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions by associates and impairment charges. In the prior comparative period this excluded items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions, brand write-off and the impact of the change in US tax rates on the results of Move, Inc.

Listing depth strategy driving revenue growth

FY 2019 Group Revenue (\$m)



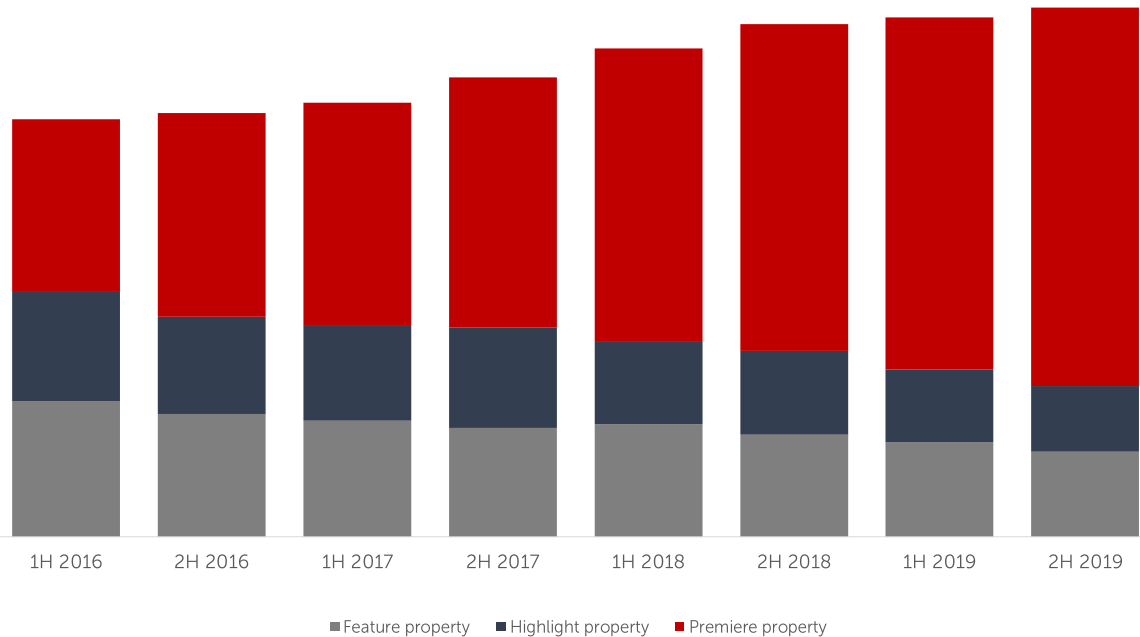
FY 2018 Group Revenue (\$m)



Revenue category (\$m)	FY 2019	FY 2018	Growth
Australia			
Depth revenue	630.0	581.5	8%
Subscription revenue	59.1	57.9	2%
Media, Data & Other	110.2	94.7	16%
Financial Services	27.0	29.3	(8%)
Australian revenue	826.3	763.4	8%
Asia	48.6	44.3	10%
Total revenue	874.9	807.7	8%

Delivering value for customers

Residential Premium Listing Penetration (depth)



Residential listing depth penetration

- Improved product mix and further depth penetration notwithstanding challenging market conditions.
- Continued success of highest yielding listing product 'Premiere' demonstrating the superior returns to agents and vendors.

Non-depth product growth

- Increased contribution from additional products such as Audience Maximiser.
- Increased lead generation for agents through Agent Match.
- Since launch, more than 29,000 Tenant Verifications have been purchased.¹

1. REA Internal Data, total tenant verifications purchased Dec 2018 - 30 Jun 2019.

Continued international growth

Asia Revenue

\$48.6m

+10%

Asia EBITDA¹

\$7.4m

-11%

Share of Losses

Elara

\$5.6m

Share of Losses

Move

\$8.4m

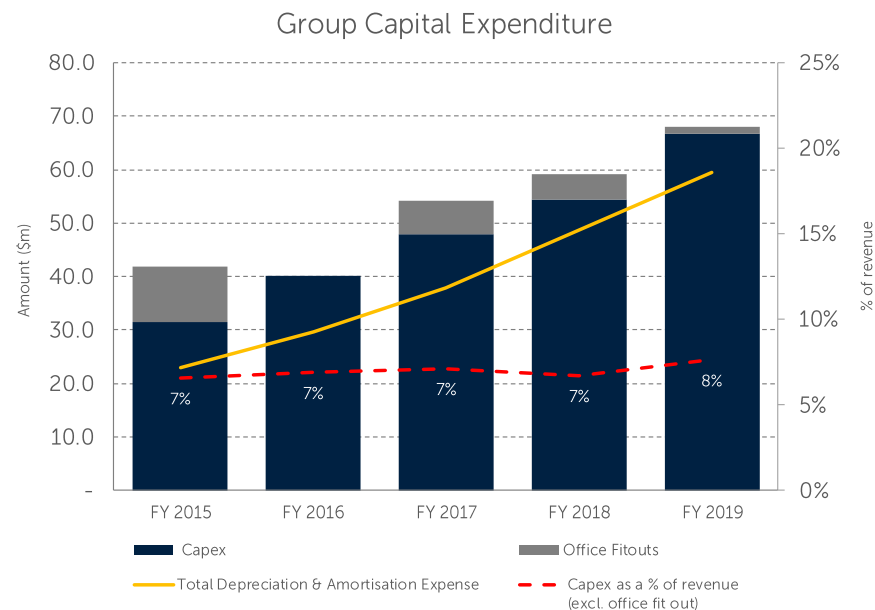
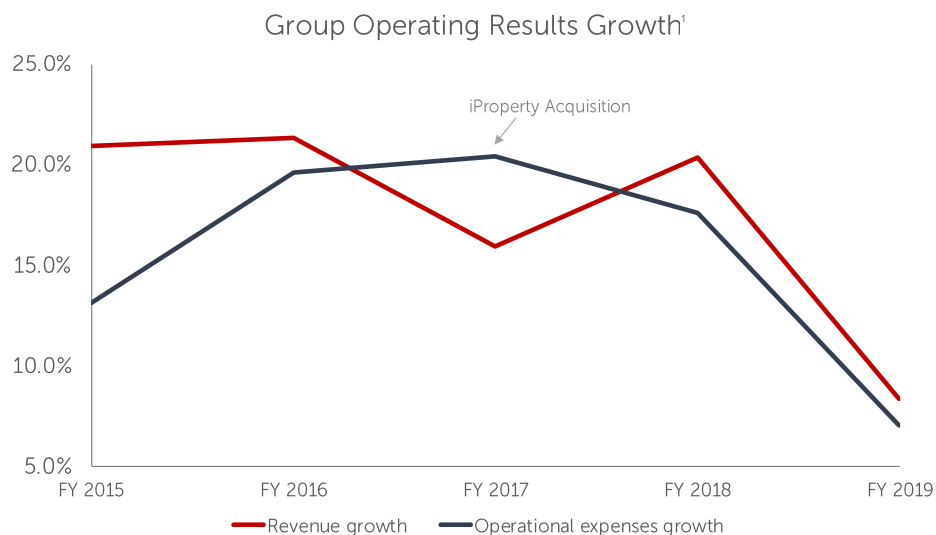
Asia

- Revenue growth driven by myfun & Malaysia despite challenging market conditions across the region.
- Further investment in product innovation and marketing in order to maintain and strengthen our market positions.
- Share of losses from Elara remained flat despite strong revenue growth due to continued investment in talent and marketing.

North America

- Acquired Opcity, a market-leading real estate technology platform that matches qualified home buyers and sellers with real estate professionals in real time.
- realtor.com® revenue growth of 7% to US\$484 million due to growth in Connections Plus product and the inclusion of Opcity.²
- Share of losses increased due to increased operating costs and the acquisition of Opcity.

Operating results & capital expenditure



The FY20 full year target is for the rate of revenue growth to exceed the rate of expense growth, however, this will not be the case in every quarter due to the stronger listing comparatives in H1FY19 and the different timing of expenses over the year.

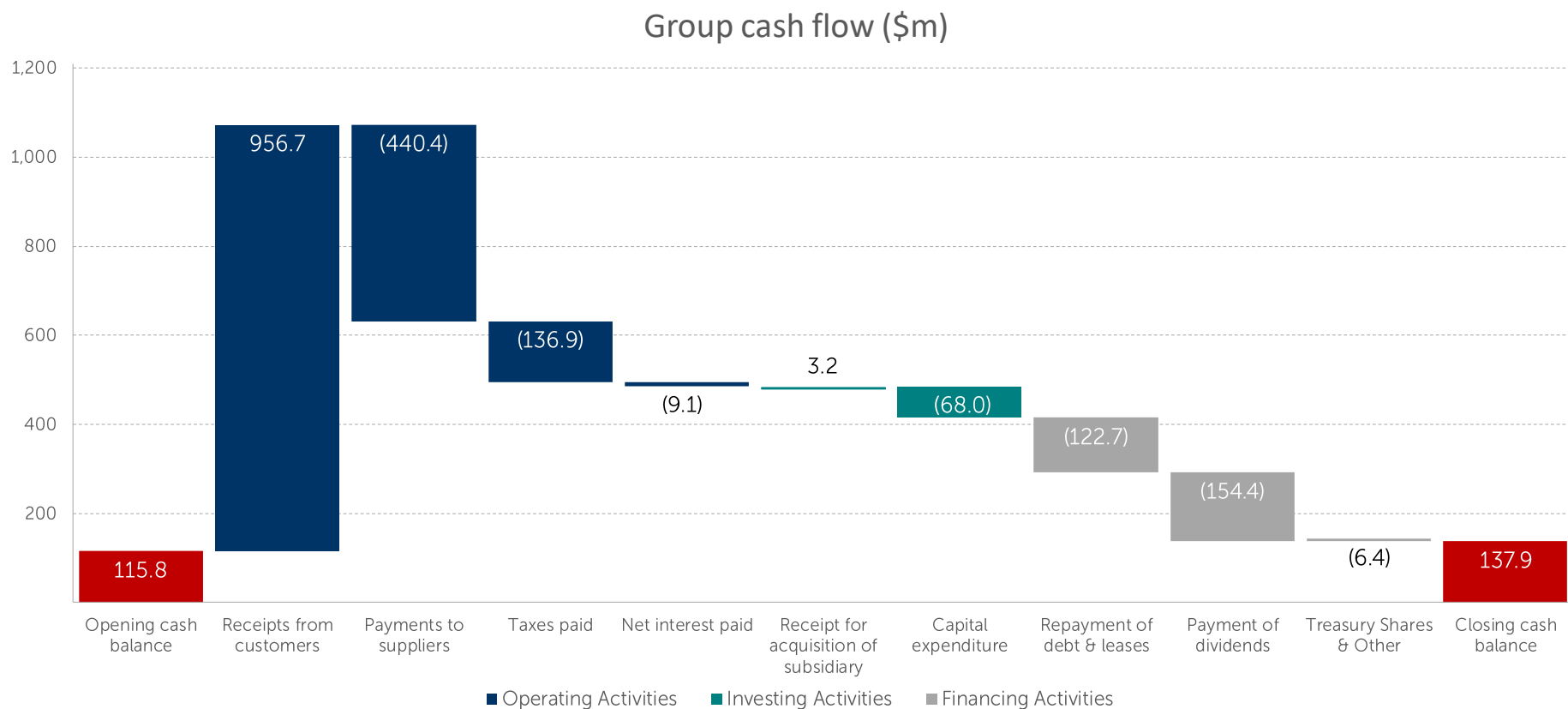
	FY 2019 Actual	FY 2020 Forecast
REA Group (\$m)		
Core Depreciation & Amortisation	60	64-69
Depreciation of leases (AASB 16)	-	8-11
Total Depreciation & Amortisation	60	72-80

		FY 2020 Forecast
Impact of AASB 16 (\$m)		
Operating Expense - Rent	Decrease	8-11
Depreciation Expense	Increase	8-11
Interest Expense	Increase	2-4
Net Impact to Income Statement	Decrease	2-4

¹ Financial results from core operations excludes significant non-recurring items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions by associates and impairment charges. In the prior comparative period this excluded items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions, brand write-off and the impact of the change in US tax rates on the results of Move, Inc.

Cash flow

Strong operating cash flows enabled further debt reduction.



*Only one place is #1
in Australia for property*¹

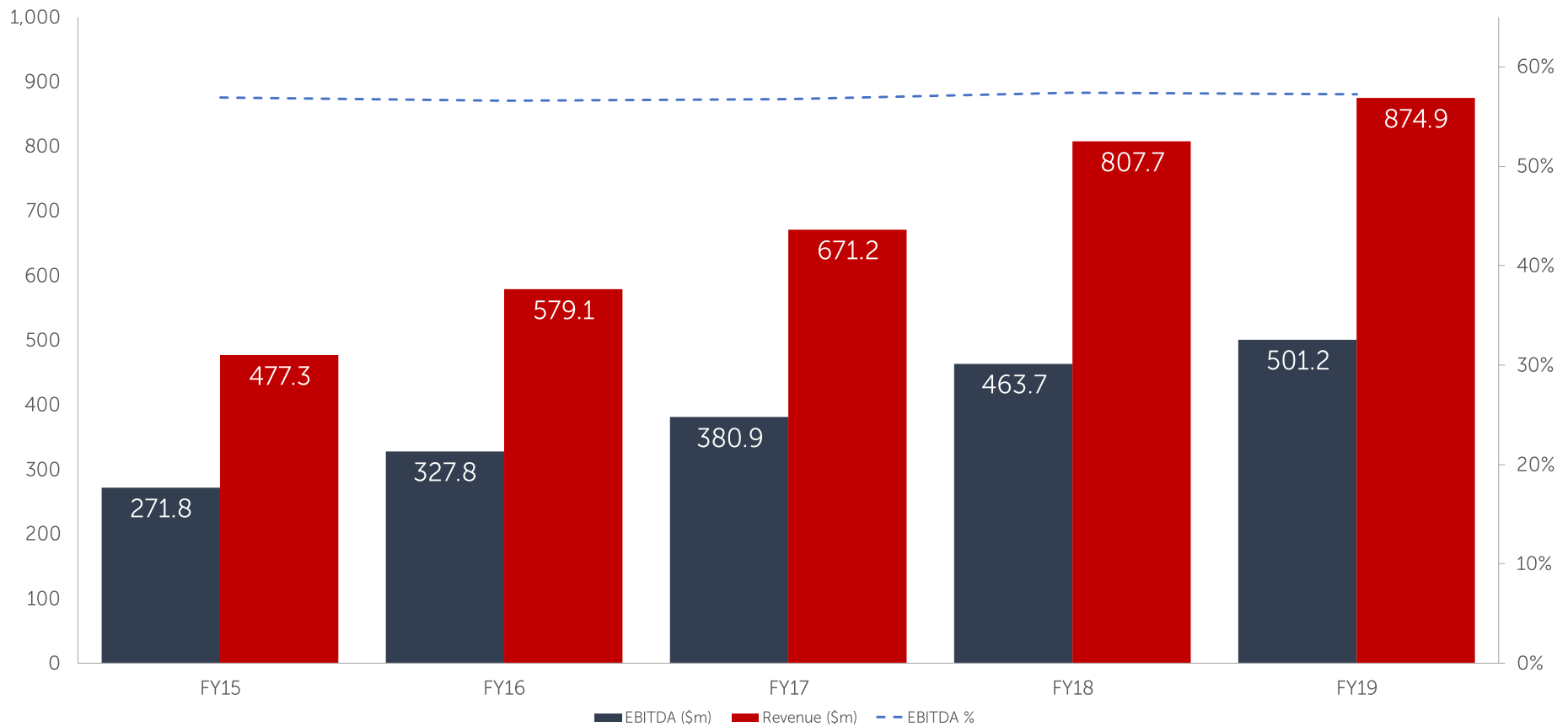
this is the place



Supplementary Information

Historical Revenue & EBITDA

Revenue, EBITDA and Margin
(core operations)¹



¹ Financial results from core operations excludes significant non-recurring items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions by associates and impairment charges. In the prior comparative period this excluded items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions, brand write-off and the impact of the change in US tax rates on the results of Move, Inc.

Financial comparatives

Group Results	Core Operations ¹										Financial Statements
	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2019
	\$m	Growth	\$m	Growth	\$m	Growth	\$m	Growth	\$m	Growth	\$m
Total Revenue	477.3	21%	579.1	21%	671.2	16%	807.7	20%	874.9	8%	874.9
Total Operating Income	477.3	21%	579.1	21%	671.2	16%	807.7	20%	874.9	8%	874.9
Operating Expenses	(198.5)	(13%)	(237.4)	(20%)	(285.8)	(20%)	(336.2)	(18%)	(359.5)	(7%)	(548.6)
Share of losses of associates & joint ventures	(7.1)	>100%	(13.8)	(96%)	(4.4)	68%	(7.8)	(76%)	(14.1)	(82%)	(14.2)
EBITDA	271.8	24%	327.8	21%	380.9	16%	463.7	22%	501.2	8%	312.1
EBITDA Margin	57%		57%		57%		57%		57%		36%
Depreciation & Amortisation	(22.9)	(25%)	(29.7)	(30%)	(37.8)	(28%)	(48.7)	(29%)	(59.6)	(22%)	(59.6)
EBIT	248.9	24%	298.2	20%	343.1	15%	415.0	21%	441.6	6%	252.6
Net finance income/(expense)	3.5	(63%)	(4.3)	(>100%)	(10.8)	(>100%)	(8.1)	25%	(6.5)	19%	(7.6)
Earnings before tax	252.4	20%	293.8	16%	332.3	13%	406.9	22%	435.1	7%	245.0
Income tax expense	(74.9)	(21%)	(89.6)	(20%)	(104.0)	(16%)	(127.0)	(22%)	(139.7)	(10%)	(139.7)
Net Profit	177.4	20%	204.3	15%	228.3	12%	279.9	23%	295.5	6%	105.3
Dividends per share (DPS) (cents)	70.0	23%	81.5	16%	91.0	12%	109.0	20%	118.0	8%	118.0
Earnings per share (EPS) (cents)	134.7	20%	155.1	15%	173.3	12%	212.5	23%	224.3	6%	79.7

1. Financial results from core operations excludes significant non-recurring items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions by associates and impairment charges. In the prior comparative period this excluded items such as revaluation, unwind and finance costs of contingent consideration, transaction costs relating to acquisitions, brand write-off and the impact of the change in US tax rates on the results of Move, Inc.

Cash flow reconciliation

Cash flow reconciliation (\$m)	FY 2019	FY 2018	Change
EBITDA ¹	501.2	463.7	8%
Working capital movement	(0.5)	(3.8)	86%
Net interest paid	(9.1)	(6.6)	(38%)
Income taxes paid	(136.9)	(124.1)	(10%)
Capital expenditure	(68.0)	(59.3)	(15%)
Share of losses of associates and joint ventures	14.1	7.8	(82%)
Other	(4.3)	(10.0)	n/m
Free cash flow	296.5	267.7	11%
Receipt/(Payment) for acquisition of subsidiary	3.2	(307.8)	n/m
Repayment of borrowings and leases	(122.7)	(64.0)	(92%)
Dividends paid	(154.4)	(129.4)	(19%)
Other	(0.6)	(4.2)	n/m
Net cash inflow/(outflow)	22.1	(242.7)	n/m

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Visit our
investor site at
rea-group.com

Disclaimer: This presentation contains non-specific background information about REA Group's current activities. This information is a summary only. Investors and potential investors should obtain independent advice. This information is not intended to provide advice to investors or potential investors and does not take into account the individual investment objectives, financial situation or needs of any particular investor(s). These factors should be considered when making investment decisions.

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