

**ASX Announcement
6 November 2015**

REA Group Q1 FY2016 financial information released

REA Group Limited (ASX:REA) today released details of the year to date financial information which was reported by News Corp on 5 November 2015 (New York time). The News Corp report includes US GAAP financial information for REA Group and its subsidiaries for the first quarter ended 30 September 2015.

Group financial highlights for the quarter ending 30 September 2015 include revenue growth of 21% to \$146m and EBITDA growth from core operations of 30% to \$82m.

A summary table of the key financial information is presented below. This information is presented in Australian dollars and is prepared under AIFRS.

	For three months ended 30 September (AUD\$) ¹		
Millions	FY2016	FY2015	% change
Revenue	146	121	21%
Operating expenses	(64)	(58)	10%
Segment EBITDA from core operations ²	82	63	30%
Free cash flow ³	49	24	103%

The strong first quarter result has been driven by the growth in our Australian top tier listing products. This, combined with higher listing volumes in the Australian market, delivered an improvement in the revenue growth rate this quarter.

The rate of growth in operating expenses has lowered reflecting the different timing of some expenses compared to the prior year.

On Monday we announced our intention to enter into a scheme arrangement to acquire iProperty Group Ltd (ASX:IPP). This is a significant step forward in our strategy to become a truly multinational Australian business. Since our initial investment in iProperty Group, the business has performed well. Its local management team has grown its network and delivered strong revenue growth. This puts iProperty in a great position to benefit from the growth in the Asian region.

In Australia, our flagship site realestate.com.au leads the market across all devices and has the most highly engaged property audience. Average monthly visits

¹ Q1 results are based on unaudited financial information.

² Core operations is defined as Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) and excludes share of losses from associates.

³ Free cash flow is REA Group consolidated cash flows before dividends paid and cashflows from investments in financial assets.



increased 33% to 42.7 million and consumers spent 257.3 million minutes a month on realestate.com.au's main and mobile site during the quarter, outperforming the average monthly time on site of the number two portal by 5.5 times.⁴

REA Group Chief Executive Officer Tracey Fellows commented:

"This has been a strong first quarter for REA. We've seen growth in the Australian listings markets and we've continued to provide new and exciting ways for people to be in charge of how and when they buy, sell, rent or invest in property.

"The notification you get on your Apple Watch when you walk past a property for sale, being able to search for suburbs based on lifestyle and affordability versus just location, or, most recently, the ability to look up any property in Australia and find out its estimated value – these are just some of the ways we're empowering people to make property simple, efficient and stress-free.

"Our international markets are going from strength to strength. In the US, realtor.com is now the number two site and the opportunity in Asia continues to grow as more and more people look online for property. The momentum in Europe around listings, audience and depth products has continued in the first quarter."

A full copy of News Corp's Form 10-Q to be filed with the U.S. Securities and Exchange Commission (SEC) will be lodged with the ASX when it becomes available. It is noted that the reported US Dollar figures in the News quarterly release may not agree to the Australian Dollar figures noted above, as the reported figures are presented in accordance with US GAAP by which News Corp must comply.

Ends.

For further information, contact:

Media: Natalie Cerny Head of Corporate Affairs M: +61 407 487 221 E: natalie.cerny@rea-group.com	Investors: Owen Wilson Chief Financial Officer P: +61 3 8456 4288 E: ir@rea-group.com
News Corp (New York) media inquiries: Mike Florin SVP, Head of Investor Relations P: + 212 416 3248 E: investor@newscorp.com	

⁴ Source: Nielsen Online Market Intelligence Home and Fashion Suite Total Traffic for Audited sites for the main and mobile sites of realestate.com.au compared to domain.com.au for the quarter ended 30 September 2015 and 2014.

About REA Group

REA Group Limited ACN 068 349 066 (ASX:REA) is a multinational digital advertising business specialising in property. REA Group operates Australia's leading residential and commercial property websites, realestate.com.au and realcommercial.com.au, European sites casa.it, atHome.lu and immoRegion.fr, and Chinese property site myfun.com. REA Group also has a significant shareholding in US based Move, Inc. and ASX listed iProperty Group Ltd (ASX:IPP) which operates a number of property portals in Asia. www.rea-group.com