Market Release **2 November 2005**

realestate.com.au and NEWS INTERNATIONAL JOINTLY ACQUIRE

UK REAL ESTATE PORTAL SITE PROPERTYFINDER.COM

realestate.com.au and News International today announced the joint purchase of Asserta Holdings Limited, which owns the UK property portal Propertyfinder.com, for $34 million (£14.3m).

realestate.com.au and News International, the publisher of the UK's leading newspapers, jointly purchased, on a 50:50 basis, 95 per cent of Asserta Holdings from funds advised by venture capital firm Arts Alliance, as well as minority shareholders including Hamptons Group Limited.

Propertyfinder.com is one of the UK's largest property websites. Launched in 1995, Propertyfinder is currently used by over 2,000 leading estate agents throughout the UK to advertise over 200,000 properties for sale and for rent. The site is visited by 700,000 property hunters each month. Currently Propertyfinder.com has revenues of approximately $7 million per annum with the business making a slight loss.

Under its new ownership, Propertyfinder.com and its customers will significantly benefit from the market leading skills and capabilities of realestate.com.au and News International. Propertyfinder.com will have the clear objective of becoming the leader in the UK online property market.

According to Simon Baker, Chief Executive Officer of realestate.com.au, "We are very excited about the acquisition of Propertyfinder.com, our second overseas expansion after entering New Zealand in May. There are many similarities between Propertyfinder.com today and the realestate.com.au of 3 years ago and we believe that the combined forces of News International and REA will provide the business with a good chance of becoming the leader in the UK market over the next 2 to 3 years."

Propertyfinder.com will utilise realestate.com.au's market leading technology, product suites, and sales and marketing approaches to provide customers with a broad range of advertising options while to rapidly accelerating subscription and visitor growth.

News International will provide the unparalleled reach of its newspapers and websites to enhance awareness of the Propertyfinder.com brand and to provide new distribution channels for the listings of Propertyfinder.com's customers.

Adam Valkin of Arts Alliance, the seller, commented "We believe realestate.com.au and News International are the ideal team to lead the business during its next phase of growth. The combination of realestate.com.au's proven track record and News International's unequalled reach will ensure that Propertyfinder and its customers are in the best possible hands."

realestate.com.au's share of the purchase price is $17 million and will be funded through a combination of existing cash reserves and a rights issue to shareholders. It is expected that the rights issue will occur over the next 3 to 4 months with the terms being announced in due course. During the interim period, realestate.com.au has secured a 6 month bridging loan from News International on arm's length terms.

realestate.com.au will have management control of Propertyfinder.com with the CEO of realestate.com.au, in conjunction with the Propertyfinder General Manager, responsible for the day-to-day operations. A separate Board will be in place to oversee strategic direction.

To purchase Propertyfinder.com, realestate.com.au and News International have established a UK based holding company in which each has an equal shareholding and the right to appoint an equal number of directors. The Chairman has no casting vote. The Agreement and the holding company's Articles of Association contain the usual provisions relating to proceedings of directors and pre-emptive rights over the other party's shareholding. These arrangements are on arm's length terms.

About realestate.com.au Limited

realestate.com.au Limited (ASX: REA) is locally and internationally recognized as Australia's largest source of real estate listings. It is 51.5% owned by News Limited, has a market capitalisation of A$270m, and projected FY 2006 profit before tax of A$14m on revenues of A$51m.

Founded in 1995, realestate.com.au is used by 80 percent of all Australian agents and property developers who advertise 350,000 properties for sale and for rent on the site. According to Neilson//NetRatings, in October 2005 the realestate.com.au website attracted more than 2.2 million unique browsers consisting of 2 million Australians and 200,000 visitors from overseas.

realestate.com.au currently has website operations in Australia (realestate.com.au and realcommercial.com.au), New Zealand (allrealestate.co.nz), and the UK (propertyfinder.com) as well as Australia's largest real estate website design business (realestate.com.au Web Design Services) and a mortgage broking business (realestate.com.au Home Loans).

About News International Limited

News International Limited is the main UK subsidiary of the global media company News Corporation. News International's subsidiary Times Newspapers Ltd publishes The Times and The Sunday Times, and the subsidiary News Group Newspapers publishes The Sun and News of the World. A subsidiary of News International is the publisher of the London Property News.

About Arts Alliance

Arts Alliance, based in London, advises a series of venture capital funds. The company was founded by Thomas Hoegh in 1996 and has advised on over 40 investments in the US and Europe. Arts Alliance focuses on companies that use technology to deliver new or enhanced services to consumers and professional users. Funds advised by Arts Alliance typically act as lead investor in seed and early-stage funding rounds. Areas of investment include media, entertainment, communication, retail and logistics. The company provides a hands-on approach to investment and provides strategic and operational support. Other investments include Lastminute.com (sold to Travelocity), Lovefilm, Servista, and PlayerX.

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