MEDIA RELEASE
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The REA Group to Acquire 51% of Albabworld.com - Dubai's Largest Real Estate Advertising Magazine and Leading Website

The REA Group (ASX: REA, realestate.com.au Ltd and its subsidiary businesses) has signed contracts to acquire 51% of the largest real estate advertising magazine in Dubai, United Arab Emirates, and a leading real estate website. On completion of the transaction, the Group will pay US$1 million (~A$1.2m) and will inject a further US$2.1 million (~A$2.5m) of additional equity into the business during the current financial year.

The REA Group will immediately re-brand the publisher's real estate advertising website, AlBabWorld.com, as propertyfinder.ae. This move builds on the strength of the Group's propertyfinder.com, which is the second largest residential real estate site in the United Kingdom,[1] and the source of a significant number of Dubai's foreign investors.

The publisher produces a bi-weekly property magazine called AlBabWorld, in both Arabic and English. It has the largest independently audited circulation of any Dubai real estate magazine.[2]

Swiss Media Group, which founded the publisher, will retain 49% of the shares and the current management team will remain in place.

Advertisers in Albabworld have included the region's leading real estate developers and real estate agents, such as Asteco, Connection Properties, Deraaj & Coast and Taktical.

Dubai itself is an economic dynamo in the Gulf Region. It is the most populous city in the United Arab Emirates, whose population is likely to double within the next 10 to 15 years.[3]

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[1] Source: comScore Media Metrix (August 2007)
[2] Source: BPA Worldwide
[3] United Arab Emirates Yearbook 2006

"We anticipate significant future growth in the Gulf region," said Simon Baker, the REA Group's CEO and Managing Director. "Acquiring a strong local player with an existing brand and good market position gives us the opportunity to capture a major part of that growth."

He added, "This transaction comes just weeks after our acquisition of Square Foot in Hong Kong, and follows others in northern Europe in February of this year. The more we grow internationally, the bigger the advantage we have over competitors who tend to operate only within individual countries."

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About Swiss Media Group
Swiss Media Group publishes a variety of print and online publications in the real estate, bridal and equestrian and watchmaking categories in Europe and Dubai. Its titles include AlbabWorld.com, Se Marier, Equestrio and Swiss Watch Report, all of which have related websites. Visit www.swissmg.com for more info.

About the REA Group
realestate.com.au Ltd. (ASX:REA) and its subsidiary companies, known as the REA Group, make up a global online real estate advertising company headquartered in Melbourne, Australia. The REA Group had revenues of AUD$108m in FY 2007, is used by more than 19,000 agents, has approximately 7.7m unique visitors per month (July 2007, Nielsen//NetRatings, HBX Analytics, Omniture) and is profitable. As a listed company, realestate.com.au Ltd operates as an independent entity.

The REA Group operates 18 real estate advertising websites in 10 countries: Australia, Belgium, France, Germany, Italy, Hong Kong, Luxembourg, New Zealand, United Arab Emirates and the United Kingdom. The Group also provides estate agent office management tools and web design services.

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