ASX Announcement
13 November 2014

REA Group Annual General Meeting
CEO's Address – Ms Tracey Fellows
The Melbourne Exhibition Centre, Melbourne

Good morning and thank you, everyone, for taking the time to be with us today.

I would like to start by thanking Peter Tonagh. Peter, having you step in as interim CEO is a great testament to the commitment of our Board and I know that it was hugely appreciated by everyone at REA.

Since starting in the role three months ago, I have spent a lot of time listening to customers, employees and other stakeholders across our international markets and every state in Australia.

And I have learnt that people love our sites and apps, which is also reflected in our audience numbers and market share.

FY15 Q1 Metrics

- In the first quarter of 2015, our Australian sites attracted, on average, 33 million[1] visits each month. In October alone, this rose to a record 38 million[2].
- That's over 20 million more visits than our nearest competitor[3].
- And, of the consumers who use REA sites, two-thirds don't visit our nearest competitor[4].

Through our mobile sites and apps, we're also making it easy for people to use our products as they go about their day, switching from desktop, phone and tablet.

Just as importantly, all this is reflected in our financial results.

We recently announced that in the **first quarter** of this year, our revenue grew by 22% to $121 million.

[1]Nielsen Online Market Intelligence Home and Fashion Suite Total Traffic for Audited sites average monthly visits for the three months ended 30 September 2014 for the main and mobile sites for realestate.com.au, realcommercial.com.au and property.com.au combined. Includes international traffic to sites.

[2] Nielsen Online Market Intelligence Home and Fashion Suite Total Traffic for Audited sites monthly visits to main and mobile sites for realestate.com.au, realcommercial.com.au and property.com.au combined in October 2014.

[3] Nielsen Online Market Intelligence Home and Fashion Suite Total Traffic for Audited sites monthly visits for October 2014 for the main and mobile sites for realestate.com.au, realcommercial.com.au and property.com.au combined, compared to domain.com.au, commercialrealestate.com.au and allhomes.com.au combined (allhomes.com.au included from July 2014). Includes international traffic to sites.

[4] Nielsen Online Ratings, average for the three months to 30 September 2014.

And our EBITDA grew by 31% to $63 million.

This is a strong first quarter result and we look forward to a strong spring selling season, which we're in the midst of now.

At REA, we have a very clear purpose, which is **'Empowering people by making property simple, efficient and stress free'.**

And, if I just talk about a few of the products we've recently brought to market, you'll see how that looks in action:

- We're helping match flatmates through our new Share site;
- Our new My Property Profile tool is helping residential real estate agent customers keep up-to-date with price trends, inspections and sold prices for local properties similar to their own;
- We're about to launch Agent Profiles, which helps agents build their profiles and gives consumers information about their local agents so they can make an informed choice about who they list their property with.
- And through our Chinese site, myfun.com, Chinese buyers can now explore Australian properties in Mandarin.

So, let me talk further about our strategy for growth. We've enjoyed significant growth over recent years and we continue to see opportunities.

Consistent with our purpose, we will invest in areas that make property simple, efficient and stress free for both our customers and consumers.

In 2015 we will continue to focus our efforts on three core areas of growth:
- depth products;
- adjacent products;
- and international growth.

Starting with our premium listing products, which we call our depth products.

We continue to evolve our depth product strategy, this year moving to market-based pricing.

The price of our premium listing products now takes into account the value and location of the property, making it more affordable to a wider range of vendors and expanding the market for these products.

Our purpose has also driven us to explore new opportunities in adjacent markets.

Later this year, we will launch our Connections product. Partnering with a range of providers, we will make it easier for movers to connect their electricity, gas, internet, phone and pay TV.

Drawing on technology we acquired with 1Form.com, this new product benefits consumers as well as real estate agents - who will be rewarded for facilitating connections.

We are also looking at opportunities to partner with the finance sector in order to help consumers source finance, as we know that is an important part of the property journey.

Onto international growth.

As Hamish mentioned, our intended 20% investment in Move, Inc. – a leading player in US digital real estate advertising - will give us an entry point to the world's largest residential real estate market.

This is a huge opportunity to create future value for our shareholders.

We are also investing internationally where the digital real estate advertising market is less mature.

Our investment in iProperty Group in South East Asia means we will have access to a number of Asian markets where there is a growing middle-class who are becoming digitally connected.

We see significant potential for this investment as the market matures and advertising increasingly moves online.

So, this is an exciting time for REA Group.

We have a clear purpose that is driving our success domestically and internationally.

We have a team of people who have the ideas and skills to seek new opportunities. And a culture that is recognised across the country and, indeed, the world, for using agile work practices and bringing out the best in our people.

I'd like to close by thanking our employees who work so hard to make property simple, efficient and stress free for our customers and consumers - which, in turn, delivers great value for our shareholders.

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