

**ASX Announcement
5 February 2021**

REA Group Investor & Analyst Presentation Half-Year Results 31 December 2020

On behalf of REA Group Ltd (ASX:REA) please find attached a half-year results presentation for the half-year ended 31 December 2020.

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The release of this announcement was authorised by Tamara Kayser, Company Secretary.

About REA Group Ltd: (www.rea-group.com): REA Group Ltd ACN 068 349 066 (ASX:REA) ("REA Group") 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 – as well as the leading website dedicated to share property, Flatmates.com.au and Spacely, a short-term commercial and coworking property website. REA Group owns Smartline Home Loans Pty Ltd, an Australian mortgage broking franchise group, and PropTrack Pty Ltd, a leading provider of property data services. In Asia, REA Group owns leading portals in Malaysia (iproperty.com.my) and Hong Kong (squarefoot.com.hk), a prominent portal in China (myfun.com) and a leading property review site in Thailand (thinkofliving.com). REA Group holds a controlling interest in India's Elara Technologies Pte. Ltd. which operates the established brands of Housing.com, Makaan.com and PropTiger.com. REA Group also holds a significant shareholding in property websites realtor.com in the US, 99.co and iproperty.com.sg in Singapore and rumah123.com in Indonesia.





REA Group Ltd

Investor & Analyst presentation
Half-year results, 31 December 2020

Changing the way the world experiences property

Strong result and progress on strategy

Results & market update



Strong result despite market volatility⁽¹⁾

- Revenue⁽²⁾ down 2%
- Operating expenses down 13%
- EBITDA⁽³⁾ up 9%
- Net profit up 13%



Listings and project commencements

- National residential listings: +4%
- Sydney residential listings: +19%
- Melbourne residential listings: -11%
- Commercial listings: -26%
- New project commencements: +8%



Improving domestic market conditions

- Australia's residential property market showing continued signs of recovery
- Strong levels of buyer enquiry, underpinned by increasing consumer confidence, record low interest rates and healthy bank liquidity

Progress on strategy



Superior customer value & consumer experiences

- Personalised property owner experience launched, backed by unrivalled demand data
- Strategic investments announced with industry leaders Realtair and CampaignAgent



Providing access to unique data and insights

- Hometrack rebranded to PropTrack
- REA Insights published 170 pieces of expert analysis and reports⁽⁴⁾
- 7m avg. monthly visits to realestate.com.au News section, up 78% YoY⁽⁵⁾



Building next generation marketplaces

- Strengthening Australia's #1 place for Rent by reimagining REA's rental marketplace
- Five-minute target time for property managers to evaluate rental applications



Expanding global exposure

- REA increased shareholding to 59.65% in Elara Technologies
- Elara is India's fastest growing digital real estate business in terms of audience⁽⁶⁾
- 99 Group acquired SRX in Singapore



Record realestate.com.au audience

- Monthly audience 12.3m, up 39% YoY⁽⁷⁾
- Monthly visits 115m, up 36% YoY⁽⁷⁾
- 3.26x more visits than nearest competitor⁽⁸⁾
- ~6.5m people exclusive to realestate.com.au⁽⁹⁾
- Monthly app launches 50.9m, up 46% YoY⁽⁷⁾



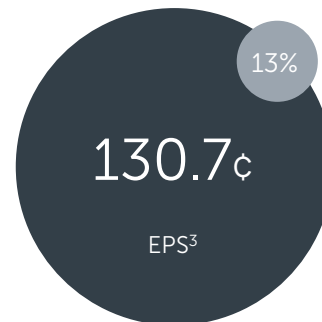
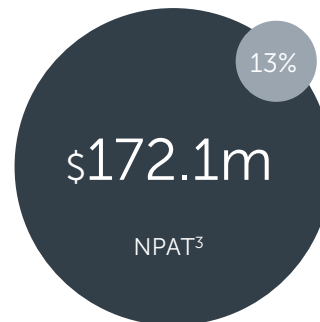
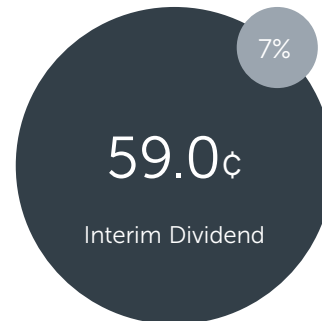
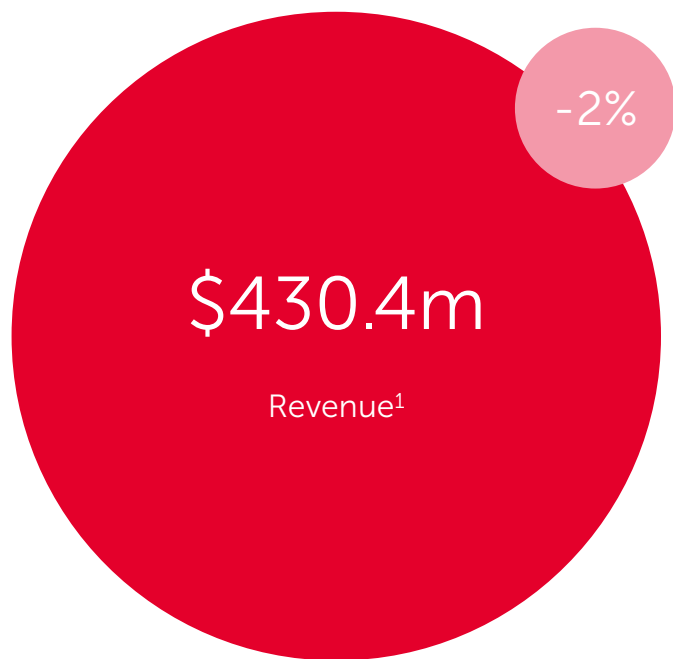
REA remains in an excellent financial position

- Increased core EBITDA margin⁽³⁾ to 67%
- Strong balance sheet and ongoing capex investment for growth
- Increased interim dividend to 59c, up 7% YoY

(1) Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs. (2) Revenue is defined as revenue from property and online advertising and revenue from Financial Services less expenses from franchisee commissions. (3) EBITDA includes share of losses of associates and joint ventures. (4) REA internal data (Jul 20 – Dec 20). (5) Adobe Analytics, average monthly visits to realestate.com.au/news (Jul 20 – Dec 20) and compared to the same period (Jul 19 – Dec 19). (6) SimilarWeb, Dec 20 (based on traffic growth from Dec 19 to Dec 20 relative to 99acres, MagicBricks & NoBroker). (7) Nielsen Digital Content Ratings (Monthly Tagged), Jul 20 – Dec 20 vs Jul 19 – Dec 19 (average), P2+, Digital (C/M), text, realestate.com.au, Total Sessions, Unique Audience, App Launches. (8) Nielsen Digital Content Ratings (Monthly Tagged), Jul 20 – Dec 20 (average), P2+, Digital (C/M), text, realestate.com.au vs Domain, Total Sessions. (9) Nielsen Digital Content Planning, Nov 20, P2+, Digital C/M, text, Exclusive Reach, realestate.com.au and Domain.

Half-year financial results

Strong profit result with EBITDA margin² increasing to 67%

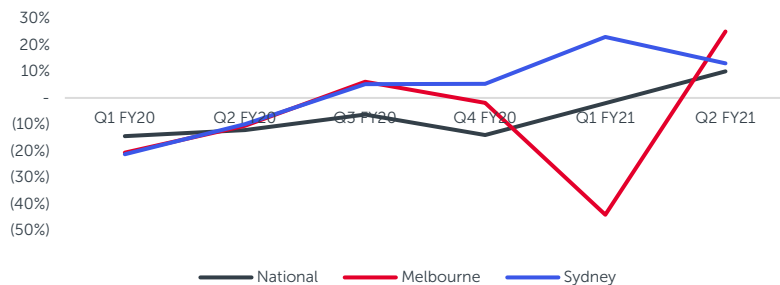


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Australian market update

COVID-19 restrictions caused significant volatility during the half

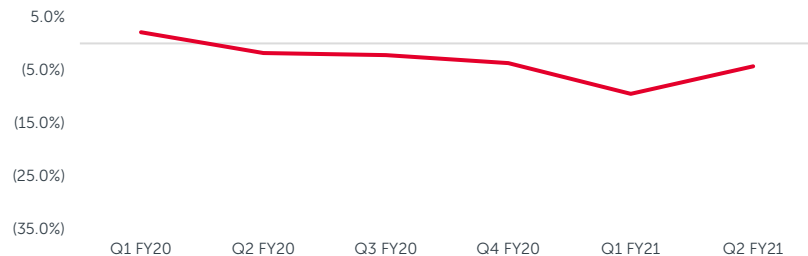
Residential buy listings YoY*



Developer project launches YoY



Residential rent listings YoY*



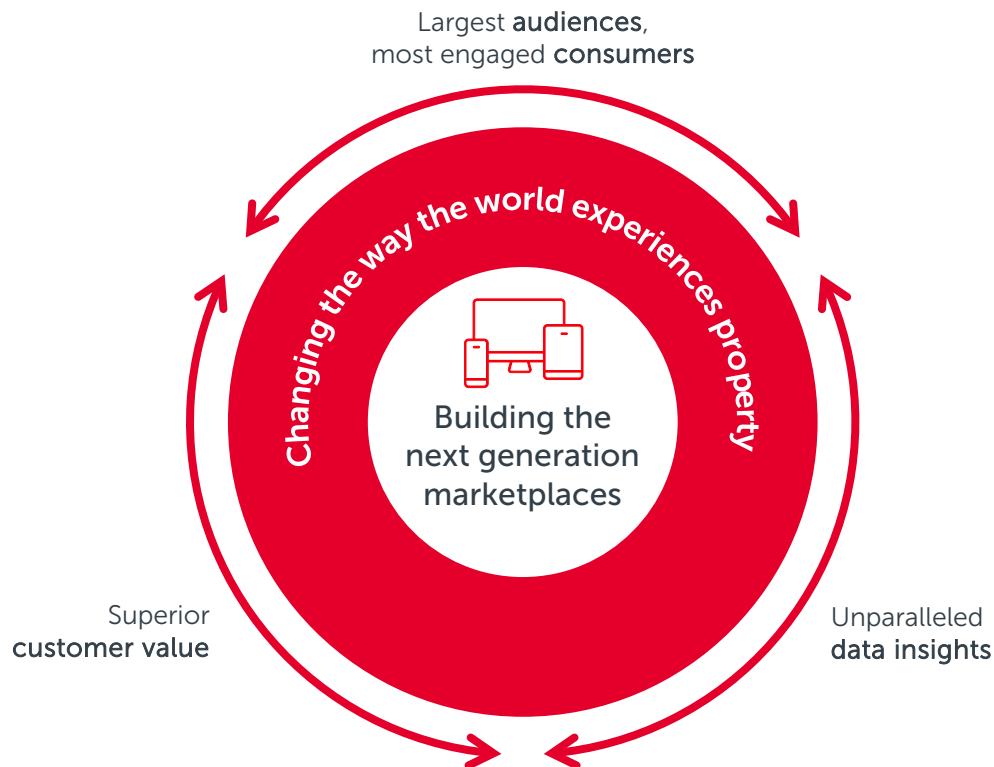
Commercial listings YoY*



* YoY growth is adjusted for working days

Consistent growth strategy

Pursuing long-term growth opportunities balanced with operational discipline



Our global network:

AUSTRALIA



ASIA



NORTH AMERICA



realestate.com.au: Australia's #1 property site & app¹

Reaching 6 million more Australians² and 3.2x more visits³ than the nearest competitor

Monthly Visits
115_m⁴ **+36%⁴**

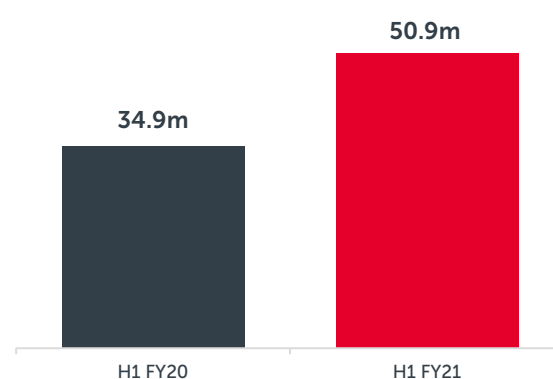
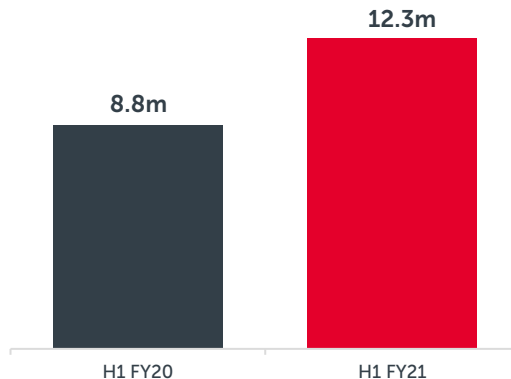
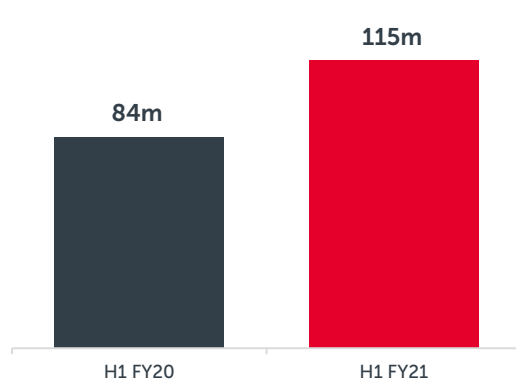
H1 FY21 average monthly traffic to realestate.com.au on all platforms

Unique audience
12.3_m⁴ **+39%⁴**

H1 FY21 average monthly unique audience to realestate.com.au on all platforms

App launches
50.9_m⁴ **+46%⁴**

H1 FY21 average monthly launches of the realestate.com.au app



(1) Nielsen Digital Content Ratings (Monthly Tagged), Jul 20 – Dec 20, P2+, Digital (C/M), text, Real Estate/Apartments subcategory, Unique Audience (static and app). (2) Nielsen Digital Content Ratings (Monthly Tagged), Nov 20, P2+, Digital (C/M), text, realestate.com.au vs Domain, Unique Audience (3) Nielsen Digital Content Ratings (Monthly Tagged), Jul 20 – Dec 20 (average), P2+, Digital (C/M), text, realestate.com.au vs Domain, Total Sessions. (4) Nielsen Digital Content Ratings (Monthly Tagged), Jul 20 – Dec 20 vs Jul 19 – Dec 19 (average), P2+, Digital (C/M), text, realestate.com.au, Total Sessions, Unique Audience, App Launches.

Delivering rich consumer experiences backed by unrivalled data

Personalised Property Owner dashboard empowering owners to monitor their market and make confident property decisions

+100k people engaged with dashboard in first 6 weeks¹

2.45m total properties now tracked – up 68% YoY²

1.26m owner properties now tracked – up 52% YoY²

Sell

Similar for sale last month
34
3 bedroom houses in Fairway

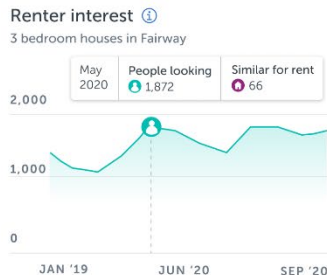


Estimated value ⓘ
\$1,000,000 - \$1,150,000
High confidence
Updated 3 days ago

Get a market appraisal

Rent

Similar for rent last month
71
3 bedroom houses in Fairway



Ready to rent out your property?

Reach Australia's largest audience of renters on realestate.com.au.

Get started

Finance

Estimated Equity ⓘ
\$120,000

You own approximately 25% of your property so you could potentially unlock \$30,000

Edit

Your current loan

3.89% p.a
Fixed rate Ending 25/05/22

Edit

Could you pay off this property sooner?

Get in touch to see if you could save on your loan.

Speak to an expert

Helping our customers grow their businesses

Providing Agents with the tools they need to free themselves up and focus on what they do best



Attract

Stand out from the competition
and generate vendor leads



Agent Profile



Ratings & reviews



Agent Elevate



Agent Match



Nurture

Deliver rich market insights and
pitch for new business



Comparative Market
Analysis



Pitch

Powered by **REALTAR**



Convert

Make your partnership official with
easy agent authority documents



Sign

Powered by **REALTAR**



Market

Run your campaign and be seen
by millions more buyers



Depth products



Extension products



Payment flexibility

Supported by **Campaign Agent**



Sell

Promote or run inspections and
auctions then finalise the sale



Sign

Powered by **REALTAR**

Providing access to unique data & market intelligence

Delivering REA Group's unrivalled data & insights to customers and consumers



Trusted leader in property data and automated valuations

- Hometrack rebranded as PropTrack
- Successfully signed several multi-year customer contracts
- Delivering property data insights and valuations services to Australia's largest financial institutions



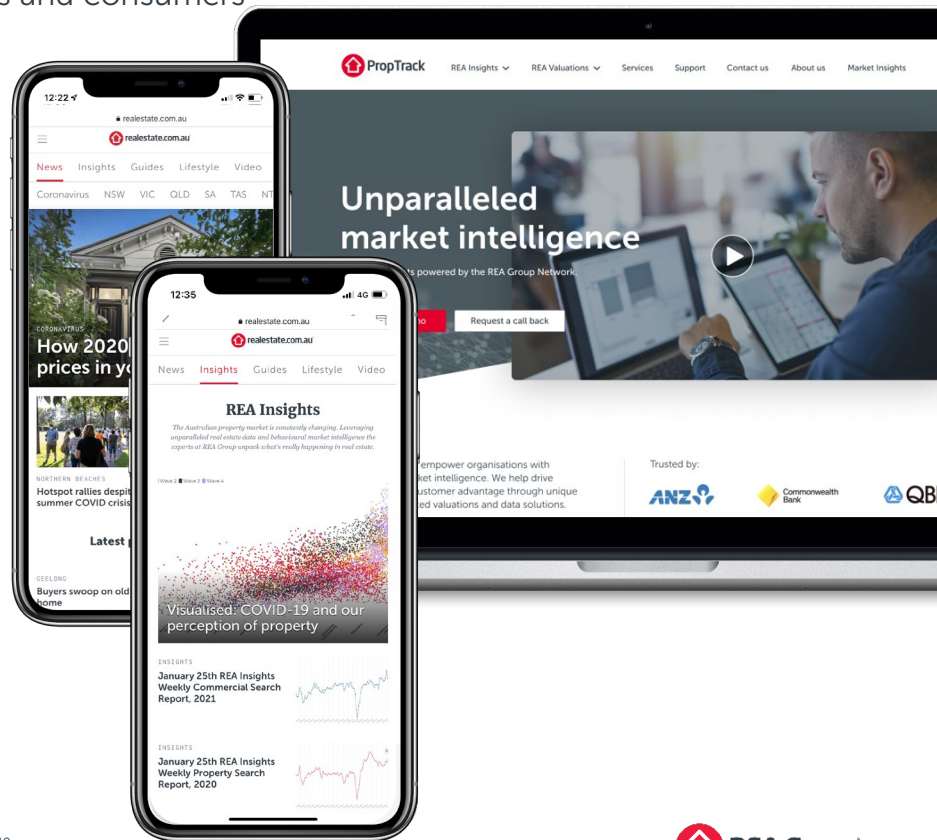
Delivering expert reports & analysis

- REA Insights brand gaining strong momentum
- 170 published pieces of expert analysis and reports¹
- +3m weekly eDMs delivering personalised property insights¹

Property News

Powering an informed News narrative

- 7m average monthly visits to News section, up 78% YoY²
- Record 7.8m visits to News section in August, up 97% YoY³
- New content partnership with Apple News delivering an additional 1m+ audience per month⁴



(1) REA internal data (Jul 20 – Dec 20). (2) Adobe Analytics, average monthly visits to realestate.com.au/news, Jul 20 – Dec 20 compared to Jul 19 – Dec 19. (3) Adobe Analytics, total visits to realestate.com.au/news (Aug 20) and compared to the same period (Aug 19). (4) Apple News Analytics, Oct 20 vs Dec 20.

Building REA's next generation rental marketplace

Strengthening Australia's #1 place for Rent by reimagining REA's rental marketplace

Our goal

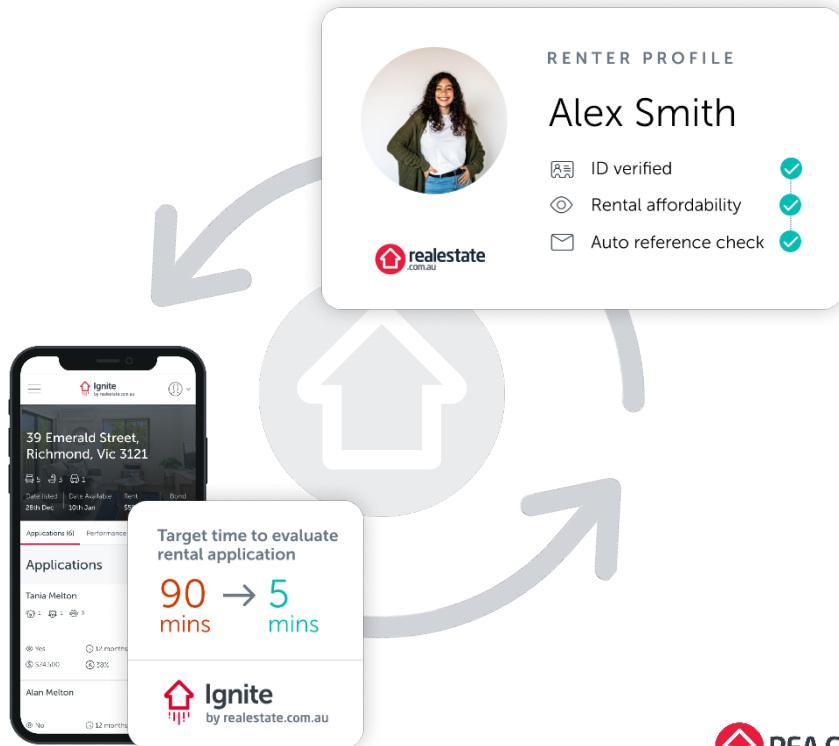
Property Managers evaluate applications in 5 mins versus 90 mins.

How

- Introduce a consistent and reusable Property Management workflow
- Remove repetitive processing and duplication
- Streamline rental application by centralising three key evaluation components:
 - ✓ Identity verification
 - ✓ Rental affordability
 - ✓ Automated references

Impact

- Consumers manage their search, inspect and apply experience in one place
- Centralised profiles that build trust through automated verifications
- A single source of truth for Property Managers when evaluating rental applications that removes administrative workload



Global footprint spanning three continents

Exposure to some of the world's largest and fastest growing property markets



Strong progress across Asia despite difficult conditions

Product innovations launched to support customers and consumers during COVID-19



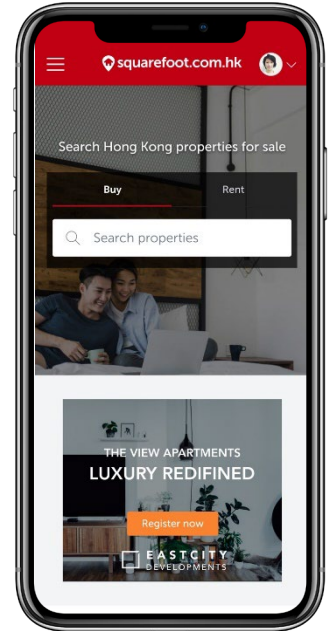
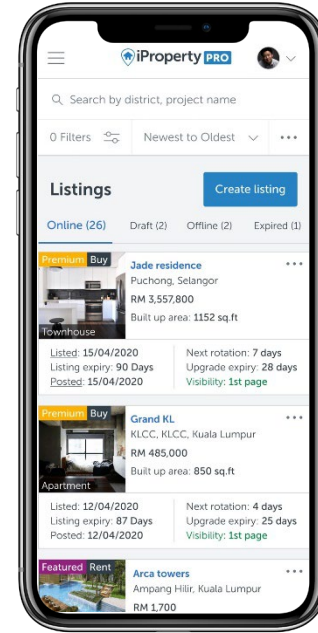
- iProperty.com.my Malaysia's #1 property site¹, growing site visits 35% YoY²
- 80% of customers successfully migrated to new iProperty PRO platform
- iProperty PRO depth penetration continued to increase
- Launch of i360 virtual tours experiencing strong uptake, supporting customers to connect with consumers despite COVID-19 restrictions



- Delivered new mobile-prime property transactions hub providing access to price, transaction trends and insights across Hong Kong market
- New flexible subscription packages resulting in increased customer renewal rates
- New social-sign in capability launched increasing number of registered users



- Delivered strong audience growth led by Indonesia across both 99.co and rumah123.com³
- Launched Singapore's largest-ever virtual property show
- Entered binding agreement to acquire 100% ownership of SRX, the market leading data & analytics provider in Singapore



(1) SimilarWeb, Oct 20 – Dec 20, a comparison with iProperty.com.my and propertyguru.com.my. (2) Google Analytics, Total Sessions, Jul 20 - Dec 20 vs Jul 19 – Dec 19. (3) Google Analytics, Total Sessions, 99 Group Indonesia (99.co and rumah123.com), Jul 20 – Dec 20 vs Jul 19 – Dec 19.

International investments across large and growing markets

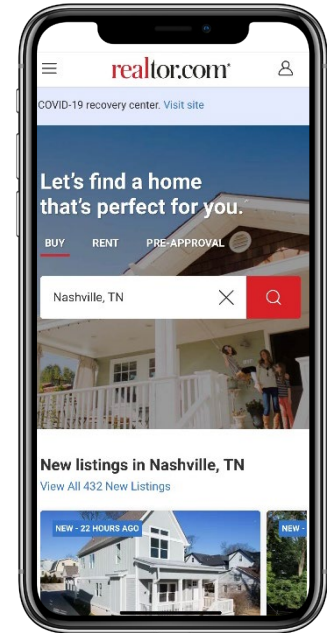
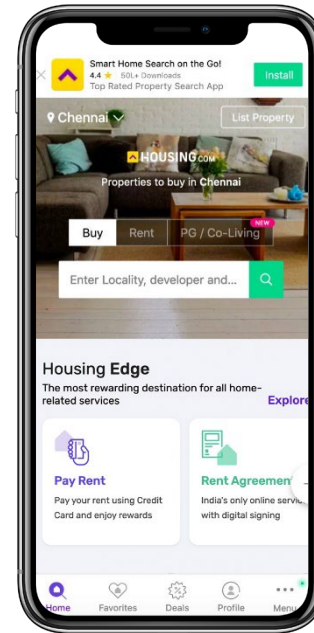
Controlling interest secured in Elara Technologies while Move, Inc. delivered strong result



- REA Group moved to a controlling position in Elara Technologies, increasing its original shareholding from 13.5% to 59.65%
- Elara operates India's fastest growing digital real estate business in terms of audience¹
- Digital adoption of real estate accelerating with Housing.com audience, growing 57% YoY²
- Indian market beginning to recover from COVID-19 impacts



- Move, Inc. revenue up 20% to USD 293 million³ benefitting from strong consumer demand
- Unique users and leads reaching all-time highs, despite industry wide active listing volumes remaining historically low
- realtor.com Q2 avg monthly unique users grew 37% YoY to 80 million⁴



(1) SimilarWeb, Dec 20 (based on traffic growth from Dec 19 to Dec 20 relative to 99acres, MagicBricks & NoBroker). (2) Google Analytics, Total Sessions, Jul 20 - Dec 20 vs Jul 19 - Dec 19. (3) NewsCorp's Form 10-Q stated in US Dollars for the six-month period ended 31 December 2020. (4) NewsCorp's Earnings Release stated in US Dollars (4 February 2021) for the six-month period ended 31 December 2020: Average monthly unique users for Q2 FY21 and compared to prior corresponding period.

REA Group is committed to sustainable practices

Creating positive change through our ESG focus

Environment – Increased Climate Change commitment

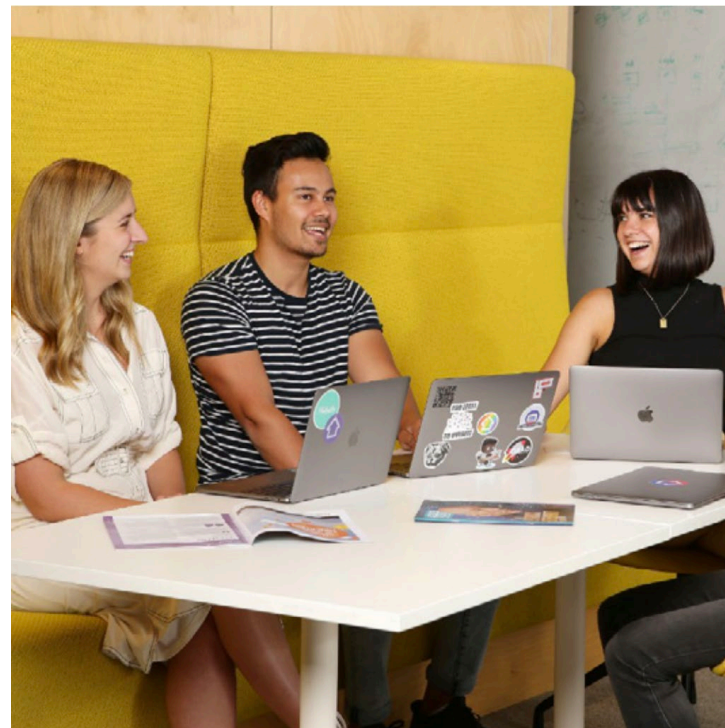
- Introduced REA's inaugural Climate Change policy with established carbon footprint and science based aligned targets to reduce carbon footprint
- Commitment to annual carbon neutral certification starting with our FY20 footprint

Social – Highly engaged workforce passionate about big issues

- Extended multi-year community partnerships with charities focused on ending homelessness
- Increased Australian diversity ratio with 50:50 gender representation across senior leadership group
- Future of work research and design completed resulting in new hybrid working model
- Increased positive sentiment in Nov 2020 engagement survey – 84% (Aus) and 82% (Asia) and executive leadership capability at 88% (global)

Governance – Increased investment in cyber security

- Increased investment in Cyber Security team with new operational, engineering and advisory capability
- Committed to transparency around our environmental impact through our first participation in the 2020 CDP questionnaire and SAM Corporate Sustainability Assessment.





Financial Highlights

H1 FY21 results

Financial operating results

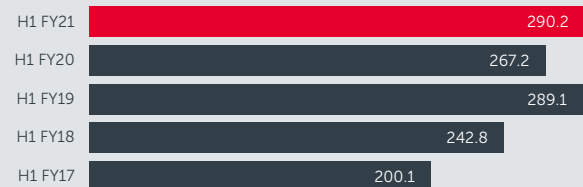
Performance (\$m)	H1 FY21	H1 FY20	Growth \$m	Growth %
Revenue¹				
Australia	401.7	400.5	1.2	0%
Financial Services	11.7	12.6	(1.0)	(8%)
Asia	17.0	27.2	(10.2)	(38%)
Group Revenue	430.4	440.3	(10.0)	(2%)
EBITDA²				
Australia	288.6	271.5	17.1	6%
Financial Services	4.4	4.3	0.1	1%
Asia	1.7	6.3	(4.6)	(73%)
Corporate	(10.1)	(10.0)	(0.1)	(1%)
Group EBITDA before associates²	284.6	272.1	12.5	5%
EBITDA Margin	66%	62%		
Associates	5.6	(4.9)	10.5	>100%
Group EBITDA²	290.2	267.2	23.0	9%
EBITDA Margin	67%	61%		
Net profit²	172.1	152.9	19.2	13%
Cash Balance	179.9	91.0	88.9	98%
Earnings Per Share ('EPS') (cents) ²	130.7	116.1	14.6	13%
Dividend Per Share (cents)	59.0	55.0	4.0	7%

Reconciliation to Financial Statements (\$m)	H1 FY21	H1 FY20	Growth \$m	Growth %
Net profit from core operations	172.1	152.9	19.2	13%
Restructure costs ⁴	-	(2.9)	2.9	n/m
Historic tax provision ⁴	(2.2)	-	(2.2)	n/m
Gain/(loss) on acquisitions and disposals and business combination transaction costs ^{3,4}	3.5	(2.3)	5.8	>100%
Reported net profit	173.5	147.7	25.8	17%

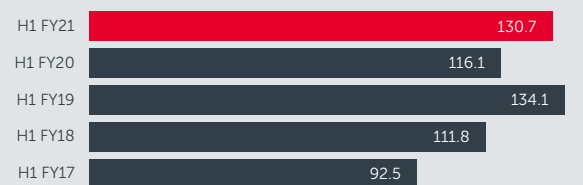
Revenue (\$m)¹



EBITDA (\$m)²



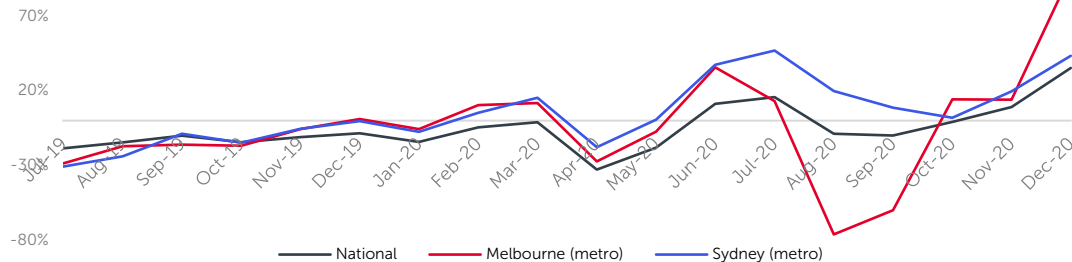
EPS (cents)²



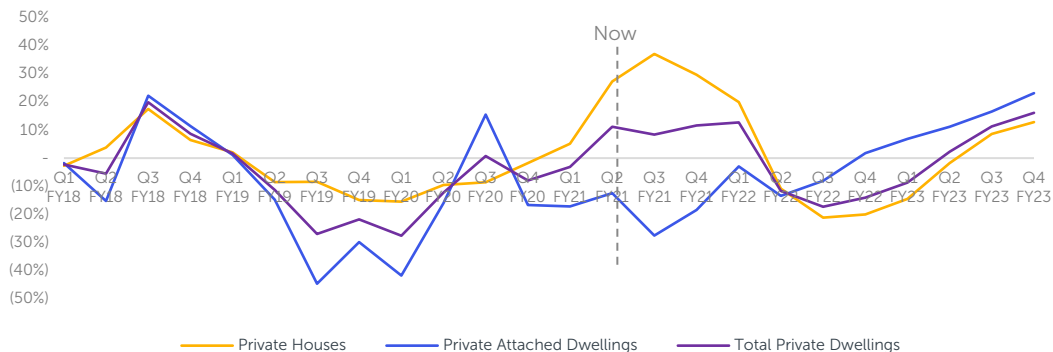
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Volatile market conditions

Residential Listing Changes¹



Dwelling Commencement Changes²



Residential listings

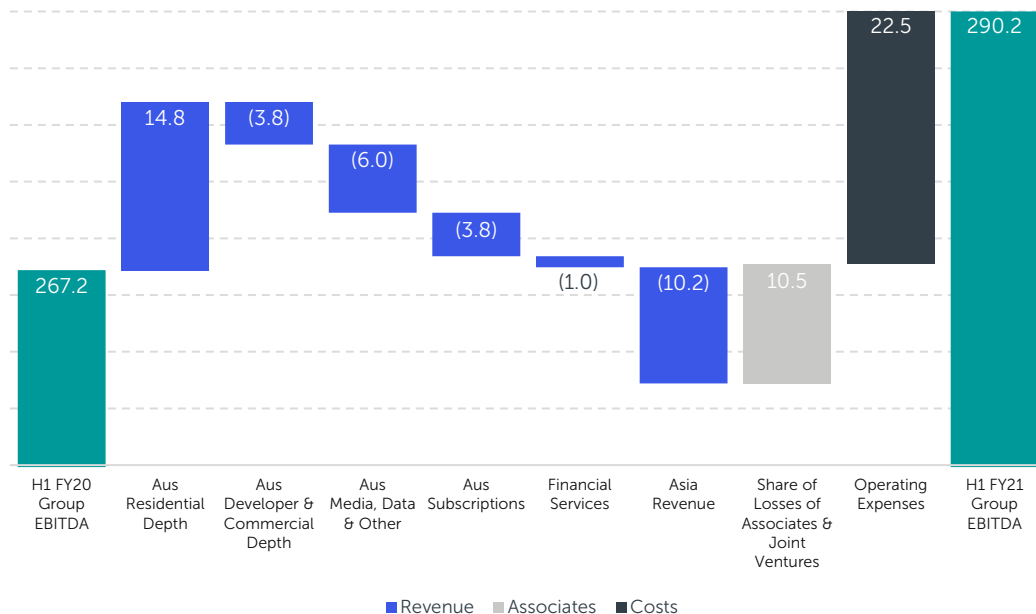
- In Australia, the residential property market showed continued signs of recovery with National residential listings increasing 4% and Sydney listings increasing 19% for the half.
- In contrast, the COVID-19 restrictions in Melbourne caused significant weakness in the first quarter.
- Following the removal of COVID-19 restrictions in November, the Melbourne market rebounded, resulting in an overall 11% decrease in listings for the half.

Developments

- 8% YoY increase in project launches, assisted by government stimulus.
- BIS Oxford has upgraded its FY21 forecast for new project commencements from -5% to +7%².

Strong EBITDA performance

Group EBITDA (\$m)¹

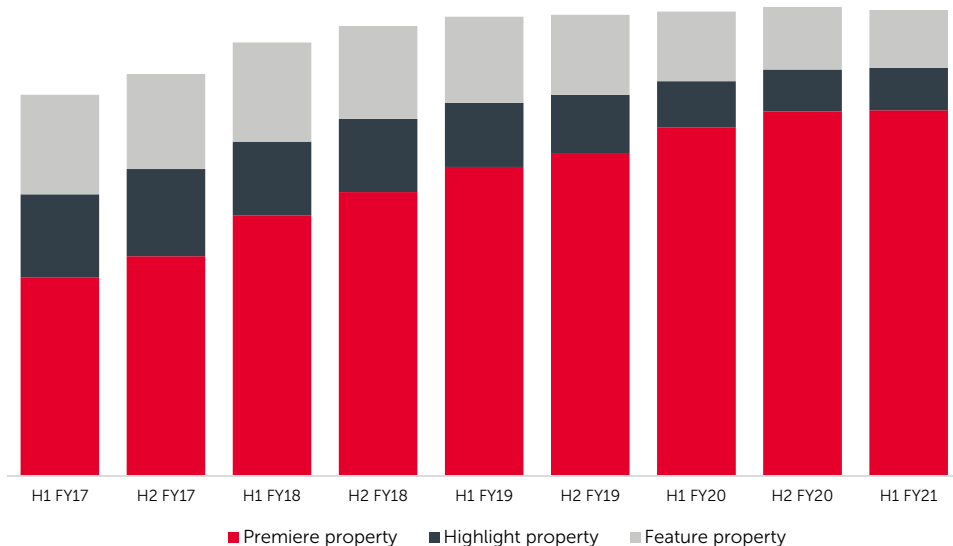


- **Residential revenue** increased 4%, due to increase in buy listings, stronger Premiere penetration, continued growth in add-on products and a one-off COVID-19 related impact resulting in a reduction in listings syndicated to MyFun.
- **Commercial and Developer revenue** declined 7% due to a significant decline in commercial listings.
- **Media, data and other revenue** declined by 12%, primarily driven by a reduction in Developer display advertising.
- **Subscription revenue** declined due to discounts provided as part of COVID-19 support.
- **Asia revenue** decreased due to renewed COVID-19 related lockdowns and continued cancellation of events across all markets, as well as the one-off reduction in syndicated MyFun listings.
- **Share of associates** increased \$10.5m due to the positive equity contribution from Move.
- **Operating expenses²** decreased 13% as a result of strong cost management, COVID-19 related savings and deferral of marketing into the second half.

(1) Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs. (2) Operating expenses exclude share of losses of associates and joint ventures. Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs.

Strong Premiere penetration

Residential Listing Penetration (depth)



* Penetration is based on listings being on site for minimum 3 days.

Residential listing depth penetration

- Overall penetration and Premiere penetration maintained despite the significant Q1 FY21 listing declines in Melbourne.
- Continued penetration and Premiere growth in NSW and QLD offsetting the COVID-19 impact from VIC.
- Contracted price rises cancelled for FY21 across all depth categories.

International performance impacted by COVID-19



Asia

- Revenue negatively impacted by renewed COVID-19 related lockdowns, cancellation of events across all markets, adverse FX movements and the one-off COVID-19 related reduction in syndicated MyFun listings.
- Prior period comparatives also include Singapore and Indonesia, which were deconsolidated from 1 March 2020 as part of the 99 Group transaction.
- Revenue decline was partially offset by continued cost management across the region.
- The Group moved to a controlling position of Elara in December 2020. REA will consolidate Elara's earnings effective 1 January 2021.

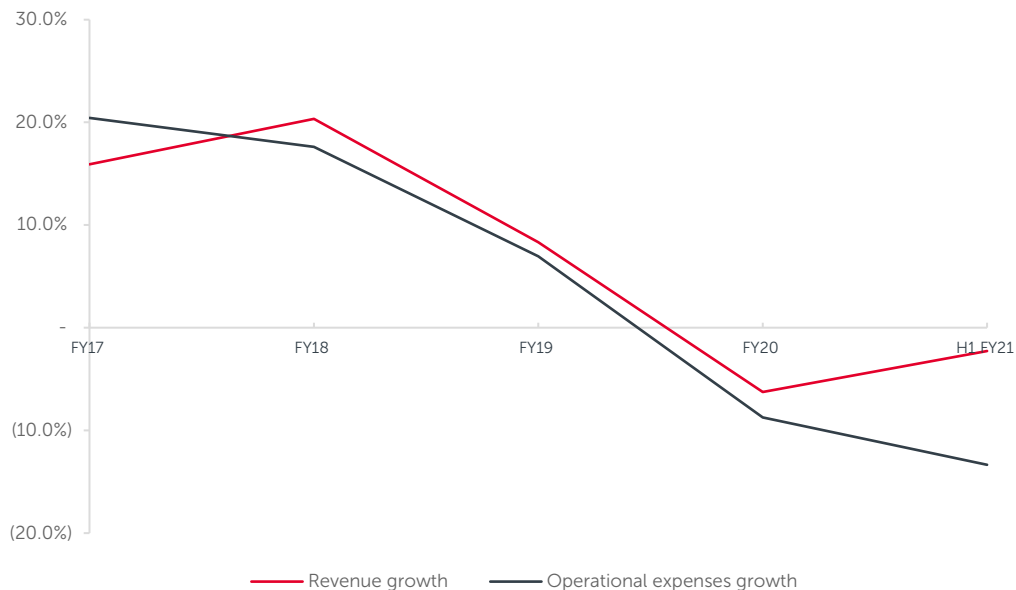
North America

- Move's strong operational performance contributed to the Group's profit during the half.
- Reported revenue growth of 20% to US\$293m³ was due to the continued strength in the referral model and recovery in the traditional lead gen product, both benefitting from improved average monthly lead and transaction volumes. The result also benefitted from lower costs including the deferral of marketing costs.

(1) Excludes share of losses of associates and joint ventures. Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs. (2) Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs. (3) NewsCorp's Form 10-Q stated in US Dollars for the six-month period ended 31 December 2020.

Operating results

Group Operating Results Growth^{1,2}



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H1 FY21 revenue

- The Group's result reflects the diverse effects of the COVID-19 pandemic across Australia and the Group's International businesses.

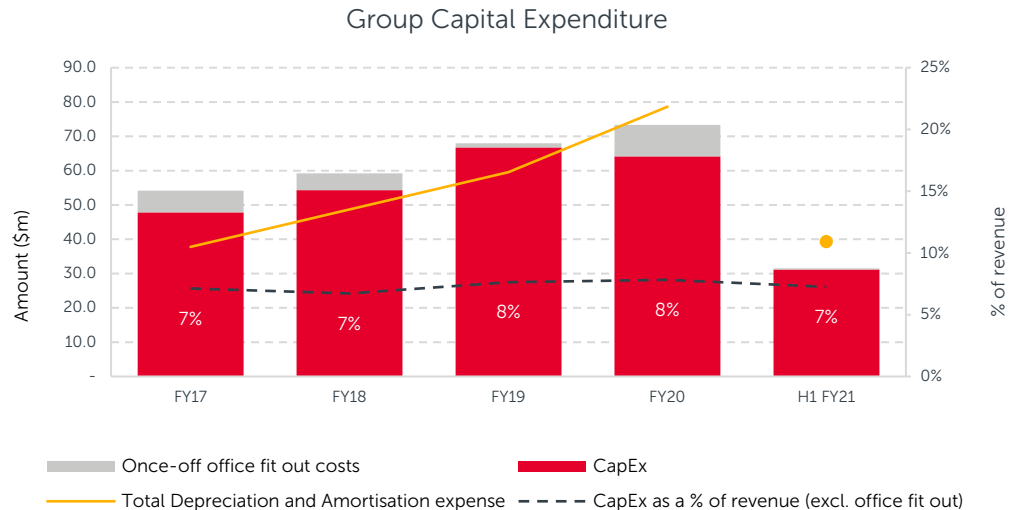
H1 FY21 costs

- Continued focus on strong cost management resulted in a 13% reduction in total core operating expenditure² for the half.
- All cost categories decreased due to a combination of ongoing cost management initiatives, COVID-19 related savings and the deferral of marketing spend into the second half.

FY21 target

- The Group continues to prudently manage its cost base, targeting full year positive operating jaws, excluding the impact of acquisitions. The Group anticipates core operating costs for FY21 (excl. acquisitions) to be broadly in line with FY20.
- Second half operating cost growth will increase as investment increases and the benefits of COVID-19 related savings reduce.

Continued investment in Capital Expenditure



Investment strategy

- The Group continues to invest to support growth over the medium to long-term.
- Investment focus is on consumer experience, new product delivery and supporting technology.

Fit out costs

- No significant fit outs are planned for FY21.

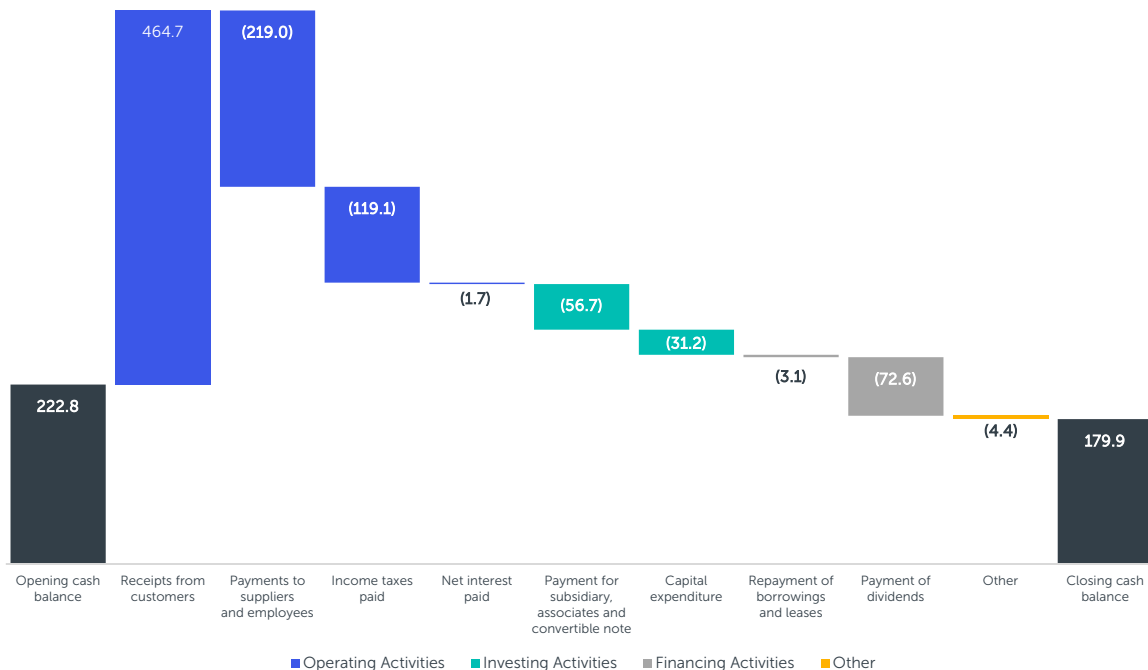
Elara acquisition

- H2 FY21 acquisition-related D&A anticipated range of \$2-4m. Valuation of acquired assets will be finalised within 12 months of the acquisition date.

REA Group (\$m)	H1 FY21 Actual	H2 FY21 Forecast	FY21 Forecast
Core depreciation & amortisation	34	34-36	68-70
Depreciation of leases	5	5	10
Elara amortisation	-	2-4	2-4
Total	39	41-45	80-84

Strong cash position

Group cash flow (\$m)



Cash flow highlights

- Operating cash flows of \$125m impacted by higher income tax payments following the temporary deferral of FY20 instalments as a result of COVID-19.
- Lower receipts from customers driven by revenue decline and working capital movements were partly offset by lower payments to suppliers and employees.
- Interim dividend payment of 59.0c per share, 7% higher than prior year.
- Continued investment in innovation and acquisitions including a controlling interest in Elara.

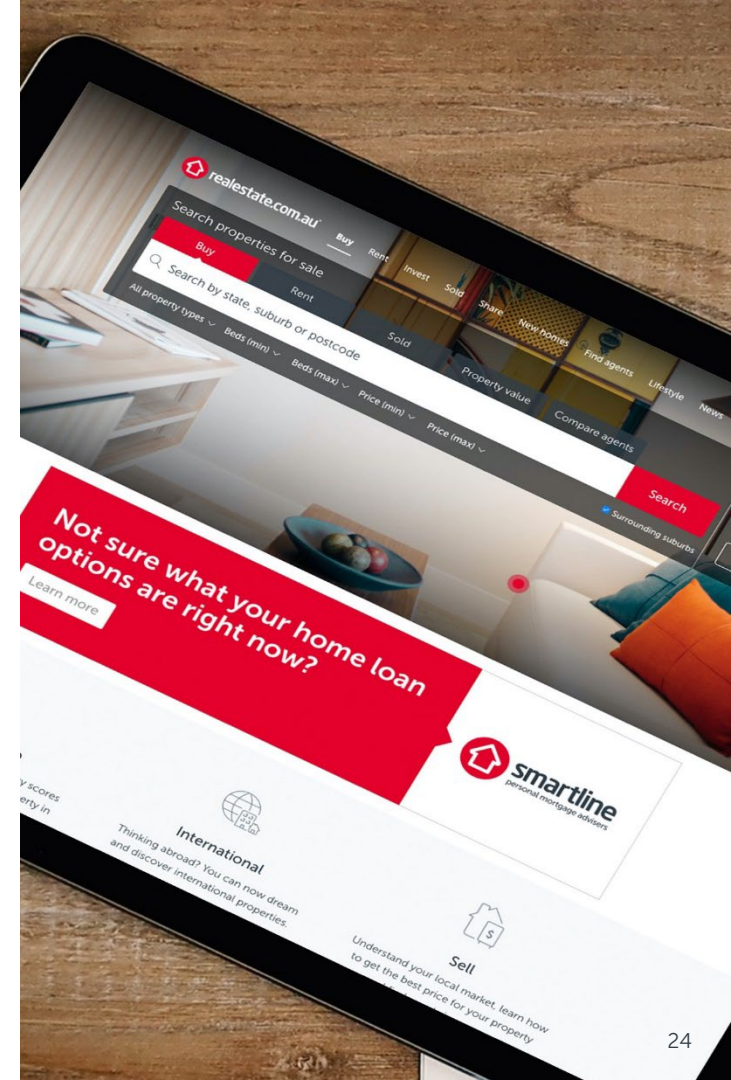
Strong liquidity position

- \$149m loan facility and \$20m overdraft facility remain undrawn and are in place to cover contingencies.
- Drawn facilities fall due in Apr-21 (\$70m) and Dec-21 (\$170m).

Current trading

COVID-19 continues to create market uncertainty

- In January, national residential listings were flat, with an increase in Melbourne of 12% and Sydney down 1%.
- Strong levels of buyer enquiry, underpinned by low interest rates and healthy bank liquidity.
- Developer revenues are expected to be supported by growth in new developments in FY21, however the higher proportion of smaller projects is likely to impact average yield.
- Commercial revenues are expected to remain challenged, with listings pressure anticipated to continue in the second half.
- Asia revenues are likely to be negatively impacted for the remainder of FY21 given the severe COVID-19 restrictions still in place in Malaysia.
- Targeting FY21 positive operating Jaws, excluding acquisitions.
- Based on the current market outlook, targeting operating costs for FY21 to be broadly in line with FY20 (excluding impact of acquisitions).
- Elara earnings will be consolidated from 1st January 2021. The EPS impact is expected to be marginally dilutive for FY21.



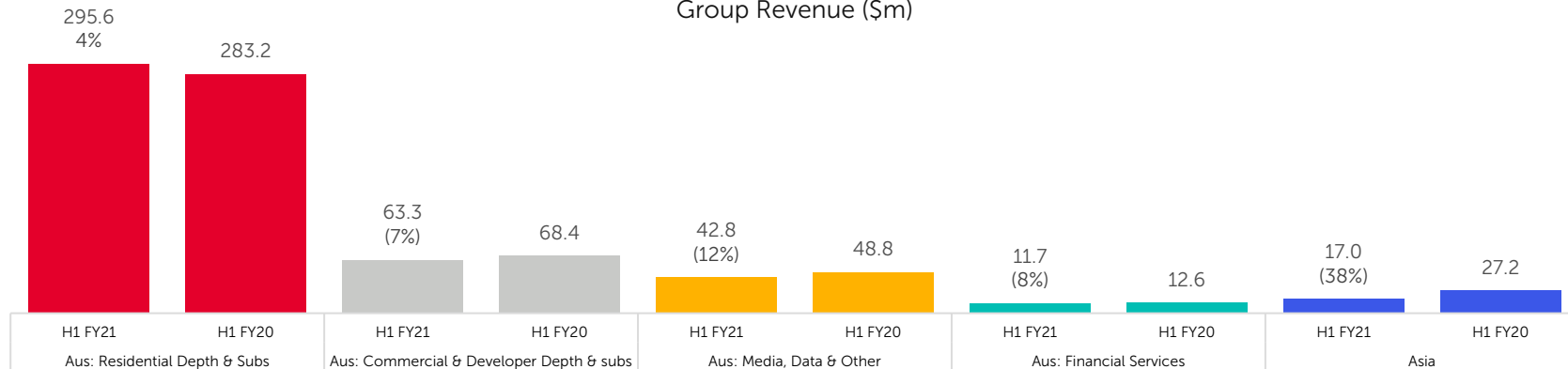
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buy, rent and sell.**



Supplementary Information

Strong performance in volatile market conditions

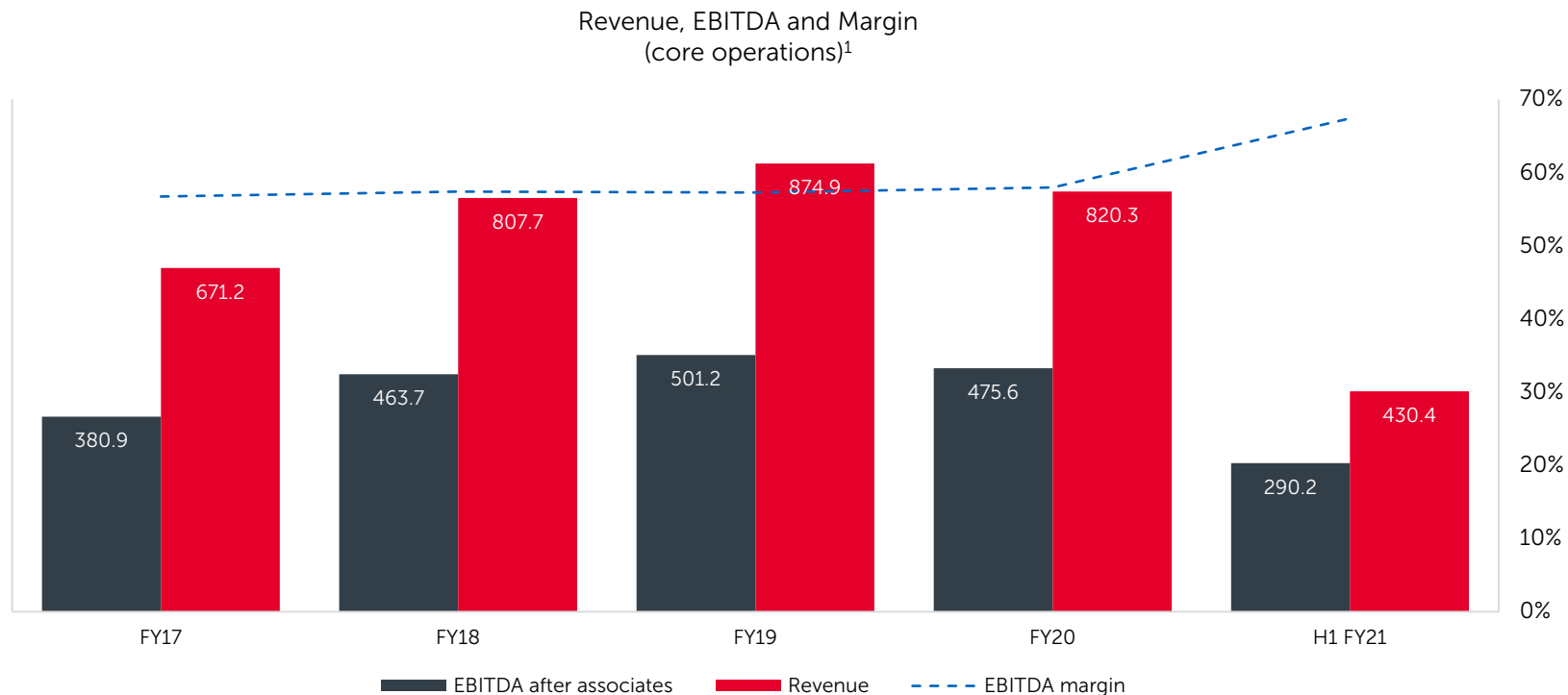
Group Revenue (\$m)



Revenue category (\$m) ¹	H1 FY21	H1 FY20	Growth
Australia			
Depth revenue	333.5	322.5	3%
Subscription revenue	25.4	29.2	(13%)
Media, Data & Other	42.8	48.8	(12%)
Financial Services	11.7	12.6	(8%)
Australian revenue	413.4	413.1	0%
Asia	17.0	27.2	(38%)
Total revenue	430.4	440.3	(2%)

(1) Revenue is defined as revenue from property and online advertising and revenue from Financial Services less expenses from franchisee commissions.

Historical Revenue & EBITDA



(1) Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs.

Financial comparatives

Group results	Core Operations ¹										Financial Statements
	H1 FY17		H1 FY18		H1 FY19		H1 FY20		H1 FY21		H1 FY21
	\$m	Growth	\$m	Growth	\$m	Growth	\$m	Growth	\$m	Growth	\$m
Total revenue	337.3	16%	406.8	21%	469.2	15%	440.3	(6%)	430.4	(2%)	430.4
Total operating income	337.3	16%	406.8	21%	469.2	15%	440.3	(6%)	430.4	(2%)	430.4
Operating expenses	(135.5)	(26%)	(160.0)	(18%)	(175.2)	(10%)	(168.2)	4%	(145.8)	13%	(145.8)
Share of losses of associates & joint ventures	(1.8)	70%	(4.0)	<(100%)	(4.9)	(22%)	(4.9)	-	5.6	>100%	5.6
EBITDA	200.1	13%	242.8	21%	289.1	19%	267.2	(8%)	290.2	9%	290.2
<i>EBITDA margin</i>	<i>59%</i>		<i>60%</i>		<i>62%</i>		<i>61%</i>		<i>67%</i>		<i>67%</i>
Depreciation & amortisation	(17.9)	(33%)	(23.1)	(29%)	(29.0)	(25%)	(36.7)	(27%)	(39.3)	(7%)	(39.3)
Earnings before interest and tax	182.2	12%	219.7	21%	260.1	18%	230.5	(11%)	250.9	9%	250.9
Net finance income/(expense)	(6.2)	<(100%)	(3.9)	58%	(3.4)	13%	(3.6)	(4%)	(2.1)	41%	(2.1)
Earnings before tax	176.0	7%	215.8	23%	256.6	19%	226.9	(12%)	248.8	10%	248.8
Income tax expense	(54.2)	(11%)	(68.4)	(26%)	(80.1)	(17%)	(74.0)	8%	(76.7)	(4%)	(75.3)
Net profit	121.8	6%	147.3	21%	176.6	20%	152.9	(13%)	172.1	13%	173.5
Dividends per share (DPS) (cents)	40.0	11%	47.0	18%	55.0	17%	55.0	-	59.0	7%	59.0
Earnings per share (EPS) (cents)	92.5	7%	111.8	21%	134.1	20%	116.1	(13%)	130.7	13%	131.6

(1) Financial results/highlights from core operations exclude significant non-recurring items such as gain/loss on acquisitions and disposals and transaction costs and historic tax provision (historic indirect tax provision reflects potential retrospective changes to interpretation of tax law). In the prior comparative period, they excluded items such as restructure costs and gain/loss on acquisitions and disposals and transaction costs.

Cash flow reconciliation

Cash flow reconciliation (\$'m)	H1 FY21	H1 FY20	Growth
EBITDA ¹	290.2	267.2	9%
Working capital movement	(30.6)	(15.9)	(92%)
Net interest paid	(1.7)	(2.6)	31%
Income taxes paid	(119.1)	(88.8)	(34%)
Capital expenditure	(31.2)	(34.5)	10%
Other	(14.5)	3.2	<(100%)
Free cash flow	93.1	128.6	(28%)
Payment for acquisition of subsidiary, net of cash acquired	(39.4)	(15.9)	<(100%)
Payment for investment in associates and joint ventures	(5.4)	(2.0)	<(100%)
Proceeds from borrowings	-	169.5	(100%)
Repayment of borrowings and leases	(3.1)	(243.2)	99%
Dividends paid	(72.6)	(83.6)	13%
Purchase of convertible note receivable	(11.8)	-	n/m
Other	(3.8)	(0.3)	<(100%)
Net cash outflow	(43.0)	(46.9)	8%

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