



MEDIA RELEASE - AUSTRALIA
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realestate.com.au Ltd Partners with SKY Italia to Acquire Casa.it, Italy's Largest Real Estate Website

realestate.com.au Ltd (ASX:REA, and its subsidiary companies, The REA Group) has partnered with SKY Italia, the Italian pay TV operator, to acquire 90% of Casa.it for €9.6m (AUD\$15.9m). Following the transaction, realestate.com.au will own 59.4%, SKY Italia will own 30.6% and Casa.it's founder and current CEO will retain 10%.

Founded in 1996, Casa.it has become Italy's largest real estate site with over 2,800 estate agent offices subscribing to the service and advertising 130,000 homes for sale or for rent. Each month there are around 700,000 unique visitors to the site. Casa.it has operations in Treviso, Northern Italy and call centre operations in Bucharest, Romania.

"Casa.it is a great acquisition for our business," said Simon Baker, Managing Director of The REA Group. "While currently a small business, Casa.it is profitable and the market leader in a country with 60 million people, around 20,000 estate agent offices, high rates of home ownership, and strong broadband penetration. We believe that Italy is an emerging country for online real estate advertising and Casa.it is best placed to capture much of the growth in the market."

Baker plans to rapidly grow Casa.it's business. "We are pleased to be able to partner with SKY Italia. Casa.it will benefit from accessing the broad coverage of SKY Italia and the online real estate experience of The REA Group," he explained.

Tom Mockridge, CEO of SKY Italia, commented, "We are pleased to partner with realestate.com.au to acquire Casa.it. The acquisition adds another dimension to SkyItalia's business and we plan to work closely with Casa.it to gain greater awareness of our pay television services and potentially develop another channel to market."

Casa.it will become part of The REA Group, and its founder will remain as CEO of Casa.it and report to Simon Baker.

"The acquisition of Casa.it further expands The REA Group. We now have operations in Australia, the United Kingdom, New Zealand, and Italy. Together there are 14,800 agents advertising around 900,000 listings to 5.5 million unique visitors," commented Baker.

The transaction is subject to approval by the Italian Antitrust Authority and it is expected that the transaction will be completed in early to mid December 2006.

About realestate.com.au Ltd

realestate.com.au Ltd. (ASX:REA) and its subsidiary companies, known as The REA Group, make up a global online real estate advertising group headquartered in Melbourne, Australia. It

operates seven commercial or residential real estate web sites in Australia, the United Kingdom, Italy and New Zealand. Each of these sites is either first or second in their markets. These websites are: realestate.com.au, realcommercial.com.au and propertylook.com.au in Australia; propertyfinder.com in the UK, casa.it in Italy, and allrealestate.co.nz and propertylook.co.nz in New Zealand. The REA Group's businesses also include estate agent office management tools and web design services, mortgage brokering, and real estate print publishing. The REA Group had revenues of AUD\$62m in FY 2006, and is now used by 14,800 agents, has 5.5m unique visitors per month, is profitable, and has a current market capitalization of A\$530m, up 99 percent from A\$267m one year ago.

About Sky Italia

SKY Italia, controlled 100% by The News Corporation Limited, was created in 2003 and since then has rapidly grown as to have over 3,800,000 satellite subscribers. The platform currently broadcasts over 160 TV, audio, interactive and pay per view channels ranging from sports to cinema, news, entertainment, documentaries, children, music. SKY channels are also broadcast, in a limited manner, on IPTV and mobile telephony.

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