

ASX Media Release

28 January 2016

Chairman's Address to Scheme Meeting

Set out in Annexure A of this announcement is a copy of the Chairman's address and presentation to be given to the attendees of the iProperty Group Limited (**iProperty**) (**ASX: IPP**) scheme meeting which will be held from 10:00am this morning at the Radisson Blu Hotel, 27 O'Connell Street, Sydney, New South Wales 2000, Australia.

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Annexure A

[Attached]

iProperty Group Limited
Scheme of arrangement
Chairman's address
28 January 2015

Welcome

Good morning ladies and gentlemen, my name is Patrick Grove and I am your Chairman.

I would like to begin by welcoming you to the Scheme Meeting of iProperty Group Limited (**iProperty**). Thank you for attending.

I would also like to introduce you to my colleagues here on the stage with me, being:

- Managing Director and Chief Executive Officer, Georg Chmiel;
- Non-Executive Director, Lucas Elliott;
- Non-Executive Director, John Armstrong; and
- Company Secretary, Nicholas Geddes.

As it is now past the appointed time of 10.00am and I am advised that a quorum is present, I formally declare this scheme meeting open.

Business of meeting

Today is a significant day in the history of iProperty. Today, shareholders will be asked to vote on a proposed scheme of arrangement under which REA Group Limited (**REA**), through its newly incorporated wholly-owned subsidiary Austin Bidco Pty Ltd (**Bidco**), would acquire all the shares in iProperty (which are not already owned by a member of the REA Group), which I will refer to from now on as the Scheme.

By way of background, REA was established in 1995 and listed on the Australian Securities Exchange in 1999. It has a market capitalisation of approximately A\$6.9 billion (as at 7 December 2015). REA is headquartered in Australia and operates Australia's leading residential and commercial property websites, realestate.com.au and realcommercial.com.au.

The purpose of this scheme meeting is to seek the agreement of shareholders to the Scheme.

Scheme meeting

I will now briefly outline the conduct of today's meeting.

I remind everyone that this is a shareholders' meeting and only shareholders, appointed proxies, corporate representatives and attorneys have the right to speak at the meeting. We have allowed visitors into the meeting.

Emergency exits are located around the room. In the event of an emergency please take direction from the staff of the Radisson Blu Hotel.

As outlined in iProperty's scheme booklet dated 14 December 2015 (**Scheme Booklet**), the resolution to be voted on by shareholders at today's meeting will be decided on a poll.

For ease of reference and brevity, the use of any defined terms at today's meetings are, unless the context otherwise requires, references to the corresponding term as defined in the Scheme Booklet.

Resolution proposed to be agreed to

We will now commence the formal part of this meeting. I will take the notice of meeting as read.

The purpose of this meeting is to consider and, if thought fit, to pass the following resolution. This resolution is set out in the Notice of Scheme Meeting which is contained in Annexure 9 of the Scheme Booklet:

'That, pursuant to and in accordance with the provisions of section 411 of the *Corporations Act 2001* (Cth), the scheme of arrangement proposed between iProperty Group Limited and the holders of its ordinary shares (other than the Excluded Shareholders), as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which iProperty Group Limited and realestate.com.au Pty Limited agree.'

The proposal has also been outlined in detail in the Scheme Booklet which was made available to shareholders in accordance with the orders made by the Federal Court at the First Court Hearing on 14 December 2015.

Brief overview of the Scheme

Consideration

If the Scheme is implemented, iProperty Shareholders on the register as at 7.00pm on the Record Date (which is proposed to be 9 February 2016) will receive either:

- (a) \$4.00 in cash per iProperty share, which I will refer to from now on as the Cash Consideration; or
- (b) \$1.20 in cash and 0.7 B-Class Rollco Shares per iProperty share (subject to a pro rata Scale Back in certain circumstances), which I will refer to from now on as the Mixed Consideration.

iProperty Shareholders should be aware that the Cash Consideration is the default consideration and accordingly, if you have not made and do not make a valid Mixed Consideration Election by the deadline of 5:00pm on 29 January 2016, you will receive the Cash Consideration for each iProperty Share held on the Scheme Record Date.

Independent Expert's Recommendation

The iProperty Independent Directors, being myself, John Armstrong, Georg Chmiel and Lucas Elliott, commissioned Deloitte Corporate Finance (the **Independent Expert**) to prepare an Independent Expert's Report, assessing the Scheme. A copy of the Independent Expert's Report is contained as Annexure 3 to the Scheme Booklet.

The Independent Expert has assessed the fair value of an iProperty share on a controlling basis, to be in the range of \$3.59 to \$4.54 and has concluded that the Scheme is fair and reasonable, and is therefore in the best interests of iProperty Shareholders (other than Excluded Shareholders).

iProperty Independent Directors' Recommendation

The iProperty Independent Directors have given very careful consideration to the advantages and disadvantages of the proposed Scheme and unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal, and subject to the Independent Expert maintaining its conclusion that the Scheme is in the best interests of iProperty Shareholders.

Conditions to the Scheme

The Scheme remains subject to a number of conditions including:

- the approval of the Scheme by the Requisite Majorities of iProperty Shareholders (other than Excluded Shareholders) at this Scheme Meeting;
- the Federal Court of Australia approving the Scheme at the Second Court Hearing which is scheduled to be held next Tuesday, being 2 February 2016, at 10:15am; and

- the Maximum Cash Condition Precedent being that sufficient valid Mixed Consideration Elections being received such that the Aggregate Cash Consideration payable to Scheme Shareholders is less than or equal to \$500 million (this Condition Precedent unless waived by realestate.com.au, will be satisfied if Scheme Shareholders holding in aggregate at least 28,756,463 iProperty Shares make a valid Mixed Consideration Election).

Catcha Group Pte Ltd (**Catcha Group**), which holds 31,349,014 iProperty Shares, representing approximately 16.7% of the total number iProperty Shares (or approximately 21.6% of the total number of iProperty Shares excluding shares held by Excluded Shareholders), has elected to receive the Mixed Consideration. Accordingly, the iProperty Independent Directors are satisfied that there is a reasonable basis to expect that the Maximum Cash Condition Precedent will be satisfied.

The other conditions to the Scheme are outlined in further detail in section 3.9 of the Scheme Booklet. The iProperty Independent Directors are not currently aware of any reason as to why these other conditions to the Scheme will not be met.

Requisite majorities

In order for the resolution proposed at this Scheme Meeting to be passed, it must be agreed to by:

- a majority in number of shareholders of iProperty (other than Excluded Shareholders as defined in the Scheme) present and voting at the meeting (either in person or by proxy); and
- at least 75% of the total number of votes cast on the resolution at the meeting by shareholders of iProperty (other than Excluded Shareholders as defined in the Scheme) present and voting at the meeting (either in person or by proxy).

Second Court Hearing

Should these majorities be met, the Second Court Hearing will be held at 10.15am on 2 February 2016

Question time

I will now take questions from the floor in relation to the proposed Scheme. I will endeavour to answer your questions straight away. However, I do reserve the right to take a question on notice if an immediate answer is not available or if the question is specific and not of interest to shareholders as a whole.

If you wish to ask a question, please stand and an attendant will take your name and introduce you for the benefit of the other attendees of this meeting.

Please have your blue voting card or yellow or red non-voting admission card available.

Are there any questions in relation to the proposed Scheme?

(Take questions)

I believe there are no further questions in relation to the Scheme and I therefore conclude discussion on this item of business.

Proxy Position

The proxy position in relation to the proposed resolution is shown on the screen.

(Chairman to run through proxy results)

As set out in the Notice of Scheme Meeting, I will vote all undirected proxies available to me in favour of the resolution.

Voting procedure

We will now proceed to vote on the resolution to agree to the Scheme as set out in the Notice of Scheme Meeting contained in the Scheme Booklet. As required by the order of the Court, I now demand that the proposed resolution be determined by a poll.

I will now read out the voting procedures to you.

As set out in further detail in the Notice of Scheme Meeting, people entitled to vote on this poll are shareholders, proxyholders and corporate representatives of shareholders. To be eligible to vote, you would have been issued with a blue voting card when registering for the meeting.

If there is any person present who believes they are entitled to vote but does not have a blue voting card, would you please raise your hand and a staff member from Boardroom, iProperty's Share Registry, will assist you.

On the reverse of your blue voting card is your voting paper which details the resolution that is being put to this poll.

If you are a proxyholder and only have directed votes (for and/or against) as shown on the summary of votes attached to your blue voting card, all you need to do is print your name and sign the voting paper and lodge it in a ballot box.

If you are a proxyholder with open votes, you need to mark a box beside the resolution to indicate how you wish to cast the open votes (for, against or abstain).

All other people who have a blue voting card also need to mark a box beside the resolution to indicate how you wish to cast the open votes (again - for, against or abstain).

Please ensure that you print your name where indicated and sign the voting paper. If your voting paper is not signed it will be invalid.

When you have finished filling in your voting paper, please lodge it in a ballot box. Your vote cannot be counted unless it is lodged - this includes any proxyholder who only has directed votes.

If you require any assistance, staff from Boardroom Pty Ltd, iProperty's Share Registry, are here to assist you. Please raise your hand if you require assistance.

(Pause here whilst voting papers are completed)

Would you please indicate by raising your hand if you require more time to complete your voting paper?

Thank you. I believe all voting cards have now been lodged and I declare the poll closed.

(When completed, Boardroom staff will then collect the voting papers.)

As the resolution is to be decided on a poll, the result of the vote will be announced to the ASX as soon as possible following the conclusion of the meeting.

Ladies and gentlemen, I now close the meeting for all purposes, subject to the conduct and conclusion of the poll. I would like to thank you all for your attendance.

Close

iProperty Group Limited

Scheme Meeting – proxy results
28 January 2016

Scheme Meeting - Resolution

'That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between iProperty Group Limited and the holders of its ordinary shares (other than the Excluded Shareholders), as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which iProperty Group Limited and realestate.com.au Pty Limited agree.'

Scheme Meeting – Proxy Results

| Proxy Results ¹ | For | Against | Total For or Against | Open (Chairman or Otherwise) | Total Proxy Votes | % For | % Against | % Open | Abstain |
|----------------------------|------------|-----------|----------------------|------------------------------|-------------------|--------|-----------|--------|---------|
| No. of voters | 432 | 47 | 479 | 54 | 533 | 81.05% | 8.82% | 10.13% | 1 |
| Votes | 75,692,188 | 1,964,820 | 77,657,008 | 559,362 | 78,216,370 | 96.77% | 2.51% | 0.72% | 3,663 |

Note:

1. As at close of proxies at 10:00am (Sydney time) on 26 January 2016.