

RUN ON TRACK WITH HALF YEAR RESULTS

STRONG PERFORMANCE BY AUSTRALIA'S LARGEST PROPERTY MANAGEMENT COMPANY

RUN Corp Limited, Australia's largest specialist property management company which listed on the ASX in December 2005, today released its results for the half year ended 31 December 2005.

Mr Paul Villanti, Chief Executive Officer, said the company's performance for the period had been strong and that it was on track to deliver on forecasts in the company's prospectus for the financial year ended June 2006.

FINANCIAL RESULTS FOR HALF YEAR ENDED 31 DECEMBER 2005

RUN's consolidated loss for the half-year, after providing for income tax, was \$4.4 million which is slightly favourable to RUN's prospectus forecast loss of \$4.8 million.

As outlined in the prospectus, this forecasted loss largely reflects start-up and operating expenses incurred prior to the acquisitions that were settled in December 2005.

Total revenue for the period was \$3.3 million, over half of which was earned in the month of December 2005. Average weekly rentals, commission rates and vacancy rates were consistent with RUN's prospectus forecast but actual revenue was marginally lower due to the slight drop in the forecast number of properties under management (see 'Properties under Management' below).

Total expenses for the period were \$9.6 million. Expenses for the period were impacted by one-off items such as employee share options expenses of \$1.4 million and professional fees of \$0.9 million. These were consistent with the prospectus forecast.

PROPERTIES UNDER MANAGEMENT

The number of properties under RUN's management increased from 2,100 in July to 21,749 as at 31 December 2005.

Mr Villanti said this figure was approximately five per cent less than the prospectus forecast and was mainly due to the removal of inactive properties from the agency portfolios before RUN assumed ownership of the property management rights.

RUN currently has an additional 1,800 property management rights under contract, which, subject to due diligence, are expected to settle in March 2006.

Opportunities to secure in excess of a further 5,000 property management rights are also under review at the present time.

Mr Villanti said the company expects to meet its prospectus forecast of a total of 27,000 properties under management by 30 June 2006.

"RUN has also expanded its activities in the commercial property management sector. We currently have over 700 commercial properties under management, providing a solid foundation upon which to build a strong commercial division going forward," he said.

RENT ROLL INTEGRATION

The integration of partner rent rolls onto the RUN property management platform had proceeded on target and without disruption to normal service delivery.

Customer and transaction data from approximately 9,500 Victorian properties has already been transferred as scheduled and the remaining Melbourne and Sydney rent rolls will be migrated progressively within the next six months.

MARKET CONDITIONS

Mr Villanti said: "RUN is continuing to experience a higher than forecast demand for residential rental properties, with over 30,000 tenant enquiries received in January alone for Melbourne, Sydney and Brisbane properties. Indeed the level of tenant enquiry is indicative of the momentum that has been built in a short period of time. The only frustration is that we have so many prospective tenants that have missed out on properties."

"This level of enquiry shows no sign of slowing and on this basis, we expect to achieve a vacancy rate better than the prospectus forecast rate of three per cent."

FINANCIAL OUTLOOK

Mr Villanti said "In the six months to December 2005, RUN has achieved its stated public objective of becoming the largest specialist residential property management company in Australia."

"In addition, the company's staff, systems and procedures are working seamlessly together to deliver high quality services in the most cost effective manner possible. Looking forward, I believe that through the combination of our planned additional acquisitions and organic growth with third party channels over the coming months, the company is well positioned to deliver on the bottom line forecast outlined in its prospectus for the year ended 30 June 2006."

-- Ends --

About RUN Property

RUN Property is a national, single-focus property management company established in 2004. The company listed on the ASX in December 2005.

The company's business model, a unique mix of service skills, processes and technology, is the only one of its kind in the property management industry, enabling RUN to offer superior customer service to owners and tenants alike.

The Board comprises Mr Frank Cicutto (Chairman), Ms Jane Tongs (Non Executive Director), Mr John McGrath (Non Executive Director); Mr Sam Herszberg (Director), Mr Nathan Cher (Director) and Mr Paul Villanti (Chief Executive Officer).

Mr Rob Farmer (Chief Operating Officer) and Mr David Holden (Chief Financial Officer & Company Secretary) are non board members of the senior management team.

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