

## ASX ANNOUNCEMENT

### Trading Update

**Sydney, 12 October 2018:** Domain Holdings Australia Limited [ASX:DHG] (“**Domain**” or “**Company**”) today provided a trading update ahead of Fairfax Media’s expected formal commencement of the Fairfax/Nine merger Scheme process and lodgement of the Scheme booklet.

Domain indicated in August that it would provide a trading update at its Annual General Meeting. This trading update replaces that intended disclosure. Domain’s 2018 AGM will be held on 20 November 2018.

#### Trading Update

FY19 year-to-date (first 15 weeks):

- Digital revenue is 6% higher;
- Total revenue is 1% lower;
- Pro forma underlying Costs (excluding investment in new transactions businesses) are 1% higher;
- Pro forma total Costs are around 7% higher.

Digital and Print revenues have been impacted by lower new listings and auction volumes, particularly in Sydney and Melbourne. For the September quarter, Sydney market new listings were down 8% and auction volumes were down 22%; Melbourne market new listings were down 1% and auction volumes were down 18%. Media revenues have been affected by restructuring of digital media sales to adopt a higher margin fully programmatic offering. Developer revenues have been affected by lower levels of new development projects, particularly in NSW.

Note: FY19H1 will include an extra week of trading in December.

Additional cost initiatives are being pursued to deliver an improved cost performance. For FY19, Domain’s pro forma underlying Costs (excluding investment in new transactions businesses) are now expected to increase low-single digits. Pro forma total Costs are now expected to increase mid-to-high-single digits.

#### Ends

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