

ASX ANNOUNCEMENT

Domain Holdings Australia Limited 2018 Annual General Meeting Chairman and CEO's Addresses and Presentations

Sydney, 20 November 2018: Domain Holdings Australia Limited [ASX:DHG] ("**Domain**" or "**Company**") is today holding its Annual General Meeting (AGM) in Sydney. The meeting is being webcast at <https://shareholders.domain.com.au/>.

Accompanying commentary and the presentations from Chairman Nick Falloon and Managing Director and Chief Executive Officer Jason Pellegrino is set out below.

Nick Falloon – Chairman:

Slide 1

Good morning everyone.

I would like to start by paying my respects to the Traditional Owners of the land on which we meet – and their Elders past, present and future.

Welcome and thank you for joining us for the first Annual General Meeting of Domain Holdings Australia.

I am Nick Falloon, Chairman of Domain.

I note that it is now 10:00am. I am advised by the Company Secretary that there is a quorum present and I declare this morning's meeting open.

I would like to introduce the members of the Board of Directors and senior executives. Starting on my far left – Patrick Allaway, Gail Hambly, Chief Executive Officer and Managing Director Jason Pellegrino, our Group General Counsel and Company Secretary Catriona McGregor, Diana Eilert, Geoff Kleemann, and our Chief Financial Officer Rob Doyle.

Greg Ellis is an apology as he is attending to his final Board commitments as outgoing CEO of Scout24 in Europe. Our FY18 auditor, Doug Bain, is with us from Ernst & Young.

Shareholders were given the opportunity to ask questions in advance of this meeting. We have endeavoured to answer as many of those questions as possible in my and the CEO's addresses.

Before we move to the formal business, I will provide an overview of Domain's performance over the last year. I will then invite Jason to make his remarks.

Domain

We were pleased to have Jason join us from Google in late August. His appointment was the result of the Domain Board running a comprehensive global search for the role.

Jason's deep digital and sales experience, coupled with his strategic, operational and product technology knowledge, made him the logical choice to lead the business.

Slide 2

Domain delivered a pleasing performance in the 2018 financial year. I held the role of Executive Chairman from January through to August.

The listing of Domain a year ago was a tremendous milestone. It was the culmination of the dedication, hard work and support of many from Domain and Fairfax Media, which holds a 59.4% shareholding.

Domain welcomes the merger of Fairfax with Nine, which was approved by Fairfax shareholders yesterday. We look forward to working closely with Nine and only see considerable upside for Domain through the additional marketing and audience reach of the combined Fairfax and Nine businesses.

Your company is strongly positioned as an Australian real estate media and technology services business with excellent growth prospects, notwithstanding the current market cyclicity.

Domain provided a trading update to the market in October as part of disclosures associated with the Fairfax-Nine merger. As such, we won't be providing a detailed update today; however I note that current trading remains broadly in line with that prior disclosure.

Slide 3

At the core of the Domain ecosystem are large audiences across digital, print and social; strong relationships with real estate agents; data and insights; and world-class product innovation delivering compelling product and user experiences.

Slide 4

Domain is delivering with strong fundamentals – including a talented team – underpinning future growth. In the 2018 financial year, Domain delivered:

- 20% growth in digital revenue, which demonstrates the continued strong performance of our listings and transactions businesses;
- 17% increase in app downloads, which attests to the power of the Domain property app;
- 21% increase in residential mobile enquiries, proving the value and quality Domain delivers to agents and vendors;
- 24% growth in residential depth revenue, reflecting Domain's increasing penetration of agents and listings; and
- 75% growth in transactions revenue, which is the result of investment to create a strong and expanding property ecosystem aligned with Domain's core.

Domain

Slide 5

For the 2018 financial year, on a pro forma basis excluding significant items, Domain reported:

- Revenue growth of 11.5% to \$357.3 million;
- EBITDA growth of 12.5% to \$115.7 million;
- Net profit growth of 7.7% to \$52.9 million;
- Earnings per share growth of 7.3% to 9.2 cents;
- A dividend of 4 cents per share, 70% franked, bringing total dividends to 8 cents per share, 50% franked; and
- Net debt of \$126.5 million, a leverage ratio of 1.1x.

The company reported a statutory net loss of \$6.2 million after taking into account significant items.

Pro forma EBITDA growth of 12.5% demonstrates the strength of Domain as a separately listed company.

Slide 6

I will briefly talk to business performance across Domain's key revenue categories in FY18.

Residential revenue increased 19.9%. This is a strong result in a mixed listings environment nationally. Yield increases and higher depth penetration supported a 24% increase in depth revenue and was the key driver of the revenue growth.

Media, Developers and Commercial delivered 11.2% revenue growth for the year. Our decision to embrace a fully programmatic advertising offering across digital media sales best positions Domain to meet future client needs and allows advertisers to leverage our rich data and insights. Developers and Commercial achieved market share gains.

Agent Services revenue increased 9.2%. This was underpinned by subscriber growth, yield increases and bundling.

Transactions and Other revenue increased 74.5%. We are seeing encouraging early signs from Domain Loan Finder and Domain Insure. Our Connections business is delivering strong growth in volumes and improvement in margins with additional upside from further integration into the Domain ecosystem.

Print revenues declined 12.6% and comprised 22% of total revenue. Implementation of cost initiatives supported a stable EBITDA outcome.

As you can see, Domain has a strong foundation for long-term growth. We are leading the way in mobile-centric product innovation and are laser focused on delivering the very best consumer and agent experiences possible – now and into the future.

I would like to take this opportunity to thank each of my fellow Board members for the contributions they make to Domain. Shareholders benefit greatly from their expertise and support.

I would also like to thank all of our people for their dedication and commitment in what has been a truly extraordinary year of change and progress for our business. Our people are what make Domain great.

And of course, we greatly value all of our shareholders. On behalf of the Board, I thank you for your continued support.

I would now like to invite Jason to deliver his address.



Jason Pellegrino – Managing Director and Chief Executive Officer:

Slide 7

Good morning everyone.

It is great to have the opportunity to introduce myself to shareholders – and I look forward to catching up with many of you after the meeting today.

It's been 12 weeks since I joined the business. My schedule has been jam-packed

Some highlights include meeting with Domain's talented people working in all parts of the business across the country to ensure we have everything we need in place – from tech and product to culture and values – to be the best Domain possible.

I've met more than 150 agent customers across the country to hear what they love about Domain and how we can make our products even better for the future.

The executive team and I are focused on driving the next phase of Domain's growth, leveraging our unique set of assets.

What I've heard loud and clear from everyone I've spoken to, is that there is opportunity – *immense* opportunity – both now and into the future for Domain. And I couldn't agree more.

Slide 8

I'll talk briefly about three things that excite me about Domain and are some of the reasons I decided to join the company.

Firstly, Property *really* matters to Australians –

When I was at Google, I saw first-hand the extent of the Australian property obsession. Property searches by Australians are more than double the per capita rate seen in other parts of the world.

For most people, property represents their biggest asset – and is responsible for a significant proportion of their household spend.

This gives Domain the opportunity to build something that *really* matters to Australians and help them solve some of life's most important challenges.

Secondly, Domain has unprecedented insights into consumer intent –

Domain

Over the last decade I have had the privilege of working first hand with many local and global organisations which have sought to scale digital businesses.

In a world of constant connection, abundant choice, and free flow of data, it is clear to me that the winning formula involves data – not just collecting data, but *using* it to better understand intent, solve *real* user problems, build loyalty and scale commercially.

Understanding user intent is the holy grail of information. It is a signal of what consumers want; and that knowledge means Domain can provide the *right* solutions at the *right* time.

Domain's property listings provide direct insight into a user's intent to buy and sell property. Our editorial provides even richer insights into consumers and their lifelong property journey. It is rare to see a business with such a deep understanding of user intent combined with such powerful solutions.

Nine's brands, large and geographically broader audiences, and opportunities for editorial and content integration, will supercharge our understanding of intent and ability to deliver solutions.

Finally, Domain continues to deliver digital revenue growth amid a challenging market backdrop –

It won't surprise anyone to hear listings volumes and auction clearance rates have been down in recent months, and that trend has been particularly pronounced in Sydney and Melbourne.

But some cyclicalities does not dent my confidence in the Domain business model.

Our audiences continue to grow in scale and engagement and have never been larger. As at October, our digital audience reached 6.5 million nationally. The gap to our major competitor continues to close. And on top of that, we have very large and attractive print and social audiences.

Domain is a must-buy proposition with 58% of Domain app users not using the major competitor's app. This exclusive and differentiated audience underpins Domain's performance.

Slide 10

And, despite the market conditions, agents and vendors are increasingly buying our premium products to market their properties. We are achieving higher yield as a result of increased adoption of depth across the country.

We are pleased with the performance of our depth products in NSW, improvements we are seeing in Victoria, and strong gains in our emerging markets of Queensland and South Australia.

Nationally, total depth penetration is at the highest level in the company's history and there remains plenty of room for Domain to grow in the Australian market.

Slide 11

Domain

After five years of investment to establish itself as a genuine competitor, Domain has achieved a solid foundation, scale and capability.

We are now ready for our next phase of growth.

Domain's more than 850 employees are on a mission to educate, inform, inspire and connect Australian consumers throughout their lifelong property journey.

We are extending our relationship with consumers from a relatively short property search period, measured in months, to a decade-long ownership cycle with many opportunities to offer solutions.

For Property Seekers, Domain's mobile platforms are central to the search process and identification of suitable properties. Domain users are more informed than ever. This is supported by a depth of data and insights, including from our APM Pricefinder business. Features such as Inspection Planner, and tools such as Homepass, assist in the property search process.

For Property Owners, our trusted editorial content drives the national property conversation. It educates, entertains and informs; providing much broader insights into consumers' intent and assisting throughout the lifelong property journey. Domain's partnerships with industry leading experts create seamless solutions for property owners. This includes home loan broking service Domain Loan Finder, which provides initial financing and refinancing opportunities; Domain Insure which provides insurance services; and Compare & Connect, our residential utilities product comparison service for electricity, gas, telephone, internet and Pay TV.

For Property Vendors, our powerful marketing platform supports Agents to achieve the best results for their clients by leveraging our large and unique audience and suite of highly-engaging premium products.

A combined Nine and Fairfax supports our plans for Domain's next phase of growth, allowing us to reach new audiences and improve our ability to deliver the right solutions across the lifelong property journey.

Everyone in our business is highly focused on controlling what we can control. We will continue to invest in our product and marketing. We are taking action in areas that will deliver the greatest return and contribute to Domain's business performance.

We will be frugal and spend every dollar as if it is our own. Indeed, more than 80% of Domain employees are Domain shareholders.

We have the talent, capability and culture in place to deliver on our growth ambitions.

This is an incredibly exciting time for Domain and I am thrilled to be part it. As I have said, the opportunity ahead is *immense*.

I would like join the Chairman in thanking the Domain team and our shareholders for their continued support of our company.

I'll now hand back to the Chairman.

Domain

Ends

Corporate Communications / Media: Brad Hatch, +61 2 9282 2168, brad.hatch@domain.com.au

Investors: Jolanta Masojada, +61 417 261 367, jolanta.masojada@domain.com.au

2018 Annual General Meeting

20 November 2018

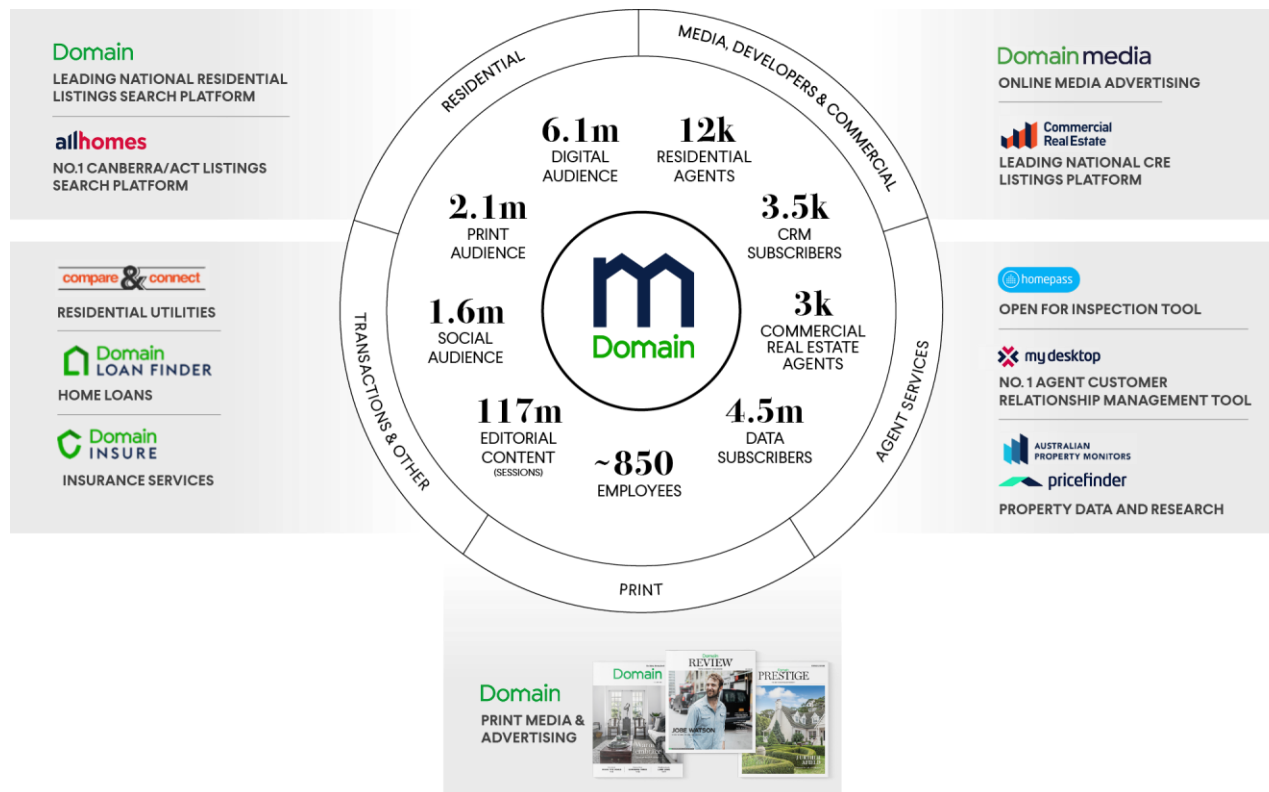




CHAIRMAN'S ADDRESS

NICK FALLOON, CHAIRMAN

DOMAIN HAS A WORLD-CLASS PRODUCT AND SERVICES ECOSYSTEM



Note: Numbers as at FY18

STRONG FUNDAMENTALS UNDERPINNING DOMAIN'S GROWTH



Strong revenue performance

+20%
digital revenue



Highly-engaging property app

+17%
Domain app downloads



Delivering value and quality to agents

+21%
residential mobile enquiries (leads)



Increasing penetration of agents and listings driving depth revenue

+24%
residential depth revenue



Investment creating a strong and expanding Domain property ecosystem

+75%
transactions revenue

DOMAIN DELIVERED A SOLID FY18 FINANCIAL PERFORMANCE



\$357.3M

PRO-FORMA REVENUE



\$115.7M

PRO-FORMA EBITDA



\$52.9M

PRO-FORMA NET
PROFIT AFTER TAX



9.2¢

PRO-FORMA
EARNINGS PER SHARE



8¢

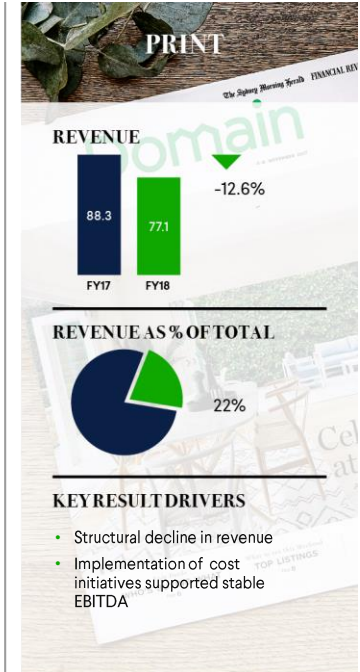
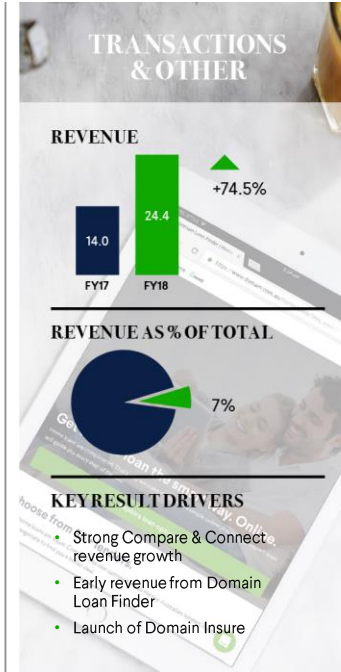
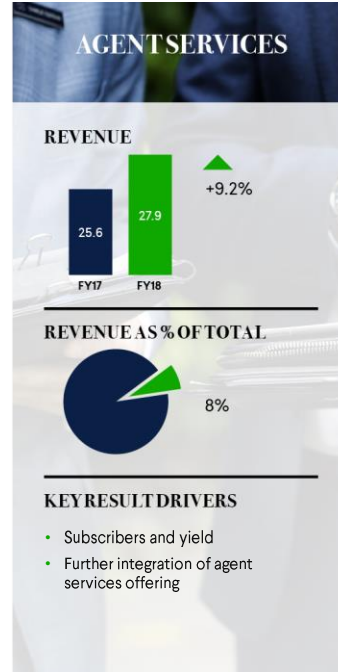
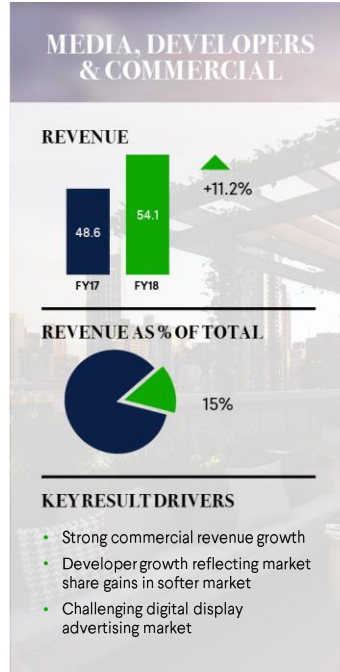
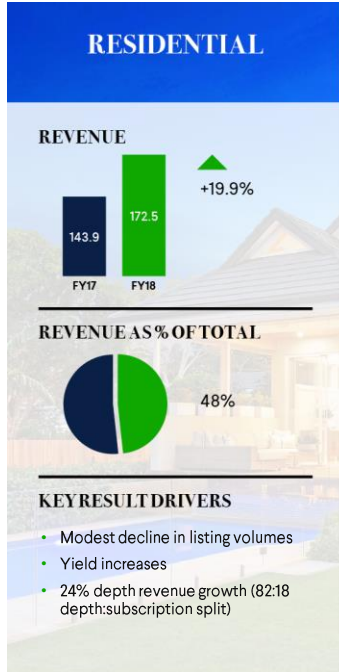
TOTAL DIVIDEND
PER SHARE



1.1X

NET DEBT TO EBITDA

DOMAIN'S GROWTH IS DRIVEN BY FIVE KEY REVENUE CATEGORIES



A modern, two-story house with a large stone pillar and glass walls. The house is situated on a waterfront, with a swimming pool in the foreground. The pool has a wooden deck and a small hot tub area. The background shows a body of water with other houses and a clear sky.

CEO'S ADDRESS

JASON PELLEGRINO, CEO

CONFIDENCE IN THE DOMAIN OPPORTUNITY



1

Property *really*
matters to Australians



2

Domain has unprecedented
insights into consumer intent

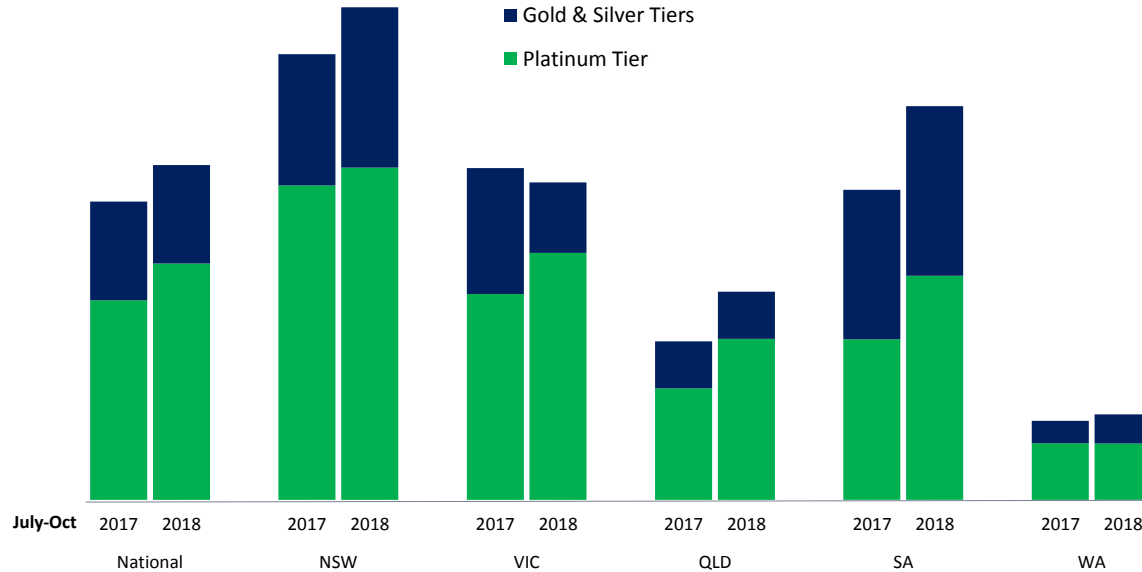


3

Domain continues to deliver
digital revenue growth and
higher depth penetration amid
a challenging market backdrop

DOMAIN IS DELIVERING STRONG GROWTH IN PLATINUM DEPTH

DOMAIN RESIDENTIAL DEPTH PRODUCT PENETRATION (% OF NEW "FOR SALE AND RENT" LISTINGS) JUL-OCT 2018 VS JUL-OCT 2017



DOMAIN DELIVERS CONSUMERS VALUE AT ALL POINTS OF THE PROPERTY SEARCH, OWNERSHIP AND SALE EXPERIENCE





THANK YOU

CONTACT:
CORPORATE.RELATIONS@DOMAIN.COM.AU

DISCLAIMER

SUMMARY INFORMATION

This presentation contains summary information about Domain Holdings Australia Limited (**Domain**) and its activities current as at 20 November 2018. The information in this presentation is of a general background nature and does not purport to be complete. It should be read in conjunction with Domain's other periodic and continuous disclosure announcements which are available at shareholders.domain.com.au.

NOT FINANCIAL PRODUCT ADVICE

This presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire Domain securities and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Statements made in this presentation are made as at the date of the presentation unless otherwise stated.

PAST PERFORMANCE

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

FUTURE PERFORMANCE

This presentation contains certain "forward-looking statements". The words "expect", "should", "could", "may", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and

should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences can be material. This presentation contains such statements that are subject to risk factors associated with the industries in which Domain operates which may materially impact on future performance. Investors should form their own views as to these matters and any assumptions on which any forward-looking statements are based. Domain assumes no obligation to update or revise such information to reflect any change in expectations or assumptions.

The inclusion of forward-looking statements in this presentation should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that Domain will achieve, or is likely to achieve, any particular results.

GENERAL

Neither Domain, nor its related bodies corporate, directors, officers, employees, agents, contractors, consultants or advisers makes or gives any representation, warranty or guarantee, whether express or implied, that the information contained in this presentation is complete, reliable or accurate or that it has been or will be independently verified, or that reasonable care has been or will be taken by them in compiling, preparing or furnishing this presentation and its contents. To the maximum extent permitted by law, neither Domain, nor its related bodies corporate, directors, officers, employees, agents, contractors, consultants and advisers expressly disclaim any and all liability for any loss or damage suffered or incurred by any other person or entity however caused (including by reason of fault or negligence) and whether or not foreseeable, relating to or resulting from the receipt or use of the information or from any errors in, or omissions from, this presentation. The statements and the information in this presentation are subject to change without notice. No person, including Domain and its related bodies corporate, directors, officers, employees, agents, contractors, consultants and advisers accepts any obligation to update this presentation or to correct any inaccuracies or omissions in it which may exist or become apparent.