

ASX ANNOUNCEMENT

COVID-19 Update

Sydney, 20 March 2020: Domain Holdings Australia Limited [ASX: DHG] ("**Domain**" or "**Company**") today provides an update on recent trading, initiatives being introduced to support agent customers, and the potential impact of the COVID-19 coronavirus.

Trading update

In March 2020 to date, Domain has seen a material improvement in its residential business following a soft start to FY20 H2. "For sale" listings volumes in New South Wales and Victoria are higher year-on-year. Residential revenue growth reflects these improving property market conditions, and the adoption and positive impact of Domain's new commercial pricing model. This flexible model, introduced in January 2020, is delivering value to agents and consumers, and is supporting pleasing yield growth.

CEO Jason Pellegrino said "We continue to make progress towards our goal of quality audience growth. In February 2020, Domain's property views increased more than 20% YoY, and enquiries to agents increased close to 40% YoY."

Agent initiatives

Jason Pellegrino commented, "Agents and consumers are at the centre of everything that we do, and we remain focussed on providing value at every step of their property journeys. Our commitment to helping agents build resilient and sustainable businesses stands in these uncertain times. We are providing agents and vendors with increased flexibility on their current and planned listings until 30 June 2020. This includes free refreshes of sales and rental listings, as well the ability to relist without charge within six months, if an existing listing needs to be paused. We are also working on new digital features to provide confidence to agents, vendors and buyers, and new ways to showcase, enquire, inspect, and transact on property."

Outlook

While trading conditions in March show improving listings volumes, and yield growth driven by our new commercial pricing model, there is uncertainty about the potential impact of COVID-19 on the Australian property market. We have implemented business continuity plans and they are working well. The welfare of our people is paramount, and we are supporting them through remote working initiatives. They are rising to the challenge, and we are well placed to deal with the testing times that may lie ahead for our business and for our Agent partners.

Domain is committed to maintaining its track record of disciplined cost management to take account of the trading environment.

Domain's business model supports high cash flow conversion. Domain has a healthy balance sheet with a leverage ratio of 1.6x as at December 2019, with ample headroom against debt covenants. Following its debt refinancing in November 2019, Domain's debt has maturities of 3-4 years.

Ends

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