

ASX/Media Release
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Mitula Group Interim Financial Results – Strong Year on Year Revenue Growth and On Track for CY 2015 and FY 2016 Forecasts

The Mitula Group Limited (“**Mitula Group**”) (ASX: MUA), a leader in classifieds vertical search, has released its Interim Financial Results for the 9 month period ending 30 September 2015.

These results have been prepared as an Australian Securities and Investment Commission requirement and compare the financial results for the Mitula Group for the 9 month period to 30 September 2015 with the 9 month period to 30 September 2014.

As the Mitula Group Limited was incorporated in March 2015, the results of the wholly owned subsidiary Mitula Classified SL are used as the basis for the year on year comparison. Included in the 2015 results are 5 months of financial results for Lokku Limited which was acquired on 8 May 2015.

Key Financial Highlights

During the 9 months to September 2015:

- Revenue grew by 93.2% from \$7.7 million to \$14.9 million;
- Profit before tax decreased by 33.2% from \$3.9 million to \$2.6 million – primarily due to one off costs associated with the Initial Public Offering (IPO) of the company;
- Adjusted profit before tax¹ increased by 61.5% from \$3.9 million to \$6.3 million once IPO related costs are removed from the 9 months to September 2015 results; and

Key Operational Highlights

During the 9 months to September 2015, the Mitula Group:

- Undertook a corporate restructure including the formation of the Mitula Group Limited and the acquisition of Mitula Classified SL in Spain;
- Listed the company on the Australian Securities Exchange on 2 July 2015 with strong growth in share price from \$0.75 to a high of \$1.065;
- Acquired and integrated the UK based Lokku Limited (trading as Nestoria);

¹ Adjusted profit before tax removes \$3.7 million in one off costs associated from the Initial Public Offering from the 9 months to September 2015 financial results.

- The launch of six new countries with a combined population of 300 m. The countries were Vietnam, Nigeria, Panama, Denmark, Sweden and Ireland; and
- Rebranded the Mitula Group and its operating brands of Mitula and Nestoria to create an integrated look and feel for the company.

Underlying the strong financial performance was strong growth in the key performance metrics. The table below outlines the KPI's for the Mitula Group as at the end of September 2015.

KPI	Sept 2015	Sept 2014	% Change
Advertisers (m)	14,216	10,475	35.7%
Listings (m)	270.2	196.3	37.7%
Monthly Visits (m)	49.9	42.5	17.4%
Visits from Organic Search (%)	69.9%	75.1%	n/a
Monthly Click Outs (m)	75.3	58.2	29.3%
Click Outs / Visit	1.51	1.37	10.2%
Monthly Click Outs Sold (m)	37.1	23.3	59.3%
Paying Advertisers	726	441	64.6%

Overview of Financial Results

The Mitula Group delivered a strong financial performance for the first 9 months to 30 September 2015.

AUD \$million	9 Months to September 2015	9 Months to September 2014	Growth
Revenue	14.9	7.7	93.2%
Profit before tax	2.6	3.9	(33.3%)
Adjusted profit before tax ¹	6.3	3.9	61.5%

Revenue for the 9 month period to September 2015 grew by 93.2% over the previous corresponding period. The growth in revenue was driven by a combination of strong organic growth and the addition of revenue from the acquisition of Lokku Limited in May 2015.

The statutory profit before tax was \$2.6 million, a decrease of 33.3%. However, this included \$3.7 million in one off costs associated with the Initial Public Offering. When these IPO costs are reversed out of the September 2015 results, the adjusted profit before tax was \$6.3 million – a growth of 61.5% over the previous corresponding period.

Mitula Group CEO, Gonzalo del Pozo, commented “We are very pleased with the results for the first 9 months of 2015. Revenue growth was extremely strong and when you take into account the costs associated with restructuring the company, acquiring and integrating Lokku, and with listing the business, we have also delivered strong growth in profit before tax.”

Comparison of Statutory Results to Pro Forma Results

In its June 2015 Prospectus, the Mitula Group presented two pro forma forecasts – one for the 12 month period ending 31 December 2015 and one for the 12 month period ending 30 June 2016.

The following is a management reconciliation of the statutory results to the pro forma results for the 9 months to 30 September 2015.

<i>AUD \$million</i>	Statutory Results	Lokku Adjust-ment²	IPO Related Expenses³	Other	Pro Forma Results
Revenue	14.87	1.97			16.84
Cost of Sales	(1.85)	(0.23)			(2.08)
Gross Profit	13.02	1.74			14.76
Operational Expenses	(7.95)	(1.22)	1.71	0.17	(7.29)
EBITDA	5.07	0.52	1.71	0.17	7.47
Depreciation/Amort.	(0.17)				(0.17)
Finance Inc/(Expense)	(2.28)		1.95		(0.33)
Profit Before Tax	2.62	0.52	3.66	0.17	6.97

Forecast

The company continues to remain on track to deliver its CY 2015 and FY 2016 financial forecasts as outlined in its June 2015 Prospectus.

About the Mitula Group

The Mitula Group is a leading operator of 57 vertical search sites in 44 different countries across real estate, employment, motoring, and in some countries vacation rentals. These sites are in 18 different languages and operate under either the Mitula and Nestoria brands.

Advertisers send listings to the Mitula Group and when a visitor to one of the Mitula Group sites clicks on one of these listings, they are redirected back to the source site, thus generating traffic for the advertiser.

² Adjustment to include revenues and expenses for Lokku Limited for the period of January 2015 through April 2015 prior to the acquisition of Lokku Limited by the Mitula Group.

³ Adjustment to remove the expenses associated with the Initial Public Offering of the Mitula Group Limited.

The Mitula Group generates revenues from Google AdSense on its sites and from advertisers paying for additional clicks on a CPC (cost per click) basis.

The company was founded in 2009. It listed on the Australian Securities Exchange on 1 July 2015 and trades under the ticker code MUA.

Further Information

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