



ASX Announcement
(ASX: UPD)
29 August 2016

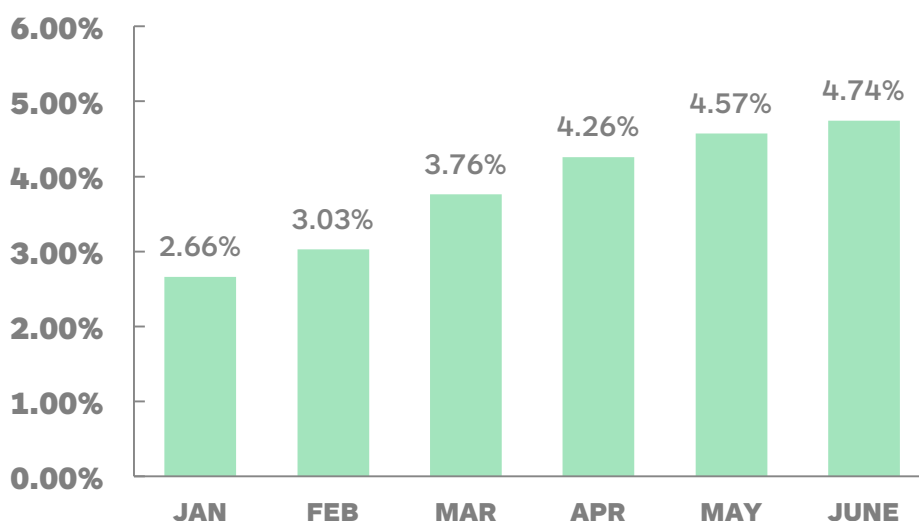
HALF YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD ENDING 30 JUNE 2016

Updater Inc. ("Updater" or the "Company"), the US technology company making the moving process easier for the 17 million US households moving each year, is pleased to report activity highlights for the half year ending 30 June 2016 along with Appendix 4D.

2016 Half Year Highlights

- The Company's key performance metric, Estimated Market Share, increased each month through the first half of 2016, up 78% during the six-month period.

Figure 1: Estimated Market Share (Jan – June 2016)



- June is the peak moving month in the United States, and Updater's 500+ real estate company partners facilitate substantially more moves in the summer months. Updater processed 144% more moves in June than in January without any additional material increases in personnel, underscoring the scalability of the Company's systems and operations.

| Month | Monthly Moves Processed | Estimated Market Share (of all US household moves) |
|---------------|-------------------------|--|
| June 2016 | 89,347 | 4.74% |
| May 2016 | 64,284 | 4.57% |
| April 2016 | 55,111 | 4.26% |
| March 2016 | 45,555 | 3.76% |
| February 2016 | 37,546 | 3.03% |
| January 2016 | 36,623 | 2.66% |

- In July, the Company announced that it had achieved its 2016 performance goal: 5% Estimated Market Share of Monthly Moves Processed. The Company has announced a new market share goal of 15% Estimated Market Share of Monthly Moves Processed by year-end 2017.
- Due to the rapid growth of the Company's market share, the Company has reached "critical mass" required for Business Products sooner than anticipated. Therefore, the Company accelerated its planned development of pilot programs for Business Products, previously scheduled for initial development in 2017. To that end, the company announced an additional performance goal of 3 Pilot Programs signed by year-end 2016.
- In July, the Company announced the signing of its first Pilot Program with Liberty Mutual, a diversified global insurer, and the second largest property and casualty insurer in the United States. Liberty Mutual is a Fortune 100 company with over 50,000 employees and nearly US\$40 billion in annual revenue. The Pilot is structured as a collaborative partnership to test various communication strategies with applicable movers.
- Throughout the first half of the year, the Company invested significant resources toward developing the product and operations necessary to support its second Pilot Program with a group of leading moving companies in the US (the "Pilot Moving Companies"). The primary goals of the pilot are to prove the value of the Updater platform for the Pilot Moving Companies and other businesses in the industry, and to provide comprehensive assistance with vetting and scheduling professional moving services for users. Updater estimates that professional moving companies spend on average 20% of gross revenue on marketing services, which collectively equates to nearly US\$2 billion of spend each year. Most importantly, however, management is optimistic that the new functionality for users may accelerate the network effects outlined in the Prospectus.
- Raj Doshi, who joined Updater's senior leadership team as SVP of Sales and Success in April, began implementing new strategies and operations necessary

to further accelerate growth to achieve the Company's goal of 15% Estimated Market Share by year-end 2017. Key elements of the strategy include:

- Sales optimization. Each of Updater's channels (e.g., property management, relocation, brokerages) has widely-distributed addressable markets. Therefore, driving to 15%+ market share will require both strategic partnerships with large companies as well as an optimized sales engine to partner with thousands of smaller companies (representing the lion's share of the addressable market).
 - Partner communication. The Company's growth plan requires onboarding hundreds of additional partners, and it is vital that the Company continues to demonstrate the value of Updater's product to all of its new partners. The Company is therefore instituting systematic approaches to measure and communicate product value to partners. Both quantitative and qualitative information will be distributed to partners, including user (mover) feedback as well as revenue and cost-savings from implementing Updater.
 - Exponential growth initiatives. In order to hit the Company's ambitious goals, the team will need to continue to innovate and think big. The team is working on multiple exciting initiatives that could spark significant growth.
- Dozens of influential real estate companies signed partnership agreements with the Company during the first half of 2016, and numerous existing real estate company partners expanded their relationship with the Company to additional properties, agents, and locations. Of note, 19 of the National Multifamily Housing Council's Top 50 Apartment Managers have signed partnership agreements with the Company.
 - The Company launched marketing and sales partnership with multiple new transaction management systems, including SkySlope and RETHink CRM, two of the largest CRMs for real estate brokerages, and E-Closing, a title insurance production software.
 - The Company won a Silver American Business Award in the "Most Innovative Tech Company of the Year" category. The Company has won back-to-back awards in this category in both 2015 and 2016.
 - With the Company's success and increasing attention, various companies have begun attempting to build copies of certain Updater features. Management is confident in the Company's defensible infrastructure and unique brand, and remains confident that the Company will emerge as the clear industry winner. To date, management believes that no third parties represent a material competitive threat.

- In addition to Raj Doshi, the Company welcomed seven (7) new team members across partner support, engineering and operations.
- Updater has made substantial progress over the course of the first half of 2016, exceeding its goals and placing the company on a trajectory to establish itself as the clear market leader in 2017.

2016 Half Year Financial Position

The Company is pleased to report its strong financial position at 30 June 2016. The Company held US\$13,304,989 in cash (equivalent to approximately AU\$17,872,392 at 30 June 2016), please note that this amount, calculated in accordance with US GAAP accounting standards, does not include US\$716,000 currently held as security deposits in connection with the Company's current lease agreements.

The Company held assets totaling US\$14,465,770 at 30 June 2016 (equivalent to approximately AU\$19,431,652 at 30 June 2016).

Detailed commentary on the financial results from the period can be found in the separate filing: "Appendix 4D and Half Year Financial Statements", filed August 29, 2016.

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About Updater:

Updater makes moving easier for the 17 million households that relocate every year in the US. With Updater, users seamlessly transfer utilities, update accounts and records, forward mail, and much more. Hundreds of the most prominent real estate companies in the US (from real estate brokerages to property management companies) rely on Updater's real estate products to save clients hours with a branded and personalised Updater moving experience. With significant market share of all US household moves, Updater can enable contextual and personalised communication between relocating consumers and the US businesses spending billions of dollars trying to reach them.

Updater is headquartered in New York City, and prior to listing on the ASX, Updater received significant investments from leading US venture capital firms including SoftBank Capital, IA Ventures, and Second Century Ventures (the strategic investment division of the National Association of REALTORS®).

For more information, please visit www.updater.com.

All capitalised terms used in this announcement and not otherwise defined shall have the meaning ascribed in the Prospectus, dated 17 November 2015.