



ASX RELEASE – Onthehouse increases interest in Residex to 50%

Highlights:

- Entered formal agreement to increase interest in Residex by 40% (now at 50% ownership)
- Acquisition provides significant strategic benefits including integration of greater depth to the Onthehouse database
- Transaction is marginally earnings accretive in FY2012 but more accretive thereafter

Tuesday, 2 August 2011 – Onthehouse Holdings Limited (ASX:OTH) is pleased to announce that it has today entered into a formal agreement to acquire a further 40% interest in Residex Pty Limited which increases Onthehouse's ownership interest in Residex to 50%. The pricing for this transaction was contained in the Company's prospectus.

The acquisition of Residex provides significant strategic benefits for Onthehouse. Importantly, it facilitates the integration of substantially greater depth to the Onthehouse database from one of Australia's oldest and most respected real estate data businesses. Residex has access to proprietary real estate information collected over its 20 plus year history and has developed one of Australia's leading automated valuation methodology (AVM) technologies. As a standalone business, Residex has developed a high calibre and diversified customer base, including Government agencies, banks, mortgage brokers, real estate agents and developers.

The Board is confident that gaining access to Residex's intellectual property and technology will greatly enhance Onthehouse's operating performance across the Group and in particular, within the Consumer Online division. Specifically, the onthehouse.com.au portal will benefit substantially from the application of the market leading Residex valuation solution which will provide an additional and value-adding tool for the Australian public to obtain further information on the value of their property.

The parties have given one another various put and call options exercisable in the future (commencing in the period FY2013) with respect to the shareholding not held by Onthehouse.

The earnings impact of this transaction to Onthehouse is expected to be marginally accretive in FY2012 but more accretive thereafter.

Michael Fredericks – Managing Director and CEO of Onthehouse said:

"We are excited to be increasing our investment in Residex and look forward to working with the Company's founder, John Edwards, one of Australia's pre-eminent real estate data pioneers. Residex's leading real estate valuation products distributed through the Onthehouse portal will provide consumers with tools to better understand the value of their primary asset, their home. This in turn will help to deliver a significantly better informed market. Onthehouse's online real estate content will also complement and enhance Residex's offering to the market."

John Edwards - CEO of Residex said:

“We welcome Onthehouse as a shareholder and partner of Residex. This partnership will substantially enhance the resources and technology available to our customers. It will ensure both Residex and Onthehouse benefit from additional and more current sales data. It will also materially increase the 300 million property-related data records already held by Residex. This increase in property data stands to benefit all organisations, banks, government agencies and members of the public who rely on Australian real estate data when making their decisions.

About Residex Pty Limited

Residex has the longest history of any Australian provider of real estate information and analytics and has earned a reputation as a premier adviser to many of the nation’s leading organisations. This includes governments and banks, including the Reserve Bank of Australia, Federal Treasury and numerous state government treasuries.

The business has impressive depth of both statistical and real estate market expertise. It combines this expertise with innovative technology to deliver critical real estate information to decision makers in every Australian state and territory.

Residex is one of Australia’s most trusted sources for independent, accurate and timely research on Australian real estate, including statistics, price estimates, analysis and forecasts.

About Onthehouse Holdings Limited

Onthehouse Holdings Limited (ASX:OTH) is an online real estate content platform.

Onthehouse has three operating divisions:

- Consumer Online – a platform of publicly available real estate websites underpinned by the onthehouse.com.au website, providing free access to an extensive database of real estate content and property values on most properties in Australia, including traditional real estate online classified listings.
- Real Estate Agency Solutions – an integrated platform for office administration, property sales and management applications and other business performance tools for real estate agents adding to and utilising Onthehouse’s extensive database.
- Information and Analytics Services – leverages our extensive database of real-time and historical property information to provide customised data and reports to the Australian real estate industry and related industries.

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