

RENT.COM.AU QUARTERLY ACTIVITIES REPORT FOR Q1 FY18

Rent.com.au Limited (ASX: **RNT**) (“**RENT**” or “**the Company**”), Australia’s Number 1 website dedicated to rental property, presents its quarterly activities report for the three months ending 30th September 2017.

Strong performance in all key metrics leads to record results:

- › Total revenue up 8% on previous quarter to \$514k (46% growth over Q1 FY17)
- › \$305k (29%) improvement in underlying EBITDA
- › 29% growth in revenue from Renter Products
- › \$2.0m cash as at 30 September 2017 plus \$0.3m R&D Incentive received in October
- › Maintains previous FY18 breakeven guidance

Strong Growth in Renter Revenue

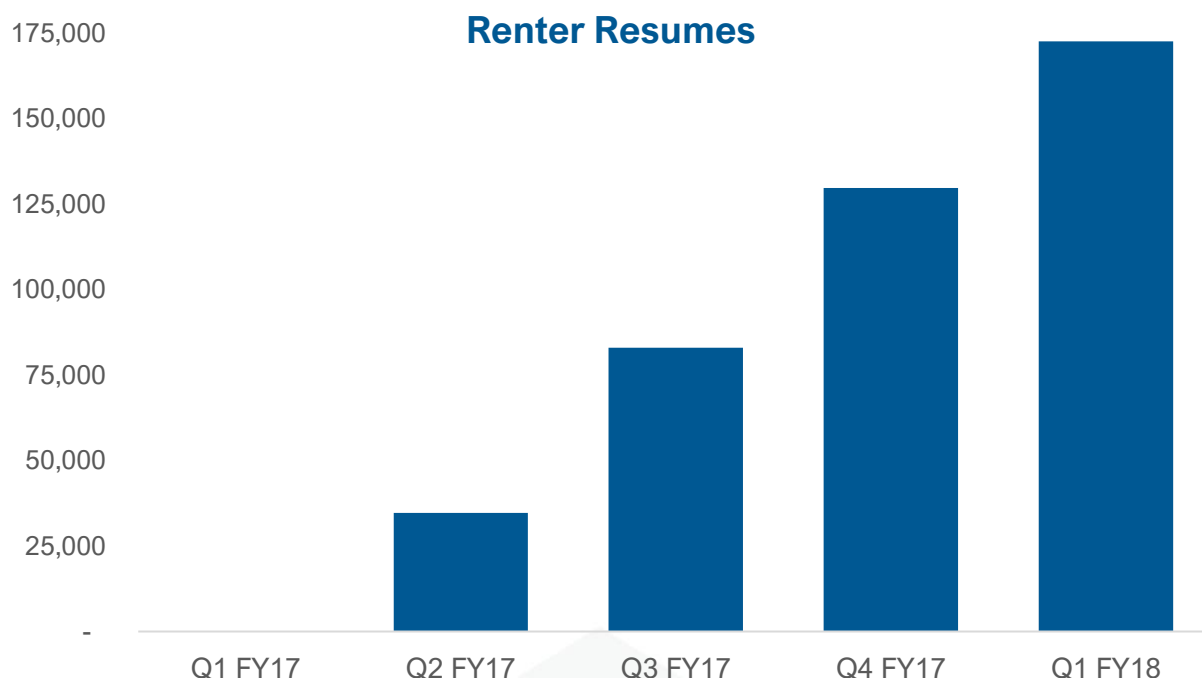
“This is our ninth successive quarter of revenue growth,” said RENT Chief Executive Officer, Mr Greg Bader. “We know this is expected from a business such as ours but being able to grow the business whilst also developing new products and reducing costs is very rewarding.”

Quarterly Revenues (\$'000s)



“Of specific significance is that the revenue derived from Renter Products increased by 29% in the quarter, reinforcing for us that the focus on our end customer, the renter, is the right thing for us to do”.

Renter Resume is RENT's core product and continues to grow at an excellent rate. At the end of the September quarter RENT had just over 172,000 Renter Resume customers. The 21st October 2017 is a significant milestone for RENT as it marks one year since our first customer completed a Renter Resume. Over the last 12 months more than 183,000 customers have joined them (an average of over 500 people per day completing a Renter Resume).



"We've said before that the most important aspect of RENT, our reason for being here, is to make a difference in the rental industry. Renter Resume certainly is core to this in that every day it is helping renters find the property that is perfect for them.

"We expect to continue growing not just our customer base but also the rate at which customers use our services (product adoption rate) as we build out new and potentially industry changing products with partners from the Insurance, Banking and Telco sectors," explained Mr Bader.

Approaching the Break Even Milestone

"We know that while we're on track to building a large and valuable online business, with a significant share of the market, we need to balance that with our shorter-term goal of being cashflow positive," said Mr Bader.

"We're getting closer all the time and in the most recent quarter we've generated a Gross Profit (revenue greater than the cost of sales) for the first time and that's inclusive of a marketing spend that we are actively looking to reduce and augment with our growing organic traffic.

"This is an important step in achieving cashflow break even and has been driven by the combination of revenue growth and continuous improvements to our site to enhance performance and engagement," continued Mr Bader.

"But not losing sight of the long game is critical, I truly believe we will 'change the world' in terms of how people find, move into and manage their rental journey. Customers are demanding a better service; the industry that should serve them is fragmented and inefficient – change needs to happen, and based on our performance so far, I'd say we're on track to be the catalyst that's needed.

"As expected, we also continue to focus on our cost line. We recently moved our office to new premises that deliver not only a vast improvement in terms of staff morale and interaction but will also realise a saving of approximately \$20,000 per month in lease costs. Other areas (staff numbers, advisors and support services) are constantly being managed to ensure they meet the needs of the business."

RENT's revenue growth along with some cost initiatives have driven a 29% improvement in underlying EBITDA compared with the June quarter.

Underlying EBITDA (Quarterly - \$'000s)



Note: Net EBITDA for the quarter was \$909k, an improvement for the quarter of 15% (underlying EBITDA excluding "one off costs" was \$764k, an improvement for the quarter of 29%.

Outlook

"We're focussing on continuing the strong Renter Resume growth and bringing to market new, game changing services that we're working on with key partners. As each quarter progresses we get closer to meeting our goals and these achievements reinforce our view that continuing to build an engaged renter customer base and providing them with well thought out services to make the process of renting better is not only what sets us apart from our competition but what will drive our success.




"We are performing well. We achieved an EBITDA of -\$200k for the month of September, the best result in the history of the business. Our cash balance at the end of the quarter was \$2.0m and we subsequently received an R&D Tax Incentive payment of \$0.3m which sees the current cash balance at \$2.1m. We reiterate our previous guidance for break even during FY18," ended Mr Bader.

ENDS




About rent.com.au

rent.com.au (ASX:RNT) is Australia's #1 website dedicated to rental property. Our rental only positioning allows RNT to legitimately advocate for renting and renters.

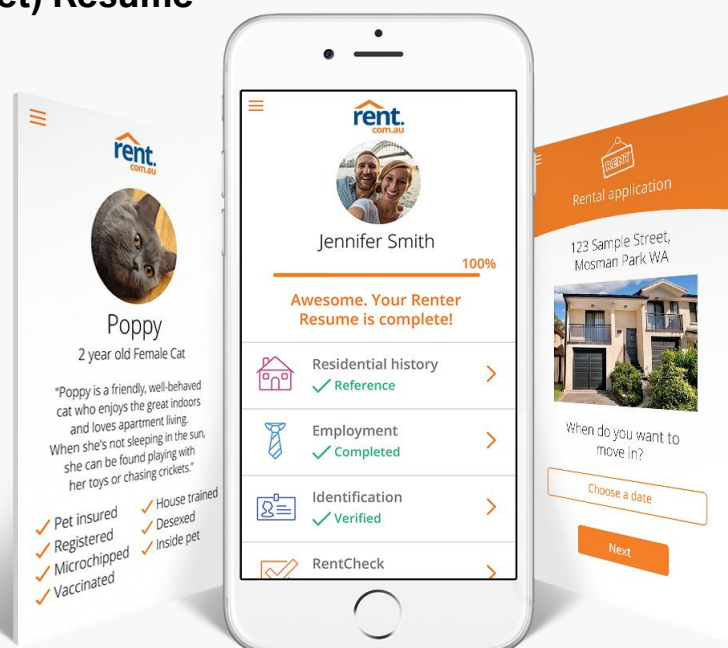
Our Rules

	Renters in Suits	Our renters will always be presented in such a fashion as to maximise their chances of getting the home they want
	Properties on Pedestals	We present our properties with additional and relevant information
	Click the Forms	Let's automate where we can. We can't remove the need for you to eyeball the property before signing (yet!), but we can remove most of the paperwork

Our Products

	Check to see if you are shown as a good tenant and add it to your resume to stand out from the crowd.
	Great convenience product helping renters bridge the gap from one rental to another by financing their bond online.
	Hassle free moving – get someone else to ensure the lights are on and the water is hot when you move in – for free!

Renter (and Pet) Resume



+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

RENT.COM.AU LIMITED

ABN

25 062 063 692

Quarter ended ("current quarter")

30 SEPTEMBER 2017

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		493	493
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(205)	(205)
(c) advertising and marketing		(471)	(471)
(d) leased assets		(55)	(55)
(e) staff costs		(737)	(737)
(f) administration and corporate costs		(137)	(137)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		5	5
1.5 Interest and other costs of finance paid		(1)	(1)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	-
1.8 Other (provide details if material)		-	-
1.9 Net cash from / (used in) operating activities		(1,108)	(1,108)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment		(8)	(8)
(b) businesses (see item 10)			
(c) investments			

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(12 months) \$A'000
	(d) intellectual property		
	(e) other non-current assets	(161)	(161)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment		
	(b) businesses (see item 10)		
	(c) investments		
	(d) intellectual property		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Disposal of Assets)		
2.6	Net cash from / (used in) investing activities	(169)	(169)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(12)	(12)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(1)	(1)
3.10	Net cash from / (used in) financing activities	(13)	(13)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,254	3,254
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,108)	(1,108)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(169)	(169)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(13)	(13)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	1,964	1,964

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,710	3,000
5.2	Call deposits	254	254
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,964	3,254

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
(29)
Nil

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

The amount includes director fees paid to each of the directors.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
-
-

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(141)
9.3 Advertising and marketing	(229)
9.4 Leased assets	(30)
9.5 Staff costs	(603)
9.6 Administration and corporate costs	(96)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,098)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Sign here: 

Company Secretary

Date: 23 October 2017

Print name: Jan Ferreira

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Further Disclosure Required by ASX in respect of Performance Shares

The Company confirms the following in respect of Performance Shares on issue as of the date of this notice:

Class	Date Granted	Expiry Date	Number
B	17 June 2015	14 days after the release of the audited financial reports for period ended 31 December 2018	8,160,771
C	17 June 2015	14 days after the release of the audited financial reports for period ended 31 December 2019	8,160,771

The vesting conditions of the two classes of performance shares on issue are outlined below:

- Class B – each Performance Share will convert into 1 ordinary share on achievement of greater than \$10,000,000 in revenue by the Group in any 12 month period on or before 31 December 2018.
- Class C – each Performance Share will convert into 1 ordinary share on achievement of greater than \$3,000,000 EBITDA by the Group in any 12 month period on or before 31 December 2019.

No Performance Shares were converted or cancelled during the period and no milestones were met during the period.