



ASX Announcement

19 February 2018

SEEK delivers record H1 Revenue and EBITDA results

H1 18: Key Highlights

Record H1 Revenue and EBITDA

- Revenue and EBITDA growth of 26% and 20% (H1 18 vs pcp)¹

New structure: Positions SEEK for next leg of growth

- Creating the right settings for growth in SEEK's operating businesses and investing activities
- Changes to capitalise on SEEK's global scale in product and technology and opportunities to make value-adding investments

Australia and New Zealand Employment: Record H1 financial results

- Revenue growth of 15% & EBITDA growth of 15%
- Strong financial result validates benefits of sustained reinvestment and strategic execution

International: Progressing well with business model evolution

- Zhaopin: Good results given significant model change and competitive environment
- SEEK Asia: Improving revenue momentum due to business evolution and better macro conditions

Positive guidance provided

- Upgraded EBITDA guidance and confirmed NPAT guidance at upper end of previous range
- H1 18 dividend of 24 cents, growth of 4% compared to pcp

SEEK Limited ("SEEK") announced its results for 6 months ended 31 December 2017

- Reported Revenue of A\$620.3m (pcp: A\$487.9m)
- Reported EBITDA of A\$221.2 (pcp: A\$170.3m)
- Underlying NPAT (excl significant items & Early Stage Ventures) of A\$114.0m (pcp: A\$113.6m)
- Reported NPAT of A\$102.0m (pcp: A\$84.1m)

Commenting on H1 18 results, SEEK CEO and Co-Founder Andrew Bassat said:

"SEEK is pleased to deliver strong financial results alongside aggressive reinvestment. In our largest businesses we are seeing investment translate directly into growth in our operating metrics and financial results."

"The success of ANZ's business model evolution provides a strategic roadmap for our international businesses. Our international businesses are in an earlier stage of evolution and we are already seeing strong benefits from our initial investment activities. This has emboldened us to continue investing and accelerate our efforts. If we execute well, we expect there will be significant upside given the large size of their addressable markets."

¹ Revenue and EBITDA excluding significant items

NEW ORGANISATIONAL STRUCTURE | *Positioning SEEK for next leg of growth*

Andrew Bassat commented,

“SEEK has significant growth opportunities across our operating businesses and investment activities. We are confident that our new organisational structure will create the right settings to drive the next leg of SEEK’s growth. I am particularly pleased that the AP&A leadership appointments have been internal appointments which is testament to SEEK’s depth of talent.”

- Refer to SEEK’s ASX Announcement “Organisational Structure Changes” (29 January 2018) & SEEK’s H1 18 Investor Presentation for further detail

AUSTRALIA AND NEW ZEALAND EMPLOYMENT | *KEY INSIGHTS*

Revenue growth of 15% & EBITDA growth of 15% (Revenue A\$196.7m, EBITDA of A\$112.2m)

- Strong financial result validates benefits of strategic and operational execution
- Ongoing product innovation and sales and service initiatives are delivering significant value
- Market leader with 34% share of placements, lead of c8x times over our nearest competitor

Andrew Bassat commented,

“We are very pleased with SEEK ANZ’s operational and financial results. The business fundamentals are strong and we are delivering significantly more value to candidates and hirers which is ultimately translating into record levels of free cash flow. Given the success of our strategy, we will continue to invest in new initiatives that grow our value proposition to candidates and hirers.”

INTERNATIONAL | *KEY INSIGHTS*

Revenue growth of 10% and EBITDA growth of 3% (Revenue A\$340.1m, EBITDA of A\$100.7m)

- In constant currency, achieved Revenue growth of 12% and EBITDA growth of 6%
- Significant reinvestment program is positioning International businesses for long term growth

Andrew Bassat said, *“SEEK International delivered a creditable result against a backdrop of aggressive investment and weak macro conditions in Latin America.”*

“Zhaopin achieved a good result which was achieved despite a significant change in business model and aggressive competition. To continue growing against strong competition and to capitalise on a large market opportunity, Zhaopin will continue its aggressive reinvestment focus.”

On commenting about SEEK Asia, Andrew Bassat said, *“SEEK Asia’s operational and financial results are gaining momentum from continued business evolution and improving macro conditions.”*

SEEK operates market leaders in Latin America. Andrew Bassat said, *“Overall, Brazil (Brasil Online) continues to face headwinds from challenging macro conditions but we are seeing some early signs of improvements in hiring activity. Mexico (OCC) results were impacted by modest macro conditions and a large earthquake in Mexico City.”*

EDUCATION | *KEY HIGHLIGHTS*

OES: Good underlying financial results alongside strong student outcomes

Andrew Bassat said, *“OES continues to deliver good results alongside strong student outcomes. The business is focused on executing on high growth opportunities including scaling up the newly launched Western Sydney University brand and developing new courses and specialisations.”*

H1 18 DIVIDENDS | *24 cents per share growth of 4% vs pcg*

The interim dividend will be paid on 13 April 2018 with a record date of 27 March 2018.

OUTLOOK | SEEK provides updated guidance

SEEK is pleased to provide updated FY18 guidance.

- **CONFIRM:** Revenue growth in the range of 20% to 25% (FY18 vs FY17)
- **UPGRADE:** EBITDA growth in the range of 14% to 15% (FY18 vs FY17)
- **CONFIRM AT UPPER END OF PREVIOUS RANGE²:** Reported NPAT in the range of A\$225m to A\$230m before deducting investments in early stage growth options of approximately A\$25m to A\$30m

In conclusion Andrew Bassat commented,

“SEEK has very exciting growth prospects across the broader human capital management industry. We are uniquely positioned to capitalise on our growth opportunities given our deep relationships with candidates and hirers and significant data assets. Our strategy is focused on solving complex candidate and hirer problems. We are confident that if we invest appropriately to build or acquire the right solutions this will lead to strong returns for our long term shareholders.”

For further information or to arrange an interview please contact:

Investors & Analysts

Geoff Roberts / Jeff Tang
SEEK Limited
(03) 8517 4484

Media

Sarah Macartney
SEEK Limited
(03) 8306 0850
Mob: 0433 949 639

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Appendices - ASX Release

Notes to this release

SEEK's results are reported under International Financial Reporting Standards (IFRS). This document also makes reference to the non-IFRS measure “EBITDA”. This measure is used internally by management to assess the performance of our business, our associates and Joint Ventures, make decisions on the allocation of our resources and assess operational management.

EBITDA

“EBITDA” is earnings before interest, tax, depreciation and amortisation and excluding share of net profits of associates and jointly controlled entities accounted for using the equity method, dividend income and amortisation of share-based payments and other long-term incentive schemes.

Review of information

Non-IFRS financial information is calculated based on underlying IFRS financial information extracted from SEEK's financial statements. Non-IFRS measures have not been subject to audit or review.

² Previous FY18 NPAT guidance provided at SEEK's FY17 AGM: Reported NPAT in the range of A\$220m to A\$230m before deducting investments in early stage growth options of approximately A\$25m to A\$30m