

**ASX / Press Release**

23 October 2017

**Mitula Group Quarterly Update**

The Mitula Group Limited (“**Mitula Group**” or “**Company**”) (ASX: MUA), a leading global classifieds group, is pleased to release its Quarterly Update for the three month period ending 30 September 2017.

**Highlights for the Quarter Ending 30 September 2017**

- The Mitula Group continues to perform well on key metrics while rolling out its “Closer to the Transaction” strategy;
- New commercial agreements signed to drive advertising and transaction revenues;
- Fashiola achieved record revenues in September and launched new sites in Finland and Canada;
- Traffic continues to return to the Company’s network of sites during September 2017 with year-on-year growth of 8.5% over September 2016; and
- The Company reaffirms full year guidance: FY2017 revenue guidance of A\$34m to A\$36m and FY2017 adjusted EBITDA guidance of A\$12m to A\$13m.

**Continued Operational Progress**

Mitula Group continues to roll out its “Closer to the Transaction” strategy which sees it implement a range of advertising and transaction based products designed to capture more value from its existing visitors, thus reducing reliance on an increase in visits to drive future revenue growth.

During the quarter, the Company signed several advertising and transaction focused commercial agreements aligned with its “Closer to the Transaction” strategy. These included a transaction based agreement with AV Seguros in Spain, a leading insurance broker in the car and home segments. Mitula Group will drive traffic and leads to the insurance broker and will receive commission for each new policy signed and each policy renewed.

Fashiola successfully launched sites in Finland and Canada in the quarter bringing the total number of markets served to 20. Fashiola continues to deliver strong growth across all performance metrics and during the quarter achieved 9.3m visits, an increase of 29.9% from the previous quarter. Fashiola delivered record monthly revenue in September 2017.

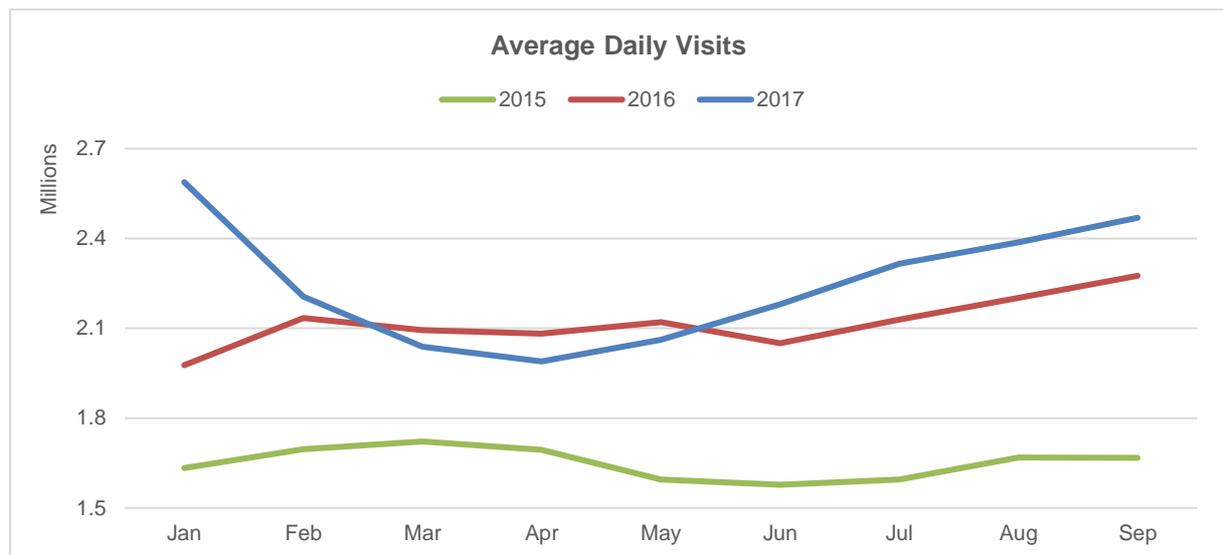
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## Quarterly Traffic Update

Mitula Group continued to see traffic return to its network of sites reporting 74.1 million visits in September 2017 – a growth of 8.5% over September 2016. This represents the second-best visitation month in the Company’s history.

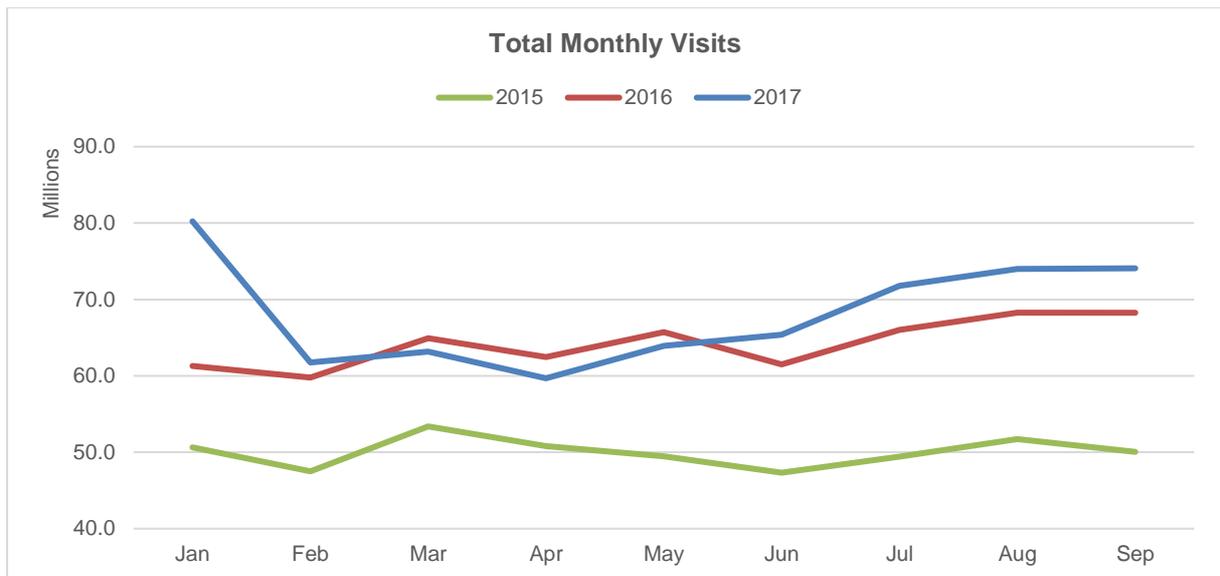
As September is a shorter month than July and August, the total visits metric understates the improved performance of the Company’s sites. The average number of visits per day in September was 3.5% higher than in August, consistent with the steady recovery in traffic.

Average visits per day	2017	2016	Growth yoy (%)
July (m)	2.3	2.1	8.7%
August (m)	2.4	2.2	8.4%
September (m)	2.5	2.3	8.5%
Growth – September vs. August (%)	3.5%	3.5%	



Visits per month	2017	2016	Growth yoy (%)
July (m)	71.8	66.0	8.7%
August (m)	74.0	68.2	8.4%
September (m)	74.1	68.3	8.5%

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**Management Commentary**

“We are very pleased to see the continued recovery in organic search traffic to the Mitula-branded sites with September attracting 3.5% more visits each day than August.

“We are also pleased with our continued implementation of our “Closer to the Transaction” strategy whereby we are capturing more value from our existing visits by rolling out advertising and transaction based products. We expect to continue to implement more advertising and transaction based products during the December quarter and into the future, thus reducing our reliance on traffic growth for future revenue growth.

“We expect a strong finish to the year and are happy to reconfirm our revised FY 2017 guidance for revenue and adjusted EBITDA” said **Mitula Group’s CEO, Gonzalo del Pozo**.

**ENDS**

**About the Mitula Group**

The Mitula Group was founded in 2009 and is a leading digital classifieds group operating vertical search, portals, and transaction based sites:

- It operates 110 vertical search sites across property, employment, motoring, and fashion in 52 different countries and 19 different languages. These sites operate under the Mitula, Fashiola, Kleding.nl, Nestoria and Nuroa brands; and
- It operates 10 property portals in 9 South East Asian countries under the DotProperty and Thailand-property brands.

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The Mitula Group generated over 74 million visits in September 2017 to its network of vertical search and portal sites.

The Mitula Group monetises visits to these sites through a range of products and services including:

- Clicks based revenues – Google AdSense and cost-per-click (“CPC”) sales;
- Advertising based revenues – display advertising, listing sales (on portals), native ads, and other advertising products; and
- Transaction based revenues – cost-per-acquisition (“CPA”), cost per-lead (“CPL”) and commission sharing products.

The Mitula Group customers include portals (property, employment, and motoring), online fashion stores, general classified sites, real estate agents, developers, and general display advertisers.

The Company listed on the Australian Securities Exchange (“ASX”) on 1 July 2015 and trades under the ASX code MUA.

#### **Further Information**

Gonzalo del Pozo  
CEO

[gonzalo@mitulagroup.com](mailto:gonzalo@mitulagroup.com)

Simon Baker  
Chairman

[simon@mitulagroup.com](mailto:simon@mitulagroup.com)

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