

**MEDIA RELEASE – FOR IMMEDIATE RELEASE**

**Carsales Delivers Another Record Full Year Result**

August 11, 2015

carsales.com Limited (ASX: CAR) today announced its financial results for the 2015 financial year (FY15).

For the financial year, the company reported total operating revenue of \$311.8 million, up 32 per cent compared to FY14. Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$154.3 million which represents an increase of 12 per cent compared to the prior comparative period.

Due to sufficient cash and confidence in future earnings carsales.com Ltd's Board of Directors has declared a total fully franked final dividend of 19.1 cents per share (comprising a final dividend of 17.7 cents per share plus a special dividend of 1.4 cents per share), up 10% on pcp (final FY14 dividend, 17.4 cents per share) to be paid on October 15, 2015. The record date for the dividend payment is September 18, 2015.

carsales.com Ltd CEO and Managing Director, Greg Roebuck said the revenue performance continued to be a core focus for the group and that 32% up on FY14's revenue reflects this.

"2015 was another year full of challenges for the Australian economy and we are pleased we were able to once again deliver a record result to shareholders" Mr Roebuck commented.

According to Mr Roebuck, carsales.com Ltd's **Operational and Strategic Highlights** during FY15 included:

- Pleasing earnings performance – EBITDA up 12% year on year
- Strong revenue growth from Brazilian and South Korean international investments
- Core domestic business continuing to perform well overall with revenue up 7%
- Strong growth of Data, Research and Services – up 14% year on year
- Dealer revenue performing well – up 7% year on year
- Increased private seller revenue – up 8% year on year
- Stratton Finance acquired in July 2014 performing ahead of expectations
- Solid increase in vehicle sales for both dealer and private seller vehicles.

Mr Roebuck stated carsales.com Ltd had demonstrated the ability to continue its ongoing core business growth while adding significant value to its international and domestic investment portfolio.

"Our domestic core business revenue and EBITDA have continued to perform well throughout the year and have been very well supported by our new business initiatives and the very strong performance of our Finance and Related Services division. Consumer buying activity on the carsales.com.au site was particularly strong through the second half of the year, which is reflected in higher sales volumes for our private seller customers", said Roebuck.

"We continually take steps to strengthen our market position and look for new services we can deliver to our customers. The acquisition of Auto Inspect and our stake in RateSetter Australia open new avenues for the business. Expected continued growth in tyresales and financial and related services, coupled with the actions we are taking to grow our core business will all be strong supporters of growth into FY16," he said.

“SKENCARSALES, our Korean business, delivered a very pleasing 31% underlying revenue growth year on year driven largely by its dealer and display business segments. EBITDA margins expanded from 51% for pcp to 64% and we are very confident about the opportunity for further business development in the coming months and years,” said Roebuck.

“Our investment in Brazil delivered strong revenue growth with Webmotors’ underlying revenue up by 21% year on year with all markets delivering double digit results,” said Roebuck. “The integration of vMotors is progressing well and despite one off costs associated with consolidating the Brazilian business, we expect to see improvement in profitability in the coming year.”

“We recently announced we have agreed to acquire a controlling shareholding in SoloAutos (www.soloautos.mx), a leading automotive classifieds website in Mexico. The SoloAutos team has built a great business. We look forward to partnering with SoloAutos and utilising carsales’ expertise, experience and technology to rapidly expand the business across Mexico”, said Roebuck.

“We continue to closely monitor our performance and market conditions. Domestic trading conditions in the first 6 weeks of FY16 have remained solid. We expect to see further growth from domestic investments and EBITDA margins to be maintained around current levels. Subject to international market conditions being maintained we would expect to see solid improvement in the earnings of our international investments. A more detailed trading update will be provided at the October AGM”, commented Roebuck.

## RESULTS OVERVIEW

Year Ending 30 June 2015	\$A Millions		Growth	
	FY14	FY15	\$'s	%
Revenue				
Online Advertising	203.9	216.5	12.6	6%
Data & Research	29.1	33.0	3.9	14%
International	2.6	2.9	0.3	11%
Finance and Related Services	-	59.4	59.4	n/a
<b>Total Revenue</b>	<b>235.6</b>	<b>311.8</b>	<b>76.2</b>	<b>32%</b>
Operating Expenses (Before Interest and D&A)	97.2	157.5	60.3	62%
<b>EBITDA</b>	<b>138.4</b>	<b>154.3</b>	<b>15.9</b>	<b>12%</b>
<i>EBITDA Margin</i>	<i>59%</i>	<i>50%</i>		
D&A	3.3	4.7	1.4	42%
<b>EBIT</b>	<b>135.1</b>	<b>149.6</b>	<b>14.5</b>	<b>11%</b>
Net Interest Expense (Income)	2.9	8.5	5.7	(199%)
<b>Profit Before Tax</b>	<b>132.3</b>	<b>141.1</b>	<b>8.8</b>	<b>7%</b>
Income Tax Expense	39.4	42.3	2.9	7%
Profits (Losses) in Associates	3.4	4.9	1.5	45%
Gain of associate dilution	-	3.5	3.5	n/a
Outside Equity Interests	(0.8)	(4.0)	(3.2)	400%
<b>Net Profit After Tax</b>	<b>95.5</b>	<b>103.2</b>	<b>7.7</b>	<b>8%</b>
Earnings Per Share (cents)	40.2	43.2	3.0	7%
Final Dividend Per Share (cents)	17.4	17.7	0.3	2%
Special Dividend Per Share (cents)	-	1.4	1.4	n/a

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