

29 October 2014

Market Announcements Office
ASX
Australian Stock Exchange Centre
20 Bridge Street
Sydney
NSW 2000
AUSTRALIA

Dear Sir/Madam

**TRADE ME GROUP LIMITED (TME)
ANNUAL MEETING**

Please find attached the following presentations which will be delivered at the company's annual meeting of shareholders, to be held at 4pm today in Wellington, New Zealand:

- Chairman's speech;
- CEO's presentation.

These documents will be available on Trade Me's investor relations website this afternoon.

Yours faithfully



Sarah Hard
Company Secretary

Chairman's address to Annual Meeting

29 October 2014

Any of you that were here last year and those of you who have read the last two Annual Reports will know that Trade Me is in a period of accelerated investment. We are investing strongly in people, marketing and the development of software to improve the performance of the company.

Some of this accelerated investment is a catch-up of investment that did not occur in earlier years – this need for catch-up will come to an end - but most of it is necessary to ensure that Trade Me maintains its capacity for strong growth in the face of changing market circumstances.

The F14 full year financial numbers are consistent with accelerated investment. In 2014 revenue grew at just under 10% and earnings grew at just 2%. In the middle as you can see costs grew at 26%.

(Slide 5)

The best way to analyse Trade Me's growth prospects – and to determine whether the accelerated investment program we are undertaking is likely to result in stronger growth in the future - is to look at Trade Me in three parts.

These three parts are the market place or General Items business, the Classified business – which is really three businesses in Jobs, Property and Motors but their economics, competitive position and growth expectations are similar so we can group them together - and the not very imaginatively named but important Other.

The General Items business is where a lot of our thinking and investment has gone in 2014. We have invested in people, largely software developers and associated product related people, as well as marketing to improve this business.

There has been no demonstrable improvement in the growth rate of the General Items business in 2014 compared to 2013 but a great deal has been done to improve the site as an e-commerce marketplace for buyers and sellers.

Jon will talk more about this but I want to assure you that the Board is confident that the work we are doing on the marketplace is making a positive difference to the experience for buyers and sellers and will result in stronger growth rates in the future.

We cannot say when this will occur. We hope in 2015 but can't be sure. We think it's unlikely that the marketplace business will get back to double digit revenue growth, but we do believe solid single digit growth at the customary high margins this business has, will be achievable.

And when we do achieve this, this will have a material influence on the growth in overall earnings of Trade Me.

The Classified business remains the most important growth business for Trade Me, and all three businesses performed well in 2014. We expect this to continue in 2015.

You may have read and heard about some disagreements we had with some parts of the real estate industry in 2014. We work very closely with real estate agents, offices and franchises and we add a great deal of value to their businesses by helping them find buyers for the properties they sell.

We know we deliver good value. By a significant margin, Trade Me Property remains the most visited property site by browsers and potential buyers. The price paid to reach the audience of potential homebuyers via Trade Me Property is very low compared to alternatives such as newspapers and very, very low on a 'per person seeing the ad' basis.

However, the changes we rolled out didn't work for everyone. We did a lot of talking and listening with real estate agency business owners about our approach and intentions. We took on board feedback that different markets are at play across the country, and that affordability from vendors and real estate businesses varies too.

We made some important changes in response to their concerns. We have now implemented a system that, we believe, and most agents tell us they believe also, works much better for everyone and provides agents with much more choice and flexibility.

We have opportunities to add to our Classifieds businesses. In late 2013 we added MotorWeb, an online business that packages and sells motor vehicle information and reports to finance companies, insurers, car dealers and the public. MotorWeb benefits from our very large audience of car buyers and sellers. It has a growing business in Australia, which we like too.

'Other', our third category of earnings, contains our Travel, dating, advertising, payments, holiday house rentals, and insurance comparison businesses. It will become an increasingly important part of the Trade Me growth story. The important

thing to know about growth in the 'Other' category is that it is at least partly based on a large and enduring asset of Trade Me. Our audience. The number of people that come to our site – which remains at more than 700,000 per day.

In August last year we acquired a new business that sits in Other, an online insurance comparison website called Life Direct. The founders of this business are very good at what they do and the combination of their smarts, established business and market knowledge with our very large audience has super-charged the business. We are confident we can continue to grow this business well together.

Holiday Houses, our holiday home accommodation rental business is in Other and that business grew well in 2014.

I want to wrap up and sit down by thanking our management team on your behalf. You have a top team running this company and we are adding new senior executives to make it even better. Jon will talk more about that when he speaks.

The team is very well led by Jon and the Board thanks him very much for all he has done for the staff, customers and shareholders of Trade Me in what has been a very demanding year.

Finally, this year saw the retirement of long-term Trade Me-er, Mike O'Donnell. Known to us all as MOD. No more floral shirts and coloured beanies and less talk of motorbike rallies around the office. We thank MOD for his wide and important contribution to Trade Me over the years and wish him well.

That's it from me. Thank you for your continued support of the company as an investor, and thanks also Trade Me members and supporters around country.

I will now pass you to Jon Macdonald, the CEO of Trade Me.

Thank you.

Trade Me Annual Meeting

29 October 2014

David Kirk

Chairman

Jon Macdonald

CEO

Meeting agenda

Welcome

David Kirk

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Jon Macdonald

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Chairman's overview

David Kirk
Chairman



F14 financial results

NZD \$'000	F14	F13	Prior year variance	
			Var \$	Var %
Total revenue	180,104	164,114	15,990	9.7%
Total expenses	51,385	40,652	10,733	26.4%
Total EBITDA	128,719	123,462	5,257	4.3%
Total NPAT	80,111	78,596	1,515	1.9%

Meeting agenda

Welcome

David Kirk

Chairman's overview

David Kirk

CEO's overview

Jon Macdonald

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David Kirk

General business and questions

David Kirk

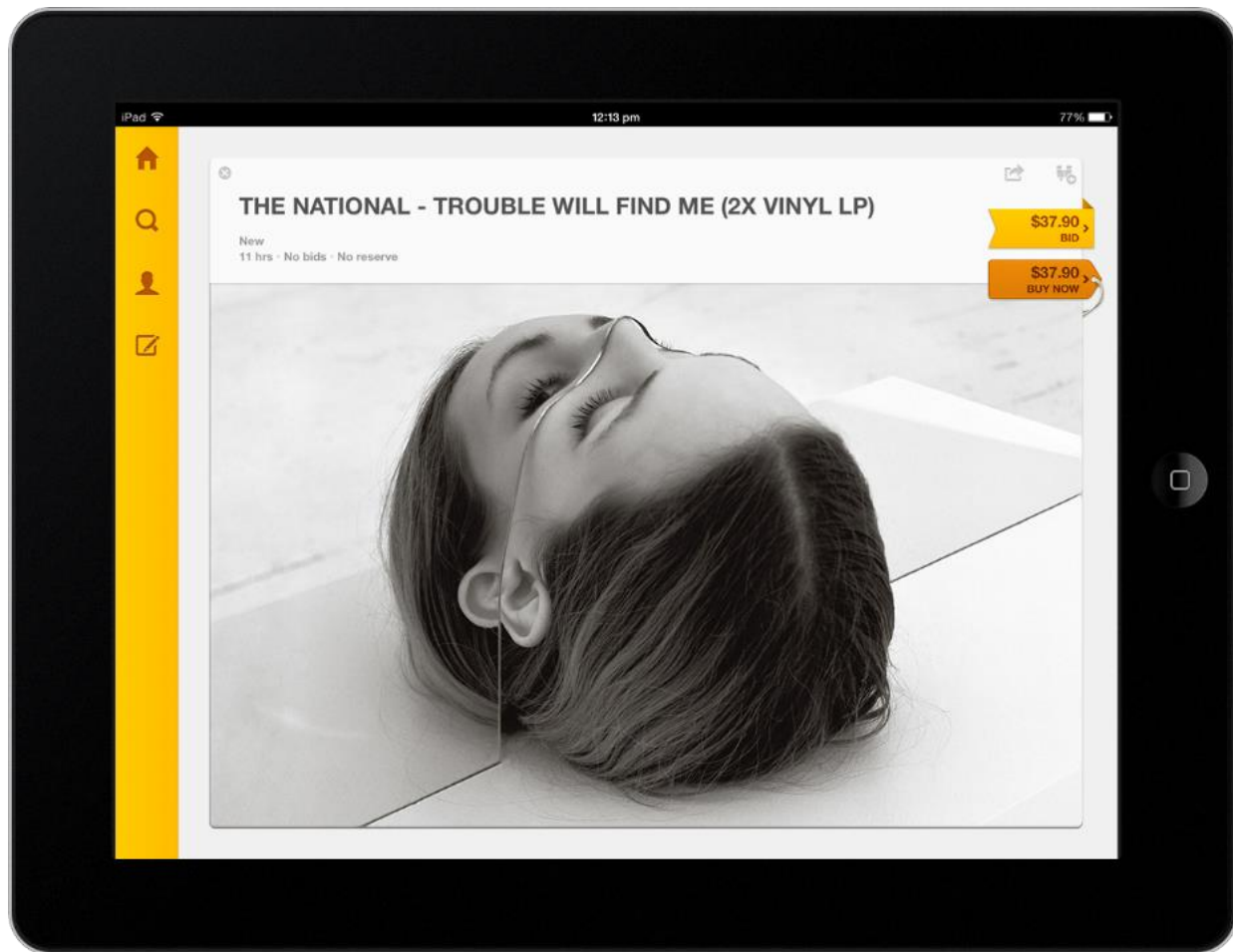
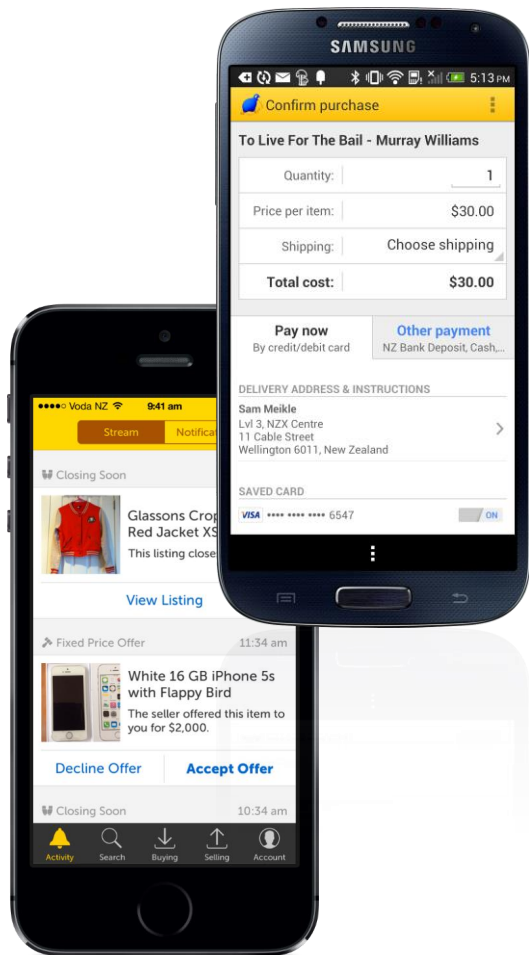
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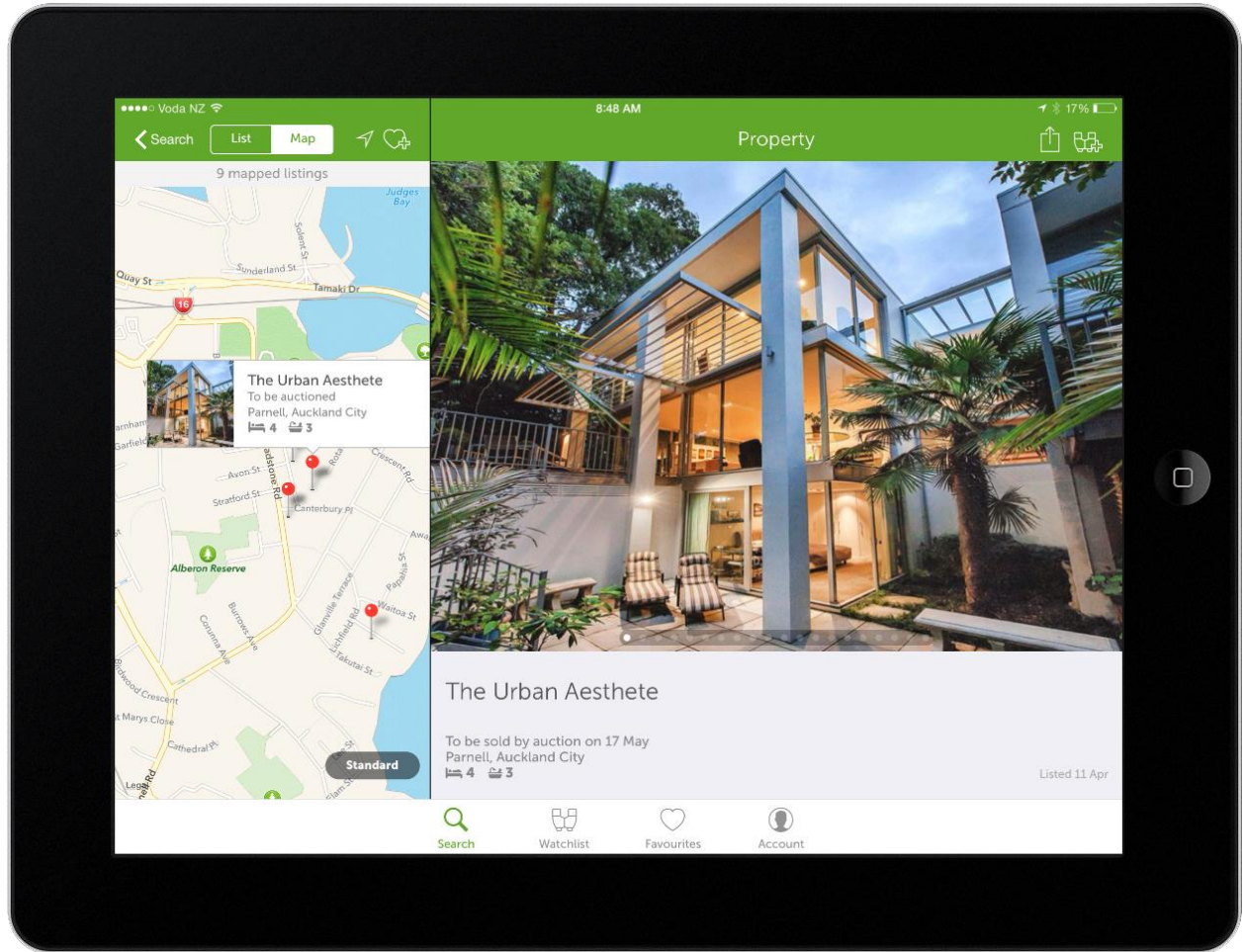
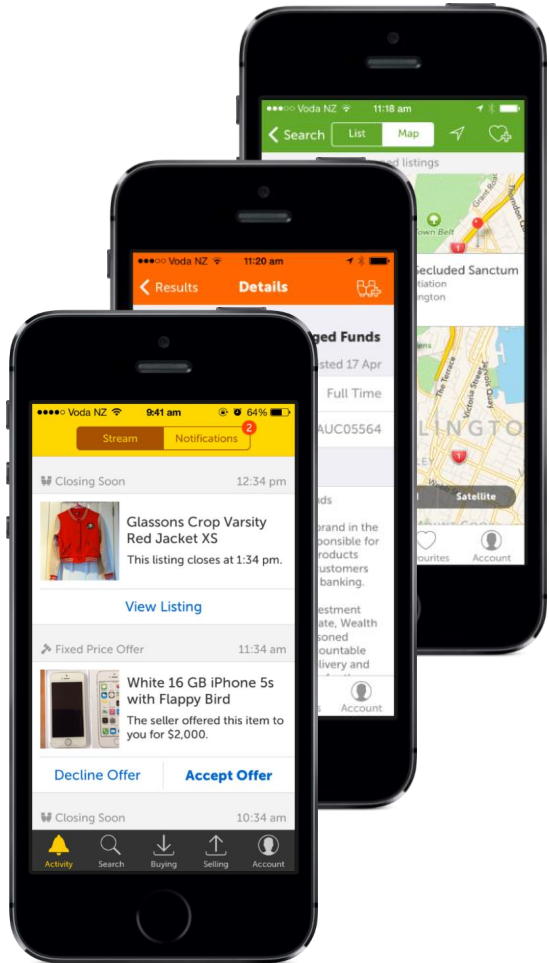
David Kirk

CEO's overview

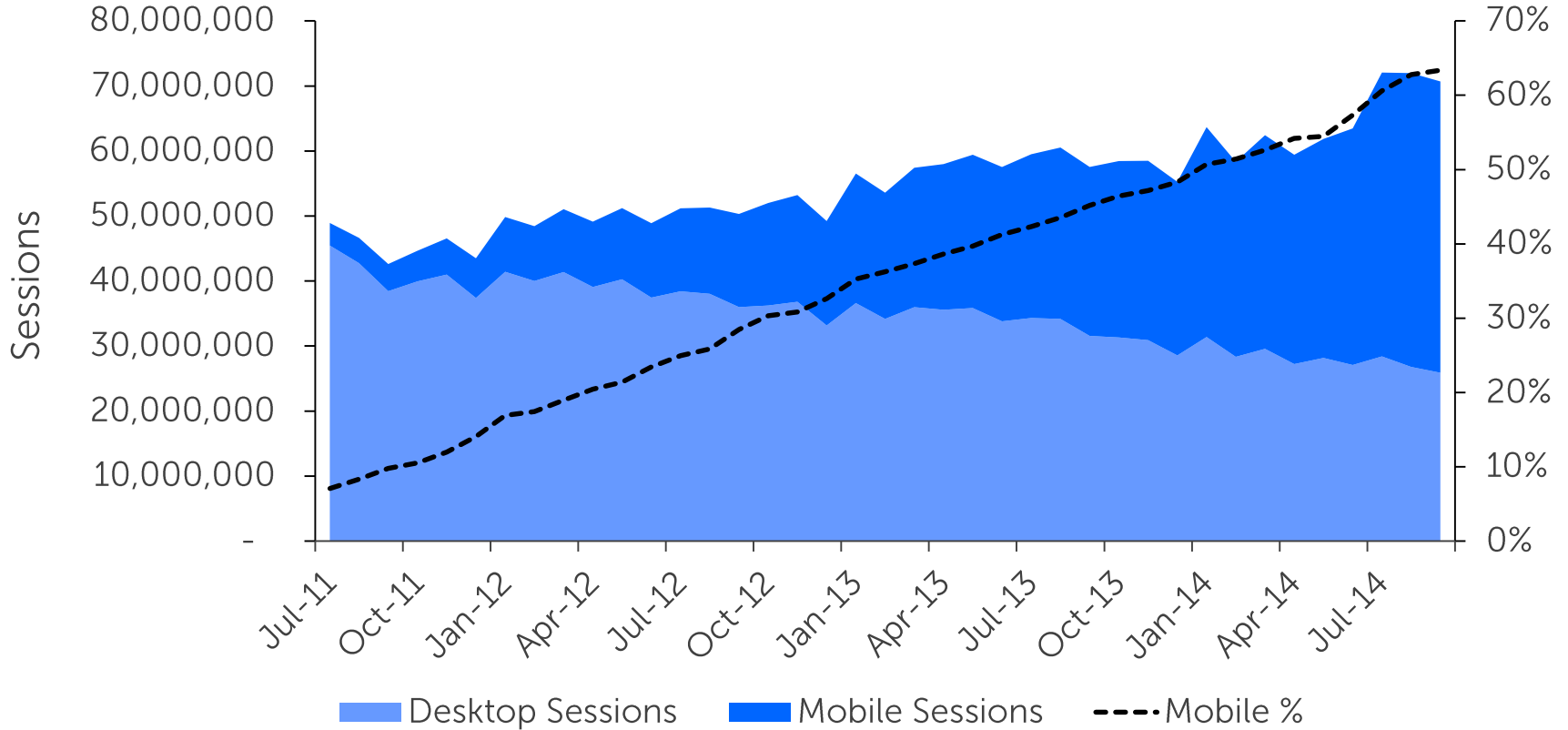
Jon Macdonald
CEO



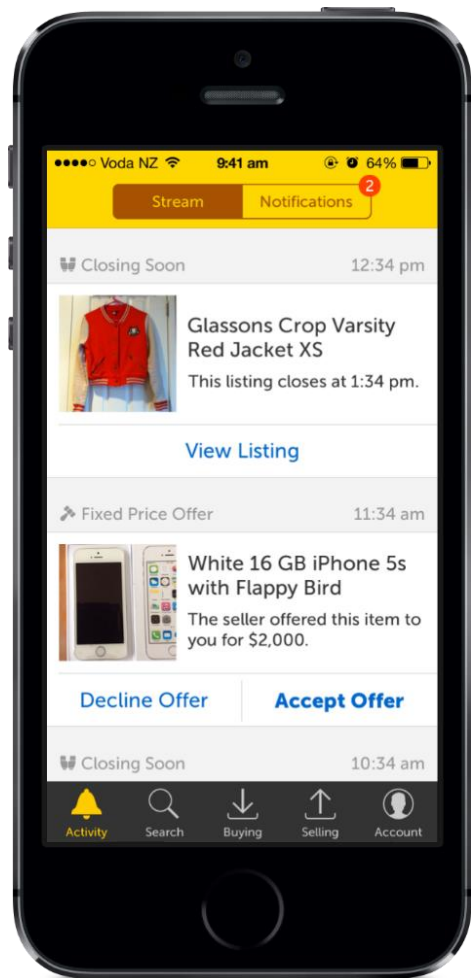
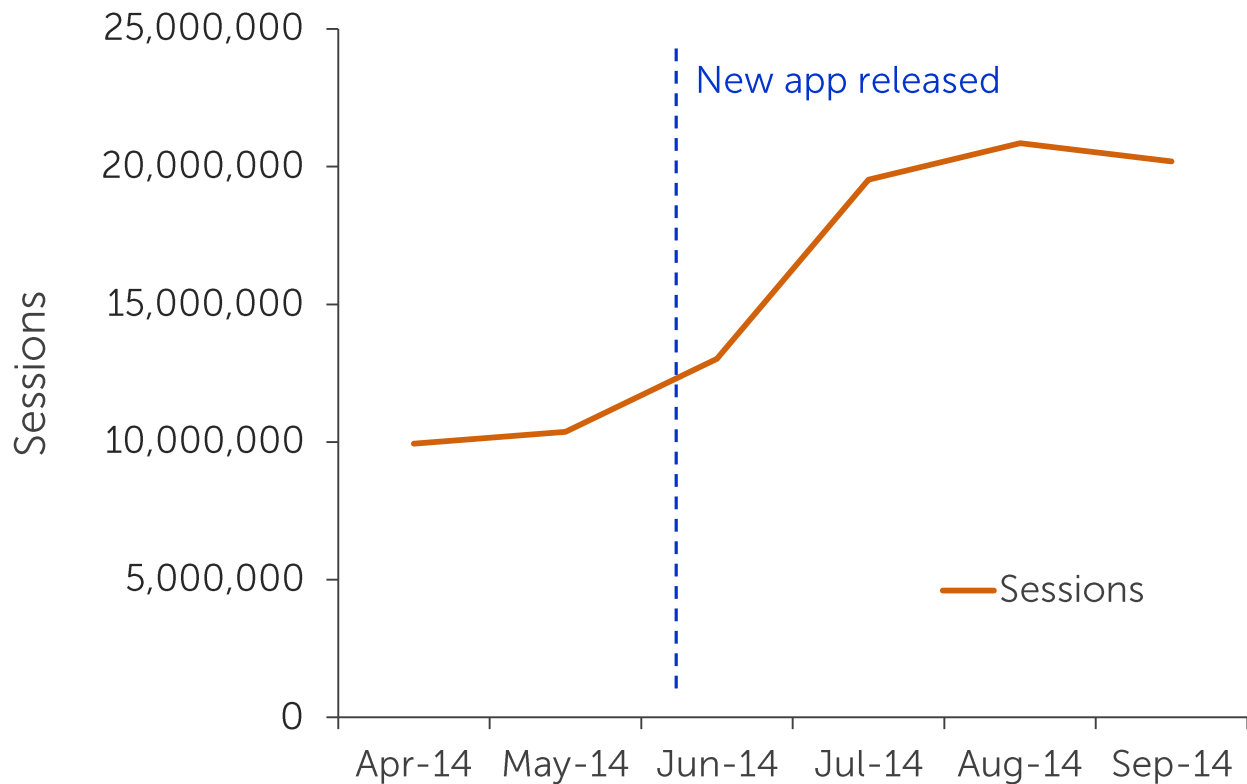




Mobile visits to Trade Me

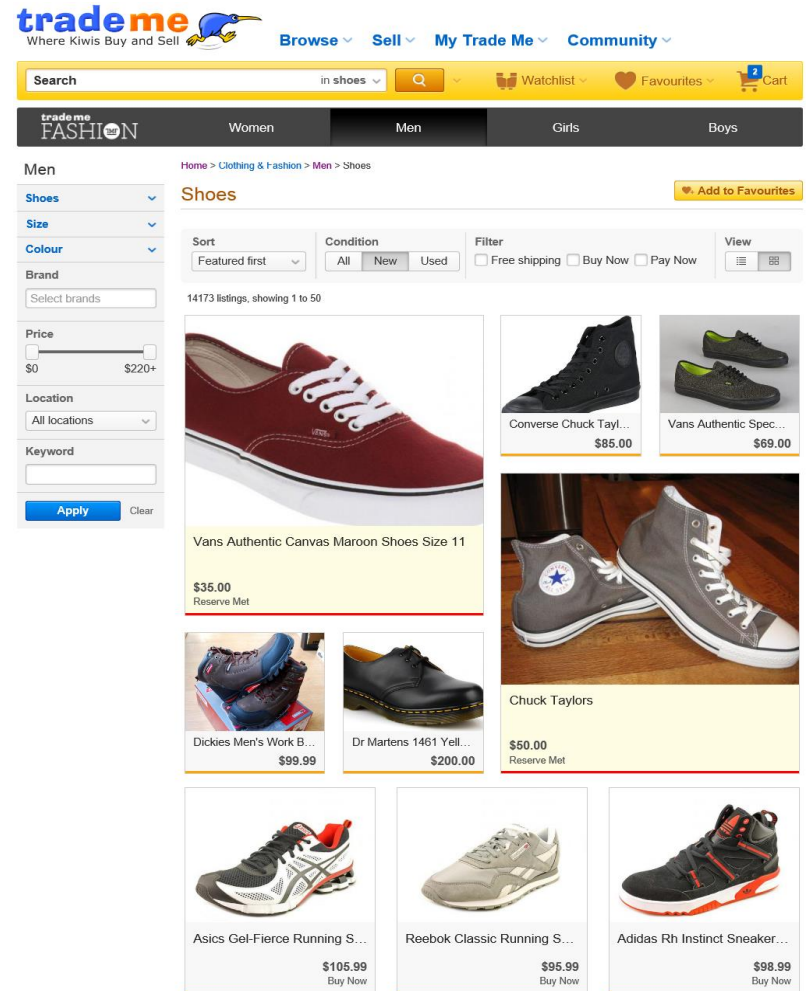


iPhone app engagement



Update – General Items

- Focus on improving the buyer experience. Good progress made including shopping cart, combined shipping, attribute boxes.
- New search and browse experience live in Fashion and Home & Living, with promising early results.
- Fashion has upgraded with personalisation and brand presence.
- Good progress on targeted international vendors to meet unrequited demand.



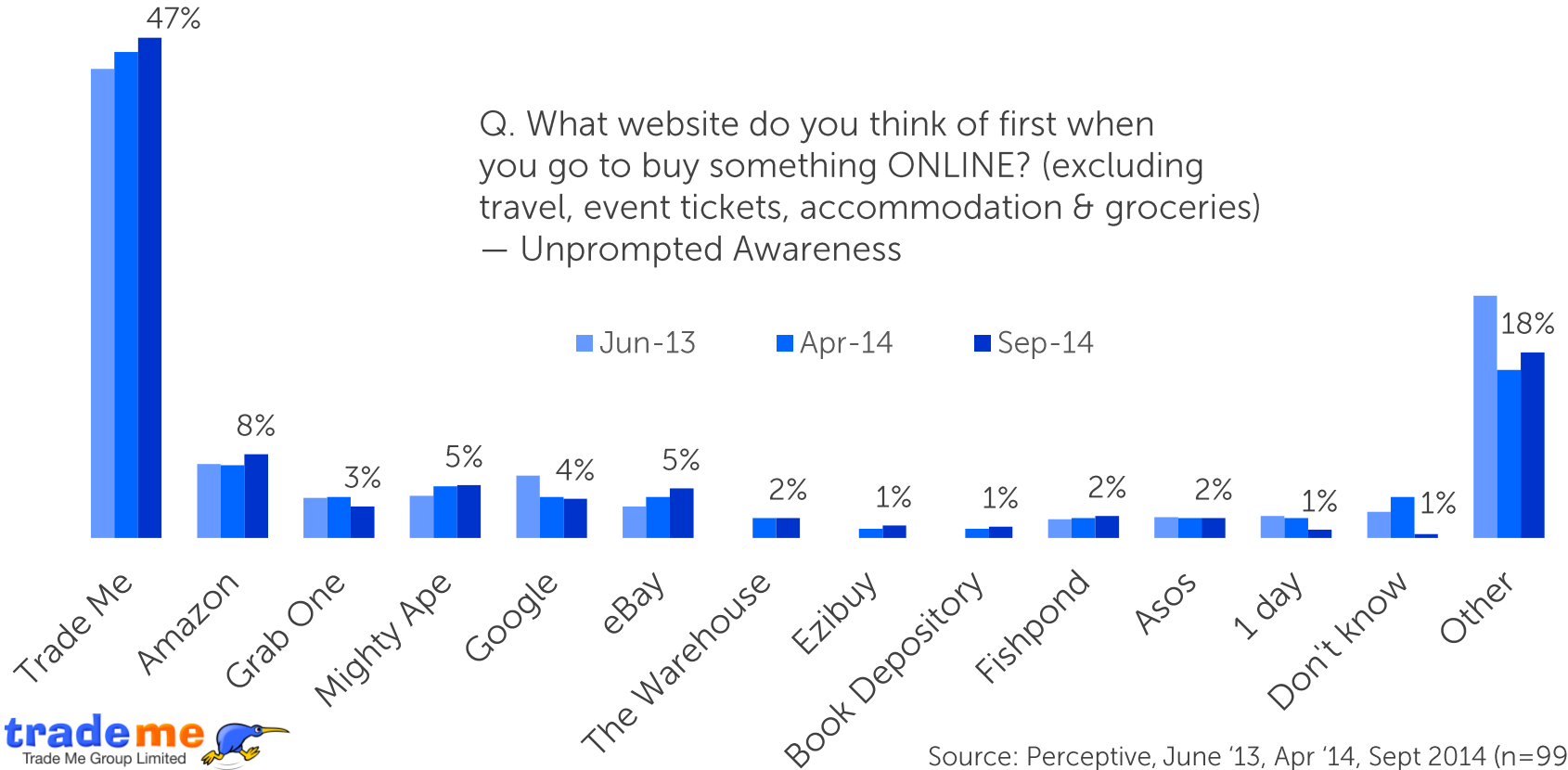
The screenshot displays the Trademe website interface for the 'Shoes' category. At the top, the Trademe logo is accompanied by the tagline 'Where Kiwis Buy and Sell' and navigation links for 'Browse', 'Sell', 'My Trade Me', and 'Community'. A search bar is positioned below the navigation, with a dropdown menu set to 'in shoes'. To the right of the search bar are icons for 'Watchlist', 'Favourites', and a 'Cart' containing 2 items.

The main content area is titled 'Men' and 'Shoes'. On the left side, there is a filter sidebar with sections for 'Shoes', 'Size', 'Colour', 'Brand', 'Price', 'Location', and 'Keyword'. The 'Price' section shows a slider from '\$0' to '\$220+'. Below the filters are 'Apply' and 'Clear' buttons.

The main product grid shows 14173 listings, displaying items 1 to 50. The first row features three shoe listings: a large image of 'Vans Authentic Canvas Maroon Shoes Size 11' priced at '\$35.00', a smaller image of 'Converse Chuck Tayl...' priced at '\$85.00', and another smaller image of 'Vans Authentic Spec...' priced at '\$69.00'. The second row shows 'Dickies Men's Work B...' at '\$99.99', 'Dr Martens 1461 Yell...' at '\$200.00', and 'Chuck Taylors' at '\$50.00'. The third row displays 'Asics Gel-Fierce Running S...' at '\$105.99', 'Reebok Classic Running S...' at '\$95.99', and 'Adidas Rh Instinct Sneaker...' at '\$98.99'. Each listing includes a 'Buy Now' button.

Unprompted awareness for online purchases

Q. What website do you think of first when you go to buy something ONLINE? (excluding travel, event tickets, accommodation & groceries)
– Unprompted Awareness



Update – Classifieds

- Property: Reviewed pricing structure and added options (for regional & non-vendor funding areas) in August. Audience as strong as ever, inventory stabilised since the price revision.
- Jobs: great revenue growth and continued strengthening in market share.
- Motors: in excellent shape with strong growth in F14. Acquisition of MotorWeb extends our relevance and options.
- Strong income growth and great prospects.



Update – Other

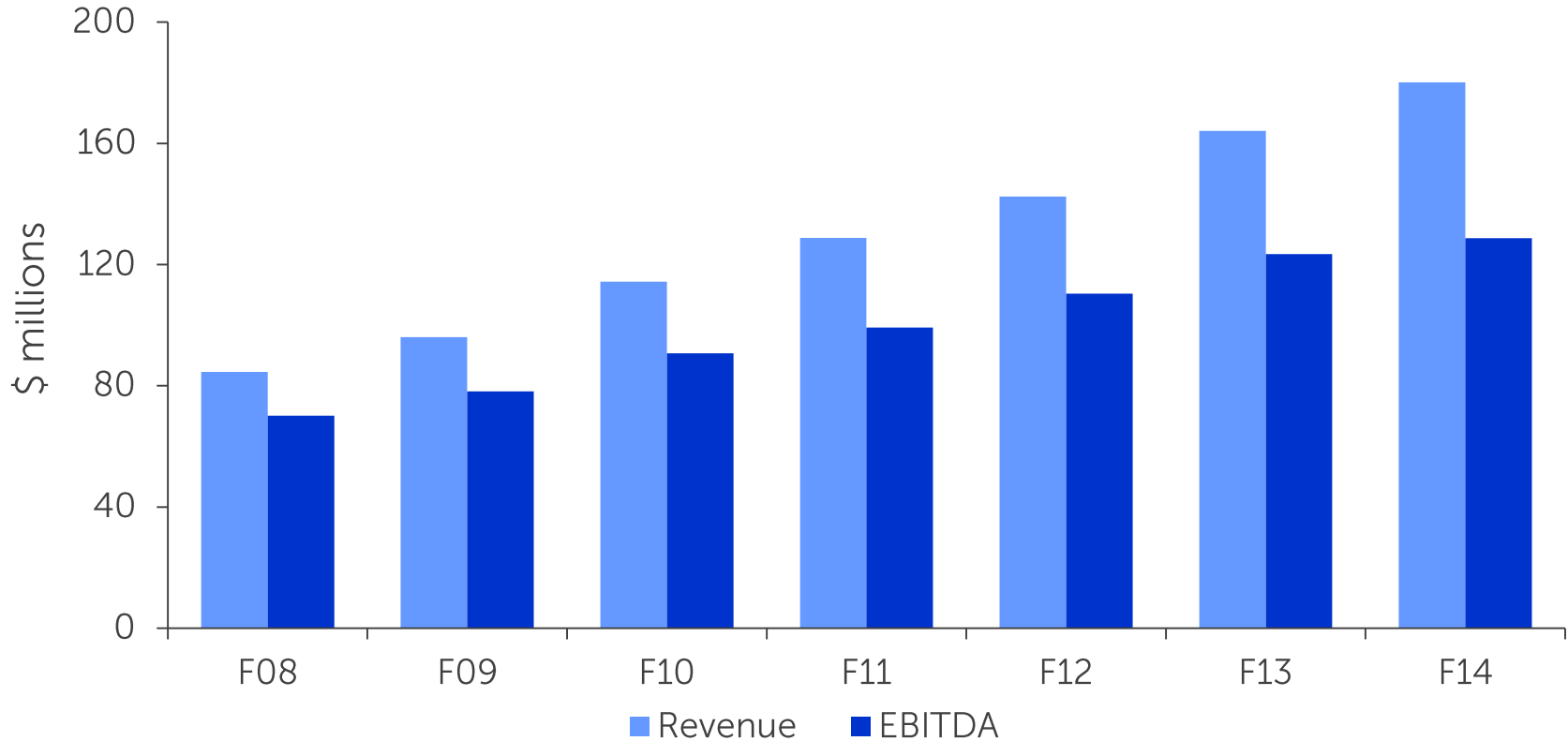
- Advertising growing on improved yields, but inventory shifting to mobile.
- Pay Now profitable and growing. Acquisition of Paystation completed.
- LifeDirect (online insurance comparison) exceeding our expectations.



F14 financial results – segment performance

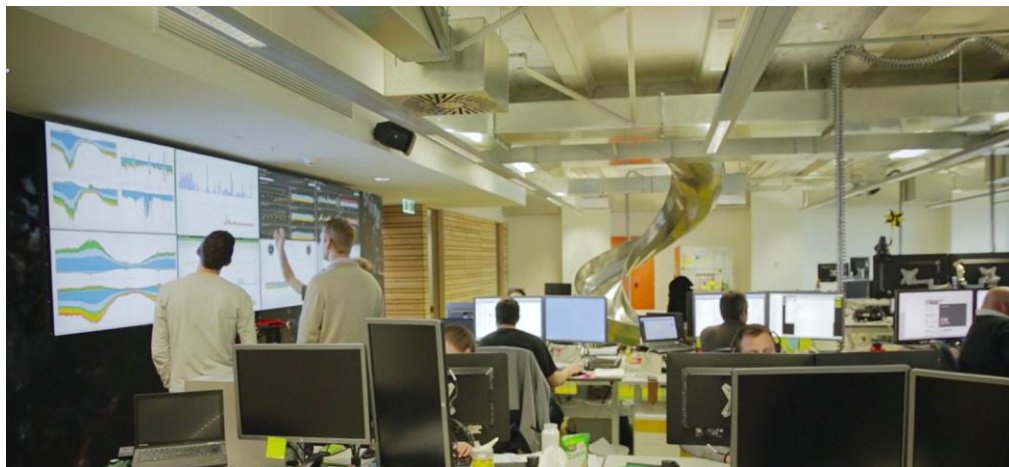
NZD \$'000	Prior year variance		
		Var \$	Var %
General Items	64,792	(704)	(1.1)%
Classifieds	85,591	15,883	22.8%
Other	29,721	811	2.8%
Total revenue	180,104	15,990	9.7%
Total expenses	51,385	10,733	26.4%
Total EBITDA	128,719	5,257	4.3%

Trade Me financial track record



Investing for the long term

- Hiring technologists to speed up our innovation and ensure our offering remains relevant – 60+ new people in F14 in product design and development.
- Strengthening senior leadership:
 - Trent Mankelow – Chief Product Officer, starts November
 - Alan Clark – Corporate Development, starts January
- New offices to accommodate our people:

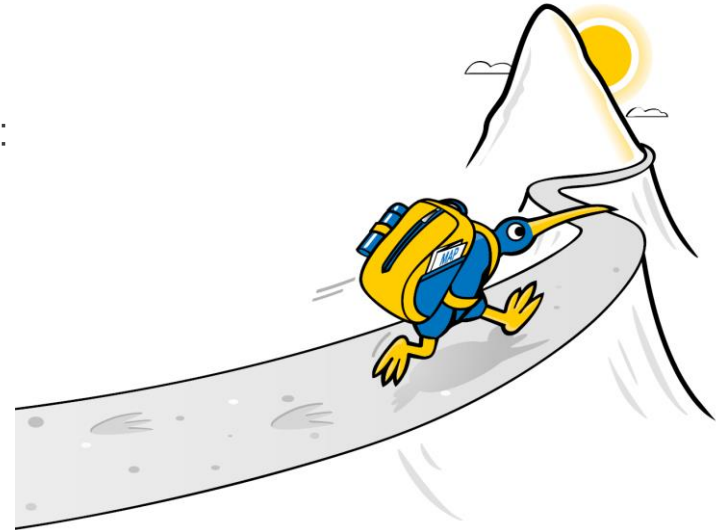


Trading and outlook

- F15 has started in line with our expectations, and guidance at our full year results.
- Revenue is forecast to grow at low double-digits (percentage growth).
- Expense growth will come from: people costs, promotional expenses, COGS increases for MotorWeb, Jobs and Advertising and general expenses associated with the growth in FTEs.
- Through this investment we will build a better business – improving the products we offer, strengthening our sales and account management, and ensuring our return to stronger growth in the medium to long term.

Long term prospects

- Extend existing businesses, with a focus on:
 - Defending and growing our General Items marketplace.
 - New products and pricing in our Classifieds businesses.
 - Stabilising and extending Property.
 - Mobile opportunities and extension.
- Leverage our strong position online in NZ to identify and execute on new opportunities.



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David Kirk

Resolution #1

That the Board is authorised to fix the auditors' remuneration

Resolution #2

That Joanna Perry be re-elected as a director of Trade Me Group Limited

Resolution #3

That David Kirk be re-elected as a director of
Trade Me Group Limited

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