

LatAm Autos delivers record revenue growth across all markets

Melbourne, Australia – 23 August 2016: Leading Latin American online auto classifieds business, LatAm Autos Limited (ASX: LAA), is pleased to announce its results for the six months ended 30 June 2016 (1H 2016).

Commenting on the Company's growth over the first half of 2016, Executive Chairman Mr Tim Handley said: "We have a focused growth strategy in place with the aim of making LatAm Autos the dominant dedicated online auto classified and content company in Latin America [excluding Brazil]. The first half results, financial and operationally, have delivered to our expectations."

"We have continued to successfully grow market share and our products have gained strong traction, as can be seen in LatAm Autos' revenue growth in local currencies of between 24% and 70% in each of the markets we operate in. In addition, with 186,000 listings, more dealers and higher site traffic, we are well placed to continue our growth trajectory over the second half of this year and move closer to cash flow break-even," added Mr Handley.

1H 2016: Investing in growth

- Revenue up 44.7% to \$3.9 million (vs 1H 2015)
- Underlying EBITDA loss of \$6.0 million
- Cash of \$12.7 million at 30 June 2016

1H 2016: Delivering operational results in line with growth strategy

- Strong growth in local currency revenues (vs 1H 2015)
 - Mexico up 70%
 - Argentina up 60%
 - Ecuador up 67%
 - Peru up 24%
 - Panama up 64%
- Strong business growth (June 2016 vs June 2015)
 - Dealers using LatAm Autos' sites up 93% to 3,028
 - Site traffic up 33% to 10 million sessions
 - Listings up 74% to 186,000 vehicles at 30 June 2016 (vs 30 June 2015)

Commenting on the Company's results for 1H 2016 and outlook, LatAm Autos' Executive Director and CEO Jorge Mejia said: "Over the past six months, important milestones were achieved across technology, operations, marketing and personnel. These milestones further strengthen our proposition in the Latin American auto classifieds market and position LatAm Autos for continued strong growth in the second half of 2016 and beyond."

Further innovating LatAm Autos' technology platform to drive greater usage of our sites

Innovation continued to be at the core of LatAm Autos, with the launch of PTX Live in all of the countries LatAm Autos operates in. PTX Live is one of the first examples of real time chat technology being used by a vertical classified company in the world. With Latin America having the highest penetration of messaging apps globally, PTX Live is intended to leverage this high engagement in messaging technology to drive increased usage of its auto classifieds sites.

“In addition to the launch of PTX Live in the first half of 2016, LatAm Autos also launched two new dealer apps and a new consumer app in all the countries we operate in. We also undertook major changes to our site design to further improve search engine optimisation. All of these technological innovations will increase the utility of our sites to dealers, sellers and prospective car buyers, and are expected to drive even greater usage of our sites going forward,” said Mr Mejia.

Multiple operational initiatives to underpin growing revenues and earnings

Over 1H 2016 LatAm Autos significantly increased its focus on regional expansion in Mexico and now has a physical presence in six Mexican cities. Implementation of a company-wide ERP system (SAP) and electronic invoicing was begun across six countries.

“These new systems will be integrated with the company-wide CRM (Salesforce) and business intelligence (Tableau) systems. We expect the implementation and integration of these systems will lead to material operational improvements and efficiencies flowing from the second half of 2016 onward,” added Mr Mejia.

Lead generation for OEMs, new car dealers, finance and insurance providers also started to become a meaningful revenue stream in 1H 2016.

“Lead generation provides an exciting revenue opportunity, with continued growth expected in the second half and beyond. Lead generation is valuable to our customers given its pay-for-performance model and is another way we can build closer relationships with dealers,” said Mr Mejia.

Increased marketing to support further growth in market share

Marketing expenses increased in 1H 2016 compared to PCP. Marketing expenses were purposely lower in 1H 2015 as the Company was still in the process of integrating its various businesses and migrating the numerous different technologies to the proprietary PTX platform.

During the period the Company achieved greater efficiency with its online marketing efforts, as measured by metrics such as Cost Per Lead and Cost Per Click. It is also achieved success with various viral campaigns and continued strong PR, offline and inbound campaigns.

Investing in personnel to support the Company’s continued growth

The Technology, Sales and Call Centre divisions all experienced moderate increases in the period as we continued to grow our sites. Back office functions continued to be centralised to head office, allowing our city offices to be focused on sales and growth, and improving operational efficiencies.

Well positioned for continued growth

“Having generated strong growth in local currency revenues over the first half of 2016, and also achieving a number of technological and operational milestones, LatAm Autos is well positioned for continued growth. We are excited by the market opportunities we see. With a strong balance sheet and \$12.7 million cash, we are focused on ensuring LatAm Autos becomes the dominant dedicated online auto classified and content company in Latin America [excluding Brazil],” said Mr Mejia.

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For investor and media enquiries, please contact:

Tim Handley
Executive Chairman
P: +61 3 9692 7222
E: investors@latamautos.com

1H 2016 results conference call:

LatAm Autos is holding a half-year results briefing teleconference on Wednesday 24 August 2016 at 10:30am (AEST). To access the teleconference, dial in details are:

- Australia: 1800 760 146 or 1800 760 162 (both toll free)
- US / Canada: 1844 393 3437
- International: +64-9 950 5335

Conference ID: 770932

About LatAm Autos

LatAm Autos Limited (ASX: LAA) is a leading dedicated online auto classifieds and content platform with operations in six countries in Latin America – Mexico, Argentina, Ecuador, Peru, Panama and Bolivia. As an early mover in the region's online auto classifieds industry, LatAm Autos is positioned to capitalise on the shift of auto classifieds advertising from traditional print media sources to online channels.

For more information on LatAm Autos, please visit www.latamautos.com.