trademe
Trade Me Group Limited

20 February 2013

Company Announcements Office
Australian Stock Exchange Centre
Level 6
20 Bridge Street
Sydney NSW 2000
AUSTRALIA

Dear Sir/Madam

TRADE ME GROUP LIMITED (TME)
INTERIM RESULT (FOR THE SIX MONTHS TO 31 DECEMBER 2012)

Please find attached the financial information required by ASX Listing Rule 4.2A together with a copy of Trade Me's analyst presentation and Trade Me's financial statements for the six months ended 31 December 2012.

Attached:

1. Appendix 4D (and NZX Appendix 1) detailing the preliminary announcement for the six month period ended 31 December 2012;
2. Media release;
3. Interim report for the six month period ended 31 December 2012;
4. Directors' declaration (ASX LR4.2A.2) in respect of the half-year financial statements and notes;
5. Analyst presentation;
6. Appendix 7 (as required by NZX Listing Rule 7.12.2) detailing the dividend of 7.5 cents (NZD) per ordinary and restricted share to be paid on 26 March 2013 to those shareholders on the company's share register as at 5pm on 15 March 2013.

Yours faithfully

Linda Cox
Company Secretary for Trade Me Group Limited

Trade Me Group Limited

(ARBN 154 115 723)

Incorporated in New Zealand

AUSTRALIAN STOCK EXCHANGE LISTING RULES DISCLOSURE

Half-year report

For the six months ended 31 December 2012

Contents

Appendix 4D

Trade Me Group Limited

(ARBN 154 115 723)

Incorporated in New Zealand

Half-year report

Reporting period:	six months to 31 December 2012
Previous reporting period:	six months to 31 December 2011

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Amount (NZ $000's)	Percentage change
Revenues from ordinary activities	80,380	Up 18%
Profit from ordinary activities after tax attributable to security holders	37,368	Up 3%
Net profit attributable to security holders	37,368	Up 3%

Dividends – ordinary shares	Amount per security (NZ cents)	Franked amounts per security (NZ cents)
Interim dividend (not franked)	7.50	-
Record date		15 March 2013
Payment date		26 March 2013

For commentary on the results please refer to the half-year report and Media announcement attached.

Financial information

This appendix 4D should be read in conjunction with the consolidated financial statements for the 6 months ended 31 December 2012 as contained in the half-year report attached.

NET TANGIBLE ASSETS PER SECURITY

	31 December 2012 NZ cents	31 December 2011 NZ cents
Net tangible assets per security	-33	-40

Appendix 1

Trade Me Group Limited

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Reporting period:	six months to 31 December 2012
Previous reporting period:	six months to 31 December 2011

	Amount (NZ $000's)	Percentage change
Revenues from ordinary activities	80,380	Up 18%
Profit from ordinary activities after tax attributable to security holders	37,368	Up 3%
Net profit attributable to security holders	37,368	Up 3%

Dividends – ordinary shares	Amount per security (NZ cents)	Imputed amount per security (NZ cents)
Interim dividend	7.50	2.91670
Record date		15 March 2013
Payment date		26 March 2013

For commentary on the results please refer to the half-year report and Media announcement attached.

Financial information

The appendix 1 should be read in conjunction with the consolidated financial statements for the 6 months ended 31 December 2012 as contained in the half-year report attached.

NET TANGIBLE ASSETS PER SECURITY

	31 December 2012 NZ cents	31 December 2011 NZ cents
Net tangible assets per security	-33	-40

Announcement: Trade Me
20 February 2013

Trade Me hits forecast and grows revenue by 18% year-on-year

Highlights

- *Revenue up 18% YoY to $80.4m*
- *Net profit after tax up 3% YoY to $37.4m*
- *EBITDA[1] up 14% YoY to $59.2m*
- *Dividend of 7.5 cps (7% higher than forecast) to be paid on 26 March*
- *Achieved the final set of overall revenue and earnings targets set out in IPO prospectus*
- *More than one-third of all visits to Trade Me are from a mobile device*
- *Strong prospects – good opportunities in our classifieds businesses, and a large long-term opportunity in online retail*

Online marketplace and classified advertising business Trade Me Group Ltd ("Trade Me") released its half-year financial results for the 6 months to 31 December 2012 this morning.

Trade Me chairman David Kirk said the results were pleasing, and marked the end of another successful chapter in Trade Me's history. "We're continuing to grow strongly with a double-digit lift in both revenue and EBITDA, and we're proud to have delivered on the commitments we made to investors at IPO time.

"With Fairfax selling down its 51 per cent stake in Trade Me before Christmas and our inclusion in the NZX 10 Index this week, we have well and truly completed our transition to life as a public company. We're looking forward to continuing to serve our shareholders as we keep working hard to grow the business."

Revenue

Trade Me CEO Jon Macdonald said there had been varied levels of revenue strength across Trade Me's business portfolio but "nothing out of the ordinary".

"Our core General Items marketplace performed in line with our expectations, with a definite shift in activity towards mobile. Throughout the year, we've also seen the proportion of fixed price transactions continue to grow as more buyers seek an instant ecommerce experience."

Mr Macdonald said the Classifieds businesses – Trade Me Motors, Trade Me Property, and Trade Me Jobs – delivered a strong performance during the half-year and this looked set to continue through 2013. "There are several factors at play here, including the return of some market stability, and encouraging uptake for our new premium promotional products."

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[1] EBITDA (a non GAAP measure) represents earnings before income taxes (a GAAP measure) excluding interest income, interest expense, depreciation and amortisation, as reported in the financial statements.

In the Other segment, revenue was below forecast, and Mr Macdonald attributed this to two main causes. “First, our Advertising business fell short of our revenue expectations as the migration of spending toward online has been tempered by offshore publishers gaining market share. Second, Treat Me came in below our bullish forecast. We believe group-buying still has potential, but remains a young and uncertain industry in New Zealand.

“Elsewhere in our Other segment, we recorded an excellent performance from our online dating business FindSomeone, and our trio of travel businesses performed in line with our expectations.”

Priorities

Mr Macdonald said Trade Me had expanded its mobile offering throughout the year, and that it would play an important part in Trade Me’s future plans. “Mobile now accounts for more than one-third of our overall visits, a proportion that has doubled over the past year. Android activity has grown particularly strongly and in January it delivered half the number of sessions to Trade Me as Apple's iOS devices.

“We’ve expanded our mobile team, built a suite of mobile applications and smartphone-optimised sites across Trade Me, and we released our first application for smart TVs in December 2012.”

New goods also remained high priority. “We’ve welcomed aboard well-known New Zealand retailers over recent months, and will continue to build this supply over the year,” Mr Macdonald said. “We’ve also progressed with our aspirations to attract international sellers, and achieved our objective of having several Australian sellers up and running via ChannelAdvisor in time for Christmas 2012.”

Trade Me purchased holiday accommodation provider Holiday Homes in December 2012. “We’ve completed three small acquisitions over the past 12 months, and these have all gone well. We’ll likely augment our portfolio with judicious investments over the coming years.”

The Trade Me team had grown in line with forecast. “Trade Me’s overall number of staff has increased to 300 from 230 a year ago. We believe a key factor in our commercial success is determined by the calibre of our staff, and we continue to select smart, optimistic people who execute strongly.”

The future

Looking ahead, Mr Macdonald said there was optimism about Trade Me’s prospects: “In the short term, we believe the New Zealand economy remains subdued but settled, and is taking some strength from the Christchurch rebuild and the Auckland property market.

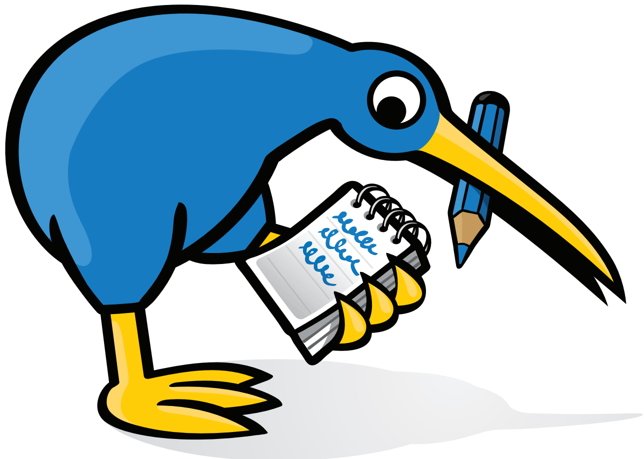
“In the longer term, we’re confident about the company and its strong foundations. Ongoing growth in mobile, the introduction of additional products across our classifieds businesses, the migration of advertising yield online, and the long-term opportunity in ecommerce, all provide sizeable opportunities for Trade Me.

“In order to grow and fulfil our potential, we’ll keep working hard and investing sensibly to ensure we meet the needs of our members and customers.”

-ends-

More information: Trade Me investor website: http://investors.trademe.co.nz/

Contact: Paul Ford, Trade Me, +64 4 803 2611, paul@trademe.co.nz



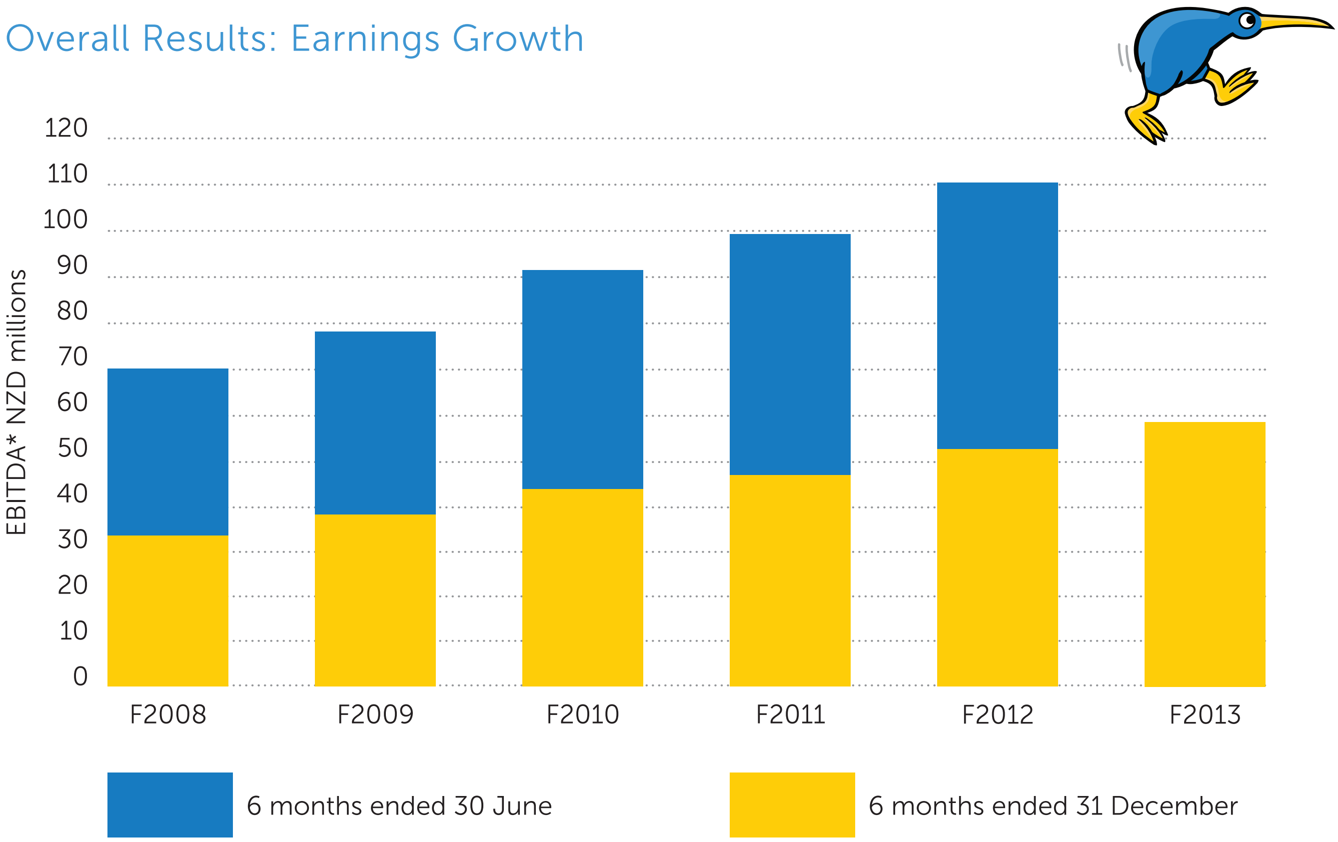
TRADE ME GROUP LIMITED

half-year report

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

- Revenue up 18 per cent year-on-year to $80.4m, and 5 per cent ahead of forecast. Expenses landed 1 per cent over forecast. The AutoBase and Tradevine acquisitions contributed to increased revenue and expenses.
- Continued earnings growth – EBITDA* up 14 per cent year-on-year to a new record of $59.2 million for the six months ended 31 December 2012.
- Net profit after tax of $37.4m, up 3 per cent year-on-year and 7 per cent ahead of forecast.
- A dividend of 7.5 cents per share (7 per cent higher than forecast) will be paid on 26 March, in line with policy of distributing approximately 80 per cent of net profit after tax.
- Achieved the final set of targets set out in IPO prospectus.
- General Items has performed broadly in line with expectations; Classifieds segment is performing strongly; and mixed performances in our Other segment.
- Strong prospects – good opportunities in our classifieds businesses, and a large long-term opportunity in online retail.

Overall Results: Earnings Growth



*EBITDA (a non-GAAP measure) represents earnings before income taxes (a GAAP measure) , excluding interest income, interest expense, depreciation and amortisation, as reported in the financial statements.

Dear shareholders,

Thank you for your continued support and confidence.

We're pleased to deliver a good half-year result for our shareholders. We continue to grow strongly with revenue up 18 per cent on the same period last year, and EBITDA up 14 per cent on a year ago.

We're also proud to have met our forecast for the period, as set out in our investment statement and prospectus in 2011. This means we have delivered on the overall revenue and earnings forecasts for each of the three half-year periods outlined in the IPO documents. We have taken the commitments we made at IPO time extremely seriously.

In the last six months we saw Fairfax Media sell down its 51 per cent shareholding in Trade Me. We see this development as a positive one for Trade Me shareholders, as it increases the liquidity of our traded shares and improves our overall attractiveness to investors. Trade Me has operated separately from Fairfax since the IPO, so December's sell-down has not had any operational or commercial impact on us.

The numbers

Our earnings before interest, tax, depreciation and amortisation (EBITDA) grew to a record high of $59.2 million, up 14 per cent on the same period the previous year, and 5 per cent ahead of forecast. We delivered net profit after tax (NPAT) of $37.4 million for the half year, up 7 per cent on our forecast. NPAT was up 3 per cent year-on-year which is less than our underlying growth because of the change in our capital structure and debt profile after the IPO.

Resulting earnings per share have increased from 9.19 cents a year ago to 9.43 cents per share.

We intend to pay a dividend of 7.5 cents per share, consistent with our policy of paying dividends based on approximately 80 per cent of profit. We expect the dividend to be paid to shareholders on 26 March 2013.

Operating performance

The performance of the business has been broadly as expected, and in line with the guidance we issued alongside our full year to 30 June 2012 (F12) results and at our annual shareholder meeting in late October.

General Items revenue grew 7.5 per cent year-on-year, but we are seeing varied performance across our different categories. For example, books, music and gaming are hurting with the transition to digital media and the international competition we face, whereas categories like farming and mobile phones are growing well.

The Classifieds businesses – Motors, Property, and Jobs – put in a strong performance during the half-year, and we are confident this will continue through 2013. There have been several contributors to this including stable volumes (and better than anticipated volumes in Jobs), good uptake in premium promotional products, and increases in yield. We also enjoy the revenue benefit from our 100 per cent acquisition of vehicle listing aggregator AutoBase.

In our Other segment, revenue grew 10 per cent year-on-year, and was in line with the performance we flagged at our F12 results. Our Advertising business continues to grow at a slower rate than anticipated, and Treat Me came in below our bullish aspirations. Separately, we recorded an excellent performance from our dating business FindSomeone, and our trio of travel businesses (Travelbug, Holiday Houses, BookIt) performed as expected.

Expenses came in slightly over forecast. This was signalled at our F12 results, and is due to the additional costs we've taken on with the acquisition of AutoBase and Tradevine.

Other preparations for long-term growth

We've been focused on expanding our mobile offering. Mobile sessions now comprise more than 35 per cent of total Trade Me visits. We also have mobile apps and smartphone-optimised sites across a number of our individual businesses, and recently released an iPad app focussed on providing Trade Me iPad users with an even better browsing experience.

We've continued to work on improving the support we provide buyers and sellers of new goods. We've welcomed aboard well-known New Zealand retailers in the last few months, and will continue to add to this list throughout the year.

We also made some progress on our aspirations to attract international sellers, and achieved our objective of having some Australian sellers up and running via ChannelAdvisor in time for Christmas 2012.

We acquired Holiday Homes in December to strengthen our position in the holiday rental accommodation market, and to improve the offering for consumers and bach-owners. We have completed three small acquisitions over the past year, and we expect to further augment our portfolio with judicious investment over the coming years.

Elsewhere, we've continued to grow in line with our IPO forecast. We've expanded our technology and customer support teams, and our number of staff has increased to 300 from 230 a year ago. We continue to believe our commercial success reflects the calibre of our staff, so have been careful to select optimistic people who are smart and execute strongly.

We have also strengthened our board and management teams with the addition of Sarah Hard as company secretary and Paul McCarney as a non-executive director.

Outlook

In the short term, we believe the New Zealand economy remains subdued, but regard the economy as more settled, and taking some strength from the Christchurch rebuild and the Auckland property market.

In the longer term, we are confident about the prospects of our business and its strong foundations. Growth in mobile, additional products across our classifieds businesses, the migration of advertising yield online, and the long-term opportunity in online retail, all provide sizeable opportunities for Trade Me.

We will work hard and further invest in the business to ensure we do a good job of meeting the needs of our members and customers, and to allow us to grow and fulfil our potential.

David Kirk
Chairman

Jon Macdonald
CEO

	Notes	Unaudited six months ended 31 December 2012 $000's	Unaudited six months ended 31 December 2011 $000's
Revenue		**80,380**	**68,191**
Employee benefit expense		(11,411)	(7,596)
Web infrastructure expense		(1,612)	(1,451)
Promotion expense		(1,268)	(1,330)
Other expenses		(6,877)	(6,105)
Total expenses		**(21,168)**	**(16,482)**
Share of profit from associate		-	291
Earnings before interest, tax, depreciation and amortisation		**59,212**	**52,000**
Depreciation and amortisation		(4,324)	(2,280)
Earnings before interest and tax		**54,888**	**49,720**
Finance income		939	668
Finance costs		(3,872)	(332)
Profit before income tax		**51,955**	**50,056**
Income tax expense		(14,587)	(13,691)
Profit for the period		**37,368**	**36,365**
Total comprehensive income for the period		**37,368**	**36,365**
Earnings per share			
Basic and diluted (cents per share)	6	9.43	9.19

The above statement should be read in conjunction with the accompanying notes.

	Notes	Unaudited as at 31 December 2012 $000's	Audited as at 30 June 2012 $000's
Assets			
Cash and cash equivalents		36,019	39,135
Trade and other receivables		6,650	5,310
Total current assets		**42,669**	**44,445**
Property, plant and equipment		3,702	4,342
Other intangible assets		45,054	43,675
Goodwill		731,193	729,724
Deferred tax asset		850	824
Total non-current assets		**780,799**	**778,565**
Total assets		**823,468**	**823,010**
Liabilities			
Trade and other payables		8,971	9,303
Interest bearing loans and borrowings	12	445	346
Income tax payable		2,707	8,944
Total current liabilities		**12,123**	**18,593**
Interest bearing loans and borrowings	12	165,809	165,758
Other non-current liabilities		40	80
Total non-current liabilities		**165,849**	**165,838**
Total liabilities		**177,972**	**184,431**
Equity			
Contributed equity	8	1,069,196	1,069,051
Share based payment reserve		492	200
Other reserves		(485,737)	(485,737)
Retained earnings		61,545	55,065
Total equity attributable to owners of the Company		**645,496**	**638,579**
Total equity and liabilities		**823,468**	**823,010**

For and on behalf of the Board of Directors who authorised these financial statements for issue on 19 February 2013:

David Kirk
Chairman

Joanna Perry
Chair of the Audit & Risk Management Committee

The above statement should be read in conjunction with the accompanying notes.

	Notes	Ordinary shares $000's	Share based payment reserve $000's	Retained earnings $000's	Other reserves $000's	Total equity $000's
Balance at 1 July 2012		**1,069,051**	**200**	**55,065**	**(485,737)**	**638,579**
Profit and total comprehensive income		-	-	37,368	-	37,368
Dividends	7	-	-	(30,888)	-	(30,888)
Share based payments	11	-	292	-	-	292
Employee gift shares	9	145	-	-	-	145
Balance at 31 December 2012 (unaudited)		**1,069,196**	**492**	**61,545**	**(485,737)**	**645,496**

	Notes	Ordinary shares $000's	Share based payment reserve $000's	Retained earnings $000's	Other reserves $000's	Total equity $000's
As at 1 July 2011		**-**	**-**	**19,673**	**749,885**	**769,558**
Profit and total comprehensive income		-	-	36,365	-	36,365
Dividends	7	-	-	(40,200)	-	(40,200)
Share based payments	11	-	29	-	-	29
Shares issued to Fairfax Digital Holdings NZ Limited	9	705,672	-	-	(705,672)	-
Initial public offering	9	363,379	-	-	-	363,379
Distribution to Fairfax New Zealand Holdings Limited	2.2	-	-	-	(529,950)	(529,950)
Balance at 31 December 2011 (unaudited)		**1,069,051**	**29**	**15,838**	**(485,737)**	**599,181**

The above statement should be read in conjunction with the accompanying notes.

	Notes	Unaudited six months ended 31 December 2012 $000's	Unaudited six months ended 31 December 2011 $000's
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		91,744	79,594
Payment to suppliers and employees (inclusive of GST)		(35,578)	(26,496)
Cash transferred to Trust		-	(11,771)
Income tax (paid)		(20,850)	(16,527)
Interest received		892	630
Dividends received		-	287
Net cash flows from operating activities		**36,208**	**25,717**
Cash flows from investing activities			
Loans to related parties		-	(11,532)
Payment for purchase of property, plant and equipment		(879)	(591)
Payment for purchase of intangibles		(907)	(1,372)
Business acquisition	10	(3,327)	-
Net cash flows (used in) investing activities		**(5,113)**	**(13,495)**
Cash flows from financing activities			
Dividends paid		(30,888)	(8,229)
Interest paid on borrowings (including facility fees)		(3,323)	(300)
Net cash flows (used in) financing activities		**(34,211)**	**(8,529)**
Net (decrease)/increase in cash and cash equivalents		**(3,116)**	**3,693**
Cash and cash equivalents at beginning of period		39,135	6,012
Cash and cash equivalents at end of period		**36,019**	**9,705**
Cash comprises:			
Cash at bank and in hand		11,019	9,705
Short term deposits		25,000	-
Total cash and cash equivalents		**36,019**	**9,705**

The above statement should be read in conjunction with the accompanying notes.

1 | General information

The consolidated interim financial statements presented are for Trade Me Group Limited (the "Company"), and its subsidiaries (together the "Group"), a company domiciled in New Zealand and registered under the Companies Act 1993.

The interim financial statements are for the six months ended 31 December 2012 and have been prepared in accordance with NZ GAAP. Trade Me Group Limited is a profit-oriented entity.

The nature of the operations and principal activities of the Group are to operate and manage all Trade Me websites including online marketplaces, classifieds, advertising, group buying and other services.

2 | Basis of preparation and accounting policies

The accounting policies applied to the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2012.

2.1 Basis of preparation of financial statements

These general purpose consolidated interim financial statements for the six months ended 31 December 2012 have been prepared in accordance with NZ IAS - 34 *Interim Financial Reporting* and IAS - 34 *Interim Financial Reporting*. These consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2012.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000's).

2.2 Group reorganisation

On 13 December 2011 the Company acquired 100% of the Trade Me Limited share capital from Fairfax New Zealand Holdings Limited ("FNZHL"), via two intermediary holding companies. The reorganisation has resulted in the new legal parent Trade Me Group Limited wholly owning Trade Me Limited, the continuing economic entity. For further detail refer to the audited financial statements of the Group for the year ended 30 June 2012 note 2.3.

3 | Comparison against prospectus forecast

3.1 Statement of comprehensive income vs. prospectus

	Actual six months ended 31 December 2012 $000's	Reclassified forecast * six months ended 31 December 2012 $000's	Original forecast ** six months ended 31 December 2012 $000's
General Items	33,149	32,500	34,100
Classifieds	33,094	27,700	27,700
Other	14,137	16,700	17,100
Total revenue	**80,380**	**76,900**	**78,900**
Employee benefit expense	(11,411)	(10,200)	(10,200)
Web infrastructure expense	(1,612)	(1,900)	(1,900)
Promotion expense	(1,268)	(1,900)	(3,500)
Other expenses	(6,877)	(6,900)	(7,300)
Total expenses	**(21,168)**	**(20,900)**	**(22,900)**
Share of profit from associate	-	300	300
Earnings before interest, tax, depreciation and amortisation	**59,212**	**56,300**	**56,300**
Depreciation and amortisation	(4,324)	(3,500)	(3,500)
Earnings before interest and tax	**54,888**	**52,800**	**52,800**
Finance income	939	600	600
Finance costs	(3,872)	(5,100)	(5,100)
Profit before income tax	**51,955**	**48,300**	**48,300**
Income tax expense	(14,587)	(13,500)	(13,500)
Profit for the period	**37,368**	**34,800**	**34,800**
Total comprehensive income for the period	**37,368**	**34,800**	**34,800**

* For comparability purposes the 31 December 2012 prospectus forecast has been reclassified in accordance with the reclassification of the 31 December 2011 comparatives in the Statement of Comprehensive Income (refer note 4).

** The forecast numbers for the 6 months ended 31 December 2012, formed part of the investment statement and prospectus dated 9 November 2011.

Earnings before interest and tax for the period was broadly in line with expectations, and is $2.1 million (4.0%) ahead of the prospectus forecast.

Revenue was above forecast by $3.5 million (4.5%), reflecting strength in the Classifieds segment, offset by lower than forecast revenue in the Other segment.

Expenses were slightly above forecast by $0.3 million (1.3%), primarily due to the unanticipated increase in staff numbers relating to the acquisitions occurring during the year, but offset by realised cost savings in marketing and web infrastructure.

3.2 Statement of financial position vs. prospectus

	Actual as at 31 December 2012 $000's	Forecast * as at 31 December 2012 $000's
Current assets		
Cash and cash equivalents	36,019	43,800
Trade and other receivables	6,650	4,300
Total current assets	**42,669**	**48,100**
Non-current assets		
Property, plant and equipment	3,702	5,100
Other intangible assets	45,054	36,700
Goodwill	731,193	721,600
Deferred tax asset	850	200
Investment in associate	-	600
Total non-current assets	**780,799**	**764,200**
Total assets	**823,468**	**812,300**
Current liabilities		
Trade and other payables	8,971	5,600
Interest bearing loans and borrowings	445	-
Income tax payable	2,707	1,200
Total current liabilities	**12,123**	**6,800**
Non-current liabilities		
Interest bearing loans and borrowings	165,809	166,000
Other non-current liabilities	40	300
Total non-current liabilities	**165,849**	**166,300**
Total liabilities	**177,972**	**173,100**
Equity		
Contributed equity	1,069,196	1,069,200
Share based payment reserve	492	-
Other reserves	(485,737)	(485,300)
Retained earnings	61,545	55,300
Total equity attributable to owners of the Company	**645,496**	**639,200**
Total equity and liabilities	**823,468**	**812,300**

* The forecast numbers as at 31 December 2012, formed part of the investment statement and prospectus dated 9 November 2011.

Total assets are above forecast by $11.2 million (1.4%) driven largely by the unanticipated acquisition purchases of AutoBase in April 2012, and other businesses in the six months ended 31 December 2012. Refer note 10.

Total liabilities are above forecast by $4.9 million (2.8%) as a result of unanticipated and higher than anticipated trade payables at period end.

3.3 Statement in changes of equity vs. prospectus

	Actual six months ended 31 December 2012 $000's	Forecast * six months ended 31 December 2012 $000's
Opening equity	**638,579**	**631,400**
Profit and total comprehensive income for the period	37,368	34,800
Post-offer dividends on ordinary shares	(30,888)	(27,000)
Share based payments	292	-
Shares issued:		
Employee gift shares	145	-
Total equity	**645,496**	**639,200**
Represented by:		
Contributed equity	1,069,196	1,069,200
Share based payment reserve	492	-
Other reserves	(485,737)	(485,300)
Retained earnings	61,545	55,300
	645,496	**639,200**

* The forecast numbers for the six months ended 31 December 2012, formed part of the investment statement and prospectus dated 9 November 2011.

Profit for the period was $2.6 million (7.4%) ahead of forecast as outlined in note 3.1.

Dividends for the period were $3.9 million (14.4%) ahead of forecast as a result of higher than forecast profit in the year ended 30 June 2012.

3.4 Statement of cashflows vs. prospectus

	Actual six months ended 31 December 2012 $000's	Forecast * six months ended 31 December 2012 $000's
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	91,744	90,300
Payment to suppliers and employees (inclusive of GST)	(35,578)	(33,800)
Income tax (paid)	(20,850)	(20,800)
Interest received	892	600
Dividends received	-	300
Net cash flows from operating activities	**36,208**	**36,600**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(879)	(2,100)
Payment for purchase of intangibles	(907)	(1,600)
Business acquisition	(3,327)	-
Net cash flows (used in) investing activities	**(5,113)**	**(3,700)**
Cash flows from financing activities		
Dividends paid	(30,888)	(27,000)
Interest paid on borrowings (including facility fees)	(3,323)	(5,100)
Net cash flows (used in) financing activities	**(34,211)**	**(32,100)**
Net (decrease)/increase in cash and cash equivalents	**(3,116)**	**800**
Cash and cash equivalents at beginning of period	39,135	43,000
Cash and cash equivalents at end of period	**36,019**	**43,800**

* The forecast statement of cashflows for the six months ended 31 December 2012, formed part of the investment statement and prospectus dated 9 November 2011.

The $3.3 million purchases of the businesses described at note 10 were not anticipated at the time of the prospectus. Dividends were also higher than forecast due to greater profitability in the year ended 30 June 2012.

4 | Comparatives

During the prior six month comparatives (including the prospectus disclosure), volume rebates and other direct costs were included within "other expenses" and "promotion expense" in the statement of comprehensive income. In the current six month period, these have been reclassified to offset against associated revenue to reflect the fair value of revenue received. As a result in the comparative six month period (including the prospectus disclosure) "other expenses" and "promotion expenses" have been reduced by $1.8 million, as has "revenue".

In accordance with NZ IAS 1, a third balance sheet has not been disclosed as comparative opening balances require no adjustment.

	Original actual six months ended 31 December 2011 $000's	Original forecast * six months ended 31 December 2011 $000's	Reclassified actual six months ended 31 December 2011 $000's	Reclassified forecast six months ended 31 December 2011 $000's
General Items	32,261	32,189	30,823	30,719
Classifieds	24,535	24,017	24,535	24,017
Other	13,184	13,377	12,833	13,036
Revenue	**69,980**	**69,583**	**68,191**	**67,772**
Employee benefit expense	(7,596)	(8,296)	(7,596)	(8,296)
Web infrastructure expense	(1,451)	(1,398)	(1,451)	(1,398)
Promotion expense	(2,768)	(3,257)	(1,330)	(1,787)
Other expenses	(6,456)	(5,954)	(6,105)	(5,613)
Total expenses	**(18,271)**	**(18,905)**	**(16,482)**	**(17,094)**
Share of profit from associate	291	296	291	296
Depreciation and amortisation	(2,280)	(2,370)	(2,280)	(2,370)
Earnings before interest and tax	**49,720**	**48,604**	**49,720**	**48,604**

*The statement of comprehensive income for the six months ended 31 December 2011 included in the investment statement and prospectus dated 9 November 2011.

5 | Segment reporting

5.1 Services from which reportable segments derive their revenues

Directors have determined the operating segments based on the reports reviewed by the Group's Chief Executive Officer to assess performance, allocate resources and make strategic decisions. Due to a significant change in the reorganisation of the internal financial reporting system, segment profit is now reported. Those changes have not been made retrospectively due to the necessary information being unavailable and the cost to develop being excessive. Comparative segment profit is not reported, but will be in future periods. The segments are as follows:

GENERAL ITEMS

Success fees are the largest proportion of revenue for General Items, and are driven by both the number of completed transactions (listings sold) and the total sales value of completed transactions.

CLASSIFIEDS

Classifieds revenue is primarily from basic and premium listing fees from the three classified businesses:
» Trade Me Motors » Trade Me Property » Trade Me Jobs

OTHER

The Other revenue segment includes:
» Advertising » Travel » FindSomeone » Pay Now » Treat Me

5.2 Segment revenues & EBITDA and reconciliation to overall result

The following is an analysis of the Group's revenue & EBITDA from continuing operations by reportable segment.

Operating segments	Revenue six months ended 31 December 2012 $000's	Revenue six months ended 31 December 2011 $000's	EBITDA * six months ended 31 December 2012 $000's
General Items	33,149	30,823	26,046
Classifieds	33,094	24,535	26,357
Other	14,137	12,833	6,809
Total for continuing operations	**80,380**	**68,191**	**59,212**
Reconciliation to overall result			
Depreciation and amortisation			(4,324)
Finance income			939
Finance costs			(3,872)
Profit before income tax			**51,955**

*EBITDA (a non-GAAP measure) represents earnings before income taxes (a GAAP measure) , excluding interest income, interest expense, depreciation and amortisation, as reported in the financial statements.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the current period (2011: Nil).

5.3 Segment assets and liabilities

The assets and liabilities of the Group are reported to and reviewed by the Chief Executive Officer in total and are not allocated by operating segment. Therefore, operating segment assets and liabilities are not disclosed.

5.4 Other information

GEOGRAPHICAL

The Group operates within New Zealand, and derived no material revenue from foreign countries for the six months ended 31 December 2012 (2011: Nil).

INFORMATION ABOUT MAJOR CUSTOMERS

No single customer contributed 10% or more to the Group's revenue for the six months ended 31 December 2012 (2011: Nil).

6 | Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Unaudited six months ended 31 December 2012 $000's	Unaudited six months ended 31 December 2011 $000's
Earnings used for the calculation of basic and diluted earnings (000's):	37,368	36,365
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share.	396,154,428	395,745,510
Basic and diluted earnings per share (cents)	9.43	9.19

The legal share capital of the Group as at 1 July 2011 was nil. Because the share issue in December 2011 did not result in a change in total equity for the Group, basic and diluted earnings per share for the six months has been calculated using the shares on issue as at 31 December 2011 rather than a weighted average for the comparative period.

7 | Dividend paid or authorised

	Unaudited six months ended 31 December 2012 $000's	Unaudited six months ended 31 December 2011 $000's
Fully imputed dividend on Trade Me Limited ordinary shares: $206.44 per share	-	40,200
Fully imputed dividend on Trade Me Group Limited ordinary shares: 7.8 cents per share	30,888	-
Dividends declared and proposed after reporting date, but not recorded as a liability in these financial statements: 7.50 cents per share	29,723	-

8 | Contributed equity

	Notes	Unaudited six months ended 31 December 2012 $000's	Unaudited six months ended 31 December 2011 $000's
Balance at beginning of period		**1,069,051**	**-**
Employee gift shares issued during the period	9	145	-
Shares issued during the period		-	1,069,051
Balance at end of the period		**1,069,196**	**1,069,051**

All ordinary shares carry equal rights in respect of voting and the receipt of dividends. Ordinary shares do not have a par value.

9 | Related party transactions

The Company was a majority-owned subsidiary of Fairfax Digital Holdings NZ Limited to 21 December 2012. The ultimate parent of the Company was Fairfax Media Limited, which is a company domiciled in Australia and listed on the Australian Stock Exchange. On 21 December 2012 Fairfax Media sold its remaining shares in the Company to a number of individual shareholders, and is no longer a controlling shareholder.

Other than the settlement of immaterial balances on 21 December 2012, no significant transactions occurred between the Group and subsidiaries of Fairfax Media Limited during the six months ended 31 December 2012.

Note 13 to the interim financial statements for the six months ended 31 December 2011, and note 25 to the annual financial statements for the year ended 30 June 2012 disclose a number of significant transactions that occurred between the Group and subsidiaries of Fairfax Media Limited during the comparative six months ended 31 December 2011.

On 1 October 2012, 36,540 Company shares were gifted by Trade Me Limited to all eligible employees of the Trade Me Group. There were no restrictions or qualification criteria on the shares.

10 | Business combinations

The Company gained control over the following businesses during the six months ended 31 December 2012:

Entity from which business acquired	Principal activity	Acquisition date	Interest
Tradevine Limited	Online e-commerce management and administration tool	27 August 2012	100%
Baches and Holiday Homes to Rent Limited	Holiday accommodation classifieds	18 December 2012	100%

The fair values of the identifiable assets and liabilities acquired for the acquisitions above, none of which were individually significant to the Group, were:

	2012 $000's
Software	2,157
Other	18
Goodwill *	1,469
Revenue in advance	(265)
Other liabilities	(52)
Total identifiable net assets and liabilities attributable to the Company	**3,327**
Satisfied by	
Cash paid on acquisition dates	2,927
Contingent consideration held on trust to be paid on 12 June 2013	400
Fair value of consideration paid	**3,327**

* Goodwill of $1.5 million includes synergies expected to be achieved as a result of combining the acquired businesses with the rest of the Group. The staff who joined on acquisition and future growth opportunities are also key factors contributing to the goodwill acquired during the reporting period. None of the goodwill is expected to be deductible for tax purposes.

The consolidated statement of comprehensive income includes immaterial revenue and net profit for the six months ended 31 December 2012, as a result of acquisitions of business combinations made during the reporting period. If the acquisitions had occurred at the beginning of the reporting period, the consolidated income statement would have had no material change to revenue and profit for the period.

Acquisition-related costs included in "other expenses" in the statement of comprehensive income for the period amounted to $0.1 million.

11 | Share based payment plans

The Company grants restricted shares with a typical vesting period of three years to management, but this vesting period may vary where the restricted shares are awarded to retain an employee for a critical period. The restricted shares have all the rights attached to ordinary shares (including the right to dividends), but may be redeemed by the Company if the qualification criteria are not met.

The following table shows the number of restricted shares that were granted since the comparative period, the weighted average issue price of restricted shares as at the grant date, and the qualification reclassification criteria of the restricted shares into ordinary shares as follows:

Payment plan reference	Grant date	Number granted	Weighted average issue price	Vesting date
Post IPO plan	13 December 2011	292,986	$2.70	31 December 2013

Vesting criteria: The Company achieves an EBITDA of $110.9 million during the period commencing 1 January 2012 and ended 31 December 2012, and the participant remains in continuous employment with Trade Me until 31 December 2013.

Payment plan reference	Grant date	Number granted	Weighted average issue price	Vesting date
FY13 plan (tranche 1)	1 October 2012	58,880	$3.97	30 September 2014
FY13 plan (tranche 2)	1 October 2012	176,638	$3.97	30 September 2015

Vesting criteria: Two performance hurdles described below will be used before vesting occurs:

Hurdle 1 – Will apply to 50% of the shares in each tranche
The Company's total shareholder return (representing dividend per share plus increase in share price divided by initial share price) is in the top quartile of companies in the NZX 50 Index (the Index) over the vesting period to 30 September 2014/15, then 100% of shares will vest. For performance between median and top quartile, vesting will occur on a straight-line basis so that 50% of the shares vest for median performance and 100% vesting occurs for top quartile performance. No shares will vest if the total shareholder return is below the median in the Index or the participant is not in continuous employment at this date.

Hurdle 2 – Will apply to 50% of the shares in each tranche
Growth rate of the Company's Earnings Per Share to equal or exceed a compound annual rate over the 2 or 3 financial years ending on 30 June prior to the end of the vesting period of 12% per annum, then 100% of the shares will vest. For performance between 8% and 12% per annum, vesting will occur on a straight-line basis so that 50% of the shares vest for performance at 8%, and full vesting occurs for performance at 12%. No shares will vest if the performance return is below 8% per annum or the participant is not in continuous employment at this date.

12 | Interest bearing liabilities

	Unaudited six months ended 31 December 2012 $000's	Audited six months ended 30 June 2012 $000's
Committed cash advance facility	166,000	166,000
Deferred funding costs	(191)	(242)
Accrued interest	445	346
Total interest bearing liabilities	**166,254**	**166,104**
Current portion	445	346
Non-current portion	165,809	165,758
Total interest bearing liabilities	**166,254**	**166,104**

The Commonwealth Bank of Australia has provided a $200 million revolving cash advance loan facility to the Company. The facility was partially drawn down on 13 December 2011 and is for a term of three years ending 13 December 2014.

The facility is guaranteed by the Company and its wholly-owned subsidiary Trade Me Limited. The covenants entered into by the Group require specific calculations of the Group's net debt to EBITDA, and interest cover.

There have been no covenant breaches during the period ended 31 December 2012 (2011:nil).

13 | Subsequent events

There are no events occurring after 31 December 2012 that materially affect the information in these interim financial statements.

ERNST & YOUNG

Chartered Accountants

Review Report to the Shareholders of Trade Me Group Limited (the company) and its subsidiaries (the group)

We have reviewed the interim financial statements on pages 6 to 21. The interim financial statements provide information about the past financial performance of the group and its financial position as at 31 December 2012. This information is stated in accordance with the accounting policies set out in the group's annual financial statements dated 21 August 2012.

This report is made solely to the company's shareholders, as a body, in accordance with our engagement letter. Our review has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our review work, for this report, or for our findings.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for the preparation of interim financial statements which comply with generally accepted accounting practice in New Zealand as it relates to interim financial statements and which present fairly the financial position of the group as at 31 December 2012 and the results of its operations and cash flows for the six month period ended on that date.

REVIEWER'S RESPONSIBILITIES

We are responsible for reviewing the interim financial statements presented by the directors in order to report to you whether, in our opinion and on the basis of the procedures performed by us, anything has come to our attention that would indicate that the interim financial statements do not present fairly the matters to which they relate.

BASIS OF STATEMENT

A review is limited primarily to enquiries of group personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, do not express an audit opinion.

We have reviewed the interim financial statements of the group for the six month period ended 31 December 2012 in accordance with the Review Engagement Standards issued by the External Reporting Board. These standards require that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatement whether caused by fraud or error. We also evaluated the overall adequacy of the presentation of information in the interim financial statements.

Other than in our capacity as auditor we have no relationship with, or interest in, the company or any of its subsidiaries.

STATEMENT OF REVIEW FINDINGS

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial statements, set out on pages 6 to 21, do not fairly present the financial position of the group as at 31 December 2012 and its financial performance and cash flows for the six month period ended on that date in accordance with generally accepted accounting practice in New Zealand as it relates to interim financial statements.

Our review was completed on 19 February 2013 and our findings are expressed as at that date.

Ernst + Young

Ernst & Young

Chartered Accountants

Wellington

Directory: Trade Me Group Limited

Registered office

Trade Me Group Limited
Level 3, NZX Centre
11 Cable Street
Wellington

Board of directors

David Kirk	Chairman
Gail Hambly	Non-Executive Director
Paul McCarney	Non-Executive Director
Sam Morgan	Non-Executive Director
Joanna Perry	Non-Executive Director

Executive team

Jon Macdonald	Chief Executive Officer
Jonathan Klouwens	Chief Financial Officer
Mike DelPrete	Strategy Manager
Sarah Hard	Company Secretary
Linda Cox	Company Secretary
Fiona Ireland	Head of Human Resources
Craig Jordan	Head of Marketplace
Jimmy McGee	Head of Commercial
Mike O'Donnell	Head of Operations
Dave Wasley	Head of Technology

Investor information

The Trade Me investor relations website is at:
http://investors.trademe.co.nz/

Share registrar

If you have a shareholder-related query, please contact our share registrar, Link Market Services Limited:

New Zealand

Phone	(09) 375 5998
Email	*enquiries@linkmarketservices.com*
Address	PO Box 91976, Auckland

Australia

Phone	1300 554 474
Email	*registrars@linkmarketservices.com.au*
Address	Locked Bag A14, Sydney South, NSW

Auditor

Ernst & Young
100 Willis Street
Wellington
New Zealand

TRADE ME GROUP LIMITED

("Company")

Directors' declaration in respect of the Group Financial Statements for the half year ended 31 December 2012

Introduction

It is a requirement of the Australian Stock Exchange Listing Rules 4.2A.2 that a declaration be given by the directors of the Company in respect of the financial statements for the Company and its subsidiaries ("Trade Me" or "Group") for the half year ended 31 December 2012. This declaration must be filed with the Australian Stock Exchange.

Declaration

The directors of the Company hereby declare that in the directors' opinion:

- the Trade Me financial statements for the half year ended 31 December 2012 and the notes to those financial statements comply with generally accepted accounting practice in New Zealand as it relates to interim financial statements;
- the Trade Me financial statements for the half year ended 31 December 2012 and the notes to those financial statements give a true and fair view of the financial position and performance of the Group; and
- there are reasonable grounds to believe that the Company will be able to pays its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors dated 19 February 2013 and is signed for and on behalf of the directors by the Board Chairman.

Signed

David Kirk
Chairman

19 February 2013

Trade Me
Half Year Results

For the 6 months ended
31 December 2012

Jon Macdonald CEO
Jonathan Klouwens CFO

Disclaimer

This presentation may contain projections or forward looking statements regarding a variety of items. These forward-looking statements are based upon current expectations and involve risks and uncertainties.

Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks.

Although management may indicate and believe the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect. There can be no assurance that the results contemplated in the forward-looking statements will be realised.

A number of non-GAAP financial measures are used in this presentation due to the fact they are widely accepted financial indicators used by investors and analysts to analyse and compare companies. You should not consider any of these in isolation from, or as a substitute for the information provided in the consolidated financial statements.

While all reasonable care has been taken in compiling this presentation, Trade Me accepts no responsibility for any errors or omissions. This presentation does not constitute investment advice.

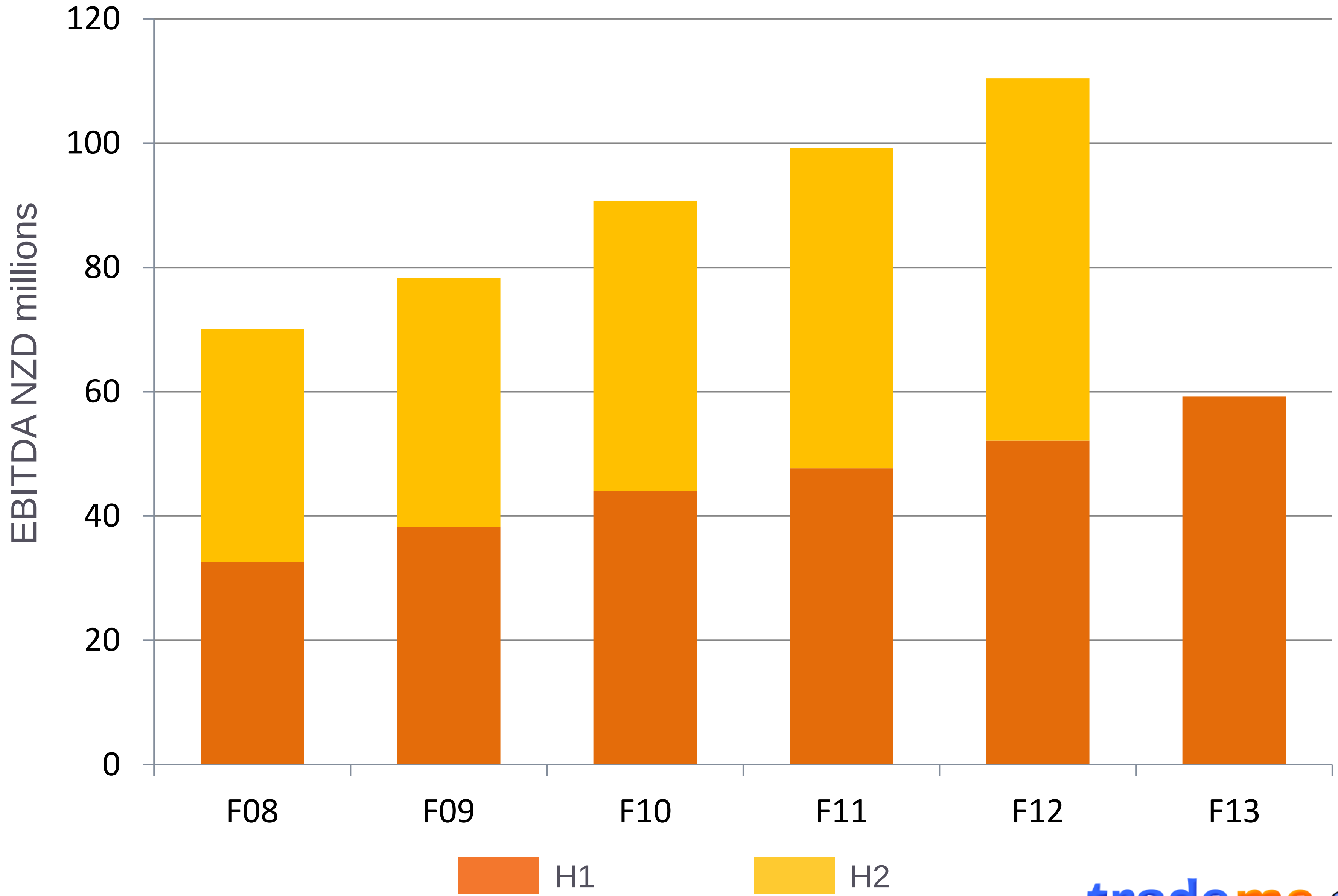
Presentation agenda

▪ Overview	Jon Macdonald
▪ Divisional performance	Jon Macdonald
▪ Financials	Jonathan Klouwens
▪ Trading and Outlook	Jon Macdonald
▪ Questions	Jon Macdonald and Jonathan Klouwens

Overall Results: Highlights

- Achieved the final set of targets set out in IPO prospectus.
- Good earnings growth – EBITDA up 14% YoY to new record of $59.2m for H1 F13. NPAT of $37.4m, up 7% on prospectus forecast.
- Revenue 5% ahead of IPO forecast and up 18% YoY, expenses 1% over forecast. The acquisition of AutoBase and Tradevine both contributed to the increased revenue and expenses.
- Underlying trading performance has continued in line with previous commentary:
  - General Items broadly in line with our expectations.
  - Classifieds (Motors, Property & Jobs) all performing strongly.
  - Mixed performance in our Other segment.
- Dividend of 7.5 cps (7% higher than forecast in the prospectus) payable on 26 March, in line with policy of approximately 80% of NPAT.
- Strong prospects – good opportunities in Classifieds, as well as large long-term opportunity in online retail.

Overall Results: Earnings growth



trademe
Trade Me Group Limited

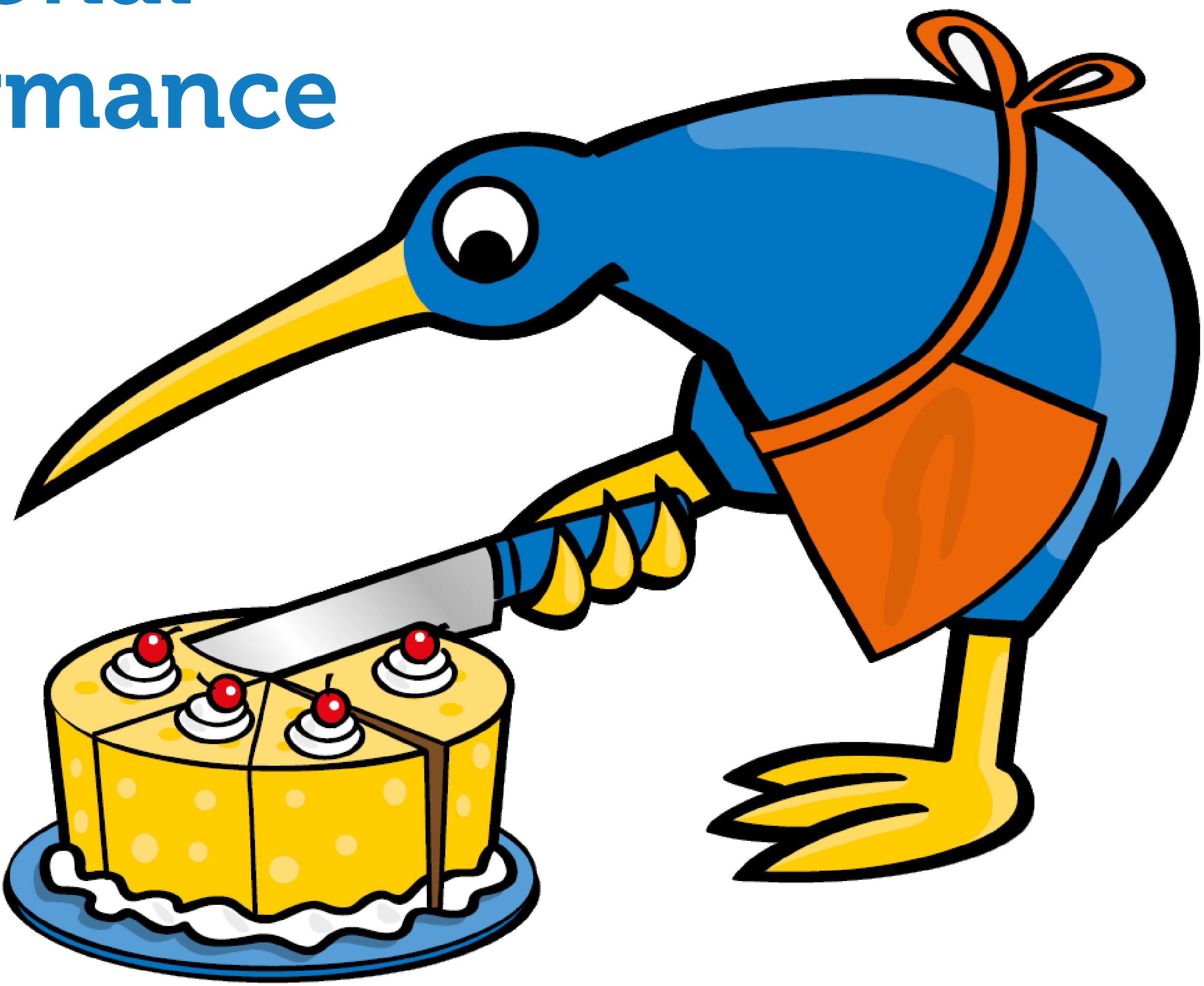
Overall Results: Financials

NZD	H1 F13	Variance to PFI[2]		Variance to H1 F12	
	$000's	$000's	%	$000's	%
Revenue[3]	80,380	3,480	4.5%	12,189	17.9%
Expenses[3]	(21,168)	(268)	(1.3%)	(4,686)	(28.4%)
Share of profit from associates	-	(300)	(100%)	(291)	(100%)
EBITDA	**59,212**	**2,912**	**5.2%**	**7,212**	**13.9%**
EBITDA margin	*74%*				
Depreciation and amortisation	(4,324)	(824)	(23.5%)	(2,044)	(89.6%)
EBIT	**54,888**	**2,088**	**4.0%**	**5,168**	**10.4%**
EBIT margin	*68%*				
Net Finance costs	(2,933)	1,567	34.8%	(3,269)	(973%)
Income tax expense	(14,587)	(1,087)	(8.1%)	(896)	(6.5%)
NPAT	**37,368**	**2,568**	**7.4%**	**1,003**	**2.8%**

Notes:

1. All figures are from statutory financials.
2. PFI is the Prospective Financial Information included in the Prospectus for H1 F13 after adjusting for the reclassification of certain costs
3. Includes restatement of revenue to be net of some COGS (and removal of those COGS from expenses), identical to the approach taken for our F12 full year results. See page 20 for full treatment.

Divisional Performance



Revenue by segment

NZD	H1 F13	Variance to PFI		Variance to H1 F12	
	$000's	$000's	%	$000's	%
Revenue					
General items	33,149	649	2.0%	2,326	7.5%
Classifieds	33,094	5,394	19.5%	8,559	34.9%
Other	14,137	(2,563)	(15.3%)	1,304	10.2%
Total	**80,380**	**3,480**	**4.5%**	**12,189**	**17.9%**

- **General Items:** Volumes softer than expected, but yield slightly stronger to give a result in line with expectations. New goods preparatory work progressing largely to plan, however did not deliver material upside to our pre-Christmas activity.
- **Classifieds:** Performed well – good product and yield opportunity in Motors and Property, and market share growth in Jobs.
- **Other:** Display advertising and Treat Me both growing but under PFI expectations. FindSomeone continued to show pleasing growth.

General Items: Business update

- H1 revenue $33.1m - up 7.5% YoY.
- Sold items down on same period last year – we had some promotions running last year that increased items sold but reduced sale price.

H1 YoY growth	Forecast	Actual
Items sold	3.5%	-3.8%
Gross sales value	4.3%	1.1%
Revenue	5.4%	7.5%

- Mixed performance across categories:
  - Farming, Home & Living, Mobile phones, Health & Beauty performing well.
  - Media categories down with shift to online products – Clothing also hurting as we compete against international players with a great buyer experience.
- Implied yield improved – from a few contributors:
  - Price change implemented in October - increased commission on goods less than $1,500.
  - One-off benefit ($800k) resulting from a change in the revenue recognition estimation process – less conservative estimate due to operational improvements. Ongoing revenue and timing advantage.
  - Our premium fees were suppressed last year because of some promotions.
  - More retailers on Trade Me means greater consumption of our “Stores” product and associated fees.
  - This segment includes some miscellaneous categories like Services and Flatmates – good performance in these categories has increased revenue but is not counted in gross sales.

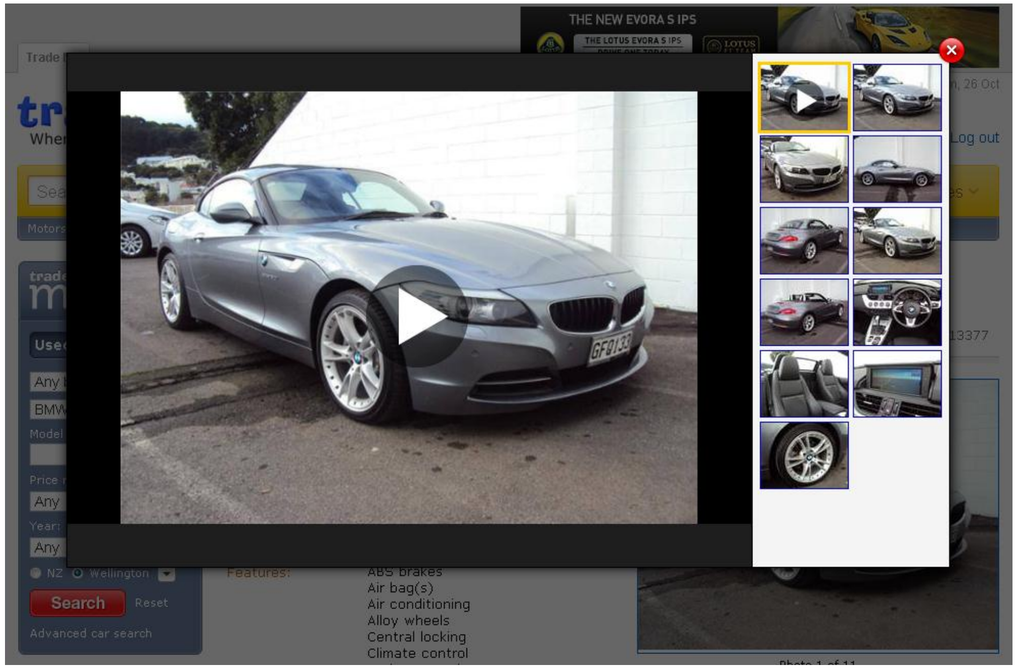
General Items: New goods

- New goods preparations continue. Acquisition of suppliers proving feasible, but the ramp-up of sales activity is slow.
- Channel Advisor ‘technical plumbing’ completed, and we achieved our goal of a small number of Australian retailers selling prior to Christmas.
- New homepage released that gives the platform for improving the exposure to branded new goods as we build supply.
- Pay Now growth continued after moving from a loss-maker to a profitable business last year.
  - Usage reached 19% of all sales in the run-up to Christmas.
  - Design and usability improvements continuing, with a focus on improving the convenience of buying new goods.

Trade Me’s new homepage released in October, including brand spot for showcasing new goods

Classifieds: Motors

- H1 revenue growth of 54% YoY, including the benefit of the AutoBase acquisition. Growth excluding AutoBase was circa 25% YoY.
- Direct listing volumes flat for H1.
- Price changes on base listing packages for dealers implemented in September 2012 – approx. half of total listings. First dealer price increase for two years.
- Animated slideshow on listings released and proving popular with dealers.
- Work under way to aggregate and present our data to buyers, sellers and other industry participants. Beta product launched for car dealers.

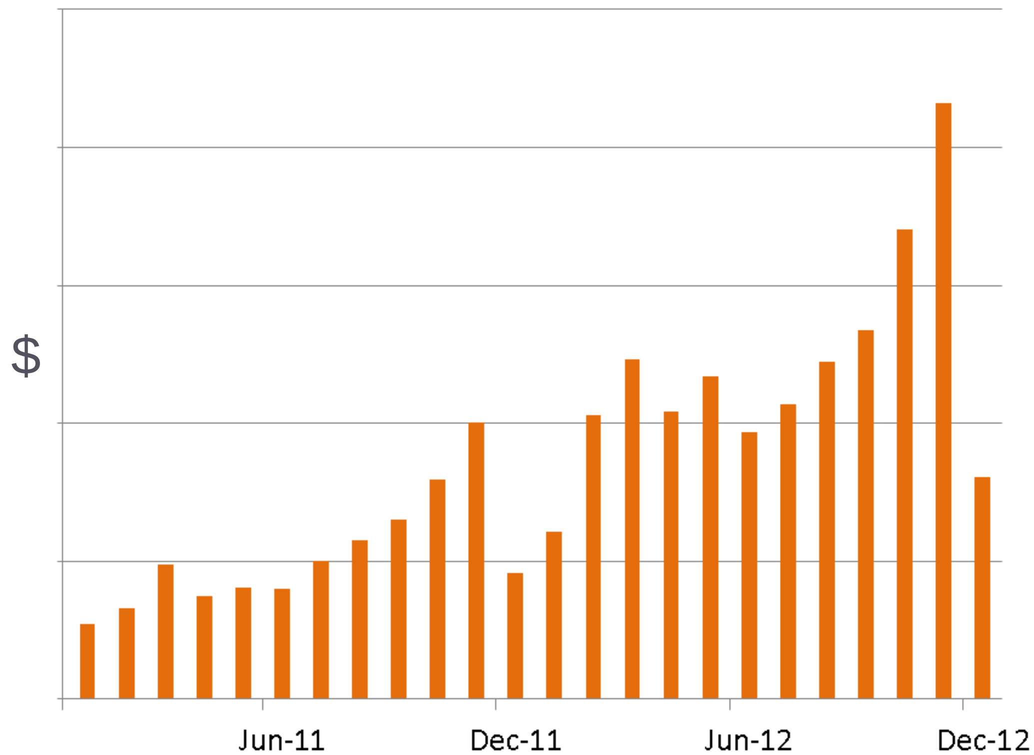


New AutoReel product in Motors

- Opportunity in display advertising, with first steps taken on advertising formats.

Classifieds: Property

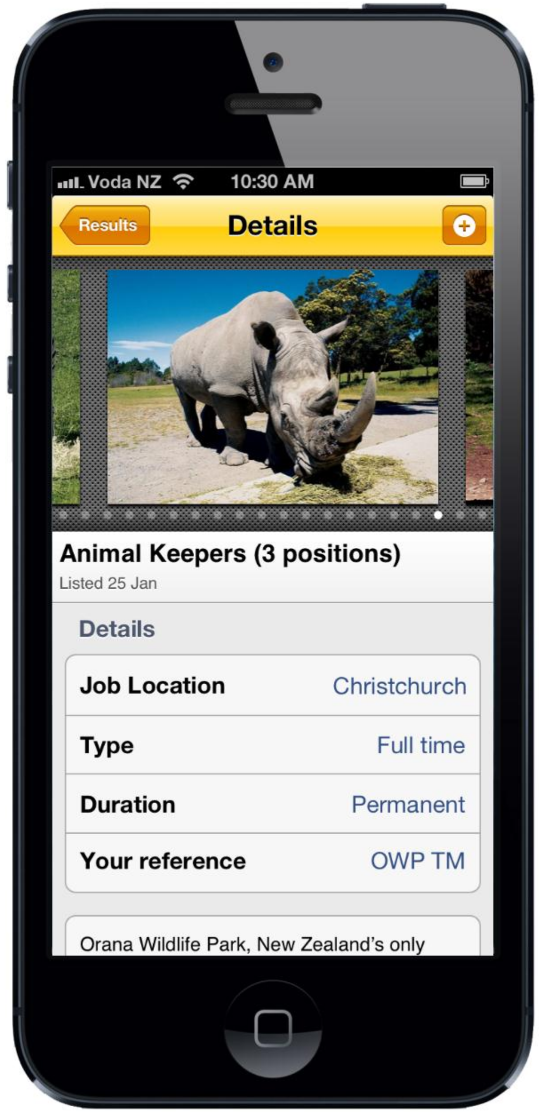
- H1 revenue growth of 23% YoY.
- For sale volumes continue to be flat, with no sustained volume increase. Property values are rising, however it appears to be largely driven from scarcity of listings.
- Some strength in rental volumes, up 9% YoY. Particular strength in Auckland, Wellington and Hamilton.
- Particularly strong uptake in premium revenue from agents – up 106% to $1.7m.
- Agent pricing (for independent offices) increased in June 2012, and pricing for direct listings changes in Feb 2012.
- Property iPad app launched to increase reach and improve buyer experience.



Agent premium income for the last 2 years

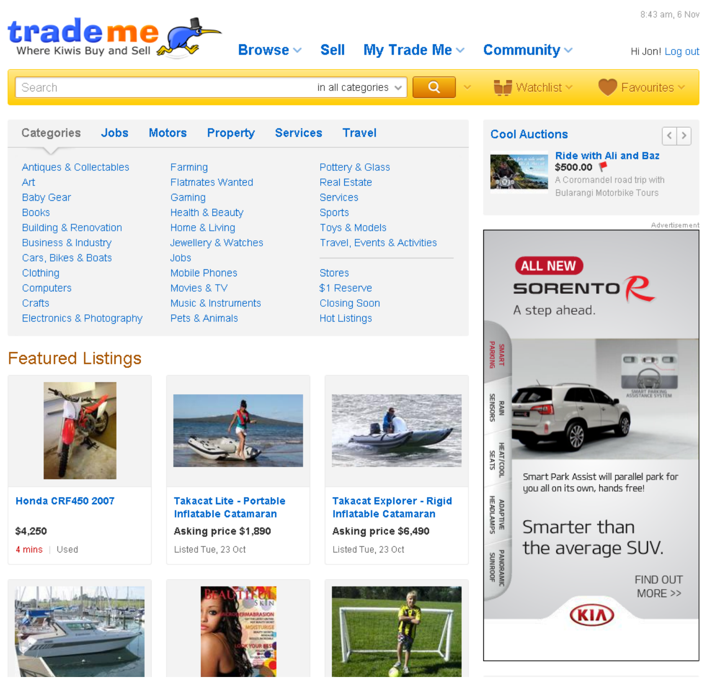
Classifieds: Jobs

- H1 revenue growth of 18% YoY, primarily due to sustained volume growth of 12% YoY.
- Market share of listings vs. Seek from 70% to 75% (avg. Jan 2012 vs. Jan 2013).
- We've held our direct's prices steady, and did not make job pack or volume plan changes at the anniversary to the last changes (in Jan 2012).
- 10% increase in job applications, showing more optimism from employees, and increased job-hunter engagement with Trade Me Jobs.
- Good growth in listings in Christchurch, and growth in most other main centres.



Other: Advertising

- Continued migration of ad spend online, tempered by new offshore publishers gaining market share, and increasing constraints where we limit retail and travel advertisers.
- Implementing new sell-side platform to improve operational efficiency and ease of buying.
- Working to enhance our behavioural advertising product with comprehensive demographic overlay. Our unique data can provide a better match between advertiser and consumer, plus we have the reach to still provide meaningful audiences.
- Performance advertising contribution subdued, as we lose page impressions to mobile without any compensating yield improvement.
- Increasing opportunities apparent in the classifieds.
- Introduced richer display formats on highly trafficked areas – e.g. homepage and Motors pages.
- Upcoming rollout of self-service platform for small businesses without agency relationships.



Other: Smaller businesses

Travel

- Overall financial performance in line with expectations. Holiday Houses in good shape with H1 revenue growth 13% YoY, and an area of good potential for us. Travelbug and BookIt revenue flat YoY, with the increasing strength of international players giving some market uncertainty.
- Acquired Holiday Homes in December (the #3 player in NZ) – continues to strengthen our presence, and offering to advertisers and consumers.

Treat Me

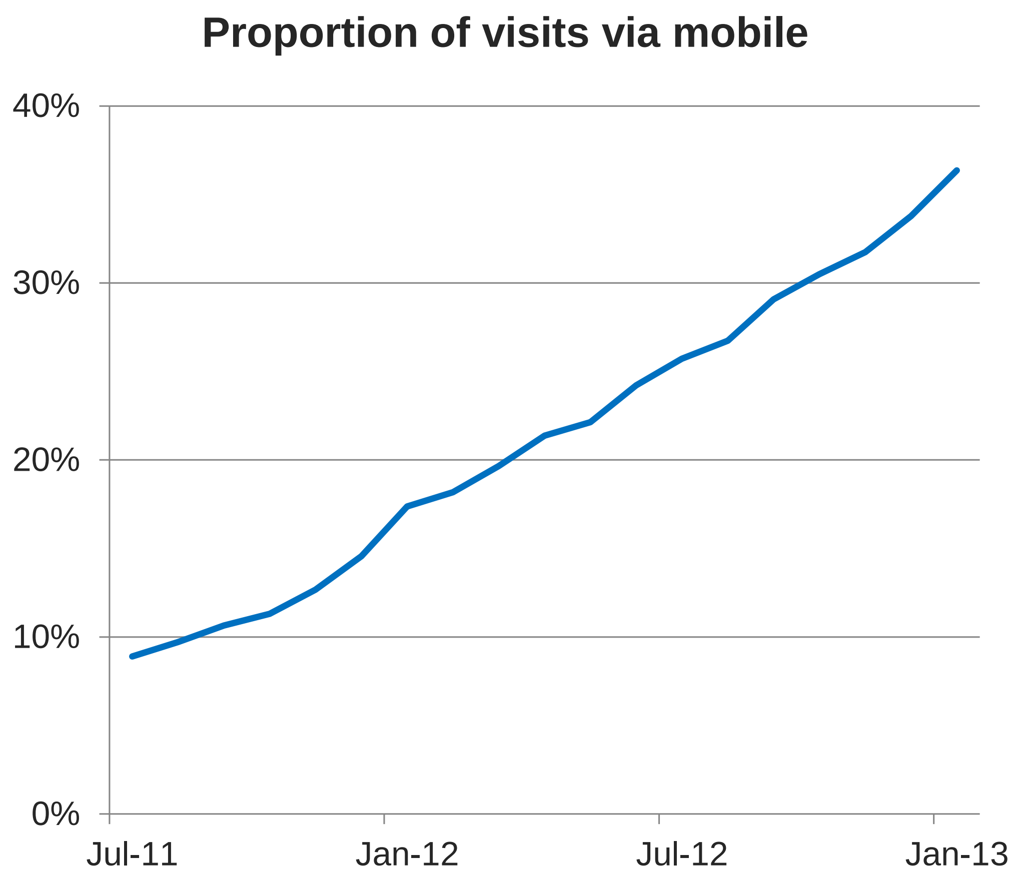
- H1 revenue growth of 32% YoY. Migration towards a greater proportion of product deals versus experience improving margins.
- Industry challenges well documented, but we still value having a presence/option as we watch the sector develop.

FindSomeone

- Good momentum continues, with H1 revenue growth of 23% YoY. New Year activity (the seasonal peak of online dating) was the strongest in the business's history - new paying members up 30% YoY.
- International competitors pose a threat, however we believe we have sufficient local strength to successfully defend against them.

Mobile and other platforms

- Relentless growth in mobile activity. Now a third of all visits from mobile – but the nature of that traffic is very different, with a far shorter visit time.
- Opportunity – being online gets even easier, so our activity benefits.
- Risk – entry of new models, threat to display advertising.
- Our priority – to ensure we're represented across platforms, and executing on new opportunities.



- App launched for Panasonic smart TVs, in cooperation with Panasonic. Apps for other TV brands expected in the next 6 months.

Expenses – half year

NZD	H1 F13	Variance to PFI		Variance to H1 F12	
	$000's	$000's	%	$000's	%
Expenses					
Employee benefit expense	(11,411)	(1,211)	(11.9%)	(3,815)	(50.2%)
Web infrastructure expense	(1,612)	288	15.2%	(161)	(11.1%)
Promotion expense	(1,268)	632	33.3%	62	4.7%
Other expenses	(6,877)	23	0.3%	(772)	(12.6%)
Total	**(21,168)**	**(268)**	**(1.3%)**	**(4,686)**	**(28.4%)**

- Employee expenses ahead of forecast, primarily due to Tradevine and AutoBase acquisitions. Underlying headcount growth broadly in line with expectations. We're still investing in the core business (strongest staff growth in mobile and technology). Total headcount has increased to 300, up from 230 a year ago.
- Promotional costs under budget – we've held fire on spend as we tune the supply side of our new goods proposition (but we'll likely turn up this dial during 2013).
- Web infrastructure costs slightly under forecast through disciplined spend.

Financials

Financials: H1 F13 recap

NZD	H1 F13 $000's	Variance to PFI[1] $000's	Variance to PFI[1] %	Variance to H1 F12 $000's	Variance to H1 F12 %
General items	33,149	649	2.0%	2,326	7.5%
Classifieds	33,094	5,394	19.5%	8,559	34.9%
Other	14,137	(2,563)	(15.3%)	1,304	10.2%
Total revenue	**80,380**	**3,480**	**4.5%**	**12,189**	**17.9%**
Employee benefit expense	(11,411)	(1,211)	(11.9%)	(3,815)	(50.2%)
Web infrastructure expense	(1,612)	288	15.2%	(161)	(11.1%)
Promotion expense	(1,268)	632	33.3%	62	4.7%
Other expenses	(6,877)	23	0.3%	(772)	(12.6%)
Total expenses	**(21,168)**	**(268)**	**(1.3%)**	**(4,686)**	**(28.4%)**
Share of profit from associates	-	(300)	(100%)	(291)	(100%)
EBITDA	**59,212**	**2,912**	**5.2%**	**7,212**	**13.9%**
Depreciation and amortisation	(4,324)	(824)	(23.5%)	(2,044)	(89.6%)
EBIT	**54,888**	**2,088**	**4.0%**	**5,168**	**10.4%**
Net Finance costs	(2,933)	1,567	34.8%	(3,269)	(973%)
Income tax expense	(14,587)	(1,087)	(8.1%)	(896)	(6.5%)
NPAT	**37,368**	**2,568**	**7.4%**	**1,003**	**2.8%**
EPS	**9.43**	**0.64**	**7.3%**	**0.24**	**2.6%**

Note: Includes re-classification of revenue to be net of some COGS (and removal of those COGS from expenses). See page 20 for full details.

1. PFI refers to the H1 F13 Prospective Financial Information

Financials: Revenue re-classification

- H1 F13 prospectus (forecast) revenue presented member discounts and Advertising CONS* as expenses rather than net revenue items. We reclassified these in the F12 full year results (to more accurately reflect the fair value of revenue) and for thoroughness re-present this here.
- Member rebates & discounts and Ads CONS* reclassified to be netted off against revenue (versus gross expenses).
- This lowers prospectus (forecast) revenue by $2.0m, but similarly lowers expenses (promotion and other) by the same amount; resulting EBITDA unchanged.

STATEMENT OF H1 F13 COMPREHENSIVE INCOME

RE-STATED FOR COMPARATIVE PURPOSES

Member discounts $1.6m

Ads CONS $0.4m

	Actual H1 F13 $000's	Reclassified PFI H1 F13 $000's	Original PFI H1 F13 $000's
General items	33,149	32,500	34,100
Classifieds	33,094	27,700	27,700
Other	14,137	16,700	17,100
Total Revenue	**80,380**	**76,900**	**78,900**
Total expenses	**(21,168)**	**(20,900)**	**(22,900)**
Share of profit from associates	-	300	300
EBITDA	**59,212**	**56,300**	**56,300**

Revenue reduced $2.0m with member discounts, and ads CONS included in net revenue lines

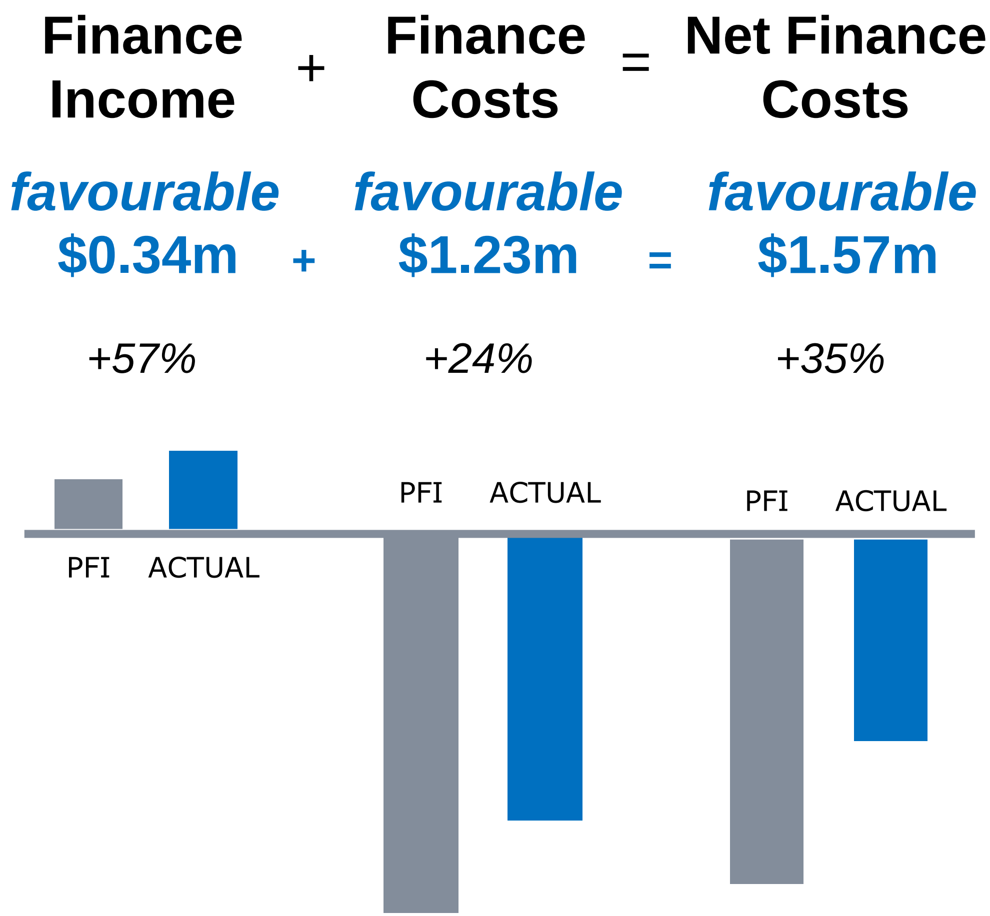
Corresponding $2.0m reduction in expenses (Promo & Other) as the member rebates and Ads CONS are included in net revenue lines

Resulting EBITDA and EBIT unchanged

* Ad CONS is 'cost of network sales' for advertising revenue

Financials: Net finance costs

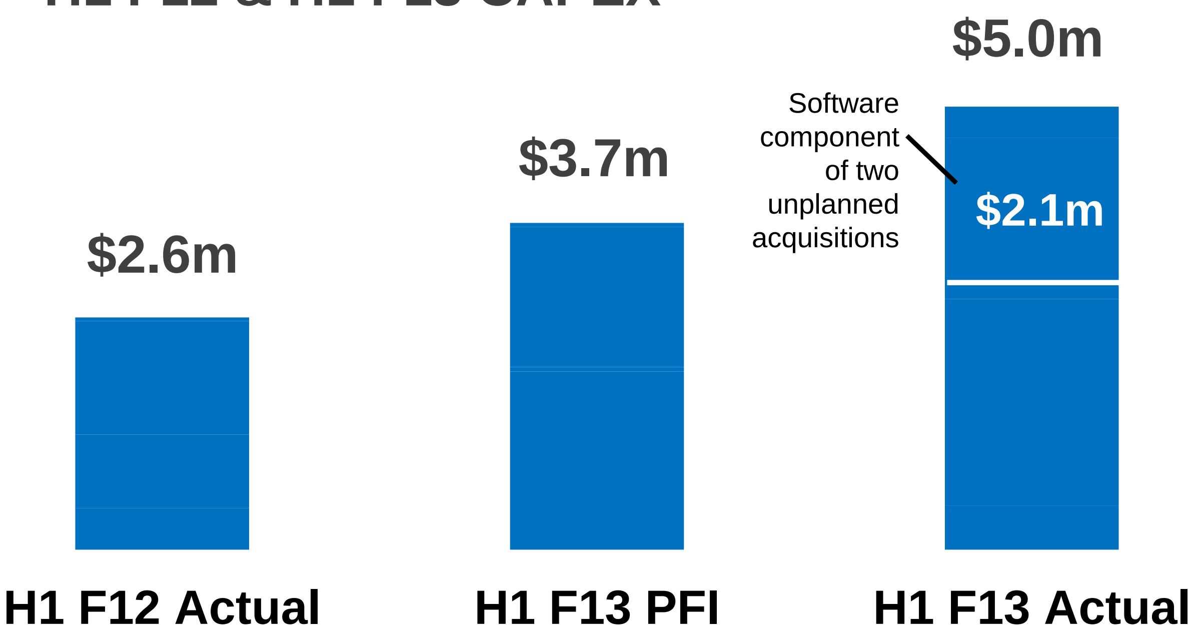
- Finance income is above PFI forecast due to greater than expected cash invested at a higher than planned rate
- Finance cost is $1.2m below PFI forecast due to the low effective rate secured. Effective interest rate of 4.67% (includes facility fee and amortisation of capitalised funding costs)
- Resulting Net Finance Costs are $1.6m (35%) favourable to PFI
- The $166m CCAF (Committed Cash Advance Facility) is in place until Dec 2014 ($200m facility)
- We have taken advantage of relatively low interest rate environment and fixed part of our term debt.



Financials: Capex spend

- Actual Capex H1 F13 was $5.0m or $2.9m excluding the two minor acquisitions vs PFI of $3.7m
- $2.1m difference excluding the acquisitions due to the software/intangible price allocation of two minor unplanned transactions (total acquisition consideration of $3.3m)
- H1 F13 planned capital development increases by $533k (42%) YoY and $229k (14%) versus forecast as we continue to invest in key future growth drivers
- Will continue to invest in core platform and operating capability – including mobile

H1 F12 & H1 F13 CAPEX



→ Total H1 F13 Capex up $2.4m (90%) on H1 F12 as we invest in future growth drivers

→ H1 F13 Increase in Capital Development *(+42% vs F12)*

→ Full Year capex will slow down on run rate with no immediate acquisitions planned

Financials: Acquisitions – impact on Depreciation & Amortisation

- Amortisation increase over the period versus F12 and PFI is driven by the purchase price and asset allocation of three recent acquisitions (AutoBase, Tradevine and Holiday Homes)

Depreciation & Amortisation ($k)	H1 F12 Actual	H1 F13 PFI	H1 F13 Actual
Core Capex D&A	$2,280	$3,500	$2,634
D&A on acquired businesses			$1,690
Total D&A	$2,280	$3,500	$4,324

Resulting H1 F13 non-acquisition (or core) D&A is less than PFI by 25% or $866k

Total D&A is $824k or 24% greater than PFI

Financials: Cash Flow

	H1 F13 Act	H1 F13 PFI	H1 F12 Act
Cash flows from operating			
Receipts from customers	91,744	90,300	79,594
Pmt to suppliers & employees	(35,578)	(33,800)	(26,496)
Cash transferred to Trust	-	-	(11,771)
Income tax (paid)	(20,850)	(20,800)	(16,527)
Interest received	892	600	630
Dividends received	-	300	287
Cash flows from operating	**36,208**	**36,600**	**25,717**
Cash flows from investing			
Loans to related parties	-	-	(11,532)
Payment for purchase of PPE	(879)	(2,100)	(591)
Payment for purchase of intangibles	(907)	(1,600)	(1,372)
Business acquisition	(3,327)	-	-
Cash flows used in investing	**(5,113)**	**(3,700)**	**(13,495)**
Cash flows from financing			
Dividends paid	(30,888)	(27,000)	(8,229)
Interest paid on borrowings	(3,323)	(5,100)	(300)
Cash flows used in financing	**(34,211)**	**(32,100)**	**(8,529)**
Net increase in cash	**(3,116)**	**800**	**3,693**
Cash at beginning of period	39,135	43,000	6,012
Cash at end of period	**36,019**	**43,800**	**9,705**

- Operating cash flow largely as forecast
- Payments to suppliers and employers up slightly due to unplanned acquisitions
- $3.3m spent on two small acquisitions
- Interest costs remain less than forecast due to favourable rates and less net debt
- Actual capex spend less than forecast due to some deferred spend and better than expected pricing
- Note F12 included a move to member balances held on trust and settlement of intercompany balances pre the IPO

Financials: Balance Sheet

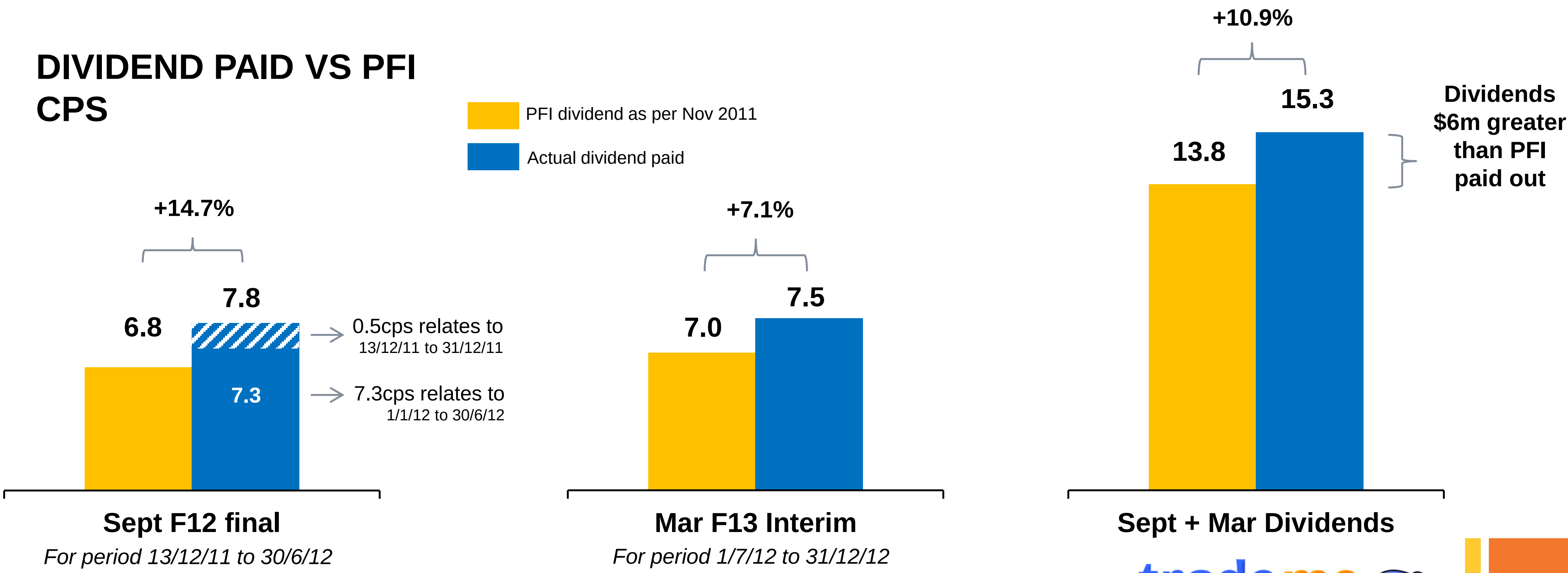
	Actual at Dec 12	PFI at Dec 12	Actual at June 12
Cash & cash equivalents	36,019	43,800	39,135
Trade and other receivables	6,650	4,300	5,310
Property, plant & equipment	3,702	5,100	4,342
Goodwill and Intangibles	776,247	758,300	773,399
Other assets	850	800	824
Total Assets	**823,468**	**812,300**	**823,010**
Trade and other payables	8,971	5,600	9,303
Long Term Debt	165,809	166,000	165,758
Other Liabilities	3,192	1,500	9,370
Total Liabilities	**177,972**	**173,100**	**184,431**
Net Assets	**645,496**	**639,200**	**638,579**

- Cash less than June 2012 and forecast partly due to unplanned acquisitions
- Cash continues to be invested with AA- banks
- Intangibles consistent with the prior period – only change is the minor acquisitions. Mainly goodwill – no impairment risks
- $166m drawn of the $200m debt facility (Matures Dec 2014). Approx 50% of net debt now fixed for up to three years
- Other Liabilities drop due to income tax liability
- Significant head room in the debt covenants.

Financials: Proposed Dividend

- Announced fully imputed interim dividend of 7.5cps at an approx 80% pay-out ratio of $37.4m net profit
- Supplementary dividend for non-residents of 1.3235cps
- Compares favourably to the prospectus dividend estimate of 7.0cps (+0.5cps or +7.1%)
- Dividend record date of 5pm Friday 15 March; dividend payment date of Tuesday 26 March

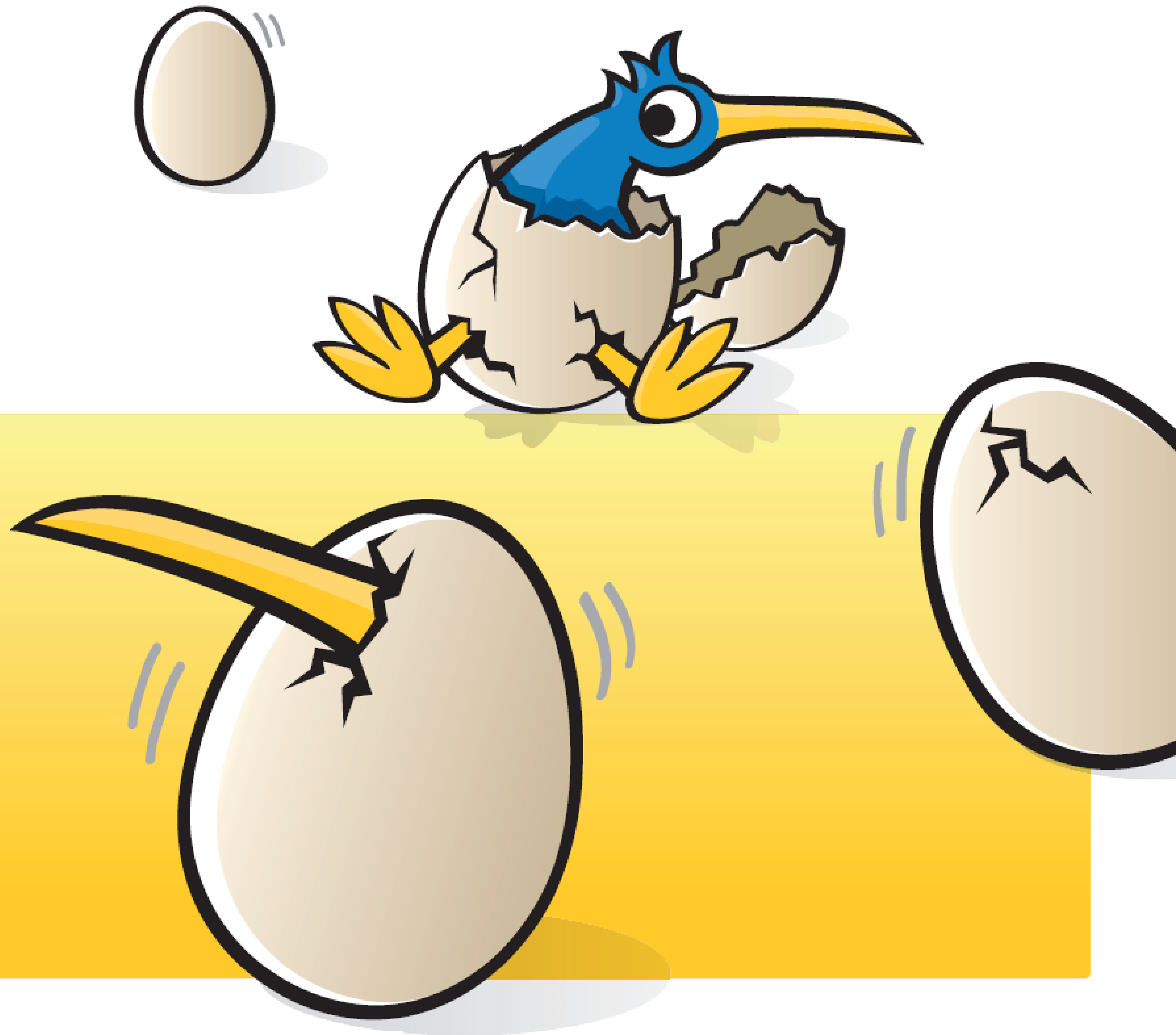
DIVIDEND PAID VS PFI CPS



Financials: Taxation

- H1 F12 actual tax $13.7m (effective rate of 27.4%)
- H1 F13 PFI tax $13.5m (effective rate of 28%)
- H1 F13 actual tax $14.6m (effective rate of 28.1%)
- Full imputation credits available to distribute with dividend of 7.5cps
- Paying supplementary dividend for non-residents of 1.3235cps

Outlook



Outlook: Market conditions

- NZ economy continues to be relatively subdued but stable, with some pockets of increased activity, particularly with the Christchurch rebuild and Auckland property (although not necessarily flowing to listings yet).
- Some new local competitors to our General Items marketplace – however, they've all come in with the identical model and patchy execution. While we're respectful of all our competitors, the ones we fear will bring a greater point of difference.
- There continues to be strong growth in activity and awareness of offshore ecommerce players – an opportunity and a threat for us.
- Trading in the last six weeks has been consistent with H1.
- Regarding the full year financial performance, we are broadly comfortable with current analyst consensus.

Outlook: Priorities

- No big changes to the plans and priorities we've talked about to date.
- Classifieds – grow value and product-set to offer to advertisers, and pull across yield from traditional media to follow the volume that has already transitioned.
- New Goods – more and more will be bought online and Trade Me should be the place consumers go when they start their buying journey. The jump in online retail activity only increases our urgency.
- Mobile – we already have a huge footprint, but there's so much more to do. Opportunity to provide new products to our consumers.
- Data and Personalisation – we have a lot of it, and we can better utilise it to deliver personalised shopping experiences & improve the experience for users.
- All underpinned by strong operations, and a focus on empowering consumers by delivering effective, trusted marketplaces and great customer service.

Questions?

More information

E-mail: investors@trademe.co.nz
Web: http://investors.trademe.co.nz

trademe
Trade Me Group Limited

APPENDIX 7 – NZSX Listing Rules

EMAIL: announce@nzx.com

Notice of event affecting securities

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one (Please provide any other relevant details on additional pages): 1

Full name of Issuer	Trade Me Group Limited
Name of officer authorised to make this notice	Jonathan Klouwens
Authority for event, e.g. Directors' resolution	Directors' resolution
Contact phone number	+64 (0) 272 10 6505
Contact fax number	+64 4 803 2699
Date	20 / 2 / 2013

Nature of event
Tick as appropriate

Bonus Issue ☐ | If ticked, state whether: Taxable ☐ / Non Taxable ☐ | Conversion ☐ | Interest ☐ | Rights Issue Renouncable ☐
Rights Issue non-renouncable ☐ | Capital change ☐ | Call ☐ | Dividend ☑ | If ticked, state whether: Interim ☑ Full Year ☐ Special ☐ | DRP Applies ☐

EXISTING securities affected by this

If more than one security is affected by the event, use a separate form.

Description of the class of securities	Ordinary and Restricted Shares
ISIN	NZTMEE0003S8

If unknown, contact NZX

Details of securities issued pursuant to this event

If more than one class of security is to be issued, use a separate form for each class.

Description of the class of securities:

ISIN:

If unknown, contact NZX

Number of Securities to be issued following event:

Minimum Entitlement:

Ratio, e.g 1 for 2: for

Conversion, Maturity, Call Payable or Exercise Date:

Enter N/A if not applicable

Treatment of Fractions:

Tick if pari passu ☐ OR *provide an explanation of the ranking*:

Strike price per security for any issue in lieu or date Strike Price available.:

Monies Associated with Event

Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.

In dollars and cents

Amount per security (does not include any excluded income)	$0.075
Excluded income per security (only applicable to listed PIEs)	
Currency	NZ Dollars
Total monies	$29,723,292
Source of Payment	Retained Earnings

Supplementary dividend details - NZSX Listing Rule 7.12.7

Amount per security in dollars and cents	$0.013235
Date Payable	26 March, 2013

Taxation

Amount per Security in Dollars and cents to six decimal places

In the case of a taxable bonus issue state strike price	$
Resident Withholding Tax	$0.005208
Imputation Credits (Give details)	$0.029167
Foreign Withholding Tax	$
FDP Credits (Give details)	

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm *For calculation of entitlements -*	15 March, 2013
Application Date *Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.*	26 March, 2013
Notice Date *Entitlement letters, call notices, conversion notices mailed*	
Allotment Date *For the issue of new securities. Must be within 5 business days of application closing date.*	

OFFICE USE ONLY
Ex Date:
Commence Quoting Rights:
Cease Quoting Rights 5pm:
Commence Quoting New Securities:
Cease Quoting Old Security 5pm:

Security Code:

Security Code:

NZX