

**MEDIA RELEASE – FOR IMMEDIATE RELEASE****Carsales Delivers Another Record Half Year Result**

February 12, 2014

carsales.com Limited (ASX: CRZ) today announced its financial results for the first half of the 2014 financial year (H1 FY2014).

For the period, the company reported a total operating revenue of \$112.3 million, up 10 per cent compared to the same period in FY2013. Net profit after tax (NPAT) was \$44.0 million which represents an increase of 17 per cent compared to the same period in FY2013.

carsales.com Ltd's Board of Directors has declared a fully franked interim dividend of 14.7 cents per share (H1 FY2013, 12.7 cents per share) to be paid on April 2, 2014. The record date for the dividend payment is March 12, 2014.

In relation to the expected performance of the company in the second half of the 2014 financial year (H2 FY2014), the company expects revenue and EBITDA to once again be well ahead of H2 FY2013. As such, it is anticipated that full year EBITDA will be around \$138m.

**RESULTS OVERVIEW**

<b>Half Year Ending 31 December 2013</b>	<b>\$A Millions</b>		<b>Growth</b>	
	<b>H1 FY2013</b>	<b>H1 FY2014</b>	<b>\$'s</b>	<b>%</b>
Operating Revenue (Excluding Interest Revenue)				
Online Advertising	89.6	98.3	8.7	10%
Data & Research	12.5	14.0	1.5	12%
<b>Total Operating Revenue</b>	<b>102.1</b>	<b>112.3</b>	<b>10.2</b>	<b>10%</b>
Operating Expenses (Before Interest and D&A)	48.2	48.8	0.6	1%
<b>EBITDA</b>	<b>53.9</b>	<b>63.5</b>	<b>9.6</b>	<b>18%</b>
<i>EBITDA Margin</i>	<i>53%</i>	<i>57%</i>		
D&A	1.3	1.5	0.2	15%
<b>EBIT</b>	<b>52.6</b>	<b>62.0</b>	<b>9.4</b>	<b>18%</b>
Net Interest Expense	(0.7)	1.1	1.8	(254%)
<b>Profit Before Tax</b>	<b>53.3</b>	<b>60.9</b>	<b>7.6</b>	<b>14%</b>
Income Tax Expense	15.7	18.4	2.7	17%
Contribution from associates	0.0	1.5	1.5	
<b>Net Profit After Tax</b>	<b>37.6</b>	<b>44.0</b>	<b>6.4</b>	<b>17%</b>
Earnings Per Share (cents)	16.0	18.5	2.5	16%
Dividend Per Share (cents)	12.7	14.7	2.0	16%
Net Operating Cashflow (Before Capex)	36.7	43.3	6.6	18%
Capex	0.7	2.9	2.2	314%

carsales.com Ltd CEO and Managing Director, Greg Roebuck said the H1 earnings performance was pleasing, with the business performing well.

"It is always a pleasure delivering record results to shareholders and the first six months of the current financial year, while not without challenges, has been very rewarding." Mr Roebuck commented.

According to Mr Roebuck, carsales.com Ltd's **Operational and Strategic Highlights** during H1 FY2014 included:

- Strong earnings performance -- EBITDA up 18% year on year.
- All recently completed international investments performing well, particularly Brazil
- Strong growth of Dealer and Data Services -- up 12% year on year
- Increased private seller revenue -- up 7% year on year
- Continued solid growth of non-automotive verticals
- Impressive growth performance of tyresales.com.au (now consolidated into the financial statements)
- Ongoing strong market leadership

Mr Roebuck stated carsales.com Ltd had once again continued to demonstrate its culture of innovation.

"Innovation is in the DNA of our business. Over the past six months, we have continued to demonstrate this core competency with deployments of many key new developments across our network of sites and platforms.

"Our excellence in this area was also recognised externally, as we received awards for both our mobile application and our new search technology," Mr Roebuck stated.

"All of our recent acquisitions are performing well. carsales' investment in Webmotors, the largest online automotive classifieds business in Brazil, is off to a good start with both companies working very well together in developing opportunities," he stated

Revenue for H1 of 35.8m BRL was up 23% on pcp and ahead of expectations. So too were earnings with EBITDA of 12.6m BRL. carsales' share of net profit after tax was \$2.3m AUD.

"Our 19.9% investment in iCar Asia, made in April last year, is progressing well. At all levels, our working relationship is evolving positively," Mr Roebuck said..

"Tyresales.com.au, which is a 50/50 joint venture [consolidated into our accounts from July 1, 2013 due to a change in control], is another exciting investment in a new vertical that complements our core business automotive offering.

"To date the performance progress here has been very positive and we are encouraged by the opportunity in this marketplace," he stated.

Greg Roebuck  
CEO and Managing Director  
carsales.com Ltd  
03 9093 8667

Cameron McIntyre  
Chief Financial Officer  
carsales.com Ltd  
03 9093 8667