

## **carsales.com Ltd acquires a 15% strategic stake in Torpedo7 Ltd**

March 14, 2012

carsales.com Ltd (ASX: CRZ) today announces that it has acquired a strategic 15% stake in Torpedo7 Ltd, the Hamilton, NZ based owner of the Torpedo7 ([www.torpedo7.co.nz](http://www.torpedo7.co.nz), [www.torpedo7.com.au](http://www.torpedo7.com.au)) and 1-day ([www.1-day.co.nz](http://www.1-day.co.nz), [www.1-day.com.au](http://www.1-day.com.au)) brands for AUD 7.2m.

Torpedo7 Ltd is the largest Australia / New Zealand based online retailer of adventure sport, motocross, bike, snow and fishing gear and daily product deals.

The Torpedo7 brand offers consumers over 70,000 individual items for sale in the adventure sport, motocross, bike, snow and fishing gear markets. Its websites generate approximately 350,000 unique browsers per month across the Australian and New Zealand markets.

1-day.co.nz is the largest online shopping website in New Zealand. It's 'daily deal' style websites and mobile applications generate approximately 3.3 million unique browsers per month.

carsales.com Ltd CEO and Managing Director, Greg Roebuck said: "carsales has continued to look for opportunities to expand both its geographic and vertical footprint in attractive markets. The acquisition of a strategic stake in 1-Day and Torpedo7 adds a regionally leading e-commerce business to the carsales portfolio and is a natural extension to the business."

According to Mr Roebuck significant potential synergies exist between carsales and Torpedo7.

Torpedo7 Ltd founder and joint Chief Executive Officer, Luke Howard-Willis believes this strategic investment will provide a significant competitive advantage to Torpedo7 and is excited by the value a business like carsales.com Ltd can add to Torpedo7.

Torpedo7 is a profitable business with strong revenue growth over the past several years. In the past 12 months Torpedo7 and 1-Day have sold more than four million products to consumers in Australia and New Zealand.

The transaction includes certain rights to increase carsales' stake in Torpedo7 should conditions be met. carsales will equity account for the investment as an Associate. carsales expects the investment to be marginally earnings per share positive in FY12 and is confident it will be significantly accretive in the longer term.

### **About carsales.com Ltd.**

*carsales.com Ltd listed on the ASX in 2009 and is the largest online automotive, motorcycle, marine and industry classifieds business in Australia. Our sites attract more Australians interested in buying or selling cars, motorcycles, trucks, boats, farm equipment, construction equipment, caravans, etc, than any other classified business. carsales.com Ltd's first revenues were reported in the financial year 1998. The company is one of only a few to have made the BRW Fast 100 for five consecutive years. carsales.com.au is Australia's number one automotive website and in December 2011 served more than 9 million sessions and over 220 million page impressions\*. The Carsales Network of websites includes carsales.com.au; bikesales.com.au; boatsales.com.au; trucksales.com.au; quicksales.com.au, motoring.com.au and redbook.com.au.*

*\* Nielsen Online Market Intelligence, Automotive, Brand, December 2011*

### **About Torpedo7**

*The Torpedo7 website was founded in 2004 by Luke Howard-Willis, to provide customers with a greater range of reasonably priced sports brands. Since then it has grown to become one of Australasia's most popular online sports stores. In 2007 1-day was established to provide customers with 24-hour deals at exceptional prices. 1-day.co.nz is now the largest online shopping website in New Zealand and is one of the country's fastest growing companies. Torpedo7 offers consumers over 70,000 individual items for sale and 1-Day on average offers 3 daily product deals in the Australian and New Zealand markets. 1-Day's websites and mobile applications generate approximately 3.3 million unique browsers per month and Torpedo7's websites generate approximately 350,000 unique browsers per month.*

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