



SERVICES		CLASSIFIEDS		INVESTMENTS
mediamotive	AUTO —	carsales.com.au	ICAR ASIA —	Carlist.my
DATAMOTIVE		bikosalos.com.au		ThaiCar.com
RedBook.com.au		<b>M</b> motoring		Mobil123.com
CarFacts .com.au	MARINE —	bats les.com.au		evo
LiveTrade	EQUIPMENT —	equipment sales		CVU LIFE DRIVE
LiveMarket <sup>™</sup>		farmmachinerysales comau		AUTO
		constructionsales		SPINN
		trucksales.com.au		
		caravancampingsales	WEB MOTORS —	WebMotors Aqui vod encontra
	CENERAL	quicksales		meucarango.com  o nor descharle de administrato de fondases
	GENERAL —	Quicksales		
	OTHER —	homesales	TYRESALES	tyresales.com.au



## **Operational Overview**

# Operational Performance

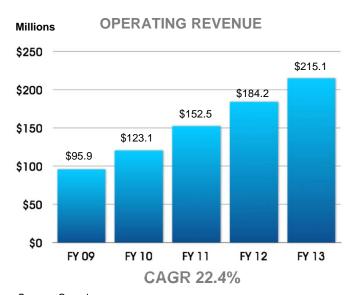
- Automotive dealer enquiry growth up 9% on pcp
- Enquiry volumes on new cars up 23% on pcp. New car inventory increased 4% on pcp to ~51,000 vehicles.
- Overall automotive inventory grew 8% to ~233,000 cars.
- Mediamotive continued to perform well throughout the year with display advertising revenue up 25% on pcp.
- Private revenue grew consistently through the year up 7% on pcp, with sources of growth coming from new product, product upsells and non automotive ad volumes.
- Non automotive verticals particularly industry based sites performed well.
- Dealer and Data Services continued to grow strongly with revenue up 16% on pcp.
- Quicksales strategy continues to evolve with a number of new product features released throughout the year. Investment in this key marketplace is ongoing.
- Investments in both iCar Asia (South East Asia) and Webmotors SA (Brazil) completed during H2 FY2013. These acquisitions were funded using a combination of cash and debt (see Annual Report for further details).
- Investment in mobile platforms an area of focus as traffic from mobile devices continues to rise.

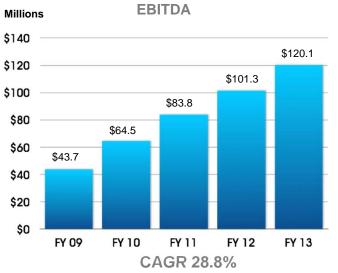


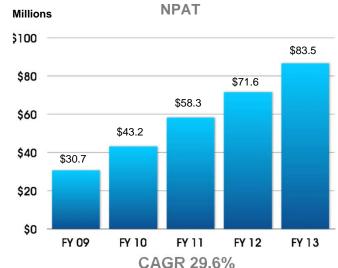
#### **Financial Overview**

- Continued solid growth in Operating Revenue rising to \$215.1m, up by 17% on pcp.
- EBITDA up 19% on pcp to \$120.1m and EBITDA margins increasing to close to 56%.
- Operating cashflow of \$90.8m, up 22% on pcp.
- EPS of 35.5 cents per share, up 16% on prior full year.
   (H2 FY2013 19.5 cents per share up 18% on prior H2)
- Final FY2013 dividend of 15.6 cents per share declared (Interim FY2013 dividend of 12.7 cents per share).
- Capex spend of \$2.8m, down 50% on pcp due to leasehold improvements on new head office relocation in December 2011 to Richmond, Melbourne.
- Headcount rose to 415 full time equivalents up 7% on pcp.

	\$A Millions		Growth	
Year Ending 30 June 2013	FY2012	FY2013	\$'s	%
Operating Revenue (Excluding Interest Revenue)				
Online Advertising	160.2	187.2	27.0	17%
Data & Research	24.0	27.9	3.9	16%
Total Operating Revenue	184.2	215.1	30.9	17%
Operating Expenses (Before Interest and D&A)	82.9	95.0	12.0	15%
EBITDA	101.3	120.1	18.8	19%
EBITDA Margin	55%	56%		
D&A	3.3	2.5	(8.0)	(24%)
EBIT	98.0	117.6	19.6	20%
Net Interest Expense	(1.3)	(1.3)	0.0	-%
Profit Before Tax	99.3	118.9	19.6	20%
Income Tax Expense	27.6	35.2	7.6	27%
Losses in Associates		0.2	0.2	
Net Profit After Tax	71.6	83.5	11.9	17%
Earnings Per Share (cents)	30.6	35.5	4.9	16%





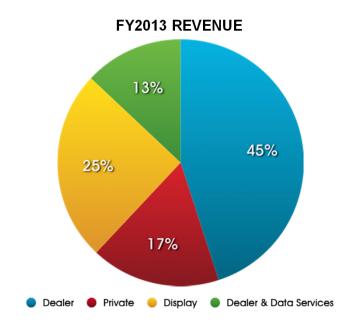


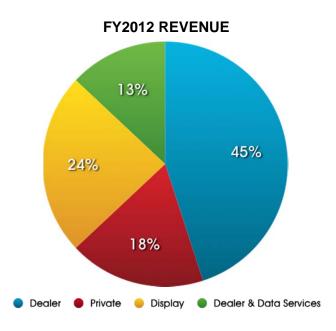
Source: Carsales

#### Revenue Performance

	\$A M	\$A Millions		Growth	
Year Ending 30 June 2013	FY2012	FY2013	\$'s	%	
Operating Revenue					
Dealer	83.3	97.0	13.8	17%	
Private	33.3	35.7	2.4	7%	
Display	43.7	54.5	10.8	25%	
Dealer & Data Services	24.0	27.9	4.0	16%	
Total Operating Revenue	184.2	215.1	30.9	17%	

- Dealer revenue growth rates were maintained at a solid rate throughout H2 FY2013, with the Feb price change combined with continued growth in enquiries in automotive being the key drivers. Non automotive dealer revenue growth also remained strong, particularly in bikes and industry verticals. Total automotive dealer customers continued to grow at a steady rate through H2 FY2013 and ending the financial year at just under 3,200.
- Mediamotive had a solid H2 FY2013 recording revenue growth of 21% and ending another impressive year, up 25% for FY2013 on pcp.
- Private performed in line with H1 FY2013 up 7% on pcp, with new products and product upsells continuing to be the key drivers of growth along with ad volumes in non automotive verticals
- Dealer and Data services up a solid 16% on pcp. Another very successful year with Datamotive and Livemarket continuing to perform very well.





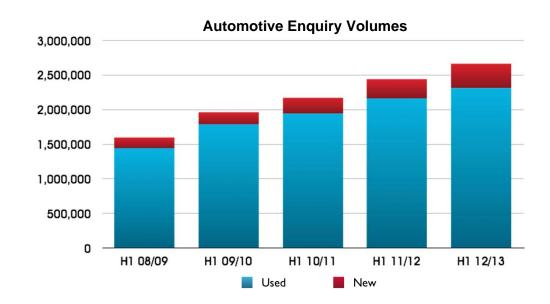
Note - Dealer includes Cars, Bikes, Marine, Industry and Caravan camping

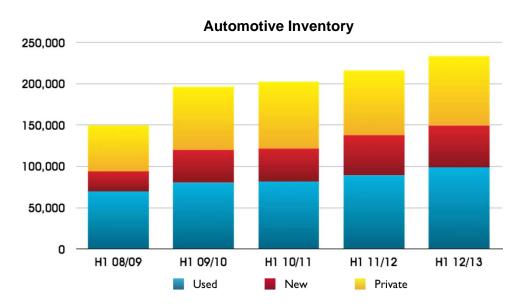
Source: Carsales

# **Operational Metrics**

- Automotive dealer enquiry volumes continued to grow at a steady pace up 9% on pcp.
- Dealer used car enquiry up by around 7% on the same time last year.
- New vehicle enquiry continued to grow strongly throughout the year up 23% on the same time last year.

- Automotive inventory volumes increased to around ~233,000 cars up 8.0% on pcp
- Dealer used vehicle inventory continued its steady growth up ~11% on pcp, while new car inventory volumes grew ~4% on the same time last year.
- Private inventory was up ~7% on pcp to around 84,000 cars, with average time to sell, flat to up slightly on pcp.







# iCar Asia & Webmotors Investments and Tyresales

\$A Millions	FY2013	% Equity Ownership	Comment
iCar Asia Ltd (ASX : ICQ)*	-0.2	19.9%	Acquired interest on the 29/04/2013
Webmotors SA	0	30.0%	Acquired interest on the 28/06/2013
Tyresales Pty Ltd	-0.03	50.0%	Joint Venture with Digital Niche
Carsales Share of Associate NPA	Г -0.23		

iCar Asia Ltd (ASX:ICQ)

**SE Asia** 

Webmotors SA

Brazil

**Tyresales Pty Ltd** 

Australia















- Classified sites are either No1 or No2 in the markets they occupy being Thailand, Malaysia or Indonesia.
- Population ~331m (combined population)
- Internet penetration rate ~28% (combined population)
- Annual new car sales 2012 ~2.2million (combined)

Estimated Total Inventory	Mar-13	Jul-13	
Thailand - Thaicar.com	22,000	58,000	
Indonesia - mobil123.com	115,000	154,000	
Malaysia - carlist.my	109,000	120,000	
Total Inventory	246,000	332,000	
	Inventory up 35% since March		





- Webmotors is the No1 automotive classifieds site in Brazil
- Population ~206m
- Internet penetration rate ~37%
- Annual new car sales ~4million

<b>Estimated Total Inventory</b>	Mar-13	Jul-13
Webmotors - Brazil	171,000	190,000
Meucarango - Brazil	13,000	19,000
Total Inventory	184,000	209,000
_	Inventory up 13% since March	



- Launched in Q3 FY2013, tyresales.com.au is a consumer focused enquiry based tyre buying service.
- Launched Autogate Aftermarket in March providing lead management tools for this segment of the market.
- For the month of June tyresales generated close to 3,000 qualified enquiries to automotive dealer service centres.
- Tyres are a \$4.9 billion retail market in Australia\*\*
- As iCar Asia (ASX:ICQ) is an ASX listed company and the timing of their disclosures to the market are different to that of carsales, the earnings reported above and in the statutory accounts of carsales are an estimate of the carsales portion of their net profit after tax for the months of May and June. This estimate is made on the basis of the latest publically available information being lodged through their Appendix 4C and adjusted for estimated non cash items.
- \*\* Ibisworld Tyre Retailing Market in Australia April 2012

#### Performance Outlook

- Trading for the first six weeks since 30 June has shown solid pcp growth. A
  more detailed trading update will be provided at the October Annual General
  Meeting.
- Expect mobile traffic growth as a percentage of overall traffic to continue to expand as the consumer market and our development efforts continue to shift in this direction.
- Aside from the focus on our core business and domestic market opportunities
  we will also be working hard with our new international partners to build on our
  investments in the South East Asian and South American growth markets over
  the coming twelve months.

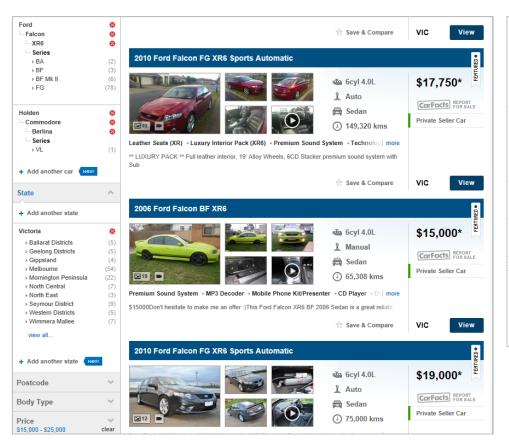


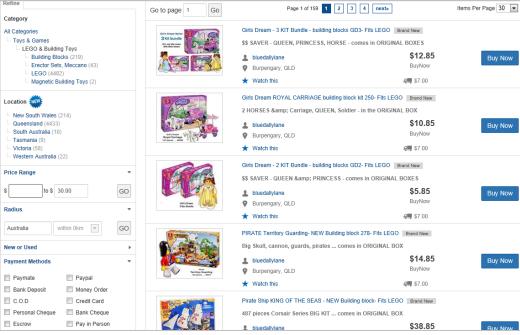


# Ryvus – Demonstrating evolution through innovation

#### Carsales has developed its own search engine.

This search engine is designed specifically for classified and high inventory sites and is faster and more flexible than third party alternatives. Currently it powers Carsales, Carpoint and Quicksales.



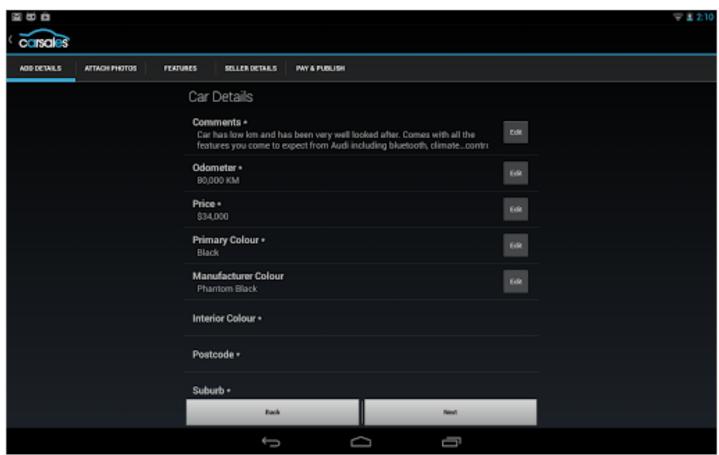




# Carsales Android App - Snap and Sell

Android users are now able to sell their car by simply using their phone or tablet to snap and sell their car.

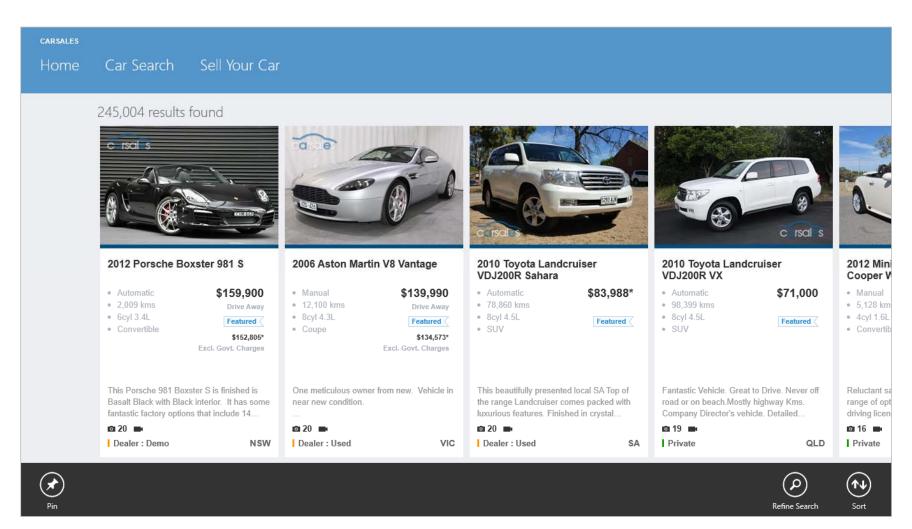






#### Carsales Windows 8 App

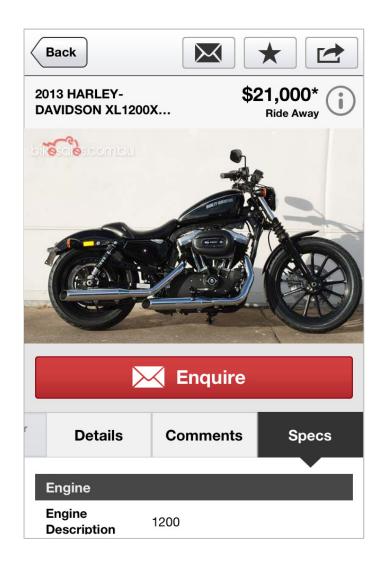
Carsales has deployed a Windows 8 App. Early results have been very positive and this App has been so popular that it has ranked as high as the #5 overall App in the Windows Australia App Store

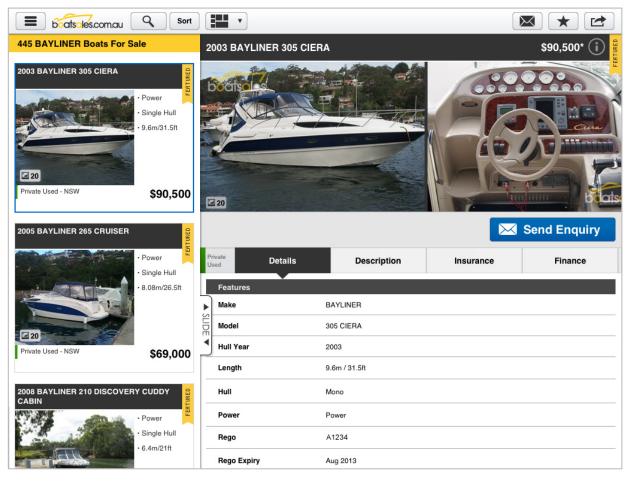




## Boatsales and Bikesales Native Apps

Both Bikesales and Boatsales now have fully native iOS Apps (iPad and iPhone). Consumer feedback has been fantastic and both Apps are highly rated in the App Store.

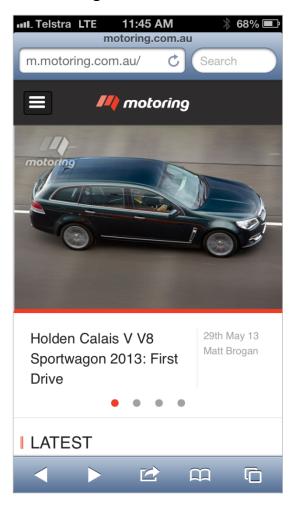






# New mobile site for Motoring

Building on the success of the Motoring iPad App, we have now launched a mobile optimised version of our editorial site: m.motoring.com.au.

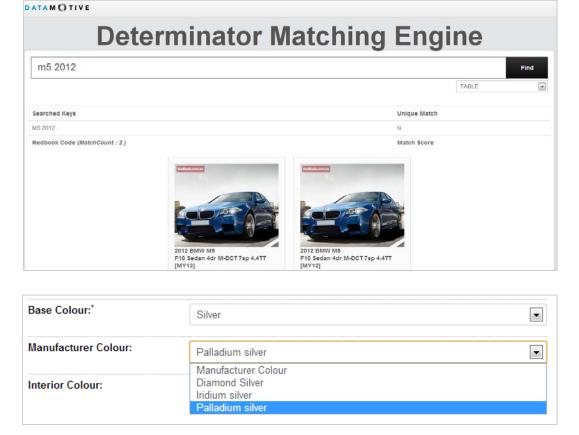


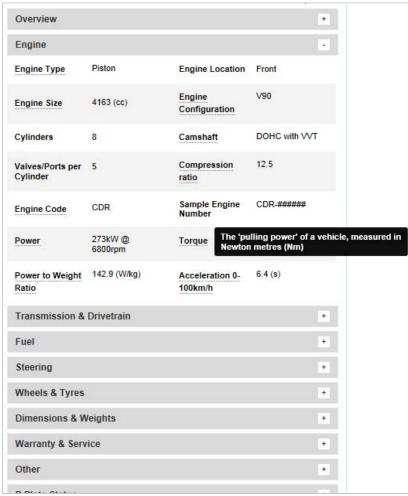




#### We are serious about data!

We have improved our data matching systems and continue to add value to our data.

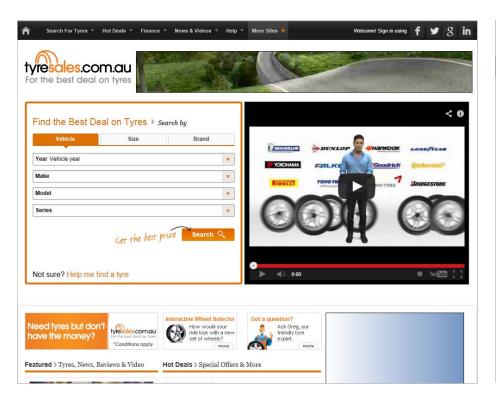


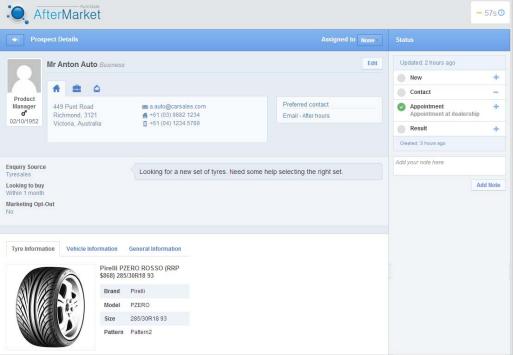




# Tyresales

We have launched a new service for consumers to find the best deals on tyres. This service comes complete with a prospect management system for tyre dealers built on the Autogate foundation.

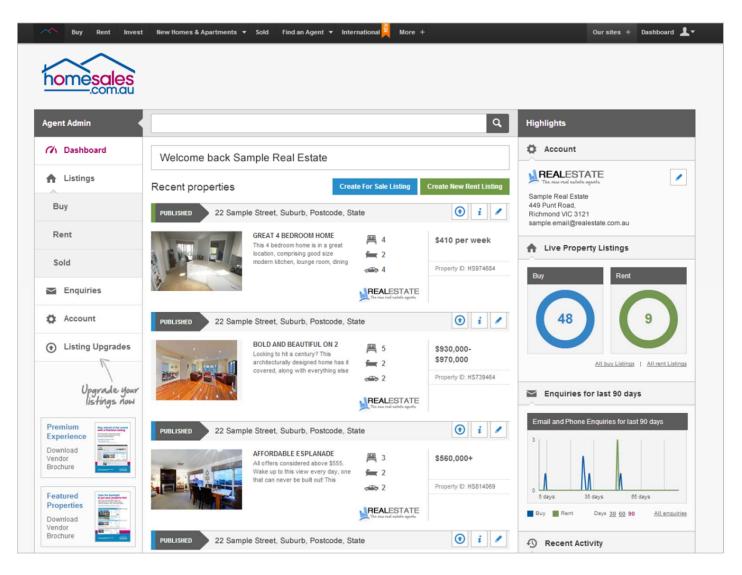






#### Homesales

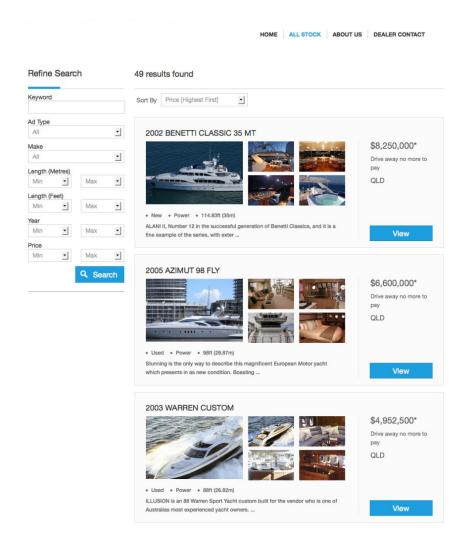
Homesales continues to strengthen its market position with growth across all metrics including site traffic, property enquiries and listings. High quality, Agent and buyer friendly tools continues to add value.

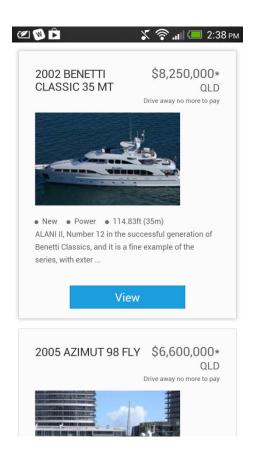




# Responsive Dealer Websites

With the growth in Mobile and tablets, we now offer high quality, low cost websites that offer a rich and responsive design that adapts to the device and resolution in question. Particularly of value in the motorcycle/marine/truck/equipment verticals.

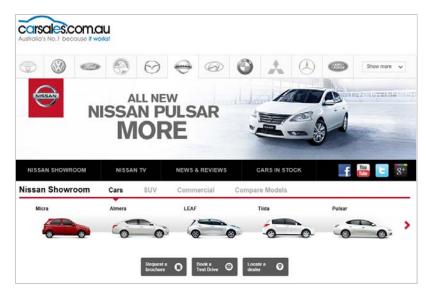




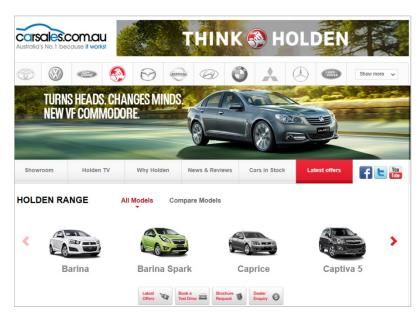


#### Manufacturer Hubs

Manufacturer hubs bring their brand experience to life on carsales.



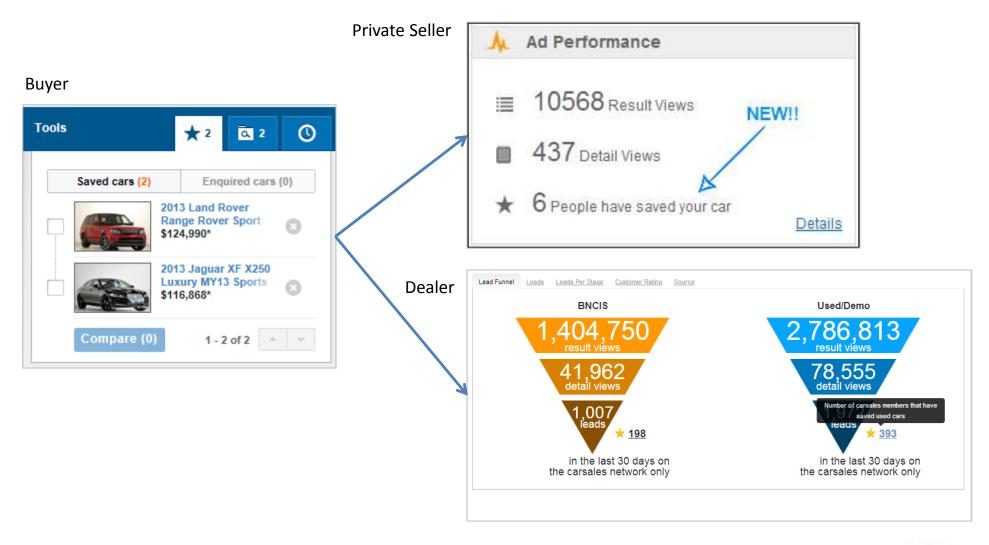






#### Carsales - Watch Feature

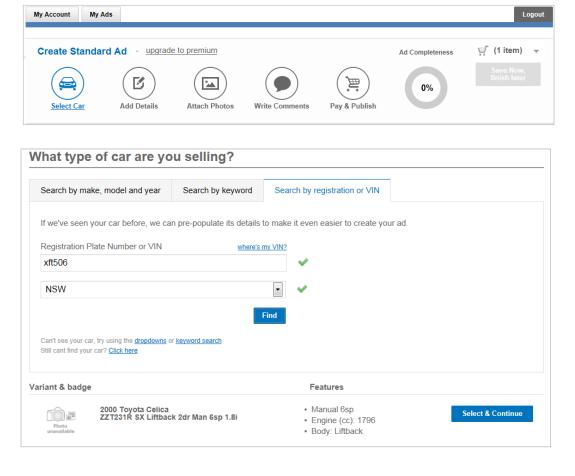
We now show sellers how many members are saving/watching their cars. This makes selling and buying a car easier as sellers can judge the level of interest in their car better and make any appropriate adjustments.

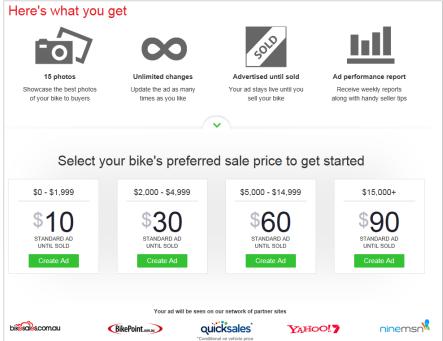




## New enhanced sell process

Substantial investment in the "sell your \_\_\_\_\_" sections of our sites to improve traffic conversion and upsell.







#### **Price Notifications**

Users now have the option to be notified of any price changes on a car.

