

ASX RELEASE 20 MARCH 2020**Impact of COVID-19 and earnings outlook**

carsales.com Ltd ("carsales") (ASX: CAR) today provides an update on the impact of COVID-19.

On 12 February 2020, carsales issued its FY20 half year results, which included our outlook guidance of solid growth in Group Revenue, Adjusted EBITDA and Adjusted NPAT in FY20.

Over the past few weeks there has been a steady escalation in the impact of COVID-19 in Australia. This escalation means it is not possible to predict the impact on the buying and selling activity on the carsales platform in Australia.

Our international businesses currently remain resilient in this challenging global environment. In Korea, our operational metrics are robust supporting continued good growth in revenue and earnings. In Brazil we are observing a similar pattern, with good operational metrics reinforcing continued strong growth in revenue and earnings.

However, due to continued uncertainty in Australian market conditions we feel it is appropriate to withdraw our outlook guidance.

carsales CEO Cameron McIntyre said, "With the continuing spread of COVID-19, our overriding priority is the safety and wellbeing of our employees and customers in these difficult times. We have a strong plan in place to reduce exposure to our employees and we have strong business continuity measures in place.

"As a business, we had good momentum prior to the impact of COVID-19 and we are confident in the underlying performance and resilience of our business model. We have a strong balance sheet and prudent gearing, which positions us well to deal with this challenging environment."

ENDS

Release authorised by the carsales.com Ltd Board.

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