

carsales com Ltd

Year End Results Presentation to 30 June 2011

 carsales.com.au

 bikesales.com.au

 boatsales.com.au

 homesales.com.au

 caravancampingsales.com.au

 Unique carsales.com.au

 quicksales.com.au

 trucksales.com.au

 farmmachinerysales.com.au

 construction sales.com.au

 plantmachinerysales.com.au

 discountnewcars.com.au

 prestige new cars.com.au

 discountusedcars.com.au

 CarPoint.com.au

 BikePoint.com.au

 BoatPoint.com.au

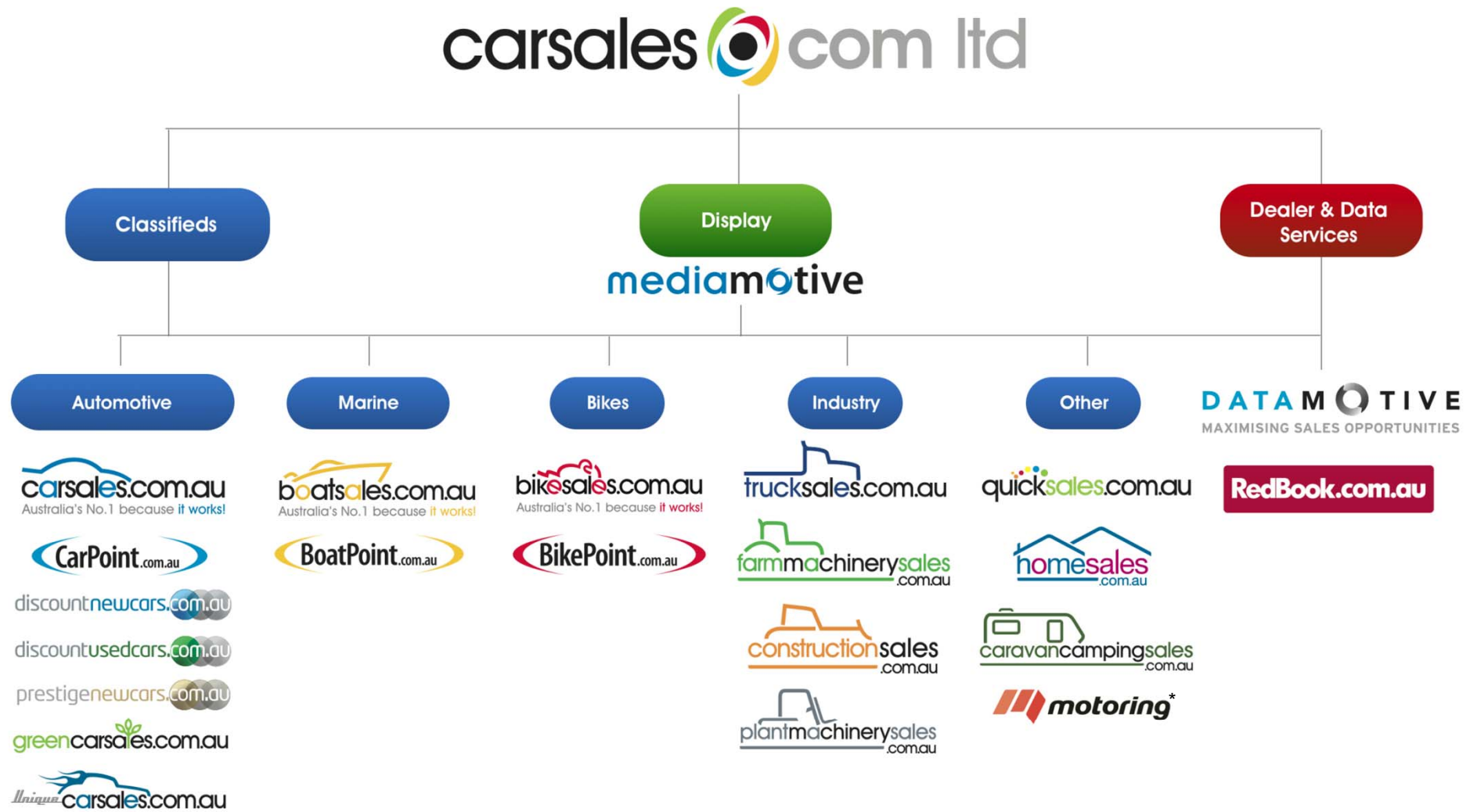
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Performance Update

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Operational Performance

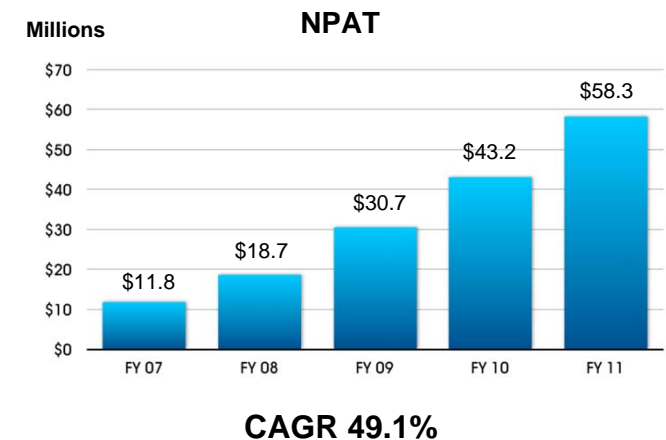
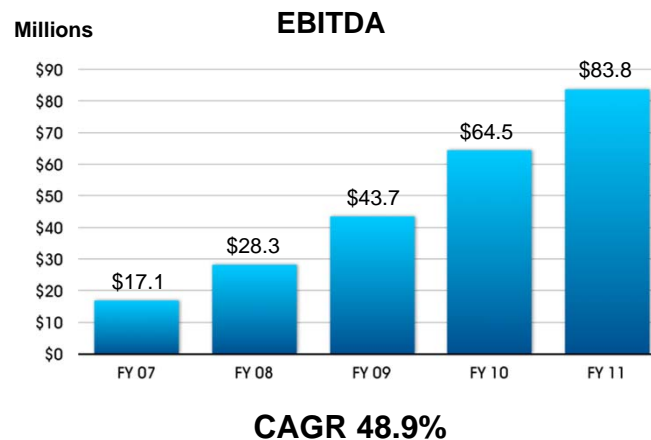
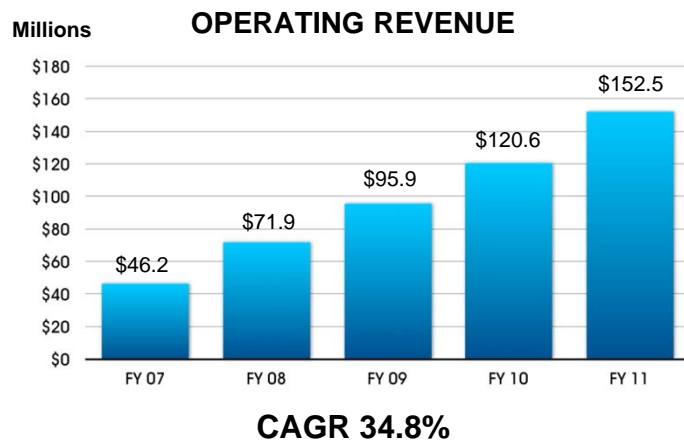
- Continued strong growth in automotive enquiry volumes up 15% on pcp.
- Enquiry volumes on new cars up 29% on pcp. New car inventory levels in line with the same time last year.
- Overall automotive inventory remained over 200,000 cars online.
- Strong double digit growth in private ad volumes on pcp .
- Strong ongoing growth in display advertising sales. Mediamotive revenue growing 51% on pcp.
- Non automotive verticals all performed well, with bikes; caravan & camping highlights.
- Livemarket customer acquisition continues to grow.
- On Market share buy back program commenced with 670,578 shares acquired and cancelled by the company in early July.
- Many significant new product releases completed throughout the year with many planned for coming months.

Market Dynamics

- Automotive industry has had to deal with the natural disasters in both Japan and Queensland earlier in the year, to date these have had minimal financial impact on the company, which we expect to remain the case.
- Mobile continuing to grow as a channel again registering +300% growth in page impressions on pcp in automotive. Mobile now accounts for 13% of carsales automotive traffic and larger than competitors desktop sites based on page impressions.
- carsales once again continued its growth in market leadership .

- Continued solid growth in Operating Revenue to \$152.5m, up 26% on pcp.
- EBITDA up 30% on pcp to \$83.8m and EBITDA margins at 55%.
- Operating cashflow of \$60.1m, up 19% on pcp.
- EPS of 25.0 cents per share, up 34% on prior full year (H2 FY2011 13.2 cents per share, up 27% on prior H2).
- Final FY2011 dividend of 10.5 cents per share declared (Interim FY2011 dividend of 9.4 cents per share).
- Capex spend of \$1.4m, down 33% on pcp, *excluding the \$1.0m acquisition of Ozton assets and \$1.5m in multiple domain name acquisitions.
- Headcount rose to 366 full time equivalents up 22% on pcp
- The profit impact to the group of the September acquisition of Ozton assets was negligible.

Year Ending 30 June 2011	\$A Millions		Growth	
	FY2010	FY2011	\$'s	%
Operating Revenue (Excluding Interest Revenue)				
Online Advertising	105.2	133.5	28.3	27%
Data & Research	15.4	19.0	3.6	23%
Total Operating Revenue	120.6	152.5	31.9	26%
Operating Expenses (Before Interest and D&A)	56.1	68.7	12.6	22%
EBITDA	64.5	83.8	19.3	30%
EBITDA Margin	53%	55%		
D&A	2.3	2.7	0.4	17%
EBIT	62.2	81.1	18.9	30%
Net Interest Expense	0.2	(1.0)	(1.2)	(600%)
Profit Before Tax	62.0	82.1	20.1	32%
Income Tax Expense	18.8	23.8	5.0	27%
Net Profit After Tax	43.2	58.3	15.1	35%
Earnings Per Share (cents)	18.6	25.0	6.4	34%
Net Operating Cashflow (Before Capex)	50.4	60.1	9.7	19%
Capex*	2.1	1.4	(0.7)	(33%)

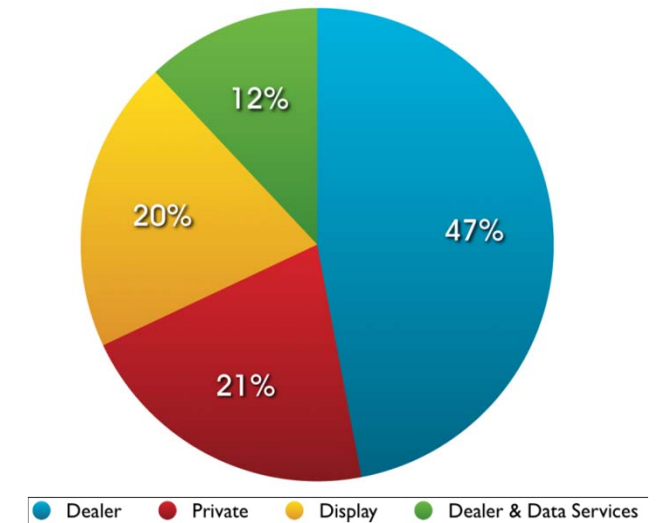


Year Ending 30 June 2011	\$A Millions		Growth	
	FY2010	FY2011	\$'s	%
Operating Revenue				
Dealer	61.8	71.5	9.7	16%
Private	23.6	32.2	8.6	36%
Display*	19.8	29.8	10.0	51%
Dealer & Data Services	15.4	19.0	3.6	23%
Total Operating Revenue	120.6	152.5	31.9	26%

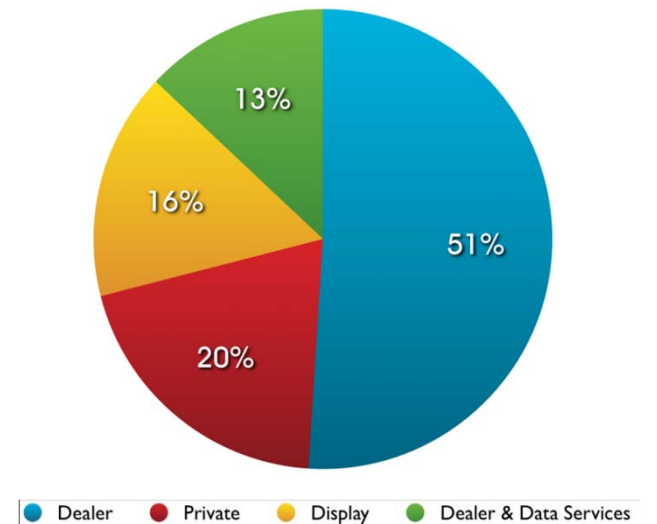
* FY2010 revenue re stated to reflect a change in accounting policy, in relation to revenue recognition where certain agency commissions paid are now reflected as reduction in revenue as opposed to an expense. Refer to Annual Report for further details

- Dealer again delivered a sturdy performance, with used vehicle enquiries growing steadily throughout the year. New vehicle enquiries on both in stock and generic new vehicles both grew strongly throughout H2 FY2011. Customer acquisition continued to rise at a steady rate, with automotive customers now comfortably in excess of 2,800.
- Private performed exceptionally well with a combination of strong ad volume growth throughout the year across all verticals and price rises in particular in automotive (standard ad price rose from \$50 to \$60 from the 2nd of September 2010) being major growth drivers.
- Mediamotive continued the rapid growth seen in H1 FY2011, growing 37% in H2 FY2011 on pcp.
- Dealer and Data services once again performed strongly throughout the year and grew 23% in H2 FY2011 lead largely by the continued growth in Livemarket

FY2011 SEGMENT REVENUE



FY2010 SEGMENT REVENUE

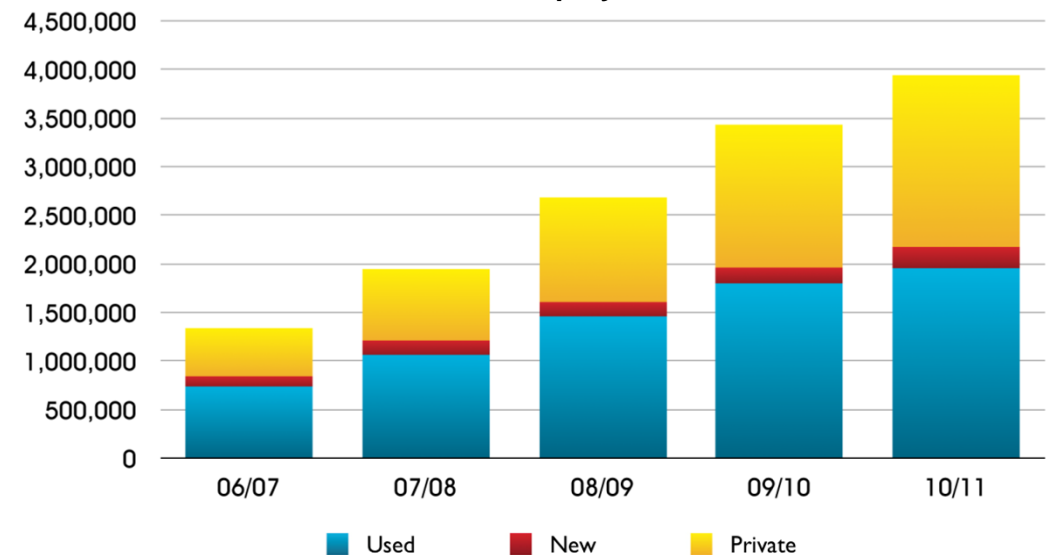


- **Automotive enquiry volumes grew 15% on pcp**
- Dealer enquiry volumes remained robust growing 11% overall on pcp, with new enquiry volumes particularly on in-stock new cars up 54% on pcp.
- Private vehicle enquiry volumes continued to grow steadily throughout the year.

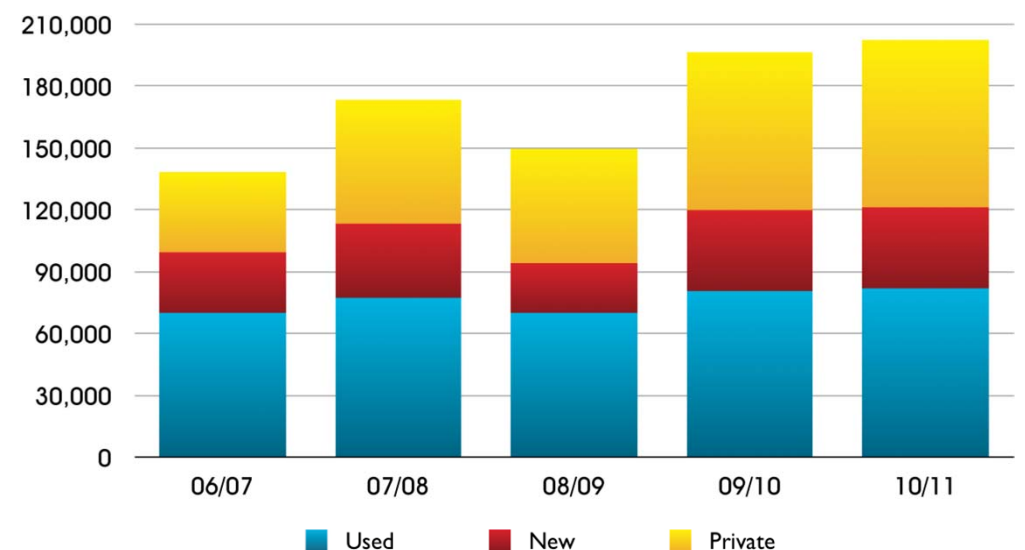
- **Automotive inventory volumes remained at around 200,000 vehicles.**

- New car inventory volumes remained stable at around 40,000 cars throughout the year, somewhat impacted by shortages as a result of Japanese tsunami. Dealer used inventory continued to track at around 80,000 cars.
- Private inventory continued to grow at a steady rate up 6% on pcp to over 80,000 cars.

Automotive Enquiry Volumes

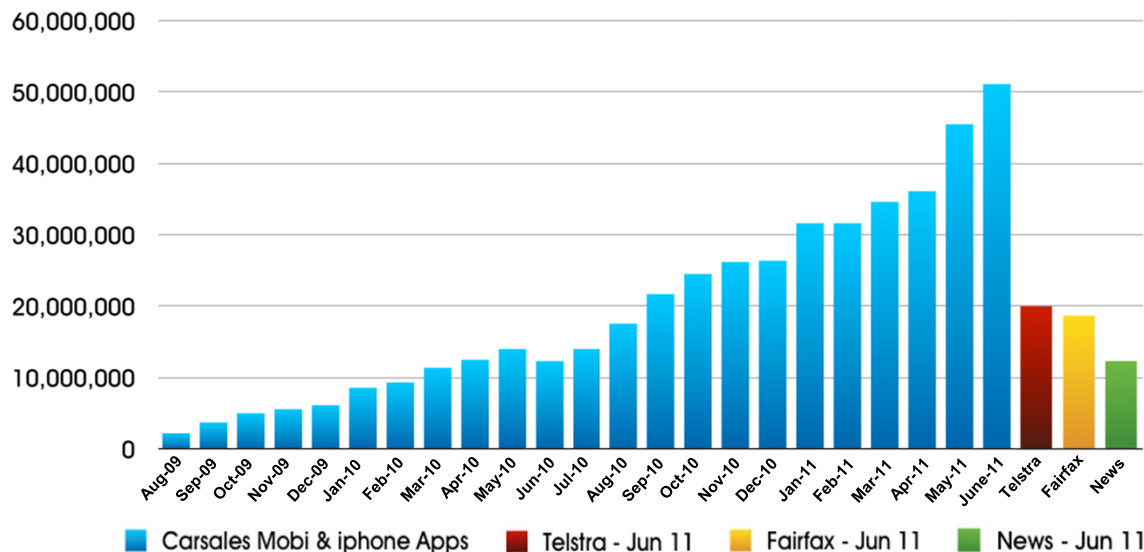


Automotive Inventory



- Continued to acquire market share in traffic throughout the year*.
- 80% of all time spent looking at automotive classifieds websites around Australia was done on a carsales owned site.
- Page Impressions generated in June 2011 on the .mobi and iPhone applications were similar to those generated by the Fairfax, News Corp and Telstra Automotive Ad Networks desktop sites combined (see the chart below), which highlights the speed in which this market is evolving.
- Consumers have downloaded more than 366,000 carsales iPhone/iPad applications since their launch last year and approaching 40,000 downloads of our bike and marine applications.

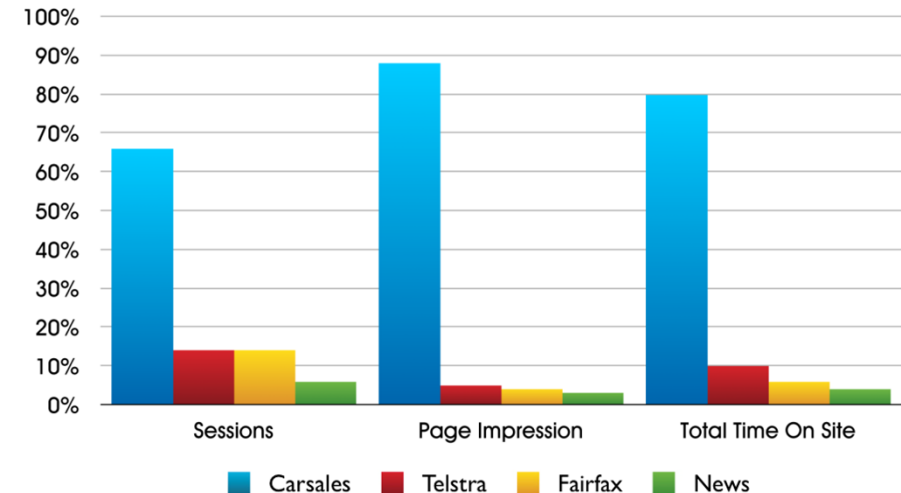
Page Impressions – Mobi & iPhone Apps v Competitor Desktop Sites**



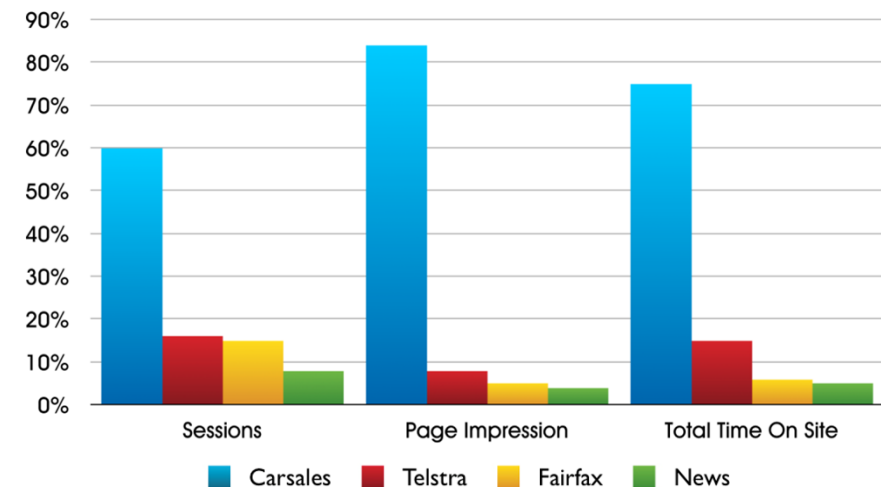
* Source: Nielsen Online Market Intelligence, Automotive Ad Networks, Jun 2011 & Jun 2010

**Source: carsales Mobi, carsales Mobi & App: Nielsen, Site Census, Mobile Aggregate, August 2009 to June 2011; Drive, Trading Post & Carsguide (Fairfax, Telstra & News) desktop sites: Nielsen, Market Intelligence, Domestic traffic for audited sites, Australia, June

Traffic Metrics – June 2011



Traffic Metrics – June 2010



- Ongoing focus on new car dealer customer and inventory acquisition to continue.
- A significant number of new products being prepared for deployment over the next financial year.
- Mobile / app we expect will continue to grow at a strong rate and will be a key area of ongoing focus.
- Further investment in headcount anticipated to continue in order to support sales and product development expansion.
- Continue search for opportunities in appropriate markets that will enhance, leverage or complement current capabilities.
- Capex spend expected to more than double in the next financial year to cater for a planned relocation of the Melbourne Head Office.
- Trading for the first six weeks have been solid and a further update to be provided at our October AGM.

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New Products Released

 carsales.com.au

 bikesales.com.au

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 homesales.com.au

 caravancampingsales.com.au

 Unique carsales.com.au

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 prestigeneccars.com.au

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 CarPoint.com.au

 BikePoint.com.au

 BoatPoint.com.au

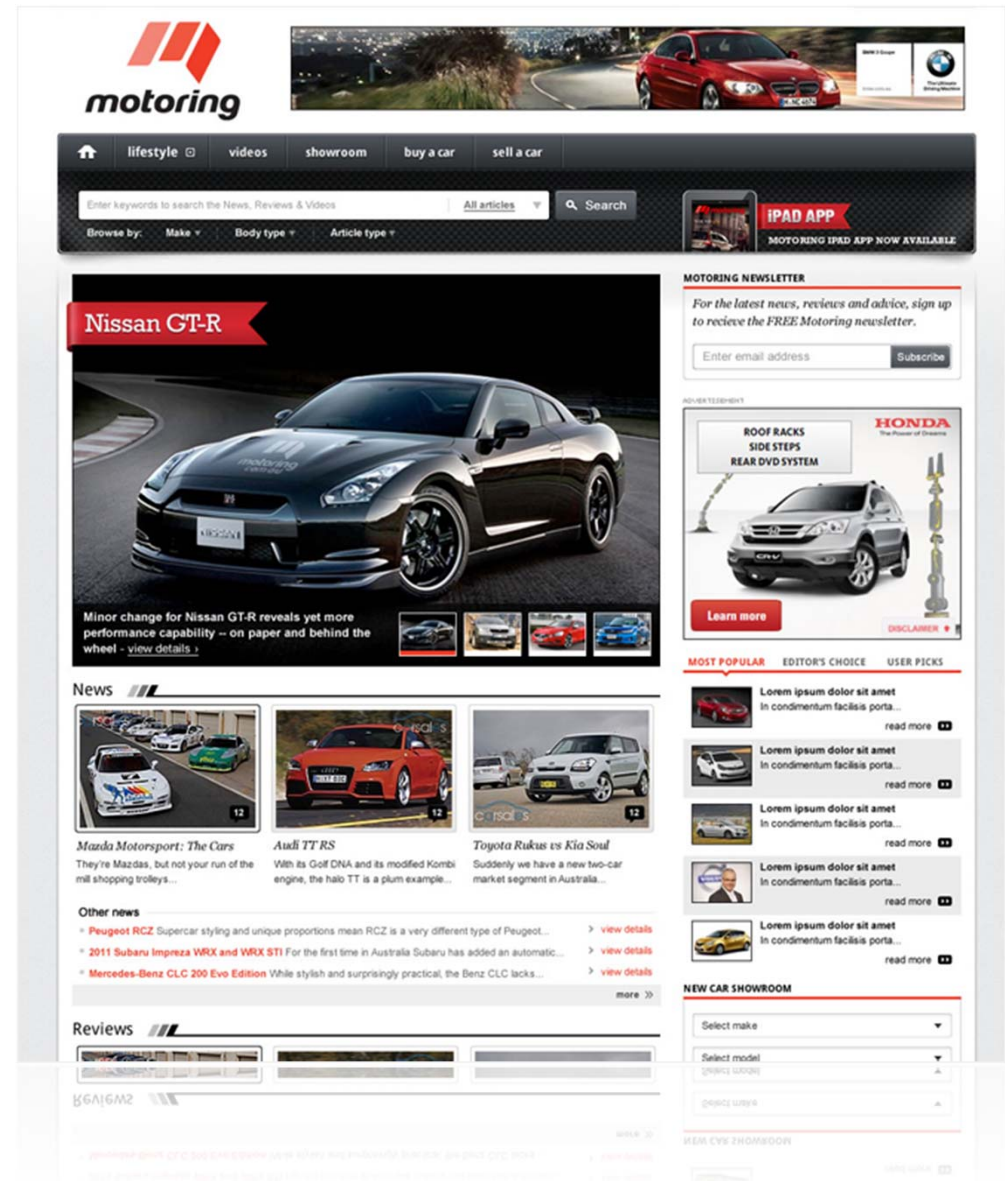
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Become a member

New member

If you do not hold an account please proceed to the registration page to register your details.

[Become a member](#)

Sign in

Existing member

Do you already have a registered account? Please Sign in to manage your advertisement.

Email

Password

☐ Stay signed in[Sign in](#)[Forgotten your password?](#)

Help on becoming a member.

- Online Customer Care Centre.
If you have any questions or require further assistance please visit our [Online Customer Care Centre](#).

Help on sign in

- What does "Stay signed in" mean?
If you check the "Stay signed in" box, you can stay signed in on this computer for up to 2 weeks or until you sign out.
- What if I forgot my password?
We will email your password after you confirm some personal information.

Step 1 . Create Ad

2. Optional Extras

3. Pay

4. Receipt

*Mandatory Field

Reference Code: new ad

What type of car are you selling?

Make*

Audi

Model*

(Then select a Model)

Year*

(Then the year)

Description*

(And finally select a description)

[I can't find my car](#)

What are the details?

These details WILL appear online.

Is your car registered?*

☐ Yes ☐ No

(If No) Specify VIN?

OR*

(If Yes) Specify Rego Number?

Registration Expiry

(select)

(select)

Will you include a roadworthy?*

☐ Yes ☐ No

Odometer (KM)*

Exterior Colour*

Interior Colour*

Exterior Colour*

Odometer (KM)*

Will you include a roadworthy?*

Exterior

Registration

Odometer (KM)

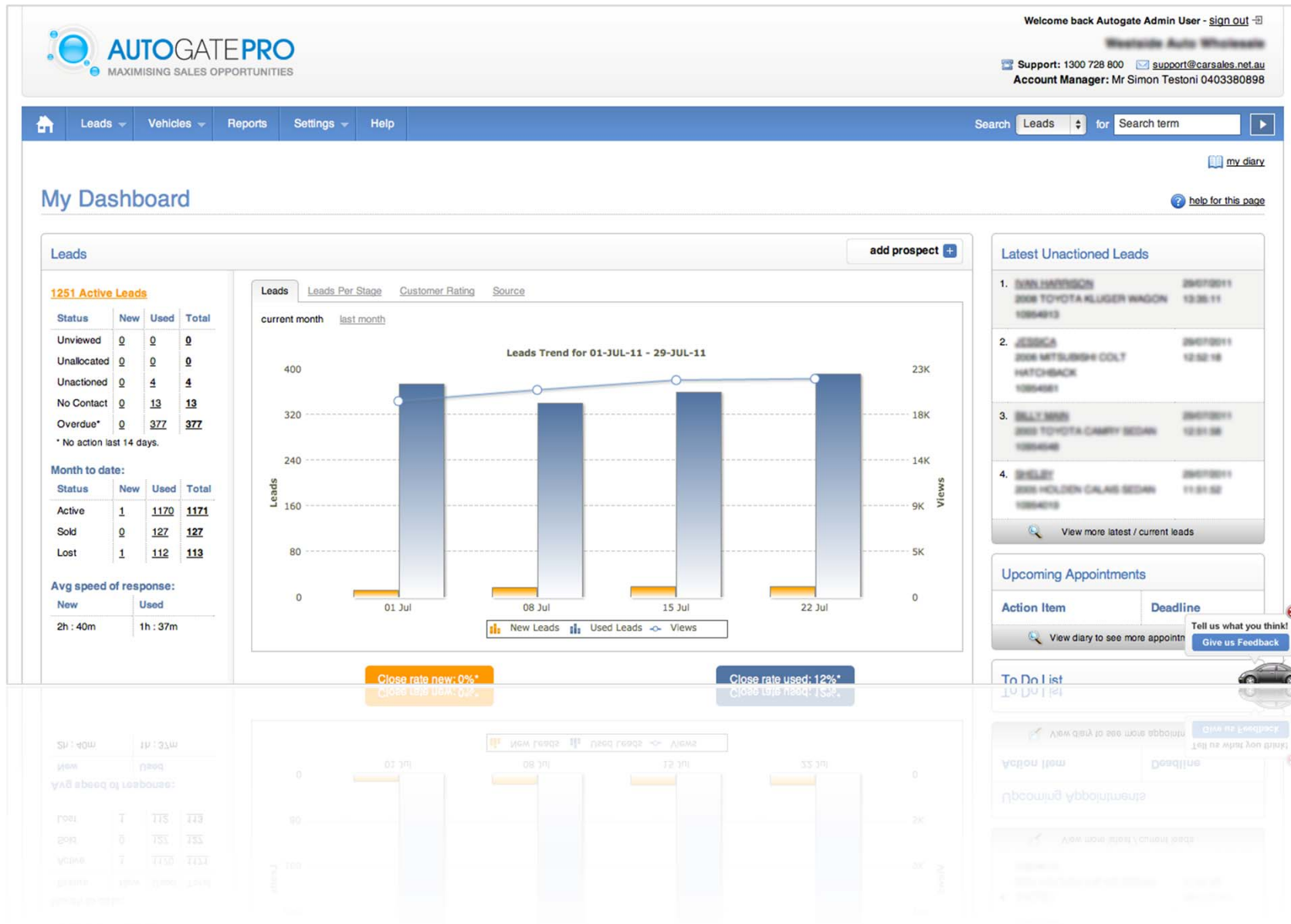
What would you like to say about your car?

Here's your chance to write something short and snappy to entice potential buyers to check out your ad.

Ad Summary: (100 characters remaining)

It's great to include lots of comments about what you are selling, buyers love detail... so go for it!

Detailed Comments: (2000 characters remaining)



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Australia's No.1 because it works!

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- ▶ More news
- ▶ Car reviews
- ▶ Latest Videos
- ▶ New car calendar
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Search Here

Article Type

- ▶ Advice (248)
- ▶ News (7214)
- ▶ Reviews (1998)
- ▶ Videos (92)

Make

- ▶ AUDI (367)
- ▶ BMW (484)
- ▶ FORD (696)
- ▶ HOLDEN (619)
- ▶ HONDA (278)
- ▶ MERCEDES-BENZ (493)
- ▶ MITSUBISHI (274)
- ▶ NISSAN (314)
- ▶ PORSCHE (236)
- ▶ TOYOTA (503)
- ▶ (more...)

Category

- ▶ Classic & Rare (68)
- ▶ Commercial (332)
- ▶ Comparison (44)
- ▶ Convertible (29)

Enquire on and buy a brand new car from a carsales dealer

For your chance to **WIN \$5,000**

carsales.com.au

There's just something about a brand new car. Maybe it's the gleaming paint job, the spotless interior, or perhaps it's that unique 'new car' smell that you just can't replicate...

As a carsales customer, if you enquire on and purchase a brand new car from a carsales dealer, you'll go in the running to WIN \$5,000 cash.

Don't forget to tick the competition entry box when you put through a Brand New Car in Stock enquiry, for your chance to win. [Terms & Conditions Apply](#)

Search over 38,000 Brand New manufacturer makes & models ready to drive away now!

Make

Enquire & Buy
for your chance to

WIN
\$5,000

As a carsales customer, purchase a Brand New Car* from our dealership for your chance to WIN \$5,000 cash. For more details visit www.carsales.com.au/brandnewcarcomp

carsales.com.au

ACT Permit No. TP 10/03524.2 NSW Permit No. LTPS/10/10353
*A 'Brand New Car' is a vehicle that has not been previously owned or registered.

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