

MEDIA RELEASE – FOR IMMEDIATE RELEASE**Solid Growth Continues**

February 15, 2012

carsales.com Limited (ASX: CRZ) today announced its financial results for H1 FY2012.

For the first half of the 2012 financial year, the company reported a net profit after tax (NPAT) of \$33.1 million. This represents an increase of 20 per cent compared to the same period in FY2011 (H1 FY2011, \$27.6 million). Total operating revenue of \$87.4 million was up 22 per cent. carsales.com Ltd's EBITDA margin of 55 per cent was the same as the prior comparative period.

carsales.com Ltd's Board of Directors has declared a fully franked interim dividend of 11.3 cents per share (H1 FY2011, 9.4 cents per share) to be paid on April 11, 2012. The record date for the dividend payment is March 29, 2012.

In relation to the expected performance of the company in the second half of the 2012 financial year, the company anticipates that revenue and NPAT will once again be well up on H2 FY2011 and come in similar to or slightly above that of H1 assuming existing market conditions remain constant.

RESULTS OVERVIEW

Half Year Ending 31 December 2011	\$A Millions		Growth	
	H1 FY2011	H1 FY2012	\$'s	%
Operating Revenue (Excluding Interest Revenue)				
Online Advertising	63.4	77.0	13.6	21%
Data & Research	8.4	10.4	2.0	24%
Total Operating Revenue	71.8	87.4	15.6	22%
Operating Expenses (Before Interest and D&A)	32.0	39.1	7.1	22%
EBITDA	39.8	48.3	8.5	21%
<i>EBITDA Margin</i>	55%	55%		
D&A	1.3	2.0	0.7	54%
EBIT	38.5	46.3	7.8	20%
Net Interest Expense	(0.3)	(0.7)	(0.4)	133%
Profit Before Tax	38.8	47.0	8.2	21%
Income Tax Expense	11.2	13.9	2.7	24%
Net Profit After Tax	27.6	33.1	5.5	20%
Earnings Per Share (cents)	11.8	14.1	2.3	20%
Net Operating Cashflow (Before Capex)	23.6	29.7	6.1	26%
Capex	0.7	4.2	3.5	500%

carsales.com Ltd CEO and Managing Director, Greg Roebuck said the H1 financial results confirmed the continued strength of carsales.com Ltd's core business model.

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"In the first half of FY 2012 our revenue has once again grown across a broad base. New car enquiry has been a key growth avenue but we've demonstrated strong growth in a range of sectors. In fact, all areas of the carsales.com Ltd business have demonstrated strong, consistent growth.

"Our business model is robust. Our customer base understands that we deliver smart, timely opportunities – across a spectrum of retail sites and B2B marketplaces.

"Whether the customers are key automotive nameplates looking to build their brands, or the general public, they are keenly aware that our sites and technologies provide cost-effective and high-value solutions. And in many cases they are choosing carsales.com Ltd services across more than one vertical."

Mr Roebuck commented that carsales.com Ltd's display advertising business MediaMotive had again shown strong growth.

"Display advertising growth was up 49% year on year -- a measure of our team's performance but also the continued migration of marketing dollars to the online space."

"As the online marketplace evolves, continued strong performance in the display space requires more than simply managing inventory. Tailored and integrated advertising opportunities are a strength of carsales.com Ltd's network," Roebuck stated.

"We are very confident carsales.com Ltd's network can continue to perform strongly as these high-visibility advertisers look for more accountable mediums and better leverage across both the desktop and mobile online spectrums," he said.

According to Mr Roebuck, carsales.com Ltd's **Operational and Strategic Highlights** during H1 FY2012 included:

- Overall automotive enquiry volumes -- up 10% year on year.
- Continued strong growth in display advertising – up 49% year on year.
- Significant new car enquiry volume growth – up 26% year on year.
- Double-digit year-on-year ad volume growth in private seller non-automotive verticals. Automotive private seller ad volumes similar to the same time last year.
- Dealer and Data Services showed strong growth, with LiveMarket the stand out product growing significantly on the prior year.
- Solid growth performances from non-automotive verticals – in particular motorcycles and caravan/camping.
- Mobile sites/Apps continue to deliver substantial incremental growth.
- On-market share buyback program continued with 1,501,499 shares acquired (at an average cost of \$4.62 per share) by the company since June 30, 2011.

Mr Roebuck commented on the strength of carsales.com Ltd's audience growth in H1 2012.

"carsales.com Ltd's sites continue to perform strongly in each of their verticals. Our non-automotive sites are consistently at the top of their respective industries and carsales.com.au is, by every measure, a very clear number one in automotive."

Importantly, Mr Roebuck stated, carsales.com Ltd's small screen properties [ie: mobile sites] have also cemented their positions as market leaders.

"The mobile and 'app' versions of carsales.com.au now rank well above even our competitors' desktop sites. In December 2011 carsales' **mobile** site served close to double the number of page impressions of our three major competitors' **desktop** sites **combined**. In total, consumers have now downloaded more than 700,000 carsales.com Ltd apps."

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Mr Roebuck commented that Google estimates that by 2013 more than 50 per cent of all Australian web searches will be carried out on a mobile device.

"With Australian consumers rapidly increasing their mobile web usage, this is a key part of our focus. carsales.com Ltd is positioned well for this step-change in the online space," he stated.

Mr Roebuck highlighted recent key automotive new product launches that leveraged carsales.com Ltd's unique position.

"SellAssist and CarFacts are two products recently launched which deliver key functionality to private buyers and sellers," he stated.

"As car buyers and sellers have become more sophisticated, we have become focused on developing tools that support our customers in achieving best possible outcomes.

"SellAssist is like no other tool I have seen anywhere in the world for private sellers. It provides real time intelligent information that utilises the extensive data capabilities carsales.com Ltd has developed over time to enhance the decision-making capability of our customers," Mr Roebuck said.

He added: "CarFacts also utilises both publically available and carsales.com Ltd data to provide specific vehicle information to support the integrity of vehicle transactions.

"It is a great tool for buyers to help ensure they are getting exactly what they paid for", he said.

carsales.com Ltd's non-automotive sites also delivered revenue and audience growth in H1 2012.

"Much of our visibility is in cars but other verticals such as motorcycles and caravan/camping have performed well in reasonably challenging market conditions.

"Though each of the marketplaces has unique requirements and opportunities, the ability to leverage the carsales.com.au audience contributes significantly to our success," Mr Roebuck stated.

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*

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