



carsales  com ltd

2019 AGM PRESENTATION

25 October 2019

Disclaimer and Non-IFRS Information

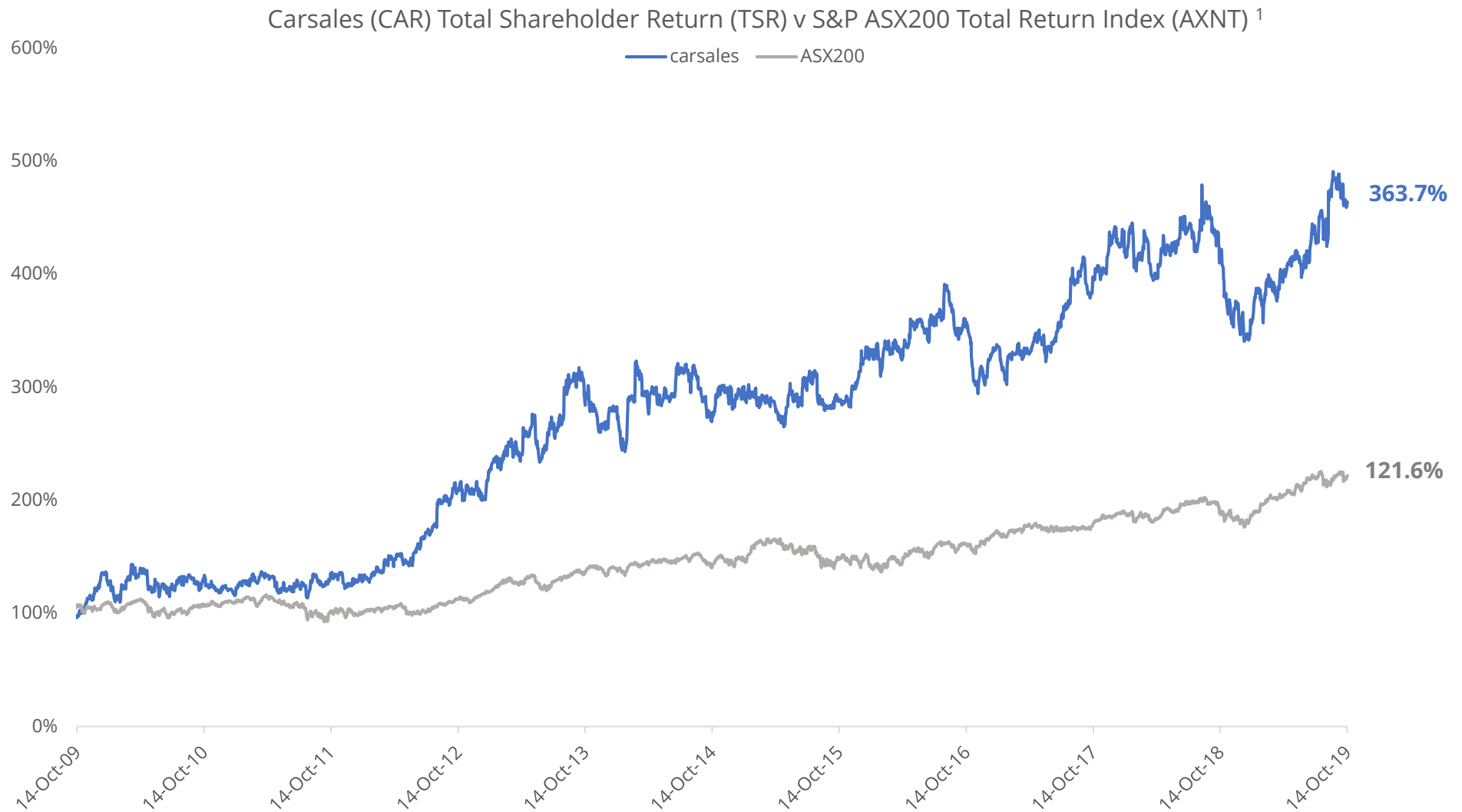
Disclaimer

The material in this presentation has been prepared by carsales.com Limited (ASX: CAR) ABN 91 074 444 018 ("carsales") and is general background information about carsales' activities current as at the date of this presentation. The information is given in summary form and does not purport to be complete. In particular you are cautioned not to place undue reliance on any forward looking statements regarding our belief, intent or expectations with respect to carsales' businesses, market conditions and/or results of operations, as although due care has been used in the preparation of such statements, actual results may vary in a material manner. Information in this presentation, including forecast financial information, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice.

Non-IFRS Financial Information

carsales' results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including "adjusted", "underlying" "proforma" and "look through". These measures are used internally by management to assess the performance of our business and our associates, make decisions on the allocation of resources and assess operational management. Non-IFRS measures have not been subject to audit or review. All numbers listed as reported comply with IFRS.

LONG-TERM TRACK RECORD OF DELIVERING STRONG SHAREHOLDER RETURNS



¹ Total Shareholder Returns (TSR) includes dividend and share price appreciation from 10 September 2009 to 14 October 2019 vs the ASX200 Total Return Index (AXNT)

FY19 HIGHLIGHTS

Market leadership and diversification continue to deliver growth.

Reported revenue

 **Up 11%** to \$418m

Adjusted EBITDA*

 **Up 7%** to \$210m

Adjusted NPAT*

 **Up 3%** to \$131m

Domestic highlights

- Robust revenue performance in core Dealer (+7% on pcp**) and Private (+4%) advertising segments.
- Pleasing growth in audience and vehicle enquiry metrics in our Dealer business.
- Good growth in depth penetration and usage.
- Impressive performance for our private customers reflected in the considerable reduction in time to sell.
- Private yield expansion continued through price optimisation and increased premium ad penetration
- Good response from OEMs and dealers to reinvigorated new car offering and enhanced Display proposition.

International highlights

- Strong international growth with look through revenue up 39% and EBITDA up 29% on pcp.
- Double digit underlying local currency revenue growth in all international classifieds businesses.
- Korea performed well in our first year of 100% ownership with underlying local currency revenue and EBITDA both up 13%.
- Brazil delivered a standout performance with rapid expansion of its dealer customer base driving revenue and EBITDA growth of 35% and 54% in local currency respectively.
- Combined revenue in Chile, Mexico and Argentina up 22% on a constant currency basis. Good progress on non-financial KPIs.

* Adjusted EBITDA and NPAT stated above is on a continuing operations basis, post non-controlling interests and excludes certain non-recurring or non-cash items relating to restructuring, bad debts, financing, investments and acquired intangible amortisation. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted NPAT to Reported NPAT. ** pcp refers to prior corresponding period and relates to FY18 unless otherwise stated.

CARSALES TODAY

carsales is the #1 online automotive advertising business in Australia, with a growing global presence in Asia and Latin America.

AUSTRALIA



- #1 online automotive advertising business in Australia – the go-to place to buy and sell vehicles
- Value-add and ancillary services for vehicle owners and sellers
- Powerful data and research service offerings
- Benefiting from first mover advantage and strong network effects

INTERNATIONAL

ASIA



- #1 online automotive classifieds business in South Korea
- Differentiated and market leading offering with strong growth trajectory
- Investment in iCar Asia
- Redbook data and research services

LATIN AMERICA



- #1 online automotive classifieds businesses in Brazil, Chile and Argentina
- Significant market opportunity

KEY OPERATIONAL HIGHLIGHTS

carsales is one of the largest digital automotive advertising businesses in the world.



>1 billion user sessions

per annum on all carsales sites around the world¹



2.47x more time

spent on carsales.com.au than nearest competitor in Australia²



>32,500 car dealer

customers around the world³



>144,000 inspections

per annum conducted by RedBook Inspect in Australia in FY19



>850k cars for sale

around the world at any point in time³



~1,200 employees

globally



5 countries

in which we have leading market positions⁴



Most preferred site

for buying and selling cars in Australia (+378% vs nearest competitor)⁵

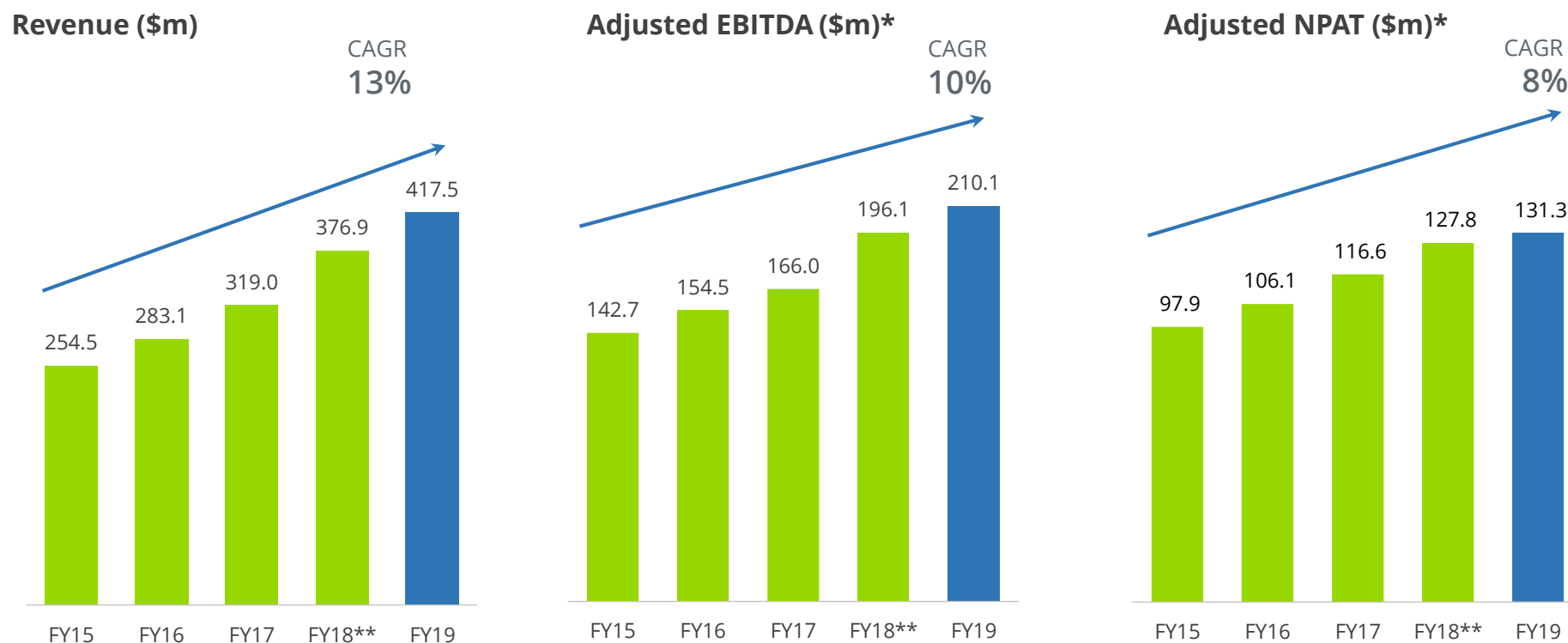
1 Period: Jul-18 – Jun-19. Source Google Analytics - Includes sessions on desktop, mobi and app for the following sites: carsales.com.au, redbook.com.au, motoring.com.au, boatsales.com.au, bikesales.com.au, caravancampingsales.com.au, trucksales.com.au, constructionsales.com.au, farmmachinerysales.com.au, carfacts.com.au, redbookinspect.com.au, soloautos.mx, chileautos.cl, demotores.com.ar, encar.com and webmotors.com.br. 2 Source: Nielsen DCR, June 2019. 3 Aggregate from automotive websites in Australia, South Korea, Brazil, Mexico, Argentina and Chile as at 30 June 2019. 4. In countries with controlling stakes: Australia, Brazil, South Korea, Argentina and Chile 5. Study conducted by independent research agency, Nature Pty Ltd, "market brand health tracker 2019" June 2019. You said you would go to the following for buying a new / used / selling car. If you had to choose one tomorrow, which one would you most prefer?



GROUP FINANCIAL REVIEW

STRONG TRACK RECORD OF SUSTAINED GROWTH

Well positioned to continue delivering long term shareholder value through world-class capability, exposure to international growth markets and investment in new products and services.



* Adjusted EBITDA and NPAT stated above is on a continuing basis, post non-controlling interests and excludes certain non-recurring or non-cash items relating to restructuring, bad debts, financing, investments and acquired intangible amortisation. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted NPAT to Reported NPAT

** FY18 revenue, EBITDA and Adjusted NPAT have been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

SUMMARY REVENUE & EBITDA PERFORMANCE

**Year Ending
30 June 2019**

**Full Year
FY18 FY19**

**Growth
\$'s %**

Revenue

Online Advertising	296.8	300.1	3.3	1%
<i>Dealer</i>	144.0	153.9	9.9	7%
<i>Private</i>	78.9	82.1	3.2	4%
<i>Display</i>	73.9	64.1	(9.8)	(13%)
Data, Research and Services	42.2	43.2	1.0	2%
carsales Asia	29.7	65.1	35.4	119%
carsales Latin America	8.2	9.1	0.9	11%
Total Revenue	376.9	417.5	40.6	11%

Adjusted EBITDA*

Online Advertising	158.3	158.4	0.1	0%
Data, Research and Services	24.6	25.5	0.9	4%
carsales Asia	15.7	32.0	16.3	104%
carsales Latin America	(2.6)	(5.9)	(3.3)	(130%)
Adjusted EBITDA	196.1	210.1	14.1	7%

Revenue

- Full year revenue up 11% on pcp.
- Resilient results from our Dealer, Private and 'Data, Research & Services' segments that continue to reinforce the strength of the core business despite external market conditions.
- Display segment impacted by challenging market conditions. Improved Q4 run rate in response to

strengthened go-to-market proposition.

- Excellent international result, with look through revenue up 39%, and all international classifieds businesses recording double digit revenue growth in local currency.

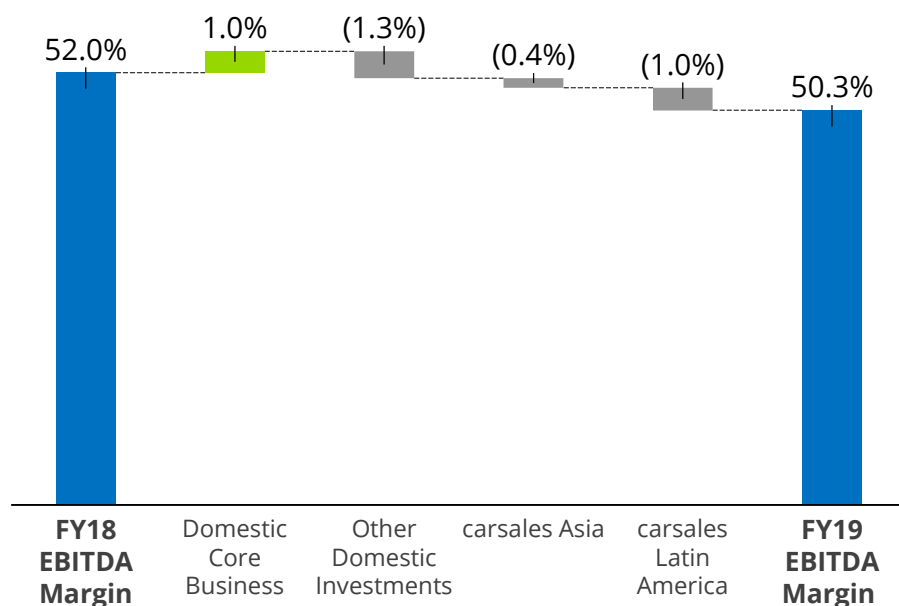
EBITDA

- Group Adjusted EBITDA* up 7% to \$210.1m.
- Online Advertising segment impacted by lower Display revenue which was partly offset by cost discipline in the core business.
- Margin expansion in the Data, Research and Services segment reflects benefits of continued cost base leverage and exiting some low margin products and contracts.

- Strong international result with look through Adjusted EBITDA* up 29% underpinned by good look through performances in Korea and Brazil.
- carsales Asia growth driven by SK Encar acquisition whilst losses in carsales Latin America reflects ongoing investment in Mexico and Argentina.

* Adjusted EBITDA stated above is on a continuing basis, post non-controlling interests and excludes certain non-recurring or non-cash items relating to restructuring and bad debts. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted EBITDA to Reported EBITDA. FY18 revenue and EBITDA have been restated to reflect the adoption of AASB15.

ADJUSTED EBITDA MARGIN PERFORMANCE



Core Adjusted EBITDA margins expanded but were offset by investments in early stage domestic and high growth international investments.

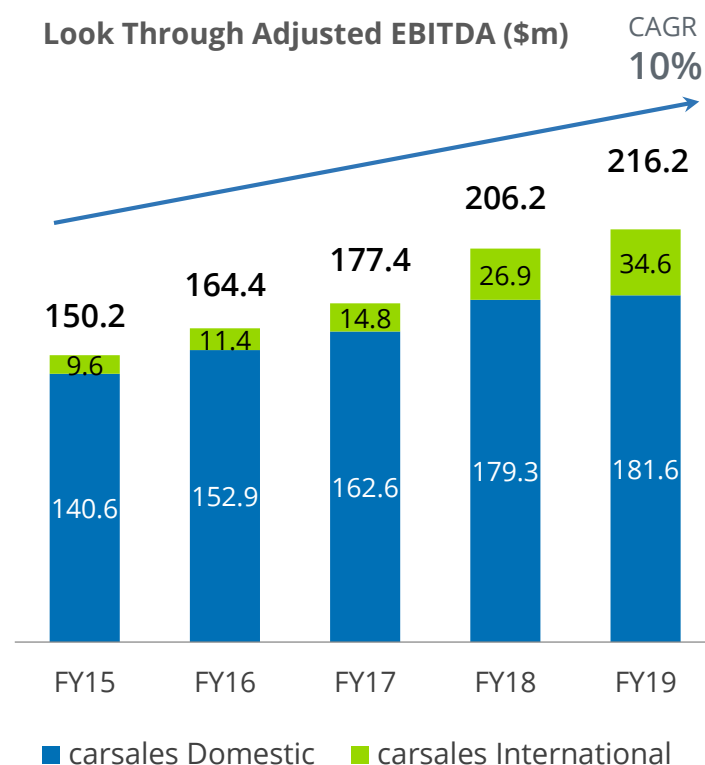
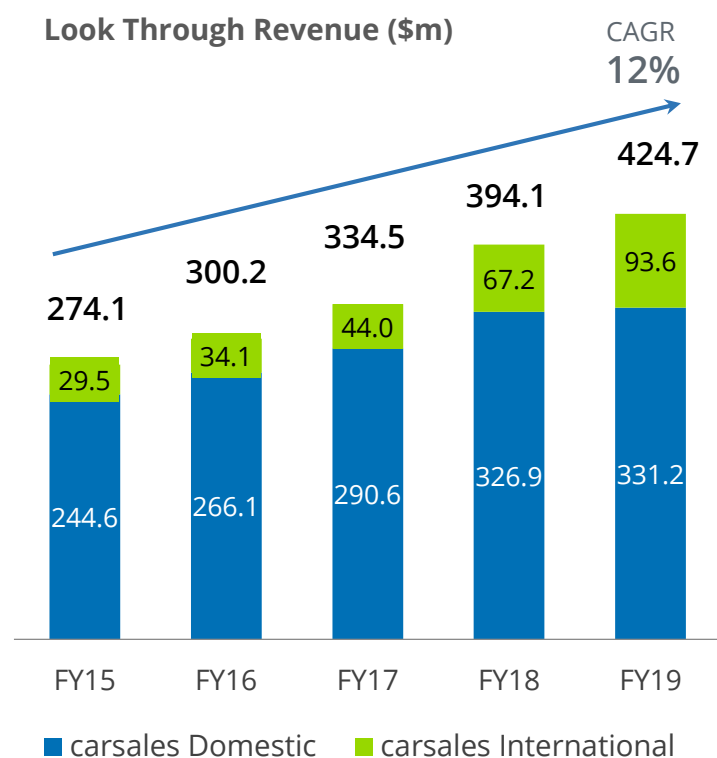
- Adjusted EBITDA* margins moved from 52.0% in FY18 to 50.3% in FY19, with domestic core business margin increases offset by an increasing contribution from early stage businesses (tyresales, Redbook Inspect and carsales Latin America).
- Domestic core business margin expanded from 60% to 61% in FY19, reflecting strong discipline on cost control, operating leverage improvement.
- Investments in our tyresales and Redbook Inspect businesses reduced EBITDA margins by 1.3%.
- carsales Asia had a small negative impact on overall margins, reflecting investment in the expansion of the Guarantee Inspection service in Korea.
- carsales Latin America impacted Group margins by -1.0%, reflecting the impact of ongoing investment in Mexico and Argentina.

* Adjusted EBITDA stated above is on a continuing basis, post non-controlling interests and excludes certain non-recurring or non-cash items relating to restructuring and bad debts. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted EBITDA to Reported EBITDA. FY18 revenue and EBITDA have been restated to reflect the adoption of AASB15.

LOOK THROUGH SUMMARY

Increasingly significant contribution from International portfolio. International now contributes more than 22% of look through revenue and 16% of look through EBITDA.

International look through revenue and EBITDA grew 39% and 29% respectively in FY19.



FY18 revenue and adjusted EBITDA have been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

NOTE: Refer to slide 30 for carsales "Look Through" methodology

ADJUSTED NET PROFIT AFTER TAX SUMMARY

Year Ending 30 June 2019	\$A Millions		Growth
	FY18	FY19	%
Total revenue	376.9	417.5	11%
Total operating expenses	180.8	207.4	(15%)
Adjusted EBITDA*	196.1	210.1	7%
<i>EBITDA margin</i>	<i>52.0%</i>	<i>50.3%</i>	
Depreciation & amortisation	11.7	16.2	(38%)
EBIT	184.4	193.9	5%
Net finance costs	9.7	13.4	(39%)
Profit Before Tax	174.7	180.5	3%
Income Tax Expense	52.5	53.3	(1%)
Profits from associates	6.6	3.7	(44%)
Non-controlling interests (NCI)	(1.0)	0.4	n/a
Adjusted NPAT* (continuing operations)	127.8	131.3	3%
Adjusted Earnings per Share (cents)	52.7	53.9	2%

Summary of Reported Results

Reported EBITDA	196.1	205.2	5%
Reported NPAT (continuing operations)	182.3	133.3	(27%)
Reported Earnings per Share (cents)	75.2	54.7	(27%)

The analysis above reflects the Adjusted net profit after tax results of the business for FY19. Details of the reconciliation between Adjusted and Reported results are shown on slides 31-32. The analysis focuses on results below EBITDA after adjustments to better reflect the underlying trading performance of the Group.

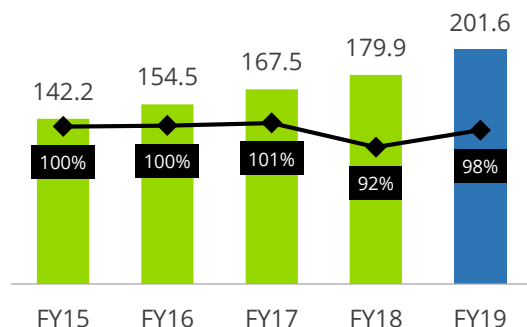
- D&A increased by \$4.5m reflecting full year impact of acquired underlying D&A from SK Encar (\$1.9m) and the impact of increased depreciation of capitalised labour, other growth capex and intangibles. This investment supports Group wide integration and globalisation projects.
- Net finance costs growth reflects full year impact of additional interest incurred on funding the SK Encar acquisition.
- Profits from associates down reflecting reclassification of SK Encar from an associate to a consolidated subsidiary from January 2018.
- Strong underlying local currency NPAT growth of 36% from Webmotors.
- Refer slides 31-32 for breakdown of Adjustments.
- Final dividend of 25.0 cents per share declared up 5% on pcg.

* Adjusted EBITDA and NPAT stated above is on a continuing operations basis, post non-controlling interests and excludes certain non-recurring or non-cash items relating to restructuring, bad debts, financing, investments and acquired intangible amortisation. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted NPAT to Reported NPAT

** FY18 revenue, EBITDA and Adjusted NPAT have been restated to reflect the adoption of AASB15.

DEBT AND CASH FLOW

Cash Flow (column) and conversion from EBITDA to cash (line)**



**Reported Leverage Ratio*
(Net Debt/Annualised EBITDA ***)**



Capital expenditure

Year Ending 30 June 2019	\$A Millions		Growth	
	FY18	FY19	\$'s	%
Cash Capital expenditure	8.1	8.0	(0.1)	(1%)
Capitalised labour costs	10.4	16.5	6.1	59%
Total capital expenditure	18.5	24.5	6.0	32%

Net debt*

\$A Millions	Jun-18	Jun-19	%
Borrowings	450.5	474.6	5%
Swaps	-	17.4	n/a
Cash	(58.8)	(94.4)	60%
Net Debt	391.7	397.6	2%

- Cash flow conversion returned to typical levels in FY19 reflecting improved debtor collection following ERP implementation issues in FY18.
- Capitalised labour costs up 59% on pcp reflecting a full year of SK Encar as well as continued investment in technology platforms supporting international and adjacent market expansion.
- Leverage ratio remains prudent at under 2x EBITDA.

See slide 29 regarding the disclosure of non-IFRS Information | *Net debt includes total borrowings and cross currency interest swaps less total cash as at 30 June 2019 as per published balance sheet, excluding Stratton. Ratios above are based on reported financial outcomes and may vary with bank covenant definitions. | **Pre-tax cash flow is Reported Operating Cash Flow excluding tax and capitalised labour. | *** FY18, EBITDA has been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

All amounts shown above exclude Stratton.

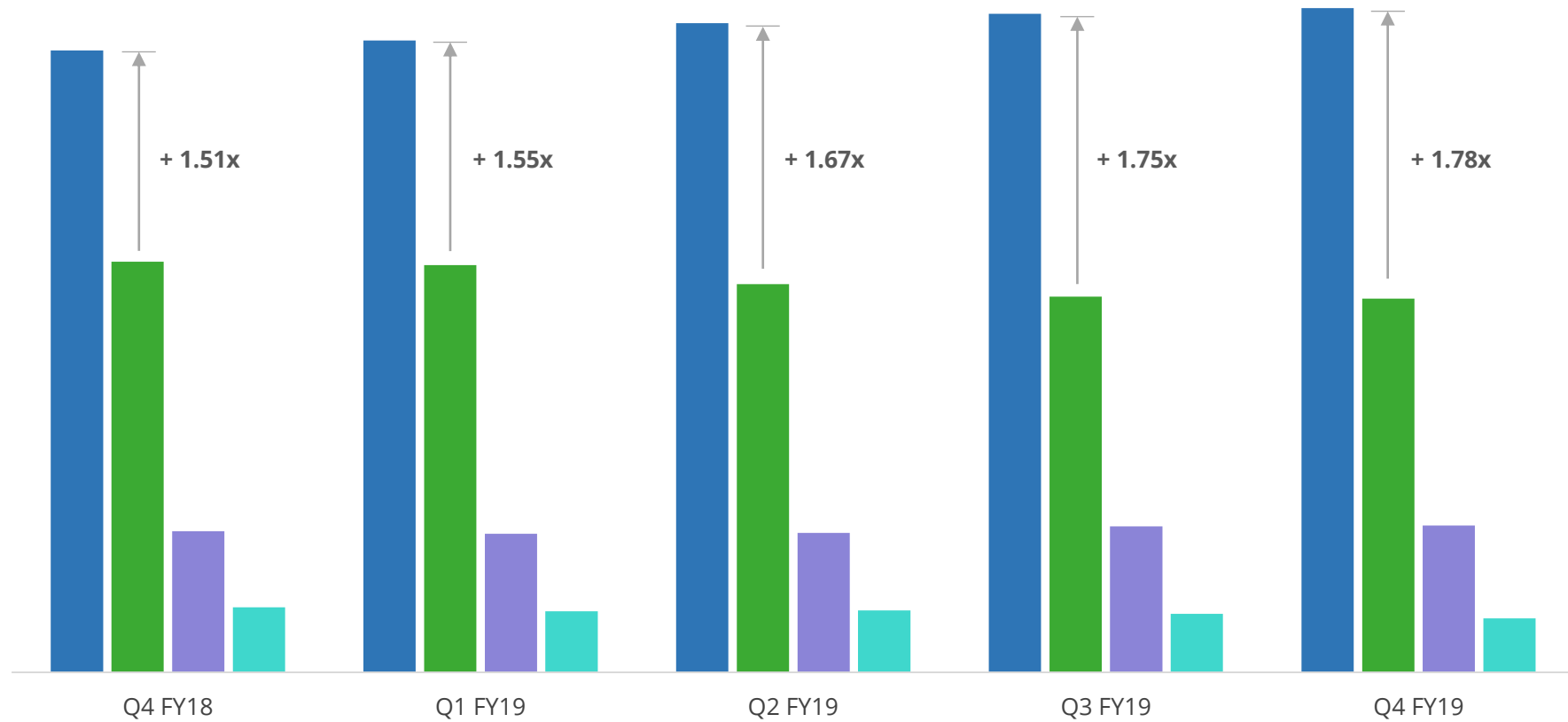
CARSALES AUSTRALIA



EXTENDING OUR AUSTRALIAN MARKET LEADERSHIP

Average Daily Unique Audience Market Share*

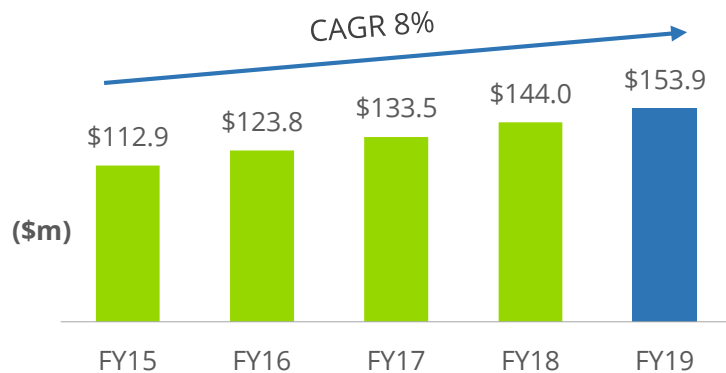
■ carsales ■ Competitor 1 ■ Competitor 2 ■ Competitor 3



*Nielsen Ratings average daily unique audience per quarter

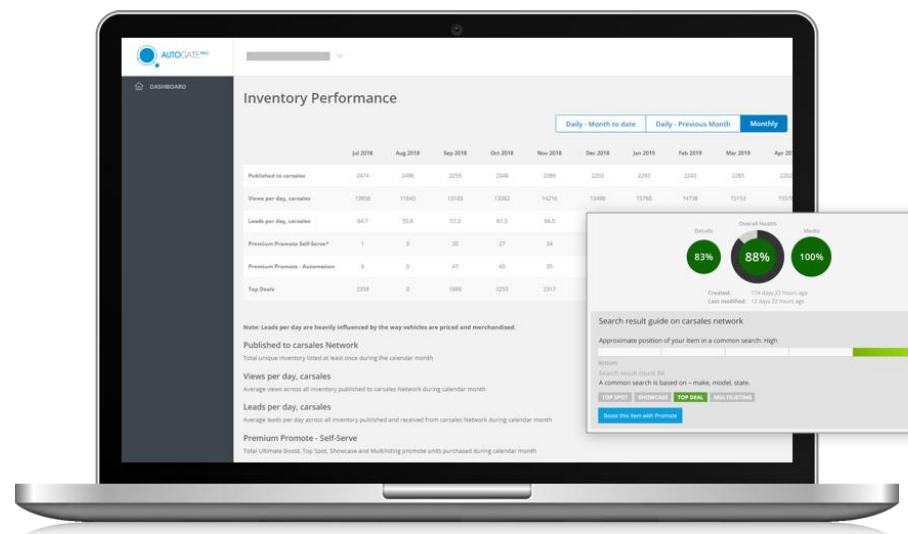
DEALER PERFORMANCE SUMMARY

Dealer revenue up 7% to \$153.9m



- Solid growth in core Dealer advertising revenue driven by higher used car leads volumes.
- Reflected the ongoing strength of the used car market and 7% growth in carsales' unique audience.
- Yield improvements and increased depth penetration also contributed to revenue growth across FY19.

Depth Reporting

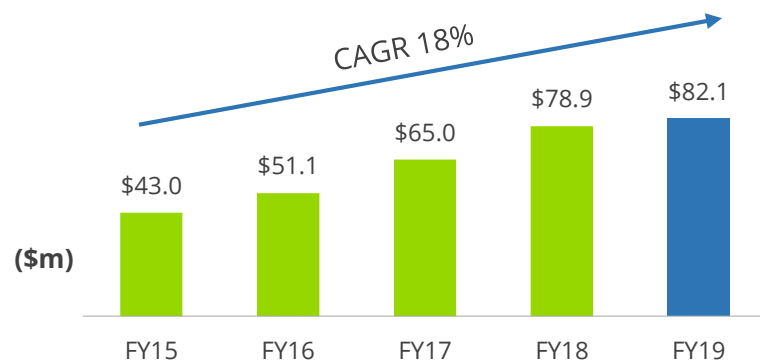


Improved reporting a key driver of increase in customer penetration and usage of depth products.

FY18 revenue has been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

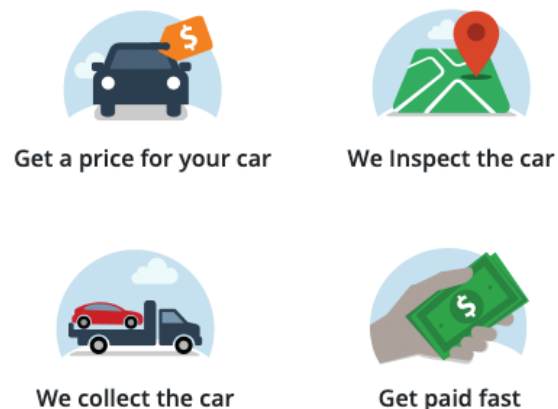
PRIVATE PERFORMANCE SUMMARY

Private revenue up 4% to \$82.1m



- Solid growth in core advertising products driven by pricing optimisation and increased premium uptake.
- Strong growth in carfacts product, reflecting importance of trust and safety solutions for customers.
- Strong exit run rate on Instant Offer following a product redesign.
- Revenue growth in H2 was impacted by lower tyresales revenue, as we test the balance between increasing customer penetration and margin preservation.
- Redbook Inspect reduced its reliance on lower margin rideshare inspections and invested in capability for future contracts and increasing penetration of pre-purchase inspections on carsales.

Instant Offer



INSTANT OFFER
QUICK, EASY AND HASSLE-FREE.

Get it sold

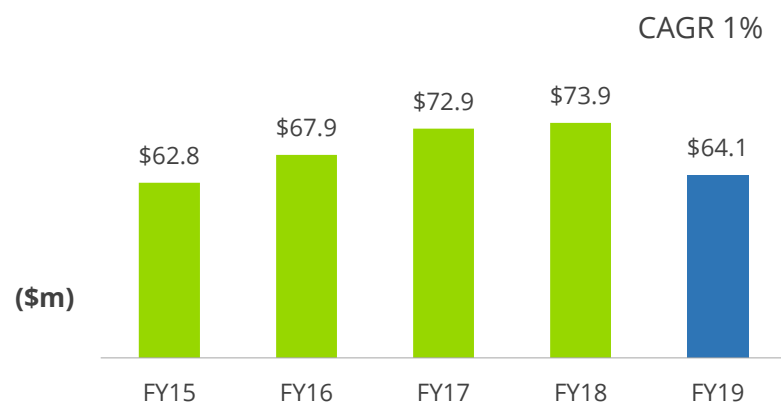
carsales

Successful redesign of Instant Offer product launched in May-19 resulted in a 100% uplift in monthly sales volumes.

FY18 revenue has been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

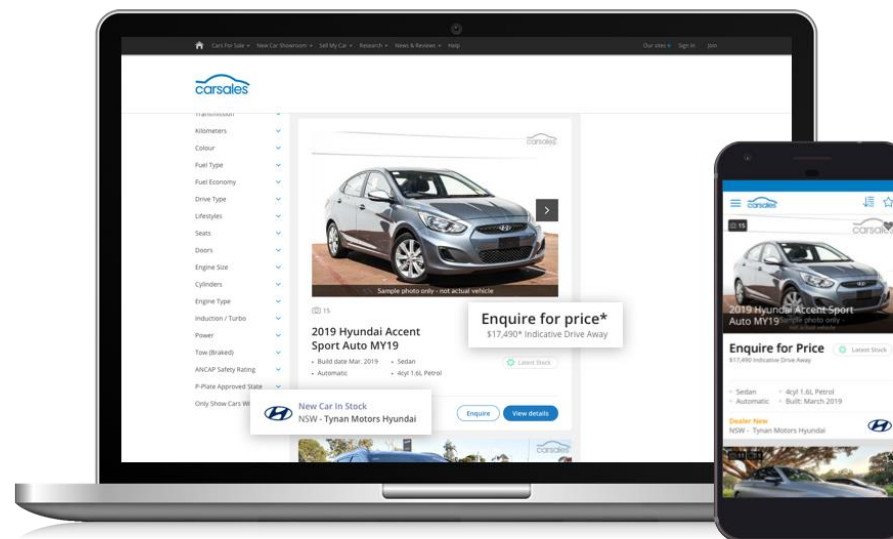
DISPLAY PERFORMANCE SUMMARY

Display revenue down 13% to \$64.1m



- Display advertising revenue down 13%, albeit with a much improved run rate in Q4.
- Reflects challenging advertising environment as a result of subdued new car market.
- Changes made to new car offering and products including video and native placements are well received by our OEM customers.

Refreshed new car offering

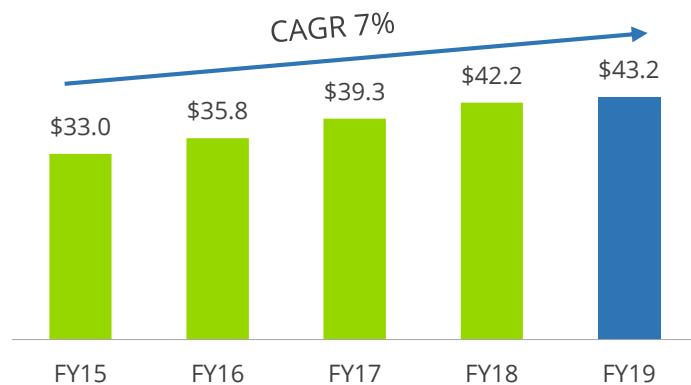


Positive response from OEMs with new car listings up 22% between Dec-18 and Jun-19.

FY18 revenue has been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.

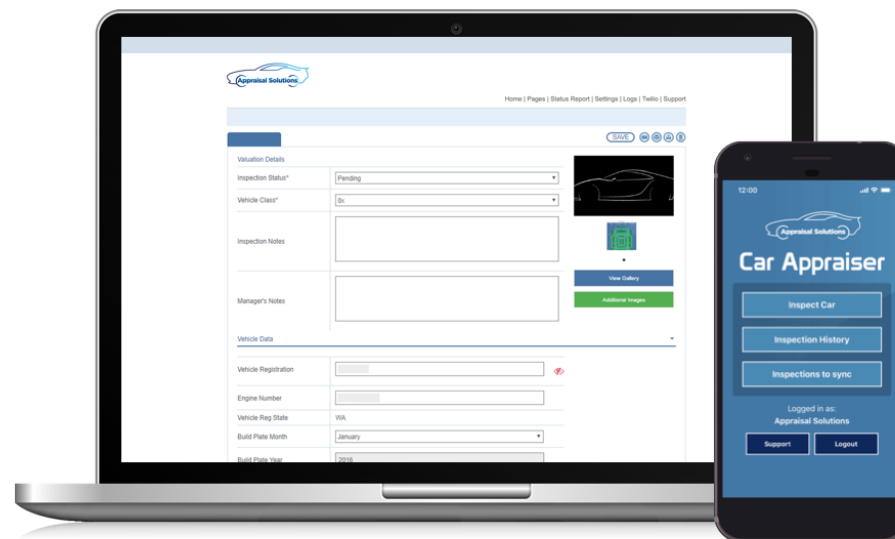
DATA, RESEARCH & SERVICES PERFORMANCE SUMMARY

DR&S revenue up 2% on pcp to \$43.2m



- H2 revenue growth impacted by intentional exit of low margin products and contracts. Underlying revenue growth of ~9% in FY19 excluding this impact.
- Strong demand for our proprietary data and research products.
- Good growth in vehicle appraisals product as dealers seek to grow their used car inventory supply.
- RedBook business continues to record pleasing revenue growth, consolidating its position as a market leading source of vehicle specification, valuation and pricing data.

Vehicle Appraisal Solutions



Strong demand for our new appraisals product.

FY18 revenue has been restated to reflect the adoption of AASB15. FY15-FY17 figures have not been restated as the impact would not be material.



CARSALES
INTERNATIONAL

INTERNATIONAL SUMMARY

Consolidated Entities

International - reported results	\$A Millions		Growth		Constant Currency (%)**
	FY18	FY19	\$'s	%	
Revenue					
SK Encar	26.0	61.0	35.0	135%	n/a
RedBook Asia and New Zealand	3.7	4.1	0.4	9%	8%
carsales Asia	29.7	65.1	35.4	119%	n/a
Carsales Mexico	1.1	1.9	0.8	69%	64%
Carsales Chile	5.0	5.9	0.9	17%	17%
Demotores Argentina	2.1	1.3	(0.8)	(37%)	13%
carsales Latin America	8.2	9.1	0.9	11%	n/a
Total International revenue	37.9	74.2	36.3	96%	n/a
EBITDA					
SK Encar	13.8	29.9	16.1	117%	n/a
RedBook Asia and New Zealand	1.9	2.1	0.2	8%	1%
carsales Asia	15.7	32.0	16.3	(104%)	n/a
Carsales Mexico	(2.3)	(5.3)	(3.0)	n/a	n/a
Carsales Chile	1.8	1.8	0.0	0%	1%
Demotores Argentina	(2.1)	(2.4)	(0.3)	n/a	n/a
carsales Latin America	(2.6)	(5.9)	(3.3)	n/a	n/a
Total International EBITDA	13.2	26.1	12.9	98%	n/a

Associate Entity

Webmotors - underlying results*	\$A Millions		Growth		Constant Currency (%)**
	FY18	FY19	\$'s	%	
Revenue	53.8	67.8	14.0	26%	35%
EBITDA	20.4	29.3	8.9	44%	54%

Summary

- Excellent progress in our international expansion strategy translating into an increasingly significant revenue and earnings contribution.

Revenue

- Strong reported revenue growth, largely reflecting the acquisition of SK Encar.
- Double digit constant currency growth in all international classifieds businesses.

EBITDA

- Excellent international look through EBITDA growth of 29%, reflecting strength in Korea and Brazil.
- Losses incurred in Argentina and Mexico in our aggressive pursuit of clear market leadership.

Associate Entity

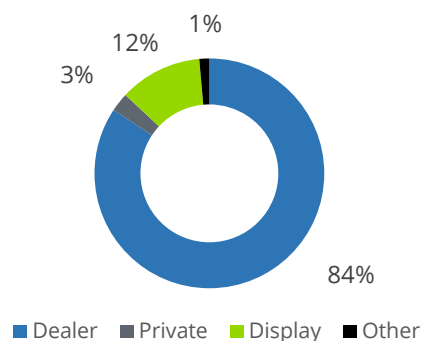
- Webmotors (Brazil) continued to perform very strongly and make excellent progress in extending its market leading position.

*Revenue and EBITDA stated is 100% of the revenue and EBITDA for the business.

** Reflects growth in local currency, excluding the impact of FX.

Pro-Forma (100%)*	FY18 KRWb	FY19 KRWb	PCP %
Reported revenue	43.8	49.5	13%
Reported EBITDA	21.4	24.3	13%

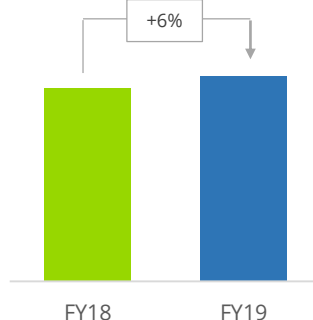
FY19 Revenue by Category



Page Views ¹



Leads ¹



Financial commentary:

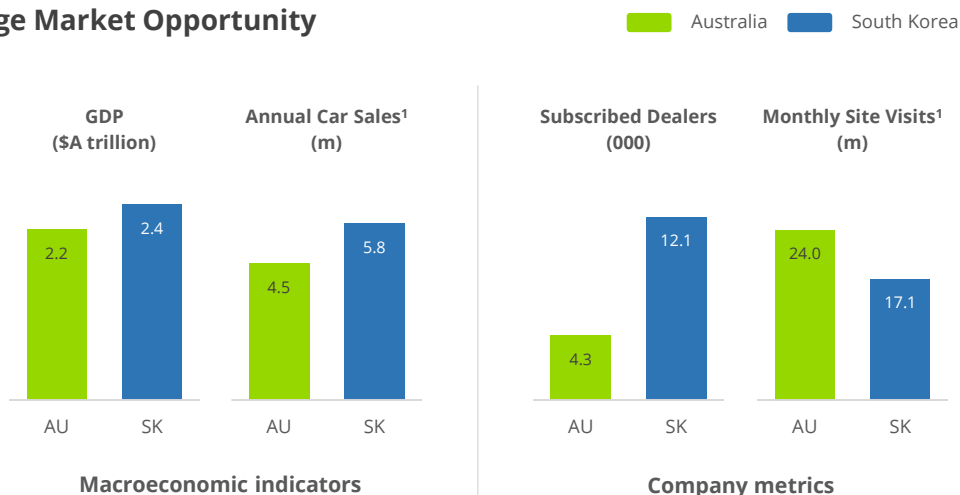
- Good performance in first full year of ownership.
- Good growth across all key revenue channels of Dealer, Private and Display.
- Key revenue growth drivers:
 - Increased uptake of premium listing dealer products, particularly the SK Encar Guarantee vehicle inspection service, which has been fuelled by geographic expansion into new branches outside of the key major cities.
 - Attaining additional share of media spend from key OEM, finance and insurance clients through a more targeted sales approach, as well as pleasing adoption of the new native display mobile advertising product.
- H2 revenue growth impacted by a softer Korean economy, partly as a consequence of the recent trade dispute with Japan.
- Significant upside remains via:
 - Additional value added services, particularly the SK Encar Guarantee service; and
 - Dealer yield and volume growth into FY20 and beyond. Implemented a price rise on Guarantee product in August 2019.

* Revenue and EBITDA is 100% of the revenue and EBITDA of the business

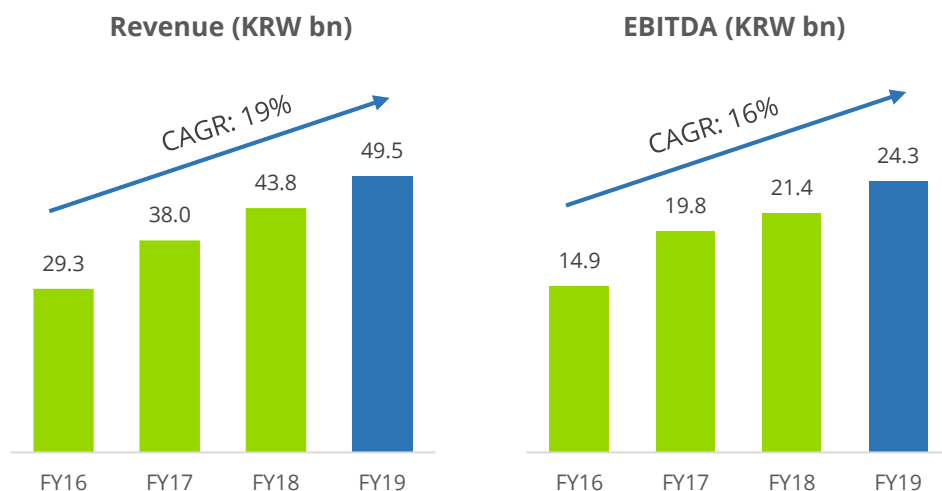
¹ Page views and leads generated for the period Jul-18 to Jul-19 compared with Jun-17 to Jun-18

SK ENCAR'S GROWTH OPPORTUNITY

Large Market Opportunity



Delivering excellent financial returns



Growth Opportunities

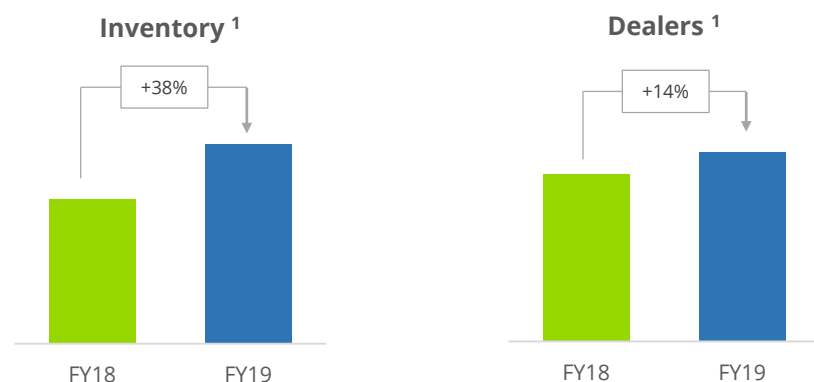
- **Economic / structural:** South Korea is the world's 12th largest economy, has a high GDP per capita, a strong automotive market and good growth prospects over the next decade. Positioned to benefit from expected migration of advertising expenditure towards online sources in next 2-3 years.
- **Yield growth:** potential for material yield growth over the next 2-3 years from a combination of price rises and volume growth in promote and inspection services. The revenue and EBITDA growth shown adjacent has been achieved without a price rise in the last two calendar years.
- **Volume growth:** good potential to grow listing volumes through regional expansion and a maturing online automotive sector.
- **Display/OEM revenue:** significant medium to long term upside available from a low base. New mobile and native product releases will drive this growth.
- **Dealer and consumer services:** significant opportunity to grow the suite of dealer and consumer services (pricing analysis and appraisal tools, finance products and extended warranty services).

¹Source: GDP: World Bank, Annual car sales: Korea – Korea Automobile Manufacturers Association, Australia – VFACTS and road transport Authority. Site visits - internal data

Pro-Forma (100%)	FY18 BRLm	FY19 BRLm	PCP %
Underlying revenue*	138.5	186.8	35%
Underlying EBITDA*	52.6	80.8	54%

carsales Share of Earnings (30% owned – equity accounted)

	FY18 AUDm	FY19 AUDm	PCP %
Reported NPAT	3.6	5.1	42%
Adjusted NPAT*	4.2	5.7	36%



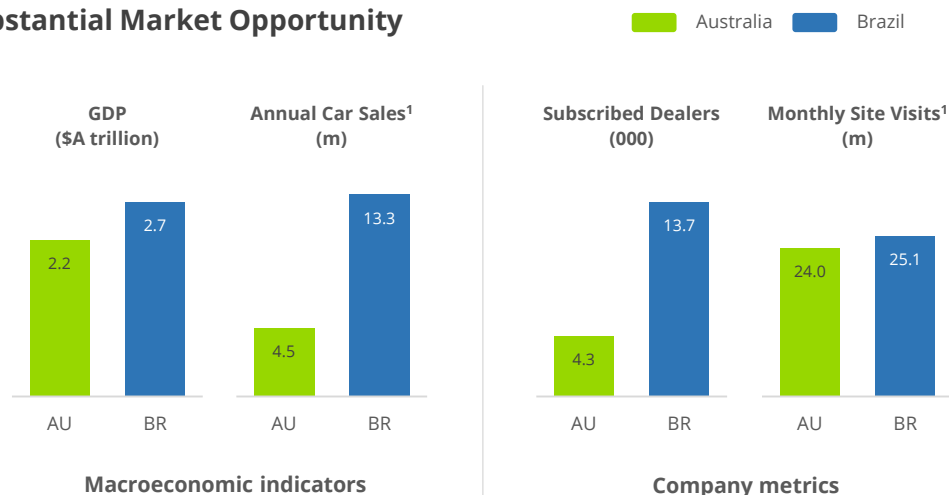
Financial commentary:

- Outstanding financial performance in FY19 as Webmotors consolidates its position as the clear no.1 automotive vertical classified site in Brazil.
- 25% growth in dealer revenue as a result of a large increase in dealer numbers and improved yield per dealership. The new 'Cockpit' platform for dealers has been well received and is a key growth driver.
- Significant growth in finance and insurance revenue, primarily driven by the Santander bank integration, which allows seamless credit assessment, including approval into Cockpit.
- Good operating leverage, supported EBITDA margin expansion from 38% to 43%.
- Outstanding growth in key operational metrics:
 - Inventory up 38%; and
 - Dealer customer numbers up 14%.

*Revenue and EBITDA stated is 100% of the revenue and EBITDA for the business. The carsales share of earnings is based on owning the percentage set out above. Adjusted NPAT stated above excludes intangible amortisation. See slide 29 regarding the disclosure of non-IFRS Information and slides 31-32 for a reconciliation of Adjusted NPAT to Reported NPAT.

¹Inventory and dealer volume counts as at 30 June 2019 compared with 30 June 2018.

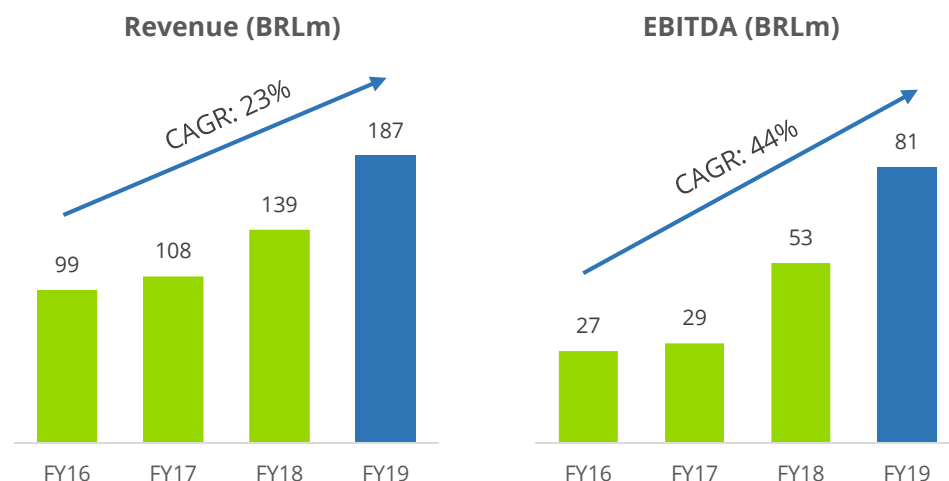
Substantial Market Opportunity



Growth Opportunities

- **Economic / structural:** Brazil is the world's 8th largest economy with strong growth expected over the next decade. The growing purchasing power of an emerging middle class should positively impact the automotive market.
- **Competitive position:** Webmotors is now the clear number 1 automotive vertical classified site in Brazil, having successfully transitioned to the lead charging model over the last 2 years.
- **Dealer acquisition:** significant scope to grow dealer numbers as Webmotors only has c.55% dealer penetration, with a total addressable market of c.26k dealers in Brazil.
- **Commercialising 'Cockpit':** Cockpit is a recently deployed automotive CRM product in the early stage of monetisation. Strong customer uptake and use to date.
- **Diversifying revenue streams:** Significant revenue opportunity in Private and OEM segments over the next 5 years given coming from a relatively low base.

Delivering outstanding financial returns



¹Source: GDP: World Bank, Annual car sales: Brazil – Based on new cars legal registration volume and used selling volume . Source: FENABRAVE (National Vehicle Distribution Association), Australia – VFACTS and road transport Authority. Site visits - internal data

CHILE		FY18 CLPm	FY19 CLPm	PCP %	Inventory ¹	Page Views ²	
	Reported revenue	2,416	2,821	17%			- Revenue growth primarily driven by dealer volume growth and yield expansion. - EBITDA margin impacted by investment in marketing, talent and product innovation.
	Reported EBITDA	858	865	1%			
ARGENTINA		FY18 ARS \$'000	FY19 ARS \$'000	PCP %	Inventory ¹	Leads ²	
	Reported revenue	30,736	34,594	13%			- Resilient revenue result reflecting good growth in dealer and display revenue. - Continuing to invest in our marketing, people and products in a difficult economic environment to strengthen our no.1 position in the market and grow key performance metrics.
	Reported EBITDA	(28,189)	(64,591)	n/a			
MEXICO		FY18 MXN \$'000	FY19 MXN \$'000	PCP %	Inventory ¹	Leads ²	
	Reported revenue	16,531.7	27,072.9	64%			- Pleasing growth in traffic and inventory metrics, reflecting marketing investment as well as upside from the continued deployment of our global platform. - Strong revenue growth primarily driven by dealer acquisition and increased dealer yield.
	Reported EBITDA	(33,217)	(71,732)	n/a			

¹Inventory and dealer volume counts as at 30 June 2019 compared with 30 June 2018.

²Page views and leads generated for the period Jul-18 to Jul-19 compared with Jun-17 to Jun-18

FY20 OUTLOOK



PERFORMANCE OUTLOOK - AGM

Group Outlook

We assume a gradual recovery in Australian automotive market conditions across the year, supported by lower interest rates, an improved lending environment, a recovering property sector and recent tax changes.

We have seen a solid start to the year in Q1 in our Core Australian Dealer and Private businesses. In Display, we are anticipating an improving trajectory across FY20, albeit market conditions remain challenging in this segment. The underlying performance of our Data business has been solid excluding the continued exit of non-core low margin product and contracts. We also expect our domestic adjacent businesses of tyresales and Redbook Inspect to show good growth in FY20.

In Brazil and Korea, we expect our growth rates to be similar to FY19. We do not anticipate a further deterioration in the South Korean economy as a result of the ongoing trade dispute with Japan.

We expect improving profitability in our Chilean business and a similar level of investment in our Mexican and Argentinian businesses compared with FY19.

Overall, we anticipate Group Revenue, Adjusted EBITDA and Adjusted NPAT growth to be solid in FY20*.

* Growth from 'AASB 16 – Leases' restated FY19 result.

APPENDIX



OVERVIEW OF CARSALES NON-IFRS FINANCIAL INFORMATION

What is IFRS and non-IFRS financial information?

- IFRS financial information is financial information that is presented in accordance with all relevant accounting standards.
- Non-IFRS financial information is financial information that is presented other than in accordance with all relevant accounting standards. For example:
 - Revenue or profit information calculated on a basis other than under accounting standard definitions or calculated with accounting standards and then adjusted e.g. “adjusted”, “underlying” or “look through”.

What non-IFRS financial information does carsales disclose in its half year and year end results presentations?

- carsales presents reported financial information for its business segments, associates and investments where applicable IFRS financial information exists. The financial information presented is sourced directly from financial information prepared in accordance

with all relevant accounting standards and has been subject to either review or audit by carsales’ external auditors (PwC).

- In carsales’ investor presentations the company aims to provide equal or greater prominence to IFRS financial information. However, we also present or refer to non-IFRS financial information. Please note, all information labelled “Reported” in this presentation complies with IFRS.
- Non-IFRS financial information is calculated based on statutory IFRS financial information and adjusted to show either a position excluding significant items which have been removed OR presented based on carsales’ effective equity ownership interest of an entity’s underlying revenue, EBITDA or NPAT.
- Any non-IFRS financial information is clearly labelled as “underlying” or “look-through” to differentiate it from reported/IFRS financial information.
- carsales provides reconciliations on the face of slides, appendices and in footnotes of presentations in order to allow the reader to clearly reconcile between the IFRS and non-IFRS financial information.

Why does carsales disclose non-IFRS financial information in its half year and full year results presentations?

- carsales has invested in businesses in Malaysia, Thailand, Indonesia, South Korea, Mexico, Chile, Brazil and Argentina and has become a global portfolio of online automotive assets. Accordingly carsales management believes that the presentation of additional non-IFRS information in its half year and full year results presentations provides readers of these documents with a greater understanding into the way in which management analyses the business as well as meaningful insights into the financial conditions of carsales overall performance.
- The Australian Securities and Investment Commission (“ASIC”) acknowledges the relevance of non-IFRS financial information in providing “meaningful insight” as long as it does not mislead the reader.

CARSALES "LOOK THROUGH" P&L ANALYSIS

	FY18					FY19					Growth		
	% Owned	Days Owned	Reported	Underlying	Look Through	% Owned	Days Owned	Reported	Underlying	Look Through	Reported %	Underlying %	Look Through %
Revenue													
carsales International													
WebMotors	30%	365	Equity Acc'ted	53.8	16.1	30%	365	Equity Acc'ted	67.8	20.3	n/a	26%	26%
SK Encar	49.9%,100%	365	26.0	52.0	40.4	100%	365	61.0	61.0	61.0	135%	17%	51%
RedBook Asia and NZ	100%	365	3.7	3.7	3.7	100%	365	4.1	4.1	4.1	9%	11%	9%
soloautos	65%	365	1.1	1.1	0.7	100%	365	2.0	2.0	2.0	74%	82%	167%
chileAutos**	83.3%	365	4.8	4.8	4.1	100%	365	5.9	5.9	4.9	23%	23%	20%
Demotores	100%	365	2.1	2.1	2.1	100%	365	1.3	1.3	1.3	-38%	-38%	-38%
Total International			37.8	117.5	67.2			74.2	142.1	93.6	97%	21%	39%
carsales Domestic													
Domestic Core Business	100%	365	298.1	298.1	298.1	100%	365	300.3	300.3	300.3	1%	1%	1%
Domestic Investments *	Various *	365	41.0	46.5	28.8	Various *	365	43.0	53.2	30.8	5%	14%	7%
Total Domestic			339.1	344.6	326.9			343.3	353.5	331.2			
Total Revenue			376.9	462.1	394.1			417.5	495.6	424.7	11%	7%	8%
EBITDA													
carsales International													
WebMotors	30%	365	Equity Acc'ted	20.4	6.1	30%	365	Equity Acc'ted	29.3	8.8	n/a	44%	44%
SK Encar	49.9%	365	13.8	25.7	20.5	100%	365	29.9	29.9	29.9	116%	16%	46%
RedBook Asia and NZ	100%	365	2.0	2.0	2.0	100%	365	2.1	2.1	2.1	4%	5%	5%
soloautos	65%	365	(2.3)	(2.3)	(1.5)	100%	365	(5.3)	(5.3)	(5.3)	131%	130%	253%
chileAutos**	83.3%	365	1.8	1.8	1.5	100%	365	1.8	1.8	1.5	1%	0%	0%
Demotores	100%	365	(1.7)	(1.7)	(1.7)	100%	365	(2.4)	(2.4)	(2.4)	43%	41%	41%
Total International			13.7	45.9	26.9			26.2	55.4	34.6	n/a	21%	29%
carsales Domestic													
Domestic Core Business	100%	365	177.9	177.9	177.9	100%	365	182.9	183.0	183.0	3%	3%	3%
Domestic Investments *	Various *	365	4.4	(3.0)	1.4	Various *	365	1.0	(10.3)	(1.3)	-77%	244%	-197%
Total Domestic			182.3	174.9	179.3			183.9	172.7	181.6	1%	-1%	1%
Total EBITDA			196.0	220.8	206.2			210.1	228.1	216.2	7%	3%	5%

* Domestic Investments comprises RedBook Inspect, tyresales, Ratesetter and Promisepay. | Auto Exchange - remaining 50% of Auto Exchange purchased in August 2018. Restated to show this within Core Business rather than Domestic Investments for all periods. | ** chileautos was 100% owned from Dec-18. Previously 83.3% owned | carsales "Look Through" methodology: For equity accounted associates and consolidated subsidiaries, add the total revenue or EBITDA for the period of ownership within the reporting period multiplied by the % ownership over the period. Some "Look Through" numbers involve the disclosure of non IFRS information - Refer to carsales' Disclosure of Non IFRS information on slide 29 for further details.

RECONCILIATION OF REPORTED TO ADJUSTED NPAT

Year Ending 30 June 2019	Full Year		Growth	
	FY18	FY19	\$'s	%
Reported NPAT (continuing operations)	182.3	133.2	(49.1)	(27%)
Expense Adjustments				
Restructure cost*	-	1.3		
FY18 Bad Debt Write-off*	-	2.2		
Interest Adjustments				
Option Discounting Unwind	0.3	0.4		
Option Movement in Fair Value	(4.0)	(11.3)		
Finance Cost Write-off	0.4	-		
Investment Adjustments				
SK Encar one-off tax adjustment	2.1	-		
Gain on associate dilution	(1.3)	(2.1)		
Non controlling interest	0.3	0.5		
Fair value revaluation	(57.0)	-		
NPAT before one-off items	123.1	124.3	1.2	1%
Acquired intangible amortisation*				
Webmotors	0.6	0.5		
SK Encar	3.4	5.8		
Soloautos	0.1	0.1		
Chileautos	0.5	0.5		
Demotores	0.1	0.1		
Total acquired intangible amortisation	4.7	7.0	2.3	50%
Adjusted NPAT (continuing operations)	127.8	131.3	3.5	3%

* Tax effected

ADJUSTED FINANCIALS

\$A Millions	FY18			FY19			Growth %	
Year Ending 30 June 2019	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted	Reported	Adjusted
Total revenue	376.9	-	376.9	417.5	-	417.5	11%	11%
Total operating expenses	180.8	-	180.8	212.3	(4.9)	207.4	(17%)	(15%)
EBITDA	196.1	-	196.1	205.2	4.9	210.1	5%	7%
<i>EBITDA margin</i>	52%		52%	49%		50%		
Depreciation & amortisation	15.6	(3.9)	11.7	24.3	(8.1)	16.2	(55%)	(38%)
EBIT	180.5	3.9	184.4	180.9	13.0	193.9	0%	5%
Net financing cost	6.4	3.3	9.7	2.6	10.8	13.4	59%	(39%)
Profit Before Tax	174.1	0.7	174.7	178.3	2.2	180.6	2%	3%
Income Tax Expense	53.9	(1.3)	52.5	50.2	3.1	53.3	7%	(1%)
Profits from associates	5.1	1.5	6.6	3.1	0.5	3.7	(39%)	(44%)
Fair value revaluation	57.0	(57.0)	-	-	-	-	(100%)	-
Gain on associate investment dilution	1.3	(0.9)	0.3	2.1	(1.6)	0.5	65%	66%
Non-controlling interest (NCI)	(1.3)	-	(1.3)	(0.1)	-	(0.1)	94%	94%
Net profit after tax (continuing)	182.3	(54.5)	127.8	133.3	(1.9)	131.4	(27%)	3%
Total profit from discontinued operations	2.2			(48.0)				
Net profit after tax (total)	184.6			85.3				

A close-up, slightly blurred photograph of two hands shaking in a firm grip. The hands are positioned in the center of the frame, with the fingers interlaced. The background is out of focus, showing what appears to be an office or meeting environment with warm, golden-brown lighting. The overall mood is professional and collaborative.

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