

CarsGuide proposes to merge with newly formed Cox Automotive Australia; News Corp Australia to exit on merger

- Strategically combines automotive industry leaders known for innovation
- Creates a stronger competitor across the entire vehicle marketing value chain
- Cox Automotive Australia establishing itself in the market is transformative for the industry

Today Cox Automotive Australia and CarsGuide companies have signed merger agreements which are subject to regulatory requirements, shareholder approval and a capital raise. News Corp Australia will exit on closing of the proposed transaction. The transaction is due to complete in late 2016.

Cox Automotive is based in Atlanta USA and the global company has nearly 30,000 team members in more than 200 locations and is partner to more than 40,000 auto dealers worldwide. The company leads the online automotive market in the USA with the top 2 sites, Auto Trader & Kelley Blue Book with a combined audience of over 18 million UA per month. Cox Automotive Australia owns other wholesale and retail automotive brands, including Manheim and the recently acquired Dealer Solutions.

Lauren Williams, CEO of CarsGuide, said, “this deal is recognition of the success CarsGuide has achieved in the automotive classified market over the past few years, establishing itself as a leading site amongst consumers recently achieving over a million unique visitors*. Now as part of Cox Automotive Australia, CarsGuide will deliver and support our 2100 dealers with much needed alternatives across all parts of the value chain. The merger of Cox and CarsGuide will be transformative for CarsGuide and the automotive industry in Australia.”

Greg Duncan, former owner of Trivett, Director of AHG and Chairman of CarsGuide said, “Cox Automotive offers a comprehensive range of products and services to the automotive industry globally. Cox has the scale and breadth to be a game changer not only for CarsGuide but the Australian auto industry as a whole. Cox’s business is about partnering and supporting dealers, not competing with them.”

In September 2014, CarsGuide relaunched the brand and business with a unique location-based offering for consumers. In less than two years CarsGuide has almost doubled its audience, recently achieving one million unique visitors in a month.

CarsGuide has firmly established itself as the clear #2 for dealer inventory in the automotive classifieds market, and is one of the leading sources of expert car reviews, news and advice.

CarsGuide is one of the most* recognised automotive editorial brands in Australia, and this new merger will also help CarsGuide to further innovate and increase our editorial offering.

Cox Automotive has an established presence in Australia through its subsidiary Manheim and has recently acquired Dealer Solutions and along with CarsGuide will now form Cox Automotive Australia. CarsGuide.com.au is currently 50 per cent owned by News Corporation and 50 per cent by a group of 35 major car dealers that represent over 700 dealerships across Australia.

About Cox Automotive:

Cox Automotive, Inc. is transforming the way the world buys, sells and owns cars with industry-leading digital marketing, software, financial, wholesale and e-commerce solutions for consumers, dealers, manufacturers and the overall automotive ecosystem worldwide. Committed to open choice and dedicated to strong partnerships, the Cox Automotive family includes Manheim®, Autotrader®, Kelley Blue Book®, Dealertrack®, vAuto®, Xtime®, NextGear Capital® and a host of other brands. The global company has nearly 30,000 team members in more than 200 locations worldwide and is partner to more than 40,000 auto dealers as well as most major automobile manufacturers. Cox Automotive is a subsidiary of Cox Enterprises, Inc., an Atlanta-based company with revenues of more than \$18 billion and approximately 55,000 employees. Cox Enterprises' other major operating subsidiaries include Cox Communications and Cox Media Group. For more information about Cox Automotive, please visit www.coxautoinc.com.

About CarsGuide:

Launched in 2011, CarsGuide has grown to become Australia's second largest automotive classifieds website. CarsGuide was born when News Corp Australia and a strong network of Australia's largest automotive groups embarked on a venture to build the easiest and safest place to buy and sell cars in Australia. They offer features like free listings and a map that shows all available cars for sale. On average, CarsGuide.com.au lists over 100,000 new and used cars for sale from dealers and private sellers all over Australia. They receive more than 12 million page views per month. CarsGuide is also one of the leading sources of new and used car reviews, news and advice from their national network of motoring journalists and international automotive experts. Put simply, CarsGuide provides a market where private sellers and dealers can confidently and simply buy and sell vehicles. CarsGuide employs approximately 70 team members, located at their Sydney head office and in offices in Melbourne. For more information on CarsGuide please visit – www.CarsGuide.com.au

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*1 Nielsen data June 2016

*2 Hubinsights internal research Nov 2015