

MEDIA RELEASE

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CarsGuide, Dealer Solutions, Manheim and Sell My Car merge to form Cox Automotive Australia

- **Strategically combines automotive industry leaders known for innovation, client focus and delivering results**
- **Creates a broader suite of open solutions that provides greater value to the wholesale and retail automotive sectors as well as consumers**
- **Benefits dealers, vehicle manufacturers, fleet managers, vehicle sellers and consumers**

The merger of CarsGuide with the existing assets of Cox Automotive™ in Australia is now complete, including the finalisation of all necessary regulatory approvals.

CarsGuide, Dealer Solutions, Manheim and Sell My Car have combined to form Cox Automotive Australia which will empower clients to thrive in a rapidly changing automotive marketplace and can bring to Australia and New Zealand other brands from U.S.-based Cox Automotive.

John Bailey, president of International, Cox Automotive said: "Today's announcement is a watershed moment for the automotive industry, as we officially combine CarsGuide with Dealer Solutions, Sell My Car and Manheim to form Cox Automotive in Australia. "It is important to note that the new company is a true partnership with the automotive retail and wholesale sectors."

"This merger aligns our capabilities in the region with Cox Automotive's comprehensive range of global products and services and will enable us to connect our clients to an unrivalled suite of the most powerful solutions in the automotive marketplace, in a truly differentiated way."

Cox Automotive Australia is 70% owned by Cox Automotive and 30% owned by DealerMotive, which is a consortium of some 60 dealer groups representing approximately 600 dealerships around the country.

Combined, the dealers who have invested in Cox Automotive Australia comprise a very considerable share of the national retail and wholesale automotive industry. This network of dealer investors accounts for practically every new car franchise in the market and many geographic regions in the country. Their combined selling power represents around **one-third** of all new and used vehicle sales made in Australia, not to mention their parts and servicing market share.

Three Solutions Groups

Bringing the existing brands together into a client focused, integrated offering of complementary products and services, the Group will operate as Cox Automotive Australia, with each brand retaining its own identity and focus. Plans to incorporate Xtime, another Cox Automotive brand into the new structure are also under way.

Cox Automotive provides services that span the entire life-cycle of buying, owning and selling vehicles and automotive assets. The new company will be organised in 'solution groups' to best service the needs of its clients.

Under the Inventory Solutions group will be Manheim and Sell My Car, providing services to dealers, fleet managers, fleet owners, businesses and consumers for any needs related to **buying** and **selling** vehicles, including logistics, sales and residual value setting.

MEDIA RELEASE

The Media Solutions group will comprise CarsGuide and Autotrader which will be relaunched by Cox Automotive later in 2017, assisting dealers and private buyers to research, **buy** and **sell** vehicles online, in addition to providing **digital advertising** and marketing services to the automotive industry.

Dealer Solutions will represent the Retail Solutions group, with Xtime to join the group in the near future, offering dealers and manufacturers a comprehensive range of modular software and online based services, to facilitate **retail vehicle sales** and **after-sales customer retention and vehicle servicing**.

In the lead up to the formation of Cox Automotive, the companies have already been working together on integration projects, to offer clients value-added services across the solutions groups. With the company officially formed, connecting the businesses to provide comprehensive automotive solutions that unite to amplify their client's efficiency and profitability will firmly be the focus in 2017.

Transforming the automotive landscape

Cox Automotive Australia will have the resources to transform the way people buy, sell and own vehicles, through the powerful combination of its family of brands. Until now, there has not been a player in this market that can offer integrated services that span the entire life-cycle of a vehicle - from buying, owning and selling - for consumers, dealers, manufacturers, fleet and leasing companies and other automotive sector clients.

Joe Luppino, senior vice president and Chief Operating Officer of International, Cox Automotive was pleased to comment on the formation of Cox Automotive in Australia: "As part of Cox Enterprises, a global firm with 60,000 employees and revenues of more than \$18 billion (USD), Cox Automotive can actively support local clients with the resources of one of the world's leading automotive services company."

"Major changes within the automotive landscape are creating vast new opportunities and formidable barriers to success that until a few years ago didn't even exist. Cox Automotive Australia will exist to empower each of our clients to thrive in a rapidly changing automotive marketplace."

While each brand will focus on its area of expertise, with the resources of one of the world's largest providers of automotive services behind them, the true power of Cox Automotive locally will reside in the benefits that clients will receive from global, leading and integrated solutions spanning the automotive ecosystem.

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About Cox Automotive Australia (<http://www.coxautoinc.com.au>)

Cox Automotive Australia owns and operates CarsGuide, Sell My Car, Manheim Auctions and Dealer Solutions in Australia and New Zealand. The incorporation of Xtime into the new structure is also being considered.

Apart from the existing brands on offer, other powerful Cox Automotive brands could be added to the market moving forward. They include **incadea**, a global Dealer Management System technology provider and **Autotrader**, one of the world's largest online classifieds websites which will integrate with CarsGuide. **Kelley Blue Book** and **vAuto** are also under review for this market.

MEDIA RELEASE

About Cox Automotive (www.coxautoinc.com)

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 Autotrader®, Dealer.com®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital®, vAuto®, Xtime® and a host of other brands.

The global company has 33,000 team members in more than 200 locations and is partner to more than 40,000 auto dealers, as well as most major automobile manufacturers, while engaging U.S. consumer car buyers with the most recognized media brands in the industry. Cox Automotive is a subsidiary of Cox Enterprises Inc., an Atlanta-based company with revenues of \$18 billion and approximately 60,000 employees. Cox Enterprises' other major operating subsidiaries include Cox Communications and Cox Media Group. For more information about Cox Automotive, visit www.coxautoinc.com.

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