



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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**PROPOSED COMBINATION OF THE ONLINE CLASSIFIED
BUSINESS OF ACP AND CARSALES**

Publishing and Broadcasting Limited ("**PBL**") today announced a proposed combination of the Australian online trader classified business conducted by ACP Magazines Limited ("**ACP**") and the online classified business of carsales.com.au Limited ("**Carsales**"). The proposed transaction is subject to the approval of Carsales' shareholders.

Carsales will purchase ACP's Australian online trader classifieds assets comprising Carpoint.com.au, Boatpoint.com.au, Bikepoint.com.au and lhub.com.au (truckhub, farmhub, constructionhub, factoryhub, forestryhub and minehub) as well as Equipment Research Group Pty Ltd ("**ERG**"), an industry based research and statistic company, in return for the issue to ACP of equity equivalent to 41% of the share capital of Carsales. Three nominees of ACP (James Packer, John Alexander and Gregg Haythorpe) will be appointed to the Board of Carsales which will now comprise six directors.

The proposed transaction will enhance the position of Carsales in the online automotive classifieds business and also means that Carsales will have a strong position in the online boats, bikes and industry businesses. PBL will assist the Carsales businesses as appropriate drawing on its considerable resources and expertise in both online and other media.

PBL's Executive Chairman, Mr James Packer stated: "We are very excited by the potential of this proposed transaction given the leading position that the brands of the combined businesses will hold in the online car, boat, bikes and machinery businesses. We share the vision of Carsales' management as to the strong growth we believe Carsales can achieve moving forward."

For further information, contact Gregg Haythorpe on (02) 9282 8236.

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COPIES OF RELEASES

Copies of previous media and ASX announcements issued by PBL are available on the company's website at www.pbl.com.au. After accessing the site, click on "Investor Info" at the top of the home page and then on Media Releases.