



26 August 2011

APPENDIX 4E – FULL YEAR RESULTS SLIDE PRESENTATION

In accordance with ASX Listing Rules, the attached is the slide presentation to accompany the 2011 Full Year Results Announcement and the Appendix 4E – Preliminary Final Report.

David Rowland
Company Secretary

About AHG

Automotive Holdings Group Limited (ASX: AHE) is a diversified automotive retailing and logistics group with operations in every Australian mainland state and in New Zealand. The Company is Australia's largest automotive retailer, with its major operations in Western Australia, New South Wales and Queensland. AHG also operates the Prestige Hino truck dealership in Dandenong, Victoria – one of the largest in the country, and a leading Toyota dealership in Melbourne.

AHG operates logistics businesses throughout Australia through subsidiaries Rand Transport (transport and cold storage), AMCAP (motor parts and industrial supplies distribution), VSE, providing vehicle storage and engineering, Genuine Truck Bodies, which provides body building services to the truck industry, and KTM Sportmotorcycles (motorcycle importation and distribution in Australia and New Zealand).

In May 2011 AHG announced the expansion of its logistics business with the acquisition of Coventry's WA automotive parts distribution business and national refrigerated freight service business, Harris Refrigerated Transport.



AUTOMOTIVE HOLDINGS GROUP

30 June 2011 Full Year Results

26 August 2011



- Group performance overview
- Automotive operational highlights and outlook
- Logistics operational highlights and outlook
- Other business and capital management
- Outlook
- Questions

- Record operating ⁽¹⁾ EBITDA of \$123.7 million – (106.7% of pcg)
- Solid automotive result despite challenging market conditions, supply constraints (Japanese tsunami) and impact of Queensland economy and floods
- Capital raising has strengthened the balance sheet to support future growth
- Rand Transport continues to expand with the opening of new cold storage and transport facilities in Melbourne and Brisbane
- Strategic acquisitions for Automotive and Logistics divisions – integrations on track

1 = operating results exclude non-recurring items (2011: \$19.9m impairment and \$1.3m (net of tax) acquisition-related costs; 2010: \$5.2m (net of tax) profit from sale of investments)

Group operating financial highlights

- Group revenue increased to \$3.34 billion (103.0% of pc^p)
- Record operating ⁽¹⁾ EBITDA of \$123.7 million – (106.7% of pc^p)
- Operating ⁽¹⁾ EBITDA margin 3.7% (103.6% of pc^p)
- Operating ⁽¹⁾ NPAT \$52.4 million (95.1% of pc^p)
- Statutory NPAT of \$31.2 million net of \$19.9 million impairment
- Full year dividend of 17.0 cents per share fully franked (17.0 cents pc^p)
- Completion of equity placement \$83 million (before transaction costs)

Group operating performance - summary

	FY10 ⁽¹⁾	FY11 ⁽¹⁾	% pcp ⁽²⁾
	\$M	\$M	
Revenue	3,240.0	3,336.8	103.0%
EBITDA	116.0	123.7	106.7%
EBITDA margin %	3.6%	3.7%	103.6%
EBIT	99.1	104.2	105.1%
Interest (Net)	(19.7)	(27.2)	138.1%
NPAT attributable to shareholders	55.1	52.4	95.1%
Basic EPS (cents per share) ⁽³⁾	24.4	22.7	93.4%
Interest (cover)	5.0	3.8	76.1%

1 = refer to page 3.

2 = based on raw data

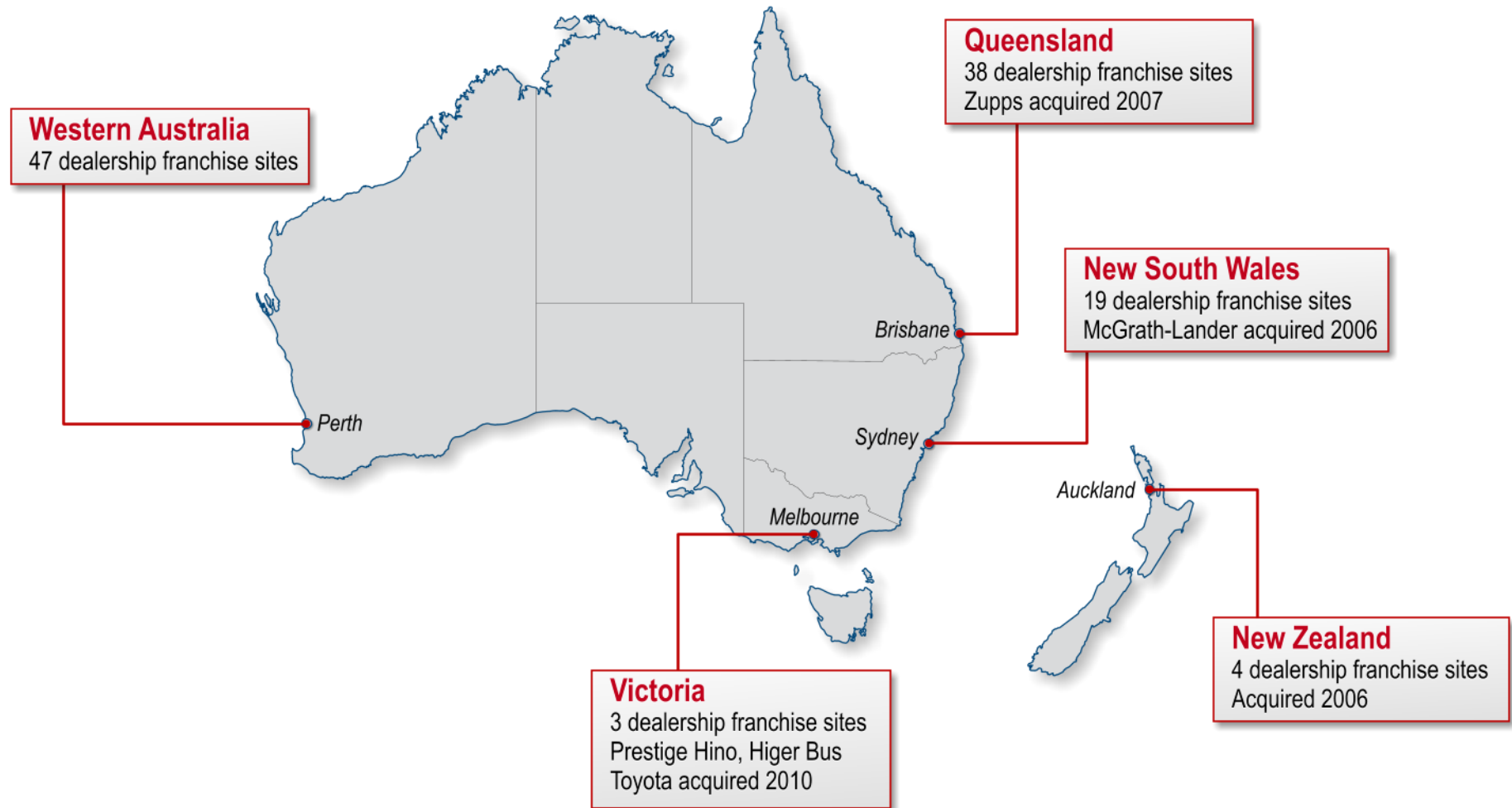
3 = weighted average number of shares on issue (2010 - 226.4 million), (2011 – 230.5 million), (actual number of shares 260.4 million at 30 June 2011)

- Non-cash accounting impairment in Queensland of \$19.9 million
 - Logistics – impairment linked to re-alignment of Mitsubishi's parts distribution strategy in Queensland (\$13.2 million)
 - Automotive – 4 dealerships affected from 17 in Queensland and 80 across AHG (\$6.7 million)
- Restructuring initiatives in place to improve performance in Queensland

Automotive



Dealership network



- Record performances from WA, NSW and NZ
- Positive signs from restructure of Queensland
- Operating⁽⁴⁾ EBITDA up 6.7% on pcp
- Operating⁽⁴⁾ EBITDA margin improvement despite under-performing Queensland operations
- Purchase of strategic greenfield site in Castle Hill
- Supply disruption (Japanese tsunami) impacted auto business, normalising in FY12
- Order bank at record levels

4 = from operating operations which exclude non-recurring items (2011: \$6.7m impairment charge and \$0.49m (net of tax) acquisition transaction costs; 2010: \$5.2m (net of tax) profit from sale of investments)

Automotive operating performance

	FY10	FY11 ⁽⁴⁾	% pcp ⁽²⁾
	\$M	\$M	
Revenue	2,857.7	2,924.8	102.3%
EBITDA	88.8	94.7	106.7%
EBITDA margin %	3.1%	3.2%	104.2%
Depreciation and amortisation	(10.5)	(11.8)	112.7%
EBIT	78.3	82.9	105.9%
Interest (Net)	(15.5)	(23.2)	149.9%
Profit before tax	62.9	59.8	95.1%

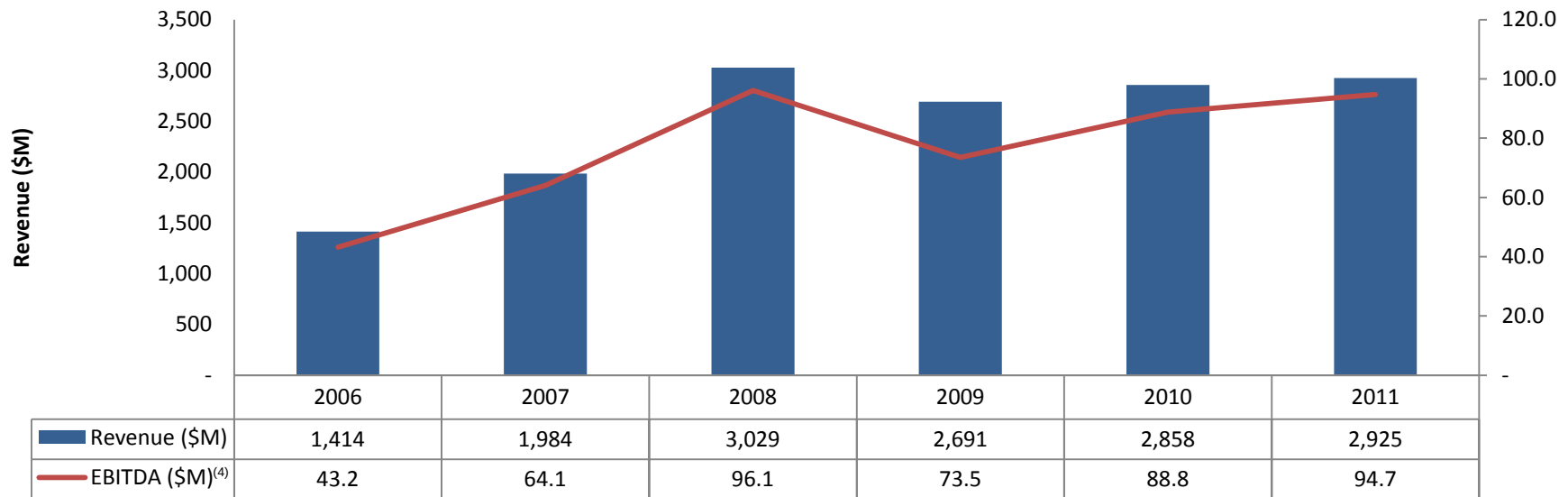
- Net interest expense up 49.9% on pcp reflecting increased interest rates and property holding costs

2 = refer to page 5.

4 = refer to page 9.

Automotive – steady operating growth

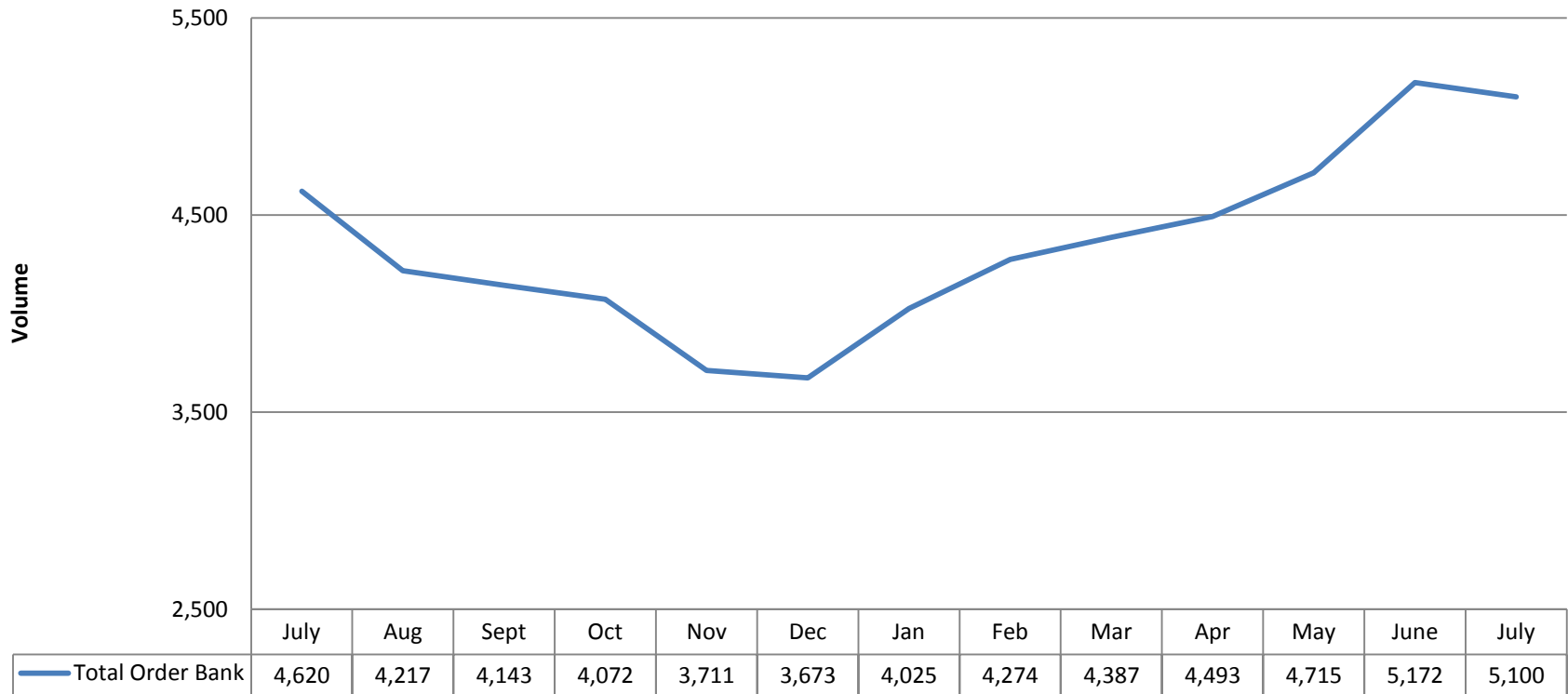
FY Divisional Result - Automotive



- Strong sales and operating ⁽⁴⁾ EBITDA performance year on year supported by new vehicle volume FY11 1,000,642 vs. FY10 1,013,273
- Industry forecast for CY11 ~ 1 million

Strong order bank to support FY12

Vehicle Order Bank



- Manufacturers' supply issues easing in FY12
- Opportunities to crystallise order bank

Logistics



- Record revenue \$412 million (107.8% of pc^p)
- Record operating ⁽⁵⁾ EBITDA \$29.0 million (106.6% of pc^p)
- Record performance from Transport and Cold Storage
 - new facilities in Melbourne and Brisbane
- Continued strong performance in AMCAP and KTM
- VSE / GTB continued to experience difficult trading conditions
- Other Logistics – impacted by re-alignment of Mitsubishi's parts distribution strategy in Queensland

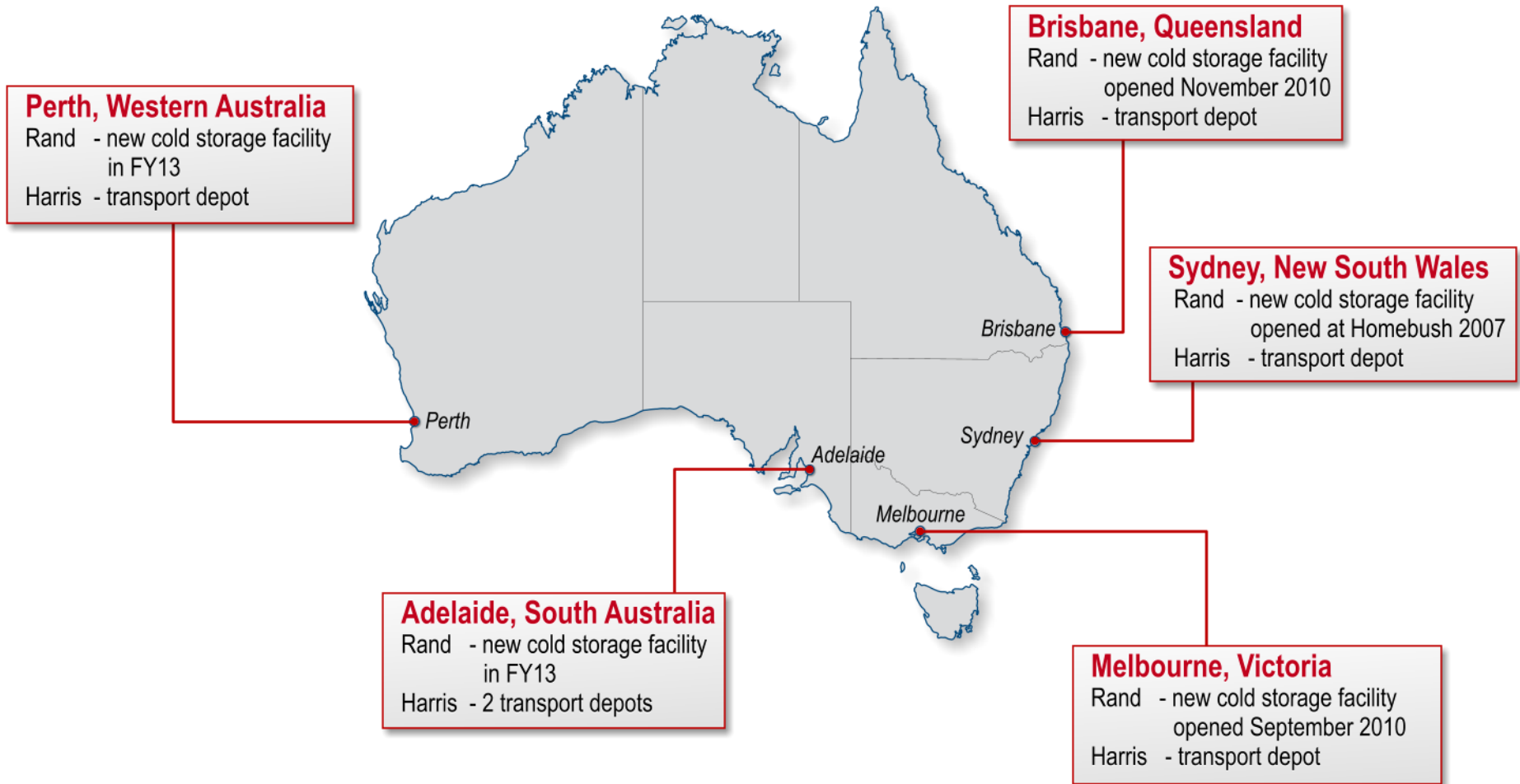
Logistics operating performance

	FY10 \$M	FY11 ⁽⁵⁾ \$M	% pcp ⁽²⁾
Revenue	382.3	412.0	107.8%
EBITDA	27.2	29.0	106.6%
EBITDA margin %	7.1%	7.0%	98.9%
Depreciation & Amortisation	(6.4)	(7.7)	120.3%
EBIT	20.8	21.3	102.4%
Interest (Net)	(4.2)	(4.0)	95.2%
Profit before Tax	16.6	17.3	104.2%

Logistics – operating segment reporting

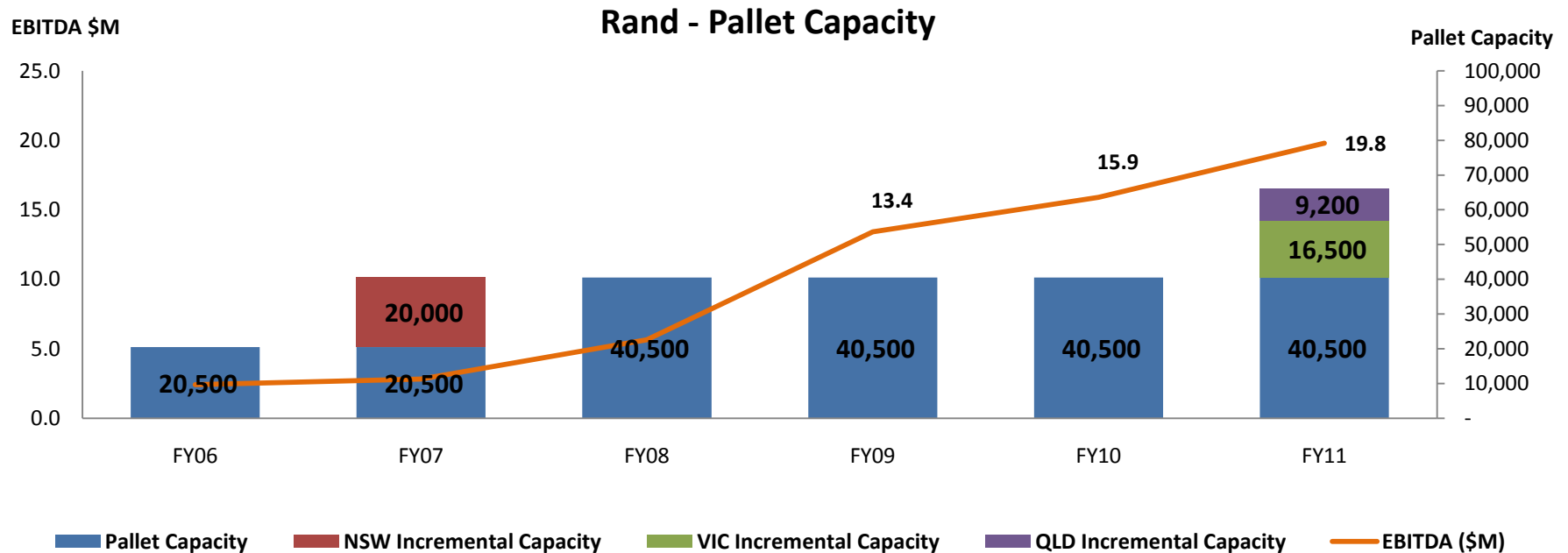
	FY10 \$M	FY11 ⁽⁵⁾ \$M	% pcp ⁽²⁾
Logistics - Revenue			
- Transport and Cold Storage	167.1	201.6	120.6%
- Other	215.1	210.4	97.8%
	382.3	412.0	107.8%
Logistics - EBITDA			
- Transport and Cold Storage	15.9	19.8	124.5%
- Other	11.3	9.2	81.4%
	27.2	29.0	106.6%

National leaders in refrigerated transport



Facility growth for Rand

- 2011 capacity expansion provides solid foundation for future growth in Transport and Cold Storage
- Additional 25,000 pallet capacity increase in cold storage facilities in WA and SA due for completion in CY12



Capital management

	FY09 \$M	FY10 \$M	FY11 \$M
Total Debt			
Current	303.38	358.83	369.26
less finance company floor plan debt ⁽⁷⁾	(295.21)	(349.94)	(357.13)
Short term debt excluding floor plan	8.17	8.88	12.12
less Cash	(64.98)	(76.78)	(105.00) ⁽⁶⁾
Net Cash Position excluding floor plan debt	(56.82)	(67.89)	(92.87)
Non Current Debt	86.64	98.28	106.87
Net Debt	29.82	30.39	14.00
Net Debt as a % of Total Assets (less Cash and Floor Plan Debt)	5.32%	5.06%	2.12%
Total Assets	920.80	1,027.32	1,122.47
less cash at bank	(64.98)	(76.78)	(105.00) ⁽⁶⁾
less finance company floor plan debt ⁽⁷⁾	(295.21)	(349.94)	(357.13)
	560.61	600.60	660.34

NOTES:

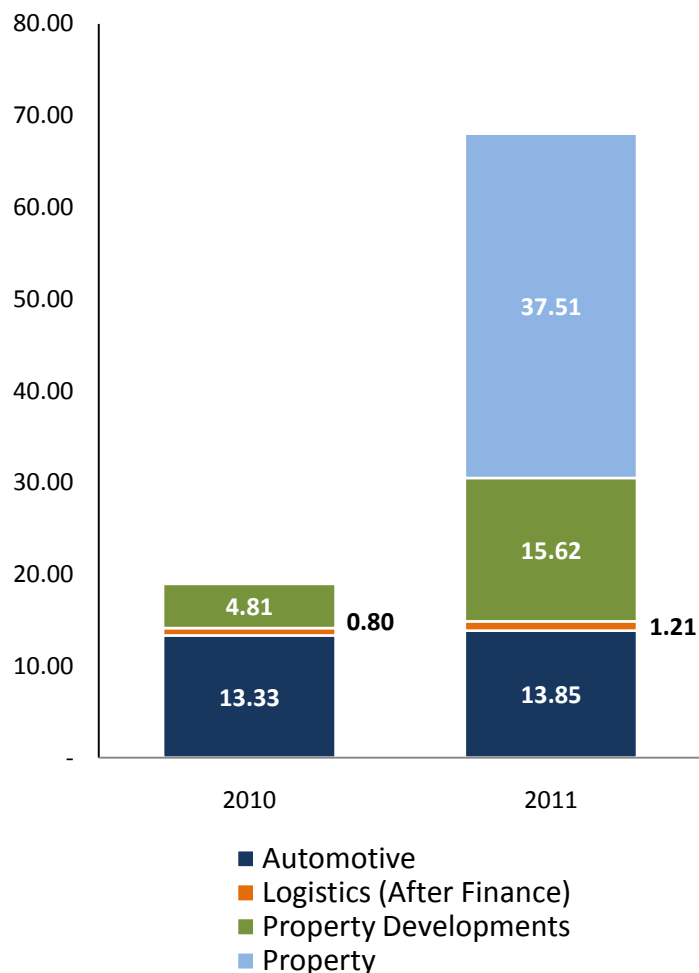
⁶ Prior to payment for Cova and Harris of \$46.5m on 1 July 2011

⁷ Includes \$20m cash offset (Jun 09) / \$25m cash offset (2010 and 2011)

Undrawn Bill Facility at 30 June 2011 - \$39m

Floorplan headroom at 30 June 2011 - \$144m (subject to inventory levels)

Capital expenditure (cash basis)



Capital expenditure invested in FY11

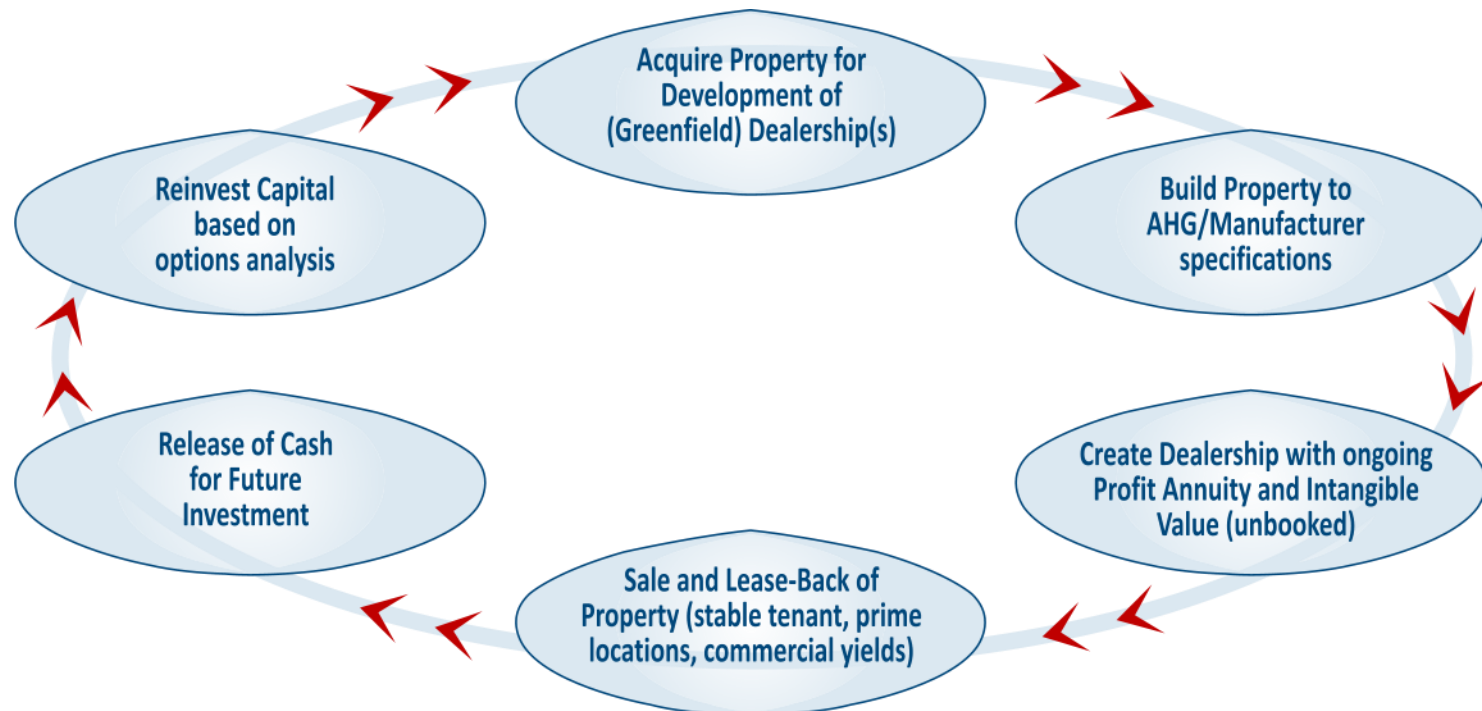
- Property strategy acquisitions at Castle Hill and Hoxton Park Road (NSW) during FY11 (\$38m)
- Property development costs include greenfield costs associated with Rockingham and Castle Hill, and redevelopment of Blacktown Toyota
- Automotive and Logistics – General operating and renewal costs associated with the replacement of assets.

Future capital expenditure

- Development costs associated with Castle Hill, Hoxton Park and Sutherland (NSW) dealerships (\$58 million) over next 2-3 years
- These will contribute to a land and buildings portfolio worth \$127 million (incorporating existing property holdings in WA and NSW) available for future recycling
- Other capital expenditure aligned with depreciation and reflecting the asset replacement cycle

Property Strategy Delivering Value

- Property acquisitions (e.g. Castle Hill NSW) executed during FY11 as part of Property Strategy to create value for AHG, to add to existing Property assets held
- Capital employed will include initial investment, development costs and related holding costs.
- Generate organic growth through portfolio of dealership assets and profit streams in parallel to dealership acquisition strategy.



Property Developments

- Development of greenfield sites
- Recent Castle Hill NSW property acquisition is proposed to develop 4 dealerships (2 confirmed as Hyundai and Holden) over 24 month development timeframe, to create long-term value of ~\$30 - \$40 M over and above capital employed. Capital employed will include initial investment, development costs and related holding costs. (Total Investment ~\$50 M approx)
- Other NSW developments of \$5.8 M FY12 and \$22.9 M FY13
- Opportunities arising both for future property acquisitions and re-cycling of existing developed dealership property assets.

Location	Property Assets Developed (\$M)	Land Available for Development (\$M)	Future Development Costs (\$M)	Total (\$M) Available for Recycling
WA	20.0	-	-	20.0
NSW	-	49.0	58.0	107.0
Total	20.0	49.0	58.0	127.0

Automotive

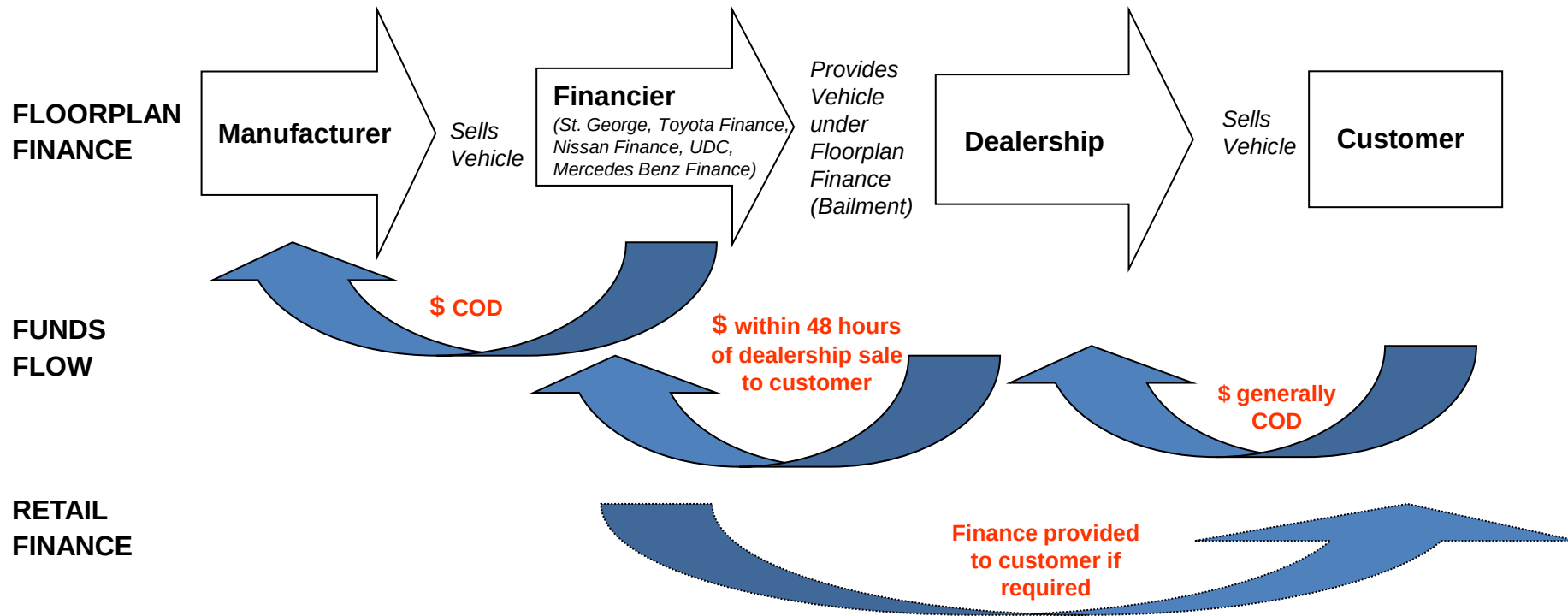
- Strong order bank leading into FY12
- Development of greenfield site at Castle Hill
- Improved Queensland outlook
- Continue assessment of acquisition opportunities

Logistics

- Integration of Harris and Cova into AHG on track, with exciting growth opportunities for both business combinations
- KTM performance to remain solid on the back of strong Australian dollar
- Full year impact of increased cold storage capacity at Rand

Questions

Floorplan finance explained



- Vehicle inventory financed by floorplan financing
- Floorplan is repaid within 48 hours of sale of vehicle to customer
- Interest on floorplan is charged at a small margin above the 90 day bank bill swap rate as the lender participates in retail paper written.
- Stock turn KPI 8 x pa/45 day supply – constantly refreshing facility