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AHG acquires Jeff Wignall Group in Victoria for \$14m

Automotive Holdings Group Limited (ASX: AHE) today announced it had acquired the business and assets of the Jeff Wignall Group (JWG) in Victoria, excluding the business of Southern Mitsubishi. The dealerships to be acquired from JWG comprise 9 dealership points - Ford (4), Mitsubishi (1), Kia (4) - at 5 locations throughout the Mornington Peninsula in Victoria which turnover approximately \$100million p.a.

The purchase price is approximately \$14million inclusive of goodwill and trading assets but excluding vehicle inventories, which will be funded by AHG's floor plan facilities. The purchase price is being funded from the proceeds of the capital raising completed in 2011.

The acquisition is subject to the approval of automotive manufacturers and other standard conditions. Settlement is scheduled to occur in March 2012. AHG expects the acquisition to be immediately earnings accretive.

AHG Managing Director Bronte Howson said the purchase of JWG's dealerships was a significant addition to AHG's automotive operations in Victoria.

"AHG has an underweight presence in Victoria and we plan to continue to build our business in Melbourne where we can add value. We acquired Ferntree Gully Toyota in 2010 and the purchase of JWG gives us further scale with some leading brands in Ford, Mitsubishi and Kia. This builds on and strengthens our existing relationships with these key manufacturers" said Mr Howson.

The principal of JWG, Andrew Cross, said the sale to AHG would provide a platform to continue to grow JWG's dealership franchises as part of AHG.

"The sale to Australia's largest automotive group is a great opportunity for JWG's dealerships. AHG has a small but growing presence in Melbourne. Looking at what AHG has achieved in recent years, especially in building its franchises in New South Wales, I am very pleased JWG and our management team will be a part of AHG's future in Victoria" said Mr Cross.

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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 and Harris Refrigerated Transport (transport and cold storage), AMCAP and Coventry's WA (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).

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