



AUTOMOTIVE HOLDINGS GROUP

Automotive Holdings Group Limited
21 Old Aberdeen Place
West Perth, WA 6005
www.ahgir.com.au
ABN 35 111 470 038

AHG ANNUAL GENERAL MEETING

15 November 2013

The following pages show the address to the Annual General Meeting of Automotive Holdings Group by the Company's Chairman, David Griffiths, and a presentation made by the Company's Managing Director Bronte Howson.

The results of the AGM will be released later today.

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 operations in Western Australia, New South Wales, Queensland and Victoria.

AHG's logistics businesses operate throughout Australia via subsidiaries Rand Transport and Harris Refrigerated Transport (transport and cold storage), AMCAP and Cova (motor parts and industrial supplies distribution), VSE (vehicle storage and engineering), Genuine Truck Bodies (body building services to the truck industry), and KTM Sportmotorcycles (motorcycle importation and distribution in Australia and New Zealand).

Corporate:

David Rowland
Company Secretary
Mobile: 0421 661 613
Email: drowland@ahg.com.au

Media:

David Christison
Group Executive Corporate Communications
Mobile: 0418 959 817
Email: dchristison@ahg.com.au

AUTOMOTIVE HOLDINGS GROUP LIMITED

CHAIRMAN'S ADDRESS

2013 ANNUAL GENERAL MEETING – 10.00 AM FRIDAY, 15 NOVEMBER 2013

Good morning ladies and gentlemen, and welcome to Automotive Holdings Group Limited's 2013 Annual General Meeting. My name is David Griffiths and I am the non-executive chairman of Automotive Holdings Group, or AHG, and this is my third AGM as chairman of this company.

In terms of the usual housekeeping items, please switch your mobile phones to silent. In the event of a fire, the emergency exits are clearly marked outside this room.

If you have not already done so, please register your attendance at the Computershare Investor Services desk, just outside the door.

As a quorum is present and the meeting is validly constituted, I formally declare the 2013 Annual General Meeting open.

The minutes of the 2012 Annual General Meeting have been approved by the Board and have been tabled.

Any shareholder that wishes to view a copy of the minutes is welcome to do so and should see the Company Secretary after the meeting.

With me today are my fellow directors:

- Bronte Howson, Chief Executive Officer;
- John Groppoli;
- Michael Smith, the Deputy Chairman;
- Peter Stancliffe;
- Tracey Horton; and
- Robert McEniry.

Also alongside the Board members today is Company Secretary, David Rowland.

Detailed backgrounds of each of the Board members are available in the 2013 Annual Report, which I encourage you to read if you've not already done so. The report can be downloaded from AHG's investor relations website: www.ahgir.com.au

I would like to commence the Chairman's address today by providing a brief overview of the company and its performance in FY2013, before handing over to the Managing Director, Bronte Howson, who will provide details of the Group's financial performance and highlights from the company's business units and make some comments about FY2014.

We will then turn our attention to the matters to be resolved at this meeting in the 'Formal Business' section, before closing the meeting.

Following that, the Directors would welcome the chance to answer any further questions from shareholders as we enjoy refreshments in the foyer.

AHG remains Australia's largest automotive retailer by sales, profitability, market capitalisation and the number of people employed. The company now has 152 franchises at 87 dealerships across four Australian states and also in New Zealand.

AHG also has a substantial logistics business, with Rand Refrigerated Transport now Australia's largest integrated refrigerated transport, warehousing and distribution provider by volume.

These elements of market leadership in Automotive and Logistics are underpinned by strong management processes and disciplined capital management. We are proud of our achievements and our strengths, but we are not standing still.

AHG again performed well in the 2013 financial year, both as a company and as an investment. The company achieved record profit and its market capitalisation now stands at around \$960 million, compared with \$520 million just two years ago.

Your Company's share price has also outperformed the ASX Small Ordinaries index.

AHG has delivered strong growth across all of its key earnings metrics over the past five years including revenue, EBITDA and NPAT.

Revenue has grown at a Compound Annual Growth Rate of 8.6% since FY2009.

Earnings continue to improve, and the company has consistently returned money to shareholders through paying attractive dividends.

Diversification remains a key element of AHG's strategy and the benefits of that are demonstrated by the ongoing contribution to earnings from our logistics business, which continues to provide a platform for overall growth. Logistics now represents more than 30% of earnings at the EBITDA level, up from 24% two years ago, and we are confident that the contribution from logistics will continue to increase over time.

Diversification across the major manufacturers that we represent in Australia also helped AHG to benefit from another very strong year in automotive sales nationally.

The Company's dealerships are well placed to deliver further organic growth and to generally outperform the broader automotive retail sector.

AHG's Total Shareholder Return, measured at the 1st of November, and which includes capital growth and reinvestment of dividends, stands at 21% over twelve months, at 95% over three years, and at more than 470% over five years.

It was pleasing during the year that AHG's market capitalisation rose above \$1 billion for the first time and that AHG was admitted to the ASX 300 and then to the ASX 200.

The year in review saw further acquisitions in both Automotive and Logistics as the \$55.4 million cash inflow generated by the completion of the API property sell down transaction was invested in operations to power future growth.

There was also significant investment in new logistics facilities and landmark Greenfield automotive dealership sites. Your Company is in the process of consolidating those investments and is confident that they will deliver increased shareholder value and returns.

Bronte Howson will have more details on those matters in his address.

AHG's strategy is to continue to improve its returns to shareholders by applying its proven business model to new acquisitions and Greenfield sites while maintaining the energy and business leading performance of existing operations.

The financial year ending 30 June 2013 was an active one that resulted in AHG establishing a strong base for automotive growth in Victoria as well as a significant expansion in its truck sales business. This expansion together with more recent bolt on acquisitions in Western Australia and New Zealand leave the Automotive division with a very strong base for growth while increased capacity in Rand and Cows leaves Logistics in a similarly favourable position for growth.

We believe that FY2014 will be a year to be cautious on expenditure and energetic on revenue growth.

We will remain proactive in seeking out new businesses which have a strategic fit for the Group, meet our financial metrics and where we believe that we can add value.

During the year AHG made substantial progress in positioning itself to meet the changing needs and purchasing behaviour of our customers, especially in the retail car market. This is illustrated by a strong focus on the growth in our online marketing and trading capacity as complementary to our retail outlets.

Looking to the year ahead, while there may be some softer areas of growth in the domestic economy and the exchange rate, the overall macro settings with continued reasonably low unemployment and low interest rates look reasonably supportive for AHG.

In summary, we continue to have confidence in our strategy and to believe that AHG is a high-quality business with significant organic and acquisition-led growth opportunities that will provide substantial benefits to shareholders in the years ahead.

The Group has a commitment to training and development and engaged Ernst & Young in early 2013 to assist management to develop a new Human Resources strategy.

That strategy is being implemented across the Group, with some of the key initiatives detailed in our Annual Report, and Martin Wandmaker has joined AHG as our Head of Human Resources.

I'd like to make mention of our 5,700-plus employees and the important roles played by women and migrants from other cultures in our workforce.

Females account for 23% of the Group's total workforce and make up 21% of supervisory, middle management and senior management.

In the past four months we have appointed our first female Australian dealer principal in Sue Alford at Melbourne City Holden and one of our apprentices, Katherine Strahan, was one of two AHG employees to win gold medals at the recent World Skills finals in Perth.

We are also proud of our recruiting programs, and that is reflected in the success of one of our international recruits, Mark Balila, who was recently recognised as AHG's Tradesperson of the Year.

In summary, I would like to thank my fellow board members, Managing Director Bronte Howson, his senior management team and all our staff for their hard work and commitment.

Thank you for your attention. I will now hand over to Bronte to provide a more detailed overview of the company's financial performance and operations.



FY2013 Annual General Meeting



Welcome



David Griffiths

Chairman

Agenda



Chairman's Address

Managing Director's Address

Formal Business

Close of Meeting

Refreshments

Company Overview



Australia's largest automotive retailer by sales, profitability, market capitalisation and workforce

152 franchises at 87 dealership locations in Australia and New Zealand

Strong, long-term relationships with leading manufacturers

Logistics division contributes ~30% of EBITDA

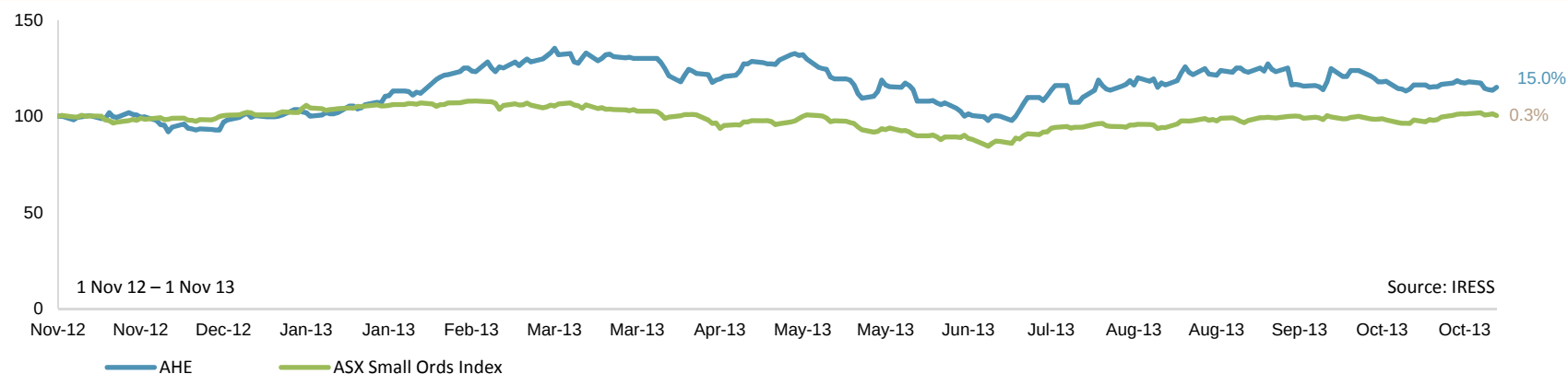
Rand is Australia's largest provider of fully integrated temperature controlled transport and cold storage solutions



Group Financial Performance



AUTOMOTIVE HOLDINGS GROUP



Key Market Statistics (14 November 2013)

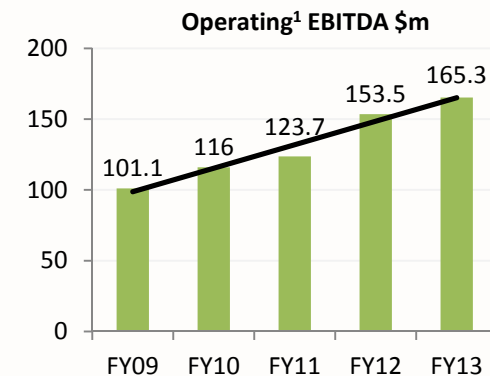
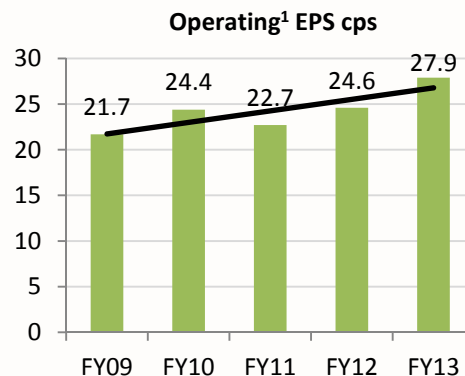
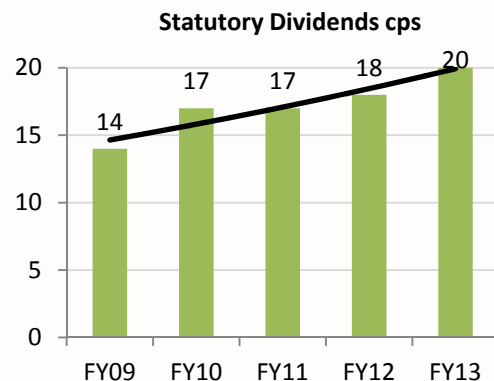
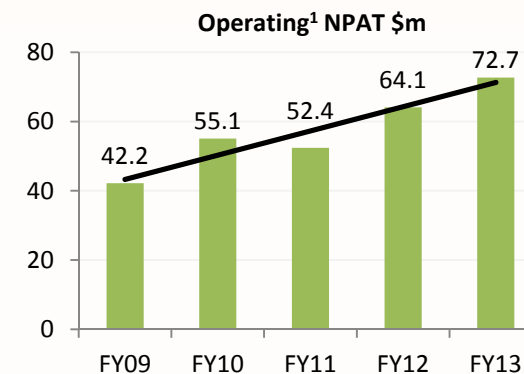
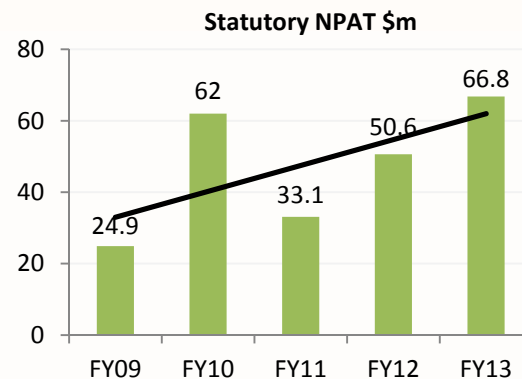
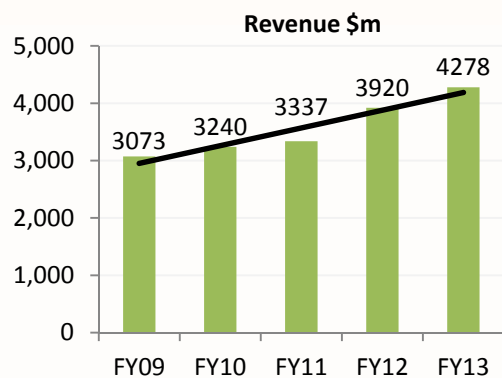
Ticker	ASX:AHE
Share Price (1 Nov 2013)	\$3.64
Shares on Issue	260,683,178
Market Capitalisation	\$948.9 million

Key financial data (Operating ¹)	FY2012 \$m	FY2013 \$m
Revenue	3,920.1	4,277.6
EBITDA	153.5	165.3
NPAT	64.1	72.7
Total assets	1,398.5	1,581.0
Net debt (excluding floorplan)	92.6	70.7
Shareholders equity	457.9	486.5

Sustained Growth

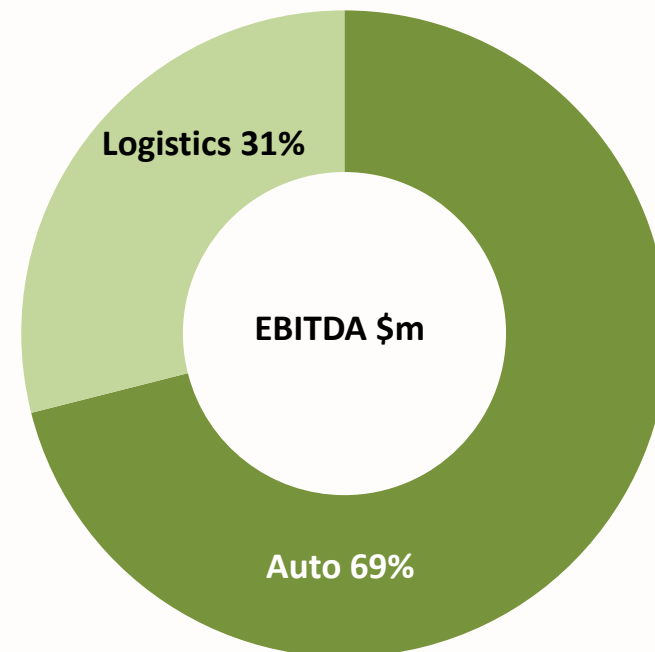
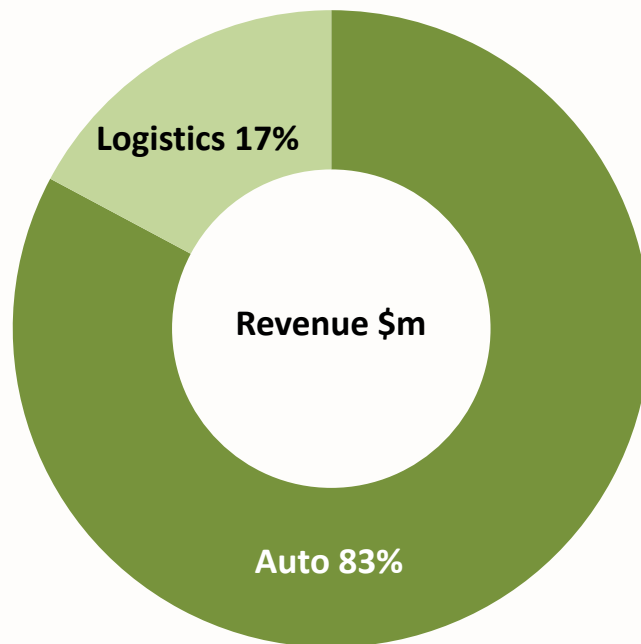


AUTOMOTIVE HOLDINGS GROUP



Diversified Revenue and Profits

FY2013 Divisional Split

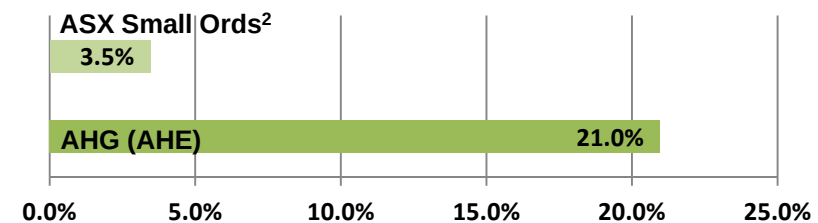


Total Shareholder Return

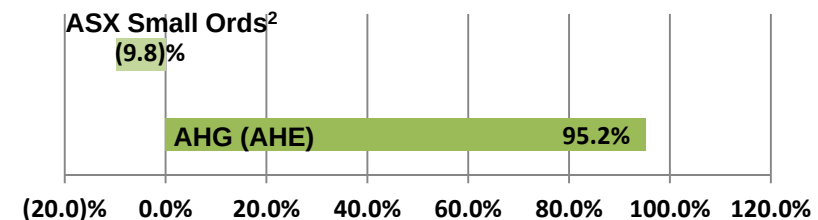


AUTOMOTIVE HOLDINGS GROUP

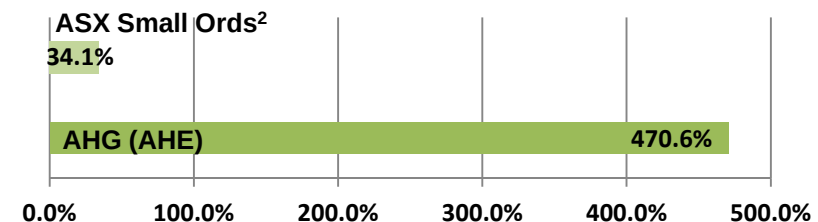
1-Year TSR¹



3-Year TSR¹



5-Year TSR¹



Driving Shareholder Value in FY2014



Rand premises completed at Hazelmere WA and commenced at Edinburgh Park SA



Melbourne City Holden and HSV completed October 2013

Melbourne City Hyundai trading from temporary premises until March 2014



Driving Shareholder Value in FY2014

Improve returns to shareholders by applying AHG's proven business model to Greenfield sites and acquisitions

Maintain business leading performance of existing operations

Cautious on expenditure

Energetic on revenue growth

Overall macro settings look reasonably supportive for FY2014



People and Training

Commitment to training and development

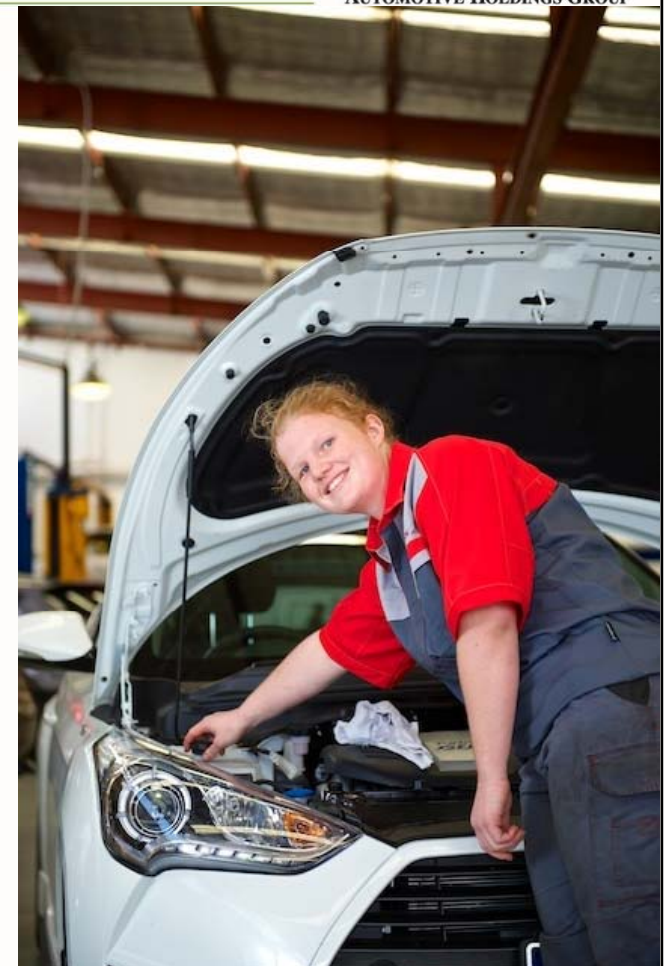
New HR strategy implemented across the Group

AHG is a significant employer of women and its workforce represents many ethnic cultures

Females are ~23% of Australian and NZ workforce and ~21% of supervisory, middle management and senior management

First Australian female dealer principal appointed

Apprentice Katherine Strahan one of two AHG employees to win gold at World Skills 2013





AHG WA Awards – Tradesperson of the Year

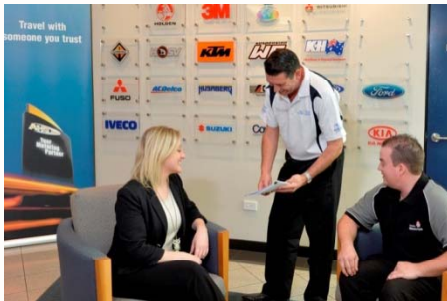
Total Nissan technician Mark Balila

Recruited November 2011 from Bulacan in the Philippines

Part of an AHG program to recruit experienced tradespeople on 457 visas to cover the local skills shortage

Driving Shareholder Value in FY2014

AHG is a high-quality business with significant organic and acquisition-led growth opportunities that will provide substantial benefits to shareholders in the years ahead.





FY2013 Annual General Meeting



Welcome



Bronte Howson
Managing Director

Summary Financial Performance FY2013



AUTOMOTIVE HOLDINGS GROUP

Consolidated Financial Performance	FY12 (\$m)	FY13 (\$m)	% change
Operating¹ Performance			
Revenue	3,920	4,278	9.1%
EBITDA	153.5	165.3	7.7%
EBITDA %	3.9%	3.9%	
EBIT	127.0	137.0	7.9%
EBIT %	3.2%	3.2%	
Net Profit after Tax	64.1	72.7	13.4%
Earnings Per Share (cps)	24.6	27.9	13.4%
Interest Cover (times)	4.14	4.66	12.6%
Statutory IFRS Profit after Tax			
Impairment of Intangible Assets	(9.7)	-	
Net Integration and Acquisition, Asset Divestment and Sale of Properties	(3.8)	(5.9)	
Statutory Net Profit after Tax	50.6	66.8	31.9%
Earnings Per Share (cps)	19.4	25.6	31.9%

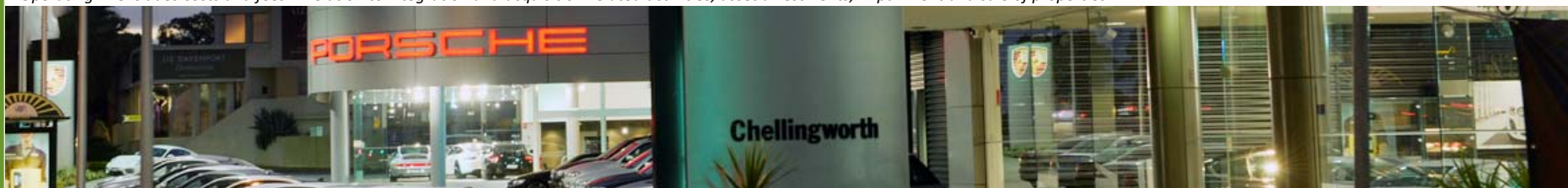
- Revenues up 9.1% to \$4.3 billion
- Strong growth in EPS – up 13.4%
- Statutory NPAT and EPS up 31.9% with Operating¹ NPAT up 13.4% to \$72.7m
- Increased full year dividend of 20c per share fully franked (up 11.1%)
- Margins maintained although impacted by:
 - Investment in Greenfields
 - Acquisition of Toll

Automotive – Operating¹ Performance

Operating ¹ Performance	FY12 (\$m)	FY13 (\$m)	% change
Revenue	3,207.5	3,541.4	10.4%
EBITDA	106.3	118.8	11.7%
<i>EBITDA Margin (%)</i>	<i>3.3%</i>	<i>3.4%</i>	
EBIT	92.9	104.5	12.5%
<i>EBIT Margin (%)</i>	<i>2.9%</i>	<i>3.0%</i>	
Profit Before Tax	71.6	80.1	11.9%

- Record revenue of \$3.5 billion
- Growth in margins
- Record Profit before Tax of \$80.1 million (up 11.9%)

Operating¹ – excludes costs and fees in relation to integration and acquisition-related activities, asset divestments, impairment and sale of properties.



Highlights FY2013 – Automotive



- Strong performance from established dealerships
- Growth strategy delivered significant scale in Victoria and Trucks:
 - Coffey Ford, Bayside and Peninsula Motor Groups, and McMillan Toyota
 - Daimler Trucks Brisbane and Newcastle, Iveco Newcastle
- Castle Hill Greenfield development in NSW delivered profit
- Established new Greenfield development in South Melbourne for Hyundai and Holden/HSV
- Divestment of Gold Coast dealerships



Strength of Manufacturer Relationships

- AHG represents 22 passenger brands in Australia including 9 of top 10
- Record of performance
- Long term partnerships
- Industry leading management model for dealerships
- Strong focus on automotive retail hubs with multiple dealerships, strong efficiencies
- Investment in state-of-the-art facilities

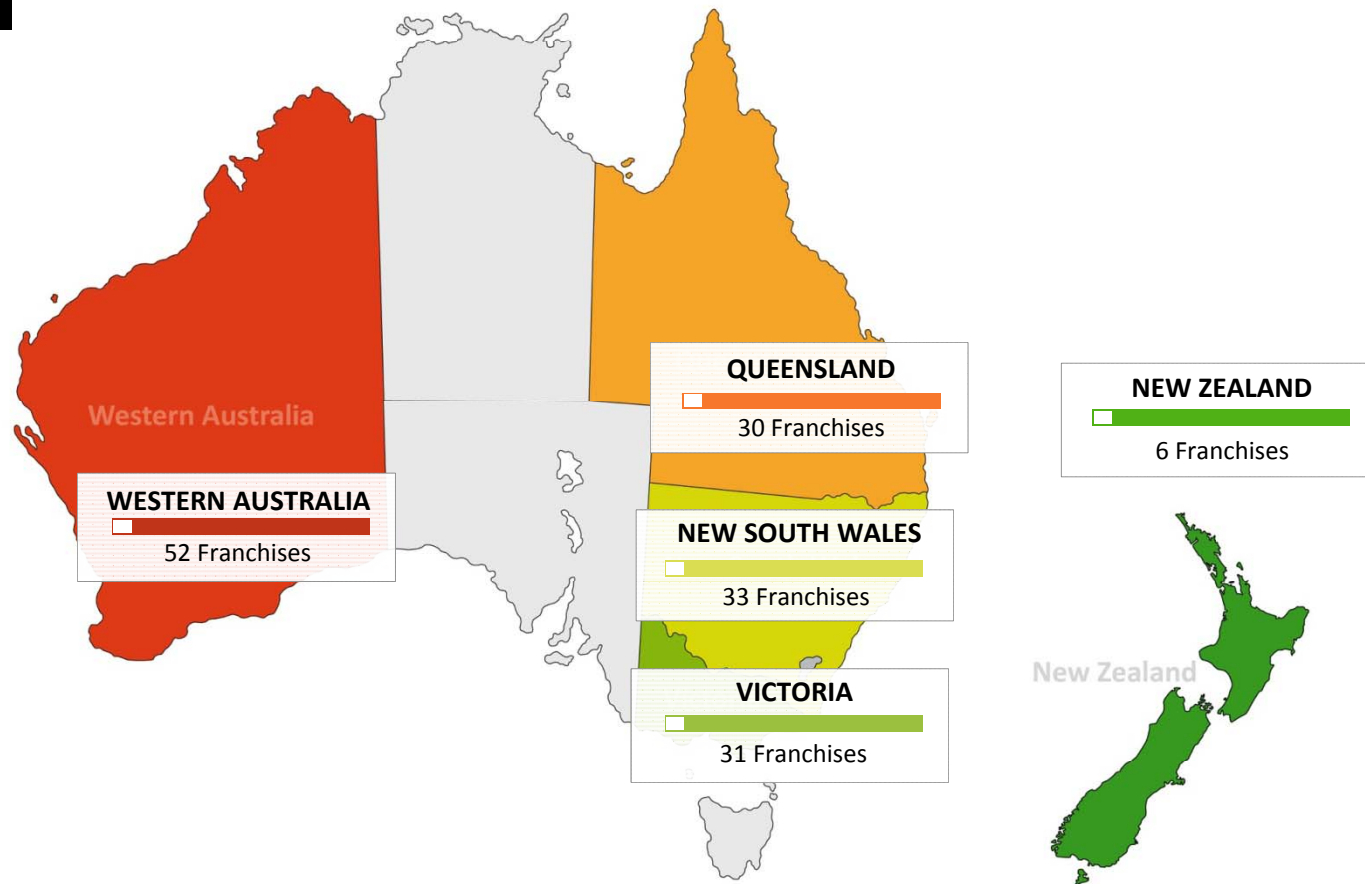


Automotive Representation



AUTOMOTIVE HOLDINGS GROUP

152 Franchises

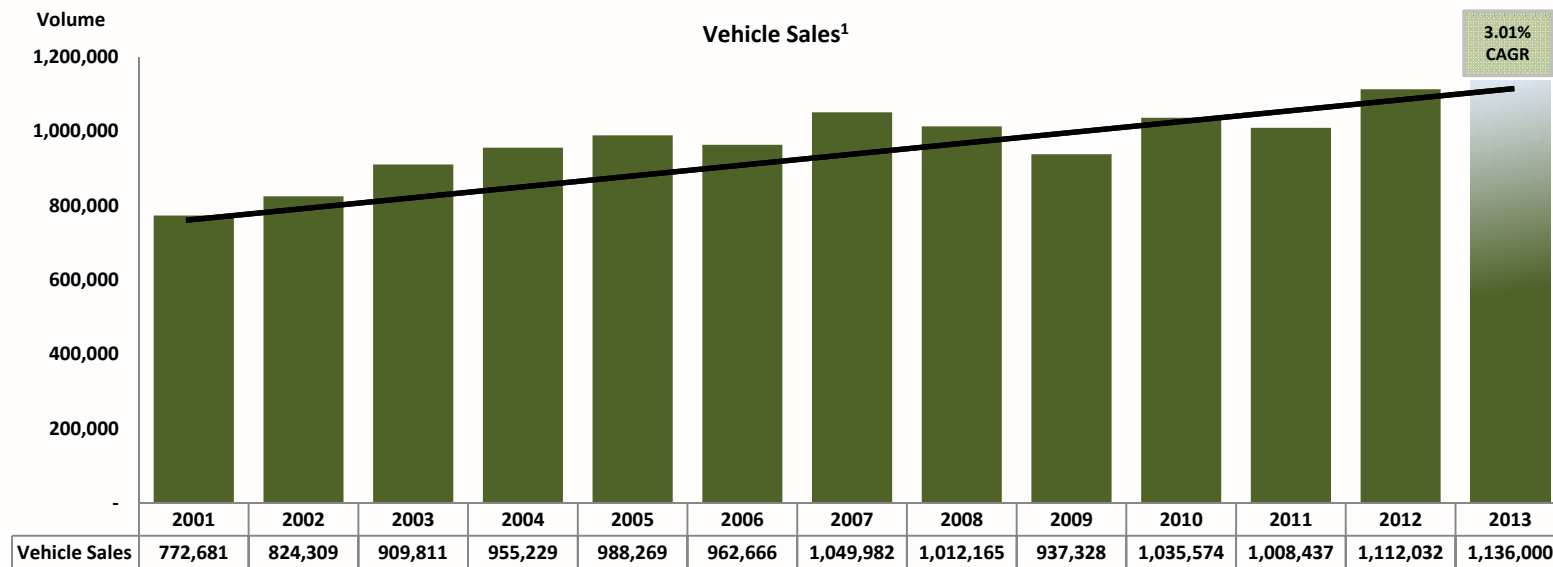


Australia – New Vehicle Sales



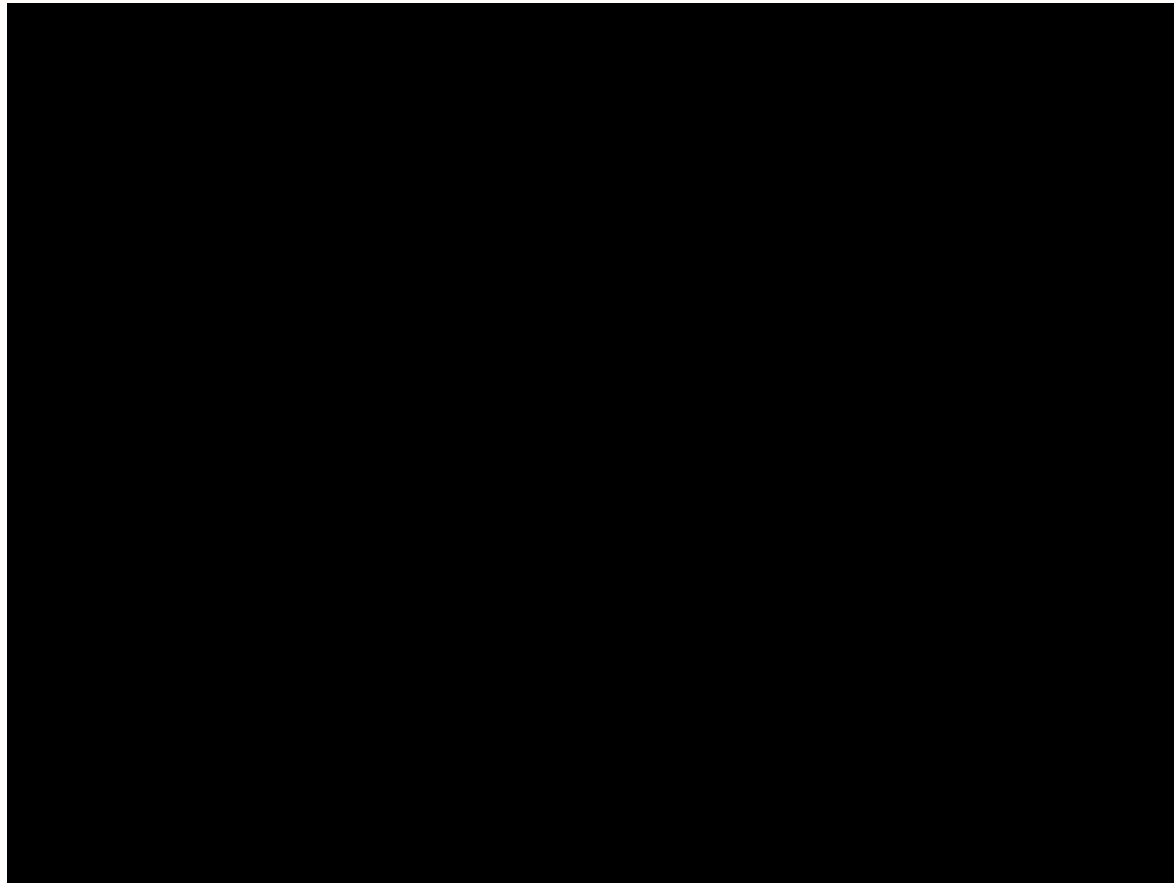
AUTOMOTIVE HOLDINGS GROUP

- Record new vehicle sales in CY2012
- Previous Australian record was CY2007



Forecast
VFACTS
SAARS¹

Automotive – New Melbourne Facilities



Logistics – Operating¹ Performance



AUTOMOTIVE HOLDINGS GROUP

Operating ¹ Performance Transport and Cold Storage	FY12 (\$m)	FY13 (\$m)	% change
Revenue	325.2	390.0	19.9%
EBITDA	29.8	31.9	7.1%
EBITDA Margin (%)	9.2%	8.2%	
Profit Before Tax	14.6	16.1	10.2%

Operating ¹ Performance Other Logistics (AMCAP, Cova, KTM, GTB/VSE)	FY12 (\$m)	FY13 (\$m)	% change
Revenue	386.9	345.6	(10.7%)
EBITDA	16.5	16.6	0.6%
EBITDA Margin (%)	4.3%	4.8%	
Profit Before Tax	14.9	15.0	0.7%

- Strong revenue improvement driven by organic growth and Toll Refrigerated acquisition
- Margins impacted by Toll Refrigerated integration
- H2 performance and margins affected by NSW and Queensland flooding, Riverina drought and abnormally soft Easter trade

- Increased margins
- KTM produced a record profit
- AMCAP steady with moderate organic growth
- Cova affected by mining downturn
- Revenue affected by final closure of Coopers Plains (Zupps) parts business
- GTB/VSE turnaround with increased storage and demand for body building and engineering services



23

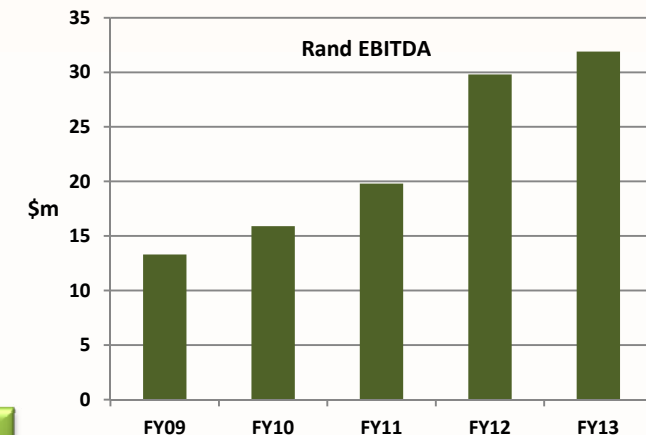
Operating¹ – excludes costs and fees in relation to integration and acquisition-related activities, asset divestments, impairment and sale of properties.

Rand – Strength and Performance



AUTOMOTIVE HOLDINGS GROUP

Operating ¹ Performance	FY2009 (\$m)	FY2010 (\$m)	FY2011 (\$m)	FY2012 (\$m)	FY2013 (\$m)
Revenue	155.3	167.1	201.6	325.2	390.0
EBITDA	13.3	15.9	19.8	29.8	31.9
EBITDA Margin	8.6%	9.5%	9.8%	9.2%	8.2%



- Australia's largest provider of refrigerated interstate transport services
- Strong annualised growth
- Significant investment in new cold store facilities
- Long-term contracts with blue chip clients
- Highly motivated and experienced management team

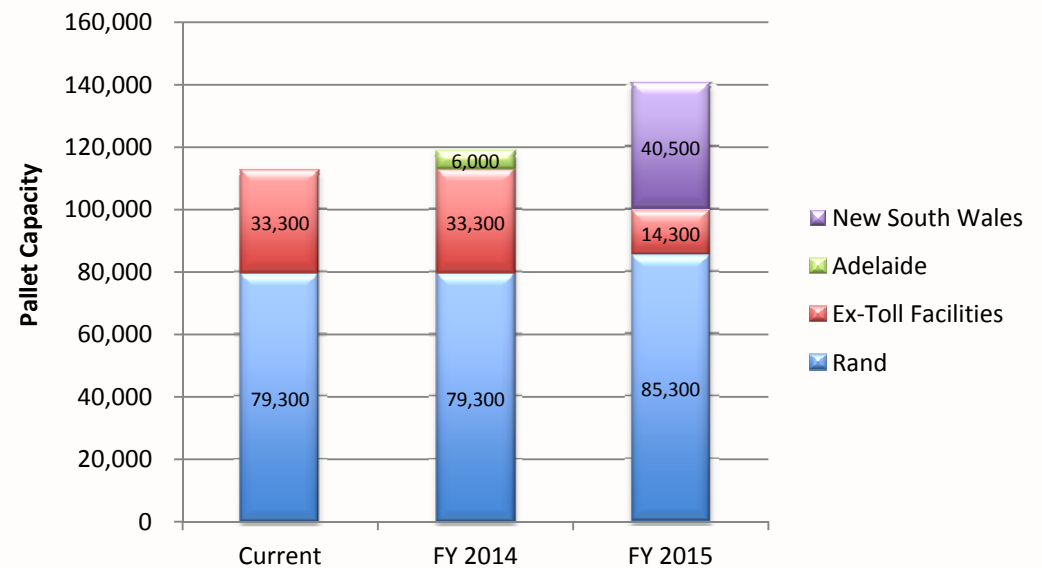


Investment in New Cold Storage Facilities

- National network with state of the art facilities across Australia
- New leased facilities constructed under turnkey developments funded by landlords
- All Rand facilities built to specific AHG design objectives to maximise operational efficiencies and ROI



Pallet Capacity



Balance Sheet Strength

Balance Sheet		
Net Debt	30 JUN 2012	30 JUN 2013
Total Borrowings	654.0	768.8
Inventory Finance (Floorplan)	(501.9)	(578.7)
Cash & Cash Equivalents	(81.4)	(97.4)
Net Debt	70.7	92.6
Net Debt to Total Assets (excluding Floorplan and Cash)	8.7%	10.2%

- \$135.4 million cash and undrawn commercial bill facilities at 30 June 2013
- Gearing ratio remains relatively low at 10.2% (excluding Floorplan and cash) as at 30 June 2013
- Final dividend of 12c paid in October \$31m
- Completion of API transaction generated \$55.4m in available cash
- Acquisitions post June balance date include:
 - Jason Mazda in WA (\$12m)
 - Davie Motors in NZ (\$6m)

Trading Update FY2014



AUTOMOTIVE HOLDINGS GROUP

Consolidated Financial Performance (Unaudited)	FY2013 ¹ Jul - Oct (\$m)	FY2014 ¹ Jul - Oct (\$m)	% change
Operating¹ EBITDA Performance			
Consolidated AHG Group	52.0	54.7	5.2%
Automotive	33.6	38.0	13.2%
Logistics	18.8	17.5	(6.9%)
Property	(0.4)	(0.8)	n/a
Depreciation and Amortisation	(9.5)	(10.0)	(5.4%)
Group Interest	(10.0)	(9.5)	4.2%
Operating¹ NPAT attributable to shareholders	21.7	23.2	7.0%

Trading Update – Automotive



AUTOMOTIVE HOLDINGS GROUP

Consolidated Financial Performance (Unaudited)	FY2013 ¹ Jul - Oct (\$m)	FY2014 ¹ Jul - Oct (\$m)	% change
Operating¹ EBITDA Performance			
Automotive	33.6	38.0	13.2%

- Strong growth in AHG automotive sales despite flat industry new vehicle sales
- Soft trading quarter impacted by pre-election proposed changes to FBT
- Established dealerships and recent acquisitions performing well
- Private sector (consumer) demand remains strong - up 8.8% on prior year
- Historically low interest rates, improved housing prices
- Aggressive marketing approach by manufacturers and dealers with large incentives
- Greenfield developments ahead of expectations
 - Castle Hill trading profitably
 - South Melbourne Holden opened October, with development of Hyundai underway and expected to complete Q2 2014

Trading Update – Logistics



Consolidated Financial Performance (Unaudited)	FY2013 ¹ Jul - Oct (\$m)	FY2014 ¹ Jul - Oct (\$m)	% change
Operating¹ EBITDA Performance			
Logistics	18.8	17.5	(6.9%)

- Trading performance impacted by ~\$2-million of expenses relating to Rand's relocation to new 20,000 pallet facility at Hazelmere (WA)
- Strong unit sales in KTM bikes
- Cops performance improving following soft Q1 due to mining downturn
- AMCAP – mature business performing in line with expectations
- AHG's truck body and storage business (GTB/VSE) continues to improve its performance with high storage volumes and growing order books

Outlook

- AHG growth strategy delivers despite flat economic conditions
- Balance sheet well positioned to support further growth
- Ongoing opportunity for acquisition in both Automotive and Logistics
- Consolidating returns from the significant investments and acquisitions made recently
- Continued focus on cost analysis and productivity improvements to drive organic growth
- New cold store facilities offer opportunities for further growth
- Husqvarna motorcycle distribution acquired (Australia and New Zealand)
- KTM expands product line
- Greenfields developments – Castle Hill Nissan and Melbourne City Hyundai
- Marketing and sponsorships
 - AHG – Easy as 1-2-3
 - Online and digital strategies
 - Continued community support

AHG.COM.AU
EASY AS 123

Outlook



Formal Business



David Griffiths

Chairman

Close of Meeting