20 February 2012

APPENDIX 4D – HALF YEAR REPORT & DECEMBER 2011 HALF YEAR RESULTS

In accordance with ASX Listing Rules, the following documents are attached for release to the market:

- 2011 Half Year Results Announcement and Presentation.
- Appendix 4D Half Year Report and Interim Financial Statements to 31 December 2011.

-ends-

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.

AHG is Australia's largest automotive retailer with 121 dealership franchises located across Australia and in New Zealand. Its major operations are in Western Australia, New South Wales, Queensland and Victoria and include 10 out of the top 11 manufacturers in Australia. AHG also sells six leading truck and bus brands.

AHG operates logistics businesses throughout Australia through subsidiaries Rand Transport and Harris Refrigerated Transport (transport and cold storage), AMCAP and Covs 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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AUTOMOTIVE HOLDINGS GROUP

20 February 2012

AHG delivers record interim operating[1] profit of $32.6 million

Highlights

- Statutory NPAT of $30.2 million (102.0% of pcp)
- Record Operating[1] NPAT of $32.6 million (110.2% of pcp)
- Record Group revenue of $1.91 billion (13.1% increase on pcp)
- Record Operating[1] EBITDA of $77.6 million – (117.7% of pcp)
- Operating[1] EBITDA margin 4.1% (3.9% pcp)
- Interim dividend of 7.0 cents per share fully franked (7.0 cents pcp)
- Solid Automotive Retail result as market recovers from supply constraints
- Record profit contributions from Logistics
- Integration of Covs and Harris on track

Automotive Holdings Group Limited (ASX: AHE), Australia's largest automotive retailing and logistics group, today announced a Statutory NPAT for the six months to 31 December 2011 of $30.2 million (102.0% of pcp), anda record Operating[1] net profit after tax of $32.6 million for the six months to 31 December 2011. This was achieved on record Group revenue of $1.91 billion. Operating[1] EBITDA improved 17.7% to a record $77.6 million, while the Group Operating[1] EBITDA margin increased from 3.9% to 4.1%.

Net interest expense for the six months to 31 December 2011 increased to $15.2 million (118.2% of pcp) primarily reflecting the holding costs associated with AHG's property strategy and the assumption of Harris fleet lease liabilities.

Operating[1] earnings per share were 12.5 cents (13.1 cents previously) and the Directors have declared a fully franked interim dividend of 7.0 cents per share (7.0 cents previously). The record date is 19 March 2012 with the dividend payable on 3 April 2012.

AHG Managing Director Bronte Howson said it was a strong result that included a solid performance from the Company's Automotive Retail division, despite some supply constraints, and a record profit contributions from Logistics.

Automotive Retail

Revenue for the Automotive Retail segment in the first half of the financial year was up 4.2% to a record $1.538 billion ($1.476 billion pcp). Statutory EBITDA was $49.6 million while Operating[1] EBITDA improved 2.1% to $49.9 million ($48.9 million previously).

[1] Operating results exclude acquisition and integration costs and other non-recurring items (Group - HY12: $3.2m (gross of tax), $2.4m (net of tax) acquisition-related costs; HY11: $Nil).

“This is a solid result for our Automotive division given a 2.6% decrease in national new vehicle sales for the industry in CY11. This result was supported by an improved performance from our Queensland dealerships,” said Mr Howson.

During the half-year AHG continued to invest in the automotive business with new facilities completed for Blacktown Toyota and Blacktown Mitsubishi in Sydney and John Andrews Mazda in Auckland. Construction also commenced on a major upgrade to the City Motors Holden dealership in Perth.

Significant progress was made on the construction of two new dealerships at AHG’s Castle Hill hub to accommodate the existing Hyundai and Holden franchises that currently operate from temporary facilities. These dealerships will be completed in CY12 with planning underway for two additional franchises at the hub.

AHG also acquired Diesel Motors Trucks in WA growing its position in the heavy commercial truck market.

Logistics

AHG’s Logistics division delivered revenue of $373.0 million (174.8% increase on pcp) reflecting the acquisitions of Covs and Harris plus strong demand for core products and services. Statutory EBITDA was $24.2 million and record Operating[1] EBITDA was $27.1 million (164.5% of pcp). Operating EBITDA margin was 7.3% (pcp 7.7%). The reduction in margin is largely attributable to the Covs acquisition. This will improve as synergies are achieved in FY13.

“Our integration teams made good progress bedding down both Covs and Harris Refrigerated Transport in the December half and are on track to deliver expected synergies in FY13. These key acquisitions for AHG were completed on 1 July 2011 and are already delivering results in excess of expectations,” said Mr Howson.

The Transport and Cold Storage segment reported Operating[1] EBITDA of $19.2 million ($11.4 million pcp) on revenue of $168.7 million ($100.9 million pcp). This record result was supported by the opening of Rand Transport’s new cold storage, distribution and transport facilities in Melbourne in September 2010 and Brisbane in November 2010.

Key milestones for the Rand-Harris integration included consolidating Harris’ Sydney operations onto Rand’s Homebush site and optimising fleet utilisation across both road and rail.

The Other Logistics segment contributed EBITDA of $8.0 million ($5.1 million pcp) on revenue of $203.9 million ($112.2 million pcp).

“AMCAP continues to perform solidly while VSE / Genuine Truck Bodies continues to improve. All Holden and Ford genuine parts of Covs have been successfully relocated to the AMCAP premises and the rebranding of Covs’ 27 store branch network is nearing completion,” said Mr Howson.

KTM Sportmotorcycles achieved a record performance backed by its strong model range and favourable currency exchange rates.

Outlook

“Automotive is positioned to deliver a solid second half result supported by a strong order bank and industry sales forecast of 1.040 million units for CY12,” said Mr Howson.

[1] Operating results exclude acquisition and integration costs and other non-recurring items (Group - HY12: $2.4m (net of tax) acquisition-related costs; HY11: $Nil).

“We recently announced a number of acquisitions and dealership developments. Our immediate focus is to ensure these dealerships are integrated into AHG’s existing management and operating structures to deliver the expected returns. We also continue to explore opportunities that meet our growth criteria.”

The integration of Harris and Covs will continue in the second half. To accommodate the relocation of the Covs Distribution Centre a new administration and warehouse facility covering 11,000sqm is being constructed adjacent to the current AMCAP site by an existing long-term landlord.

AHG is seeing strong demand for increased cold storage capacity at Rand and is investing in facilities to support this demand. New facilities in Western Australia and South Australia that will provide capacity for an additional 15,500 pallets are due for completion in FY13. This expansion will bring Rand’s total pallet capacity to 82,000 with further capacity expansion being considered for NSW and QLD.

“Over the past year we have put in place a series of capital management initiatives to strengthen the company’s balance sheet and provide a solid funding platform for these investments,” said Mr Howson.

“These initiatives included the May 2011 capital raising and our recently increased debt facilities. We are also pursuing our property recycling strategy with the recently announced arrangement with API.

“The company’s experienced management team combined with a strong balance sheet and diversified business model positions AHG to deliver ongoing solid financial results.”

-ends-

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.

AHG is Australia's largest automotive retailer with 124 dealership franchises located across Australia and in New Zealand. Its major operations are in Western Australia, New South Wales, Queensland and Victoria and include 11 out of the top 12 manufacturers in Australia. AHG also sells six leading truck and bus brands.

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[1] Operating results exclude acquisition and integration costs and other non-recurring items (Group - HY12: $2.4m (net of tax) acquisition-related costs; HY11: $Nil).

AHG

AUTOMOTIVE HOLDINGS GROUP

31 December 2011
Half Year Results

20 February 2012




Presentation Outline

- Group performance overview
- Automotive operational highlights and outlook
- Logistics operational highlights and outlook
- Capital management
- Group outlook
- Questions

Group Operating Highlights

- Solid Automotive result as market recovers from supply constraints
- Record profit contributions from Logistics
- Integration of Covs and Harris on track
- Acquisition of Diesel Motors Trucks in WA
- Commenced construction of Castle Hill Auto Hub

Group Financial Highlights

AHG
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- Record Group revenue of $1.91 billion (113.1% of pcp)
- Statutory NPAT of $30.2 million (102.0% of pcp)
- Record Operating (1) NPAT $32.6 million (110.2% of pcp)
- Statutory EBITDA of $74.4 million (112.9% of pcp)
- Record Operating (1) EBITDA of $77.6 million (117.7% of pcp)
- Operating (1) EBITDA margin increased from 3.9% to 4.1%
- Half-year dividend of 7.0 cents per share fully franked (7.0 cents pcp)

1 = operating results exclude acquisition and integration costs and other non-recurring items (HY12: $2.414m (net of tax) acquisition-related costs; HY11: $Nil)

Group Financial Performance – Summary

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	HY11 (1) $M	HY12 (1) $M	% pcp (2)
Revenue	1,689.3	1,911.3	113.1%
Operating EBITDA	65.9	77.6	117.7%
Operating EBITDA margin %	3.9%	4.1%	104.1%
Operating EBIT	56.6	64.2	113.3%
Interest (Net)	(12.8)	(15.2)	118.2%
Operating NPAT attributable to members	29.6	32.6	110.2%
Acquisition and Integration Costs	-	(2.4)	
Statutory NPAT attributable to members	29.6	30.2	102.0%
Operating (1) EPS (cents per share) (3)	13.1	12.5	95.7%
Interest (cover) (1)	4.4	4.2	95.9%

1 = operating results exclude acquisition and integration costs and other non-recurring items

2 = percentages reflect underlying data, not rounded numbers

3 = weighted average number of shares on issue (HY11 - 226.5 million), (HY12 – 260.7 million), (actual number of shares 260.7 million at 31 December 2011)

Automotive Operating Performance

AHG
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- Record revenue $1.538 billion up 4.2% pcp
- Statutory EBITDA of $49.6 million up 1.4% pcp
- Record Operating(4) EBITDA $49.9 million up 2.1% pcp
- Castle Hill site development commenced for Hyundai and Holden
- Improved performance from Queensland dealerships
- New facilities completed:
  - John Andrews Mazda, NZ
  - Blacktown Toyota, NSW
  - Blacktown Mitsubishi, NSW
- Acquisition of Diesel Motors Trucks, WA

4 = operating results exclude acquisition and integration costs and other non-recurring items (HY12: $0.306m (gross of tax) acquisition-related costs; HY11: $Nil)

Automotive Financial Performance

	HY11 (5) $M	HY12 (4) $M	% pcp (2)
Revenue	1,475.8	1,538.4	104.2%
Statutory EBITDA	48.9	49.6	101.4%
Add-back: Acquisition and Integration Costs	0.0	0.3	
Operating EBITDA	48.9	49.9	102.1%
Operating EBITDA margin %	3.31%	3.25%	97.9%
Depreciation and amortisation	(5.5)	(6.5)	118.6%
Operating EBIT	43.4	43.4	100.0%
Interest (Net)	(9.6)	(10.2)	105.7%
Operating Profit before Tax	33.8	33.3	98.4%

2 = percentages reflect underlying data, not rounded numbers
4 = operating results exclude acquisition and integration costs and other non-recurring items
5 = restated for separate disclosure of Property Operating Segment

Automotive – Steady Operating Growth

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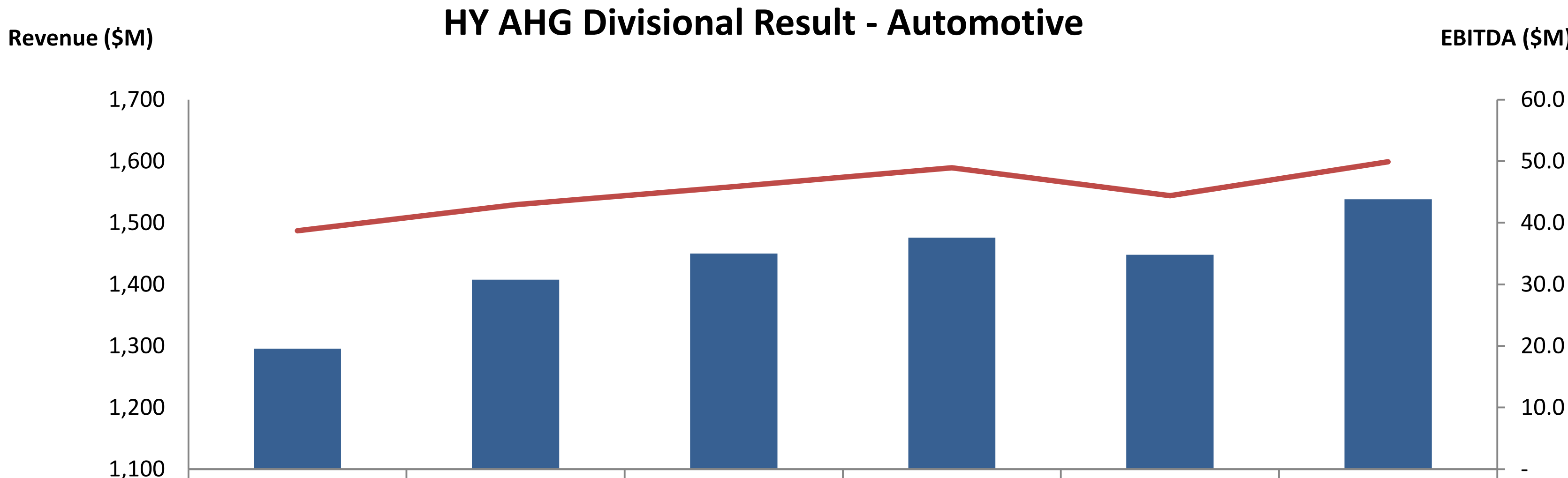
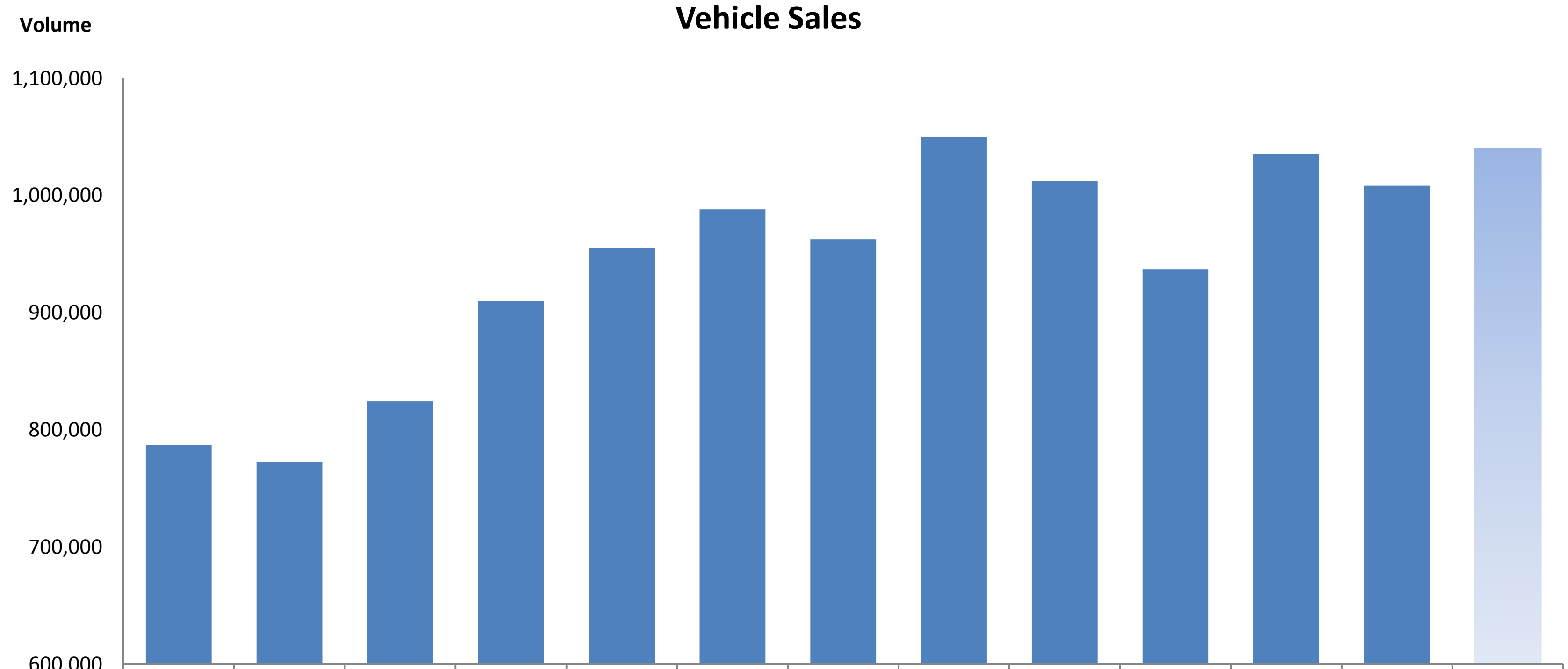


	Jan-Jun '09	Jul-Dec '09	Jan-Jun '10	Jul-Dec '10	Jan-Jun '11	Jul-Dec '11
Revenue ($M)	1,296	1,408	1,450	1,476	1,448	1,538
EBITDA ($M)(4)	38.7	42.9	45.9	48.9	44.4	49.9

- Jan-Jun ‘11 impacted by tsunami supply issues
- Jul-Dec ’11 improved performance despite supply disruption caused by Thailand floods
- AHG new unit volumes increased 2% CY11 on pcp – market as whole fell 2.6%

4 = refer to page 7

Automotive Retail – Australian New Vehicle Sales[1]



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Vehicle Sales	787,100	772,681	824,309	909,811	955,229	988,269	962,666	1,049,982	1,012,165	937,328	1,035,574	1,008,437	1,040,000

Forecast [2]

- New vehicle registrations CY11 1.008 m
- Industry forecast for CY12 ~ 1.040 m (AutoTeam - Jan 2012)

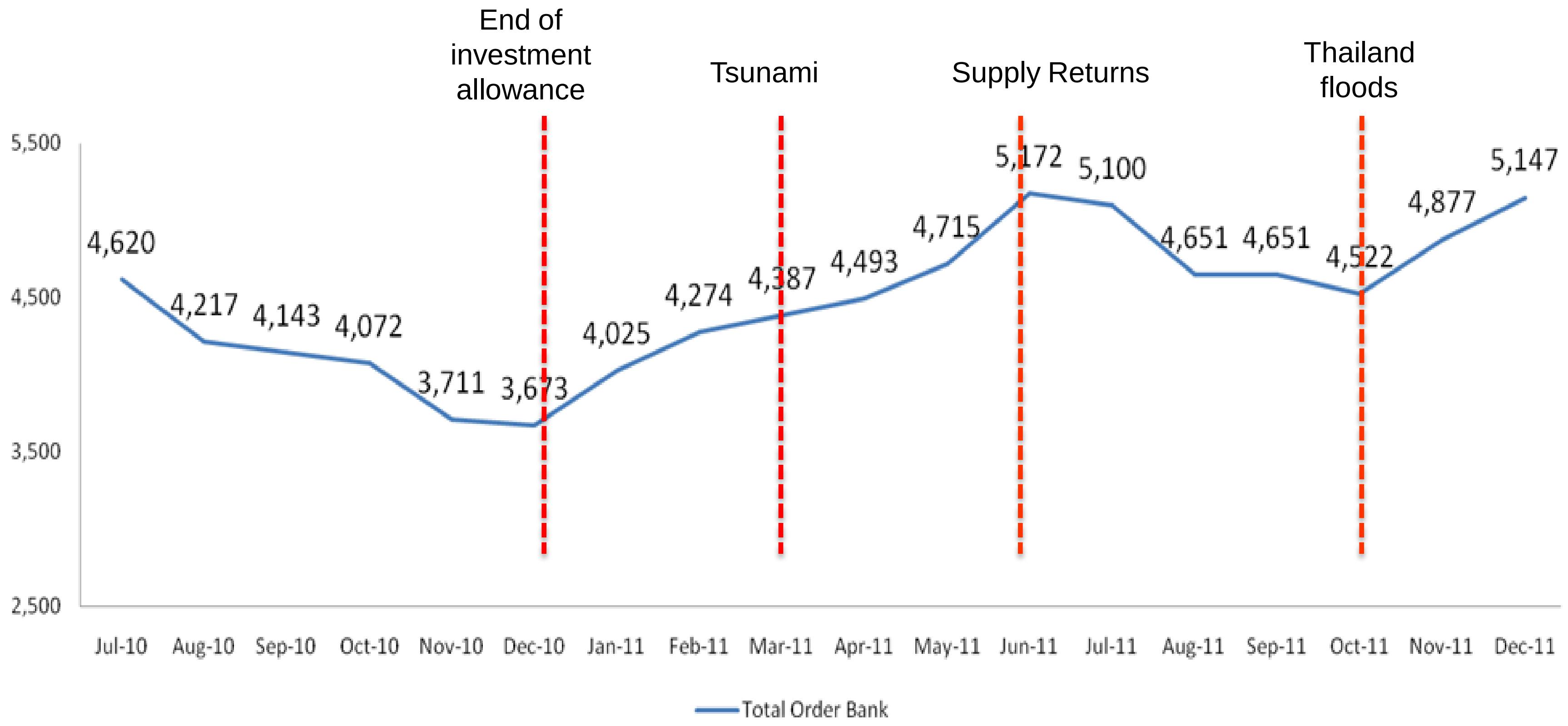
[1] ***Federal Chamber of Automotive Industries VFacts National Reports***
[2] ***AutoTeam January 2012***

Automotive Retail – Australian New Vehicle Sales

BUYER ANALYSIS	12 Months Dec 2010	12 Months Dec 2011	Variance	% of Total Dec 2010	% of Total Dec 2011
Private	484,155	478,536	(5,619)	46.8%	47.5%
Business	401,428	389,685	(11,743)	38.8%	38.6%
Government	63,477	58,091	(5,386)	6.1%	5.8%
Rental	57,900	54,078	(3,822)	5.6%	5.4%
	1,006,960	980,390	(26,570)		
Heavy Commercial	28,614	28,047	(567)	2.8%	2.8%
TOTAL NEW VEHICLE REGISTRATIONS	**1,035,574**	**1,008,437**	**(27,137)**	**100.0%**	**100.0%**

- New vehicle registrations CY11 1.008 m
- Industry forecast for CY12 ~ 1.040 m (AutoTeam - Jan 2012)

Strong Order Bank to Support FY12



- Order bank increased by 1,474 units on pcp
- Strong order bank to support second half earnings

Castle Hill

- Dealership facilities for Holden to be completed April 2012 and Hyundai July 2012
- Two further dealerships planned for the site
- Sale price of $26m plus $19m of future development costs to be recouped as part of the proposed API transaction

Diesel Motors Trucks

- Acquired Diesel Motors Trucks for $5.3 million
- Consolidation of Daimler Group truck brands
– Mercedes Benz, Freightliner and Fuso
- AHG grows its position in the truck market
- New site planned to accommodate growth opportunities to be completed in CY13

Growth Outlook

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- Acquisition of Jeff Wignall Group
  - 9 dealership franchises (4 Ford, 1 Mitsubishi, 4 Kia) at 5 sites in Mornington Peninsula
  - purchase price $14 million
  - total revenue $100 million
- Significant addition to AHG's Victorian operations
- Expected to be immediately earnings accretive
- Settlement scheduled for March 2012

Growth Outlook

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- Develop new Holden franchise in South Melbourne on leasehold premises – estimated completion date April 2013
- Additional franchise being pursued for site
- Adds another leading brand to our existing and announced Victorian franchises – Toyota, Hino, Higer, Ford, Mitsubishi and Kia
- Immediate focus is to integrated new dealerships into AHG's existing management and operating structures to deliver the expected returns
- Continue to pursue automotive acquisitions

Logistics

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AMCAP
DISTRIBUTION CENTRE

Rand
REFRIGERATED LOGISTICS

KTM

VSE
SOLUTIONS

HARRIS
refrigerated

Covs
Automotive, Mining & Industrial Supplies

GENUINE
TRUCK BODIES

Logistics Operating Performance

AHG
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- Record revenue $372.6 million (174.8% of pcp)
- Statutory EBITDA $24.2 million (147.0% of pcp)
- Record Operating (6) EBITDA $27.1 million (164.5% of pcp)
- Integration of Harris and Covs on track
- Solid underlying performance by Rand and AMCAP
- Record KTM performance backed by strong model range and favourable currency
- Queensland parts distribution review ongoing
- New Covs Distribution Centre to be constructed in CY12 adjacent to existing AMCAP site

6 = operating results exclude acquisition and integration costs and other non-recurring items (HY12: $2.895m (gross of tax) acquisition-related costs; HY11: $Nil)

Logistics Financial Performance

AHG Automotive Holdings Group

	HY11 (5) $M	HY12 (6) $M	% pcp (2)
Revenue	213.1	372.6	174.8%
Statutory EBITDA	16.5	24.2	147.0%
Add-back: Acquisition and Integration Costs	0.0	2.9	
Operating EBITDA	16.5	27.1	164.5%
Operating EBITDA margin %	7.7%	7.3%	94.1% (7)
Depreciation & Amortisation	(3.6)	(6.8)	186.6%
Operating EBIT	12.8	20.3	158.3%
Interest (Net)	(1.7)	(2.3)	135.3%
Operating Profit before Tax	11.1	18.1	161.8%

2 = percentages reflect underlying data, not rounded numbers
5 = restated for separate disclosure of Property Operating Segment
6 = operating results exclude acquisition and integration costs and other non-recurring items
7 = Cov's margins will improve as the acquisition synergies are achieved in FY13

Logistics – Segment Reporting

	HY11 (5) $M	HY12 (6) $M	% pcp (2)
Logistics - Revenue			
- Transport and Cold Storage	100.9	168.7	167.2%
- Other	112.2	203.9	181.7%
	213.1	**372.6**	**174.8%**
Logistics - EBITDA			
- Transport and Cold Storage	11.4	19.1	167.7%
- Other	5.1	8.0	157.5%
	16.5	**27.1**	**164.5%**
Logistics - EBITDA %			
- Transport and Cold Storage	11.3%	11.3%	
- Other	4.5%	3.9%	
	7.7%	**7.3%**	

2 = refer to page 18
5 = refer to page 18
6 = refer to page 18

Rand-Harris Integration on Track

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- Consolidated Harris and Rand Sydney operations onto Rand's Homebush site
- Leveraging scale to deliver cost efficiencies
- Optimising road and rail capacity to maximise fleet utilisation delivering improved margin
- Capital investment in facilities and rolling stock to meet growing customer demand
- Harris ahead of FY12 EBIT forecast at time of acquisition

Rand Transport

- New cold storage facilities in WA and SA, due for completion in FY13, will add 23% to existing pallet capacity
- Additional capacity
  - WA 10,000 pallets
  - SA 5,500 pallets
- Turnkey facilities to be funded by landlords
- Further capacity expansion being considered for NSW and QLD

AMCAP-Covs Integration

- Integration of AMCAP and Covs on track and delivering results in excess of expectations
- Holden/Ford inventory relocated to existing AMCAP premises
- Relocation of Redcliffe Distribution Centre in CY12 with completion of new premises at AMCAP
- I.T. integration in execution phase
- Covs rebranding near completion
- Covs ahead of FY12 EBIT forecast at time of acquisition, and margins to improve in FY13 as acquisition synergies are achieved

Property Holding Costs

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	HY11 (5) $M	HY12 (6) $M	% pcp (2)
EBIT	0.3	0.4	113.6%
Interest (Net)	(1.5)	(2.7)	177.7%
Profit before Tax	(1.2)	(2.3)	195.9%

Property holding costs increased due to timing of prior year acquisitions:
- acquisition of Castle Hill in August 2010 ($26 million)
- acquisition of Hoxton Park in December 2010 ($11 million)

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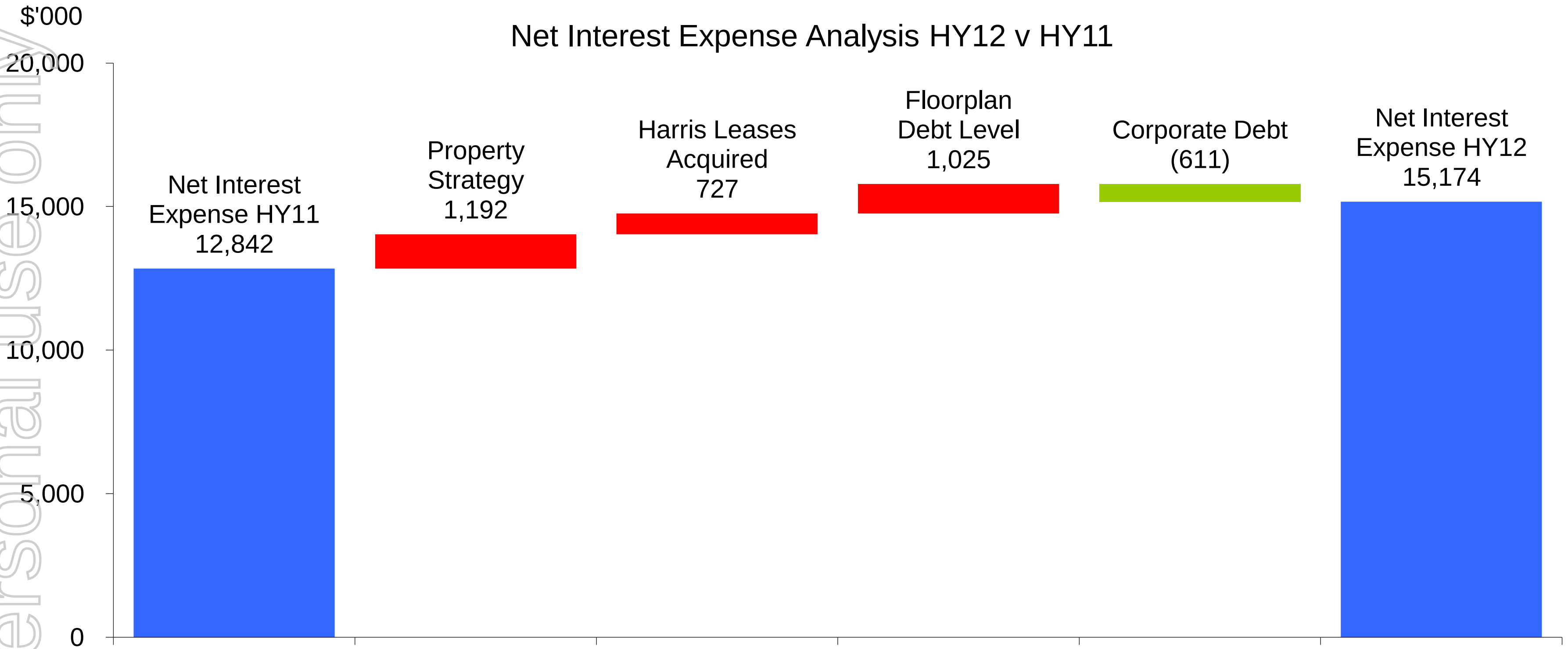
6 = operating results exclude acquisition and integration costs and other non-recurring items

Interest Expense Analysis



Increase in net interest expense attributable to:

- holding costs associated with Property Portfolio
- additional lease liabilities assumed as part of Harris acquisition (fleet assets)
- net floorplan increase linked to acquisitions and sales volume movements
- net reduction in balance of corporate debt

Capital Management

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Capital management initiatives have strengthened the balance sheet to fund growth opportunities:

- May 2011: capital raising to fund acquisitions and position balance sheet for growth
- December 2011: increased bank facilities
- February 2012: announced API transaction in line with property recycling strategy
- Solid platform to continue to grow the business

Funding the property strategy

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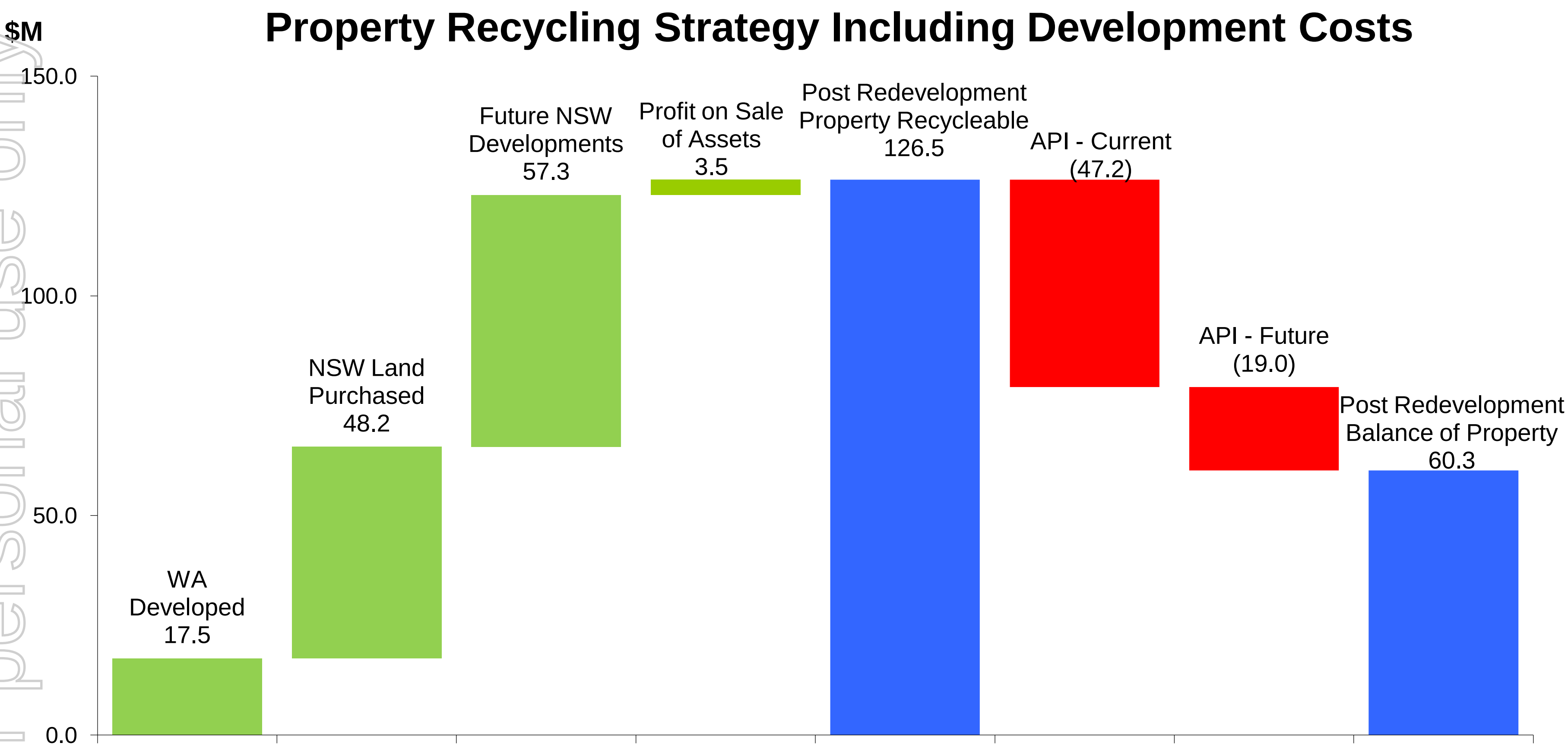
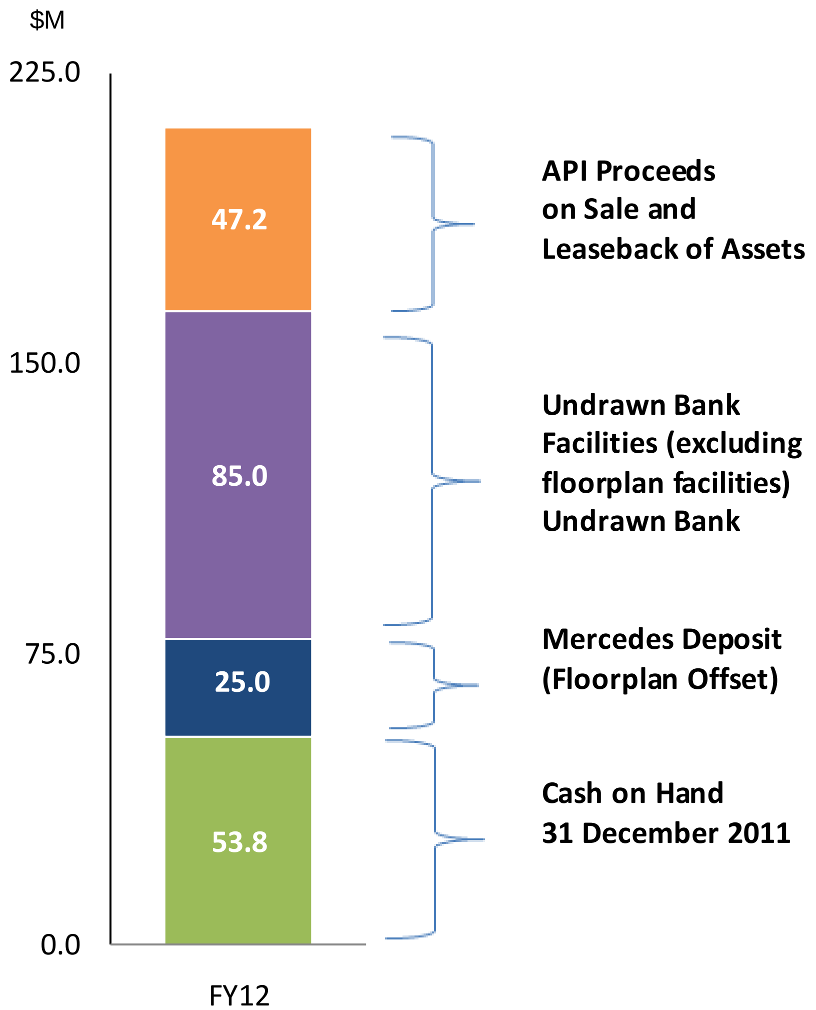
Automotive Holdings Group



Properties available for recycling post re-development include:

- Sutherland (NSW) $19 million developed (carrying value $11m)
- Hoxton Park (NSW) $41 million developed (carrying value $11m)

Balance Sheet Strength



Balance sheet capacity of $211 million through:

- $78.8 million cash and available deposits at 31 December 2011
- Undrawn bank facilities of $85 million through new Club facility
- Pending completion, API proposal recycles $47.2 million of property

Capital Management

	FY10 $M	FY11 [6] $M	HY12 $M	Pro-forma [7] $M
Total Debt				
Current	383.8	394.3	408.1	408.1
less finance company floor plan debt	(374.9)	(382.1)	(383.1)	(383.1)
Short term debt excluding floor plan	8.9	12.1	24.9	24.9
less Cash	(101.8)	(130.0)	(78.8)	(78.8)
Net Cash Position excluding floor plan debt	(92.9)	(117.9)	(53.8)	(53.8)
Non Current Debt	98.3	106.9	134.6	101.7
Net Debt / (Cash)	5.4	(11.0)	80.8	47.8
Net Debt / (Cash) as a % of Total Assets (less Cash and Floor Plan Debt)	0.94%	-1.73%	10.30%	6.06%
Total Assets	1,052.3	1,147.5	1,247.0	1,250.5
less cash at bank	(101.8)	(130.0)	(78.8)	(78.8)
less finance company floor plan debt	(374.9)	(382.1)	(383.1)	(383.1)
	575.6	635.3	785.1	788.6

NOTES:
[6] ***FY11 prior to payment for Covs and Harris of $46.5m on 1 July 2011 and working capital requirements***
[7] ***Includes API property sale of $47m cash and $14m Wignall acquisition***
Undrawn Bill Facility at 31 December 2011 - $85m
Floorplan headroom at 31 December 2011 - $111m (subject to inventory levels)

Net Debt/Cash Flow for Half Year

AHG
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	HY12 $M
Net Cash at 1 July 2011	11.0
Net Operating Inflows pre Working Capital Injections to Acquisitions	41.4
Working Capital Injections to Acquisitions	(14.2)
Payments for acquisitions, capital expenditure and investments	(66.7)
Dividends paid	(28.2)
Harris Liabilities assumed on Acquisition	(16.0)
New Finance Lease/HPs liabilities (net of repayments)	(8.1)
Net Debt at 31 December 2011	(80.8)

- Equity raising in May 2011 provided AHG with low net debt position at 1 July 2011
- $27.2 million in operating cash flows generated, net of working capital injections for acquisitions
- $49.7 million spent on acquisitions of Covs, Harris and Diesel Motor Trucks plus $16.0 million fleet lease liabilities assumed
- Final dividend of 10 cents/share paid in September 2011

Outlook - Opportunities

AHG
Automotive Holdings Group

Group

- Capital flexibility to grow operations
- API funding partner arrangement has the potential to release further capital
- Strong Australian dollar and stable employment

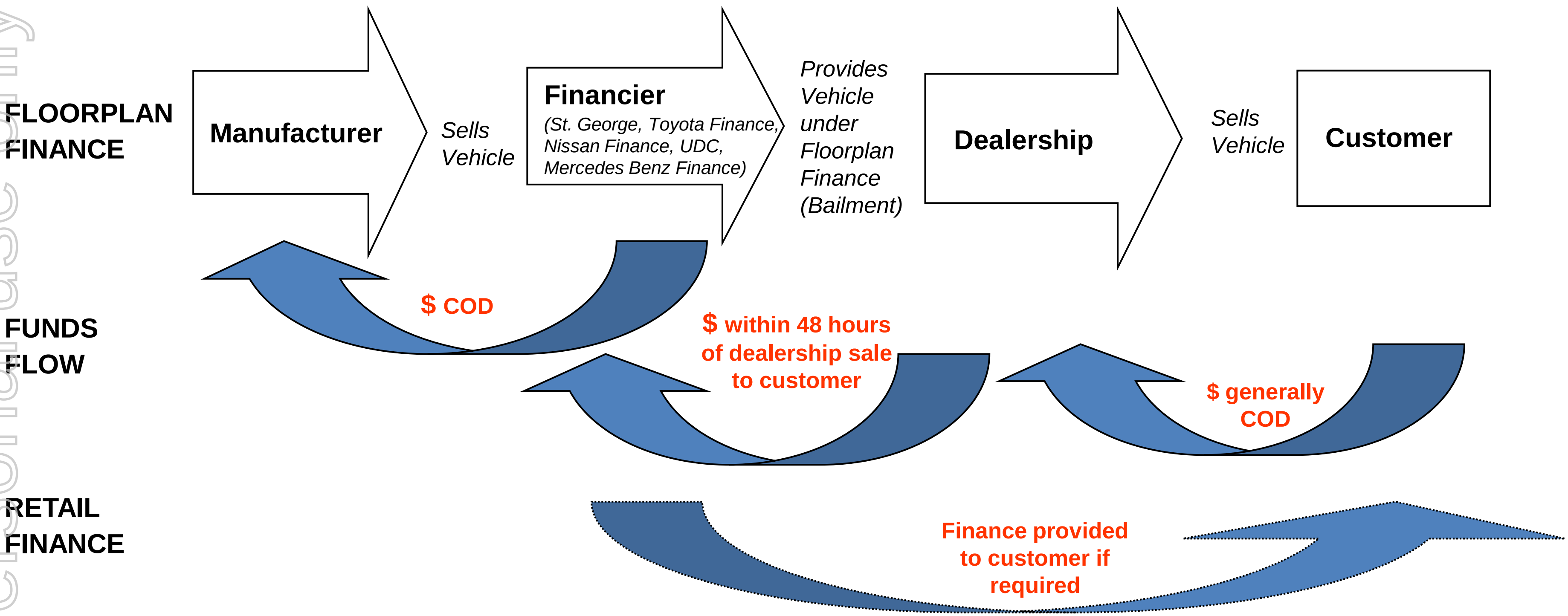
Automotive

- Strong order bank leading into second-half FY12
- Vehicle affordability continues to improve
- Strategic acquisitions completed and in progress, with further opportunities being considered

Logistics

- Continued integration of Harris and Covs
- Investing in facilities to support strong demand for increased cold storage capacity at Rand

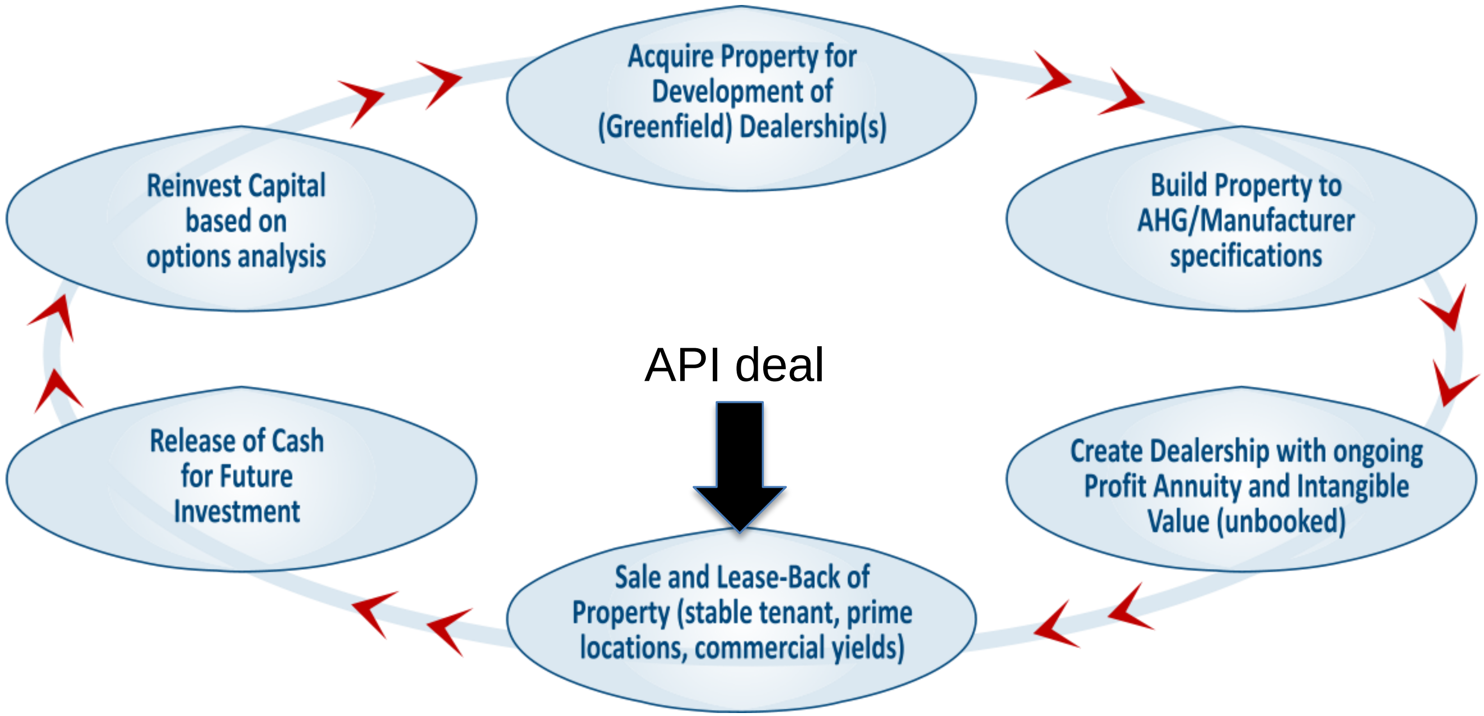
Floorplan Finance Explained



- 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

Property Strategy

- API to launch $66 million unlisted automotive property trust – AHG Property Syndicate No 1
- Pending completion this delivers on AHG's stated property strategy
- Establishes a model for future property development and as a vehicle to potentially invest in future dealership acquisitions.



Questions

AUTOMOTIVE HOLDINGS GROUP

20 February 2012

The Manager

Company Announcements Office

Australian Securities Exchange

Dear Sir / Madam,

APPENDIX 4D – HALF-YEAR REPORT AND DECEMBER 2011 HALF-YEAR RESULTS

In accordance with ASX Listing Rules, the following documents are attached for release to the market;

- Appendix 4D – Half-Year Report; and
- December 2011 Half-Year Results Announcement

Yours faithfully,

D. ROWLAND

COMPANY SECRETARY

Enc.

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Automotive Holdings Group Limited ABN 35 111 470 038

Appendix 4D – Half-Year Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2011 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

Report for the half-year ended 31 December 2011

This statement includes the results for Automotive Holdings Group Limited and its controlled entities, for the half-year ended 31 December 2011 (current period) compared with the half-year ended 31 December 2010 (prior period). The financial result of Automotive Holdings Group Limited and its Australian controlled entities are prepared in accordance with Australian International Financial Reporting Standards (AIFRS), whilst the Group's New Zealand controlled entities are prepared in accordance with New Zealand International Financial Reporting Standards (NZIFRS).

This report is based on financial accounts which have been reviewed.

Results for Announcement to the Market

		$A'000's		$A'000's
Revenues from ordinary activities	Up	221,970	13.1% to	**1,911,262**
Profit from ordinary activities after tax attributable to members	Up	602	2% to	**30,209**
Net profit from continuing operations after tax attributable to members	Up	602	2% to	**30,209**

DIVIDENDS	Amount per security	Franked amount per security
Interim dividend	7 cents	7 cents
Record date for determining entitlement to the interim dividend		19/03/2012
Date the interim dividend is payable		3/04/2012

Commentary on results for the period

Net profit after tax attributable to members from continuing operations for the half-year ended 31 December 2011 was $30.209 million compared with $29.607 million in the corresponding period. Net profit after tax attributed to members for the half-year ended 31 December 2011, excluding one-off costs, was $32.623 million compared with $29.607 million in the corresponding period.

One-off costs included in the current year result comprise professional fees, stamp duty, acquisition and integration costs associated with acquisition related activities, totalling $2.414 million (after tax). These one-off costs are associated with the business acquisitions of Harris Refrigerated Transport Pty Ltd, Coventry's Automotive Parts WA and Diesel Motors Trucks.

Group revenue from continuing operations was $1.911 billion representing a 13.1% increase on the previous year's revenue of $1.689 billion.

The Automotive Retail division delivered a statutory profit before tax of $32.965 million on $1.538 billion of revenue and a profit before tax and one-off costs of $33.270 million compared with a prior half-year statutory profit before tax of $33.824 million on $1.476 billion of revenue. This represents a decrease in statutory profit before tax of 2.5%, an increase in revenue of 4.2% and a decrease in profit before tax and one-off costs of 1.6%.

The Logistics division delivered a statutory profit before tax of $15.163 million on $372.550 million of revenue and a profit before tax and one-off costs of $18.058 million compared with a prior half-year statutory profit before tax of $11.163 million on $213.102 million of revenue. This represents an increase in statutory profit before tax of 35.8%, an increase in revenue of 74.8% and an increase in profit before tax and one-off costs of 61.8%.

The Property division net operating loss for the half-year ended December 2011 was $2.340 million before tax compared with net operating loss of $1.194 million before tax representing an increase in operating loss of 95.9%.

NTA Backing

	Half - Year	
	2011 Cents	2010 Cents
Net tangible asset backing per ordinary security	**95.5**	77.7

Dividends Paid and Proposed

	Date paid / payable	Amount per security (fully franked at 30%)
Declared and paid during the period ended June 2011		
Final franked dividend for 2010	01/10/10	10.0 cents
Interim franked dividend for 2011	01/04/11	7.0 cents
Declared and paid during the period ended December 2011		
Final franked dividend for 2011	30/09/11	10.0 cents
Proposed and not recognised as a liability		
Interim franked dividend for 2012	03/04/12	7.0 cents

Jointly Controlled Entities

	% Holding	
	Dec 2011	Dec 2010
Vehicle Parts (WA) Pty Ltd	**50%**	50%

Contribution to net profit attributable to members was immaterial for current and prior periods.

AUTOMOTIVE HOLDINGS GROUP

AUTOMOTIVE HOLDINGS GROUP LIMITED

ABN 35 111 470 038

Interim Financial Report for the half-year ended 31 December 2011

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly this document is to be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by Automotive Holdings Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

Contents

Your directors present their report on the consolidated entity consisting of Automotive Holdings Group Limited (AHG) and the entities it controlled (the Group) at the end of, or during, the half-year ended 31 December 2011. The figures referred to in this Directors' Report are based on continuing operations unless otherwise stated.

Directors

The following persons were directors of Automotive Holdings Group Limited during the whole of the half-year and up to the date of this report:

David Charles Griffiths	Non Executive Chairman
Giovanni (John) Groppoli	Non Executive Director
Bronte McGregor Howson	Managing Director
Michael John Smith	Non Executive Deputy Chairman
Peter William Stancliffe	Non Executive Director
Hamish Calder Williams	Executive Director

Gregory Joseph Wall was a director of Automotive Holdings Group Limited for part of the half-year until his retirement from his directorship on 6 October 2011.

Commentary on results for the period

Net profit after tax attributable to members from continuing operations for the half-year ended 31 December 2011 was $30.209 million compared with $29.607 million in the corresponding period. Net profit after tax attributed to members for the half-year ended 31 December 2011, excluding one-off costs, was $32.623 million compared with $29.607 million in the corresponding period.

One-off costs included in the current year result comprise professional fees, stamp duty, acquisition and integration costs associated with acquisition related activities, totalling $2.414 million (after tax). These one-off costs are associated with the business acquisitions of Harris Refrigerated Transport Pty Ltd, Coventry's Automotive Parts WA and Diesel Motors Trucks.

Group revenue from continuing operations was $1.911 billion representing a 13.1% increase on the previous year's revenue of $1.689 billion.

The Automotive Retail division delivered a statutory profit before tax of $32.965 million on $1.538 billion of revenue and a profit before tax and one-off costs of $33.270 million compared with a prior half-year statutory profit before tax of $33.824 million on $1.476 billion of revenue. This represents a decrease in statutory profit before tax of 2.5%, an increase in revenue of 4.2% and a decrease in profit before tax and one-off costs of 1.6%.

The Logistics division delivered a statutory profit before tax of $15.163 million on $372.550 million of revenue and a profit before tax and one-off costs of $18.058 million compared with a prior half-year statutory profit before tax of $11.163 million on $213.102 million of revenue. This represents an increase in statutory profit before tax of 35.8%, an increase in revenue of 74.8% and an increase in profit before tax and one-off costs of 61.8%.

The Property division net operating loss for the half-year ended December 2011 was $2.340 million before tax compared with net operating loss of $1.194 million before tax representing an increase in operating loss of 95.9%.

Consolidated revenue and results

Key Financial Data For the half-year ending 31 December	**Statutory Result Dec 2011**	**One-off costs ***	**Operating Result Dec 2011** (excluding One-off costs *)	**Operating Result Dec 2010**	**Operating Variance**
$'000					
Total revenue	1,911,262	-	1,911,262	1,689,292	13.1%
EBITDA	74,397	(3,201)	77,597	65,912	17.7%
EBITDA margin %	3.9%		4.1%	3.9%	4.1%
Depreciation & amortisation	(13,435)	-	(13,435)	(9,278)	(44.8%)
EBIT	60,962	(3,201)	64,163	56,635	13.3%
Interest (Net)	(15,174)	-	(15,174)	(12,842)	(18.2%)
Profit before tax	45,788	(3,201)	48,989	43,793	11.9%
Tax expense	(14,013)	787	(14,800)	(13,147)	(12.6%)
Profit after tax	31,775	(2,414)	34,188	30,645	11.6%
Non controlling interest	(1,566)	-	(1,566)	(1,038)	(50.8%)
Net profit after tax attributable to shareholders	30,209	(2,414)	32,623	29,607	10.2%
Basic EPS (cents per share)	11.59		12.51	13.07	(4.3%)

* **One-off costs** - acquisition and integration costs associated with acquisition related activities (including professional fees and stamp duty)

Dividends

The directors have declared the payment of an interim dividend of 7 cents per fully paid share compared to the previous corresponding interim dividend of 7 cents per fully paid share. Refer to note 4 for further information.

Auditor's Independence Declaration

The lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and follows the directors' report.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.

David C Griffiths

Chairman

Perth, 20 February 2012

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

20 February 2012

To the Board of Directors
Automotive Holdings Group Limited
21 Old Aberdeen Street
WEST PERTH WA 6005

Dear Sirs,

DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF AUTOMOTIVE HOLDINGS GROUP LIMITED

As lead auditor for the review of Automotive Holdings Group Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Automotive Holdings Group Limited and the entities it controlled during the period.

Brad McVeigh
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

Automotive Holdings Group Limited
Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2011

	Notes	Half - Year 2011 $'000	Half - Year 2010 $'000
Revenue from continuing operations		**1,911,262**	1,689,292
Other income		**-**	232
Raw materials and inventory expense		**(1,492,798)**	(1,351,301)
Employee benefits expense		**(206,099)**	(165,194)
Depreciation and amortisation expense		**(13,435)**	(9,278)
Finance costs		**(17,873)**	(15,648)
Advertising and promotion		**(14,742)**	(14,798)
Occupancy costs		**(43,031)**	(34,983)
Vehicle preparation and service		**(15,132)**	(13,507)
Supplies and outside services		**(15,329)**	(13,339)
Motor vehicle expense		**(6,026)**	(3,954)
Equipment rental		**(4,393)**	(3,392)
Professional services		**(1,668)**	(1,378)
Other expense		**(31,370)**	(18,960)
Loss on sale of assets		**(378)**	-
Acquisition and integration costs		**(3,201)**	-
Profit before income tax		**45,788**	43,793
Income tax expense		**(14,013)**	(13,147)
Profit from continuing operations		**31,775**	30,645
Profit for the half-year before other comprehensive income		**31,775**	30,645
Other Comprehensive Income			
Available-for-sale financial assets (net of tax)		**-**	(127)
Unrealised changes in the fair value of cash flow hedges (net of tax)		**(767)**	(96)
Exchange differences on translation of foreign operations		**(64)**	(259)
Total comprehensive income for the half-year (net of tax)		**30,944**	30,163
Profit attributable to:			
Owners of Automotive Holdings Group Limited		**30,209**	29,607
Non-controlling interest		**1,566**	1,038
		31,775	30,645
Total comprehensive income attributable to:			
Owners of Automotive Holdings Group Limited		**29,378**	29,126
Non-controlling interest		**1,566**	1,037
		30,944	30,163

		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share	3	**11.59**	13.07
Diluted earnings per share		**11.59**	13.07
Earnings per share is calculated on a weighted average number of shares of:		**260,679,363**	226,491,073

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

	Notes	31 Dec 2011 $'000	30 Jun 2011 $'000
CURRENT ASSETS			
Cash and cash equivalents		**53,760**	104,996
Trade and other receivables		**228,184**	172,466
Inventories		**487,280**	443,827
Other current assets		**14,573**	16,493
TOTAL CURRENT ASSETS		**783,797**	737,782
NON CURRENT ASSETS			
Available-for-sale financial assets		**2,250**	-
Property, plant and equipment	5	**203,136**	175,909
Intangible assets	6	**206,293**	189,797
Deferred tax assets		**26,485**	18,979
TOTAL NON CURRENT ASSETS		**438,164**	384,685
TOTAL ASSETS		**1,221,961**	1,122,467
CURRENT LIABILITIES			
Trade and other payables		**183,090**	143,383
Interest-bearing loans and borrowings		**383,052**	369,258
Income tax payable		**10,628**	7,927
Provisions		**39,946**	31,347
TOTAL CURRENT LIABILITIES		**616,716**	551,915
NON CURRENT LIABILITIES			
Interest-bearing loans and borrowings		**134,669**	106,868
Deferred tax liabilities		**1,132**	285
Provisions		**14,292**	10,648
TOTAL NON CURRENT LIABILITIES		**150,093**	117,802
TOTAL LIABILITIES		**766,809**	669,717
NET ASSETS		**455,152**	452,750
EQUITY			
Contributed equity	7	**382,282**	382,586
Reserves		**(1,394)**	(563)
Retained profits		**71,857**	67,716
Capital and reserves attributable to the owners of Automotive Holdings Group Limited		**452,745**	449,739
Non-controlling interest		**2,408**	3,012
TOTAL EQUITY		**455,152**	452,750

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

		Attributable to owners of Automotive Holdings Group Limited					
		Contributed Equity	Reserves	Retained Earnings	Total	Non-Controlling Interest	Total Equity
	Notes	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2010		**302,106**	**(235)**	**74,992**	**376,863**	**2,748**	**379,610**
Profit for the half-year (after tax)		-	-	29,607	29,607	1,038	30,645
Changes in fair value of available-for-sale financial assets		-	(181)	-	(181)	-	(181)
Changes in fair value of cash flow hedges		-	(137)	-	(137)	-	(137)
Exchange differences on translation of foreign operations		-	(258)	-	(258)	(1)	(259)
Income tax relating to components of other comprehensive income		-	95	-	95	-	95
Total comprehensive income for the half-year		**-**	**(481)**	**29,607**	**29,126**	**1,037**	**30,163**
Transactions with owners in their capacity as equity holders:							
Contributions of equity, net of transaction costs		-	-	-	-	200	200
Dividends provided for or paid	4	-	-	(22,639)	(22,639)	(1,870)	(24,509)
		-	**-**	**(22,639)**	**(22,639)**	**(1,670)**	**(24,309)**
At 31 December 2010		**302,106**	**(716)**	**81,960**	**383,350**	**2,115**	**385,465**
At 1 July 2011		**382,586**	**(563)**	**67,716**	**449,739**	**3,012**	**452,750**
Profit for the half-year (after tax)		-	-	30,209	30,209	1,566	31,775
Changes in fair value of cash flow hedges		-	(1,095)	-	(1,095)	-	(1,095)
Exchange differences on translation of foreign operations		-	(64)	-	(64)	-	(64)
Income tax relating to components of other comprehensive income		-	328	-	328	-	328
Total comprehensive income for the half-year		**-**	**(831)**	**30,209**	**29,378**	**1,566**	**30,944**
Transactions with owners in their capacity as equity holders:							
Contributions of equity, net of transaction costs	7	(304)	-	-	(304)	-	(304)
Dividends provided for or paid	4	-	-	(26,068)	(26,068)	(2,170)	(28,238)
		(304)	**-**	**(26,068)**	**(26,372)**	**(2,170)**	**(28,542)**
At 31 December 2011		**382,282**	**(1,394)**	**71,857**	**452,745**	**2,408**	**455,152**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	Half - Year 2011 $'000	2010 $'000
Cash flow from operating activities			
Receipts from customers (inclusive of GST)		**2,055,830**	1,701,734
Payments to suppliers and employees (inclusive of GST)		**(1,999,962)**	(1,601,966)
Interest paid and costs of finance		**(17,873)**	(15,648)
Interest received		**2,502**	2,754
Income tax paid		**(14,362)**	(16,874)
Net cash inflow from operating activities	9	**26,135**	70,000
Cash flow from investing activities			
Payment for purchase of business, net of cash acquired		**(48,496)**	(12,516)
Payment for property plant and equipment		**(18,276)**	(53,926)
Proceeds of sale of property, plant and equipment		**3,285**	1,281
Payment for purchase of available-for-sale financial assets		**(2,250)**	-
Net cash outflow from investing activities		**(65,737)**	(65,161)
Cash flows from financing activities			
Net proceeds from / (repayment of) borrowings		**16,097**	(13,864)
Proceeds from issue of shares, net of transaction costs		**507**	-
Dividends paid to members		**(26,068)**	(22,639)
Dividends paid to non-controlling interest		**(2,170)**	(1,870)
Net cash outflow from financing activities		**(11,634)**	(38,373)
Net decrease in cash and cash equivalents		**(51,236)**	(33,533)
Cash and cash equivalents at the beginning of the year		**104,996**	76,778
Cash and cash equivalents at the end of the half-year		**53,760**	43,245

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Non-cash financing and investing activities

During the half-year the Group acquired plant and equipment with a fair value of $5,409,435 by means of finance leasing and hire purchase arrangement. These acquisitions are not reflected in the above Consolidated Statement of Cash Flows.

1. Basis of preparation of half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2011 has been prepared in accordance with Australian Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this document is to be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by Automotive Holdings Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2. Operating segments

The Board has determined that AHG's operating segments be divided between a single reportable automotive segment, two reportable logistics segments comprising of AHG's transport and cold storage operations and the balance of all of its other logistical operations, as well as a property segment. All segments operate within the geographical area of Australia and New Zealand. Operations in Australia and New Zealand are classified and managed as one geographical area, and therefore geographic disclosures have not been included.

Automotive Retail

The automotive segment has 114 dealerships franchise sites operating within the geographical areas of Australia and New Zealand.

AHG's automotive operations exhibit similar economic characteristics. They have similar product offerings and a consistency of customer base. The generic characteristics of these businesses allow AHG to consistently measure operating performance within this segment.

Transport and Cold Storage

It was determined that AHG's transport and cold storage operations be disclosed as a separate reportable segment given the unique characteristics attendant to these operations, vis-à-vis the Group's other logistical operations, as well as the proportion of AHG's profit generated by them.

Other Logistics

The Other logistical operations segment comprises AHG's automotive parts warehousing and distribution businesses, motorcycle distribution and vehicle storage and engineering.

Property

The Property segment comprises AHG's freehold land and buildings, the associated rental incomes, expenses and holding costs of these land and buildings. In addition, capital assets under construction relating to property developments and the associated holding costs of these assets are allocated to the property segment.

2. Operating segments (continued)

Segment Reporting December 2011	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Gross revenue	1,588,231	168,586	221,404	389,990	705	1,978,926
Less: intercompany sales	(52,074)	-	(17,939)	(17,939)	(350)	(70,363)
Segment revenue	1,536,157	168,586	203,465	372,051	355	1,908,563
Interest earned	2,199	93	406	499	-	2,699
Total revenue						**1,911,262**
EBITDA	**49,624**	**17,859**	**6,380**	**24,239**	**534**	**74,397**
Depreciation and amortisation	(6,492)	(5,782)	(1,012)	(6,794)	(149)	(13,435)
EBIT	**43,131**	**12,077**	**5,368**	**17,445**	**386**	**60,962**
Interest expense (net)	(10,167)	(2,430)	148	(2,282)	(2,726)	(15,174)
Profit before tax for the half-year						**45,788**
Income tax expense						(14,013)
Reportable segment profit after tax for the half-year						**31,775**
Total revenue	**1,538,356**	**168,679**	**203,871**	**372,550**	**355**	**1,911,262**
EBITDA before acquisition and integration and costs	**49,930**	**19,152**	**7,982**	**27,134**	**534**	**77,597**
EBIT before acquisition and integration costs	**43,437**	**13,370**	**6,970**	**20,340**	**386**	**64,163**
Segment result before acquisition and integration costs	**33,270**	**10,940**	**7,118**	**18,058**	**(2,340)**	**48,989**
Acquisition and integration costs*	(306)	(1,293)	(1,602)	(2,895)	-	(3,201)
Profit before tax for the half-year	**32,965**	**9,647**	**5,517**	**15,163**	**(2,340)**	**45,788**

Segment Reporting December 2011	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	844,534	137,126	157,936	295,062	82,365	1,221,961
Total consolidated assets						**1,221,961**
Segment liabilities	414,160	124,970	144,038	269,008	83,641	766,809
Total consolidated liabilities						**766,809**
Acquisition of property, plant, equipment, intangibles and other non current segment assets	**10,349**	**30,273**	**8,878**	**39,151**	**11,318**	**60,818**

***One-off costs** - professional fees, stamp duty, acquisition and integration costs associated with acquisition related activities

2. Operating segments (continued)

Segment Reporting December 2010	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Gross revenue	1,508,948	100,822	129,237	230,059	508	1,739,514
Less: intercompany sales	(35,692)	-	(17,132)	(17,132)	(152)	(52,977)
Segment revenue	1,473,255	100,822	112,104	212,926	356	1,686,538
Interest earned	2,579	83	93	175	-	2,754
Total revenue						**1,689,292**
EBITDA	**48,921**	**11,422**	**5,069**	**16,491**	**501**	**65,912**
Depreciation and amortisation	(5,475)	(2,794)	(848)	(3,642)	(161)	(9,278)
EBIT	**43,446**	**8,628**	**4,221**	**12,849**	**340**	**56,635**
Interest expense (net)	(9,622)	(1,102)	(584)	(1,686)	(1,534)	(12,842)
Profit before tax for the half-year						**43,793**
Income tax expense						(13,147)
Reportable segment profit after tax for the half-year						**30,645**
Total revenue	**1,475,834**	**100,905**	**112,197**	**213,102**	**356**	**1,689,292**
Profit before tax for the half-year	**33,824**	**7,526**	**3,637**	**11,163**	**(1,194)**	**43,793**

Segment Reporting June 2011	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Automotive Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	882,890	79,076	87,611	166,687	72,890	1,122,467
Total consolidated assets						**1,122,467**
Segment liabilities	459,029	66,321	71,509	137,830	72,857	669,717
Total consolidated liabilities						**669,717**
Acquisition of property, plant, equipment, intangibles and other non current segment assets	**31,282**	**8,517**	**1,031**	**9,548**	**55,037**	**95,867**

3. Earnings per share

Basic earnings per share

	Half - Year	
	2011 **cents**	2010 cents
Earnings per share for profit attributable to the ordinary equity holders of the Company excluding acquisition and integration costs*	**12.51**	13.07
Earnings per share for profit / (loss) from acquisition and integration costs* attributable to the ordinary equity holders of the Company	**(0.93)**	-
Total earnings per share for Profit from continuing operations attributable to the ordinary equity holders of the Company	**11.59**	13.07

Reconciliation of earnings used in calculating earnings per share

	Half - Year	
	2011 **$'000**	2010 $'000
Basic Earnings Per Share		
Profit attributable to the ordinary equity holders of the Company from continuing operations excluding acquisition and integration costs*	**32,623**	29,607
Profit / (loss) attributable to the ordinary equity holders of the Company from acquisition and integration costs*	**(2,414)**	-
Profit attributable to the ordinary equity holders of the Company from continuing operations in calculating basic earnings per share	**30,209**	29,607

The Group has no instruments that have a dilutive affect on earnings per share.

Weighted average number of shares used as the denominator

	Number	
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**260,679,363**	226,491,073

* **One-off costs** - acquisition and integration costs associated with acquisition related activities (including professional fees and stamp duty)

4. Dividends paid and proposed

	Parent	
	2011	2010
Dividends on ordinary shares:	**$'000**	$'000
Final dividend for the year ended 30 June 2011 of 10 cents per fully paid share on 30 September 2011 (30 June 2010 of 10 cents per fully paid share on 1 October 2010)	**26,068**	22,639
Interim dividend for the half-year ended 31 December 2011 of 7 cents per fully paid share on 3 April 2012 (31 December 2010 of 7 cents per fully paid share on 1 April 2011)	**18,248**	15,854
	44,316	38,493

5. Property, plant and equipment

	Consolidated	
	31 Dec 2011	30 Jun 2011
	$'000	$'000
Land and buildings	**67,777**	67,804
Accumulated depreciation	**(1,267)**	(1,080)
	66,510	66,724
Plant and equipment at cost	**130,282**	101,077
Accumulated depreciation	**(61,904)**	(52,442)
	68,378	48,636
Capitalised leased assets	**31,714**	38,535
Accumulated amortisation	**(8,725)**	(12,143)
	22,989	26,392
Leasehold improvements at cost	**35,988**	32,117
Accumulated amortisation	**(12,003)**	(10,164)
	23,985	21,954
Assets under construction	**21,274**	12,204
Total property, plant & equipment	**203,136**	175,909

5. Property, plant and equipment (continued)

Consolidated December 2011	Land and buildings	Plant and equipment	Capitalised leased assets	Leasehold improve-ments	Assets under construction	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Carrying amount at 1 July 2011	66,724	48,636	26,392	21,954	12,204	175,909
Translation adjustment	-	3	-	1	(3)	2
Additions	-	9,593	1,865	694	11,534	23,686
Acquisitions through business combinations	-	19,320	-	1,316	-	20,636
Disposals	-	(3,551)	-	(112)	-	(3,663)
Transfers	(27)	3,731	(3,025)	1,783	(2,462)	-
Depreciation / amortisation	(187)	(9,355)	(2,243)	(1,650)	-	(13,435)
Carrying amount at 31 Dec 2011	**66,510**	**68,378**	**22,989**	**23,985**	**21,274**	**203,136**

6. Intangible assets

	Goodwill	Franchise Rights & Distribution Agreements	Total
	$'000	$'000	$'000
December 2011			
Carrying amount at 1 July 2011	59,803	129,994	189,797
Additions	13,169	3,328	16,496
Carrying amount at 31 December 2011	**72,971**	**133,322**	**206,293**

	Goodwill	Franchise Rights & Distribution Agreements	Total
	$'000	$'000	$'000
December 2011			
Automotive Retail	49,460	125,882	175,342
Transport and Cold Storage	13,224	-	13,224
Other Logistics	10,288	7,440	17,728
Carrying amount at 31 December 2011	**72,971**	**133,322**	**206,293**

7. Contributed equity

	Parent		Parent	
	2011 Shares	2010 Shares	**2011 $'000**	2010 $'000
Ordinary shares fully paid	**260,683,178**	226,491,073	**384,112**	302,106
Treasury shares	**(843,882)**	-	**(1,830)**	-
Total contributed equity	**259,839,296**	226,491,073	**382,282**	302,106

Ordinary Shares

			No. of Shares	Issue Price	$'000
01/07/10	**Opening Balance at 1 July 2010**		**226,491,073**		**302,106**
31/12/10	**Balance at 31 December 2010**		**226,491,073**		**302,106**
19/05/11	Institutional Placement	(a)	33,958,136	$ 2.44	82,858
	Less: transaction costs arising on share issue	(a)			(2,565)
	Deferred Tax Credit recognised directly in equity				1,187
30/06/11	**Balance at 30 June 2011**		**260,449,209**		**383,585**
04/07/11	Share Purchase Plan	(b)	233,969	$ 2.44	571
	Less: transaction costs arising on share issue	(b)			(64)
	Deferred Tax Credit recognised directly in equity				19
31/12/11	**Balance at 31 December 2011**		**260,683,178**		**384,112**

(a) Institutional Placement

On 19 May 2011 AHG Completed an institutional placement of 33,958,136 shares at $2.44 per share to raise gross proceeds of $82.858 million. Transaction costs of this placement totalled $2.565 million.

(b) Share Purchase Plan

On 4 July 2011 AHG completed a Share Purchase Plan issuing 233,969 shares. Existing shareholders participated in the opportunity to obtain additional shares at $2.44 per share to raise gross proceeds of $0.571 million. Transaction costs of this placement totalled $0.064 million.

Treasury Shares

			No. of Shares	Issue Price	$'000
30/06/11	**Balance at 30 June 2011**		**(420,000)**		**(1,000)**
29/09/11	AHG Employee Share Plan Trust Acquisition	(c)	(423,882)	$ 1.96	(830)
31/12/11	**Balance at 31 December 2011**		**(843,882)**		**(1,830)**

(c) Treasury Shares

Treasury Shares are shares in AHG Limited that are held by the AHG Employee Share Plan Trust for the purpose of issuing shares under the various AHG share-based payment plans.

8. Business Combinations

On 1 July 2011 Automotive Holdings Group Limited acquired the business, assets and liabilities of Harris Refrigerated Transport Pty Ltd, a freight logistics company, for consideration of $32.089 million.

The business contributed revenues of $49.577 million and a net profit before tax of $3.209 million for the half year ended 31 December 2011 before acquisition and integration costs. This result is ahead of the acquisition forecast.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	16,294
Hire purchase liabilities assumed	15,796
Total purchase consideration	32,089

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value $'000
Receivables	9,533
Other inventory	269
Other current assets	641
Property, plant and equipment	18,993
Deferred tax assets	1,933
	31,369
Trade and other payables	(4,361)
Employee entitlements	(2,393)
Other provisions	(750)
	(7,504)
Net identifiable assets acquired	23,865
Add: goodwill	8,224
Net assets acquired	32,089

In accordance with AASB 3 *Business Combinations*:

Costs directly associated with the acquisition of the business have been expensed in the consolidated statement of comprehensive income as they are incurred.

The Group has reported provisional amounts for goodwill and property plant and equipment acquired as part of the purchase of the Harris Refrigerated Transport (see above).

8. Business Combinations (continued)

On 1 July 2011 Automotive Holdings Group Limited acquired the business and assets of Coventry's Automotive Parts WA, an automotive parts distributing and retailing company throughout Western Australia, for consideration of $28.943 million.

The business contributed revenues of $66.826 million and a net profit before tax of $1.870 million for the half year ended 31 December 2011 before acquisition and integration costs. This result is ahead of the acquisition forecast, with further synergies to be delivered in financial year 2013.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	28,964
Less: balances acquired Cash	(21)
Net cash paid	28,943

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value $'000
Cash and cash equivalents	21
Parts inventories	24,868
Other current assets	386
Property, plant and equipment	1,505
Deferred tax assets	1,152
	27,932
Trade and other payables	(72)
Employee entitlements	(3,205)
Other provisions	(635)
	(3,912)
Net identifiable assets acquired	24,020
Add: goodwill	3,945
Add: distribution agreements	1,000
Net assets acquired	28,964

In accordance with AASB 3 *Business Combinations*:

Costs directly associated with the acquisition of the business have been expensed in the consolidated statement of comprehensive income as they are incurred.

The Group has reported provisional amounts for goodwill, distribution rights and inventory acquired as part of the purchase of the Coventry's Automotive Parts WA business (see above).

8. Business Combinations (continued)

On 18 November 2011 Automotive Holdings Group Limited acquired the business and assets of Diesel Motors Trucks for consideration of $5.306 million.

The business contributed revenues of $9.104 million and a net profit before tax of $0.088 million for the half year ended 31 December 2011 before acquisition and integration costs. It is expected that this business would have contributed $27.550 million in revenues and $0.627 million net profit before tax, for the half year ended 31 December 2011, had the acquisition occurred at the beginning of the reporting period.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	4,509
Deferred consideration	797
Total purchase consideration	5,306

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value $'000
Vehicle inventories	850
Parts inventories	1,449
Other inventory	929
Property, plant and equipment	138
Deferred tax assets	170
	3,534
Trade and other payables	(850)
Employee entitlements	(456)
	(1,306)
Net identifiable assets acquired	2,229
Add: goodwill	1,000
Add: franchise rights	2,078
Net assets acquired	5,306

In accordance with AASB 3 *Business Combinations*:

Costs directly associated with the acquisition of the business have been expensed in the consolidated statement of comprehensive income as they are incurred.

The Group has reported provisional amounts for goodwill, franchise rights and inventory acquired as part of the purchase of the Daimler Trucks Perth business (see above). The amounts proportionally attributable to both goodwill and franchise rights are consistent with the Group's treatment of like amounts previously acquired.

9. Cash flow information

Reconciliation of Cash

	Half - Year	
	2011	2010
	$'000	$'000
Cash at bank and on hand	**53,204**	42,705
Deposits at call	**556**	540
	53,760	43,245

	Half - Year	
	2011	2010
	$'000	$'000
Profit for the half-year after tax	**31,775**	30,645
Non operating activity cash flow in profit		
- Profit on sale of assets	**-**	(232)
- Loss on sale of assets	**378**	-
Non cash flow in profit		
- Depreciation	**9,542**	6,021
- Amortisation	**3,893**	3,257
Changes in operating assets and liabilities		
(Increase) / decrease in trade debtors	**(46,722)**	12,499
(Increase) / decrease in inventories	**(10,687)**	39,418
(Increase) / decrease in prepayments	**1,446**	(720)
(Increase) / decrease in deferred tax assets	**(4,233)**	(1,616)
Increase / (decrease) in current tax payable	**3,036**	(3,186)
Increase / (decrease) in trade creditors	**16,811**	(12,963)
Increase / (decrease) in accruals	**15,549**	(6,805)
Increase / (decrease) in employee entitlements	**3,189**	1,983
Increase / (decrease) in other provisions	**1,312**	780
Increase / (decrease) in deferred tax liabilities	**847**	687
Net cash inflow from operating activities	**26,135**	70,000

9. Cash flow information (continued)

Cash Flow Movements

	Half - Year	
	2011 **$'000**	2010 $'000
Net cash inflow from operating activities	**26,135**	70,000
Normalisation adjustment	**-**	-
Add back: Increase / (Decrease) in inventories (offset against floor plan financing)	**993**	(18,993)
Normalised net cash inflow from operating activities *	**27,128**	51,007

* Cash flow generated from operations has been adjusted above as the majority of the Group's inventory is financed by floorplan arrangements which do not result in cash movements

10. Unsecured Contingent Liabilities and Contingent Assets

A liability exists for after sales service and finance rebates but the amount can not be quantified, however in the opinion of the directors is not a material amount.

Unsecured guarantees, indemnities and undertakings have been given by AHG in the normal course of business in respect of financial trade arrangements entered into by its controlled entities. It is not practicable to ascertain or estimate the maximum amount for which AHG may become liable in respect thereof. At 31 December 2011 no controlled entity was in default in respect of any arrangement guaranteed by AHG.

The Group has a contingent asset by virtue of it having lodged a claim for compensation under the *Land Administration Act (WA) 1997*. The claim is for potential loss of business and associated costs arising as a consequence of the state government's proposed taking of land by way of compulsory purchase order. The amount of any contingent asset cannot be quantified at this time.

On 21 September 2011, the Company received notice that a former executive intends to commence a legal claim relating to the cessation of his employment. The company considers that its exposure is not material and that all relevant employee entitlements have been paid. If the legal claim commenced, it will be defended.

11. Events Occurring After Reporting Date

a)

On 30 January 2012 the Group announced that the intention to acquire the business and assets of the Jeff Wignal Group (JWG) in Victoria, excluding the Southern Mitsubishi business. 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 with an approximate turnover of $100 million p.a.

The purchase price is approximately $14 million inclusive of goodwill and trading assets but excluding vehicle inventories, which will be funded by the Group's floor plan facilities.

The acquisition is subject to the approval of automotive manufacturers and other standard conditions. Settlement is scheduled in March 2012.

b)

On 2 February 2012 the Group entered into an exclusive arrangement with Australasian Property Investments Limited (API) to launch a $66 million unlisted automotive property trust – AHG Property Syndicate No. 1 – involving five automotive dealership sites located in Perth and Sydney.

API has a 90 day option to finalise the AHG Property Syndicate No. 1 and a further 45 days to complete the purchase from the Group of the 5 properties for a fixed price of $47 million. The total sale price for the 5 properties is $3.5 million above book value.

In addition, AHG Property Syndicate No. 1 is committed to fund a further $19 million to complete the automotive development commenced by the Group at the Castle Hill site in Sydney.

c)

On 2 February 2012 the Group announced it was developing a greenfield Holden franchise in South Melbourne. The Group has leased two sites adjacent to one another which will be the home of the new Holden dealership.

Subject to receiving necessary development approvals, the new dealership is expected to open before the end of calendar 2012.

The directors of the company declare that:

1. The financial statements, comprising; the statement of comprehensive income; statement of financial position; statement of cash flows; statement of changes in equity; and accompanying notes, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standards *AASB 134 Interim Financial Reporting* and the Corporations Regulations 2001; and

   (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

David C Griffiths

Chairman

Perth

20 February 2012

BDO

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AUTOMOTIVE HOLDINGS GROUP LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Automotive Holdings Group Limited, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Automotive Holdings Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of Automotive Holdings Group Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

BDO

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Automotive Holdings Group Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO

Brad McVeigh
Director

Perth, Western Australia
Dated this 20th day of February 2012