

FY2015 Half Year Results Presentation

Period Ended 31 December 2014



AUTOMOTIVE HOLDINGS GROUP

Company Overview



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

167 franchises at 95 dealership locations in Australia and New Zealand

Strong, long-term relationships with leading manufacturers

Logistics division contributes ~30% of EBITDA

Combined Rand, Harris, Scott's and JAT is Australia's largest provider of fully integrated, temperature controlled transport and cold storage solutions



Financial Performance



AUTOMOTIVE HOLDINGS GROUP

Consolidated Financial Performance	1H FY2014 (\$m) <i>*restated</i>	1H FY2015 (\$m)	% change
Operating¹ Performance			
Revenue	2,319.2	2,565.9	10.6%
EBITDA	88.5	104.1	17.6%
<i>EBITDA %</i>	3.8%	4.1%	
EBIT	74.4	84.2	13.1%
<i>EBIT %</i>	3.2%	3.3%	
Net Profit after Tax	39.3	46.1	17.2%
Earnings Per Share (cps)	15.1	15.0	(0.3%)
Interest Cover (times)	4.9	4.8	
Statutory IFRS Performance			
Net Integration and Acquisition, Asset Divestment and Sale of Properties	(0.9)	(1.1)	
Statutory Net Profit after Tax	38.4	45.0	17.4%
Earnings Per Share (cps)	14.7	14.7	-

- Improved operating performance highlighted by integration of acquisitions
- Revenues up 10.6% to \$2,565.9 million
- Record Statutory Net Profit after Tax, up 17.4% on PCP
- Operating¹ EBITDA of \$104.1 million, up 17.6% on PCP
- EPS impacted by equity raising (March 2014)
- Interest cover 4.8 x

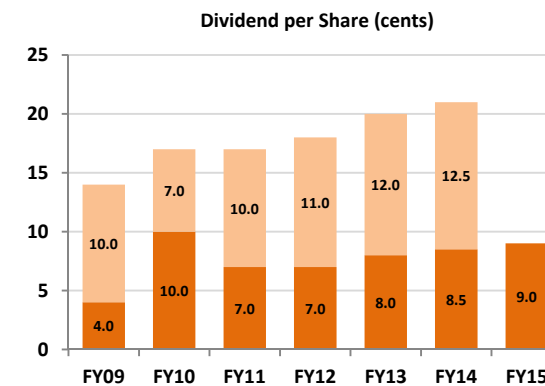
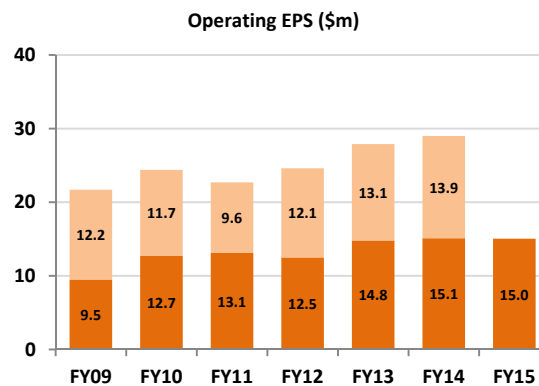
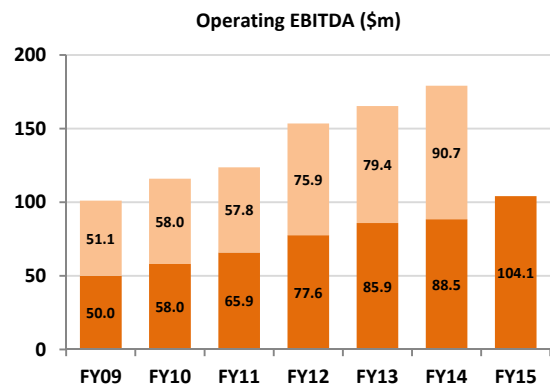
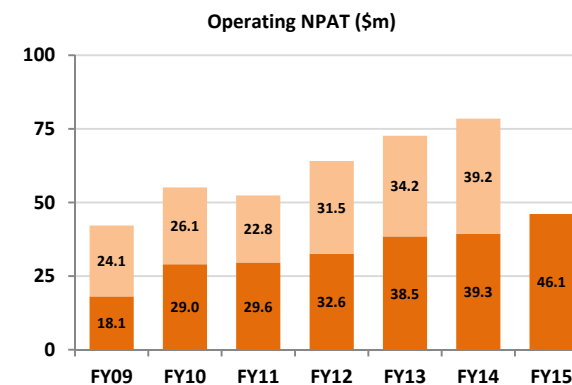
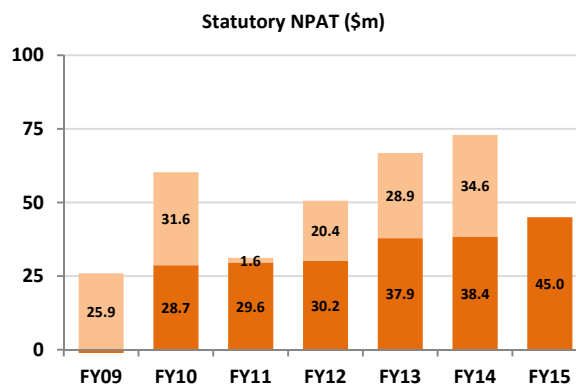
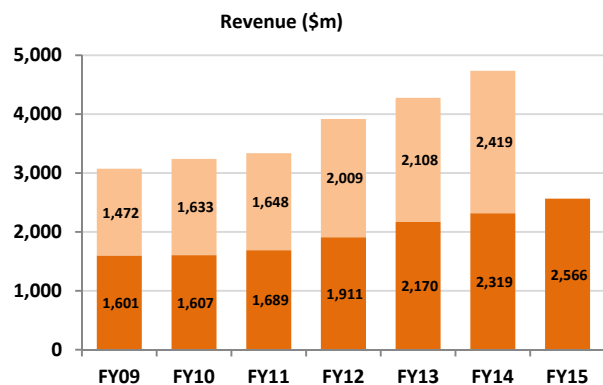
* Corresponding prior period results have been restated in accordance with change of Accounting Standards as described in note 39 of AHG's 2014 Annual Report and Note 13 of AHG's December 2014 Interim Financial Report.

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

Performance



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H1 Highlights



Strong H1 performance with Operating¹ NPAT up 17.2%

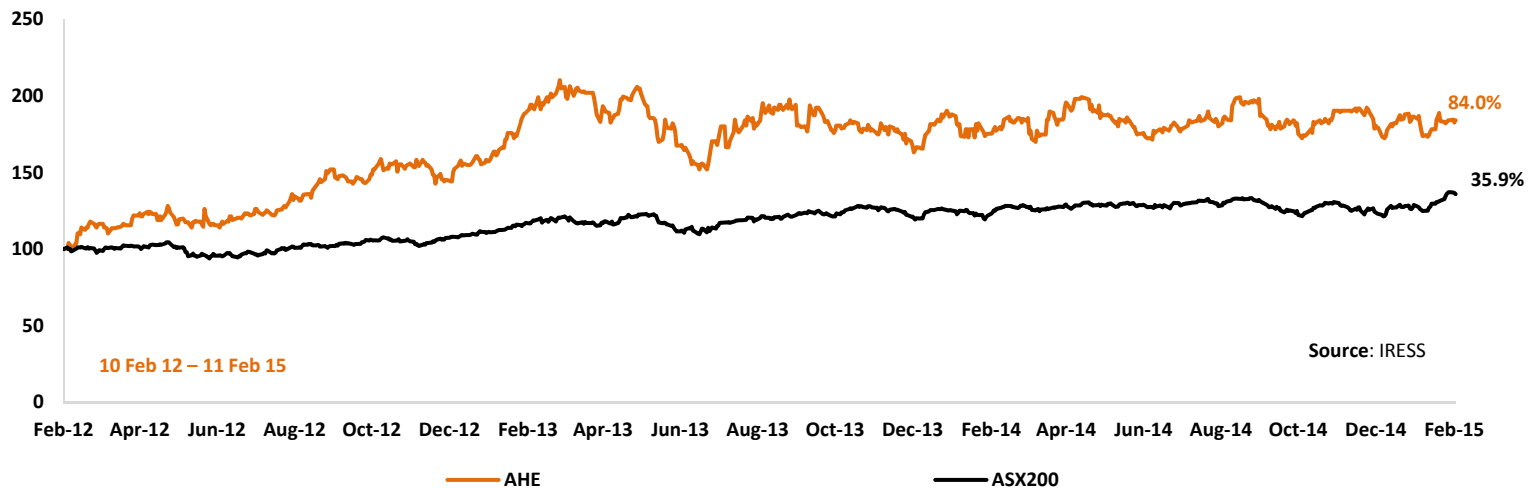
Automotive EBITDA increased 10.1% driven by Bradstreet acquisition and continued growth in underlying business

Significant year in Refrigerated Logistics as Rand/Harris and Scott's/JAT develop and transition to new facilities

Balance sheet reflects recent acquisitions while retaining funding capacity



AHG Share Price Performance (3 years)



Key Market Statistics (12 February 2015)	
Ticker	ASX:AHE
Share Price (12 Feb 2015)	\$3.79
Shares on Issue	306,541,437
Market Capitalisation	\$1.162 billion

Industry Volumes CY2014 – Automotive



- National vehicle sales down 2% on CY2013
- AHG outperformed broader market decline (VFACTS WA sales down 8.1%)
- Business and Commercial sales well down on CY2013
- Private sector represents 52.6% of the market
- AHG strength in private sector sales

YTD Sales Units Analysis History by State

NEW VEHICLE SALES	CY13	CY14	CY14 v CY13	Market Share
NSW	351,050	356,174	1.5%	32.0%
VIC	307,292	302,722	-1.5%	27.2%
QLD	233,139	223,519	-4.1%	20.1%
WA	125,544	115,343	-8.1%	10.3%
SA/TAS/ACT/NT	119,202	115,466	-3.1%	10.4%
Total	1,136,227	1,113,224	-2.0%	100%

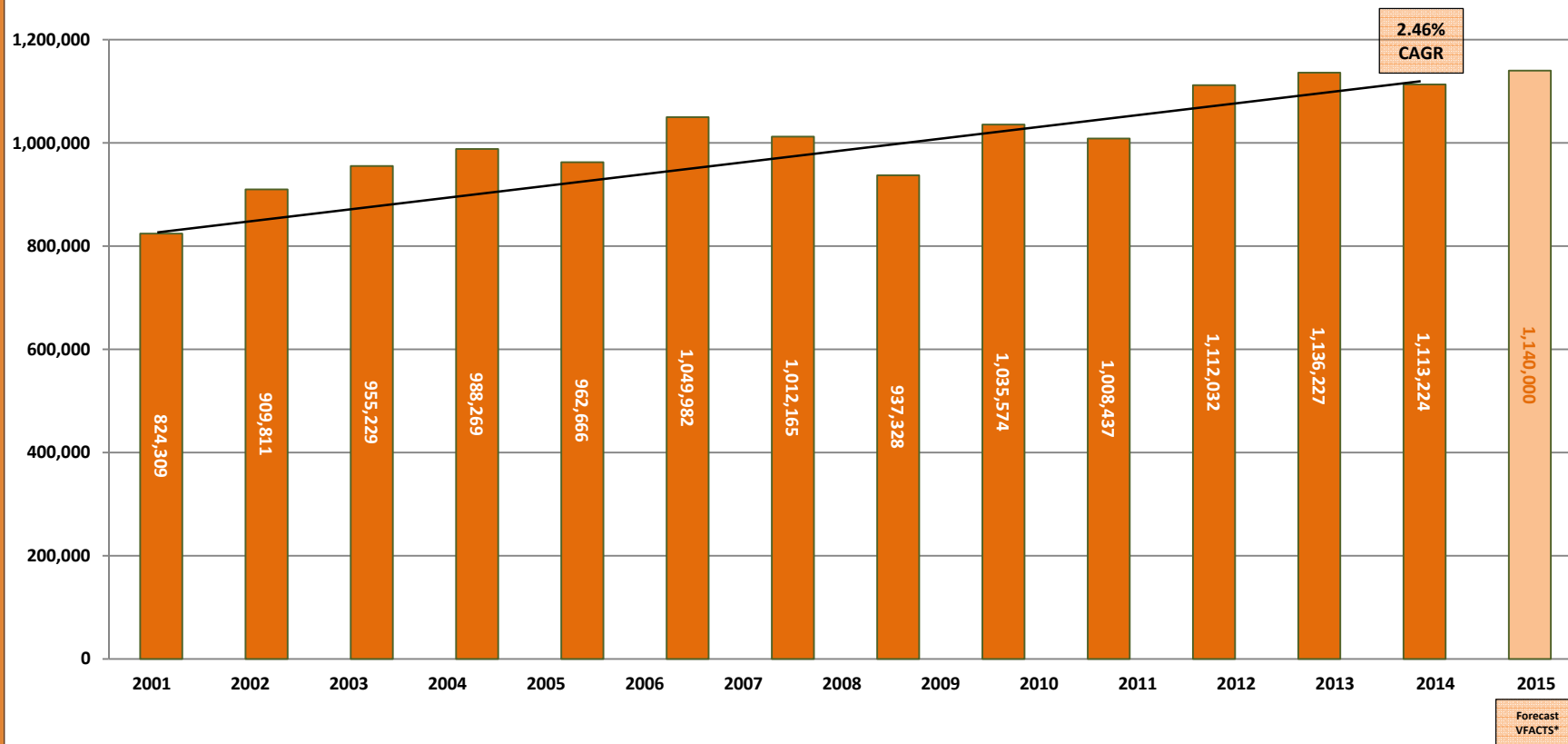
YTD Sales Units Analysis History by Buyer Type

NEW VEHICLE SALES	CY13	CY14	CY14 v CY13	Market Share
Private	582,482	585,346	0.5%	52.6%
Business	426,489	398,332	-6.6%	38.6%
Government	40,747	42,149	3.4%	3.8%
Rental	54,813	56,072	2.3%	5.0%
Total	1,136,227	1,113,224	-2.0%	100%

New vehicles sales – Australia VFACTS 2001-2014



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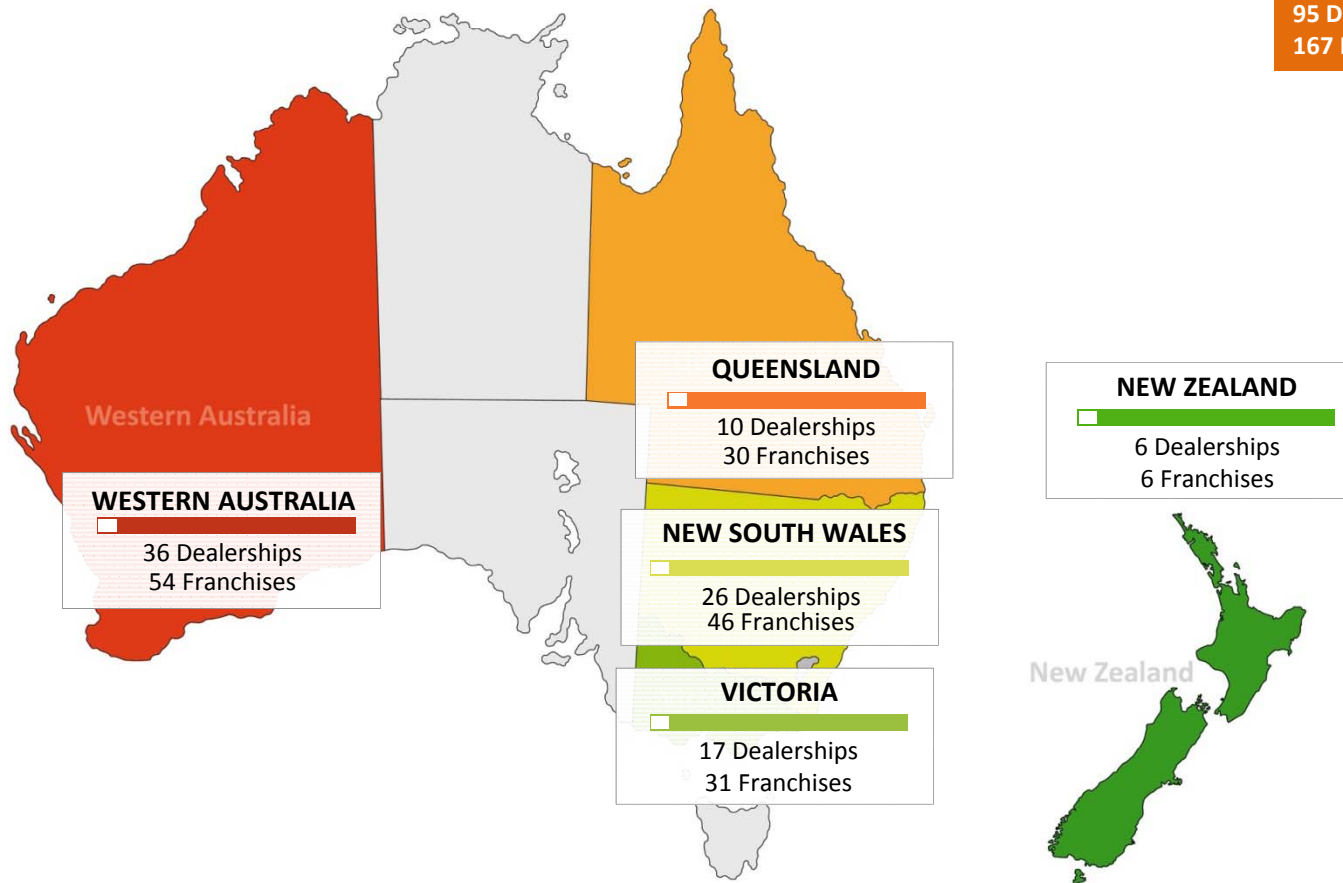
*VFACTS February 2015

Dealerships



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95 Dealership locations
167 Franchises



Automotive Operating¹ Performance



Operating ¹ Performance	1H FY2014 (\$m) <i>*restated</i>	1H FY2015 (\$m)	% change
Revenue	1,915.3	2,050.8	7.1%
EBITDA	64.0	70.4	10.1%
<i>EBITDA %</i>	<i>3.3%</i>	<i>3.4%</i>	
EBIT	56.4	61.7	9.4%
<i>EBIT %</i>	<i>2.9%</i>	<i>3.0%</i>	
Profit Before Tax	45.3	51.5	13.5%

- Revenue up 7.1%
- Operating¹ EBITDA of \$70.4m up 10.1%
- Increase in EBITDA and EBIT margins
- Operating¹ Profit Before Tax up 13.5%



Automotive Highlights



- Strong performance in passenger vehicles offsetting weaker “heavy truck” market
- Strong performance in Service, Parts, F&I
- Completion of Bradstreet acquisition August 2014 (12 franchises at 7 dealerships)
- Maturing Greenfield at Castle Hill Nissan (NSW), Manukau Nissan (NZ), Clarkson Nissan (WA), Melbourne City Holden and Melbourne City Hyundai



AHG Holds A Distinctive Position



- Strong leadership and management structure
- Experienced in a changing environment
- High performance retail culture
- Strong relationships with manufacturers
- Retail more than 100,000 vehicles a year
- Write more than \$1 billion p.a. auto finance
- Service database (almost 800,000 repair orders in FY14)
- Customer lifecycle (service, tyres, batteries... next sale)
- Industry leading operating systems and processes



Refrigerated Logistics Operating¹ Performance



Operating ¹ Performance	1H FY2014 (\$m) <i>*restated</i>	1H FY2015 (\$m)	% change
Revenue	210.0	319.1	51.9%
EBITDA	15.4	27.5	78.7%
<i>EBITDA %</i>	<i>7.3%</i>	<i>8.6%</i>	
EBIT	10.5	18.4	74.3%
<i>EBIT %</i>	<i>5.0%</i>	<i>5.8%</i>	
Profit Before Tax	8.7	14.8	70.8%

- Division performance reflects underlying Rand business and acquisition of Scott's
- Operating¹ EBITDA of \$27.5m up 78.7%
- Increase in EBITDA and EBIT margins
- Operating¹ Profit Before Tax up 70.8%



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

Refrigerated Logistics Highlights



- Acquisition of Scott's and JAT reinforces AHG's position as Australia's largest Refrigerated Logistics provider
 - Enhanced customer service proposition
 - Operational synergies
- Focus on synergies and cost controls
- Transition to new facilities impacted by overhang leases
- Growth in new cold store utilisation



Positioned For Further Growth



- Australia's largest Refrigerated Logistics provider
- Enhanced customer value proposition and operational synergies
- Primary supplier to national manufacturers, wholesalers and major retailers
- New state-of-the-art, custom-designed facilities in all states
- Major road and rail transport capacity
 - 459 owned prime movers and rigids
 - 1,013 owned road trailers
 - 464 owned rail containers
 - Major network of 300 sub-contractor prime movers and rigids



Competitive Advantage

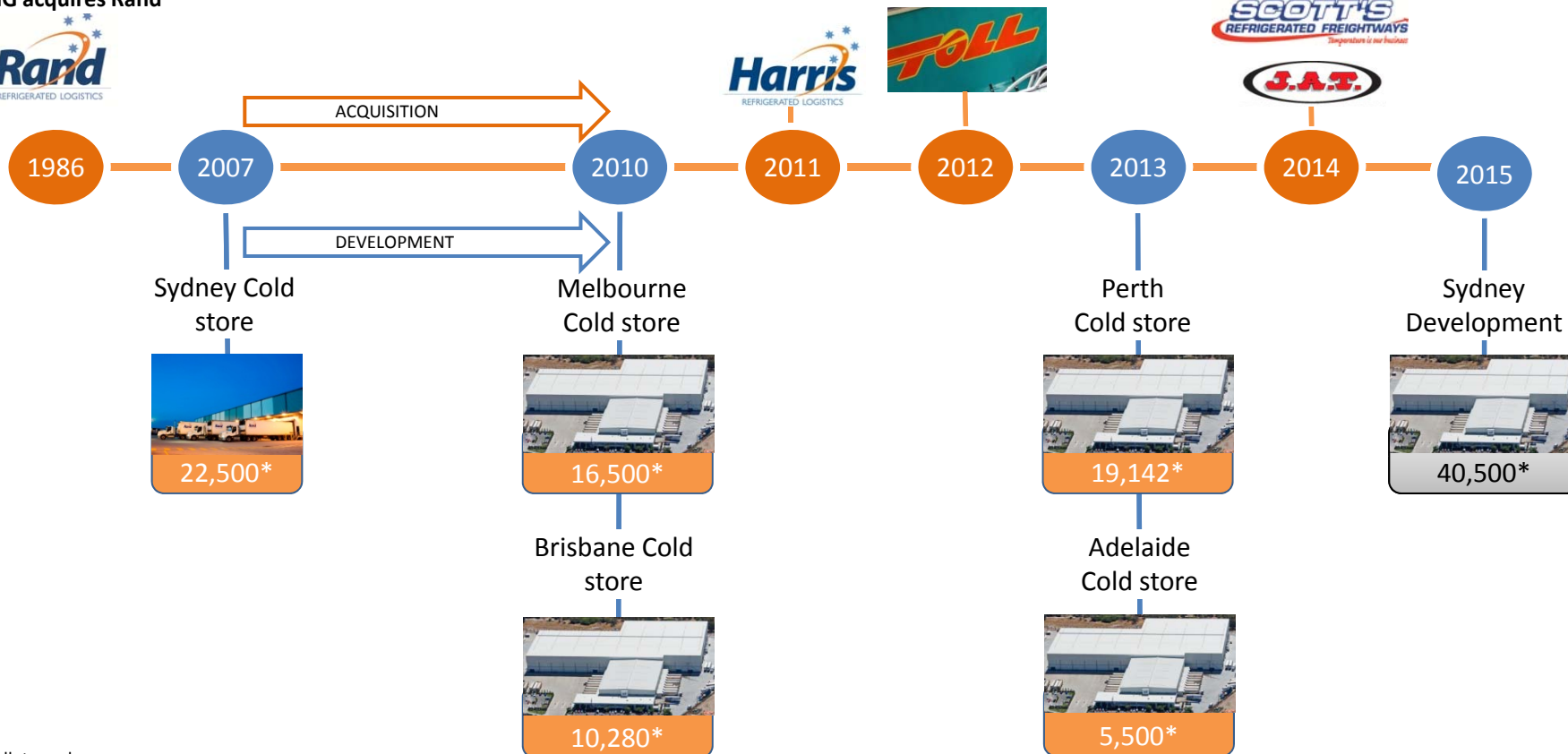


Strong industry fundamentals	Improvements in efficiency available
<ul style="list-style-type: none"> • Transporting a key consumer staple – Food • Major providers have structural advantage • High barriers to entry (facilities, equipment, systems, Chain of Responsibility) • Stable growth outlook 	<ul style="list-style-type: none"> • Consolidating corridor volumes between Rand, Harris, JAT and Scott's • Synergy savings (facilities, supply contracts, operations) • New technologies being implemented in Rand CY2015 • Maximising equipment utilisation
Established competitive advantage	Outlook for FY2016 and beyond
<ul style="list-style-type: none"> • Expanded business to generate ~ \$650m revenue • National presence with road and rail capability • New purpose-built facilities with large cross docks • High service offering (road, rail, storage and distribution) 	<ul style="list-style-type: none"> • Erskine Park development completed • Continued focus on synergy realisation and efficiency • Reduction in “rent overhang” as duplicated lease commitments end • Margins expected to improve

The Evolution of AHG Refrigerated Logistics



AHG acquires Rand



Custom Designed State-Of-The-Art Facilities



Large scale temperature controlled warehouses

Large capacity temperature controlled "cross dock" – high volume re-packaging to meet client needs of "less more often"



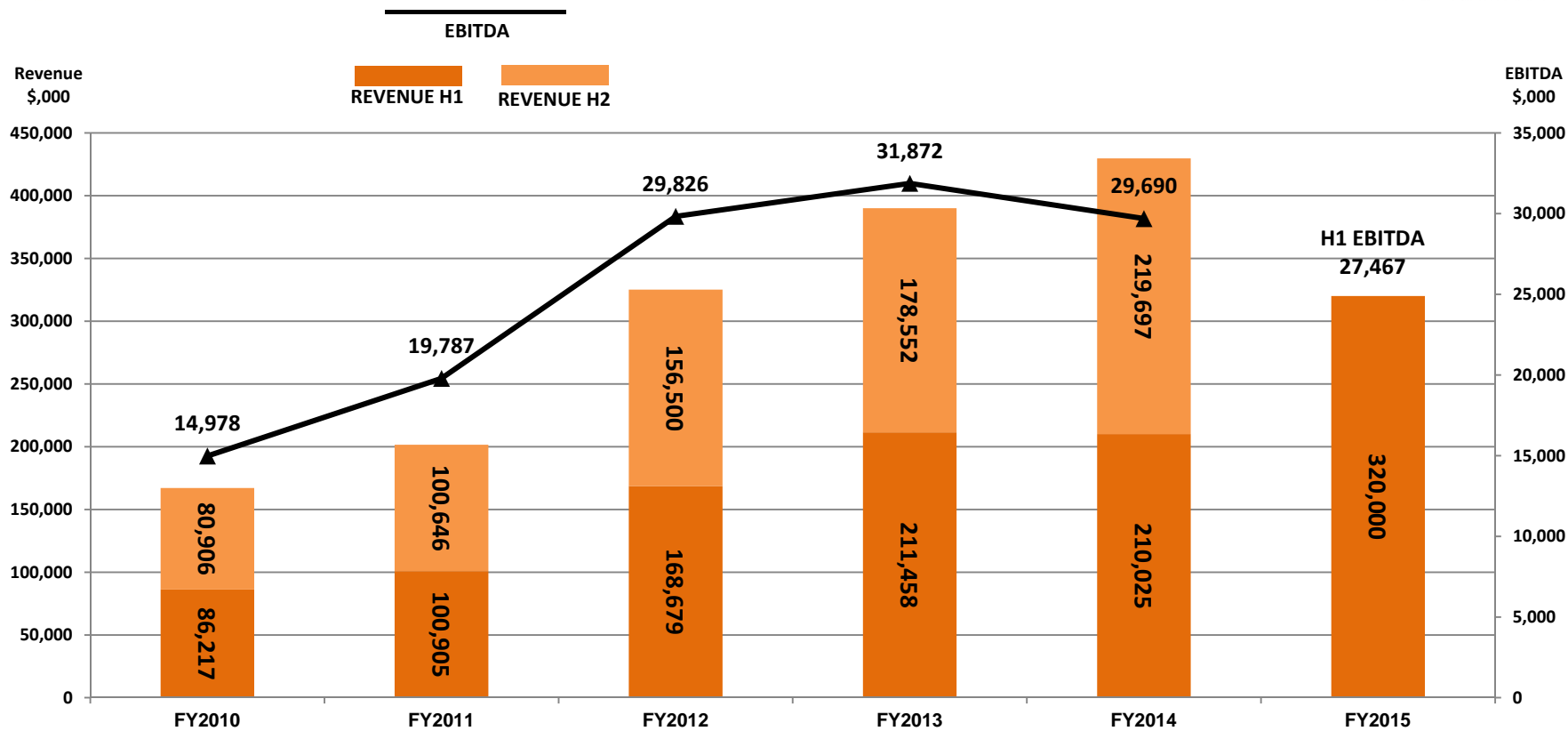
Efficient vehicle management

- Facilities built under 'turn-key' arrangements with landlords
- AHG funds fit-out (Racking and Equipment)
- Designed by AHG to lower operating costs and maximise business model
- Large capacity cross dock
- Improved vehicle flow
- Improved energy efficiency

Significant Growth From Investment



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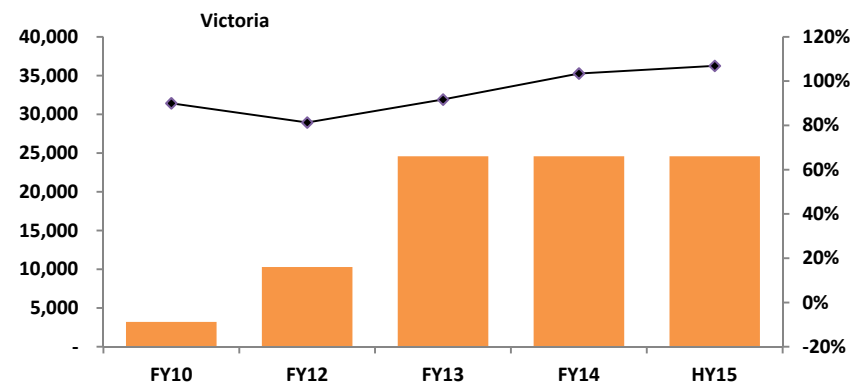
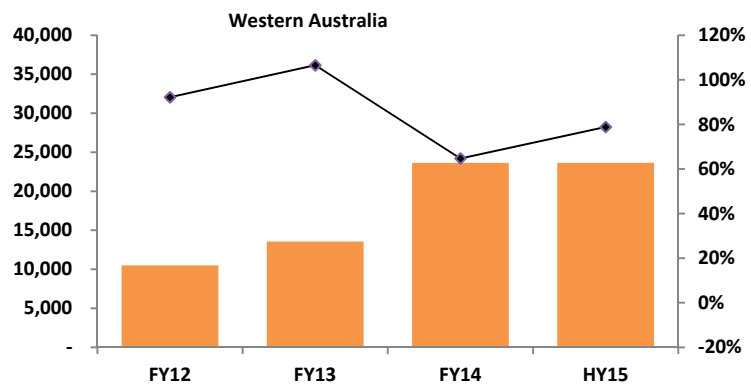


Pallet capacity	40,500	66,200	66,200	111,700	154,350	FY2015 forecast 175,000
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The cycle of pallet capacity and utilisation

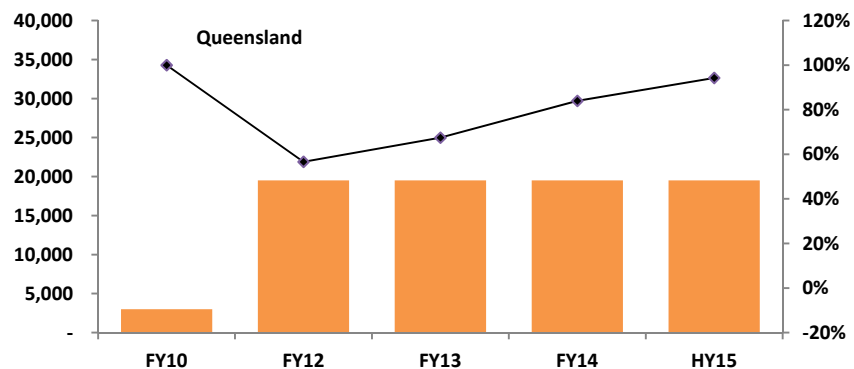
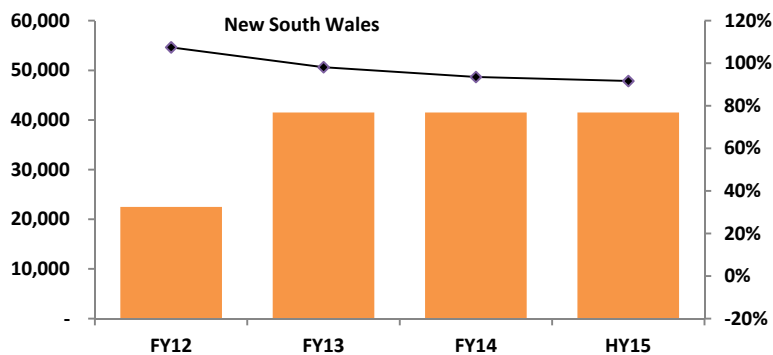


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Utilisation

Capacity



Other Logistics Operating¹ Performance



Operating ¹ Performance	1H FY2014 (\$m) <i>*restated</i>	1H FY2015 (\$m)	% change
Revenue	193.7	195.7	1.0%
EBITDA	10.4	6.2	(40.5%)
<i>EBITDA %</i>	<i>5.4%</i>	<i>3.2%</i>	
EBIT	8.8	4.2	(52.4%)
<i>EBIT %</i>	<i>4.6%</i>	<i>2.1%</i>	
Profit Before Tax	8.9	3.9	(56.9%)

- Operating¹ EBITDA of \$6.2m down 40.5%
- Operating¹ Profit Before Tax of \$3.9m down 56.9%
- KTM EBITDA down due to weaker \$A
- AMCAP EBITDA impacted by change in Mitsubishi distribution
- Challenging truck and bus market impacts WMC and GTB/VSE
- Cova stores retained and business growing



Strong Balance Sheet



- Debt capacity as at 31 December 2014 was supported by \$135 million of cash and undrawn commercial bill facilities
- Additional \$45 million of facilities obtained in July 2014
- June 2014 net debt reflects position prior to the settlement of Bradstreet and final dividend payment

Balance Sheet Gearing	31 DEC 2013	30 JUN 2014	31 DEC 2014
Total Borrowings	775.1	782.5	867.7
Cash & Cash Equivalents	(73.5)	(99.5)	(79.3)
Net Debt	701.6	683.0	788.4
Inventory Finance (Floorplan)	(547.3)	(565.6)	(550.2)
Net Debt – Excluding Floorplan Finance	154.3	117.4	238.2
Interest Rate Cover	4.9	5.6	4.8

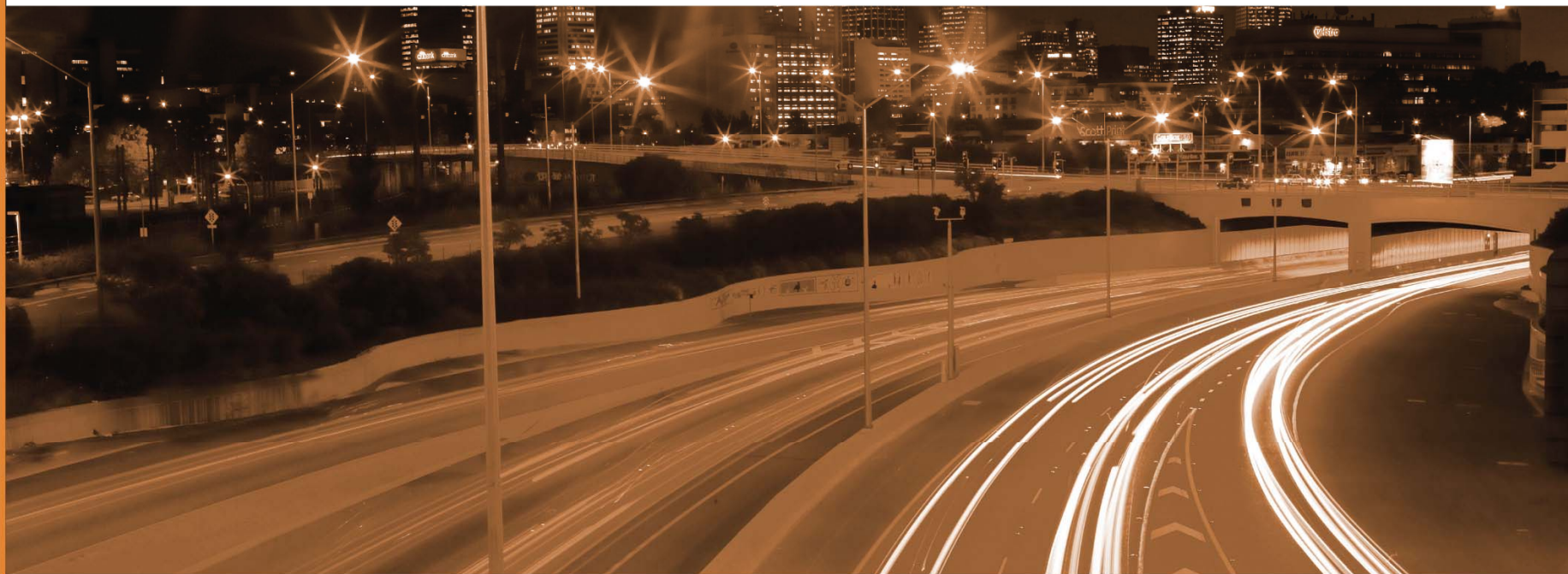
Gearing Ratio			
Net Debt + Equity – Excluding Floorplan Finance	646.6	781.8	911.8
Net Debt / [Net Debt + Equity] – Excluding Floorplan Finance	23.4%	15.0%	26.1%

Driving Shareholder Value



- Improve returns to shareholders by applying AHG's proven auto dealership model to acquisitions and Greenfield sites
- Focus on integration of Scott's and JAT to realise business efficiencies and synergy savings in FY2015 and beyond
- Strategic focus on areas within Other Logistics division
- Bradstreet contribution to grow
- Continued investment in facilities and systems to support growth
- Maintain business leading performance of existing operations
- Continued focus on control of expenditure
- Manage balance sheet capacity to ensure ability to fund growth





FY2015 Half Year Results Presentation

Period Ended 31 December 2014



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