

**ASX/MEDIA STATEMENT**  
**23 November 2018**

**TRADING UPDATE**

Automotive Holdings Group (ASX: AHG), Australia's largest automotive retailing and logistics group, provides a trading update and FY2019 earnings outlook ahead of the Company's Annual General Meeting, to be held in Perth at 10.00am (WST) today. This update should be read in conjunction with the Chair and MD addresses to the AGM (also published on the ASX platform).

Trading in the first four months of FY2019 has been lower than anticipated with full-year Operating<sup>1</sup> NPAT forecast in the range of \$56-million to \$59-million.

Managing director John McConnell said, "The entire private buyer market has been weaker, with the east coast, especially NSW and Victoria, being affected by a falling housing market and the negative flow-on effects to consumer confidence and auto sales.

"Other sectors of the auto market were relatively stronger, including trucks and fleet sales. Of course we are also heavily exposed to the WA market which is yet to see any rebound in private sales."

Mr McConnell referenced a range of initiatives to deliver a full year result in line with the forecast.

"We are continuing to reposition the cost base of the Automotive business to respond to the current market conditions," he said.

"We are adapting to industry changes to finance and insurance, including the changes to flex commissions that came into effect on 1st November. The short term impact of these changes are built into our forecast. Longer term we see upside from these changes for dealerships and our customers."

Mr McConnell said AHG has long been a leader in delivering point-of-sale finance and insurance solutions to its customers.

"Our dealer principals and business managers are adapting to the new environment and we intend to maintain that market leadership," he said.

"The **easyauto123** used car business is targeting to break even during Q4 of FY2019 after a significant investment phase over the past two years. That will improve the H2 result for **easyauto123** and add to Group earnings momentum leaving FY19." (Refer to the AGM presentation by Craig Bigley, EGM **easyauto123**.)

The Refrigerated Logistics division is delivering an improved performance following the recent transformation program and the business has a strong business development pipeline.

H2 performance in RL will be a substantial improvement over pcp and that will also add to Group earnings momentum. (Refer to the AGM presentation by Stephen Cleary, GM AHG Refrigerated Logistics.)

Operating <sup>1</sup> EBITDA - Unaudited	FY2018	FY2019	% change
	Jul-Oct (\$m)	Jul-Oct (\$m)	
<b>CONSOLIDATED GROUP</b>	<b>63.3</b>	<b>54.1</b>	<b>(14.5%)</b>
Automotive	50.9	42.7	(16.1%)
Refrigerated Logistics	10.8	11.4	5.60%
Other Logistics	2.7	0.5	(81.5%)
Property	(1.1)	(0.5)	54.5%
Depreciation and Amortisation	(17.1)	(18.0)	(5.3%)
Group Interest	(14.4)	(17.4)	(20.8%)
<b>Operating<sup>1</sup> NPAT attributable to shareholders</b>	<b>21.3</b>	<b>11.7</b>	<b>(45.1%)</b>

Operating<sup>1</sup> excludes unusual items

Operating<sup>1</sup> NPAT for the four month trading update period versus pcp has been significantly impacted by increased Group interest costs and the negative impact on KTM earnings from foreign exchange movement.

ENDS

**About AHG** Automotive Holdings Group Limited (ASX: AHG) 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 include AHG Refrigerated Logistics (transport and cold storage), AMCAP (motor parts and industrial supplies distribution), VSE (vehicle storage and engineering), Genuine Truck Bodies (body building services to the truck industry), and KTM Sportmotorcycles and HQVA (KTM and Husqvarna 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**