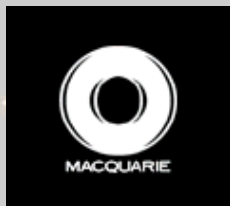




**Automotive Holdings Group Limited**



**Macquarie Connections Conference**

Presented by:  
Bronte Howson  
Managing Director  
May 2008

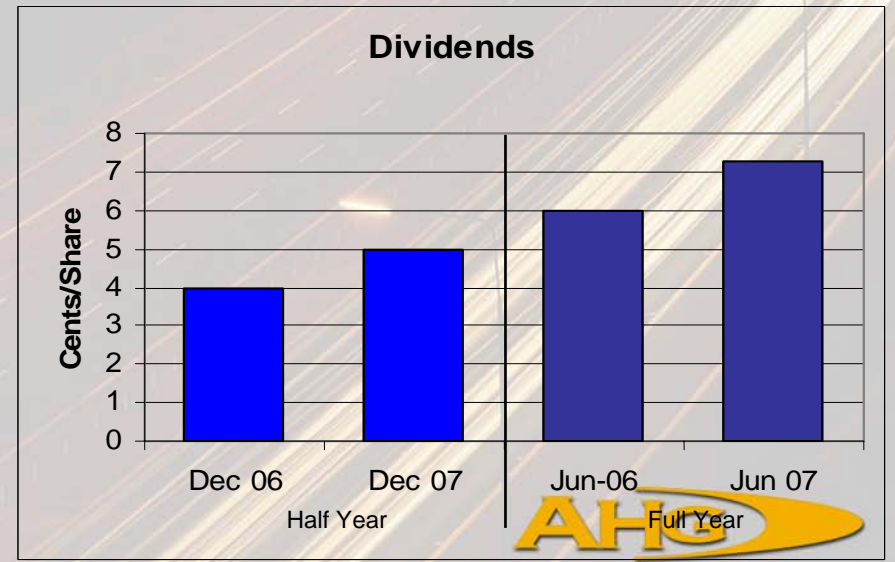
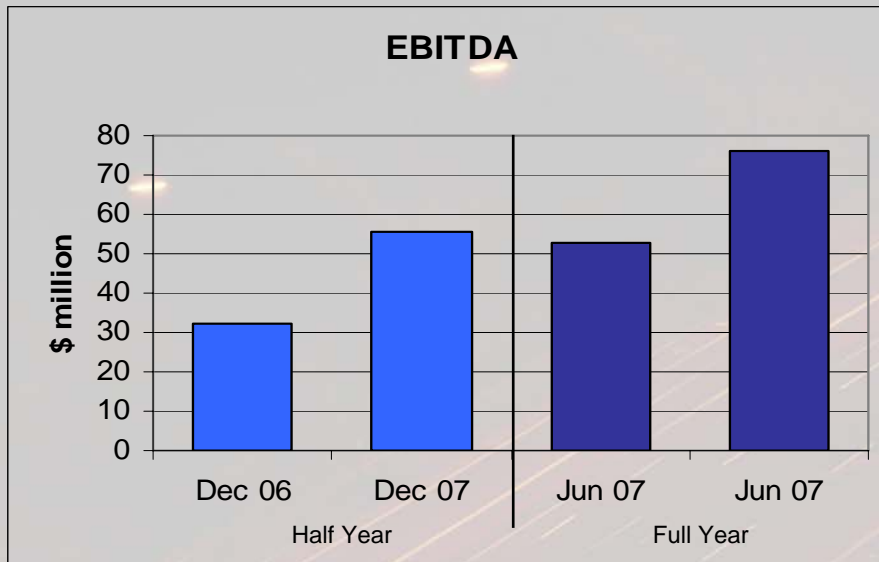
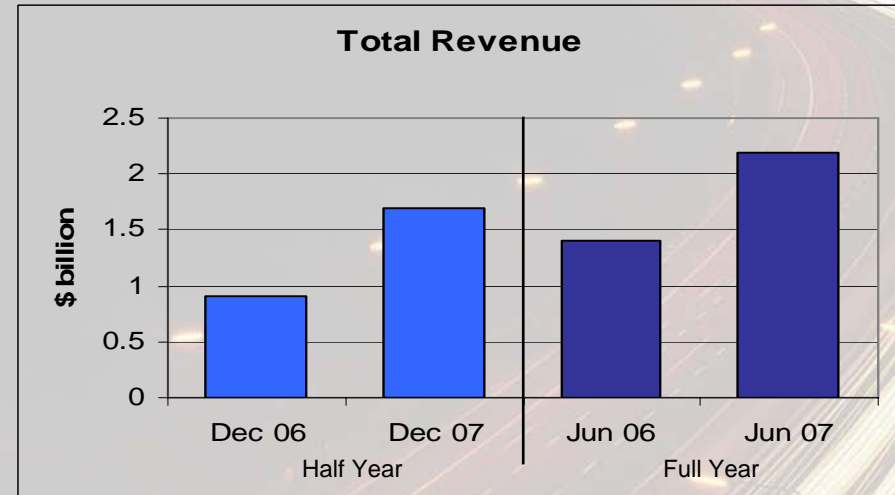
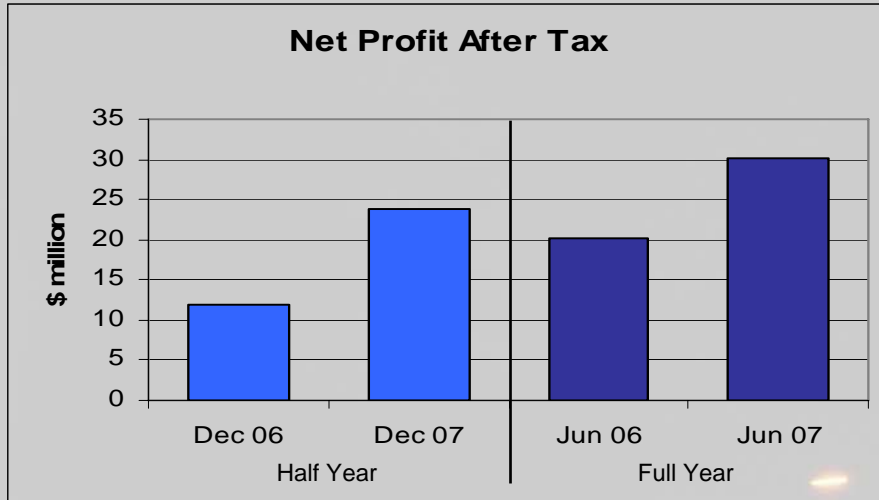
# Group Snapshot

- Largest automotive retailing & logistics group in Australia
- Automotive retailing represents ~90% of total business
- Representation in 9 of Australia's top 10 selling manufacturers (top 10 sell 83% of all new vehicles<sup>1</sup>)
- Logistics operations represents ~10% of total business
  - AMCAP Distribution Centre
  - Rand Transport
  - KTM Sportmotorcycles
  - VMoto Scooters
  - Vehicle Storage and Engineering

<sup>1</sup> Federal Chamber of Automotive Industry VFacts Report April 2008



# Group Performance since listing





# Outlook FY2008

- Stable trading conditions expected to continue in the Automotive sector
- On track for strong second half and record profit in FY2008
- Further synergy realisation
- Customer demand expected to remain strong into FY2009



# Automotive - Update

- Establishment of Rockingham Hyundai in Western Australia in March 2008
- Acquired Citroen and Peugeot dealerships in Western Australia in May 2008
- Reinforcement of strong manufacturer relationships



# Underlying strength in AHG markets – Economic Concerns Addressed

- Debt Structure
  - New Vehicle Sales
  - Interest Rates
  - Fuel Prices
  - Employment
- ⇒ Customer Preferences



# Underlying strength in AHG markets

## Net Debt Position\*

	31.12.07 <u>\$m</u>	30.6.07 <u>\$m</u>
Total Debt		
Current	351	424
Less, finance company loans (Floorplan)	<u>332</u>	<u>406</u>
	19	18
Less Cash (Positive)	<u>(24)</u>	<u>(29)</u>
Net Current Cash Position (excl. Floorplan)	(5)	(11)
Non Current Debt	<u>73</u>	<u>69</u>
Net Debt Position	<u>\$68</u>	<u>\$ 58</u>
	===	===

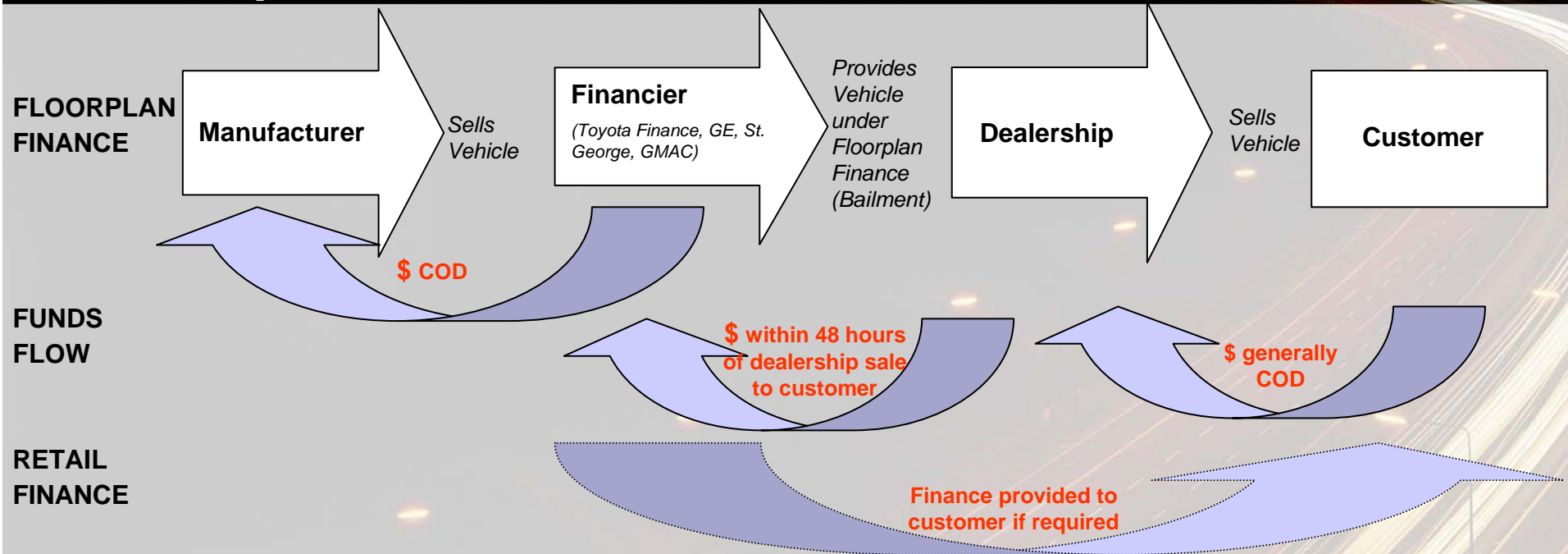
Net of floorplan funding minimal short term debt.



\* Excluding Finance Company Loans



# Floorplan Finance



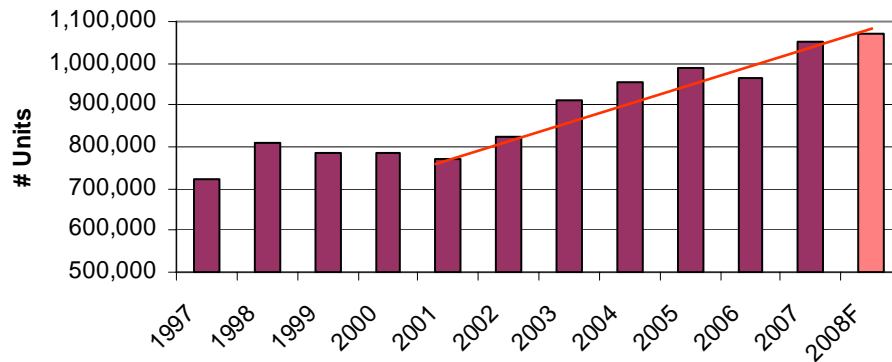
- Vehicle inventory financed by floorplan financing
- Floorplan lenders have interest in ensuring dealerships not pressured by excessive interest rates. Interest is charged at a small margin above the 90 day bank bill swap rate so the lender can participate in retail paper written.
- Floorplan repaid within 48 hours of sale of vehicle to customer
- Stock turn 8 x pa/45 day supply – constantly refreshing facility





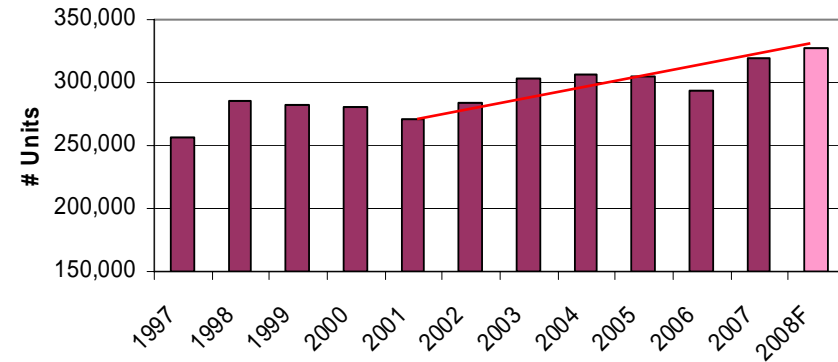
# Underlying strength in AHG markets – New Vehicle Sales

**New Vehicle Sales - National**

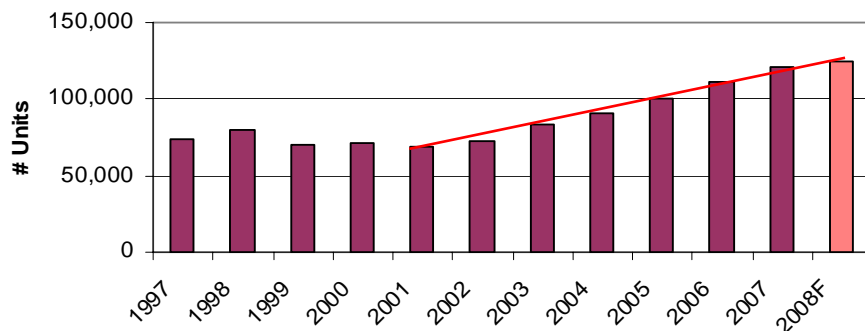


Source: Economics@ANZ

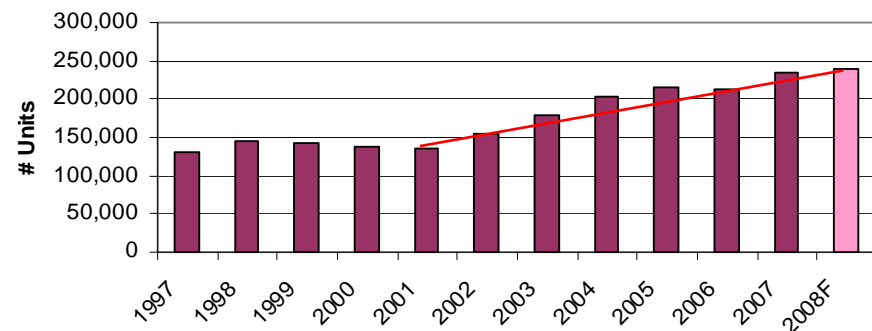
**New Vehicle Sales - NSW**



**New Vehicle Sales - WA**



**New Vehicle Sales - Qld.**

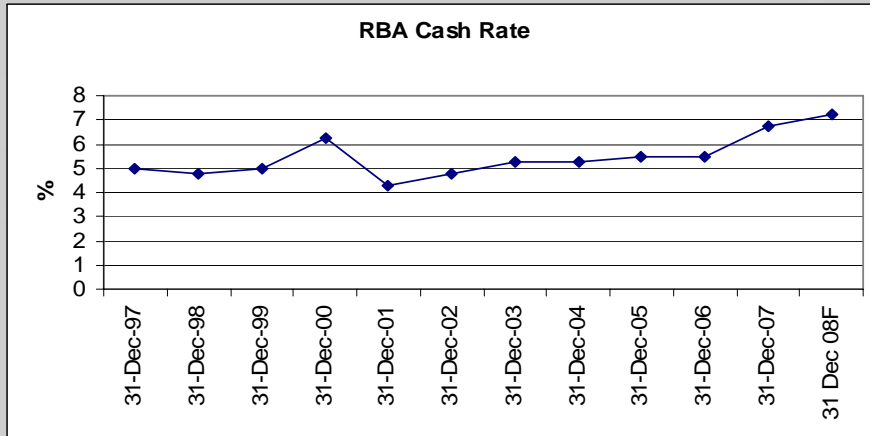


Solid sales forecast in key states off the back of record new vehicle sales in 2007.

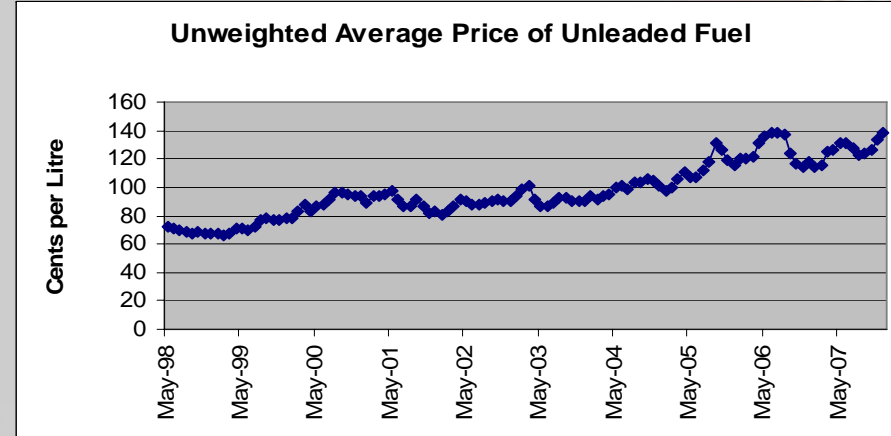


Source: VFacts ACT Report Federal Chamber of Auto Industries

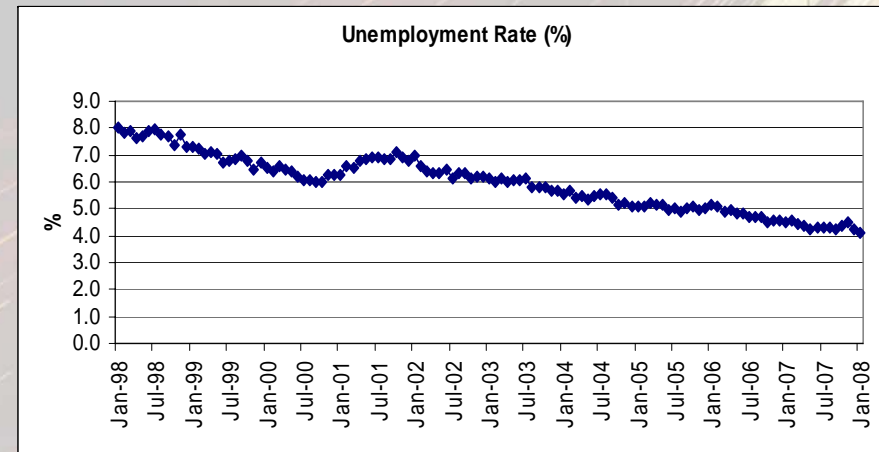
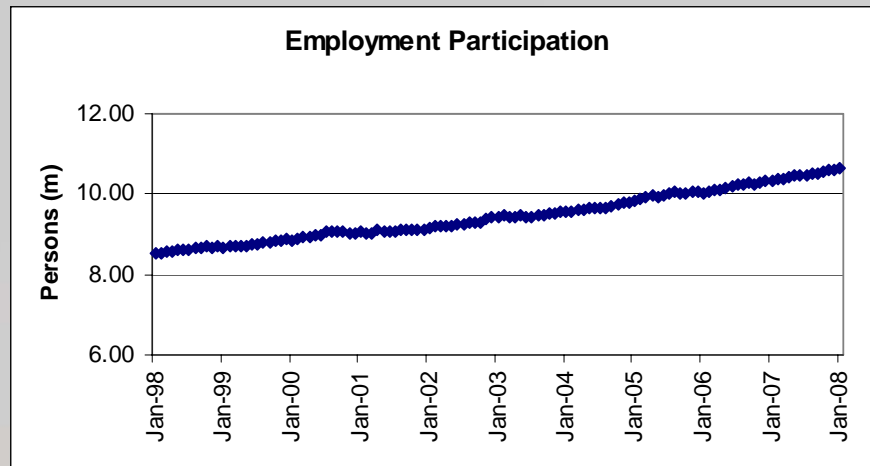
# Underlying strength in AHG markets



Source: RBA.gov.au



Car sales have risen through periods of increasing interest rates and fuel prices



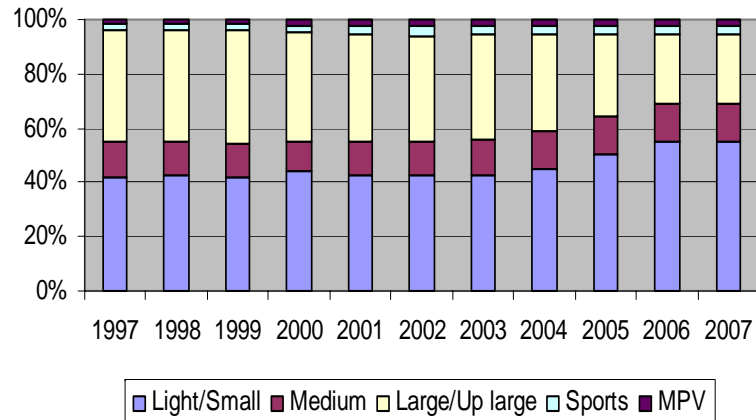
Source: AON Martec

Record levels of employment/low unemployment kept consumer demand at high levels

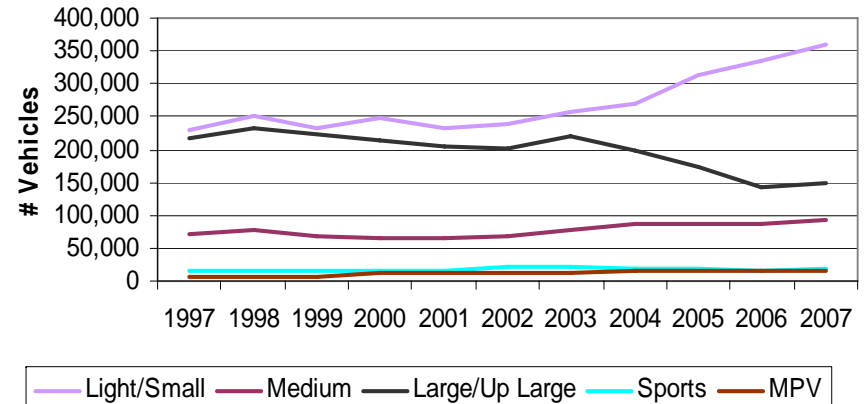


# Customer Preferences

Passenger Vehicle Mix



Passenger Vehicle Mix



Passenger/SUV/Light Commercial Vehicle Sales by Buyer Type

	Mar 2008 YTD	Mar 2007 YTD	% Change
Private	128,495	128,328	0.1
Business	99,135	90,072	10.1
Gov't	16,199	18,368	(11.8)
Rental	11,538	11,230	2.7
<b>TOTAL</b>	<b>255,367</b>	<b>247,998</b>	<b>3.0</b>

Source: AON Martec Automotive Insight April 2008 – Number 4





# AHG has the mix of vehicles to satisfy changing consumer preferences

Manufacturer	% National Market share <sup>1</sup>	AHG number of franchises <sup>2</sup>					
		Total	WA	NSW	QLD	VIC	NZ
1. Toyota	23.3%	4	3	1	-	-	-
2. Holden	12.7%	9	2	3	4	-	-
3. Ford	9.9%	8	5	-	-	-	3
4. Mazda	8.2%	6	-	2	-	-	4
5. Mitsubishi	6.2%	11	3	2	6	-	-
6. Nissan	5.9%	7	4	2	1	-	-
7. Honda	5.6%	-	-	-	-	-	-
8. Hyundai	4.3%	4	3	-	1	-	-
9. Subaru	3.9%	6	2	1	3	-	-
10. VW	3.0%	3	1	2	-	-	-
<b>Sub Total</b>		<b>58</b>	<b>23</b>	<b>13</b>	<b>15</b>	<b>-</b>	<b>7</b>
<b>Other Vehicles</b>		<b>31</b>	<b>12</b>	<b>4</b>	<b>15</b>	<b>-</b>	<b>-</b>
<b>Other Trucks</b>		<b>15</b>	<b>8</b>	<b>-</b>	<b>6</b>	<b>1</b>	<b>-</b>
<b>TOTAL</b>		<b>104</b>	<b>43</b>	<b>17</b>	<b>36</b>	<b>1</b>	<b>7</b>

<sup>1</sup> VFACTS ACT Report Federal Chamber of Auto Industries April 2008

<sup>2</sup> Individual franchise agreements. Multiple franchises at many sites



# Logistics - Update

- Continued revenue growth in all segments
- Rand's presence grows on Eastern seaboard
- Increased market share for AMCAP in parts sales
- Stable trading conditions for KTM
- Continued growth from a small base for VSE



# Vehicle Storage and Engineering

- Provider of vehicle storage and logistics for manufacturer
- Engineering division undertakes modification services including chassis modification, lazy axle, turntable and accessory fitment
- Additional 30,000m<sup>2</sup> leased at Dandenong Industrial Estate to expand these operations and provide storage for up to 650 trucks for manufacturer





# Vehicle Storage and Engineering





# Summary

- Diversified group with multiple revenue streams and geographic and product spread providing a form of hedge against shifts in consumer sentiment
- Stable market conditions indicate record FY2008 profit, with growth in both automotive retail and logistics divisions
- Strong fundamentals of the AHG business will contribute to the growth of the business
- Abundant growth opportunities for assessment - organic and acquisitive

