Automotive Holdings Group Limited

December 2008 Half Year Results

16 February 2009

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Group Highlights

- Underlying NPAT $18.2m (77% pcp)
- NPAT $21.5m (including GST holdback refund, before impairment and writedowns)
- Impairment and write downs $23.3m (pre-tax)
- Statutory net loss $1.8m
- Group revenue $1.6b, (94% pcp)
- EBITDA[1] 90% pcp at $50.4m
- EBITDA margin 3.1% (3.3% pcp)
- EPS[1] of 9.5c (12.4c)
- Interim dividend of 4.0c fully franked (7.25c)
- Solid operating performance in difficult market conditions
- Continued growth in Logistics' revenue and earnings

[1] *Excluding GST holdback refund and impairment and writedowns.*

Group Performance

	31 Dec 08 $m[2 3]	31 Dec 08 $m[1 2]	31 Dec 07 $m[3]	% pcp
Revenue	**$1,601**	1,601	1,703.1	94
EBITDA	**55.2**	50.4	55.8	90
EBITDA Margin (%)	**3.45**	3.15	3.28	96
EBIT	**47.5**	42.8	49.3	86
NPBT	**32.0**	27.3	34.5	79
NPAT – attributable to shareholders	**21.8**	18.2	23.7	77
Basic EPS (cents per share)	**11.4**	9.5	12.4	77
Interest Cover	**3.1**	2.8	3.3	85

[1] *Excluding GST holdback refund ($4.3m pre-tax)* [2] *Excluding impairment and write downs ($23.3m pre-tax)*
[3] *Based on continuing operations*

Unusual Items

	$m
GST Holdback Refund (pre-tax)	$4.7
Impairment Adjustments	
- Goodwill – Automotive	(13.7)
- Franchise Rights – Automotive	(8.8)
Writedowns	(0.9)

Divisional Operating Performance

	31 Dec. 08 $ million[1] [2]	31 Dec. 07 $ million[2]	% pcp
Automotive Retail			
- Total Revenue	1,395.4	1,519.0	92
- EBITDA	34.8	45.1	77
- EBITDA Margin (%)	2.5	3.0	84
Logistics			
- Total Revenue	205.5	184.1	111
- EBITDA	15.6	10.7	145
- EBITDA Margin (%)	7.6	5.8	130

[1]Excluding extraordinary item – GST Holdback and impairment and writedowns
[2]Based on continuing operations

Economic conditions

- Softening new vehicle sales/stable used vehicle sales
- Automotive retailing margins decline
- High fuel prices and interest rates impacted start of December half year
- Consumer sentiment affected by general economic downturn
- Improvement in conditions towards end of the half
- Stable outlook expected for second half aided by lower interest rates, fuel prices and Government economic stimulus package including ATO Investment Allowance (from 10% to 30%)
- Unemployment rising

AHG's strategic response

- Manage the business for the prevailing conditions
- Proactive management of cost base and asset utilisation
- Early intervention to counter changes in consumer demand
  - Re-alignment of used vehicle pricing, reduction of inventories and floor plan financing requirement
- Focus on maximising 5 automotive retailing income streams
- Strong focus on capital management, financing levels

Net Operating Cashflow

Cash generated from operations is positive.

	31 Dec 08 $m	31 Dec 07 $m
Net operating cashflows	78.7	86.9
Increase/(Decrease) in inventories	(37.5)	(53.6)
	41.2	33.3

Capital Management

Continued strength in the Group's balance sheet and capital management:

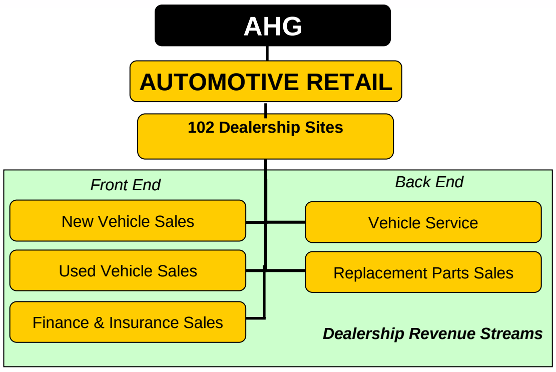
- Floor plan facilities of $183.1m re-financed after withdrawal from Australia of key funders GE and GMAC Australia
- AHG finance company floorplan loans decreased 13% while automotive revenue declined 8%
- Stock turns maintained resulting in a $44m reduction in vehicle inventories in the period
- Cash generated from operations of $79m for half year to 31 December 2008

Capital Management - Net Debt Position

	31 Dec 08 $m	30 June 08 $m
Total Debt		
Current	353	414
Less, finance company floorplan loans	346	398
Short Term Debt (excl Floorplan)	7	16
Less Cash	(34)	(39)
Net Current Cash Position (excl. Floorplan)	(27)	(23)
Non Current Debt	80	78
Net Position (excl Floorplan)	53	55

NOTE:
Undrawn Bill Facility at 31 Dec 2008 - $33m
Floorplan headroom at 31 Dec 2008 - $126m (subject to inventory levels)

Automotive Highlights



- Reduced revenue and tighter margins
- Softening new vehicle sales
- Greenfield sites costs ~$2m pre-tax in period
- High fuel and interest costs impact start of December half year.
- Back-end and finance and insurance out-performs pcp

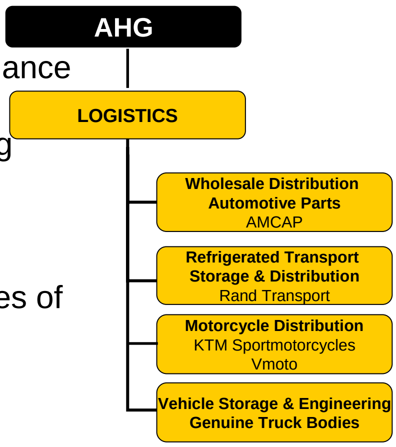
National New Vehicle Sales – by Buyer Type

	CY2008 (units)	CY2007 (units)	% chge	HY Dec 08 (units)	HY Dec 07 (units)	% chge
Private	460,773	498,748	(7.6)	204,619	240,438	(17.5)
Business	389,958	381,010	2.3	179,819	192,726	(7.2)
Govt.	71,037	74,523	(4.7)	37,153	37,021	0.0
Rental	54,471	58,470	(6.8)	29,949	34,740	(16.0)
TOTAL	**976,239**	**1,012,751**	**(3.6)**	**451,540**	**504,925**	**(11.8)**

Business and Private sales represents 87% of total market.

Logistics Highlights

- **Rand Transport**
  - substantially improved performance
  - maturing business model
  - Homebush cold store achieving greater efficiencies and volumes
- **Amcap** maintains strong market share
- **KTM/Husaberg** – significant sales of new model
- **VSE/GTB** – Victoria – providing logistics and distribution for Hino Motor Sales Australia



Strengthened management team

- Senior management team strengthened by 3 new appointments
  - Hamish Williams - Executive Director, Strategy and Planning
  - Ron Nuich – Chief Financial Officer
  - Jack Maroney – General Manager Organisational Effectiveness
- Focus on continued tight management of business units and maximising group synergies and efficiencies

Outlook

- Strong Logistics performance expected to continue
- Stable second half relative to first half
- Continued focus on corporate strategy and maximising returns from existing operations
- Continued management of costs/inventories
- Maintain strict criteria for any acquisition growth
- Lower fuel prices, interest rates and Government stimulus package to support consumer confidence
- The effects of further softening of new vehicle sales should be cushioned by solid performance from parts, service, finance and insurance
- Manufacturer incentives expected to boost sales
- Concentrate on maintaining organic growth of greenfield sites

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