



Automotive Holdings Group Limited

Annual General Meeting

28 November 2008



Bob Branchi
Chairman

Introduction



- Chairman's Welcome
- Presentation
 - Summary of FY2008 financial results
 - Chairman/Managing Director
 - Questions
- Meeting Formalities
 - Resolutions 1 - 3
- Closure

FY2008 – A strong performance



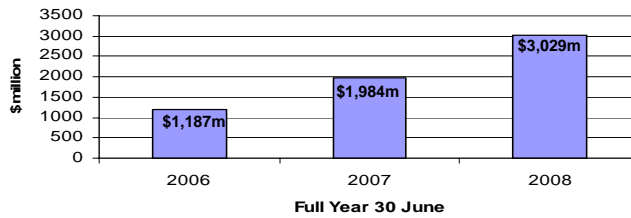
	30 June 07 ¹	30 June 08 ¹	Increase
	\$m	\$m	%
Revenue	2,231.9	3,410.7	52.8
EBITDA	70.3	115.8	64.9
NPAT – attributable to shareholders	29.6	48.5	64.0
Basic EPS (cents/share)	19.6	25.3	29.5
Dividend per share (cents/share)	12.5	17.25	38.0

¹ Excluding GST Holdback and based on continuing operations

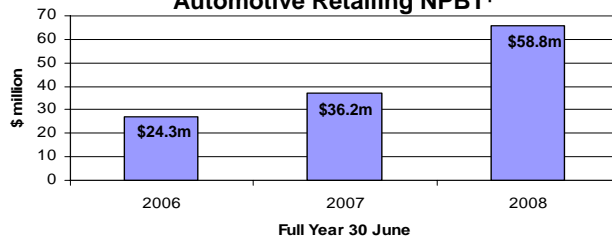
FY2008 – A record year from Australia's biggest automotive retailer



Automotive Retailing Total Revenue¹



Automotive Retailing NPBT¹

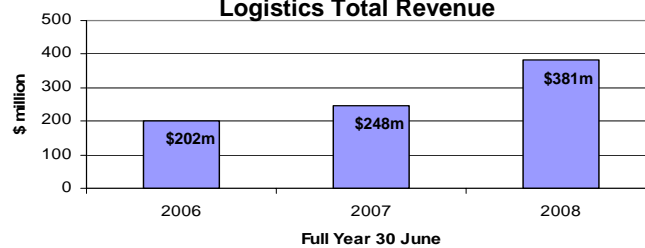


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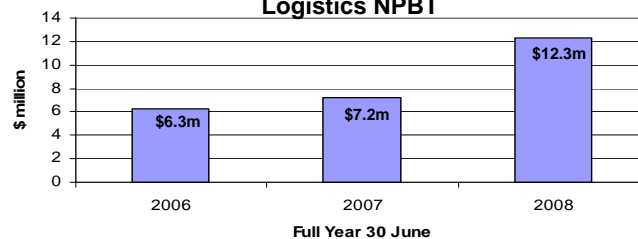
FY2008 – Logistics - Another record year on strong growth



Logistics Total Revenue



Logistics NPBT



AHG's long term Automotive and Logistics growth strategy



- Pursue selective acquisitions across Australia that create long-term value for shareholders
- Continue to establish new dealerships on greenfield sites
- Add new franchise brands to AHG's automotive retailing portfolio
- Expand the logistics business through broadening the service offering to customers
- Continue to focus on superior customer service and retention to increase sales through AHG's Dealership network

AHG remains focused on its long term strategy

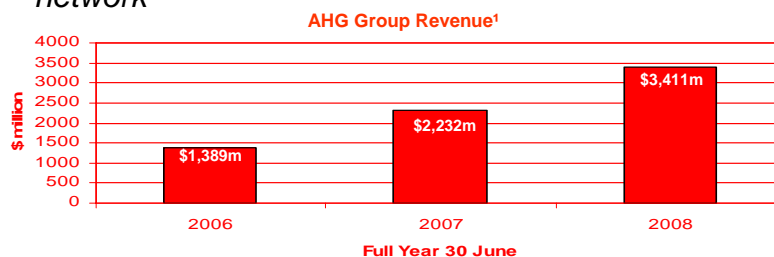


- Pursue selective acquisitions across Australia that create long-term value for shareholders ✓
Acquired McGrath Lander Group, NSW - 2006
Acquired Zupps Motor Group, Qld - 2007
- Continue to establish new dealerships on greenfield sites ✓
A number of sites in WA and Qld.
- Add new franchise brands to AHG's automotive retailing portfolio ✓
8 new franchise brands added to AHG's automotive retailing portfolio including Mazda and Peugeot

AHG remains focused on its long term strategy



- *Expand the logistics business through broadening the service offering to customers* ✓
Expansion of Amcap, Rand Transport, establishment of VSE, GTB
- *Continue to focus on superior customer service and retention to increase sales through AHG's Dealership network* ✓



¹ Excluding extraordinary item – GST Holdback and based on continuing operations

Challenging start to FY2009 – A completely different market

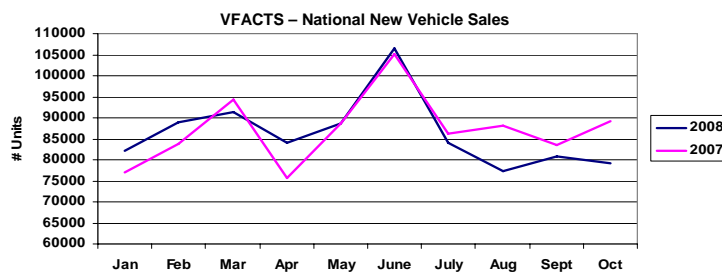


- Changing economic environment – difficult to predict
- Global financial crisis impacting all markets - financial and consumer
- Tightening of automotive financing market – AHG switched to new providers
- ASX volatility

Challenging start to FY2009 – A completely different market



- Consumer confidence at lower levels
- Unemployment levels expected to rise
- New vehicle sales down on record sales experienced last year



The impact on AHG



- Reduced revenues and tighter margins in automotive retail
- Logistics division continues to perform strongly
- September 2008 quarter NPAT 70% on pcp to \$7.1m
- Trading performance stable in October 2008
- Subdued outlook for remainder of FY2009 - lower earnings than record FY2008
- Share price impact

Adapting to the market conditions - AHG's strategic response



- Different market conditions call for a different strategy
- Short term focus on maximising returns from existing businesses
- Focus on controlling costs, tightening inventory management and gross margins
- Continue to be disciplined in stock turnover benchmarks
- Motivate key employees in challenging times
- Position AHG to pursue fresh acquisition opportunities when financial market conditions stabilise

Positive market indicators



- Declining fuel prices
- Falling interest rates
- Government's \$10.4b financial package
- Government guaranteed bank deposits for 3 years
- Increase in first homebuyers grant
- \$2b guarantee of floorplan loans
- Enticing range of value in new vehicles
- International stimulus packages
- Government's \$6.2b support package to motor vehicle manufacturing industry

Outlook and future prospects

- Re-focus corporate strategy to concentrate on maximising returns from existing operations
- Management of costs/inventories
- AHG primed for growth as market settles
- Concentrate our energies on producing the best result possible during this period of uncertainty

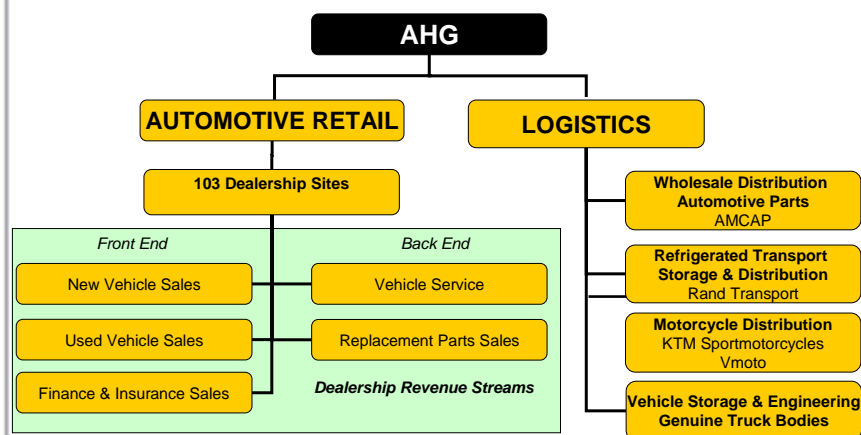
Bronte Howson
Managing Director
An operational view

Record performance followed by global financial crisis



- Strong performance in FY08 followed by global financial crisis, huge economic uncertainty
- Heading for more subdued year in FY09 after record FY08
- AHG's operating performance base raised to record levels in FY08 – both automotive and logistics
- Scale and geographic reach benefits delivered excellent operating result in automotive
- Completion of new facilities, greater market penetration delivered record result in logistics

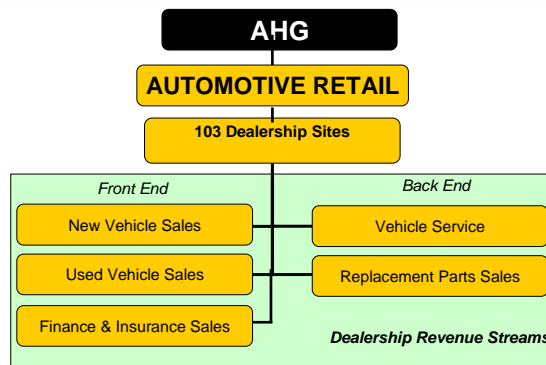
AHG Diversification – Multiple Revenue Streams



AHG Diversification – Geographic Spread



AHG Diversification - Multiple Revenue Streams – Automotive Retailing



- Unit sales – new & used vehicles to 31 October 2008 comparable to 2007 levels pcp
- Parts & Service outperformed pcp 2007
- Impact to profit - Interest expense, start up costs from greenfield site establishment and realignment of used vehicle values

AHG - well placed in current economic environment



- Re-setting of GMAC & GE floor plan arrangements
- Strict inventory management practices
- Major focus on costs/expenses
- Concentration on maintaining organic growth of our greenfield sites
- Strong, experienced management team
- Further improvement/upgrade to financial reporting systems

Floor Plan Financing



- Current financiers are - St. George Finance, Toyota Finance, Nissan Finance, Capital Finance, Mercedes Benz Finance and UDC (NZ)
- Strong relationships with providers
- Ability to quickly replace financiers departing the market
- New arrangements on satisfactory terms
- Floor plan financing attractive to the financier who benefits from participating in consumer finance offered at dealerships

Cost Control Initiatives

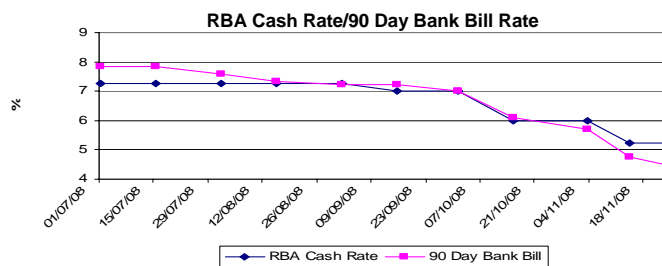


- Tighter inventory controls
 - a reduction in inventory → reduction in floorplan costs
 - Maintain controlled stock turns
- Tight capital expenditure controls
- Review of operational efficiencies

Opportunities for AHG – Automotive Retailing



- Federal Government stimulus packages
- Interest rate falls lower the impact on floor plan and borrowing costs and should improve consumer confidence

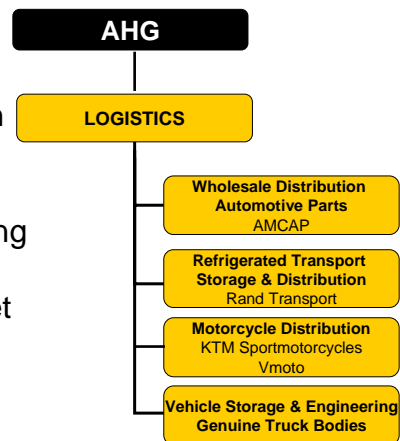


- Reduction in fuel prices
- Well positioned to take advantage of market attrition

AHG Diversification – Logistics is outperforming



- **Rand Transport**
 - represented in all 5 Australian mainland states
 - Cold stores at near capacity
 - Homebush cold store achieving greater efficiencies
- **Amcap** maintains strong market share
- **KTM/Husaberg** – significant sales of new model
- **VSE/GTB** – Victoria – providing logistics and distribution for Hino Motor Sales Australia



Opportunities for AHG - Logistics



- Logistics businesses provide solid organic growth opportunities
- Rationalisation of competitor businesses
- Geographic spread gives competitive edge
- Most logistics customers in 'defensive' industries insulated from softer economic conditions

Trading Update



	4 mths Oct 07 \$m	4 mths Oct 08 ¹ \$m	% of pcp
Group EBITDA	34,167	31,021	91
Automotive EBITDA	28,457	21,515	76
Logistics EBITDA	5,710	9,506	166
NPAT – attributable to shareholders	14,094	10,019	71

¹ Excluding GST rebate received of \$4.75m

Trading Outlook



- Logistics continues its strong performance
- Expect a stronger 2nd quarter trading than 1st quarter
- New vehicle sales anticipated to be ~1,020,000 for CY2008
- New vehicle sales for 4 months to October 2008 80,000 units/month (7.5% down pcp)
- Lower fuel prices and interest rates should increase consumer confidence
- Further interest rate cuts anticipated
- Manufacturer incentives expected to boost sales
- Continued expansion of Australian population – customer target market grows each year

AHG's Value Proposition



- Fundamentals of business remain strong
- Mature business with proven history of trading profitability
- Business model constructed for long term sustainable growth
- Stable debt structure and financing arrangements
- Well positioned for future growth



Questions?