



AUTOMOTIVE HOLDINGS GROUP

14 August 2015

The Manager  
Company Announcements Office  
Australian Securities Exchange

Dear Sir / Madam,

**APPENDIX 4E – PRELIMINARY FINAL REPORT AND 2015 FULL YEAR RESULTS**

In accordance with ASX Listing Rules, the following documents are attached for release to the market;

- Appendix 4E – Preliminary Final Report; and
- 2015 Full Year Results Announcement and Presentation

Yours faithfully,

A handwritten signature in black ink, appearing to read 'David Rowland', written in a cursive style.

D ROWLAND  
COMPANY SECRETARY

Enc.

# Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

## Report for the year ended 30 June 2015

This statement includes the results for Automotive Holdings Group Limited and its controlled entities, for the year ended 30 June 2015 (current period) compared with the year ended 30 June 2014 (prior period). The financial results of Automotive Holdings Group Limited and its Australian controlled entities are prepared in accordance with Australian International Financial Reporting Standards (AIFRS), whilst the Group's New Zealand controlled entities local financial statements are prepared in accordance with New Zealand International Financial Reporting Standards (NZIFRS) and converted to AIFRS on consolidation.

This report is based on financial accounts which are in the process of being audited.

## Results for Announcement to the Market

		\$A'000's		\$A'000's
Revenues from ordinary activities	Up	511,029	10.8% to	<b>5,245,789</b>
Profit after tax from ordinary activities attributable to members	Up	15,167	20.8% to	<b>88,091</b>
Profit after tax from continuing operations attributable to members	Up	15,167	20.8% to	<b>88,091</b>

<b>DIVIDENDS</b>	Amount per security	Franked amount per security
Final dividend	13.0 cents	13.0 cents
Record date for determining entitlement to the final dividend		14/09/2015
Date the final dividend is payable		2/10/2015

# Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

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## Commentary on results for the year

Net profit after tax attributable to members for the year ended 30 June 2015 was \$88.09 million (2014: \$72.92 million). Net profit after tax excluding unusual items (costs and fees in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback) - detailed below) attributable to members for the year ended 30 June 2015 was \$94.21 million (2014: \$78.51 million).

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
<b>Statutory IFRS Profit (net of tax) attributable to members</b>	<b>88,091</b>	72,924
<i>Unusual items</i>		
Add-back:		
- Net costs in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback)	<b>6,122</b>	5,588
<b>Operating Non-IFRS Profit (net of tax) attributable to members</b>	<b>94,213</b>	78,512
	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
<b>Statutory IFRS EBITDA</b>	<b>204,153</b>	170,631
<i>Unusual items</i>		
Add-back:		
- Net costs in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback)	<b>11,622</b>	7,983
<b>Operating Non-IFRS EBITDA</b>	<b>215,775</b>	178,614

### 2015:

The Group incurred costs and fees (including stamp duty) totalling \$6.122 million (after tax) during the current year in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to Son of Holdback GST claims. These activities included the business acquisitions of Bradstreet Motor Group, Leo Muller CJD and Paceway Mitsubishi and non-recurring integration-related costs in relation to the above acquisitions (e.g. redundancy, technology, occupancy related costs in transitioning acquisitions to AHG practices and procedures). These activities also included impairment of assets in relation to AHG's Other Logistics' segment as well as benefits applicable to GST refunds (Son of Holdback). These refunds arise from a Federal Court decision involving the Commissioner of Taxation that related to GST treatment of various incentive payments in the motor industry that flow from motor vehicle distributors to motor vehicle dealers. Refer to Note 7 for further details in relation to the above individual acquisitions.

# Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

## **2014:**

The prior year statutory profit included the following unusual item:

The Group incurred costs and fees (including stamp duty) totalling \$5.59 million (after tax) during the current year in relation to integration and acquisition-related activities and asset divestments. These activities included the business acquisitions of Jason Mazda, Davie Motors, Husqvarna and Scott's Refrigerated Freightways / JAT Refrigerated Road Services ('SRF/JAT') and non-recurring integration-related costs in relation to the above acquisitions (e.g. redundancy, technology, occupancy related costs in transitioning acquisitions to AHG practices and procedures).

# Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

## Performance by Segment Overview

	<b>Consolidated</b>		
	<b>2015</b>	2014	Movement
	<b>\$'000</b>	\$'000	%
<b><u>Automotive Retail</u></b>			
Revenue	<b>4,271,145</b>	3,883,323	10.0%
<b>Statutory IFRS Performance</b>			
EBITDA	<b>165,114</b>	130,027	27.0%
EBITDA %	<b>3.9%</b>	3.3%	
EBIT	<b>147,245</b>	114,338	28.8%
Profit before Tax	<b>125,844</b>	92,934	35.4%
<b>Operating* Non-IFRS Performance</b>			
EBITDA	<b>161,228</b>	132,541	21.6%
EBITDA %	<b>3.8%</b>	3.4%	
EBIT	<b>143,359</b>	116,852	22.7%
Profit before Tax	<b>121,958</b>	95,448	27.8%
	<b>2015</b>	2014	Movement
	<b>\$'000</b>	\$'000	%
<b><u>Refrigerated Logistics</u></b>			
Revenue	<b>609,054</b>	429,722	41.7%
<b>Statutory IFRS Performance</b>			
EBITDA	<b>42,270</b>	24,712	71.1%
EBITDA %	<b>6.9%</b>	5.8%	
EBIT	<b>23,723</b>	13,335	77.9%
Profit before Tax	<b>17,269</b>	9,201	87.7%
<b>Operating* Non-IFRS Performance</b>			
EBITDA	<b>45,242</b>	29,690	52.4%
EBITDA %	<b>7.4%</b>	6.9%	
EBIT	<b>26,696</b>	18,313	45.8%
Profit before Tax	<b>20,241</b>	14,179	42.8%

# Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

	<b>2015</b>	2014	Movement
	<b>\$'000</b>	\$'000	%
<b><u>Other Logistics</u></b>			
Revenue	<b>365,190</b>	421,409	(13.3%)
<b>Statutory IFRS Performance</b>			
EBITDA	<b>(2,024)</b>	16,599	(112.2%)
EBITDA %	<b>-0.6%</b>	3.9%	
EBIT	<b>(6,157)</b>	13,314	(146.2%)
Profit before Tax	<b>(7,276)</b>	13,386	(154.4%)
<b>Operating* Non-IFRS Performance</b>			
EBITDA	<b>10,512</b>	17,089	(38.5%)
EBITDA %	<b>2.9%</b>	4.1%	
EBIT	<b>6,379</b>	13,805	(53.8%)
Profit before Tax	<b>5,261</b>	13,876	(62.1%)

*\*Unusual items: excluded from Operating Performance, these are costs and fees in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST claims (Son of Holdback) (refer to page 2 for a reconciliation of Non-IFRS profit to IFRS profit).*

Group revenues from continuing operations were \$5.25 billion (2014: \$4.73 billion), representing a 10.8% increase over the previous year's revenue.

The Automotive Retail division contributed revenues of \$4.27 billion (2014: \$3.88 billion) and an Operating Non-IFRS EBITDA result of \$161.23 million (2014: \$132.54 million) before unusual item\* benefits totalling \$3.89 million before tax. These represented growth rates of 10.0% and 21.6% respectively. Operating Non-IFRS Profit before tax (before unusual items\* of \$3.89 million before tax), was \$121.96 million (2014: \$95.45 million), an increase of 27.8%. These Automotive Retail results were driven by a combination of organic growth across existing core operations and acquisition of the Bradstreet Motor Group in August 2014.

The Refrigerated Logistics division contributed revenues of \$0.61 billion (2014: \$0.43 billion) and a Operating Non-IFRS EBITDA result of \$45.24 million (2014: \$29.69 million) before unusual item\* costs totalling \$2.97 million before tax. These represented growth rates of 41.7% and 52.4% respectively. Operating Non-IFRS Profit before tax (before unusual items\* of \$2.97 million before tax) was \$20.24 million (2014: \$14.18 million), an increase of 42.8%. The acquisition of SRF/JAT in May 2014 was the driver of these growth results.

The Other Logistics division contributed revenues of \$0.37 billion (2014: \$0.42 billion) and a Operating Non-IFRS EBITDA result of \$10.51 million (2014: \$17.09 million) before unusual item\* costs totalling \$12.54 million before tax. These represented growth rates of (13.3%) and (38.5%) respectively. Operating Non-IFRS Profit before tax (before unusual items\* of \$12.54 million before tax) was \$5.26 million (2014: \$13.88 million), a decrease of 62.1%. Performances of VSE-GTB and WMC were the primary contributors to these movements.

# Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

	Notes	Consolidated	
		2015 \$'000	2014 \$'000
Revenue from continuing operations	8	5,245,789	4,734,760
Profit on sale of assets	8	149	-
Raw materials and inventory expense		(3,904,842)	(3,647,985)
Employee benefits expense	8	(697,121)	(559,645)
Depreciation and amortisation expense	8	(40,549)	(30,350)
Finance costs	8	(36,526)	(33,332)
Advertising and promotion		(46,388)	(40,017)
Occupancy costs		(148,115)	(126,238)
Vehicle preparation and service		(43,353)	(38,582)
Supplies and outside services		(48,419)	(43,227)
Motor vehicle expense		(12,795)	(13,647)
Equipment rental	8	(16,504)	(15,241)
Professional services		(7,743)	(9,316)
Other expenses	8	(113,860)	(66,449)
Loss on sale of assets	8	-	(1,547)
Share of net profit of joint venture partnership accounted for using equity method		305	360
<b>Profit before income tax</b>		<b>130,028</b>	<b>109,544</b>
Income tax expense		(35,913)	(33,255)
<b>Profit for the year before other comprehensive income</b>		<b>94,115</b>	<b>76,289</b>
Profit attributable to:			
Owners of Automotive Holdings Group Limited	3	88,091	72,924
Non-controlling interest		6,024	3,365
		<b>94,115</b>	<b>76,289</b>
<b>Other Comprehensive Income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Unrealised changes in the fair value of cash flow hedges		(299)	(1,916)
Exchange differences on translation of foreign operations		(789)	685
<b>Total comprehensive income for the year (net of tax)</b>		<b>93,027</b>	<b>75,058</b>
Total comprehensive income attributable to:			
Owners of Automotive Holdings Group Limited		87,003	71,693
Non-controlling interest		6,024	3,365
		<b>93,027</b>	<b>75,058</b>

# Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

		<b>Consolidated</b>	
		<b>2015</b>	2014
Notes		<b>\$'000</b>	\$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9	<b>69,862</b>	99,495
Trade and other receivables		<b>318,586</b>	293,035
Inventories		<b>732,030</b>	671,920
Other current assets		<b>29,167</b>	26,852
<b>TOTAL CURRENT ASSETS</b>		<b>1,149,645</b>	1,091,302
<b>NON CURRENT ASSETS</b>			
Investments accounted for using the equity method		<b>925</b>	1,020
Available-for-sale financial assets		<b>6,450</b>	6,450
Property, plant and equipment	10	<b>349,174</b>	303,944
Intangible assets	7	<b>392,041</b>	323,590
Deferred tax assets		<b>58,847</b>	42,613
<b>TOTAL NON CURRENT ASSETS</b>		<b>807,437</b>	677,617
<b>TOTAL ASSETS</b>		<b>1,957,082</b>	1,768,919
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>268,953</b>	237,216
Interest-bearing loans and borrowings		<b>616,483</b>	590,419
Income tax payable		<b>7,202</b>	4,431
Provisions		<b>66,598</b>	57,154
<b>TOTAL CURRENT LIABILITIES</b>		<b>959,236</b>	889,220
<b>NON CURRENT LIABILITIES</b>			
Interest-bearing loans and borrowings		<b>266,466</b>	192,113
Deferred tax liabilities		<b>12,885</b>	6,049
Provisions		<b>22,852</b>	17,159
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>302,203</b>	215,321
<b>TOTAL LIABILITIES</b>		<b>1,261,439</b>	1,104,541
<b>NET ASSETS</b>		<b>695,643</b>	664,378
<b>EQUITY</b>			
Contributed equity	6	<b>541,532</b>	541,532
Reserves		<b>1,537</b>	1,446
Retained earnings	3	<b>129,275</b>	107,090
Capital and reserves attributable to the owners of Automotive Holdings Group Limited		<b>672,344</b>	650,068
Non-controlling interest		<b>23,299</b>	14,310
<b>TOTAL EQUITY</b>		<b>695,643</b>	664,378



# Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

	Contributed Equity	Reserves	Retained Earnings	Total	Non- Controlling Interest	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2013 (Restated)</b>	<b>384,112</b>	<b>2,210</b>	<b>87,605</b>	<b>473,927</b>	<b>7,093</b>	<b>481,020</b>
Profit for the year (after tax)	-	-	72,924	72,924	3,365	76,289
Changes in fair value of cash flow hedges	-	(2,737)	-	(2,737)	-	(2,737)
Exchange differences on translation of foreign operations	-	685	-	685	-	685
Income tax relating to components of other comprehensive income	-	821	-	821	-	821
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(1,231)</b>	<b>72,924</b>	<b>71,693</b>	<b>3,365</b>	<b>75,058</b>
<b>Transactions with owners in their capacity as equity holders:</b>						
Contributions of equity, net of transaction costs	157,420	-	-	157,420	6,900	164,320
Dividends provided for or paid	-	-	(53,440)	(53,440)	(3,048)	(56,488)
Employee share scheme	-	467	-	467	-	467
	<b>157,420</b>	<b>467</b>	<b>(53,440)</b>	<b>104,447</b>	<b>3,852</b>	<b>108,299</b>
<b>At 30 June 2014</b>	<b>541,532</b>	<b>1,446</b>	<b>107,090</b>	<b>650,068</b>	<b>14,310</b>	<b>664,378</b>
<b>At 1 July 2014</b>	<b>541,532</b>	<b>1,446</b>	<b>107,090</b>	<b>650,068</b>	<b>14,310</b>	<b>664,378</b>
Profit for the year (after tax)	-	-	88,091	88,091	6,024	94,115
Changes in fair value of cash flow hedges	-	(610)	-	(610)	-	(610)
Exchange differences on translation of foreign operations	-	(789)	-	(789)	-	(789)
Income tax relating to components of other comprehensive income	-	311	-	311	-	311
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(1,088)</b>	<b>88,091</b>	<b>87,003</b>	<b>6,024</b>	<b>93,027</b>
<b>Transactions with owners in their capacity as equity holders:</b>						
Other transactions with non-controlling interests	-	-	-	-	3,825	3,825
Contributions of equity, net of transaction costs	-	-	-	-	4,340	4,340
Dividends provided for or paid	-	-	(65,906)	(65,906)	(5,200)	(71,106)
Employee share scheme	-	1,179	-	1,179	-	1,179
	<b>-</b>	<b>1,179</b>	<b>(65,906)</b>	<b>(64,727)</b>	<b>2,965</b>	<b>(61,762)</b>
<b>At 30 June 2015</b>	<b>541,532</b>	<b>1,537</b>	<b>129,275</b>	<b>672,344</b>	<b>23,299</b>	<b>695,643</b>

# Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

		Consolidated	
		2015	2014
Notes		\$'000	\$'000
<b>Cash flow from operating activities</b>			
		5,750,984	5,232,832
		(5,564,778)	(5,063,978)
		(36,526)	(33,332)
		2,951	2,595
		(39,325)	(35,933)
		113,306	102,184
<b>Net cash inflow from operating activities</b>			
	9		
<b>Cash flow from investing activities</b>			
		(74,974)	(83,152)
		(98,444)	(111,378)
		640	604
		17,120	9,175
		-	300
		(155,658)	(184,451)
<b>Net cash outflow from investing activities</b>			
<b>Cash flows from financing activities</b>			
		83,823	(474)
		-	141,294
	3	(65,906)	(53,440)
		(5,198)	(3,048)
		12,719	84,332
<b>Net cash inflow/(outflow) from financing activities</b>			
<b>Net increase / (decrease) in cash and cash equivalents</b>			
		(29,633)	2,065
		99,495	97,430
		69,862	99,495
	9		
<b>Cash and cash equivalents at the end of the year</b>			

## Non-cash financing and investing activities

During the period the consolidated entity acquired plant and equipment with a fair value of \$5,656,439 (2014: \$4,730,494) by means of finance lease and hire purchase (excluding those assumed in acquisitions – refer note 7). These acquisitions are not reflected in the Statement of Cash Flows.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 1. Segment Information

Segment Reporting June 2015	Automotive Retail	Refrigerated Logistics	Other Logistics	Total Logistics	Property	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Statutory IFRS Financial Performance Analysis</u></b>						
Gross revenue	4,754,876	639,501	414,656	1,054,157	401	5,809,434
Less: intercompany sales	(486,209)	(30,643)	(49,744)	(80,387)	-	(566,596)
<b>Segment revenue</b>	<b>4,268,667</b>	<b>608,858</b>	<b>364,912</b>	<b>973,770</b>	<b>401</b>	<b>5,242,838</b>
Interest earned	2,477	196	278	474	-	2,951
<b>Total revenue</b>						<b>5,245,789</b>
<b>EBITDA</b>	<b>165,114</b>	<b>42,270</b>	<b>(2,024)</b>	<b>40,246</b>	<b>(1,207)</b>	<b>204,153</b>
Depreciation and amortisation	(17,869)	(18,547)	(4,133)	(22,680)	-	(40,549)
<b>EBIT</b>	<b>147,245</b>	<b>23,723</b>	<b>(6,157)</b>	<b>17,566</b>	<b>(1,207)</b>	<b>163,604</b>
Interest expense (net)	(21,401)	(6,454)	(1,119)	(7,573)	(4,602)	(33,576)
<b>Profit before tax</b>						<b>130,028</b>
Income tax expense						(35,913)
<b>Reportable segment profit after tax</b>						<b>94,115</b>
<b><u>Operating Non-IFRS Financial Performance Analysis</u></b>						
<b>Total revenue</b>	<b>4,271,145</b>	<b>609,054</b>	<b>365,190</b>	<b>974,244</b>	<b>401</b>	<b>5,245,789</b>
<b>EBITDA before unusual items*</b>	<b>161,228</b>	<b>45,242</b>	<b>10,512</b>	<b>55,754</b>	<b>(1,207)</b>	<b>215,775</b>
<b>EBIT before unusual items*</b>	<b>143,359</b>	<b>26,696</b>	<b>6,379</b>	<b>33,075</b>	<b>(1,207)</b>	<b>175,227</b>
<b>Segment result before unusual items*</b>	<b>121,958</b>	<b>20,241</b>	<b>5,261</b>	<b>25,502</b>	<b>(5,809)</b>	<b>141,651</b>
Unusual items*	3,887	(2,973)	(12,536)	(15,509)	-	(11,622)
<b>Reportable segment result after unusual items before tax</b>	<b>125,844</b>	<b>17,269</b>	<b>(7,276)</b>	<b>9,993</b>	<b>(5,809)</b>	<b>130,028</b>
<b><u>Statutory Financial Position Analysis</u></b>						
Segment assets	1,461,543	321,991	144,885	466,876	28,663	1,957,082
<b>Total consolidated assets</b>						<b>1,957,082</b>
Segment liabilities	759,953	301,625	155,918	457,543	43,943	1,261,439
<b>Total consolidated liabilities</b>						<b>1,261,439</b>
Acquisition of property, plant, equipment and intangibles	129,620	36,656	6,746	43,402	(3,127)	169,896

\*Unusual items - excludes costs and fees in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback) (refer to page 2 for a reconciliation of Non-IFRS profit to IFRS profit)

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 1. Segment Information (continued)

Segment Reporting June 2014	Automotive Retail	Refrigerated Logistics	Other Logistics	Total Logistics	Property	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Statutory IFRS Financial Performance Analysis</u></b>						
Gross revenue	4,333,670	435,191	476,894	912,085	306	5,246,061
Less: intercompany sales	(452,495)	(5,580)	(55,821)	(61,401)	-	(513,896)
<b>Segment revenue</b>	<b>3,881,175</b>	<b>429,611</b>	<b>421,073</b>	<b>850,684</b>	<b>306</b>	<b>4,732,165</b>
Interest earned	2,147	111	336	447	-	2,595
<b>Total revenue</b>						<b>4,734,760</b>
<b>EBITDA</b>	<b>130,027</b>	<b>24,712</b>	<b>16,599</b>	<b>41,311</b>	<b>(707)</b>	<b>170,631</b>
Depreciation and amortisation	(15,689)	(11,377)	(3,285)	(14,662)	-	(30,350)
<b>EBIT</b>	<b>114,338</b>	<b>13,335</b>	<b>13,314</b>	<b>26,649</b>	<b>(707)</b>	<b>140,281</b>
Interest expense (net)	(21,404)	(4,134)	71	(4,063)	(5,270)	(30,737)
<b>Profit before tax</b>						<b>109,544</b>
Income tax expense						(33,255)
<b>Reportable segment profit after tax</b>						<b>76,289</b>
<b><u>Operating Non-IFRS Financial Performance Analysis</u></b>						
<b>Total revenue</b>	<b>3,883,323</b>	<b>429,722</b>	<b>421,409</b>	<b>851,131</b>	<b>306</b>	<b>4,734,760</b>
<b>EBITDA before unusual items*</b>	<b>132,541</b>	<b>29,690</b>	<b>17,089</b>	<b>46,780</b>	<b>(707)</b>	<b>178,614</b>
<b>EBIT before unusual items*</b>	<b>116,852</b>	<b>18,313</b>	<b>13,805</b>	<b>32,118</b>	<b>(707)</b>	<b>148,264</b>
<b>Segment result before unusual items*</b>	<b>95,448</b>	<b>14,179</b>	<b>13,876</b>	<b>28,055</b>	<b>(5,977)</b>	<b>117,527</b>
Unusual items*	(2,514)	(4,978)	(491)	(5,469)	-	(7,983)
<b>Reportable segment result after unusual items before tax</b>	<b>92,934</b>	<b>9,201</b>	<b>13,386</b>	<b>22,587</b>	<b>(5,977)</b>	<b>109,544</b>
<b><u>Statutory Financial Position Analysis</u></b>						
Segment assets	1,289,061	295,103	150,905	446,008	33,850	1,768,919
<b>Total consolidated assets</b>						<b>1,768,919</b>
Segment liabilities	628,117	278,205	153,217	431,423	45,003	1,104,542
<b>Total consolidated liabilities</b>						<b>1,104,542</b>
Acquisition of property, plant, equipment and intangibles	71,841	81,551	8,073	89,624	21,965	183,430

\*Unusual items - excludes costs and fees in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback) (refer to page 2 for a reconciliation of Non-IFRS profit to IFRS profit)

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 2. Earnings per Share

	Consolidated	
	2015 cents	2014 cents
<b>IFRS Earnings per share for profit attributable to the ordinary equity holders of the Company:</b>		
Basic earnings per share	28.7	26.9
Diluted earnings per share	28.7	26.9
<b>Non-IFRS Earnings per share for profit before unusual items* attributable to the ordinary equity holders of the Company:</b>		
Basic earnings per share	30.7	29.0
Diluted earnings per share	30.7	29.0

\*Unusual items - excludes costs and fees in relation to integration and acquisition-related activities, impairment of assets and benefits applicable to GST refunds (Son of Holdback) (refer to page 2 for a reconciliation of Non-IFRS profit to IFRS profit).

## 3. Retained Earnings

	Consolidated	
	2015 \$'000	2014 \$'000
Opening balance at 1 July	107,090	87,605
Net profit for the year attributable to members	88,091	72,924
Dividends paid to members	(65,906)	(53,440)
Closing balance at 30 June	129,275	107,090

## 4. Dividends Paid and Proposed

	Date paid / payable	Amount per security (fully franked at 30%)	Total Dividends \$'000
<b>Declared and paid during the period ended June 2014</b>			
Final franked dividend for 2013	02/10/13	12.0 cents	31,282
Interim franked dividend for 2014	03/04/14	8.5 cents	22,158
<b>Declared and paid during the period ended June 2015</b>			
Final franked dividend for 2014	02/10/14	12.5 cents	38,318
Interim franked dividend for 2015	02/04/15	9.0 cents	27,589
<b>Proposed and not recognised as a liability</b>			
Final franked dividend for 2015	02/10/15	13.0 cents	39,850

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 5. NTA Backing

	Consolidated	
	2015 Cents	2014 Cents
Net tangible asset backing per ordinary security	99.0	111.2

## 6. Contributed Equity

### Ordinary Shares

		No. of Shares	Issue Price	\$'000
01/07/13	<b>Balance at 1 July 2013</b>	<b>260,683,178</b>		<b>384,112</b>
01/04/14	Institutional placement	32,951,290	\$ 3.49	115,000
30/04/14	Share issued as part of purchase consideration	4,297,994	\$ 3.49	15,000
08/05/14	Share purchase plan	8,608,975	\$ 3.49	30,045
	Less: transaction costs arising on issue of equity			(3,750)
	Deferred Tax Credit recognised directly in equity			1,125
30/06/14	<b>Balance at 30 June 2014</b>	<b>306,541,437</b>		<b>541,532</b>
30/06/15	<b>Balance at 30 June 2015</b>	<b>306,541,437</b>		<b>541,532</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 7. Business Combinations

During the Financial Year 2015, Automotive Holdings Group Limited ('AHG') acquired the following business combinations:

	Name	Type	Consideration \$'million	Location
19 Aug 2014	Bradstreet Motor Group	100% of the shares in certain companies (now 100% owned subsidiaries)	\$65.731	Newcastle, New South Wales
21 April 2015	Leo Muller CJD	Certain business assets and liabilities	\$2.049	Aspley, Queensland
30 April 2015	Paceway Mitsubishi	Certain business assets and liabilities	\$4.183	Osborne Park, Western Australia

The business combinations contributed revenues of \$343.077 million and net profit before tax of \$14.352 million for the year ended 30 June 2015 from their dates of acquisition, before unusual items. It is expected that AHG would have reported \$5.399 billion in consolidated revenues and \$96.475 million consolidated net profit after tax attributable to members, for the year ended 30 June 2015, had the business combinations occurred at the beginning of the reporting period.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Fair Value \$'000			
	Bradstreet Motor Group	Leo Muller CJD	Paceway Mitsubishi	Consolidated
Receivables	6,400	-	-	6,400
Vehicle inventories (net of bailment)	2,257	(37)	1,022	3,242
Parts inventories	3,143	194	307	3,644
Other inventory	243	-	-	243
Other assets	932	8	15	955
Property, plant and equipment	3,521	243	542	4,306
Deferred tax assets	2,779	30	178	2,987
	19,275	438	2,064	21,777
Trade and other payables	(6,008)	-	(143)	(6,151)
Vehicle warranties	(1,659)	(13)	(23)	(1,695)
Employee entitlements	(5,746)	(88)	(365)	(6,199)
Deferred tax liabilities	(924)	-	-	(924)
	(14,337)	(101)	(531)	(14,969)
<b>Net identifiable assets acquired</b>	<b>4,938</b>	<b>337</b>	<b>1,533</b>	<b>6,808</b>
Add: goodwill	20,264	571	883	21,718
Add: franchise rights	40,529	1,141	1,767	43,437
<b>Net assets acquired</b>	<b>65,731</b>	<b>2,049</b>	<b>4,183</b>	<b>71,963</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 7. Business Combinations (continued)

	\$'000			
	Bradstreet Motor Group	Leo Muller CJD	Paceway Mitsubishi	Consolidated
<b>Purchase consideration</b>				
Cash paid	73,764	2,049	4,183	<b>79,996</b>
Less: balances acquired Cash	(8,033)	-	-	<b>(8,033)</b>
<b>Total purchase consideration</b>	<b>65,731</b>	<b>2,049</b>	<b>4,183</b>	<b>71,963</b>

### *i. Goodwill*

The goodwill is attributable to the workforce, profitability of the acquired business and the synergistic opportunities it offers with AHG's existing automotive retail operations. It is only deductible for tax purposes upon any future sale of this business.

### *ii. Contingent consideration, contingent liabilities, non-controlling interests and acquisition costs*

There is no contingent consideration associated with the acquisition, nor any contingent liabilities or non-controlling interests to be accounted for.

Integration-related costs (technology, personnel, occupancy) and acquisition-related costs (stamp duty, professional services) of \$1.21 million are included in the statement of profit or loss and other comprehensive income in the reporting year ended 30 June 2015.

### *iii. Information not disclosed as not yet available*

The group has reported provisional amounts for goodwill and other assets acquired a part of the purchase of, Bradstreet Motor Group, Leo Muller CJD and Paceway Mitsubishi. The amounts proportionally attributable to both goodwill and franchise rights are consistent with the Group's treatment of like amounts previously acquired.

### *iv. FY2014 Business Combination finalisation*

Provisional acquisition accounting has been completed for the FY2014 acquisitions of Davie Motors, Jason Mazda, Scotts Refrigerated Freightways and JAT Refrigerated Road Services. This has resulted in an increase of \$4.66 million in intangible assets as a result of the harmonisation of provisioning policies, make good provisions and other adjustments.



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 8. Revenue and Expenses

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
<b>Sales revenue</b>		
Sale of goods	<b>4,227,254</b>	3,962,844
Rendering of services	<b>975,201</b>	747,951
	<b>5,202,455</b>	4,710,795
<b>Other revenue</b>		
Interest	<b>2,951</b>	2,595
Other revenue	<b>40,383</b>	21,370
	<b>43,334</b>	23,965
<b>Total Revenue</b>	<b>5,245,789</b>	4,734,760

  

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
<b>Other Income</b>		
Net gain on disposal of assets	<b>149</b>	-
	<b>149</b>	-

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 8. Revenue and Expenses (continued)

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
<b>Depreciation</b>		
Vehicles, plant, furniture and equipment	<b>29,999</b>	21,786
	<b>29,999</b>	21,786
<b>Amortisation</b>		
Capitalised leased assets	<b>4,899</b>	4,168
Leasehold improvements	<b>5,651</b>	4,396
	<b>10,550</b>	8,564
<b>Finance costs (for financial liabilities not at fair value through profit and loss)</b>		
Interest paid - other	<b>5,287</b>	4,526
Interest paid - finance leases	<b>1,547</b>	1,587
Interest paid - hire purchase	<b>4,760</b>	2,766
Interest paid - floor plan	<b>24,932</b>	24,453
	<b>36,526</b>	33,332
<b>Lease payments</b>		
Rental expenses relating to property operating leases	<b>118,351</b>	98,927
Rental expenses relating to equipment operating leases	<b>16,504</b>	15,241
	<b>134,855</b>	114,168
<b>Employee benefits expense</b>		
Wages, salaries and employee benefits	<b>650,215</b>	522,874
Superannuation	<b>45,727</b>	36,304
Share-based payments expense	<b>1,179</b>	467
	<b>697,121</b>	559,645
<b>Other expenses*</b>		
Bad debts written off	<b>1,066</b>	1,558
Repairs and Maintenance	<b>24,106</b>	8,025
Insurances	<b>27,206</b>	18,023
Stamp duty and bank fees	<b>10,448</b>	7,937
Impairment of intangibles	<b>3,000</b>	-
Office, IT, telephone and travel	<b>35,449</b>	28,262
Net loss on sale of assets	<b>-</b>	1,547
Miscellaneous	<b>12,585</b>	1,097
	<b>113,860</b>	66,449

\* Movement in other expenses predominantly driven by the acquisitions of SRF/JAT (May 2014) and Bradstreet (August 2014).

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 9. Reconciliation to Statement of Cash Flows

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
Cash at bank and on hand	<b>69,352</b>	73,985
Deposits at call	<b>510</b>	25,510
	<b>69,862</b>	99,495
Profit after tax	<b>94,115</b>	76,289
<i>Non Operating Activity Cash flow in profit</i>		
- Distributions received	<b>(640)</b>	(604)
- Profit on sale of assets	<b>(149)</b>	-
- Loss on sale of assets	-	1,547
- Profit on sale of investments	-	(785)
- Direct costs relating to acquisitions	-	1,023
<i>Non Cash flow in profit</i>		
- Depreciation	<b>29,999</b>	21,787
- Amortisation	<b>10,550</b>	8,564
- Impairment of intangibles	<b>3,000</b>	-
<i>Changes in operating assets and liabilities</i>		
(Increase) / decrease in trade debtors	<b>(11,189)</b>	29,283
(Increase) / decrease in inventories	<b>(35,533)</b>	8,255
Decrease / (increase) in other current assets	<b>595</b>	(159)
(Increase) in prepayments	<b>(1,860)</b>	(5,656)
(Increase) in deferred tax assets	<b>(12,094)</b>	(6,501)
Increase / (decrease) in current tax payable	<b>2,771</b>	(4,545)
(Decrease) in trade creditors	<b>(427)</b>	(26,697)
Increase / (decrease) in accruals	<b>26,107</b>	(3,082)
Increase in employee entitlements	<b>4,629</b>	2,006
(Decrease) in other provisions	<b>(2,479)</b>	(3,982)
Increase in deferred tax liabilities	<b>5,911</b>	5,441
<b>Net cash inflow from operating activities</b>	<b>113,306</b>	102,184

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 10. Property, Plant & Equipment

	<b>Consolidated</b>	
	<b>2015</b>	2014
	<b>\$'000</b>	\$'000
Land and buildings	<b>38,357</b>	40,469
Accumulated depreciation	-	-
	<b>38,357</b>	40,469
Plant and equipment at cost	<b>266,157</b>	233,924
Accumulated depreciation	<b>(121,983)</b>	(96,843)
	<b>144,174</b>	137,081
Capitalised leased assets	<b>37,989</b>	35,766
Accumulated amortisation	<b>(14,903)</b>	(12,049)
	<b>23,086</b>	23,717
Leasehold improvements at cost	<b>99,398</b>	68,531
Accumulated amortisation	<b>(25,922)</b>	(20,477)
	<b>73,476</b>	48,054
Assets under construction	<b>70,081</b>	54,623
<b>Total property, plant and equipment</b>	<b>349,174</b>	303,944

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

## 10. Property, Plant & Equipment (continued)

<b>Consolidated June 2015</b>	Land and buildings	Plant and equipment	Capitalised leased assets	Leasehold improve- ments	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at 1 July 2014</b>	40,469	137,081	23,717	48,054	54,623	303,944
Translation adjustment	-	(127)	-	(34)	(1)	(162)
Additions	69	45,981	5,656	31,279	15,459	98,444
Acquisitions through business combinations	-	3,533	-	61	-	3,594
Disposals	(2,181)	(13,683)	-	(233)	-	(16,097)
Transfers	-	1,388	(1,388)	-	-	-
Depreciation / amortisation	-	(29,999)	(4,899)	(5,651)	-	(40,549)
<b>Carrying amount at 30 June 2015</b>	<b>38,357</b>	<b>144,174</b>	<b>23,086</b>	<b>73,476</b>	<b>70,081</b>	<b>349,174</b>

  

<b>Consolidated June 2014</b>	Land and buildings	Plant and equipment	Capitalised leased assets	Leasehold improve- ments	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at 1 July 2013 (restated)</b>	23,057	76,092	22,246	44,574	20,754	186,723
Translation adjustment	-	137	-	43	5	185
Additions	18,742	45,872	4,730	8,127	33,864	111,335
Acquisitions through business combinations	-	43,918	1,962	300	-	46,180
Disposals	(1,330)	(8,214)	-	(585)	-	(10,129)
Transfers	-	1,063	(1,053)	(10)	-	-
Depreciation / amortisation	-	(21,787)	(4,168)	(4,395)	-	(30,350)
<b>Carrying amount at 30 June 2014</b>	<b>40,469</b>	<b>137,081</b>	<b>23,717</b>	<b>48,054</b>	<b>54,623</b>	<b>303,944</b>

## 11. Events after the Balance Date

On 6 July 2015 Automotive Holdings Group ('AHG') announced that it entered into an agreement with Western Pacific Automotive to acquire its three Mercedes-Benz passenger and van dealerships in Perth, Western Australia. The consideration for the transaction is approximately \$58 million. The acquisition remains subject to completion of confirmatory due diligence and other customary conditions including approval by Mercedes-Benz.

On 17 July 2015 Automotive Holding Group announced that it has entered into a agreement to sell Cov Parts Pty Ltd to GPC Asia Pacific for approximately \$43-45 million. This transaction is due for completion in September 2015.

On 21 July 2015 Automotive Holding Group announced that it has entered into exclusive discussions for the sale and leaseback of an existing dealership site and two development properties for approximately \$38.5 million upfront cash and \$39 million of future development costs.

No other material events have occurred since 30 June 2015 requiring disclosure.