AUTOMOTIVE HOLDINGS GROUP

13 February 2014

The Manager

Company Announcements Office

Australian Securities Exchange

Dear Sir / Madam,

APPENDIX 4D – HALF-YEAR REPORT AND DECEMBER 2013 HALF-YEAR RESULTS

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

- Appendix 4D – Half-Year Report; and
- December 2013 Half-Year Results Announcement

Yours faithfully,

D. ROWLAND

COMPANY SECRETARY

Enc.

21 Old Aberdeen Place, West Perth, Western Australia 6005
Tel: (08) 9422 7676 Fax: (08) 9422 7686 Email: info@ahg.com.au

Automotive Holdings Group Limited ABN 35 111 470 038

Appendix 4D – Half-Year Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013 – AUTOMOTIVE HOLDINGS GROUP LIMITED AND ITS CONTROLLED ENTITIES

ABN 35 111 470 038

Report for the half-year ended 31 December 2013

This statement includes the results for Automotive Holdings Group Limited and its controlled entities, for the half-year ended 31 December 2013 (current period) compared with the half-year ended 31 December 2012 (prior period). The financial result 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 are prepared in accordance with New Zealand International Financial Reporting Standards (NZIFRS).

This report is based on financial accounts, which have been reviewed.

Results for Announcement to the Market

		$A'000's		$A'000's
Revenues from ordinary activities	Up	146,502	6.8% to	**2,316,150**
Profit after tax from ordinary activities attributable to members	Up	414	1.1% to	**38,352**
Net profit after tax from continuing operations attributable to members	Up	414	1.1% to	**38,352**

DIVIDENDS	Amount per security	Franked amount per security
Interim dividend	8.5 cents	8.5 cents
Record date for determining entitlement to the interim dividend		18/03/2014
Date the interim dividend is payable		3/04/2014

Commentary on results for the period

Statutory IFRS profit after tax attributable to members for the half-year ended 31 December 2013 was $38.352 million compared with $37.938 million in the corresponding period. Operating[1] profit after tax attributed to members for the half-year ended 31 December 2013 was $39.295 million compared with $38.542 million in the corresponding period. Statutory IFRS EPS is up 1.0% to 14.7 cents (2012: 14.6 cents).

Unusual items included in the current year comprised professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments, and total $0.943 million (after tax) (2012: $0.604 million). These unusual items are associated with the business acquisitions of Jason Mazda, Davie Motors and the divestment of AHG's Capalaba operations.

Group revenue was $2.316 billion representing a 6.8% increase on the prior year revenue of $2.170 billion.

The Automotive Retail division delivered a statutory IFRS profit before tax of $45.249 million on $1.916 billion of revenue compared with a prior half-year statutory IFRS profit before tax of $36.816 million on $1.775 billion of revenue. This represents a 22.9% increase in statutory IFRS profit before tax and 8.0% increase in revenue. Operating[1] profit before tax was $46.409 million compared with prior half-year $38.678 million, an increase of 20.0%.

The Transport and Cold Storage division delivered a statutory IFRS profit before tax of $8.554 million on $210.0 million of revenue compared with a prior half-year statutory IFRS profit before tax of $11.047 million on $211.5 million of revenue. This represents a 22.6% decrease in statutory IFRS profit before tax and 0.7% decrease in revenue. Operating[1] profit before tax was $8.660 million compared with prior half-year $12.184 million, a decrease of 28.9%.

The Other Logistics division delivered a statutory IFRS profit before tax of $8.549 million on $189.9 million of revenue compared with a prior half-year statutory IFRS profit before tax of $6.044 million on $183.2 million of revenue. This represents a 41.4% increase in statutory IFRS profit before tax and 3.6% increase in revenue. Operating[1] profit before tax was $8.629 million compared with prior half-year $8.715 million, a decrease of 1.0%.

The Property division delivered a statutory IFRS loss before tax of $3.563 million compared with a prior half-year statutory IFRS profit before tax of $0.971 million.

Net tangible asset backing per ordinary security decreased from 97.5 cents at 31 December 2012 to 87.9 cents at 31 December 2013 as a consequence of investment in the growth of AHG through business acquisitions over that twelve-month period. The intangible assets acquired within these acquisitions must be excluded from this calculation, however the funding associated with their purchase must be included, resulting in the noted decrease.

[1] Operating profit is prior to deduction of unusual items (professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments).

NTA Backing

	Half - Year	
	2013 Cents	2012 Cents
Net tangible asset backing per ordinary security	**87.9**	97.5

Dividends Paid and Proposed

	Date paid / payable	Amount per security (fully franked at 30%)
Declared and paid during the period ended June 2013		
Final franked dividend for 2012	02/10/12	11.0 cents
Interim franked dividend for 2013	03/04/13	8.0 cents
Declared and paid during the period ended December 2013		
Final franked dividend for 2013	02/10/13	12.0 cents
Proposed and not recognised as a liability		
Interim franked dividend for 2014	03/04/14	8.5 cents

Jointly Controlled Entities

	% Holding	
	Dec 2013	Dec 2012
Vehicle Parts (WA) Pty Ltd	**50%**	50%

Contribution to net profit attributable to members was immaterial for current and prior periods.

AUTOMOTIVE HOLDINGS GROUP

AUTOMOTIVE HOLDINGS GROUP LIMITED

ABN 35 111 470 038

Interim Financial Report for the half-year ended 31 December 2013

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly this document is to be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Automotive Holdings Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

Contents

Your directors present their report on the consolidated entity consisting of Automotive Holdings Group Limited (AHG) and entities it controlled (the Group) at the end of, or during, the half-year ended 31 December 2013.

Directors

The following persons were directors of Automotive Holdings Group Limited during the whole of the half-year and up to the date of this report:

David Griffiths	Non Executive Chairman
Giovanni (John) Groppoli	Non Executive Director
Tracey Horton	Non Executive Director
Bronte Howson	Managing Director
Robert McEniry	Non Executive Director
Michael Smith	Non Executive Deputy Chairman
Peter Stancliffe	Non Executive Director

Commentary on results for the period

Statutory IFRS profit after tax attributable to members for the half-year ended 31 December 2013 was $38.352 million compared with $37.938 million in the corresponding period. Operating[1] profit after tax attributed to members for the half-year ended 31 December 2013 was $39.295 million compared with $38.542 million in the corresponding period. Statutory IFRS EPS is up 1.0% to 14.7 cents (2012: 14.6 cents).

Unusual items included in the current year comprised professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments, and total $0.943 million (after tax) (2012: $0.604 million). These unusual items are associated with the business acquisitions of Jason Mazda, Davie Motors and the divestment of AHG's Capalaba operations.

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The Property division delivered a statutory IFRS loss before tax of $3.563 million compared with a prior half-year statutory IFRS profit before tax of $0.971 million.

[1] Operating profit is prior to deduction of unusual items (professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments).

Consolidated revenue and results

Key Financial Data For the half-year ending 31 December	**Statutory IFRS Result Dec 2013**	**Unusual items ***	**Operating Result Dec 2013** (excluding Unusual items *)	**Operating Result Dec 2012** (excluding Unusual items *)	**Operating Variance**
$'000					
Total revenue	2,316,150	-	2,316,150	2,169,648	6.8%
EBITDA	86,607	(1,347)	87,953	85,923	2.4%
EBITDA margin %	3.7%		3.8%	4.0%	(4.1%)
Depreciation & amortisation	(14,000)	-	(14,000)	(13,937)	(0.5%)
EBIT	72,607	(1,347)	73,953	71,986	2.7%
Interest (net)	(13,818)	-	(13,818)	(15,375)	10.1%
Profit before tax	58,789	(1,347)	60,135	56,611	6.2%
Tax expense	(17,876)	404	(18,280)	(16,666)	(9.7%)
Profit after tax	40,912	(943)	41,855	39,945	4.8%
Non controlling interest	(2,560)	-	(2,560)	(1,403)	(82.4%)
Net profit after tax attributable to shareholders	38,352	(943)	39,295	38,542	2.0%
Basic EPS (cents per share)	14.71		15.07	14.79	2.0%

***Unusual items:** professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments.

Dividends

The directors have declared the payment of an interim dividend of 8.5 cents per fully paid share compared to the previous corresponding interim dividend of 8 cents per fully paid share. Refer to note 4 for further information.

Auditor's Independence Declaration

The lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and follows the directors' report.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.

David C Griffiths

Chairman

Perth, 13 February 2014

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF AUTOMOTIVE HOLDINGS GROUP LIMITED

As lead auditor for the review of Automotive Holdings Group Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Automotive Holdings Group Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 13 February 2014

Automotive Holdings Group Limited
Consolidated Statement of Profit and Loss and Other Comprehensive Income
For the half-year ended 31 December 2013

	Notes	Half - Year 2013 $'000	Half - Year 2012 $'000
Revenue from continuing operations		**2,316,150**	2,169,648
Profit on sale of assets and investments		**-**	3,789
Raw materials and inventory expense		**(1,783,079)**	(1,685,165)
Employee benefits expense		**(274,228)**	(247,065)
Depreciation and amortisation expense		**(14,000)**	(13,937)
Finance costs		**(16,316)**	(18,049)
Advertising and promotion		**(19,211)**	(16,009)
Occupancy costs		**(59,900)**	(51,746)
Vehicle preparation and service		**(19,117)**	(17,441)
Supplies and outside services		**(20,968)**	(16,231)
Motor vehicle expense		**(7,063)**	(6,446)
Equipment rental		**(7,693)**	(6,763)
Professional services		**(2,687)**	(4,186)
Other expenses		**(32,266)**	(35,523)
Loss on sale of assets and investments		**(834)**	-
Profit before income tax		**58,788**	54,878
Income tax expense		**(17,876)**	(15,537)
Profit for the half-year before other comprehensive income		**40,912**	39,341
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Unrealised changes in the fair value of cash flow hedges		**(2,509)**	1,618
Exchange differences on translation of foreign operations		**955**	(61)
Total comprehensive income for the half-year (net of tax)		**39,358**	40,898
Profit attributable to:			
Owners of Automotive Holdings Group Limited		**38,352**	37,938
Non-controlling interest		**2,560**	1,403
		40,912	39,341
Total comprehensive income attributable to:			
Owners of Automotive Holdings Group Limited		**36,798**	39,495
Non-controlling interest		**2,560**	1,403
		39,358	40,898

		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share	3	**14.7**	14.6
Diluted earnings per share		**14.7**	14.6
Earnings per share is calculated on a weighted average number of shares of:		**260,683,178**	260,683,178

The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

Automotive Holdings Group Limited
Consolidated Statement of Financial Position
As at 31 December 2013

		Consolidated	
		31 Dec 2013	30 Jun 2013
	Notes	**$'000**	$'000
CURRENT ASSETS			
Cash and cash equivalents		**73,540**	97,449
Trade and other receivables		**253,421**	300,287
Inventories		**677,843**	690,966
Other current assets		**21,506**	18,311
TOTAL CURRENT ASSETS		**1,026,310**	1,107,013
NON CURRENT ASSETS			
Available-for-sale financial assets		**7,143**	6,750
Property, plant and equipment	5	**209,496**	186,425
Intangible assets	6	**263,052**	249,047
Deferred tax assets		**36,962**	31,760
TOTAL NON CURRENT ASSETS		**516,653**	473,982
TOTAL ASSETS		**1,542,963**	1,580,995
CURRENT LIABILITIES			
Trade and other payables		**195,052**	251,319
Interest-bearing loans and borrowings		**561,878**	593,218
Income tax payable		**9,878**	8,986
Provisions		**50,934**	50,195
TOTAL CURRENT LIABILITIES		**817,742**	903,717
NON CURRENT LIABILITIES			
Interest-bearing loans and borrowings		**213,222**	175,588
Deferred tax liabilities		**3,672**	609
Provisions		**16,049**	14,604
TOTAL NON CURRENT LIABILITIES		**232,943**	190,801
TOTAL LIABILITIES		**1,050,685**	1,094,518
NET ASSETS		**492,278**	486,476
EQUITY			
Contributed equity		**384,112**	384,112
Reserves		**1,112**	2,210
Retained earnings		**98,327**	91,257
Capital and reserves attributable to the owners of Automotive Holdings Group Limited		**483,551**	477,579
Non-controlling interest		**8,727**	8,897
TOTAL EQUITY		**492,278**	486,476

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

		Attributable to owners of Automotive Holdings Group Limited					
		Contributed Equity	**Reserves**	**Retained Earnings**	**Total**	**Non-Controlling Interest**	**Total Equity**
	Notes	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 July 2012		**382,282**	**(2,155)**	**74,012**	**454,138**	**3,782**	**457,921**
Profit for the half-year (after tax)		-	-	37,938	37,938	1,403	39,341
Changes in fair value of cash flow hedges		-	2,238	-	2,238	-	2,238
Exchange differences on translation of foreign operations		-	(61)	-	(61)	-	(61)
Income tax relating to components of other comprehensive income		-	(620)	-	(620)	-	(620)
Total comprehensive income for the half-year		**-**	**1,557**	**37,938**	**39,495**	**1,403**	**40,898**
Transactions with owners in their capacity as equity holders:							
Contributions of equity, net of transaction costs		1,830	-	-	1,830	2,400	4,230
Dividends provided for or paid	4	-	-	(28,675)	(28,675)	(2,613)	(31,288)
Employee share scheme	12	-	333	-	333	-	333
		1,830	**333**	**(28,675)**	**(26,512)**	**(213)**	**(26,725)**
At 31 December 2012		**384,112**	**(265)**	**83,275**	**467,122**	**4,973**	**472,095**
At 1 July 2013		**384,112**	**2,210**	**91,257**	**477,579**	**8,897**	**486,476**
Profit for the half-year (after tax)		-	-	38,352	38,352	2,560	40,912
Changes in fair value of cash flow hedges		-	(2,509)	-	(2,509)	-	(2,509)
Exchange differences on translation of foreign operations		-	955	-	955	-	955
Income tax relating to components of other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		**-**	**(1,554)**	**38,352**	**36,798**	**2,560**	**39,358**
Transactions with owners in their capacity as equity holders:							
Contributions of equity, net of transaction costs		-	-	-	-	-	-
Dividends provided for or paid	4	-	-	(31,282)	(31,282)	(2,730)	(34,012)
Employee share scheme	12	-	456	-	456	-	456
		-	**456**	**(31,282)**	**(30,826)**	**(2,730)**	**(33,556)**
At 31 December 2013		**384,112**	**1,112**	**98,327**	**483,551**	**8,727**	**492,278**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	Half - Year 2013 $'000	2012 $'000
Cash flow from operating activities			
Receipts from customers (inclusive of GST)		**2,593,654**	2,175,208
Payments to suppliers and employees (inclusive of GST)		**(2,532,547)**	(2,115,188)
Interest paid and costs of finance		**(19,449)**	(20,901)
Interest received		**2,498**	2,674
Income tax paid		**(18,676)**	(16,976)
Net cash inflow from operating activities	8	**25,480**	24,816
Cash flow from investing activities			
Payment for purchase of business, net of cash acquired	7	**(14,043)**	(23,938)
Payment for property plant and equipment		**(34,948)**	(34,972)
Dividends and distributions received		**204**	190
Proceeds of sale of property, plant and equipment		**3,463**	3,373
Proceeds of sale of investments		**300**	57,391
Payment for purchase of investment (net)		**-**	(5,000)
Net cash outflow from investing activities		**(45,024)**	(2,956)
Cash flows from financing activities			
Net proceeds from borrowings		**29,647**	10,756
Dividends paid to members		**(31,282)**	(28,675)
Dividends paid to non-controlling interest		**(2,730)**	(2,613)
Net cash inflow / (outflow) from financing activities		**(4,365)**	(20,532)
Net increase / (decrease) in cash and cash equivalents		**(23,909)**	1,328
Cash and cash equivalents at the beginning of the half-year		**97,449**	81,382
Cash and cash equivalents at the end of the half-year		**73,540**	82,710

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Non-cash financing and investing activities

During the half-year the Group acquired plant and equipment with a fair value of $5,597,574 by means of finance leasing and hire purchase arrangement. These acquisitions are not reflected in the above Consolidated Statement of Cash Flows.

1. Basis of preparation of half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2013 has been prepared in accordance with Australian Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this document is to be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Automotive Holdings Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, other than for the adoption of AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements* and AASB 12 *Disclosure of Interests in Other Entities*, AASB 13 *Fair Value Measurement* and AASB 119 *Employee Benefits* which came into effect on 1 July 2013 from AHG's perspective. AHG have reviewed the impact of applying these new standards compared to the previous standards AASB 128 *Investments in Associates and Joint Ventures*, AASB 127 *Separate Financial Statements* and AASB 2011-7 *Amendments to Australian Accounting Standards* and concluded that there is no material impact on the Group's performance and position arising from the initial application of these standards and, apart from additional note disclosures required under AASB 13, they are therefore immaterial in the context of AHG's financial report for the interim half-year reporting period ended 31 December 2013 or the comparative information.

Impact of standards issued but not yet applied by the entity

Other than AASB 9 *Financial Instruments* there were no new standards issued since 30 June 2013 that have not been applied by AHG. The 30 June 2013 annual report disclosed that AHG anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2013.

2. Operating segments

The Board has determined that AHG's operating segments be divided between a single reportable automotive segment, two reportable logistics segments comprising of AHG's transport and cold storage operations and the balance of all of its other logistical operations, as well as a property segment. All segments operate within the geographical area of Australia and New Zealand. Operations in Australia and New Zealand are classified and managed as one geographical area, and therefore geographic disclosures have not been included.

Automotive Retail

The automotive segment has 152 dealerships franchise sites operating within the geographical areas of Australia and New Zealand.

AHG's automotive operations exhibit similar economic characteristics. They have similar product offerings and a consistency of customer base. The generic characteristics of these businesses allow AHG to consistently measure operating performance within this segment.

Transport and Cold Storage

It was determined that AHG's transport and cold storage operations be disclosed as a separate reportable segment given the unique characteristics attendant to these operations, vis-à-vis the Group's other logistical operations, as well as the proportion of AHG's profit generated by them.

Other Logistics

The other logistical operations segment comprises AHG's automotive parts warehousing and distribution businesses, motorcycle distribution and vehicle storage and engineering.

Property

The property segment comprises AHG's direct property interests in land and buildings.

2. Operating segments (continued)

Segment Reporting December 2013	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Gross revenue	2,153,536	209,998	220,471	430,469	157	2,584,162
Less: intercompany sales	(239,304)	(20)	(31,186)	(31,206)	-	(270,510)
Segment revenue	1,914,232	209,978	189,285	399,263	157	2,313,652
Interest earned	1,856	47	595	642	-	2,498
EBITDA	**62,848**	**15,262**	**9,764**	**25,027**	**(1,268)**	**86,607**
Depreciation and amortisation	(7,651)	(4,838)	(1,511)	(6,349)	-	(14,000)
EBIT	**55,197**	**10,425**	**8,253**	**18,678**	**(1,268)**	**72,607**
Interest expense (net)	(9,948)	(1,871)	296	(1,575)	(2,295)	(13,818)
Impairment of Intangibles						-
Profit before tax for the half-year						**58,789**
Income tax expense						(17,876)
Reportable segment profit after tax for the half-year						**40,912**
Detailed Segment Trading Analysis						
Segment revenue after allocation of interest	1,916,087	210,026	189,880	399,906	157	2,316,150
Net gain on disposal of assets	-		-	-	-	-
Total revenue	**1,916,087**	**210,026**	**189,880**	**399,906**	**157**	**2,316,150**
EBITDA before unusual items	**64,008**	**15,369**	**9,845**	**25,214**	**(1,268)**	**87,954**
EBIT before unusual items	**56,357**	**10,531**	**8,334**	**18,865**	**(1,268)**	**73,954**
Segment result before unusual items	**46,409**	**8,660**	**8,629**	**17,289**	**(3,563)**	**60,136**
Unusual items*	(1,161)	(106)	(80)	(186)	-	(1,347)
Profit before tax for the half-year	**45,249**	**8,554**	**8,549**	**17,103**	**(3,563)**	**58,789**
Unusual items - Impairment of Intangibles	-		-	-	-	-
Reportable segment result after unusual items	**45,249**	**8,554**	**8,549**	**17,103**	**(3,563)**	**58,789**

Segment Reporting December 2013	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	1,213,086	153,456	162,778	316,234	13,642	1,542,962
Total consolidated assets						**1,542,962**
Segment liabilities	737,085	137,306	152,676	289,982	23,619	1,050,685
Total consolidated liabilities						**1,050,685**
Acquisition of property, plant, equipment and intangibles	**41,035**	**13,242**	**961**	**14,203**	**239**	**55,477**

***Unusual items** - professional fees, stamp duty and acquisition and integration costs associated with acquisition-related actitivies and asset divestments.

2. Operating segments (continued)

Segment Reporting December 2012	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Gross revenue	1,983,488	211,424	208,636	420,060	230	2,403,778
Less: intercompany sales	(210,709)	-	(26,095)	(26,095)	-	(236,804)
Segment revenue	1,772,779	211,424	182,541	393,965	230	2,166,974
Interest earned	1,953	34	687	721	-	2,674
				-		-
Total revenue						**2,169,648**
EBITDA	**55,526**	**18,922**	**6,653**	**25,575**	**3,089**	**84,190**
Depreciation and amortisation	(6,991)	(5,842)	(1,104)	(6,945)	(1)	(13,937)
EBIT	**48,535**	**13,080**	**5,549**	**18,629**	**3,088**	**70,253**
Interest expense (net)	(11,719)	(2,034)	495	(1,539)	(2,117)	(15,375)
Segment result before unusual items						**54,878**
Profit before tax for the half-year						**54,878**
Income tax expense						(15,537)
Reportable segment profit after tax for the half-year						**39,341**
Total revenue	**1,774,732**	**211,458**	**183,228**	**394,686**	**230**	**2,169,648**
EBITDA before unusual items	**57,388**	**20,059**	**9,324**	**29,383**	**(848)**	**85,923**
EBIT before unusual items	**50,397**	**14,218**	**8,220**	**22,438**	**(849)**	**71,986**
Segment result before unusual items	**38,678**	**12,184**	**8,715**	**20,899**	**(2,966)**	**56,611**
Unusual items*	(1,862)	(1,137)	(2,671)	(3,809)	3,937	(1,733)
Profit before tax for the half-year	**36,816**	**11,047**	**6,044**	**17,091**	**971**	**54,878**

Segment Reporting June 2013	Automotive Retail	Transport and Cold Storage	Other Logistics	Logistics	Property	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	1,267,721	145,605	154,364	299,969	13,305	1,580,995
Total consolidated assets						**1,580,995**
Segment liabilities	798,048	129,764	146,317	276,080	20,389	1,094,518
Total consolidated liabilities						**1,094,518**
Acquisition of property, plant, equipment and intangibles	**81,262**	**16,589**	**7,837**	**24,426**	**7,249**	**112,937**

*Unusual items - professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activies and asset divestments (API property, Gold Coast dealerships).

3. Earnings per share

Basic earnings per share

	Half - Year	
	2013 **cents**	2012 cents
Earnings per share for profit attributable to the ordinary equity holders of the Company excluding unusual items[1]	**15.1**	14.8
Earnings per share for profit / (loss) from unusual items[1] attributable to the ordinary equity holders of the Company	**(0.4)**	(0.2)
Total earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company	**14.7**	14.6

****Unusual items** - professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments.*

Reconciliation of earnings used in calculating earnings per share

	Half - Year	
	2013 **$'000**	2012 $'000
Basic Earnings Per Share		
Profit attributable to the ordinary equity holders of the Company from continuing operations excluding unusual items[1]	**39,295**	38,542
Profit / (loss) attributable to the ordinary equity holders of the Company from unusual items[1]	**(943)**	(604)
Profit attributable to the ordinary equity holders of the Company from continuing operations in calculating basic earnings per share	**38,352**	37,938

The Group has no instruments that have a dilutive affect on earnings per share.

Weighted average number of shares used as the denominator

	Number	
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**260,683,178**	260,683,178

[1] **Unusual items** - professional fees, stamp duty and acquisition and integration costs associated with acquisition-related activities and asset divestments. Unusual items included in statutory profit net of tax are $0.943 million (2012: $0.604 million).

4. Dividends paid and proposed

	Parent	
	2013	2012
Dividends on ordinary shares:	**$'000**	$'000
Final dividend for the year ended 30 June 2013 of 12 cents per fully paid share paid on 2 October 2013 (30 June 2012 of 11 cents per fully paid share paid on 2 October 2012)	**31,282**	28,675
Interim dividend for the half-year ended 31 December 2013 of 8.5 cents per fully paid share payable on 3 April 2014 (31 December 2012 of 8 cents per fully paid share payable on 3 April 2013)	**22,158**	20,855
	53,440	49,530

5. Property, plant and equipment

	Consolidated	
	2013	2013
	$'000	$'000
Land and buildings	**23,057**	23,057
Accumulated depreciation	**-**	-
	23,057	23,057
Plant and equipment at cost	**172,829**	157,443
Accumulated depreciation	**(88,611)**	(81,610)
	84,218	75,833
Capitalised leased assets	**31,213**	31,971
Accumulated amortisation	**(10,632)**	(9,724)
	20,581	22,246
Leasehold improvements at cost	**60,386**	61,648
Accumulated amortisation	**(18,103)**	(17,113)
	42,283	44,535
Assets under construction	**39,357**	20,754
Total property, plant & equipment	**209,496**	186,425

5. Property, plant and equipment (continued)

Consolidated December 2013	**Land and buildings**	**Plant and equipment**	**Capitalised leased assets**	**Leasehold improve-ments**	**Assets under construction**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Carrying amount at 1 July 2013	23,057	75,833	22,246	44,535	20,754	186,425
Translation adjustment	-	129	-	38	-	167
Additions	-	21,091	866	347	18,604	40,908
Acquisitions through business combinations	-	(36)	-	-	-	(36)
Disposals	-	(3,383)	-	(585)	-	(3,968)
Transfers	-	517	(507)	(10)	-	-
Depreciation / amortisation	-	(9,933)	(2,025)	(2,042)	-	(14,000)
Carrying amount at 31 December 2013	**23,057**	**84,218**	**20,581**	**42,283**	**39,358**	**209,496**

6. Intangible assets

	Goodwill	**Franchise Rights & Distribution Agreements**	**Total**
	$'000	$'000	$'000
Consolidated 2013			
Carrying amount at 1 July 2013	99,722	149,325	249,047
Additions	4,668	9,337	14,005
Divestments	-	-	-
Carrying amount at 31 December 2013	**104,390**	**158,662**	**263,052**

	Goodwill	**Franchise Rights & Distribution Agreements**	**Total**
	$'000	$'000	$'000
Consolidated 2013			
Automotive Retail	73,534	151,719	225,253
Transport and Cold Storage	20,071	-	20,071
Other Logistics	10,785	6,943	17,728
Carrying amount at 31 December 2013	**104,390**	**158,662**	**263,052**

7. Business combinations

On 26 July 2013 Automotive Holdings Group Limited ('AHG') acquired certain business assets and liabilities of Jason Mazda, an automotive retail operation in Osborne Park, Perth for consideration of $12.616 million. The acquisition expands AHG's automotive retail operations in Western Australia.

The business contributed revenues of $19.373 million and net profit before tax of $1.237 million for the half year ended 31 December 2013 before acquisition and integration costs. It is expected that AHG would have reported $2.319.20 billion in consolidated revenues and $39.431 million consolidated net profit after tax attributable to members, for the half year ended 31 December 2013, had the acquisition occurred at the beginning of the reporting period.

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

	$'000
Purchase consideration	
Cash paid	12,616
Total purchase consideration	12,616

	Fair Value $'000
Vehicle inventories	(39)
Parts inventories	44
Other assets	709
Deferred tax assets	172
	887
Trade and other payables	(53)
Employee entitlements	(420)
	(473)
Net identifiable assets acquired	414
Add: goodwill	4,067
Add: franchise rights	8,134
Net assets acquired	12,616

i. Contingent consideration, non-controlling interests and acquisition costs

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

Acquisition-related costs of $0.371 million are included in professional services and other expenses in the statement of profit and loss and other comprehensive income in the reporting half year ended 31 December 2013.

ii. Information not disclosed as not yet available

The Group has reported provisional amounts for goodwill and other assets acquired as part of the purchase of Jason Mazda. The amounts proportionally attributable to both goodwill and franchise rights are consistent with the Group's treatment of like amounts previously acquired.

7. Business combinations (continued)

On 2 September 2013 Automotive Holdings Group Limited ('AHG') acquired certain business assets and liabilities of Davie Motors, an automotive retail operation in Manukau, Auckland for consideration of $2.248 million. The acquisition expands AHG's automotive retail operations in New Zealand.

The business contributed revenues of $16.969 million and net profit before tax of $0.163 million for the half year ended 31 December 2013 before acquisition and integration costs. It is expected that AHG would have reported $2.324.99 billion in consolidated revenues and $39.407 million consolidated net profit after tax attributable to members, for the half year ended 31 December 2013, had the acquisition occurred at the beginning of the reporting period.

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

	$'000
Purchase consideration	
Cash paid	2,248
Total purchase consideration	2,248

	Fair Value $'000
Vehicle inventories	573
Parts inventories	286
Property, plant and equipment	635
	1,494
Employee entitlements	(115)
	(115)
Net identifiable assets acquired	1,379
Add: goodwill	290
Add: franchise rights	579
Net assets acquired	2,248

i. Contingent consideration, non-controlling interests and acquisition costs

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

Acquisition-related costs of $0.022 million are included in professional services and other expenses in the statement of profit and loss and other comprehensive income in the reporting period ended 31 December 2013.

ii. Information not disclosed as not yet available

The Group has reported provisional amounts for goodwill and property plant and equipment acquired as part of the purchase of Davie Motors. The amounts proportionally attributable to both goodwill and franchise rights are consistent with the Group's treatment of like amounts previously acquired.

8. Cash flow information

Reconciliation of Cash

	Half - Year	
	2013	2012
	$'000	$'000
Cash at bank and on hand	**48,530**	57,200
Deposits at call	**25,010**	25,510
	73,540	82,710

	Half - Year	
	2013	2012
	$'000	$'000
Profit for the half-year after tax	**40,912**	39,341
Non Operating Activity Cash flow in profit		
- Distributions received	**(204)**	(190)
- Profit on sale of assets	**-**	(314)
- Loss on sale of assets	**505**	-
- Profit on sale of investments	**(785)**	(3,476)
- Direct costs relating to acquisitions	**1,024**	-
Non Cash flow in profit		
- Depreciation	**9,933**	10,143
- Amortisation	**4,068**	3,794
Changes in operating assets and liabilities		
Decrease in trade debtors	**46,878**	5,509
(Increase) in inventories	**(17,264)**	(25,658)
(Increase) in prepayments	**(3,183)**	(3,912)
(Increase) in deferred tax assets	**(4,743)**	(5,001)
Increase in current tax payable	**1,239**	2,237
(Decrease) in trade creditors	**(46,747)**	(2,242)
(Decrease) in accruals	**(8,399)**	(4,822)
Increase in employee entitlements	**753**	4,528
(Decrease) / increase in other provisions	**(1,210)**	3,550
Increase in deferred tax liabilities	**2,704**	1,328
Net cash inflow from operating activities	**25,480**	24,816

9. Unsecured contingent liabilities and contingent assets

A liability exists for after sales service and finance rebates but the amount can not be quantified. In the opinion of the directors the amount is not material to the financial statements.

Unsecured guarantees, indemnities and undertakings have been given by AHG in the normal course of business in respect of banking and financial trade arrangements entered into by its controlled entities. The total of these guarantees is $15,668,253. At 31 December 2013 no controlled entity was in default in respect of any arrangement guaranteed by AHG.

The Group has a contingent asset by virtue of it having lodged a claim for compensation under the *Land Administration Act (WA) 1997*. The claim is for potential loss of business and associated costs arising as a consequence of the state government's proposed taking of land by way of compulsory purchase order. The amount of any contingent asset cannot be quantified at this time.

At 31 December 2013, trusts within the Group had entered into sale and buyback agreements for a number of vehicles. At this date the directors of the trustee companies are of the opinion that the repurchase price of these vehicles, net of the relevant provision at 31 December 2013, is below their expected selling price.

10. Events occurring after reporting date

No material events have occurred since 31 December 2013 requiring disclosure.

11. Fair value measurement of financial instruments

The fair value of the Group's financial assets and liabilities are determined on the following basis.

a) Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

As of 31 December 2013, AHG's Available-for-Sale Financial Assets included two level 3 investments, being an unlisted equity investment in One Way Traffic Pty Ltd (Carsguide.com.au) with a fair value of $2.25 million (2013: $2.25 million) and unlisted units held in the AHG Property Syndicate No. 1 Unit Trust with a fair value of $4.20 million (2013: $4.50 million).

At 31 December 2013, the Group held no significant financial assets or liabilities classified as level 1 or level 2 fair value measurements. There were no transfers between level 1, level 2 or level 3 in the period.

AASB 13 requires that, subsequent to initial recognition, all fair value financial instruments are disclosed by reference to their measurement hierarchy levels:

- Level 1 fair value measurements that are derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 fair value measurements that are derived from inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 fair value measurements that are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data;

11. Fair value measurement of financial instruments (continued)

The fair values of the Level 3 investments are individually determined based on the present value of net cash inflows from future profits and subsequent disposal of the securities. These net cash inflows are discounted to their present value using a pre-tax discount rate that reflects a current market assessment of the time value of money and the risks specific to the asset. This methodology is unchanged from the comparative period.

Unobservable data inputs are earnings growth factors and the risk adjusted discount rate. Earnings growth factors are estimated based on market information for similar types of companies while the risk adjusted discount rate is modelled such as to reflect the time value of money and the risks specific to the individual assets. If the estimated risk-adjusted discount rate was 10% higher or lower, the fair value (and equity reserves) would increase/ decrease by $0.43 million (2013: $0.45 million).

b) Financial Assets and Financial Liabilities that are not measured at fair value on a recurring basis (but where fair value disclosures are required)

At 31 December 2013 and 30 June 2013, the carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting their future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. For current and non-current borrowings, the fair value approximates the carrying value amount, as the impact of discounting is not significant.

12. Share based payment plans

AHG Performance Rights Plan

The issue of Performance Rights under a Long Term Incentive scheme (‘LTI’) to AHG’s Managing Director, Bronte Howson was approved by shareholders at the Group’s AGM on 15 November 2013. These Performance Rights have been issued in accordance with AHG’s existing Performance Rights Plan.

LTI

This is the monetary value of performance rights to be issued on the following basis:

- Subject to shareholder approval at the AGM.
- Issued under the rules of the AHG Performance Rights Plan.
- Based on performance assessed over a three year vesting period against measures approved by the Board with no subsequent re-testing.
- Performance rights granted prior to departure can be retained post departure subject to compliance with service agreement terms including non-compete restrictions.
- For FY2014 the performance rights will vest subject to performance achieved against a relative Total Shareholder Return (TSR) hurdle (50% weighting) and an Earnings per Share (EPS) compound annual growth rate (50% weighting), the details of which are outlined below.

12. Share based payment plans (continued)

Relative TSR

- AHG's TSR performance over the relevant performance period will be assessed against a defined peer group of companies (refer page 67 of the 2013 Annual Report). This is subject to changes as may be approved by the Board in consultation with an independent party if that is appropriate given changes to the peer group companies.
- Vesting of the TSR portion of the grant will occur on the following basis:

TSR ranking in the comparator group	Vesting outcome of TSR portion of grant
Below 50th percentile	Nil
At 50th percentile	25% vesting
50th percentile up to 75th percentile	Progressive/pro-rata from 25-100%
At or above 75th percentile	100% vesting

Operating EPS compound annual growth rate

- Baseline operating EPS for assessment of performance over the relevant performance period is set at FY2013 operating EPS (27.9 cents)
- Vesting of the EPS portion of the grant will occur on the following basis:

Compound annual EPS growth performance	Vesting outcome of EPS portion of grant
Below 7% pa	Nil
At 7% pa	25% vesting
7% pa up to 10% pa	Progressive/pro-rata from 25-100%
At or above 10% pa	100% vesting

Cap
The aggregate number of shares subject to outstanding Rights (that is, Rights that have not yet been exercised and that have not lapsed) that have been awarded under all of the Company's equity incentive plans will not exceed 5% of the issued share capital.

LTI Issue Value
Vesting of the MD's FY2014 Performance Rights (as approved by shareholders at the 2013 AGM) is based on achievement of performance criteria measured across the three financial years to 30 June 2016. Those rights that do vest will be issued during the year ended 30 June 2017. The value of the MD's LTI for 2014 is $0.667 million. This amount is represented by the issue of 243,407 performance rights at an issue value of $2.7389 per right. This issue value was calculated by independent consultants PricewaterhouseCoopers ("PwC") using a Black-Scholes option pricing model and is based around AHG's share price at 1 July 2013. This and other model inputs to this valuation methodology are disclosed below.

Accounting Fair Value of Performance Rights
Accounting standards require that Performance Rights are expensed based on the market price at the date the rights are formally granted (being AHG's AGM on 15 November 2013). This is different to the issue value, which is determined at the commencement of the performance period (1 July 2013). The assessed fair value for accounting purposes is $2.45 cents per share. That fair value is determined using separate valuation models for the difference performance criteria. The outcomes from these models are weighted 50:50 between TSR-related and EPS-related criteria reflecting the performance weighting.

12. Share based payment plans (continued)

The TSR-related shares have been valued using a Monte Carlo option pricing model that takes into account the issue price, the vesting term of the shares, the impact of dilution, the share price at grant date, the expected volatility, the expected dividend yield and the risk free interest rate. The EPS-related shares have been valued using a Black-Scholes option pricing model that takes into account the vesting term of the shares, the impact of dilution, the share price at grant date and the expected dividend yield.

The model inputs for the Performance Rights granted during the half-year ended 31 December 2013 are:

(a) Rights are granted for no consideration and vest 50:50 based on i) AHG's TSR ranking within a peer group of 20 selected companies over a three year period; and ii) AHG's EPS growth rate.
(b) Performance assessment start date: 1 July 2013
(c) Issue value (1 July 2013, calculated by PwC): $2.7389
(d) Grant date: 15 November 2013 (AGM)
(e) Expiry date: 30 June 2016
(f) Share price at AGM grant date: $3.75
(g) Expected price volatility of the company's shares: 30%
(h) Expected dividend yield: 7.5%
(i) Risk-free interest rate: 3.00%

The expected price volatility is based on the historic volatility of the Company.

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefits expense were $0.456 million (2012: $0.333 million) related to the MD's Performance Rights.

The directors of the company declare that:

1. The consolidated financial statements, comprising; the statement of profit and loss and other comprehensive income; statement of financial position; statement of cash flows; statement of changes in equity; and accompanying notes, are in accordance with the *Corporations Act 2001* and:

    (a) comply with Accounting Standards *AASB 134 Interim Financial Reporting* and the Corporations Regulations 2001; and

    (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

David C Griffiths

Chairman

Perth

13 February 2014

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Automotive Holdings Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Automotive Holdings Group Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Automotive Holdings Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of Automotive Holdings Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Automotive Holdings Group Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 13 February 2014