



AUTOMOTIVE HOLDINGS GROUP

AHG COMPLETES REFRIGERATED LOGISTICS ACQUISITION

30 April 2014

Automotive Holdings Group Limited (ASX: AHE) is pleased to announce that it has completed the acquisition of Scott's Refrigerated Freightways ("SRF") including JAT Refrigerated Road Services ("JAT").

SRF is a leading, national cold logistics business providing refrigerated road and rail line haul, local refrigerated distribution and cold store warehousing. SRF has long established relationships with major customers on the east coast of Australia. The existing SRF management team will continue to manage the SRF business.

JAT is a specialist chilled and frozen transport company based in Queensland.

The purchase price of approximately \$116 million comprised:

- \$71 million of cash paid to the vendors;
- 4.3 (approx.) million AHG shares issued to the vendors (\$15 million in total); and
- the assumption of approximately \$30 million of finance leases.

1.4 million AHG shares issued to the SRF vendors will be escrowed for four months from the date of completion of the transaction, with the remainder being escrowed for a period of 12 months.

SRF (including JAT) is forecast to generate FY14 revenue of approximately \$237 million and EBITDA of approximately \$25 million. In addition, cost synergies of approximately \$4 million per annum are expected to be realised by the end of FY16 from the rationalisation of cold storage facilities in Perth, Adelaide and Melbourne, harmonising supply contracts and specific operating savings.

AHG managing director Bronte Howson said the acquisition of SRF (including JAT) combined with the existing Rand and Harris operations consolidated the Group's position as the largest provider of transport and cold storage operations in Australia.

"The acquisition expands AHG's customer base and product expertise and will diversify AHG's exposure to seasonal peaks in fresh produce, allowing for more efficient use of infrastructure across the year," said Mr Howson.

ENDS

About AHG Automotive Holdings Group Limited (ASX: AHE) is a diversified automotive retailing and logistics group with operations in every Australian mainland state and in New Zealand. The Company is Australia's largest automotive retailer, with operations in Western Australia, New South Wales, Queensland and Victoria.

AHG's logistics businesses operate throughout Australia via subsidiaries Rand Transport and Harris Refrigerated Transport (transport and cold storage), AMCAP and Cova (motor parts and industrial supplies distribution), VSE (vehicle storage and engineering), Genuine Truck Bodies (body building services to the truck industry), and KTM Sportmotorcycles (motorcycle importation and distribution in Australia and New Zealand).

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