

ASX / MEDIA STATEMENT

4 October 2017

AHG EXPANDS NEWCASTLE OPERATIONS

Automotive Holdings Group (ASX: AHG) is pleased to announce that it has agreed to acquire five franchised automotive dealerships trading as the Hunter Motor Group at Maitland and Rutherford near Newcastle (NSW).

The Maitland operations comprise three automotive franchises (Subaru, Honda and VW Passenger) across two sites on Maitland High St. The Rutherford operations comprise two franchises (Isuzu UTE and VW Commercial) co-located on Mustang Drive in Rutherford.

The dealerships are close to AHG's existing Nissan, Mazda and Kia dealerships in Maitland and will become part of the Group's broader Newcastle operations.

AHG managing director John McConnell said the transaction represented a valuable addition to the Company's presence in the Hunter region.

"The proposed acquisition is aligned to our automotive growth strategy to acquire and aggregate dealerships in and around existing AHG dealerships," said Mr McConnell.

"We expect to drive both incremental revenue and cost synergies across the five dealerships," said Mr McConnell. "It is a well-run business with a stable team and brands that can be rolled into an existing well-performing AHG hub with a number of initiatives that we can put in place to further improve the operating result."

The acquisition involves a total consideration of \$8.5-million for goodwill, plus stock and assets at valuation. It is subject to customary conditions, including manufacturer approvals, and is expected to settle in November.

Subject to completion, AHG will hold 185 automotive franchises in Australia and New Zealand.

ENDS

About AHG Automotive Holdings Group Limited (ASX: AHG) 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, Harris Refrigerated Transport, Scott's Refrigerated Freightways and JAT Refrigerated Road Services (transport and cold storage), AMCAP (motor parts and industrial supplies distribution), VSE (vehicle storage and engineering), Genuine Truck Bodies (body building services to the truck industry), Higer Bus (bus and truck importation and distribution), and KTM Sportmotorcycles and HQVA (KTM and Husqvarna motorcycle importation and distribution in Australia and New Zealand).

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