Investor Presentation

Monday, 23rd March 2009

About A.P. Eagers

- **96** year old automotive retail group founded in **1913**
- **52** years as a listed public company – dividend paid every year
- A.P. Eagers owns more than **69** acres of prime real estate mainly in metropolitan Brisbane
- Dec 2008 Balance sheet value of land and buildings **$331m**

About A.P. Eagers

Represents 10 of the top 10 selling vehicle brands in Australia

About A.P. Eagers

AP EAGERS

As well as 18 others, representing 28 vehicle brands in total

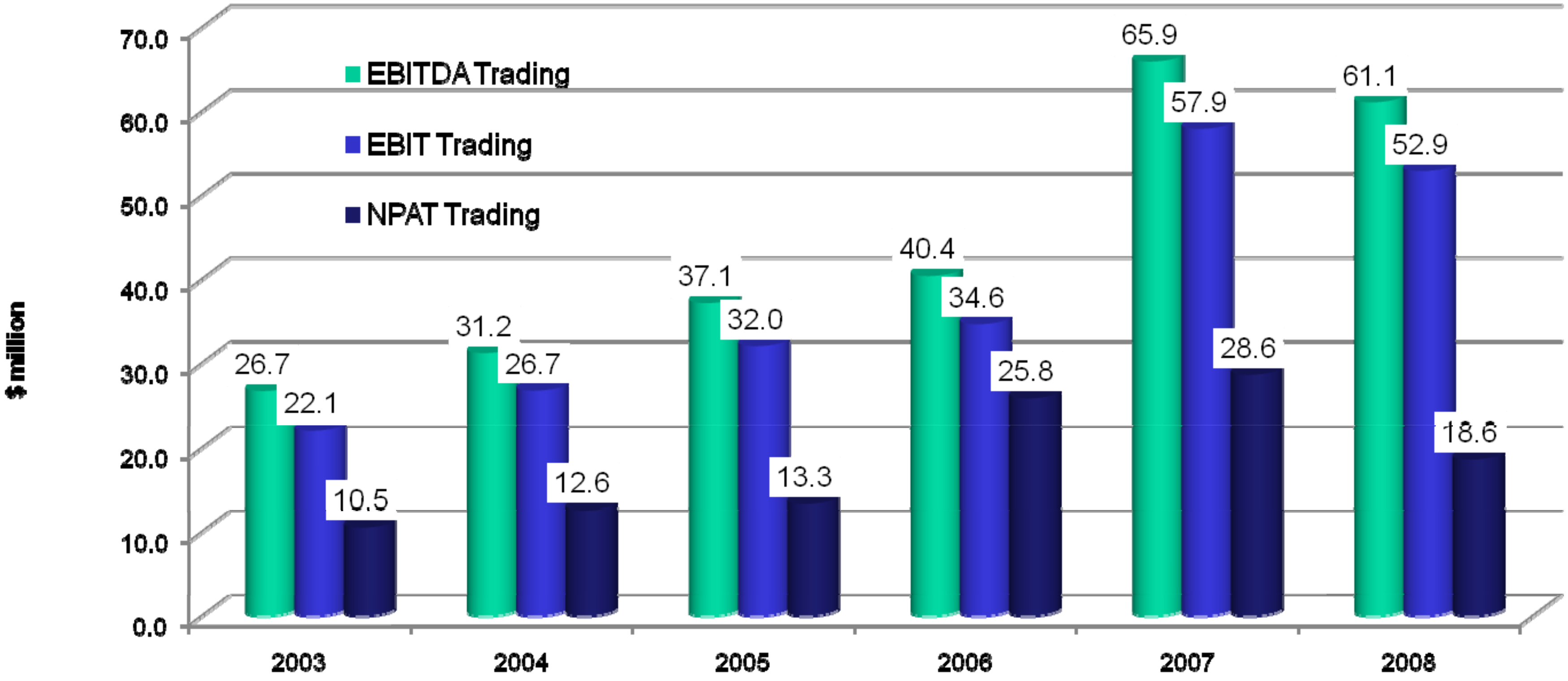
Group Financial Results
Underlying Trading Performance

- Revenue up by 1%.
- Difficult market conditions, high interest rates and fuel prices followed by global credit crisis.
- Higher interest costs due to higher average debt and interest rates.
- Revenue and margin growth in parts and service.

Underlying Trading Performance

	2008 $m	Change
Revenue	1,690	+1%
EBITDA	61.1	-7%
EBIT	52.9	-12%
NPBT	26.2	-34%
NPAT	18.6	-35%
EBITDA/Sales	3.6%	-9%
EBIT/Sales	3.1%	-14%
NPBT/Sales	1.6%	- 33%

Financial Trends

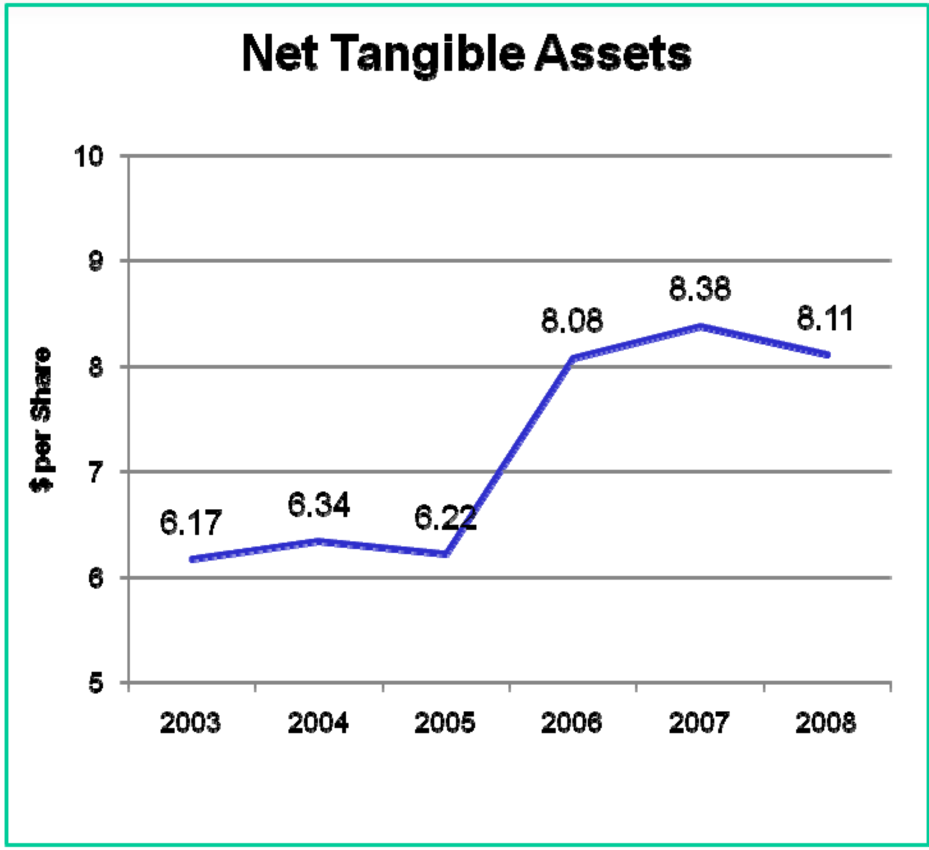


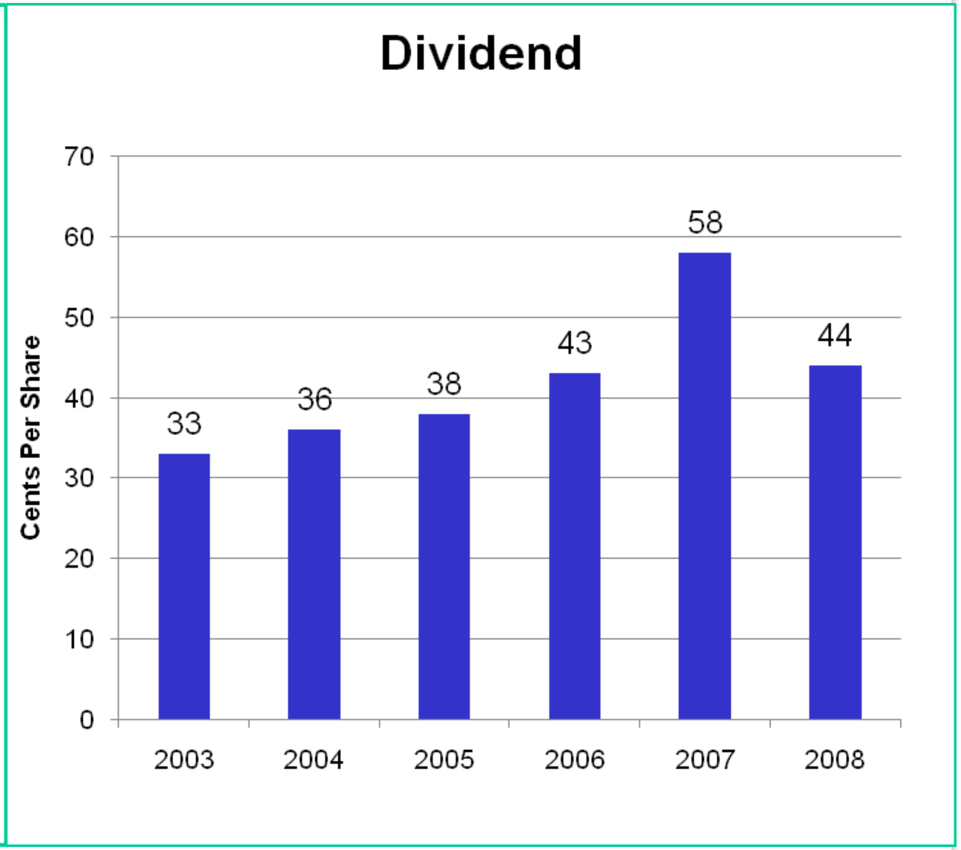
Group Financial Results
Non - Trading Significant Items

$000	Before tax	After tax
GST on holdback tax refund	11,469	10,416
Impairment of Adtrans investment based on share price $2.45 and 10% control premium.	(9,550)	(6,685)
Impairment of intangible assets - goodwill	(6,759)	(6,759)
Property revaluations	(1,475)	(1,033)
Total	(6,315)	(4,061)

The overall property portfolio value was stable. Upward revaluations in the Woolloongabba and Brisbane suburban areas offset by downward revaluations in Fortitude Valley and Newstead.

Financial Trends





Group Balance Sheet - Summary

- Reductions in inventories (44 vs 50 days) and receivables (12 vs 15 days).
- Impairment of Adtrans investment ($9.6 m), Goodwill ($6.8m).
- Increase PPE due to Buckle acquisition.
- Stable overall property values.

	2008 $m	Change ($m)	Change
Working Capital	49.8	(10.0)	-20%
Investments	17.6	(5.1)	-29%
PP&E	358.7	28.7	+8%
Intangibles	67.6	7.4	+11%
Non Current Borrowings	145.9	12.1	+9%
Net Assets	311.1	6.2	+2%

Working Capital = Receivables + Inventories – Payables -Current Borrowings

Borrowings

- $111 million reduction in debt over 6 mths.
- Operating cash is being used to reduce bank debt.
- End Feb 09 bank debt was at $134m.

	FY 2008 $m	IH 2008 $m	FY 2007 $m
Current -Bailment & O'draft	168.5	250.0	188.2
N/Current (Bank Debt)	145.9	173.7	133.8
Total Borrowing	314.3	423.7	322.0
Total Gearing (D/D+E)	50.2%	56.8%	51.5%
Gearing – excl.bailment (D/D+E)	31.9%	34.2%	30.7%
Interest Cover (EBITDA/Borrowing Cost)	2.7 times	2.6 times	3.2 times

Bailment (floorplan) finance: industry specific, cost effective finance, secured directly to vehicle inventory, and linked to retail finance offering.

Group Cash Flow - Summary

- Cash from operations includes $11.5m GST tax refund.
- Reduction in receivables and used car inventories.
- Additional 2.5% Adtrans interest.
- Acquisition of the Bill Buckle Auto Group.

	2008 $m
Cash from operations	48.5
Purchase of PP&E	(32.7)
Investment in Adtrans	(2.7)
Business acquisitions	(9.8)
Net proceeds from borrowings/other liabilities	5.3
Dividends (net DRP)	(10.7)
Decrease in Cash	(2.1)

Franchise Automotive Retail Segment

- Poor industry conditions for new and used car sales, and higher average interest costs reduced margins/returns.
- Increased assets from Buckle acquisition offset by lower working capital, and impairment.
- GST tax refund excluded.

	2008 $m	2007 $m
Revenue	1688.8	1,674.5
Profit before tax	20.1	33.7
Total Assets	397.6	406.0
Total Liabilities	246.3	249.2
Net Assets	151.3	156.8
PBT/Revenue	1.2%	2.0%
RONA (after tax)	9.5%	15.4%

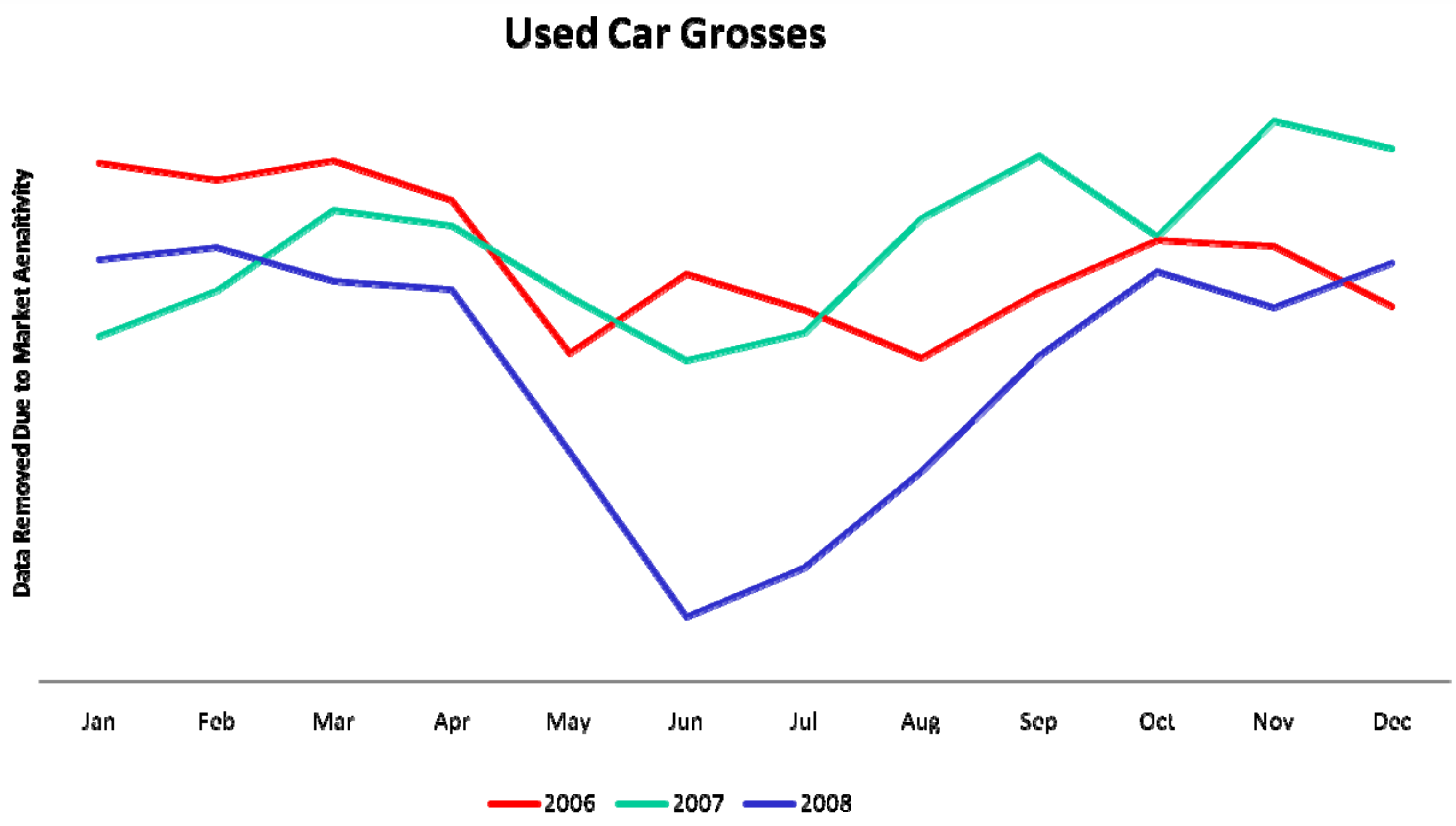
Australian new car sales (month of December and full year 2008)

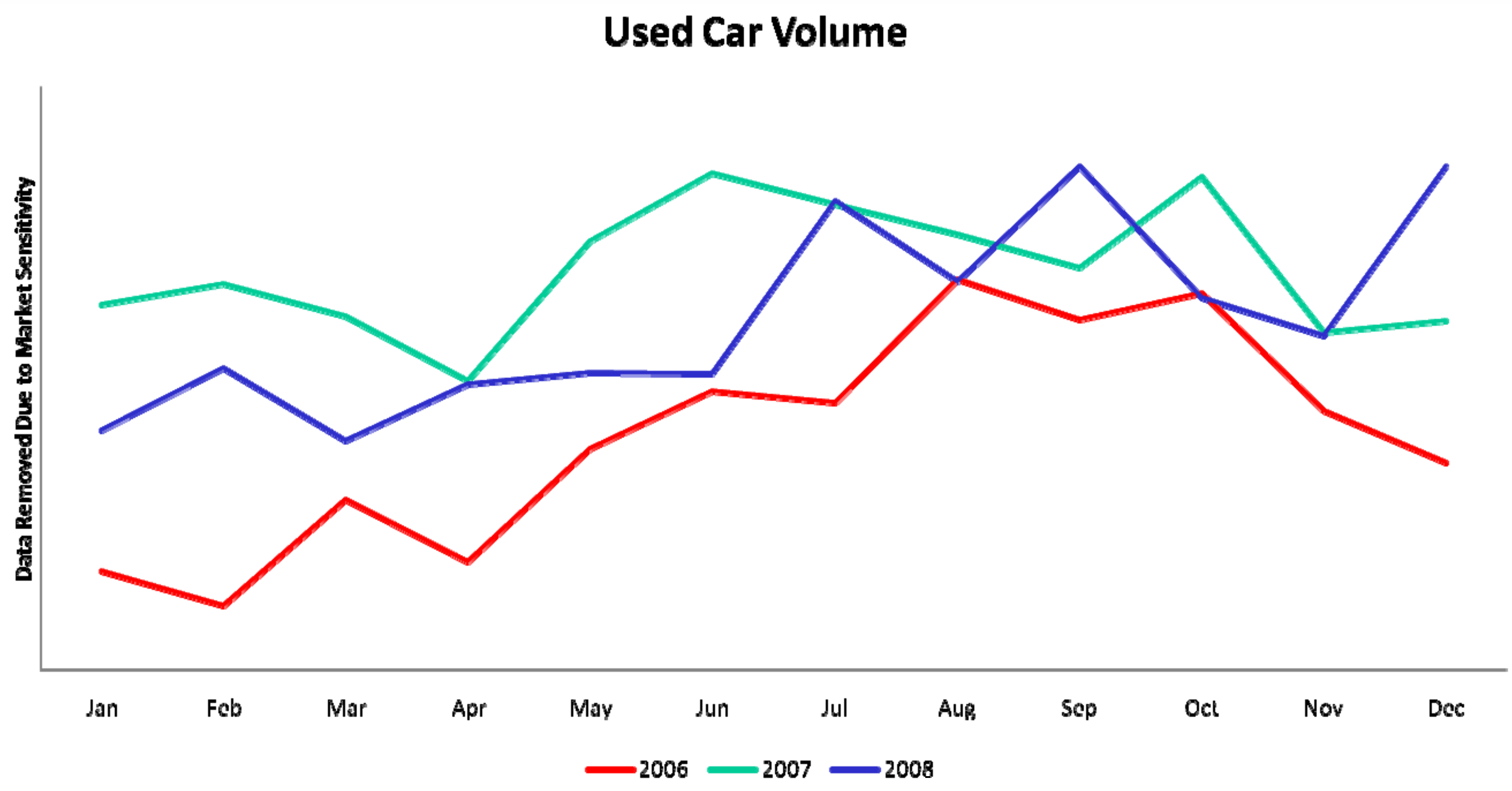
	Month		YTD		Variance + / - Vol. & %			
Total Market	**2008**	**2007**	**2008**	**2007**	**MTH**	**YTD**	**MTH**	**YTD**
AUSTRALIAN CAPITAL TERRITORY	1,279	1,355	15,510	16,667	-76	-1,157	-5.6%	-6.9%
NEW SOUTH WALES	22,421	25,290	304,921	320,055	-2,869	-15,134	-11.3%	-4.7%
NORTHERN TERRITORY	751	719	10,663	9,920	32	743	4.5%	7.5%
QUEENSLAND	16,163	19,557	214,872	234,551	-3,394	-19,679	-17.4%	-8.4%
SOUTH AUSTRALIA	5,028	5,078	64,240	62,052	-50	2188	-1.0%	3.5%
TASMANIA	1,660	2,010	18,767	19,501	-350	-734	-17.4%	-3.8%
VICTORIA	20,792	22,432	266,539	265,961	-1,640	578	-7.3%	0.2%
WESTERN AUSTRALIA	8,416	9,809	116,652	121,275	-1,393	-4,623	-14.2%	-3.8%
Total	76,510	86,250	1,012,164	1,049,982	-9,740	-37,818	-11.3%	-3.6%

Automotive Franchised Retailing

New Cars	34,016 units	+5%
Used Cars	16,472 units	+4%

Parts	**Revenue**	**+5%**	**Margin + 35%**
Service	**Revenue**	**+23%**	**Margin + 22%**


Used Car Grosses
Data Removed Due to Market Aensitivity
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
2006
2007
2008


Used Car Volume
Data Removed Due to Market Sensitivity
Jan
Feb
Mar
Apr
May
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Jul
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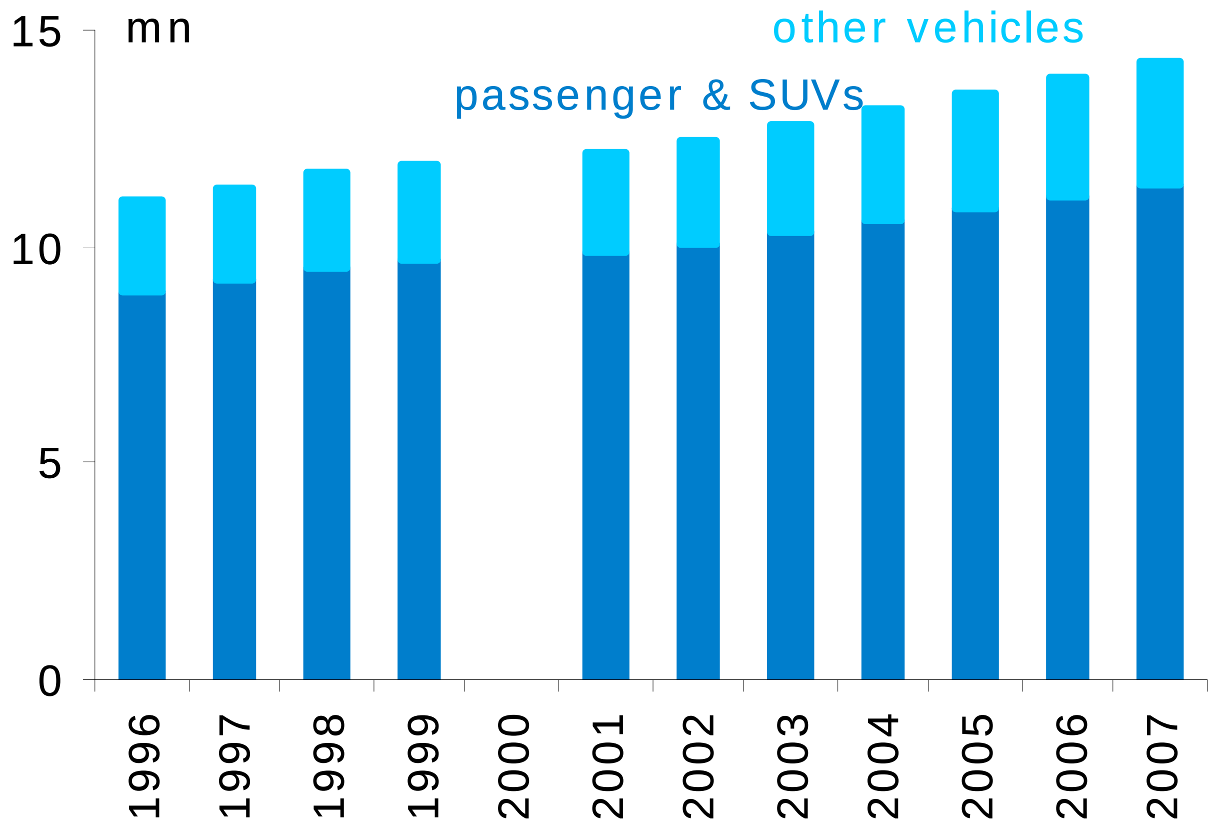
Oct
Nov
Dec
2006
2007
2008

National vehicle fleet is approaching 15 million (car parc)



Source: ABS, ANZ Bank

Property Segment

- Lower returns due to Buckle property acquisition in April 2008–9 mths income only, and higher rates, taxes and interest cost.
- Property values stable overall. Impending re-zonings and infrastructure works supporting values.

	2008 $m	2007 $m
Rental Income	27.5	24.1
Profit before tax	8.7	8.5
Revaluation surplus (a/tax)	0	19.6
Total Assets	340.5	313.8
Total Liabilities	180.7	167.1
Net Assets	159.8	146.7
RONA Trading (a/tax)	3.7%	4.0%
RONA incl. revaluation (a/tax)	3.7%	17.3%

Generic Industry-wide reasons why we believe 2009 will be better (Sept 08 Slide)

- Anticipated further lower interest rates results in lower costs (bailment and corporate debt).
- *Anticipated further lower interest rates results in greater private new and used car customers.*
- Manufacturers and retailers should correct the excess inventory issue during 2H 2008 leading to less pressure on margins growing into 2009.
- The used car "correction" is an event in time rather than a continual issue.
- Record new car sales over six of the last seven years will continue to drive the "engine room" of the dealerships i.e. parts and service.

A.P. Eagers in 2009

- Stable performance due to generic industry wide macro environment.
- Consolidation of some business units, resulting in a lower cost base whilst maintaining income.
- Further debt reduction through disposal of underutilised assets.
- Organic growth strategy in testing stage.

Briefing