EAGERS

A.P. EAGERS LIMITED and Controlled Entities

ANNUAL REPORT - 31 DECEMBER 2001

FINANCIAL REVIEW

Year ended	**31.12.01**	31.12.00	31.12.99	31.12.98	31.12.97
	$'000	$'000	$'000	$'000	$'000
Sales revenue	**672,483**	494,238	504,210	666,876	603,329
Earnings before interest and tax	**15,679**	10,369	11,050	10,728	9,015
Operating profit before individually significant items and tax	**9,102**	6,301	7,744	7,608	5,819
Individually significant items	**-**	-	5,874	-	218
Net profit after tax	**6,251**	4,292	9,633	4,812	3,835
Earnings per share - cents	**40.4**	28.2	70.4	39.7	31.9
Earnings per share before individually significant items - cents	**40.4**	28.2	34.7	39.7	30.1
Dividends per share - cents	**28.0**	24.0	26.0	26.0	22.0
Dividend franking -%	**100**	100	100	100	100
Net tangible asset backing per share - $	**4.33**	4.73	4.70	4.38	4.20
Shares on issue - 000's	**15,679**	15,328	15,059	12,014	12,014
Number of shareholders	**1,280**	1,196	1,216	1,130	1,089
Number of employees	**1,028**	608	559	594	571

Contents

Financial Calender

Financial Year End	31 December Annually
Full Year Results Announced	13 March 2002
Record Date (Books Closing Date) for Final Dividend is	16 May 2002
Annual General Meeting	24 May 2002
Final Dividend Payable on	27 May 2002

A.P. EAGERS LIMITED and Controlled Entities

ANNUAL REPORT - 31 DECEMBER 2001

COMPANY PROFILE

A.P. Eagers Limited has its origins in the formation of E.G. Eager & Son Pty Ltd, a family automotive company established in Brisbane in 1913 by Edward Eager and his son Frederick.

After establishing the State's first motor car assembly plant, Eagers became the distributor of General Motor's products in Queensland and Northern New South Wales and listed as a public company in April 1957.

A merger in November 1992 with A.P. Group Ltd which owned a number of new vehicle franchises, saw the name change to A.P. Eagers Limited. Since that time further motor vehicle franchises have been added and growth has continued.

A.P. Eagers is currently Australia's largest listed automotive retail group, ranked by turnover and market capitalisation. At December 2001 the Group employed 1,028 people, had 1,280 shareholders and sales revenue of $672 million.

Operating predominantly in the Brisbane Metropolitan area the company's focus is on its core business of owning and operating motor vehicle dealerships which provide full facilities covering new motor vehicle sales, used motor vehicle sales, service, spare parts and the provision of allied consumer finance. These services are provided through some of Brisbane's best known dealerships as listed below.

	Franchise:	Dealership:
`on		
•	Mazda	Eagers, Newstead
•	Porsche	Austral Motors, Fortitude Valley
•	MG Rover	Austral Motors, Newstead

ANNUAL GENERAL MEETING

The Annual General Meeting of A.P. Eagers Limited will be held at the Company's Registered Office, 80 McLachlan Street, Fortitude Valley, Brisbane on Friday, 24 May 2002 at 9.00 am. A formal Notice of Meeting is enclosed with this report.

DIRECTORS' REPORT

Your Directors present the forty-fifth Annual Report on the consolidated entity consisting of A.P. Eagers Limited and the entities it controlled at the end of, or during the year ended 31 December 2001.

Directors

The following persons were Directors of A.P. Eagers Limited during the whole of the financial year and up to the date of this report:

Benjamin Wickham Macdonald, Kenneth William Macdonald, Nicholas George Politis and Antony James Love.

Denis Alan Aitken was a director from his appointment on 30 March 2001 until the date of this report. Alexander Matthew Kidd was a director from the beginning of the financial year until his retirement on 25 May 2001.

Principal Activities

The principal continuing activities during the year of the consolidated entity consisted of the selling of new and used motor vehicles, the distribution of parts and accessories and the provision of service, finance, leasing and extended warranty for motor vehicles. All these products and services supplied by the consolidated entity are associated with and are an integral part of the consolidated entity's motor vehicle operations. The following significant changes in the nature of the consolidated entity occurred during the year.

a. The acquisition on 1 February 2001 of the Metro / Torque Ford and Torque / Strathpine Toyota Dealership operations.
b. The acquisition on 1 September 2001 of the Leach Holden Dealership Operations.

Consolidated Results

Year ended 31 December	**2001 $'000**	2000 $'000
Sales revenue	**672,483**	494,238
Other revenue	**2,056**	4,046
Total revenue	**674,539**	498,284
EBITDA	**19,634**	13,487
Depreciation/amortisation expense	**(3,955)**	(3,118)
EBIT	**15,679**	10,369
Interest expense	**(6,577)**	(4,068)
Profit from ordinary activities before income tax expense and equity accounting for an associate	**9,102**	6,301
Share of net loss of equity accounted associate	**(45)**	-
Net profit before tax	**9,057**	6,301
Income tax expense	**(2,806)**	(2,009)
Net Profit after tax	**6,251**	4,292

Earnings Per Share (EPS)

	2001 Cents	2000 Cents
Earnings per share - basic	**40.4**	28.2
Earnings per share - diluted	**35.6**	25.9

Dividends - A.P. Eagers Limited

The 2000 final ordinary dividend of $1,839,424 (12 cents per ordinary share) referred to in the Directors' Report dated 5 March 2001 was paid on 28 May 2001. Details of other dividends paid and provided are as follows:

Year ended 31 December	**2001 $'000**	2000 $'000
Interim ordinary dividend of 13 cents per share paid 1 October 2001 (2000:12 cents)	**2,031**	1,831
Final ordinary dividend of 15 cents per share recommended by directors and payable on 27 May 2002 (2000:12 cents)	**2,417**	1,839
Total dividends in respect of the year	**4,448**	3,670

DIRECTORS' REPORT (continued)

Review of Operations

Sales revenue of $672.5 million from the Group's Brisbane based motor vehicle dealership operations was $178.2 million (36.1%) ahead of the previous year. The increased sales revenue coming predominantly from the acquisition of the Metro / Torque Ford and Torque / Strathpine Toyota dealerships on 1 February 2001 and the Leach Holden acquisition on 1 September 2001.

These businesses were progressively integrated into the Group during the year resulting in operational efficiencies and cost reductions being achieved in the Group's Holden operations following the Leach Holden acquisition.

Planning is well advanced for the redevelopment of the former DAS Fleet site in Ann Street, Fortitude Valley to enable Metro Ford to be relocated from its Spring Hill site. The company has been working closely with Ford Motor Company on this project and on a review of its ongoing representation plans for Brisbane.

While the consolidated net profit before tax increased by 43.7% over the previous year, from $6.3 million to $9.1 million, the full year result was affected by the world events of 11 September, although not as badly as originally envisaged. The industry recovered quite strongly in the last quarter enabling the Group to post a satisfactory full year result.

As a consequence of the business acquisitions during the year borrowing costs rose 61.7% to $6.58 million (2000 $4.07 million) while depreciation and amortisation expense rose 26.8% to $3.96 million (2000 - $3.12 million). Borrowings at year-end of $61.6 million (excluding bailment finance) were $27.2 million up on 2000 reflecting acquisition funding requirements. Bailment finance for new vehicles in stock also increased proportionally to $47.5 million (2000 - $32.2 million).

Consolidated sales revenues and results are set out below.

	Revenue	Results		
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Franchised operations	**671,995**	491,227	**4,235**	2,316
Finance	**488**	3,011	**124**	(7)
	672,483	**494,238**	**4,359**	2,309
Internal interest & rental charges			**7,709**	5,258
Operating contribution			**12,068**	7,567
Net unallocated expenses			**(3,011)**	(1,266)
Net profit before tax			**9,057**	6,301
Tax expense			**(2,806)**	(2,009)
Net profit after tax			**6,251**	4,292

	Revenue		Results	
<u>Franchised Operations</u>	**2001**	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
New Vehicle Departments	**441,621**	344,952	**(1,476)**	(906)
Used Vehicle Departments	**117,155**	74,929	**(224)**	(298)
Parts Departments	**81,256**	54,009	**2,835**	1,961
Service Departments	**31,963**	17,337	**3,100**	1,559
	671,995	491,227	**4,235**	2,316

<u>New Vehicle Operations</u>
National new vehicle sales for 2001 totalled 772,681 units, down 14,419 units or 1.8% on full year 2000 sales of 787,100 units. Despite being lower, 2001 was still the fourth best year in Australian Automotive history behind the record year of 807, 669 units achieved in 1998.

The Group's 2001 new vehicle sales totalled 14,550 units (20.8%) out of total Brisbane Metropolitan unit sales of 69, 887. This compares with 10,109 units out of 72, 589 units for full year 2000. Of the increase of 4,441 units 3,953 came from the new businesses acquired during the year with the balance of 488 units representing improved market share from the Group's existing operations (up 4.8%).

The Group's portfolio of franchises performed well during the year with Holden, Toyota, Ford, Mazda & Honda being in the top 10 selling marques which between them accounted for almost 85.5% of the total new vehicle industry.

Holden was the clear overall leader (up 10.5% year over year) while Mazda (up 24.1%), enjoyed a much improved market share. Honda (down 30.8%), disappointed in 2001 as it failed to counter strong opposition in the expanding "all terrain wagon" market sector.

Toyota (down 9.6%) and Ford (down 6.2%) each lost market share and will look to recover lost ground in 2002, Toyota with a number of new model releases and Ford with its all new Falcon scheduled for release late in 2002.

Of the Group's other franchises, Kia (up 23.2%), Volvo (up 16.5%), Porsche (up 17.9%) and Volkswagen (up 34%), all improved their market share, with Kia, Porsche and Volkswagen achieving record full year volumes. The newly acquired MG Rover franchise recorded a spectacular gain (up 546.2%), while Landrover lost ground slightly (down 0.5%), over the previous year.

New vehicle profitability continues to be a concern despite strong overall vehicle sales. Weakening margins were evident in most franchises including the market leader Holden. The increase in model proliferation, while expanding consumer choice, leads to increased competition thus driving down dealer margins and profitability. This erosion of margins affected both retail and fleet business.

Used Vehicle Operations

The Group retailed a total of 4,110 units, up 1,557 units over the previous year, with the increase attributed mainly to the newly acquired dealerships.

This division, although recording a loss, improved on 2001 with encouraging profitability levels in some dealerships offset by disappointing performances in others due to the need to reduce excessive inventory and lift obsolescence provision levels.

Across the industry, used vehicle profitability showed a general improvement but most franchised used vehicle departments are still operating below breakeven.

Parts Operations

Strong performances by the Parts Distribution operations at Eagers Holden and Southside Ford helped lift the return from the Parts Division from $1.96 million to $2.83 million. The result was also boosted by the additional turnover from acquisitions, particularly the Metro / Torque Ford Parts Distribution operation.

The planned amalgamation of the Group's two Ford Parts distribution operations during 2002 should further strengthen this division's bottom line result.

Service Operations

Another strong performance from the Group's existing service divisions and a substantial contribution from the new acquisitions saw the bottom line result lift from $1.56 million to $3.10 million. The Service Departments remain an extremely important source of profitability for the Dealerships.

Finance Division

As reported last year the finance division is being progressively wound down with no new business written in 2001. The lease and hire purchase loan book at 31 December 2001 stood at $2.78 million (2000 - $6.0 million). With the reduction in outstandings, a portion of the excess provision for doubtful debts was written back enabling this division to record a profit of $124,000 for the year.

Likely Developments

Other than developments mentioned elsewhere in this report the Company continues to evaluate potential acquisition opportunities within the motor vehicle industry.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report as the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Investments

A.P. Eagers continues to hold 6,197,052 shares in Auto Group Limited (18.68%) whose principal business activity is the wholesale distribution of used vehicles by auction.

The Company also has a 17.8% investment (451,200 shares) in MTQ Insurance Services Limited (MTQ). Shareholders of MTQ are Queensland based motor vehicle dealers who use the company to provide consumer credit and gap insurance to purchasers of vehicles who buy from them on credit.

Significant Changes in the State of Affairs.

In the opinion of the Directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review not otherwise disclosed in this report or the consolidated accounts.

Matters Subsequent to the End of the Financial Year.

Since the end of the financial year the Directors are not aware of any matter or circumstance not otherwise dealt with in this report or the consolidated financial statements that has arisen since 31 December 2001 that has significantly affected, or may significantly affect:

(a) the consolidated entity's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the consolidated entity's state of affairs in future financial years.

Environmental Regulation

The consolidated entity is subject to environmental regulation in respect of its property development and service centre operations as set out below.

<u>Property Development</u>
Planning approvals are required for property developments undertaken by the economic entity. These developments fall under the Queensland Environmental Protection Act 1994 and the Integrated Planning Act 1997. The relevant authorities are provided with appropriate details and to the best of the Directors' knowledge all activities have been undertaken in compliance with the requirements of the planning approvals.

<u>Service Centres</u>
The consolidated entity holds environmental licences for its service centres. These licences arise under the requirements of the Environmental Protection Act 1994, Environmental Protection (Interim Waste) Regulations 1996, Environment Protection (Water) Policy 1997, Environmental Protection (Noise) Policy 1997 and Environmental Protection (Air) Policy 1997.

Management continues to work with the local regulatory authority to achieve, where possible, best practice in environmental management so as to minimise risk to the environment, reduce waste and ensure compliance with regulatory requirements. There were no adverse environmental issues during the year.

Information on Directors

Details of directors responsibilities, experience and relevant interest in ordinary shares of A.P. Eagers Limited at the date of this report are as follows:

<u>B W Macdonald</u> Chairman of the Board and a member of the Audit Committee.

Non-Executive Director since January 1992. Company Director. Chairman of Queensland Cotton Holdings Limited, Casinos Austria International Ltd and Reef Corporate Services Ltd. Director of Bank of Queensland Ltd, FKP Ltd (formerly Forrester Kurts Properties Ltd) and Brisbane Bears-Fitzroy Football Club Ltd.

Mr Macdonald has a relevant interest in 62,500 ordinary shares of A.P. Eagers Limited and 12,500 options.

<u>N G Politis B.Com</u> Director.

Non-Executive Director since May 2000. Motor Vehicle Dealer. Chairman of Sydney RJV Pty Ltd, a retail joint venture between Ford Motor Company and participating Sydney Dealers. Director of Auto Group Limited. Executive Chairman of WFM Motors Pty Ltd and a substantial number of other proprietary limited companies.

Mr Politis has a relevant interest in 6,179,685 ordinary shares of A.P. Eagers Limited and 703,547 options.

K W Macdonald M.N.I.A. Managing Director and Chief Executive.

Executive Director since July 1999. Director of MTQ Insurance Services Limited.

Mr Macdonald has a relevant interest in 8,800 ordinary shares of A.P. Eagers Limited and 100,000 options.

A J Love B.Com, A.A.U.Q., F.A.P.I. Director and Member of the Audit Committee.

Non-Executive Director since March 1994. Real Estate Agent. Managing Director of McGee Isles Love Pty Ltd. Director of Campbell Brothers Limited and Bank of Queensland Limited.

Mr Love has a relevant interest in 15,000 ordinary shares of A.P. Eagers Limited and 3,000 options.

D A Aitken B.Com, MBA, FCPA. Director and a member of the Audit Committee.

Non – Executive Director since March 2001. Motor Vehicle Dealer. Alternate Director of Auto Group Limited. Director of W.F.M. Motors Pty Ltd and a substantial number of other proprietary limited companies.

Mr Aitken has a relevant interest in 1000 shares of A.P. Eagers Limited

Meetings of Directors

The number of meetings of the company's directors (including meetings of committees of directors) and the number of meetings attended by each director during the year ended 31 December 2001 were:

Director	Board Meetings		Audit Committee Meetings	
	Held	Attended	Held	Attended
B W Macdonald*	12	10	3	3
A M Kidd* (Retired 25/5/01)	5	5	1	1
A J Love*	12	11	2	2
K W Macdonald	12	12	-	-
N G Politis	12	10	-	-
D A Aitken (appointed 30/3/01)*	8	7	2	1

*Audit committee members

Retirement, Election and Continuation in Office of Directors

Mr A J Love is a director retiring by rotation in accordance with the Company's Constitution who, being eligible, offers himself for re-election.

Directors and Senior Executives Emoluments

The full Board of Directors (excluding the Managing Director) sets the level of remuneration of the Managing Director. In consultation with the Managing Director, the Board sets the remuneration level of the economic entity's senior executives after considering, for both directors and executives, performance and comparative market information. Directors and senior executive remuneration and other terms of employment are reviewed annually.

Non-executive directors are remunerated for their services from the maximum amount approved by shareholders in General Meeting for that purpose. Non-executive directors are also entitled to retirement benefits in accordance with a shareholder approved scheme but do not receive any performance related remuneration or bonuses.

Executive directors and senior executive officers may receive, as well as a base salary, performance bonuses, performance commission, superannuation and fringe benefits and are also eligible to participate in the A.P. Eagers Employee Share Option Plan.

Details of the nature and amount of each major element of the emoluments of the directors and senior executive officers are set out in the following tables.

DIRECTORS' REPORT (continued)

	Fees	Salary	Commission/ Incentive Bonus	Superannuation	Other Benefits	Total Package
Non-Executive Directors	$	$	$	$	$	$
B W Macdonald	50,000	-	-	4,000	125	54,125
A M Kidd	12,016	-	-	-	85,660 (3)	97,676
A J Love	30,000	-	-	2,400	125	32,525
N G Politis	30,000	-	-	2,400	125	32,525
D A Aitken (1)	22,500	-	-	1,800	125	24,425
Executive Directors						
K W Macdonald Managing Director	-	291,000	50,000	36,375	22,628	400,003
Executive Officers						
D W Hull Company Secretary	-	174,700	25,000	21,838	31,381	253,219
G I Walker Chief Financial Officer(2)	-	30,000	5,000	3,750	3,924	42,674

Notes

1 D A Aitken was appointed a Director on 30 March 2001

2 G I Walker was appointed Chief Financial Officer on 1 October 2001. Before this appointment he was the Administration Manager - Northside Operations. Amounts shown above include Mr Walkers emoluments during the period that he was an Executive Officer. Amounts received in his position as Administration Manager – Northside Operations, totalling $67,668 are excluded.

3 Includes retirement allowance of $85,535.

Share Options Granted to Directors and Most Highly Remunerated Officers

There were no options over unissued ordinary shares of A.P. Eagers Limited granted during or since the end of the financial year to any directors or most highly remunerated officers of the company and consolidated entity.

Shares Under Option

The 750,000 share options previously granted to employees under the A.P. Eagers Limited Employee Share Option plan were merged with the quoted rights options on 7 August 2001 after a two year vesting period and from that date could be traded on The Australian Stock Exchange.

Of the options granted to Directors or Executive Officers of the Company, none had been converted or traded during the financial year ended 31 December 2001.

As at 6 March 2002 the options were last traded at 40 cents per option while the underlying shares of the Company last traded at $4.60 per share. Dividends paid during the year were fully franked. The options can be exercised at $4.00 per share and can be converted during the months of January 2002, July 2002 and January 2003. The options lapse on 31 January 2003.

Directors' Benefits

Mr A M Kidd may have been entitled to receive benefits in respect of normal professional fees received by the firm of solicitors to which he is a consultant. Mr A J Love has received or become entitled to receive benefits in respect of normal professional and management fees received by the company of which he is a director. Mr N G Politis and Mr D A Aitken are directors and shareholders of a number of companies involved in the motor industry with whom the consolidated entity transacts business on an arms length basis. Further details of these transactions are set out in Note 34 to the financial statements. With these exceptions, since 31 December 200''no director of the company has received, or has become entitled to receive, a benefit (other than a remuneration benefit included in note 30 to the consolidated accounts) because of a contract that:

(a) the director; or
(b) a firm of which the director is a member; or
(c) an entity in which the director has a substantial financial interest, has made (during the year ended 31 December 2001 or at any other time) with
(d) the company; or
(e) an entity that the company controlled, or a body corporate that was related to the company when the contract was made or when the director received, or became entitled to receive, the benefit (if any).

Indemnification and Insurance of Officers and Auditors

Indemnification of Officers
The Company's constitution provides that every Director Manager or officer of the Company or any person employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director Manager officer or auditor in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 535 of the Statute in which relief is granted to him by the Court.

The constitution further provides that no Director Manager Secretary or other officer of the Company shall be liable for the acts receipts neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy insolvency or tortious act of any person with whom any moneys securities or effects shall be deposited or left or for any other loss damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence wilful default breach of duty or breach of trust.

Insurance of Officers
During the financial year the Company paid insurance premiums in respect of a Directors and Officers Liability insurance contract. The contract insures each person who is or has been a director or executive officer of the company against certain liabilities arising in the course of their duties to the Company and its controlled entities. The directors have not disclosed details of the nature of the liabilities covered or the amount of the premium paid in respect of the insurance contract as such disclosure is prohibited under the terms of the contract.

The officers of the company covered by the insurance policy include the directors: B W Macdonald, K W Macdonald, D A Aitken, N G Politis and A J Love and the Company Secretary: D W Hull.

Rounding of Amounts to Nearest Thousand Dollars

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. Amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

Auditor

During the year Horwath Sydney Partnership were appointed as Auditor in place of PricewaterhouseCoopers following approval by shareholders in general meeting to effect the change.

Horwath Sydney Partnership continues in office in accordance with section 327 of the Corporations Act 2001.

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

K W Macdonald
Director

Brisbane, 13 March 2002

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The following corporate governance practices were in place throughout the financial year unless otherwise stated.

Board of Directors and its Committees

The A.P. Eagers Limited Board of Directors is accountable to and elected by the shareholders of the Company.

The Board is currently comprised of one executive director and four non-executive directors, one of whom is the Chairman. It is responsible for the overall corporate governance of the economic entity, its strategic direction, the establishment of goals for management and the monitoring of the achievement of those goals. The Managing Director has been delegated the responsibility of managing the profitable operations of the economic entity and is accountable to the Board.

The composition of the Board is set having regard to the following factors.

- Clause 80 of the Company's Constitution which provides for the number of directors to be not less than three nor more than seven.
- The Chairman of the Board should be a non-executive director.
- The Board should comprise a majority of non-executive directors.

In accordance with the Constitution at least one third of the directors (other than the Managing Director who is elected by the Board) retire from office at the Annual General meeting each year. Such retiring directors may be eligible for re-election.

Should a vacancy occur the Board as a whole identifies candidates with appropriate levels of experience, knowledge and a disposition that enables them to offer and resolve differing views and to ask discerning questions.

The Company does not fix a retiring age for a director. Under the Corporations Act 2001 shareholders are required each year to vote on the re-appointment of directors who have attained the age of 72 years.

Each director has the right to seek independent professional advice at the economic entity's expense. However, prior approval of the Chairman is required, which would not be unreasonably withheld.

The full board of directors (excluding the Managing Director) sets the level of remuneration of the Managing Director. In consultation with the Managing Director, the board sets the remuneration level of the economic entity's senior executives with due regard being had to performance and comparative market information.

Non-executive directors are remunerated for their services from the maximum amount approved by shareholders in General Meeting for that purpose. Directors fees are currently $40,000 per annum. The Chairman receives $65,000 per annum.

In 1993, shareholders approved a retirement program for non-executive directors. Under that program retiring non-executive directors who have served for a period of not less than five years, may, at the discretion of the directors, receive a retiring allowance. The allowance cannot exceed the total directors fees paid to the Director by the Company during the period of three years immediately preceding retirement, resignation or death.

Audit Committee

The Company has an Audit Committee comprised of Three non-executive directors, Mr A J Love (Chairman), Mr B W Macdonald and Mr D A Aitken. If and when necessary other non-executive directors are co-opted onto the committee.

The Audit Committee assesses and reviews external and internal audits, the adequacy of the Company's accounting, financial and operating controls and compliance with statutory requirements. It meets with the external auditors during the year to review the adequacy of existing external audit arrangements with particular emphasis on the scope and quality of the audit. The committee then reports to the Board on the external auditors continuance and achievement of their terms of engagement.

The Managing Director, Company Secretary, Chief Financial Officer, Group Accountant and other members of management together with the external Auditor are invited to Audit Committee meetings at the discretion of the Committee.

Management of Significant Business Risk

The company has established controls at Board and Audit Committee levels that are designed to safeguard the company's interest and ensure the integrity of its reporting. In addition the full Board holds appropriately timed strategy meetings to consider and review the Company's overall direction and to evaluate all risks that the Company may face in the operation of its business. Appropriate procedures are then put in place to manage those risks.

Ethical Standards

In accordance with the Company's mission statement all directors, managers and employees are required to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the economic entity.

Securities Trading and Trading Windows

The Company's policy on trading in its securities is covered under three specific headings.

1. Share Dealings.

   a. Restriction applicable to all employees

      No director or employee may buy or sell A.P. Eagers shares (or hint, suggest, ask or tell anyone else to do so) at any time when they are aware of information which would be likely to affect the share price if it were made public. This restriction also applies to other company's shares where information is learned as a result of a person's position in A.P. Eagers.

   b. Additional restrictions applicable to those with regular access to sensitive information

      Directors of A.P. Eagers Limited, executive general managers, the Company Secretary, employees having access to the monthly management reports (including employees in corporate head office involved in the preparation of those reports) and any other employees or group of employees nominated by the Managing Director, may only purchase or sell A.P. Eagers shares during the following "windows":

      - The period of one month following the announcement of half yearly results;
      - The period of one month following the announcement of the annual results; and
      - The period of one month following the annual general meeting (assuming that an update of the company's performance is given at the meeting)

      And may only do so at those times if not prohibited by the general restriction in paragraph (a).

      Trading in A.P. Eagers shares by directors, senior executives and employees as nominated at times other than those set out in clause 1(b) above is prohibited except that a person may trade outside the allowable period under certain conditions with written authority as follows:

      - Chairman – from another non-executive director
      - Chief executive and directors – from the chairman or in his absence a non-executive director nominated by the Chairman.
      - All other nominated executives and employees – from the chief executive or in his absence a senior executive nominated by the chief executive.

2. Passing on Sensitive Information

   No one may pass on information which may affect the A.P. Eagers share price without the prior approval of the Managing Director.

3. Improper use of Position or Confidential Information

   No one may improperly use their position with the company or information obtained by virtue of their position for personal gain or to damage the company.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF A. P. EAGERS LIMITED

Scope

We have audited the financial report of A.P. Eagers Limited (the Company) for the financial year ended 31 December 2001 as set out on pages 12 to 38. The Company's directors are responsible for the financial report which includes the financial statements of the Company and the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of, or during, the financial year. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and the Corporations Act 2001 in Australia so as to present a view which is consistent with our understanding of the Company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of the Company is in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2001 and of their performance for the financial year ended on that date; and
- (ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

HORWATH
Sydney Partnership
Chartered Accountants

David Cowper
Partner

Sydney - 13 March 2002

A.P. EAGERS LIMITED and Controlled Entities

DIRECTORS' DECLARATION

The directors declare that the financial statements and notes set out on pages 13 to 38:

(a) comply with the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) give a true and fair view of the company's and consolidated entity's financial position as at 31 December 2001 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date.

In the directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 28 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 29(b).

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

K W Macdonald
Director

Brisbane - 13 March 2002

A.P. EAGERS LIMITED and Controlled Entities

STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Sales revenue from ordinary activities	2	**672,483**	494,238	**-**	-
Cost of sales		**(590,098)**	(446,925)	**-**	-
Gross profit		**82,385**	47,313	**-**	-
Other revenues from ordinary activities	2	**2,056**	4,046	**4,324**	5,424
Employee expenses		**(36,921)**	(23,114)	**-**	-
Borrowing expenses	3	**(6,577)**	(4,068)	**-**	-
Depreciation and amortisation expenses	3	**(3,955)**	(3,118)	**-**	-
Other expenses from ordinary activities		**(27,886)**	(14,758)	**-**	-
Share of net losses of associates accounted for using the equity method	40	**(45)**	-	**-**	-
Profit from ordinary activities before income tax expense		**9,057**	6,301	**4,324**	5,424
Income tax expense	4	**(2,806)**	(2,009)	**(101)**	-
Profit from ordinary activities after income tax expense	25(b)	**6,251**	4,292	**4,223**	5,424
Decrease in retained profits due to adoption of the equity method of accounting for investments in associates	40	**(829)**	-	**-**	-
Net increase in asset revaluation reserve	25(a)	**1,345**	-	**-**	-
Total adjustments recognised directly in equity		**516**	-	**-**	-
Total change in equity other than those resulting from transactions with owners as owners	26	**6,767**	4,292	**4,223**	5,424

The above statements of financial performance are to be read in conjunction with the accompanying notes.

A.P. EAGERS LIMITED and Controlled Entities

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2001

	Notes	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Current Assets					
Cash assets	6,27	**64**	21	**-**	-
Receivables	7,27	**29,896**	20,413	**19,966**	18,235
Inventories - Bailment stock	1(s),8	**52,469**	35,177	**-**	-
Other	8	**36,606**	21,487	**-**	-
Total inventories		**89,075**	56,664	**-**	-
Other	9	**1,135**	3,182	**-**	-
Total Current Assets		**120,170**	80,280	**19,966**	18,235
Non-Current Assets					
Receivables	10,27	**1,310**	3,522	**-**	-
Investments (equity accounted)	11(a),27	**3,637**	-	**-**	-
Other financial assets	11(b),27	**1,815**	5,105	**35,012**	35,012
Property, plant and equipment	12	**91,991**	77,688	**-**	-
Deferred tax assets	13	**2,107**	1,366	**-**	-
Intangibles	14	**8,363**	-	**-**	-
Total Non-Current Assets		**109,223**	87,681	**35,012**	35,012
Total Assets		**229,393**	167,961	**54,978**	53,247
Current Liabilitites					
Payables	15,27	**13,320**	8,671	**-**	-
Interest bearing liabilities -					
Bailment finance	16,27	**65,982**	44,191	**-**	-
Other	16,27	**7,202**	6,380	**-**	-
Total interest bearing liabilities		**73,184**	50,571	**-**	-
Current tax liabilities	17	**666**	453	**-**	-
Provisions	18	**5,878**	4,101	**2,417**	1,839
Other	19	**1,906**	1,192	**-**	-
Total Current Liabilities		**94,954**	64,988	**2,417**	1,839
Non-Current Liabilities					
Interest bearing liabilities	20,27	**54,397**	27,977	**-**	-
Deferred tax liabilities	21	**2,236**	1,663	**-**	-
Provisions	22	**1,524**	736	**-**	-
Other	23	**23**	35	**-**	-
Total Non-Current Liabilities		**58,180**	30,411	**-**	-
Total Liabilities		**153,134**	95,399	**2,417**	1,839
Net Assets		**76,259**	72,562	**52,561**	51,408
Equity					
Contributed equity	24	**42,794**	41,416	**42,794**	41,416
Reserves	25(a)	**12,990**	11,645	**2,405**	2,405
Retained profits	25(b)	**20,475**	19,501	**7,362**	7,587
Total Equity		**76,259**	72,562	**52,561**	51,408

The above statements of financial position are to be read in conjunction with the accompanying notes.

A.P. EAGERS LIMITED and Controlled Entities

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Cash flows from operating activities					
Receipts from customers		**731,525**	519,501	**-**	-
Payments to suppliers and employees		**(716,948)**	(505,495)	**-**	-
		14,577	14,006	**-**	-
Dividends received		**188**	125	**-**	-
Interest received		**74**	61	**-**	-
Borrowing costs		**(6,148)**	(4,202)	**-**	-
Income taxes paid		**(2,186)**	(2,907)	**-**	-
Proceeds from miscellaneous income		**615**	505	**-**	-
Proceeds from rental income		**396**	625	**-**	-
Net cash inflow from operating activities	39	**7,516**	8,213	**-**	-
Cash flows from investing activities					
Payment for acquisition of businesses		**(31,996)**	(1,500)	**-**	-
Payments for property, plant and equipment		**(1,103)**	(4,184)	**-**	-
Proceeds from sale of property, plant and equipment		**876**	2,698	**-**	-
Net cash outflow from investing activities		**(32,223)**	(2,986)	**-**	-
Cash flows from financing activities					
Proceeds from issues of shares		**1,378**	1,113	**-**	-
Proceeds from borrowings		**35,000**	-	**-**	-
Repayment of borrowings		**(6,280)**	(2,780)	**-**	-
Dividends paid		**(3,870)**	(3,939)	**-**	-
Net cash inflow (outflow) from financing activities		**26,228**	(5,606)	**-**	-
Net increase (decrease) in cash held		**1,521**	(379)	**-**	-
Cash at the beginning of the financial year		**(1,579)**	(1,200)	**-**	-
Cash at the end of the financial year	6	**(58)**	(1,579)	**-**	-
Financing arrangements	20				

The above statements of cash flows are to be read in conjunction with the accompanying notes.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001.

It is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

The consolidated entity adopted the presentation and disclosure requirements of Revised Australian Accounting Standards AASB 1018 "Statement of Financial Performance", AASB 1034 "Financial Report Presentation and Disclosure" and new AASB 1040 "Statement of Financial Position" for the first time in the preparation of its 30 June 2001 half year financial statements. The new/revised Accounting Standards also apply to these full year financial statements and, in accordance with the requirements of the Standards, comparative amounts have been reclassified in order to comply with the new presentation format. The reclassification of comparative amounts has not resulted in a change to the aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities or equity, or the net profit/loss of the company or consolidated entity as reported in the prior year financial report.

(a) Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all entities controlled by A.P. Eagers Limited ("parent entity") as at 31 December 2001 and the results of all controlled entities for the year then ended. A.P. Eagers Limited and its controlled entities together are referred to in this financial report as the consolidated entity. A list of controlled entities appears in note 28. The effects of all transactions between entities in the consolidated entity are eliminated in full.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

Investments in associates are accounted for in the consolidated financial statements using the equity method under Accounting Standard AASB 1016. Under this method, the consolidated entity's share of the profits or losses of associates is recognised as revenue in the consolidated statement of financial performance, and its share of movements in reserves is recognised in consolidated reserves. Associates are those entities over which the consolidated entity exercises significant influence, but not control. The use of the equity method was adopted with effect from 1 January 2001. The adoption of Accounting Standard AASB 1016 resulted in a decrease in the assets of the consolidated entity of $997,000 as at 31 December 2001.

(b) Income tax
Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.
Legislation reducing the company tax rate from 36% to 34% in respect of the 2000-2001 income tax year and then to 30% from the 2001-2002 income tax year was announced on 21 September 1999 and received Royal Assent on 10 December 1999. As a consequence, deferred tax balances which are expected to reverse in the 2001-2002 or a later income tax year have been re-evaluated using the appropriate new rates, depending on the timing of their reversal. As an early balancing entity for tax purposes the effective tax rate of 30% is applicable from 1 January 2001.

(c) Acquisition of assets
The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs incidental to the acquisition. Where shares are issued in an acquisition, the value of the shares is their market price as at the acquisition date. Goodwill is brought to account on the basis described in note 1(k).

(d) Inventories
All inventories are valued at the lower of cost and net realisable value. Costs are assigned to individual items of parts stock on the basis of weighted average cost.

Provisions have been made to cover potential loss and obsolescence of parts and also for the potential write down of demonstrators and used car inventories to net realisable value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investments
The consolidated entity's interests in listed securities (other than controlled entities and associates in the consolidated financial statements) are brought to account at cost and dividend income is recognised in the statement of financial performance when received.

Where, in the opinion of the directors, there has been a permanent diminution in the market value compared to the book value of any individual investment, a provision is made.

The consolidated entity adopted the "Fair Value" method of Accounting for unlisted investments under Accounting Standard AASB 1041: "Revaluation of non-current assets" effective 1 January 2001. The adoption of this Standard resulted in an increase in the assets of the consolidated entity of $1,345,000 as at 31 December 2001.

(f) Revaluation of non-current assets (change in accounting policy)
Subsequent to initial recognition as assets, land and buildings are measured at fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction. Revaluations are made with sufficient regularity to ensure that the carrying amount of each piece of land and each building does not differ materially from its fair value at the reporting date. Annual assessments will be made by the directors, supplemented by independent assessments at least every three years.

The above policy was adopted with effect from 1 January 2001. The previous policy was to revalue land and buildings at fair value at three yearly intervals. The changed policy has not had a material effect in the current or prior financial year, nor is it expected to have a material effect in subsequent years.

The changed policy has been adopted to comply with AASB 1041 "Revaluation of Non-Current Assets", released in July 2001 and applied to the year ended 31 December 2001 for the first time.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net profit or loss, the increment is recognised immediately as revenue in net profit or loss.

Revaluation decrements are recognised immediately as expenses in net profit or loss, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Potential capital gains tax is not taken into account in determining revaluation amounts unless it is expected that a liability for such tax will crystallise.

(g) Recoverable amount of non-current assets
The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of an individual non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. The decrement in the carrying amount is recognised as an expense in the net profit or loss in the reporting period in which the recoverable amount write-down occurs.

The expected net cash flows used in determining the recoverable amounts of non-current assets are not discounted to their present values.

(h) Depreciation of property, plant and equipment
Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows.

Buildings	40 years
Plant & equipment	3-10 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leasehold improvements
The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

(j) Employee entitlements
Wages, salaries, annual leave and long service leave
The provisions for employee entitlements to wages, salaries, annual leave and long service leave represent the amount which is expected to be paid to employees for their services provided up to the balance date. The annual leave and long service leave provisions have been calculated on current wage and salary rates and include related on-costs.
In determining the liability for long service leave, consideration has been given to future increases in wage and salary rates, and the consolidated entity's experience with staff departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.
Sick leave
No amount is shown for non-vested sick leave as experience indicates that average sick leave taken for each reporting period is less than the entitlement accruing in that period and this experience is expected to recur in future reporting periods.

(k) Purchased goodwill
The excess of the purchase consideration plus incidental expenses over the fair value of the identifiable net assets acquired is amortised on a straight line basis over the period during which the benefits are expected to arise, not exceeding twenty years.

(l) Receivables and revenue recognition
Trade debtors
All trade debtors are recognised at the amounts receivable as they are due for settlement usually on a term not exceeding 30 days.
Term trade debtors
A receivable is recognised for this class of debtor when the loan documentation is signed. The carrying amount of the debt is net of unearned income.
Income from lease and mortgage loan contracts is brought to account in accordance with the actuarial method so that income earned over the term of the contract bears a constant relationship to the funds employed.
In both classes of debtors above, collectability is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubt as to collectability exists.

(m) Finance and operating leases
A distinction is made between leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of the asset (finance lease) and leases under which the lessor effectively retains all such risks and benefits (operating lease). In accordance with AASB 1008: Accounting for Leases, finance leases are shown in the financial statements as receivables. The residual values of finance leases shown in notes 7 and 10 are guaranteed by the lessees.

(n) Unearned income
Future income to be derived from extended warranty and lease maintenance contracts is dependent upon the value of claims that will arise during the period of each contract. Revenue is therefore brought to account progressively to meet claims and to recognise the profit on the overall transaction. The remaining balance is treated as unearned income.

(o) Trade and other creditors
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are usually paid within 30 days of recognition.

(p) Borrowing Costs
Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs include:
- interest on bank overdrafts, short and long-term borrowings
- interest on new vehicle bailment arrangements
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings

(q) Cash
For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(s) New motor vehicle stock and related bailment

Motor vehicles secured under bailment plans are provided to the consolidated entity under bailment agreements between the floorplan loan providers and entities within the consolidated entity. The consolidated entity obtains title to the vehicles immediately prior to sale.

The floor plan providers treat the vehicles from a practical point of view as forming part of the consolidated entity's trading stock.

Motor vehicles financed under bailment plans held by the consolidated entity are treated as trading stock with the corresponding liability shown as owing to the finance provider.

(t) Rounding of Amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities & 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.

2. REVENUE FROM ORDINARY ACTIVITIES

	CONSOLIDATED		PARENT ENTITY	
	2001 $'000	2000 $'000	**2001 $'000**	2000 $'000
Revenue from operating activities				
Sale of goods	**640,032**	473,890	**-**	-
Services	**32,451**	20,348	**-**	-
	672,483	494,238	**-**	-
Revenue from outside the operating activities				
Rents	**396**	625	**-**	-
Interest	**81**	60	**-**	-
Dividends	**64**	179	**4,324**	5,124
Sale of non-current assets	**900**	2,677	**-**	-
Miscellaneous	**615**	505	**-**	300
	2,056	4,046	**4,324**	5,424
Total revenue	**674,539**	498,284	**4,324**	5,424

3. PROFIT FROM ORDINARY ACTIVITIES

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
(a) Net gains and expenses				
Profit from ordinary activities before income tax expense includes the following specific net gains and expenses:				
Net gains				
Forfeiture of option	**73**	300	**-**	-
Net gain on disposal -				
Property, plant and equipment	**117**	11	**-**	-
Provisions no longer required -				
Insurance	**-**	200	**-**	-
Expenses				
Depreciation				
Buildings	**1,278**	1,174	**-**	-
Plant and equipment	**2,250**	1,944	**-**	-
Total depreciation	**3,528**	3,118	**-**	-
Amortisation				
Leasehold improvements	**65**	-	**-**	-
Goodwill	**362**	-	**-**	-
Total Amortisation	**427**	-	**-**	-
Borrowing Costs				
Interest and Finance Charges - paid/payable				
New vehicle bailment	**2,341**	1,435	**-**	-
Other	**4,236**	2,633	**-**	-
Borrowing Costs Expensed	**6,577**	4,068	**-**	-
Other Provisions				
Employee entitlements	**110**	139	**-**	-
Inventory obsolencence	**48**	(735)	**-**	-
Bad and doubtful debts - term and trade debtors	**71**	(32)	**-**	-
Total Other Provisions	**229**	(628)	**-**	-
(b) Individually significant items.				
Termination payment - consultancy agreement	-	300	-	-

4. INCOME TAX

The income tax expense for the financial year differs from the the amount calculated on the profit from ordinary activities. The differences are reconciled as follows:

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Profit from ordinary activities before income tax	**9,057**	6,301	**4,324**	5,424
Income tax calculated at 30% (2000 - 34%)	**2,717**	2,142	**1,297**	1,844
Tax effect of permanent differences:				
Non deductible depreciation and amortisation	**162**	56	**-**	-
Rebateable dividends	**(56)**	(61)	**(1,297)**	(1,742)
Capital profits	**-**	(106)	**77**	(102)
Change in the tax rate	**-**	(39)	**-**	-
Non allowable expenses	**26**	37	**-**	-
Share of net loss of associates	**51**	-	**-**	-
Sundry items	**(85)**	16	**-**	-
Income tax adjusted for permanent differences	**2,815**	2,045	**77**	-
Under (over) provision in previous year	**(9)**	(36)	**24**	-
Income tax attributable to profit from ordinary activities	**2,806**	2,009	**101**	-

5. DIVIDENDS

	PARENT ENTITY	
	2001	2000
	$'000	$'000
Ordinary dividends fully franked @ 30% (2000 - 34%)		
Interim dividend paid - 13 cents per share (2000 - 12 cents) paid on 1 October 2001	**2,031**	1,831
Final dividend proposed - 15 cents per share (2000 - 12 cents) payable on 27 May 2002	**2,417**	1,839
Total dividends provided for or paid	**4,448**	3,670

The proposed final dividend will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 31 December 2002.

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Franking credits available for subsequent financial years	**11,500**	10,300	**7,362**	7,587

The above amounts represent the balances of the franking accounts as at the end of the financial year, adjusted for:
(a) franking credits that will arise from the payment of the income tax payable as at the end of the year
(b) franking debits that will arise from the payment of the dividend proposed as at the end of the year
(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date, and
(d) franking credits that may be prevented from being distributed in the subsequent year.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

6. CURRENT ASSETS - Cash assets

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**64**	21	**-**	-
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:				
Balances as above	**64**	21	**-**	-
Less: Bank overdrafts (note 16)	**(122)**	(1,600)	**-**	-
Balance per statement of cash flows	**(58)**	(1,579)	-	-

Deposits at call
Deposits at call were placed at interest rates between 5.23% and 6.93% (2000 - 6.67 % and 7.56 %)

7. CURRENT ASSETS - Receivables

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Trade debtors	**29,031**	18,476	**-**	-
Less: Provision for doubtful debts	**529**	329	**-**	-
	28,502	18,147	**-**	-
Term trade debtors -				
Finance lease receivables	**1,099**	1,953	**-**	-
Less: Unearned income	**125**	251	**-**	-
	974	1,702	**-**	-
Other receivables	**530**	849	**-**	-
Less: Unearned income	**29**	75	**-**	-
	501	774	**-**	-
Total term trade debtors (net)	**1,475**	2,476	**-**	-
Less: Provision for loss	**81**	210	**-**	-
	1,394	2,266	**-**	-
Amounts receivable from controlled entities	**-**	-	**19,966**	18,235
	29,896	20,413	**19,966**	18,235

Term Trade Debtors
Term debtors are secured by a charge over the underlying property. Where collection of the debt is doubtful and the assessed value of the property is less than the amount outstanding, a provision is created for the shortfall. The debtors have a maximum maturity of 4 years. Interest rates are fixed at the time of entering into the contract.

8. CURRENT ASSETS - Inventories

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Bailment stock - At cost				
New vehicles (Refer notes 1(s), 16 and 20)	**47,543**	32,199	**-**	-
Other	**5,335**	3,081	**-**	-
Less: Provision for loss and obsolescence	**409**	103	**-**	-
	52,469	35,177	**-**	-
Other stock - At cost	**37,399**	21,933	**-**	-
Less: Provision for loss and obsolescence	**793**	446	**-**	-
	36,606	21,487	**-**	-

9. CURRENT ASSETS - Other

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Prepayments and deposits	**1,135**	3,182	**-**	-

10. NON-CURRENT ASSETS - Receivables

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Term trade debtors -				
Finance lease receivables	**895**	2,443	**-**	-
Less: Unearned income	**58**	208	**-**	-
	837	2,235	**-**	-
Other receivables	**481**	1,347	**-**	-
Less: Unearned income	**8**	60	**-**	-
	473	1,287	**-**	-
Total term trade debtors (net)	**1,310**	3,522	**-**	-

Information relating to term trade debtors and other debtors is set out in note 7.

11. NON-CURRENT ASSETS - Investments

(a) Accounted for using the equity method

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Shares in an associate - Auto Group Limited	**3,637**	-	**-**	-

Auto Group Limited became an associate during the year and accordingly no comparative figure is given - Refer Notes 11(b) and 40.
Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost in the parent entity (see note 11(b)).

Reconciliation
Reconciliation of the carrying amount of shares in associates is set out in note 40.

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
(b) Investments traded on organised markets				
Shares in other corporations - At cost	**10**	4,645	**4,634**	4,634
Other (non-traded) investments				
Shares in controlled entities (note 28)				
At directors' valuation - 29 April 1981	**-**	-	**-**	5,374
At cost	**-**	-	**-**	25,004
At deemed cost	**-**	-	**30,378**	-
	-	-	**30,378**	30,378
Shares in other corporations - At cost	**-**	460	**-**	-
- At fair value	**1,805**	-	**-**	-
	1,815	5,105	**35,012**	35,012
Traded investments - net fair values				
The aggregate net fair values of traded investments are:				
Shares in other corporations	**9**	4,656	**3,532**	4,648

Included in the figure of $4,645,000 under "Shares in other corporations - At cost" is an 18.68% investment in Auto Group Limited, a publicly listed company whose principal business activity is the wholesale distribution of used vehicles by auction. This investment is now equity accounted (Refer Note 1(a))
The carrying value in the parent entity of it's investment in Auto Group Limited has not been written down to market value as Directors believe there has been no permanent diminution in the value of the investment.
Directors have valued the shares in other corporations at $1.805 million utilising the Capitalisation of Earnings valuation method.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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12. NON-CURRENT ASSETS - Property, plant and equipment

	CONSOLIDATED		PARENT ENTITY	
	2001 $'000	2000 $'000	**2001 $'000**	2000 $'000
Land and buildings				
Freehold land and buildings				
At directors' valuation - 31 December 2000	-	36,918	-	-
At cost	-	39,344	-	-
At fair value	**84,023**	-	-	-
Construction in progress - at cost	**374**	1,229	-	-
	84,397	77,491	-	-
Less accumulated depreciation	-	5,353	-	-
Total land and buildings	**84,397**	72,138	-	-
Leasehold improvements				
At cost	**364**	-	-	-
Less: Accumulated amortisation	**65**	-	-	-
Total leasehold improvements	**299**	-	-	-
Plant and equipment				
At cost	**14,751**	12,336	-	-
Less: Accumulated depreciation	**7,456**	6,786	-	-
Total plant and equipment	**7,295**	5,550	-	-
Total property, plant and equipment	**91,991**	77,688	-	-

Valuation of land and buildings
The consolidated entity elected to adopt the "fair value" method of valuing land and building effective 1 January 2001 (refer Note I(f)). Land and buildings were independently valued in September 2000 on the basis of the market values of the properties for their existing use or, in respect of properties earmarked for disposal, at market value. Further independent valuation advice was obtained at 31 December 2001 to support the fair value of land and buildings of $84.023 million.

Reconciliations
Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current year is set out below:

	Freehold Land & Buildings $'000	**Construction in Progress $'000**	**Leasehold improvements $'000**	**Plant & Equipment $'000**	**Total $'000**
Consolidated 2001					
Carrying amount at start of year	70,909	1,229	-	5,550	77,688
Additions	13,836	460	364	6,024	20,684
Disposals/Transfers	556	(1,315)	-	(2,029)	(2,788)
Depreciation/amortisation expense (Note 3(a))	(1,278)	-	(65)	(2,250)	(3,593)
Carrying amount at end of year	84,023	374	299	7,295	91,991

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

13. NON-CURRENT ASSETS - Deferred tax assets

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Future income tax benefit	**2,107**	1,366	**-**	-

14. NON-CURRENT ASSETS - Intangibles

Goodwill - at cost	**8,725**	-	**-**	-
Less: Accumulated amortisation	**362**	-	**-**	-
	8,363	-	**-**	-

15. CURRENT LIABILITIES - Payables

Trade creditors	**9,054**	5,568	**-**	-
Other creditors	**4,266**	3,103	**-**	-
	13,320	8,671	**-**	-

16. CURRENT LIABILITIES - Interest Bearing Liabilities (Secured)

Bailment finance -				
New vehicles (Refer notes 1(s) and 8)	**47,543**	32,199	**-**	-
Other	**18,439**	11,992	**-**	-
	65,982	44,191	**-**	-
Bank overdrafts (note 6)	**122**	1,600	**-**	-
Property loan	**280**	280	**-**	-
Bills payable and fully drawn advances	**6,800**	4,500	**-**	-
	7,202	6,380	**-**	-

Information on the security provided for these liabilities is set out in note 20.

17. CURRENT LIABILITIES - Current tax liabilities

Income tax	**666**	453	**-**	-

18. CURRENT LIABILITIES - Provisions

Dividends	**2,417**	1,839	**2,417**	1,839
Employee entitlements	**3,093**	1,854	**-**	-
Sundry provisions	**368**	408	**-**	-
	5,878	4,101	**2,417**	1,839

19. CURRENT LIABILITIES - Other

Unearned income	**1,906**	1,192	**-**	-
	1,906	1,192	**-**	-

20. NON-CURRENT LIABILITIES - Interest Bearing Liabilities

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Secured				
Property Loan	**1,097**	1,377	**-**	-
Bills payable and fully drawn advances	**53,300**	26,600	**-**	-
	54,397	27,977	**-**	-

SECURED LIABILITIES

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
Total secured liabilities (current and non-current) are:				
Bank overdrafts	**122**	1,600	**-**	-
Bills payable and fully drawn advances	**60,100**	31,100	**-**	-
Property loan	**1,377**	1,657	**-**	-
New vehicle bailment	**65,982**	44,191	**-**	-
Total secured liabilities	**127,581**	78,548	**-**	-

The bank overdraft, bills payable and fully drawn advances are secured by registered mortgages given by controlled entities over freehold land and buildings, a cross deed of covenant entered into by the Company and some of its controlled entities and by a floating charge over the consolidated entity's used vehicle and parts inventory. The borrowings are also secured by a negative pledge that imposes certain financial covenants on the consolidated entity. The negative pledge states that the consolidated entity will not, without prior written consent at any time allow the consolidated interest cover (as specifically calculated) to fall below 2.50:1.
The covenant is only subject to testing whilst the consolidated entity's debt/effective equity ratio is greater than 0.55 times.
The property loan is secured by way of a registered mortgage over specific freehold land and buildings.

New vehicle bailment reflects a liability payable to the consolidated entity's bailment financiers. This liability is represented by debtors included in current assets receivables in respect of recent vehicle deliveries to customers and for new vehicles and demonstrator vehicles included in inventories (bailment stock) refer Note 8.

A portion of the consolidated entity's new vehicle bailment outstandings are secured by cross guarantees between specific controlled entities.

ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security are:

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Non-current assets pledged as security -				
Freehold land and buildings -first mortgage	**84,023**	70,909	**-**	-
Current assets pledged as security -				
Inventories - Bailment finance	**52,878**	35,280	**-**	-
Floating charge	**30,005**	-	**-**	-
Total assets pledged as security	**166,906**	106,189	**-**	-

20. NON-CURRENT LIABILITIES - Interest Bearing Liabilities (continued)

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Financing Arrangements				
The consolidated entity has access to the following lines of credit:				
Total facilities				
Bank overdrafts	**3,000**	3,000	**-**	-
Bills & fully drawn advance facilities	**75,100**	82,600	**-**	-
Bailment finance	**81,404**	46,384	**-**	-
Other loans	**4,377**	4,657	**-**	-
	163,881	136,641	**-**	-
Used at balance date				
Bank overdrafts	**122**	1,600	**-**	-
Bills & fully drawn advance facilities	**60,100**	31,100	**-**	-
Bailment finance	**65,982**	46,384	**-**	-
Other loans	**1,377**	1,657	**-**	-
	127,581	80,741	**-**	-
Unused at balance date				
Bank overdrafts	**2,878**	1,400	**-**	-
Bills & fully drawn advance facilities	**15,000**	51,500	**-**	-
Bailment finance	**15,422**	-	**-**	-
Other loans	**3,000**	3,000	**-**	-
	36,300	55,900	**-**	-

Certain bill facilities and fully drawn advance facilities are on fixed repayment schedules whilst others are of a floating nature. All facilities are subject to annual review. Other loans are on an agreed principal reduction basis. Interest rates on borrowings are either fixed or variable.

21. NON-CURRENT LIABILITIES - Deferred tax liabilities

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Provision for deferred income tax	**2,236**	1,663	**-**	-

22. NON-CURRENT LIABILITIES - Provisions

Employee entitlements	**1,524**	736	**-**	-

The aggregate employee entitlement provision is $ 4,617,000 (2000 - $2,590,000)

23. NON - CURRENT LIABILITIES - Other

Unearned income	**23**	35	**-**	-

24. CONTRIBUTED EQUITY

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
(a) Paid up capital				
Ordinary shares fully paid	**42,794**	41,416	**42,794**	41,416

(b) Movements in ordinary share capital of the company during the past two years were as follows:

Date	Details	Number of shares	Issue price	$'000
1 January 2000	Balance	15,059,173		40,303
31 January 2000	Options exercised	26,568	$4.00	106
8 May 2000	Dividend reinvestment plan issue	117,247	$4.18	490
31 July 2000	Options exercised	19,209	$4.00	77
2 October 2000	Dividend reinvestment plan issue	105,952	$4.16	440
31 December 2000	Balance	15,328,149		41,416
31 January 2001	Options exercised	384	$4.00	2
28 May 2001	Dividend reinvestment plan issue	56,106	$3.83	215
31 July 2001	Options exercised	238,298	$4.00	953
1 October 2001	Dividend reinvestment plan issue	55,727	$3.74	208
31 December 2001	Balance	15,678,664		42,794

(c) The company has a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than being paid in cash. Shares are issued under the plan at a 5% discount to the market price.

(d) On 25 June 1999 the company issued 3,003,759 ordinary shares at $ 4.00 per share under a one for four renounceable rights issue. An option to acquire one further share at $4.00 per share was attached to each share suscribed for under the offer. The options are exercisable in the months of January or July in each year through to the end of January 2003 when they will lapse if not exercised. The number of unissued ordinary shares under these options at 31 December 2001 is 3,469,300. (Refer also note 24(e))

(e) On 30 July 1999 750,000 options exercisable at $ 4.00 per share were granted under the A.P. Eagers Limited Employee Share Option Plan to eligible employees of A.P. Eagers Limited and its controlled entities. Each option is convertible into one ordinary share in January or July in each year through to the end of January 2003 when they will lapse if not exercised. As provided for under the plan the employee share options were merged on 7 August 2001 with the listed rights issue options described in Note 24(d) above and became available for transfer without restriction from that date. No employee share options were converted during the financial year to 31 December 2001. As at 31 December 2001 the options were last traded at 14 cents per option while the ordinary shares were last traded at $ 4.00 per share.

25. RESERVES AND RETAINED PROFITS

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
(a) Reserves:				
Capital profits reserve	**6,222**	6,222	**-**	-
Asset revaluation reserve	**6,768**	5,423	**2,405**	2,405
	12,990	11,645	**2,405**	2,405
Movements:				
Asset revaluation reserve -				
Balance 1 January 2001	**5,423**	5,423	**2,405**	2,405
Revaluation of investment in other corporations	**1,345**	-	**-**	-
Balance 31 December 2001	**6,768**	5,423	**2,405**	2,405

25. RESERVES AND RETAINED PROFITS (continued)

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
(b) Retained Profits				
Retained profits at the beginning of the financial year	**19,501**	18,879	**7,587**	5,833
Net profit attributed to members of A.P. Eagers Limited	**6,251**	4,292	**4,223**	5,424
Adjustment resulting from change in accounting policy for investment in associates	**(829)**	-	**-**	-
Dividends provided for or paid	**(4,448)**	(3,670)	**(4,448)**	(3,670)
Retained profits at the end of the financial year	**20,475**	19,501	**7,362**	7,587

(c) Nature and purpose of reserves.

(1) Capital profits reserve
Capital profits reserve represents realised gains on disposal of properties and is fully available for distribution to shareholders as dividends.

(2) Asset revaluation reserve.
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1 (f). The balance standing to the credit of the reserve may be used to satisfy the distribution of bonus shares to shareholders and is only available for the payment of unfranked cash dividends in limited circumstances as permitted by law.

26. EQUITY

	CONSOLIDATED 2001 $'000	CONSOLIDATED 2000 $'000	PARENT ENTITY 2001 $'000	PARENT ENTITY 2000 $'000
Total equity at the beginning of the financial year	**72,562**	70,827	**51,408**	48,541
Total changes in equity recognised in the statement of financial performance	**6,767**	4,292	**4,223**	5,424
Transactions with owners as owners:				
Contributions of equity (net)	**1,378**	1,113	**1,378**	1,113
Dividends provided for or paid	**(4,448)**	(3,670)	**(4,448)**	(3,670)
Total equity at the end of the financial year	**76,259**	72,562	**52,561**	51,408

27. FINANCIAL INSTRUMENTS

(a) Credit Risk
The credit risk on financial assets of the consolidated entity which have been recognised on the balance sheet, other than investment in shares, is generally the carrying amount, net of any provision for doubtful debts.

(b) Interest Rate Risk
The consolidated entity's exposure to interest rate risk and the effective weighted average interest rates for each class of financial assets and financial liabilities is set out below. Exposure arises predominantly from assets and liabilities bearing variable interest rates. The consolidated entity intends to hold fixed rate assets and liabilities to maturity.

	Notes	Floating interest rate $'000	Fixed interest maturing in: 1 year or less $'000	over 1 to 5 years $'000	more than 5 years $'000	Non interest bearing $'000	Total $'000
31 December 2001							
Financial Assets							
Cash and deposits	6	45	-	-	-	19	64
Receivables	7,10	-	1,394	1,310	-	28,502	31,206
Investments	11	-	-	-	-	1,815	1,815
		45	1,394	1,310	-	30,336	33,085

27. FINANCIAL INSTRUMENTS (continued)

	Notes	Floating interest rate $'000	Fixed interest maturing in: 1 year or less $'000	over 1 to 5 years $'000	more than 5 years $'000	Non interest bearing $'000	Total $'000
Weighted average interest rate - %		3.75	10.04	9.80	-	-	-
Financial Liabilities							
Bank overdrafts	16	122	-	-	-	-	122
Trade and other creditors	15	-	-	-	-	13,320	13,320
New vehicle bailment	16	65,982	-	-	-	-	65,982
Bills payable and fully drawn advances	- 16,20	- 18,300	29,700	12,100	-	-	60,100
Other loans	16,20	1,377	-	-	-	-	1,377
		85,781	29,700	12,100	-	13,320	140,901
Weighted average interest rate - %		5.59	6.34	6.74	-	-	-
Net Financial Assets(Liabilities)		(85,736)	(28,306)	(10,790)	-	17,016	(107,816)
31 December 2000.							
Financial Assets							
Cash and deposits	6	11	-	-	-	10	21
Receivables	7,10	-	2,266	3,522	-	18,147	23,935
Investments	11	-	-	-	-	5,105	5,105
		11	2,266	3,522	-	23,262	29,061
Weighted average interest rate - %		5.75	10.32	9.92	-	-	-
Financial Liabilities							
Bank overdrafts	16	1,600	-	-	-	-	1,600
Trade and other creditors	15	-	-	-	-	8,671	8,671
New vehicle bailment	16	44,191	-	-	-	-	44,191
Bills payable and fully drawn advances	16,20	16,100	7,800	7,200	-	-	31,100
Other loans	16,20	1,657	-	-	-	-	1,657
		63,548	7,800	7,200	-	8,671	87,219
Weighted average interest rate - %		7.56	7.12	7.49	-	-	-
Net Financial Assets(Liabilities)		(63,537)	(5,534)	(3,678)	-	14,591	(58,158)

Reconciliation of Net Financial Assets to Net Assets

	Notes	**2001 $'000**	2000 $'000
Net financial liabilities as above		**(107,816)**	(58,158)
Non-financial assets and liabilities			
Equity accounted investments	11(A)	**3,637**	-
Inventories	8	**89,075**	56,664
Property, plant and equipment	12	**91,991**	77,688
Intangibles	14	**8,363**	-
Other assets	9,13	**3,242**	4,548
Provisions and tax liabilities	17,18,21,22	**(10,304)**	(6,953)
Other liabilities	19,23	**(1,929)**	(1,227)
Net assets per statement of financial position		**76,259**	72,562

27. FINANCIAL INSTRUMENTS (continued)

(c) Net Fair Value of Financial Assets and Liabilities

(i) On-balance Sheet
The net fair value of cash and cash equivalent and non-interest bearing monetary financial assets and financial liabilities approximates their carrying amounts.
The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists.
Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date (refer also to note 11). For non-traded equity investments, the net fair value is an assessment by the directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment (refer also to note 11).

(ii) Off-balance Sheet
The parent entity and certain controlled entities have potential financial liabilities which may arise from certain contingencies disclosed in note 29. As explained in that note, no material losses are anticipated in respect of any of those contingencies and the net fair value disclosed below is the directors' estimate of amounts which would be payable by the consolidated entity.

The carrying amounts and net fair values of financial assets and liabilities at balance date are as follows:

	2001		2000	
	Carrying amount $'000	**Net fair value $'000**	Carrying amount $'000	Net fair value $'000
On-balance sheet financial instruments				
Financial assets				
Term debtors	**2,704**	**2,704**	5,788	5,788
Other debtors	**28,502**	**28,502**	18,147	18,147
Traded investments	**10**	**9**	4,645	4,656
Non-traded investments	**1,805**	**1,805**	460	815
Other assets	**64**	**64**	21	21
	33,085	**33,084**	29,061	29,427
Financial liabilities				
Bank overdrafts	**122**	**122**	1,600	1,600
Bills payable and fully drawn advances	**60,100**	**60,100**	31,100	31,100
Other loans	**1,377**	**1,377**	1,657	1,657
Other liabilities	**79,302**	**63,958**	52,862	52,862
	140,901	**125,557**	87,219	87,219

28. INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	**Cost or deemed cost of parent entity investment**		**Equity holding**	
	2001 $'000	2000 $'000	**2001 %**	2000 %
Deemed cost (2000 - Directors Valuation 1981)				
Eagers Retail Pty Ltd	**4,676**	4,676	**100**	100
Eagers Parts & Equipment Pty Ltd	**40**	40	**100**	100
Eagers Finance Pty Ltd *	**102**	102	**100**	100
Nundah Motors Pty Ltd	**93**	93	**100**	100
Eagers Nominees Pty Ltd	**50**	50	**100**	100
Austral Pty Ltd	**413**	413	**100**	100
	5,374	5,374		

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28. INVESTMENT IN CONTROLLED ENTITIES (continued)

Name of Entity	Cost or deemed cost of parent entity investment 2001 $'000	2000 $'000	Equity holding 2001 %	2000 %
Cost -				
E G Eager & Son Pty Ltd	**3,516**	3,516	**100**	100
A.P. Group Ltd	**21,488**	21,488	**100**	100
A.P. Ford Pty Ltd	**-**	-	**100**	100
A.P. Motors Pty Ltd	**-**	-	**100**	100
A.P. Motors (No.1) Pty Ltd	**-**	-	**100**	100
A.P. Motors (No.2) Pty Ltd	**-**	-	**100**	100
A.P. Motors (No.3) Pty Ltd	**-**	-	**100**	100
Associated Finance Pty Limited	**-**	-	**100**	100
Leaseline & General Finance Pty Ltd	**-**	-	**100**	100
	25,004	25,004		
	30,378	30,378		

* Eagers Finance Pty Ltd is the only entity within the group not subject to the Deed of Cross Guarantee referred to in note 29(b).
All controlled entities are either directly controlled by A.P. Eagers Limited, or wholly owned within the consolidated entity, have ordinary class of shares and are incorporated in Australia.

29. CONTINGENT LIABILITIES

(a) Parent entity

Unsecured guarantees, indemnities and undertakings have been given by the parent entity in the normal course of business in respect of financial and trade arrangements entered into by its controlled entities. It is not practicable to ascertain or estimate the maximum amount for which the parent entity may become liable in respect thereof. At 31 December 2001 no controlled entity was in default in respect of any arrangement guaranteed by the parent entity and all amounts owed have been brought to account as liabilities in the financial statements.

(b) Deed of cross guarantee

A.P. Eagers Limited and its controlled entities, with the exception of Eagers Finance Pty Ltd, are parties to a deed of cross guarantee which has been lodged with and approved by the Australian Securities and Investments Commission. Under the deed of cross guarantee each of these companies guarantees the debts of the other named companies. The business activities of Eagers Finance Pty Ltd are being progressively wound down and as a consequence its earnings contribution and impact on consolidated assets and liabilities are no longer material in the context of the consolidated entity. Statements of financial performance and financial position for the Closed Group have therefore not been prepared as they are substantially the same as the consolidated entity statements on pages 13 and 14.

(c) Lease Liabilities

As a consequence of the sale of the Group's auction operations to Auto Group Limited on 1 January 1999 certain property and equipment leases with expiry periods ranging from 31 January 2000 to 4 September 2003 were assigned to that company. These assignments give rise to a maximum contingent liability of $65,000 as at 31 December 2001 (2000 - $ 105,000). This potential liability is not expected to materialise.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

30. COMMITMENTS FOR EXPENDITURE

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Capital Commitments				
Commitments for the construction of buildings and acquisition of plant and equipment contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	**889**	448	**-**	-
Remuneration Commitments				
Commitments for the payment of salaries and other remuneration under long term employment contracts in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	**540**	524	**-**	-
Later than one year but not later than 5 years	**225**	742	**-**	-
	765	1,266	**-**	-

31. ECONOMIC DEPENDENCY

The normal trading activities of a number of entities in the consolidated entity depend on franchise agreements with the following vehicle manufacturers or their appointed agents for the supply of new vehicles, parts and accessories:

- Holden Ltd and General Motors-Holden's Sales Pty Limited and Isuzu-General Motors Australia Limited
- Ford Motor Company of Australia Limited
- Toyota Motor Corporation Australia Limited
- Honda Australia Proprietary Limited
- Land Rover Australia Pty Limited
- Mazda Australia Pty Limited
- Volvo Car Australia Pty Ltd
- KIA Australia Pty Ltd
- Porsche Cars Australia Pty Ltd
- Volkswagen Group Australia Pty Limited
- MG Rover Group Limited

32. REMUNERATION OF AUDITOR

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$	$	**$**	$
Remuneration for audit or review of the financial reports of the parent entity or any entity in the consolidated entity:				
Auditor of parent entity				
- Parent entity	**9,000**	9,000	**9,000**	9,000
- Controlled entities	**120,584**	109,500	**-**	-
	129,584	118,500	**9,000**	9,000
Remuneration for other services by the parent entity auditor:				
- Parent entity	**-**	-	**-**	-
- Controlled entities	**24,044**	51,868	**-**	-
	24,044	51,868	**-**	-

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

33. REMUNERATION OF DIRECTORS

	Directors of Entities in the Consolidated Entity		Directors of Parent Entity	
	2001	2000	**2001**	2000
	$	$	**$**	$
Income paid or payable, or otherwise made available, to directors by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities				
Non-executive directors' fees (in aggregate)	**144,516**	139,767	**144,516**	139,767
Other amounts paid or payable to directors in the consolidated entity, including executive directors' remuneration, superannuation, retirement and fringe benefits	**496,763**	381,568	**496,763**	381,568
	641,279	521,335	**641,279**	521,335

Options may be granted to executive directors under the A P Eagers Limited Employee Share Option Plan, details of which are set out in note 35(b). There were no options granted to directors during the year ended 31 December 2001 and no options previously granted to Directors were exercised.
The number of parent entity directors whose total income from the parent entity or related parties was within the specified bands are as follows:

$'000		$'000	2001	2000
10	-	20	**-**	1
20	-	30	**1**	1
30	-	40	**2**	2
50	-	60	**1**	1
90	-	100	**1**	-
370	-	380	**-**	1
400	-	410	**1**	-

34. REMUNERATION OF EXECUTIVES

	Executive Officers of the Consolidated Entity		Executive Officers of the Parent Entity	
	2001	2000	**2001**	2000
	$	$	**$**	$
Remuneration paid or payable by entities in the consolidated entity and related parties to executive officers (including directors) whose remuneration was at least $ 100,000:				
Executive officers of the parent entity	**763,589**	615,013	**763,589**	615,013
Executive officers of other entities in the consolidated entity	**-**	-	**-**	-
Total income inclusive of superannuation, retirement and fringe benefits paid to these executives	**763,589**	615,013	**763,589**	615,013

Options may be granted to executive officers under the A P Eagers Limited Employee Share Option Plan, details of which are set out in note 35(b). There were no options granted to executive officers during the year ended 31 December 2001 and no options previously granted to executive officers were exercised.

The number of executive officers (including executive directors) whose remuneration from entities in the consolidated entity and related parties was within the specified bands are as follows:

$'000		$'000	Executive Officers of the Consolidated Entity 2001	2000	Executive Officers of Parent Entity 2001	2000
110	-	120	**1**	-	**1**	-
240	-	250	**-**	1	**-**	1
250	-	260	**1**	-	**1**	-
370	-	380	**-**	1	**-**	1
400	-	410	**1**	1	**1**	1

35. EMPLOYEE ENTITLEMENTS

(a) Superannuation benefits
The consolidated entity makes contributions to several Superannuation Funds which provide accumulated benefits based on the value of the accumulated contributions and investment returns which are credited to each member's account.

(b) A P Eagers Limited Share Option Plan
The establishment of A P Eagers Limited Employee Share Option Plan was approved by special resolution at the annual general meeting of the company held on 14 May 1999. A total of 750,000 options were granted under the plan to 31 eligible employees on 30 July 1999. A participant may exercise an option during an option exercise period. Exercise periods commenced in January 2000 and then occur in July and January each year until 31 January 2003.
Each option converts into one ordinary share on the payment of the exercise price of $ 4.00 and will lapse if not exercised before 31 January 2003. As provided for under the plan the employee share options were merged on 7 August 2001 with the listed rights options described in Note 24(d) and became available for transfer without restriction from that date.

36. RELATED PARTIES

Directors
The names of persons who were directors of A.P.Eagers Limited at any time during the financial year are N G Politis, A M Kidd, B W Macdonald, A J Love, K W Macdonald and D.A. Aitken. All of these persons were also directors for the full year ended 31 December 2000 except for D A Aitken who was appointed on 30 March 2001. A M Kidd held office until his retirement on 25 May 2001.

Remuneration and retirement benefits
Information on the remuneration of directors is disclosed in note 33.

Transactions of directors and director-related entities concerning shares and share options
Aggregate number of shares and share options of A.P. Eagers Limited acquired or disposed of by directors of the company and consolidated entity or their director-related entities from the company:

	Parent entity and Consolidated	
	2001 Number	2000 Number
Acquisitions		
Ordinary shares (converted from options)	**235,000**	-
Options	**-**	-
Disposals		
Ordinary shares	**-**	-
Options (converted to shares)	**235,000**	-

All transactions relating to shares and options of the Company, including payment and receipt of dividends, were on the basis as similar transactions with other shareholders.

Aggregate number of shares and share options of A.P. Eagers Limited held directly, indirectly or beneficially by directors of the company or the consolidated entity or their director-related entities at balance date:

	2001 Number	2000 Number
Ordinary shares	**5,864,685**	5,446,253
Options over ordinary shares	**1,089,054**	1,332,260

36. RELATED PARTIES (continued)

Other transactions of directors and director related entities

The aggregate amount of "Other transactions" with directors are as follows:

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$	$	**$**	$
(i) Professional fees paid to -				
Nicol Robinson Halletts	**80,512**	22,330	**-**	-
McGee Isles Love Pty Ltd	**33,815**	132,075	**-**	-

Mr A M Kidd was a consultant to the firm Nicol Robinson Halletts. The above fees paid to Nicol Robinson Halletts are for the period 1 January 2001 to 25 May 2001, the date of Mr Kidd's retirement from the company.

Mr A J Love is a director of McGee Isles Love Pty Ltd. These firms provided professional services to the consolidated entity. All dealings with these firms are in the ordinary course of business and are on normal commercial terms and conditions.

(ii) Mr N.G.Politis and Mr D A Aitken are directors and shareholders of a number of companies involved in the motor industry with whom the consolidated entity transacts business. These transactions, sales of $788,000 and purchases of $119,000 during the last 12 months, are primarily the sale and purchase of spare parts and accessories and are carried out under terms and conditions no more favourable than those which it is reasonable to expect would have applied if the transactions were at arm's length. This business has been conducted for a number of years prior to Mr Politis's and Mr Aitken's appointment as directors of the company.

(iii) Controlled entities may, from time to time, sell motor vehicles, parts and servicing of motor vehicles for domestic use to directors of entities in the consolidated entity or their director-related entities within a normal employee relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing with the directors or their director-related entities at arm's length in the same circumstances.

Wholly-owned group

The parent entity in the wholly-owned group is A.P.Eagers Limited. Information relating to the wholly-owned group is set out in note 28.

Transactions between the parent entity and its controlled entities and amongst the various controlled entities consist of the payment and receipt of dividends, rent (on a commercial basis) and administration charges (on a recoupment basis), the transfer of funds amongst the companies for day to day financing and investment of surplus funds, and the payment and receipts of interest on net working capital.

Amounts receivable from related parties in the wholly owned group at balance date are shown in note 7.

37. SEGMENT INFORMATION

The consolidated entity is principally involved in the selling of new and used motor vehicles, the distribution of parts and accessories and the provision of service, leasing and extended warranty for motor vehicles. All these products and services supplied by the consolidated entity are associated with and are an integral part of the group's motor vehicle operations. As such the directors are of the opinion that A.P. Eagers Limited and its controlled entities operate in only one industry, that being the motor vehicle industry and consequently no segment information is disclosed.

The consolidated entity operates solely in Queensland.

A.P. EAGERS LIMITED and Controlled Entities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
31 DECEMBER 2001 (continued)

38. EARNINGS PER SHARE

	CONSOLIDATED	
	2001	2000
	Cents	Cents
Basic earnings per share	**40.4**	28.2
Diluted earnings per share	**35.6**	25.9
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	**15,476,599**	15,194,231

Options
Options granted to existing shareholders under the rights issue (refer note 24(d)) and those granted to employees under the A P Eagers Limited Employee Share Plan(refer note 24(e)), now merged with the rights issue options, are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. The options have not been included in the determination of basic earnings per share.

39. RECONCILIATION OF PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	CONSOLIDATED		PARENT ENTITY	
	2001	2000	**2001**	2000
	$'000	$'000	**$'000**	$'000
Profit from ordinary activities after income tax	**6,251**	4,292	**4,223**	5,424
Depreciation and amortisation	**3,955**	3,118	**-**	-
Share of loss of associates	**45**	-	**-**	-
Net gain on sale of property,plant and equipment	**(117)**	(11)	**-**	-
Dividends from controlled entities	**-**	-	**(4,324)**	(5,000)
Dividends etc from other investments	**124**	-	**124**	(424)
(Increase) decrease in assets -				
Receivables	**(7,271)**	754	**-**	-
Inventories	**(23,099)**	(3,889)	**-**	-
Prepayments	**548**	(841)	**-**	-
Future income tax benefit	**(167)**	283	**-**	-
Increase (decrease) in liabilities -				
Creditors (including bailment finance)	**26,412**	5,714	**-**	-
Provisions	**49**	(25)	**-**	-
Taxes payable	**786**	(1,182)	**(23)**	-
Net cash inflow from operating activities	**7,516**	8,213	**-**	-

40. INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost in the parent entity (see Note 11(a)). Information relating to the associates is set out below.

Name of company	Principal activity	Ownership interest		Consolidated carrying amount		Parent entity carrying amount	
		2001	2000	**2001**	2000	**2001**	2000
		%	%	**$'000**	$'000	**$'000**	$'000
Traded on organised markets							
Auto Group Ltd	Used Motor vehicle auctions	**18.68**	18.68	**3,637**	4,634	**4,634**	4,634

Auto Group Ltd was deemed to be an associate in February 2001.

	CONSOLIDATED	
	2001	2000
	$'000	$'000
Movement in carrying amounts of investments in associate -		
Carrying amount at the beginning of the financial year	**4,634**	4,634
Adjustment upon adoption of equity accounting	**(829)**	-
Adjusted opening carrying amount	**3,805**	4,634
Equity share of loss from ordinary activities after income tax	**(45)**	-
Dividends received during current year	**(123)**	-
Carrying amount at the end of the financial year	**3,637**	4,634
Results attributable to associates		
(based on the last published 12 month's results of the associate)		
Profit from ordinary activities before income tax	**35**	-
Income tax expense	**(80)**	-
Loss from ordinary activities after income tax	**(45)**	-
Accumulated losses attributable to associates upon adoption of equity accounting	**(829)**	-
	(874)	-
Dividends Received	**(123)**	-
Accumulated losses attributable to associates at the end of the financial year	**(997)**	-
Share of associate's contingent liabilities		
Guarantees given on behalf of controlled entities for borrowing facilities	**2,600**	-
Share of associate's expenditure commitments		
Lease commitments	**6,956**	-
Summary of performance and financial position of associates		
The aggregate profits, assets and liabilities of associates are:		
Profits from ordinary activities after income tax expense	**249**	-
Assets	**63,323**	-
Liabilities	**46,330**	-

Reporting date of associates
Auto Group Ltd's reporting date is 30 June annually.

A.P. EAGERS LIMITED and Controlled Entities

SHAREHOLDER INFORMATION

Class of Securities

As at 15 March 2002 the company had two classes of quoted securities.

- 16,112,889 fully paid ordinary shares
- 3,035,075 options expiring 31 January 2003

The shareholder information set out below was applicable as at 15 March 2002.

Twenty largest holders – ordinary shares

Name	Number of Ordinary Shares Held	Percentage of Issued Shares
WFM Motors Pty Ltd	6,177,685	38.34
Alan Piper Investments (No.1) Pty Ltd	1,281,250	7.95
Paterson Cheney Investments Pty Ltd	1,085,180	6.73
Milton Corporation Limited	494,131	3.07
Argo Investments Limited	440,415	2.73
Mrs D Colman	376,342	2.34
Damelian Automobile Limited	355,000	2.20
Ms C Blackley	302,063	1.87
Mrs J E Green	201,176	1.25
All States Secretariat Limited	200,000	1.24
Wagreen Pty Ltd	171,788	1.07
Commonwealth Custodial Services Limited	151,996	0.94
Matine Limited	141,494	0.88
Bounty Investments Limited	129,105	0.80
ANZ Executors & Trustee Company Limited	101,799	0.63
Choiseul Investments Limited	101,000	0.63
Invia Custodian Pty Limited	87,571	0.54
Wakefield Investments (Australia) Limited	80,784	0.50
Milkerk Investment Co. Limited	64,375	0.40
Mr B W Macdonald	62,500	0.39
	12,005,654	74.50

Distribution of Holdings of Ordinary Shares

Range			No of Holders
1	-	1,000	497
1,001	-	5,000	578
5,001	-	10,000	105
10,001	-	100,000	83
100,001		and over	17
			1,280

The number of ordinary shareholders with less than a marketable parcel was 37.

Substantial Shareholders

An extract from the company's register of substantial shareholders giving details of the number of ordinary shares in which they have a relevant interest, is set out below.

	No. of Shares
WFM Motors Pty Ltd	6,179,250
Alan Piper Investments (No.1) Pty Ltd	1,281,250
Patterson Cheney Investments Pty Ltd	993,673

A.P. EAGERS LIMITED and Controlled Entities

SHAREHOLDER INFORMATION (continued)

Twenty largest holders – options

Name	Number of Options held	Percentage of Issued Options
WFM Motors Pty Ltd	703,547	23.18
Patterson Cheney Investments Pty Ltd	185,750	6.12
Beirne Trading Pty Ltd	136,665	4.50
Kenneth William Macdonald	100,000	3.29
Dennis William Hull	91,152	3.00
Argo Investments Limited	90,415	2.98
Ace Payroll Plus Limited	90,033	2.97
Bond Street Custodians Limited	74,637	2.46
Maxwell Robert Gollan	50,000	1.65
Mrs Maree Hickman	50,000	1.65
Mrs Melissa Ann Josephson	50,000	1.65
Mrs Betty Leonie Ling	50,000	1.65
Marpelin Nominees Pty Ltd	32,377	1.07
Gregory Cameron	30,000	0.99
Engoordina Pty Ltd	30,000	0.99
Mr G M & Mrs MM Josephson	30,000	0.99
James Dennis Keegan	30,000	0.99
Estate Late Gordon Joseph David McMillan	30,000	0.99
Bounty Investments Limited	26,505	0.87
Wagreen Pty Ltd	25,000	0.82
	1,906,081	62.81

Distribution of Holdings of Options

Range			No of Holders
1	-	1,000	566
1,001	-	5,000	119
5,001	-	10,000	29
10,001	-	100,000	44
100,001		and over	3
			761

Stock Exchange Listing
The shares and options of A.P. Eagers Limited are quoted on the Australian Stock Exchange Limited under the symbols APE and APEO respectively. Brisbane is the Home Exchange.

Voting Rights Of Members

- Article 69 states:

Every member entitled to vote who is present in person or by proxy or by attorney or in the case of a corporation by representative shall upon a show of hands have one (1) vote only and on a poll every member entitled to vote shall whether present in person or by proxy or attorney or in the case of a corporation by representative have one (1) vote for every share held by him.

- Article 70 states:

Where there are joint registered holders of any shares any one (1) of such persons may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more that one (1) of such joint holders be present at any meeting personally or by attorney or proxy that one (1) of the said persons whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any shares stand shall for the purpose of this clause be deemed joint holders thereof.

EAGERS

A.P. EAGERS LIMITED and Controlled Entities

CORPORATE INFORMATION

A.P EAGERS LIMITED
A.B.N. 87 009 680 013

Incorporation
Incorporated in Queensland on
17 April 1957

Registered Office
80 McLachlan Street, Fortitude Valley,
Brisbane Qld 4006

Telephone
(07) 3248 9455

Facsimile
(07) 3854 1789

Issued Capital
16,112,889 ordinary shares
fully paid (as at 15 March 2002)

Board of Directors
B W Macdonald, Chairman
K W Macdonald, Managing Director
A J Love
N G Politis
D A Aitken

Secretary
D W Hull, F.C.I.S.

Auditor
Horwath Sydney Partnership
1 Market Street
Sydney NSW 2000

Solicitors
Nicol Robinson Halletts
Level 3
300 Queen Street, Brisbane Qld 4000

Bankers
Australia and New Zealand Banking
Group Limited
Level 3
324 Queen Street, Brisbane Qld 4000

Share Registry
Computershare Investor Services Pty Ltd
Central Plaza One
Level 27
345 Queen Street
Brisbane, Queensland, 4000.
Tel: (07) 3237 2100
Fax: (07) 3229 9860

Controlled Entities

Eagers Retail Pty Ltd
A.B.N. 91 009 662 211

Austral Pty Ltd
A.B.N. 89 009 662 202

Nundah Motors Pty Ltd
A.B.N. 52 009 681 556

Eagers Nominees Pty Ltd
A.B.N. 98 009 723 488

Eagers Finance Pty Ltd
A.B.N. 65 009 721 288

Eagers Parts & Equipment Pty Ltd
A.B.N. 58 009 727 753

E.G. Eager & Son Pty Ltd
A.B.N. 20 009 658 306

A.P. Group Ltd
A.B.N. 53 010 030 994

A.P. Ford Pty Ltd
A.B.N. 43 010 602 383

A.P. Motors Pty Ltd
A.B.N. 76 010 579 996

A.P. Motors (No.1) Pty Ltd
A.B.N. 95 010 585 234

A.P. Motors (No.2) Pty Ltd
A.B.N. 97 010 585 243

A.P. Motors (No.3) Pty Ltd
A.B.N. 99 010 585 252

Associated Finance Pty Limited
A.B.N. 76 009 677 678

Leaseline & General Finance Pty Ltd
A.B.N. 51 010 131 361