2014 ANNUAL REPORT

100 DRIVEN TOGETHER YEARS

EAGERS Established 1913

5 YEAR FINANCIAL SUMMARY

Year ended 31 December	**2014** **$'000**	2013 $'000	2012 $'000	2011 $'000	2010 $'000
OPERATING RESULTS					
REVENUE	**2,858,113**	2,672,813	2,642,535	2,398,695	1,810,760
EBITDA	**138,081**	122,252	114,819	98,272	75,680
Depreciation and amortisation	**(12,583)**	(12,354)	(11,595)	(11,161)	(9,254)
Impairment charge	**(578)**	-	323	(3,228)	3
EBIT	**124,920**	109,898	103,547	83,883	66,429
Finance Costs	**(22,080)**	(23,188)	(24,812)	(25,730)	(21,131)
PROFIT BEFORE TAX	**102,840**	86,710	78,735	58,153	45,298
Income tax expense	**(26,150)**	(22,748)	(23,184)	(17,864)	(13,661)
Non-controlling interest in subsidiary	**(460)**	(353)	(181)	(95)	(72)
ATTRIBUTABLE PROFIT AFTER TAX	**76,230**	63,609	55,370	40,194	31,565
OPERATING STATISTICS					
Basic earnings per share – cents	**43.0**	36.4	34.0	25.5	21.1
Dividends per share – cents	**27.0**	23.0	20.0	16.0	12.8
Dividend franking – %	**100**	100	100	100	100

As at 31 December	**2014** **$'000**	2013 $'000	2012 $'000	2011 $'000	2010 $'000
FUNDS EMPLOYED					
Contributed equity	**242,070**	231,205	206,277	162,047	163,340
Reserves	**99,020**	108,612	90,636	74,329	71,142
Retained earnings	**242,480**	198,369	171,113	143,795	125,334
Non-controlling interest in subsidiary	**7,486**	939	510	444	401
Total equity	**591,056**	539,125	468,536	380,615	360,217
Non-current liabilities	**241,875**	246,082	238,192	186,949	191,835
Current liabilities	**525,067**	431,658	471,350	364,196	347,676
Total liabilities	**766,942**	677,740	709,542	551,145	539,511
TOTAL FUNDS EMPLOYED	**1,357,998**	1,216,865	1,178,078	931,760	899,728
REPRESENTED BY					
Property plant and equipment	**292,485**	344,956	350,862	336,544	335,611
Intangibles	**165,733**	125,259	117,521	118,011	115,900
Available-for-sale investments	**234,391**	195,195	162,590	2,345	-
Other non-current assets	**30,233**	5,764	3,926	4,245	7,803
Property assets held for resale	**27,781**	21,612	23,963	20,622	20,250
Other current assets	**607,375**	524,079	519,216	449,993	420,164
TOTAL ASSETS	**1,357,998**	1,216,865	1,178,078	931,760	899,728
OTHER STATISTICS					
Net tangible asset backing per share- $	**2.38**	2.34	2.06	1.67	1.55
Shares on issue – '000	**178,519**	176,548	170,687	156,805	157,290
Number of shareholders	**4,517**	4,636	4,300	3,941	4,073
Total Debt (see note below)	**579,799**	514,889	513,332	416,497	409,920
Net debt (total debt less bailment finance less cash) – $'000	**198,467**	199,001	200,674	150,847	169,412
Gearing ratio (debt/debt plus equity) – %	**49.5**	48.8	52.3	52.2	53.2
Gearing ratio (net debt/net debt plus total equity) – %	**25.1**	27.0	30.0	28.3	32.0

Note: Leasebook liabilities are excluded from 'Total debt' and debt calculations as they are specifically matched against leasebook receivables (refer note 22 of 2014 financial statements).

Bailment Finance

Bailment finance is a form of financing peculiar to the motor industry, which is provided by financiers on a vehicle by vehicle basis. It is short-term in nature, is generally secured by the vehicle being financed and is principally represented on the borrower's balance sheet as vehicle inventory with the liability reflected under current liabilities. Because of its short-term nature, it is excluded from net debt and the corresponding gearing ratio.

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ANNUAL GENERAL MEETING

Our Annual General Meeting will be held at our registered office, 80 McLachlan Street, Fortitude Valley, Queensland, on Wednesday 20 May 2015 at 9.00 am.

FINANCIAL CALENDAR

Financial year end	31 December 2014
Full year results announced	25 March 2015
Record date for final dividend	2 April 2015
Payment date for final dividend	17 April 2015
Annual General Meeting	20 May 2015

COMPANY PROFILE

About Us

A.P. Eagers Limited is a pure automotive retail group with our main operations in south-east Queensland, Adelaide, Darwin, Melbourne, Sydney and the Newcastle/Hunter Valley region of New South Wales.

We represent a diversified portfolio of automotive brands, including all 12 of the top 12 selling car brands in Australia and 8 of the top 9 selling luxury car brands. In total, we represent 27 car brands and 11 truck and bus brands.

Our core business consists of the ownership and operation of motor vehicle dealerships. We provide full facilities including the sale of new and used vehicles, service, parts and the facilitation of allied consumer finance. To complement our vehicle dealerships, we also operate a substantial motor vehicle auction business, Brisbane Motor Auctions.

Our operations are generally provided through strategically clustered dealerships, the majority of which are situated on properties owned by us, with the balance leased.

We own $278 million of prime real estate positioned in high profile, main road locations in Brisbane, Sydney, Melbourne, Adelaide and Newcastle.

With 3,500 employees and 4,550 shareholders, our sales revenue is running at $2.8 billion per annum.

Dividends and EPS Growth

We have paid a dividend to shareholders every year since listing in 1957, and a record dividend in 13 of the past 14 years. A.P. Eagers also has a track record of delivering Earnings Per Share (EPS) growth from acquisitions. Further information about our acquisition growth can be viewed on our website, www.apeagers.com.au.

Origins

Our origins trace back to 1913 when Edward Eager and his son, Frederic, founded their family automotive business, E.G. Eager & Son Ltd, which continues today as a wholly-owned subsidiary of A.P. Eagers Limited.

After establishing the first motor vehicle assembly plant in Queensland in 1922, the business secured the distributorship of General Motors' products in Queensland and northern New South Wales in 1930 and listed as a public company in 1957 under the name Eagers Holdings Limited.

A merger in 1992 with the listed A.P. Group Limited saw the addition of a number of new franchises and our name change to A.P. Eagers Limited. Further new franchises and geographic diversification have since followed.

Growth

Since 2000, our sales revenue has increased from $500 million to $2.8 billion, profit after tax has increased from $4.3 million to $76.7 million and the number of employees has increased from 600 to 3,500.

Our operations expanded into the Northern Territory with the acquisition of Bridge Toyota in 2005.

In 2007, we established ourselves on the Gold Coast with the acquisition of Surfers City Holden.

The addition of Kloster Motor Group in the Newcastle/Hunter Valley region in 2007 heralded our advance into New South Wales. Our operations in that state grew with the acquisition of Bill Buckle Auto Group in Sydney's northern beaches region including Brookvale in 2008.

In 2010, we acquired the publicly listed Adtrans Group Limited, representing our direct entry into the South Australian and Victorian markets. Adtrans is South Australia's premier car retailer and operates truck and bus dealerships in New South Wales, Victoria and South Australia. We also acquired Caloundra City Autos Group in Queensland's growing Sunshine Coast region in 2010.

Further expansion of our truck and bus operations occurred in late 2010 with the addition of six new franchises in New South Wales, Victoria and South Australia.

In 2012, we established Carzoos to provide used car customers with a 48 hour money-back guarantee and other benefits.

Daimler Trucks Adelaide and Eblen Motors were acquired in 2011 and Main North Nissan and Renault and Unley Nissan and Renault, Adelaide, were acquired in 2013, to complement our existing operations in South Australia.

A strategic holding in listed Automotive Group Holdings Limited (AHE) was acquired in 2012, providing A.P. Eagers with exposure to the West Australian market. This investment represented 19.9% of AHE, valued at $232 million, at the end of 2014.

Northern Beaches Land Rover and Jaguar were added to our Bill Buckle operations at Brookvale during 2013.

A new business, Precision Automotive Technology, was established in 2013 to source and distribute our own range of car care products (paint protection, interior protection, electronic rust protection and window tint products) under the brand names, Perfexion and 365+.

In 2014, our Queensland operations expanded through the acquisitions of Ian Boettcher Motors representing Mazda, Nissan, Volkswagen, Suzuki and Proton in Ipswich, and the Craig Black Group representing Toyota, Hyundai, Volkswagen, Mitsubishi and Great Wall at multiple locations in south-west and central Queensland. Volvo Sunshine Coast and Reynella Subaru were also added to the group during 2014.

Further Information

Please visit www.apeagers.com.au for further information about A.P. Eagers Limited.

BOARD OF DIRECTORS

Timothy Boyd Crommelin
BCom, FSIA, FSLE

Chairman, Member of Audit, Risk & Remuneration Committee

Independent, non-executive Director since February 2011. Executive Chairman of Morgans Financial Ltd. Director of Senex Energy Ltd (appointed October 2010) and Australian Cancer Research Foundation. Chairman of the Advisory Board of the Australian National University Investment Committee. Member of the University of Queensland Senate. Former Alternate Director of Ausenco Ltd (appointed February 2013, retired May 2013). Mr Crommelin has broad knowledge of corporate finance, risk management and acquisitions and over 40 years' experience in the stockbroking and property industry.

Martin Andrew Ward
BSc (Hons), FAICD

Managing Director, Chief Executive Officer

Joined the Company in July 2005. Appointed Chief Executive Officer in January 2006. Appointed Managing Director in March 2006. Motor vehicle dealer. Director of Australian Automotive Dealer Association Limited (appointed January 2014). Mr Ward was formerly the Chief Executive Officer of Ford Motor Company's Sydney Retail Joint Venture.

Nicholas George Politis
BCom

Director

Non-executive Director since May 2000. Motor vehicle dealer. Executive Chairman of WFM Motors Pty Ltd, A.P. Eagers Limited's largest shareholder. Mr Politis is Director of a substantial number of other proprietary limited companies and has vast automotive retail industry experience.

Peter William Henley
FAIM, MAICD

Director, Member of Audit, Risk & Remuneration Committee

Independent, non–executive Director since December 2006. Director of Thorn Group Ltd (appointed May 2007). Former Deputy Chairman of MTQ Insurance Services Ltd. Former Chairman and Chief Executive Officer of GE Money Motor Solutions. Mr Henley has over 30 years' local and international experience in the financial services industry.

Daniel Thomas Ryan
BEc, MBus, FAICD

Director

Non-executive Director since January 2010. Director and Chief Executive Officer of WFM Motors Pty Ltd, A.P. Eagers Limited's largest shareholder, and Director of a substantial number of other proprietary limited companies. Mr Ryan has significant management experience in automotive, transport, manufacturing and retail industries.

David Arthur Cowper
BCom, FCA

Director, Chairman of Audit, Risk & Remuneration Committee

Independent, non-executive Director since July 2012. Chartered Accountant, with more than 35 years in the profession. Former partner of Horwath Chartered Accountants and Deloitte Touche Tohmatsu. Former Chairman of Horwath's motor industry specialisation unit for six years. Mr Cowper's area of professional specialisation while at Horwath and Deloitte was in providing audit, financial and taxation services to public and large private companies in the motor industry.

EXECUTIVE MANAGEMENT

Keith Thomas Thornton
BEc

General Manager QLD & NT

Licensed motor dealer. Responsible for all operational issues in Queensland and Northern Territory since June 2007, having overseen the group's new and used vehicle operations since December 2005 and held dealership General Manager roles since joining the group in 2002. Retail and wholesale operations experience in volume, niche and prestige industry sectors. Prior industry experience with various manufacturers.

Stephen Graham Best
BBus, Grad Dip Mgt, FIPA, GAICD

Chief Financial Officer

Commenced in October 2007. Responsible for the group's accounting, taxation, internal audit, treasury and information technology functions. Previous senior finance and commercial roles in the resources industry with MIM Holdings Limited, Xstrata PLC and Consolidated Rutile Limited.

Denis Gerard Stark
LLB, BEc

General Counsel & Company Secretary

Commenced in January 2008. Responsible for overseeing the company secretarial, legal, work health & safety, insurance and investor relations functions and property portfolio. Admitted as a solicitor in Queensland in 1994 and in Victoria in 1997. Affiliate of Chartered Secretaries Australia. Previous company secretarial and senior executive experience with public companies.

The Directors present their report together with the consolidated financial report of the group being A.P. Eagers Limited ABN 87 009 680 013 ("the Company") and its controlled entities, for the year ended 31 December 2014 and the auditor's report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the year, and their qualifications, experience and special responsibilities, are detailed on page 3.

DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each Director during the year were:

	Board Meetings		Audit, Risk & Remuneration Committee Meetings	
	Held	Attended	Held	Attended
T B Crommelin[1]	11	9	4	3
N G Politis	11	9	-	-
M A Ward	11	11	-	-
P W Henley[1]	11	9	4	4
D T Ryan	11	9	-	-
D A Cowper[1]	11	9	4	4

(1) Audit, Risk & Remuneration Committee members.

COMPANY SECRETARY

The Company Secretary and his qualifications and experience are detailed on page 3.

PRINCIPAL ACTIVITIES

The group's principal activities during the year consisted of the selling of new and used motor vehicles, distribution and sale of parts and accessories, repair and servicing of vehicles, provision of extended warranties and car care products, facilitation of finance and leasing in respect of motor vehicles, ownership of property and investments. The products and services supplied by the group were associated with, and integral to, the group's motor vehicle dealership operations. There were no significant changes in the nature of the group's activities during the year.

FINANCIAL & OPERATIONAL REVIEW

The Directors of the Company are pleased to report a record 2014 statutory Net Profit Before Tax of $102.8 million. This compares to a Net Profit Before Tax of $86.7 million in 2013. Net Profit After Tax was $76.7 million in 2014 compared to $64.0 million in 2013.

Continued increases in used car profitability and related finance/insurance income, improved NSW car dealership trading results, additional contributions from recent acquisitions, and gains on sale of businesses and property, more than offset a disappointing truck division result.

Profit Comparison	Full Year to December 2014 $ Million	Full Year to December 2013 $ Million	% Change
Statutory EPS (basic) cents	43.0	36.4	18%
Statutory profit after tax	76.7	64.0	20%
Statutory profit before tax	**102.8**	**86.7**	**19%**
Impairment adjustments[1]			
Freehold Property adjustments (reversal)	0.6	-	-
Goodwill impairment	-	-	-
Business acquisition costs[2]	2.8	0.6	366%
Underlying profit before tax	**106.2**	**87.3**	**22%**
Underlying profit after tax[3]	79.0	64.4	23%
Underlying EPS (basic) cents	44.3	36.6	21%

Notes

(1) Represents the aggregate value of freehold property fair value adjustments (positive and negative) to the Statement of Profit and Loss.

(2) Business acquisition costs include taxes, legal and other costs associated with business acquisitions.

(3) Underlying profit after tax includes the adjustments per Notes (1) above, and the related tax impact at 30% equating to $1.0 million in 2014 (2013: $0.2 million).

External Environment

According to Federal Chamber of Automotive Industry statistics, Australia's new motor vehicle sales decreased by 2.0% in 2014 to 1,113,224 units compared to 2.2% growth in 2013. This represents the second highest year of sales only exceeded by the record year in 2013.

In response to further contraction in the resources sector, new vehicle sales in Queensland, Northern Territory and Western Australia decreased on the previous year by 4.1%, 3.5%, and 8.1% respectively. New South Wales was the only state to record increased sales at 1.5%.

The severe hail storm event in Queensland in November 2014, which damaged some 60,000 vehicles, resulted in a 5.8% uplift in the Queensland market in December 2014, and the replacement of damaged vehicles is expected to have a positive effect on vehicle sales in the first quarter of 2015.

Business sales decreased by 6.6% in 2014, private sales were steady at 0.5% growth and government sales grew by 3.4% after declining by 20.2% in 2013. Luxury brands such as Audi, BMW, Mercedes Benz, Land Rover and Porsche all recorded record annual sales as their respective lower priced product offerings captured market share.

Australian manufactured vehicles represented only 9.0% (2013: 10.4%) of new cars sold in the national market in 2014.

Business Initiatives

The 2014 year includes a full year contribution from the Main North and Unley Nissan/Renault business acquired in September 2013, and performance from this business has exceeded our expectations.

The Company acquired the Ian Boettcher Motors business in Ipswich Queensland in July 2014, representing Mazda, Nissan, Volkswagen, Suzuki and Proton. In October 2014 the Craig Black Group operating multiple locations in South West and Central Queensland, representing Toyota, Hyundai, Volkswagen, Mitsubishi, and Great Wall was acquired. Combined these groups will increase annual group sales by approximately 15%.

Additional Subaru brand representation at Reynella, South Australia and Kedron, Queensland was established during the year, as was a Volvo representation on the Sunshine Coast.

The used car trading performance was particularly encouraging with the Carzoos branding and sales management processes instigated in 2012, driving consistent and sustained improvements in used car profitability.

A significant storm event occurred on 27 November causing extensive hail damage to vehicles over a large area of Brisbane. The Company is fully insured for such events, and a rapid response from our staff, our insurer Allianz and suppliers, meant that the disposal process for the 2,200 vehicles affected commenced within a week of the event. As at the end of December 2014, the majority of the hail insurance claim, which offsets additional cost and loss of income in car dealerships due to the repair, write-off and diminished vehicle value, was paid. In total some 60,000 vehicles in the Brisbane area are subject to insurance claims and the vehicle replacement and repair activity will be a benefit to trading in the first quarter of 2015.

The Company entered into an unconditional put and call option for the sale of our 80 McLachlan Street, Fortitude Valley site at a value of $22.2 million in the period, with settlement deferred for two years. The luxury brands located on this site will be relocated to redeveloped facilities on existing land holdings in Newstead.

Fully developed car dealership properties in Adelaide and Newcastle were sold and leased back on favourable terms yielding proceeds of $33.5 million.

A contract for the sale of two sites suitable for high density residential development in Woolloongabba became unconditional in September 2014. Total sale consideration of $35.9 million will be realised in staged payments over the next three to five years. A gain on sale of $2.2 million, representing the difference between the discounted present value of the staged payments and the written down value of the properties of $24.4 million, was recognised in 2014. The balance of $9.3 million will be recognised as interest income over the 5 year term of the contracts.

The strategic 19.9% shareholding in Automotive Holdings Group Limited ("AHG") as at 31 December was valued at $232.0 million based on their closing share price of $3.81. Whilst not included in the Company's profit after tax, a before tax unrealised gain of $1.3 million has been recognised in the Statement of Comprehensive Income for the 2014 year.

Financial Performance

Dealership acquisitions and increased used vehicle volumes contributed to an increase in revenue from operations of 6% to $2,809 million in 2014. Other revenue includes a full year dividend from AHG of $12.1 million, compared to $10.0 million in 2013, and insurance claim proceeds of $19.5 million related to the 27 November 2014 Brisbane hail storm event.

EBITDA increased by 12.9% to $138.1 million (2013: $122.3 million) and profit margins continued to trend upwards, with EBITDA/Revenue of 4.8% for 2014 compared to 4.6% in 2013 and NPBT/Sales improving to 3.6% for 2014 from 3.2% in 2013. Further improvements in finance and insurance incentive-based earnings, used car trading and gains on the sale of businesses and properties were the main contributors to the improved margin performance.

A before tax profit on sale of $3.9 million was realised for properties in Newcastle, Adelaide and Woolloongabba, and a car dealership business in Brisbane in 2014, as compared to a $2.0 million gain in 2013.

MTQ Insurance, in which AP Eagers holds a 20.7% interest via a holding company, was sold to Suncorp Insurance on the 29 August 2014. Part of the transaction consideration is deferred for two years, and AP Eagers expects to maintain its shareholding and significant influence in the holding company until that time. An after tax gain on sale of $3.8 million is included in the share of net profits of associates with the balance of $1.1 million representing operating net profit for the period until 29 August 2014.

Borrowing costs declined by 4.8% to $22.1 million (2013: $23.2 million), with higher average debt being offset by lower margins and interest rates.

Business acquisition costs relating to the Ian Boettcher Motors and Craig Black Group acquisitions of $2.8 million were expensed in the financial year, compared to $0.6 million in 2013.

The Company's net cash provided by operating activities was $98.1 million in 2014 (2013: $76.0 million), with the increase due to improved profitability and favourable insurance proceeds timing. Acquisitions were effectively funded through operating cash flow and the proceeds of asset sales.

Results Summary

Consolidated results

Year Ended 31 December	2014 $'000	2013 $'000	Increase/(Decrease)
Revenue from operations	2,808,607	2,652,133	5.9%
Other revenue	49,506	20,680	139.4%
Total revenue	2,858,113	2,672,813	6.9%
Earnings before interest, tax, depreciation and amortisation and impairment (EBITDA)	**138,081**	**122,252**	**12.9%**
Depreciation and Amortisation	(12,583)	(12,354)	1.9%
Impairment charge/net reversal	(578)	0	-
Earnings before interest and tax (EBIT)	**124,920**	**109,898**	**13.7%**
Borrowing costs	(22,080)	(23,188)	(4.8)%
Profit before tax	**102,840**	**86,710**	**18.6%**
Income tax expense	(26,150)	(22,748)	15.0%
Profit after tax	**76,690**	**63,962**	**19.9%**
Non-controlling interest in subsidiaries	(460)	(353)	30.3%
Attributable profit after tax	**76,230**	**63,609**	**19.8%**
Earnings per share – basic	43.0 cents	36.4 cents	18.1%

Segments

The profit contribution from the Company's Car Retail segment was 19.7% higher at $68.8 million compared to $57.5 million in 2013. Improved used car profitability, better results from our NSW operations, and additional earnings from acquisitions were the primary contributors.

The parts and service business was steady with the business successfully adapting to challenges from non-genuine parts providers and fixed/capped price service programs.

The National Truck division (Truck Retail segment) recorded a poor result providing a profit contribution of $3.5 million in 2014 compared to $8.4 million in 2013, the decrease due to significant used truck trading losses. The new heavy truck market shrunk by 1.2% (VFACTS) compared to 2013, and substantial price pressure on new and used trucks was evident.

As the result of property sales the value of the property portfolio reduced to $278 million as at 31 December 2014 compared to $334 million as at 31 December 2013. Property segment profit contribution of $14.8m was lower than the previous year of $15.5 million, due primarily to negative fair value adjustments. Realised gains of $3.0m were partly offset by unrealised negative fair value adjustments of $2.2m.

The unrealised gain on the AHG investment of $22.8 million recorded in 2013 was not repeated hence the contribution from the Investment segment was $10.6 million compared to $30.2 million in 2013.

Financial Position

The Company's financial position strengthened further during the year. EBITDA Interest Cover increased to 6.2 times as at 31 December 2014 compared to 5.2 times as at 31 December 2013, due to lower average interest rates and improved profit levels. Corporate debt (Term and Capital Loan Facility) net of cash on hand as at 31 December 2014 was lower at $190.2 million (2013: $199.0 million) and total debt including vehicle bailment and finance leases net of cash on hand was higher at $556.0 million as compared to $502.8 million at 31 December 2013. The increase was primarily due to additional bailment and motor vehicle finance leases associated with acquisitions.

Total gearing (Debt /Debt + Equity), including bailment inventory financing and finance leases, was 49.5% as at 31 December 2014, as compared to 48.8% as at 31 December 2013. Bailment finance is cost effective short-term finance secured against vehicle inventory on a vehicle by vehicle basis. Gearing excluding bailment, finance leases and including cash on hand was 24.3% as at 31 December 2014 compared to 27.0% at the end of 2013.

Total inventory levels closed the year at $469.2 million, with inventory associated with acquisitions being the primary reason for the increase as compared to 2013 at $409.7 million.

The strategic 19.9% shareholding in AHG as at 31 December 2014 was valued at $232.0 million based on the closing share price of $3.81.

Net tangible assets only increased marginally to $2.38 per share as at 31 December 2014, compared to $2.34 per share as at 31 December 2013, as the sale of tangible freehold property assets funded the acquisition of dealership intangible goodwill assets.

Outlook and Strategy Update

Whilst there are a number of variables at play including less favourable exchange rates for some vehicle supply locations (no direct exposure to AP Eagers) and ongoing consumer and business confidence challenges, interest rates remain at historically very low levels, and manufacturer product offerings continue to be highly competitive both in terms of quality and value. Overall new vehicle sales are expected to remain stable on 2014 levels allowing sufficient opportunity for quality operators.

Based on the 2014 acquisitions of the Ian Boettcher Motor Group and the Craig Black Group, it is anticipated that an 8% uplift in group revenue will be achieved in 2015.

Key focus areas in 2015 are:

- earnings accretive dealership and ancillary market acquisitions;
- the ongoing development and optimisation of the Carzoos used car business model;
- a substantial redevelopment of the Newstead, Queensland dealership location to include three luxury brands;
- further rationalisation of our Parts business to reduce the cost base, improve efficiency and eliminate sub-economic business trading terms; and
- a turnaround in the performance of our truck business.

Our acquisition activities are a combination of opportunity and target based, with a reasonable expectation that suitable opportunities will be available for completion in 2015.

DIVIDENDS

Dividends paid to members during the financial year were as follows:

Year ended 31 December	2014 $'000	2013 $'000
Final ordinary dividend for the year ended 31 December 2013 of 15.0 cents (2012: 13.0 cents) per share paid on 16 April 2014	26,516	22,246
Interim ordinary dividend of 9.0 cents (2013: 8.0 cents) per share paid on 3 October 2014	15,954	14,124
	42,470	36,370

A fully franked final dividend of 18 cents per share (2013: 15.0 cents) has been approved for payment on 17 April 2015 to shareholders who are registered on 2 April 2015 (Record Date). When combined with the interim dividend of 9.0 cents per share paid in October 2014, the total dividend based on 2014 earnings is 27 cents per share, fully franked (2013: 23 cents). The Company's dividend reinvestment plan (DRP) will not operate in relation to the final dividend.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the Directors' opinion there was no significant change in the state of affairs of the group during the financial year that is not disclosed in this report or the consolidated financial report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The Directors are not aware of any matter or circumstance not dealt with in this report or the consolidated financial report that has arisen since the end of the year under review and has significantly affected or may significantly affect the group's operations, the results of those operations or the state of affairs of the group in future financial years.

ENVIRONMENTAL REGULATION

The group's property development and service centre operations are subject to various environmental regulations. Environmental licences are held for particular underground petroleum storage tanks.

Planning approvals are required for property developments undertaken by the group in relevant circumstances. Authorities are provided with appropriate details and to the Directors' knowledge developments during the year were undertaken in compliance with planning requirements in all material respects.

Management works with regulatory authorities, where appropriate, to assist compliance with regulatory requirements. There were no material adverse environmental issues during the year to the Directors' knowledge.

REMUNERATION REPORT

1. Principles Used to Determine Remuneration

The board as a whole is responsible for recommending and reviewing the remuneration arrangements of non-executive Directors, whilst the board (excluding the Chief Executive Officer) reviews the performance of the Chief Executive Officer on a continual basis and ensures the reward framework is appropriate. To assist the board, the Audit, Risk & Remuneration Committee reviews and makes recommendations regarding these remuneration arrangements.

The Chief Executive Officer in consultation with the Chairman reviews the performance of the group's senior executives on an ongoing basis and ensures the appropriateness of their reward framework.

Remuneration packages are intended to properly reflect the individual's duties and responsibilities, be competitive in attracting, retaining and motivating staff of the highest quality and be aligned to shareholder interests.

The remuneration framework for executives has been developed to provide, where appropriate, a high proportion of "at risk" remuneration. This is designed to reflect competitive reward for contribution to growth in group profits and shareholder wealth.

In considering the impact of the group's performance on shareholder wealth, the Directors have regard to various factors including the following metrics:

	2014	2013	2012	2011	2010
NPAT ($'000)	**76,690**	63,962	55,551	40,289	31,637
Earnings per share – basic (c)	**43.0**	36.4	34.0	25.5	21.1
Dividend per share (c)	**27.0**	23.0	20.0	16.0	12.8
Share Price at year end ($)	**5.98**	4.96	4.38	2.36	2.50

2. Non-executive Directors' Remuneration Framework

Non-executive Directors are remunerated for their services by way of fees (and where applicable, superannuation) from the maximum amount approved by shareholders in general meeting for that purpose, currently $500,000 per annum, which was fixed at the annual general meeting in 2007.

For the year under review, non-executive Director fees were $75,000 per annum plus superannuation benefits, and the Chairman's fee was $95,000 per annum plus superannuation.

The board, with the assistance of the Audit, Risk & Remuneration Committee, periodically reviews non-executive Director fees taking into account relevant market conditions.

Non-executive Directors do not participate in schemes designed for the remuneration of executives, equity schemes or retirement allowance programmes, nor do they receive performance based bonuses.

3. Executives' Remuneration Framework

(a) Base Pay

Each executive is offered a competitive base pay to reflect the market for a comparable role. Base pay is reviewed annually and on promotion to ensure it remains competitive with the market. It may be delivered as a combination of cash and superannuation that the executive elects to salary sacrifice.

(b) Benefits

Executives receive benefits including the provision of fully maintained motor vehicles, personal health and fitness programs and, in the case of the Chief Executive Officer, personal insurance. Retirement benefits are delivered under superannuation funds providing accumulation benefits. No lump sum defined benefits are provided.

(c) Short-term Performance Incentives

(i) Incentive Pool / Bonus

A short-term incentive pool is available for allocation by the Chairman or Chief Executive Officer to non-commission based key management personnel executives being the Chief Executive Officer, Company Secretary and Chief Financial Officer. The allocations are determined on a discretionary basis during annual review after considering the achievements and performances of the individual executives and group.

(ii) Commission Structure

With the exception of the Chief Executive Officer and non-commission based executives, remuneration for senior executives is structured around measurable business performance factors linked to business strategies and designed to improve shareholder value. This commission structure is set at a percentage of net profit before tax of a business unit or business group.

(d) Executive Incentive Plan (EIP)

The EIP was approved by shareholders at the annual general meeting in 2013. It is intended as both a long-term and short-term incentive, focussing on corporate performance and the creation of shareholder value over multi-year periods.

Through the EIP, executives are driven to improve the Company's performance and shareholder return. This is accomplished through the grant of performance rights and options which reward the achievement of pre-determined group performance hurdles and allow executives to share in the Company's growth.

A performance right is a right to be given a fully paid ordinary share in the Company at a nil exercise price upon the achievement of performance hurdles.

An option is a right to be given a fully paid ordinary share in the Company upon payment of an exercise price and achievement of performance hurdles. In general, the exercise price is the market share price at or about the grant date or when the executive agreed in principle to participate in the plan.

The performance rights and options are divided into separate tranches for each annual performance period. Each tranche of options may be further divided into sub-tranches. The tranches and sub-tranches are tested against the performance hurdles for the relevant performance period.

(i) Performance Hurdles

Pre-determined performance hurdles for the relevant performance period must be achieved for performance rights and options granted to key management personnel to vest. Performance hurdles include:

- the Company must meet the applicable Earnings Per Share (EPS) hurdle (as described below).
- the Company must meet any prescribed interest cover ratio.
- the executive must remain permanently employed by the group. (Where the executive has sacrificed payments into the EIP in return for rights or options, cessation of employment during the performance period may result in a prorated proportion of the rights or options remaining on issue to be tested at the end of the performance period but without the ability for any further re-testing

All performance hurdles for a performance period must be met for the relevant rights and options to vest. The board does, however, retain discretion to waive hurdles in exceptional circumstances where it is believed to be in the Company's best interests to do so.

(ii) EPS Hurdles

A separate EPS performance hurdle applies for each tranche or sub-tranche of performance rights and options granted to key management personnel. These EPS hurdles were pre-determined using a base-line EPS when the participant agreed to join the plan.

In general, the Company must achieve a minimum of 7% annual compound growth in diluted EPS above the base-line before any performance rights or options will vest for the performance period, with 10% annual compound growth required for all performance rights and options to vest for the period.

As these "at risk" earnings are demonstrably linked to the creation of shareholder value, it is considered that if an EPS hurdle is not achieved at the end of a 12 month performance period, re-testing would be appropriate to allow for market reaction to the Company's longer term strategic initiatives.

If the EPS hurdle is not achieved at the end of the initial 12 month performance period, re-testing would take place 12 months later. If the EPS hurdle is not achieved on the re-test, it may be re-tested a second time a further 12 months later.

There cannot be more than two re-tests. Performance rights and options immediately lapse if they do not vest on the second re-test.

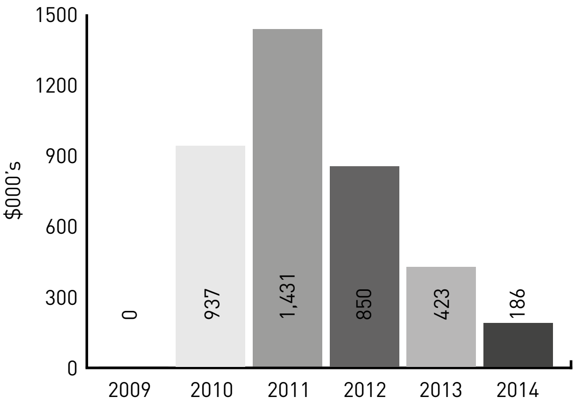
(iii) CEO's Participation in EIP (2010 to 2014)

At the Company's annual general meeting in 2010, shareholders approved the Chief Executive Officer, Mr Ward, participating in the EIP for the five years from 2010 to 2014. With 98.2% of proxy votes in favour or at the Chairman's discretion, shareholders approved the following:

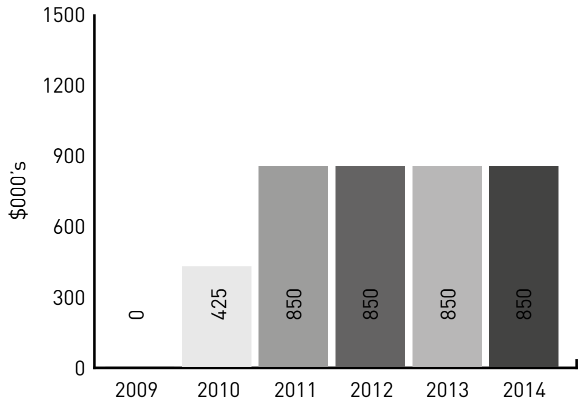
- Mr Ward's performance hurdles are measured over the five year period 2010 to 2014.
- Before any of Mr Ward's performance rights or options will vest for an individual year, the Company must achieve at least 7% annual compound growth in diluted EPS above the base-line EPS. The base-line was set when Mr Ward agreed to join the plan in mid-2009 at 16% above the average normalised basic EPS for the previous three years.
- For 100% of Mr Ward's performance rights and options to vest for the five years, the Company must achieve at least 10% annual compound growth in diluted EPS above the base-line.
- The number of performance rights and options granted to Mr Ward was scaled back to reflect only 4.5 years' value, even though his performance would be measured over a full five year period. This scaling back occurred because, at the time of the 2010 annual general meeting, his previous five year equity incentive plan was due to expire mid-year on 30 June 2010.

The cost to the Company of Mr Ward's participation in the EIP is calculated as follows:

- If 100% of the performance rights and options were to vest over the five year period (requiring at least 10% annual compound growth in diluted EPS for five years), the recognised cost of the plan would average $850,000 per annum for 4.5 years, or $3.825 million in total over 4.5 years. However, accounting standards require that the cost be recognised, as shown in the remuneration table on page 14, based on the progressive recognition of each share option grant over its expected vesting period, which results in a higher overall cost of the EIP in the earlier years and a lower cost in later years. On the assumption that all performance hurdles are achieved over the five year EIP period, the total cost recognised in each year is shown in the following graphs.
- If no performance hurdles at all were to be achieved over the five year period, then no performance rights or options would vest and the plan would cost the Company zero dollars.
- By way of comparison, if only 50% of the performance rights and options by value were to vest each year over the five year period (requiring 9% annual compound growth in diluted EPS for five years), the cost of the plan would be on average $425,000 per annum for 4.5 years (or $1,912,500 in total over 4.5 years).



Accounting accrual cost of CEO's participation in EIP – progressive recognition based, assuming all performance hurdles are achieved.



Average annual cost of CEO's participation in EIP, assuming all performance hurdles are achieved.

(iv) CEO's Participation in EIP (2015 to 2019)

At the Company's annual general meeting in 2014, shareholders approved Mr Ward participating in the EIP for a further five years from 2015 to 2019. This replaces his initial five years in the EIP which expired at the end of 2014.

With 96.6% of proxy votes at the 2014 annual general meeting in favour or at the Chairman's discretion, shareholders approved the following:

- Mr Ward's performance hurdles are measured over the five year period 2015 to 2019.
- Before any of Mr Ward's performance rights or options will vest for an individual year, the Company must achieve at least 7% annual compound growth in diluted EPS from 2013.
- For 100% of Mr Ward's performance rights and options to vest for the five years, the Company must achieve at least 10% annual compound growth in diluted EPS from 2013.
- There will be no increase to the average annual cost to the Company of Mr Ward's participation in the EIP from 2015 to 2019 above the average annual cost for the previous five years.

(v) Grants to Key Management Personnel

The following tables show details of current grants of performance rights and options over unissued shares, which were granted to key management personnel in or before the year under review. No rights or options were granted to key management personnel during the year under review except as shown in these tables. No rights or options were forfeited, and no options were exercised, by key management personnel during the year under review.

Chief Executive Officer

Tranche No.	Grant Date	No. of performance rights granted	No. of options granted	End of 1st performance period	Fair value of each performance right	Fair value of each option	Status
1	28 May 2010	36,890	416,665	31 Dec 2010	$2.400	$0.808	Vested without re-testing
2	28 May 2010	82,440	815,215	31 Dec 2011	$2.286	$0.812	Vested without re-testing
3	28 May 2010	89,000	810,810	31 Dec 2012	$2.176	$0.810	Vested without re-testing
4	28 May 2010	94,890	815,215	31 Dec 2013	$2.072	$0.802	Vested without re-testing
5	28 May 2010	105,140	797,870	31 Dec 2014	$1.972	$0.806	Vested without re-testing
6	4 July 2014	83,661	467,032	31 Dec 2015	$5.080	$0.910	Unvested
7	4 July 2014	87,268	452,127	31 Dec 2016	$4.870	$0.940	Unvested
8	4 July 2014	91,006	447,368	31 Dec 2017	$4.670	$0.950	Unvested
9	4 July 2014	94,866	420,792	31 Dec 2018	$4.480	$1.010	Unvested
10	4 July 2014	99,067	416,666	31 Dec 2019	$4.290	$1.020	Unvested

General Manager Queensland and Northern Territory

Tranche No.	Grant Date	No. of performance rights granted	No. of options granted	End of 1st performance period	Fair value of each performance right	Fair value of each option	Status
1	28 August 2009	22,590	104,165	31 Dec 2010	$1.660	$0.360	Vested without re-testing
2	28 August 2009	48,015	203,805	31 Dec 2011	$1.562	$0.368	Vested without re-testing
3	28 August 2009	50,950	202,705	31 Dec 2012	$1.472	$0.370	Vested without re-testing
4	28 August 2009	54,115	203,805	31 Dec 2013	$1.386	$0.368	Vested without re-testing
5	28 August 2009	57,515	199,470	31 Dec 2014	$1.304	$0.376	Vested without re-testing
6	4 July 2014	19,685	109,890	31 Dec 2015	$5.080	$0.910	Unvested
7	4 July 2014	20,533	106,382	31 Dec 2016	$4.870	$0.940	Unvested
8	4 July 2014	21,413	105,263	31 Dec 2017	$4.670	$0.950	Unvested
9	4 July 2014	22,321	99,009	31 Dec 2018	$4.480	$1.010	Unvested
10	4 July 2014	23,310	98,039	31 Dec 2019	$4.290	$1.020	Unvested

Chief Financial Officer

Tranche No.	Grant Date	No. of performance rights granted	No. of options granted	End of 1st performance period	Fair value of each performance right	Fair value of each option	Status
1	28 August 2009	30,120	138,890	31 Dec 2010	$1.660	$0.360	Vested without re-testing
2	28 August 2009	32,010	135,870	31 Dec 2011	$1.562	$0.368	Vested without re-testing
3	28 August 2009	33,965	135,135	31 Dec 2012	$1.472	$0.370	Vested without re-testing
4	28 August 2009	36,075	135,870	31 Dec 2013	$1.386	$0.368	Vested without re-testing
5	28 August 2009	38,345	132,980	31 Dec 2014	$1.304	$0.376	Vested without re-testing
6	4 July 2014	14,763	82,417	31 Dec 2015	$5.080	$0.910	Unvested
7	4 July 2014	15,400	79,787	31 Dec 2016	$4.870	$0.940	Unvested
8	4 July 2014	16,059	78,947	31 Dec 2017	$4.670	$0.950	Unvested
9	4 July 2014	16,741	74,257	31 Dec 2018	$4.480	$1.010	Unvested
10	4 July 2014	17,482	73,529	31 Dec 2019	$4.290	$1.020	Unvested

General Counsel & Company Secretary

Tranche No.	Grant Date	No. of performance rights granted	No. of options granted	End of 1st performance period	Fair value of each performance right	Fair value of each option	Status
1	27 March 2013	-	26,880	31 Dec 2013	-	$0.93	Unvested[1]
2	27 March 2013	-	26,880	31 Dec 2014	-	$0.93	Unvested[1]
3	27 March 2013	-	26,040	31 Dec 2015	-	$0.96	Unvested
4	27 March 2013	-	25,510	31 Dec 2016	-	$0.98	Unvested
5	27 March 2013	-	25,250	31 Dec 2017	-	$0.99	Unvested
6	4 July 2014	2,460	13,736	31 Dec 2015	$5.08	$0.91	Unvested
7	4 July 2014	2,566	13,297	31 Dec 2016	$4.87	$0.94	Unvested
8	4 July 2014	2,676	13,157	31 Dec 2017	$4.67	$0.95	Unvested
9	4 July 2014	2,790	12,376	31 Dec 2018	$4.48	$1.01	Unvested
10	4 July 2014	2,913	12,254	31 Dec 2019	$4.29	$1.02	Unvested

(1) EPS performance hurdle was satisfied, but vesting remains subject to continued employment until 31 March 2015.

Further details of the performance rights and options granted under the EIP are specified in notes 34 and 35 to the consolidated financial report.

4. Hedging

The board has adopted a policy which prohibits any Director or employee who participates in an equity plan from using derivatives, hedging or similar arrangements to reduce or eliminate the risk associated with the plan in relation to unvested securities or securities that are subject to trading restrictions, without the Chairman's approval. Any breach will result in forfeiture or lapsing of the unvested securities or additional performance hurdles or trading restrictions being imposed, at the board's discretion.

5. Executive Employment Agreements

Executives who are key management personnel are employed under common employment agreements. The agreements do not have a finite term, can be terminated by either employer or employee giving notice within a range of four to twelve weeks and do not contain any termination payment arrangements. The board has discretion to extend the termination notice period that may be given to an executive and to make payments upon termination, as appropriate.

The Chief Executive Officer's employment agreement differs from that of other executives as follows:

a) The Company may terminate the Chief Executive Officer's employment if he is unable to satisfactorily perform his duties due to illness, injury or accident for a period of six months or for cause. Termination for any other reason may entitle the Chief Executive Officer to a termination benefit equivalent to two times annual remuneration at the time of termination, subject to any limit imposed by law.

b) The Chief Executive Officer may terminate his employment agreement on six months' notice unless otherwise agreed with the Company.

6. Details of Remuneration

Key management personnel include Directors and executives who have authority and responsibility for planning, directing and controlling the activities of the group. Remuneration details of key management personnel are set out in the following tables.

2014	Salary & fees	Short-term benefits Bonus & commissions	Non-monetary & other benefits[2]	Post-employment benefits Superannuation benefits	Share-based payments Performance Rights & Options[1]	Total	Performance-related percentage
	$	$	$	$	$	$	%
Directors							
T B Crommelin *Chairman*	95,000	-	742	8,906	-	104,648	-
M A Ward *Managing Director*	925,000[4]	110,000	105,853	25,000	421,657[3]	1,587,510	33
N G Politis *Non-executive Director*	75,000	-	742	7,031	-	82,773	-
P W Henley *Non-executive Director*	75,000	-	742	7,031	-	82,773	-
D T Ryan *Non-executive Director*	75,000	-	742	7,031	-	82,773	-
D A Cowper *Non-executive Director*	75,000	-	742	7,031	-	82,773	-
	1,320,000	110,000	109,564	62,030	421,657	2,023,251	
Executives							
K T Thornton *General Manager Qld & NT*	200,000	616,930	68,693	18,783	83,681	988,087	71
S G Best *Chief Financial Officer*	325,303	99,000	76,395	30,503	60,417	591,618	27
D G Stark *General Counsel & Company Secretary*	263,338	79,500	36,888	24,690	31,944	436,360	26
	788,641	795,430	181,976	73,976	176,042	2,016,065	

(1) Performance rights and options granted under the EIP are valued using a binomial tree methodology. A pre-determined value of the portion of the rights and options attributable to the year under review has been expensed in the income statement in conformity with AASB 2 and reflected in each recipient's remuneration. In each year, performance rights and options vested under the EIP for the previous year. Vesting is subject to the achievement of performance hurdles as previously detailed in this Remuneration Report.

(2) Includes benefits such as the provision of motor vehicles, insurance policy costs and the movement in the provision for the individual's employee entitlements.

(3) The share-based payment is based on progressive recognition of each award grant over its expected vesting period, which results in an increased cost in the earlier years of the EIP and a reduced cost in later years on the assumption that all performance hurdles will be achieved over the five year period. For further details, refer to commentary on page 11 under the heading "CEO's Participation in EIP".

(4) As announced in December 2014, Mr Ward's annual base salary increased to $1,200,000 on 1 January 2015. It had not been reviewed since late 2010. Since then the Company has grown significantly, with market capitalisation increasing from less than $400 million to over $1 billion, and earnings per share and dividends per share having doubled. The increased salary reflects a 14% increase above Mr Ward's average total remuneration during the four years from 2010 to 2013. No further increase to his base salary is intended for the next five years.

2013	Salary & fees	Bonus & commissions	Non-monetary & other benefits[2]	Superannuation benefits	Performance Rights & Options[1]	Total	Performance-related percentage
	Short-term benefits			Post-employment benefits	Share-based payments		
	$	$	$	$	$	$	%
Directors							
T B Crommelin [4] *Chairman*	86,666	-	790	7,922	-	95,378	-
M A Ward *Managing Director*	925,000	100,000	133,221	25,000	422,871 [3]	1,606,092	33
N G Politis *Non-executive Director*	66,250	-	790	6,053	-	73,093	-
P W Henley *Non-executive Director*	75,000	-	790	6,844	-	82,634	-
D T Ryan *Non-executive Director*	75,000	-	790	6,844	-	82,634	-
D A Cowper *Non-executive Director*	75,000	-	790	6,844	-	82,634	-
B W Macdonald [4] *Chairman*	33,858	-	329	-	-	34,187	-
	1,336,774	100,000	137,500	59,507	422,871	2,056,652	
Executives							
K T Thornton *General Manager Qld & NT*	200,000	548,535	77,696	17,775	62,740	906,746	67
S G Best *Chief Financial Officer*	306,671	93,000	32,271	27,988	41,827	501,757	27
D G Stark *General Counsel & Company Secretary*	253,337	76,500	22,851	23,127	25,000	400,815	25
	760,008	718,035	132,818	68,890	129,567	1,809,318	

(1) Performance rights and options granted under the EIP are valued using a binomial tree methodology. A pre-determined value of the portion of the rights and options attributable to the year under review has been expensed in the income statement in conformity with AASB 2 and reflected in each recipient's remuneration. In each year, performance rights and options vested under the EIP for the previous year. Vesting is subject to the achievement of performance hurdles as previously detailed in this Remuneration Report.

(2) Includes benefits such as the provision of motor vehicles, insurance policy costs and the movement in the provision for the individual's employee entitlements.

(3) The share-based payment is based on progressive recognition of each award grant over its expected vesting period, which results in an increased cost in the earlier years of the EIP and a reduced cost in later years on the assumption that all performance hurdles will be achieved over the five year period. For further details, refer to commentary on page 11 under the heading "CEO's Participation in EIP".

(4) Mr Crommelin was appointed Chairman on the retirement of Mr Macdonald on 8 May 2013.

7. Relevant Interest in shares held by key management personnel

2014	At 01-Jan-14	Dividend Reinvestment Plan	Executive Incentive Plan	Purchases	Sales	At 31-Dec-14
Directors						
M A Ward	**2,759,280**	-	**94,890**	-	-	**2,854,170**
N G Politis	**65,157,552**	-	-	**928,044**	-	**66,085,596**
P W Henley	**104,215**	-	-	**3,000**	-	**107,215**
D T Ryan	-	-	-	-	-	-
T B Crommelin	**332,242**	-	-	**6,987**	-	**339,229**
D A Cowper	**8,248**	-	-	-	-	**8,248**
Executives						
K T Thornton	**336,505**	-	**54,115**	-	-	**390,620**
S G Best	**138,710**	-	**36,075**	-	-	**174,785**
D G Stark	**71,244**	-	-	-	-	**71,244**
	68,907,996	-	**185,080**	**938,031**	-	**70,031,107**

2013	At 01-Jan-13	Dividend Reinvestment Plan	Executive Incentive Plan	Purchases	Sales	At 31-Dec-13
Directors						
B W Macdonald[1]	421,875	-	-	-	-	421,875
M A Ward	2,788,280	-	89,000	-	(118,000)	2,759,280
N G Politis	62,817,353	1,948,310	-	391,889	-	65,157,552
P W Henley	101,085	3,130	-	-	-	104,215
D T Ryan	-	-	-	-	-	-
T B Crommelin	322,269	9,973	-	-	-	332,242
D A Cowper	8,000	248	-	-	-	8,248
Executives						
K T Thornton	285,555	-	50,950	-	-	336,505
S G Best	104,745	-	33,965	-	-	138,710
D G Stark	53,450	2,139	15,655	-	-	71,244
	66,902,612	1,963,800	189,570	391,889	(118,000)	69,329,871

(1) Mr Macdonald retired as a Director on 8 May 2013.

DIRECTORS' INTERESTS

The relevant interest of each Director in the shares, rights and options issued by the Company as at the date of this report are as follows:

	Ordinary Shares (fully paid)	Share Options	Performance Rights
T B Crommelin	339,229	-	-
N G Politis	66,116,874	-	-
M A Ward	2,854,170	5,859,760(1)	561,008 (1)
P W Henley	109,625	-	-
D T Ryan	-	-	-
D A Cowper	8,248	-	-

(1) Share options and performance rights vest only if performance hurdles are met in accordance with the Executive Incentive Plan, as described in the Remuneration Report.

SHARES UNDER OPTION

3,630,075 options and 750,824 performance rights were granted by the Company over unissued shares during the year under review. A further 957,862 options and 130,492 performance rights have been granted since the end of the year. No shares were issued as a result of the exercise of options and 221,155 fully paid shares were issued on the vesting of performance rights during or since the year under review.

INDEMNIFICATION AND INSURANCE

The Company's constitution provides that, to the extent permitted by law, the Company must indemnify each person who is or has been a Director or Secretary against liability incurred in or arising out of the discharge of duties as an officer of the Company or out of the conduct of the business of the Company and specified legal costs. The indemnity is enforceable without the person having to incur any expense or make any payment, is a continuing obligation and is enforceable even though the person may have ceased to be an officer of the Company.

At the start of the financial year under review and at the start of the following financial year, the Company paid insurance premiums in respect of Directors and Officers liability insurance contracts. The contracts insure 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 premiums paid in respect of the insurance contracts as such disclosure is prohibited under the terms of the contracts.

AUDITOR

Deloitte Touche Tohmatsu continues in office as auditor of the group in accordance with section 327 of the Corporations Act 2001.

NON-AUDIT SERVICES

A copy of the auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is attached and forms part of this report.

The Company may decide to employ its auditor on assignments additional to their statutory audit duties where the auditor's expertise or experience with the group is important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided to the group during the year are set out in note 32 to the consolidated financial report.

In accordance with advice received from the Audit, Risk & Remuneration Committee, the Directors are satisfied that the provision of the non-audit services was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 and did not compromise the auditor independence requirements of the Act because all non-audit services were reviewed by the Committee to ensure they did not impact the partiality and objectivity of the auditor.

ROUNDING OF AMOUNTS TO NEAREST THOUSAND DOLLARS

The Company is of a kind referred to in Class Order 98/100 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.

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

Martin Ward
Director

Brisbane, 25 March 2015

AUDITOR'S DECLARATION OF INDEPENDENCE

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
A.P. Eagers Limited
80 McLachlan Street
FORTITUDE VALLEY QLD 4006

25th March 2015

Dear Board Members

A.P. Eagers Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of A.P. Eagers Limited.

As lead audit partner for the audit of the financial statements of A.P. Eagers Limited for the financial year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely,

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Alfie Nehama
Partner
Chartered Accountants

This statement outlines our corporate governance practices against the recommendations of the ASX Corporate Governance Council. We have followed the Council's recommendations throughout 2014 except as referred to below.

The following is current as at 31 December 2014 and has been approved by the board.

Principle 1
Lay solid foundations for management and oversight

We have a dynamic board which, over many years, has developed and implemented policies and practices designed to promote a culture of good corporate governance.

The board's key responsibilities are listed in our board charter, which is available on our website. The charter includes a delegation of powers to the Chief Executive Officer for day-to-day business. In recognition of the benefits of having a board that is able to act quickly, effectively and efficiently, specific delegated functions are not itemised in the charter (ASX recommendation 1.1).

The process for evaluating performance of our senior executives is disclosed in the remuneration report. Evaluations have taken place during the reporting period in accordance with that process.

Principle 2
Structure the board to add value

Independence

Our board consists of six Directors, including five non-executive Directors. The Managing Director, Mr Ward, is the only executive Director.

Three of the six Directors, rather than a majority, are considered to be independent in terms of our board charter (ASX recommendation 2.1). Messrs Crommelin (Chairman), Henley and Cowper are regarded as independent of management and free of any business or other relationship that would materially interfere with their unfettered and independent judgement and ability to act in the best interests of the Company. Materiality thresholds are assessed on a case-by-case basis from the perspective of both the Company and each Director.

In considering the question of independence, the board takes into account the ASX Corporate Governance Council's guidelines and is not aware of any relationship that would affect the independence of the Directors whom it regards as independent.

As an executive of the Company's adviser, Morgans, Mr Crommelin brings extensive knowledge and expertise to our board in areas such as corporate finance, risk management and acquisitions. The board considers that his role with Morgans does not interfere with his independence as a Director of the Company in any material respect.

Mr Henley, with over 30 years' local and international experience in the financial services industry and a former Chairman and Chief Executive Officer of GE Money Motor Solutions, also provides substantial contribution as a Director of the Company.

Mr Cowper brings a wealth of industry knowledge to the board, having specialised in providing audit, financial and taxation services to companies in the motor industry, chaired the motor industry specialisation unit of Horwath Chartered Accountants for six years and been the Company's lead audit partner for seven years at Horwath and Deloitte Touche Tohmatsu until 2008.

In addition to the independent Directors, the board derives significant benefit from the expertise and experience of Messrs Politis and Ryan. Mr Politis has vast industry experience and is a Director and controlling shareholder of the Company's largest shareholder, WFM Motors Pty Ltd. Mr Ryan has significant management experience in the automotive and other industries and is a Director and Chief Executive Officer of WFM Motors Pty Ltd.

This combination of Directors provides balance on the board.

To assist in the proper discharge of their duties, Directors are entitled to obtain independent professional advice at the Company's expense with the Chairman's prior approval, not to be unreasonably withheld.

Nomination Committee

The board as a whole acts as a nomination committee and believes it is not necessary to establish a separate nomination committee or a formal policy for the nomination and appointment of Directors (ASX recommendations 2.4 and 2.6).

If a vacancy occurs the board identifies candidates with appropriate knowledge, experience, expertise and competencies having regard to various factors including our strategic and operational requirements and the attributes and diversity of incumbent Directors. Candidates require a disposition that would enable them to offer and resolve differing views and ask discerning questions. They are made aware of the time commitments needed of our Directors. Appointments are made on a non-discriminatory basis.

Newly appointed Directors are provided with an induction program to allow them to participate fully, actively and effectively in board decision-making at the earliest opportunity.

Non-executive Directors are required to retire periodically and may re-submit themselves for re-election by shareholders in accordance with the Corporations Act, the ASX listing rules and the Company's constitution.

Board Evaluation

Under the board charter, the Chairman is responsible for ensuring that board meetings are conducted competently and ethically and that Directors individually and as a group have opportunities to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the board and Company. In this context, the Chairman undertakes a continuous review of the performance and contribution of individual Directors, whilst the board as a whole conducts an ongoing evaluation of its performance and that of its committee.

Details of each Director's term in office, qualifications, professional skills, experience, expertise and responsibilities are set out on page 3.

Principle 3
Promote ethical and responsible decision-making

We have established a range of procedures, practices and policies rather than a specific code of conduct (ASX recommendation 3.1), which promote and encourage:

- ethical and responsible decision-making

- compliance with legal obligations
- the reporting of suspected violations of laws and unethical business practices
- the fair, impartial and prompt consideration at an appropriate level of any grievances raised by employees and other stakeholders

These help to foster a culture of compliance and maintain confidence in the Company's integrity. They are incorporated into an "Employee Information and Policy Manual" which is provided to all new employees and Directors.

Diversity

We recognise the value and inherent benefits in having a diverse workforce and our diversity policy is available on our website. The board has set the following objectives for achieving gender diversity:

- *Establishment of a Female Employee Network to support the professional development of women and discuss how more women might be attracted into our workforce.*

  Our Female Employee Network is well established within the group. Meeting agendas are based on criteria established by the Workplace Gender Equality Agency. Recommendations from the network are for discussion with senior management and issues are actioned as appropriate.

  We are also working with a specialist training and development organisation for female leaders to:

  - increase and prepare the pipeline of female talent ready to move into more senior roles.
  - support women in becoming champions of change for gender diversity.
  - help us enhance our culture of gender diversity.

- *Review of payroll system to determine whether there is equity in pay for men and women doing similar roles in similar circumstances.*

  This annual review has concluded that equity in pay does exist in our group. The issue of equity in pay has also been considered by our Female Employee Network, with no issues of pay inequality identified. The salary data provided to the Workplace Gender Equality Agency in 2014 also demonstrates that we had equity in pay for people doing similar roles in similar circumstances.

- *Provision of diversity training for managers.*

  Our Managing Workplace Behaviour training programme for managers continues across the group. In addition to raising the awareness of our commitment to our diversity policy and objectives, the training assists managers to identify how they can positively influence workplace diversity within their businesses.

- *Demonstrate our commitment to the diversity policy by widely communicating its content and these objectives.*

  Our diversity policy and objectives are included within the content of the diversity training for managers and are discussed within team meetings. They have also been placed on our intranet site for all staff to view and on our internet site.

The automotive industry has traditionally been more attractive to male than female employees. This is exacerbated in vehicle servicing and parts supply operations which employed 59% of our total 3,466 employees at the end of 2014. In our servicing and parts operations, 9% of employees were women. Whilst in our other operations, 32% of employees were women. 19% of our total employees and 8% of our 65 General Managers were women, with no female members of the board.

Principle 4
Safeguard integrity in financial reporting

Our Audit, Risk & Remuneration Committee is comprised of three independent non-executive Directors - Messrs Cowper (Committee Chairman), Henley and Crommelin. Committee members' qualifications, experience and attendance at committee meetings are detailed on pages 3 and 4.

The Committee Chairman may invite any member of management, the external or internal auditor or any other person to attend committee meetings. The committee may also meet with any person without management in attendance.

As set out in the committee charter (which is available on our website), the committee reviews and makes recommendations to the board in relation to:

- Accounting Practices and Tax – annual and half yearly financial reports, significant accounting policy changes, the adequacy and effectiveness of reporting and accounting controls and practices and material taxation matters
- External Audit – the external auditor's appointment (including procedures for the selection and appointment of the auditor and for the rotation of the audit engagement partner), fees, audit plan, performance, independence, provision of non-audit services and management letters
- Internal Audit – the internal audit charter, plan, reports and independence, the provision of non-audit services and any restrictions on the auditor
- Risk Management – the adequacy and effectiveness of risk management and internal control systems and the standard of corporate conduct in arms-length dealings and likely conflicts of interest
- Remuneration matters

Principle 5
Make timely and balanced disclosure

We understand and respect that prompt disclosure of price-sensitive information is central to the efficient operation of the ASX's securities market. Policies have been adopted requiring compliance with applicable regulatory requirements including ASX listing rules and noting both a legal and moral responsibility to conform with these obligations.

ASX continuous disclosure obligations and any share transactions by Directors are considered at each scheduled board meeting as standing agenda items. Directors have also entered into agreements with the Company, which require them to provide all information necessary to enable the Company to comply with disclosure obligations. Our securities trading policy (which is available on the Company's website) confirms the agreement by Directors to inform the Company of changes in their relevant interests as soon as reasonably possible and within three business days.

The Company Secretary oversees disclosure of information to the ASX.

Principle 6
Respect the rights of shareholders

Effective communication with shareholders is important. We keep shareholders properly informed through the following means notwithstanding the absence of a specific communications policy (ASX recommendation 6.1):

- reports to the ASX and media releases
- half year and full year profit announcements and market updates, as appropriate
- annual reports
- Chairman and Chief Executive Officer addresses to our annual general meeting
- reports and announcements on our website

Shareholders are encouraged to attend and participate in our annual general meeting by submitting questions and comments through the Chairman either before or during the meeting.

The external auditor also attends our annual general meeting to answer questions about the audit and independent audit report.

Principle 7
Recognise and manage risk

Risk Management Framework

We place a high priority on the identification of material risks and opportunities. By understanding and managing risk, greater certainty and confidence can be provided to shareholders, employees, customers, franchise partners and other stakeholders.

Our risk management policy is available on our website. In accordance with the policy, we have established the following framework for the oversight and management of risk.

The board is responsible for:

- overseeing our risk management function
- ensuring a sound system of risk oversight, management and internal control is in place
- ensuring material business risks are effectively managed
- monitoring and reporting on any material changes to our risk profile

The Audit, Risk & Remuneration Committee assists the board by monitoring, assessing and reporting on the effectiveness of our risk management system and reviewing the internal audit function. The internal audit function operates independently of, but in consultation with, the external auditor.

In addition, the Chief Financial Officer is responsible for the establishment, implementation and maintenance of our risk management system.

These controls are intended to assist in managing risk at acceptable levels taking into account our objectives, business model, industry, market environment, ownership structure and appetite for risk.

Group Risk Register

Within the framework outlined above, management has designed and implemented a system of risk management and internal control. The system includes a group risk register methodology. Material business risks have been identified and prioritised so they may be managed appropriately.

The Audit, Risk & Remuneration Committee monitors, reviews and reports to the board on our risk management performance. Through the committee, the executive has reported to the board on the effectiveness of our management of material business risks and it is satisfied that the risk management process enables material risks to be appropriately identified, prioritised, monitored and managed. Strategic risks and opportunities are reported to the board on an ongoing basis.

CEO & CFO declaration

The Chief Executive Officer and Chief Financial Officer have declared that in their opinion:

- our financial records have been properly maintained in accordance with section 286 of the Corporations Act
- the financial statements comply with accounting standards
- the financial statements give a true and fair view of our financial position and performance

The Chief Executive Officer and Chief Financial Officer have also confirmed that their declaration was founded on a sound system of risk management and internal control and that the system was operating effectively in all material respects in relation to financial reporting risks.

Principle 8
Remunerate fairly and responsibly

The Audit, Risk & Remuneration Committee reviews and makes recommendations on remuneration matters including arrangements for non-executive Directors and the Chief Executive Officer.

The remuneration report details remuneration arrangements of Directors and senior executives. It clearly distinguishes the structure of non-executive Directors' remuneration from that of the Chief Executive Officer and other senior executives.

Consistent with the ASX Corporate Governance Council's guidelines, there is no retirement benefits plan for non-executive Directors.

Our securities trading policy prohibits participants in any employee equity plan from using derivatives, hedging or similar arrangements to reduce or eliminate risk in relation to securities that are unvested or subject to trading restrictions, without the Chairman's approval.

FINANCIAL STATEMENTS

A.P. EAGERS LIMITED ABN 87 009 680 013

For the year ended 31 December 2014

100 DRIVEN TOGETHER YEARS | EAGERS Established 1913

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	CONSOLIDATED 2014 $'000	2013 $'000
Revenue	3	**2,858,113**	2,672,813
Other gains and losses excluding impairment	4	**3,892**	2,000
Share of net profits of associate	40(d)	**4,939**	1,959
Changes in inventories of finished goods and work in progress		**59,463**	(749)
Raw materials and consumables purchased		**(2,385,160)**	(2,193,541)
Employee benefits expense		**(244,776)**	(224,649)
Finance costs	5(a)	**(22,080)**	(23,188)
Depreciation and amortisation expense	5(a)	**(12,583)**	(12,354)
Impairment of non-current assets	5(b)	**(578)**	-
Other expenses		**(158,390)**	(135,581)
Profit before tax		**102,840**	86,710
Income tax expense	6	**(26,150)**	(22,748)
Profit for the year		**76,690**	63,962
Attributable to:			
Owners of the parent	27(b)	**76,230**	63,609
Non-controlling interests	29(c)	**460**	353
		76,690	63,962

		Cents	Cents
Earnings per share:			
Basic earnings per share	37	**43.0**	36.4
Diluted earnings per share	37	**41.6**	35.3

The above Statement of Profit or Loss is to be read in conjunction with the accompanying notes.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2014

		CONSOLIDATED	
	Note	**2014 $'000**	2013 $'000
Profit for the year		**76,690**	63,962
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of property	27(a)	**(1,692)**	3,203
Income tax relating to items that will not be reclassified subsequently	27(a)	**508**	(961)
		(1,184)	2,242
Items that may be reclassified subsequently to profit or loss:			
Gain on revaluation of available for sale Investment	27(a)	**1,296**	22,795
Income tax expense	27(a)	**(389)**	(6,839)
		907	15,956
Fair value gain/(loss) arising from cash flow hedges during the year	27(a)	**77**	1,003
Income tax (expense)/benefit	27(a)	**(24)**	(300)
		53	703
Total other comprehensive income for the year		**(224)**	18,901
Total comprehensive income for the year		**76,466**	82,863
Total comprehensive income attributable to:			
Owners of the parent		**76,006**	82,510
Non-controlling interests		**460**	353
		76,466	82,863

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	CONSOLIDATED 2014 $'000	2013 $'000
Current Assets			
Cash and cash equivalents	8	**23,777**	12,106
Trade and other receivables	9(a)	**105,792**	94,919
Leasebook receivables	9(b)	**-**	11
Inventories	10	**469,205**	409,742
Other	11	**1,884**	7,301
		600,658	524,079
Property assets held for sale	11(a)	**27,781**	21,612
Property sale receivable	11(b)	**6,717**	-
Total Current Assets		**635,156**	545,691
Non-Current Assets			
Property sale receivables	12(a)	**18,826**	-
Other loans receivable	12(b)	**9,787**	1,437
Available-for-sale investments	13	**234,391**	195,195
Investment in associate	14	**1,620**	4,327
Property, plant and equipment	15	**292,485**	344,956
Intangible assets	16	**165,733**	125,259
Total Non-Current Assets		**722,842**	671,174
Total Assets		**1,357,998**	1,216,865
Current Liabilities			
Trade and other payables	17	**128,038**	103,590
Derivative financial instruments	18	**188**	665
Borrowings - bailment and finance lease payable	19(a)	**363,153**	303,811
Current tax liabilities	20	**12,979**	6,203
Provisions	21	**20,709**	17,389
Total Current Liabilities		**525,067**	431,658
Non-Current Liabilities			
Borrowings - others	22(a)	**216,646**	211,078
Derivative financial instruments	18	**934**	534
Deferred tax liabilities	23	**17,350**	27,483
Provisions	24	**6,945**	6,987
Total Non-Current Liabilities		**241,875**	246,082
Total Liabilities		**766,942**	677,740
Net Assets		**591,056**	539,125
Equity			
Contributed equity	26(a)	**242,070**	231,205
Reserves	27(a)	**99,020**	108,612
Retained earnings		**242,480**	198,369
Equity attributable to equity holders of the parent		**583,570**	538,186
Non-controlling Interest		**7,486**	939
Total Equity		**591,056**	539,125

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED	Issued capital $'000	Asset revaluation reserve $'000	Hedging reserve $'000	Share-based payments reserve $'000	Investment revaluation reserve $'000	Retained earnings $'000	Attributable to owners of the parent $'000	Non Controlling Interest $'000	Total $'000
2014									
Balance at 1 January 2014	**231,205**	**73,278**	**(839)**	**4,883**	**31,290**	**198,369**	**538,186**	**939**	**539,125**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**76,230**	**76,230**	**460**	**76,690**
Other comprehensive income/(loss)	**-**	**(1,184)**	**53**	**-**	**907**	**-**	**(224)**	**-**	**(224)**
Total comprehensive income for the year	**-**	**(1,184)**	**53**	**-**	**907**	**76,230**	**76,006**	**460**	**76,466**
Share based payments	**-**	**-**	**-**	**2,135**	**-**	**-**	**2,135**	**-**	**2,135**
Transfer to retained earnings	**-**	**(10,426)**	**-**	**-**	**-**	**10,426**	**-**	**-**	**-**
Issue of shares – others	**9,788**	**-**	**-**	**-**	**-**	**-**	**9,788**	**-**	**9,788**
Issue of shares to staff	**1,077**	**-**	**-**	**(1,077)**	**-**	**-**	**-**	**-**	**-**
Issue of shares to non-controlling entity	**-**	**-**	**-**	**-**	**-**	**(75)**	**(75)**	**6,929**	**6,854**
Payment of dividend	**-**	**-**	**-**	**-**	**-**	**(42,470)**	**(42,470)**	**(842)**	**(43,312)**
Balance 31 December 2014	**242,070**	**61,668**	**(786)**	**5,941**	**32,197**	**242,480**	**583,570**	**7,486**	**591,056**
2013									
Balance at 1 January 2013	206,277	71,053	(1,542)	5,791	15,334	171,113	468,026	510	468,536
Profit for the year	-	-	-	-	-	63,609	63,609	353	63,962
Other comprehensive income/(loss)	-	2,242	703	-	15,956	-	18,901	-	18,901
Total comprehensive income for the year	-	2,242	703	-	15,956	63,609	82,510	353	82,863
Share based payments	-	-	-	1,453	-	-	1,453	-	1,453
Transfer to retained earnings	-	(17)	-	-	-	17	-	-	-
Issue of shares under DRP	22,161	-	-	-	-	-	22,161		22,161
Issue of shares – others	231	-	-	-	-	-	231	-	231
Issue of shares to staff	2,536	-	-	(2,361)	-	-	175	-	175
Issue of shares to non-controlling entity	-	-	-	-	-	-	-	272	272
Payment of dividend	-	-	-	-	-	(36,370)	(36,370)	(196)	(36,566)
Balance 31 December 2013	231,205	73,278	(839)	4,883	31,290	198,369	538,186	939	539,125

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

	Note	CONSOLIDATED 2014 $'000	2013 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**3,089,003**	2,919,290
Payments to suppliers and employees (inclusive of GST)		**(2,980,908)**	(2,808,229)
Receipt from insurance claims		**19,689**	162
Dividends received		**19,733**	11,064
Interest received		**866**	1,220
Interest and other costs of finance paid		**(21,829)**	(22,943)
Income taxes paid		**(28,409)**	(24,597)
Net cash provided by operating activities	38	**98,145**	75,967
Cash flows from investing activities			
Payments for shares in other corporations		**(37,901)**	(56,777)
Payment for acquisition of businesses	29(a)	**(36,818)**	(7,137)
Payment for acquisition of brand name		**-**	(207)
Payments for property, plant and equipment		**(8,731)**	(14,529)
Proceeds from sale of property, plant and equipment		**37,538**	15,411
Proceeds from sale of businesses		**900**	900
Net cash used in investing activities		**(45,012)**	(62,339)
Cash flows from financing activities			
Receipt from issue of shares		**1,077**	2,684
Proceeds from borrowings		**58,000**	32,078
Repayment of borrowings		**(57,584)**	(30,873)
Dividends paid to minority shareholders of a subsidiary		**(485)**	-
Dividends paid to members of A.P. Eagers Limited		**(42,470)**	(14,127)
Net cash used in financing activities		**(41,462)**	(10,238)
Net increase in cash and cash equivalents		**11,671**	3,390
Cash and cash equivalents at the beginning of the financial year		**12,106**	8,716
Cash and cash equivalents at the end of the financial year	8	**23,777**	12,106

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information and basis of preparation

The financial report covers the Group (consolidated entity) of A.P. Eagers Limited and its subsidiaries (consolidated financial statements). A.P. Eagers Limited is a publicly listed company incorporated and domiciled in Australia.

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

For the purpose of preparing the financial statements, the company is a for profit entity.

Compliance with IFRS

The financial report complies with Australian Accounting Standards, which include AIFRS. Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets, derivatives and certain classes of property, plant and equipment to fair value.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the Fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

Functional and presentation currency

The functional and presentation currency of the Group is the Australian Dollar.

The financial statements were authorised for issue by the directors on the 25th March 2015.

Accounting Policies

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of A.P. Eagers Limited (The Company) and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the revelant activities of the investee unilaterally.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company considers all revelant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the revelant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(i) Changes in the Groups ownership interests in existing subsidiaries.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(ii) Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment of assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be classified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

(c) Operating segments

Operating segments are identified based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

The Group has four operating segments being (i) Car Retail (ii) Truck Retail (iii) Property (iv) Investments. Currently the segment of "Other" is not required.

(d) Revenue

(i) Sales revenue

Revenue from the sales of motor vehicles and parts is recognised when the buyer has accepted the risks and rewards of ownership, generally by taking delivery of the goods.

(ii) Service revenue

Service work on customers' motor vehicles is carried out under instructions from the customer. Service revenue is recognised based upon the percentage completion of the work requested. The percentage completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for the service to be performed. Revenue arising from the sale of parts fitted to customers' vehicles during service is recognised upon delivery of the fitted parts to the customer upon completion of the service.

(iii) Rental income

Rental income from operating leases is recognised in income on a straight-line basis over the lease term.

(iv) Interest revenue

Interest revenue is recognised on a time proportional basis, taking into account the effective interest rates applicable to the financial assets.

(v) Dividend revenue

Dividend revenue is recognised when the right to receive a dividend has been established.

Dividends received from associates are accounted for in accordance with the equity method of accounting in the consolidated financial statements.

(vi) Goods and Services Tax (GST)

All revenue is stated net of the amount of Goods and Services Tax (GST).

(e) Finance 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 vehicle bailment arrangements
- interest on finance lease liabilities
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Taxes

(i) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(ii) Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(h) Business combinations

The purchase method of accounting is used for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange. Acquisition related costs are recognised in profit or loss as incurred. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (refer to Note 1(s)). If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss but only after are assessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present values as at the date of acquisition. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the initial accounting for a business acquisition is incomplete by the end of the reporting period in which the combination occurs, the consolidated entity reports provisional amounts for the items for which accounting is incomplete. The provisional amounts are adjusted during the measurement period (no longer than 12 months from the initial acquisition) on a retrospective basis by restating the comparative information presented in the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of long lived assets (excluding goodwill)

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units "CGU") and these cash flows are discounted using the estimated weighted average cost of capital of the asset/CGU. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease (refer Note 1(p)). Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment losses been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value,in which case, the reversal of the impairment loss is treated as a revaluation increase (refer Note1(p)).

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(k) Receivables

Leasebook receivables

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 a method that ensures that income earned over the term of the contract bears a constant relationship to the funds employed.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 60 days from the date of recognition.

In respect of trade and lease book receivables, collectability is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collectability exists. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

(l) Inventories

New motor vehicles are stated at the lower of cost and net realisable value. Demonstrator vehicles are stated at the lower of cost and net realisable value. Costs are assigned on the basis of specific identification.

Used motor vehicles are stated at the lower of cost and net realisable value on a unit by unit basis. Net realisable value has been determined by reference to the likely net realisable value given the age of the vehicles at year end. Costs are assigned on the basis of specific identification.

Spare parts and accessories are stated at the lower of cost and net realisable value. Costs are assigned to individual items on the basis of weighted average cost.

Work in progress is stated at cost. Cost includes labour incurred to date and consumables utilised during the service. Costs are assigned to individual customers on the basis of specific identification.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Investments and other financial assets

Investments are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in associates are accounted for under the equity method in the consolidated financial statements.

The group classifies its other financial assets in the following categories: (i) available-for-sale financial assets and (ii) loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(i) Available-for-sale financial assets

Available-for-sale financial assets are initially measured at cost at date of acquisition, which include transaction costs, and subsequent to initial recognition, they are carried at fair value. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss as gains and losses from the sale or impairment of investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and pricing models to reflect the issuer's specific circumstances.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position (Notes 9 and 12).

Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(n) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and available-for-sale securities) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is determined based on market expectations of future interest rates.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(o) Derivatives

Derivatives are recognised at their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of exposure to variability in cash flows, which includes hedges for highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items. Refer further details in Note 18.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Cash flow hedges

The change in the fair value from remeasuring derivatives that are designated and qualify as cash flow hedges is deferred in equity as a hedging reserve, to the extent that the hedge is effective. The ineffective portion is recognised in profit or loss immediately.

Amounts deferred in the hedging reserve are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or non-financial liability, the gains or losses previously deferred in the hedging reserve are transferred from equity and included in the initial cost and measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in the hedging reserve at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

(p) Property, plant and equipment

Land and buildings are shown at fair value, based on annual assessment by the directors supported by periodic valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to property, plant and equipment revaluation reserve in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts,net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Plant & equipment	3 - 10 years
Leasehold improvements	5 - 30 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer the amounts included in the asset revaluation reserve in respect of those assets to retained earnings.

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.

The make good provision is capitalised as leasehold improvements and amortised over the term of the lease.

(q) Trademarks / brand names

Trademarks / brand names are valued on acquisition where management believe there is evidence of any of the following factors; an established brand name with longevity, a reputation that may positively influence a consumers decision to purchase or service a vehicle, and strong customer awareness within a particular geographic location. Trademarks are valued using a discounted cash flow methodology. Trademarks are considered to have an indefinite life as the Group expects to hold and support such trademarks through marketing and promotional support for an indefinite period. They are recorded at cost less any impairment.

(r) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary, associate or business at the date of acquisition. Goodwill on acquisition of subsidiaries and businesses is included in intangible assets. Goodwill on acquisition of associates is included in investment in associates. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. An impairment loss for goodwill is recognised immediately in profit or loss and is not reversed in a subsequent period. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing (refer Note 16(b)).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Reclassification of intangible assets

As a result of the recent acquisitions, management have re-assessed the nature of identifiable intangible assets and consider the below a more appropriate classification, as shown in the table.

	2013 As originally stated $'000	2013 Restatement $'000	2013 Restated $'000
Goodwill	62,580	56,962	119,542
Franchise Rights	56,962	(56,962)	-
Trade marks/brand names	5,717	-	5,717
	125,259	-	125,259

Beyond that of which is displayed above, the reclassification has had no other impact on the financial statements.

	2013 As originally stated $'000	2013 Restatement $'000	2013 Restated $'000
Statement of Financial Position:			
Non-current Intangible Assets	125,259	-	125,259
Total Non-Current Assets	671,174	-	671,174
Total Assets	1,216,865	-	1,216,865
Net Assets	539,125	-	539,125
Statement of Profit or Loss:			
Profit for the Year	63,962	-	63,962
	Cents	**Cents**	**Cents**
Earnings per share:			
- Basic earnings per share	36.4	-	36.4
- Diluted earnings per share	35.3	-	35.3

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognised initially at the fair value of what is expected to be paid, and subsequently at amortised cost, using the effective interest rate method.

(u) Borrowings

Borrowings are initially recognised at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

(v) New motor vehicle stock and related bailment

Motor vehicles secured under bailment plans are provided to the Group under bailment agreements between the floor plan loan providers and entities within the Group. The Group obtains title to the vehicles immediately prior to sale. Motor vehicles financed under bailment plans held by the Group are recognised as trading stock with the corresponding liability shown as owing to the finance provider.

(w) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate taking into account the risks and uncertainties surrounding the obligation.

Provision for Warranties

Provision is made for the estimated claims in respect of extended warranties provided on the majority of the Group's retail new and used vehicle sales. These claims are generally expected to settle in the next financial year but some may be extended into the following year if claims are made late in the warranty period.

(x) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that setttlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

The Group recognises a liability and an expense for long-term incentive plans for selected exceutives based on targets set for diluted earning per growth.

Contributions are made by the Group to defined contribution employee superannuation funds and are charged as expenses when incurred.

(y) Dividends

Provision is made for the amount of any dividend declared on or before the end of the year but not distributed at balance date.

(z) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

(ii) Diluted earnings per share

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends)
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(aa) Non-Current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

(ab) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ac) New or revised standards and interpretations that are first effective in the current reporting period

The group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The adoption of all the new and revised Standards and Interpretations has resulted in changes to the Group's accounting policies and has effect on the amounts reported for the current and prior periods. The new and revised Standards and Interpretations has not had a material impact on profit or loss and other comprehensive income but has resulted in changes to the Group's presentation of, or disclosure in its financial statements.

Amendments to AASB 10, AASB 12 and AASB 127 Investment Entities

The Group has applied the amendments to AASB 10, AASB 12 and AASB 127 Investment Entities for the first time in the current year. The amendments to AASB 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

To qualify as an investment entity, a reporting entity is required to:

- obtain funds from one or more investors for the purpose of providing them with investment management services,
- commit to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both, and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to AASB 12 and AASB 127 to introduce new disclosure requirements for investment entities.

As the Company is not an investment entity (assessed based on the criteria set out in AASB 10 as at 1 January 2014), the application of the amendments has had no impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

Amendments to AASB 132 offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to AASB 132 Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to AASB 132A clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legal enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements. The Group has assessed whether certain of its financial assets and financial liablities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the Group's consolidated financial statements.

Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets

The Group has applied the amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 Fair Value Measurements.

The application of these amendments has had no material impact on the disclosures in the Group's consolidated financial statements.

Amendments to AASB 139 Novation of Derivatives and Continuation of Hedge Accounting

The Group has applied the amendments to AASB 139 Novation of Derivatives and Continuation of Hedge Accounting for the first time in the current year. The amendments to AASB 139 provide relief from the requirements to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.

The amendments have been applied retrospectively. As the Group does not have derivatives that are subject to novation, the application of these amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ad) Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the following Standards and Interpretations revelant to the Group were in issue but not yet effective.

The potential impact of the new or revised Standards and Interpretations has not yet been determined.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1-Jan-18	31-Dec-18
AASB 2014-1 'Amendments to Australian Accounting Standards' - Part A: 'Annual Improvements 2010–2012 and 2011–2013 Cycles' - Part B: 'Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)' - Part C: 'Materiality'	1-Jul-14	31-Dec-15
AASB 2014-4 'Amendments to Australian Accounting Standards' 'Clarification of Acceptable Methods of Depreciation and Amortisation'	1-Jan-16	31-Dec-16
AASB 15 'Revenue from Contracts with Customers and AASB 2014-5' 'Amendments to Australian Accounting Standards arising from AASB 15'	1-Jan-17	31-Dec-17
AASB 2014-10 'Amendments to Australian Accounting Standards' 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1-Jan-16	31-Dec-16
AASB 2015-1 'Amendments to Australian Accounting Standards' 'Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1-Jan-16	31-Dec-16
AASB 2015-2 'Amendments to Australian Accounting Standards' 'Disclosure Initiative: Amendments to AASB 101'	1-Jan-16	31-Dec-16
AASB 2015-3 'Amendments to Australian Accounting Standards' 'Arising from the Withdrawal of AASB 1031 Materiality'	1-Jul-15	31-Dec-16

At the date of authorisation of the financial statements, there were no IASB Standards or IFRIC Interpretations on issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates, assumptions and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

(i) Estimated impairment of goodwill and other intangibles with indefinite useful lives

Goodwill and other intangibles with indefinite useful lives with a carrying value of $165,733,000 (2013: $125,259,000) are tested annually for impairment, based on estimates made by directors. The recoverable amount of the intangibles is based on the greater of 'Value in use' or 'Fair value less costs to dispose'. Value in use is assessed by the directors through a discounted cash flow analysis which includes significant estimates and assumptions related to growth rates, margins, working capital requirements and cost of capital. Fair value less costs to dispose is assessed by the directors based on their knowledge of the industry and recent market transactions. Further information on the intangibles impairment test can be found in Note 16(b).

(ii) Fair value estimation of land and buildings

Land and buildings with a carrying value of $250,317,000 (2013: $312,660,000) are carried at fair value. This fair value is determined by the directors and is supported by formal independent valuations conducted periodically but at least every three years. Further information on the fair value estimation of land and buildings can be found in Note 15.

(iii) Provisions for warranties

A provision for warranties of $3,863,000 (2013: $3,350,000) has been recognised for extended warranties provided for the Group's retail new and used vehicle sales. This provision has been estimated based on past experience and confirmation of future costs by the administrators of the warranty programmes. Further information on the provision for warranties can be found in Note 21.

(iv) Estimation of make good provisions

An amount of $1,787,000 (2013: $1,767,000) has been estimated in respect of a leased property for any expenditure required to be incurred to restore the property back to its original state. The lease has approximately 14 years to run at balance date, with a bank guarantee being given for the $1,767,000 recognised. In terms of the lease, this amount will be indexed and will increase in the future, therefore it is the maximum estimate of what would be payable today. An additional $20,000 has been estimated for an additional leased property to restore the property back to its original state. Further information on the estimate of make good provisions can be found in Note 24.

3. REVENUE

	CONSOLIDATED	
	2014 $'000	2013 $'000
Sales revenue		
New vehicles	**1,737,717**	1,624,187
Used vehicles	**557,331**	531,505
Parts	**342,109**	335,713
Service	**170,273**	160,660
Other	**1,177**	68
	2,808,607	2,652,133
Other revenue		
Dividend received	**12,087**	9,970
Rents	**54**	107
Interest	**1,670**	1,214
Proceeds of insurance claims	**19,587**	162
Commissions	**11,151**	7,140
Other	**4,957**	2,087
	49,506	20,680
Total revenue	**2,858,113**	2,672,813

4. OTHER GAINS

Gains on disposal of other assets	**3,892**	2,000

5. EXPENSES

	CONSOLIDATED 2014 $'000	2013 $'000
(a) Profit before income tax includes the following specific expenses:		
Depreciation		
Buildings	**3,540**	3,915
Plant and equipment	**5,960**	6,285
Leased motor vehicles	**744**	-
Total depreciation	**10,244**	10,200
Amortisation		
Leasehold improvements	**2,201**	2,049
Brand names	**138**	105
Total depreciation and amortisation (Notes 15 & 16)	**12,583**	12,354
Finance costs		
Vehicle bailment & related hedge	**10,691**	11,597
Other	**11,389**	11,591
Total finance expense	**22,080**	23,188
Rental expense relating to operating leases		
Minimum lease payments	**21,310**	17,587
Contributions to superannuation funds	**21,362**	18,865
Provision expenses		
Inventory	**7,977**	(314)
Warranties	**6,167**	5,421
Bad debts	**459**	439
	14,603	5,546
Share-based payments	**2,135**	1,453
Business acquisition costs	**2,761**	594
(b) Impairment of non-current assets		
Revaluation loss of land & buildings (Note 15)	**578**	-

6. INCOME TAX

	CONSOLIDATED 2014 $'000	2013 $'000
(a) Income tax expense (benefit)		
Current income tax expense	**28,243**	23,667
Deferred income tax benefit (Note 23)	**(2,093)**	(919)
	26,150	22,748
Deferred income tax expense/(benefit) included in income tax expense comprises:		
Decrease in deferred tax liabilities	**(2,093)**	(919)
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit before income tax expense	**102,840**	86,710
Income tax calculated at 30% (2013 - 30%)	**30,852**	26,013
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Depreciation and amortisation	**212**	364
Non-taxable dividends	**(5,827)**	(3,319)
Non allowable expenses	**1,692**	953
Sundry items	**(779)**	(1,263)
Income tax expense	**26,150**	22,748
(c) Amounts recognised directly in equity		
Aggregate deferred tax arising in the reporting period and not recognised in net profit or loss but directly credited (debited) to equity (Note 23)	**(95)**	8,100

The tax rate used in the above reconciliations is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

7. DIVIDENDS

	CONSOLIDATED 2014 $'000	2013 $'000
Ordinary dividends fully franked based on tax paid @ 30%		
Final dividend for the year ended 31 December 2013 of 15.0 cents per share (2012 - 13.0 cents) paid on 16 April 2014	**26,516**	22,246
Interim dividend of 9.0 cents (2013 - 8.0 cents) per share paid on 3 October 2014	**15,954**	14,124
Total dividends paid	**42,470**	36,370
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the years ended 31 December 2014 and 31 December 2013 were as follows:		
Paid in cash	**42,470**	14,127
Satisfied by issue of shares under Dividend Reinvestment Plan	**-**	22,243
	42,470	36,370
Dividends not recognised at year end		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of 18 cents per share, fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 17 April 2015 out of the retained profits at 31 December 2014, but not recognised as a liability at year end, is:	**32,176**	26,515
Franked dividends		
The final dividend recommended after 31 December 2014 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 2015.		
Franking credits available for subsequent financial years based on a tax rate of 30% (2013 - 30%)	**148,995**	120,300

The above amounts represent the balances of the franking account as at the end of the financial year, adjusted for:
(a) franking credits that will arise from the payment of the current tax liability
(b) franking debits that will arise from the payment of the dividends recognised as a liability at the reporting date; and
(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Impact on franking credits of dividends not recognised	**(13,790)**	(11,364)

8. CURRENT ASSETS – Cash and cash equivalents

Cash at bank and on hand	**10,777**	3,106
Short Term Deposits	**13,000**	9,000
	23,777	12,106
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	**23,777**	12,106
Less: Bank overdrafts	**-**	-
Balance per statement of cash flows	**23,777**	12,106

9. CURRENT ASSETS – Receivables

	CONSOLIDATED 2014 $'000	2013 $'000
(a) Trade and other receivables [i]	**108,414**	97,313
Less: Provision for doubtful receivables [ii]	**2,622**	2,394
	105,792	94,919
(b) Leasebook receivables	**-**	27
Less: Provision for doubtful receivables [ii]	**-**	16
	-	11

(i) The ageing of lease, property and trade receivables at 31 December 2014 is detailed below:

	CONSOLIDATED 2014		2013	
	Gross $000	**Provision $000**	Gross $000	Provision $000
Not past due	**100,857**	**1,778**	89,950	1,552
Past due 0 -30 days	**4,339**	**102**	3,603	77
Past due 31 plus days	**3,218**	**742**	3,787	781
Total	**108,414**	**2,622**	97,340	2,410

The maximum credit period on trade sales is 60 days. No interest is charged on the trade receivables from the date of invoice or when past due. The Group has provided fully for all receivables identified by management as being specifically doubtful, and in addition has provided 10% for all receivables over 90 days and 2.5% of total trade receivables excluding motor vehicle debtors. The Group's provision policy is based on an assessment of changes in credit quality and historical experience.

Included in the Group's trade receivables balance are debtors with a carrying amount of $6,713,000 (2013: $6,532,000) which are past due at the reporting date. The Group have not provided for these balances as there has not been any specifically identified factors that would indicate a deterioration of credit quality. The Group therefore still considers the amounts recoverable. The Group does not hold any collateral over these balances. The average age of these receivables is 62 days (2013: 62 days).

(ii) Movement in provision for doubtful receivables

	CONSOLIDATED 2014 $'000	2013 $'000
Opening Balance	**2,410**	2,504
Additional provisions	**459**	439
Addition due to acquisitions	**29**	-
Amounts written off during the year	**(276)**	(533)
Closing Balance	**2,622**	2,410

In determining the recoverability of a trade receivable the Group considers any deterioration in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large, diverse and unrelated. Accordingly, the directors believe that there is no further provision required in excess of the provision for doubtful debts.

10. CURRENT ASSETS – Inventories

	CONSOLIDATED 2014 $'000	2013 $'000
New motor vehicles & trucks – bailment stock – at cost	**343,812**	290,343
Less: Write-down to net realisable value	**7,835**	4,152
	335,977	286,191
Used vehicles & trucks – at cost	**89,446**	77,915
Less: Write-down to net realisable value	**7,855**	3,783
	81,591	74,132
Parts and other consumables – at cost	**53,618**	51,178
Less: Write-down to net realisable value	**1,981**	1,759
	51,637	49,419
Total Inventories	**469,205**	409,742

11. CURRENT ASSETS – Other current assets

Prepayments and deposits	**1,884**	7,301

(a) Property assets held for sale

Land & buildings held for sale	**27,781**	21,612

This asset relates to properties surplus to the ongoing business requirements of the Group and are expected to be sold within 12 months of balance date.

(b) Property sale receivable

Property sale receivable	**6,717**	-

Sale of property where proceeds are expected to be received within 12 months of balance date.

12. NON-CURRENT ASSETS – Receivables

(a) Property sale receivables	**18,826**	-
(b) Loans receivables	**9,787**	1,437

13. NON-CURRENT ASSETS – Available-for-sale investments carried at fair value

	CONSOLIDATED 2014 $'000	2013 $'000
Shares in an unlisted company – One Way Traffic Pty Ltd (Carsguide) [1]	**2,345**	2,345
Shares in a listed company – Automotive Holdings Group Limited [2]	**232,046**	192,850
	234,391	195,195

(1) The Directors have assessed the fair value of the investment as at 31 December 2014 is materially consistent with its cost of acquisition. This is a level 3 fair value measurement asset being derived from inputs other than quoted prices that are unobservable from the asset either directly or indirectly.

(2) The Directors have assessed the fair value of the investment as at 31 December 2014 based on the market price of the shares on the last trading day of the reporting period. This is a level 1 fair value measurement asset being derived from inputs based on quoted prices that are observable.

Valuation of Available for sale investments

Details of the Group's available for sale investments and information about the fair value hierarchy as at 31 December 2014 are as follows:

Class of Financial Assets and Liabilities	Unobservable inputs used in determination of fair values Carrying Amount 31/12/14 $000's	Carrying Amount 31/12/13 $000's	Valuation Technique	Key Input
Level 1 Available for sale investments – listed entities	**232,046**	192,850	Quoted bid prices in an active market.	Quoted bid prices in an active market.
Level 3 Available for sale investments – unlisted entities	**2,345**	2,345	Net asset assessment and available bid prices from equity participants	Pre tax operating margin taking into account managements experience and knowledge of market conditions and financial position Market information based on available bid prices

There were no transfers between levels in the year.

14. NON-CURRENT ASSETS – Investment in associate

	CONSOLIDATED 2014 $'000	2013 $'000
Shares in an associate – Norna Limited (formerly M T Q Insurance Services Limited)	**1,620**	4,327

Investment in associates is accounted for in the consolidated financial statements using the equity method of accounting (refer Note 40).

Reconciliation of the carrying amount of investment in associate is set out in Note 40(b).

15. NON-CURRENT ASSETS – Property, plant and equipment

	CONSOLIDATED	
	2014 $'000	2013 $'000
Freehold land and buildings – at fair value		
Directors' valuation		
Land	**152,879**	193,500
Buildings	**97,251**	112,357
Construction in progress	**187**	6,803
Total land and buildings	**250,317**	312,660
Leasehold improvements		
At cost	**27,625**	26,405
Less: Accumulated amortisation	**13,179**	11,872
Total leasehold improvements	**14,446**	14,533
Plant and equipment		
At cost	**55,644**	50,106
Less: Accumulated depreciation	**33,842**	32,343
Total plant and equipment	**21,802**	17,763
Motor vehicles under lease		
At cost	**8,901**	-
Less: Accumulated depreciation	**2,981**	-
Total motor vehicles under lease	**5,920**	-
Total property, plant and equipment	**292,485**	344,956

Valuation of land and buildings

The basis of the directors' valuation of land and buildings is the assessed fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction at balance date, based on current prices in an active market for similar properties in the same location and condition. The assessed fair value is supported by periodic, but at least triennial valuations, by external third party valuers. The 2014 valuations were made by the directors based on their assessment of prevailing market conditions and supported by fair value information received from independent expert property valuers on certain properties and the Group's own market activities and market knowledge.

15. NON-CURRENT ASSETS – Property, plant and equipment (continued)

Details of the Group's freehold land and buildings and information about the fair value hierarchy as at 31 December 2014 are as follows:

			Unobservable inputs used in determination of fair values							
Class of Financial Assets & Liabilities	**Carrying Amount 31/12/14 $000's**	**Carrying Amount 31/12/13 $000's**	**Valuation Technique**	**Key Input**	**Input**	**Average/ Range 2014**	**Average/ Range 2013**	**Other key Information**	**Range (weighted avg) 2014**	**Range (weighted avg) 2013**
Level 3 Car – HBU Alternate Use	**44,601**	80,962	Direct comparison	External valuations Specific incomplete transactions	Price /sqm Land	**Average $1,875/sqm** **Range $1,623-$2,688 /sqm**	Average $1,924/sqm Range $821-$5,036 /sqm	Land size	**Average 7,173 sqm** **Range 779 - 18,160 sqm**	Average 5,981 sqm Range 779 - 18,160 sqm
Level 3 Car Dealership	**167,389**	184,719	Summation method, income capitali-sation and direct comparison	External valuations Industry bench-marks	Net Rent/ Gross Income 8% - 12% (Non-luxury) 10% - 14% (Luxury)	**Average 9.6%** **Range 3.4% - 15.9%**	Average 9.6% Range 3.0% - 19.2%	Net Rent /sqm Land	**Average $96 sqm** **Range $25 to $297 sqm**	Average $90 sqm Range $22 to $297 sqm
					Capitalisa-tion Rate	**Average 8.2%** **Range 6.7% - 9.8%**	Average 8.0% Range 5.2% - 10.7%	Net Rent /sqm GBA	**Average $197 sqm** **Range $100 to $750 sqm**	Average $192 sqm Range $100 to $584 sqm
Level 3 Development – Car Dealership	**9,350**	11,075	Direct comparison	External valuations	Price /sqm Land	**Average $459/sqm** **Range $330 - $821 /sqm**	Average $375/sqm Range $212 - $531 /sqm			
Level 3 Truck Dealership	**20,734**	20,968	Direct comparison	External valuations	Price / sqm Land Price /sqm GBA	**Average $371/sqm** **Range $209-$526 /sqm**	Average $375/sqm Range $212-$531 /sqm	Land Size	**Average 18,641 sqm** **Range 7,218 - 25,700 sqm**	Average 18,641 sqm Range 7,218 - 25,700 sqm
								Net Rent /Land sqm	**Average $30 sqm** **Range $17 to $43 sqm**	Average $30 sqm Range $17 to $43 sqm
								Capitalisa-tion Rate	**Average 8.2%** **Range 8.1% to 8.4%**	Average 8.1% Range 8.0% to 8.2%
Level 3 Other Logistics	**8,056**	8,133	Income capitalisa-tion method supported by market comparison	External valuations	Capitalisa-tion Rate	**Average 8.1%** **Range 8.0% to 8.2%**	Average 7.4% Range 6.8% to 8.2%	Net Rent /sqm GBA	**Average $90 sqm** **Range $79-$143 sqm**	Average $83 sqm Range $63-$153 sqm
Sub Total	**250,130**	305,857								
Construction in Progress	**187**	6,803								
Total	**250,317**	312,660								

There were no transfers between levels in the year.

15. NON-CURRENT ASSETS – Property, plant and equipment (continued)

Explanation of asset classes; Car - HBU Alternate Use refers to properties currently operated as car dealerships which have a higher and best use (HBU) greater than that of a car dealership; Car Dealership refer to properties operating as car dealership with a consistent HBU; Development Car Dealership refers to properties which are in progress of, or being held for future development as a car dealership; Truck Dealership referes to properties being operated as a truck dealership with a HBU consistent with that use; Other Logistics are industrial properties used for parts warehousing and vehicle logistics.

Carrying amounts that would have been recognised if land and buildings were stated at cost

If freehold land was carried at historical cost, its current carrying value would be $98,129,000 (2013: $115,560,000).

If freehold buildings (including construction in progress) were carried at historical cost, its current carrying value (after depreciation) would be $97,438,000 (2013: $119,160,000).

Non-current assets pledged as security

Refer to Note 22 for information on non-current assets pledged as security by the Group.

Reconciliations

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

	Freehold land $'000	Freehold buildings $'000	Construction in progress $'000	Leasehold improvements $'000	Motor vehicles under lease $'000	Plant and equipment $'000	Total $'000
Consolidated 2014							
Carrying amount at start of year	**193,500**	**112,357**	**6,803**	**14,533**	**-**	**17,763**	**344,956**
Additions	**-**	**6,549**	**187**	**2,114**	**6,664**	**9,999**	**25,513**
Disposals/transfers	**(23,666)**	**(14,223)**	**(6,803)**	**-**	**-**	**-**	**(44,692)**
Revaluation loss debited to asset revaluation reserve	**(1,692)**	**-**	**-**	**-**	**-**	**-**	**(1,692)**
Revaluation loss charged to profit and loss	**(578)**	**-**	**-**	**-**	**-**	**-**	**(578)**
Depreciation/ amortisation expense (Note 5)	**-**	**(3,540)**	**-**	**(2,201)**	**(744)**	**(5,960)**	**(12,445)**
Transfer to property assets held for sale	**(14,685)**	**(3,892)**	**-**	**-**	**-**	**-**	**(18,577)**
Carrying amount at end of year	**152,879**	**97,251**	**187**	**14,446**	**5,920**	**21,802**	**292,485**
Consolidated 2013							
Carrying amount at start of year	198,515	118,320	406	14,587	-	19,034	350,862
Additions	-	2,525	6,459	1,995	-	5,014	15,993
Disposals/transfers	(3,414)	(4,632)	(62)	-	-	-	(8,108)
Revaluation gain credited to asset revaluation reserve	3,203	-	-	-	-	-	3,203
Depreciation/ amortisation expense (Note 5)	-	(3,915)	-	(2,049)	-	(6,285)	(12,249)
Transfer (to)/from property assets held for sale	(4,804)	59	-	-	-	-	(4,745)
Carrying amount at end of year	193,500	112,357	6,803	14,533	-	17,763	344,956

16. NON-CURRENT ASSETS – Intangibles

	CONSOLIDATED 2014 $'000	2013 Restated (a) $'000
Goodwill	**158,837**	119,542
Trade marks/brand names	**6,896**	5,717
	165,733	125,259
Movement – Goodwill		
Balance at the beginning of the financial year	**119,542**	111,787
Additional amounts recognised:		
– from business combinations during the year (Note 29(a))	**39,295**	8,462
Less: Reclassification	**-**	(707)
Balance at the end of the financial year	**158,837**	119,542
Movement – Trade marks/brand names		
Balance at the beginning of the financial year	**5,717**	5,734
Purchase of brand name during the year	**1,317**	88
Less: Amortisation of Brand names	**(138)**	(105)
Balance at the end of the financial year	**6,896**	5,717

(a) Reclassification of intangible assets

Refer to Note 1(s).

(b) Impairment tests for goodwill and trade marks/brand names

For the purpose of impairment testing, goodwill and other intangible assets with indefinite useful lives (being trade marks/brand names) are allocated to each of the consolidated entity's cash generating units (CGU), or groups of CGU's, that are expected to benefit from the synergies of the combinations. Each unit or groups of units to which goodwill and other indefinite life intangible assets is allocated represents the lowest level at which assets are monitored for internal management purposes and is not larger than an identified operating segment.

The CGU or groups of CGU's to which goodwill and other indefinite life intangible assets is allocated are as follows;

	CONSOLIDATED 2014 $'000	2013 Restated (a) $'000
Automotive dealership operations:		
Goodwill	**145,360**	106,065
Trade marks/brand names	**5,846**	4,667
	151,206	110,732
Truck dealership operations:		
Goodwill	**13,477**	13,477
Trade marks/brand names	**1,050**	1,050
	14,527	14,527

16. NON-CURRENT ASSETS – Intangibles (continued)

The recoverable amount of a CGU or group of CGU's to which goodwill and other indefinite life intangible assets is allocated is determined based on the greater of its value in use and its fair value less costs to sell. Fair value is determined as being the amount obtainable from the sale of a CGU in an arms length transaction between knowledgeable and willing parties at balance date. This fair value assessment less costs to sell is conducted by the directors based on their extensive knowledge of the automotive and truck retailing industry including the current market conditions prevailing in the industry. The value in use assessment is conducted using a discounted cash flow (DCF) methodology requiring the directors to estimate the future cash flows expected to arise from the cash generating units and then applying a discount rate to calculate the present value.

The DCF model adopted by directors was based on the 2015 financial budgets approved by the Board, a 3% (2014: 3%) perpetual growth rate and a pre-tax discount rate of 11% (2014: 11%). This growth rate does not exceed the long term average growth rate for the industry.

The directors believe that any reasonable possible change in the key assumptions on which recoverable amount is based is not expected to cause that aggregate of the carrying amounts to exceed the aggregated amounts of the CGUs.

(c) Impairment charge

The Directors' assessment in 2014 determined that goodwill and other intangible assets with indefinite useful lives was not impaired in both 2014 and 2013.

17. CURRENT LIABILITIES – Payables

	CONSOLIDATED	
	2014 $'000	2013 $'000
Trade and other payables		
Trade payables [i]	**73,005**	65,320
Other payables	**55,033**	38,270
	128,038	103,590

(i) The average credit period on purchases of goods is 30 days.
No interest is charged on trade payables from the date of invoice.
The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

18. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate swap contracts – cash flow hedges			
Classified as:	Current liabilities	**188**	665
	Non-current liabilities	**934**	534
		1,122	1,199

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates in accordance with the Group's financial risk management policies (refer to Note 28).

Bailment finance of the Group currently bears an average variable interest rate of 4.78% (2013: 4.67%). The policy to protect part of this finance exposure against increasing interest rates was amended in 2013, such that in future this exposure will not be hedged. As at the end of the year there were no bailment interest swap contracts in place.

The interest rate swaps currently in place are providing a fixed rate of interest on the variable cash advances drawn down under the term facility. The swap contracts in place cover approximately 55% (2013: 52%) of the term facility outstanding at the year end. The contracts require settlement of net interest receivable or payable each 30 days.

The gain or loss from remeasuring the hedging instruments at fair value is deferred in equity in the hedging reserve to the extent that the hedge is effective and re-classified into profit or loss when the hedged interest expense is recognised. The ineffective portion is recognised in profit or loss immediately.

At balance date, a loss from remeasuring the hedging instruments at fair value of $1,122,000 (2013: $1,199,000) has been recognised in equity in the hedging reserve (Note 27(a)). No portion was ineffective.

18. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Valuation of Derivative financial instruments

Details of the Group's derivative financial instruments and information about the fair value hierarchy as at 31 December 2014 are as follows:

	Unobservable inputs used in determination of fair values			
Class of Financial Assets and Liabilities	**Carrying Amount 31/12/14 $000's**	**Carrying Amount 31/12/13 $000's**	**Valuation Technique**	**Key Input**
Level 2 **Cash flow hedges – Interest rate swaps**	**1,122**	1,199	Discounted cash flow.	Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

There were no transfers between levels in the year.

19. CURRENT LIABILITIES – Borrowings (secured)

	CONSOLIDATED	
	2014 $'000	2013 $'000
(a) Bailment and finance lease payable		
Bailment finance	**357,555**	303,782
Finance lease payable	**5,598**	29
	363,153	303,811

(i) Bailment finance

Bailment finance is provided on a vehicle by vehicle basis by various finance providers at an average interest rate of 4.78% p.a. applicable at 31 December 2014 (2013: 4.67%). Bailment finance is repayable within a short period after the vehicle is sold to a third party, generally within 48 hours.

(ii) Finance Lease

The finance lease liability is secured against associated leased assets and is provided by various finance providers at an average interest rate of 6.03% p.a. applicable at 31 December 2014 (2013: 7.6%).

(iii) Interest rate risk exposures

Details of the Group's exposure to interest rate changes on interest bearing liabilities is set out in Note 28.

(iv) Fair value disclosures

Details of the Group's fair value of interest bearing liabilities is set out in Note 28.

(v) Security

Details of the security relating to each of the secured liabilities and further information on bank loans is set out in Note 22.

20. CURRENT LIABILITIES – Current tax liabilities

Income tax	**12,979**	6,203

21. CURRENT LIABILITIES – Provisions

Employee benefits	**16,846**	14,039
Warranties	**3,863**	3,350
	20,709	17,389

21. CURRENT LIABILITIES – Provisions (continued)

Movement in provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below:

	Warranties $'000
Consolidated – 2014	
Carrying amount at start of year	3,350
Provisions acquired	115
Additional provisions recognised	6,167
Payments charged against provisions	(5,769)
Carrying amount at end of year	3,863

Warranty Provision

An estimate is made based on past experience, and confirmation of future costs by the administrator of the warranty program, of the expected expenditure on new and used motor vehicles in terms of warranties on these vehicles.

22. NON-CURRENT LIABILITIES – Borrowings (secured)

	CONSOLIDATED	
	2014 $'000	2013 $'000
(a) Borrowings – others		
Term facility	**144,000**	139,000
Capital loan	**70,000**	72,078
Finance lease payables	**2,646**	-
	216,646	211,078

SECURED LIABILITIES

Total secured liabilities (current and non-current) are:		
Term facility (i)	**144,000**	139,000
Capital loan (ii)	**70,000**	72,078
Working capital facility (includes bank overdraft)	**-**	-
Finance lease payables (iii)	**8,244**	29
Bailment finance (iv)	**357,555**	303,782
Total secured liabilities	**579,799**	514,889

(i) The term facility is secured by a general security agreement which includes registered first mortgages held by a security trustee over specific freehold land and buildings and a general charge over assets excluding new and used inventory and related receivables, letter of set off given by and on account of the parent entity and its subsidiaries, and a Corporate Guarantee and Indemnity unlimited as to amount given by the parent entity and its subsidiaries.

(ii) The capital loan is secured by registered first mortgages given by subsidiaries over specific freehold land and buildings, letter of set off given by and on account of the parent entity and its subsidiaries, and a Corporate Guarantee and Indemnity unlimited as to amount given by the parent entity and its subsidiaries.

(iii) The finance lease liability is secured against associated leased assets.

(iv) Vehicle bailment finance reflects a liability payable to the consolidated entity's bailment financiers. This liability is represented by and secured over debtors included in current assets receivables in respect of recent vehicle deliveries to customers, and by new vehicles,demonstrator vehicles and some used vehicles all included in inventories (bailment stock). Refer Note 10.

22. NON-CURRENT LIABILITIES – Borrowings (continued)

ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security are:

	CONSOLIDATED	
	2014 $'000	2013 $'000
Non-current assets pledged as security –		
Freehold land and buildings – first mortgage	**248,833**	311,485
Other non-current assets	**472,525**	358,514
Current assets pledged as security –		
Property assets held for sale	**27,781**	21,612
Inventories	**357,555**	303,782
Other current assets	**143,968**	127,211
Total assets pledged as security	**1,250,662**	1,122,604

FINANCING ARRANGEMENTS

The consolidated entity has access to the following lines of credit at balance date:

Total facilities		
Term facility (i)	**199,000**	179,000
Working capital facility (includes bank overdraft) (iii)	**25,000**	25,000
Capital loan (ii)	**70,000**	72,078
Bailment finance (iv)	**485,315**	428,065
Bank guarantees	**17,089**	13,089
Finance lease payables (v)	**19,500**	29
	815,904	717,261
Used at balance date		
Term facility	**144,000**	139,000
Working Capital facility (includes bank overdraft)	**-**	-
Capital loan	**70,000**	72,078
Bailment finance	**357,555**	303,782
Bank guarantees	**16,298**	12,858
Finance lease payables	**8,244**	29
	596,097	527,747
Unused at balance date		
Term facility	**55,000**	40,000
Working capital facility (includes bank overdraft)	**25,000**	25,000
Capital loan	**-**	-
Bailment finance	**127,760**	124,283
Bank guarantees	**791**	231
Finance lease payables	**11,256**	-
	219,807	189,514

(i) Term facility at balance date was provided on a non-amortisable (interest only) basis subject to compliance with specific covenants for a fixed term.

(ii) Capital loan facility at balance date was provided on a non-amortisable (interest only) basis for a fixed term.

(iii) Working capital facility at balance date was provided on a non-amortisable (interest only) basis subject to compliance with specific covenants and an annual review.

(iv) Bailment facilities are used to finance the acquisition of new vehicle and some used vehicle trading stock. These facilities include a combination of fixed term and open ended arrangements and are subject to review periods ranging from quarterly to annual. These facilities generally include short term termination notice periods and are disclosed as current liabilities in the statement of financial position.

(v) The finance lease liability provides direct and specific funding to a portfolio of finance leases associated with the Black Group acquisition.

23. NON-CURRENT LIABILITIES – Deferred tax liabilities

	CONSOLIDATED	
	2014 $'000	2013 $'000
Deferred tax liabilities	**17,350**	27,483
The balance comprises temporary differences attributable to:		
Amounts recognised in profit or loss		
Book versus tax carrying value of plant and equipment	**1,668**	1,912
Finance lease book	**-**	5
Inventory valuation	**1,059**	1,713
Prepayments	**330**	308
Provisions - Doubtful debts	**(787)**	(969)
- Employee benefits	**(12,388)**	(10,375)
- Warranties	**(1,170)**	(1,009)
- Inventory write downs	**(595)**	(587)
Investment in associate	**-**	808
Property receivable	**(6,999)**	-
Sundry items	**(35)**	(904)
	(18,917)	(9,098)
Amounts recognised directly in equity		
Revaluation of available-for-sale investment	**13,799**	13,410
Revaluation of property, plant and equipment	**22,805**	23,531
Hedge liability	**(337)**	(360)
	36,267	36,581
Net deferred tax liabilities	**17,350**	27,483
The deferred tax expense included in income tax expense in respect of the above temporary differences resulted from the following movements :		
Opening balance at 1 January	**27,483**	20,599
Deferred tax assets relating to business combinations	**(945)**	(297)
Property receivable	**(6,999)**	-
Charged/(credited) to profit and loss (Note 6)	**(2,093)**	(919)
Deferred tax recognised directly in equity		
- Revaluation of available-for-sale investment (Note 27(a))	**389**	6,839
- Revaluation of property plant and equipment (Note 27(a))	**(508)**	961
- Movement in fair value of cash flow hedge (Note 27(a))	**24**	300
Closing balance at 31 December	**17,350**	27,483

24. NON-CURRENT LIABILITIES – Provisions

	CONSOLIDATED 2014 $'000	2013 $'000
Employee benefits	**5,158**	5,220
Make good provision on leasehold premises – refer (a) and (b) below	**1,787**	1,767
	6,945	6,987

(a) A make good clause under a long term property lease has been recognised in the financial statements. The lessor of the property has been provided with a bank guarantee of $1,900,000 in respect of the estimated make good cost and rental costs.

	2014 $'000	2013 $'000
(b) Movement in the provision:		
Balance at start of year	**1,767**	1,767
Recognition of additional provision during the year	**20**	-
Carrying amount at end of year	**1,787**	1,767

Make good provision on leasehold improvements

A provision has been made for the expected cost of restoring the premises to its original condition at the end of the lease.

25. SEGMENT INFORMATION

Segments are identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker, being the board of directors, in order to allocate resources to the segment and to assess its performance.

The consolidated entity operates in four operating and reporting segments being (i) Car Retailing (ii) Truck Retailing (iii) Property and (iv) Investments, these being identified on the basis of being the components of the consolidated entity that are regularly reviewed by the chief decision maker for the purpose of resource allocation and assessment of segment performance. Information regarding the consolidated entity's reporting segments is presented below.

(i) Car Retailing

Within the Car Retail segment, the consolidated entity offers a diversified range of automotive products and services, including new vehicles, used vehicles, vehicle maintenance and repair services, vehicle parts, extended service contracts, vehicle protection products and other aftermarket products. They also facilitate financing for vehicle purchases through third-party sources. New vehicles, vehicle parts, and maintenance services are predominantly supplied in accordance with franchise agreements with manufacturers.

This segment also includes a motor auction and car rental business

(ii) Truck Retailing

Within the Truck Retail segment, the consolidated entity offers a diversified range of products and services, including new trucks, used trucks, truck maintenance and repair services, truck parts, extended service contracts, truck protection products and other aftermarket products. They also facilitate financing for truck purchases through third-party sources. New trucks, truck parts, and maintenance services are predominantly supplied in accordance with franchise agreements with manufacturers.

(iii) Property

Within the Property segment, the consolidated entity acquires commercial properties principally for use as facility premises for its motor dealership operations. The Property segment charges the Car Retailing segment commercial rentals for owned properties occupied by that segment. The Property segment reports property assets at fair value, based on annual assessments by the directors supported by periodic, but at least triennial valuations by external independent valuers. Revaluation increments arising from fair value adjustments are reported internally and assessed by the chief operating decision maker as profit adjustments in assessing the overall returns generated by this segment to the consolidated entity.

(iv) Investments

This segment includes the investment in One Way Traffic Pty Ltd, trading as Carsguide, and the investment in Automotive Holdings Group Limited.

(v) Other

Currently the segment "Other" is not required.

The accounting policies of the reportable segments are the same as the Group's accounting policies as described in Note 1 with the exception of all changes in fair value of property and investments being recognised as profit or loss adjustments for segment reporting purposes. This compares to the Group policy of crediting increments to a property plant and equipment and investment reserve in equity (refer Note 1(p)).

Segment profit represents the profit earned by each segment without allocation of unrecouped corporate / head office costs and income tax. External bailment is allocated to the Car Retailing and Truck Retailing segments. Bills payable funding costs are allocated to the Car Retailing, Truck Retailing, Property and Investment segments based on notional market based covenant levels.

This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. For the purpose of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible, intangible, and financial assets attributable to each segment. All assets are allocated to reportable segments.

Geographic Information

The Group operates in one principal geographic location, being Australia.

25. SEGMENT INFORMATION (continued)

Segment reporting 2014	Car Retailing $'000	Truck Retailing $'000	Property $'000	Investments $'000	Eliminations $'000	Consolidated $'000
Sales to external customers	2,435,176	373,431	54	-	-	2,808,661
Inter-segment sales	-	-	28,515	-	(28,515)	-
Total sales revenue	2,435,176	373,431	28,569	-	(28,515)	2,808,661
Other revenue	35,232	754	1,379	12,087	-	49,452
TOTAL REVENUE	2,470,408	374,185	29,948	12,087	(28,515)	2,858,113
SEGMENT RESULT						
Operating profit before interest	76,007	5,825	20,889	11,990	-	114,711
External interest expense allocation	(10,282)	(2,315)	(6,832)	(2,651)	-	(22,080)
OPERATING CONTRIBUTION	65,725	3,510	14,057	9,339	-	92,631
Share of net profit of equity accounted investments	4,939	-	-	-	-	4,939
Business acquisition costs	(2,761)	-	-	-	-	(2,761)
Investment revaluation	-	-	-	1,295	(1,295)	-
Property revaluation	-	-	(2,270)	-	1,692	(578)
Profit on sale of property/businesses	900	-	2,992	-	-	3,892
SEGMENT PROFIT	68,803	3,510	14,779	10,634	397	98,123
Unallocated corporate expenses						4,717
PROFIT BEFORE TAX						102,840
Income tax expense						(26,150)
NET PROFIT						76,690
Depreciation and amortisation	7,453	1,082	4,048	-	-	12,583
Non cash expenses (reversal of expenses) other than depreciation and amortisation	3,620	(217)	-	-	-	3,403
Impairment of trade receivables	277	(94)	-	-	-	183
Write down (back) of inventories to net realisable value	5,387	2,084	-	-	-	7,471
ASSETS						
Segment assets	657,062	146,085	320,460	234,391	-	1,357,998
LIABILITIES						
Segment liabilities	438,010	106,285	162,345	60,302	-	766,942
NET ASSETS	219,052	39,800	158,115	174,089	-	591,056
Acquisitions of non-current assets, including assets of businesses acquired	58,593	776	6,757	37,901	-	104,027

25. SEGMENT INFORMATION (continued)

Segment reporting 2013	Car Retailing $'000	Truck Retailing $'000	Property $'000	Investments $'000	Eliminations $'000	Consolidated $'000
Sales to external customers	2,242,152	409,981	107	-	-	2,652,240
Inter-segment sales	-	-	28,035	-	(28,035)	-
Total sales revenue	2,242,152	409,981	28,142	-	(28,035)	2,652,240
Other revenue	9,029	779	795	9,970	-	20,573
TOTAL REVENUE	2,251,181	410,760	28,937	9,970	(28,035)	2,672,813
SEGMENT RESULT						
Operating profit before interest	65,854	10,359	19,401	9,843	-	105,457
External interest expense allocation	(11,502)	(1,941)	(7,293)	(2,452)	-	(23,188)
OPERATING CONTRIBUTION	54,352	8,418	12,108	7,391	-	82,269
Share of net profit of equity accounted investments	1,959	-	-	-	-	1,959
Business acquisition costs	(594)	-	-	-	-	(594)
Investment revaluation	-	-	-	22,795	(22,795)	-
Property revaluation	-	-	3,203	-	(3,203)	-
Profit on sale of property/businesses	1,793	-	207	-	-	2,000
SEGMENT PROFIT	57,510	8,418	15,518	30,186	(25,998)	85,634
Unallocated corporate expenses						1,076
PROFIT BEFORE TAX						86,710
Income tax expense						(22,748)
NET PROFIT						63,962
Depreciation and amortisation	6,437	1,462	4,455	-	-	12,354
Non cash expenses (reversal of expenses) other than depreciation and amortisation	1,827	508	-	-	-	2,335
Impairment of trade receivables	(216)	123	-	-	-	(93)
Write down (back) of inventories to net realisable value	(292)	(89)	-	-	-	(381)
ASSETS						
Segment assets	542,018	138,229	341,422	195,195	-	1,216,864
LIABILITIES						
Segment liabilities	349,794	95,114	166,558	66,274	-	677,740
NET ASSETS	192,224	43,115	174,864	128,921	-	539,124
Acquisitions of non-current assets, including assets of businesses acquired	14,742	798	9,003	9,810	-	34,353

The 2013 Comparative information has been restated following the reallocation of non-franchised dealerships operating solely in the used car market from 'Other' to 'Car Retailing".

26. CONTRIBUTED EQUITY

	CONSOLIDATED	
	2014 **$'000**	2013 $'000
(a) Paid up capital		
Ordinary shares fully paid	**242,070**	231,205

Ordinary shares confer on their holders the right to participate in dividends declared by the Board and to vote at general meetings of the company.

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue price	$'000
01-Jan-13	Balance	170,686,558		206,277
18-Mar-13	Issue of shares to staff under share incentive schemes.	439,268	$5.38	2,362
16-Apr-13	Issue of shares under Dividend Reinvestment Plan.	3,754,815	$4.20	15,771
	Dividend reinvestment Plan shortfall underwritten by broker.	1,540,676	$4.20	6,472
	Underwriting commission paid to broker.			(82)
	New Shares issued.	55,000	$4.20	231
18-Jul 13 to 22-Jul-13	Issue of shares to staff under share incentive schemes.	72,001	$2.42	174
01-Jan-14	Balance	176,548,318		231,205
10-Mar-14	Issue of shares to staff under share incentive schemes.	221,155	$4.87	1,077
01-Jul-14	Issue of shares as partial consideration for acquisition of Ian Boettcher Motors.	500,000	$5.70	2,850
01-Oct-14	Issue of shares as partial consideration for acquisition of Craig Black Group.	1,250,000	$5.55	6,938
31-Dec-14	Balance	178,519,473		242,070

(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. In 2013 the shares were issued at a special 10% discount in recognition of the company's 100 year anniversary. The plan was fully underwritten by the broker, RBS Morgan.

27. RESERVES AND RETAINED PROFITS

	CONSOLIDATED 2014 $'000	2013 $'000
(a) Reserves:		
Property, plant and equipment revaluation reserve	**61,668**	73,278
Hedging reserve - cash flow hedge	**(786)**	(839)
Share-based payments reserve	**5,941**	4,883
Investment revaluation reserve	**32,197**	31,290
	99,020	108,612
Movements:		
Property, plant and equipment revaluation reserve :		
Balance at beginning of the financial year	**73,278**	71,053
Revaluation surplus during the year - gross (Note 15)	**(1,692)**	3,203
Transfer to retained earnings relating to properties sold	**(10,426)**	(17)
Deferred tax (Note 23)	**508**	(961)
Balance at the end of the financial year	**61,668**	73,278
Hedging reserve – cash flow hedge:		
Balance at beginning of the financial year	**(839)**	(1,542)
Transfer to profit or loss	**1,199**	2,202
Transfer to derivative financial instruments (gross)	**(1,122)**	(1,199)
Deferred tax (Note 23)	**(24)**	(300)
Balance at the end of the financial year	**(786)**	(839)
Share-based payments reserve:		
Balance at beginning of the financial year	**4,883**	5,791
Share based payments	**2,135**	1,453
Transfer to share capital (shares issued)	**(1,077)**	(2,361)
Balance at the end of the financial year	**5,941**	4,883
Investment revaluation reserve:		
Balance at beginning of the financial year	**31,290**	15,334
Gain on revaluation of available-for-sale investment	**1,296**	22,795
Deferred tax (Note 23)	**(389)**	(6,839)
Balance at the end of the financial year	**32,197**	31,290
(b) Retained earnings		
Retained profits at the beginning of the financial year	**198,369**	171,113
Net profit for the year	**76,230**	63,609
Transfer from asset revaluation reserve re properties sold	**10,426**	17
Loss on Sale of Non Controlling Interest	**(75)**	-
Dividends provided for or paid (Note 7)	**(42,470)**	(36,370)
Retained profits at the end of the financial year	**242,480**	198,369

27. RESERVES AND RETAINED PROFITS (continued)

(c) Nature and purpose of reserves

(1) Property, plant and equipment revaluation reserve

The property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in Note 1(p).

(2) Hedging reserve

The hedging reserve contains the effective portion of interest rate hedge arrangements incurred as at the reporting date.

(3) Share-based payments reserve

The share-based payment reserve is used to recognise the fair value of performance rights expected to vest and the fair value of equity expected to be issued under various share incentive schemes referred to in Notes 34 and 35.

(4) Investment revaluation reserve

The investments revaluation reserve represents the cumulatve gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

28. FINANCIAL INSTRUMENTS

Overview

The consolidated entity has exposure to the following key risks from its use of financial instruments:

Credit risk

Liquidity risk

Market risk (interest rate risk)

This note presents information about the consolidated entity's exposure to each of the above risks, the consolidated entity's objectives, policies and processes for measuring and managing risk, and the consolidated entity's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the consolidated entity's risk management framework.

The Board has established an Audit, Risk and Remuneration Committee which is responsible for monitoring, assessing and reporting on the consolidated entity's risk management system. The committee will provide regular reports to the Board of Directors on its activities.

The consolidated entity's risk management policies are established to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the consolidated entity's activities.

The Audit, Risk and Remuneration Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks. The Committee is assisted in its oversight by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Committee.

The Group's principal financial instruments comprise bank loans, bailment finance, cash, short-term deposits and interest rate swap contracts. The main purpose of these financial instruments is to raise finance for and fund the Group's operations and to hedge the Group's exposures to interest rate volatility. The Group has various other financial instruments such as trade debtors and trade creditors which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The main risk arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Further, it is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of debtors and other receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to bad debts is not significant.

The consolidated entity establishes an allowance for doubtful debts that represents its estimate of incurred losses in respect of trade and other receivables and investments.

With respect to credit risk arising from financial assets of the Group comprised of cash, cash equivalents and receivables, the Group's maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date is in the carrying amount as disclosed in the statement of financial position and notes to the financial statements.

The Group's credit risk on liquid funds is limited as the counter parties are major Australian banks with favourable credit ratings assigned by international credit rating agencies.

28. FINANCIAL INSTRUMENTS (continued)

LIQUIDITY RISK

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

The Group's overall objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

The Group also manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Information on available facilities can be found in Note 22.

MARKET RISK

Market risk is the risk that changes in market prices, such as interest rates, will affect the consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and monitor market risk exposures within acceptable parameters, whilst optimising the return on risk.

Interest rate risk

The Group is exposed to interest rate risk as a consequence of its financing facilities as set out in Notes 19 & 22. Funds are borrowed by the Group at both fixed and floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt.

The Group's policy is to keep between 50% and 80% of its borrowings at fixed rates of interest. As at 31 December 2014, approximately 65% (2013: 67%) of the Group's borrowings were at a fixed rate of interest. The Group hedges part of the interest rate risk (see Note 18) by swapping floating for fixed interest rates.

In 2013 the Group amended its policy such that exposure to the changes in interest rates on its variable rate borrowings relating to inventories are unhedged. Existing hedges will not be replaced once they expire. There were no interest rate swaps in place for bailment as at 31 December 2014.

The consolidated entity classifies interest rate swaps as cash flow hedges.

The net fair value of the swaps at 31 December 2014 was $1,122,000 liability (2013: $1,199,000 liability) and has been recognised in equity for the consolidated entity.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the possible change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variable were held constant, the Group's net profit after tax would increase/decrease by $1,425,000 (2013: $968,000) per annum. This is mainly due to the Group's exposures to interest rates on its variable rate borrowings.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting future cash flows using the curves at reporting date and the credit risk inherent in the contract, and are disclosed below. The average interest rate is based on the outstanding balances at the start of the financial period.

28. FINANCIAL INSTRUMENTS (continued)

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at reporting date:

	Average contracted fixed interest rate		Notional principal amount		Fair value	
	2014 %	2013 %	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000
Outstanding floating for fixed contracts						
Less than 1 year	**3.49%**	3.74%	**22,500**	103,700	**(188)**	(666)
Between 1 - 2 years	**3.31%**	3.49%	**33,500**	22,500	**(472)**	(280)
Between 2 - 3 years	**3.22%**	3.46%	**23,700**	25,500	**(462)**	(253)
	3.33%	3.66%	**79,700**	151,700	**(1,122)**	(1,199)

The interest rate swaps settle on a monthly basis. The floating rate on the interest rate swaps is the Australian BBSW. The Group will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the loan period.

CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the consolidated entity's approach to capital management during the period.

CREDIT RISK

Exposure to Credit Risk

The carrying amount of financial assets (as per Note 9) represents the maximum credit exposure. The maximum exposure to credit risk as the reporting date was:

	CONSOLIDATED	
	2014 $'000	2013 $'000
Trade and other receivables	**143,744**	98,777
Less: Provision for doubtful receivable	**2,622**	2,410
	141,122	96,367

Impairment Losses

The aging of trade receivables at reporting date is detailed in Note 9.

28. FINANCIAL INSTRUMENTS (continued)

Fair values & Exposures to Credit & Liquidity Risk

Detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair value (2013: fair value).

	CONSOLIDATED	
	2014 $'000	2013 $'000
Financial assets		
Trade and other receivables net of doubtful debts	**141,122**	96,366
Cash and cash equivalents	**23,777**	12,106
	164,899	108,472
Financial liabilities		
Bills payable and fully drawn advances	**144,000**	139,000
Capital loan	**70,000**	72,078
Vehicle bailment	**357,555**	303,782
Bank overdraft	**-**	-
Finance lease payables	**8,244**	29
Trade and other payables	**128,036**	103,590
Derivative financial instrument	**1,122**	1,199
	708,957	619,678

The fair value of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives and option pricing models for optional derivatives. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

28. FINANCIAL INSTRUMENTS (continued)

Maturity profile

The below table provides a maturity profile for the Group's financial instruments that are exposed to interest rate risk at balance date. The amounts disclosed in the table are gross contractual undiscounted cash flows (principal and interest) required to settle the respective liabilities. The interest rate is based on the rate applicable as at the end of the financial period.

At 31 December 2014	Less than 1 year $'000	1 - 2 years $'000	2 - 3 years $'000	3 - 4 years $'000	4 - 5 years $'000	5+ years $'000	Total $'000
INTEREST BEARING							
Floating rate							
Financial assets							
Cash and cash equivalents	23,777		-	-	-	-	23,777
Loan receivable	566	566	566	566	566	10,353	13,183
	24,343	566	566	566	566	10,353	36,960
Average interest rate	3.48%	5.78%	5.78%	5.78%	5.78%	5.78%	-
Financial liabilities							
Vehicle bailment (current)	361,831	-	-	-	-	-	361,831
Fully drawn advances	2,393	55,997	-	-	-	-	58,390
Fully drawn advances [1]	26,143	35,440	24,026	-	-	-	85,609
Capital loan (Non-current)	938	938	938	938	938	21,960	26,650
	391,305	92,375	24,964	938	938	21,960	532,480
Average interest rate	4.76%	4.62%	4.70%	4.69%	4.69%	4.69%	-
Fixed rate							
Financial liabilities							
Bills payable	473	9,737	-	-	-	-	10,210
Capital loan (Non-current)	2,600	2,600	2,600	51,300	-	-	59,100
Finance lease payables	6,018	1,920	837	-	-	-	8,775
	9,091	14,257	3,437	51,300	-	-	78,085
Average interest rate	5.32%	5.12%	5.18%	5.20%	-	-	-
NON INTEREST BEARING							
Financial assets							
Property sale receivables	6,717	6,717	6,884	6,884	6,884	-	34,086
Trade debtors	105,792	-	-	-	-	-	105,792
	112,509	6,717	6,884	6,884	6,884	-	139,878
Financial liabilities							
Trade and other payables	128,036	-	-	-	-	-	128,036

(1) The amount included in fully drawn advances relate to variable rates that are hedged with interest rate swaps to fixed rates.

28. FINANCIAL INSTRUMENTS (continued)

At 31 December 2013	Less than 1 year $'000	1 - 2 years $'000	2 - 3 years $'000	3 - 4 years $'000	4 - 5 years $'000	5+ years $'000	Total $'000
INTEREST BEARING							
Floating rate							
Financial assets							
Cash and cash equivalents	12,106	-	-	-	-	-	12,106
Loan receivable	81	1,518	-	-	-	-	1,599
Leasebook receivables	27	-	-	-	-	-	27
	12,214	1,518	-	-	-	-	13,732
Average interest rate	3.17%	5.63%	-	-	-	-	-
Financial liabilities							
Vehicle bailment (current)	307,321	-	-	-	-	-	307,321
Fully drawn advances	2,264	43,607	7,675	-	-	-	53,546
Fully drawn advances (1)	26,561	33,938	15,398	-	-	-	75,897
Capital loan (Non-current)	904	904	904	904	904	22,793	27,313
	337,050	78,449	23,977	904	904	22,793	464,077
Average interest rate	4.74%	4.86%	4.82%	4.52%	4.52%	4.52%	-
Fixed rate							
Financial liabilities							
Bills payable	8,726	546	10,773	-	-	-	20,045
Capital loan (Non-current)	4,678	2,600	2,600	2,600	51,300	-	63,778
Finance lease payables	30	-	-	-	-	-	30
	13,434	3,146	13,373	2,600	51,300	-	83,853
Average interest rate	5.01%	5.03%	5.20%	5.20%	5.20%	-	-
NON INTEREST BEARING							
Financial assets							
Trade debtors	94,902	-	-	-	-	-	94,902
Financial liabilities							
Trade and other payables	103,590	-	-	-	-	-	103,590

(1) The amount included in fully drawn advances relate to variable rates that are hedged with interest rate swaps to fixed rates.

Estimation of Fair Value

The following summarises the major methods and assumptions used in estimating the fair value of financial instruments:

Loans and Borrowings

Fair value is calculated based on discounted expected future principal and interest cash flows.

Trade and Other Receivables/Payables

For receivables/payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables/payables are discounted to determine the fair value.

Interest Rate Swaps

The fair value of interest rate swaps is calculated based on the present value of the estimated future cash flows of these instruments.

29. INVESTMENTS IN SUBSIDIARIES

NAME OF ENTITY		EQUITY HOLDING 2014 %	2013 %
Eagers Retail Pty Ltd	*	**100**	100
Eagers MD Pty Ltd		**80**	80
Eagers Finance Pty Ltd	*	**100**	100
Nundah Motors Pty Ltd	*	**100**	100
Eagers Nominees Pty Ltd	*	**100**	100
Austral Pty Ltd	*	**100**	100
E G Eager & Son Pty Ltd	*	**100**	100
A.P. Group Ltd	*	**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
City Automotive Group Pty Ltd	*	**100**	100
PPT Investments Pty Ltd	*	**100**	100
PPT Holdings No 1 Pty Ltd	*	**100**	100
PPT Holdings No 2 Pty Ltd	*	**100**	100
PPT Holdings No 3 Pty Ltd	*	**100**	100
Bill Buckle Holdings Pty Ltd	*	**100**	100
Bill Buckle Autos Pty Ltd	*	**100**	100
Bill Buckle Leasing Pty Ltd	*	**100**	100
Adtrans Group Limited	*	**100**	100
Adtrans Corporate Pty Ltd	*	**100**	100
Adtrans Automotive Group Pty Ltd	*	**100**	100
Stillwell Trucks Pty Ltd	*	**100**	100
Adtrans Trucks Pty Ltd	*	**100**	100
Graham Cornes Motors Pty Ltd		**90**	90
Whitehorse Trucks Pty Ltd	*	**100**	100
Adtrans Used Pty Ltd	*	**100**	100
Adtrans Hino Pty Ltd	*	**100**	100
Adtrans Australia Pty Ltd	*	**100**	100
Melbourne Truck and Bus Centre Pty Ltd	*	**100**	100
Adtrans Truck Centre Pty Ltd	*	**100**	100
Adtrans Trucks Adelaide Pty Ltd	*	**100**	100
Precision Automotive Technology Pty Ltd	*	**100**	100
IB Motors Pty Ltd	*	**100**	-
IB MD Pty Ltd		**80**	-
Black Auto South West Pty Ltd	*	**100**	-
South West Queensland Motors Pty Ltd		**80**	-
BASW Pty Ltd		**80**	-
Western Equipment Rentals Pty Ltd		**80**	-
Boonarga Welding Pty Ltd		**80**	-
Black Auto CQ Pty Ltd	*	**100**	-
CH Auto Pty Ltd	*	**100**	-

All subsidiaries are either directly controlled by A.P. Eagers Limited, or are wholly owned within the group, have ordinary class of shares and are incorporated in Australia.

29. INVESTMENTS IN SUBSIDIARIES (continued)

Information relating to A.P. Eagers Limited ('the parent entity')

	2014 $'000	2013 $'000
Financial position		
Assets		
Current assets	**-**	27,641
Non-current assets	**425,612**	352,968
Total assets	**425,612**	380,609
Liabilities		
Current liabilities	**21,168**	6,056
Non-current liabilities	**14,520**	13,261
Total liabilities	**35,688**	19,317
Equity		
Issued capital	**242,070**	231,205
Retained earnings	**108,033**	92,229
Reserves - Asset revaluation reserve	**1,684**	1,684
- Investment revaluation reserve	**32,196**	31,290
- Share based payments reserve	**5,941**	4,884
	389,924	361,292
Financial performance		
Profit for the year	**58,159**	50,219
Other comprehensive income	**1,021**	15,956

All subsidiaries were parties to a deed of cross guarantee with A.P. Eagers Limited pursuant to ASIC Class Order 98/1418 which has been lodged with and approved by Australian Securities and Investments Commission as at 31 December 2014. Under the deed of cross guarantee each of these companies guarantee the debts of the other named companies. The aggregate assets and liabilities of these companies at 31 December 2014 and their aggregate net profit after tax for the year ended 31 December 2014 match the reported balances within the Statement of Financial Position and the Statement of Profit or Loss respectively.

As a party to the deed of cross guarantee, each of the wholly-owned subsidiaries (marked *) is relieved from the requirement to prepare and lodge an audited financial report.

Also refer Notes 30(a) and 30(b) in respect of guarantees entered into by the parent entity in relation to debts of its subsidiaries.

(a) Acquisition of businesses

The Group acquired the following businesses during the 2014 year as detailed below:

Year	Name of business	Date of acquisition	Principal activity	Proportion acquired
2014	Ian Boettcher Group	01-Jul-14	Motor Dealership	100%
2014	Volvo Franchise from Currimundi Motors Pty Ltd	25-Jul-14	Volvo Franchise	100%
2014	Black Group	01-Oct-14	Motor Dealership	100%

During 2014 the acquired businesses contributed revenues of $110,711,000 and profit before tax of $698,000.
If the acquisition had occurred on 1 January 2014, the consolidated revenue and the consolidated profit before tax would have been $3,069 million and $108.0 million respectively.

29. INVESTMENTS IN SUBSIDIARIES (continued)

Allocation of purchase consideration

The purchase price of business acquired has been allocated as follows:

	Volvo Franchise Sunshine Coast $'000	Ian Boettcher Group $'000	Black Group $'000	2014 Total Consolidated $'000
Cash consideration	**100**	**11,257**	**26,510**	**37,867**
Issue of ordinary shares	**-**	**2,850**	**6,938**	**9,788**
Total purchase consideration	**100**	**14,107**	**33,448**	**47,655**
Fair value of net identifiable assets	**-**	**1,063**	**7,297**	**8,360**
Goodwill	**100**	**13,044**	**26,151**	**39,295**
	100	**14,107**	**33,448**	**47,655**

Consolidated fair value at acquisition date	2014 $'000
Net assets acquired	
Cash	**1,049**
Receivables, prepayments	**5,577**
Inventory	**10,979**
Property, plant and equipment	**16,008**
Deferred tax assets	**945**
Creditors, borrowings and provisions	**(27,515)**
Identifiable intangible assets	**1,317**
Net assets acquired	**8,360**
Acquisition cost	**47,655**
Goodwill on acquisition (i)	**39,295**

(i) Goodwill arose in the business combinations because as at the date of acquisition the consideration paid for the combination included amounts in relation to the benefit of expected synergies and future revenue and profit growth from the businesses acquired. These benefits were not recognised separately from goodwill as the future economic benefits arising from them could not be reliably measured in time for inclusion in this financial statements. Therefore, the amount allocated to goodwill on acquisition has been provisionally determined at the end of the reporting period.

Cash consideration on acquistion	**37,867**
Cash acquired on acquisition	**(1,049)**
Net cash flow on acquistion of business	**36,818**

29. INVESTMENTS IN SUBSIDIARIES (continued)

The Group acquired the following business during the 2013 year as detailed below:

Year	Name of business	Date of acquisition	Principal activity	Proportion acquired
2013	Main North Nissan & Unley Nissan	02-Sep-13	Motor Dealership	100%

During 2013 the acquired businesses contributed revenues of $29,712,000 and profit before tax of $532,000. If the acquisition had occurred on 1 January 2013, the consolidated revenue and the consolidated profit before tax would have been $2,737 million and $87.8 million respectively.

Allocation of purchase consideration

The purchase price of business acquired has been allocated as follows:

Total consolidated	2013 $'000
Cash consideration	7,137
Total purchase consideration	7,137
Fair value of net identifiable assets	(1,206)
Goodwill	8,343
	7,137

Consolidated fair value at acquisition date	2013 $'000
Net assets acquired	
Inventory	58
Property, plant and equipment	782
Deferred tax assets	385
Creditors, borrowings and provisions	(2,431)
Net assets acquired	(1,206)
Acquisition cost	7,137
Goodwill on acquisition [(i)]	8,343

(i) Goodwill arose in the business combination because as at the date of acquisition the consideration paid for the combination included amounts in relation to the benefit of expected synergies and future revenue and profit growth from the businesses acquired. In the previous year, the amount allocated to goodwill was provisionally determined.

29. INVESTMENTS IN SUBSIDIARIES (continued)

(b) Disposal of businesses

The Group sold the following business during the 2014 year as detailed below:

Year	Name of business	Date of sale	Principal activity	Proportion disposed
2014	Eagers Mitsubishi	31-Oct-14	Motor Dealership	100%

	2014 Consolidated $'000
Net assets disposed of	
Property, plant and equipment	**48**
Creditors, borrowings and provisions	**(214)**
Net assets disposed	**(166)**
Total consideration received(100% Cash)	**734**
Gain on sale	**900**

The Group sold the following business during the 2013 year as detailed below:

Year	Name of business	Date of sale	Principal activity	Proportion disposed
2013	Hidden Valley Ford	21-Jun-13	Motor Dealership	100%

	2013 Consolidated $'000
Net assets disposed of	
Inventory	4,707
Property, plant and equipment	294
Deferred tax assets	88
Creditors, borrowings and provisions	(4,559)
Net assets disposed	530
Total consideration received (100% Cash)	1,430
Gain on sale	900

29. INVESTMENTS IN SUBSIDIARIES (continued)

(c) Details of non-wholly owned subsidiaries

The table below shows details of non-wholly owned subsidiaries of the Group. The Group have reviewed its subsidiaries that have non-controlling interests and note that they are not material to the reporting entity.

	Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Individually immaterial subsidiaries with non-controlling interest	**460**	353	**7,486**	939
Movement – Non Controlling Interest				
Balance at the beginning of the financial year			**939**	510
Profit for the Year			**460**	353
Other comprehensive income			**-**	-
Issue of shares			**6,929**	272
Payment of dividend			**(842)**	(196)
Balance as at the end of the financial year			**7,486**	939

30. 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 subsidiaries. It is not anticipated that the parent entity will become liable for any amount in respect thereof. At 31 December 2014 no subsidiary 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 all of its subsidiaries were parties to a deed of cross guarantee lodged with the Australian Securities and Investments Commission as at 31 December 2014. Under the deed of cross guarantee each company within the closed Group guarantees the debts of the other companies. The maximum exposure of the parent entity in relation to the cross guarantees is $731,254,000 (2013: $658,939,000).

(c) Buy back agreements

As at 31 December 2014, entities within the Group had entered into sale and buy back agreements for new vehicles.
The financial exposure to the Group is immaterial.

31. COMMITMENTS FOR EXPENDITURE

	CONSOLIDATED 2014 $'000	2013 $'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	**74**	4,413
Finance Lease Liabilities		
Commitments for minimum lease payments in relation to finance lease liabilities are payable as follows:		
Within 1 year	**6,026**	30
Later than 1 year but not later than 5 years	**1,914**	-
Later than 5 years	**835**	-
	8,775	30
Less future finance charges	**(531)**	(1)
Present value of minimum lease payments	**8,244**	29
Operating Lease Commitments		
Commitments for minimum lease payments in relation to non-cancellable operating leases for premises are payable as follows:		
Within 1 year	**25,633**	16,588
Later than 1 year but not later than 5 years	**68,754**	38,869
Later than 5 years	**47,612**	13,866
	141,999	69,323

The consolidated entity leases property under non-cancellable operating leases with expiry dates between 31 January 2015 and 1 July 2035.

Leases generally provide for a right of renewal at which time the lease is renegotiated. Lease rental payments comprise a base amount plus an incremental contingent rental based on movements in the consumer price index or a fixed percentage increase.

32. REMUNERATION OF AUDITOR

	2014	2013
Amounts received or due and receivable by Deloitte Touche Tomatsu ("Deloitte") for:		
– audit or review of the financial report of the parent entity and any other entity in the consolidated entity	**525,500**	504,875
Amounts received or due and receivable by related entities of Deloitte for:		
– other services in relation to the parent entity and any other entity in the consolidated entity	**62,882**	64,474
	588,382	569,349

33. SUBSEQUENT EVENTS

Nil.

34. KEY MANAGEMENT PERSONNEL

The remuneration report included in the Directors' Report sets out the remuneration policies of the consolidated entity and the relationship between these policies and the consolidated entity's performance.

The following have been identified as key management personnel with authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly during the financial year:

(a) Details of key management personnel

(i) Directors	T B Crommelin	Chairman (non-executive)
	M A Ward	Managing Director and Chief Executive Officer
	P W Henley	Director (non-executive)
	N G Politis	Director (non-executive)
	D T Ryan	Director (non-executive)
	D A Cowper	Director (non-executive)
(ii) Executives	S G Best	Chief Financial Officer
	K T Thornton	General Manager – Queensland and Northern Territory
	D G Stark	General Counsel & Company Secretary

(b) Compensation of key management personnel

The aggregate compensation made to key management personnel of the Company and the Group is set out below.

	CONSOLIDATED	
	2014 $'000	2013 $'000
Short term	**3,305,611**	3,185,135
Post employment	**136,006**	128,397
Share based payment	**597,699**	552,438
	4,039,316	3,865,970

(c) Option holdings of key management personnel

Details of options held by key management personnel can be found in Note 34 (f).

(d) Loans to key management personnel

There are no loans to key management personnel.

(e) Other transactions with key management personnel

Other transactions with key management personnel are detailed in Note 36: Related parties.

(f) Share Based Payments

Plan A: EPS Performance Rights and Options – Key Executives

The Group commenced a new Earnings Per Share (EPS) based performance rights and option compensation scheme for specific executive officers in 2009. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The vesting of the performance rights and options granted is based on the achievement of specified earnings per share growth targets and interest cover thresholds. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

34. KEY MANAGEMENT PERSONNEL (continued)

Performance Rights					
Award date 28 August 2009					
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13	27-Mar-14	27-Mar-15
Expiry date	28-Aug-16	28-Aug-16	28-Aug-16	28-Aug-16	27-Sep-17
Share price at grant date	$ 1.82	$ 1.82	$ 1.82	$ 1.82	$ 1.82
Expected life	1.6 years	2.6 years	3.6 years	4.6 years	5.6 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	4.37%	4.89%	5.18%	5.31%	5.33%
Dividend yield	6.0%	6.0%	6.0%	6.0%	6.0%

Performance Options					
Award date 28 August 2009					
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13	27-Mar-14	27-Mar-15
Expiry date	28-Aug-16	28-Aug-16	28-Aug-16	28-Aug-16	27-Sep-17
Share price at grant date	$ 1.82	$ 1.82	$ 1.82	$ 1.82	$ 1.82
Exercise price	$ 1.82	$ 1.82	$ 1.82	$ 1.82	$ 1.82
Expected life	4.3 years	4.8 years	5.3 years	5.8 years	6.8 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	5.29%	5.32%	5.33%	5.33%	5.33%
Dividend yield	6.0%	6.0%	6.0%	6.0%	6.0%

The General Manager, Queensland and Northern Territory, General Manager Kloster Motor Group and Chief Financial Officer have been granted rights and options under the EPS share incentive plan (Plan A). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of the EPS and interest cover targets being achieved and vesting occurring. The number of performance rights and options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
82,830	28-Aug-09	31-Dec-10	28-Aug-16	$ 1.66
112,035	28-Aug-09	31-Dec-11	28-Aug-16	$ 1.56
118,880	28-Aug-09	31-Dec-12	28-Aug-16	$ 1.47
126,265	28-Aug-09	31-Dec-13	28-Aug-16	$ 1.39
134,205	28-Aug-09	31-Dec-14	28-Sep-17	$ 1.30

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
381,945	28-Aug-09	31-Dec-10	28-Aug-16	$ 0.36
475,545	28-Aug-09	31-Dec-11	28-Aug-16	$ 0.36
472,975	28-Aug-09	31-Dec-12	28-Aug-16	$ 0.37
475,545	28-Aug-09	31-Dec-13	28-Aug-16	$ 0.37
465,430	28-Aug-09	31-Dec-14	27-Sep-17	$ 0.38

No rights or options were forfeited or expired during the year. As a result of the EPS and interest cover targets being achieved the Performance Rights and Performance Options relating to the 31 December 2014 Performance Period as set out above have vested since balance date.

The fair value of the performance rights and options was estimated as $1,675,000 (2013: $1,675,000) in total, with a cumulative expense being recognised at 31 December 2014 of $1,675,000 (2013: $1,609,375).

34. KEY MANAGEMENT PERSONNEL (continued)

Plan B: EPS Performance Rights and Options – Managing Director

The Group commenced a new Earnings Per Share (EPS) based performance rights and option compensation scheme for the Managing Director in 2010. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The vesting of the performance rights and options granted is based on the achievement of specified earnings per share growth targets and interest cover thresholds. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Rights					
Award date 28 May 2010					
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13	27-Mar-14	27-Mar-15
Expiry date	28-Aug-16	28-Aug-16	28-Aug-16	28-Aug-16	27-Sep-17
Share price at grant date	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Expected life	0.8 years	1.8 years	2.8 years	3.8 years	4.8 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	4.87%	4.97%	5.02%	5.08%	5.19%
Dividend yield	4.90%	4.90%	4.90%	4.90%	4.90%

Performance Options					
Award date 28 May 2010					
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13	27-Mar-14	27-Mar-15
Expiry date	28-Aug-16	28-Aug-16	28-Aug-16	28-Aug-16	27-Sep-17
Share price at grant date	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Exercise price	$ 1.82	$ 1.82	$ 1.82	$ 1.82	$ 1.82
Expected life	3.5 years	4.0 years	4.5 years	5.0 years	6.1 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	4.87%	4.97%	5.02%	5.08%	5.19%
Dividend yield	4.90%	4.90%	4.90%	4.90%	4.90%

The Managing Director has been granted rights and options under the EPS share incentive plan (Plan B). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of the EPS and interest cover targets being achieved and vesting occurring.
The number of performance rights and options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
36,890	28-May-10	31-Dec-10	28-Aug-16	$ 2.40
82,440	28-May-10	31-Dec-11	28-Aug-16	$ 2.29
89,000	28-May-10	31-Dec-12	28-Aug-16	$ 2.18
94,890	28-May-10	31-Dec-13	28-Aug-16	$ 2.07
105,140	28-May-10	31-Dec-14	28-Sep-17	$ 1.97

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
416,665	28-May-10	31-Dec-10	28-Aug-16	$ 0.81
815,215	28-May-10	31-Dec-11	28-Aug-16	$ 0.81
810,810	28-May-10	31-Dec-12	28-Aug-16	$ 0.81
815,215	28-May-10	31-Dec-13	28-Aug-16	$ 0.80
797,870	28-May-10	31-Dec-14	27-Sep-17	$ 0.81

No rights or options were forfeited or expired during the year. As a result of the EPS and interest cover targets being achieved the Performance Rights and Performance Options relating to the 31 December 2014 Performance Period as set out above have vested since balance date.

The fair value of the performance rights and options was estimated as $3,826,828 (2013: $3,826,828) in total, with a cumulative expense being recognised at 31 December 2014 of $3,826,828 (2013: $3,641,322).

34. KEY MANAGEMENT PERSONNEL (continued)

Plan C: EPS Performance Rights and Options – Key Executives 2014

The Group commenced a new Earnings Per Share (EPS) based performance rights and option compensation scheme for specific executive officers in 2014. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The vesting of the performance rights and options granted is based on the achievement of specified earnings per share growth targets and interest cover thresholds. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Rights					
Award date 4 July 2014					
Vesting date	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20
Expiry date	04-Jul-21	04-Jul-21	04-Jul-21	30-Sep-22	30-Sep-22
Share price at grant date	$ 5.47	$ 5.47	$ 5.47	$ 5.47	$ 5.47
Expected life	1.7 years	2.7 years	3.7 years	4.7 years	5.7 years
Volatility	25%	25%	25%	25%	25%
Risk free interest rate	2.51%	2.63%	2.79%	2.96%	3.13%
Dividend yield	4.2%	4.2%	4.2%	4.2%	4.2%

Performance Options					
Award date 4 July 2014					
Vesting date	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20
Expiry date	04-Jul-21	04-Jul-21	04-Jul-21	30-Sep-22	30-Sep-22
Share price at grant date	$ 5.47	$ 5.47	$ 5.47	$ 5.47	$ 5.47
Exercise price	$ 5.47	$ 5.47	$ 5.47	$ 5.47	$ 5.47
Expected life	4.4 years	4.9 years	5.4 years	6.5 years	7.0 years
Volatility	25%	25%	25%	25%	25%
Risk free interest rate	2.90%	2.98%	3.06%	3.24%	3.31%
Dividend yield	4.2%	4.2%	4.2%	4.2%	4.2%

The Managing Director, General Manager Queensland and Northern Territory, Chief Financial Officer, General Counsel and Company Secretary and four other senior executives have been granted rights and options under the EPS share incentive plan (Plan C). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of the EPS and interest cover targets being achieved and vesting occurring. The number of performance rights and options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
137,791	04-Jul-14	31-Dec-15	04-Jul-21	$ 5.08
143,731	04-Jul-14	31-Dec-16	04-Jul-21	$ 4.87
149,888	04-Jul-14	31-Dec-17	04-Jul-21	$ 4.67
156,248	04-Jul-14	31-Dec-18	30-Sep-22	$ 4.48
163,166	04-Jul-14	31-Dec-19	30-Sep-22	$ 4.29

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
769,228	04-Jul-14	31-Dec-15	04-Jul-21	$ 0.91
744,675	04-Jul-14	31-Dec-16	04-Jul-21	$ 0.94
736,837	04-Jul-14	31-Dec-17	04-Jul-21	$ 0.95
693,066	04-Jul-14	31-Dec-18	30-Sep-22	$ 1.01
686,269	04-Jul-14	31-Dec-19	30-Sep-22	$ 1.02

No rights or options were forfeited or expired during the year. No rights or options vested during the year.

The fair value of the performance rights and options was estimated as $1,166,667 (2013: Nil) in total, with a cumulative expense being recognised at 31 December 2014 of $388,889 (2013: Nil).

35. OTHER SHARE BASED PAYMENTS

Recognised share-based payments expenses

Refer Note 27 for movements on share based payments reserve.

Plan D: EPS Performance Rights and Options – Senior Management (A)

The Group commenced a new Earnings Per Share (EPS) based performance rights and option compensation scheme for nineteen specific management personnel in 2010. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The vesting of the performance rights and options granted is based on the achievement of specified earnings per share growth targets and interest cover thresholds. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Rights			
Award date 27 January 2010			
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13
Expiry date	27-Jan-17	27-Jan-17	27-Jan-17
Share price at grant date	$ 2.42	$ 2.42	$ 2.42
Expected life	1.2 years	2.2 years	3.2 years
Volatility	30%	30%	30%
Risk free interest rate	5.06%	5.11%	5.17%
Dividend yield	5.10%	5.10%	5.10%

Performance Options			
Award date 27 January 2010			
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13
Expiry date	27-Jan-17	27-Jan-17	27-Jan-17
Share price at grant date	$ 2.42	$ 2.42	$ 2.42
Exercise price	$ 2.42	$ 2.42	$ 2.42
Expected life	4.1 years	4.6 years	5.1 years
Volatility	30%	30%	30%
Risk free interest rate	5.06%	5.11%	5.17%
Dividend yield	5.10%	5.10%	5.10%

Specific executives have been granted rights and options under the EPS share incentive plan (Plan D). This includes the General Counsel & Company Secretary. The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of the EPS and interest cover targets being achieved and vesting occurring. The number of performance rights and options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
139,285	27-Jan-10	31-Dec-10	27-Jan-17	$ 2.28
186,975	27-Jan-10	31-Dec-11	27-Jan-17	$ 2.17
196,770	27-Jan-10	31-Dec-12	27-Jan-17	$ 2.06

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
597,705	27-Jan-10	31-Dec-10	27-Jan-17	$ 0.50
731,250	27-Jan-10	31-Dec-11	27-Jan-17	$ 0.52
714,690	27-Jan-10	31-Dec-12	27-Jan-17	$ 0.53

As a result of the EPS and interest cover targets being achieved the performance rights and options for each Performance Period have vested.

The fair value of the performance rights and options for 2012 was $2,151,641, with a cumulative expense being recognised as 31 December 2012 of $2,151,641.

35. OTHER SHARE BASED PAYMENTS (continued)

Plan E: EPS Performance Rights and Options – Senior Management (B)

The Group commenced a new Earnings Per Share (EPS) based performance rights and option compensation scheme for three specific executive officers in 2010. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The vesting of the performance rights and options granted is based on the achievement of specified earnings per share growth targets and interest cover thresholds. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Rights			
Award date 22 October 2010			
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13
Expiry date	27-Jan-17	27-Jan-17	27-Jan-17
Share price at grant date	$ 2.52	$ 2.52	$ 2.52
Expected life	0.4 years	1.4 years	2.4 years
Volatility	30%	30%	30%
Risk free interest rate	4.91%	4.93%	4.95%
Dividend yield	5.00%	5.00%	5.00%

Performance Options			
Award date 22 October 2010			
Vesting date	27-Mar-11	27-Mar-12	27-Mar-13
Expiry date	27-Jan-17	27-Jan-17	27-Jan-17
Share price at grant date	$ 2.52	$ 2.52	$ 2.52
Exercise price	$ 2.52	$ 2.52	$ 2.52
Expected life	3.3 years	3.8 years	4.3 years
Volatility	30%	30%	30%
Risk free interest rate	4.91%	4.93%	4.95%
Dividend yield	5.00%	5.00%	5.00%

Specific executives have been granted rights and options under the EPS share incentive plan (Plan E). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of the EPS and interest cover targets being achieved and vesting occurring. The number of performance rights and options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
7,785	22-Oct-10	31-Dec-10	27-Jan-17	$ 2.47
40,650	22-Oct-10	31-Dec-11	27-Jan-17	$ 2.35
42,735	22-Oct-10	31-Dec-12	27-Jan-17	$ 2.23

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
39,825	22-Oct-10	31-Dec-10	27-Jan-17	$ 0.48
187,785	22-Oct-10	31-Dec-11	27-Jan-17	$ 0.51
181,365	22-Oct-10	31-Dec-12	27-Jan-17	$ 0.53

As a result of the EPS and interest cover targets being achieved the performance rights and options for each Performance Period have vested.

The fair value of the performance rights and options for 2012 was $419,936, with a cumulative expense being recognised at 31 December 2012 of $419,936.

35. OTHER SHARE BASED PAYMENTS (continued)

Plan F: EPS Performance Options – Senior Management 2013

The Group commenced a new Earnings Per Share (EPS) based share option compensation scheme for 57 specific senior staff, including the Company Secretary/General Counsel. The fair value of these performance options is calculated on grant date and recognised over the period to vesting. The vesting of the performance options granted is based on the achievement of specified earnings per share growth targets. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Options					
Award date 27 March 2013					
Vesting date	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
Expiry date	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20
Share price at grant date	$ 4.84	$ 4.84	$ 4.84	$ 4.84	$ 4.84
Exercise price	$ 5.04	$ 5.04	$ 5.04	$ 5.04	$ 5.04
Expected life	4.5 years	4.5 years	5.0 years	5.5 years	6.0 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	3.08%	3.08%	3.13%	3.17%	3.22%
Dividend yield	4.20%	4.20%	4.20%	4.20%	4.20%

Specific executives have been granted options under the EPS share incentive plan (Plan F). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the options at grant date and the probability of the EPS targets being achieved and vesting occurring. The number of options granted under the plan is as follows:

Performance Options				
Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
951,450	27-Mar-13	31-Dec-14	31-Mar-20	$ 0.93
951,450	27-Mar-13	31-Dec-15	31-Mar-20	$ 0.93
921,930	27-Mar-13	31-Dec-16	31-Mar-20	$ 0.96
903,040	27-Mar-13	31-Dec-17	31-Mar-20	$ 0.98
893,850	27-Mar-13	31-Dec-18	31-Mar-20	$ 0.99

A total of 548,330 options were forfeited or expired during the year. As a result of the EPS target being achieved the performance options relating to the 31 December 2014 Performance Period have vested since balance date.

The fair value of the performance rights and options for 2014 was $2,340,000 (2013: $885,000) with a cumulative expense being recognised at 31 December 2014 of $2,080,000 (2013: $885,000).

Plan G: Specifc Target Performance Rights and Options

The Group commenced a new performance rights and option compensation scheme for a specific senior staff member, based on achieving certain defined operating targets for a specifc business entity. The fair value of these performance rights and options is calculated on grant date and recognised over the period to vesting. The fair value has been calculated using a binomial option pricing model based on numerous variables including the following:

Performance Rights					
Award date 27 March 2013					
Vesting date	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
Share price at grant date	$ 4.84	$ 4.84	$ 4.84	$ 4.84	$ 4.84
Expected life	2.0 years	2.0 years	3.0 years	4.0 years	5.0 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	2.88%	2.88%	2.95%	3.04%	3.13%
Dividend yield	4.20%	4.20%	4.20%	4.20%	4.20%

35. OTHER SHARE BASED PAYMENTS (continued)

Performance Options					
Award date 27 March 2013					
Vesting date	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19
Expiry date	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20
Share price at grant date	$ 4.84	$ 4.84	$ 4.84	$ 4.84	$ 4.84
Expected life	4.5 years	4.5 years	5.0 years	5.5 years	6.0 years
Volatility	30%	30%	30%	30%	30%
Risk free interest rate	3.08%	3.08%	3.13%	3.17%	3.22%
Dividend yield	4.20%	4.20%	4.20%	4.20%	4.20%

A specific executive have been granted performance rights and options under the Specific Target share plan (Plan G). The modified grant date method (AASB 2) is applied to this incentive plan whereby the cost of the plan is determined by the value of the rights and options at grant date and the probability of specifc targets being achieved and vesting occurring. The number of options granted under the plan is as follows:

Performance Rights

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
11,240	27-Mar-13	31-Dec-14	31-Mar-20	$ 4.45
11,240	27-Mar-13	31-Dec-15	31-Mar-20	$ 4.45
11,740	27-Mar-13	31-Dec-16	31-Mar-20	$ 4.26
12,220	27-Mar-13	31-Dec-17	31-Mar-20	$ 4.09
12,760	27-Mar-13	31-Dec-18	31-Mar-20	$ 3.92

Performance Options

Number	Grant Date	End Performance Period	Expiry Date	Fair Value at Grant Date
107,530	27-Mar-13	31-Dec-14	31-Mar-20	$ 0.93
107,530	27-Mar-13	31-Dec-15	31-Mar-20	$ 0.93
104,170	27-Mar-13	31-Dec-16	31-Mar-20	$ 0.96
102,040	27-Mar-13	31-Dec-17	31-Mar-20	$ 0.98
101,010	27-Mar-13	31-Dec-18	31-Mar-20	$ 0.99

No performance rights or options were forfeited or expired during the year. As a result of the specific targets being achieved the performance rights and options relating to the 31 December 2013 and 31 December 2014 Performance Period have vested since balance date.

The fair value of the performance rights and options for 2014 was $300,000 (2013: nil), with a cumulative expense being recognised as at 31 December 2014 of $300,000 (2013: nil).

36. RELATED PARTIES

Key management personnel

Other information on key management personnel has been disclosed in the Directors' Report.

Remuneration and retirement benefits

Information on the remuneration of key individual management personnel has been disclosed in the Remuneration Report included in the Directors' Report.

Other transactions of directors and director related entities

The aggregate amount of "Other transactions" with key management personnel are as follows:

(i) Mr N G Politis is a director and shareholder of a number of companies involved in the motor industry with whom the consolidated entity transacts business. These transactions, sales of $580,024 (2013: $593,886) and purchases of $354,239 (2013: $313,122) 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.

(ii) 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 of the wholly-owned group is A.P. Eagers Limited. Information relating to the wholly-owned group is set out in Note 29.

37. EARNINGS PER SHARE

	CONSOLIDATED	
	2014	2013
	Cents	Cents
(a) Basic earnings per share		
Earnings attributable to the ordinary equity holders of the company	**43.0**	36.4
(b) Diluted earnings per share		
Earnings attributable to the ordinary equity holders of the company	**41.6**	35.3

	CONSOLIDATED	
	2014	2013
	$' 000	$' 000
(c) Reconciliations of earnings used in calculating earnings per share		
Basic Earnings per Share		
Profit for the year	**76,690**	63,962
Less: attributable to non-controlling interest	**(460)**	(353)
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**76,230**	63,609
Diluted Earnings per Share		
Profit for the year	**76,690**	63,962
Profit attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	**76,230**	63,609
Weighted average number of ordinary shares outstanding during the year	**177,289,994**	174,862,288
Adjustments for calculation of diluted earnings per share – performance rights and options	**5,873,128**	5,174,058
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	**183,163,122**	180,036,346

38. RECONCILIATION OF NET PROFIT AFTER TAX TO THE NET CASH INFLOWS FROM OPERATIONS

	CONSOLIDATED	
	2014	2013
	$' 000	$' 000
Net profit after tax	**76,690**	63,962
Depreciation and amortisation	**12,583**	12,354
Profit on sale of property, plant and equipment	**(2,414)**	(207)
Share of profit of associate	**(4,939)**	(1,959)
Dividends from investments	**7,646**	1,094
Employee share scheme expense	**2,135**	1,455
Employee share payment to trust	**(1,077)**	(2,361)
Non cash impairment adjustments	**-**	708
Non controlling interest adjustments	**(1,850)**	(822)
Profit on sale of business	**(900)**	(900)
Deposit on McLachlan & Gabba adjustment	**22,553**	-
(Increase)/decrease in assets –		
Receivables	**(31,370)**	2,470
Inventories	**(49,336)**	125
Prepayments	**5,810**	(4,705)
Increase/(decrease) in liabilities -		
Creditors (including bailment finance)	**64,608**	6,836
Provisions	**1,051**	456
Taxes payable	**(3,045)**	(2,539)
Net cash inflow from operating activities	**98,145**	75,967

39. NON-CASH TRANSACTIONS

No component of dividends were settled by the issuance of ordinary shares under the Dividend Reinvestment Plan in 2014 (2013: $22,242,785 representing 5,295,491 ordinary shares).

On 15 September 2014, the group announced that it had entered into unconditional contracts for the sale of 44 Ipswich Road, 33 Jurgens Street and 79 Logan Road in Woolloongabba, and as a result recognised a profit on sale of $2.211m included within the amount disclosed in Note 4. Consideration for the sale totalling $35.879m is to be realised in staged payments over the next 5 years. To balance date, the group has received $1.794m of the consideration, with the balance recognised on the statement of financial position under "Property sale receivable".

40. INVESTMENTS IN ASSOCIATE

(a) Carrying amounts

Investments in associate are accounted for in the consolidated financial statements using the equity method of accounting. Information relating to the associate is set out below:

	OWNERSHIP INTEREST		CONSOLIDATED	
	2014	2013	**2014**	2013
	%	%	**$' 000**	$' 000
Name of company				
Unlisted securities				
Norna Limited (formerly M T Q Insurance Services Limited)	**20.65**	20.65	**1,620**	4,327

During the year M T Q Insurance Services Limited changed its name to Norna Limited. On 29 August 2014 MTA Insurance Limited (a wholly owned subsidiary of Norna Limited) was sold to AAI Limited with settlement to take place in instalments, the final of which is expected to be realised in 2016. Once the sale is completed Norna Limited will be liquidated.

AP Eagers Limited will remain a shareholder in Norna Limited with a 20.65% interest (PY: 20.65%) and will continue to equity account the investment in the associate which has been equity accounted from 1 January 2006 (refer Note 14), until the final distributions are received and Norna Limited is liquidated.

Norna Limited is incorporated in Australia. Its principal activities for the period up to the sale remained the sale of consumer credit and insurance products, as well as undertaking investment activities. Since the sale, the entity will realise the transaction until liquidated.

	CONSOLIDATED	
	2014	2013
	$' 000	$' 000
(b) Movement in the carrying amounts of investment in associate -		
Carrying amount at the beginning of the financial year	**4,327**	3,461
Equity share of profit from ordinary activities		
after income tax	**4,939**	1,959
Dividends received during current year	**(7,646)**	(1,094)
Carrying amount at the end of the financial year	**1,620**	4,327
(c) Summarised financial information of associate		
The aggregate profits, assets and liabilities of associate are:		
Revenue	**31,244**	43,128
Profits from ordinary activities after income tax expense	**23,519**	9,842
Assets	**10,049**	89,201
Liabilities	**53**	65,668
(d) Share of associate profit		
(Based on the last published results for the 12 months to 30 June 2014 plus unaudited results up to 31 December 2014)		
Profit from ordinary activities after income tax	**4,939**	1,959
(e) Share of associate expenditure commitments		
Lease commitments	**-**	151
(f) Dividends received from associate	**7,646**	1,094

(g) Reporting date of associate

The associate reporting dates are 30 June annually.

DIRECTORS' DECLARATION

The directors declare that :

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(c) In the director's opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in Note 1(a) to the financial statements; and

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001

At the date of this declaration, the company is within the class of companies affected by ASIC Class Order 98/1418.
The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the company and the companies to which the ASIC Class Order applies, as detailed in Note 29 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

M A Ward
Director

25 March 2015

Deloitte.

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Independent Auditor's Report to the Members of A.P. Eagers Limited

Report on the Financial Report

We have audited the accompanying financial report of A.P Eagers Limited, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 24 to 87.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte

Auditor's Independence Declaration

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

Opinion

In our opinion:

(a) the financial report of A.P. Eagers Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1a).

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 16 of the directors' report for the year ended 31 December 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of A.P. Eagers Limited for the year ended 31 December 2014, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Alfie Nehama
Partner
Chartered Accountants
Sydney, 25th March 2015

Equity Securities

The company's quoted securities consist of 178,519,473 ordinary fully paid shares (ASX: APE).

Top 20 Holders of Ordinary Shares

	No. of Shares	% of Issued Shares
WFM Motors Pty Ltd	66,110,960	37.03
Patterson Cheney Investments Pty Ltd	12,591,761	7.05
Jove Pty Ltd	10,715,916	6.00
Alan Piper Investments (No 1) Pty Ltd	6,406,250	3.59
Milton Corporation Limited	5,833,107	3.27
Argo Investments Limited	4,312,620	2.42
Navigator Australia Ltd <MLC Investment Sett A/C>	3,254,378	1.82
Martin Ward	2,854,170	1.60
Berne No 132 Nominees Pty Ltd	2,444,101	1.37
Citicorp Nominees Pty Ltd	2,227,848	1.25
Diane Colman	1,881,710	1.05
National Nominees Limited	1,590,951	0.89
Hegford Pty Ltd	1,203,063	0.67
ANZ Trustees Limited <Queensland Common Fund>	1,181,920	0.66
Peter Gary Robinson	1,116,455	0.63
Trevor Reading	1,107,550	0.62
Walmayne Pty Ltd	1,000,000	0.56
AMP Life Limited	991,527	0.56
RBC Investor Services Australia Nominees Pty Limited <BKCUST A/C>	882,197	0.49
Bryce McKerrell	869,637	0.49

Distribution of Shareholders

Range			No. of Shareholders
1	-	1,000	1,689
1,001	-	5,000	1,434
5,001	-	10,000	516
10,001	-	100,000	804
100,001 and over			108
			4,551

Substantial Shareholders

	No. of Shares Held
WFM Motors Pty Ltd	62,817,353
Patterson Cheney Investments Pty Ltd	11,977,755
Jove Pty Ltd	10,193,381

77 shareholders hold less than a marketable parcel.

Performance Rights and Options

940,516 unvested performance rights, 9,026,947 unvested options, 239,345 vested performance rights and and 8,207,515 vested options are on issue to 60 holders pursuant to the Executive Incentive Plan. Vesting is subject to the achievement of pre-determined performance hurdles, as described in the Directors' Report. The rights and options do not have any dividend or voting rights.

On-market Buy-back

The company does not have a current on-market share buy-back.

Voting Rights

The following voting rights attach to ordinary shares, subject to the company's constitution:

- A shareholder entitled to attend and vote at a meeting may do so in person or by proxy, attorney or corporate representative.
- On a show of hands, each shareholder entitled to vote has one vote.
- On a poll, each shareholder entitled to vote has one vote for each fully paid share and a fraction for each partly paid share.
- If a share is held jointly with two or more holders in attendance, only the holder whose name appears first in the register may vote.

CORPORATE DIRECTORY

A.P. Eagers Limited
ABN 87 009 680 013

Incorporation
Incorporated in Queensland on 17 April 1957

Registered Office
80 McLachlan Street
Fortitude Valley QLD 4006

Postal Address
PO Box 199
Fortitude Valley QLD 4006

Telephone
(07) 3608 7100

Facsimile
(07) 3608 7111

Website
www.apeagers.com.au

Auditor
Deloitte Touché Tohmatsu
Grosvenor Place
225 George Street
Sydney NSW 2000

Share Registry
Computershare Investor Services Pty Ltd
117 Victoria Street
West End QLD 4101
Enquiries within Australia: 1300 552 270
Enquiries outside Australia: +61 3 9415 4000

Board of Directors
Tim Crommelin, *Chairman*
Martin Ward, *Managing Director & Chief Executive Officer*
Nick Politis, *Non-executive Director*
Peter Henley, *Non-executive Director*
Dan Ryan, *Non-executive Director*
David Cowper, *Non-executive Director*

Company Secretary
Denis Stark, *General Counsel & Company Secretary*

Controlled Entities
Adtrans Australia Pty Ltd ABN 47 008 278 171
Adtrans Automotive Group Pty Ltd ABN 83 007 866 917
Adtrans Corporate Pty Ltd ABN 85 056 340 928
Adtrans Group Ltd ABN 28 008 129 477
Adtrans Hino Pty Ltd ABN 51 127 369 260
Adtrans Truck Centre Pty Ltd ABN 17 106 764 327
Adtrans Trucks Adelaide Pty Ltd ABN 45 151 699 651
Adtrans Trucks Pty Ltd ABN 71 008 264 935
Adtrans Used Pty Ltd ABN 11 074 561 514
A.P. Ford Pty Ltd ABN 43 010 602 383
A.P. Group Ltd ABN 53 010 030 994
A.P. Motors Pty Ltd ABN 76 010 579 996
A.P. Motors (No.1) Pty Ltd ABN 95 010 585 234
A.P. Motors (No.2) Pty Ltd ABN 97 010 585 243
A.P. Motors (No.3) Pty Ltd ABN 99 010 585 252
Associated Finance Pty Ltd ABN 76 009 677 678
Austral Pty Ltd ABN 89 009 662 202
BASW Pty Ltd ABN 63 601 452 199
Bill Buckle Autos Pty Ltd ABN 75 000 388 054
Bill Buckle Holdings Pty Ltd ABN 44 062 951 106
Bill Buckle Leasing Pty Ltd ABN 52 000 871 910
Black Auto CQ Pty Ltd ABN 50 135 015 191
Black Auto South West Pty Ltd ABN 12 600 279 927
Boonarga Welding Pty Ltd ABN 31 099 480 903
CH Auto Pty Ltd ABN 20 600 297 783
City Automotive Group Pty Ltd ABN 14 067 985 602
E.G. Eager & Son Pty Ltd ABN 20 009 658 306
Eagers Finance Pty Ltd ABN 65 009 721 288
Eagers MD Pty Ltd ABN 58 009 727 753
Eagers Nominees Pty Ltd ABN 98 009 723 488
Eagers Retail Pty Ltd ABN 91 009 662 211
Graham Cornes Motors Pty Ltd ABN 73 008 123 993
IB MD Pty Ltd ABN 50 169 210 173
IB Motors Pty Ltd ABN 90 169 209 607
Leaseline & General Finance Pty Ltd ABN 51 010 131 361
Melbourne Truck and Bus Centre Pty Ltd ABN 42 143 202 699
Nundah Motors Pty Ltd ABN 52 009 681 556
PPT Holdings No 1 Pty Ltd ABN 13 078 207 333
PPT Holdings No 2 Pty Ltd ABN 13 078 207 397
PPT Holdings No 3 Pty Ltd ABN 30 078 207 468
PPT Investments Pty Ltd ABN 80 000 868 860
Precision Automotive Technology Pty Ltd ABN 59 163 233 207
South West Queensland Motors Pty Ltd ABN 21 600 279 589
Stillwell Trucks Pty Ltd ABN 19 008 014 720
Western Equipment Rentals Pty Ltd ABN 91 131 269 184
Whitehorse Trucks Pty Ltd ABN 13 116 437 702

100 DRIVEN TOGETHER YEARS

EAGERS Established 1913