15 October 2020

Markets Announcements Office
ASX Limited

Trading Update for the 9 months ended 30 September 2020

Eagers Automotive Limited (ASX: APE) has recorded an Underlying Operating Profit Before Tax(1) from continuing operations for the nine months ended 30 September 2020 of $96.6 million, which represents a 45.4% increase on the prior corresponding period(2).

In the Australian states and territories which are not currently locked down, vehicle sales have rebounded strongly from the historical lows experienced during April and May 2020 when nation-wide restrictions were in place.

While customer orders have been strong, supply constraints caused by global manufacturer factory closures during the June quarter have resulted in lower vehicle deliveries to customers. The reduced inventory position combined with the company's cost reduction programs, initiated following the merger with AHG and in response to COVID-19, have led to a strong rebound in Eagers Automotive's underlying trading performance.

The results are still subject to external audit review which will be conducted following the completion of the financial year ending 31 December 2020.

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For more information:

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Authorised for release by the Board

(1) Underlying operating adjustments include: General Motors compensation payment, business acquisition and integration costs, property revaluations losses, impairments, COVID-19 wage subsidies and rent waivers, restructuring activities, gain on sales of assets, income from equity accounted share of AHG, employee underpayment costs and impact of new lease accounting standard (AASB 16)
(2) Comparative underlying financial information has been adjusted to remove the contribution of Kloster Motor Group, divested in October 2019.

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