



ASX Announcement

25 August 2005

Super Cheap Auto Group (SUL) reports 31% Growth in Underlying Net Profit after Tax

Super Cheap Auto Group Limited (SUL) today announced its financial results for the 53 weeks ended 2 July 2005, reporting net profit after tax but before specific non recurring items of \$17.3 million. This result was 31.1% higher than the prior comparative period¹ and \$1.9 million (12.3%) ahead of the Group's IPO Prospectus Forecast.

Group EBITA at \$32.5 million was 27% higher than the prior comparative period¹ and \$1.9 million (6.2%) ahead of the Prospectus Forecast. EBITA margin was 6.9%, which was 0.2% points higher than the prior comparative period¹, primarily as a result of improvements in gross margin through improved trading terms and a reduction in supply chain costs.

Group sales at \$470.1 million were 22.8% higher than the prior comparative period¹ with a \$5.1 million contribution from the CampMart business purchased in January 2005. Sales in comparable Australian stores in the Super Cheap Auto business were 3.7% higher than the prior comparative period¹ on a like for like basis.

The Directors have declared a fully franked final dividend of 4.5 cents per share. The record date for dividend entitlement is 20 September 2005 with the dividend payable to shareholders on 12 October 2005. The total dividend for the year of 6.5 cents per share is 0.7 cents (12.1%) higher than the Prospectus Forecast.

Commenting on the results, Mr. Bob Thorn, Managing Director of Super Cheap Auto Group, said "We are extremely pleased to report a set of results with earnings and dividends strongly ahead of our IPO Prospectus Forecast. The downturn in consumer spending through much of the year has been well documented and although this held back our sales growth, we achieved like for like sales growth close to both our Prospectus Forecast and to levels achieved in recent years."

¹ Super Cheap Auto Group Limited was incorporated on 8 April, 2004. On 23 April 2004, the company acquired all of the issued share capital of Super Cheap Auto Pty Ltd, the principal trading company. The prior period comparative results quoted in the press release reflect the trading activities for the 52 weeks to 26 June, 2004 as set out in the Special Purpose Report attached to this release. These results are not a substitute for the statutory results of the company which have been released to the Australian Stock Exchange.

“We opened 28 Super Cheap Auto stores during the year of which 12 were in New Zealand and we would expect to open a further 20 to 25 additional stores in the current financial year. We anticipate like for like sales growth in existing stores to continue at between 3% and 4%.”

“We announced the development of our BCF format in July and everything is on target for the launch of this new business in the 2nd quarter of the year. We expect to have 14 BCF stores trading by the end of the financial year.”

“We have made good progress in increasing EBITA margin and we expect a further improvement to around 7% in the coming year, before taking into account the costs associated with the launch of BCF and the impact of the adoption of International Financial Reporting Standards²”.

For further information, contact

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² Super Cheap Auto Cheap Auto Group will adopt Australian Equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005. Details of material changes in accounting policies resulting from the adoption of AIFRS are provided in the Appendix 4E and the presentation which accompany these results. AIFRS will result in some timing differences in the recognition of revenues and costs but will not affect cash flows and is not expected to materially impact on future earnings.