



AUTODOM

AUTODOM LIMITED

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Australian Securities Exchange
Company Announcements Office
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Sirs,

Earnings Update

The directors of Autodom advise that it incurred losses of \$4.5m in the March quarter. Further losses will be incurred in the June quarter before a return to profitability.

The primary cause of the losses relate to initial delays in the settlement of the recent acquisitions of Dair SA and HPG. This lead to unplanned costs associated with their integration into aiAutomotive. The process of bringing the businesses together including the move of plant and equipment and contracts from Melbourne to Adelaide has been more difficult, taken longer and been far more expensive than envisaged. Integration is expected to be complete by mid June. The major cost categories of overspend have been in labour (\$2.5m), freight (\$0.7m), and repairs and maintenance, plant hire and consumables (\$0.8m). The business has also incurred premium costs for sub components temporarily being manufactured by one of the vendor businesses prior to transfer to aiAutomotive. Synergies to be gained from the acquisitions will now not be realised until the new financial year.

Given this result Autodom will report a substantial loss for the 2008 financial year. The 2009 year outlook is being reviewed and the company will provide an update once this is complete.

Yours sincerely,

Tony Dale
Managing Director

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