AP EAGERS

19 December 2003

The Companies Announcements Office
Australian Stock Exchange Limited
Level 10
20 Bond Street
SYDNEY NSW 2000

ASX ANNOUNCEMENT

The Directors of A.P. Eagers Limited are pleased to report a substantial increase in the value of the Group's property portfolio.

Independent valuations to be adopted at 31 December 2003 are 30% above current book values, an increase of $33 Million which will be credited to the asset revaluation reserve account.

The Group has elected to early adopt the Australian Income Tax Standard AASB 1020 which was not due to commence until 1 January 2005 when International Accounting Standards become mandatory. The International Accounting standards and AASB 1020 require, amongst other things, the creation of a provision for deferred tax liability arising out of the differential between the carrying amount of an asset and the tax base of that asset. The net liability in A.P. Eagers Limited arising from the adoption of AASB 1020 in respect of property and other assets has been estimated at around $7 Million.

The effect of the above adjustments is to increase the Group's present Net Tangible Asset Backing (NTAB) by $1.33 per share from $4.67 at 30 June 2003 to $6.00 per share. The adjustments have no effect on the Group's earnings for the current year as reported to the Stock Exchange on 7 November 2003. Second half earnings will further increase NTAB.

K. W. Macdonald
Managing Director
A.P. Eagers Limited

For further information please contact either Mr Ken Macdonald or Mr Dennis Hull on (07) 3248 9455.

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