GOOD DISTRIBUTION GROWTH AMIDST CHALLENGING HEADWINDS

RICHARD HOWES

Chief Financial Officer

Group revenue of £9.3bn is up 5.8% year-on-year, and 4.2% excluding the Central America acquisition that was announced in March 2018. Organic growth was particularly strong in the Emerging Markets, driven by Russia and South America where the benefits of our Ignite strategy are particularly visible both through value driver growth and acquisitions. The enhancement of our South America portfolio with the acquisition made in 2016 continues to benefit us, with the business performing very well. Other regions have seen more resilient organic growth against some market headwinds.

The Group delivered an operating profit before exceptional items of £385.1m, down 1.4% year-on-year and down 4.5% excluding the new Central American operations. Our Distribution business continues to be the growth engine of the Group, with Distribution trading profit up 6.5% and, excluding the accretion of the new Central American businesses, growing by 3.0%. This performance has been driven by Asia. Performance in our Distribution business was offset by continued weakness in our UK and Australia Retail markets where market-driven factors have weighed on margins. Our Group operating margin over the year was 4.2%, compared with 4.5% in 2017.

Profit before tax and exceptional items of £356.8m is down 2.6% year-on-year, reflective of the challenging Retail trading environment and impact on margins. Reported profit before tax declined 64.2% year-on-year in actual currency, given an exceptional charge of £225m largely relating to impairments in our UK & Europe segment.

The Group delivered strong free cash flow of £280.7m, down 11% versus 2017, representing a conversion rate of 73%, compared with 77% in 2017 and slightly above our target range of cash generation, despite timing impacts on working capital that were particularly beneficial in 2017. Working capital benefit in 2018 was driven by improvements in Asia and Central America.

Return on capital employed (ROCE) for the Group was 28% compared with 30% in 2017.

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Key Performance Indicators – results

	Year ended 2018 £m	Year ended 2017 £m	% change	% change in constant currency
Revenue	**9,277.0**	8,953.3	3.6%	5.8%
Operating profit before exceptional items[1,2]	**385.1**	406.6	(5.3%)	(1.4%)
Operating margin[1]	**4.2%**	4.5%	–	–
Profit before tax[3]	**132.1**	369.0	(64.2%)	–
Profit before tax before exceptional items[1]	**356.8**	381.6	(6.5%)	(2.6%)
Free cash flow[1]	**280.7**	313.9	(10.6%)	–
Return on capital employed[1]	**28%**	30%	–	–

1. These measures are Alternative Performance Measures, see page 165.
2. 2018 adjusted operating profit excludes an exceptional primarily non-cash charge of £210.8m, comprising £198.2m of goodwill and asset impairment (UK & Europe), £5.4m of non-cash pension charge relating to GMP equalisation and £7.2m relating to acquisitions. 2017 adjusted profit excludes an exceptional charge of £12.6m, comprising £10.5m of primarily cash exceptional charges relating to the fixed cost review, and £2.1m of costs relating to the South American acquisition.
3. 2018 adjusted profit before tax excludes a £13.9m exceptional non-cash finance cost relating to fair value adjustments against repayment of US Private placement loans in 2009.

Our results are stated at actual rates of exchange. However, to enhance comparability we also present year-on-year changes in sales and trading profit in constant currency, thereby isolating the impact of exchange. Unless otherwise stated, changes in sales and trading profit in the operating review are at constant currency. The 2019 outlook commentary is also referenced at constant currency.

We have a long-standing Distribution partnership with Suzuki stretching back over 40 years. In March 2018 our acquisition of Grupo Rudelman introduced not only two new markets to our portfolio, but also a step-change in our relationship with Suzuki, and we are delighted that the brand is now a volume Distribution partner and the lead brand in our newly formed Central America platform.

LOCATIONS

DISTRIBUTION
Costa Rica, Panama, Singapore, Argentina

SEGMENTAL PERFORMANCE

Segmental detail can also be found in Note 2 of the accounts, and our appendix contains the list of markets that fall within each region. During the year, the Group has reviewed the operating segments and determined that in those regions where we are the Distributor and manage a network that includes dealerships that we own and operate, the results of those retail operations are better reflected as part of the results from Distribution. This has resulted in the results from our Subaru, Peugeot and Citroen retail operations in Australia and Toyota retail operations in Europe being reported as part of Australasia and UK and Europe Distribution. Restatements are also reflective of smaller changes relating to IFRS 15 and a reallocation of some central costs.

DISTRIBUTION

The Distribution segment delivered year-on-year revenue growth of 6.6%, or 3.6% excluding the new Central American operations. Distribution trading profit grew 6.5% in constant currency and was up 3.0%, excluding the Central America acquisition. Group Distribution trading margin declined 20bps to 7.5%, a strong improvement of 90bps in our Asia business, offset mostly by our Emerging Markets business in Ethiopia. On our historic segmental presentation Distribution grew +9.3%, or +5.6% excluding the new Central America operations.

	Year ended 2018 £m	Year ended 2017[1] £m	% change	% change in constant currency
Revenue				
Asia	1,687.7	1,692.6	(0.3%)	1.3%
Australasia	1,198.4	1,237.8	(3.2%)	2.6%
UK & Europe	1,145.5	1,068.4	7.2%	5.4%
Emerging Markets	956.5	794.7	20.4%	26.0%
Total Distribution	**4,988.1**	**4,793.5**	**4.1%**	**6.6%**
Trading profit				
Asia	169.6	154.2	10.0%	11.8%
Australasia	87.8	92.2	(4.8%)	0.8%
UK & Europe	33.3	34.5	(3.5%)	(5.2%)
Emerging Markets	84.2	85.9	(2.0%)	7.7%
Total Distribution	**374.9**	**366.8**	**2.2%**	**6.5%**
Trading profit margin				
Asia	10.0%	9.1%	0.9ppt	0.9ppt
Australasia	7.3%	7.4%	(0.1ppt)	(0.1ppt)
UK & Europe	2.9%	3.2%	(0.3ppt)	(0.3ppt)
Emerging Markets	8.8%	10.8%	(2.0ppt)	(1.5ppt)
Total Distribution	**7.5%**	**7.7%**	**(0.2ppt)**	**(0.1ppt)**

1. 2017 restated following the adoption of IFRS 15 and segmental change

- **Asia** revenue grew 1% and trading profit grew 12%, driven by a pleasing New car performance and supported by Aftersales. In Hong Kong, we saw very strong underlying market share growth of more than 140bps against a broadly flat market, excluding incentive-driven electric vehicle volumes in 2017. This was helped by the successful launch of the new Toyota Alphard product. Singapore's sales performance was pleasing against the new vehicle market decline of 18% which was driven by the anticipated reduction in Certificates of Entitlement (COEs) availability. The annualising effect of the Harrier product launch, historically a domestic-Japanese focused product for Toyota, helped to drive market share gains in Singapore and was also beneficial to margin mix. Trading profit margins for Asia as a whole grew 90bps, driven by double digit profit growth in Hong Kong alongside a strong top-line and good management of Singapore headwinds which enabled profit growth in the market.
- **Australasia** saw sales growth of 3% and trading profit growth of 1%. On our previous classification Australasia trading profit grew 14%. The Australian new car market declined by 3% over the year, with weakness driven by the New South Wales submarket, although outperformance continued to be seen in the SUV segment. Against these market trends our Subaru operations were able to broadly maintain their global leading market share at 4.3% over the year, although the phasing of the new Forester launch impacted sales growth in the second half. Australasia trading profit was supported by a net c.£16m transactional currency tailwind. The division's profit decline excluding the Yen benefit includes the weaker profit generated in Retail sites, in part due to a high Sydney concentration, where the Australian market saw greater contraction. The Peugeot Citroën business, which saw the successful launch of the Peugeot 3008, albeit in a competitive market, remains broadly breakeven.
- **UK & Europe** sales grew 5% and trading profit declined 5%. The Greek market was up 17% over the year as it continued to recover from years of decline following a sustained period of macro-economic and political uncertainty. Our Toyota Lexus operations benefited from this trend and drove good growth for the division. In Belgium, the Passenger car market grew by 1% and

was impacted by competitor actions around WLTP which impacted profit growth. Our Balkan and Baltic operations continued to structurally grow over 2018, however competitive behaviours, including linked to WLTP, in the Baltics restricted profit growth later in the year.

- **Emerging Markets** sales grew 26% over the year and trading profit grew 8%, strongly supported by Ignite initiatives. Excluding the Central America acquisition, trading profit declined by 8%. The new South American operations we acquired at the end of 2016 have continued to demonstrate strength, with benefits from being part of the wider Inchcape Group being realised. Within the mix, commercial vehicles saw a recovery in Colombia and Subaru sales across the region have remained encouraging. Our pre-existing South American BMW Distribution business saw both Chile and Peru achieve market leadership, although Peru was affected by a sales tax change. The organic performance of the division was however mostly impacted by a profit decline in Ethiopia. Ethiopia was impacted by more limited currency availability which caused supply constraints in this high margin Aftersales driven business despite demand remaining high.
- The **Central America** acquisition which we made in March 2018 has contributed £140m of revenue over the year and £12m of trading profit. The business has integrated well although the Costa Rica and Panama markets have declined during 2018. The merits of the acquisition however remain intact and we are pleased with the progress we are making with our meaningful increase in Suzuki exposure.

RETAIL

The Retail segment delivered a solid revenue performance, growing by 5.0%, driven by Russia where the success of Ignite initiatives can be seen. Trading profit declined by 58.7% year-on-year, with margins down 100bps to 0.6%. Dynamics in the UK and Australia drove the margin decline with vehicle margin weakness and negative operating gearing. On our historic segmental presentation Retail trading profit declined 53.1%.

	Year ended 2018 £m	Year ended 2017[1] £m	% change	% change in constant currency
Revenue				
Australasia	382.2	401.6	(4.8%)	0.8%
UK & Europe	3,057.6	3,174.4	(3.7%)	(3.7%)
Emerging Markets	849.1	583.8	45.4%	60.0%
Total Retail	**4,288.9**	**4,159.8**	**3.1%**	**5.0%**
Trading profit				
Australasia	(7.7)	9.4	(181.9%)	(187.0%)
UK & Europe	14.8	52.0	(71.5%)	(71.6%)
Emerging Markets	19.4	3.6	438.9%	490.0%
Total Retail	**26.5**	**65.0**	**(59.2%)**	**(58.7%)**
Trading profit margin				
Australasia	(2.0%)	2.3%	(4.3ppt)	(4.3ppt)
UK & Europe	0.5%	1.6%	(1.1ppt)	(1.1ppt)
Emerging Markets	2.3%	0.6%	1.7ppt	1.7ppt
Total Retail	**0.6%**	**1.6%**	**(1.0ppt)**	**(1.0ppt)**

1. 2017 restated following the adoption of IFRS 15 and segmental change

- **Australasia** revenue grew 0.8% but trading profit declined 187%. Over the year we have continued to see impacts from F&I commission regulation but have also seen an impact from a cooling property market which has weighed on Sydney in particular, although the wider market also saw an increasing pull-back over the year. Our Retail business had also benefited in 2017 from £9m property profit which was not repeated in 2018.
- **UK and Europe** sales declined 4% and trading profit declined 72%, given a contraction in margins to 0.5% from 1.6% in the prior year. Our UK business has seen a 7% market decline in New car volumes, but more importantly a further 30% contraction in diesel New car volumes. This has led to an oversupply of diesel New car product in the market. In addition, the new WLTP led to supply shortages of certain models in the second half of the year given delays in product testing. Inchcape's OEM brand exposure emphasised the impact of both trends to the business in comparison to the wider market. These trends, alongside negative operational gearing, weakened our margins over the year. Given current trading margins we have reduced our near-term margin expectations and taken a £198m non-cash exceptional impairment to the carrying value of goodwill and site-based assets.
- **Emerging Markets**, which includes only Russia, saw 60.0% revenue growth over the period and 490% trading profit growth. Strong performance led to 2018 profit almost five times greater than the prior year. The total Russian New car market grew only 13% in comparison, and much of the benefit can be attributed to our Ignite strategy. We have seen strong growth across value drivers, with profit achieved through F&I, Used and Aftersales up meaningfully. Used car gross profit doubled and F&I saw a strong uplift from the introduction of a paint protection product, as well as improved selling processes.

2019 OUTLOOK

Overall, for the Group, we are expecting a resilient constant currency profit performance in 2019, excluding a large transactional Yen FX headwind. We currently expect this headwind to be £35m, and including this we expect a challenging performance. We remain focused on improving the efficiency of the business through our Ignite initiatives and controlling costs to manage the headwinds expected over the year. Cash generation remains a focus of the business and we anticipate conversion in line with target levels over the period, supported by a reduced capex level compared with prior year.

Distribution: We expect 2019 to be a resilient year, excluding transactional headwinds in Australasia, with resilient performances in Asia, Australasia and Emerging Markets but a strong performance in Europe. In Asia we expect a continued Singapore market decline, although supported by a commercial vehicle scrappage scheme, as well as a broadly stable Hong Kong market. South America growth remains beneficial to the Emerging Markets, but currency availability in Ethiopia remains limited which is likely to impact supply despite strong demand. The Costa Rica market is likely to soften further but we are confident that we have the foundations to improve the business through Ignite initiatives. The cooling of the Australian property market is likely to limit underlying progress in Australasia, although we have the benefit of a fresh product line-up. Europe is expected to benefit from continued momentum in Greece as well as improved performance in the Baltics.

Retail: We expect growth in Russia to remain strong and for performance in the UK and Australia to be more stable. Whilst the UK market remains challenging, we have started 2019 with a cleaner stock profile, improved centralised processes and have actions underway to rationalise our cost base. Similarly, in Australia the market remains pressured, but we are also looking at our cost base and are driving our Ignite initiatives even harder. Russia's phasing is likely to see a slower first half given VAT changes in the market. Any impact to trading from Brexit would however be a further risk to this Retail performance.

VALUE DRIVERS

We provide disclosure on the value drivers behind our revenue and profit. This includes:

- Gross profit attributable to Vehicles – New vehicles, Used vehicles and the associated F&I income; and
- Gross profit attributable to Aftersales, Service and Parts.

Over the year we saw a 3.4% increase in Vehicle gross profit and a 6.6% increase in Aftersales gross profit, excluding the Central America acquisition. Inchcape operates across the automotive value chain and over the year generated 38% of gross profit through Aftersales.

Distribution Vehicles gross profit grew 9.0%, or up 5.0% excluding the new Central American operations. This reflects higher New vehicle margins in Asia, the transactional currency tailwind of £16m in Australasia, and good vehicle growth in South America and Greece.

Distribution Aftersales gross profit increased 9.3%, or 6.1% excluding the new Central American operations, driven by South America, Australasia and Singapore although Ethiopia was a drag, given reduced parts supply.

The Retail business saw a 0.3% increase in Vehicles gross profit, reflecting margin declines in the UK and Australia, despite strength in Russia.

Retail Aftersales gross profit increased by 7.6% year-on-year. This reflects strength in Russia but weaker growth in Australasia. UK aftersales performance was up mid-single digit.

		Gross profit £m		% change	% change in constant currency
		Year ended 2018	Year ended 2017		
Group	Vehicles	**809.7**	784.4	3.2%	6.0%
	Aftersales	**491.6**	466.8	5.3%	8.7%
	Total	**1,301.3**	1,251.2	4.0%	7.0%
Distribution	Vehicles	**544.1**	514.1	5.8%	9.0%
	Aftersales	**325.6**	308.7	5.5%	9.3%
	Total	**869.7**	822.8	5.7%	9.1%
Retail	Vehicles	**265.6**	270.3	(1.7%)	0.3%
	Aftersales	**166.0**	158.1	5.0%	7.6%
	Total	**431.6**	428.4	0.7%	2.9%

OTHER FINANCIAL ITEMS

Central costs

Unallocated central costs for the full year are £16.3m before exceptional items (2017: £25.2m). Our costs remain tightly controlled with moderate inflationary increases and, in the year, have benefitted from a year-on-year reduction in underlying costs together with unusually low claims in central insurance operations.

Operating exceptional items

In 2018, the Group has recorded exceptional operating costs of £210.8m (2017: £12.6m). The charge in 2018 is comprised of goodwill and other asset impairments of £198.2m, costs of £7.2m relating to the acquisition and integration of businesses, primarily the Grupo Rudelman business in Central America, and £5.4m as a result of equalising Guaranteed Minimum Pensions in the Group's UK pension schemes following a ruling in the High Court. In 2017, the exceptional operating costs comprised costs of £10.5m associated with the global cost reduction programme and £2.1m in relation to the acquisition and integration of the Subaru and Hino Distribution businesses in South America.

Net financing costs

Net financing costs for the year, before exceptional finance costs, have increased from £25.0m in 2017 to £28.4m in 2018. The increase is due to increased levels of debt and supplier financing following the acquisition of the business in Central America in March 2018, together with the impact of an increase in base rates in the second half of 2017 and the annualisation of the interest cost on the sterling loan notes. Over 2019 we expect a charge of £28m in constant currency.

During the year, we incurred exceptional finance costs of £13.9m. This represents a one-off correction to the fair value basis of assessment of the Group's US$ Private Placement Loan Notes. This amount has been reported as an exceptional item in order to provide additional useful information regarding the Group's underlying business performance. The impact on profit before tax in each of the prior periods affected was not material and, had each period been reported correctly, there would have been no impact on executive or employee remuneration.

Tax

The effective tax rate for the year before exceptional items was 22.5% (2017: 25.2%). The underlying rate reflects the Group's profit mix and weighted average tax rate, together with the impact of post-acquisition restructuring of the Indumotora business and the resolution of audits in several jurisdictions. During 2018, tax paid was £98.7m (2017: £85.9m) with the increase principally driven by the timing of instalment payments in Hong Kong and Singapore. Tax paid also includes £5.9m relating to the return of the surplus from the TKM pension scheme.

We expect the effective rate to increase to 23-24% in 2019 given the profit mix across the Group.

Non-controlling interests

Profits attributable to our non-controlling interests were £7.0m, compared to £7.9m in 2017. The Group's non-controlling interests principally comprised a 10% share of Subaru Australia, a 6% share of the Motor & Engineering Company of Ethiopia, a 30% share in NBT Brunei and a 33% minority holding in UAB Vitvela in Lithuania.

Foreign currency

During the year, the Group incurred a loss of £15.5m (2017: a gain of £15.2m) from the translation of its overseas profits before tax into sterling at the 2018 average exchange rate when compared with the average exchange rates used for translation in 2017.

Dividend

The Board recommends a final ordinary dividend of 17.9p per ordinary share which is subject to the approval of shareholders at the 2018 Annual General Meeting. This gives a total dividend for the year of 26.8p per ordinary share (2017: 26.8p). The dividend will be paid on 21 June 2019 to all shareholders on the register of members on 17 May 2019. A Dividend Reinvestment Plan (DRIP) is available to Ordinary shareholders and the final date for receipt of elections to participate in the DRIP is 31 May 2019.

Pensions

At the end of 2018, the IAS 19 net post-retirement surplus was £81.9m (2017: £72.3m), with the increase in the surplus driven by changes in demographic and financial assumptions partially offset by a decrease in the value of pension assets. In line with the funding programme agreed with the Trustees, the Group made additional cash contributions to the UK pension schemes amounting to £2.7m (2017: £2.7m). We have agreed with the Trustees that future cash contributions will continue at broadly this level.

During the year, Aviva completed the issue of individual policies to members of the TKM pension scheme and the trustees of the scheme returned £16.8m before tax (£10.9m after tax) of the surplus in the scheme to the Group.

Acquisitions and disposals

In March 2018, the Group acquired Grupo Rudelman, a Suzuki focused Distribution business with integrated Retail assets operating in Costa Rica and Panama. The total cost of this acquisition was £155.5m including cash acquired of £8.5m. During the year the Group also entered into a Distribution contract with Jaguar Land Rover to distribute the Jaguar and Land Rover brands in Kenya and acquired one Lexus site in the UK. The Group has also disposed of its Jaguar Land Rover operations in Shaoxing and a dealership in the UK generating disposal proceeds of £13.4m.

In 2017 the Group acquired premium automotive operations in Estonia, focused on exclusive Distribution for BMW Group, from United Motors AS and entered into a Distribution contract with Groupe PSA to distribute the Peugeot and Citroen brands in Australia. The total cost of these acquisitions was £19.3m. In addition, the Group also made a completion payment of £4.4m in relation to the Subaru and Hino business in South America. The Group also disposed of its Lexus operations in Shanghai generating disposal proceeds of £5.6m.

Financing

During the year, the Group has entered into a £120m bilateral facility with a relationship bank, maturing in March 2019 with an option to extend for a further six months, with terms similar to those of the Group's existing Revolving Credit Facilities (RCF).

Driven by upcoming maturities, in February 2019 we refinanced our core RCF. This has increased our committed facilities from £620m to £700m at improved rates which drives a broadly neutral impact to our interest charge. The facility extends over the period to 2024, with options to extend to 2026 at the discretion of lenders.

Capital expenditure

During the year, the Group invested £99.3m (2017: £101.4m) of net capital expenditure in the development of greenfield sites, the enhancement of existing facilities and the continued rollout of the iPower system. During 2017 the Group invested in greenfield sites and the enlargement of existing facilities, including the optimisation of the Jaguar Land Rover footprint in the UK. We expect net capital expenditure to fall to a more normalised level of c£75m in 2019.

Cash flow and net funds

The Group delivered free cash flow of £280.7m (2017: £313.9m). After the acquisition of businesses in the year, the payment of the final dividend for 2017 and the interim dividend for 2018, the Group had net funds of £12.7m (2017: net funds of £80.2m).

Lease accounting (IFRS 16)

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessees and lessors. IFRS 16 will supersede the current guidance on leases including IAS 17 when it becomes effective for the Group's financial year commencing 1 January 2019. Under IFRS 16, the distinction between operating leases (off balance sheet) and finance leases (on balance sheet) is removed for lessee accounting and replaced with a model where a right-of-use asset and a corresponding liability are recognised for all leases by lessees. As a result, all leases will be on balance sheet except for short-term leases and leases of low value assets.

The Group plans to apply a fully retrospective approach to leases where the Group is the lessee. Therefore, the cumulative effect of adoption of IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 January 2018, with restatement of comparative information. The Group is currently finalising its assessment of IFRS 16 and estimates that the impact on adoption would be to add c £450m to £470m of lease liabilities to the balance sheet as at 31 December 2018. It would also increase the ratio of net debt / EBITDA by c0.9x. However, it is a non-cash accounting adjustment and does not change the financial liquidity of the Group.

RECONCILIATION OF FREE CASH FLOW

	Year to 31 December 2018 £m	**Year to 31 December 2018 £m**	Year to 31 December 2017 £m	Year to 31 December 2017 £m
Net cash generated from operating activities	–	**375.7**	–	389.5
Add back: Payments in respect of exceptional items	–	**10.1**	–	32.1
Net cash generated from operating activities, before exceptional items	–	**385.8**		421.6
Purchase of property, plant and equipment	**(90.8)**	–	(103.2)	–
Purchase of intangible assets	**(34.4)**	–	(24.0)	–
Proceeds from disposal of property, plant and equipment	**25.9**	–	25.8	–
Net capital expenditure	–	**(99.3)**	–	(101.4)
Dividends paid to non-controlling interests	–	**(5.8)**	–	(6.3)
Free cash flow	–	**280.7**	–	313.9

Included within free cash flow are movements in restricted cash balances described in note 18.

ASIA

At the heart of the Asia region, we are the Distributor and exclusive Retailer for Toyota, Lexus, Hino and Suzuki and operate Distribution and exclusive Retail for Jaguar, Land Rover and Ford in Hong Kong with additional Distribution and Retail franchises across the region.

Country	Route to market	Brands
Hong Kong	Distribution & Exclusive Retail	Toyota, Lexus, Hino, Daihatsu, Jaguar, Land Rover, Ford, Maxus
Macau	Distribution & Exclusive Retail	Toyota, Lexus, Hino, Daihatsu, Jaguar, Land Rover, Ford, Maxus
Singapore	Distribution & Exclusive Retail	Toyota, Lexus, Hino, Suzuki
Brunei	Distribution & Exclusive Retail	Toyota, Lexus
Guam	Distribution & Exclusive Retail	Toyota, Lexus, BMW, Chevrolet
Saipan	Distribution & Exclusive Retail	Toyota
Thailand	Distribution & Exclusive Retail	Jaguar, Land Rover
China	Retail	Porsche, Mercedes, Lexus, VW

AUSTRALASIA

We are the Distributor for Subaru in both Australia and New Zealand, in addition to Peugeot and Citroen in Australia. We also operate multi-franchise Retail operations in Sydney, Melbourne and Brisbane.

Country	Route to market	Brands
Australia	Distribution & Retail	Subaru, Peugeot, Citroen
	Retail	BMW, Jaguar, Land Rover, VW, MINI, Honda, Isuzu, Kia, Mitsubishi, Aston Martin, Bentley, McLaren, Rolls-Royce
New Zealand	Distribution	Subaru

UK AND EUROPE

We have scale Retail operations across the core regions of the UK focused on premium and luxury brands. Our European operations are centred on Toyota and Lexus Distribution in Belgium, Greece and the Balkans, BMW Retail in Poland and a number of fast-growing businesses in the Baltic region focused on Jaguar Land Rover, Mazda and other brands.

Country	Route to market	Brands
UK	Retail	Toyota, Lexus, Audi, BMW, MINI, Jaguar, Land Rover, Mercedes, VW, Porsche, Smart
Belgium Luxembourg Greece Romania Bulgaria Macedonia Albania	Distribution & Retail	Toyota, Lexus
Finland	Distribution	Jaguar, Land Rover, Mazda
Estonia	Distribution & Retail	Jaguar, Land Rover, Mazda, BMW, MINI, Kia
Latvia	Retail	BMW, MINI, Ford, Jaguar, Land Rover, Mazda,
Lithuania	Distribution & Retail	Mitsubishi, Jaguar, Land Rover, Mazda, Ford, Hyundai, BMW, MINI, Rolls-Royce
Poland	Retail	BMW, MINI

EMERGING MARKETS

In South America, we have BMW Distribution businesses in Chile and Peru as well as Subaru and Hino operations across these markets, Colombia and Argentina. Our business in Ethiopia is centred on Distribution and exclusive Retail for Toyota. In Russia we operate 22 retail centres in Moscow and St Petersburg representing a number of our global OEM brand partners.

Country	Route to market	Brands
Ethiopia & Djibouti	Distribution & Exclusive Retail	Toyota, Daihatsu, Komatsu, New Holland, Hino
Kenya	Distribution & Retail	Jaguar Land Rover, BMW
Russia	Retail	Toyota, Audi, BMW, Jaguar, Land Rover, Lexus, MINI, Rolls-Royce, Volvo
Chile	Distribution & Retail	BMW, Subaru, Rolls-Royce, Hino, DFSK, Kia
Peru	Distribution & Retail	BMW, Subaru, DFSK, BYD
Colombia	Distribution & Retail	Subaru, Hino, DFSK, Mack, Daihatsu, BAIC, Jaguar, Land Rover
Argentina	Distribution & Retail	Subaru, Suzuki
Costa Rica	Distribution	Suzuki, BAIC, JAC, Changan, Kubota
Panama	Distribution	Suzuki, JAC, Changan, Great Wall