

Inchcape plc ("Inchcape" or the "Group"), the leading independent global automotive distributor, today releases its Q1 Trading Update covering the period from 1 January to 31 March 2021.

Q1 Trading Update

Positive trading momentum

- Group revenue £1.9bn: up 2% on an organic basis, and down 3% reported
- Continued expansion of our distribution footprint: JLR in Indonesia and Daimler in Guatemala
- Sale of retail operations in St.Petersburg (Russia); expected completion in Q2

Q1 Revenue YoY%	% change reported	% change constant FX	% change organic ¹
Group	(3)%	(1)%	+2%
Distribution	+10%	+9%	+4%
Retail	(18)%	(14)%	(2)%

1: Organic growth is defined as sales growth in operations that have been open for at least a year at constant foreign exchange rates

Duncan Tait, Group CEO, commented:

“Our first quarter results were ahead of our expectations. The performance demonstrates the underlying resilience of the Group - with revenue growth underpinned by a widespread recovery in our Distribution business. It also reflects our agility as we met the challenges of lockdowns and restrictions worldwide by adapting and improving our operational capabilities.

In line with our focus on markets with high growth potential, we continued to expand our distribution footprint with JLR in Indonesia and Daimler in Guatemala. We have also agreed the sale of part of our retail operations in Russia, further streamlining our Retail-only business.

Looking ahead, while the pandemic situation presents continued uncertainty, absent any severe disruptions we continue to expect material growth in profits and an improved operating margin for FY21.

Our ambition is to become the undisputed distributor of choice for OEMs. We will achieve this by further strengthening our OEM relationships and with more emphasis on capturing the lifetime value of both customers and vehicles.”

Channel review

The commentary that follows covers the period from 1 January to 31 March 2021. Unless otherwise stated, all figures are quoted on an organic basis¹.

During the quarter, Group revenue increased 2% year-on-year, with Distribution up 4% and Retail down 2%. In March, the business started to annualise restrictions which weighed on the comparative period. While performance in Distribution improved versus Q4, Retail was impacted by stricter pandemic related restrictions.

In Distribution, top-line performance improved sequentially across most regions, with Asia, Australasia, Europe and the Americas all delivering positive year-on-year revenue growth. During the period, a number of our markets continued to be impacted by restrictions.

In Retail, a solid revenue performance in Russia was offset by the UK, which faced severe restrictions with showrooms being closed throughout Q1 although the business continued to operate online and perform Aftersales services.

Distribution

Q1 organic revenue YoY%: +4%

Asia

- Hong Kong saw positive revenue growth throughout the quarter
- Singapore experienced a sequentially improving top-line trend during Q1

Australasia

- Australia benefited from new model launches (e.g. Subaru Outback) and an encouraging market share outturn

Europe

- Successfully navigating Covid disruption with the region delivering positive growth in the quarter

Americas & Africa

- In Americas, the topline trend improved across all major markets; some tightening of restrictions late in the quarter
- Our businesses in Africa performed well in the context of a high prior year comparator

Retail

Q1 organic revenue YoY%: (2)%

UK & Europe

- Relative resilience in the UK against the backdrop of severe restrictions; solid start to the year in Russia

Market abuse regulation statement

This announcement contains inside information.

Conference call today

A conference call for Analysts and Investors will be held today at 8:30am. For details please contact Rosie Driscoll at Instinctif on +44 20 7457 2856 and rosie.driscoll@instinctif.com.

Financial calendar

Ex-dividend date for 2020 final dividend	13 th May 2021
Annual general meeting	27 th May 2021
Half year results	29 th July 2021
Q3 trading update	28 th October 2021

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American Depository Receipts

Inchcape American Depository Receipts are traded in the US on the OTC Pink market: (OTC Pink: INCPY)
<http://www.otcm Markets.com/stock/INCPY/quote>

About Inchcape

Inchcape is the leading independent multi-brand global automotive distributor, operating in 36 markets with a portfolio of the world's leading automotive brands. Inchcape has diversified multi-channel revenue streams including sale of new and used vehicles, parts, service, finance and insurance. The Company has been listed on the London Stock Exchange (INCH) since 1958, is headquartered in London and employs around 15,000 people. www.inchcape.com.

Notes

1. References in the channel review are organic i.e. sales growth in operations that have been open for at least a year at constant foreign exchange rates. The difference between the 'constant currency' and 'organic' year-on-year rates relates to changes in consolidated operations in the past 12 months (i.e. Distribution acquisitions, Retail disposals).
2. Statements made in this announcement that look forward in time or that express management's beliefs, expectations or estimates regarding future occurrences are 'forward-looking statements' within the meaning of the United States federal securities laws. These forward-looking statements reflect the Group's current expectations concerning future events and actual results may differ materially from current expectations or historical results.