

10 May 2012

Inchcape plc
Interim Management Statement

“A good start to the year”

This statement is an Interim Management Statement in accordance with the UK Listing Authority's Disclosure and Transparency Rules. It covers the period from 1 January 2012 to 9 May 2012. Unless otherwise stated, figures quoted in this statement are for the quarter ended 31 March 2012.

Trading for the first quarter ending 31 March 2012

In the first quarter, as expected, we saw the continuation of an uneven global recovery in the car industry and supply constraints in Australia and Singapore.

The Group's revenue of £1.561bn was slightly better than expectations with total revenue in line with the same period last year at actual currency (0.9% below in constant currency) and like for like revenue up by 1.4% in actual currency (0.5% ahead of last year in constant currency).

Revenues from new cars were ahead of expectations due to the strong performance of our premium and luxury brands both in the UK and in our Russia and Emerging Markets segment. Our used car margins remained solid and our Aftersales business continued to perform well.

Our disciplined approach to cost management and control of working capital remains firmly in place.

Regional commentary on the first quarter ended 31 March 2012

Our UK business delivered a strong first quarter performance with like for like revenues up by 4.9%, ahead of expectations. We continued to outperform the industry benefiting from the strength of our brand portfolio in the premium and luxury segments. Our used car margin remained solid and our Aftersales business continued to deliver a robust performance.

Against a challenging backdrop, our European business delivered a resilient financial performance in line with expectations. Revenue declines in new car sales were partially offset by a solid Aftersales performance and previously announced cost reduction actions.

In Asia, we delivered a performance in line with expectations in both Hong Kong and Singapore. In Hong Kong, we were awarded the prestigious Toyota Triple Crown award for 20 consecutive years of market leadership in 2011. In Singapore we delivered a healthy margin despite restricted supply as we benefited from strong Aftersales momentum.

In Australia, the demand for new cars remains solid with the new car market up by 4.7% in the first quarter. Our business delivered a performance in line with expectations as we successfully launched the new Subaru XV in January. As of the beginning of the second quarter, the supply situation is back to normal following the launch of the new Subaru Impreza.

Our performance in our Russia and Emerging Markets segment was slightly ahead of expectations as we delivered revenue growth of 19.5% in the first quarter. We continued to benefit from the premiumisation of the industry resulting in increasing demand for luxury brands in these markets.

Business Development

Our strategic investments to increase Retail and Aftersales capacity in Russia, Poland, South America and China remain on track and our full year Capital Expenditure guidance remains unchanged.

Financial position

Our working capital and inventory management are in line with expectations and our financial position remains strong.

Our year end net cash guidance remains unchanged at £180m.

2012 Outlook

The Group will continue to benefit from its broad geographic spread and strong portfolio of premium and luxury brands. We expect solid growth for premium and luxury vehicles in Asia Pacific and the Emerging Markets and continuous market share gains from luxury brands in the UK, while trading conditions in Europe will remain challenging.

The Group will leverage its diverse revenue streams as our strong Aftersales business, which represents 50% of gross profit, and our used car business are expected to perform well.

We continue to remain cautious regarding new vehicle margin given the increased level of competitive activities and the strength of the Yen.

The Group remains firmly committed to the commercial and cash initiatives of our Top 5 Priorities of growing market share, growing aftersales, improving margin, controlling working capital and being selective about capital expenditure investments.

We continue to expect the Group to deliver a solid trading performance in 2012.

André Lacroix, Group CEO of Inchcape plc, said:

“We have had a good start to the year. The demand for premium and luxury vehicles was ahead of expectations in the UK, which included the important month of March, and in the Russia and Emerging Markets segment. Trading was in line with expectations in Europe, South Asia, North Asia and Australia.

We continue to expect to deliver a solid trading performance for 2012 as we will continue to benefit from our unique business model and focus on our differentiated Customer 1st strategy.

We believe that the Group is well positioned moving forward to leverage the many exciting growth opportunities in the premium and luxury segment in our markets.”

Ends

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Notes to editors

About Inchcape:

1. Inchcape is a leading, independent international automotive distributor and retailer operating in 26 markets. Inchcape has diversified multi-channel revenue streams including sale of new and used vehicles, parts, service, finance and insurance.

Inchcape's vision is to be the world's most customer-centric automotive retail group and represents some of the world's leading automotive brands, including Audi, BMW, Jaguar, Land Rover, Lexus, Mercedes-Benz, Porsche, Rolls-Royce, Subaru, Toyota and Volkswagen. Inchcape, which has been listed on the London Stock Exchange since 1958, is headquartered in London and employs around 13,900 people.

www.inchcape.com

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.

3. Our updated market estimates for 2012 will be available for download at 9.00am from www.inchcape.com

4. For details of today's conference call for analysts and investors, please contact Laura Vaughan at FTI Consulting on +44 (0)20 7269 7273..