



PREMIUM GROWTH PREMIUM RETURNS

2014 Interim Results

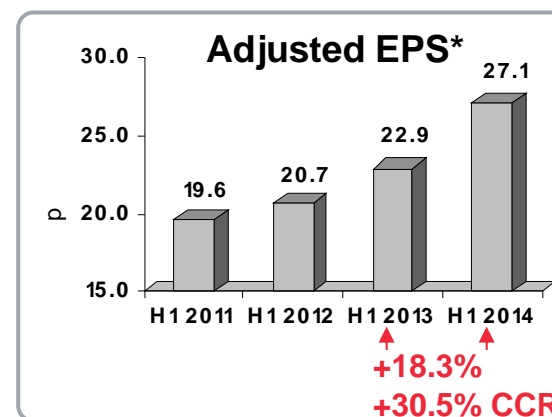
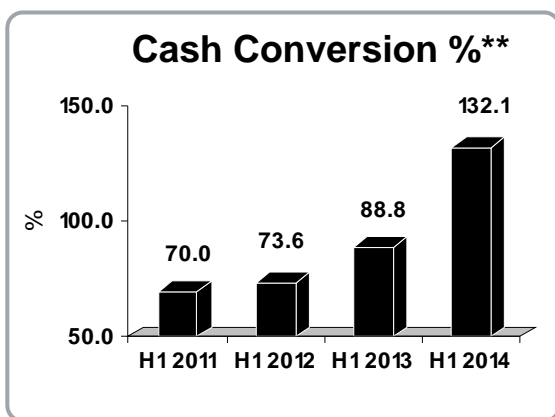
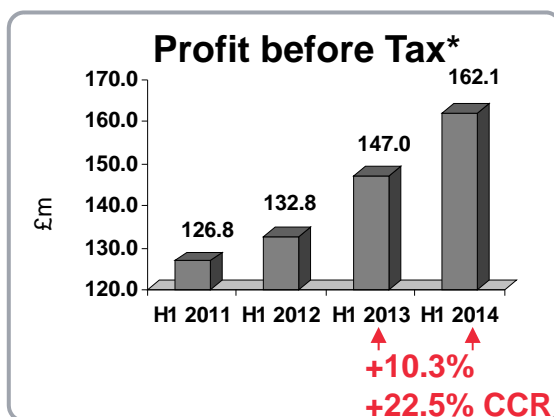
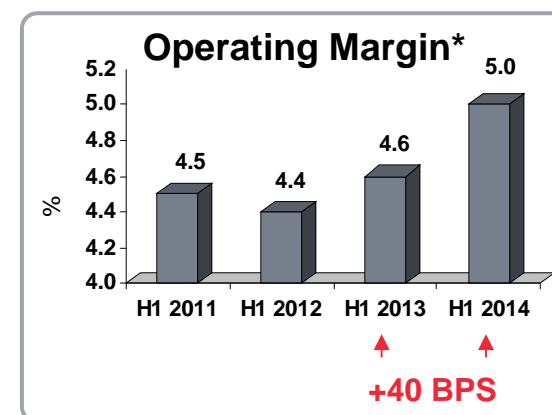
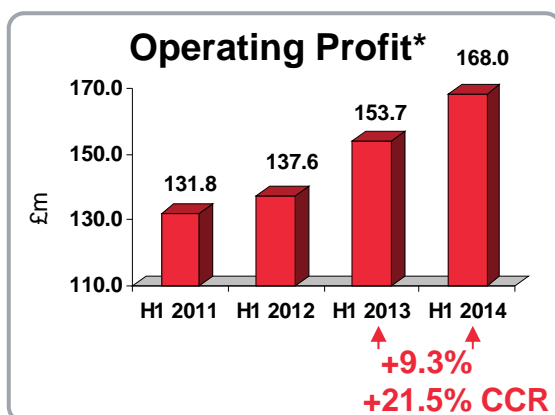
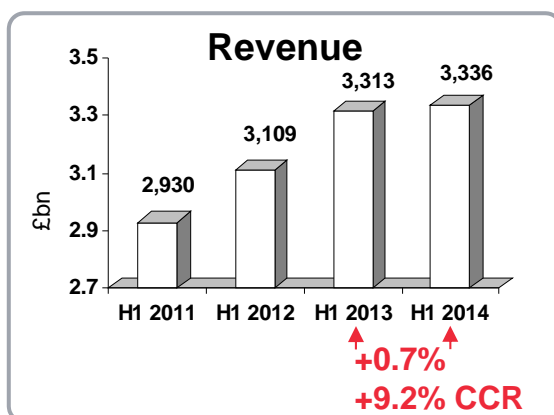
31 July 2014



ANDRÉ LACROIX
GROUP CHIEF EXECUTIVE



Strong profit growth and cash generation



3 Year H1 EPS CAGR +11.4%

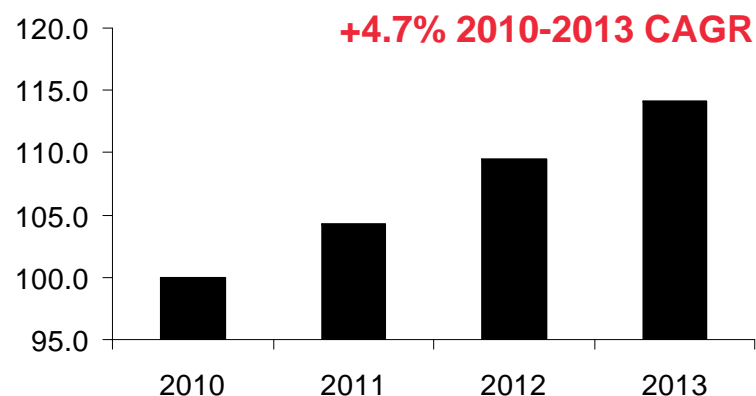
All at actual rates. * Pre exceptional items. 2013 H1 includes a property disposal profit of £6.2m and 2014 H1 a property disposal profit of £17.3m

** Operating profit (pre exceptional items) + D&A + movement in WC / operating profit (pre exceptional items). CCR = Constant Currency



Attractively positioned in a growth industry

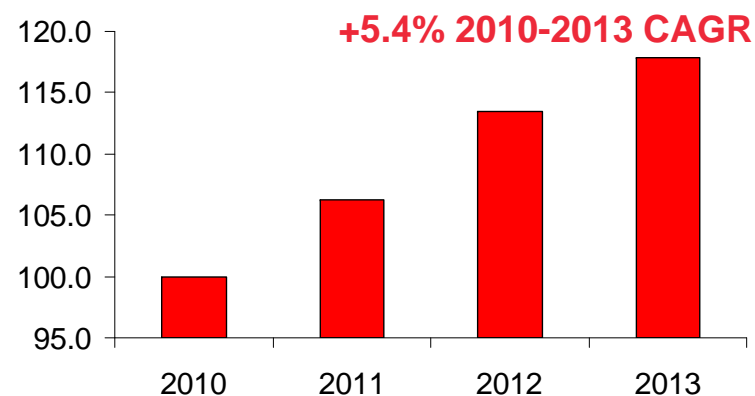
Global New Car Volume



Global Growth Drivers:

- Population growth
- Increased car penetration
- Expanding retail infrastructure

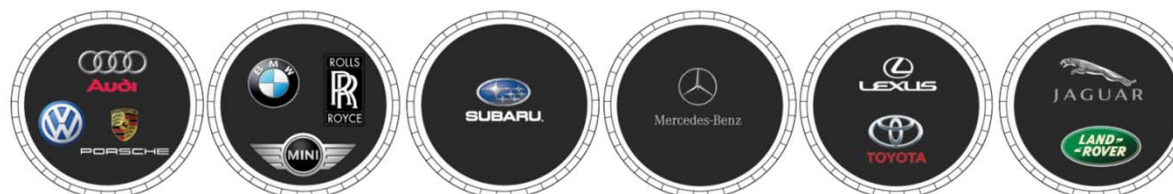
Inchcape Premium & Luxury Markets*



Global premiumisation of demand:

- Growth of middle class
- Aspirational luxury lifestyle
- Technology and design innovations

Source: IHS Automotive
* Luxury and Premium Volume





Unique exposure to high margin growth markets

	DISTRIBUTION TRADING PROFIT 81%	RETAIL ONLY TRADING PROFIT 19%
APAC AND EMERGING MARKETS 72%	71%	1%
UK AND EUROPE 28%	10%	18%

**Strong in small markets with Distribution and
selective in large markets with Retail**

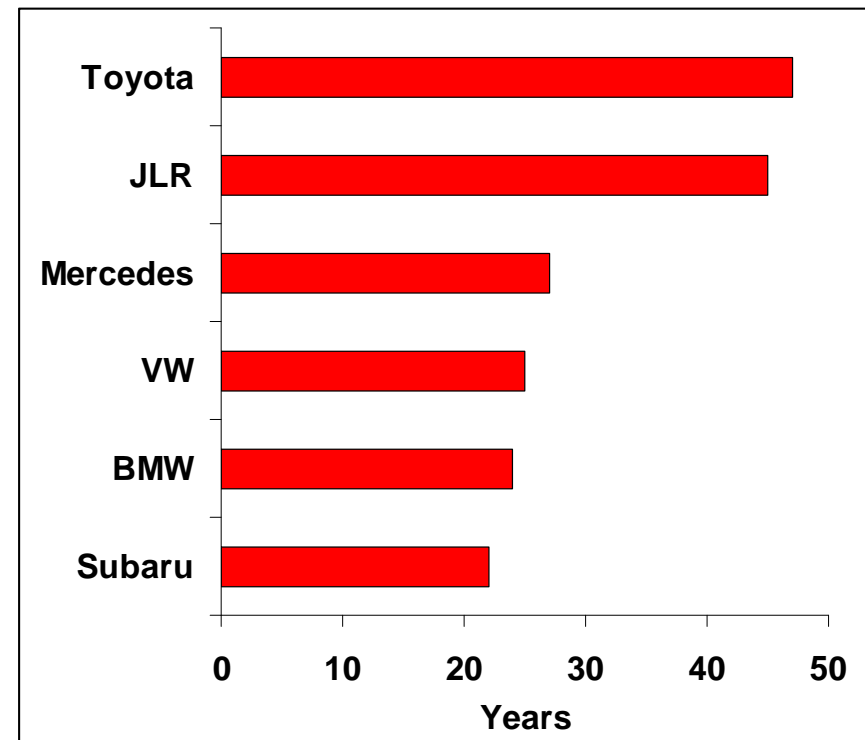


Industry leading positions with long standing brand relationships

Industry leading positions

Singapore	Market leader
Hong Kong	Market leader
Brunei	Market leader
Macau	Top 3
Guam	Market leader
Saipan	Market leader
Bulgaria	Top 3
Baltics	Top 3
Chile	Market leader (Luxury)
Peru	Market leader (Luxury)
Ethiopia	Market leader
Greece	Market leader

Length of partnerships

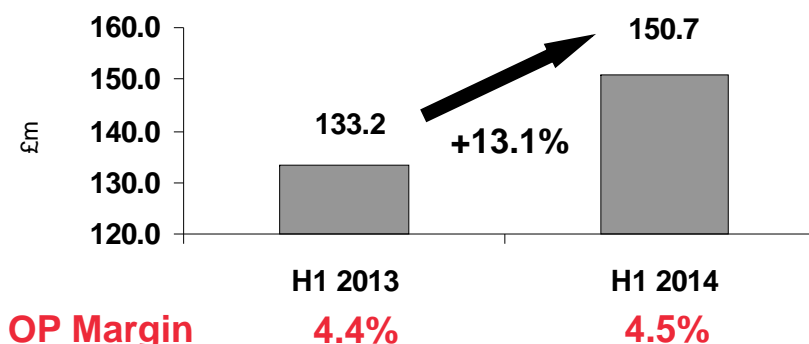


Strategic and economic advantages of scale positions in all categories



Strong underlying profit growth of +13.1%*

Underlying Operating Profit / Margin*



Group H1 Analysis

GM 14.2% stable YoY

- Strong pricing power performance on New vehicles in distribution markets offset by competitive vehicle pressure in the UK & Russia
- Aftersales margin remained strong

Overheads* 9.7% of Sales, improved 10 BPS YoY

- Fixed cost leverage
- Continued cost discipline

Regional Margin Analysis

North Asia	10.8%	+30 BPS
South Asia**	9.7%	+80 BPS
UK	3.0%	-30 BPS
Europe	3.3%	+20 BPS
Emerging mkts***	3.4%	-70 BPS
Australasia	7.0%	+130 BPS

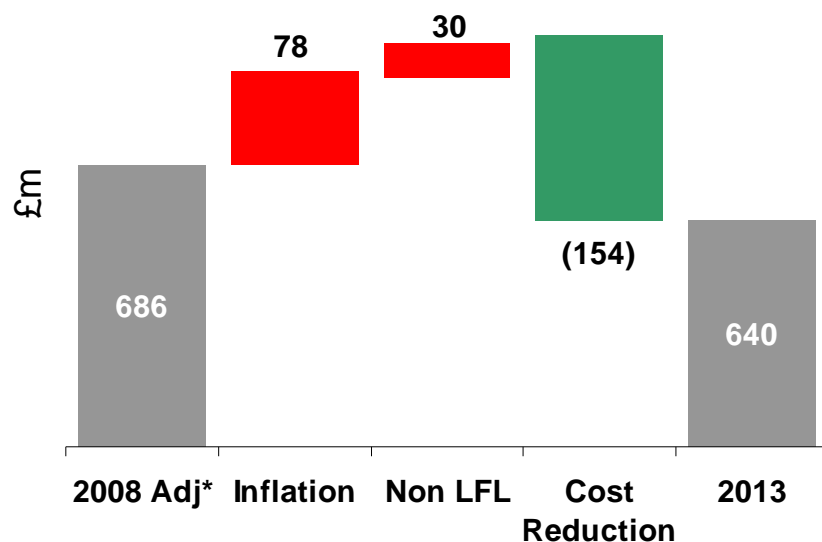
* Constant currency, pre exceptional items and property disposal profits in H1 2013 and H1 2014

** South Asia H1 2014 trading margin excludes property disposal profit *** Emerging Markets H1 2013 trading margin excludes property disposal profit

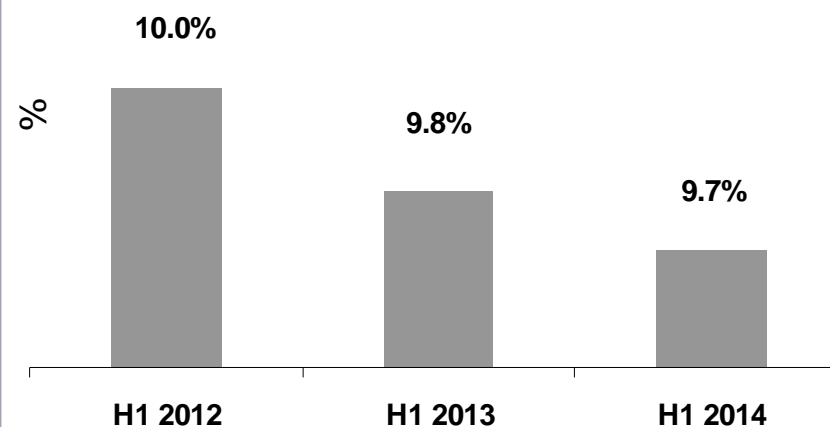


Continued discipline on costs

2008-2013 costs reduction: £154m



Continuous productivity focus** Overheads / Revenue



* 2008 Adj reflects a £25m increase for the Musa acquisition

** Overheads / Revenue - Pre exceptional items and 2013 H1 property disposal profit of £6.2m and 2014 H1 property disposal profit of £17.3m



Strong FCF and capital discipline support TSR

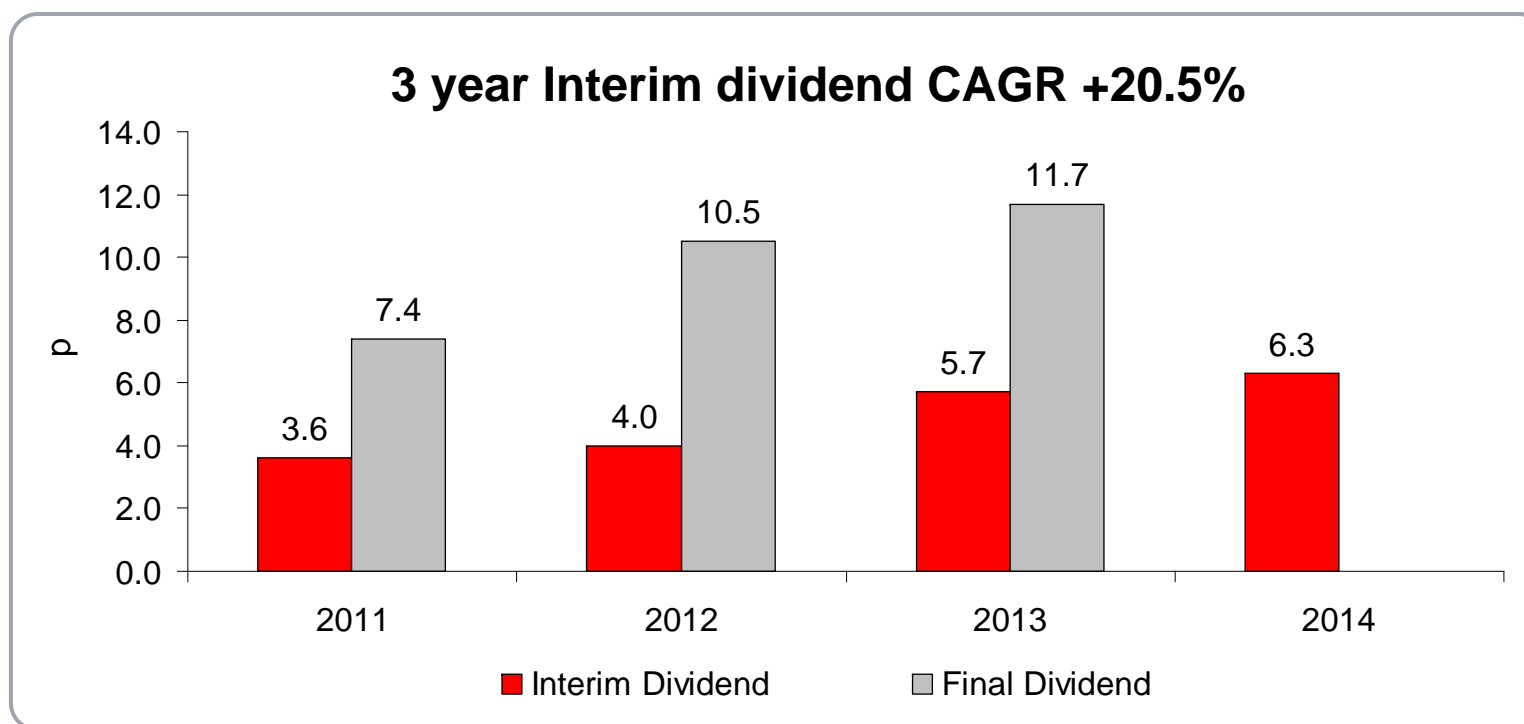
Capital allocation policy

H1 2014 highlights

Support growth with WC investment	£36m decrease since 31 Dec 2013
Capex investment to drive growth and pricing power	SAP/ADP roll-out in seven markets & investment in growth in Emerging Markets
Maximise shareholder returns	Strong FCF generation of £148m Interim dividend 6.3p, up 10.5% YoY
Selective M&A in high margin / high growth markets	Trivett H1 trading margin 3.7% vs. medium term target of 3.5%
Efficient capital structure	£100m buyback completed Singapore property disposal for c£22m New buyback of £100m announced



Sustainable dividend growth



£230m cash returned through dividends & the buyback in the past 18 months



JOHN McCONNELL
GROUP FINANCE DIRECTOR



Summary profit & loss account

	H1 2014 £m	H1 2013 £m	Change %
Sales	3,336.0	3,312.9	0.7
Operating profit*	168.0	153.7	9.3
Net financing costs	(5.9)	(6.7)	11.9
Profit before tax*	162.1	147.0	10.3
Tax rate (%)**	24.0	25.0	(100)bps
Basic adjusted EPS (p)*	27.1p	22.9p	18.3

* Pre exceptional items

** Underlying tax rate excluding tax free capital gain in Singapore (2014 £17.3m) and tax relief on exceptionals (2013)

Note: All numbers at actual exchange rates



Impact of currency on operating profit*

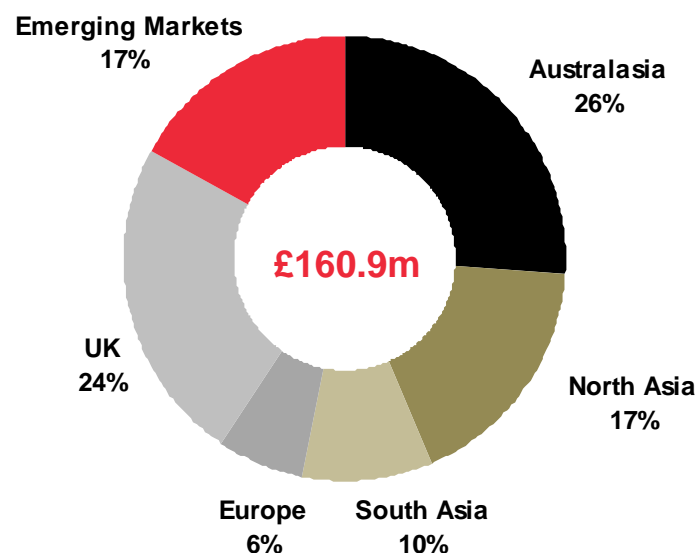
H1 2014 (£m)	2013 @ actual exchange rates	2014 @ 2013 actual rates	2014 @ actual exchange rates	Impact
Australasia	42.0	51.8	43.5	(8.3)
Europe	10.4	11.8	11.4	(0.4)
North Asia	28.0	31.4	29.1	(2.3)
South Asia	15.4	40.4	36.8	(3.6)
Emerging Markets	33.3	24.5	21.7	(2.8)
Total overseas	129.1	159.9	142.5	(17.4)
UK	38.0	37.4	37.4	-
Central costs	(13.4)	(11.9)	(11.9)	-
Operating profit	153.7	185.4	168.0	(17.4)

* Pre exceptional items

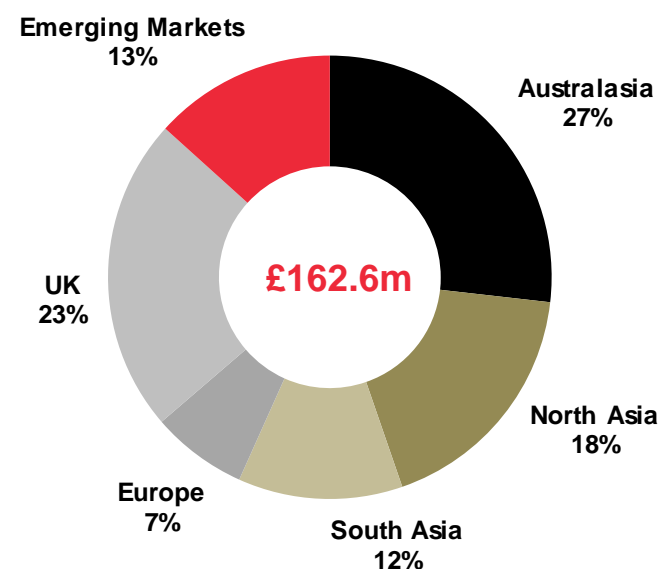


Regional analysis: trading profit

H1 2013



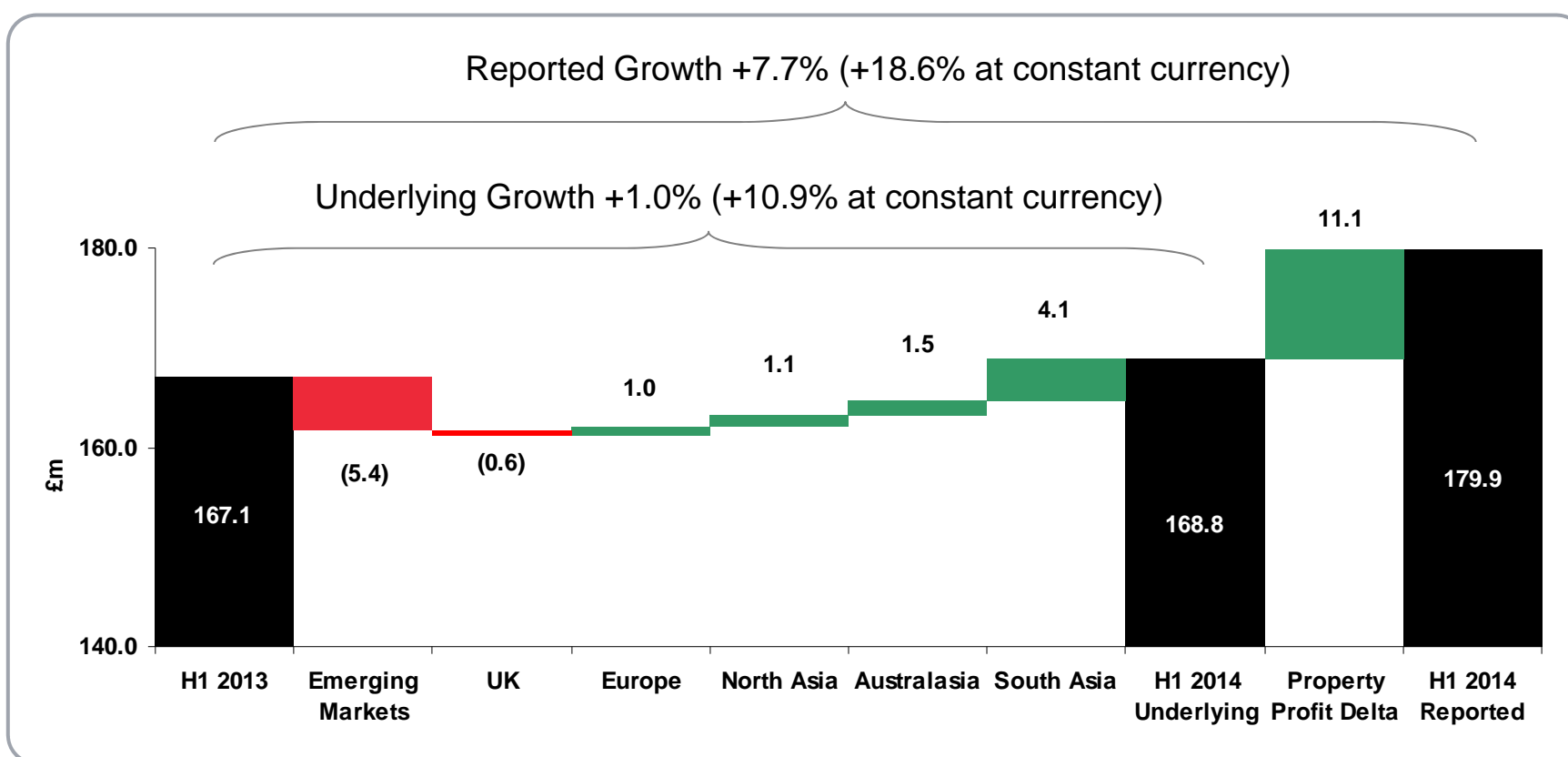
H1 2014



Note: Pre exceptional items
Excluding property profits in Emerging Markets (2013 - £6.2m) and South Asia (2014 - £17.3m)
All numbers at actual exchange rates



Group: trading profit



Note: Pre exceptional items
All numbers at actual exchange rates



Net finance costs

	H1 2014 £m	H1 2013 £m
Bank and loan interest	0.6	1.1
Stock holding interest	(9.3)	(10.4)
Interest on private placement notes	(1.4)	(1.4)
Pension interest net	2.6	2.7
Other including capitalised interest adj.	1.0	0.6
Interest excluding mark to market	(6.5)	(7.4)
FV on private placement	13.0	(8.3)
FV on cross currency interest rate swaps	(12.4)	9.0
Mark to market gain	0.6	0.7
Total net finance costs	(5.9)	(6.7)

All numbers at actual exchange rates



Cash flow

Operating cash flow	H1 2014 £m	H1 2013 £m	Free cash flow	H1 2014 £m	H1 2013 £m	Net cash	H1 2014 £m	H1 2013 £m
Operating profit*	168.0	153.7	Operating cash flow	201.3	87.7	Free cash flow	148.3	6.7
Depreciation / amortisation	22.0	20.2	Net interest	(7.4)	(5.9)	Share issue	0.9	6.8
Other non cash items	(17.4)	(3.6)	Taxation	(30.2)	(26.0)	Share buy back	(50.0)	-
Working capital	32.0	(37.4)	Non controlling interest	(6.7)	(3.6)	Acquisitions	3.6	(75.1)
Pension	-	(26.4)	Net capex	(8.7)	(45.5)	Disposals	1.9	14.9
Other	(3.3)	(18.8)				Equity dividend	(53.0)	(48.9)
						Other	6.6	1.9
						Net cash flow	58.3	(93.7)
						Opening net cash	123.0	276.2
						Non cash movements**	(21.2)	6.6
Operating cash flow	201.3	87.7	Free cash flow	148.3	6.7	Closing net cash	160.1	189.1

* Pre exceptional items

** Includes fair value re-measurements & currency translation

All numbers at actual exchange rates



Guidance – Full Year 2014

Tax rate (underlying)	24%
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Interest cost (excl. mark to market)	c £14m
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Capital expenditure	£60m
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Net cash	c £190m*
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* Pre share buyback



Execution of our Top 5 Priorities to deliver our Customer 1st Strategy

MARKET INTELLIGENCE & FORECASTING	SUPPLY & WORKING CAPITAL MANAGEMENT	MARKETING & INNOVATION
DEALER NETWORK DEVELOPMENT	WORLD CLASS RETAIL STANDARDS	CUSTOMER SERVICE
PERFORMANCE MANAGEMENT	CAPEX & INVESTMENT	GLOBAL IT INFRASTRUCTURE
RISK MANAGEMENT	INVESTING IN PEOPLE	REWARDING PERFORMANCE

Formula Inchcape processes: <http://www.formulainchcape.com>



2014 outlook

- Broad-based growth across markets and categories
- Robust growth in New vehicles and good visibility into H2
- Favourable trends in the New vehicle segment supportive of Aftersales, 50% of Group Gross Profit, as the 1-5 year Car Parc grows across the majority of markets
- Used cars will continue to benefit from the 1-5 year Car Parc growth
- Continued operational discipline on costs and further benefit from the Yen in Australasia
- Strong free cash flow, with cash conversion discipline, supported by significantly reduced pension outflows and lower capex

Robust constant currency performance expected in 2014



UK: Industry leading margin

2014 TIV est.	FY estimate: 2.45m, +8% vs. 2013
2014 H1	<ul style="list-style-type: none">• LFL sales +13%, fuelling growth of the 1-5 year Car Parc• VW Stockport capacity expansion and refurbishment• YouTube New car videos launched to drive conversion
2014 H2	<ul style="list-style-type: none">• Construction of VW West London site to be completed• Enhancing Aftersales with a focus on CRM and digital improvements• Leverage launches across our brand partner portfolio

2014 New product launches



BMW X4



MB S Coupe



Toyota Aygo



VW Polo



Audi TT



Lexus NX



Europe: Double digit profit growth

	Belgium	Greece
2014 TIV est.	FY estimate: 533k, flat vs. 2013	FY estimate: 75k, +21% vs. 2013
2014 H1	<ul style="list-style-type: none"> • Market share +40 bps year on year • Successful launches of mid-size diesel variants and Hybrid share gains 	<ul style="list-style-type: none"> • H1 new car market growth of 24% • Consolidated leadership position: market share +90 bps year on year
2014 H2	<ul style="list-style-type: none"> • New Aftersales website – Toyota Drivers – to increase retention levels • Tyre programme to maximise customer value 	<ul style="list-style-type: none"> • Leverage the launches of the Toyota Aygo and Yaris • Loyalty programme in Aftersales to increase customer retention, particularly cars 5 yrs+





North Asia: Record trading profit

	Hong Kong / Macau / Guam / Saipan
2014 TIV est.	HK FY estimate: 52k, +8% vs. 2013
2014 H1	<ul style="list-style-type: none">• Successful new model launches: including Toyota Noah, Hiace, Ractis and Lexus CT200h• HK Market share +440 bps year on year
2014 H2	<ul style="list-style-type: none">• Leverage the start of the multi-year government backed replacement programme for commercial vehicles• Lexus pop-up stores to be utilised to leverage new launches

2014 New product launches



Lexus RC



Ford Ranger XLT



Hino FE 500



Toyota Camry



Lexus NX



South Asia: Underlying trading profit +39%

	Singapore / Brunei
2014 TIV est.	Singapore FY estimate: 44k, +29% vs. 2013
2014 H1	<ul style="list-style-type: none">• Start of the Singaporean market recovery: H1 growth +18.5%• Market share +440 bps year on year• COE price down c13% since Dec 2013*
2014 H2	<ul style="list-style-type: none">• Leverage launches of new models: Lexus NX, Toyota Camry• Expand scope of personalised service reminder programme to grow capture rate and increase customer enrolment rate in the Toyota “ME” loyalty programme



* Average across categories A and B



Australasia: Record trading profit

	Distribution	Retail
2014 TIV est.	1,120k, -1% vs. 2013	
2014 H1	<ul style="list-style-type: none">• Subaru market share stable year on year despite supply restrictions• Successful launches of the WRX and WRX STI• Forrester voted No 1. compact SUV	<ul style="list-style-type: none">• Strong performance by Trivett: trading margin 3.7% vs. medium target of 3.5%• Increased Aftersales productivity with service advisor training programmes across the network
2014 H2	<ul style="list-style-type: none">• Deploy a new 'capped price' Aftersales programme to increase retention in the network	<ul style="list-style-type: none">• Complete the roll-out of Inchcape Vehicle Health Check across the network to increase upsell & drive higher capture rates





Emerging Markets: Double digit revenue growth

Russia & Eastern Europe

- Luxury and premium brands continuing to outperform the local and mass brands in Russia, albeit against a background of competitive vehicle margin pressure
- H1 market growth across the Baltics, Balkans and Poland

China

- Robust demand for luxury vehicles supported by good pricing
- Continuing to ramp up the 2013 site openings for Porsche and Mercedes-Benz

South America

- Building on the successful 2013 opening of new flagship sites in Santiago and Lima
- Leveraging significant growth in the BMW Car Parc with innovative Aftersales programmes



Ethiopia

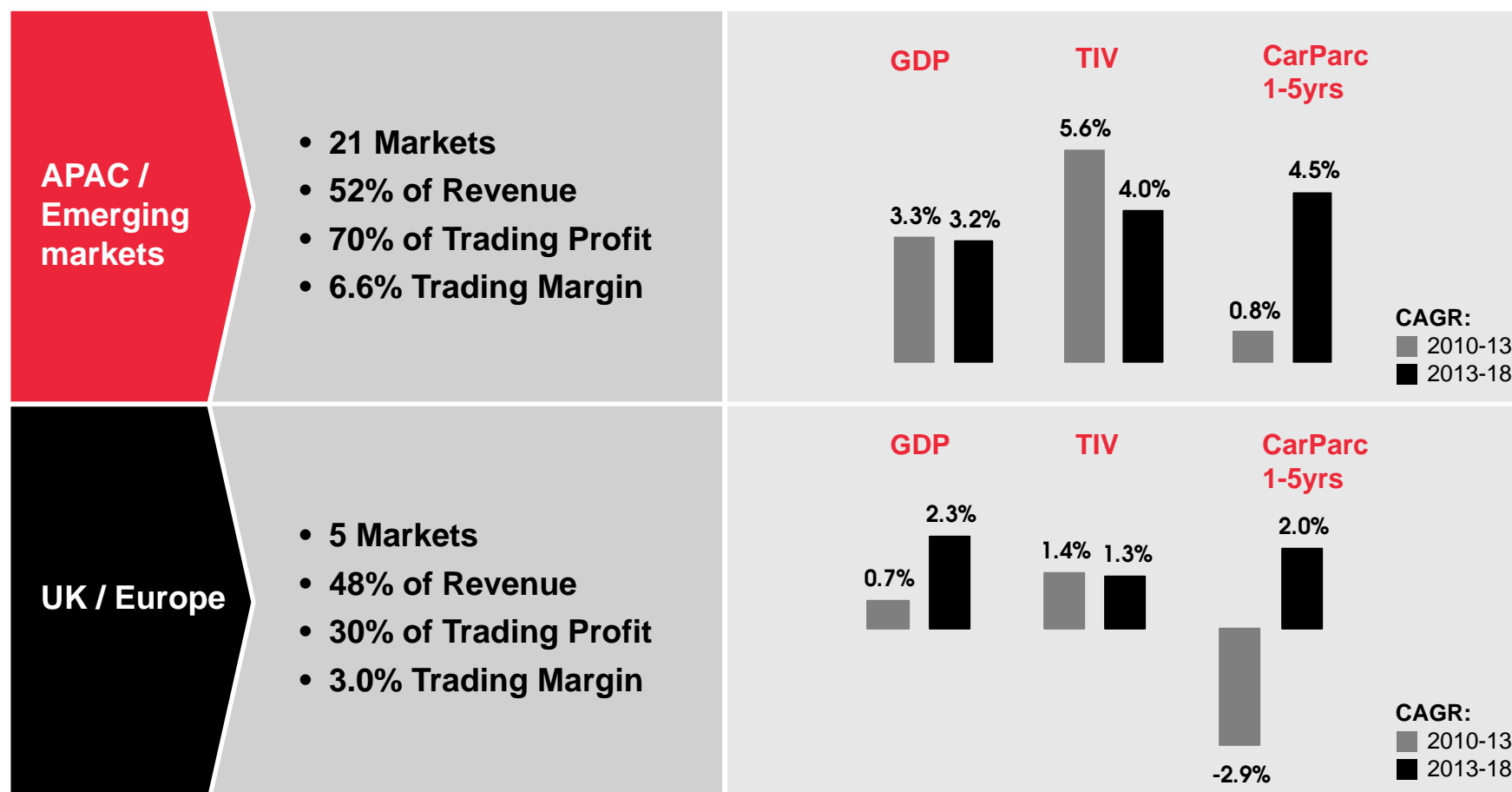
- Launches of the Yaris and RAV 4 delivering market share growth
- Further servicing capacity with opening of new sites to take advantage of growing car parc



LOOKING AHEAD



Broad-based growth across markets and categories



Sources: TIV IHS Automotive and Car Parc LMC Automotive
Revenue and Trading Profit data H1 2014 (excludes South Asia 2014 H1 property profit of £17.3m)



Premium Growth delivering Premium Returns

Growth industry

Premium and luxury brand partners

Industry leading positions with scale advantage

Diversified earnings streams

Differentiated strategy 'Customer 1st'

Executional advantage 'Formula Inchcape'

Disciplined capital allocation



APPENDIX



Definitions

Like-for-like

The following are excluded from like-for-like sales:

1. Businesses that are acquired, from the date of acquisition until the 13th month of ownership
2. Businesses that are sold or closed
3. Retail centres that are relocated from the date of opening until the 13th month of trading in the new location

Emerging markets

Emerging markets are those countries in which the Group operates that have yet to reach a mature stage of development and accordingly are in, or are expected to return to, the growth phase of the development cycle.

This currently covers the following regions and countries:

The Balkans

The Baltics

Poland

Russia

China

Africa

South America



Strong 2014 model line-up

	BMW / MINI	Land Rover / Jaguar	Mercedes Benz	Subaru	Toyota / Lexus	VW / Audi / Porsche
H1	MINI HB 4 Series 2 Series	F Type Coupe Range Rover LWB XF	C Class GLA	WRX STI	Lexus ES Altis Noah	Macan A2 A3 Cab
H2	4 Series Conv X4 X6	Evoque	S Coupe	Liberty Outback	Aygo Lexus NX Camry	Polo TT Cayenne

Inchcape's brand partners are investing in R&D ahead of the market



BMW X4



Jaguar F Type Coupe



MB C Class



Subaru WRX STI



Lexus NX



Porsche Macan



Capex investment

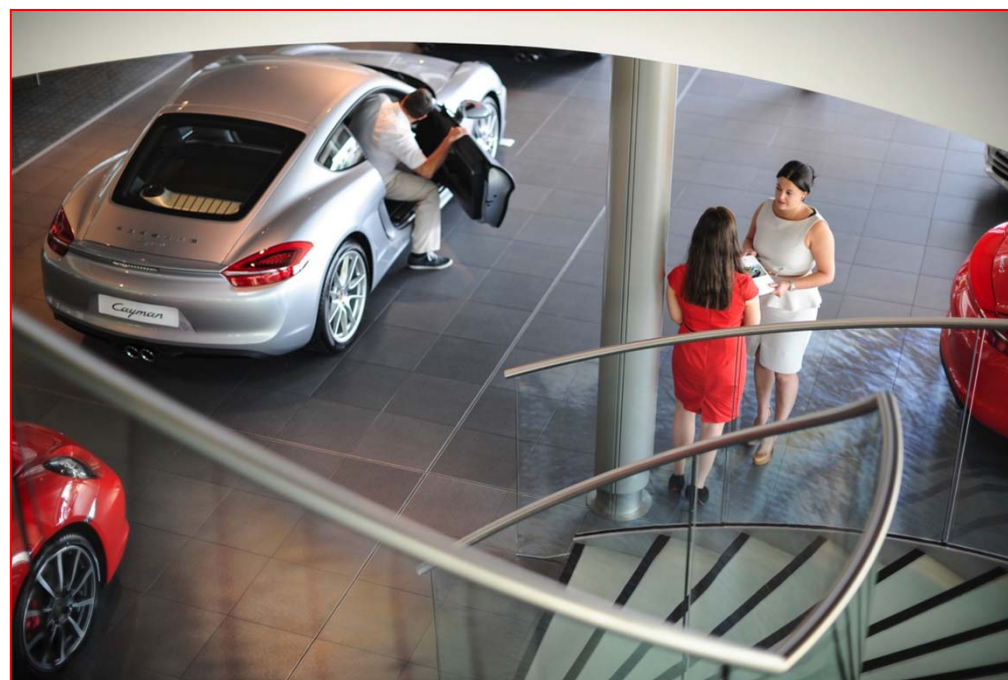
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|----------------------|------|
| • Capacity expansion | |
| • Chile | £12m |
| • Russia | |
| • Ethiopia | |

- | | |
|------------------------|-----|
| • Greenfield expansion | £4m |
| • Audi Oldham | |

- | | |
|---------------|------|
| • IT upgrades | £24m |
|---------------|------|

- | | |
|---------------------|------|
| • Maintenance capex | £20m |
|---------------------|------|

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|----------------|-------------|
| • Total | £60m |
|----------------|-------------|





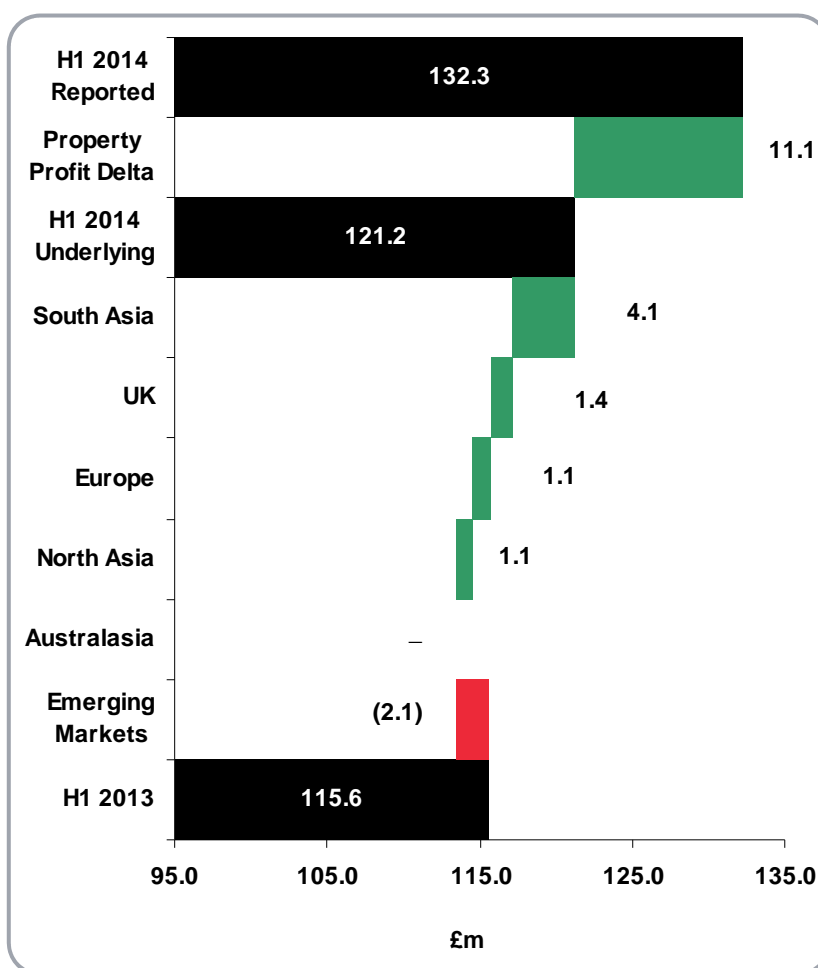
Segmental performance

	H1 2014 £m	H1 2013 £m	Change %
Sales			
Distribution	1,231.8	1,287.8	(4.3)
Retail	2,104.2	2,025.1	3.9
	3,336.0	3,312.9	0.7
Operating profit*			
Distribution	132.3	115.6	14.4
Retail	47.6	51.5	(7.6)
Central costs	(11.9)	(13.4)	11.2
	168.0	153.7	9.3
Operating margin			
Distribution	10.7	9.0	+170 BPS
Retail	2.3	2.5	-20 BPS
	5.0	4.6	+40 BPS

* Pre exceptional items
All numbers at actual exchange rates



Distribution: trading profit



H1 2014 Underlying Trading margins

Distribution*		
	9.3%	+80 BPS
South Asia*	9.7%	+80 BPS
UK	25.5%	+500 BPS
Europe	4.1%	+20 BPS
North Asia	10.8%	+30 BPS
Australasia	11.3%	+340 BPS
Emerging Markets*	9.7%	-200 BPS

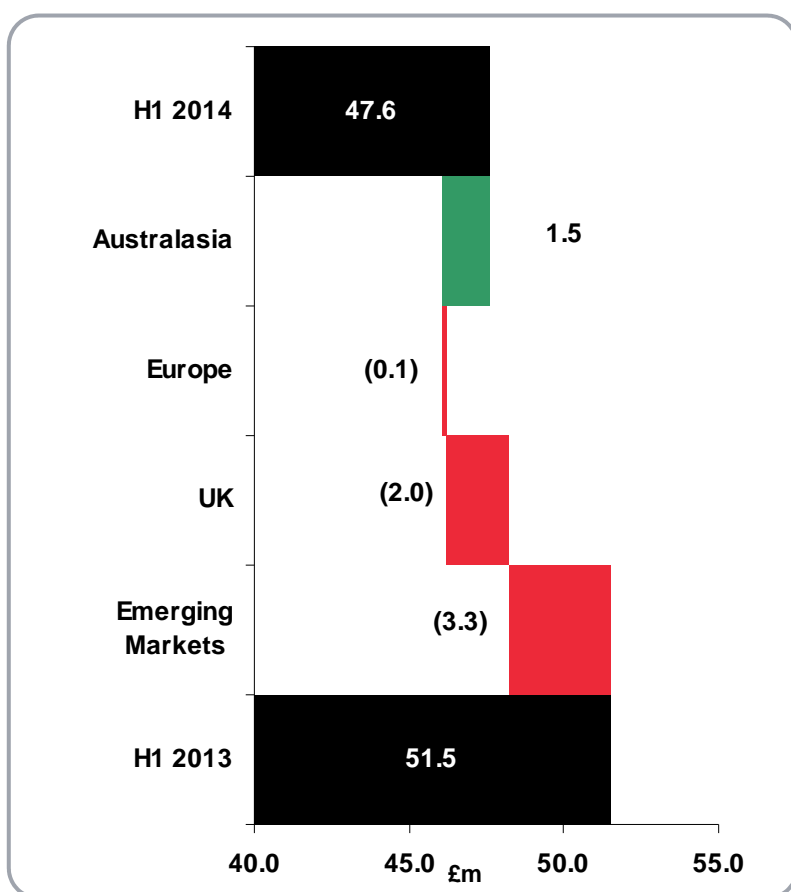
Note: Pre exceptional items

* H1 2013 trading margin excludes £6.2m property disposal profit (EM) & H1 2014 trading margin excludes £17.3m property disposal profit (South Asia)

All numbers at actual exchange rates



Retail: trading profit



Note: Pre exceptional items
All numbers at actual exchange rates

H1 2014 Trading margins

Retail	2.3%	-20 BPS
Australasia	3.7%	+40 BPS
Europe	-	-20 BPS
UK	2.6%	-40 BPS
Emerging Markets	0.7%	-60 BPS



Broad geographic spread - truly international

United Kingdom R 34.1% of '13 Group Revenue 20.7% of '13 Group Trading profit 	Australasia 20.9% of '13 Group Revenue 25.8% of '13 Group Trading profit Australia D R New Zealand D 	South Asia 5.7% of '13 Group Revenue 9.7% of '13 Group Trading profit Singapore D Brunei D 	North Asia 8.7% of '13 Group Revenue 19.4% of '13 Group Trading profit Hong Kong D Guam D Saipan D Macau D 	Europe 9.6% of '13 Group Revenue 6.4% of '13 Group Trading profit Belgium D R Greece D R Finland D Luxembourg D R
Emerging Markets 21.0% of '13 Group Revenue 18.0% of '13 Group Trading profit Albania D Bulgaria D R 	Chile D China R Estonia D 	Ethiopia D Latvia R D Lithuania R D 	Macedonia D Peru D Poland R Romania D R 	Russia R

Key:
R = Retail
D = Distribution

Note: Percentage figures represent revenue from third parties and trading profit (defined as operating profit excluding the impact of exceptional items and central costs)



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