

22 October 2015

Inchcape plc
("Inchcape" or the "Group")

Trading Update

"On Track to Deliver a Robust Full Year Performance"

This Trading Update covers the period from 1 July 2015 to 21 October 2015. Unless otherwise stated, figures quoted in this statement are for the quarter ended 30 September 2015.

Trading update

The Group delivered a robust performance, in line with our expectations, as our momentum benefited from:

- Broad based growth across our portfolio of markets and diversified value drivers
- Unique local growth drivers in a number of our important markets
- Our long-standing partnerships with the world's leading premium and luxury brands

Group revenue was £1.739bn, up by 9.4% at constant currency (up by 2.5% at actual currency) compared to the same period last year. Like for like revenue was up 10.1% at constant currency (up by 3.1% at actual currency).

Demand for Vehicles was robust as we continue to benefit from operating in a global growth industry and unique local growth drivers.

Our Aftersales activities, a core component at c.50% of the Group's gross profit, performed well and in line with our expectations, as the New Car growth of recent years is growing the 1-5 year Car Parc in the majority of our markets.

Stefan Bomhard, Group CEO of Inchcape plc said:

"Our growth continues to be supported by the Group's strong portfolio of Distribution and Retail businesses, in attractive markets, across five continents, where we typically have strong long-standing positions. In line with our earlier expectations, we are set to deliver a robust underlying constant currency performance in 2015.

The earnings diversity of our proven business model and our operational rigour on performance management continues to drive the consistency of our performance.

The Group is focused on continuing to deliver market-leading customer service, growth for our brand partners and on creating value for our shareholders through sustainable earnings growth and cash generation."

Regional Commentary

We delivered a strong performance in Australasia, reflecting our increased Subaru market share supported by an improved supply of vehicles. Our premium and luxury brand partners in our Retail operations continued to grow ahead of the market.

In the UK, revenue growth was robust, as we benefitted from the growth in the New Car market, with the corporate sector being particularly strong. Used Vehicle margins declined year on year in the quarter. Our Aftersales activities performed well.

In Europe our revenue performance was solid and in line with our expectations. The Belgium market was benign and we saw a sequentially stronger revenue trend. Although the Greek New Vehicle market was down in the quarter, we managed to gain market share.

Our revenue performance in North Asia was robust, gaining further market share in the main market of Hong Kong. The sustained development of the 1-5 year Car Parc generated growth in our high margin Service and Parts value drivers.

In South Asia we performed strongly, benefitting from growth in the Singaporean New Vehicle market, as the Certificate of Entitlement (COE) cycle continues on its upwards trajectory. Trading in Brunei was challenging in the period, reflecting weakness in the broader economy.

Our Emerging Markets performance was strong. Our business in Ethiopia delivered a strong performance, as we leverage growth in the economy and the significant expansion in the Car Parc, benefitting our Service and Parts value drivers. Our Russian business continued to deliver a resilient performance despite a challenging market.

2015 Outlook

The strength of Inchcape's unique portfolio of markets, premium brands and diversified value drivers enabled the Group to achieve a robust third quarter performance, despite challenges in some of our markets.

We are well positioned to take advantage of the attractive growth prospects in the premium and luxury segments across our diverse market portfolio and are set to deliver a robust underlying constant currency performance in 2015, in line with our earlier expectations.

Accounting Policies

Following the publication of FRS 100, 'Application of Financial Reporting Requirements' by the Financial Reporting Council, the parent company, Inchcape plc, (the Company) is required to change its accounting framework for the financial year commencing 1 January 2015.

The Board considers that it is in the best interests of the Company to adopt FRS 101 Reduced Disclosure Framework for the period ended 31 December 2015. FRS 101 paragraph 5(a) requires the Company to give its shareholders notice of the adoption of the new standard and to proceed with the proposal provided that shareholders owning in aggregate 5% or more of the Company's issued share capital do not object to the proposal, which they may do in writing to the Company's registered office no later than 30 November 2015. The Company's registered office is 22a St James's Square, London SW1Y 5LP.

Ends.

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Notes to editors

1. References in the regional commentary are like for like at constant currency.
2. About Inchcape: Inchcape is a leading global premium automotive group, operating in 26 markets with a portfolio of the world's leading car brands in the fast-growing luxury and premium segments. 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 since 1958, is headquartered in London and employs around 14,500 people. www.inchcape.com
3. 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.
4. Conference call for Analysts and Investors - For details please contact Laura Vaughan at FTI Consulting on +44 (0) 203 727 1509.
5. The next update on trading is expected to be the Group's final results announcement for the year ending 31 December 2015 on 15 March 2016.