



Preliminary Results Presentation – 6 March 2006

Amanda Brooks, Group Financial Controller

Slide 6 - Introduction

Thank you Peter. Good morning ladies and gentlemen.

Slide 7 - Operating profit

Group operating profit rose 9.2% to £176.4m. Before exceptional items, operating profit rose 10.1% to £189.4m. The exceptional loss in the year of £13.0m includes £19.5m for the full impairment of goodwill relating to Inchcape Automotive. This was partially offset by the release of litigation provisions arising from the settlement and expiry of non-motors claims.

Slide 8 - Operating profit before exceptional items

We have seen strong performances in five out of our six core markets and profit from operating units rose £14.9m.

2005 benefited by £3.3m largely due to the strengthening of the Singaporean and Australian dollars against sterling.

Slide 9 - Interest

The net interest charge for the year is £5.3m, which is substantially below the underlying net finance charge of £10.3m for last year. This is primarily due to the permanent repatriation of cash to the UK in late 2004 from countries with lower interest rates.

Stock holding interest has risen £1.5m in the period, mainly due to the additional UK retail centres acquired.

Slide 10 - Tax and minorities

The Headline tax rate for subsidiaries for the year is 25.5%, down from 26.6% in 2004. This reduction arose mainly from:

- a favourable change in profits mix towards Asia;
- minimal losses in the UK based on improved trading, and the impact of the cash repatriation in late 2004.

We anticipate the 2006 rate will be broadly in line with 2005.

The profits attributable to minorities are £3.8m. This is slightly up on last year mainly due to the increased profits in Bulgaria.

Slide 11 - Operational cash flow

Our operations have generated £195.4m of cash. Net capex in the year was £48.1m, and much of this was related to the investment made in UK Retail where we strengthened our infrastructure, upgraded our facilities and increased our capacity.

Nevertheless operational cash flow is over 77.0% of trading profit, clearly demonstrating the cash generative qualities of the business.

Slide 12 - Total cash flow

Free cash flow in the year was £79.1m. This was after investing £29.9m in acquisitions, which mainly related to the Mercedes-Benz retail centres in the north west of England.

The free cash flow was primarily used to return £73.0m to shareholders by way of the share buy back programme and dividends.

I will now hand over to André. Thank you for your attention.