

16 May 2013

Inchcape plc
Interim Management Statement

“On track to deliver full year targets”

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 2013 to 15 May 2013. Unless otherwise stated, figures quoted in this statement are for the four months ended 30 April 2013.

Trading for the first four months ending 30 April 2013

Group revenue in the first four months of 2013 was £2.158bn, up 4.5% at actual currency (up 3.5% at constant currency). Like for like revenue was up by 0.9% at actual currency (flat at constant currency).

Demand for New Cars was in line with our expectations as we continue to benefit from our broad international portfolio of 26 markets and from our scale exposure to the premium and luxury segments.

Our Used Car business and our Aftersales activities which represent c.60% of the Group's gross profit performed well, as the Car Parc is starting to grow following three years of consecutive growth in the New Car market.

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

André Lacroix, Group CEO of Inchcape plc said:

“The Group is on track to deliver its full year targets given our performance in the first four months of the year, despite pressure on New Vehicle margins in some of our markets.

We operate in the right markets, with the right brands and in the right categories as we benefit from our scale presence in Asia Pacific and Emerging Markets, our focus on premium and luxury brands and our diversified profit streams.

We continue to execute our differentiated Customer 1st Strategy with operational discipline on both cost and cash initiatives.

We have recently completed the acquisition of the Trivett Automotive Group. This transaction represents an important step in the development of our Asia Pacific presence expanding our existing brand footprint in Australia with high quality operations in the luxury and premium segments.

The Group is extremely well positioned to take advantage of the exciting growth prospects in Asia Pacific and Emerging Markets which are underpinned by population growth, wealth creation, increasing car penetration and industry premiumisation.”

Regional Commentary

We delivered a solid revenue performance in the UK, with like for like growth of 5.8% as we are benefiting from the strength of our brand portfolio in the premium and luxury segments against a sector backdrop of increased pressure on New Vehicle margins. Our Used Car and Aftersales activities performed well.

Our European business delivered a resilient performance in a challenging trading environment, reflecting the successful launch of new products, the strength of our Aftersales operations and a lower cost base.

In North Asia, we delivered a like-for-like growth of 7.7% as we benefited from a robust performance in Sales and Aftersales in Hong Kong, Macau, Guam and Saipan.

In South Asia, trading was in line with our expectations with a resilient performance in Singapore and a robust result in Brunei. As expected, the New Car market in Singapore was lower than last year; however we have now seen a year on year increase of the number of de-registrations for eight consecutive months.

We have enjoyed strong growth in Chile, Peru and Ethiopia while trading conditions remained challenging in Russia and Eastern Europe with competitive pressure on New Car margins.

Demand for New Vehicles remained robust in Australia with industry growth of 5.6% in the first four months of the year. Trading was in line with our expectations as we benefited from the launch of the new Subaru Forester and the recent acquisition of Trivett, Australia's leading luxury and premium automotive group.

Financial Position

Our financial position remains strong and our year end net cash guidance remains unchanged.

2013 Outlook

The Group will continue to benefit from its strong exposure to the Asia Pacific and Emerging Market regions and from its strategic partnership with leading OEMs in the premium and luxury segments.

We continue to expect the Group to deliver a robust performance in 2013, notwithstanding the competitive pressure on New Vehicle margins in some of our markets, as we will continue to leverage our diverse earnings streams with the Service, Parts and Used Car categories representing 60% of our gross profit.

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

Ends.

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Notes to Editors

1. The Group's Q1 revenue to 31 March 2013 of £1.591bn was +1.9% on the same period last year at actual currency (+1.3% at constant currency) and like for like revenue down by 0.8% at actual currency (1.4% below last year 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 14,400 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. Our Market Estimates for 2013 as at 16 May 2013 will be available for download at 9am from http://www.inchcape.com/investors/investor_library
5. Conference call for Analysts and Investors - For details please contact Laura Vaughan at FTI Consulting on +44 (0)20 7269 7273.
6. The next update on trading is expected to be the Group's interim results announcement for the half-year ending 30 June 2013 on 2 August 2013.