

15 May 2003

Inchcape AGM Trading Statement

In his statement to shareholders at today's Annual General Meeting, Sir John Egan, Chairman of Inchcape plc, will make the following comments about current trading:

"Trading in the UK this year has started well and, despite increased pension and national insurance costs, we remain confident that the improvement in UK profits, seen in 2002, will continue in 2003.

"The revised European Block Exemption legislation has turned out much as we predicted and we are in discussion with several key partners with a view to increasing our representation with them.

"In Greece and Belgium trading has been better than expected and the new Toyota Avensis will be launched this month. Profits are therefore expected to improve this year in both countries.

"In Hong Kong the car market is suffering from car tax increases and the impact of the Severe Acute Respiratory Syndrome (SARS). There are still uncertainties as to how SARS will affect the economy in the short to medium term. However the combined effect is that we would expect profits in Hong Kong to be lower than last year.

"In Singapore trading has been strong and we continue to increase our market share. In addition the COE (Certificate of Entitlement) quota for the next twelve months has been issued and the resultant car market for this year is likely to be higher than previously expected.

"In Australia the market is up on last year and our performance is exceeding original expectations.

"We expect the positive factors highlighted above to offset the market pressures in Hong Kong. This again demonstrates the benefits of our broad geographic spread and we remain confident that 2003 will show further progress for Inchcape.

"Overall, the excellent strategic progress made in recent years, the strength of our OEM partnerships and the robust operational base that has been established demonstrate that this is a high quality cash generative business."

Notes to editors

Inchcape, as an international automotive services group, provides quality representation for its manufacturer partners, a choice of channels to market and products for its retail customers and a range of business services for its corporate customers. Operations are focused on the UK, Greece, Belgium, Australia, Hong Kong and Singapore. Our key manufacturer partners are Toyota/Lexus, Subaru, Ferrari/Maserati, BMW and the Premier Automotive Group of Ford. Inchcape's activities include exclusive Import, Distribution and Retail, Business Services, automotive E-commerce and Financial Services.

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