

6 March 2018

Cambria Automobiles plc
("Cambria" or the "Group")
AIM: CAMB

Pre-close Trading Update and Notice of Interim Results

The Board of Cambria provides the following update on its franchising developments and trading for the first five months to 28 February 2018:

Franchise update

In January, the Group completed the refurbishment of existing freehold properties to locate the two new Bentley businesses in Tunbridge Wells and Chelmsford. The refurbishments were completed efficiently and both businesses are establishing themselves in the new facilities. The work to create the Group's first Lamborghini dealership in Chelmsford is nearing completion for an expected site launch in March 2018.

The construction of the Group's Jaguar, Land Rover, Aston Martin and McLaren dealership on one site in Hatfield commenced in February 2018. There was a slight delay in starting the works whilst planning conditions were discharged, but these have now been addressed and the construction work is progressing. On the discharging of the planning conditions, the Group was able to complete on the purchase of the 4.3 acre development plot. During the course of January, the Group built a substantial temporary McLaren showroom on the site and actively began trading at the end of January.

To facilitate the new aforementioned Bentley and Lamborghini dealerships in Tunbridge Wells and Chelmsford, the Group has closed one Honda dealership, one Alfa Romeo and Jeep dealership and two bodyshop operations.

Trading update

The Group's trading performance in the first five months of the current financial year has been in line with the Board's expectations, albeit behind the corresponding period in 2016/17, both on a total and like-for-like basis. This trading performance during the period continues the trend highlighted in the Group's preliminary results on 22 November 2017 and AGM trading update on 4 January 2018 and means that the Group is trading in line with market expectations for the full year.

The weaker new car market has seen pressure on volumes in the period although calendar year 2017 bonus earnings have enhanced average Group margins across the five month period. New vehicle unit sales were down 16.5% (like-for-like down 14.6%), but with gross profit per retail unit improving to partially offset the reduced volume.

Used vehicle sales continued to perform well on a like-for like basis. Like-for-like units were in line with the same period in the prior year, whilst total used unit sales were down 6.8% as a result of the lost units from the site closures and refranchising activity carried out to enhance the Group's portfolio. This overall unit reduction was offset by continued improvement in gross profit per unit and this performance continues to enhance the profit from the used car segment of the business.

Overall, the Group's aftersales operations delivered a good performance, with revenue increasing by 0.6% (like-for-like up 6.1%), with profitability up 2.1% year on year (like-for-like up 8.2% excluding the two bodyshops, Honda, Alfa Romeo and Jeep dealerships and Swindon Motor Park).

Outlook

The Board continues to remain cautious about the new car market. The government's clean air policy narrative and the inconsistent messaging around the forward looking position on diesel engines has created a reduction in consumer demand for diesel vehicles which formed 42% of the new car market in 2017 and 47.7% in 2016. The new car market in 2017 was down 5.7% to 2.54m units in

comparison to the 2016 record registration levels of 2.69m. All of the reduction was seen in the diesel segment which fell from 1.29m to 1.07m units.

The general uncertainty in the consumer environment remains, as does the pressure that vehicle manufacturers are under as a result of the current Sterling exchange rate. Cambria has made significant steps in progressing its property and franchising strategy through 2017 and into 2018 which has enhanced the Group's excellent portfolio of dealerships and Brand partners. Whilst the outlook has some micro and macroeconomic challenges, the Board believes that the Group is well placed to continue to deliver on its strategy of enhancing the Group's portfolio with the arrival of Bentley, Lamborghini and McLaren in the period.

The Group will announce its Interim Results for the six months to 28 February 2018 on 9 May 2018.

-Ends-

Enquiries:

Cambria Automobiles

Mark Lavery, Chief Executive
James Mullins, Finance Director

www.cambriaautomobilesplc.com

Tel: 01707 280 851

N+1 Singer - Nomad & Joint Broker

Alex Price
Jen Boorer

Tel: 020 7496 3000

Zeus Capital - Joint Broker

Dominic King

Tel: 020 7533 7727

FTI Consulting

Alex Beagley / James Styles

Tel: 020 3727 1000

About Cambria - www.cambriaautomobilesplc.com

Cambria Automobiles ("Cambria") was established in 2006 and has built a balanced portfolio of high luxury, premium and volume car dealerships, comprising over 40 franchises representing major brands across the UK. The Group's businesses are autonomous and trade under local brand names, including County Motor Works, Dees, Doves, Grange, Invicta, Motorparks and Pure Triumph.

The Group's strategy is to complement its existing franchise and brand portfolio by acquiring earnings enhancing operations, using its strong balance sheet and disciplined approach to capital allocation.

Cambria's medium term ambition is to create a £1 billion turnover business producing attractive returns on capital.