

4 January 2018

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

Franchising developments & AGM trading update

Opening of Group's 1st Lamborghini dealership; Q1 trading in line with market expectations

The Board of Cambria provides the following update on its franchising developments and recent trading ahead of its AGM at 10:00am today:

Franchise update

The Board has previously announced that in January 2018 it would be opening two new Bentley dealerships together with a McLaren dealership. In a further development of the Group's franchising strategy, the Board is delighted to announce that it will also be opening a Lamborghini dealership in Q1 2018.

The Bentley dealerships will be located in Chelmsford and Tunbridge Wells in newly refurbished but existing Group freehold properties. The businesses will operate immediately following the successful acquisition of the trade and assets of the existing Bentley business in the two territories on 3 January 2018. The Lamborghini dealership will be located in Chelmsford in the same facility as the Bentley dealership and work is underway to complete that showroom for occupation in Q1 2018.

The building work to construct the Group's Jaguar, Land Rover, Aston Martin and McLaren dealership on one site in Hatfield is scheduled to begin on 8 January 2018 and will take approximately 11 months to complete. While the construction is taking place, a temporary McLaren showroom facility will be operating at the site.

Trading update

The Group's trading performance in the first three 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 in the first quarter continues the trend highlighted in the Group's preliminary results on 22 November 2017 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 both volumes and margins across the three month period. New vehicle unit sales for the quarter were down 16.3% (like-for-like down 14.4%), with gross profit per retail unit also reducing over the same period.

Used vehicle sales continued to perform well on a like-for like basis. Whilst total used unit sales were down 9.2%, including the lost units from Swindon Motor Park (closed January 2017), like-for-like units were down 2.8% compared with the same period in the prior year. This unit reduction was offset by continued improvement in gross profit per unit and this performance has again enhanced the profit from the used car segment of the business.

Overall, the Group's aftersales operations delivered a good performance, with revenue increasing by 0.3% (like-for-like up 6.1%), with profitability down 0.7% year on year (like-for-like excluding the two bodyshops and Swindon Motor Park up 5.9%). The Group's aftersales results have been impacted in total by some of the new franchising decisions that have been taken. These have necessitated the closure of the Group's bodyshop operations in two locations in order to facilitate the property development for the new franchises. The impact of the bodyshop closures has been excluded in the like-for-like analysis.

Outlook

The Board remains cautious about the new car market in light of the general uncertainty in the consumer environment and the pressure that vehicle manufacturers are under as a result of the current Sterling exchange rate. Nevertheless, the franchising progress that has been made through 2017 and into 2018 has further enhanced the Group's excellent portfolio of dealerships and leaves the business well positioned with strong representation in the high luxury segment of motor retail.

-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.