

5 September 2017

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

Trading Update and Notice of Preliminary Results

The Board of Cambria is pleased to announce that its trading for the 11 months to 31 July 2017 is in line with expectations.

The Group maintained its momentum from the strong results delivered in the last financial year and its trading performance in the first 11 months of the current financial year has been ahead of the corresponding period in 2015/16, both on a total and like-for-like basis.

As flagged in our Interim Results statement on 9 May 2017, the Board remains cautious on the consumer outlook and the trading environment in the period post March has been more challenging, particularly in the new car arena which has been impacted by a number of factors. The weakening in the Sterling exchange rate has led to inflation in the landed cost of imported vehicles into the UK which, combined with a level of consumer uncertainty in the market, has led to the anticipated reduction of new car sales.

The Group reported a strong H1 profit performance to the end of February, and this continued in the key plate change month of March. However, the performance in the period between April and July has been weaker than the prior year as a result of these market conditions.

Used vehicle sales continued to perform well and whilst unit sales were 5.5% down following the closure of Swindon Motor Park (like-for-like down 1.7%) the marginal reduction in units has been more than offset by improved profit retention with gross profit per unit on both a total and like-for-like basis continuing to increase. This performance has again enhanced the profit from the used car segment of the business year on year.

The Group's aftersales operations increased revenue by 8.4% (like-for-like up 1.7%), with profitability up by 2.2% year on year (like-for-like down 1.3%). This performance was impacted by a fire at the Welwyn Garden City Jaguar and Aston Martin workshop in October. The work to rebuild the workshop was completed in June and we have since resumed normal operation. The business interruption insurance claim has been submitted and will be included in the full year results which will bring the aftersales LFL profit back in line with prior year.

Whilst new vehicle unit sales for the 11 months were down 12.2% (like-for-like down 17.6%), the gross profit per retail unit improved over the same period in the Group's like-for-like businesses and therefore the gross profit in this department improved. The reduction in volume was partly attributed to the reduction in unit sales from the Barnet Jaguar Land Rover site during the disruption caused by the new building project, and partly attributable to reductions in unit sales from certain volume manufacturer partners. The achievement of annual new car volume related bonuses for the 2016 calendar year and Q1 2017 has had a positive impact on the profit per unit and has therefore offset any reduction in the overall gross profit reported in the period.

Heading into the important September trading period, the new car order book is building in line with our expectations in the current market conditions.

The Group has made significant progress with its property developments and site refurbishments during the period. We are pleased with the Barnet Jaguar Land Rover state-of-the-art facility which we have fully redeveloped and which we relaunched in July. The Group has also managed the closure of its Swindon Motor Park operation to facilitate the Jaguar Land Rover Arch concept development which is now under construction on the site. In order to facilitate the development of the Jaguar Land Rover and Aston Martin site in Hatfield to replace the current Welwyn Garden City facilities for the three brands, the Group has secured a 4.3 acre development site in the Hatfield Business Park and is

in the process of obtaining the detailed planning consent so that the facilities can be constructed during the 2018 calendar year.

The Group will announce its Preliminary Results for the year to 31 August 2017 on 22 November 2017.

Mark Lavery, Chief Executive of Cambria Automobiles plc, commented:

“The Group has delivered a solid performance in the 11 months to 31 July 2017 and I am particularly pleased with the increases in profit per unit in both new and used vehicles. We have had a busy year having completed the substantial building project at our Barnet Jaguar Land Rover site and have recently begun construction of our new Jaguar Land Rover Arch concept site in Swindon.

“The Board continues to believe that there will be pressure on new car volumes and margins in 2017 and 2018 with the current macroeconomic uncertainty that prevails. However, the Group’s trading performance in the first 11 months indicates that trading is in line with market expectations for the full year.”

-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

Tel: 020 7496 3000

Zeus Capital - Joint Broker

Dominic King

Tel: 020 7533 7727

FTI Consulting

Alex Beagley / James Styles / George Robinson

Tel: 020 3727 1000

About Cambria - www.cambriaautomobilesplc.com

Cambria Automobiles ("Cambria") was established in March 2006 with the aim of creating a balanced independent UK motor retail group through a self-funded "buy and build" strategy, focused on turnaround opportunities.

Working in close cooperation with its manufacturer partners, the Group has built a balanced portfolio of 31 luxury, premium and volume dealerships, representing 45 franchises and 16 brands, with geographical representation spanning from the North West to the South East in Kent. These businesses are autonomous and trade under local brand names, including County Motor Works, Dees, Doves, Grange, Invicta, Motorparks and Pure Triumph.

Cambria's brand portfolio currently comprises Abarth, Alfa Romeo, Aston Martin, Dacia, Ford, Fiat, Honda, Jaguar, Jeep, Land Rover, Mazda, Nissan, Renault, Triumph, Vauxhall and Volvo.

The management's success in turning around under-performing dealerships has allowed Cambria to build a strong balance sheet. As a result, the Group is in a position to acquire valuable premium operations, which are immediately earnings enhancing and directly in line with the Group's strategy to further enhance the brand portfolio.

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