

2 March 2021

Lookers plc

Closure of FCA investigation

Lookers plc (“Lookers” or “the Group”), one of the leading UK motor retail and aftersales service groups, issues the following update in connection with the investigation by the Enforcement Division of the Financial Conduct Authority (“FCA”) into the Group’s sales processes between the period of 1 January 2016 to 13 June 2019 (the “Period”) which was originally announced on 25 June 2019.

The FCA has advised the Board of its decision to close the investigation against Lookers Motor Group Limited, the Group’s FCA regulated entity, for the possible mis-selling of regulated products, and associated issues relating to potential customer detriment during the Period.

In closing the case, the FCA further advised the Board that it does not intend to use its statutory powers to apply any sanction against the Group in relation to the matters under investigation. However, the FCA made its concerns clear relating to the historic culture, systems and controls of the Group. The Board fully accepts the FCA’s comments and is committed to continue the progress made to date in transforming both culture and the customer experience. The Group continues to have an open and cooperative relationship with the FCA Supervisory team.

Having already invested in a major remediation plan, including new systems, controls and process improvements, the Board remains fully committed to the Group’s ongoing investment programme, driving the creation of the right culture, working towards an industry leading customer experience.

The Group will now release the provision of £10.4m which was made in relation to any potential liabilities arising from the investigation.

Mark Raban, Chief Executive Officer said:

“It is an important time for Lookers as we emerge from a difficult period dealing with both the challenges of our legacy issues and COVID. We are pleased that the FCA has decided to close its investigation and we can now look forward and continue to build our business for the benefit of our customers and other stakeholders.”

This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) No 596/2014. The person responsible for making this announcement is the Chief Executive Officer.

ENDS

Enquiries

Lookers

Mark Raban, Chief Executive Officer
Anna Bielby, Interim Chief Financial Officer

Tel: 0161 291 0043

MHP Communications

Tim Rowntree
Simon Hockridge
Alistair de-Kare Silver

Tel: 07709 496 125 / 020 3128 8193