

**8 April 2021**

**Lookers plc**  
**Q1 Trading Update - Performance ahead of expectations**

Lookers plc (the “Group”), one of the leading UK motor retail and aftersales service groups, provides the following trading update for the three-month period ended 31 March 2021 (“Q1”).

**Summary**

In line with Covid-19 restrictions, the Group’s dealerships remained closed throughout Q1. However, the Group continued to take orders and fulfil vehicle handovers through its dealership teams, call centres and website. These activities were underpinned by our new Click and Drive and contactless technology platform, which has allowed us to service the increased demand through digital channels. The Group’s aftersales services were fully operational throughout Q1.

Despite the restrictions, Q1 trading performance was better than expected. The Group sold over 44,000 (2020: 49,000) new and used vehicles which, combined with the resilient aftersales performance and strong control of costs, has led to Q1 performance being ahead of Board expectations.

**New vehicles**

SMMT UK market figures for new car registrations to retail and fleet customers were 12% down in Q1, impacted by the third national lockdown. Retail registrations were 18% down and fleet registrations were 6% down.

Against this backdrop, the Group significantly outperformed the UK retail market with flat like-for-like unit sales, achieving a market share of circa 7%.

The Group continues to reposition its fleet activities focusing on business which maximises margin retention and working capital efficiency. On a like-for-like basis, unit sales to fleet customers were down by 15%.

**Used vehicles**

In Q1, like-for-like used unit sales were 6% down on last year. Used vehicle values were robust and the Group has continued its strong inventory management which improved used vehicle margins.

**Aftersales**

In Q1, like-for-like aftersales revenue remained resilient at 3% below last year.

**Outlook**

In line with the planned easing of Covid-19 restrictions, the Group’s dealerships in England will re-open on 12 April 2021. The continued provision of a safe operating environment for our colleagues and customers remains the Board’s key priority.

Given ongoing uncertainty around both Covid-19 and consumer sentiment, the Board believes it is right to remain cautious about the outlook for the remainder of the year. However, based on the better than expected performance in Q1, the Board’s expectation for underlying profit before tax for the full year ended 31 December 2021 is now materially ahead of the current analyst consensus<sup>1</sup>.

**Mark Raban, Chief Executive Officer, commented:**

“Despite the challenges presented by the third national lockdown, we have performed ahead of our expectations in Q1. Our colleagues and customers have shown great resilience and flexibility, fully embracing new technology, amidst a difficult environment.

“The events of the last year have highlighted the inherent strength of our franchised dealership model and the importance of an integrated customer experience which fully embraces both digital and physical channels and we have been able to enhance our online capabilities at pace.

“As we emerge from lockdown restrictions, we look forward to welcoming customers back to our dealerships and with new technology and improvements to the Lookers proposition, we are well placed to capitalise on the many opportunities ahead.”

<sup>1</sup>Management understands analyst consensus for underlying profit before tax for the full year ended 31 December 2021 to be £22.6m.

*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 Company Secretary.*

**ENDS**

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