9 September 2021

LOOKERS plc ("Lookers" or the "Group")

Unaudited Interim Results for the six months ended 30 June 2021

Record H1 performance against tough backdrop; repayment of CJRS receipts for H1 2021, and new Board appointments

Lookers plc, one of the leading UK motor retail and aftersales service groups, today announces its unaudited interim results for the six months ended 30 June 2021 ("H1" or the "period").

Highlights

- H1 trading exceptionally strong despite closure of the showrooms throughout Q1. Trading underpinned by robust consumer demand and an improved omni-channel customer proposition, resulting in ongoing outperformance of the UK new retail car market (+17.4ppts) and a market share of 6.7%. Excellent used unit growth (LFL +38.3%) combined with strong margins.

- Revenue of £2,153.2m (2020: £1,570.6m) with all divisions showing growth versus last year.

- Record H1 with underlying profit before tax of £50.3m (2020: Underlying loss before tax £36.5m). Statutory profit before tax of £50.7m (2020: Statutory loss before tax £50.4m).

- Given the strong H1 performance and the Group's ongoing corporate responsibility agenda, the Board has voluntarily undertaken to repay all CJRS grants received for H1 (£4.1m) before the end of H2.

- Strong cash generation with net cash of £33.0m at 30 June 2021 (31 December 2020: Net Debt £40.7m) driven by strong trading performance, continued working capital control and cost discipline. Property portfolio equivalent to 77.8p per share (2020: 80.4p per share).

- The Board intends to resume dividend payments as soon as possible and will next review the position when releasing its 2021 full year results.

Financial Summary

	H1 2021	**H1 2020 (restated)***	**Variance**	**FY 2020**
Underlying**				
Revenue	£2,153.2m	£1,570.6m	37.1%	£3,699.9m
Underlying profit / (loss) before tax	£50.3m	(£36.5m)	237.8%	£14.1m
Underlying earnings / (loss) per share	10.44p	(7.58p)	237.7%	2.93p
Statutory				
Profit / (loss) before tax	£50.7m	(£50.4m)	200.6%	£2.0m
Basic earnings / (loss) per share	6.33p	(13.05p)	148.5%	(1.05p)
Net cash / (debt) ***	£33.0m	(£11.0m)	400.0%	(£40.7m)

*The figures shown for H1 2020 reflect the adjustments to the interim results for 2020, consistent with those included within the full year 2020 audited results and H1 2021 unaudited results. A reconciliation of these adjustments is presented in Note 1.

** Underlying profit before tax is profit before tax and non-underlying items. Underlying earnings per share is the earnings / (loss) per share after tax and before non-underlying items (see Note 17).

*** Bank loans and overdrafts less cash and cash equivalents, excluding stocking loans, vehicle rental liabilities and lease liabilities under IFRS 16 (see Note 17).

Board Changes and Outlook

- Separately announcing today, the completion of Board restructuring with the appointment of Ian Bull as Non-Executive Chairman and Oliver Laird as CFO.

- Trading during July and August remained strong, exceeding expectations, primarily driven by unprecedented used vehicle margins. Order take also remained robust and the Group has a strong order book for September and the remainder of 2021.

- Given the ongoing and well documented new and used vehicle supply restrictions, combined with uncertainty resulting from COVID-19, there remains considerable variation in vehicle delivery dates and availability and in this context the Board believes it is right to retain its cautious approach.

- Notwithstanding this, the Group remains well positioned for the remainder of 2021 and beyond. Therefore, current expectations for underlying profit before tax for 2021 remain unchanged after having committed to fully repay all CJRS grants received for the current financial year before the end of 2021.

Mark Raban, Chief Executive Officer, said:

"We have delivered a record performance in H1 despite significant COVID-19 related disruption. Demand has continued to be strong as we see a sustained preference for car-based travel amongst consumers. We have been able to capture this demand and outperform the market through continued improvements to our omni-channel customer experience which allows customers to purchase cars with us however they wish.

The rapid growth of electric vehicles continues apace, and we are well positioned to maximise this exciting growth opportunity alongside our other strategic growth pillars. Whilst we are mindful of various short-term pressures, particularly around supply, with a refreshed Board, a restructured business and an enhanced digital proposition, there is much to look forward to."

Details of results webcast

There will be a webcast at **9:30am UK time** today for analysts and institutional investors. To register please contact MHP Communications on +44 (0)20 3128 8193 / 8778, or by email on lookers@mhpc.com

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About Lookers plc (www.lookersplc.com)

The Group's principal activities are the sale of new and used cars, vans and aftersales activities. The Group's businesses have a total of 150 franchised dealerships representing 32 manufacturers, operating across the UK and Republic of Ireland.

The Company is registered in England at Lookers House, 3 Etchells Road, West Timperley, Altrincham WA14 5XS. Company registration number 00111876. LEI number 213800TSB8PJEACDAV33

Cautionary statement

This Interim Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The Interim Report should not be relied on by any party or for any other purpose.

All statements other than statements of historical fact included in this document, including, without limitation, those regarding the financial condition, results, operations and businesses of Lookers plc and its strategy, plans and objectives and the markets and economies in which it operates, are forward-looking statements. Such forward-looking statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report. Such statements should be treated with caution due to the inherent uncertainties, known and unknown risks, and other important factors underlying any forward-looking information which could cause the actual results, performance or achievements of Lookers or the markets and economies in which it operates to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Lookers and its Directors accept no liability to third parties in respect of this report save as would arise under English law.

INTERIM MANAGEMENT REPORT

Strategic and Operating Review

Strategy Update

Our strategy is to have the right brands in the right locations. We deliver on our strategy by operating a diverse business in the UK motor sector, supported by a variety of OEM Brand Partners which we represent across the UK.

We aim to put the customer and safe customer outcomes at the centre of everything we do. Underpinning this strategy is our focus on people, simplicity and consistency, operational excellence and technology to ensure that we deliver a great customer experience.

We aim to serve our customers through whatever channel they choose either in person, by phone, via the internet or a hybrid combination to suit their personal requirements.

Our strategic priorities are as follows:

1) Continued investment and development of the Group's omni-channel customer experience enhancing choice through a hybrid combination of digital engagement and high-quality forecourt services.
2) Harnessing growth from the transition to electric vehicles through infrastructure investment and connected car services alongside the roll-out of new aftersales products and services.
3) Continued focus on driving operational excellence with an emphasis on increasing productivity, effective cash management and a robust approach to capital allocation.
4) Focus and investment in people and systems to support the Group's simplification, controls, engagement and transparency initiatives.

In support of its ESG objectives the Board is particularly focussed on maximising the potential from pure battery electric vehicles and continues to believe that this transformation will gather momentum underpinned by increasing range on new models, further improvements to public charging infrastructure and reducing battery costs. To drive progress in the area the Group has recently appointed a Business Development Director to oversee the Group's approach to this key growth opportunity. We are also developing and rolling out enhanced EV training to ensure our colleagues are equipped with the necessary product knowledge and skills to support the customer journey. We are also launching new products to our corporate customers to support the favourable tax treatment of electric vehicles (EV) and the associated charging infrastructure as well as developing new aftersales products to maintain customer loyalty and retention. Dealership and home-based SMART repair is a key area of focus in protecting our aftersales revenue as the EV penetration of the UK car parc grows.

Longer term we see many exciting growth opportunities in sustainable energy management and connected car services as the EV market reaches a critical mass.

We will evolve and report on all these priorities as we move through the balance of 2021 and into 2022.

Impact of COVID-19

In line with COVID-19 restrictions, the Group's dealerships remained closed throughout the first three months of 2021 ("Q1"). However, the Group continued to take orders and fulfil vehicle handovers through its dealership teams, call centres and websites. These activities were underpinned by our new Click and Drive and contactless technology platform, which has allowed us to service increased demand through digital channels. The Group's aftersales operations remained fully operational throughout Q1.

The Group's dealerships reopened on 12 April 2021 trading with enhanced COVID-19 secure operations to protect customers and colleagues.

Throughout H1 the Group continued to benefit from Government initiatives including support through the Coronavirus Job Retention Scheme of £4.1m (H1 2020 £29.7m), business rates relief of £6.7m (H1 2020 £3.5m) and site specific local recovery grants of £1.9m (H1 2020 £nil). All Government support receipts were included within net operating expenses apart from £1.1m (H1 2020 £6.0m) of CJRS receipts that were netted against cost of sales.

As noted above, given the Group's recovery from the pandemic and subsequent strong financial performance and corporate responsibility agenda, the Board has voluntarily undertaken to repay all CJRS grants received for H1 (£4.1m) before the end of H2. See Note 15 for further details.

Operating Review

H1 2021 Segmental analysis of revenue and gross profit:

Revenue	**H1 2021 £m**	**H1 2020 (restated)* £m**	**Variance**	**LFL Variance**
New Vehicles	1,027.5	705.0	45.7%	48.5%
Used Vehicles	1,044.8	770.3	35.7%	38.9%
Aftersales	211.3	162.1	30.4%	34.8%
Leasing and Other	79.3	59.4	33.4%	46.5%
Less: intercompany	(209.7)	(126.2)		
Total	**2,153.2**	**1,570.6**	**37.1%**	**46.6%**

Gross Profit	**H1 2021 £m**	**H1 2020 (restated)* £m**	**Variance**	**LFL Variance**
New Vehicles	66.6	42.7	55.8%	55.0%
Used Vehicles	89.8	43.5	106.4%	134.1%
Aftersales	92.4	69.0	33.9%	37.6%
Leasing and Other	8.8	7.2	23.7%	36.5%
Total	**257.6**	**162.4**	**58.6%**	**66.0%**
Gross margin	**12.0%**	**10.3%**	**+162BPS**	**+139BPS**

New vehicles

New vehicles	**H1 2021**	**H1 2020**	**Variance**	**LFL Variance**
Retail unit sales	27,589	18,842	46.4%	47.9%
Fleet unit sales	23,062	16,163	42.7%	43.1%
Total unit sales	**50,651**	**35,005**	**44.7%**	**45.7%**
Gross margin	**6.5%**	**6.1%**	**+42 BPS**	**+26 BPS**

*The figures shown for H1 2020 reflect the adjustments to the interim results for 2020, consistent with those included within the full year 2020 audited results and H1 2021 unaudited results. A reconciliation of these adjustments is presented in Note 1.

The sale of new vehicles represented 43.5% (2020: 41.5%) of total revenue and 25.8% (2020: 26.3%) of total gross profit.

The COVID-19 global pandemic continued to have a material impact on UK new vehicle registrations during H1. In H1 there were over 900,000 vehicles registered in the UK, a growth of 39.2% versus last year (Retail 30.6%, Fleet 47.3%).

In line with COVID-19 restrictions dealerships remained closed throughout Q1. Consequently, in Q1 the UK market declined by 12.0% with sales to retail and fleet customers declining by 18.3% and 6.3% respectively. Dealerships in the UK were permitted to re-open on 12 April 2021 and versus a severely disrupted comparable period in April and May last year the market showed a total growth of 185.1% in the three month period ended 30 June 2021 ("Q2").

In H1 the Group continued to outperform the UK retail new vehicle market recording outperformance of 17.4 percentage points on a like-for-like basis and commanding a retail UK market share of 6.7%.

The Group continued to restructure its fleet operations with like-for-like unit sales growth in H1 of 43.1%. The Group has been successful in winning a number of large corporate fleet tenders during the period.

The market growth of battery powered electric vehicles (including plug-in, BEV and PHEV) continues to accelerate with growth in the period of 161% representing a UK market share of 14.5%. The Board expect this momentum to accelerate and are confident the Group is well positioned to capitalise on this key growth opportunity.

Used vehicles

Used vehicles	H1 2021	H1 2020	Variance	LFL Variance
Retail unit sales	46,380	34,644	33.9%	38.3%
Gross margin	**8.6%**	**5.6%**	**+295 BPS**	**+345 BPS**

The sale of used vehicles represented 44.2% (2020: 45.4%) of total revenue and 34.8% (2020: 26.8%) of total gross profit.

During H1 the Group recorded used vehicle like-for-like unit sales growth of 38.3% versus market growth of approximately 33.3%. Demand for used vehicles remained strong throughout the period driven by the release of pent up demand, ongoing consumer aversion to public transport and relatively high levels of consumer disposable income following various lockdown restrictions throughout 2020 and 2021.

The imbalance of demand and supply lead to an unprecedented strengthening of used vehicle residual values driving a strong gross profit of 8.6% (2020: 5.6%). The Board remain cautious about the sustainability of this trend and are managing used inventory levels accordingly.

Many of the operational enhancements implemented in the first lockdown, including unaccompanied test drives, continued throughout H1. The Group's new hybrid omni-channel customer experience backed by transparent pricing, including a 14 day money back guarantee, is proving popular with customers.

Aftersales

Aftersales	H1 2021	H1 2020	Variance	LFL Variance
Revenue £m	211.3	162.1	30.4%	34.8%
Gross margin	**43.7%**	**42.6%**	**+115 BPS**	**+87 BPS**

Aftersales represented 8.9% (2020: 9.6%) of total revenue and 35.9% (2020: 42.5%) of total gross profit.

Our workshops remained fully operational throughout H1 operating with upweighted COVID-19 secure protocols to protect both our customers and colleagues.

In H1 like-for-like aftersales revenue growth was 34.8% and gross margin 43.7% (2020: 42.6%).

With our brand partners we continue to focus on increasing the penetration of service plans which the Board believes is particularly important as electric vehicles continue to increase as a proportion of the car parc.

H1 2021 Financial Review

Restatement of prior period

The Group's H1 2020 comparatives have been restated to reflect the correction of errors in relation to the Group's historical IFRS 16 calculations, cash flow disclosures under IAS 7, and a misallocation of leasing company costs within the profit and loss account. These corrections are detailed in Note 1 and have been calculated in a manner consistent with those affected in the full year financial statements for the year ended 31 December 2020. The corrections increased previously reported underlying loss before tax by £0.4m to £36.5m.

Revenue

H1 revenue of £2,153.2m was 37.1% higher than the comparative period (2020: £1,570.6m). Like-for-like revenue increased by 46.6% with revenue from new cars, used cars and aftersales all increasing. Although the dealerships were closed due to COVID-19 restrictions in Q1 this was more than offset in Q2 when last year's comparatives were materially impacted by the first national lockdown and the complete closure of the business throughout April and most of May.

Gross profit

Gross profit increased by 58.6% to £257.6m (2020: £162.4m). Gross profit margin at 12.0% was ahead of last year by 162BPS. This was largely driven by a material increase in used vehicle margins, though all areas of the business increased gross margins.

Operating expenses and Government support schemes

Underlying net operating expenses at £194.4m (2020: £182.9m) were 6.3% above the comparative period. Operating expenses include the impact of a £3.0m (2020: £23.7m) receipt from the Coronavirus Job Retention Scheme, £6.7m (2020: £3.5m) of rates reductions under the Government's business rates holiday scheme, and £1.9m (2020: £nil) of site specific grants. Excluding these items in both years underlying net operating expenses were 1.9% below last year as a result of ongoing focus and control of all discretionary cost items.

Non-underlying items

The Group recorded non underlying credits of £0.4m relating to gains on property disposals. Last year the Group incurred £13.9m of non-underlying costs in the comparable period, largely related to the Group's restructuring programme, impairment of goodwill, and costs in relation to the investigation and resolution of legacy accounting issues (see Note 3).

Net finance costs

Net finance costs were materially lower than the comparative period at £12.9m (2020: £16.0m). This has been driven by increased working capital controls, principally lower inventory levels, and lower average net debt throughout the period.

Tax

The Group's tax charge was £26.0m (2020: £0.5m), an underlying effective tax rate of 20.5% (2020: 19%).

The Group's total reported effective tax rate differs from this due to the deferred tax charge arising following the substantive enactment of the planned increase in the standard rate of corporation tax to 25% from April 2023. This has resulted in an additional charge of £15.6m in the period.

Earnings per share (EPS)

Underlying EPS increased by 237.7% to 10.44p share (2020: 7.58p loss per share). Basic EPS increased by 148.5% to 6.33p per share (2020: 13.05p loss per share).

Dividend

The Board understands the importance of dividends to shareholders and, subject to a satisfactory trading outlook intends to resume the payment of dividends as soon as possible. The Board will next review the position in 2022 at the time of the release of its full year results for the period ended 31 December 2021.

Cashflow and net debt

Throughout H1 the Group maintained a strong focus on operational cash flow. Cash generated from operating activities in H1 was £83.5m (2020: £69.6m), largely as a result of the strong trading performance, ongoing working capital initiatives and ongoing additional controls. The Group has made particular progress in managing vehicle inventories through improving stock turn and reducing overall inventory levels of both new and used vehicles. Property, plant and equipment capital expenditure totalled £6.7m (2020: £9.2m).

Net cash at 30 June 2021 was £33.0m (30 June 2020: net debt £11.0m; 31 December 2020: net debt £40.7m).

The Group continues to benefit from a strong property portfolio. The net book value of freehold and leasehold properties of £303.9m (equivalent to 77.8p per share) at the end of the period remains a key strength of the business.

Financing

In May 2021, the Group agreed an amendment and extension to its revolving credit facility ("RCF"), with its existing banks. The amended RCF is for an initial £150m and will expire on 30 September 2023. The facility is subject to quarterly covenant tests on leverage, interest cover, minimum EBITDA per rolling twelve month period, and minimum liquidity levels.

Pensions

The Group's actuary has assessed the IAS 19 valuation of both the Lookers Pension Plan and Benfield Pension Plan as at 30 June 2021.

At 30 June 2021, the IAS 19 pension valuation showed a total deficit of £65.0m (30 June 2020: £69.5m; 31 December 2019: £79.3m). An increase in corporate bond yields during the period and the associated decrease in discount rate has resulted in the liabilities decreasing, which has been partly offset by a decrease in the schemes' asset values. In the first half of the year, and in-line with the funding programme agreed with the Trustees, the Group made additional cash contributions including expenses to the Lookers Pension Plan amounting to £6.3m (H1 2020: £4.2m).

Board changes

The Group has today separately announced the completion of Board restructuring with the appointment of Ian Bull as Non-Executive Chairman with effect from 1 October 2021, and Oliver Laird as CFO with effect from 15 November 2021.

Following approval of the 2020 financial statements, Anna Bielby, Interim CFO, stepped down from the Board as planned on 30 June 2021.

On 13 April 2021 Heather Jackson, Senior Independent Director and Chair of the Remuneration Committee advised the Board of her decision to step down to focus on her increasing non-executive directorships and business interests.

Paul Van der Burgh was appointed as a Non-Executive Director in April 2021 and then as Senior Independent Director from May 2021.

Robin Churchouse, Non-Executive Director was appointed Chair of Audit and Risk Committee in January 2021.

Risks and uncertainties

As with any business, there are a number of potential risks and uncertainties which could have a material impact on the Group's future performance and could cause actual results to differ materially from both expected and historical results. The Board believes the wider risks and uncertainties to be materially consistent with those described on pages 31 to 36 in the 2020 Annual Report and Accounts. However, the Group, in common with other industry participants, has seen a tightening of supply of both used and new vehicles, the latter due to the continuing worldwide shortage of semiconductor chips, and there remains significant uncertainty over vehicle supply in the second half of 2021 and into 2022. Uncertainty also remains around the impact of potential future COVID-19 related restrictions and related colleague absence. The current UK wide labour shortages, high vacancy levels and upward pressure on employment costs remain a risk for the Group.

Summary and outlook

H1 trading was exceptionally strong despite closure of showrooms throughout Q1. Trading was underpinned by robust consumer demand and an improved omnichannel customer proposition, resulting in ongoing outperformance of the UK new retail car market (+17.4ppts). The Group has had excellent used unit growth (LFL +38.3%) combined with strong margins.

Trading during July and August remained strong, exceeding expectations, primarily driven by unprecedented used vehicle margins. Order take also remained robust and the Group has a strong order book for September and the remainder of 2021.

Given the ongoing and well documented new and used vehicle supply restrictions, combined with uncertainty resulting from COVID-19, there remains considerable variation in vehicle delivery dates and availability and in this context the Board believes it is right to retain its cautious approach.

Notwithstanding this, the Group remains well positioned for the remainder of 2021 and beyond. Therefore, current expectations for underlying profit before tax for 2021 remain unchanged after having committed to fully repay all CJRS grants received for the current financial year before the end of 2021.

Finally, on behalf of the Board I would like to thank all our stakeholders and particularly my colleagues across the business for their support and dedication.

Mark Raban
Chief Executive Officer

8 September 2021

INDEPENDENT REVIEW REPORT TO LOOKERS PLC

Introduction

We have been engaged by the Company to review the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2021 which comprises condensed consolidated statement of total comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the notes to the financial information.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of and has been approved by the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the group will be prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this interim financial report has been prepared in accordance with UK adopted International Accounting Standard 34, ''Interim Financial Reporting''.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other matter – comparative information

The comparative information in the condensed consolidated financial statements relating to the financial position of the group as at 30 June 2020 and in respect of the 6 month period then ended has not been subject to a review performed in accordance with International Standard on Review Engagements 2410 (UK and Ireland), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2021 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of half-yearly financial reporting in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP

Chartered Accountants

Manchester

8 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Condensed Consolidated Statement of Total Comprehensive Income

	Note	Unaudited six months ended 30 June 2021 £m	Unaudited six months ended 30 June 2020 (restated*) £m	Audited year ended 31 December 2020 £m
Revenue	2	**2,153.2**	**1,570.6**	**3,699.9**
Cost of sales		(1,895.6)	(1,408.2)	(3,288.9)
Gross profit		**257.6**	**162.4**	**411.0**
Net operating expenses		(194.0)	(196.8)	(380.1)
Operating profit / (loss)		**63.6**	**(34.4)**	**30.9**
Underlying operating profit / (loss)		63.2	(20.5)	43.0
Non-underlying items	3	0.4	(13.9)	(12.1)
Finance costs	4	(12.9)	(16.0)	(28.9)
Profit / (loss) before taxation		**50.7**	**(50.4)**	**2.0**
Underlying profit / (loss) before taxation		50.3	(36.5)	14.1
Non-underlying items	3	0.4	(13.9)	(12.1)
Tax charge		(26.0)	(0.5)	(6.1)
Profit / (loss) for the period/year (attributable to shareholders of the Company)		**24.7**	**(50.9)**	**(4.1)**
Exchange differences on translation of foreign operation (may be recycled to profit and loss)		(0.2)	0.8	0.3
Actuarial gains / (losses) on pension scheme obligations (not recycled to profit and loss)		8.8	(17.0)	(32.5)
Deferred tax on pension scheme obligations (not recycled to profit and loss)		2.6	2.9	7.3
Total other comprehensive income / (expense) for the period/year		**11.2**	**(13.3)**	**(24.9)**
Total comprehensive income / (expense) for the period/year (attributable to shareholders of the Company)		**35.9**	**(64.2)**	**(29.0)**
Earnings / (loss) per share:				
Basic earnings / (loss) per share (p)	6	6.33	(13.05)	(1.05)
Diluted earnings / (loss) per share (p)**	6	6.17	(13.05)	(1.05)

*Details of the restatements due to presentational changes and correction of errors are shown in Note 1.

**In the period ended 30 June 2020 and year ended 31 December 2020 the basic and diluted earnings per share are equal as a result of the Group incurring a loss for the period/year.

Condensed Consolidated Statement of Financial Position

	Note	**Unaudited 30 June 2021 £m**	Unaudited 30 June 2020 (restated*) £m	Audited 31 December 2020 £m
Non-current assets				
Goodwill	7	79.3	79.3	79.3
Intangible assets	8	108.9	112.6	110.8
Property, plant and equipment	9	399.1	415.5	399.9
Right of use assets	10	113.3	121.1	117.6
		700.6	**728.5**	**707.6**
Current assets				
Inventories	12	484.5	856.2	655.2
Trade and other receivables		152.7	156.9	124.6
Current tax receivable		-	6.2	1.1
Rental fleet vehicles		28.3	31.2	30.1
Cash and cash equivalents		147.5	295.5	243.0
Assets held for sale	11	11.1	10.6	13.0
		824.1	**1,356.6**	**1,067.0**
Total assets		**1,524.7**	**2,085.1**	**1,774.6**
Current liabilities				
Bank loans and overdrafts	14	63.7	92.4	116.9
Trade and other payables		796.5	1,232.4	911.8
Lease liabilities	14	19.0	18.5	19.1
Current tax payable		6.8	-	-
		886.0	**1,343.3**	**1,047.8**
Net current (liabilities) / assets		**(61.9)**	**13.3**	**19.2**
Non-current liabilities				
Bank loans	14	50.8	214.1	166.8
Trade and other payables		36.9	38.7	39.8
Lease liabilities	14	120.2	130.2	125.3
Provisions	13	-	10.4	-
Pension scheme obligations		65.0	69.5	79.3
Deferred tax liabilities		47.3	31.9	33.2
		320.2	**494.8**	**444.4**
Total liabilities		**1,206.2**	**1,838.1**	**1,492.2**
Net assets		**318.5**	**247.0**	**282.4**
Shareholders' equity				
Ordinary share capital		19.5	19.5	19.5
Share premium		78.4	78.4	78.4
Capital redemption reserve		15.1	15.1	15.1
Retained earnings		205.5	134.0	169.4
Total equity		**318.5**	**247.0**	**282.4**

*Details of the restatements due to presentational changes and correction of errors are made in Note 1.

Condensed Consolidated Statement of Changes in Equity

Period ended 30 June 2020 (unaudited)	**Share capital £m**	**Share premium £m**	**Capital redemption reserve £m**	**Retained earnings £m**	**Total equity £m**
As at 1 January 2020	19.5	78.4	15.1	197.6	310.6
Loss for the period (restated*)				(50.9)	(50.9)
Total other comprehensive expense for the period (restated)				(13.3)	(13.3)
Total comprehensive expense for the period	-	-	-	(64.2)	(64.2)
Share based compensation	-	-	-	0.6	0.6
As at 30 June 2020	**19.5**	**78.4**	**15.1**	**134.0**	**247.0**
Year ended 31 December 2020 (audited)					
As at 1 January 2020	19.5	78.4	15.1	197.6	310.6
Loss for the year				(4.1)	(4.1)
Total other comprehensive expense for the year				(24.9)	(24.9)
Total comprehensive expense for the year				(29.0)	(29.0)
Share based compensation	-	-	-	0.8	0.8
As at 31 December 2020	**19.5**	**78.4**	**15.1**	**169.4**	**282.4**
Period ended 30 June 2021 (unaudited)					
As at 1 January 2021	19.5	78.4	15.1	169.4	282.4
Profit for the period				24.7	24.7
Total other comprehensive income for the period				11.2	11.2
Total comprehensive income for the period	-	-	-	35.9	35.9
Share based compensation	-	-	-	0.2	0.2
As at 30 June 2021	**19.5**	**78.4**	**15.1**	**205.5**	**318.5**

*Details of the restatements due to presentational changes and correction of errors are shown in Note 1.

Condensed Consolidated Statement of Cash Flows

	Note	**Unaudited six months ended 30 June 2021 £m**	Unaudited six months ended 30 June 2020 (restated*) £m	Audited year ended 31 December 2020 £m
Cash flows from operating activities				
Profit / (loss) for the period/year		24.7	(50.9)	(4.1)
Tax charge		26.0	0.5	6.1
Depreciation of property, plant and equipment, rental fleet and right of use assets		23.1	25.5	51.2
Gain on disposal of property, plant and equipment		(0.4)	(0.5)	(3.1)
Gain on lease surrenders		-	-	(1.2)
Gain on disposal of right of use asset associated with rental fleet vehicles		(0.9)	(0.7)	(1.9)
Amortisation of intangible assets		2.6	2.3	4.8
Share based compensation		0.2	0.6	0.8
Impairment of property, plant and equipment	9,11	-	3.2	5.0
Impairment of right of use assets	3	-	0.3	0.4
Impairment of goodwill and intangible assets (non-underlying)	3	-	2.6	3.6
Finance costs excluding pension related finance costs and debt issue costs	4	12.1	15.2	27.3
Debt issue costs		0.3	0.2	0.5
Difference between pension charge and cash contributions		(5.5)	(3.0)	(8.9)
Purchase of rental fleet vehicles		(6.8)	(8.9)	(21.8)
Purchase of right of use assets associated with rental fleet vehicles		(0.9)	(0.7)	(1.9)
Purchase of vehicles for long term leasing		(15.0)	(7.1)	(27.8)
Changes in provisions		-	-	(10.4)
Changes in inventories		184.8	110.8	355.1
Changes in receivables		(28.2)	10.5	43.4
Changes in payables		(119.1)	(18.7)	(359.8)
Cash generated from operations		97.0	81.2	57.3
Finance costs paid		(9.2)	(12.2)	(21.2)
Finance costs paid - finance leases		(2.9)	(3.0)	(6.1)
Tax (paid) / refunded		(1.4)	3.6	7.8
Net cash inflow from operating activities		**83.5**	**69.6**	**37.8**
Cash flows from investing activities				
Purchase of property, plant and equipment		(6.7)	(9.2)	(13.8)
Purchase of intangibles		(1.9)	(0.7)	(3.0)
Finance lease rentals collected		1.8	2.2	4.0
Proceeds from disposal of property, plant and equipment		3.3	3.4	18.0
Net cash (outflow) / inflow from investing activities		**(3.5)**	**(4.3)**	**5.2**
Cash flows from financing activities				
Proceeds from issue of ordinary shares		-	-	-
Receipt of funding advanced for vehicle leasing arrangements	14	45.3	29.1	74.8
Repayment of funding advanced for vehicle leasing arrangements	14	(46.9)	(38.7)	(84.1)
(Repayment) / receipt of loans	14	(0.6)	0.8	(0.6)
Draw down on RCF	14	0.1	150.0	150.0
Repayment on RCF	14	(113.1)	(26.3)	(72.0)
Repayment of lease liabilities	14	(7.1)	(7.4)	(15.3)
Net cash inflow / (outflow) from financing activities		**(122.3)**	**107.5**	**52.8**
(Decrease) / increase in cash and cash equivalents		(42.3)	172.8	95.8
Cash and cash equivalents at 1 January		127.2	31.4	31.4
Cash and cash equivalents at 30 June/31 December		**84.9**	**204.2**	**127.2**

Analysis of cash and cash equivalents			
Cash and cash equivalents	147.5	295.5	243.0
Bank overdraft	(62.6)	(91.3)	(115.8)
Cash and cash equivalents at 30 June/31 December	**84.9**	**204.2**	**127.2**

* Details of the presentational adjustments and corrections of errors are shown in Note 1

Notes to the Financial Information

General information
Lookers plc is a public limited company incorporated in the United Kingdom under the Companies Act 2006, with registered number 111876 in England and Wales and a registered office of Lookers House, 3 Etchells Road, West Timperley, Altrincham, WA14 5XS.
Basis of preparation

These condensed consolidated interim financial statements for the 6 months to 30 June 2021 have been prepared in accordance with IAS 34 'Interim financial reporting' and also in accordance with the measurement and recognition principles of UK adopted international accounting standards. They do not include all of the information required for full annual financial statements and should be read in conjunction with the 2020 Annual Report and Accounts, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

These condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2020 were approved by the Board of Directors on 30 June 2021 and have been filed with the Registrar of Companies. The report of the auditors on those accounts was unqualified. It did not contain any statement under section 498 of the Companies Act 2006.

The financial information for the period ended 30 June 2021 is unaudited but has been externally reviewed by BDO. The financial information for the period ended 30 June 2020 is unaudited and has not been externally reviewed. The financial information for the year ended 31 December 2020 has been based on the audited financial statements for that year.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020, as described in the 2020 Annual Report & Accounts. Corporation tax in the interim periods is accrued using the estimated tax rate that would be applicable to expected total annual earnings.

Critical accounting estimates and judgements

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020. There have been no material revisions to either the nature or amount of estimates reported in prior periods. The Group has used up to date financial forecasts in considering its ability to continue as a going concern, and the carrying value of its goodwill balance.

Going concern

The Directors have considered the future prospects and performance of the Group and have made an assessment of going concern for a minimum of 12 months from the date of this report, considering the Group's cash and liquidity position, current performance and outlook. The latter was subjected to various sensitivities and stress testing which assessed the potential future downside risks including, but not limited to, the imposition of further restrictions that may be put in place by the UK Government to control the impact of the COVID-19 pandemic and a further restriction in the supply of new vehicles caused by the continued worldwide semiconductor chip shortage, using the information available up to the date of issue of these financial statements.

In May 2021, the Group agreed an amendment and extension to its revolving credit facility ("RCF"), with its existing banks. The amended RCF is for an initial £150m and will expire on 30 September 2023. The facility is subject to quarterly covenant tests on leverage, interest cover, minimum EBITDA per rolling twelve month period, and minimum liquidity levels. The net amount drawn against this facility as at 30 June 2021 was £43.0m, giving the Group significant liquidity.

In view of the various sensitivities, additional stress testing and significant RCF headroom, the Board concludes that the Group has sufficient liquidity for at least 12 months from the date of this announcement and therefore that preparing the accounts on the basis of going concern is appropriate.

Alternative Performance Measures

The Group uses a number of Alternative Performance Measures (APMs) which are non-IFRS (International Financial Reporting Standards) measures in establishing their financial performance. The Group believes the APMs provide useful, historical financial information to assist investors and other stakeholders to evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. APMs should be considered in addition to IFRS measures and are not intended to be a substitute for IFRS measurements.

More details of the APMs and a reconciliation of the IFRS measures used in the Interim Report to those APMs used for KPI monitoring are including in Note 17.

Like-for-Like is the collection of dealerships and other trading businesses that have both a full period of trading activity in the current and prior periods.

1a Condensed Statement of Total Comprehensive Income (restated)
For the period ended 30 June 2020

Period ended 30 June 2020	As previously reported unaudited 30 June 2020 £m	Correction of errors £m	As restated unaudited 30 June 2020 £m
Revenue	**1,563.7**	**6.9**	**1,570.6**
Cost of sales	**(1,395.1)**	(13.1)	**(1,408.2)**
Gross profit	**168.6**	**(6.2)**	**162.4**
Net operating expenses	(200.4)	3.6	**(196.8)**
Operating loss	**(31.8)**	**(2.6)**	**(34.4)**
Underlying operating loss	(17.9)	(2.6)	(20.5)
Non-underlying items	(13.9)	-	(13.9)
Finance costs	(18.2)	2.2	(16.0)
Loss before taxation	**(50.0)**	**(0.4)**	**(50.4)**
Underlying loss before taxation	(36.1)	(0.4)	(36.5)
Non-underlying items	(13.9)	-	(13.9)
Tax charge	(0.5)	-	(0.5)
Loss for the period	**(50.5)**	**(0.4)**	**(50.9)**
Exchange differences on translation of foreign operation (may be recycled to profit and loss)*	-	0.8	0.8
Actuarial losses on pension scheme obligations	(17.0)	-	(17.0)
Deferred tax on pension scheme obligations	2.9	-	2.9
Total other comprehensive expense for the period	**(14.1)**	**0.8**	**(13.3)**
Total comprehensive expense for the period	**(64.6)**	**0.4**	**(64.2)**

(Loss)/earnings per share:			
Basic loss per share (p)	(12.94)	(0.11)	(13.05)
Diluted loss) per share (p)	(12.94)	(0.11)	(13.05)

*In the period 30 June 2020 the exchange difference gain was incorrectly disclosed directly in equity

In preparing the IFRS 16 adjustments for the period ended 30 June 2021 the Directors identified a number of errors in the underlying calculations. These errors originated at the point of initial adoption for the leases in question, so adjustments to the statement of financial position at 1 January 2020 were required to increase the amounts recorded within right of use assets by £11.3m, to increase total lease liabilities by £12.8m, and to decrease retained earnings by £1.5m. Adjustments to the statement of financial position at 30 June 2020 were required to increase the amounts recorded within right of use assets by £11.4m, to increase total lease liabilities by £12.9m, and to decrease retained earnings by £1.5m. There has been no change in the loss for the period ended 30 June 2020, though there was a £0.2m increase in finance costs offset by a £0.2m reduction in net operating expenses. The adjustments had no impact on net cashflow, but cash inflows from operating activities decreased by £0.2m, offset by an increase of £0.2m in cash outflows from financing activities.

The Directors also identified that certain transactions and balances in the Group's Get Motoring UK Limited subsidiary had been incorrectly treated in respect of IFRS 16. Rental fleet vehicles acquired via sale and repurchase agreements had incorrectly been recognised as owned assets within current assets. As the Group only has a right to control the vehicles for specific periods of time these transactions should have been treated as leases. In addition, adjustments have been recorded to change the treatment of the subsequent rental of these vehicles, in which the Group acts as lessor, from operating leases to finance leases as these sub-leases are for substantially the entire period of the lead leases. The combined impact of these adjustments to the statement of financial position at 1 January 2020 is an increase in trade and other receivables of £28.1m (being the recognition of a repurchase debtor at the contractual repurchase amount of £26.7m and a finance lease receivable of £1.4m), a reduction in rental fleet vehicles of £27.4m, and an increase in retained earnings of £0.7m. Adjustments to the statement of financial position at 30 June 2020 have increased trade and other receivables by £23.3m (being the recognition of a repurchase debtor at the contractual repurchase amount of £22.8m and a finance lease receivable of £0.5m), a reduction in rental fleet vehicles of £23.0m, and an increase in retained earnings of £0.3m. The impact of these adjustments has been to increase the loss for the period ended 30 June 2020 by £0.4m. There has been no impact to net cashflow, but both cash inflows from operating activities and cash outflows from investing activities have decreased by £2.2m in the period ended 30 June 2020. In addition the treatment of proceeds from sale of rental fleet vehicles has been corrected, alongside the treatment of proceeds from sale of vehicles for long term leasing, removing separate disclosure of both proceeds and associated profits from the face of the Consolidated Statement of Cash Flows, with both items now being recorded within changes in inventories. These adjustments have no overall impact on the Consolidated Statement of Cash Flows. The profit on sale of owned rental fleet vehicles in the Group's Get Motoring UK Limited subsidiary had been incorrectly recorded on a net basis within the Statement of Consolidated Comprehensive Income for the period ended 30 June 2020 as disposals of fixed assets but should have been presented as sales of inventories. Adjustments to recognise sale proceeds and costs separately have increased both revenues and cost of sales by £6.9m, with no change to profit for the period ended 30 June 2020.

Separately purchase of vehicles for long term leasing and purchase of rental fleet vehicles were incorrectly presented as investing cash flows. In accordance with IAS 7, as these vehicles are subsequently held for sale the cash flows should have been presented within operating activities. As a result these have been reclassified in the Consolidated Statement of Cash Flows for the period ended 30 June 2020, decreasing cash flows from operating activities and cash outflows from investing activities, both by £28.8m.

The Directors have also identified a misallocation of costs relating to one of the Group's leasing businesses within the Statement of Total Comprehensive Income for the period ended 30 June 2020. The impact of the corrections has had no impact on the loss for the period, but has resulted in a £6.2m increase in cost of sales, £3.8m reduction in net operating expenses and £2.4m reduction in finance costs. The corrections have no impact on net cash flow and there were no corrections required to the Statement of Financial Position as at 30 June 2020.

1b Condensed Statement of Financial Position (restated)
As at 30 June 2020

	As previously reported unaudited 30 June 2020 £m	**Correction of errors £m**	**As restated unaudited at 30 June 2020 £m**
Non-current assets			
Goodwill	79.3	-	79.3
Intangible assets	112.6	-	112.6
Property, plant and equipment	415.5	-	415.5
Right of use assets	109.7	11.4	121.1
	717.1	**11.4**	**728.5**
Current assets			
Inventories	856.2	-	856.2
Trade and other receivables	133.6	23.3	156.9
Current tax receivable	6.2	-	6.2
Rental fleet vehicles	54.2	(23.0)	31.2
Cash and cash equivalents	295.5	-	295.5
Assets held for sale	10.6	-	10.6
	1,356.3	**0.3**	**1,356.6**
Total assets	**2,073.4**	**11.7**	**2,085.1**

Current liabilities			
Bank loans and overdrafts	92.4	-	92.4
Trade and other payables	1,232.4	-	1,232.4
Lease liabilities	18.5	-	18.5
	1,343.3	**-**	**1,343.3**
Net current assets	**13.0**	**0.3**	**13.3**
Non-current liabilities			
Bank loans	214.1	-	214.1
Trade and other payables	38.7	-	38.7
Lease liabilities	117.3	12.9	130.2
Provisions	10.4	-	10.4
Pension scheme obligations	69.5	-	69.5
Deferred tax liabilities	31.9	-	31.9
	481.9	**12.9**	**494.8**
Total liabilities	**1,825.2**	**12.9**	**1,838.1**
Net assets	**248.2**	**(1.2)**	**247.0**
Shareholders' equity			
Ordinary share capital	19.5	-	19.5
Share premium	78.4	-	78.4
Capital redemption reserve	15.1	-	15.1
Retained earnings	135.2	(1.2)	134.0
Total equity	**248.2**	**(1.2)**	**247.0**

1c Condensed Statement of Cash Flows (restated)
For the period ended 30 June 2020

	As previously reported unaudited 30 June 2020 £m	**Correction of errors £m**	**As restated unaudited at 30 June 2020 £m**
Cash flows from operating activities			
Loss for the period	(50.5)	(0.4)	(50.9)
Tax charge	0.5	-	0.5
Depreciation of property, plant and equipment, rental fleet and right of use assets	26.7	(1.2)	25.5
(Gain)/loss on disposal of property, plant and equipment and rental fleet	(0.4)	(0.1)	(0.5)
Gain on disposal of right of use assets associated with rental fleet assets	-	(0.7)	(0.7)
Amortisation of intangible assets	2.3	-	2.3
Share based compensation	0.6	-	0.6
Impairment of property, plant and equipment	3.2	-	3.2
Impairment of right of use assets	0.3	-	0.3
Impairment of goodwill and intangible assets (non-underlying)	2.6	-	2.6

Interest payable excluding pension related interest and debt issue costs	17.4	(2.2)	15.2
Debt issue costs	0.2	-	0.2
Difference between pension charge and cash contributions	(3.0)	-	(3.0)
Proceeds from sale of vehicles for long term leasing	5.3	(5.3)	-
Proceeds from sale of rental fleet vehicles	20.1	(20.1)	-
Purchase of rental vehicles	-	(8.9)	(8.9)
Purchase of right of use assets associated with rental fleet assets	-	(0.7)	(0.7)
Purchase of vehicles for long term leasing	-	(7.1)	(7.1)
Changes in inventories	101.0	9.8	110.8
Changes in receivables	6.6	3.9	10.5
Changes in payables	(18.7)	-	(18.7)
Cash generated from operations	114.2	(33.0)	81.2
Interest paid	(14.6)	2.4	(12.2)
Interest paid - finance leases	(2.8)	(0.2)	(3.0)
Tax received/(paid)	3.6	-	3.6
Net cash inflow from operating activities	**100.4**	**(30.8)**	**69.6**
Cash flows from investing activities			
Purchase of property, plant and equipment	(9.2)	-	(9.2)
Purchase of vehicles for long term leasing	(7.1)	7.1	-
Purchase of rental fleet vehicles	(21.7)	21.7	-
Purchase of intangibles	(0.7)	-	(0.7)
Finance lease rentals collected	-	2.2	2.2
Proceeds from disposal of property, plant and equipment	3.4	-	3.4
Net cash outflow from investing activities	**(35.3)**	**31.0**	**(4.3)**
Cash flows from financing activities			
Receipt of funding advanced for vehicle leasing arrangements	29.1	-	29.1
Repayment of funding advanced for vehicle leasing arrangements	(38.7)	-	(38.7)
Receipt/(repayment) of loans	0.8	-	0.8
Draw down on RCF	150.0	-	150.0
Repayment on RCF	(26.3)	-	(26.3)
Repayment of lease liabilities	(7.2)	(0.2)	(7.4)
Net cash outflow from financing activities	**107.7**	**(0.2)**	**107.5**
Increase in cash and cash equivalents	**172.8**	**-**	**172.8**
Cash and cash equivalents at 1 January	31.4	-	31.4
Cash and cash equivalents at 30 June	**204.2**	**-**	**204.2**
Analysis of cash and cash equivalents			
Cash and cash equivalents	295.5	-	295.5
Bank overdraft	(91.3)	-	(91.3)
Cash and cash equivalents at 30 June	**204.2**	**-**	**204.2**

2. Segmental reporting

	Unaudited six months ended 30 June 2021 £m	Mix**	Unaudited six months ended 30 June 2020 (restated*) £m	Mix**	Audited year ended 31 December 2020 £m	Mix**

New cars	1,027.5	43.5%	705.0	41.5%	1,709.3	42.5%
Used cars	1,044.8	44.2%	770.3	45.4%	1,779.1	44.3%
Aftersales	211.3	8.9%	162.1	9.6%	383.8	9.5%
Leasing and other	79.3	3.4%	59.4	3.5%	148.4	3.7%
Less: intercompany	(209.7)	-	(126.2)	-	(320.7)	-
Revenue	**2,153.2**	**100%**	**1,570.6**	**100%**	**3,699.9**	**100%**

*Details of the restatements due to presentational changes and correction of errors are shown in Note 1.

**Mix calculation excludes the effect of intercompany revenues.

3. Non-underlying items

Non-underlying items relate to costs or incomes which are not incurred in the normal course of business or due to their size, nature and irregularity are not included in the assessment of financial performance in order to reflect management's view of the core-trading performance of the Group.

	Unaudited six months ended 30 June 2021 £m	**Unaudited six months ended 30 June 2020 (restated) £m**	**Audited year ended 31 December 2020 £m**
Non-underlying items at operating profit			
1 - (Gain) / loss on property disposals	(0.4)	0.1	(3.1)
2 - Impairment of property, plant and equipment	-	3.2	3.4
2 - Impairment of right of use assets	-	0.3	0.4
2 - Gain on lease surrenders	-	-	(1.2)
2 - Restructuring costs	-	4.2	9.9
3 - Impairment of goodwill and intangible assets	-	2.6	3.6
4 - FCA provision	-	-	(10.4)
5 - Professional fees	-	3.5	9.2
6 - Finance overpayments	-	-	0.3
Non-underlying items at operating profit	**(0.4)**	**13.9**	**12.1**

The following details items of income and expenditure that the Group has classified as non-underlying in its statement of total comprehensive income.

1 - Property disposals relate to the net (gains) or losses on the sale of freehold properties.

2 – During the prior period / year the Board took decisive actions to position the Group for a strong and sustainable future. This included the closure, consolidation or refranchising of 12 sites. In addition to the Group-wide restructuring, costs relating to site closure and impairment losses have been recognised during the prior period / year. Impairment losses were net of £1.6m of insurance received in respect of a fire claim.

3 – Impairment of the Group's Ford CGU of £2.6m (period ended 30 June 2020 and year ended 31 December 2020) and impairment of the Lomond brand of £1m (year ended 31 December 2020).

4 – A provision of £10.4m was recorded in the year ended 31 December 2019 in respect of the FCA investigation, but was released in the year ended 31 December 2020. See Note 13.

5 – Professional fees incurred in relation to resolving the temporary suspension of the Group's shares and the investigation into prior period accounting irregularities.

6 – Costs incurred in respect of rectifying historic issues in relation to finance overpayments.

4. Finance costs

	Unaudited six months ended 30 June 2021 £m	Unaudited six months ended 30 June 2020 (restated) £m*	Audited year ended 31 December 2020 £m
Interest expense:			
On revolving credit facility	(1.8)	(1.7)	(3.9)
On other bank borrowings	(0.7)	(1.1)	(1.6)
On consignment, repurchase vehicle liabilities and stocking loans	(5.7)	(8.3)	(14.0)
On vehicle rental finance liabilities	(1.0)	(1.1)	(1.7)
On lease liabilities	(2.9)	(3.0)	(6.1)
Debt issue costs	(0.3)	(0.2)	(0.5)
	(12.4)	(15.4)	(27.8)
Net pension costs:			
On defined benefit pension obligation	(2.2)	(2.9)	(6.1)
On pension scheme assets	1.7	2.3	5.0
	(0.5)	(0.6)	(1.1)
Finance costs	(12.9)	(16.0)	(28.9)

* Details of the presentational adjustments and corrections of errors are shown in Note 1.

5. Dividends

The Directors do not propose an interim dividend for 2021 (2020: nil).

6. Earnings per share

	Unaudited six months ended 30 June 2021	Unaudited six months ended 30 June 2020 (restated)	Audited year ended 31 December 2020
Earnings / (loss) attributable to ordinary shareholders (£m)	24.7	(50.9)	(4.1)
Weighted average number of shares in issue	390,359,669	390,138,374	390,138,374
Basic earnings / (loss) per share (p)	6.33	(13.05)	(1.05)
Earnings / (loss) attributable to ordinary shareholders (£m)	24.7	(50.9)	(4.1)
Dilutive effect of share based payment options and weighted average number of shares in issue	400,487,107	390,138,374	390,138,374
Diluted earnings / (loss) per share (p)	6.17	(13.05)	(1.05)
Profit / (loss) before tax (£m)	50.7	(50.4)	2.0
Add: Non-underlying items (£m)	(0.4)	13.9	12.1
Underlying profit / (loss) before tax (£m)	50.3	(36.5)	14.1
Tax rate	19.0%	19.0%	19.0%
Underlying tax (£m)	(9.6)	6.9	(2.7)
Underlying earnings / (loss) attributable to ordinary shareholders (£m)	40.7	(29.6)	11.4
Weighted average number of shares in issue	390,359,669	390,138,374	390,138,374
Underlying basic earnings / (loss) per share (p)	10.44	(7.58)	2.93

In the periods to 31 December 2020 and 30 June 2020 the basic and diluted earnings per share are equal as a result of the Group incurring a loss for the period / year. This has therefore created an anti-dilutive impact. Earnings per share have been restated following the recognition of prior period adjustments shown in Note 1.

7. Goodwill

Cost	Unaudited six months ended 30 June 2021 £m	Unaudited six months ended 30 June 2020 (restated) £m	Audited year ended 31 December 2020 £m
As at 1 January and 31 December	122.4	122.4	122.4
Aggregate impairment			
At 1 January	43.1	40.5	40.5
Charge for the period/year	-	2.6	2.6
As at 31 December	43.1	43.1	43.1
Carrying amount at 31 December	**79.3**	**79.3**	**79.3**

Following an interim update to the Group's annual impairment review and reflecting a deterioration in expected market conditions as a result of COVID-19 underpinning the value in use calculations, an impairment charge of £2.6m was recognised during the prior period and prior year against the Ford CGU. No impairments have been recognised in the period to 30 June 2021.

The following table summarises goodwill and intangibles with an indefinite useful economic life allocated by CGU:

CGU	2021 Interim Goodwill £m	2021 Interim Licences and brands £m	2021 Interim Total £m	2020 Interim Goodwill £m	2020 Interim Licences and brands £m	2020 Interim Total £m	2020 full year Goodwill £m	2020 full year Licences and brands £m	2020 full year Total £m
JLR	9.0	-	9.0	9.0	-	9.0	9.0	-	9.0
Audi	22.1	27.9	50.0	22.1	28.9	51.0	22.1	27.9	50.0
Charles Hurst	9.4	-	9.4	9.4	-	9.4	9.4	-	9.4
Renault Nissan Dacia Vauxhall	2.8	2.9	5.7	2.8	2.9	5.7	2.8	2.9	5.7
Mercedes-Benz	15.2	28.2	43.4	15.2	28.2	43.4	15.2	28.2	43.4
Volkswagen	6.9	15.9	22.8	6.9	15.9	22.8	6.9	15.9	22.8
Ford	4.8	2.9	7.7	4.8	2.9	7.7	4.8	2.9	7.7
BMW	-	21.7	21.7	-	21.7	21.7	-	21.7	21.7
Fleet & Leasing	9.1	-	9.1	9.1	-	9.1	9.1	-	9.1
	79.3	**99.5**	**178.8**	**79.3**	**100.5**	**179.8**	**79.3**	**99.5**	**178.8**

The Group prepares forecasts that consider the Group's profit and loss, cashflows, debt and other key financial ratios over the relevant period. There are a number of key assumptions within these forecasts and these have been based on management's past experience and knowledge of the market.

The key assumptions that have been used in determining the value in use of each cash generating unit in the impairment model are set out in the table below:

Assumption	2021 H1	2020 H1	2020 FY
One to five year revenue growth	0.0% to 1.4%	0.0% to 1.0%	0.0% to 1.4%
One to five year operating expenses growth	0.0% to 2.0%	0.0% to 2.0%	0.0% to 2.0%
Post year five growth rate	0%	0%	0%
Discount rate	10.44%	8.14%	9.87%

The value-in-use of each CGU is calculated using cash flow projections for a five-year period; from 1 January 2021 to 31 December 2025. These projections are based on the budget for the year ended 31 December 2021, updated for the Group’s actual performance to 30 June 2021, and form the basis for the Group’s strategic plan. The key assumptions in the most recent annual budget on which the cash flow projections are based relate to expectations of sales volumes and margins and expectations around changes in the operating cost base.

The pre-tax adjusted discount rate used has been calculated using the Group's estimated cost of capital, adjusted for the impact of IFRS 16 and benchmarked against externally available data. The Directors believe this is an appropriate proxy for industry cost of capital.

8. Intangible assets

Group	Licences and brands £m	IT development £m	Total £m
Cost			
At 1 January 2020	102.6	39.6	142.2
Additions	-	0.7	0.7
At 30 June 2020	102.6	40.3	142.9
At 1 January 2020	102.6	39.6	142.2
Additions	-	3.0	3.0
Reclassifications to property, plant and equipment	-	(0.6)	(0.6)
At 31 December 2020	102.6	42.0	144.6
At 1 January 2021	102.6	42.0	144.6
Additions	-	1.9	1.9
Reclassifications to property, plant and equipment	-	(1.2)	(1.2)
Disposals	-	(20.3)	(20.3)
At 30 June 2021	102.6	22.4	125.0
Accumulated amortisation and impairment			
At 1 January 2020	2.1	25.9	28.0
Charge for the period	-	2.3	2.3
At 30 June 2020	2.1	28.2	30.3
At 1 January 2020	2.1	25.9	28.0
Charge for the period	-	4.8	4.8
Impairment charge	1.0	-	1.0
At 31 December 2020	3.1	30.7	33.8
At 1 January 2021	3.1	30.7	33.8
Charge for the period	-	2.6	2.6
Disposals	-	(20.3)	(20.3)
At 30 June 2021	3.1	13.0	16.1
Carrying amount			
As at 30 June 2020	100.5	12.1	112.6
As at 31 December 2020	99.5	11.3	110.8
As at 30 June 2021	**99.5**	**9.4**	**108.9**

In the period ended 30 June 2021 the Group has undertaken a review of capitalised IT development and has written off those assets no longer in use within the business. There was no net gain or loss on these write offs.

9. Property, plant and equipment

Cost	Freehold property £m	Leasehold property £m	Motor vehicles for rental £m	Other £m	Total £m
At 1 January 2020	270.2	92.9	101.1	84.3	548.5
Movements in foreign exchange	0.3	-	-	-	0.3
Additions	0.8	0.8	7.1	7.6	16.3
Disposals	(3.7)	-	(0.8)	(1.7)	(6.2)
Transfers	(2.6)	2.6	-	-	-

Transfers to inventories	-	-	(11.0)	-	(11.0)
Transfers to assets held for sale	(0.6)	-	-	-	(0.6)
At 30 June 2020	264.4	96.3	96.4	90.2	547.3
At 1 January 2020	270.2	92.9	101.1	84.3	548.5
Movements in foreign exchange	1.1	-	-	0.1	1.2
Additions	3.0	1.2	28.9	8.5	41.6
Disposals	(14.1)	(3.0)	(2.8)	(13.3)	(33.2)
Transfers	(2.5)	3.2	4.2	(4.9)	-
Transfer from intangible assets	-	-	-	0.6	0.6
Transfers to inventories	-	-	(34.6)	-	(34.6)
Transfers to assets held for sale	(7.8)	(2.4)	-	-	(10.2)
At 31 December 2020	249.9	91.9	96.8	75.3	513.9
At 1 January 2021	249.9	91.9	96.8	75.3	513.9
Movements in foreign exchange	(0.9)	-	-	(0.1)	(1.0)
Additions	0.3	3.0	15.1	3.3	21.7
Disposals	-	(0.1)	(0.2)	(4.2)	(4.5)
Transfers	2.0	1.0	-	(3.0)	-
Transfers from intangible assets				1.2	1.2
Transfers to inventories	-	-	(14.9)	-	(14.9)
Transfers to assets held for sale	-	-	-	(0.4)	(0.4)
At 30 June 2021	251.3	95.8	96.8	72.1	516.0
Accumulated depreciation and impairment					
At 1 January 2020	23.3	18.3	31.9	45.8	119.3
Movements in foreign exchange	-	-	-	-	-
Charge for the period	1.2	1.3	10.6	4.8	17.9
Impairment loss	3.0	0.1	-	0.1	3.2
Disposals	(0.2)	-	(0.5)	(1.5)	(2.2)
Transfers to inventories	-	-	(6.4)	-	(6.4)
Transfers to assets held for sale	-	-	-	-	-
At 30 June 2020	27.3	19.7	35.6	49.2	131.8
At 1 January 2020	23.3	18.3	31.9	45.8	119.3
Movements in foreign exchange	-	-	-	0.1	0.1
Charge for the year	2.9	2.5	16.8	10.0	32.2
Impairment loss	0.2	-	-	1.3	1.5
Disposals	(3.1)	(2.2)	(1.9)	(13.1)	(20.3)
Transfers to inventories	-	-	(18.0)	-	(18.0)
Transfers to assets held for sale	(0.8)	-	-	-	(0.8)
At 31 December 2020	22.5	18.6	28.8	44.1	114.0
At 1 January 2021	22.5	18.6	28.8	44.1	114.0
Movements in foreign exchange	-	(0.1)	-	(0.1)	(0.2)
Charge for the period	1.3	1.0	7.6	4.7	14.6
Impairment loss	-	-	-	-	-
Disposals	-	(0.1)	(0.2)	(3.6)	(3.9)
Transfers to inventories	-	-	(7.6)	-	(7.6)
Transfers to assets held for sale	-	-	-	-	-
At 30 June 2021	23.8	19.4	28.6	45.1	116.9
Carrying amount					
As at 30 June 2020	237.1	76.6	60.8	41.0	415.5
As at 31 December 2020	227.4	73.3	68.0	31.2	399.9
As at 30 June 2021	**227.5**	**76.4**	**68.2**	**27.0**	**399.1**

10. Right of Use Assets

	Property £m	Other £m	Total £m

Cost			
At 1 January 2020 (restated*)	277.5	6.3	283.8
Additions (restated*)	7.3	2.4	9.7
Retirements and surrenders (restated*)	(0.1)	(2.7)	(2.8)
At 30 June 2020 (restated*)	284.7	6.0	290.7
At 1 January 2020 (restated*)	277.5	6.3	283.8
Additions	12.7	3.7	16.4
Retirements and surrenders	(11.0)	(2.9)	(13.9)
At 31 December 2020	279.2	7.1	286.3
At 1 January 2021	279.2	7.1	286.3
Additions	1.6	1.7	3.3
Retirements and surrenders	(0.1)	(0.9)	(1.0)
At 30 June 2021	280.7	7.9	288.6
Accumulated depreciation and impairment			
At 1 January 2020 (restated*)	160.7	4.1	164.8
Charge for the period (restated*)	5.4	1.1	6.5
Impairment charge	0.3	-	0.3
Retirements and surrenders	-	(2.0)	(2.0)
At 30 June 2020 (restated*)	166.4	3.2	169.6
At 1 January 2020 (restated*)	160.7	4.1	164.8
Charge for the year	12.4	2.6	15.0
Impairment charge	0.4	-	0.4
Retirements and surrenders	(10.5)	(1.0)	(11.5)
At 31 December 2020	163.0	5.7	168.7
At 1 January 2021	163.0	5.7	168.7
Charge for the period	5.8	0.8	6.6
Retirements and surrenders	-	-	-
At 30 June 2021	168.8	6.5	175.3
Carrying amount			
As at 30 June 2020 (restated*)	118.3	2.8	121.1
As at 31 December 2020	116.2	1.4	117.6
As at 30 June 2021	**111.9**	**1.4**	**113.3**

* Details of the presentational adjustments and corrections of errors are shown in Note 1.

11. Assets held for sale

Lower of carrying amount and fair value less cost to sell	**Unaudited June 2021 £m**	**Unaudited June 2020 £m**	**Audited 31 December 2020 £m**
At 1 January	13.0	10.0	10.0
Net transfers from property, plant and equipment	0.4	0.6	9.4
Impairment charge	-	-	(3.5)
Disposals	(2.3)	-	(2.9)
At 30 June/31 December	11.1	10.6	13.0

All items included in the analysis above relate to properties held by the Group and have been transferred into assets held for sale following the cessation of trade at certain dealerships and the subsequent commencement of procedures to dispose of these vacant properties from the Group's portfolio. Properties held within assets held for sale are being actively marketed for disposal and there is an expectation that such properties will be disposed of within 12 months of the balance sheet date. Where necessary, provision for impairment to bring the assets carrying value in line with its estimated fair value less costs of disposal has been recorded whilst the assets were held within property, plant and equipment and prior to their subsequent transfer into assets held for sale.

During the period the total carrying amount disposed from held for sale amounted to £2.3m (period ended 30 June 2020: £nil; year ended 31 December 2020: £2.9m). Total proceeds received amounted to £2.7m (period ended 30 June 2020: £nil; year ended 31 December 2020: £3.5m) resulting in a gain on property disposals of £0.4m (period ended 30 June 2020: £nil; year ended 31 December 2020: £0.6m).

12. Inventories

	Unaudited June 2021 £m	Unaudited June 2020 £m	Audited 31 December 2020 £m
Goods for resale	255.3	307.2	255.7
Vehicle spare parts for resale	17.2	18.9	17.2
Consignment vehicles	212.0	530.1	382.3
	484.5	**856.2**	**655.2**

13. Provisions

	Unaudited June 2021 £m	Unaudited June 2020 £m	Audited 31 December 2020 £m
Provision in respect of regulatory matters	-	10.4	-
At 30 June / 31 December	**-**	**10.4**	**-**

	Provisions for other charges
At 1 January and 30 June 2020	**10.4**
At 1 January 2020	10.4
Released during the year	(10.4)
At 31 December 2020	**-**
At 1 January and 30 June 2021	-

On 2 March 2021 the Group announced that the FCA had 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. In closing the case, the FCA further advised the Board that it did not intend to use its statutory powers to apply any sanctions against the Group in relation to the matters under investigation. As the investigation specifically covered the period from January 2016 to June 2019, the Group was satisfied that the FCA confirmation represented an adjusting event after the balance sheet date as it provided evidence that there was not an obligating event and therefore released the £10.4m provision into non-underlying items in the year ended 31 December 2020.

14. Financial Instruments

Movement in financial liabilities	At 1 Jan 2020 (restated) £m	Net RCF movement £m	Loan receipt / (repayment) £m	Lease repayment £m	Loan receipt £m	Non-cash movement £m	At 30 June 2020 (restated) £m
Other loans	10.1	-	0.8	-	-	-	10.9
RCF	80.8	123.7	-	-	-	(0.2)	204.3
Lease liabilities	146.9	-	-	(7.4)	-	9.2	148.7

Vehicle rental finance liabilities	97.2	-	(38.7)	-	29.1	-	87.6
	335.0	123.7	(37.9)	(7.4)	29.1	9.0	451.5
Cash and cash equivalents	(150.3)						(295.5)
Bank overdraft	118.9						91.3
Net debt excluding lease and vehicle rental liabilities	**59.5**						**11.0**
Net debt including lease and vehicle rental liabilities	**303.6**						**247.3**

Movement in financial liabilities	**At 1 Jan 2020 (restated) £m**	**Net RCF movement £m**	**Loan repayment £m**	**Lease repayment £m**	**Loan receipt £m**	**Non-cash movement £m**	**At 31 Dec 2020 £m**
Other loans	10.1	-	(0.6)	-	-	-	9.5
RCF	80.8	78.0	-	-	-	(0.4)	158.4
Lease liabilities	146.9	-	-	(15.3)	-	12.8	144.4
Vehicle rental finance liabilities	97.2	-	(84.1)	-	74.8	-	87.9
	335.0	78.0	(84.7)	(15.3)	74.8	12.4	400.2
Cash and cash equivalents	(150.3)						(243.0)
Bank overdraft	118.9						115.8
Net debt excluding lease and vehicle rental liabilities	**59.5**						**40.7**
Net debt including lease and vehicle rental liabilities	**303.6**						**273.0**

Movement in financial liabilities	**At 1 Jan 2021 £m**	**Net RCF movement £m**	**Loan repayment £m**	**Lease repayment £m**	**Lease receipt £m**	**Non-cash movement £m**	**At 30 June 2021 £m**
Other loans	9.5	-	(0.6)	-	-	-	8.9
RCF	158.4	(113.0)	-	-	-	(2.4)	43.0
Lease liabilities	144.4	-	-	(7.1)	-	1.9	139.2
Vehicle rental finance liabilities	87.9	-	(46.9)	-	45.3	-	86.3
	400.2	(113.0)	(47.5)	(7.1)	45.3	(0.5)	277.4
Cash and cash equivalents	(243.0)						(147.5)
Bank overdraft	115.8						62.6
Net debt / (cash) excluding lease and vehicle rental liabilities	**40.7**						**(33.0)**
Net debt including lease and vehicle rental liabilities	**273.0**						**192.5**

Non-cash movements arise following the retranslation of a Euro denominated loan and the reclassification and amortisation of the Group's debt issue costs. Non-cash movements in relation to IFRS 16 relate to the recognition and de-recognition of lease liabilities.

15. Subsequent events

During the period ended 30 June 2021 the Group received CJRS grants of £4.1m in respect of that period. However, given the strong H1 performance and the Group's ongoing corporate responsibility agenda, the Board has voluntarily undertaken to repay all CJRS grants received in respect of H1 before the end of H2.

This decision was made after the half year end and so the condensed consolidated income statement for the first half does not reflect the repayment of the amount relating to the first half. The expense of the repayment for the full financial year will be charged to operating profit in the second half and will be reflected in the full year income statement.

16. Related parties

There have been no material changes to the Group's principal subsidiaries as listed in the 2020 Annual Report & Accounts.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period:

		Sales to related parties £m	Purchases from related parties £m	Amounts owed by related parties £m	Amounts owed to related parties £m
Key management personnel of the Group:					
Other directors' interests:	**Period ended 30 June 2021**	**-**	**-**	**-**	**-**
	Period ended 30 June 2020	-	0.1	-	-
	Year ended 31 December 2020	-	0.1	-	-

During both the period ended 30 June 2020 and the year ended 31 December 2020 Group companies made purchases at market prices from Bramall Properties Limited. These are considered to be related parties due to them having directors common to those of Lookers plc.

17. Reconciliation of Alternative Performance Measures

The Group uses a number of Alternative Performance Measures (APM) which are non-IFRS measures in establishing their financial performance. Like for Like is the collection of dealerships and other trading businesses that have both a full year of trading activity in the current year and prior year. The Group believes these Measures provide useful, historical financial information to assist investors and other stakeholders to evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. In particular, the Group uses APM which reflect the underlying performance on the basis that this provides users of the financial statements with additional useful information to better assess the core business performance of the Group. Details of the definitions of APM are made within the Glossary. The table below shows restated comparative figures to show the impact of the adjustments identified in the notes below. A reconciliation of the statutory measures to the Alternative Performance Measures is set out below:

Like-for-like revenue	**Unaudited June 2021**	**Unaudited June 2020 (restated)**	**Audited 31 December 2020**
Revenue (£m)	**2,153.2**	**1,570.6**	**3,699.9**
Less: Non like-for-like revenue	(4.1)	(104.5)	(52.1)
Like-for-like revenue (£m)	**2,149.1**	**1,466.1**	**3,647.8**
Gross profit margin			
Revenue (£m)	**2,153.2**	**1,570.6**	**3,699.9**
Gross profit (£m)	**257.6**	**162.4**	**411.0**
Gross profit margin (%)	**12.0%**	**10.3%**	**11.1%**
EBITDA and underlying EBITDA			

Operating profit / (loss) (£m)	**63.6**	**(34.4)**	**30.9**
Add: Depreciation (£m)	23.1	25.5	51.2
Add: Amortisation (£m)	2.6	2.3	4.8
EBITDA (£m)	**89.3**	**(6.6)**	**86.9**
Add: Non-underlying items (£m)	(0.4)	13.9	12.1
Underlying EBITDA (£m)	**88.9**	**7.3**	**99.0**
Underlying operating profit / (loss) (£m)			
Operating profit / (loss) (£m)	**63.6**	**(34.4)**	**30.9**
Add: Non-underlying items (£m) - Note 3	(0.4)	13.9	12.1
Underlying operating profit / (loss) (£m)	**63.2**	**(20.5)**	**43.0**

Underlying profit before tax and underlying basic EPS			
Profit / (loss) before tax (£m)	**50.7**	**(50.4)**	**2.0**
Add: Non-underlying items (£m) - Note 3	(0.4)	13.9	12.1
Underlying profit / (loss) before tax (£m)	**50.3**	**(36.5)**	**14.1**
Standard UK Corporation Tax rate (%)	19%	19%	19%
Underlying tax (£m)	(9.6)	6.9	(2.7)
Underlying profit / (loss) after tax (£m)	40.7	(29.6)	11.4
Weighted average number of shares in issue - Note 6	390,359,669	390,138,374	390,138,374
Underlying basic EPS (p)	**10.44**	**(7.58)**	**2.93**

Property portfolio and property portfolio by share			
Property, plant and equipment (£m)	**399.1**	**415.5**	**399.9**
Less: Other property, plant and equipment (£m) - Note 9	(27.0)	(41.0)	(31.2)
Less: Motor vehicles (£m) - Note 9	(68.2)	(60.8)	(68.0)
Property portfolio (£m)	**303.9**	**313.7**	**300.7**
Share capital at 30 June/31 December	390,475,317	390,138,374	390,138,374
Property portfolio per share (p)	**77.8**	**80.4**	**77.1**

Net debt excluding lease liabilities vehicle rental liabilities			
Bank loans and overdrafts (£m)	**114.5**	**306.5**	**283.7**
Less: Cash and cash equivalents (£m)	(147.5)	(295.5)	(243.0)
Net (cash) / debt (£m)	**(33.0)**	**11.0**	**40.7**

18. Interim statement

Copies of this report and the last Annual Report and Accounts are available from the Company Secretary at the registered office of the company at Lookers House, 3 Etchells Road, West Timperley, Altrincham, WA14 5XS and can be viewed via the Group's website at www.lookersplc.com. Copies of this report have also been submitted to the UK Listing Authority and will shortly be available at the UK Listing Authority's Document Viewing Facility at 25 North Colonnade, Canary Wharf, London E14 5HS (Telephone +44 (0) 207 066 1000).

Directors' Responsibility Statement

We confirm that to the best of our knowledge

- The interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'
- The interim financial statements include a fair review of the information required by DTR 4.2.7R (identification of important events during the first six months and their impact on the condensed set of financial statements and description of principal risks and uncertainties for the remaining six months of the year)
- The interim financial statements include a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and charges therein).

By order of the Board

Mark Raban
Chief Executive Officer
8 September 2021

Glossary of terms

Introduction

In the reporting of the financial statements, the Directors have adopted various Alternative Performance Measures (APMs) of financial performance, position or cash flows other than those defined or specified under International Financial Reporting Standards (IFRS). These measures are not defined by IFRS and therefore may not be directly comparable with other companies' APMs, including those in the Group's industry. APMs should be considered in addition to IFRS measures and are not intended to be a substitute for IFRS measurements.

Purpose

The Directors believe that these APMs provide additional useful information on the underlying performance and position of the Group.

APMs are also used to enhance the comparability of information between reporting periods by adjusting for irregularity factors which affect IFRS measures, to aid the user in understanding the Group's performance.

Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes. The key APMs that the Group has focused on this period are as follows:

Performance measure	Definition	Why we measure it
Like-for-like (LFL)	These are calculated where dealerships have contributed twelve months of revenue and profit contribution in both the current and comparative periods presented.	To provide a consistent overview of comparative trading performance
Gross profit margin	Gross profit as a percentage of revenue.	A measure of the significant revenue channels' operational performance
Non-underlying items	Relate to costs or incomes which are not incurred in the normal course of business or due to their size, nature and irregularity are not included in the assessment of financial performance in order to reflect management's view of the core-trading performance of the Group.	A key metric of the Group's non-underlying business performance.
Underlying operating profit	Operating profit before the impact of non-underlying items as defined above.	A key metric of the Group's underlying business performance.
Underlying profit before tax	Profit before tax before the impact of non-underlying items as defined above.	A key metric of the Group's underlying business performance
Underlying profit after tax	Profit after tax before the impact of non-underlying items as defined above.	A key metric of the Group's underlying business performance

Underlying earnings per share (EPS)	Earnings per share before the impact of non-underlying items as defined above.	A key metric of the Group's underlying business performance
Net debt	Bank loans and overdrafts less cash and cash equivalents. Lease liabilities, vehicle rental liabilities and stocking loans are not included in net debt.	A measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength
Property portfolio	The net book value of freehold and leasehold properties as at the balance sheet date.	A key metric of the Group's statement of financial position
New car unit sale	A new vehicle sale which has generated revenue for the Group.	A measure of statistical volumes and indicator of operational performance
Used car unit sale	Any vehicle sold that is not a new car unit sale.	A measure of statistical volumes and indicator of operational performance
Car parc	The approximate number of vehicles on the UK road network.	A measure of the UK market size and indicator for growth opportunities
New car market	Total number of annual new vehicle unit registrations made in the UK as defined by the Society of Motor Manufacturers and Traders (SMMT).	A measure of the UK market size and indicator for growth opportunities
New car market share	The Group's annual share of the new car market calculated as a percentage of the Group's new car unit sales to the new car market size.	Our relative performance against the UK market