

7 January 2020

## **Aston Martin Lagonda Global Holdings plc FY 2019 Trading Update - Clarification**

In the announcement made this morning in calculating the expected leverage ratio, the last 12 months adjusted EBITDA did not exclude the estimated benefit from first time adoption of IFRS 16. The statement should have read:

- Year-end cash balance was £107m, giving expected net debt and leverage ranges of £875m-£885m and 6.9-7.6x\* respectively

Please see below the full corrected announcement:

- The challenging trading conditions highlighted in November continued through the peak delivery period of December resulting in lower sales, higher selling costs and lower margins
- Core wholesales declined 7% year-on-year to 5,809
  - Americas, UK and APAC performed broadly in-line with our volume expectations, while Europe underperformed
  - Vantage performance improved in the fourth quarter, supported by retail financing particularly in the UK and the US
- All planned Specials (65) including the remaining 13 DB4 GT Zagato Continuations were delivered
- Core retail sales increased by 12% year-on-year and exceeded wholesale volumes leading to reduced dealer inventory and reversing the trend of the prior year
- For FY 2019, we now expect adjusted EBITDA to be £130m-£140m with an associated margin of 12.5-13.5% principally reflecting:
  - Higher than anticipated retail and customer financing support;
  - Weaker core model mix weighing on average selling price, with a shift towards Vantage;
  - Lower than expected wholesale volumes as noted above;
  - Incremental fixed marketing spend to support retail campaigns, particularly in the US, leading to lower cost savings than originally planned and;
  - The late December rally in Sterling resulting in an incremental FX headwind due to retranslation of non-Sterling balances. At net income level, translational exposure on the USD denominated debt will be significantly positive
- Year-end cash balance was £107m, giving expected net debt and leverage ranges of £875m-£885m and 6.9-7.6x\* respectively
- DBX order book has built rapidly to c.1,800 since it opened on 20 November 2019, c.1,200 of which are customer-specified
- As a result, we have now exceeded the various conditions to be able to draw the additional \$100m of April 2022 notes and currently anticipate drawing these down within the next four weeks
- Consistent with our announcement on 13 December 2019, we continue to review our funding requirements and the various funding options
- We also remain in discussions with potential strategic investors which may or may not involve an equity investment into the Company
- We are reviewing our planning for FY 2020 and will provide an update on our expectations in due course. Preliminary Results for the twelve months to 31 December 2019 will be announced on 27 February 2020.

\* Note leverage is Net Debt/last 12 months adjusted EBITDA excluding the first time adoption of IFRS 16

*Dr Andy Palmer, Aston Martin Lagonda President and Group CEO, said:*

“From a trading perspective, 2019 has been a very disappointing year. Whilst retails have grown by 12%, our best result since 2007, our underlying performance will fail to deliver the profits we planned, despite a reduction in dealer stock levels.

We are taking a series of actions to manage the business through this difficult period. This will include a cost saving programme alongside a focus on returning dealer stock levels to those more normally associated with a luxury company; winning back our strong price positioning is a key focus.

The signs from the launch of the DBX are very encouraging and the order rate seen to date is materially better than for any of our previous models. Launch plans are progressing well and we are achieving all of our key operational milestones. Start of production remains on track for Q2 2020.

Whilst we are disappointed with trading performance in 2019, our focus is now on revitalising the business, launching DBX and ensuring profitable growth in the medium-term.”

This announcement includes inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 and is being released on behalf of Aston Martin Lagonda Global Holdings plc by Catherine Sukmonowski, Company Secretary.

The financial information contained herein is unaudited.

All metrics and commentary in this announcement exclude adjusting items unless stated otherwise and certain financial data within this announcement have been rounded.

#### **Enquiries**

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- There will be a call for investors and analysts today at 07:45am UK time
- The conference call can be accessed live via a dial-in facility on +44 (0)20 7192 8391; PIN: 6639757#
- A recording of this call will be available on the corporate website later today  
<https://www.astonmartinlagonda.com/investors>
- Current market expectations, updated on 4 December 2019, can be found on our corporate website here: <https://www.astonmartinlagonda.com/investors/consensus>

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Aston Martin Lagonda provides no guarantee that future development and future results achieved will correspond to the forward-looking statements included here and accepts no liability if they should fail to do so. Aston Martin Lagonda undertakes no obligation to update these forward-looking statements and will not publicly release any revisions that may be made to these forward-looking statements, which may result from events or circumstances arising after the date of this release.

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