27 October 2020

Aston Martin Lagonda Global Holdings plc
Mercedes-Benz AG strategic technology agreement, new financing and Q3 results

Aston Martin Lagonda Global Holdings plc ("**Aston Martin**", "**Aston Martin Lagonda**" or the "**Company**") today provides the following market update

- **Targeting c.10k vehicles, c.£2bn revenue and c.£500m Adjusted EBITDA by FY 2024/25**
- **New fully committed proposed financing strengthens financial resilience and supports growth ambitions, leading to pro-forma cash of > £500m**
- **Expanded and enhanced technology agreement signed with Mercedes-Benz AG, access to advanced technologies to be provided in exchange for new shares, Mercedes-Benz AG's equity stake to be increased in several stages up to a maximum of no more than 20.0%**
- **Progress on execution in Q3; dealer inventory reduced by >1,400 units year-to-date ahead of plan and DBX deliveries started.**

Lawrence Stroll, Executive Chairman of Aston Martin Lagonda commented:

"This is a transformational moment for Aston Martin. It is the result of six months of enormous effort to position the Company for success to capture the huge and exciting opportunity ahead of us.

In those six months, since I became Executive Chairman, we have made significant progress. We have appointed a world-class leadership team with deep experience of this industry. We have aggressively and successfully de-stocked the dealer network to rebalance supply to demand. We have strengthened the financial resilience of the business and have taken decisive action on costs. We have also very successfully launched the DBX. I am extremely pleased with the progress to date and that we are ahead of plan on timing, despite operating in these most challenging of times.

Today, we take another major step forward as our long-term partnership with Mercedes-Benz AG moves to another level with them becoming one of the Company's largest shareholders. Through this new expanded agreement, we secure access to world-class technologies to support our long-term product expansion plans, including electric and hybrid powertrains and this partnership underpins our confidence in the future.

In addition, we have developed a new business plan targeting revenue of c.£2bn and c.£500m of adjusted EBITDA by 2024/25. This reflects the technology agreement and the delivery of new, compelling vehicles to achieve these growth ambitions.

The plan will be underpinned by the new proposed financing that we are announcing today to strengthen the balance sheet, extend the debt maturity and improve liquidity. As part of this I am delighted to welcome Zelon Holdings, a European family office, and Permian Investment Partners as new shareholders in the Company. I, and my co-investors, are fully committed to delivering this plan, and our participation in this new substantial round of financing demonstrates both our confidence in the prospects for the business and our commitment to the future success of Aston Martin.

This is truly game changing. We now have the right team, partner, plan and funding in place to transform the Company to be one of the greatest luxury car brands in the world."

Tobias Moers, Chief Executive Officer of Aston Martin Lagonda commented:

"I am very excited to have joined the business to lead this transformation. I am incredibly impressed by the great work that has been delivered by the whole team here at Aston Martin. For DBX, the brand's first SUV, the team at St Athan has followed a quality-led ramp-up as appropriate for our luxury product positioning and we are now delivering to meet customer demand.

We have updated our plans for the business, incorporating the benefits of our enhanced partnership we are announcing today. We are targeting delivery of significant growth and margin expansion in the medium-term, not just through product expansion but also by incorporating a strategy to deliver a level of operational excellence and efficiency throughout every aspect of the organisation.

We have also today reported results for the third quarter. We have made excellent progress reducing sports car inventory at our dealers and are ahead of plan, with an acceleration in Q3.

Today's expansion of our partnership with Mercedes-Benz AG is a critical step towards achieving our goals for Aston Martin. The capabilities of Mercedes-Benz AG technology will be fundamental to ensure our future products remain competitive and will allow us to invest efficiently in the areas that truly differentiate our products.

We have great ambitions for Aston Martin and I look forward to keeping you updated on our overall progress."

Wolf-Dieter Kurz, Head of Product Strategy at Mercedes-Benz Cars commented:

"We already have a successful technology partnership in place with Aston Martin that has benefited both companies. With this new expanded partnership, we will be able to provide Aston Martin with access to new cutting-edge powertrain and software technologies and components, including next generation hybrid and electric drive systems. Access to this technology and these components will be provided in exchange for new shares in Aston Martin. These new shares will be issued to us in several stages, taking our shareholding up to a maximum of no more than 20.0% of the common equity. The supply arrangements for these new technologies will be on commercial terms. We look forward to continuing to work together with Aston Martin and we wish the company every success in its next stage of growth."

Expanded and enhanced strategic cooperation agreement (the "Strategic Cooperation Agreement") with long-term partner, supplier and shareholder Mercedes-Benz AG (page 6)

- Provides access to a range of world-class technologies, including powertrain architecture (for conventional, hybrid, and electric vehicles) and future oriented electric/electronic architecture, for all product launches through to 2027.
- Removes the costs and risks associated with developing these technologies, enabling Aston Martin to focus its investment in other areas and expand its product portfolio.
- The Company proposes to issue new Aston Martin ordinary shares to Mercedes-Benz AG, to increase its holding up to a maximum of 20.0% in several stages; Mercedes-Benz AG will receive the right to nominate one non-executive director for appointment to the Company's Board after its first shareholding increase.

Creating a world-class luxury automaker and maximising shareholder value creation
(page 6)

- Reflecting the Strategic Cooperation Agreement, the Company has updated its strategic and product roll out plans to deliver profitable growth and cash generation over the medium-term and lay a pathway for significant shareholder value creation.
- Aston Martin is targeting volumes of c.10k units, revenue of approximately £2 billion and Adjusted EBITDA of approximately £500 million by financial years 2024 / 2025, underpinned by the Strategic Cooperation Agreement and targeted annual capital expenditure of £250m-£300m per annum between 2021 and 2025.

- Establishing a strategy to optimise the Company's structure to deliver a level of operational excellence in line with the updated product and business plan.

New fully committed proposed financing strengthens financial resilience and supports growth ambitions, leading to pro-forma cash of > £500m

The Company is pleased to announce that it has successfully arranged a new fully committed and comprehensive financing package (the "New Financing") which comprises £125 million of new ordinary shares, £259 million equivalent of new second lien notes which mature in 2026 with detachable warrants incorporated representing 5.0% of the fully diluted issued share capital of Aston Martin following the proposed Mercedes-Benz AG share issuances, £840 million equivalent of first lien notes, which mature in 2025 and a refinanced revolving credit facility of £87 million maturing in 2025.

Proceeds raised from the new equity and notes will be used to redeem the Group's outstanding senior secured notes at the applicable call prices, to repay the term loan the Company borrowed pursuant to the U.K. Coronavirus Large Business Interruption Loan Scheme (CLBILS), as well as general corporate purposes, including working capital and capital expenditures and to pay commissions, fees and expenses associated with the financing and other transactions described herein.

Subject to shareholder approval of the Strategic Cooperation Agreement and resolutions pertaining to the new equity, alongside satisfaction of anti-trust conditions in Germany and the UK (in relation to the Strategic Cooperation Agreement) and customary underwriting conditions, the proceeds from the new equity and notes are expected to be available to the Group together with the refinanced RCF in December 2020.

The New Financing comprises:

- An equity placing comprising of 250,000,000 new ordinary shares to be placed with new and existing institutional investors at 50p per ordinary share (the "Placing"). This Announcement should be read in conjunction with the separate announcement by Aston Martin issued today relating to the Placing;
- An issue by Aston Martin Capital Holdings Limited, a subsidiary of Aston Martin, of £259 million equivalent in aggregate principal amount of 13.5% second lien split coupon notes due 2026, together with detachable warrants to be issued by Aston Martin with the right to subscribe for a number of its ordinary shares, which will represent 5.00% of the diluted issued share capital of Aston Martin following the proposed Mercedes-Benz AG share issuances;
- An issue by Aston Martin Capital Holdings Limited, a subsidiary of Aston Martin, of £840 million equivalent in aggregate principal amount of first lien notes due 2025; and
- Commitments of £87 million with respect to the Company's revolving credit facility and extending the maturity to 2025.

The New Financing and the proposed Mercedes-Benz AG share issuance will also require the publication of an FCA-approved prospectus, expected to be published in mid-November, in connection with the shares issued under the Placing and the Strategic Cooperation Agreement.

Progress on execution in Q3; de-stock of dealer inventory ahead of plan and DBX deliveries started (page 9)

- Q3 Revenue of £124m and Adjusted EBITDA of £(29)m (Q3 2019: £244m and £43m respectively); cash of £307m at 30 September 2020 and net debt of £869m (31 December 2019: £108m and £988m).

- Dealer sports/GT stock reduced by >1,400 units year-to-date, 567-unit reduction in Q3, an acceleration from Q2; clear focus to achieve ideal pipeline cover in early 2021.
- Successful, quality-led ramp up of DBX production, with St Athan factory now running at full rate.
- Gaydon re-opened at end of August producing to order, including the first new Vantage Roadsters.

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.

J.P. Morgan has assisted Aston Martin alongside Barclays in arranging a comprehensive and fully committed New Financing package across equity and debt tranches. J.P. Morgan and Barclays have acted as Joint Financial Advisers to Aston Martin in relation to the Mercedes-Benz Strategic Cooperation Agreement. Barclays has also acted as FCA Sponsor to the Company in relation to both the New Financing and Mercedes-Benz AG Strategic Cooperation Agreement.

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- There will be a live Q&A for investors and analysts today with the management team at 18:00
- A presentation and the Q&A can be accessed here https://www.astonmartinlagonda.com/investors/results-and-presentations a dial-in facility is also available on +44 (0)203 0095709; PIN: 9229169#
- A replay facility will be available on the website

No representations or warranties, express or implied, are made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this release. This release contains certain forward-looking statements, which are based on current assumptions and estimates by the management of Aston Martin Lagonda Global Holdings plc ("Aston Martin Lagonda"). Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future. Such statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from any expected future results in forward-looking statements. These risks may include, for example, changes in the global economic situation, and changes affecting individual markets and exchange rates.

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.

This release is for informational purposes only and does not constitute or form part of any invitation or inducement to engage in investment activity, nor does it constitute an offer or invitation to buy any securities, in any jurisdiction including the United States, or a recommendation in respect of buying, holding or selling any securities.

Barclays Bank PLC, acting through its Investment Bank, ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for the Company and no one else in connection with the contents of this Announcement and any other matter described in this Announcement. Barclays shall not be responsible to anyone other than the Company for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Placing, the content of this Announcement or any other matters referred to in this Announcement.

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Forward-Looking Statements

Certain statements contained in this press release constitute “forward-looking statements” with respect to the financial condition, performance, strategic initiatives, objectives, results of operations and business of the Company. All statements other than statements of historical facts included in this press release are, or may be deemed to be, forward-looking statements. Without limitation, any statements preceded or followed by or that include the words ”targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “anticipates”, “estimates”, “projects”, “will”, “may”, “would”, “could” or “should”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of the Company's operations. Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results, performance or achievements to differ materially from those projected or implied in any forward-looking statements. The important factors that could cause the Company's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, economic and business cycles, the terms and conditions of the Company's financing arrangements, foreign currency rate fluctuations, competition in the Company's principal markets, acquisitions or disposals of businesses or assets and trends in the Company's principal industries. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this press release may not occur. The forward-looking statements contained in this press release speak only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable law or regulation, the Listing Rules, MAR, the DTRs, the rules of the London Stock Exchange or the FCA.

Cautionary Statement

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

There is no assurance that the issuance of the securities referred to herein will be completed. The securities referred to herein have not been and will not be registered under the US Securities Act 1933, as amended (the “**Securities Act**”) or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold directly or indirectly in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or any other jurisdiction of the United States. The securities referred to herein are, subject to certain exceptions, being offered and sold only outside the United States in accordance with Regulation S under the Securities Act. No public offering of securities is being made in the United States. No money, securities or other consideration from any person inside the United States is being solicited and, if sent in response to the information contained in this Announcement, will not be accepted. This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities referred to herein, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This communication does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities referred to herein. Consequently, this communication is directed at and my only be communicated to (a) in the European Economic Area (“**EEA**”), persons who are “**qualified investors**” within the meaning of Article 2(e) of Prospectus Regulation (Regulation (EU) 2017/1129) (“**Qualified Investors**”); and (b) in the United Kingdom, at Qualified Persons who are also (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). This communication is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The securities referred to herein are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the securities referred to herein will be engaged in only with, Relevant Persons. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this communication or its contents.

Creating a world-class luxury automaker and maximising shareholder value creation

The Company is targeting revenue of approximately £2 billion and Adjusted EBITDA of approximately £500 million by financial years 2024 / 2025, underpinned by the Strategic Cooperation Agreement and targeted annual capital expenditure of £250m-£300m per annum between 2021 and 2025.

The Company has a plan that incorporates a refresh of all the front-engine sports car range, an expansion of the SUV offering and the launch of a mid-engine range. There is a programme of specials over the period to support the core business. The cadence of new and refreshed models, incorporating updated technology through the Strategic Cooperation Agreement, will drive exclusivity and maintain dealer profitability supported by the marketing of the Aston Martin F1™ team from 2021.

By 2025, the plan is to produce some 9,000-10,000 units a year, comprising of front-engine, SUV and mid-engine vehicles. The Company will move into the more profitable segment of mid-engine cars by transforming Formula One ™ technology out of the Aston Martin F1™ team into its performance road car business. The Company is looking forward to delivering the Aston Martin Valkyrie hypercar from H2 next year which serves as ambassador for our mid-engine programme.

Delivery of the improvement in profitability starts with an enhanced product offering with disciplined production to order, to generate a margin more aligned to the luxury automotive segment. This will be supplemented with an enhanced operational focus on cost and investment control and greater discipline on cashflow, driven by a strategy to optimise the Company's structure to deliver an operational level of excellence in line with the updated product and business plan.

Expanded and enhanced strategic cooperation agreement with long-term partner, supplier and shareholder Mercedes-Benz AG
(the "Strategic Cooperation Agreement")

Benefits of the Strategic Cooperation Agreement to Aston Martin

The Strategic Cooperation Agreement builds upon the existing seven-year partnership signed in December 2013 and further supports the strategic direction of the Company. It will provide Aston Martin with access to a wide range of world-class technologies for the next generation of luxury vehicles planned to be launched out to 2027, in particular:

- Powertrain architecture for conventional, hybrid and electric vehicles
- State-of-the-art electric/ electronic (E/E) architecture

Through the Strategic Cooperation Agreement Aston Martin avoids the investment of cash in these technologies and the substantial additional investment that would be required if it were to look to develop these technologies in-house (the cost of which it estimates would be well in excess of the total consideration to Mercedes-Benz AG) enabling Aston Martin to focus on investment in other areas and expand its product portfolio, a substantial element of its strategic plan.

In addition to making available technology and licensing key intellectual property, Mercedes-Benz AG is expected to supply both hardware and software components to Aston Martin under commercial agreements to be agreed between Aston Martin and Mercedes-Benz AG.

Financial terms of the Strategic Cooperation Agreement

In consideration for the technology and critical intellectual property that Mercedes-Benz AG will make available to Aston Martin, Aston Martin proposes to issue new ordinary shares to Mercedes-Benz AG (the "**Consideration Shares**"), with a maximum value of up to approximately £286 million (at a price equivalent to approximately 62.317p per new ordinary share, being the "**Mercedes-Benz AG Entry Price**"), as further detailed below.

The Consideration Shares are expected to be issued in several stages, mirroring Aston Martin's access to the new technology of an equivalent value. It is anticipated that:

- Aston Martin expects to issue the first tranche of Consideration Shares to Mercedes-Benz AG with a value equivalent to £140 million by no later than 31 December 2020, subject to fulfilment of regulatory and other conditions.
- From that first issuance of Consideration Shares, Aston Martin will receive access to the first technology basket, which will include engine and powertrain technology and state-of-the-art E/E architecture.
- No later than by early 2022, Aston Martin expects to issue further Consideration Shares to Mercedes-Benz AG, reflecting the value of the second technology basket received at that time, which will be mainly focused on battery electric vehicle technology. Aston Martin may continue to receive access to additional technology throughout 2022, in return for issuing additional Consideration Shares to Mercedes-Benz AG, until the total value of all Consideration Shares issued reaches £286 million. If the ordinary share trading price on the date any further Consideration Shares (beyond the first issue) are issued is below the Mercedes-Benz AG Entry Price, Aston Martin will be required to compensate Mercedes-Benz AG for the difference between the two prices by making a further cash payment (on a per share basis).
- If the value of such access to technology surpasses the total value of Consideration Shares being issued, Aston Martin will top Mercedes-Benz AG up with a cash payment, subject to a maximum cap of £28.6m.
- All Consideration Shares are expected to have been issued by no later than early 2023.

Mercedes-Benz AG will initially receive the right to nominate one non-executive director for appointment to the Company's Board, as well as certain Board committee appointment rights in line with those currently in place with the Company's other major shareholder groups, provided its shareholding in the Company remains above 7.5%. Once Mercedes-Benz AG's shareholding in the Company reaches 15% or above, it will receive the right to nominate a second non-executive director for appointment to the Company's Board. Subject to certain exceptions, Mercedes-Benz AG will not be able to dispose of its Consideration Shares until the earlier of: (a) 365 days after the date of admission to trading of all Consideration Shares; (b) the termination of the Strategic Cooperation Agreement; or (c) 31 December 2023.

As a class 1 transaction for the purposes of the Listing Rules, the Strategic Cooperation Agreement is conditional upon and requires shareholder approval. Shareholder authorisation will also be required in order for the Company to be able to issue the Consideration Shares to Mercedes-Benz AG. In order to issue the first tranche of the Consideration Shares, as well as the shares to be issued pursuant to the

Placing, the Company is also required to publish a prospectus. As such, a combined prospectus and circular (the "Combined Prospectus and Circular") is expected to be published by the Company to convene a General Meeting of shareholders (the "General Meeting"). Both the publication of the Combined Prospectus and Circular and the General Meeting itself are expected to take place later this year. The Aston Martin Lagonda Directors intend unanimously to recommend that Aston Martin Lagonda shareholders vote in favour of all resolutions that will be proposed at the General Meeting.

In addition to the necessary shareholder approvals, the Strategic Cooperation Agreement is also subject to customary antitrust conditions in Germany and the UK. Both conditions are expected to be satisfied in early December 2020.

Further terms of the Strategic Cooperation Agreement will be detailed in the Combined Prospectus and Circular.

Prospective issued share capital impacts

Current issued share capital as the date of this announcement	1,824,014,450 shares
Proposed placing shares	250,000,000 shares
First tranche of Consideration Shares	224,657,287 shares
Expected issued share capital following General Meeting	*2,298,671,737 shares*
Future issuance(s) of Consideration Shares	234,285,457 shares
New Financing warrants Convertible into new shares	126,647,852 shares
Pro-Forma issued share capital	*2,659,605,046 shares*

The Company is also considering carrying out a share capital reorganisation, which may involve a consolidation of shares. In this event, further details will be set out in the Combined Prospectus and Circular and announced in due course.

Results for the nine months to 30 September 2020

£m	YTD 2020	YTD 2019[1]	*change*	Q3 2020	Q3 2019[1]	*change*
Total retail volumes[2]	**2,752**	**4,482**	***(39%)***	**982**	**1,486**	***(34%)***
Total wholesale volumes[2]	**1,555**	**3,939**	***(61%)***	**660**	**1,497**	***(56%)***
Revenue	270.0	650.0	*(58%)*	124.0	244.0	*(49%)*
Adjusted EBITDA[3]	**(117.6)**	**63.7**	***n.m.***	**(28.6)**	**42.9**	***n.m.***
Adjusted operating (loss)/profit[3]	**(215.2)**	**(24.3)**	***n.m.***	**(69.7)**	**12.1**	***n.m.***
Operating (loss)/profit	**(229.1)**	**(29.7)**	***n.m.***	**(69.8)**	**9.2**	***n.m.***
Loss before tax	(307.9)	(94.8)	*n.m.*	(80.5)	(14.8)	*n.m.*
Net debt[4]	868.5	915.4		868.5	915.4	

[1]2019 restated see detail in Appendix; [2] Number of vehicles including specials; [3]Alternative performance measures are defined in the Appendix; [4] Includes lease liabilities (Q3 2020: £106m, Q3 2019: £116m)

- Rebalancing supply to demand, sports & GT dealer stock reduced by >1,400 units year-to-date (567 in Q3, an acceleration from Q2), ahead of plan with a clear focus to achieve ideal pipeline cover in early 2021
    - Total retail[1] sales (2,752 vehicles) down 39% YTD; Q3: 982 vehicles, down 34%
    - Covid-19 continues to impact but some markets saw improvement from Q2, such as China Q3 retail +29% year-on-year
- Total wholesales[2] (1,555 vehicles) down 61% YTD; Q3: 660 vehicles, down 56% due to the focus on reducing the stock level from end 2019
    - Quality-led ramp up of St Athan saw 345 DBX wholesales in Q3 and the factory is now running at full production rate
    - Gaydon manufacturing facility re-opened at end of August producing to order, including the first new Vantage Roadsters
- Revenues declined to £270m YTD principally due to reduced wholesales
- Operating loss YTD increased year-on-year principally due to the revenue decline and includes a £14m FX headwind; Q3, while still negative, improved versus Q2 reflecting
    - Low sales, but improved model mix with start of DBX deliveries and 10 Specials along with reduced customer and retail finance support per Sport/GT unit
    - Initial savings from restructuring program broadly offset by higher St Athan costs as production ramped-up and reduced furlough credits, with <1% of employees furloughed in September
- Free cashflow[3] of £(514)m, (Q3 outflow of £(143)m) reflects the operating loss, a working capital outflow of £133m, capital expenditure of £204m and net cash interest of £(37)m
- Cash at 30 September of £307m includes:
    - Issuance of approximately $68m of delayed draw notes (the "DDNs") and borrowings of £20m Coronavirus Large Business Interruption Loan Scheme (CLBILS) funds
    - Net debt at 30 September was £869m (31 December 2019: £988m).

Outlook

- 2020 is the year in which the business is being reset to enable it to operate as a true luxury company. This process, which involves reducing core wholesales to rebalance supply to demand and has a negative impact on results through the reset period, is necessary to improve the long-term performance of the Company
- The uncertainty surrounding the duration and impact of Covid-19 on the global economy continues. Although there were signs of recovery in some markets in Q3, trading remains challenging in many markets with certain countries re-imposing restrictions and lockdown measures.

[1] Dealers sales to customers; [2] Company sales to dealers; [3] Free cashflow is represented by net cash (outflow)/inflow from operating activities plus the net cash used in investing activities plus interest paid in the period

Sales & Revenue analysis

Total retail sales were down 39% year-on-year in the nine months ended 30 September 2020 with dealer operations and customer demand most heavily impacted by the advance of Covid-19 during Q2 (down 48%). Some recovery was seen in Q3 (down 34%) as restrictions eased in most key markets. China was the strongest market with retail sales up 29% in the quarter, improved from down 7% in Q2

Total wholesales declined 61% year-to-date compared to the prior year period aligned to the strategy of rebalancing supply to demand and reflected lower dealer demand given the disruption to operations from Covid-19. Q3 (down 56%) improved versus Q2 (down 77%), supported by the first DBX wholesales (345 vehicles). Year-to-date Specials numbers are significantly lower at 11 versus 47 in the prior year, with 10 in Q3 including five DB5 *Goldfinger* continuations (Q3 2019: 11 Specials).

Revenues were £270m year-to-date, down year-on-year, as the Company continues to reset Sport/GT volumes to regain exclusivity, and Covid-19 weighed on consumer confidence and retail demand.

In pursuit of re-setting dealer stock levels, customer and retail financing support to drive retail sales remained elevated for Sports and GT cars; however, the level of support reduced per unit in Q3 from Q2 levels.

Wholesale average selling price (ASP) is impacted by the customer and retail financing support and the de-stocking dynamic with retails significantly greater than wholesales in the period. Core ASP in Q3 increased year-on-year to £130k (Q3 2019: £126k) supported by product mix with DBX delivering in the quarter and DBS Superleggera representing a greater proportion of the mix. Total ASP was £152k particularly benefiting from to the DB5 *Goldfinger* Continuations delivered in the quarter (Q3 2019: £147k).

Income Statement

The operating loss of £(229)m year-to-date, reflected the flow through of the revenue reduction to gross margin, a slight offset from operating expenses and an FX headwind of £14m. The operating result in Q3 (£(70)m) improved versus Q2 (£(91)m), mainly reflecting higher volumes, including the initial DBX wholesales and Specials delivered in the quarter. The initial savings from restructuring headcount reductions were offset by higher St Athan costs as production ramped-up.

Total adjusted operating expenses were £229m, down £15m year-on-year reflecting cost discipline through the Covid-19 crisis and included £13m of furlough credits from the Government's Coronavirus Job Retention Scheme. With both St Athan and Gaydon manufacturing facilities re-opened during Q3, these credits reduced substantially through the quarter.

Depreciation and amortisation of £98m increased year-on-year, of which £41m was in Q3 as DBX deliveries started and is expected to be c.£160m for FY 2020 (2019 YTD: £88m, Q3: £31m). Adjusted EBITDA year-to-date was £(118)m (2019 YTD: £64m).

Adjusting operating items of £14m predominantly consist of restructuring costs incurred through the process of rightsizing the business.

Net financing costs of £79m were up from £65m in the prior year reflecting higher interest payments year-on-year given the $150m of new notes issued in H2 2019 and a full nine months of interest on the $190m senior secured notes issued in April 2019. Net financing costs includes a £4m adverse FX charge year-to-date, including £14m benefit in Q3 principally due to the US dollar denomination of the notes. The loss before tax was £308m (YTD 2019: £95m).

Cash flow and net debt

Net cash outflow from operating activities year-to-date was £(272)m (YTD 2019: £60m inflow), driven by the operating loss of £(229)m and a working capital outflow of £(133)m. The most significant contributor to the working capital outflow was payables (£110m year-to-date). A deposit outflow of £(22)m largely reflected the deliveries of DB5 *Goldfinger* Continuations and DBS GT Zagatos in Q3. Inventory increased to support the production of DBX and resumed sports car production at Gaydon the outflow in Q3 was £20m.

Capital expenditure was £204m with investment shifting towards core sports car refreshes, DBX variants and mid-engine development. FY 2020 capital expenditure is now expected to be c.£270m (prior guidance was c.£260m).

Free cashflow[1] year-to-date was £(514)m (YTD 2019: £(216)m). The improved operating performance, along with the H1 weighting of capital expenditure (H1 2020: £162m, Q3: £42m) resulted in reduced cash outflow in in the quarter of £143m compared to Q2 (£278m).

Cash inflow from financing of £679m included net proceeds of £658m from the placing and equity raise completed in April and the non-pre-emptive equity raise in June. In addition, the Company issued approximately $68m of delayed draw notes at 12% (6% cash; 6% PIK) and received £20m under the UK CLBILS. The inventory financing facility was drawn to £40m at 30 September 2020, an increase of c.£20m from the 30 June position. Cash interest paid in the nine-month period was £39m (YTD 2019: £26m), £8m in Q3.

The net cash inflow of £204m resulted in a closing cash balance of £307m at 30 September 2020, up from £108m at 31 December 2019. Net debt at 30 September 2020 reduced to £869m (31 December 2019: £988m) primarily due to the higher cash balance.

[1] Free cashflow is represented by net cash (outflow)/inflow from operating activities plus the net cash used in investing activities plus interest paid in the period

Going concern statement

The Group presently meets its day-to-day working capital requirements and medium-term funding requirements through a mixture of Senior Secured Notes ($400,000,000 and $190,000,000 at 6.5%, $225,000,000 at 12%, £230,000,000 and £55,000,000 at 5.75% which all mature in April 2022), a revolving credit facility (£80,000,000) which matures in January 2022, facilities to finance inventory, back-to-back loans, a £20,000,000 Coronavirus Large Business Interruption Loan Scheme (CLBILS) loan which matures in April 2022 and a wholesale vehicle financing facility. At the balance sheet date, the group had cash and cash equivalents of £307m.

The Group has successfully arranged a new fully committed and comprehensive financing package (the "New Financing") which comprises £125m of new equity shares, £259 million equivalent of new bonds which mature in 2026, £840 million equivalent of new bonds which mature in 2025 and a refinanced revolving credit facility of £87m maturing in 2025. Proceeds raised from the new equity shares and bonds will be used to redeem the Group's existing and outstanding Senior Secured Notes alongside repayment of the CLBILS loan. Upon shareholder approval of the Strategic Cooperation Agreement transaction and resolutions pertaining to the new equity shares, alongside satisfaction of anti-trust conditions in Germany and the UK and standard underwriting conditions, which are expected to occur before year end, the new equity and bond funds will be available to the Group alongside the refinanced RCF. This comprehensive New Financing builds further on the £688m new equity that the Yew Tree Consortium and other investors injected into the Group in the first half of 2020 and provides for an improved capital structure and strong funding profile to support the Group in achieving its strategic ambitions over the medium to long term.

In preparing this going concern statement, the Directors have developed trading and cash flow forecasts for the period from the date of approval of these Interim Financial Statements through 30 June 2022 as the existing revolving credit facility, CLBILS loan and Senior Secured Notes mature in this period.

The forecasts reflect our strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with reduced sports car production levels. The forecasts make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models including the Aston Martin Valkyrie and the potential impact of Covid-19 on sales. The nature of the Group's business is such that there can be variation in the timing of cash flows around the development and launch of new models. In addition, the availability of funds provided through the vehicle wholesale finance facility changes as the availability of credit insurance and sales volumes vary, in total and seasonally. Key Covid-19 assumptions within the forecasts include a reduction in production and wholesale volumes. The forecasts consider these factors to the extent which the directors consider them to represent their best estimate of the future based on the information that is available to them at the time of approval of these Interim Financial Statements.

The directors have considered a severe but plausible downside scenario that includes considering the impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to Covid-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period.

The Group plans to make continued investment for growth in the period and, accordingly, funds generated through operations are expected to be reinvested in the business mainly through new model development and other capital expenditure. To a certain extent such expenditure is discretionary and, in the event of risks occurring which could have a particularly severe effect on the Group, as identified in the severe but plausible downside scenario, actions such as constraining capital spending, working capital improvements, reduction in marketing expenditure and continuation of the strict and immediate expense control would be taken to safeguard the Group's financial position.

Whilst the Group remains in a strong financial position, the Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility will be required to support the Group in achieving its medium to long term ambitions and allow it to navigate a severe but plausible downside scenario that the directors have modelled. The New Financing serves to achieve these aims however it is contingent on the outcome of a shareholder vote in early December which is outside the control of the Directors. Accordingly, as the Directors are obliged to do pursuant to the requirements of IAS 1 Presentation of Financial Statements, they have concluded that there exists a material uncertainty that casts significant doubt on the Group's ability to continue as a going concern.

However, provided shareholders approve the resolutions being put to them, which the Directors expect that they will, the New Financing ensures the Company will be well funded for the medium to long term and have adequate resources to continue in operational existence for the foreseeable future. For these reasons the Directors continue to adopt the going concern basis in preparing the financial statements. Therefore, these Interim Financial Statements do not include the adjustments that would result if the going concern basis of preparation was inappropriate.

APPENDICES

Wholesale volumes by region

Number of vehicles	YTD 2020	YTD 2019	% *change*	Q3 2020	Q3 2019	% *change*
Retail	2,752	4,482	*(39%)*	982	1,486	*(34%)*
Core (excluding Specials)	2,739	4,370	*(37%)*	976	1,463	*(33%)*

Number of vehicles	YTD 2020	YTD 2019	% *change*	Q3 2020	Q3 2019	% *change*
Wholesale	1,555	3,939	*(61%)*	660	1,497	*(56%)*
Core (excluding Specials)	1,544	3,892	*(60%)*	650	1,486	*(56%)*
By region:						
UK	470	949	*(50%)*	195	384	*(49%)*
Americas	342	1,301	*(74%)*	62	601	*(90%)*
EMEA ex. UK	440	738	*(40%)*	249	248	-
APAC	303	951	*(68%)*	154	264	*(42%)*
By model:						
Sports	369	1,450	*(75%)*	86	585	*(85%)*
GT	809	2,318	*(65%)*	213	862	*(75%)*
SUV	345	-	*n.m.*	345	-	*n.m.*
Other	21	124	*(83%)*	6	41	*(85%)*
Specials	11	47	*(77%)*	10	11	*(9%)*

Note: Other is prior generation models including Rapide

FY 2019 restatement

The financial results for the period ended 30 September 2019 have been restated to reflect the prior period adjustment reported in the 30 June 2020 interim statement in respect of variable marketing expense ("VME") and an adjustment in respect of the recognition of taxation and the presentation of frozen cash.

In addition to the above, having reviewed adjustments recorded in finalising the 31 December 2019 Annual Report, the Group has recorded three further adjustments which impact the nine month period ended 30 September 2019, with a net increase in profit before tax of £5.6m (profit after tax £4.6m). The Group's retained earnings have been restated to correct for a brought forward taxation error, with a corresponding £2.9m entry made to reduce trade and other receivables at 1 January 2019 and 30 September 2019 and increase trade and other payables at 31 December 2019.

The Group previously reported, within the IAS34 interim financial statements for the six month period ended 30 June 2020, that it had made a non-cash adjustment in respect of the timing of accounting recognition of customer and retail financing support (variable marketing expense ("VME")) associated with supporting lease and other incentive programs in the US. This had no impact on the timing of the Company's historic or forecast cash flows.

Pursuant to IFRS 15, future VME in the US should be estimated and accrued for on the balance sheet of the Group and deducted from revenue at the point revenue is recognised for the wholesale of the vehicle to the dealer rather than at the time of retail sale by the dealer to the end customer, as had previously been the approach. Outside of the US, VME continues to be accrued at the time of the retail sale by the dealer to the end customer, reflecting the contractual requirement that the dealer has to make additional wholesale purchases at that time in order to receive the VME.

The statement of financial position of the Group as at 30 September 2019, and the income statement for the nine months ended 30 September 2019, have been restated to reflect the correction of these errors and the related adjustments to tax. The comparatives disclosed for the 12 month period ended and as at 31 December 2019 are restated as previously reported within the six month period ended 30 June 2020 IAS34 financial statements.

The adjustment results in an earlier accrual for VME in the United States than previously reported and impacts the statement of financial position and income statement as set out below

	YTD 2019	Q3 2019
Additional accrual (£m)	21.8	21.8
Impact on EBIT (£m)	(8.1)	(6.8)
Revised ASP Total/core (£k)	146/135	147/126
As previously reported ASP Total/core (£k)	147/136	151/130

At 30 September 2020 the balance held in frozen bank accounts was £10.6m (30 September 2019: £9.0m, 31 December 2019: £8.7m). The cash held in these accounts did not meet the definition of cash and cash equivalents and therefore was classified as an other financial asset. The frozen cash as at 30 September 2019 has been reclassified from cash and cash equivalents to other financial assets, from that previously disclosed.

The tax charge for the nine month period ended 30 September 2019, has been restated to derecognise deferred tax related to future finance costs for which tax relief is deferred to future periods and where the likelihood of recoverability is not considered to support recognition of the asset.

Summary Income Statement

£m	YTD 2020	YTD 2019[1]	Q3 2020	Q3 2019[1]
Revenue	**270.0**	**650.0**	**124.0**	**244.0**
Cost of sales	(255.9)	(411.0)	(107.1)	(151.8)
Gross profit	**14.1**	**239.0**	**16.9**	**92.2**
Gross margin	*5.2%*	*36.8%*	*13.6%*	*37.8%*
Operating expenses[2]	(229.3)	(244.3)	(86.6)	(80.1)
of which depreciation & amortisation	*97.6*	*88.0*	*41.1*	*30.8*
Other (expense) / income	-	(19.0)	-	-
Adjusted operating (loss) / profit	**(215.2)**	**(24.3)**	**(69.7)**	**12.1**
Adjusted operating profit margin	*(79.7%)*	*(3.7%)*	*(56.2%)*	*5.0%*
Adjusting operating items	(13.9)	(5.4)	(0.1)	(2.9)
Operating (loss) / profit	**(229.1)**	**(29.7)**	**(69.8)**	**9.2**
Net financing expense	(78.8)	(65.1)	(10.7)	(24.0)
of which adjusting financing items	-	*(6.6)*	-	-
(Loss) / profit before tax	**(307.9)**	**(94.8)**	**(80.5)**	**(14.8)**
Taxation	40.0	(1.1)	12.4	(18.3)
(Loss) / profit for the period	**(267.9)**	**(95.9)**	**(68.1)**	**(33.1)**
Adjusted EBITDA	**(117.6)**	**63.7**	**(28.6)**	**42.9**
Adjusted EBITDA margin	*(43.6%)*	*9.8%*	*(23.1%)*	*17.6%*
Adjusted (loss) / profit before tax	**(294.0)**	**(82.8)**	**(80.4)**	**(11.9)**
EPS (pence)[3]	(19.2)	(11.6)	(5.0)	(4.3)
Adjusted EPS (pence) [3]	**(18.5)**	**(10.5)**	**(5.0)**	**(4.0)**

[1] 2019 has been restated; [2] Excludes adjusting items; [3] EPS is presented on a diluted basis

Summary Cash Flow

£m	YTD 2020	YTD 2019[1]	Q3 2020	Q3 2019[1]
Cash (used in) / generated in operating activities	(272.1)	59.9	(92.7)	39.1
Cash used in investing activities	(202.2)	(250.5)	(42.3)	(91.5)
Cash inflow from financing activities	678.3	147.8	81.0	26.8
Effect of exchange rates on cash and cash equivalents	(4.6)	(0.9)	1.9	(0.4)
Increase/(Decrease in net cash)	199.4	(43.7)	(52.1)	(26.0)
Cash balance	**307.3**	**100.9**	**307.3**	**100.9**

[1] 2019 has been restated

Net Debt Overview

£m[1]	30-Sep-20	30-Jun-20	31-Dec-19	30-Sep-19
Senior Secured Notes	907.6	877.0	829.9	751.7
Unsecured loans	-	-	-	0.4
Inventory Financing	39.6	19.5	38.9	-
Bank loans and overdrafts	133.6	114.6	124.0	157.6
Lease liabilities	105.6	110.0	111.4	115.6
Gross debt	**1,186.4**	**1,121.1**	**1,104.2**	**1,025.3**
Cash balance	307.3	359.4	107.9	100.9
Cash not available for short-term use	10.6	10.7	8.7	9.0
Net debt	**868.5**	**751.0**	**987.6**	**915.4**

[1]*2019 has been restated*

Summary Balance Sheet

£m[1]	30-Sep-20	30-Jun-20	31-Dec-19	30-Sep-19
Non-current assets	1,822.3	1,829.3	1,663.6	1,661.3
Current assets	767.5	796.7	567.5	560.8
Total assets	**2,589.8**	**2,626.0**	**2,231.1**	**2,222.1**
Current liabilities	775.7	797.4	890.2	961.4
Non-current liabilities	1,081.1	1,067.8	1,011.3	937.9
Total liabilities	**1,856.8**	**1,865.2**	**1,901.5**	**1,899.3**
Total equity	**733.0**	**760.8**	**329.6**	**322.8**

[1] *All prior periods have been restated for a carried forward error*

Alternative performance measures

In the reporting of financial information, the Directors have adopted various Alternative Performance Measures ("APMs"). APMs should be considered in addition to IFRS measurements. The Directors believe that these APMs assist in providing useful information on the underlying performance of the Group, enhance the comparability of information between reporting periods, and are used internally by the Directors to measure the Group's performance.

- Adjusted EBT is the loss before tax and adjusting items
- Adjusted operating loss is loss from operating activities before adjusting items
- Adjusted EBITDA removes depreciation, loss/(profit) on sale of fixed assets and amortisation from adjusted EBIT
- Adjusted Earnings Per Share is loss after income tax before adjusting items, divided by the weighted average number of ordinary shares in issue during the reporting period
- Net Debt is current and non-current borrowings in addition to inventory financing arrangements, lease liabilities recognised following the adoption of IFRS 16, less cash and cash equivalents, cash held not available for short-term use (the definition of this APM has been updated since 31 December 2019)
- Adjusted leverage is represented by the ratio of Net Debt, to the last 12 months adjusted EBITDA (the definition of this APM has been updated since 31 December 2019)
- Free cashflow is represented by net cash (outflow)/inflow from operating activities plus the net cash used in investing activities plus interest paid in the period.