

INVESTOR PRESENTATION

ASTON MARTIN LAGONDA

FIRST HALF 2018

Financial results for six months to 30th June



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Iconic Luxury Leadership

Successfully delivering the Second Century Plan



- Distinctive luxury British brand defined by innovative design and leading edge performance
- Superior pricing power underpinned by desirability, exclusivity and scarcity
- Optimally positioned to address the whole spectrum of the auto luxury market
- World-class design and engineering coupled with outstanding execution by experienced management team

Attractive Financial Performance with Strong Momentum & Visible Growth

Registration Document

Should Aston Martin Lagonda proceed with an IPO, the following is intended:

- Secondary sell-down of existing ordinary shares by Selling Shareholders
- Premium listing of Shares on the Official List of the FCA and admission to trading on the main market for listed securities of the LSE
- The Company expects to have a free float following Admission of at least 25% and it is expected that the Company will be eligible for inclusion in FTSE UK indices
- Full details of the Offer will be included in the prospectus. A prospectus would be published on or around 20 September.

First Half 2018

HIGHLIGHTS

- DBS Superleggera substantially completes Phase 2 of the Second Century Plan
- Successful execution of new models continues with DB11 Volante, DB11 AMR and Vantage delivered on schedule
- Company financial performance strengthens further in H1 2018
 - 8% YoY increase in revenue to £445m
 - 14% YoY increase in Adjusted EBITDA to £106m
 - Strong performance of special models continues
 - 7th consecutive quarter of profitability
- Forward order visibility into 2019 underpins confidence in 2018 outlook

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Dr. Andy Palmer Introduces the New DBS Superleggera Super GT



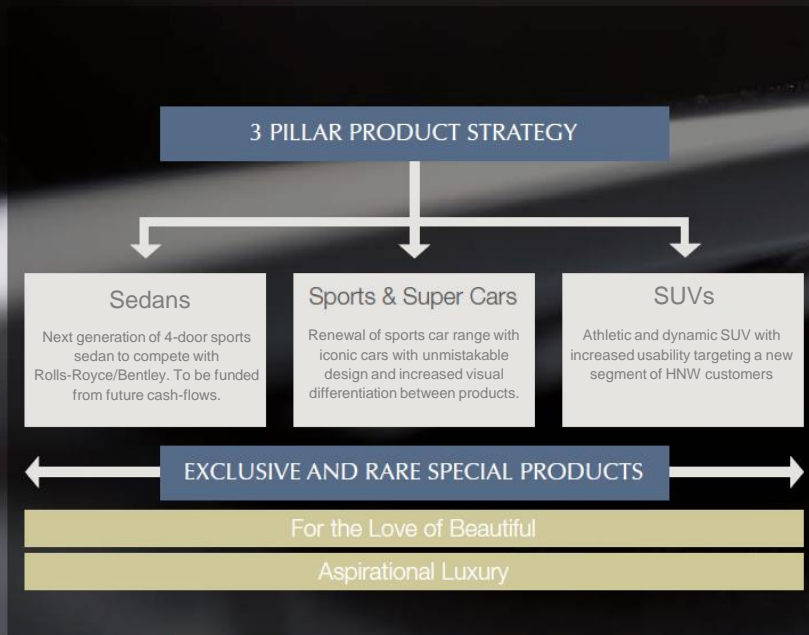
Deliveries of all Vanquish Zagato Speedsters completed in H1 2018

The Second Century Plan



Phase 2 Substantially Complete

- DBS Superleggera completes renewal of Sports and GT coupe models
- Phase 2 will be completed by launch of Vantage Roadster and DBS Superleggera Volante
- New generation portfolio increases from one carline in 2017 to three carlines in 2018 enabling step-up in sales growth
- Continued development of future portfolio and completion of Phase 2 of construction at St Athan ensure strong momentum into Phase 3





DBS SUPERLEGGERA

- New flagship of the GT car range, replaces highly successful Vanquish S
- The most powerful core production model from Aston Martin to date
- Deliveries to commence in October 2018

PERFORMANCE

- Aston Martin's 5.2-litre twin-turbo V12 engine delivers 715bhp/725PS and class-leading 900Nm/663lb ft of torque
- New high-performance ZF eight-speed automatic transmission
- Top speed of 211 mph (340km/h)
- 0-62 mph in 3.4 sec / 0-100 6.4 sec

PRICING

- MSRP from £225,000 in the UK (incl. VAT)

DBS Superleggera Media Reaction

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“... the DBS Superleggera was put on this Earth to give the Superfast a run for its money.... Floor this next to the Ferrari, and you'll see why Aston put its chips on a twin-turbo V12”

ROAD AND TRACK

“The ultimate Aston Martin. At least until the Valkyrie rocks up. And even when it does, this is the car that epitomises Aston’s brand values better than any other.”

TOP GEAR

“New flagship super-GT has world-class fast grand touring capability, handling and driver involvement. Stunning, searingly rapid and yet deliciously cultured.”

★★★★★ **AUTOCAR**

“First Drive: Glorious. Glorious. Glorious. The Aston Martin DBS Superleggera is fist chewingly gorgeous. The Aston we’ve been waiting 104 years for.”

MOTORTREND

“The best resolved of the new-era Aston Martins so far. Huge performance with long distance comfort, wrapped up in a body with real presence.”

EVO



Successful Operational Execution of Three New Models

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- DB11 Volante commenced production and first deliveries on schedule in Q1; full run rate achieved in Q2 supported by strong forward order book
- Production launch of DB11 AMR, the flagship of the DB11 range, followed in April
- Roll-out of further derivatives supports lifecycle management: continued momentum of lead generation and sales

- May 2018 marked start of production for Vantage at Gaydon
- Customer deliveries commenced on schedule in June
- Positioned within the luxury sports car segment, Vantage will be the highest volume model within the Aston Martin Sports / GT range



Customer Delivery Timeline

Production	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18	Delivered on schedule
DB11 Coupe (V12)										✓
DB11 Coupe (V8)										✓
DB11 Volante										✓
DB11 AMR (V12)										✓
Vantage										✓
DBS Superleggera										On track

High Value Special Models Support Financial Momentum

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Vanquish Zagato Volante

- UK MSRP¹ from £577,500
- 99 units completed and delivered Q4 2017 to Q2 2018

Vanquish Zagato Speedster

- UK MSRP¹ from £960,000
- All 28 units completed and delivered Q2 2018



DB4 GT Continuation Heritage Model

- UK MSRP¹ from £1,800,000
- Deliveries commenced in Q4 2017 and expected to complete in Q4 2018

V12 Vantage V600 Q by Aston Martin Commission

- UK MSRP¹ from £1,200,000
- First Coupe units delivered Q2 2018 with Roadsters expected Q4 2018



¹ MSRP includes VAT

DB5 Continuation

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- Aston Martin and EON Productions to create 25 Goldfinger DB5 continuation cars
- Cars to include working gadgets to be developed by Oscar®-winner Chris Corbould OBE, special effects supervisor on eight previous James Bond films, working with the SFX department on a total of fourteen 007 adventures
- Built at Aston Martin Works, Newport Pagnell – the original home of the DB5
- Priced at £2.75 million¹, first customer deliveries scheduled for 2020

¹ Excluding tax

Volante Vision Concept

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- Offers the ultimate luxury mobility solution and an exciting alternative transportation solution for our customers
- A near future study that previews a flying autonomous hybrid-electric vehicle for urban and inter-city air travel, providing fast, efficient and congestion free personal transportation to the sky
- Vertical take-off and landing (VTOL) capabilities and room for three adults
- Displays the latest advances in aerospace, electrification and autonomous technologies, coupled with Aston Martin's signature design
- Previewed at the Farnborough Airshow in July 2018
- Produced in partnership with Cranfield University, Cranfield Aerospace Solutions and Rolls-Royce



Financial Results

H1 2018 Financial Summary

Income Statement

- Strongest first half performance in Company history
- Revenue of £445m, +8% YoY, supported by continuing solid demand for DB11 variants and high value special models, whilst legacy products delivered planned run-out
- LTM revenue at £910m, +15% YoY
- Gross margin of 45%, up from 39% in H1 2017
- Adjusted EBITDA of £106m +14% YoY; Adjusted EBITDA margin of 24%, versus 23% in prior year
- Continued rise in LTM Adjusted EBITDA to £220m, +26% vs prior year
- Increase in depreciation and amortisation reflects high growth phase of the business as rapid cadence of new model introductions continues
- Adjusted pre tax profit of £42m¹

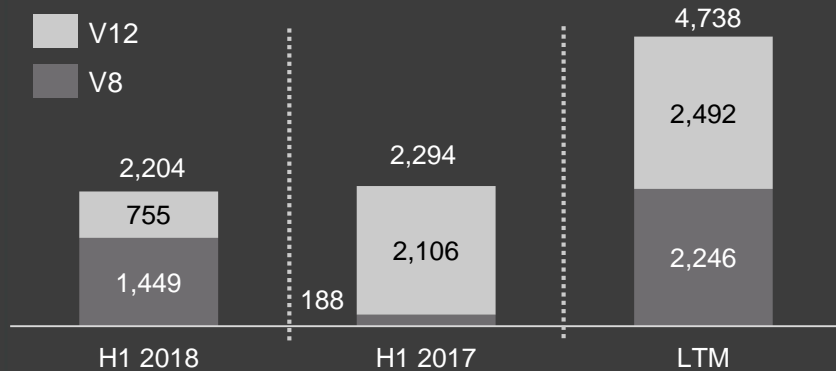
Cash flow

- £152m Capex driven by continued planned investments in new model pipeline and construction of St. Athan manufacturing facility
- Strong deposit intake on Aston Martin Valkyrie models and AM-RB 003 in H1 expected to continue through H2
- Net debt (excluding preference shares) of £539m (net debt / LTM Adjusted EBITDA of 2.5x², broadly equivalent to prior year)

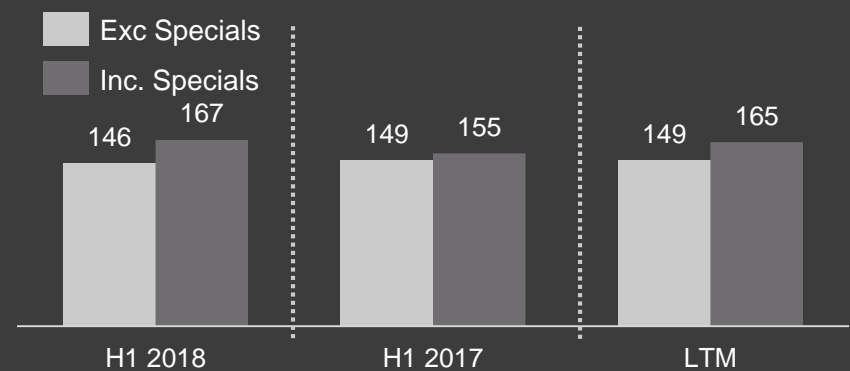
¹ Adjusted for Preference Shares; ² Based on LTM Adjusted EBITDA of £219.6m

Revenue

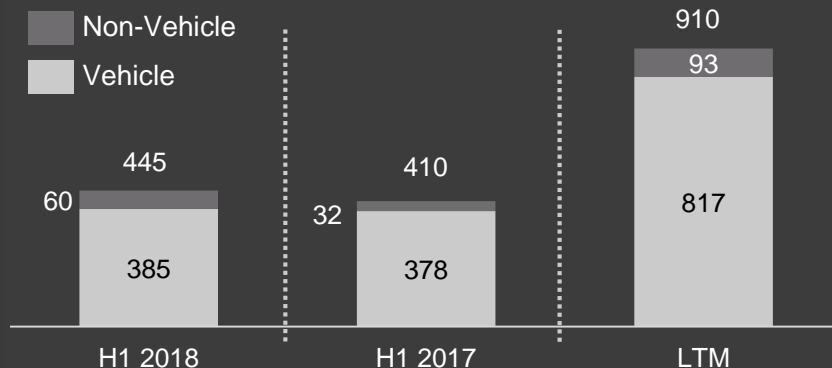
Core Wholesale Volume¹ (Units)



Average Selling Price (£k)



Revenue (£m)

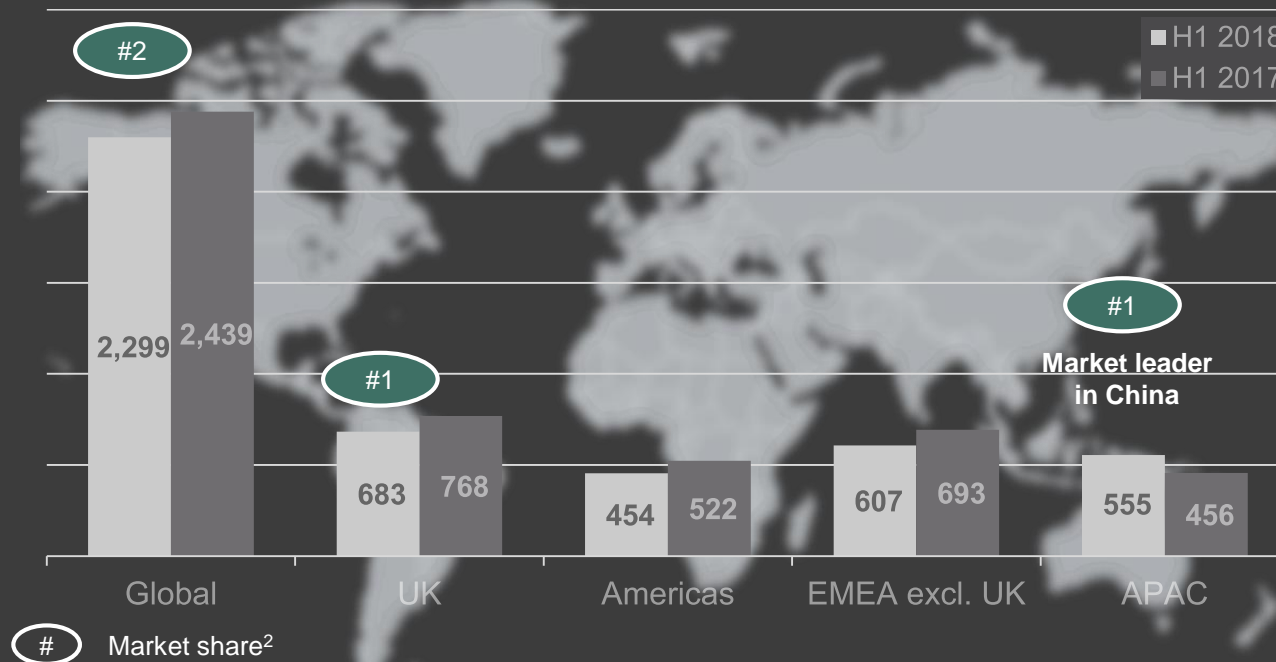


- Volumes driven by planned lower output as models transition
- Core ASP of £146k (-2% YoY) driven by movement in mix towards V8 models, offset by uplift from special models
- Revenue +8% supported by special models and non-vehicle revenue

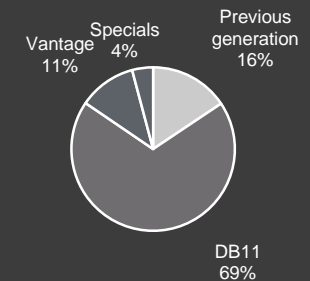
¹ Excludes special editions

Wholesales

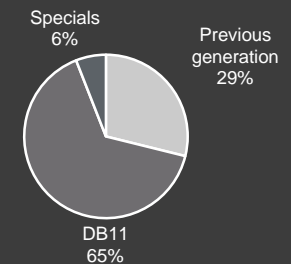
By region¹, H1 2018 and H1 2017



By carline¹, H1 2018



By carline¹, H1 2017

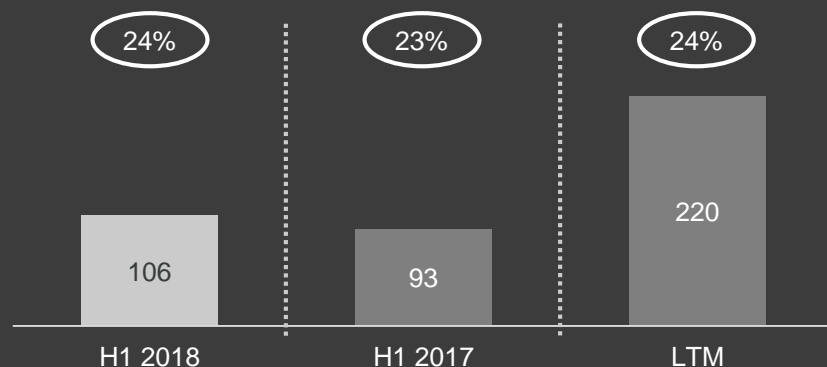


- H1 wholesale volumes driven by planned production model transitions (new Vantage, DB11 Volante, DB11 AMR and preparation for DBS Superleggera); in line with expectations
- H1 weighted towards fulfilling regional APAC demand in the context of lower production volumes. H2 expected to see strong growth in America, driven by demand for Vantage
- Strong order book continues to outpace overall production capacity

¹ Includes special editions

² Jan-Jun 2018 IHS Markit data for high luxury sports segment: All 2-door models for Aston Martin Lagonda, Ferrari, McLaren, Lamborghini (exc. Urus) and Bentley Continental

Adjusted EBITDA

Adjusted EBITDA¹ (£m)

Adjusted EBITDA Walk (£m)

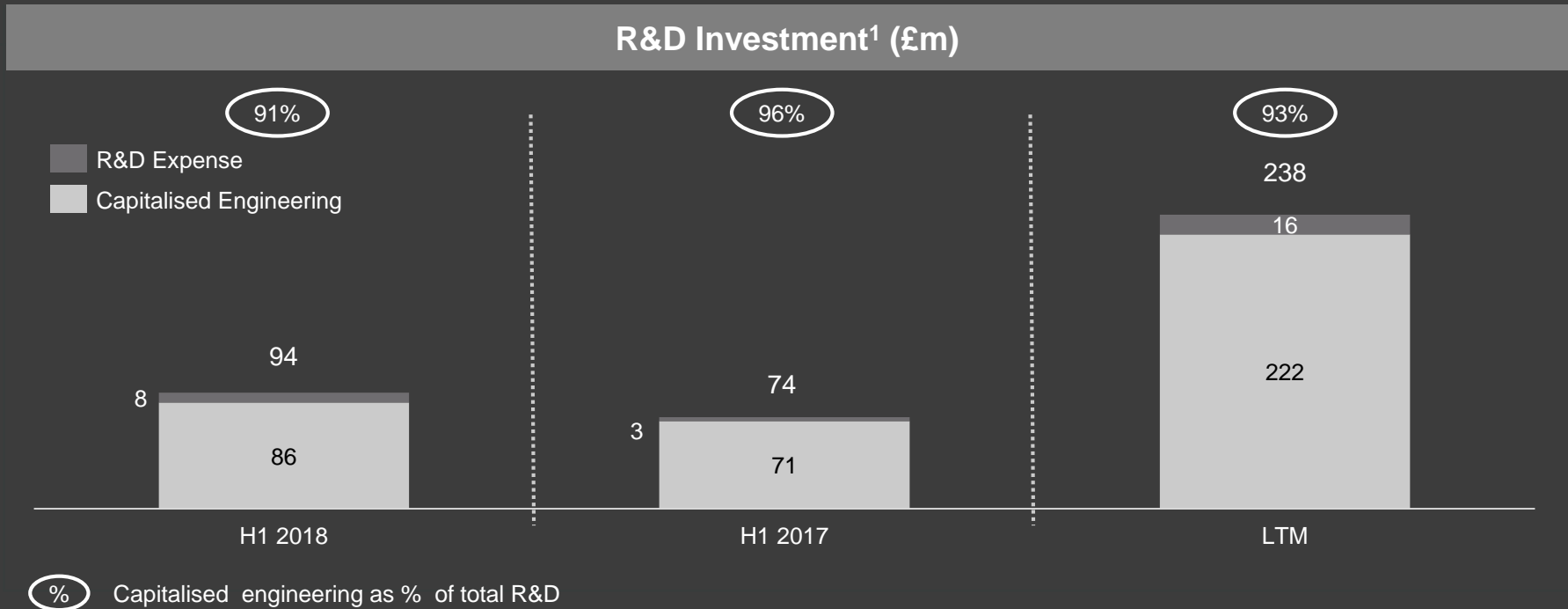


% Margins

- Increased H1 and LTM Adjusted EBITDA, despite lower year-on-year unit volume, FX headwinds and fixed cost increase
- Increased contribution from market mix, high-value special edition vehicles and non-vehicle revenues, including partnership consulting business, partially offset by production volume constraints from transitioning product portfolio
- FX headwinds driven principally by GBP position against EUR and USD
- Rise in fixed costs supports brand strengthening initiatives and sales penetration, upscaling of the business to support expanding product pipeline and St. Athan overheads

¹ 2017FY adjusted for £24.3m related to past service pension benefit

R&D Investment

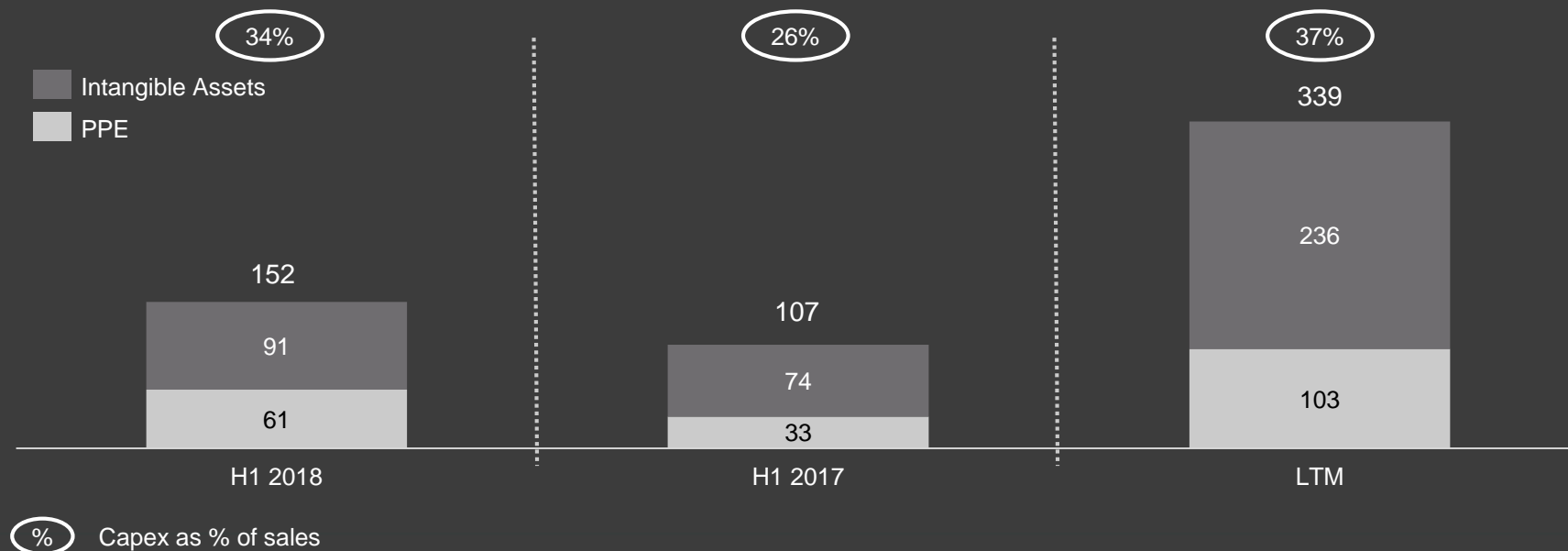


- R&D investment increased to £94 million, up from £74 million in H1 2017; in line with expectations
- Planned year-on-year increase in capitalised engineering spend driven by cadence and scale of development activity to support new product pipeline (Vantage, DBS, DBX and Valkyrie)

¹ Excludes Vantage GTE race car development

Capex

Capex incl. customer funded specials (£m)



- Capex increased to £152 million, up from £107 million in H1 2017; in line with expectations
- Rise in engineering Capex driven by increasing momentum in development of new model pipeline
- Production launch of DB11 Volante and Vantage, and construction of St Athan facility drive increase in PPE
- Deposit inflow on special models in the period continues to run ahead of Capex outflow on the same models

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Outlook

Group Objectives

	Automotive Units Delivered	
2018	6,200 - 6,400	
2019	7,100 - 7,300	
2020	9,600 - 9,800	
Medium-Term	~ 14,000 Annually	
	Adjusted EBIT	Adjusted EBITDA
2018	~13%	~23%
Medium-Term	>20%	>30%

Targeting a net debt to LTM Adjusted EBITDA of 2.0x by year-end 2018

Business Outlook



- Continuing product offensive to drive further improvement in full year performance with renewal of sports car portfolio complete by the end of 2018
- Cadence of operational launches has implications for financial metrics in H2
 - Wholesales of Vantage ramp up in Q3
 - Wholesales of DBS Superleggera to begin in Q4 with positive influence on V12 mix and ASP
- Confirmation of Aston Martin and Lagonda SUV models for production and continued strength of special editions underpins sustainable growth potential



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Appendices

Summary Income Statement

	Q2		Q2		H1		H1		LTM	
	2018	% of	2017	% of	2018	% of	2017	% of	LTM	% of
	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>
Revenue	259.4		222.0		444.9		410.4		910.5	
Cost of Sales	(141.3)	(54)%	(136.4)	(61)%	(244.5)	(55)%	(251.2)	(61)%	(489.4)	(54)%
Gross Profit	118.1	46%	85.6	39%	200.4	45%	159.1	39%	421.1	46%
Selling & Distribution	(29.1)	(11)%	(16.9)	(8)%	(45.1)	(10)%	(30.0)	(7)%	(75.1)	(8)%
Administrative & Other	(46.6)	(18)%	(37.8)	(17)%	(90.9)	(20)%	(74.2)	(18)%	(187.7)	(21)%
Operating Profit/ (Loss)	42.4	16%	30.9	14%	64.4	14%	55.0	13%	158.2	17%
Net Financing Expense ¹	(24.3)	(9)%	(16.2)	(7)%	(43.6)	(10)%	(34.7)	(8)%	(70.9)	(8)%
Profit/ (Loss) before Tax	18.1	7%	14.7	7%	20.8	5%	20.3	5%	87.3	10%

¹2017 restated following the introduction of IFRS 15 Revenue from Contracts with Customers which came into effect on 01 January 2018

Summary Income Statement Continued

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	Q2		Q2		H1		H1		LTM	
	2018	% of	2017	% of	2018	% of	2017	% of		% of
	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>	<u>(£m)</u>	<u>sales</u>
Operating profit/ (loss)	42.4	16%	30.9	14%	64.4	14%	55.0	13%	158.2	17%
Depreciation & Amortisation	19.8	8%	19.4	9%	41.5	9%	38.0	9%	85.6	9%
EBITDA	62.2	24%	50.4	23%	105.9	24%	93.0	23%	243.8	27%
Adjustments										
Past service pension benefit	-	-	-	-	-	-	-	-	(24.3)	(3)%
Adjusted EBITDA (£m)	62.2	24%	50.4	23%	105.9	24%	93.0	23%	219.6	24%

Summary Cash Flow Statement

	Q2 2018 <u>(£m)</u>	Q2 2017 <u>(£m)</u>	H1 2018 <u>(£m)</u>	H1 2017 <u>(£m)</u>	LTM <u>(£m)</u>
Cash generated from operating activities	52.1	38.9	62.0	94.5	311.2
Cash used in investing activities	(62.9)	(54.6)	(150.1)	(105.5)	(385.5)
Cash inflow from financing activities	(14.1)	43.6	(7.2)	33.1	24.0
Effect of exchange rates on cash and cash equivalents	0.8	(0.7)	(1.0)	(0.8)	(1.4)
Net cash inflow / (outflow)	(24.2)	27.2	(96.3)	21.3	(51.7)
Cash at period end	71.5	123.1	71.5	123.1	71.5

Net Profit Walk

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	Q2 2018 (£m)	Q2 2017 (£m)	H1 2018 (£m)	H1 2017 (£m)
Operating Profit/ (Loss)	42.4	30.9	64.4	55.0
Net Financing Expense	(24.3)	(16.2)	(43.6)	(34.7)
Profit/ (Loss) before Tax	18.1	14.7	20.8	20.3
Add preference share yield	10.9	9.5	20.7	18.2
Profit/ (Loss) before tax adjusted for preference share yield	28.9	24.3	41.5	38.4
Add loan interest on redemption of SSN and PIK notes	-	10.5	-	10.5
Add written off capitalised arrangement fees on SSN and PIK notes	-	2.4	-	2.4
Underlying profit/ (loss) before tax adjusted for Preference share yield	28.9	37.2	41.5	51.3

Net Debt

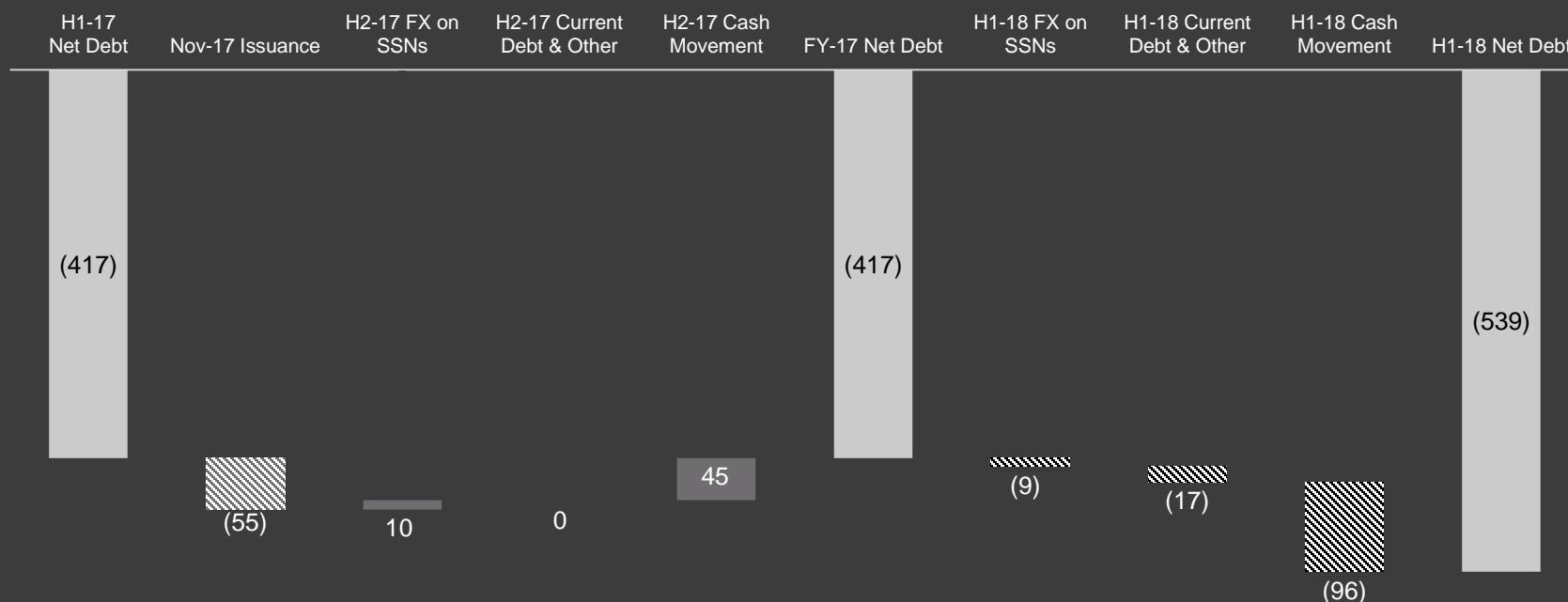
Net debt¹

	YTD 2018 (£m)	2017A (£m)
Bank loans and Overdrafts	29.7	13.5
Senior Secured Notes	579.2	570.3
Unsecured Loan ²	1.4	1.3
Gross debt	610.3	585.1
Cash and cash equivalents	71.5	167.8
Net debt	538.8	417.3
Net debt / LTM Adjusted EBITDA	2.5x³	2.0x

¹ Excluding preference shares; ² Unsecured loan @ 5% (Japanese Yen); ³ Based on LTM Adjusted EBITDA of £219.6m
First Half 2018 Results

Net Debt Walk

Net Debt¹ Walk (£m) – H1 2017 to H1 2018



- H2 2017 cash movement supported by uplift in cash from operations, partially offset by product development CAPEX
- H1 2018 net cash outflow impacted by net working capital in the period and increasing momentum in investing activities

¹ Excluding preference shares; ² Current Debt & Other includes bank loans and overdrafts, Unsecured loan @ 5% (Japanese Yen) and rounding
First Half 2018 Results

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Aston Martin Investor Relations Team
Email investor.relations@astonmartin.com
www.astonmartin.com