

**H.R. Owen Plc (the “Group”)
Pre-close trading statement**

The Board is pleased to announce that it expects operating losses, pre-exceptionals, for the second half of the year will be significantly reduced from those experienced in the six months to 30 June 2009.

The UK car market has faced considerable challenges during 2009 with every marque represented by the Group being adversely affected. In particular, the lack of available credit at affordable rates has been a serious obstacle to the completion of vehicle sale transactions. Although Government intervention, by way of a scrappage scheme, has been generally positive for the market as a whole, it has had little impact on the ultra-luxury marques predominantly operated by H.R. Owen. As a result the Group reported a trading loss at the operating level of just over £1 million in the first six months of the year. However, proactive steps have been taken throughout the year to reduce costs, minimise working capital levels and exploit new revenue opportunities. In particular, we have been very pleased with the results of several sale initiatives which have produced excellent used car results. It is also expected that the reversal of the VAT rate back to 17½% with effect from 1 January 2010 will bring forward a number of new car sales into the traditionally quiet December period. Aftersales volumes and margins have remained at historically healthy levels.

The Group currently holds substantial cash balances which have been buoyed by the receipt of the consideration on the agreement for the early surrender of its lease at Nine Elms, London which completed in February 2009. As a result of the completion of this transaction the Group will include an exceptional profit of £7½ million in its 2009 full-year results.

Although the trading environment is still uncertain, the Board’s expectation remains that trading conditions in 2010 will improve, with the Group returning to profitability at the operating level.

The Board expects to recommend to shareholders a final dividend for the year ending 31 December 2009.

30 December 2009

Enquiries:
Nicholas Lancaster, Chief Executive
Mike Warren, Finance Director
Tel: 020 7245 1122