

21 October 2008

HR Owen Plc

Interim Management Statement and Trading Update

The Board of HR Owen Plc issues the following trading update.

The previous two months since the announcement of our Interim Statement has seen considerable turmoil in financial markets which has had a profound effect on the wider economic climate in the UK. New vehicle registrations fell by 21% in the important new registration plate month of September and the outlook for the remainder of the year remains difficult to predict.

Nevertheless, we are pleased to report that the Board remains satisfied with the expectation outlined in the Interim Statement that the Group will remain profitable at the trading level in the second half of the year.

Furthermore, the Group announced on 3 October 2008 that it has successfully exchanged contracts on a conditional surrender and lease in respect of its Bentley aftersales premises at Nine Elms. Holders of 17,563,533 ordinary shares, representing 74.39% of the Company's issued ordinary share capital, have undertaken to vote in favour of the resolution to approve the surrender agreement at a forthcoming EGM which is expected to be held within the next two months. If that resolution is passed, the first instalment of consideration, namely a payment of £1 million, will become receivable by the Group. This gain is expected to be included in the results for the year ended 31 December 2008 as an exceptional profit. If the surrender becomes unconditional, further consideration of up to £4 million in cash and £5 million in future-dated bills of exchange will become receivable at that time and will be recognised in that year's accounts at the appropriate values.

The Board recognises that significant challenges lie ahead but is confident that its unique portfolio of luxury brands will provide a strong platform once economic conditions improve.

For further information:

Nicholas Lancaster, Chief Executive

Mike Warren, Finance Director

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Tel: 020 7245 1122