

## Turners FY21 earnings guidance upgrade

Turners Automotive Group (NZX: TRA) expects FY21 Net Profit Before Tax (NPBT) to be at least \$35 million (compared to January 2021 NPBT guidance of \$33 million to \$35 million). This follows trading results exceeding expectations across Auto Retail, Finance and Insurance business units in January and February. This forecast assumes no major escalation of Covid-19 restrictions.

All three major business units continue to perform ahead of expectations, despite the trading restrictions caused by February's partial lockdowns. This is a further reminder of the geographic diversification within the group, and the structural resilience of the used car market.

The results reflect deliberate initiatives over recent years to improve earnings quality. In Oxford Finance, new lending volumes continue to track well ahead of the prior year and arrears are at record low levels, driven by enhanced credit scoring. Auto Retail demand remained strong and margins have held up well, with continued optimisation of both the retail footprint and purchasing activity. Insurance policy sales continue to track ahead of the prior year.

These strong results have confirmed the directors' confidence to project a full year dividend of 18.0 cents per share. Directors have therefore resolved to declare a Q3 dividend of 6.0 cents per share (fully imputed) to be paid on the 30 March 2021. The record date is the 18 March 2021. This takes YTD dividends to 14.0 cents per share.

The combination of activity and annuity revenue businesses within the group continues to deliver improving results and provides further confidence about the FY22 year ahead.

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### **About Turners**

Turners Automotive Group Limited is an integrated financial services group, primarily operating in the automotive sector [www.turnersautogroup.co.nz](http://www.turnersautogroup.co.nz)

### **For further information, please contact:**

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