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Auto Trader Group plc
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AUTO TRADER GROUP PLC

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

Auto Trader Group plc ('the Group'), the UK's largest automotive platform, announces half year results for the six months ended 30 September 2024

Strategic overview

- Group revenue increased 8%, Group operating profit increased 14% and Basic EPS increased 22%. Core Auto Trader revenue increased 9% and operating profit before Digital Services Tax increased 10%. The impact of the UK's Digital Services Tax, as previously signaled, was recognised for the first time with a £5.1m charge in the first half.
- Retailer revenue grew in line with expectations at 8% year-on-year, with the number of retailer forecourts stronger than we had anticipated, increasing 2% year-on-year. However, due to this growth being from smaller lower yielding retailers, this has had a dilutive impact on our Average Revenue Per Retailer ('ARPR'), which coupled with the market dynamics described below, increased 6.3%/£169 in the period.
- Our annual pricing and product event, which took effect from 1 April 2024, has gone well with high levels of engagement with our latest Auto Trader Connect module: Trended Valuations and enhanced Retail Check, both products were included within our advertising packages.
- Over the past six months our marketplace and competitive position have continued to strengthen. Cross-platform visits have grown 7% and we are now more than 10x larger than our nearest competitor (H1 2024: 10x).
- We continue to make good progress scaling our Deal Builder product which enables car buyers to value their part-exchange, apply for finance and reserve a car on Auto Trader. In the last six months we saw 23,000 deals, which was more than 10x the number seen in the same period last year. At the end of September 2024 there were c.1,500 retailers trialling the product (September 2023: c.500), with c.20% of those customers now paying, as we have gradually started monetisation.

Car market overview

- The new car retail market remains challenging, with a 10% decrease in H1 volumes on depressed levels seen in the prior year, despite an increase in discounts being offered by manufacturers. Total registration volumes were broadly flat, with the fall in retail volumes being offset by growth in the fleet segment. Since January, the share of battery electric vehicles as a percentage of total car sales increased to 18%, although it remains short of the 22% target required under the Zero Emission Vehicle ('ZEV') mandate for calendar year 2024.
- Despite this weakness in the new car market, we continue to see strong levels of demand for used cars, with a record number of cross-platform visits in the first half. As we moved through H1, supply constraints have emerged, limiting vehicle availability. This combination of high demand and restricted supply has led to cars selling at an increasingly faster rate.
- During the first half, the increase in overall used car transactions corresponded with the 5% rise in the number of unique cars sold through Auto Trader. However, due to the fast speed of sale and cars being advertised for shorter periods of time, this has not corresponded with an increase in live adverts, with retailers benefiting from increased utilisation of Auto Trader's slot-based advertising model. Therefore, even though consumer activity and retailer use of the Auto Trader platform have both increased, it has not directly benefited revenue.
- Used car pricing has been broadly stable over the last six months, having declined through much of the last financial year.

Financial results

£m (unless otherwise specified)	H1 2025	H1 2024	Change
Auto Trader[1]	283.5	259.4	9%
Autorama	19.0	21.1	(10%)
Group revenue	**302.5**	**280.5**	**8%**
Auto Trader[1]	197.5	184.9	7%
Autorama	(2.8)	(5.6)	50%
Group central costs[2] - relating to Autorama acquisition	(6.3)	(14.7)	57%
Group operating profit	**188.4**	**164.6**	**14%**
Auto Trader operating profit margin	70%	71%	(1%) pts
Group operating profit margin	62%	59%	3% pts
Basic earnings per share (pence)	**15.56p**	**12.74p**	**22%**
Cash generated from operations[3]	**201.6**	**184.2**	**9%**

Adjusted EBITDA[4]	196.9	182.1	8%
Adjusted earnings per share (pence)[5]	15.56p	13.96p	11%

- We have returned £122.2 million to shareholders (H1 2024: £117.1 million) through £64.9 million of share buybacks and dividends of £57.3 million.
- Interim dividend declared of 3.5 pence per share (H1 2024: 3.2 pence per share).

Operational results

- Over 75% of all minutes spent on automotive marketplaces were spent on Auto Trader[6] (H1 2024: over 75%). Cross platform visits[7,9] were up 7% to 82.6 million per month (H1 2024: 77.0 million) and cross platform minutes[7,9] increased to 560 million per month (H1 2024: 555 million).
- The average number of retailer forecourts[7] in the period increased 2% to 13,986 (H1 2024: 13,710).
- Average Revenue Per Retailer[7] ('ARPR') per month was up 6.3% (or £169) to £2,852 on average (H1 2024: £2,683), driven by a positive contribution across all three growth levers.
- Live car stock[7,11] onsite was up 2% to 448,000 cars (H1 2024: 439,000) on average, with this increase due to a higher volume of private listings. We delivered 3,180 new lease vehicles (H1 2024: 4,593), a segment which continues to be impacted by limited supply.
- The average number of employees[8] ('FTEs') in the Group increased to 1,252 during the period (H1 2024: 1,220).

Cultural KPIs

- 91% of employees are proud to work at Auto Trader[12] (September 2023: 92%, March 2024: 97%).
- We continue to build a diverse and inclusive culture throughout the organisation[13].
  - Board: We have more women than men on our Board (March 2024: five women and four men) and two ethnically diverse Board members (March 2024: one).
  - Leadership: The percentage of women leaders[14,16] within the organisation was 40% (March 2024: 42%) and those who are ethnically diverse[14,15,16] was 6% (March 2024: 6%).
  - Organisation: The percentage of employees who are women was at 44%[16] (March 2024: 44%) and those who are ethnically diverse[15,16] was 18% (March 2024: 17%).
- We aim to achieve net zero across our value chain before 2040 and to halve our carbon emissions by the end of 2030. Most of our CO_2 emissions are Scope 3, attributable to our suppliers and the small number of vehicles sold by Autorama that pass through the balance sheet. Initial calculations estimate total Group emissions (Scopes 1, 2 and 3) for the period to be c.45.4k tonnes of carbon dioxide equivalent (FY 2024: 98.9k tonnes).

Nathan Coe, Chief Executive Officer of Auto Trader, said:

"Our strong results for the first half of this year reflect the record numbers of customers choosing to partner with us to retail vehicles and drive the performance of their businesses."

"We are pleased with the progress of Deal Builder, which allows car buyers to secure their vehicle on Auto Trader and to complete more of the buying journey online. We have also recently launched Co-Driver, a new suite of AI-powered tools which significantly improves the automotive retailing experience for consumers and retailers alike."

"We are confident in the outlook for the business given our strong market position, and the opportunity to use our unique data, technology and AI capabilities to improve the way vehicles are retailed in the UK."

2025 Outlook

The new financial year started well with strong growth in retailer forecourts, a good pricing and product event, and growing sales volumes for our customers.

Retailer forecourts are likely to remain strong and be broadly consistent with that reported in the first half. As this increase came from smaller lower yielding retailers, the growth in both the price and product levers was diluted, which we also expect to continue. Compared to our original outlook, the impact on revenue from having more retailers but with lower price and product contribution should broadly cancel each other out.

From a stock perspective, we have seen a 5% increase in unique cars sold through Auto Trader, however due to the acceleration in speed of sale, this has not translated into a meaningful increase in either live stock or the ARPR stock lever. With no current sign of this trend changing and lapping a tougher comparative period last year, we now expect the stock lever to be slightly negative for the full year.

Previous guidance on other revenue lines, Autorama losses, Auto Trader and Group operating profit margins and capital allocation policy remains broadly unchanged.

Analyst presentation
A presentation for analysts will be held in person at the offices of Deutsche Numis and via audio webcast and conference call at 9.30am, Thursday 7 November 2024. Details below:

Audio webcast:

https://edge.media-server.com/mmc/p/n2gv7f5b

Conference call registration:

https://register.vevent.com/register/BI9469686e36a8474693132ddeb3d48259

If you have any trouble registering or accessing either the conference call or webcast, please contact Sodali & Co on the details below.

For media enquiries
Please contact the team at Sodali & Co on +44 (0)20 7250 1446 or email autotrader@sodali.com

About Auto Trader
Auto Trader Group plc is the UK's largest automotive platform. It listed on the London Stock Exchange in March 2015 and is a member of the FTSE 100 Index.

Auto Trader's purpose is Driving Change Together. Responsibly. Auto Trader is committed to creating a diverse and inclusive culture, to build stronger partnerships with customers and use its influence to drive more environmentally friendly vehicle choices.
With the largest number of car buyers and the largest choice of trusted stock, Auto Trader's marketplace sits at the heart of the UK car buying process. That marketplace is built on an industry-leading technology and data platform, which is increasingly used across the automotive industry. Auto Trader is continuing to bring more of the car buying journey online, creating an improved buying experience, whilst enabling all its retailer partners to sell vehicles online.

Auto Trader publishes a monthly used car Retail Price Index which is based on pricing analysis of circa 800,000 unique vehicles. This data is used by the Bank of England to feed the broader UK economic indicators.

For more information, please visit https://plc.autotrader.co.uk/

Cautionary statement

Certain statements in this announcement constitute forward looking statements (including beliefs or opinions). "Forward looking statements" are sometimes identified by the use of forward-looking terminology, including the terms "believes", "estimates", "aims", "anticipates", "expects", "intends", "plans", "predicts", "may", "will", "could", "shall", "risk", "targets", "forecasts", "should", "guidance", "continues", "assumes" or "positioned" or, in each case, their negative or other variations or comparable terminology. Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition and business is a forward looking statement. Such forward looking statements are subject to known and unknown risks and uncertainties, because they relate to events that may or may not occur in the future, that may cause actual results to differ materially from those expressed or implied by such forward looking statements. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this results announcement. As a result, you are cautioned not to place reliance on such forward looking statements, which are not guarantees of future performance and the actual results of operations, financial condition and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in or suggested by the forward looking statements set out in this announcement. Except as is required by applicable laws and regulatory obligations, no undertaking is given to update the forward looking statements contained in this announcement, whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast. This announcement has been prepared for the Company's group as a whole and, therefore, gives greater emphasis to those matters which are significant to the Company and its subsidiary undertakings when viewed as a whole.

To the extent available, the industry and market data contained in this announcement has come from third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. In addition, certain parts of the industry and market data contained in this announcement come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this announcement.

Summary financial performance

Group results	**Units**	**H1 2025**	**H1 2024**	**Change**
Revenue	£m	302.5	280.5	8%
Adjusted EBITDA[4]	£m	196.9	182.1	8%
Operating profit	£m	188.4	164.6	14%
Operating profit margin	%	62%	59%	3% pts
Profit before tax	£m	187.5	162.8	15%
Basic earnings per share	Pence	15.56	12.74	22%
Adjusted earnings per share[5]	Pence	15.56	13.96	11%
Dividend per share	Pence	3.5	3.2	9%
Group cash flow				
Cash generated from operations[3]	£m	201.6	184.2	9%
Net Cash/(bank debt)[10]	£m	15.1	(27.3)	42.4
Auto Trader results[1]				
Trade	£m	254.1	233.0	9%
Consumer Services	£m	23.0	20.1	14%
Manufacturer & Agency	£m	6.4	6.3	2%
Revenue	£m	283.5	259.4	9%
People costs	£m	46.6	39.3	19%
Marketing	£m	[illegible]	[illegible]	[illegible]

Marketing	£m	11.2	12.3	(9%)
Other costs	£m	21.7	21.4	1%
Depreciation & amortisation	£m	3.2	2.8	14%
Digital Services Tax	£m	5.1	-	-
Operating costs	£m	87.8	75.8	16%
Share of profit from joint ventures	£m	1.8	1.3	38%
Operating profit	£m	197.5	184.9	7%
Operating profit (excl DST)	£m	202.6	184.9	10%
Operating profit margin	%	70%	71%	(1%) pts
Operating profit margin (excl DST)	%	71%	71%	-

Autorama results				
Vehicle & Accessory Sales	£m	13.6	14.0	(3%)
Commission & Ancillary	£m	5.4	7.1	(23%)
Revenue	£m	19.0	21.1	(10%)
Cost of goods sold	£m	13.5	14.0	(4%)
People costs	£m	3.9	6.7	(42%)
Marketing	£m	1.9	2.6	(27%)
Other costs	£m	1.7	2.1	(19%)
Depreciation & amortisation	£m	0.8	1.3	(38%)
Digital Services Tax	£m	-	-	-
Operating costs	£m	21.8	26.7	(18%)
Operating loss	£m	(2.8)	(5.6)	50%

Group central costs - relating to Autorama acquisition[2]				
Autorama deferred consideration	£m	-	11.1	(100%)
Depreciation & amortisation	£m	6.3	3.6	75%
Operating costs	£m	6.3	14.7	(57%)
Operating loss	£m	(6.3)	(14.7)	57%

1. Auto Trader includes the results of Auto Trader and AutoConvert in respect of online marketplace advertising of motor vehicles and other related products and services in the digital automotive marketplace, including the Dealer Auction joint venture.
2. Group central costs which are not allocated within either of the two segmental operating profit/(loss) comprises a £6.3 million amortisation expense (H1 2024: £3.6 million) relating to the fair value of intangible assets acquired in the Group's business combination of Autorama and, in H1 2024, included an £11.1 million charge for the Autorama deferred consideration settlement.
3. Cash generated from operations is defined as net cash generated from operating activities, before corporation tax paid.
4. Adjusted EBITDA is earnings before interest, taxation, depreciation and amortisation, share of profit from joint ventures, and Autorama deferred consideration.
5. Adjusted earnings per share is calculated before the net of tax impact of the Autorama deferred consideration.
6. Share of minutes is a custom metric based on Comscore minutes and is calculated by dividing Auto Trader's total minutes volume by the entire custom-defined competitive set's total minutes volume. The custom-defined list includes: Auto Trader, Gumtree motors, Pistonheads, Motors.co.uk, eBay Motors, Cazoo and CarGurus.
7. Average during the period.
8. Average during the period, including contractors.
9. As measured internally through Snowplow.
10. Net Cash/(bank debt) represents cash less gross bank debt before amortised debt costs, and does not include amounts relating to leases, non-bank loans or vehicle stocking loans.
11. Physical car stock advertised on autotrader.co.uk.
12. Based on a survey to all employees in October 2024 asking our people to rate the statement "I am proud to work for Auto Trader". Answers were given on a five-point scale from strongly disagree to strongly agree.
13. As at 30 September 2024.
14. We define leaders as those who are on our Operational Leadership Team ('OLT') and their direct reports.
15. Throughout the year we have asked our employees to voluntarily disclose their ethnicity, at period end we had 104 employees (8%) who had not yet disclosed.
16. We calculate all our diversity percentages using total group headcount, 1,296 as at 30 September 2024 (September 2023: 1,252). At the period end, we had 570 employees who are women, 719 employees who are men and 7 who are non-binary.

Summary of Group operating performance

Group revenue grew 8% to £302.5 million (H1 2023: £280.5 million). Revenue growth in the core Auto Trader business grew 9% to £283.5 million (H1 2024: £259.4 million), underpinned by continued retailer revenue growth which included better than expected growth in retailer forecourts. Autorama revenue was £19.0 million (H1 2024: £21.1 million), where we have continued to focus on preparing to scale profitably while this channel sees relatively low transaction volumes.

Group operating profit increased by 14% to £188.4 million (H1 2024: £164.6 million), reflecting the increase in revenue and the £8.4 million reduction in Group central costs to £6.3 million (H1 2024: £14.7 million). The reduction was due to a deferred consideration charge in the prior year, with no charge incurred this year. Group operating profit margin increased to 62% (H1 2024: 59%).

Operating profit in the core Auto Trader business was £197.5 million (H1 2024: £184.9 million), representing an operating profit margin of 70% (H1 2024: 71%). For the first time, the Group meets the threshold for the UK's Digital Services Tax ('DST') which is recorded as an operating expense. Excluding this operating profit growth in the core Auto Trader segment was 10% and operating profit margin was 71%.

Group profit before tax increased 15% to £187.5 million (H1 2024: £162.8 million) and basic earnings per share increased 22% to 15.56p (H1 2024: 12.74p). Cash generated from operations increased 9% to £201.6 million (H1 2024: £184.2 million).

The network effects of our marketplace have strengthened throughout the period, re-enforcing our position as the most effective sales channel for both new and used cars across the UK. The average number of retailer forecourts advertising on our platform increased to 13,986 (H1 2024: 13,710), with much of the growth coming from our smaller retailers. Despite supply challenges total live car stock onsite increased by 2% to an average of 448,000 cars (H1 2024: 439,000), although this growth came from an increase in private listings.

There was an increase in both the number of cross platform visits and the number of minutes spent on Auto Trader. Over 75% of all minutes spent on automotive marketplaces were spent on Auto Trader (H1 2024: over 75%) and we are now more than 10x larger than our nearest competitor (H1 2024: 10x).

UK car market

The used car retail market continues to see strong levels of demand with an increasing volume of visits to our platform and high levels of engagement. This demand has led to an increase in used car transactions, which correlates with and high levels of engagement. This demand has led to an increase in used car transactions, which correlates with the 5% increase in the number of unique cars we've seen sold through Auto Trader. These cars have sold faster than at any point in our recent history and as we've moved through the last six months, this fast speed of sale has led to the supply of vehicles becoming gradually more constrained, a trend which has been a hallmark of the post COVID trading environment. Used car pricing has been broadly stable month-on-month throughout the last six months, although remains back year-on-year.

The new car retail market remains challenging with increased discounting and offers. Although total new car registrations have increased marginally year-on-year to 969k (H1 2024: 958k), this was largely driven by the fleet sector. Private new car registrations were down 10% on an already depressed level seen in the prior year. We continue to see an opportunity in new cars, especially given a move to more of a "push" market for manufacturers. We now have products to support franchise retailers, manufacturers and leasing companies selling new cars directly to consumers on Auto Trader.

We do not believe that Auto Trader products will be directly impacted by the recent Court of Appeal judgment against certain automotive finance lenders. We are making the relevant changes in our leasing journey to disclose and capture consent for commissions. We do not expect further product changes to be required to Deal Builder but continue to monitor the situation very closely. Similarly, Auto Trader is not directly impacted by the current FCA investigation into the discretionary element of commission arrangements. We expect these market developments to strengthen our role as an independent aggregator of automotive finance products.

Progress against our strategy

Our purpose, "Driving Change Together. Responsibly" guides both our strategy and decision-making across the organisation. Alongside our commitment to being a responsible business, our strategy comprises three areas of focus: our marketplace; our platform; and digital retailing. These areas are closely interconnected, as our platform and our digital retailing capabilities build on the strengths of our marketplace while also deepening our relationship with customers and car buyers.

Marketplace

The Auto Trader marketplace is the foundation of our business, where we provide UK car buyers with the best choice of vehicles and tools to navigate their buying journey, including valuations, price flags, reviews and the best search experience across all devices and channels.

Within marketplace, the largest area of revenue comes from retailer customers, reported within our Trade segment, where customer numbers grew 2% to 13,986, with much of the growth coming from smaller customers. This growth in lower yielding customers, coupled with the market dynamics of strong demand and tight supply meant lower growth in Average Revenue Per Retailer, ARPR, at 6.3%/£169 to £2,852 per month. ARPR growth came from all three levers: price, stock and product. Our annual pricing and product event which took effect from 1 April 2024, included an additional module of Auto Trader Connect. This further embeds our data and insight into customers' businesses to support them making better decisions, faster. The proportion of our retailer stock on advertising packages above standard declined marginally to 34% (H1 2024: 35%), with strong levels of consumer demand and fast speed of sale making upsell of these products more challenging.

We continue to invest in our new car experience. Franchise customers have been able to advertise physical new cars for a number of years, and we ended the period with c.2,300 paying for the product (September 2023: c.1,900). Alongside this, we have launched a new car market extension product, allowing manufacturers operating an agency model to advertise new cars directly to consumers nationally. This revenue is included in the Manufacturer and Agency line and whilst we have made good progress with eight brands using this product at the end of September, there is still further optimisation required before turning our focus to increased monetisation. We announced a new partnership with What Car? for new cars. From October, all c.20,000 in-stock and 'available soon' brand-new cars advertised on Auto Trader, were displayed and accessible on the What Car? website as an onward journey from their well-known editorial content.

We have continued to move forward our search experience, content and advice for buying an electric vehicle. We recently launched a "find an electric car" tool which offers consumers guidance on which electric car will best suit their needs. As well as promoting EVs to consumers within our marketing activity, continuing to scale our EV giveaway and supporting retailers with the data and tools they need to sell these cars.

Platform

We continue to invest in our data platform, technology and data science capability which we are increasingly making available to power not just our own business but that of our customers and partners in the wider automotive ecosystem. Through integrating directly with our platform, customers can take advantage of the data and technology services we have built on the latest technology at scale to power Auto Trader to source, price and drive sales performance. For the vast majority of our customers the scale and performance of this would otherwise be unattainable.

As part of our annual pricing and product event in April 2024, we made our third module of Auto Trader Connect available, providing retailers with Trended Valuations and enhanced Retail Check products. Combined, this powerful new layer of intelligence helps retailers confidently adapt and respond to daily market changes with quicker and more profitable sourcing, advertising, and pricing decisions. We have seen growing levels of retailer engagement and averaged 86 million requests per month on Auto Trader Connect services in the period.

Over many years we have improved the quality of our proprietary data: we acquired Kee Resources for vehicle taxonomy; have integrated build-level data from manufacturers; have aggregated all the interactions on our platform; and more recently have directly sourced the granular vehicle data required to provide our own provenance or vehicle history checks. As part of our platform strategy, we continue to integrate more and more lenders into our automotive finance platform which underpins the finance journey on Auto Trader.

We built our data science team and have been working with Machine Learning and Artificial Intelligence ('AI') over the last 10 years. These models underpin most of the metrics we provide to our customers and car buyers, including price flags, valuations, advertising performance, retail demand and supply and our search algorithm. We have been experimenting with the latest generation of large-language-models ('LLM's') and see great potential to leverage this technology combined with our unique, proprietary data set to make the lives of our retailers easier and to improve the experience for buyers on Auto Trader. We have recently launched "Co-driver," a new suite of AI powered tools that will significantly improve the consumer and retailer experience. The first two products will focus on providing better vehicle descriptions for car buyers and retailers, and improving the categorisation and navigation of vehicle images, one of the biggest use cases on Auto Trader and a time-consuming part of the stock management process for retailers.

Digital retailing

To provide buyers with a more trusted, transparent buying experience and to support retailer performance, we are enabling more of the buying journey to be completed online, on Auto Trader.

Our main focus has been to develop and scale our Deal Builder product for used cars, where car buyers can carry out as much of the journey as they want on Auto Trader, completing the rest of the transaction on the forecourt, over the phone or through a combination of channels. We launched Deal Builder last year, which uses Auto Trader technology to enable car buyers to get a part-exchange valuation, apply for finance and to reserve a car online. Launched as a small trial, we have increased the volume of customers to c.1,500 retailers (September 2023: c.500) with over 55,000 cars live at the end of September 2024 (September 2023: c.20,000). Over the past six months, we have continued to improve the onsite experience and generated 23,000 deals in the period, a more than 10x increase on the volume delivered in the same period last year (H1 2024: c.2,100). Consumer feedback remains positive and deals are converting at roughly double the rate of any other enquiry type, with over half of deals being completed outside of retail hours, validating that car buyers want to complete more of the car buying journey online at a time convenient to them. We have commenced monetising customers in cohorts and now have c.20% of customers paying for the product. The charging model is a transaction fee (0.25%) linked to the price of the vehicle which is charged on submission of a deal.

In parallel to Deal Builder, we are working to enable a digital retailing journey for new cars. Throughout the period we have further integrated leasing deals for cars, vans and pickups into the core Auto Trader search experience. Our car leasing tab consolidates all available deals and provides a full checkout journey on Auto Trader. The personal leasing market has been constrained by tight supply, but in time, as fleets "catch-up" on orders not fulfilled over the past four years we expect supply through this channel to gradually improve. Autorama delivered 3,180 vehicles across the period (H1 2024: 4,593), with average commission and ancillary revenue per vehicle delivered of £1,698 (H1 2024: £1,546). Our focus for Autorama has been on building a platform from which we can scale profitably when the personal leasing market sees growing volumes and more attractive consumer deals.

Being a responsible business

We apply a lot of focus to providing a great working environment for our people, enabling them to do their best work for Auto Trader. 91% of people are proud to work at Auto Trader (September 2023: 92%, March 2024: 97%). Our employee-driven networks support women, ethnicity, LGBT+, wellbeing, early careers, disability and neurodiversity, social mobility, family and age. They have continued their impressive work and have supported many colleagues during the period.

At the end of September 2024, women represented 44% of our organisation (March 2024: 44%) and 40% (March 2024: 42%) of leadership roles as defined by the FTSE Women Leaders Review. We are committed to increasing the percentage of ethnically diverse employees, who currently represent 18% of our organisation (March 2024: 17%), with 8% of employees not disclosing their ethnicity. The percentage of ethnically diverse employees in leadership remained consistent at 6% (March 2024: 6%), which we are committed to increasing over time. Following the AGM, our Board comprises six women and three men, with two from an ethnically diverse background and a woman as Senior Independent Director.

We are committed to being net zero by 2040 and halving our carbon emissions by 2030, targets which have been validated by the Science Based Targets initiative ('SBTi'). Initial calculations estimate our GHG emissions during the six-month period to September 2024 to be c.45.4k tonnes of CO_2 across Scopes 1, 2 and 3 (FY 2024: 98.9k tonnes). The majority of our emissions are Scope 3, predominantly attributable to our suppliers and emissions relating to the small number of vehicles sold by Autorama that pass through their balance sheet.

The Board

At our AGM on 19 September 2024, Non-Executive Directors, David Keens and Jill Easterbrook, did not stand for re-election having both served their third three-year term. We are grateful for David and Jill's contribution as Non-Executive Directors and highly effective Committee Chairs.

At the conclusion of the AGM, Geeta Gopalan who joined the Board on 1 May 2024 was appointed as Senior Independent Director and Remuneration Committee Chair, and Amanda James who joined the Board on 1 July 2024 was appointed as Audit Committee Chair.

Investor calendar

The Group's results for the full year ending 31 March 2025 will be announced on 29 May 2025.

Financial Review

Group Results

	H1 2025 £m	H1 2024 £m	Change %
Revenue	302.5	280.5	8%
Operating costs	(115.9)	(117.2)	1%
Share of profit from joint ventures	1.8	1.3	38%
Group operating profit	**188.4**	**164.6**	**14%**
Group operating profit margin	62%	59%	3% pts

Group revenue increased by 8% to £302.5m (H1 2024: £280.5m) driven by Auto Trader revenue which increased by 9% to £283.5m (H1 2024: £259.4m) with Autorama contributing £19.0m (H1 2024: £21.1m). Group operating profit grew by 14% to £188.4m (H1 2024: £164.6m).

	H1 2025 £m	H1 2024 £m	Change %
Auto Trader	197.5	184.9	7%
Autorama	(2.8)	(5.6)	50%
Group central costs - relating to Autorama acquisition	(6.3)	(14.7)	57%
Group operating profit	**188.4**	**164.6**	**14%**

Auto Trader operating profit increased by 7% to £197.5m (H1 2024: £184.9m), which included £1.8m share of profit

Auto Trader operating profit increased by 7% to £197.5m (H1 2024: £184.9m), which included £1.8m share of profit from joint ventures (H1 2024: £1.3m). Autorama had an operating loss of £2.8m (H1 2024: loss of £5.6m). Group central costs comprise an amortisation charge of £6.3m (H1 2024: £3.6m) relating to the Autorama intangible assets acquired, and, in the prior period, an £11.1m charge for the deferred consideration relating to the acquisition of Autorama, which was fully settled in the period.

In October 2023, having accelerated the integration work between Autorama and Auto Trader, we reviewed the useful economic life of the Vanarama brand and shortened it to five years from the date of acquisition. This resulted in a higher amortisation charge in H1 2025 versus the prior period.

	H1 2025 £m	H1 2024 £m	Change %
Operating profit	**188.4**	**164.6**	**14%**
Add back:			
Depreciation and amortisation	10.3	7.7	34%
Share of profit from joint ventures	(1.8)	(1.3)	38%
Autorama deferred consideration	-	11.1	(100%)
Adjusted EBITDA	**196.9**	**182.1**	**8%**

Adjusted earnings before interest, taxation, depreciation and amortisation, share of profit from joint ventures and Autorama deferred consideration increased by 8% to £196.9m (H1 2024: £182.1m). Group profit before tax increased by 15% to £187.5m (H1 2024: £162.8m). Cash generated from operations was £201.6m (H1 2024: £184.2m).

Auto Trader Results

Revenue increased to £283.5m (H1 2024: £259.4m), up 9% when compared to the prior period. Trade revenue, which comprises revenue from Retailers, Home Traders and other smaller revenue streams, increased by 9% to £254.1m (H1 2024: £233.0m).

	H1 2025 £m	H1 2024 £m	Change %
Retailer	239.3	220.7	8%
Home Trader	8.3	6.2	34%
Other	6.5	6.1	7%
Trade	254.1	233.0	9%
Consumer Services	23.0	20.1	14%
Manufacturer & Agency	6.4	6.3	2%
Auto Trader revenue	**283.5**	**259.4**	**9%**

Retailer revenue increased by 8% to £239.3m (H1 2024: £220.7m). The average number of retailer forecourts advertising on our platform increased 2% to 13,986 (H1 2024: 13,710), with much of the growth coming from our smaller Independent and Non-Car retailers. This growth has had a dilutive impact on the calculation of our Average Revenue Per Retailer ('ARPR') growth.

Average Revenue Per Retailer ('ARPR') per month increased by 6.3%/£169 to £2,852 (H1 2024: £2,683). The ARPR growth was predominantly driven by the product and price levers, with smaller growth from the stock lever. The breakdown was as follows:

- Price: Our price lever contributed growth of £79 (H1 2024: £146) to total ARPR as we delivered our annual pricing event for all customers on 1 April 2024, which included additional products alongside a like-for-like price increase.
- Stock: Our stock lever contributed growth of £10 (H1 2024: decrease £32). This was higher than the same period last year, but reduced as we moved through the period, with accelerating speed of sale and tightening supply impacting listing volumes. The number of live cars advertised on Auto Trader increased by 2% to 448,000 (H1 2024: 439,000). Within this new car stock declined to an average of 20,000 (H1 2024: 23,000). Underlying used car live car stock increased by 3% on average across the period to 428,000 (H1 2024: 416,000), although this increase came from a higher volume of private listings. The stock lever is not impacted by private listings, but by the number of retailer paid stock units.
- Product: Our product lever contributed growth of £80 (H1 2024: £165) to total ARPR. More than half of this product growth was from the latest module of Auto Trader Connect, providing retailers with Trended Valuations and enhanced Retail Check functionality, which were included in retailer packages from April 2024. Much of the remaining growth was from new car where we increased the number of customers with the product.

Home Trader revenue increased by 34% to £8.3m (H1 2024: £6.2m). Other revenue increased by 7% to £6.5m (H1 2024: £6.1m).

Consumer Services revenue increased by 14% in the period to £23.0m (H1 2024: £20.1m). Private revenue, which is largely generated from individual sellers who pay to advertise their vehicle on the Auto Trader marketplace, increased by 12% to £15.2m (H1 2024: £13.6m). Motoring Services revenue increased 20% to £7.8m (H1 2024: £6.5m).

Revenue from Manufacturer and Agency customers increased 2% to £6.4m (H1 2024: £6.3m).

Total costs increased 16% to £87.8m (H1 2024: £75.8m).

	H1 2025 £m	H1 2024 £m	Change %
People costs	46.6	39.3	19%
Marketing	11.2	12.3	(9%)
Other costs	21.7	21.4	1%
Depreciation and amortization	3.2	2.8	14%
Digital services tax	5.1	-	-
Auto Trader costs	**87.8**	**75.8**	**16%**

People costs increased by 19% to £46.6m (H1 2024: £39.3m). The increase in people costs was partly due to an increase in the average number of full-time equivalent employees ('FTEs') to 1,122 (H1 2024: 1,032), as we continue to invest in people to support the growth of the business. Within people costs, share based payments was £6.8m (H1 2024: £3.5m), increasing 94% largely due to the award of an all employee share scheme in November 2023. Underlying salary costs also increased as we continue to invest in our people, particularly in product, technology and data roles.

Marketing spend decreased by 9% to £11.2m (H1 2024: £12.3m) due to the timing of campaigns during the period. Other costs, which include data services, property related costs and other overheads, increased 1% to £21.7m (H1 2024: £21.4m). The increase was primarily due to higher IT costs and general inflationary increases. Depreciation and amortisation increased by 14% to £3.2m (H1 2024: £2.8m).

As we are expecting to exceed the revenue threshold for the UK's Digital Services Tax in financial year 2025, a cost for the six-month period of £5.1m has been recognised (H1 2024: nil).

	H1 2025 £m	H1 2024 £m	Change %
Revenue	283.5	259.4	9%
Operating costs	(87.8)	(75.8)	16%
Share of profit from joint ventures	1.8	1.3	38%
Auto Trader operating profit	**197.5**	**184.9**	**7%**
Auto Trader operating profit (excl DST)	202.6	184.9	10%
Auto Trader operating profit margin	70%	71%	(1%) pts
Auto Trader operating profit margin (excl DST)	71%	71%	-

Auto Trader operating profit increased by 7% to £197.5m during the period (H1 2024: £184.9m), with operating profit margin declining slightly, due to the inclusion of the Digital Services Tax, to 70% (H1 2024: 71%). Operating profit growth and operating profit margin excluding Digital Services Tax was 10% and 71% respectively for the period.

Our share of profit generated by Dealer Auction, the Group's joint venture, increased 38% to £1.8m (H1 2024: £1.3m) in the period due to increased transaction volumes.

Autorama Results

	H1 2025 £m	H1 2024 £m	Change %
Vehicle & Accessory Sales	13.6	14.0	(3%)
Commission & Ancillary	5.4	7.1	(24%)
Autorama revenue	**19.0**	**21.1**	**(10%)**

Autorama revenue was £19.0m (H1 2024: £21.1m), with vehicle and accessory sales contributing £13.6m (H1 2024: £14.0m), and commission and ancillary revenue contributing £5.4m (H1 2024: £7.1m).

Total deliveries amounted to 3,180 units (H1 2024: 4,593), which comprised 841 cars (H1 2024: 1,572), 2,018 vans (H1 2024: 2,793) and 321 pickups (H1 2024: 228). Average commission and ancillary revenue per unit delivered increased to £1,698 (H1 2024: £1,546) reflecting the vehicle mix in the period.

	H1 2025 £m	H1 2024 £m	Change %
Cost of goods sold	13.5	14.0	(4%)
People costs	3.9	6.7	(42%)
Marketing	1.9	2.6	(27%)
Other costs	1.7	2.1	(19%)
Depreciation and amortisation	0.8	1.3	(38%)
Autorama costs	**21.8**	**26.7**	**(18%)**

The Autorama business delivered c.430 (H1 2024: c.565) vehicles which were temporarily taken on balance sheet in the period. This represented 14% (H1 2024: 12%) of total vehicles delivered in the period. The cost of these vehicles was taken through cost of goods sold, with the corresponding revenue in vehicle and accessory sales. People costs of £3.9m (H1 2024: £6.7m) related to the 130 FTEs (H1 2024: 188) employed on average through the period. Marketing in the period was £1.9m (H1 2024: £2.6m). Other costs of £1.7m (H1 2024: 2.1m) include IT services, property costs, people-related costs and other overheads. Depreciation and amortisation totalled £0.8m (H1 2024: £1.3m).

The Autorama operating segment made an operating loss of £2.8m (H1 2024: £5.6m).

	H1 2025 £m	H1 2024 £m	Change %
Revenue	19.0	21.1	(10%)
Costs	(21.8)	(26.7)	(18%)
Operating loss	**(2.8)**	**(5.6)**	**50%**

Group net finance costs

Group net finance costs decreased to £0.9m (H1 2024: £1.8m). Interest costs on the Group's Syndicated Revolving Credit Facility ('Syndicated RCF') totalled £0.7m (H1 2024: £1.5m). At 31 September 2024, the Group had drawn £nil of its available facility (30 September 2023: £52.0m). Other finance costs comprised amortisation of debt issue costs of £0.3m (H1 2024: £0.3m), vehicle stocking loan interest of £0.2m (H1 2024: £0.1m) and interest costs relating to leases of £nil (H1 2024: £0.1m). This was offset by interest receivable on cash and cash equivalents of £0.3m (H1 2024: £0.2m).

Taxation

Profit before taxation increased by 15% to £187.5m (H1 2024: £162.8m). The Group tax charge of £47.9m (H1 2024: £46.0m) represents an effective tax rate of 25.5% (H1 2024: 28.1%). This is marginally higher than the average standard UK rate of 25% (H1 2024: 25%) due to non-deductible expenses.

At our full year results in June 2024, we stated that we expected the Group to exceed the threshold for in-scope revenue for UK Digital Services Tax ('UK DST') in financial year 2025. This has resulted in an operating expense of £5.1m in the period, equivalent to 2% of the Group's in-scope revenue. We had previously commented that the UK Government continues to work towards implementing a global two-pillar tax solution addressing the tax challenges arising from the digitalisation of the economy. Pillar Two came into effect for accounting periods beginning on or after 31 December 2023, but the timeline for finalising the multilateral convention that would implement Pillar One is still not certain and no recent updates have been received.

Earnings per share

Earnings per share

Basic earnings per share increased by 22% to 15.56 pence (H1 2024: 12.74 pence) based on a weighted average number of ordinary shares in issue of 896,891,990 (H1 2024: 916,651,179). Diluted earnings per share of 15.52 pence (H1 2024: 12.71 pence) also increased by 22%, based on 899,499,244 shares (H1 2024: 918,647,739) which takes into account the dilutive impact of outstanding share awards

	H1 2025 £m	H1 2024 £m	Change %
Net income	**139.6**	**116.8**	**20%**
Autorama deferred consideration	-	11.1	(100%)
Adjusted Net income	**139.6**	**127.9**	**9%**
Adjusted earnings per share (pence)	**15.56**	**13.96**	**11%**

Adjusted earnings per share, before Autorama deferred consideration and the net tax effect of this, increased by 11% to 15.56 pence (H1 2024: 13.96 pence).

Cash flow and net bank debt

Cash generated from operations increased to £201.6m (H1 2024: £184.2m) as a result of the increase in operating profit. Corporation tax payments increased to £50.2m (H1 2024: £45.1m). Net cash generated from operating activities was £151.4m (H1 2024: £139.1m).

As at 30 September 2024, the Group had net cash of £15.1m (30 September 2023: net bank debt of £27.3m). At the period end, the Group had drawn £nil of its Syndicated RCF (30 September 2023: £52.0m) and held cash and cash equivalents of £15.1m (30 September 2023: £24.7m).

Capital structure and dividends

The final dividend for the year ended 31 March 2024 of 6.4 pence per share (H1 2024: 5.6 pence per share) was paid on 27 September 2024, totalling £57.3m (H1 2024: £51.3m). During the period, a total of 8.5m shares (H1 2024: 10.4m) were purchased for a consideration of £64.9m (H1 2024: £65.8m) before transaction costs of £0.3m (H1 2024: £0.3m). The average price per share was 764.5p (H1 2024: 632.6p).

For H1 2025, the Board has declared an interim dividend of 3.5 pence per share. The interim dividend will be paid on 25 January 2025 to members on the register on 3 January 2025.

The Group's long-term capital allocation policy remains unchanged: continuing to invest in the business enabling it to grow while returning around one third of net income to shareholders in the form of dividends. Following these activities any surplus cash will be used to continue our share buyback programme.

Going concern

The Group generated significant cash from operations during the period. At 30 September 2024 the Group had £nil drawn of its £200.0m unsecured Syndicated RCF and had cash balances of £15.1m. The Group has a strong balance sheet and flexibility in terms of uses of cash to manage increased economic uncertainty and higher interest rates. The £200.0m Syndicated RCF is committed until February 2029. Based on the facilities available and current financial projections for the next 12 months the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Principal risk and uncertainties

The Board has undertaken a review of the Principal Risks and Uncertainties that Auto Trader faces as it works towards achieving its strategic objectives. The Board has also considered the Group's risk appetite and the key mitigations which are applied against each of the Group's Principal Risk.

The Board's review of our risks and uncertainties has included an evaluation of the new and emerging areas of risk. The most notable emerging areas of risk identified by the Board are:

- The Zero Emissions Vehicle mandate applies for the first time in 2024. It requires 22% of new vehicles sold in the UK to be zero emissions, rising to 28% in 2025. However, between January and September 2024 EVs made up 18% of new vehicle registrations. There is a risk that the ZEV mandate will be missed which would lead to fines being imposed upon OEMs. Alternatively, we may see OEMs restricting the supply of ICE vehicles in order to reduce any fines and this would lead to reduced pipeline of used ICE vehicles in the coming years.
- The geo-political landscape is sadly becoming more uncertain and volatile. Conflict in the Ukraine continues and conflict in the Middle East has escalated. First and foremost, we are offering support to all our employees who might be affected by geo-political events and conflicts. We have also considered the indirect impacts of these conflicts which might include increased oil prices leading to heightened costs, inflation, and potentially increased EV demand.
- The FCA investigation into historic Discretionary Commission Arrangements ('DCAs') on automotive finance deals is not likely to be completed until late spring 2025. The long-term results of this investigation are uncertain, however a recent court ruling indicated that lenders in the market owe a fiduciary duty to consumers and that compliance with the FCA regulations is not necessarily sufficient to comply with the law.

The Board are satisfied that in all cases the new and emerging risks which we have identified fall within the scope of the disclosures captured within the Principal Risks and Uncertainties section of the 2024 Annual Report and Accounts. Those disclosures remain valid and therefore this document should be read in conjunction with pages 53 to 58 of the 2024 Annual Report and Accounts.

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK;
- the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so

Nathan Coe
Chief Executive Officer
7 November 2024

Jamie Warner
Chief Financial Officer
7 November 2024

CONSOLIDATED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

	Note	**6 months to September 2024 £m**	6 months to September 2023 £m	Year to March 2024 £m
Revenue	3	**302.5**	280.5	570.9
Operating costs		**(115.9)**	(117.2)	(225.0)
Share of profit from joint ventures, net of tax		**1.8**	1.3	2.8
Operating profit		**188.4**	164.6	348.7
Net finance costs	4	**(0.9)**	(1.8)	(3.5)
Profit before taxation		**187.5**	162.8	345.2
Taxation	5	**(47.9)**	(46.0)	(88.3)
Profit for the period attributable to equity holders of the parent		**139.6**	116.8	256.9
Earnings per share:				
Basic EPS (pence)	6	**15.56**	12.74	28.15
Diluted EPS (pence)	6	**15.52**	12.71	28.07

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

	6 months to September 2024 £m	6 months to September 2023 £m	Year to March 2024 £m
Profit for the period	**139.6**	116.8	256.9
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations, net of tax	**(0.3)**	(0.1)	(0.1)
Other comprehensive income for the period, net of tax	**(0.3)**	(0.1)	(0.1)
Total comprehensive income for the period attributable to equity holders of the parent	**139.3**	116.7	256.8

CONSOLIDATED INTERIM BALANCE SHEET

AT 30 SEPTEMBER 2024

	Note	**September 2024 £m**	September 2023 £m	March 2024 £m
Assets				
Non-current assets				
Intangible assets	7	**480.0**	496.1	487.7
Property, plant and equipment	8,9	**13.3**	15.9	14.9
Deferred taxation assets		**0.1**	-	-
Retirement benefit surplus	12	**0.3**	0.5	0.6
Net investments in joint ventures		**50.0**	50.6	48.2
Other investments		**1.3**	2.3	1.3
		545.0	565.4	552.7
Current assets				
Inventory		**3.3**	4.2	2.6
Trade and other receivables	10	**85.7**	79.7	83.3
Current income tax assets		**0.8**	**-**	0.7
Cash and cash equivalents		**15.1**	24.7	18.7
		104.9	108.6	105.3
Total assets		**649.9**	674.0	658.0
Equity and liabilities				
Equity attributable to equity holders of the parent				
Share capital	16	**9.0**	9.3	9.2
Share premium		**182.6**	182.6	182.6
Retained earnings		**1,437.2**	1,400.8	1,420.5
Own shares held	17	**(24.8)**	(23.7)	(31.3)
Capital reorganisation reserve		**(1,060.8)**	(1,060.8)	(1,060.8)
Capital redemption reserve		**1.6**	1.3	1.4
Other reserves		**30.7**	30.6	30.7
Total equity		**575.5**	540.1	552.3
Liabilities				
Non-current liabilities				
Borrowings	14	**-**	49.8	27.7
Provisions		**1.6**	1.2	1.6
Lease liabilities	9	**1.6**	3.6	2.4
Deferred income		**7.5**	8.0	7.8
Deferred taxation liabilities		**-**	5.0	2.9
		10.7	67.6	42.4
Current liabilities				
Trade and other payables	11	**60.7**	60.4	60.1
Current income tax liabilities		**-**	1.7	-
Provisions		**0.8**	0.7	0.8
Lease liabilities	9	**2.2**	2.4	2.4
Borrowings	14	**-**	1.1	-
		63.7	66.3	63.3
Total liabilities		**74.4**	133.9	105.7
Total equity and liabilities		**649.9**	674.0	658.0

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

	Share Capital £m	**Share premium £m**	**Retained earnings £m**	**Own shares held £m**	**Capital reorg reserve £m**	**Capital redem reserve £m**	**Other reserves £m**	**Total Equity £m**
Balance at March 2023	**9.3**	**182.6**	**1,390.3**	**(26.0)**	**(1,060.8)**	**1.2**	**30.7**	**527.3**
Profit for the period	-	-	116.8	-	-	-	-	**116.8**
Other comprehensive income:								
Remeasurements of post-employment benefit obligations	-	-	(0.1)	-	-	-	-	**(0.1)**
Total comprehensive income, net of tax	**-**	**-**	**116.7**	**-**	**-**	**-**	**-**	**116.7**
Transactions with owners:								
Employee share schemes, value of			14.0					**14.0**

employee services	-	-	14.0	-	-	-	-	**14.0**
Tax impact of employee share schemes	-	-	(0.7)	-	-	-	-	**(0.7)**
Purchase of own shares for cancellation	(0.1)	-	(66.1)	-	-	0.1	-	**(66.1)**
Exercise of share-based incentives	-	-	(2.1)	2.3	-	-	-	**0.2**
Issue of ordinary shares	0.1	-	-	-	-	-	(0.1)	**-**
Dividends paid	-	-	(51.3)	-	-	-	-	**(51.3)**
Total transactions with owners, recognised directly in equity	-	-	(106.2)	2.3	-	0.1	(0.1)	**(103.9)**
Balance at September 2023	**9.3**	**182.6**	**1,400.8**	**(23.7)**	**(1,060.8)**	**1.3**	**30.6**	**540.1**
Profit for the period	-	-	140.1	-	-	-	-	**140.1**
Other comprehensive income:								
Remeasurements of post-employment benefit obligations	-	-	-	-	-	-	-	**-**
Total comprehensive income, net of tax	**-**	**-**	**140.1**	**-**	**-**	**-**	**-**	**140.1**
Transactions with owners:								
Employee share schemes, value of employee services	-	-	3.9	-	-	-	-	**3.9**
Tax impact of employee share schemes	-	-	0.4	-	-	-	-	**0.4**
Purchase of own shares for treasury	-	-	-	(11.1)	-	-	-	**(11.1)**
Purchase of own shares for cancellation	(0.1)	-	(93.6)	-	-	0.1	-	**(93.6)**
Exercise of share-based incentives	-	-	(1.9)	3.5	-	-	-	**1.6**
Issue of ordinary shares	-	-	(0.1)	-	-	-	0.1	**-**
Dividends paid	-	-	(29.1)	-	-	-	-	**(29.1)**
Total transactions with owners, recognised directly in equity	(0.1)	-	(120.4)	(7.6)	-	0.1	0.1	**(127.9)**
Balance at March 2024	**9.2**	**182.6**	**1,420.5**	**(31.3)**	**(1,060.8)**	**1.4**	**30.7**	**552.3**
Profit for the period	-	-	139.6	-	-	-	-	**139.6**
Other comprehensive income:								
Remeasurements of post-employment benefit obligations	-	-	(0.3)	-	-	-	-	**(0.3)**
Total comprehensive income, net of tax	**-**	**-**	**139.3**	**-**	**-**	**-**	**-**	**139.3**
Transactions with owners:								
Employee share schemes, value of employee services	-	-	5.5	-	-	-	-	**5.5**
Tax impact of employee share schemes	-	-	0.7	-	-	-	-	**0.7**
Purchase of own shares for cancellation	(0.2)	-	(65.2)	-	-	0.2	-	**(65.2)**
Exercise of share-based incentives	-	-	(6.3)	6.5	-	-	-	**0.2**
Dividends paid	-	-	(57.3)	-	-	-	-	**(57.3)**
Total transactions with owners, recognised directly in equity	(0.2)	-	(122.6)	6.5	-	0.2	-	**(116.1)**
Balance at September 2024	**9.0**	**182.6**	**1,437.2**	**(24.8)**	**(1,060.8)**	**1.6**	**30.7**	**575.5**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

	Note	**6 months to September 2024 £m**	6 months to September 2023 £m	Year to March 2024 £m
Cash flows from operating activities				
Cash generated from operations	15	**201.6**	184.2	379.0
Income taxes paid		**(50.2)**	(45.1)	(91.5)
Net cash generated from operating activities		**151.4**	139.1	287.5
Cash flows from investing activities				
Purchases of intangible assets		-	(0.6)	(0.2)
Purchases of property, plant and equipment		(1.0)	(2.4)	(3.6)
Proceeds from sale of property, plant and equipment		-	-	0.2
Dividends received from joint ventures		-	-	3.9
Interest received on cash and cash equivalents		0.3	-	0.5
Proceeds on disposal of shares in investment entities		-	-	1.0
Net cash used in investing activities		**(0.7)**	(3.0)	1.8
Cash flows from financing activities				
Dividends paid to Company's shareholders	13	(57.3)	(51.3)	(80.4)
Drawdown of Syndicated revolving credit facility	14	-	29.0	57.0
Repayment of Syndicated revolving credit facility	14	(30.0)	(37.0)	(87.0)
Repayment of other debt		-	-	(1.1)
Payment of refinancing fees		-	(0.2)	(0.5)
Payment of interest on borrowings		(0.8)	(1.2)	(3.4)
Payment of lease liabilities		(1.1)	(1.4)	(2.7)
Purchase of own shares for cancellation	17	(64.9)	(65.8)	(158.9)
Purchase of own shares for treasury	17	-	-	(11.0)
Payment of fees on purchase of own shares	17	(0.3)	(0.3)	(0.9)
Contributions to defined benefit pension scheme	12	(0.1)	-	(0.1)

Proceeds from exercise of share-based incentives	0.2	0.2	1.8
Net cash used in financing activities	**(154.3)**	(128.0)	(287.2)
Net (decrease)/increase in cash and cash equivalents	**(3.6)**	8.1	2.1
Cash and cash equivalents at beginning of period	**18.7**	16.6	16.6
Cash and cash equivalents at end of period	**15.1**	24.7	18.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Auto Trader Group plc ('the Company') is a company incorporated in the United Kingdom and its registered office is 4th Floor, 1 Tony Wilson Place, Manchester, M15 4FN.

These condensed Consolidated interim financial statements have been prepared as at, and for the six months ended, 30 September 2024. The comparative financial information presented has been prepared as at, and for the six months ended, 30 September 2023.

The condensed Consolidated interim financial information presented as at, and for the six months ended, 30 September 2024 comprise the Company and its subsidiaries (together referred to as the Group). The Consolidated financial statements of the Group as at, and for the year ended, 31 March 2024 are available on request from the Company's registered office and via the Company's website.

These condensed Consolidated interim financial statements are unaudited but have been reviewed by the Auditor whose report is set out on pages 36-37. They have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, "Interim Financial Reporting" as adopted for use in the UK. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Consolidated financial statements of the Group as at and for the year ended 31 March 2024 which were prepared in accordance with UK-adopted international accounting standards, in conformity with the requirements of the Companies Act 2006 and applicable law.

As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published Consolidated financial statements for the year ended 31 March 2024.

The comparative financial information for the year ended 31 March 2024 included in this interim statement of results does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 (the 'Act'). The statutory accounts for the year ended 31 March 2024 have been reported on by the Company's Auditor and were delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditor's report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Judgements and estimates
The preparation of the condensed Consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed Consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated financial statements for the year ended 31 March 2024.

Going concern
During the period ended 30 September 2024 the Group has continued to generate significant cash from operations. The Group has an overall positive net asset position and had cash balances of £15.1m at 30 September 2024 (30 September 2023: £24.7m).

The Group has access to a Syndicated revolving credit facility (the 'Syndicated RCF'). At 30 September 2024 the Group had £nil (30 September 2023: £52.0m) drawn of its £200.0m Syndicated RCF. The facility is available until February 2029.

The combination of significant free cash flow and the discretionary nature of dividend payments and share buybacks provide the Group with significant liquidity and ability to comply with the RCF's financial covenants. On the basis of facilities available and current financial projections for the next twelve months, the Directors have concluded that it is appropriate to prepare the condensed interim financial statements on a going concern basis.

Changes in accounting policies
There are no material changes in accounting policies applied in these interim financial statements to those accounting policies applied in the Group's Consolidated financial statements as at and for the year ended 31 March 2024. Taxes on income in the interim periods are accrued using the effective tax rate that would be applicable to expected total annual profit or loss.

2. Segmental information

IFRS 8 'Operating segments' requires the Group to determine its operating segments based on information which is provided internally. Based on the internal reporting information and management structures within the Group, it has been determined that there are two operating segments (September 2023: two operating segments). The Group's reportable operating segments have therefore been identified as follows:

- Auto Trader - includes the results of Auto Trader and AutoConvert in respect of online marketplace advertising of motor vehicles and other related products and services in the digital automotive marketplace including of motor vehicles and other related products and services in the digital automotive marketplace including profit from the Dealer Auction joint venture.

- Autorama - the results of Autorama in respect of a marketplace for leasing new vehicles and other related products and services.

Management has determined that there are two operating segments in line with the nature in which the Group is managed. The reports reviewed by the Operational Leadership Team ('OLT'), which is the chief operating decision-maker ('CODM') for both segments, splits out operating performance by segment. The OLT is made up of the Executive Directors and Key Management and is responsible for the strategic decision-making of the Group. Revenue and cost streams for each operating segment are largely independent in the reporting period.

The OLT primarily uses the measures of Revenue and Operating profit to assess the performance of each operating segment. The revenue from external parties reported to the OLT is measured in a manner consistent with that in the income statement. There are no inter-segment revenues in the current or comparative periods.

Analysis of the Groups' revenue and results for both reportable segments, with a reconciliation to Group profit before tax is shown below:

6 months to September 2024	**Auto Trader segment £m**	**Autorama segment £m**	**Group central costs £m**	**Group £m**
Total segment revenue	283.5	19.0	-	**302.5**
People costs	(46.6)	(3.9)	-	**(50.5)**
Marketing	(11.2)	(1.9)	-	**(13.1)**
Costs of goods sold	-	(13.5)	-	**(13.5)**
Digitals services tax	(5.1)	-	-	**(5.1)**
Other costs	(21.7)	(1.7)	-	**(23.4)**
Depreciation & amortisation	(3.2)	(0.8)	(6.3)	**(10.3)**
Total segment costs	(87.8)	(21.8)	(6.3)	**(115.9)**
Share of profit from joint ventures	1.8	-	-	**1.8**
Total segment operating profit/(loss)	**197.5**	**(2.8)**	**(6.3)**	**188.4**
Finance costs - net				**(0.9)**
Profit before tax				**187.5**

Group central costs which are not allocated within either of the segment operating profit/(loss) reported to the CODM comprise:

(i) Depreciation and amortisation: £6.3m (September 2023: £3.6m; March 2024: £10.0m) of amortisation expense relating to the fair value of intangible brand and technology assets acquired in the Group's business combination of Autorama.

(ii) People costs: in the September 2023 and March 2024 comparative periods, a £10.4m share-based payment expense relating to the Group shares issued as part of the deferred consideration for Autorama which was fully settled in the prior period. A further £0.7m was settled in cash.

6 months to September 2023	**Auto Trader segment £m**	**Autorama segment £m**	**Group central costs £m**	**Group £m**
Total segment revenue	259.4	21.1	-	**280.5**
People costs	(39.3)	(6.7)	(11.1)	**(57.1)**
Marketing	(12.3)	(2.6)	-	**(14.9)**
Costs of goods sold	-	(14.0)	-	**(14.0)**
Other costs	(21.4)	(2.1)	-	**(23.5)**
Depreciation & amortisation	(2.8)	(1.3)	(3.6)	**(7.7)**
Total segment costs	(75.8)	(26.7)	(14.7)	**(117.2)**
Share of profit from joint ventures	1.3	-	-	**1.3**
Total segment operating profit/(loss)	184.9	(5.6)	(14.7)	**164.6**
Finance costs - net				**(1.8)**
Profit before tax				**162.8**

Year to March 2024	**Auto Trader segment £m**	**Autorama segment £m**	**Group central costs £m**	**Group £m**
Total segment revenue	529.7	41.2	-	**570.9**
People costs	(81.5)	(10.9)	(11.1)	**(103.5)**
Marketing	(22.3)	(4.0)	-	**(26.3)**
Costs of goods sold	-	(28.2)	-	**(28.2)**
Other costs	(44.2)	(4.5)	-	**(48.7)**
Depreciation & amortisation	(5.9)	(2.4)	(10.0)	**(18.3)**
Total segment costs	(153.9)	(50.0)	(21.1)	**(225.0)**
Share of profit from joint ventures	2.8	-	-	**2.8**
Total segment operating profit/(loss)	**378.6**	**(8.8)**	**(21.1)**	**348.7**
Finance costs - net				**(3.5)**
Profit before tax				**345.2**

3. Revenue

The Group's revenue is derived from contracts with customers. All revenues were earned from activities and customers in the United Kingdom.

In the following table, the Group's revenue is detailed by customer type. This level of detail is consistent with that used by management to assist in the analysis of the Group's revenue-generating trends.

	September 2024 £m	September 2023 £m	March 2024 £m
Retailer	**239.3**	220.7	450.0
Home Trader	**8.3**	6.2	13.4
Other	**6.5**	6.1	12.3
Trade	**254.1**	233.0	475.7
Consumer Services	**23.0**	20.1	39.6
Manufacturer and Agency	**6.4**	6.3	14.4
Autorama	**19.0**	21.1	41.2
Total revenue	**302.5**	280.5	570.9

4. Net finance costs

	September 2024 £m	September 2023 £m	March 2024 £m
On bank loans and overdrafts	**0.7**	1.5	3.0
Amortisation of debt issue costs	**0.3**	0.3	0.6
Interest unwind on lease liabilities	**-**	0.1	0.1
Interest on vehicle stocking loan	**0.2**	0.1	0.3
Interest receivable on cash and cash equivalents	**(0.3)**	(0.2)	(0.5)
Total net finance costs	**0.9**	1.8	3.5

5. Income taxes

	September 2024 £m	September 2023 £m	March 2024 £m
Total income tax expense	**47.9**	46.0	88.3

The taxation charge recognised is based on management's best estimate of the effective tax rate for the full year of 25.5% (September 2023: 28.1%) applied to the profit before taxation of the interim period. The taxation charge for the period is higher than (2023: higher than) the standard rate of UK corporation tax of 25% (September 2023: 25%) due to non-deductible expenses for tax.

6. Earnings per share

Basic earnings per share is calculated using the weighted average number of ordinary shares in issue during the period, excluding those held in treasury and by the Employee Share Option Trust ('ESOT'), based on the profit for the period attributable to shareholders.

	Weighted average number of ordinary shares	Total earnings £m	Pence per share
Six months ended September 2024			
Basic EPS	**896,681,990**	**139.6**	**15.56**
Diluted EPS	**899,449,245**	**139.6**	**15.52**
Six months ended September 2023			
Basic EPS	916,651,179	116.8	12.74
Diluted EPS	918,647,739	116.8	12.71
Year ended March 2024			
Basic EPS	912,582,172	256.9	28.15
Diluted EPS	915,302,568	256.9	28.07

The difference between the basic and diluted weighted average number of shares represents the dilutive impact of the Share Incentive Plan, Performance Share Plan, Deferred Annual Bonus, Single Incentive Plan Award and Sharesave scheme, which are conditional on a service condition and, in the comparative periods, the dilutive impact of shares issued as deferred consideration for the acquisition of Autorama, which were conditional on a service condition.

The average number of shares in issue during the period is reconciled to the basic and diluted weighted average number of shares below:

	6 months ended 30 September 2024	6 months ended 30 September 2023
Weighted average ordinary shares in issue	**901,529,820**	921,172,753
Less weighted effect of ordinary shares held in treasury	**(4,541,376)**	(4,183,560)
Less weighted effect of shares held in the ESOT	**(306,454)**	(338,014)
Weighted average number of shares for basic EPS	**896,681,990**	916,651,179
Dilutive impact of share options outstanding	**2,767,254**	1,996,560
Weighted average number of shares for diluted EPS	**899,449,244**	918,647,739

The average market value of the Group's shares, for the purpose of calculating the dilutive effect of share-based incentives, was based on quoted market prices for the period during which the share-based incentives were outstanding.

7. Intangible assets

Software &

	Goodwill £m	website development costs £m	Brand £m	Other £m	Total £m
Opening balance at 1 April 2024	427.6	14.6	36.0	9.5	487.7
Additions	-	-	-	-	-
Amortisation charge	-	(1.4)	(5.6)	(0.7)	(7.7)
Closing balance at 30 September 2024	**427.6**	**13.2**	**30.4**	**8.8**	**480.0**

	Goodwill £m	Software & website development costs £m	Brand £m	Other £m	Total £m
Opening balance at 1 April 2023	427.6	17.4	43.9	12.1	501.0
Additions	-	0.6	-	-	0.6
Amortisation charge	-	(1.6)	(2.4)	(1.5)	(5.5)
Closing balance at 30 September 2023	427.6	16.4	41.5	10.6	496.1

At 30 September 2024, the Group assessed indicators over the impairment of goodwill relating to its Digital and Autorama cash generating units. No indicators were identified at this date. A full annual impairment test will be carried out by the financial year end in line with IAS 36: Impairment of non-financial assets.

In the prior period, the useful economic life of the 'Vanarama' brand was reduced from ten years to five years from the date of acquisition. This change in accounting estimate was applied prospectively from 1 October 2023 in line with IAS. 38: Intangible assets. The change was the result of the faster than anticipated integration of Autorama. The impact of this can be seen in the Brand amortisation charge for the period of £5.6m (H1 2024: £2.4m).

8. Property, plant and equipment

	Land, buildings and leasehold improvements £m	Office equipment £m	Motor vehicles £m	Work in progress £m	Total £m
Opening balance at 1 April 2024	10.8	3.7	0.4	-	14.9
Additions	0.2	0.6	0.2	0.5	1.5
Disposals	(0.1)	(0.1)	(0.3)	-	(0.5)
Depreciation charge	(1.7)	(0.8)	(0.1)	-	(2.6)
Closing balance at 30 September 2024	**9.2**	**3.4**	**0.2**	**0.5**	**13.3**

	Land, buildings and leasehold improvements £m	Office equipment £m	Motor vehicles £m	Work in progress £m	Total £m
Opening balance at 1 April 2023	11.3	3.8	0.8	-	15.9
Additions	1.5	0.9	0.1	-	2.5
Disposals	(0.2)	-	(0.1)	-	(0.3)
Depreciation charge	(1.3)	(0.7)	(0.2)	-	(2.2)
Closing balance at 30 September 2023	11.3	4.0	0.6	-	15.9

Included within property, plant and equipment are £3.9m (September 2023: £5.5m) of assets recognised as leases under IFRS 16. During the period a depreciation expense of £2.6m (September 2023: £2.2m) has been recorded in operating costs.

During the period we announced the relocation of our head office. The associated capital expenditure to date of £0.5m can be seen in Work in Progress.

9. Leases

The Group has right-of-use assets which comprise of property and motor vehicles which are held within property, plant and equipment. Information about leases for which the Group is a lessee is presented below.

Analysis of property, plant and equipment between owned and leased assets	**September 2024 £m**	September 2023 £m	March 2024 £m
Property plant and equipment owned	**9.4**	10.4	9.9
Right-of-use assets	**3.9**	5.5	5.0
	13.3	15.9	14.9

Right-of-use assets

	Property £m	Vehicles £m	Office equipment £m	Total £m
Opening balance at 1 April 2024	4.4	0.4	0.2	5.0
Additions	-	0.2	0.1	0.3

Disposals	-	(0.2)	-	(0.2)
Depreciation	(1.0)	(0.1)	(0.1)	(1.2)
Closing balance at 30 September 2024	**3.4**	**0.3**	**0.2**	**3.9**

	Property £m	**Vehicles £m**	**Office equipment £m**	**Total £m**
Opening balance at 1 April 2023	5.8	0.5	0.2	6.5
Additions	-	0.1	-	0.1
Depreciation	(0.9)	(0.2)	-	(1.1)
Closing balance at 30 September 2023	4.9	0.4	0.2	5.5

Lease liabilities	**September 2024 £m**	September 2023 £m	March 2024 £m
Current	**2.2**	2.4	2.4
Non-current	**1.6**	3.6	2.4
Total	**3.8**	6.0	4.8

10. Trade and other receivables

	September 2024 £m	September 2023 £m	March 2024 £m
Trade receivables (invoiced)	**31.7**	31.1	32.7
Net accrued income	**44.4**	42.7	42.8
Trade receivables (total)	**76.1**	73.8	75.5
Prepayments	**9.2**	5.6	6.8
Other receivables	**0.4**	0.3	1.0
Total	**85.7**	79.7	83.3

11. Trade and other payables

	September 2024 £m	September 2023 £m	March 2024 £m
Trade payables	**4.0**	3.6	3.9
Accruals	**14.0**	20.7	17.7
Other taxes and social security	**25.9**	20.4	25.2
Deferred income	**6.0**	6.5	7.3
Digital services tax	**5.1**	-	-
Vehicle stocking loan	**3.6**	4.3	2.1
Other payables	**1.9**	4.6	3.7
Accrued interest payable	**0.2**	0.3	0.2
Total	**60.7**	60.4	60.1

12. Retirement benefit obligations

The Group operates several pension schemes in the UK. All except one are defined contribution schemes.

Defined contribution scheme

In the period, the pension contributions to the Group's defined contribution scheme amounted to £2.3m (September 2023: £1.9m; March 2024: £4.1m). At 30 September 2024, £0.8m (September 2023: £0.7m; March 2024: £0.7m) of pension contributions were outstanding relating to the Group's defined contribution scheme.

Defined benefit scheme

The defined benefit pension scheme provides benefits based on final pensionable pay. The scheme has been closed to future members since 30 April 2006 and there are no remaining active members within the scheme. New employees after that date have been offered membership of the Group's defined contribution scheme.

In October 2022, the scheme purchased a bulk annuity policy (known as a buy-in) from Just Retirement Limited ('Just Retirement') for £15.4m, which was funded by a £1.0m contribution by the Company along with existing scheme assets. This policy secured the full benefits of all scheme members, which as at the remeasurement date amounted to £13.7m. Given the financial strength of Just Retirement, this buy-in substantively removes the risk of further contributions being required from the Company to provide benefits to members, beyond those noted below.

The most recent actuarial valuation of the defined benefit obligations was performed as at 30 September 2024 by a qualified independent actuary. The amounts recognised in the Consolidated balance sheet are determined as follows:

	September 2024 £m	September 2023 £m	March 2024 £m
Present value of funded obligations	**12.6**	12.4	13.4
Fair value of plan assets	**(12.9)**	(12.9)	(14.0)
Net asset recognised in the Consolidated balance sheet	**(0.3)**	(0.5)	(0.6)

During the year ending 31 March 2020, the Trustees of the scheme sought legal advice which concluded that the Company has an unconditional right to a refund of surplus from the scheme, if the scheme were to be run-off until the final beneficiary died. As a result, the Group has concluded that the recognition restrictions of IFRIC14 do not apply, and therefore has recognised the accounting surplus of £0.3m and an associated deferred tax liability of £0.1m in the Consolidated balance sheet.

No amounts were charged to the Consolidated income statement in the current and prior periods.

The amounts recognised in the Consolidated statement of comprehensive income are as follows:

	September 2024 £m	September 2023 £m	March 2024 £m
Return on Scheme assets recognised in net interest	**0.9**	1.3	0.5
Actuarial gains due to changes in assumptions	**(0.5)**	(1.7)	(0.7)
Actuarial losses due to liability experience	**-**	0.5	0.3
Deferred tax on surplus	**(0.1)**	-	-
Total amounts recognised within the Consolidated statement of comprehensive income	**0.3**	0.1	0.1

Movements during the period in the post-employment defined benefit obligations are set out as below:

	September 2024 £m	September 2023 £m	March 2024 £m
At beginning of period	**(0.6)**	**(0.5)**	(0.5)
Past service cost	**-**	**-**	-
Contributions paid to scheme	**(0.1)**	**-**	(0.1)
Remeasurement and experience losses	**0.4**	**-**	-
Closing post-employment benefit obligation	**(0.3)**	**(0.5)**	(0.6)

13. Dividends

Dividends declared and paid in the period were as follows:

	September 2024		September 2023	
	Pence per share	**£m**	Pence per share	£m
2024 final dividend paid	**6.4**	**57.3**	-	-
2023 final dividend paid	**-**	**-**	5.6	51.3
Total	**6.4**	**57.3**	5.6	51.3

An interim dividend of 3.5 pence per share for the six months to September 2024 (September 2023: 3.2 pence per share) has been declared by the Directors, totalling £31.5m (September 2023: £29.5m) based on the number of shares eligible for the distribution as at 30 September 2024. The interim dividend is payable on 24 January 2025 to shareholders on the register at the close of business on 3 January 2025. No provision has been made for the interim dividend and there are no income tax consequences.

14. Borrowings

Non-current	**September 2024 £m**	September 2023 £m	March 2024 £m
Syndicated RCF gross of unamortised debt issue cost	**-**	52.0	30.0
Unamortised debt issue costs on Syndicated RCF	**-**	(2.2)	(2.3)
Total borrowings	**-**	49.8	27.7

Current	**September 2024 £m**	September 2023 £m	March 2024 £m
Loan from other investment	**-**	1.1	-
Total	**-**	1.1	-
Total borrowings	**-**	50.9	27.7

Unamortised debt issue costs on the Syndicated RCF, which are now within Prepayments in 2024, reduced to £2.0m in the year (September 2023: £2.2m).

Borrowings are repayable as follows:

	September 2024 £m	September 2023 £m	March 2024 £m
Less than one year	**-**	1.1	-
Within two to five years	**-**	52.0	30.0
Total	**-**	53.1	30.0

The carrying amounts of borrowings approximate their fair values.

Syndicated revolving credit facility ('Syndicated RCF')
The Group has access to a £200.0m unsecured Syndicated RCF. In February 2024, the Group extended the term of the Syndicated RCF by one year to February 2029 plus an additional one-year extension option with no tranche terminations. There is no requirement to settle all or part of the facility before the termination date.

The Syndicated RCF has financial covenants linked to interest cover and the consolidated debt cover of the Group:

- Net bank debt to EBITDA must not exceed 3.5:1

- Net bank debt to EBITDA must not exceed 3.5:1.
- EBITDA to Net Interest Payable must not be less than 3.0:1.

All financial covenants of the facility have been complied with throughout the period.

Loan from other investment

In the prior year, the Group's wholly owned subsidiary, Autorama Holding (Malta) Limited, elected to transfer the insurance portfolio held in a protected insurance cell with Advent Insurance PCC Limited to Atlas Insurance PCC Limited. As part of this process, Advent Insurance PCC Limited issued a loan to Autorama Holding (Malta) Limited to fund the investment in the new protected insurance cell until the portfolio transfer was complete. This process was completed during the prior year and the loan was repaid. As at 31 March 2024, £nil was recognised on the Consolidated balance sheet (September 2023: £1.1m).

15. Cash generated from operations

	6 months to September 2024 £m	6 months to September 2023 £m	Year to March 2024 £m
Profit after taxation	**139.6**	116.8	256.9
Adjustments for:			
Taxation	**47.9**	46.0	88.3
Depreciation	**2.6**	2.2	4.8
Amortisation	**7.7**	5.5	13.5
Share-based payments charge (excluding associated NI)	**5.5**	3.6	7.5
Deferred contingent consideration	**-**	10.4	10.4
Share of profit in joint ventures	**(1.8)**	(1.3)	(2.8)
Loss/(profit) on sale of property, plant and equipment	**-**	0.2	0.3
Net finance costs	**0.9**	1.8	3.5
Research and Development Expenditure Credit	**-**	-	(0.1)
Changes in working capital:			
Trade and other receivables	**(0.4)**	(6.8)	(10.4)
Trade and other payables	**0.3**	6.4	6.0
Inventory	**(0.7)**	(0.6)	1.0
Provisions	**-**	-	0.1
Cash generated from operations	**201.6**	184.2	379.0

16. Share capital

	As at 30 September 2024		As at 30 September 2023		As at 31 March 2024	
	Number '000	**Amount £m**	Number '000	Amount £m	Number '000	Amount £m
Allotted, called-up and fully paid ordinary shares of 1p each						
At beginning of period	907,214	9.2	923,075	9.3	923,075	9.3
Purchase and cancellation of own shares	(8,487)	(0.2)	(10,404)	(0.1)	(23,711)	(0.2)
Issue of ordinary shares	-	-	7,850	0.1	7,850	0.1
Total	**898,727**	**9.0**	920,521	9.3	907,214	9.2

During the period, 8.5m shares were purchased for cancellation (September 2023: 10.4m; March 2024: 23.7m) and nil shares were purchased for treasury (September 2023: nil; March 2024: 1.5m). The average price per share was 764.5p (H1 2024: 632.6p) for a total consideration of £64.9m (H1 2024: £65.8m) before transaction costs of £0.3m (H1 2024: £0.3m).

During the prior period, 7.8m shares were issued to settle the deferred consideration relating to the Autorama acquisition.

Included within shares in issue at 30 September 2024 are 299,708 (September 2023: 336,195; March 2024: 312,831) shares held by the ESOT and 3,870,305 (September 2023: 3,970,907; March 2024: 4,899,346) shares held in treasury, as detailed in note 17.

17. Own shares held

Own shares held - £m	**ESOT shares reserve £m**	**Treasury shares £m**	**Total £m**
Own shares held as at 1 April 2023	(0.4)	(25.6)	(26.0)
Repurchase of own shares for treasury	-	(11.1)	(11.1)
Share-based incentives exercised	-	5.8	5.8
Own shares held as at 1 April 2024	(0.4)	(30.9)	(31.3)
Share-based incentives exercised	-	6.5	6.5
Own shares held as at 30 September 2024	**(0.4)**	**(24.4)**	**(24.8)**

	ESOT shares reserve	**Treasury shares**	**Total**

Own shares held - number	ESOT shares Number of shares	Treasury Number of shares	Total Number of shares
Own shares held as at 1 April 2023	340,196	4,371,505	4,711,701
Transfer of shares from ESOT	(27,365)	-	(27,365)
Repurchase of own shares for treasury	-	1,496,445	1,496,445
Share-based incentives exercised	-	(968,604)	(968,604)
Own shares held as at 31 March 2024	312,831	4,899,346	5,212,177
Transfer of shares from ESOT	(13,123)	-	(13,123)
Share-based incentives exercised	-	(1,029,041)	(1,029,041)
Own shares held as at 30 September 2024	**299,708**	**3,870,305**	**4,170,013**

18. Share-based payments

The Group currently operates five share plans: the Share Incentive Plan, Performance Share Plan, Deferred Annual Bonus, Single Incentive Plan Award and the Sharesave scheme.

All share-based incentives are subject to a service condition. Such conditions are not taken into account in the fair value of the service received. The fair value of services received in return for share-based incentives is measured by reference to the fair value of share-based incentives granted. Black-Scholes and Monte Carlo models have been used where appropriate to calculate the fair value of share-based incentives with market conditions.

The total charge in the period relating to the five schemes was £7.0m (September 2023: £3.5m; March 2024: £8.2m). This included associated national insurance ('NI') at the rate at which management expects to be effective when the awards are exercised (13.80%), and apprenticeship levy at 0.5%, based on the share price at the reporting date.

The share-based payment charge reported in the prior six-month period includes £10.4m relating to deferred share-based payment consideration relating to the acquisition of Autorama, making a total combined charge of £14.0m (excluding associated NI).

	September 2024 £m	September 2023 £m	March 2024 £m
Sharesave scheme ('SAYE')	**0.3**	0.4	0.7
Performance Share Plan ('PSP')	**1.2**	1.1	2.1
Deferred Annual Bonus Plan and Single Incentive Plan Award	**4.0**	2.1	4.7
NI and apprenticeship levy on applicable schemes	**1.5**	(0.1)	0.7
Total charge from ongoing share schemes	**7.0**	3.5	8.2
Share-based payments relating to Autorama acquisition	**-**	10.4	10.4
Total charge	**7.0**	13.9	18.6
Total charge excluding NI	**5.5**	14.0	17.9

Share Incentive Plan

In 2015, the Group established a Share Incentive Plan ('SIP'). Eligible employees were awarded free shares (or nil-cost options in the case of employees in Ireland) valued at £3,600 each based on the share price at the time of the Company's admission to the Stock Exchange in March 2015. Shares issued to satisfy the SIP were purchased by the Employee Share Option Trust ('ESOT').

UK SIP	**September 2024 Number**	September 2023 Number	March 2024 Number
Outstanding at beginning of period	**68,950**	96,315	96,315
Options exercised in the period	**(13,123)**	(4,001)	(27,365)
Outstanding at period ending	**55,827**	92,314	68,950

Performance Share Plan

The Group operates a Performance Share Plan ('PSP') for Executive Directors and the extent to which awards vest will depend upon the Group's performance over the three-year period following the award date. Both market based and non-market based performance conditions may be attached to the options, for which an appropriate adjustment is made when calculating the fair value of an option. If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Group before the options vest, unless under exceptional circumstances.

On 20 September 2024, the Group awarded 457,203 nil cost options under the PSP scheme. For the 2024 awards, the Group's performance is measured by reference to growth in Earnings per Share (70% of the award), Revenue (20% of the award) and Carbon Reduction (10% of the award) over the period to March 2027.

	September 2024 Number	September 2023 Number	March 2024 Number
Outstanding at beginning of period	**1,116,040**	1,399,984	1,399,984
Options granted in the period	**457,203**	355,183	355,183
Dividend shares awarded	**14,018**	-	-
Options exercised in the period	**(373,318)**	(9,130)	(47,547)
Options forfeited in the period	**(11,421)**	(591,580)	(591,580)
Outstanding at period ending	**1,202,522**	1,154,457	1,116,040

Deferred Annual Bonus Plan

The Group operates a Deferred Annual Bonus Plan ('DABP') for Executive Directors. Awards under the plan are contingent on the satisfaction of pre-set internal targets relating to financial and operational objectives. The extent to which the awards vest will depend upon the satisfaction of the Group's financial and operational performance in the which the awards vest will depend upon the satisfaction of the Group's financial and operational performance in the financial year of the award date (the 'Performance Conditions'). The awards will vest on the second anniversary of the date the Remuneration Committee determines that the Performance Conditions have been satisfied (the 'Vesting Period'). Awards are potentially forfeitable during that period should the employee leave employment. The DABP awards have been valued using the Black-Scholes method where appropriate and the resulting share-based payments charge is being spread evenly over the combined Performance Period and Vesting Period of the shares, being three years.

On 26 June 2024, the Group awarded 115,501 nil cost options under the DABP.

	September 2024 Number	September 2023 Number	March 2024 Number
Outstanding at beginning of period	**212,034**	108,704	108,704
Options granted in the period	**115,501**	103,330	103,330
Dividend shares awarded	**2,992**	-	-
Options exercised in the period	**(111,696)**	-	-
Outstanding at period ending	**218,831**	212,034	212,034

Single Incentive Plan Award

The Group operates a Single Incentive Plan Award ('SIPA') for the Operational Leadership Team and certain key employees. The extent to which awards vest will depend upon the satisfaction of the Group's financial and operational performance in the financial year of the award date (the 'Performance Conditions'). The awards will vest in tranches, with the first tranche vesting on the date on which the Remuneration Committee determines that the Performance Conditions have been satisfied, and subsequent tranches vesting on the first and second anniversary of this date, subject to continuing employment.

On 26 June 2024, the Group awarded 572,377 nil cost options under the SIPA scheme for the Operational Leadership Team and certain key employees. For the 2024 awards, 75% of the award value is dependent on FY25 Operating Profit and the remaining 25% is subject to successful implementation of digital retailing related products by 31 March 2025. The fair value of the 2024 award was determined to be £7.44 per option, being the mid-market price for the three months leading up to the grant date.

During the prior year, the Group announced a new All-Employee Single Incentive Plan Award ('All-Employee SIPA') that rewards employees with an extra 10% of their salary in shares. The awards will vest in tranches, with the first tranche vesting on the first anniversary of the grant date and subsequent tranches vesting on the first and second anniversary of this date, subject to continuing employment.

	September 2024 Number	September 2023 Number	March 2024 Number
Outstanding at beginning of period	**2,513,318**	1,517,766	1,517,766
Options granted in the period	**572,377**	618,497	1,667,992
Dividend shares awarded	**12,273**	10,180	10,239
Options exercised in the period	**(491,880)**	(337,214)	(515,383)
Options forfeited in the period	**(105,308)**	(142,859)	(167,296)
Outstanding at period ending	**2,500,780**	1,666,370	2,513,318

Sharesave scheme

The Group operates a Sharesave ('SAYE') scheme for all employees under which employees are granted an option to purchase ordinary shares in the Company at up to 20% less than the market price at invitation, in three years' time, dependent on their entering into a contract to make monthly contributions into a savings account over the relevant period. Options are granted and are linked to a savings contract with a term of three years. These funds are used to fund the option exercise. No performance criteria are applied to the exercise of Sharesave options.

Expected volatility is estimated by considering historic average share price volatility at the grant date. The requirement that an employee has to save in order to purchase shares under the Sharesave plan is a non-vesting condition. This feature has been incorporated into the fair value at grant date by applying a discount to the valuation obtained from the Black-Scholes pricing model.

	September 2024 Number	September 2023 Number	March 2024 Number
Outstanding at beginning of period	**856,958**	1,366,352	1,366,352
Options granted in the period	**489,713**	-	-
Options exercised in the period	-	(54,254)	(407,221)
Options lapsed in the period	**(50,600)**	(57,304)	(102,173)
Options cancelled in the period	**(30,190)**	-	-
Outstanding at period ending	**1,265,881**	1,254,794	856,958

19. Related party transactions

The Company is the ultimate parent entity of the Group. Intercompany transactions with wholly owned subsidiaries have been excluded from this note, as per the exemption offered in IAS 24.

Dealer Auction Limited

The Group transacted the following related party transactions with its joint venture, Dealer Auction Limited (previously Dealer Auction (Holdings) Limited) and its subsidiaries (together 'Dealer Auction'), during the period. The Group provided data services to Dealer Auction under a licence agreement established as part of the formation of the joint venture in January 2019. The value of services provided to Dealer Auction was £0.3m (September 2023: £0.3m) and has been recognised within revenue. On 30 September 2024, deferred income outstanding in relation to the license agreement was £8.0m (September 2023: £8.6m).

Key management personnel

Key management personnel share plan awards have been outlined in note 18.

20. Forward looking statements

This report includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward-looking statements to reflect events or developments occurring after the date of this report.

INDEPENDENT REVIEW REPORT TO AUTO TRADER GROUP PLC

Conclusion

We have been engaged by Auto Trader Group plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 which comprises the consolidated interim income statement, consolidated interim statement of comprehensive income, consolidated interim balance sheet, consolidated interim statement of changes in equity and consolidated interim statement of cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

David Derbyshire

for and on behalf of KPMG LLP

Chartered Accountants

1 St Peter's Square

Manchester

M2 3AE

7 November 2024

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