

Financial Review

Abstract

What is needed to be known and what is relevant in any business is not dependent on the size, expanse, the market positioning of the company or the type of business that is being operated. To understand the performance and make informed decisions in today's highly competitive fast paced world of business is vitally important for sustainability or growth of the business irrespective of product or service.

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Assignment 2 Essay

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Introduction

Over the years financial ratios have been developed to better understand the complexity of financial management of businesses. Particularly, the performance, health and profitability of a business to better enable making the right informed decisions and the right time that are extremely important to any business. The key drivers of business are income and outgoings with great consideration for everything else that lies under these key elements. and everything that falls within these key drivers. During this module, topic areas that have been addressed are aspects of: Finance and Ethics, Financial Statements, Balance sheets, Cashflow and Working Capital, Costing Methodologies and Financial Ratios. The purpose of the document is to provide an overview of comprehension and understanding of financial management. Demonstrating financial ratios and applying them from various categories, specifically: Liquidity, Activity, Profitability, Leverage and Investor, to the recent activities of Austin Martin Laguna to demonstrate an understanding of financial management and give an unbiased review of the results. Two business model examples have been mentioned that have evolved over decades which are completely different but today would use exactly the same financial business tools to get the same information that is critical to today's financial management.

Is History Repeating Itself?

Austin Martin founded 1913 by Lionel Martin and Robert Bamford, to sell Singer cars, Lionel raced special cars at Aston Hill and they decided to make their own cars. The first creation was a Martin engine fitted to a 1908 Isotta-Fraschini chassis made in 1915. However, production was not started due to the First World War and Sopwith Aviation Company bought their equipment. After the war Austin Martin moved to Abingdon Road and designed a new car, Bamford left the company in 1920. Between 1922 and 1924 the French Grand Prix was won and speed and endurance records set at Brooklands, during this period 55 cars were built, but company went bankrupt in 1924 and taken on by Lady Dorothea Charnwood putting her son in charge, again bankruptcy followed in 1925. The factory closed in 1926 when Lionel Martin left. During the period 1926 – 1937 the company had to be rescued in 1932 when they switch focus to road cars producing around 700 when production halted due to World War Two when they produced aircraft components. David Brown bought the business in 1947 and the DB2 announced in 1950 followed subsequent models (OSV, 2022). The 1964 DB5 featured as being 007 James Bond's car appeared in Goldfinger (Martin, 2023). 1972 saw financial problems again and was put in receivership in 1974. In 1987 Ford bought shares and then sold Austin Martin at auction in 2006. In 2013 a deal was signed with Daimler AG (Martin, 2023). The story goes on....

Aston Martin is certainly a niche high-end luxury sports car with a specific target buyer. By contrast Tesco has a market that focuses on supplying a much lower end market, targeting everyday household items. Irrespective of the market place being targeted, business financial management is equally as important to both.

Financial Management, Categories of Ratios and their uses.

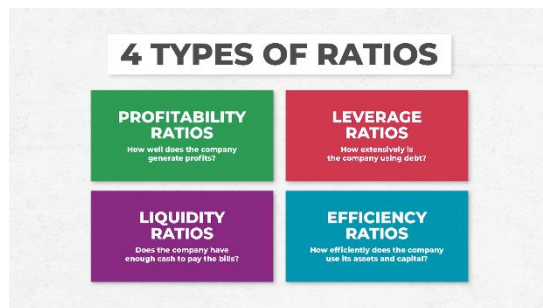
There are many financial ratios with specific aims and outcomes of the each of the ratios providing crucial, critical management information. There are ratios and formulars that could be used to forecast projection. These ratios all have individual application that provide results to the business that can enable it to overt a financial crisis, maintain sustainability or grow.

The ratios explained, used and the ones applied in this paper only relate to past trading activities so the data used and the information they provide are limited in their use as all of it is historical and retrospective, this does not mean that the results provided are not useful as they may be used identify potential problem areas and steer the business to focus on areas where improvements need to be made or other opportunities exist. Grouped below under varying headings are ratios that are specifically applied to provide accurate data results that can be analysed to understand performance, health and strength of a business, these ratios are important (Banejee, 2023). The ratios used in this paper are as follows:

Financial Ratios Used

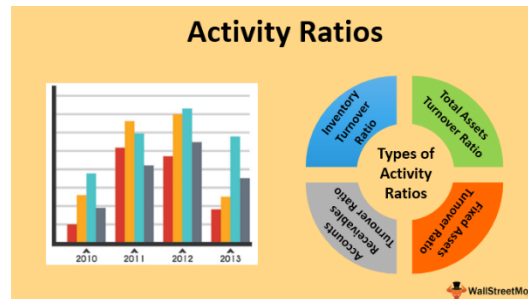
Examples of some of the types of financial ratios (*figures 1 and 2*) explored during this module, explanations as outlined below, along with the elements that sits within these ratios and their uses demonstrate further on in this paper.

Figure 1. [OBJ]



(nic, 2021).

Figure 2.



(Ramachandran, 2023).

It is important to note that under each ratio heading that there is more than one ratio that can be calculated, each one giving great depth of analysis insight shown that what is initially visible may not be the true extent. Therefore, it needs to be understood that the more of these ratios are used, the clearer view and the better the understand of the business health, strength, viability, sustainability, and profitability is presented.

Liquidity Ratios

Identify the solvency of the business, in other words, is there enough cash in the business and does it have the ability to pay it is bills (Hayes, 2022).

Leverage Ratios

This set of ratios that shows the effectivity as to how the business manages, debt and equity, financing the operations and company assets (CFI Team, 2022).

Activity Ratios

Indicators of how efficient the company operation is and how its assets and/or its capital is being used (CFI Team, 2022).

Profitability Ratios

These are used to assess how well a business generates earnings in relation to its revenue and operating costs, how well the business utilises assets to generate profit and value for its shareholders equity.

This set of ratios that shows the business debt and equity, financing the operations and company assets (Smith, 2021).

Investor Ratios

This set of ratios indicates to investors dividends, returns and securities of investments in line with the net income of the business (Hayes, 2022).

Liquidity Ratios

Current = current assets / current liabilities

This is considered a Low Level Test. A value of less than one implies that the business is not capable of meeting its current financial commitments (Fernando, 2022).

Quick = current assets less stock / current liabilities

Known as the Acid Test. The greater the value above one implies that the business is good position of meeting its current financial commitments. It ignores any stock value as this may not be sold (Hayes, 2022).

Cash = current assets / current liabilities

A High Level Test. Here a value above 0.5 implies that the business is not capable of meeting its current financial commitments, as it only looks a cash or cash equivalents (Kenton, 2022).

Leverage Ratios

Gearing % = (non-current liabilities / Long term liabilities + share equity) * 100

This looks at the comparison between shareholder equity and the business debt, this gives an indication of sustainability (Kenton, 2022).

Long term Debt – Equity % = (long term debt / stockholders' equity) * 100

This is considered a health check, looks at the business long term debt to assets a value of less than 50% can be considered good (Kenton, 2020).

Debt – Equity % = (total liabilities / stockholders' equity) * 100

Looks at debt versus equity, if the result is greater than 100% it means the business has more debt than assets (Hayes, 2022).

Interest Coverage % = (operating profit / interest charged) * 100

This looks at the businesses ability to meet financial obligations and service debt payment, the higher the result the better the business is positioned (Hayes, 2020).

Activity Ratios

Days Sales Outstanding (DSO) = Trade and other receivables / Average Revenue per Day

This refers to the average number of days taken to collect payment after a sale is made. High figure indicates customers take a long time to pay (Kenton, 2022).

Days Payable Outstanding (DPO) = Trade and other payables / Average COGS per day

This refers to the average number of days taken to make payment after goods or services are received. High figure indicates the business takes a long time to pay suppliers (Hayes, 2022).

Inventory Turnover = Cost of Goods Sold (COGS) / Average Inventory Stock

This indicates how many times the business sold and replaced inventory; this is one of the efficiency ratios (Fernando, 2022).

Where Average Revenue per Day = Annual Revenue / 365

Where Average COGS per Day = Annual COGS / 365

Profitability Ratios

Gross Margin % = Gross Profit / Revenue * 100

This is the amount money the business makes after removing all costs for producing the goods have been subtracted (Bloomenthal, 2022).

Operating Profit % = Operating Profit / Net Sales * 100

This demonstrates efficiency, the business management of operating expense (OPEX) of the net sales (Murphy, 2021).

Net Profit % = Net Income / Revenue * 100

This is simply the amount of profit generated for each £ of revenue that comes into the business (Murphy, 2022).

Return on Assets % = Net Income / Net Assets * 100

Return on Equity % = Net Income / Share Holders Equity * 100

Investor Ratios

Earnings Per Ordinary Share (EPS) = net income (profit after tax) / # of shares

Estimates the business value and how much money it makes for each share of its shares the higher the value is better as it looks to investor that the business may have higher profits. (Fernando, 2022).

Dividend Cover (DCR) = (net income (profit after tax) / dividend proposed and paid) * 100%

Bottom line is that this is the number of times a business can pay dividends to its shareholders (CFI Team, 2022).

Price per Earnings = market value per share / EPS

This is the price the investor pays for £ a business earns (Melissa, 2022).

Dividend Yield = (dividend per share / market value per share) * 100%

This is the amount of money that businesses pay its shareholders in relation to the share stock price in the marketplace (Fernando, 2022).

Financial Results posted by Aston Martin Laguna

Financial Data by Period

Figure 3.

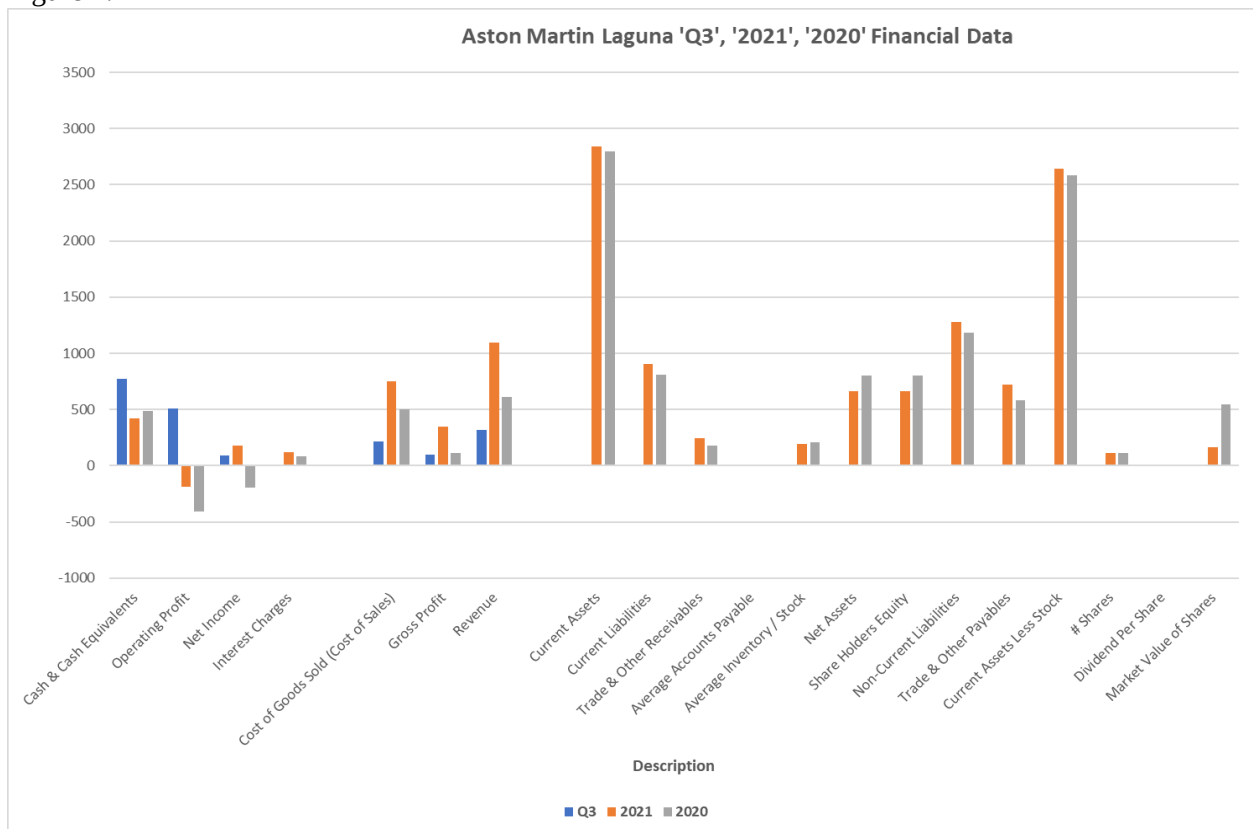
Usage			Q3	2021	2020
Cash flow	Cash flow	Cash & Cash Equivalents	771.8	418.9	489.4
		Operating Profit	510.1	-189.3	-410.5
		Net Income	91.4	178.9	-198.6
		Interest Charges		118.0	82.3
Acid Test	Calculated	Current Assets Less Stock	0.0	2645.7	2587.4
Income St	Income St	Gross Profit	98.1	343.7	111.1
		Revenue	315.5	1095.3	611.8
		Cost of Goods Sold (Cost of Sales)	217.5	751.6	500.7
		Current Assets		2842.5	2794.8
Financial	Financial	Current Liabilities		905.2	808.3
		Trade & Other Receivables		243.4	177.9
		Average Inventory / Stock		196.8	207.4
		Net Assets		660.4	804.1
		Share Holders Equity		660.4	804.1
		Non-Current Liabilities		1276.9	1182.4
		Trade & Other Payables		721.0	578.9
		# Shares		116.0	115.0
		Dividend Per Share	0.0	0.0	0.0
		Market Value of Shares (pence)		165.9	543.0
Gearing	Calculated	Long Term Liabilities + Share Equity	0.0	1937.3	1986.5
Gearing	Calculated	Total Liabilities	0.0	2842.5	2794.8

The table to the left (figure 3) shows the financial figures reported for the trading periods indicated.

The graph below (figure 4) gives a pictorial view of the data that sometimes helps in making it easier to spot trends.

Due to Q3 reporting only partial data and being a snap- shot of the business activities it is not possible to calculate all of the ratios for full

Figure 4.



Financial Ratio Results

Ratio Calculations and Results

		Q3		2021		2020	
	<u>Liquidity Ratios</u>						
Low Level Test	Current Assets	0		867.9		889.5	
	Current Liabilities	0.0		905.2		808.3	
	Current Ratio		#DIV/0!		0.96		1.10
Acid Test Check	Current Assets Less Stock	771.8		418.9		489.4	
	Current Liabilities	0.0		2645.7		2587.4	
	Quick Ratio		#DIV/0!		0.16		0.19
High Level Test	Cash & Cash Equivalents	771.8		418.9		489.4	
	Current Liabilities	0.0		905.2		808.3	
	Cash Ratio		#DIV/0!		0.46		0.61

		Q3		2021		2020	
Period	<u>Activity Ratios</u>	273		365		365	
DSO	Trade & Other Receivables	0		243.4		177.9	
	Total Credit Sales	0.00		721.00		578.90	
	Day Sales Outstanding		#DIV/0!		123.22		112.17
DPO	Trade and Other Payables * Period	0.0		721.0		578.9	
	Cost of Goods Sold	217.5		751.6		500.7	
	Day Payable Outstanding		0.00		350.14		422.01
IT	Cost of Goods Sold	217.5		751.6		500.7	
	Average Inventory / Stock	0		196.8		207.4	
	Inventory Turnover		#DIV/0!		3.82		2.41

		Q3		2021		2020	
	<u>Profitability Ratios</u>						
	Gross Profit	98.1		343.7		111.1	
	Revenue	315.5		1095.3		611.8	
	Gross Margin %		31.09%		31.38%		18.16%
	Operating Profit	510.1		-189.3		-410.5	
	Net Sales	315.5		1095.3		611.8	
	Operating Profit %		161.68%		-17.28%		-67.10%
	Net Income	91.4		178.9		-198.6	
	Revenue	315.5		1095.3		611.8	
	Net Profit %		28.97%		16.33%		-32.46%
	Net Income	91.4		178.9		-198.6	
	Net Assets	0		660.4		804.1	
	Return on Assets %		#DIV/0!		27.09%		-24.70%
	Net Income	91.4		178.9		-198.6	
	Share Holders Equity	0		660.4		804.1	
	Return on Equity %		#DIV/0!		27.09%		-24.70%

		Q3		2021		2020	
	<u>Leverage Ratios</u>						
Gearing	Non Current liabilities	0		1276.9		1182.4	
	Long Term Liabilities + Share Equity	0.0		1937.3		1986.5	
			#DIV/0!		0.66		0.60
Long term debt / Equity Ratio	Total Liabilities	0.0	2842.5	2794.8		2842.5	
	Net assets	0		660.4		804.1	
			#DIV/0!		4.23		3.54
Debt / Equity Ratios	Long Term Liabilities	660.4		1276.9		721.0	
	Share holders equity	0		660.4		804.1	
			#DIV/0!		1.93		0.90
Interest coverage	Operating Profit	510.1		-189.3		-410.5	
	Interest Charge	0		118		82.3	
			#DIV/0!		-1.60		-4.99

		Q3		2021		2020	
	<u>Investor Ratios</u>						
Earnings Per Share (EPS)	Net Income (Profit before tax)	91.4		178.9		-198.6	
	# Shares	0		116		115	
			#DIV/0!		1.54		-1.73
Dividend cover	EPS	#DIV/0!		1.54		-1.73	
	Dividend Per Share (DPS)	0		0		0	
			#DIV/0!		#DIV/0!		#DIV/0!
Price Earnings	Market value of Shares	0		165.9		543	
	EPS	#DIV/0!		1.54		-1.73	
			#DIV/0!		107.57		-314.43
Dividend Yield	Dividend per Share (DPS)	0		0		0	
	Market value of Shares	0		165.9		543	
			#DIV/0!		0.00%		0.00%

Financial Ratios Analysis

Liquidity Ratios

Q3 data cannot be calculated, however the based on 2021 and 2020 figures.

Current	The values of 0.96 and 1.10 respectively indicate that the business during 2020 was in a good position, but 2021 shows was not able to meet its current liabilities financial commitments.
Quick	Values 0.16 and 0.19 respectively indicate that the business is not in a good position and have insufficient cash to meet its current liabilities commitments.
Cash	The values 0.46 and 0.61 respectively indicate that the business is barely capable of meeting its current financial commitments, working within very tight margins.

Leverage Ratios

Q3 data cannot be calculated, however the based on 2021 and 2020 figures.

Gearing %	= 0.66 and 0.6
Long term Debt – Equity %	= 4.32 and 3.54
Debt – Equity %	= 1.93 and 0.90
Interest Coverage %	= -1.60 and -4.99

Activity Ratios

Q3 data cannot be calculated, however the based on 2021 and 2020 figures.

DSO	The values of 123.22 days and 112.17 days to collect payments, respectively.
DPO	The values of 350.14 days and 422.01 days to make payments for goods or services received.
IT	Here the values 3.82 and 2.41 indicate the number of times stock is rotated, i.e., sold and replaced. indicate a low rate of turnover.

Profitability Ratios

Q3 data cannot be fully calculated, only figures for Gross, Operating and Net have results for Q3 however all the ratios have been calculated for 2021 and 2020 figures.

Gross Margin % = 31.09%, 31.38% and 18.16% respectively.

The results show that the profit margins between 2020 and 2021 have almost doubled indicating that something has changed for the better, with Q3 appearing to be steady.

Operating Profit % = 161.68%, -17.28% and -67.10%

The results show that the profit margins between 2020 and 2021 have reduced 50% points again indicating that something has changed better. Q3 is high and should be investigated further.

Net Profit % = 28.97%, 16.22% and -32.46

This result again shows significant gains between 2020 and 2021 evident of some positive change and Q3 is still a watch item.

Investor Ratios

Q3 data cannot be calculated, however the based on 2021 and 2020 figures.

Earnings Per Ordinary Share (EPS) = 1.54 and -1.73

Dividend Cover (DCR) = This cannot be calculated as no dividend was paid.

Price per Earnings = 107.57 and -314.43

Dividend Yield = This cannot be calculated as no dividend was paid.

CEO's and CFO's

During the periods 2020 - 2022 looked at in this review, senior management has undergone many changes Aston Martin Laguna has been the watch of four different CEO's and three CFO's

2020

CEO Tobias Moers in August 2020 took the reins from Andy Palmer and CFO Mark Wilson stepped down in April and assisted Kenneth Gregor until June when was appointed also in April.

2021

In Between February 2021 and July 2021 six new independent directors were appointed.

2022

Amedeo Felisa ex-Ferrari chief, appointed CEO in May, along with Dough Lafferty of Williams Grand Prix Holdings plc.

Conclusion

An overview of ALM financial of reports and evaluation of findings

Liquidity Ratios Review

Q3 n/a. Results of this set of ratios vary from good, to bad, to cautious. The Low-Level Test indicates that the business in 2020 could meet its current financial commitments, yet 2021 shows it could not. However the Acid Test results indicate a risk and High-Level Test is very much a border line result. The Quick and Cash ratio results are concerning as the business is in a delicate position in terms of its solvency.

Activity Ratios Review

Q3 n/a, based on 2021 and 2020 figures, the results from of DSO, DPO and IT. Taking these three ratios into consideration collectively the DSO shows that the business could improve its payment collections. Whereas the DPO indicates that the business takes a long time to pay its suppliers which would cause problems with supplier relationships and could impact on the business ability to meet its output demands. The low IT result could be considered worrying, or it is just indicative of the high value, luxury car market it sits in, comparisons to similar cars would give clear indication.

Profitability Ratios Review

Only partial results can be calculated for Q3, the results are not the full picture and would require deeper investigation to understand fully the high operating profit is likely being skewed by non-due or non-declared operational costs. However, the Q3 Gross Margin indicates some stability. As for the results for 2020 and 2021 there is an encouraging recovery trend that indicates a positive and that profitability is heading in the right direction moving from a loss towards profit.

Leverage Ratios Review

Q3 n/a. This is a mixed bag of results. The gearing ratio is stable and at a reasonable level. Long term debt / Equity ratio has increased indicating some potential new borrowing or re-negotiation of terms of payment. Debt / Equity ratio has almost doubled which to potential investors would signify an increased risk. Interest coverage has reduced indicating that the business is managing its debt, however it still needs to get from negative to positive value to instill some market confidence.

Investor Ratios Review

This set of ratios cannot be fully calculated or analysed, the Earnings Per Ordinary Share value has moved from a negative to a positive value as has the Price per Earnings, which indicates a change in confidence in the investor market which can be viewed as a positive result. As for the Dividend Cover and the Dividend Yield, with nothing declared or paid out would be frustrating and disappointing for shareholders. This could be as a result in part to post covid effects, but also indicates that there are some concerns with respect to the recovery and sustainability from the senior management. Therefore, this is a watch area still for the immediate future.

While there are some positive indicators in this review, it is still evident that the recovery is fragile. For and out and out share market gambler share purchases could be prudent. Nevertheless, investment could also play a big part in the recovery. Aston Martin Laguna certainly has a chequered historical past and this could be another rising of the phoenix. A settled consistent senior management would provide some greater stability and grow confidence within the marketplace with the potential to assist in attracting new investors. As for current investors it is a question of how much longer they are prepared to wait to get

returns on their investments. The future is very much in the middle of a tight rope at present. In order to fully decide whether to invest, defer or not to invest each a traffic light system has been used in the sum above to visualise the perceived risk against each of the ratios.

Summary

The Liquidity Ratio is board-line, given the long, mid and short term history of ALM this currently is categorised as HIGH Risk, mainly due to marginal figures for liability requirements.

The Activity Ratio is mediocre so has been categorised as MEDIUM/HIGH Risk as indicates negative values.

The Profitability Ratio while demonstrating a trajectory heading in the right direction, however the business is still in a loss making scenario and seen as a HIGH Risk.

The Leverage Ratio results again indicate recovery but are still not in a good position, consequently this is seen as HIGH Risk.

The Investor Ratio is not a good result and provides no encouragement to current investors and potential investors would have significant reservations at this point in time resulting in a HIGH Risk rating.

Based on the findings in this review, the analysis of the figures available by applying financial ratios the recommendation at this point in time would be to NOT to go ahead with this project, wait for the full 2023 Financial Report then re-evaluate.

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Acronyms

AML	-	Aston Martin Laguna
CEO	-	Chief Executive Officer
FEO	-	Financial Executive Officer
COGS	-	Cost of Goods Sold
DCR	-	Dividend Cover Ratio
DPO	-	Days Payable Outstanding
DSO	-	Days Sales Outstanding
DPS	-	Dividend per Share
EPS	-	Earnings per Ordinary Share
IT	-	Inventory Turnover
SME	-	Small to Medium business Enterprises

Appendix 1

Extract Aston Martin Laguna Q3 2022 Financial Results

Income Statement, Cashflow and Balance Sheet

YTD and Q3 comparisons

£m	YTD 2022	YTD 2021	Q3 2022	Q3 2021
Revenue	857.2	736.4	315.5	237.6
Cost of sales	(571.0)	(514.5)	(217.4)	(159.0)
Gross profit	286.2	221.9	98.1	78.6
Gross margin	33.4%	30.1%	31.1%	33.1%
Operating expenses ¹ of which depreciation & amortisation	(414.4)	(287.0)	(153.6)	(107.7)
	208.0	137.4	76.7	52.6
Adjusted EBIT	(128.2)	(65.1)	(55.5)	(29.1)
Adjusting operating items	(20.2)	(3.1)	(3.0)	(1.1)
EBIT	(148.4)	(68.2)	(58.5)	(30.2)
Net financing expense of which adjusting financing items	(362.9)	(120.4)	(167.4)	(67.7)
	19.0	12.9	(5.4)	(1.1)
EBT	(511.3)	(188.6)	(225.9)	(97.9)
Taxation	(6.7)	28.0	(2.3)	8.4
(Loss) / profit for the period	(518.0)	(160.6)	(228.2)	(89.5)
Adjusted EBITDA	79.8	72.3	21.2	23.5
Adjusted EBITDA margin	9.3%	9.8%	6.7%	9.9%
Adjusted EBT	(510.1)	(198.4)	(217.5)	(95.7)
EPS ² (pence)	(156.1)	(49.8)		
Adjusted EPS² (pence)	(155.7)	(57.0)		

£m	YTD 2022	H1 2022	FY 2021	YTD 2021
Cash (used in) / generated from operating activities	(56.9)	(33.1)	178.9	151.4
Cash used in investing activities (excl. interest)	(213.4)	(138.2)	(185.2)	(136.2)
Net cash interest paid	(65.3)	(62.5)	(116.9)	(54.3)
Free cash outflow	(335.6)	(233.8)	(123.2)	(39.1)
Cash inflow from financing activities (excl. interest)	666.7	(41.0)	51.5	44.0
Increase/(decrease) in net cash	331.1	(274.8)	(71.7)	4.9
Effect of FX on cash / cash equivalents	21.8	12.1	1.2	0.9
Cash balance	771.8	156.2	418.9	495.2
Cash not available for ST use ³	2.0	2.0	1.8	1.5
Borrowings	(1,505.9)	(1,322.6)	(1,208.9)	(1,206.9)
Lease Liabilities	(101.3)	(102.0)	(103.4)	(98.4)
Net debt	(833.4)	(1,266.4)	(891.6)	(808.6)

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See Appendix for more detail on APMs; (1) Excludes adjusting items; (2) EPS shown on a diluted basis. EPS has been restated in the comparative period to reflect the 4 for 1 rights issue in September 2022; (3) Cash not available for use, but included in leverage calculations

2022 Quarter-on-Quarter Comparisons

Income statement and cashflow

£m	Q1 2022	Q2 2022	Q3 2022	YTD 2022
Revenue	232.7	309.0	315.5	857.2
Cost of sales	(148.7)	(204.9)	(217.4)	(571.0)
Gross profit	84.0	104.1	98.1	286.2
Gross margin	36.1%	33.7%	31.1%	33.4%
Operating expenses ¹ of which depreciation & amortisation	(118.3)	(142.5)	(153.6)	(414.4)
	58.7	72.6	76.7	208.0
Adjusted EBIT	(34.3)	(38.4)	(55.5)	(128.2)
Adjusting operating items	(13.4)	(3.8)	(3.0)	(20.2)
EBIT	(47.7)	(42.2)	(58.5)	(148.4)
Net financing expense of which adjusting financing items	(63.9)	(131.6)	(167.4)	(362.9)
	10.8	13.6	(5.4)	19.0
EBT	(111.6)	(173.8)	(225.9)	(511.3)
Taxation	(0.4)	(4.0)	(2.3)	(6.7)
(Loss) / profit for the period	(112.0)	(177.8)	(228.2)	(518.0)
Adjusted EBITDA	24.4	34.2	21.2	79.8
Adjusted EBITDA margin	10.5%	11.1%	6.7%	9.3%
Adjusted EBT	(109.0)	(183.6)	(217.5)	(510.1)

£m	Q1 2022	Q2 2022	Q3 2022	YTD 2022
Cash (used in)/generated from operating activities	43.2	(76.3)	(23.8)	(56.9)
Cash used in investing activities (excl. interest)	(66.7)	(71.5)	(75.2)	(213.4)
Net cash interest paid	(1.9)	(60.6)	(2.8)	(65.3)
Free cash outflow	(25.4)	(208.4)	(101.8)	(335.6)
Cash inflow from financing activities (excl. interest)	5.9	(46.9)	707.7	666.7
Increase/(decrease) in net cash	(19.5)	(255.3)	605.9	331.1
Effect of FX on cash/cash equivalents	4.4	7.7	9.7	21.8
Cash balance	403.8	156.2	771.8	771.8

£m	Q1 2022	Q2 2022	Q3 2022	YTD 2022
EBT	(111.6)	(173.8)	(225.9)	(511.3)
Adjusting operating expenses	13.4	3.8	3.0	20.2
Adjusting financing expenses/(income)	(10.8)	(13.6)	5.4	(19.0)
Adjusted EBT	(109.0)	(183.6)	(217.5)	(510.1)
Adjusted finance/(income)	(0.6)	(0.6)	(0.7)	(1.9)
Adjusted finance expense	75.3	145.8	162.7	383.8
Adjusted EBIT	(34.3)	(38.4)	(55.5)	(128.2)
Reported depreciation	11.5	26.4	23.8	61.7
Reported amortisation	47.2	46.2	52.9	146.3
Adjusted EBITDA	24.4	34.2	21.2	79.8

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See Appendix for more detail on APMs; (1) Excludes adjusting items; (2) EPS shown on a diluted basis; (3) Cash not available for use, but included in leverage calculations

Appendix 2

Extract Aston Martin Laguna 2021 Financial Results

Appendix 3

Extract Aston Martin Laguna 2020 Financial Results