

10 September 2012

Vertu Motors plc (“the Group”)

Acquisition of six sales outlets from The Co-operative Group Motors Limited and Co-operative Group Estates Services Limited (“Co-op Motors”).

Vertu Motors plc, the fast growing automotive retailer with a network of 88 sales and aftersales outlets across the UK, announces the acquisition of the trade and assets of three motor retail locations from Co-op Motors for a total estimated consideration of £5.5m, of which £3.9m is to be deferred over three years with the balance being settled in cash from the Group’s existing resources. No goodwill is payable on this acquisition.

In the year ended 31 December 2011, the management accounts of the acquired businesses showed a turnover of £113 million and a break-even operating result before interest and tax. The dealerships are expected to be earnings neutral in the current financial year and earnings enhancing in the year to February 2014.

The acquired sites add a further six franchised sales outlets to the Group’s portfolio, with Nissan and Fiat in Derby, Nissan and Peugeot in Ilkeston and Nissan and Renault in Bradford. The Derby location has two additional showrooms which will be refranchised in the coming months, adding a further two sales outlets to the Group’s portfolio. The Bradford property is freehold and the Derby and Ilkeston sites are leasehold with fixed rentals for the duration of the lease terms, which are both in excess of 10 years.

Following the acquisition the Group will have nine Peugeot, seven Nissan, three Renault and three Fiat sales outlets.

Robert Forrester, CEO of Vertu Motors plc said:

“We are pleased to have acquired a further six sales outlets in the East Midlands and Yorkshire from Co-op Motors. We will integrate these new sites into our portfolio under the Bristol Street Motors brand, which is already well established in these regions.”

“We are delighted to be growing our representation with our existing manufacturer partners, with the potential to add a new franchise to the Group in due course at one of these sites. The mix of both freehold and leasehold property in this transaction reflects our approach of both developing our freehold property portfolio, while also using our cash conservatively.”

“With this transaction we are welcoming 200 new colleagues to the Group. We are confident that their skills and expertise in providing an outstanding customer motoring experience will help us to grow our sales and profits in the years to come.”

For further information please contact:

Vertu Motors plc
Robert Forrester, CEO
Michael Sherwin, FD

Tel: 0191 491 2111
Tel: 0191 491 2114

Panmure Gordon (UK) Limited
Andrew Burnett
Callum Stewart

Tel: 020 7886 2500

Espirito Santo Investment Bank

Peter Tracey
Jamie Richards

Tel: 020 7456 9191

FTI Consulting

Josephine Corbett

Tel: 020 7831 3113

Notes to Editors

Vertu Motors is a fast growing automotive retailer with a network of 88 sales and aftersales outlets across the UK. Its dealerships operate predominantly under the Bristol Street Motors, Vertu Honda and Macklin Motors brand names. Manufacturer partners are Alfa Romeo, Citroen, Fiat, Ford, Honda, Hyundai, Iveco, Mazda, Mitsubishi, Nissan, Peugeot, Renault, SEAT, Suzuki and Vauxhall.

Vertu Motors was established in November 2006 and listed on AIM on December 2006, with the strategy to consolidate the UK motor retail sector. It is intended that the Group will continue to acquire motor retail operations to grow a scaled dealership group. The Group's acquisition strategy is supplemented by a focused organic growth strategy to drive operational efficiencies through its national dealership network.

The Group currently operates 86 franchised sales outlets, 2 non-franchised sales operations from 72 locations across the UK.

Vertu Motors group websites - www.vertumotors.com / www.vertucareers.com

Vertu Motors brand websites - www.bristolstreet.co.uk / www.vertuhonda.com / www.motornation.co.uk / www.macklinmotors.co.uk