

26 June 2009

Vertu Motors plc ("Vertu")

Acquisition of Brooklyn Motor Group assets from administrative receivership for £7.9m

Vertu Motors plc, the 9th largest UK motor retailer, is pleased to announce today that its subsidiaries have acquired certain businesses and assets of Brooklyn Motor plc from administrative receivership. These include four franchised outlets and an authorised repairer for an expected consideration of £7.9m (the maximum total consideration is £9m). The enterprise value of those businesses is estimated at £7.1m.

Highlights of the acquisition:

- Freehold properties and operations of Worcester Ford, Redditch Ford, Redditch Mazda and an Iveco authorised repairer in Redditch. In addition, the operations of Cheltenham Mazda have also been acquired.
- Within a core geographic area to the Group, enabling Vertu to capitalise on the benefits of strong regional concentration. The business acquired complements the Group's existing Ford operations in Birmingham, Cheltenham and Gloucester
- Introduces the Mazda franchise to the Group for the first time
- Immediately earnings enhancing

The Group acquired these assets following Brooklyn Motors plc being placed into administrative receivership on 26 June 2009. The acquisition will be funded from the proceeds of the recent share placing approved on 15 June 2009, which raised £30m to invest in new dealership operations, to extend the productive capacity of existing operations and to purchase the freeholds of existing leasehold sites.

The estimated EBITDA reported in the unaudited management accounts for the year ended 31 December 2008 was £960,000. This result was materially effected by the decline in used car values during 2008. Vertu believes there are significant opportunities to drive performance improvements in the acquired assets and will integrate these onto Vertu's systems platform and drive operational improvements to generate cost savings.

Following the acquisition of these assets, Vertu Motors will operate 45 franchised operations, four non-franchised and two standalone service operations.

Commenting on the acquisition, Robert Forrester, Chief Executive, said:

"We are delighted to have acquired these businesses in one of our core geographical areas. As a consequence we will benefit from accruing an even stronger regional concentration."

"There is considerable scope to integrate these dealerships onto Vertu's scalable platform, and these are excellent volume franchises that strengthen the Group's portfolio balance."

Vertu also announces that its Annual General Meeting will be held on 23rd July 2009 at 11.00am at the offices of Muckle LLP, Time Central, 32 Gallowgate, Newcastle-Upon-Tyne, NE1 4BF.

Notes to Editors

Vertu Motors is the 9th largest motor retailer in the United Kingdom with 49 dealerships forming a national network across England, operating under the Bristol Street Motors and Bristol Street Motor Nation brand names. Manufacturing partners include Citroen, Ford, Iveco, Honda, Hyundai, Mazda, Peugeot, Renault, and Vauxhall.

Vertu Motors was established in November 2006 with the aim of consolidating the UK motor retail sector. The company listed on AIM in December 2006. In March 2007, the Group acquired the 13th largest motor retailer in the United Kingdom, Bristol Street Motors.

Senior management are experienced within the sector, having previously held senior positions within Reg Vardy and CD Bramall. The Group has consistently outperformed the market since its first acquisition.

The Group currently operates 45 franchised, 4 non-franchised sales operations and 2 stand alone service operations from 45 locations. It is intended that the Company will continue to acquire motor retail operations to grow a scaled volume dealership group. The Company's acquisition strategy is supplemented by a focused organic growth strategy to drive operational efficiencies through the national network.

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