

2<sup>nd</sup> May 2007

## **Vertu Motors plc (“Vertu Motors” or the “Company”)**

### **Acquisition of Blake Holdings Limited (“Blakes”)**

Vertu Motors plc, the acquirer and consolidator of UK motor retail businesses, announces that on 1 May 2007, its subsidiary Vertu Motors (Property) Limited acquired 100% of the issued share capital of Blake Holdings Limited (the “Acquisition”) which comprises three dealerships and a vehicle service centre, for an estimated consideration of £4.9 million.

The Blakes operations include a Vauxhall dealership in Chesterfield, a Vauxhall service centre in Matlock and Peugeot dealerships located in Chesterfield and Worksop. Following completion of the Acquisition it is intended that the businesses will assume the Bristol Street Motors brand name, taking the number of outlets in the Vertu Motors group to 39.

The consideration for the Acquisition will be funded from the existing cash resources and banking facilities of the Company together with the issue of up to 292,397 ordinary shares in Vertu Motors plc at a price of 85.5p per share with a total value of up to £250,000. This issue is dependent on the finalisation of the level of the net assets at completion.

The Directors believe that the Acquisition is a strong strategic and geographic fit with the existing Vertu Motors operations and will complement its existing operations trading under the Bristol Street Motors brand. The Acquisition is in line with the Company’s stated acquisition strategy set out at the time of the IPO in December 2006.

Post completion, the Vertu Motors team will work to drive integration and improvement in margins through the:

- roll out of the Bristol Street brand name
- improvement of used car sales to improve the used to new car ratio
- further development of the internet retail presence
- integration of procurement and marketing into the Group

In the 12 month period ended 31 December 2006, Blakes reported turnover of £59.7 million, with operating profit of £0.4m and profit before taxation of £0.04m. The audited net asset value of Blakes as at 31 December 2006 was £2.3m and as at completion has been estimated at £4.4m following the revaluation of three freehold properties.

Robert Forrester, CEO of Vertu Motors said:

“We are pleased to have announced our second acquisition since we listed on AIM in December 2006, as we continue to consolidate the highly fragmented UK motor retail market. We continue to look at additional acquisitions and have the management and financial firepower to continue the consolidation process.

I am confident there are significant growth synergies to be gained from the integration of the Blakes business into Bristol Street Motors. I look forward to developing the business and welcoming all our new colleagues into the Group.”

**Ends -**

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