

25 January 2016

## **Vertu Motors plc ("Vertu" or the "Group")**

### **Acquisition of three Honda dealerships**

Vertu, the automotive retailer with a network of 122 sales and aftersales outlets across the UK, announces that it has acquired the trade and assets of three Honda dealerships in Nottingham, Derby and Stockton-On-Tees from Lookers PLC for a total consideration of approximately £2m.

#### **Acquisition Highlights:**

- Purchase of three Honda dealerships, all located in contiguous territories to existing Vertu Honda dealerships
- Consolidates the Group as Honda's largest retail partner in Europe with 12 car dealerships
- Regional synergy opportunities with existing Vertu Honda operations
- Board expects acquisition to be earnings enhancing in first full year of ownership

After the acquisition of these three leasehold dealerships the Group will operate twelve Honda car outlets and two Honda motorcycle outlets.

The Nottingham and Derby outlets have been owned by Lookers PLC for several years and their sales territories are adjacent to the Group's existing Honda outlets in Mansfield and Grantham. The Stockton-On-Tees dealership was formerly owned by the Benfield Group and is located adjacent to the Group's existing Honda outlets in Durham and Sunderland.

Total consideration was approximately £2.0m, including goodwill of £0.2m. The consideration has been settled in cash from the Group's existing resources.

For the year ended 31 December 2015 the three dealerships achieved unaudited revenues of £39m and a break even trading result.

The Board expects this acquisition to be earnings enhancing in its first full year of ownership.

#### **Robert Forrester, CEO of Vertu Motors said:**

"We are delighted to be expanding our representation with Honda in these areas which will provide us with strong marketing and other operational synergies.

"Honda has a very strong new product line up with New Jazz, New Civic, New CR-V, New HR-V alongside sportier premium products such as Type R and NSX. This is driving increased consumer interest and demand.

"Our existing business achieved the accolade of Honda Dealer Group of the Year in December 2015 for the second successive year, recognising its performance in customer satisfaction in particular, and the newly acquired outlets will enable us to build upon this success driven by our excellent franchise management team."

**For further information please contact:**

**Vertu Motors plc**

Robert Forrester, CEO                      Tel: 0191 491 2111  
Michael Sherwin, FD                         Tel: 0191 491 2112

**Liberum**

Peter Tracey                                    Tel: 020 3100 2000  
Richard Crawley  
Jamie Richards

**Zeus Capital Limited**

Adam Pollock                                 Tel: 020 7533 7727

**Camarco**

Billy Clegg                                     Tel: 020 3757 4983  
Georgia Mann

**Notes to Editors**

Vertu Motors, the UK automotive retailer with a proven growth strategy, is the fifth largest automotive retailer in the UK with a network of 122 sales outlets across the UK. Its dealerships operate predominantly under the Bristol Street Motors, Vertu, Farnell, Macklin Motors and South Hereford Garages brand names.

Vertu Motors was established in November 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 119 franchised sales outlets and 3 non-franchised sales operations from 102 locations across the UK.

Vertu Motors Group websites – [www.vertumotors.com](http://www.vertumotors.com) / [www.vertucareers.com](http://www.vertucareers.com)

Vertu brand websites – [www.bristolstreet.co.uk](http://www.bristolstreet.co.uk) / [www.vertuhonda.com](http://www.vertuhonda.com) / [www.macklinmotors.co.uk](http://www.macklinmotors.co.uk) / [www.farnellandover.com](http://www.farnellandover.com) / [www.farnelljaguar.com](http://www.farnelljaguar.com) / [www.vertuvolkswagen.com](http://www.vertuvolkswagen.com) / [www.southherefordgarages.co.uk](http://www.southherefordgarages.co.uk).

**Forward-looking statements**

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