

1 March 2016

Vertu Motors plc (“Vertu” or the “Group”)

Acquisition of Sigma Holdings Limited and Greenoaks (Maidenhead) Limited for £21.9m brings Thames Valley Mercedes-Benz franchise to Vertu

Highlights

- Introduction of Mercedes-Benz, Mercedes AMG and smart into the Group’s franchise portfolio to further develop the premium mix
- Three well established dealership operations, all with freehold properties in attractive motor retail locations in the Thames Valley – Reading, Ascot and Slough
- Acquisition is expected to be earnings enhancing in its first full year of ownership

Vertu, the automotive retailer with a network of 126 sales and aftersales outlets across the UK, announces that it has acquired the entire issued share capital of Sigma Holdings Limited and its subsidiary Greenoaks (Maidenhead) Limited (together “Greenoaks”) for a total cash consideration of £21.9m. In addition to the purchase of the share capital of Greenoaks, vendor shareholder loans of £9m have been settled in cash on completion by Vertu. Greenoaks operates the Mercedes-Benz outlets in Reading, Ascot and Slough, with the Reading and Ascot outlets also representing the smart franchise and Ascot being an AMG performance centre. Greenoaks has represented Mercedes-Benz for over 30 years.

The acquisition introduces Mercedes-Benz, Mercedes AMG and smart to the Group, further progressing its strategic goal of growing the premium mix within the Group. Each of the dealership freeholds is owned by Greenoaks which will add further to the strong freehold backing of the Group’s balance sheet. The total cash consideration of £21.9m includes initial consideration of approximately £18.4m and has been settled from the Group’s existing cash resources and borrowing facilities. A further £3.5m is deferred for twelve months. The transaction includes goodwill of £13m.

For the year ended 31 December 2015, Greenoaks achieved consolidated revenues of £88m, adjusted* EBITDA of £2.4m, adjusted* PBT of £1.2m and had net assets of £6.2m as at 31 December 2015. 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 announce the introduction of Mercedes-Benz to the Group, which is a significant further step in the growth of our premium business.”

“The Greenoaks business has operated in the Thames Valley for over 30 years, is well established in this attractive market area and brings three high quality freehold properties which will further strengthen the Group’s asset base.”

“The acquisition will be earnings enhancing from our new financial year and will also provide synergy opportunities with the Group’s fleet and internet-based sales operations.”

Mercedes-Benz UK, commented:

“Mercedes-Benz is delighted to welcome Vertu as a new franchise partner. As a top 5 dealer group, we have been working with Vertu to identify a suitable opportunity that allows them to bring their expertise in retailing to our brand. Having doubled our new car volume in the last five years, Vertu are a strong fit to further support our continued growth strategy”.

* adjusted for non-recurring and non-corporate items

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 126 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 123 franchised sales outlets and 3 non-franchised sales operations from 106 locations across the UK.

Vertu Motors Group websites – www.vertumotors.com / www.vertucareers.com

Vertu brand websites – www.bristolstreet.co.uk / www.vertuhonda.com / www.macklinmotors.co.uk / www.farnellandrover.com / www.farnelljaguar.com / www.vertuvolkswagen.com / www.southherefordgarages.co.uk.

Forward-looking statements

This document may contain certain 'forward-looking' statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements.

Any forward-looking statements made by, or on behalf of, Vertu Motors plc speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Vertu Motors plc does not undertake to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.