

25 July 2013

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

AGM Statement

Trading in the first four months of the year ahead of expectations, benefitting from strong market conditions.

At today's Annual General Meeting of Vertu Motors plc, Chairman Paul Williams will make the following statement:

Trading Update

During the four month period to 30 June 2013 ("the Period") the UK new car retail market has continued to see significant year-on-year growth, with new car registrations to private buyers in the Period increasing by 16.6%. This growth has been driven by very attractive consumer offers from manufacturers who are keen to stimulate market demand in the UK as the Continental European new car markets have continued to decline and many face overcapacity in production. The Group's like-for-like new retail volumes increased by 18.6% both as a consequence of these strong market conditions and also demonstrating outperformance over the Period.

The Group has seen continued growth in its car fleet operations in the Period, with like-for-like volumes increasing by 26.8% compared to the growth of 3.7% in UK car fleet registrations. This substantial outperformance and growth in market share by the Group reflects its expertise and depth of capability in the fleet area. UK commercial vehicle registrations grew by 8.2% in the Period. The Group's sales of commercial vehicles grew by 2.3% on a like-for-like basis, reflecting the relative underperformance of the franchises which the Group represents in the market place.

Used vehicle sales rose by 4.7% in the Period on a like-for-like basis, against a market which Experian has reported to have declined during the first quarter of 2013. The Group has maintained strong pricing disciplines ensuring that used vehicle gross margins have strengthened during the Period. The Group's focus on marketing, pricing and inventory management has improved its strong used car return on investment.

In aftersales, the Group grew like-for-like sales, gross profits and net profits during the Period. This improved performance is due to the Group's continuing investment in service sales processes and training, and the success of customer retention strategies such as the sale of service plans and improvements in customer experience.

Overall gross margins were stable compared to the same period last year. Margins in both vehicle sales and aftersales increased although the overall margin achieved was a reflection of a change in the sales mix with vehicle sales, where margins are lower, representing 61.2% of the Group's total revenues during the Period (2012: 59.2%).

As a result of the overall momentum in the business, the Group has recorded like-for-like profit growth in each of its activities of new retail and used car sales, fleet and commercial vehicle sales and vehicle servicing. Total revenue grew by 30.8% with like-for-like revenues growing by 13.2%.

Portfolio Development

As previously announced:

On 3 June 2013, the Group sold its Iveco heavy truck operations, enabling management to focus on the core activities of selling and servicing cars and light commercial vehicles. This disposal generated £2.0m of cash.

On 12 June 2013, the Group acquired the entire issued share capital of Albert Farnell Limited, comprising three Land Rover dealerships in Bradford, Leeds and Guiseley. The purchase consideration of £31.0m was paid from the proceeds of a £50.0m placing of new ordinary shares in the Company in June 2013.

On 10 July 2013, the Group acquired the trade and certain assets of two Volkswagen dealerships in Lincoln and Boston for an estimated consideration of £3.0m.

These two acquisitions introduced new franchises to the Group's portfolio, which is consistent with the strategy of building a scaled automotive retail group which represents the major manufacturers present in the UK new car market. The integration of these recently acquired dealerships and those acquired in the prior financial year into the Group is progressing smoothly.

On 15 July 2013 the Group opened a new flagship SEAT dealership in Birmingham, located in a newly refurbished leasehold site.

More recently:

On 22 July 2013, the Group opened Northampton Nissan, a start-up business in a newly built dealership on an existing freehold site. On 29 July 2013, the Group will relocate the Harrogate Vauxhall dealership, acquired on a short term lease in December 2012, to another newly built freehold dealership location. These developments further add to the operational capacity of the Group.

Outlook

During the four months to 30 June 2013, the Group has continued to trade ahead of management's expectations, primarily reflecting more favourable market conditions in the new and used UK car markets.

The outlook for the new car market remains favourable with continued growth anticipated in the private market. The used car market remains stable, and the continued pursuit of the Group's strategies to improve customer service and retention in aftersales should ensure that the opportunities to grow in this area are realised.

The Board remains confident that the Group is well placed to maximise the opportunity for profitable growth both from favourable market conditions and from the turnaround in profitability of recent acquisitions. Following the share placing in June 2013, the Board is also confident that the Group is well financed to make further acquisitions and to add new franchises to the Group's portfolio where they meet the Group's strict criteria for evaluating such investments.

Dividend

Upon approval of the proposed final dividend (of 0.45p per share (2012: 0.4p),) for the year ended 28 February 2013 at today's AGM, this dividend will be paid on 29 July 2013 to shareholders that were on the register at 28 June 2013.

For further information please contact:

Vertu Motors plc

Robert Forrester, CEO

Michael Sherwin, FD

Tel: 0191 491 2111

Tel: 0191 491 2114

Panmure Gordon

Hugh Morgan

Callum Stewart

Tel: 020 7886 2500

Espirito Santo Investment Bank

Richard Crawley

Tel: 020 7456 9191

FTI Consulting

Billy Clegg

George Parker

Tel: 020 7831 3113

Notes to Editors

Vertu Motors is the sixth largest automotive retailer in the UK with a network of 97 sales and aftersales outlets across the UK. Its dealerships operate predominantly under the Bristol Street Motors, Vertu Honda, Vertu Volkswagen, Farnell Land Rover and Macklin Motors 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 95 franchised sales outlets and 2 non-franchised sales operation from 79 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.macklinmotors.co.uk / www.farnellandrover.com / www.vertuvolkswagen.com