

1 December 2015

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

Acquisition of Who’s Ace Holdings Limited, a specialist on-line parts retailer

Vertu, the automotive retailer with a network of 119 sales and aftersales outlets across the UK, announces that it has acquired the entire share capital of Who’s Ace Holdings Ltd (“AceParts”) which operates a well-established on-line vehicle parts business (www.aceparts.com) headquartered in Sittingbourne, Kent.

Acquisition Highlights:

- Well established non-franchised on-line parts business, developing into the franchised parts arena where the Group also currently operates
- Business brings significant know-how and accelerates the Group’s presence in this growing channel
- Synergy opportunities with existing Vertu franchised parts operations
- Earnings enhancing in its first full year of ownership

The AceParts business has built a successful presence in the non-franchised, on-line, automotive parts marketplace. AceParts has built considerable know-how in this market, where managing data relating to the fitment of parts to specific vehicles is a critical component of a successful business model. There is a significant opportunity to apply AceParts’ proven ability to efficiently manage fitment data and establish the sale of genuine, franchised parts on-line, which is a substantial market segment. Bringing together this data capability with multi-franchise parts supply will provide the opportunity to accelerate growth in the parts sales channel to both retail end users and independent garages.

AceParts was founded by Alan Friedman and Ben Friedman, both of whom will be joining the Group along with their team of 21 colleagues.

Total consideration is estimated at £2.2m which includes an earn-out over a five year period, which would include goodwill of £1m. The initial payment of £1.8m has been settled in cash from the Group’s existing resources.

For the year ended 31 March 2015, AceParts reported revenues of £4.8m, a gross margin of 19% and EBITDA of £0.6m. The Board expects this acquisition to be earnings enhancing in its first full year of ownership.

Robert Forrester, CEO of Vertu Motors said:

“This is an exciting development in a growing space, which is parallel to our core motor retail business and has synergies with it. We expect AceParts to generate an earnings stream with higher gross and net margins than those in motor retail, and we believe that the future growth prospects for this new business are substantial. By working with the niche skills of the AceParts team and the Group’s franchise partners, we believe that we can build a significant business which will meet the needs of a wide range of customers seeking specific vehicle parts.”

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Notes to Editors

Vertu Motors, the UK automotive retailer with a proven growth strategy, is the sixth largest automotive retailer in the UK with a network of 119 sales outlets across the UK. Its dealerships operate predominantly under the Bristol Street Motors, Vertu, Farnell 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 116 franchised sales outlets and 3 non-franchised sales operations from 99 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

Forward-looking statements

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