

16 January 2020

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

### **Acquisition and portfolio changes**

#### **Volkswagen Acquisition**

Vertu Motors plc, the automotive retailer across the UK, is pleased to announce the acquisition of the trade and assets of four Volkswagen Passenger car dealerships in West Yorkshire from Goodman Retail Limited, a trading subsidiary of Sytner Group Limited. Total consideration is expected to be approximately £8.8m, and the Board expects the acquisition to be earnings enhancing in the first full year of ownership, the year ending 28 February 2021.

The purchase of four substantial Volkswagen leasehold dealerships in Leeds, Huddersfield, Harrogate and Skipton represents further expansion of the Group’s Vertu Volkswagen brand and complements the Group’s existing 13 outlets in Yorkshire comprising the Nissan, Renault, Jaguar, Land Rover, Vauxhall and Honda brands.

After the acquisition, the Group will operate a total of 9 Volkswagen Passenger car dealerships.

Total estimated consideration includes a payment of £1.35m in respect of goodwill. The consideration has been settled in cash from the Group’s existing resources. For the year ended 31 December 2018 the combined management accounts of the dealerships acquired showed that they achieved revenues of £112m and a profit before tax of £0.6m.

#### **Other portfolio changes**

On 20 December 2019 the Group exited the Volvo franchise in Derby with the business being transferred to a subsidiary of Marshall Motor Holdings plc. The premises were retained by the Group and are currently being refurbished with a new franchise operation due to commence in the coming months.

In January 2020, the Group has opened two new franchise outlets for Hyundai in the North East of England. Hyundai has started trading at Silverlink, North Tyneside in the Group’s former Infiniti dealership. In addition, Hyundai has been added to the existing Ford and Honda operation in Morpeth, Northumberland. This adds to the Group’s existing Hyundai representation in the adjacent territories of Peterlee and Edinburgh. This brings the number of Hyundai outlets operated by the Group to 10 and indeed the Group are now one of this Manufacturer’s largest UK partners.

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

“We are delighted with these changes to our portfolio, especially the Volkswagen acquisition. The addition of these excellent dealerships augments the Group’s representation of the Volkswagen brand and expands our operational footprint in Yorkshire.

These portfolio changes reflect the Group’s strategy to continue to grow a significantly scaled franchised dealership business built on the back of a strong balance sheet, scalable operational systems and excellent relationships with its Manufacturer partners.”

- Ends -

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**Notes to Editors**

Vertu Motors is the fifth largest automotive retailer in the UK with a network of 127 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 124 franchised sales outlets and 3 non-franchised sales operations from 108 locations across the UK.

Vertu's Mission Statement is to "deliver an outstanding customer motoring experience through honesty and trust".

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.vertutoyota.com](http://www.vertutoyota.com) / [www.macklinmotors.co.uk](http://www.macklinmotors.co.uk) / [www.farnellandrover.com](http://www.farnellandrover.com) /  
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