

23 July 2009

Vertu Motors plc

AGM Statement

At today's Annual General Meeting of Vertu Motors plc, Chief Executive, Robert Forrester, will make the following statement:

"Trading update

The new financial year has seen the new car market show signs of resilience aided significantly by the Government's scrappage programme. Volumes of new car sales have, however, been constrained by a scarcity of new vehicle stocks. The Group has continued to grow market share with new retail car volumes in the four months ended 30 June 2009, down 15.6% compared to a 19.9% fall in the registrations of new private vehicles in the same period. As a consequence, the Group was successful in earning significant volume bonuses at the end of June.

Reduced supply of used vehicles for retail, sourced from part exchanges from new car sales, and reduced availability of short-cycle 'nearly new' cars has led to a continuation of the hardening of used car values in 2009. Although market volume growth remains constrained, margins have significantly improved year on year. The Group saw like-for-like used car volumes up 7.1% in the four months ended 30 June 2009 compared to the previous year. Overall used car profitability is significantly ahead of last year's levels in the period.

The new commercial vehicle market remains depressed with registrations in the four months ended 30 June 2009 down 43.9% on the prior year. Whilst the Group's Iveco operation has outperformed the market in volume terms, margins have also been reduced due to the pressure of stocking levels. In addition, reduced after-sales volumes are apparent as customers' vehicles experience reduced wear and tear due to lower usage levels as the economic slowdown progresses. As a consequence, the Iveco franchise operations have performed below the Board's expectations in the period.

After-sales activity, outside of the commercial sector, has performed satisfactorily and the Group continues to drive customer retention and satisfaction initiatives in the important after-sales market.

The Board is pleased to report that overall profitability has been significantly ahead of our expectations in the four months ended 30 June 2009 and above prior year levels. Whilst the Board recognises the weakness and fragility of the current economic environment, given current trading levels, it anticipates the results for the financial year will be ahead of current market expectations.

Progress on growth

Following on from the recent Placing finalised in June, which raised £30m after expenses, the Board is pleased to update on the progress made in taking advantage of market opportunities:

- On 26 June 2009 the Board announced the acquisition of three dealership locations from the administrative receivers of Brooklyn Motors plc. The actual consideration for the transaction has been finalised at £6.9m, which is £1m less than the estimated consideration of £7.9m previously announced. The integration of these businesses to date is in line with the Board's plan. The

acquired dealerships have unutilised, high quality showrooms in both Worcester and Cheltenham and it is expected that a new franchise for these showrooms will commence operations in the coming months. The dealerships are within a core geographical area to the Group.

- The Group has now completed two further transactions:
 - On 30 June 2009, the Group purchased the freehold interest of an unoccupied dealership in Mansfield for a total cash consideration of £1.2m. The dealership requires minimal capital expenditure and will open as a Honda dealership on 1 August 2009. This operation will complement the Group's existing Honda businesses in the adjacent territories of Grantham and Retford. This dealership will bring the total number of Honda dealerships operated by the Group to 5.
 - On 30 June 2009, the Group purchased for £1.4m a freehold property of an existing Group dealership, which was previously leased.

The Board continues to evaluate growth opportunities to enable it to fulfil its stated objective of building a successful, scalable motor retail group delivering shareholder value.”

Ends

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Notes to editors

Vertu Motors is the 9th largest motor retailer in the United Kingdom with 50 dealerships forming a national network across England, operating under the Bristol Street Motors and Bristol Street Motor Nation brand names. Manufacturing partners include Citroen, Ford, Iveco, Honda, Hyundai, Mazda, Peugeot, Renault and Vauxhall.

Vertu Motors was established in November 2006 with the aim of consolidating the UK motor retail sector. The company listed on AIM in December 2006. In March 2007, the Group acquired the 13th largest motor retailer in the United Kingdom, Bristol Street Motors.

Senior management are experienced within the sector, having previously held senior positions within Reg Vardy and CD Bramall. The Group has consistently outperformed the market since its first acquisition.

The Group currently operates 46 franchised sales outlets, 4 non-franchised sales operations and 2 stand alone service operations from 47 locations. It is intended that the Company will continue to acquire motor retail operations to grow a scaled dealership group. The Company's acquisition strategy is supplemented by a focused organic growth strategy to drive operational efficiencies through the national network.

www.vertumotors.com

www.bristolstreet.co.uk

www.vertuhonda.com

www.motornation.co.uk