25 February 2010

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

Board Change and Pre-close Trading Update

Correction: The following announcement replaces the statement Board Change and Pre-close Trading Update released on 25 February 2010 under RNS number 6340H. The sentence in the fifth paragraph re used car volumes is corrected as demand rebounded (replacing 'reduced') significantly in late January and February.

Board Change

Vertu Motors plc is pleased to announce that further to the announcement dated 4 January 2010, Michael Sherwin has today been appointed to the Board as Finance Director. Michael replaces Karen Anderson, who today has ceased to be a director of Vertu Motors plc but has become Company Secretary.

Pre-close Trading Update

Vertu is pleased to provide an update on trading in advance of issuing preliminary results for the year ending 28 February 2010. Following a strong trading performance in the first six months of the financial year, trading in the period to 31 January 2010 has remained ahead of budget and prior year levels. Consequently, we expect Group performance for the full year to exceed market consensus expectations.

The new vehicle market continued to be stimulated by the scrappage scheme with private new vehicle registrations in the UK growing 67.9% in the period from September to January. The Group's new car retail like-for-like volumes rose 18.6% in the corresponding period. Scrappage sales have changed the normal market share patterns amongst the vehicle manufacturers. Historic large market share players such as Ford and Vauxhall have seen lower retail market share, as manufacturers such as Hyundai have gained, based on sales of predominantly lower priced, small vehicles under the scrappage scheme. The Group's manufacturer representation is concentrated in franchises which historically have enjoyed high market shares. The Group achieved high volumes against manufacturer targets in the period and consequently significant volume bonuses were earned and new car margins were above expectations.

Fleet new vehicle sales of cars and commercial vehicles are a significant part of the Group's operations. UK new car registrations in the fleet sector declined 1.2% in the period from September to January. Commercial vehicle sales have remained under pressure as a result of the continued economic uncertainty in the UK with light and heavy commercial vehicle registrations falling 14.4% and 37.9% respectively in the September to January period. The Group saw a 14.0% fall in like-for-like fleet and commercial new vehicle volumes in the same period which is reflective of the significance of commercial vehicle sales within the Group's fleet volume. This fall in volume was offset by stronger margins than in the first half, which was effected by the oversupply of new commercial vehicles which has now been cleared.

The scrappage scheme has undoubtedly had an impact on the used vehicle market with some substitution to new vehicle sales being seen in the mini and lower medium segments in particular. This has led to a UK used vehicle market which has fallen in volume terms. The Group's used vehicle like-for-like volumes declined by 9.0% in the period from September to January. January contributed 58.6% of the period's overall fall in used car volumes since the month's snow disrupted what is normally a very strong used car month. Demand rebounded significantly in late January and February. Used car pricing has reflected more usual seasonal trends. Supply remains constrained and the relative pricing stability has enabled margins to remain strong in the period (albeit lower than the exceptional levels witnessed in the first half of the financial year).

After-sales activities such as servicing, body repairs and supply of parts remain a major element of the Group's operations. The Group continues to invest in strategies to ensure that profitability from its after-sales activities are maintained and improved. Overall, the result from after-sales was consistent with that seen in the prior year on a like-for-like basis.

Acquisitions

The Group added 14 sales outlets to its portfolio since 1 March 2009 and is currently engaged in discussions with a number of potential acquisitions. The Group is very well positioned to take advantage of further acquisition opportunities as it continues its strategy of building a scaled motor retail group utilising its strong balance sheet.

Outlook

As a consequence of the Group's strong trading performance we are confident that results for the year ending 28 February 2010 will exceed current market consensus expectations. The outlook for the remainder of 2010 remains uncertain, particularly in the new car sales area. The ending of the scrappage programme, January's rise in VAT, the introduction of the new car "showroom" tax in April and continued strength in the Euro against Sterling all indicate that new car sales to private customers will decline over the remainder of the year. The fleet, used car and aftersales areas are likely to be more resilient in the coming period. The Group has the strategies and management in place to ensure costs are controlled and dealership performance is maximised in all revenue areas.

Preliminary results

The preliminary results will be announced on Wednesday 12 May 2010 and a meeting for analysts will be held at 9.30am on the same day at the offices of Financial Dynamics, 26 Southampton Buildings, London, WC2A 1PB.

- Ends -

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Notes to editors

Vertu Motors is the 9th largest motor retailer in the United Kingdom with 59 dealerships forming a national network across England and Scotland, operating under the Bristol Street Motors, Bristol Street Motor Nation, Vertu Honda and Dunfermline Autocentre brand names. Manufacturer partners are Citroen, Ford, Iveco, Honda, Hyundai, Mazda, Peugeot, Renault, Vauxhall, Chevrolet, Fiat and SEAT.

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

The Group currently operates 55 franchised sales outlets, 4 non-franchised sales operations and 2 stand alone service operations from 51 locations. 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 the national network.

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www.bristolstreet.co.uk

www.vertuhonda.com

www.motornation.co.uk

www.dunfermlineford.co.uk

www.vertucareers.com