

6 July 2016

**Cambria Automobiles plc**  
("Cambria" or the "Group")  
**AIM: CAMB**

**Acquisition and Trading Update**

**Acquisition**

Cambria, the franchised motor retailer, is pleased to announce that on 5 July 2016 it completed the acquisition of the trade and assets of the Jaguar and Land Rover franchise in South Woodford, North London from Pendragon Premier Limited, a subsidiary of Pendragon PLC, for a total cash consideration of £2.1 million. This business has a sales facility in South Woodford and an Aftersales facility in Hainault, Essex operating from leasehold premises. The territory has great potential for the Jaguar and Land Rover franchises and complements the Group's existing Jaguar and Land Rover footprint. The Group now operates 5 Jaguar and 4 Land Rover dealerships under the Grange trading name.

The consideration for the acquisition comprises £2.0 million of goodwill, £0.1 million for fixed assets, £0.1m for used vehicle stock, £0.2 million for parts stock with the remaining £0.3 million deduction in consideration for customer deposits transferred and apportionments. The acquisition is being funded from the Group's existing facilities.

The acquired dealerships' unaudited management accounts for Jaguar and Land Rover for the year ended 31 December 2015 show revenue of £44.4 million and Cambria estimates the adjusted profit before tax for the same period to be £0.7 million. It is anticipated that this acquisition will be earnings neutral for the Group in the remainder of the financial year to 31 August 2016, and will be earnings enhancing in the financial year to 31 August 2017.

Cambria has committed to Jaguar Land Rover that it will relocate the business to a new dealership facility that will be compliant with the JLR Arch Corporate Identity Concept. The lease on the current showroom facility has nine years remaining and therefore it will be necessary to sublet the facility for approximately six years while Cambria is not in occupation. The property advice received during diligence states that the passing rent on the showroom lease is over-rented when compared against the market rent and the Directors have therefore made a fair value assessment of the lease liability amounting to £1.0 million. This will be accounted for as an addition to the overall goodwill attributable to the transaction for the purposes of the Group's statutory accounts to 31 August 2016.

Following this transaction, the Group operates a total of 31 dealerships representing 46 franchises and 17 brands across the UK.

**Trading Update**

The Group continues to trade well and the strong trading performance reported to March has continued through to the end of June which leaves the Group significantly ahead of the prior year and trading in line with current market expectations for the year to 31 August 2016.

**Mark Lavery, Chief Executive Officer of Cambria, said:**

"We are pleased to have acquired this Jaguar and Land Rover franchise in North London, which complements and enhances the Group's existing Jaguar Land Rover businesses. The acquisition represents continued delivery of the strategy to develop our portfolio of premium and high luxury franchises in strategic locations by acquiring businesses that are earnings enhancing. The Board believes that the South Woodford territory provides significant potential and we are keen to maximise the opportunity as we build and relocate to a new dealership facility."

**Enquiries:**

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**About Cambria - [www.cambriaautomobilesplc.com](http://www.cambriaautomobilesplc.com)**

Cambria Automobiles ("Cambria") was established in March 2006 with the aim of creating a balanced independent UK motor retail group through a self-funded "buy and build" strategy, focused on turnaround opportunities.

Working in close cooperation with its manufacturer partners, the Group has built a balanced portfolio of 31 luxury, premium and volume dealerships, representing 46 franchises and 17 brands, with geographical representation spanning from the North West to the South East in Kent. These businesses are autonomous and trade under local brand names, including Dees, Doves, Grange, Invicta, Motorparks and Pure Triumph.

Cambria's brand portfolio currently comprises Abarth, Alfa Romeo, Aston Martin, Dacia, Ford, Fiat, Honda, Jaguar, Jeep, Land Rover, Mazda, Nissan, Renault, Seat, Triumph, Vauxhall and Volvo.

The management's success in turning around under-performing dealerships has allowed Cambria to build a strong balance sheet. As a result, the Group is in a position to acquire valuable premium operations, like the recently acquired Jaguar Land Rover business in North London, Land Rover dealership in Welwyn Garden City, Jaguar Land Rover business in Barnet and Land Rover business in Swindon, which are immediately earnings enhancing and directly in line with the Group's strategy to further enhance the brand portfolio.

The Group's medium term ambition is to create a £1 billion turnover business producing attractive returns on shareholder funds.