



**PENDRAGON  
PLC**

**PENDRAGON PLC STRATEGY UPDATE (ISSUED 4 December 2017)**

Pendragon PLC, the largest and leading automotive online retailer in the UK, announces an update to the strategy information contained in our Interim Management Statement issued on 23 October 2017.

We have been through a process to conclude our next steps on the strategic objectives outlined in that October statement. Our update today demonstrates our actions on those strategic objectives.

***UK New car business***

- Review of capital allocation of Premium Brands completed.
- Premium brand franchise locations will be reduced over a three year period.
- £100m capital released through a mixture of disposal proceeds and investment not deployed over the next three years.

***US Motor Group***

- Given the strong performance of this division, we have concluded it is economically right to sell the business at this time to realise its value.
- Industry leading sell-side adviser appointed.
- Early indications from adviser to anticipate proceeds in excess of £100m before tax.

***UK Used car business***

- Our used car business, under pinned by our industry leading software platform, remains our focus for growth.
- Continued investment to complete our national network achieving our objective to double used car revenue by 2021.
- Senior executive to be recruited to lead all aspects of our UK used car operations, executive search company mandated.

***Resumption of share buyback***

- Share buyback programme resumed.

**Trevor Finn, Chief Executive:**

“Following our strategic review, we have focussed on reshaping the business to accelerate transformation and ensure capital allocation is optimised across the group.

The actions I am announcing today are a further step towards achieving our strategic objectives.

I believe this strategy will provide more reliable and sustainable returns.”

**Further information**

The Company is presenting today at an institutional investor conference hosted by one of our brokers, Berenberg.

We have published the presentation materials for this investor conference in the Investor Relations Section of our website (<http://www.pendragonplc.com/investors/>).

<b>Enquiries</b>			
Trevor Finn	Chief Executive	Pendragon PLC	01623 725114
Tim Holden	Finance Director	Pendragon PLC	01623 725114
Gordon Simpson	Partner	Finsbury	0207 2513801
Philip Walters	Principal	Finsbury	0207 2513801