Vertu Motors

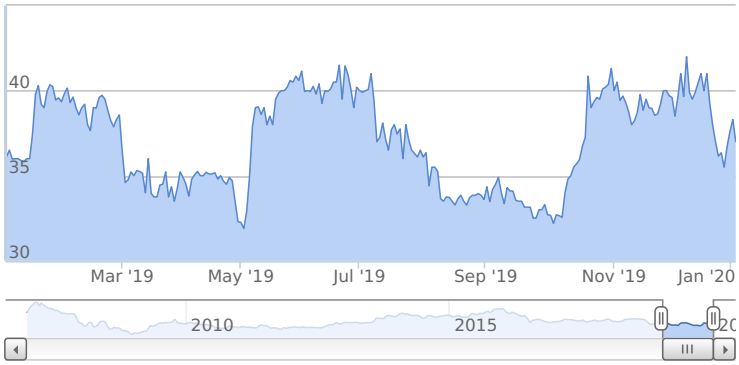
VTU 37p ▼ **-1.3 -3.4%**

Adventurous, Small Cap, **Style Neutral**

Market Cap	£136.6m
Enterprise Value	£217.9m
Revenue	£3.07bn
Market Cap Rank	904th / 1834

Quality	53
Value	90
Momentum	▼ 75
StockRank™	90

Zoom 1m 3m 6m YTD **1y** 2y 3y 5y All



Momentum

Relative Strength (%)	
1m	-15.3%
3m	+5.6%
1yr	-9.3%
Volume Change (%)	
10d v 3m	-33.2%
Price vs... (%)	
52w High	-14.6%
50d MA	-5.57%
200d MA	+0.20%

Growth & Value

12m Forecast Rolling		vs. industry	vs. market
PE Ratio (f)	6.81		
PEG Ratio (f)	0.70		
EPS Growth (f)	10.8 %		
Dividend Yield (f)	4.69 %		
Valuation (ttm)			
Price to Book Value	0.50		
Price to Tang. Book	0.84		
Price to Free Cashflow	3.55		
Price to Sales	0.045		
EV to EBITDA	4.46		

Margin of Safety (beta)

Broker Target	41%
Relative to Sector	199%
Graham Formula	126%
Stability Value (EPV)	63%

Screens Passed 1

VTU qualifies for **Bill Miller Contrarian Value Screen (in Value Investing)**.

View Screen · View Checklist

Quality

		vs. industry	vs. market
Return on Capital	7.53 %		
Return on Equity	7.11 %		
Operating Margin	1.00 %		

Financial Summary

Balance Sheet · Income Statement · Cashflow

Year End 28th Feb		2014	2015	2016	2017	2018	2019	TTM	2020E	2021E	CAGR / Avg
Revenue	£m	1,685	2,075	2,423	2,823	2,796	2,982	3,069	3,115	3,191	**+12.1%**
Operating Profit	£m	16.2	21.7	27.2	32.1	32.3	29.0	30.7			**+12.3%**
Net Profit	£m	12.4	16.5	20.7	24.0	24.7	20.5	19.5	18.1	19.5	**+10.6%**
EPS Reported	p	4.11	4.78	5.92	6.04	6.21	5.37	5.16			**+5.5%**
EPS Normalised	p	4.42	4.82	5.91	6.04	5.60	4.35	2.88	5.00	5.51	**-0.4%**
EPS Growth	%	**+49.1**	**+9.0**	**+22.7**	**+2.1**	**-7.3**	**-22.4**	**-43.2**	**+15.1**	**+10.2**	
PE Ratio	x						8.52	12.9	7.40	6.72	
PEG	x						0.56	0.85	0.73	1.05	
Profitability											
Operating Margin	%	1.0	1.0	1.1	1.1	1.2	1.0	1.00			+1.1%
ROA	%		2.7	2.7	2.7	2.6	2.0	1.90			
ROCE	%	9.1	11.4	12.1	11.9	11.2	8.5	7.53			+10.7%
ROE	%		9.6	11.0	10.8	9.7	7.6	7.11			+9.7%
Cashflow											
Op. Cashflow ps	p	14.7	6.04	16.2	12.6	4.75	13.3	15.3			**-2.0%**
Capex ps	p	4.80	5.52	5.95	7.54	6.18	8.85	5.21			**+13.0%**
Free Cashflow ps	p	9.91	0.52	10.3	5.02	-1.44	4.48	10.1			**-14.7%**
Dividends											Last ex-div: 5th Dec, paid: 17th Jan more...
Dividend ps	p	0.80	1.05	1.30	1.40	2.55	1.15	0.60	1.70	1.74	+7.5%
Dividend Growth	%	**+14.3**	**+31.3**	**+23.8**	**+7.69**	**+82.1**	**-54.9**	**-76.5**	**+47.8**	**+2.53**	
Dividend Yield	%						3.11	1.62	4.59	4.71	
Dividend Cover	x	5.13	4.55	4.55	4.31	2.44	4.67	8.59	2.94	3.16	
Balance Sheet											
Cash etc	£m	36.9	19.3	43.9	39.8	41.7	66.5	72.7			**+12.5%**
Working Capital	£m	14.1	-1.34	-3.28	-25.5	-10.7	-5.74	-15.0			
Net Fixed Assets	£m	119.4	138.2	156.5	199.4	204.6	231.3	310.8			**+14.1%**
Net Debt	£m	-31.4	-15.7	-23.1	-21.0	-19.3	0.25	81.3			
Book Value	£m	163.4	179.6	197.9	246.4	264.4	276.6	275.3			**+11.1%**
Average Shares	m	302.6	346.2	349.5	397.9	397.3	382.5	380.5			**+4.8%**
Book Value ps	p	48.5	52.7	58.0	62.3	68.9	73.8	74.7			**+8.7%**

Health Trend

Piotroski F-Score 4

0 1 2 3 4 5 6 7 8 9

Bankruptcy Risk

Altman Z2-Score 0.60

Distress Caution Safe

Earnings Manipulation Risk

Low

Magic Formula Score

682 79% B+

E E+ D D+ C C+ B B+ A A+

Other Ratios

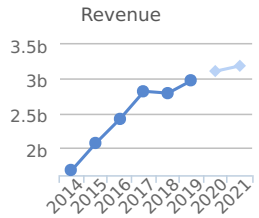
Leverage (ttm)		total	-intang	+pension
Gross Gearing	%	55.9	94.3	53.1
Net Gearing	%	29.5	49.8	26.7
Cash / Assets	%	6.47		6.43

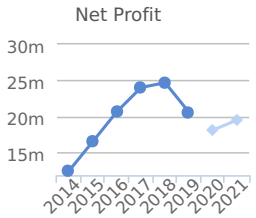
Liquidity (ttm)		Efficiency (ttm)	
Curr. Ratio	0.98	Asset Turnover	2.77
Quick Ratio	0.19	Rec's Turnover	57.5
Interest Cov.	4.53	Stock Turnover	5.11

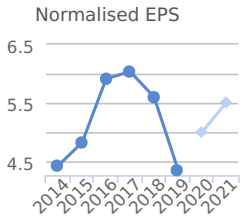
Recent History

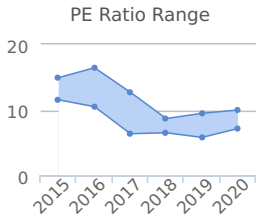
Latest interim period (ended 31st Aug '19) vs. prior year		vs. industry	vs. market
Sales Growth	5.56 %		
EPS Growth	-54.5 %		
3yr Compound Annual Growth Rate			
Sales Growth	7.16 %		
EPS Growth	-9.76 %		
DPS Growth	-4.00 %		

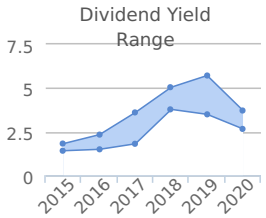
Graphical History Current Fiscal Year 2020









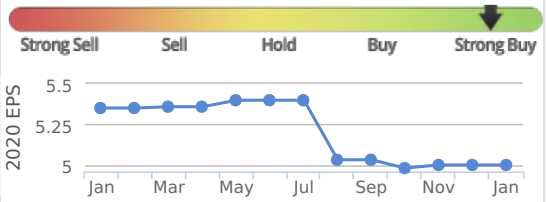


Broker Forecasts

Price Target: 0.52 (+40.51% above Price) Est. Long Term Growth Rate: n/a	28th Feb 2020 Net Profit (£)	EPS (p)	DPS (p)	28th Feb 2021 Net Profit (£)	EPS (p)	DPS (p)
Consensus Estimate	**18.1m**	**5.00**	**1.70**	**19.5m**	**5.51**	**1.74**
1m Change	-	-	-	-	-	-
3m Change	-	+0.019	+0.050	-	+0.013	+0.031

Broker Consensus Trend

2 Brokers



Profile Summary

Vertu Motors plc is an automotive retailer in the United Kingdom. The principal activity of the Company is the sale of new cars, motorcycles, and commercial vehicles and used vehicles, together with related aftersales services. The Company is engaged in the provision of management services to all subsidiary statutory entities. The Company operates a chain of franchised motor dealerships offering sale, servicing, parts and bodyshop facilities for new and used car and commercial vehicles. The Company also operates various franchise dealerships, such as Volvo, Volkswagen, Land Rover, Audi, Mercedes-Benz and Jaguar, and operates Honda dealerships in the United Kingdom. The Company operates approximately 125 franchised and over three non-franchised operations across England and Scotland. The Company's subsidiaries include Bristol Street First Investments Limited, Bristol Street Fourth Investments Limited, Vertu Motors (VMC) Limited and Grantham Motor Company Limited.

Directors: Nicola Loose (GCN) , Karen Anderson (CFO) , David Crane (EDR) 50, Robert Forrester (CEO) 46, Peter Jones (NEC) 58, Andrew Goss (NEC) , Nigel Stead (NID) 65, Pauline Best (NID) , Kenneth Lever (NED) 65, William Teasdale (NID) 73,

No. of Employees: 5,591 **No. of Shareholders:** n/a

Last Annual	February 28th, 2019
Last Interim	August 31st, 2019
Incorporated	November 1, 2006
Public Since	December 20, 2006
Shares in Issue	369,173,981
Free Float	331.9m (89.9%)

Sector	Consumer Cyclicals
Industry	Specialty Retailers
Index	FTSE Aim All Share ,
Exchange	London Stock Exchange (AIM)
Eligible for	an ISA? ✔ a SIPP? ✔

Address	Vertu House Fifth Avenue, GATESHEAD, NE11 0XA, United Kingdom
Web	http://www.vertumotors.com/
Phone	+
Contact	()
Auditors	PricewaterhouseCoopers LLP

VTU Share Price Quote

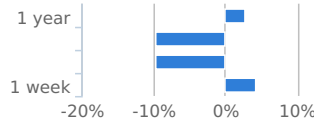
VTU Share Price GBp
37p

Day's Change
-1.3 -3.4%

Traded 4:35pm · Minimum 15 min delayed · NMS: 7.50k

Volume	Bid - Ask	Low - High	Spread
660,014	37.0 - 37.2	37.0 - 38.0	54bps
Avg Vol (3m)	**Open - Close**	**12m Range**	**Beta**
608,338	37.8 - 37.0	31.0 - 43.2	0.42

VTU Share Price Performance



Latest VTU News Announcements (delayed)

More »

18th Dec '19	Vertu Motors PLC - Second Price Monitoring Extn
18th Dec '19	Vertu Motors PLC - Price Monitoring Extension
13th Dec '19	Vertu Motors PLC - EBT Share Purchase
9th Oct '19	BRIEF-Vertu Motors H1 Pretax Profit Dips, Affirms FY View
9th Oct '19	Vertu Motors PLC - Unaudited interim results

Upcoming VTU Events

Recent ↓

Industry Peer Group

- **H.R. Owen** — Compare vs VTU
- **Caffyns** — Compare vs VTU
- **Cambria Automobile...** — Compare vs VTU
- **Marshall Motor Hol...** — Compare vs VTU
- **Pendragon** — Compare vs VTU
- **Lookers** — Compare vs VTU
- **Motorpoint** — Compare vs VTU
- **Halfords** — Compare vs VTU

Consumer Cyclicals Specialty Retailers

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