PENDRAGON ORIENT LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

Registered Number 1994002

PENDRAGON ORIENT LIMITED

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PENDRAGON ORIENT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2012

The directors have pleasure in submitting their report and the audited financial statements of the Company for the year ended 31 December 2012

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 4
The directors do not recommend the payment of a dividend (2011 £nil)

BUSINESS REVIEW

The Company is a wholly-owned subsidiary of Pendragon PLC and operates as part of the Stratstone division

The Company's principal activity is that of motor retailers and parts distributors in the UK There have not been any significant changes in the Company's principal activities in the year under review The Directors are not, at the date of this report aware of any likely major changes in the Company's activities in the next year

As shown in the Company's profit and loss account on page 4, turnover decreased by 3 2% from £28,896,000 in the prior year to £27 964 000 in the current year and the loss for the financial year was £731,000 compared to the prior year loss of £613 000 The main reason for the decrease in turnover was a fall in the number of new and used vehicles sold in the current year compared to the prior year together with the loss of revenue from the sale of the Doncaster dealership in the second half of 2012

Pendragon PLC manages its operations on a divisional basis For this reason the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business The performance of Stratstone division which includes the Company, is discussed in the 2012 financial statements of Pendragon PLC

The balance sheet on page 5 of the financial statements shows that the net assets of the Company have decreased by £731,000 This was due to the loss in the year

One of the main risks facing the business is the year on year decline in new car registrations in the United Kingdom This risk is partly mitigated by the sale of used cars and aftersales services Other risks to the business include fluctuations in general economic conditions such as interest rate increases environmental concerns and legislation and the loss of key personnel These risks are significant to the group and are also detailed in the group financial statements

The Company is a member of a funded group wide pension scheme, the Pendragon Group Pension Scheme providing benefits based on final pensionable pay The Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis and as permitted by FRS 17 'Retirement Benefits', the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme At 31 December 2012 the scheme had a deficit on an FRS 17 basis of £29,800,000 (2011 The Company was a member of the Pendragon Pension Plan which had a deficit at 31 December 2011 of £1,165,000)

Details of the number of employees and related costs can be found in note 4 to the financial statements

Pendragon Orient Limited recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to mitigate any adverse impact that might be caused by its activities The Company operates in accordance with Pendragon PLC policies, as noted in Pendragon PLC's annual report which does not form part of this report Initiatives aimed at minimising the Company's impact on the environment include safe disposal of manufacturing waste recycling and reducing energy consumption

The directors are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts

The directors are satisfied that the Company is well positioned to take advantage of future opportunities

DIRECTORS

The directors who held office during the year were as follows

T G Finn
T P Holden
M S Casha
H C Sykes
Pendragon Management Services Limited

EMPLOYMENT OF DISABLED PERSONS

The Company recognises its responsibilities in employing and training disabled persons If any employee becomes disabled it is standard practice, in all but the most extreme circumstances, to offer an alternative job and provide retraining where necessary

EMPLOYEE INVOLVEMENT

Regular contact and exchanges of information are maintained to keep employees informed of the progress of the business

The Company participates in policies and practices to keep employees informed on matters relevant to them as employees through appropriate means, such as employee meetings and newsletters

PAYMENTS TO SUPPLIERS

The Company's policy, in relation to all of its suppliers, is to settle the terms of payment when agreeing the terms of the transaction and to ensure the suppliers are aware of those terms and abide by those terms (provided that it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions) The Company does not follow any code or standard on payment practice

The number of days' purchases outstanding for payment by the Company at 31 December 2012 was 15 days (2011 16 days)

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that so far as they are each aware there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

RE-APPOINTMENT OF AUDITOR

KPMG Audit Plc has indicated its willingness to continue as independent auditor and in accordance with section 489 of the Companies Act 2006, a resolution concerning its reappointment will be proposed at the Annual General Meeting

On behalf of the Board

R J Maloney
Secretary

Loxley House
Little Oak Drive
Annesley
Nottinghamshire
NG15 0DR
19 April 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period

In preparing these financial statements, the directors are required to
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENDRAGON ORIENT LIMITED

We have audited the financial statements of Pendragon Orient Limited for the year ended 31 December 2012 set out on pages 4 to 12 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council s website at www frc org uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns or
- certain disclosures of directors' remuneration specified by law are not made or
- we have not received all the information and explanations we require for our audit

Michael Steventon (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

19 April 2013

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2012

Note		2012 £000	2011 £000
2	**TURNOVER**	27,964	28 896
	Cost of sales	(24,924)	(25,515)
	GROSS PROFIT	3,040	3,381
	Distribution costs	(2,171)	(2,276)
	Administrative expenses	(1,484)	(1,998)
3	**OPERATING LOSS**	(615)	(893)
14	Loss on disposal of business	(57)	(33)
	LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST	(672)	(926)
5	Interest payable	(19)	(19)
6	Interest receivable	3	25
	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(688)	(920)
7	Taxation on loss on ordinary activities	(43)	307
16	**LOSS FOR THE FINANCIAL YEAR**	(731)	(613)

There are no material differences between the losses as shown in the profit and loss account above and their historical cost equivalents
All current year amounts relate to continuing operations
Movements in reserves are shown in note 16
The notes on pages 7 to 12 form part of these financial statements
There are no recognised gains and losses in either year other than the result for that year

PENDRAGON ORIENT LIMITED

BALANCE SHEET

AT 31 DECEMBER 2012

Note		2012 £000	2011 £000
	FIXED ASSETS		
8	Goodwill		-
9	Tangible assets	204	346
		204	346
	CURRENT ASSETS		
10	Stocks	3,159	2,588
11	Debtors	1,040	1,578
		4,199	4,166
12	**CREDITORS** amounts falling due within one year	(3,066)	(2 444)
	NET CURRENT ASSETS	1,133	1 722
	NET ASSETS	1,337	2 068
	CAPITAL AND RESERVES		
15	Called up share capital	5,000	5,000
16	Profit and loss account	(3,663)	(2,932)
	SHAREHOLDERS' FUNDS	1,337	2,068

Approved by the Board of Directors on 19 April 2013 and signed on its behalf by

T P Holden
Director

Registered Company Number 1994002

The notes on pages 7 to 12 form part of these financial statements

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

YEAR ENDED 31 DECEMBER 2012

	2012 £000	2011 £000
Loss for the financial year	(731)	(613)
Net decrease in shareholders' funds	(731)	(613)
Opening shareholders' funds	2,068	2,681
Closing shareholders' funds	1,337	2 068

The notes on pages 7 to 12 form part of these financial statements

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

(a) Basis of preparation The financial statements have been prepared in accordance with applicable accounting standards using the historical cost convention The financial statements have been prepared on a going concern basis

The Company s business activities together with the factors likely to affect its future development and position are set out in the Business Review section of the Directors' Report on page 1

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future The Company participates in the Pendragon group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries

The directors are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts

Pendragon Orient Limited is a wholly owned subsidiary of Pendragon PLC The Company's results are included in the consolidated financial statements of Pendragon PLC which are publicly available the Company has relied upon the exemption in FRS 1 (revised) and has not included a cash flow statement as part of these financial statements

As the Company is a wholly owned subsidiary of Pendragon PLC the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the Group

(b) Turnover Turnover from the sale of goods is recognised in the profit and loss account net of discounts, when the significant risks and rewards of ownership have been transferred to the buyer In general this occurs when vehicles or parts have been supplied or when service has been completed Turnover from services rendered is recognised in the profit and loss account in proportion to the stage of completion of the transaction at the reporting date The stage of completion is assessed by surveys of work performed or by reference to time expended on services that are charged on labour rate basis

Incentives received from manufacturers in respect of target achievements are accounted for as a deduction from the cost of the vehicles or parts to which they relate

(c) Tangible fixed assets and depreciation Depreciation is provided to write off the cost less the estimated residual value of other tangible fixed assets by equal instalments over their estimated useful economic life as follows

Plant and equipment - 10 to 33% per annum
Motor vehicles - 20 to 25% per annum

(d) Stocks
(i) Motor vehicles and parts stocks are stated at the lower of cost and net realisable value
(ii) Consignment vehicles are new unregistered vehicles owned by the manufacturers, mainly located at the Company's premises, and insured by the Company
New consignment vehicles in respect of which finance charges are levied are regarded as being effectively under the control of the Company and, in accordance with FRS 5, are included within stocks on the balance sheet even though legal title has not yet passed to the Company The corresponding liability is included in creditors

Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal
Provision is made for obsolete, slow moving or defective items where appropriate

(e) Taxation Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date

Deferred taxation Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date, except as follows
(i) deferred tax is not recognised on the difference between book values and fair values of non-monetary assets arising on acquisitions unless there is a binding agreement to sell such an asset and the gain or loss expected to arise has been recognised, and
(ii) deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered

Deferred tax is measured on a non discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse based on tax rates and laws substantively enacted at the balance sheet date

(f) The Company participates in a group wide defined contribution pension scheme The assets of the scheme are held separately from those of the Company in an independently administered fund The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

The Company participates in a group wide pension scheme providing benefits based on final pensionable pay The assets of the scheme are held separately from those of the Company The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore as required by FRS 17 'Retirement benefits' accounts for the scheme as if it were a defined contribution scheme As a result the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

(g) Leases Rentals under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

(h) Accounting for business disposals The results of businesses disposed of during the year are included up to the effective date of disposal using the acquisition method of accounting

1 ACCOUNTING POLICIES (continued)

(i) Related parties The Company has a related party relationship with Reg Vardy (VMC) Limited which is a joint venture undertaking between Pendragon PLC and General Motors UK Limited

During the year, the following amounts were received from related parties in respect of vehicle sales	2012 £000	2011 £000
Reg Vardy (VMC) Limited	24	20

During the year the following amounts were paid to related parties in respect of vehicle purchases	2012 £000	2011 £000
Reg Vardy (VMC) Limited	31	9

At the year end no amounts were due to or receivable from related parties

(j) Goodwill Goodwill represents the excess of the fair value of consideration given over the fair value of the identifiable net assets acquired Goodwill arising on acquisitions is capitalised and amortised to nil by equal instalments over its estimated useful life which is twenty years

2 TURNOVER
All turnover arises in the United Kingdom from the Company's principal activities

3 OPERATING LOSS
Operating loss has been arrived at after charging

	2012 £000	2011 £000
Depreciation of tangible fixed assets - owned	96	155
Audit fee / Auditors remuneration	4	5
Operating lease charges - Land & Buildings	356	327

Amounts receivable by the Company's auditor in respect of services to the Company and its associates other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Pendragon PLC

4 EMPLOYEES
The average number employed by the Company in the following areas was

	2012 Number	2011 Number
Sales	18	22
After sales	33	40
Administration	22	26
	73	88

Costs incurred in respect of these employees were

	2012 £000	2011 £000
Wages and salaries	1,733	2,008
Social security costs	164	193
Other pension costs	21	27
	1,918	2 228

No director of the Company received or waived any remuneration for services to the Company during the year (2011 £nil)

The directors are employed by Pendragon PLC and full details of their remuneration can be found in the Directors Remuneration Report section of that company's annual report Due to the large number of subsidiary undertakings of the Pendragon group it is impracticable to make any meaningful apportionments of the directors remuneration for the Company

5 INTEREST PAYABLE

	2012 £000	2011 £000
Interest payable on loans wholly repayable within five years		
Bank interest payable	11	8
Stocking loan interest	8	11
Total interest payable	19	19

6 INTEREST RECEIVABLE

	2012 £000	2011 £000
Interest receivable		
Intra group interest receivable	3	25

7 TAXATION

	2012 £000	2011 £000
UK corporation tax at the UK average statutory rate of 24 5% (2011 26 5%)		
Current tax on income for the year	(208)	(196)
Adjustments in respect of prior periods	196	(4)
Total current tax	(12)	(200)
Deferred taxation		
Capital allowances for period in excess of depreciation	40	(48)
Effect of decrease in tax rate	13	16
Adjustments in respect of prior periods	2	(75)
Total deferred tax	55	(107)
Tax on loss on ordinary activities	43	(307)

Factors affecting the tax charge / (credit) for the period
The current tax credit for the period is lower (2011 lower) than the standard rate of corporation tax in the UK ((24 5%) (2011 26 5%)) The differences are explained below

	2012 £000	2011 £000
Loss on ordinary activities before tax	(688)	(920)
Tax on loss at the UK average statutory rate of 24 5% (2011 26 5%)	(169)	(244)
Effects of		
Capital allowances for period in excess of depreciation	(40)	48
Effect of decrease in tax rate	1	-
Adjustments to tax charge in respect of previous periods	196	(4)
Total current tax credit (see above)	(12)	(200)

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011 and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively This will reduce the company's future current tax charge accordingly The deferred tax asset at 31 December 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly

8 GOODWILL

	Goodwill £000
Cost	
At 31 December 2011 and at 31 December 2012	135
Amortisation	
At 31 December 2011 and at 31 December 2012	135
Net book value	
At 31 December 2011 and at 31 December 2012	-

Goodwill on dealerships acquired is amortised over a period of twenty years

9 FIXED ASSETS - TANGIBLE ASSETS

	Plant & Equipment £000	Motor Vehicles £000	Total £000
Cost			
At 31 December 2011	578	207	785
Additions	37	216	253
Business disposals	(58)	-	(58)
Other disposals	(8)	(350)	(358)
At 31 December 2012	549	73	622
Depreciation			
At 31 December 2011	402	37	439
Business disposals	(51)	-	(51)
Other disposals	(1)	(65)	(66)
Charge for the year	57	39	96
At 31 December 2012	407	11	418
Net book value			
At 31 December 2012	142	62	204
At 31 December 2011	176	170	346

10 STOCKS

	2012 £000	2011 £000
New and used vehicles	2,255	2,410
Consignment vehicles	773	-
Vehicle parts and other stocks	131	178
	3,159	2,588

During the year £75,000 was recognised as an expense in respect of the write down of stocks (2011 £21,000 credit)

Consignment vehicles exclude new vehicle stocks held by the manufacturers to the order of the Company, which are not capable of bearing a finance charge, amounting to £nil (2011 £644,000)

Consignment stock is held by the Company though legal title remains with the supplier The balance of the consignment stock is subject to interest at commercial rates with an initial interest free period typically 30 days, being granted In most cases, if the stock remains unsold after a set period, typically 180 days then the stock is invoiced to the Company These terms can be varied at any time and certain stock lines may be subject to different terms to others No deposits are paid in respect of consignment stock

11 DEBTORS

	2012 £000	2011 £000
Trade debtors	107	108
Amounts owed by group undertakings	472	1,095
Deferred taxation (see note 13)	150	205
Other debtors	211	97
Prepayments	100	73
	1,040	1 578

All amounts are due within one year with the exception of deferred tax

12 CREDITORS amounts falling due within one year

	2012 £000	2011 £000
Bank overdraft	619	507
Payments received on account	43	35
Trade creditors	1,110	1 232
Consignment vehicle liabilities	773	-
Other taxation and social security	42	27
Accruals and deferred income	479	643
	3,066	2,444

13 DEFERRED TAX

The movement in the deferred taxation asset in the year is as follows

	Deferred Tax £000
At 31 December 2011	205
Profit and loss account	(55)
At 31 December 2012	150

The amounts of deferred tax provided in the financial statements are as follows

	2012 £000	2011 £000
Fixed asset timing differences	135	190
Other timing differences	15	15
Fixed asset timing differences	150	205

The directors believe that the deferred tax asset recognised is recoverable as they expect taxable profits to arise in the foreseeable future

Deferred tax assets are shown in debtors (see note 11)

14 DISPOSALS

The Company disposed of the Doncaster Honda dealership in the year The agreed sale was made up of a net liabilities of £6 000 which was paid in cash to the purchaser which together with costs of £12,000, made a total cash payment on disposal of £18,000

Net assets at date of disposal

	Net book value £000
Tangible fixed assets	7
Stocks	36
Debtors	8
Creditors	(12)
Proceeds on sale satisfied in cash	39
Loss on sale	(57)
Net cash paid on sale (including costs)	(18)

15 CALLED UP SHARE CAPITAL

	2012 £000	2011 £000
Allotted, called up and fully paid		
5 000 000 (2011 5,000 000) ordinary shares of £1 each	5,000	5 000

16 RESERVES

	Profit and Loss Account £000
At 31 December 2011	(2,932)
Loss for the financial year	(731)
At 31 December 2012	(3,663)

17 OPERATING LEASE COMMITMENTS

Annual lease payments due in 2013 under operating leases of the Company, according to the period in which the lease expires are as follows

Land and Buildings	2012 £000	2011 £000
Over 5 years	301	321

18 CONTINGENT LIABILITIES

The Company is party to multi-lateral cross guarantees in respect of the indebtedness of Pendragon PLC and its UK subsidiaries in favour of certain lenders to the Group

Pendragon PLC has granted security over some of the Company's assets not subject to any other arrangements, mainly comprising property, debtors and certain vehicle stocks Pendragon PLC has also granted security over assets in some of its other subsidiaries and if security over the total of all those assets had been granted at 31 December 2012, the Group balance sheet value of those assets would have been £271m (2011 £286m)

19 PENSIONS

The defined contribution pension scheme was closed at the end of April 2006 and replaced by an alternative defined contribution scheme (group stakeholder arrangement) There were no outstanding or prepaid contributions at either the beginning or end of the financial year

The Company is a member of a funded group wide pension scheme the Pendragon Group Pension Scheme providing benefits based on final pensionable pay The Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis and as permitted by FRS 17 'Retirement Benefits', the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme At 31 December 2012 the scheme had a deficit on an FRS 17 basis of £29,800 000 (2011 The Company was a member of the Pendragon Pension Plan which had a deficit at 31 December 2011 of £1 165 000)

The Pendragon Group Pension Scheme is a funded defined benefit scheme that was set up during the year to receive the assets and liabilities of the Pendragon Group's existing six defined benefit schemes The first actuarial valuation will be carried out in 2013 as at 31 December 2012

The pension charge cost in respect of the group stakeholder arrangement for the year was £21 000 (2011 £27,000)

20 ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING OF LARGER GROUP OF WHICH COMPANY IS A MEMBER

The Company's ultimate parent company and ultimate controlling party is Pendragon PLC which is incorporated in England and Wales The largest and smallest group in which the results of the Company are consolidated is that headed by Pendragon PLC Financial statements of Pendragon PLC for the year ended 31 December 2012 are available from the Company Secretary, Pendragon PLC, Loxley House Little Oak Drive Annesley Nottinghamshire, NG15 0DR