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This announcement is not an offer of securities for sale in the United States or any other jurisdiction. This announcement is an advertisement and not a prospectus. Investors should not subscribe for or purchase any transferable securities referred to in this announcement except on the basis of information in the prospectus (the "Prospectus") intended to be published by Clipper Logistics Group Limited (the "Company" or "Clipper" and, together with its subsidiaries, the "Group") in due course in connection with the proposed admission of its ordinary shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc (the "London Stock Exchange"). Copies of the Prospectus will, following publication, be available for inspection from the Company's registered office: Gelderd Road, Leeds, West Yorkshire LS12 6LT and on the Company's website at http://www.Clippergroup.co.uk. The Company will be re-registered as Clipper Logistics plc prior to admission of its ordinary shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange.

06 May 2014

Clipper Logistics

Announcement of Intention to Float on the London Stock Exchange

Clipper today announces its intention to proceed with an initial public offering of ordinary shares (the "Shares") to certain institutional and professional investors (the "Offer" or the "IPO"). The Group intends that the Company will apply for admission of its Shares to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange (together, “Admission”).

The Group, founded by Steve Parkin in 1992, is amongst the leading providers of value-added logistics solutions and e-fulfilment to the retail sector in the United Kingdom, with an expanding business in Germany. The Group provides consultancy-led services within the online fashion and non-food sectors to its blue chip client base including ASOS, The John Lewis Partnership, Asda, SuperGroup, Morrisons, New Look and Tesco.

Business Highlights

Well positioned in the highly attractive online retail sector

- High growth in “pureplay” online retailers and traditional “high street” retailers adopting multichannel strategies
- Increasing importance of returns management for retailers – online retail has significantly increased the demands of customers in this area

One of the leading providers of e-fulfilment, fashion and high value logistics with a longstanding, blue chip and growing customer base

- Believed by the directors to be the market leader in non-food multichannel logistics in the UK, purely focused on retail
- A diverse customer base with clients including ASOS, The John Lewis Partnership, Asda, SuperGroup, Morrisons, New Look and Tesco

Proven and robust business model

- Market-leading customer proposition and focus on customer service
- Long-term contracts underpin financial predictability and stability

Strong financial profile

- Attractive record of revenue and profit growth and cash generation
- Adjusted EBIT for the year ended 30 April 2014 estimated to have been £9.6 million, an increase of 10.3% on the prior year

Highly experienced and entrepreneurial management team

- Highly experienced executive management team with collectively over 60 years of experience in the retail logistics industry

European platform set for growth

- Growth of online trading in Europe a significant opportunity for both continental and UK-based retailers
- German operations provide a base to support growth of UK based retailers

Profitable commercial vehicles division

- Solid profit and cash generation
- Provides scale and synergies to the wider Group

The Group's logistics services broadly comprise:

- e-fulfilment and associated services, including returns management;
- High-value product warehousing and distribution, including bonded warehousing and secure logistics; and
- Retail logistics services, including processing, warehousing, distribution, retail consolidation and port deconsolidation solutions

Growth Strategy

- Build on the Group's leading customer proposition and continue to expand the customer base
- Continue European expansion
- Development of new, complementary products and services within the logistics sector
- Continue successful acquisition track record

Commenting on today's announcement, Steve Parkin, Executive Chairman of Clipper said:

"We have built a strong position in e-fulfilment and UK retail logistics over the last 21 years. By leveraging the strength of our customer proposition and focus on customer service and innovative new products, we have been able to deliver organic growth and an IPO is the next logical step to support our ambitious growth plans. We are extremely excited about this next phase in the Company's development.

"With our detailed understanding of the e-fulfilment and returns markets, and the evolving needs of customers in these areas, we have increased market share with customer loyalty based on delivering a high quality service. The IPO is the next landmark in the exciting development of Clipper, providing a platform for management to accelerate growth. I look forward to continuing my journey with Clipper, working with the Board, management and shareholders."

Overview of the Offer

- The Offer will comprise a placing of Shares to be sold by the "Selling Shareholders", giving the executive management team as well as other minor shareholders an opportunity for the partial realisation of their investment in the Group. The Company will not be issuing any new Shares in connection with the Offer
- The Offer is being made by way of a placing of Shares to certain institutional and professional investors in the United Kingdom
- Steve Parkin, through his investment holding company, is expected to remain the Group's largest shareholder following completion of the Offer
- Immediately following completion of the Offer, it is expected that the Company will have a free float of approximately 49.9% of the issued share capital of the Company
- The Directors and the Selling Shareholders will agree to certain customary lock-up arrangements in respect of their holdings of Shares for 12 months following completion of the Offer
- Numis Securities Limited is acting as Financial Adviser, Bookrunner and Sponsor
- Full details of the Offer will be included in the Prospectus, expected to be published in due course

ENQUIRIES

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Notes to Editors

Key strengths and investment highlights of Clipper

The Directors believe the competitive strengths described below provide the Group with advantages over other logistics providers operating in the retail industry in the UK and mainland Europe.

Well positioned in the highly attractive online retail sector

The Directors believe that the Group has significant growth opportunities in its chosen markets due to structural changes taking place in the retail industry. As internet adoption has increased, consumers have used it as a significant retail channel. This industry growth has come from:

- "Pureplay" online retailers such as ASOS and Amazon;
- Traditional "high street" retail stores adopting multichannel strategies, such as SuperGroup, The John Lewis Partnership, Asda and Tesco; and
- Marketplace and auction websites for both new and second-hand goods, such as Amazon and eBay.

The UK has one of the highest rates of internet and smartphone penetration in Western Europe, and this penetration is expected to increase further in coming years. The proportion of online sales as a percentage of total retail sales in the UK is already one of the highest in the world, and online sales in the UK are predicted to continue to grow rapidly to a value of £125 billion by 2022 (Source: Insider Trends, Trendsetters: Future of Retail, March 2014). This trend is fundamentally altering the logistical requirements of retailers, who must meet the challenges of multichannel retailing (whereby customers place orders across a variety of sales channels, for example retail stores, online stores, mobile stores and telephone sales), which demands complex warehousing, order processing and stock management systems in order to deliver a high quality service to consumers. Further, non-food retailers are expected to invest approximately £5 billion in making the transition from multichannel to "omni-channel" retailing over the next five years (Source: LCP Consulting, Retail Supply Chain Management: The Omni-channel Revolution, 2013) (omni-channel represents the latest evolution of multichannel retailing, whereby retailers offer consumers flexibility not only on the method of order placement (as is the case with multichannel) but also on the choice of delivery destination).

In addition, returns management is an increasingly important area for retailers. Management estimates that 25% to 40% of all clothing and footwear purchases in the UK are returned (with certain industry analysis showing a higher percentage). Historically, customers would return the product to the store where the purchase was made, but as online retail has developed customers are demanding choice in their method of return, for example posting the product back to the retailer, or taking it into a high street store or a collection point. This represents a stock management and processing challenge for retailers, since traditional warehouses have been designed to receive and process large quantities of identical product, rather than to receive individual units of product. Equally, such returned units will inevitably require some degree of inspection, rectification, cleaning or repair before going back into available stock, or may even be deemed unfit for prime sale. Therefore, returns can in addition lead to significant levels of working capital tied up in stock.

Retailers therefore need to rework the product into a saleable state very quickly to reduce working capital investment and maintain margins. The Group has a strong track record of managing this process for customers, including managing the returns operation for ASOS, the UK's leading online fashion retailer.

Further, the power of social media and consumer review websites enhances the importance of returns management as the returns experience represents the final touch point between a retailer and the consumer – a badly handled customer experience in respect of the returns process may be quickly communicated by that customer to a large number of people, particularly via social media, which has the potential to harm a retailer's future sales prospects.

A market leader with a strong brand

The Directors believe that the Group is the only logistics provider in the UK focused purely on the retail market and is a market leader in non-food multichannel logistics in the UK. This specialist focus ensures that Clipper is able to develop solutions that are specifically tailored to retailers and that it can focus on developing best-in-class retail logistics solutions. By engaging in strategic level discussions with existing and potential customers, Clipper attempts to anticipate customer requirements and thereby offer innovative solutions to retail logistics problems.

The Directors believe that this solutions-driven approach and the customer's direct access to Clipper's executive and solutions teams, rather than via a sales team, provides clear differentiation from competitors in the markets in which the Group operates, where historically a third party logistics service has been seen as a commodity offering. The Group's market leading position has been recognised by the retail industry, winning Retail Week Supply Chain awards each year from 2011 to 2013.

The Group has made substantial investments in maximising its implementation expertise, including the integration of appropriate software solutions into customers' website, merchandising and stock systems, which may include a 24/7 real-time interface with the retailers' consumer facing websites to allow order processing. In addition, the Group focuses on transparent, collaborative relationships with its customers. The open book nature of the majority of UK Logistics' contracts facilitates good governance for customers since they allow the customer to have clarity over its cost base.

This bespoke approach has enabled Clipper to support both blue-chip retailers to move into online retailing (for example Asda) and online start-ups to manage their growth trajectory.

Longstanding, blue chip and growing customer base

The Group has a diverse customer base, including many blue chip companies that are amongst the leaders in the UK retailing industry. These include The John Lewis Partnership, Asda, ASOS, Morrisons, Tesco and SuperGroup, many of whom have been customers of Clipper for a number of years. The Group typically develops bespoke logistics solutions in collaboration with these customers and in many instances Clipper has supported these customers with the transition to 'e-tailing', further supporting the low level of customer 'churn' experienced by the Group. As a result, Clipper now has an extensive 'e-tailer' customer base, which the Directors believe validates its offering to e-tailers as being best in class.

Nine of the top ten of the Group's Logistics customers by revenue in the year ended 30 April 2013 have been customers of the Group since 2010 or earlier, evidencing the Group's high level of customer retention. Further, the Directors believe that recent contract wins, including SuperGroup and ASOS, evidence the Group's ability to leverage its leading market position to develop new or enhanced customer relationships, as well as securing new business from existing customers. The Directors believe that the Group's high levels of customer service and levels of customer satisfaction provide a barrier to contract losses. This is emphasised by the fact that the Group has never lost an e-fulfilment contract to a competitor.

Proven and robust business model

Market-leading customer proposition and focus on customer service

Clipper operates a consultancy-led business model, targeting value-added benefits for the customer. Rather than employing a traditional sales force, Clipper focuses on strategic level discussions with customers, analysing their particular requirements and constructing a specific solution. In this way, Clipper becomes central to that customer's strategy. In addition, the Directors believe that by targeting real benefits to the customer, including tangible cost savings, customer goodwill is delivered and there is 'buy-in' to the Clipper business model. The Directors believe that Clipper's customers perceive it as proactive rather than reactive.

High degree of contractual certainty underpins financial predictability and stability

Clipper has adopted a business model whereby substantially all of the Group's UK Logistics business is subject to formal contractual arrangements. Further, approximately 70% of the Group's logistics division revenue for the year ended 30 April 2013 was generated from open book and minimum volume guarantee contracts, providing the Group with a high degree of profit and cash flow predictability and operational stability. The contracts that Clipper enters into with its customers have an average duration of three to five years. Open book contracts provide Clipper with protection against cost fluctuations, since all costs incurred by Clipper are directly recharged to the customer alongside a management fee. This management fee can be enhanced through gainshare mechanisms, whereby Clipper receives a proportion of the cost reductions that are delivered to the customer and through key performance indicator-linked reward mechanisms.

The nature of the Clipper service offering generates a real barrier to change

The Group believes that its high quality, customer-focused service offering generates a real barrier to change, as evidenced by the high level of customer retention enjoyed by the Group. Clipper has undertaken a high number of bespoke implementation projects for customers, on a frequent basis, thereby giving it a significant degree of credibility in the marketplace. Clipper's ability to adapt software solutions and integration capability is fundamental to its service delivery, particularly in relation to the e-fulfilment business, since it allows complex integration into the website, payment, merchandising, stock and procurement systems of its customers. This is becoming a business-critical area for customers due to the increasing complexity of retail logistics as multichannel retailing develops, for example, the integration of a retailer's store distribution and e-commerce platforms. Once a customer solution is operational, the customer would face significant costs if it were to develop alternative solutions with a different supplier, such as costs relating to warehousing, infrastructure, software and staffing, as well as TUPE-related costs.

Finally, Clipper offers shared-use arrangements at a number of its sites which provides customers with cost benefits which may be unavailable if they were to use another third party logistics provider. This is of particular importance to the Group's smaller scale customers, for example 'e-tailing' start-ups or overseas retailers beginning a UK rollout programme, for whom the ability to pay a proportion of the cost of warehousing can represent a significant cost saving.

Strong financial profile

The Group has increased revenues whilst maintaining good margins and strong cash generation. The Group's Adjusted EBIT for the year ended 30 April 2014 is estimated to have been £9.6 million as compared to £8.7 million for the year ended 30 April 2013, representing growth of 10.3%. This growth is underpinned by the significant progress being made in E-fulfilment Logistics, which delivered Adjusted EBIT growth of 43.8% in the 8 month period to 31 December 2013 as compared to the prior year comparable period. The Group's cash generated from operations has been consistently strong, as has cash conversion, which reflects management focus on cash generation and cash management.

The growth of the business has been achieved with minimal working capital investment, principally due to the nature of the Group's contract profile, whereby, under UK Logistics' open book contracts, customers typically pay Clipper during the month in which services are delivered and the business is therefore working capital neutral. Furthermore, the working capital requirement of the Commercial Vehicles business (see below) is substantially funded by manufacturers. As a result, the Group enjoys a positive working capital cycle.

Highly experienced and entrepreneurial management team

The Group benefits from an experienced and entrepreneurial management team that has successfully developed and expanded the Group's business during periods of significant change in the UK retail industry, which Clipper believes demonstrates the ability of the management team to guide the Group as it continues to pursue its strategy of organic growth through customer focus, technical innovation and growing brand awareness. Steve Parkin, the Company's Executive Chairman, founded the Company in 1992; Sean Fahey, the Company's Chief Information Officer, joined the Company in the same year; David Hodkin, the Company's Chief Financial Officer, joined in 2003 and Tony Mannix, the Company's Chief Executive Officer, joined in 2006. They work closely with a team of thirteen senior operational managers who oversee the Group. The Executive Directors and Senior Managers collectively have over 100 years of experience in the retail logistics industry.

European platform in place to exploit growth in online retail in Germany and beyond

The Group's existing retail logistics and transport solutions in Germany provide a strategically important gateway to enable the Group to provide support to retailers with the growth in online retail in Germany and the rest of mainland Europe. There is currently a much lower level of online penetration in these regions than in the UK, and Germany represents the largest retail market in Europe, so is widely viewed as being a primary expansion destination for British retailers. Combining its existing expertise in e-fulfilment in the more developed UK online retail market, with its German operating platform and experienced local management team, Clipper will be well placed to assist both European retailers to move online, and UK retailers to expand into Europe and the Group is engaged in a number of discussions with both UK and German retailers to provide returns management solutions in mainland Europe.

Each of the developments outlined above require complex, bespoke logistics solutions, which Clipper is ideally placed to provide to online retailers, as its market-leading retailer customer base demonstrates. They include traditional "high street" retailers and "pureplay" online retailers, in both the UK and mainland Europe and are evidence of Clipper's ability to develop high quality solutions for all types of online retailers, in both the UK and mainland Europe, meeting their increasingly complex logistics requirements. As such, the Group expects to continue to benefit from the structural growth that is taking place in this market.

Profitable Commercial Vehicles division

The Commercial Vehicles division, trading as Northern Commercials, is a leading Iveco and Fiat dealership with a strong market reputation and good relationships with the manufacturers.

The majority of Commercials Vehicles' profit stream is derived from aftersales activities (namely servicing and parts), which display strong profit margins relative to new vehicle sales and deliver recurring revenue streams, due to the legal requirement for most commercial vehicles to be inspected every six weeks. As such, Commercial Vehicles delivers stable profit and cash flows to the Group.

The Commercial Vehicles business requires very little capital expenditure and, with working capital substantially funded by the manufacturer, is consistently cash generative.

The business has a strong management team who have run the Commercial Vehicles business for a number of years, and minimal day-to-day involvement is required from Group management. The Directors believe that the Commercial Vehicles division brings numerous benefits to the wider Group, including retaining the margins on servicing and parts on the Logistics fleet within the Group, flexibility over fleet procurement and added scale for the Group when dealing with large blue chip customers.

Financial Highlights

Revenue	**For the year ended 30 April**			**For the 8 months ended 31 December**	
£m	**2011**	**2012**	**2013**	**2012 (unaudited)**	**2013**
E-fulfilment logistics services	16.4	19.3	29.6	18.5	28.7
Non E-fulfilment logistics services	75.5	73.3	69.3	45.3	56.6
Value-added logistics services	91.9	92.6	98.9	63.8	85.3
Distribution of commercial vehicles	73.7	74.7	62.9	40.9	42.9
Inter-segment sales	(0.7)	(0.8)	(1.1)	(0.6)	(0.8)
Revenue	**165.0**	**166.5**	**160.7**	**104.0**	**127.5**

Adjusted EBIT	**For the year ended 30 April**			**For the 8 months ended 31 December**	
£m	**2011**	**2012**	**2013**	**2012 (unaudited)**	**2013**
E-fulfilment logistics services	1.3	1.9	2.5	1.6	2.3
Non E-fulfilment logistics services	8.1	7.7	7.9	5.1	5.6
Central logistics costs	(2.4)	(1.6)	(2.4)	(1.7)	(2.6)

Value added logistics services	7.0	8.0	8.0	5.0	5.2
Distribution of commercial vehicles	1.9	1.3	1.5	0.9	1.2
Head office costs - continuing	(0.7)	(0.7)	(0.7)	(0.5)	(0.6)
Adjusted EBIT	**8.2**	**8.7**	**8.7**	**5.5**	**5.9**

Note: certain amounts representing sub-totals and totals in the tables above may not be the precise sum of the figures that precede them due to rounding differences.

Current trading and prospects

The strong performance seen by the Group in the 8 month period to 31 December 2013 has continued into the first months of 2014. In the year to 30 April 2014, the Group is estimated to have delivered Adjusted EBIT of £9.6 million, a 10.3% improvement on the prior year. In particular, E-fulfilment Logistics delivered Adjusted EBIT of £2.3 million in the 8 month period to 31 December 2013, growth of 43.8% on the prior year comparable period, and a good indication of the prospects for this business as online retail continues to grow.

Board of Directors

The Board is committed to the highest standards of corporate governance. It is intended that the Board will, at Admission, comprise eight members, including the Executive Chairman, four independent Non-Executive Directors and three other Executive Directors.

Board biographies

Steve Parkin (Executive Chairman)

Steve, a fashion logistics specialist, founded the Group in 1992. As Executive Chairman, Steve is responsible for the strategic direction of the Group. Steve is the major shareholder in the Company and will remain the largest shareholder in the Company immediately following the IPO. Steve has extensive experience of retail logistics particularly in fashion. He holds and pursues strategic level discussions with major retailers. In addition, Steve drives the Group's acquisition strategy.

Tony Mannix (Chief Executive Officer)

Tony joined Clipper in 2006 as Managing Director of UK Logistics. Tony has over 25 years' experience in the logistics sector, and has held a number of senior roles with Roseby's plc (which became part of Homestyle Group plc) becoming Logistics Director. Tony has particular experience of operating in complex retail logistics environments, including the design and specification of both distribution centres and warehouse management systems. Tony began his career in logistics with the Burton Group, after working in the construction industry following his graduation with a degree in Architectural Engineering.

David Hodkin (Chief Financial Officer)

David joined the Group as Group Chief Financial Officer in 2003. David has held a variety of board level roles prior to joining Clipper, including Group Finance Director of Symphony Group plc, Finance Director of Kunick Leisure Limited, and a number of senior roles in Magnet Limited. David is a member of the Chartered Institute of Management Accountants.

Sean Fahey (Chief Information Officer)

Sean joined Clipper in 1992, initially as the director responsible for accounting and IT. Sean has extensive experience of designing and implementing complex logistics solutions, based on many years of direct operational management experience, which complement his skills as an IT specialist. As the Group has grown, Sean has held positions of Development Director, Project Director, and now has responsibility for the IT, projects and implementation functions as Chief Information Officer, along with his responsibilities on the Board.

Paul Hampden Smith (Senior Independent Non-Executive Director)

Paul retired from his role as Group Finance Director of Travis Perkins plc in 2013, following 25 years with the group. During that time, the group enjoyed tenfold growth and Paul oversaw a significant number of acquisitions ranging from £1 million to £1 billion in size. During the last ten years, Paul has held non-executive directorships on the boards of DX Services plc, Polestar UK Limited, Redrow plc, Bellway plc and Pendragon plc. Paul was also appointed as Chairman of the Audit Committee in each of these non-executive roles.

Stephen Robertson (Independent Non-Executive Director)

Stephen has many years of experience in the retail industry and has held executive positions at Kingfisher plc, WH Smith plc and Woolworths Group plc. Stephen was previously a director of the British Retail Consortium and is currently an Advisory Board Member of Retail Week. Stephen's current non-executive directorships include Timpson Group plc and Hargreaves Lansdown plc.

Ron Series (Independent Non-Executive Director)

Over the past 20 years, Ron has held executive and non-executive positions with numerous companies with international operations in transport, logistics, shipping, real estate and information technology. Included among them are Tuffnells Parcels Express where he was chairman during its ownership by 3i and UK-listed companies such as Davies and Newman plc and LEP Group plc. Most recently, he has held executive positions at i-SOFT Group Limited (listed on the Australian Securities Exchange), SIAC Group and Viridian Group and was instrumental in the successful restructuring of Nakheel PJSC, the real estate arm of Dubai World. Ron is currently appointed as non-executive director at Office Team.

Mike Russell (Independent Non-Executive Director)

Mike Russell was appointed Non-Executive Director of Clipper with effect from 3 January 2011. He qualified as a Chartered Certified Accountant with a subsidiary of Imperial Chemical Industries, following which he held the position of Finance Director of a subsidiary of Allied Lyons PLC. He joined Asda Stores Limited as Chief Accountant in 1986 and subsequently became Finance Director of the Stores Division. He was appointed Group Finance Director of Nurdin & Peacock PLC, a FTSE 250 company, in early 1996 prior to the sale of the business to Booker plc. From 1997 to 2011 he was an executive director of Prize Food Group, a private equity-backed business, initially as Group Finance Director and, from 2005, as Chief Executive Officer.

Basis of preparation

The Directors' Profit Estimate for the year ended 30 April 2014 has been prepared using the accounting policies adopted by the Group in preparing its combined and consolidated financial information for the eight months ended 31 December 2013 which will be set out in the Prospectus. The Profit Estimate is based on:

(a) the audited combined and consolidated interim financial results of the Group for the eight months ended 31 December 2013;
(b) the unaudited management accounts of the Group for the three months ended 31 March 2014; and
(c) the Director's forecast for the month ended 30 April 2014.

Reconciliation of Adjusted EBIT to Profit before income tax

	For the year ended 30 April				**For the 8 months ended 31 December**	
£m	**2011**	**2012**	**2013**	**2014**	**2012**	**2013**
Adjusted EBIT	**8.2**	**8.7**	**8.7**	**9.6**	**5.5**	**5.9**
Exceptional items*	(1.1)	(0.1)	(0.4)	(2.3)	(0.2)	(0.5)
Discontinuing head office costs**	(1.5)	(2.0)	(2.1)	(2.3)	(1.3)	(1.5)
Operating profit	**5.6**	**6.6**	**6.2**	**5.0**	**4.0**	**3.9**
Net finance costs	(0.9)	(1.4)	(1.0)	(0.8)	(0.5)	(0.6)
Profit before income tax	**4.7**	**5.2**	**5.2**	**4.2**	**3.5**	**3.3**

*Exceptional costs in the year ended 30 April 2014 include the anticipated costs of the IPO incurred to that date.
**Head office costs include a number of items which will not be borne by the Group post-Admission. These consist of certain advertising, sponsorship and corporate entertaining expenses, remuneration of a retiring director, consultancy and professional fees in respect of potential investment opportunity appraisals and the costs of operating the Chairman's private office.

Definitions

"Adjusted EBIT" - operating profit before discontinuing head officecosts and before exceptional items. Note that Adjusted EBIT is a non-IFRS/non-GAAP measure

"Board" or "Directors" – the Executive Directors and the Non-Executive Directors

"Commercial Vehicles" – the commercial vehicles division of the Group, trading as Northern Commercials

"E-fulfilment Logistics" – the part of the Logistics Division which provides e-fulfilment and associated services to customers

"Executive Directors" – the executive directors of the Company, being Steve Parkin, Tony Mannix, David Hodkin and Sean Fahey

"German Logistics" - the part of the logistics division of the Group which operates out of Germany

"Logistics" – the logistics division of the Group operating out of the UK and Germany

"London Stock Exchange" – The London Stock Exchange plc

"Non-Executive Directors" – the non-executive directors of the Company, being Paul Hampden Smith, Stephen Robertson, Ron Series and Mike Russell

"Official List" – the Official List maintained by the UK Listing Authority

"Profit Estimate" – the Directors' estimate of the Group's profit before income tax, Adjusted EBIT, and certain line items between them for the year ended 30 April 2014

"Senior Managers" – the Managing Director of Commercial Vehicles, being Roger Peel, and the Managing Director of German Logistics, being Jürgen Wey

"Shares" – ordinary shares of 0.05p in the capital of the Company

"TUPE" – Transfer of Undertakings (Protection of Employment) Regulations 2006

"UK Logistics" – the part of the logistics division of the Group which operates out of the UK

Forward Looking Statements

This announcement includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "targets" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors or the Group concerning, among other things, the results of operations, financial condition, prospects, growth, strategies, and dividend policy of the Group and the industry in which it operates.

These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated; expressed, or implied in such forward-looking statements. Such forward-looking statements contained in this announcement speak only as of the date of this announcement. The Company, the Directors, the Selling Shareholders and Numis Securities Limited ("Numis") expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the announcement to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules, or the Disclosure and Transparency Rules of the FCA. Prospective investors should specifically consider the factors identified in this Prospectus which could cause actual results to differ from those indicated in or suggested by the forward-looking statements in this Prospectus before making an investment decision.

Important Notice

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, have been approved by Numis solely for the purposes of section 21 (2) (b) of the Financial Services and Markets Act 2000 (as amended).

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Numis, which is authorised and regulated by the Financial Conduct Authority, is acting exclusively for the Company and no one else in connection with the Offer and Admission, and will not regard any other person as its client in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in relation to the Offer or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, Numis and any of its affiliates, acting as investors for their own accounts, may purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being offered, subscribed, acquired, placed or otherwise dealt in should be read as including any offer to, or subscription, acquisition, placing or dealing by Numis and any of its affiliates acting as investors for their own accounts. In addition, Numis or its affiliates may enter into financing arrangements and swaps in connection with which it or its affiliates may from time to time acquire, hold or dispose of Shares. Numis does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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