

Pendragon shareholders back £397m US Lithia Motors deal

Shareholders in the Pendragon group have overwhelmingly backed a £397 million deal which includes selling its UK dealerships to the American Lithia Motors business.

Almost 98 per cent of shareholders have backed the plan to sell off its [Evans Halshaw and Stratstone dealerships](#) and its CarStore business to America's Lithia Motors. It also includes rolling out its dealer management software arm Pinewood to Lithia's 50 UK sites and North American operations.

Lithia has revenues of almost \$30 billion (£24 billion) and already owns the Jardine Motors Group in Britain which has more than 50 locations and employs more than 2,700 people.

Its chief executive Bryan DeBoer previously said the partnership with Pinewood Technologies and acquisition of the Pendragon dealerships was a "massive step" in delivering its longer-term growth strategy around the world.

Lithia had initially offered £280 million, but raised its bid in light of competition which emerged in recent weeks.

Those other offers – one worth around £450 million from Florida-based car retailer AutoNation Inc and a joint offer worth the same from [Sweden's Hedin Mobility Group and Leicester-based PAG International](#) – have since been withdrawn.

The Lithia deal was put to shareholders at Nottingham-based Pendragon's AGM on Wednesday and can now go ahead subject to certain conditions.

The business said: "Transaction completion is still expected to occur in Q4 2023. Further announcements will be made by the company on the progress of the transaction in due course."

Pendragon has 134 franchises and 12 used cars dealerships as well as its dealer management software arm, which would become its main business if it sold off its forecourts.

Earlier this autumn it announced underlying pre-tax profits for the first half of 2023 of £36.7 million – up from £33.5 million.

Like-for-like revenues for the group – which includes Stratstone, Evans Halshaw and Carstore – were up more than 15 per cent at £2.09 billion.