

Turners announces on-market share buyback programme

Turners Automotive Group Limited (NZX: TRA) has announced an on-market share buyback programme, of up to 5% of its issued share capital (4.474m shares), to commence 30 November 2018.

The shares will only be acquired on the NZX Main Board and share purchases may occur until 31 March 2019. The acquired shares will be cancelled by Turners, reducing the number of shares on issue.

Chairman of Turner's, Grant Baker, commented that the Board continued to believe that the share price did not appropriately reflect the fundamentals of the business.

"The Board believes that the purchase of shares, at current market prices, provides a return above the company's cost of capital and will be value enhancing for shareholders. Turners is in a strong financial position and the buyback is seen as an efficient use of capital while the share price remains below the intrinsic value of the business. It provides a means to return capital to shareholders, while benefiting those who continue to hold shares in the company."

The key principles under which the buyback will be executed are summarised below:

- Shares purchased by Turners will be cancelled on acquisition, and the number of shares on issue reduced accordingly.
- Turners will only buy shares through NZX's order-matching market during normal trading hours (i.e. there will be no off-market transactions).
- Turners will adhere to an established set of principles agreed with its broker that seek to ensure that the buyback does not distort the market price for shares.
- On-market buybacks will only take place on the NZX, not the ASX.
- Turners will keep shareholders fully informed of material information and monitor compliance with its various information disclosure requirements throughout the buyback period.

First NZ Capital has been appointed to act as Turners' broker in connection with the buyback.

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About Turners

Turners Automotive Group Limited is an integrated financial services group, primarily operating in the automotive sector www.turnersautogroup.co.nz

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