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This announcement is an advertisement for the purposes of the UK Prospectus Rules and not a prospectus and not an offer of securities for sale in any jurisdiction, including in or into Australia, Canada, Japan, the Republic of South Africa or the United States.

Investors should not purchase or subscribe for any shares referred to in this announcement except on the basis of information in the prospectus (the "Prospectus") to be published shortly by AA plc (the "AA" or the "Company"), in connection with the proposed admission of its ordinary shares ("Shares") to the standard listing segment of the Official List of the UK Financial Conduct Authority (the "FCA") and to trading on the Main Market for listed securities of London Stock Exchange plc (the "London Stock Exchange") (together, "Admission"). A copy of the Prospectus will, following publication, be available for inspection on the Company's website at www.theaa.com.

AA plc

Announcement of Completion of Offer and Offer Price

Following the announcement on 6 June 2014 by AA plc of an approach by a Management Buy-in ("MBI") team to acquire the Company and its intention to float on the London Stock Exchange, the Company today announces the successful completion of the offer (the "Offer"), which was over-subscribed, and commencement of conditional dealings.

As announced on 6 June 2014, the Company and Acromas Bid Co Limited ("Acromas" or the "Selling Shareholder") had received binding commitments of over £930 million from certain leading institutional investors (the "Cornerstone Investors") to acquire Shares in the Offer. Following the subsequent marketing process, the total gross proceeds raised by the Offer will be approximately £1.385 billion. The Selling Shareholder, which previously owned 100% of the issued share capital of the AA, has agreed to sell its entire stake in the Company as part of the Offer.

Offer highlights

- The offer price, as previously announced, has been set at 250 pence per Share (the "Offer Price")
- Based on the Offer Price, the total market capitalisation of the AA plc at the commencement of conditional dealings is expected to be £1.385 billion
- The Offer comprises approximately 554 million new and existing Shares ("New Shares" and "Existing Shares", respectively), which will represent 100% of the AA's issued share capital on Admission:
 - the Company will offer approximately 85 million New Shares, and will use approximately £185 million of expected net proceeds after fees to reduce the overall net leverage of the Group; and
 - the Selling Shareholder has agreed to sell all of the Existing Shares held by it.

Allocations in the Offer

The Shares have been allocated to a diverse number of leading institutional investors who have shown significant support for the company. These include the Cornerstone Investors identified in the intention to float announcement: Aviva, Blackrock, CRMC, GLG Partners, Henderson Global, Henderson Volantis, Invesco, L&G and Lansdowne Partners. Full details of significant shareholders in the Company will be published in the Prospectus.

Further information

- Completion of the Offer follows the announcement of the acquisition of the Company by an MBI team, consisting of Bob Mackenzie, Martin Clarke and Nick Hewitt, working alongside the existing management team led by CEO Chris Jansen and CFO Andy Boland, who together combine a wealth of experience that includes proven operational, financial and strategic skills relevant to add significant shareholder value to the AA.
- Conditional dealings in the Shares will commence on the London Stock Exchange at 8:00am today (23 June 2014) under the ticker "AA."
- Admission to the standard listing segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange, and the commencement of unconditional dealings in the Shares on the London Stock Exchange, are expected to take place at 8:00am on 26 June 2014. At Admission, the Company will have approximately 554 million Shares in issue.
- The Prospectus relating to the Offer and Admission will be submitted to the UKLA and will be available free of charge at the Company's registered office at Fanum House, Basing View, Basingstoke, RG21 4EA and on the Company's website www.theAA.com.

Defined terms in this announcement shall have the same meanings as in the announcement released on 6 June 2014.

Bob Mackenzie, Executive Chairman, said:

"We are delighted to have secured £1.4 billion to acquire the AA, with our financial backing coming from many leading UK institutions. I would like to thank my colleagues on the MBI team, together with the AA's existing management, the vendors and all the advisors involved for their efforts in bringing the transaction to fruition. We will work with the existing management and the AA's loyal workforce to deliver an enhanced experience for all our members and customers, and to serve the broader needs of the UK motorist. Our offer will enable the AA to become an independent publicly-listed company and we look forward to creating substantial value for all our stakeholders."

Chris Jansen, CEO, said:

"We are delighted that we have seen such strong demand for shares in AA plc. It is no doubt driven by a combination of the core strengths of the business and the expectation of what we can do with the business in the future. Everyone at the AA is delighted that we will soon be a public company and we are all looking forward to the next chapter in our 109 year history."

Andrew Goodsell, Chairman of Acromas, said:

"On behalf of Acromas, I would like to congratulate Bob Mackenzie and the team for successfully completing the Offer. This is a great achievement, reflecting the strength and quality of the AA, and its future potential. We wish the AA's management team, employees, members and new shareholders all the best on this next phase of the journey."

Expected timetable

Event	Time and Date ⁽¹⁾⁽²⁾
Commencement of conditional dealings in Shares on the London Stock Exchange ⁽³⁾	8:00 am on 23 June 2014
Publication of Prospectus	23 June 2014
Admission and commencement of unconditional dealings in Shares on the London Stock Exchange	8:00 am on 26 June 2014
CREST accounts credited in respect of Shares in uncertificated form	26 June 2014
Despatch of definitive share certificates (where applicable)	10 July 2014 ⁽⁴⁾

Notes:

- (1) Times and dates set out in the timetable above and mentioned throughout this announcement that fall after the date of publication of this announcement are indicative only and may be subject to change without further notice.
- (2) All references to time in this timetable are to UK time.
- (3) It should be noted that, if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.
- (4) Or as soon as practicable thereafter.

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Offer statistics

The Offer statistics in this announcement are subject to change at the determination of the Selling Shareholder and the Company.

Offer Price (per Share)	250p
Number of Existing Shares	469,280,000
Number of New Shares to be issued in the Offer	84,720,001
Number of Existing Shares to be sold in the Offer ⁽¹⁾	446,012,000
Number of Conditional Offer Shares to be sold under the Conditional Placing Commitment	23,268,000
Aggregate number of Shares in the Offer	554,000,001
Number of Existing Shares retained by the Selling Shareholder following completion of the sale of Conditional Placing Shares pursuant to the Conditional Placing Commitment	Nil
Number of Shares in issue at Admission ⁽²⁾	554,000,001
Expected market capitalisation of the Company at the Offer Price	£1,385 million
Gross proceeds of the Offer receivable by the Company	£201.8 million
Estimated net proceeds receivable by the Company, after expenses ⁽²⁾⁽³⁾	£184.7 million
Tradeable investment display mnemonic	AA.
ISIN	GB00BMSKPJ95
SEDOL	BMSKPJ9

(1) Excluding the sale of certain Existing Shares by the Selling Shareholder to certain funds managed by Capital Research and Management Company ("CRMC") (the "Conditional Offer Shares") pursuant to a conditional placing commitment (the "Conditional Placing Commitment"), which is subject to certain regulatory approvals being obtained

(2) Assumes the maximum number of Shares is issued under the Offer.

(3) The estimated net proceeds receivable by the Company are stated after deduction of estimated placing commissions and other estimated fees and expenses of the Offer payable by the Company in cash, which are expected to be approximately £17.1 million (a further £10 million of placing commissions are satisfied by the issue of Shares at the Offer Price). The Company will not receive any of the net proceeds from the sale of the existing Shares by the Selling Shareholder in the Offer or the Conditional Placing Commitment.

Forward-looking statements

This announcement contains "forward-looking" statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company 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 "believes", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "projects", "anticipates", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements all include matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. 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 with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies 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. The forward-looking statements contained in this announcement speak only as of the date of this announcement. The Group disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any change in its 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 Financial Conduct Authority.

Important notice

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

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

Neither this announcement nor any copy of it may be made or transmitted into the United States, or distributed, directly or indirectly, in whole or in part in the United States. Neither this announcement nor any copy of it may be made or transmitted directly or indirectly, in whole or in part into Australia, Canada, Japan or the Republic of South Africa or to any persons in any of those jurisdictions, except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of Australian, Canadian, Japanese, South African or United States securities laws. The distribution of this announcement in other jurisdictions may be restricted by law and persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. This announcement does not constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in Australia, Canada, Japan, South Africa or the United States or in any jurisdiction in which such offer or solicitation is unlawful.

The securities of the Company have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or any securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state law. There will be no public offer of the securities in the United States.

The securities referred to herein have not been registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa.

This announcement is not an offer of securities for sale in the United States or any other jurisdiction. This announcement is an advertisement for the purposes of the UK Prospectus Rules 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 intended to be published by the AA shortly in connection with the proposed admission of its ordinary shares to the standard 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. Copies of the Prospectus will, following publication, be available for inspection at the Company's registered office at Fanum House, Basing View, Basingstoke, RG21 4EA and on the Company's website www.theAA.com.

This announcement is only addressed to and directed at persons in member states of the European Economic Area ("EEA") who are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC), as amended ("Qualified Investors"). In addition, in the United Kingdom, this announcement is addressed and directed only at Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and

Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) are persons to whom it may otherwise be lawful to communicate it (all such persons being referred to as "relevant persons"). Any investment or investment activity to which this announcement relates is available only to relevant persons in the United Kingdom and Qualified Investors in any member state of the EEA other than the United Kingdom, and will be engaged in only with such persons. Other persons should not rely or act upon this announcement or any of its contents.

Any purchase of Shares in the proposed Offer should be made solely on the basis of the information contained in the final Prospectus to be issued by the Company in connection with the Offer. Before purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus when published. The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

This announcement does not constitute a recommendation concerning the Offer. The price and value of securities and any income from them can go down as well as up. Past performance is not a guide to future performance. Before purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks that will be set out in the Prospectus, when published. Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance. There is no guarantee that Admission will occur and you should not base your financial decisions on the Company's intentions in relation to Admission at this stage. Potential investors should consult a professional adviser as to the suitability of the Offer.

Cenkos Securities, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as Sole Co-ordinator and Bookrunner to the Company in connection with the Admission and the Offer and will not be acting for any other person or otherwise be responsible to any other person for providing the protections afforded to customers of Cenkos Securities or for advising any other person in respect of the Admission and/or the Offer.

Greenhill & Co. International LLP ("Greenhill"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as financial adviser exclusively to the Company and no one else in relation to the structuring of the arrangements leading to the Offer.

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFIN - Federal Financial Supervisory Authority). Deutsche Bank AG, acting through its London branch ("Deutsche Bank") is further authorised by the Prudential Regulation Authority and is subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of its authorisation and regulation by the Prudential Regulation Authority and regulation by the Financial Conduct Authority are available on request. Deutsche Bank is acting as financial adviser to the Selling Shareholder and the Company and no one else in relation to the structuring of the arrangements leading to the Offer.

Neither Cenkos Securities, nor Greenhill nor Deutsche Bank will regard any other person as their respective client in relation to the Offer and will not be responsible to anyone other than, in the case of Cenkos Securities and Greenhill, the Company and in the case of Deutsche Bank, the Selling Shareholder and the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

None of Cenkos Securities, Greenhill and Deutsche Bank nor any of their respective affiliates nor any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the AA, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Each of Cenkos Securities, Greenhill and Deutsche Bank accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this announcement.

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.