



## Acacia Automotive Announces Q3 Auction Results

**North Augusta, SC** February 17, 2009 – Acacia Automotive, Inc. (Ticker-ACCA) today reviewed its recently-announced third quarter results.

The company reported substantial increases at its Augusta Auto Auction operation in unit sales volume, revenues and EBITDA in the third quarter.

“These outstanding results are especially gratifying given the broad and continuing news surrounding the suppressed economy throughout the U.S. and the world today,” said Acacia’s CEO Steve “*Junior*” Sample, “especially in the automotive sector. These results reflect not only excellent management by our executive team, but also echo our sentiments that the auto auction industry remains extremely recession-resistant as a result of its dependence on the size of the U.S. *car park*, being the total number of vehicles in operation (**VIO**) in the country, rather than a dependence on vehicle manufacturing output or retail automobile sales. Even during this severe production slowdown, the **VIO** will remain about level at worst, although it normally grows by millions of vehicles per year. Of the 258 million units in the *car park* in 2007, 46 million were sold in used vehicle transactions, and auto auctions sold over 10 million of those units. Through September of 2008, auto auction volumes in the U.S. were off less than 1%, while new vehicle retail sales declined more than 22%. While that in itself is striking, the fact that our auction grew substantially during this same period is phenomenal.”

Revenues generated at the Company’s auction unit in Q3 2008 were 26.1% greater than in Q2, and Q2 revenues were 43.4% higher than Q1. Revenues for the three month period ended September 30 compared to the same period in 2007 were up 105%, more than doubling the comparative period and again representing the largest revenues for any quarter since our acquisition of the auction in 2007. The number of units sold exceeded the third quarter of 2007 by 12% and exceeded the second quarter of 2008 by 14%. The auction reported a robust EBITDA of \$140,527 in Q3. “I would be surprised to find any other auction that surpassed this incredible growth performance,” said Sample. “These are the kinds of numbers that people can only dream about in good times, let alone actually accomplish during a time of harsh economic adversity.”

The Company went on to explain that these improvements to performance and profitability, although substantial, are not sufficient to support the existing corporate overhead cost structure for the parent company. The Company is in negotiations to expand its Augusta Auto Auction operations into a larger, more modern facility and is also planning to continue growing through the acquisition of other automotive auctions. Acacia is in the process of preparing to seek new funding for that purpose. Capital raised by the Company through the offerings of its Common stock includes “PIPE” transactions,

being “Private Investment in Public Equity”, a very popular investment vehicle in recent years.

Sample Continued: “When this extremely difficult atmosphere engulfed our nation’s economy in early 2008, Acacia elected to temporarily shelf any plans to raise the additional capital needed to fuel our growth. As evidenced by the absence of new IPOs and serious M&A activity for months on end, the capital markets have had little appetite for risk or investments. But we now see rays of sunshine permeating through those dark clouds and are confident that our strong performance in auction management, when coupled with our well-conceived long-term business plan, will find a very favorable reception with investors as we once again prepare to seek new capital for expansion and growth. We believe that one more modest auction acquisition will make our entire company cash-flow positive and set the course for our future. We hope this will happen very soon, making 2009 the year that Acacia is given the fuel to launch its plans. Everyone at Acacia Automotive is excited and ready to go as we prepare to seek that capitalization!”

“We are extremely gratified to see that our management team’s decisions have paved the way to success as we carve a future for Acacia” Sample concluded. “Most notably, Tony Moorby and I knew that promoting David Bynum into a key regional management position with auction operations last spring would greatly stimulate activity at the auction level, but that decision yielded far greater results than we could have ever anticipated. We validated David’s stellar performance by appointing him as Acacia’s Vice President and Chief Operating Officer, a posture not unfamiliar to Bynum-who served as ADESA’s Regional Vice President and subsequently as their National Heavy-Duty Truck and Equipment Manager before joining Acacia Automotive. With Tony recently assuming the responsibility for building Acacia’s new Corporate Advisory Board as its Chairman while simultaneously retaining his directorship with the company, he certainly has his hands full too. We remain a very lean team at this point in time as we closely monitor our corporate overheads, but have authenticated ourselves as a very experienced and powerful group indeed! There are few teams in the auto auction industry whose experience can measure up to Acacia’s, as is evidenced by our auction’s outstanding performance in today’s lackluster business environment. We could not be more pleased.”

### **About Acacia**

Acacia Automotive, Inc. ([www.acacia.bz](http://www.acacia.bz)) is America’s newest publicly-traded automotive auction services company, but comes with seasoned veterans in management. Acacia believes there were once three companies in balance that provided the industry’s clients with a solid stance and fair choice. That balance was toppled when one leg was eliminated with the sale and subsequent absorption of ADT Automotive in 2000. Acacia intends to bring back that balance and return a much-needed stabilization to the industry, believing that “competition is a good thing.” Acacia is currently reviewing several

acquisition opportunities as it prepares to add its second auction in line with its plans to acquire approximately four additional auctions per year well into the future.

*This release includes forward-looking statements within the meaning of the Private Litigation Reform Act of 1995. Such statements, including information and statements regarding anticipated financial results, potential success of anticipated acquisitions, business operations, product marketing and potential market opportunities are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected, expressed, or implied by such forward-looking statements. The forward-looking statements in this document are made as of the date of publication hereof and the Company does not undertake to update its forward-looking statements.*

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