

Interim Results

For six months ended 31st August 2008

www.stobartgroup.co.uk

Business Overview

Andrew Tinkler - *CEO*

Stobart Group Today

- 1,850 trucks and over 3,000 trailers
- 6 million square feet of warehousing
- 2 dedicated rail freight services
- 5 rail services use inland container terminal
- Control of an inland port and a waterway port
- 40 sites across the UK and Europe
- Employs over 5,300 people

What makes us different

One brand, one vision, one goal Multimodal

- Dynamic cost model - providing a closed book rate
- Treating all customers as one to minimize empty miles
- Diversification in all sectors of the economy
- Full multimodal offering
- Advanced GTS planning system and satellite tracking - *over two years ahead of any competitor*
- Board, directors and management own 30% of issued share capital
- Attention to detail

Operational Highlights

- ES revenue growth of 43.6% - EAFFC up 131.6%
- Acquisition of JIS contributed £2.7m
- Acquisition of WA Developments contributed £1.3m (*now Stobart Rail*)
- Significant customer contracts through Innovate acquisition
- 20% increase in rail freight at our inland port
- Option for Carlisle Airport extended to January 2009
- Increased customer base - *new contract gains*
- Second phase of GTS development (*Isotrack*)

Our vision...

To become the UK's leading provider of multimodal logistics solutions...

Road

Rail

Sea

Air



over the next three to five years

— The future of multimodal logistics —

Our strategy

- Delivering operational synergies
- Developing systems and technologies which protect the business from operational and financial risk
- Organic growth through existing and new customers
- Strategic 'bolt-on' acquisitions
- Developing our Ports
- Increasing rail freight services
- Exploring air freight opportunities
- Increasing business in Ireland and Europe
- Leveraging our Brand (*moved from 59th to 23rd in Business Superbrands*)

Financial Review

Ben Whawell - *Chief Finance Officer*

Results Highlights

- Revenue from continuing operations of £199.2m
- Earnings after fleet financing costs (EAFFC) £13.4m
- Profit before tax of £11.0m
- Earnings per share from continuing operations 3.7p
- Net cash inflows from operating activities £11.0m
- Interim dividend of 2.7p per share
- Final write-down to nil of One Plantation Place

Profit & Loss Account

	6 months 31st August 2008 £'m	14 months 29th February 2008 £'m
Revenue	199.2	108.8
Operating expenses	(184.0)	(102.8)
Finance lease cost	(1.4)	(0.7)
Share based payment	(0.4)	-
EAFFC	13.4	5.3
Finance costs (net)	(2.4)	(1.8)
Profit before tax	11.0	3.5
EPS - basic	2.2p	2.3p
EPS - adjusted to reverse IBA charge	3.7p	2.3p

EAFFC

	Operating Lease	Finance Lease (HP)
Profit	100,000	100,000
Vehicle Cost	(10,000)	
EBITDA	90,000	100,000
Vehicle depreciation		(8,000)
EBIT	90,000	92,000
Vehicle interest		(2,000)
EAFFC	90,000	90,000

Balance Sheet

	31st August 2008 £'m	29th February 2008 £'m
Non-current assets	388.6	277.5
Current Assets (incl. cash)	96.0	50.3
Loans and borrowings (incl. HP)	(125.8)	(80.4)
Trade and other payables	(67.5)	(40.5)
Tax and deferred tax	(30.1)	(21.8)
Disposal group net assets	2.4	24.0
Net assets	263.6	209.1
Gearing - including HP	46.1%	36.3%
Gearing - excluding HP	33.3%	26.7%

Cash Flow Statement

	6 months 31st August 2008 £'m
Cash generated from operations	11.0
Tax paid	(0.1)
Investing activities	(97.6)
Financing activities	74.7
Decrease in cash in the period	(12.0)

Debt Reconciliation/Terms

	Non HP £'m	HP £'m	Total £'m
B/f at 28th February 2008	48.6	27.3	75.9
Additions under HP	-	30.0	30.0
Repayments of HP	18.3	(18.3)	-
Cash raised in share issue (net of costs)	(72.9)	-	(72.9)
Acquisition cash consideration	66.1	-	66.1
Net debt assumed on acquisitions	13.3	8.0	21.3
Drawdown of RCF	4.6	-	4.6
Dividends	8.5	-	8.5
Operating cash flows	(11.0)	-	(11.0)
Reclassifications	(3.6)	3.6	-
Other	(0.9)	-	(0.9)
C/f at 31st August 2008	71.0	50.6	121.6
Repayment terms:			
<i>HP in line with asset life</i>			
<i>Working capital - rolling 12 months</i>			
<i>RCF - August 2010</i>			
<i>Terms loans - 2011 to 2021</i>			

Business Update

Andrew Tinkler - *CEO*

William Stobart - *COO*

Eddie Stobart

- Now operating from 40 sites - UK, Ireland and Europe
- Continued improvement in fleet utilisation
- Successful integration of James Irlam and Innovate acquisitions

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Eddie Stobart - General Distribution Division



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Eddie Stobart - Specialist Transport Division



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Eddie Stobart - Chilled Transport Division



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Eddie Stobart - International Transport Division



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GTS Planning Technology



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GTS Planning Technology

Stobart Delivery Status

ETA Monitor
Planned visits for Coca Cola Enterprises Ltd on 09-10/2008

Top 8 - Last updated 09:30

Reference	From Town	To Description	To Town	Qty	PTA	ETA	ATA	Time On Site
MZ530695	EAST KILBRIDE	WAVERLEY LTD	ST HELENS	26	08:40	On Site	08:40	00:55
MZ535965	WAKEFIELD	B & A CASH AND CARRY	SWANSEA	17	09:00	On Site	09:00	00:30
MZ530094	WAKEFIELD	AF BLAKEMORE & SON	NORTHAMPTON	26	09:25	09:20		In Transit
MZ540252	WAKEFIELD	CCE	SHERBURN	16	09:10	On Site	09:00	00:30
MZ541719	WAKEFIELD	ESL	NORTHAMPTON	20	09:40	09:38		In Transit
MZ541731	EAST KILBRIDE	CCE	HUNTINGDON	18	09:45	10:00		In Transit
MZ533658	WAKEFIELD	ARMADALE VENDING	HUNTINGDON	26	09:45	09:40		In Transit
MZ530695	WAKEFIELD	CCE	HUNTINGDON	20	09:55	09:50		In Transit
MZ530695	EAST KILBRIDE	ESL	HUNTINGDON	26	10:05	10:45		In Transit

Panasonic

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Eddie Stobart - Warehousing Division



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Stobart Ports

- Widnes freight terminal and Mersey Gateway Port
- Additional daily rail freight service to Widnes
- Grant secured for further expansion of port

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Stobart Ports - Inland Rail Port



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Stobart Ports - Waterway Port



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- **Infrastructure engineering**
 - *Holding its own Rail Plant Operating licence and Principal Contractors licence*
 - *A major force in UK rail infrastructure maintenance*
- **Freight transportation**
 - *Two dedicated services in operation*
 - *Two services commences November 08 and one service planned for Spring 09*



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- Infrastructure Engineering



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- Value Engineering



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- Rail Transportation Division



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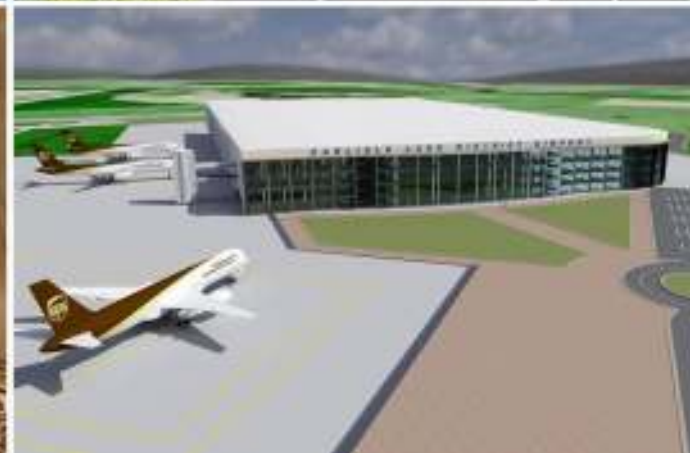
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- Option to acquire Carlisle Airport extended to January
- Potential for air freight to compliment road, rail and shipping
- Further opportunities for business being evaluated

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Stobart
air



— The future of multimodal logistics —

Protecting the environment

- Core strategy is to reduce waste
- Fleet utilisation of Eddie Stobart fleet from 82.1% to 83.9%
- 74% of whole fleet is Euro 4/5 compliant
- Two rail freight services save 3.6m litres of fuel a year
- **Future innovations include:**
 - Extending trailer lengths from 8-13% extra (*very promising response from Department of Transport, hoping to have dispensation licence to trial in November 08*)
 - Bio-diesel (*currently testing B75 in 5 trucks*)
 - Green energy solutions to power inland rail port
 - Energy efficiency in warehousing

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In summary

- A period of significant progress
- Achieve further integration and operational synergies
- Confidence in continued growth in current economic climate
- Continued growth within the rail sector
- Airport and freight opportunities being explored