

INDEPENDENT REVIEW REPORT TO STAGECOACH HOLDINGS PLC

INTRODUCTION

We have been instructed by the company to review the financial information set out on pages 14 to 22 and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

DIRECTORS' RESPONSIBILITIES

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The Listing Rules of the London Stock Exchange require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

REVIEW CONCLUSION

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 October 1999.

ARTHUR ANDERSEN

Chartered Accountants
191 West George Street
Glasgow G2 2LB
8 December 1999

STAGECOACH INDIVIDUAL SAVINGS ACCOUNTS

The company has appointed Bank of Scotland as an ISA provider and shareholders who would like further information should contact the help desk on 0131 442 8271

LOW COST SHARE DEALING FACILITY

The group has set up a low cost postal execution only share dealing facility with Stocktrade exclusive to Stagecoach shareholders. The commission is 0.6% subject to a £15 minimum. Shareholders who would like further information should write to Stocktrade, PO Box 1076, 10 George Street, Edinburgh EH2 2PZ. Telephone 0131 529 0101. Stocktrade is a member of the London Stock Exchange.

FINANCIAL CALENDAR

Interim dividend	16 March 2000
Final report	June 2000
Annual General Meeting	September 2000
Final dividend	October 2000

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