

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 directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority and applicable United Kingdom accounting standards. The Listing Rules 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 in the United Kingdom by the Auditing Practices Board and with our profession's ethical guidance. A review consists principally of making enquiries of group 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 2000.

ARTHUR ANDERSEN

Chartered Accountants
191 West George Street
Glasgow G2 2LB
5 December 2000

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.

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.

Interim dividend	14 March 2001
Final report	June 2001
Annual General Meeting	31 August 2001
Final dividend	October 2001

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