

UNAUDITED

Financial Statements

30 JUNE 2011

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Financial Statements

Consolidated income statement for the half-year ended 30 June 2011

	£
Revenue	
Finance lease income	569,745
Operating lease income	161,802,808
Maintenance income	2,036,746
Other revenue	1,486,465
Total income	165,895,764
Cost of sales	(108,470,194)
	57,425,570
Finance income/(expense)	
Interest and other income	199,598
Interest and other expenses	(84,212,416)
Net fair value gain on derivatives	2,329,494
	(24,257,754)
Administrative expense	(5,776,870)
Loss before tax	(30,034,624)
Income tax expense	(1,387,960)
Loss for the period	(31,422,584)

There were no discontinued or discontinuing operations during the period.

Consolidated statement of comprehensive income for the half-year ended 30 June 2011

There has been no comprehensive income or expense other than the loss for the period as shown above.

Financial Statements (continued)**Consolidated statement of financial position as at 30 June 2011**

£

ASSETS**Non-current assets**

Net investments in subsidiaries	2,834,620
Property, plant and equipment	2,110,721,137
Finance lease receivables	12,210,541
Trade and other receivables	10,613,996
Deferred tax assets	1,090,641
	<u>2,137,470,935</u>

Current assets

Inventories	2,376,417
Current tax	4,240
Cash and cash equivalents	169,940,668
Derivative asset	5,371,976
Finance lease receivables	672,554
Trade and other receivables	27,798,432
	<u>206,164,287</u>

Total assets	<u>2,343,635,222</u>
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LIABILITIES AND EQUITY**Current liabilities**

Trade and other payables	14,826,597
Interest payable to parent undertaking	36,250,534
Amounts owed to third parties	9,836,794
Derivative liability	5,922,515
Amounts owed to Eversholt Rail (365) Limited	31,234,229
Amounts owed to parent undertaking	432,701,581
Provisions	253,697
	<u>531,025,947</u>

Non-current liabilities

Amounts owed to third parties	1,612,005,056
Provisions	339,688
Payment in advance	60,546,913
Preference share capital	25,000,000
Deferred tax liabilities	138,799,083
Deferred income	24,699,353
	<u>1,861,390,093</u>

Total liabilities	<u>2,392,416,040</u>
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Equity

Called up share capital	12,000
Share premium account	13,660,000
Retained deficit	(62,452,818)
Total deficit	<u>(48,780,818)</u>
Total equity and liabilities	<u>2,343,635,222</u>

Financial Statements (continued)**Consolidated statement of cash flows for the half-year ended 30 June 2011**

	£
Cash flows from operating activities	
Loss before tax	(30,034,624)
Adjustments for:	
– Operating lease asset depreciation charge	74,809,631
– Other assets depreciation charge	213,573
– Interest and other expenses.....	84,212,416
– Derivatives movement.....	6,015,802
– Change in provisions.....	(68,714)
– Change in inventories.....	124,359
– Change in finance lease receivable	300,404
– Income tax paid	(17,305,440)
– Change in payments in advance	6,397,590
– Profit on disposal of plant, property and equipment	(913,479)
– Change in deferred income.....	7,296,386
– Change in trade and other receivables	(15,562,354)
– Change in trade and other payables	(26,493,291)
	<u>88,992,259</u>
Net cash generated from operating activities	
Cash flows from investing activities	
Purchase of property, plant and equipment	(78,530,833)
Proceeds from sale of property, plant and equipment	4,883,000
	<u>(73,647,833)</u>
Net cash used in investing activities	
Cash flows from financing activities	
Borrowings from third parties.....	492,901,152
Repayment of borrowings from third parties	(398,400,000)
Preference dividends paid.....	(273,768)
Interest paid	(28,613,591)
Borrowings from Eversholt Rail (365) Limited.....	2,902,057
	<u>68,515,850</u>
Net cash generated from financing activities	
Net increase in cash and cash equivalents	83,860,276
Cash and cash equivalents brought forward	<u>86,080,392</u>
Cash and cash equivalents carried forward	<u>169,940,668</u>

Financial Statements (continued)**Consolidated statement of changes in equity for the half-year ended 30 June 2011**

	Called up share capital £	Share premium £	Retained deficit £	Total shareholders' equity £
2011				
At 1 January 2011.....	12,000	13,660,000	(31,030,234)	(17,358,234)
Loss for the period.....	-	-	(31,422,584)	(31,422,584)
At 30 June 2011.....	12,000	13,660,000	(62,452,818)	(48,780,818)

Shareholders' equity is wholly attributable to equity shareholders.

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