A large, stylized illustration of two hands shaking is centered in the background. The hands are drawn with thick, dark blue outlines. The hand on the left is smaller and appears to be reaching up, while the hand on the right is larger and appears to be reaching down. The background of the illustration is a light, textured grey.

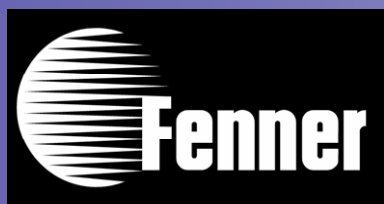
# Half-year Announcement 2009

**Growing Partnerships Worldwide**



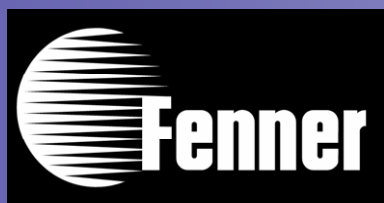
# INTRODUCTION

- Profits down by 9% - before currency adjustment – 6%
- Rapid cost reduction – £17m
- Borrowings on plan
- Mining resilience
- Some signs of stabilising industrial volumes
- Dividend maintained



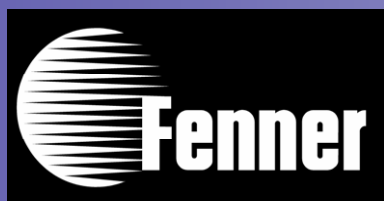
## 2009 HALF-YEAR FINANCIAL HIGHLIGHTS

- Revenue ↑ 28% to £257.6m
- Underlying operating profit - £18.6m
- Group net worth ↑ 6%
- Operating well within banking covenants
- Improved first half operating cashflow



# 2009 HALF-YEAR REVENUE

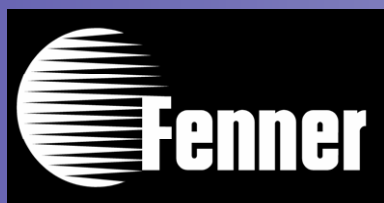
£m	<u>2008</u>	<u>Currency</u>	<u>Acquisitions</u>	<u>2009</u>	<u>Underlying Change</u>
CB	136.3	23.4	15.2	181.2	4%
AEP	64.8	11.6	11.6	76.4	(15)%
Total	<u>201.1</u>	<u>35.0</u>	<u>26.8</u>	<u>257.6</u>	<u>(2)%</u>



# 2009 HALF-YEAR OPERATING PROFIT\*

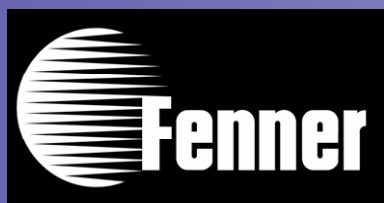
£m	<u>2008</u>	<u>Currency</u>	<u>2009</u>	<u>RoS</u>
CB	12.9	1.6	11.7	6.5%
AEP	9.7	2.1	9.8	12.8%
Unallocated	(2.9)	-	(2.9)	
Total	<u>19.7</u>	<u>3.7</u>	<u>18.6</u>	<u>7.2%</u>

\*before amorisation, exceptionals and mark to market on forward contracts



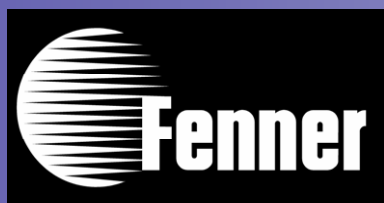
# 2009 HALF-YEAR GROUP INCOME STATEMENT

	<u>2009</u> <u>£m</u>	<u>2008</u> <u>£m</u>
Underlying Operating Profit (before Mark to Market adj)     ↓ 6%	18.6	19.7
Exchange – Mark to Market adj	(1.2)	(0.5)
Interest	(5.3)	(3.0)
Underlying PBT	<hr/> 12.1	<hr/> 16.2
Notional Interest	(0.6)	(0.1)
Amortisation	(3.1)	(0.5)
Exceptional Items	(7.8)	(1.7)
Tax (underlying rate 2009=29%, 2008=30%)	(0.2)	(4.2)
Minorities	-	(0.1)
Profit for period	<hr/> 0.4	<hr/> 9.6
Earnings per share		
- underlying	5.0p	7.1p
- basic	0.2p	6.1p



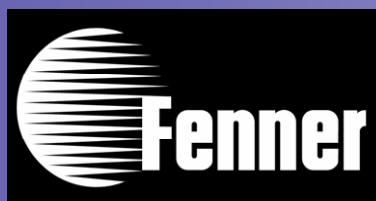
# 2009 HALF-YEAR GROUP BALANCE SHEET

<u>Year End</u>		<u>2009</u>	<u>2008</u>
<u>2008</u>		<u>£m</u>	<u>£m</u>
<u>£m</u>			
276.4	Fixed Assets, Investments and Intangibles	381.9	228.8
59.2	Net Working Capital	87.4	52.4
(19.1)	Pensions Deficit	(35.4)	(14.9)
(8.9)	Deferred Consideration	(34.2)	(7.8)
(4.1)	Other Provisions	6.7	(3.5)
<hr/> 303.5		<hr/> 406.4	<hr/> 255.0
(97.6)	Net Borrowings	(188.1)	(109.1)
<hr/> 205.9	Net Assets	<hr/> 218.3	<hr/> 145.9
<hr/> 204.9	Shareholders' Funds	<hr/> 217.0	<hr/> 145.0
1.0	Minority Interest	1.3	0.9
<hr/> 205.9	Net Capital Employed	<hr/> 218.3	<hr/> 145.9



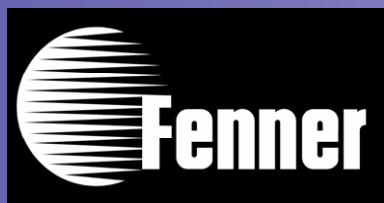
# 2009 HALF-YEAR NET WORTH

	<u>£m</u>
Opening	206
Pension Scheme	(12)
Dividend	(12)
Exchange Movement	36
Closing	<hr/> 218 <hr/>



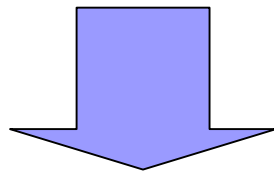
# 2009 HALF-YEAR GROUP CASHFLOW

<u>12 mts to Feb</u> <u>2008 £m</u>		<u>6 mts to Feb</u> <u>2009 £m</u>	<u>6 mts to Feb</u> <u>2008 £m</u>
(109.1)	Opening Debt	(97.6)	(36.3)
(35.0)	Currency Movements	(27.8)	(3.7)
(49.5)	Development Capex/Exceptional Items	(19.7)	(27.8)
(45.7)	Acquisitions/Disposals	(34.6)	(30.0)
(11.5)	Dividends	(11.5)	(9.9)
35.5	Shares Issued	-	0.1
(71.2)		(65.8)	(67.6)
54.5	Cash flow from Operations	19.2	13.8
(9.9)	Replacement Capex	(6.3)	(5.9)
(8.7)	Interest	(5.1)	(2.7)
(8.9)	Taxation	(4.9)	(7.2)
0.2	Other	0.2	0.5
27.2		3.1	(1.5)
(188.1)	Closing Debt	(188.1)	(109.1)

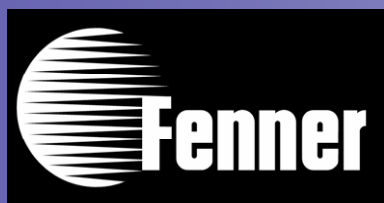


# 2009 HALF-YEAR BANKING COVENANTS

- 2 x cash interest
- 3½ x adjusted EBITDA
- Principal bank lines run for > 3 years



**> £50m headroom**



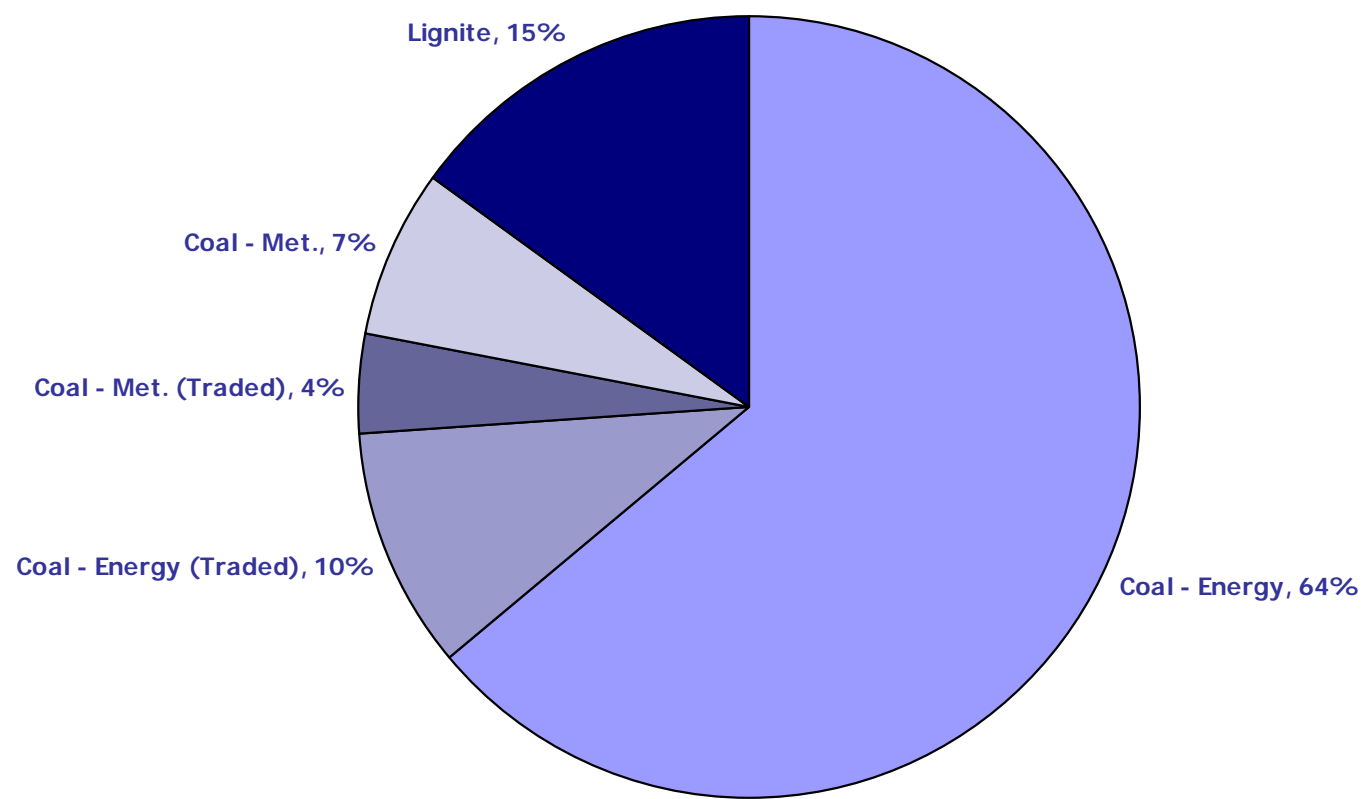
# 2009 HALF-YEAR DEVELOPMENT PLAN STATUS

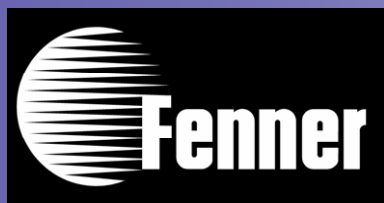
£m

	<u>2006-2008</u>	<u>H1 2009</u>	<u>O/S</u>	<u>Total</u>
Major Projects	110	12	14	136
Acquisitions	74	35	Earn out	109+
	<hr/> 184	<hr/> 47	<hr/> 14+	<hr/> 245+



# WORLD COAL PRODUCTION

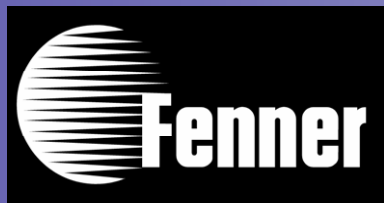




# MIT STUDY ON THE FUTURE OF COAL

**“This MIT study examines the role of coal as an energy source in a world where constraints on carbon emissions are adopted to mitigate global warming**

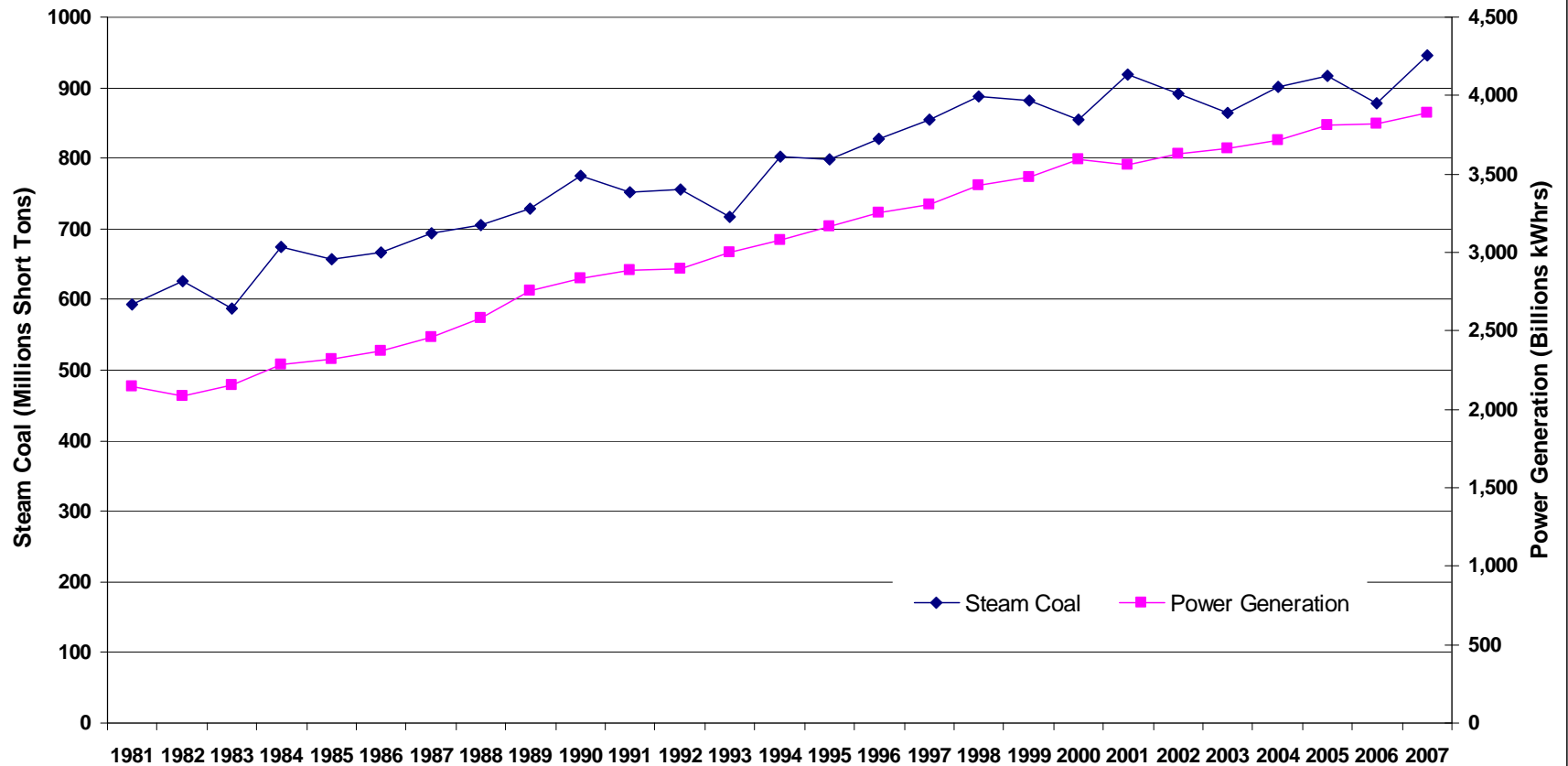
**“We believe that coal use will increase under any foreseeable scenario because it is cheap and abundant. Coal can provide usable energy at a cost of between \$1 and \$2 per MMBtu compared to \$6 to \$12 per MMBtu for oil and natural gas. Moreover, coal resources are distributed in regions of the world other than the Persian Gulf, the unstable region that contains the largest reserves of oil and gas. In particular the United States, China and India have immense coal reserves. For them, as well as for importers of coal in Europe and East Asia, economics and security of supply are significant incentives for the continuing use of coal. Carbon-free technologies, chiefly nuclear and renewable energy for electricity, will also play an important role in a carbon-constrained world, but absent a technological breakthrough that we do not foresee, coal, in significant quantities, will remain indispensable.”**



# LONG TERM COAL DEMAND

## North American Power Generation and Energy Coal

EIA, BP Energy Review, Company Research



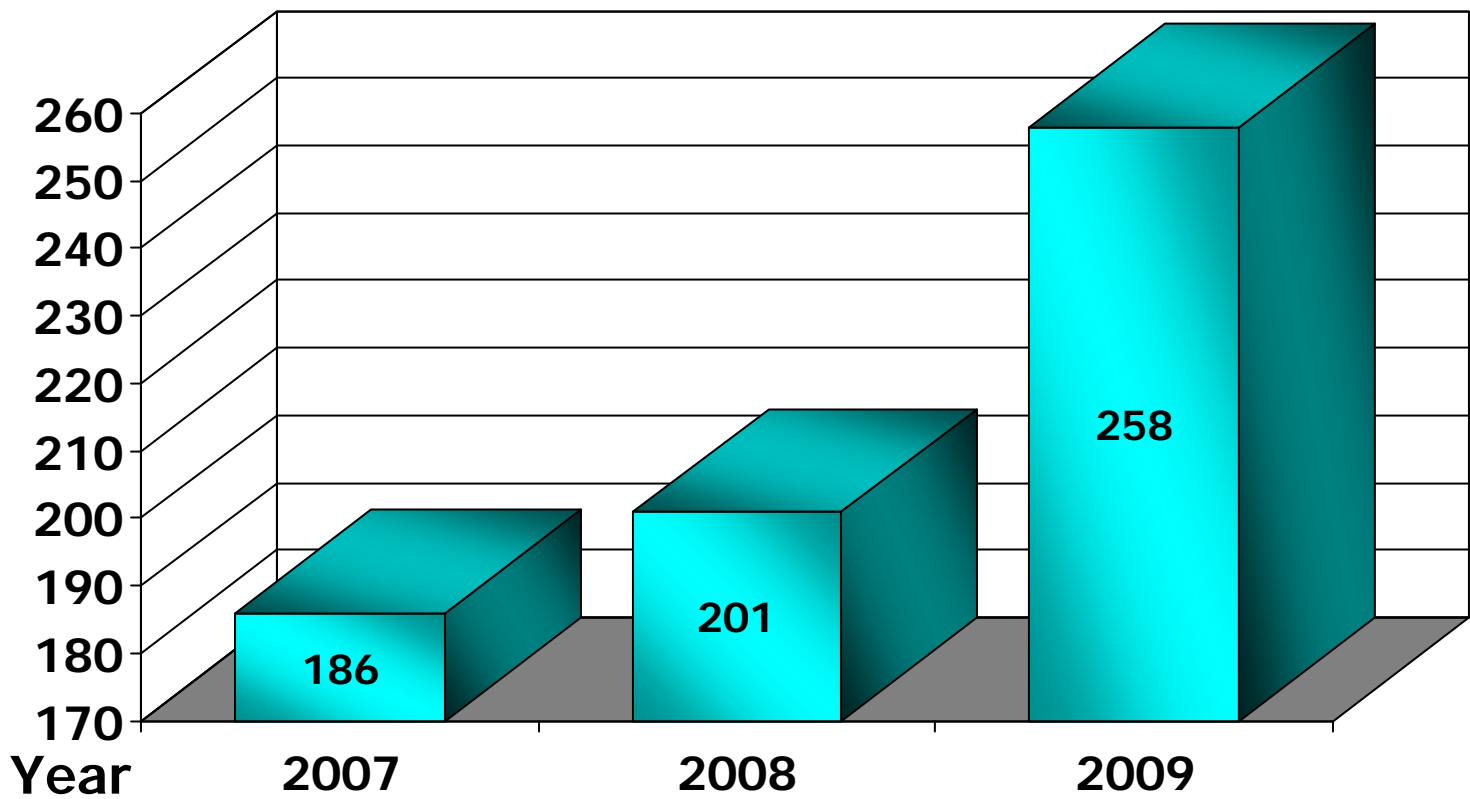


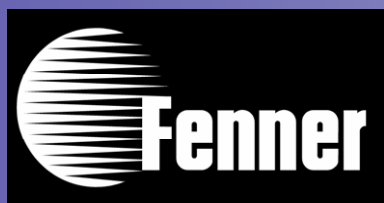
# FINANCIAL PERFORMANCE

## HALF-YEAR 2007-2009

### Revenue

£m

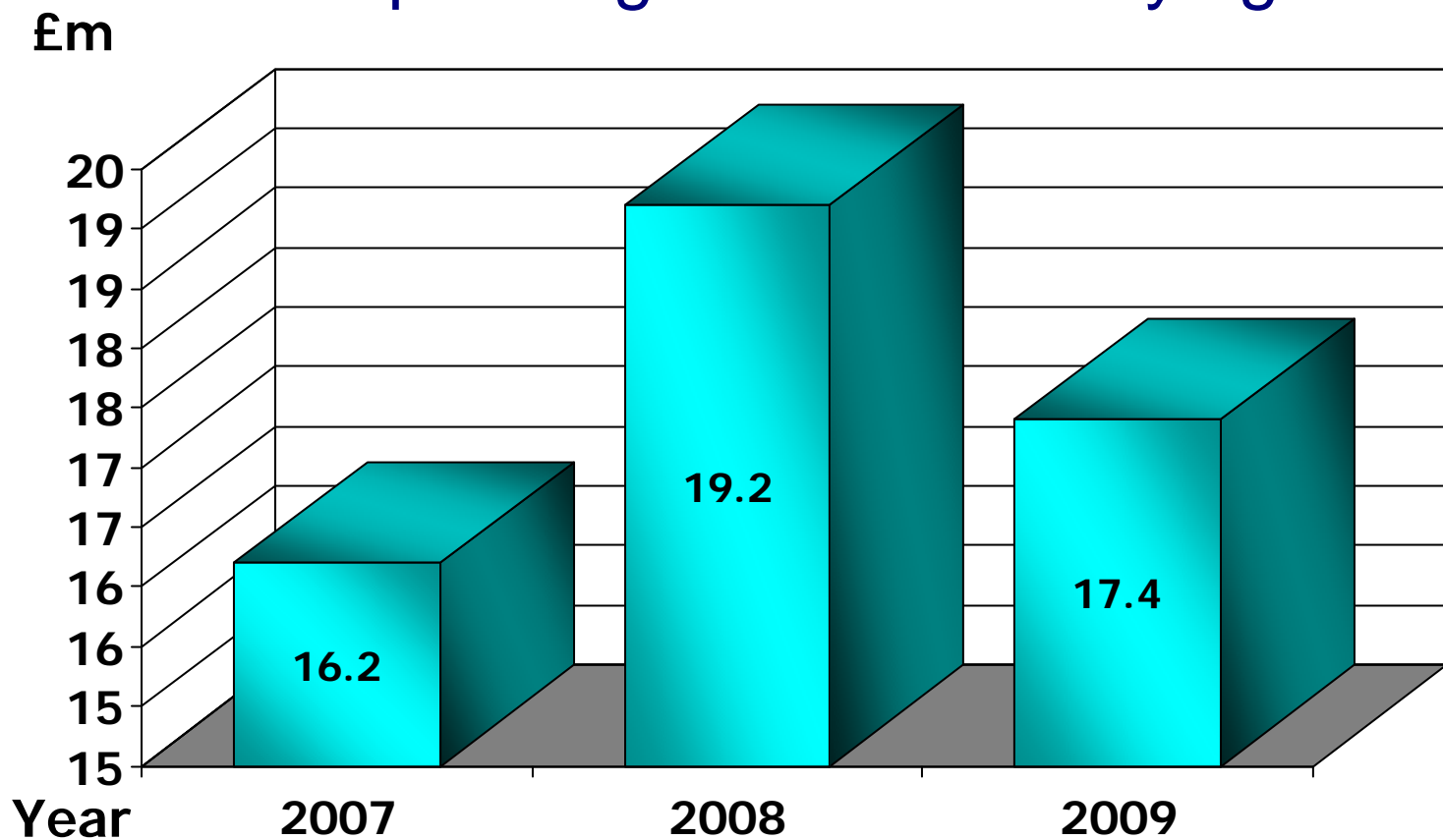




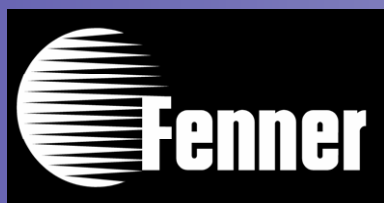
# FINANCIAL PERFORMANCE

## HALF-YEAR 2007-2009

### Operating Profit – Underlying\*



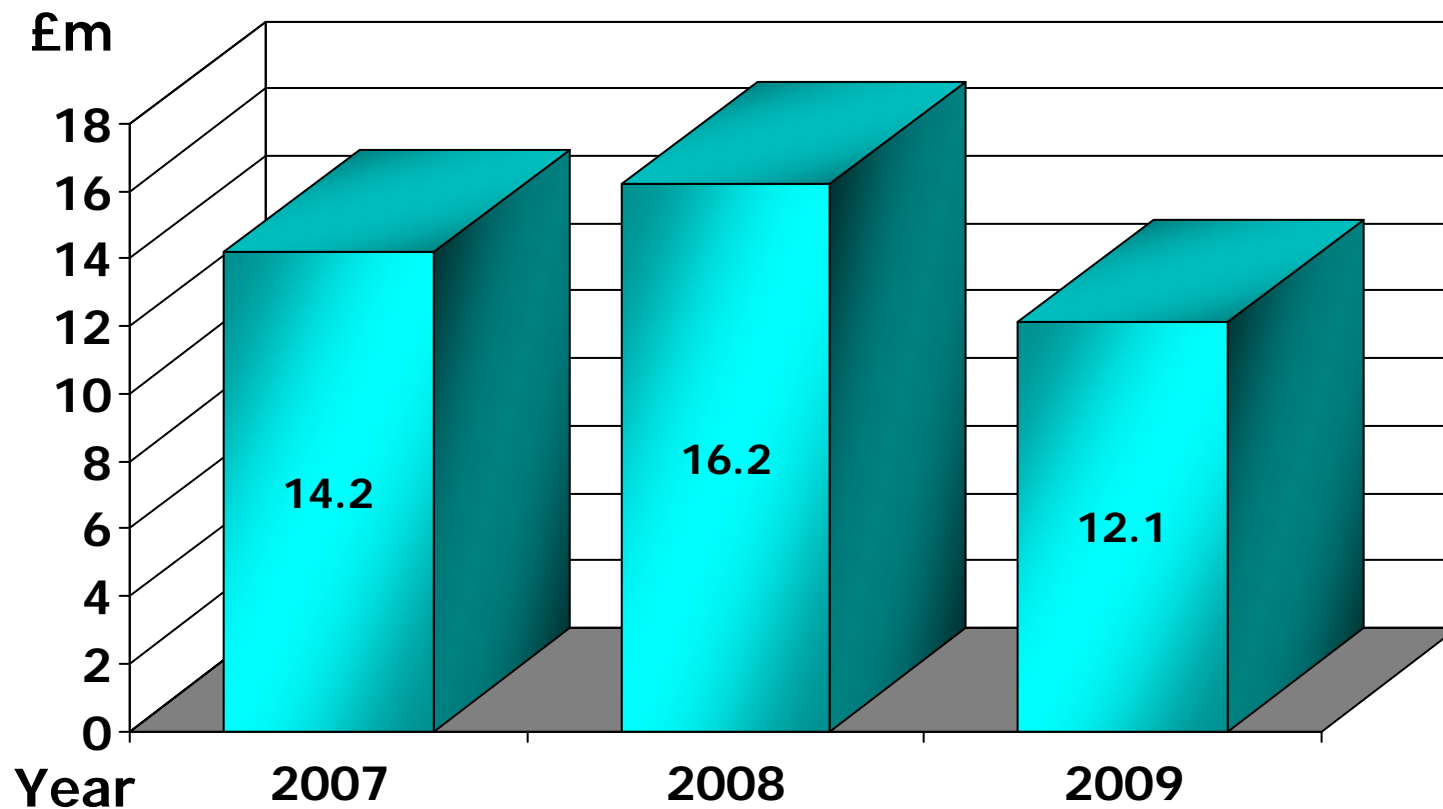
\* Before amortisation and exceptionals



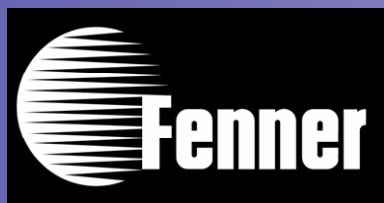
# FINANCIAL PERFORMANCE

## HALF-YEAR 2007-2009

### Profit Before Tax – Underlying\*



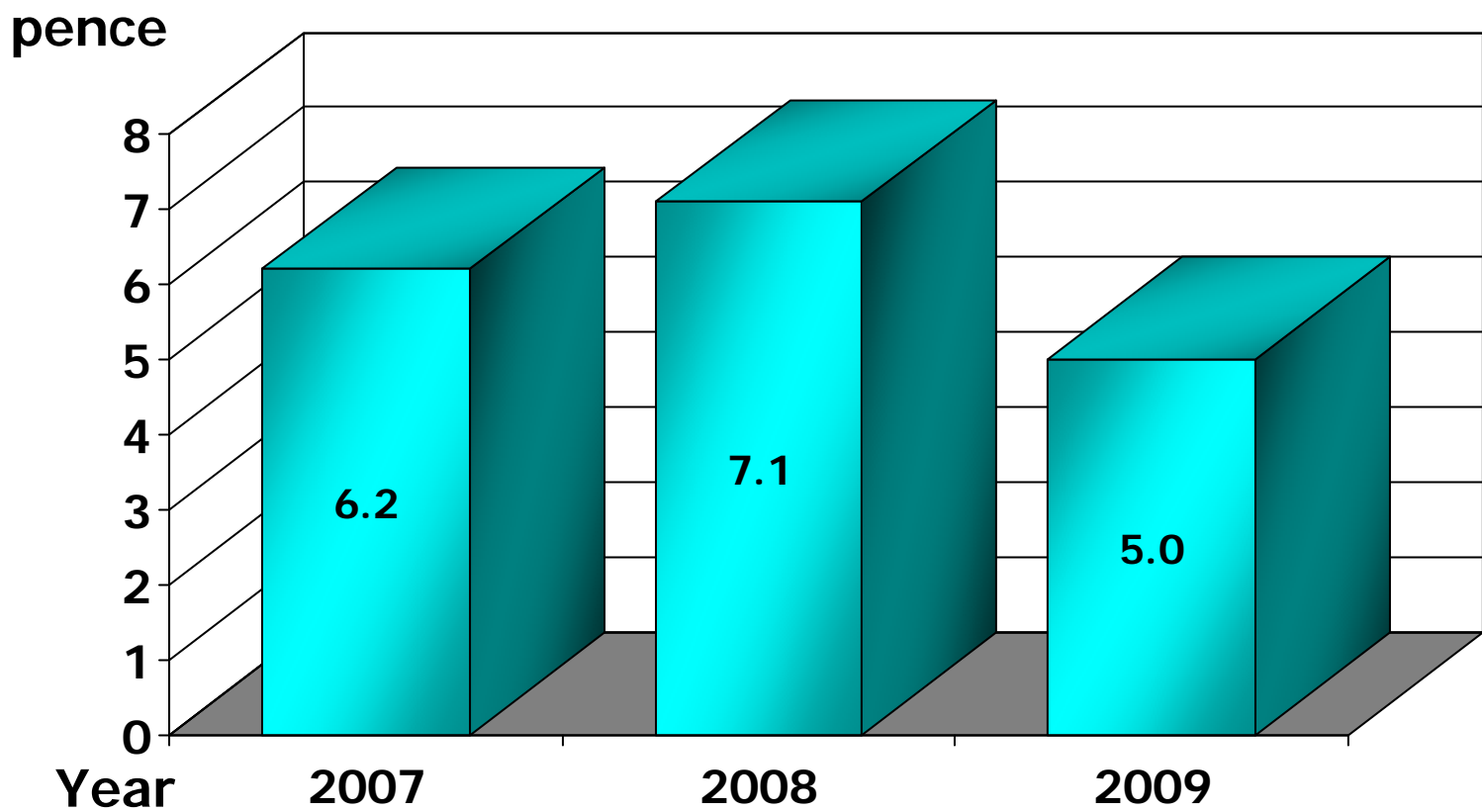
\* Before amortisation, exceptionals and notional interest



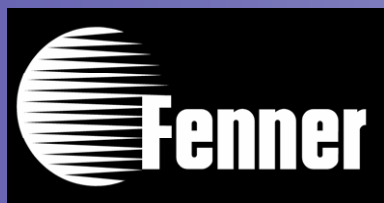
# FINANCIAL PERFORMANCE

## HALF-YEAR 2007-2009

### Earnings per Share – Underlying\*

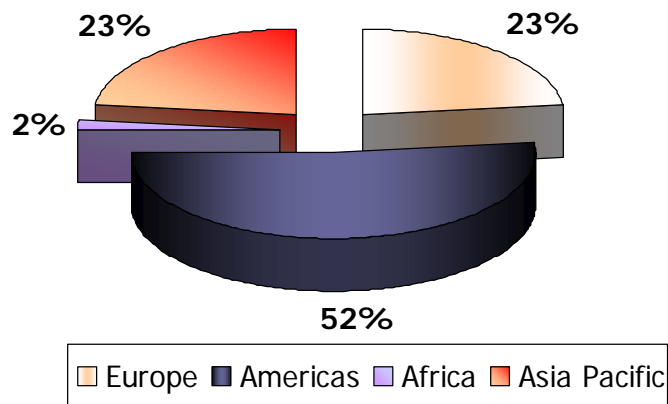


\* Before amortisation, exceptionals and notional interest

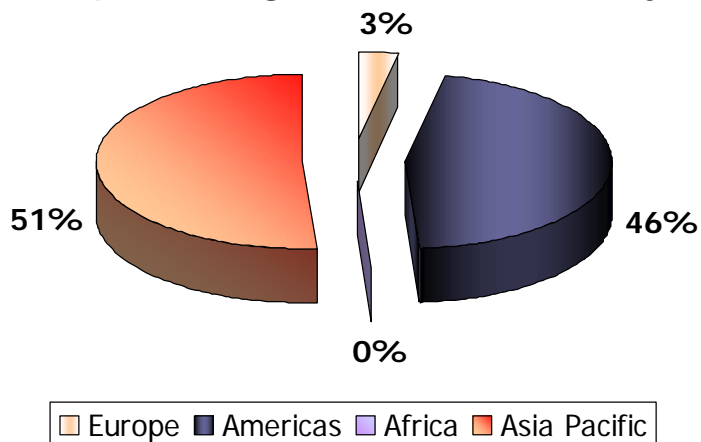


# 2009 HALF-YEAR

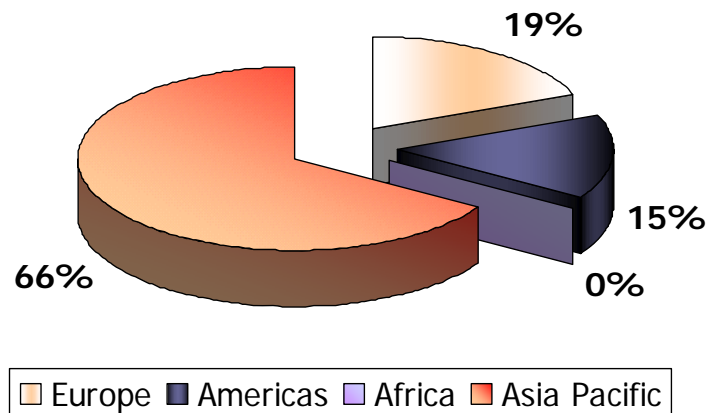
## Revenue



## Operating Profit – Underlying\*



## Profit Before Tax – Underlying\*



\* Before amortisation and exceptionals