

MELROSE PLC

Trading Update

Melrose PLC issues the following trading update for the six months to 30 June 2009. Interim Results for the six months to 30 June 2009 will be announced on 28 August 2009.

- Trading in line with expectations
- Strong cash generation
- Net debt at 30 June 2009 of £416 million (reduced by £127 million since 31 December 2008)
- Net debt to EBITDA¹ leverage down to 2.15x

¹ Operating profit before depreciation and amortisation before exceptional costs and exceptional income for the twelve months from 1 July 2008 to 30 June 2009 excluding businesses sold during the period.

Market conditions remain similar to those outlined in our Interim Management Statement issued on 14 May 2009 and, consistent with this, trading performance remains in line with expectations for the full year.

Cash generation for the Group during the first six months of 2009 has been excellent, resulting from the continuing strong focus on cost reductions and working capital management, and cash raised from disposals, in particular Logistex US. As a result, including benefits from foreign exchange movements, net debt has reduced by £127 million since 31 December 2008 to £416 million as at 30 June 2009, with net debt to EBITDA¹ leverage further reducing to 2.15x, down from 2.65x as at 31 December 2008.

Christopher Miller, Chairman of Melrose PLC, said today:

“We are very pleased that the combination of excellent cash generation from trading, disposals and exchange has enabled us to report a substantial reduction in net debt at the half year. Our full interim results will be announced as planned on 28 August. In the meantime trading for the full year remains in line with expectations.”

Enquiries

M: Communications 020 7153 1559
Nick Miles
James Hill