DART GROUP PLC

Interim Results

Dart Group PLC ("the Group"), the aviation and distribution group, announces its interim results for the half year ended 30 September 2008. These results are presented under International Financial Reporting Standards (IFRS).

Highlights

- Turnover up 8% to £272.8 million (2007: £252.9m)
- Pre-tax profits up 97% to £36.3m (2007: £18.4m)
- Underlying pre-tax profits up 175% to £33.5m (2007: £12.2m)
- Aviation load factors increased to 80.4% (2007:74.0%)
- £20.3m cash generated from operating activities (2007: £0.5m outflow)

Chairman's Statement

I am pleased to report on the Group's trading for the six months ended 30 September 2008. The Group delivered a profit before tax of £36.3m, an increase of 97% on last year (2007: £18.4m).

On an underlying basis (excluding the Specific IAS39 mark to market adjustments), profit before tax amounted to £33.5m (2007: £12.2m). This significant improvement in trading performance was principally driven by ***Jet2.com***, the Group's low-cost leisure airline, and reflects both improved yields and load factor. Underlying EBITDA increased by 77% to £52.7m (2007: £29.9m).

Net cash flow from operating activities of £20.3m was generated in the period (2007: £0.5m outflow), despite the seasonal reduction in the level of customer advance payments, which peak in March. Capital expenditure in the first half amounted to £9.5m (2007: £16.0m) primarily relating to the overhaul of the Group's aircraft engines.

Notwithstanding these strong results, the Board has decided, after careful consideration, not to pay an interim dividend, maintaining a cautious approach in recognition of current economic conditions.

Jet2.com

Jet2.com has focused on its core leisure routes from its bases in the North (Belfast, Blackpool, Edinburgh, Leeds Bradford, Manchester and Newcastle). The company operates 30 aircraft of which 29 (21 Boeing 737-300s and 8 Boeing 757-200s) are owned by the Group. The 235 seat Boeing 757-200, with its 3,500 nm range, enables us to serve popular Eastern Mediterranean, Red Sea and Canary Island destinations very cost effectively whilst still offering competitive economics to traditional Western Mediterranean resorts. The performance of this aircraft is also demonstrated by the operation of a series of direct flights to New York, the first of which took off from Leeds Bradford International Airport in early November.

We flew 2.3m scheduled passengers in the 6 months to 30 September 2008 (2007: 2.6m) with the number of routes served being reduced slightly to 74 (2007: 77). We were able to increase both yields and load factors by focusing on flying popular routes, at departure times convenient to our customers.

Ancillary revenues are continually being developed with gross revenue per passenger increasing to £15.17 during this half year (2007: £8.60). The introduction of our new in-house developed reservation system in February this year has enabled us to make it easier for our customers to purchase extra services such as seat assignment or ***Jet2Plus***, which gives airport lounge access, priority check-in and a pre-ordered meal. Further enhancements continue to be introduced by our commercial and IT teams. Additionally, travel trade interfaces have been developed to build significantly the sales distribution channels available to the airline, in contrast to other low-cost operators. This allows easy access to ***Jet2.com's*** seat inventory for travel agents and tour operators, either directly or via third party integration, and has been well received by the travel trade. ***Jet2.com*** has also introduced a loyalty scheme in November, designed to reward our regular travellers. We see this as the first stage of a considerable cross marketing opportunity with great potential for future development.

Our freight and passenger charter business continues to thrive, making the most of both the enlarged 757 fleet and the passenger and freight capabilities of our 737 "Quick Change" aircraft. We continue to build our presence in this important market, with charter revenues growing by 70% in the first half of the year.

Costs were carefully managed in the period. Our fuel efficiency programme is now achieving a 4% improvement in our fuel utilisation. We have also started to see the full benefit of the maintenance arrangements entered into with Pratt & Whitney for our Boeing 737 engines.

For the winter season, ***Jet2.com*** has managed down its overall scheduled capacity reflecting a prudent approach in the current economic environment. Popular new destinations, including Croatia, Turkey and the Red Sea, have been added for next summer, with increased flying from Manchester, whilst overall capacity will be maintained at levels similar to those of summer 2008.

Jet2holidays.com, our ATOL protected tour operator, which offers a complete leisure package, was launched in February 2007. This operation has sold over 25,000 holidays in the half year to September 2008 and it is expected that it will make an increasingly significant contribution to the airline's passenger numbers over the coming years. We believe that ***Jet2holidays.com*** will become a favoured choice for our leisure customers by meeting our customers' demand for a package holiday from their local airport on ***Jet2.com*** scheduled services.

Fowler Welch-Coolchain

The Group's logistics company, **Fowler Welch-Coolchain**, provides an integrated supply chain solution to supermarkets and their suppliers, food manufacturers, growers and importers. Services provided from its distribution centres in Spalding (Lincs), Teynham (Kent), Washington (Tyne & Wear), Stockport (Cheshire) and Portsmouth (Hampshire) include both chilled and ambient storage and distribution together with value adding and pick to order warehousing operations. The company also has important port operations in Sheerness and Southampton.

Operating margins have been impacted slightly in the first six months of the year, due to a slight downturn in sales, resulting mainly from the loss of two accounts, which have been more than replaced by business wins during the period, the most notable of these being both transport and warehousing services on behalf of Tulip Limited, and the addition of store deliveries on behalf of Tesco from our Washington distribution centre. A new warehouse management system has now been implemented in Spalding and is delivering operational efficiencies and improved management information to the benefit of the company and its customers. This project will be rolled out throughout the company's operations in the coming months.

Continued investment in driver training has resulted in improved year on year fuel efficiency, and will be further enhanced by the re-introduction of a leading vehicle brand, not part of the fleet in recent years. The expanded use of double-decker trailers gives both operating efficiencies and a positive impact on our carbon footprint. We have also contributed to a major UK retailer's supply chain efficiencies by storing and delivering product units designed for direct in-store display, enabling cost savings and environmental sustainability.

In August 2008, 10 acres of additional land adjacent to the Spalding site were secured. This will facilitate further expansion at this important site, consistent with the Group's approach to provide for future growth; a similar purchase having been made in Teynham in 2001.

The performance of the ambient business, acquired in April 2006, continues to improve; volumes have increased with both organic and new business growth, and further opportunities for development exist in this sector. In line with expectations, a positive contribution for the full year is anticipated from this operation.

Fowler Welch-Coolchain is a successful business with considerable growth prospects in both its chilled and ambient warehousing and distribution sectors. It is well positioned to exploit opportunities arising from the general economic downturn, with substantially all of its core activities being based around the food industry. The company is well protected from oil price volatility, applying a variable weekly surcharge to reflect variations in purchase prices.

Outlook

On an underlying basis, we would expect second half trading to be in line with last year. ***Jet2.com*** forward booking levels remain encouraging for the winter and ***Fowler Welch-Coolchain*** continues to perform in line with the Board's expectations. We expect a more challenging trading environment next year and will continue to manage the business cautiously in the light of current economic conditions.

Philip Meeson,
Chairman 4 December 2008

www.dartgroup.co.uk

Enquiries:

Philip Meeson, Chairman Mobile: 07785 258666
Andrew Merrick, Group Finance Director Mobile: 07788 565358

Andy Pedrette, Smith & Williamson Corporate Finance Limited (Tel: 020 7131 4000)

Consolidated Profit and Loss Account (unaudited)

For the half year ended 30 September 2008

	Note	**Half year to 30 September 2008**			Half year to 30 September 2007			Year to 31 March 2008		
		Before Specific IAS 39 mark to market adjustments	**Specific IAS 39 mark to market adjustments**	**IFRS**	Before Specific IAS 39 mark to market adjustments	Specific IAS 39 mark to market adjustments	IFRS	Before Specific IAS 39 mark to market adjustments	Specific IAS 39 mark to market adjustments	IFRS
		£m	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Turnover	*3*	**272.8**	**-**	**272.8**	252.9	-	252.9	429.3	-	429.3
Net Operating Expenses		**(237.9)**	**2.8**	**(235.1)**	(238.9)	6.2	(232.7)	(425.7)	7.9	(417.8)
Other operating income		**1.0**	**-**	**1.0**	0.2	-	0.2	2.0	-	2.0
Operating Profit		**35.9**	**2.8**	**38.7**	14.2	6.2	20.4	5.6	7.9	13.5
Finance Income		**2.4**	**-**	**2.4**	1.9	-	1.9	2.7	-	2.7
Finance Costs		**(4.8)**	**-**	**(4.8)**	(3.9)	-	(3.9)	(5.7)	-	(5.7)
Net financing costs		**(2.4)**	**-**	**(2.4)**	(2.0)	-	(2.0)	(3.0)	-	(3.0)
Profit on disposal of fixed assets		**-**	**-**	**-**	-	-	-	1.3	-	1.3
Profit on ordinary activities before taxation		**33.5**	**2.8**	**36.3**	12.2	6.2	18.4	3.9	7.9	11.8
Taxation	6	**(10.3)**	**(0.8)**	**(11.1)**	(3.0)	(1.6)	(4.6)	(0.8)	(2.3)	(3.1)
Profit for the period		**23.2**	**2.0**	**25.2**	9.2	4.6	13.8	3.1	5.6	8.7

Earnings per share - total	4									
- basic		**16.39p**		**17.81p**	6.48p		9.78p	2.15p		6.18p
- diluted		**16.39p**		**17.81p**	6.44p		9.72p	2.12p		6.13p
Earnings per share – continuing operations										
- basic		**16.39p**		**17.81p**	6.48p		9.78p	2.15p		6.18p
- diluted		**16.39p**		**17.81p**	6.44p		9.72p	2.12p		6.13p

Consolidated Balance Sheet (unaudited)

As at 30 September 2008

	30 September 2008	30 September 2007	31 March 2008
	£m	£m	£m
Non-current assets			
Goodwill	**6.8**	6.8	6.8
Property, plant and equipment	**186.3**	184.9	193.4
Derivative financial instruments	**6.0**	0.3	1.6
Deferred tax assets	**2.4**	6.2	2.8
	201.5	198.2	204.6
Current assets			
Inventories	**0.3**	0.2	0.3
Trade and other receivables	**47.9**	42.4	50.0
Derivative financial instruments	**6.6**	2.6	13.7
Cash and cash equivalents	**0.4**	4.1	4.0
	55.2	49.3	68.0
Total Assets	**256.7**	247.5	272.6
Current liabilities			
Trade and other payables	**118.6**	108.9	147.1
Borrowings	**7.6**	-	-
Derivative financial instruments	**2.1**	11.5	5.9
	128.3	120.4	153.0
Non-current liabilities			
Other non current liabilities	**6.2**	-	2.9
Borrowings	**-**	36.1	21.2
Derivative financial instruments	**4.1**	8.2	2.5
Deferred tax	**19.9**	16.4	18.6
	30.2	60.7	45.2
Total Liabilities	**158.5**	181.1	198.2
Net Assets	**98.2**	66.4	74.4
Capital and reserves			
Called up share capital	**1.8**	1.8	1.8
Share premium account	**9.3**	9.3	9.3
Cash flow hedging reserve	**8.6**	(3.8)	10.0
Profit and loss account	**78.4**	59.1	53.1
Other reserves	**0.1**	-	0.2
Total shareholders' equity	**98.2**	66.4	74.4

Consolidated Cash Flow Statement (unaudited)

For the half year ended 30 September 2008

	Six Months ended 30 September 2008	2007	Year ended 31 March 2008
	£m	£m	£m
Cash flows from operating activities			
Profit before taxation from continuing operations	**36.3**	18.4	11.8
Adjustments for:			
Finance income	**(2.4)**	(1.9)	(2.7)
Finance costs	**4.8**	3.9	5.7
Profit on disposal of property, plant and equipment	**-**	-	(1.3)
Depreciation	**16.6**	15.6	30.3
Equity settled share based payments	**0.1**	0.2	0.2
Fair value adjustments	**(2.6)**	(6.2)	(7.9)
Operating cash flows before movements in working capital	**52.8**	30.0	36.1
Increase in inventories	**-**	-	(0.1)
Increase / (decrease) in trade and other receivables	**2.3**	1.6	(6.5)
(Decrease) / increase in trade and other payables	**(33.9)**	(29.5)	12.9
Cash generated from operations	**21.2**	2.1	42.4
Interest received	**1.0**	-	0.1
Interest paid	**(2.3)**	(1.5)	(4.4)
Tax received / (paid)	**0.4**	(1.1)	(0.5)
Net Cash generated / (used) from operating activities	**20.3**	(0.5)	37.6
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	**-**	0.1	-
Purchase of property, plant and equipment	**(9.5)**	(16.0)	(38.5)
Proceeds from disposal of discontinued operations	**-**	-	1.5
Net Cash used in investing activities	**(9.5)**	(15.9)	(37.0)
Cash flows from financing activities			
Net proceeds from issue of share capital	**-**	0.1	0.1
Net (repayments) of proceeds from borrowings	**(22.0)**	18.1	3.2
Equity dividends paid	**-**	(2.0)	(2.9)
Net Cash (used) / generated from financing activities	**(22.0)**	16.2	0.4
Effects of exchange rate changes	**-**	0.4	(0.9)
Net (decrease) / increase in cash and cash equivalents	**(11.2)**	0.2	0.1
Cash and cash equivalents at beginning of period	**4.0**	3.9	3.9
Cash and cash equivalents at end of period	**(7.2)**	4.1	4.0

Consolidated Statement of Changes in Equity (unaudited)

For the half year ended 30 September 2008

	Share Capital £m	Share Premium £m	Cash Flow Hedging Reserve £m	Retained Earnings £m	Other Reserves £m	Total Reserves £m
Balance at 1 April 2007	**1.8**	**9.2**	**0.9**	**47.1**	**-**	**59.0**
Fair value movements on cash flow hedges	-	-	(6.5)	-	-	(6.5)
Deferred tax relating to cash flow hedges	-	-	1.8	-	-	1.8
Issue of shares under share option scheme	-	0.1	-	-	-	0.1
Share based payments	-	-	-	0.2	-	0.2
Profit for the period	-	-	-	13.8	-	13.8
Dividends paid	-	-	-	(2.0)	-	(2.0)
Balance at 30 September 2007	**1.8**	**9.3**	**(3.8)**	**59.1**	**-**	**66.4**
Fair value movements on cash flow hedges	-	-	19.5	-	-	19.5
Deferred tax relating to cash flow hedges	-	-	(5.7)	-	-	(5.7)
Currency translation differences	-	-	-	-	0.2	0.2
Loss for the period	-	-	-	(5.1)	-	(5.1)
Dividends paid	-	-	-	(0.9)	-	(0.9)
Balance at 31 March 2008	**1.8**	**9.3**	**10.0**	**53.1**	**0.2**	**74.4**
Fair value movements on cash flow hedges	-	-	(1.9)	-	-	(1.9)
Deferred tax relating to cash flow hedges	-	-	0.5	-	-	0.5
Currency translation differences	-	-	-	-	(0.1)	(0.1)
Issue of shares under share option scheme	-	-	-	-	-	-
Share based payments	-	-	-	0.1	-	0.1
Profit for the period	-	-	-	25.2	-	25.2
Balance at 30 September 2008	**1.8**	**9.3**	**8.6**	**78.4**	**0.1**	**98.2**

Notes to the consolidated financial statements (continued)

For the half year ended 30 September 2008 (unaudited)

1. General information

The financial statements for Dart Group Plc (the "Group") have been prepared and approved by the Directors in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("Adopted IFRS"). The Group's financial statements consolidate the financial statements of Dart Group PLC and its subsidiaries.
The interim report for the six months ended 30 September 2008 was approved by the Board of Directors on 3 December 2008.

2. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, except for all derivative financial instruments which have been measured at fair value. In addition this interim financial report does not comply with IAS 34, *Interim Financial Reporting*, which is not currently required to be applied under AIM rules.
All accounting policies, presentation and methods of computation are consistent with those described in the Group's financial statements for the year ended 31 March 2008.

The financial information contained in this statement does not constitute the Company's statutory accounts for the year ended 31 March 2008. Those accounts, which were prepared under IFRS, have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

The Group's financial statements are presented in pounds sterling and all values are rounded to the nearest £100,000 except where indicated otherwise.

3. Segmental information

For management purposes the Group is divided into two main segments, Aviation Services and Distribution. These divisions are the basis on which the Group reports its primary segmental information in the day-to-day management of the business. The following is an analysis of the Group's revenue by operating segment. All of the segmental revenue reported is from external customers.

Segmental Revenues	**Half year to 30 September 2008**	Half year to 30 September 2007	Year to 31 March 2008
	£m	£m	£m
Aviation Services	**215.6**	194.1	308.8
Distribution	**57.2**	58.8	120.5
	272.8	252.9	429.3

4. Earnings per share

The calculation of earnings per share is based on the following:

	Half year to 30 September 2008	Half year to 30 September 2007	Year to 31 March 2008
Profit for the period (£m)	**25.2**	13.8	8.7
Weighted average number of ordinary shares in issue during the period used to calculate basic earnings per share	**141,065,694**	141,004,913	141,029,664
Weighted average number of ordinary shares in issue during the period used to calculate diluted earnings per share	**141,065,694**	141,915,649	143,092,396

5. Dividends

No dividends have been paid or proposed during the six month period to 30 September 2008 (2007: £2.0m).

6. Taxation

The tax charge for the period of £11.1 million is calculated by applying an estimated effective tax rate for the year to 31 March 2009 to the profit for the period.

7. Reconciliation of net cash flow to movement in net debt

	Half year to 30 September 2008	Half year to 30 September 2007	Year to 31 March 2008
	£m	£m	£m
(Decrease) / increase in cash in the period	**(11.2)**	(0.2)	0.1
Cash (inflow) / outflow from (increase) / decrease in net debt in the period	**22.0**	(18.1)	(3.2)
Change in net debt resulting from cash flows in the period	**10.8**	(18.3)	(3.1)
Other non cash changes	**(0.8)**	0.4	0.1
Net debt at beginning of period	**(17.2)**	(14.1)	(14.2)
Net debt at end of period	**(7.2)**	(32.0)	(17.2)

8. Contingent liabilities

The Group is in litigation in the US against Sutra Inc and Novak Niketic, who provided use of the reservation system operated by Jet2.com until February 2008, in relation to the termination of the use of this system. An unspecified counterclaim has been lodged which is being vigorously defended by the Group in respect of which the Directors estimate approximately $2.5m liability in the unlikely event that the counterclaim is successful.

9. Other matters

This report will be posted on the Company's website, www.dartgroup.co.uk and copies are available from the Company Secretary at the registered office of the Company, Low Fare Finder House, Leeds Bradford International Airport, Leeds LS19 7TU.