SCOTTISH RESOURCES GROUP PLC PRELIMINARY RESULTS 2010
Results for the 52 weeks ended 27 March 2010

HIGHLIGHTS

- Revenue up 59% to £229.9m (2009 - £144.6m)
- Sales tonnes up 30% to 4.05 million tonnes (2009 – 3.12 million tonnes)
- Average sales price per Gj up 20% to 2.35/Gj (2009 - £1.96 Gj)
- Production increased 13% to 3.4 million tonnes (2009 3.0 million tonnes)
- Operating profit before interest and tax of £33.1m (2009 - £6.2m loss)
- Profit for period of £21.2m (2009 – £9.1m loss)
- Further investment and improvements in the operational capacity of the Group's plant fleet;
- EBITDA * of £48.2m up £31.7m from £16.5m in 2009
- Net bank debt reduced by £18.4 million to £19.9m
- New three year banking facility entered into with Lloyds Banking Group
- Audited JORC compliant coal reserves and resources of 52.3 million tonnes, Non - JORC reported coal resources of 7.6 million tonnes and 42.6 million tonnes of identified future coal prospects
- RICS Red Book property valuation of £55.7million

	2010	2009
Revenue (£ in millions)	**229.89**	144.60
Coal mined (tonnes in millions)	**3.4**	3.0
Coal sales (tonnes in millions)	**4.05**	3.12
Operating profit/(loss) (£ in millions)	**33.10**	(6.19)
EBITDA before revaluations (£ in millions)*	**48.16**	16.54
Profit/(loss) for the period (£ in millions)	**21.24**	(9.12)
Property, plant and equipment (£ in millions)	**117.00**	104.04
Reserves and resources (tonnes in millions)	**52.26**	-
Net debt (£ in millions)	**54.41**	67.43
RIDDOR ** reportable accident frequency rate per employee (including contractors)	**0.01732**	0.01938

*- EBITDA before revaluations is defined as operating profit/(loss) before revaluation movements, depreciation and amortisation.
**- RIDDOR – the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations.

Don Nicolson, Chief Executive, commented:

"The Group continued to position itself for further growth during the year. In addition to successfully strengthening our balance sheet through the agreement of new banking facilities, the Group has continued to invest significantly in renewing and increasing our extensive plant fleet as well as increasing the workforce, preparing new mine sites for production and securing new sales contracts. The international coal price benchmark most relevant to our business (API#2) fell during the recession, but has subsequently recovered and, at the time of writing, the forward international coal price benchmark has risen both for the current year and beyond. This price growth is encouraging for the business's future prospects.

"I am encouraged by both the performance and progress of the business during the recessionary economic environment and believe the Group is well positioned to take advantage of global recovery when it comes. Over the coming financial year I am optimistic that the Group will continue to perform well and make further positive steps towards executing strategy."

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