

Response to recent shareholder communication **Released: 15/04/2011**
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 National Express Group PLC
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The Board of National Express Group PLC ("National Express" or "the Group") notes the recent announcement and presentation by Elliott Advisors (UK) Ltd ("Elliott") outlining its rationale for seeking strategic changes to the Group.

The Board welcomes views and feedback from all of its shareholders. The Board agrees with several of Elliott's points, including the potential opportunities in North America and other global markets as sources of building long term shareholder value growth. Indeed, the Group has a dedicated Business Development team which is currently pursuing a significant pipeline of bids, tenders and growth opportunities in targeted geographies and markets.

However, the Board disagrees with Elliott that the Group does not have an independent future in its existing markets. As the fifth largest Europe-based bus and coach operator, National Express believes that its scale is a significant competitive advantage in a liberalising European market. The Board also believes that Elliott's proposed strategic options are focused on the short term and ignore the Group's superior longer term value creation opportunities.

The Board believes that the current National Express strategy (set out in the Group's 2010 full year results in February 2011) is positioned to maximise long term value for shareholders. This strategy has delivered significant improvements in performance and value over the last 12 months. It links strong performance from the Group's UK Bus and Coach divisions, which achieve good returns from perpetuity, unregulated businesses, with market leading franchise-based operations in Spain and North America. The Board continues to be open to all routes which enhance long term value and keeps its strategy under continual review.

Elliott is also seeking to appoint three individuals nominated by them as non-executive directors ("NEDs"). The Board believes that the Nominations Committee of the Board is best placed to add appropriate fully independent NED expertise, consistent with best corporate governance practice. The Nominations Committee started the process of identifying and appointing additional NEDs several weeks ago and this process is progressing well. Consequently, the Board urges investors to reject Elliott's proposals to appoint its three candidates at the forthcoming Annual General Meeting to be held on 10 May 2011. The Board also urges shareholders to support the reappointment of Roger Devlin as a NED of the Group.

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