

## AIRPORTS "EGO TRIP" BURNS SHAREHOLDERS MONEY

This true story explains the "ego trip" of Andrew Tinkler and William Stobart, who together have burnt over £75 million of Stobart Shareholders money....

Having reviewed many documents and joined up the dots, we can reveal the scale of the financial disaster of £70 - £95 million for Stobart Shareholders of both Carlisle and Southend Airports.

The company is still laden with debt of over £100 million (for Air) on assets not even worth £55 million which then provides in 6 months just £100,000 in profit !! .....a screaming disgrace that Shareholders have been abused in this way.

Stobart Group, in the hands of Andrew Tinkler and William Stobart, in our assessment upon the documents we have seen, are trading with a False Balance Sheet on the London Stock Exchange.

Auditors KPMG are invited to take note. End of year is tomorrow and at that point these two Airports must be written down on the Stobart Balance Sheet to reflect reality, not fantasy.

The Shareholders are going to have to take this short term hit, but ultimately the Public Company will be better for it. At the very least Andrew Tinkler and William Stobart also need to pay the price of their woeful judgement of the folly of these two airports.

Carlisle Airport: It was valued in 2006 at £1.75 million. Andrew Tinkler and William Stobart sold it to Stobart Group in 2009 for c£15 million (cash and shares) in a very simple fraud involving an over valuation they had created through deception. They then bizarrely put it on the Stobart Balance Sheet for a further £8 million on 30th May 2009 at £23 million which is the false figure it still sits at upon the Balance Sheet. It is today only worth a very generous maximum of £4 million but likely to be much lower and nearer £2 million. RBS lent £5 million....on an asset that was not even worth that and Shareholders gave Cash and Shares to Andrew Tinkler and William Stobart of c£15 million. Pension Fund Shareholders have been financially raped.

Southend Airport: Stobart accept in their own publicity they have spent £125 million on Southend Airport, that was never suitable for development. Andrew Tinkler was personally advised of that. We predict an aviation disaster there one day when an aircraft comes down using the unlawful 06 ILS Approach or on Takeoff. Aircraft are flying exceptionally low over thousands of houses. The UK CAA for some bizarre reason violated their own CAP 168 Safety Rules of Protected Airspace around airports, which the DfT is now considering. When we have compared market comparables of the Airport sales of Leeds Bradford, Edinburgh, Luton and Stansted, it is clear that Southend Airport is worth no more than £50 million.

Stobart whom are believed to still have a significant outstanding debt to Southend Borough Council are actually having to pay easyjet to fly there. So much needed cash, from other parts of the business, are supporting the folly of Southend Airport. Ultimately of course, if "Boris Island" comes to fruition, Southend Airport will have to go for Airspace reasons, so Shareholders will lose even more. It was always a massive gamble which no one considered.

Balance Sheet: In our assessment the Stobart Balance Sheet is overvalued by at least £75

million. KPMG you are requested to address this issue in the Audit to 28th February 2014. A False Balance sheet creates a False Market in Shares on the London Stock Exchange.

In the Interim Statement of 31st August 2013 Stobart admitted they had made just £100,000 in "Air" on assets that they have on the Balance Sheet at over £145 million. That is a financial disaster and you would struggle to find a worse Return on Capital Invested figure in a UK Public Company. The company is laden with debt of over £100 million (for Air) on assets not even worth £55 million, which then provides just £100,000 in profit... a trully incredible loss of financial sense playing with other peoples money.

The reality is that Pension Fund Shareholders of Stobart Group are saddled with massive debt and have lost somewhere between £70 million and £95 million so far, on what was only ever an "ego trip" of Andrew Tinkler and William Stobart. They must leave this Public Company for incompetence in management, at the very least, let alone for all the other issues that surround this duo. Then Stobart can be turned around and Shareholders money can stop burning.....