

MBH INTERIM MANAGEMENT STATEMENT

Manganese Bronze Holdings PLC, parent company of LTI Vehicles, has announced its interim management statement for the period 1 January to 13 May 2009 to coincide with its AGM.

CURRENT TRADING

The report states that trading in the UK continues to be uncertain, which makes forecasting the level of demand for new taxis more challenging. Overall vehicles sales for the four months to the end of April are down 18.8%, to 699 vehicles against 860 vehicles in the comparable period last year. "This is due to a combination of the macro economic backdrop and the fact that the comparative March saw a near record sales volume in a very challenging year. This performance is broadly in line with our expectations and well ahead of the UK car market which is down 28.5% for the four months to the end of April," states the report. Earnings are also being negatively impacted by the strength

of the Euro. This has increased the cost of engines purchased from Italy and the lower level of sales.

SCRAPPAGE SCHEME

In the recently introduced UK car scrappage incentive scheme for vehicle owners to scrap old vehicles in exchange for new ones, purpose built taxis were included. LTI has registered for the scheme which commenced on May 18th 2009. The scheme is due to end by the start of March 2010 or when funding for the scheme has been used, if earlier.

PROGRESS IN CHINA

Shanghai LTI offers the best potential to secure the long term profitable future for the Group. The report says: "The joint venture will allow us to solve our strategic issues in relation to significantly reducing the cost base both internationally from Shanghai and in the UK, and our over-reliance on a single market. This should enable growth in international sales and a return to

profitability for the Group." Good progress is reported, with the start of prototype production, as planned, in June 2008 and the announcement by SLTI of commercial production in January 2009. This was followed up by the launch of the vehicle at the Shanghai Motor Show in April 2009.

The memoranda of understanding was signed for a total of 8,000 vehicles, to be produced by SLTI in Shanghai over three years, with deliveries starting in mid 2009.

TX4 UPDATE

The product recall of TX4 vehicles is almost complete with less than 10% of the vehicles affected outstanding. MBH still expect the costs of the recall to be approximately £3.8m, and have made progress as planned for recovery of some of these costs.

LTNA

Due to ongoing losses, and the depressed nature of the US advertising industry, the decision has been taken

to close the Group's operation in the US, known as London Taxis North America. This closure will be implemented by 31st July 2009 and will not significantly impact the Group's ability to sell vehicles into the US moving forward. On closure, the Group is targeting to maximise cash generated from the net assets of LTNA, which were valued at £1.2m as at 30th April 2009.

PROSPECTS

Due to the current economic backdrop, forecasting has become far more difficult. Sales volumes in the UK in the first four months of 2009, although disappointing, are broadly in line with MBH expectations. Despite the benefit of cost savings generated in 2008, the ramp up of procurement saving from Chinese parts and additional cost savings targeted for 2009, the UK business is expected to be challenging in both margin and volume terms.

DRIVERS ENJOY BREAKFAST AT THE LANGHAM

Taxi drivers have been able to enjoy a drive past breakfast every Friday during May at The Langham which has been extensively refurbished. Over the past five years, a remarkable sum of £80 million has been spent on painstaking work on this iconic and listed London landmark building. Guests can once again enter the five-star property through its grand lobby. "Despite the current economic climate, this sizable investment in our London flagship clearly demonstrates our commitment to expand The Langham brand internationally and to become recognised as one of the leading global luxury hotel companies," comments Brett Butcher, Langham Hotels International's newly-appointed Chief Executive Officer. "The Langham is back, looking even more beautiful than when she first opened in 1865, and once again, we have spared no expense to ensure the highest level of comfort with service the way it was always meant to be," adds Katie Benson, The Langham, London's new Managing Director and Regional Vice-President for Europe and North America.

EUROPE'S FIRST 'GRAND HOTEL'

On 17 July 1863 the foundation stone of The Langham, London was laid and on Saturday 10 June 1865 The Langham, London enjoyed its grand opening presided over by HRH The Prince of Wales (later King Edward VII). The Langham, London was not only the capital's first purpose built 'Grand Hotel', but also the first in Europe. When it opened it had the accolade of being one of the largest public buildings in London with seven floors,



600 rooms and over 300 water closets. Other innovations that were introduced included the first-ever hydraulic lifts, London's first hotel with air-conditioning and a 365-foot deep artesian well beneath the hotel for an ample fresh water supply.

Having suffered bomb damage at the start of the Second World War, and then a period of ownership by the BBC, The Langham was operated by the Hilton Group from 1991 until

2004 when Langham Hotels International took control of the property and began the ambitious 5-year refurbishment of the hotel, leading to this year's unveiling of the jewel in Langham's crown.

THE GRAND BALLROOM

Hosting lavish celebrations since the Victorian era, when it was tradition to lay a red carpet for brides from All Souls' Church across to Langham Place to the hotel's entrance the listed Grand Ballroom has been lovingly restored. Taxi drivers can find a dedicated new entrance on Portland Place.



TEMPORARY CLOSURE OF UPPER BANK STREET BRIDGE

Upper Bank Street Bridge over North Dock will be closed for up to 12 months from 18 May because work is starting on the Isle of Dogs Crossrail Station. The bridge, owned by Canary Wharf Group, provides vehicle and pedestrian access between the north side of the Canary Wharf Estate and Aspen Way and is the least busy of the four access points to Canary Wharf, with most traffic passing through Westferry Circus and Trafalgar Way. "Short term inconvenience will result in long-term gain for local residents and businesses" said Cliff Bryant, Executive Director of Canary Wharf Contractors Limited, which is constructing the station.