

Delivering our strategy

We are the leading transport operator in the UK and North America. Our strategy is to provide safe, reliable, innovative and sustainable services and to increase shareholder value through profitable growth in our core markets.

This has been a year of significant achievement for the Group. We established our position as the market leader in North America through our acquisition of Laidlaw. We lead the industry with our safety initiatives and continue to strive to find ways in which we can achieve the highest possible standards. We are focused on delivering safe, high quality and reliable services and have made significant investment in our people and our business to support this objective.

21.4%

increase in adjusted basic earnings per share to 40.9p

26.9%

increase in revenue to £4,707.6m

23%

reduction in Lost Time Injuries

38.9%

increase in adjusted operating profit to £360.1m

40.6%

increase in adjusted EBITDA to £560.8m

>90%

contract retention in First Student

	2008	2007
Revenue (£m)	4,707.6	3,708.8
Adjusted operating profit ¹ (£m)	360.1	259.2
Operating profit (£m)	267.5	203.6
Adjusted profit before taxation ¹ (£m)	249.0	195.8
Profit before taxation (£m)	151.9	140.2
Adjusted basic EPS ¹ (pence)	40.9	33.7
Basic EPS (pence)	27.7	23.1
Adjusted EBITDA ² (£m)	560.8	398.9
Adjusted EBITDA: interest cover ³	5.0x	6.3x
Net debt ⁴ (£m)	(2,161.0)	(516.2)

¹ Before amortisation charges, non-recurring bid costs, other non-recurring items and profit/(loss) on disposal of properties

² Adjusted operating profit plus depreciation

³ Adjusted EBITDA divided by the net of finance costs and investment income

⁴ Net debt is stated excluding accrued interest